

**ENVISIONING CHINO:
IMPLEMENTING THE 2025 GENERAL PLAN**

DEVELOPMENT SCENARIOS GUIDEBOOK

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COMPASS BLUEPRINT PROGRAM

This is a project for the City of Chino with funding provided by the Southern California Association of Governments’ (SCAG) Compass Blueprint Program. Compass Blueprint assists Southern California cities and other organizations in evaluating planning options and stimulating development consistent with the region’s goals. Compass Blueprint tools support visioning efforts, infill analyses, economic and policy analyses, and marking and communication programs.

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INTRODUCTION

Purpose

What would Chino look and feel like if some areas were to redevelop into integrated mixed-use districts? Could these areas respond to future market demand for more compact and pedestrian oriented environments and still maintain Chino's small town feel? Is such a thing even feasible?

The Development Scenarios Guidebook shows what financially feasible redevelopment could look like for five illustrative sites in the city. These are not development plans or new regulations, but rather the six scenarios simply illuminate one possible future. The Development Scenarios Guidebook provides a foundation and reference to foster a public discussion about what Chino's future should be.

Background

The City of Chino is updating its General Plan. The update includes a future growth vision for several areas where more intense development could be consistent with the City's overall vision. These places, with healthy transportation options and a small-town feel, provide for residents' daily needs. The vision addresses the General Plan's overall theme of public health: mixing uses in an area makes walking and biking viable alternatives to driving for many daily activities and makes public transit a more competitive alternative for commuting. Getting people out of their cars reduces air pollution and increases physical activity.

To achieve these health benefits, however, mixed-use projects need to have housing as one component. In 1988, the voters of Chino adopted initiative Measure M. This measure requires voter approval for most zoning or general plan changes that would increase residential densities from the regulations in place in 1988 or that would allow residential uses where they were previously not permitted. Thus, achieving mixed-use redevelopment in the three focus areas will require a public vote.

In 2009, the Southern California Association of Governments (SCAG) awarded the city a Compass Blueprint Demonstration grant for the Envision Chino: Implementing the 2025 General Plan project. The city intends this project to provide an understanding of what the envisioned mixed-use development could look and feel like and to understand the economic realities of redevelopment in the focus areas.

This document is one part of the SCAG-funded demonstration project. A separate Economic and Market Analysis document provides a thorough forecast of future market demand and develops the pro forma analysis that evaluates the financial feasibility of the illustrative projects presented in this document. The demonstration project will also provide an implementation tool kit with graphics, plans, and summary information that can be used to facilitate public discussion about the mixed-use development envisioned in the General Plan update.

Project Area and Opportunity Sites

The Development Scenarios Guidebook explores the development potential of six opportunity sites among three focus areas identified in the updated General Plan's future growth vision. Map 1 on the opposite page shows three focus areas and the location of each opportunity site.

Central and Walnut Study Area

Located along Walnut and Central avenues, south of Central's interchange with the CA-60 freeway, this area contains several older strip shopping centers with large parking areas. The eastern part of the study area includes a post office and Chino Valley Medical Center. Adjacent to the project area's northeast corner is a former Home Depot, which the city will repurpose for a new public safety complex. The General Plan update envisions this area transitioning to mixed-use development, with a focus on providing neighborhood-serving retail.

- Opportunity site 1A is located at the northwest corner (NWC) of Walnut and Central avenues
- Opportunity site 1B is located at the SWC of Walnut and Central avenues.

Riverside Drive East Corridor Study Area

Located along Riverside Drive east of Central Avenue, this area contains a variety of housing, some residential buildings that have been re-used for retail service businesses, stand-alone retail businesses, a strip retail center, and a few vacant parcels. Although there are some residential uses fronting on Riverside, the majority of the adjacent land uses are commercial. The General Plan update envisions this area transitioning to primarily multi-family housing with a limited amount of retail and office development.

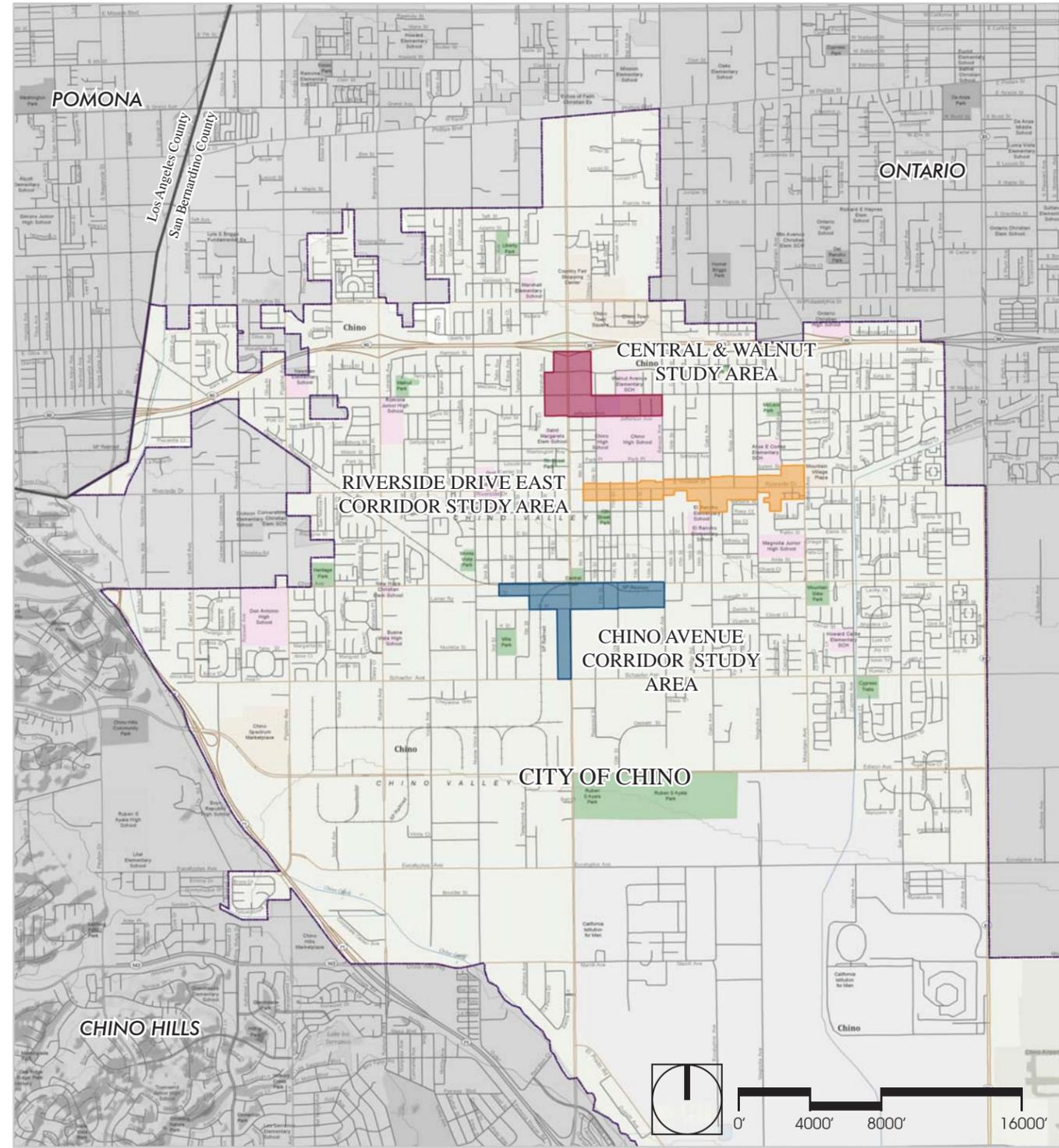
- Opportunity site 2 is located on the north side of Riverside Drive, between Oaks and Bensen avenues
- Opportunity site 3 is located at the SWC of Riverside Drive and Magnolia Avenues
- Opportunity site 4 is located on the south side of Riverside drive, between 11th and 12th streets

