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# *DOWNTOWN PLANNING STUDY*

draft report  
december, 1975

second printing

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CITY OF HUNTINGTON BEACH

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DOWNTOWN PLANNING STUDY

December, 1975

Second Printing

Page 18 - Section 3.2.1 a, line 14: ~~19807-19857-and-1990~~  
1975, 1980, and 1985.

Page 51 - Figure 5-3: Graphic display for Existing Zoning  
should reflect \$229,061 for the City and \$765,507  
for the School Districts.

Page 52 - Section 5.6, paragraph 2, lines 4-6: ~~Existing-zoning  
is-next-as-a-revenue-producer---Alternative-concept  
{4C}-Point-of-Interest-Rates-under-existing-zoning.~~  
The Point of Interest Alternative (4C) rates third in  
terms of revenues to be generated for the City and  
fourth as a revenue generator for the School Districts.  
The reverse is true for Existing Zoning, which is  
fourth as a revenue producer for the City and third  
for the School Districts.





# CITY OF HUNTINGTON BEACH

P.O. BOX 190, CALIFORNIA 92648

PLANNING DEPT. (714) 536-5271

TO: Honorable Mayor and City Council  
FROM: Planning Department  
DATE: November 21, 1975  
ATTN: David D. Rowlands, City Administrator  
RE: DOWNTOWN PLANNING STUDY

The Planning Department is pleased to transmit for your review the draft report on the Downtown Planning Study.

Directed by the City Council to prepare this study last July, the Planning Department Staff, with assistance from Urban Projects Inc. and JHK and Associates, has pursued this study as the Department's highest priority project. The draft report is the culmination of 3-1/2 months of intense work.

The report is not presented as a plan for adoption but rather a document for consideration of a direction to be taken in the formulation of the General and Redevelopment Plans for the Downtown Planning Area.

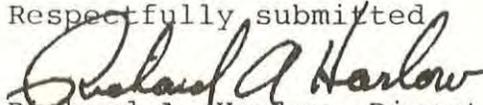
Specifically, the Planning Department is requesting the City Council to take two actions:

1. Conceptually approve the recommended development concept as the basis for the General and Redevelopment Plans for the Downtown Planning Area.
2. Adopt the Planning Department's recommended implementation program.

The specific recommendations in Section 6 of the report do not need to be adopted at this time and are probably most appropriate in either the General or Preliminary and Final Redevelopment Plans. The Planning Commission and Project Area Committee should consider these policies and develop their recommendations to the City Council through their involvement in the General and Redevelopment Plans.

The report is intended as a brief summary of the work done on this study. The documentation and analysis that led to the conclusions drawn in this study will be included in the General and Redevelopment Plan documents and Environmental Impact Reports.

Respectfully submitted,

  
Richard A. Harlow, Director

Planning and Environmental Resources

RAH:EDS:gc

- . civic convention center
  - . theme park/tourist attraction
- f. Provision for a phased mass rapid transit terminal
  - g. Realignment of Atlanta Avenue to connect to Orange Avenue and provision of a new street east of Lake Street and widening of Second Street to offset the closing of Lake.

## 2. The Modified Destination Resort Concept

The Modified Destination Resort concept has the second highest level of development intensity among the four alternatives. Figure 4-4 and Table 4-1 in the text represent the land use proposals of this concept. Specifically, the Modified Destination Resort concept proposes the following:

- a. A mall on Main Street and a specialty commercial area as set forth in the Destination Resort concept
- b. Providing specialty commercial on and adjacent to the pier equivalent to the present square footage
- c. Retaining the Old Civic Center site as a public use
- d. Providing 70 acres of tourist commercial including: 520-670 hotel rooms and theme park/tourist attraction
- e. Phased mass rapid transit terminal
- f. Balance of high and medium density residential development with high density areas adjacent to intensive use areas
- g. High rise residential priority given to the high density area adjacent to the ocean front between Sixth and Goldenwest Streets.

## 3. The Regional Point of Interest Concept

The Regional Point of Interest concept is based on the philosophy that the Planning Area will not attain the role of a destination resort for tourists but rather will attract tourists from other destination resorts in Orange County and penetrate the tourist market as a side trip for visitors in the region. The plan is summarized diagrammatically in Figure 4-2 and Table 4-1 in the text. The following are the major plan proposals:



- a. Development of a two-block mall on Main Street and a specialty retail complex on the four blocks adjacent to it and the two blocks adjacent to Third and Fifth Streets on Pacific Coast Highway
- b. Development of specialty commercial on and adjacent to the pier, but limited to existing square footage
- c. Retention of the Civic Center site as a public use
- d. Provision of 34 acres of tourist-commercial, including 420 hotel rooms
- e. Phased mass rapid transit terminal
- f. High density and high rise residential limited to the ocean front area from Sixth to Goldenwest Street.

4. The Seasonal Beach Community Concept

Achieving the least development intensity level of all alternative development concepts, the Seasonal Beach Community concept is predicated upon the philosophy of accommodating the tourist draw generated by the beach and not creating equal or greater attractions to increase this draw. It generates a permanent rather than transient population base for the area. Table 4-1 and Figure 4-3 in the text summarize the land use proposals. Significant proposals of this concept are:

- a. The specialty commercial is provided for the half blocks facing Main Street to Olive Avenue and the half blocks on Pacific Coast Highway from Third to Fifth Streets
- b. No malls are proposed in this plan
- c. The specialty commercial on and adjacent to the pier is upgraded but maintained at its present level
- d. The Old Civic Center site is maintained as a public use
- e. Tourist commercial is proposed at 23 acres, including 300 hotel rooms
- f. Residential development is predominantly medium density with limited high rise and high density development along the ocean front from Sixth to Seventeenth Streets
- g. Provision is made for a phased mass rapid transit terminal.



### RECOMMENDED DEVELOPMENT CONCEPT

The Planning Department recommends the Modified Destination Resort concept for the following reasons:

- a. It is most compatible with overall City goals and objectives in that improvement of the municipal economic base is provided but balanced with other community goals.
- b. It is most compatible with market projections, and still provides options for increased tourist commercial development.
- c. It is compatible with the Coastal Plan.
- d. It balances the residential and tourist environments.
- e. Although significant economic commitments are required, this concept keeps them within the realm of City feasibility.

### THE COMMUNITY REDEVELOPMENT AGENCY AS AN IMPLEMENTATION TOOL

The California Community Redevelopment Law is an example of the legislation available to undertake a program of community revitalization. California's law has proven to be a most effective tool for community revitalization, inasmuch as financing to pay for the public costs involved can be arranged without imposing any additional burden on the taxpayer. The main features of the California Community Redevelopment Law are as follows:

1. Comparatively simple legal process to get started. From forming the Agency to adopting a "Redevelopment Plan" can usually be done in six months or less if there is a need to move quickly. It is important, however, that citizen attitudes be properly addressed in considering whether or not to establish an Agency. If a Redevelopment Project is financially feasible, the Agency's costs should be capable of being met completely from tax increment revenues.
2. Control is local; usually only the local City Council and City Staff are involved, thus greatly simplifying project planning and negotiations.
3. The Agency has the three very important tools needed for project implementation: (a) eminent domain when necessary for land assembly; (b) tax allocation bond and other financing capability for financing the costs of the public improvements; and (c) relocation payments to protect displacees to, in effect, make them financially whole if they are forced to relocate because of Agency activities. These tools are usually needed to make "in-town" projects feasible.



## RECOMMENDED IMPLEMENTATION PROGRAM

The Planning Department proposes the following program to implement the recommended development concept:

### 1. General Plan Amendment

A General Plan Amendment based on the recommended development concept should be immediately pursued by the Planning Department as a top priority program.

### 2. Preliminary Redevelopment Plan

The Project Area Committee should use this study and its supporting documents to develop a preliminary Redevelopment Plan according to State law.

### 3. Final Redevelopment Plan

Upon completion of the Preliminary Plan and citizen participation phase, a final Redevelopment Plan should be formulated for adoption according to State law.

### 4. Revisions to Zoning and Development Regulations

Upon adoption of the Redevelopment Plan, the Planning Department should proceed to formulate revisions to zoning and development regulations necessary to implement the Redevelopment Plan.

### 5. Development Plans within the Redevelopment Project Area

In order to implement the Redevelopment Plan, a number of "Development Plans" within the 487-acre Project Area may be necessary. Staff recommends that negotiations take place between the City and VTN to delineate areas of responsibility and avoid conflict.

### 6. Funding the Redevelopment Agency

The Planning Department recommends that the City Council amend the 1975 Community Development Program to re-allocate the HCD revolving fund for lot consolidation to the Redevelopment Agency for planning management and acquisition activities. Present fiscal constraints upon the City and the fact that the Staff has encountered difficulty in implementing the lot consolidation fund are the basis for this recommendation. The Community Development Program must be amended according to HUD procedures, which include holding a public hearing.



## 1.0

## INTRODUCTION

### 1.1 Background

From its inception as Pacific City in 1901, Huntington Beach developed around its major focal point, the municipal pier. With the coming of the Pacific Electric Railroad, Huntington Beach was on the Southern California map. Along with the growth of the community, Downtown Huntington Beach grew along Main Street and became a typical central business district serving a small seaside town. Downtown Huntington Beach survived several oil booms, a depression, and two world wars to maintain its role as the dominant commercial district in the City. The 1950's brought prosperity and growth. Annexations increased the size of the City tenfold by the mid 1960's, and building booms brought new residential and commercial development. While the new commercial areas hummed with success, Downtown Huntington Beach was an aging, outmoded shopping district that no longer functioned as a downtown.

#### 1.1.1 ULI Study

The problems that were to fall upon Downtown Huntington Beach were foreseen to some degree in 1958 when Hahn Wise



and Barber prepared a parking plan for the Downtown Area, but the plan was not implemented. The first significant effort to upgrade Downtown began in 1965 when the City called in a task force from the Urban Land Institute to assess the City and make recommendation on the future direction to be followed. The ULI Study concluded that the City's economic future lay in improving its "Front Window", the ocean front, and revitalizing the Downtown Area. The study also recognized that Downtown Huntington Beach no longer served as the typical downtown, and revitalization would be successful only if a new role were created.

#### 1.1.2 Top-of-Pier-Plan

Immediately after the ULI Study, the City began a program to improve the beach front. Significant in that effort was creation of the Parking Authority between the pier and Beach Boulevard, improving Pacific Coast Highway, and refurbishing the pier. Along with these physical signs of commitment to the ocean front area, the City turned its eyes inland and began preparation of a 360-acre development plan that focused on the pier and Downtown Area. This effort culminated with adoption of the Top-of-Pier Development Plan in late 1969. The Top-of-Pier Plan call for the creation of a destination resort environment that included hotels, offices, specialty shopping areas, residential development and expansion of the parking facilities. One of the top priority projects of the Top-of-Pier Plan was to expand the Parking Authority inland and add 32 acres to the existing facility (including the five blocks adjacent to Pacific Coast Highway from Lake to Sixth Street). The expansion had two purposes. One purpose was to provide additional parking. The 1900 space expansion achieved this goal. The other purpose was total clearance of the five block area to remove blighted structures and provide new development that would stimulate further new development. As detailed plans were formulated, however, support for expanding the Parking Authority waned; and in 1971 the project was dropped by the City Council. Unfortunately, the entire Top-of-Pier Plan became synonymous with the Parking Authority expansion and the development plan also died.

#### 1.1.3 VTN Study

With reference to certain settlement discussions which took place in 1973 between the parties to a lawsuit filed in 1970 involving the five-block area, VTN Consolidated began preparation in January, 1974 of a plan for the Downtown Area. VTN concluded at that time that any



analysis must include an area similar to the Top-of-Pier Plan in order to develop a valid development Plan for the five blocks adjacent to Pacific Coast Highway from Lake to Sixth Streets. The results of VTN's study efforts (which included many meetings with Downtown Area residents, businessmen and landowners) were incorporated in a draft report informally submitted in April, 1975. The following month, the City and VTN agreed that the City Planning Department would prepare a General Plan for a modified Top-of-Pier Plan Area and VTN would prepare a development plan for the five block area and the blocks adjacent to Main Street from Walnut Avenue to Orange Avenue. In July, 1975, the Planning Department, with consultant assistance, embarked on this latest effort.

### 1.2 Purpose of the Downtown Planning Study

The last ten years have seen a number of planning studies for the Downtown Area. This study does not represent an effort to retrace previous work but rather a reassessment of the issues facing Downtown Huntington Beach in light of changes that have occurred in the last five years. The study has two major purposes. The first is to set forth and analyze alternative development concepts for the Planning Area. The second is to analyze the Community Redevelopment Agency, a method of implementing a redevelopment concept, for its feasibility and application in Huntington Beach.

### 1.3 Assumptions of the Downtown Planning Study

In order to set forth an analytical base, this study makes a number of key assumptions:

1. Downtown Huntington Beach is a physically deteriorated and economically underutilized commercial district in need of revitalization.
2. Downtown Huntington Beach is destined to become beach and tourist oriented.
3. The City of Huntington Beach will experience a steady rate of population growth for the next 15 years. Although not as rapid as the 1960's, population growth will continue at an annual rate of 2 to 3 percent.
4. Although steps will be taken toward mass rapid transportation, the automobile will remain the primary mode. Public transportation will consist of bus service, meeting 10 percent of the transportation demand.



5. Orange County and Huntington Beach will continue to remain dominant economic growth areas.
6. Revitalization of Downtown Huntington Beach is essential to broaden and balance the City's economic base.



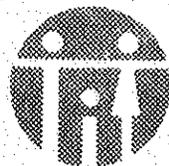
## 2.0 SIGNIFICANT PLANNING ISSUES

### 2.1 General Issues

From a broad perspective there are two general issues which must be addressed as part of this study. The balance between residential and tourist uses and the resulting environment is one concern. The other is regional transportation access to Downtown Huntington Beach.

#### 2.1.1 Residential vs. Tourist Oriented Environment

The orientation of the Downtown environment is an issue which must be addressed. One of the key assumptions of this study is that Downtown Huntington Beach can evolve into a "tourist"-oriented environment. However, previous studies and plans forecast a destination resort environment. The present study must address another issue as well: To what level is a destination resort environment marketable; and within that market potential, what level of activity does the City wish to achieve. Still another issue must be confronted. Market studies show that demand upon this area as a residential environment (including residential support uses) is almost insatiable. This means that the Council must decide to what extent



development in the area will be allowed to meet residential demand and to what degree it will be encouraged to meet tourist-commercial potential.

#### 2.1.2 Regional Transportation Access

Since the Top-of-Pier Plan was adopted in 1969, public attitudes toward freeways have changed significantly. As a result, both the Route 39 and Pacific Coast Freeways have been dropped by the State Department of Transportation. This leaves the Downtown Planning Area isolated from regional transportation access. Although the Orange County Transit District has adopted a Countywide mass rapid transit plan that includes a potential transit corridor terminating near the heart of the study area, the outlook for funding such a system within the next 15 years is dim. Thus, a plan for Downtown Huntington Beach must address the issue of providing regional transportation access in the near term.

#### 2.2 Specific Issues

During the course of study over previous years and the recent efforts of the VTN Study, several issues have surfaced which must also be addressed.

##### 2.2.1 Five Block Area

The five block area adjacent to Pacific Coast Highway between Lake and Sixth Streets was designated in the Top-of-Pier Plan for acquisition by the Parking Authority as an expansion area. This implies that this area should have first priority in plan implementation. The issue regarding the five blocks is this: should implementation priorities be assigned prior to completion of the plan and secondly, depending on the plan selected, what should implementation priorities be.

##### 2.2.2 Main Street

With the conversion of Main Street into a temporary pedestrian mall for this year's City festival, interest in a permanent conversion is running high. Main Street is also where Downtown merchants are concentrated and is thus the focal point of Downtown revitalization. Several issues need to be addressed in regard to Main Street:



- a. Is Main Street to be converted to a mall?
- b. What will be the balance of restored structures to new?
- c. Who will pay the cost of public and private improvements?

2.2.3 Pier Development

Another consideration is commercial use of the pier itself. Presently, the pier has minimal use by concessions, none of which are substantial. Any plan for the Downtown Area would provide for upgrading these commercial uses. The issue is whether the upgrading process should include expansion of commercial structures on the pier (as Redondo Beach has done) or revitalization while maintaining existing commercial intensity and retaining historical character.

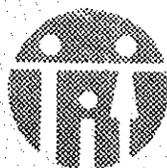
2.2.4 High Rise Development

The development of residential high rise structures in the Planning Area is of concern from a marketing and regulatory point of view. The marketability of residential high rise means how much development potential, both short- and long-term, is in the Planning Area. Once this is determined, then the regulatory aspects can be addressed to insure that optimum locations and design criteria are provided. When that has been established, the environmental impacts of potential high rise can be assessed.

2.2.5 Old Civic Center Site

The potential of the Old Civic Center site to stimulate revitalization of the Downtown Area has become significant in this latest study. There are two views on this issue:

- a. Sell the Old Civic Center Site - Two benefits would accrue by immediate sale of the site. First, it would bring an immediate flow of cash to the City for use in the Downtown Area. Second, upon development, there would be potential for increased revenue through the tax increment financing process. (This assumes utilizing a redevelopment agency.) The City would have to place the property on the market as a



high value use, commercial or a high residential density, to optimize the return on the sale. The property would be particularly attractive to a developer as it is the largest concentration of consolidated lots in the Downtown and Townlot Areas.

- b. Retain the Civic Center Site as a Public Use - Although sale of this site would have financial advantages for the City, they must be weighed against the advantages of retaining the site for public use. Presently, one third of the site is used for a branch library and Interim Community Services Center. There is the potential to retain these uses and provide a park on the remainder of the site.

In order to rationally evaluate the future of the Civic Center Site, the financial advantages (both direct and indirect) need to be quantified and weighed against the advantages of retaining it for public use.

#### 2.2.6 Park Needs

With increasing residential development imminent in both the Downtown and Townlot Areas, a reevaluation of the present plan for parks service to these areas is necessary. Presently only one park is planned for these areas, although there are existing and planned parks within reasonably close proximity. However, since these are unique areas of the City, it is necessary to evaluate park needs resulting from Townlot and Downtown plans.

