

Veterans Memorial Building

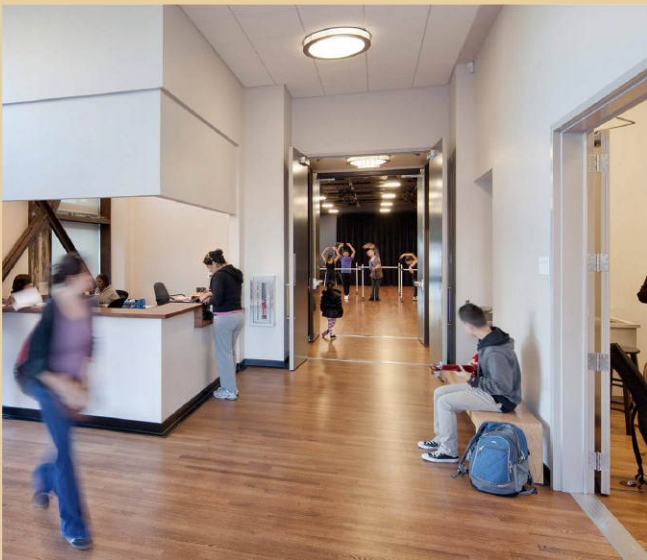
Learning from other Arts & Culture Centers

Malonga Casquelourd Center for the Arts, Oakland

The Malonga Casquelourd Center for the Arts is a “multicultural, multidisciplinary performing-arts complex” sponsored by the city of Oakland. The Malonga Center is housed in a rehabilitated turn-of-the-century building. The center offers a variety of arts programs and dance classes, as well as has rentable spaces for arts events and activities.

The Malonga Casquelourd Center is particularly relevant as a case study as its core intent of providing both “physical and education activities, as well as cultural awareness and enrichment” aligns with the values of the community of Berkeley as a whole.





East Bay Performing Arts Center, Richmond

The East Bay Center for Performing Arts, located in Richmond, California, is both a center for performance arts and also a 501(c)(3) charitable organization of the same name. It serves, “youth and young adults in imagining and creating... world performance traditions.” The Center is located in a historic building; the Winters Building was constructed in 1923 as a two-part building with commercial use on the ground level and a ballroom-theater above. The Center is primarily supported through donor contributions.

This Center serves as a particularly relevant case study for the Cultural Hive as both a model for the type of organization that might innovate and fund a cultural center, but also fits the visions many Berkeley citizens expressed for the intersection of education and arts which are both very present and active in the Berkeley Civic Center neighborhood.

A Design Option *Alternative*

Veterans Memorial Building: Performing Arts & Culture

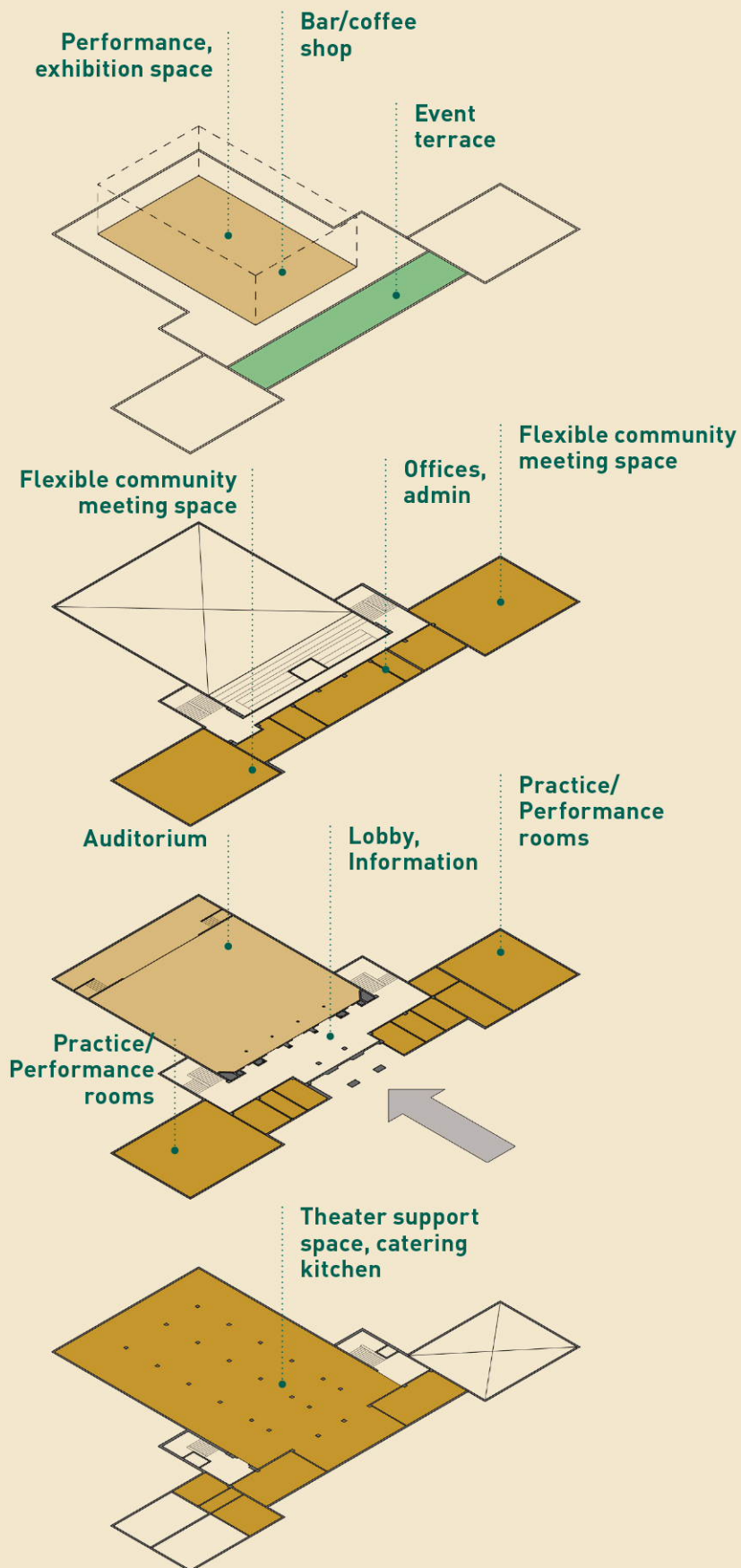
Veterans Memorial Building is converted into a Center for the Performing Arts & Culture (or Cultural Hive) with the auditorium and stage as the main performance venue and the sizable corner rooms as practice spaces and small performance venues. The lower level houses administration and support spaces, storage, and other program needs. A new public space could be added above the auditorium with a south-facing rooftop patio overlooking Civic Center Park.



↑ Island in the Sky, Studio Gang, Chicago



↑ Island in the Sky, Studio Gang, Chicago



Rooftop Addition

Performance Space
Event Venue & Deck

A Design Option

2180 Milvia: Park Additions & Universal Access

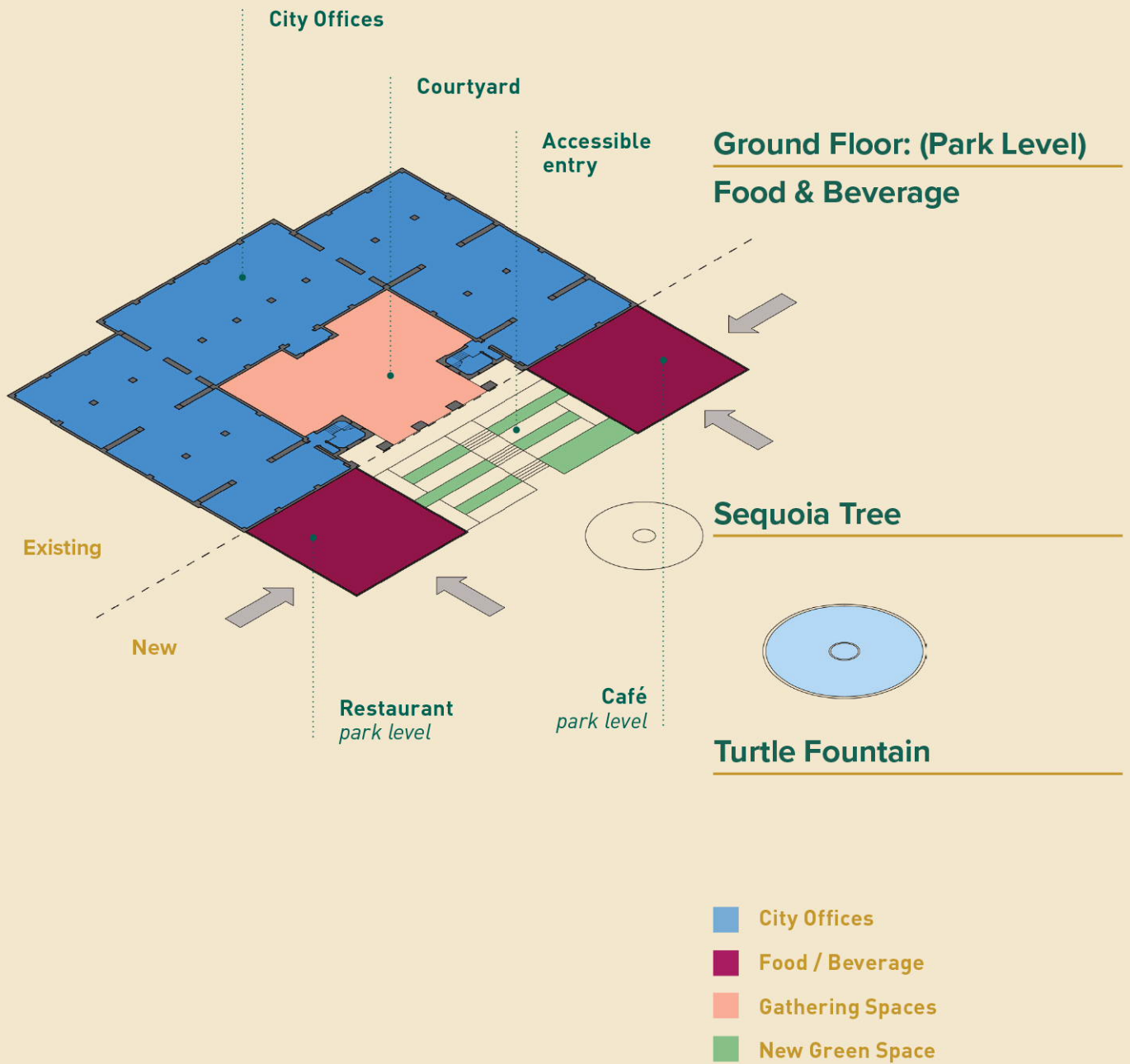
As a way to promote activities on the east end of Civic Center Park, the existing restrooms and storage spaces on the west side of **2180 Milvia** are replaced with larger additions for food and beverage service, new restrooms with access right at grade. A new sloped walkway links the Park and the 2180 Milvia courtyard, which could be covered to create a lobby and reception hall.



↑ St Johns Library, Winnipeg, Canada



↑ Palega Recreation Center, San Francisco



Conceptual Design Options

Option B

Anchored by the presence of Council Chambers in the Veterans Memorial Building, the park is defined by a central ceremonial plaza and a performance green. A pavilion structure celebrates the presence of the Berkeley's Farmers Market and invites for temporary, and semi-permanent, outdoor market space. The Maudelle Shirek Building is reconceived as a Performing Arts space, supporting arts and culture within Berkeley Civic Center.



B



B Design Option

Old City Hall: Performing Arts & Culture

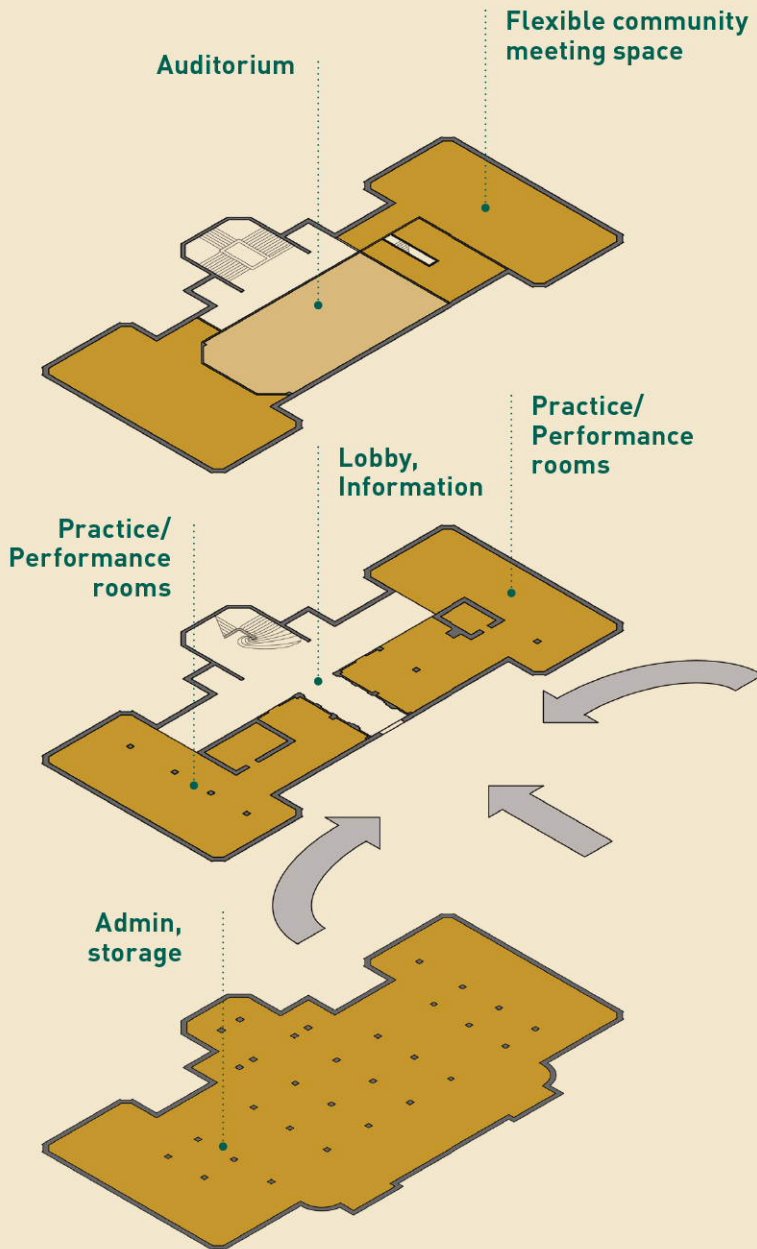
Old City Hall is renovated as the Performing Arts & Culture Center. Information and perhaps a small café occupy the main floor along the central corridor with practice rooms and small venues on the main and upper floors. The ground floor could accommodate support, administrative spaces, storage and classrooms. As in Option A, the building's original entry is reconfigured for universal access.



