

A CASE STUDY OF THE BIRCH STREET DEVELOPMENT IN Brea, CA

by

ANNE ANTONINI

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A REPORT

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Department of Landscape Architecture and Regional and Community Planning  
College of Architecture, Planning, and Design

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Approved by:

Major Professor  
Larry L Lawhon

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## **Abstract**

This report addresses the questions of whether the Birch Street Development in Brea, CA is a successful example of Smart Growth, and whether it is something that can be replicated in other cities. It is important to find the answers to both of these questions because Smart Growth may hold the key to solving the problem of sprawl, and the Birch Street Development could potentially serve as a Smart Growth implementation guide for cities everywhere.

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## **Dedication**

To my dad, George Dennis Guayante. For providing me with a model of integrity to follow in my professional life, and for instilling in me the drive to do good work.

## **Preface**

This report seeks to determine whether the Birch Street Development is successful and whether it is a replicable model for other cities interested in Smart Growth redevelopment. To adequately answer these questions, it was necessary to speak with a representative of Brea's planning department, Brea's economic development department, a private developer involved with the project, and end users of the development. Three of four interviewees were directly involved in the development of Birch Street. To learn about the chronology of the process, as well as how it evolved from its original concept, it was vital to speak with people who had a level of direct involvement. In order to learn how well it functions for end users and stakeholders, it was necessary to speak with people who currently have an integral role in the Birch Street Development.

Initial contact was made with each interviewee via email. Potential participants were sent messages identifying this report's author, explaining why each of them was selected, explaining the purpose of the report, and requesting their involvement. Interviews were conducted via telephone. Each interviewee was asked a series of standardized questions from a prepared questionnaire. In addition, each interviewee was given the opportunity to provide additional information not included in the questionnaire.

## **Interviewees:**

David Crabtree has been a Brea City Planner since 1989. He has been involved with the Birch Street Development since shortly after the initial Charettes conducted with the public. Eric Nicoll has been with the City of Brea since 1993. He was involved with the redevelopment aspect of the project, including land acquisition. Currently, he serves as the City's Economic Development Director. He also represents the City of Brea in the Birch Street Property Owners Association, because Brea owns two parking structures in the development. The City of Brea continues to have a high level of involvement with the Birch Street Development. Sylvia Bianchi is the Director of The Downtown Brea. She was selected as someone knowledgeable of day-to-day operations of the Birch Street Development. Nathan Cherry of RTKL Development Firm is a private developer in one of the firms involved in the Birch Street redevelopment process. His firm co-authored the Architectural Control Criteria in 1999.

## **Project Timeline**

The project began with a site visit in August of 2007. This visit was conducted to gain familiarity with the layout of the Birch Street Development and take photographs of its various features. Emphasis in this visit was placed on the layout of the Birch Street Development, the various land uses, and how well it was utilized. After Birch Street, a visit was conducted to Brea City Hall's Planning and Economic Development Departments. Various personnel not involved with Birch Street's development contributed written documents on Brea's downtown redevelopment efforts and the Birch Street Development. An additional site visit was conducted in December of 2007, shortly after research was underway, in order to take additional

photographs and to see the development in the context of the literature under review. Emphasis during this visit was placed on specific urban design features as they related to Smart Growth.

Research was conducted between December 2007 and February 2008 on the subject of sprawl and on the theory of Smart Growth. It was necessary to establish a theoretical framework to create the context for the Birch Street Development. Research was also conducted on the history of Brea and its downtown. Once this research was completed, a questionnaire was created to be used in interviews. Candidates for interviews were established by contacting the relevant City departments via email. General inquiries were sent to the Economic Development and Planning Departments, requesting to be directed to individuals involved with the Birch Street Development. In interviews, City officials were asked if they knew of anyone else involved in the project that should be consulted. These people were contacted via email. This took place during February 2008, and interviews conducted between February 20, 2008 and March 6, 2008.

## **CHAPTER 1 - Introduction**

Throughout the twentieth century, automobile-oriented land-use patterns have been increasingly dominant in the United States. This has resulted in the phenomenon known as sprawl. Sprawl can be defined as the spreading out of a City and its suburbs over rural land at the periphery of an urban area. This involves the conversion of open space into developed land over time (Freilich, 1999). During the 1950s, seventy million Americans lived in urbanized areas in the United States. At that time, urbanized areas covered 13,000 square miles of land. By 1990, the population in those areas had more than doubled, but the land occupied quintupled to more than 60,000 square miles (Mitchell, 2001). In recent years, sprawl's negative current and potential future consequences have been increasingly documented and brought into public awareness. Sprawl has negative effects on the environment, economy, and public health. It costs cities more to build infrastructure for new developments in rural areas at their edges than to integrate growth into developed areas. As rural areas are consumed by development, there is less land available for farming and for natural habitats (David Suzuki Foundation, 2003).

As sprawl continues to increase across the country, different strategies are being tested to combat it or mitigate its effects. In City planning, one of these strategies is Smart Growth. Smart Growth advocates an increase in density and the practice of pedestrian-oriented mixed-use development in existing downtown areas (Sustainable Communities Network, 2008). Smart Growth has been around for a relatively short period of time, but if existing Smart Growth developments are found to be successful and replicable, they may hold the solution to sprawl and its ill effects. If the ninety percent of new growth now occurring as single family, large lot sprawl along the edges of cities can be reduced to even eighty percent, "the amount of investment going

back into areas already serviced with capital facilities could be doubled” (Freilich, 1999).

The Birch Street Development in Brea, CA was chosen for this report because it embodies several Smart Growth principles: it is located in an existing downtown area, there was heavy public involvement in its development, and it is mixed-use and mixed-income.

This report seeks to answer a two-part question. The first part is whether the Birch Street Development is successful. The second part is if the Birch Street Development is successful, does this development provide a replicable model for other cities interested in Smart Growth Development to follow.

In order to establish a context for these questions and their answers, it is first necessary to provide information on Smart Growth, and on sprawl, because Smart Growth is a response to sprawl. It is also necessary to provide a description of the Birch Street Development, and to provide background information on the City of Brea, including its history and the history of its downtown.



## CHAPTER 2 - The Birch Street Development

**Figure 2.1 Birch Street Promenade** (Antonini, 2007)



The Birch Street Development contains 350,000 square feet of regional and neighborhood economic uses, including 19,000 square feet of office space, twenty restaurants, as well as sixty-two multi-family loft apartments, forty town-homes, and ninety-six single-family garden-style residential homes (United States Environmental Protection Agency). It has won numerous awards, including the 2001 California Redevelopment Association Award of Excellence in Community Revitalization, The California Downtown Association Crystal Eagle Award for Physical Improvement, and The National Association of Housing and Redevelopment Agency Award for Excellence in Program Innovation and Community Revitalization (United States Environmental Protection Agency).

The development contains three distinct nodes: the Gateway Center, the Ash Street Cottages, and the Birch Street Promenade. The Gateway Center has 185,000 neighborhood commercial uses at its ground floor as well as second story office space. Its anchor commercial tenants include a grocery retailer, a pharmacy, a Cost Plus World Market, and a furniture store. The Ash Street Cottages are ninety-six garden style cottages arranged in a traditional neighborhood layout. They are within walking distance to the shops, movie theatres, and restaurants of The Gateway Center and the Birch Street Promenade.

The Birch Street Promenade is pedestrian-oriented retail and entertainment district. It features special street and sidewalk paving, high-quality landscaping, and pedestrian-scale lighting. Its public areas include a town plaza, fountains, and public art. It features specialty shops, restaurants, and cafes. It has two movie theatres, and high-end apparel retail stores. Its second floor contains sixty-two loft-style apartments. The Birch Street Promenade also contains a police annex (The Downtown Brea, c. 2001). The Birch Street Promenade contains three plazas, which each feature public art and street furniture amenities (The Downtown Brea, c. 2001).

The City of Brea developed a very specific plan in 1998 to guide the Birch Street Development with very prescriptive development criteria. The document is designed in a very visually appealing manner, with simple layman's descriptions and images. Its intended audience is to the potential merchants who would inhabit the retail portion of the development. All of the elements and many of the thumbnail sketches can be observed in the development today.

The Birch Street Promenade of the development is a regional draw, and the development as a whole is a fully realized implementation of the public's vision. Its appearance is heterogeneous, and the Ash Street Cottages incorporate many of the design features of the

housing styles that were popular during the first phase of Brea’s development. The Birch Street Development is truly a functioning mixed-use area, and it is populated at all hours of the day. It is designed at the pedestrian scale and incorporates features such as generous sidewalks, street furniture, awnings and arcading that make it friendly to its users. The Environmental Protection Agency used it as a case study for Smart Growth. In the case study, the EPA said that the Birch Street Development is considered highly successful because of its “effective and innovative City government gaining and using citizen input through ‘Brea by Design’ workshops, and working with experienced urban developers (United States Environmental Protection Agency).”

**Figure 2.2 Birch Street Promenade, Ash Street Cottages, and the Gateway Center**  
(Antonini, 2007)



## **CHAPTER 3 - Sprawl and Smart Growth**

### **Sprawl**

Sprawl can be defined as “low-density development on the edges of cities and towns that is poorly planned, land-consumptive, automobile-dependent, and designed without regard to its surroundings” (Freilich, 1999). It is sometimes referred to as automobile-oriented development, and it has been the dominant land use pattern in the United States since the 1920s, and very nearly the only form of development since World War II.

Sprawl can be identified by corridors of large parking lots, narrow or non-existent sidewalks, and large signs designed to be visible to passing traffic. According to the official City website of Austin, Texas, “[This] pattern does not realize the full potential of these corridors as community assets. Roadways are one of our most widespread forms of public space....These corridors can be transformed into diverse neighborhood centers that provide services, new homes, community gathering places....” (City of Austin, 2008).

### ***Sprawl and its Ill-Effects***

Seventy-million Americans lived in urbanized areas in 1950. These regions covered thirteen-thousand square miles. By 1990, the population living in the nation’s urban and suburban communities had more than doubled, but the land area occupied quintupled to more than sixty-thousand square miles (Mitchell, 2001). Sprawl has a number of negative consequences. It affects cities’ economies, the environment, and social behavior (City of Austin, 2008).

Sprawl claims farmland at a rate of 1.2 million acres a year and it claims all types of open space at a rate of two-million acres annually (Mitchell, 2001). Because of sprawl's excessive separation of land uses, the average number of car trips per American Family per day is now ten. Eighty percent of these trips are for reasons other than driving to and from work. Within the next twenty years, the United States is projected to gain sixty-three million people. If current development trends continue, most of these new people will live in new single family detached houses built beyond the edges of what are currently the newest suburbs.

### *Sprawl's Consequences for Cities*

The effects of sprawl are particularly noticeable in City centers, where attributed to deteriorating infrastructure, poor schools, and a lack of available high-quality affordable housing are clearly evident. Cities suffer from disinvestment and endure "deterioration, abandonment, high crime, and racially impacted housing and school systems" (Freilich, 1999). Financially, most metropolitan regions have not been able to cope with the "tremendous out-migration of commerce and industry from...cities" (Freilich, 1999). Developed areas have sanitary sewer, water, streets, bridges, and schools that must be maintained. However, suburban areas attract residents to new development because of lower land prices and larger lot sizes. As growth and infrastructure efforts shift into new areas, older areas often lose the ability to pay for maintenance of their existing infrastructure.

In metropolitan areas, vehicle miles traveled and time spent idling in traffic rises significantly. Low density development patterns often make it unfeasible for cities to provide transit services. This is one reason that many cities cannot meet clean air goals; because current development patterns do not provide a way for them to reduce automobile pollution (McElfish,

2007). The lack of public transit also affects City residents' ability to travel to work. Most new jobs in the modern economy are in the suburbs, and are accessible only by car. A predominant characteristic of development patterns associated with sprawl is the vigorous separation of housing from other types of land use, and the stratification of housing of different price levels. This means that housing is typically not near land uses that provide employment, such as commercial or industrial uses. This makes it difficult to locate new workforce housing near enough to jobs to be reachable for workers without cars. Low-density development patterns also make most forms of public transit impractical. Therefore, those who cannot drive because of age or income are often left unable to travel to work (McElfish, 2007).

### *Sprawl's Consequences for Suburban Communities*

In suburban areas, sprawl has been attributed to traffic congestion, smog, the absence of a sense of place, and the loss of open space (City of Austin, 2008). New suburban development generally requires brand new infrastructure, which is costly for cities, because homes, offices, utilities, and other land uses are farther apart, requiring larger quantities of infrastructure materials than they would in more compact urban areas, and because each non-residential structure requires its own parking lot, and because new utility infrastructure is required as development expands outward (McElfish, 2007).

Sprawl contributes to a loss of support for public facilities and public amenities. Residents of communities have access to public facilities and services in neighboring communities that they do not financially support through taxes. Sprawl communities are often without parks. Sometimes, this is because owners of large lots have less need for public open space, or because sprawl citizens still have access to these services in other nearby cities, but do

not contribute to their upkeep or maintenance. The piecemeal approach to suburban development occurs often means that public amenities are not able to keep pace with the demands created by new development (McElfish, 2007).

Sprawl often necessitates the retrofitting of rural roads to accommodate new suburban growth. This is expensive for cities. As development moves outward and away from City centers over time, commute times tend to grow longer and traffic becomes more congested as more vehicles are added to the transportation network. Cities and transportation agencies are often not able to keep sufficient levels of service on their roads, because traffic increases at such a rapid pace that any engineering improvements are quickly overtaken (McElfish, 2007). Because land uses are farther apart, sprawl dictates that citizens spend more time on the road to go from one to another. Most post-war suburbia vigorously separates housing from land uses that provide for jobs and for daily needs. Non-work car trips now account for over 80% of all car trips (McElfish, 2007).

