



ULI HINES 2022 – OAKLAND, CA

AN INTEGRATIVE PLAN TO BRING JOY, EQUITY, AND OPPORTUNITY TO OLD OAKLAND

TEAM CODE: 2022-5082

DESIGN NARRATIVE

Constellations bring together far apart stars to tell a story that informs and inspires. Through our site design and community services, we seek to create a connected and cohesive neighborhood that reflects the broad history and culture of Old Oakland.

Building Connectivity & Sustainability:

Project Konstellation recognizes the challenges that limited access to affordable and reliable public transit can seriously impact opportunities for economic mobility. To help address this challenge, we have chosen to establish a new transit station, Konstellation, at 5th & MLK Jr. Way, which will offer connections to San Francisco, East Bay, Oakland, San Jose and the lower Peninsula. We believe this will improve commutes, increase BART ridership, and inspire people to explore the site as they view the bright colors and green roofs from the train. Adjacent to the station, the underpass revitalization runs from Castro to Broadway filled with activities and amenities that will facilitate movement across the neighborhood and attract visitors from Jack London, Chinatown, Old Oakland, and Central Core. In addition, newly added bike stations and bike paths will support emission reductions and sustainable habits.

Pathways to Equity & Economic Resilience:

Homeownership is one of the best ways to build equity and generational wealth. Historically, this avenue was actively withheld from many racial groups through redlining and covenants that lasted until the mid to late 1900s. In recognition of this economic oppression, we are offering not only affordable housing but also programs that will support homebuyers as part of our community benefits. This includes rent-to-own partnerships, financial coaching, and housing priority as Konstellation units come onto the market. We are eager to see how this equity generating approach will build economic mobility and resilience in years to come.

In regards to economic development, our mixed-use, mixed-income development will help uplift local businesses by increasing the population of the neighborhood both day and night. A new train station, baseball stadium, and underpass amenities will generate traffic on game days and regular days as people enjoy shops, restaurants, and bars. The underpass containers market will also feature local vendors and offer pop-ups for new businesses. Additionally, we expect that our shared incubator, co-working, and workforce development space will help residents become more productive, employable, and foster a spirit of entrepreneurship while further strengthening community relationships.

Neighborhood Services:

Residents of the Konstellation site and the broader Oakland community, will have access to a broad selection of neighborhood services focused on addressing gaps identified from a health, social, financial, and professional lenses. Our goal is to enable the community to excel in the long term by setting up adults from all backgrounds to have access to office spaces, workforce training, banks, and citizenship classes. For the youth of the city, our site provides free breakfast (inspired by the original BPP), study rooms, sports facilities, as well as safe spaces and access to youth health advocates. Our commitment to community change is shown by our generous offerings of community space, even dedicating a full building consisting of 116 supportive housing units and 153k ft² of community facilities aforementioned. Leveraging an anti-displacement approach, we have invited the social services that would be interrupted to continue operating on our site.

FINANCE NARRATIVE

A transit-oriented-development helps to revitalize a city, renews suburban areas, provides much needed connectivity between neighborhoods, and creates 15-minute communities that people from all incomes love to call home. Konstellation helps to provide all these vital elements and promotes a **sympiotic relationship** between dense urban form and public transport use. However, to deliver such exciting amenities, community benefits, parks + open space, and an invigorating freeway underpass, the financial feasibility of revenue and cost drivers needs to be scrutinized.

To better enable the city's themes of **connectivity, rejuvenation, and geographic inclusion**, we propose to acquire 6 additional blocks consisting of 32 parcels that are currently publicly and privately owned. The current unproductive uses will be better utilized promoting sustainable land use. Our assumed value is 20% above market-price, an enticing offer for landowners. The site area blocks will also be purchased outright from the City. Our contract negotiations will facilitate an entitlement clause allowing us to only **close on the land once the zoning and permits have been obtained** – delaying cash calls until construction start which is more valuable to our bottom line than the in-place revenue.

With large private equity firms like Blackstone buying SFR in bulk, home ownership costs have increased in localized areas. We strongly believe in home ownership as a constitutional right that helps to build generational wealth. We want to provide that motivation and ability for our constituents to be able to move from unhoused support, to low-income rental, and eventually to owning. Therefore, we provide a **mixture of tenures and housing types**. It is also a key part of our financial plan as the market and affordable residential sales occur before the refinancing, subsidizing the extra equity draw needed to payout the construction loan and move into a permanent mortgage. The purchaser's deposits are also utilized during the construction period, helping to reduce the overall loan size and capitalized interest.

Following a **strict anti-displacement** policy within our community, we are ensuring that all

landowners seeking to relocate into the new development will be allotted the needed space. We are in fact, building a small amount of industrial space specifically for the two auto shops on site. If an in-place tenant wishes to relocate somewhere else and needs support moving or subsidizing the rent to match what they are currently paying, we have set up a **Tenant Relocation Assistance Fund** to help offset these costs. Our phasing is strategically set up to allow for the movement of businesses on additional parcels straight into areas provided for them on the built sites when their parcel is going through demolition. Our first phase is the worst performing, slightly lower than acceptable at 8.8% IRR, but this is due to **delivering over 72% of the community benefits in the first phase (total cost of \$257 MM)**, showing the City our good-faith, commitment to the site, and a desire to have the **needed facilities online before the absorption of the residential** in later phases. Phases 1 and 2 yield a 32% and 58% IRR, respectively with the full project at a respectable 21%.

Only one block underneath the highway is in an OZ so we are not using this in our capital stack. Instead, we take on a TIF Loan (EIFD/CRIA) of \$147MM and LIHTC equity of \$6.6 MM. **The 25% affordable set-aside and income rental/sale limits are met**, and all rates taken from mandated government agencies. Roughly 10% is funded by purchaser's deposit, and 18% by equity, leaving a large construction facility to fund the rest. When transitioning to a permanent loan, an equity top-off is needed for the delta – these monies are provided by the for-sale residential which closes in the same period, more than offsetting the difference and even providing a distribution.

The PAF site coincides with Phase 1 and will transition to the new location at the same time. The move can be funded by General Fund equity, sale proceeds, and a Coverdell grant. The financing is a construction facility transitioning into a private debt placed mortgage which needs a top-off to close out so a Municipal bond will be issued to cover these costs. Overall IRR is 8% which meets the non-profit criteria of the City and the risk profile of the investment.

