



Whether it's Trabuco Grove Shopping Center, Irvine Spectrum® or the beautiful Jeffrey Open Space Trail, the new village will be surrounded by amenities, attractions and job centers that will enrich residents' quality of life.

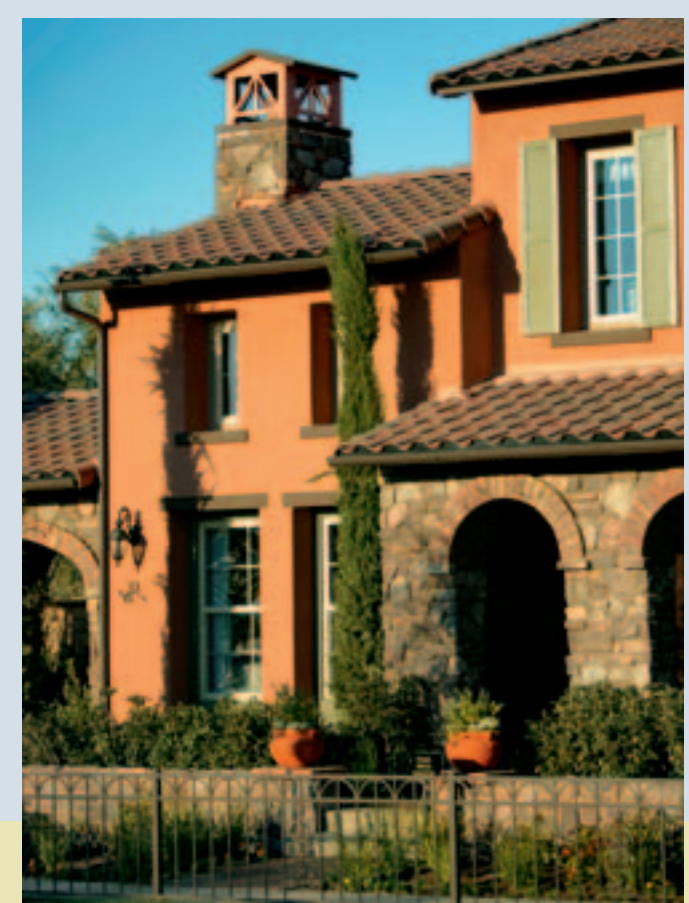
Why is Balancing Jobs and Housing So Vital?

IRVINE'S ECONOMY IS THRIVING. FUELED BY VIBRANT BUSINESS centers and an ever-growing influx of companies large, medium and small, the city's economic strength is envied throughout the county, state and nation. At the Greater Irvine Spectrum Area alone, more than 65,000 people work for some 3,400 companies.

The jobs-to-housing ratio in Orange County is 1.56 jobs for every house; it's even greater in Irvine—3.3 jobs for every house. This is significantly higher than the Southern California Association of Government's recommendation—or the standard jobs-to-household ratio—of 1.0 to 1.29.

The desire to work in Irvine is matched—and quite possibly exceeded—by a desire to live here as well. But the city's housing supply has never kept pace with its job base. Achieving and maintaining a better balance between jobs and housing is critical for a number of reasons—to reduce traffic, protect the environment and enable workers to spend more time with their families, for starters.

Clearly, achieving and maintaining a thoughtful balance of jobs and housing is a fundamental key to Irvine's economic vitality and quality of life. The variety of housing planned for the village in Planning Area 40 will help the city come closer to that important goal.



Irvine's jobs-to-housing ratio is 3.3 jobs for every house—more than twice the ratio for Orange County overall. Achieving and maintaining a balance of jobs and housing is crucial to Irvine's continued economic vitality and quality of life.



Planning Ahead

A publication of The Irvine Company that explores elements of a balanced community.

www.goodplanning.org February 2008

New Village Upholds Tradition of Excellence



Like all of the villages of Irvine, the one envisioned for Planning Area 40 will comprise charming and distinct neighborhoods, parks and trails, and provide easy access to shopping, dining, and the city's vibrant job centers.

Planning Ahead

What's Next?

