

PROJECT DATA

Please answer questions in space provided. Applicants should feel free to use photocopies of the application forms if needed. If possible, answers to all questions should be typed or written directly on the forms. If the forms are not used and answers are typed on a separate page, each answer must be preceded by the question to which it responds, and the length of each answer should be limited to the area provided on the original form.

Project Name Fruitvale Village I -Central Core **Location** Fruitvale District of Oakland, California
Owner The Unity Council through its wholly owned subsidiary - the Fruitvale Development Corporation (FDC)
Project Use(s) Mixed-use: 47 units of housing; 126K sq. ft. of community/other office space; 38Ksq. ft. of retail; 147 car garage, etc.
Project Size 257,279 sq. ft., plus pedestrian plaza & paseo **Total Development Cost** \$54,469,434 plus about \$12 MM for La Clinica
Annual Operating Budget (if appropriate) \$2.910MM Est. FY 05 Revenues; Net Income after Operations & Debt Service \$109K
Date Initiated 1993 **Percent Complete by December 1, 2002** About 40%
Project Completion Date (if appropriate) February 2004
Attach, if you wish, a list of relevant project dates

Application submitted by:

Name ~~Arabella Martinez~~ Arabella Flores **Title** Chief Executive Officer
Organization The Unity Council/ Fruitvale Development Corporation
Telephone (510) 535-6900 535-6940 direct **Fax** (510) 532-3894
E-mail arabella@unitycouncil.org **Weekend Contact Number (for notification)** (510) 548-1213

Key Participants (Attach and additional sheet if needed)

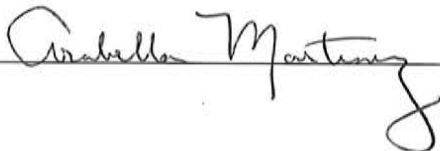
Organization	Key Participant	Telephone/e-mail
Public Agencies: City of Oakland	Ignacio De La Fuente, City Council President	(510) 238-7906
Bay Area Rapid Transit District	Jeff Ordway: Director of Real Estate	(510) 464-6114
Architect/Designer McLarand, Vasquez Emsiek & Partners	Ernesto M. Vasquez, Principal	(949) 809 -3300
Developer The Unity Council/Fruitvale Development Corp	Arabella Martinez, CEO	(510) 535-6900
Professional Consultant MVB, LAW LLP	Kenneth Taymor, Legal Counsel	(415) 781- 4400
Community Group La Clinica de La Raza	Jane Garcia, Executive Director	(510) 535- 4224
Other/Lender Local Initiatives Support Corporation	Cathy Craig or Stephanie Forbes	(415) 397-7322
Citibank	Steven C. Hall	(415) 658-4309

Please indicate how you learned of the Rudy Bruner Award for Urban Excellence. (Check all that Apply)

Direct Mailing Magazine Advertisement Previous RBA entrant Other (please specify)
 Professional Newsletter Previous Selection Committee Member
 Organization Magazine Calendar Bruner/Loeb Forum

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PROJECT DATA (Attachment)

**FRUITVALE VILLAGE DEVELOPMENT TEAM
Additional Key Participants**

Environmental Science Associates
Michael Willis & Associates
Fong Hart Schneider + Partners
Pattillo & Garrett Associates
Applied Remedial Services
Treadwell & Rollo
ABS Consulting
Luk and Associates
W. L. Hickey Sons, Inc.
Bay City Mechanical, Inc.
Design Electric
Paul's Plumbing
Square Peg Design
Francis Krahe & Associates, Inc.
Korve Engineering
On Line Electric
William D. White Co., Inc.
Thorburg Associates
Gabel Associates
Applied Materials & Engineering
APC International, Inc.
CSG Advisors
D.E.S. Architect/Engineers
HRH Insurance Services
Boardwalk Investment
Group, Inc., AMO®

Environmental Consultant
Interior Architect
Landscape Architect
Landscape Architect
Environmental Toxic Consultant
Geotechnical Consultant
Structural
Civil Engineer
Plumbing
Mechanical
Electrical
Fire Sprinkler
Signage/Graphics Consultant
Lighting Consultant
Traffic Consultant
Security Consultant
Parking Consultant
Sound Engineer
Energy Report Engineer
Testing & Inspection Consultant
Construction Monitoring
Financial Consultants
La Clinica's Architect
Risk Management
Property Management Team

ABSTRACT

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Project Name **FRUITVALE VILLAGE I**

Address **3401 EAST 12TH STREET, SUITE 200**

City/State/ZIP

OAKLAND, CALIFORNIA 94601

1. Give a brief overview of the project, including major project goals.

The Fruitvale Village is a 255,000 square foot transit-oriented, mixed-used, in-fill development, constructed on the Bay Area Rapid Transit District's (BART) Fruitvale station's parking lot. Its attractive pedestrian plaza links the station to the retail heart of the Fruitvale, a formerly dying inner-city neighborhood commercial district. The anchor tenants are our community partner, La Clinica de La Raza, the Cesar Chavez Public Library, and the Unity Council's Head Start and Senior Centers and it's headquarter offices. Envisioned as a catalyst for physically, economically and socially revitalizing the neighborhood, the Fruitvale Village project became a reality when the Head Start program moved into it in October 2003. At its core, the project strives to create a place that works for the inhabitants of the district with the addition of enhanced choices. It interprets the community's vision to build an active, empowered and healthy community by capitalizing on its strengths to reduce poverty, build assets and contribute to the local economy and incorporate sustainable and environmentally sound practices.

The Fruitvale Village is the flagship project in our comprehensive, multi-pronged and multi-phased effort to reverse the economic, physical and social decline that accompanied the flight to the suburbs of businesses, jobs, people and institutions. Its goals were: 1) preserve and enhance existing community institutions; 2) provide a stable source of jobs and income for the community; 3) increase the variety of retail goods and services in the Fruitvale; 4) beautify a blighted area, 5) increase real and perceived safety; 6) provide high quality affordable housing; 7) encourage and leverage public and private investment; and 8) increase BART ridership and reduce traffic and pollution.

2. Why does the project merit the Rudy Bruner Award for Urban Excellence? (You may wish to consider such factors as: effect on the urban environment; innovative or unique approaches to any aspect of project development; new and creative approaches to urban issues; design quality.)

The Fruitvale Village merits the Rudy Bruner Award because it is a nationally recognized example of sustainable and smart growth development, converting underutilized assets in an inner city, poor minority neighborhood into productive assets. It has become the national model for Transit Oriented Development (TOD), exemplifying the unique opportunity of a development that is concomitantly locally and regionally oriented. This project creates assets for both the community and the individual through job creation, quality housing, access to state of the art community facilities and services, and the creation of celebrated public spaces that promote intergenerational and interpersonal interactions.

