

# HEART OF THE CITY: DEVELOPMENT AT REDONDO BEACH

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## Introduction

The AES power plant sprawls across the Redondo Beach waterfront, cluttering million-dollar ocean views with its unsightly smokestacks.<sup>1</sup> But only a few years ago, the Redondo Beach City Council imagined a very different scene here. When the AES plant announced plans to downsize, freeing up 28 acres of prime real estate, the city seized the chance to overhaul its languishing waterfront. It imagined new neighborhoods, fine restaurants, a booming commercial sector, and luxurious hotels – in short, it planned to rebuild the downtown demolished 40 years ago by a previous administration. “Heart of the City,” council members believed, would rival the best new developments in Southern California and restore Redondo Beach to its early century glory.

But the city did not imagine – or perhaps, did not *want* to imagine – the overwhelming controversy sparked by its Heart of the City plan. The ensuing battle, which pitted a pro-development council against its anti-growth citizenry, sparked protests, a petition drive, legal threats, and the eventual ouster of a pro-growth councilman. Five years later, Heart of the City – now a taboo phrase in Redondo Beach – sits on the drawing board. The council continues to struggle with how best to develop the AES site, but wary citizen groups have squelched the most ambitious proposals.

Heart of the City by no means represents an anomaly. In fact, the most surprising part of the Heart of the City fiasco is not the public backlash, but the Redondo Beach council’s complete failure to anticipate it. Every day all across the state, residents rise up against new developments, at times filing lawsuits or forcing referenda to preserve the neighborhood status quo. NIMBYism – Not in My Back Yard – has become a common reaction to many large-scale developments, and some builders attribute the state’s housing shortage and skyrocketing home prices to anti-growth citizen movements.<sup>2</sup> California, in fact, may be particularly prone to NIMBYism given the nature of development here and the state’s progressive spirit.

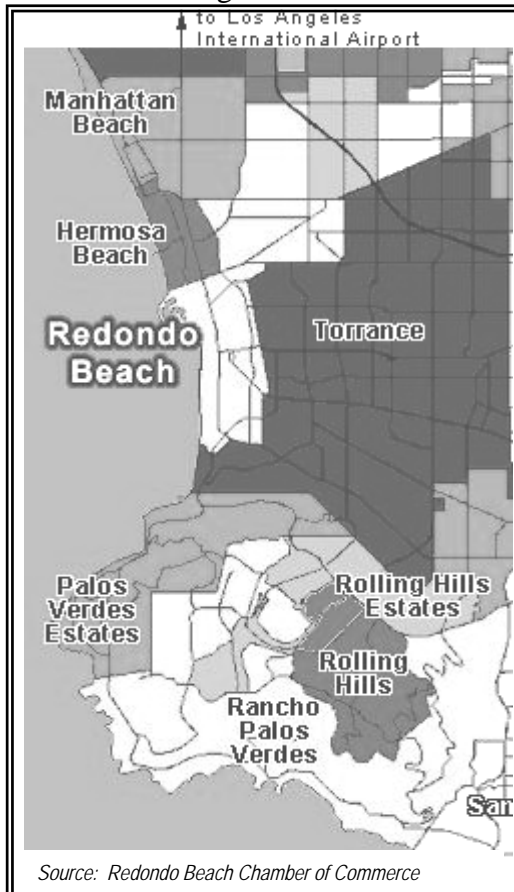
Yet Heart of the City and other major developments need not gather dust on a drawing board. Using Heart of the City as an illustration, this paper outlines the major challenges to development in California and recommends ways to overcome community opposition. Though these recommendations come too late to save Heart of the City, they may help Redondo Beach and other cities plan for future development projects, which – given the state’s growing population and increasingly strained infrastructure – are certain to arise.

## Redondo Beach: Suburbia by the Sea

Redondo Beach got its start as an upscale resort town with outstanding sportfishing, an amusement-packed pier, and the swanky Hotel Redondo – a vibrant community built around the bustling, pristine waterfront. Though still dependent on tourism, the city has since evolved into a 63,000-person South Bay community more likely to draw aerospace engineers than gaggles of sunburned tourists. In 2000, the median household income of \$69,173 surpassed the county’s median income of \$42,189,<sup>3</sup> and nearly one-quarter of Redondo Beach households had annual incomes of \$100,000 or higher.<sup>4</sup> In short, the community is affluent, well-educated, and accustomed to upscale suburban living.<sup>5</sup>

Shaped like a figure-8, the city’s two halves – north Redondo Beach and south Redondo Beach – maintain distinct identities. North Redondo, about two miles inland, houses the revenue-rich South Bay Galleria mall but lacks the charm and oceanfront appeal of its other half. Until recently, businesses in north Redondo languished, and neighborhoods strained under the city’s habit of approving two- and three-on-a-lot homes to replace tiny single-family dwellings. Tourists find few reasons to visit north Redondo.