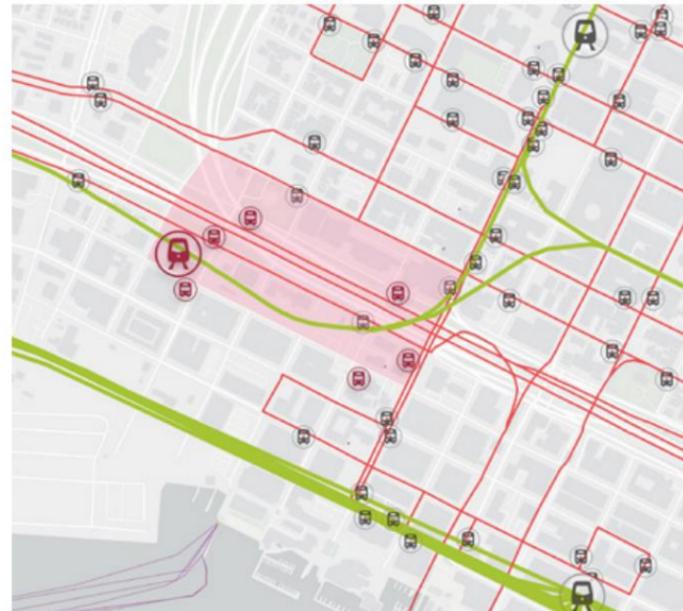
DESIGN OVERVIEW



NEIGHBORHOOD SKYLINE



SITE ANALYSIS



BUS, BART AND FERRY STATIONS

- New
- Existing
- BART/TRAIN
- BUS
- FERRY



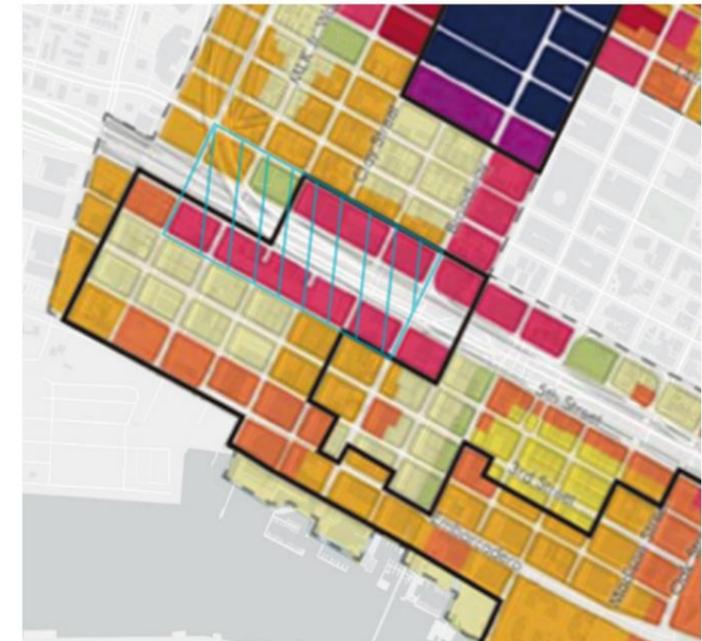
HISTORIC NEIGHBORHOOD

- LANDMARK
- POTENTIAL DESIGNATED HISTORIC



BIKE SHARING STAND AND LANES

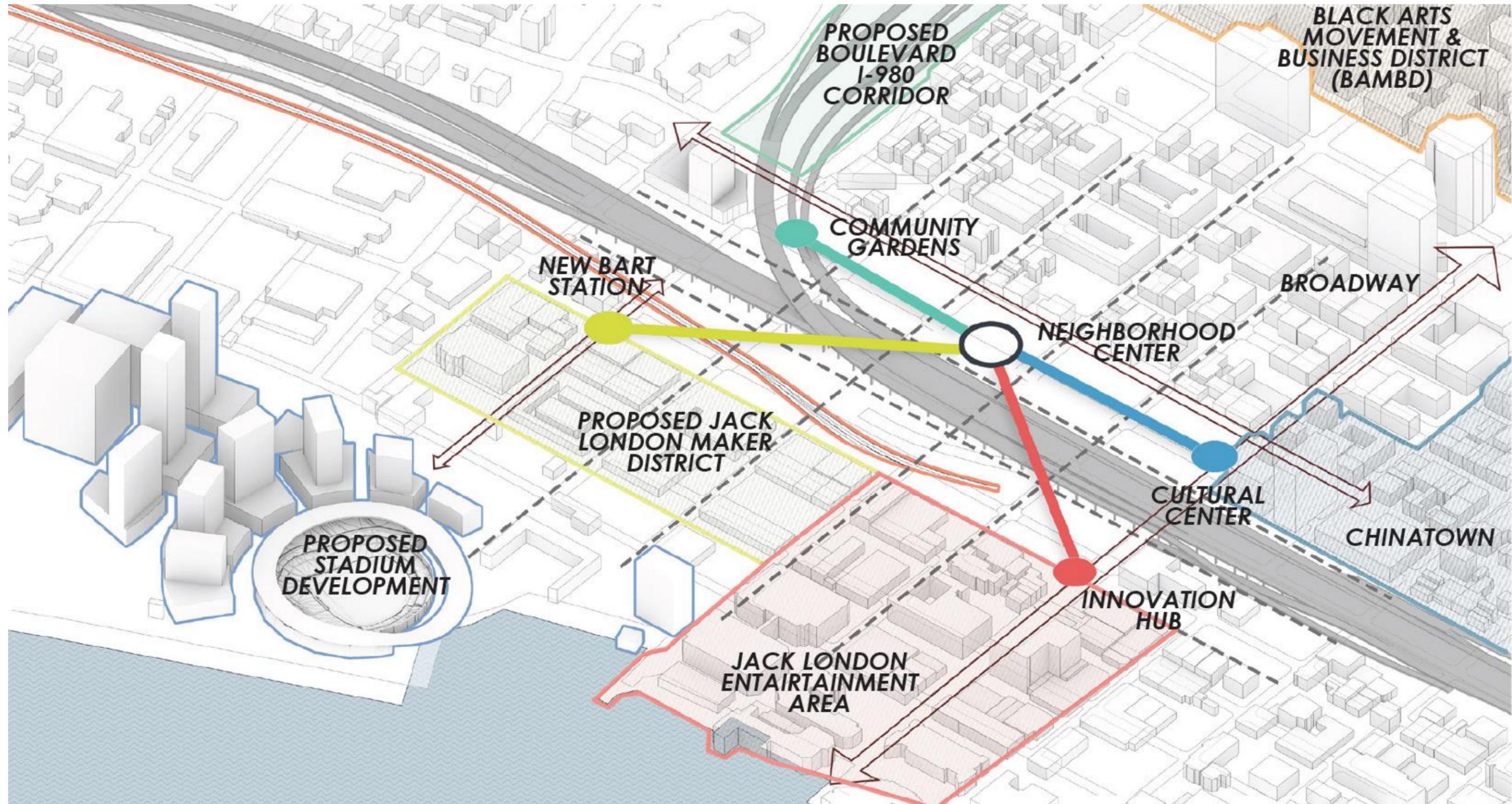
- New
- Existing



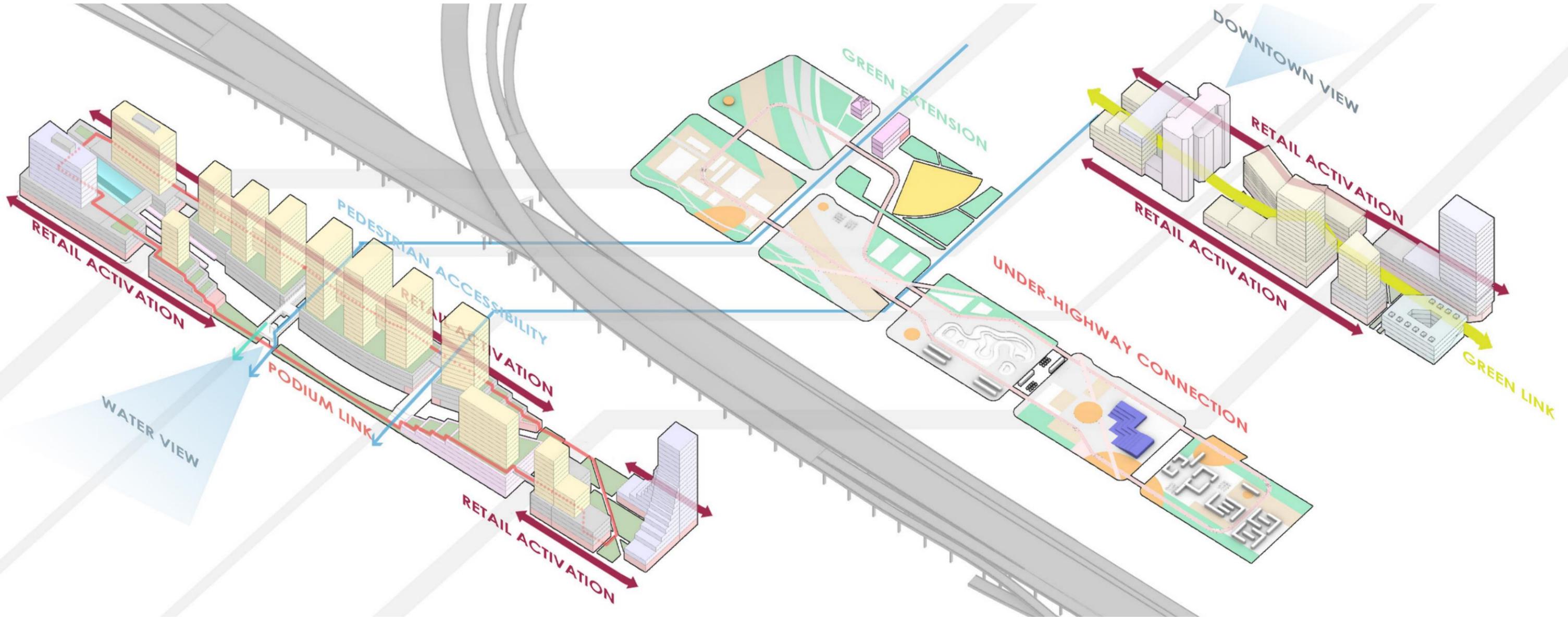
PROPOSED MAXIMUM INTENSITY

- FAR - 12.0/17.0
Max height - 275'
- FAR - 7.5
Max height - 85'
- PARK

URBAN DESIGN STRATEGIES



URBAN DESIGN STRATEGIES



COMMUNITY STRATEGIES



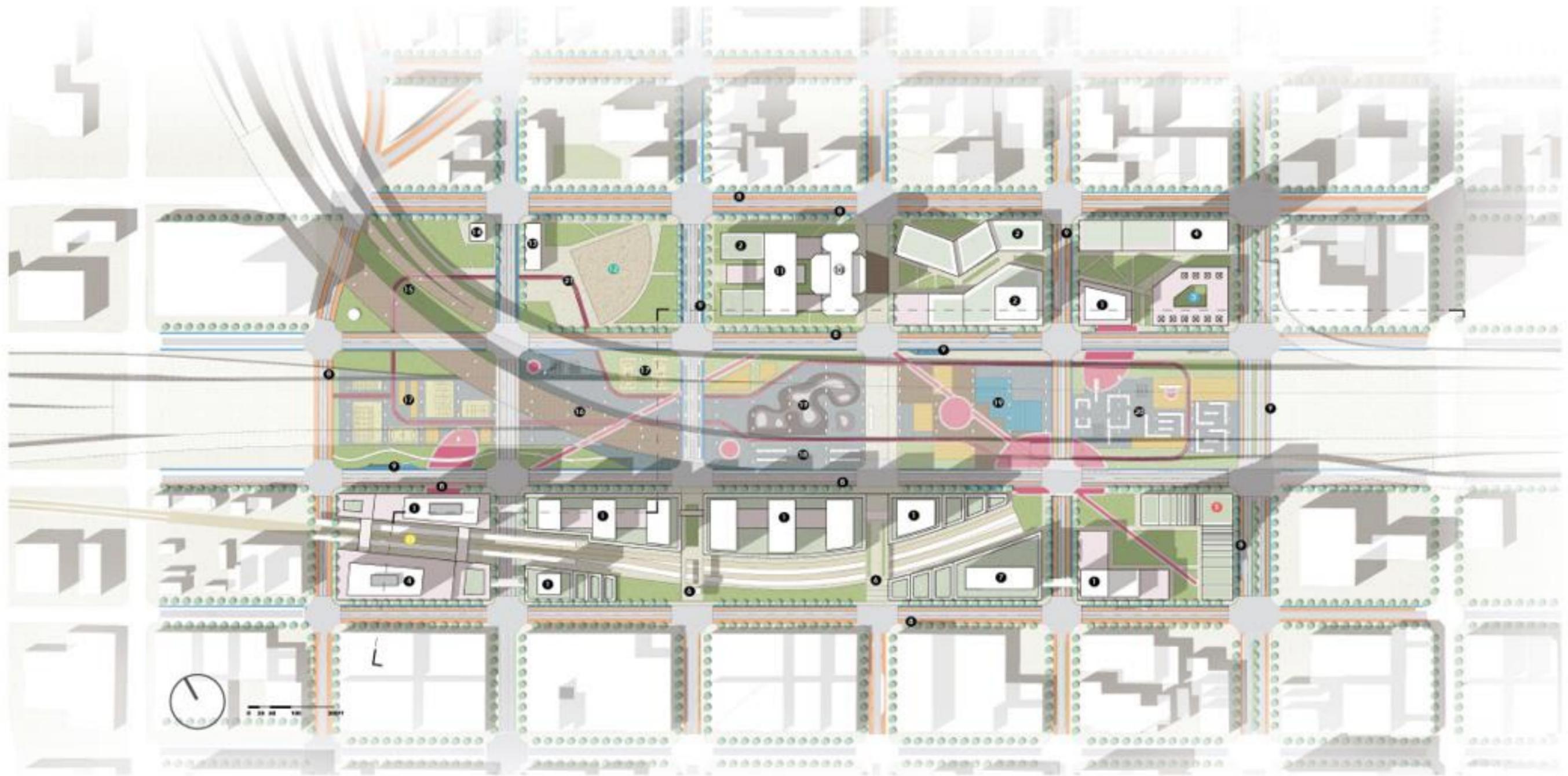
“I used to drive over to West Oakland station and pay \$12 every day and then pay \$14 for a train to get to medical appointments. The costs added up quickly and the commute felt like a chore. The community health advocates helped me get vouchers for my trips.”

“After losing my job in the Summer of 2020, it was impossible to get childcare. After many interviews with no offers, I had to let go of my home to hold on to the little savings I have left. Until the family housing site opened, we were staying on a cousin’s couch. Now, I have a job at the stadium and am taking workforce development classes while my daughter goes to the community after-school classes. It finally feels like things are getting better.”

