

SCAG Region: Compass Blueprint Case Study
Downtown Fullerton



*Evening commuters at the downtown Fullerton Metrolink station
Photo by Strategic Economics, 2008*

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Center for Transit-Oriented Development



STRATEGICECONOMICS

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**SOUTHERN CALIFORNIA
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Figure 1. Transit, Housing, and History in Downtown Fullerton

DOWNTOWN FULLERTON

Fullerton is a city in north Orange County, just north of Anaheim and other major employment centers and destinations. The community began as a railroad town, and its historic downtown evolved around the City's train station. In the last several years, downtown Fullerton has become a hot spot of activity, accommodating many restaurants, new housing, and stores. This case study examines the City's efforts over the last two decades to revitalize the downtown by capitalizing on the district's transit accessibility and rich legacy of historic buildings.

LOCAL CONTEXT

The City of Fullerton began as a railroad town, named after the agent of the Santa Fe Railroad Company who purchased the right-of-way for a new railroad that would run through the city. Fullerton's economy boomed through most of the 20th century, fueled by food packing, oil fields, aviation and, following World War II, massive housing construction for returning veterans and their families.

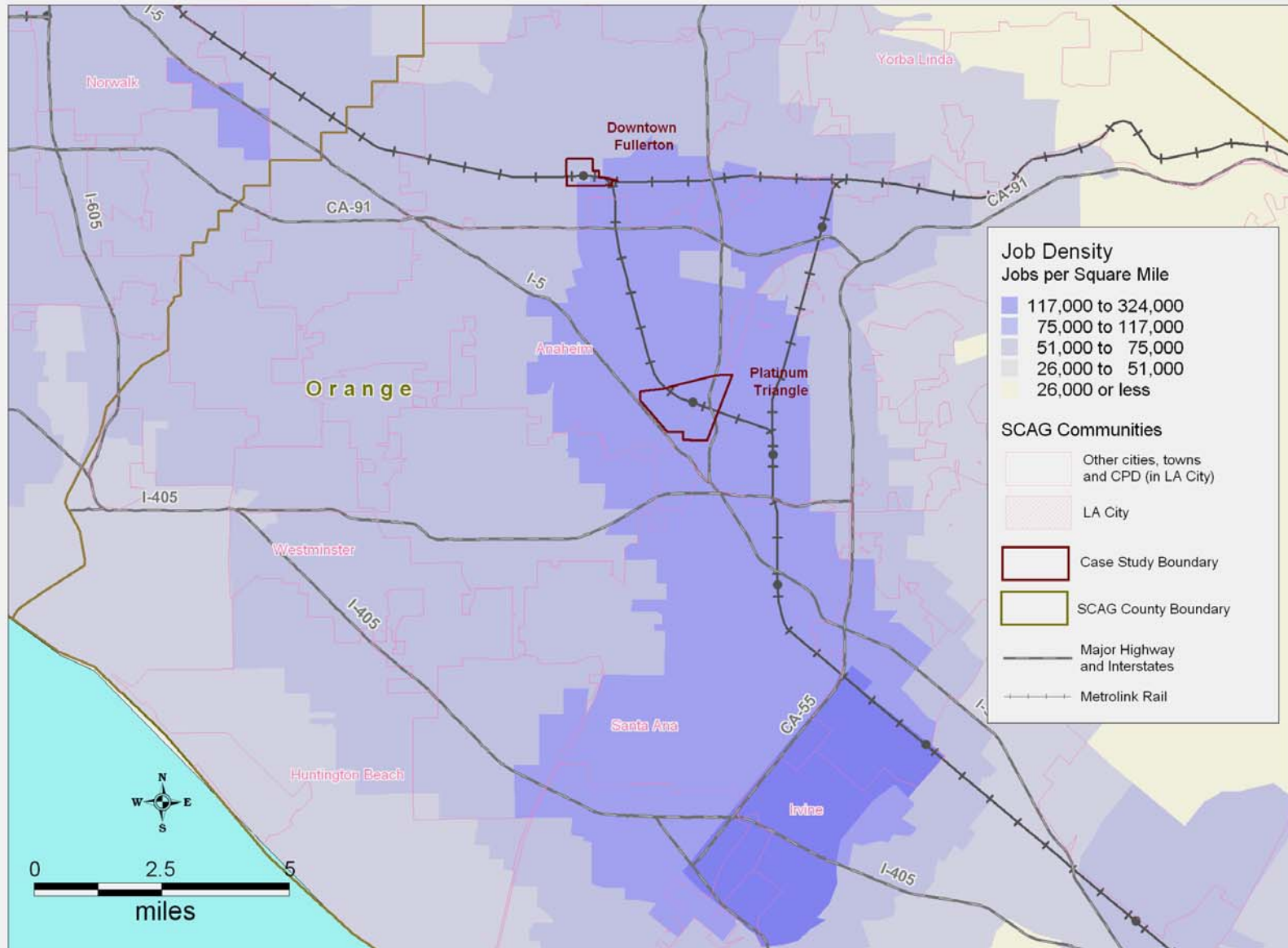
The City's downtown sprang up around the Santa Fe Railroad Depot, which remains an important landmark and transportation hub. The station is now served by Metrolink and Amtrak trains, and is the busiest Metrolink station in Orange County. In addition, the station serves as a hub for Orange County Transportation Authority (OCTA) buses. These transit options allow residents to commute to and from Los Angeles, Irvine, and even San Diego. I-5, SR-91, and SR-57, as well as Harbor Boulevard, a major regional arterial that runs through the center of the downtown, further reinforce Fullerton's accessibility.