↑ East Bay Performing Arts Center, Richmond



↑ Malonga Casquelourd Center for the Arts, Oakland



2nd Floor:

Practice Rooms/Classrooms
Small Performance Venues

1st Floor: New Accessible Entry

Lobby / Information
Practice Rooms / Small Venues

Ground Floor:

Classrooms / Practice Rooms
Admin / Storage

B Design Option

Veterans Memorial Building: City Offices & Council Chambers

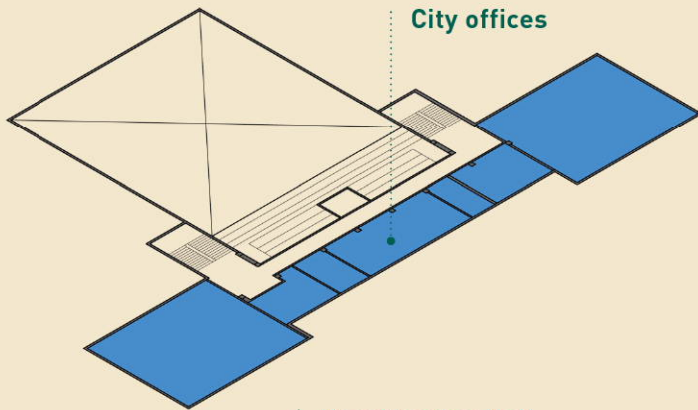
Veterans Memorial Building houses a meeting hall for council and other public entities, select city offices and uses, conveniently locating them adjacent to other city uses at 1947 Center St and across Center Street to 2180 Milvia.



↑ St Johns Library, Winnipeg, Canada

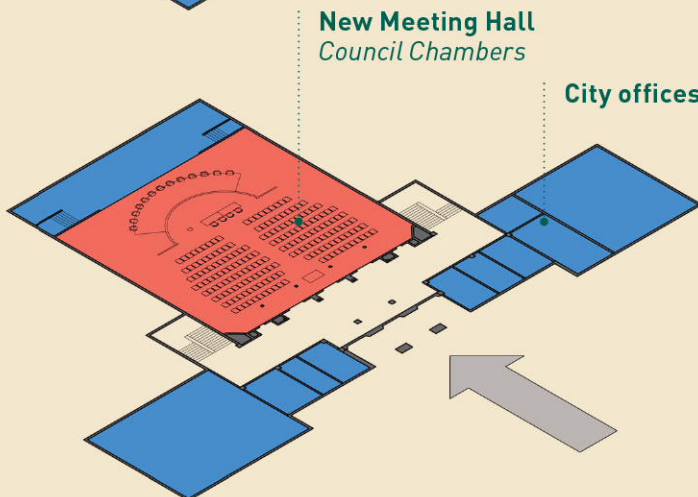


↑ Palega Recreation Center, San Francisco



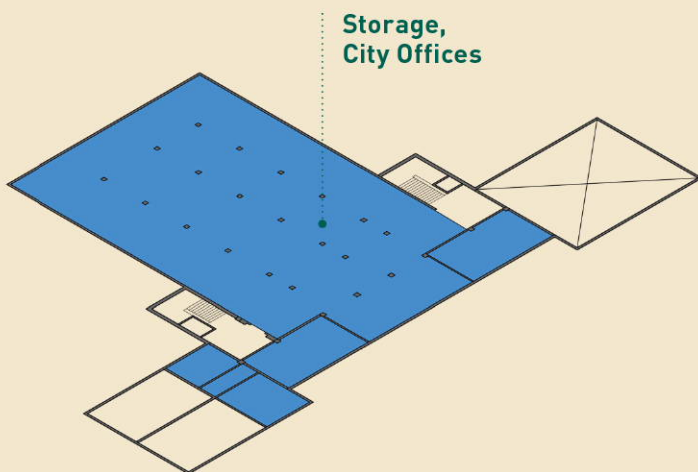
2nd Floor:

Offices



1st Floor:

**Offices
Council Chambers**



Ground Floor:

**Offices
Storage**

- City Offices
- Council Chambers

B Design Option

2180 Milvia: Park Additions

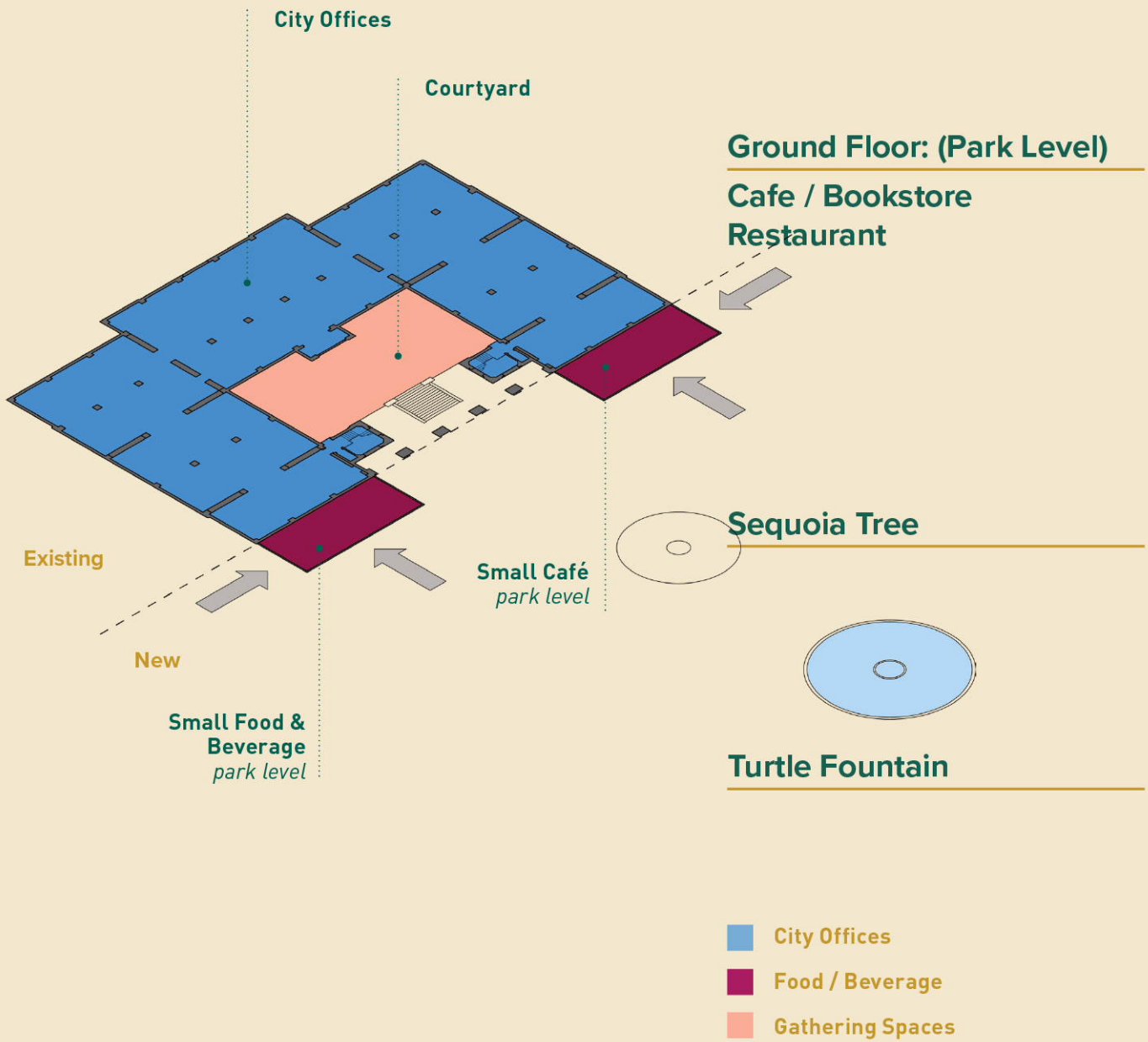
The proposed alterations to **2180 Milvia** are similar to those in the previous scheme (replacing existing storage and restrooms) but scaled down with remodeled or new additions (replacing existing storage and restrooms) such as kiosks with food and beverage services provided as take-out and with improved restrooms.



↑ Food & Beverage Pavilion, Novo Hamburgo, Brazil



↑ Blum Pavilion, Mexico City

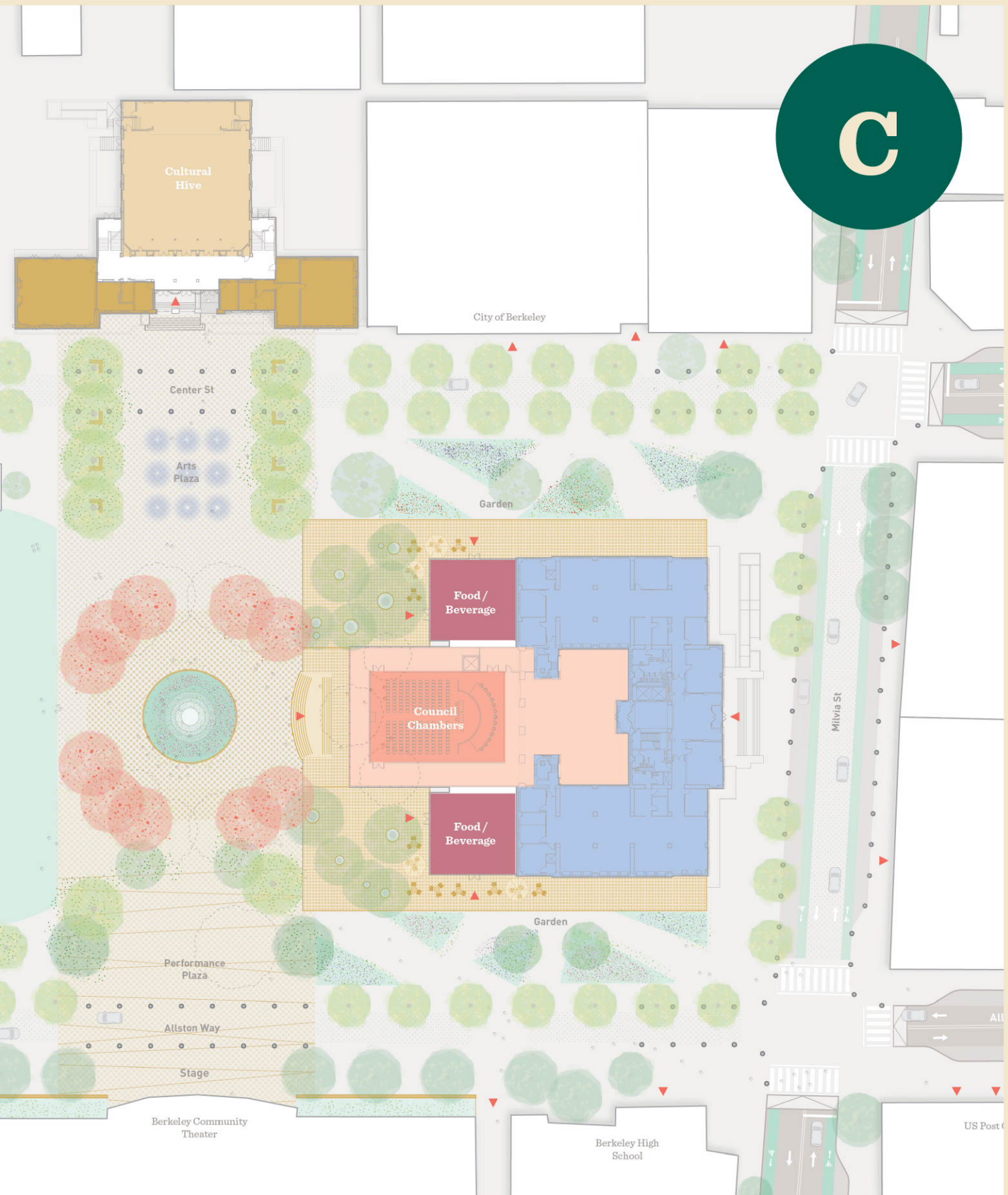


Conceptual Design Options

Option C

Council Chambers returns to the heart of Berkeley's Civic Center, redefining the relationship of the park to 2180 Milvia. An open and flexible green defines the park, providing opportunities for everyday activities and special events to unfold. Supporting the Berkeley Cultural Hive, positioned within the Veteran's Memorial Building, the Arts and Performance Plazas provide platforms for culture and the arts in the public realm.





