

**Nystrom United Revitalization Effort (NURVE)
Neighborhood Plan**

Prepared for:

Richmond Children's Foundation
East Bay Community Foundation
NURVE Working and Executive Committees

Prepared by:

Bay Area Economics (BAE)
Community Housing Development Corp. of N. Richmond (CHDC)
Hatchuel Tabernik & Associates (HTA)
Michael Willis Architects (MWA)

November 2005

Table of Contents

Executive Summary	i
Introduction	1
Purpose of the NURVE Neighborhood Plan.....	1
NURVE Community Planning Process	2
Nystrom Neighborhood Overview	3
Definition of Nystrom Neighborhood.....	3
Strengths, Weaknesses, and Opportunities	3
Demographic Overview	4
Streetscape Improvements	6
Problem Statement.....	6
Design Solution.....	6
Opportunity Sites	10
What is an Opportunity Site?	10
Criteria for Selection.....	10
Overview of Opportunity Sites	10
Phasing.....	10
Site #1: Nystrom Village Site	13
Site #2: Nystrom Elementary School Site.....	17
Site #3: Kaiser Field Hospital Site.....	21
Site #4: “Cutting Corner Site”	27
Site #5: “Ohio Site”	30
Site #6: “Harbour Gateway Site”	33
Programs and Services	35
Findings from Interviews with Potential Partners.....	39
Potential Partners and Uses.....	40
Existing Agencies	43
Implementation Guide	44
Appendix A: NURVE Working Committee Members	47
Appendix B: Youth-Led Needs Assessment	48
Methodology	48
Key Questions and Findings	48
Appendix C: Key Informant Interviews	49
Appendix D: Financial Feasibility Analysis	51

Executive Summary

Purpose of the NURVE Neighborhood Plan

The community around Richmond's Nystrom Elementary School and Martin Luther King Jr. Memorial Park includes the Santa Fe and Coronado neighborhoods and borders on the Iron Triangle neighborhood. This community faces challenges common to many inner-city areas across the country, including physical and economic blight, high rates of crime both perceived and real, at-risk youth, high unemployment, and poverty. These issues pose serious risks to the health, safety, and overall quality of life of local residents.

To strategically address these challenges, the Richmond Children's Foundation (RCF) and the East Bay Community Foundation (EBCF) are sponsoring the Nystrom United ReVitalization Effort (NURVE). Through community-based planning and technical analysis, NURVE seeks to build a vision of a healthy and vibrant community and clear a path to achieve that vision. Working closely with local residents and partners, the project sponsors seek to transform the area served by Nystrom Elementary into a place that meets the diverse needs of children and families.

The NURVE Neighborhood Plan represents eight months of work by the consulting team and collaboration among local stakeholders. It presents a vision for local neighborhood revitalization, as well as a road map towards achieving short- and long-term goals. It is intended to guide decision-makers and spur activity among public officials, private entities, and neighborhood residents. Ultimately, the NURVE Executive and Working Committees will assume the responsibility of implementing the Plan.

Streetscape Improvements

The NURVE Neighborhood Plan proposes a focused streetscape improvement program, one that improves the west edge of the school and the community center and the south edge of the park. These improvements include street trees in tree grates, widened sidewalks with areas of decorative paving, and pedestrian-scale street lighting. In addition, special gate structures will emphasize key entries to the park from both Harbour and Cutting and create a welcoming, front door impression. It is also important to use friendlier-looking fencing such as wrought iron-style, picket fencing.

In addition to these basic improvements, three key intersections, namely Cutting/Harbour, Harbour/Maine, and Marina/Cutting, should be reworked to improve safety and aesthetics. Bulb-outs are provided to improve safety by effectively necking the streets, reducing the amount of street that children need to traverse, and slowing traffic. In addition, bulb-outs provide protected areas for cars to pull out of traffic in order to drop off or pick up children at the school. As an added benefit, bulb-outs also provide areas for decorative paving and landscaping that present a welcome respite along the Harbour and Cutting frontage. Through these actions, combined with special paving, lighting, and lighted crosswalks, the intersections will be very visibly marked as children crossing zones and gateways to the neighborhood.

Opportunity Sites

An opportunity site is a possible location for a development project that addresses local needs, such as affordable housing, community services, or local-serving retail. Projects built on opportunity sites can act as catalysts, sparking economic development activity from both the private and public sectors that will benefit existing residents and attract new residents.

The following opportunity sites and proposed uses were identified via conversations with the NURVE Working Committee, local residents, and other stakeholders:

- **Site #1: Nystrom Village Site**
Current Use: 99-unit public housing project owned and maintained by the Richmond Housing Authority
Proposed Use: Up to 268-units of mixed-income affordable housing
- **Site #2: Nystrom Elementary School Site**
Current Use: Surface parking lot at the northeast corner of Nystrom Elementary School
Proposed Use: 40-unit apartment complex for West Contra Costa Unified School District teachers and staff
- **Site #3: Kaiser Field Hospital Site**
Current Use: Former Kaiser Field Hospital on 1330 Cutting Avenue
Proposed Use: Kaiser Permanente Thrive Center, with a small public market and Rosie the Riveter memorial
- **Site #4: “Cutting Corner Site”**
Current Use: Sea Horse Motel and vacant service station at the northwest corner of Cutting Avenue and Harbour Way
Proposed Use: Local-serving 10,000 to 12,000 square-foot retail center.
- **Site #5: “Ohio Site”**
Current Use: Vacant and fenced-off former industrial site at 823-925 Ohio Avenue
Proposed Use: 14-units of market-rate for-sale live-work lofts
- **Site #6: “Harbour Gateway Site”**
Current Use: Collection of light industrial uses covering approximately six acres at the southeast corner of Cutting Avenue and Harbour Way
Proposed Use: 120,000 square foot neighborhood shopping center, anchored by a full-service supermarket

Programs and Services

The Martin Luther King Jr. (MLK) Community Center should be the heart of community services in the Nystrom Neighborhood. To cultivate this role for the MLK Center, the Working Committee should engage a consultant to develop a detailed business plan for the Center, outlining governance structure, partners, service providers, and operating expenses. A Task

Force, comprised of Working Committee members and potential service providers, would guide the business plan process.

