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A Proposed Land Use and Development Plan for a Portion of Downtown Oakland, California

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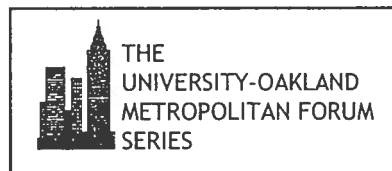
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## Working Paper 88-16

(formerly Studio Report 013)

# A Proposed Land Use and Development Plan for a Portion of Downtown Oakland, California

Michael Horst, Pat O'Brian, Michael Southworth



The University-Oakland Metropolitan Forum is a partnership of the University of California at Berkeley; California State University, Hayward; Mills College; Holy Names College; the Peralta Community College District; and the Oakland community.

University of California at Berkeley  
Institute of Urban and Regional Development

**A Proposed Land Use And Development  
Plan for a Portion of Downtown  
Oakland, California**

University-Oakland Metropolitan Forum  
Studio Report No. 013

November 1988

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**A Proposed Land Use and Development Plan  
For a Portion of Downtown Oakland, California**

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\*The University-Oakland Metropolitan Forum encourages faculty members to design assignments for graduate classes and studios that will result in valuable information and ideas for the Oakland community. The Forum proposes topics, brings teachers and students in contact with decision makers and users of the work, and supports the presentation and publication of the final designs and reports. This is one of those reports. The ideas expressed in this document are those of the students and do not necessarily represent the official position of the Forum Panels

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## INTRODUCTION

Throughout the San Francisco region and the nation, interest in the development of downtown Oakland has grown. Articles in trade papers like ULI and national newspapers like the New York Times have brought the city to the nation's attention. Articles in local papers (not always positive in tone) have kept the city's downtown in the public eye. New projects like the General Services Administration Building and the Pacific Renaissance project in Chinatown have just broken ground. The older office area at Kaiser Center is adding square footage. The proposed super-regional shopping center west of Telegraph between 16th and 20th streets is still in negotiations but prospects look positive. And the Jack London Waterfront Project is in its beginning stages.

This development creates both opportunities and problems for the city. More development means more people and activity downtown. More people and activity means greater sales tax revenues for the City and opportunities for profit for local merchants. Drawing people back downtown helps increase civic pride and safety.

On the other hand, development and the subsequent increase in activity in one part of downtown will not necessarily spill over to other areas of downtown. And the development within the different parts of downtown Oakland will not necessarily be coordinated with each other. Careful planning can help encourage development in other parts of downtown that build on and complement each other. This coordinated development can build a strong sense of place for downtown, increase the sense of security and attractiveness there, and meld together its different parts.

The following proposed plan outlines a development scheme for a part of downtown Oakland. This 54-block planning area, centered on the intersection of Broadway and the Nimitz Freeway, offers the chance to build on current development trends and link together the various parts of the city. The development scheme contains:

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1. Recommendations on land use, circulation, design guidelines;
  2. An analysis of market trends and opportunities in downtown Oakland;
  3. Illustrations of possible developments consistent with the proposed development scheme; and,
  4. A detailed proposed "first phase" project that the planning team feels would do the most to implement development scheme for the planning area.

# BACKGROUND TO THE PROPOSED PLAN

## Location of the Planning Area

Although the planning area has no separate identity as a distinct neighborhood within downtown, it contains several well-known places. Most of Chinatown is within the planning area as is the Old Oakland development, the Oakland Produce market, and a number of important civic buildings. (See Figure 1--*Context Map*.)

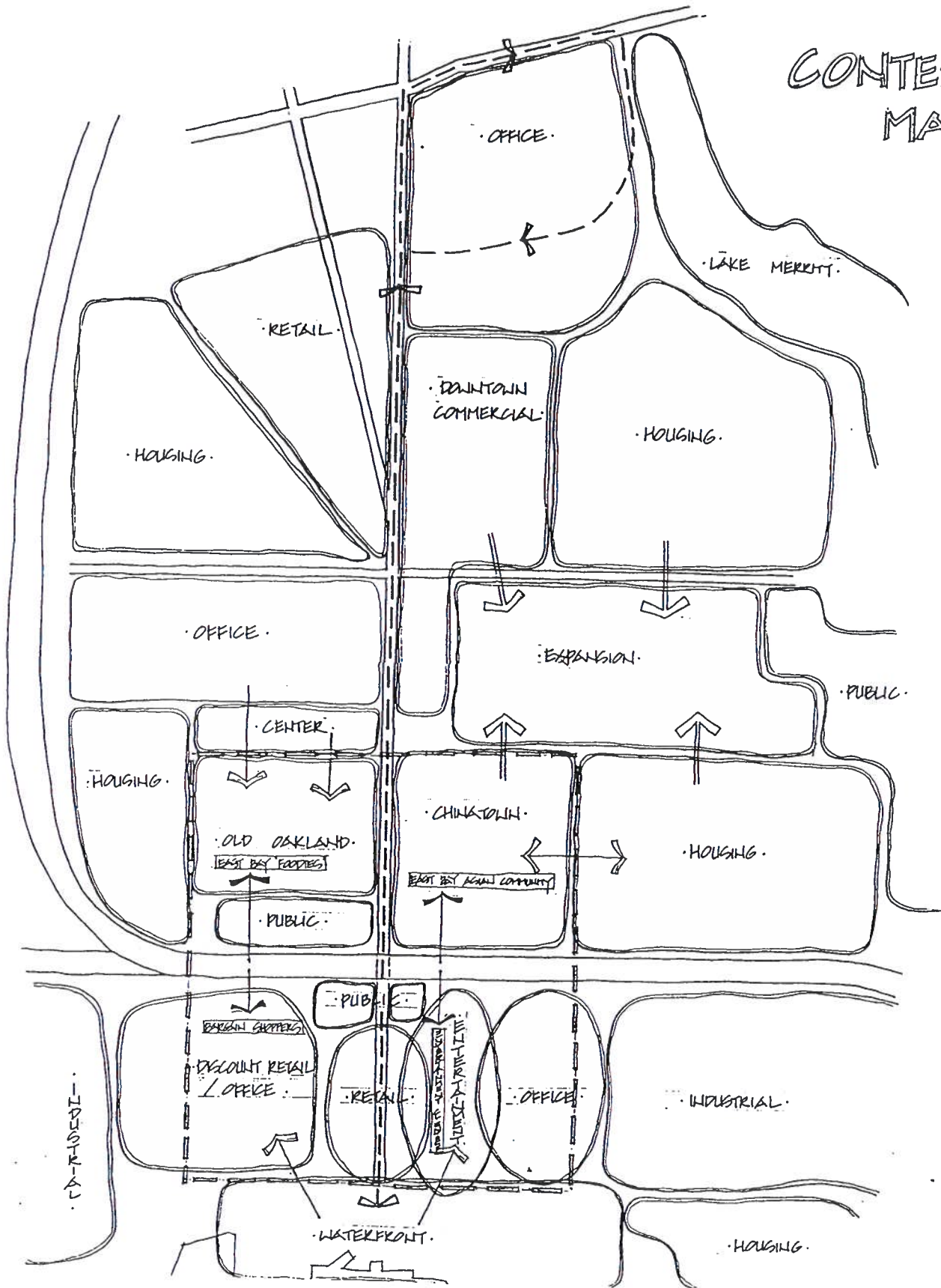
The planning area is divided into four sub-areas by Broadway and the Nimitz Freeway. Broadway, the main surface transportation corridor in downtown, splits the planning area into east and west halves. The Nimitz Freeway, which connects downtown to San Francisco, Berkeley, and San Jose, splits the planning area into north and south halves.

The southern boundary of the study area is the Embarcadero and the waterfront. This area is the site of the Port of Oakland's Jack London Waterfront. Industrial uses border the southern parts of the planning area to the east and west. In contrast, the northern half of the planning area is bordered by residential uses. West of the Old Oakland sub-area are a mix of single and multi-family units. To the east of Chinatown housing development is a little more intense with a greater share of apartments.

The planning area's northern boundary is 9th Street. It is north of this street that most of the intensive office and retail development built, planned, or under construction is located. The city's convention center is immediately north of the planning area on the west side of Broadway. Further to the north is the developing City Center development and the soon-to-be built General Services Administration building. East of Broadway is Chinatown. North of 9th Street is the site of the Pacific Renaissance project, a mixed retail-office-residential development designed as an extension of Chinatown.



# CONTEXT MAP



## **Character of the Surrounding Oakland Area**

Oakland is the second largest city in the San Francisco Bay Area. A region containing over 5 million inhabitants, the Bay Area is the fourth largest urban region in the United States. The region has a diversified economy comprised of several healthy sectors including high technology industries, a growing biotechnology industry, a strong financial services sector and a complete range of service industries needed to support a large and growing population.

At the center of all this activity lies the City of Oakland. Oakland is the second largest city in the region with an estimated population of 356,200. Population has grown four percent since 1980 and is expected to grow nearly 5 percent by the year 2005. In addition, employment in Oakland is expected to grow from 190,100 to 226,400 jobs between 1985 and 2005. This represents a growth rate of 19 percent, making Oakland the fourth largest job market in the Bay Area. These trends indicate that Oakland is and will continue to be a major factor in the Bay Area economy.

Oakland is near the geographic center of this region and plays an increasingly important role in the development of the region. The transportation core of the region, Oakland sports the second largest port on the West Coast as well as the western terminus of three of the nations largest railroads, Santa Fe, Southern Pacific and The Amtrak system. In addition, Oakland is the headquarters for the Bay Area Rapid Transit system and the Alameda County Transit system.

## **Transportation Facilities**

The planning area is affected--both negatively and positively--by the hub of transportation facilities in the East Bay and San Francisco region in general. The waterfront was the original center of town, focused then on port activities and shipping. The Overland Building at the corner of Embarcadero and Broadway was a stopover point for stage coaches in the early days of the city. Railines still cross the planning area, one along Embarcadero and a second along 3rd Street. These railines, in combination with the nearby Nimitz Freeway, make the southern part of the planning area an excellent place for the industrial uses found

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there. The freeway also provides commuters and shoppers with improved access to downtown.

Downtown Oakland and the planning area are well-served by transit. BART has stations at 14th and Broadway just north of the planning area and another, the Lake Merritt station, just to the east. All four of the routes in BART system pass through the 14th Street Station. These rapid transit lines connect downtown with San Francisco to the west, Berkeley and Richmond to the north, Walnut Creek and Concord in the east, and Fremont to the south. AC Transit provides bus service connections to places throughout Alameda County.

Transportation facilities have less fortunate impacts as well. The Nimitz Freeway has divided the planning area into two distinct parts with clearly different characters. It will take a lot to overcome the barrier the freeway has created. Freeways also create considerable noise as well as locally significant pollution levels.

# MARKET ANALYSIS

## Recent Development Trends in Downtown

### 1. The Office Market

The growing importance of Oakland is reflected in the continuing growth and development of its Central Business District. With a total of over 19 million square feet, Oakland has the second largest office market in the Bay Area. Over 10 million square feet are located in the CBD. Despite an overall vacancy rate of 19 percent in 1987, the CBD remains the fastest growing office sector in Oakland. New construction was expected to add 470,000 square feet in 1988 and an additional 410,000 square feet in 1989. Overall absorption in 1987 was 761,663 square feet. Nearly two-thirds of this absorption occurred in the CBD.

Absorption is expected to remain stable while the level of new construction slows. The reduction in new space will lead to lower vacancy rates and higher rents, which averaged \$24 per square foot for Class A space and \$16.50 per foot for Class B space in the CBD in 1987. In addition, it is expected that restrictions on growth in San Francisco will lead to an artificially tight market, increasing the attractiveness of Oakland's location and price. Important developments in the CBD include:

**City Center:** Located at the heart of downtown Oakland, City Center contains over one million square feet of office space in five buildings and 60,000 square feet of retail space. Ground was recently broken for a 225,000 square foot office building. In early 1989 ground will be broken for the 1.2 million square foot GSA building. This project will bring 4,500 office workers to downtown Oakland. Also in 1989 construction will begin on the new headquarters for the American President Companies. This project will include nearly 600,000 square feet of office space.

**Lake Merritt:** The Lake Merritt area is THE Class A office market in downtown Oakland. Since 1980 Lake Merritt has grown 62% to 5.8 million square feet. This area contains the premier office space in Oakland, including the striking Lake Merritt Plaza, a mixed use office/retail project of 456,000 square feet completed in 1985. Construction is currently under way on a 12 story project of over 200,000 square feet. This project includes plans for a spectacular 30 story office tower to be begun as the market allows.

**East Bay Municipal Utility District Headquarters:** Construction is currently underway on EBMUD's new building. The project will contain approximately 275,000 square feet of office space and will house nearly 700 workers, many of whom will come from outside the CBD. The remainder of the space will be speculative.

**Jack London Square:** Construction is currently underway on a mixed-use office/retail project which will contain 177,000 square feet of office space. The Port of Oakland will occupy 85,000 square feet and the remainder will be leased.

## **2. The Retail Market**

The Bay Area contains a total of seven distinct trade areas. Oakland is at the center of the largest of these areas. With a population of 576,000, the Oakland trade area is nearly twice the size of the average for the seven trade areas. The total household income of the Oakland trade area is over \$7.5 billion, considerably higher than the average of \$4.5 billion for the 7 trade areas. In addition, the Oakland trade area contains approximately 71,000 households with annual incomes over \$35,000, 50 percent more than the average for the 7 Bay Area trade areas. Similarly, the trade area has 50 percent more household with annual incomes over \$50,000 than the average for the 7 trade areas. These consumers spend over \$3 billion annually on retail goods. Office workers and tourists spend an additional \$250 million annually. Indicators of this strength include:

**Emporium Capwell:** With 300,000 square feet of space and \$55 million in annual sales, Capwell's in Downtown Oakland has the second highest sales volume of the entire chain.

**Cost Plus/Bed 'n' Bath:** Located near Jack London Square, these two stores are second in sales volume and sale volume leader, respectively, for their chains.

**Chinatown:** Outside of San Francisco, Oakland's Chinatown is the largest Asian community in the Bay Area. Over 70 percent of the Asian owned businesses in Alameda County are located in Chinatown. With over 200,000 square feet of restaurant and shops, these businesses produce annual sales exceeding \$50 million.

Despite this level of demand, Oakland is considered one of the most understored areas in the state. Studies estimate that three out of every ten retail dollars is spent outside the trade area. It is estimated that the current department store inventory of 775,000 square feet could increase by 1.2 million square feet without exceeding demand.

This shortage of retail space presents opportunities for growth and development. Several retail projects are currently in the planning stages or under construction. These projects include:

**The Rotunda:** An intensive restoration of this former department store was recently completed. The building contains the largest elliptical dome in the U.S. and has been beautifully restored to its original magnificence. The project is expected to include approximately 120,000 square feet of retail space.

**Old Oakland:** Another historic preservation project, Old Oakland contains a large collection of superbly restored Victorian era commercial buildings. This mixed-use project will contain 120,000 square feet of retail space.

**Regional Retail/Mixed-use Center:** Currently in the planning stages, this project will contain approximately 850,000 feet of retail space including 4 major department stores. The project is being developed by The Rouse Company, one of the nation's most successful developers of urban shopping centers. The project will be located near the existing Emporium Capwell and will also include office space and housing. Both Capwell's and Nordstroms have agreed to become tenants in the new project.

**Jack London Square:** This mixed-use project will contain 200,000 square feet of retail space.

### **Potential Markets for Retail Uses**

Downtown retail projects must take advantage of four different sub-markets to be successful:

1. Households living in or close to downtown for whom it is the most convenient shopping area.
2. Other households within the metropolitan area that can be occasionally attracted to stores downtown if the attractions and shopping opportunities there are adequate.
3. Downtown workers.
4. Transients shoppers including tourists and conventioners.<sup>1</sup>

Housing does not make up a major component of the uses within downtown Oakland. There are concentrations of apartments and some single family homes in the eastern part of downtown north of 14th Street, east of Chinatown, and between Old Oakland and the Grove-Shafter Freeway. Retail uses within downtown draw on these nearby residents for support. Chinatown especially draws on the people who live within and adjacent to the planning area. Housewife's Market in the Old Oakland sub-area depends to a large extent on the nearby residents of West Oakland.

While most of California has more stores than people to shop in them, Oakland has the potential to add more retail space to serve the nearby Oakland metropolitan area. There exists a substantial potential market that is currently

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<sup>1</sup> This set of categories and the following discussion of the problems and opportunities facing downtown retailing are taken from "Revitalizing Downtown Retailing--Trends and Opportunities" by the Urban Land Institute.

drawn to San Francisco, Contra Costa County, and Richmond. Downtown needs to find the right mix of merchandise, improve access and parking, and overcome the negative image shoppers have of the city. Chinatown is an example of an area in downtown that draws from both close-in and metropolitan shoppers.

Downtown workers can create considerable demand for new retail services. The ULI estimates that every 1,000 new workers will add about \$3.32 million in retail sales to a downtown. Transient shoppers can also add to commercial demand in a downtown. While they are an important market, however, they rarely are sufficient by themselves to fuel a renaissance in commercial activity. The seasonality of this market makes it hard to build upon by itself. In addition, transient shoppers vary in the spending patterns. Tourists, if a city can attract them, spend quite a bit. Faneuil Hall in Boston has a considerable tourist portion to its shoppers and gets sales upwards of \$300 per square foot. National conventioners also spend well, as much as three times as much as state or regional conventioners.