Chino Avenue Corridor Study Area

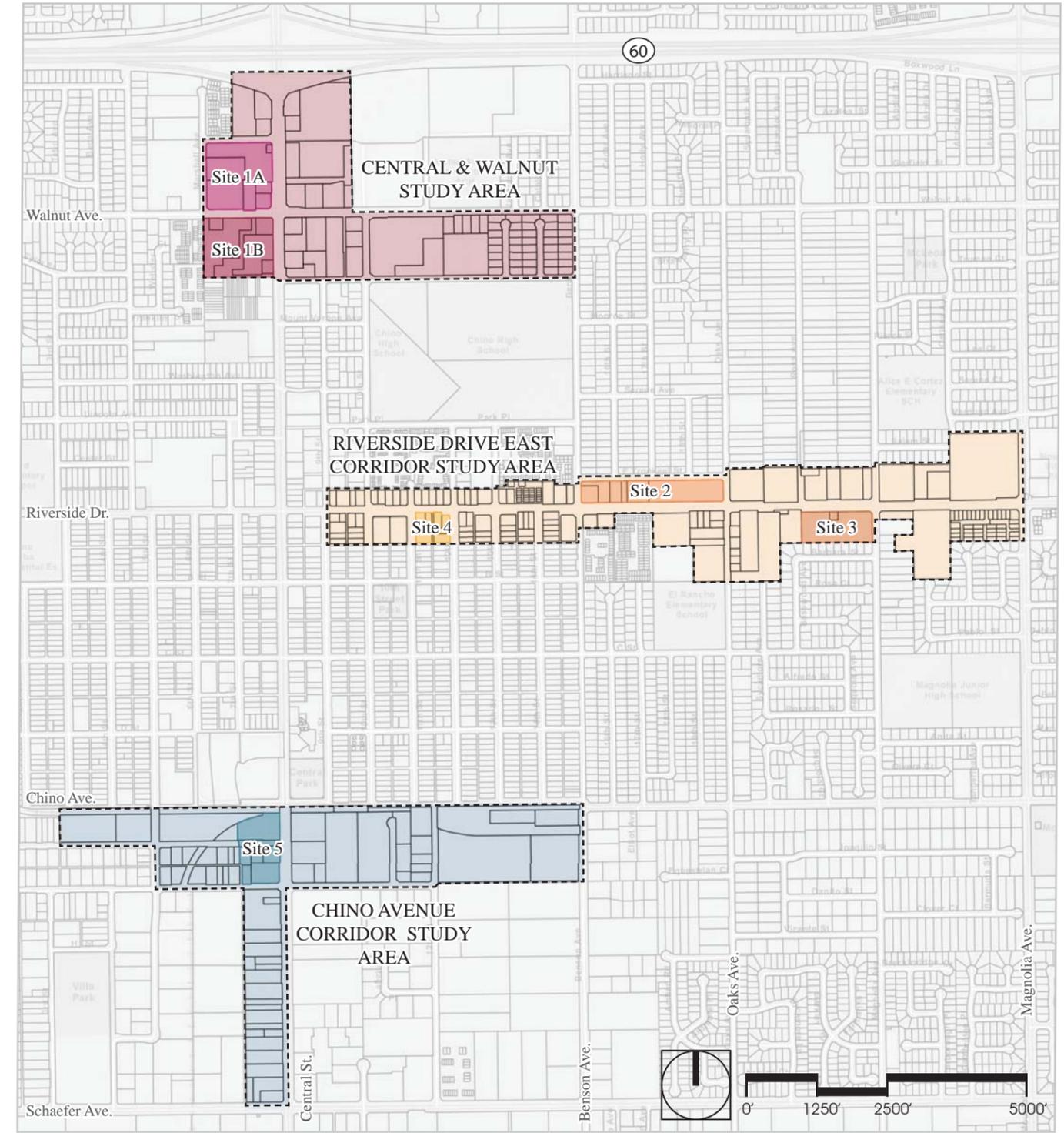
This study area includes the downtown industrial area along Central Avenue, between Chino and Schaefer avenues. Immediately to the north of Chino Avenue are the civic center complex, future public uses, and the Chino Transit Center. The updated General Plan envisions this study area transitioning to higher-intensity, mixed-use development than is considered for other areas. The focus may be on transit-oriented development around transit center, potential connections to Metrolink, and additional civic uses such as a large performance space.

- Opportunity site 5 is located on the west side of Central Avenue, between G street and the railroad tracks

Focus Areas



Opportunity Sites



CENTRAL & WALNUT STUDY AREA—SITES 1A & 1B



AFTER



BEFORE

Site 1A Street View



AFTER



BEFORE

Site 1B Street View

Sites 1A & 1B: Mixed-use Redevelopment

The illustrative development of these two sites includes acquisition of two aging strip commercial centers with fractured ownership, demolition of existing buildings, and construction of new multi-family residential buildings, residential-retail mixed-use buildings, and stand-alone retail buildings.

This page describes the two building types that are on both sites. The following two pages describe the residential building types that are unique to each site and provide information about the illustrated development for each site.

SITES 1A & 1B PLAN VIEW



MAIN ST. WALK MIXED-USE BUILDINGS

Product Description

The mixed-use buildings provide retail space and covered parking on the ground floor and residential units above. The project as illustrated includes only one level of residential, but the product type can expand vertically to two or three floors of residential units. Each building's ground-floor retail area includes 4,400 square feet that can be subdivided for multiple tenants. The ground-floor parking includes seven individual garages on the side for residential units, and a covered parking area with another 20 covered spaces for residential units and guests. Each site provides a different amount of uncovered surface parking for the ground-floor businesses. Each building provides five 800 square-foot 1-bedroom units and six 1,100 square-foot 2-bedroom units.

