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A ULI ADVISORY SERVICES TECHNICAL ASSISTANCE PANEL REPORT

CAL POLY POMONA LANTERMAN SITE

OCTOBER 2016



ULI MISSION STATEMENT

At the Urban Land Institute, our mission is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

ABOUT ULI TECHNICAL ASSISTANCE PANELS

In keeping with the Urban Land Institute mission, Technical Assistance Panels are convened to provide pro-bono planning and development assistance to public officials and local stakeholders of communities and nonprofit organizations who have requested assistance in addressing their land use challenges.

A group of diverse professionals representing the full spectrum of land use and real estate disciplines typically spend one day visiting and analyzing the built environments, identifying specific planning and development issues, and formulating realistic and actionable recommendations to move initiatives forward in a fashion consistent with the applicant's goals and objectives.

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CONTENTS

EXECUTIVE SUMMARY 2

ULI'S TECHNICAL ASSISTANCE PANELS 5

AREA DESCRIPTION 6

STRATEGIC OBJECTIVES 8

ECONOMIC AND POLICY CONSIDERATIONS: HOUSING 19

ECONOMIC AND POLICY CONSIDERATIONS: RETAIL 25

COSTS AND FINANCING 26

IMPLEMENTATION 28

CONCLUSION 29

ACKNOWLEDGEMENTS 30

PANEL MEMBER BIOGRAPHIES 31



EXECUTIVE SUMMARY



The Lanterman Developmental Center served as a residential healthcare facility for the mentally disabled. Four buildings on site, including the Acute Hospital, have been deemed eligible for individual listing on the National Register of Historical Places.

ASSIGNMENT AND PROCESS

California State Polytechnic University, Pomona (CPP) is an academic institution within the California State University system located in eastern Los Angeles County. With the arrival of a new president in January of 2015, CPP is currently undergoing a Strategic Planning process in order to hone its academic goals and create appropriate facilities to meet them.

CPP acquired the Lanterman Developmental Center in 2015 from the State of California, after the site ceased operation. The property, which formerly served as a residential healthcare facility for the mentally disabled, has been deemed eligible for a number of historic designations. CPP must determine whether to retain and potentially adaptively reuse or redevelop the site by September 2017. As such, CPP must evaluate Lanterman's constraints and potential future uses. The site sits adjacent to Spadra Farms, currently devoted to agricultural purposes.

CPP has asked the Urban Land Institute's Los Angeles District Council and Orange County / Inland Empire District Council to make a preliminary study of findings and recommendations for the Lanterman site. ULI has used a modified Technical Assistance Panel (TAP) model for this report, meeting over a two-day period instead of the customary one-day format, with a focus on historic preservation, housing potential, financing, and appropriate development approaches. Finally, the TAP provides a set of next steps to begin implementation of its recommendations.

KEY QUESTIONS

The panel was asked to consider the following questions during its study:

- What are the issues and opportunities impacting the redevelopment of the historic 309-acre Lanterman site? What is a feasible re-purposing of the site that preserves the site's recognized historic structures and creates a financial return for the property owner?
- What interim and long-term uses can be envisioned for the site that will generate revenues to cover projected operating expenses or provide positive cash flow to the University?
- How can the user experience be improved (e.g. entrances, parking, mix of uses, design)? How should the surrounding arterials be improved to enhance the environment? What connective mobility "linkages," such as ingress/egress, walkways and bicycle lanes, should be considered?
- Which land use/development opportunities that directly further CPP's academic mission (program, administration, courses, agriculture, etc.), should be considered for the site which will distinguish Lanterman as a unique "Campus"?
- Which land use / development opportunities can indirectly further the academic mission by providing a long-term revenue stream (ground lease, bond), should be considered at Lanterman?
- What are the feasible economic tools that could be used for the adaptive re-use of this site (e.g. grants, tax credits, assessments, bonds, etc.)?
- How can the future use of the site support or complement the economic development strategies of the area and/or region? What opportunities exist for public/private partnerships?

MAJOR CONCLUSIONS

The TAP strongly recommends that CPP immediately create an internal team and partner with a pre-development consultant to oversee and direct studies that can uncover and progress necessary information/studies about the Lanterman site. This due-diligence work will allow CPP to make an informed decision about whether to keep the property. If CPP does move forward, it should engage a master developer to complete an EIR and lead development.

The TAP recommends a historically sensitive approach to Lanterman that preserves select significant buildings, adaptively reuses structures where possible, and builds new development sensitively in areas that are largely open or undeveloped as of now. The TAP envisions a walkable neighborhood focused around a new Metrolink station, with improved access and a finer-grained street grid surrounding the site. Maintaining historically significant landscaping and preserving the unique context (including the adjacent farmlands), CPP could preserve the rural hillsides for viticulture and a boutique hotel.

The TAP focused on affordable market rate housing as the primary need best suited to Lanterman. It recommends a ground-lease model for both ownership and rental units that prioritizes CPP faculty, staff, and students. The TAP determined that this approach would both generate revenue for the university and also create perpetual affordability. While cost estimates for adaptive reuse of existing Lanterman structures may prove to be high, they are not prohibitively so. The TAP expects the site's infrastructure to require extensive work and offers a number of financing options for CPP to consider.

Other uses on Lanterman should support the university's "learn by doing" ethos and polytechnic identity. CPP can explore opportunities to partner with innovative business and to incorporate student hands-on education into the site. All non-academic development at Lanterman should generate cash-flow for CPP.

The TAP emphasizes the need for improved community relations and involvement—from hiring a consultant to help conduct outreach, to inviting neighbors onto campus for special events. Investing in strengthened connections with residents will benefit CPP by creating a positive atmosphere in which to move forward with projects, as well as benefiting the region as a whole.

The Lanterman property, now called Cal Poly Pomona Campus South, was transferred to the University in 2015.



ULI'S TECHNICAL ASSISTANCE PANELS

TAP PROCESS

Prior to the Technical Assistance Panel, ULI staff consulted with CPP staff to determine the scope of the panel assignment. ULI selected panel members with practiced and professional skills that address the stated objectives for the TAP as provided by CPP. Panel members reviewed background materials prepared by CPP prior to the TAP.

The TAP process is usually a day-long event, but given CPP desire for a thorough study of the opportunities and challenges of the Lanterman site, this TAP lasted for a day and a half. On the first day, panel members toured the site and later met with key stakeholders via two sets of group interviews. On the second day, panelists worked through an intensive analysis in a range of disciplines on the specified issues before presenting their findings to select stakeholders and program sponsors.

This is the first of two TAPs for CPP, focusing on adjacent sites. While each of the two TAPs is distinct and will culminate in separate reports, three of the panelists from this TAP will also participate on the Spadra TAP in order to ensure continuity. In addition, a co-chair for the Spadra TAP attended the final presentation for this TAP so that findings here can inform the Spadra process.

TAP PANEL OF EXPERTS

ULI convened a panel of professionals representing a variety of disciplines connected to land use and development, such as: architecture and design, real estate development, city planning, economic analysis, historic preservation, and financing. ULI selected panel members with the intent to collect a robust array of professional expertise relevant to CPP's objectives for the study. ULI also selected panel members with a working knowledge in the sectors of the real estate market and the design typologies common in the study area. All panel members volunteered to participate in the panel process and did not receive compensation for their work.

TAP panelists discuss the Lanterman site's key questions, as posed by the client, CPP.



AREA DESCRIPTION

CAL POLY POMONA

California State Polytechnic University, Pomona (CPP) is a public polytechnic university located in Pomona, California and established in 1938. It offers more than 60 majors and degree programs in eight academic colleges, with a total student body of 23,717 as of Fall 2015. University President Soraya M. Coley, Ph.D. has led the institution since January 2015. CPP's main campus totals 1,438 acres. It is part of the California State University system, the largest four-year public university system in the United States.

CPP launched a University Strategic Planning Process in January 2016 to address its mission, vision, and goals. As part of that endeavor, the university is now beginning to create an Academic Master Plan, to be followed by a Campus Master Plan that will outline the physical facilities needed to support the academic goals.

CPP takes pride in its polytechnic identity, with an emphasis on technology, innovation, and cross-disciplinary studies.

LANTERMAN DEVELOPMENTAL CENTER

The Lanterman Developmental Center comprises 309 acres in the City of Pomona on the eastern edge of LA County, immediately adjacent to City of Diamond Bar. The site borders CPP's Spadra Farms and is near CPP's main campus.

Lanterman is situated along Interstate 10 and Highway 60. It is bounded by railroad right of way to the west, foothills to the south and north, and Highway 57 to the east.

Lanterman Developmental Center originally operated as the Pacific Colony (1927-1953) and Pacific State Hospital (1953-1969). The site contained 131 buildings and structures, totaling over 1 million square feet, at the time the center ceased operation in 2015.

The Lanterman Developmental Center comprises 309 acres in the City of Pomona on the eastern edge of LA County, immediately adjacent to City of Diamond Bar.