#### 2.2.7 Development of Small Lots

One of the major obstacles to new development in the Downtown Area is the diverse ownership pattern of the original Townlots and the outmoded land subdivision pattern in which 38 percent of the land area is allocated to streets and alleys. The only way that optimum development can take place is by consolidation of the lots into larger parcels. This may include abandonment of streets and alleys when appropriate. The issue is not the benefits of lot consolidation, but providing the mechanisms to insure that it will occur. It is clear that there are only two ways: economic incentives and acquisition.

- a. Economic Incentives - Economic incentives must be of sufficient value to encourage private sector investors to endure the time-consuming process of purchasing and consolidating lots. There must



be a potential for a higher return after consolidation than if the investor were to develop each lot individually. If not, the incentive will not work. The types of incentives the City can offer range from waiving or subsidizing City development fees to exercising the City's power to grant increased development potential (i.e., increased density or floor area).

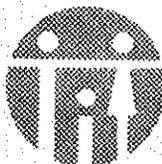
- b. Acquisition - The only other way to effectuate consolidation is for a public agency, such as a city redevelopment agency, to acquire individual lots, consolidate them, and place the aggregated parcel back on the market as a developable parcel. This technique would require a commitment by the City to develop regulatory provisions for the type of development desired and a willingness to become involved in land acquisition activities including possible condemnation action.

#### 2.2.8 Role of City-Owned Property

The City is a major owner of developable land in the Planning Area with the Sheraton/Driftwood Mobile Home Park property and the lots acquired for the Parking Authority expansion. Being a major property owner gives the City an added role and responsibility in revitalizing the Downtown Area. It is important that the City use its property to the best advantage for the Downtown Area. Therefore, it is necessary for an overall strategy to be devised to insure that the property is used accordingly.

#### 2.2.9 Development of Major Parcels

In contrast to the small lots in the Downtown Area are the large parcels of land, ranging from 16 to 45 acres, between Lake Street and Beach Boulevard. The problems of diverse ownership and antiquated street patterns are non-existent here. However, other problems such as existing transitional uses, oil encumbrances, and zoning designations which are not usable have held back development. If the City is to move ahead with a redevelopment project for this area, the greatest potential for tax increment revenue to accrue to the City lies in the development of the two parcels at the intersection of Atlanta Avenue and Beach Boulevard. Both parcels are ready for immediate development as soon as usable land use and zoning designations are provided. These two parcels could provide the major source of initial financing that is crucial to the success of a redevelopment agency.



#### 2.2.10 Mass Rapid Transit (MRT) Terminal

With the OCTD MRT line planned to terminate within the Planning Area, the concept of a mass rapid transit terminal has become significant in this latest planning effort. Although it is assumed for this study that the MRT line would not arrive within the planning period, a shift in priorities could take place that would make financing available to OCTD; and thus the reality of the system would change. Numerous bus routes now terminate or run through the Planning Area. Although the potential for a significant increase in the number of intercity routes is slim, there is a potential for community routes and beach area transit systems to be developed. Thus, it may be feasible to develop a phased transit terminal that would serve existing bus routes initially and expand as transit services increase. The issues at stake here are feasibility, location and size, and responsibility for development and operation of the terminal.

#### 2.2.11 Traffic Circulation

As mentioned previously, the Planning Area is isolated from regional transportation access and is encumbered by an antiquated street system. For the purposes of this study, traffic circulation was viewed from both an "external" and "internal" context.

- a. External System - Traffic access to the Planning Area from other points in the region is of primary concern. Facilitating traffic generated by potential development of the Downtown Area is essential for both the Downtown Area and the City's arterial street system.
- b. Internal System - Development of an internal circulation system to provide for efficient traffic flows requires that the present system be re-evaluated in relation to alternative development concepts for the Downtown Planning Area.

#### 2.2.12 Convention Center

The concept of a civic convention center in the Planning Area was first presented in the Top-of-Pier Plan and has been under consideration since. A feasibility study was planned at one time, but the Top-of-Pier Plan was dropped prior to its inception. Thus, this latest effort must address the pros and cons of the City entering the convention center business. A clear policy on City intent must also be established.



2.2.13 Parking

Provision of parking was a key point of the Top-of-Pier Plan. Standards used in land use planning take into consideration land requirements for parking. However, in the case of the Downtown Area, other factors must be considered. The provision and location of parking for uses on small lots, such as along Main Street, must be addressed. Another is insuring that parking provided for businessmen and residents is used for those purposes during peak beach use hours. Also, the priority given to providing parking in the plan implementation process must be set forth as a development policy.

2.2.14 Townlot Study Area No. 5

Included in the adopted redevelopment project area was the area from 6th Street to Goldenwest Street between Pacific Coast Highway and Walnut Avenue. Being prime ocean front property it has tremendous development potential. That potential, however, cannot be realized if the area is developed on a lot by lot basis. Thus, whatever land use designation is placed upon this area, the critical factor is that either incentives or regulations are established to insure that lot consolidation takes place.

2.2.15 Provision of Low and Moderate Income Housing

Provision of low and moderate income housing in the Planning Area is an issue that must be addressed for a number of reasons. First, the City's General Plan and Housing Assistance Plan call for provision of low and moderate income housing. Second, provision of this type of housing will probably be required if federal monies are used in the project. Third, provision of low and moderate income housing is intended if the Community Redevelopment Agency is used. Finally, the Coastal Plan has a policy to provide for low and moderate income housing in the Coastal Zone, and approval of the Downtown Plan by the Coastal Commission will surely be contingent upon this. Other issues that must be addressed are the economic incongruities of providing low and moderate income housing in a high income - high value area, and the mechanisms needed to implement the program.

2.2.16 Downtown Post Office

The postal service has been in contact with City Staff and desires to locate a new facility at Main Street and



Hartford Avenue. The Planning Department Staff has analyzed other potential locations within the Downtown Area felt to be of greatest benefit to revitalization. The Postal Service has indicated they are opposed to any site that will prevent them from initiating construction this fiscal year. There are no sites, other than the one selected by the Postal Service, which do not involve relocation and possible condemnation action. Since these actions can take up to two years there is no alternate site that conforms to the Postal Service requirements.

#### 2.2.17 Plan Implementation/Financing

Perhaps most significant of all the specific issues is plan implementation. The City has already taken the prefatory steps toward a redevelopment plan through the California Redevelopment Law. However, prior to making further commitments to this method, it is important that everyone understand the purpose, function and implications of a redevelopment agency. The roles of the City and property owners need to be defined. The sources of financing must be explored and an understanding reached on the priorities of expenditures. Also, phasing and implementation of the plan must be set forth so that priorities in the Downtown Area can be clearly recognized.



### 3.0 POPULATION GROWTH AND MARKET FORECASTS

The forecasts presented in this section are a summary of a series of memorandum reports prepared by Urban Projects Inc. (UPI) for the City of Huntington Beach, July through November 1975. For further detail regarding the base data, analysis or forecasts, reference should be made to these reports.

#### 3.1 Population

In projecting market potentials, three important factors are considered which require forecasting in themselves: population growth, resultant housing demand, and future employment.

##### 3.1.1 Population Growth

Although the period of phenomenal growth is most likely in the past, Huntington Beach will continue to have a steady rate of growth, averaging 2 to 3 percent annually, broken only when portions of the Bolsa Chica area come on line for development. Given the unresolved issues regarding development of Bolsa Chica, some assumptions have to be made as to if and when development will occur. It was, therefore, assumed that development would



take place between 1980-1990. Figure 3-1 sets forth City wide and regional population growth projections in comparison to the Planning Area.

### 3.1.2 Housing Demand

Housing demand is a function of population growth. As natural increase and in-migration factors combine to increase population, there is a resultant need for shelter to house new families. Other functional considerations include persons per housing unit, trends and propensity for low versus higher density housing.

UPI estimates that 30 percent of the housing demand accruing to Huntington Beach would be captured by the market area bounded by the ocean, Beach Boulevard, Garfield Avenue, and the westerly City limits adjacent to the Bolsa Chica. Because of the high demand for beach-oriented living environments, UPI further estimated that 75 percent of the market area demand would accrue to the Planning Area. Figure 3-2 summarizes the housing demand for the three 5-year increments through 1990.

### 3.1.3 Employment Projections

The nature of employment patterns in Orange County require that Huntington Beach employment projections be related to the region. In this case the Santa Ana Labor Market Area (SALMA), which includes all of Orange County except the northwestern portion containing Anaheim, Fullerton, and Garden Grove, was used to derive the projections. Three key assumptions were made to project future employment levels: future population of Orange County, percentage of labor force working outside Orange County, and the percentage of the Orange County labor force accruing to the SALMA. Figure 3-3 sets forth the employment projections and methodology of derivation for the SALMA by 1990.

## 3.2 Market Analysis of Land Use Potential

UPI revised previous market projections made for land use potentials within the Planning Area. In order to avoid duplication of previous efforts, UPI used as much as possible of the data developed by Economics Research Associates (ERA) in the Top-of-Pier effort.

### 3.2.1 General Commercial

General Commercial is considered to have two major components, convenience retail and office.



in thousands

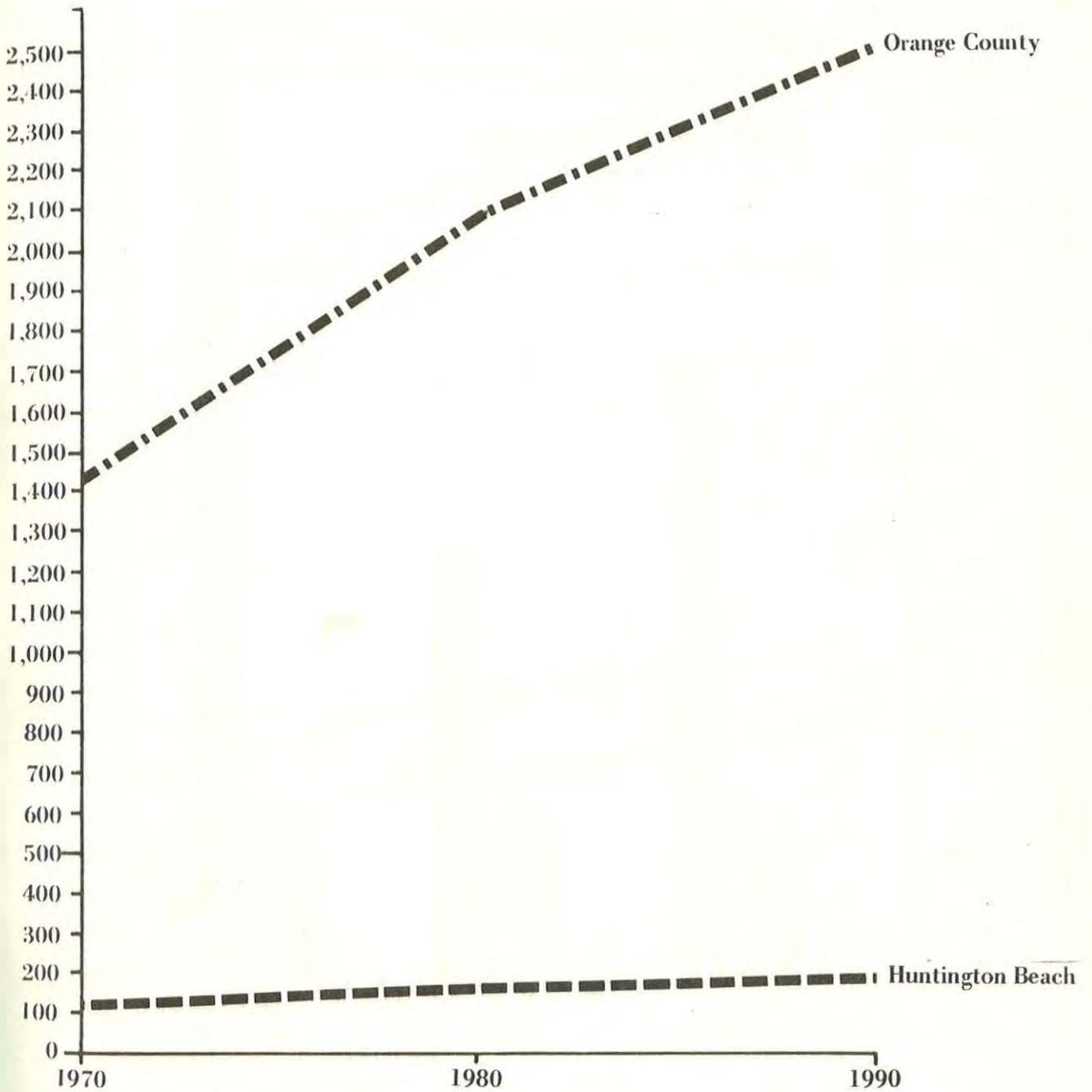
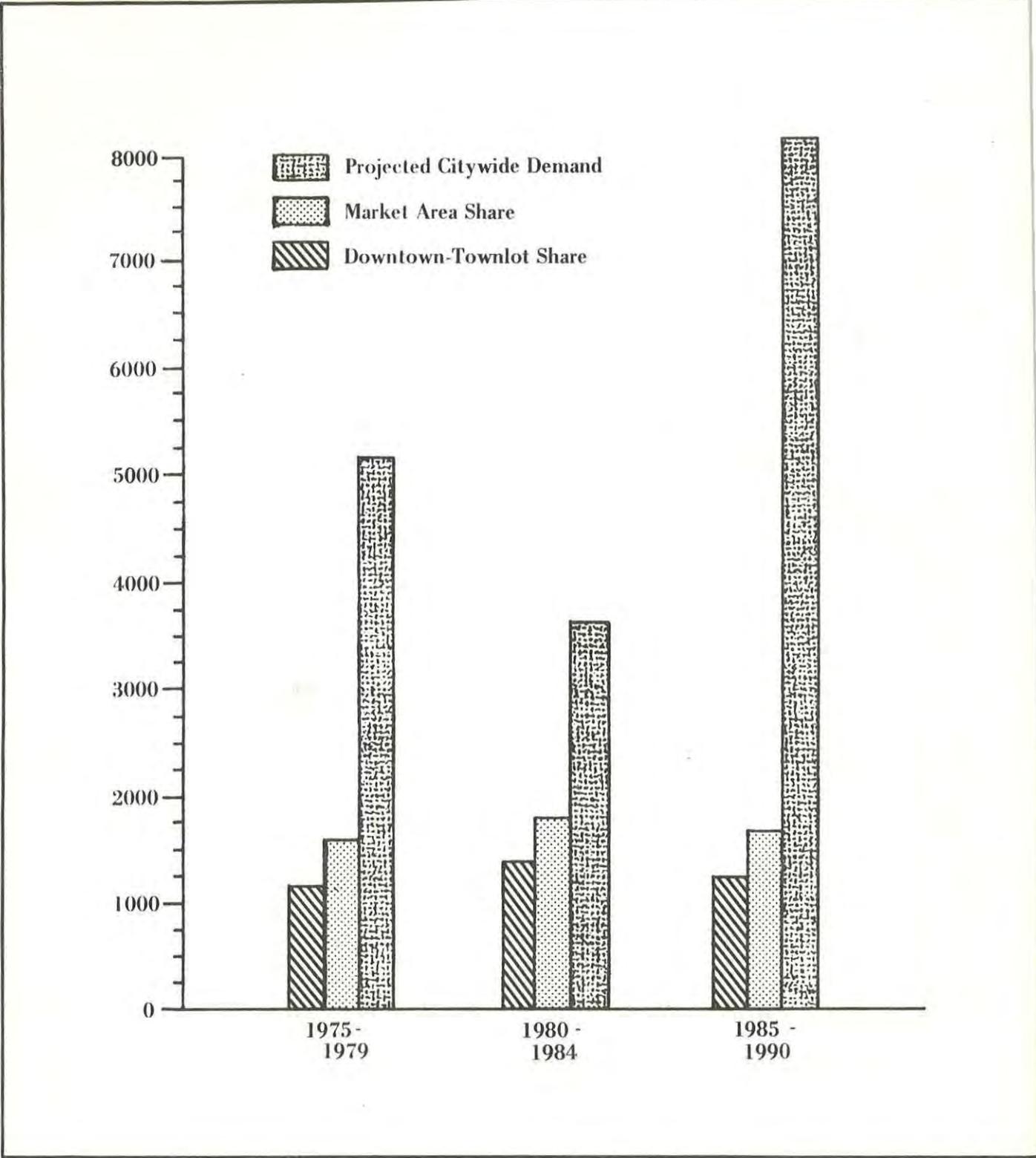


