

A public/private partnership is transforming an older, single-family San Diego neighborhood

# U R B A N EMPOWERMENT

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**C**ity Heights in Mid City San Diego is a community of 70,000 people located on 2,062 acres in what was primarily a single-family neighborhood developed during the first part of the 20th century. It became a city of San Diego redevelopment area in 1992, but it had no center, no focus, and little to no infrastructure. City Heights was crumbling—physically and otherwise—falling victim to crime and blight until a community-based master plan was developed for the urban village in the core of the community.

Prior to the 1880s, when urbanization first began, settlement of the western part of the City Heights area was limited to a few scattered farms and ranches. Since San Diego has in essence a desert climate, private developers brought water from the eastern mountains to the developing city through a flume, which was located on the current right-of-way of El Cajon Boulevard, one of two main east/west thoroughfares through City Heights and Mid City. City Heights was one of the secondary waves of development that followed Alonzo Horton's establishment of the new town, which became the central business district of San Diego. A portion of City Heights was subdivided by the Horton Company and other sections were developed by other land entrepreneurs during the latter part of the 19th century. Until 1912, City Heights was unincorporated land within San Diego County. Formerly known as East San Diego, City Heights lies within the first mesa, which rises to the northeast above San Diego's bayfront downtown. Land developers subdivided the area into homesteads and promoted their sale through the construction of a trolley in 1888, which brought buyers from the city below. Distant sites were used for citrus groves and small ranches, while sites closer to University Avenue, the other major east/west corridor in City Heights, were used for homes and neighborhood-serving businesses.

The community was laid out and developed at the turn of the 20th century, with mass transit and local community-serving businesses serving as the focus of planning. The street grid ran north/south; typical block sizes were 300 by 600 feet, with alleys for utilities and access running through the centers. City Heights was a

sleepy suburban area within San Diego until World War II, when it experienced a boom as a site for military and war-related housing. As a result, the area straddling El Cajon Boulevard and University Avenue became a primary postwar shopping district in San Diego.

In the 1960s, the construction of Interstate 8 through Mission Valley opened up new development to the north, including San Diego's first shopping malls, and attracted businesses and consumers away from City Heights. From the end of World War II until the mid-1990s, the departure of established businesses and residents allowed an increasingly ethnically diverse, transient, and lower-income population to move in. The new residents found a community that had outgrown its infrastructure and been stripped of many of its attractive features. The community had been designed to be served by a mass transit system—the trolley; but the trolley, which operated until the late 1940s, was gone, and there was insufficient parking to accommodate automobiles. The schools had been developed for a suburban population, but current demand was for a major urban population. The streets and alleys were set up for local neighborhood traffic, but they now served as citywide traffic corridors. University Avenue had been widened; streetside parking and sidewalks had been eliminated. Many small, single-family homesites were indiscriminately replaced with six- to eight-unit, cheaply built, low- to moderate-income apartment buildings with little or no parking. This pattern resulted in development that lacked community cohesiveness, land use compatibility, and sufficient infrastructure and public facilities. City Heights had the highest concentration of subsidized housing in the city of San Diego, but the population and density had increased without the necessary reinvestment in the community's infrastructure.

The vision for the City Heights urban village was to create a community focus and to build a center, turning what was a very-low-density, single-family neighborhood appropriate decades ago into a higher-density, pedestrian-friendly urban village for the 21st century that was safe and where businesses and residents had an opportunity to flourish.



into a higher-density, pedestrian-friendly, mixed-use village.



The project was developed as a partnering venture among numerous public agencies and private enterprises. The entities involved include CityLink Investment Corporation, Price Entities, San Diego Revitalization Inc., Trans West Housing, the city manager's office, San Diego's redevelopment agency, the municipal police department, the parks and recreation department, the public library, San Diego's engineering and development services, as well as the San Diego Unified School District, the San Diego Community College District, and the Metropolitan Transit District.