The public/private partnership was unique, encompassing the City of Oakland, BART and other regional transit agencies, La Clinica de La Raza, federal, state and local elected and appointed officials, external development teams members, private funders and lenders. It, along with the almost unanimous support of the project by all sectors of the community are being highlighted in conferences and training seminars throughout the nation.

Its design and the quality of the materials and construction have made a major contribution to the urban environment. It has won numerous awards for design, community impact and as a real estate deal in competition with other major projects in the Bay Area. Its funding and financing would qualify it as one of the most complex and creative real estate ventures undertaken by a non-profit or a for-profit developer in the nation.

PROJECT DESCRIPTION

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1. How has the project impacted the local community?

This project has inspired hope and pride in a neighborhood and City that suffered severe economic dislocation, physical deterioration and social ills resulting from the exodus to suburbs of its businesses, jobs, institutions and people. Its economic impact is seen in the reduction of vacancies in the commercial properties, the increase in sales and property taxes, and the number of new businesses and jobs that have been created. Substantial physical improvements have occurred as adjacent commercial property owners and homeowners invest and improve their properties. Commercial and residential property values have increased. Although homeowners have seen an increase in the value of their home and assets, there are very few properties on the market. It appears that long-term homeowners have decided to stay in the neighborhood because the Fruitvale is becoming a "Neighborhood of Choice". Indeed, crime and grime have decreased, parks are being upgraded and new ones are being built, the same is true for schools and the International Boulevard commercial corridor has become a vibrant and robust shopping area.

There is a risk of gentrification as Fruitvale is being advertised as a "desirable" neighborhood by real estate agents that once shunned it. However, we are committed to continuing our efforts to create opportunities for the residents of Fruitvale and adjacent neighborhoods to build their assets through our myriad programs.

2. Describe the underlying values of the project. What, if any, significant trade-offs were required to implement the project? One of the underlying values of the project was that it was not simply a brick and mortar real estate deal, but it was for the purpose of physically improving the Fruitvale. Thus, excellent design and quality materials and construction were considered critical to enhancing the urban fabric of the neighborhood. The scale and density of the project needed to be consistent with the scale of the community, particularly with respect to commercial district. Those decisions made the project much more expensive, and it reduced our financial bottom line, but it was worth it.

Another values was that, we did not want to add to the number of national fast food chains in the Fruitvale, even though the latter would have greater capacity to pay the rents, nor did we want to compete with the businesses of the area. Therefore, we limited the retail space available to national chains, and we focused on bringing in retail tenants that were for the most part different than those in the neighborhood. At this point there is only one national chain tenant and only one Mexican restaurant. It is too soon to assess whether our financial bottom line will be hurt by this underlying value. Other values are described throughout this proposal.

Significant trade-offs included: 1) narrowing our focus to the Fruitvale, selling our Hayward properties, and broadening our client base to include all population groups; 2) targeting our energy, resources and developments to a small part of Fruitvale, below Foothill Boulevard, and specifically to the International Boulevard commercial corridor instead of all of the Fruitvale; 3) focusing on economic/business development rather than housing production as a community development strategy; 4) compromises and delays which accompany partnerships; 5) a high risk strategy which would require time and perseverance in order to raise the significant capital required for such a project, and that could divert attention from other of the agency's goals, objectivities and programs; 6) not competing with International Boulevard businesses and property owners; 7) limiting the number of national chains, especially fast food chains; 8) potential gentrification versus the need for substantial neighborhood revitalization to improve the quality of life; 9) limiting density and scale thereby increasing costs of design and construction and reducing the financial bottom line, but increasing the value to the community; 10) and many more .

PROJECT DESCRIPTION (CONT'D)

3. Describe the key elements of the development process, including community participation where appropriate. The key elements of the development process encompassed: 1) Community organizing protesting BART's decision to build a four-six level parking structure on its Fruitvale parking lots which would create an additional barrier between BART and International Boulevard Business Corridor; 2) community planning to secure a CDBG grant for Planning in the Fruitvale and community envisioning and focus groups as well as follow-up meetings with community groups; 3) selection of development staff and external development team members (architects/engineers, lawyers, and environmental, financing, value engineering and marketing consultants and contractors); 4) identifying and addressing key development issues such as design, mix of uses, phasing and a development partner; 5) building and managing the public/private partnership and relationships; 6) securing funding for predevelopment, development and construction; 7) negotiating contracts, leases and loans with our partners, consultants, contractors, funders and lenders; 8) managing the myriad environmental clearance processes; 9) construction to limit change orders and cost overruns (very successful); 10) managing the billing and payment process to insure that the bills were accurate and paid on a timely basis; 11) selecting and managing the leasing and property management company and consultants; 12) developing and implementing the marketing campaign; 13) making the case for the project at all key junctures in the development process and building broad support; and 14) celebrating the completion of the construction.

4. Describe the financing of the project. Please include all funding sources and square foot costs where applicable. The funding and financing of the Unity Council's part of the Central Core was \$54,469MM, including public and private grants, a Federal appropriation, several types of loans and lines of credit, a 501(c)(3) Bond, pre-paid leases, tax increment financing, land swaps and land sales; a FEMA settlement and owner equity and debt from the sale of real estate assets, unrestricted funds and deferred development fees. There were more than 16 funders/lenders and about 30 separate funding and financing streams from those sixteen sources. Citibank provided the credit enhancement for the \$19.8MM Bond plus a \$1.4MM equity equivalent investment, its largest investment to a non-profit corporation in its history. The Local Initiatives Support Corporation provided a \$4MM bridge loan which was taken out by the \$4MM tax increment financing from the City of Oakland.

The Unity Council also secured most of the funding and financing for a number of ancillary projects, including a 68 unit Senior Housing Facility, major street improvements and realignments, and the purchase and partial renovation of a historic building located on the Pedestrian Plaza. In addition, it secured the funding and financing of the BART parking structure as part of its obligations to replace BART's parking spaces on a one-for-one basis. This funding and financing included grants, voter approved bond funds and a loan which the Unity Council secured on behalf of BART, and which will be repaid through charging parking fees for BART surface parking lots, which BART has turned over to the Unity Council for Fruitvale Village II.

The approximate cost per square foot for the two buildings, excluding the podium parking, was \$137,000.

5. Is the project unique and/or does it address significant urban issues? Is the model adaptable to other urban settings?

The project is unique as it comprehensively addresses significant urban issues related to the revitalization of deteriorated inner-city neighborhoods, infill development, smart growth, the housing/job imbalance and traffic congestion and its impact on air quality as well as the quality of life. The project is also unique because of its scale, the fact that the developer is a non-profit corporation and that the project had broad public and private support and did not encounter any opposition from the residents, merchants and other stakeholders in the Fruitvale or the City. The model is being adapted by the City of Oakland and throughout the Bay Area as the model for neighborhood revitalization and smart growth through transit-oriented development. Cities from across the nation and from other nations have visited or are planning to visit. Many articles have been written about the Fruitvale Village, and it is being used to teach best practices for neighborhood revitalization. University researchers are studying various aspects of the development, including the unique public-private partnership that has been the linchpin of the success of the Project. The lessons learned from this project are being shared through speeches and written presentations by the Agency and its staff.