Target Market

Because the mixed-use buildings would represent a relatively new product type in the market place, the target market would more likely be renters rather than buyers. Financially, the mixed-use buildings perform better as a for-sale product than as a rental product, so if one site (either 1A or 1B) develops first, it might create a track record enabling the other site to develop the mixed use buildings for purchase rather than for rent.

The one bedroom units, with an estimated lease rate of \$1,076 per month, would be affordable to moderate-income 1- and 2-person households. The two-bedroom units, with an estimated lease rate of \$1,298, would be affordable to moderate-income 3- and 4- person households, but not moderate-income 2-person households.

STAND-ALONE RETAIL

Product Description

Site 1A includes two stand-alone retail buildings, one at 6,488 square feet and the other at 7,831 square feet. Site 1B includes a single stand-alone retail building at 15,300 square feet. Each building can provide for a single tenant or be subdivided for multiple tenants. Under current market conditions the financial feasibility of new retail development is tenuous and depends greatly on the value of any existing building that has to be purchased and demolished (this is true for all sites covered in this guidebook). Because new retail development is marginally feasible at best, it provides a higher return if it is leased for five years and sold, rather than sold at the outset of the project.

Target Market

The Central and Walnut study area and the Riverside Drive study area are in retail trade areas with excess commercial building space. The illustrated projects, however, entail demolition of much or all of the excess retail building space. The new retail buildings are of a size that they would most likely attract convenience goods and services businesses catering to the neighborhood trade area.

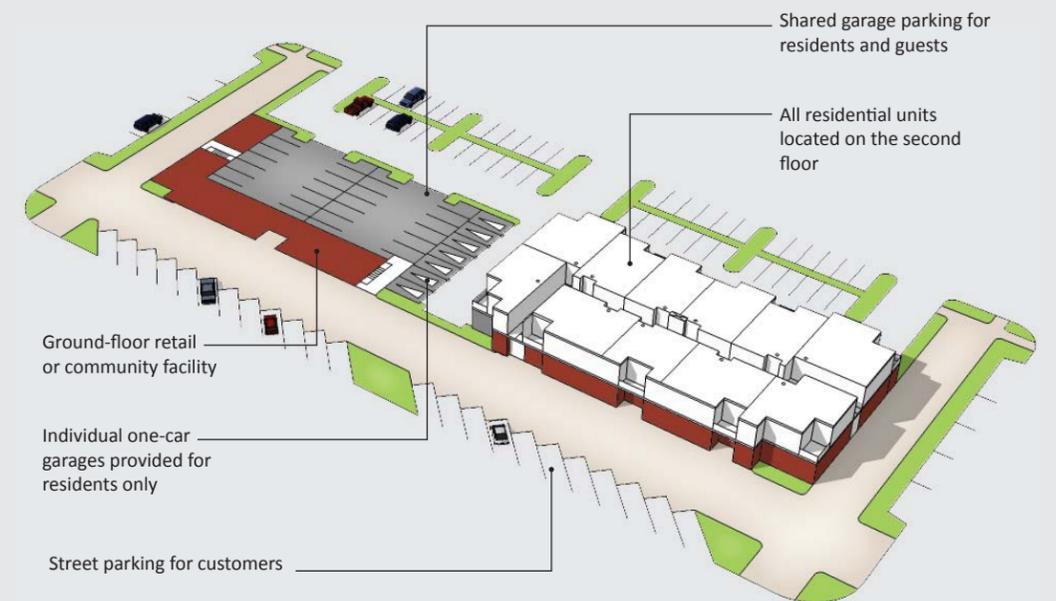
PODIUM APT. (MIXED USE)

Density: 16 du/ac
Retail: approx. 4,400 sf
Building Height: 2 stories
Parking: 31 spaces in building
Units per Building: 11 du
Unit Mix

Type	Avg. Size	Units	Mix
1BD	800 sf	5	45%
2BD	1,100 sf	6	55%

Prototype: Main Street Walk - MU
Architect: Tom Cox Architects

** Original prototype is a 4-story building with 31 units per building achieving a density of up to 45 du/ac.*



Site 1A: Mixed-use Development with Main Street Walk Townhouse and Flats

Product Description

The illustrative development includes nine multi-family residential buildings that step back from two to three stories, one two-story residential-retail mixed-use building, and two single-story stand-alone retail buildings. As shown, the site provides a small park area for residents, although this area could be used to accommodate one additional residential building to improve the project's financial feasibility. Six of the residential buildings contain five two-story town houses and seven single-story flats, while the remaining three buildings have eight townhouses and two flats. The units are a mix of 1,160 square-foot 2-bedroom units and 1,270 square-foot 3-bedroom units.

Each residential building provides about 1.8 covered parking spaces per unit. The development provides another 12 surface parking spaces for guest parking, for an overall residential parking ratio of 2 spaces per unit. The retail portion of the site provides 76 surface parking spaces for a ratio of 5.3 spaces per 1,000 square feet of retail floor area. The mixed-use building provides 20 covered spaces for residential units and guests (1.8 per unit) and 8 surface parking spaces for the ground-floor businesses (2 per 1,000 square feet of commercial floor area).

Target Market

Although the residential buildings could be developed for rent, they would most likely be targeted to first-time home buyers. The 2-bedroom units, with an estimated sales price of \$256,393, and the 3-bedroom units, with an estimated sales price of \$263,681, would not be affordable to 2-, 3-, and 4-person moderate-income households, although the 3-bedroom unit would be affordable to moderate-income households with a 10 percent down payment. The 2-bedroom units would be affordable to 3-person moderate-income households with a 21 percent down payment, and the 3-bedroom units would be affordable to 4-person moderate-income households with a 15 percent down payment.

Feasibility

The pro forma analysis estimates the site's market-value acquisition cost at \$18,865,700. The analysis estimates a \$13,528,000 residual land value with a 20 percent IRR, leaving a feasibility gap of \$5,337,700. Omitting the retail portion from the project only marginally improves the feasibility gap. If site 1B were to develop first, the mixed-use building could be developed for sale, lessening the feasibility gap to \$4,424,334. The lowest feasibility gap is found by eliminating the park and adding one more 10-unit building, adding a third story to the mixed-use building, selling rather than leasing the mixed-use building, and omitting the retail portion of the project. In this case, the feasibility gap would be \$1,087,400. It might be possible to eliminate any feasibility gap by using a different residential product type with substantially more third-floor residential space. If the City desires to see this site redevelop, it will have to decide if it would warrant funding through the community redevelopment agency to obtain desirable characteristics such as less density (less third floor residential space as illustrated in the development as shown) and some functional open space.