## **Conclusions**

Oakland is a diverse and growing part of the vibrant San Francisco region. It is ideally and practically located near the geographic center of this region, providing excellent transportation and access opportunities. Oakland has the second largest office market in the Bay Area. This market continues to grow despite temporarily high vacancy rates. With the largest trade area in the region, Oakland presents excellent opportunities for a growing retail trade sector. These factors support our outlook on growth and development in Oakland. We have proposed several new ideas for capitalizing on the growth in Oakland which will enhance and support the increasing prosperity of this city. Our proposals attempt to expand on these trends and promote the success of Oakland's downtown by creating a more diverse and exciting environment. The proposals, while containing some specific market justifications, also rely on the trends already mentioned for their success.



## GOALS

The following goals set out the eight most important aims that the proposed plan hopes to achieve. These goals are general but form the standards against which the policies and recommendations proposed in this plan should be judged.

GOAL 1: *Build a link between the central parts of Oakland's downtown and the waterfront.*

The waterfront and the industrial developments in the southern parts of the planning area are clearly separated from the rest of downtown by the Nimitz Freeway. This major transportation corridor, although it provides access to downtown for workers and shoppers, blocks off most of the streets that once seamlessly connected these two parts of Oakland together. Within the planning area, only Broadway and Franklin streets go under the freeway in both directions. Webster Street, which is also the entrance to the Alameda Tunnel, allows traffic to go under the freeway only one way: from Chinatown to the Produce Market.

This goal aims to emphasize developments and circulation designs that encourage pedestrian and vehicular movement between these two different parts of the planning area and of the city.

GOAL 2: *Encourage the development of Broadway as the central activity and transportation corridor in Oakland's downtown.*

Broadway is already the main surface street that links the northern and southern portions of the planning area. And it is one of the main surface streets in downtown Oakland. Broadway isn't the kind of memorable street that Market Street in San Francisco is (or was), the kind of street that provides a lasting image for visitors and a symbol of civic pride for residents. Broadway also does not provide the link between the parts of downtown Oakland that it could.

The development of Broadway as a central place of activity and movement in downtown Oakland would help build a stronger sense of place for the city. It would increase people's sense of orientation in the city and thus their sense of security.

GOAL 3: *Encourage a mix of uses and activities within the study area and downtown generally that maintain the presence of people there throughout the day and night.*

With the introduction of the streetcar, workers in downtown have been able to live and work in different places. The automobile increased worker mobility further. Workers moved not just to the edges of town but beyond town to the distant suburbs. This movement away from living near one's workplace downtown has led to a downtown with an ever more restricted mix of uses. Instead of a place that was busy throughout the day and night, downtown's have become hives of activity during the day and dead after 6:00 p.m.

The proposed plan recommends adding other uses to the area such as housing and entertainment and building on the convention goer market to increase the level of activity at night. This can lead to greater safety for the residents, workers, and visitors to the area. It also means that shopowners can stay open later thus increasing their opportunities for profit.

GOAL 4: *Create an identity for the four quadrants of the study area as distinct, well-known districts within Oakland's downtown.*

Broadway and the Nimitz Freeway clearly divide the planning area into four distinct sub-areas. The planning team has decided to accept and build on this distinction. Chinatown already has a clear image for people in the city and region. Old Oakland could also if it builds on the the well-preserved Victorian era commercial buildings there. The potential for taking advantage of the convention and office worker markets is increasing. The proposed development of the old Swan's Market could

add to the activity there as well. The increase in retail activity in Old Oakland would result in its being known more widely in the community.

The southern half of the planning area is more problematical. The low-scale buildings and unrhythmical spacing of parking lots in the Embarcadero West sub-area lessens the memorability of the place. The Produce Market, on the other hand, is quite memorable with its unbroken street facade and covered sidewalk.

GOAL 5: *Encourage the creation of a sense of community, "24-hour neighborhoods", and the increased intensity of use associated with urban places through the development of housing in Old Oakland and Chinatown and east of the Produce Market. Create a safe and attractive downtown of which the study area is an integral part.*

Old Oakland and Chinatown, with their proximity to jobs, shopping, and transportation, are prime candidates for the development of housing. Chinatown already has a significant residential presence. The low-scale of buildings also makes these areas good candidates for housing development.

Residential can increase the number of shoppers that support local businesses as well as the safety of the area by placing "eyes on the street."

GOAL 6: *Build on the markets created by development trends in the adjoining parts of the downtown to fulfill these goals and build links with these adjoining areas.*

This goal relates to both Goals 1 and 4 above. Each of the quadrants will be developed as part of the overall development of the city of Oakland and the region surrounding it. Development schemes that go contrary to these market trends have difficulty succeeding. The development proposals in

this plan explicitly rely on these demographic and economic changes in the surrounding central business district and city. In addition, relying on these development in surrounding parts of downtown can help encourage movement among its different areas and increase the sense of downtown as an integrated, successful city center.

# **LAND USE**

## **Land Use Concept**

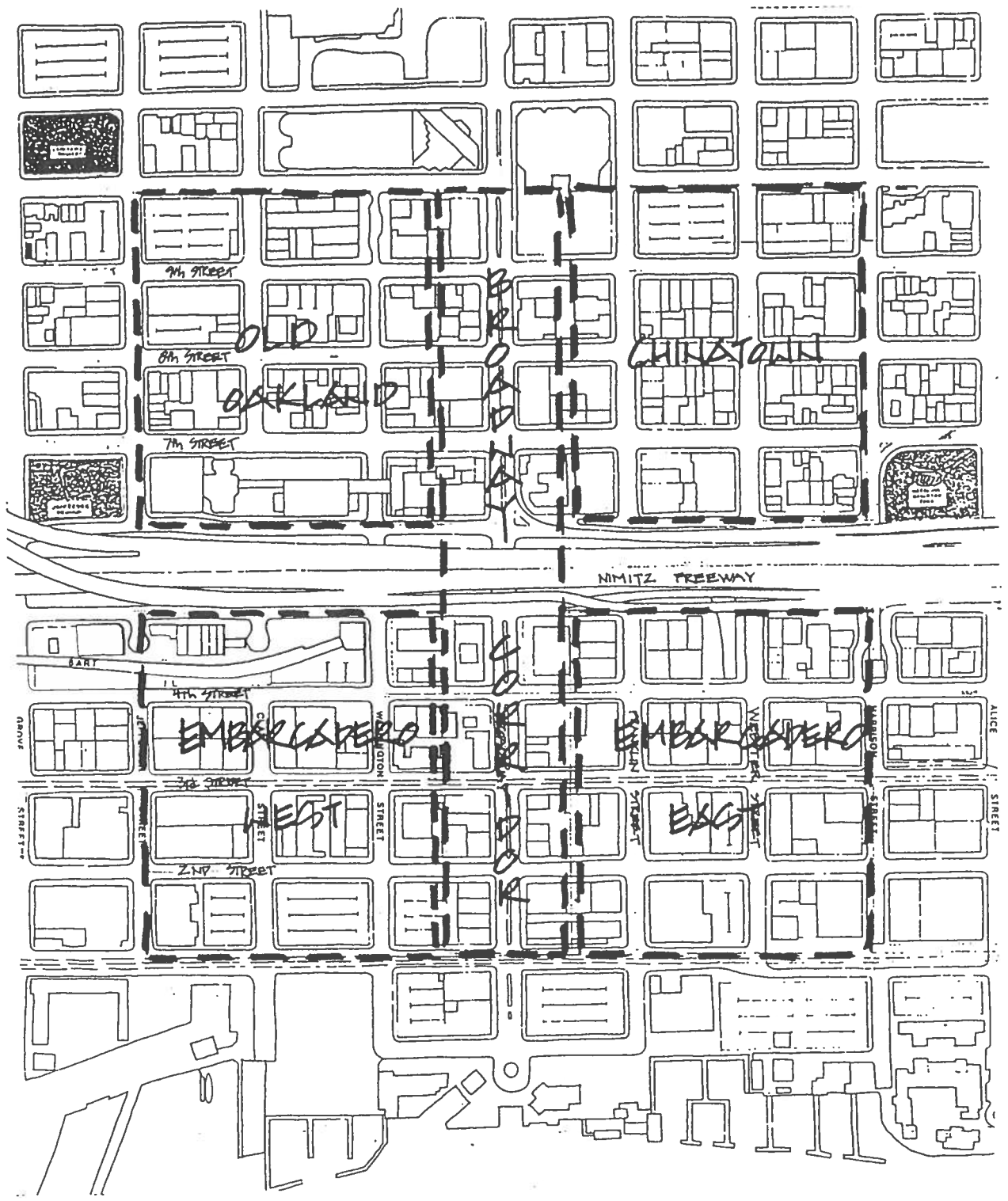
The land uses recommended in this plan and their distribution throughout the planning area are based on two ideas. First, the uses and activities should build on development trends and markets in the planning area and the surrounding downtown. Second, the pattern of land uses should link together the various sub-areas in a way that minimizes conflicts and supports the general revitalization of the area.

The different sub-areas for the most part build on different market trends. And, except for Chinatown and the off-price area, most are rely on trends in surrounding parts of downtown. Chinatown is a center of activity itself. Both the sizable nearby residential population and the even larger Asian population in the East Bay support retail uses there. The off-price center is supported by the even larger population of bargain hunters in the East Bay.

The Old Oakland and Embarcadero East sub-areas on the other hand rely more on trends in the surrounding downtown. Old Oakland would, under this plan, draw on the increase in downtown workers, convention-goers, and new residents in and surrounding the area. The Embarcadero East area would build on continued office/industrial use in the area south of the Nimitz Freeway as well as the restaurant and club-goers in the whole downtown area.

## **Land Use By Sub-Area**

The following section sets out more specifically the land uses recommended for the planning area. The two major streets in the area--Broadway and the Nimitz Freeway--divide the planning area into four more or less separate sub-areas. (See Figure 2--*Distinct Sub-Areas*) Old Oakland is in the northwest quadrant of the planning area and Chinatown in the northeast. South of the Nimitz Freeway the planning area is divided into Embarcadero West and Embarcadero East. In addition, the proposed plan has policies for a fifth sub-area, the Broadway Corridor. Because of the importance of this street, the proposed plan has specific recommendations and policies for the half-block area on both sides of



DISTINCT SUB-AREAS

street. Under each section below, the proposed describes the existing character, the market and demographic trends that the plan tries to build on, and the policies and recommendations proposed.

## **1.Old Oakland**

The Old Oakland sub-area contains some of the finest examples of Victorian-era commercial buildings in the U.S. These buildings are generally between two and four stories in height with between 25 and 50 feet of street frontage. Many of these buildings have been or are being rehabilitated. The largest concentration of these renovated buildings is found in the Old Oakland development along the west side of Broadway. Other older buildings such as the Madrone Hotel are being renovated for housing, primarily low-income, single-room-occupancy residential units.

While the Old Oakland development has rehabilitated several older commercial buildings, most of the space in them has yet to be leased. The most active commercial use in this sub-area is the Housewife's Market. Although this use is housed in a modern building, it has been in the city since the turn of the century. It is supported by the residents of West Oakland. The old Swan's Market building, which sits kitty-corner from Housewife's Market, is now vacant but a group of investors plan to reopen it as regional food shopping center.

Policy 1A: *Development in the Old Oakland sub-area should preserve the medium-scale, full-coverage pattern and scale of the earlier commercial development and reinstate it where possible.*

Policy 1B: *The City should encourage the establishment of retail and service uses that cater to visitors to the convention center. These uses should include restaurants and bars, gift shops, clothing stores, and jewelry shops. These uses are particularly appropriate within two blocks of the convention center itself.*

Policy 1C: *The City should support the establishment of a food and craft based "festival" shopping area centered on Housewife's Market, Swan's Market, and Ratto's. This shopping area should be designed to draw shoppers from the office areas to the north, visitors to the nearby convention center, local residents, and regional shoppers. The design of the streets adjoining these uses should encourage pedestrian movement among these buildings. Buildings should maximize visual and physical access from the street.*

Policy 1D: *Public regulations and subsidies should encourage the development of both low-income and market-rate housing within the Old Oakland sub-area. Residential uses above the ground floor are appropriate throughout the sub-area. Ground floor residential uses are appropriate only in the eastern blocks of the sub-area.*

## **2. Chinatown**

Chinatown is one of the most successful and active commercial areas in downtown Oakland. While its center is at 8th and Webster streets, activity associated with Chinatown stretches out in all directions. The uses there are highly mixed. Ground floors are devoted primarily to retail use: food sales, restaurants, gift shops, personal services and pharmacies. Upper levels contain offices, residences or manufacturing. Most buildings in the center of Chinatown are moderate-scale, 2-3 story commercial structures from the 1920's and '30's.

Recent buildings have for the most part continued this scale of development. The soon-to-be completed Phoenix Plaza is an excellent example. It will contain retail space on the ground floor and residential uses on the three floors above. Another recently completed project, located at the southeast corner of 9th and Webster, maintains the same pattern. It contains retail space on the ground floor with three floors of office space above.



Unlike San Francisco, Oakland's Chinatown does not rely to any great extent on the tourist market. It draws its shoppers primarily from the Asian community that lives close by and in the East Bay area. Office workers in downtown do help support restaurants there.

Policy 2A: *City actions should encourage and require when necessary the continuation of the existing moderate scale of development in Chinatown.*

Policy 2B: *Ground floor spaces within the central parts of Chinatown should be limited to those uses with the greatest need to be along the street and that rely on the visual access of the space to potential customers and users. Other uses with less need to be visually accessible to pedestrians should be allowed only when the use within can be seen and the street frontage taken up by the use is limited.*

Policy 2C: *New retail activities associated with Chinatown should be encouraged to grow to the west towards Broadway as well as to the north.*

Policy 2D: *Residential uses should be an integral part of development with Chinatown. The City should establish regulations that promote its development and that would establish a secure and pleasant environment for residents.*

### **3. Embarcadero West**

Embarcadero West is the least intensively developed of the sub-areas in the planning area. It is characterized by low-scale, one to two-story buildings with many surface parking lots. Most of these are older industrial buildings, primarily of brick. Two types of uses are dominant here. The older of these two are the industrial activities that have been the mainstay of the area probably since its

earlier days. More recently, the area has seen the redevelopment of these industrial buildings for retail and office use. The primary retail uses are off-price retailing, where goods are sold in large volumes at below regular retail prices.

The plan assumes that these trends will continue in the future. The metropolitan Oakland area lacks an off-price center and is generally "understored." The office and industrial workers in the area will constitute a market for some increase in restaurant and other food service demand. And the development of office and retail uses in the Jack London Waterfront just to the south should have spin-off benefits for retail uses in the area.

Policy 3A: *Establish a link between the off-price areas of the sub-area and the Jack London Waterfront by encouraging the development of pedestrian oriented retail uses and pathways between those two areas.*

Policy 3B: *Separate parking structures are appropriate along the southern edge of Embarcadero West sub-area only when they are designed to provide a pleasant pedestrian environment along the streets they border. Parking structures in which all of the street frontage contains retail uses are preferred.*

#### **4. Embarcadero East**

This sub-area contains the Oakland Produce Market, the major distribution point for wholesale produce in the East Bay. The market relies on the convenient access provided by the railroad along 3rd Street and the Nimitz Freeway. It is housed in a series of one-story buildings centered on Franklin Street. Although this buildings are simple, they have a pleasant pedestrian scale enhanced by the roofed sidewalks in the area. To the west of the Produce Market along Broadway, buildings are primarily, older two-story brick structures with a high percentage of restaurants housed in them. East, most uses are industrial, office, or some combination of the two. Newer development has been either the conversion of industrial buildings to office use or the construction of newer office/warehousing/manufacturing space.

Policy 4A: *The City should allow the conversion of the Produce Market to an entertainment district. This district should maintain and extend the low-scale of current building there and should use the existing covered sidewalks as a linking design element.*

Policy 4B: *The eastern edge of the sub-area should be maintained as an office and industrial area.*

Policy 4C: *Design of streets in the vicinity of the Produce Market should encourage people to walk there from Jack London Waterfront and Broadway.*

## **5. Broadway**

Broadway is the main circulation corridor in the planning area and one of the primary surface streets in downtown Oakland. Along its length in the planning area there are a number of different building styles. In Old Oakland and in parts of lower Broadway, most structures are Victorian-era commercial structures. In contrast, the residential tower at the southeast corner of Broadway and 9th Street is a clearly modern structure as are the governmental buildings on both sides of the Nimitz Freeway.

In general, the land uses along Broadway would be most affected by the character of the sub-areas that border them. However, this sub-area has a somewhat different character as well.

