

AN ADVISORY SERVICES PANEL REPORT

# Tustin California



Urban Land  
Institute

# **Tustin California**

## **Evaluation of Infill Development Opportunities**

June 11–16, 2006  
An Advisory Services Panel Report

ULI—the Urban Land Institute  
1025 Thomas Jefferson Street, N.W.  
Suite 500 West  
Washington, D.C. 20007-5201

# About ULI—the Urban Land Institute

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**U**LI—the Urban Land Institute is a non-profit research and education organization that promotes responsible leadership in the use of land in order to enhance the total environment.

The Institute maintains a membership representing a broad spectrum of interests and sponsors a wide variety of educational programs and forums to encourage an open exchange of ideas and sharing of experience. ULI initiates research that anticipates emerging land use trends and issues and proposes creative solutions based on that research; provides advisory services; and publishes a wide variety of materials to disseminate information on land use and development.

Established in 1936, the Institute today has more than 34,000 members and associates from 90 countries, representing the entire spectrum of the land use and development disciplines. Professionals rep-

resented include developers, builders, property owners, investors, architects, public officials, planners, real estate brokers, appraisers, attorneys, engineers, financiers, academics, students, and librarians. ULI relies heavily on the experience of its members. It is through member involvement and information resources that ULI has been able to set standards of excellence in development practice. The Institute has long been recognized as one of America's most respected and widely quoted sources of objective information on urban planning, growth, and development.

This Advisory Services panel report is intended to further the objectives of the Institute and to make authoritative information generally available to those seeking knowledge in the field of urban land use.

Richard M. Rosan  
*President*

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# About ULI Advisory Services

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**T**he goal of ULI's Advisory Services Program is to bring the finest expertise in the real estate field to bear on complex land use planning and development projects, programs, and policies. Since 1947, this program has assembled well over 400 ULI-member teams to help sponsors find creative, practical solutions for issues such as downtown redevelopment, land management strategies, evaluation of development potential, growth management, community revitalization, brownfields redevelopment, military base reuse, provision of low-cost and affordable housing, and asset management strategies, among other matters. A wide variety of public, private, and nonprofit organizations have contracted for ULI's Advisory Services.

Each panel team is composed of highly qualified professionals who volunteer their time to ULI. They are chosen for their knowledge of the panel topic and screened to ensure their objectivity. ULI's interdisciplinary panel teams provide a holistic look at development problems. A respected ULI member who has previous panel experience chairs each panel.

The agenda for a five-day panel assignment is intensive. It includes an in-depth briefing day composed of a tour of the site and meetings with sponsor representatives; a day of hour-long interviews of typically 50 to 75 key community representatives; and two days of formulating recommendations. Many long nights of discussion precede the panel's conclusions. On the final day on site, the panel makes an oral presentation of its findings and conclusions to the sponsor. A written report is prepared and published.

Because the sponsoring entities are responsible for significant preparation before the panel's visit, including sending extensive briefing materials to each member and arranging for the panel to meet with key local community members and stakeholders in the project under consideration, partici-

pants in ULI's five-day panel assignments are able to make accurate assessments of a sponsor's issues and to provide recommendations in a compressed amount of time.

A major strength of the program is ULI's unique ability to draw on the knowledge and expertise of its members, including land developers and owners, public officials, academicians, representatives of financial institutions, and others. In fulfillment of the mission of the Urban Land Institute, this Advisory Services panel report is intended to provide objective advice that will promote the responsible use of land to enhance the environment.

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# Acknowledgments

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**O**n behalf of the Urban Land Institute, the panel would like to thank the city of Tustin for inviting us to assist them in the planning and redevelopment efforts of the Center City, West Village, and Southern Gateway neighborhoods. Special thanks are extended to Mayor Doug Davert, Mayor Pro Tem Tracy Worley Hagen, and Council members Jerry Amante, Lou Bone, and Tony Kawashima for their vision and leadership in involving ULI in the planning process. Their dedication, wisdom, and leadership are examples of what makes Tustin a vibrant community.

Special thanks go to Christine Shingleton, assistant city manager; Elizabeth Binsack, community development director; Tim Serlet, public works director; Patrick Sanchez, parks and recreation director; and Scott Jordan, chief of police, as well

as other support staff in various city departments who were involved in the preparation for this panel. The countless hours that they spent preparing for, informing, and assisting the panel were truly appreciated. Their hard work and dedication is an asset to the city of Tustin.

In all, the panel had the opportunity to interview more than 50 community stakeholders, all of whom provided valuable and insightful information. The interviewees included government officials, residents, business leaders, developers, property owners, and community activists. Their shared perspectives were essential to the panel process. This group of stakeholders is a major asset in advancing and maintaining the interests of this community.

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# Foreword: The Panel's Assignment

**A**t the invitation of the city of Tustin, a ULI Advisory Services panel was convened to evaluate infill development opportunities for the expansion of residential housing and for commercial revitalization activities.

## Background

Throughout its history, Tustin has been defined by its role within the context of Orange County and the region. Initially a farming community, Tustin built its economy and identity on agriculture after the turn of the last century. Home to thousands of acres of apricot, orange, and walnut groves, Tustin was a regional agricultural center providing fruits and vegetables to the state of California and beyond.

With the advent of World War II, Tustin began its first major transformation, from a small agricultural community to a rapidly growing suburban city. During the war, three military bases were located within or in close proximity to the city. These military installations were the impetus for hundreds of businesses and thousands of people moving to the city to work in the war and postwar industries. The robust growth began to replace the fruit groves as Tustin began to change into a suburban community.

The Marine Corps Air Station Tustin and the rapidly suburbanizing Orange County were the major economic and growth engines for the city throughout the 1980s. With virtually all the fruit groves now gone, Tustin is almost completely built out and experiencing growth-related problems such as traffic and congestion, overcrowded schools, and loss of open space.

In the early 1990s, Marine Corps Air Station Tustin was placed on the Base Realignment and Closure Act list. With great foresight, the community realized the value of the 1,600 acres of virtually undeveloped land within the city and within increasingly built-out central Orange County. The community immediately began to plan for the base's reuse and the subsequent community transformation. In 1999, the air station closed and the city began the long and challenging process of using the former base (renamed the Tustin Legacy project) to create much-needed community assets such as housing, open space, commercial space, and entertainment opportunities.

After the closure of the base, Tustin experienced the short-term impacts of military personnel and the affiliated workforce leaving the city. This left vacant rental housing in Tustin's older apartment neighborhoods. A rapidly growing Latino population in search of housing quickly occupied housing units made available from this transition. Unfortunately, what were once stable apartment neighborhoods have become overpopulated and have also fallen into disrepair because of the lack of reinvestment in the aging housing stock.

Today, Tustin is in the midst of a transformation from a sleepy suburban community to an increasingly urban city. The changing demographics in the older apartment neighborhoods and the opportunities in the Tustin Legacy project will forever change the city's identity. Tustin is faced with the challenge of incorporating new growth at Tustin Legacy while welcoming a new population into the community and strengthening the older neighborhoods.



Tustin's past is rooted in its agricultural history.

Location map.



## The Study Areas

The most significant population and housing changes have occurred in the past 15 years with the influx of Latino households and a concentration of workforce households in the single-family, manufactured housing, and rental properties in the west and southwest sections of the city. This population growth and concentration of low-income families has primarily been focused on the older apartment neighborhoods. The panel has been instructed to address redevelopment strategies and conditions that would provide market-driven solutions to improving three neighborhoods: Center City, Southern Gateway, and West Village.

### Center City

The Center City study area is located between Sixth Street and San Juan Avenue on the north, Browning Avenue on the east, and El Camino Real and I-5 on the south and west. This 210-acre area has a mix of low-density single-family homes, strip retail, garden office, public institutional, and light-industrial uses. Most of the development in this area was built out during the 1960s and 1970s.

### Southern Gateway

The Southern Gateway study area is located east of SR-55, south of I-5, west of Red Hill Avenue,

and north of the current southern terminus of Newport Avenue. This area primarily contains multifamily residential housing units that were constructed in the 1960s and 1970s. A commercial strip is located along Newport Avenue, as is the new Arbor Walk condominium project.

### West Village

The West Village study area is located east of the Tustin–Santa Ana border and west of SR-55 between McFadden Avenue on the south and Main Street on the north. This area contains a mixture of large- and small-scale multifamily residential housing units and three manufactured home communities. The development in this area is of 1960s and 1970s vintage. There are very few commercial uses in this area and very few vacant parcels of land.

## The Assignment

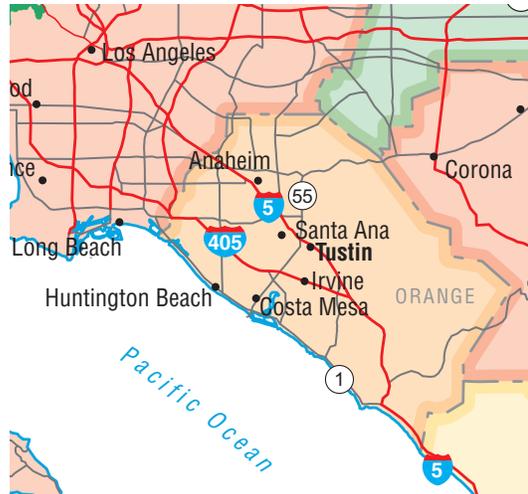
With the Tustin Legacy project finally underway, the city began to refocus its planning efforts on its older central and southwestern neighborhoods. Members of the city council and city staff began conversations about possible solutions to combat the overcrowding, lack of open space, and deteriorating conditions in the study areas. The panel was asked to provide input on regulatory policy enhancements that will empower and energize the private sector to find market-driven solutions to the housing crisis in the study areas. These enhancements include incorporating new thinking about mixed land uses and increased densities, and streamlining the planning and development process to make Tustin more competitive in the marketplace.

The panel has studied the issues and framed its recommendations with the understanding that the city desires to avoid the use of eminent domain; to minimize commercial and residential dislocations; and to use creative techniques, including but not limited to overlay districts, to initiate alternative densities and uses. The panel was also asked to provide solutions to traffic and crime problems where evident in the study areas.

## The ULI Process

Before arriving in Tustin, the panel received a briefing book that included history and background information on the city; demographic and market information for the county, the city, and the three study areas; descriptions of upcoming and proposed projects in the city; and an overview of the planning and development review process. When the panel members arrived in Tustin, they were briefed by representatives from the city manager's office, community development department, redevelopment agency, public works department, parks and recreation department, and police department.

Panelists toured the three study areas to see the existing conditions and development potential. They then met with community leaders and stakeholders who explained the work that they are doing in the community, described their successes and challenges, and shared their hopes for a better Tustin. After spending the next two days examining the issues, discussing and debating solutions,



Regional map.

and framing recommendations, the panel resented its findings and recommendations to the Tustin City Council and the general public. This report summarizes the panel's key recommendations and observations.

# Market Potential

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**T**ustin began its transformation from an agricultural community with the opening of the Marine Corps Air Station during World War II. Centrally located in the heart of Orange County, Tustin is a great community to live and work in. It enjoys excellent access to interstates and regional highways, which position the city close to more than 75,000 jobs within a ten-minute drive. Interstate 5 bisects the community east-west, connecting the city to Los Angeles and San Diego. State route 55 connects it to the communities of Santa Ana, Irvine, Costa Mesa, and the coastal community of Newport Beach, and to mountain communities to the east.

The population of Tustin has grown with the operation of the base, from 32,000 in the early 1970s to more than 70,800 in 2006. This population growth occurred in specific phases in response to annexations and, more recently, the redevelopment of the Tustin Legacy project.