Due to the trailblazing work conducted at the site to treat patients with mental disabilities, the presence of an influential doctor who led the center, and the architectural style of the buildings and landscaping, the site has been deemed eligible for inclusion in the National Register of Historic Places, the California Register of Historical Resources, and the California Historic Landmarks program. At its height, the facility cared for 2,000 patients.

A Final Historic Resource Assessment Report for Lanterman Developmental Center was completed for the California Department of Developmental Services (DDS) in February 2016. According to the report, Lanterman's period of significance stretches from 1927-1969. Four buildings are individually eligible to receive a historical designation, along with a Pacific State Hospital Historic District totaling 93 buildings and landscaping.

The Lanterman property includes approximately 172 acres of flat, buildable area. There is no available property of a comparable size in adjacent communities. There are two points of access to the site, although one of the entrances has been temporarily blocked by CPP for security purposes.

CPP is currently receiving revenue from the Lanterman site, totaling close to \$1 million annually, from use as a filming location. At this time, these funds are repaying CPP for infrastructure investments it previously made in the site and ongoing maintenance.

CONTEXT AND BACKGROUND

CPP acquired the Lanterman site in 2015 from the State of California. The California Department of Finance expects CPP to determine whether it will retain the property by September 2017, when the current Memorandum of Understanding expires.

The transfer included terms that required CPP to offer space to three state agencies: providing the California Highway Patrol with seven acres on the CPP campus; offering the California Air Resources Board the opportunity to relocate its El Monte facility there (which is no longer relevant, as CARB decided to relocate to Riverside instead); and accommodating the California Conservation Corps, which is currently making use of a minimal section of Lanterman. Additionally, CPP has deeded land on the Lanterman property to the City of Pomona for fire protection services.

Use of the Lanterman site has been a point of discussion between CPP and the City of Pomona. The City of Pomona believed Lanterman to be under its land-use jurisdiction and included it in an economic development plan 10 years ago when updating its General Plan. The site was intended for "general retail." After significant protest from CPP and California's Department of Development Services, the City of Pomona revised its documents to reflect that Lanterman was state property and therefore under state jurisdiction. More recently, however, the City of Pomona once again proposed to include Lanterman in its plans, this time to provide homeless housing. CPP made clear that the City did not have appropriate jurisdiction to do so, and the plans are being reconsidered.

STRATEGIC OBJECTIVES

Drawing upon the constraints and opportunities gleaned from the background materials, site tour, and stakeholder interviews, the TAP developed seven Strategic Objectives to guide CPP as it moves forward with the Lanterman site. Many of these objectives have been broken down into specific strategies and guidelines, as follows:

1. The Lanterman site is part of a comprehensive long-term plan that supports CPP's educational mission, fully embodying its "learning by doing" philosophy.

The Lanterman property should not be viewed in isolation, but should instead comprise one element of a broader vision for the campus and academic institution. This approach ensures that new development fits coherently into the whole. If CPP views Lanterman in isolation, it could miss significant opportunities to re-envision land-use on its campus and throughout the valley. It is essential that CPP refrain from setting a master developer "loose" to articulate a plan for the site before CPP has considered its holdings overall and created an overarching path forward.

Uses on Lanterman and the Spadra campus, shown below, will be planned to make a positive contribution to the quality of life and the economic vitality of neighboring communities.



2. Uses on the Lanterman and Spadra campuses will be planned to make a positive contribution to the quality of life and the economic vitality of neighboring East San Gabriel Valley, North Orange County, and West Inland Empire communities.

The Lanterman and Spadra sites provide an opportunity to build relationships with the neighboring community, particularly if CPP frames conversations around a desire to support the City of Pomona and surrounding areas.

Strategy 1: Develop an outreach program for communities with a hired consultant.

This step is particularly important because redeveloping the Lanterman site will require an EIR. Neighbors can oppose new development under CEQA if they are not approached sensitively. CPP should therefore start very early on community outreach to ensure that neighbors hear about CPP's plans quickly and in an upfront manner from CPP itself. It is essential to avoid the notion that CPP is creating "secret" plans it has not shared with its neighbors.

Strategy 2: Work with cities to coordinate job training programs.

CPP can utilize the Lanterman site as a place to train or even employ the local workforce.

Strategy 3: Create outward-facing retail.

Shops and restaurants housed on or near Lanterman can be sited so that they serve the surrounding community as well as students, faculty, and staff. This enlivens CPP by inviting neighbors to make use of retail.

Strategy 4: Bring educational enrichment to community through a new grammar school on the Lanterman site.

Due to the success of iPoly High, located on the main CPP campus, the TAP suggests adding an additional school for younger children on the Lanterman site. This would provide a public service to the community, serve as an attractive benefit for faculty and staff with children, and build toward a “life-long learning community” at CPP.

Strategy 5: Invite the community to special events.

Utilizing CPP space for gatherings that incorporate both academics and surrounding residents can enhance learning for those living in the area, as well as improving town-and-gown relations.

3. In collaboration with its private sector partners, the development of Lanterman should provide CPP’s faculty, staff and students the opportunity to innovate in areas of academic excellence at the highest levels of sustainably and environmental responsibility.

Strategy 1: Emphasize aerospace, hospitality, education, health care, cyber security disciplines.

CPP has expressed a desire to expand its impact in the above fields, and possesses a polytechnic identity that makes it well-suited to do so. The Lanterman site should support innovative research and teaching toward that goal.

Strategy 2: Find opportunities for farm-to-table efforts.

The popularity of “farm-to-table” provides a natural chance to emphasize local produce, sustainable farming, and “slow food”-type efforts.

Strategy 3: Pursue viticulture / urban agriculture.

CPP’s intention to develop an urban agricultural program aligns with the Lanterman site, which is less well-suited to traditional, more rural agriculture. Moving in this direction could align CPP with denser urban areas in Los Angeles County that are also investigating urban ag. Additionally, viticulture could make good use of Lanterman’s sloping hillsides.

4. CPP should establish an implementation team to engage a master developer for the master planning of the properties.

CPP should gather together representatives from relevant parts of its organization—likely including Facilities and the Foundation—devoted to acting quickly on the Lanterman site. Given that large institutions generally undergo lengthy decision-making processes, it is especially important for this team to be nimble, with an organizational structure that can respond to opportunities and interact with the private sector in a timely manner.

Development of Lanterman should provide CPP’s faculty, staff and students the opportunity to innovate in areas of academic excellence.





Lease as a filming location currently generates revenue for the University.

Once the university team is established, it should engage an initial pre-development consultant to help with the pre-development process in order to, first and foremost, answer the “Threshold Question.” Given the current deadline, CPP should complete this step within a month’s time.

If the implementation team and pre-development consultant determine that CPP should retain and redevelop the Lanterman site, then the following strategies apply:

Strategy 1: The implementation team and pre-development consultant should create an RFQ/RFP to select a master developer.

Strategy 2: The implementation team and master developer should produce a programmatic EIR inclusive of a parcelization plan, infrastructure program, phasing plan, and land use programming and business plan.

Clearing all CEQA requirements will provide a very clear vision of what needs to be done, when it will be done, and who will be doing it. This also gives predictability to the process, making it efficient for private-sector partners coming in to work with the university or enter into ground leases.

The budget for this programmatic EIR is \$5 million over 24-36 months. However, these costs should be shared with the master developer, an arrangement established during the RFP process. CPP must spend its funds prudently and judiciously during this process to mitigate downside risk.

While the Spadra property is not under the same September 2017 deadline as the Lanterman property, CPP should keep in mind that it is far more efficient to go through a single EIR process that includes both sites, rather than undergoing two independent ones.

5. Each non-academic phase of the development of the site should generate cash flow to CPP to allow for its investment in its educational mission.

Strategy 1: Prepare an analysis of different financing options.

This step should be completed by the master developer.

Strategy 2: Develop a phasing program including both properties.

In this step, the university will take an opportunity to look at all of its assets as a whole and develop a logical path toward development. CPP should consider whether uses can be relocated or repurposed on its main campus at this time.

6. There should be visual, physical and transportation connections between Lanterman, Spadra, the main campus, Mt. SAC and the community-at-large, as well as programmatic connections to other Cal State campuses.

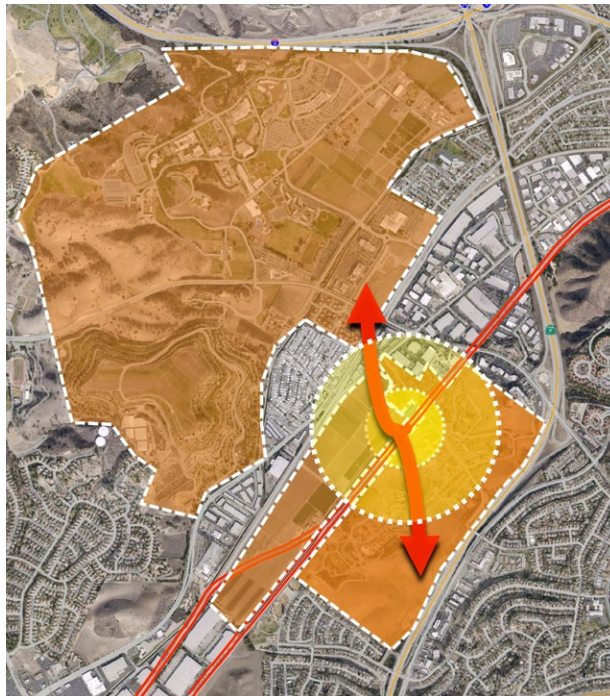
Interconnectivity is a critical component of a successful plan. If executed well, the new uses at Lanterman and Spadra can bring the surrounding community together as one.