In contrast, the oceanside south Redondo Beach features waterfront sports, upscale dining, charming business districts, and Spanish-style bungalows from the 1920s and ’30s. King Harbor attracts tourists with its fresh seafood and kayak rentals, and a refurbished pier draws musical acts and funky souvenir shops. South Redondo includes the city’s highest ranked schools, and the median home price was \$880,000 in 2004 in contrast to north Redondo’s \$650,000.<sup>6</sup>



Redondo Beach has seen a smattering of new developments in the last decade. An enclave of 98 detached condominiums with stores and restaurants opened in 2002, and a 12-unit mixed-use retail and apartment complex followed soon afterward. For the most part, the city is built out, and development has focused on small pockets and tear-downs of older homes.

In general, Redondo Beach residents seem wary of large new developments, likely owing to the city’s last major project – a wholesale demolition of its downtown, which forever changed the city landscape and spawned decades of lingering resentment. In 1964, the city council, over vehement protests, voted to raze the flagging commercial core and build towering condominiums along the waterfront. Since then,

buildings have blocked ocean views and virtually sealed off a large stretch of beach. To this day, the city has no single downtown.

Though most of today's Redondo Beach residents did not witness the "Redondo Plaza" project firsthand, the development persists in city lore. When the city council proposed Heart of the City 37 years later, the community – already burned once – vowed not to sit back idly.

### **Heart of the City: Here We Go Again**

*"If anything is to be learned from this earlier chapter in Redondo Beach's history, it is that zoning and development controversies are never really settled in Southern California, but, like the lead character in a grade B slasher film, continually rise from the dead to plague the living."*

Wayne Knutsen,  
Redondo Beach Historical Society<sup>7</sup>

Shortly after AES announced plans to downsize its 52-acre power plant in south Redondo, Redondo Beach began to make plans for a new waterfront development. The city opted to include far more than the power plant site in its redevelopment plan. Instead, it commissioned the Urban Land Institute to study an expanded, 150-acre area, including the nearby Catalina Avenue business corridor, a ho-hum mix of coffee shops, clothing stores, and office space. The city council wanted a more proactive, comprehensive approach to waterfront development rather than its usual piecemeal strategy.<sup>8</sup>

Urban Land Institute conducted interviews with more than 100 community members and presented its recommendations in March 2000. ULI proposed that Redondo Beach take advantage of its long underused waterfront with a new neighborhood featuring residential units, shops, restaurants, open space, and ocean views.<sup>9</sup> Residents discussed the possibilities at four community workshops, with concerns focused mainly on traffic, boating, and ocean views,<sup>10</sup> and a consultant prepared the specific proposal.

The rumblings began almost immediately. The proposal allowed for up to 600,000 square feet of retail space and nearly 3,000 residential units. Nearly two dozen residents appealed to the California Coastal Commission in August 2001 to stop the project, and one resident began to circulate a petition against Heart of the City before deciding to wait it out. "It does seem like the city manager and city council are open to public feedback," she optimistically told the *Daily Breeze*.<sup>11</sup>

In fact, the council and city administration forged ahead with Heart of the City over the growing complaints of residents. Council members dismissed the opponents as a "smattering of naysayers,"<sup>12</sup> though the small group expanded as news of the project spread. Primarily, opponents decried the density – up to 55 units per acre – and claimed

the rapid influx of new residents would clog already crowded streets.<sup>13</sup> When the plan continued to advance, residents armed themselves with petitions to force a citywide vote. Recalling the loathsome downtown demolition project decades earlier, they mobbed local grocery stores, collecting 6,377 signatures in two weeks. In April 2002, the initiative qualified for the ballot, and city council members hastily retreated. They rescinded Heart of the City and called for a new process with ample community input.

But the damage had been done. In January 2003, voters ousted a pro-Heart of the City councilman and elected opposition leader Chris Cagle, a man who had never attended a council meeting prior to Heart of the City.<sup>14</sup> With one of their own firmly on the council, the NIMBY residents of Redondo Beach could champion their own waterfront development plan, even if it took years to complete.