During the summer, the underpass skate park is perfect place to be. After a few hours of skating with friends I like to grab food from the markets and watch the sunset from Jefferson Square.

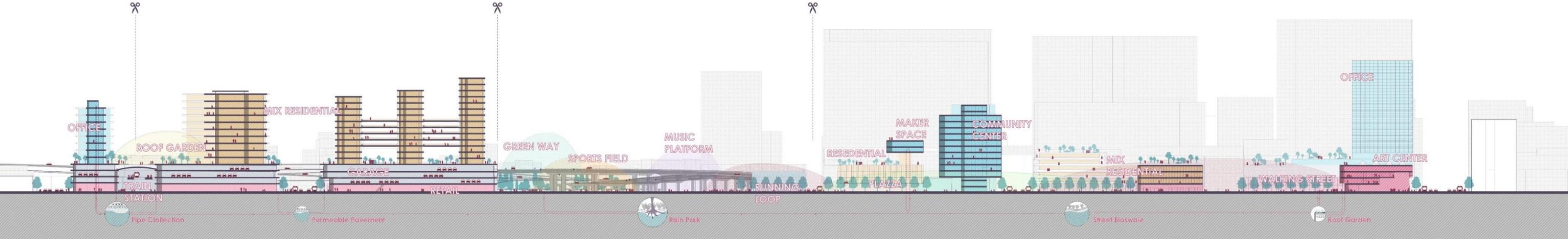
Our interlinked services provide support and enables mobility across all socioeconomic groups

MASTERPLAN

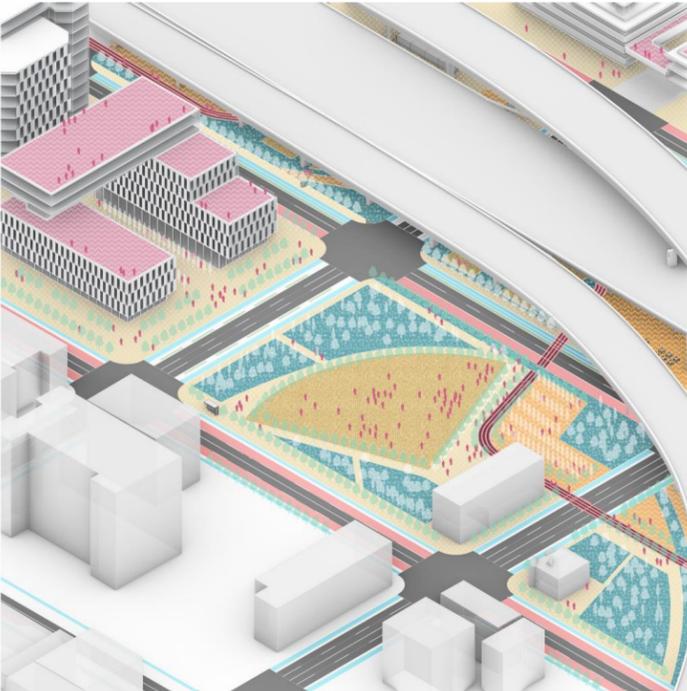


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|--|--|---|--|--|
| 1 Mixed-income mixed use residential with shared structured parking | 6 Pedestrian bridge over BART | 11 Maker Space | 16 Weekend Farmers Market and Community Space | 21 Jogging and Skating Track |
| 2 Mixed-income mixed use residential mid-rise | 7 Homeless Center - Mixed-use Sheltered Housing, Vocational Training, Support office and church food distribution | 12 Jefferson Square Park | 17 Sports Area under the Bridge | 22 Konstellation BART Station - mixed use with Structured Parking |
| 3 Cultural Center | 8 Bus Lane | 13 Sports Center | 18 Skate Park | |
| 4 Office mixed use with shared structured parking | 9 Bike Lane | 14 Old Oakland History and Walking tour Center - Preserved Historic Building | 19 Amphitheater | |
| 5 Innovation Hub with Maker space, incubation labs and office | 10 Neighborhood Center - Preserved Building - Mixed-use Coworking space, reading rooms, community hall and adoption agency office | 15 Community Garden and Dog Park | 20 Night Container Market | |

