

## Fruitvale Village I

Oakland, California

Project Type:  
Mixed-Use/Multi-Use

Case No:  
C035004

Year:  
2005



### SUMMARY

Fruitvale Village I is a four-acre (1.62-hectare) mixed-use, mixed-income, transit-oriented development located next to the Fruitvale Bay Area Rapid Transit (BART) station in the Fruitvale district about 4.5 miles (7.2 kilometers) south of downtown Oakland, California. It is the central core of Fruitvale Village, a 19-acre (7.7-hectare) area that includes a new housing development for seniors, extensive facade and street improvements, and both surface and structured parking spaces. Developed by the Unity Council, a local nonprofit community development corporation, the project mixes 37 market-rate loft-style apartments with ten affordable units, office space, more than 20 retail stores, a seniors' center, a Head Start child development center, a city of Oakland public library, and a health clinic that provides linguistically and culturally appropriate care to patients regardless of their ability to pay.

### FEATURES

- Not-for-Profit Developer
- Transit-Oriented Development
- Infill Development
- Transit Village
- Pedestrian-Friendly Design
- Redevelopment
- Public/Private Partnership
- Community Development Corporation (CDC)
- Tax Increment Financing
- All anchor tenants are providers of social services
- Project has sparked the revitalization of an inner-city neighborhood

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### LOCATION

Central City, Inner City

### SITE SIZE

4 acres/1.62 hectares

### LAND USES

Multifamily Rental Housing, Mixed-Income Housing, Affordable Housing, Loft Housing, Office, Retail, Civic Uses, Transit Station (train and bus), Bicycle Garage, Daycare Center, Seniors' Center, Library, Health Clinic

### KEYWORDS/SPECIAL FEATURES

- Not-for-Profit Developer
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- Redevelopment
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### DEVELOPER

The Fruitvale Development Corporation  
1245 34th Avenue  
Oakland, California 94601  
510-534-5841  
Fax: 510-534-7156  
[www.fruitvalevillage.net](http://www.fruitvalevillage.net)

The Unity Council  
3411 East 12th Street, Suite 200  
Oakland, California 94601  
510-535-6900  
Fax: 510-534-7771  
[www.unitycouncil.org](http://www.unitycouncil.org)

## ARCHITECT/PLANNER

McLarand Vasquez Emsiek & Partners, Inc.  
350 Frank Ogawa Plaza, Suite 100  
Oakland, California 94612  
510-267-3189  
Fax: 510-269-3199  
[www.mve-architects.com](http://www.mve-architects.com)

## PUBLIC PARTNERS

BART–Bay Area Rapid Transit  
300 Lakeside Drive, 18th Floor  
Oakland, California 94612  
[www.bart.gov](http://www.bart.gov)

City of Oakland  
250 Frank Ogawa Plaza  
Oakland, California 94612  
510-444-2489  
[www.oaklandnet.com](http://www.oaklandnet.com)

## COMMUNITY PARTNERS

La Clinica de La Raza  
1515 Fruitvale Avenue  
Oakland, California 94601  
510-535-4000  
[www.laclinica.org](http://www.laclinica.org)

Fruitvale Bike Station  
3301 East 12th Street, Building B, Suite 141  
Oakland, California 94602  
510-536-2200  
[www.bartbikes.com](http://www.bartbikes.com)

## GENERAL DESCRIPTION

Fruitvale Village I is a four-acre (1.62-hectare) mixed-use, mixed-income, transit-oriented development located in the Fruitvale district about 4.5 miles (7.2 kilometers) south of downtown Oakland, California. It is the central core of a 19-acre (7.7-hectare) redevelopment area that includes a housing development for seniors, extensive facade and street improvements, and both surface and structured parking spaces. Like many mixed-use projects, Fruitvale Village I offers both retail space and housing, yet it is also home to a community development corporation (CDC), a seniors' center, a Head Start child development center, a city of Oakland public library, a bicycle garage with space for over 200 bikes, and a health clinic that specializes in providing linguistically and culturally appropriate care to patients regardless of their ability to pay.