### What is NIMBYism?

Developers estimate that as much as 80 percent of planned projects never get built due to obstacles from zoning commissions, city planning boards, and NIMBY protests.<sup>15</sup> Yet while cases of NIMBYism abound in newspapers and anecdotes, very little scholarship exists on the subject.<sup>16</sup> Studies that do address NIMBYism generally focus on cases in which residents rallied against unwelcome human services projects, like jails, landfills, and low-income housing. Few studies analyze cases in which residents mobilize against seemingly desirable developments, such as Heart of the City, with its five-star hotels and architecturally appealing townhomes.

Yet the existing scholarship offers some generalizations about “NIMBY Syndrome.” Michael Dear claims that “NIMBY is the motivation of people who want to protect their turf.”<sup>17</sup> Though residents may concede the need for a new jail or powerplant – or in Redondo Beach’s case, mid- to upper-income housing – they do not want it near their homes or “backyards,” hence the expression.<sup>18</sup> Such protectionism dates back centuries, and examples abound from all over the world. In the late 19<sup>th</sup> century, a group of Canadians protested a new asylum near their homes, citing the constant annoyance and inconvenience, the impact on their property values, and potential water pollution – all common complaints in modern NIMBY cases.<sup>19</sup>

**Anti-Growth Acronyms**

**NIMBY:** Not In My Back Yard  
**LULU:** Locally Unwanted Land Uses  
**NIMTOO:** Not In My Term Of Office  
**NOOS:** Not On Our Street  
**CAVE:** Citizens Against Virtually Everything

*Source: Michael Dear, “Understanding and Overcoming the NIMBY Syndrome”*

In general, NIMBYism follows a life cycle, according to Michael Dear: youth, in which news of the proposal breaks and a small group of opponents bands together; maturity, in which battle lines get drawn and rhetoric becomes more rational and objective; and old age, in which the conflict resolution drags on, and stamina becomes the best determinant of victory.<sup>20</sup> Opponents employ a wide of anti-development strategies, from petitions and letter-writing to lobbying

the media.<sup>21</sup> Typically, they cite increased traffic and less parking as reasons for opposing the project.<sup>22</sup> The usual NIMBY advocate, Dear says, is high income, male, well educated, professional, married, a homeowner, and living in a large city or suburb. Essentially, he finds, “the more affluent tend to be less welcoming.”<sup>23</sup>

Undoubtedly, these characteristics, amply found in Redondo Beach, paved the way for a NIMBY reaction to Heart of the City. But propensity alone does not guarantee a NIMBY reaction. Rather, a set of unique circumstances in California, and particularly Southern California, increases the likelihood of NIMBYism. The nature of new developments – built with an eye on housing and sales tax revenue – and the state’s progressive history create a pressure cooker of anti-growth activism. An affluent, well-educated citizenry only adds the spark.

### **A Recipe for NIMBYism: Cash-Strapped Cities and House Hungry Developers**

California NIMBYism dates back to the 1960s, when the residents of post-World War II housing tracts suddenly began to focus on “defense of this suburban dream against unwanted development.”<sup>24</sup> While developers scrambled to fill the housing need with apartment complexes and townhomes, residents resisted the threat to their low-density lifestyle.<sup>25</sup> These homeowners seized on environmental rhetoric to protest new residential units in their back yards, a phenomenon aptly illustrated by the 1960s movement to “save” the Santa Monica Mountains.

In this watershed NIMBY battle, affluent homeowners in the Santa Monica Mountains banded together to block a 450,000-resident development in their back yards. The opponents organized one of the first, and certainly most powerful, coalitions of homeowners associations in the country. They joined forces with the Sierra Club and Friends of the Santa Monica Mountains to transform their back yards into open space permanently off limits to developers. The homeowners succeeded, not only preserving their own quality of life but also laying the groundwork for future NIMBYists.

In the 1960s and ’70s, density became the rallying point of NIMBY opposition, often pitting homeowners against renters and developers.<sup>26</sup> Developers rushed to put up new housing units only to discover that “the first generation of arriving homeowners would have a powerful interest in trying to pull up the gangplanks to prevent further urbanization.”<sup>27</sup> As the stock of vacant land disappeared, developers turned to in-fill projects and high-density condos and townhomes that maximized land values and market demand. But homeowners decried the patchwork construction, increasingly crowded streets, and growing population.<sup>28</sup> Density, it seemed, fanned the flames of NIMBY discontent.