Site 1A Pro Forma Summary

Total Development Costs	\$26,800,000
Amount Financed	\$19,374,000
Equity Required	\$7,426,000
Project NPV @ 15% discount rate	\$764,300
IRR	20.0%
Residual Land Value	\$13,528,000
Site's Estimated Market Value	\$18,865,700
Excess Value / (Feasibility Gap)	\$(5,337,700)

Site 1A Site Breakdown

Building	2.5 ac	32.9 %
- Residential	1.8 ac	75 %
- Mixed-Use	0.4 ac	12.5 %
- Commercial	0.3 ac	12.5 %
Open Space	2.5 ac	32.9 %
- Residential	1.7 ac	68 %
- Mixed-Use	0.2 ac	8 %
- Commercial	0.6 ac	24 %
Street/Parking	2.6 ac	34.2 %
- Residential	1.1 ac	41 %
- Mixed-Use	0.1 ac	7 %
- Commercial	0.7 ac	26 %
- Thru Street	0.7 ac	26 %
Total	7.6 ac	100 %

Site 1A Residential Summary

Area	4.6 ac
Unit Yield	96 du
Density	21 du/ac
Recreational Space	35,600 sf
Parking	171 spaces

Site 1A Mixed-Use Summary

Area	0.7 ac
Unit Yield	11 du
Density	16 du/ac
Commercial	4,400 sf
Parking	39 spaces
- Residential (covered)	22 spaces
- Commercial	17 spaces

Site 1A Commercial Summary

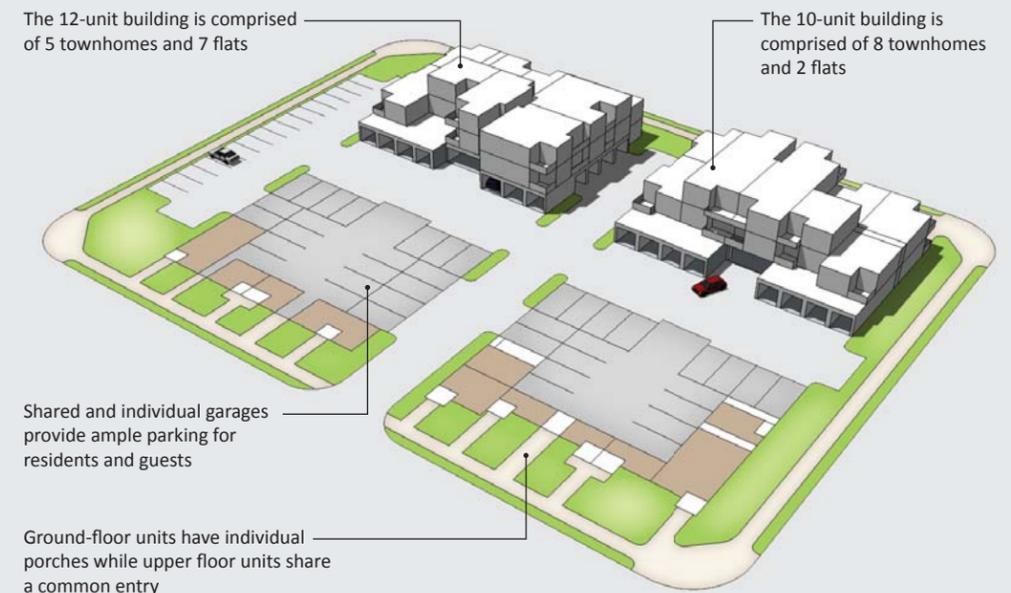
Area	1.6 ac
F.A.R.	0.23
Leasable Area	14,320 sf
Parking	76 spaces

TOWNS & FLATS

Density: 21 du/ac
 Building Height: 2 to 3 stories
 Parking: 18 to 21 spaces in building
 Units per Building: 10 to 12 du
 Unit Mix

Type	Avg. Size	Units	Mix
2BD	1,160 sf	6 to 7	60%
3BD	1,270 sf	4 to 5	40%

Prototype: Main Street Walk - Scheme A/B
 Architect: Tom Cox Architects



Site 1B: Mixed-use Development with Next 40 Gardencourt Apartments

Product Description

The illustrative development includes three three-story gardencourt apartment buildings, two two-story residential-retail mixed-use buildings, and one single-story stand-alone retail building. Each gardencourt apartment building includes nineteen 870 square-foot 1-bedroom residential apartments and twenty-two 1,050 square-foot 2-bedroom apartments.

Each gardencourt apartment building provides 26 covered parking spaces (three of which are tandem 2-car garages). In total, for the three buildings, this site would provide 87 covered parking spaces and 148 surface parking spaces, for 1.9 spaces per unit. For the two mixed-use buildings, the site would provide 54 covered parking spaces for the residential units (2.4 per unit) and 42 surface parking spaces for the ground-floor businesses (5 spaces per 1,000 square feet of commercial floor area). For the 15,300 square-foot stand-alone retail building, the site would provide 61 surface parking spaces (4 per 1,000 square feet of retail floor area).

Target Market

Because the gardencourt apartments do not provide garages for each individual unit, they would mostly likely be developed as rentals. With one- and two-bedroom units, these apartments would target singles, couples, and small families. The one-bedroom units, with an estimated monthly lease rate of \$1,076, would be affordable to moderate-income 1- and 2-person households. The two bedroom units, with an estimated monthly lease rate of \$1,298, would be affordable to moderate-income 3- and 4-person households.

Feasibility

The pro forma analysis estimates the site's market-value acquisition cost at \$14,497,300. The analysis estimates a \$13,637,000 residual land value with a 20 percent IRR, leaving a feasibility gap of \$860,300. Thus, to develop the site as shown under current market conditions, the City would have to provide a subsidy of just under \$1 million. If site 1A were to develop first, then it might be possible for the two mixed-use buildings to develop for sale rather than for rent. In this case, the site could be redeveloped with no subsidy. If this site were to develop before site 1A, then the two mixed-use buildings would have to be three stories rather than two for the redevelopment to be financially feasible without a subsidy.

Site 1B Pro Forma Summary

Total Development Costs	\$30,130,000
Amount Financed	\$22,990,000
Equity Required	\$7,140,000
Project NPV @ 15% discount rate	\$1,814,500
IRR	20.0%
Residual Land Value	\$13,637,000
Site's Estimated Market Value	\$14,497,300
Excess Value / (Feasibility Gap)	\$(860,300)

Site 1B Site Breakdown

Building	2.4 ac	33.8 %
- Residential	1.3 ac	55 %
- Mixed-Use	0.8 ac	27 %
- Commercial	0.3 ac	18 %
Open Space	1.6 ac	22.5 %
- Residential	0.9 ac	56 %
- Mixed-Use	0.3 ac	19 %
- Commercial	0.4 ac	25 %
Street/Parking	3.1 ac	43.7 %
- Residential	1.6 ac	52 %
- Mixed-Use	0.3 ac	12 %
- Commercial	0.5 ac	15 %
- Thru Street	0.7 ac	21 %
Total	7.1 ac	100 %

Site 1B Residential Summary

Area	3.8 ac
Unit Yield	123 du
Density	32 du/ac
Recreational Area	8,710 sf
Parking	235 spaces
- Covered	87 spaces
- Open	148 spaces

