

Situational Crime Prevention in Cerritos and Paramount Industrial Parks

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Industrial areas are popular venues for certain types of crime, especially burglaries, primarily because buildings contain high-value contents and are unoccupied at nights and on weekends. They can also be popular spots to hang out for gangs and teenagers.

Industrial buildings may be part of an integrated industrial park, or they may be individual buildings in industrial districts or other neighborhoods that are not part of a "park-like" setting. Security concerns are amplified for individual industrial properties because it is harder to control what happens in adjacent buildings.

Security in industrial properties is a primary concern for both landlords and tenants. For tenants, the existence of crime increases their costs to cover repairs and economic losses; for landlords, crime hurts occupancy rates, lease rates, and property values, all of which reduce economic returns.

Even though tenants reimburse the landlord for security expenses, such expenses directly affect income generated by a property. Tenants consider reimbursements for expenses as part of their rent. If the sum of the reimbursed expenses and the base rent is out of line with other competitive projects, they will move to the project that offers lower total occupancy costs. In addition, a landlord's responsiveness to tenants' concerns about crime may determine whether tenants renew their leases or move out when their leases expire. Landlords usually try their best to keep incidents of crime under control by implementing effective prevention programs.

Little formal research has been done on crimes in industrial parks. Steps to prevent crime are similar in some respects to crime on campus, where one also finds buildings that are

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unoccupied at night and on weekends. Sonic issues, like access, are similar to crime prevention in residential subdivisions.

This chapter provides an overview of the types of crime found in industrial parks and some solutions that have been tried successfully to reduce its rate of occurrence. It presents two case studies in the greater Los Angeles area to illustrate some common and effective approaches to crime prevention. Each case study begins with an analysis of the general situation and a description of the types and patterns of crime in the industrial park, and includes an evaluation of steps taken to reduce crime.

Crimes in industrial parks can be classified into three categories: 1) theft of and from automobiles; 2) theft of materials and equipment from buildings; and 3) graffiti and vandalism. The two case studies share common approaches to crime prevention; restricting access to the park and free movement within the park are key solutions. In addition, the presence of surveillance and sufficient lighting can prevent crime by increasing the image of security as well as increasing perceived risks to potential burglars.

Cerritos Business Park

Cerritos Business Park is located in the city of Cerritos, a predominantly middle- and upper-middle-income community in northern Orange County. The city is part of the Los Angeles/Long Beach industrial corridor and has a large industrial employment base. Since the late 1980s, it has successfully attracted a large number of businesses.

The park is situated on a 20-acre parcel west of Valley View Avenue and south of Artesia Avenue (see Figure 9-1). A paved drainage easement borders the property on the south and west sides. The property has excellent access to two freeways—1-5 (the Santa Ana Freeway) and I-91 (the Artesia Freeway). The park consists of 11 buildings with a total area of approximately 395,000 square feet. Currently, it has 40 tenants, most of which are high-tech electronics companies and distribution companies.

The asset manager for Cerritos Business Park is Westmark Realty Advisors. When Westmark acquired the property, the buildings were painted different colors. The park looked drab and aged; individual buildings did not appear to be part of a larger, integrated business park. Moreover, the park was experiencing a number of crime-related problems, including thefts of and from autos, break-ins of warehouses and buildings, and thefts from the buildings. Vacant buildings, lack of visibility to passersby, and limited security exacerbated the crime problem.

