

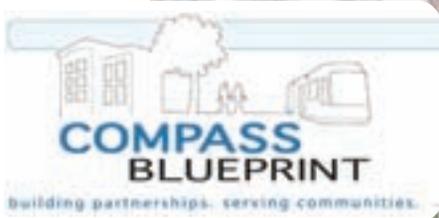
# DOWNTOWN CORONA PLANNING FEASIBILITY REPORT



SOUTHERN CALIFORNIA



ASSOCIATION of GOVERNMENTS



JUNE 2010





# DOWNTOWN CORONA PLANNING FEASIBILITY REPORT



Downtown Corona  
Draft Planning Feasibility Report

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This is a project of the City of Corona (City) with funding provided by the Southern California Association of Governments' (SCAG) Compass Blueprint Demonstration Project Program. Compass Blueprint assists Southern California cities and other organizations in evaluating planning options and stimulating development consistent with the region's goals.

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The contents of this report reflect the views of the author who is responsible for the facts and accuracy of the data presented herein. The contents do not necessarily reflect the official views or policies of SCAG, USDOT or the State of California. This report does not constitute a standard, specification or regulation. SCAG shall not be responsible for the City's future use or adaptation of the report.

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## Background

The SCAG Compass Blueprint program is a response to the growth pressures and many challenges facing the Southern California region. In 2000, SCAG initiated a visioning process to build a broad, regional framework that would assist local governments in developing solutions to transportation, housing, air quality, open space, and climate challenges. The visioning process resulted in the Compass Blueprint Growth Vision which is driven by the following key principles:

- Mobility - Getting where we want to go
- Livability - Creating positive communities
- Prosperity - Long-term health for the region
- Sustainability - Preserving natural surroundings

Guided by these principles, the Compass Blueprint strategy encourages:

- Focusing growth in existing and emerging centers and along major transportation corridors,
- creating significant areas of mixed-use development and walkable communities,
- targeting growth around existing and planned transit stations, and
- preserving existing open space and stable residential areas.

To assist local jurisdictions evaluate their planning options and realize sustainable development opportunities in line with the Compass Blueprint Growth Vision, SCAG has developed the Compass Blueprint Demonstration Program. The Compass Blueprint Demonstration Program allows local governments to apply for planning service assistance, for qualifying projects, free of charge.

The City of Corona Redevelopment Department applied for these services and was selected for their Downtown Redevelopment Projects. The redevelopment sites are located within Downtown Corona in close proximity to the 91 freeway and the North Main Street transit sites.

The City of Corona has been actively collaborating with SCAG and other public agencies such as RCTC, Caltrans, RTA, and WRCOG to enhance planning efforts in the City. These collaborations have led to studies and improvements in the Downtown area that embody the principles of the Compass Blueprint Growth Vision. Some of these studies and projects include the construction of the North Main Street Metrolink Station, the construction of the Corona Transit Center (RTA's Bus Rapid Transit Station), implementation of the Caltrans Community Based Transportation grant currently underway for the study of linkages to/from Downtown and North Main Street transit sites, and a prior Compass Blueprint TOD study for the North Main Street area.

In addition, Downtown Corona has been the subject of the Urban Land Institute's Transit Oriented Development (TOD) marketplace program. The Urban Land Institute's TOD Marketplace program is an opportunity for developers and city planners to meet informally with each other and better understand what cities are looking for and what developers need, in practical terms, to make TOD projects feasible.



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## Project Summary

**D**uring the 1970s, 1980s, and 1990s new commercial centers were developed outside of the Downtown and attracted the major grocery store chains and retailers by their larger parcels and convenient parking. The Downtown evolved as an inconsistent mix of community and automobile oriented uses, including retail, automobile supply and service, restaurant, personal and business service, real estate and other offices, and similar uses developed on shallow parcels that primarily abutted single-family residential neighborhoods.

Efforts were initiated to reshape the central portion of the Downtown based on suburban principles of larger parcels with plentiful parking, in the form of the Downtown Corona Mall. However, the City was unable to attract a major retail or other destination use to the Corona Mall, and the revitalization efforts have had marginal success.

The Downtown Corona Compass Blueprint Demonstration Project is intended to analyze land use and market feasibility for specific redevelopment project sites within the downtown, including the downtown mall site described above. These sites were chosen for their central location, proximity to transit and the freeway, and market potential. The goal of the analysis is to recommend an appropriate use mix and site design parameters that will maximize the development potential of these underutilized parcels. In addition, the Demonstration Project will also evaluate the adequacy of existing bicycle connections from these downtown sites to the North Main Street transit areas.

This Report includes a review of relevant planning documents, analysis of existing and surrounding land uses, a market and land use analysis, and recommendations for a target use mix, conceptual site design, and policy and regulatory revisions.



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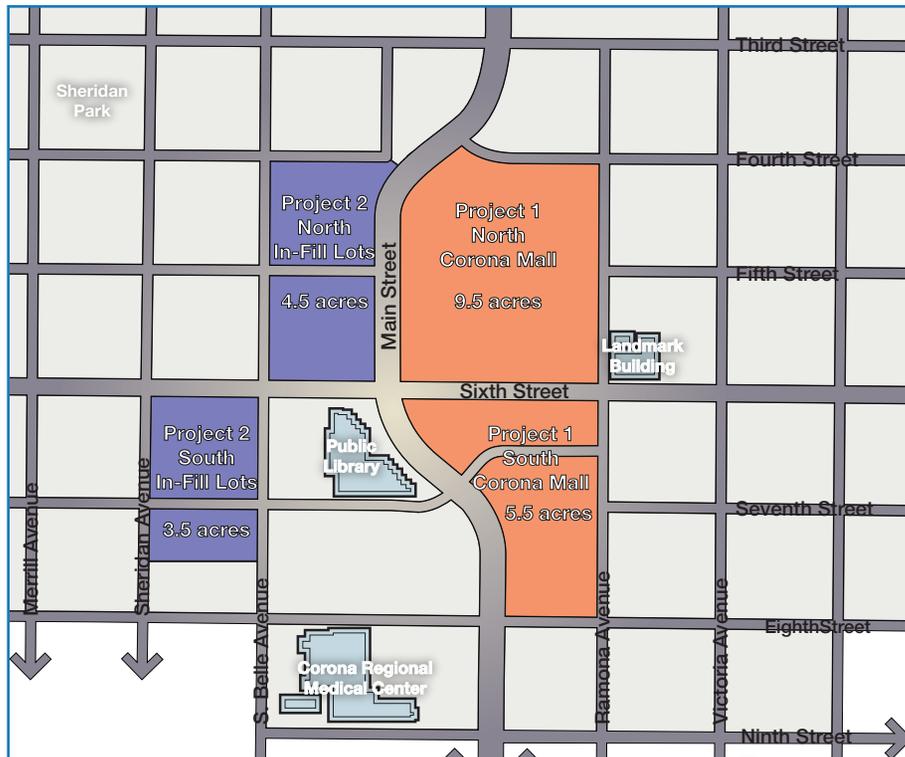


## About Downtown Corona

The project sites include, “Project 1” (North and South Corona Mall) and “Project 2” (North and South In-Fill Lots) located in the heart of Downtown Corona. The sites are located off of Main Street and Sixth Street approximately 0.3 miles distance from the 91 freeway.

Project 1 is bisected into two areas commonly referred to as the North Corona Mall and South Corona Mall. The North Corona Mall is approximately 9.5 acres and is bounded by Main Street to the west, Sixth Street to the south, Fourth Street to the north, and Ramona Avenue to the east. South Corona Mall is approximately 5.5 acres and is bounded by Main Street to the west, Sixth Street to the north, Eighth Street to the South, and Ramona Avenue to the east.

Project 2 is also bisected into two areas, the North and South infill sites. The North In-Fill Lot is approximately 4.5 acres and is bounded by Main Street to the east, Sixth Street to the south, Fourth Street to the north, and Belle Avenue to the west. The South In-Fill Lot is approximately 3.5 acres and is bounded by Sixth Street to the north, Eighth Street to the south, Sheridan Street to the west, and Belle Avenue to the east.



### LEGEND

-  Project 1
-  Project 2

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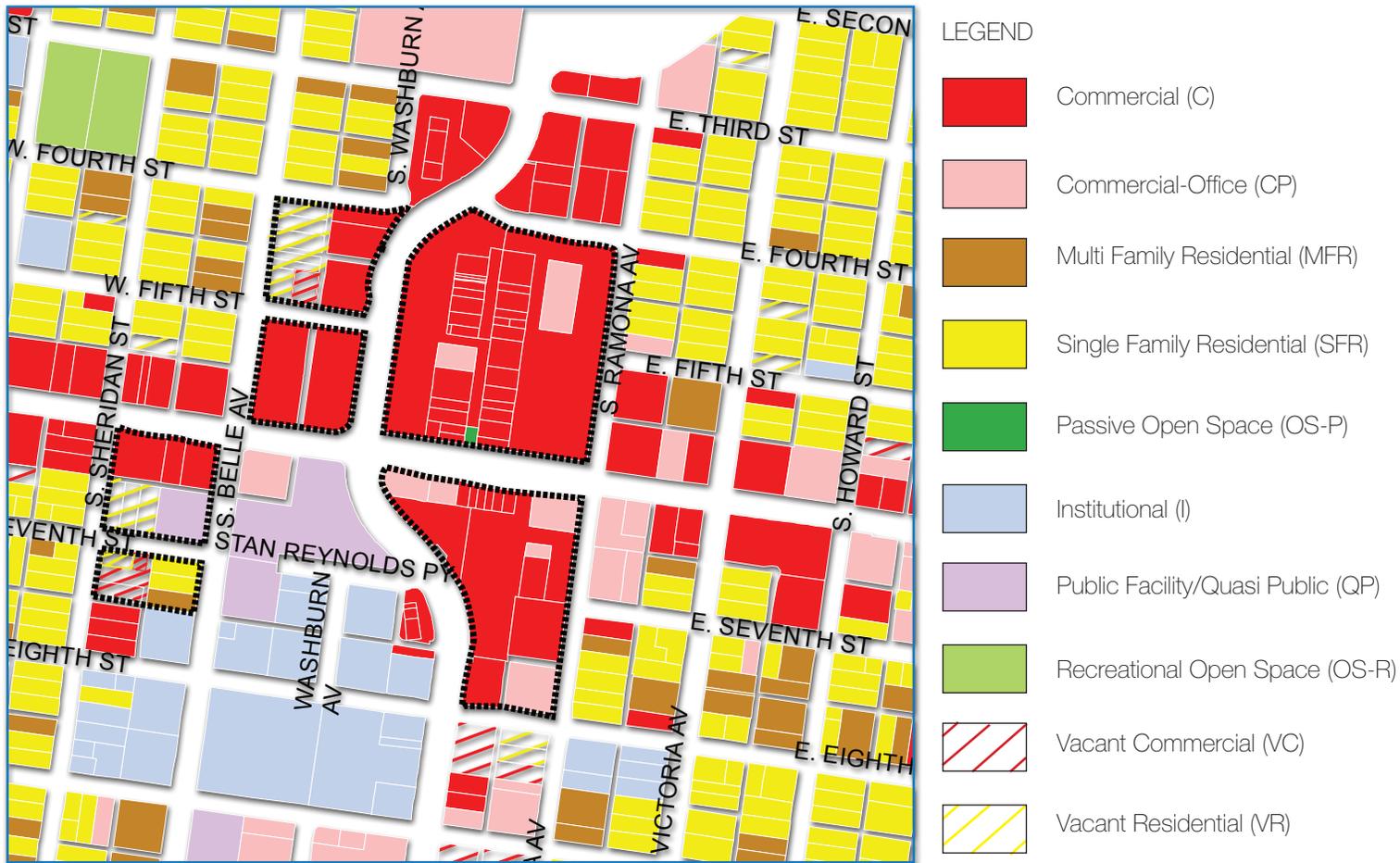


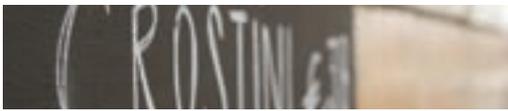


## Existing Land Uses

The Corona Mall is a grossly underutilized, highly visible one-story commercial center. Existing land uses within the Corona Mall include general commercial and office commercial uses.

Existing land uses within the North In-Fill Lot include general commercial and vacant land. Existing land uses within the South In-Fill Lot include general commercial, public facility/quasi-public uses, and vacant land.



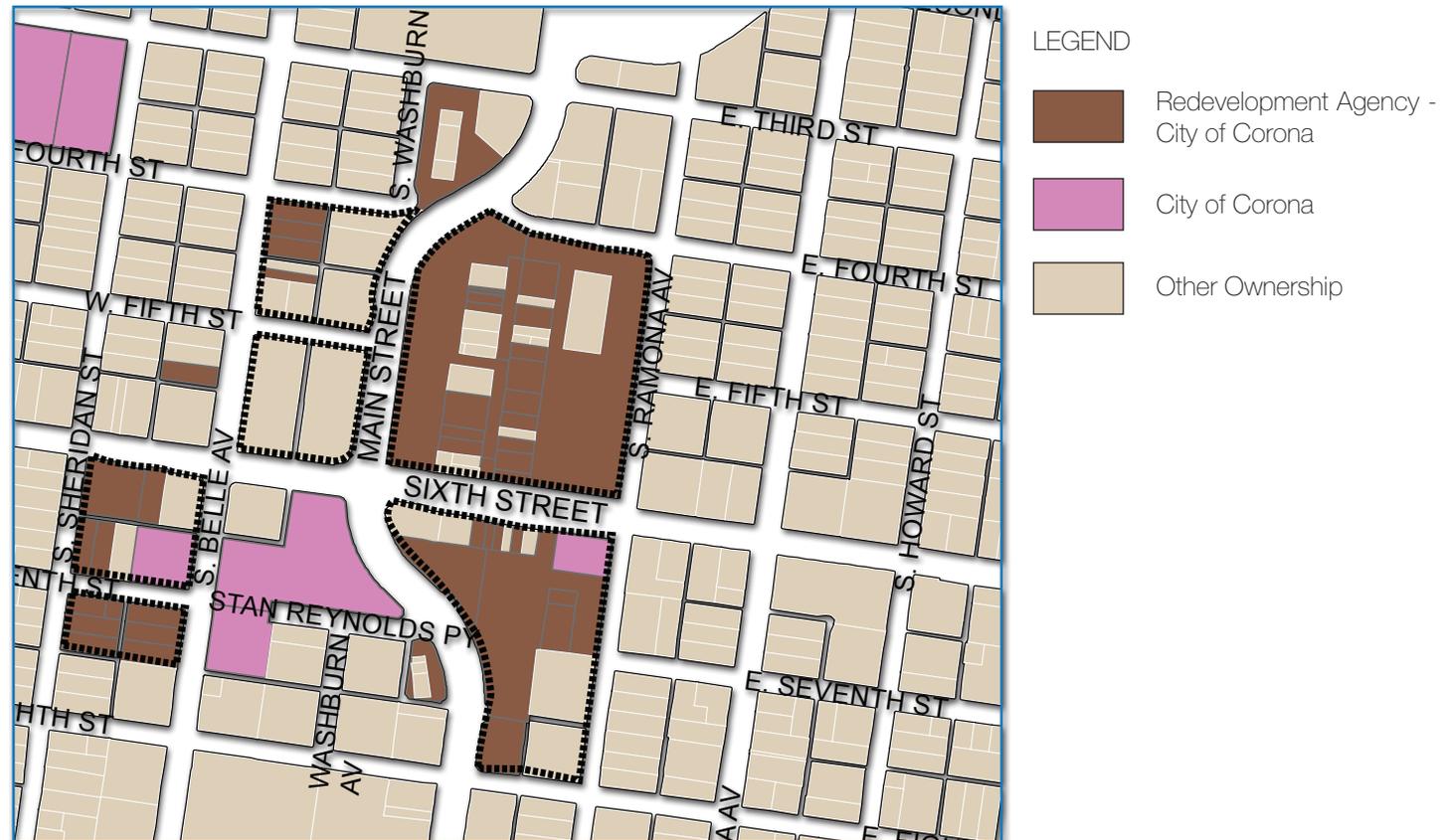


### Ownership

Owners of the North and South Corona Mall historically were area residents or small business owners. When the Downtown was redeveloped and the Corona Mall was constructed in the 1970s, it was slated to be the City's retail hub. However, because of the number of diverse owners, efforts to create a vibrant retail hub were never realized leaving what is today a "mixed bag" of unharmonious uses with low rental rates. With the understanding that redevelopment of Downtown Corona would be close to impossible due to the ownership constraints of the Corona Mall (North and South), staff launched a massive acquisition campaign in May of 2007.

