

City of Laguna Hills

Technical Assistance Panel

October 5, 2010

**Urban Land Institute
Orange County / Inland Empire**

About the Urban Land Institute

The Urban Land Institute is an international, non-profit research and education organization that serves to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. The ULI is based out of Washington, D.C., and is connected throughout the Americas, Europe and Asia by a network of district councils. ULI has grown from seven regional district councils in 1983 to more than 60 global district councils today. In North America, there are currently 51 district councils, and in Europe, there are currently 13 district councils. The ULI Orange County/Inland Empire is one of the ten largest district councils worldwide, with over 900 members. The ULI is funded by sponsors, programs, and its members. Over 30,000 members are active in the research and education of land use planning and development issues. ULI members have access to information such as publications, case studies, and community catalyst reports. The ULI also organizes special workshops and programs geared toward people who develop and redevelop neighborhoods, business districts and communities across the U.S. and around the world. Networking is one of the primary reasons to join the ULI as professionals seek to be connected and share best practices.

The members of the ULI Orange County/Inland Empire are community builders. They represent a range of professions from academicians to economic development officials and designers to property managers. The activities of the ULI Orange County/Inland Empire are geared specifically toward local land use issues, but also towards issues that affect the Southern California region and California statewide. In an effort to create a forum where professionals under 35 years old could network with their colleagues or meet seasoned professionals in the industry, in 2003, the Young Leaders Group was formed.

The mission and the principles of the ULI have withstood the test of time for more than 70 years. Founded in 1936, by J.C. Nichols, the ULI has been bringing together leaders from the private and public sectors in an open exchange of ideas and experiences to improve the quality of real estate and development decisions in regions throughout the world and in the Orange County/Inland Empire region.

ULI Advisory Services

The Urban Land Institute is a leader in conducting research and providing information on all aspects of real estate development and land use policy. In order to maintain its status as a valued and objective source in the private and public sectors, the ULI seeks to bring together leaders from across the fields of real estate and land use policy to exchange best practices and serve community needs; foster collaboration within and beyond ULI's membership through mentoring, dialogue and problem-solving; explore issues of urbanization, conservation, regeneration, land use, capital formation, and sustainable development; advance land use policies and design practices that respect the uniqueness of both built and natural environments; share knowledge through education, applied research, publishing, and electronic media; and, sustain a diverse global network of local practice and advisory efforts that address current and future challenges.

Since 1947, ULI's Advisory Services Program has been assisting communities by bringing together panels of seasoned real estate, planning, financing, marketing, and development experts to provide unbiased pragmatic advice on complex land use and development issues. At the local level, the ULI Orange County/Inland Empire District Council provides advisory services panels on specific issues, which are addressed in one or two days.

To ensure objectivity, members of a District Council Technical Assistance Panel (TAP) cannot be involved in matters pending before or be working for the sponsor of a TAP, and cannot solicit work from the sponsor during the panel's assignment period. The panel consists of professionals, who are ULI Orange County/Inland Empire members, with expertise relative to the scope of the project. All TAP panelists are volunteering their time and expertise to participate. Sponsors request TAPs and the District Council assists the sponsor in refining the scope of the assignment and in organizing the panel's efforts. At the conclusion of the TAP, the panel issues a report with findings and recommendations to the sponsor. A fee is paid to the ULI Orange County/Inland Empire for the TAP, which is used by the District Council to further the Institute's mission to share best practices and provide educational services in local land use planning and real estate development.

City of Laguna Hills Urban Village

Study Area Background / Context

The Urban Village is a distinctive area of Laguna Hills that contains a mix of retail, office, financial, medical, residential, and transportation uses that cannot be found elsewhere in the City. The Urban Village is bounded by Paseo de Valencia on the north and west, Los Alisos Boulevard on the south, and Interstate 5 on the east. The General Plan, adopted following the City's incorporation in 1991, recognized this area as a special commercial district, containing diverse land uses that could be transformed into a unique downtown environment.

At 240-acres, the Urban Village contains a range of major and regional destinations and a variety of land uses. The prominent activity generators in the area include:

- The Laguna Hills Mall,
- Oakbrook Village Shopping Center,
- Saddleback Memorial Medical Center,
- Post Office,
- Medical Office Buildings,
- General Office Buildings,
- Financial Institutions (banks, etc.),
- Senior and Multifamily Residential Development, including for-sale, for-rent and assisted living facility,
- St. George's Episcopal Church & School,
- Large Box Retail & Restaurants,
- Laguna Hills Civic Center and City Hall, and the
- Transportation Center (OCTA).

The Urban Village contains the highest concentration of goods, services and employment opportunities in the City. The area is patronized primarily by residents of Laguna Hills and the adjacent communities. Key destinations include the Laguna Hills Mall, the Oakbrook Village shopping center, and the medical offices associated with the Saddleback Memorial Medical Center. The Medical Center serves as both a major employer within the City, as well as a major destination point for the local residents and surrounding senior communities, such as Laguna Woods. The Urban Village is considered a place for traditional shopping, but also provides dining opportunities and non-work related shopping opportunities for the large volume of commuter traffic that transverses through the City.

The Urban Village is adjacent to a strong transportation network that includes the Interstate 5 freeway on the east and major road arterials that pass through the area. The OCTA regional transit terminal on Paseo de Valencia provides local and regional bus service to residents and incoming service workers. Privately-operated shuttle buses, which provide service to the surrounding senior citizen communities, stop at various destination points within the Urban Village and are heavily utilized. But, the preferred method of access into the Urban Village is by automobile. Large surface parking fields surround the Laguna Hills Mall and the north/eastern side of the Oakbrook Village Shopping Center. The free parking lots are used by shoppers, as well as by the local employees since some of the surrounding local businesses restrict parking to patrons only.

Many of the parcels in the Urban Village were originally developed in the 1970's, with some additional development occurring in the late 1990's. In 2009, the City purchased an office building on the north side of El Toro Road for use as the Civic Center, seeking to generate activity and create renewed interest in the Urban Village area. In 2009, the Laguna Hills Mall was repositioned as a 'lifestyle center' through tenant improvements to the mall and the addition of stand-alone projects on the property. There has been a significant amount of investment within the Urban Village in the form of restaurant development, medical office expansion, street enhancements on El Toro Road as a major gateway and maintenance-related property improvements by the small local businesses, but, the private sector has not played an active role in firmly establishing the downtown core envisioned in the Urban Village Specific Plan.