Figure 3-1



COUNTY OF ORANGE AND  
HUNTINGTON BEACH POPULATION  
ESTIMATES

huntington beach planning department



Figure



**REVISED HOUSING UNIT POTENTIALS:  
DOWNTOWN HUNTINGTON BEACH**

huntington beach planning department

in thousands

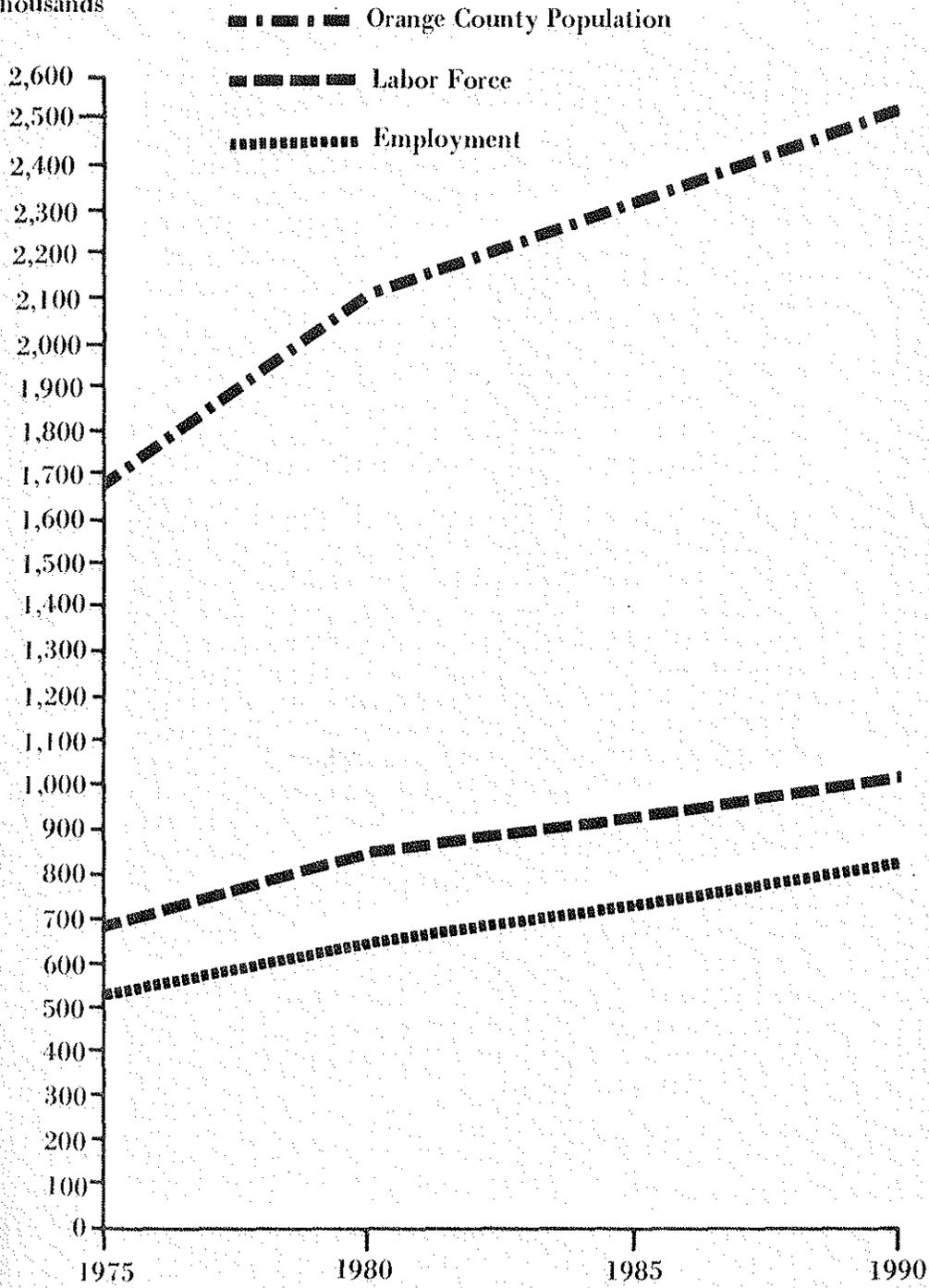
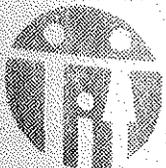


Figure 3

Figure 3-3



### REVISED SANTA ANA LABOR MARKET AREA EMPLOYMENT PROJECTIONS

huntington beach planning department

- a. Convenience Retail. Primary activities in convenience retail include drug stores, grocery stores, liquor stores, home improvements, and personal services. Examples of personal services include coin-operated laundries, dry cleaners, barber shops and beauty shops. UPI delineated a trade area beyond the Planning Area and considered all shopping areas existing or under development. They estimate a demand for 88,000 square feet of additional leasable space for the Planning Area. By using Planning Department standards, this figure plus existing space translates into 1.6 gross acres of convenience commercial land to be allocated to the Planning Area. Figure 3-4 summarizes the potential for 1980, 1985, and 1990.
- b. Office Space. UPI revised ERA's office projections to reflect a reduced capture of Huntington Beach's share of the SALMA office employment. This reduction is based primarily on the deletion of the two proposed freeways. In computing the Downtown Area's share of office space, UPI considered the competition of the Beach Boulevard corridor (exposure and freeway access) and the civic center area (convenience and prestige). UPI concluded that by establishing the Downtown Area as a prestigious environment, the disadvantages of not having a central location and convenient access could be overcome and the area could expect to capture 10 percent of the citywide office space market. Including medical space, this translates into 149,000 square feet of leasable space by 1990. Using Planning Department land use allocation standards, this converts into a land requirement of 14.4 gross acres. Figure 3-5 details the projections in five year increments.

### 3.2.2 Specialty Commercial

Specialty commercial is defined in this study as a collection of restaurants and small shops that differ from typical shopping facilities in their ability to appeal to shoppers seeking a novel, leisure-oriented shopping experience. Typically, they have a unifying theme or architecture set in a unique environment such as a waterfront or historic location and tend to draw shoppers from relatively greater distances for occasional visits. Their characteristics tend to make them non-competitive with conventional shopping centers.

UPI estimates that a specialty center in Huntington Beach would draw 80 percent of its visitors from a 25 mile



in thousands

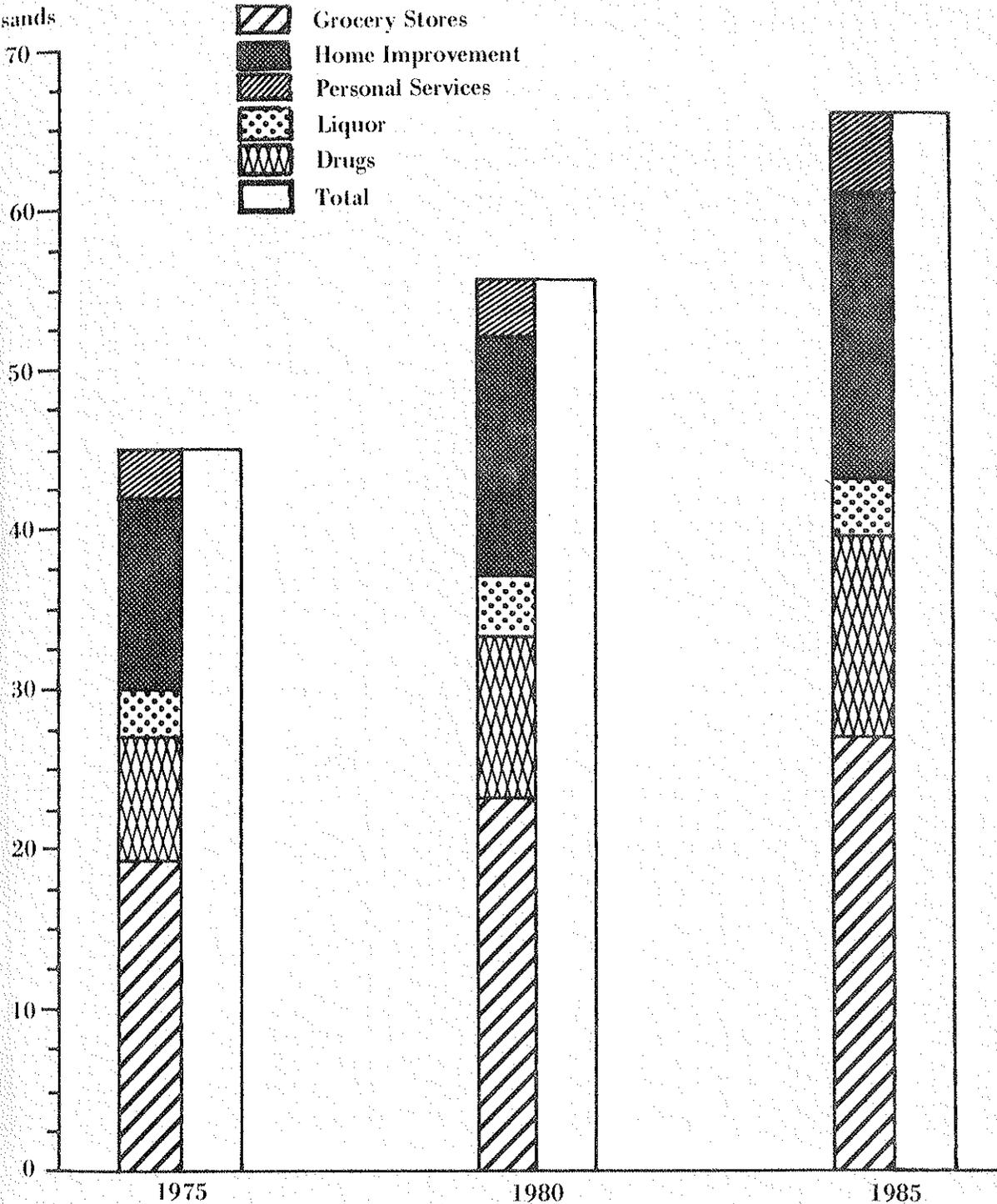
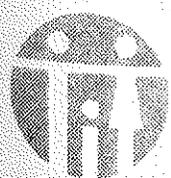
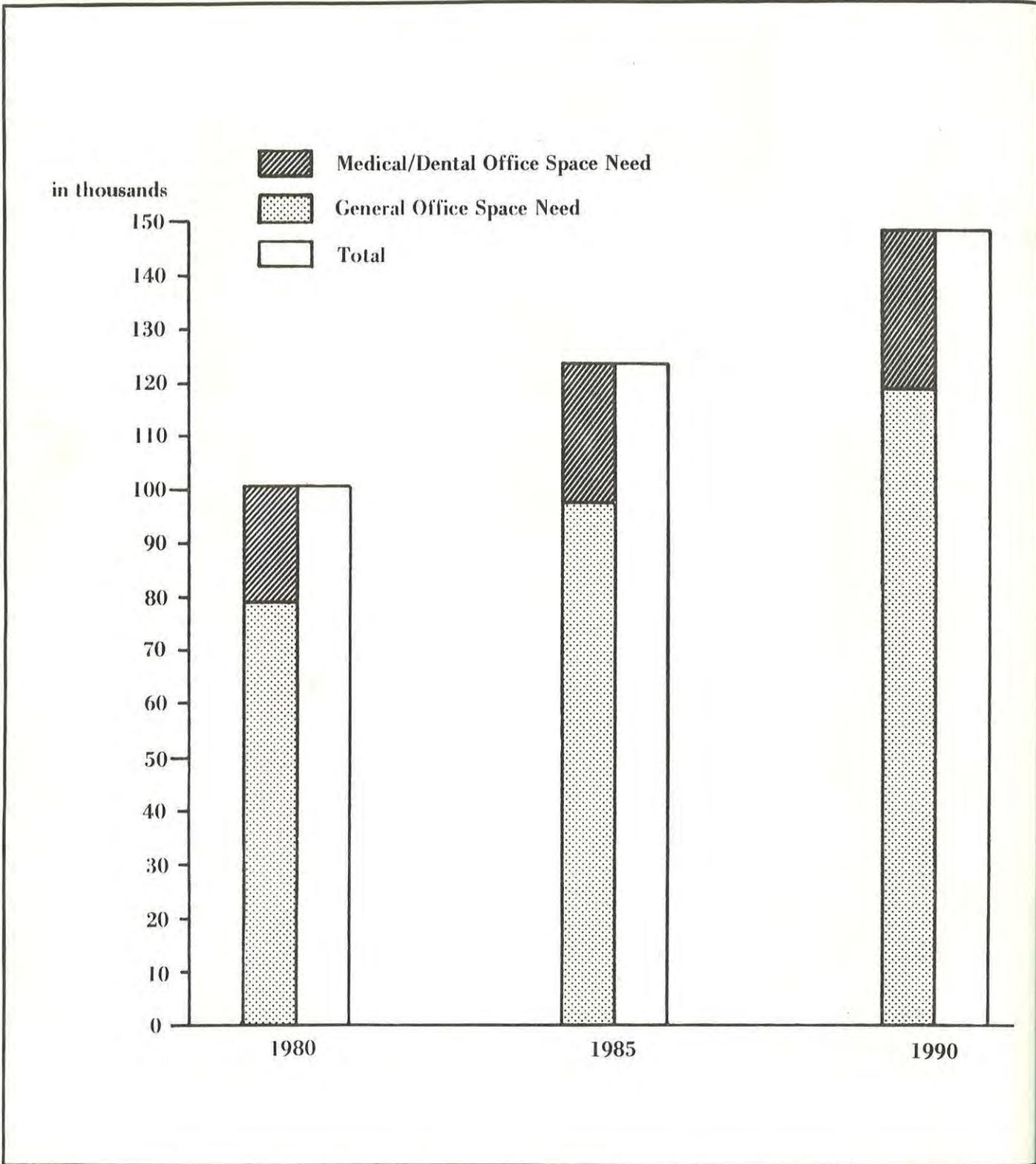


Figure 3-4



**WARRANTED CONVENIENCE RETAIL DEVELOPMENT:  
DOWNTOWN HUNTINGTON BEACH TRADE AREA  
(In square feet)**

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Figure



**REVISED OFFICE SPACE POTENTIAL  
DOWNTOWN HUNTINGTON BEACH  
(In square feet)**

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radius. This trade area is more compact than ERA's previous estimates and is reflective of not having freeway access.

In projecting the supportable demand for specialty uses, UPI considered the residential market within the 25 mile primary trade area, as well as the secondary market area consisting of Orange and Los Angeles Counties. The Orange County tourist market (i.e. visitors outside Southern California) was also considered. Figure 3-6 reflects the total attendance projected through 1990. UPI then converted attendance figures to square feet of leasable area by analyzing visitor spending patterns and forecast a projected support level to 113,000 square feet in leasable space by 1990. Assuming that the leasable area would be allocated to the Main Street area, the Planning Department determined a land requirement of 15 gross acres for this use. Details of projected revenue and warranted area in 5-year increments are included in Figure 3-7.

### 3.2.3 Tourist Commercial Uses

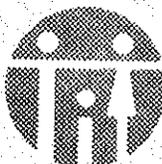
For the purpose of this study, tourist-commercial uses are those that depend heavily upon penetrating the Orange County tourist market (estimated by UPI at 16,700,000 visitors by 1990). In this study, hotel/convention center and theme park/tourist attraction potentials were evaluated.

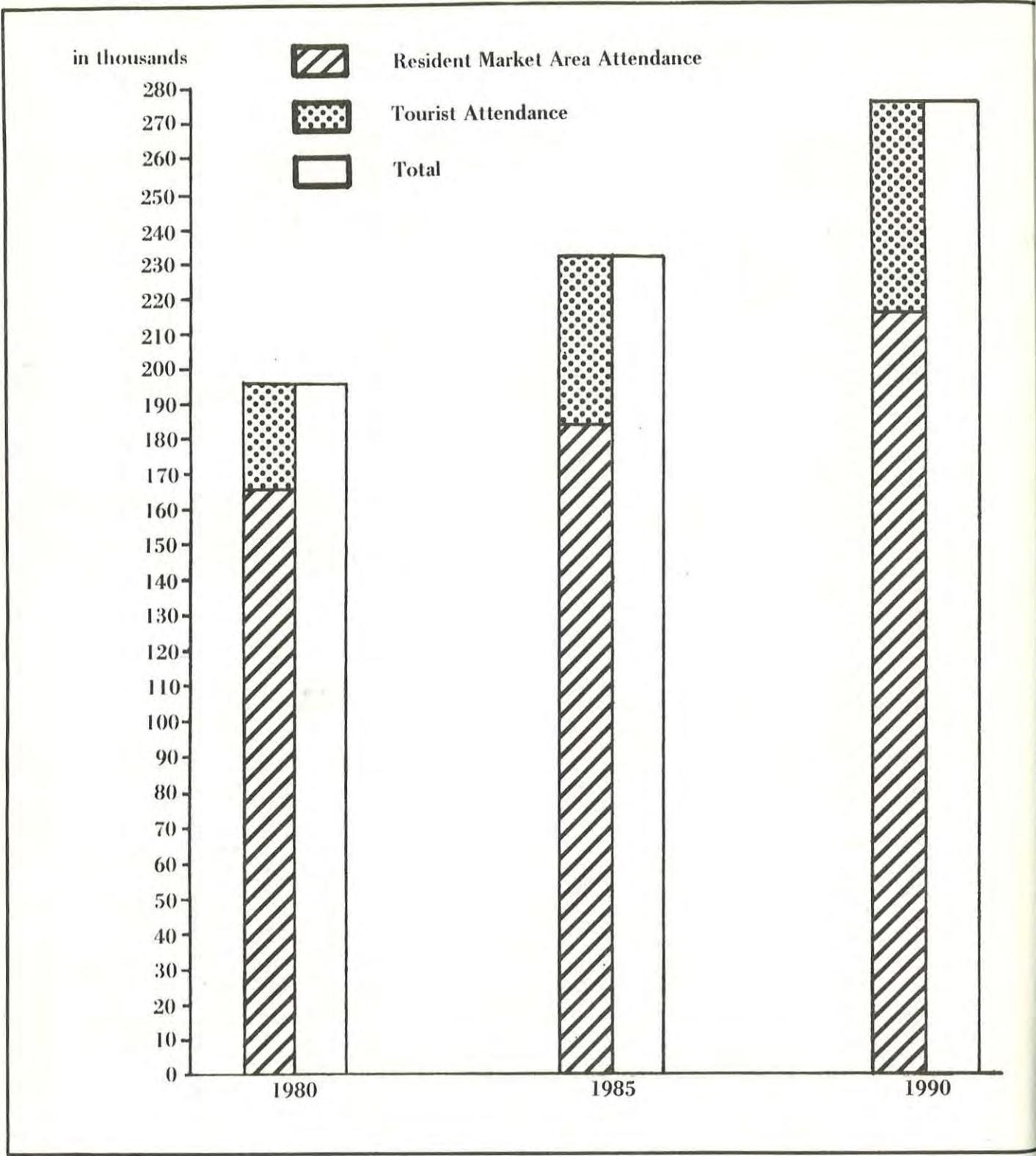
- a. Hotel/Convention Center. In projecting total demand for transient housing (hotel rooms) UPI forecast three types of demand: businessmen, tourists, and convention delegates. Business support was projected based on the ability of Huntington Beach to capture employment in the SALMA. Tourist demand was based on Huntington Beach's ability to capture 12 to 15 percent of the total tourist hotel room demand for Orange County. This resulted in a basic tourist and business demand of 420 rooms by 1990.