## The Combined ULI Study Area

This population growth and the concentration of low-income families in the western neighborhoods create both opportunities for and challenges to development interest in large areas. They also create opportunities to provide affordable housing in the city and a chance to transition renters into homeownership. The challenges are the quality of the housing stock, the housing policy, code enforcement and property management, and severe overcrowding.

The panel was instructed to address redevelopment strategies and conditions that would provide market-driven solutions for improving three neighborhoods: Center City, Southern Gateway, and West Village. Although the market and social environments of these neighborhoods are affected by the changing demographics and housing shortages in the city, the consequences and impacts of

realizing the market potential of these areas affect a larger area and greater economic issues in Tustin. The panel evaluated these areas and concluded that it was more appropriate to combine the city's proposed study areas into one study area that better defines the area of influence and opportunity for the panel's analysis and recommendations. The new study area is generally located south of First Street, east of the Tustin–Santa Ana border and SR-55, north of Edinger Avenue, and west of Red Hill and Browning Avenues.

## Key Community Issues: High Demand for Housing and Retail

Tustin is rising on the tide of strong economic and population growth in Orange County and the successful redevelopment of Tustin Legacy, the former Marine Corps Air Station. Its central location in the county, strong adjacency and transportation access to major employment centers, and historic and varied neighborhoods all are attracting interest. To address the potential impacts and opportunities created by this strong market demand, the city asked the panel to consider and recommend how these market forces and opportunities can be better used to improve the quality of life and character of the city.

The opportunities for and market potential of new development have a strong foundation in the economic and geographic advantages of Tustin. Several new developments have been completed, are under consideration, or have elicited significant interest:

- The 63-unit Arbor Walk residential townhouse development completed on Newport Avenue south of Walnut Avenue;
- A 93-unit residential townhouse development along El Camino under construction west of Redhill Avenue;



The study area.

- Assembly of small rental residential complexes, individually owned, into larger managed rental complexes;
- New retail at Newport Avenue and I-5; and
- A 259-unit senior luxury apartment complex proposed on Red Hill Avenue north of El Camino.

These projects demonstrate the market capacity and consumer interest in new development; however, these small and disconnected efforts are merely reactions to the market, not a response to a broader community vision in Tustin. The establishment of neighborhood plans that define the community’s vision would serve as the basis for creating zoning overlay districts to address design

standards, densities, and incentives for the redevelopment of properties—which would in turn increase market interest and improve the quality of the community.

With today’s strong housing demand and growth and the range of housing diversity and housing prices in Tustin, there is great interest in Tustin as a place to invest and develop. The current market conditions will support several kinds of development.

### Wide Range of Housing Types and Income Levels

The need for workforce housing, for both rental and for-sale units, is great. Absorption rates for housing sold at market rates run six to seven units



The Arbor Walk development on Newport Avenue sets a precedent for higher-density infill development in Tustin.

per month per unit type and affordable housing sells out at any initial offering.

### **Market-Rate Housing**

Market prices for sales of single- and multifamily housing are currently \$375 to \$490 per square foot, and unit construction costs are \$145 to \$180 per square foot.

### **Neighborhood Retail**

Small-unit (less than 9,000 square feet) retail spaces rent for \$2.50 to \$3.50 per square foot, and shell construction costs \$120 to \$140 per square foot.

### **Investment Properties**

Capital markets allow capitalization rates as low as 3 percent to 5 percent for both retail and rental housing.

In these market conditions, the development potential could support acquisition costs of \$2.5 million to \$3.5 million per acre. With an increase in the density allowed on sites and with relief from parking ratio and affordable housing requirements, it could be possible for land prices to approach \$4 million per acre. In several small and large rental housing and manufactured home sites, incomes and investment environments are such that current cash flows and capital markets would price developments in excess of \$4 million per acre.

The challenge to redeveloping sites with such high values is to provide density bonuses on the number of units permitted and other development concessions, such as relief from required parking ratios or relief from city impact fees.

## **Market Opportunities**

Tustin sits at the center of Orange County, whose economic and demographic growth provides a strong market environment for attracting developer interest in acquiring property and developing commercial and residential projects in the city. Employment growth and low unemployment continue to create demand for housing; more than 75,000 jobs are located within a ten-minute drive of Tustin. The city's central location offers an important housing area for a wide range of workers. Congested commutes on the regional highways and rising gasoline prices make Tustin's central location even more valuable.

### **Affordable Housing**

Tustin has a diverse housing stock in terms of location, quality, and range in both type and price point. There are neighborhoods such as Old Town with its historic housing stock and larger single-family lots, older apartments and small-lot single-family homes in the study area, a variety of relatively new housing types in Tustin Ranch, and new housing being developed as part of the Tustin Legacy project. Within the study area are older single-family homes that have sale prices lower than those of new homes elsewhere in Tustin, as well as available apartments and manufactured homes. The housing scarcity in the county has placed pressure on these housing units in terms of market pricing and value; however, most are still somewhat more affordable than units in other areas of Tustin, surrounding communities, and Orange County.

Most of the housing stock in the study area was developed over the past 50 years and is reaching the end of its useful life. It was originally developed to meet the demands of postwar growth and to provide market-based housing for military personnel at the Marine Corps Air Station Tustin. With the downsizing and closure of the military facilities, this housing became available for a large in-

flux of immigrants and for workforce housing needs. Leaving aside the qualitative and social issues in the study area, the existence of this large, fluid rental housing stock in central Orange County provides Tustin with a broader market base of housing than many of its neighbors.

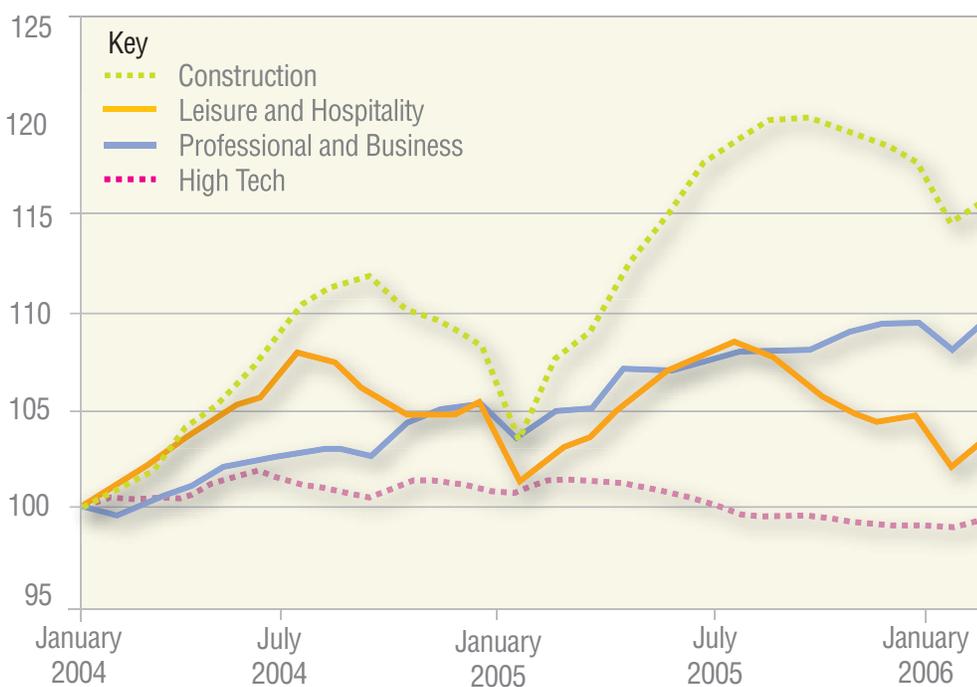
If properly managed, this housing stock provides Tustin with greater market depth as it relates to new development and retail and rental housing investment. In fact, the high demand for housing has created high rents and housing prices, attracting higher-grade investment and owners into the rental housing and manufactured housing communities. This could attract new investment to assemble and redevelop small-unit apartment buildings into larger assemblies of rental housing.

**Figure 2  
Tustin and Orange County Market Strength, 2005**

	Tustin	Orange County
Population	70,871	2,964,800
Median Family Income	\$60,092	\$78,300
Per Capita Income	\$25,932	\$40,380
Median Home Price	\$610,000	\$617,000
Workforce	41,600	1,585,500
Unemployment	3.4%	3.8%

Source: College of Business and Economics, California State University, Fullerton, 2006. Midyear Economic Forecast "Spring Update."

**Figure 1  
Orange County Payroll Employment Change\***



\* Selected Sectors, Index January 2004 = 100

Source: College of Business and Economics, California State University, Fullerton, 2006. Midyear Economic Forecast "Spring Update."

The market potential for new housing in the study area includes the following:

- Transformation of older manufactured home communities into new manufactured units or configurations;
- Redevelopment of manufactured housing sites;
- Assembly of smaller fourplex residential rental properties to create opportunities for phased rehabilitation and improved management; and
- Acquisition of larger apartment communities for rehabilitation or replacement.

#### **Access to I-5 and SR-55**

The study area is bisected by or directly adjacent to I-5 and SR-55. Northbound and southbound interchanges at Red Hill Avenue and a northbound interchange at Newport Avenue give the area high levels of visibility and access. Along I-5, development parcels are small and generally underdeveloped and do not take advantage of the high volume of traffic passing the sites or the easy access to the sites. Along SR-55, a major interchange provides access to Newport Avenue from the McFadden Avenue ramps at Sycamore Avenue and direct highway visibility along SR-55. Such sites along the regional and interstate highways have seen major development throughout the county and surrounding communities and provide good locations for higher-density retail and employment uses.

#### **Tustin Hospital and Medical Center**

Located on Newport Avenue just north of the SR-55 ramps for Sycamore Avenue and McFadden Avenue is the Tustin Hospital and Medical Center. Growth in demand for medical services along SR-55 and Newport Avenue could provide several opportunities for development:

- Medical office building(s), which would improve the area's access to medical services and create stronger ties to the Tustin Hospital;
- A community pharmacy or drugstore;
- A stronger relationship between the Head Start program and Tustin Family and Youth Center and the Tustin Hospital; and

- The Heritage Place senior housing facility east of Newport Avenue on Sycamore.

#### **Large Parcel and Assembly Opportunities**

The study area and the surrounding neighborhoods contain a number of large parcels that present opportunities for larger-footprint redevelopment or easier acquisition and assembly. Along the north side of I-5 in the Center City neighborhood, a number of obsolete commercial developments could be assembled for more intense development. The Southern Gateway and Central City neighborhoods also have large areas that could be redeveloped:

- A number of larger, single-owner apartment parcels, which present an opportunity to improve access to neighborhoods, enhance their character, and strengthen the connections between them, as well as to increase densities;
- A number of small, underdeveloped, and obsolete retail centers, which if assembled, could make possible higher-density, mixed-use developments that not only improve commercial services, but also create stronger identities and connections to the neighborhoods; and
- Tustin High School, which is being relocated to Tustin Legacy.

#### **Tustin Legacy**

The Tustin Legacy project has brought local and national attention to Tustin and offers both direct and indirect opportunities to assist with attracting development to the study area. One of the most significant urban infill developments in the nation, Tustin Legacy is delivering major new open space, parks, community facilities, and private development, including nearly 8 million square feet of office, commercial, and retail space and 4,400 homes. The implementation of the comprehensive development plan and its early successes have developers, lenders, investors, tenants, and homebuyers looking at Tustin for other opportunities.

#### **Challenges to Market Environment**

The study area is intensely developed, with very few vacant parcels—and even fewer parcels owned and controlled by the city. Successfully developing

new housing, commercial, or public projects in the area requires a committed buyer and seller to overcome challenges related to site conditions, mapping, market desires, and city processes. The marketplace has the capacity to acquire and develop within the city. The questions it and the city have are these:

- Where can affordable housing be replaced or removed?
- Where can higher densities be located?
- How will the city work with developers to facilitate land assembly and changes in the requirements for density, parking, open space, and affordable housing?