The City would like the Urban Land Institute Technical Assistant Panel (TAP) to explore housing and affordability as an opportunity to activate and energize the Urban Village's redevelopment potential, as well as stimulate pedestrian and transit activity in the area. The TAP has also been requested to provide guidance on how to establish the Urban Village as an environment that facilitates private investment in the development of the indoor/outdoor Main Street concept and is supportive of all the surrounding land uses.

Urban Village Specific Plan

The City of Laguna Hills adopted the Urban Village Specific Plan in November 2002, viewing the document as a vehicle to help transform the existing commercial / business / residential area of the City into a district that would serve both community and regional

needs. The document outlines land use and design guidelines, conceptual in nature, that propose a Main Street Concept, Pedestrian Pathways, a Village Green and Public Plazas. Flexible development options include a trip budget for the overall Urban Village Specific Plan area, as well as parking incentives to new and existing developers that can demonstrate substantial compliance with the Plan.

A 'Main Street' concept in the Plan serves as a 'backbone spine' for the development pattern and improvements envisioned for the Urban Village as a whole. The Main Street is proposed to be centrally located within the Urban Village and is intended to be a pedestrian-oriented shopping, dining, and entertainment area that will transform the Laguna Hills Mall shopping area from an old style shopping mall to a multi-purpose destination for residents, employees and the region. Main Street is envisioned to feature pedestrian connections between the adjacent land uses, facilitated by roadway improvements identified to lessen any impact on the existing streets by the proposed new development in the Urban Village Specific Plan.

The Land Use Concept in the Specific Plan provides a conceptual basis for where new development might occur within the area. Detailed new land uses include; up to 183,000 s.f. of new retail oriented around the Main Street and Pedestrian Promenade, a 250-room hotel, oriented towards the freeway or El Toro Road, mixed-use development that includes up to 200 dwelling units, the new Civic Center on El Toro Road, and new general or medical office development. Parking displaced by the Main Street would be replaced by parking structures constructed on the Mall property.

The stated intent of the Urban Village Specific Plan is to better define and establish development policies and standards that encourage and facilitate the creation of a village-like "downtown core" within the Study Area, and to shape the future of the district as a vibrant regional and community destination that contributes to the quality of life for the residents of Laguna Hills and the region. The Specific Plan was a proactive effort on the part of the City to maintain and enhance the long-term economic vitality and fiscal health of the community. The document detailed seven goals that defined the City's vision for the downtown core.

- 1) Encourage and facilitate new uses in the area;
- 2) Create new pathways and add landscaping to existing sidewalks to create a pedestrian-friendly environment;
- 3) Create an identify for the area through the use of entry features, area way finding signs, consistent landscaping and street furniture;

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- 4) Facilitate private investments in the development of desirable and planned activity nodes;
 - 5) Take full commercial and market advantage of the Urban Village's central location in the Saddleback Valley;
 - 6) Increase the employment opportunities, tax revenues and ensure the long-term viability of the Urban Village, and
 - 7) Provide the framework for a public/private partnership to implement the goals of the specific plan.

City's Goals

To begin the TAP process, and as part of the initial due diligence research, the TAP co-chairs met with City staff to discuss the City's goals and considerations for the Urban Village, as well as document what the City would like to accomplish with the TAP. The City staff shared their Urban Village vision and the goals to be explored during the TAP study:

1. Guiding Principles -- to be established by the TAP Panel with consideration to the following:
 - 1.1. Big Idea in the Specific Plan is to create an indoor/outdoor opportunity, with a sense of place supportive of all transit;
 - 1.2. Currently written, the Specific Plan does not speak to Housing. Housing and affordability must be included and addressed in the Guiding Principles.
2. Placemaking Objectives -- to give recommendations on how to create a walkable, pedestrian and transit supportive experience, thereby supporting "Healthy Communities":
 - 2.1. How does the "Main Street" yet to be created establish linkage and a loop supportive of all land uses, residents and transit;
 - 2.2. Consider existing transit users and new residents in order to establish way-finding that encourages enhancement to business and community pride.
3. Market Viability -- this location is a "bridge" and stop-over to-and-from north and south county traffic. How do you create a place option to Irvine Spectrum and Shops at Mission Viejo, rather than compete?
 - 3.1. Examine regional location and existing success and challenges;
 - 3.2. How does existing Bus Transit support market viability and celebrate transit as an amenity?

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- 3.3. Possibility for more retail or a lifestyle center?
 4. Transportation -- Given the focus of the Laguna Hills Urban Village as a “True Transit Oriented Development (TOD)” example, while supporting bus rapid transit (BRT) as an alternative to the car, how could the City plan ahead for more transit, ease of access, and user frequency?
 - 4.1. BRT and public transit needs a plan to streamline location and frequency of stops, and ease of use;
 - 4.2. Transit users’ access, experience, and safety are critical in a new plan and will require a coordinated effort amongst stakeholders and agencies.
 5. Land Planning -- Given the feasibility of market, transit coordination and placemaking objectives, what is a recommended phasing and approach to land planning the Urban Village area?
 - 5.1. Medical looking to expand. Parking will be an issue;
 - 5.2. High-water table will restrict options for subterranean parking;
 - 5.3. Park-and-Ride and existing agreements with transit authorities need to be considered;
 - 5.4. Scale of area is too big to navigate and function as a cohesive “place”;
 - 5.5. Distinct and tailored pedestrian circulation system needed.

Existing Conditions

After the initial meeting at the City, and two weeks prior to the day of the TAP, a driving tour allowed the panelists to observe the study area first hand. The City staff conducted the tour, allowing the panelists to ask detailed questions about the Urban Village and surrounding land uses. Existing conditions were identified and documented, or noted for further research and discussion. These are the initial findings of the TAP panelists documented during the driving tour:

- Impact of destinations can act as curse and blessing;
- No distinct identity, lack of orientation and coherence;
- Lack of city and community representation to establish the area as a sense of “place”;
- Typical 1970’s auto-oriented suburban mall and development;
- Lack of sense of authenticity;
- Lack of pedestrian-friendliness;
- Tiredness and exhaustion of built environment;

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- Robust transit service at OCTA Transit Center;
 - Lack of connection within overall site to Transit Center;
 - Series of islands. No interaction or connections between various land uses;
 - Sense of community, while present, is not expressed;
 - Have nearly all of the right ingredients to build ‘place’;
 - ‘Place’ elements are too far spread out;
 - Local pride and use of the mall area. Residents focus on the destination, and overlook the infrastructure hurdles;
 - Shoppers are in the mall and employees in the businesses, but no sense of activity on the outside, in the public realm.