Located next to the Fruitvale Bay Area Rapid Transit (BART) station, Fruitvale Village was designed to be a catalyst for community economic development by providing a pedestrian link between the commercial strip along International Boulevard and the transit stop. Before the project was planned, Fruitvale was a neighborhood in decline, where safety was a concern among visitors and residents alike.

Today, Fruitvale Village's two mixed-use buildings contain almost 40,000 square feet (3,716 square meters) of ground-floor retail space oriented around a plaza that leads pedestrians from the BART station to the shops on International Boulevard. Above the village's retail uses is 114,509 square feet (10,638 square meters) of space devoted to offices. The social service organizations are located there, and an additional 20,200 square feet (1,876.6 square meters) of office space is available for for-profit companies. The residential component of Fruitvale Village comprises 47 apartments, ten of which are reserved for low-income residents.

This project was developed by the Unity Council, a Fruitvale-based CDC. Founded in 1964 and originally called the Spanish Speaking Unity Council, the CDC has a mission to enhance and improve the various resources and assets (both human and physical) in the Fruitvale district through the provision of social services and through economic and real estate development. When the Unity Council first started serving the Fruitvale neighborhood, most of the area's residents were Caucasian, but there was a small Latino community. Since then, the Latino population in Oakland has grown from 8 to 22 percent and its Asian population has grown to 15 percent. Today, 43 percent of Fruitvale's population can be classified as Latino. The other 57 percent consists primarily of people of Asian or African American descent. Because the demographics in the Fruitvale area are changing, the Unity Council offers services to a wide range of ethnic and cultural groups, races, nationalities, and immigrant communities.

To this end, the Unity Council has organized and sponsored many programs, including homeownership classes, job-training classes, daycare centers, seniors' centers, and literacy programs. In addition, it has engaged in many real estate developments in the neighborhood. Among these are the 100-unit Posada de Colores and the 68-unit Las Bougainvilleas affordable housing projects for seniors. Such developments have helped the Unity Council gain the experience needed to create Fruitvale Village.

## BACKGROUND AND DEVELOPMENT PROCESS

Named for the orchards planted by 19th-century German settlers, Fruitvale was once considered Oakland's second downtown. Prior to World War II, it had a very strong economy, as evidenced by banks, shops, a Montgomery Ward department store, mansions, and a rich inventory of Victorian-style homes. The war led to an economic boom that further benefited the district with many factories locating there. These factories created jobs and attracted large numbers of Hispanic and African American workers to the neighborhood. After the war, many of the factories closed and both Fruitvale and all of Oakland entered an era of economic decline. The growing suburbanization and decentralization of cities that happened throughout America during the postwar era expedited the area's decline.

The construction of the Fruitvale BART station brought with it more changes for the community. Buildings and homes were demolished to make way for the elevated train system. The street grid was reconfigured and giant surface parking lots for commuters were established. All of this activity took place one block away from Fruitvale's commercial core along East 14th Street (since renamed International Boulevard). As a result, BART travelers' first glimpses of Fruitvale were of ample parking areas and the service entrances and backsides of the East 14th Street retail strip. The overall impression conveyed was that Fruitvale was an unsafe, unattractive, economically depressed area.

Even though it had a bad reputation, the Fruitvale neighborhood became popular with BART commuters for its free parking. The parking brought in many people from outside the neighborhood, especially nearby and affluent Alameda Island. Yet fear kept many commuters away from the rest of Fruitvale. Long-time commuters tell stories of running from the BART station to their cars out of concern for their safety. Visitors did not take time to explore or shop in the neighborhood. In addition, market studies showed that residents of Fruitvale were not shopping there, either. Instead, they traveled to other, more affluent areas to shop and run errands.

