SCAG Region: Compass Blueprint Case Study

Downtown San Bernardino

Clockwise from top: an Omnitrans bus in downtown San Bernardino; pedestrians on E Street; the San Bernardino Metrolink station.

Photos by Strategic Economics, 2008

March 2008

Center for Transit-Oriented Development
**DOWNTOWN SAN BERNARDINO**

The City of San Bernardino is the county seat of San Bernardino County and part of the Inland Empire, one of the largest, fastest-growing metropolitan areas in the U.S. While San Bernardino and Riverside Counties are known for their rapid, low-density, suburban growth patterns, many Inland Empire communities are now reexamining this growth model in the face of concerns about air quality and climate change and the growing demand for walkable, transit-accessible neighborhoods. San Bernardino is one City at the forefront of this trend, taking advantage of the growing interest in downtown living to draw new public and private investment into its historic core. The City’s downtown revitalization efforts are the subject of this case study.

**LOCAL CONTEXT**

In its efforts to revitalize the downtown, San Bernardino is capitalizing on a strong public sector employment base and high transit ridership rates. San Bernardino was once the economic and cultural heart of San Bernardino County, and although the City’s regional centrality has declined over the past 20 years, it remains one of the most important job centers in the region (Figure 2). As the county seat, San Bernardino is home to numerous local, state and federal government offices which draw 15,000 to 20,000 office workers a day into the downtown.

San Bernardino also has a historic commitment to public transportation. The San Bernardino Metrolink and Amtrak station, located just to the west of downtown, is the terminal stop on the most widely used line in the Metrolink system, which connects the City to downtown Los Angeles. San Bernardino is also served by local Omnitrans bus routes and a number of regional bus systems. In part because of San Bernardino’s lower incomes, the City’s residents take public transit to work more often than the rest of the county and own fewer cars. Public transit ridership is particularly strong in the downtown area (Table 1).

Downtown San Bernardino is poised to experience a renaissance in the coming decades, as a number of catalytic redevelopment projects and transit improvements are completed. The City is focusing on increasing homeownership opportunities, concentrating employment in the downtown, and engaging downtown’s ethnically and culturally diverse population.

![Figure 1. Ethnic Mix, 2000](image)

- Downtown San Bernardino
- San Bernardino County
- U.S. Census 2000

**Table 1. San Bernardino Transit Use and Demographics, 2000**

<table>
<thead>
<tr>
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<th>Half-Mile Radius of E Street Station*</th>
<th>City</th>
<th>County</th>
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<tbody>
<tr>
<td>Households with no vehicles available</td>
<td>39%</td>
<td>10%</td>
<td>8%</td>
</tr>
<tr>
<td>Households living below the poverty level</td>
<td>37%</td>
<td>24%</td>
<td>13%</td>
</tr>
<tr>
<td>Workers 16 years and older using public transit</td>
<td>7%</td>
<td>3%</td>
<td>2%</td>
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Sources: SANBAG, Gruen Associates, 2007; U.S. Census 2000

*The City, SANBAG and Omnitrans are planning to build the E Street Intermodal Transit Station downtown at E Street and Rialto (see “Partnering to plan for the future” section, below)
Figure 2. Employment Densities in San Bernardino and Riverside Counties

Source: Center for Neighborhood Technology
REVITALIZING DOWNTOWN SAN BERNARDINO

While downtown San Bernardino has struggled over the past few decades and lost its dominance in the region’s economy, it is now on the cusp of change. Civic leaders are drawing new investment into the historic core, taking advantage of a resurging interest in walkable communities and the growing “healthy cities” movement in the Inland Empire. A number of redevelopment projects and transit expansion plans are on the horizon, the fruits of the City’s partnerships with a variety of other agencies and organizations, including SCAG, the Urban Land Institute, the San Bernardino Association of Governments (SANBAG), San Bernardino County and Omnitrans. As San Bernardino Mayor Pat Morris describes downtown’s renaissance, “We have the bones of a major urban center, and we’re building on those historic strengths. Downtown San Bernardino is on its way to becoming a largely New Urbanist community, with intensified land use and several thousand middle class workers living downtown.”