Opportunities and Constraints

After the tour, the TAP panelists performed an *Opportunities and Constraints* exercise for the study area. This allowed the panelists to formulate direct questions for the various stakeholders that would be interviewed prior to the day of the TAP.

Opportunities

- Physical presence of place;
- Ability to connect the various islands of land uses;
- Total amount of land within Urban Village;
- Amount of surface parking available as open land;
- Willing and interested land owners;
- Dialogue wanted by land owners;
- Capitalize on existing anchors;
- Weather;
- Diversity of land uses;
- Synergies from destination entities (the mall and hospital);
- Heritage, history and civic pride of the area.

Constraints

- Low-density, auto-dominated land uses;
- Silo’d communication among various stakeholders;
- Retail can’t charge for parking;
- Standard traffic modeling may not be effective;

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- Specific Plan allowed density failed to meet needs;
 - Long-term Implementation of the vision;
 - City resistance to providing public support and finance
 - Existing Laguna Hills Mall;
 - Amount of land (disconnect).

The study area is a unique site and has great components for an urban village. There are walk-in and drive-thru restaurants that are used by local residents, as well as commuters, and provide pedestrian activity during both the lunch hour and the evening hours. There is a major employer, with Saddleback Memorial Medical Center, that pulls employees into the downtown area, providing retail customers for the surrounding shopping center, mall, and restaurants. There is a high-ridership transit center that serves as a destination point, for both incoming employees, as well as provides intercity bus service for the surrounding senior and residential area service workers.

There are also land use components that act as opportunities and constraints. With the Mall, the downtown core has a large, single landowner, that would allow for the opportunity to kick-start development without the need to gather various parcels into a unified whole by the City or a developer seeking to build in the study area. Yet, the Mall also serves as a constraint, as the owner has multiple retail properties within the local region and has chosen to direct redevelopment funds to other properties that compete with the Laguna Hills Mall. The physical structure of the Mall is a 1970s inward-focused design, surrounded by an extensive parking field that is checker-board pattern of multiple 50-year parking leases controlled by the major anchor tenants. The existing anchor tenants are indicative of a B-level retail property. Surrounding properties are low-density, auto-dominated land uses that serve to reduce pedestrian activity within the Urban Village area.

Outreach & Due Diligence

One of the challenges for TAP panelists is to make accurate assessments of a community in which they may not live or work. The assessment gathering process included outreach, interviews and due diligence, focused to advise the panelists and inform their final recommendations. Public and private stakeholders were interviewed to better understand the existing framework and issues of the Urban Village area. The stakeholders included City staff and City officials, local land and business owners,

property managers, and special interest groups. The stakeholders interviewed are as follows:

- Randal Bressette, Mayor, City of Laguna Hills
- Melody Carruth, Council Member, City of Laguna Hills
- Joel Lautenschleger, Council Member, City of Laguna Hills
- L. Allan Songstad, Jr., Council Member, City of Laguna Hills
- Bruce Channing, City Manager, City of Laguna Hills
- Donald White, Assistant City Manager, City of Laguna Hills
- Vern Jones, Community Development Director, City of Laguna Hills
- Kenneth Rosenfield, Director of Public Works, City of Laguna Hills, City Engineer
- Melissa Palencia, Area Mall Manager, Simon Property Group
- John Loper, Vice President of Project Development, Fritz Duda Company
- Steve Geidt, CEO, Saddleback Memorial Hospital
- Dave Simpson, Local Government Relations Manager, Orange County Transportation Authority (OCTA)
- Heather Rolands-Hamer, Property Manager, TGM/Prado Apartments
- Sue Donahue, Property Manager, The Muller Company
- Courtney Park, Property Manager, Lincoln Property Company / Oakbrook Village Plaza
- Barbara Colter, Executive Director, Sunrise Senior Living / Villa Valencia
- Russell Chisholm, President, Transportation Management & Design, Inc.
- Kiril McKee, Senior Vice President, Shea Properties Retail Leasing

The panelists noted strong community-based themes running throughout the discussions with the various stakeholders. The community sense of pride and celebration of the City's pioneer and veterans' heritage is evident, from the Civic Center murals, to the public art programs. The City's support of the Urban Village vision is evident in the funding and construction of significant public improvements recommended in the Specific Plan, as well as the relocation of the City Hall to the new Civic Center on El Toro Road.

Guiding Principles from TAP Process

The TAP panelists established five overarching themes that would serve as the Guiding Principles and provide the framework for the day of the TAP.

Collaboration: Provide a mechanism so that dialogue can happen (and continue to happen).

Placemaking: Reveals the assets, repairs the connections, and demonstrates an authentic local identity.

Market Viability: The public sector (the City) provides the synergy for all the stakeholders.

Transportation: Establish a balanced multi-modal network with the pedestrian as the key ingredient.

Land Planning: Commit to a catalyst project with a long-term vision in mind.

Four of the Guiding Principles are clear expansions of the City's original goals. The fifth Principle, Collaboration, is a result of the due diligence interviews that highlighted the silo'd communications occurring among the various stakeholders and the City.

City staff and council members clearly champion and support the Urban Village plan, but established governing methods cause the City to work with a hands-off approach when advancing their role in the development of the Urban Village. Various landowners within the downtown core are planning or investing in tenant improvements and redevelopment projects and have reached out to adjacent landowners for support and feedback. Stakeholder interviews highlighted the fact that the individual landowners rarely moved forward with a holistic planning approach that would serve to the support the overall downtown core vision.

Those landowners that seek to involve the Mall and other adjacent properties in their planning efforts find it difficult to reach the appropriate decision-making individuals within the various companies. Quite a few of the existing properties in the Urban Village have local managers, but, those individuals do not have land-use decision-making capability, nor can they get the dialogue to the correct decision-making levels within the nationally and regionally-based firms so that planning can occur collaboratively. The property owners are communicating with the City, but the synergy to create a cohesive downtown is lost, as each moves forward with their own individual projects that often serve to further disconnect the pedestrian realm within and along the edges of the Urban Village.