This business plan will inform the physical rehabilitation of the Center with the \$2.5 million Murray Hayden Grant. Within the parameters established by the grant, some specific space requirements of key partners may be incorporated into the design and construction process.

To identify possible service providers that could locate at the MLK Community Center, the NURVE consulting team mapped existing service providers in the Nystrom Neighborhood. In addition, the team conducted key informant interviews with a number of agencies to determine the potential for expanded use of the MLK Center through partnerships with public and nonprofit agencies. The main body of this Plan includes a list of potential partners and their respective interests and concerns regarding the MLK Center.

Most organizations interviewed expressed interest in providing services at the MLK Community Center, but reported the following barriers:

- Lack of volunteers or funding for groups such as the Boy Scouts that are traditionally parent volunteer driven.
- Need for secured storage for materials, computers, books, and student projects.
- Need for sinks and running water for science and art projects.
- Requirements for paying rent for use of the MLK Center facilities.
- Need for funding to pay for program expansion to this location.
- Concerns about safety for participants in the park's programs, especially after dark.

The potential of a newly renovated MLK Center and Park excited most respondents. The barriers listed above can readily be translated into requirements for the renovation process, as follows:

- Provide lots of flexible storage space that can be secured by different organizations that are using the facilities on a scheduled basis. For example, the Scouts would use the facility only one day per week per troop. The Leader(s) would need secure storage for materials and student projects so that items are not lost or damaged from week to week. Similar issues apply to the arts groups and Ma'at Academy.
- Offer secured computers with Internet access for organizations that provide academic support and project based learning opportunities.
- Supply safe, well-lit outdoor space in the MLK Park for walking (seniors and families), sports (youth of all ages), public art, and community garden activities.
- Include handicapped accessibility improvements to the MLK Center more useable for the disabled and senior citizens.

Respondents also expressed concerns regarding the sustainability of the MLK Center based on the City's fiscal circumstances. Several respondents expressed concern that maintenance of the facilities, surveillance and safety supervision, and overall coordination of the Center programming may lag over time. Currently, the RCF provides operating expenses for the Center, but intends to return this responsibility to the City Parks and Recreation Department when possible.

On a related issue, respondents raised the issue of the City's policy of charging rental fees to nonprofit agencies that wish to use Center facilities for programming. Most respondents expressed the wish that Center use for service programs (not fund raisers, parties or other such uses) be provided without fees being charged. Despite these concerns, however, most respondents were very positive about participating in the MLK Center in the future.

Introduction



Purpose of the NURVE Neighborhood Plan

The community around Richmond's Nystrom Elementary School and Martin Luther King Jr. Memorial Park includes the Santa Fe and Coronado neighborhoods and borders on the Iron Triangle neighborhood. This community faces challenges common to many inner-city areas across the country, including physical and economic blight, high rates of crime both perceived and real, at-risk youth, high unemployment, and poverty. These issues pose serious risks to the health, safety, and overall quality of life of local residents.

To strategically address these challenges, the Richmond Children's Foundation (RCF) and the East Bay Community Foundation (EBCF) are sponsoring the Nystrom United ReVitalization Effort (NURVE). Through community-based planning and technical analysis, NURVE seeks to build a vision of a healthy and vibrant community and clear a path to achieve that vision. Working closely with local residents and partners, the project sponsors seek to transform the area served by Nystrom Elementary into a place that meets the diverse needs of children and families.

Other collaborating agencies in the Initiative include:

- Coronado, Santa Fe and Iron Triangle Neighborhood Councils
- Office of Mayor Irma Anderson, City of Richmond
- Office of Supervisor John Gioia, Contra Costa County
- Community and Economic Development Department, City of Richmond
- Housing Authority, City of Richmond
- West Contra Costa County Unified School District

NURVE is advised by an Executive Committee, made up of representatives from each of the agencies listed above. The NURVE Working Committee, designated by the Executive Committee members, provides ongoing management and direction for the project. (See Appendix A for list of Working Committee members.)

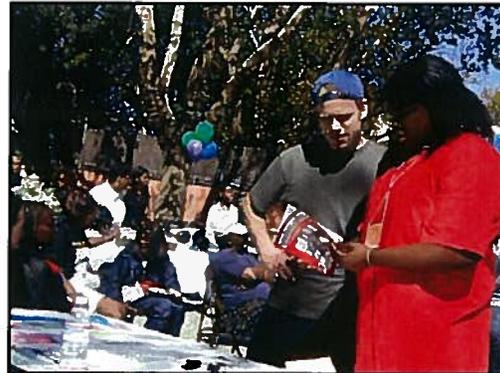
In April 2004, the Working Committee engaged Bay Area Economics (BAE) and a team of consultants to spearhead the NURVE planning process. In addition to BAE, the consulting team includes Community Housing Development Corporation of North Richmond (CHDC), Hatchuel Tabernik and Associates (HTA), and Michael Willis Architects (MWA).

The NURVE Neighborhood Plan represents eight months of work by the consulting team and collaboration among local stakeholders. It presents a vision for local neighborhood revitalization,

as well as a road map towards achieving short- and long-term goals. It is intended to guide decision-makers and spur activity among public officials, private entities, and neighborhood residents. Ultimately, the NURVE Executive and Working Committees will assume the responsibility of implementing the Plan.

NURVE Community Planning Process

RCF, EBCF, and the NURVE consulting team have organized a planning process with multiple avenues for community participation. First, the *NURVE Working Committee* includes the Neighborhood Council presidents, community leaders, public officials, and other key stakeholders. This diverse group provides ongoing guidance to the initiative, and helps assure that the NURVE Neighborhood Plan remains true to the goals of the project sponsors and the community at large. The Working Committee also offers a valuable sounding board for ideas and access to a broad network of partners, resources, and agencies.



