

Earthmovers readied for first Great Park homes



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01/31/2012 3:40 PM

By Thursday, a large CAT excavator will begin tearing up the packed, dry grassland at the north end of the former El Toro Marine Air Station, launching a 10-year process of converting the former base into homes, shops and businesses surrounding the "first great metropolitan park of the 21st century."

To celebrate, Orange County dignitaries, developers, investors and even some ordinary citizens gathered under a tent for an official groundbreaking ceremony .

After about 40 minutes of speeches, leaders of the seven-year effort donned orange hard hats and picked up orange shovels to pose for photographers beside an eight-foot tall mound of dirt.

"The first shovel in the ground will have a different meaning for a lot of us," said Emile Haddad, the former Lennar Corp. executive now leading the effort as CEO of FivePoint Communities, a Lennar spinoff managing the project.

"Some will see it as a certainty of funding for construction of the park. Some will see it as a

safety for the investment. Some will see it as jobs. And others will see it as a signal of a healthier housing market," Haddad said. "Whatever the reason is, I am sure that we will all look back on this day and be proud that we all played a role."

Irvine Mayor Sukhee Kang called the occasion "a special day for all of us," noting that in 18 months the first of 728 homes will be built on a 171.2-acre parcel between Irvine Boulevard and Portola Parkway, a site strategically close to Woodbury Town Center shopping less than a quarter mile away.

"We worked so hard to get us to where we are today," Kang said. "Our ability to continue expanding our neighborhoods is a tremendous accomplishment."

Seven people strode to the lectern in all to speak. Silent throughout the ceremony were the partners, seated in the front two rows of green folding chairs, who helped put up the initial \$650 million to buy the El Toro land from the U.S. Navy in February 2005.

Developers provided another \$200 million in cash to the Great Park Board and donated land for the future park. And they are prepared to spend \$150 million more on infrastructure serving both the park and the future 10,700 homes now envisioned at the former base.

Although the housing crash delayed this week's residential ground breaking by about five years – and although investors have yet to see a dime in profits – the partners stuck by Lennar and FivePoint in crafting a new funding plan in the wake of lender Lehman Brothers' 2008 bankruptcy.

Also silent throughout the ceremony were local executives from two homebuilding companies who said they can't wait to buy lots from FivePoint and start building homes there.

"The New Home Company would love to be here," said Larry Webb, founder of that homebuilding company.

"I think this will be one of the best communities in Orange County," added Steve Ruffner, Southern California division president for KB Home. "It's gutsy of (Emile Haddad) to say he's ready and the market's ready."

Not mentioned during the ceremony is that on Wednesday, California's redevelopment agencies will be abolished, and with them, the plan for raising more than \$1.4 billion for public park development. Leaders said they are confident a method for funding the park will be found.

Former state Sen. Marian Bergeson, chair of the private fund-raising Foundation for the Great Park, cited construction of homes as critical to helping pay for Great Park infrastructure. That, in turn, will smooth the way for raising more money for park development.

"This groundbreaking is good news for the development of the Great Park," Bergeson said. Later, she added: "Together, we can take dreams and make them into reality. Let the bulldozers roll!"