Yet today, density remains a popular option given the shortage of available space. Forecasters predict the U.S. population will increase by more than 60 million over the next 20 years, comprised mostly of smaller, two-person households.<sup>29</sup> Most Americans will continue to live in suburbs, positioning suburbia as the “next frontier for dense development.”<sup>30</sup> Los Angeles County, in particular, has almost no raw land, forcing

builders to construct condos and attached homes.<sup>31</sup> Of the 27,000 residential building permits issued in 2004, most involved multi-family projects.<sup>32</sup> Likewise, almost all of Redondo Beach's new residential construction involves the reuse of existing homes. Typically, developers buy a single-family lot and replace the home with four to 16 condominium units.<sup>33</sup> Redondo Beach rarely sees detached home construction anymore. These data indicate that density – however loathed – remains a necessary housing strategy in land-deprived Los Angeles County.

In light of this shortage, a large swath of land coming on the market is a rare event, one sure to bring out all the players. Yet these players, given the peculiarities of California's booming housing market and local finance structure, have very different desires. Quite simply, developers want housing, and cities want retail. This tension leads to construction projects that attempt to mix both, a combination that, at best, rarely succeeds, and at worst, provokes a NIMBY reaction that stymies the entire project.

### Housing Shortage

California housing prices skyrocketed in the late 1990s and early 2000s. After a relatively flat period from the late 1980s to mid-'90s, the state's median home price has hit \$474,480 by the end of 2004, a 95 percent increase from 2000.<sup>34</sup> In Los Angeles County, the median home price jumped to \$463,450 in 2004, a nearly 23 percent gain over the previous year. Five of the state's top 10 most expensive housing markets are within Los Angeles County.<sup>35</sup>

These prices continue to rise even as builders scramble to erect new residential units. New housing permits grew 8 percent in 2004, with developers starting construction on 210,527 new homes and condominiums, a 15-year high.<sup>36</sup> Still, experts say new home construction cannot keep pace with rampant demand fueled by low interest rates, a growing population, an increasing variety of loan products, and the relatively low investment risk of residential property.<sup>37</sup> The building industry argues the state needs 250,000 new housing units each year to meet the demand,<sup>38</sup> and in Los Angeles County, the 160,320 new homes built between 1990 and 2004 fell far short of the 282,216 needed.<sup>39</sup>

Given this overheated market, the lure of residential development comes as no surprise. Though the Southern California market showed some signs of cooling by the end of 2004, residential real estate continued to be perceived as a solid investment. Moreover, homes and condominiums in new developments often sold out even before construction began, providing developers with ample upfront equity.<sup>40</sup> When it came time to plan Heart of the City, private interests demanded a housing component.

### Local Finance Needs

In contrast, residential construction holds less appeal for cities given the state's finance structure. Proposition 13, a 1978 ballot initiative, capped property taxes at 1 percent of a home's sales price and permitted only minimal assessment increases each year, absent a home sale. Almost overnight, property tax revenues plunged, forcing the state government to provide a greater amount of local financial assistance. Yet this

“bailout” money has declined substantially with a weakened state budget and its multi-billion dollar structural deficit.

Cities, then, grapple with a perplexing dilemma: a hot housing market can boost their property tax revenues somewhat, but the post-Prop. 13 funding structure left them with little cash to provide the additional public services needed. Indeed, new residential units create very little net gain for cities; by some estimates, one new resident generates \$170 in yearly property tax revenues but costs \$350 for additional community services, such as infrastructure and police protection.<sup>41</sup> Cities, then, have little financial incentive to allow residential development in their borders.<sup>42</sup>

Retail projects, in contrast, hold tremendous appeal given the local reliance on sales tax revenue. One percent of the sales tax goes directly to the city in which the sale occurred, no strings attached. Though sales tax money represents only one-tenth of total city revenues, it is the major source of discretionary funding.<sup>43</sup> For this reason, the Public Policy Institute of California refers to sales tax revenue as the “diamond in the rough” for cities, the “rough” representing the constrained fiscal environment post Proposition 13.<sup>44</sup> In a 1998 survey of city managers, retail ranked as the No. 1 development choice, with pure residential lagging in fifth-place.<sup>45</sup> Thus, cities systematically choose retail development over residential and industrial uses when it comes to vacant land for new developments.<sup>46</sup>

Indeed, in 2005, Redondo Beach noted proudly that its new Expo Design Center generated more than \$350,000 a year in local sales tax revenue, and various business incentives – including an awards program and direct assistance – helped bring in an additional \$445,000 a year in revenue.<sup>47</sup> When it came time to plan Heart of the City, the city wanted retail.