AFTER THE PROJECT APPLICATION FOR THE PLANNED NEW VILLAGE was submitted to the city in November 2006, the city finalized the scope of work for an environmental consultant. Over the course of several months, the consultant conducted an environmental assessment of the project as required by the California Environmental Quality Act (CEQA).

The city in February 2008 plans to release the Draft Environmental Impact Report (DEIR) for the project for public review and comment. The DEIR provides a thorough analysis of potential impacts to the surrounding community. In the coming weeks, the city's numerous advisory commissions will review the proposal in public meetings before the City Council's final action after considering the response to public comments on the DEIR and the recommendations of the various city commissions.

What is an Environmental Impact Report?

The DEIR describes the project, the potential environmental impacts of various alternatives, and plans for mitigation measures. It reflects extensive technical studies that identify potential impacts associated with the proposed project. All environmental impacts of the project—including traffic, noise and water quality, to list a few—are addressed in the report.

The project mitigation section is one piece of the entire environmental impact report. Based on findings of the report, the city will determine what mitigation measures need to occur in order to reduce or eliminate the project's potential impacts. It will be The Irvine Company's responsibility and commitment to accommodate and fulfill those measures.

For up-to-date information regarding the public planning process, visit the city's Web site at www.cityofirvine.org.



How to Learn More

Building quality communities takes teamwork. At The Irvine Company, it's a highly collaborative process that involves extensive input from community groups and residents as well as city officials. We look forward to hearing your questions and feedback as we move forward with plans for a new village in North Irvine.

Throughout the planning process, we will periodically mail updates to residents as information becomes available. You can also stay informed by going to www.PA40update.com or by completing and returning the enclosed Keep Me Informed card.

The information and land uses shown in this newsletter may change at any time. Depicted land uses are based on planning information believed to be accurate as of the date of this newsletter. Future development and construction of infrastructures and other facilities not shown in this publication may occur. The facilities and amenities portrayed in this newsletter are artists' renderings. Actual development may vary.

ASK AN IRVINE RESIDENT WHERE HE OR SHE LIVES, AND THEY'RE likely to tell you—with no small amount of pride—the name of their village, whether it's Woodbury, Northwood, Turtle Rock, Quail Hill, and so on. It's easy to see why: The villages of Irvine all exude their own personalities; no two are alike.

Yet all of Irvine's villages share several important characteristics. They are all thoughtfully designed and self-contained with a comprehensive blend of parks, trails, schools, retail centers and nearby job centers.

Irvine's villages are so recognizable and distinct that they define an address; they instill in residents an uncommon sense of pride in where they live. Villages are the city's unique calling card, and the one planned for the area known as Planning Area 40 will carry on that tradition. Bounded by Jeffrey and Trabuco roads, the Santa Ana (I-5) Freeway, and the future Orange County Great Park, it will reflect Irvine's traditional village concept of charming streets and neighborhoods, and parkways, paths and trails that will make it easy for residents to quickly connect to other parts of the city.

Highlights of the planned village include:

- A range of housing types that respond to current and future housing needs and support Irvine's continued economic growth
- A balanced land-use plan that acknowledges the closure of the former El Toro Marine Base, site of the future Orange County Great Park
- New parks, trails and public open space, including a key segment of the beautiful Jeffrey Open Space Trail.

Like plans for all of the villages of Irvine, this one has emerged even better as we've collaborated with residents and city officials. As just

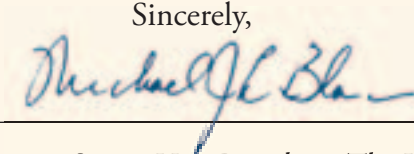
one example, we've relocated the planned 20.5-acre community park to an area next to the Jeffrey Open Space Trail. This will create an expansive, interconnected trail and park area at the village edge along Jeffrey Road featuring many outdoor activities for residents.

Also, the new village will be one of the first planned in accordance with the city of Irvine's new "Green Building Program." Introduced in 2007 in collaboration with The Irvine Company, it is considered one of America's most innovative and comprehensive municipal green building programs. It comprises time-tested concepts to provide for a variety of elements, including water conservation, waste reduction and recycling, energy-efficient appliances, and renewable energy systems.