Policy 5A: *The City should encourage the intense development of a mix of pedestrian-oriented retail, office, and residential uses along Broadway. Ground floor should be limited to pedestrian-oriented retail with hotels and financial and offices allowed only when they meet design guidelines that limit frontage widths and encourage transparent facades. The density of development and height of buildings along Broadway should be higher than that allowed in the areas to the east and west of this corridor.*

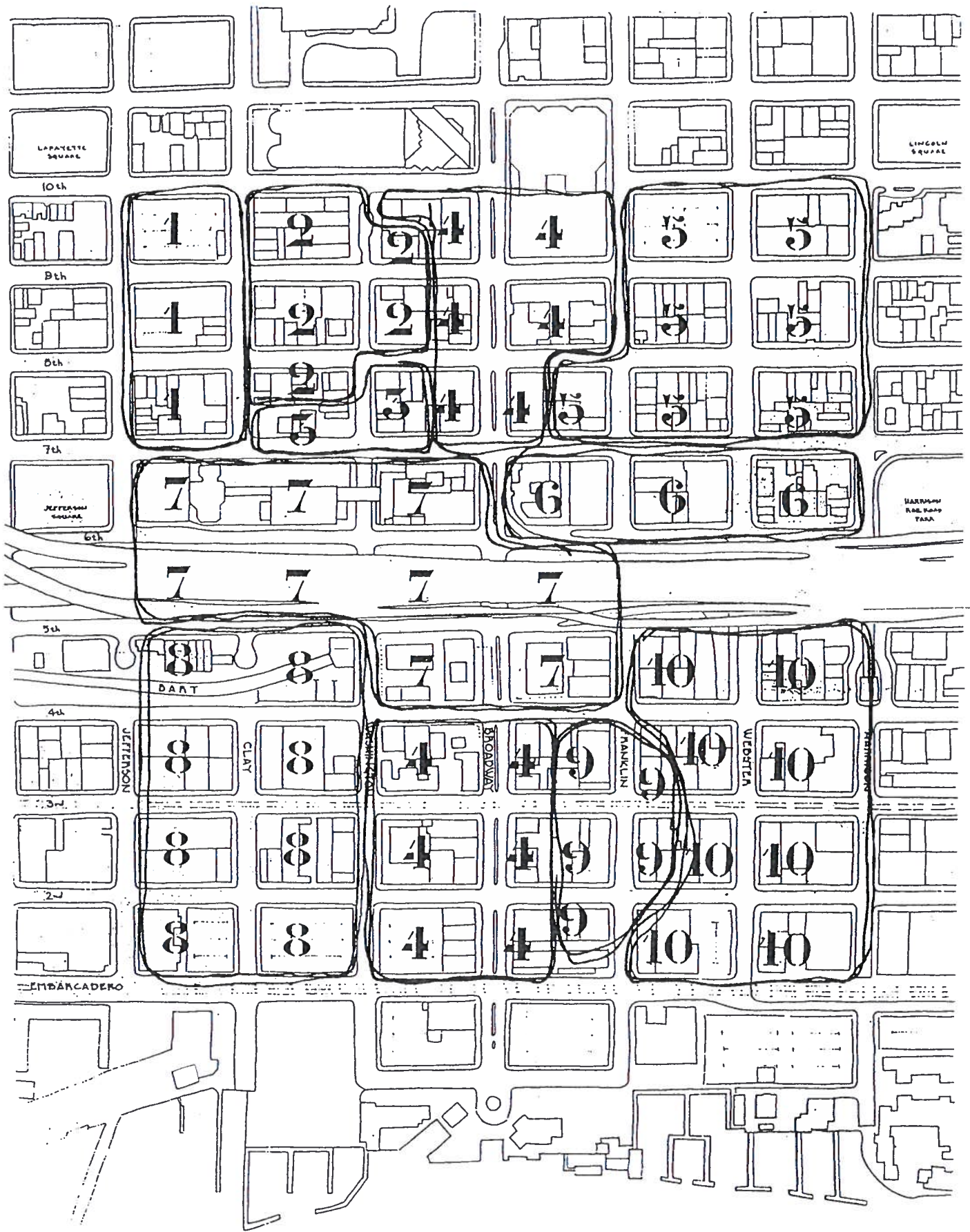
Policy 5B: *Development along Broadway should maintain a strong building edge with facades built up to the edge of the property lines and limited automobile access to the lots fronting on Broadway. New curb cuts should be allowed when there is no other practical access point to parking serving the site. Redevelopment of existing sites should be required to remove curb cuts when alternative access points are available.*

Policy 5C: *The City should develop, either alone or with the involvement of businesses within the downtown, a trolley running along Broadway. This trolley would connect the waterfront with the City Center development, the proposed regional shopping center, and the office developments in the Kaiser Center area.*

Policy 5D: *The City should establish a consistent streetscape plan for Broadway. This plan should coordinate the trolley, a tree plan, and street furniture into a design that emphasizes the unique role of Broadway within downtown.*

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
Retail	Food Food service Clothing Laundry Dry goods Hardware	Food Food service Hats Jewelry	Food Food service Clothing Books	Food service Clothing Furniture Gifts Jewelry Books	Food Food service Clothing Books Hardware Jewelry
Personal Services	Yes	No	Yes	No	Yes
Hotel	No	No	No	Yes	No
Financial	No	No	Yes	Yes	Yes
Office	Upper floor only	Upper floors only	All floors	Upper floor only	Upper floor only
Residential	All floors	Upper floors only	Upper floors only	Upper floors only	Upper floors only
Industrial	No	No	No	No	Upper floors only
Warehouse/Storage	No	No	No	No	No
Public	Small-scale, e.g., libraries, clinics	No	Yes	No	Small-scale e.g., libraries, clinics
Parking	No surface lots No separate structures	No surface lots No separate structures	No surface lots No separate structures	No surface lots No separate structures	No surface lots No separate structures

	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10
Retail	Clothing Dry goods Furniture Hardware Books Jewelry Books	Food service Books	Food service General merchandise Clothing Dry goods Furniture Hardware	Food service Furniture Books Art Theaters Cinema	Food service Books
Personal Services	Yes	No	No	No (except health club)	No
Hotel	Yes	No	No	No	No
Financial	Yes	No	No	No	No
Office	Upper floors only	No	All floors	Upper floors only	All floors
Residential	Yes	No	No	No	No (except
Industrial	Yes	No	Yes	No	Yes
Warehouse/Storage	No	No	Yes	Yes	Yes
Public	No	Major facilities	No	No	Utilities
Parking	No surface lots Separate parking structures	Surface lots	Surface lots Separate parking structures	No	Surface lots Separate parking structures



LAND USE DIAGRAM



# CIRCULATION

The circulation system is an essential part of any area. The area's streets, freeway, railines, and subways provide both **access** to properties within the planning area and **mobility** within and beyond the planning area.

The circulation system is also a major land use within an area. Counting only the surface streets within the planning area, about 58 acres or 45% of the planning area are within the public right-of-way. The design and use of this space can have a profound effect on the character of the area.

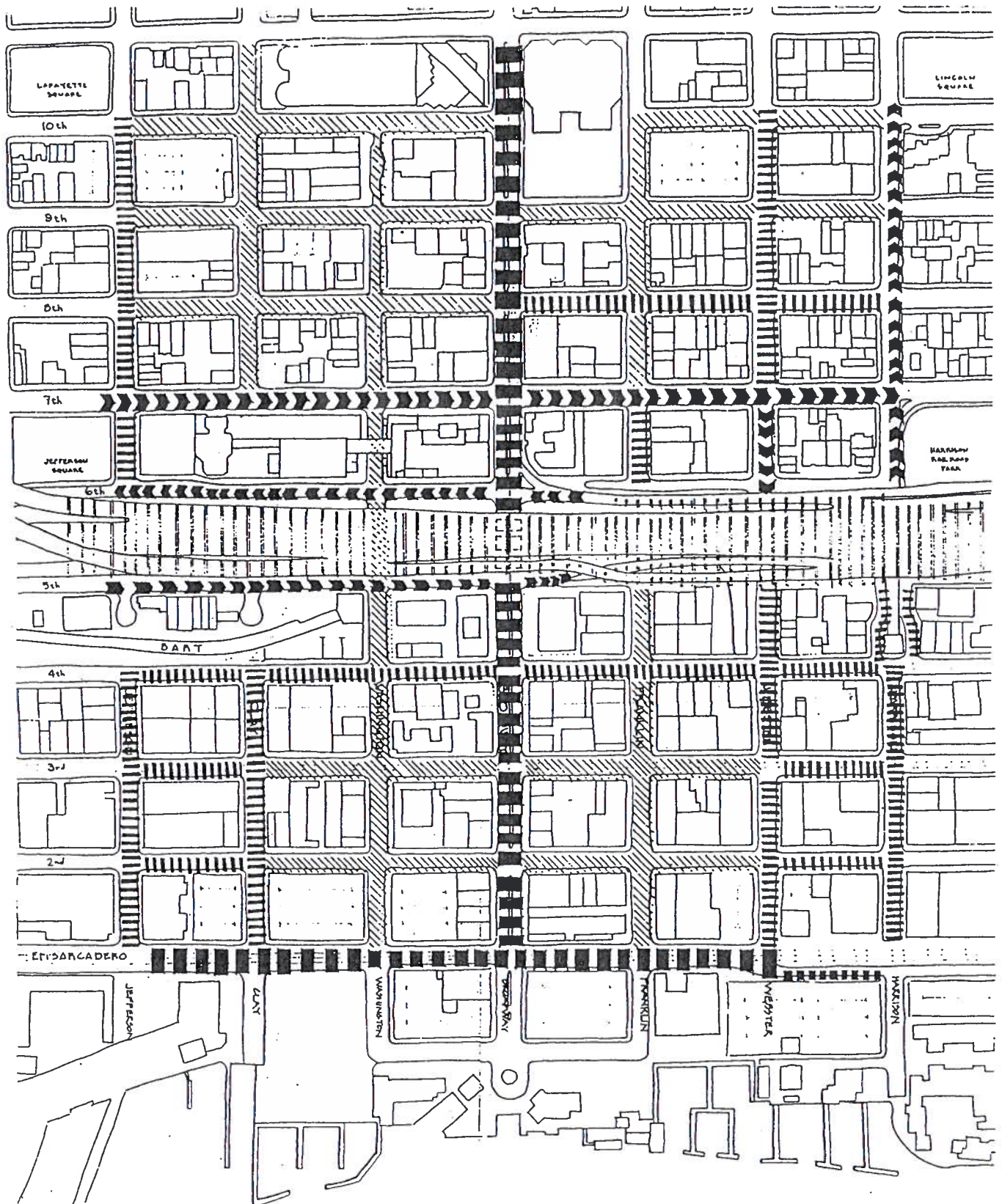
This plan recommends a street hierarchy and pattern of movement which is discussed in this section. The design guideline section also proposes standards of development for the streetscape within the planning area.

## Street Hierarchy






Traditionally, streets have been classified by where they fall in the scale between access and mobility. At one end are the **local access** streets. Their role is primarily to provide public access to the properties along them. At the other end of the spectrum are **limited access freeways**. Their role is move large volumes of traffic between different points within a city, region, or nation. In the middle of the spectrum are **collectors** and **arterials**. Collector streets, as the name implies, collect the traffic carried on local access streets; they also provide some access to properties along them. Arterials are the main routes within a city. their role concentrates on movement and less so on access. Often, the points along arterials at which properties can be entered are restricted.

Circulation system designers have built on this hierarchy of streets in laying out cities, particularly within the last 50 years. The use of curvilinear streets and cul-de-sacs help limit through traffic on local access streets. The recent traffic diverter system in Berkeley and other cities is one way of doing this in a city with a grid system of streets. In contrast, collector and arterial streets have broader right-of-ways and fewer points of access to increase through traffic movement.





# STREET HIERARCHY

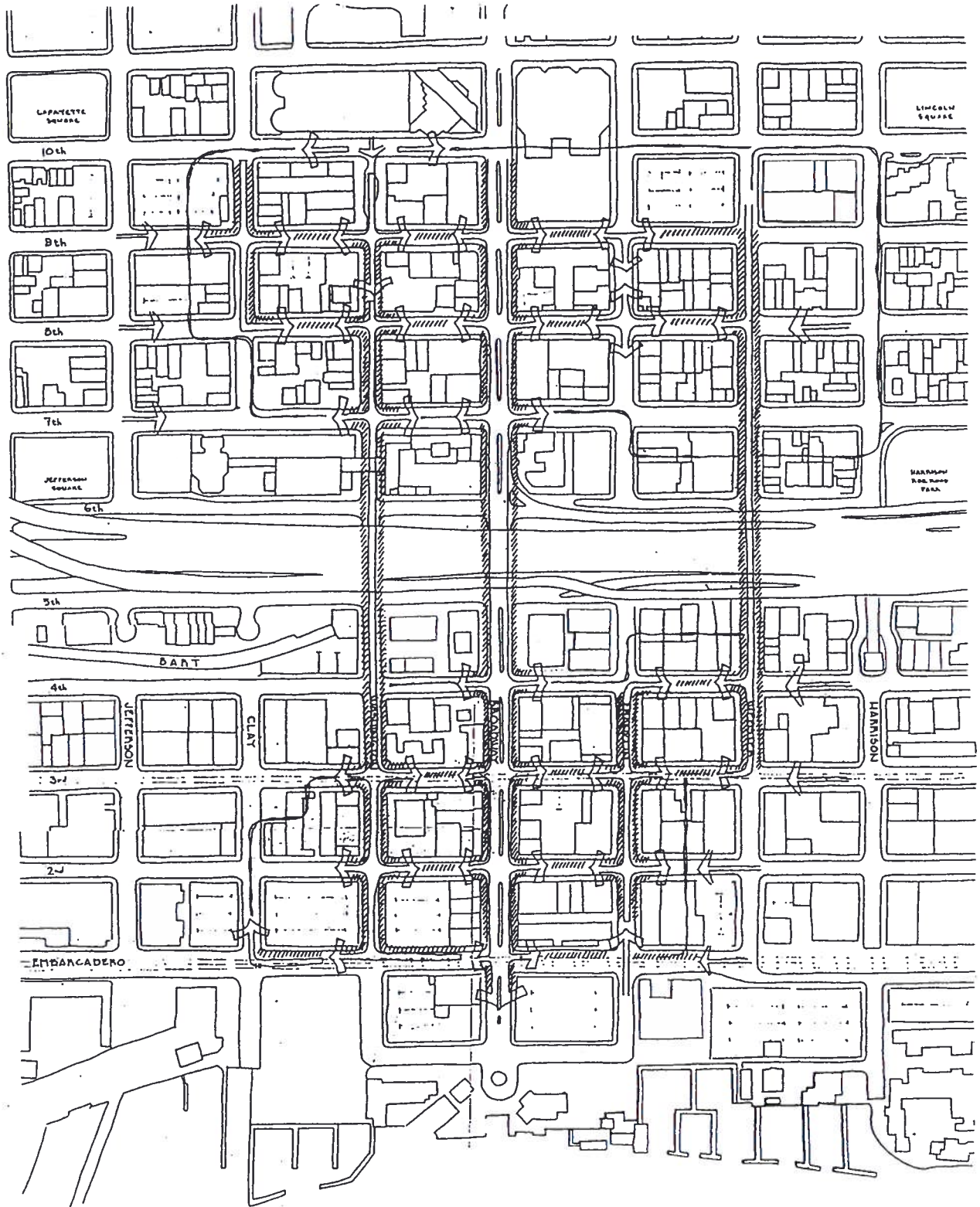
-  1. FREEWAY
-  2. BROADWAY/ EMBARCADERO
-  3. THRU AUTO DOMINANT
-  4. PEDESTRIAN/AUTO EQUAL
-  5. PEDESTRIAN DOMINANT

Earlier street systems have made less distinction among street types. In particular, the regular grid pattern found in downtown Oakland makes little distinction among streets. This grid system is made up of 200 by 300 foot blocks, 80 foot wide streets, and evenly spaced intersections. Only Broadway within the planning area has a wider right-of-way at 110 feet. This increased width reflects its intended role as the main corridor from the waterfront to the city beyond. The longer spacing between intersections on east-west streets gives some emphasis on through traffic over local access there.

The use of one-way streets increases the capacity of streets in an area at the expense of emphasizing through traffic over local and the auto over the pedestrian. Within the planning area, the sub-areas with the highest level of traffic have the greatest number of one-way streets. Streets in Chinatown are almost all one-way. This reflects both an emphasis on through traffic and the need to compensate for the lack of loading docks in the older commercial areas of the city. Without these loading docks, trucks have to stop in the street and would block one or more lanes of movement if the streets were two-way.

### **Pedestrian Circulation**

Pedestrian access and movement are also important parts of the recommended plan. The plan proposes and encourages an increased intensity of development within the planning area. This increased intensity would lead to greater numbers of pedestrians walking. While automobile and pedestrian mixing is not always bad, it can present difficulties. Where pedestrians cross auto travel lanes, there is always the possibility of accidents. This is especially true where no sign or signal establishes a clear priority for pedestrians, at least part of the time. Noise and pollution from automobile traffic, especially trucks, can make walking along a street a distinctly unpleasant experience.



# PEDESTRIAN CIRCULATION

- ↔ PEDESTRIAN MOVEMENT
- ← PEDESTRIAN INFLUX
- //// PEDESTRIAN ACTIVITY

## Policies

Policy 6A: *The City should establish a clear hierarchy of streets within the planning area. This hierarchy of streets should balance access with movement and balance pedestrian with automobile needs.*

This plan designates five types of streets within the planning area:

1. **The Nimitz Freeway.**
2. **Broadway and the Embarcadero.** These streets have a special place in the street hierarchy. Both are major through auto traffic streets, major pedestrian pathways, and design elements that link together the various parts of the planning area and downtown.
3. **Through Auto Traffic Streets.** These streets, while having some role in pedestrian movement and local access, will primarily carry through traffic from one part of the area to another. These streets will especially carry cars to the Nimitz Freeway.
4. **Auto/Pedestrian Equal Streets.** On these streets, through traffic will be limited to that connecting the various parts of the downtown rather than with other parts of the city and region.
5. **Pedestrian Dominant Streets.** These streets will give clear dominance to the movement of pedestrians. They are designated within the centers of greatest pedestrian movement.

Policy 6B: *The design of pedestrian-dominant streets should give clear dominance to pedestrians at intersections and mid-block crossings and should have relatively larger sidewalks. The design should also slow auto traffic speed and emphasize access over movement. Where possible, these streets should be two-way.*

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Policy 6C: *Streets designated for through auto traffic should be located away from high pedestrian activity centers. Those paralleling the freeway should be located as close as possible to it.*

## Design and Development Guidelines

### **Introduction**

These guidelines are for use by the Oakland Department of Economic Development in guiding development in the Broadway/ Nimitz Central Oakland area. The primary objective of this report is to improve the visual quality of the area, to promote economic growth and increase community involvement.

This area is comprised of distinct sub-areas. Four sub-areas—Old Oakland, Chinatown, Embarcadero East, and Embarcadero West—each have distinct social and physical characteristics and therefore in the planning process should be treated as separate but interrelated parts.