The City Heights urban village was planned as a revitalization effort for the core of one of San Diego's older mixed-use residential communities, which includes seven square blocks bordered by University Avenue, 45th Street, Landis Street, and 43rd Street. The total area of these seven square blocks is 37.6 acres, including four streets that were vacated. The building uses for the urban village, in order of implementation, include the following:

- Mid City Police Substation and Community Facility, including a gymnasium;

- San Diego Unified School District's new Rosa Parks Elementary School;
- a community park, a public library, a recreation center, and a swimming and tennis center, with joint-use fields associated with the elementary school;
- a multipurpose theater;
- a four-classroom Head Start learning and daycare center;
- a Community College District 32-classroom continuing education facility;
- conversion of Wightman Street to a landscaped parking promenade, providing a direct link from the park to the retail center to help establish a safe continuity of space; and
- three square blocks of retail, commercial, and residential uses, fronting on University Avenue.

The City Heights town council and the city of San Diego Commission on Arts and Culture procured funding for site-specific public art for the City Heights urban village. A selection team formed by the commission short-listed six artists, who asked to split the budget six ways to produce six pieces. Their work, which represents



## Building a Successful Public/Private Process

**M**any urban communities face the challenge of attracting quality developers to complicated projects. Citizen activists, political and planning interests, and extensive review and approval procedures in these urban settings often make fringe development seem more attractive because it can happen faster and be more lucrative. As a result, urban communities—both central cities and central suburbs—increasingly are considering ways to ease the path for private developers. By convening market analysts, brokers, developers, and architects early in the process, common goals can be established and a realistic strategy developed. Two current cases serve as examples:

*Chicago: Block 37.* The city of Chicago faces a dilemma over Block 37, bounded by Washington, Dearborn, Randolph, and State streets, which lies in the heart of the Loop. The site was originally acquired by the city for redevelopment in 1986; buildings were demolished and the site was sold to a developer. For a variety of reasons, however, it has not been developed. Early last year, the city decided to buy back Block 37 and to seek a new development team. Long anticipated as a key block linking areas within the southern portion of the Loop, the block plays a pivotal role in joining the retail district along State Street, the recently revitalized theater district to the north, and the government and office cores to the west. Block 37 has the potential to comprise a vibrant mix of uses, able to accommodate more than 2 million square feet of development. In addition to office and retail, the markets for downtown housing and hotels appear strong.

ULI Chicago, in cooperation with the Chicago chapter of the American Institute of Architects, planned and hosted a two-day workshop this past September to assist the city in considering both *what* parameters to place on the development, and *how* to attract the best development teams. (See "ULI Chicago Assists City," October *Urban Land*, page 98.) Over

120 architects, developers, lenders, retailers, commercial brokers, and community and business organization representatives were involved.

Two months prior to the workshop, the city began meeting weekly with a team of internal staff and consultants. Arthur Andersen consultants gathered market data to track recent historical trends in the office, retail, cultural/entertainment, and housing segments of the market. The Chicago-based architecture firm of OWP&P collected site information and evaluated planning considerations such as transit linkages. Internal staff of the department of planning and development reviewed the legal, planning, and financial issues, and began to build a common voice within city hall regarding how to proceed. John H. Mays, chair of ULI Chicago, and Donald A. Shindler, workshop chair, attended meetings, offered suggestions, and assisted in preparing the invitation lists.

As the September workshop dates approached, formal presentation materials were reviewed and synthesized. The plan was to divide participants into 12 tables for small group discussions; each table would have both a recorder, taking notes on a computer, and a facilitator to move the discussion along and to ensure everyone's participation.

Guest speakers were chosen to play pivotal roles in moving the dialogue forward. Alex Garvin, a member of the New York City Planning Commission, spoke about past projects that have permanently changed cities and withstood the test of time. He cited the Galleria in Milan and the IDS Center in Minneapolis, and also traced the history of the Third Street Promenade in Santa Monica. These three very different examples illustrated the importance of carefully understanding the role of a specific site within the context of the larger district and city.

The city's goals are clear: to achieve major high-quality, mixed-use development; to limit the required financial participation by the public sector; and to ensure that the selected development team has the professional and financial wherewithal to complete the project. The questions facing the workshop included

those addressed around the country in similar downtown locations. They related to two primary areas: design, particularly that of streetscapes and infrastructure; and process, to create the best public/private partnership with the development team. As the owner of the site, the city wants to ensure that its participation brings forth a catalytic project that both strengthens existing neighboring uses and develops new ones. A number of challenges need to be dealt with: responding to changing market conditions, creating an appropriate mix of uses, maximizing the location and linkage opportunities of the site within the greater district, and using the plethora of transit venues located both adjacent to and under the site. While the events of September 11 have made markets skittish, the consensus is that the goals of the city remain the same and that the appeal of the site is strong.