### **Lack of Neighborhood Plans to Guide Redevelopment**

Nowhere in the study area are plans adequate to define future land use; community requirements; street, park, or school improvements; or business and housing policy requirements. The past incremental annexation by the city of unincorporated county portions in the study area, the current patchwork of zoning parcels, and years of small- and large-lot development and redevelopment have resulted in inconsistent land uses, parcel sizes, access, and circulation.

The largest contribution that the city can make to create market demand is to work with citizens and developers to define neighborhood plans and to create entitlements, through techniques such as overlay zoning, for those plans. These plans need to address not only private development sites but also public needs and requirements such as open space, streetscapes, parking, and design standards for residential and commercial areas. At the same time the community and the marketplace need to work with the city to clarify policy with regard to affordable housing, acceptable housing (quality), and transition policies when affordable housing is affected by development plans.

### **Fractured Land Ownership and Lot Configurations**

Another challenge to the development potential of the study area is the large number of individual parcels with different types of ownership (both

residential and commercial). The area has a wide range:

- Patchwork land use and parcels;
- Development sites that are isolated from the neighborhoods, limiting development potential, timing, and economics;
- “Super blocks” without significant open space or circulation routes for the public;
- Oddly shaped parcels; and
- Incompatible uses adjacent to one another.

The city needs to overcome the financial expectation of current property owners and to improve the quality of development in the study area by creating incentives for owners and potential developers to sell or to assemble parcels for larger development areas. This can be accomplished by developing neighborhood plans that create overlay zoning, defining new land entitlements and higher-density bonuses for assembling parcels.

The densities, building heights, parking, and open space requirements could be adjusted when lot sizes meet a certain level (either larger or smaller). Overlay zoning in neighborhood plans should be defined comprehensively for areas or zones, not parcel by parcel. Comprehensive zoning definition provides flexibility in design, encourages land assembly, and integrates open space and design variety within the overlay zone. Overlay zoning could also be used to establish new minimum or maximum lot sizes, which could be tied to density bonuses. In addition to the fractured land parcels, a number of very large “super block” parcels impose other challenges. Any redevelopment of these parcels must include new public roadways and open space. The city should consider limited use of its acquisition powers for public streets and public open space on such super blocks.

### **Community Context and Quality**

A large portion of the properties in the study area include buildings and complexes that are reaching the end of their useful lives. Many are not maintained and are managed inconsistently. Developers who are interested in areas adjacent to such properties must have assurances that codes are

enforced and public safety needs are met. Many of these concerns about the community could be addressed by establishing performance standards for housing maintenance and repair and property management. The development of such standards also allows for proactive enforcement against derelict properties.

**Poor Connectivity**

The study area has many barriers to vehicular and pedestrian circulation. I-5 and SR-55 bisect major neighborhoods, stop traffic flow, and interrupt visual connections. Many streets are dead ends, and parcels have been developed internally instead of in relation to important streets and the neighborhood as a whole. Connections between neighborhoods and community amenities such as schools and parks are inadequate or nonexistent. The few community amenities are a limited number of very small parks and school playgrounds that are not programmed for use as joint community space.

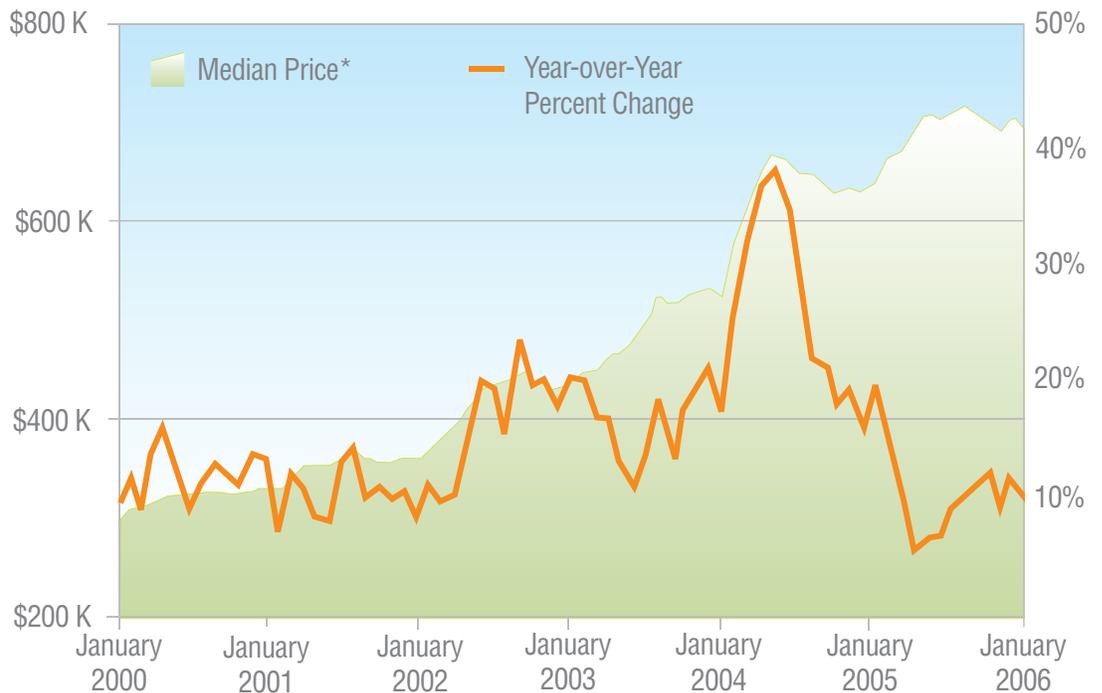
The city has no major funds to address the current dead-end condition of Newport Avenue, but transforming neighborhoods to make better connections and creating new parks are both critical to attracting greater market interest and values.

**Very High Land Values**

In the study area, the high occupancy rates and the high rents of apartment complexes have significantly increased the values of such properties. This is true for the manufactured home communities, individual fourplexes, and the larger complexes that have on-site managers. The actual value of these properties is far above the perceived value, despite the quality of the housing stock and the geographic issues associated with crime and the lack of community services and parks, because they have very high cash flows.

**Large apartment complexes.** Individual and institutional investors are producing very high cash

**Figure 3**  
**Median Price of Existing Orange County Homes**



\* Median price as of January 2006: \$699,000.

Source: College of Business and Economics, California State University, Fullerton, 2006. Midyear Economic Forecast "Spring Update."

flows. With strong demand in the capital markets for performing income properties, they are able to achieve very low capitalization rates for any sales or refinancing. (The capitalization rate expresses the rate of return that can be expected from a property based on its cash flow, expenses, and price.)

Because of the volume of capital in the marketplace and the solid cash flow performance of Tustin's affordable apartments, capitalization rates are at all-time lows, in the range of 3 percent to 5 percent. This results in very high leverage values for the properties. When these high valuations are combined with demolition costs, potential relocation expenses, and the cost of replacement affordable housing units, the acquisition cost of such properties exceeds the fair value for land elsewhere in Tustin, Santa Ana, and Irvine. In addition, the replacement of the housing stock with new stock for sale or rental would trigger inclusionary housing requirements, further increasing the cost of development beyond what the market would accept.

**Small apartment units.** A large number of small-unit apartments in the study area also have high valuations, as a result of both high rents and demand and the practice of multiple families or renters living in a single apartment. In some cases, individual rooms are rented for as much as \$1,000 per month. This creates a valuation for the property based on its income that is far above its appraised value as real estate. If a fourplex apartment has incomes of \$2,000 per apartment or \$8,000 per month for the four units, it is generating \$96,000 in annual income. It might have a comparable value of \$325,000 per unit, but on an income basis it could be worth significantly more. These kinds of units can be attractive to larger or institutional investors, who could assemble the small units into larger complexes and, through better management and property improvements, create strong income properties. This could be facilitated through a community development corporation or by providing such investors with other incentives (density or other development rights on other parcels) to assemble the properties and improve them.



**Manufactured housing areas.** The study area contains several manufactured housing communities. These communities are well maintained and generally fully leased, with few vacancies. With more than 30,000 manufactured homes in Orange County, these neighborhoods offer an affordable housing choice that, for some residents, have been enjoyed for more than 30 years. Manufactured housing park operators own the land and lease a pad to an occupant, who owns the home on the leased pad. Pads can lease for approximately \$600 to \$1,000 per month, and the manufactured home can usually sell for \$90,000 to \$135,000.

Owning such areas generates very strong cash flow for the landowner. Add that nationally such areas are seeing extremely low capitalization rates, in the 3 percent range. The result: as in the apartment communities, very high valuations for the property. California sets very specific controls on the use and closure of manufactured home communities, to protect lessees. However, the owners of these properties often use the current cash flow and hold the property until land values are great enough to justify its sale. Any decision to close or interest to acquire such properties would have to meet the state requirements to provide a minimum of 12 months notice to lessees and to pay mitigation expenses for relocating lessees.

Stolen shopping carts are a major problem for local grocery stores and a hazard for parked cars and children in the study area.



Many of the manufactured homes in the West Village are old and in need of replacement.

### Community Housing Policy

Many of the potential redevelopment sites currently provide affordable housing to individuals and families. Any redevelopment efforts would affect the supply of affordable housing. The need to assemble parcels and displace residents could limit market interest in certain development areas unless the city establishes clear housing and relocation policies. The panel recommends that the city establish a community housing policy to address affordable housing alternatives and relocation and displacement practices and programs. One potential vehicle for establishing and implementing community housing policy is a community development corporation, to assist residents and developers with acquisition, relocation, and housing replacement.

### High Construction Costs

The cost of construction has seen double-digit increases over the past two years and today is outpacing increases in sales prices for residential housing. When layered on top of requirements to provide inclusionary housing in redevelopment projects, this burden of high construction costs significantly increases the gap between cost and affordable selling price, a gap that cannot be closed without city assistance.

Increasing construction costs are changing affordability across the nation, making it difficult for mid- and high-rise construction to meet market price requirements for condominiums. Given current market pricing of sale properties in the study area, larger residential buildings do not look financially feasible today and could not be used to meet affordable housing requirements without large assistance to residents to cover the gap.

### Regulatory Environment

The regulatory environment in Tustin is another challenge to the market potential of the study area. The complex planning, zoning, and permitting process in both the state of California and the city of Tustin make it difficult to assemble land and introduce new land uses in the area. The panel provides specific regulatory recommendations in the section on development strategies and implementation strategies.

# Planning and Design

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**T**he planning and design recommendations in this report are geared to facilitating market-driven private sector redevelopment, with the public sector providing a guiding role and priming the pump. This allows the private sector to fully capitalize on the opportunities presented by Tustin's strong position in the marketplace and advance community goals and objectives effectively and efficiently.

The city of Tustin initially requested that the panel consider issues and opportunities in three distinct study areas—West Village, Southern Gateway, and Center City. The panel expanded these three areas into a somewhat larger overall study area in order to include several adjoining areas that share common issues and opportunities, and to align study area boundaries with major streets. This resulted in the inclusion of several single-family neighborhoods.

Within the overall study area, the panel's planning and design recommendations are organized in three categories:

- General design principles and design guidelines for maintaining and enhancing the overall character of the study area;
- Ways to help stabilize and revitalize existing residential neighborhoods in the study area; and
- Suggestions for developing an overall vision for the mixed-use and commercial portions of the study area that can help guide market-driven development beyond the piecemeal site-by-site development that is occurring now.