The City's fiscal approach has served the City well, as they have been able to maintain the City's financial strength and prosperity. Laguna Hills is one of the few government agencies in the State to have an operating budget surplus in a recession era. Governing with a hands-off approach misses the opportunity for collaboration among the various landowners.

Recommendations

Overall Recommendation: Collaboration

- Create a key stakeholder group that meets on a regular basis.
- Establish a mechanism for dialogue among Urban Village stakeholders.
- Empower City to guide and hold strategic direction and necessary collaboration with stakeholders.

The key overall recommendation centers around “how can the various stakeholders work together to establish the Urban Village and move it forward”. There are gaps in the communication process between the various stakeholders, so the TAP recommends the City step into (or expand) their leadership role to create a forum or place where ideas are discussed and implemented. At minimum, the City could create a forum for the various stakeholder groups to meet on a regular basis. This mechanism for dialogue would allow the landowners to discuss their improvement and redevelopment plans and create the opportunity for collaboration (both design and financial) that could potentially move the Urban Village plan forward.

It is clear that the City supports the Urban Village vision, but what entity holds the long-term vision for the project and forms the process? The City's role would be to provide leadership as the holder of the long-term vision, as well as facilitate the stakeholder forum. There are diverse interest groups and different perspectives among the various stakeholders. Development is currently occurring in a piecemeal approach. Creating a collaborative forum, where the various land owners can discuss improvement and expansion plans, is key to accessing synergy and creating a vibrant, thoughtful downtown core. Creating a great place requires a long term vision, collaborative dialogue and the sharing of resources.

Placemaking Recommendation: Create the “Living Room” for Laguna Hills

- Create a memorable, inspiring setting for everyday life and public celebrations.
- Create a change in the mindset and use of outdoor space.
- Participatory design workshop to discover and celebrate authentic design character.
- Support the civic life of the community.
- A ‘Main Street’ as the spine of connectivity between diverse land uses.

The Placemaking recommendation is to create a ‘Living Room’ place in the Urban Village where people feel connected and safe. So much of the public realm is relegated to the automobile that it dominates what we perceive of the city. In the Living Room setting, the automobile is deemphasized and people are emphasized. The Urban Village Specific Plan document has valuable ideas that speak to the creation of place – a place linked together by the Main Street concept. There are current Southern California examples of suburban mall renovation. Paseo Colorado, a three-square block “urban village” replaces an inward-oriented enclosed mall with an open-air mix of retail space, restaurants, entertainment uses, and housing in an effort to return Pasadena to its walkable roots. It is clearly a place that is inviting, vital, and safe, day and night. It has places for people to sit, children to play, reaches out to all age groups and energize the space with pedestrian activity. A mixture of market segments and uses activates the project seven days a week over a wide range of hours and enhances the existing pedestrian fabric of downtown Pasadena. It has outdoor dining, evening events, and lots of people. The Laguna Hills has many of the components already in place that can make the Urban Village a vibrant public space. The challenge is to expand the plan visually and comprehensively.

Another recommendation is to create visual stimulus by utilizing local heritage elements throughout the development. The panel recommends the City hold a participatory design workshop to discover and celebrate the authentic community character for the Urban Village. What does the Laguna Hills “Living Room” look like for a local resident? Engaging the community allows for pride and ownership of ‘place’ and creates a change in the mindset and use of outdoor space.

Market Viability Recommendation: Public Sector takes a leadership role in partnering with the private sector

- Create a funding mechanism, such as Tax Increment Financing (TIF) for capital improvements or Business Investment District (BID) for long-term operational costs.
- Provide public investment through multiple parking structures and public infrastructure improvements.
- Establish a high-enough density to support the overall Plan, such as an average density of 50-60 units/acre across the site and a diversity of home types to attract various residents at differing income levels.
- Create a viable land use phasing plan.

The Urban Village is anchored by the regional Laguna Hills Mall and the Oakbrook Village Shopping Center. One of the City's goals is to take full commercial and market advantage of the Urban Village's central location. Stakeholder interviews highlighted the City's concern that the Laguna Hills Mall remains a B-level property, while the Shops at Mission Viejo received extensive renovations and improvements, as well as A-level tenants. The TAP ordered a market study and looked at the competing retail markets within a 7-mile radius of the Laguna Hills Mall. The market study included the Irvine Spectrum, a regional retail and entertainment center to the north, and the Shops at Mission Viejo, a retail center to the south. These A-level regional malls are within the lease radius that will restrict the Spectrum or the Shops anchor tenants from locating at the Laguna Hills Mall. Retail leases often restrict tenants from placing another store within a certain mile radius of the existing store to limit sales cannibalization. The Laguna Hills Mall is within the restriction area for both of these regional malls.

Both the Shops at Mission Viejo and the Laguna Hills Mall are owned by the Simon Group, the largest mall owner and manager in the United States. In 1990, the Simon Group completed a \$150-million renovation of the Shops, including a 400,000-square-foot expansion with the addition of numerous high-end shops. In 1994, the Simon Group renovated the Laguna Hills Mall, by replacing the closed Buffum's anchor store with an upstairs food court. In 2009, the Simon Group invested \$9 million in improvements to re-position the Laguna Hills Mall as a "lifestyle center" by adding restaurants to the mall area between the anchor tenants, and the addition of a fitness center and restaurants in stand-alone buildings on the property.

The market study confirmed that retail has reached a point of saturation and that the demographics do not support the introduction of more retail in the Urban Village. Many of the original tenants at the Shops in Mission Viejo are nearing the terms of their leases, and research indicates that numerous stores in the Shops have closed their doors or filed for bankruptcy protection. In the Laguna Hills Mall, a portion of the small retail stores located inside has closed or is month-to-month tenants. In the current recession, A-level malls, such as the Spectrum or the Shops are having difficulty retaining tenants, and are poaching B-level tenants to fill any vacant space. Even with renovation, it is likely that the Laguna Hills Mall will remain anchored with B-level tenants and that the Simon Group will not move forward with any changes that put their existing anchor tenants at risk.

Public-sector support of infrastructure improvements will likely continue to be necessary to attract private investment. The fiscally conservative City staff and City Council have been reticent to invest City funds for any other projects than public transportation, signage and infrastructure improvements. The City's hands-off approach to development may, in part, be responsible for the limited investment in the Urban Village. The panel recommends provisions for additional public infrastructure projects be considered – such as building streets or connections through the Urban Village, providing open space or parks and streetscape improvements, and paying for new public parking structures. A public parking structure, built in conjunction with housing units, could create a well-received public/private partnership opportunity, and serve as a catalyst development project in the Urban Village.