In addition to these four already distinct sub-areas this report proposes the creation of a fifth distinct sub-area, the Broadway corridor. This special sub-area will include the street frontages along Broadway and up to one-half of the adjacent blocks.

### **Format**

This report will provide guidelines for each of the five sub-areas with respect to the following topics:

#### **-Urban Design Concepts**

#### **-Physical Characteristics**

- Image
- Facades
- Materials
- Building heights

Additionally, general guidelines for the entire area will address the following issues:

- Streetscape**
- Open space**
- Signage**
- Lighting**
- Parking structures**
- Under freeway space**
- Historic buildings**

## I. The Broadway Corridor

### **Urban Design Concepts**

Although Broadway is the main north-south artery through the downtown area, it does not yet have a strong identity as a central corridor. This problem is due to under-developed or inappropriate land use; a lack of visual interest, visual coherence and spatial enclosure; and poorly designed entries and open space. The points of activity along Broadway (e.g. City Center, Old Oakland, Jack London Square, etc.) are not linked in any meaningful way.

The purpose of these guidelines is to:

- 1) increase pedestrian activity along Broadway
- 2) increase land use intensity on frontages
- 3) to create a central axis for the downtown area which will link the major points of activity
- 4) to create a sense of orientations

### **Physical Characteristics**

#### *Image*

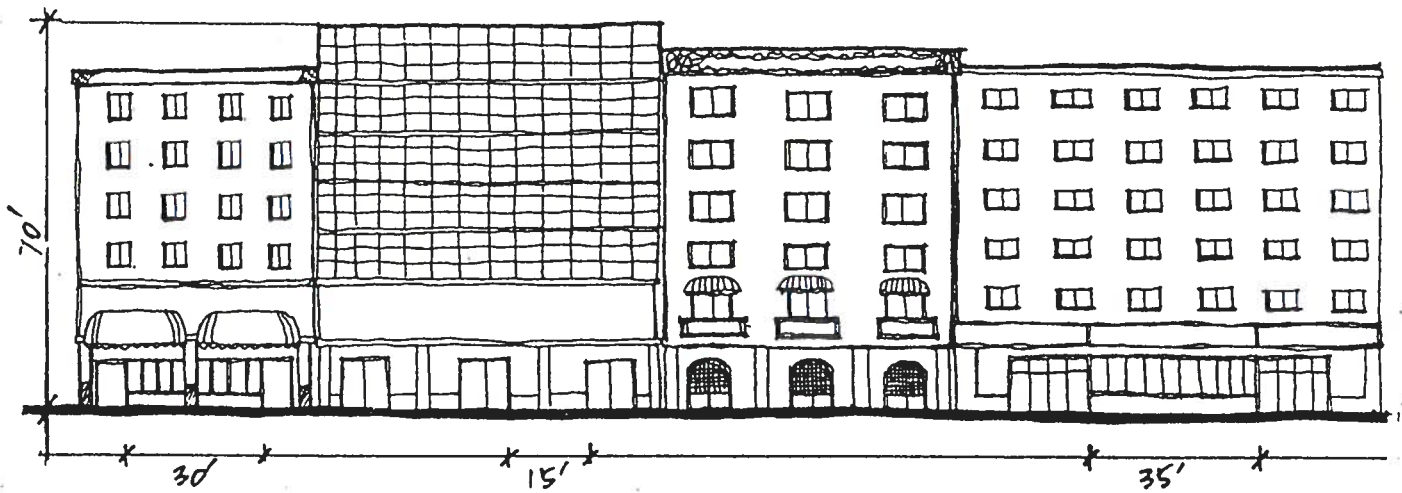
As a main corridor Broadway should convey a sense of activity, movement, and commerce. A mixture of building styles, modern and traditional, line the street. Various modes of transportation—pedestrian, vehicular and transit—converge here, adding to the street's vitality.

#### *Facades*

At street level provide visual interest and pedestrian activity with narrow frontage widths and transparent facades.

Ideally, frontages in the area would not exceed 25'. Larger frontages are acceptable up to 60' if multiple entrances and windows are part of the facade. Entrances are encouraged at closely spaced intervals of 15' wherever possible, however it is also acceptable to have





spacings of 20-40' between entrances if multiple windows are provided.

Upper stories should have an indication of the floor levels.

#### *Materials*

Most standard building materials are acceptable, however materials which compliment the significant historical buildings of Oakland are preferred. Such materials include masonry, brick veneer, wood, and glazed tile.

#### *Maximum Building Heights- north of 880*

Buildings along Broadway north of the Nimitz freeway should be built to give a sense of uniform height. Buildings along the street and up to one-half of the block depth (150') should be 5-6 stories, or a maximum average height of 70'.

Structures of this scale are massive enough to physically enclose the street, yet still allow pedestrians in the street to relate to the upper stories.

In some instances existing historic buildings would prevent a uniform building height, such as in the Old Oakland sub-area. In such instances adjacent buildings should have an intermediate height to transition smoothly from the higher roof line to the lower ones.

Closely spaced entrances encourage pedestrian activity. Where possible, facades along Broadway north of I-880 should maintain uniform heights.

#### *-south of 880*

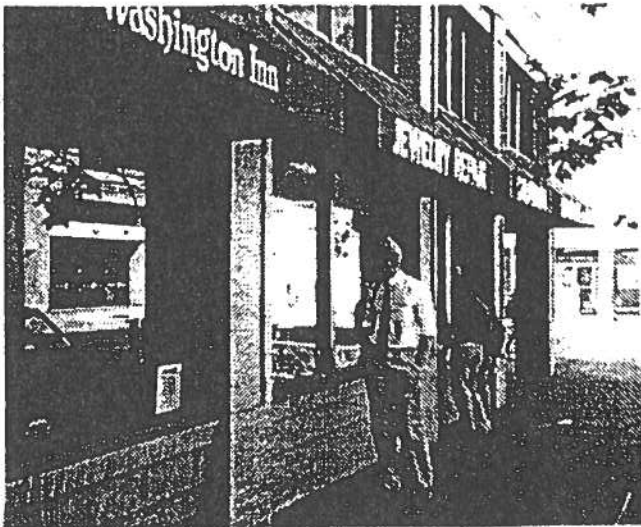
Buildings along Broadway south of the freeway should be of a scale sympathetic with the Embarcadero area and lower than those in the areas north of 880. A maximum of 40'45" is recommended.

## II. Old Oakland

### **Urban Design Concepts**

Old Oakland's close proximity to City Center, the convention center, and Chinatown, as well as its historical architectural character make this sub-area an outstanding opportunity for redevelopment.

The guidelines in this report serve to revitalize the area through expansion of services for the City Center work force and convention-goers, and improved pedestrian links between these activities. Residential projects in the area will serve the City Center workers as well as provide 24-hour activity and a sense of security for visitors to the area.



Transparent facades are desirable in all pedestrian activity areas.



Several significant Victorian buildings in the Old Oakland area await renovation, such as this one on Washington Street near Seventh.

## Physical Characteristics

### *Image*

Old Oakland, as the name implies, has a unique historic character created by the many turn of the century Victorian row-

houses in the area, especially along 8th and Washington Streets.

New developments, alterations to existing structures, or renovations must enhance this existing historical context.

### *Facades*

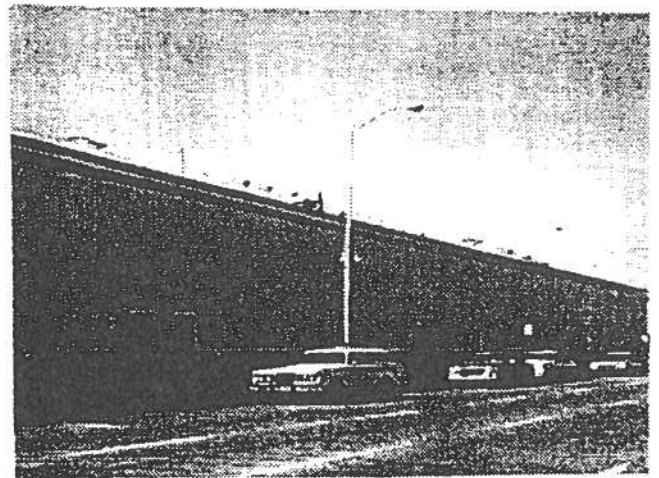
Facades should come to the edge of the property line to keep a continuous street wall.

Facades should not be primarily flat and planer, but should have sculptural elements which protrude beyond the wall plane. Such elements include cornices, pilasters, window mullions, bayed windows, and entrance details. Such elements on the upper stories may project several feet over the property line.

Facades should be divided vertically into bays which correspond to or enhance the rhythm or cadence of adjacent buildings.

When new construction is planned adjacent to significant historic buildings, horizontal lines such as cornices and windows in new buildings should be consistent with the old.

Doors and windows should emphasize the high, vertical proportion of the older Victorian structures.



Housewives' Market is a "worst case" design scenario. The facades have no windows, no protruding elements and are constructed of uninteresting materials.



### *Materials*

Interior finishes and structural elements may be of any appropriate material, but exterior cladding must be harmonious with the historic character of the area.

Masonry, especially red brick, terra cotta, or wood cladding are most appropriate. Materials should have a hand-crafted rather than a machine-made appearance.

Pre-fabricated panels of metal, plastic or concrete are not acceptable cladding materials in the area.

### *Maximum Building Heights-*

The scale of Old Oakland should be preserved to enhance the historic character of the area. Four stories (approx. 45-50') should be considered a maximum.

## **III. Chinatown**

### **Urban Design Concepts**

Oakland's Chinatown is a long-established social and economic center of Asian cultural groups.

Due to current worldwide economic and political conditions Chinatown is experiencing tremendous growth and has become a choice investment area. This area is destined to remain and expand as a vital, active part of the downtown area. If allowed to expand beyond its present limits, this vitality may help re-establish other adjacent areas which are currently underutilized.

Problems related to growth in the area include congestion and displacement of low income residents, including the elderly, as land becomes more valuable and rents increase.

### **Visual Characteristics**

#### *Image*

The area's unique cultural and social character is reflected in its architecture.

The open street fronts allow merchants to display their merchandise on the sidewalks, softening the distinction between interior and exterior, making the combined space one large active marketplace. Noises, smells and visual stimuli are all-encompassing, as overhead signs compete for the attention of passers-by.

Above the activity on the street, buildings reflect the area's cultural heritage, with Asian motifs and colors.



An example of open facades at street level in Chinatown. Also notice how facade reveals the lot size.

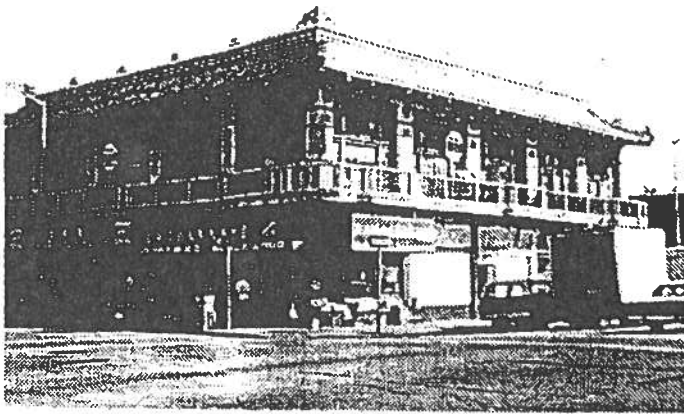
### *Facades*

Facades should be designed to show the module or rhythm of the lot size, which in this area is approximately 25'.

Facades should be open to the street or visually transparent for a large part of their width on the ground floor. Entrances should be closely spaced, from 15-40' spacings acceptable.

Asian architectural styles are appropriate, but should not be added indiscriminately to facades. All elements must combine harmoniously.

Balconies with ornate railings or details are encouraged.



Asian architectural styles are encouraged in Chinatown. Second story balcony adds to image.

### *Materials*

Masonry, stucco, or wood finishes are preferred. Avoid pre-fabricated metal, plastic, or concrete cladding.

### *Maximum Building Heights*

Although increasing land prices in the area may persuade developers build higher, a maximum height of 45' is recommended for the area. This is intended to encourage expansion of Chinatown in an 'outward' rather than 'upward' direction. Higher densities may produce problems such as increased congestion and parking shortages.

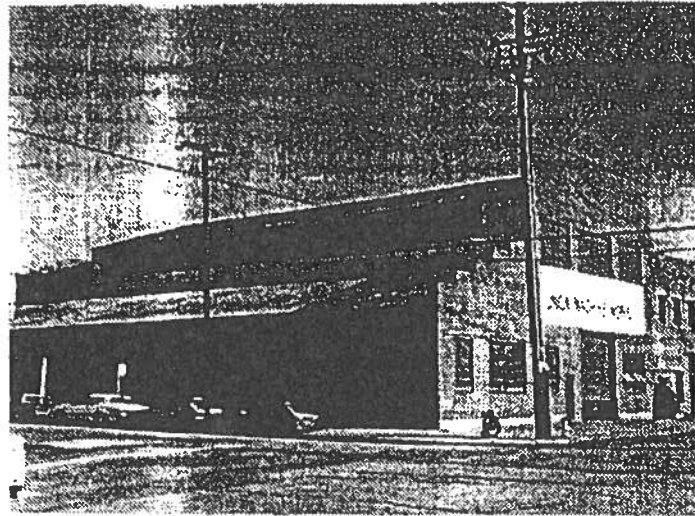
## **IV. Embarcadero West**

### **Urban Design Concepts**

Although the industrial activities in this area may not seem inappropriate, there are other uses for this area which may better serve the residents and commercial interests in the community and attract commerce and growth.

Several home-improvement and discount retail outlets recently opened have shown outstanding success. Lower rents and relatively abundant space for parking make this area quite viable for this type of large retail use. The

availability of large open industrial buildings provide opportunities for conversion.



Typical industrial buildings in the Embarcadero area have significant glass areas. These industrial buildings express strength and permanence.

## **Physical Characteristics**

### *Image*

The area would not be characterized by a great deal of street activity. Workers and shoppers come to particular places to shop. The streets would be uncongested and peaceful, since the Embarcadero West area has the least problem with providing sufficient parking. The adaptive re-use of older industrial buildings retains the historic charms of the area to create a pleasant shopping area.

### *Facades*

Facades may borrow elements from the surrounding architectural examples, many of which are warehouse lofts. These buildings typically include high transoms and large, leaded windows made up of small panes.

Facades should express the structure of the building, exposing the load-bearing columns, beams, and trusses as much as possible.

Decorative protruding elements such as

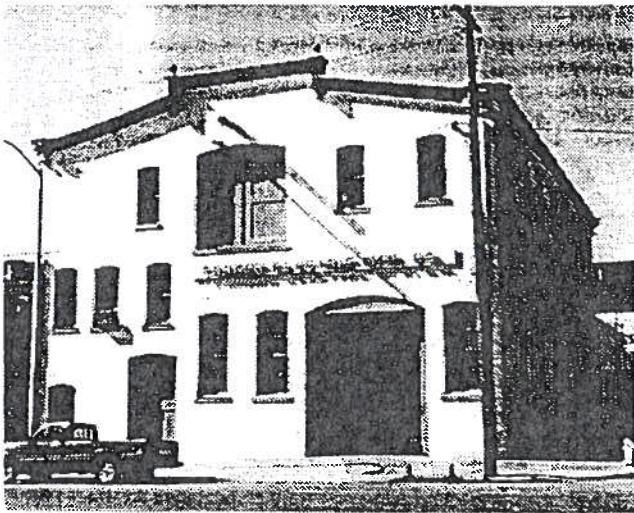
cornices and pilasters are highly appropriate, however planer facades may be equally attractive.

### *Materials*

Materials which express strength and solidity are preferred. Such materials include masonry, concrete block, poured-in-place concrete, heavy timber, iron and steel.

### *Maximum Building Heights*

A smaller scale is preferred for the area south of the freeway to preserve the qualities of openness and light. The maximum building height in the area is 45'.



Lower building heights reduce scale and increase sunlight exposure.

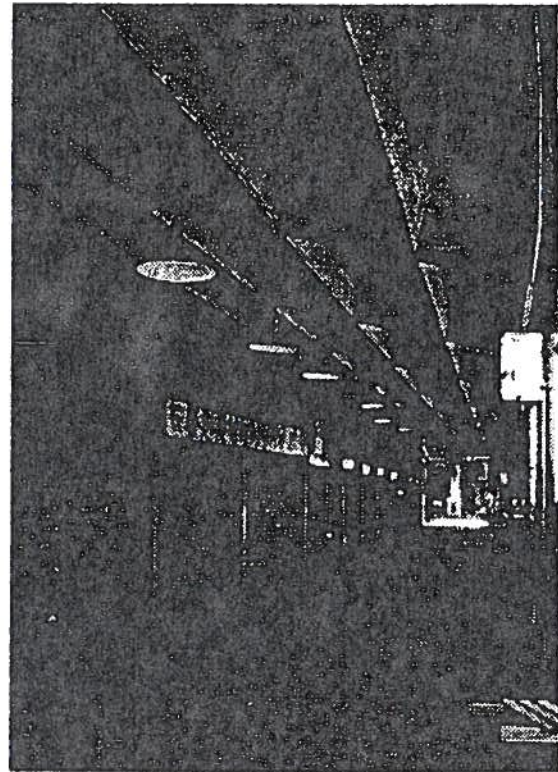
## V. Embarcadero East

### **Urban Design Concepts**

The most unique feature of the Embarcadero East area is the produce market, an intriguing historic area. The produce market is a lively center of activity, however most of this activity is from between the hours of 4 and 9 AM so that few people in the community are able to participate or observe this activity.

With the area's close proximity to Jack London Square the opportunity exists to create a regional entertainment district.