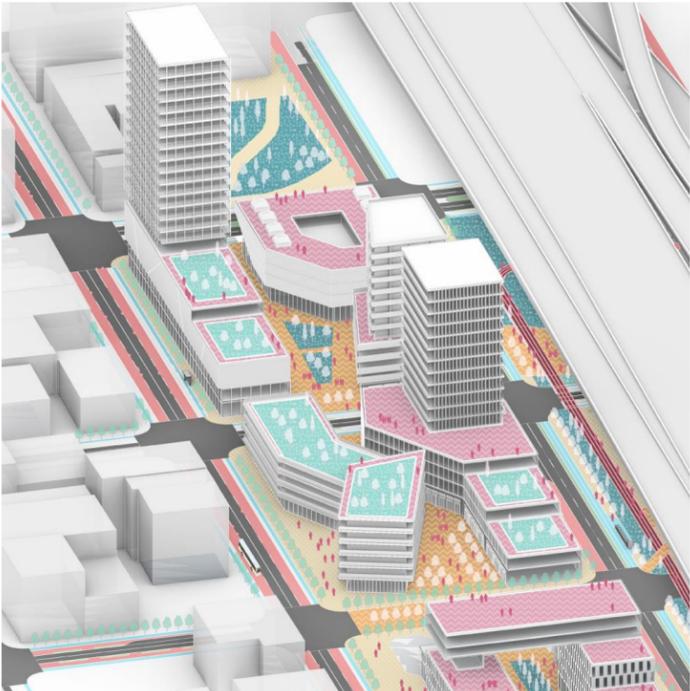
SECTION



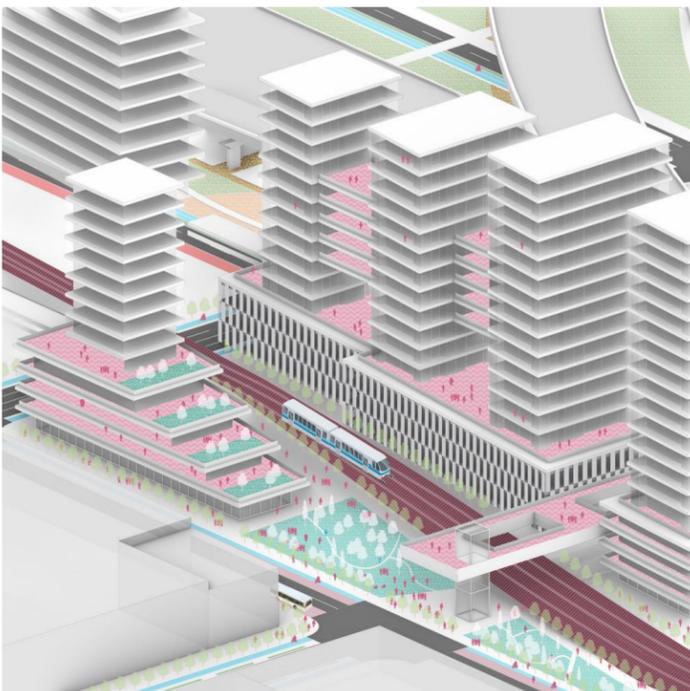
URBAN NODES



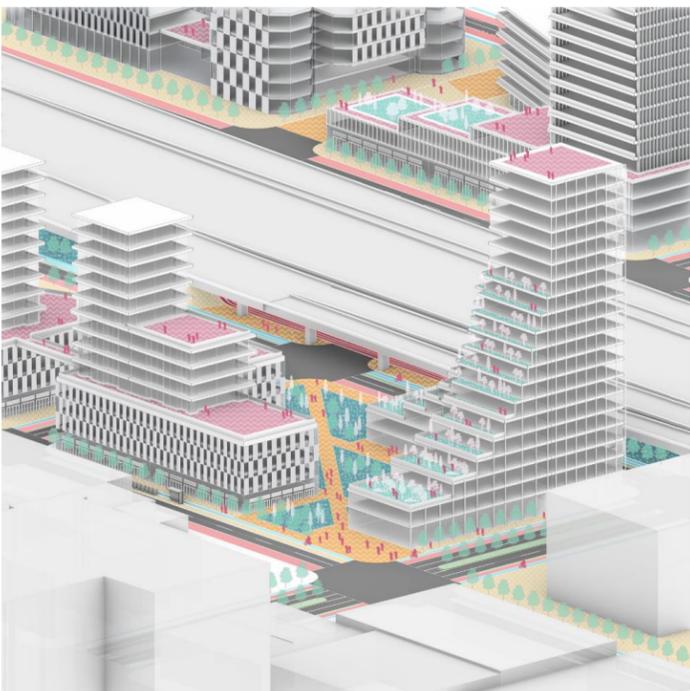
Jefferson Square Park



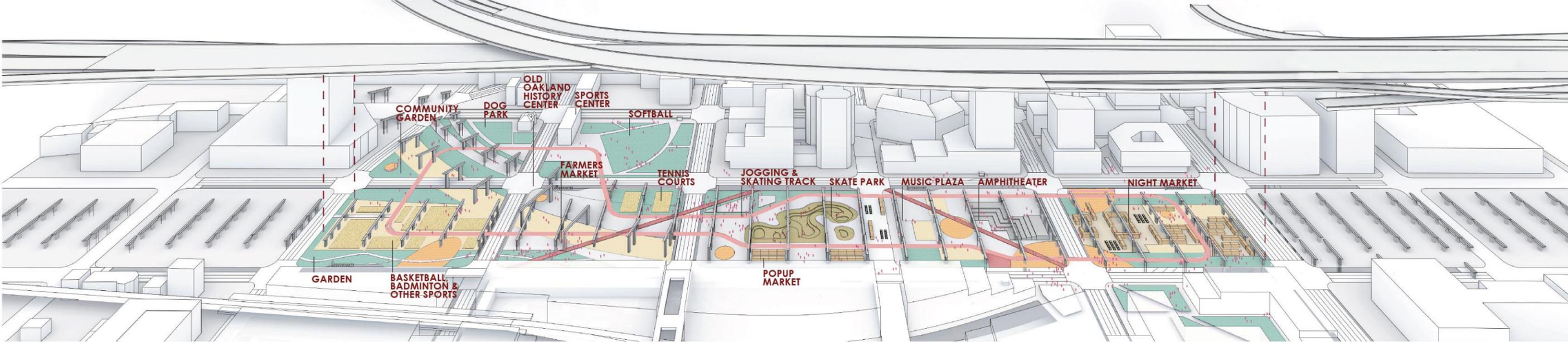
Cultural Trail



Residential Complex



Innovation Center



Freeway Underpass

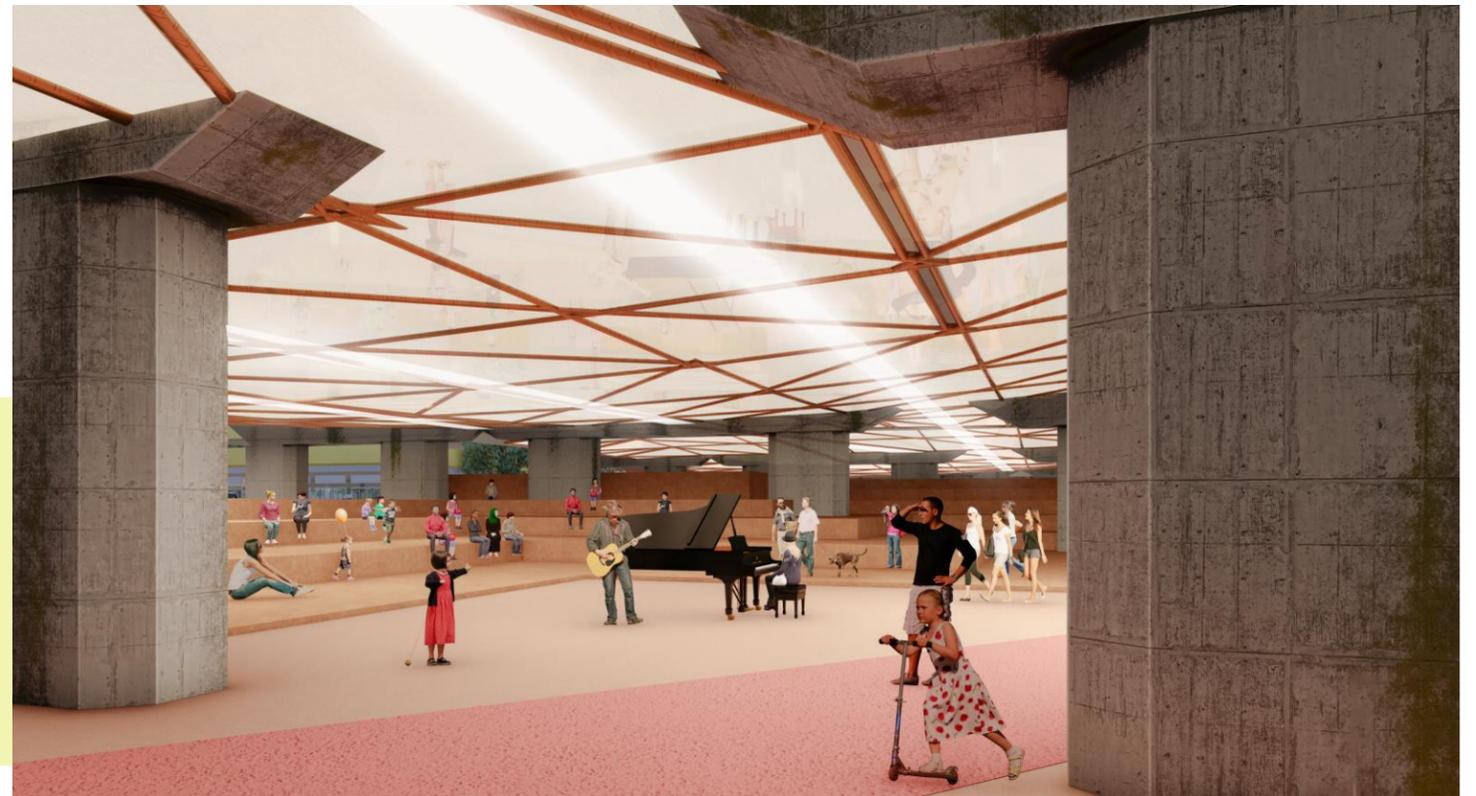
SPACE HIGHLIGHTS



“These days it feels like everyone has their own company. I have a lot of ideas and I love cooking. My friend told me about **this community program that has small-time chefs run a food stall for a weekend** in the market.”