Downtown San Bernardino covers approximately 2.5 miles of the city’s center and is bounded on the west by I-215 (Figure 3). The district is part of the Central City Redevelopment Project Area.

NEIGHBORHOOD HISTORY

In its heyday up through the 1970’s, downtown San Bernardino was the civic, economic, and entertainment hub of the Inland Empire, a thriving business district that was home to government offices and surrounded by middle-class residential neighborhoods. Route 66 brought travelers directly through downtown and allowed hotels and large department stores to thrive. Locals cruised along E Street on Fridays and Saturdays.

Beginning in the 1960’s and 70’s, however, downtown began to change. As the Inland Empire rapidly expanded and suburbanized, Riverside and Ontario replaced San Bernardino as the region’s major economic centers. Urban renewal projects tore down many of the historic buildings, disrupted the street grid, and replaced the one-time town center with the Central City Mall (now known as Carousel Mall). The economic downturns of the 1980’s and 90’s brought further disruption. Several major employers closed or relocated, and the construction of a new branch of I-15\(^1\) through Ontario redirected traffic away from San

\(^1\) The original eastern branch of 1-15, which ran through San Bernardino, is now known as 1-215 and forms downtown’s western boundary (see Figure 3).

“We have the bones of a major urban center, and we’re building on those historic strengths. Downtown San Bernardino is on its way to becoming a largely New Urbanist community, with intensified land use and several thousand middle class workers living downtown.”

- Mayor Pat Morris

Figure 3. Route 66 Rendezvous

Every year since 1990, the San Bernardino Visitors & Convention Bureau (SBVCB) has hosted the Route 66 Rendezvous, a four-day long classic car show that encompasses 37 downtown blocks. The event was conceived as an economic development project, and regularly draws 500,000 people.
Meanwhile, the development of Hospitality Lane, a district of office buildings, retail, restaurants, and hotels several miles southeast of downtown along I-10, drew shoppers and businesses away from downtown and the mall. The real estate recession in the early 1990’s resulted in the further devaluation of downtown property. As a result of the job losses and economic downturn, many homeowners sold or lost their houses.

Today, the city of San Bernardino is entering a new phase, reexamining its past and investing in its future. As Emil Marzullo, the mayor’s economic and community development advisor, puts it, “The challenge is not to go back to being a power center, but recovering our urban vibrancy and creating a mix of residential, business, institutional, and retail uses that coexist and contribute to each other’s successes. . . .” Downtown is already home to tens of thousands of stable, well-paying jobs, and the City recognizes that in order to achieve its goals, it needs to capture spending from these workers and create an environment in which people want to live, work, and play.

The City is focusing on redeveloping key opportunity sites, getting people out of their cars and into the streets and public transit, and building affordable, compact homeownership opportunities. The Economic Development Agency, San Bernardino’s redevelopment agency, has already built a new minor league baseball stadium, renovated the historic California Theater, and partnered with developers to build affordable ownership and senior housing. Major upcoming projects include redeveloping the 45-acre Carousel Mall site, redesigning the 55-acre Seccombe Lake Park, and bringing major new office and educational uses into the downtown.

Partnerships play a crucial role in the City’s plans. The City is working with the County to build a new, centralized county office complex, and with Omnitrans and SANBAG to build a new transit center, establish an express bus system, and extend the San Bernardino Metrolink line to include a new downtown station. To help refine its vision for the future, the City enlisted help from SCAG’s Compass Blueprint Program and the Urban Land Institute Advisory Panel to study the area’s potential. Both organizations released their reports in 2007, setting the stage for further, city-led planning efforts.

“The challenge is not to go back to being a power center, but recovering our urban vibrancy and creating a mix of residential, business, institutional, and retail uses that coexist and contribute to each other’s successes. We need to create an environment where people want to live, and where they opt to walk and take public transportation.”

- Emil Marzullo, Economic and Community Development Advisor to the Mayor
Figure 5. Aerial View of San Bernardino Study Area

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

The City and Economic Development Agency’s efforts to date, combined with recent planning efforts, have set San Bernardino’s downtown on a course towards revitalization. Past successes include:

- **Attracting visitors and residents**
- **Creating affordable ownership and senior housing**
- **Partnering to plan for the future**

**Attracting visitors and residents:** Many of San Bernardino’s efforts to date have focused on creating a more attractive downtown environment. Over the last decade, the Economic Development Agency has built or renovated several cultural facilities designed to bring more people downtown in the evenings and on weekends, including a new movie theater, a minor league baseball stadium, and the historic California Theatre, home of the San Bernardino Symphony and Theatrical Arts International.

