

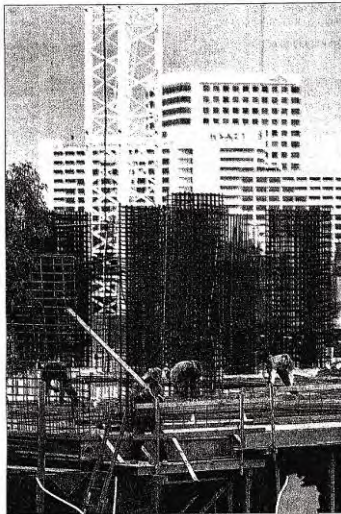
THE ECONOMOS GROUP

COMMERCIAL REAL ESTATE

The Economos Group is the Largest Seller of Office Buildings in Orange County

OC Register Article March 21, 2007

IRVINE HAS ROOM TO GROW



When the city was conceived in 1955, Irvine's population was planned to cap at 50,000. Orange County's fourth-largest city is now 197,900 and, according to new city estimates, it will add at least 70,000 people by 2025. Irvine's residential growth is fueled not just by demand but because, more than any other Orange County city, it has land yet to be developed - 6,781 acres. Plus, it has two sizable areas being redeveloped: the old El Toro base and land near John Wayne Airport. Here is a look at where the growth is headed:

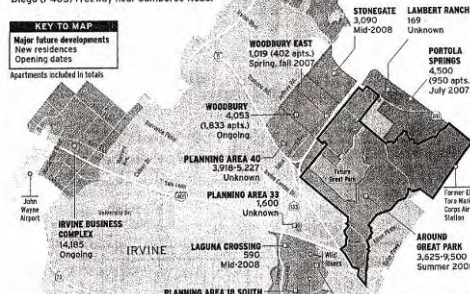
IN DEPTH NEWS 32

JEBB HARRIS, THE REGISTER

IRVINE RISING: A building goes up at the Central Park West development on the San Diego (I-405) Freeway near Jamboree Road.

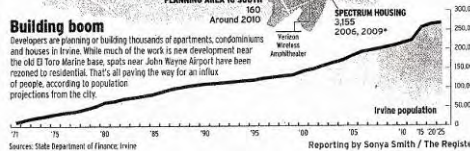
KEY TO MAP

Major future developments
New residences
Opening dates
Apartments included in totals



Building boom

Developers are planning or building thousands of apartments, condominiums and houses in Irvine. While much of the work is new development near the old El Toro Marine base, spots near John Wayne Airport have been re-zoned to residential. That's all paving the way for an influx of people, according to population projections from the city.



NAI Capital

Commercial Real Estate Services, Worldwide.

(949) 854-6600 • (949) 854-7378 Fax

www.economosgroup.com • info@economosgroup.com

4650 Von Karman Avenue, Newport Beach, California 92660

Steven G. Economos, CCIM, SIOR, Senior Vice President

George P. Economos, Senior Vice President

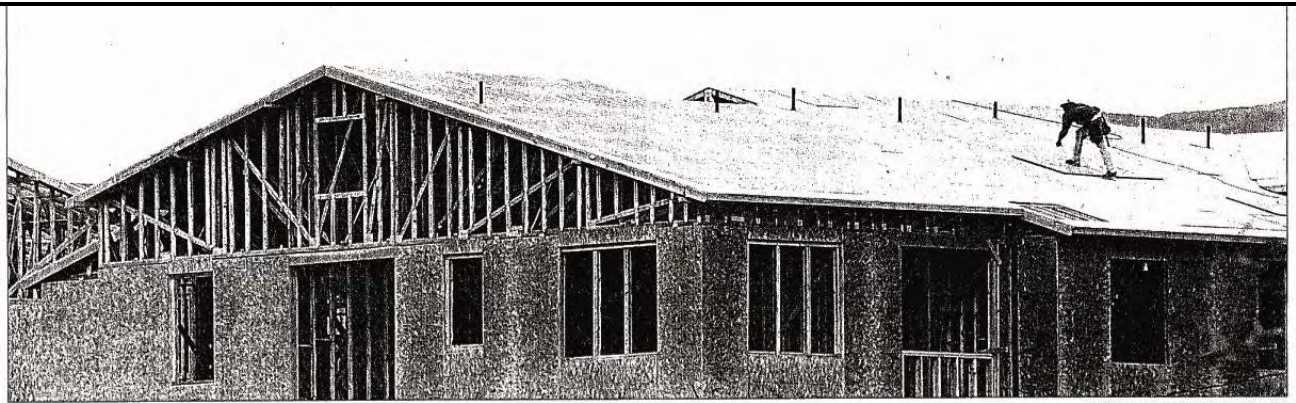
Geoffrey S. DeWolf, Vice President

Matthew K. Moore, Senior Associate

S. Collin Tully, Associate

Cyndi Ling, Assistant

NO WARRANTY, EXPRESS OR IMPLIED, IS MADE AS TO THE ACCURACY OF THE INFORMATION CONTAINED HEREIN. THIS INFORMATION IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGE OF PRICE, RENTAL OR OTHER CONDITIONS, WITHDRAWAL WITHOUT NOTICE, AND TO ANY SPECIAL LISTING CONDITIONS IMPOSED BY OUR PRINCIPALS.