C Design Option

Old City Hall: Berkeley Think

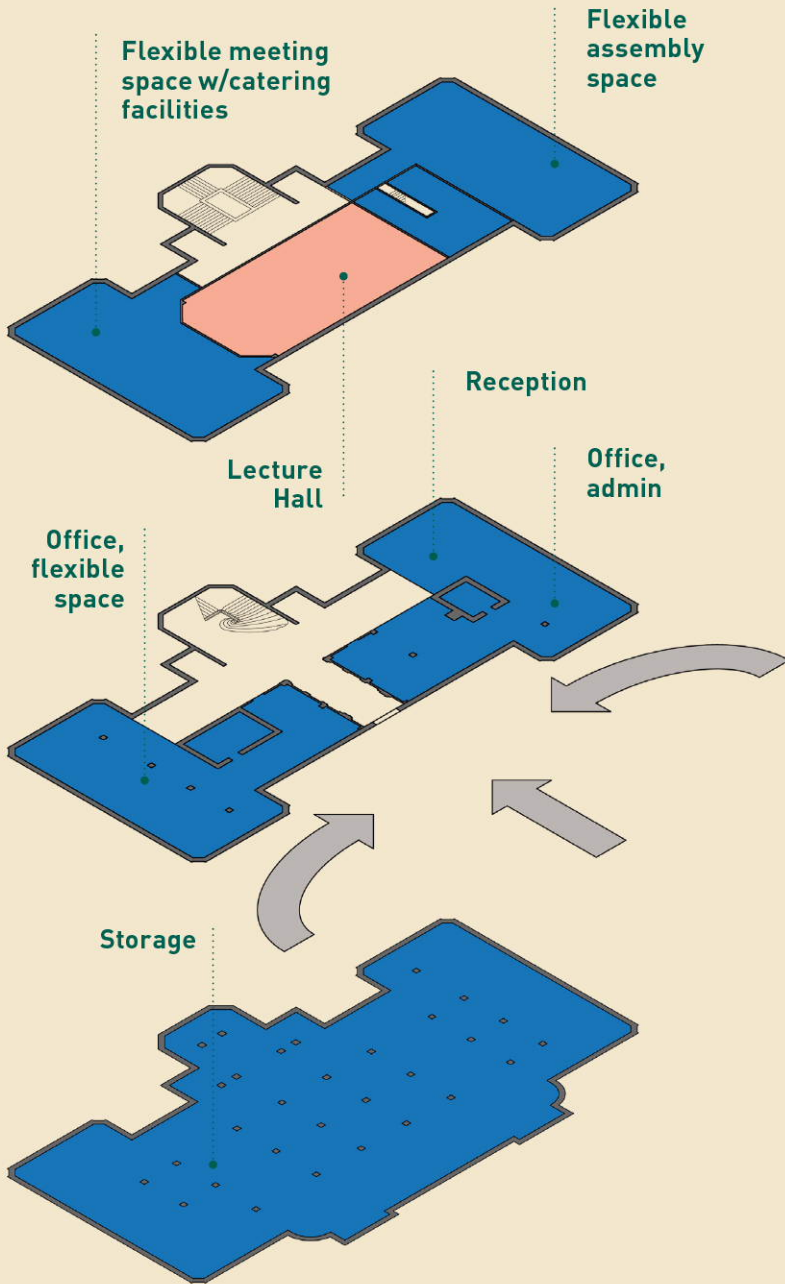
Old City Hall is renovated such that it could be rented to a small institution or a think tank or mission-driven organizations. The majority of the spaces would house offices and support spaces with the existing council chamber used as a small auditorium for speaking engagements and similar events. The building's original entry is reconfigured for universal access.



↑ MAD Architects Office, Beijing



↑ Vidal Office, Madrid



2nd Floor:

Non-Profit(s) / Offices
Rentable Public Event Space

1st Floor: New Accessible Entry

Non-Profit(s) / Offices

Ground Floor:

Non-Profit(s) / Offices
Storage

- Non-Profit(s) / Offices
- Rentable Public Meeting Space

C Design Option *Alternative*

Old City Hall: The Berkeley Center

Old City Hall is renovated as a 'Berkeley Center,' housing the historical society, a bookstore, and exhibit halls (similar to the California Historical Society in San Francisco) depicting various notable times in Berkeley's history and with space for mounting traveling exhibits. The existing council chambers could be rented out as event space.

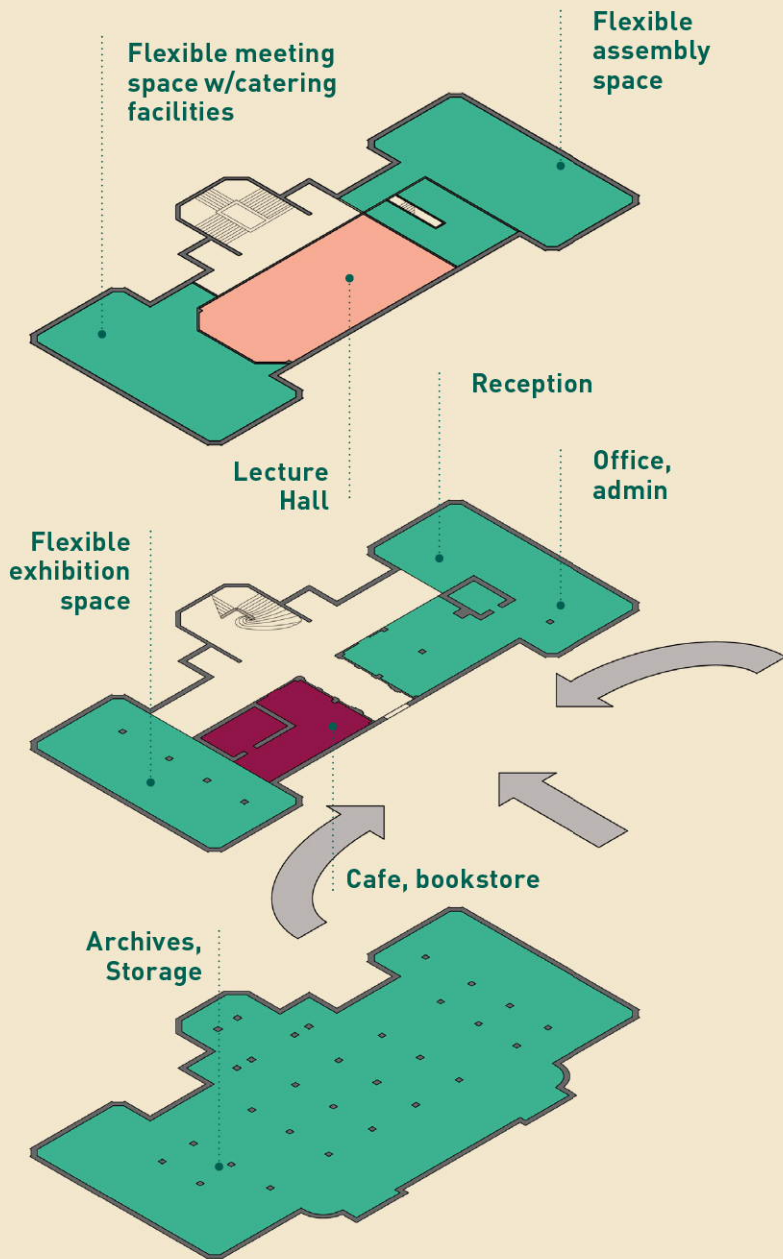
The building's original entry is reconfigured for universal access.
Please see illustration in Option A.



↑ California Historical Society, San Francisco



↑ African American Museum & Library, Oakland



2nd Floor:

Berkeley Historical Society Exhibits
Rentable Event Space

1st Floor: New Accessible Entry

Reception/Information
Exhibits
Bookstore

Ground Floor:

Archives/Storage

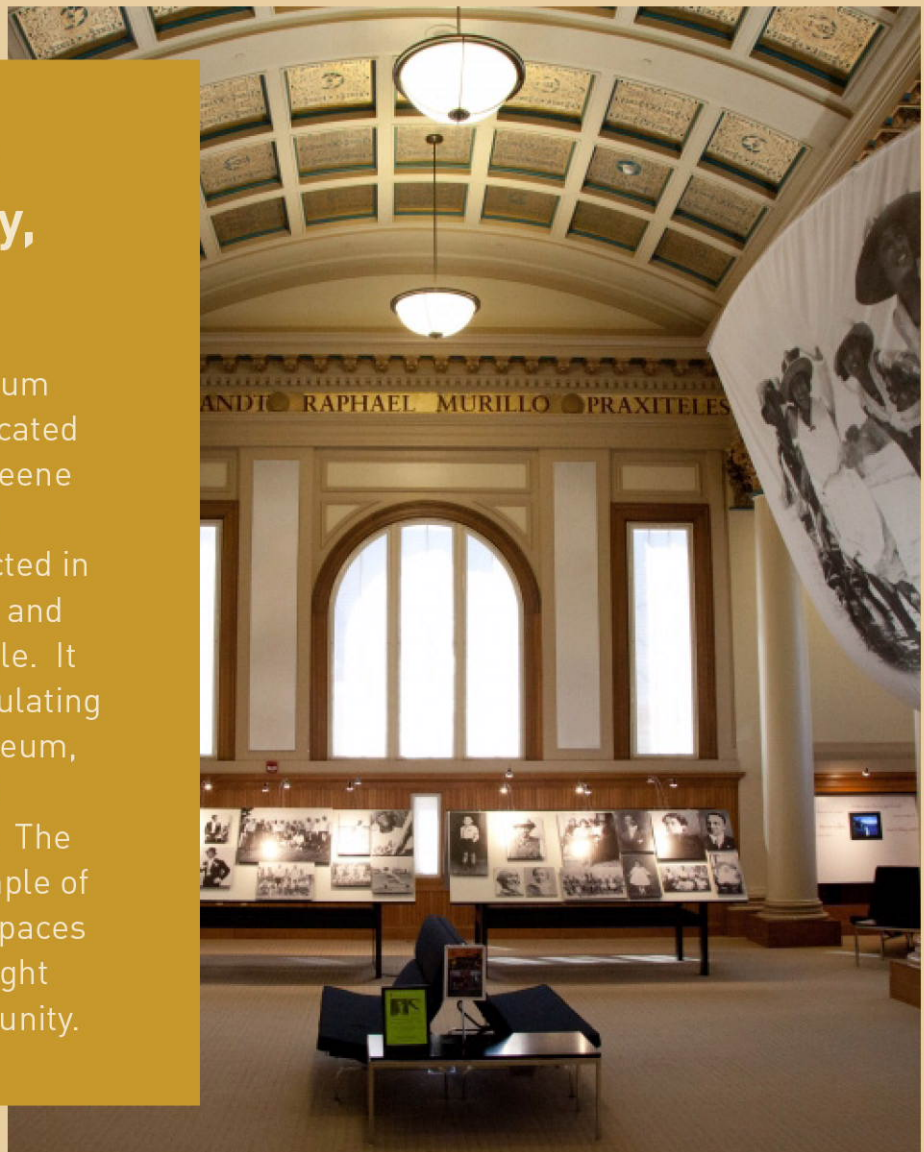
- Berkeley Center
- Bookstore / Retail
- Rentable Public Meeting Space

Old City Hall

Learning from other Historical Societies

African American Museum & Library, Oakland

The African American Museum and Library of Oakland is located in the historic Charles S. Greene Library Building; a National Register landmark constructed in 1902, and designed by Bliss and Faville in the Beaux Arts style. It houses archives, a non-circulating reference library and a museum, and hosts public events and lectures for the community. The Museum is a poignant example of the size, feel, and types of spaces that the Berkeley Center might offer to the Berkeley Community.





California Historical Society, San Francisco

The California Historical Society is the official state historical society of California. The Society purchased 678 Mission Street in San Francisco to serve as their offices, a museum and as a portal for their growing historical collection. The Society offers space for rotating exhibits, provides educational tours and public lectures, and houses a gift shop. It provides an excellent example of the types of programs and spaces that a Berkeley Center might include.