As a second public engagement strategy, the consulting team organized *three community-wide events*. The first event, held in October 2004, kicked-off the NURVE campaign with a family-oriented celebration at the MLK Community Center. At the second event in December 2004, the consulting team organized a meeting at the MLK Community Center to garner input from residents on preliminary concepts for streetscape improvements and opportunity sites. At the third event, the NURVE consulting team presented a more detailed version of the Neighborhood Plan and solicited additional feedback from community members. Each event was publicized through print advertisements, flyers distributed at the Nystrom School and other neighborhood institutions, direct mail to residents, announcements at Neighborhood Council meetings, and word-of-mouth.

As a third path for community input, the NURVE consulting team worked with Youth Together's Richmond team to interview high-school students regarding neighborhood needs. In addition, the NURVE consulting team collaborated with Richmond's Ma'at Youth Academy and Youth In Focus to train high-school students to interview other residents about neighborhood service and retail needs. The Ma'at Youth Academy student researchers conducted 30 one-on-one interviews with residents at key public locations. Appendix B contains these interview findings.

Finally, the consulting team conducted numerous *one-on-one interviews* with a broad range of stakeholders and potential partners, including residents, Richmond arts and youth organizations, local employment training agencies, public agencies, and non-profit and for-profit development groups. Appendix C contains a list of interviewees.

Nystrom Neighborhood Overview

Definition of Nystrom Neighborhood

For the purposes of the Initiative, the Working and Executive Committees established a study area centered on the Nystrom Elementary School and Martin Luther King, Jr. Community Center and Park. These important public institutions can serve as key, positive focal points for the community. The study area boundaries also seek to capture underused and vacant sites which represent possible locations for catalyst development projects.

The Initiative defines the “Nystrom Neighborhood” with the following borders:

- North – Ohio Avenue
- East – 20th Street
- South – Cutting Avenue
- West – 2nd Street

In drawing these study area boundaries, the Initiative includes both sides of the border streets. For example, parcels along the north and south sides of Ohio Avenue fall within the neighborhood definition.

It is important to note that the Nystrom Neighborhood is not an official neighborhood, as defined by the City of Richmond, and therefore does not have a representative Neighborhood Council. Instead, it includes portions of the Santa Fe and Coronado neighborhoods, as well as the southern edge of the Iron Triangle neighborhood along Ohio Avenue.

Strengths, Weaknesses, and Opportunities

Strengths

The Nystrom Neighborhood enjoys a number of key advantages. First, its location near the I-580 freeway offers an easy route to the Richmond-San Rafael Bridge as well as the I-80 corridor. The Richmond BART station also lies within a mile of the Neighborhood. Through these different transportation modes, commuters can access job centers in Marin County, the East Bay, and San Francisco.

The proximity to the freeway also highlights the Neighborhood’s importance as a gateway to Downtown Richmond. Harbour Way serves as the primary thoroughfare to MacDonald Avenue, and as Downtown improvement and economic development activities occur, increasing attention will need to be paid to this corridor.

As another strength, the Richmond Redevelopment Agency plans to expand the Nevin Redevelopment Project Area to include the Nystrom Neighborhood. This would allow the Agency to support development projects in the neighborhood through tax increment revenues and housing set-aside funds, and would permit parcel assembly via eminent domain, if that were considered a viable option.

Weaknesses

This area of Richmond experiences many of the problems associated with inner city communities. Households have low incomes, residents are more likely to be unemployed, the Nystrom Elementary School suffers from poor performance, and the park and community center are underutilized and require rehabilitation and maintenance. Richmond Police Department records also show that crime remains a pervasive problem in the area.

In terms of retail services, Downtown Richmond is within a mile of the area. However, the Nystrom Neighborhood lacks amenities such as a laundromat or coffee shop that comprise a full service community.

Opportunities

The Nystrom School and MLK Jr. Community Center and Park have the potential to be valuable resources to local families and youth. Although these facilities currently remain underused, schools and community centers can become vital parts of a neighborhood, offering recreation, education, employment, and health services to children and adults at all hours of the day. The RCF and City of Richmond recently received a \$2.5 million capital grant for the rehabilitation of the MLK Community Center and Park, further enhancing the potential of these resources. In upcoming months, the NURVE Working Committee will lead the implementation effort to rehabilitate the community center and park and identify service providers.

Key opportunity sites also exist throughout the Nystrom Neighborhood. These opportunity sites can potentially spark development activity from both the private and public sectors, and are discussed in great detail later in this Plan.

Demographic Overview

The Nystrom Neighborhood is a diverse, rapidly growing community. The U.S. Census reports that between 1990 and 2000, the neighborhood population expanded from 2,349 to 2,895 people, an average annual increase of 2.1 percent. In comparison, the City of Richmond and Contra Costa County only experienced a 1.3 and 1.7 percent average annual increase, respectively.

African Americans make up the largest racial/ethnic group in the neighborhood, with over 61 percent of the total population. However, between 1990 and 2000, the number of African Americans declined by 12 percent. In contrast, the number of Hispanic residents has grown by 374 percent since 1990; Hispanics now make up approximately 29 percent of the neighborhood's population. In addition, the Latino population is younger and rapidly approaching majority status in the local schools.

Young people represent a large portion of the population. People up to 19 years old comprise 39 percent of residents. In comparison, this age group only makes up 26 to 30 percent of the population in Richmond, the County, and the Bay Area. As a result, the median age for the Nystrom Neighborhood is only 28 years, compared to 33 in Richmond, 36 in Contra Costa County, and 36 in the region.

Low income families make up a major share of households. As of 2003, Nystrom Neighborhood households earned \$30,588 annually. This is 59 percent lower than the citywide household income of \$48,566, and about 135 percent below the County and Bay Area household incomes.¹

Unemployment also remains a persistent problem in the community. As of 2000, the Census found that approximately 10 percent of Nystrom residents in the labor force were unemployed. This figure is particularly notable considering regional and national unemployment figures were at historical lows during this period. To compound the area's economic disadvantages, many employed residents occupy low paying jobs. Approximately 29 percent of employed neighborhood residents have service jobs, compared to 18 percent in the City, 13 percent in the County, and 13 percent for the Bay Area.