These sites provide a once-in-a-lifetime opportunity to take on the valley and its rural setting. No like opportunity exists within California, where a single institution can command both sides of a valley this size. The TAP encourages “radical” thinking in order to maximize this unique circumstance.

Physical connectivity must be prioritized in order to achieve this broader, “interconnected” outcome. The existing transportation infrastructure is a challenge for the Lanterman site. Unfortunately, the region has not served CPP well, building freeways with difficult access to the campus; commuter rail that passes through but does not stop near CPP; no bikeways, pathways, jogging trails; and bus service that could use improvement.

Strategy 1: Focus development around a Transit-Oriented Development (TOD) opportunity.

This approach will create a “center of gravity” that is walkable and vibrant, where visitors are inspired to get out of their cars and explore on foot. A new station district would bridge the historic areas with newer, innovative development.



Strategy 2: Break existing superblocks into a finer-grain street system.

Ideally, CPP would connect through the adjacent gated community where some of its students currently live. The updated street system would slow down certain rights of way for pedestrians, and focus others around vehicles.

Ideally, the triangular site bordering the northwest corner of the site would be bifurcated, allowing State Street on the Lanterman site to connect with Poly Vista, across Pomona Boulevard and Valley Boulevard. This would allow connectivity between the site housing Pomona Island mobile home park and Lanterman, creating linkages across busy arterials into the street network beyond. The farm stall might remain in its current location or move into the station square area.



Strategy 3: Re-open Lanterman's southeastern access.

CPP should reinstate State Street's link to N. Diamond Bar Boulevard. This will allow use of the existing freeway connection and help open the site to the community.

Finally, while not within the direct purview of this process but for future consideration, the TAP recommends redefining the adjacent Cal Poly Pomona Innovation Village to pare down surface parking and create a finer-grained street system.

7. The site development program (both for new development and the adaptive reuse of the existing properties) should embrace the significant historic characteristics of the Lanterman District, including the curvilinear street pattern, the relationship of the landscaping to the buildings and the adaptive reuse of the significant historic buildings.

The TAP offers the following strategies that allow CPP to position Lanterman's historic resources as an opportunity rather than a constraint:

DESIGN STRATEGIES

- Preserve the rural valley setting
- Improve access
- Establish an urban scale town center at the heart of the valley
- Establish a new "agrihood" and/or other innovative neighborhood types
- Create multiple sub-villages/neighborhoods
- Naturalize the watercourses
- Establish a 'working water amenity' (lake)
- Promote an authentic Community vs. Insular Campus
- Develop national or international thought leadership programs (eg. Chautauqua Institute NY)
- Establish a life-long learning community
- Develop comprehensive approach to the historic legacy of the "cottage campus"
- Identify program elements with short, medium and long-term market opportunities
- Establish a phasing plan that encourages a mix of uses simultaneously

These design strategies are incorporated and expanded upon in the sections to follow—first focusing on the historic preservation aspects and then articulating a creative vision for the property.

HISTORIC APPROACH

The Lanterman site is both a California and National Register eligible historic district. It offers an exciting and challenging opportunity for preservationists, because the district is essentially intact: it has not been significantly modified from its period of significance.

While the TAP's scope did not allow for a complete, in-depth review of historic resources, the panel did identify the organizing principles of the district—its “bones.” With that knowledge, the TAP laid out appropriate design principles that CPP can apply to the site throughout the development process.

The TAP has categorized the site to reflect different types of interventions appropriate in different areas (see diagram 1 on following page):

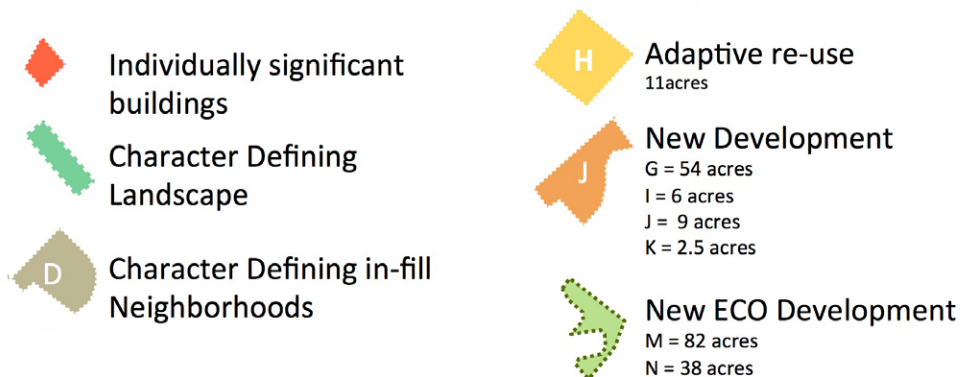
- **Red:** Existing buildings with a merit of their own, which stand alone as architecturally significant, should be preserved.
- **Green:** Character-defining landscape that should be maintained and enhanced.
- **Olive (A-F):** Areas suited to infill development.
- **Gold (H):** Formerly home to back-of-house uses that could serve as a cool, “funky” area where artisans and those practicing technical trades could work within an intentionally “messy” and “ramshackle” environment.
- **Rust (G, I-K):** Areas suited to new development. While existing buildings may be present, they can be dominated by new residential and agricultural/educational buildings.
- **Lime Green (M-N):** Hillside zone suited to geo-development.

The Research Center has also been deemed eligible for individual listing on the National Register of Historical Places..





Diagram 1: Types of interventions appropriate in different site study areas.



Adaptive reuse allows buildings to change use (while maintaining their exterior integrity visually and physically), meaning that previous uses do not constrain contemporary ones. However, the TAP did identify subareas and subdistricts that can point the direction for potential reuse. Keeping that in mind, the TAP articulated the following approach to guide CPP in re-envisioning the site:

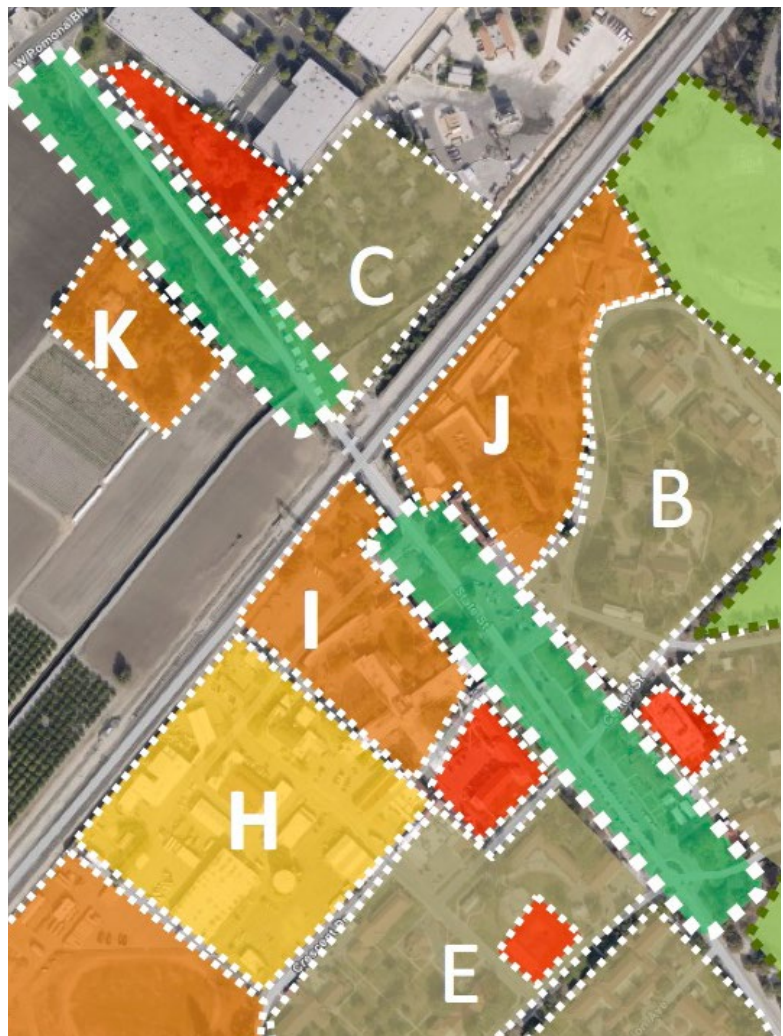
1. Significant Buildings: Individually significant building exteriors and identified interiors should be planned for preservation. Four structures were identified in the Historic Resource Assessment Report, marked in red on the accompanying diagram.