As just one example of the village's commitment to green building, we're proposing that swimming pools in private association parks be heated entirely with solar energy, a move that will save both energy and association funding.

The application filed with the city for the new village also calls for converting a portion of Planning Area 12, which is south of the planned village, into an expansion of nationally acclaimed Irvine Spectrum, home to some of the country's top companies.

This issue of *Planning Ahead* provides an overview of the planned community. As we do with each new village, we'll keep you updated as plans progress for the village in Planning Area 40.

Sincerely,

 MICHAEL LE BLANC Senior Vice President, The Irvine Company

Key Features and Amenities of a Balanced Community

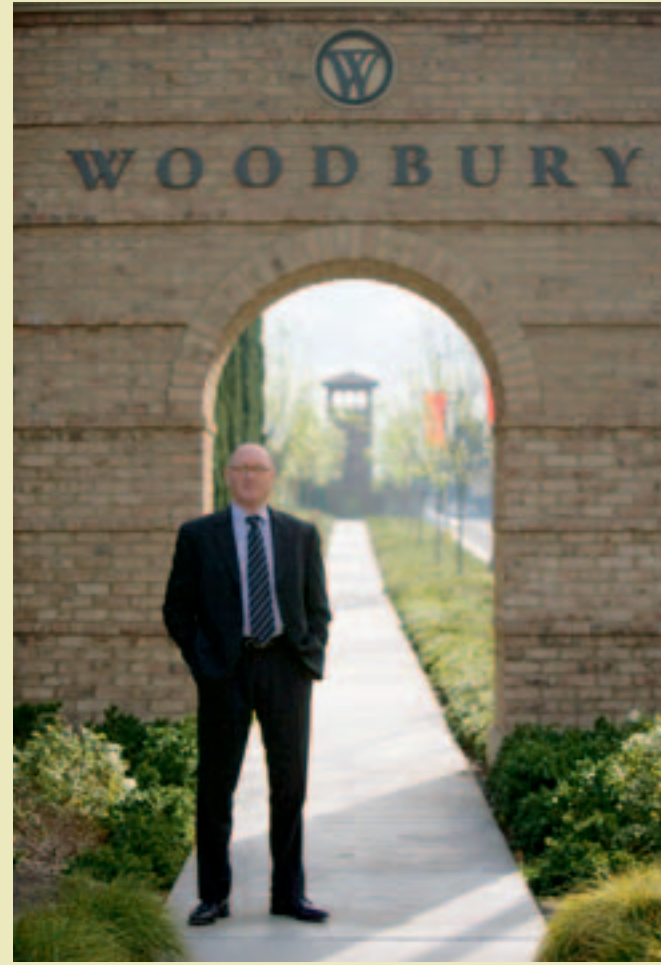
The new village in Planning Area 40 will reflect the exceptional planning and design innovation that make every village in the city of Irvine distinctive. Like all other residential villages in Irvine, the community will be balanced and self-contained and offer excellent schools; extensive parks, trails and open space, and convenient retail centers.

The village's master plan envisions three districts: District 1 will be a residential village of fewer than 4,000 housing units; Districts 2 and 3 will be mixed-use areas featuring retail stores, services and apartments.