In an attempt to boost ridership and better serve its customers, BART proposed the construction of a four- to

five-story, concrete, stand-alone parking garage in the early 1990s. This garage was to be built on the surface parking lot immediately south of where Fruitvale Village I now stands. The community's response to this proposal was overwhelmingly negative. Around the same time this garage was being planned, a team of graduate students from the University of California at Berkeley's City and Regional Planning Department conducted a study on the Fruitvale area. Chief among their findings was the suggestion that a pedestrian connection be built that linked the BART station to International Boulevard.

With the UC Berkeley study in mind, the Unity Council held a series of community meetings and forums to come up with an alternative to the proposed parking garage. Representing the interests of the Fruitvale neighborhood, the development team convinced BART that a different type of development was needed for the train station. To further its planning efforts, the Unity Council then applied for and was awarded a \$185,000 Community Development Block Grant (CDBG) from the city of Oakland. Using the UC Berkeley study as a starting point, the council held community meetings, design meetings, and a symposium. From this planning program a new vision of Fruitvale emerged in which the development around the BART station would take the form of a mixed-use transit village that would serve as a catalyst to economically revitalize the whole neighborhood. Further, the primary tenants of this project would not be retail establishments, but social service agencies.

As part of its revitalization strategy, the Unity Council's Main Street Program organized a design committee, which oversaw the development of design guidelines for the facade improvement program. Through the Main Street Program and CDBG funding, the council gave technical, monetary, and physical assistance to shops along International Boulevard and nearby commercial streets.

Impressed by the community's idea of integrating the transit station into the surrounding community, U.S. Secretary of Transportation Federico Peña helped the Unity Council secure \$470,000 in U.S. Department of Transportation (USDOT) funds in the fall of 1993. By 1995, most of the concept plans, environmental assessments, traffic studies, and feasibility studies were underway or had been completed.

## FINANCING AND PUBLIC PARTNERSHIPS

To oversee the Fruitvale Village project, the Unity Council created the Fruitvale Development Corporation (FDC), with the council's CEO, Arabella Martinez, also serving as the CEO of the FDC. The scope of the Unity Council's vision for this project necessitated the involvement of many governmental agencies, including the city of Oakland, BART, Alameda County Transit (AC Transit), the Metropolitan Transportation Commission (the San Francisco Bay Area's regional metropolitan planning organization), the Alameda County Congestion Management Agency, and many other governmental organizations. Most of the governmental agencies involved in the project were very supportive, providing grants and loans while working with the FDC so that the project would be approved.

Forming a partnership with BART was of paramount importance because it owned most of the land around the station. Believing that their long-term goal of increasing ridership was best served by the transit village concept, planners at BART assisted in the planning process. BART required that the FDC replace all of the parking that would be lost once the transit village was built. The total cost of the replacement parking exceeded \$12 million, and included a \$7,561,000 grant from the USDOT, a \$4.2 million bond that was part of a larger transportation bond approved by Alameda County voters, and several other grants for surface parking. In addition, the Unity Council lent BART \$975,000 to complete the fifth level of the parking structure in exchange for control of the BART parking lots between 35th and 37th avenues for development of Fruitvale Village II. The two organizations also engaged in a land exchange in which more developable BART properties on the east side of the station were swapped for Unity Council land on the less marketable west side. Their partnership extends to the very core of the project, with the council owning the land on which the pedestrian plaza and the southern building sit, and entering into a 95-year lease with BART for the land on which the northern building sits.

As a nonprofit developer, the Unity Council faced many financing challenges above and beyond those that a traditional developer would encounter. Unlike major private developers, it did not have access to large amounts of debt, investment capital, or in-house funds. The FDC and the Unity Council therefore had to raise a substantial amount of grant dollars prior to their being able to obtain the requisite debt financing. It took four years to secure the financing and more than 50 percent in equity investment from 30 different sources, including development and construction grants, land swaps with the city and BART, and its own reserves. In addition, the FDC could not risk having a gap between the construction and permanent financing. Therefore, the development team sought a lender who was willing to provide both the construction and permanent financing.