Fullerton's older housing stock, much of which was built in the decades following World War II, makes the City more affordable than many in Orange County. The City's median income in 2006 was \$62,124, significantly less than the County median of \$70,232. However, incomes and housing prices are rising throughout Orange County, driving middle-income workers to live further inland and commute long distances. Fullerton has taken advantage of these trends as it has revitalized its downtown, building multi-family, infill development to attract young couples and seniors who might otherwise be priced out of the area, and drawing visitors from across the increasingly well-off region to its many restaurants and nightclubs.



Source: Strategic Economics, 2008

Figure 2. Employment Densities in Orange County



Source: Center for Neighborhood Technology

REVITALIZING DOWNTOWN FULLERTON

Fullerton's downtown revitalization effort began to take off in the early 1990's, when the City enacted the first in a series of policies that helped attract new restaurants and residential developers. Over the last decade and a half, these policies have helped restore more than 70 historic buildings, attract approximately 40 restaurants and nightclubs, and produce four major mixed-use developments that added hundreds of units to the downtown housing stock.¹ The resulting influx of shoppers, diners, and residents has made downtown Fullerton a bustling center of activity. Currently, the City is focused on extending its success to southern downtown by expanding the Fullerton Transportation Center, which will be surrounded by a mix of residential, retail, office, and cultural facilities.

The study area for this profile encompasses the historic downtown as defined by the Redevelopment Agency, as well as the South of Commonwealth (SOCO) District and the site for the proposed Fullerton Transit Center (**Figure 4**).

NEIGHBORHOOD HISTORY

Fullerton's downtown prospered from the City's founding in the 1880's through the first part of the 20th Century. In the 1970's, however, growth slowed and the downtown fell into decline as new suburban malls drew business away from the historic core. By the early 1990's, downtown was dominated by pawnshops, tattoo parlors, antique stores and vintage clothing stores.

In order to draw new life into the district, Fullerton focused on the downtown's assets, particularly the many historic, architecturally valuable buildings. Beginning in the early 1990's, the City conducted several planning efforts to guide future development. Led by an Ad Hoc Committee of volunteer citizens, Fullerton revised its design guidelines to ensure that the district's historic urban character would be preserved. At the same time, the City conducted an extensive outreach process and published a Transportation Center Study that developed land use, circulation, parking, urban design and public art concepts for the Metrolink/Amtrak station area. In 2005, the City published an updated Downtown Strategy that laid out new goals and strategies designed to build on the successes of previous efforts.

¹ City of Fullerton, "Oranges and Oil – A Fullerton History," <http://www.ci.fullerton.ca.us/>; Interview with Charles Kovac, Redevelopment and Economic Agency Project Manager, Strategic Economics, January 14, 2008.

Figure 3. Railroad Days



Source: www.trainweb.com

Every year, tens of thousands of people gather in downtown Fullerton to celebrate the City's colorful railroading history.

“You go back to the origins of Fullerton, and it's centered around the railroads. Flash forward to today, and we've got the busiest rail station in Orange County.”