Fruitvale Development Corporation
 Fruitvale Transit Village
 Sources and Uses - Budget Comparison

	Original Bond Filing Budget 12/21/01	Current Draw Budget 07/31/04	Variance	Comments
SOURCES OF FUNDS				
Equity				
Deferred Development Fees	2,555,299	2,555,299	-	
FEMA	1,045,304	1,045,304	-	
Ford Foundation	122,000	122,000	-	
R&R Goldman Fund	300,000	300,000	-	
Levi-Strauss	226,881	226,881	-	
E&W Haas Jr. Fund	400,000	400,000	-	
PG&E	50,000	50,000	-	
Neighborhood Reinvestment Corp	100,000	100,000	-	
NCLR	25,000	25,000	-	
Land Proceeds	517,025	517,025	-	
Total Equity	5,341,509	5,341,509		
City of Oakland				
City EDI	3,300,000	3,300,000	-	
EDA Grant	1,380,000	1,380,000	-	
Measure K Bonds	2,540,000	2,540,000	-	
City Library	400,000	4,900,000	4,500,000	Prepaid lease \$4.5MM received for prepaid lease
CDBG/Other	77,339	77,339	-	
EPA Grant	99,998	99,998	-	
City-BTA Bike Station	-	400,000	400,000	New grant
Tax Increment Allocation (B) (LISC)	4,000,000	4,000,000	-	
Total City of Oakland	11,797,337	16,697,337	4,900,000	
DOT/BART				
MTA	47,121	47,121	-	
FTA Child Development Center	2,300,000	2,300,000	-	
FTA Pedestrian Paseo	780,000	780,000	-	
FTA-CMA Bike Facility	-	400,000	400,000	New grant
FTA-Pedestrian Plaza	-	2,228,534	2,228,534	Two new grants
DOT/BART	3,127,121	5,755,655	2,628,534	
Interest/Miscellaneous				
Interest/Other	182,926	643,707	460,781	Bond earned interest
Additional Bond Funds Interest/Misc	-	176,661	176,661	PG&E \$46.5M, SSUC \$43.1M; Interest \$87.1M
Total Interest/Miscellaneous	182,926	820,368	637,442	
Debt				
Unity Council FTV/Perm Loan	885,473	885,473	-	
Unity Council Bridge Loan	911,830	911,830	-	
NCBDC	750,000	750,000	-	
City Section 108	3,300,000	3,300,000	-	
Citibank Subordinate	1,400,000	1,400,000	-	
City Housing Loan	750,000	750,000	-	
501 (C) 3 Bonds	19,900,000	19,800,000	(100,000)	Bond amount reduced at closing
Total Debt	27,897,303	27,797,303	(100,000)	
TOTAL SOURCES OF FUNDS	48,346,196	56,412,172	8,065,976	

Fruitvale Development Corporation
 Fruitvale Transit Village
 Sources and Uses - Budget Comparison

	Original Bond Filing Budget 12/21/01	Current Draw Budget 07/31/04	Variance	Comments
USES OF FUNDS				
Predevelopment				
Staff & Overhead	645,985	645,985	-	
Contract Services	389,286	389,286	-	
Total Predevelopment	1,035,271	1,035,271		
Hard Construction Cost				
Off-Site	1,291,931	1,291,931	-	
Building Structure	28,611,021	27,793,806	(817,215)	
General Contractor Fees	-	1,095,138	1,095,138	
Construction Contingency	1,346,531	1,679,789	333,258	
Bond Requirements	-	144,935	144,935	
Tenant Improvements	1,124,417	2,341,680	1,217,263	
Plaza Improvements	-	1,800,000	1,800,000	
Public Art	-	24,185	24,185	
Total Hard Construction Costs	32,373,900	36,171,464	3,797,564	
Soft Cost				
Acquisition Cost	1,764	1,764	-	
Architecture and Engineering	2,821,273	2,819,787	(1,486)	
Permits, Fees & Taxes	758,237	773,218	14,981	
Development Staff/Operating	2,143,795	2,840,686	696,891	
Developer Fee	2,555,299	2,555,299	-	
Utility Hookups	600,000	600,000	-	
Environmental Remediation	200,000	188,680	(11,320)	
Legal, Insurance & Other	696,595	744,031	47,436	
Contingency	359,645	630,144	270,499	
Bike Facility Soft Cost	-	262,968	262,968	
Total Soft Costs	10,136,608	11,416,577	1,279,969	
Interest and Fees				
Construction Interest	1,826,125	2,671,049	844,924	
City Section 108	150,000	150,000	-	
NCBDC	76,285	76,285	-	
Unity Council	172,868	172,868	-	
Bond Issuance Cost	589,708	790,490	200,782	
Reserves and Lease-up	323,600	323,600	-	
Total Interest and Fees	3,138,586	4,184,292	1,045,706	
Bridge Loans				
Unity Council Bridge Loan	911,830	911,830	-	
NCBDC	750,000	750,000	-	
Total Bridge Loans	1,661,830	1,661,830		
TOTAL USES OF FUNDS	48,346,195	54,469,434	6,123,239	
SURPLUS (DEFICIT)	1	1,942,737	1,942,737	

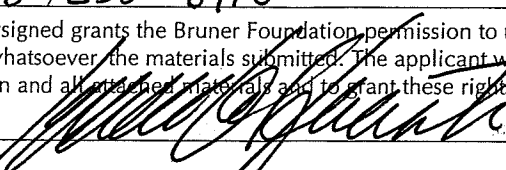
PUBLIC AGENCY PERSPECTIVE

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This sheet is to be filled out by staff representative(s) of public agency(ies) who were directly involved in the financing, design review, or public approvals that affected this project.

Name Ignacio De La Fuente Title President, Oakland City Council
Organization City of Oakland Telephone (510) 238-7005
Address 1 Frank Ogawa Plaza, 2nd Fl. City/State/ZIP Oakland, CA 94612
Fax (510) 238-6910 E-mail ide la fuente @ oaklandnet.com

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Signature 

1. What role did your agency play in the development of this project? Describe any requirements made of this project by your agency (e.g., zoning, public participation, public benefits, impact statements).