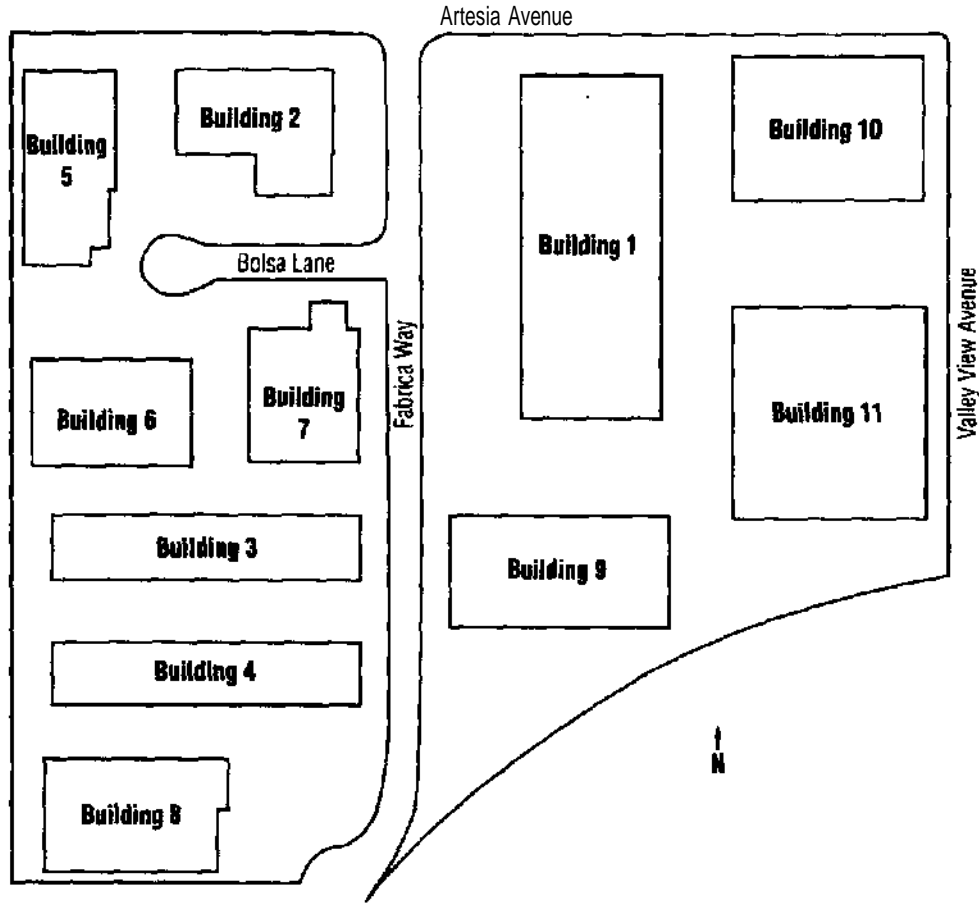
Working with its property manager, Transtar Commercial Real Estate Services, Westmark began to give Cerritos a fresh image in the local market, beginning by giving the buildings a face-lift. They painted the buildings the same color, spruced up the landscaping, and resurfaced parts of the parking lot. At the same time, they undertook a number of steps to prevent crime. Improvements were made over a one-year period and are credited with significantly reducing crime in the business park.

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Figure 9-1

Cerritos Business Park



Fencing the Property

Proximity to a residential area can be a major source of crime, especially juvenile crime, in industrial parks, because perpetrators can enter and exit the park quickly without incurring too much risk of being seen, Cerritos Business Park borders a large area of multifamily apartment buildings whose residents (and others) frequently travel through the business park. Transtar installed fences to prevent access to the property as a whole as well as to prevent quick exit from the park to the major street, Valley View Avenue. The drainage ditch next to the business park also provided access for the homeless and a getaway for burglars, and fences were installed there as well.

Fencing was also installed between certain buildings within the complex, helping to prevent burglaries (including "smash-and-grab" burglaries), because it narrowed the alternative escape routes for potential criminals. Transtar considered placing chains across drives and between parking lots and alleys to prevent drive-through burglaries but learned that in

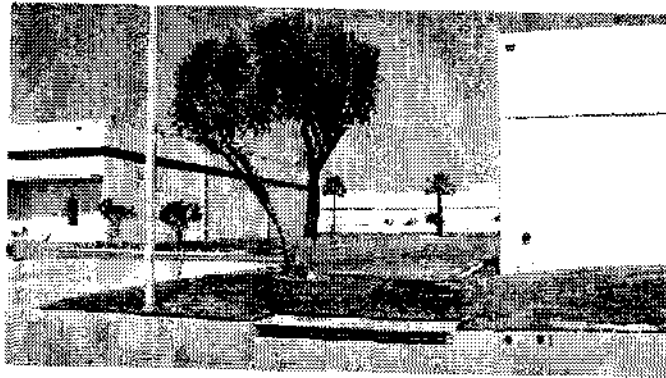
another business park, a motorcyclist was killed by a rope the owner had put across a driveway. (The motorcyclist failed to see the rope.) Because it did not want the risk of similar incidents, Transtar resorted to the more expensive option of installing fencing. The cost of new fences came to about \$5,000,