### *Sprawl's Environmental Consequences*

Sprawl is also attributed to the tremendous loss of rural and agricultural land and the depletion of important natural resources (Freilich, 1999). As agricultural land continues to make way for single-family subdivisions, the nation loses its capacity to feed itself and to export food. Its rural and open-space environments are lost, and exorbitant amounts of money are spent on extending utility lines to scattered green-field subdivisions (Freilich, 1999). Sprawl increases impervious surface and structures, which reduces the natural hydrology and biological productivity patterns of the land. Sprawl's inefficient land use also reduces productive farmland near metropolitan areas. Farmland is much more compatible with natural ecosystems than is

sprawl development. Though, for the near future, America's ability to feed itself is not in question, it could come into question in the long view (McElfish, 2007).

Sprawl reduces the resilience of streams and other bodies of water by degrading headwaters and harming habitats. It increases the amount of impervious surface, decreases retention time for rain water, and diminishes its infiltration to the water table. It leads to rapid erosion and structural degradation of streams and rivers, which then receive more runoff over shorter periods of time. This leads to an increase in the frequency and intensity of flooding, ultimately costing cities money in preparedness and disaster recovery (McElfish, 2007).

### *Sprawl's Societal Consequences*

Due to scattered land use patterns, sprawl makes it more complicated and logistically involved to maintain social connections. Scattered land use patterns also contribute to a more sedentary life style that has been linked to health problems (McElfish, 2007).

Because of excessive emphasis on protecting low density, single-family residential uses, there currently exists very little choice in residential housing. The only option in many communities is a single family home at a density of one unit per one half acre in a use- and income-segregated area. Many private developers argue that this lack of choice is due to market forces, and that if homebuyers wanted something other than low density, single-family residential housing, the market would respond. However, in most of the country, developers would not be able to provide other types of housing options, such as mixed-use development, should they desire to do so because of zoning regulations, state statutes, government subsidies, difficulty obtaining funding from financial institutions, and market failures.



### *A Brief History of Sprawl*

The first American suburbs were seen in the late nineteenth century on the east coast. They arose as a response to then-intolerable conditions created by industrial land uses in center cities. They were connected to City centers via the newly-invented street car. After the Civil War, new communities were designed specifically for suburban living. One notable example of this type of community design is Riverside Illinois, a tree-lined Chicago suburb designed by Frederick Law Olmstead and Calvert Vaux. Riverside served as a model for other metropolitan areas. Most of America's growth during the twentieth century occurred as green-field development at the fringes of major metropolitan areas, rather than in the cities themselves (Mitchell, 2001).

In 1926, the Supreme Court case *Euclid v. Ambler Realty* provided legal protection for cities that pass zoning laws separating incompatible land uses for the protection of the health, safety, and welfare of their citizens (Mitchell, 2001). Zoning is an important protection, but it is a tool that has been used to excessively separate land uses, like when cities separate detached single family homes from multifamily homes. This is one of the contributing factors of sprawl.

At the end of World War II, the United States faced an acute housing shortage. To address this shortage, it created loan programs under the Federal Housing Administration and the Veterans Administration (Mitchell, 2001). Government programs tended to provide for "the construction of low-density, detached single-family housing," by providing "federally insured mortgage money" (Freilich, 1999). In 1944, the Serviceman's Readjustment Act, also known as the GI Bill, created a mortgage program that helped soldiers returning from World War II buy homes. These loans encouraged single family detached suburb style development. The terms of

these loans often made it less expensive to buy a house than to rent an apartment (Mitchell, 2001).

Another major way in which the federal government contributed to sprawl was the brand-new interstate highway system, which provided access to suburban areas where land was cheaper for all uses (Freilich, 1999). In 1956, the Federal Highway Defense Act created the interstate highway system. The initial intent of the system was, in part, to provide fast evacuation routes for major cities in case of Soviet Missile Attack (Mitchell, 2001). It resulted in the creation of beltway highways around major cities, which allowed suburban residents to bypass them. It also made it more practical for people to live further from City centers.

It was during this era that the American Dream came to be redefined as "...a rural lifestyle—more spacious housing, lavish kitchens, master baths, and ‘great rooms’...but ironically with a demand for urban services and access to urban income” (Freilich, 1999). Between the 1950s and the 1970s, air conditioning and television became standard amenities in new middle class homes, providing people with less reason to venture out for entertainment or comfort. In 1955, America’s first office park, General Motors Technical Center, opened its doors. It made way for the modern suburban office park. In 1956, America’s first enclosed shopping mall was built (Mitchell, 2001).

In the 1970s for the first time, more Americans lived in suburbs than cities. Those who lived and work in the suburbs outnumbered suburbanites who commute to cities by two to one. In the 1980s, suburban offices began to outnumber downtown offices. By 2001, suburban offices outnumbered downtown offices by a ratio of two to one (Mitchell, 2001).

## **Smart Growth**

Cities, suburbs, small towns, and rural communities across the nation feel increasingly concerned about current automobile-oriented, sprawl development patterns, and no longer consider them beneficial to their long-term interest (Sustainable Communities Network, 2008). Though supportive of growth, communities have started to question the economic costs of abandoning infrastructure in the City, only to rebuild it further out. They want to mitigate new development that consumes open space and agricultural land at their outskirts. Cities are questioning the social costs of the mismatch between new employment locations in the suburbs and the available work-force in the City. They want to abate the pollution that sprawl has already caused, and find ways to mitigate it in future new developments (Sustainable Communities Network, 2008).

Smart Growth advocates compact, mixed-use development as a way to address the many problems associated with sprawl. Smart Growth tends to emphasize redevelopment and infill development in existing cities, rather than developing mixed-use centers in green fields at community edges (Sustainable Communities Network, 2008). The concept of Smart Growth gained popularity at the end of the twentieth century as a response to negative effects linked to growth and suburban sprawl in metropolitan areas (Levy, 2003). Smart Growth evolved from growth management strategies that have been prevalent since the 1970s (Freilich, 1999). Growth management plans attempt to address a community's expected growth and to prevent sprawl by steering development into certain areas that can accommodate growth and away from others where growth is undesirable. It attempts mitigate or prevent land consumptive development at the edges of cities, which require expensive infrastructure. Growth management often includes

strategies that identify where development should be allowed to occur, and at what intensity (Freilich, 1999).

Smart Growth reduces land consumption by centering new growth around existing urban and older suburban areas. This channels growth into areas with existing infrastructure and preserves open space, wetlands, and agricultural lands (Freilich, 1999).

There has recently been increased demand for Smart Growth and opportunity for it to gain a foothold because of recent trends toward population migration to metropolitan areas, increased concern for the environment, increased fiscal concerns, and more nuanced views of growth (Sustainable Communities Network, 2008). Proponents of Smart Growth advocate that it recognizes connections between development and quality of life, and that that it leverages new growth to improve the community. Proponents of Smart Growth claim that it “invests time, attention, and resources in restoring community and vitality to center cities and older suburbs” and that it is “town-centered, transit and pedestrian oriented, and has a greater mix of housing, commercial, and retail uses” than conventional development (Sustainable Communities Network, 2008).

### *Features of Smart Growth*

The features that distinguish the application of Smart Growth in a community vary from place to place. In general, Smart Growth invests time, attention, and resources in restoring community and vitality to center cities and older suburbs. Recent Smart Growth efforts emphasize a development pattern that is more town-centered, is transit and pedestrian oriented, and has a greater mix of housing, commercial and retail uses. Smart Growth preserves open space and many other environmental amenities (Sustainable Communities Network, 2008).

*Smart Growth plans tend to embody the following concepts:*

- Mixed Land Uses
- Compact Building Designs
- Range of Housing Choices
- Walkable Neighborhood
- Attractive and Distinctive Places
- Focusing New Development Into Established Areas
- Community and Stakeholder Participation
- Preservation of Open Space

(Sustainable Communities Network, 2008)

***Brea and Smart Growth***

The Birch Street Development incorporates many of the principles of Smart Growth in the Birch Street Promenade and The Gateway Center, and many of the principles of Traditional Neighborhood Development in the Ash Street Cottages. Listed and described below are the Smart Growth principles that the Birch Street Development embodies:

### ***Mixed Land Uses***

With its mix of regional and neighborhood economic uses, as well as its wide variety of housing choices, the Birch Street Development embodies this tenet of Smart Growth. Mixed-use development is one of the archetypal features of Smart Growth. It is believed that compact, mixed-use development uses land more efficiently and reduces automobile trips a City's residents must make.

### ***Compact Building Designs***

Within the Birch Street Promenade of the development, most buildings were built with zero side yard setbacks, and all were built to the property line, with the exception of those restaurants that had outdoor seating areas adjacent to the sidewalk. In the Ash Street Cottages, the average density is eleven dwelling-units per acre, and all of the houses are built with very short front-yard setbacks.

### ***Range of Housing Choices***

The Birch Street Development provides multi-family housing and a variety of sizes of detached single-family housing. Many of the single family housing units contain accessory buildings which can be rented out as "grandma flat" style apartments.

### ***Walkable Neighborhoods***

The entire development is walkable and pedestrian-oriented. The Birch Street Promenade of the development has a 70% glazing requirement for the street-facing facades of buildings at the ground level (City of Brea and RTKL Developers, 1998). It has generous sidewalks and awnings, arcading, trees, civic art, and street furniture. Birch Street is narrow, and there are concrete bulb-outs at the intersections to accommodate pedestrians crossing the street. Many of the restaurants in the development have patio seating adjacent to the sidewalk. The single-family Ash Street Cottage component is sidewalked, with porches facing the street and paved walkways between houses that create pathways to the common open space. The residential node is very landscaped and well-maintained. The Gateway Center with its neighborhood uses, the mixed-use Birch Street Promenade, and the borders to the single-family Ash Street Cottages node of the development are permeable, and are easily accessed from the Birch Street Promenade and the Gateway Center by foot.

### ***Attractive and Distinctive Places***

The City of Brea and its private partners went to great lengths to ensure that the Birch Street Development is attractive and distinctive. Twenty architects were employed to design the subdivision's buildings to ensure that the development appeared to have evolved over time, rather than looking like it was created all at once. Visual cohesiveness is achieved by adherence to a muted color palette of "tan, ochre, beige, and terra cotta" (City of Brea and RTKL Developers, 1998). Well-known traditional downtown Brea landmarks, including a large, freestanding clock and a pole sign that says "Brea Welcomes You," were imported to the development to create a sense of place. A great deal of attention was paid to detail to ensure the success of the development from a design standpoint.

### ***Development in Existing Communities***

The Birch Street Development was built as a redevelopment project in what has always been Brea's downtown. Initial attempts were made to preserve the existing buildings, but due to poor construction quality and a generally poor circulation plan, this was not possible.

### ***Community and Stakeholder Participation***

This project was implemented as a public/private partnership. The City invested \$50 million and private entities invested another \$80 million. This development could not have existed without extensive participation between the public and private sector. A fairly intensive level of public involvement was maintained during this project, beginning with a series of Charettes called "Brea by Design."



## **CHAPTER 4 - Brea**

Before analyzing the success of the Birch Street Development, it is important to provide context on the City in which it is located. Brea, California is a town of 35,410 with a median income of \$59,759 (United States Census Bureau, 2000). Located in north Orange County, it is 25.7 miles east of Los Angeles (Yahoo!, 2008). Brea derived its name from the oil that naturally occurs within its borders. "Brea" means tar in Spanish (City of Brea, 2008).

Brea developed in two distinct phases. The first phase occurred in the southern portion of town between 1910 and 1930. Most of the construction that occurred at this time was housing for employees of area oil production companies. The second phase of development was triggered by the construction of the 57 Freeway along the eastern edge of the downtown area during the 1970s. The City of Brea embarked on an ambitious development strategy, seeking out high-end residential construction, a regional shopping mall, and thousands of acres of industrial, commercial, and office land uses (City of Brea, 1986). As this was occurring, the area west of downtown also saw significant growth, though not to the scale of the 57 Freeway Corridor area (City of Brea, 1986).

### **Early History**

Brea is an older community than is immediately apparent. It was incorporated in 1911, though its development began a few decades prior. People were initially drawn to Brea because of oil deposits in its hills. Brea was formed as an oil town, and initial development was mostly centered around providing housing and daily needs for the oil workers. Birch Street has existed since that time, and has always served as Brea's downtown (Crabtree, 2008). In 1894, the Union

Oil Company purchased 1,200 acres of land in what is now Brea for oil development. Their investment paid off in 1898 when the first oil well, Olinda Oil Well #1, struck oil. This resulted in an oil boom in what is now Brea and neighboring Olinda. There was no actual town in Brea until its incorporation in 1911, when businesses and small industries began arriving to serve the oil field workers and their families. Brea's official founding date is January 19, 1911, when the old map for the pre-existing town of Randolph was re-filed under the name of Brea. The City of Brea became incorporated on February 23, 1911, with a population of 752 (City of Brea).

### **Growth and Change**

Oil was Brea's basic industry until the 1940s, when oil production began to decline. Though oil production declined, Brea continued to grow steadily the next thirty years. In the 1970s the Orange Freeway, also known as the 57 Freeway, was finished along the eastern edge of the City. The Brea Mall was constructed and became successful during this time, as well. Previously, Brea's growth had mostly consisted of residential and commercial development, but during the 1970s and 1980s, Brea began to see industrial development and an increase in retail business as more companies became interested in Brea's strategic location in the center of Southern California. Most of this new development occurred around the edges of the City (City of Brea).