***- Robert Zur Schmiede,
Redevelopment Agency
Executive Director (from
Orange County Register,
February 14, 2006)***

Planning Timeline:

1991- Redevelopment Agency launches seismic retrofitting and commercial rehabilitation loan program

1995 – Agency adopts the Fullerton Transportation Center Study, providing guidelines for downtown development

1996 – Redevelopment Agency adds tenant improvements loan program

2002 – City Council creates Restaurant Overlay District (ROD), reducing parking requirements for certain restaurants

2005 – Redevelopment Agency publishes the Fullerton Downtown Strategy

Fullerton's early planning efforts and commercial rehabilitation loan programs won several awards in the mid-1990's, including the League of California Cities' Helen Putnam Award in Economic and Community Development, an Achievement Award from the California Downtown Association, and an honorable mention from the National League of Cities in its annual James C. Howland Awards for Urban Enrichment. In 2007, the City won a SCAG's Compass Blueprint Program President's Achievement Award for the Fullerton Transportation Center expansion plans (see text box, below, for more information).

Meanwhile, the City has implemented highly successful programs to attract new businesses. In the early 1990's, the Redevelopment Agency began offering loans to help local property and business owners with seismic retrofitting, commercial building rehabilitation, and tenant improvements. In 2002, the City established a Restaurant Overlay District that loosened parking requirements for certain downtown restaurants, thus further encouraging downtown businesses.

While the loan programs and reduced parking requirements attracted many new businesses, the downtown's success was greatly enhanced by the accompanying construction of new housing. Attracted by Fullerton's transit accessibility, retail, and restaurants, four private developers have built major mixed-use residential projects since 1991, adding over 640 housing units (most of them rental) and almost 26,000 square feet of retail to the downtown. In the meantime, the Redevelopment Agency constructed or rehabilitated a total of nearly 200 affordable and/or senior housing units.² The new residents are key to making downtown a vital urban environment, providing round-the-clock activity on the streets and a base of support for the new shops and restaurants.

Today, downtown Fullerton is becoming known as a regional hub for dining and nightlife. Diners can find anything from Mexican, Mediterranean, Japanese, French and Italian fine dining to British-style pubs and neighborhood bar and grills. The neighborhood has retained many of the funky vintage clothing and furniture stores that once dominated the area, while gaining new, higher-end boutiques. In addition to attracting visitors from throughout Orange County, the downtown serves as a community center, home to a seasonal farmer's market and annual events such as "A Night in Fullerton," a celebration of local cultural resources, and "First Night Fullerton" on New Year's Eve, and "Railroad Days" (**Figure 3**).

² Fullerton Redevelopment Agency, January 2008.

Figure 4. Downtown Fullerton



Source: Southern California Association of Governments; study area delineated by Strategic Economics, 2008

HOW DID THEY DO IT?

Since the early 1990's, Fullerton has focused on reinforcing downtown's historic urban character and attracting new businesses and residents. The city's successful strategies have included:

- **Restoring historic buildings**
- **Providing incentives for small businesses**
- **Improving infrastructure**
- **Attracting transit-oriented, mixed-use development**
- **Promoting downtown as a destination**



Restoring historic buildings: Fullerton's emphasis on restoring its historic buildings sets the city apart. The Redevelopment Agency's seismic and commercial loan program, launched in 1991, has been a major driver in preserving the district's unique historic character. The program provides matching loans for the rehabilitation and seismic retrofitting of downtown historic structures, particularly commercial buildings made of unreinforced masonry. Since its inception, the loan program has facilitated the rehabilitation of over 70 historic buildings. While most of downtown's historic buildings have now been reinforced, the seismic retrofitting program continues today. In 2006, the Agency approved a \$1.25 million seismic rehabilitation loan to renovate the eighty year old Fox Theater as a pedestrian-oriented cultural complex. The Agency has also taken direct responsibility for rehabilitating some buildings, including the Santa Fe Depot (**Figure 5**).

Providing incentives for small businesses: While the rehabilitation loan program helped property owners make their buildings safe and functional for modern uses, the City created additional incentives directly targeted at attracting small business tenants. In 1996, the Redevelopment Agency launched a Tenant Improvement Loan Program designed to attract businesses by providing assistance for tenant-specific improvements. In 2002, recognizing that on-site parking requirements posed a barrier for new and expanding restaurants, the City created a Restaurant Overlay District (ROD). The ROD relaxes the on-site parking requirements for restaurants with fewer than 200 seats. In order to accommodate the increased parking needs, the City built several free and low-cost parking structures, encouraging downtown visitors to "park once."