UPI then analyzed the demand from convention delegates and concluded that 150 additional rooms would be warranted if the hotels developed had a cumulative convention seating capacity of 1,000 seats with 600 seats in a single facility. Added to the base tourist and businessman demand this totals 570 rooms by 1990.

Figure

rtmen





Figure



**POTENTIAL ATTENDANCE:  
HUNTINGTON BEACH SPECIALTY CENTER**

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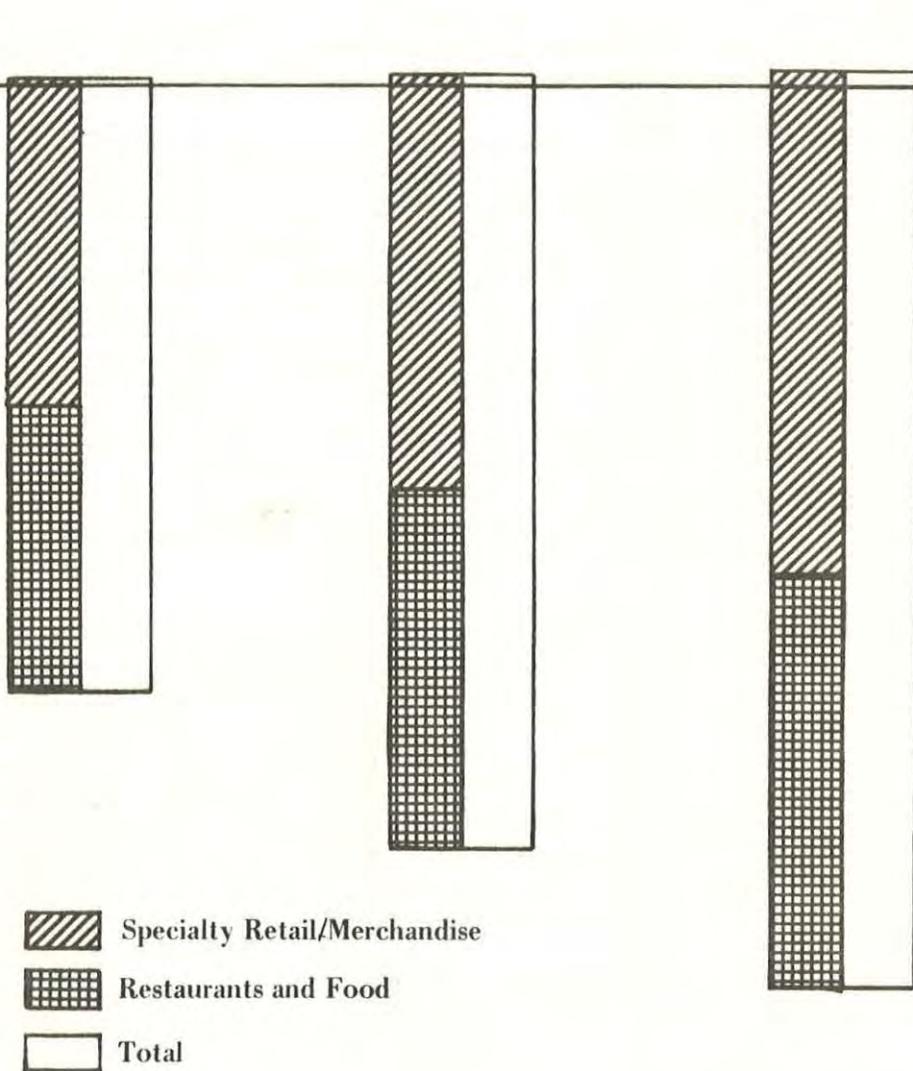
in thousands

125  
100  
75  
50  
25  
0



Floor Area  
by  
Commercial Type  
(square feet)

1,000  
500  
0  
1,000  
2,000  
3,000  
4,000  
5,000  
6,000  
7,000  
8,000  
9,000  
10,000  
11,000  
12,000  
13,000



Floor Area  
(square feet)  
Revenues (Dollars)

Specialty Retail/Merchandise  
Restaurants and Food  
Total

Figure

Figure 3-7



**THEME CENTER PROJECTED REVENUES  
AND WARRANTED AREA**

huntington beach planning department

Development of an attractive convention center was also considered. UPI concluded the success of such a venture would depend to a large degree upon the strength of the promotional program. The demand figures projected by UPI indicate that with such a convention center Huntington Beach could expect the level of convention activity similar to what is now captured by Newport Beach (30,000 delegates per year) and support a total of 275 rooms. Added to the basic business and tourist demand a total demand of 695 rooms is supportable by 1990.

The final consideration in projecting hotel room demand adds an additional demand created by the development of a theme park/tourist attraction. Hotel room demand is a function of annual attendance rates and the percentages of attendees that are tourists. This demand varies with nature of the attraction. UPI concluded, however, that if Huntington Beach developed a tourist attraction equivalent to the Queen Mary (Long Beach) in terms of annual visitors (700,000) an additional hotel demand of 100 rooms would be supportable. Figure 3-8 summarizes the hotel room demand in 5-year increments and converts rooms to gross acres for general land use allocation.

- b. Theme Park/Tourist Attraction. In evaluating the potential for a theme park/tourist attraction UPI concluded that the probability of a major facility (80-100 acres) is low. This conclusion is based on the following: the need for another major theme park in Southern California is marginal because capital costs have risen to the point of being too expensive and risky to attract developer-investors, and land value in the Planning Area is relatively high, further compounding the capital cost factor.

A more realistic alternative, UPI concluded, would be development of a high intensity mini theme park which is more effective from a market and investment standpoint. The UPI report projects a size from 10 to 20 acres (net); and further concludes that even with a reduced scale, the City may have to write down a portion of the land cost to attract an investor.

Based on UPI's projections, the Planning Department estimates that 25 acres is the maximum area that can reasonably be justified for allocation to a theme park/tourist attraction in the Planning Area.



in thousands

-  Tourist Demand
-  Business Demand
-  Hotels Provide Convention Seats (1990A)
-  City Develops Convention Center (1990B)
-  Tourist Attraction
-  Total

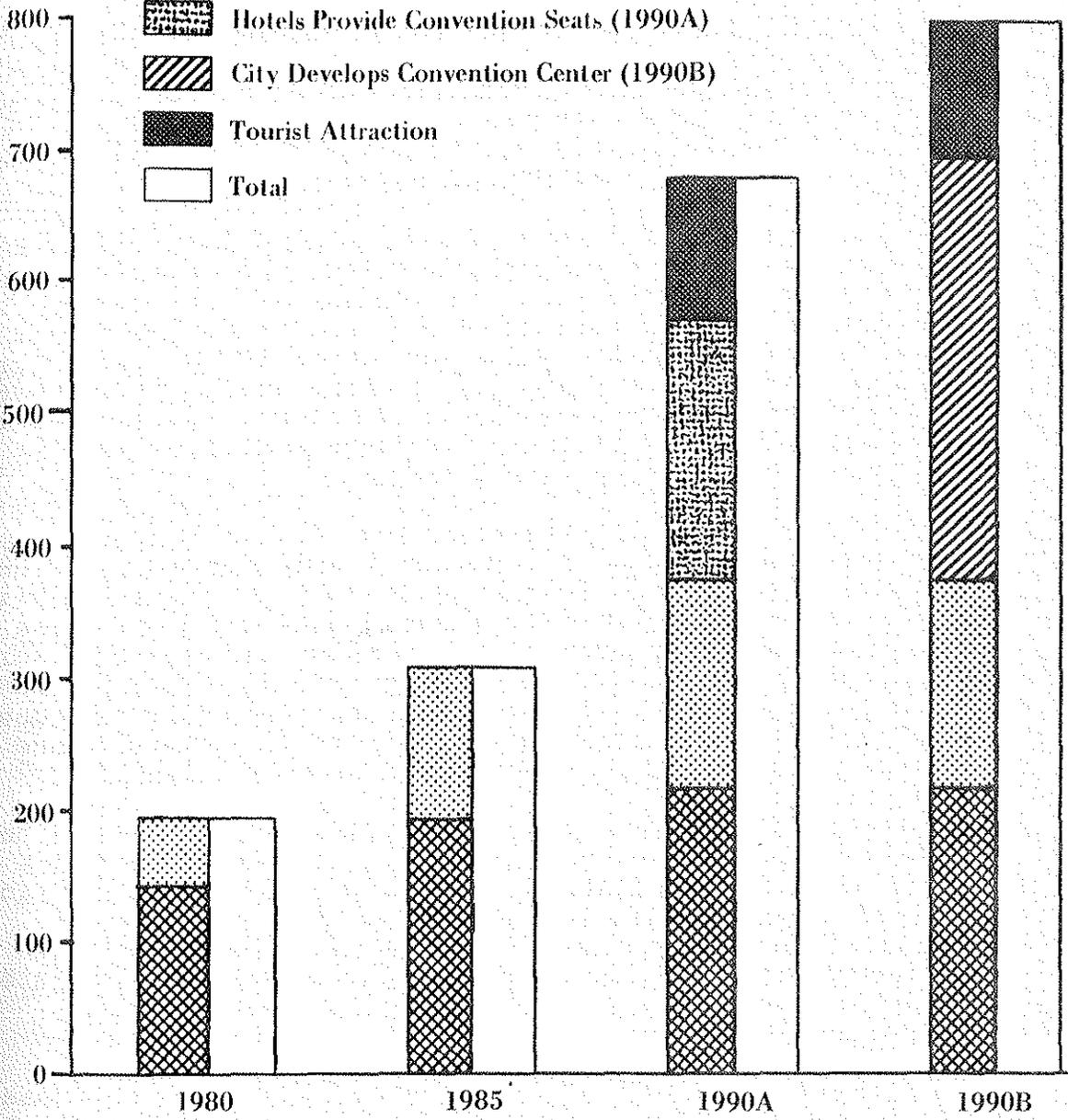


Figure 3-8

### REVISED HOTEL ROOM POTENTIALS: DOWNTOWN HUNTINGTON BEACH



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#### 3.2.4 High Rise Residential

UPI analyzed the characteristics of ocean-front high rise dwellers, physical and locational requirements of high rise development, and market projections on the number of high rise units. In its study, UPI analyzed apartment and condominium projects in Santa Monica, Marina del Rey, Redondo Beach, Long Beach, and Newport Beach.

Based on that analysis, UPI concluded that 460 high-rise units would be marketable by 1990, the majority of which would be condominiums. The demand will be nominal at first but will increase over time due to the market pressures for beach/ocean oriented living environments and the prestige that will develop as the environment of the Downtown/Townlot Area is improved. As much as 20 percent of the market for these units could come from households seeking second homes.

UPI concluded that the most significant locational considerations, from an economic standpoint, are convenient site relationship to the beach and an unimpaired vista of the ocean. Projects located away from the ocean front compromise these considerations and reduce marketability. Although Pacific Coast Highway acts as a barrier between potential high rise locations and the beach, UPI does not feel the overall marketability is reduced since the beach is permanently preserved as open space.

Regarding typical high rise structures, UPI found that 8 to 12 stories were common for condominiums and 10 to 26 stories for apartments. The number of units per floor was 5 to 8 for condominiums and 5 to 16 for apartments. Figure 3-9 summarizes the estimated ocean front high rise residential market for Huntington Beach through 1990.

#### 3.2.5 Market Summary

Figure 3-10 summarizes the market projections of this section in 5-year increments through 1990. The market projections have been translated into general land requirements for the purposes of allocation in the alternative development concepts.



in hundreds

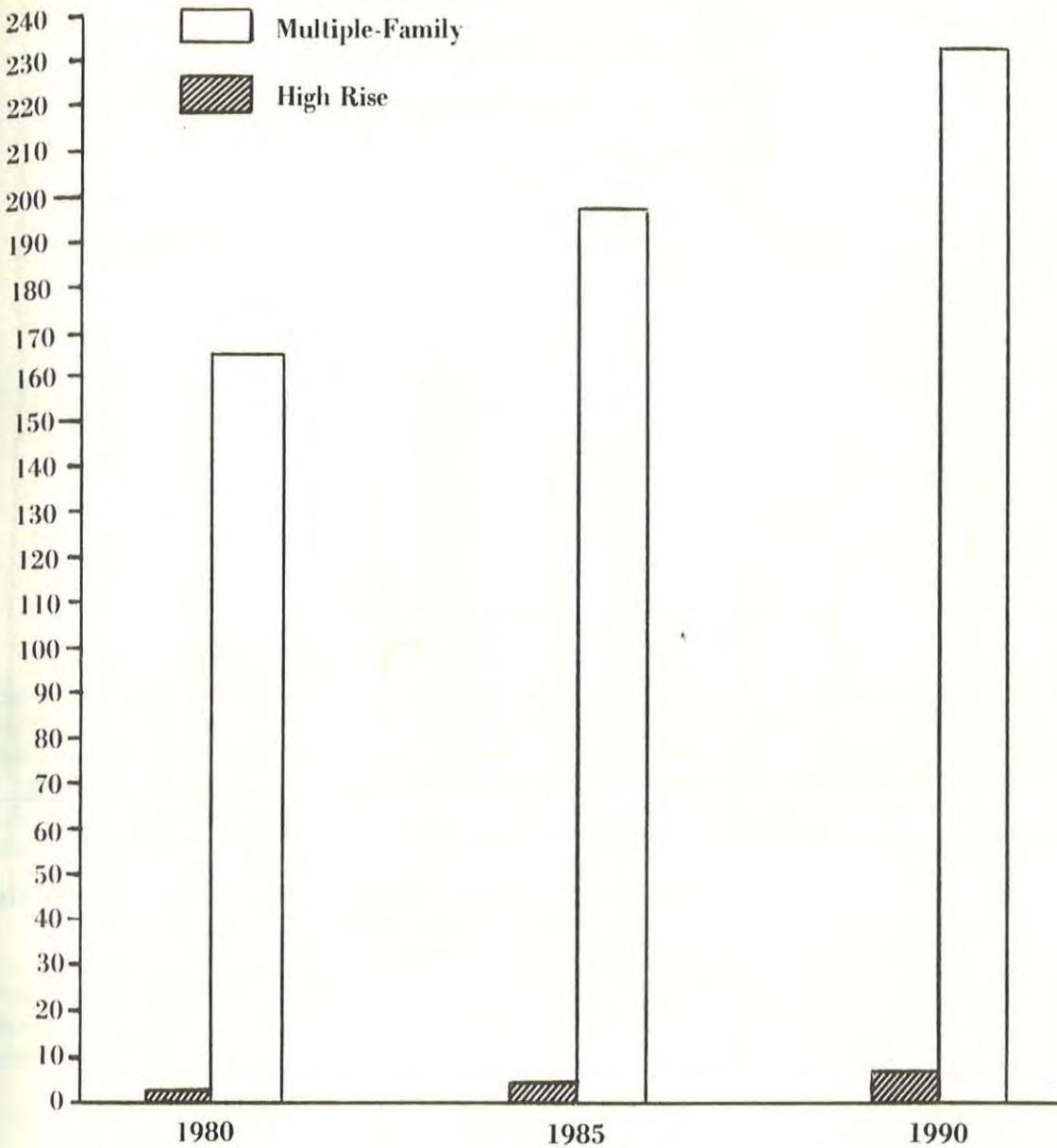


Figure 3-9



**COMPARISON OF ESTIMATED  
OCEAN FRONT/HIGH-RISE AND MULTIPLE FAMILY  
RESIDENTIAL MARKETS  
IN HUNTINGTON BEACH**

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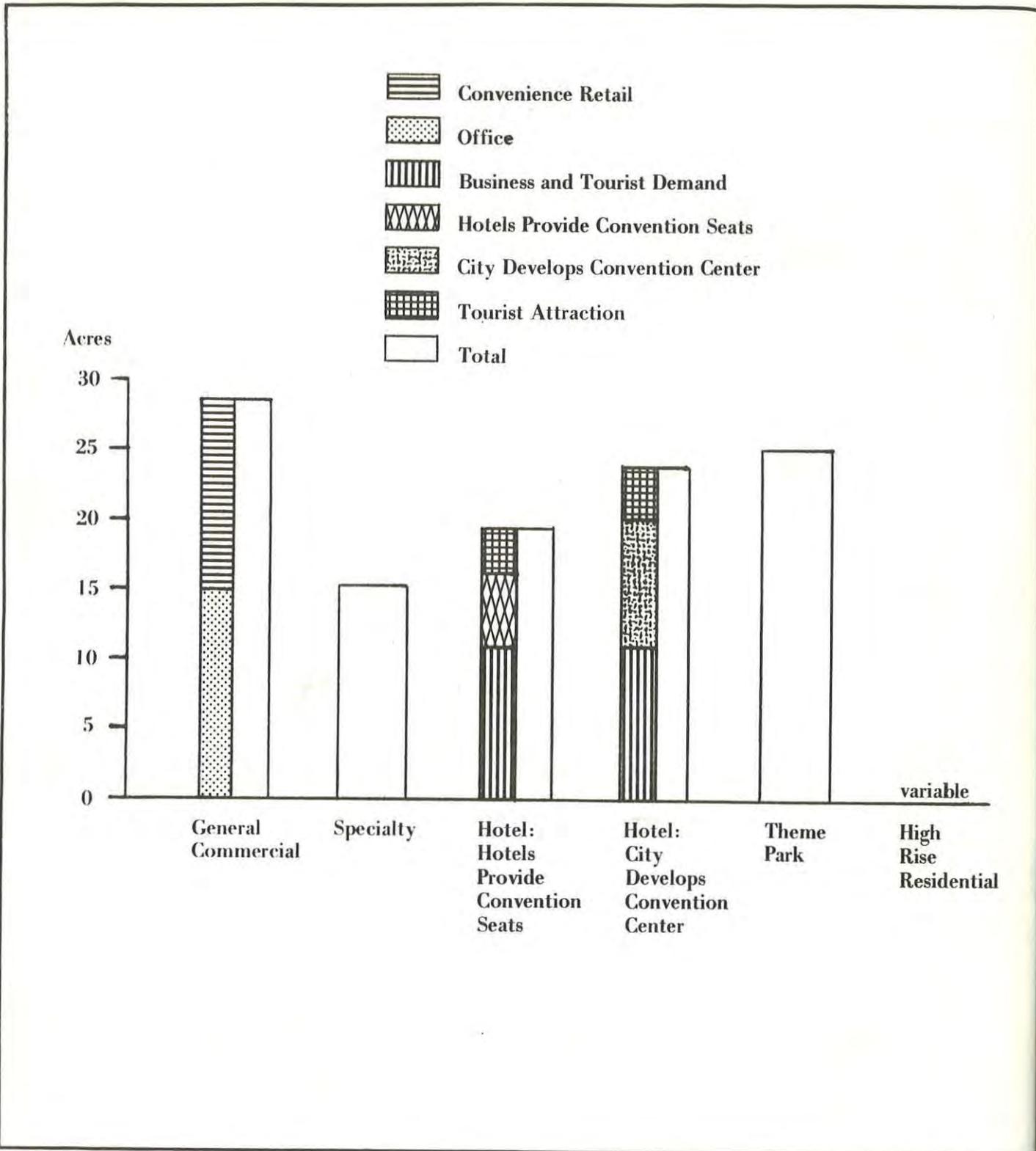


Figure 3-10



**SUMMARY OF LAND REQUIREMENTS  
BASED ON MARKET POTENTIAL  
FOR 1990**

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#### 4.0

### ALTERNATIVE DEVELOPMENT CONCEPTS

Prior to undertaking the market feasibility study, the Planning Department formulated three alternative development concepts that varied in intensity of development and balance between residential and tourist oriented environments. Subsequent to the economic study, a fourth alternative was developed to reflect the full range of feasible development options available in the Downtown Planning Area.