Site 1B Mixed-Use Summary

Area	1.4 ac
Unit Yield	22 du
Density	16 du/ac
Commercial	8,800 sf
Parking	86 spaces
- Residential (covered)	44 spaces
- Commercial	42 spaces

Site 1B Commercial Summary

Area	1.2 ac
F.A.R.	0.28
Leasable Area	15,300 sf
Parking	61 spaces

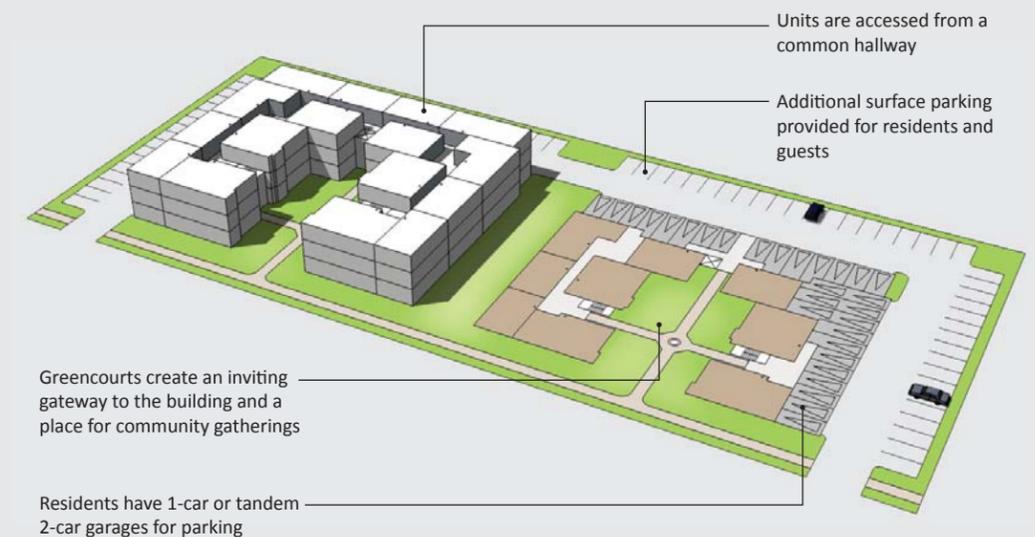
GARDENCOURT APARTMENT

Density: 32 du/ac
 Building Height: 3 stories
 Parking: 29 spaces in building
 Units per Building: 41 du
 Unit Mix

Type	Avg. Size	Units	Mix
1BD	870 sf	19	46%
2BD	1,050 sf	22	54%

Prototype: Next 40 - Greencourt
 Architect: KTGy

* Original prototype is a 4-story building with 54 units per building achieving a density of up to 44 du/ac.



RIVERSIDE DRIVE EAST CORRIDOR STUDY AREA—SITE 2



AFTER

Site 2 Street View



BEFORE

Site 2: Stand-alone Retail and Amelia Motorcourt Townhouses

Product Description

The motorcourt townhouse product provides seven buildings, each with 10 units: two 1,225 square-foot 2-bedroom 2-bathroom units; five 1,460 square-foot 3-bedroom 3-bathroom units; and three 1,758 square-foot 3-bedroom 3.5-bathroom units. The illustrated development also includes a single 13,690 square-foot neighborhood-serving retail building that could house a one or more tenants.

As shown, the development would provide two covered parking spaces for each residential unit, plus another 74 open spaces for additional and guest parking in the residential portion of the site (3.1 spaces per unit). The commercial portion of the site provides 4.7 spaces per 1,000 square feet of retail floor area. These parking numbers do not include the additional on-street parking shown on the plan view drawing.

Target Market

This townhouse product is best targeted at trade-up homebuyers and some first-time buyers. The 2-bedroom units, with an estimated sales price of \$261,000, would be affordable to a moderate-income 3-person household with a 22 percent down payment. The 3-bedroom units, with estimated sales prices of \$276,270 and \$296,015, would be affordable to moderate-income 4-person households with 19 and 24 percent down payments, respectively.

Feasibility

The pro forma analysis estimates the site's market-value acquisition cost at \$13,086,100. The analysis estimates a \$11,979,000 residual land value at a 20 percent IRR. As shown, then, the proposed project has a feasibility gap of \$1,107,100. If the IRR for capital investment declines to 15 percent in the future, the feasibility gap declines to \$289,000.

The retail component of the development, however, under performs under current market conditions. If the residential portion of the site were to develop as shown, leaving the Donut Avenue and the carwash out of the project, the remaining development would generate a residual land value that exceeds the estimated acquisition cost by \$1,387,200. Thus, if the City would like to see this site redevelop under current market conditions, it would have to either leave the western portion of the site out of the project or else contribute a \$1.1 million subsidy.

Site 2 Pro Forma Summary

Total Development Costs	\$20,140,000
Amount Financed	\$13,685,000
Equity Required	\$6,455,000
Project NPV @ 15% discount rate	\$710,700
IRR	20.0%
Residual Land Value	\$11,979,000
Site's Estimated Market Value	\$13,086,100
Excess Value / (Feasibility Gap)	\$(1,107,100)

Site 2 Site Breakdown

Building	1.5 ac	27.0 %
- Residential	1.2 ac	80 %
- Commercial	0.3 ac	20 %
Open Space	2.0 ac	36.5 %
- Residential	1.7 ac	85 %
- Commercial	0.3 ac	15 %
Street/Parking	2.0 ac	36.5 %
- Residential	1.5 ac	75 %
- Commercial	0.5 ac	25 %
Total	5.5 ac	100 %