C Design Option

Veterans Memorial Building: Performing Arts & Culture

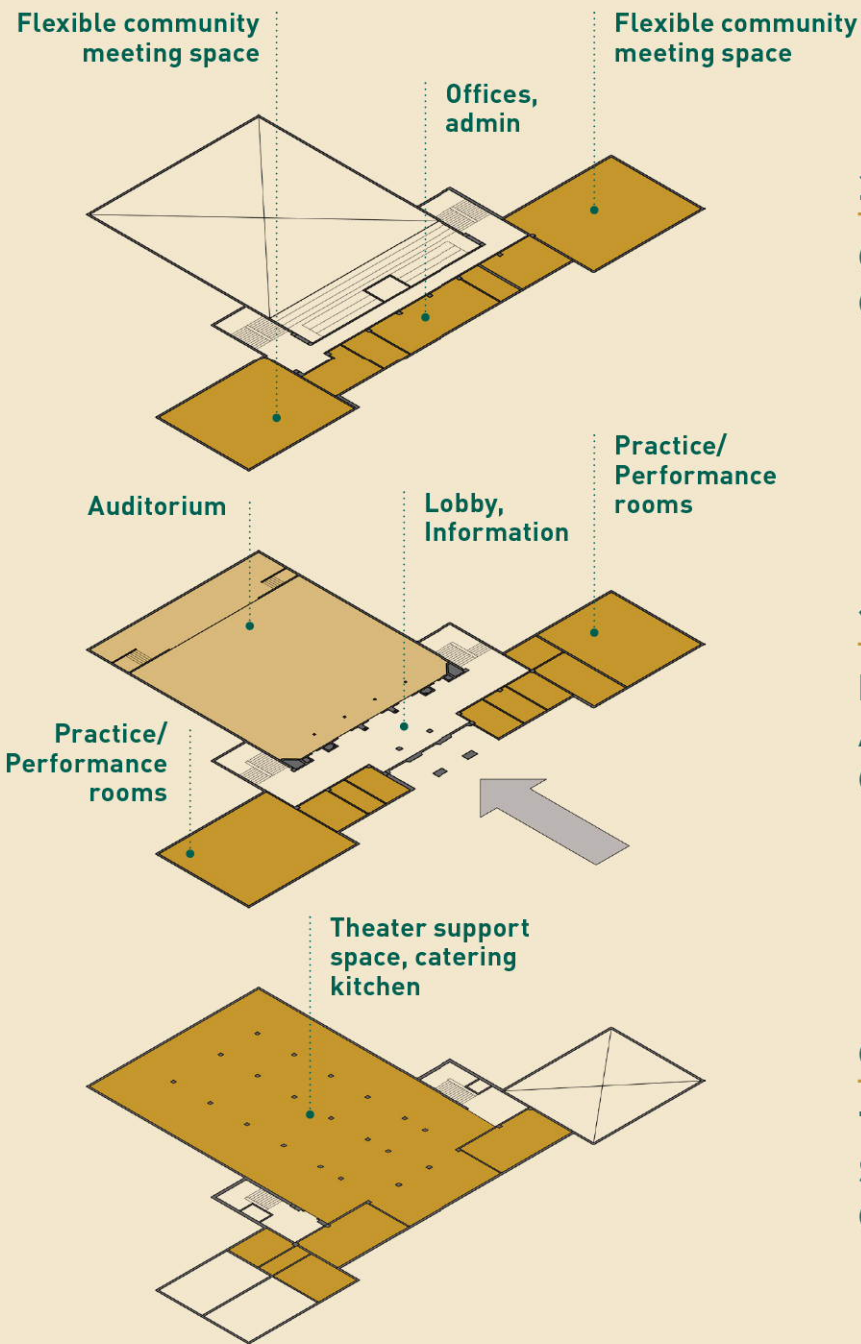
As in Design Option A, the **Veterans Memorial Building** is converted into a Center for the Performing Arts & Culture (or Cultural Hive) with the auditorium and stage as the main performance venue and the sizable corner rooms as practice spaces and small performance venues. The lower level houses administration and support spaces, storage, and other program needs. A new public space could be added above the auditorium with a south-facing rooftop patio overlooking Civic Center Park.



↑ East Bay Performing Arts Center, Richmond



↑ Melonga Casquelourd Center



2nd Floor:

Offices/Administration
Classrooms

1st Floor:

Lobby/Information
Auditorium
Classrooms

Ground Floor:

Theater Support Space
Storage
Catering Kitchen

C Design Option

2180 Milvia: Council Chambers & Park Additions

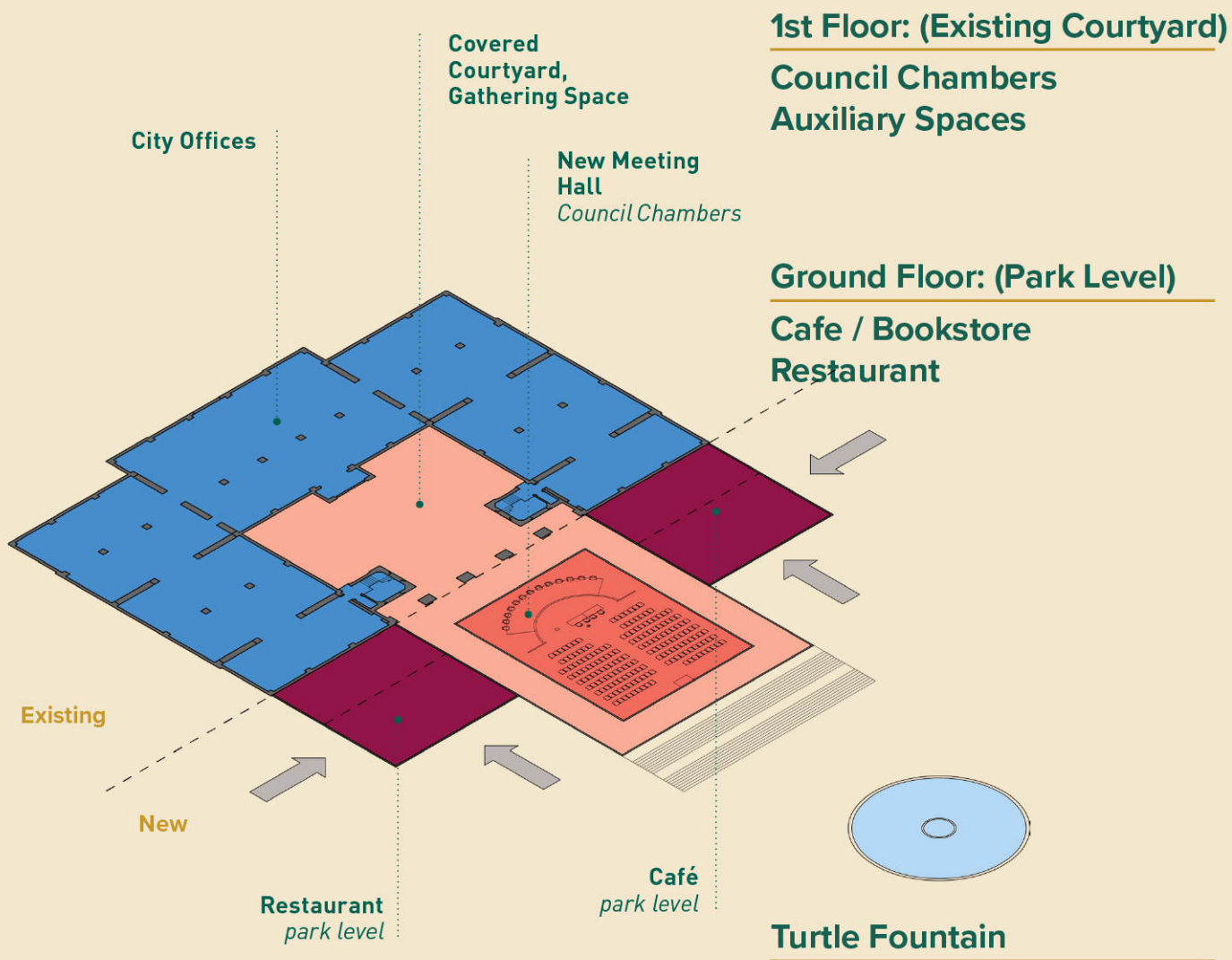
2180 Milvia is expanded to house a new meeting chamber – for council and other public entities – located on the main level courtyard of 2180 Milvia. Generous stairs connect to the Park serving as a public entry into the meeting chamber. As in Option A, new additions to 2180 Milvia would replace the existing storage and restrooms and would house food and beverage services and new restrooms at the east end of the Park.



↑ Historic DC Courthouse, D.C..



↑ National Museum of American Diplomacy, D.C.



2180 Milvia

Learning from other Historical Additions

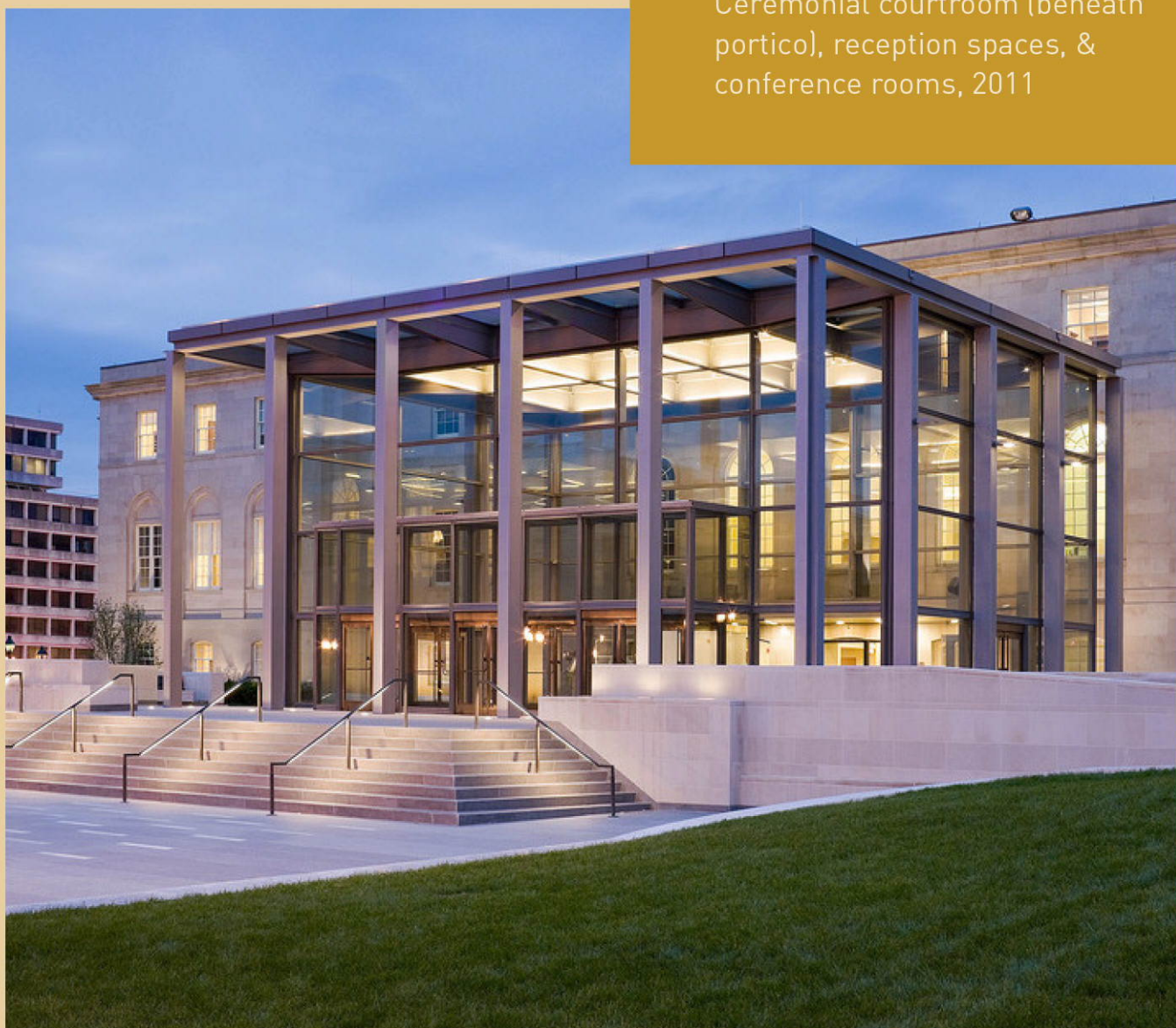


**National Museum of
American Diplomacy,
Washington D.C.**

Exhibition pavilion and gallery
spaces, 2016

Historic DC Courthouse, Washington D.C.

Ceremonial courtroom (beneath portico), reception spaces, & conference rooms, 2011

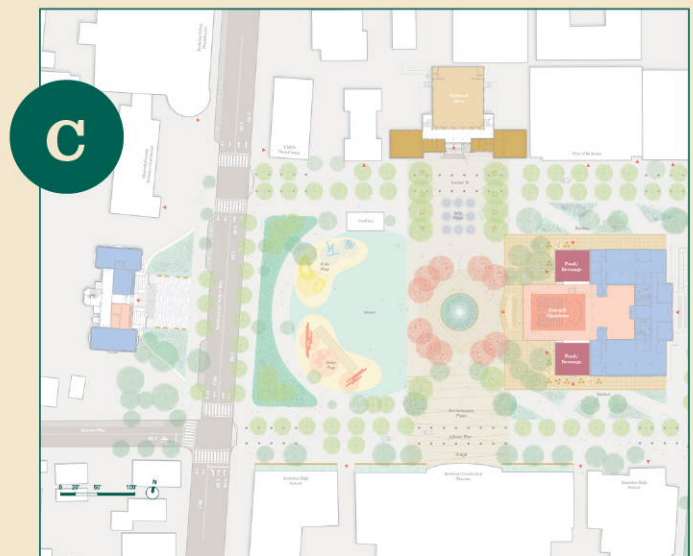
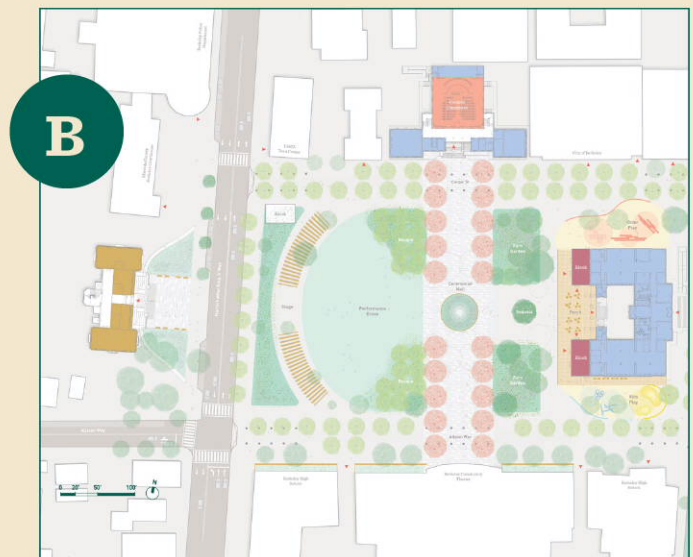
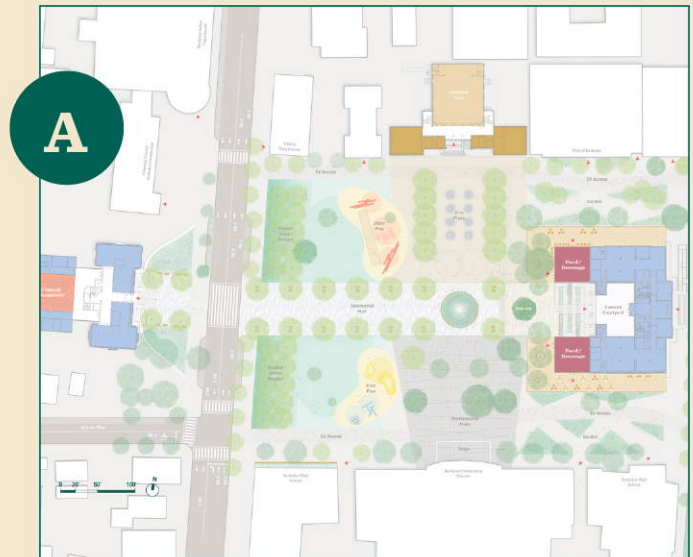