#### Mixed-use: Where Competing Demands Intersect

Fortunately, an increasingly popular design model appeases the developer’s desire for housing and the city’s demand for retail: mixed-use. In mixed-use developments, residential units co-exist with shops, restaurants, and offices. At times, condominiums sit atop the stores, as they do in Redondo Beach’s 1800 PCH; other times, the homes mingle in close proximity to stores and restaurants, creating a pedestrian friendly environment, as they do in Playa Vista.

The dense concentration of residents forms a ready-made customer base for retailers, and residents avoid frustrating traffic snarls by walking to work and to neighborhood shops, a combination that boosts property values and minimizes traffic congestion.<sup>48</sup> Even more, home-hungry developers can diversify their risk with retail<sup>49</sup> while sales tax-loving cities shore up their housing stock to serve employees at large local companies.<sup>50</sup> In short, mixed use offers the best of all worlds: a little retail for the cities, homes for the developers, and a more efficient use of limited space.<sup>51</sup>

Despite the popularity of mixed use, it has not proven itself in the real world. Many developers view the trend warily, reluctant to take on such a risky endeavor.

Though large-scale mixed-use developments can return double-digit profits, they also come with a high degree of uncertainty. Because developers construct most mixed-use developments in phases, returns may not materialize for years, and various building codes can produce unforeseen costs that quickly gobble up profits.<sup>52</sup>

In car-loving Los Angeles, mixed-use developments have been far less successful than the enthusiastic publicity would suggest. The lofts and condominiums added to Old Town Pasadena and Santa Monica Promenade have created a vibrant mixed-use environment, but these residences went into already established commercial cores.<sup>53</sup> In ground up mixed-use projects, the homes often sell out immediately while retail spaces sit empty.<sup>54</sup> At 1800 PCH, Redondo Beach's first major mixed-use development, the shops sat vacant for nearly three years while the residential units built up long waiting lists. "Mixed use, I don't think it works," a Torrance real estate developer bluntly told the *Daily Breeze*.<sup>55</sup>

Still, cities and developers have not given up the mixed-use ideal. Aside from the financial benefits, cities seem to believe that mixed-use projects have an easier time winning support than traditional residential- or retail-only developments. If anything, NIMBYism should decline with more mixed use. After all, such developments can reduce parking needs, encourage higher public transportation use, and provide more affordable housing – all environmentally and fiscally sound goals.<sup>56</sup> Yet these rose-colored sentiments overlook one obvious element of mixed-use planning: the need for density. And with density, almost always, comes the NIMBY firestorm.

### **The Progressive Spirit: Government Cannot Be Trusted**

*"We are the voice of the people."*

A Redondo Beach teacher  
who collected signatures for the  
anti-Heart of the City petition<sup>57</sup>

Development alone should not make California a hotbed of NIMBYism. Yet development – coupled with a longstanding history of citizen activism – has made this state particularly susceptible to NIMBY opposition. Indeed, this type of citizen revolt thrives in California because of a landmark progressive movement that gave citizens two very important resources: the technical *ability* to force government change and the philosophical foundation to *desire* it.

In the early 20<sup>th</sup> century, industry leaders bragged about their hold on California legislators. The corrupt landscape fueled a populist backlash that culminated in the 1910 election of Hiram Johnson as governor. During this progressive era, two beliefs dominated: politicians and political parties were corrupt, and citizens could check this corruption through direct democracy. Shortly after Johnson's election, the state adopted three major tools to that end: the initiative, the referendum, and the recall.



In so doing, California gave citizens the legal authority to challenge government decisions. An unhappy electorate could overturn a political decision by circulating petitions, collecting signatures, and forcing a vote. Indeed, since 1912, nearly 2,000 petitions have circulated, and 312 state initiatives have qualified for the ballot.<sup>58</sup> On the November 2004 ballot alone, voters weighed in on 16 propositions, dealing with everything from complicated budgetary borrowing schemes to stem cell research. Currently, the state attorney general's office has 66 initiatives pending with another nine in circulation.<sup>59</sup> Hundreds of other initiatives have taken place at the county and city level.

In many ways, the proliferation of initiatives merely points to an underlying problem: California citizens continue to believe the traditional legislative process has failed them.<sup>60</sup> They see "ballot-box decision making" as their only recourse, a way to rein in seemingly unresponsive legislators and to secure their own interests. This progressive-era ideology persists even a century later, as illustrated by the 1990 proposition to impose legislative term limits and the rejection of a 2004 initiative to give politicians more leeway in passing the state budget.