## **Hard Times for the Downtown**

As has been the pattern in most cities across the United States, the new development along the edges of town had an adverse impact on the economy of Brea's downtown. During the 1970s and 1980s, Brea's downtown fell into disrepair (Crabtree, 2008). Properties had become rundown, housing had become badly overcrowded adjacent to the commercial area, and the retail uses in the downtown had become marginal, mainly consisting of automotive repair shops (Cherry, 2008).

The introduction of the Brea Mall in the 1970s suppressed the commercial power the downtown had previously commanded. When the Brea Mall was opened, it had a major economic impact on the commercial power of the Central Business District. The mall siphoned off all the sales from historic downtown, and caused retailers to change what type of location they were seeking. Instead of first looking to locate downtown, their first choice became the Brea Mall. Brea's downtown became part of the second or third tier of desirability for retail locations, which led to it becoming blighted and underutilized (Nicoll, 2008).

The main street through town, Brea Boulevard, developed into a series of strip-malls. The housing from Brea's initial building boom, which occurred during the first few decades of the twentieth century, began to deteriorate and suffer from disinvestment (City of Brea, 1986). The Brea Mall, which is an enclosed shopping mall with large retail stores, suppressed business in Brea's once-thriving downtown area during the 1970s. Retailers left the downtown in droves, their shops rented by auto-related commercial business. The new auto-parts stores and mechanics' shops left passers-by with no reason to stop in the area, and it simply became "A corridor to somewhere else." In addition to the depressed conditions of the commercial district,

blighted conditions developed in the adjacent residential neighborhoods due to “absentee landlords, overcrowding... and poor to very little maintenance” (City of Brea, 1986).

Brea’s City staff and City Council sought to fix the problems downtown, using various methods that were not successful (Crabtree, 2008). The City’s initial efforts to save the foundering downtown came in the form of a program aimed at revitalization. This program included a series of rehabilitation efforts, with components aimed at aesthetic improvement and at encouraging redevelopment through more lenient regulations. The City provided incentives for property owners to install wood facades onto their businesses to resemble commercial businesses from San Francisco in the 1900s. Concurrently, it rezoned its downtown core with a more permissive zoning district called GOB, which is an acronym for “Good Old Brea” (City of Brea, 1986). This more permissive zoning designation was created to entice developers to buy land in the downtown area.

Ultimately, the downtown’s facelift and permissive zoning regulations did little to address the fundamental problems that prevented this area from thriving. Significant problems existed in its layout, including insufficient parking and poor circulation, and the structural integrity of its buildings (City of Brea, 1986). The area’s retail commercial potential was severely repressed by the mall and several adjacent smaller commercial centers (City of Brea, 1986).

**Figure 4.1 Commercial and Residential Uses on Brea Blvd, 1986** (City of Brea, 1986)



In the early 1970s an effort was made to encourage private investment in the residential areas surrounding the downtown. These areas were given a zoning designation, R-31, which allowed for multi-family housing developments. This was done to encourage developers to consolidate lots for larger residential projects. Some development occurred, but at a much slower rate than the City had hoped. There were three major reasons for this slowness: high infrastructure costs, overly restrictive development standards, and increasing land values (City of Brea, 1986).

## **CHAPTER 5 - The Birch Street Development Process**

### **Public Meetings**

By 1989, blighted conditions had developed in the Central Business District, and the City of Brea felt that it needed to take broader, more aggressive steps to redevelop the area. It acquired twenty acres of land in its central business district and held a Charette called “Brea by Design.” This Charette consisted of a tour of Brea’s downtown, expert speakers who explained different types of development, and a series of design workshops. The Charette brought together 100 participants, including elected officials, City staff, planning professionals, and representatives of every sector of the community. The Brea Downtown Vision Document was created from the input generated in this meeting. The document was designed to ensure that development proposals for the downtown district would be guided by the desires of the citizens (The Downtown Brea, c. 2001). The plan that was drawn as a result of these Charettes would prove to be indispensable, because it was a document containing the will of the community. When facing political opposition, City Administration and City Council could use the document to demonstrate that they were acting on behalf of the people of Brea (Crabtree, 2008).

From the initial Charettes, City officials learned that area residents desired a mixed-use, “twenty-four hour” type development that was true to the City’s heritage and appeared to have evolved over time (City of Brea, 1986). To realize these goals, twenty additional acres of land were acquired contiguous to the original twenty-two acres, two development firms handled different portions of the project, and some twenty architects from four firms designed individual buildings so as to create a more heterogeneous look (The Downtown Brea, c. 2001). The project

was completed eleven years after the 1989 Charettes, with the City spending \$50 million and the developers and tenants investing an additional \$80 million.

The second phase of public involvement occurred in 1999, when the project was much further along. It consisted of a public meeting and idea fair, which resulted in the creation of a strategic planning document (Nicoll, 2008). Nathan Cherry of RTKL Developers expressed that there was a real collective nostalgia at the second major public meeting. He explained that Brea's City Manager, really wanted to document community's desires and make it a point to demonstrate to those in attendance that the City had listened to them and was delivering on its promises. He showed photographs of things that they had asked for that had come to fruition, including events downtown, the restoration of a beloved large freestanding clock and sign that says "Welcome to Brea," and explained how mixed-used development was returning to the downtown. This brought goodwill to the Birch Street Development project. Throughout the project, the City Manager kept a running total of things community had asked for that he had implemented. There were eventually between one-hundred-fifty and two-hundred things (Cherry, 2008).

The Birch Street Development also was discussed at nearly every City Council meeting for the ten year span of its development (Nicoll, 2008). There was a minor degree of public outcry to the Birch Street Development. A limited number of disgruntled citizenry would show up to City Council meetings to protest the development's implementation over the course of many years. The opposition fell into two camps: downtown area property owners who felt that the City's buyout terms were unfair, and strong property-rights-advocates and libertarians who felt that approach to downtown was outside of government's control, and that the City was interfering with the market (Crabtree, 2008).

The property owners who voiced their protest at City Council meetings were likely not motivated not by desire to stay, but out of financial interest. As is often the case, the owners who believed they would be the last holdouts felt they would get paid more for their property. There were six or seven adversarial property owners. The City was eventually able to successfully negotiate the sale of these properties, and ultimately terms were reached that were agreeable to all parties involved. California has laws in place that protect property owners in land acquisition transactions, and any terms Brea proposed would have to meet the standards set in those laws (Crabtree, 2008). Most redevelopment projects experience opposition during the land acquisition phase. This is when cities' resolves and abilities to politically stay the course are tested. For Brea, the documents created at the 1989 public meetings helped protect the City Council because it was able to demonstrate that it was defending those interests (Nicoll, 2008).



## **The Development Process**

### ***Land Acquisition and Financing***

Following the 1989 Charette and public outreach campaign, the Master Plan for Brea's downtown was selected from a design competition among development firms. After the winning plan was chosen and its firm was awarded the project, the City of Brea Redevelopment Agency began to acquire downtown parcels and piece together ownership of the downtown (Crabtree, 2008). Incompatible uses were relocated to a seven-and-a-half acre parcel purchased by the City in a more suitable location. The City also paid to have new buildings erected for each business in this area (Nicoll, 2008). During the 1980s and 1990s, Brea's Economic Development Agency was able to assemble one-hundred-fifty properties for the Birch Street Development project for around \$50 million (Nicoll, 2008).

All properties were acquired via owner agreement, and the City did not have to use eminent domain. It was very important to this development that the California State legislature allows cities to recycle land for economic development. There is a lot of debate over using eminent domain for economic development, but it has worked well in California (Nicoll, 2008).

The City of Brea's Redevelopment Agency, now called the Economic Development Agency, sent negotiators to meet with each property owner. When acquiring land, California State Law requires cities to pay at least market rate for the property itself, and to provide owners with either money or another kind of assistance for their relocation. All property owners were paid above market rate for their properties (Crabtree, 2008). Brea's relocation program consisted of acquiring 7.5 acres outside of the downtown core area and using it to relocate businesses that were incompatible with downtown, including several auto-related businesses. Brea built new buildings for these establishments in the relocation area. This enabled the City to free up land for redevelopment (Nicoll, 2008).

### ***Funding***

Brea had the luxury to go out and buy land; it bought out ownership of its downtown core under agreement with the previous land owners. This enabled the City to work with one developer and come up with a master plan for the entire downtown. Other cities interested in downtown redevelopment may not have the financial resources to do this (Crabtree, Interview, 2008). Brea is fortunate to have a large base of industrial and commercial properties, including the headquarters of Bank of America, American Suzuki, and the Brea Mall, which provide the City with a very large tax base. Some of that tax base is captured through a tax increment finance district and earmarked for redevelopment. Brea was able to include many of the aforementioned large businesses in its project area and financing districts for the Birch Street Development (Nicoll, 2008).

In order to proceed with a large scale redevelopment plan such as the Birch Street Development, it is necessary to have City staff with knowledge of financing mechanisms. This

plan was executed through bond financing and redevelopment financing tools such as sales tax capture and tax increment financing in the redevelopment area. This project was not financed through Brea's General Fund. All City monies used in this project were earmarked for redevelopment. A lot of the redevelopment money came from the Brea Mall, which created a revenue stream for the redevelopment agency (Nicoll, 2008).

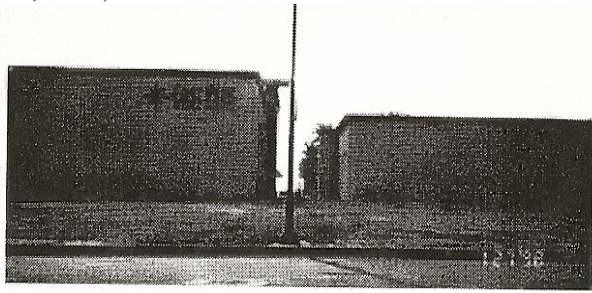
It was difficult for the local investment community to accept the reintroduction of mixed-use development, because investors like to finance developments that are similar to developments they have financed in the past or know to be successful. Mixed-use development is still very new, and it was almost unheard-of in the 1990s, when Brea and the private development firm were attempting to secure financing for the project. Part of the Birch Street Development had to be something that investors were familiar with in order for them to agree to provide financing. The Gateway Center was the first phase of development in Birch Street. It was constructed as a more conventional-type shopping center, with its retail buildings forming a U-shape around its parking lot, as a way to secure investment in the Birch Street Development. The revenue provided by the Gateway Center provided a cash engine for developers to create the more risky components of the Birch Street Development, such as the Ash Street Cottages and mixed-use Birch Street Promenade, and Super Block (Nicoll, 2008).

Brea was able to generate the revenue for this project through tax increment financing. Dollars generated in a designated redevelopment area go to Brea's Economic Development Agency directly. The agency gets \$19 million annually, which it can borrow against for bonds. This has enabled it to generate over \$100 million in bonds, of which it has spent \$50 million on downtown. It was able to leverage that \$50 million into an additional private investment of \$50 to \$75 million (Nicoll, 2008).

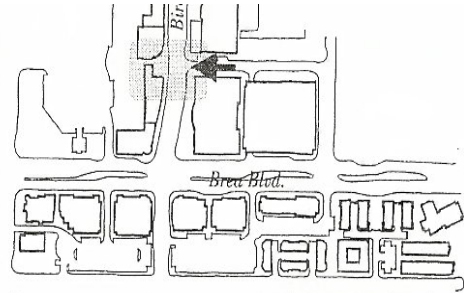
### *Development*

The Birch Street Development occurred as a public-private partnership, with the City acquiring the rights-of-way to widen streets, and acquiring 165 parcels of land and relocating 300 households and businesses from those parcels. Brea funded parking structures, two street level parking lots, and the entire infrastructure necessary to construct the development. It also funds several housing units within the development for low-to-moderate income families (The Downtown Brea, c. 2001). The private sector component of the partnership was asked by the City to provide a higher architectural standard for all of the buildings in the development than is typical for the area and to follow strict design guidelines.