2. Character-Defining Landscape Clusters: The State Street entry provided strong, linear access to the hospital, with primarily administrative and institutional uses along it as well as some high-level housing. The buildings in that area are among the larger, more solid ones available for reuse, with a fair amount of infill possible. It is one of the few linear features on the site, and should be emphasized and enhanced. The TAP identified the following character-defining landscape elements that should be respected during redevelopment:

- State Street's broad median design, one-way traffic, and strong linear orientation.
- Curvilinear streets off of State Street—this design was intended to provide a calm, serene, rural atmosphere for residents.

- Wide but non-uniform setbacks from streets and between buildings, with natural-looking landscaping consisting primarily of mature trees—infill can be added so long as it respects the seemingly “random” pattern and wide setbacks.
- Strong pedestrian connections between buildings on off-street walkways.
- Walkability including limited, subservient parking.

When considering landscaping going forward, CPP would do well to remember that Lanterman was intended as a place apart, to allow for healing. Additional development should respect this sensibility.



3. Character-Defining Neighborhoods: Certain significant building clusters reflect the physical separation of uses from the Pacific State Hospital period, including:

Cottages (C): This cluster around East State Street served as staff housing. It contains solid structures with a lot of infill availability, ideally for residential use.

Administrative / Institutional Buildings along State Street (Parts of A / B): These provide plenty of room for infill and expansion of existing buildings. They could serve as suitable meeting places for the university.

Resident Housing (Parts of A / B, D-F): These buildings are located along the curvilinear streets mentioned above, with smaller residential structures to the north and larger ones to the south. The large residential facilities are “repetitive resources”—meaning that the same style of building repeats. Not all of these structures must be preserved in order to protect the historic character of the area. Certain repetitive resources can be demolished, in addition to adding infill. However, CPP must strike a balance between the proposed reuse, the conditions of the buildings, and maintaining the flavor of the area.

Service Buildings (H): These structures closer to the rail line and power/boiler house contained “back of house” uses. They are likely suitable for adaptive reuse.

Area G, totaling about 54 acres, is both relatively flat and not currently developed. Part of this area contained the rustic camp. While rail tracks create some constraints, this appears to be the best location to build more contemporary housing or other developments, leading organically from historic, adaptively-reused structures to the north.

New construction can occur in these open areas, as well as adding infill in already-developed ones. All development must be sensitively sited, architecturally compatible, and, of particular importance, of an appropriate scale. CPP should keep in mind that existing buildings on the site are, for the most part, no taller than two stories, with a maximum of about 30,000 square feet. New construction, with floor plates larger than 30,000 square feet may be possible, so long as it is designed in a low-scale manner, with ample articulation. Any new development should not appear to be a monolithic building, but should instead seem to fit with the surrounding area. Development may be able to become both denser and taller at the fringes of the district. It will be particularly important to maintain the sense of character from public viewing areas.

The architectural style of new construction should take into account that nearly the entire district—with the notable exception of the library building—was built in Spanish Colonial Revival style. New construction should not replicate this style, but CPP should instead design buildings with materials that are compatible with the existing aesthetic.

The TAP concluded that there are many possibilities for adaptively reusing the historic district and pursuing creative, feasible infill, as well as appropriate new construction.

Moving forward, CPP should gather additional phasing information, using consultants that have experience working with the State Historic Preservation Officer (SHPO). CPP can then share this more complete picture with SHPO through preliminary discussions. The university should emphasize that it is taking the importance of the district very seriously—CPP should be able to articulate its vision and reason for any plans it presents. Keeping SHPO involved going forward would be helpful.

A VISION FOR LANTERMAN

To provide a “teaser” of one vision for the Lanterman site, the TAP presents its University Village concept.

The idea centers on the creation of a Metrolink rail stop adjacent to the Lanterman and Spadra sites. This would provide access for CPP faculty, students and staff to the City of LA to the west and into Riverside County to the east. The City of Fullerton serves as a precedent: Metrolink shares a right of way with heavy-rail in Fullerton, as it does in the City of Pomona, and Fullerton was able to successfully create a new stop/TOD under these same conditions. (The TAP does acknowledge information provided that suggests The City of Industry once studied the option of moving its Metrolink station to the Lanterman/Spadra property, which it found infeasible. However, the possibility of a Metrolink station on the property should still be revisited.)

Creating a connection to rail would allow for the development of a “station square” on the Lanterman site, in the “funky” area that formerly accommodated back-of-house uses (Area H). The boiler building’s striking tower would provide an iconic landmark arrival into the village.

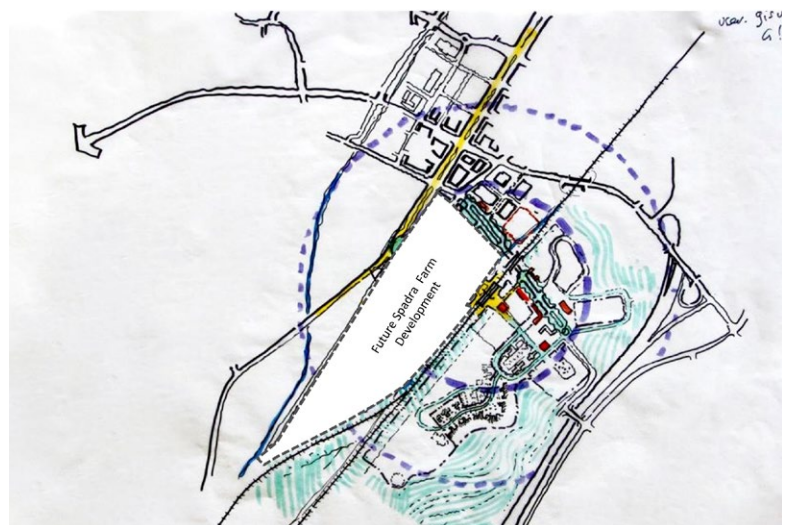
This “Station Square District” could serve as a place to partner with business, providing an entrepreneurial area before moving into the historic core of the campus.

In that historic core, the developer would make sure to retain garden spaces between the buildings while backfilling appropriately with new development (Areas A-F). Currently undeveloped space farther from the most historically significant portions of the site would accommodate new development (primarily Area G).

Setback requirements from rail differ depending on whether development is residential or commercial. If new development along the rail tracks is commercial, it could be located quite close to the right of way, while if it is residential, a landscape buffer or forested edge could be incorporated.

The existing, unrelated development abutting the northwest corner of the site does not do justice to the historic nature of Lanterman, and would not be acceptable if it were built after Lanterman received historic designation. The TAP suggests that CPP have a significant conversation with its neighbors about how development there can be more respectful of this historically-eligible property and in turn take better advantage of the new development opportunities on Lanterman.

Respecting the historic nature of the space, CPP would make sure not to overwhelm the valley with imposing buildings on top of hills. Instead, development would nestle into the hills, growing larger in the valley below. CPP would maintain and enhance the natural hillsides with native plantings. As such, the contoured landscape to the northeast, east, and south east (Areas M-N) would retain its natural character, perhaps accommodating a vineyard or agricultural community on the hillside. A boutique hotel to anchor the area might also be appropriate, surrounded by trails and bikeways that respect the environment, an “eco/agri-tourism” opportunity.



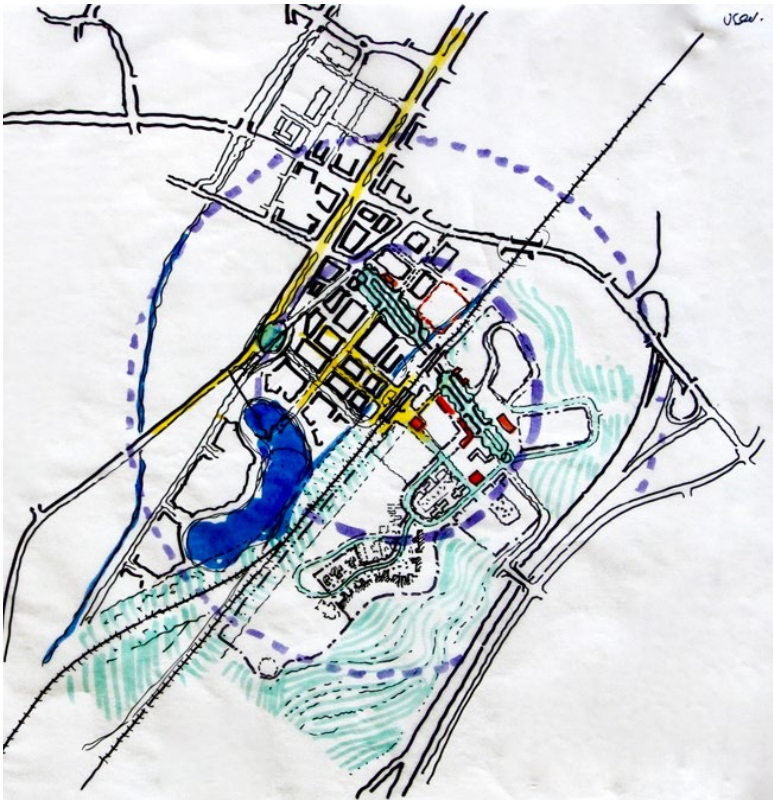


Diagram 2 with circles showing a 5-minute walk from the station and a 10-minute walk.