North Corona Mall is comprised of 27 privately owned parcels. To date, the Redevelopment Agency has acquired 12 parcels and owns all the common areas which make up approximately 7.7 acres. South Corona Mall is comprised of 11 privately owned parcels. To date, the Redevelopment Agency has acquired 6 parcels and owns the common areas which make up approximately 4.2 acres.

Redevelopment Agency staff commenced land acquisition efforts of Project 2 in 2006. The area on the north side of Sixth Street is comprised of 12 parcels; the Redevelopment Agency owns three of the 12 parcels. The area on the south side of Sixth Street is comprised of 14 parcels; the Redevelopment Agency owns 12 of the 14 parcels.





## Regulatory Framework

### 1998 Downtown Revitalization Specific Plan

The Downtown Revitalization Specific Plan was adopted in June 1998 to provide a clear vision for future development within Downtown Corona over the next 10 to 15 years. The following summarizes the policies and planning concepts from the Specific Plan that are applicable to the Project sites:

#### Land Use/Economic

- Consider redeveloping the Corona Mall site with a decidedly street storefront orientation and with a mix of uses.
- Develop and implement a pedestrian-oriented land use plan for Sixth Street which considers and/or accommodates the following items:
  - Mixed use (office over retail) along the Sixth Street corridor within the Grand Boulevard Circle;
  - Adaptive reuse of existing City Hall as a cultural center, children's museum, or other public/quasi-public facility;
  - Continued use and preservation/enhancement of the Landmark Theater Building as a community resource;
  - Small shops, cultural arts, restaurants and similar uses.

#### Circulation

- Provide a more unified and aesthetically pleasing streetscape on Main and Sixth Streets, as well as Grand Boulevard.

#### Urban Design/Community Image

- Develop and implement a streetscape plan for Sixth and Main Streets which includes the following components:
  - Improved sidewalks with street trees and decorative lighting;
  - Decorative improvements and monuments creating a gateway at Grand Boulevard and Sixth Street;
  - Integrated Spanish Colonial/Mediterranean design theme in the downtown core area;
  - Building facade improvements, including the installation of awnings and improved signage; and,
  - Linear park/boulevard atmosphere that serves as a linkage to City Park and other key pedestrian destinations.



## 1998 Downtown Revitalization Specific Plan Planning Concepts

The following summarizes the urban design concepts which served as a framework under which the “specifics” of the Specific plan were crafted:

### 1. Gateway

- Take advantage of the 91 Freeway as a gateway opportunity by emphasizing vehicular level urban design improvements, attractive signage and high rise buildings

### 2. Seat of Civic Uses

- Concentrate civic uses immediately adjacent to Downtown

### 3. Re-create the City Center

- Replace the Corona Mall with more traditional storefronts.
- Extend Fifth Street as a pedestrian street from Ramona Avenue to Main Street
- Provide a large central plaza or public square within the Downtown core to serve as a focal point for people to gather and to conduct outdoor community events.

### 4. Enhanced Pedestrian Environment

- Re-establish the original street grid by reconnecting Fifth Street
- Establish a weave of pedestrian spines
- Create a series of “back streets” which include pedestrian amenities
- Encourage mid-block paseos
- Utilize pedestrian plazas, promenades, and proven “traffic calming” devices

### 5. Corona Crossroads: Sixth and Main Streets

- Implement urban design improvements to both Sixth and Main Streets, as well as an enhanced land use mix and pedestrian amenities

### 6. Mixed Land Uses

- Promote multi-story (mid-rise) structures that reserve the ground floor for retail uses and allow office and residential uses on upper floors

### 7. Cultural and Recreational Uses

- Combine a number of Inter-connected destinations that, when combined, create a sophisticated experience

### 8. Downtown Campus of Learning

- Focus efforts on the recruitment of a college campus to downtown

### 9. Historic Preservation of Downtown Neighborhoods

- Preserve the neighborhoods' architectural styles, pedestrian scale, street trees, and other amenities
- Improve lighting and paving conditions and removing graffiti within alleys



## Land Use Designations

The following describes the Specific Plan land use designations for the parcels within Project 1 and Project 2:

### Downtown (D) District

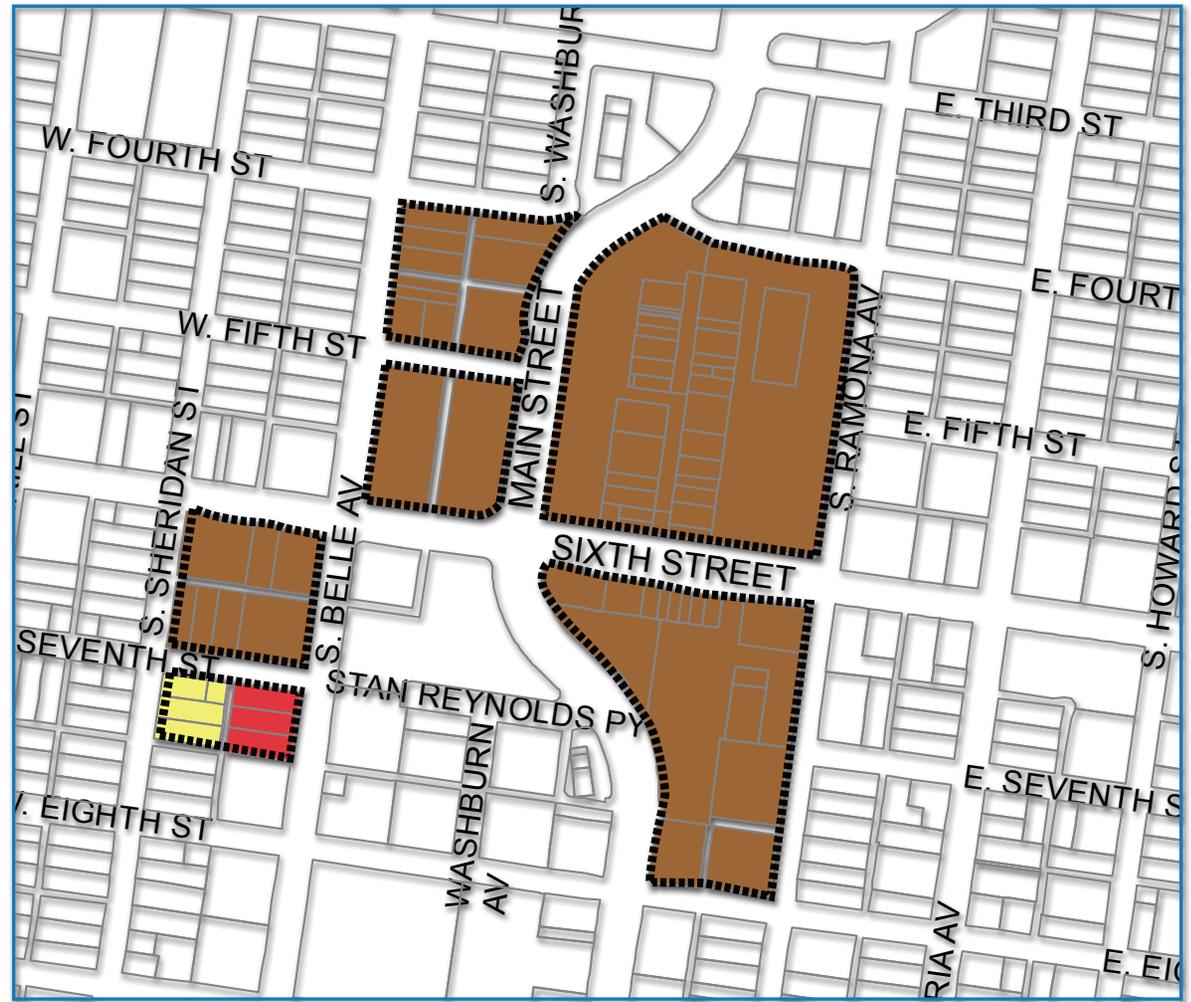
The Downtown (D) District provides for medium-intensity commercial uses that serve mostly community-wide needs in a pedestrian-friendly environment. Uses allowed include commercial retail, service commercial, business offices (lodging), restaurants and sidewalk cafes, cultural and entertainment uses, nightclubs and microbreweries, mixed-use (including residential), as well as prominent buildings for governmental uses. Uses which would not be permitted include auto-related uses, drive-thru restaurants, adult entertainment and any uses detrimental to developing a pedestrian-friendly environment. Regulations in this district would promote pleasing commercial and governmental structures as well as excellently designed parking structures with human scale and pedestrian character, including efficient internal access, ingress and egress, and amenities such as plazas, courtyards, and attractive streetscapes.

### Community Services (CS) District

The Community Services (CS) District provides needed community services such as governmental or institutional offices, social service agencies, hospitals, pharmacies, health care offices, churches, parks and playgrounds, museums and performing arts facilities. This district can also serve as a land use buffer between commercial uses and residential uses.

### Single Family Residential (SF) District

The Single Family (SF) District is provided to protect the integrity of Corona's historic residential neighborhoods within the Circle. The District is intended as an area for preservation and development of historically sensitive single-family detached residential. To maintain the neighborhood atmosphere of this area, small, single-lot, neighborhood-serving convenience stores (without off-street parking and located on corner lots only) such as the existing Joy Street Market, may be allowed on a very limited basis, subject to the approval of a conditional use permit.



LEGEND



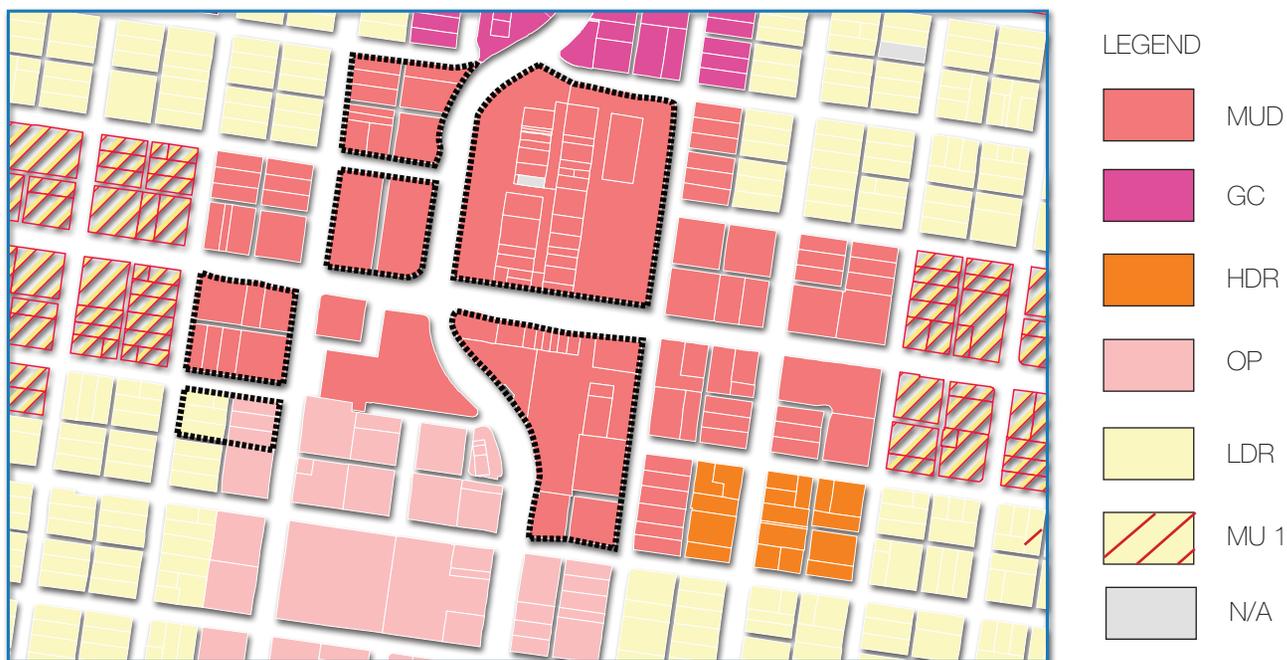


## 2004 General Plan

The 2004 General Plan identifies Downtown Corona as an “opportunity district/site” and establishes goals and policies for future land use changes. The General Plan recognizes the constraints within Downtown Corona that limit economic vitality and more contemporary and intense development. The 2004 General Plan re-conceives the Downtown as a center of small-scale shops, restaurants, entertainment, professional offices, and civic uses fronting onto well-landscaped sidewalks that support an active pedestrian environment. The built fabric of buildings located along street frontages would be maintained with parking located to their rear or in structures. New housing opportunities would be provided through mixed-use development projects.

The Land Use Element amends the Specific Plan’s “Downtown” classification as “Downtown/Mixed Use” and re-designates the “Community Services” area as “Office Professional”. Project 1 and Project 2 (North In-fill Lots) are designated Downtown/Mixed Use (MUD). Project 2 (South In-fill Lots) is divided into two land use designations – Low Density Residential (LDR) and Office Professional (OP).

The Specific Plan’s permitted uses and densities are considered consistent with the more broadly defined General Plan categories. However, the Land Use Element’s mixed-use development policies encourages the development of integrated commercial and residential structures in the core Downtown area and along Sixth Street. This is intended to enhance the area’s vitality, increase the customer market for Downtown uses, and improve the interface with adjoining residential neighborhoods.





## City of Corona “TOD Marketplace” Technical Assistance Panel

The Urban Land Institute's TOD Marketplace program is an opportunity for developers and city planners to meet informally with each other and better understand what cities are looking for and what developers need, in practical terms, to make TOD projects feasible.

The TOD Marketplace includes Technical Assistance Panels (TAPs). TAPs provide the public sector with a tool to solve complex real estate and land use issues in a uniquely objective way. TAPs bring together seasoned real estate, planning, financial urban design, marketing, and development specialists to provide unbiased findings and recommendations.