PHOTOS: JEBB HARRIS, THE REGISTER

TAKING SHAPE: City planners and builders expect population growth in Irvine to fuel demand for housing such as the Orchard Hills apartments under construction on Portola Parkway.

Irvine expects growth spurt

Developers and city officials plan for housing to accommodate an increasing population.

By **SONYA SMITH**
THE ORANGE COUNTY REGISTER

IRVINE • The county's fourth-largest city will add at least 70,000 people by 2025, according to the latest city population estimates.

The city's growth is driven by 6,781 acres that have yet to be developed into villages such as Portola Springs, Orchard Hills and Stonegate. Additionally, the city has two redevelopment areas - the old El Toro base and the industrial area near John Wayne Airport - where thousands of residences are being built.

And the population estimate - made by city planners using birth, death, development and other figures - could rise.

More residences are proposed by developers and are

Most populated Orange County cities

1. Santa Ana
351,322
2. Anaheim
342,410
3. Huntington Beach
201,000
4. Irvine
193,785
5. Garden Grove
171,765

SOURCE: California Department of Finance Demographic Research Unit population numbers for Jan. 1, 2006

awaiting city approval: 6,640 are proposed in the industrial area near John Wayne Airport; the Irvine Co. proposes up to 5,227 directly west of the future Great Park; and the Lenar Corp. proposes some 9,500 (up from 3,625) on the company's land surrounding the Great Park - a deal to be considered by the City Council in early 2008.

Most of the coming population growth stems from land rezoned from industrial or commercial development to residential. Developers cite three main reasons for that land-use change:

- Irvine has far more jobs than houses (about 3.59 jobs for every house) compared with the county average (about 1.56 jobs for every house).

- The strong market demand for housing has motivated developers in areas such as the industrial region near John Wayne Airport to redevelop offices and businesses into apartments and condos. Rising land values also mean Irvine housing is going vertical - 14 towers are built or proposed in the industrial area near John Wayne Airport.

- The El Toro base closed in 1999, and its future was set in 2002 when voters approved Measure W - dictating that the land would be used for a park, among other things, rather than an airport. Since 2002 the Irvine Co., with city approval, has rezoned thousands of acres near the base to residential development.

The city's last and largest development decisions are now being made by the City Council. And council members have two different visions for Irvine in the year 2025.

Councilman Larry Agran once was touted as a "slow-growth" advocate - or as he now says, a promoter of "controlled or carefully managed growth." In 1985, he was quoted in an Orange County Register special section on development as saying he was not pleased with demographers projecting the city's population at 280,000 by 2020. He told the Register then that he wanted to cap the population at 180,000.

Today Agran sees the city's future differently. He said two things have changed his vision: more market demand for housing and the closure of El Toro and subsequent defeat of efforts to build an airport there.

"I try to stay focused on what I call the timely, orderly build-out of the city in accordance with our Irvine general plan," he said.

The city can manage to add at least 70,000 people - in part

by focusing on mass transit, he said. Creating a system of pedestrian and bicycle trails, bus routes, light rail and heavy rail, Agran said, will help residents depend less on vehicles.

Councilwoman Christina Shea disagrees. Shea supports mass transit, but said it should add to, not substitute for, regular traffic planning. "The city is adding too many residences without properly planning for quality of life issues such as traffic and city services," she said.

"I believe our development is leading the city on a downhill spiral," she said.

Council members agree that as the city's developable acres decrease, so do their options.

In the last year the council has created programs for affordable housing and energy-saving home construction guidelines. Those programs, council members said, depend on developer participation to succeed.

Irvine population

1971: 10,081	1993: 116,000
1972: 16,445	1994: 118,500
1973: 22,550	1995: 120,000
1974: 26,300	1996: 125,400
1975: 31,750	1997: 127,800
1976: 35,550	1998: 130,800
1977: 38,650	1999: 133,800
1978: 44,500	2000: 143,072*
1979: 51,700	2001: 148,600
1980: 62,127*	2002: 157,200
1981: 66,000	2003: 164,800
1982: 72,100	2004: 171,987
1983: 75,300	2005: 183,457
1984: 79,400	2006: 193,785
1985: 84,400	2007: 197,900
1986: 92,100	2008: 203,200
1987: 98,700	2009: 208,400
1988: 103,000	2010: 215,300
1989: 106,800	2011: 223,400
1990: 110,330*	2015: 256,500
1991: 111,300	2020: 265,300
1992: 113,400	2025: 268,000

SOURCE: California Department of Finance Demographic Research Unit. Projections are from the city based on data from the California Department of Finance Demographic Research Unit and the city's Development Land Use Database.

* Indicates a number is an actual count based on United States census data for that specific year.

CONTACT THE WRITER:
949-553-2911
or ssmith@ocregister.com

