

US EPA ARCHIVE DOCUMENT



Toward the Resident Ownership of Neighborhood Change

EPA Region 9 Grantees Brownfields Workshop

JACOBS
CENTER FOR NEIGHBORHOOD INNOVATION™

November 7, 2012

Locator Map



Demographics

Diamond Neighborhoods Census Data*

	2000		2010		Population Change (People)	Percent Change
<i>Total Population</i>	84,330		86,979		3%	
<i>Hispanic or Latino</i>	36,462	43%	46,344	53%	27%	10%
<i>White</i>	9,359	11%	7,326	8%	-22%	-3%
<i>African American</i>	25,221	30%	18,289	21%	-27%	-9%
<i>American Indian</i>	265	0%	160	0%	-40%	0%
<i>Asian</i>	9,632	11%	11,910	14%	24%	2%
<i>Hawaiian/ Pacific Islander</i>	715	1%	769	1%	8%	0%
<i>Other</i>	155	0%	125	0%	-19%	0%
<i>Two or More Races</i>	2,530	3%	2,056	2%	-19%	-1%

Demographics



Diverse Community:

- 20 different ethnic groups
- More than 12 languages spoken
- People didn't connect outside of their cultures
- Discovered Samoans living across the street from Hispanic residents, but they didn't talk

Economic Leakage

	Annual Demand Total Purchases Made By District 4 Residents	Annual Supply Purchases Made Within District 4	Annual Opportunity Unmet Demand (Dollars)	Unmet Demand (Percentage)
Total Retail Sales	\$1,630,426,645	\$813,306,067	\$817,120,578	50.1%
Selected Merchandise Lines				
Groceries and Other Foods	\$256,350,854	\$134,712,200	\$121,638,654	47.5%
Packaged Liquor/Wine/Beer	\$23,816,012	\$14,118,520	\$9,697,492	40.7%
Food Store Total	\$280,166,866	\$148,830,720	\$131,336,146	46.9%
Meals and Snacks	\$147,013,681	\$50,076,126	\$96,937,555	65.9%
Alcoholic Drinks	\$17,677,139	\$3,841,930	\$13,835,209	78.3%
Restaurant Total	\$164,690,820	\$53,918,056	\$110,772,764	67.3%
Drugs/Health and Beauty Aids	\$95,013,337	\$45,323,027	\$49,690,310	52.3%
Men's Wear	\$39,288,672	\$20,074,698	\$19,213,974	48.9%
Women's Wear	\$72,009,826	\$31,339,411	\$40,670,415	56.5%
Children's Wear	\$25,500,284	\$11,869,967	\$13,630,317	53.5%
Footwear	\$29,216,571	\$8,649,249	\$20,567,322	70.4%
Apparel Total	\$166,015,353	\$71,933,325	\$94,082,028	56.7%
Major Household Appliances	\$11,236,829	\$5,621,845	\$5,614,984	50.0%
Small Electric Appliances	\$4,715,438	\$3,561,846	\$1,153,592	24.5%
Televisions/Video	\$13,089,316	\$6,009,662	\$7,079,654	54.1%
Audio Equipment	\$18,853,703	\$577,815	\$18,275,888	96.9%
Computer Hardware/Software	\$34,670,288	\$4,629,841	\$30,040,447	86.6%
Photographic Equipment	\$3,335,091	\$3,302,046	\$33,045	1.0%
Electronics Total	\$85,900,665	\$23,703,055	\$62,197,610	72.4%
Furniture/Bedding	\$26,264,218	\$7,279,041	\$18,985,177	72.3%
Kitchenware/Home Furnishings	\$20,136,032	\$10,454,195	\$9,681,837	48.1%
Curtains/Draperies/Blinds	\$11,103,641	\$8,288,498	\$2,815,143	25.4%
Home Goods Total	\$57,503,891	\$26,021,734	\$31,482,157	54.7%

District 4 residents spent well over \$1.63 billion on retail purchases in 2005. All sales made within the district, however, totaled only \$813.3 million in the same year.