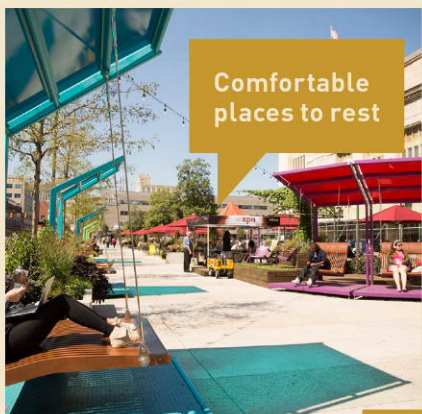
5.5

Landscape and Public Realm

The three options share key elements, such as working with the “bones” of the original park design, but softening, further defining and human-scaling spaces within the park. Spaces for performances, events and markets are included in all options, as well as generous playscapes (even if in different locations). Although of varying sizes, a food and beverage element is present on all options. Shared street concepts on Allston and Center Streets and improved crossings are also common features.

Option A sees the biggest change to the current park layout, by introducing a strong east-west plaza that connects 2180 Milvia with the Maudelle Shirek Building (New City Hall) and subdivides the green space. **Option B** describes a more formal north-south pedestrian mall, a larger green, and the smallest of the food and beverage programs. **Option C** combines the most successful concepts from the other two options and has a larger food deck area wrapping around the new meeting hall on the park.





Comfortable places to rest



Varied active play



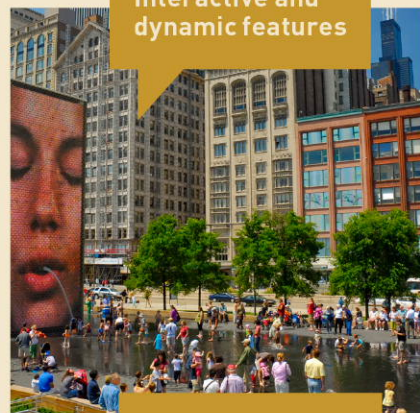
Natural play for all ages



Events, gathering and art



Evening activities like movie nights and concerts



Interactive and dynamic features



Flexible and adaptable furnishings



Pedestrian priority shared streets

↑ Inspiration images for different spaces that can exist in Civic Center Park and were selected as top resonate images in the Vision and Values Community Workshop

Conceptual Design Options

Conceptual Design Options

Feedback from the Community & Project Stakeholders

5.6

City and Commission Engagement

Technical Advisory Committee and Commission Subcommittees

During the development of the Vision Plan, the consultants team met with the project's Technical Advisory Committee (composed of city staff) and a "super" subcommittee with representation from the: Civic Arts, Landmarks (Planning), Parks and Waterfront, and Public Works Commissions.

The focus of each meeting was as follows:

Kick off meeting, September 2019 — Presentation of the Team's approach, workplan and schedule, introduction to Gehl's Public Space, Public Life survey methodology and discussion on the research questions the survey should try to address.

Project update, December 2019 — Existing conditions summary, engagement summary, draft Vision Statement and initial design opportunities — prior to presenting to City Council in January 2020.

Conceptual Design Options, March 2020 — During this meeting the team presented a brief update on the engagement process and on the historic structures assessment, with a particular focus on the challenges of the different seismic upgrade options and their implications on the historic fabric. The majority of the presentation focused on discussing the urban design principles that underlie the conceptual design options. A first iteration of each of the three conceptual scenarios was presented, including program distribution, landscape and public realm illustrative plans. A summary of costs for each option was presented, as well as a draft funding and financing strategy, alongside example projects (case studies).

Summary of feedback from the Technical Advisory Committee TAC session on March 11, 2020:

- Positive comments on the conceptual design development
- Strong desire to have Arts programs in the Veterans Memorial Building
- Opportunity to consolidate City's programs in a few buildings in Civic Center should be explored
- Need survey of performance space needs in the area
- Most people liked that Alston and Center Streets are described as integral parts of the Park's public realm; want to see safety considerations addresses, particularly on special events (for example, security and retractable bollards and traffic calming measures); also, want to see operational considerations added to our evaluation criteria (when considering removing the streets)
- The preservation or not of the Giant Sequoia divided opinions; some strongly advocating for its removal (mentioning obstruction of views and shading), while others voiced that it was an important feature that should be maintained
- Support for rooftop additions, for outdoor spaces for Art events and "breaking down" the spaces into smaller park "rooms"
- Need to consider other buildings surrounding Civic Center park and how they can contribute to activating the park and provide more program, such as 1947 Center Street and the Post Office building
- Support for space for the farmers Market, potentially spilling into the Park, and with permanent, designated elements
- Consider moving social services elsewhere, it doesn't work with a fantastic park and destination playground; make the space more desirable for families.
- Concerns about the feasibility of the financial model of the Historical Society as the main user of one of the buildings; support for the Cultural Hive idea with several tenants and rentable performance space.
- Want to see a bigger, stronger connection to the school, and play for high schoolers
- Three speakers voiced a preference for Option A, two for option C and one for option B; others meeting participants did not clearly state a preference.

Other creative ideas put forward by TAC members (CoB Staff in various departments):

- Electronic display board to replace pinboard in front of Old City Hall
- Test closing off Allston St to traffic during lunch – 11:30 to 1:00 during weekdays
- Relocate memorial trees (SW corner of the park)
- Free tutoring for all ages – this can infuse the area with more energy, a good addition to the teen center)
- Lights in the ground, light up for different events (like SF City Hall) - and outward display of the city
- All time park steward and security
- Arts Market, more events
- Resource centre for the unhoused population- somewhere can get directed to services
- Tool library and makerspace added to the idea of cultural and historical center
- Integrating youth programs with city programs and economic development: i.e. early childhood development programs for teenagers and a pre-school on site (children's daycare program was voiced by several meeting participants).
- Gateway to nature center – a partnership between 2-3 entities, a small kiosk or a larger space – the first stop to regional parks in the vicinity
- Reorganization of plaques in the area in front of Old City Hall, support for sculpture, as well as digital art and sensory experiences to be included in this area or elsewhere as part of the area's public realm.
- Invest in accessibility, seniors' needs, wayfinding.

City and Commissions Subcommittee Feedback

Feedback from the Subcommittee working meeting on March 12, 2020.

Our third Super Subcommittee meeting had representation from Landmarks, Public Works, Parks & Waterfront and Civic Arts Commission members. This meetings focused primarily on presenting and discussing the design team's translation of the vision statement into three conceptual design options, prior to these options being presented to the community for comments. The team also shared preliminary cost analysis for each option, and a funding and financing strategy.

Of the five subcommittee members that spoke, two expressed a clear preference for Option C, while the others did not state a clear preference for a particular scenario presented. The subcommittee members' feedback has been summarized on the following page.



↑ Gehl presenting the key urban design moves that are common on all three options



↑ Siegel & Strain Architects describe the implications of different levels of seismic retrofit on the historic building fabric

Comments from Public Works Commission members

- Strong support for incorporating the street adjacent to Civic Center Park — “Without incorporating the streets we have three buildings and no Civic Center”; MLK should be a transit corridor and not a car corridor; Milvia should be a primary bike way; Pedestrian principles on Center and Allston Streets – make it part of vision zero
- Yes to collaboration with BART plaza; Yes to “edge to edge” – Milvia and MLK are much more important than BART
- Find a way for the design to acknowledge the presence of Strawberry Creek running under the Park
- Would have liked to see consideration of housing, particularly affordable housing for teachers and city staff
- Preference for the park and Civic Center to become a destination for Berkeleyans
- Support for a civic meeting place, big enough to accommodate all sorts of meetings/ events. Would like to see collaboration between BUSD and City Hall to develop a single location for chambers and BUSD meetings at Civic Center
- Support for the idea of expanding options for social services
- Turning Center Street into a pedestrian mall might allow City offices to be connected as part of the same microgrid (currently cannot due to PUC right of way designation) – might we be able to change the designation of Center?
- Preferred Option is C

Comments from Parks and Waterfront Commission members

- Appreciate looking into philanthropy, speaks to thinking big and to more programming — we have a role to play in how we engage with our community
- Strong support for Council Chambers attached to the 2180 Milvia building, only caveat is that more office space (shown in the other options) would be good; good if we can stop renting in other places and centralize offices.
- The park looks beautiful
- It’s about our ability to keep that vision and more programming – and find the money for it.
- Preferred Option is C

Comment from Landmarks Preservation Commission members

- The Park is a distinctive gathering space, a massive asset; the park is malleable while the buildings are rooted. Support for the Farmers Markets to take place in the Park.
- Challenge the predominance of Council Chambers on all options
- More interested in spaces that are permeable and usable for government meetings and community meetings — 35-40 person, part of a suite meeting spaces in Central Berkeley — all sharable; if one of them can be large enough for council meetings, great.
- Would like to see opportunities for conferencing - all these buildings could be rented and hold a big event (work with the Berkeley Downtown Association)
- Emergency preparedness and response (fires, earthquakes, civic disobedience) - how would the options function for public safety; what happens if thousands of people are homeless after an earthquake?
- Big community events (Book Festival example) indoor/ outdoor - huge potential; the park broken down loses the opportunity to host big events.
- Sobering to hear the Veterans Memorial Building seismic analysis; there needs to be a base isolation analysis - neither of the seismic upgrade scenarios [presented in the structural engineers’ reports commission by the City in 2019] are palatable. Base isolation needs to be costed out. We want buildings that are survivable after several earthquakes.
- What happens if the City gets the post office; this should be an asterisk in the report
- Continue engaging with the school district
- Other city offices could move into programmed space in these buildings; economies of scale and cost savings. Renovate City Hall, consolidate.
- Streets are an important component. I worry if the streets go away, you cannot cross downtown. Support for Center St as the place that becomes more pedestrian-friendly, and Alston more of a street; revisit concept of Shirley Dean to put MLK underground — if doing conferences the ability to join the park with Old City Hall is important
- Would like to see rotating art work like in Patricia’s Green

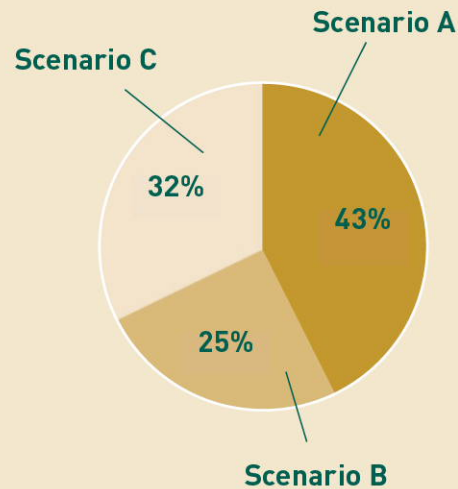
A Civic Arts commission member voiced their opinion during the TAC presentation the previous day.

5.7

Community Feedback – Website

The online engagement (extended from what was originally planned) — attracted extensive comments. The site included graphics, videos and invited people to comment in an easy way. We recorded close to 400 participants on the project website, who commented, voted, shared an idea or took a survey. 203 of those left as a comment on the Options page and 12 people sent us detailed feedback by email. The volume of participation in the discussions around options for Civic Center has gone beyond our expectations — the engagement numbers are much higher than what we would have been able to capture during a single community meeting.

Unsurprisingly, scenario A (the one presented first) had the most comments — 87 in total; scenario B had 51 comments and scenario C had 65 comments.



Website developer Neighborland whom we've partnered with to develop the platform and consolidate the engagement data, uses a natural language processing API tool to interpret sentiment analysis values. This helps quickly assess the overall emotion of a comment, indicating differences between positive and negative emotion in a comment; a comment with a neutral score may feature mixed emotions, with both high positive and negative values which cancel each out.

From an equity perspective, it was critical that we give all residents an equal voice in the process, regardless of their familiarity or relationship with Civic Center. Our commenting tools supported this principle of "equal share of voice," de-duplicating repeated comments by participants in our sentiment analysis tools and reporting.

A detailed data set of the online engagement can be found in the Appendix.

2,369

Total participants online

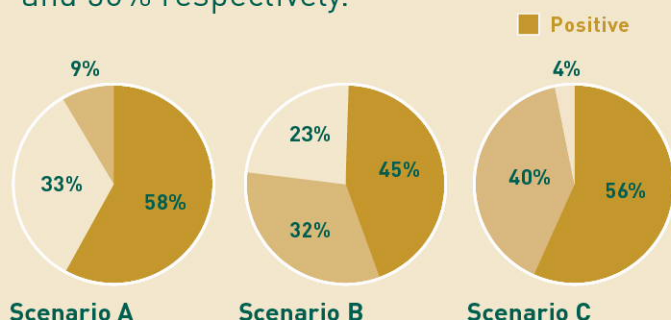
unique users reported by Google Analytics

350

We collected 350 insights

ideas, votes, comments, survey responses

The results show an extremely positive sentiment toward the project. Options A and C had more positive comments —58% and 56% respectively.