I’m looking forward to sharing my passion and seeing how people like my food. – J. 38, Oakland resident

Night Market

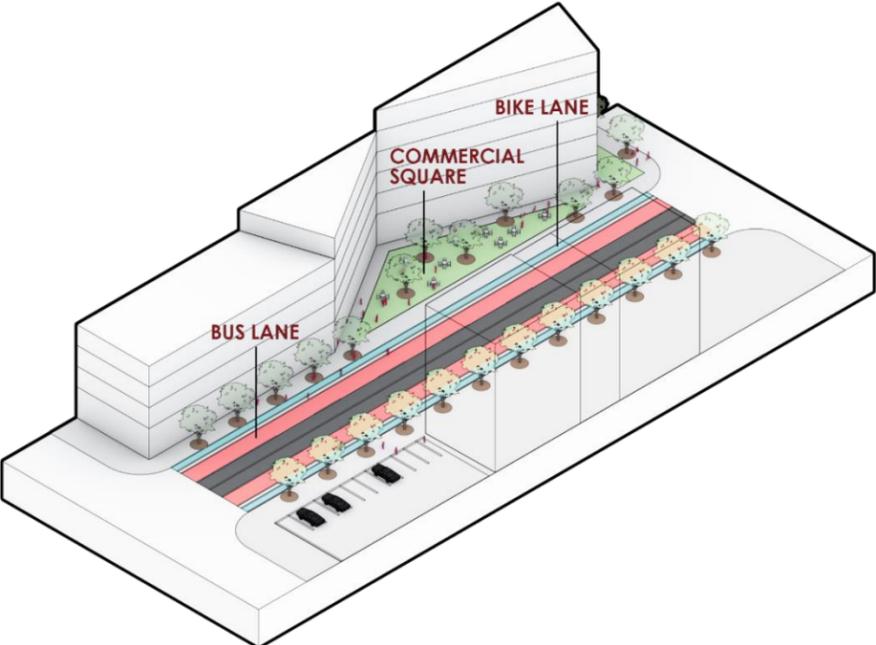


Music & Event Space

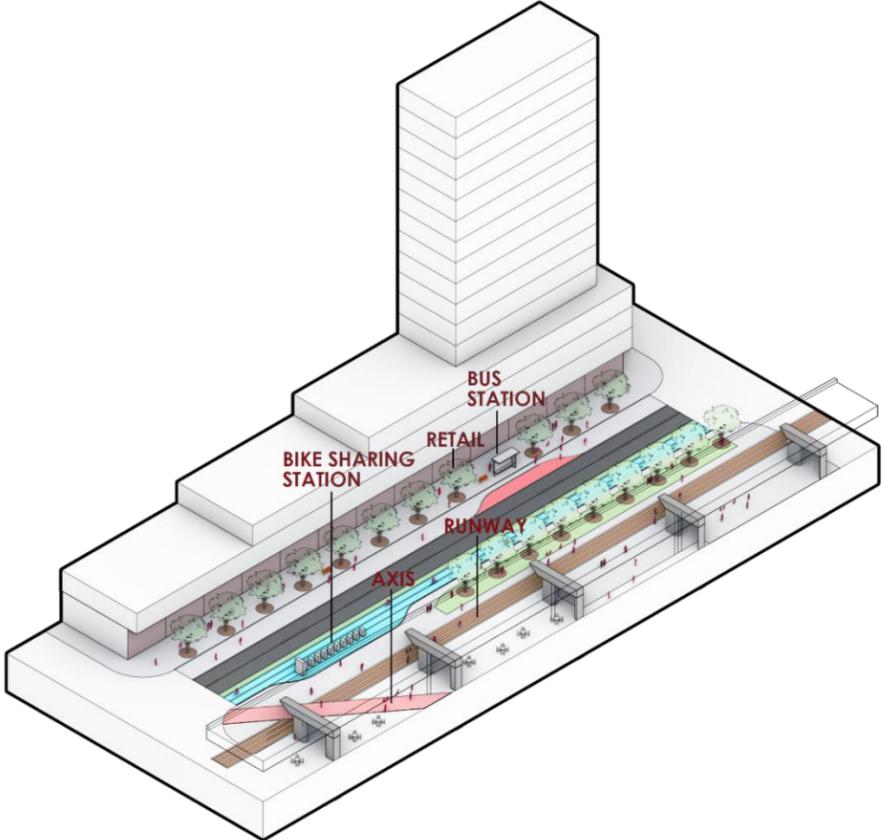
“I follow this DJ on Instagram, and saw that they were playing tonight. This place is so cool and **I will definitely tag it so all my friends can come check it out.** “

“I love how fun and chill this spot is and I’m already planning my next trip back.” – B, 22, Local student

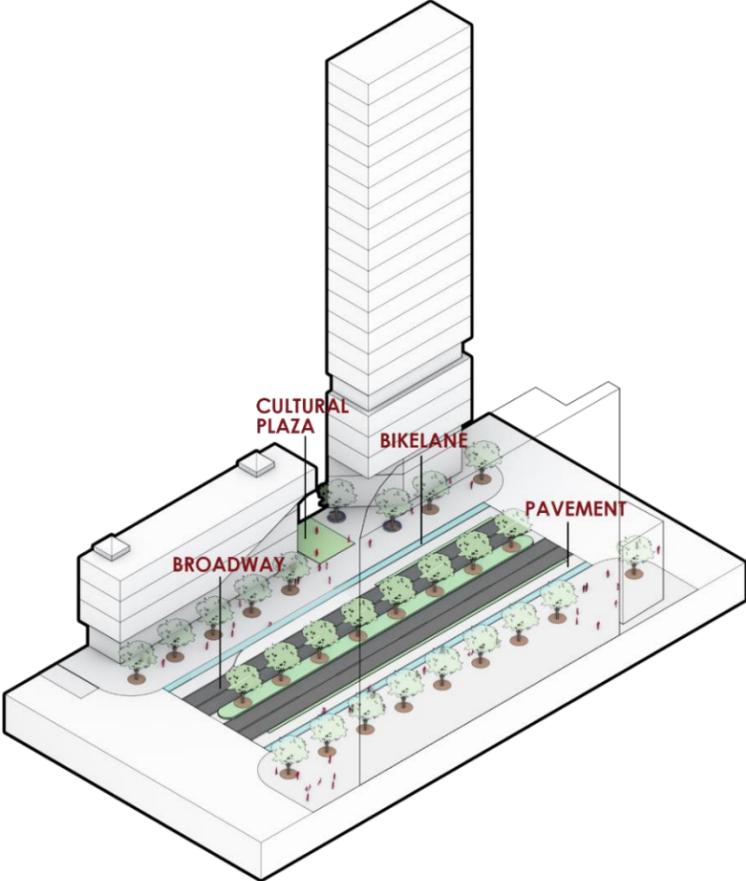
ROAD TYPOLOGIES



7th Street



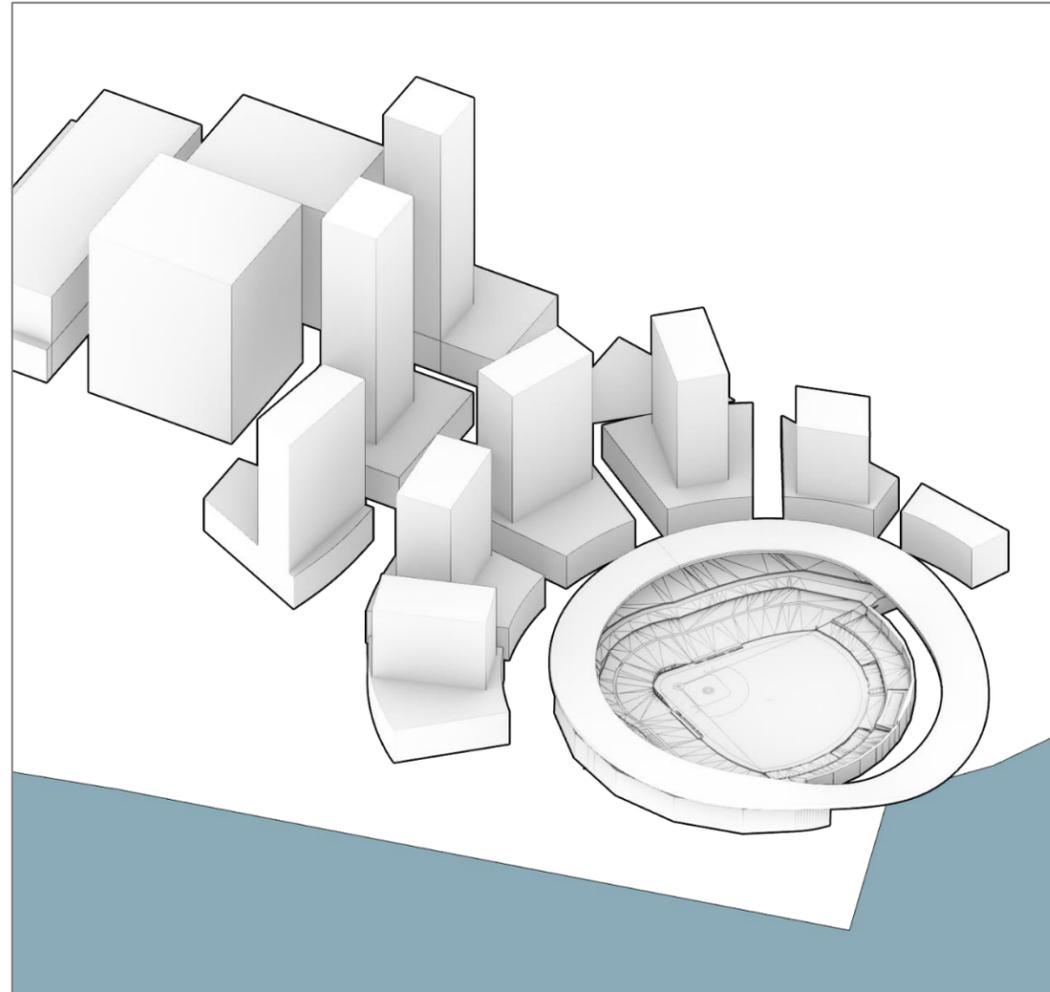
6th Street



Broadway

HOWARD TERMINAL STADIUM RECOMMENDATION

Develop a new \$768M ballpark for the Oakland A's through private funding and sponsorship from local large employers such as Pandora, Uber, Apple or Mosaic. As the last remaining national level team, it will be important to maintain this relationship.