Improving Security in the Buildings

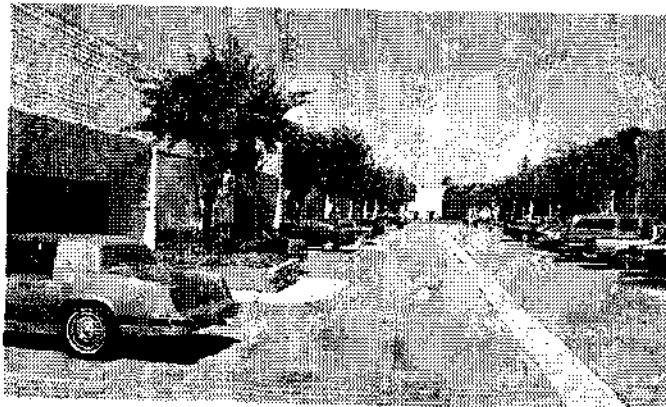
Vacant buildings are always more prone to crime than occupied buildings. Transtar realized that "for lease" signs in front of vacant buildings actually functioned as advertisements to burglars and removed all such signs, encouraging brokers and prospective tenants to call the management company to find out which buildings were available. Further, the doors of vacant buildings were sealed from the inside to make it harder for burglars to break in.

Three-quarters of the tenants in the park have their own security systems. All back doors in the buildings have latch cards that help prevent illegal entry. To prevent smash-and-grab incidents (common in electronics stores and other tenants with high-value merchandise), some tenants wanted to install bars behind the windows at their own cost. The city of Cerritos, however, opposed the bars because they created a fortress-like appearance. After negotiations between the landlord and the city planning department, bars were allowed, but they were designed and installed to work like blinds, and retracted during business hours.

At Cerritos Business Park, fences installed between the buildings prevent easy escape for burglars, who prefer multiple escape routes through the back alleys.



The tree-lined access drive creates an attractive facade that hides bars behind windows and other security measures.



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Improved Lighting, Surveillance Systems, and Nighttime Patrols

Easy hiding from passersby makes industrial buildings prime targets for burglary, especially if buildings have easy access. Building 11, on Valley View Avenue, is occupied by retail tenants. This building and the adjacent ones, which are open on Saturdays, have fewer problems because of their higher visibility and the prevalence of foot traffic on Valley View and on weekends.

Inside the park, a number of techniques known to prevent crime were installed, including better lighting, surveillance, and methods of patrol, which help to increase the sense and presence of security. After analyzing exterior lighting, the landlord installed 20-foot-high lights with 250-watt high-pressure sodium lamps focused on major spots on the property. The entire business park has since been lit all night. The landlord also installed surveillance video cameras, some of them mock.

Nighttime patrols were contracted with a security company. Nighttime drive-by security costs approximately \$600 per month, weekend security \$16.50 per hour for a 24-hour shift, or \$1,700 per month. The total is \$24,000 to \$30,000 per year. In contrast, a full-time security guard would cost approximately \$30,000 per year for one eight-hour shift. The cost is included in the pool of expenses reimbursed by the tenants. Although on-site patrols are the most costly method of reducing crime, they were considered necessary to maintain the business park's new low-crime image.