In August 2009, the City of Corona Technical Assistance Panel defined recommendations for three areas to meet the needs of the residents, employees, and business owners:

- Transportation Village
- Connectivity/91 Freeway
- Downtown Neighborhood

The following outlines the recommendations for the Downtown Neighborhood based on the comments received from the City of Corona TOD Marketplace Technical Assistance Panel.

- Revitalize the Corona Mall (Project 1)
  - Create City “Living Room”-An open space that promotes spontaneous activities and organized planned events. A place that gives community a sense of pride.
  - Reinvent old Main Street corridor as active pedestrian thoroughfare.
  - Encourage Mix of Uses
    - Entertainment
    - Café, Restaurant, Bar
    - Specialty Market
    - Hotel
  - Update and modernize select buildings within existing mall
  - Create an iconic place at the terminus of 5th Street, and connection to the city park.
- Create Health Related Uses (Project 2, south of 6th)
  - Medical office
  - Educational training (Health and Wellness)
- Add Residential (Project 2, north of 6th)
  - Balancing types of housing and affordability
    - We recommend senior affordable housing on the northwest corner of 6th and Main as catalyst for development.



## Demographic and Socio-Economic Conditions

AECOM utilizes information from the California Department of Finance, ESRI, US Census, projections from the Southern California Association of Governments (SCAG), and Claritas to develop a demographic and socio-economic profile of Corona. It should be noted that the projections used in this study have not been adjusted to account for the recession. The recession has heavily impacted the Inland Empire and is likely to push back the estimates of population and household growth back by three to five years.

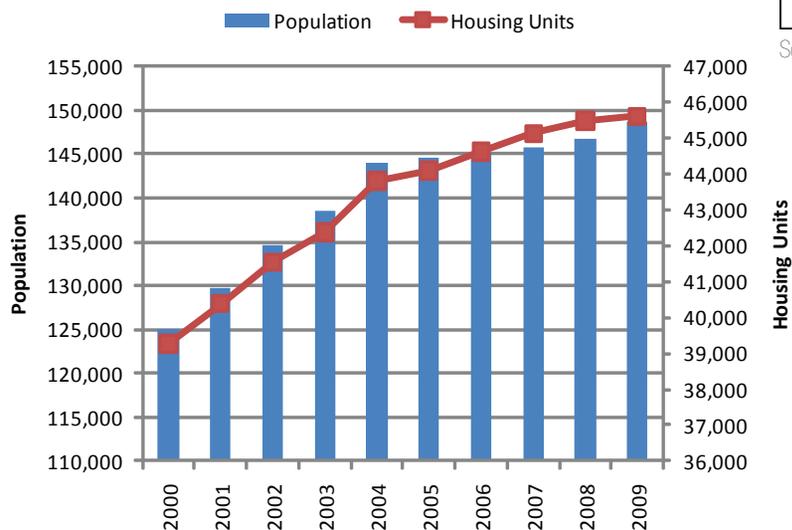
According to the California Department of Finance, the City of Corona has a population of 148,600 people in 45,600 households. The City has added 6,100 household units and 23,600 residents since 2000. While the City of Corona's population has grown at an annual rate of 1.9 percent since 2000, Riverside County has grown at a considerably higher rate of 3.5 percent annually since 2000.

According to the Southern California Association of Government projection the City will grow by approximately 0.5 percent on an annual basis across the next 10 years, resulting in a total addition of 7,400 persons in 4,200 households. During this same period, Riverside County is projected to grow by 2.3 percent annually.

	2010	2015	2020	2025	2030	2035
<b>Population</b>						
City of Corona	150,177	154,631	157,556	161,749	165,260	167,900
5-Year CAGR		0.6%	0.4%	0.3%	0.4%	0.3%
0-5 Mile Ring	208,880	216,528	223,578	231,413	238,141	243,573
5-Year CAGR		0.7%	0.6%	0.7%	0.6%	0.5%
5-8 Mile Ring	167,745	182,694	196,259	208,332	220,300	230,790
5-Year CAGR		1.7%	1.4%	1.2%	1.1%	0.9%
Riverside County	2,242,745	2,509,330	2,809,003	3,089,999	3,343,777	3,596,680
5-Year CAGR		2.3%	2.3%	2.3%	2.3%	2.3%
<b>Households</b>						
City of Corona	45,222	46,304	46,773	47,575	48,434	49,456
5-Year CAGR		0.5%	0.2%	0.3%	0.4%	0.4%
0-5 Mile Ring	61,318	63,562	65,458	67,364	68,999	70,755
5-Year CAGR		0.7%	0.6%	0.6%	0.5%	0.5%
5-8 Mile Ring	47,772	52,984	57,088	60,877	64,508	67,759
5-Year CAGR		2.1%	1.5%	1.3%	1.2%	1.0%
Riverside County	720,531	811,486	913,207	1,008,909	1,097,950	1,183,097
5-Year CAGR		2.4%	2.4%	2.0%	1.7%	1.5%

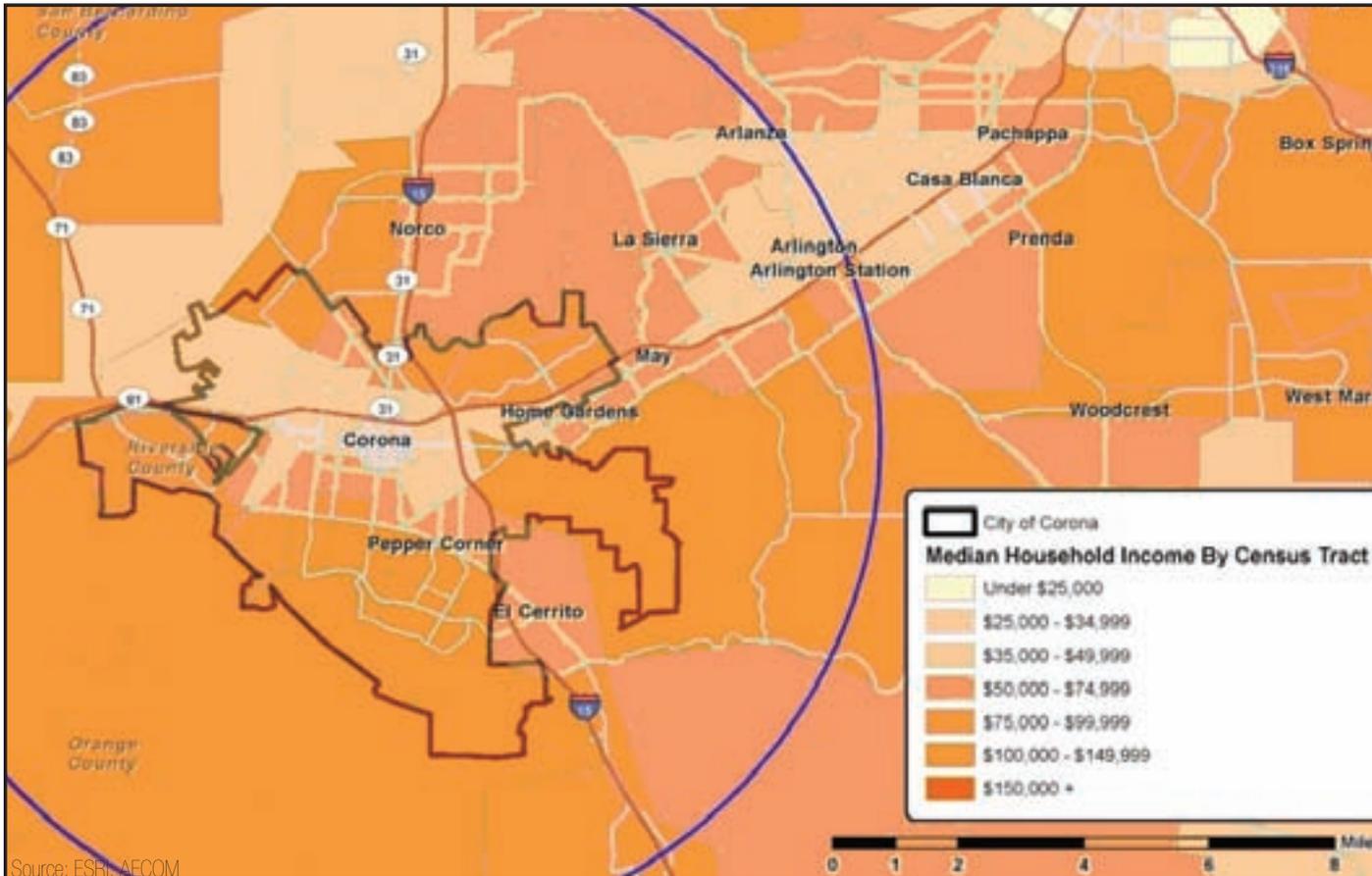
Source: Southern California Association of Governments

### Historical Population and Housing in Corona



Source: California Department of Finance; AECOM

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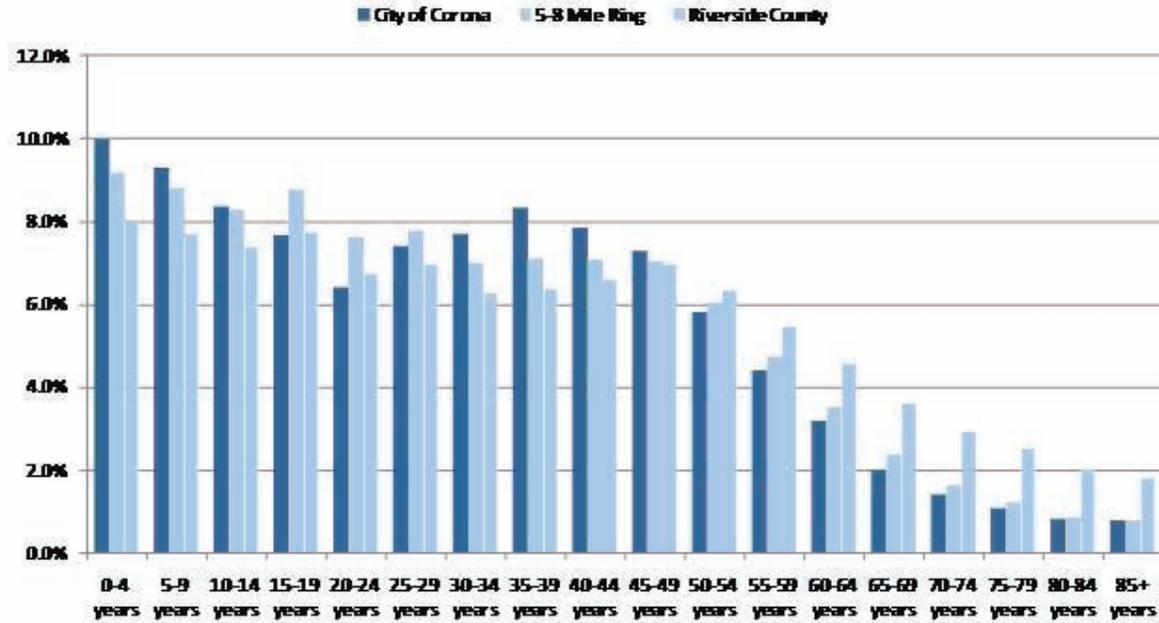
Source: ESRI, AECOM

The City of Corona has a current median income of \$76,500, which is nearly 40 percent higher than Riverside County's median household income of \$55,200. As reflected in the income distribution map, the more affluent areas of Corona exist along areas adjacent to the city borders, while households located within the central downtown area appear to have some of the lowest median incomes in the City.

	City of Corona	0-5 Mile Ring	5-8 Mile Ring
<b>Households and Income, 2009</b>			
Median Household Income	\$76,532	\$74,357	\$60,026
Average Household Income	\$89,131	\$87,291	\$73,417
<b>Distribution of Household Income, 2009</b>			
Less than \$25,000	11%	11%	16%
\$25,000 to \$34,999	8%	8%	10%
\$35,000 to \$49,999	7%	11%	15%
\$50,000 to \$74,999	21%	21%	20%
\$75,000 to \$99,999	22%	20%	18%
\$100,000 to \$149,999	20%	18%	13%
\$150,000 or more	13%	12%	8%

The median age in the City of Corona is 30.5 years, younger than the County average of 34.4, which may reflect the large number of families in the area. The City of Corona is fairly diverse in terms of race and ethnicity.

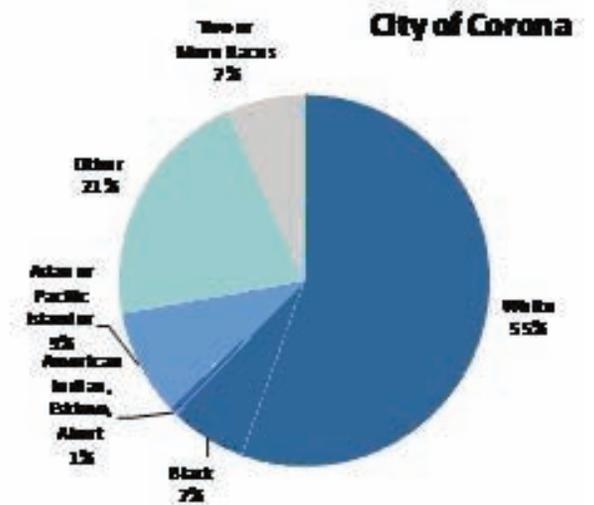
Source: US Census Bureau; ESRI; Economics at AECOM



Source: US Census Bureau; ESRI; Economics at AECOM

	2000	2009
White	62%	56%
Black	6%	7%
American Indian	1%	1%
Asian or Pacific Islander	8%	9%
Other	18%	21%
Two or More Races	5%	7%
Hispanic Origin	36%	43%