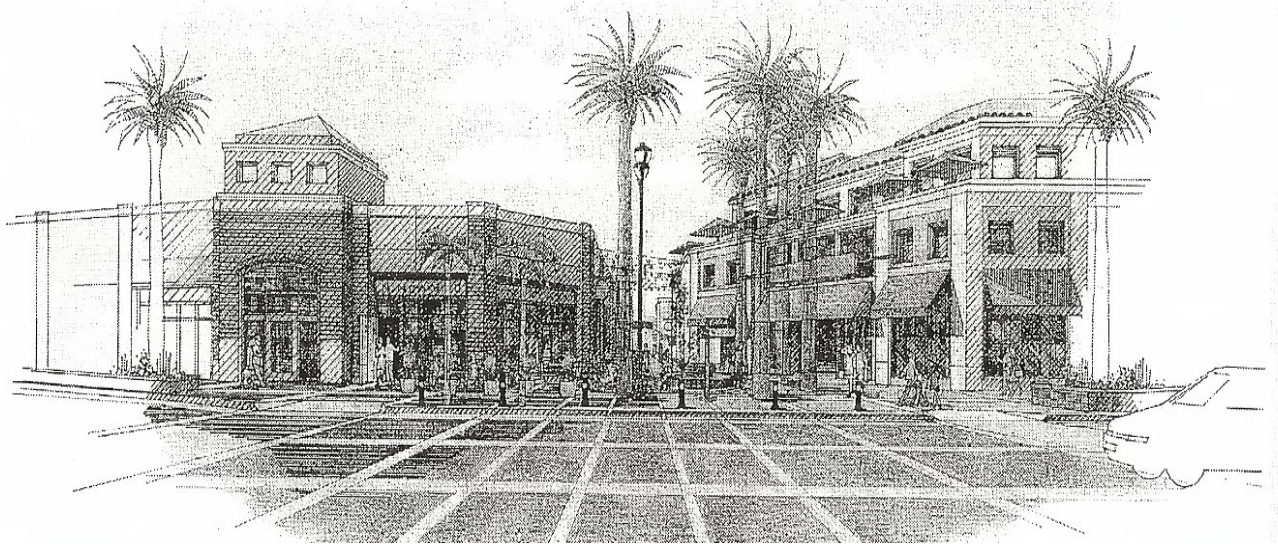
**Figure 5.1 Artist's Rendering of Brea's Vision for its Downtown (City of Brea and RTKL Developers, 1998)**



*BEFORE*



*Location Map*



The relationship between the City of Brea and the private developers was contractual. When the developers bought the land, they were required to conform to very specific terms (Nicoll, 2008). In California, cities are able to enter into Development Agreements with private entities. Development Agreements essentially are an exact set of standards, based on a specific area plan that take the place of conventional zoning regulations. This allows cities to create custom standards for specific projects (Crabtree, 2008). The type of agreement entered into by the development firms and the City are called Disposition and Development Agreements, or DDAs. DDAs set the price and performance terms of the sale. They are very specific documents (Nicoll, 2008). Eventually there was a land sale to the developer with very specific performance terms, which were negotiated against the selling price. Once Brea sold the land, it was developer-owned, but the developer had to conform to the agreed-upon terms (Crabtree, 2008). Brea sold all sixty acres to a firm called Wattss Development under a very specific performance agreement, called a Master Plan (Nicoll, 2008).

The Birch Street Development Agreement applies to sixty acres of land (Crabtree, 2008). The firm was contractually obligated to create the Gateway Center, Birch Street Promenade, and the Ash Street Cottages (Nicoll, 2008). The Master Plan indicated that the redevelopment project was to apply in three phases (Cherry, 2008). The City of Brea demolished all existing buildings, and Wattss Commercial built two phases of the project. The first was a 200,000 square foot strip mall-type center of big box retail, called the Gateway Center. The second was one hundred duplexes and townhouses on eleven acres of land, called the Ash Street Cottages (Cherry, 2008). Another development firm, called the CIM Group, built the Birch Street Promenade and the area known as Super Block. Super Block is the name given to the redevelopment area expansion east across Brea Boulevard (Nicoll, 2008).

The Gateway Center sits on twenty-two acres. It is a neighborhood shopping center. Watts submitted proposals for that and the Birch Street Promenade. It was able to build the Gateway Center, but it was not able to implement the Birch Street Promenade. Watts Commercial primarily does big-box style commercial development and strip centers, and it constructed the Gateway Center. Baywood Construction was given the project of constructing the Ash Street Cottages. Baywood Construction functions as a sort of residential arm to Watts Commercial (Cherry, 2008). The development firm CIM Group put together the Birch Street Promenade and Super Block. The CIM Group was more amenable to high-risk, high-profile projects. They have since gone on to do some very internationally well-known projects, including the Kodak Theatre in Hollywood (Cherry, 2008).

As part of the development agreement, Brea set up a tax benefit district where all tenants pay into a Business Improvement District (Cherry, 2008). The City has retained ownership of the parking structures downtown, which enables it to be a member of the organization. The organization generates \$800,000 a year, which are used to fund events like jazz concerts, car shows, and to pay for trash. So even though the project is done, the City is still very active in it. It takes that level of involvement to create a successful project (Nicoll, 2008).

## The Result

The Birch Street Promenade is two hundred square feet of mixed-use development at the corner of Birch Street and Brea Boulevard. This phase has a combination of retail in three sections of roughly equal size, containing restaurants, apparel, and lifestyle-based retail. Above these establishments is loft apartments and office uses. The Birch Street Promenade is the densest part of the Birch Street Development, and is the only phase with mixed-use commercial and residential buildings. The Gateway Center and Ash Street Cottages contain adjacent mixed-uses, rather than mixed-use buildings. The area surrounding the Birch Street Development is primarily office and low-density single-family residential. The Gateway Center addresses the daily needs of the local neighborhood. The Ash Street Cottages are a mix of single-family homes on zero-lot lines, townhouses, and duplexes. There are roughly one hundred units. One hundred additional townhouses and apartments were later built. Ash Street initially provided a mid-range housing alternative for those who were unwilling or unable to pay for large-lot single family houses. However, due to their popularity, the Ash Street Cottages are now million-dollar homes. The end result is that there is a real diversity of housing types in Brea's downtown core that addresses needs better than the adjacent large-lot single family homes. Nathan Cherry says that this provided Brea with a "missing puzzle piece." People who live there are artists, young singles, and empty nesters. They are able to walk to the grocery store and to the theater (Cherry, 2008). Super Block is kind of an extension of the Birch Street Development, but it is across Brea Boulevard. Brea Boulevard is a fairly major thoroughfare, and acts as the western boundary to the Birch Street Promenade. Super Block is oriented to Brea Boulevard, which runs North to South, and the rest of the Birch Street Development is oriented to Birch Street, which runs East to West (Crabtree, 2008).



## **CHAPTER 6 - Interviews**

### **Introduction**

In order to gauge the success of the Birch Street Development, several interviews were conducted with various officials and stakeholders who were involved in the development process, or who are currently involved in its administration. City Planner David Crabtree, Economic Development Director Eric Nicoll, and Architect Nathan Cherry of the Firm RTKL were all involved in the ten-year development process of the Birch Street Development. They all, to some extent, are still involved with administration of the development. In addition, Sylvia Bianchi, current director of the Downtown Brea, was also interviewed for her expertise in the current downtown operations. The Downtown Brea is an organization that manages all day-to-day operations in the Birch Street Development, and it also acts in a property management capacity at the development. All interviewees were able to provide very valuable information and perspective on the development process of the Birch Street Development, and on how well it has functioned since completion. Each was able to provide analysis on different aspects of the Birch Street Development.

Crabtree provided details on the history of the City of Brea and of the Birch Street Development. He gave perspective on the planning aspect of the development process, and on how well it works from a planning standpoint. Nicoll was able to provide information on the public involvement and funding components of the Birch Street Development. He was also able to provide analysis of its success from a financial standpoint. Cherry is part of the architecture firm RTKL, which has been the architectural review consultant for the project since its inception. Cherry has been involved with the Birch Street Development since the beginning, and is often still consulted about Birch Street Development operations. Bianchi has been the director of the

Downtown Brea since 2003, and was able to provide excellent insight on the logistical functionality of the Birch Street Development.

All interviewees agreed about several things. All very expressed strongly that the Birch Street Development is a success, and that it has been embraced by Brea residents. Each conveyed that they felt that the Birch Street Development successfully achieved the goals that the City of Brea had set for it: that it was a vibrant, functioning, urban downtown. Each interviewee stressed the importance of public involvement and political commitment in the success of the project. All agree that it is an example of a successful public-private partnership, and that it is very strong financially. Each interviewee stated that the two movie theatres in the Birch Street Promenade are the driving force behind its success because they draw people to the area, who then utilize the restaurants and shops.

All interviewees also agreed on some of the weaker areas of the project. They all highlighted some of the ongoing challenges in maintaining compatibility between the residential and commercial uses of the Birch Street Development. Each stated that chief among those challenges were reconciling suburban expectations with downtown living in regards to parking, noise, and other things, and that the most sensitive part of the project was Ash Street, which is the single-family owner occupied housing component. Several interviewees also stated that the project was weakened by its lack of access to transit, and that it would be stronger if its density was higher or if it was more environmentally sustainable.

There was disagreement among interviewees about which particular aspects of the project were the weakest, and about whether the Birch Street Development functions as a neighborhood center or as a regional draw.

## **David Crabtree, City Planner**

The first interview conducted for this project was with City Planner David Crabtree. Crabtree has been with the City of Brea since shortly after the initial 1989 Charettes for the Birch Street Development. Before answering the questions prepared for the interview, Crabtree provided a snapshot of the City of Brea, and an overview of the Birch Street Development.

### ***Was the Project Successful?***

Crabtree expressed his opinion that overall, the Birch Street Development has been highly successful. He said that it is successful from both a commercial standpoint and a planning standpoint. He is especially pleased with the Birch Street Promenade. He stated that because of good planning and good design, the Birch Street Development avoids feeling as though it is a contrived place, even though it did not evolve over time. Crabtree stated that some of its success is due to the fact that it is a well-known entity, and some of it is due to its street pattern. He expressed that through events held on Birch Street, the development has fulfilled the public's desire for a sense of community. Crabtree says that thus far, the Birch Street Development has stood the test of time. At the time of the interview, the development had been operational for seven years.

**Figure 6.1 Entrance to the Birch Street Lofts, (Antonini, 2007)**



***What are the Strengths and Weaknesses of Birch Street?***

Crabtree said that the most successful commercial components of the development are the entertainment and dining components, and that the retail establishments are more supplementary. He stated the residential uses were also highly successful. He explained that there had been initial opposition from City officials to putting loft apartments in the Birch Street Promenade, because there was some initial doubt as to whether they would be desirable to potential renters. When the lofts were completed, they rented out immediately and a waiting list had to be created for future tenants. He stated that the Ash Street Cottages are also highly

successful. He explained that people who own houses in the Ash Street component of the development are very happy with what they have. It is his opinion that very few people have sold homes due to their unhappiness with the urban environment.

Crabtree stated that there were areas of difficulty with the project, most of which had to do with reconciling suburban expectations with an urban development. He said that parking had been a contentious planning issue, and that the Birch Street Development is not right for businesses that require a large number of parking spaces. According to Crabtree, management of parking in the development has been an ongoing challenge. There is on-street parking along Birch Street, a large parking lot in the Gateway Center, and two City-owned, multi-level parking structures. Crabtree says that the development has sufficient parking, but that suburbanites tend to expect to be able to park near the entrance to the particular establishment they wish to patronize, and they are not used to having to walk from consolidated parking areas.

Crabtree is least satisfied with the Gateway Center, because he feels that it is the least consistent with the overall downtown mixed-use philosophy of the development. He stated that there is already interest in redeveloping the Gateway Center and making it more like the Birch Street Promenade. He stated that the Birch Street Development as a whole could be greener, more pedestrian friendly, and more environmentally sustainable. He stated that the only major deviation from the Master Plan for the Birch Street Development created in the Charette process is in the Ash Street Cottages. Crabtree explains that they were originally envisioned as row houses, but that state laws at the time made row houses unfeasible for developers. During the 1990s, a California state law existed that made developers permanently liable for any defect subsequently discovered in owner-occupied attached residential units. This law did not apply to

detached housing. While this law remained in effect, very little attached owner-occupied housing was built in the state.

The Gateway Center and lack of row houses notwithstanding, Crabtree says that the City of Brea and its residents have been so pleased with the Birch Street Development that they have modified their Comprehensive Plan to include more mixed-use development. He said that the City has identified at least two redevelopment areas for substantial, Birch Street-style mixed-use developments.

### ***What Did Brea Need to See Birch Street to Fruition?***

Crabtree credits the success of the Birch Street Development to Brea's strong, dedicated City Staff and to its public involvement efforts. Public involvement was very important to The Birch Street Development's success. Brea held a three-day workshop, tour, and design Charette after the initial twenty acres of land had been acquired and before generating a master plan for the project area. The City used the public involvement session to craft the Master Plan for the Birch Street Development. Once the land had been sold to a private developer for implementation, the developer was bound by the terms of the Master Plan. The Plan also gave City Officials legitimacy in defending the project against opposition during the subsequent decade of construction.

**Figure 6.3 Starbucks Plaza at Gateway Center (Guayante, 2008)**



The fact that the City sought public involvement and based the Master Plan for the development around it resulted in a project that the public embraced. As evidence of this, Crabtree gave an example. In the Charette process, the participants indicated that they wanted the downtown to function as a “third place,” a place that was not home or work that they could gather, that functioned as “Brea’s living room.” Crabtree stated that there is a Starbucks’ coffee establishment in the Gateway Center that has a small plaza in front of it with seating and landscaping, and on the weekends, this plaza space is full of Breans, utilizing the space as their collective living room.

### ***What Would Another City Need to See a Project Like This Through?***

Crabtree focused on City staff capabilities when listing what was necessary for other cities to embark on a redevelopment project like the Birch Street Development. Crabtree said that in order for projects similar to the Birch Street Development to succeed, it would be necessary for cities to have a staff that was knowledgeable of financing mechanisms, an active, vital redevelopment agency, and elected officials dedicated to the redevelopment efforts. A strong financial staff is necessary to complete the land assembly phase, which can be very expensive. He said that cities would also need “an active, vital redevelopment agency,” though it would now be more challenging for this agency to acquire land because of new laws that make it much more difficult to establish that blighted conditions exist. Crabtree stated that cities would also need to have dedicated, courageous, and tenacious elected officials. Brea experienced some public outcry against the Birch Street Development that began during its land assembly phase and lasted throughout the subsequent decade of development. Most of the opposition came from property owners who were reluctant to sell, and from property rights activists who felt that land acquisition for economic development was outside of the City’s legitimate authority. There were ten years between the project’s inception and its completion, and so City officials had to rely on their faith in its success and in the public’s vision for many years before the Birch Street Development could be shown to be successful. The project would not have been successful if Brea’s public officials had wavered in the face of opposition, or compromised on implementing the public’s vision.