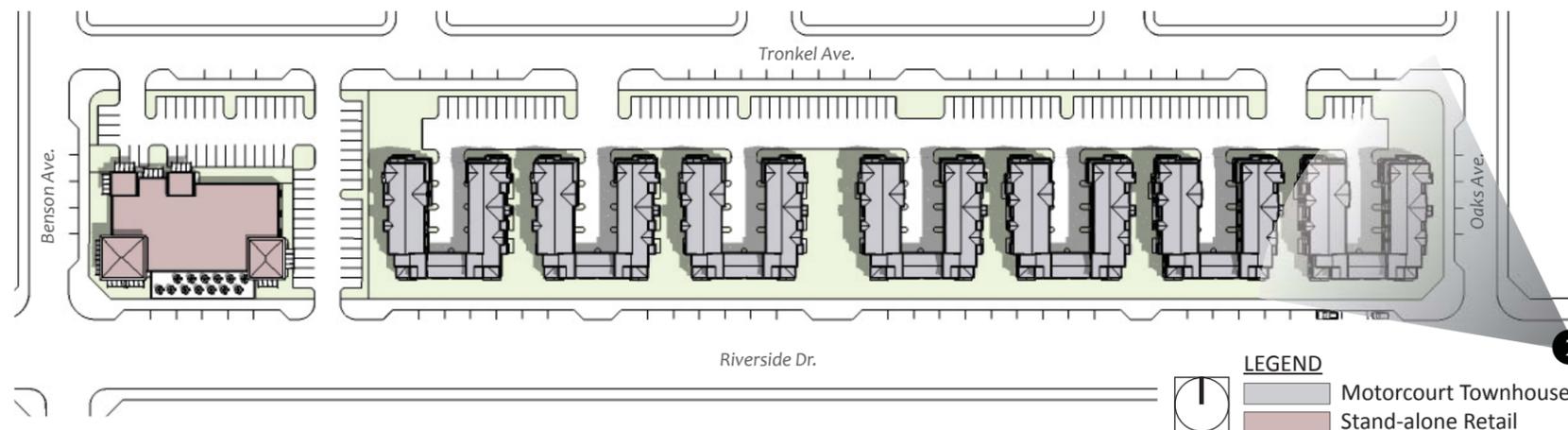
Site 2 Residential Summary

Area	4.4 ac
Unit Yield	70 du
Density	16 du/ac
Recreational Area	7,800 sf
Parking	214 spaces
- Covered	140 spaces
- Open	74 spaces

Site 2 Commercial Summary

Area	1.1 ac
F.A.R.	0.28
Leasable Area	13,690 sf
Parking	64 spaces

Site 2 Plan View

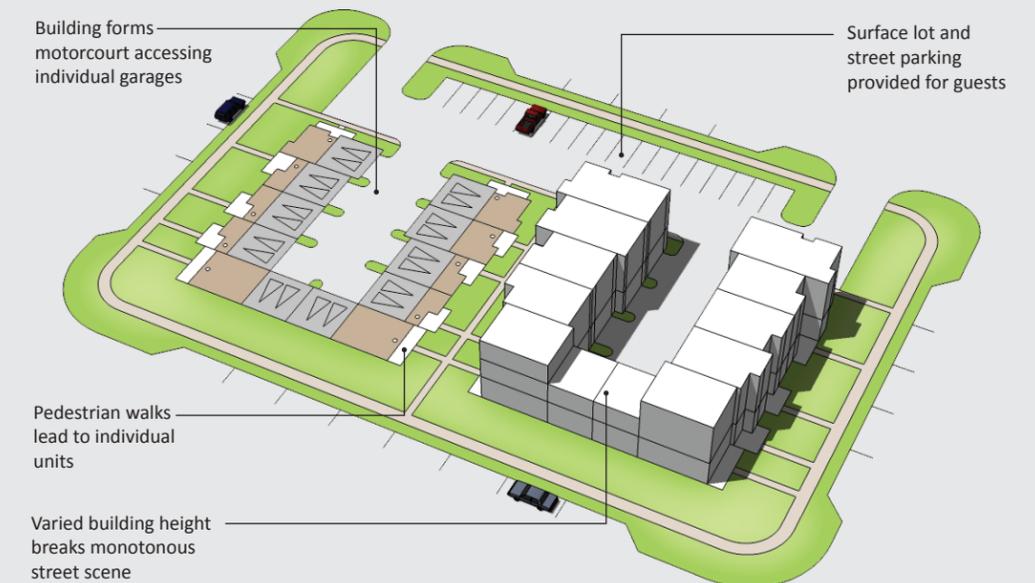


MOTORCOURT TOWNHOUSES

Density: 16 du/ac
 Building Height: 2 to 3 stories
 Parking: 2 car garage per unit
 Units per Building: 10 du
 Unit Mix:

Type	Size	Units	Mix
2BD/2BA	1,225	2	20%
3BD/3BA	1,460	5	50%
3BD/3.5BA	1,758	3	30%

Product Name: Amelia
 Architect: John Laing Homes



RIVERSIDE DRIVE EAST CORRIDOR STUDY AREA—SITE 3



AFTER



BEFORE

Site 3 Street View

Site 3: Meriwether Triplex

Product Description

This triplex product provides one 1,272 square-foot carriage unit apartment on the second floor and two 1,922 square-foot two-story townhouse units, with three two-car garages in each building (one per unit). As shown, the development has 26 triplex buildings yielding a density of 15 dwelling units per acre. The development would provide two covered parking spaces for each unit plus another 39 surface spaces for additional and guest parking, for a total parking ratio of 2.5 spaces per unit.

Target Market

This triplex product can be targeted at both first-time homebuyers and moderate-income trade-up buyers. Purchasers would likely be similar to those buying similar housing products at The Preserve.

The pro forma estimates the sales value of the 1,922 square-foot townhouses at \$307,000. Under the housing element / regional housing

needs allocation formula, this is affordable for a moderate income household of four persons (\$65,120) with a 15 percent down payment. While this down payment is higher than 10 percent used in affordability calculations, it is a reasonable down payment for a trade-up household with some equity in their existing home.

Feasibility

The pro forma estimates the site's market value acquisition cost at \$4,405,000. The analysis estimates a \$13,573,000 residual land value at a 20 percent IRR. While the \$9,168,000 difference might seem particularly lucrative, the fact that the site remains relatively undeveloped with just a handful of homes suggests that some level of financial incentive would be necessary to motivate the property owner to consider selling. If the site were acquired at the estimated market value, the development could be reduced to only 12 triplex buildings (a density of 6.9 units per acre) and still generate a 20 percent IRR.

Site 3 Pro Forma Summary

Total Development Costs	\$18,272,000
Amount Financed	\$10,974,000
Equity Required	\$7,298,000
Project NPV @ 15% discount rate	\$654,700
IRR	20.0%
Residual Land Value	\$13,573,000
Site's Estimated Market Value	\$4,405,000
Excess Value / (Feasibility Gap)	\$9,168,000

