IRVINE

I. PRE-1960 HISTORY OF THE IRVINE RANCH
A. Size: 105,000 ac. (96,000 ac. by ’60)
B. Ownership: From J.I. (sr.) to Foundation
C. Primarily a farming operation with occasional sales of land to avoid debt (Corona del Mar.)

II. UC LOOKS FOR A NEW CAMPUS SITE
A. UC Regents authorize William Pereira to find a site.
B. July 16, 1959: UC Regents and The Irvine Company jointly retain Pereira "to make a detailed study of this site."
   1. Phase I: "determine the economic feasibility of establishing a University campus on the site and to establish fundamental agreements toward developing a tentative Master Plan for a university-oriented community."
C. Oct. 15, 1959: Pereira's report concluded:
   1. "development of a Univ. campus on The Irvine Company property is economically feasible."
   2. "site affords unique opportunities for development of an integrated University Community."
   3. "support and cooperation from neighboring cities and governmental agencies are assured."
D. December 11, 1959: UC Regents and Irvine Comp. authorize Pereira to proceed with Phase II.
E. May, 1960: Pereira presented his phase II report which recommended:
   1. The development of a "new community of 100,000 residents" on 10,000 ac. surrounding the new campus.
   2. That it be "designed to provide an economically balanced community oriented toward serving the University and the unique population it will generate."
   3. Illustrating two campus planning concepts.
      a) a college system
      b) a central campus system (this concept was ultimately selected.)
   4. County committee on School District Organization incorporated into their master plan "a unified school district with boundaries co-terminus with those of the proposed University Community."
III.- On arrival: what did I find?

A. **Orange County**
   1. Residential suburban in character with job base in L.A.
   2. 2.pop. (all in the north) and only 140,000 jobs.
   3. 26 independent cities with little regional planning.
   4. Pro-growth but aching for "better planning."
   5. Industry following the population
      a) "Edge city" movement had begun.
   6. Politically conservative.

B. **The Irvine Ranch**
   1. Citrus, walnuts, field crops, cattle and some leasehold residential development near the ocean.
   2. (Santa Ana frwg) freshly through the ranch and plans for 405 (San Diego frwg).

C. **The Irvine Company**
   1. Land basis of $9.3m, no debt & $5.5m in the bank.
   2. Controlled by J.I. Foundation.
      a) J.I.'s will said "don't sell."
      b) Installing professional management to oversee transformation of ranch.
   3. Pressure to open up to development
      a) The question: HOW
   4. UC/Irvine agreement
      a) The answer to HOW grew out of the agreement.
      b) Pereira's vision
         1) A new campus and a new town.
         2) UC, TIC and the surrounding communities adopted the vision.

5. **National Urban Growth policy**
   a) Housing = #1 U.S. priority in 1960 (not a priority by 1969.)
   b) Encourage growth thru tax policies and suburban infrastructure development.

6. **Development business**
   a) One of the largest economic segments in U.S.
   b) Composed of hundreds of thousands of small entrepreneurs.
   c) Bolstered by tax policies, low interest rates, easy credit and public construction of infrastructure.

7. **IV. The post WW-II new town movement**
   a) Europe: Underway
   b) Multiple theories with little understanding or acceptance of the political and economic forces that are uniquely ours.
IV. 1960 - 63: Establishing TIC’s role.

A. Transforming Pereira's vision into TIC's and the surrounding communities vision.
   1. Pereira's plan covered 10,000 ac but we had 93,000 ac.
   2. Deciding what is an appropriate and workable late 20th century city (or cities) in suburban Los Angeles.
   3. The importance of TIC's management and Board adopting and feeling possessive about TIC's vision. Outsiders may suggest but we decided and made it ours.
   4. The selling of the vision to the surrounding communities.

B. TIC as the master planner (keeper of the vision) and community designer.
   1. Whereas local government was the regulator and protector of the public's interest we were the master planners of our property and the advocates of our vision.
   2. Master planning AND community design.

C. TIC as the master builder (managing the process).
   1. Building our vision thru hundreds of independent entrepreneurs and public agencies.

D. Master marketer
   1. Others sell houses but we sell the community.

V. Putting bone and fiber to the visions.

A. Roads, water, sewers, master plans, etc.

B. What is a late 20th century city in suburban L.A.?
   1. Fortunately I had no biases or strongly held preconceived notions.
   2. Neither suburb nor self contained new town.

VI. Expand the vision.

A. Regional vision.
   1. An independent/dependent town within the existing economic region.

B. Physical vision.
   1. Recognizable as a place with its own physical character.
   2. Distinct neighborhoods interconnected with each other = Villages.
   3. Allow created landscape to establish the main character.

C. Economic vision.
   1. Balance jobs and housing.
D. The social vision.
   1. DIVERSITY: Old, young, families, singles, black, yellow, white, all faiths, liberals, conservatives, republicans, democrats, etc.
   2. A place where conflicting ideas and values are welcomed and respected.