#### 4.1

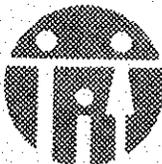
### The Destination Resort Concept

The Destination Resort concept has the highest development intensity of the alternative concepts. It is based upon the maximum market potentials projected by the economists and includes a City-sponsored convention center.

#### 4.1.1

### Concept Criteria

- a. Objectives:
  - 1. Create all-year tourist oriented environment
  - 2. Provide for high density residential development that is compatible with the intensive use concept.
- b. Assumptions:
  - 1. Convenient regional transportation access would be necessary (MRT or freeway)



2. The market area would be Statewide and Southern California.

#### 4.2.2 The Destination Resort Plan

Figure 4-1 and Table 4-1 reflect the land use proposals in diagrammatic and quantitative form. In addition to the general allocations of land use, the plan proposes the following:

- a. Creation of a mall on Main Street and a specialty retail complex on the adjacent six blocks
- b. Creation of a second mall on Lake Street
- c. Development of specialty uses on and adjacent to the pier and a boardwalk with specialty uses from the pier to Lake Street
- d. Development of the Old Civic Center site as high density residential
- e. 84 acres of tourist-commercial development, including:
  - . 795 hotel rooms
  - . civic convention center
  - . theme park/tourist attraction
- f. Provision for a phased mass rapid transit terminal
- g. Realignment of Atlanta Avenue to connect to Orange Avenue and provision of a new street east of Lake Street and widening of Second Street to offset the closing of Lake.

#### 4.2 The Regional Point of Interest Concept

The Regional Point of Interest is based upon the philosophy that the Planning Area will not attain the role of a destination resort for tourists but rather will attract tourists from other destination resorts in Orange County and penetrate the tourist market as a side trip for visitors in the region.

##### 4.2.1 Concept Criteria

- a. Objectives:
  1. Create a primarily seasonal tourist attraction



## RESIDENTIAL

-  LOW DENSITY 0-7 D.U./GROSS ACRE
-  MEDIUM DENSITY 7-15 D.U./GROSS ACRE
-  HIGH DENSITY OVER 15 D.U./GROSS ACRE

## COMMERCIAL

-  GENERAL
-  SPECIALTY
-  TOURIST COMMERCIAL

## INSTITUTIONAL

-  SCHOOLS & COMMUNITY FACILITIES

## OPEN SPACE

-  PARKS & RECREATIONAL FACILITIES

## PUBLIC FACILITIES

-  PROPOSED NEIGHBORHOOD PARK
-  BEACH
-  TRANSPORTATION CENTER

## DESTINATION RESORT ALTERNATIVE 1-A

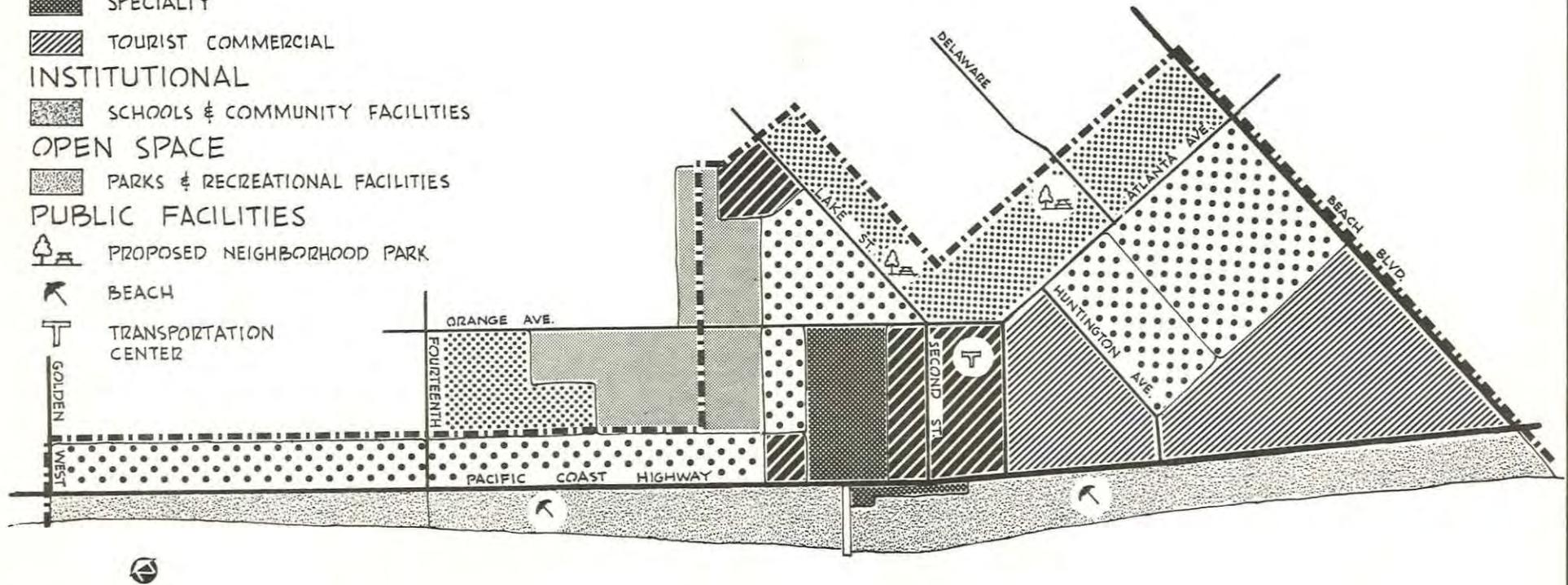


Figure 4.1

TABLE 4-1  
COMPARISON OF DOWNTOWN PLANNING STUDY ALTERNATIVES

General Plan Land Use Category	Destination Resort (1A)		Modified Destination Resort (4B)		Point of Interest (4C)		Seasonal Beach Community (3B)		Market Potential	
	Sq.Ft. or Units <sup>2</sup>	Gross Acres <sup>3</sup>	Sq.Ft. or Units	Gross Acres	Sq.Ft. or Units	Gross Acres	Sq.Ft. or Units	Gross Acres	Sq.Ft. or Units	Gross Acres
Residential	6392	257.7 Acres	5577 D.U.	262.7 Acres	5329 Acres	299.3 Acres	5079 D.U.	321.7 Acres	5470 D.U.	
Low	397 D.U.	44.1 Acres	397 D.U.	44.1 Acres	397 D.U.	44.1 Acres	397 D.U.	44.1 Acres		
Medium	1112 D.U.	74.1 Acres	1655 D.U.	123.6 Acres	3003 D.U.	200.1 Acres	3772 D.U.	251.6 Acres		
High	4683 D.U.	139.5 Acres	3325 D.U.	95.0 Acres	1329 D.U.	55.1 Acres	910 D.U.	26.0 Acres		
Commercial										
General	203,600 SqFt	34.4 Acres	203,600 SqFt	38.1 Acres	203,600 SqFt	38.2 Acres	203,600 SqFt	37.9 Acres	203,600 SqFt	24 Acres
Convenience	88,000 SqFt	18.4 Acres	88,000 SqFt	20.3 Acres	88,000 SqFt	20.4 Acres	88,000 SqFt	20.2 Acres	88,000 SqFt	12.8 Acres
Office	148,800 SqFt	16.0 Acres	148,800 SqFt	17.8 Acres	148,800 SqFt	17.8 Acres	148,800 SqFt	17.7 Acres	148,800 SqFt	14.4 Acres
Specialty	113,000 SqFt	19.1 Acres	113,000 SqFt	19.2 Acres	113,000 SqFt	19.1 Acres	45,000 SqFt	8.3 Acres	113,000 SqFt	15 Acres
Tourist		84.8 Acres		70.6 Acres		34.6 Acres		22.7 Acres		
Hotel	795 Rooms	27.1 Acres	520-670 Rms	24.2 Acres	420 Rooms	17.4 Acres	300 Rooms	8.6 Acres	420-795 Rms.	7-23 Acres
Convention Center	3000 Seats	8.9 Acres								
Tourist Attraction		29.4 Acres		31.8 Acres						
Public Amenity		19.4 Acres		14.6 Acres		16.6 Acres		14.1 Acres		10-20 Acres
Institutional										
School & Community Facilities				5.4 Acres		5.4 Acres		5.4 Acres		
Open Space										
Park & Rec Facilities		91.0 Acres		91.0 Acres		91.0 Acres		91.0 Acres		
Public Uses										
Transportation										
Terminal		3.0 Acres		3.0 Acres		3.0 Acres		3.0 Acres		
Neighborhood Park				5.4 Acres		5.4 Acres		5.4 Acres		
Beach		91.0 Acres		91.0 Acres		91.0 Acres		91.0 Acres		
Total Acres		487.0 Acres		487.0 Acres		487.0 Acres		487.0 Acres		

<sup>1</sup> Market potential based on Urban Projects Inc. recommendations.

<sup>2</sup> Square footage is in net leasable floor area.

<sup>3</sup> Gross acres determined per land use allocation study by Huntington Beach Planning Department.



Prepared by Huntington Beach Planning Department  
October 22, 1975

33

2. Attract tourists already in the region for short-term (one day) visits
  3. Provide for moderate high density residential development to complement the more intensive commercial uses, with Medium Density Residential being predominant.
- b. Assumptions:
1. Limited regional transportation access would be provided (major modifications to arterial transportation routes)
  2. The market area would primarily be Orange County with portions of Los Angeles, Riverside, and San Bernardino Counties.

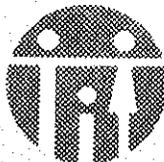
#### 4.2.2 The Regional Point of Interest Plan

The plan is summarized diagrammatically in Figure 4-2 and Table 4-1. The following are the major plan proposals:

- a. Development of a two-block mall on Main Street and a specialty retail complex on the four blocks adjacent to it and the two blocks adjacent to Third and Fifth Streets on Pacific Coast Highway
- b. Development of specialty commercial on and adjacent to the pier, but limited to existing square footage
- c. Retention of the Civic Center site as a public use
- d. Provision of 34 acres of tourist-commercial, including 420 hotel rooms
- e. Phased mass rapid transit terminal
- f. High density and high rise residential limited to the ocean front area from Sixth to Goldenwest Street.

#### 4.3 The Seasonal Beach Community Concept

Achieving the least development intensity level of all alternative development concepts, the Seasonal Beach Community concept is predicated upon the philosophy of accommodating the tourist draw generated by the beach and not creating equal or greater attractions to increase this draw. It generates a permanent rather than transient population base for the area.



RESIDENTIAL

-  LOW DENSITY 0-7 D.U./GROSS ACRE
-  MEDIUM DENSITY 7-15 D.U./GROSS ACRE
-  HIGH DENSITY OVER 15 D.U./GROSS ACRE

COMMERCIAL

-  GENERAL
-  SPECIALTY
-  TOURIST COMMERCIAL

INSTITUTIONAL

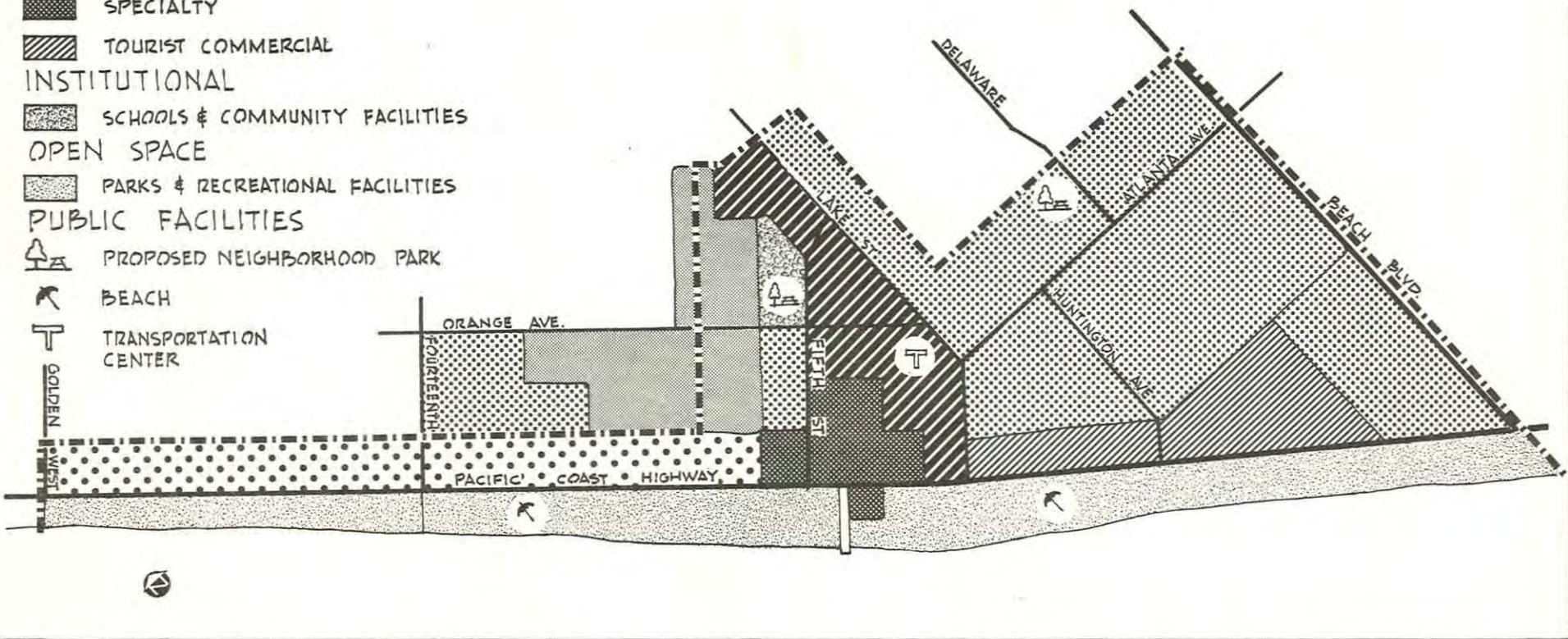
-  SCHOOLS & COMMUNITY FACILITIES

OPEN SPACE

-  PARKS & RECREATIONAL FACILITIES

PUBLIC FACILITIES

-  PROPOSED NEIGHBORHOOD PARK
-  BEACH
-  TRANSPORTATION CENTER



POINT OF INTEREST  
ALTERNATIVE 4-C

Figure 4.2

4.3.1

Criteria

- a. Objectives:
  - 1. Create a primarily beach-oriented residential environment
  - 2. Accommodate seasonal tourists attracted by the beach
  - 3. Provide for extensive residential development as the dominant land use to be supported by convenience commercial and limited tourist oriented development.
- b. Assumptions:
  - 1. Very limited regional transportation access would be provided (minor modifications to arterial transportation routes)
  - 2. Market area would be western Orange County.

4.3.2

The Seasonal Beach Community Plan

Table 4-1 and Figure 4-3 summarize the land use proposals. Significant proposals of this concept are:

- a. The specialty commercial is provided for the half blocks facing Main Street to Olive Avenue and the half blocks on Pacific Coast Highway from Third to Fifth Streets
- b. No malls are proposed in this plan
- c. The specialty commercial on and adjacent to the pier is upgraded but maintained at its present level
- d. The Old Civic Center site is maintained as a public use
- e. Tourist commercial is proposed at 23 acres, including 300 hotel rooms
- f. Residential development is predominantly medium density with limited high rise and high density development along the ocean front from Sixth to Seventeenth Streets
- g. Provision is made for a phased mass rapid transit terminal.



#### 4.4 The Modified Destination Resort Concept

Subsequent to the market analysis, the Planning Staff developed an alternative with an intensity level between the Destination Resort and Point of Interest concepts. Since this concept provides for a theme park/tourist attraction, its intensity level lies closest to the Destination Resort concept.

##### 4.4.1 Criteria

The criteria for this concept are the same as set forth in Section 4.1.1 for the Destination Resort concept.

##### 4.4.2 The Modified Destination Resort Plan

Figure 4-4 and Table 4-1 represent the land use proposals of this concept. Specifically, the Modified Destination Resort plan proposes the following:

- a. A mall on Main Street and a specialty commercial area as set forth in the Destination Resort concept
- b. Providing specialty commercial on and adjacent to the pier equivalent to the present square footage
- c. Retaining the Old Civic Center site as a public use
- d. Providing 70 acres of tourist commercial including: 520-670 hotel rooms and theme park/tourist attraction
- e. Phased mass rapid transit terminal
- f. Balance of high and medium density residential development with high density areas adjacent to intensive use areas
- g. High rise residential priority given to the high density area adjacent to the ocean front between Sixth and Goldenwest Streets.