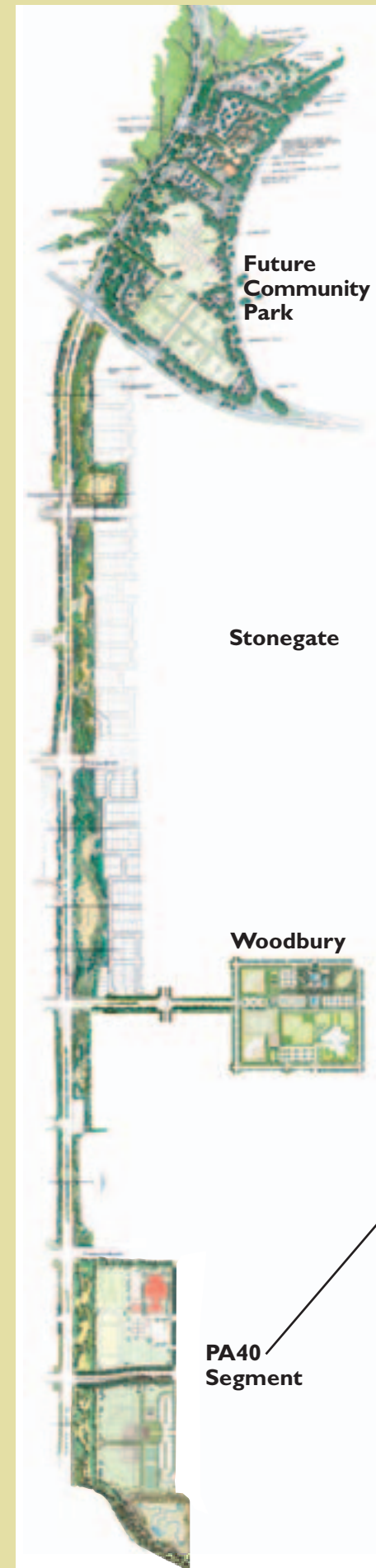
Key features and amenities envisioned for the new village include:

- A full range of housing types to provide much-needed homes near jobs as Irvine's economic growth continues.
- A newly located middle school to serve students in North Irvine by 2010, as well as a neighborhood elementary school.
- New parks, trails and open space, including the completion of the southern segment of the Jeffrey Open Space Trail system.
- A large, central recreation complex that will include the elementary school and public and private parks.
- A Trabuco Road landscape corridor that will serve as a major entry into the Orange County Great Park.
- Interchange improvements at Trabuco Road and SR 133.
- Landscape treatment along the Santa Ana (I-5) Freeway to serve as a buffer.
- Integration of existing eucalyptus windrows into the overall plan.

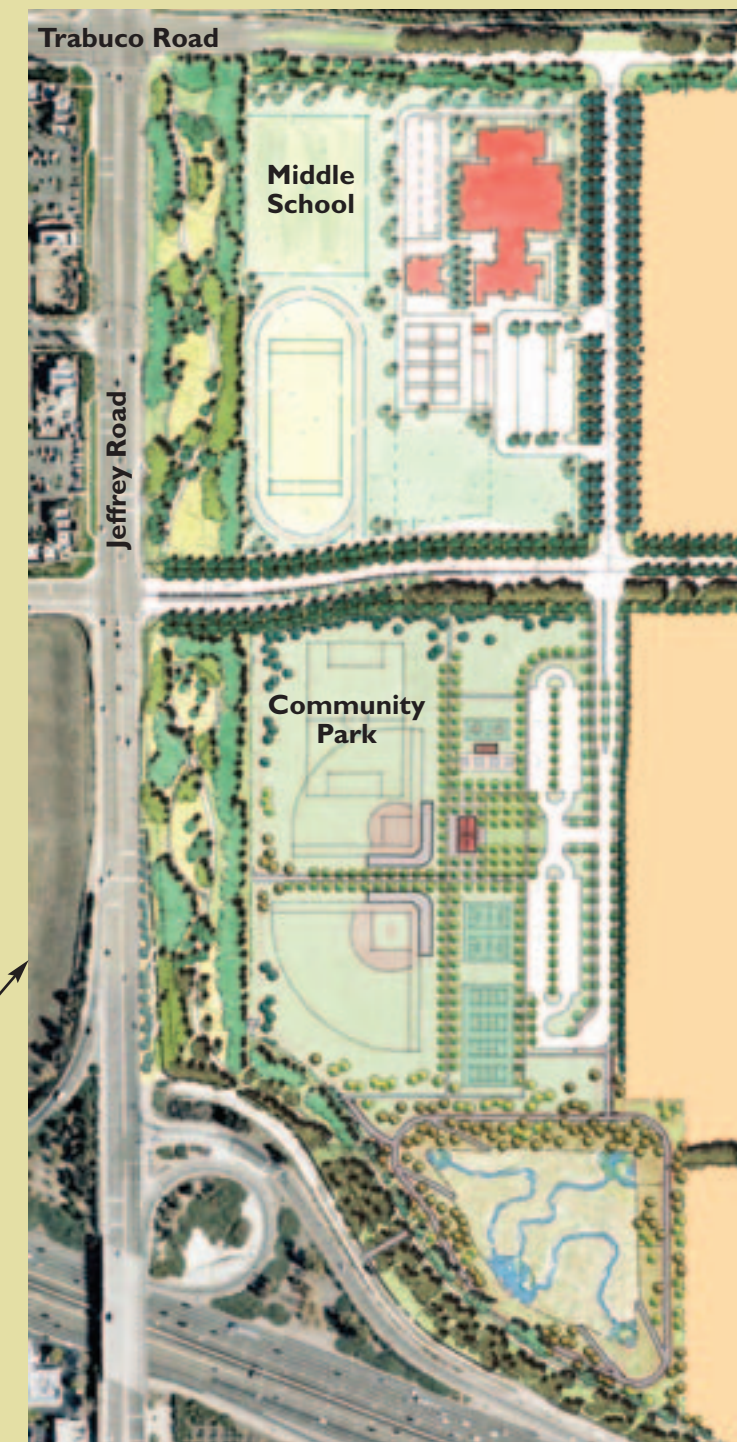
The overall character of the new village will be similar to neighboring Woodbury*, a traditional community with a small-town feeling that was named America's Best Master-Planned Community by the National Association of Home Builders.