Like many communities, Chicago would like to "buy" a finished design and a mix of land uses as part of the selection process. However, it is difficult to choose a development team without knowing all of the development program for the site. Ideally, the city would be able to view architectural plans and simply pick one design and one team over another, but that is unrealistic. To determine answers to the questions of density, mix of uses, design, streetscape, public participation, and financial parameters requires months of analysis and work. Therefore, Chicago needs to create a developer selection process that will give it the greatest chance of achieving its goals in the face of so much uncertainty. Initially, the city believed it would use a request for proposals (RFP) process to choose a developer, as it had historically done. However, after the workshop process, the city changed its selection process.

Instead, it will use the request for qualifications process to attract and to determine the interest of developers. The city then will select a development team and exclusively negotiate with it for a specified time period to reach final agreement. Through this process, the city expects to participate in and mutual-

the community's cultural diversity, was interspersed in and around the new Weingart City Heights Library, the City Wall (a curved screen wall acting as a portico), the Head Start center, and the theater. All of the works are permanent, site-specific installations and include murals, bas-relief etchings and poetry, constructed panels, handmade tile installations, and interpretive tapestries. The housing/office building portion of the project also entails public art. This site-specific art piece in the large residential courtyard is a three-dimensional land sculpture incorporating free-form seating, play equipment, and grass areas, in addition to plantlike porch railings.

The challenge of the project from an urban design standpoint, outside of the urgency of the crumbling neighborhood, was to create a plan that retained the mixed-use pedestrian quality of the old City Heights while adding 21st-century urban infrastructure and retail development. Another challenge was to accommodate the density increases in a fashion that enhanced the neighborhood as an urban village.

Multiple community workshops and focus planning groups identified the following issues, in order of importance, as critical:

- safety and security of the streets;

ly develop a more detailed master plan for the site. Further, the city has recognized that while it is crucial to master plan the entire site, it is possible that the site will develop in phases, and possibly be owned and developed by different entities (e.g., a housing or hotel component by a housing or hotel developer). The crucial element from the city's perspective is the overall master plan and its relationship to neighboring uses and transit.

*Scottsdale, Arizona.* The city of Scottsdale faced issues similar to those faced in Chicago, but with a Western city flair. Los Arcos Mall, on the corner of McDowell and Scottsdale roads, is currently owned by a private developer. Recently demolished, the site comprises approximately 40 acres in a newly created mixed-use district. McDowell and Scottsdale roads are major thoroughfares in the city, joining Phoenix and Scottsdale and carrying more than 88,000 vehicles per day. Both of these thoroughfares have strip retail along their lengths, with few multistory buildings. A mix of garden apartments, fast-food outlets, and single-purpose uses line the streets. A concentration of auto dealers has migrated to McDowell Road, known locally as Motor Mile. Within the district, over 40,000 employees work in more than 3,100 businesses. While the area is suburban in character, it has clusters of both daytime and nighttime uses. Recognizing the opportunity presented by landownership held by one entity, the city sought assistance from ULI Phoenix. The revitalization of Los Arcos, a prime intersection, could be catalytic in creating a significant mixed-use district with greater density.

This past June, Scottsdale city staff, led by the city manager and the general manager for economic vitality, prepared briefing materials for a peer-review/workshop session. Key city officials, planning and development staff, local architects, and consultant planners were invited to participate in a daylong session. Local real estate brokers, leasing agents, and architects were asked to prepare analyses and background materials to inform the workshop participants of current market conditions. Information included data on

## REQUEST FOR QUALIFICATIONS (RFQ)

### Elements

- Identifies developer team (e.g., architects, contractor, and others).
- Provides background of development team and key individuals.
- Describes past relevant projects.
- Narrates approach or concept for project.
- Outlines developer's financial strength and financial approach.
- Provides references for similar projects.
- Presents initial architectural design concepts/plan.
- Possible outline of financial proposal by developer.

### Good Approach When:

- Project still being defined.
- Project likely to be complex, multiphased, possible multiple ownerships of project elements.
- Negotiated development agreement required to achieve "deal."
- Complicated decision/approval process to reach approved agreement.

tourism, retail, multifamily, and office market segments. Following presentations on each market segment, participants considered alternative uses for the site. The need for density and anchor attractions was highlighted. Scottsdale is aggressively moving into creative mixed-use and multistory developments, and away from the historic one-story, single-purpose uses. As the area matures, this is considered a natural evolution and creates a node for concentrated growth. Such smart growth projects can reduce intradistrict trips, allowing several errands and tasks to be accomplished with one car or bus trip.