Elementary Institute of Science

Before

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Elementary Institute of Science *After*

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Who We Are



Joe and Vi Jacobs:

- Children of immigrants
- Founded Jacobs Engineering Group, a Fortune 500 company
- Started family foundation with three daughters in 1988
- Free market meets social justice
- Became place based in 1998



Where We Moved



- Southeastern San Diego
- Large-scale blight
- Isolated immigrant groups
- “Four Corners of Death”
- Toxic environments
- Substandard housing
- High unemployment
- No supermarkets serving 88,000 people

Where We Started

A Field of Brownfields and Floodplains



Our Key Questions



1. Can we eliminate blight, kick-start a local economic engine, and avoid wide-spread displacement?
2. Can we build hope, skills, and sustaining community assets while rebuilding the neighborhood?



Where We Started

Langley Site



- Abandoned factory
- Metallic products assembly
- Acids, solvents, metals, lubricants, and cutting oils
- TCE contaminants
- Asbestos in building
- Hazardous creek environment
- Floodplain
- Dumping site

Our Theory

***For change to be sustaining,
residents must own their own change —***

Own the plans (builds vision)

Own the implementation (builds capacity)

Own the assets (builds wealth)

Our Strategies



Today:

- Move in to the neighborhood
- Mobilize large-scale civic action
- Work comprehensively
- Share decision-making through working teams
- Build long-term vision while advancing short-term goals

Owning the Plans



Today:

- Over 4,000 people involved since 1999
- 20 cross-cultural working teams
- Strong intergenerational voice
- Cultural traditions at forefront

Owning the Plans

Remediation
Advantages and Disadvantages

Technique	Advantage	Disadvantage
Best and Cap - install impervious barrier	Minimize costs, only benefits of site migration	Costs remain constant until site is stabilized
Monitored Natural Attenuation - cost depends on distance and ground	Business as usual option	Slow (1-10 years) Some contamination may return
Removal - cost varies	Prevents future risk	Large area needed Long duration
Thermal Treatment - costly treatment	Removes organic contaminants	Large area needed Energy intensive
Soil Vapor Extraction - costly removal from the ground	Business as usual option	Slow (1-10 years) Some contamination may return
Dig and Haul - landfill or incineration	Fast	High exposure



Owning the Plans

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Owning the Implementation



Today:

- First major grocery store in 35 years
- Award-winning architecture
- 74% of construction contracts
- 250 new jobs
- Cultural venues attract 46,000 annually
- Total economic activity = \$50 million

Owning the Implementation

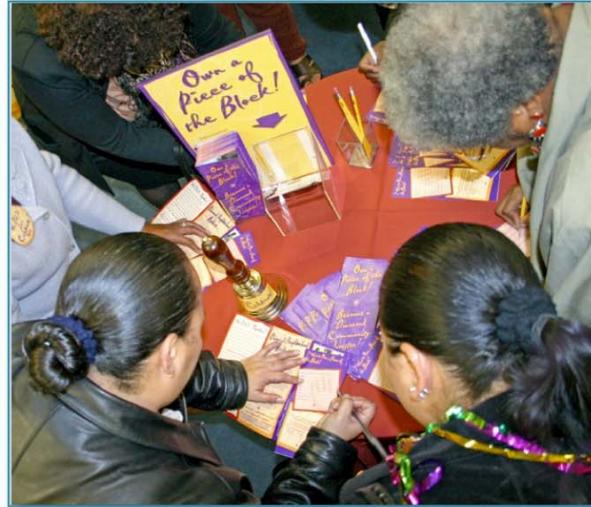


Resident Working Teams

- Community Outreach
- Art & Design
- Construction
- Business & Leasing
- Employment Development
- Community Ownership



Owning the Assets



Today:

- Market Creek Partners is a \$23.5 million community-owned enterprise
- \$1 million in community capital paying 10% preferred return

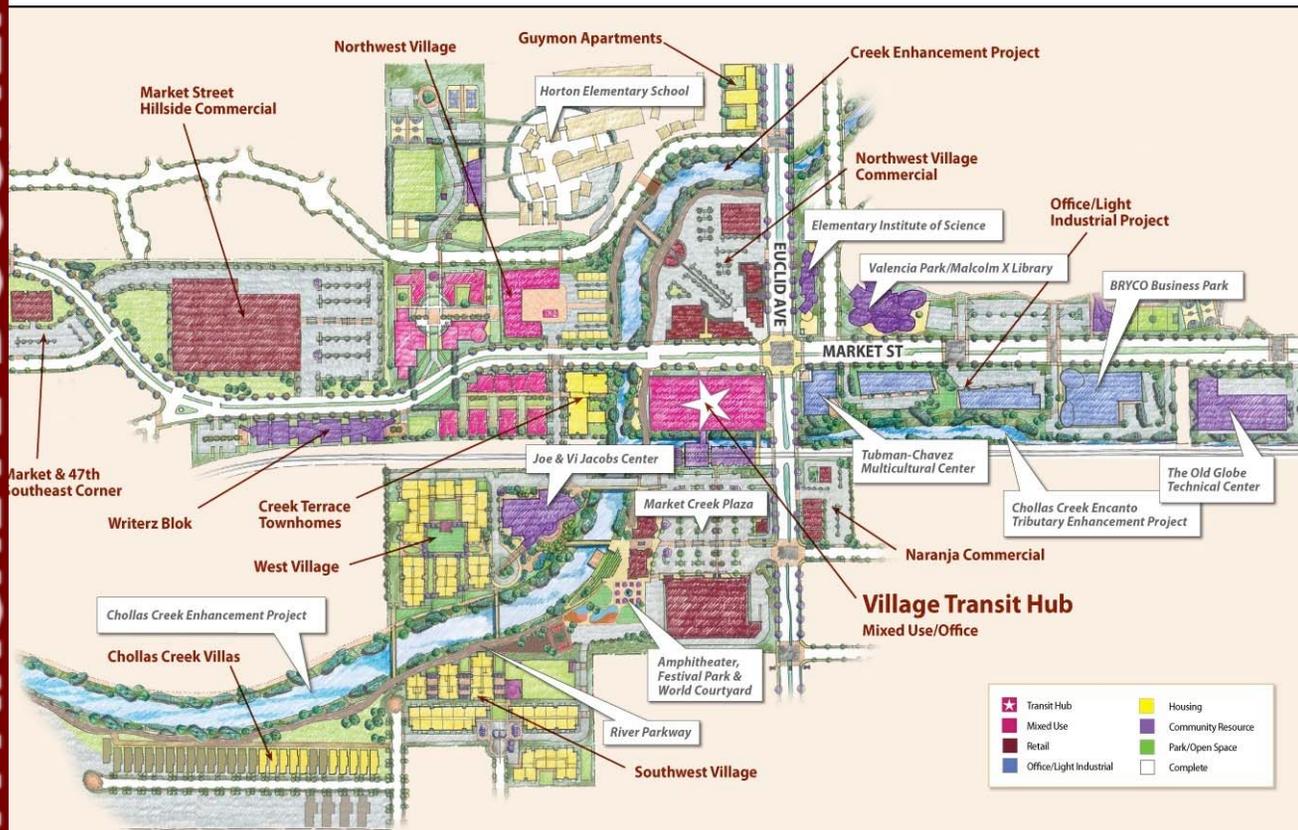
What Emerged

The Vision of a Village



- San Diego's Cultural Village

What Emerged The Vision of a Village



- San Diego's Cultural Village
- 60 acres of blight reclaimed, habitat restored

What Emerged

The Vision of a Village



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- 1000 homes, 2000 jobs, integrated services