E. Governance vision.
   1. Incorporated, self governing city.
      a) Irvine as a physical form was our job but for it to achieve "institutional permanence" it needed to be "validated by some instrument of authority and that authority was created by incorporation as a legal city.
   2. Neighborhood (village) governing systems that dealt with the small but important details that city government doesn't have time or stomach for.

VII.- 1992 The challenges and the results thru three different ownerships, growing anti-growth attitudes, environmental revolutions, local political warfares and economic booms and busts. What worked and what didn't.

A. Ownership changes
   1. Foundation sold in '77 and Taubman/Bren, etc did a leverage buy-out.
      a) Escalating R.E. prices ('76-'80) allowed the new owners to capitalize on the intrinsic value of the location and the quality brand reputation of Irvine.
      b) Planning put aside in favor of escalated development.
      c) Result=quick debt pay off, escalating profits and growing public alienation.
   2. Donald Bren buys out his partners in another leveraged buy-out.
      a) Re-embraced the community development vision.
      b) Reinstated planning.
      c) Re-established that ownership was once again local and part of and sensitive to the community.

B. Political changes
   1. Earthday, 1970, signaled in a dramatic change in the public attitude about growth.
   2. Late '60's county government changes to big time politics and candidates run on anti-Irvine tickets.
   3. City of Irvine incorporated in 1971 and became a more significant factor in the communities evolution.
      a) Whose plan do we follow? The City's or the company's?
      b) What role does the city play versus the company?
         1) TIC builds the city. The city council runs it.

C. The development business changes ('80's.)
   1. Cost are higher (infra-structure, etc.) but money easier.
      a) Prices of homes and commercial and office rents escalate.
   2. Local government regulations push cost up but the market absorbs it like a sponge.
      a) Irvine becomes hi-tech and high priced.
3. Everyone becomes either a Real Estate developer or investor. They all become rich (ON PAPER.)
4. The discipline leaves the industry.

D. The vision thing.
1. Until the mid-'60's there was general congruence between the public, governmental policy and the development industry on the needs of our growing population. Beginning in the late '60's and progressing (perhaps escalating) to today there has been a growing breach between the three main players in their respective visions of what our cities and growing population needs.
2. Would anyone, developer, public or government today embrace the vision so clearly put forth by William Periera just 32 short years ago?

VIII. Where does Irvine stand today in reference to the original vision?

A. Town and Gown: In 27 short years UCI has grown from an idea and promise to an outstanding academic and research institution. It now has over 16,000 students. Employs over 8,500 faculty and staff and 3,500 students who work part time. Many of the faculty live in the community and actively participate in the city's cultural and political life. While Irvine may not have the strong commercial central core urban planners wish it had the university has fulfilled that important central organizing symbol in a manner no lesser use could have. As with Cambridge and Harvard, one cannot think of the city of Irvine without associating it with the university and visa versa.
B. **Irvine as a clear, distinguishable and independent city.**

1. Irvine is a physically distinct and recognizable city within the undistinguishable whole we call Southern California.

2. Irvine is an incorporated city (since 1971), has its own police, fire, and parks and recreation departments. Its new city hall and council chamber has become the town hall where all of the city's citizens can participate in or complain about how their city is run. Individuals run for mayor and city council seats proclaiming their independence from the county, the university and particularly The Irvine Company.

C. **Education:** Irvine Unified School District was formed in the mid-sixties with our encouragement and its boundaries established (then) to approximate the ultimate boundaries of the then future city. And in the most recent Advanced Placement tests, Irvine's high schoolers ranked higher than any other school district in the county.

D. **Sewer and water.** Those vital services and resources are provided by the Irvine Ranch Water District. A public district formed by the company in the early '60's to serve the university and the future city. A district that has one of the most (if not the most) extensive and highly utilized sewer reclamation systems in the state.

E. **Open Space:** Irvine has more than 160 miles of bicycling and walking trails - far more than any other Orange County city. That translates into approx. one mile of trail for every 690 man, woman and child who lives in Irvine. Counting private parks, Irvine currently has more than 100 parks, or approx. one park for every 1,100 residents. And if completed in accordance to Irvine’s current master plan and recently sign agreement the city will ultimately have more than 13,000 acres of permanent open space, or approx. one acre for every 16 residents.
F. Housing and job balanced. Irvine's job base has grown far faster than its housing base. 7,300 businesses have located in Irvine providing over 160,000 jobs. At the same time less than 37,000 dwelling units have been allowed to be built. So while no one can accuse Irvine of being another 1950's style suburban residential community we can not claim our goal of balancing jobs and housing has been met. In fact the imbalance is so severe that there is a need of over 90,000 additional housing units if we were to achieve the original balance we had hoped for.