Other Methods

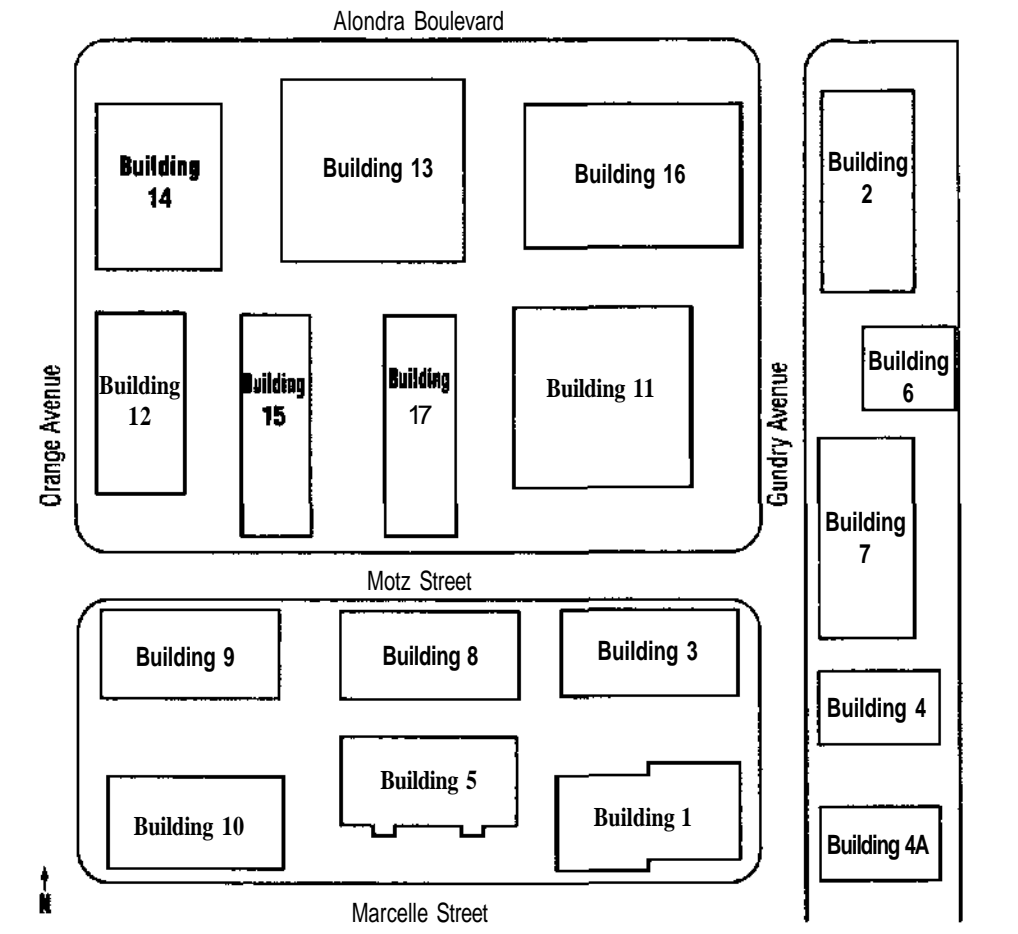
Teenagers from adjacent residential communities were frequent visitors to the park and were responsible for most vandalism—loitering, drinking beer, littering, and writing graffiti. In the past, the landlord removed graffiti within 24 hours, but it did not alleviate the problem. After all the buildings were repainted, graffiti became less of a problem. To deal with trash and the problem of teenagers congregating, the landlord simply turned on the sprinklers for a few minutes every hour.

Outcomes of the Program

One year before the crime prevention program began, break-ins occurred every weekend. Now, crime has been reduced to one incident every two months—about one-tenth of the original volume. Enhanced exterior lighting, fencing, on-site security, and nighttime patrols are credited with the reductions. At the beginning of 1995, the industrial park was 85 percent leased. In March of that year, the occupancy rate dropped to 75 percent. But in May, the rate rose to 92 percent and as of early 1996 had reached 98 percent occupancy.

The effects of the crime prevention program are also cost-effective to the landlord, as tenants directly reimburse the landlord for most costs. Total security costs (not including painting) were approximately \$15,000 in fencing and lighting plus \$24,000 per year in patrols. While some of the improved performance is the result of repainting and an improving market, property manager Wendall Sparks says that the benefits of the crime prevention

Figure 9-2
Paramount Industrial Complex



program are threefold: rents have increased 10 to 15 percent; occupancy has increased dramatically; and spaces are unoccupied for a shorter time after a tenant moves out.