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The Vision of a Village



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- Interconnected cultural venues and vibrant arts agenda

What Emerged

The Vision of a Village



- San Diego's Cultural Village
- 60 acres of blight reclaimed, habitat restored
- 1000 homes, 2000 jobs, integrated services
- Interconnected cultural venues and vibrant arts agenda
- All resident planned, built, owned, and operated

The Village as a Model

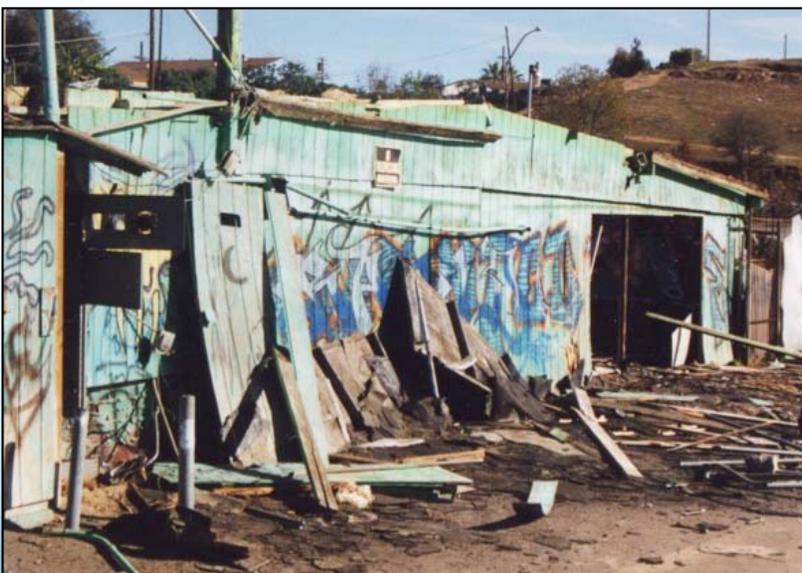
Special Designations

- State of California Gold-Level Catalyst Community
- SANDAG Smart Growth Incentive Program Planning Area
- U.S. EPA Brownfields Area-wide Assessment and Planning Pilot Project
- City of Villages Pilot Project for the City of San Diego
- LEED-ND Silver Certification

Major Awards

- Orchid Award Winner
- ULI Social Equity Award
- San Diego Architectural Foundation's Community Vision Award
- Outstanding Brownfield Transformation Award (EPA)
- Public Works Project of the Year
- Concrete Structure/Bridge Project of the Year
- Award for Engineering Excellence

***Why is it hard to develop
land in under-resourced
neighborhoods like
southeastern San Diego?***



1. Cost of Land

↳ Undesirable Uses

2. Cost of Development

↳ **Infill**

a. demo

b. cleanup

↳ **Infrastructure**

increases project cost by 20-40%

↳ **Permitting**

increases project cost by 10-30%

3. Lower Revenues (rents)

↳ Normally 6-10% of gross sales

4. Higher Risk – Lower Returns

Example: Naranja Property



Land	\$1,200,000
Demo	\$ 100,000
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Total	\$1,300,000

Vacant Land	\$450,000
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Total	\$450,000

GAP

Naranja Gap: \$750,000

Example: Northwest Village



LAND

Land	\$2,000,000
Improvements	\$1,200,000
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Land Total	\$3,200,000