G. Actually in the early planning we thought the challenge was to attract enough jobs to balance the anticipated population growth. So, what happened? The city of Irvine, like most post '60's communities in high growth areas, welcomed business growth with its economic and fiscal advantages while fending off residential growth and its perceived and real intrusions on their ways of life. While new and more jobs pay for the amenities and necessities of Irvine, new residents bring more traffic to our already over burdened roads. The fact that if you work in Irvine but can't live there forces thousands to commute elsewhere and saturate our regional roads hasn't convinced the residents of Irvine that more housing isn't anything but a necessary evil.

H. As a result, not only are thousands commuting ever longer distances to work but the realities of over 20 years of under supplying housing has so escalated housing prices that that first house built in Irvine in 1964 for $19,000 now can't be bought for less than $250,000. So the job/housing imbalance has not only made it impossible for all who work in Irvine to find a house there but for the majority of those 160,000 workers even if they could find a place they couldn't afford it.

I. Do I see any relief in sight? Not really. The Irvine Company can only build what the city's elected officials permit us to. And like our country's national debt those running for office understand and cite the problem but dare not suggest building more housing might help.

J. But the positive aspect of all this is that the citizens of Irvine continue to grapple with this and most other urban growth problems all communities face today. And they do it in a public forum that has become more visible then another community of 115,000 population because of the public and media interest and attention Irvine has attracted for over 32 years.

IX. MY 1992 PERSPECTIVE

X. IRVINE CITY AS A COMMUNITY
A. IRVINE AND THE ADJACENT COMMUNITIES WE DEVELOPED HAVE BECOME THE REALITIES WE ENVISIONED DURING THOSE HEADY EARLY YEARS, WITH THE EXCEPTION OF THE ECONOMIC IMBALANCE CREATED BY THE IMBALANCE BETWEEN JOBS AND HOUSING. BUT THAT IS A REGIONAL PROBLEM AND NOT SOLVABLE IN ANY ONE SEGMENT OF THE REGION INCLUDING IRVINE. I JUST WISH THE CITIZENS OF IRVINE WOULD HAVE ALLOWD US TO TRY.

XI. IRVINE COMPANY AS A BUSINESS

A. SUCCESSFUL BEYOND ANY OF OUR EXPECTATIONS. FROM DAY ONE WE ACCEPTED THE CHALLENGE OF MAKING A PROFIT. WITHOUT FINANCIAL SUCCESS WE BELIEVED THAT WHAT EVER OTHER SUCCESSES WE ACHIEVED THEY WOULD ALWAYS BE STIGMATIZED BY THE ASTERISK "BUT THEY WENT BROKE."

XII. AS A MANAGEMENT PROCESS

A. WE NEVER LOST FOCUS ON WHAT OUR PRODUCT WAS, NAMELY BUILDING COMMUNITIES.

B. OUR STYLE WAS TO USE THE BEST DEVELOPERS, ARCHITECTS, LANDSCAPE ARCHITECTS, ENGINEERS, BUILDERS AND PLANNERS IN THE BUSINESS WHILE RETAINING OUR ROLE AS THE IMPLEMENTOR OF THE VISION.
XIII. AS A POLITICAL PROCESS

A. WE ALWAYS THOUGHT OF OURSELVES AS ONE LEG OF THE POLITICAL STOOL. THE OTHER, EQUALLY INDEPENDENT LEGS WERE THE PUBLIC AND THEIR ELECTED OFFICIALS. WE DID WHAT WE UNIQUELY COULD DO. THE OTHER LEGS DID WHAT ONLY THEY COULD DO. THE STOOL NEVER WAS TOTALLY STABLE, BUT IT NEVER FELL OVER EITHER.

XIV. AS AN INDUSTRY

A. THERE IS LITTLE TO COMPARE BETWEEN THE PROFESSIONALISM OF THIS INDUSTRY TODAY VS 1960. A FEW OF US HAVE HAD THE UNIQUE OPPORTUNITY TO BUILD AN ENTIRE COMMUNITY IN ONE LIFE TIME BUT ALL OF YOU HAVE HAD THE UNIQUE OPPORTUNITY TO BUILD YOUR PIECE OF AMERICA. WHAT WE ALL HAVE ACHIEVED MAY NOT BE PERFECT, BUT I KNOW OF NO WHERE ELSE IN THE WORLD WHERE A BETTER JOB HAS BEEN DONE. I'M NOT SATISFIED WE COULDN'T HAVE DONE BETTER BUT I AM SATISFIED THAT WE HAVE GIVEN IT OUR BEST.

XV. THE "VISION THING"

A. FINALLY, IN LOOKING BACK 32 YEARS THE ONE SINGULARLY MOST IMPORTANT THING THAT WE DID WAS TO ENVISION, PICK AND THEN STICK WITH THE "VISION" THAT HAS BECOME IRVINE. IT WAS THE GLUE THAT INSPIRED AND CHALLENGED US. IT PROVIDED THE PUBLIC LEGITIMACY WE NEEDED THRU CHANGING AND DIFFICULT PUBLIC TIMES. AND FINALLY - IT ALLOWS ALL OF US TO MEASURE OUR ACCOMPLISHMENTS AGAINST PUBLICLY STATED GOALS.