

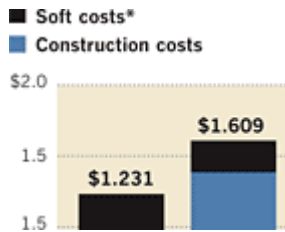
Designers underestimate Orange County Great Park building costs, firm says

Report for city of Irvine says park will cost \$377 million more than projected. But city officials downplay oversight company's findings.

By Tony Barboza, Los Angeles Times Staff Writer

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The Orange County Great Park could be getting a great big markup. An oversight firm contends designers have underestimated the cost of building the public park by \$377 million.



Costs out of sync



Photos: Great Park stalled

- **Great Park plans largely unrealized**

Bovis Lend Lease, a firm Irvine pays to independently review the project, said the 1,347-acre park would cost more than \$1.6 billion to build, not the \$1.2 billion the project's designers have claimed, according to a report approved Tuesday by the Irvine City Council.

The report cast more uncertainty over the ambitious effort to build a municipal park in the heart of Orange County. The project already is under scrutiny for its slow progress.

According to Bovis, designers have not factored in rising costs and have excluded key elements from the budget, including the cost of removing hundreds of thousands of cubic yards of soil and demolishing buildings and runways.

Bovis also chided the team for overestimating some expenses, notably the "soft costs" related to designing the park. The report called the percentage of funds set aside for construction administration work "high" and the percentage for architecture and engineering "excessively high."

Among other issues, the review raised concerns that the design studio had not identified who was responsible for building utilities and infrastructure at the park, saying failure to do so "could have catastrophic impact upon the overall budget."

Great Park Chief Executive Michael Ellzey called the firm's estimate preliminary, saying that "over the next several months . . . we're going to work very closely together to reconcile that \$377 million."

Sam Allevato, a spokesman for the Design Studio, a team of dozens of contractors hired by the city to plan the park, said the group was "working with [Bovis] to correct any misunderstandings."

Irvine Mayor Beth Krom downplayed the importance of the report, calling it an internal, working document.

"We are talking about converting a military base into a great metropolitan park," she said. "That's an extraordinary restoration project, and the notion that there are any absolute numbers that would be unchangeable in the evolution of this project is sort of absurd."

Although officials have acknowledged that plans for building the park have been hindered by the poor economy, they have placed no limits on spending and there is no timetable for the project's completion.

The park's board "has allowed the Design Studio to design creatively without the constraints of a maximum budget for the construction of the Great Park," according to a city report submitted after Bovis' review, which said Irvine might want to reconsider that approach as the park progresses.

Ellzey said there was no overall budget for the park because it is being developed in phases. Funding for each phase will be based on a business plan to be completed by the end of the year, he said.

The plan to build the park on the former El Toro Marine base has been held back by its reliance on bond money and tax revenue generated by home builder Lennar Corp., which plans to build thousands of homes and develop commercial and retail space around the park. The poor economy has delayed the builder's plans, so those funds have been slow to come in, which in turn has delayed park construction.

Councilman Steven Choi said he was concerned that Bovis' review showed that the city was devoting too much of its spending to design.

"At this time, so many soft costs have been expended rather than really [for] the construction of the park," he said.

But James "Walkie" Ray, a real estate developer and Great Park board member, said Bovis' bottom-line estimate did not trouble him. He said he generally agreed with the firm's findings and was "reassured by the fact that the two numbers are relatively close" and "within reason."

"We've designed ourselves a park which is really in keeping with the original concept by [landscape architect] Ken Smith, and surprise, it costs more than we have," he said. Once the budget is adjusted, he said, officials could make up for the shortfall by changing the timeline of the project, limiting its scope or pursuing private funding sources for areas of the park -- something the park's board has discussed.