City councilmember Ignacio De La Fuente worked to get Fruitvale included in a tax increment financing district so that the project could receive TIF funds. The FDC took out a \$4 million Local Initiatives Support Corporation (LISC) bridge loan with the TIF funds; at the time, this was the largest bridge loan LISC had ever approved. The project also obtained, through the city of Oakland, a HUD Enhanced Enterprise Community economic development initiative grant of \$3.3 million, matched by a \$3.3 million HUD Section 108 loan. The city of Oakland was also the issuer of \$19.8 million in tax-exempt 501(c)(3) bonds, for which Citibank provided the credit enhancement, thereby lowering the interest rate paid by the FDC. After construction began, the city approved a \$4.5 million, 20-year prepaid lease that allowed the FDC to pay down the 501(c)(3) bonds by \$2 million soon after the completion of construction and reduce its interest payments and fees on the bond.

Concerned that it did not have the experience to complete the project by itself, the FDC considered forming a partnership with a local for-profit developer. During this “auditioning” process, the FDC realized that it had specialized knowledge about the neighborhood and its markets, as well as more in-house expertise than it had previously acknowledged. Bringing on a private developer, the FDC surmised, would not have added much additional expertise to the project and would have decreased the FDC’s share of the equity, so in the end it decided to develop Fruitvale Village on its own.

## THE SITE AND SURROUNDINGS

As defined within the FDC’s plans, the Fruitvale Village redevelopment area lies between Derby Street and Fruitvale Avenue at the north end to 37th Avenue on the south, bordered to the east by International Boulevard with San Leandro Boulevard defining the western boundary. In the middle of this area, between 33rd and 35th avenues, sits Fruitvale Village I. Its western border is the BART station and its eastern border is East 12th Street. Running through the center of the transit village is 34th Street, a pedestrian-only plaza. This plaza continues on the other side of East 12th Street, creating the pedestrian path between the transit station and International Boulevard. Because East 12th Street is open to cars, many traffic-calming methods were implemented to ensure pedestrians’ safety. The street was realigned with narrowed lanes, special pavers, and signage signaling to drivers that they must be wary of crossing pedestrians. In addition, buses and automobiles were rerouted from East 12th Street to San Leandro Boulevard by opening up 33rd and 34th avenues on the western side of the BART tracks.

The eastern half of the pedestrian plaza, called De La Fuente Plaza, acts as a gateway to International Boulevard and is framed by a former Masonic Temple owned by the Unity Council at the north end and a small grocery store with three floors of apartments above it at the south end. The council’s Real Estate Development and Management Division, including the FDC and the Homeownership Center, was in the temple along with a small drugstore. Set to begin operations in May 2005, a public market incubator program complete with a farmers market will be located at the temple and plaza.

Before the Nimitz Freeway (Interstate 880) was constructed, International Boulevard (then known as East 14th Street) was one of the main north-south roads, connecting Oakland to the cities of San Leandro and Hayward. All along International Boulevard lie many of Oakland’s different ethnic and immigrant neighborhoods. Lined with two- and three-story buildings constructed before World War II, the stretch of the boulevard in the Fruitvale district features many stores and businesses that provide services to the neighborhood’s Latino population.

Along International Boulevard, the results of the Unity Council’s facade improvement and streetscape plans are evident. Aged and deteriorated storefronts have been replaced or restored both to display the original architecture and to reflect the local character of the strip. Newly planted street trees line the sidewalks and traffic-calming median strips make crossing the boulevard much safer.

South of Fruitvale Village I is the future site of Fruitvale Village II. Currently a large surface parking lot, it will soon accommodate a mix of up to 250 multifamily affordable and market-rate residential units. To the north of the transit village is a five-story parking garage for BART commuters. Built to replace the parking taken by the village, the garage has a design and facade that are complementary to that found in Fruitvale Village I. Between Fruitvale Avenue and Derby Street is another BART surface parking lot that BART purchased, but which the FDC improved as part of BART’s replacement parking requirement for the construction phase of Fruitvale Village I.

Running parallel to the BART station, on the opposite side of the village, is a multimodal stop servicing ten AC Transit bus routes, taxi cabs, and a “kiss and ride” automobile pick-up and drop-off station. West of the transit services and San Leandro Boulevard is a combination of Victorian homes and aging industrial and warehouse space.

