

A ULI ADVISORY SERVICES PROGRAM REPORT

Orange County Great Park Irvine, California

**Urban Land
Institute**



Orange County Great Park Irvine, California

A Strategy for Moving Forward

March 15–17, 2004
An Advisory Services Program Report

ULI—the Urban Land Institute
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About ULI—the Urban Land Institute

ULI—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 20,000 members and associates from 70 countries, representing the entire spectrum of the land use and development disciplines. Professionals represented 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 program 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

The 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 panel teams are interdisciplinary and are developed based on the specific scope of the assignment. ULI teams provide a holistic look at development problems. Each panel is chaired by a respected ULI member with previous panel experience.

The agenda for a panel assignment is intensive. It includes an in-depth briefing composed of a tour of the site and meetings with sponsor representatives; interviews of key people within the community; and a day of formulating recommendations. On the final day on site, the panel makes an oral presentation of its findings and conclusions to the sponsor. At the request of 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, participants in ULI's 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 program report is intended to provide objective advice that will promote the responsible use of land to enhance the environment.

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Acknowledgments

The panel would like to thank staff members at the Great Park Conservancy, Great Park Corporation, and the city of Irvine for their efforts on this assignment. In particular, the panel appreciates the work of John Katkish and Walkie Wray of the Great Park Conservancy Board of Directors; Carol Simon and Leanne Morgan of the conservancy staff; Allison Hart and Dan Jung of the Great Park Corporation; Irvine Mayor Larry Agran; and the more than 20 city, corporation, and conservancy staff and board members that met with the panel to discuss the status of the park and the planning efforts to date.

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ULI Panel and Project Staff

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Introduction

In 1942, the El Toro Marine Corps Air Station was built on 4,693 acres of Orange County, California, land acquired from the Irvine Ranch Corporation, now the Irvine Company. Commissioned in 1943, El Toro served as a wartime air station and was later selected as a permanent master jet station and center of support for the operation and combat readiness of Fleet Marine Forces, Pacific. It has served as a training facility in peacetime and as a staging area for overseas military missions during conflict.

In 1999, El Toro was closed at the recommendation of the federal Base Realignment and Closure (BRAC) Commission. Orange County was designated as the local reuse authority (LRA) and, as such, was charged with developing a reuse plan for guiding future development of the site.

In 1994, Orange County residents approved Measure A, which zoned the property for use as an international airport to relieve air traffic at John Wayne Airport. This action initiated a long legal and political battle that in 2002 resulted in a majority of the residents approving Measure W—the Orange County Central Park and Nature Preserve Initiative—which overturned Measure A and amended the county’s General Plan to create a major park on the El Toro site. Immediately after the passage of Measure W, the Department of the Navy announced its intent to dispose of El Toro through a public sale.

The city of Irvine, in response to the Navy’s announcement, developed the Great Park Plan for El Toro and adopted a General Plan amendment and zoning change to create the policy and legislative structure for guiding development on the property. The city council approved a minimum amount of development at the site, with more intense development allowed in exchange for dedication of land to open space.



Location maps.

In March 2004, the Great Park Conservancy, the Great Park Corporation, and the city of Irvine asked ULI to convene a team that would visit Irvine to discuss potential next steps in the planning and development of the Orange County Great Park at the site.

ULI's Assignment

ULI was asked to provide guidance on an appropriate strategy for moving forward with planning for the Great Park. All the parties want to work together to ensure that the park is developed in a way that meets everyone's needs—those of the conservancy, the corporation, the city, the county, and the region. Specifically, the panel was asked to help define a process allowing the conservancy and the corporation to work together on the Great Park development. The following are the specific questions asked of the panel:

- How can the conservancy and the corporation coordinate their efforts to develop an overall vision that serves the needs of Orange County residents?
- What road map is needed to communicate the vision?
- What method will guarantee involvement of all stakeholders, including city and county government officials, corporate interests, the development community, potential park users, private landowners, and nonprofit organizations?

- What distinctions should there be between the roles of the public and private sectors?

The panel was also asked if there was a role for ULI to play in the planning of the Great Park in the near future.

The ULI Process

Before coming to Irvine, the ULI team reviewed briefing materials prepared by the conservancy and corporation staff. These materials gave the history of the site, provided some demographic and market information, and outlined the sponsors' expectations of ULI. The team spent about two days in Irvine touring the El Toro site and meeting with staff and elected officials. The panel developed its findings and recommendations, which were presented to the board members and staff of the conservancy and the corporation.

This report is an executive summary of the panel's findings and recommendations. The panel's recommendations focused on the following:

- the best process to get from the situation today to implementation; and
- determination of who among the groups involved—the city staff, the Great Parks Corporation, and the Great Parks Conservancy—wants to do what based on the process described.