Other efforts have centered on safety and appearance, such as streetscape improvements and new wayfinding signage. Most recently, Mayor Pat Morris has spearheaded Operation Phoenix, a crime reduction initiative that focuses on the neighborhood just to the north of downtown. As part of Operation Phoenix, the City has hired additional police officers and created new job training and after-school programs (Figure 6). The program has been credited with reducing crime 38 percent between 2005 and 2006, and was recently labeled a model by the state’s Director of Gang and Youth Policy.2

**Creating affordable ownership and senior housing:** One of the City’s official goals for downtown is to “Provide incentives and strategies to promote home ownership . . . by encouraging infill housing and apartments to condo conversions.”3 In order to assist first-time, low-income homebuyers, the Economic Development Agency offers loans for down payments and closing costs. The loans are deferred with no monthly payments, and are forgiven if the owner remains on the property for a set number of years.

In addition to the mortgage assistance program, the City has worked to directly increase the supply of available ownership

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housing. The Economic Development Agency recently partnered with ANR Homes to replace several blocks of disinvested housing units in the Meadowbrook Park neighborhood, just east of downtown, with over 40 new affordable single-family homes. Over the last five years, the City has also built two affordable senior housing complexes.

Partnering to plan for the future: By taking advantage of outside resources, San Bernardino has begun to plan for the future of its downtown. The most recent planning efforts began with the 2005 update of the City’s General Plan, which embraced smart growth principles for revitalizing downtown. The Plan laid out 13 strategies for the downtown strategic area designed to “encourage mixed use development and pedestrian friendly uses . . .adjacent to transit stops.”

Following the vision laid out in the General Plan, the City began working with other agencies and organizations to help generate more concrete strategies for transforming the downtown. In 2006, the City and County jointly requested that the Urban Land Institute’s Advisory Services Program assess the downtown’s development potential. The panel conducted a market analysis and reviewed existing plans for the Carousel Mall redevelopment and other upcoming projects. The final report4 recommended strategies for attracting more residents and visitors, financing development projects, and leveraging leadership within the community and City.

Together, the City, Economic Development Agency, Omnitrans and the San Bernardino Association of Governments (SANBAG) are planning a new, intermodal transit station at E Street and Rialto Avenue, just south of the current Carousel Mall. The E Street Intermodal Transit Station will serve existing local and regional bus lines, as well as a new bus rapid transit system and a proposed Metrolink extension (discussed in the “Expanding transit” section, below). In 2006, Omnitrans published a final site selection report that proposed building 32 bus bays and 83,000 square feet of commercial space.5 SANBAG followed in January 2007 with a study that examined the entire ½-mile radius surrounding the site and pushed for high-density, mixed-use development.6

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In the meantime, the proposed E Street Station was selected as one of SCAG’s Compass Blueprint Program Demonstration Projects. The resulting study\(^7\) examined the development potential of the station site and the surrounding area. The study recommended developing the station area with a mix of housing, retail and open space (Figure 7), and laid out a series of key next steps including rezoning, revising parking guidelines, and creating development incentives.

Most of these reports were finished at the end of 2007, and the city is now in the process of evaluating the results and planning next steps.

**WHAT ARE THEY PLANNING?**

Downtown San Bernardino is on the cusp of major change, with many exciting new projects in the works. Ongoing efforts include:

- **Expanding transit**
- **Revitalizing key opportunity sites**
- **Increasing affordable homeownership opportunities**
- **Concentrating employment opportunities**
- **Engaging the community**

**Expanding transit:** The City of San Bernardino is working with SANBAG and Omnitrans, the area’s bus operator, to bring more residents, workers, and visitors downtown by increasing the area’s transit accessibility (See Figure. Omnitrans has purchased the 13-acre site for the E Street Intermodal Transit Station, and Omnitrans, SANBAG and SCAG’s Compass Blueprint Program have all created plans for developing the new station area into a mixed-use transit village with residential and retail space.