## PLANNING, DESIGN, AND DEVELOPMENT

Fruitvale Village I consists of two mixed-use buildings with a pedestrian plaza between them. The interiors of both structures provide at-grade covered parking for a total of 150 cars. Above these garages, on the second floors of each building, are outdoor patio spaces. The southern building’s patio includes a play area for children in the Head Start program and a courtyard for the use of the Unity Council, while the northern building’s patio offers outdoor space for the seniors’ center, the library, and the residential tenants.

To create an appealing environment for BART commuters, the majority of the project’s retail shops face the plaza or East 12th Street. Most of the office space is located on the second floors and all of the market-rate housing is on the top two floors; six of the affordable units are located on the second floor. The northern building houses the city of Oakland’s César Chávez Library, the Fruitvale Senior Center, 22 market-rate apartments, two affordable apartments, and an additional 20,200 square feet (1,876.6 square meters) of office space. Also located in the northern building is the Fruitvale Bike Station, a free 200-space bicycle garage. Although it takes up only a small portion of the building, the bike garage is currently one of the largest of its kind in America. The operation of the garage is cosponsored by the Unity Council, BART, the city of Oakland, and Alameda Bicycle (a local bicycle shop). The southern building is the location of the Unity Council headquarters, the Head Start center, a community health clinic called La Clínica de La Raza, 15 market-rate apartments, and the aforementioned eight affordable units.

Placement of elevators and stairwells throughout the village helps to keep the project's uses separated. In the southern building, La Clínica de La Raza and the Head Start center each have private entrances as well as their own elevators and stairwells. The Unity Council and the residential units share both an elevator and a staircase. In the northern building, an elevator and a staircase are shared by the office space and seniors' center and the apartments above them. Due to its second-floor location, visitors to the César Chávez Library enter through a small foyer on the ground floor at the northeastern corner of the building. Inside the foyer are an elevator and a stairwell shared by the apartment residents and by the library on the second floor.

The 37 market-rate apartments and four of the affordable units are arranged in one- and two-bedroom loft-style layouts, while six of the affordable units are set up as one- and two-bedroom flats designed to be fully accessible for people who use wheelchairs. Every residential unit comes with a washer and dryer, energy-efficient electrical appliances, granite countertops, and a balcony or patio.

After participating in an FDC-sponsored community design workshop with other architecture firms, the firm of McLarand Vasquez Emsiek & Partners (MVE) was chosen by the FDC to be the architect and planner for the project in 1995. One of the main goals shared by both MVE and the FDC was that the project should be integrated into the larger community so that residents would feel a sense of ownership and pride in the development. Their strategy for achieving this goal meant creating something similar in scale and massing to the buildings nearby, as well as listening carefully to community input. For example, residents did not want the project to obscure the views of nearby St. Elizabeth Church. In keeping with their wishes, the building heights were kept to four stories, even though zoning would have allowed them to go higher.

The village's architectural style was intended to be a contemporary blend of California's design heritage. Elements of the project evoke the California Mission style, while other parts are more influenced by local reinterpretations of Mediterranean and Mexican styles. Chosen with the intention of creating a festive atmosphere, the color palate also reflects the aesthetics of the region. As a whole, the architects view the project as a collage meant to represent the different building styles and cultural heritages found along International Boulevard.

Building Fruitvale Village required a high level of coordination between the city of Oakland and the FDC. Highly supportive of the project, the city created a new overlay zone so that a high-density, mixed-use development would be legal in the area. The code for this zone (S15) allows for higher densities around transit facilities, gives density bonuses, and lowers parking requirements. However, the project's schedule was delayed by the rezoning, as the FDC had to wait until the new code was passed into law before construction on the village could begin. But without this change in the code, the project could never have been built, because the original zoning designation did not allow for either high-density or mixed-use developments. The city also worked with the FDC to tame traffic on East 12th Street by allowing the FDC to narrow the street and reconfigure its alignment. The city also realigned another segment of East 12th Street to help divert traffic from East 12th Street and Fruitvale Avenue to 37th Avenue.