These new businesses would cater to downtown workers, metropolitan residents, and tourists. These uses would compliment the office and industrial uses already in the area.



Covered sidewalks in the entertainment district will enclose cafes and restaurants.

## **Physical Characteristics**

### *Image*

This area is much like the Embarcadero West area in its physical appearance. However much more street activity would be observable as restaurant and club patrons pause to read a menu or hurry back to the office after the ritual one-hour lunch.

The wide covered sidewalks provide enclosure and are the perfect location for sidewalk cafes or open air restaurants, especially considering Oakland's mild climate.



### *Facades*

Most of the frontages in the produce market are open to the street. With the new uses infill walls or rolldown doors will be necessary. As often as possible, do not obstruct the structural concrete columns with new construction. Retain or replace existing corrugated eaves and iron supports.

### *Materials*

Appropriate materials include masonry, concrete block, poured-in-place concrete, heavy timber, iron and steel.

### *Maximum Building Heights*

In the old produce market maintain the one or two story structures. In other parts of the area the maximum building height is 45'.

## **VI. General Guidelines**

### **Streetscape**

Streets are public spaces which in recent decades have been poorly designed or neglected. Beautiful streets may be a source of civic pride as well a means for circulation and a place for social interaction. Street amenities may increase pedestrian by creating a more attractive walking environment.

### *Trees*

A coordinated planting scheme enhances any street. Preserve existing trees and plant additional trees wherever possible, especially along designated pedestrian dominant streets and in pedestrian activity areas.

Extend the current planting scheme to include the following areas:

- 7th, 8th and 9th Streets west of Broadway.

- Clay and Washington Streets from Embarcadero to 8th.

Select hearty, drought-resistant varieties.

Admittedly the proposed trolley system will require removal of median trees. However the benefits of such a system easily justify this sacrifice.

### *Street Furniture*

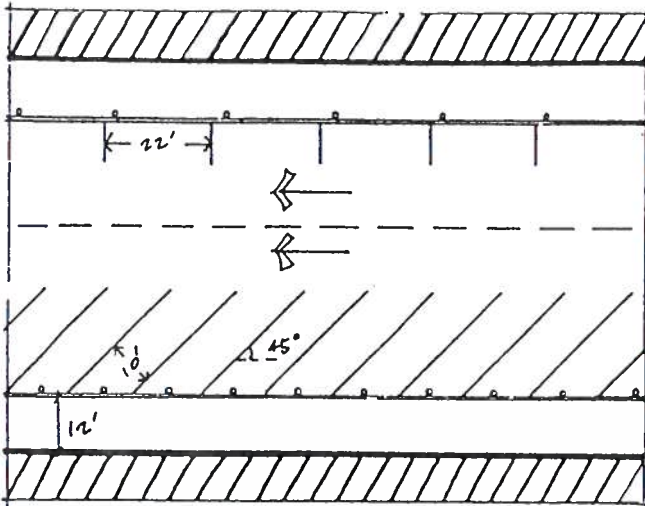
The downtown area is noticeably lacking in street furniture. Benches and garbage receptacles should be provided along major pedestrian routes such as Broadway, 8th and 9th Streets in Old Oakland and Webster Street in the produce/entertainment district.

Street furniture need not be of any particular style, but should be consistent within each of the sub-areas described in the report. Select furniture which is comfortable, attractive, and durable. Benches should be placed to provide a significant view or in a location where there will be a great number of passers-by. Furniture should be placed so as not to impede pedestrian traffic.

### *Street Modifications*

Certain designated pedestrian dominant streets should be modified to create more attractive pedestrian environments and provide more on-street parking for shoppers and visitors to the area.

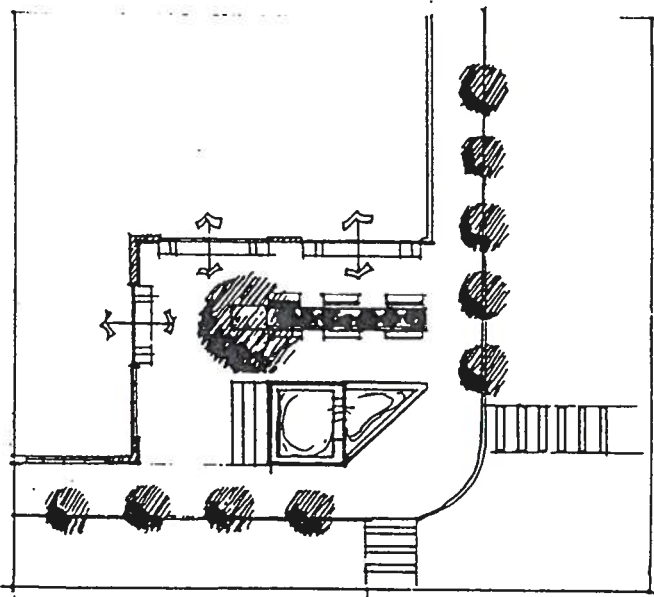
Two lanes of one-way traffic, 45 degree parking and parallel parking should be created on the following streets:  
- 8th, 9th and 10th Streets between Webster and Jefferson.



Typical plan of 45 degree street parking.

### Open Space

Public spaces are often underused if they are poorly designed. Too often designers focus too much attention on the design of buildings and neglect the space surrounding or between them. Open space should not be simply 'what is left over' after the buildings are designed. Rather the public spaces must be carefully designed to be attractive, inviting places for people to gather or rest.



Well designed open spaces take advantage of sunlight and views.

Provide ample seating which faces a significant view. A common pastime is people-watching, and public spaces which are adjacent to lines of pedestrian movement are usually well used. A good place for seating is facing a sidewalk or well used path.

Define the edges of the open space. This may be done with low walls which may double as seating, plantings, paving, or other devices.

Use water features and vegetation to soften the urban 'hardscape.' Water fountains provide a soothing background noise which makes traffic less noticeable.

Provide a barrier when open spaces are adjacent to heavy traffic arteries. Vegetation does not actually block sound but it provides a psychological barrier.

Design public spaces to receive as much direct sunlight as possible, most importantly during the lunch hour and afternoon. Because Oakland is often overcast in the morning, designing to receive morning sun may be less important.

Whenever possible, design open spaces with several entries to encourage pedestrian use.

Place open spaces where they will be overlooked by windows on adjacent buildings. This will provide a sense of security for the users of the space. Never design an open space which will be surrounded by high walls blocking lines of sight into and out of the space.

### Signage

Although signage is important for advertising the location of a business, they often become eyesores and detract from the beauty of an environment. When selecting or designing signage, great care must be taken to integrate the sign into its setting.

Signs should be appropriately sized. This is a function of the distance to the viewer, and whether the sign is meant to attract pedestrians or motorists. Generally, well designed small signs may have a greater impact than poorly designed large signs. Avoid large, gaudy signs.

Signs may illustrate the nature of the business. Simple symbols may at once be quaint as well as readable from a great distance.

Neon signs are appropriate. Lighting of signs is appropriate, especially reflected lighting.

Signs should not block attractive details on the building. They should be positioned to fit in to the architectural composition. When multiple signs are placed on one building, they should be complimentary in style and placement.

### **Lighting**

Lighting is an important part of any urban design plan. At night street lighting provides security and encourages pedestrian circulation. During the daytime lighting elements may serve as decorative elements in the streetscape.

The reinstallation of the antique streetlights along Broadway should be continued to the waterfront. The same or similar fixtures should be installed in Old Oakland and Chinatown. In the Embarcadero area, well designed industrial or 'high tech' fixtures are appropriate.

In the old produce area, retain or replace with close facsimiles the pendant fixtures suspended under the eaves.

### **Parking Structures**

Although in most parts of Oakland parking is not seen as a problem, with increased development in the central downtown area parking space may decrease and the

demand for parking will increase. To avoid a shortage of parking spaces for shoppers parking structures should be developed.

Locate parking structures off of Broadway. Sites adjacent to the freeway are especially appropriate.

Vehicular entries should not impede pedestrian movement.

Allow for active uses at street level in street frontage space. This may be achieved by placing parking above or below grade, or in mid-block lots.

Design parking structures to blend with other buildings. Facades may use horizontal lines such as cornices, 'windows' or other devices. Use attractive cladding materials such as masonry, brick veneer.

### **Under Freeway Space**

Presently the freeway creates a formidable barrier to pedestrians. Several improvements will make this area less intimidating and encourage people to walk between activities on either side.

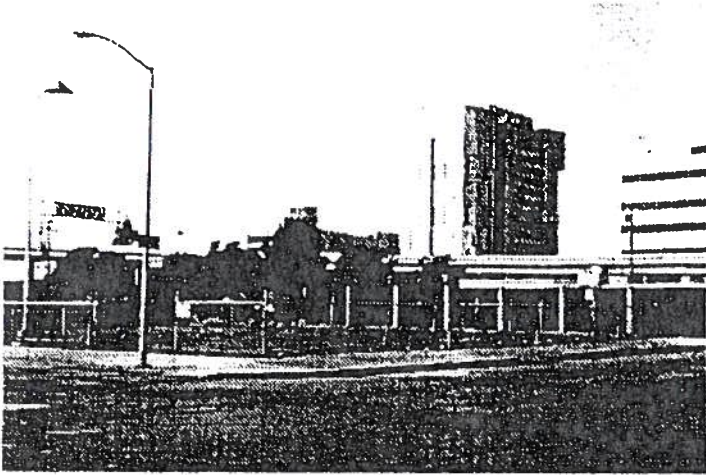
Remove all chain-link fences which surround parking areas. These fences are eyesores, catch litter, and indicate an unsafe environment.

Limit the number of curb breaks to parking areas to reduce pedestrian/auto conflicts.

Reduce the visual impact of parking areas with decorative plantings along the edges. However plantings should not be high enough to completely break the line of sight. Parking areas should be visible from surrounding streets for reasons of personal security.

Decorative lighting, signage, and paving should be used to enhance the area. At night parking areas and sidewalks should be brightly lit.





Chain link fences around parking areas are eyesores.

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### *Alternative Uses*

It is desirable to encourage the development of uses other than parking under the freeway. One proposed use is museum or gallery space. Such uses usually require low levels of direct sunlight which would be damaging to works of art or artifacts. The monolithic freeway supports could become incorporated into an interior design scheme. Sound isolating construction could mitigate traffic noise.

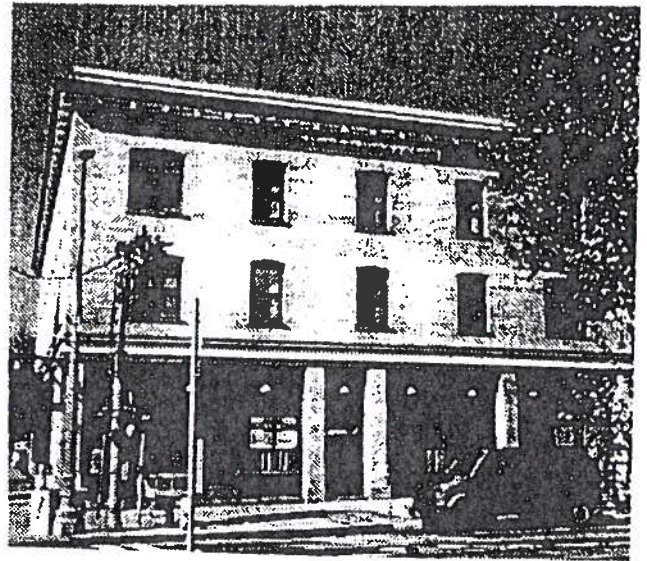
### **Historic Buildings**

The many significant historic buildings in the area add character and a sense of time and place. Whenever possible preserve and restore older structures even if this incurs a higher cost than new construction. It is not necessary to meticulously replicate every detail to its original condition. What is most important is to respect the simple integrity of the original design.

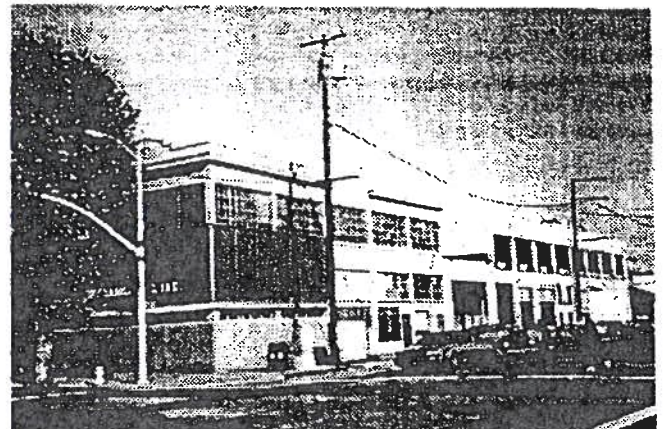
Preserve as much of the original facade as possible, including ornamentation (if still in place), transom, cornice, and other elements.

If cladding has been applied over original surfaces it should be removed.

Additions to historic buildings should retain original proportions and materials.



The Overland Station is a fine example of careful restoration.



Remove siding which conceals the original design.

## PROPOSED FIRST PHASE PROJECT

An important component in the success of any downtown is the inclusion of housing opportunities. A quick look at any major city with a successful downtown core will reveal a mix of housing opportunities. Across the bay in San Francisco is an excellent example. From the expensive townhomes of North Beach to the affordable housing available in Chinatown, the people who live in the city support local businesses and create the vibrant, eclectic atmosphere which makes San Francisco a desirable place to live, work and play.

The development of Downtown Oakland likewise should include housing opportunities. Central city housing not only provides convenient living situations for downtown workers but a level of support for local business as well. As more people choose to live in the city, new opportunities for business growth occur, increasing the attractiveness of the city. Inner city residents give the city its life.

Proof that this concept works is beginning to be seen in Oakland's Chinatown district. This area is the most healthy and vital part of Downtown Oakland. Much of this activity stems from the growth of residential uses in Chinatown. It is estimated that over 5,000 Asians live in or near Chinatown. These residents provide market support for the many thriving businesses in the district. However, there would easily be more people living in the district were it not for a shortage of housing opportunities. Over the last twenty years Chinatown has suffered a net loss in housing units. This has led to increasing housing costs. Rents range as high as \$700 for two bedroom apartments and 2 bedroom condos sell for as much as \$140,000. Despite these price levels, new housing units are highly sought after in Chinatown. The Phoenix Plaza development contains 42 condos and all have been sold prior to completion. These trends indicate both the need for and desirability of downtown housing.

There are other indicators of this need. In its projections of major demographic trends for the twenty year period 1985-2005, the Association of Bay Area Governments (ABAG) finds that inadequate housing production is the most persistent and serious obstacle to the health of the Bay Area's economy. Furthermore, ABAG found that the northern area of Alameda County, including



Oakland, would lag far behind the rest of the county in providing housing for its residents and workers. ABAG predicted the addition of 12,700 new households in Oakland by 2005 while most of the new housing will be built in areas outside of Oakland. By 2005, Alameda County will have a shortfall of 16,270 units, 80 percent of which will occur in the Northern third of the county. Recent estimates of vacancy rates in downtown Oakland may support some of these projections.

In November of 1987, the Federal Home Loan Bank Board survey of housing vacancy indicated an average vacancy rate for downtown Oakland of around 1-2 percent. This indicates the shortage of housing in the area as reflected by rising rents.

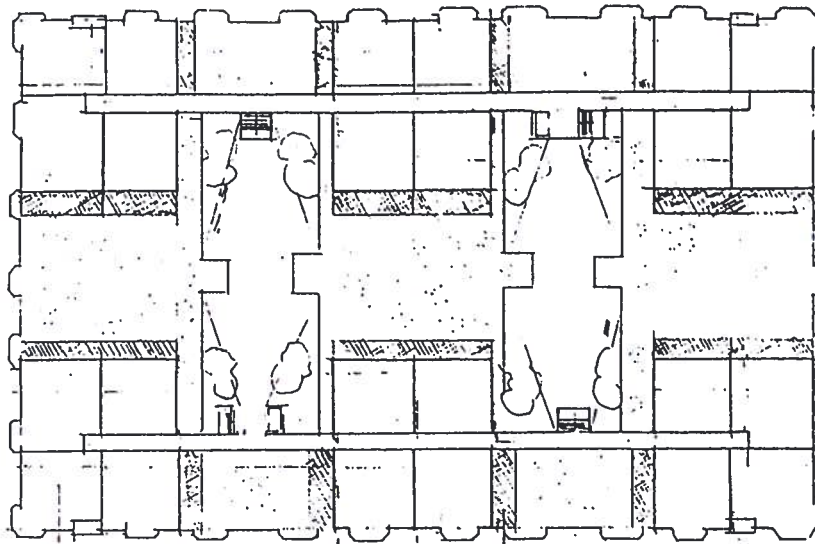
Based on these trends and the desirability of central city housing, we propose the development of a mixed use project in the Old Oakland section of the city. The project would include both affordable and market rate housing, retail space and parking. The parking would include space for the residents as well as public parking space. The site is located across from the Housewives's Market and Swan's, bounded by 10th, 11th, Jefferson and Clay streets. It is currently being used as a parking lot.

### **Project Description**

The proposed design consists of retail space at the street level surrounding a split level parking structure. Entry to the parking areas are located on Jefferson and Clay Streets. One entry would provide access to residential parking while the other, located across from Swan's Market would provide public parking to patrons of the local businesses, reducing the impact of intense development on the surrounding area. The upper three levels consists of a mix of affordable and market rate studios, one and two bedroom units.

The project will be designed to enhance the existing character of the Old Oakland district. Maximum height would be four stories or about fifty feet. Glazing, storefronts and exterior walls would be designed to complement the restored Victorians nearby.