Paramount Industrial Complex

Paramount Industrial Complex is located in the city of Paramount, a southeastern Los Angeles County suburb in the Los Angeles/Long Beach corridor with a large portion of low- and moderate-income households and a large industrial base. Like Cerritos Business Park, Paramount Industrial Complex enjoys excellent access to two major freeways—1-710 (the Long Beach Freeway) and 1-91 (the Artesia Freeway). The park is located in a higher-

crime area than Cerritos, the buildings are older and smaller, and the park is bisected by streets that cannot be closed off.

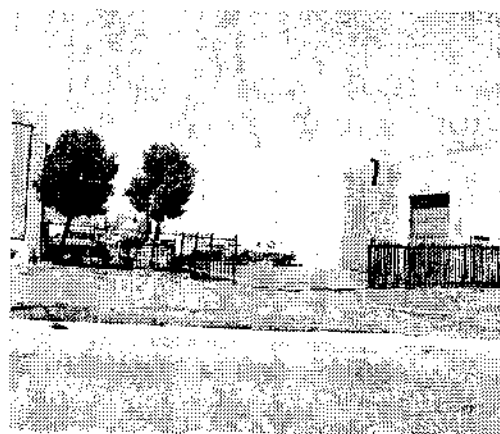
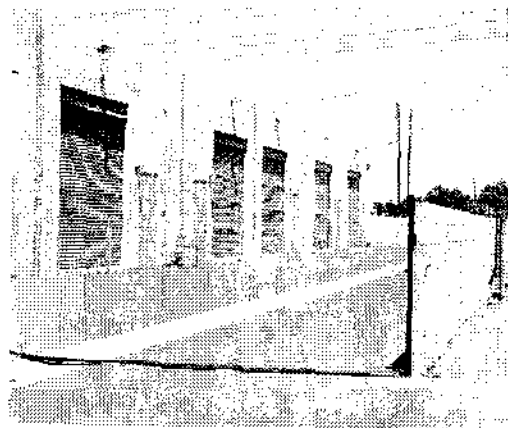
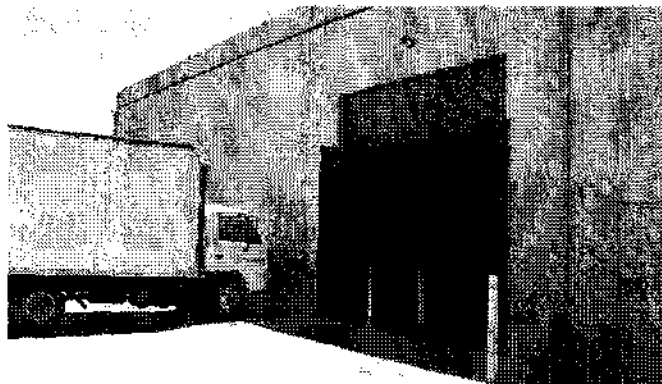
The project is located on the southeast corner of Alondra Boulevard and Orange Avenue (see Figure 9-2). A residential community is located across Alondra Boulevard. The park consists of 18 buildings totaling 393,000 square feet. In January 1996, it was 84 percent leased by 20 tenants, most of them light manufacturers, distributors, and assemblers.

The crime rate at Paramount Industrial Complex was higher than at Cerritos Business Park, because it is closer to communities noted for high crime rates, such as Watts. In recent years, the park has suffered a particularly high incidence of auto theft from within the complex. In addition, a series of burglaries occurred in which the thieves backed a vehicle into a unit's roll-up doors, knocking the doors off their tracks to allow access to the unit.