+ CREEK

Restoration	\$3,000,000
Raised	-\$1,000,000
<hr/>	
Creek Total	\$2,000,000

PROJECT TOTAL \$5,200,000



Example: Northwest Village



APPRAISED VALUE

Pad only	\$ 400,000
With Walgreens	\$2,600,000



Example: Northwest Village



Project Total \$5,200,000

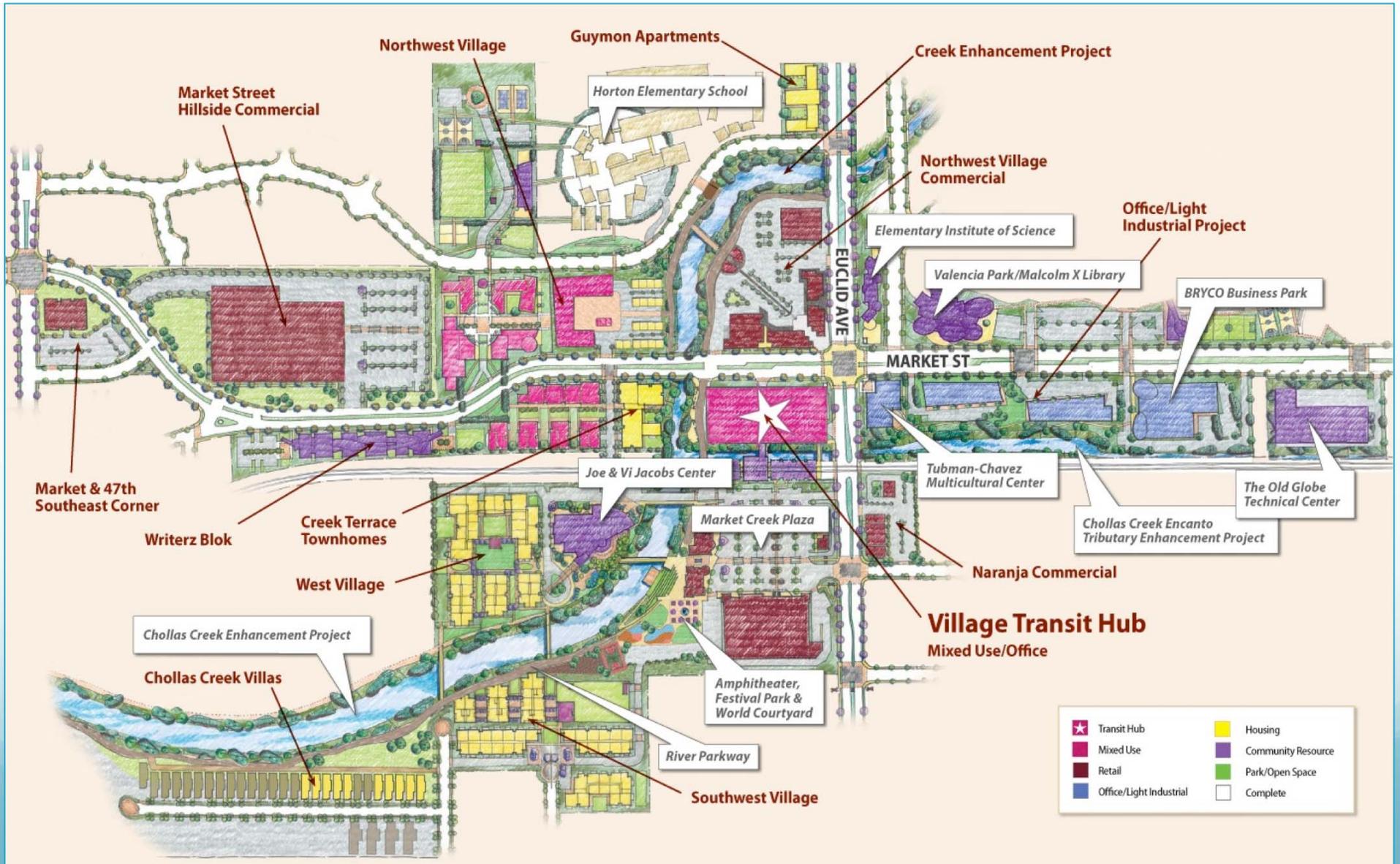
Value with Walgreens \$2,600,000

GAP \$2,600,000

What's Next?