Entries to the residential units are located on 9th and 10th streets. Residents ascend to one of two central courtyards located above the parking garage. The courtyards provide open space for rest and relaxation as well as recreation for small children. Central units open onto the courtyards and peripheral units face the street. The project would consist of 124 residential units, 27,200 square feet of retail space and 184 parking spaces. The residential units would range in size from 500 square foot studios, 700 square foot one bedroom units and 900 square foot two bedroom units. The top floor would consist of higher priced two bedroom units only. They would be provided with roof decks and would have excellent views.

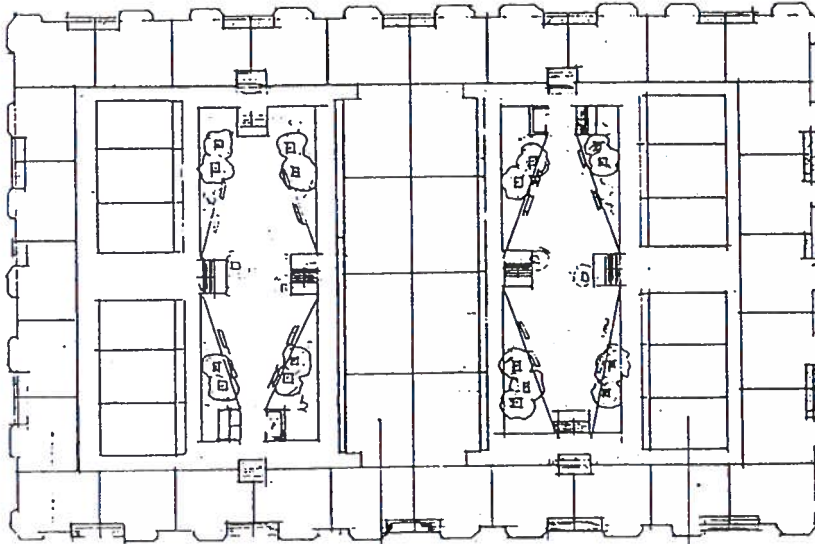


5

THIRD FLOOR  
RESIDENTIAL PLAN

2 BDRM (2400 S.F.)

ROOF DECK



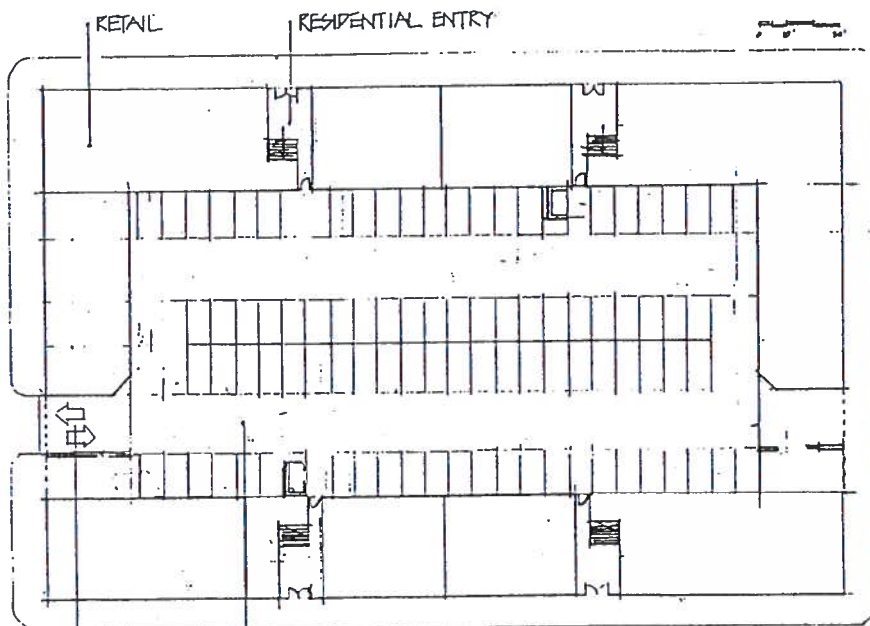
1-2

FIRST & SECOND  
FLOOR RESIDENTIAL  
PLAN

1 BDRM. (3000 S.F.)

2 BDRM (5000 S.F.)

STUDIO (1200 S.F.)

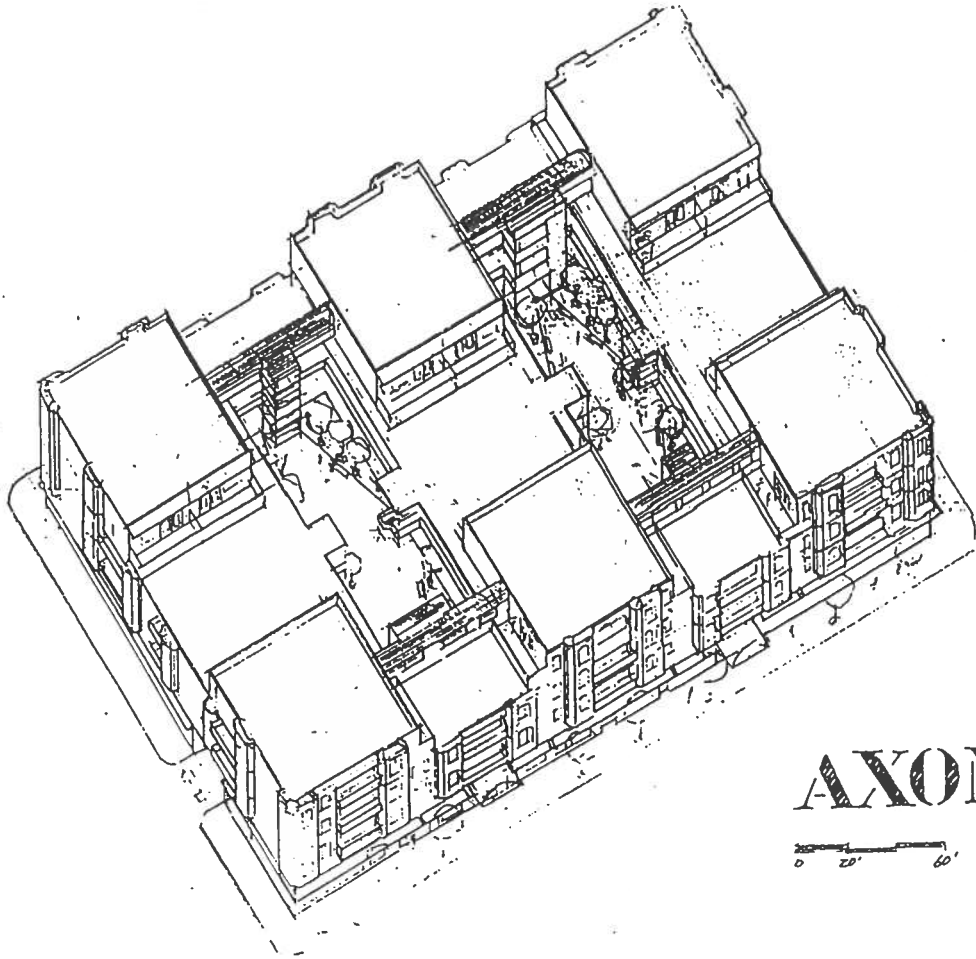


G

GROUND FLOOR  
RETAIL  
PARKING

RAMP ENTRY

PARKING - 2 LEVELS @ 91 SPACES EA.

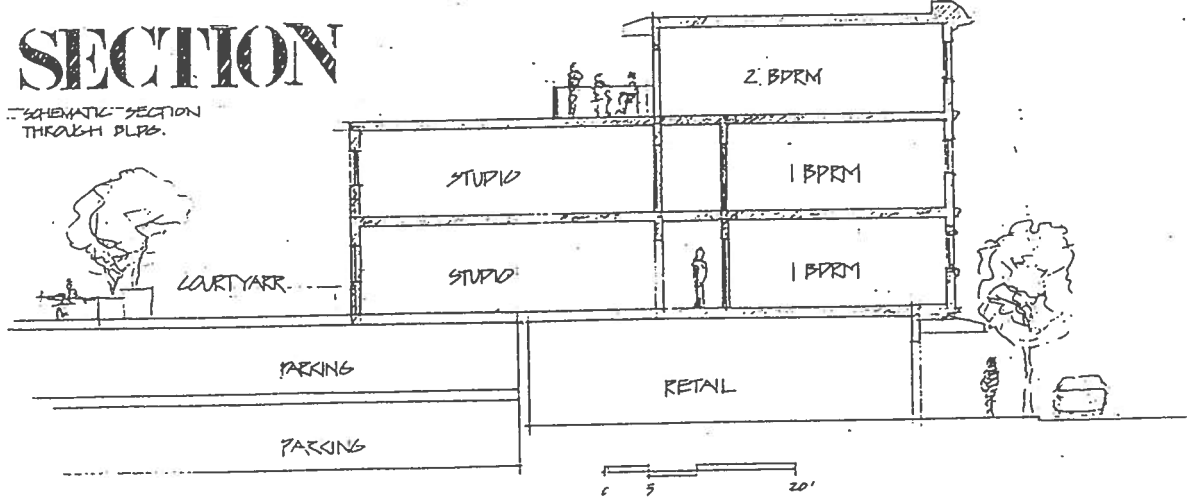


**AXON.**



**SECTION**

SCHEMATIC SECTION THROUGH PLPS.



**SO.**

SOUTH ELEVATION  
FACADE STUDY

The mix of units is as follows:

	<b>Floor Studio</b>	<b>1BR</b>	<b>2BR</b>
1		Retail and Parking	
2	12	30	8
3	12	30	8
4			24
<hr/>			
<b>Totals:</b>	24	60	40

<b>Units</b>	<b>Quantity</b>	<b>Size</b>	<b>Total</b>
		(Sq.Ft.)	
Studio	24	500	12,000
1BR	60	700	42,000
2BR	40	900	36,000
Retail			27,200
Parking	184		62,400
<hr/>			
<b>Total</b>	124 (Residential)		189,600

### Financial Analysis

This proposal includes an in-depth financial analysis of three possible scenarios for the first phase project. Several assumptions have been made concerning

these scenarios which range from best case to realistic to worst case. Following a discussion of these assumptions is the pro forma from the "realistic" scenario. The results of this pro forma will be analyzed and compared with the results of the best case and worst case scenarios.

**Land Costs:** Using recent sales in the area as a reference, land costs for the 60,000 square foot project site are estimated at \$50/Sq.Ft. This reflects the price recently paid for this site in the acquisition of Swan's Market. This is the highest price and is included in the worst case scenario. Under the realistic scenario, the land is valued at \$30/Sq.Ft. This assumes that the most recent sale of this land in a deal which includes Swan's Market does not indicate the true value of the site but rather reflects the value of Swan's. While \$30/Sq.Ft. may not be the actual value of the land it may be more realistic than \$50. Finally, the best case scenario eliminates the land cost on the assumption that the city will write down the cost of the land for the proposed development.

**Hard Costs:** Hard Costs were derived from estimates found in Mean's Square Foot Costs: 1988. Common Area costs are lower than unit costs due to the reduced level of finish. Retail costs are also lower as Tenant Improvements will be added to build out the shell space provided.

**Soft Costs:** Permits & Fees are based on estimates provided by The City of Oakland. Architectural and engineering fees are estimated at 5 percent, slightly on the low side of estimates provided by local firms. The worst case scenario assumes a 10 percent developer's fee which is reduced to 5 percent in the realistic and best case scenarios. The contingency is 10 percent in the worst case, 5 percent in the realistic scenario and eliminated in the best case scenario. It is felt that a contingency will automatically be used if it is provided and in a tightly budgeted project should be kept off the books.

**Construction Financing:** There is little flexibility in this factor and the 10 percent interest rate is held constant for each scenario. Calculations for interest costs assume the first three months would absorb 1/8th of the loan, the next six months 1/2 of the loan and the final three months 3/8ths of the loan.

**Permanent Financing:** In the worst case the project would be financed using a standard fixed rate loan amortized over 30 years at a market interest rate of 10.5 percent. The realistic scenario is similar except for a slightly reduced interest rate (9%) achieved with the help of a guarantee provided by the city. In the best case the project would be financed through a tax exempt bond issue providing a below market interest rate of 6 percent.

**Rental Rates:** The following table displays the rents assumed in each scenario.

Scenario	Studio	1BR	2BR	Retail Pkg.
Low Income	\$365	\$418	\$522	
Worst Case	\$400	\$550	\$650	\$1.25 \$25
Best Case	\$500	\$650	\$800	\$1.50 \$40
Realistic	\$450	\$625	\$750	\$1.30 \$30

Retail rents are per square foot per month. Parking rates are per space per month.

Since this project includes 26 units of affordable housing, these rents remain stable throughout the scenarios. In the worst case scenario, the market rate rents are similar to those charged in less desirable projects in downtown Oakland. The realistic rents are similar to those in Chinatown and other more desirable areas in or near downtown Oakland. The best case assumes rents only slightly higher than those used in the realistic scenario. Rental rates for the commercial space are similarly adjusted with the realistic scenario reflecting current rates in Old Oakland. Rent for parking in the realistic scenario reflects the figure charged by some apartment buildings in downtown Oakland. This calculation is probably conservative given the higher rates which could be charged for the public parking.

**Inflation Rates:** Each scenario assumes inflation in rents and expenses throughout the period of analysis. In the worst case inflation rates are low and the rate for expenses exceeds that for rents. The realistic case assumes rents increase faster than expenses and reflects current inflation rates. The best case assumes higher inflation rates, particularly those for rents.

**Tax Credit Analysis:** Since this project provides affordable housing at below market rents, our proposal assumes the project will qualify for both Federal and State Low Income Housing Tax Credits. The eligible basis includes hard costs, soft costs, land costs and construction loan costs. The qualified basis equals that portion of the eligible costs multiplied by the percentage of square feet or the percentage of units (whichever is less) set aside for affordable housing. In order to be considered affordable, the rents cannot exceed 30 percent of 50 percent of the area median income. This formula provided the rents for single, two and three person households as reflected in the pro forma.

Once the qualified basis is determined, the Federal Low Income Housing Tax Credit (LIHC) provides a tax credit of 9 percent of this basis per year for ten years. The State LIHC allows a 30 percent tax credit over four years. Since the purchaser of these credits may not be able to fully utilize them, they are sold at a discount, 13 percent for the Federal credits and 20% for the State credits. The sum of these credits is then discounted at a 10 percent cost of capital to arrive at a present value. This figure represent the value of these credits to an investor with sufficient income. These credits may be syndicated and this analysis assumes that the funds from this syndication will be used to write down initial development costs.

**Expenses:** Expenses range from 50 percent of effective gross income in the worst case to 40 percent in the realistic case to 35 percent in the best case. Actually, these figures are applied to residential income only. Since the retail space is leased on a triple net basis, expenses are reduced to 5 percent of effective gross income. The same calculation applies to parking income.



## Results Of The Analysis

Included as an appendix to this proposal is the "realistic" pro forma. Based on the assumptions discussed above, the developer's initial equity in the project would total \$1,068,244. Due to the high costs of the land and development and the inclusion of affordable housing, the project produces a negative before tax cash flow in year one of \$243,420. Negative before tax cash flows continue until year six, when the project generates a positive before tax cash flow of \$39,132. Positive before tax cash flows continue and grow through the ten year analysis period to \$323,655.

Although the negative before tax cash flows appear to kill the project, the true benefits are realized in an after tax cash flow analysis. Assuming the maximum corporate tax rate of 34 percent, after tax cash flow is a positive \$353,513 in year one. This is based on the assumption that the project's ownership entity will have taxable income of at least \$1,755,683 (paper losses) in year one. In any case the project would break even after taxes if the ownership entity had taxable income of at least \$715,941. After tax cash flows rise to \$656,792 by the tenth year.

This analysis also assumes sale of the project in the tenth year. At a 10 percent cap rate the project's NOI yields a sale price of \$21,236,336. Net proceeds following a 5 percent cost of sale are \$20,174,519. This figure produces an after tax gain on sale of \$5,837,899. Combined with after tax cash flow from operations, total after tax cash flow in year ten equals \$6,494,692.

As indicated on the pro forma, the net present value of these after tax cash flows discounted at 10 percent is a healthy \$4,074,657. Internal rate of return is an amazing 44.05 percent. Since IRR assumes that cash flows are reinvested at the calculated rate, this figure is unrealistic and should be adjusted using the FMRR calculation. FMRR provides a more realistic rate of return by assuming that cash flows are reinvested at a risk free "safe" rate. It also allows the elimination of future negative cash flows by compounding previous positive cash flows.

Under these assumptions the FMRR for this particular project is a very positive 22.2 percent. This is a more realistic figure and indicates the true potential for the success of this project.

As expected, the results produced by the worst case scenario are dismal. Before tax cash flow in year one is a negative \$773,360. This figure is reduced to a negative \$629,548 by year ten. This would obviously be too risky an undertaking for any investor. Interestingly, the large losses provide a significant tax shelter. After tax cash flows are significant and produce an IRR of 77.57 percent. However, the riskiness of the project is indicated by the FMRR of only 7.67 percent. At this low return the investor is much safer investing at the risk free rate.

Finally, the best case scenario produces the most pleasing results. Before tax cash flow is a positive \$352,197 in year one. This figure grows to an attractive \$1,408,209 by year ten! IRR for the best case weighs in at an unbelievable 68.45 percent! FMRR is also an incredible 38.45 percent. Obviously this scenario is very pie-in-the-sky. However, it does indicate the presence of considerable upside potential with this project.

## **Conclusions**

Housing is an important factor in the comprehensive revitalization efforts of any central city. Many cities derive significant benefits by having a reasonable supply of housing affordable to a variety of residents in their central cities. The current revitalization plans and trends for Downtown Oakland should also include housing. This analysis indicates the feasibility of developing housing. It provides both affordable and reasonably market rate housing in an area which is expected to experience considerable growth and revitalization. In addition, there is a possibility of significant return for the right investor committed to this concept and backed by the city.