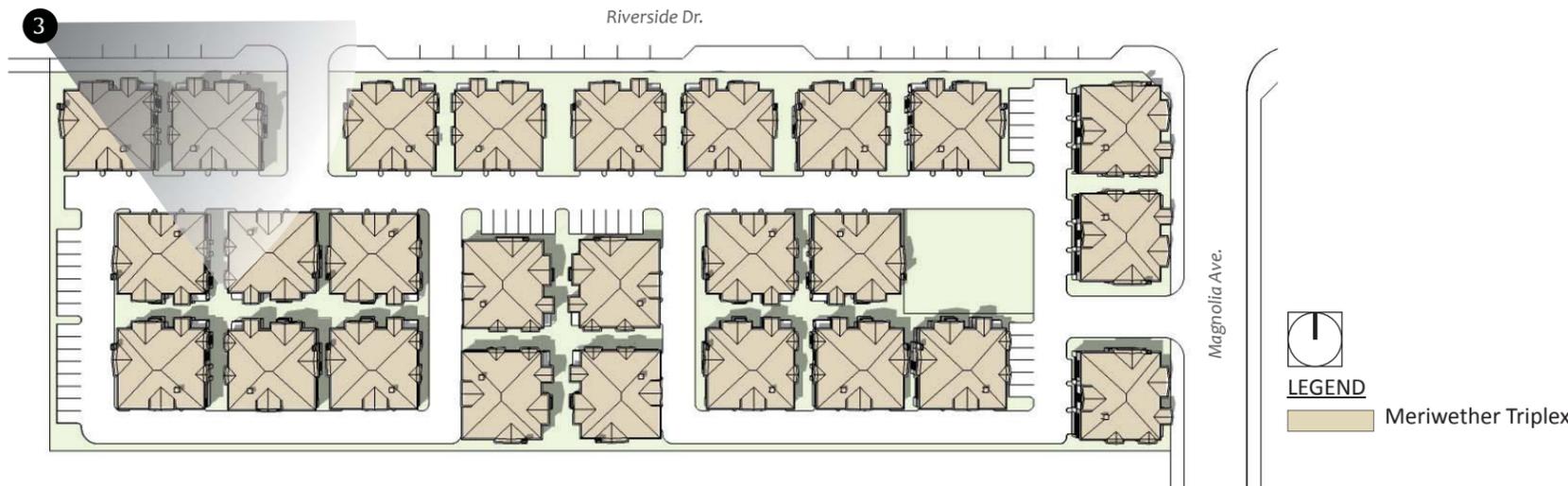
Site 3 Site Breakdown

Building	2.0 ac	38 %
Open Space	1.7 ac	33 %
Street/Parking	1.5 ac	29 %
Total	5.2 ac	100 %

Site 3 Residential Summary

Area	5.2 ac
Unit Yield	78 du
Density	15 du/ac
Recreational Area	7,200 sf
Parking	195 spaces
- Covered (2:1)	156 spaces
- Open (5:1)	39 spaces

Site 3 Plan View

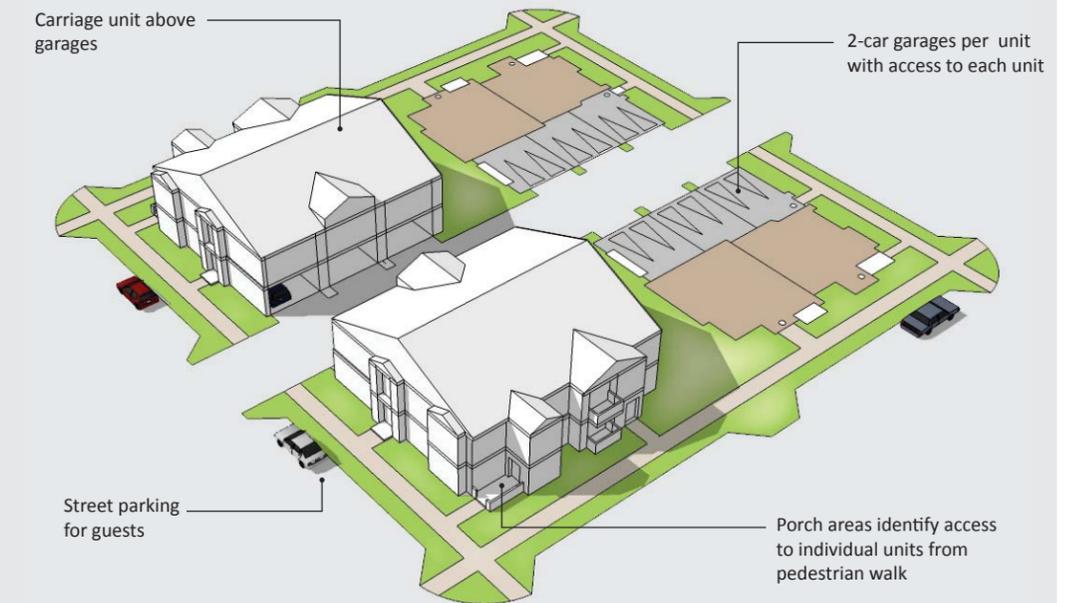


MERIWETHER TRIPLEX

Density: 15 du/ac
 Building Height: 2 stories
 Parking: 2 car garage per unit
 Units per Building: 3 du
 Unit Mix

Type	Size	Units	Mix
Carriage	1,272	1	33%
Townhome	1,922	2	66%

Prototype: Meriwether
 Builder: Lennar



RIVERSIDE DRIVE EAST CORRIDOR STUDY AREA—SITE 4



AFTER



BEFORE

Site 4 Street View

Site 4: The Cottages - Courtyard Cluster

Product Description

The courtyard cluster product provides six sets of buildings, and each set includes four single-family detached residential units and one common six-car garage building with two carriage-unit flats above the garages. Although a variety of configurations is possible, in the site modeled for this scenario, the set of buildings includes two 600 square-foot studio-apartment flats, two 700 square-foot 1-bedroom houses, one 925-square foot house with one bedroom and a den, and one 950 square foot house with 2 bedrooms.

As shown, the development would provide one covered parking space for each unit plus 12 additional uncovered parking spaces for guest and additional parking (1.3 spaces per unit). The site could provide more uncovered parking, at the expense of open space. As shown, the project's density would be 22.4 units per acre.

Site 4 Plan View



Target Market

The courtyard cluster product is most clearly targeted to the first-time home-buyer. With estimated sales prices ranging from \$219,000 to \$242,000, these houses' price would be relatively affordable, with down payments of 26 to 30 percent. The 2-bedroom unit would be affordable to moderate-income households with a 16 percent down payment.

Feasibility

The pro forma estimates the site's market value acquisition cost at \$3,613,000. The analysis estimates a \$4,588,000 residual land value at a 20 percent IRR. The \$975,000 developed value in excess of the estimated acquisition cost may be the incentive necessary to induce the existing property owners to sell and enable a developer to assemble the site. If all of the parcels could be acquired for the estimated acquisition cost, the site could be developed with five sets of buildings instead of six and still provide a 20 percent IRR.

Although the product type could be developed as rentals, it would require a \$1,676,000 subsidy to achieve the 20 percent IRR. If the IRR for capital investment declines to 15 percent in the future, developing this site as rentals would still require a \$1,382,000 subsidy.