Source: US Census Bureau; ESRI; AECOM





## Market Analysis

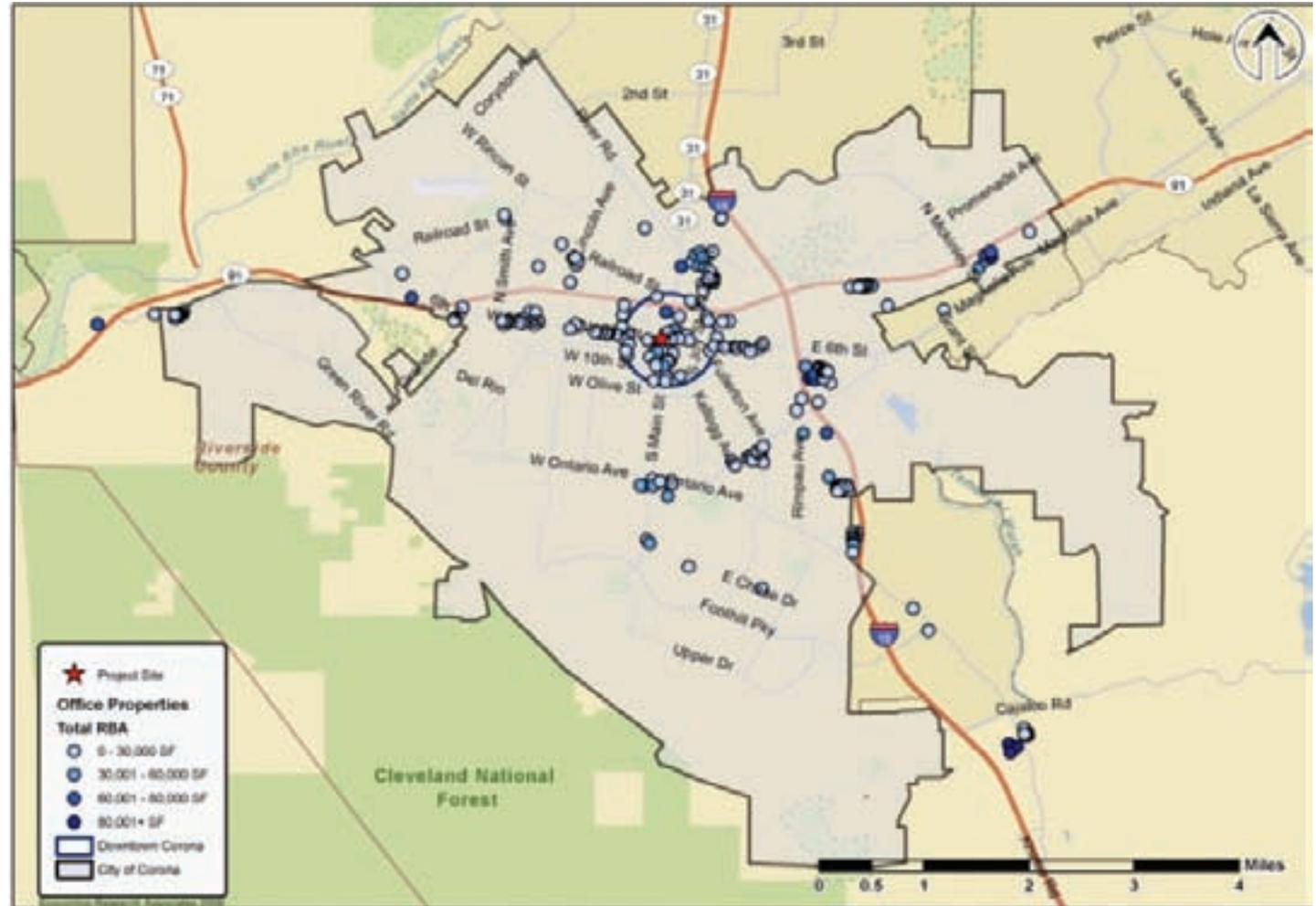
To understand the appropriate land use mix for the Project 1 and Project 2 site areas, Economics at AECOM, formerly Economics Research Associates has conducted an analysis of the Corona retail, office, and residential markets. The market analysis reviews the existing supply for each land use. We evaluate the supply within the Downtown core, City of Corona and competitive areas. The demand analysis reviews the amount of space supportable in the City of Corona given the competitive environment, existing supply, and anticipated residential and employment growth.

It should be noted that the demand models for each land use are based on employment and population projections that have not been adjusted to account for changes due to the recent recession. Thus, while AECOM has developed long-term estimates assuming a stable economy, absorption anticipated within the short term (next 5 years) may be pushed back 3 to 5 years.



## Office Market Analysis

A significant amount of new office space was delivered to the Corona market across the last ten years. While Corona is well located and is a fairly strong office market after the Ontario, Downtown Riverside, and Downtown San Bernardino markets, the current market has a significant amount of vacant space that must be absorbed before there is additional demand for new office space.



While there is a tremendous amount of existing vacant space in Corona, the amount of space built in Corona relative to other parts of Riverside County suggests that Corona is an attractive office market. Between 2001 and 2009 YTD, a significant portion of the delivered rentable building area (RBA) within the county took place in the City of Corona (20-45 percent of total county-wide delivered RBA). Most of the absorption across this past decade was by the construction industry, Corona will have to work to better diversify its office employment users.



## Office Market Analysis

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### Office Supply

The City experienced a surge in the development of new office space between 2000 and 2007. During this period, the City added over 2.0 million square feet of office space, nearly doubling its supply of office space.

Until the start of the economic downturn in 2007, the office market was able to absorb most of the new space being built. Vacancy rates began to rise significantly after 2007 due to a combination of the slowing economy, as well as the oversaturation of the office market. The City currently has approximately 1.1 million square feet (SF) of vacant space which will need to be absorbed along with any additional space that is scheduled to be delivered in the near future.

While a significant amount of office space was built throughout the City of Corona after 2000, the majority of existing office space in the downtown area is older and located near the medical center. Downtown office space has lower rental rates and vacancies are only in the 10 percent range (compared to 30 percent throughout the city).

### Office Demand

AECOM estimates the employment growth in Riverside County will support the following amount of incremental office space, under three possible scenarios as shown in the figure to the right.

Demand is zero for the low and medium scenarios in the period between 2009 and 2014 because the currently vacant office space is absorbing any new demand.

Deliveries, Absorption and Vacancies



Potential Capture		Office Demand 2009 – 2014	Office Demand 2014 – 2019	Office Demand 2019 – 2024
Low City Capture Rate	9%	0 SF	126,000 SF	223,000 SF
Medium City Capture Rate	15%	0 SF	231,000 SF	371,000 SF
High City Capture Rate	25%	20,000 SF	300,000 SF	494,000 SF



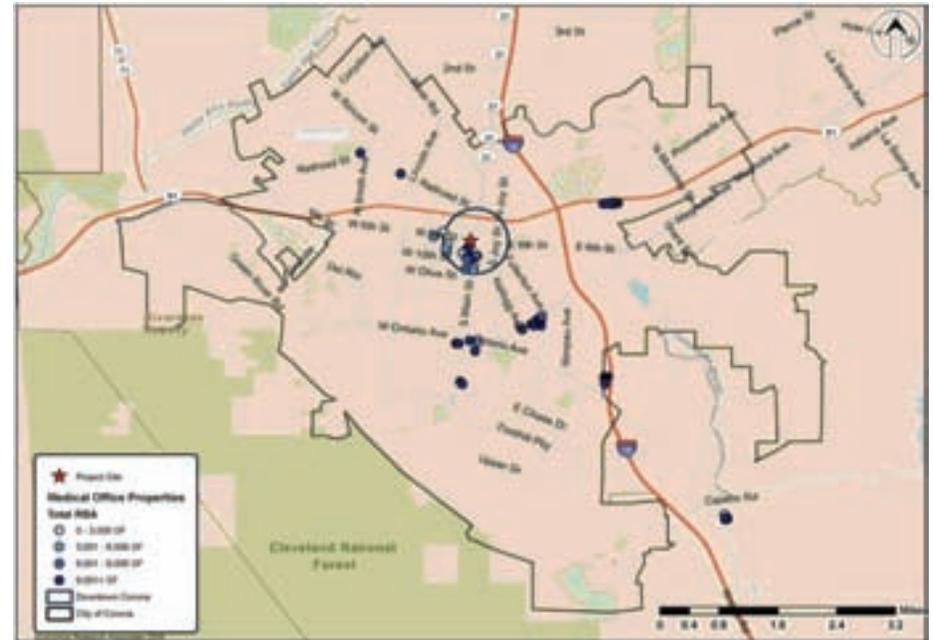
## Medical Office Market Analysis

Medical office market is a subset of the general office market. Given the importance of the growing medical industry, we evaluate the medical office supply in Corona and potential demand for additional medical office space.

The medical office supply included office properties that are denoted with a secondary use of medical office. Current year-to-date CoStar data has been adjusted to account for properties identified as medical office space in a field study conducted by the City of Corona.

### Medical Office Supply

The City of Corona currently has approximately 656,400 square feet of medical office space, not located within a hospital. The majority of medical office space in the City of Corona is within five clusters, located either near the freeways or the medical centers in the city (Corona Regional Medical Center, Corona Regional Rehabilitation Hospital, and the new Kaiser Permanente Medical Offices).



Source: CoStar, ArcGIS, AECOM

Period	# Bldgs	Total RBA	Avg. Direct Vacant SF	Avg. Direct Vacancy Rate	Total Net Absorption	RBA Delivered	RBA Under Const	Average Rent [fs]
2010YTD*	40	656,442	199,518	30.4%	17,513	0	45,205	\$29.31
2009	39	616,616	214,759	34.8%	6,414	41,500	45,205	\$29.25
2008	38	575,116	117,811	20.5%	26,613	142,318	0	\$24.68
2007	31	432,798	36,958	8.5%	(11,741)	27,489	183,818	\$23.57
2006	30	405,309	28,933	7.1%	(792)	0	169,807	\$23.37
2005	30	405,309	17,271	4.3%	41,437	66,655	0	\$24.05
2004	28	338,654	3,937	1.2%	13,202	0	0	\$24.76
2003	28	338,654	17,745	5.2%	2,608	0	0	\$19.67
2002	28	338,654	23,992	7.1%	9,986	0	0	\$22.78
2001	28	338,654	26,890	7.9%	(10,041)	0	0	\$20.23
2000	28	338,654	22,968	6.8%	(755)	0	0	\$18.44
1999	28	338,654	14,875	4.4%	(4,000)	0	0	\$10.25
1998	28	338,654	10,275	3.0%	(8,600)	0	0	n.a.
1997	28	338,654	850	0.3%	(3,400)	0	0	n.a.

Source: CoStar, ArcGIS, AECOM



Medical office space has currently been experiencing high rates of vacancy, with the citywide vacancy rate averaging 30.4 percent and the downtown area averaging 20.5 percent. A significant amount of space was delivered to the market in 2008 and 2009 and has not yet been absorbed, resulting in the high vacancy rate. Before these additions, the vacancy rate was in the 6-10 percent range citywide.

## Medical Office Demand

Demand for medical office is determined by existing demand from current residents and demand from future population growth. We compare the available medical office supply for current resident demand based on a medical office metric per capita. The medical office metric is also applied to resident growth in the primary and secondary market, to evaluate future demand for medical office space.

Given the current medical infrastructure in Corona, the demand analysis revealed there was a surplus of medical office in the area due to both the current economic climate and an oversupply of medical office. It is likely to take more than 10 years to absorb the current surplus of medical space currently on the market.

It should be noted that this demand analysis assumes that Corona maintains the same level of medical infrastructure (hospital facilities). If additional medical infrastructure is built in Corona, the City may become a greater regional draw in terms of medical services, and the absorption of existing space may be accelerated. With new medical infrastructure, additional medical office space may become viable.



Source: CoStar, ArcGIS, AECOM



## Retail Market Analysis

### Retail Supply

As a whole, the City of Corona has a very strong retail market. The primary market for Corona (5 miles radius from Downtown) and secondary market (8 mile radius) have had vacancy rates under 5 percent from the late 1990's until 2007. Across the recent recession vacancy rates have almost tripled in both markets, but are still reasonable at just under 10 percent

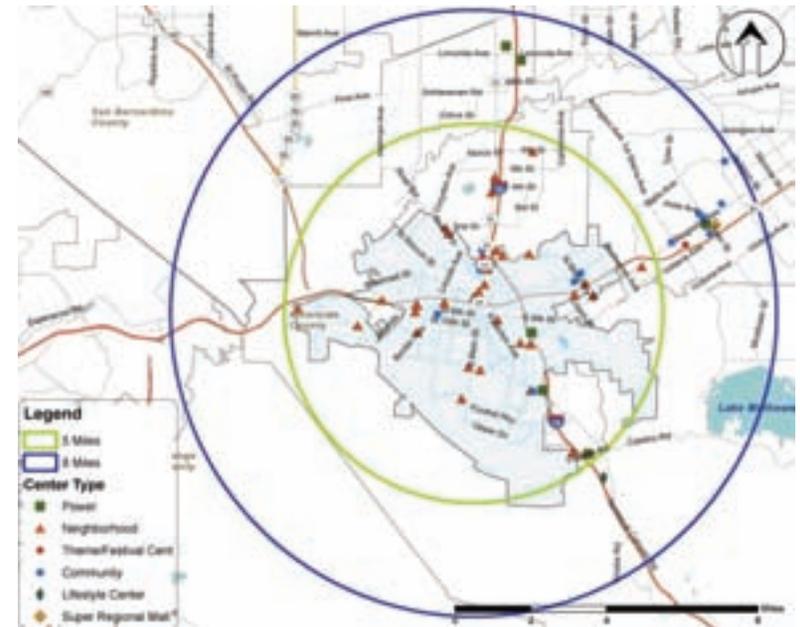
In the 5-mile market area that roughly contains the City of Corona there is approximately 8 million square feet of shopping center retail space. Neighborhood and strip centers are clustered along the freeway, as well as along 6th Street and North Main. There are a number of community/regional-serving shopping centers in the City of Corona and the 5-mile and 8-mile market areas. These shopping centers already include a significant number of national retailers.

There are no neighborhood-serving retail centers located within Downtown. Downtown includes only strip centers.

While the current retail market is soft, Corona is well positioned to capture regional dollars with freeway adjacent sites. Given the scale of retail already located in the area, it may be difficult to add new regional retail, but there are still dollars that may be captured from particular retail categories.

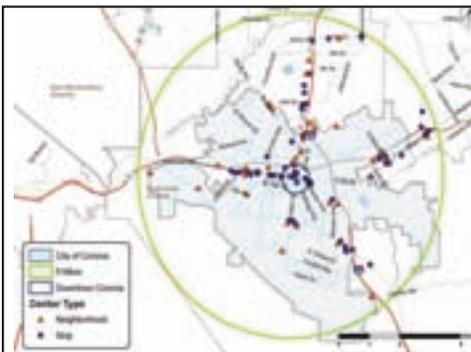
The Inland Empire has had significant population growth across the last decade and the Corona area has attracted many of these new Inland Empire residents' dollars. The City of Corona has a strong retail market. Many regional and community shopping centers are well placed along the 91 and 215 freeways to capture regional dollars. The demand analysis shows that there will be demand for a few new shopping centers in the City of Corona within the next 5 to 15 years. However, Downtown Corona is not well positioned to capture standard medium or large box retailers and may be better positioned competing for certain niche retail categories.