Roger McErlane, senior vice president of planning for The Irvine Company, says the new village will reflect the same kind of charm and small-town feel found in the nearby village of Woodbury, named America's Best Master-Planned Community by the National Association of Home Builders.



A key segment of the Jeffrey Open Space Trail—between Trabuco Road and Interstate 5, as shown in this illustration—will be completed as a result of the new village in Planning Area 40. The segment's location next to the village's community park and middle school will create an expansive, attractive edge along the village. The woodsy, meandering trail is a major element of the city of Irvine's landmark 1988 voter-approved Open Space Initiative, and will ultimately traverse the entire length of Jeffrey Road.



A Trail Like No Other

A MAJOR SEGMENT OF THE JEFFREY OPEN SPACE TRAIL WILL BE completed as a result of the new village in Planning Area 40. The trail is a key part of the City of Irvine's acclaimed network of parks, trails and wildlands—the largest such network of any Orange County city. To be completed over time as new communities in Irvine are developed, the woodsy, meandering trail will traverse the entire length of Jeffrey Road, from the foothills north of Irvine heading south, where it will ultimately connect to trails south of the city leading to the Pacific Ocean.

Already, key segments of the Jeffrey Open Space Trail have been completed near the village of Woodbury and farther south along the village of Oak Creek.

Adding to the charm and beauty of this unusual amenity, a 20.5-acre community park that was originally planned adjacent to the Great Park has been relocated along Jeffrey Road. What's more, the large community park will be located adjacent to the new village's middle school site (see illustration above). The result will be an uncommonly expansive open space and recreation amenity

immediately adjacent to the new village, providing residents with a scenic buffer for their community and abundant opportunities to enjoy the outdoors and connect with Irvine's vast network of trails and parks.

The Jeffrey Open Space Trail is a key feature of the historic Open Space Initiative overwhelmingly approved by Irvine voters 20 years ago, in June 1988. The agreement ensured that Irvine would have more open space than any other Orange County city. In fact, more than one-third of the entire city—in excess of 16,500 acres—will ultimately be preserved as parks, trails and natural wildlands.

The Jeffrey Open Space Trail is just one way residents of the new village will be able to enjoy Irvine's ample outdoor pleasures. Like all of the villages of Irvine, this one also will feature a system of neighborhood trails and walking paths within the community itself. In addition, the village will feature a beautiful, central public recreation complex featuring public and private parks, swimming pools and play areas to accommodate a wide range of sports.

Long-range Planning Keeps Traffic Moving Major Funding Will Usher In Circulation Improvements in North Irvine

NITM. THE ACRONYM DOESN'T EXACTLY ROLL OFF THE TONGUE. But the significant traffic improvements that will result from the North Irvine Transportation Mitigation (aka NITM) promise to keep residents rolling along.

Good planning and coordination between the city and The Irvine Company ensure that circulation improvements needed to keep traffic flowing smoothly will occur in pace with—or in advance of—the development of new communities.