Despite these challenges, the local residential real estate market appears relatively strong, with home prices increasing at a healthy rate. Based on sales data from November 2003 to May 2004, the median sale price for a single-family home in the neighborhood is \$270,500. This represents an 8.6 percent increase from the same period one year previous. Richmond as a whole experienced a similar appreciation in home values, with the median sale price increasing by 8.8 percent. Nevertheless, homes still are relatively affordable compared to the rest of the City and region. In addition, there is a strong commitment by project sponsors to ensure that residents and families currently living in the community can afford to stay in the community and reap the benefits of revitalization.

¹ Household income data from Claritas, Inc, a private data subscription service.

Streetscape Improvements

Problem Statement

The two key resources of the Nystrom Neighborhood – Nystrom Elementary School and the Martin Luther King, Jr. Community Center and Park – hurt the neighborhood’s image through their worn out and somewhat disheveled street faces. Chain link fence, neglected or missing trees, poor maintenance, and a poor sense of entry weaken the appearance of these two large facilities and thereby negatively impact the impression of the neighborhood as a whole. The three block frontage of Harbour and the four block length along Cutting do not give a sense of a public front and of honored civic facilities. Their appearances do not convey their real importance to the neighborhood.

A second problem is safety for the children of the Nystrom Neighborhood, particularly those attending the Nystrom Elementary School. Both Harbour Way and Cutting Boulevard are busy streets with fast traffic. Children need to cross both streets to get to the school. Harbour’s width and fast traffic especially impacts children because it effectively splits the neighborhood in two, hindering safe access to the school and community center.

Finally, fiscal constraints limit the City’s ability to perform large-scale improvements and maintain these over the time. Therefore, it is prudent and necessary to concentrate resources and be judicious with infrastructure improvements.

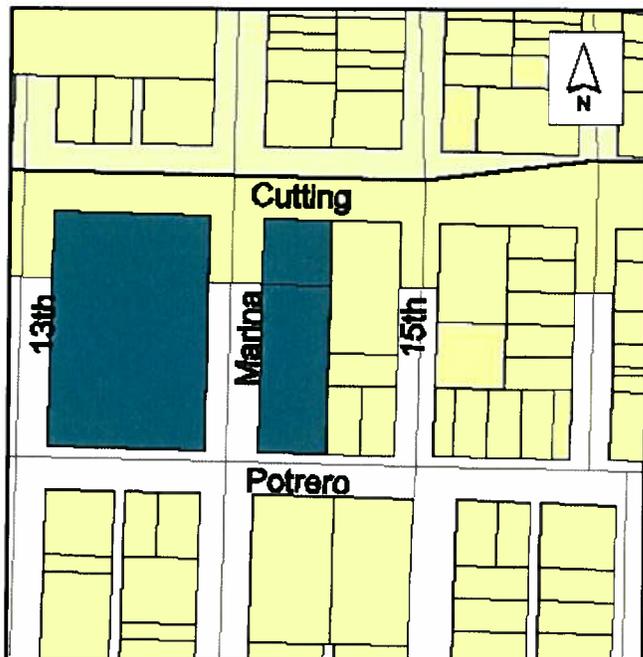
Design Solution

For these three reasons, the NURVE Neighborhood Plan proposes a focused streetscape improvement program, one that improves the west edge of the school and the community center and the south edge of the park. These improvements include street trees in tree grates, widened sidewalks with areas of decorative paving, and pedestrian-scale street lighting. In addition, special gate structures will emphasize key entries to the park from both Harbour and Cutting and create a welcoming, front door impression. It is also important to use friendlier-looking fencing such as wrought iron-style, picket fencing.

In addition to these basic improvements, three key intersections, namely Cutting/Harbour, Harbour/Maine, and Marina/Cutting should be reworked to improve safety and aesthetics. Bulb-outs are provided to improve safety by effectively necking the streets, reducing the amount of street that children need to traverse, and slowing traffic. In addition, bulb-outs provide protected areas for cars to pull out of traffic in order to drop off or pick up children at the school. As an added benefit, bulb-outs also provide areas for decorative paving and landscaping that present a welcome respite along the Harbour and Cutting frontage. Through these actions, combined with special paving, lighting, and lighted crosswalks, the intersections will be very visibly marked as children crossing zones and gateways to the neighborhood.

The following illustrations show the location of the proposed improvements and a detailed view of the Maine/Harbour intersection, which serves as an example of improvement to the other key intersections.

Site #3: Kaiser Field Hospital Site



Site Description

The Kaiser Field Hospital at 1330 Cutting Boulevard opened in 1942 as part of a three-tier medical system serving members of the Permanente Health Plan, one of the country's first pre-paid medical plans. This system, which served Kaiser shipyard employees, also included six First Aid Stations at the individual shipyards and the main Permanente Hospital in Oakland, which treated the most critical cases.

Originally intended for use as an emergency facility, the Field Hospital opened with only ten beds, but expanded to 160 beds by 1944. After the war's end, the Field Hospital continued to accept patients, and served as a laboratory space for Kaiser medical researchers. The Hospital operated as a functional medical facility through the early 1990s, and finally closed in September 1995, when the new \$56 million Kaiser Permanente medical complex opened in downtown Richmond. At this time, the Field Hospital's remaining services were relocated to the new facility.

The Islamic Community of Northern California purchased the Field Hospital and the adjacent parking lot in 1999, as part of an effort to sell surplus Kaiser Permanente property. The non-profit group plans to renovate the building into a community center and mosque.