### Regional-Serving Shopping Centers



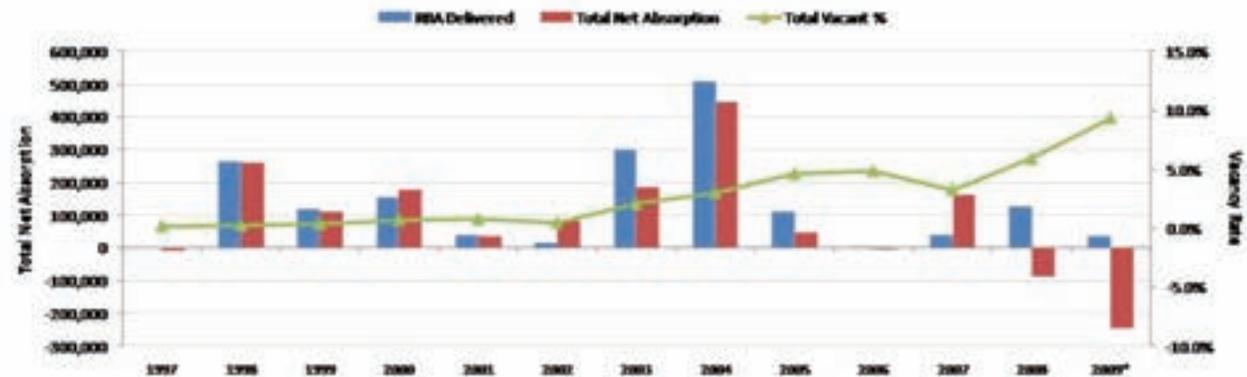
Source: ESRI; AECOM

### Neighborhood and Strip Centers



Source: ESRI; AECOM

### City of Corona Shopping Center Property Trends





## Retail Market Analysis

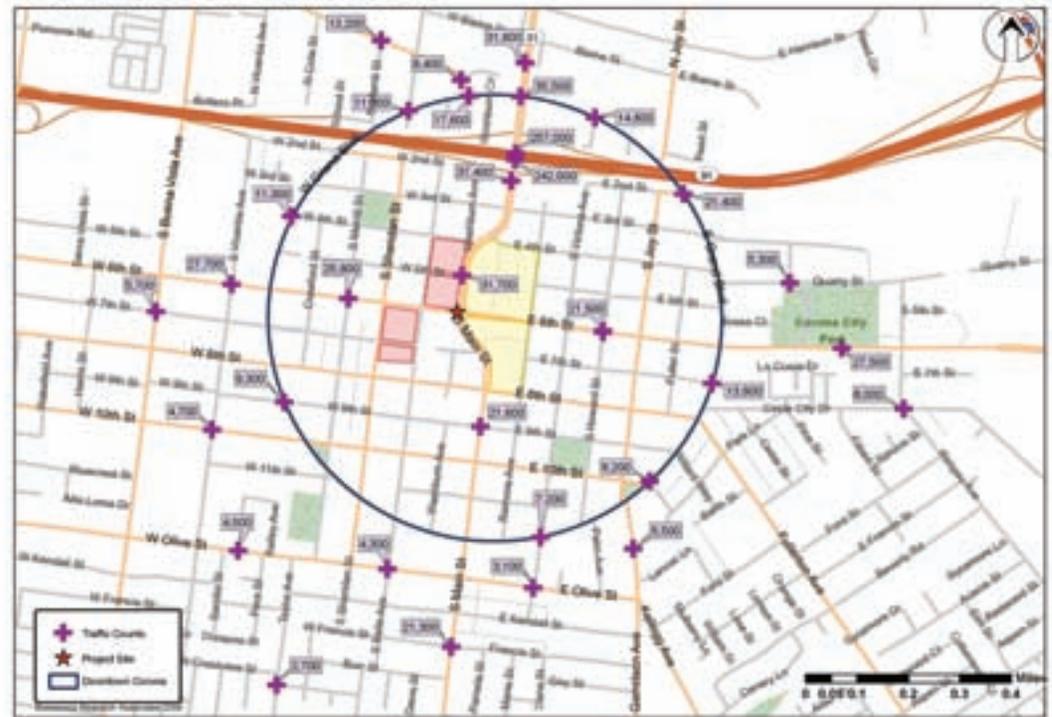
### Retail Demand

As anticipated by the supply analysis, the retail leakage analysis shows that the City of Corona has been attracting regional dollars in many categories, with the exception of grocery stores, apparel, and “other retail.”

These retail categories, along with additional demand from future residential growth show support for almost 500,000 square feet of new retail space in the City of Corona. However, the ability of the Project Sites to capture this growth will depend on the nature and positioning of the proposed retail at the site.

Downtown Corona is not well positioned (in terms of location or access) to fight with freeway-oriented retail shopping centers for general merchandise/big box dollars. However, there are good traffic counts along Main Street and a unique retail offering can provide the leverage needed for success.

Downtown Corona Traffic Counts



Source: CoStar, ArcGIS, AECOM

### Recapture Potential of Retail Sales Leakage

Type of Retailer	City of Corona Capture (%)	Sales Attraction of Leakage	Typical sales PSF for Outlets	Estimated Supportable SF of New Store Space
Apparel stores	80%	(\$8,783,785)	\$250	35,000
General merchandise stores	80%	\$23,509,880		
Food stores	80%	(\$51,698,463)	\$450	115,000
Eating and drinking places	80%	\$31,383,859		
Home furnishings and appliances	80%	\$6,483,446		
Building materials	80%	\$94,884,697		
Motor vehicles and parts	80%	\$11,459,222		
Service stations	80%	\$45,920,770		
Other retail stores	80%	(\$27,645,700)	\$250	111,000
<b>Retail Stores Totals</b>		<b>\$125,513,926</b>		<b>261,000</b>



## Residential Market Analysis

The Inland Empire housing market was hard hit by the recession. Average home prices fell by 34 percent in Riverside County between 2007 and 2008. The City of Corona's home prices are substantially higher than the County's, but were also down by a similar amount.

Home sales have increased in recent months, but given the unemployment rates it will be a slow and long recovery for the Inland Empire.

While the Inland Empire housing market will take several years to recover, the City of Corona has a location advantage relative to most of the Inland Empire. The City is located close to the fairly built out Orange County and, thus, when the economy improves, new, affordable homes are likely to continue to be in demand in the area.

### Residential Supply

While Corona home prices are almost 40 percent higher than County average values, the average 2008 home sale price in Corona was \$365,000, down 32 percent from the 2007 average price of nearly \$540,000.

Approximately 6,200 new units were added in the city across the last decade. The number of building permits issued in the City of Corona declined steadily over the last decade, from more than 1,300 permits in 2000 to just over 100 permits for 2009. The majority of Corona permits have been for single family residences. Since 2007, however, single family home permits have nearly disappeared, with most new permit activity occurring in the multifamily category.

The apartment market in Corona consists of approximately 9,900 units in 44 properties. Corona apartment rents are consistently higher than those in the larger Riverside/San Bernardino market. Average asking rents in Corona range from \$840 for a studio to \$1,528 for a 3-bedroom. The average rent is \$1,090, or \$1.23 per square foot. Average vacancy is 5.9 percent.



Source: US Census, AECOM

### Apartment Metrics by Unit Size

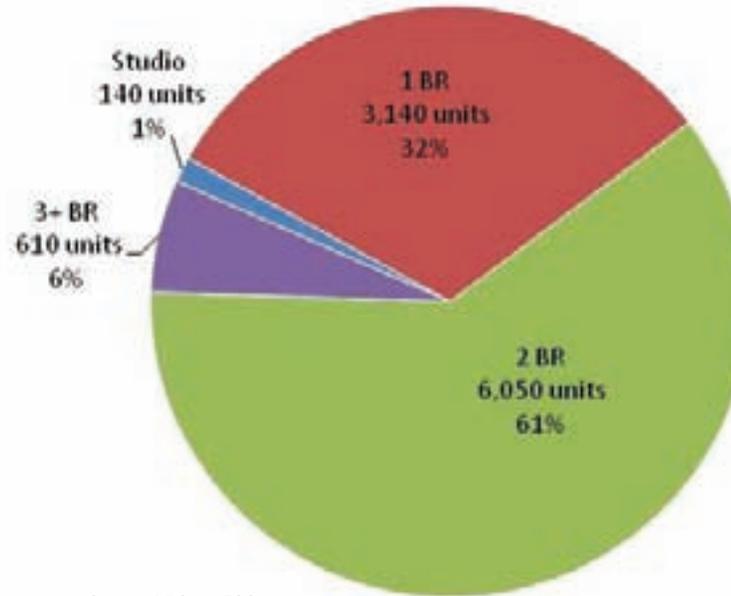
Market	Studio	1 BR	2 BR	3+ BR	Average
Rent	\$840	\$942	\$1,128	\$1,528	\$1,090
Unit Size (SF)	574	690	946	1,319	884
Rent PSF	\$1.46	\$1.37	\$1.19	\$1.16	\$1.23
YTD Rent Growth	-1.9%	-2.8%	-5.8%	1.7%	
5-yr Rent Growth	2.6%	2.9%	3.2%	2.4%	
Units (No.)	140	3,140	6,050	610	9,930
Units (%)	1.4%	31.6%	60.9%	6.1%	100%
Rent	\$739	\$908	\$1,092	\$1,435	\$1,038
Unit Size (SF)	480	698	950	1,237	
Rent PSF	\$1.54	\$1.30	\$1.15	\$1.16	



## Residential Demand

The demand analysis evaluates demand for new residential units based on growth anticipated by SCAG within the 0 – 5 mile primary market area. Using information from the US Census, new households are income-qualified to determine who can afford a new unit and renters and home buyers are determined based on historical proportions. Finally, new renters and buyers are estimated based on the willingness to locate in attached product.

Given the expected housing inventory surplus and expectation of a prolonged housing recover, the demand analysis is somewhat conservative. It only considers growth within the primary market rather than additional markets. However, the City of Corona is well located relative to the growing Inland Empire population and economy and the expensive Orange County housing market. In two to three years it seems likely there will be demand for infill housing located in Downtown Corona.

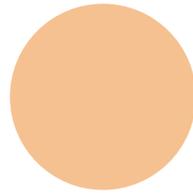
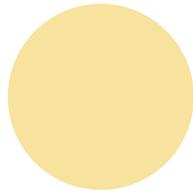
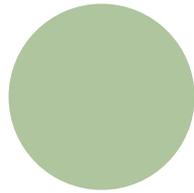
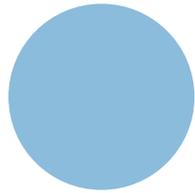


Source: REIS & AECOM

Demand for Apartments at Project Site (Downtown Corona)				
Incremental Rental Units		2010-2015	2015-2020	2020-2025
Capture Rate - LOW	15%	22	27	27
Capture Rate- HIGH	40%	59	71	72

Demand for Attached Product at Project Site (Downtown Corona)				
Incremental Multi-family For Sale Demand		2010-2015	2015-2020	2020-2025
Capture Rate - LOW	15%	42	76	77
Capture Rate- HIGH	40%	111	203	204

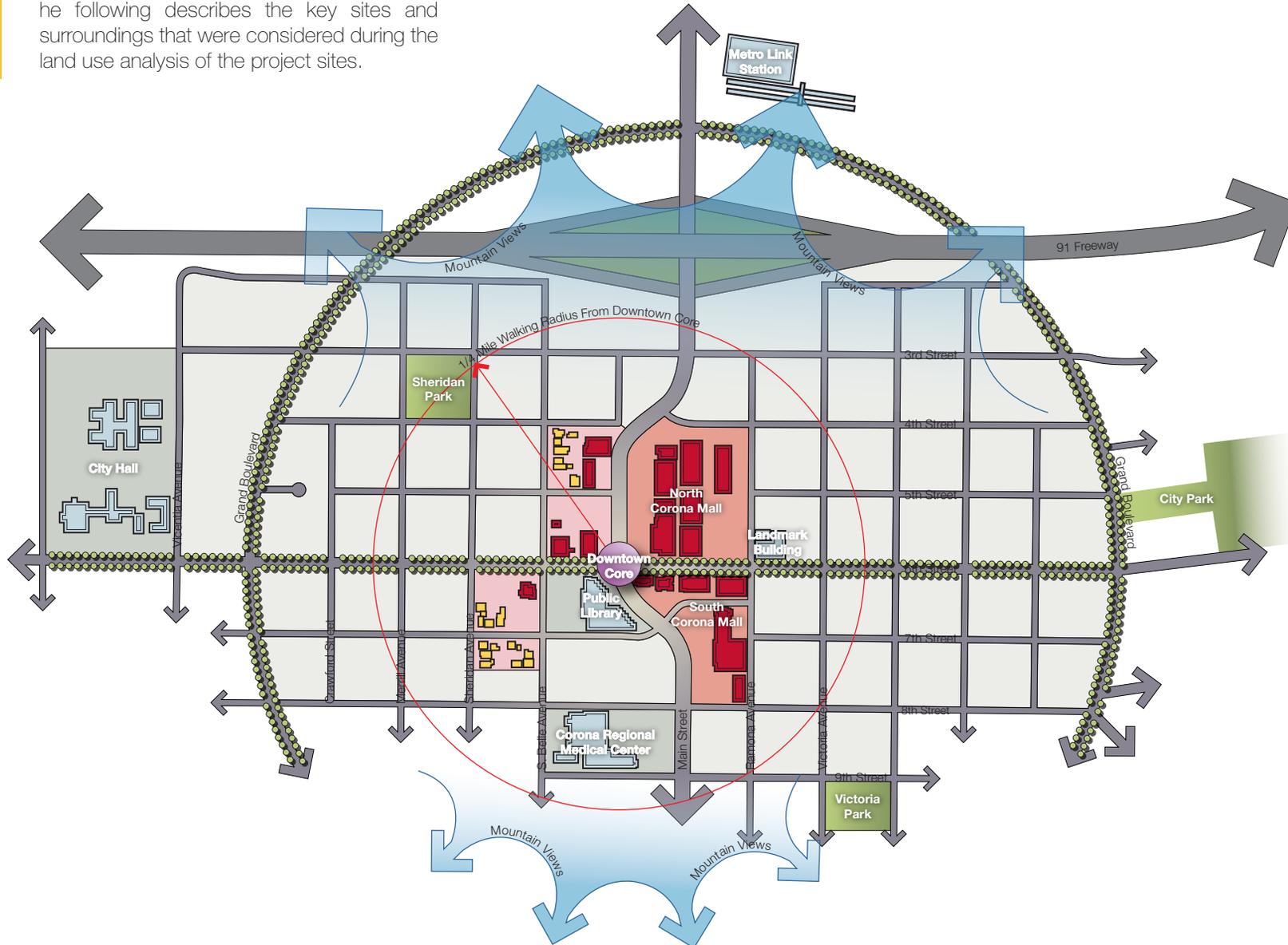
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## Site Context

The following describes the key sites and surroundings that were considered during the land use analysis of the project sites.





91 Freeway Expansion

### 91 Freeway Expansion

It is important to recognize the impact of the 91 freeway expansion and the resulting separation of the North Main Street Transit area from the Downtown. The creation of a manageable connection between downtown and the North Main Street Transit area will be extremely challenging.

### Grand Boulevard

Grand Boulevard is the one-mile diameter circular street that defines the City of Corona's Downtown core.



Grand Boulevard

Downtown Corona's development pattern and character are uniquely defined by the Grand Boulevard circle that is overlaid by a regular street grid, within which commercial, office, and civic structures are principally located directly along the street frontages and housing is set back from the street with landscaped front yards and parkways.

Grand Boulevard is a designated scenic highway which provides views of the City's historic core, particularly the large estates established on the irregularly shaped parcels along the edge of the circle, as well as associated landscaping and mature street vegetation.

The physical characteristics of Grand Boulevard provide an opportunity to concentrate activity in the Downtown and around the Project sites. It also provides an opportunity for an alternative transportation and recreation route that encircles the Downtown. Grand Boulevard connects City Hall, the City Park, and the Transit area.

### Sixth Street

Historically, Sixth Street had been the major corridor carrying east-west traffic and was aligned with many of Corona's major business establishments. Following the freeway construction and the subsequent shift to freeway-oriented land uses, the significance of Sixth Street was reduced both in terms of traffic and business perspectives, resulting in an overall reduction in the significance of the Downtown. Today, Sixth Street contains many small commercial parcels that are fairly shallow in depth, along with a mixture of older and newer structures and a variety of uses.