## **Eric Nicoll, Economic Development Director**

Eric Nicoll is the Economic Development Director for the City of Brea. He has worked for the City since 1993 and was involved in the land assembly negotiations for the Birch Street Development. He also helped to relocate businesses that were incompatible with the Birch Street Development to a seven-and-a-half acre parcel of land that the City had purchased in a more suitable location. The City paid to have new establishments erected for these mostly automobile related businesses.

### ***Was the Project Successful?***

Nicoll stated that the success of the Birch Street Development has always been measured by its feasibility. He said that the project has proven to be very successful, and that this success is due to a combination of factors. It has hit a balance of financial success in addition to giving the community the type of project they requested in the 1989 Charettes. The Birch Street Development is successful because it is financially viable, it has good police protection and parking, and it is always changing and getting new uses.

He said that it has remained viable because it has the flexibility to expand and change with prevailing market conditions. He explained that the Birch Street Development has expanded, changed and evolved since its 2000 opening. It has achieved the community's goals of creating a gathering place for the community, and having many different types of restaurants and dining environments. From a practical standpoint, the Birch Street Development is successful because it is financially viable, has good police protection, and has sufficient parking.

He pointed out the fact that the project has remained very consistent with the original intentions of the community. He said that When the City of Brea did its community visioning process for the Birch Street Development, the community envisioned the site as a community gathering place that had a small town feel where people could meet for dining and entertainment, without leaving their City. Nicoll said that in the Birch Street Development, Brea created twenty-four hour environment with offices, insurance, optometrists, night clubs, comedy clubs, live entertainment, and restaurants, and that the City did good job delivering it.

### ***What are the Strengths and Weaknesses of Birch Street?***

Nicoll examined the issue of the strengths and weaknesses of the Birch Street Development from a financial standpoint. He said that the largest contributing factor to the financial success of the Birch Street Development is the two movie theatres in the Birch Street Promenade. The theatre chain initially objected to creating two smaller movie theatres instead of one large one, but was convinced by the City to Break the theatre into two buildings that were more consistent with the scale of the development. Now, these theatres seat millions of patrons each year, and are the biggest draw in the development. Nicoll stated that another contributing factor to the success of the commercial components of the development was the fact that it does not rely on the boutique shops to draw customers to it. Nicoll said that the small retail establishments have been successful in a supplementary capacity, but do not function as draws to the Birch Street Development. Among shops, he said that women's clothing stores have proven successful.

Nicoll stated that the City had originally intended to create a large plaza in the Birch Street Promenade for community events, but was advised by its architectural advisor to create multiple small gathering places in lieu of one large one, and to use the street as a plaza for community events. The firm advised the City that plazas do not get utilized ninety-nine percent of the time, and were not a good use of space. The City incorporated this advice, and Nicoll says that it has been invaluable to the finished project. He would advise other cities to incorporate the street as a common space in their projects.

Nicoll said that it has been difficult achieving the appropriate balance between residential and commercial uses. He explained that consistent with the community's intentions, the Birch Street Development is a twenty-four hour district, meaning that there are people there all the time. The Birch Street Development contains entertainment, retail, residential, and office uses, and conflicts can arise between uses. He stated that residential uses are fairly sensitive to noise and light during evening and nighttime hours, and the entertainment uses can be fairly loud until fairly late at night. He gave an example of a few residential units above a bar in the Birch Street Promenade. The noise from the bar in the evenings was disturbing to residents in the loft apartments, so the loft apartments were converted to an office. Office uses are mainly occupied during business hours, and would not be disturbed by evening bar noise in the same way a residential use would. Nicoll said that the apartments were able to be converted to offices because the residential units in the mixed-use Birch Street Promenade are rented apartments, and not owner-occupied condominiums. He explained that if the mix of uses in mixed-use buildings needs to be adjusted, it is a lot easier to convert residential units if they are renter-occupied. He said that Brea also minimizes conflicts between the residential and entertainment uses in the Birch Street Development by requiring any establishment that serves alcohol obtain a conditional

use permit, and by requiring any establishment hosting live entertainment to obtain a separate permit that must be renewed annually.

He said that it has also been challenging to find the appropriate balance between the Birch Street Promenade and Ash Street Cottages. He explained that the homeowners in the single-family detached Ash Street Cottages are more permanent than the renters in the Birch Street Promenade, and therefore become more upset by externalities, such as excessive noise, inappropriate parking, from the commercial uses in the Birch Street Promenade. He stated that the owners in the Ash Street Cottage neighborhood love being walkable, but they can become upset by the intensity of the adjacent commercial uses.

Nicoll said another weakness of the project is the fact that it requires a permanent, expensive, and intense level of involvement from the City of Brea. The City owns and is responsible for maintaining the parking infrastructure in the Birch Street Development, and it also provides significant maintenance to the development as a whole. The City is also fairly involved in the daily operations of the Birch Street Development as a member of the Downtown Brea, and because the Development and Disposition Agreement for the Birch Street Development mandates that the City retain a large degree of oversight over the compatibility and appropriateness of the uses in the Birch Street Development.

### ***What Did Brea Need to See Birch Street to Fruition?***

Nicoll explained that the City weighed many variables in deciding whether or not to redevelop Birch Street. He said that they first examined the redevelopment project from a financial standpoint, because projects of this magnitude require heavy public investment from multiple agencies, and that a certain financial threshold must be met for the City to be able to purchase properties for land assembly. He stressed that if cities do not have adequate money available to them for land assembly, their projects cannot succeed.

Brea was able to determine that it would be able to generate enough funds for the project by completing economic models that weighed the amount of money they could generate in their Tax Increment Financing Districts (TIF Districts) in optimal conditions, and comparing that number to the appraised value of land in the redevelopment area. Nicoll said that Brea is fortunate enough to have a large base of industrial and commercial properties, including the headquarters for Bank of America, American Suzuki, and the Brea Mall. These properties create a very large tax base for the City. Some of that tax base is captured through a TIF district and earmarked for redevelopment, as Brea was able to create a district that encompassed many of the aforementioned large businesses. Nicoll explained that the City of Brea receives \$19 million dollars annually in redevelopment dollars, which allows it to embark on projects of the Birch Street Development's magnitude. He stated that in California, cities can borrow against their redevelopment dollars to issue government bonds. He said that in order for projects of this type and scale to succeed, they would typically need capital in the form of bond debt of between \$130 million and \$180 million for land acquisition.

Nicoll also stated that Brea's community leaders contributed greatly to its ability to successfully complete the Birch Street Development. He stated that Brea has exemplary characteristics for a small community. Its leaders and staff are not adverse to risk, and this is important. Large redevelopment projects cannot succeed if their cities have timid City Councils and City staff. In Brea, there was a small but vocal opposition group that would come to City Council meetings and berate the council members about the plan. Council and staff persevered over this adversity, promoting the community's long term vision of downtown rather than an easy short term solution. The engagement of the community was the main characteristic Brea used to get through the difficult times. The downtown is so enjoyable today because staff and officials had commitment and fortitude, and nobody recalls the difficulties that the council underwent to get it there.

***What Would Another City Need to See a Project Like This Through?***

Nicoll provided a list of five criteria for cities interested in development projects like the Birch Street Development. He said that cities would need to provide all five things on his list in order to have successful projects.

## Nicoll's Redevelopment Criteria

1. **Community support for the vision**—Cities must be implementing what the community wants. The community has to support the project.
2. **Financial viability of the project**—Cities must ensure that the potential projects can sustain themselves financially.
3. **Defined Roles for Agencies**—In projects of this magnitude, multiple public agencies and private entities will be involved. Each entity must know what its role is, and likewise, the development community must know its role. The exact delineation of responsibilities will vary from City to City. In Brea, it was important to the City that it maintain land control and selection of developer partners. Some cities want to be less involved.
4. **Built in flexibility**—Cities cannot become fixated on one project outcome, because market conditions will dictate what will be financially viable. The project will have to adjust to market conditions.
5. **Compatibility of uses**—Make sure uses and densities work.

Nicoll stated determining financial viability is the first step a City must take in determining whether or not they are capable of completing a redevelopment project like the Birch Street Development. Cities would need to be able to get financing for between \$130 million and \$150 million dollars for the land acquisition phase. He said that if cities are not able to generate this revenue, they could create incentives for developers to buy properties in the project area. He did not provide examples of what these incentives might be, but did advise that cities avoid using rehabilitation loans to existing properties in the redevelopment area, stating that older areas are generally carved into lots that most desirable modern retailers do not want.

When asked whether Brea's success might be transferable to other cities, or whether in Brea, there existed a "perfect storm" of unique factors that led to the Birch Street Development's success, Nicoll replied that this project came to be because Brea has a perfect storm of a strong City Council, and a technically strong staff that is not afraid to advocate for a particular vision.

He explained that in addition to the five criteria he listed, cities must have staff and city commissions who are willing to undertake short term risk, and must hire good consultants for the project. He recommends that the city contract with firms to act as architectural and financial advisors to guide them in creating and implementing their plans for the project. Nicoll said that Brea used the financial firm Kaiser-Marsden as a financial advisor, and used the Los Angeles architectural firm RTKL as an architectural advisor. He said that cities would also need to have good City attorneys on staff.

Nicoll explained that strong city councils are important because cities need the political wherewithal to withstand the development process. Nicoll said that city staffs and city commission must be able to be very aggressive for ten years, and must be able to maintain in active role in the project once it is completed. He stated that even though the Birch Street Development is done, the City still maintains oversight and control.

Nicoll said that it was also very important to the Birch Street Development's success that the California State Legislature allows cities to redevelop areas that have fallen into disrepair. It would be very difficult for a City to do a redevelopment project like Birch Street in a state that does not allow cities to do this.



## **Nathan Cherry, Architect with RTKL Developers**

Nathan Cherry stated that his involvement with the Birch Street Development began in 1997. He is an architect with the Los Angeles development firm RTKL. RTKL prepared the master plan and urban design guidelines for the Birch Street Promenade of the project. The firm handled the design review for each building in the Birch Street Promenade and worked with the City of Brea to develop tenant criteria for the storefronts on Birch Street. RTKL did not design of the actual buildings because it wanted to create diversity in their design by having other architecture firms design them.

Nathan Cherry stated that he is still actively involved in the Birch Street Development and that RTKL still functions in an advisory role for the development. Cherry said that he meets regularly with fellow interviewees Eric Nicoll and David Crabtree in his role as the facilitator for Birch Street's developer. He stated that the lines between City government and private firm are blurred on the Birch Street Development, and that this creates consistency in the project, and allows for a much greater level of collaboration.

### ***Was the project successful?***

Cherry said that the Birch Street Development is very successful, and that it is one of the best projects has ever been involved with. He said that the Birch Street Development works because it met its original objective of having mixed-use that works, and that it has survived over the years very well.

**Figure 6.4 Urban Design Feature at Birch Street and Brea Blvd. (Antonini, 2007)**



*What are the Strengths and Weaknesses of Birch Street?*

Cherry assessed the strengths and weaknesses from a logistical standpoint and also from a design standpoint. He stated that the project is successful because there is flexibility in the guidelines that allow for innovation, and because the guidelines are fairly simple for users to understand, in part because the guidelines are very visual. He explained that there is also inertia for tenants to comply with the guidelines because the Birch Street Development is a well-known and desirable location. He explained that it is easier to enforce guidelines when cities have desirable downtowns, which Brea fortunately has. He stated that some of the toughest design

guidelines exist in cities like Pasadena, Beverly Hills, and Santa Monica, because these cities are very well-known and retailers want to locate there.

Cherry stated that the Gateway Center addresses the commercial needs created by the residential portions of the Birch Street Promenade and the Ash Street Cottages. He said that another important element to the project is its attention to detail. He explains that there are a large number of small things in the Birch Street Promenade that collectively make a large impact. He talked about how details like the renovation of the “Brea Welcomes You” sign, and the small plaza in front of the movie theatres, and urban design features in the streetscape, such as the crosswalks and plants, contribute to the Birch Street Development’s sense of place.

Cherry stated that the Birch Street Development functions as a local mixed-use center for local residents, and that it fits a niche that meets a local need for a functional, mixed-use downtown that is the commercial and cultural center of Brea. He said that the Birch Street Development provides Breans with needed amenities, such as local commercial establishments such as grocery stores, affordable housing, and community events. Cherry also stated that the success of the Birch Street Development is fairly remarkable in that there are very few examples of successful, mixed-use, downtown redevelopment.

Cherry said that he did not anticipate the extent to which the entertainment components of the Birch Street Development would drive its economic success. He said that the fact that the City convinced the movie theatre chain to build two small theatres contributed to the overall success of the project. He explained that the desirability of Brea and of the Birch Street Development enabled the City to do this.

Cherry stated that the Birch Street Development had some challenges from a design standpoint. He said that one of the biggest problems in this area is that Brea's main street used to be Brea Boulevard, but that Brea Boulevard has been widened several times over the previous decades, and now is almost 100 feet from curb to curb. He states that the urban design of Birch Street was helpful in bridging the distance across Brea Boulevard.

Cherry said that there are some areas in which the Birch Street Development could be made better. He said that he wishes the development was denser, and that Brea Boulevard was narrower. He explained that it is challenging to build a main street along an arterial street, and that most main streets are adjacent to arterials, instead of along them. He said that he also wishes that Birch Street connected more effectively to other parts of the City. He said that Birch Street is great for events, because its curve creates a backdrop for them, but that the same curve prevents it from being more connected to its surroundings. He also expressed that he wishes the development was larger, and that it had included access to transit service and open space.