A new generation of public/private partnerships is being created. Public officials are rethinking how they choose development partners in addition to expand-

## REQUEST FOR PROPOSALS (RFP)

### Elements

- Identifies developer team (architects, contractor, and others), usually in greater detail than in RFQ.
- Provides background of development team.
- Describes past relevant projects.
- Details specific proposal, approach, and concepts for project.
- Financial strength of developer (usually kept confidential by public sector).
- Provides references for similar projects.

### Good Approach When:

- Project is relatively simple, able to be clearly defined by the owner/offeree, (e.g., single-use site such as grocery store, multifamily housing, or museum).
- Financial parameters can be defined by the city or the offerer, including use restrictions, program requirements, minimum land price, level of subsidy, financing available, etc.
- Strong market and/or competition by developers can be reasonably anticipated.
- A respondent can be reasonably expected to prepare a "bid." The seller/offeree can describe what is being offered and the prospective buyer/developer can reasonably evaluate its worth and what it is willing to pay.

ing financial partnerships. With these joint efforts, public partners are accepting a greater role in developing the scopes and programs for sites early in the process. By joining forces at the outset, public and private partners hope to streamline the development process and to gain relatively quick approvals. By shortening the approval process, profits can be improved and more private sector teams attracted to central area development projects. Much remains to be done to reduce conflicts between neighborhood forces and new development. Efforts to streamline the process and more fully understand a development team's needs are a promising start to new and successful projects.—**Maureen McAvey**, ULI senior resident fellow, urban development

- affordable and state-of-the-art retail;
- a new library;
- a new community center;
- more outdoor/recreation space; and
- an increase in the tax base.

Some of the strategies used to address these issues were as follows:

- Siting the new police substation so that the windows of the detectives' and captains' offices visually and physically were "on the street" and at the apex of an aperture out to the public spaces and buildings of the urban village core.

- Placing the community gymnasium and public meeting space within the police substation.
- Siting entrances of the library, the continuing education center, the multifamily housing project, and retail development at the intersection of the two most important streets in order to create public space and activity.
- Design of a retail center that provides the "big-box" grocery store that is financially effective today, while maintaining the pedestrian-scale "mom and pop" feel of University and Fairmount avenues.



■ Design of an urban library that offers state-of-the-art information and also has a strong urban street presence both day and night.

■ Design of an urban community center that brings athletic, recreational, and social activities into the neighborhood.

■ Development of a master plan that encourages and facilitates a 24-hour synergy between public/community facilities and educational buildings.

■ Design of high-density housing that has stoops and front porches along the entire street perimeter in addition to third-level balconies overlooking the street.