Sixth Street provides a strong connection to key uses both within the Downtown core and outward toward Grand Boulevard. Therefore there is an opportunity to focus small-scale pedestrian-oriented land uses along Sixth Street.

### Parks

The Project sites are located near one community park and two neighborhood parks.

City Park is a 17-acre community park located east of the project site on East Sixth Street between Grand Boulevard and Rimpau Avenue. Park amenities include a volleyball court, soccer field, basketball court, swimming pool, horseshoe pit, playground equipment, picnic area, restrooms, drinking fountains, and bicycle racks.

Sheridan Park is a 3-acre neighborhood park located northwest of the Project Sites on South Sheridan Street between Third Street and Fourth Street. Park amenities include a softball field, basketball court, horseshoe pit, barbeque, covered shelter, playground equipment, picnic area, restrooms, and drinking fountains.

Victoria Park is a 2.5-acre neighborhood Park located southeast of the Project Sites on East 9th Street between S. Victoria Avenue and S. Howard Street. Park amenities include barbeque, playground equipment, picnic area, restrooms, drinking fountain, and bicycle rack.

While these park facilities provide a number of recreational amenities, the overall open space system in the downtown lacks cohesiveness and connectivity. Additionally, the open space system lacks a central open space within the heart of the downtown which could be used as a gathering place for people to sit, stroll, and interact.

### Walking Radius

A one-quarter mile radius is a comfortable walking distance. The one-quarter mile radius around the Project sites would include an area bounded by Sheridan Avenue on the west, Victoria Ave on the east, Third Street on the north, and Ninth Street on the south. This area should become the focus of any significant beautification and pedestrian improvements.



Sixth Street



Parks

# DOWNTOWN CORONA PLANNING FEASIBILITY REPORT



## Corona Public Library

The Corona Public Library is located between the two Project sites at 605 S. Main Street. As of 2002, the 62,000-square-foot library had a collection of 144,563 items, which includes book volumes and other media. The library has a variety of meeting rooms that can hold as many as 200 people. Other smaller meeting rooms hold 30 to 40 people. The rooms have audio-visual and computer amenities available and provide a central meeting space for local community groups and organizations.

The Corona Public Library is a very busy facility and provides an opportunity to attract residents and visitors of all ages to the Project sites. The Library occupies a prominent corner at Sixth and Main Street. However the entrance to the Library is off S. Belle Avenue, not Sixth Street or Main Street. The lack of an entrance off of Sixth Street or Main Street poses a challenge in creating a strong physical connection to the Library across Sixth Street and/or Main Street.. However, any development on the project sites should consider how it physically relates to the Library and should look for opportunities to capture the energy and activities surrounding the Library.

## Landmark Building

The Spanish Revival-style Corona Theater, also known as the Landmark Building, was designed by Southern California architect Carl Boller and dedicated on August 29, 1929. The Landmark building is located east of the Project sites along Sixth Street. The building was constructed of brick, with stucco on its front elevation. Some remodeling has been done to the exterior, but significant details remain. Over the years, the building has had various uses, including commercial office space, a Masonic Lodge meeting hall, and a large theater. The building is currently being used as a church. The building is the only pre-Depression Era theater remaining in Corona. It was nominated and determined eligible for the National Historic Register, but the owners declined formal listing.

The Landmark Building presents an opportunity to build upon the historical importance of Downtown Corona and should be preserved. The Landmark Building also presents an opportunity to focus pedestrian activity along Sixth Street.

## City Hall

City Hall is located in Downtown Corona at the intersection of Sixth Street and S. Vicentia Avenue. City Hall is located approximately 0.5 miles west of the Project sites immediately outside of the Grand Boulevard circle.

Unfortunately, City Hall is outside of the Grand Boulevard Circle and not within walking distance of the Project sites. This poses a challenge to connect the activity around the Project sites to City Hall. Nevertheless, City Hall still serves as an anchor along Sixth Street and emphasizes the prominence of Sixth Street within the Downtown.

## Corona Regional Medical Center

Corona Regional Medical Center is a 240-bed community hospital network comprising a 160-bed acute care hospital and an 80-bed rehabilitation campus. The Corona Regional Medical Center is located south of the Project sites on S. Main Street between Eighth Street and Ninth Street. The Corona Regional Medical Center employs more than 1,000 trained healthcare workers and has a medical staff of approximately 300 physicians representing more than 40 specialties.

While the Corona Regional Medical Center provides a significant employment base in downtown, the facility has recently experienced decreasing patient services. However, as described in the market analysis, medical office use in the downtown area would be considered increasingly viable should additional medical infrastructure be constructed in the downtown. Therefore it is important to recognize the opportunity for such uses in the downtown area.



Corona Public Library



Landmark Building



City Hall



Corona Regional Medical Center



Residential Edges

### Residential Edges

When planning the Downtown, there should be sensitivity to the residential edges. The Project sites are bordered, primarily by single-family residential uses. Any future development of the Project sites should consider scale, use and appropriate architectural and/or landscape treatments to ensure a compatible edge.



View North from southwest corner of Sixth Street and Ramona Avenue

### Views

The San Bernardino Mountains, one of Southern California's Transverse Ranges, are located north of the City. To the west and south are the Chino Hills and the Santa Ana Mountains. To the east are low hills that complete the feeling of enclosure. The Santa Ana Mountains are within the Cleveland National Forest and provide the southern backdrop of the City.

The Downtown is slightly elevated and efforts should be made to take advantage of these mountain views. Mid-rise buildings in the Downtown area would provide opportunities for views of the surrounding mountains.



## ●●●● Recommendations

### Summary of Issues

The following vision for Downtown Corona remains an appropriate and achievable vision:

- A premier place for strolling, working, shopping, dining out, meeting friends relaxing with family or going to a play.
- A friendly place for community gathering and celebration: a place which makes people feel part of a great community.
- A downtown that contains things one needs to sustain daily life – and then some, and
- A destination for visitors, commerce, and residents who come to relax in a small town atmosphere.

However, the City will need to ensure that development in the Downtown is best leveraged to take advantage of current market realities and future market trends and is designed in careful consideration of the physical environment.





The following summarizes the key issues identified through the project analysis:

### Market Analysis

- Corona will have to work to better diversify its office employment users.
- Downtown Corona is not well positioned (in terms of location or access) to fight with freeway-oriented retail shopping centers for general merchandise/big box dollars. However, there are good traffic counts along Main Street and a unique retail offering can provide the leverage needed for success.
- The City of Corona is well located relative to the growing Inland Empire population and economy and the expensive Orange County housing market. In two to three years it seems likely there will be demand for infill housing located in Downtown Corona.
- There is a need for a catalyst project in downtown with enough critical mass and unique character to build a “destination”.
- The City will need to encourage festivals/events and build upon civic uses in the area to activate the downtown.
- The market and intensity of development will likely support structured parking, however it will need to be phased for cost effectiveness. The market is not likely to support underground parking.



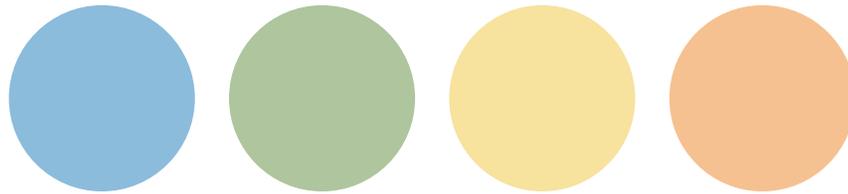


## Land Use Analysis

- Important to recognize the impact of the 91 freeway expansion and the resulting separation of the North Main Street Transit area from the Downtown. Creation of a manageable connection between downtown and the North Main Street Transit area will be extremely challenging.
- The City should continue to look at Grand Boulevard as an asset. It is anchored by City Hall, the Regional Park and the Transit area. It provides an opportunity to create something special in the downtown area. It could accommodate alternative transportation, recreation opportunities, and provides a unique and defining physical feature in the downtown.
- There should be a strong focus on Sixth Street which lends itself to the creation of a more walkable downtown environment. This street should be carefully considered for traffic calming and beautification improvements.
- There is a need for an open space framework in the downtown. This extends beyond a need for a singular plaza or park. The open space framework should be designed to provide spaces for gathering and recreating as well as connecting key elements of the downtown and creating interest for visitors and residents.
- Important to recognize that the walking distance is smaller than the Grand Boulevard circle. There should be a more centralized focus on downtown when assessing walkability and pedestrian improvements.
- Development should consider connections to key uses and buildings in the downtown, including the library, city hall, the landmark building, and existing medical uses.
- When planning the downtown, there should be sensitivity to the residential edges.
- The downtown is slightly elevated and efforts should be made to take advantage of views. Mid-rise buildings will provide opportunities for views of the surrounding mountains.



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## Land Use Mix Options

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### Success Factors

- Encourage a catalyst project with enough critical mass and unique character to build a “destination”
- Differentiate from freeway oriented power/lifestyle centers
  - Build upon civic uses adjacent to the project sites
- Look to capture existing drive-through Downtown Corona traffic
- City Efforts
  - Consider street alignment
  - Aggressive marketing to attract diverse corporations
  - Encourage festival/events to activate the Downtown
  - Phased parking strategies
  - Focus Corona development to strategic areas

### Targeted Use Mix

#### Office-anchored development

- Anchor the Corona North Mall area or the Project Site 2 North Infill lots area with one to two mid-rise office buildings
  - Office buildings may best be located on available land closer to the freeway
  - New off-ramp may help with congestion and ease Main Street
  - Day time employees will help to enliven Downtown and will help to support other uses, such as a cluster of restaurants or upscale grocery store
- To attract office users, City must market and encourage a diverse base of businesses to locate in Corona
  - Office is likely to be corporate offices; however, if new medical infrastructure is developed near Downtown, additional medical office space could be developed
  - City should work closely with existing brokerage community to foster a win-win partnership; where brokers provide the City with updates and an understanding of the market and the City funnels any potential leads to brokers
- Phasing: 7 to 10 years+
  - Office development will have to be phased in
  - Existing vacant office space must be absorbed before developers are going to be willing to build more office space



### Restaurant Cluster Development

- Develop a cluster of 3 to 6 restaurants as a dining district
  - Residents will be attracted to the district knowing they have a number of restaurants to choose from
  - Mix of restaurants need to be differentiated from existing dining in freeway oriented retail
- Want to achieve a strong mix of local restaurants/ restaurants with unique flavor and character
  - May include one or two national chains
  - May include one or two quick service restaurants
  - Focus on quality restaurants not found in standard retail centers
  - Integrated bars and lounges can help to enliven the district with night-time activity
- Phasing: Develop after or in combination with the office, hotel, or retail anchor
  - Day time workers will help to support restaurants and food service
  - If developed in combination with an anchor, ensure that the physical layout of the restaurant clusters is oriented to the general public (rather than appearing for the anchor's primary use)

### Hotel with office/restaurant cluster development

- Upper mid-range hotels in Corona
  - A detailed lodging market analysis was not performed as part of this effort. The current market may be underserved in terms of upper and mid-range lodging that also provides meeting and event space.
  - Combine other supporting uses such as a day-spa
- Best located closer to the freeway (North of 6th Street)
- Phasing: 3 to 10 years
  - As previously built office space, that currently remains vacant (1.1 million square feet) gets absorbed, there will be growing business hotel demand. New office space planned within the Downtown project areas will also contribute to demand for new hotel space
  - A number of limited service hotels, such as Ayres hotels and Holiday Inn Express, have been built in the Corona and Chino Hills area, but there is a lack of higher-end hotels in the south western portion of Riverside County

### Retail Anchored Development

- A higher quality grocery store, such as Whole Foods, could be a strong anchor for a development within the Downtown
- City of Corona has sufficient community-serving retail located adjacent to freeway, yet retail leakage exists in terms of food purchases
- Downtown Corona is not the best location for a standard neighborhood grocery store which draws from a 2-mile immediate area, but is well placed for an upscale/organic grocery store meant to draw from the wider Corona market
  - Currently a Henry's Market is located approximately 3 miles away near Ontario Avenue and Main Street. While the Henry's may be competitive with a proposed Downtown grocery store, it may also generate synergy between the two gourmet, organic-oriented stores
  - A higher quality grocery store would also work well with surrounding office uses. Day time employees would help to support ready-to-eat and deli offerings
- Phasing: 2 – 5 years
  - There is currently leakage in the food category in Corona. While "value shopping" is the current retail trend, with improvements in the economy, a developer can take advantage of the existing demand for food retail in the Corona market



## Cultural, Recreation, or Entertainment Anchored Development

- A cultural, recreation, or entertainment use could help to activate the Downtown, infusing greater energy to the area, a much needed community amenity, and additional foot traffic for other Downtown businesses, as well as increasing overall 'length of stay' of Downtown visitors
- Cultural, recreation and entertainment uses may include commercial recreation options (cinema, bowling, Family Entertainment Center) or other public recreation uses (cultural, performing arts facilities)
  - It may be challenging to attract entertainment uses, such as a bowling alley or movie theatre at the site, as these uses already exist in the market. There is one existing bowling alley in Corona and one in nearby Norco. There are an Edwards and Krikorian cinema theatres already located in Corona.
  - Theater/auditorium and community cultural/event spaces may be best planned for and operated by local not for profit organizations.
- Cultural, recreation and entertainment uses typically require some form of subsidy
  - In most traditional entertainment retail districts, private entertainment/recreation facilities are often cross-subsidized, in some form, by surrounding retailers who capitalize on the foot traffic they generate. These users pay very low 'anchor rents', and do not typically justify the capital costs as stand-alone facilities.
  - Repurposing an existing building and lowering capital investment needs may be a way to attract entertainment users (existing vacant floorplates)
  - A theatre or community cultural/event space will also require subsidy for the construction of the facility and potentially ongoing operating subsidies. However, there may be public and private grants available to help support construction and non-profit institutions have the capacity to raise funds to support ongoing operations

## Residential Infill

- As described in the market analysis, Corona is a desirable location for housing given its proximity to Orange County. With improvement in the housing market (3+ years), there should be a market for small infill housing developments
  - Housing developments can take the form of vertically mixed-use product, but are more likely to take the form of mid-to-high density attached products adjacent to commercial developments
  - Infill housing may be best located adjacent to the proposed mixed-use "village" commercial in Project Area 2 North and South
- Corona is a family-oriented market
  - Residential product should have higher bedroom counts
- While Corona is higher income relative to Riverside County, families are attracted to the Inland Empire due to its affordability. Developing high quality, affordable units that are well integrated into Downtown will help to draw new residents to the Downtown area



KEY DESIGN CONCEPTS

1. Restaurant Row and Office Anchor
2. A Public "Living Room"
3. Focus on Sixth Street
4. Unique Retail
5. Catalytic Mixed-Use Project
6. Library and Fine Arts
7. Residential Infill
8. Office Infill
9. Parking Structures
10. Open Space Framework

**Conceptual Site Design**

The proposed Conceptual Site Plan was based on the results of the market and land use analysis and recommended targeted use mix. The Plan combines design concepts in an integrated, cohesive plan for the project sites. However, the exact uses and ultimate design should be considered flexible. More importantly, the City should consider guiding development around the following key design concepts.