In concert with CPP's architecture and planning thought leaders, the agriculture college can serve as pioneer in the movement toward new communities drawing on the farm-to-table movement and urban agriculture—which promises to serve as an alternative to suburban development. CPP can help pioneer the “agrihood”—a new type of neighborhood that is already replacing golf courses and the amenities of gated communities with neighborhood sustainable farm gardens as a core “amenity.” Activities at Lanterman could be tied into education and experimental farming, as well as a farm stall at a local farmers' market and urban gardening.

To complete the vision, the TAP took the liberty of conceptualizing uses for a portion of the Spadra Farms site, as well. CPP could take advantage of the opportunity, with a managed working water system, to bring water that runs through the valley on two sides to a large reservoir. Beyond serving as an attractive amenity for the neighborhood, it could also provide an institutional learning experience—

from hands-on practice with greywater recycling to water cleansing. Regardless of its size, this “working water amenity” would be a game-changing means of integrating the aspirations of the academic community with innovative businesses. It could also contribute as a buffer to rail.

The lake would be part of a strategy to naturalize the watercourse. With California's early-20th-century movement to concretize channels in order to manage floods, we have lost opportunities for trails and natural spaces that can now be realized.

CPP could also incorporate a boutique conference center into its plans, with visitors taking advantage of the scenic reservoir. Such a facility would create opportunities to elevate knowledge within CPP's equestrian and farming communities, for instance, by sharing it in a public way.

The site, as envisioned, would be walkable in scale (see diagram 2, where circles show a 5-minute walk from the station and a 10-minute walk). As a result, users could arrive by train and access the full experience of an authentic town setting on foot. Local bus loops could connect students and staff to the larger campus and Innovation Districts, reducing the overall dependence on the automobile.

In order to achieve a vision of this scope, CPP must identify program elements that match short, medium, and long-term market opportunities. The university should begin by envisioning the desired result in 50 years' time, then work backward in 5-year increments to establish a phasing plan that encourages a mix of uses simultaneously. For example:

- **Short term:** faculty and staff housing, hotel/retreat farm-to-table concept
- **Medium term:** student housing, academic uses, conference center
- **Long term:** business partnerships, residential development

ECONOMIC AND POLICY CONSIDERATIONS: HOUSING

Given Lanterman's historic uses, the mission of the school, the need for the site to become financially self-sufficient so that it can generate income for CPP, and the real-estate market in the area, the TAP believes the Lanterman site is well-suited for housing.

GOVERNING PRINCIPLES

The following should inform development of on-campus housing programs:

- Affordable, attractive housing is critical for attraction and retention of CPP faculty and staff.
- Opportunities for adaptive re-use of obsolete structures should be pursued.
- CPP should aim to reduce the time and cost of "vehicle miles traveled" (VMT) by getting faculty and staff off of freeways, offering them opportunities for campus-adjacent housing.
- The university can increase faculty and staff's effective disposable income through minimizing the need for car ownership.

NEED

In order to meet CPP's ambitious goals, the university must grow and innovate. To do so, it must retain and grow human capital: faculty, staff, and students. Affordable middle-income housing at the Lanterman site can become a tool to recruit top talent and grow the student base.

Demand for housing on and near the campus promises to increase dramatically if CPP reaches its target for expanding the student population. If CPP maintains its current faculty-to-student and staff-to-student ratios, growing from 24,000 to 30,000 students would add an additional 300 new faculty and 355 new staff members over 10 years. These new additions do not take into account the existing housing shortage on CPP's campus, which Brailsford & Dunlavey identified as 2,294 housing units.

Former staff residences offer opportunities for re-use.



AFFORDABILITY CONCERNS

LA County, by some measures, is home to the most expensive housing market in the country. Affordable home prices should be approximately 4 times household income—a rule of thumb that corresponds to the US Department of Housing and Urban Development and financial institutions' income housing qualifying ratio of ± 30 percent. However, in LA County, as of mid-2016 the median house price is \$525,000 and median family income is \$62,400—a multiplier of 8.4, the second worst in the US.

The TAP's approximation for CPP faculty and staff incomes equate to affordable home prices that are firmly positioned in the bottom quartile of housing options. Full professors could afford a \$460,000 home, assistant professors could afford a \$330,000 one, and staff only a \$230,000 one. A quick survey of homes on the market in areas near the university showed prices primarily in the \$415-550,000 range. The majority of both new and resale housing options surrounding the university are therefore unaffordable to faculty and staff.

This confirms that affordable, attractive housing provided by the university would be in high demand and could also help overcome the negative impact that high housing prices in the area are likely having on CPP's employee attraction and retention.

Former patient residences could be re-used for residential purposes.



TYPES OF HOUSING

The TAP provides the following description of housing options to consider for the Lanterman site:

1. Ownership

Row townhomes: 18 of these lower-density, tile-roofed, 2-story structures would occupy 1 acre of land, with a home size of 1,400 square feet.

Cluster single family: 12 of these homes—similar to townhomes, but detached and less dense—would occupy 1 acre of land, with a home size of 2,000 square feet. These might be appropriate for a full professor looking for more space than a townhome would provide.

A hybrid home-ownership on ground leases program can reduce the price of ownership housing by 25-35 percent, compared to a comparable unit in the marketplace. This requires complex structuring: residents own the unit but do not own the land. Other Cal State universities have used this method: Fullerton, Channel Islands, Northridge, and Monterey Bay. The UC System has a similar program at Irvine, Santa Cruz, Davis, and soon at Santa Barbara. While results at these institutions were mixed, less-than-stellar outcomes reflected the economic environment rather than the structure of the program.

2. Rental

8-plex bungalows: These homes would be rehabbed from existing buildings on the Lanterman site, with a home size of 1,200 square feet.

Through a ground lease with a market-rate or fee developer, rental rates can also be reduced. There are two options possible for rental housing:

- Charging market rate rents, to industry standards (“plain vanilla”)
- Accommodating mixed-income housing (low-moderate-middle income families), which is eligible for tax credit financing. (However, if a development makes use of federal money in reliance on the tax credit program), university employees may no longer have priority over the general public.)

3. Student Housing

- Student flats: This traditional student housing would provide 22 units-per-acre in 3-story structures. It would be built to industry standards (“plain vanilla”).

4. Retirement / “Life-Long-Learning” Housing

Such development can be either ownership or rental, and would include programming for retirement-age residents.

Working with 70 acres of new housing development, the TAP found that the area could yield 315 row townhomes, 210 cluster single family homes, and 210 student flats—totaling 1,295 new units. Utilizing 50 acres of land could yield 225 row townhomes, 150 cluster single family homes, and 550 student flats—totaling 925 new units. With this mix, the university would provide 50 percent of new homes as ownership housing to faculty and staff, and 50 percent as unsubsidized rental housing for students, faculty, and staff.

The TAP concluded that CPP can both make its new ownership units affordable and also derive revenue from them. Home prices could be discounted by $\pm 25\%$ -30% through a ground-lease mechanism in which buyers purchase the home but lease the land it sits on. This would change prices as follows:

- Row townhome reduced from market-rate \$365,000 to \$273,750
- Cluster single family reduced from market-rate \$500,000 to \$375,000

This scenario would yield a net positive for the university, when costs are taken into account:

- Row townhomes yield \$74,750 for CPP per unit
- Cluster single family homes yield \$115,000 for CPP per unit

HOUSING YIELD

	Ownership Housing		Rental Housing		Total Units
	Row	Cluster	Student	8-Plex	
Metrics	Townhomes	Single Family	Flats	Bungalows	
Product Description					
Units per Acre	18	12	22	Rehab	
Elevation	2-3 Story	2-Story	3-Story	1-Story	
Home Size	1,400	2,000		1,200	
Mix of Development	25%	25%	50%		19 du/AC
Potential Yield					
70 AC	315	210	770 / 3,080 students		1,295
50 AC	225	150	550 / 2,200 students		925

INCOME POTENTIAL

Metrics	Ownership Housing		Rental Housing	
	Row Townhomes	Cluster Single Family	Student Flats	8-Plex Bungalows
Product				
Units per Acre	18	12	22	Rehab
Elevation	2-3 Story	2-Story	3-Story	1-Story
Home Size	1,400	2,000	(4 Beds/Unit, 1,200 SF)	1,200
Market Price	\$365,000	\$500,000	TBD	\$290,000
Lease Deduct (25%)	\$273,750	\$375,000		\$2,000/mo
Vertical Costs				
<u>Hard</u>				
\$/SF	\$90	\$80		
Hard	\$126,000	\$160,000		
<u>Soft</u>				
% Rev	20%	20%		
Soft	\$73,000	\$100,000		
Builder Fee (10%)	\$19,900	\$26,000		
Total Costs	\$199,000	\$260,000		
Finished Pad				
per Unit	\$74,750	\$115,000		
per Acre	\$1,345,500	\$1,380,000		

STAFF AND FACULTY OWNERSHIP HOUSING BUSINESS PLAN STRUCTURE

Under this housing program, CPP faculty and staff will receive first priority over other potential homebuyers. This prioritization is permitted under State and Federal Fair Housing regulations since the CPP will be undertaking the program to promote the business interests of the University.