Observations

After touring the site and meeting with the city and conservancy representatives, the panel made the following observations on the status of planning for the El Toro site.

- Great work has been done to date by the city, the conservancy, and the corporation, and it is clear that everyone has the same end goals—specifically, no airport on the site, an economically viable reuse plan that will benefit the city and the region, and an outstanding park that will be a regional asset as well as a treasure for southern California.
- Because detailed planning is still in an early stage, the roles and responsibilities of each organization are not totally defined yet. This is not unusual and, in fact, presents a great opportunity for all the parties to create an appropriate niche for themselves.
- Everyone needs to understand that with the annexation, things are really just getting underway and that there should be no great feeling of anxiety over the fact that things are still in flux.
- The organizations do not necessarily need each other to succeed and meet their own goals. The Great Park Conservancy and the Great Park Corporation have different mandates and different missions—all with the same ultimate goal of creating an outstanding park. However, the panel believes that by joining forces and clearly defining appropriate roles and responsibilities, the groups can achieve much more than they would otherwise; the adage that the whole is greater than the sum of its parts can definitely apply here!

With these observations in mind, the panel came up with the recommendations outlined in this report.

Recommendations

The panel's recommendations focused on three main areas—a process to consider for moving forward, public communication, and the role of ULI in the future. When developing these recommendations, the panel kept returning to one main question it believes still needs to be answered: what is to be the role of the Great Park? Answering this question will involve determining the function it will serve (active, passive, or both), the makeup of its users, the linkages it will have to the county and regional park systems, and the ways it will meet the needs of its constituents.

One Process to Consider

Based on its experience in other cities and the information it received while in Orange County, the panel recommends the following steps as one potential process for moving forward:

- data gathering and information analysis;
- model identification and site visits;
- brainstorming and outreach; and
- consensus building, definition of roles, and identification of champions.

This will be a six- to nine-month process. Each step is described in more detail below.

Data Gathering and Information Analysis

The focus of this activity should be finding out more specifically who the users of the park will be. The city has good preliminary information on this and should complete a more detailed analysis. It needs to answer the following questions more specifically:

- Who are the current constituents of the park system?
- Who are the anticipated constituents of the Great Park?

- Who—based on a needs assessment of all open-space uses in the county—is underserved by parks and open space?

Also, as part of data gathering, the relationship of the Great Park to the overall city, county, and regional park systems needs to be determined. This can be accomplished by engaging the parks departments in the process as early as possible.

Model Identification and Site Visits

One way to learn from best practices and experiences of others is to look at models of similar projects and conduct appropriate site visits. Several examples exist of successful open-space and park developments completed using public/private partnerships. The panel also recommends that officials look beyond parks as an analogue and study other examples of successful public/private partnerships, such as universities and hospitals. These examples offer models for organizational structures that may be appropriate for the Great Park. It will be beneficial to visit these sites, talk to people, and take lots of photographs. The types of questions that should be asked during the visits are discussed later in this section. Examples of possible sites to visit follow.

Atlanta, Georgia. Home of the 1996 Olympic Games, Atlanta needed to form an innovative public/private partnership to be able to be chosen as host city. This is a “can do” story that provides a lot of good lessons. Part of Atlanta’s master plan included development of Centennial Olympic Park, for which it needed to prepare a use after completion of the games. Midtown Atlanta is also home to Piedmont Park, designed by Frederick Law Olmsted, a jewel in Atlanta’s park system that was established through a traditional public/private partnership.

New York, New York. New York City provides several examples of public/private partnerships. Battery Park City, a mixed-use development down-

town, was developed through a quasi-public organization set up by the state. The transformation of Times Square was accomplished through a public/private partnership that is serving as the model for the planning and redevelopment of the World Trade Center site. Through community ventures, Bryant Park was converted from a drug market to a park that is a destination for many New Yorkers. The Hudson River Greenway, which is managed by a conservancy, is a 550-acre park financed through commercial joint ventures.

Boston, Massachusetts. Like New York City, Boston is home to many large public/private redevelopment efforts, many of which include parks. The Big Dig, the city's Central Artery/Tunnel project, will have a large park component when completed. This project is also a good example of "what not to do," because it involved a contentious process that did not always work. Another project, Post Office Square, had been a major eyesore as a parking garage until a consortium of private "shareholders" bought the lease, buried the parking, and created a park on top. This increased property values because of the new desirability of the neighborhood. The Boston Common, one of the country's most famous public parks, is an example of a public park used constantly as a gathering place and for multiple uses.