## General Design Principles and Design Guidelines

The concept plan on page 20 illustrates the overall planning and design framework that the panel has developed for the study area. It defines distinct

subareas within the study area that present different challenges and opportunities from the standpoint of facilitating private sector market-driven redevelopment. There are four subareas:

- Center City, which contains predominantly commercial land uses, to the northeast of I-5 between Old Town and San Juan Street on the north and Browning Avenue on the east;
- Southern Gateway, which contains built-out residential areas, bounded by SR-55 on the west, I-5 on the north, Red Hill Avenue on the east, and the current terminus of Newport Avenue north of Edinger Avenue on the south;
- Newport Avenue corridor, which runs through both Center City and Southern Gateway; and
- West Village, which is composed almost entirely of built-out residential areas.

The panel believes that the most appropriate general design principle for built-out residential areas in the Southern Gateway and West Village is preservation and improvement. The panel recommends that preservation and improvement be accomplished by encouraging incremental changes that involve both 1) targeted public sector acquisition of certain parcels, to achieve overall public benefit objectives within these neighborhoods, and 2) private sector redevelopment activities that focus on maintenance, improvement, and an increase in the affordable housing stock.

Portions of the Southern Gateway to the northwest and the southeast of Newport Avenue, currently developed with single-family housing, are in very good condition and do not appear to require any specific improvement. The panel therefore does not recommend any incremental changes to the single-family housing in these areas. Within Center City and the Newport Avenue corridor, however, the panel believes that a general design principle emphasizing greater density and height

beyond what is currently allowed—to five stories—is more appropriate.

Examples of design guidelines have been developed to illustrate the concept plan. Although these illustrations may appear specific, they are not intended to reflect definitive recommendations for specific sites so much as to suggest generally applicable ways to approach issues and opportunities within a regulatory framework that facilitates market-driven development.

In order to truly guide market-driven redevelopment and effectively respond to the varied characteristics of the subareas, these design guidelines need to be further elaborated. Recommendations for achieving this elaboration are summarized below and detailed in the section describing the definition of a community vision for Tustin.

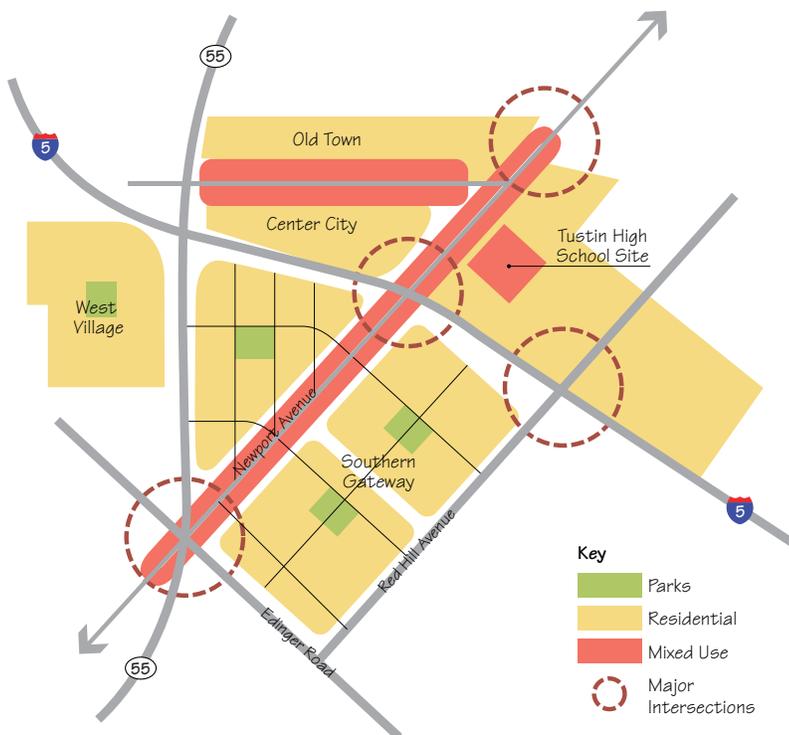
### Urban Design as Public Policy

By applying proven urban design principles, cities such as Tustin can create a consistent, predictable set of public policies to guide development decisions, facilitate the development and approval

process, and promote the public good. The panel recommends that the city engage a qualified urban design specialist to create guidelines on urban design to be adopted by the City Council and made an integral part of the city's general plan, as has been done in San Diego and San Clemente, among many other cities. Guidelines should address the following:

- A pedestrian-friendly environment that encourages the sense of independence and freedom of mobility for those who do not drive, such as senior citizens and youth;
- Properly configured streets that provide connectivity to adjacent areas for both automobiles and pedestrians;
- Parking located behind buildings, to allow the buildings to be brought forward to help define the public realm and create continuity in the streetscape and the pedestrian experience, by reducing the number of curb cuts and moving turning traffic to street intersections;
- New land uses clustered along major city thoroughfare corridors at natural nodes, such as intersections between the thoroughfare and major interstate highways, with infill development along the thoroughfare that helps define the public realm and forms a continuous pedestrian experience uninterrupted by frequent curb cuts;
- Civic squares and parks that are large enough for public gatherings, festivals, group recreation, and community celebration, to strengthen civic bonds and increase citizens' knowledge of and respect for each other;
- Parks and other green open spaces, and landscaping along corridors that helps both define and connect spaces, districts, and the corridors themselves. One of Tustin's great strengths lies in the remarkable amount of green space it contains. Future development, both private and public, should continue this precedent by including substantial, well-maintained borders and trees. In particular, dense, well-maintained hedges bordering surface parking lots reduce the visual impact of such lots while enhancing the continuity of the pedestrian experience;

The panel's concept plan.



- Size, proportion, height, bulk, and architectural design of new construction that define the street space and public places of shared use between buildings and reinforce the edges of these spaces. New projects should respect, be compatible with, and link with existing structures. This issue transcends style but addresses fit and propriety. Proper architectural design helps orient people in space, time, location, and culture; and
- Appropriate design of streets and buildings that reinforces safe environments while preserving access and openness as well as a sense of community. Street grids that extend through oversized blocks create more walkable, manageable environments, facilitating access for fire trucks, ambulances, and patrol cars.



### Built-Out Residential Areas

The West Village, which is primarily residential, and the residential areas on either side of Newport Avenue in the Southern Gateway are built out and densely populated. Occupancy is at densities that make potential acquisition for redevelopment extremely expensive.

During the interviews, the panel heard from a majority of stakeholders that Tustin's affordable housing stock is a very important community asset, one that should be maintained and improved. If maintenance of current affordable housing stock is a priority, the economics of development (as described in the section on market potential) suggest that market-driven private redevelopment of built-out residential areas in the West Village and Southern Gateway is unlikely to occur in the near or intermediate term. Yet because of the significant strength of the housing market in Orange County, the potential for large-scale private sector property acquisition for redevelopment of existing affordable housing units with market-rate housing cannot be totally discounted, especially in the longer term.

Accordingly, development strategies to implement the planning and design framework for built-out residential areas in the West Village and Southern Gateway focus on the following:

- Incremental improvements that can be implemented to immediately improve the quality of life in these neighborhoods, with targeted public sector acquisition of individual sites for neighborhood parks and plazas to open up views and provide access into these neighborhoods; and
- Methods to facilitate enhancement of the affordable housing stock, including expansion of homeownership opportunities, in the short and intermediate term, by both not-for-profit and for-profit private sector developers.

To help guide longer-term market-driven development for these areas (as recommended later), the overall community vision should include a comprehensive housing policy, laying out a financially feasible plan to ensure the community's workforce and affordable housing goals and objectives are attained even if large-scale private sector property acquisition occurs later.

### Commercial Streets and Areas

Center City and the Newport Avenue corridor present the opportunity for more immediate market-driven redevelopment by the private sector. The area has recently seen significant investment, including the Arbor Walk, a 63-unit condominium development on Newport Avenue in the Southern

The lack of parking is a major issue in the study area.

Gateway that was built in 2005 and quickly sold out. Another 93-unit condominium development is under construction on El Camino Real in Center City, and a senior housing development on Red Hill Avenue in Center City is under review.

Many stakeholders mentioned that, when these projects were first presented for consideration, they provoked questions about the appropriateness of their design in advancing Tustin's overall image. Discussion was hampered because Tustin had not developed and described a community vision. It was therefore impossible to assess the design of these projects in terms of effects on the community.

Development strategy recommendations for implementing the planning and design framework for Center City and the Newport Avenue corridor therefore focus on the following:

- Developing and effectively applying design guidelines that establish a vision to help guide private sector market-driven development;
- Linking the consideration of potential densification in these portions of the study area to the provision of public benefits in the built-out residential areas by using a transfer of development rights (TDR) concept; and
- Facilitating appropriate private sector redevelopment of significant opportunity sites within these areas, such as Tustin High School, Newport Avenue at its new connection to Edinger Avenue, and the I-5/Red Hill Avenue node through design guidelines and techniques such as overlay zoning.

Street corridors such as Red Hill and Newport Avenues are particularly valuable places to construct mixed-use buildings lining the street fronts. In this instance, mixed use refers to individual buildings that contain retail or commercial uses on the ground floor, with housing or office space above. Such buildings are historic urban building types that form a more continuous street wall, helping define the public space of the street. Their ground-floor uses contribute to the pedestrian experience and add life and vitality to the areas in which they are located. The panel recommends that the city encourage the construction of this

building type in appropriate locations along major thoroughfares in the study area.

## Development Opportunities

Strong market conditions present Tustin with significant development opportunities in the study area. Although the study area is largely built out and the economics of development make any project difficult, the panel believes that the city has a strong foundation on which to build.

### Old Town

One concern raised by many stakeholders regarding redevelopment within the study area involves the potential impact of such redevelopment on Old Town. With its low scale, landscaping, and storefronts, Old Town retains many of the physical design characteristics that lend such appeal and charm to a small downtown. At the same time, Old Town is almost a museum of itself, bravely attempting to preserve the feeling of a bygone day with a mix of retail that is ill suited to bringing in the number of consumers needed to create real economic vitality. It is populated with marginal businesses such as antique shops and small specialty boutiques, many of which appear to be operated more as hobbies than as businesses.

As a result, it is unlikely that any market-driven redevelopment that would occur in the study area would negatively affect the activities that currently occur in Old Town by competing directly with them. Moreover, redeveloping sites that the panel has identified in Center City with higher-density residential uses could benefit Old Town indirectly by increasing its local base of potential customers.

Nevertheless, the panel believes that Old Town represents such a significantly underperforming community asset that a more direct approach is also required to fully realize its potential. Accordingly, in addition to the existing Tustin Old Town Association, the panel recommends that the city support the establishment of an Old Town Business Improvement District (BID), with the following main functions:

- Help retain and assist existing businesses in their attempts to succeed;

- Program events that promote Old Town as a destination;
- Work with merchants on joint promotion, marketing, security, parking, and maintenance;
- Recruit new businesses to locate on Main Street; and
- Keep Old Town clean and safe.

The panel also recommends strengthening the identity of Old Town as the symbolic heart and soul of Tustin by extending and supplementing the existing identity program with additional signage, banners, light fixtures, and streetscape elements. The historic residences to the west and north lend substantial character and architectural identity to Old Town. The panel encourages their continued restoration and upkeep by individual residents. Finally, to help maintain Old Town's character as future development activities occur, the panel recommends that the city create and adopt design guidelines specific to the character and architecture of Old Town, applying to new construction, remodeling, and changes in the public realm, and specifying minimum standards for property maintenance.

### Newport Avenue Corridor

Newport Avenue is a major gateway into Tustin's center. With its interchanges with both I-5 and SR-55, it is the major commercial thoroughfare for the South Gateway and Central City. The panel believes that its commercial importance should be strengthened.

The area in the vicinity of the SR-55 McFadden Avenue exit onto Newport Avenue could accommodate higher-density, commercial and office development because of its high visibility. The existing fourplex buildings along the south side of Sycamore at the southeast corner of Newport Avenue could be rezoned under a special performance zoning classification for medical service land uses. In conjunction with the adjoining Tustin Hospital and Medical Center, this site could be developed into a four-story medical arts building with direct access and parking. Its ground floor could house a much-needed walk-in diagnostic care facility.