CPP would set up a Special Purpose Entity (“SPE” or “Site Authority”) to master-ground-lease the housing site(s) from the CPP Foundation.

- The SPE will retain a fee developer / owner representative to develop market-quality housing on the property, to be sold to eligible homeowners.
- Homeowners will acquire the home in fee and ground-sublease their parcel from the SPE.
- Pricing will be based on “Cost Plus” calculations. The usual (25-30 percent) market land cost element is effectively deferred through the ground lease mechanism

PRICE / COST REDUCTION IN GROUND LEASES

Ground leasing allows for affordability without sacrificing quality. The model suggested by the TAP provides a number of advantages, namely by reducing controllable costs of development:

The less controllable costs:

- Horizontal land development and vertical building construction

The more controllable costs:

- Raw Land: Due to the ground lease, this element is removed from consideration of initial home price.
- Entitlements: Entitlement processing costs are reduced since the CSU system is the governing entitlement authority with minimized litigation risks.
- Financing: Development financing terms are typically advantageous since projects of this nature are considered economic development projects eligible for consideration under the Community Reinvestment Act criteria.
- Marketing and Sales: This quasi-monopolistic project type “sells itself,” so there is little need for a significant sales and marketing budget.
- Overhead and Profit: Equity developers will not regularly participate in a scheme where the price is controlled. Therefore, most Cal State projects with ground leases have involved fee developers acting as fee developers / owner representatives. In reality, this mechanism is practically self-financed with little risk for the developer/owner representative.

PERPETUAL AFFORDABILITY

CPP should price ground-leased middle-income workforce ownership housing in a manner that maintains product affordability over time. It is necessary for CPP to intervene if it wishes to ensure that housing is offered at a price accessible to its community, rather than expecting the market to provide such housing without intervention. Over the long-term, the rise in housing values has outpaced inflation: Compare the long-term inflation rate in both Southern California and the nation (2-3 percent) with the long-term appreciation rate for housing (3-4 percent). This trend indicates that housing only becomes less affordable over time. Such logic underpins the TAP's suggested business model, which allows CPP to preserve affordability even under these conditions.

Governing principles of the program include:

- Home pricing at no more than 4 times family income.
- Reduced down payment requirement.
- Restrictions on the re-sale price at the end of tenure has been empirically shown to be acceptable to faculty and staff homeowners.
 - The resale price is indexed to the consumer price index
 - Homebuyers will receive their original purchase price indexed for inflation, plus the assessed value of improvements they have installed.
 - They leave having reduced their mortgage, having enjoyed home-ownership tax benefits. There are equity returns available to such buyers.

Features of the program:

- Shelter without speculation at lower entry and occupancy costs
- Deductions for mortgage interest & property tax
- Other homebuyers' financing benefits

PHASED IMPLEMENTATION

The TAP provides the following suggested phased implementation plan to realize the housing program articulated above:

- Phase I—Strategic and business planning for “Go / No Go” Determination
 - Demand and supply analysis, cost estimates, entitlements, implementation plan
- Phase II—Predevelopment
 - Specific physical design, perfecting entitlements, project financing, mobilization
- Phase III—Development
 - Site development, vertical construction, marketing and sales, delivery of homes
- Phase IV—Post Completion
- Property management

ECONOMIC AND POLICY CONSIDERATIONS: RETAIL

The TAP discovered a lack of walkable retail near the CPP campus. Since the area is under-retailed, the panel believes the university could add up to 100,000 square feet of retail in a marketable location.

CPP can look to other universities in order to determine the amount of retail its community can support. For example, the University of Connecticut—an agriculture institution without a large surrounding population—provides 3 square feet of retail per student. Emory University, however—a suburban

institution near a large metropolitan area—supports 10 square feet of retail per student. Building on these figures, the TAP expects that CPP could sustain 5 square feet of retail per student, totaling 100,000 square feet.

As discussed above, the TAP believes that CPP should create a town center, invigorated with retail. This may be appropriate for Lanterman, but also might be better situated in a more visible location (perhaps Spadra Farms).

The Spadra farm site provides more visibility for potential retail along Pomona Boulevard.



COSTS AND FINANCING

BUILDING RENOVATION

Utilizing the limited information available, the TAP approximated the cost of converting existing buildings on the Lanterman site into housing and classroom facilities. The estimates focus primarily on classrooms, because such conversions would be more cost effective.

This exercise yielded a figure with an order of magnitude similar to previous studies conducted by consultants to CPP, which were provided as background material to panelists. The TAP can therefore confirm that CPP's basic idea of the price of conversion is accurate. However, it is important that CPP get thorough estimates of improvement costs for adaptive re-use of existing buildings early and often to prevent surprises.

While the buildings appear structurally sound from the outside, it will be important going forward for experts to evaluate the inside of the buildings. The estimates here do take into account the assumed derelict components within the structures—including redoing all mechanical, electrical, plumbing, fire protection systems; restoration of roofing components and exterior skins; and a complete rebuild of interiors.

The TAP found that converting an enclosed area of 12,000 square feet into classroom space would total \$4,305,636, at \$358.80 per square foot. While the price of renovation is high, it is still feasible.

The following assumptions have been factored into the estimate:

Structural

- Assume minimal seismic upgrade
- No major foundation work
- Include some cost for making internal reconfiguring for change of use

Exterior Skin

- Minor exterior restoration, plaster crack repair, etc.
- Full window replacement (repair historic, if feasible)

Other Shell Items

- Remove catalogue and reinstall existing roofing with new membrane
- New flashings

Carpentry, Doors Hardware

- New interior doors and hardware

Ceiling Walls and Interiors

- New drywall partitions

Interior Finishes

- TI Allowance, including floor, wall and ceiling finishes
- Includes selective demolition of existing interiors

MEP

- Full replacement of HVAC, electrical, plumbing systems
- Full replacement of low voltage systems (security, fire alarm, communications)
- Full replacement of fire protection systems

Special Systems

- Include final cleaning
- Allowance for hazardous material abatement
- Miscellaneous specialties (fire extinguishers, etc.)
- Have not included kitchen or food service facilities
- Allowance for AV systems

Does not include type soft costs such as:

- Design fees
- Permit fees
- System development fees
- Soils testing
- Developer fees
- Program relocation costs

INFRASTRUCTURE FINANCING

The TAP was informed that existing water and sewer lines are 50 years old, and are in poor repair. Therefore it is likely that the site will require extensive infrastructure development, including surrounding existing historical structures that must be protected. Given the potential for seismic issues, and other concerns, the TAP expects this process to be neither straightforward nor inexpensive, and recommends that CPP get frequent cost-estimate updates throughout the process. There are multiple methods and sources possible to finance infrastructure improvements:

1. Special Districts:

- Community facilities districts (CFDs aka “Mello Roos”)
- Assessment Districts
- Enhanced infrastructure financing districts (EIFDs)—a new State-enabled financing tool

2. Revenue Bonds:

This tool is appropriate because some uses on the site will generate revenue. Cal State Channel Islands has utilized revenue bonds, providing a helpful precedent within the university system.

HOUSING FINANCE

Ownership Housing

- Subordinated commercial pre-development and construction debt financing should be readily available from commercial lenders, who will likely benefit from the project qualifying under the Community Reinvestment Act criteria.
- Home mortgage financing—FNMA has approved a special program for mortgage financing of homes on ground leases. The California Housing Finance Agency (Cal HFA) previously had a similar exemption until 2013. The TAP strongly believes the CalHFA program will be reinstated.

Rental Housing

- Market-rate rental housing could be developed by for-profit equity developers benefiting from ground-leasing mechanism to defer front-end land costs, allowing for reduced rents – subject to negotiations with the CPP Foundation.

•Tax Credits financing

- Low Income Housing Tax Credits (LIHTC) –

Subsidized low-moderate income rental housing using the LIHTC program may not be advisable since the University will not be allowed to prioritize such housing for its faculty and staff employees.

- **New Markets Tax Credits (NMTC)** – This program may be used for development of commercial facilities and ownership housing, but may also be limited due to the inability to prioritize housing for CPP faculty and staff.

-**Historic Tax Credits** – There may be an opportunity to attract investor capital because housing and other uses will be built inside existing structures designated for historical preservation.

Non-Residential Non-Academic Uses

Non-residential uses—including hospitality, recreation, retail, incubator space, etc.—will be financed, managed, and owned using the methods generally employed for such projects.