Who is responsible for funding capital improvements and long-term operational costs in the Urban Village? One recommendation is for the City to explore the use of tax increment financing (TIF) or the creation of a business improvement district (BID). Tax increment financing allows a city to create a special district and to make public improvements within that district to generate private-sector development. Since TIF is designed to channel funding toward public project improvements, it could be used to fund a public parking structure that could free up land in the parking fields for development. A BID is a public/private partnership in which property and business owners elect to make a collective contribution to the maintenance, development and promotion of their commercial district. BIDs deliver a range of supplemental services in coordination with municipal services and invest in the long-term economic development and maintenance of their district. Property owners may be hesitant to support a new BID since they cannot pass the assessment along to a tenant, but instead, must absorb the cost directly. Stakeholders within the Urban Village should focus on strategic

investments and development which will stimulate private investment before they consider forming a BID. Once there is increased activity, there will be demand for the supplemental services that a BID is best suited to provide.

The development of the Urban Village also presents a tremendous opportunity to transform the Saddleback Memorial Medical Center into an urban community health care center. Medical schools and universities often partner with local hospitals and clinics on their medical programs, since community-based programs allow medical students to interact with patients in a real-world setting. Saddleback Memorial currently partners with Biola University on their nursing program. The panel suggests the City explore a collaboration with the Medical Center that could extend the range of programs offered. The expanding health care market offers opportunities for additional partnering with other educational institutions across the region. The growth of health care programs, created in conjunction with the Medical Center, would result in public/private benefits to the Urban Village and the surrounding community.

Transportation Recommendation: Design for the Pedestrian

- Focus first on the pedestrian experience, such as Vehicle Miles Travelled (VMT) and trips reduced as a result and interconnectivity between existing and future land uses.
- Physically integrate the existing transit services and center into proposed vision and work with OCTA and local transit providers to ensure best service possible.
- Provide for an equitable balance between transportation nodes.
- Provide incentives for alternative travel modes and consider implementing a Transportation Management Association (TMA).

One of the City's goals is to stimulate pedestrian and transit activity in the area by increasing transit ridership and possibly supporting BRT as an alternative to the car. ULI OE/IE originally chose this site because of the location of the OCTA Transit Center and the potential for BRT service. During the due diligence process, OCTA indicated that transit funding is constrained, so additional bus routes and BRT service would not be supported or financed by the agency. The panel suggests the City work with OCTA and local transit providers to ensure the best service possible for the existing system. Any changes to the current bus and shuttle system should support the proposed Urban Village vision and physically integrate into the overall plan.

TAP panelists suggest the City not reinvent what has been designed in the Plan, but direct their focus to the pedestrian experience, which can be facilitated by the introduction of residential into the Plan, both within the Urban Village and on the periphery. Successful developments are a mixture of auto and foot traffic. The intent is to tame the car, to take advantage of the pedestrian activity by creating a pedestrian-oriented environment. Third Street Promenade, the successful redesign of an outdoor urban mall in Santa Monica, is closed to the automobile. There are five multi-level public parking structures scattered on the periphery of the Promenade, as well as mid-rise for-sale and for-rent mixed use development in the surrounding neighborhoods. Abundant and low cost parking (free for the first two hours) on the periphery requires shoppers to park once to shop.

The Specific Plan is flexible and structured so that allowed development density is regulated by trip generation limits to ensure that the City's Circulation Element Level of Service (LOS) D standard is not exceeded at any of the intersections in the area. The Urban Village is subject to a trip budget limit that allows for projects to debit from the total trip budget until the maximum threshold is met. The process is not constrained by land use or project size. TAP panelists recommend the City consider a broad range of product types; affordable/workforce housing, as well as for-sale and rental, aiming for 50 to 60 dwelling units to the acre to activate the Urban Village. Currently, the Specific Plan anticipates up to 183,000 square feet of new retail, and only 200 dwelling units in a mixed-use format. The panel recommends the City pursue residential as an integral part of the development plan, rather than additional retail opportunities.

The City can provide a choice of housing types that supports mixed-use, mixed-income, multi-generational living, as well as enough pedestrian activity to create a vibrant place. Mixed-income development supports transit ridership because lower income households make use of transit at a higher rate than higher-income households. Including affordable development into the Urban Village can help encourage increased transit service and increased pedestrian activity. The Urban Village already has a small pedestrian activity base, created by the destination employers (medical center and medical offices), as well as the surrounding restaurant facilities. The TAP panelists recommended the City also consider redeveloping some of the existing retail into housing or mixed-use development.

Finally, the panelists recommended the City consider using a traffic firm that specializes in mixed-use development traffic modeling. Newer modeling techniques consider the design, interconnectivity and walkability of a development, and can result in lower VMT,

and potentially higher development opportunities than a traditional traffic modeling exercise can achieve.

Land Planning Recommendation: Facilitate a mixed-use land use plan

- Create a catalyst project to build from, that seeds the local vision and placemaking.
- Consider residential as an integral part of the land use planning and create a village center neighborhood.
- Unlock the surface parking with development.
- Fill in the gaps with activated building frontages.
- Create a “park once” district.
- Strategically locate a network of open spaces based on human-scale design.

The economic market will determine the scale and timing of the Urban Village unless the City jump starts and controls the development with a catalyst project. Panelists recommended the City consider subsidizing the construction of a public parking structure, located within the surface parking area of the Laguna Hills Mall, and be developed in collaboration with multifamily or affordable/workforce housing. Placed at the intersection of all of the land owners, it would begin to define the Urban Village by unlocking the surface parking surrounding the mall, increase pedestrian activity and potentially increase ridership for the Transit Center.

Public structure-parking, either residentially wrapped, or adjacent to a multifamily residential product, would replace the mall surface parking and provide needed spaces for surrounding employers. The structure would be joint use, with parking for both residents and retail customers designed into the structure. Housing can be adjacent or wrapped into the structure, and serve to mitigate the massing of a large parking garage. The multifamily residential housing would provide additional retail customers, as well as activation of the public realm for the success of public places gets measured in people. The catalyst project allows the fiscally-prudent City to provide public infrastructure, rather than fund private development. Creating the ‘semi’ public/private partnership can help ensure the economic viability of a project by leveraging everyone’s vested interest in the development’s success. The catalyst project sets the vision in the initial phase, preserves the critical anchors for success, and supports the various needs of multiple stakeholders, while serving the greater public good.