The fourplex block at the northwest corner of Newport Avenue and Sycamore has a major civic role to play. As a gateway site and much-needed open space for recreation programs for the south-central neighborhoods, this site should be purchased as parkland. Planned as both a children's playing field, to be used in conjunction with the Tustin Family and Youth Center located at the intersection's northeast corner, and an adult and senior citizen's garden, the proposed parkland would set a strong civic focus and image. The architecture and landscape architecture of all three parcels at this intersection should be designed as one composition. A 20-foot setback and landscape development should be required for all street perimeters.

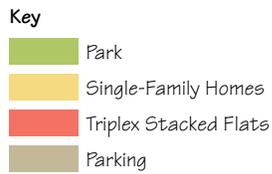
The commercial strip between Newport Avenue's two freeway entrances contains a wonderful assortment of ethnic businesses. Its international character should be recognized and enhanced in future development. A streetscape improvement project for the public right-of-way could provide unified sidewalks, lighting, signage, and street trees. A planted, curbed median should be installed down the entire length of this commercial strip.

Several of the panel's recommendations for Old Town also apply to Newport Avenue, including the following:

Old Town Tustin is a charming commercial district that would benefit from the creation of a business improvement district.



The panel's proposed Newport Avenue concept.



Proposed land use plan for the Tustin High School site.

- Establishing design guidelines to ensure the compatibility and contributions of new construction, remodeling, and changes in the public realm; and
- Setting minimum standards for property maintenance.

It is also recommended that new height limitations and alternate building forms be considered along Newport Avenue, not only to add character and definition to the streetscape but also to increase both the number of potential business and job opportunities and the number of potential customers.

### Existing Tustin School Sites within the Center City

Like many residents of Tustin, the panel sees the high school and elementary school in the Center City as the most significant development opportunity within the inner part of the city. The panel recognizes that, in order to generate the funds needed to construct the new high school at Tustin Legacy, both school sites must be developed for additional housing at densities exceeding twice that currently allowed.

The panel believes that establishing a floor/area ratio (FAR) that will allow the city to enforce its current standards for open space while limiting building height to no more than five stories will achieve two important objectives:

- Generate the necessary return on the sale of the property; and
- Set aside a portion of the site for community open space, as required by the current regulations that govern redevelopment.

In establishing this FAR, the city can ensure that a substantial portion of the school site will serve the public benefit without infringing on the needs of the school system and without severely affecting the small-town character of the city. Appropriate architectural design will both mitigate the apparent height and bulk of the buildings to lend proper scale and include sufficient articulation to achieve compatibility with the architectural character of downtown Tustin.



### Red Hill Avenue and I-5

The Red Hill Avenue and I-5 node in Center City is yet another compelling development opportunity. Its visibility and its direct highway access, coupled with its marginal land uses, make this node a natural for redevelopment, facilitated by appropriate height and density bonuses as part of a zoning overlay. As in the cases of the school sites and the Newport Avenue and SR-55 node, the panel recommends the consideration of an increase to a five-story height limit for development at the Red Hill Avenue and I-5 node.

The panel's proposed Red Hill Avenue concept.

# Development and Implementation Strategies

**D**uring the interviews, when panel members queried citizens about what makes Tustin a great place, most defined their city in terms of its central location, its position as a “divided community—both geographically and ethnically,” or its former small-town atmosphere where one could find quiet refuge at the end of either a long day or a long life. The city proudly displays its logo, but although it is reminiscent of the agriculture-based community that defined the original city, it seems an unfit reference to Tustin’s current position in Orange County. When asked about a location of contemporary civic space, most respondents were at a loss to articulate any notion of a particular place, event, or vision. Neither did they understand what Tustin is or might venture to be. This lack of a common vision for Tustin must be addressed.

## Community Vision

The apparent apathy or lack of understanding of civic engagement is aggravated by the perception of “staff-heavy” interaction and interception in the public process. This is accompanied by the accurate public perception of a fiscally responsible government, which contributes to the notion that the city operates in the black. To establish a vision for a city that has grown to its current condition by responsible governing warrants some holistic thought. The many neighborhoods that compose Tustin are an undefined yet integral component of the city and require close examination. Until the city is clear on its sense of direction, any stated resolution to resist growth and development will impede its market position.

As Tustin proceeds, its vision must be derived from community input and resultant policy, based on discussion regarding the following:

- Public engagement;
- City and neighborhood character;

- Neighborhood planning; and
- Regulatory examination.

## Public Engagement

To establish a consistent community vision, the city must begin a process of public engagement for all segments of the community. This will not only open lines of communication, in terms of dialogue about future growth, but will also allow the city to respond in a timely manner to development opportunities, with the assurance that it has the support of its constituents.

To implement a meaningful public process, the panel recommends that the city create a neighborhood association and community organization database, with contact information, by surveying the following:

- Mandatory homeowners associations;
- Voluntary neighborhood associations; and
- Community or neighborhood-based organizations.

Geographic areas that lack representative bodies should also be identified. By maintaining a database of community representation, the city will be able to make contact efficiently and equitably with citizens with regard to community planning and rezoning efforts, infrastructure development, civic discussion on public policy, and communication for public interest, community health, and civic events.

Given the changing demographics of Tustin, it is imperative that cross-cultural discussions begin. The city must recognize that, in its quest to provide an opportunity for public involvement, outreach must take place in many forms and the means of communication will often be culturally based. The panel recommends that information provided to specific segments of the community

be delivered at a minimum in both English and Spanish. The appropriate venues (churches, health and community centers, grocery stores and commerce locations) for communication should be determined, to make sure the city's message is disseminated effectively.

As public involvement from varied sectors of the community begins to transform from a “necessity of last resort” to a “preferred first line of defense,” the opportunity for meaningful public discussion on the myriad of issues facing the city will become a transforming element in the perception of and trust in the municipal government. An examination of two critical issues germane to the panel's assignment could be used to begin the civic engagement discussion process:

**Redevelopment of the high school site.** The proposed relocation of Tustin High School could provide a place for much-needed and desired community services and open space. The transformation of the school site will require a significant amount of public discussion and visioning to determine the best use for the property. Critical to the transformation is a clear and open civic engagement process; failing that, the project will face strong public opposition.

**Workforce housing policy.** The commitment to accommodate workforce housing, generally accepted by most residents, should be established as a policy. This policy can outline and define the preferred manner and means by which affordable housing demands can be incorporated into the city structure without compromising quality of life for any citizen. Any policy of this nature must engage all sectors of the municipal and stakeholder community.

### City and Neighborhood Character

Tustin is a city of diverse neighborhoods. Most often cited as a positive by residents, neighborhoods are the essence of community life. Neighborhoods comprise a number of critical elements; their interdependence and interrelationships can contribute to their greatness. A neighborhood is more than a collection of buildings and housing parcels. People make up the fabric of a community and a diversity of peoples makes a community rich. Tustin's west and south sides contain such



richness in their diversity of ethnicity, age, and household composition.

**Parks.** A city contributes to the sustainability of community life by providing recreation and social services. Parks and open space provide much-needed wholesome activities and contribute to a neighborhood's quality of life. Tustin has a great parks system that serves the city well. However, the parks in the study area are, in many cases, substandard and could easily be considered to be contributing to the diminished quality of life for both the youth and the adult populations.

Parks and schools are the community facilities through which social and recreation services are provided by the city. They are provided in response to specific population characteristics and include teen facilities, daycare, Head Start, health services, counseling, and meeting rooms for the elderly.

**Pedestrian-friendly streets.** Sustainable communities have safe and pedestrian-friendly streets. A system of interconnected streets with sidewalks is a basic component for encouraging pedestrian activity. Neighborhood plans should define the desired character of their streets. Special attention should be given to night lighting, so that people feel safe when walking. Overly long and dead-end streets should be eliminated, because city blocks in a grid pattern are safer than culs-de-sac.

Pedestrian safety in the West Village is a concern when school lets out at the Robert Heideman Elementary School.



The vacant parcel of land on the corner of McFadden Avenue and Tustin Village Way is an excellent location for neighborhood-serving retail.

**Schools.** Ideally, a neighborhood should have an elementary school in a central location that is within walking distance for the population that it serves. Children should be provided with a safe and clean route of daily travel. Streets to and from schools should have wide sidewalks and bike lanes. Street crossings should be protected and manned.

Parks and neighborhood schools, along with safe and clean pedestrian routes, should be structures common to all Tustin neighborhoods. New blocks of owner-occupied housing around these facilities should be encouraged, because they provide community stability and vested citizenry. Together, good schools, well-designed parks, and a perimeter of diverse, owner-occupied homes form a neighborhood's sense of place and identity. Each neighborhood possesses a distinct flavor, reflecting its social composition.

It is essential to provide neighborhood parks and their much-needed social and recreation services in the West Village neighborhood. The panel recommends that these be located near Heidermann School to form a neighborhood center.

The Currie Middle School and Jeane Thorman Elementary School sites are important to the Southern Gateway neighborhood. They should become a focal point for the neighborhood; the open space should become a joint park and school-operated

facility. The Beswick School and adjacent Frontier Park, which also serves as a focal point for the Southern Gateway neighborhood, should continue to serve as such.

The neighborhood in the expanded study area north of McFadden Avenue and west of Newport Avenue lacks both open space and community services. The panel recommends that the city acquire land to develop a new one-acre park that is central to the neighborhood. An unsuccessful shopping center in the neighborhood's northeast corner has vacant retail space in the rear that would make an excellent community center if pedestrian access could be provided for the whole neighborhood. Discussions with the owner could be mutually beneficial: for the city, a long-term, low-cost lease and for the owner, increased traffic and potential customers.

**Commercial services.** Sustainable communities contain diverse commercial and retail services that deliver necessary goods and services to the surrounding population. The quality of these services in the study area varies greatly. The Southern Gateway and City Center neighborhoods have a range of retail options along Newport Avenue and are sufficiently served. The West Village is deficient in both commercial and retail services. A supermarket is needed, and the panel recommends that the city begin negotiations with a major chain for the development of an urban market on the vacant parcel of land on the corner of Williams and McFadden Avenue. This should be a full-service store, with a deli, prepared foods, international foods, a pharmacy, a bank, and delivery service.

### Neighborhood Planning

An important result of the neighborhood planning process will be greater articulation of a community vision, based on the collective vision of individual neighborhood plans. The panel recommends that the city make a commitment of time and resources to the development of neighborhood plans for the study area neighborhoods. These plans must be developed with meaningful community input and must address, at a minimum, the issues of density, open space, community facilities, transportation connections, and public safety. Neighborhoods need to be given an overall framework



Proper maintenance, management, and code enforcement are tools used to deter crime in the numerous alleys in the study area.



within which they can be expected to produce plans that address these issues.

Neighborhood plans are essential to establishing the predictability that developers will demand before they will become active partners in the transformation of the study area. Such plans will also inform the investment decisions of individuals and institutions. Many of them base such decisions on the anticipated return on investment. A comprehensive set of neighborhood plans will contribute to the perception that Tustin is a city with a defined vision for the future and thus, less investment risk. City leaders in the municipal, develop-

ment, and chamber communities can actively market the city with a coherent message that captures the desired vision of a future Tustin. Development opportunities will benefit from a less arbitrary approach to site development and design review, and this approach will ultimately eliminate the current piecemeal development.

### **Regulatory Examination: Land Use Designations and Zoning Districts**

In its discussions, the panel evaluated the current land use designations. It is readily apparent that a disconnect exists between the city's commitment to provide additional housing opportunities and



It is not uncommon for the garage units in the study area to be used for illegal business or purposes other than their intended use.

both the land use designations and the zoning code. To address current development opportunities that would integrate mixed uses, it will be necessary to revise land use designations and zoning districts.