IMPLEMENTATION

The TAP recommends that CPP continue with these next steps as quickly as possible:

- 1. Assemble Internal University Team:** CPP identifies academic and Foundation representatives to comprise the nimble decision-making body that will oversee the development process.
- 2. Conduct Second TAP:** CPP receives guidance from ULI panelists on the adjacent Spadra property, which will likely influence plans for Lanterman.
- 3. Select Pre-Development Consultant:** The Team searches for a suitable development expert who will join the Team to help CPP answer the “Threshold Question.”

- 4. Pursue a Deadline Extension:** CPP requests that the State of California allow a decision on the Lanterman property after September 2017.
- 5. Answer the Threshold Question:** The consultant conducts a thorough set of studies that provide CPP with enough information to decide whether to retain the Lanterman property or return it to the state.

ID	Task Name	Duration	Start	Finish	5, '16	Jul 17, '16	Aug 28, '16	Oct 9, '16	Nov 20, '16	Jan 1, '17	Feb 12, '17	Mar 26, '17	May 7, '17	Jun 18, '17	Jul 30, '17	Sep 10, '17	
					T	M	F	T	S	W	S	T	M	F	T	S	W
1	Hire Development Consultant	1 mon	Mon 8/1/16	Fri 8/26/16													
2	Engage Other Consultants	2 mons	Mon 8/29/16	Fri 10/21/16													
3	Consultant Agreements	2 mons	Mon 10/24/16	Fri 12/16/16													
4	Predevelopment Studies	4 mons	Mon 12/19/16	Fri 4/7/17													
5	Development Plan and Program	3 mons	Mon 4/10/17	Fri 6/30/17													
6	Financial Proforma and Cost Analysis	2 mons	Mon 7/3/17	Fri 8/25/17													
7	Decision Making	1 mon	Mon 8/28/17	Fri 9/22/17													

CONCLUSION

The TAP commends CPP for undergoing careful consideration of how best to utilize this promising and historically rich site. The university's "learn by doing" ethos and polytechnic identity inspired the TAP to find solutions that support this unique philosophy. Participants felt privileged to offer consultation to an entity with such a strong track record of academic excellence.

Key findings and recommendations include:

1. The TAP believes there to be CPP-generated demand for housing to accommodate its professors, administrators, students and other employees.
2. The Lanterman site is large enough to accommodate a variety of uses to diversify income and permit phasing.
3. If CPP moves forward, historic structures should be maintained where possible and could provide a unique identity to the site.

CPP is wise to consider the implications of historic eligibility, the state of the buildings, and other site conditions before coming to its conclusion. The TAP sees great potential for exciting and innovative activities at Lanterman if CPP does determine that conditions there are suitable for adaptive reuse and development. Finally, the panel encourages CPP to consider findings from the Spadra TAP when creating plans for Lanterman, since the two sites are best viewed in unison.

The TAP is enthusiastic to witness CPP's ongoing work at Lanterman and its overarching efforts to define its goals and create a compelling vision for the university's future.



The University Village concept provides a compelling vision for leveraging the Lanterman and Spadra sites.

ACKNOWLEDGEMENTS

The Technical Assistance Panel is thankful for the commitment and participation of stakeholders. The following is a list of individuals who were interviewed or provided valuable information and perspective during the TAP process:

Sylvia A. Alva, Ph.D.

Sep Eskandari, Ph.D.

Doug Glaeser

Gary Hamilton, J.D.

Mary Holz-Clause, Ph.D.

Benjamin F. Quillian, Ph.D.

Steven Lohr

Danielle Manning

Walter M. Marquez, Ed. D.

Cordelia Ontiveros, Ph.D.

G. Paul Storey

Sandra Vaughan-Acton

Michael Woo

*Doug Glaeser meets with
TAP panelists to share
insights on to long range
planning goals for CPP.*



PANEL CHAIR BIOGRAPHIES

BRIAN JONES

Retired, Chairman / CEO Forest City

Brian M. Jones' career with Forest City Enterprises spanned 30 years and included the development of 17 million square feet of Class A commercial development projects, with an estimated value of 3 billion dollars. He is the visionary behind two of the industry's most unique, innovative and highly honored projects Victoria Gardens and San Francisco Centre, each winning the International Council of Shopping Center's highest acknowledgement, the International Design & Development Award – Americas in 2006 and 2008, respectively.

As Forest City Commercial Groups' Chairman and Chief Executive Officer – West Coast Commercial Development, Brian Jones, provided senior executive level strategic support to the commercial group and explored new international business opportunities for the company. He oversaw all aspects of the development process, from acquisition, entitlements and design, to the physical development.

His Forest City career path included President & CEO, West Coast Commercial; Vice President, Development; and Project Developer. His projects included Victoria Gardens in Rancho Cucamonga, a 1.5 million square foot lifestyle and mixed use development in the Inland Empire region of Southern California. The San Francisco Centre, a 1.5 million square foot retail/office mixed use development in downtown San Francisco. A joint venture with Westfield America, San Francisco Centre is the largest enclosed shopping center west of the Mississippi. The Orchard Town Center, a 1.1 million square foot mixed use and lifestyle retail center in Westminster, Colorado.

JOHN MARCHIORLATTI

VP, Industrial Acquisitions & Development Shea Properties

As Vice President in charge of Industrial Development, Jon Marchiorlatti is involved in all aspects of the development process including acquisitions, entitlement, planning, construction, leasing and disposition of industrial properties in the California region. At Shea Properties, Mr. Marchiorlatti has led search efforts for new industrial sites and has been instrumental in the expansion of the 1.8 million square foot Shea Center Ontario, the 145,000 square foot Shea Center Huntington Beach, the 120,000 square foot Shea Center Carlsbad, and the 275,000 square foot Shea Center Hayward.

Prior to joining Shea Properties, Mr. Marchiorlatti was a Senior Development Manager for Panattoni Development Company responsible for the Southern California market. With Panattoni, he completed the purchase and disposition of four projects totaling more than 200 acres of land with 2.5 million square feet of office and industrial space and an estimated build out value of more than \$800 million. Mr. Marchiorlatti also served as the Director of Development and Marketing for Messenger Investment Company and was responsible for the development of new projects and investment opportunities throughout Southern California. There, he handled the disposition of over \$160 million of troubled assets which included lease renegotiations and asset sales. He also created and oversaw the asset and property management divisions of the company.

Mr. Marchiorlatti has been involved in the Southern California commercial real estate industry for 34 years as a developer and broker.



PANEL MEMBER BIOGRAPHIES

DAVE BARQUIST

Planning Practice Builder
Kimley-Horn and Associates, Inc.

Dave brings over 20 years of public and private sector planning experience, including Policy and Regulation plans, Comprehensive Planning, Land Use Entitlement Procedures, Urban Design, Active Transportation, Mobility, Housing Policy, Campus Master Planning, Downtown Revitalization, Economic Development and Sustainability. He brings to his clients a diverse range of skills, including policy analysis, policy development, and urban design. Dave is also accomplished in providing community engagement to guide in the development of public policy. Dave has been an instructor for California State Fullerton's Leadership Program for Public Agencies, teaching public agency staff on principals of communication and group facilitation over the last 10 years. He has led hundreds of public meetings and is well-versed in finding locally-specific techniques and tools to engage the community in the planning process.

Prior to joining Kimley-Horn, Dave was Vice President with RBF Consulting's Urban Design Studio. Dave is also a former facility planner at Cal Poly Pomona, having worked on the Campus Master Plan, Agriscapes, Innovation Village, Center for Regenerative Studies and the Campus Major and Minor Capital Outlay Programs. He is also an Alumni of the College of Environmental Design.

RICHARD BRUCKNER

Director, Planning
Los Angeles County Department of Regional Planning

Richard J. Bruckner was appointed Director of the Regional Planning Department of Los Angeles County in 2010. The Department of Regional Planning is responsible for land use planning and the enforcement of local use regulations with the unincorporated areas of Los Angeles County. Prior to this appointment, Mr. Bruckner was the Director of Planning & Development Department for the City of Pasadena. He was responsible for citywide economic development, planning, building, code enforcement, cultural affairs, real estate, and the management of eight redevelopment projects areas. Before his appointment in Pasadena in 1999, he was the Deputy Executive Director of the Community Development Department for the City of Anaheim, California.

VAUGHAN DAVIES

Principal/Director of Urban Design
AECOM

As an architect and urban designer, Vaughan Davies has over 25 years of professional experience producing dynamic plans for transit centers and mixed-use environments, urban waterfronts, retail, resort and entertainment destinations, with an emphasis on creating vibrant 'pedestrian first' urban neighborhoods in cities large and small, nationally and globally.