Hopefully this analysis provides a promising example for developers, planners and designers committed to reviving city living in Oakland.

## **PROTOTYPES**

The following section outlines prototypes that could put the goals, land use and circulation policies, market analysis, and design guidelines into effect. They are not detailed designs for projects. Instead, they illustrate potential designs and schematic representations of development ideas for particular sites within the planning area. These descriptions of our prototypes also cite some of the basic yet fundamental market foundations for our suggestions and proposals.

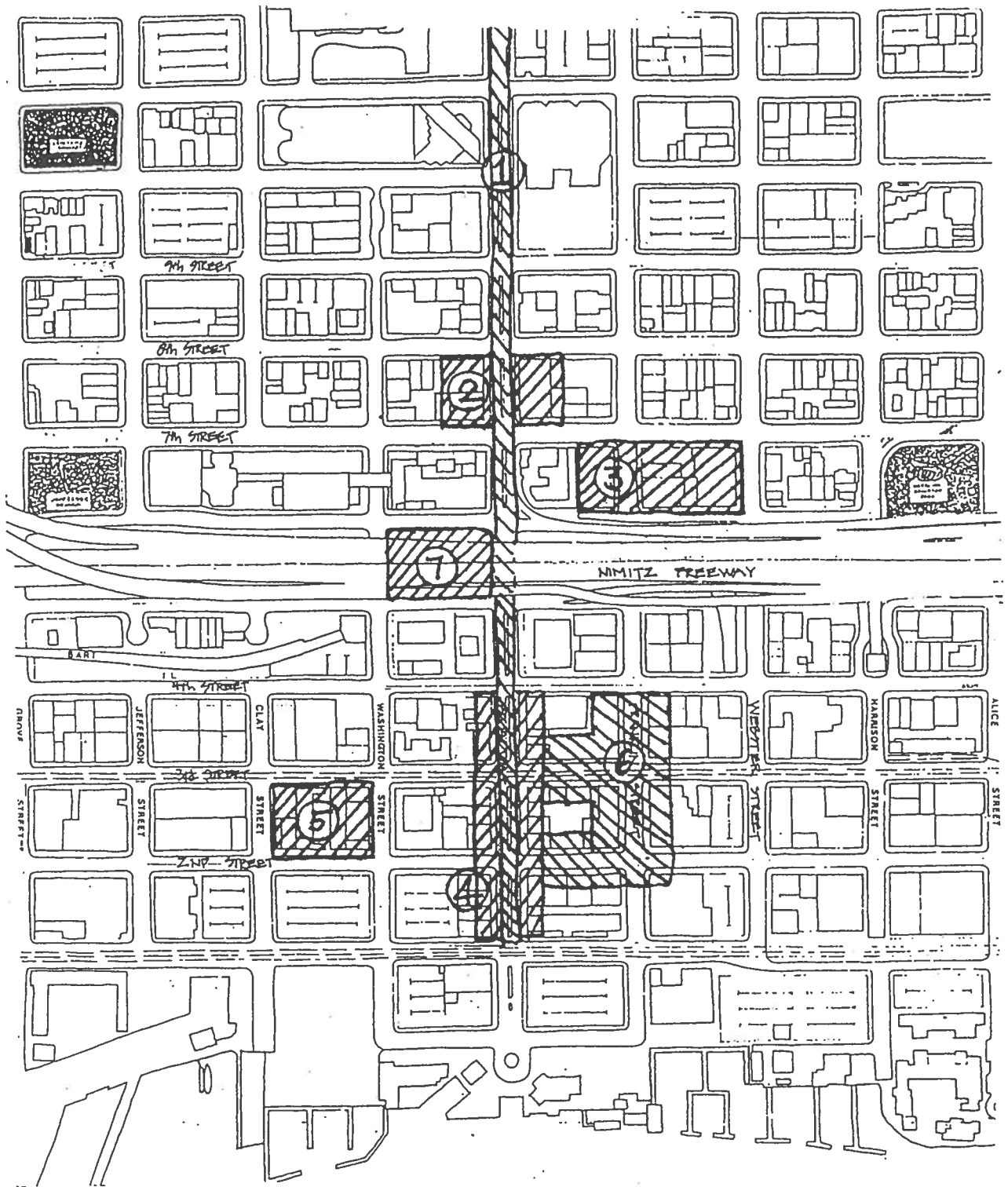
### **1. The Broadway Trolley**

We would like to propose the construction of a fixed rail trolley along Broadway from the Lake Merritt area to Jack London Square. This proposal will provide several important benefits to Oakland. It will provide a physical as well as a psychological link between the central city and the waterfront. It helps identify the waterfront as a destination and increases access to the area, allowing more people to enjoy the amenities of the city. It increases the continuity of Broadway and supports the concept of this street as a corridor and as the main spine of the CBD. Furthermore, it would help create a more cohesive and sophisticated urban environment. It improves the transportation base of the city and possibly could be expanded to meet future mass transit needs.

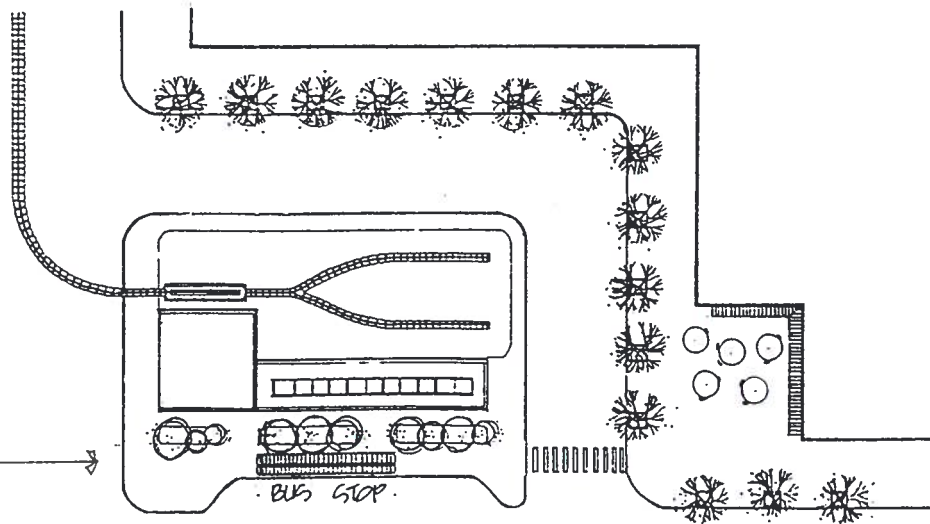
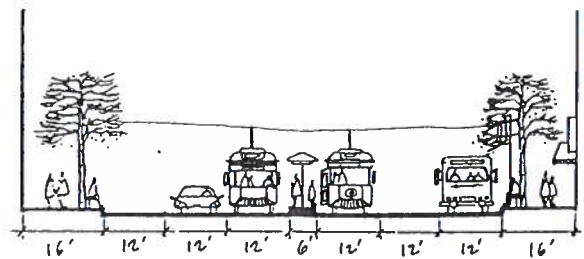
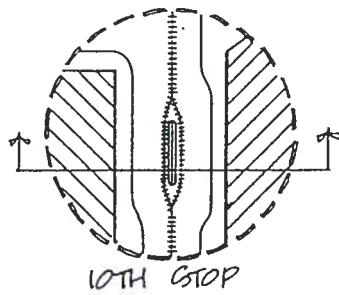
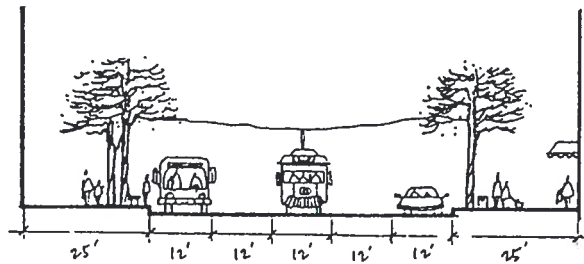
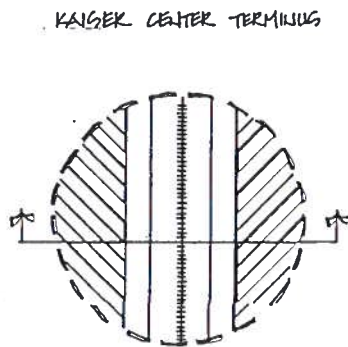
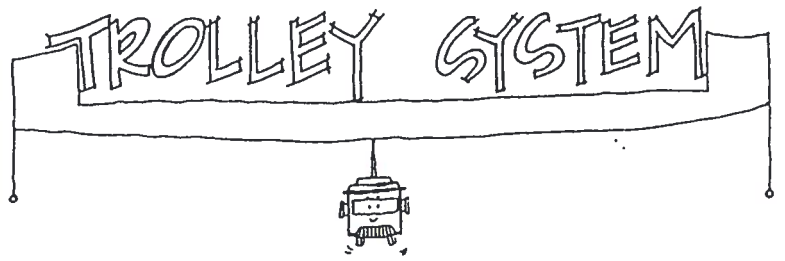
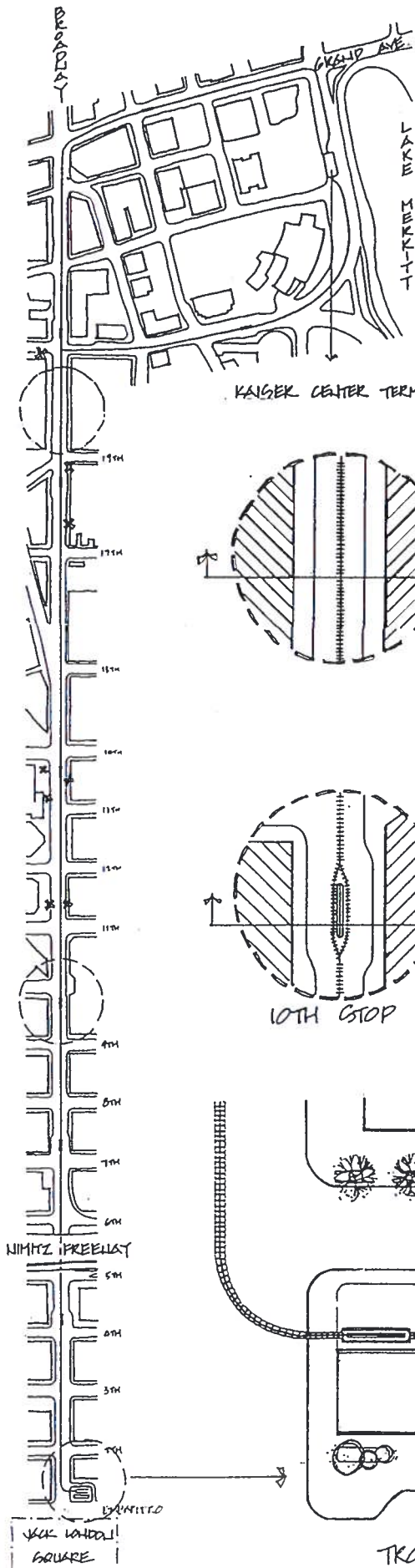
It is difficult to estimate the costs of such a project. There are no truly similar projects in the U.S. Depending on quality and design, costs could range from a low of \$2 million per mile to as high as \$9 million per mile. It is also quite difficult to estimate the monetary benefits of this type of project. On the other hand, the social and psychological benefits of this project would be significant.

### **2. Higher Density On Available Sites Along Broadway**

We would like to see increased density of use on the remaining sites along Broadway north of I-880. This would enhance the continuity of development along this important thoroughfare. It helps focus on Broadway as the corridor,



# PROTOTYPES SITES



TROLLEY TERMINUS AT JACK LONDON SQUARE 1:30

the central spine of the city. It makes for a more uniform scale of mass and structure.

We feel that there is sufficient market activity for the justification of this proposal. This is mainly a design guideline and it is easily justified by a quick look at the scale of most of the buildings along Broadway. Recent land sales in the \$200 per square foot range also support the need for the proposed high density development. The development of sites adjacent to those along Broadway in a high density manner further support our suggestion. An example is the Phoenix Plaza development where the sale price of housing units ranges from \$100 to \$140 per square foot and retail space may go for as much as \$275 per square foot. These numbers demand that additional development be more intense and squeeze the highest value from the land.

### **3. Chinatown Expansion**

The current success of Chinatown leads us to support the expansion of this vital and exciting section of downtown Oakland. We would like to encourage the expansion of Chinatown up to and along Broadway. This will increase the level of street activity on Broadway and help attract more visitors and activity. We also encourage the expansion of Chinatown across Broadway along 7th and 8th streets. This would increase the vitality of this somewhat dead area and improve street level activity.

The current success of this area precludes the need for further market justification. The rents mentioned in the market justification are one indication of the level of activity in Chinatown. As mentioned by Ted Dang of the Chinatown Chamber of Commerce, these prices are forcing businessmen and residents to look outside the traditional district. Some of the lots along 7th and 8th, an area we see as ripe for Chinatown's expansion, are already owned by Asian entrepreneurs. The presence of some Asian businesses in this area also indicate expansion. Also, the level of current and planned development in and around Chinatown suggest that the area will continue to expand. Construction recently began on the Pacific Renaissance Plaza. This project will include

10,000 square feet of retail space, a 24,000 square foot cultural center and 200 condominium units.

#### **4. Broadway Retail South of I-880**

This is another area where we propose the enhancement of existing and successful uses. The short stretch of Broadway between I-880 and Jack London Square already consists of restaurants, offices and retail and we propose to support that use. This use helps serve as a gateway to the entertainment and retail district at the waterfront. It indicates the character of the area and improves the linkage along Broadway.

Our proposal is feasible in that it complements the planned uses in the area. As the South of Nimitz area improves, the uses along this stretch of Broadway will upgrade in quality but retain their character. The development of Jack London Square into a food and entertainment destination should enhance the upgrading of these uses.

#### **5. Cost Plus/Discount Retail Area**

Another area where we hope to capitalize on current successful trends is the retail area including Cost Plus, The Ironworks and C. Markus Hardware. We would like to encourage the development of this area into a discount/home product retail area. As discussed in the market justification, Oakland presents beautiful opportunities for growth in retail services. We feel this is an excellent location for further retail expansion, especially of the discount and home furnishing nature. Our ideas are very in-tune with the existing market. The Cost Plus store has the second highest sales volume of the entire chain. The Bed 'n' Bath store is the sales volume leader in its chain. In addition, Terranomics, the developer of the Ironworks where Bed 'n' Bath is located, owns additional land and buildings in the area. This is a further indication of market potential for the Discount/Home retail concept.



## **6. Produce Market Entertainment District**

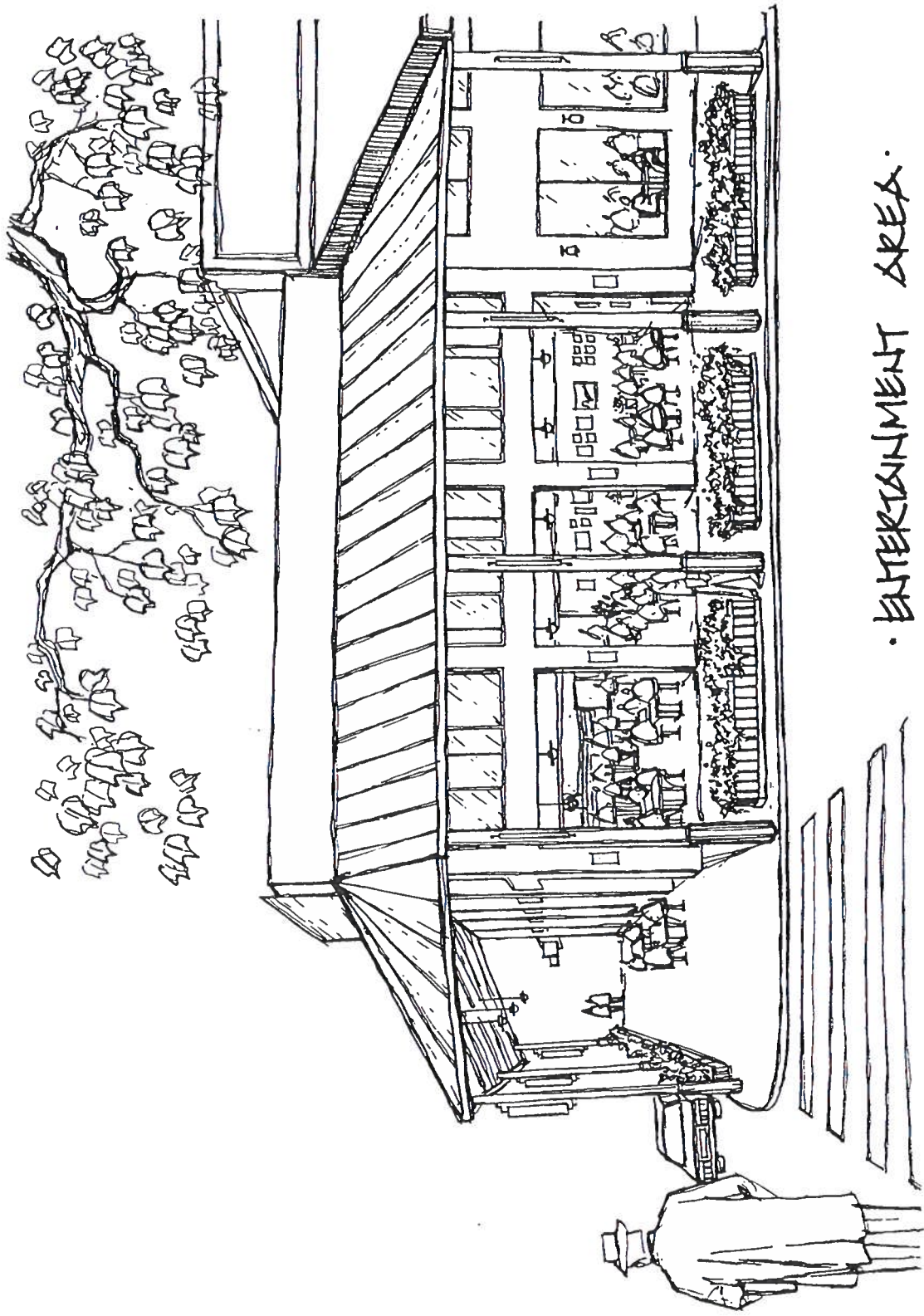
We would like to propose a new use for the produce market area, that of an entertainment district. This concept would take the existing structures and improve them for use as restaurants, nightclubs and theatres. Again we hope to capitalize on current market trends in the area. Adjacent land uses, including the growth of the office market and the Port of Oakland's Jack London Square project will continue to drive rents upward and the produce market will no longer be a viable use.