Other Examples. Other examples are worth investigating. Several European cities, such as Barcelona, Paris, and Manchester, have beautiful parks. In Mexico, parks play a unique role in that they have a strong design element and serve as the "backyard" for the many people who live in apartments, making them an important part of residents' lives and the fabric of the urban environment. In Bogotá, Colombia, more than 1,200 parks have been built in the past decade through developer agreements. In Lorton, Virginia, the redevelopment of a former correctional facility site includes a requirement that 40 percent of the property be set aside for open space.

It is important to remember that few suburban analogues exist, and that each project is unique. However, specific lessons can be learned from each city's story.

It also is important to work out the logistics of the site visits ahead of time. Among the issues to consider are the number of people that will go, whether the media should be involved, and whether there are any constituencies needing to be educated that would benefit from joining the site visits.

Questions to Ask. When conducting the site visits, it is important that participants have a concise agenda and know what is to be achieved. Get representatives of the cities and projects being visited to tell their story—not only *what* got done, but also *how* it got done. It is important to investigate who all the players were and how they worked together effectively.

Consistency in the questions asked on each site visit is also important. A list of questions that could be asked during the visits includes:

- How long did the planning take?
- What obstacles had to be overcome and how were they addressed?
- What were the roles of the private, public, and nonprofit players?
- How was funding for staff sustained?
- How was strong design achieved despite the presence of multiple users, multiple agendas, and complex issues? It is difficult to develop a design that will appeal to everyone.

Which questions are asked is a key factor in getting concise information.

Brainstorming and Outreach

After data gathering and site visits, and after the city has control of the land (or at least is close to having control of it), the next step is to brainstorm with the community and provide an outreach mechanism to get the community to buy into the plans. It is important to get a plan in place as soon as possible, and brainstorming and outreach are key components of that process. It is important to design an outreach and public education program that will reach *all* constituents and audiences—at the city, county, and regional level. Different types of outreach programs should be put in place for

the different constituent groups, and there will be some crosscutting issues relevant to all groups.

It is also important to get different types of input. For example, involvement of the creative sector—architects, designers, and planners—will help to raise the quality of the park design to a world-class level. Working with the American Institute of Architects (AIA), the American Planning Association (APA), and similar organizations will help bring these players into the process. Users, such as sports groups and environmental organizations, also need to be part of the brainstorming and outreach efforts.

The key is to have all the anticipated constituents involved and to promote an open dialogue and educate as many people as possible. It is important for people to understand the constraints, possibilities, and opportunities presented by the Orange County Great Park site. Outreach may be a time-consuming process and will require a lot of patience, but it will be worth it in the end. It is important to develop a way to make the process fun and to keep it enjoyable. This will help to foster open dialogue and get the most out of the process.

Consensus Building, Definition of Roles, and Identification of Champions

Because of all that must be done, it is important to use the strengths of all the players. The city, the corporation, the conservancy, park users, plan implementers, the developer or developers, and the public at large are all needed to make the Great Park the asset it has the potential to become. It is important to create a sense of ownership among all the players and user groups. No one organization can do everything. For example, Atlanta formed the Committee of 400 when preparing for the Olympics. Subcommittees were formed to champion different parts of the overall project, which helped in the delegation of responsibilities and allowed everyone to feel ownership in the process.

The media are part of the process of building project champions, as well. If the media are educated about the project and involved and on board with the program, they, in turn, will help educate the general public.

To help each organization define the role it wants to play, it is best to start with a series of questions. These include:

- What resources do we have today to allocate to the effort?
- What future resources do we hope to have?
- What is the most effective way to use the resources we have?
- At what stage do we want to be involved?
- What parts of the project are important to us?

It is important for all the entities to work together to define appropriate roles and responsibilities. It is also important to realize that much more can be accomplished by working together rather than working separately. While each organization does not necessarily need the others to accomplish its goals, more can be accomplished if they work together.

Communication

Communication is the key to meeting everyone's goals. It is critical to develop a strong communication plan among the city, the corporation, the conservancy, and the public. Push E-mail, regularly scheduled meetings, ad hoc committees, and a more aggressive "cross-pollination" of boards of directors are just some of the ways to promote communication. Each organization can also play an important role in communicating to the public.

The Future Role of ULI

Concerning whether there is a role for ULI to play in the future planning of the Orange County Great Park, the panel said it believes that the city and the Great Park Conservancy have the staff and resources necessary to plan a fabulous asset for the city and the region. The sponsors may find it useful to work with ULI's Orange County District Council, which can act as a sounding board for ideas as well as provide the real estate industry perspective on the project. If, in the future, the sponsor would like a ULI panel to return to Irvine to review plans or provide a "reality check" on the park's progress, that also would be an appropriate use of ULI's expertise.