With this goal in mind, in 2003 the Irvine City Council adopted NITM—a comprehensive transportation program that will help minimize traffic impacts as long-anticipated growth takes place in North Irvine. The NITM program:

- Requires that periodic traffic studies be conducted to reevaluate transportation needs and identify where to widen roads, add lanes or traffic signals, widen freeway ramps and make other improvements to prevent traffic problems as new communities are developed.
- Provides approximately \$135 million in developer fees to fund a wide range of circulation improvements in the area. As new neighborhoods are built in Irvine to meet the demand for housing near job centers such as Irvine Spectrum*, these transportation enhancements will effectively handle traffic in the city and adjacent areas.

As a key participant in the innovative program, The Irvine Company will pay nearly \$40 million in NITM fees to the city to accommodate traffic associated with the new village in Planning Area 40. In 2008, several NITM-related projects are expected to begin that will improve circulation in this part of town. Among them: improvements to the Culver Drive-Trabuco Road intersection and the Culver Drive off ramp at the southbound Interstate 5 freeway. Other NITM-funded measures that will ultimately improve traffic circulation in North Irvine include interchange improvements at Trabuco Road and the SR 133 Toll Road, upgrading the Sand Canyon/I-5 interchange and the intersection improvements at Jeffrey/Walnut and Jeffrey/Irvine Center Drive.

In addition to NITM-related projects, The Irvine Company and city are exploring other innovative ways to ensure the smooth flow of traffic in North Irvine. For example, planning efforts are underway to implement a shuttle service that would operate throughout Irvine Spectrum*, taking riders to and from key activity centers throughout the large business district. The effort would be similar to the Irvine Business Complex Shuttle, which begins operations in March 2008. Coordinated by the city and Orange County Transportation Authority, the IBC Shuttle will help employees and local residents get to and from John Wayne Airport, the Tustin Metrolink Station and other key destinations in IBC, allowing them to leave their cars at home.

The process of planning Irvine's circulation system began even before the city was incorporated in 1971. This is an integral part of The Irvine Ranch* Master Plan, which phases in transportation improvements with planned growth.

This long-range planning, combined with the city's commitment to keeping motorists moving as housing needs are addressed, has made Irvine's road system one of the most sophisticated in the state.



Minimizing traffic delays and keeping motorists moving is a top priority for the City of Irvine. At the Irvine Traffic Research and Control Center (ITRAC) at City Hall (shown in photo), traffic engineers use advanced computer technology to monitor and manage traffic circulation throughout the city and make adjustments to signal timing as necessary.

Measure M Benefits Irvine: \$84.4 Million—and Counting

NITM isn't the only major transportation-improvement program at work improving circulation and traffic flow throughout Irvine. The city has already benefited from \$84.4 million in projects funded by Measure M, a half-cent local transportation sales tax originally approved by Orange County voters in 1990 and extended by voters in November 2006 for up to 30 years.

In North Irvine, key circulation upgrades funded by Measure M include improvements to the Culver Drive and Jamboree Road off ramps on the southbound Interstate 5 freeway. The Culver Drive improvements are expected to be underway in 2008.

In addition, the Measure M sales tax ensures an additional \$150 million for improvements to local streets and intersections, as well as freeway lanes and interchanges. These planned improvements include:

- Adding new lanes to the San Diego Freeway (I-405) through Irvine from SR-55 to the Santa Ana Freeway (I-5)
- Building new lanes and improving the interchanges on the I-5 Freeway between SR-55 and SR-133. (This segment of the I-5 is the major route serving Irvine.)
- Adding new lanes to SR-55 between the Garden Grove Freeway (SR-22) and the I-405
- Constructing a grade-separated crossing at Sand Canyon Avenue and the railroad
- Extending Jeffrey Road from Portola Parkway to the Foothill Transportation Corridor (SR-241)
- Widening Campus from University to Jamboree
- Improving intersections on Jamboree at Alton/Barranca/Main/Tustin Ranch
- Widening Main from Red Hill to Harvard
- Widening Barranca from San Diego Creek to SR-55
- Widening MacArthur from Main to SR-55