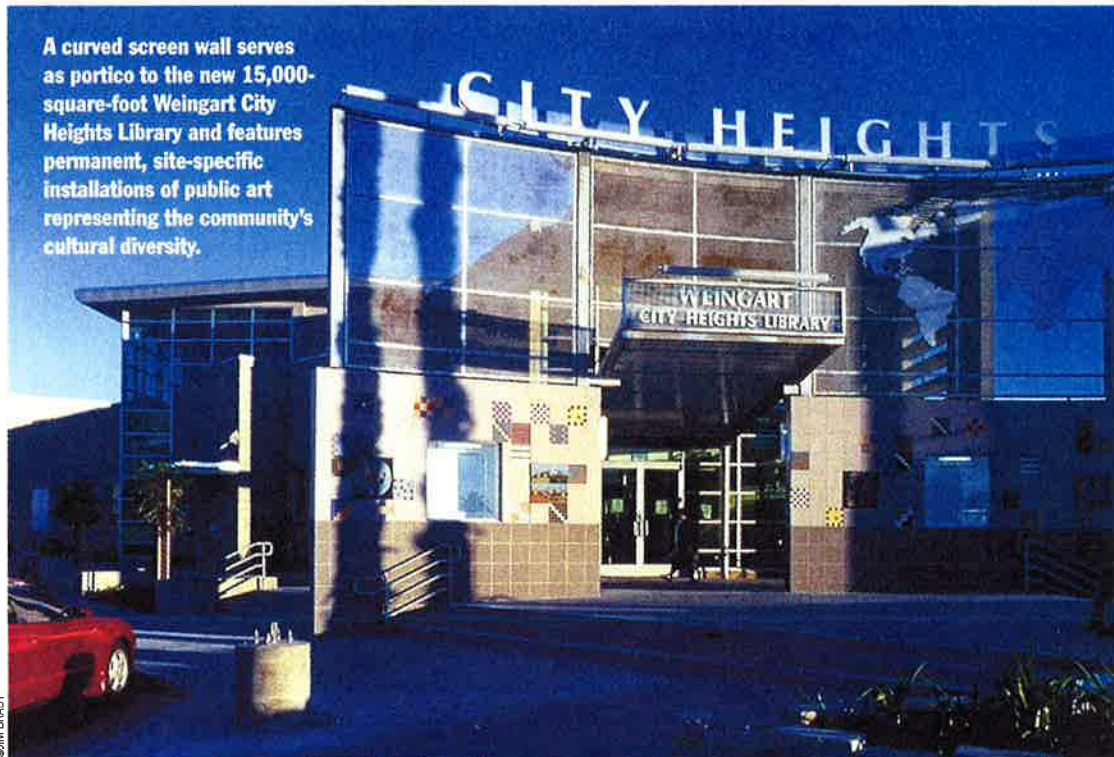
■ Design of an office building and a parking garage offering continuous retail use on the ground level, with a scale and a rhythm similar to those of the historical retail on University and Fairmount avenues.

While University Avenue has numerous buildings a quarter-block long, the new City Heights urban village office building facade is divided into two parts, each one-half block long. One half is a “punched” facade reminiscent of old bearing-wall buildings with window openings and store entries. The other half is a high-tech, clear nonreflective glass skin with mullions that follow the window lines of the adjacent facade. The clear glass facade brings the scale of the activity in the offices to the street, rather than act as a monolithic reflective wall with hint of human proportion or scale. This kind of building skin is new and does not exist in San Diego but is being used extensively in Europe and in some other North American urban centers such as Chicago and New York. The base of the building at the street has the same scale for the store entry as the adjacent building, with a more modern twist—a design that is intended to make the leap into the 21st century, while respecting and responding to the context, scale, and history of the existing community.

Educational opportunities in City Heights are being helped by a Price Entities Initiative, which has endowed an educational pilot that partners the San Diego State University (SDSU) School of Education and the City Heights public schools to create a “learning laboratory” to improve education. The three local schools—Rosa Parks Elementary School, Monroe Clark Middle School, and Hoover High School—operate as community schools wherein the school provides comprehensive health and welfare services. Specifically,

A curved screen wall serves as portico to the new 15,000-square-foot Weingart City Heights Library and features permanent, site-specific installations of public art representing the community's cultural diversity.

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each school has full-time, on-site nurses and social workers who give assistance to students and families. In addition, SDSU offers a free on-site master's degree program to participating teachers to increase teacher retention.

In November 1998, the Weingart Library, a 15,000-square-foot facility equipped with an Internet technology center, a shelf capacity for 60,000 books, reading rooms, and public meeting rooms, opened its doors to the City Heights community. Construction of the facility was made possible by a \$5.25 million grant from Price Charities and the Weingart Foundation. More than 2,000 people visit the library daily, making it one of the most heavily used branch libraries in the city of San Diego.

In an effort to provide safe community recreational options, funding was provided by Price Charities for the construction of a swimming center, a tennis center, and recreational fields for softball and soccer. A 3,000-square-foot black-box theater for the performing arts and meeting space for films, lectures, and presentations also were funded. To date, diverse groups such as the San Diego Opera and Ballet Folklórico of Mexico have performed in the theater space; the recreational fields and the tennis center are being





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**A community center has brought athletic, recreational, and social activities into the neighborhood of 70,000 residents.**