Strengths & Opportunities

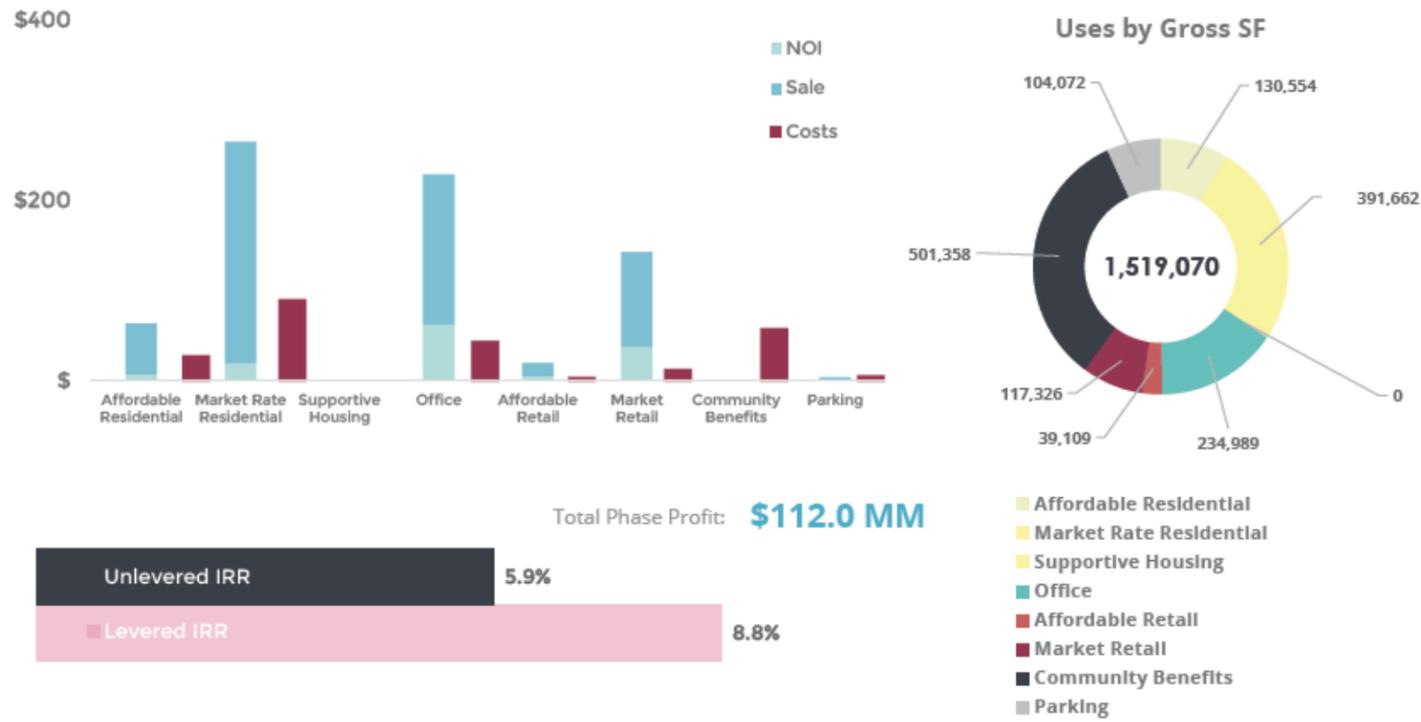
- Can afford to build the stadium using private funding
- Can attract new fans to the sport
- Hire design and tech companies to create an iconic space
- Additional commercial activity in Old Oakland & Jack London
- Off-season revenue from hosting shows and concerts

Challenges & Risks

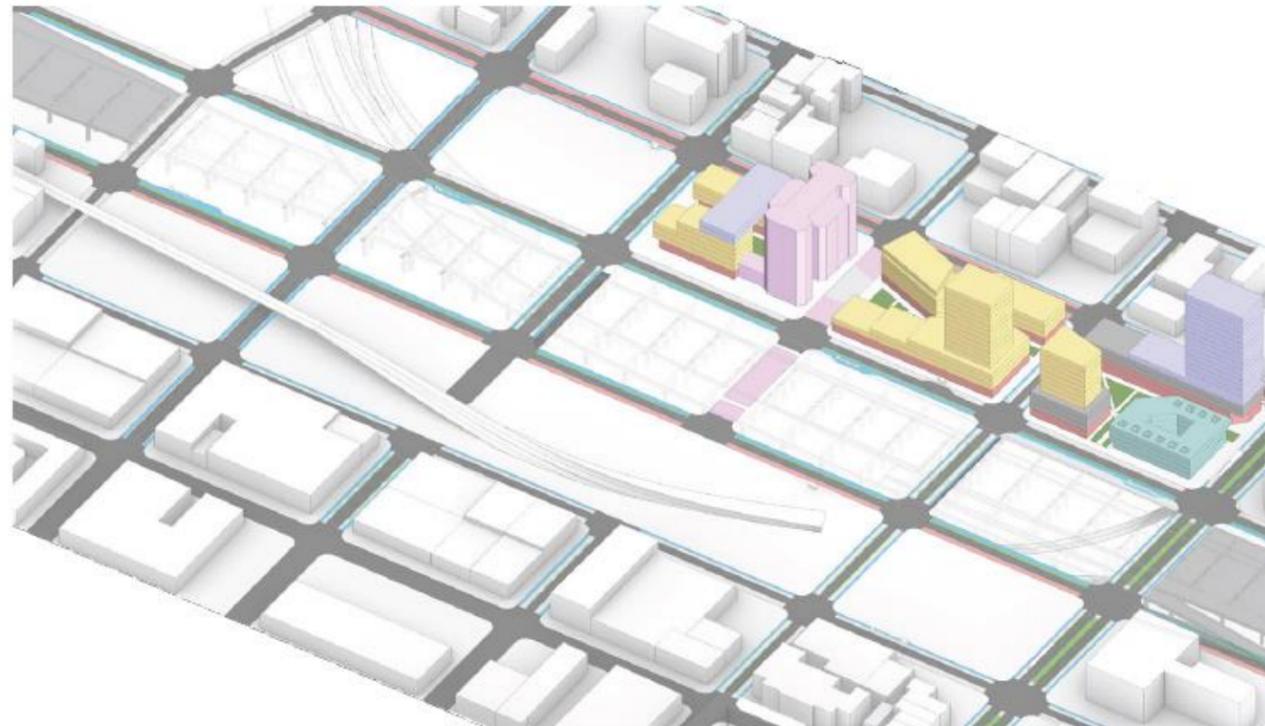
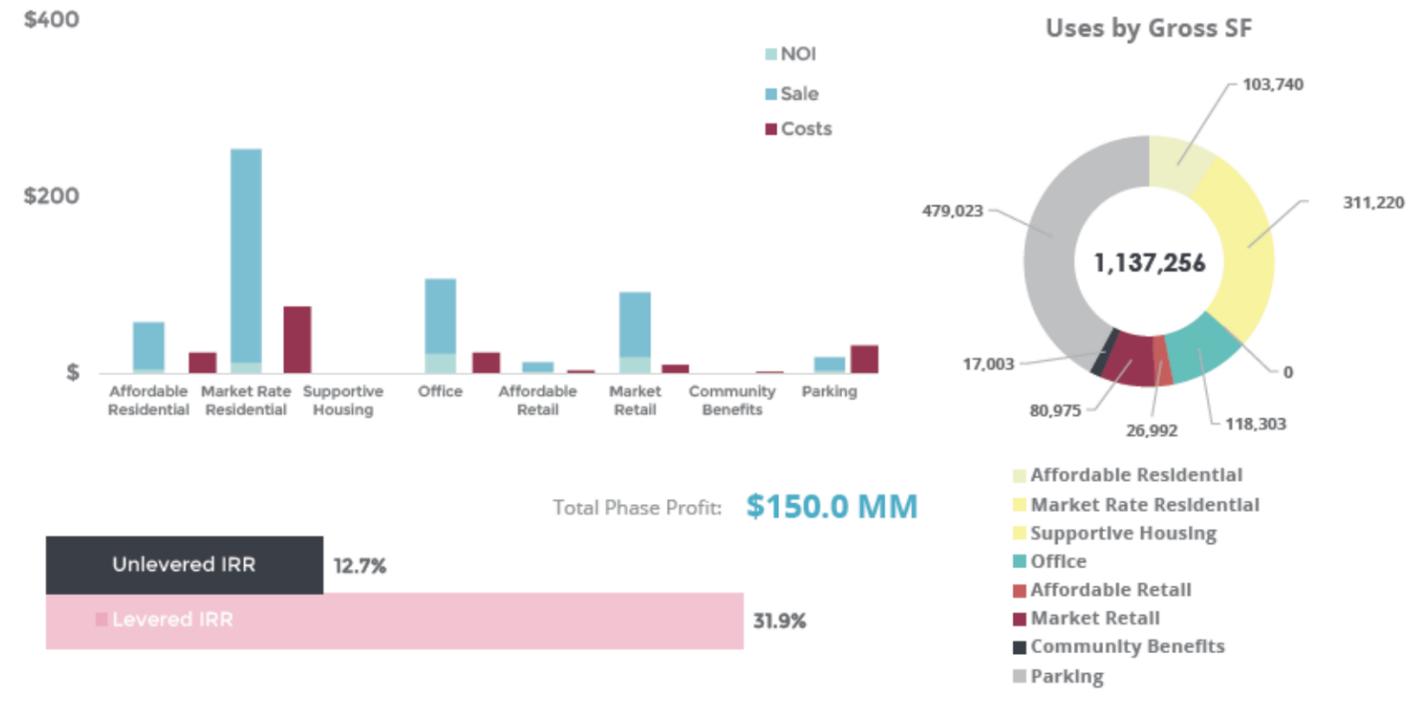
- COVID might permanently change sporting event revenue
- Las Vegas is looking to bring over a baseball team
- Stadium Sponsors could be disrupted by pandemic market
- Traffic management is already challenging in the neighborhood adding a major attraction is risky