Improved Drive-by Security

The initial step to address the issue of stolen cars was to contract for drive-by security services during the day (in addition to the management company's normal nighttime drive-by security). The daytime patrol surveyed the property 12 hours a day, seven days a week, for four weeks and then was reduced to eight hours a day, five days a week for another four weeks. Patrol cars appeared randomly. Further, the nighttime security service's patrol was increased from

At Paramount Industrial Complex, removable concrete-filled steel bollards in front of the dock doors prevent smash-and-grab burglaries, lighting over each door and removable bollards help prevent crime in the loading areas, and fencing around parking areas helps to prevent car theft, one of the most frequent crimes.



three nighttime patrols and one daytime patrol on weekends and holidays to five nightly patrols and three daytime patrols on weekends and holidays.

The landlord absorbed one-half of the expenses for daytime security, and tenants reimbursed the landlord for the other half (included in the pool of maintenance expenses). The total expense for just the daytime drive-by security patrol was approximately \$1,200 per month. The expense for nighttime security was included in the pool of expenses reimbursed by tenants.

Restricted Opportunities for Break-ins

Several alternatives were considered to improve security of roll-up doors: replacing existing doors with a thicker aluminum, installing scissor gates across the interior or exterior of the doors, and installing removable concrete posts (bollards) in front of the doors. The cost of replacing all of the roll-up doors was prohibitively expensive, and scissor gates were deemed ineffective. So, removable concrete posts were installed in front of loading docks. The posts prevent burglars from ramming the roll-up doors with their trucks and grabbing easily accessible merchandise. The bollards, which cost about \$6,000 to install, can be removed by using a key during normal operating hours. The landlord paid for their installation.

Improved Exterior Lighting

In 1992, the condition of exterior lighting was examined to determine whether existing fixtures were adequate and were being properly maintained. The landlord determined that a monthly maintenance service for the exterior lighting fixtures would benefit the project and contracted with an electrician for the task. These expenses are included in the pool of maintenance expenses reimbursed by the tenants.

During 1992 and 1993, exterior lighting fixtures in poorly lit areas were upgraded. Old fixtures that did not provide adequate coverage were replaced. The landlord bore these costs, approximately \$8,000 for each of the two years.

Perimeter Fences

During its review of alternatives for security, the management company considered the possibility of fencing the project or installing surveillance equipment. It initially concluded that fencing was too costly, but after two more years of high crime and low occupancy, the company installed fencing between the buildings in 1995. The landlord absorbed the cost of fencing, approximately \$40,000.

Effects of the Program

Enhanced lighting, fencing, education of the tenants, and nighttime patrols have been effective. Although drive-by security is not provided around the clock, the fact that there is an additional security presence has helped reduce car thefts and other incidents.

Conclusions

Although these two case studies are primarily anecdotal, some general conclusions about effective crime prevention in industrial parks can be drawn. It is clear that the design and management of industrial parks significantly affect the rate of crime. The most effective step is to restrict ingress and egress to individual buildings by installing fences between them. Burglars like to see several possible escape routes from a building when they survey a neighborhood for potential targets. When access is restricted to streets, alleys, and driveways, they are more likely to select other more open targets.

Nighttime and, if necessary, daytime patrols, exterior lighting, and surveillance systems all help increase the sense and presence of security and make it riskier for burglars. Avoiding the disclosure of information about vacant buildings is effective when combined with strengthening the security of windows, front doors, and loading doors of individual buildings.

Immediately painting over graffiti on buildings is essential for keeping graffiti under control. Patrols as well as unexpectedly turning on sprinkler systems help to keep teenagers and gangs from congregating in the park.

Although the landlord paid for most capital costs for crime prevention, many of the ongoing expenses of security are passed on to tenants. Even though the landlord recovers the expenses, the pass-through charges raise occupancy costs for tenants. Although tenants demand lower rent increases to compensate for above-average pass-through charges or move to other properties, landlords find it to their advantage to maintain a "safe" park image. The costs of higher turnover and vacancies far outweigh the costs associated with improved crime prevention.

The absence of formal studies about crime in industrial areas points up the need for more careful study of the problems than these case studies provide. Nevertheless, Cerritos and Paramount demonstrate that certain straightforward solutions can go a long way toward reducing crime, translating directly into higher net operating income and property values.