Site 4 Pro Forma Summary

Total Development Costs	\$6,669,000
Amount Financed	\$4,188,000
Equity Required	\$2,481,000
Project NPV @ 15% discount rate	\$223,000
IRR	20.0%
Residual Land Value	\$4,588,000
Site's Estimated Market Value	\$3,613,000
Excess Value / (Feasibility Gap)	\$975,000

Site 4 Site Breakdown

Building	0.4 ac	24%
Open Space	0.6 ac	38%
Street/Parking	0.6 ac	38%
Total	1.6 ac	100%

Site 4 Residential Summary

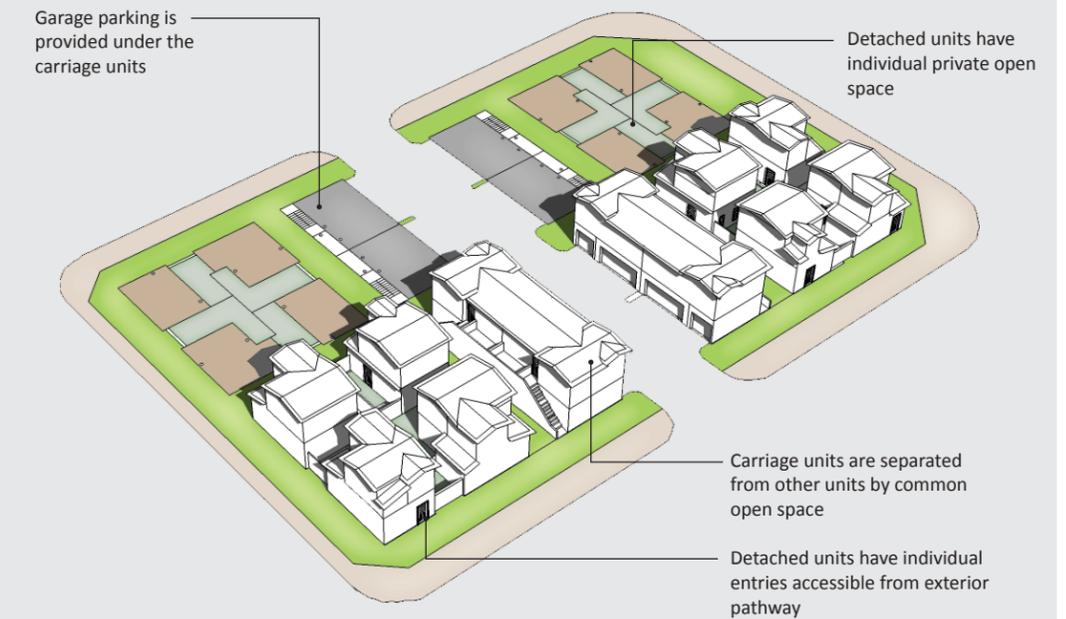
Area	1.6 ac
Unit Yield	36 du
Density	22.4 du/ac
Recreational Area	sf
Parking	48 spaces
- Covered	36 spaces
- Open	12 spaces
Total Parking per Unit	1.3

COURTYARD CLUSTER

Density: 22.4 du/ac
 Building Height: 2 stories
 Parking: 1 car garage per unit
 Building Mix

Type	Size	Units	Mix
Carriage	600 sf	2	33 %
Detached	950 sf	4	67 %
Total		6	100 %

Prototype: Cottage Clusters
 Architect: KTGy



CHINO AVENUE CORRIDOR STUDY AREA—SITE 5



AFTER

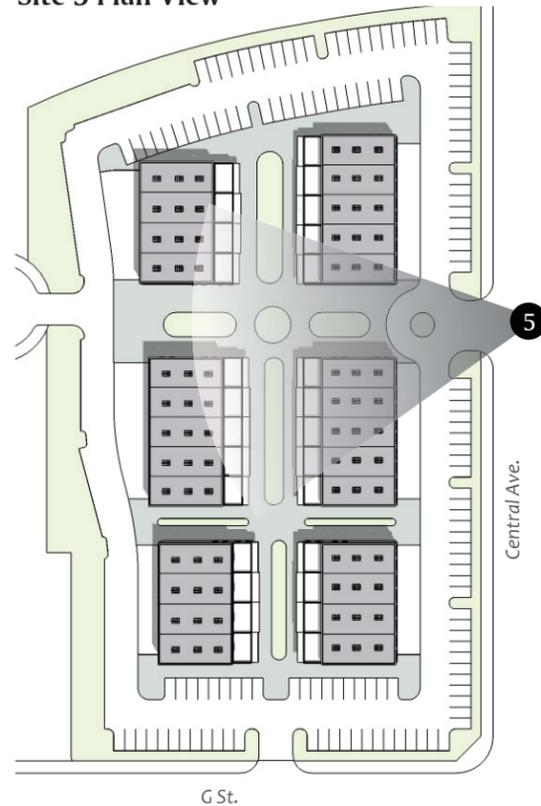
Site 5 Street View



BEFORE

Site 5: Mixed-Use Loft

Site 5 Plan View



LEGEND
 Mixed-Use Loft

Product Description

The mixed-use loft product is a variation of live-work unit products. It provides a 1,875 square-foot unfinished ground-floor work area, with a 1,500 square-foot residential loft apartment and a 375 square-foot open-air balcony on the second floor.

The conventional live-work unit typically provides a 400 to 800 square-foot work space and a one- or two-car garage on the ground floor. These work spaces are intended primarily as office or specialty retail shops. In contrast, the mixed-use lofts depicted for site 5 provide two to four times the amount of work area space. This larger space is intended to allow for uses ranging from quasi-industrial uses, reflecting the area’s traditional economic role, to sculptors and other artists, complimenting Chino’s vision for the downtown.

Target Market

As depicted here, this product type would be targeted to a younger to middle-aged buyer, rather than aging/retiring baby boomers. Because this would be a new product type and a change in use from the surrounding area, the target demographic would be urban pioneers – those folks who are willing to be the first residents in a transitioning neighborhood. These buyers are somewhat price sensitive, but entertainment and activity amenities within walking distance, such as those envisioned in the Downtown Civic Center Master Plan, can ameliorate some of the price sensitivity.

Feasibility

The pro forma analysis estimates the site’s market-value acquisition cost at \$3,673,000. The analysis estimates a \$4,082,000 residual land value at a 20 percent IRR. The unit sales value would be \$560,171, or \$166 per sq. ft. This value also equates to a work-area lease rate of \$1 per square foot per month. Lowering the cost to reflect a work-area lease rate of \$.90 per square foot per month results in a break even feasibility at 20 percent IRR. If the IRR for capital investment declines to a 15 percent IRR in the future, the sales value of the units could be reduced to \$523,000, or \$155 per square foot.

Site 5 Pro Forma Summary

Total Development Costs	\$9,659,000
Amount Financed	\$7,345,000
Equity Required	\$2,314,000
Project NPV @ 15% discount rate	\$184,460
IRR	20.0%
Residual Land Value	\$4,082,000
Site’s Estimated Market Value	\$3,673,000
Excess Value / (Feasibility Gap)	\$409,000

Site 5 Site Breakdown

Building	1.1 ac	23 %
Open Space	2.1 ac	44 %
Street/Parking	1.6 ac	33 %
Total	4.8 ac	100 %

Site 5 Residential Summary

Area	4.8 ac
Unit Yield	27 du
Density	5.6 du/ac
Recreational Area	sf
Parking	192 spaces
- Covered	51 spaces
- Open	141 spaces

MIXED-USE LOFT

Density: 5.6 du/ac
 Building Height: 2 stories
 Parking: Remote carport
 Units per Building: 4 to 5 du
 Unit Components

Use	Avg. Size	Location
Office/Retail	1,875	1 st floor
Residential	1,500	2 nd floor