## MARKETING, TENANTS, AND PERFORMANCE

The project development timeline coincided with some difficult times in the San Francisco area, creating substantial challenges for the project. The site was transferred from BART to the FDC in August 2001, construction began in January 2002, and sales and leasing began in the fall of 2002. During this period, the bursting of the dot-com bubble, coupled with the events of September 11, 2001, presented serious negative ramifications for the Bay Area's economy. Almost overnight starting in 2001, the dearth of available space in retail, office, and residential properties turned into a surplus and Oakland found itself competing with San Francisco and other Bay Area cities for tenants.

In addition, the FDC initially hired a global firm to do the marketing; however, the firm faced serious challenges marketing in a low-income community, and the FDC staff members found that their knowledge of the neighborhood made them more effective at marketing the village without the firm's help. The FDC then canceled its contract with the firm, retained a leasing consultant on a full-time basis, and brought all marketing tasks in house in May 2003.

In tenanting its retail space, the FDC decided that it did not want the project to have too many chain stores and restaurants. Setting a goal of bringing many locally owned shops to Fruitvale Village, the FDC limited the number of chain stores to no more than 20 percent of all commercial tenants in the project. The FDC is still not sure whether that was an appropriate financial strategy, but it is satisfied with the current mix of shops. The retail component of the project has taken longer to lease than projected, but as of March 2005 it was at 88 percent occupancy. Current tenants include a dental clinic, an optometrist, a Citibank branch, a Digicom Wireless store, a record shop, a florist, and a number of small, locally owned restaurants.

The leasing of office space involved a different set of challenges for the FDC. Prior to the village's construction, the FDC secured arrangements with the various social service agencies that would occupy space in the project. The FDC had to address the spatial needs of each of these organizations and help with their funding. La Clínica de La Raza in particular had special requirements placed on its relocation funds. Its funds were set up so that the health clinic could purchase land and a building. To meet these requirements, a separate parcel of land had to be carved out of the Unity Council-owned land. The clinic's building is attached to the southeastern corner of Fruitvale Village I's southern structure, yet all of its utilities and services had to be isolated from the rest of the village's shared services. Like a

townhouse, the clinic space is a separate building that is attached to a larger structure.

The downturn in the Bay Area's economy also had an impact on the leasing of office space to nonprofit organizations. A San Francisco-based nonprofit association devoted to providing seniors with a wide array of services was set to rent more than 10,000 square feet (929 square meters) of space in the northern building. Its space was going to be located near the Fruitvale seniors' center so that clients could benefit from their proximity. Due to economic pressures, however, the organization was unable to commit the funds to the space and had to pull out of the project, leaving the space to sit vacant.

While the leasing of the retail and office space may have been more problematic due to the economic downturn, the residences are currently all leased. Leasing these units, however, took longer than expected due to the readjustment of rents throughout the Bay Area in the wake of the economic changes. Monthly rents for the market-rate apartments range from \$1,250 to \$2,300. The affordable units rent for \$486 to \$1,029 per month and have a waiting list of over 300 people.

For the Unity Council, the project has been a success in terms of revitalizing the Fruitvale district. The council believes Fruitvale Village has succeeded in connecting BART commuters to International Boulevard, and the village has become an integral part of the overall area by providing commuters with a sense of place and arrival into the larger Fruitvale neighborhood. The Fruitvale area now has the second-highest sales tax revenue in Oakland and vacancy rates on International Boulevard are near 1 percent, down from a high of 40 percent when the project was first conceived. Moreover, centralizing the social services has made transportation easier for clients and has allowed for efficient delivery of services. Prior to the development, the Head Start services were scattered throughout the neighborhood and the Fruitvale Senior Center worked out of a space that was much smaller.