Conclusion / Next Steps

- Establish a collaborative working group, including stakeholders, land owners, retailers, and community members.
- Kick-off a community identity workshop.
- Establish potential funding mechanisms.
- Identify a “Catalyst Project” location in an area that engages multiple stakeholders.
- Position the City as the champion of the Urban Village vision.

The Urban Village is not an experiment; it has to be done successfully to create an active, vibrant downtown for the City. The current economy is a hurdle for development everywhere in Southern California. The panel recommends the City take a leadership role in getting the Urban Village development started via a catalyst project, but also because it may be necessary to support and kick start development to bring the comprehensive long-term plan to fruition. The City clearly has taken a proactive approach to the downtown core, by establishing the Specific Plan and funding street and infrastructure improvements. More than \$6 million has been spent in the construction of new roads and intersection capacity, as well as monuments, lighting and landscaping in the Urban Village area. The next step would be for the City to identify a catalyst project that is located in an area in the Urban Village that engages multiple stakeholders. It would need to be a project that protects the City’s fiscal responsibilities while providing the impetus for residential development in the Urban Village.

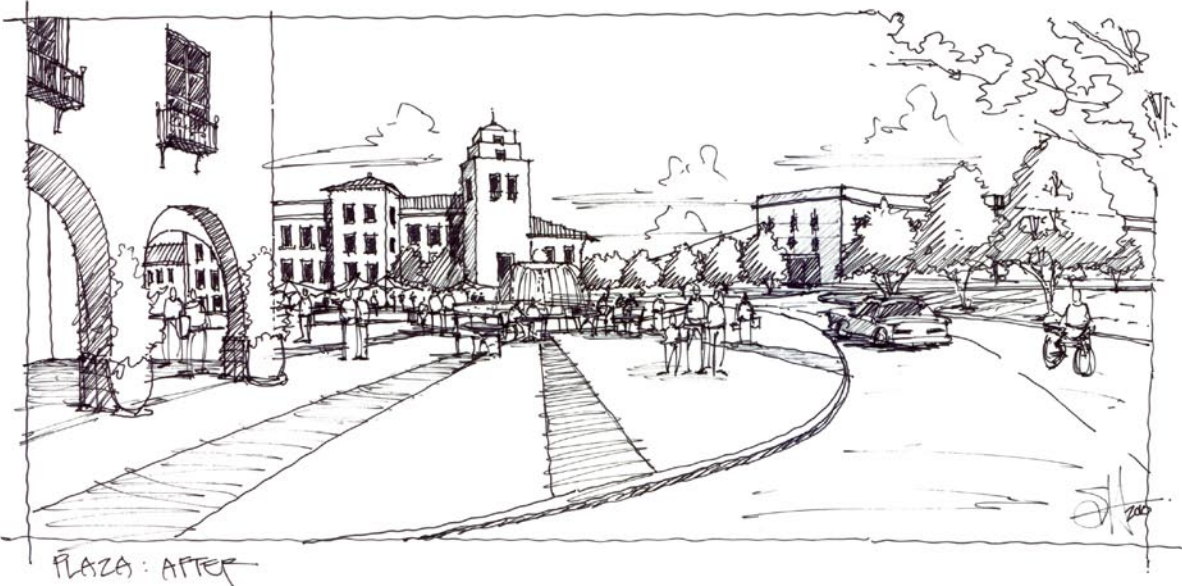
The panel also recommends collaborative meetings for the planning and coordination among the various stakeholder groups. The working group would include stakeholders, land owners, retailers, and local community members, supporting them to work together to identify development opportunities and strategies which could be mutually beneficial. The lack of dialogue among the various land owners only serves to create a piecemeal development over time and misses the opportunities for synergy and savings that can occur through collaboration.

Exhibits

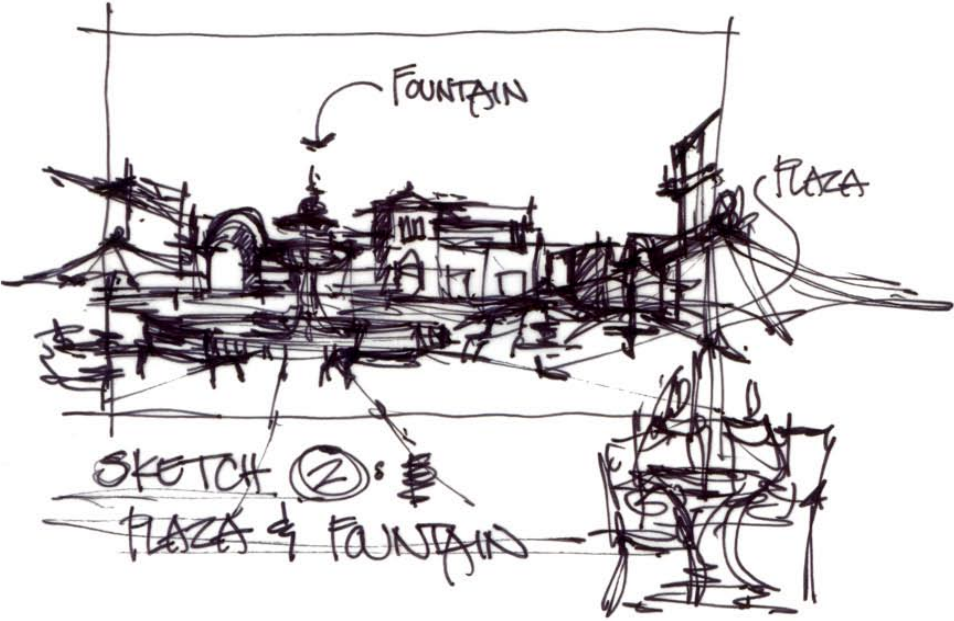
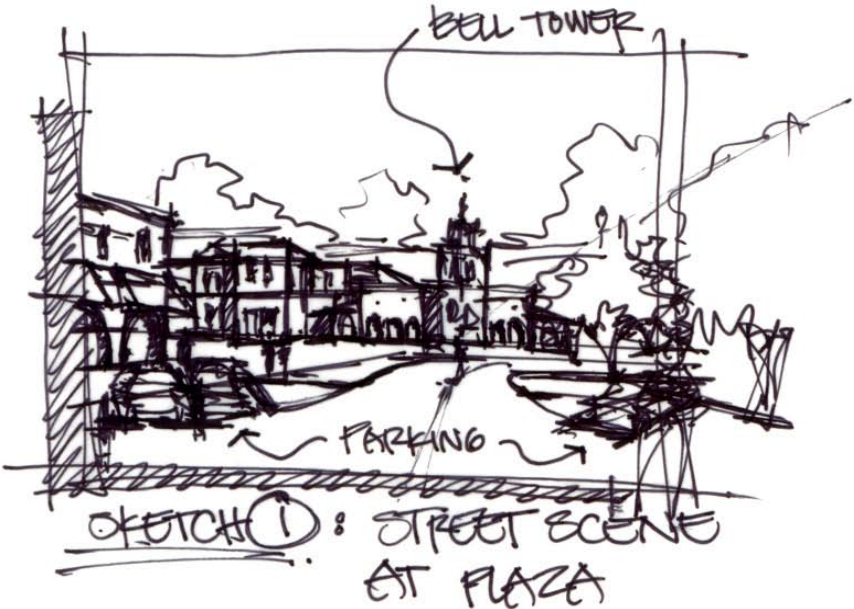
Main Street : After