More than anything else, the California progressive movement left a legacy of deep-seated citizen skepticism coupled with a "can do" attitude about changing the status quo. This activist mentality continues to hamper government decision making. It all but grounds controversial proposals, as the Redondo Beach City Council quickly discovered.

### **Heart of the City: Not in Our City**

*"I watched closely for the first one and a half years. There was a balanced amount of parks, residential, and commercial areas. Then I stopped watching. And what came up at the end was a completely different plan."*

A Redondo Beach resident  
on the Heart of the City proposal<sup>61</sup>

Heart of the City epitomizes all the problems with California development. In this mostly built-out city, a new large parcel of land comes along only once in a rare while. A high-value *waterfront* piece of land – rarer still. For Redondo Beach, the AES downsizing presented an opportunity to recapture the shoppers and diners who drive past its hidden beachfront for the quaint, oceanside downtowns of Manhattan Beach and Hermosa Beach.<sup>62</sup> Though proponents touted Heart of the City as a way to restore the community core lost during the 1960s, the project – most importantly – aimed to raise badly needed sales tax revenue. In Redondo Beach, sales tax revenue comprised \$6.5 million, or 13 percent, of the total revenue stream in 2004-05, while nearby Manhattan Beach raised \$7.2 million in sales taxes, more than 18 percent of its total revenues.<sup>63</sup> This disparity, not lost on city leaders, fueled the call for commercial development early on. From the outset, the Urban Land Institute (ULI) recommended fine dining, shops, and a Seattle-inspired public market to reinvigorate the ailing retail sector.

Yet the city could not attract private developers without a residential component to guarantee the upfront capital needed for a phased-in development. Even more, the city needed to allow high-density residential, which promises better returns than single-family homes.<sup>64</sup> ULI proposed attached housing close to the waterfront in the form of residential units above first-floor shops or spacious lofts, a favorite among young professionals.<sup>65</sup> The mixed-use strategy offered the compromise pursued in so many California projects – a little commercial for the city, some residential for the developers.

At the public workshops, residents heard ULI's recommendations for a bustling, open access waterfront and viewed colorful renderings of the proposed neighborhood, complete with streetscapes and design suggestions. They called out suggestions and comments, and facilitators scrawled them across large easel pads. At the time, they only discussed concepts; thus, the housing component consisted only of a yellow swatch marked "residential neighborhood." No one speculated how many homes might comprise this new neighborhood.

Even at this early stage, audience comments foreshadowed a controversy: "Views are being destroyed for local residents," "Make residential development 2 stories," "3 story parking structure on Catalina is too high," and this ominous question pertaining to a proposed hotel – "Will there be a vote?"<sup>66</sup>

When the city presented Heart of the City a year later, citizens were shocked by the residential component. The proposal called for up to 55 units per acre, or 2,998 living spaces at maximum buildout, and homes could stretch as high as three stories. Gone were the chic lofts and condominiums atop stores and restaurants. Instead, the plan showcased rows and rows of towering townhomes. City leaders highlighted the architecturally distinct designs and the strict rules about open space and setbacks. But residents saw only one thing – density – an element that provokes NIMBY opposition like no other.

At first, the relatively small group of opponents tried to work through traditional legislative channels. They spoke at public hearings, met with councilmen, and wrote letters to voice their concerns about Heart of the City's size and scope. "Many of the local Redondo residents have concerns about the size of the development and its impact on the environment," said Nadine Bennington, the chair of Citizens for Less Development in King Harbor.<sup>67</sup> The city stressed that 55 units per acre did not constitute a minimum but rather a *maximum*. Because a developer still would need City Council approval for a specific housing project, the elected officials could deny proposals on a case by case basis. In fact, city officials argued, they never intended to build 3,000 new residential units, and in newspaper articles and public statements, they consistently spoke of 1,000 new homes.

Residents, however, did not buy it. Even before Heart of the City, Redondo Beach citizens held a wary view of elected government, enacting term limits for its councilmen and school board members in 1997. And residents still recalled how a

previous city council had razed the downtown over vehement protests. Once again, the progressive-era suspicion of government reared its head.

Even if the city councilmen could reject the highest density projects, would they? Citizens wanted the lower density in writing. They could not trust their elected officials. “We’ve never wanted to shut down the whole thing,” opposition leader Chris Cagle said. “We are just unsatisfied with what’s on the table.”<sup>68</sup> NIMBYism – spawned by the very nature of California development and inflamed by a progressive-era mindset – took hold.