The Unity Council and the FDC gauge their success with Fruitvale Village not only in terms of the economic revenue they have generated for the neighborhood, but also by the level of acceptance in the community. They believe the lack of graffiti and vandalism in the village is a sign of the community's pride in and sense of ownership of the project.

Overall, the development team sees the creation of a viable and successful market where there previously was none as one of its biggest accomplishments. When the FDC was in the early stages of planning the development, a market study on the area revealed that there was no market for retail or office space in Fruitvale. Martinez points out that if there had been a viable market opportunity there, developers would have already pursued it. For the FDC and the Unity Council, the project was about need rather than demand—residents in Fruitvale needed convenient access to services and the businesses along International Boulevard needed a pedestrian link to the BART station. According to Martinez, the project created the demand by fostering a sense of place.

## EXPERIENCE GAINED

Small grants received at the beginning of a project can reap big dividends later on. According to the former CEO of the Unity Council, Arabella Martinez, the CDBG funds and the grant from USDOT were critical to the project's success. While the overall revitalization of the Fruitvale district would end up costing upwards of \$100 million, almost \$69 million of which went to Fruitvale Village I, it was the initial funding for planning that helped the development team obtain larger grants later on.

Inner-city neighborhoods can offer great development potential. Although an early market study showed little demand in Fruitvale for commercial services, there was a huge latent market. The village was able to uncover this market by bringing new and diverse uses together, fostering and creating a sense of place for both the project and the entire Fruitvale district, and connecting the transit station to the broader community, allowing the area and the village to better appeal to commuters.

Deep roots in the community helped the project become accepted by the community. Given its long history of service within the community, many residents were familiar with the work of the Unity Council. Martinez believes that much of the village's success can be attributed to the council's role in the community and the level of trust it has established among residents, merchants, and other stakeholders.

Nonprofit organizations often have greater development expertise in house than they may realize. Many nonprofit associations have a range of skills, expertise, and knowledge of community dynamics that can make them excellent developers and potentially good development partners.

The start-stop design process caused by financial and funding issues can be a drawback for for-profit developers partnering with nonprofit organizations. One limitation to working with nonprofit associations is the challenge of obtaining funding and financing. In securing project financing, the FDC experienced many hurdles that traditional developers do not. As a result, the Fruitvale Village development process took longer than expected.



PROJECT DATA			
LAND USE INFORMATION			
Site area (acres/hectares): 4/1.62			
GROSS BUILDING AREA			
Use	Area (Gross Square Feet/Square Meters)		
Office	114,509/10,638		
Retail	39,612/3,680		
Residential	52,716/4,897.3		
Parking	50,150/4,659		
Courtyards	23,382/2,172.2		
Total	280,369/26,046.5		
LEASABLE BUILDING AREA			
Use	Area (Square Feet/Square Meters)		
Office net rentable area	107,570/9,993.3		
Retail gross leasable area	39,612/3,680		
Residential	52,716/4,897.3		
LAND USE PLAN			
Use	Area (Acres/Hectares)	Percentage of Site	
Buildings	3.5/1.42	87.5	
Landscaping/open space	0.5/0.2	12.5	
Total	4/1.62	100	
Total number of covered parking spaces: 150			
RESIDENTIAL INFORMATION			
Unit Type	Floor Area (Square Feet/Square Meters)	Number Leased	Range of Initial Rental Prices
Market-Rate Units			
One-bedroom/1.5-bathroom loft	828–911/77–85	20	\$1,250–\$1,425
Two-bedroom/two-bathroom loft	969–1,287/90–120	17	\$1,450–\$2,300
Affordable Units			
Two-bedroom/one-bathroom flat	795–823/74–76.5	6	\$1,029
One-bedroom/1.5-bathroom loft	828–860/77–80	4	\$486–\$860
OFFICE INFORMATION			
Percentage of net rentable area occupied: 85			
Number of tenants: 5			
Average tenant size (square feet/square meters): 18,000/1,672.2			
Annual rents (per square foot/square meter): \$18.60–\$22.20/\$200.21–\$238.96			
Average length of lease: 5–20 years			
Typical terms of lease: triple net			
RETAIL INFORMATION			
Use	Number of Stores	Total Gross Leasable Area (Square Feet/Square Meters)	
General merchandise	1	1,578/146.6	
Food service	7	13,971/1,297.9	
Clothing and accessories	1	3,744/347.8	
Shoes	1	1,362/126.5	
Music	1	1,362/126.5	
Gift/specialty	1	258/24	
Personal services	4	6,654/618.2	
Recreation/community	1	220/20.4	
Financial	1	4,008/372.3	
Telecommunications	1	994/92.3	
Total	19	34,338/3,172.6	