RESIDENTIAL

-  LOW DENSITY 0-7 D.U./GROSS ACRE
-  MEDIUM DENSITY 7-15 D.U./GROSS ACRE
-  HIGH DENSITY OVER 15 D.U./GROSS ACRE

COMMERCIAL

-  GENERAL
-  SPECIALTY
-  TOURIST COMMERCIAL

INSTITUTIONAL

-  SCHOOLS & COMMUNITY FACILITIES

OPEN SPACE

-  PARKS & RECREATIONAL FACILITIES

PUBLIC FACILITIES

-  PROPOSED NEIGHBORHOOD PARK
-  BEACH
-  TRANSPORTATION CENTER

SEASONAL BEACH COMMUNITY  
ALTERNATIVE 3-B

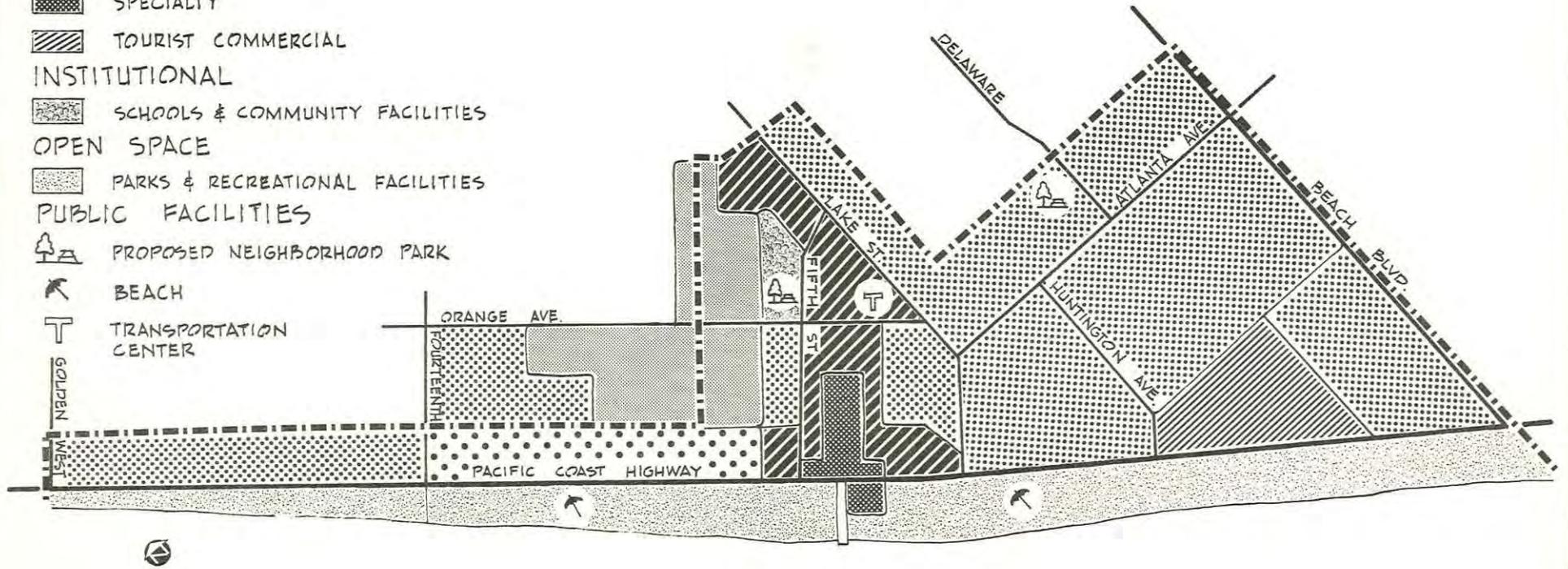


Figure 4.3

RESIDENTIAL

- LOW DENSITY 0-7 D.U./GROSS ACRE
- MEDIUM DENSITY 7-15 D.U./GROSS ACRE
- HIGH DENSITY OVER 15 D.U./GROSS ACRE

COMMERCIAL

- GENERAL
- SPECIALTY
- TOURIST COMMERCIAL

INSTITUTIONAL

- SCHOOLS & COMMUNITY FACILITIES

OPEN SPACE

- PARKS & RECREATIONAL FACILITIES

PUBLIC FACILITIES

- PROPOSED NEIGHBORHOOD PARK
- BEACH
- TRANSPORTATION CENTER

MODIFIED DESTINATION RESORT  
ALTERNATIVE 4-B

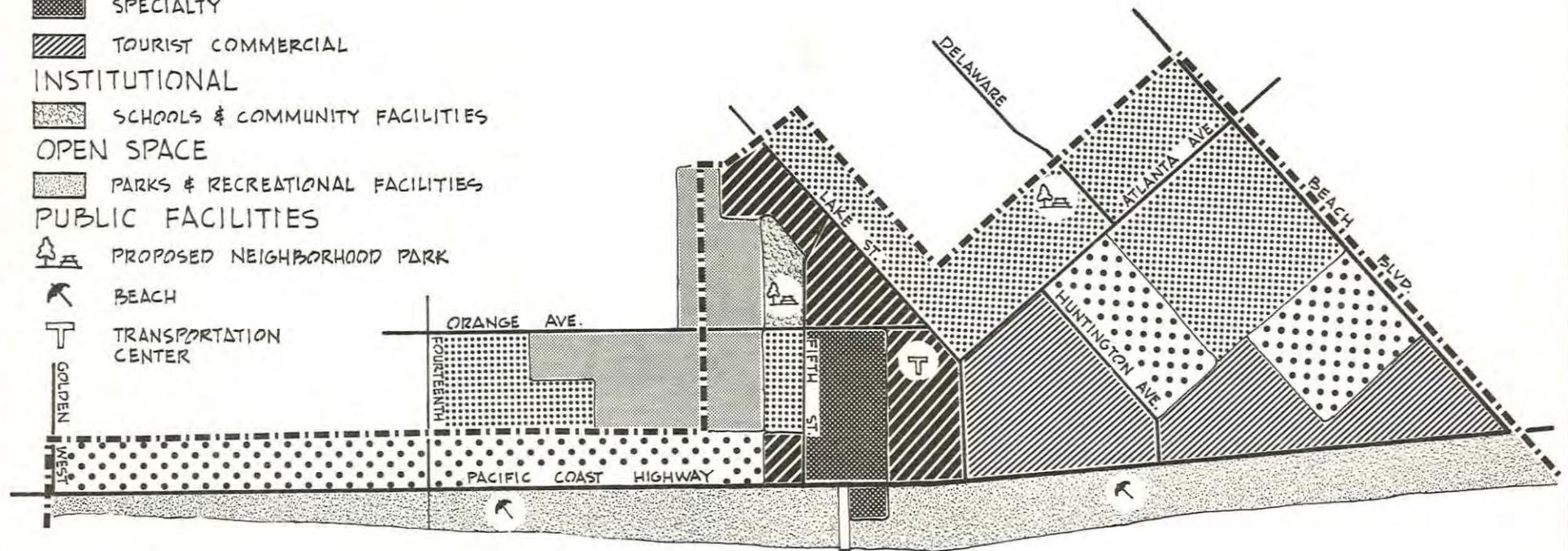


Figure 4.4

## 5.0 ANALYSIS OF ALTERNATIVE DEVELOPMENT CONCEPTS

Eight significant areas have been identified in which to evaluate each alternative development concept.

### 5.1 City Goals and Policies

The predominant City policy relating to the Downtown Area has been to provide for economic revitalization, including tourist commercial uses, to strengthen the City's economic base. All alternatives provide for this although the more intensive the development concept the higher the potential for strengthening the economic base. The optimum point is where the intensity level most closely matches market feasibility. A plan that goes beyond market feasibility over supplies the demand and becomes marginal.

### 5.2 Market Potential

Each alternative is feasible within market projections. However, it must be pointed out that the tourist commercial activities, particularly the theme park/tourist attraction and convention center, are entrepreneurial in nature. That is, they



cannot be planned for in the sense that commercial, industrial, and public uses are planned based on servicing population and residential uses. Tourist commercial is a success only to the degree that the tourist market is penetrated. Within that context, the Regional Point of Interest concept comes closest to the market projections that can be achieved with a minimal entrepreneurial risk. The Seasonal Beach Community is equal to or below market projections and involves virtually no entrepreneurial risk. The Destination Resort concepts require that the City actively and successfully promote development of the Downtown Planning Area as a tourist/resort area.

### 5.3 Economic Commitments

Each of the alternative concepts requires a level of economic commitment (by the City, other agencies, landowners and/or developers) that increases with intensity of each plan. Although it is difficult to quantify this commitment in absolute figures for each concept, a relative relationship can be established.

The Seasonal Beach Community concept requires the following commitments:

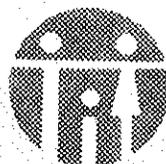
- a. Improvement of local and arterial streets
- b. Upgrading of utility services
- c. Financing of the phased mass rapid transit terminal
- d. Cost of converting the Old Civic Center to permanent public use
- e. Rehabilitation or construction of new buildings in the Main Street area
- f. Reconstruction of pier buildings.

The Regional Point of Interest Plan adds to this:

- g. Construction of two block mall on Main Street
- h. Providing for tourist commercial uses (write downs may be required)
- i. Added incremental costs to MRT terminal.

The Modified Destination Resort Plan increases the commitment by:

- j. Expanding the mall to three blocks
- k. Increasing the tourist commercial uses to include theme park/tourist



1. Added incremental costs to MRT terminal.

The Destination Resort Plan culminates the commitment by:

- m. Increasing the level of specialty commercial on and adjacent to the plan
- n. Developing a convention center
- o. Increasing the tourist commercial to highest level (write down mandatory)
- p. Selling Old Civic Center site for development (write down probably required)
- q. Added incremental costs to MRT terminal.

#### 5.4 Significant Environmental Impacts

A complete analysis of environmental impacts will be part of the General Plan Amendment and Redevelopment Plan. However, there are a few significant environmental impacts which can be generally addressed at this time. As alternative concepts increase in intensity, the impact upon the following will increase accordingly: sewer and water demands, energy consumption, traffic levels and air pollution, and population impact. Of these, perhaps the population impact is most significant. The population impact of the Downtown Planning Area must be addressed in two ways: permanent and transient. The permanent population is composed of area residents. Each of the alternatives has relatively the same maximum population level:

Seasonal Beach Community	13,081
Point of Interest	13,148
Modified Destination Resort	13,007
Destination Resort	14,271

The most significant impact occurs with the transient population, which consists of short and extended-term tourists and beach goers. The beach is a basic attraction which will continue to receive increased use as Orange County population grows. The base number of beach goers will be increased to the degree that Huntington Beach penetrates the Orange County tourist market. As each alternative calls for a higher penetration of that market, the total population impact will be relative to the plan intensity. The Environmental Impact Report will quantitatively analyze this impact.



## 5.5 Traffic Impacts

The preliminary Traffic Study prepared by JHK and Associates reached the following conclusions:

### 5.5.1 Internal Circulation System

#### a. Destination Resort Alternative

1. Volumes on the destination resort network will double from existing volumes in most cases, but will be well within the planned capacity of most roadways. Goldenwest Street, 14th, 17th and Orange Avenue should be able to accommodate the proposed volumes within the existing right-of-way.
2. Lake Street will play a much more important role as a major arterial linking the City area north of the study area. Main Street should be de-emphasized in the study area as a vehicular traffic corridor. Emphasis should be placed on pedestrian and bicycle circulation between Orange Avenue and Pacific Coast Highway. Local access would be provided north of Orange Avenue.
3. Pacific Coast Highway and Beach Boulevard would continue to be high volume carriers primarily handling through trips. Control of access and efficient signalization will be necessary to accommodate peak demands especially on weekends in the beach area.
4. The intersections of Lake Street, Huntington Avenue, and the proposed new street east of Lake Street are critical to circulation in this alternative. The one way couplet proposed by Second Street and the new street will improve circulation around the Lake Street mall.

#### b. Modified Destination Resort

1. Pacific Coast Highway and Beach Boulevard will continue to handle heavy volumes but only slightly higher than the Destination Resort concept.
2. The termination of Huntington Street as an arterial at Atlanta and shifting emphasis to Delaware is not reasonable. Huntington Avenue



should be realigned to intersect Atlanta Avenue at a point opposite Delaware Avenue. Delaware Avenue would continue northward as a secondary arterial on a 80 foot right-of-way.

3. The Orange Avenue-Atlanta corridor must be revised to reflect a major connecting arterial without the offset intersection configuration at Lake Street.
4. Lake Street should be a major north-south arterial to assist in relieving some of the traffic demand that would normally travel on Beach Boulevard. Main Street should be de-emphasized and limited to pedestrians between Pacific Coast Highway and Orange Avenue.

c. Point of Interest and Seasonal Beach Community

These two alternatives are scaled down land uses from the modified destination scheme. For both plans the conclusions made in the Modified Destination Resort plan are the same except for the following:

1. The volume of traffic on Huntington Avenue does not necessitate a realignment nor designation of this route as a primary or secondary arterial.

5.5.2 External System

Analysis of the external circulation system affecting the study area led to the following conclusions:

- a. Greater emphasis should be placed on the Lake Street corridor and Lake Street should be extended and terminated at Garfield Avenue-Main Street.
- b. Main Street has been recognized in the four alternative studies as a route that should be de-emphasized as a major carrier in the Downtown. Outside of the study area, 17th Street intersects Main Street and would become a primary arterial to Pacific Coast Highway. Northerly of Mansion Avenue, Main Street should be realigned to intersect the north-south alignment of Gothard Street.
- c. The effect of these improvements are as follows:
  1. An additional north-south corridor to the beach area via Main Street-Lake Street would be created.



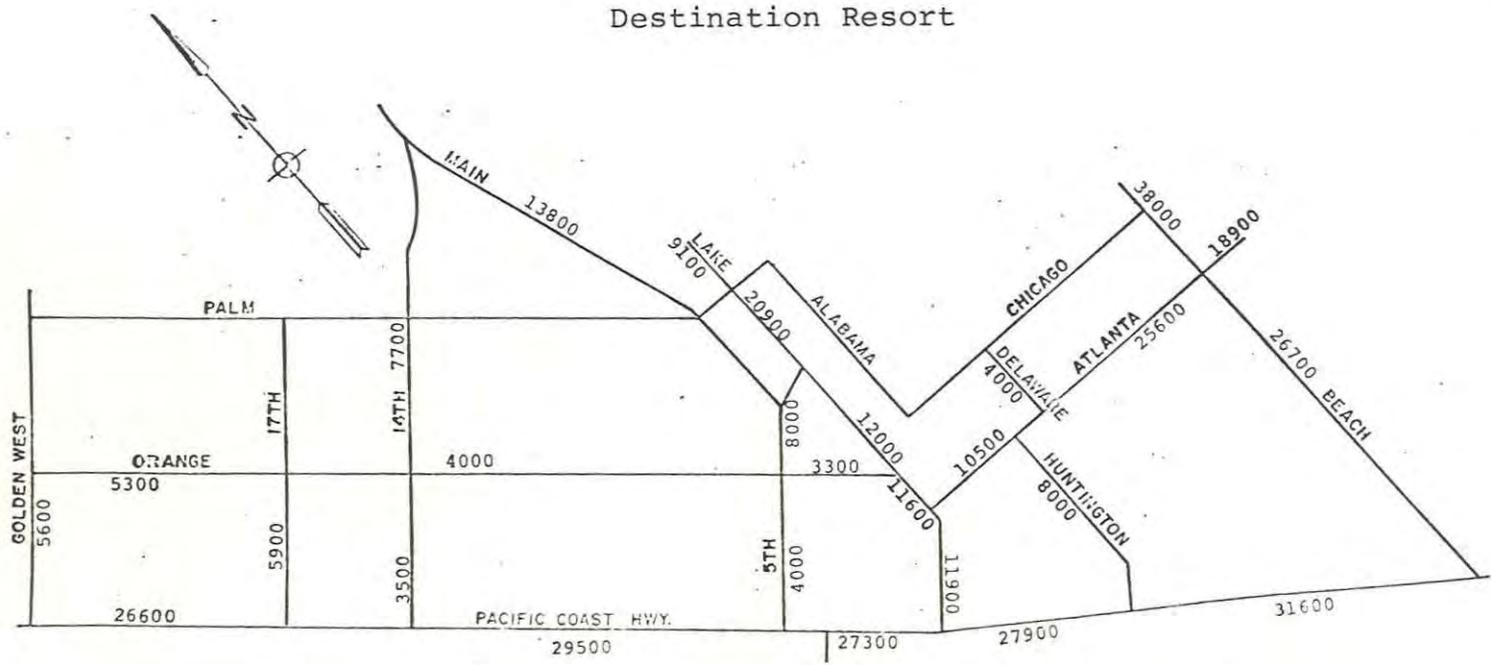
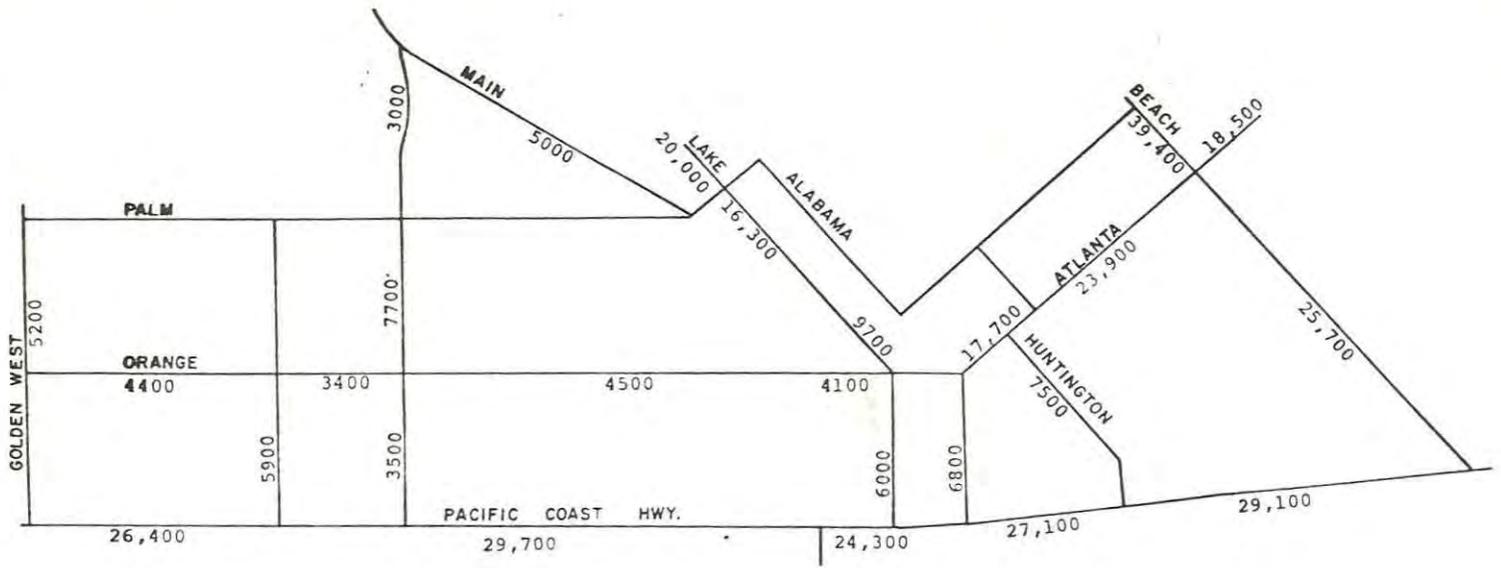


Figure 5-1  
Future Traffic Projections  
(Average Daily Trips)



Source: JHK & Assoc.