Conclusion

The panel believes that the work done to date is impressive, and all the players are to be commended. Patience is important when tackling a project of this magnitude. A comprehensive strategy and a plan that uses *all* the resources available are key components of the success of development of the Great Park. While each organization—the Great Park Conservancy and the Great Park Corporation—can achieve its goals independently, it is important that the two groups work together so that much more can be accomplished. Open communication, regular meetings, and clear definition of roles and responsibilities will help achieve this.

About the Panel

Gayle Berens

Washington, D.C.

Berens, vice president of real estate development practice for ULI—the Urban Land Institute, is responsible for directing the publications and education programs related to the practice of real estate and land development—from commercial to residential space to parks. In addition, she oversees four awards programs and directs and develops university-related programs for ULI, including a ULI academic fellows program.

Berens is the coauthor of several books, including *Urban Parks and Open Space*, published with the Trust for Public Land, and the first, second, and third editions of *Real Estate Development Principles and Process*. Berens also has been project director for many publications, and has written many articles for *Urban Land* magazine and case studies for the ULI Project Reference File series.

Maureen McAvey

Washington, D.C.

McAvey, senior resident fellow for urban development at ULI—the Urban Land Institute, has more than 25 years of experience in real estate development, consulting, and creation of public/private financial structures.

She was director, business development, for Federal Realty Investment Trust (FRIT), a New York Stock Exchange–traded owner and manager of retail developments and mixed-use developments. In that capacity, she assisted in establishing a public/private financial structure for a mixed-use retail/housing development in Arlington County, Virginia, and completed a similar public/private partnership with the city of San Antonio to further FRIT's Houston Street mixed-use project there. As part of the San Antonio project, tax

increment financing, urban development action grant funds, and an Economic Development Administration grant assisted in the funding of necessary public improvements.

McAvey was director of development for St. Louis, a cabinet-level position to the mayor. In that capacity, she was also executive director of the St. Louis Development Corporation, leading seven development-related boards and commissions. Major accomplishments included construction of a new neighborhood commercial center, anchored by a 60,000-plus-square-foot, 24-hour grocery; a privately financed \$1 million master plan for revitalization of the downtown area; negotiation of development agreements to secure a new 1,000-room convention headquarters hotel; and a neighborhood planning effort.

McAvey also led the real estate consulting practices in Boston for Deloitte & Touche, and for Coopers & Lybrand, directing the due diligence efforts for more than \$12 billion in securitization projects for major banking and financial institutions. Her clients included institutional developers, major corporations, utilities, colleges, and universities, with consulting efforts ranging from new financings, restructuring, troubled projects, and strategic planning to mergers and acquisitions.

As a private developer, McAvey directed the West Coast operations of a national development firm, where she served as project manager for the \$40 million rehabilitation of a national historic landmark hotel with office and retail components. She also directed the master planning effort for a 70-acre, 1 million-square-foot university-related research park, including the architectural, legal, and organizational components of development.

McAvey holds master's degrees from the University of Minnesota and the Kennedy School of Government at Harvard University. She has done extensive course work at Harvard Business School

in commercial lending, investment management, finance, and real estate development.

McAvey was a member of the ULI board of trustees from 1995 to 2001. She chaired the regionalism forum for two years, exploring issues of smart growth, multijurisdictional boundaries and planning efforts, and shared revenue/fiscal disparities alternatives. She led an international panel to Krakow, Poland, assisting the city in creating its economic development plan and strategy. She is a frequent guest lecturer at major universities and a frequent national speaker.

Mary Beth Corrigan

Washington, D.C.

Corrigan is vice president, Advisory Services and Policy Programs, at ULI—the Urban Land Institute. In this capacity, she has coordinated more than 100 Advisory Services panels for communities across the country. This involves meeting with the panel sponsors to define the issues and questions and prepare the panel's visit on site; identifying appropriate expertise for the panel and recruiting the panel participants from among

ULI members; overseeing logistical arrangements for the panel; going on site with the panel and providing technical and logistical support for the panel assignment; and overseeing production of the final report.

Corrigan is a planner and policy analyst with more than 20 years of experience working with local governments and private clients in helping to address and solve land use and development issues.

Before joining ULI, Corrigan was with Tetra Tech, Inc., an environmental consulting firm, and was responsible for developing non-point-source pollution control guidelines and best management practices manuals. She also worked for the South Florida Regional Planning Council as an environmental planner and policy analyst. While with this organization, she was manager of the environmental sections of the Regional Plan for South Florida, reviewed the environmental issues of developments of regional impact (DRI) submittals, and managed several projects related to environmental and growth management.