In addition to existing bus lines, the E Street Station will serve Omnitrans’ new bus rapid transit system, the San Bernardino Express (sbX), and a Metrolink extension. The sbX project recently received initial approval from the Federal Transit Administration’s Small Starts program, and the first line is expected to open in 2010. The first sbX line will travel along the E Street corridor, connecting California State University at San Bernardino in the north with the Loma Linda Medical Center in the south, and bringing students and workers through the core of downtown. Omnitrans is also considering an sbX corridor that would link downtown San Bernardino with the Fontana Metrolink station.

\(^{7}\) SCAG, Compass Blueprint Program, “From Transit Station to Transit Village,” January 2007
Meanwhile, SANBAG is leading the early planning stages of an effort to add a ten-mile light rail line to end of the San Bernardino Metrolink Line, adding seven new stations between San Bernardino and the University of Redlands. Currently, the line ends at the San Bernardino Metrolink Station, located approximately one mile east of downtown San Bernardino. The proposed Redlands Rail Extension would include a stop at the future E Street Intermodal Transit Station, making downtown San Bernardino a hub for travelers making their way across the region by rail, local bus, and express bus.

**Redeveloping key opportunity sites:** Another key component of recovering downtown’s vibrancy is replacing underutilized and vacant areas with uses that catalyze investment throughout the downtown. The scale of potential change in downtown San Bernardino is very significant. SANBAG’s 2007 station area plan found that over 25 percent of the land within ½ mile of the proposed E Street Station is vacant or industrial (Figure 6). These potential opportunity sites could accommodate as many as 8,900 residential units and 29,800 residents (Table 2), in an area where fewer than 2,000 people currently live.

The City has already identified several large-scale sites that have the potential to bring considerable change to the neighborhood. The 45-acre Carousel Mall is one of downtown’s largest and most central opportunity sites, and the City is focused on developing the property into a mixed-use center that will form the cornerstone of the downtown’s revitalization process over the long-term. LNR Corporation purchased the bulk of the property in February 2006 with the intention of developing a high-density residential and commercial project, but after the national housing market began to decline, proposed a lower density housing project that did not meet the City’s goals. The property was sold in January 2008 to M&D Properties, a company with experience in redeveloping shopping malls that is eager to incorporate the City and the community’s goals into its plans.

In the meantime, other redevelopment projects are moving forward. For example, the Economic Development Agency is in the process of acquiring and clearing several blocks for development near the intersection of 5th and G Streets, which has long been a high-crime area.

### Table 2. Development Potential within ½-Mile of the E Street Transit Station

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<tbody>
<tr>
<td>Potential population</td>
<td>29,800</td>
</tr>
<tr>
<td>Potential employment</td>
<td>27,900</td>
</tr>
<tr>
<td>Proposed dwelling units</td>
<td>8,900</td>
</tr>
</tbody>
</table>

Source: SANBAG, Gruen Associates, 2007

### Figure 8. Existing Land Uses within ½-Mile of the Proposed E Street Transit Station

- **Commercial:** 47%
- **Industrial:** 21%
- **Vacant:** 9%
- **Residential:** 5%
- **Office:** 6%
- **Other:** 12%

Source: SANBAG, Gruen Associates, 2007
Figure 9. Downtown Pipeline Projects, January 2008

Source: City of San Bernardino

Note: M&D Properties purchased the Court Street-West Mixed Use Development site (Carousel Mall) from LNR Corporation in January 2008.
Increasing affordable homeownership opportunities: While some opportunity sites are being replaced with office and retail space, others will be used to address the need for affordable ownership housing. ANR Homes recently submitted a proposal to build 312 townhomes at the Seccombe Lake Park, which was once the jewel of the city’s park system but in recent years has become a haven for crime and homelessness. ANR also just completed 12 live/work lofts with ground floor commercial space, located a few blocks from city hall.

Concentrating employment opportunities: Various government and private employers are planning to build new office space downtown, and the City has encouraged them to concentrate their facilities around the proposed E Street Intermodal Transit Station. Although the plans are not finalized, San Bernardino County intends to build a $400 million, 35-acre campus that will allow it to centralize its offices, and the State of California has allocated initial funding for a new, $250 million justice complex on land donated by the City. These two projects have the potential to bring thousands more office workers into downtown, and to attract businesses that work closely with government offices – such as title companies, engineers, and attorneys – back into downtown.