The City of Oakland played several roles in the Fruitvale Village development -- investor, regulator, anchor tenant, promoter -- each role played with a sense of partnership. The City gave Fruitvale Village its first planning funding as early as 1992. Throughout the years, we searched and applied for governmental grants specifically for this project and lobbied with the Unity Council for other funding sources. The Village's final construction budget included eleven sources of City funding totaling over \$17 million. The City created a new zoning law just for this project. This new S-15 Transit-Oriented overlay zone allowed this project to have higher density and fewer parking spaces. We provided infrastructure improvements, including rerouting E. 12th Street and vacating the area now used as a pedestrian plaza. Finally, the City served as one of the project's earliest anchor tenants -- leasing 40,500 square feet for a library, senior center and Head Start child development center. These three leases not only helped meet the 75% pre-lease requirement needed for the project's construction loan, they also would generate 500 patrons a day to support the Village's retail.

This project was subjected to all the rigorous regulatory requirements of a major development. Additionally, as the elected representative, I wanted this project to benefit existing small businesses already in the neighborhood.

2. How was this project intended to benefit your city? What trade-offs and compromises were required to implement the project? How did your agency participate in making them?

This project was intended to benefit Oakland by being a model of smart-growth development and community revitalization. The project was intended to not only be successful in its own right, but to lift up the entire commercial area surrounding it. Transit-oriented development gets people out of socially and environmentally damaging cars and gets them onto public transit and into their own neighborhood for goods and services. The project was intended to create much-needed housing, both affordable and market-rate, to bring social services to one of Oakland's neediest and densely populated areas and to create 500 new jobs in a low-income neighborhood where 90% of working residents must commute outside the area to work. The project avoided serving as a walled-off mall for BART patrons, but rather it aimed to pull BART patrons out to enjoy the larger Fruitvale community and, in return, encourage the Fruitvale community to use public transit.

Oakland made many compromises to help the Fruitvale Village happen. We modified enforcement of our local subcontracting rules to accommodate Federal requirements. We modified our zoning laws as explained above. We prepaid the first seventeen years of our library and senior center leases, so the money could help fund construction. We discounted established City fees so more money could stay in the project.

PUBLIC AGENCY PERSPECTIVE (CONT'D)

3. Describe the Project's impact on your community. Please be as specific as possible.

Fruitvale Village has made a positive impact on the Fruitvale neighborhood and on all of Oakland. We have considered this project so successful, we are developing three new Transit Villages at other BART stations in Oakland. These new projects are utilizing many tools developed for Fruitvale, including the new S-15 Transit-Oriented overlay zoning and the partnership model.

The Village development is not only a stand-alone success, but also it has served as the centerpiece and catalyst for an economic renaissance in the greater Fruitvale area. The area has gone from having a 40% commercial vacancy rate when the project began in 1991, to having less than a 1% vacancy rate today. Despite its location in a low-income neighborhood, Fruitvale is now the second largest sales tax generator in all of Oakland. Business districts, including the wealthy Rockridge area in Oakland to the Mission in San Francisco, are contracting with the Unity Council's Peralta Service Corporation to support their commercial areas.

Additional evidence of this project's impact includes the fact that Fruitvale's housing values rose 43% last year -- the second largest gain in Alameda County. Previously ignored by developers, there are now over 300 market-rate units of housing are under construction in the area.

4. Did this project result in new models of public/private partnerships? Are there aspects of this project that would be instructive to agencies like yours in other cities?

This project resulted in a new model for Oakland of a true public/private partnership. City staff didn't just make the project fit into existing programs; they convened a team of City staff -- including redevelopment, housing, business assistance and public works -- to work collaboratively to support the project and solve problems. As the Councilmember for Fruitvale and Council President, I served as a driving force to keep City staff focused on the partnership aspects of this project and to keep it as the City's top priority for all available funding, along with strong support from my other Councilmembers, the Mayor and City Manager.

As with all good partnerships, we learned much from the Unity Council. We learned the importance of involving and building up the surrounding neighborhood in preparation for major development. We learned that existing laws could be improved to support smart growth. Not only did we create the special S-15 overlay zone, but we also narrowed lane widths around the project to promote pedestrian-oriented traffic calming.

Finally, we leveraged our partnership to attract other partners. We put our money in first; we let private lenders put their security interests in front of ours; we entered into 32 year leases for significant spaces and prepaid the first 17 years before the buildings were even built.

5. What do you consider to be the most and least successful aspects of this project?

The least successful aspect of this project is the amount of time it is taking to finish! This project was conceived thirteen years ago, and we still haven't started building stage two.

The trade-off for this long development period has been one of the project's most successful aspects -- its effect of lifting up an entire community. The project is not only an example of a successful large-scale, community-serving development in the center of a previously depressed community. The preparation work with the surrounding merchants was so thorough, and the project scale so grand, that the Fruitvale Village has revitalized the entire Fruitvale neighborhood. Fruitvale went from a blighted neighborhood with an abandoned retail strip, to a vibrant community bustling with commercial prosperity, thriving families, beautiful new homes, community celebrations and tremendous pride -- all mostly due to the Unity Council's Fruitvale Village project.

COMMUNITY REPRESENTATIVE PERSPECTIVE

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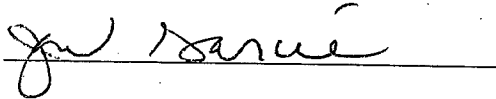
This sheet is to be filled out by someone who was involved, or represents an organization that was involved, in helping the project respond to neighborhood issues.

Name: Jane Garcia
Organization: La Clinica de La Raza
Address: 1515 Fruitvale Avenue
Fax (510) 535-4189

Title: CEO
Telephone (510) 535-2924
City/State/Zip: Oakland/CA/94601
E-mail: jgarcia@laclinica.org

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Signature



1. How did you, or the organization you represent, become involved in this project? What role did you play?

La Clinica de La Raza-Fruitvale Health Project, Inc. (La Clinica) is a large community health center based in Oakland's Fruitvale neighborhood. La Clinica wanted to build a new facility in the Fruitvale to be able to expand its services and replace its Fruitvale medical clinics, which were old and outdated. The Unity Council approached La Clinica about building our facility at the Fruitvale Transit Village. La Clinica is the largest employer in the Fruitvale neighborhood, employing over 400 people and serving 30,000 patients each year. As such, La Clinica served as an anchor for the Fruitvale Transit Village by bringing a number of significant assets to the project: community and political credibility, financial resources, and people. La Clinica's excellent reputation was important to solidifying the community and political support for the project. La Clinica brought its own funding and strong financial base to the project, which provided the Unity Council another source of funding to help pay for its development costs. La Clinica's large employee and patient base contributed to the economic feasibility of the project. For example, the Bay Area Rapid Transit District (BART) was very interested in having La Clinica at the Transit Village because they saw the potential of more people riding BART to get to the clinic. This would also assist the retail activity that was planned for the project.

2. From the community's point of view, what were the major issues concerning this project?

One of the community's major issues was the impact that the project would have on the existing commercial area. The local merchants were concerned that the project would take business away from them. The community also expressed a desire that the architectural style of the project reflect the entire multi-cultural community and not just the Latino culture. Another concern was parking and the impact that the project would have on traffic and parking congestion.