Plaza : After



Plaza Scenes



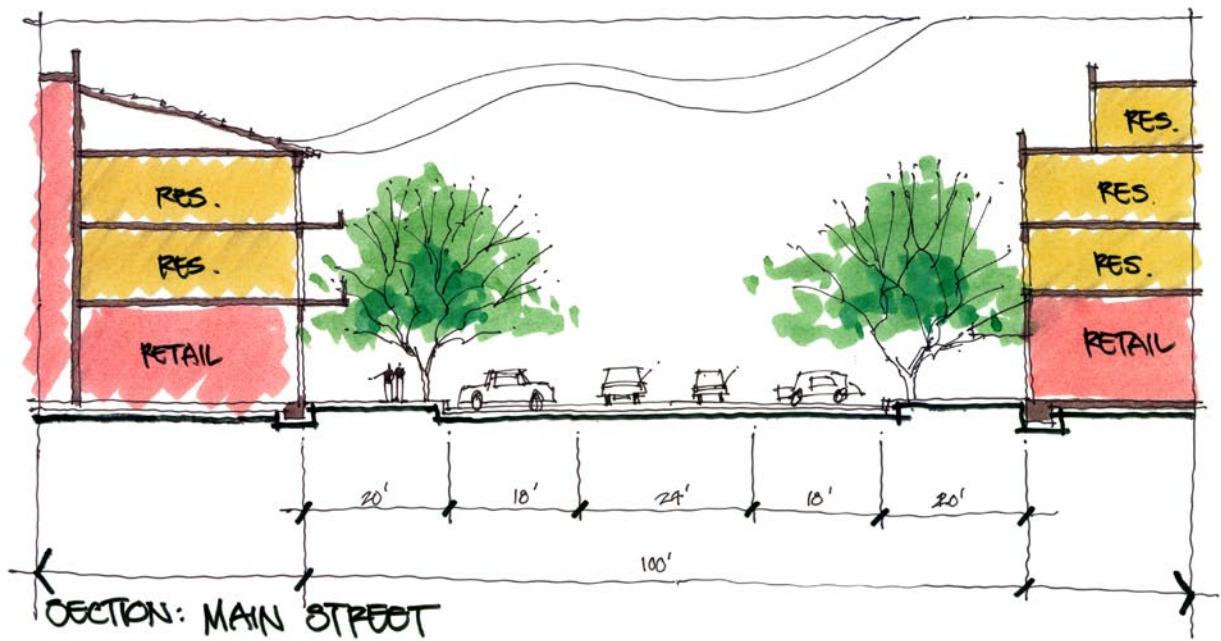
Plaza Alternative / Farmer's Market



Pedestrian-Only Mall Entry



Section : Main Street



Conceptual Site Plan



Panelists' Biographies

Douglas Campbell, ASLA

Principal, Campbell & Campbell

Mr. Campbell's honors include major public and private landscape art, architecture and commissions, primacy in international competitions, and notable distinctions including listing in the International Index of Public Art, numerous museum lectures and exhibitions, and professional awards including the Architectural Record Award and Highest LEEDS Platinum Honors for North America from the United States Green Building Council.

His firm, Campbell & Campbell is internationally recognized for leadership in urban "place making" - designing sustaining, regenerative environments which address and recover the loss of connections to community and the natural world, encouraging participation, stewardship, and engagement of memory and the imagination.

Campbell & Campbell's completed and current projects range from city and regional scale urban infrastructure and design- waterfronts and transit systems, academic and research campuses, religious institutions, cultural destinations, museums, arboreta and libraries-through parks, squares, plazas and works of public art.

Current and recent projects include urban landscape design for the regeneration of Santa Barbara's historic De La Guerra Plaza; the Civic Center and Sunset Boulevard corridor in Hollywood, campus plaza and landscape projects for Caltech; a new city center for Goodyear, Arizona and sustainable new town and urban and regional infrastructure planning, urban design, architectural and landscape design projects in Zhejiang and Guangdong Provinces, China.

Mr. Campbell's published and exhibited work includes many iconic cultural and civic projects, notably the architecture and landscapes of Audubon Center and the gardens of the Cathedral of Our Lady of the Angels in Los Angeles, Haskell Plaza at Western Washington University, and the Creative Planet Regenerative Centre Wroughton Campus for the National Museum of Science and Industry in London.

Douglas Campbell is a graduate of Pomona College and the University of California at Berkeley. He initiated his professional practice and research with a commission from Experiments in Art and Technology "Projects Outside Art" and as a consultant to the United Nations Development Programme (UNDP) in Beirut, Lebanon. His current appointments include Visiting Professor of Landscape Architecture at the University of Southern California, and Consultant for Sustainable Landscape Planning and Design at Caltech.

Elizabeth A. Cobb

Vice President / Land Development, Shea Properties

Elizabeth Cobb joined the Shea Properties/Legacy Park team in early 2006. Her primary responsibility is the day-to-day planning and program development. Ms. Cobb has more than 20 years of planning experience in both the public and private sectors, including involvement in several recent military base reuse projects in California.