The city, however, did not slow down its fast-track timeline, and soon the residents felt the traditional legislative process had failed them. Yet in California, citizens rarely accept this type of defeat, and the Redondo Beach residents were no exception. The progressive legacy had given them a legal way to circumvent the city council’s will – the initiative. Shortly after the petition qualified for a vote, the city council rescinded the plan. “Perhaps we could go lower” in density, Mayor Greg Hill said on the same day angry residents turned in their petition signatures. “It might have been a good idea to do that.”<sup>69</sup>

### **Where Did It All Go Wrong?**

Redondo Beach officials tried to do everything right. For one, they took a proactive, comprehensive approach to citywide development. Second, they sought community input right from the start, publicizing Heart of the City events through a newsletter and meeting with local journalists to sell their vision. Yet for all of its efforts, the city failed, and Heart of the City became just another brutal lesson in California development. Despite the real threat of NIMBYism, many cities and developers still do not know how to deal with it, and this ignorance can have disastrous effects on otherwise sound projects: “If NIMBY sentiments prevail, the facility will never open.”<sup>70</sup>

Even among themselves, developers disagree on how to quell NIMBY opposition. At a recent conference for West Coast home builders, suggestions spanned the spectrum: involve community input from the start, keep a low profile to avoid public scrutiny, divide and conquer opponents by networking with neighbors, do not make eye contact with opponents, win over local officials first, use attractive design guidelines, and stack public meetings with project supporters.<sup>71</sup> In the eyes of one developer, “NIMBYs believe that ‘any change is bad. They would rather have a crack house next door than an apartment building.’”<sup>72</sup> Yet this mentality underestimates the NIMBY motives of a well-educated, savvy community like Redondo Beach. As illustrated by the West Coast home builders conference, developers and cities continue to deal with NIMBYs using political, public relations tactics, rather than addressing the substantive issues related to a specific project. Indeed, Heart of the City failed because city officials made four crucial, yet common, mistakes:

1. **Community input, but no dialogue.** “Community input” has become a convenient catchphrase, but few developers and cities consider its meaning. In its Heart of the City report, Urban Land Institute urged Redondo Beach to “engage the community” because

“a well-informed and committed constituency is essential to sustain ongoing public support.”<sup>73</sup> To that end, ULI proposed community meetings, disseminating information via a Web page or newsletter, and creating a formal process for public input.

Redondo Beach followed the recommendations but neglected the more important component. Community input implies one-way communication, and citizens want more than just input: they want to impact the final outcome. Thus, when Heart of the City included three-story condominiums after residents repeatedly told facilitators to keep buildings low, the community felt slighted. “There was so much energy because people felt frustrated with the process,” chief opponent Cagle said. “With (the initiative petition), people felt like they could make a difference.”<sup>74</sup>

In fact, some NIMBY experts consider concessions and incentives a crucial part of the community involvement process: “A little can go a long way in demonstrating the operator’s willingness to listen and be a good neighbor.”<sup>75</sup> Developers often propose projects well above what they can politically achieve, because they know that community negotiations will whittle down the project. By compromising in the face of resistance, developers appear reasonable and eager to generate goodwill, and NIMBYists feel “victorious” in their efforts. In any event, the fact that Redondo Beach failed to negotiate and to incorporate community suggestions dealt a fatal blow to Heart of the City.

**2. Fast-track timing.** Heart of the City came with a “sense of urgency,” and the Urban Land Institute noted several ways to “fast track” the project: “The sooner AES can be recast from a power plant to a major center of community activity, the better.”<sup>76</sup> Within 18 months to two years, Redondo Beach needed to complete its Heart of the City plan and gain Coastal Commission approval. After releasing the plan in August 2001, the city manager spelled out the ambitious timeline: to the Planning Commission by December, the City Council in early 2002, and the Coastal Commission by April 2002.<sup>77</sup>

Even after opposition surfaced, the city stuck doggedly to this timeframe. Citizens had no way to slow down the process until the initiative put the brakes on everything. The city may have had good reason to act quickly, but given the community reaction, it should have reconsidered its fast-track timeline. Had the city taken a few extra months to incorporate public concerns and to let the community cool off, it may never have needed to scrap the plan.

**3. Scope of project.** Heart of the City opponents never rejected the entire plan. They had one specific complaint: density. They believed the project’s scope exceeded community standards, and they wanted fewer residential units.<sup>78</sup> The size and scope of the project simply overwhelmed the community: “At the heart of the Heart of the City plan . . . is the size of it and the inability to break it down to component parts for people to understand,” said the vice-president of a public relations firm that helps developers sell their ideas.<sup>79</sup>

Playa Vista – a planned development in the Marina del Rey area of Los Angeles County – offers a lesson. Its original developers ran into a similar tangle.