Improving infrastructure: In addition to building public parking structures, Fullerton has invested millions of dollars in improving downtown's appearance and safety. The Redevelopment Agency contributed two million dollars in public improvements and signage for the SOCO Walk project. Other projects include providing free wireless throughout

downtown and upgrading underpasses, sidewalks, lighting, and landscaping.

Attracting transit-oriented, mixed-use development: Every day, 3,000 people pass through the Fullerton Metrolink Station, making the station the busiest in Orange County and the third busiest in the Metrolink system.³ Transit is a big draw for developers and residents alike, particularly since Metrolink is expected to substantially increase the level of service by 2009. Local apartment complexes advertise, “Commuting is as easy as a walk to the Metrolink train station across the street,”⁴ and in 2005, Fullerton residents ranked the “rail station in [the] center of town” as their favorite downtown feature.⁵

Downtown’s transit accessibility and cultural amenities have attracted four major mixed-use development projects since 1991. Wilshire Promenade, City Pointe, and Pinnacle at Fullerton, three luxury complexes with ground floor retail, have collectively added 540 rental units to downtown. Most recently, the City partnered with the Olson Company to build SOCO Walk, a development of for-sale townhomes, live-work units and lofts located to just across the tracks from the Metrolink/Amtrak station (**Figure 6**). SOCO Walk forms the cornerstone of Fullerton’s new South of Commonwealth (SOCO) District, which also includes a number of restaurants, lounges and boutiques just north of the railroad tracks. The proposed Fullerton Transportation Center, a 35-acre project that will surround the existing Metrolink/Amtrak station and incorporate residential, retail, office, open space and cultural uses, will round out the development of the SOCO District.

Figure 6. SOCO Walk



Source: Strategic Economics, 2008

SOCO Walk, located just south of the train station, will include 120 townhomes, live-work units and lofts and 1,720 square feet of retail when completed. The Redevelopment Agency invested \$2 million dollars in the project for signage and other public improvements.

PLANNING THE FULLERTON TRANSPORTATION CENTER

In 2007, the City of Fullerton won SCAG’s Compass Blueprint Program’s first *President’s Achievement Award for Visionary Planning in Mobility, Livability, Prosperity & Sustainability* for the Fullerton Transportation Center plans. Fullerton envisions “a vibrant and active mixed-use Transit Center with shops, restaurants, offices and housing located in high-quality contemporary buildings”* which will serve as an anchor for the southern part of downtown. JMI Realty and The Morgan Group, two companies with experience building major downtown projects, have been selected to develop the 35-acre site surrounding the Metrolink/Amtrak Station. While the plans in progress, the Redevelopment Agency and developers are committed to preserving the site’s historic buildings, incorporating cultural and civic spaces, and providing bicycle, pedestrian and bus access.

* City of Fullerton Redevelopment Agency, “Fullerton Downtown Strategy: Update to the 1995 Transportation Center Studv.” December 2005.

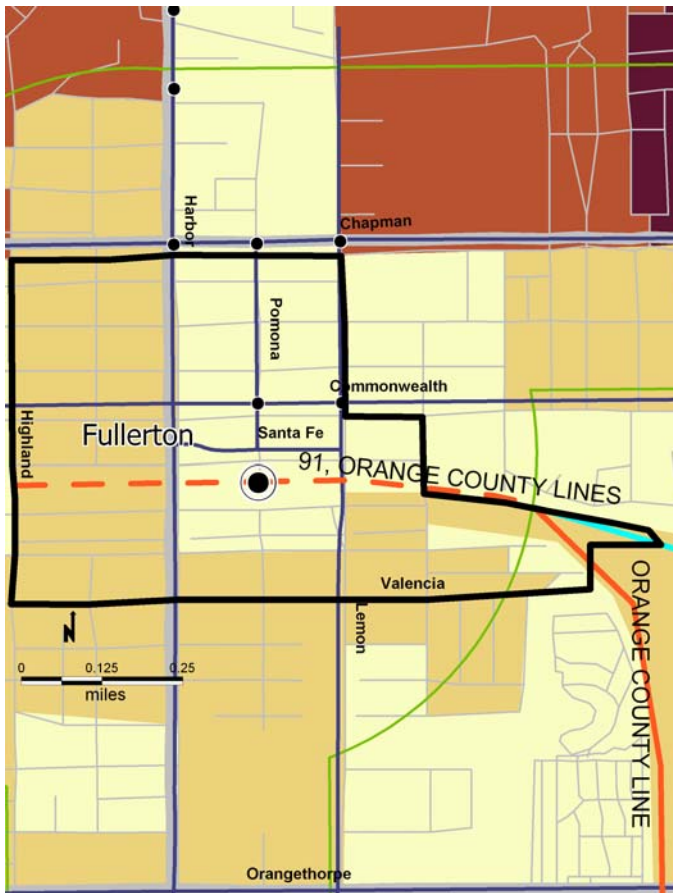
³ City of Fullerton, “The Fullerton Transportation Center is Going Places,” *Focus On Fullerton*, January 2006.