## Restaurant Row and Office Anchor

As identified in the analyses and the targeted use mix recommendations, a restaurant cluster was determined to be a potential viable use in the Downtown. This use would serve to capture trips from Main Street and would provide much needed eating establishments within the Downtown area. The restaurant row concept organizes approximately 40,000 – 50,000 square feet of restaurant pads around a large central green space. This could be organized in various configurations/sizes and number of restaurants. A sufficient distance should be provided between restaurants, across the green space to accommodate outdoor dining and ample public gathering space. The Conceptual Design provides a minimum 100 foot dimension between restaurants, across the green space. Restaurants should also be encouraged to provide outdoor dining areas facing the green to create interest and help animate the space. Limitations should be placed on the outdoor dining areas to ensure that they do not encroach too far into the central green. The green space becomes an important defining feature in the Downtown and is therefore discussed in further detail in the following section.



Additionally, in this Plan, the restaurants would be anchored by approximately 100,000 square feet of class A office space, which would provide a good daytime customer base for the restaurants.

A good example of a similar restaurant row design concept can be found in the Otay Ranch Town Center.



## OTAY RANCH TOWN CENTER



Chula Vista, CA

**Key Feature:** Restaurant row in the Otay Ranch Town Center, is designed to cluster a mix of restaurants around a defined people space, while still allowing the ability for national and regional chain restaurants to function with their internal/corporate requirements (i.e. financing, parking locations, sizing, ownership, etc.)

### Quick Facts:

- Otay Ranch Town Center is the first major shopping and entertainment center to come to the San Diego metropolitan market in more than 20 years.
- For the South Bay area, it completely redefines the manner in which public gathering spaces blend with fashionable, fun stores, white-table-cloth dining and entertainment.
- Visitors walk down urbane, bustling, open-air, shop-lined sidewalks with on-street parking, outdoor cafes and grand fountains.
- A pet-friendly setting and adjacent doggie park welcome 4-legged visitors, and a centrally located "chalk garden" and popper fountain for children make this destination especially one-of-a-kind.
- Sophisticated "California heritage" architecture -- with attention to detail -- creates a place that people will revisit to play, gather, linger, shop and be entertained.



### A Public “Living Room”

As identified in the ULI study and reiterated through the market and land use analyses, there is a need for a shared open space in the Downtown. This space, would serve as a public “living room” by providing a place where you can interact with your community, hold events and activities, and enliven the area.

Buildings should be oriented to frame the space, but should not close off views of the space from the street. This space should open up to Sixth Street to help activate the street and be tied to a larger open space network that connects key locations throughout the entire Downtown area. Along Sixth Street, the space should be a minimum of 100 feet by 150 feet to ensure a usable space that can accommodate various activities and events.

The living room should be flexible and comfortable, not overly programmed. It should be an inviting space for visitors, residents, and vendors. It should provide a space that can accommodate events such as farmers markets, craft and art fairs, live performances/concerts, semi-permanent food and retail, and other similar events and activities as well as daily activities such as outdoor seating, eating, strolling, and relaxing.

To ensure the space is inviting it should be designed with sitting areas, shade, animated walkways/sidewalks, changes in levels and vistas, street furniture and amenities (e.g. drinking fountains, water features, trash cans, planters, lighting, etc.) and visual interest at the “storefront” of adjacent buildings.





## Focus on Sixth Street

The Conceptual Site Plan proposes a strong focus on Sixth Street as a “Main Street”. Sixth Street provides a strong connection to key uses both within the Downtown core and outward toward Grand Boulevard. Just outside the Grand Boulevard circle, Sixth Street connects City Hall and City Park. These destinations are not within convenient walking distance, but are connected by the Corona bus lines and RTA routes. The Bike Analysis study, prepared concurrently with this study, provides recommendations to better accommodate bicycle traffic through traffic calming and beautification methods along Sixth Street, between Grand Boulevard West and East.

The Library, the Landmark Building, and existing buildings within the south Corona Mall are oriented toward Sixth Street. While street improvements should be made along the length of Sixth Street between Grand Boulevard West and East, particular attention should be focused on pedestrian improvements, building orientation, and creating excitement between Sheridan Street and Victoria Street. The area of Sixth Street between Sheridan Street and Victoria Street is within a convenient walking distance of the Project sites and should be designed for a walkable and enjoyable downtown experience. Buildings should be designed to come up to the street and the street environment should be highly amenitized.





### Unique Retail

The market analysis identified potential for retail-anchored development in the downtown. However, the analysis indicated that the retail must be unique and not your typical chain stores.

The Conceptual Site Plan proposes that this “unique retail” opportunity be satisfied by a targeted cluster of unique retail stores that provide services for the local area and/or a destination. To create a destination, retail uses should be oriented around a common theme. Examples of targeted retail developments include the Camp and the Lab in the City of Costa Mesa. The Conceptual Site Plan proposes mixed-use retail along Sixth Street, which could include one to two story buildings. Retail or other “active” uses should be required on the ground floor. Second floor uses should be more flexible and could include office, personal services, or residential. As discussed previously, the Landmark Building is an important historic building in the Downtown. Therefore, the City should consider revitalizing the existing buildings along Sixth Street to maintain some of the character and authenticity of the area. An example of a revitalized, “unique retail” development is Space 15 Twenty.

The Conceptual Site Plan also proposes a high-end grocery store such as a Whole Foods or a Gelsons Market which would provide for shopping and dining and would serve both the pass through community (trips along Main Street) and the local employment base. In addition, a high-end grocery store can fit well with, unique retail, eating establishments, and uses such as the library and proposed fine arts center that involve parents and kids in various after-school programs. The market would be located near these uses, providing a convenient shopping opportunity for parents. Similar high-end grocery store developments include the Whole Foods in the City of Pasadena in California and the City of Austin in Texas.



Whole Foods in Austin, Texas



Whole Foods in Pasadena, CA



Unique Retail

SPACE 15 TWENTY

SPACE 15 TWENTY



Los Angeles, CA

**Key Feature:** This development revitalized existing, out-of-date buildings and transformed them into a unique retail destination. The space was opened up to the street and provides gathering areas and performance space.

**Quick Facts:**

- Within the 12,690 square foot Urban Outfitters store, Space 15 Twenty showcases distinctive designers with a new pop-up shop every month. Space 15 Twenty hosts a selection of adjoining vendors that reflect and compliment the Urban Outfitters brand.
- Each store is connected by an outdoor courtyard, which includes a performance space and adjacent gallery. Aligning with local music, film and art venues, the courtyard and gallery present a rotating cast of musicians and artists.





## Catalytic Mixed-Use Project

As identified in the Market Analysis, there is a need in the Downtown for a catalyst project with enough mass and character to create a destination. While the Conceptual Site Plan proposes mixed-uses throughout the project area, it proposes a more self-contained mixed-use development that combines office space, shopping, dining, entertainment, lodging, and leisure. Specifically the catalytic mixed-use project is based on the Claremont Village Square and Metlox projects developed by the Tolkin Group and is proposed to include restaurants, a coffee shop/breakfast eating establishment, ground floor retail space, professional office/service on the second floor, and a boutique hotel all of which are oriented around an approximately 80 foot by 120 foot outdoor “living room” space.





### Catalytic Mixed Use Case Studies



#### CLAREMONT VILLAGE SQUARE



Claremont, CA

**Key Feature:** This project was well integrated in the existing downtown and did not create a draw away from the existing uses. The project also transitioned well into the adjacent residential community.

**Quick Facts:**

- The Claremont Village project is located at the intersections of Indian Hill Boulevard and First and Second Streets (the "Town Square" intersection) in the Claremont Village Shopping District in the City of Claremont, California.
- The Claremont Village Expansion project is approximately 125,000 square feet and includes retailers, restaurants, cafes, a 5-screen Laemmle Movie Cinema, office space and a 25-room boutique hotel into the Historic Claremont Village Shopping District.
- Tenants are housed in street retail buildings along Indian Hill Boulevard and the Public Plaza "Town Square" - an outdoor living room for the community. The landscaped public plaza features an interactive fountain with playful sculptures and outdoor seating for the relaxation and enjoyment of visitors.

#### METLOX MANHATTAN BEACH SHOP DINE RELAX

#### METLOX



Manhattan Beach, CA

**Key Feature:** In addition to providing an interesting mixed-use development, this project tied in well with the existing civic complex, including the library, city hall, and public safety facilities.

**Quick Facts:**

- The Metlox Block Project is an approximately 64,000 sq. ft. extension to Downtown Manhattan Beach, the City's upscale commercial walking district.
- The Metlox Block site is bounded by Manhattan Beach Boulevard on the South, Valley Drive on the East, Morningside Drive on the West, and the Manhattan Beach Civic Center to the North.
- Situated on a two-acre parcel three blocks from the beach and pier at the gateway to Downtown Manhattan Beach, the Metlox Block houses a select mix of lifestyle shopping, dining, and entertainment uses. The Metlox Block is designed with one and two story buildings oriented around a new public "Town Square - community living room", streets, and outdoor paseos. The Metlox Block introduces approximately 25,000 sq. ft. of new retail, restaurants, a bakery, and ice cream fountain; a 38 room boutique hotel; and approximately 15,000 sq. ft. of loft style offices and a full service day spa.
- The design, ambiance and amenities of the Metlox Block capture the unique character and feel of Manhattan Beach, including the strong beach and pedestrian orientation, with its inviting public Town Square with interactive fountains.

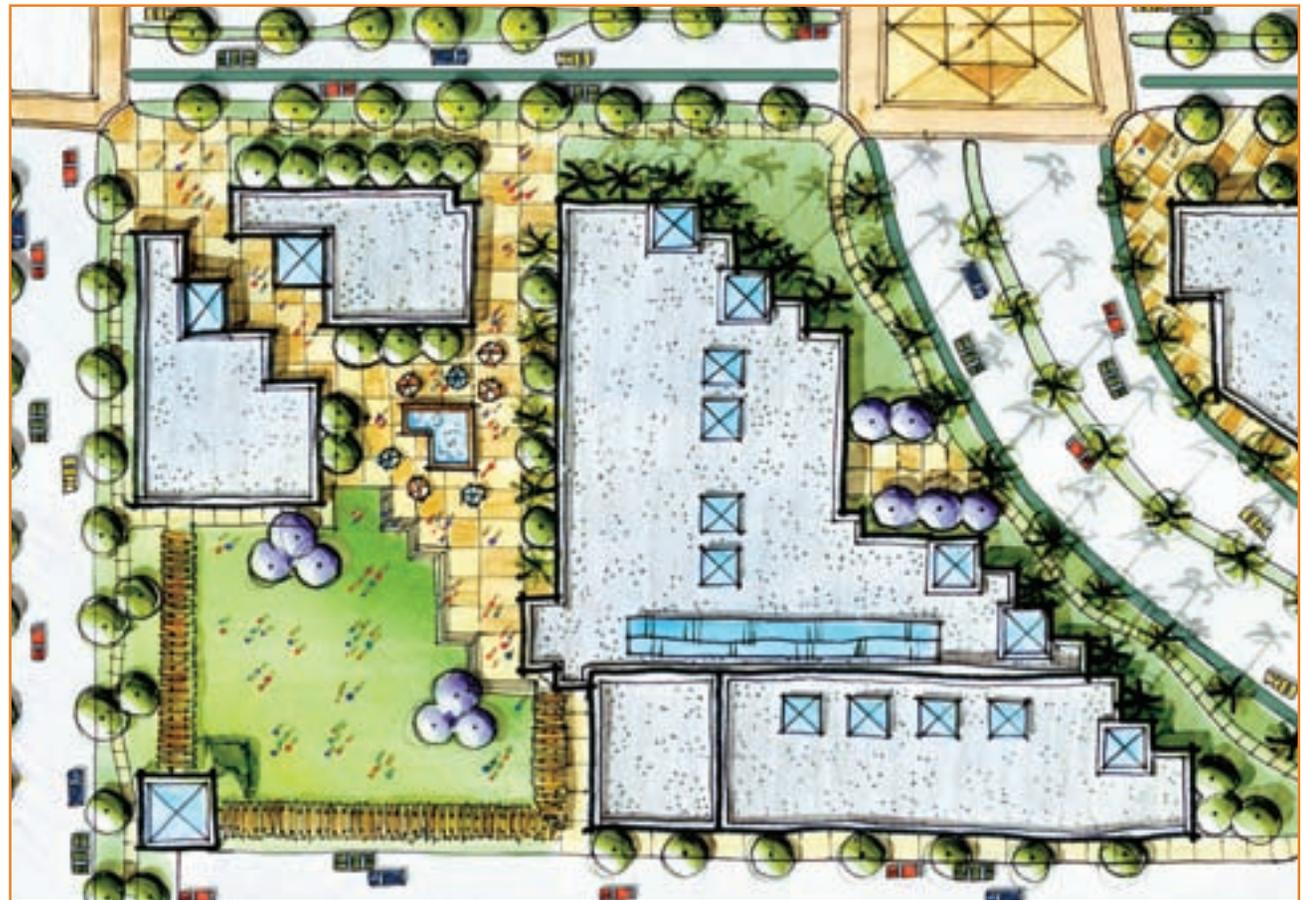


## Library and Fine Arts

As a result of the market analysis, the report identifies the potential for a cultural/recreation/entertainment anchored development in the Downtown. This type of development would help enliven the Downtown and build a destination. While this could take other forms, the Conceptual Site Plan proposes to build upon the existing Library and to provide a fine arts space for the public to learn and practice the arts.

The library is an important focal point and amenity in the Downtown. It occupies a prominent corner on Main and Sixth Street and is a busy facility. The design and orientation of the existing library building do not take advantage of the Sixth or Main Street frontage. However, improvements could be made to help open up the facility to the street. In addition, the development of a fine arts center near the library would help create a fuller cultural center in the Downtown area. Beyond physical improvements, a Library and Fine Arts center would provide the opportunity for programs that could help engage the community and enliven the Downtown.

The Conceptual Site Plan orients a Fine Arts building to Sixth Street and organizes the entire complex around an outdoor living room space. This space is a well-defined, public gathering space anchored by the Fine Arts and Library buildings. This flexible open space area would provide a place for events, public art, food kiosks, and/or other activities and amenities that will encourage community interaction. The Fine Arts center should consist of studio space to accommodate activities such as ceramics, painting, glass, sculpture, photography, jewelry and metal working, dance, acting, and other such activities. A Fine Arts center could also include meeting and conference room space and resident art space for professionals. The fine arts components of the Mississauga Living Arts Centre in Ontario, Canada and the Mesa Arts Center in Mesa, Arizona provide good examples of the type of space and programming that should be considered.



Public Art Reception, Riverside, CA



Art Studio



Mesa Arts Center, Mesa, AZ



### Library and Fine Arts Case Study

The Santa Monica Public Library project is a good example of an existing library facility that has been revitalized to create more interest from the street. The Santa Monica Library also participates in the Living Room project, which is designed to help adults rediscover the library as their community center. The Living Room project is supported in whole or in part by the U.S. Institute of Museum and Library Services under the provisions of the Library services and Technology Act, administered in California by the State Librarian. The Santa Monica Public Library promotes activities and events such as live music, yoga, film screening, craft workshops, dance classes, and other activities that promote adult learning and an active lifestyle.