In addition to these public sector projects, the Arrowhead Credit Union is moving forward with a 145,000 square foot office complex just south of the proposed transit station, and American Sport University is considering expanding its downtown facilities to serve up to 550 students. The increased concentration of office workers and students will both enhance the ridership base for the new sbX line and proposed Metrolink extension and boost the demand for new shopping and services in downtown San Bernardino.

Engaging the community: While downtown property owners, the San Bernardino Downtown Business Association and local, county, and state officials have all participated in the planning process for San Bernardino’s revitalization, engaging the broader community remains a persistent challenge. The ULI study recommended a number of strategies for soliciting community input, and the City and Economic Development Agency are planning several community outreach initiatives, including creating a citizens advisory committee, presenting at neighborhood council meetings, and adding relevant programming on the City’s public access television station.
Downtown San Bernardino enjoys significantly lower than average housing and transportation costs, compared to both the rest of the City and the SCAG region. Most of the savings come from low housing costs, which are in part due to the area’s older, disinvested housing stock. The San Bernardino Metrolink station and Omnitrans bus system and downtown’s small block size do, however, provide somewhat lower transportation costs than average. New residential growth occurring in the area will enhance the land use mix and further decrease transportation costs.
Downtown San Bernardino enjoys significantly lower than average combined H+T costs compared to the City as a whole and especially the County. These savings are mostly from lower-cost housing rather than from transportation savings.

### Smart Growth Scores

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

San Bernardino’s transit connectivity is particularly high, and the small block sizes make the environment walkable. By concentrating more jobs downtown, building additional housing, and adding new transit options like bus rapid transit and a Metrolink extension, the City is projected to reduce the number of vehicle miles traveled per household every year by nearly 3,000 and increase the share of workers taking public transit to work from 10.5 percent to 13 percent.
LESSONS LEARNED

Downtown revitalization requires complex, long-term solutions.
After years of pursuing isolated projects designed to attract new investment, San Bernardino is now taking a multi-faceted approach to downtown revitalization, focusing simultaneously on employment, housing, transit, and community engagement and considering the long-term impact of new projects like the Carousel Mall redevelopment. Assistant City Manager Lori Sassoon reflected, “Quick fixes don’t work. Building a movie theater or a stadium or redeveloping a mall is not going to be the panacea. Cities need to think about combinations of uses that will help things happen organically, over time.”

Mixed-use zoning is critical for creating a sustainable neighborhood.
Residential, retail, office, entertainment, and civic uses are all crucial components of an economically healthy downtown. Emil Marzullo, the mayor’s economic and community development advisor, says that San Bernardino’s goal is to “have a mix of residential, business, institutional and retail uses that coexist and contribute to each other’s successes – I buy the house because it’s 5 blocks from work, I eat at the restaurant because it’s where I get out of work, I shop at the store a few minutes from home. Downtown’s economy cannot be sustained solely by a single use like government offices.”

Identify and take advantage of all your resources.
Although San Bernardino is no longer the economic and cultural center of the Inland Empire, the downtown has many assets that the City is leveraging to help trigger a renaissance. For example, the City is making use of its uniquely abundant water resources by considering the creation of a linear park. The City is also taking advantage of its position as the county seat, working with the County and State to bring back government jobs that have dispersed across San Bernardino over the years. And whereas many historic downtowns have small parcels that are difficult to assemble and redevelop, San Bernardino is able to capitalize on the many large opportunity sites that have resulted from the city’s industrial railroading past (such as the largely vacant land at the future site of the E Street Transit Station) and previous redevelopment efforts (such as the Carousel Mall site).

Consider partnering with regional organizations.
Many governmental and non-governmental organizations offer planning expertise and other resources to cities looking to reinvest in their downtowns. San Bernardino has partnered with SCAG, ULI, SANBAG and Omnitrans to plan for the future, and worked closely with the county and state to bring in new employment. These partnerships have helped the City play a central role in regional transit expansion and leverage its investments.

ACKNOWLEDGEMENTS

The following individuals provided information for this case study:

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