⁴ Pinnacle at Fullerton website, <http://www.pinnacleatfullerton.com/>.

⁵ City of Fullerton Redevelopment Agency, “Fullerton Downtown Strategy: Update to the 1995 Transportation Center Study,” December 2005.

MEASURING SMART GROWTH: HOW DOES DOWNTOWN FULLERTON COMPARE?

Figure 7. Housing Costs as a Percent of Income

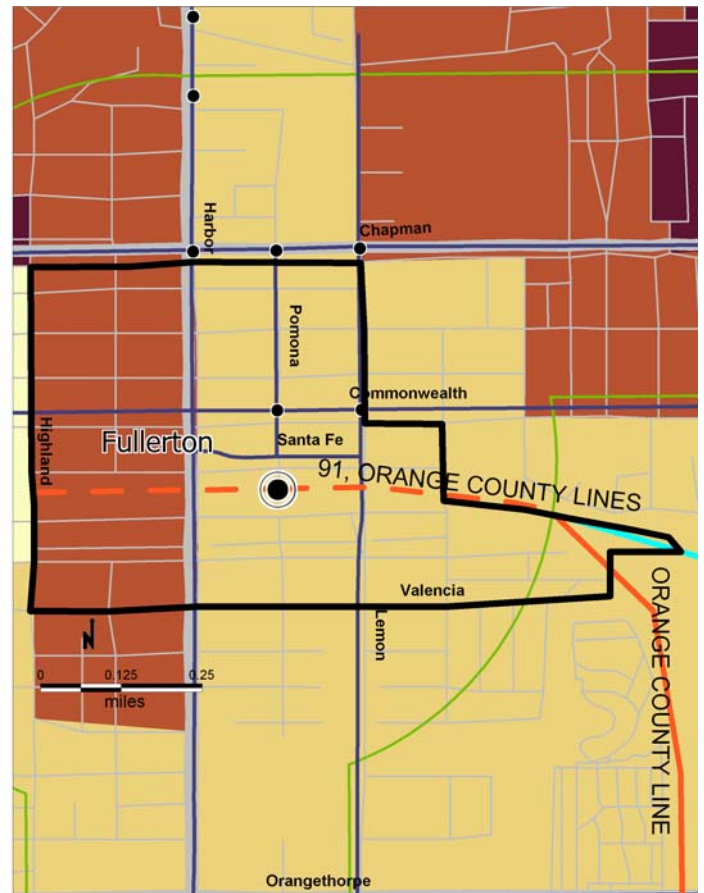


Housing Costs as Percent of Income

- 0 to 20%
- 20 to 30%
- 30 to 40%
- Greater than or equal to 40%

- Transit Hub
- MetroLink Station
- Bus Route
- Arterial Street
- Local Street
- Compass Blueprint Strategy Area

Figure 8. Housing and Transportation Costs as a Percent of Income



Housing and Transportation Costs as Percent of Income

- 0 to 35%
- 35 to 50%
- 50 to 65%
- Greater than or equal to 65%

Downtown Fullerton enjoys lower than average housing and transportation costs. While housing costs are typically similar in the City of Fullerton and the Orange County, the Downtown Area maintains significantly lower housing costs than the rest of the region, most likely because units are smaller rather than because they are more affordable overall. Downtown Fullerton's transportation costs are also lower than average. The neighborhood is served by both bus and rail service and the area enjoys a mix of employment, retail, service, and residential uses. New residential and mixed-use growth occurring in the area will further enhance this land use mix.

MEASURING SMART GROWTH: HOW DOES DOWNTOWN FULLERTON COMPARE?