3. What trade-offs and compromises were required during the development of the project? How did your organization participate in making them?

La Clinica and its consultants participated in the design and development process and negotiated with the Unity Council on all issues that impacted La Clinica's facility. As with any project, there were trade-offs and compromises throughout the development process. The ones that were of particular significance to La Clinica included giving up having a stand-alone building. Originally, La Clinica was going to have a stand-alone building on a separate lot that would have enabled La Clinica to independently move forward with its own development. This was not possible and La Clinica's facility was merged into one of the project's two large structures. A compromise was reached. La Clinica was still able to own its own lot and portion of the building, which enabled La Clinica to secure its financing. Related to this issue was the lack of adequate amount of building area. La Clinica was given a specific amount of square footage for its facility and parking. It was not quite large enough to fully accommodate the space program and our parking needs. Very early on, La Clinica estimated its parking requirements based on the projected number of staff and patients who would be using the facility. The land area did not allow for the parking that La Clinica required. And, in addition, La Clinica was forced to reduce its parking even further because it needed more space for services. La Clinica's design consultants did an admirable job in working with staff to come up with a functional layout for the amount of space that we were allocated.

4. Has this project made the community a better place to live or work? If so, how?

Yes. The project is stunning and therefore it has physically beautified the neighborhood. As designed, its open plaza is inviting and leads people to venture onto the vibrant commercial street that is one block away. The project has served as a catalyst for other development and physical improvements in the surrounding area. La Clinica's own facility at the Fruitvale Transit Village has attracted more patients. Our own staff and patients have expressed a great deal of appreciation and pride to be at the new facility and to be at the Fruitvale Transit Village. We have also found that our new facility and the project itself help us recruit staff, particularly physicians, dentists, and other professionals. They are surprised and delighted to know that they would be working in such a beautiful place. The co-location of so many different types of human services (health care, child care, senior services, and library) in one place is a wonderful benefit for the community. It also will facilitate La Clinica's ability to coordinate our services with other service providers.

5. Would you change anything about this project or the development process you went through?

Yes. While we recognize that the project was extremely ambitious and complicated, we would have preferred a shorter development process. In addition, we feel that La Clinica's needs would have been better served if we had been able to have a stand-alone building with our own parking lot at the Fruitvale Transit Village. Health care facilities are a very specialized and expensive type of construction. Although La Clinica employed its own development and design team who had expertise in health care, our issues were sometimes overshadowed by the larger concerns of the rest of the project. However, in the end, the final product is beautiful and greatly benefits the community. La Clinica is very happy to have participated in such a wonderful project.

DEVELOPER PERSPECTIVE

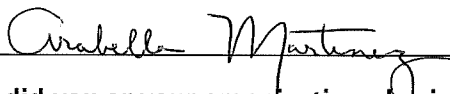
Please answer questions in space provided. Applicants should feel free to use photocopies of the application forms if needed. If possible, answers to all questions should be typed or written directly on the forms. If the forms are not used and answers are typed on a separate page, each answer must be preceded by the question to which it responds, and the length of each answer should be limited to the area provided on the original form.

This sheet is to be filled out by the person who took primary responsibility for project financing or is a representative of the group which did.

Name	Arabella Martinez	Title	Chief Executive Officer
Organization	The Unity Council/Fruitvale Development Corporation	Telephone	(510) 535-6900
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- 1. What role did you or your organization play in the development of this project? Describe the scope of involvement.** The Unity Council was the developer through the Fruitvale Development Corporation (FDC), which was created as the corporate entity for the Fruitvale Village. The FDC Board consists of 7 members of which 4 are Unity Council Directors; the FDC Chair was also the Chair of the Unity Council, and the FDC CEOI was also the CEO of the Unity Council. As the CEO I provided the vision and leadership for the project. Unity Council real estate development staff members were responsible for the technical aspects of the development, e.g., environmental clearance, design development, financing, construction and the initial leasing. I was involved in all major decisions, including: 1) strategic decisions with respect to phasing of the project, the mix of uses, the design; and environmental clearance; 2) selection of the development team, including the architects, environmental and financing consultants, legal counsel, the contractors, etc; 3) managing the relationships with the community, partners, funders and lenders; and 4) securing most of the funding and financing.
- 2. What trade-offs or compromises were required during the development of the project?** There were many trade-offs. One tradeoff was our decision to be the sole developer as opposed to joint venturing with a for-profit developer. We explored that option with a developer with substantial development experience and balance sheet, both of which could shorten the time it would take to complete the development and secure financing. In return we would give up substantial control regarding development decisions, and the return on our work and investment would be much less. Ultimately, it was decided that it was not in our or the community's best interest to joint venture. The project probably took longer than it would have had we joint ventured, but the project would not be the award-winning project it is, the long term benefits to the community would not be as many, and the Unity Council's long term goal of financially sustaining itself would be substantially compromised. Another tradeoff was to preserve a dilapidated historic building, located across the street from the BART station and on the planned Pedestrian Plaza. Residents, merchants, property owners and others from the community focus wanted it torn down. Instead we purchased the building to preserve it although we knew it would be costly to renovate it, but it gave us control over this important property. It was the right decision.
- 3. How was the project financed? What, if any, innovative means of financing were used?** The project was financed by multiple grants, municipal bonds, tax increment funding, 501(c)(3) bond financing enhanced by Citibank, predevelopment and bridge loans, land swaps, prepaid leases and owner equity, debt and deferred development fees. The financing package as a whole was innovative. Among the most innovative were the 20-year pre-paid leases with the City for the Library and the Senior Center, using City capital funds. The benefit to the City was that it would not pay rent from its general operating funds for 20 years. The benefit to FDC was that it would be able to pay down the 501(c)(3) bond and reduce its debt and carrying costs. It has resulted in a \$2MM reduction of the 501(c)(3) bond and an agreement with Citibank to redirect the bond principal payments to the Citibank \$1.4MM equity equivalent investment, allowing us to pay off that higher priced loan on an accelerated schedule, and eliminating a substantial balloon payment at the end of its term. Another innovative financing tool was the land swap and land lease with BART, which gave us fee-title to one of the BART parking lots and a 95-year land lease for the other lot. We also sold a part of the fee title portion of the property to La Clínica de La Raza

DEVELOPER PERSPECTIVE (CONT'D)