In association with the Rosie the Riveter/World War II Homefront National Historical Park, established in October 2000, the National Park Service (NPS) has expressed interest in preserving the property for historic purposes. The NPS even explored the possibility of purchasing the site, ordering an appraisal in 2002. At the time, the Islamic Community of Northern California stated that they would be open to selling the property, but required a replacement site for their proposed

mosque. The NPS and the Islamic Community of Northern California failed to reach a mutually acceptable agreement, and the property currently remains in the nonprofit organization's ownership.

The property is on the City of Richmond's historic register, and has been identified for inclusion in the Rosie the Riveter National Historical Park. Neither list has rigid requirements regarding the preservation of the Hospital's historical architectural features. Nevertheless, the City and/or NPS may make some efforts to preserve historical elements such as the façade if the building were rehabilitated.

The Field Hospital parcel measures approximately 1.8 acres, and the adjacent parking lot to the east is just under one acre.

Proposed Use

Reuse of the Field Hospital offers the opportunity to tie together the history of Kaiser Permanente and Rosie the Riveter National Historical Park to present-day community needs for healthy living and wellness. Dr. Jeffrey Ritterman, Chief of Cardiology at Kaiser Richmond and member of the NURVE Working Committee, has proposed reuse of the Hospital as Kaiser's first "Thrive Center."

Kaiser Permanente's Thrive public health campaign encourages people to consider health in all aspects of their lives. It urges people to look beyond standard medicine for treating illness, and to explore other measures such as a healthy diet, regular exercise, stress management, and health education.

The Thrive Center could represent a headquarters for this campaign, offering a broad array of programs and services to address overall mind and body health. People could visit the Thrive Center to attend demonstrations on healthy cooking, participate in dance and yoga classes, contribute to a community garden, engage in art and music therapy sessions, join a parenting workshop, and learn about health from interactive children's exhibits. Some of these services could be provided directly by Kaiser staff, while others could be contracted out to local organizations.

As an "anchor" use, the Thrive Center could house a small scale public market, extending the current efforts of Kaiser Permanente Richmond to bring fresh produce directly to the community. The market would provide established booths for local restaurants serving take-out food and fresh meats, and more informal stalls to local farmers and wholesalers of produce and prepared products (e.g., honey, baked goods). These "temporary" stalls may be rotated regularly, depending on the seasonality of various products. As an added draw, local artists could sell arts and crafts at the market as well.

Given the well-documented public health issues facing low income communities, the Field Hospital represents a distinct opportunity to bring Thrive programs directly to a neighborhood in need. The Hospital's location also offers the unique possibility of ongoing projects between the Thrive Center, the Nystrom Elementary School, and the MLK Community Center. Partnership efforts could include stress management workshops for Nystrom Elementary teachers and staff,

healthy food programs in the Nystrom Elementary cafeteria, classroom stewardship of a community garden at the Thrive Center, and a “walking school bus” organized and led by Thrive staff.⁴

In addition to the wellness component, the Thrive Center could display photos and other historical materials celebrating the Field Hospital’s role in the World War II homefront effort and Kaiser’s legacy in health care development. These exhibits would link the Field Hospital with the other Rose the Riveter historic sites throughout Richmond.

Potential Partners and Active Agencies

Kaiser Permanente and the NPS would take the lead in implementing the Thrive Center vision. Other potential partners will ultimately depend on Center tenants and the funding strategies used to initiate and support the Center.

Kaiser Permanente’s participation is crucial to the viability and success of this project. Kaiser offers credibility among other funding sources, access to its own funds, an inherent interest in celebrating the Hospital’s history, and access to a vast network of health care professionals and public health experts with experience in wellness issues.

Similarly, the NPS brings the significance of the Rosie the Riveter National Historical Park to the project, and with it can access federal resources for acquisition and rehabilitation.

Financing Plan

The intertwined educational, retail, and historical uses would make the Thrive Center a one-of-a-kind model for a holistic wellness center. The interconnected themes also increase the “fundability” of the Center, as they can attract resources from funders with diverse agendas.

The Thrive Center concept has three financial challenges to overcome: (1) the repurchase of the property from the Islamic Community of Northern California, (2) the rehabilitation of the building, and (3) funding of ongoing operations. Each of these will require collaboration between multiple partners.

The NPS, Kaiser Permanente, and the City of Richmond and its Redevelopment Agency represent the most likely partners to repurchase the property from the Islamic Community of Northern California. A collaboration between these three groups offers the best opportunity to raise the necessary capital, and, if necessary, identify an appropriate replacement site for the proposed mosque. While the NPS does have the authority to purchase the site for inclusion into the Rosie the Riveter National Historical Park, it is unlikely that the site’s appraised value will meet the needs of the Islamic Community. Therefore, additional contributions from Kaiser, the

⁴ A walking school bus provides children with a safe and healthy mode of transportation to school. The idea is simple, and is occurring in cities around the world. The designated adult supervisor “picks up” each student, house by house, on foot. The group of students walk to school together along a set route, all the while enjoying fresh air, exercise and friendly conversation. More information is available at <http://www.walkingschoolbus.org/>

City of Richmond, and other sources will likely be necessary. A list of potential public and private grant sources, some of which can be used for site acquisition, follows below.

Rehabilitation funds will also likely come from a variety of public and private sources. A capital campaign, spearheaded by Kaiser and the NPS could play a primary role in covering these costs. NPS and Kaiser staff indicate that the building does suffer from a significant amount of deferred maintenance, with a particular need for a new roof. Rehabilitation and programming plans for the Center should occur simultaneously to assure that the building meets both historical and programmatic space requirements.

Again, operating expenses for the Center will stem from several sources, depending on the programs housed by the Center and its operators. Earned income through public market vendors, leased space for meetings or workshops, and class fees will supplement grant revenue. If successful, these sources may eventually have the potential to support a significant portion of the Center's activities. However, it is likely that some form of public or private subsidy will be needed to sustain ongoing programs.