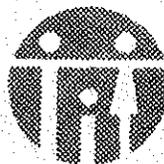
This should relieve Beach Boulevard. In addition, additional traffic relief on Beach Boulevard could be obtained if the State beaches allowed access to parking at Newland Street, Magnolia Avenue, and Brookhurst Street. San Diego Freeway interchanges at the latter two arterials could channel traffic directly to parking areas at the beach that now are forced to use Beach Boulevard.

2. The multi-legged, wide intersection of Main, Gothard, and Garfield would be eliminated in favor of a four-legged intersection. Traffic control would be much more efficient.
3. The Civic Center and nearby shopping center complex at Mansion Avenue and Main Street would have better circulation and access by eliminating unnecessary through trips on the adjacent streets.
4. The diagonal configuration of 17th Street would be eliminated or left in part solely for local access.
5. More direct access to Central Park and the new City Library would be provided for Downtown residents via north Main Street to Gothard Street, thence northerly. All other routes from Downtown are circuitous.

#### 5.6 Cost-Revenue Impacts

Evaluation of cost-revenue impacts is necessary when considering alternative development concepts for the Downtown Planning Area. Fiscal costs and benefits for the four alternative concepts as well as for development according to existing zoning are summarized in Figure 5-3. The costs and revenues are presented in 1975 dollars as they apply to the City of Huntington Beach and the local school districts (Huntington Beach Elementary and High School Districts, and Coast Community College District). The cost-revenue analysis is based on economic formulas provided by:

- a. Revenue/Expenditures Analysis of Land Uses (October, 1973; updated October, 1975), a Planning Department Special Study
- b. Environmental Declaration No. 75-68, prepared for the City in September, 1975 regarding a multiple-use commercial development
- c. Urban Projects Incorporated.



in thousands of Dollars

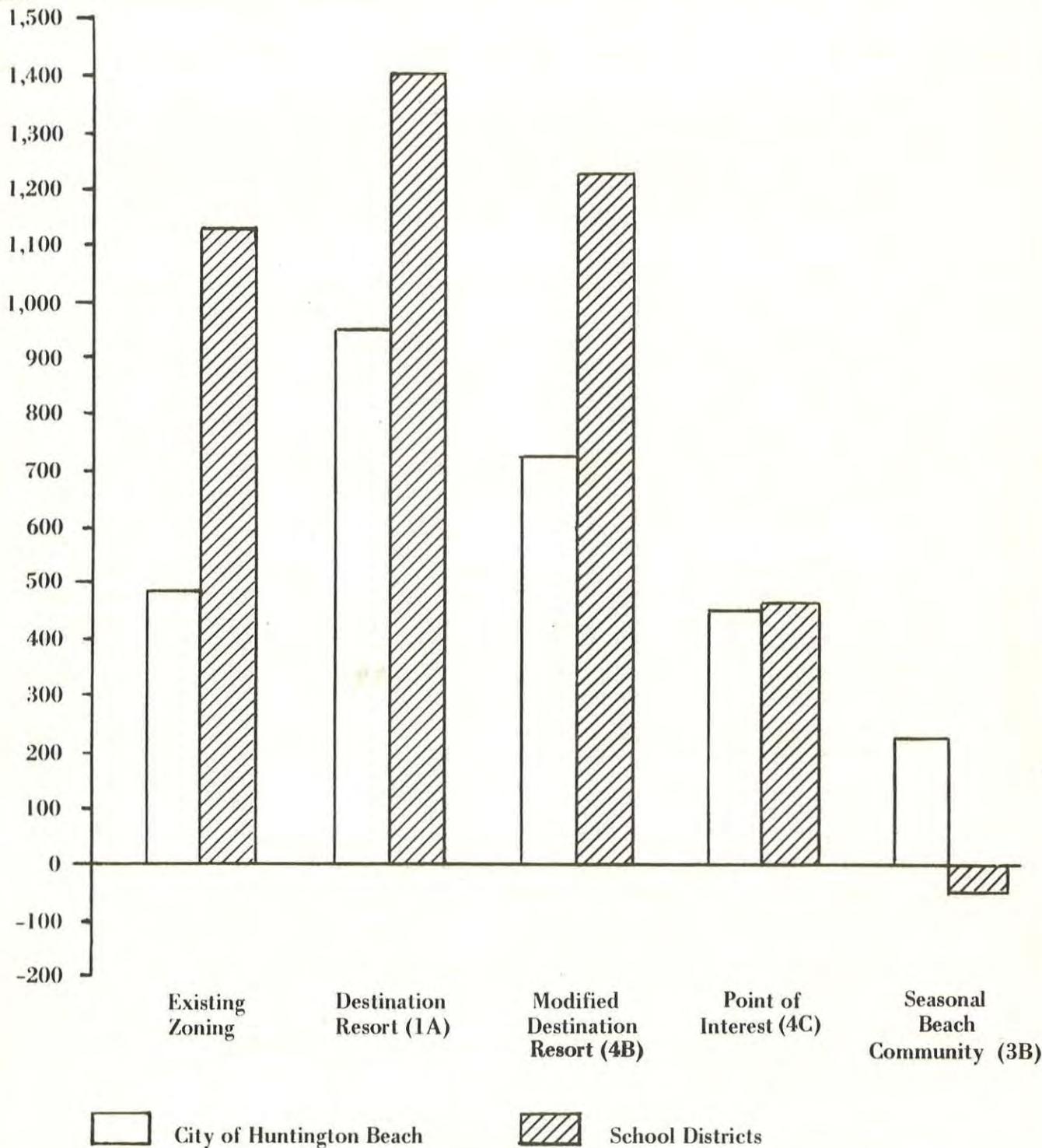


Figure 5-3



COMPARISON OF NET GAIN OR LOSS  
PER YEAR OF ALTERNATIVE DEVELOPMENT  
CONCEPTS AND EXISTING ZONING

huntington beach planning department

The analysis assesses the fiscal costs and benefits of each alternative as they relate to the City in terms of services provided and property tax and other revenues received. The analysis also examines the fiscal costs of educating the resident population and financing the local school system through district taxes.

From a fiscal standpoint, the Destination Resort development concept (1A) will generate the most revenue to the City and the local school districts. Next highest in terms of revenues provided is Modified Destination Resort (4B). Existing zoning is next as a revenue producer. Alternative concept (4C) - Point of Interest-rates under existing zoning. Lowest in line is Seasonal Beach Community (3B), which generates the smallest net gain for the City and a net loss for the local school districts.

#### 5.7 Coastal Plan

A detailed analysis of the conformance of the Downtown Plan to the State Coastal Plan will be done as part of the General and Re-development Plans. However, for the purpose of this analysis, nine General Coastal Plan Policies have been identified as most significant. The policies and their conformance to each development concept is as follows:

POLICY	1A	4B	4C	3B
a. Maximize access to coastal reserves	+	+	+	+
b. Optimize use of Coastal Recreation Resources	+	+	+	+
c. Commercial recreation uses receive priority over private use	+	+	+	-
d. Development should be concentrated in existing urbanized areas	+	+	+	+
e. Highest priorities should be given to coastal dependent uses	+	+	+	-
f. Highest development intensities should be permitted in existing urbanized areas	+	+	+	+
g. Public Transit to the Coastal Zone should be improved and have priority over roads	-	-	-	-



POLICY	1A	4B	4C	3B
h. Adequate parking must be provided, unless sufficient transit alternatives are provided. The impact of provided parking must be minimized, however.	+	+	+	+
i. Provisions must be made for low and moderate income families	0	0	0	0

(+) Compatible (-) Not compatible (0) No effect or not yet addressed

In overall evaluation of Coastal Commission policies to the development concepts, the Destination Resort alternatives are most compatible to the Coastal Plan, although all the alternatives are highly consistent with the philosophy of Coastal Development as set forth in the plan.

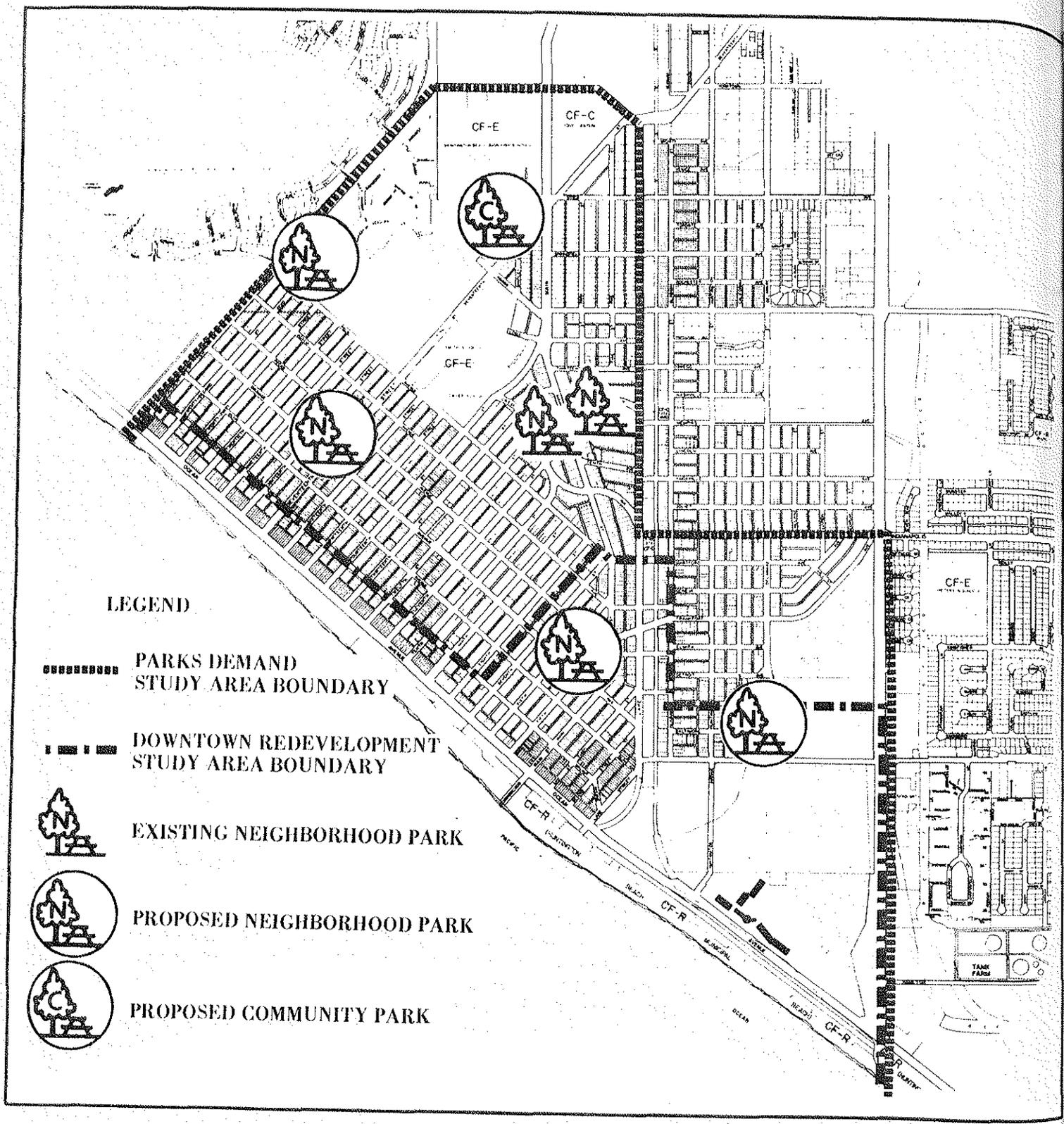
#### 5.8 Park Needs

The Planning Staff analyzed each of the alternative development concepts for supply and demand of park lands. Based upon the proposed parks in each alternative concept, a multi-neighborhood analysis was performed focusing on neighborhood parks while considering community parks and the beach. Figure 5-4 indicates the multi-neighborhood analysis area and existing and proposed parks considered.

The analysis concluded that the Downtown Planning and Townlot Areas could not be analyzed using current Citywide park standards because of the substantial difference in population characteristics and proximity of the beach. Thus a modified set of park standards was developed for this area. Figure 5-5 summarizes the application of these standards to each alternative concept. The analysis concluded that the proposed neighborhood parks in Figure 5-4 would generally meet the neighborhood park demand but that community park needs would be short about 9 acres. If the excess neighborhood park lands were converted to community park types of facilities, the shortage of community park land could be reduced to 6 acres. This does not include assigning a demand fulfillment factor for community park needs to the beach.

The overall conclusion that can be drawn from this analysis is that at least two neighborhood park sites will have to be provided in the Planning Area, but they will have to assume some community park characteristics to fill that gap.





**LEGEND**

- 
**PARKS DEMAND STUDY AREA BOUNDARY**
- 
**DOWNTOWN REDEVELOPMENT STUDY AREA BOUNDARY**
- 
**EXISTING NEIGHBORHOOD PARK**
- 
**PROPOSED NEIGHBORHOOD PARK**
- 
**PROPOSED COMMUNITY PARK**

Figure 5-4

**DOWNTOWN REDEVELOPMENT STUDY  
PARKS DEMAND ANALYSIS**

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Excess Park Supply

Acres

 Park Demand Downtown Study Area  
Park Demand Multi-neighborhood Study Area  
Park Supply  
Park Deficiency

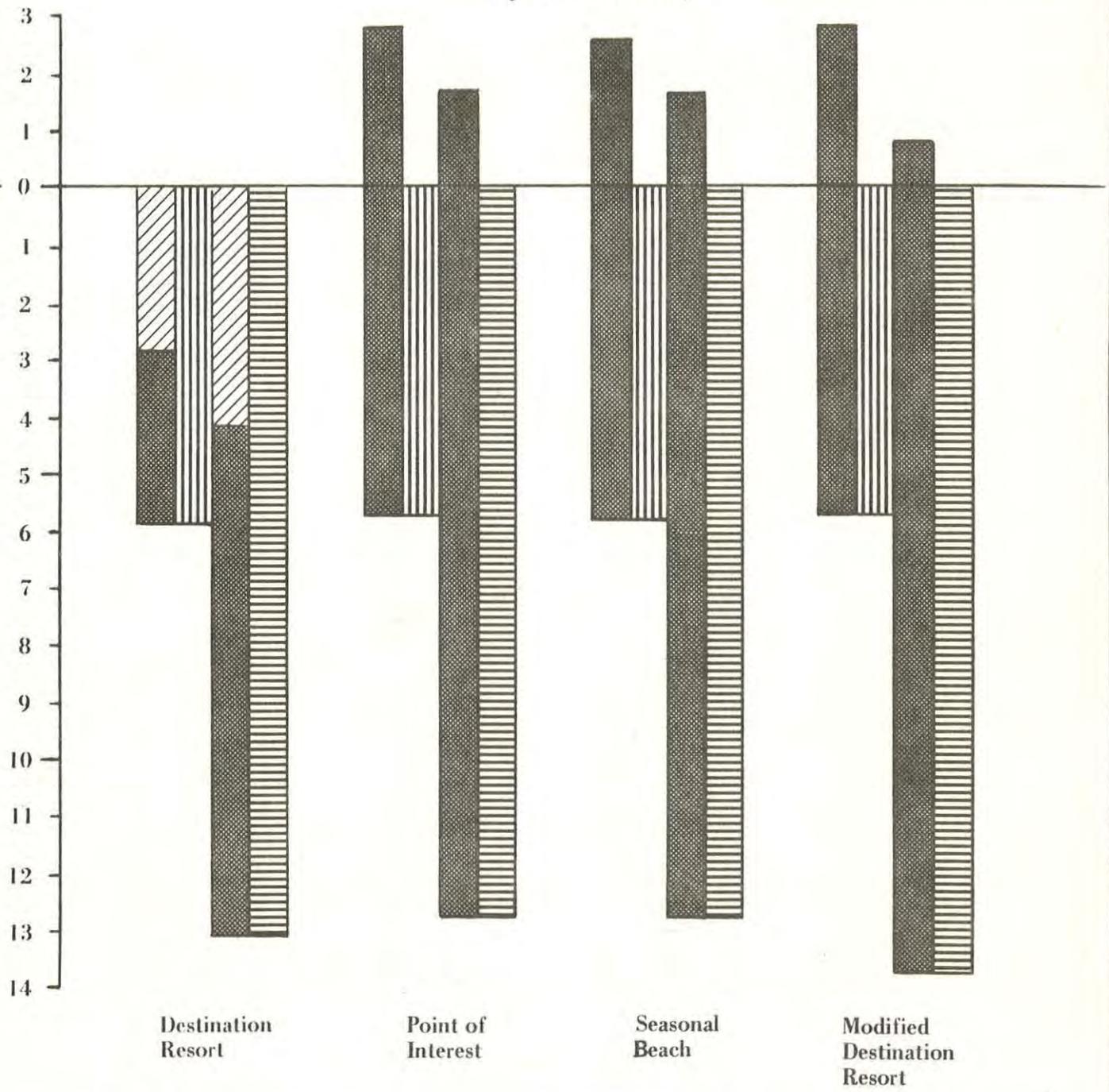


Figure 5-5



**MODIFIED PARK DEMAND**

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## 6.0 THE RECOMMENDED DEVELOPMENT CONCEPT AND POLICIES

### 6.1 Basis for Recommended Concept

The Planning Department recommends the Modified Destination Resort concept for the following reasons:

- a. It is most compatible with overall City goals and objectives in that improvement of the municipal economic base is provided but balanced with other community goals.
- b. It is most compatible with market projections, and still provides options for increased tourist commercial development.
- c. It is compatible with the Coastal Plan.
- d. It balances the residential and tourist environments.
- e. Although significant economic commitments are required, this concept keeps them within the realm of City feasibility.