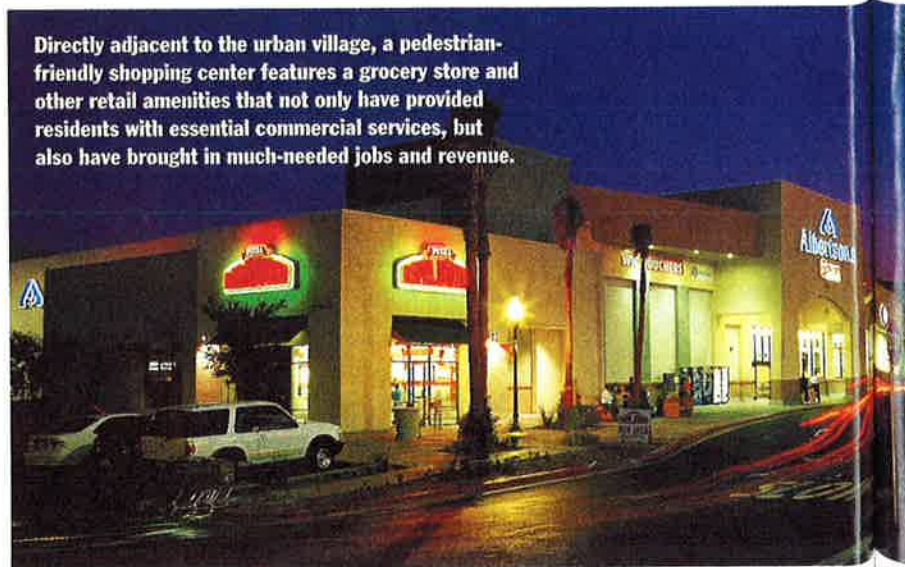
used for after-school programs; and the tennis center has produced three top-ranked junior players.

In May 1998, the Community Service Center, which provides residents better access to city services, including welfare-to-work support, permits, zoning code enforcement, and bus passes, opened in the urban village. The center also houses a Head Start program that offers quality, low-cost child care to more than 100 children, and is home to the town council offices created to give residents a voice in the revitalization process and to serve as a vehicle for community organization and leadership. The town council is funded by the city of San Diego in conjunction with the San Diego Foundation.

In October 2000, the Mid City Continuing Education Center opened in the heart of the urban village, across the street from the Weingart Library. Operated by the San Diego Community College District, the facility offers courses tailored to fit the needs of City Heights residents, including programs in adult literacy, English, and job training. The school also provides technical and occupational training to help make City Heights residents more desirable in the job market. The 58,400-square-foot facility houses primarily classroom space, with some room for support administration.

To promote homeownership in City Heights, local nonprofit Neighborhood Housing Services (NHS) is enabling first-time homebuyers to purchase residences there with no money down by providing funding for low-interest second mortgages. Borrowers may repay the second mortgage either by repaying the principal at a low, fixed interest rate or by participating in a community service pro-

**Directly adjacent to the urban village, a pedestrian-friendly shopping center features a grocery store and other retail amenities that not only have provided residents with essential commercial services, but also have brought in much-needed jobs and revenue.**





gram. To encourage beautification of homes in the City Heights community, Price Charities has provided financial support for community-wide face-lifts organized by NHS. The face-lifts are intended to bring neighborhood volunteers together to improve the quality of existing homes by painting, landscaping, and making basic repairs. Currently, a new home loan program is being developed to encourage both public employees, such as teachers