Public and private grants for planning, capital improvements, program implementation, and ongoing operations include:

The California Wellness Foundation (TCWF). The mission of The California Wellness Foundation is to improve the health of the people of California by making grants for health promotion, wellness education and disease prevention. The Foundation pursues the following goals through its grantmaking:

- to address the particular health needs of traditionally underserved populations, including low-income individuals, people of color, youth and residents of rural areas;
- to support and strengthen nonprofit organizations that seek to improve the health of underserved populations;
- to recognize and encourage leaders who are working to increase health and wellness within their communities; and
- to inform the development of public policies that promote wellness and enhance access to preventive health care.

Since its first year of operation, TCWF has awarded 3,818 grants totaling more than \$460 million. It is one of the state's largest private foundations, making an average of \$40 million in grants each year in pursuit of its mission.

The California Endowment. The California Endowment is a private, statewide health foundation that was created in 1996 as a result of Blue Cross of California's creation of WellPoint Health Networks, a for-profit corporation. Guiding The Endowment's work is a Multicultural Approach to Health, which is defined not only by race and ethnicity, but financial status, cultural beliefs, gender, age, sexual orientation, geographic location, immigration status, and physical or mental abilities. This approach seeks to mobilize the talents, cultures and assets of California's diverse populations to improve the quality of our health systems and to promote health at the level of communities.

On October 14, 2004, the California Endowment announced the foundation's commitment of \$26 million to fight the growing childhood obesity epidemic in the state.

The goals of the multipronged, four-year initiative, *Healthy Eating, Active Communities*, include increasing opportunities for physical activity and healthy eating for children and families, particularly in low-income and rural communities, and developing state and national policy changes that will reduce the risk factors for diabetes and obesity.

As part of the \$26 million funding, The Endowment recently released a \$9 million Request for Applications (RFA) to form local collaboratives in five communities across the state. These collaboratives will include community-based organizations, school districts and local public health departments, which will act together to achieve the initiative's objectives by working to improve food and physical activity environments locally and statewide.

The Ford Foundation. The Ford Foundation is largely interested in how public markets can achieve broad revitalization goals in low-to-moderate income communities, especially those that are experiencing changes related to shifting populations, whether through immigration, gentrification, or market forces related to real estate.

In the fall of 2004, the Ford Foundation offered both planning and implementation grants as part of this public market initiative. Ford and its Advisory Group will monitor this first round of grants and provide technical and advisory support with the goal of using the results to frame the level and frequency of future funding rounds over the next several years. This program is coordinated with the Office of Community Service (OCS) public market initiative, described below.

Department of Health and Human Services, Office of Community Services (OCS). The OCS supports the 3,000+ neighborhood-based Community Action Agencies (CAAs) and Community Development Corporations (CDCs) that address the economic and social needs of the urban and rural poor by providing grant monies and technical assistance to these organizations. OCS represents a modest collection of discretionary and block grant resources, awarding approximately \$4 billion in block grants and approximately \$47 million in discretionary grants. OCS also supports programs that address community food and nutrition, among other issues.

Recently-funded OCS programs include:

- The Community Economic Development Public Markets program, designed to encourage rural and urban community development corporations to provide employment and business development opportunities for low-income people through public markets. Grant dollars can be used for a variety of hard costs (e.g., site acquisition, tenant improvements, construction and renovation) and soft costs (e.g., vendor recruitment, micro-loans for vendors, design and management time).
- The Community Food and Nutrition Program, which links low-income people to food and nutrition programs. Grant funds are provided to: (1) Coordinate private and public food assistance resources, wherever the grant recipient involved determines such

coordination to be inadequate, to better serve low-income populations; (2) assist low-income communities to identify potential sponsors of child nutrition programs and to initiate such programs in underserved or unserved areas; and (3) develop innovative approaches at the State and local level to meet the nutrition needs of low-income individuals. The OCS views this program as a capacity building program, rather than a food delivery program.

First 5 California. In November 1998, California voters passed Proposition 10, the California Children and Families Act, to help assure that California children, from birth to age five, get the best possible start in life. Proposition 10 places a tobacco tax of 50 cents per pack on all cigarettes purchased in the state and a comparable tax on other tobacco products. The new tax generates about \$590 million each year. The California Children and Families Commission, also known as First 5 California, administers 20 percent of revenues from Proposition 10. The remaining 80 percent goes directly to First 5 Commissions in each County for distribution at the local level.

The Contra Costa County First 5 Commission allocates approximately \$7.0 million annually for programs that improve child health, child development, family functioning, and systems of support for families.

St. Joseph Health System. St. Joseph Health System is a not-for-profit Catholic health care system established in 1982. Sponsored by The Sisters of St. Joseph of Orange, the corporate office of St. Joseph Health System is located in Orange, California.

As a part of its Wellness & Prevention Grant Cycle, the SJHS Foundation recently awarded \$735,000 in grants for California-based projects focused on promoting wellness and preventing disease.

Contacts and Resources

- NPS – Judy Hart, Founding Supervisor Rosie the Riveter Historical Park, (510) 232-5050
- Rosie the Riveter Historical Park – <http://www.rosietheriveter.org/>
- Kaiser Permanente – Dr. Jeffrey Ritterman, Kaiser Richmond Chief of Cardiology, (510) 307-2661
- Kaiser Permanente – Tom Debley, Director of Heritage Resources, (510) 625-4844
- Ford Foundation public markets initiative – http://www.pps.org/pdf/ford_rfp_final
- The California Wellness Foundation – <http://www.tcdf.org/>
- The California Endowment – <http://www.calendow.org/>
- Office of Community Services – <http://www.acf.hhs.gov/programs/ocs/>
- First 5 Contra Costa County – <http://www.firstfivecc.org/>
- St. Joseph Health System – <http://www.stjhs.org/>

Site #4: "Cutting Corner Site"



Site Description

The 0.5-acre Cutting Corner Site currently contains a closed service station and the Sea Horse Motel. The site consists of two distinct parcels with two separate owners. As a corner property, it fronts onto Cutting Avenue and Harbour Way.