The revision of land use designations is essential to allow for higher residential densities and mixed-use development. The panel recommends that the city create a land use designation that incorporates a mix of residential and commercial uses. The designation must address an increase in building height limits to accommodate appropriate densities at defined nodes. The new land use designations should include zoning overlay districts in targeted neighborhoods that address residential and commercial character. Such districts would need to be approved through a commission.

In addition, consideration should be given to reviewing the existing code to allow a form-based or performance-based code within defined districts. Such codes would better facilitate both appropriate development and efficient review and permitting.

By providing opportunities for market-driven development to occur in the context of established policies on land use, zoning, and neighborhood character, the city can actively promote and enable development opportunities both at existing

nodes and in other neighborhoods—opportunities that will not only capture desired market share but will do so in the context of Tustin’s community development goals.

### Improve Government Effectiveness

The city of Tustin would like the development community to see the city as a “can do” place. To show that the city is open for business, it must examine its processes and interactions with both the private sector and public institutions such as the school district and neighboring communities. The city has demonstrated that it can effectively work with the private sector in the Tustin Legacy project. However, the redevelopment of neighborhoods poses challenges not present in the entitlement and development of Tustin Legacy. The desired revitalization of the study area neighborhoods will require pursuit of a legal process to change land uses and densities.

### Entitlement Process

It is essential that the city make a serious effort to improve its entitlement processes. During the interviews, the panel confirmed the assumption in the ULI assignment brief that planning and processing actions needed to be streamlined. Many developers indicated that they would never do a project in Tustin, given any alternative. Specific problems cited included the following:

- The unpredictability of what the city would approve;
- Conflicting advice from different city staff members regarding what the city wants to see happen;
- Uncertain timetables for approval;
- Costly and tardily delivered requirements from city staff for development improvements;
- Excessive parking and open space requirements;
- Increased cost and risk to developers from the process of combining conceptual and detailed land use approvals and subdivision mapping; and

- An antidevelopment attitude on the part of key city staff members.

Although these are the views that developers often express toward regulators, the panel believes that the consistency of expression and the specificity of complaints makes these views more than the normal grumbling one would expect from the development community.

Much of the authority for the entitlement process is vested in the community development director. The panel recommends a number of changes in the way business is done, changes that it believes will result in a process that is predictable, transparent, objective, reliable, and flexible.

**Predictability.** Developers need to be able to understand what the entitlement process is, how long it will take, and what steps are required.

**Transparency.** All interested parties need to be able to understand decisions as they are made, and the rationale for decisions needs to be clear.

**Objectivity.** Entitlements need to be made according to clear criteria that are based on a foundation of solid neighborhood planning and design criteria that have been subject to public review and scrutiny before adoption.

**Reliability.** Developers need to know that once a decision has been made it will not be overturned or reviewed outside established processes. The City Council needs to focus on the adoption of plans and policies, not the review and approval of land use and building entitlements. Those tasks should be delegated to the Planning Commission.

**Flexibility.** Developers are seeking flexibility rather than the rigid prescription of land use codes, to produce projects that will work better for them and for the communities they serve.

Changes to the entitlement process that produce these results would be a welcome change for the development community and should make the jobs of city staff easier as well.

### Process Changes

Tustin's entitlement process for land use approvals should be revised. Currently the community development department has broad discretion, but it

does not appear to have all the tools necessary to create better development in the city.

The panel recommends an approval process grounded in neighborhood planning that will give developers and neighbors the ability to maximize the benefits of a development to the community. This should be thought of as a way to create a win-win situation.

The new approval process should have the following objectives:

- Offer an alternative to prescriptive codes;
- Encourage better design;
- Allow a project to be responsive to a site's context;
- Enable flexibility in the application of development standards; and
- Engage citizens and developers early in the process.

The panel recommends that the city offer developers the option of securing land use entitlements without producing more than a concept plan for a project. As an example, developers should not have to submit detailed building plans with rezoning requests. Furthermore, developers who wish to follow the zoning ordinance without a variance or departure from the established standards should be entitled to building permits based solely on their submission of plans and supporting documentation that are consistent with the applicable codes. It is likely that few, if any, developers will avail themselves of this option, given the opportunity to improve their project through the new process. The entitlement process should enable developers to negotiate departures from the land use codes in exchange for improvements to their projects.

### Use of Planning Commission

The panel recommends the use of an independent board such as a planning commission to conduct the entitlement process. The commission should review projects brought to the city and guide them through the predevelopment process. The commission should consist of an architect or other design professional, a developer, and a neighbor-

hood resident. Business leaders and community organization representatives are also potential members. Staff support should be provided by the community development department. Two of the primary objectives of this approach are to involve the community early in a project's design, giving the developer the opportunity to respond to community concerns before spending large sums of money, and to create the transparency that the development community believes is missing in the current process.

All planning commission meetings should be open to the public. A typical sequence of events would start with an initial meeting at which a developer presents a concept plan and the commission gives early design guidance on a variety of issues. This guidance would be informed by neighborhood plans, the plans of adjacent and nearby property owners, and input from the community. Topics to be reviewed early in the process include the following:

- Site plans, including vehicular access and off-street parking locations;
- Bulk and scale, including setbacks, modulation, and lot coverage;
- Architectural elements and materials;
- Pedestrian environment; and
- Landscaping and the streetscape.

The commission would be able to waive or modify any of these requirements in exchange for improvements to the building's overall design and appearance.

Consideration could also be given to allowing the commission to

- Increase building height within a prescribed envelope (i.e., building height could be increased up to a certain percentage within various zones) with or without an increase in the number of units;
- Increase the number of units in a project for affordable housing purposes (again within a certain range);

- Modify the number of required off-street parking spaces within a prescribed range or for a fixed set of criteria; and
- Reduce required open space in exchange for a contribution to an open space fund.

Planning commission decisions should be binding on the community development director. Appeals should be limited to review of the process and questions related to the authority of the commission to authorize certain departures, not the design judgment decisions of the commission.

The commission needs to be professionally staffed by the community development department, and adequate training for both the commission and department staff is essential.

After the planning commission has approved a zoning decision, the developer would submit detailed drawings and, after review, a building permit would be issued.

### **Intergovernment Relations**

Tustin must improve its relationships with a number of jurisdictions. They are discussed in order of importance.

**Tustin Unified School District.** The city and the school district need to work together to resolve key problems. The first task is to establish open and honest channels of communication between the two entities. One way to make this happen is to hold joint regular meetings between school district board members, the City Council, and key leaders of both entities. A focus on a common vision for cooperation between the two entities is essential.

Other agenda items should include discussion of common problems:

- Youth issues;
- Property crime;
- Before- and after-school activities;
- Joint use and programming of school buildings and playing fields;
- The location of any new or rehabilitated elementary and middle schools;

- Open space to accommodate the growth in school enrollment; and
- Entitlements needed for the existing Tustin High and Lambert Elementary Schools site.

It will take a commitment of time and effort to make this new approach work, but such communication is necessary to address these and other pressing issues.

**Santa Ana.** A number of issues relating to the West Village cannot be resolved without the cooperation of the city of Santa Ana. Only a cooperative effort of community policing between the two police departments for the West Village neighborhood can address issues such as gang activities and the pursuit of offenders. Many of the residents in this area live in a state of fear.

**Other government agencies.** The city of Tustin recognizes that it is located in an environment where change is rapidly occurring, both within and outside its boundaries. In urbanizing areas such as Orange County, it is impossible to avoid the impacts of these changes. The panel recommends that the city undertake a “best practices” review of the surrounding communities in order to prepare itself for the changing world in which it is located. Just as the orange groves are not returning to Orange County, the social and political problems affecting Tustin are not going away either.

### Intra-Tustin Processes

One of the problems identified in the interviews is that key city staff members and elected officials have not necessarily bought into the same vision and plans for the study area neighborhoods. Although this is understandable, given the lack of planning for these neighborhoods, it is a core element of the lack of predictability and clarity perceived by many participants and observers. It is very clear what the city does not want to do (i.e., use eminent domain to transfer property from one party to another, become a public developer), but it is less clear what the city does want to do.

For any enterprise to be successful, all leaders must be on the same page. For Tustin to display a “can do” attitude, this is an essential step. Given the part-time nature of the City Council, it is important that adequate time be set aside to permit

the city’s elected and appointed leaders to synchronize their thinking.

## Create a Community Development Corporation: A Better Tustin CDC

In many cities, the city government develops the housing policy and the private sector implements that policy. Based on the panel’s review, it recommends the establishment of a community development corporation (CDC), charged with responsibility for implementing the city’s goals for providing affordable housing and neighborhood revitalization. The city should continue to be responsible for making and enforcing public policy regarding neighborhoods and affordable housing, while the private sector would be responsible for implementation.

A community development corporation is a 501(c)(3) nonprofit organization that facilitates the provision and maintenance of affordable housing, both for rent and for sale, within a service area. The corporation would acquire and rehabilitate multifamily properties within the target area. For the purposes of this report, the panel has named the organization A Better Tustin CDC.

### Organization

A board of directors consisting of Tustin residents and area stakeholders should govern the CDC. The board should seek to include an ethnically diverse group of development, finance, and policy professionals, in addition to local residents. It is important that the board represent all elements of the community.

### Mission

One of the main roles of the CDC will be to provide homebuyer counseling and training, to facilitate new homeownership. The CDC’s activities would enhance the quality of life for all residents. Programs could involve safety and security, beautification and maintenance, area marketing, economic development, job training, educational programming and augmentation, community involvement and outreach, and building community pride. The building of community pride (and enhanced quality of life) would parallel improvements in the built environment.



New housing development in Tustin Legacy is a major component of the Marine Corps Air Station, Tustin redevelopment.

At the outset, the CDC should partner with experienced development entities that have the capacity and financial vigor to accomplish the desired outcomes within a reasonable timeframe. This partnership should expand the capacity of the CDC to ensure the sustainability of both itself and the developments that result from its activities.

### Staffing

Initially, the CDC should be staffed with an executive director, a project manager, and an assistant. The executive director should be responsible for organization, administration, and relationship building, while the project manager should ensure that production and planning goals are established and met in a timely fashion. Additional staffing will be required as the programmatic business lines are established and as they mature. The city should provide office space for the CDC in currently vacant or surplus city offices.

### Funding

The panel recommends that the city of Tustin invest redevelopment funds and other city resources, as available and subject to any statutory limitations (because only part of the study area is within redevelopment project areas), in funding initial startup, administration, planning, and acquisition capital costs for A Better Tustin CDC. Any in-

vested funds should then be leveraged with philanthropic, public, and private capital.

## Affordable Housing Opportunities

The diversity of the population in the city is recognized as one of Tustin's strongest assets. To maintain this asset, it is important that the stock of affordable housing be maintained. The city may also choose to increase the stock of affordable housing available for homeownership for low- and moderate-income families and provide a supply of affordable housing options for growing families.

State law requires that 15 percent of dwelling units in a redevelopment project area be allocated for low- and moderate-income residents. The city also has responsibilities under the Regional Housing Need Allocation process, promulgated by the Southern California Association of Governments, to meet affordable housing goals citywide.

The city of Tustin has encouraged affordable housing development through a program that provides soft second mortgages or other subsidies for buyers and developers. Research has shown that these programs have resulted in a minimal number of new housing units. The panel recommends that the city make affordable housing a major tenet in its comprehensive and master plans. The city should commit to providing incentives for a full range of affordable housing units. These housing units should consist of single-family stand-alone units as well as units within multiunit structures (duplexes, quads, etc.).