Much of the land uses around and within the produce market area are evolving from the traditional wholesale uses to more profitable and efficient uses such as office, retail and restaurants. This area could support a mix of uses including restaurants and night clubs with live music and dancing. In addition, we would like to see the inclusion of live and/or movie theatres. An eclectic mix of evening entertainment opportunities would add to the attraction of the area and complement existing and planned uses. This would increase the number of people patronizing the waterfront district, providing additional support for planned uses.

Several market factors and characteristics support this proposal. The area is already experiencing a growth of office and restaurant activity. The last few years have seen major increases in the amount of office space in the area and office development has approached and infiltrated the produce market. Total office space south of the Nimitz Freeway exceeds 625,000 square feet (Market St. to Livingston). Although overall vacancy is about 28%, it is somewhat lower in our study area. Vacancy rates will continue to fall as absorption remains steady while the addition of new space slows. Current rents range from \$1.00 to \$1.25 per foot per month effective. Asking prices for existing product are approaching \$100 per square foot.

In light of these trends there is little possibility of the produce market remaining a viable use. As rents rise the market will move elsewhere and the expanding uses will move in. We feel that entertainment uses fit well in this area. Rents paid by nightclubs, restaurants and theatres can equal or exceed office rents. The area will complement the planned uses in Jack London Square and make the area





ENTERTAINMENT AREA.

attractive. The increase in office space will provide a captive market for our product. Another major factor in our favor concerns the lack of existing entertainment activities in Downtown Oakland. A Friday or Saturday evening tour of the area indicates a lack of clubs where live music and dancing can be enjoyed. In fact, there are only three or four such spots downtown. There is not a single live theatre in all of downtown save for civic institutions which occasionally offer such fare. There is not a single dinner theatre in all of Oakland.

Finally, the character of the produce market lends itself to our plans. The buildings could easily be converted to the proposed uses at reasonable costs and in a way which maintains their character. This alternative would be significantly cheaper than demolition and is a realistic use of these existing structures.

## **7. Oakland Promotional Project**

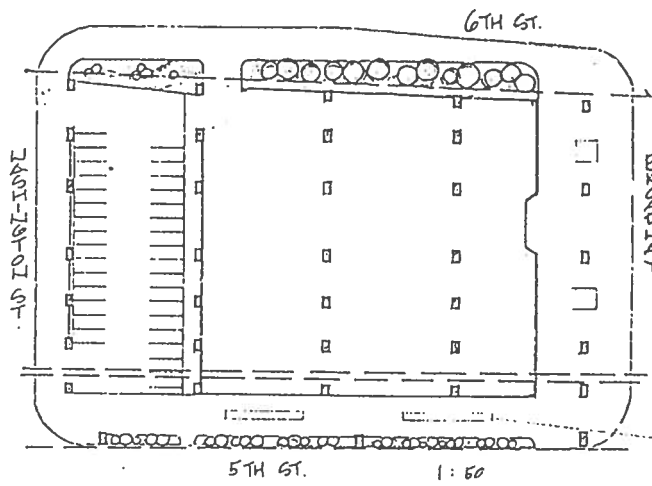
One of the problems which has consistently plagued Oakland is a negative media image. With the level and variety of activity and development now occurring in Oakland, the time has come for the city and its benefactors to undertake a positive image building campaign. We would like to propose the initiation of an advertising and promotional campaign designed to inform people and businesses locally and nationwide about the opportunities and amenities available in a growing and vibrant Oakland.

This is an interesting idea which makes sense given Oakland's changing character. Many people in the Bay Area are unaware of the changes occurring in Oakland and a promotional campaign may help draw them here. This would have to be a well planned and coordinated venture requiring cooperation between The City of Oakland, the Port of Oakland and local businesses in the area. The campaign would be designed to inform the public about the new opportunities in Oakland as they occur in a way which gives one a sense of the overall revitalization of the city.

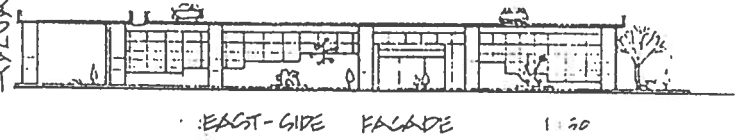
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The benefits of such a campaign could be numerous. It would inform current Bay Area residents about the changes occurring in Oakland. These people may choose to visit Oakland for recreation and shopping. Some may choose to relocate to Oakland. It would provide a positive image for the city and help it attract new residents moving to the Bay Area. A successful media campaign could also help the city attract businesses wishing to relocate. It could increase the number of conventions which choose Oakland for their functions.

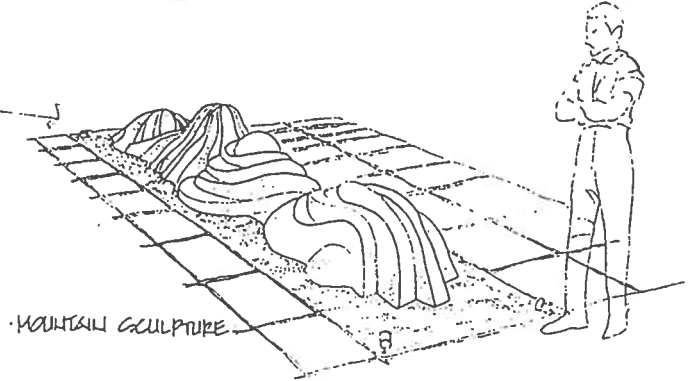
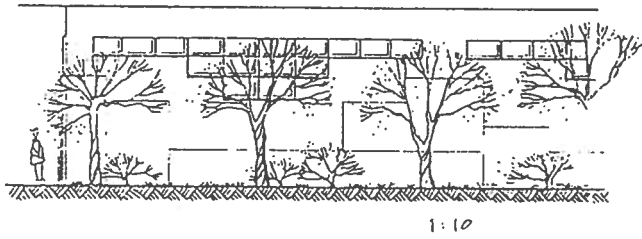
Media campaigns such as the one suggested here have been used successfully at the state and city level for years. One may recall the recent campaign by San Diego which sparked a battle with Pittsburgh. The costs of such a campaign are difficult to estimate and would vary widely depending on quality and the level of coverage desired by The City and its partners. The campaign could utilize a wide variety of media sources including the print and broadcast industries. Mass mailings could be used to focus on specific market segments. Brochures and similar devices could be designed for those in the travel and convention industries as well as to aid businesses in their locational decisions.



# MUSEUM UNDER FREEWAY

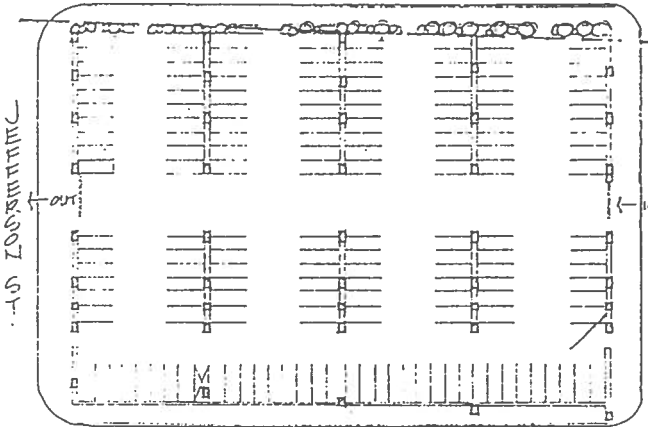


EAST-SIDE FACADE 1:50

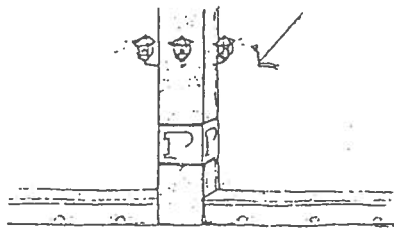
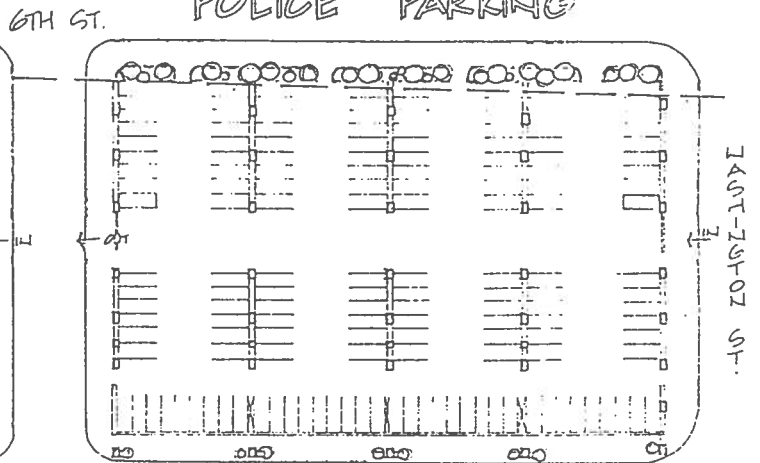


MOUNTAIN SCULPTURE

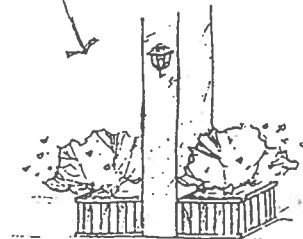
## PUBLIC PARKING



## POLICE PARKING



5TH ST. 1:50



ASSUMPTIONS

Land Costs	\$1,800,000	60,000 Sq.Ft. at \$30/ft
Hard Costs		Sq.Ft.
-----		
24 units @ 500 Sq.Ft.	\$876,000	12,000 \$73/ft
60 units @ 700 Sq.Ft.	\$4,200,000	42,000 \$73/ft
40 units @ 900 Sq.Ft.	\$2,828,000	36,000 \$78/ft
Common Area	\$50,000	10,000 \$5/ft
Retail	\$1,532,000	27,200 \$60/ft
Parking	\$1,560,000	62,400 \$25/ft
Miscellaneous	\$325,000	Appliances, elevators, etc.
Total Hard Costs	\$10,937,000	189,600 \$57.68/Sq.Ft.
Soft Costs		
-----		
Permits & Fees	\$109,370	Estimated at 1% of Hard Costs
Arch./Eng. Fees	\$546,850	5% of Hard Costs
Overhead & Profit	\$546,850	5% of Hard Costs
Contingency	\$546,850	5% of Hard Costs
Total Soft Costs	\$1,749,920	
TOTAL DEVELOPMENT COSTS	\$14,485,920	\$76.41/Sq.Ft.
Construction Financing		
-----		
Loan Amount	\$12,686,920	Hard and Soft Costs
Fees	\$253,736	2 Points
Interest Rate	10.0%	
Term	12 Months	
Interest	\$568,268	For calculation goto INT
Permanent Financing	\$12,311,847	Total Development Costs Less Contribution for Tax Credits
Fee 2 Points	\$246,237	
Interest Rate	9.0%	
Term	30	
Annual Payment	\$1,189,767	For calculations goto AMORT
Annual Rental Income		
24 Studios	\$123,480	6 @ \$365 + 18 @ \$450
60 1br	\$420,192	12 @ \$418 + 48 @ \$635
40 2br	\$338,112	8 @ \$522 + 32 @ \$750
27,200 Retail	\$424,320	\$1.30/month MIN
184 parking spaces	\$88,240	\$30/space/month
Total Annual Rental Income	\$1,372,344	
Inflation Rate for Rents	5%	
Inflation Rate for Expense	4%	

Development Cost Budget	Amount	Cash Position
Purchase Land	\$1,800,000	\$1,800,000
+Construction Loan Fee	\$253,738	\$2,053,738
+Construction Interest	\$568,268	\$2,622,007
+Construction Loan	\$12,886,920	\$15,308,927
+Permanent Financing Fee	\$246,237	\$15,555,164
-Tax Credits	\$2,175,073	\$13,380,091
*Take Out	\$12,311,347	\$1,068,244
Initial Equity Required	\$1,068,244	

Projections of Operations

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
Gross Potential Income	\$1,372,344	\$1,440,961	\$1,513,009	\$1,588,660	\$1,668,098	\$1,751,497	\$1,839,072
-less 5% vacancy/collections	\$68,617	\$72,048	\$75,650	\$79,433	\$83,405	\$87,575	\$91,954
Effective Gross Income	\$1,303,727	\$1,368,913	\$1,437,359	\$1,509,227	\$1,584,693	\$1,663,922	\$1,747,119
-less 40% Operating Expenses	\$358,380	\$372,715	\$387,623	\$403,128	\$419,253	\$436,023	\$453,464
Net Operating Income	\$945,347	\$996,198	\$1,049,736	\$1,106,099	\$1,165,440	\$1,227,899	\$1,293,654
-less Debt Service	\$1,188,767	\$1,188,767	\$1,188,767	\$1,188,767	\$1,188,767	\$1,188,767	\$1,188,767
Cash Flow Before Taxes	(\$243,420)	(\$192,568)	(\$139,031)	(\$82,668)	(\$23,322)	\$39,132	\$104,887
-less depreciation	\$491,725	\$491,725	\$491,725	\$491,725	\$491,725	\$491,725	\$491,725
-less interest	\$1,104,653	\$1,096,762	\$1,088,132	\$1,078,691	\$1,068,365	\$1,057,071	\$1,044,717
+principal	\$84,114	\$92,005	\$100,635	\$110,076	\$120,401	\$131,696	\$144,050
Taxable Income	(\$1,755,683)	(\$1,669,051)	(\$1,618,253)	(\$1,543,009)	(\$1,463,021)	(\$1,377,968)	(\$1,287,505)
tax (shelter)	(\$596,932)	(\$574,277)	(\$550,206)	(\$524,623)	(\$497,427)	(\$468,503)	(\$437,752)
Cash Flow After Taxes	\$959,513	\$981,709	\$111,174	\$441,955	\$474,095	\$507,641	\$542,639
NPV at 10%		\$4,074,657					
IRR		44.05%					
FMR Calculation							
"Safe" Reinvestment Rate		7.0%					
Equity + Yr 1 neg. cash flow							
After Tax Cash Flows		\$353,513	\$381,709	\$411,174	\$441,955	\$474,095	\$507,641
Discounted neg. cash flows		(\$179,971)	(\$139,031)	(\$82,668)	(\$23,332)	\$0	\$0
Free Cash		\$173,542	\$242,677	\$328,506	\$418,622	\$474,095	\$507,641
Free Cash invested for term at safe rate		\$319,050	\$416,965	\$527,509	\$628,239	\$664,943	\$665,414
FMR		22.02%					

YEAR 8	YEAR 9	YEAR 10	REVERSION
1,981,026	\$2,027,577	\$2,128,956	\$2,295,404
\$96,551	\$101,379	\$106,448	\$111,770
1,884,475	\$1,926,198	\$2,022,508	\$2,123,634
\$471,603	\$490,467	\$510,086	\$0
1,362,872	\$1,435,731	\$1,512,422	\$2,123,634
1,188,767	\$1,188,767	\$1,188,767	10.0%
\$174,105	\$246,964	\$323,655	\$21,236,336
\$491,725	\$491,725	\$491,725	5%
1,031,204	\$1,016,424	\$1,000,257	Cost of Sale
\$157,563	\$172,343	\$188,510	Commission
1,191,262	(\$1,098,641)	(\$979,016)	Net Proceeds
(\$405,029)	(\$370,206)	(\$333,137)	\$20,174,519
\$579,134	\$617,170	\$6,494,692	Less Mort. Balance
			\$10,391,677 less adjusted basis
			\$9,782,842 net gain on sale
			After Tax Gain On Sale
			\$3,326,166 tax on sale
YR 7	YR 8	YR 9	YR 10
\$542,639	\$579,134	\$617,170	\$6,494,692
\$0	\$0	\$0	\$0
\$542,639	\$579,134	\$617,170	\$6,494,692
\$664,756	\$663,050	\$660,372	\$6,494,692
			\$11,704,990



Tax Credit Analysis		Total Development Costs + Const. Loan Costs						
Eligible Basis		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Qualified Basis	\$15,308,927							
Federal LIHC	\$3,214,875							
State LIHC	\$289,339	\$289,339	\$289,339	\$289,339	\$289,339	\$289,339	\$289,339	\$289,339
Tax Credit Schedule	\$964,462	\$289,339	\$209,339	\$289,339	\$96,446			
Federal State		\$251,725	\$251,725	\$251,725	\$251,725	\$251,725	\$251,725	\$251,725
Value of Tax Credits		\$231,471	\$231,471	\$231,471	\$77,197			
Federal @ 8%		\$483,196	\$483,196	\$483,196	\$328,882			
State @ 6%								
Total Value								
Present Value @ 10%	\$2,175,073							