Vaughan based in AECOM's Los Angeles office has for the past 20 years has led the design and implementation efforts for many of the region's precedent setting projects, including: the Alameda District Master Plan (TOD) which entitled 11 million square feet in and around the historic Union Station; Gateway Intermodal Center, a uniquely California transit experience; Hollywood & Highland (TOD) which was the catalyst for the revitalization of Hollywood Boulevard as we know it today; Paseo Colorado in Pasadena one of the regions first urban mall redevelopments and the LA Waterfront Master Development Plan in San Pedro for the Port of Los Angeles. Vaughn is currently finalizing the Fresno Station Area Master Plan, a close collaboration between the City of Fresno and the California high Speed Rail Authority. Additionally, he is currently engaged in Anaheim, Burbank, Santa Monica and San Bernardino with TOD projects.

Vaughan has significant experience integrating public transit and public realm to create environments that maximize the value added for new development. Vaughan's understanding of the pragmatic needs of the development community coupled with is forward thinking approach to urban design continues to be positive influence in how communities envision their futures.

CLARE DE BRIERE

COO
The Ratkovich Company

Clare De Briere is the Executive Vice President and Chief Operating Officer of The Ratkovich Company. She joined the Company as a summer intern in 1991 after graduating from UCLA and worked her way through property management, leasing, construction, financing and development management while earning her graduate degree at USC's prestigious Lusk Center for Real Estate. In her career with the company she has overseen the acquisition, entitlement, planning development and/or disposition of millions of square feet of development from The Wiltern Theatre, 2601 Wilshire, 5900 Wilshire, 800 Wilshire, The Alhambra, The Hercules Campus in Playa Vista and, most recently, The Bloc in downtown Los Angeles.

Clare is an active member of the Urban Land Institute serving on the National Advisory Committee for Building Healthy Places and Building Healthy Corridors, and on the Los Angeles District Council's Executive Committee and Advisory Board. She has served on a ULI Advisory Panel in the City of Denver and on a local Technical Assistance Panel for the Huntington Hospital. She has been named on the Los Angeles Business Journal's Women Making a Difference list and has been on the Real Estate - Southern California's Women of Influence list every year since 2003. Clare is also on the Advisory Board of the UCLA History Department; and is on the Executive Committee of the Board of the Los Angeles Conservancy.

ROGER FRICKE

Senior Vice President
MATT Construction

With more than thirty years of experience in the construction industry in a multitude of capacities from project superintendent to chief estimator, Roger Fricke oversees MATT's preconstruction and virtual construction departments, and he relishes the opportunity to work on and plan highly unique projects. He has worked on such iconic projects as the campus transformation of LACMA, The Broad museum by Diller Scofidio + Renfro, the Petersen Automotive Museum, designed by Kohn Pedersen Fox. Roger's background also includes a vast array of programs, including high rise, large-scale office buildings, university campus master plans, LEED Platinum/Net Zero facilities, institutional sites, residential, hospitality, cultural, historic restoration, immersive landscapes and sports facilities.

Roger studied both Electrical Engineering and Building Construction at the University of Washington, during which time he also worked restoring historic homes. He worked his way up through both project management and field supervision, eventually overseeing major projects such as the Rose Garden Arena in Portland, Portland Hilton Executive Tower and Bridgeport Village Life Style Center. For two years Roger joined the client side of construction as the owner's project manager at the Portland Art Museum for its "Project for the Millennium." That experience gave him enormous insight in to the concerns of nonprofit personnel, and he learned how to communicate and be a good partner with such organizations.

J. DONALD HENRY

Founding Principal & CEO/President Village Partners

J. Donald Henry is a founding principal and CEO/President of Village Partners, a company focused on the block-by-block development of in-fill residential over ground floor retail on main streets and within pedestrian oriented mixed-use projects. A twenty-two year real estate industry veteran with a unique balance of skills in finance and investments combined with hands-on experience in the planning, design and management of urban residential and mixed-use real estate developments. Prior to launching Village Partners, he was Vice President of Development/Acquisitions for the Related Companies, a national owner/developer of affordable and market-rate urban residential and mixed-use projects. He was responsible for an urban residential development team focused on establishing a pipeline of high density, urban in-fill residential and mixed-used project opportunities. Mr. Henry was responsible for developing the business plan, focused site acquisition plan and marketing program for the urban in-fill residential/mixed-use development team. He also oversaw the feasibility, pre-development and design activity of over 700 units, 65,000 square feet of retail and over \$150 million in total development costs and new deals.

Prior to joining Related, Mr. Henry was a Vice President of Development with Legacy Partners / Lincoln Property Company (Western Region), one of the largest privately held owner/developers and managers of multi-family residential and commercial properties in the western United States, where he was responsible for the management of the development activities of the teams most successful built projects and pipeline of urban in-fill residential and mixed-used opportunities. Mr. Henry managed the development activities for multi-family / mixed-use projects totaling over \$350 million in total development cost.

EHUD MOUCHLY

Principal
READI, LLC

Ehud Mouchly, principal of READI, has many years of experience and expertise in:

- Financial, investment and asset management for mixed-use and mixed-income projects, middle-income ground-leased workforce housing and ground-leased employer-assisted housing projects, and master planned communities
- Sustainable real estate development
- Economic and community development
- Oversight of operations, entitlements, acquisitions and dispositions
- Debt and equity financial structuring, negotiations, “packaging” and financial modeling
- Teaching real estate finance and financial modeling at the university graduate school level

He previously served as Vice President and General Manager of UniDev, LLC's West Coast Office, responsible for design, development, financing, and management of ground-leased academic faculty and staff housing and other employer-assisted workforce housing projects and communities in California and Nevada. Earlier, Mouchly was a member of SunCal Companies' master planned communities' acquisition, entitlements and start-up team; General Manager of Anaverde (formerly City Ranch), KB-Home's 2,000-acre, 5,000-unit master-planned community in Palmdale, CA; Principal and Co-Developer of a 160-acre commercial mixed-use project in San Joaquin County, CA; Managing Director in the Real Estate Group of Price Waterhouse; Founder and President of a national real estate consulting company; developer/builder of residential and retirement communities.

MICHAEL REYNOLDS

Principal
The Concord Group

Michael Reynolds is a Director in the Newport Beach office. With a career spanning more than a decade at The Concord Group, Mr. Reynolds has completed more than 200 engagements over the last calendar year and thousands over his tenure for several hundred clients covering a wide variety of analysis / product types and real estate asset classes across the United States and internationally.

Mr. Reynolds is an expert in market-based urban infill development strategy, delivering a best-in-class quantitative/qualitative approach to solving macro- and micro-economic challenges facing redevelopment around the United States. In his tenure, Mike has worked on several market opportunity and financial analyses for large-scale Southern California urban redevelopment sites such as Anaheim's Platinum Triangle, Irvine's El Toro Marine Base and Glendale's Brand Avenue Corridor.

Mike is a frequent speaker on multi-family development, urban infill trends and issues facing his Gen Y peers, and is active with the Urban Land Institute and other industry-leading organizations.

In addition to the market work summarized above, Mr. Reynolds has diverse experience with market feasibility analyses and highest and best use studies in urban Los Angeles. Mike, a native of the Connecticut, is a graduate of Claremont McKenna College with a degree in economics and government.



DEBORAH ROSENTHAL

Partner

FitzGerald Yap Kreditor LLP

Deborah M. Rosenthal, FAICP, is a partner with over 25 years of experience representing clients throughout California in Real Estate, Land Use, Natural Resources and Environmental matters. As set forth below, she has earned numerous awards and distinctions that provide a glimpse of the knowledge and experience she brings to every project.

Areas of Practice:

Deborah works extensively with land use and environmental issues throughout California, including wetlands, water and groundwater rights, endangered species, takings, historic preservation, mitigation banking and coastal issues. Deborah has also been involved in a variety of complex federal and state coordinated environmental permitting programs for large private developments, including the negotiation of development agreements and preparation of development plans.

A major portion of her practice is devoted to CEQA, inverse condemnation and general plan litigation in connection with land use entitlements for large residential real estate developers. She has handled complex land use litigation throughout California.

Immediately before admission to the California bar, Deborah served as Executive Director of the Landmarks Preservation Council of Illinois. In this capacity, she was responsible for supervising statewide preservation advocacy programs. Prior to attending Yale Law School, Deborah acted as a special consultant to the National Trust for Historic Preservation on selected planning issues in Oklahoma and provided special media services to the Oklahoma Humanities Council and the Oklahoma Council for the Social Studies.



*TAP Panelists from left to right:
 Richard Bruckner, Clare De Briere,
 J. Donald Henry, Roger Fricke,
 Kendra Chandler, Brian Jones,
 Vaughan Davies, Katie Ahmanson,
 Molly Strauss, Dave Barquist,
 Ehud Mouchly, John Marchioratti,
 Deborah Rosenthal, Michael Reynolds,
 Jonathan Nettler*

At the Urban Land Institute, our mission is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

Established in 1936, ULI is a nonprofit education and research institute with over 40,000 members across the globe – 3,000 here in the Greater Los Angeles/ Orange County area. As a nonpartisan organization, 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.

The membership of ULI Los Angeles and Orange County/Inland Empire represents the entire spectrum of land use and real estate development disciplines. They include developers, builders, investors, architects, public officials, planners, real estate brokers, appraisers, attorneys, engineers, lenders, academics and students.



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