The Gehl team has looked more closely at the data and assessed how many participants explicitly stated a preference for an option, how many suggested a preference, and how many expressed dislike for an option.

	Option A	Option B	Option C
Total comments per option	82	51	65
Stated preference explicitly	45	16	25
Suggested preference	27	25	34
Expressed dislike	10	10	6

Engagement data from Neighborland and Google Analytics

2,369 total participants online

Collected 350 insights (ideas, votes, comments, survey responses)

12,500+ page views

40% traffic on mobile or tablet

97% referrals from Berkeleyside

<https://www.berkeleyside.com/2020/03/03/can-berkeleys-civic-center-become-the-heart-of-the-city-gehl-studio-thinks-so>

<https://www.berkeleyside.com/2020/04/15/last-chance-pick-your-favorite-design-now-for-berkeleys-civic-center-park>

75% social media referrals from Facebook, 20% from Twitter

We delivered 700+ notification emails

Community Feedback – Website

Strong themes and subjects that were mentioned often are the following:

- Berkeley Historical Society is an important part of the city’s cultural fabric, and must be preserved and prominently featured.
- The closure of Allston/Center to car traffic will be key to inviting people in and activating the space.
- Veteran’s Memorial Building should house the arts, and be used as a community performance space.
- Concerns of recreating SF Civic Center, with too much pavement.
- Integration/expansion of the farmer’s market with the plaza/park.
- Many prefer a preserved, large, open, central green/grassy space.
- Many indicated that a small ground floor café(s) would positively increase daytime activity.
- Strong support for Kiosks for food/beverage would be great, to serve employees in the surrounding buildings, and high school students.
- Skateboarding infrastructure is an important community asset.
- The play areas should be adjacent or near one another to allow families to stay together, and should not be so close to the high school, and not separated by a building.

	Positive Quotes	Negative Quotes	Idea Quotes
Option A	<p>Option A seems to me to be the most like a true civic center.</p> <p>This option seems the most dynamic.</p> <p>Feels the most inviting for neighbors.</p> <p>By joining Berkeley government buildings with a strong "movement," it is far more visible that there IS government in Berkeley!</p> <p>I love this mall and intentionally connecting the different uses of this space, which can hopefully activate much of it.</p> <p>I strongly prefer Option A. It takes full advantage of the potential strengths of both Old City Hall and the Veterans Building. It is elegant and makes sense in its design sensibility and civic function.</p> <p>Of all the options, I like this one the best. It really feels like grand public space.</p>	<p>This option doesn't seem to have an area that can be used for a large gathering, such as today's park use for the pow wow, which seems like a loss to me. It feels too broken up of a design.</p> <p>Too formal and too much pavement, for my taste.</p> <p>Too much like SF civic center. Misses the mark on properly scaled, friendly, usable spaces. Lacks hierarchy of space.</p>	<p>Any plan for the Civic Center Area that does not include The Berkeley Historical Society is completely inadequate. Communities everywhere, large and small, value and share their history. How shameful it would be if Berkeley cannot find a way to honor and protect our precious historical record.</p> <p>This is the main BHS pick-up drop off zone, where does that go?</p> <p>There should be consideration given to provide for a skating area to replace the ledges that they currently use in front of city hall.</p> <p>The only way that the paved spaces can be positive is if the City of Berkeley develops a VERY active series of programmed events – several times a week.</p>
Option B	<p>I like that this one has a bit less ceremonial flourish to it than Option A</p> <p>This option balances the needs of the high-school students, families with children and the farmer's market crowd</p> <p>Option B is my favorite I really like the centralized park I think it's the best layout!</p> <p>Having 2180 Milvia open towards the park will make a huge difference towards the friendly and inviting ambiance of the park</p>	<p>It does not make sense to have the kids play and older play far away from each other. Makes it really difficult for parents with various ages of children!</p> <p>The way the three buildings are utilized in relationship to each other will not bring the same level of animation to the site.</p>	<p>Lack of adequate crossing here isolates the building from the rest of the park</p> <p>This feels like the least cohesive of the three options</p> <p>B is the worst option as play areas get shaded by building and more importantly, parents have to choose one or the other.</p>
Option C	<p>Option C seems to be the most functional and aesthetically pleasing...allowing for some public lawn to remain while also combining the whole block and its adjoining buildings</p> <p>Seems not only the most practical but also offers maximum usage for a variety of civic and community events.</p> <p>I think this choice is the best of the three options. It retains the green space and is the option that can be done incrementally.</p> <p>The whole scheme is well resolved and I can see how I and our community would use and enjoy the space. It creates an invigorated heart in our downtown core.</p> <p>Option C is the best design, in large part because it intimately links the city council offices and chambers and therefore creates a destination and hub of activity at all hours in the park</p>	<p>None of the building options lend themselves to attracting the public to the park, unlike other options</p> <p>I can't imagine chopping down a Sequoia to build City Council chambers in a park. That, to me, disqualifies this approach entirely.</p> <p>Option C throws away Old City Hall as well as the Veterans Building.</p>	<p>Adult exercise equipment</p> <p>I'm for whichever one will preserve historic buildings and also preserve the most trees. Both are endangered "species" in Berkeley.</p> <p>Would love to see this design integrated with Option B's pavilion and stage space, and Option A's redesign of the back of 2180 Milvia.</p>

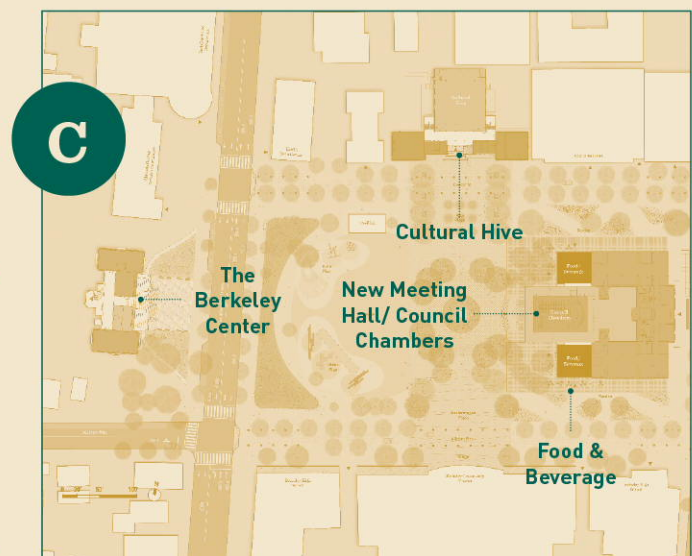
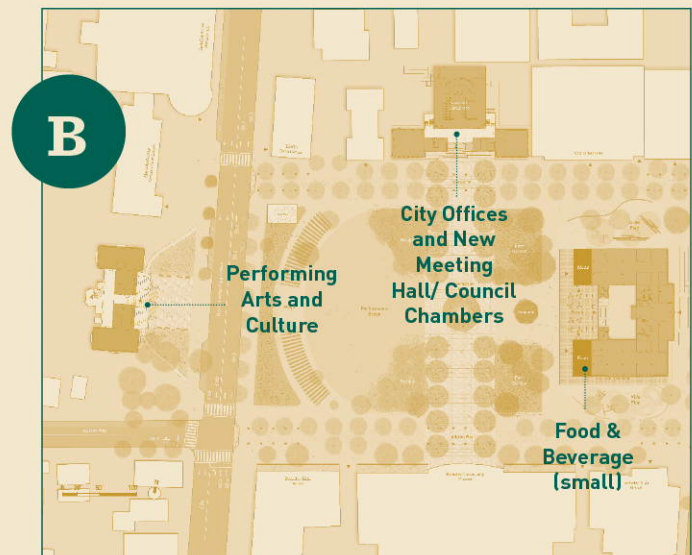
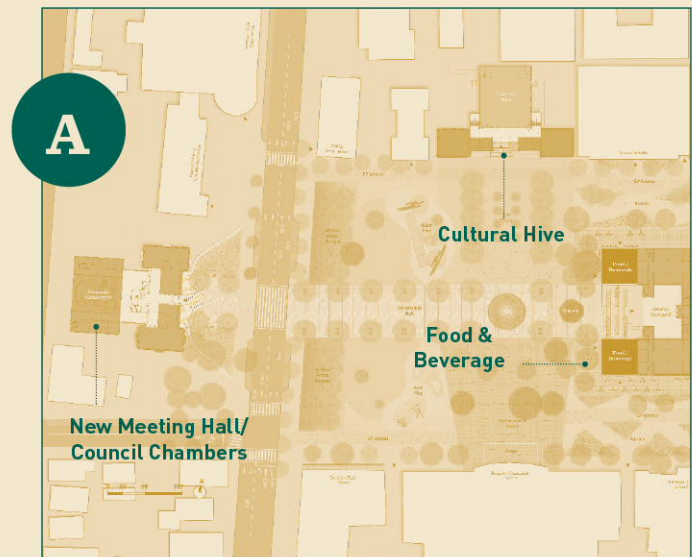
A detailed data set of the online engagement can be found in the Appendix.

5.8

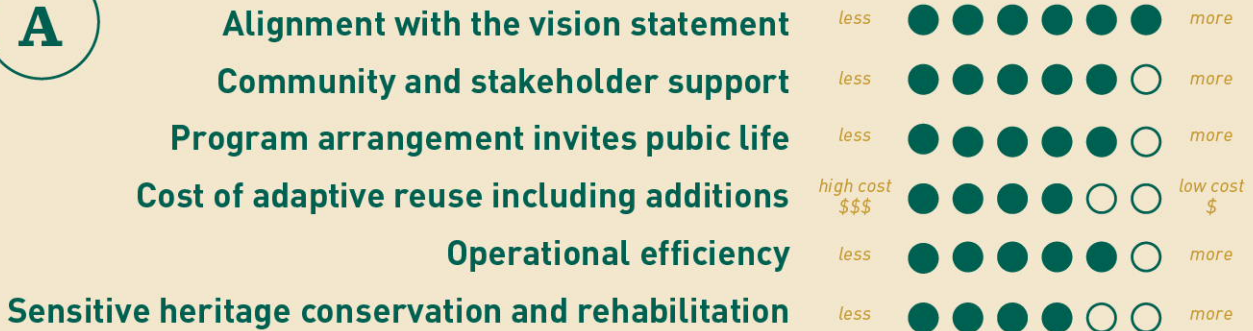
Design Options Appraisal

As we developed and presented different iteration of the design concepts it became important to establish a criteria for analyzing how options compare to each other on key criteria. Developing the criteria itself is challenging and we welcomed feedback received from the Technical Advisory Committee (TAC).

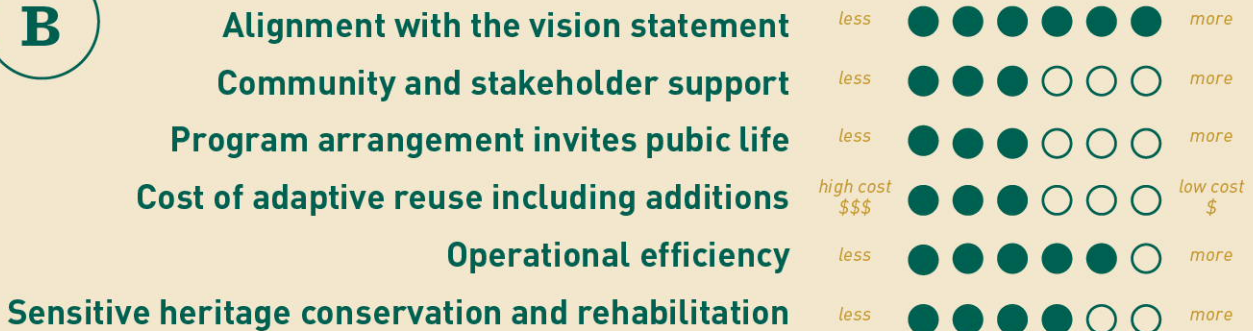
All options successfully translate the vision statement into a spacial configuration. However, there are differences in the costing of each option and on the community and stakeholder support they received. Consolidating civic uses sees a higher operational efficiency score. As an example, sensitive heritage and conservation, although a design driver on all options, has a lower score in option C, the boldest option that considers a new building in the park and the removal of the Giant Sequoia. However, this particular option scores highest in public life invitations — it has an access to the new hall from the park, steps to sit on and human-scaled areas in front of the cafes.