4. **How did the economic impacts of this project on the community compare with or differ from other projects you have been involved in?** The Fruitvale Village is the largest project that we have ever undertaken and it was our first mixed-use and retail development. As a result there are 15 new businesses in the Fruitvale Village & Pedestrian Plaza, and three more will be opening within the next two months. Two banks moved into the Fruitvale, one within the Fruitvale Village. The other bank wanted to be in the Village, but our lease with Citibank did not allow it. A third bank also wanted to move into the Fruitvale Village. The once dying International Boulevard commercial corridor is now a thriving commercial district with the second highest sales tax revenue in the City of Oakland, next to the upscale Rockridge district. Commercial vacancies have plunged to about 1% from more than 40%. Commercial and residential property values and taxes have risen, and the assets of these property owners have substantially increased. Many jobs were/are being created, and many of those jobs have been filled by residents of Fruitvale and Oakland. These impacts were due in large measure to the more than \$100MM investment in the Fruitvale Village Central Core and the ancillary developments on and around the BART station, but they were also due to all of our other neighborhood activities and investments.
5. **What about this project would be instructive to other developers?** This project can be instructive to developers as it demonstrates that: 1) sustainable development and smart growth provide opportunities for converting underutilized assets in inner cities and their neighborhoods into productive assets that contribute to making cities livable and attractive places to live, work and recreate, but they require a commitment to a double bottom line that focuses as much on enhancing the quality of life and urban excellence as on the bottom financial line; 2) transit oriented development (TOD) links planning and community economic development with transit with a focus on reducing traffic and pollution; 3) non-profit tenants can be strong anchor tenants in projects as they are in the Fruitvale Village; 4) non-profit developers have built capacity over the years and can bring creativity, expertise, entitlements, political muscle and substantial equity to the table, and therefore can be excellent partners; and 5) quality design, materials and construction are extremely important in revitalizing inner cities and their neighborhoods as they attract other investment which leads to job creation and economically lifts the whole community and inspires hope and pride in the community.
6. **What do you consider to be the most and least successful aspects of this project?** The most successful aspects include: 1) the project accomplished our goals for physically and economically transforming the Fruitvale, and restoring hope and pride to the community; 2) the provision of first class space for community and public agencies; 3) the extensive and unique public-private-partnership which was created; 4) the support of the Fruitvale community, the City, BART, other transit agencies, environmental groups, funders, lenders, etc; 5) the accolades and awards that the project and partners have received for the project itself, its design and as a real estate deal; 6) the local, regional, state and national attention it has received as the model of TOD; 7) the success in securing funding and financing from many different sources, and the creativity of the financial structure; 8) our ability to lease up in a time of economic stress and incredible competition for retail, office and residential tenants in the Bay Area; and 8) the fact that a project of this scale and urban excellence could be built in a very poor and minority urban neighborhood.

The least successful aspects include: 1) the amount of money and time required to replace BART's surface parking; 2) the length of time it took to secure financing despite the amount of equity in the project; 3) the original contractor's price to build the project substantially exceeded the budget, requiring hiring a new contractor & re-bidding the project, delaying the financing; and 4) the selection of an international leasing/property management firm that did not understand our community or project, and was unable to lease the space, requiring the hiring of a new lease-up team, negatively affecting the lease up.

PROFESSIONAL CONSULTANT PERSPECTIVE

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This sheet is to be filled out by a professional who worked as a consultant on the project, providing design, planning, legal, or other services. Copies may be given to other professionals if desired.

Name	Kenneth Taymor	Title	Of counsel
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Signature *Ken Taymor*

1. What role did you or your organization play in the development of this project?

I was the principal attorney for the developer of the project. I participated in the negotiations and contract drafting with the public agencies, private funders, non-profit funders, contractors and consultants for the project. I also served as a business advisor for some aspects of the negotiations.

2. From your perspective, how was the project intended to benefit the urban environment?

The project intended to benefit the urban environment physically, economically, socially and culturally. Physically, the project was designed to replace a large parking lot with several structures that offered space for services, amenities, jobs, and housing. It was also designed to create a village within a larger community that would take advantage of the mass transit station adjacent to the project by encouraging users of the station to participate in the economic life of the community rather than merely pass through. By creating an intermodal transit center, the project physically intended to reduce dependence on cars and provide community residents without cars a more reliable and efficient transit opportunity. The project also is a physical anchor to the larger community and was intended to increase the quality of buildings and pedestrian amenities in the community, with the hope that this increased quality will create incentives for other property owners to similarly improve their property. In connection with these physical changes, the project intends to provide increased economic opportunity and better quality of services to residents of the urban environment. It also seeks better social integration of that environment by providing mixed income housing opportunities, more pedestrian activity, and an enhancement of the identity of the community and hence its residents. Finally, the project is intended, through its design, to increase the cultural identity of the community and provide additional public spaces for cultural celebration.

3. Describe the project's impact on its community. Please be as specific as possible.

The project has achieved many of the impacts it was intended to achieve, as described in the answer to the preceding question. Perhaps most importantly, the project has greatly increased the capacity of its community based non-profit sponsor to undertake additional efforts to enhance the community by other development projects, while assuring the community that the benefits of these projects will be enjoyed by the community residents rather than having the residents displaced as the community becomes more attractive to a broader spectrum of incomes. The project area has been transformed from a parking lot into a vibrant, mixed use complex that links a mass transit center with the rest of the community. New housing has been created. The project has provided enhanced social and health services. It has facilitated a broader regional awareness of the community in which it is located as an attractive, culturally rich community.

PROFESSIONAL CONSULTANT PERSPECTIVE (CONT'D)

4. What trade-offs and compromises were required during the development of the project? How did your organization participate in making them?

Development of the project required tremendous trade-offs and compromises to bring together the many different interests in the community, to gain agreement from the diverse public, non-profit and private entities involved in funding or providing consulting or other services to the project sponsor, and to create an economically sustainable project. Throughout the planning process, community groups were consulted and their interests considered in coming up with the final project plan. Similarly, the planning process required working with government agencies and other project supporters to reconcile their sometime conflicting requirements in a manner that preserved the public benefit object of the requirement, but perhaps compromised on its precise terms. Negotiations with the principal architects, engineers and construction contractor for the project required careful trade-offs that would allow cost efficient participation by them in the project without ceding the project sponsor's control or imposing commercially unreasonable risk on the project.

Our organization served as legal and sometimes business advisor in making these compromises by helping evaluate the reasonableness of competing positions and suggested trade-offs. We also drew upon our experience and knowledge to develop creative compromise positions that all parties could accept. Finally, we were responsible for drafting many of the agreements in which the compromises were memorialized.

5. How might this project be instructive to others in your profession?

Most importantly, others in the profession could realize that development by non-profit entities of mixed use, community oriented, self-sustaining real estate based projects is extraordinarily complex and requires the same or greater skills but provides greater rewards than commercial developments of similar dollar value or square footage. In addition, the profession can realize that its role is not only to provide technical services to its clients, but also to build capacity in the clients to expand their ability to engage in productive community development such as the project.