Comparison of Current and Future Housing, Transportation, and Combined Costs

The City of Fullerton enjoys lower than average combined H+T costs for Orange County. Housing costs are particularly low. It is worth noting that average Orange County H+T costs are nearly ten percent higher than the SCAG regional average.

	Downtown Fullerton	City of Fullerton	Orange County
% Income Spent on Housing	23%	30%	36%
% Income Spent on Transportation	23%	25%	25%
<i>Combined</i>	<i>46%</i>	<i>55%</i>	<i>61%</i>
Fullerton Housing and Transportation Rank Relative to Other Communities: Housing Cost: 216 th of 338 (near Anaheim, Costa Mesa, Chino) Transportation Cost: 111 th of 338 (near San Fernando, Artesia) H+T: 208 th of 338 (near Palmdale, Los Alamitos, Carson)			

Smart Growth Scores

The table to the right shows some of the smart growth factors that affect the affordability of transportation, as reported above.

Fullerton's transit connectivity is nearly twice the average for the region, jobs are relatively highly concentrated, and the neighborhood is highly walkable due to low block sizes and a diverse land use mix. As a result, the average journey to work is lower than average and households tend to own fewer cars.

By continuing to add high-density housing near transit, Fullerton will further lower transportation costs.

Smart Growth Factors Affecting Transportation Affordability

	Average in the SCAG Region	Downtown Fullerton	How to Read:
Block Size	27.5 Acres	10.5 Acres	A smaller block size provides a more walkable environment
Transit Connectivity Index	1,804	3,447	The greater the transit connectivity, the more likely it is residents will take transit, developers will build near transit, etc.
Land Use Mix Index	0.46	0.50	A greater mix of land uses enables local residents to access shopping and services without driving
Jobs per Square Mile in Nearby Areas	57,269	72,241	The closer a community is to jobs, the shorter the commutes. Shorter rides can also encourage commuters to use alternative transportation.
Households per Acre	6.5	10.2	More compact development can support a wider variety of retail and services, and make walking to these services easier
Average Journey to Work Time	28.5 Minutes	25.2 Minutes	Shorter commutes lead to cost savings in gas and other transportation expenditures (and reduce emissions)
Cars per Household	1.7	1.4	Car ownership rates can be influenced by local income levels, and by where you live

SCAG Composite Score Downtown Fullerton Current Scores

Transit Service:	7.9	of 10
Walkability:	5.2	of 10
Land Use Mix:	5.5	of 10
Overall Neighborhood Rank:	6.2	of 10

Source: Fregonese Calthorpe & Associates

LESSONS LEARNED

Take advantage of historic buildings, surrounding opportunity sites, and other local resources.

Fullerton has established a unique identity for its downtown by restoring the many historic buildings. The City has also taken advantage of the large opportunity sites that surround downtown. Many historic city centers are constrained by small parcel sizes that make it difficult to catalyze growth with large residential projects. Fullerton's railroading history, however, has left the City with many large industrial sites on the southern edge of downtown. By building significant, mixed-use housing projects such as SOCO Walk and the Fullerton Transportation Center on these sites, the City will help boost demand for transit and the shops and restaurants in the core of downtown.

Downtown revitalization is a complex long-term process.

Downtown Fullerton's current success represents the fruition of decades of hard work. The community began planning and implementing incentive programs in the early 1990's, and the first significant multi-family housing project, the Wilshire Promenade, opened in 1991. Only in the last few years, however, has the downtown seemed to reach a critical mass of residents and commercial attractions.

Catalyst projects should be coupled with smaller scale investments, like supporting small businesses and tenant improvements.

The Redevelopment Agency's seismic retrofitting, commercial rehabilitation, and tenant improvement loan programs were clearly a crucial component of the downtown's rebirth. Indeed, Fullerton's most significant projects have hardly had time to affect downtown; SOCO Walk has only just opened, and the Fullerton Transportation Center is still in early planning stages. The Agency's smaller scale programs, on the other hand, have assisted private property owners and merchants over the past decade and a half, slowly but steadily encouraging the creation of dozens of restaurants, nightclubs, and shops.

Parking management tools can facilitate infill development.

In many cities, parking requirements hinder the growth of small business and drive urban form, forcing restaurants and stores to build parking at the expense of floor space. Parking is also a source of frustration to retailers, who require assurances that their customers will be able to find a convenient parking space. Fullerton's Restaurant Overlay District (ROD) and public parking lots alleviated these pressures, allowing businesses to grow without worrying about parking.

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