Cherry said that the Birch Street Development has ongoing conflicts between its residential and commercial uses. He stated that residents in the Ash Street Cottages have voiced complaints about traffic noise and car lights shining into their first story windows. He attributed this to an inherent conflict in urban living, and said that people need to be educated about the difference between suburban and urban living environments. He said that the City had to erect concrete bollards at the transition between Birch Street and Ash Street to mitigate this conflict. He stated that City staff and its consultants were surprised by the existence of this conflict.

**Figure 6.5 Transition Between Birch Street and Ash Street (Antonini, 2007)**



***What Did Brea Need to See Birch Street to Fruition?***

Cherry stated that Brea's location in the northern part of Orange County was a contributing factor in the success of the Birch Street Development. He explained that the area is very attractive to retailers, and is a very desirable location for people to move because it is perceived as a very nice place to live, and very family oriented. He said that Brea has daytime workforce, with a large number of offices that contribute to its daytime population of 100,000 people. He said that the City was able to capitalize on its daytime population by providing them with entertainment and restaurants that would keep to keep people downtown after their workday. He stated that Brea turned its tax base into a successful development strategy.

He credited Brea's City staff with the Birch Street Development's success, saying that the success of the project hinged upon the fact that Brea had the political will to see the project to fruition. He said that the fact that Brea had continuity of staff throughout the entire development process, and that many people involved with the process are still with the City has helped to create consistency in leadership. He said that the City staff helped the project succeed because of its interest in developing long-term relationships with developers and working with them as partners. He explained that most cities that are able to complete successful development projects have to have a level of trust established with their development communities.

***What Would Another City Need to See a Project Like This Through?***

Cherry stated that cities had to have strong economies in order to embark upon development projects like the Birch Street Development. He recommended that cities consider mixed-use redevelopment projects if they are able, because it is environmentally and socially responsible. He said that in order for cities to determine whether or not they can successfully redevelop their downtowns, they would need to look at their economic assets, and at the conditions of their downtowns. He explained that in many cases, adaptive reuse makes more sense than demolition and rebuilding.

He said that many factors need to be aligned at the beginning of the project, such as economic capabilities, staff capabilities, and established relationships with private firms, and that implementation needs to be phased over time and to be consistent. He said that the project must be designed so that its economic model can expand and contract, based on market conditions, and credited Eric Nicoll, Brea's Economic Development Director, with creating a successful model for the Birch Street Development.

He also said that many cities make the error of not realizing how long large scale redevelopment projects take, and not realizing how difficult they are. He stressed how important it was for all involved parties to maintain a consistent focus throughout the project, and emphasized how important it was for cities to remember that these projects are not merely a design exercise, but also an economic exercise.

## **Sylvia Bianchi: The Downtown Brea, Executive Director**

Sylvia Bianchi is the executive director of the Downtown Brea. She described the agency as similar to a chamber of commerce, in that it is made up of property owners and tenants in the Birch Street Development. The organization uses funds from the area's tax increment finance district to oversee common areas of the development, which include trash, parking, event logistics, marketing, and security. In her capacity as executive director, her focus is on the logistics of day to day operations in the Birch Street Development. This gives her excellent perspective on which aspects of the Birch Street Development function well, and which do not.

### ***Was the project successful?***

Bianchi stated that the project is very successful on all levels. The Birch Street Development is always busy, and it is appreciated by the community. She expressed that it is a big improvement over what it replaced. She says that her agency's efforts to bring in more upscale businesses has met with success, because Birch Street is a very desirable location. She stated that the development has community events such as its annual jazz festival, and its car show, which create a sense of community and bring shoppers to the area.



**Figure 6.6 Counter for Parking Structure** (Guayante, 2008)



*What are the Strengths and Weaknesses of Birch Street?*

Bianchi stated that one of the Birch Street Development's strengths is that it feels like a downtown that evolved organically, rather than like a contrived place. She attributes this to the fact that the developers brought in different architects to design different areas, which created the feeling of a natural outdoor downtown in the development. She explained that the Birch Street Development doesn't feel like a "mall," but rather like a regular, modern downtown. She says that the fact that it has street furniture and incorporated pedestrian-friendly design is a strength. She expressed that the live-work aspect of the Birch Street Development has made it very successful, and that residents of the lofts in the Birch Street Promenade and the Ash Street Cottages enjoy the fact that they can walk downtown and take care of their daily needs and find

entertainment. She said that having an organized group to oversee its day-to-day operations also contributes to the success of the Birch Street Development.

Bianchi said that the biggest problems in the Birch Street Development are behind the scenes. She stated that though parking serves the downtown well, it has been difficult to get people to park in appropriate parking areas. She explained that the City installed parking counters to influence Birch Street Development patrons to utilize the parking structures. She said that in California, people are used to parking close to the entrance of the establishment they wish to patronize. She stated that because the downtown was designed without alleys, there are only two or three trash compactors for all Birch Street Development merchants to utilize, and that this can be problematic. She also highlighted the conflicts that can arise between the residential and commercial components of the Birch Street Development, stating that residents have complained about noise and traffic.

#### ***What Did Brea Need to See Birch Street to Fruition?***

Bianchi gives Brea's City officials credit for the success of the project, describing them as forward-thinking, and stating that they take action to meet their community's needs before that action is mandatory. Bianchi stated that the most important ingredient in the Birch Street Development's success has been the City's public involvement efforts. She said that Brea talked to community and found out what it was that the community wanted, and that this consensus gathering was integral to the success of the development, about what needs to be downtown. Bianchi explained that cities need to give their constituents a reason to go to their downtown in order to make them viable. Bianchi stated that the City was on the cutting edge when they made the Birch Street Development, and that many other communities have toured it to see how it

works. She said that some other communities in Southern California have now begun their own mixed-use downtown redevelopment projects.

## **CHAPTER 7 - Conclusion**

All interviewees consulted for this report expressed a uniformly high opinion of the Birch Street Development process. They each expressed that they feel very fortunate to have been involved in the project and all seemed to enjoy discussing it. No interviewee felt that the project is not successful, or that it did not implement the public's vision.

It could probably be concluded that the factors present in Brea that allowed the Birch Street Development to come to fruition will not be present in every City. Birch Street was fortunate enough to have a very strong tax base and an unusually supportive administration. The redevelopment process for a project of this magnitude is expensive and arduous, and many cities many not have the resources to see the development process through. Though, for those cities that have the resources, a downtown, mixed-use redevelopment process based on strong public input could be a very worthwhile investment.

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## **Appendix A - Questionnaire Used in All Interviews**

Do you feel that the Birch Street project is successful?

Why or why not?

What specific characteristics of Brea allowed for this development to come to fruition?

What specific characteristics of Birch Street work and are successful?

If another City was considering embarking on a project like Birch Street, what would it need to have in order to see the project to fruition?

If another City was considering embarking on a project like Birch Street, would you advise them to do it or not to do it?

Are the commercial properties individually owned or rented?

What mechanisms exist to protect the character of the development? (ie: covenants, special overlay zoning district?) and how are these enforced?

How easy/hard is it for property owners and/or commercial tenants to follow any guidelines (the mechanism)?



Please tell me about your involvement with this project.

Please describe the public involvement process in Birch Street.

Was there any public outcry or a particular group that was opposed to the project?

Please describe the nature of the partnership between the City of Brea and the private development firms.

Please describe the financing mechanism (briefly).

What is the most successful aspect of the development?

What is the least?

How consistent with the original vision is the final outcome?

## **Appendix B - Original Interview Notes from Interview with David Crabtree**

### **Introductory Information Provided by David Crabtree**

Brea is an older community than is immediately apparent. Incorporated in 1917, formed based on oil, worker housing. Birch Street is in historic downtown. 1917-1980s Brea saw tremendous growth, downtown became eroded by mall, edge development, other regional commercial centers. Arguably the mall was biggest push factor. DT fell into disrepair, underutilized in 70s and 80s. City and City Council sought to fix. Late 80's, council conducted Charette process. Community outreach and workshops for downtown, design competition, narrowed down to firms that provided master plans for the downtown. Winner was endorsed. City began through redevelopment agency, to acquire downtown parcels and piece together ownership of downtown. This is where Brea example not transferable. Brea had luxury to go out and buy land, bought out ownership of downtown core under ownership of downtown core (all private land). So, the City could work with a developer and come up with master plan for entire plan. Bond financing. Redevelopment financing tools through sales tax capture. Necessary to have staff that has knowledge of financing mechanisms. Did not have to use eminent domain, was able to capture property from willing sellers. Not through general fund. Money earmarked for redevelopment (from Brea mall, which created a revenue stream for redevelopment agency, "cash engine" which allowed redevelopment to happen). Master plan approved through design competition. In CA, cities have the vehicle development agreement (take zoning code and its development standards, specific plan in lieu of traditional zoning regs—custom standards for a

very specific project. Contract entered into by a City and a developer. Specifications.) Since created new zoning that echoes dev agreement called mixed-use zoning so can use elsewhere in City. Different components (60 acres subject to it).

Phase 1 = gateway center

Reintroduction of mixed-use new to investment community, was scared, part of the project needed to be a little more tried and true for their comfort level. Easier to lure investors on, developers could get private construction funding, revenue provided cash engine for riskier components (ash street, birch street promenade) Super Blocks.

Brea used to own entire thing. Then CIM group owned Birch Street and Super Block. CIM sold off pieces.

Superblock is kind of an extension, but oriented to Brea Blvd, run from Imp Hwy to railroad tracks.

Promenade all parcels under private ownership. Went Brea, CIM, various investors. Brea still owns parking structures, surface parking

Redevelopment agency sent negotiators to property owners. Property sale price + relocation (either more money or help). Above market rate. Willing sellers because properties were in disrepair, made money off it.

Design standards replaced by mixed-use zoning. User-friendly with graphics. Easy to administer but different (because of special rules and regulations, still relatively new, haven't had much testing.) Parking is a challenge. Brea historically suburb, auto-oriented, political mindset tried and true suburban mindset, wants lots of parking. Redevelopment was sticky in terms of parking issues. Locating in downtown not right for businesses which needs lots of

parking. Less convenient than less suburban parking model. Challenge for decision makers to grapple with. Management of parking in downtown has been ongoing challenge. Works well, but for someone who want to park right next to the business, would say doesn't work well. Has been an administration challenge.

### **Do you feel that the Birch Street project is successful?**

Very. Lots of people feel this way. Community loves it. Very well-received. Community wanted back its "urban living room" wanted something more than strip-malls.

### **Why or why not?**

First phase has a Starbucks that is by a plaza area with some palm trees and furniture amenities. Nice little gathering space. On Saturday evenings this spot is full, people wanted a "third place" and this is one. This is Brea's downtown. There are all kinds of Brea residents, community was hungry for community space.

### **What specific characteristics of Brea allowed for this development to come to fruition?**

Number one thing—political courage, this was a very scary project for elected officials, because they were taking heat for buying the land during land-assembly phase. Took a decade or more, elected officials had to stick to guns and take heat for that decade that this plan would work. Were able to continuously point at Charette, point out that this is the community's plan, politicians were simply implementing community's vision. (objections to use of funds and

property rights—holdout owners in a couple of cases nearly necessitated eminent domain. Continued good faith negotiations and it worked out).

### **What specific characteristics of Birch Street work and are successful?**

Entertainment components work best (movie theatres and restaurants)

Retail working but is less vital. Entertainment is most vital component. Retail is more supplementary. Gateway center is exception. Shop space in promenade is secondary. Residential has proven to work very well. Initially, folks (council) were skeptical of lofts, there were long waiting list for loft spaces. A certain percentage of population wants to be in that sort of environment. Because City owned land, could buy down land price as sold to developer under condition of workforce affordable housing. Developer didn't mind because land price offset costs and still made profit.

### **If another City was considering embarking on a project like Birch Street, what would it need to have in order to see the project to fruition?**

Would need active, vital redevelopment agency (harder to get now because of evolution of redevelopment law, now need to prove blighted conditions exist. Blight definition used to be much more broad.) Would need financing ability. Would need politicians with high degree of intestinal fortitude. Have to want it badly to stay the course (elected officials)

**If another City was considering embarking on a project like Birch Street, would you advise them to do it or not to do it?**

It's situational. Brea's experience has been very positive, based on that would highly recommend. Diversity of land uses in Brea, very satisfying. Vast majority of residents in town would call it a success, enjoy it, consider it an amenity.

**Are the commercial properties individually owned or rented?**

**What mechanisms exist to protect the character of the development?  
(ie: covenants, special overlay zoning district?) and how are these enforced?**

**How easy/hard is it for property owners and/or commercial tenants to  
follow any guidelines (the mechanism)?**

Pretty easy.

**Please tell me about your involvement with this project.**

Did take part in development process. Has been with Brea in 1989 as assistant planner. Arrived just after Charette process had concluded and plan was selected and land assembly started. Has enjoyed opportunity to create new downtown, considers career highlight.

**Please describe the public involvement process in Birch Street.**

Charette process in late 80s, was a vital piece because gave council political coverage, will of the community. Implementation took twist during 90s. Went gateway, ash street, recession caused birch street and superbblock to be delayed.