6. What do you consider to be the most and least successful aspects of this project?

I consider the most successful aspect of this project to be the accomplishment of a community based non-profit entity to successfully gather the resources, forge the coalition and public support, and manage the process of creating an extremely well designed and constructed project that substantially enhances the physical, economic, social and cultural condition of its environment while increasing the entity's ability to do more public benefit projects like this one in the future.

I consider the least successful aspect of the project the time that it took to complete, but I believe that given the difficulties of implementing the project and its ultimate success, it was worth waiting for.

ARCHITECT OR DESIGNER PERSPECTIVE

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This sheet is to be filled out by a design professional who worked as a consultant on the project, providing design, planning, or other services. Copies may be given to other design professionals if desired.

Name	Ernesto M. Vasquez	Title	Principal
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1. Describe the design concept of this project, including urban design considerations, choice of materials, scale, etc.

The Urban design goals of this unique Transit-Oriented Development is to recapture the "eroded" urban grid that BART destroyed in the 60's by creating surface parking lots for its transit users. By providing a new 600-car parking structure adjacent to the B.A.R.T. station and rerouting the Bus Transit/Multi Model to the southern side of the Fruitvale Station, property was made available to format and create the two new city blocks and thus provide approximately 240,000 square feet of community based services, i.e., childcare, a senior center, a library, the Unity Council's offices, neighborhood-servicing retail and 47 residential lofts.

The cultural theme was to create an urban pedestrian plaza between the station and Fruitvale Village. Thus the urban plaza ties directly into the BART station and is extended across 12th Street to International Boulevard. The vision of the Design Team was to create a community link to the BART station and provide a welcoming, safe and friendly perception of this unique and historical district of East Oakland area.

The architectural character, materials and scale borrow from the context and fabric of its adjacent neighborhood, the Fruitvale District. The massing of the buildings did not exceed the four-story overall in order to respect the nearby Catholic Church's Steeple, which the community felt was an important landmark not to exceed. The building massing emphasizes the retail base, especially as a pedestrian friendly connection with the neighborhood. Community based services such as the library and child care, Clinica and senior center are located on the second floor and the residential units/town homes are located on the 3rd and 4th levels. On all sides, the architecture and program respond to all focuses of the community, there is no "back side". This also provides "eyes" on the street and 24/7 experience, addressing community safety concerns. The building/architectural character overall tries to express an aesthetic as if the buildings evolved over time, mirroring the historical development of the Fruitvale District itself. Enriched building forms and diverse building "brakes" compliment the building massing that is reflected on International Boulevard, one block away from the Fruitvale Transit Village.

2. Describe the most important social and programmatic functions of the design.

The most important social and programmatic functions of the design integrate and provide critical services to the District:

- a. First and foremost was to create a "compliment" to the Fruitvale Commercial District, embracing the local businesses with an established presence in the district.
- b. To provide needed community services and to enhance the sense of community identity through these services:
 - i. Childcare is a major anchor for the community.
 - ii. The City of Oakland's library focuses are the Latino community of this district.
 - iii. The senior center shares a lobby/entrance with the library.
 - iv. La Clinica, an approximately 45,000 square foot facility, is a major anchor to the development and extremely critical to this inter-generational neighborhood.
 - v. Provide local services such as banking and loans for this immigrant neighborhood.
- c. To integrate programmatically the varied requirements of these services and provide high visibility and accessibility to a transit-dependant community.

ARCHITECT OR DESIGNER PERSPECTIVE (CONT'D)

3. Describe the major challenges of designing this project and any design trade-offs or compromises required to complete the project.

The major challenge for the development initially was to create the credibility for the “need” of this project with the City of Oakland, the County of Alameda, Bay Area Rapid Transit, the State of California, and the Federal Government’s Transportation Agency. This project spawned from a grant in 1993 and it took almost five years to establish the credibility and critical support via community neighborhoods and Planning Commissions, City Council, etc.

Once the vision and the community buy-in occurred with the Stakeholders, then it was the evolution of the programming, budgeting and the identification and selection of the potential users. The land assembly also took a significant amount of time; originally, this area did not have the assistance of the local redevelopment agency, so it took some time to create a Redevelopment Agency overlay. The reduction and narrowing of 12th Street was a critical effort to reclaim the property and provide a land-swap opportunity with the BART/Federal property ownership. Finally, the need to create a land holding ownership with La Clinica was also a significant time issue.

So, in conclusion, “time” was a significant player and in-turn the “Budget” became the key element of control. Building design had to accommodate the significant budget adjustments throughout these phases of evolution.

- Building Design was simplified several of times throughout the course of the project development to accommodate the budget adjustments. Wood frame construction was used in the top two floors versus continuing with metal or concrete construction.
- La Clinica required a stand-alone financial property/construction therefore it required its own construction, columns and footings on stand-alone basis, similar to a department store in a mall.

4. Describe the way in which the project relates to its urban context.

As previously described, the goal was to recreate the urban grid and “reconnect” the community to International Blvd, the heart of the Fruitvale District. By keeping 33rd, 35th and 12th Streets active with car and street life the grid is reformatted and linked back with the multi modal connections of the surrounding buses, etc. Building, massing was sculpted to extend and connect in scale to its surroundings. The Pedestrian Plaza is the focal point on former 34th Street (now vacated) and in its place a public pedestrian plaza is extended through International Boulevard., thus community gatherings can use this as a “hub” or center to tie the existing vitality of the Fruitvale District with the BART/Transit Village. The key was to create a safe and uniting sense of place and community for East Oakland!

5. Describe the strengths and weaknesses of the project’s design and architecture.

Overall the project’s strength and weakness is that it is phased. Phase II is to develop the balance of the site from 35th to 37th Streets with 250 mixed income dwelling units. The weakness lies in the fact that that the housing is not there yet! The 47 residential units of Phase I are not enough to create a critical mass. The strength is that the community servicing amenities are “critical” to these community demographics and is NOT gentrifying the community. The strength is that the architectural expression has been very much accepted and received much recognition for helping create a sense of place and very much welcomed by the neighborhood and city.

OTHER PERSPECTIVE

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Name JEEFREY P. O'DWAY Title MANAGER PROPERTY DEVELOPMENT
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1. What role did you play in the development of this project? I represented the San Francisco Bay Area Rapid Transit District (BART) in all negotiations with the Unity Council to secure the requisite BART approvals. The majority of the project was built on BART land next to the Fruitvale BART Station. Transaction involved land exchanges, creation of pass-through funding agreements (from federal agency through BART to Unity Council), assisting in technical and financial analyses for the project, negotiating a long-term ground lease, and securing BART design review and construction approvals of various aspects of the Project.
2. Describe the impact that this project has had on your community. Please be as specific as possible. First, defining "community" as the BART organization, the most significant impact was to prove to the majority of the BART employees that such a Project could be built. The success of the Fruitvale Village and recognition by BART employees that it was a worthwhile effort has generated significant support for additional transit village projects at other BART stations. Second, defining "community" as the residents, employers and elected officials at other BART stations in the Bay Area, the success at Fruitvale has enabled others to see that such projects can be built, that BART can be worked with, and that such projects can benefit their communities as well. Third, defining "community" as the BART patrons, the Fruitvale project has enabled others to see that accessing the BART system does not have to be only be single occupant automobiles. Other modes of access, including walking, bus, bicycle, are viable modes as is evidenced by success of these modes in accessing the Fruitvale Station.