### SANTA MONICA PUBLIC LIBRARY



Santa Monica, CA

**Key Feature:** The new library presents a strong civic presence on Santa Monica Blvd. in the heart of downtown. It includes a large, landscaped central courtyard, multiple entrances, garden spaces, and window walls to engage users and passersby.



## Residential Infill

The market analysis identifies the potential for residential infill in the Downtown. The Conceptual Site Plan proposes high density housing that could range from 20 to 60 dwelling units per acre. Housing types could range from freestanding townhomes to vertical mixed-use. The proposed residential concepts are intended to provide for a variety of high density housing and to provide a transition to adjacent residential uses.



## Office Infill

The Conceptual Site Plan also locates an office building along 8th Street and Main Street. This is considered an infill office space and is anticipated to be approximately 50,000 square feet. The office space could be used for professional or medical offices.



### Parking Structures

The Conceptual Site Plan provides structured parking in each of the four site areas. In order to accommodate the proposed development intensities, some form of structured parking and shared parking arrangements will need to be utilized.





## Other Design Considerations

### Roof Tops

The land use analysis encourages development in the Downtown to take advantage of views to the nearby mountains. In addition, the market and land use analyses emphasize the need to create unique and special places in the Downtown with a focus on the creation of open spaces, gathering areas, and destinations. Roof tops provide an opportunity to capture these views and create these spaces.

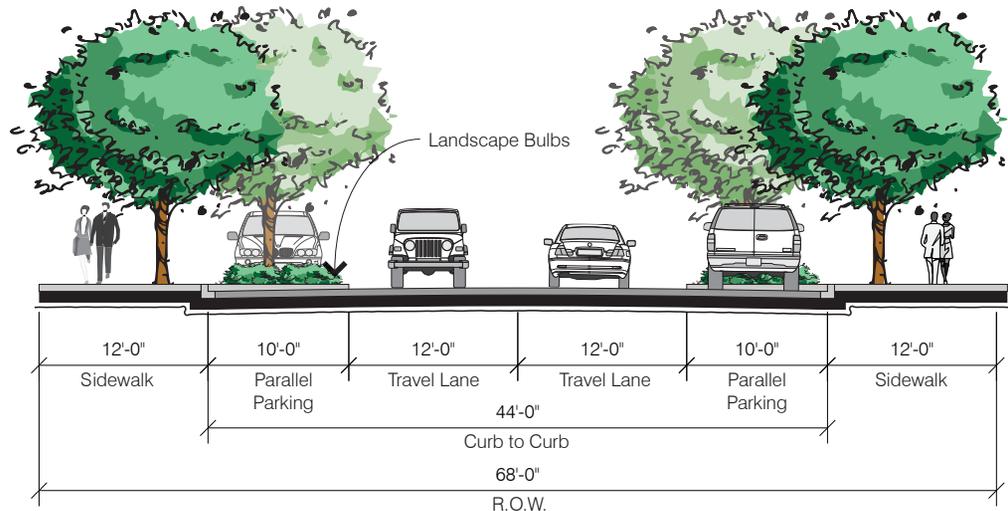
### 5th Street and Cross Street

The Conceptual Site Plan does not include the extension of 5th Street to Main Street and the creation of a cross street to Sixth Street. However, this is an alternative design option that should be considered.

An extension of 5th Street and creation of a cross street to Sixth Street would expose more properties to the street and therefore provide increased real estate value. Additionally, these streets could also provide additional cross-circulation for pedestrians and bicyclists.

The street should be designed with:

- a 68' Right-of-Way
- 2- 12' Travel Lanes
- 10' Parallel Parking on both sides of the street
- 12' sidewalks on both sides of the street

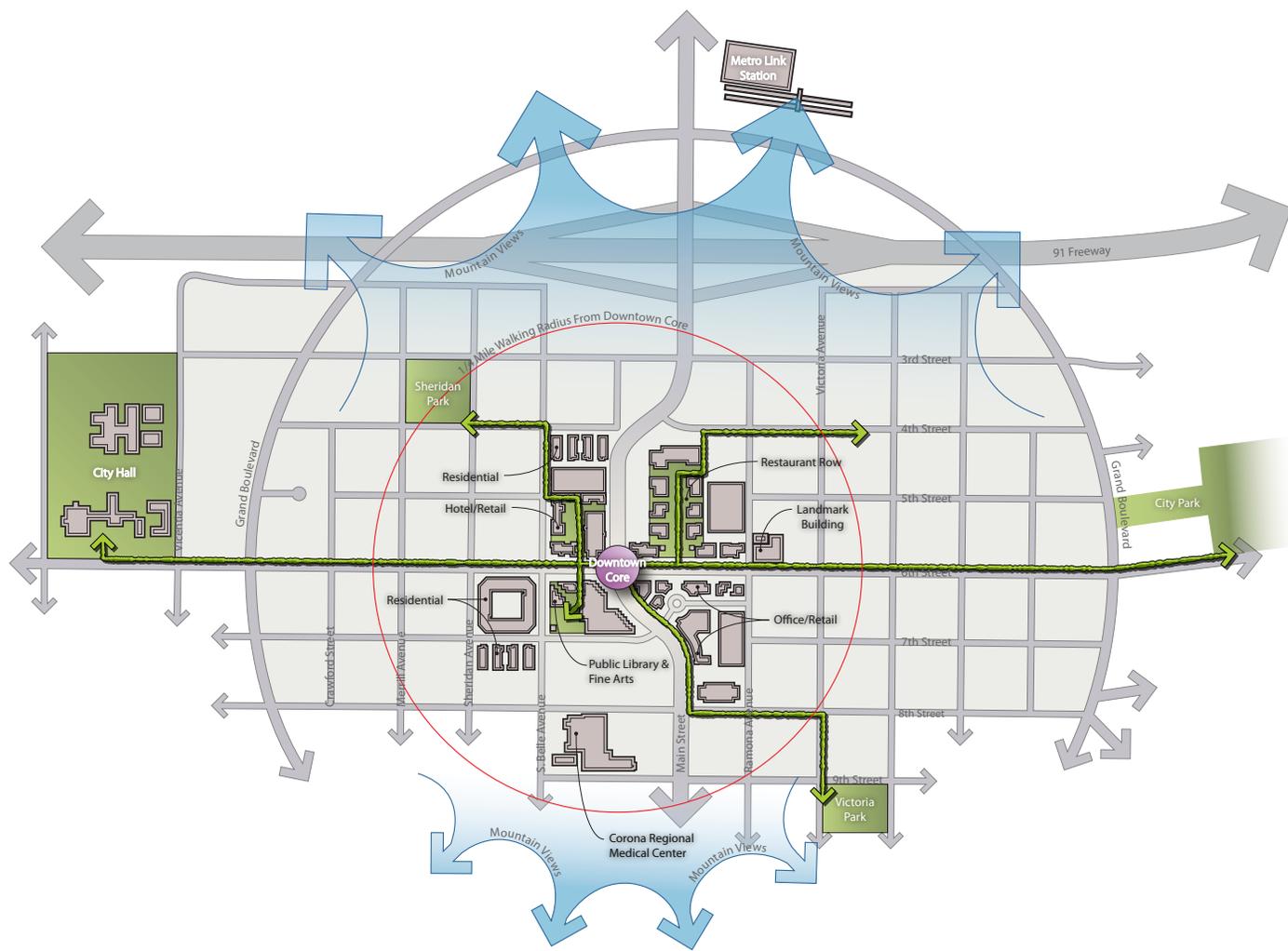




### Open Space Framework

One of the concepts that is consistently repeated throughout this report is the need for open space in the downtown. Open space should be viewed as more than a park or plaza, it should be treated as necessary infrastructure that will organize and shape development in the downtown.

As discussed in previous sections, the City should strive to create a public “living room” for the community and connect this living room space through an open space network to other key uses and destinations. The open space network should function to assist walking in the downtown by creating a safe and interesting environment for pedestrians and should create a contrast between hard and soft edges.





## Medical Infrastructure

As discussed in previous sections, if new medical infrastructure (i.e. a hospital) were to locate within the project area, medical-related uses would become increasingly viable in the downtown. If this were to occur the City should carefully consider the location of this use and any associated medical uses to ensure that active street edges are still maintained. We recommend that buildings be designed to foster a high quality experience for pedestrians and that particular attention should be paid to groundfloor design and activities, quality of materials, building orientation, and the relationship to the public realm and streets.



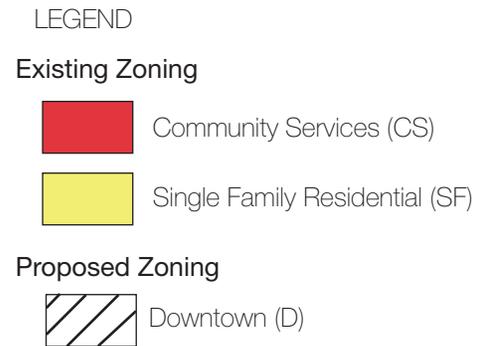
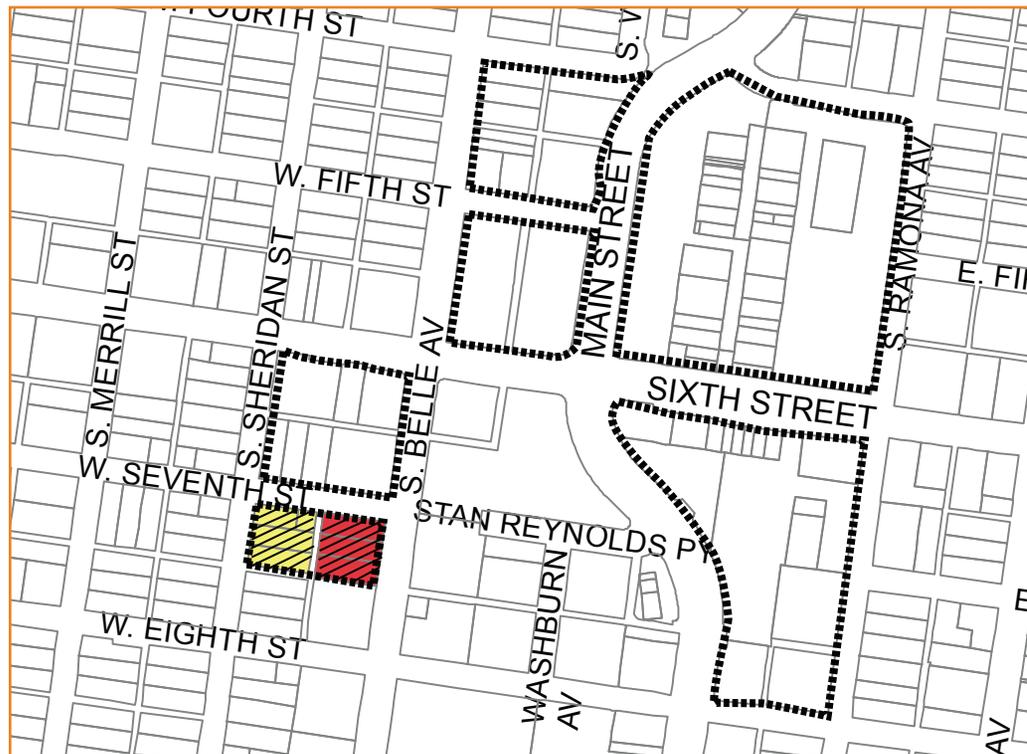


### Policy and Regulatory Recommendations

The General Plan, Downtown Revitalization Specific Plan, and the Zoning Code provide the policies and regulations that direct development in the project area. To ensure that the development being targeted for downtown can be implemented, these documents may need to be revised. Based on a preliminary review of these documents, the following are recommendations for policy and regulatory changes for the City's consideration.

### Land Use

The majority of Project Sites 1 and 2 is zoned Downtown District. However, parcels 117-186-001 to 117-186-0404 located at the southeast corner of Seventh Avenue and Sheridan Street are zoned Single Family Residential, and parcels 117-186-010 to 117-186-012 are zoned Community Services. These parcels should be rezoned "Downtown" District to provide the flexibility for mixed-use development. Although the Conceptual Site Plan identifies these parcels for primarily residential development, rezoning these parcels Downtown District will provide increased flexibility to shift and reconfigure uses within the Downtown project sites. However, the mixed-use provisions in the Downtown Revitalization Specific Plan may need to be reviewed to ensure they would not preclude commercial and residential uses within independent structures on the same site (see regulatory discussion below).





## Policy

### Design Theme

Current policies and design guidelines within the Specific Plan, identify an “Integrated Spanish Colonial/Mediterranean design theme. The City may want to consider allowing variation from this theme if the development can be shown to integrate with the existing character of the area.

### Open Space

The City may want to consider providing stronger policies and/or a Conceptual Open Space Plan to ensure that an open space framework is established in the Downtown.

### Rooftop Places

The City may want to consider adding policies to encourage the creation of rooftop places in the Downtown.



## Regulatory

### Health Care Facilities

The Downtown District as defined by the Downtown Revitalization Specific Plan does not currently allow health care facilities. This use will need to be permitted if health care/medical office uses become more viable in the Downtown.

### Retail Vending Kiosks

Provisions pertaining to Retail Vending Kiosks in the Downtown Revitalization Specific Plan should be reviewed to ensure that they are not too limiting or restrictive. Current Specific Plan provisions limit materials and locations that would compete with merchants. Retail Vending Kiosks (including food kiosks) are becoming a popular way to enliven places. We recommend they be allowed in outdoor “living room” and open spaces even if they would compete with other retail or food establishments.

### Mixed Use

Provisions pertaining to mixed-use in the Downtown Revitalization Specific Plan should be reviewed to ensure they do not preclude commercial and residential uses within independent structures on the same site.

### Main Street Orientation

Ensure that there is enough flexibility in the Downtown Revitalization Specific Plan to allow buildings along Main Street to be oriented away from Main Street. Attention should still be given to the streetscape and providing landscaping treatments that will ensure an attractive street edge.

### Special Events

Ensure there is flexibility in the applicable provisions to allow for a broad range of special events and temporary uses within the Downtown. This includes events such as craft fairs, farmers markets, live performances, pet adoption days, and other such events. In addition, these events and uses should be able to locate within open spaces, plazas, parking lots, and during closed street events.

### Outdoor Dining/Sidewalk Cafés

Review provisions pertaining to sidewalk cafés and outdoor dining to ensure this use will be encouraged and can be implemented in a variety of configurations, including restaurant row and open space/plazas.

#### AECOM GENERAL LIMITING CONDITIONS

Every reasonable effort has been made to ensure that the data contained in this report are accurate as of the date of this study; however, factors exist that are outside the control of AECOM and that may affect the estimates and/or projections noted herein. This study is based on estimates, assumptions and other information developed by AECOM from its independent research effort, general knowledge of the industry, and information provided by and consultations with the client and the client's representatives. No responsibility is assumed for inaccuracies in reporting by the client, the client's agent and representatives, or any other data source used in preparing or presenting this study.

This report is based on information that was current as of the December 2009 and AECOM has not undertaken any update of its research effort since such date. Because future events and circumstances, many of which are not known as of the date of this study, may affect the estimates contained therein, no warranty or representation is made by AECOM that any of the projected values or results contained in this study will actually be achieved.

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This study is qualified in its entirety by, and should be considered in light of, these limitations, conditions and considerations.