“After the Raiders and Warriors moved, we were worried that we would lose the A’s too. The Coliseum has a lot of history, but it was falling apart. I am glad we have something new and that they are letting Oakland hold on to a good thing.”

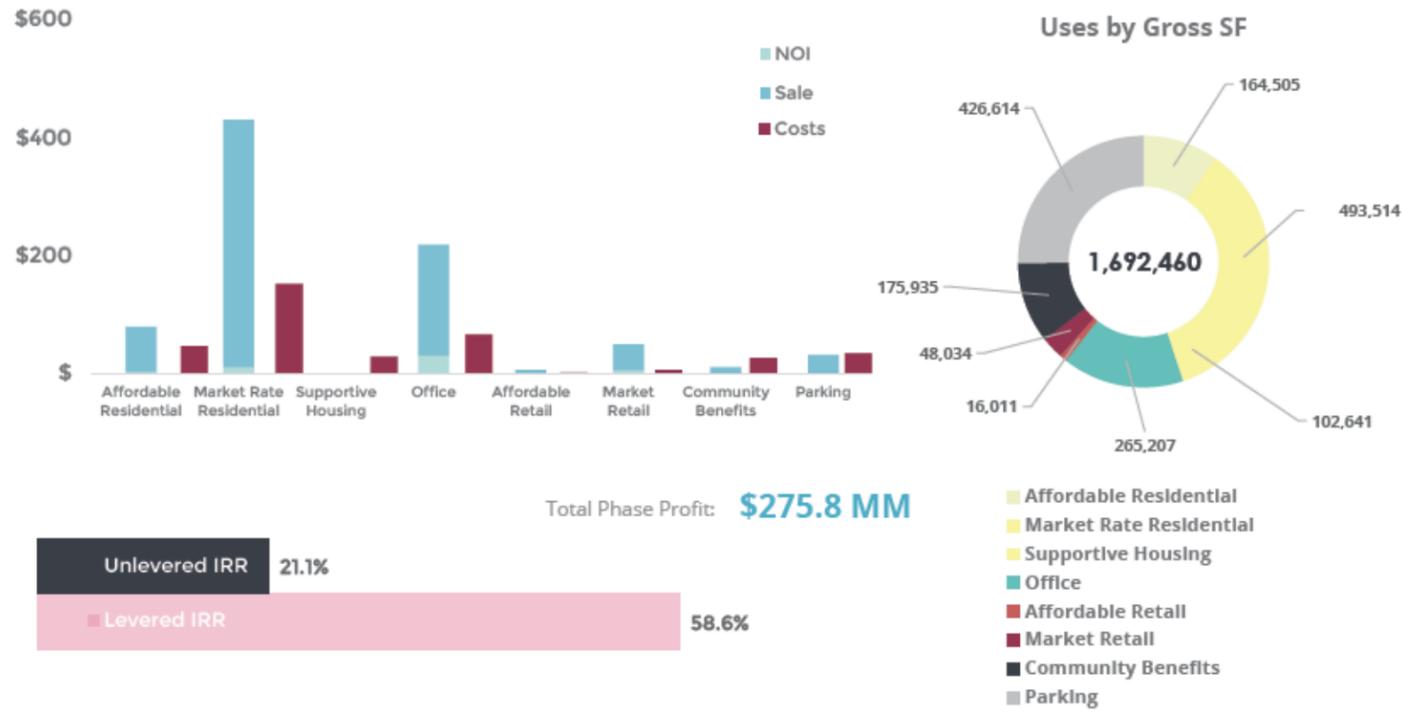
PHASE 1 - ASSEMBLAGE



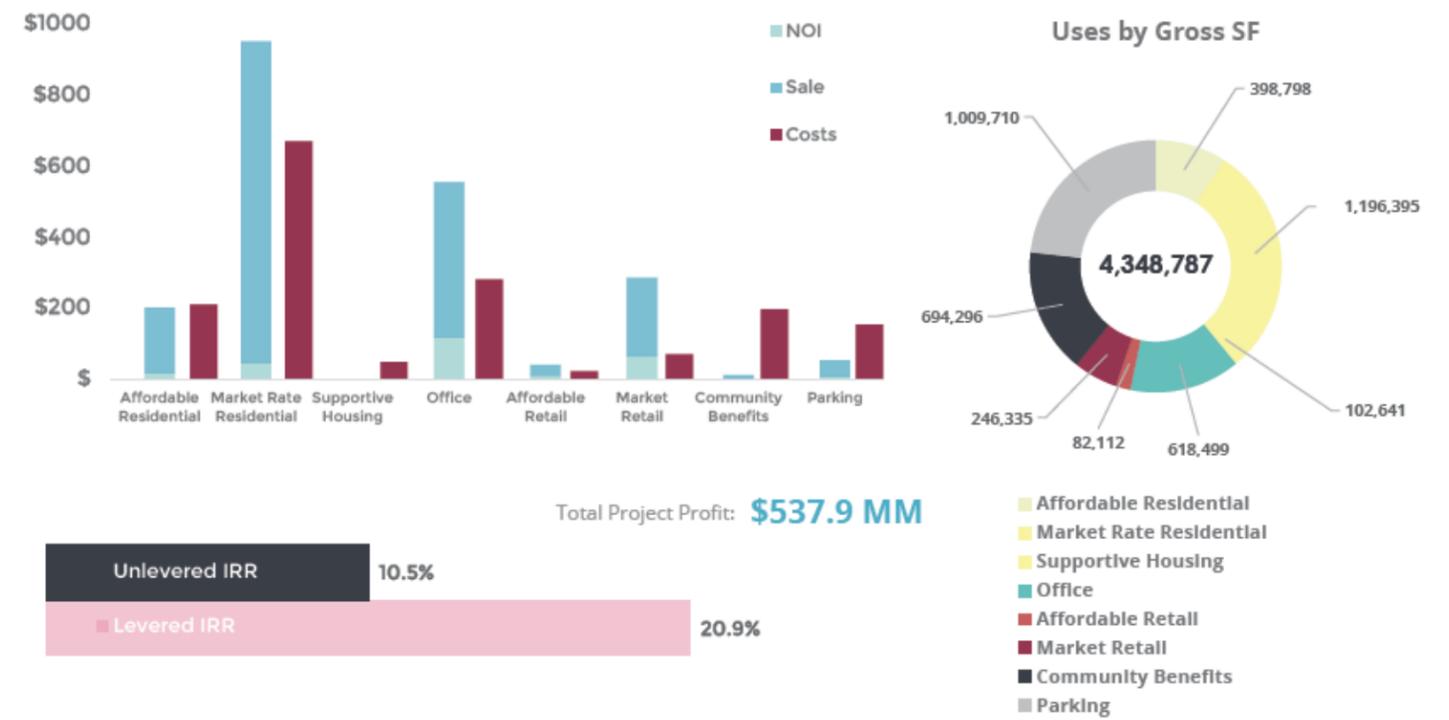
PHASE 2 - BLOC PARTY



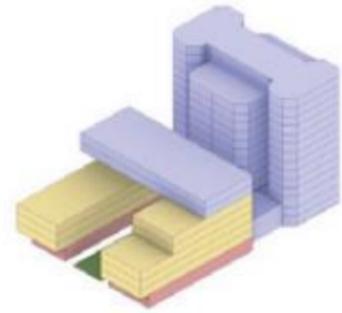
PHASE 3 – THE FINAL CLIQUE



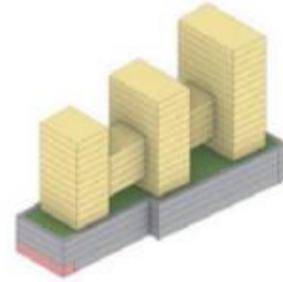
FULL PROJECT - KONSTELLATION



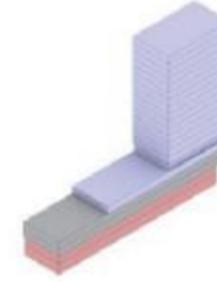
BUILDING TYPOLOGIES



Mixed-Use	SF	Units
GCA SF	570,492	
Residential SF	101,920	179
<i>Market</i>	76,440	108
<i>Affordable</i>	25,480	28
Retail SF	23,115	
<i>Market</i>	17,336	
<i>Affordable</i>	5,779	
Community SF	409,024	