## 6.2 Development Policies

In addition to the conceptual land use plan set forth in Figure 4-4 and Table 4-1 and the development proposals set forth in Section 4.4, the following development policies are recommended:

### 6.2.1 Main Street

The six blocks adjacent to Main Street should be developed as an integrated specialty shopping area and should have first priority in the implementation of the City's Redevelopment Plan. In addition, the concept of converting Main Street and the alleys to pedestrian ways should be pursued through the development plan. Also the responsibilities for financing public and private improvements should be shared by the City and property owners with the details worked out in the development plan.

### 6.2.2 Five Block Area (Fronting on Pacific Coast Highway between Lake and 6th Street)

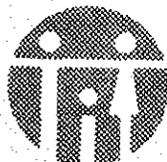
With two of the five blocks included in the recommended Main Street development plan, the remaining three should be included if feasible. However, the remaining three blocks should take a secondary priority to Main Street.

### 6.2.3 Pier

The present historical character of the pier should not be changed by adding commercial structures. Specialty commercial on and adjacent to the pier should be limited to existing square footage in order not to detract from Main Street. The quality of existing structures and uses should be upgraded. Expansion of specialty uses adjacent to the pier may be warranted but should not be permitted until the Main Street project is established. Upgrading the pier should also take a second priority to Main Street.

### 6.2.4 High Rise Development

High rise residential development should be permitted in all high density residential areas with highest priority given to the ocean front area between 6th and Goldenwest Streets. A residential high rise ordinance should be pursued to insure that residential high rise structures become an integrated part of Downtown development with minimal adverse environmental impacts. Also, for the same reason, the existing commercial high rise ordinance (MS Suffix) should be revised for application



in the Planning Area. Generally, all tourist commercial and general commercial areas should permit high rise structures.

#### 6.2.5 Old Civic Center Site

The old Civic Center site should be retained for public use as a combination library/community service center/park complex to serve the Downtown and Townlot Areas. The Planning Department feels that the public benefit accruing from this use outweighs the financial return. UPI (Memorandum Report No. 6) indicated that sale of the site would bring \$349,000.

#### 6.2.6 Park Needs

A minimum of two neighborhood parks should be provided within the study area. Also, increased community park facilities should be provided for the Planning Area by developing the neighborhood parks with community park facilities.

#### 6.2.7 Development of Small Lots

The City should insure that lot consolidation occurs within the Downtown commercial areas and the proposed high density residential area along the ocean front.

#### 6.2.8 Role of City-Owned Property

City-owned property in the areas west of Lake Street should be used to assist in lot consolidation. The 45 acres between Huntington and Beach Boulevard should provide the entrepreneurial option of tourist commercial development.

#### 6.2.9 Development of Major Parcels

It is recommended that the 17-acre parcel at the northwest corner of Atlanta and Beach Boulevard and the 35-acre parcel at the southwest corner of the same intersection be rezoned to residential use. There is no other near term feasible use for these properties. Neither parcel has existing development or other encumbrances. With near term development assured if residential rezoning occurs, significant financial benefits from tax increments can be accrued (if the redevelopment agency is utilized). The mobile home park at Atlanta and Huntington Streets is assumed to be a transitional use and development to its designation on the concept plan would not occur for many years. It is assumed that the Huntington Beach



Company property between Huntington and Lake Streets will not be ready for development within the next five years. The tourist commercial designation has been placed upon the property to provide for the option of tourist commercial uses. It is recommended that this designation be for 5 years only at which time the City should reevaluate the role this parcel should play in the Downtown Plan.

6.2.10 Mass Rapid Transit Corridor

The City should continue to support the Orange County Transit District mass rapid transit line into Huntington Beach. Since the corridor focuses on the Southern Pacific Railroad right-of-way and Lake Street has been recommended to connect with Garfield Avenue, the City should request the Orange County Transit District to financially assist in preserving the corridor by either acquiring the railroad right-of-way and sufficient adjacent land for an MRT line, or by combining the railroad right-of-way with Lake Street to form a multi-purpose arterial highway/transit corridor. Immediate action is necessary as development pressures on adjacent land are increasing.

6.2.11 Mass Rapid Transit Terminal

The City should pursue, through Orange County Transit District and the Urban Mass Transit Administration, the development of a phased mass transit terminal in the Planning Area.

6.2.12 Provision of Low and Moderate Housing

Up to 20 percent of all new residential units in the Planning Area should be devoted to low and moderate income families. All available techniques such as rent supplements in existing units and new construction, rehabilitation programs, home ownership, write down subsidies, and provisions of the new California Home Financing Agency should be utilized.

6.2.13 Convention Center

Given present City finances and the general state of the economy, the concept of a City-sponsored convention center should be abandoned and the hotels located in the Planning Area encouraged to provide convention facilities for at least 1000 persons with one facility for at least 600.



#### 6.2.14 Traffic Circulation

The external and internal arterial street system should be modified as recommended by JHK and Associates. A street improvement program should be developed for the study area. The City should continue to encourage and provide for public transportation to relieve the traffic burden on the City's arterial street system.

#### 6.2.15 Parking

Adequate parking must be provided in the revitalized Downtown commercial areas. Parking should be insured by forming a parking district, providing on site parking in consolidated areas, or requiring a development fee earmarked for parking. Although parking is important, it should not become a priority unto itself as in the Top-of-Pier Plan, but should be provided as part of development plans within the project area.

#### 6.2.16 Townlot Area No. 5

Townlot Area No. 5 has one of the highest potentials along the Coast and is relatively undeveloped. To allow this area to develop on a lot by lot basis into four or six unit apartment structures would waste a valuable resource. It is recommended that the City commit to a residential standard for this area that would require a larger minimum lot size than present City ordinances for low and multi-story structures (up to 4 or 5 stories) and a sliding scale of minimum lot sizes for structures over 5 stories. Economic incentives should be planned for lot consolidation and the City or the redevelopment agency should be willing to acquire land in situations where these minimum standards cannot be met. This is the only way lot consolidation can be effectuated.

#### 6.2.17 Relocation of Downtown Post Office

The Postal Service should be requested not to relocate the Main Street Branch to Main and Hartford Avenue. The facility should be relocated in the heart of the Downtown commercial area where it will provide better service and assist the revitalization effort by consolidating lots and providing new development which can have a catalytic effect on attracting other development.



## 7.0 IMPLEMENTING THE RECOMMENDED DEVELOPMENT CONCEPT

### 7.1 The Community Redevelopment Agency Approach

Provided by Urban Projects Inc., the following summary of the Community Redevelopment Law of the Health and Safety Code for the State of California illustrates the more salient features in an effort to illustrate the availability of legislation to undertake a program of community revitalization. California's law has proven to be a most effective tool for community revitalization, inasmuch as financing to pay for the public costs involved can be arranged without imposing any additional burden on the taxpayer.

#### 7.1.1 The California Community Redevelopment Law

For many communities, the use of the California Community Redevelopment Law is often the only effective way in which deteriorating land use patterns can be made more economically productive. For these communities, the Law also often represents the only way that land can be assembled and public improvements financed without placing an added burden on the property taxpayer.

Redevelopment is often necessary because private enterprise alone is unable to assemble the sites necessary



to make such land economically more productive. Of equal importance, private enterprise is often not willing to make the longer investment necessary to assemble improved land when other opportunities to develop less expensive sites are available. Redevelopment is necessary to make sites in deteriorated areas competitive with other site development opportunities which are not so encumbered.

The Law allows the governing body of any city, county, or other jurisdiction to find that there is substantial blight in specific sections of the jurisdiction and that there is need for redevelopment to correct such blighted conditions.

The first step which must be taken by any city is for the City Council to enact an ordinance providing for the establishment of an Agency and declaring its need. Thereafter, the Agency designates parts of the community as the area to be surveyed (survey area) to determine whether it would be feasible to undertake one or more redevelopment project areas from within the survey area. Normally, the Planning Commission of the community is directed to make such determination and to select one or more "Project Areas." In the case of the Downtown Area, these preliminary steps have already been taken. It is within these Project Areas that the Agency may use the basic "tools" provided for by the Redevelopment Law; namely, the ability to assemble or to acquire land for public or private reuse, the ability to finance the public investment in order to cover the public costs involved, and the use of the land and development controls needed to insure that the desired development takes place. It is also from within these Project Areas that "tax increment" revenues are generated which, in turn, support the financing for the public or municipal costs involved.

It is important to re-emphasize that a community must first elect to create a Redevelopment Agency. Then, it must direct the Planning Commission to survey existing sections of the community to determine the feasibility of undertaking one or more redevelopment projects within the survey area.

In order to establish a Project Area, it is first necessary for the Agency to determine the existence of blighting conditions within the Project Area, and it must further determine that redevelopment is necessary to correct such conditions. Blight as defined by law includes, but is not limited to, the so-called deteriorated areas, areas neglected by absentee landlords, areas that



are underdeveloped, areas of inadequate lot sizes, mixed uses which are obsolete or dysfunctional, and lack of adequate public improvements.

#### 7.1.2 Redevelopment Agency Capabilities and Limitations

Within the scope of the Law, the Agency has broad powers to implement a Redevelopment Plan. The Agency must also adhere to recent amendments to the Law which require citizen participation in planning and implementing projects, sufficient advance notice to property owners, payment of fair market value for properties acquired, and payment of relocation benefits to those displaced. The Agency may acquire land through legal means, including the use of eminent domain. It may construct public improvements, alone or in cooperation with other public authorities. It may clear and grade land for resale to persons who agree to develop the land in accordance with the Redevelopment Plan.

This ability that the Agency has to sell land only if the developer agrees to build in accordance with certain specifications is a very important way for the city to ensure sound development. Any lease or sale of land by the Agency may be made without public bidding, but only after a public hearing has been held on the proposed leases or sales. The Law does require that land acquired by the Agency be sold for the fair market value of the use to which the land will be put under the Redevelopment Plan. In some cases, it is not the same price the Agency paid for acquisition of the individual parcels of land which make up a development site. For example, the "fair market value" for an assembled site for shopping center use may be substantially lower than the price paid by the Agency for the individual parcels acquired.

The Law also requires that existing property owners and tenants within a Redevelopment Area be given the first opportunity to participate in the revitalization of the Project Area and to relocate within that area upon completion of redevelopment proposals.

#### 7.1.3 Redevelopment Tools

Two important tools in the redevelopment law are the ability of the Agency to acquire land and to provide relocation benefits for displaced site occupants. The Agency can assemble separate parcels of land through acquisition; in addition to paying fair market value for property acquired, the Law further provides that the Agency must make relocation payments to those who are

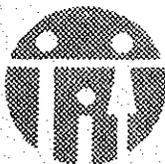


displaced. The payments are in addition to the amount paid for real property acquired by the Agency, based upon fair market value, and are not subject to income tax provisions.

The Law provides that a Redevelopment Agency may obtain financing from any legal source. Thus, the Agency is authorized to accept loans or grants from agencies of the federal government, the state government, or any other public agencies. As a practical matter, however, most agencies borrow their initial seed money from the municipality (i.e., the city) in which they are located. These funds are to finance the cost of necessary planning, special legal counsel, and other expenses of a similar nature necessary in the preparation of the Redevelopment Plan for the Project and commencement of implementation.

It is the long-range financing feature of the Law which is unique in California and which makes redevelopment feasible. The Law provides that upon the adoption of the Redevelopment Plan, the total assessed value of all real property within the Project Area are computed and established. These total assessed valuations form what is referred to as a "base roll" for purposes of determining any increase in property assessed values within the Project Area, which may result because of new development. Against this "base roll," the taxing entities (i.e., the city, school districts, county, etc.) levying taxes within the Project Area continue to levy such taxes from the Project Area as they did prior to the adoption of the Redevelopment Plan, as long as the assessed property values stay constant or go up.

If the redevelopment succeeds, the effect of the Agency's activities in implementing the Plan should raise assessed valuations within the Project Area above those of the "base roll." Taxes levied by the taxing entities against any increase in assessed valuation over the "base roll" are collected and remitted to the Agency, not the respective taxing entities. This applies only to the taxes received from the increase or "increment" over the frozen "base roll." The real estate or ad valorem taxes produced by any "increment" in assessed valuation over the "base roll" become the Agency's property and constitute the Agency's income stream. When the Agency can establish with some certainty that such tax allocation or tax increment revenues will be forthcoming in sufficient amounts, it may then seek to obtain outside long-term financing by selling municipal bonds known as tax allocation bonds. These bonds are obligations solely



of the Redevelopment Agency and not of the city. The tax increment revenues received by the Agency from increases in assessed valuations over the "base roll" are pledged by the Agency to secure any bonds it may issue.

The example in Figure 7.1 graphically illustrates how tax increment revenue is generated by redeveloping a parcel to a higher, more intense land use. Prior to redevelopment, the parcel used in the example was comprised of a number of smaller parcels with vacant land and industrial uses. After redevelopment, the example parcel has on it a commercial development with a substantially greater assessed valuation, which produces higher real estate taxes. The "increment" in real estate taxes becomes the revenue or income stream of the Agency, which it can use in a variety of ways, including financing parking facilities to help make development economically feasible.

#### 7.1.4

#### Summary of Community Redevelopment Agency Approach

In summary, the California Community Redevelopment Law has the following main features:

1. Comparatively simple legal process to get started. From forming the Agency to adopting a "Redevelopment Plan" can usually be done in six months or less if there is a need to move quickly. It is important, however, that citizen attitudes be properly addressed in considering whether or not to establish an Agency. If a Redevelopment Project is financially feasible, the Agency's costs should be capable of being met completely from tax increment revenues.
2. Control is local, usually only the local City Council and City Staff are involved, thus greatly simplifying project planning and negotiations.
3. The Agency has the three very important tools needed for project implementation: (a) eminent domain when necessary for land assembly; (b) tax allocation bond and other financing capability for financing the costs of the public improvements; and (c) relocation payments to protect displacees to, in effect, make them financially whole if they are forced to relocate because of Agency activities. These tools are usually needed to make "in-town" projects feasible.





## 7.2 Financing Redevelopment

There are other funding sources available for redevelopment projects.

### 7.2.1 Housing and Community Development Block Grants

Huntington Beach is scheduled to receive over six million dollars in block grants funds through 1980. Many of the activities to be undertaken in the Downtown Area are eligible for funding through the HCD Program. However, the act requires an assessment of total community needs with citizen participation to determine where the funds will be allocated. This places the Downtown Area in a position of competing with other areas of the City for these funds.

### 7.2.2 Other Sources

The primary source of public funding is the federal government. Many agencies such as the Economic Development Administration and Urban Mass Transit Administration have programs applicable to funding projects in the Downtown Area. A key factor in securing funds is to find programs that are flexible. With an imaginative approach, the project may be able to be matched to program objectives. Also, persistence and an aggressive posture are necessary, as there is keen competition for limited funds.

## 7.3 Recommended Implementation Program

The Planning Department recommends the following program be followed to implement the recommended development concept.

### 7.3.1 General Plan Amendment

A General Plan Amendment based on the recommended development concept be immediately pursued by the Planning Department as a top priority program.

### 7.3.2 Preliminary Redevelopment Plan

The Project Area Committee uses this study and its supporting documents to develop a preliminary Redevelopment Plan according to State law.

### 7.3.3 Final Redevelopment Plan

Upon completion of the Preliminary Plan and citizen participation phase, a final Redevelopment Plan can be formulated for adoption according to State law.



#### 7.3.4 Revisions to Zoning and Development Regulations

Upon adoption of the Redevelopment Plan, the Planning Department can proceed to formulate revisions to zoning and development regulations necessary to implement the Redevelopment Plan.

#### 7.3.5 Development Plans within the Redevelopment Project Area

The Redevelopment Project Area contains 487 acres. In order to implement the Redevelopment Plan, a number of "Development Plans" within the Redevelopment Project Area may be necessary. Understandings have been reached between VTN and the City to exclude their involvement outside the five block area, the blocks adjacent to Main Street from Walnut to Orange Avenues, and the pier. However, now that the City is on the steps of formulating a Redevelopment Plan and activating the Agency, it is necessary to specifically define VTN's role and responsibilities. Within the overall concept of a Redevelopment Agency, it is recommended that VTN's role be limited to a development plan for the five block area and the pier. This recommendation may conflict with recommendation 6.2.1 "Main Street". Therefore, Staff recommends that further negotiations take place to delineate areas of responsibility and avoid conflict.

#### 7.3.6 Funding the Redevelopment Agency

Since the Redevelopment Agency will need funds to develop the plan and initiate the redevelopment project, it will be necessary for the City to provide funds for that purpose. Considering present fiscal constraints upon the City and the fact that the Staff has encountered difficulty in implementing the HCD revolving fund for lot consolidation, the Planning Department recommends that the City Council amend the 1975 Community Development Program to re-allocate this fund to the Redevelopment Agency for planning management and acquisition activities. The problem with the revolving fund is that the only way the City can utilize it is through the Redevelopment Agency. Any acquisition and disposition activities with this money will still have to be handled on a revolving fund basis. The Community Development Program must be amended by HUD procedures, which include holding a public hearing.