The site enjoys strong freeway access, with excellent visibility upon entry and exit from I-580. The Cutting Corner Site also lies at the intersection of two major thoroughfares – Cutting and Harbour – and serves as a gateway to the Nystrom Neighborhood and Downtown Richmond, further enhancing its prominence.

The Cutting Corner Site will fall within the newly expanded Nevin Redevelopment Project Area, allowing the Redevelopment Agency to apply tax increment financing and eminent domain authority on the property.

Proposed Use

The Nystrom Neighborhood Plan proposes the reuse of the Cutting Corner Site as a local-serving strip retail project, containing 10,000 to 11,000 square feet. Potential tenants for this type of project include a small-format drug store, coffee shop, laundromat, counter-service restaurant, and personal and financial services offices (e.g., salon, tax preparer).

A third parcel, abutting the site to the north on Harbour Way, could also be included, expanding the site to 0.75 acres. A site of this size could accommodate a small-format full-service grocery store. Please refer to Site #6: Harbour Gateway Site for more discussion on this possibility.

Tom Sneider

Boy Scouts of America

Jordan Simmons

Artistic Director, East Bay Center for Performing Arts

McKinley Williams

Vice President, Contra Costa College

Appendix D: Financial Feasibility Analysis

Appendix D-1: Ohio Site Live-Work Project Pro Forma

Major Assumptions	
Characteristics of Project	
Site Area (Acres)	1.00
Total Building Area (Sq. Ft.) (including pkg)	43,800
Project Characteristics	
Number of Units	24
Site Size (acres)	1.00
Net Density (Units/Acre)	24
Unit Size	1,300
Parking Ratio - Residential (Per unit)	1.5
Common Area	0%
Unit Mix	
Market	21
Low (80% AMI)	2
Very Low (50% AMI)	1
Project Size	
Unit Area	31,200
Common Area	0
Total Residential Sq. Ft.	31,200
Total Residential Parking	36
Parking Space Size	350
Residential Parking Sq. Ft.	12,600
Sale Prices: (a)	
1 BR/1 BA Market	\$325,000
1 BR/1 BA 80% AMI	\$197,891
1 BR/1 BA 50% AMI	\$123,682
Development Costs (b)	
Land Costs (per Sq. Ft.)	\$18
Construction Costs (per Sq. Ft.)	\$95
On & Off-site Improvements (per Unit)	\$30,000
Residential Fees (per Unit)	\$23,000
Residential Cost/Parking Space (c)	\$8,000
Other Soft Costs (% of const., pkg, & on/off-site costs) (d)	20%
Construction Financing Assumptions	
Interest Rate	7%
Period of Initial Loan (Months)	12
Initial Construction Loan Fee (Points)	2%
Average Outstanding Balance	60%
Loan to Cost Ratio	70%
Hard & Soft Costs, Land, Site Costs	\$4,756,080
Amount of Loan	\$3,329,256

Pro Forma Analysis	
Development Cost Summary	
Land Costs	\$784,080
Residential Construction Costs	\$2,964,000
On & Off-site Improvements	\$720,000
Fees	\$552,000
Parking Costs	\$288,000
Other Soft Costs	\$794,400
Finance Costs:	
Interest on Construction Loan	\$139,829
Points on Construction Loan	\$66,585
Total Development Costs	\$6,308,894
Total Development Costs/Sq. Ft.	\$144.04
Development Feasibility	
Gross Sales Revenue	\$7,344,464
Less 5% Commissions/Marketing	(\$367,223)
Net Sales Revenue	\$6,977,241
Total Net Revenue	\$6,977,241
Less Development Costs	(\$6,308,894)
Developer Profit (Net Rev - Dev Costs)	\$668,347
Profit as % of Development Cost	10.6%

Notes:

- (a) Based on BAE market research of recent condominium sales and assuming 7.0% interest, 30-year term, and 10% down for affordable units.
- (b) Based on discussions with CHDC, research on recent land sales, and BAE professional experience.
- (c) Assumes tuck-under parking.
- (d) Other soft costs include architect, legal fees, contingencies, and other professional services, and are expressed as percentage of construction and on/off-site costs.

Source: BAE, 2005.

Appendix D-2: Cutting Corner Retail Project Pro Forma

Major Assumptions		Pro Forma Analysis	
Project Characteristics		Development Costs	
<i>Site Characteristics</i>		Land Costs	\$44,800
Gross Acres	0.5	Retail Construction Costs	\$990,000
Sq. Ft.	22,400	Tenant Improvements	\$110,000
<i>Project Characteristics</i>		On- and Off-Site Improvements	\$125,000
Square Footage	11,000	Site Prep and Demolition	\$75,000
Leaseable %	90%	Permits and Fees	\$110,000
Leaseable Area	9,900	Parking Costs	\$32,000
Parking Ratio First 1,000 Ft. (spaces/500 gross Sq.Ft.)	1	Other Soft Costs	\$266,400
Parking Ratio above 1,000 Ft. (spaces/1,000 gross Sq. Ft.)	3	Finance Costs:	
Number of Spaces	32	Interest on Construction Loan	\$18,040
Parking Space Size	325	Points on Construction Loan	\$24,545
Retail Parking Sq. Ft.	10,400	Total Development Costs	\$1,795,785
<i>Revenue</i>		Total Development Costs/Sq.Ft.	\$163.25
Rents (Monthly/Sq. Ft. NNN) (a)	\$1.50	Revenue	
Cap Rate	8.00%	Gross Potential Rent for Retail (100% Occupancy)	\$178,200
Development Costs (b)		Vacancy Rate	10%
Land Costs (per Sq. Ft.)	\$2.00	Retail Net Operating Income	\$160,380
Retail Construction Costs (per Sq. Ft.)	\$90	Capitalized Retail Component Value	\$2,004,750
Tenant Improvement Allowances (per Sq. Ft.)	\$10	Less 3% Commissions/Marketing	\$60,143
On- and Off-Site Improvements (per Acre)	\$250,000	Potential Net Revenue	\$1,944,608
Site Prep and Demolition (per Acre)	\$150,000	Feasibility Analysis	
Permits and Fees (per Sq. Ft.)	\$10.00	Total Potential Market Value of Project	\$1,944,608
Cost/Parking Space	\$1,000	Development Costs	\$1,795,785
Other Soft Costs (% of const., pkg, & on/off-site costs) (c)	20%	Developer Profit	\$148,822
Construction Financing Assumptions		Profit as Percent of Cost	8.3%
Interest Rate	7.0%	Notes:	
Period of Initial Loan (months)	6	(a) Based on BAE market research of rents in Richmond City Center and Longs Center in Marina Bay, as well as comparable cap rates in area.	
Initial Construction Loan Fee (points)	2.0%	(b) Based on RS Means Square Foot Costs estimating manual and BAE professional experience.	
Average Outstanding Balance	60.0%	(c) Other soft costs include architect, legal fees, contingencies, and other professional services, and are expressed as percentage of construction, demolition, and on/off-site costs.	
Loan to Cost Ratio	70.0%	Source: BAE, 2005.	
Hard & Soft Costs, Land, Permits and Fees	\$1,753,200		
Amount of Loan	\$1,227,240		