**Was there any public outcry or a particular group that was opposed to the project?**

Yes. There was public outcry. It was limited but (squeaky wheel types) would show up to City Council during implementation over the course of many years. The only people that would show up were those who were opposed

Two camps: downtown area property owners that didn't like their terms (said unfair). That just took further discussion and negotiation. Ultimately worked it out. CA has protection laws. Terms would have to meet those laws.

Other Camp: Students of government/libertarians who felt that approach to downtown was outside of government's control. Market should take care of it.

**Please describe the nature of the partnership between the City of Brea and the private development firms.**

Basically, the City redevelopment agency acquired all the land and held ownership, which could sell to a private developer. Eventually there was a land sale to the developer with very specific performance terms (ie: work force housing) which were negotiated against price (more performance = higher price). Once sold, it was developer owned, but had to conform to terms. Some of the details didn't work out as originally envisioned. The original plan had its four

components (super block = 4). Original deal had ash street under separate developer ownership. Commercial developer Watts built the first piece (Gateway Center, which was very comfortable to them.) That piece got done, but rest didn't because of economic downturn and because Watts wasn't familiar with mixed-use development and it was risky to them during the recession of the 1990s. In the mid-nineties, bought out and sold to CIM group, who was better able to meet the performance terms.

**Please describe the financing mechanism (briefly).**

**What is the most successful aspect of the development?**

Personal side, favorite part of the project is the Birch Street piece. The whole project has been very successful and remained that way. Has made money. Compares with Triangle Square in Costa Mesa, which is less financially successful and less accepted by community. Birch street has thus far stood test of time. Some of it is exposure and street pattern. Successful from commercial side and from planning side. Community events such as pacific symphony performance where street gets closed down. Sense of community. Avoids feeling of contrived place, even though didn't evolve over time, and was built all at once. However, has downtown location and traditional development pattern.

**What is the least?**

Market forces and resistance to accept mixed-use type development. Had to provide for suburban model gateway center to be built first. GC is suburban pattern development in the downtown core. There is already interest in redeveloping GC and making it more like Birch



Street. It could be greener, more pedestrian friendly, more sustainable. Complexity of redevelopment is there are a lot of leases (Rite-Aid has 20 years, tough to buy out) so have land acquisition + lease buyouts. Community has strongly embraced Birch Street. On success of downtown, have revamped comp plan and identified more areas for mixed-use (120 ac site formerly Unocal research campus near imperial and Valencia. Mixed Use plan being done with land owner chevron for mu with 1100 units of residential.

### **How consistent with the original vision is the final outcome?**

Pretty consistent. There are little things here and there that are not. There are some market forces that drove some shifts. Ash street residential component was originally envisioned to be row houses. Couldn't have been built due to market, so City recognized need to build sf detached.

Developers who built attached for sale housing were stuck in liability for ownership forever under old law. If homeowners association discovered faulty wiring issue or another construction issue, builder could be sued. More liability than detached housing.

People who own in there are very happy with what they have. There have been very very few people who have sold homes due to unhappiness with urban environment.

## **Appendix C - Original Interview Notes from Interview with Eric Nicoll**

### **Introductory Information Provided by Eric Nicoll**

Eric worked for City of Anaheim for four years prior to coming to Brea in 1993. He has personally given approximately twenty-five tours of Birch Street to other cities that are interested in Smart Growth Development. He was involved in the acquisition program and the land sales for development, he negotiated the sale of properties, and he worked on relocation for non-compatible uses. Brea's relocation program consisted of acquiring 7.5 acres outside of the downtown core area to relocate incompatible uses, including several auto-related businesses and building new buildings for these establishments outside of the project area. This enabled the City to free up land for redevelopment.

There were a combination of factors that lead to the success of this development project. For Brea, the decision of whether or not to take on the Birch Street redevelopment was first considered from a financial standpoint. Could the community create enough money to embark on this project? It can be difficult for smaller cities like Brea to embark on projects like Birch Street, because these projects require heavy public investment from multiple agencies. If cities are contemplating large-scale redevelopment, they need to meet a certain financial threshold to purchase obsolete commercial and residential properties.

If cities are unable to assemble sufficient land for this style of development, their projects will not succeed. Cities can determine whether or not they have sufficient land assembly dollars for this type of project by modeling how much revenue their TIF districts would generate under

the best of circumstances, and taking that dollar amount and comparing it to the appraised value of land in the redevelopment area with an aggressive acquisition plan.

If cities find that they are not able to generate sufficient revenue, for land assembly, they can create incentives for developers who buy properties in the project area. Nicoll does not recommend rehabilitation loans to existing properties in the redevelopment area, because older areas typically are carved into lots that most desirable modern retailers do not want.

Brea is fortunate to have a large base of industrial and commercial properties, including the headquarters of Bank of America, American Suzuki, and the Brea Mall, that provide create a very large tax base. Some of which is captured through a tax increment finance district and earmarked for redevelopment. Brea was able to include many of the aforementioned large businesses in its project area and financing districts.

Brea receives \$19 million annually in redevelopment dollars. This allows them to take on projects of Birch Street's magnitude. In California, cities can borrow against their redevelopment dollars. In order to succeed in this type of project, cities would typically need capital in the form of bond debt of between \$130 million and \$180 million to acquire land.

When the Brea Mall was opened, it suppressed the commercial power of the downtown area. It siphoned off all the sales from historic downtown, which caused retailers to change what type of location they were seeking. Instead of first looking to locate downtown, their first choice became the Brea Mall. Brea's downtown became part of the second or third tier of desirability for retail locations. Brea's downtown became blighted and underutilized.

During the 1980s and 1990s, Brea's Economic Development Agency was able to assemble one-hundred-fifty properties for the Birch Street redevelopment project for around \$50 million. The agency sold it under a very specific performance agreement, called a Master Plan, to

a development firm named Watts Development. The firm was contractually obligated to create the Gateway Center, Birch Street Promenade, and the Ash Street Cottages. The redevelopment area was expanded east across Brea Boulevard for the area known as Super Block.

There were two phases of heavy community involvement in this development. The first occurred in 1989, and consisted mainly of a Charette process. It included technical experts and community members. In 1999, when the project was much further along, Brea held an idea fair open to everyone who had an interest in Birch Street. A strategic planning document outlining

### **Do you feel that the Birch Street project is successful?**

Yes.

### **Why or why not?**

When the City of Brea did its community visioning process for the Birch Street Development, the community envisioned the site as a community gathering place that had a small town feel where people could meet for dining and entertainment, without leaving their City. Birch Street has expanded, changed and evolved since its 2000 opening. It has achieved the community's goals. It is a gathering place for the community. It has many different types of restaurants and dining environments. The actual project is financially viable, has good police protection, parking. Eric Nicoll used to do teach a one-day civics class at the local high school. He would ask the students to Break into groups and create plans for the ideal downtown, with the caveat that it must be financially viable. Groups of students would make perfect downtowns that were also cost effective. This enabled them to see the balance between financial stability and what they wanted. At the end of the assignment, the whole class would vote on the best

downtown project that they had created. The winning projects were generally fairly similar to one another. Birch Street is actually similar to those winning projects. It has hit a balance of financial success in addition to giving the community what it wants. Birch Street is successful because it is financially viable, it has good police protection and parking. It is always changing and getting new uses.

### **What specific characteristics of Brea allowed for this development to come to fruition?**

Brea has exemplary characteristics for a small community. Its leaders and staff are not adverse to risk, and this is important. Large redevelopment projects cannot succeed if their cities have timid City Councils and City staff. In Brea, there was a small but vocal opposition group that would come to City Council meetings and berate the council members about the plan. Council and staff persevered over this adversity, promoting the community's long term vision of downtown rather than an easy short term solution. The engagement of the community was the main characteristic Brea used to get through the difficult times. The downtown is so enjoyable today because staff and officials stuck to their guns. And nobody recalls the difficulties that the council underwent to get it there. If staff and commissions aren't willing to undertake short term risk, City can't do. Hire good consultants to (architects and financial advisors) to make sure it's a calculated risk and not a flop. 3rd party advisors important. Kaiser-Marsden was financial advisor, architect = RTKS out of LA, very good City attorney, Jim Markman.

What specific characteristics of Birch Street work and are successful?

What has worked well is having the theatres be the large theatres. Broke theatre down into 2. Million visitors a year to theatres. Not relying on boutique shops.

Go with the market. Restaurants want to be downtown, City is allowing. Allow market to dictate uses

Women's clothing stores have worked out well financially. (Chico's Anne Taylor Loft, White House Black Market)

On residential side, it is hard to mix uses. There is an example of a 1st floor bar, 2nd floor was originally residential, transferred to office. Some lofts are office some are apts

Don't have condos over uses, have apts, otherwise can't convert if doesn't work

It truly is a live work 24 hr district. Conflicts for residents if uses are TOO late and TOO loud. It's an ongoing challenge.

You can regulate through use permits (serves alcohol = cup, can regulate entertainment permits for live entertainment on 1 year permit basis)

Interface between Ash Street and Birch Street. Looking at permit parking for Ash street because of spill over. HO have more difficult interface with downtown because they own and are more permanent. Love being walkable, can get upset about intensity (parking and noise)

**If another City was considering embarking on a project like Birch Street, what would it need to have in order to see the project to fruition?**

Community support for the vision—you have to be implementing what the community wants. The community has to support it. Bad example: Yorba Linda tried to have mixed-use zone, fell apart and bad for developers. No community support.

Financial viability of the project, make sure it can sustain itself

Agency must know what its role is, and dev comm. Has to know what it is providing. In Brea, wanted land control and selection of developer partners. Some cities want to be less involved.

Build in flexibility. Can't get fixated on one outcome, because have to adjust to market conditions. For instance, CA housing slump has rendered all housing developers unwilling to start new projects. Right now, apts are being built, not condos

Compatibility of uses. Make sure uses and densities work.

**If another City was considering embarking on a project like Birch Street, would you advise them to do it or not to do it?**

Should they go through checklist, if all 5 get a yes, would advise them to do it. Also, need political wherewithal to withstand the process. If don't have finance to do land acquisition, then do it through zoning.

Don't do if can't meet 5 criteria.

If you don't have \$\$ to conduct financial studies or public involvement process, you won't succeed.

Must be able to be very aggressive for 10 years.

Part of Board Brea Downtown Owners Association, generates 800,000 year (City is one because owns parking structures). Used funds for events like jazz concert, car show, pay for trash. Set up BID. So even though the project is done, the City is still running it. It takes that level of involvement.

Steam clean sidewalks 2x week. Safety, cleanliness, very important

Is a regional draw.

**Are the commercial properties individually owned or rented?**

Owned. Retail on leases. City inspects tenant improvements. Property owner does all work to lease and collect rent.

**What mechanisms exist to protect the character of the development?  
(ie: covenants, special overlay zoning district?) and how are these enforced?**

CCRs exist on the downtown, enforced by BDOA. Filed lawsuit against Walgreens because bought 12 leases for tower records. Sued because pharmacy was not a permitted used. Successfully. CCRs have bylaws. Also is a zoning district which prescribes mixed-use high density.

**How easy/hard is it for property owners and/or commercial tenants to  
follow any guidelines (the mechanism)?**

As long as everybody knows what the rules are they can follow them. Walgreens never contacted City when bought leases, never did due diligence. As long as people contact the City, works out fine. Walgreens only one ever. All owners know what's allowed.

**Please tell me about your involvement with this project.**

Public works side built 2 parking structures (development services department ) and streets. ED sold land and got project built.



**Please describe the public involvement process in Birch Street.**

1989 invited public to visioning session. Created Charette process (French for intellectual exchange) from that made visual document that outlined principles. In 1998 or 1999 had idea fair. So touched bases 2x with community at a large scale. Also came up at every council meeting for years. Businesses motivated not by desire to stay, but out of financial interest. Ones that felt they'd be there last felt they'd get paid more. 6 or 7 adversarial property owners. That would have been in 1993 to 1995.

**Was there any public outcry or a particular group that was opposed to the project?**

Small coalition to downtown business owners (in reality don't think they were opposed to the idea, just were trying to get money. This is where get question of whether can politically sustain. Documents created at public meetings helped protect City Council because were defending those interests

**Please describe the nature of the partnership between the City of Brea and the private development firms.**

Contractual: when sold land, were required to dev very specific projects. Called disposition and development agreements (DDAs). This sets price and performance terms. Very specific arrangement. Gateway Center (22 ac) is just a neighborhood shopping center. Watts submitted proposal for that and Birch Street. Build Gateway. Watts couldn't implement Birch Street. Did ash street under Watts Commercial's proposer was Baywood Development (run by

nephew of Watts) Went to 2nd Developer CIM Group to put together Birch Street boutique shops. Did Kodak theatre in Hollywood. Also did super block.

### **Please describe the financing mechanism (briefly).**

Tax increment dollars new dollars generated in redev area that goes to redev agency directly (Brea gets 19 m year which generated over 100 million in bond issues, of which Brea spent 50 m on downtown, which leveraged 50 to 75 mil private investment)

Very important that ca state legislature allows cities to recycle land

There is a lot of debate over ED for ED but has worked well in CA

Current redev legislation proposed by redev agencies would prohibit single family owner occupied being condemned

Current law says must pay appraised value + state req. relocation assistance.

### **What is the most successful aspect of the development?**

Most successful= financially viable and meets community needs

What is the least?

Long term commitment by City to implement. Never walk away from this level of project. Have to stay involved in DT operations.

There is a long-term staff and resource commitment.