Local conversations revealed that the Community Reinvestment Act is significantly underused in this area. The city should leverage public monies and its relationships with financial institutions, institutional investors, developers, and government to amass the necessary funds, while its public policy decisions serve as incentives. A Better Tustin CDC would also leverage funds to reach its goals of affordable housing production.

The Tustin Legacy project has opened up locations that could be used to address other important community facilities and generated the tax increment to fund such community needs. Tustin Legacy also provides new affordable housing stock, including units for both rental and sale.

This new affordable housing needs clients for both types of units. The city should consider these new units as places where current renters in the study area could transfer to new rentals or to homeownership. This “Tustin first” relocation approach could assist redevelopment efforts in the study area by requiring no new subsidy and by freeing up rental units in the study area for redevelopment or rehabilitation.

### Improved Property Management of Rental Properties

While touring the study area, the panel saw that many multiunit dwellings need significant improvement. Crime statistics show that a sizable number of police calls come from these units. These same units are overcrowded.

The panel recommends that the city establish an incentive program that encourages owners of these properties to maintain them in better condition. Incentives should include financial opportunities such as grants and rehabilitation loans and adjustable basis financing, but the city should also strengthen its code enforcement where violations are persistent. The TEAM program, wherein the police department and property owners work toward mutually beneficial solutions, should be expanded.

### Parks, Open Spaces, and Plazas

The city of Tustin currently requires 30 percent of a new development area to be open space. Existing developed areas have limited open public spaces.

The panel recommends that the city acquire (or cause to be acquired) sites in strategically selected areas for open spaces and parks or plazas for public activity. The city should identify targeted areas that lack open spaces and use parks and recreation or community development funds to acquire properties to convert to public uses. An alternative acquisition approach would be for the city to offer a property owner the opportunity to swap land in the study area for an appropriate parcel in Tustin Legacy. It may also be prudent for the city to use its eminent domain powers to acquire these sites.

These open spaces would provide gathering places within neighborhoods. They could be used for

communal play and rest and relaxation, as well as to build community and enhance the quality of life for residents. They could be used for civic programming, public gardens, or simply open green spaces.

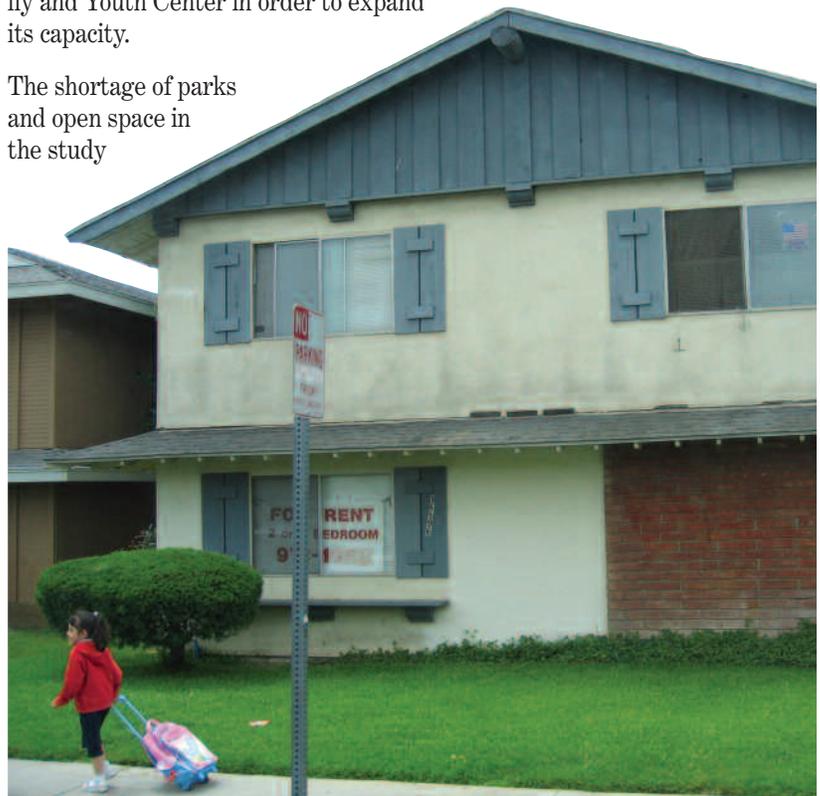
The panel further recommends that the city partner with community-based service groups in joint use agreements for some public facilities, to increase the amount and effectiveness of programming offered to residents.

### Enhanced Community Services

The city’s parks and recreation department provides many opportunities for recreation, with opportunities available for providing additional programmatic services for youth and seniors residents. One of the city’s services to children and youth in the study area is the Tustin Family and Youth Center. The center is overcrowded and physically landlocked, with little expansion space foreseeable at the current location and no outdoor recreational space. It is recommended that the city make provisions for a larger Tustin Family and Youth Center in order to expand its capacity.

The shortage of parks and open space in the study

A large percentage of the housing stock in the study area is in poor physical condition and in need of refurbishment or replacement.





The Tustin Family and Youth Center provides recreational activities and social services to many residents of the study area.

area demands better joint programming of available spaces. This improvement should include strengthening relationships with the school district for joint use of facilities. Program improvements could temporarily alleviate some of the effects of the overcrowded Family and Youth Center. The city should also look to other service providers to enhance the capacity to serve the needs of the study area. Examples might include the Orange County Office on Aging, the Boys and Girls Club, the YMCA, and others. A proper mix of fee services and free services should be provided.

Also, the study area lacks comprehensive community health care. Because of the long-term public policy implications, the city should address these health care needs. A potential source of resources might be the Federally Qualified Health Centers, which have been used in many cities across the nation.

### Public/Private Partnership Strategies

To maximize the impact of neighborhood revitalization, the production of affordable housing, and

The rear portion of the Tustin Freeway Shopping Center on Newport Avenue is an excellent location for a community center.



the achievement of community services objectives, the panel recommends that the city work with A Better Tustin CDC to pull together a full range of potential financing mechanisms. The entities to involve include the private sector, the legislature, and the city. An organized consortium of funding and financing sources will provide capital for operating programs as well as projects. This approach will ensure that public funds are leveraged with private sector investment and ensure the long-term viability and success of the master plan.

The panel also recommends that the city promote a physical and programmatic connection between Tustin Legacy and the study area. These connections should include vehicular and pedestrian access. Public transit connectivity should also be added. In the proposed move of Tustin High School to the Tustin Legacy site, students will be forced to create new pathways to get to and from school. These connections could be encouraged to accomplish some of the city's societal goals within the study area.

The panel further recommends that the city develop and pursue a plan to leverage Caltrans highway improvement plans with city goals and objectives. The current plans to widen SR-55 and I-5 will affect the neighboring communities, and the city should ensure that these effects will be mitigated. These mitigation measures should enhance the master plan for the neighborhoods affected.

The city should use a public/private partnership approach similar to this recommendation to address externally generated community impacts, whether they are environmental, traffic and transportation, demographic, or public policy impacts.

# Conclusion

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**T**he city of Tustin is at a unique moment in its history. It has an opportunity to capitalize on a convergence of community needs and strong market dynamics. A strong community visioning process can bring these elements together to create a location that will foster a sense of place for residents and establish the study area's role within the city and the region.

The dynamic neighborhoods in the study area offer tremendous opportunities for improved housing and commercial space. However, if these neighborhoods are to share in the successes of the Orange County real estate market, the city must take a number of actions. First, it is imperative that the neighborhoods are stabilized and ready for redevelopment. Second, the city must formulate plans for the study area that reflect the community's needs and desires, to guide private sector development in a way that helps achieve the community's vision more effectively and efficiently. Third, the city should create a CDC to assist in the acquisition and assembly of land for development; encourage property management improvements for existing rental properties; and

advance private sector market-driven redevelopment of sites that offer significant opportunity. And fourth, the city should foster the application of a full range of public/private financing mechanisms to support the creation of new affordable housing and community revitalization.

These are not easy tasks; accomplishing them will require strong leadership and cooperation from all involved parties. The city of Tustin must step up to identify all community stakeholders and bring everyone to the table. The city's leaders will send a strong signal to the development and investment community that they are serious about wanting successful neighborhood revitalization and that the city is "open for business." Although the panel's recommendations may seem extensive and overwhelming, the panel strongly believes they can be implemented if the city can establish a community vision, set policies that encourage revitalization, and streamline the development approval process.

# About the Panel

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## Richard J. Dishnica

*Panel Chair*

*Point Richmond, California*

Rick Dishnica is president of the Dishnica Company, LLC. The Dishnica Company was formed in 1999 to pursue Dishnica's individual investment goals, to develop infill housing, both for sale and for rent, in the Bay Area and to provide real estate consulting services. Current major development projects include obtaining entitlements for (1) the final phase of a residential project next to the Lafayette BART station in downtown Lafayette (the first phase of 75 apartment units was successfully completed and leased in 2001) and (2) the adaptive reuse and conversion of the San Francisco Armory, a building on the National Register of Historic Places located in the Mission District of San Francisco.

Dishnica was an executive vice president and the chief operating officer of American Apartment Communities, a privately held real estate investment trust, from 1994 through March 1999, with responsibility for all apartment operations, development, and rehabilitation. Until its merger with United Dominion Realty Trust in December 1998, American Apartment Communities owned and managed directly or through subsidiaries, 54 apartment communities containing 14,141 units in nine states (California, Colorado, Florida, Indiana, Kentucky, Michigan, Ohio, Oregon, and Washington). The total asset value on the date of the merger was \$787 million. Another portfolio containing 4,000 units was retained to continue the business of American Apartment Communities.

Dishnica also served as an executive vice president of the Klingbeil Company, the predecessor to American Apartment Communities, with operating responsibilities for the western United States. He was directly responsible for the development of 304 apartment units in San Francisco on the

site of the former Winterland Auditorium. In addition he was involved in developing three other apartment projects comprising 1,012 units in the San Francisco Bay Area. He was responsible for obtaining tax-exempt bond financing at lower floater rates for all of these projects, a new technique for financing apartments in the 1980s. All these projects were in infill locations. From 1989 to 1993, he also served as the chief financial officer and chief operating officer of K/W Realty Group, a Klingbeil-affiliated company in housing sales. His role in this company included overseeing the joint venture development of 42 subdivisions with more than 4,000 units of housing for sale, most located in three major metropolitan markets.

From 1980 to 1982, Dishnica was a principal of Comstock Ventures Limited, a real estate venture capital company. From 1978 to 1980 he was vice president of Fox and Carskadon Financial Corporation, where he was responsible for the solicitation, analysis, negotiation, and management of real estate development joint ventures. From 1973 to 1978, Dishnica was an assistant vice president with Union Bank in San Francisco, California, with responsibility for commercial lending, real estate construction lending, and loan workouts. Prior to his employment with Union Bank, he served as an officer in the U.S. Navy, achieving the rank of lieutenant with assignments in Vietnam and as the officer-in-charge of a minesweeper. Dishnica received his master's degree in business administration from the University of Southern California in 1974 and his bachelor of science degree from Ohio State University in 1968.

Dishnica is a member of the Urban Land Institute, serves on the Multi-Family Residential Council as its program vice chair and serves on the San Francisco District Council Executive Committee. He is also a member and was a director of the National Multi Housing Council.

## Ray Brown

*Memphis, Tennessee*

Ray Brown offers architectural and urban design services as a consultant to Memphis architectural firms for individual projects. As needed, he provides creativity, skills, experience, knowledge, and ideas in fields of specific expertise the firm may need, such as architectural and urban design, project direction, and project development. He seeks projects that have the potential to improve the quality of life for disadvantaged residents by transforming at-risk urban neighborhoods into more livable communities.

Brown directed the design and construction of AutoZone Park in Memphis—America’s finest minor league baseball park, and a crown jewel in Memphis’s downtown renaissance. As vice president for development at the Memphis Center City Commission, Brown set the framework for the downtown urban design plan, facilitated new development, recruited new businesses, and administered design standards.