OTHER PERSPECTIVE (CONT'D)

3. What trade-offs and compromises were required during the development of the project? Did you participate in making them? I participated in all compromises involving BART and the Unity Council. One key trade-off was BART purchasing additional land to increase the parking at the station. This action, using BART funds, provided an interim replacement parking area during construction, and will ultimately enable the Unity Council and BART to complete the Phase II negotiations without the need for additional parking at the station. BART, in effect, invested in the project. Another compromise involved agreeing to a land exchange: Prime developable land on the east side of the station that BART owned was exchanged for less developable land on the west side of the station that the Unity Council purchased. This exchange enabled the Unity Council to secure La Clinica de la Raza as an anchor tenant in the project, affording the Clinic with an opportunity to create a state-of-the-art medical facility adjacent to the transit station that is extremely well-served by both BART rail service and ACTransit bus service. A third trade-off was enabling the Unity Council to secure a credit against their ground rent obligations based on the amount of replacement parking grant funds they received. Forth, we liberally redefined "net income" with respect to BART receiving a portion of net income from the project over time due to the Unity Council's status as a non-profit community agency. Normally, BART would only agree to reduce gross income by costs uncontrolled by the lessee (e.g., insurance and utilities). In this case, we also allowed the Unity Council to reduce gross income by other items (e.g., repayment of grant funds by the Unity Council to other agencies).

4. What do you consider to be the most and least successful aspects of this project? Most successful aspects include: The overall design of the project and how it connects the BART faregates with the rest of the Fruitvale community; the inclusion of numerous community oriented services within the project (childcare facility, senior center, library, clinic); the creative physical improvements that encourage other modes of access to the BART station (bicycle facility, pedestrian plaza, paseo); true mixture of uses within each structure (ground floor retail, community/office space on the second floors, residential on the top floors); constant and comprehensive manner in which the Unity Council involved all elements of the community throughout the process (from original visioning exercise, through identification of project components, through actual design review, and including signage throughout the project). Least successful aspects include: Placement of the replacement parking garage on the other side of the BART system from the Transit Village (diminishes ability to "capture" BART patron revenue as they leave the BART system — they can go directly to their cars and leave the area without passing through the project); delay in leasing space to office users (real estate market condition); insufficient funds to "facelift" the 30-year old BART station itself (next to the Transit Village, the BART Station looks very old and very used).

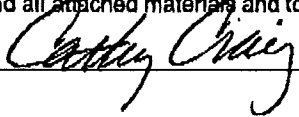
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Name	<u>Cathy Craig</u>	Title	<u>Senior Program Officer</u>
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1. What role did you play in the development of this project?

LISC made a commitment to the Unity Council during the early stages of the Fruitvale Transit Village's development. The commitment in the form of a \$4 million loan, the largest amount of financing for LISC at that time, was a vote of confidence in the project. LISC made the financial commitment with two purposes in mind: 1) provide financing critical to the project's feasibility; and 2) leverage other financing. The LISC loan was necessary to bridge City funds that would not be available in time to be used for construction. As a national financial intermediary with expertise in community development lending LISC lent credibility to the project as the Unity Council needed to secure construction financing from a conventional financial institution. Based on our strong relationship with the Unity Council including collaboration on the efforts to strengthen the small businesses along International Boulevard, LISC wanted to support the development of the Fruitvale Village because we believed in the Unity Council's vision that it would be an asset in the Fruitvale that would reap benefits for the residents.

2. Describe the impact that this project has had on the your community. Please be as specific as possible.

The Fruitvale Village's impact on the community is immeasurable. The \$50 million investment from public, private and philanthropic stakeholders to build Fruitvale Village resulted in physical improvements and improved access to services throughout the neighborhood. Physical improvements in Fruitvale were not isolated to the Fruitvale Village. Unity Council implemented a cohesive neighborhood revitalization that included installing a landscaped street median along International Boulevard and creating a pedestrian plaza that serves as a gateway connecting International Boulevard to the Fruitvale Village. These elements that people can "see" and "touch" all serve to create a sense of place when you are in the Fruitvale.

As the new home to the library, senior center and health clinic, the Fruitvale Village brings all these essential community services to one central location easily accessible by public transportation and clustered around other retail services. For example, residents can now go to the health clinic and afterwards can stop at the pharmacy which only opened this year drawn by the Fruitvale Village.

OTHER PERSPECTIVE (CONT'D)

3. What trade-offs and compromises were required during the development of the project? Did you participate in making them?

Since the Fruitvale Village was pioneering transit oriented development this was new territory for many of the financial partners involved including LISC. LISC had to modify or waive some of its standard financing criteria in order to provide financing that met the needs of the project. LISC's \$4 million loan was to be repaid with a bond issuance by the City of Oakland. While it was the City's intention and they provided LISC with assurances that the bond issuance would take place, there were no guarantees. The bond issuance was still contingent on broader economic factors external to the Fruitvale Village. In deciding to accept this risk LISC evaluated the mitigating factors related to the project's quantifiable real estate and financing strengths. However, another crucial factor we considered was the Unity Council's ability to make the project happen. LISC's loan was disbursed and repaid ahead of schedule.

4. What do you consider to be the most and least successful aspects of this project?

The most successful aspect of the Fruitvale Village is its completion, that the Unity Council "realized the dream" and it benefits the entire community. It serves as a model for other low income neighborhoods in the Bay Area and throughout the nation that community-driven neighborhood revitalization can be done and at a large scale. Fruitvale Village proves that community based nonprofits can successfully undertake complex developments. In lower income neighborhoods, it is particularly critical to have community led revitalization efforts to ensure that the benefits derived flow to the community. The Unity Council understood that it was integral to the Fruitvale Village's success to have existing businesses along International Boulevard be positioned to take advantage of the Fruitvale Village, to prevent the Fruitvale Village from being an island of success.

The least successful aspect of the Fruitvale Village has to do with time. It is not surprising that for a development of this magnitude and complexity, that the calendar was not an ally. It took a decade for the project to come off the drawing boards, to convince the transit agency, the city, lenders and funders that the Fruitvale Village was a worthwhile investment. An economist would look at the opportunity cost; the cost of lost opportunities due to the amount of the Unity Council's time and energy devoted to this project that could have been spent on other projects. However, as the Village comes alive it is evident that it was time well spent.