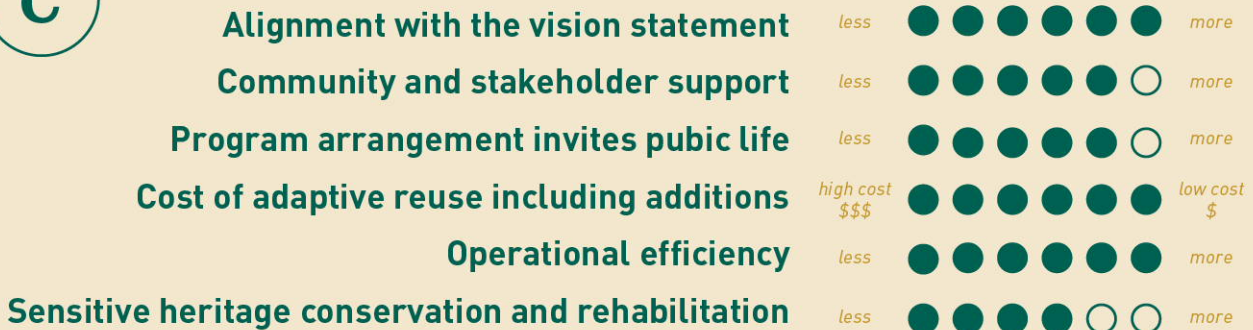
A



B



C





Funding Strategy

6.1 Funding Strategy

6.2 Case Studies

6.3 Summary Cost

6.1

Funding and Financing Strategy

When a community adopts a bold new vision, like the Vision Statement for the Berkeley Civic Center, questions immediately arise regarding how much will the Vision's implementation cost, and where will the money come from. But it is impossible to answer either of these questions accurately or with any great specificity at the time when a Vision is adopted. Instead, community members, policy makers, and city staff need to recognize that implementation, or project delivery, involves many steps in a process that takes time. There will be no grand funding solution or single funding source that can deliver any one major piece of this implementation vision. No one funding source will be able to pay for an entire project and most projects will be funded slightly differently. However, there is a general set of funding sources that can be used for different types of projects and at different points in the implementation process. This section will present a brief definition of funding versus financing, define; the major funding

sources available to pay for projects associated with the Vision, and present three case studies illustrating various approaches to funding, and a more detailed description of which funding sources are most relevant to the major project types presented in this Vision document.

Funding Versus Financing

The term "funding" refers to a revenue source that can be used to pay for any improvement to a building or public space. Funding is something that flows to a project from an outside source or is generated by the project itself, often in the form of rent payments and/or tax revenues such as property or sales tax revenues. Figure 1 shows the most common sources of funding used to pay for different kinds of projects by the basic project elements included in the Berkeley Civic Center Vision Statement. Note that the project elements have been "compressed into these three

general categories. Although each project element involves more detailed parts or component, the funding sources and relevance will be the same for each component within a basic project element, even though each element might be funded separately and/or might use a different combination of the same funding sources.

Fund sources should not be conflated with financing mechanisms. Financing refers specifically to different ways to borrow money against future revenues by borrowing money from a bank, issuing bonds or other debt instruments that are paid back over time through taxes or fee payments. Public private partnerships (P3) are a form of debt financing in that the private partner is raising capital to build a public project, but that partner expects to pay the money raised to be pay back with interest. As the case studies included below will show, there are a range of “private” partners working with cities on a variety of projects types. Although the terms funding and financing are often used interchangeably, the distinction is important because financing mechanisms require a dedicated funding source be used for debt repayment. Public private partnerships.

Funding Sources

Preparing a funding strategy using these

sources must be strategic, opportunistic, and iterative. Some funding sources, such as some grants or citywide bond funding, may only be available periodically. Other funding sources, such as value capture mechanisms, require various legal steps to enable the city to collect the intended revenues. Sometimes planned revenue sources do not materialize or amounts are lower than anticipated. Or, unanticipated funding sources, including money left over from other projects, may suddenly materialize to help close a funding gap. Each general funding source is briefly described below.

Public Agency Grants –The most common public agency grants in the Bay Area are for transportation related improvements. These grant sources typically come through the Alameda County Transportation Commission. These grants are targeted at a wide range of transportation related projects and have already been identified as potential opportunities to fund improvements to both Milvia Street and MLK Jr Way as identified in the Berkeley Strategic Transportation Plan, 2016.

The City of Berkeley has also successfully used grants from the Federal Emergency Management Agency (FEMA) to renovate both James Kenney Community Center and the North Berkeley Community Center. The FEMA grants are only

Funding Strategy

available when there has been a natural disaster in the state, such as a fire, earthquake, or flood, and funds are made available to mitigate against similar future disasters. The grants can only be used for seismic upgrades, are typically in the \$3-5 million range, and require a 25 percent match from the City. It can take as many as two years to receive final approval on these grants, so City staff should be applying for this funding as soon and as often as it becomes available.

There are also various grant sources available for arts programming at the state and federal level, however, these grants are not typically used for funding building rehabilitation.

Philanthropic Grants – An essential reason for preparing the Vision Statement, to be followed by more detailed planning for the Civic Center area buildings is to establish a clear purpose and use for each building. Once this “story” has been established, it will be possible to pursue grant funding from private philanthropic sources whose goals are aligned with the building’s final use. Philanthropists appear to be particularly interested in buildings targeting the arts and providing programming for underserved youth.

Tax Credits — Over the years, Congress has authorized several tax credit programs that could be utilized to pay for some of the rehabilitation costs for the

buildings in the Civic Center area. These programs include the New Markets Tax Credits and Historic Tax Credits. Each tax credit program has its own rules for eligibility, and both are complicated financial instruments that require specialized expertise in both evaluating the feasibility for using the credit, and for preparing the tax credit applications. In addition, the City cannot apply for these tax credits, only a for-profit entity can use the tax credit funds. Given the importance of being able to access funds through both programs for the case study projects presented below, this suggests that the City may want to work with a developer to renovate and manage either one or both the buildings.

Rent Payments – Rental payments are a critical funding source for buildings because this revenue stream can be used to pay back any type of loan that could be required to finance part or all of the capital required to the project. Expected rental rates establish the amount of supportable debt the building can take on, establishing an integral relationship between rents as a funding sources and loans as a financing mechanism. Loans can take many forms and will carry varied interest rates.

In renovating publicly owned historic buildings to be used by non-profit organizations, one goal might be to keep rents as low as possible. But this goal

could work at cross-purposes to lining up any financing mechanisms required to cover renovation costs. One way to address this challenge is to raise as much revenue as possible from grants and other sources that do not require repayment to keep loans and therefore rents, at a lower amount.

Developer Equity – Most real estate projects involve two general sources of funding: debt and equity. Debt is a loan made to the project and is paid back through proceeds generated by the project (typically rents or unit sales) over a set time period and involving a set interest rate. Loans are usually used to pay for construction costs, but not for other predevelopment costs. Equity is the money invested in the project by the “owner” who can be the developer and/or other parties, including tax credit investors. This money is more flexible and can be used to pay for predevelopment costs as well as construction costs. Projects are expected to repay equity investors as well as lenders and equity investors often expect a higher interest rate than lenders because an equity investment is higher risk. Once the equity investors and the project debt have been repaid, the equity investors are entitled to any future revenues from the project. If the project is successful, these returns can be significant. Developer equity is one important source of predevelopment funding for building construction or

rehabilitation.

Citywide Bond Measures — Cities often borrow money for major projects by issuing bonds. The bond investors are then paid back through some revenue stream including an increase in property tax rates, user fees, or other stable revenue sources. The Measure T1 Bond money being used to pay for the Civic Center Vision process is a general obligation bond to be repaid with increased property tax rates where the increased tax rate amount can only go to repaying this specific bond. The money raised from bond sales can be used as an internal “grant” mechanism within the City to pay for improvements that in and of themselves do not generate a revenue stream that can be used for debt repayment. Therefore, bond proceeds are typically used for projects like transportation infrastructure, parks, and other community facilities. A significant portion of the Measure T1 bond monies have been committed to other projects, but it is possible that some of this revenue could be used to pay for specific items in support the Civic Center Vision, including additional technical studies and/or funds to stabilize the Veterans Memorial Building and Old City Hall so that they do not deteriorate further before the larger amounts can be raised to paid for the necessary seismic retrofitting and building rehabilitation.

Funding Strategy

Value Capture Mechanisms – Public investments in community improvements including parks, better streets and other infrastructure tend to increase values for existing nearby property owners. The term “value capture” refers to any strategy whereby a public agency “captures” a portion of the increased property values to help pay for the infrastructure itself. Value capture mechanisms include various kinds of assessment districts, infrastructure financing districts, impact fees, and parcel taxes. While these kinds of funding mechanisms have been considered for Berkeley’s Downtown (see the Downtown Streets and Open Space Improvement Plan), the amount of revenue that these funding sources can raise tends to be very limited. In the Civic Center area where the majority of properties are owned by public agencies, who do not pay property taxes and would not benefit from increase property values, there is no real source of support for these traditional value capture mechanisms. However, if it is possible that certain street improvements or smaller-scale landscaping projects could be funded through a value capture mechanism, such as a lighting and landscaping district, if the Civic Center area were included within a larger district that could include Downtown with more properties across which to spread the cost.

For purposes of this discussion, business improvement districts (BID) will also be treated as a value capture mechanism. BIDs can levy an ongoing charge against businesses and sometimes property owners, to pay for certain services beyond what the City might provide, as well as paying for capital improvements. The kinds of activities a BID pays for range depending on the size of the BID its annual budget. Small BIDs like the Downtown Berkeley Association focus on keeping their area clean and safe, conducting marketing activities to promote the area, and programming events to attract people to the area. Some BIDs are very large and include major corporate members, so their operating revenues are extensive. For example, Bryant Park in New York City is operated by a BID, although the Park is owned by the City. In 2014, the Park has operating expenses of almost \$14 million of which only about \$1 million came from BID assessment. The rest of the Park’s revenues came from corporate sponsors and park usage for events. This suggests that value capture is not a viable option for improving or operating Civic Center Park.

Corporate Sponsorships - Corporations will contribute money on an annual basis to a high visibility facility or event to gain name recognition and to be associated with whatever they are sponsoring. Examples include naming rates for

sports arenas or underwriting major events. Most corporate sponsors tend to be large corporations, but small and mid-sized companies can potentially sponsor projects or events as well. As was described above, Bryant Park is partially funded through corporate sponsorship, which pay for a variety of programs and amenities in the Park, i.e. Pepsi who sponsors ping pong tables. Sponsorship differs from philanthropic giving by corporations in that sponsorship deals are often made over an extended period of time and are explicitly about advertising for the sponsor; whereas grants tend to be a one-time occurrence and are tied to a mission or goal.

relatively small. But depending on fund availability and community priorities, projects from the Civic Center could start to be programmed into the City's capital budget. This source is particularly appropriate for the Park and street improvements which have more limited financing options than the buildings.

City Revenues - In fiscal year 2020 the City of Berkeley had a total budget of \$197 million including both operating and capital funds . Although most of this money is programs for public safety (police and fire) and general government services, there are discretionary funds within any budget year that can be allocated by the City Council or the City Manager to cover some of the additional costs associated with implementing the Civic Center Vision, including but not limited to the necessary staff resources to continue to actively manage the implementation process, apply for grants, etc. This budget also includes a two-year capital improvement program, which is

6.2

Case Studies

The following case studies illustrate the funding and financings approaches to rehabilitating two publicly owned historic buildings and one park in the Bay Area. These demonstrate the many different ways that cities approach this process, and the ways in which the public sector can work with private and nonprofit partners to fund projects like the Veterans Memorial Building, Old City Hall, and the MLK Jr. Civic Center Park.

Building Case Studies

The two building case studies include the Geneva Car Barn and Powerhouse located in San Francisco and Oakland's Civic Auditorium. These two buildings are vastly different in their size, original purpose, community visibility, and extent of damage caused by the Loma Prieta earthquake. However, both buildings are being rehabilitated by mission-driven developers and will deliver significant community benefits related to arts

programming and non-profit use when completed.

Geneva Car Barn and Powerhouse

The Geneva Car Barn and Powerhouse (GCBPH) is in southern San Francisco near the Balboa Park BART station in what has historically been a working-class part of the City with few public amenities or community facilities. Built in 1901 to house San Francisco's first electric railroad, the GCBPH facility operated as part of the City's municipal rail system (MUNI) until 1989 when the Loma Prieta earthquake rendered the buildings in this complex unusable. The complex sat vacant for about ten years, at which time MUNI decided to demolish it. However, a passionate group of community members created the Friends of the Geneva Car Barn to protest the proposed demolition. The group successfully lobbied the Mayor's Office to save the Car Barn and Powerhouse, some of the only historic buildings in District 11, and hoped to find a community use for it.



← Geneva
Car Barn and
Powerhouse

Although the Friends group had successfully stopped the GCBPH demolition, the group lacked the political clout or social networks to raise the funds necessary to begin the process of rehabilitating this derelict set of buildings. After many successive rounds of outreach to elected officials and City staff, the project caught the interest of the San Francisco Recreation and Parks Department leadership who saw the building complex's potential to house arts-related job training programs in a neighborhood that lacked any significant community facilities. At that point, GCBPH ownership was transferred to the Recreation and Parks Department and an initial investment was made to stabilize the buildings so they would not continue to deteriorate.

At the same time the Friends group

received about \$1.5 million in predevelopment funding from the City to hire a full-time executive director who could move the project forward. The first step the new executive director took was to work with the community to establish a clear vision for the building and to run a design competition to select an architect who could prepare a preliminary design for the buildings' reuse. This design also became the basis for a preliminary construction cost estimate. Once a preliminary project cost was established, based on the buildings' future use and its current condition, the City also funded various studies necessary to continue to develop a funding and financing strategy for the rehabilitation. These additional studies included more detailed architectural drawings, a market consultant to evaluate the potential rents the building could achieve, and an

Funding Strategy

expert in working with both New Markets Tax Credits and Historic Tax Credits to evaluate whether the project could qualify for the credits, and approximately how much capital each of these sources could raise.

Eventually, the decision was made to split the rehabilitation project into two phases. The first phase would include on the 5,000 square foot Powerhouse building only. Cost estimates indicated that rehabilitating this building alone would cost approximately \$16 million dollars, and this amount could be financed using a range of sources. The Car Barn building costs were estimated to be in the \$40 million range, a price that was deemed infeasible to finance with available resources.