For 26 years, Raymond Brown Architects specialized in providing municipal and private clients with architectural and urban design projects, focused on downtown redevelopment and planning.

Brown taught architectural design at the University of Cincinnati and was the downtown planner for the city of Dayton. He is a member of the Memphis Habitat for Humanity “Green Hat” construction committee. Brown holds a bachelor of science degree in architecture from the University of Cincinnati.

## Paul D. Charles

*Houston, Texas*

Charles is the executive director of the Neighborhood Recovery Community Development Corporation (NRCDC) in Houston, Texas. For the past

ten years, he has led the NRCDC in the development and redevelopment of affordable housing and commercial real estate projects.

Charles holds a bachelor of science degree in civil engineering from the Technological Institute (now the McCormick School of Engineering) at Northwestern University. He is also a graduate of the Amos Tuck School at Dartmouth College, with a master of business administration in general management. Charles is a registered, licensed engineer in California, where he worked as an engineer and a real estate consultant for a number of years. He has also held positions with large-scale master plan developers, as well as other community-based organizations.

Charles is active in a number of civic, community, and professional activities both locally and nationally. He is president of the Houston chapter of the National Black MBA Association; a member of Class XVIII of Leadership Houston; the former treasurer of the CDC Association of Greater Houston; president of the Texas Association of Community Development Corporations; assistant treasurer of the National Congress for Community Economic Development (cochair of the Budget and Finance Committee); a member of the Texas Department of Insurance Economic Development Roundtable; chair of the Third Ward Redevelopment Council; an Inner-City Adviser for the Urban Land Institute; and a member of the Executive Committee for the Urban Land Institute Houston Council, the Tuck Alumni Advisory Program, and BluePrint Houston. Charles is also involved in the Advanced Practitioner Program through the Hauser Center for Nonprofit Organizations of the Kennedy School of Government at Harvard University. He serves as a mentor and chaperone to the Leaders of Tomorrow (a mentoring program). Charles also has served as national treasurer of the National Society of Black Engineers.

Charles has received numerous civic awards, including Outstanding Young Men of America (three times) and the Leadership Award from the American Legion, and is listed in Who's Who Among Executives and Professionals.

### **Victor Karen**

*Boston, Massachusetts*

Karen is director of advisory services for the RF Walsh Company, a Boston-based development and construction management firm that provides clients engaged in complex real estate projects with a wide breadth of services from concept development through construction. As part of RF Walsh's predevelopment planning team, Karen focuses on urban projects that require a balance of public and private interests. His experience includes managing entitlements for the Channel Center mixed-use project in the Seaport District adjoining downtown Boston and assisting Beth Israel Deaconess Medical Center, in Boston's Longwood Medical and Academic Area, in creating a partnership with a private developer whereby excess medical center property will be developed into a biomedical research center.

Before joining the RF Walsh Company, Karen was director of real estate development for Mass-Development, a state development finance agency, in which capacity he oversaw state involvement in reuse planning for a 1,500-acre naval air station that was closed in 1995. Before that, he was deputy director of the Boston Redevelopment Authority, the city's planning and development agency, where he managed public review and approval of downtown and waterfront revitalization projects, including the 100-acre Charlestown Navy Yard.

Karen is a registered architect with bachelor's and master's degrees from the Massachusetts Institute of Technology. He served on previous ULI Advisory Panels for Treasure Island in San Francisco,

California; St. Julien's Creek Naval Annex in Chesapeake, Virginia; and Lowell, Massachusetts.

### **Alan S. Levine**

*Seattle, Washington*

As deputy executive director, Levine manages the Seattle Housing Authority's development and asset management programs. Major projects have included four HOPE VI redevelopment projects including NewHolly, which has received ten major awards, including the HUD-CNU Award for Changing the Face of America's Public Housing.

Working with public, nonprofit, and private partners, the agency currently has more than 200 acres in development, including affordable and market-rate rental and ownership housing, retail centers, and institutions. When completed, the Authority's four HOPE VI projects will represent a real estate investment of well over \$1 billion. The Asset Management Group oversees a real estate portfolio of more than 7,000 units and is actively selling and acquiring properties consistent with the agency's strategic plans.

Levine originally worked for the Seattle Housing Authority from 1971 to 1980 and organized the Neighborhood Housing Rehabilitation and the Scattered Site Housing Programs. He worked in a variety of private sector positions, including his own development and consulting business from 1980 to 1998. In 1998, he returned to the Seattle Housing Authority as asset manager, responsible for organizing and implementing an asset management program that resulted in new budgeting protocols, staff and agency reorganization, and the introduction of private sector property management methods. In 1999, Levine was named director of development and, in 2000, deputy executive director.

Levine received his bachelor's degree from Hunter College of the City University of New York and his master's degree in urban planning from the University of Washington.

## **R. Terry Schnadelbach**

*Gainesville, Florida*

Schnadelbach, professor of landscape architecture at the College of Planning, Construction, and Design, at the University of Florida, is former principal of Schnadelbach Associates (1969–1995). He has had major commissions throughout the United States, Europe, Southeast Asia, and the Middle East. He has consulted in London, Paris, Rome, Seville, and Berlin to governments, institutions, and private industry.

Schnadelbach earned degrees in architecture at Louisiana State University and in landscape architecture at the Harvard Graduate School of Design. He was the 1964 and 1965 winner of the American Academy in Rome's coveted Prix de Rome in landscape architecture. He has received awards in urban design from the U.S. Department of Housing and Urban Development, the Bard Award of the City Club of New York, and design awards from the American Institute of Architects, the New York State Association of Architects, the American Institute of Steel, the National Association of Home Builders/Institute of Residential Marketing, and the Philip N. Winslow Landscape Design Award of the Parks Council of New York City.

Schnadelbach's work has been exhibited at the Museum of Modern Art, the Whitney Museum, and the Urban Center in New York City, the Nelson Atkins Museum in Kansas City, and the Boston Museum of Fine Arts. He has taught landscape architecture at the University of Pennsylvania, the Harvard Graduate School of Design, and the Rhode Island School of Design. He has also taught environmental design at the Massachusetts Institute of Technology, and real estate development at the School of Architecture of Columbia University. He has lectured at colleges and universities throughout the United States, including Cornell University and the University of Virginia, and in France.

Schnadelbach has designed public spaces and waterfront parks in Trenton, Baltimore, Denver, Boston, New York, Baltimore, Washington, and Philadelphia. He directed more than 350 contracts in executing and coordinating the 1976 American Bicentennial site improvements throughout the historic and central business districts of Philadelphia. More than 1 million visitors attended that July 4th celebration. In Baltimore he was asked to submit designs for a park to complete the cultural and commercial Inner Harbor development and link that development to the newly built Camden Yards baseball stadium, home of the Baltimore Orioles. He has been the site planner and landscape architect of the U.S. Open Tennis Facility, the largest tennis facility in the world, which attracts more than 50,000 spectators a day. Located in Flushing, Queens, New York, the facility is considered the most urban experience on the Grand Slam circuit.

In Europe, Schnadelbach has worked extensively in France, Germany, and Spain. He has been the landscape architect for corporate headquarters and industrial plants, including Centre Thomson, Gennevilliers, a national competition won in 1986 and completed in 1988; the new headquarters for Messier-Bugatti in Villacoublay; the Centre du Techniques, EDF/Electro Division de France, in St. Denis; and the GE Medical Division's production plant at Buc, Île-de-France. Schnadelbach has been commissioned to design a new waterfront for the Saône River, in Lyon. Phase I of a six-year master plan has just been completed. He designed the Longwy Ferrous Museum and Industrial Archeology Centre, a Grand Project of President François Mitterrand; the Plaine de l'Est, in Lyon, winning project of an international competition; and ecological studies and highway alignment selections for Sophie Antipolis, in the French Silicon Valley near Nice, and for Brest, Finistère, Brittany. In Spain, Schnadelbach planned for the cascade entrance between the city of Seville and the Expo 92 World's Fair. This plaza was traversed by more than 100,000 visitors daily.

Schnadelbach has been a ULI member since 1989 and has served on numerous Advisory Services panels, many specializing in the revitalization of inner-city neighborhoods. He was a member of the

panel on the South Central corridor in Los Angeles after the 1994 riots. Other panels on inner-city revitalization include those in Fort Wayne, Atlanta, and Trenton. He teaches studio and conducts lectures on urban design at the University of Florida. His studio research includes urban districts in Jacksonville, Miami, and Orlando, Florida.

## **Richard Shields**

*Chicago, Illinois*

A principal of Mesa Development, LLC, Shields is a leader in large-scale land and public and private sector developments. Mesa is a Chicago-based national real estate developer and investor who is committed to developing residential and mixed-use projects in major cities and urban areas. Through exceptional design and site selection, Mesa seeks and delivers “best of market” living choices with a focus on urban living. Sensitive to social, contextual, and market opportunities, Mesa works with leading architects, engineers, contractors, and investors to identify, plan, acquire, zone, market, and construct developments that have received significant market success and industry praise.

Major developments Mesa has worked on include The Heritage at Millennium Park, a 57-story high rise, and the Legacy at Millennium Park, a 72-story high rise, both condominiums in the east loop of Chicago; One Market Square, a 29-story condominium on the former Market Square Arena site in downtown Indianapolis; and the 1,316-unit Park Boulevard project, a 30-acre mixed-use, mixed-income development on a former Chicago Public Housing Authority site. Other developments include a large-scale lakefront development on former landfill in Milwaukee, Wisconsin, involving more than 1,500 residential units.

Shields also led the redevelopment of Glenview Naval Air Station and Fort Sheridan, both in Illinois, and the 1,089-acre Orlando Naval Training Center in Florida. Shields has served as an adviser to the Secretary of the Army on privatization; to the National Trust for Historic Preservation regarding the preservation of Ford Island at Pearl Harbor in Hawaii; and on the ULI Advisory

Services panels for Ft. Meade housing and the St. Elizabeth hospital site development in Washington, D.C.

## **Christine Viña**

*San Antonio, Texas*

Viña, a special projects coordinator for the City of San Antonio Planning Department–Neighborhood and Urban Design Division, works primarily with a diverse range of citizens from inner-city neighborhoods, to facilitate the public input process for both community planning efforts and design standards development. In her six years with the city, she has developed a zoning overlay program to assist neighborhoods that want to protect neighborhood character, through an objective review process that uses specific sets of design standards for each neighborhood. She provides extensive presentation and editorial material for the department and research and analysis on Zoning and Board of Adjustment reviews. She also supervises the plan review process for the department’s neighborhood and corridor overlay districts.

Viña is currently in charge of an extensive community plan for the near west side of San Antonio, most widely known as the true heart of the city’s Mexican American culture. The primary commercial corridor through the community was the focus of one of two recent Advisory Services panels that the city hosted within a short three-month span. The ULI report, Avenida Guadalupe, and the revitalization strategies outlined in the report will be used to organize the community plan and its urban design component. She was also the lead staff liaison to a second ULI panel visit and report, on the St. Paul Gateway District, for the near east side of San Antonio, which once was the center of the African American community and culture.

Prior to her service with the city, she served for five years as the executive director of the Southtown Mainstreet program, acting as the liaison between property owners and the city for a three-corridor area just south of the Central Business District. Southtown is designated as both an official national Main Street program and a local Neighborhood Commercial Revitalization program.

Viña holds a bachelor's degree in architecture from Texas Tech University. She spent ten years in Washington, D.C., with several architectural, engineering, and interior design firms, and was also the assistant director for Internship Programs for the National Council of Architectural Registration Boards. Prior to returning to Texas, she held a position providing housing market research in the multicounty D.C. metro area.