Appendix D-3: Harbour Gateway Neighborhood Shopping Center Project Pro Forma

Major Assumptions		Pro Forma Analysis	
Project Characteristics		Development Costs	
<i>Site Characteristics</i>		Land Costs	\$3,920,400
Gross Acres	6.0	Retail Construction Costs	\$10,800,000
Sq. Ft.	261,360	Tenant Improvements	\$1,440,000
<i>Project Characteristics</i>		On- and Off-Site Improvements	\$1,800,000
Square Footage	120,000	Site Prep and Demolition	\$900,000
Leaseable %	90%	Permits and Fees	\$1,200,000
Leaseable Area	108,000	Parking Costs	\$359,000
Parking Ratio First 1,000 Ft. (spaces/500 gross Sq.Ft.)	1	Other Soft Costs	\$3,059,800
Parking Ratio above 1,000 Ft. (spaces/1,000 gross Sq. Ft.)	3	Finance Costs:	
Number of Spaces	359	Interest on Construction Loan	\$483,202
Parking Space Size	350	Points on Construction Loan	\$328,709
Retail Parking Sq. Ft.	125,650	Total Development Costs	\$24,291,111
<i>Revenue</i>		Total Development Costs/Sq.Ft.	\$202.43
Rents (Monthly/Sq. Ft. NNN) (a)	\$2.00	Revenue	
Cap Rate	8.00%	Gross Potential Rent for Retail (100% Occupancy)	\$2,592,000
Development Costs (b)		Vacancy Rate	10%
Land Costs (per Sq. Ft.)	\$15	Retail Net Operating Income	\$2,332,800
Retail Construction Costs (per Sq. Ft.)	\$90	Capitalized Retail Component Value	\$29,160,000
Tenant Improvement Allowances (per Sq. Ft.)	\$12	Less 3% Commissions/Marketing	\$874,800
On- and Off-Site Improvements (per Acre)	\$300,000	Potential Net Revenue	\$28,285,200
Site Prep and Demolition (per Acre)	\$150,000	Feasibility Analysis	
Permits and Fees (per Sq. Ft.)	\$10.00	Total Potential Market Value of Project	\$28,285,200
Cost/Parking Space	\$1,000	Development Costs	\$24,291,111
Other Soft Costs (% of const., pkg, & on/off-site costs) (c)	20%	Developer Profit	\$3,994,089
Construction Financing Assumptions		Profit as Percent of Cost	16.4%
Interest Rate	7.0%	Notes:	
Period of Initial Loan (months)	12	(a) Based on BAE market research of rents in Richmond City Center and Longs Center in Marina Bay, as well as comparable cap rates in area.	
Initial Construction Loan Fee (points)	2.0%	(b) Based on RS Means Square Foot Costs estimating manual and BAE professional experience.	
Average Outstanding Balance	60.0%	(c) Other soft costs include architect, legal fees, contingencies, and other professional services, and are expressed as percentage of construction, demolition, and on/off-site costs.	
Loan to Cost Ratio	70.0%	Source: BAE, 2005.	
Hard & Soft Costs, Land, Permits and Fees	\$23,479,200		
Amount of Loan	\$16,435,440		



About BAE

Since 1986, BAE has focused on The Economics of Place™, providing comprehensive real estate and urban development services to public, private, non-profit, and institutional clients throughout the U.S. Our projects reflect our commitment to excellence, stewardship of communities and resources, and dedication to the future of our places.

BAE's experience spans statewide policy studies to local development projects. Based in Berkeley, California, with additional offices in the Sacramento region, Boston, and Washington D.C., we translate the best national practices into local solutions to enhance communities and neighborhoods.

Our expertise includes:

- Development Feasibility
- Redevelopment & Revitalization
- Affordable Housing
- Economic Development
- Public/Private Transactions
- Community Facilities
- Public Finance
- Economic Impacts
- Place and Site Marketing
- Litigation Support

We have also developed unique expertise in non-place aspects of urban development including sustainability, technology transfer, targeted industry studies, child care, and social services.

Our key asset is our highly-skilled core team of staff members who have worked together for many years. Collectively, we bring our training in real estate development, city planning, geography, economic development, marketing, and public policy to every engagement. Many BAE staff are expert in community involvement and strategic planning, while others excel in technical analysis and the application of GIS to urban problems. We pioneered the use of survey research to target urban housing products, and we have provided real estate advisory services to some of the largest revitalization efforts in the U.S.

The outstanding quality of our work has been recognized by the American Planning Association (APA) and the National Association of Installation Developers (NAID) through numerous awards for excellence. The *San Francisco Business Times* has recognized BAE as one of the 100 Largest Women-Owned Bay Area Businesses each year since 2000.

Bay Area Economics

Headquarters 510.547.9380
1285 66th Street fax 510.547.9388
Emeryville, CA 94608 bae1@bae1.com
bayareaeconomics.com