Creating Permanent Community Assets in the Face of Rapid Gentrification

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CENTRAL MARKET ECONOMIC STRATEGY
KEY OBJECTIVES:

1) Stabilize the Existing Community
2) Enhance and Activate the Public Realm
3) Enhance the Creative Arts Community
4) Reduce Vacancies
5) Build Community Capacity
6) Improve Safety
KEY ISSUES:
COMMERCIAL VACANCY & LACK OF ACTIVITY

- Central Market retail leasing rates are half that of Union Square, a third less than SOMA
- Central Market office vacancy rate = 22%
  (Citywide = 15%)
- Central Market storefront vacancy rate = 30%
  (Citywide = 3%)
DEMOGRAPHICS

**Study Area**
- 38,800 Residents
- Avg. Household Size: 1.81
- 61% Male
- 31% Households w/ Incomes < $15,000
- 31% w/ Bachelor’s Degree or Higher
- 54% in Labor Force

**City Wide**
- 815,000 Residents
- Avg. Household Size: 2.35
- 51% Male
- 10% Households w/ Incomes < $15,000
- 51% w/ Bachelor’s Degree or Higher
- 66% in Labor Force

EXISTING ASSETS
- Transit & Accessibility
- Strong, Supportive Nonprofit Housing Organizations
- Vibrant Arts Community
- Eclectic Small Businesses
- Historic Buildings
- Catalytic Development Projects
- Tourism & Business Traffic
NCCLF TECHNICAL ASSISTANCE PROGRAM

Technical Assistance & Lending/NMTCs:
- Space Identification Assistance
- Feasibility Strategic Planning
- Financial Feasibility Assistance
- Preliminary Architectural Services
- Lease/Purchase Agreement Assistance
- Construction Management & Referrals
- Loans & NMTC allocations (Lending Department)
Create. Preserve. Flourish.

Here’s where the CAST STORY begins...

CounterPulse: Former Adult Theater on 80 Turk Street in the Tenderloin
Environment

- Technology & Real Estate Boom
- Communities & Neighborhoods In Transition
- Displacement of Arts Nonprofits
- Dearth of Sustainable Solutions

New Philanthropic Strategy

- Economic Development
- Community Development
- The ARTS
Nonprofit Real Estate Development & Holding Company

Real Estate Projects

- Luggage Store Gallery
- CounterPulse
- 447 Minna Street/5M Project

Programs

- Capacity Building
- Master Leasing
- Displacement Mitigation Grant Program
- Asset Mapping
NEXT STEPS

Nonprofit Displacement Mitigation Program:
- 3-Year Citywide Program, Launched in October 2014
- $2.5M for Social Services Nonprofits & $2M for Arts Nonprofits
- Technical Assistance based on NCCLF’s Central Market program
- Financial Assistance: up to $100,000 for rent stipends, tenant improvements, acquisition, predevelopment/legal/relocation costs
- First Year: 43 TA Clients (27 Social Services, 16 Arts); 17 FA Clients (11 Social Services, 5 Arts); $995K in Grant Awards