Establishing the focus on the Powerhouse building with clear project costs provided the basis for local politicians, including the district supervisor and State Assembly member Phil Ting, to help secure additional local and state funding so the project team could finally cobble together multiple funding sources to cover the project costs, that had, by this time, escalated to almost \$18 million (a cost of approximately \$3,500 per square foot).

Assembling the capital for the GCBPH project had been a long and arduous process and most of the work was done by one individual who played many roles over

the many years involved. This person, Nicole Avril, started as the executive director for the Friends group, she then held several different positions within the Recreation and Parks Department which enabled her to continue to both advocate for and work on the various predevelopment steps in making the project a reality. But the long-term plan was never for San Francisco to operate the Powerhouse building once it was renovated. The plan had always been to have a non-profit arts organization perform this function. Therefore, when the project was ready to move into the final phases of design and construction, the City issued a request for proposals and selected a development team that included the Community Arts Stabilization Trust (CAST) acting as the project's developer and master tenant, with Performing Arts Workshop as the main subtenant and building operator.

CAST is an organization dedicated to the mission of acquiring or controlling properties to sustain non-profit arts organizations in the Bay Area. As the developer, CAST was able to create the necessary financing structures and find the money necessary to fill in some final gaps in the project's funding. CAST will be responsible for managing the construction and long-term operation based on a 55-year lease. Because the capital sources for the project include grants or equity funding from sources requiring a relatively low interest rate,

CAST will be able to lease the space to Performance Arts Workshop and other subtenants at relatively low rental rates, which as a key goal throughout the project’s long development process.

This case study illustrates two key points. The first is that because the project had a clear arts-driven community-based mission, it was able to garner financial support from both political and philanthropic sources with aligned priorities. Second, it took many years and considerable investment on the part of the City of San Francisco to piece together the financing strategy for this project. One reason the project took so long was because successive planning and design steps were required to find a project that was financially feasible based on the relationship between the total project costs, the funding sources, and the project’s revenue stream. A second reason this project took so long was because it initially lacked a strong public champion and it was not until the District Supervisor became fully committed to the project that it became possible to leverage more local and state funding sources. It should also be noted that many extra costs and time were incurred because of the relative inexperience of the project team in dealing with these complex financing structures.

Selected Predevelopment Funding Sources

- City of San Francisco General

Obligation Bond: \$837,863

- Pro Bono services: design, construction estimate, tax credit consultant
- City operating budget to support staff time for the project

Geneva Barn Development Funding Sources

2000 CITY OF SF GO BOND	\$837,863
2012 CITY OF SF GO BOND (COMMUNITY OPPORTUNITY FUND)	\$3,000,000
STATE OF CA GENERAL FUND GRANT	\$3,500,000
CCSF GENERAL FUND	\$2,500,000
SUPERVISOR SAFAI - MAYOR’S BUDGET	\$200,000
CAST DEVELOPER CONTRIBUTION	\$1,000,000
GCBPH SF PARKS ALLIANCE ACCOUNT	\$35,612
HISTORIC PRESERVATION TAX CREDITS	\$1,842,967
NEW MARKETS TAX CREDITS	\$4,058,340
NEIGHBORHOOD ASSET ACTIVATION	\$306,000
SF REC AND PARKS CAPITAL BUDGET	\$226,610
TOTAL FUNDS	\$17,507,392

Funding Strategy

Geneva Barn Timeline

- 1901** Geneva Office Building and Car Barn built by San Francisco and San Mateo Electric Railway Company.
- 1903** A Powerhouse building is added to provide electricity to the streetcar line.
- 1944** The older streetcar company is absorbed by San Francisco Municipal Railroad (MUNI) and this site becomes the core for San Francisco's streetcar operation
- 1989** Loma Prieta earthquake renders the buildings unusable and they are abandoned.
- 1999** MUNI tries to demolish the Car Barn and Powerhouse, but the neighborhood gets the Mayor to intervene.
- 2002** Neighbors form the Friends of the Geneva Car Barn and Powerhouse to lobby the City for funds to renovate the building for community use.
- 2004** Building ownership is transferred from MUNI to the San Francisco Recreation and Parks Department. The office building stabilized and gets a new roof. Community members start working with the City to establish a youth center. City staff and elected officials start securing funding for the project from multiple sources.
- 2009** The City hires a staff person to manage the Car Barn project.

- 2010** The City hires an architect to work with the community and the state historic preservation office to create a plan for the Powerhouse's reuse only. The Car Barn is currently too expensive to reuse.
- 2017** City announces it has secured \$14 million in funds from various sources for the Powerhouse project and selects Performing Arts Workshop to operate the building. Community Arts Stabilization Trust (CAST) will act as project developer and master tenant.
- 2018** Renovation of the Powerhouse begins.
- 2020** Car Barn renovation plans still unclear.

Oakland Civic (Formerly Oakland Kaiser Auditorium)

The Oakland Civic was built in 1914 as a general-purpose entertainment venue and has been continuously owned and operated by the City of Oakland until it closed in 2006. At the time it closed, the building was operating at a loss and needed a major renovation. The City had made no significant investments in the facility since the mid-1980s when among other things, some basic seismic upgrades were made. Although the seismic upgrades were not extensive, they were enough to get the building through the Loma Prieta earthquake without any major damage. The building



← Oakland Civic (Formerly Oakland Kaiser Auditorium)

is situated on the south side of Oakland's downtown adjacent to Lake Merritt and encompasses about 214,000 square feet with a 1,900-seat theater, an arena, and several other large spaces for events.

After the Auditorium closed, the City of Oakland proposed a bond measure that would have paid to convert the building into the City's main library, but the voters rejected this proposal. The City also tried unsuccessfully to sell the building. Then, in 2015 the City issued Request for Proposals (RFP) to solicit proposals from developers who would take on the responsibility for financing, renovating and operating the building. After an outreach process involving approximately 500 developers, the City only received two viable proposals and Orton Development was selected. The City's RFP specified that Oakland was interested in seeing

an adaptive reuse for the building and identified a potential mix of public and private uses that could be included in the development program, such as cultural and office uses. But the final program was up to the developer to determine, subject to final approval from the City.

Future use and design constraints directly influenced the financing for the project. And the City did eventually stipulate an arts focus for the building, with a renovated theater and below-market rate rental space for arts nonprofits. The building's historic designation required that Orton retain much of the original arena structure, which cut down on the amount of office space feasible. To accommodate these constraints, Orton adjusted its interior design to a less expensive co-working design, in which market-rate office rents could still

Funding Strategy

subsidize the below-market rents.

One major boon to the project was no extra seismic costs necessary, as the essential retrofits from the 1980s were deemed acceptable, since the building was not undergoing a major change in use. The project team also created a unique governance structure, where the Calvin Simmons Theater will become a separate nonprofit entity to be funded primarily by corporate sponsorships and a capital campaign. From the time that Orton Development was selected as the developer until the company had a final development program, their financing in place, and had received final development approval from the City took about four years. As shown below, total construction costs are estimated at approximately \$67 million, or \$296 per square foot. Orton will enter into 99-year lease with the City for the building at a rent of \$1.0 per year. Rents from building occupants will be used to pay down both the debt and equity portions of the project financing. After both have been paid back, in 15-20 years if all goes according to plan, Orton will split the building proceeds with the City on a 50/50 basis.

The Oakland Civic case study is a stark contrast to the GCBPH project. Other than a relatively small contribution from former Redevelopment Agency funds, the City of Oakland made no major financial contribution to this project in terms of capital or staff support. Instead,

conducting the detailed predevelopment studies, engaging with community members and potential users, and assembling the appropriate funding and financing was solely the developer's responsibility. Despite moving forward more quickly than the GCBPH project, it still took four years and considerable developer resources. Although Orton is a "for-profit" developer, like CAST, the company is also mission driven with a strong commitment to adaptive reuse of historic buildings and supporting non-profit and community-based organizations. But, as was the case for the GCBPH project, the final funding/financing package was iterative and had to respond to many issues and constraints, not the least of which was the building's historic status and the preservation requirements mandated by the state historic preservation office (SHPO).

An additional consequence related to Orton's approach to funding, which included relying on an equity investment and some conventional bank financing is that the rent levels required to carry these costs are likely higher than they would have been had there been more grant money involved. On the other hand, the final development program will focus on non-profit and community-based tenants and will charge what are considered below market rents. Orton's original concept had been to provide high quality office space for technology related companies combined with non-profit

space. But the construction costs to improve the space for market rate office tenants were too high to make this work, causing Orton to adopt a less expensive rehabilitation approach, but also making it possible to charge lower rents.

Predevelopment Funding Sources

- Developer Equity

Oakland Civic Development Funding/Financing Sources	
CITY OF OAKLAND FORMER REDEVELOPMENT FUNDS	\$3,100,000
DEVELOPER EQUITY	\$10,000,000
NEW MARKETS TAX CREDITS	\$16,000,000
HISTORIC PRESERVATION TAX CREDITS	\$3,800,000
DEBT	\$8,800,000
CAPITAL CAMPAIGN	\$22,000,000
TOTAL FUNDS	\$63,700,000

Oakland Civic Timeline

- 1914** Oakland Civic Auditorium built as a general-purpose entertainment venue, owned and operated by the City of Oakland. The structure includes an arena, theater, banquet rooms, ballroom, lobby, and basement.
- 1984** \$15 million major renovation, including seismic work, renamed Henry J. Kaiser Convention Center.
- 2006** Auditorium closed by the city, as it was losing money. Voters rejected a \$148 million bond measure to convert the building into the main public library.
- 2005-12** City makes multiple attempts to sell the building for other uses.
- 2010** Peralta Community College District considers buying building for \$9 million, realizes it's too expensive to rehab for their purposes.
- 2011** City considers hiring a broker to market the property, but fee was too high.
- 2014** City issues a request for proposals, canvases over 500 developers, receives 2 viable proposals.
- 2015** City selects Orton Development, local for-profit developer with deep experience in adaptive building reuse.
- 2019** City Council approves final plans for project, call the Oakland Civic.
- 2020** Construction scheduled to begin.

Park Case Study

San Francisco Parks Alliance

The San Francisco Parks Alliance is an independent nonprofit that works closely with the City of San Francisco to “champion, transform and activate parks and public spaces.” The Alliance’s work includes building and operating parks/ public spaces, community greening programs that engage community members around greening their neighborhoods, and event programming in public spaces which the Alliance often does with other community partners. Functionally, the Alliance operates as a partnership with multiple city departments, including Recreation and Parks, Office of Economic and Workforce Development, Public Works, the Public Utilities Commission, and the Port of San Francisco. This partnership works because the Alliance is a private non-profit entity, and as such, is often able to complete projects more quickly than city agencies. The Alliance is not bound by the City’s procurement rules, allowing it to be more nimble in its approach to project delivery than the City can be. In addition, as a non-profit entity, the Alliance can do its own fund raising enabling the organization to secure donations or reimbursable grants from private funders or other sources that may not be available

to the City. These sources can then be used to close a final funding gap and enable a project to move forward more quickly.

The Alliance uses a large range of funding and financing structures on their projects, including leveraging strong relationships with private donors on a project by project basis, the ability to issue bonds (borrow money) that can be repaid from revenue generated by public parking garages and conventional bank loans. In 2019, the Alliance had an operating budget of approximately \$25 million, with only about 15 percent going to park development. Most of the Alliance’s expenditures (70 percent) are associated with its community partnerships. Almost 84 percent of the Alliance’s revenues come from individual, corporate, or philanthropic sources, while 16 percent come from government grants.

This case study demonstrates that in a large community, like San Francisco, there is enough philanthropic support to fund a large non-profit organization that supports the City’s parks and public spaces. There are other models for conservancies or other kinds of non-profit entities that support large parks or other major public facilities such as



← San Francisco
Parks Alliance,
Larsen
Playground

Central Park in New York or the San Francisco Conservancy of Flowers. Unlike the San Francisco Parks Alliance, these conservancies typically operate a specific facility with its own operating budget which is primarily funded by entrance fees, individual and corporate memberships, grants, and other philanthropic sources. Such facilities tend to be large, iconic, and generate repeat visits from their membership base.

Case Study Key Findings

Funding And Financing

- Rehabilitating historic buildings is expensive, especially when seismic retrofits are required.
- There is often a long lead time involved in building reuse, which may necessitate public support for additional studies or plans and baseline building stabilization.
- Working through the rehabilitation costs and financing options is often an iterative process.
- Future uses and users of a building affect both the costs of rehabilitation and the array of funding sources available and feasible for rehabilitation.

Partnerships

- Dedicated city staff time can be essential to managing these projects especially during the predevelopment phase.
- Assembling the financing to rehabilitate historic buildings is extremely complex and typically requires working with a “private” developer (could be non-profit).
- There is a wide range of public-private partnership arrangements, each of which has different implications for the public partner.
- Under a partnership, a developer will require a long-term lease for the property so they can control the

building long enough to pay back their debt and equity.

- End-users are not always identified before developer selection, but cities can specify uses and governance structures in an RFP.
- Changing partners partway through a project inevitably leads to higher costs and a longer timeline.

Community Benefits

- The more grant or low-cost loan money a project can garner help to deliver lower rents for the project’s end users.
- Although activating publicly owned historic buildings can be an expensive proposition, and might not be “feasible” as a private real estate deal, restoring these buildings should be considered a major community benefit.
- Projects with an arts and culture orientation can draw significant support from philanthropic institutions for both grants and low-cost loans.

Parks

- Parks improvements are not funded through public-private partnerships because there is no dedicated funding source to pay back developer debt or equity. Nonprofit partners, however, can deliver both capital improvements and can operate the facility if there is sufficient capacity to raise the appropriate funds through user fees/ membership dues, public grants, and