Prior to joining Shea Properties, Ms. Cobb was a Senior Associate with RBF Consulting in Irvine, California. While at RBF, she specialized in the development of master plan communities, long range planning, subdivision processing, environmental analyses, and project site design. Ms. Cobb has particular expertise in the fields of policy planning, land planning, transportation planning, and affordable housing as they relate to comprehensive master planned developments and military base reuse.

In addition to her work in the private sector, Ms. Cobb worked for a public agency, City of Irvine, where she worked in both current and advanced planning in addition to transportation planning, providing technical and analytical review of major development projects. Ms. Cobb also worked for an Irvine-based consulting group that provided construction management services and transportation planning services.

Ms. Cobb received her B.A. in Urban Planning and Design and Social Ecology from the University of California, Irvine. Ms. Cobb is a member of Urban Land Institute (ULI) and the American Planning Association (APA) where she had served as Publications Director for the APA Orange County Chapter.

Steve Crosley

Senior Transportation Planner, Fehr & Peers

Steve is a Senior Transportation Planner with Fehr & Peers. His work in the transportation field encompasses all modes, yet his passion and focus is on transit and pedestrian planning. Within those disciplines, his work includes transit needs analysis, impact analysis, operations planning, multimodal station area access analysis, transit connectivity assessments, and ridership forecasting. While at Fehr & Peers he has managed or acted as lead planner on many notable transit and pedestrian-oriented projects, including the ground transportation impact analysis for the Westside Subway Extension DEIS/DEIR, Purpose & Need for the Westside Extension Transit Corridor AA, Irvine Transit Vision, ground transportation impact analysis for the Crenshaw Transit

Corridor DEIS/DEIR, Dodger Trolley, Irvine Spectrum Shuttle, South Los Angeles Transportation Master Plan, and Tustin Metrolink Station Area Planning Study. Steve holds a Masters Degree in Urban Planning from University of California at Los Angeles and a Bachelors Degree in Economics from University of California at Berkeley.

Daniel Falcon

Senior Vice President / Los Angeles, McCormack Baron Salazar

Daniel's responsibilities include managing the Los Angeles office project development, including mixed-use and residential developments. Prior to joining the firm in 2004, Daniel provided development, financial and programmatic consulting to private developers, non-profit, and public agencies leveraging public and private real estate resources. He has consulted on projects totaling more than \$1 billion in development costs, and completed consulting assignments throughout the United States and Latin America.

In addition to his consulting experience, Daniel served as the Assistant General Manager of the City of Los Angeles Housing Department. In that role, he directed the Department's financing and rehabilitation of 6,700 residential units damaged by the Northridge earthquake and oversaw in excess of \$100 million in financing for first time home-buyers. Daniel served as the Vice-Chairman of the Los Angeles County Commission on Insurance. He is also Chair of the City of Los Angeles Construction Services Committee. He is a graduate of the University of California Los Angeles.

Daniel's current responsibilities include project management and feasibility analysis of mixed-use and residential developments. Developments include structuring multiple financing sources, including Low-Income Housing Tax Credits, CDBG, HOME, Tax Increment and Tax-Exempt Bond financing.

Jason Ficht, AICP

Associate, Senior Planner, JZMK Partners

As a senior planner, Jason has eleven years in the industry, leading multi-disciplinary teams on a variety of projects. He has worked in the Urban Design and Planning Studio for five years, and manages the design and planning of master-planned communities, urban infill sites and town centers in the United States and abroad. Prior to joining the firm, Jason worked at the City of Mission Viejo as an Associate Planner.

Jason received his Masters in Urban and Regional Planning from the University of California, Irvine, and his BLA in Landscape Architecture from Cal Poly San Luis Obispo. He is an AICP with the American Planning Association (APA) and is a member of ULI.

Simon Hibbert

Associate, Senior Planner, JZMK Partners

As a Senior Planner, Simon leads a team of junior and intermediate designers and planners on a variety of project types. Having worked in the Urban Design and Planning Studio for seven years, he recently became an Associate at JZMK Partners. With extensive experience in vertical mixed-use and infill development, both domestically and internationally, Simon works as a bridge between the Architecture, Design, and Urban Design & Planning studios. He is often involved in the exploration and creation of new and innovative housing types, with a strong interest in the integral bond between architecture and site planning.

Simon is able to combine a love of design and travel, having led team charrettes for master-planned projects in China, Turkey, and Jordan, as well as in California, Texas and Arizona. Locally his involvement in design workshops and community meetings have led to unanimous city council approvals on challenging urban infill developments in Southern California.

Simon is a member of the Urban Land Institute, and enjoys participating in charity-builds for homes in Mexico. He is fluent in Spanish, and holds a Bachelor of City & Regional Planning from Cal Poly University in San Luis Obispo, California.

Joe McClyde III, LEED AP

Urban Planner, Cooper Carry | The Center for Connective Architecture

Joe McClyde is an urban planner and LEED Accredited, non-licensed staff architect at Cooper Carry, working within The Center for Connective Architecture® - a think tank and collaborative design studio focused on building *connected places* that are memorable and culturally significant bringing people, the built-environment, and nature together in a sustainable fashion. After beginning this career with the firm in Atlanta, he moved to California 2006 to assist the start up of the Newport Beach office as a project manager on planning and architectural projects. His diverse national experience includes transit, mixed-use, downtown and new town, waterfront, and major retail/entertainment districts and master plans for both public and private sector clients. Mr. McClyde is actively involved locally with the Urban Land Institute (ULI), serving on the Place Initiative Council for Orange County and the Inland Empire.

Jason Silver

Project Manager, Jamboree Housing Corporation

Jason Silver joined Jamboree in 2010. As an affordable housing developer, his duties include the acquisition, financing, and construction of affordable housing developments. Previously, Mr. Silver worked for the Orange County Transportation Authority in their Local Government Relations Department. Additionally, he provided consulting services for public agencies in Orange County in areas such as Redevelopment, Economic Development and Housing. Mr. Silver also has over four years of urban in-fill development experience working for The Olson Company as an Assistant Project Manager and Forward Planning Manager. Mr. Silver earned a Bachelor's Degree in International Business Administration at Washington State University and a Master's Degree in Public Administration at California State University, Long Beach.



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