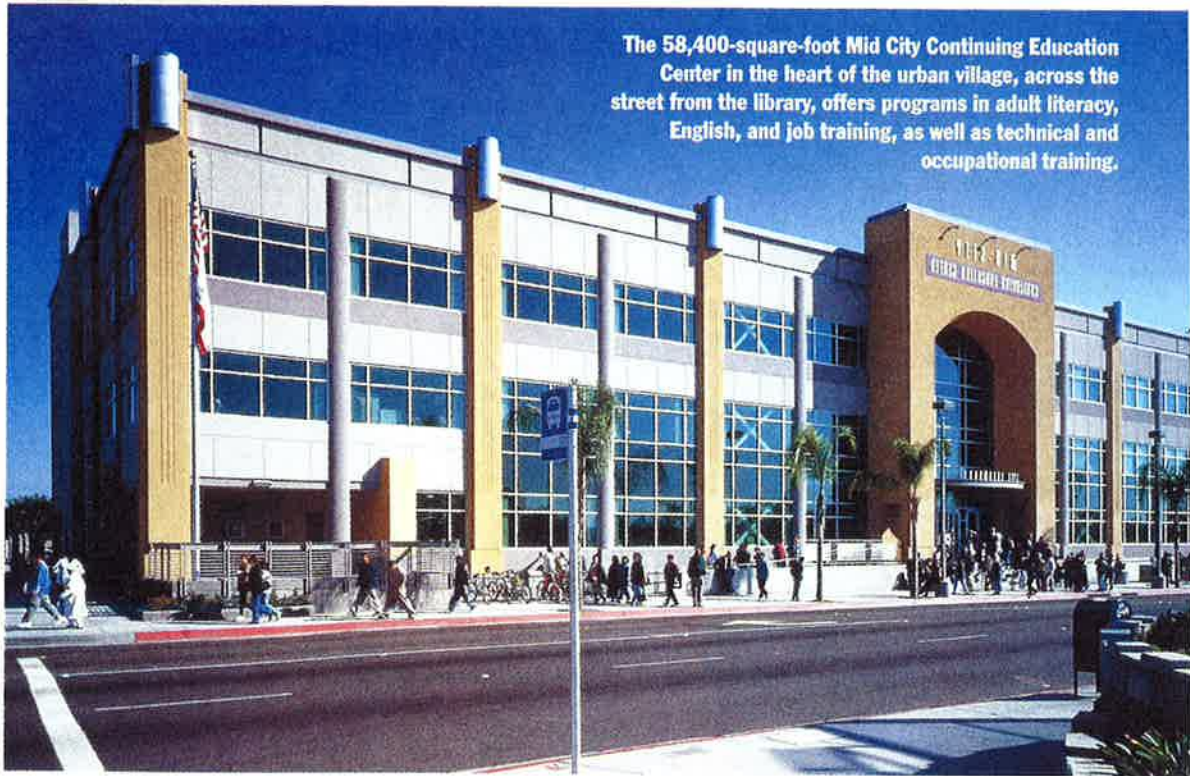
and police officers, and nonprofit employees working in City Heights, to purchase residences there.

Directly adjacent to the urban village, a new shopping center has been developed by a for-profit private developer, CityLink Investment Corporation of San Diego. An integral part of the master plan for the urban village, the shopping center, which opened last summer, features a new grocery store and other retail amenities. It is credited with bringing much-needed jobs and revenue to the City Heights community, in addition to providing residents with essential commercial services.

The Price Charities initiative is buying run-down apartment complexes throughout City Heights, rehabilitating them, and renting them at affordable rates. It also is building 116 new townhomes, featuring two-, three-, and four-bedroom units, adjacent to the urban village. The townhomes are expected to be ready for occupancy this summer, and will include an on-site daycare center as well as a community health clinic in the adjacent office building. In addition, the units will have landscaping, underground parking, and gated security.

To create office space for the local nonprofit organizations that are providing services to the City Heights community, the Price Charities initiative is building a 125,000-square-foot, six-story office building located adjacent to the new urban village townhomes on University Avenue, a main thoroughfare in City Heights. The organizations will be offered office space at market rates but with subsidies from Price

The 58,400-square-foot Mid City Continuing Education Center in the heart of the urban village, across the street from the library, offers programs in adult literacy, English, and job training, as well as technical and occupational training.



Charities. The ground floor will feature retail amenities, possibly including a bank. The total cost for constructing the office and townhome complex is estimated at \$42.9 million.

City Heights has numerous high-quality, smaller homes that are located on fair-sized lots with alley access, many in excellent condition, others restorable. There also are a number of many lower-quality, absentee-landlord apartment buildings on small lots, some of which have become crack houses. A logical next step in City Heights's plan for the area would be to strategically remove the blighted properties, replacing them with higher-quality, single-family, for-sale, small-lot developments that are slightly less dense. These developments could be mixed with existing single-family or duplex properties to create a higher-density, pedestrian-oriented urban community. With much of the needed infrastructure now in place, these properties could be highly desirable. In fact, many longtime residents who previously could not afford to purchase housing now can do so. A number of former residents who were raised in the neighborhood but left because of its decline now are returning, either moving back into properties they still own or purchasing new ones in the area.

San Diego's City Heights urban village provides an example of a public/private joint venture for large-scale community revitalization that can serve as a model for other communities around the country. It also offers proof that it is possible in a relatively short time—seven years, in this case—with the commitment of all parties, to revive a neighborhood on the brink of being lost to blight and crime.

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