### **How consistent with the original vision is the final outcome?**

Very consistent. Created 24 hour environment with offices, insurance, optometrists, night club, comedy club, live entertainment, restaurants. Did good job delivering it. Catch: if the

theatres went out of bus, the dev would decline. Movie theatres = most important ingredient. Also, staggers traffic impact of movie theatres. Shared parking analysis (capture more than 1 stop)

Broke into 2 theatre complexes instead of big box. Big boxes are not pedestrian scale. Took model of big box, grouped along street with dining in between and the same result is achieved. Theatres make nighttime more lively. Theatre owners will squawk a little but can still do it. Brea theatres are in top 5 out of 2000 theatres. They'd prefer one large building but Brea's way makes money.

You do somewhat need a perfect storm of strong City Council, technically strong staff that isn't afraid to advocate for a certain vision (some staffs are just technicians, stamps. You do need staffs that will push on certain elements.) It has to work financially. Put theatres.

Have small gathering places (orange plaza and Brea sign) in lieu of one large one. Use the street as the plaza (plazas don't get used 99% of the year). Allow access to parking at gateway and structure.

## **Appendix D - Original Interview Notes from Interview with Sylvia Bianchi**

### **Do you feel that the Birch Street project is successful?**

Very successful. Wasn't here in planning or development stage, but when up and running. Experience in other downtowns. Been managing area for four years. Very successful, busy, community appreciates it. Big improvement over what it replaced. Was older, run-down area. It seems that the businesses located there are all doing well. Economy down, so sales are down, but that doesn't have to do with the center. Trying to bring in more upscale businesses, that has been successful. Do community events, car show and jazz festival to bring in community and also helps to promote business. Successful on all levels.

### **Why or why not?**

#### **What specific characteristics of Birch Street work?**

Brought in different architects to design different areas, so creates feel of natural outdoor downtown. Doesn't feel like a "mall". Has places to walk and places to sit. More of a regular, modern downtown. Live-work aspect has made it very successful. Loft apartments over half of businesses, cottages next to. Can walk downtown without getting in car.

Also, having unified group that looks after it. Organizes events, keeps it clean and safe.

Apartments are almost always fully occupied. Younger people because apts are small. Fun environment for young people. Number of people work there, too. Gateway center provides

neighborhood uses. Also, there's a bus route and trolley to Brea mall or down Brea blvd to industries. Self contained.

Low income housing-certain percentage of apartments have to be set aside for people who qualify for low income housing. Have to go through City to qualify. Once meet, could be eligible to rent.

Brea really was on the cutting edge of this type of development. A lot of communities have toured the development to see how it works. A lot of SoCal communities have started doing live-work.

Brea has forward-thinking City officials who don't wait until action is mandatory.

**If another City was considering embarking on a project like Birch Street, what would it need to have in order to see the project to fruition?**

Those same things that made it successful. Most important is City involvement, Brea talked to community and found out what it was that the community wanted. Getting consensus from community about what needs to be downtown, need to find out who you are building it for. Needs to meet your town's needs. Can't just copy another downtown. There needs to be a reason to go to your downtown. (historic aspect, high-end) needs to have element that's true to the community that you serve.

**If another City was considering embarking on a project like Birch**

**Street, would you advise them to do it or not to do it?**

It really depends. She doesn't recommend tearing down your downtown and building a new one. This one had nothing downtown, so had to rebuild from scratch. Relocated historic buildings. Another town would have to really evaluate whether they wanted to tear down and start over or whether you just need to expand on it and enforce code. She'd do it again in Brea, but not necessarily in another community.

Brea started as an oil town, old downtown just was to serve oil workers, not a lot of historic value. Would not generally advocate tearing out a downtown. Brea's used to be just basic housing and commercial area. Brea learned from observing its history, did redevelopment in a smart way. Didn't make another Brea Mall. This is outdoors and pedestrian oriented. Feels like it's downtown.

Ash street cottages are actually big and have 0 lot lines and styles traditional to CA downtown housing.

**Are the commercial properties individually owned or rented?**

**How easy/hard is it for property owners and/or commercial tenants to follow any zoning and the CCRs)?**

### **Please tell me about your involvement with this project.**

Non-profit, works like a chamber of commerce, works for common good of downtown. Been there since 2003, when previous director retired. Agency is a business association similar to a chamber of commerce. Represents property owners and their tenants. Oversee the common area (trash, parking, events, marketing, security) Very safe area, very low crime rate compared to the rest of the City (which doesn't have a high crime rate anyhow).

### **What is the most successful aspect of the development?**

#### **What is the least?**

Biggest problems are behind the scenes. Parking serves downtown well, but it has been difficult to get people to park in the appropriate places. Made counters to influence user behavior. People want to park right next to the front door of where they're going (yet they'll go to the mall)

Trash compactors in 2 or 3 common areas for all merchants to use. (isn't traditional downtown with alleys).

People want to live downtown but sometimes don't like downtown noise and traffic. And the activity of downtown and adjacent residential lifestyles.

Half of apartments park in reserved spaces in each structure. Challenges because far from units and have to carry stuff upstairs. But that's just part of downtown. Business owners and employees use lower level spaces and face same arrangement.

## **Appendix E - Original Interview Notes from Interview with Nathan Cherry**

### **Do you feel that the Birch Street project is successful?**

Yes. Very successful. One of the best projects has ever been involved with, and it works. Its not perfect and there's lots of things it has to struggle with. Met original objective of having mixed-use that works. It has survived very well.

### **Why or why not?**

### **What specific characteristics of Brea allowed for this development to come to fruition?**

The thing about Brea is that north orange county has a lot going for it. It's a very nice place to live, it is very family oriented, Huge daytime workforce, back of office, office spaces big niche, 100,000 people daytime pop. Needed something to keep people downtown after they get off work or eat lunch. Other venues previously cannibalized market share.

Important that Brea had political will to pull it off. Able to have continuity in City staff (Eric, David, City Council, cm), willing to make hard choices to get it going. 25 years to get going. A number of people's careers have been spent on it. Consistency in leadership and people's willingness to buy into it;



## **What specific characteristics of Birch Street work and are successful?**

If another City was considering embarking on a project like Birch Street, what would it need to have in order to see the project to fruition?

Number 1 = good fundamentals, SoCal very desirable place to live with huge workforce. Brea made its niche work for it. Turned tax base into development strategy. If cities don't have the economic engine to make it work, that's a barrier. Need an economic engine to make it happen. (shaker heights, coral gables, country club plaza) made high end niche to dominate market.

If another City was considering embarking on a project like Birch Street, would you advise them to do it or not to do it?

It is the responsible thing to do, it is sustainable. Cities would have to look at what their assets already are. Sometimes adaptive reuse is a more intelligent way to go, with some surgical new development. Park City is a great example of old and new, mostly old with new building inserted. Economic engine was Olympics. Have to find ways to expand your brand. Economic engine for Brea was jobs. Could also be farmers market, events, helps to make incredibly desirable places to work and live. Things need to be aligned, implementation needs to be phased over time and be consistent. Economic model needs to expand and contract depending on situation. Eric Nicoll is good at that. In Brea, they have expanded Main Street Concept way beyond the boundaries. Doing urban infill housing now and adaptive reuse of buildings. Extending the streetscape. Adding signage to show entering downtown, expands and strengthens brand. People make error in not realize how long it takes and how hard it is and how consistent focus must remain. Not just design exercise but also economic.

**Are the commercial properties individually owned or rented?**

**What mechanisms exist to protect the character of the development?  
(ie: covenants, special overlay zoning district?) and how are these enforced?**

CCR document that is an overlay on the downtown, and there are also design guidelines that pertain to tenant criteria administered by City planning department. Those are linked to development agreement. It is part of the review of lease agreements that come into the City.

**How easy/hard is it for property owners and/or commercial tenants to  
follow any guidelines (the mechanism)?**

It is pretty easy. He is on call. The design guidelines are very visual. They are pretty tolerant of what people are trying to do. High quality tenants, there is an inertia where people understand the quality you're trying to create because BS is a well known entity. He has design review authority. Guidelines are pretty clear. He is on call.

It is easier to make guidelines and CCR when you have a desirable downtown, it's harder when you're struggling. Some of the toughest guidelines that exist are Pasadena, Beverly Hills, Santa Monica, killer demographics. Huge buying power.

**Please tell me about your involvement with this project.**

Started working on project in 1997, RDA had taken over land in downtown as part of 3 phase redevelopment because downtown properties had become overcrowded, bad overcrowding in housing, substandard retail. Demo-ed all building built two phases in the early phases. 1 was

200,000 strip center of big box retail, second was 100 single-family of duplexes and townhouses, third phase was mixed-use at core of birch street and Brea blvd. combo of retail in 3 portions, food and beverage, apparel, lifestyle based retail, 200,000 square feet 3 = portions, loft portions. This phase was densest part, was mixed-use. The previous 2 phases are more adjacent mixed-use. Surrounding is office and LD residential. 2 first phases more dense than surrounding. GC addresses needs of local neighborhood. Phase 2 provided mid-range housing alternative. Started at midmarket, now are million dollar homes. Townhouses and duplex. Some in there are duplexes, some are 0-11 single-family and townhouses. There are roughly 100 units. 100 more built in later phase that were townhouses and apts. So there is a real diversity of housing types in core that addresses needs better than adjacent. Was missing puzzle piece. People who live there are artists, young singles, empty nesters. Walk to grocery shopping and theatre. Synergy with retail offerings and entertainment in core.

RTKL did master plan for core and urban design guidelines for streetscape. Did design review for all buildings. Worked with City on tenant criteria for all storefronts. RTKL wanted other firms to create diversity in the design. This is one of the strengths of the project (diversity of design). One of the most important elements is how the Brea sign is renovated, and the little plaza in front of the theatre, and the streetscape and crosswalks and plants. One of the big problems is the Main street used to be on Brea blvd, but over the years the county widened the street tremendously, now it's almost 100 feet curb to curb. The urban design was helpful in bridging that and making it closer. Awning shade ground 15 degrees. Canary island palms are really expensive but really Break the scale. The gates were from Paris, similar system in crosswalks to corral pedestrians to cross streets at certain point. Lots of little details cumulatively make big impact. Also coloring of crosswalk makes big visual impact.

RTKL still functions in an advisory role. City still calls him, meets regularly with Eric and David, works on behalf of City as facilitator for developer. Blurs lines between City and private, much more collaborative. Creates consistency (RTKL and City).

Please describe the public involvement process in Birch Street.

Involved all the way through (1997-present). Real collective nostalgia at 2nd public meeting. Brea City manager really wanted to document community's desires and make it a point to let them know that he listened and was delivering the goods (events downtown, the clock, the Brea sign) showing photographs of how mu was returning downtown. This brought goodwill to project. He had running total of things community had asked for that he had implemented. Got up to 150-200. was kind of a God in the Community.

Was there any public outcry or a particular group that was opposed to the project?

Not really. A few squeaky wheels. People complaining about traffic noise and car lights shining into their first floor windows. People needed to be educated for urban living. Streets were designed to be completely gridded and interconnected. That's why the bollards are there. It was a surprise to Brea and consultants that this opposition existed.

**Please describe the nature of the partnership between the City of Brea and the private development firms.**

The City parcellized the property and sold it through a development agreement and sold it to a number of private developers.

Phase 1 = Watts commercial, does bb commercial and strip centers

Phase 2 was done by Ray Watts' company (homebuilder related to Watts)

Third phase CIM (Tower, Old Navy, and TAPS wanted their properties outright)

As part of the dev agreement did a tax benefit district where all tenants pay into BID which helps events programming, improvement, websites, etc

A lot of housing was paid for by mello roos, way of deferring tax to homebuyers. This was important to making property saleable. 20% products are workforce. Same but sells for 30-40 price points less

TIF financing for infro improvements. City gets tax increment up front.

Long history of collaboration in CA. Lots of jealousy in CA, want better than neighbors. Cities know what types of dev they want, interested in developing long-term relationships with developers and working with them as partners.

More effective cities have to have a level of trust established.

**Please describe the financing mechanism (briefly).**

**What is the most successful aspect of the development?**

Basically a local center for local residents. Not a regional center. The Brea Mall which is half a mile down the road is regional. Fits a niche that meets local need. Has jazz and comedy, affordable housing, grocery shopping, and there are tons of events that occur on Birch Street, and so it really was successful at becoming the community heart of Brea. It may not be the most glamorous example, but it is more sustainable. Predated Victoria Gardens (which has adjacent residential). Touted as mixed-use, but it's really a regional mall. Birch street is much more successful at exemplifying sustainable mixed-use. Not a lot of examples of downtown MU from scratched. It's Brea's entertainment and shopping district.

## **What is the least?**

Wishes it was denser, wishes Brea blvd was more narrow. Hard to build main street on an arterial. Most main streets are adjacent to arterials. Wishes birch street connected more effectively to other parts of the City. It is great for events, the way it turns because it creates a backdrop, wishes it was more connected to its surroundings. Wishes there was more to it. Only 25 acres (promenade, and superblock) Residences are 10-11 ac.

Transit Service and open spaces. CA in general has this weakness, Birch Street is underserved by Transit. The City is doing some long term stuff.

## **How consistent with the original vision is the final outcome?**

Somewhat consistent. There are a couple differences. The original plan, which was not done by RTKL but rather Rob Quigly and others. Originally ended at big park at river.

initially envisioned as townhouses, came out single-family detached. Wishes it was more dense. Townhouses today would probably be just as successful. Didn't anticipate entertainment component, because it's a big driver that get people down there (and grocery store). Edwards theatres are usually very big, convinced E to Break into 2 cinemas, 12 plex and 10 plex next to each other. That broke the rules, but Brea was a successful enough market to convince them.