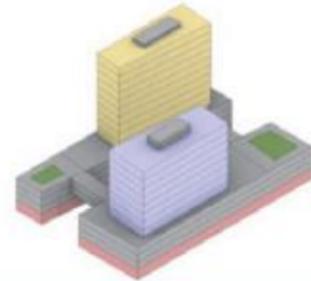
Residential	SF	Units
GCA SF	464,727	
Residential SF	264,376	355
<i>Market</i>	198,282	281
<i>Affordable</i>	66,094	74
Retail SF	12,858	
<i>Market</i>	9,643	
<i>Affordable</i>	3,214	
Parking Spaces	391	



Office Tower	SF	Units
GCA SF	318,348	
Office SF	198,555	
Retail SF	57,780	
Parking Spaces	138	
Annual Revenue	\$12.0 MM	



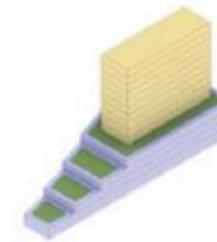
Cultural Centre	SF	Units
GCA SF	92,334	
Total Cost to Build	\$26.5 MM	
Non-profit Rental Rate	26.4	
Discount to Market Rate	48%	



Station	SF	Units
GCA SF	576,369	
Office SF:	118,303	
Residential SF	120,931	137
<i>Market</i>	90,698	129
<i>Affordable</i>	30,233	34
Retail SF	74,538	
<i>Market</i>	55,903	
<i>Affordable</i>	18,634	
Parking Spaces	582	



Residential Low-rise	SF	Units
GCA SF	166,364	
Residential SF	133,567	179
<i>Market</i>	100,176	142
<i>Affordable</i>	33,392	37
Retail SF	32,797	
<i>Market</i>	24,598	
<i>Affordable</i>	8,199	



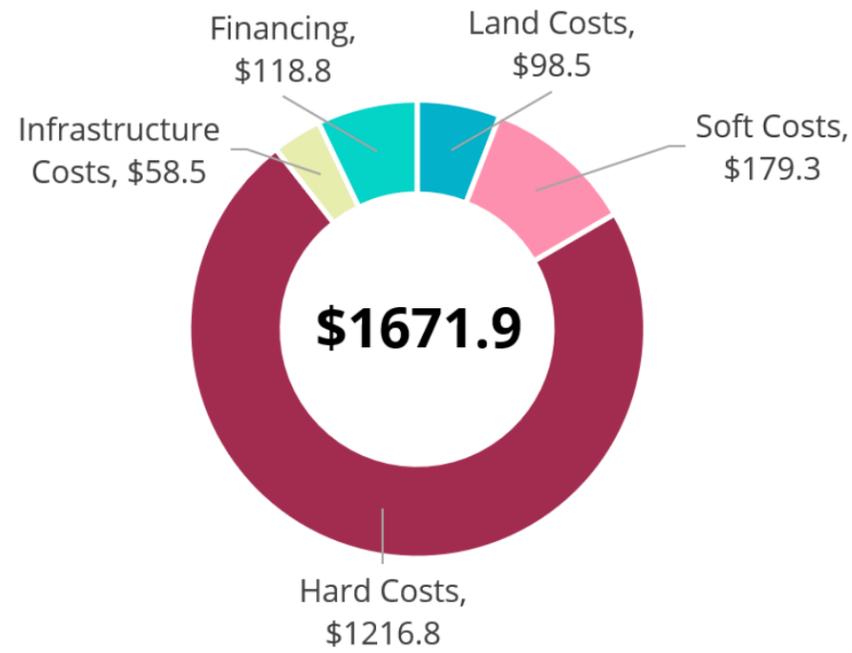
Supportive	SF	Units
GCA SF	256,176	
Supp. Housing	102,641	155
Supp. Services	153,535	



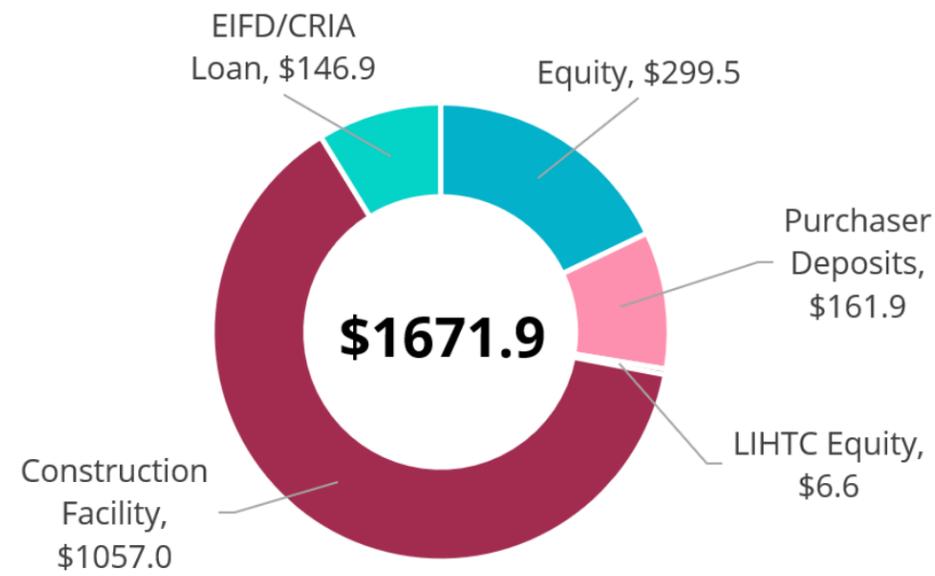
Innovation Hub	SF	Units
GCA SF	291,396	
Office SF:	265,207	
Retail SF:	3,789	
Maker-space	22,400	

SOURCES AND USES

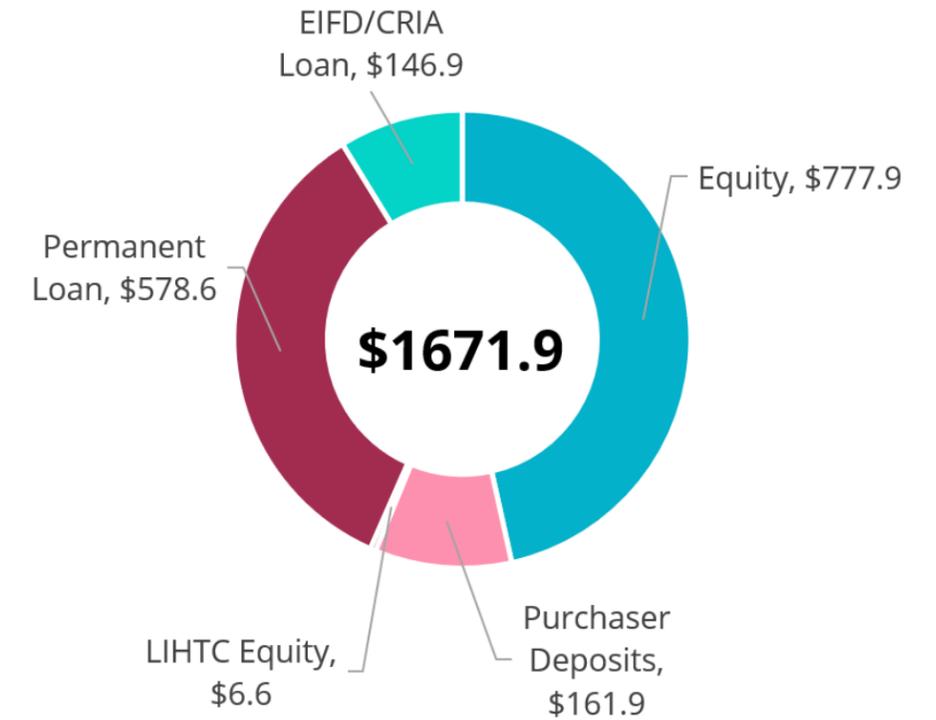
Total Uses



Total Sources - Development



Total Sources - Permanent



PROJECT VALUE

Current Site Value **\$93.25 MM**

Projected Site Value **\$1,835.52 MM**