

# Economic Impact on Industries of a Road Cordon Area in West Los Angeles



## Client

Southern California Association of  
Governments (SCAG)

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## Facts

Period 2018

Project Country United States

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**“Silicon Beach” is part of the Westside region of the Los Angeles region and home to over 500 tech startup companies. As the tech industry grows there, and transportation challenges continue to grow throughout the Los Angeles region, concerns have emerged about the potential for highway congestion to impair supply chains and stifle additional tech industry investment. This concern has led to local and regional agencies to consider various travel demand management (TDM) methods to reduce congestion. “Cordon area pricing,” like tolling, high occupancy vehicle (HOV) lanes, and route and parking restrictions, is a TDM approach that employs pricing to influence drivers to change their behavior and drive less in on a specific portion of the network at specific times. Cordon area pricing has led to reduced congestion within cordon zones in several cities around the world.**

The Southern California Association of Governments (SCAG), the Los Angeles region’s metropolitan planning organization (MPO), retained EBP (formerly EDR Group) to analyze the economic impacts of a possible road cordon area in the Silicon Beach area of West Los Angeles. EBP quantified cordon area economic impacts using SCAG’s traffic demand modeling results to gauge effects on the region’s roadway system and economy. EBP designed the analysis to examine supply chain relationships between businesses, categorized by industry sector, in Los Angeles County. Using the planning year of 2020, EBP analyzed how the cordon area would change transportation efficiency and how savings in travel costs would be spent or saved by the trucking industry as well as all vehicle users of the roadway system. EBP’s analysis found that the West Los Angeles cordon would improve performance and travel times on the regional transportation network and have positive effects on employment, wages, and output for the Los Angeles County economy.

## Contact Persons