Percentage of gross leasable area occupied: 87  
Annual rents (per square foot/square meter): \$25–\$31/\$269.10–\$333.68  
Average length of lease: 5–20 years

#### DEVELOPMENT COST INFORMATION

Site Acquisition Cost: \$500,000

Site Improvement Costs: \$1,291,931

Construction Costs: \$39,539,275\*

\*This number does not include the cost of the surface and structured parking lots, the street improvements needed to reroute traffic away from East 12th Street, or the multimodal transit stop adjacent to the BART station.

Soft Costs: \$17,907,643

Development Costs for La Clínica de La Raza: about \$9,760,000

Total Development Cost: about \$69,000,000

#### DEVELOPMENT SCHEDULE

Planning started: 1992

Site acquired from BART: August 2001

Construction started: January 2002

Sales/leasing started: fall 2002

Phase I completed: February 2004

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## DIRECTIONS

*From Oakland International Airport:* Take the airport exit to Interstate 880 (Nimitz Freeway) heading north to downtown Oakland. Stay on Interstate 880 for a little more than three miles (about 4.8 kilometers) and then take the 29th Avenue exit and turn slightly right on 29th Avenue, then turn right on East 12th Street. Fruitvale Village will be about a half mile (about 0.8 kilometer) away at the intersection of 34th Avenue and 12th Street.

*Driving time:* Nine minutes in nonpeak traffic.

*From San Francisco International Airport:* Take Interstate 101 north to Interstate 80 east and cross the Bay Bridge. Merge onto Interstate 880 south toward Alameda/Airport/San Jose, take the Fruitvale Avenue exit, and stay straight to go onto Elmwood Avenue. Turn left on Fruitvale Avenue and turn right on East 12th Street. Fruitvale Village will be two blocks away at the intersection of 34th Avenue and 12th Street.

*Driving time:* 21 minutes in nonpeak traffic.

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This Development Case Study is intended as a resource for subscribers in improving the quality of future projects. Data contained herein were made available by the project's development team and constitute a report on, not an endorsement of, the project by ULI—the Urban Land Institute.

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Keith Baker Photography

Located next to the Fruitvale BART (Bay Area Rapid Transit) station in southern Oakland, California, Fruitvale Village is a four-acre (1.62-hectare), two-building, mixed-use, transit-oriented development that gives train passengers to the Fruitvale neighborhood.



The project comprises 107,570 square feet (9,993.3 square meters) of office space and 47 apartments located over 39,612 square feet (3,680 square meters) of ground-level retail uses.



Developed by the Unity Council, a nonprofit community development corporation, much of the project's office space was built for local social service agencies including a Head Start program, a seniors' center, a health clinic, a public library, and the council's headquarters.



The Unity Council intended for Fruitvale Village to be a catalyst for economic development in the neighborhood by creating a pedestrian plaza that links the elevated BART station (pictured here) to Fruitvale's main commercial area, International Boulevard.



prior to the Unity Council's revitalization efforts, International Boulevard had commercial vacancy rates upwards of 40 percent; vacancy along the arterial now hovers around 1 percent. The Fruitvale neighborhood today has the second-highest level of sales tax revenue in the city.



Both buildings in Fruitvale Village have outdoor patio spaces on their second levels that sit above covered parking garages (together the two structures provide 150 parking spaces). The southern building's patio features a play area for children enrolled in the Head Start program.





Fruitvale Village site plan.