Environmentalists blasted the proposal to build homes on the Ballona Wetlands, stalling the project for years. When the developers brought Steve Soboroff on board to head the stalled project, he took the wetlands off the drawing board, effectively killing the opposition. Merely trying to justify the unwelcome project had failed; Playa Vista developers needed to change the project's scope to reach consensus (or, at least, to silence the critics).

Despite the need for compromise, not once did Redondo Beach propose lowering the density. City councilmen merely hammered away at the concept of a maximum 55 units per acre, trying to *spin* the project rather than alter it. Talk of a density compromise began only after the initiative qualified for the ballot. Later, councilmen would admit their folly: "We just wanted to keep it as flexible as possible. Personally, I have no problem with a (lower) range that overall wouldn't exceed a certain number. It probably should have been in there," Mayor Hill said.<sup>80</sup>

4. **Slow response to community opposition.** Lastly, Redondo Beach city officials waited too long to address community concerns. They kept on believing that opponents represented only a small segment of the population. "This will show our city it is not one or two or hundreds," a petition signature-gatherer defiantly told the *Daily Breeze*.<sup>81</sup> By the time the city tried to reach out to opponents, the initiative drive had gathered momentum, and residents no longer needed the council's ear. By then, community trust had eroded. The council should have taken the NIMBYists seriously early on. Instead, it aroused indignation by turning a deaf ear.

In short, Redondo Beach did not seek out a true community vision, shaped by citizens and guided by city leaders. Instead, it tried to force Heart of the City onto its residents like a bitter pill. The plan did not fail because of a public relations snafu, as anti-NIMBY developers would suggest, but because well-educated residents had substantive problems with the project. Yet city officials refused to negotiate the project's most offensive aspect – density – and instead tried to win over the residents. Heart of the City, despite all the spin, simply exceeded a politically tenable scope. Had residents been given a legitimate opportunity to participate in the process, the city leaders may have known that.

#### **Waterfront Development Redux: Change of Heart**

*"We're looking for a partnership and a buy-in from all members of the community. Their voice is paramount."*

Redondo Beach Councilman Don Szerlip,  
elected in 2003 on a platform of  
community inclusiveness<sup>82</sup>

Nearly three years and \$1 million later, Redondo Beach has little to show for its waterfront redevelopment plan.<sup>83</sup> After rescinding Heart of the City, Redondo Beach officials sought to build community consensus through a more grassroots approach,

holding six months of brainstorming sessions, focus groups, and workshops. Instead of consensus, the city received two competing visions: an 80-acre park with a community center and recreational amenities; or a village-type development with a smaller park, canals, some commercial space, a destination hotel, and 350 townhomes and single-family units – a project derisively termed “Heart of the City Lite” by opponents. The latter proposal appeared more financially viable, though still risky, while the park would have cost the city \$350 million to build and \$1 million a year to operate.<sup>84</sup> With the community divided, the city council agreed to put both ideas on the March 2005 ballot for an advisory vote. Incidentally, former Heart of the City opponent Chris Cagle, now a councilman, supported the “Heart of the City Lite” proposal, a telling indication that density – not blanket development – provoked the initial NIMBY reaction.

On election day, Redondo Beach voters delivered a contradictory decision. They voted overwhelmingly in favor of the 80-acre park while at the same time electing a pro-“Heart of the City” mayor who opposed both alternative development proposals – a head-scratching turn of events. With no clear guidance from the electorate, the city went back to the drawing board. Four months after the election, the City Council officially killed Heart of the City, undoing its comprehensive waterfront zoning plan and reverting back to a piecemeal development strategy<sup>85</sup> – everything it had strived to avoid.

Stung once by charges of shutting out the community, Redondo Beach officials had seemed all too eager to give residents a say. In many ways, they lost their grasp on the AES redevelopment process. Their early mistakes led to a citizen revolt that fundamentally changed the political dynamics: now, residents demand control over the process, and city leaders – sufficiently cowed by threats of initiatives and recalls – merely comply. In the end, Redondo Beach may wind up with a project that benefits no one.

Given Heart of the City’s size, Redondo Beach officials should have anticipated the NIMBY reaction from the outset. During the community workshops, they should have altered the project to reflect public comments; once opposition surfaced, they should have compromised even more. They could have taken their time, slowing down the process in the face of resistance. In short, they needed to view opponents not as unreasonable NIMBYists but as citizens with legitimate concerns, a lesson for all California development.

## Endnotes

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