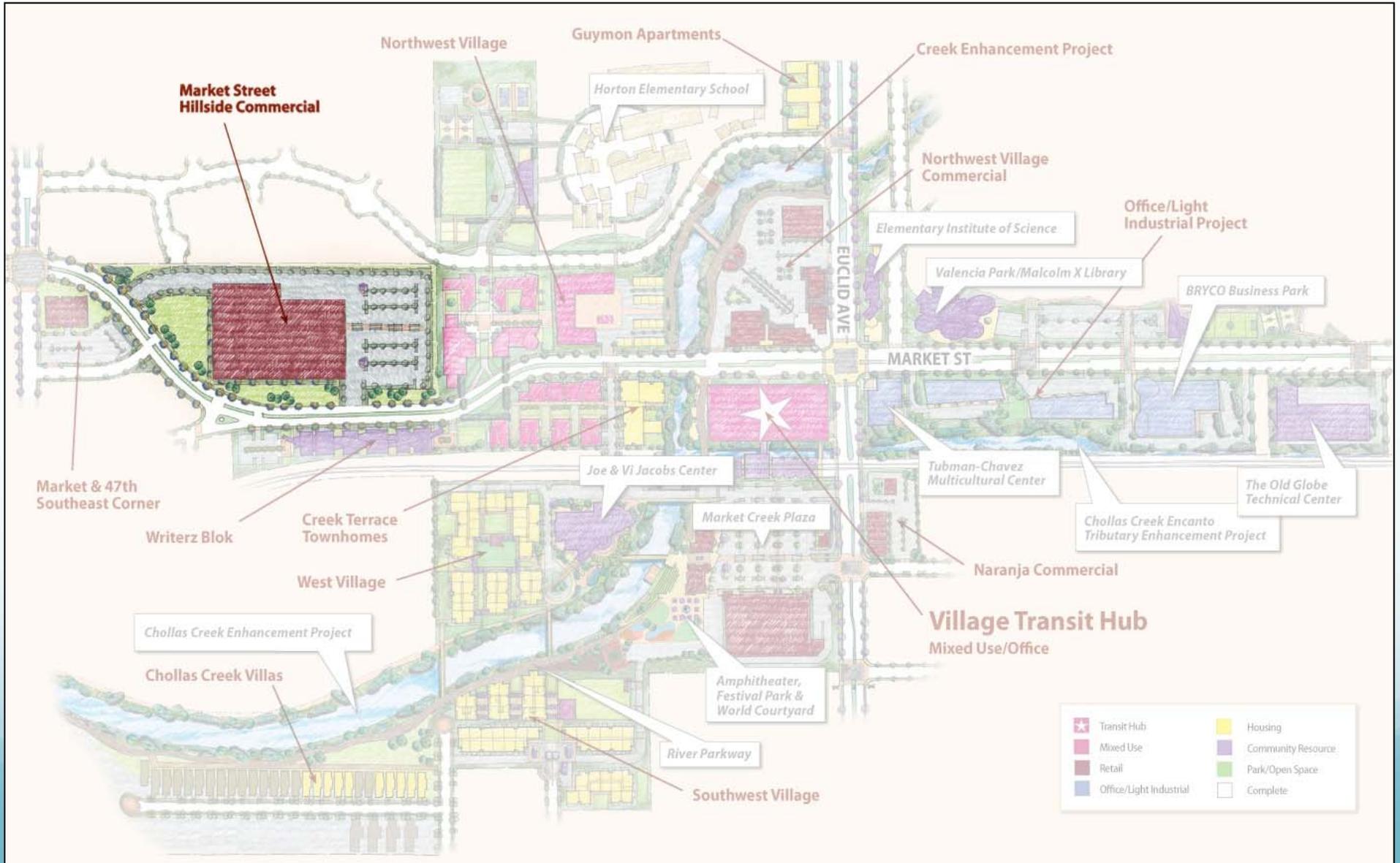
The Vision of The Village

7 Projects Ready for Progress



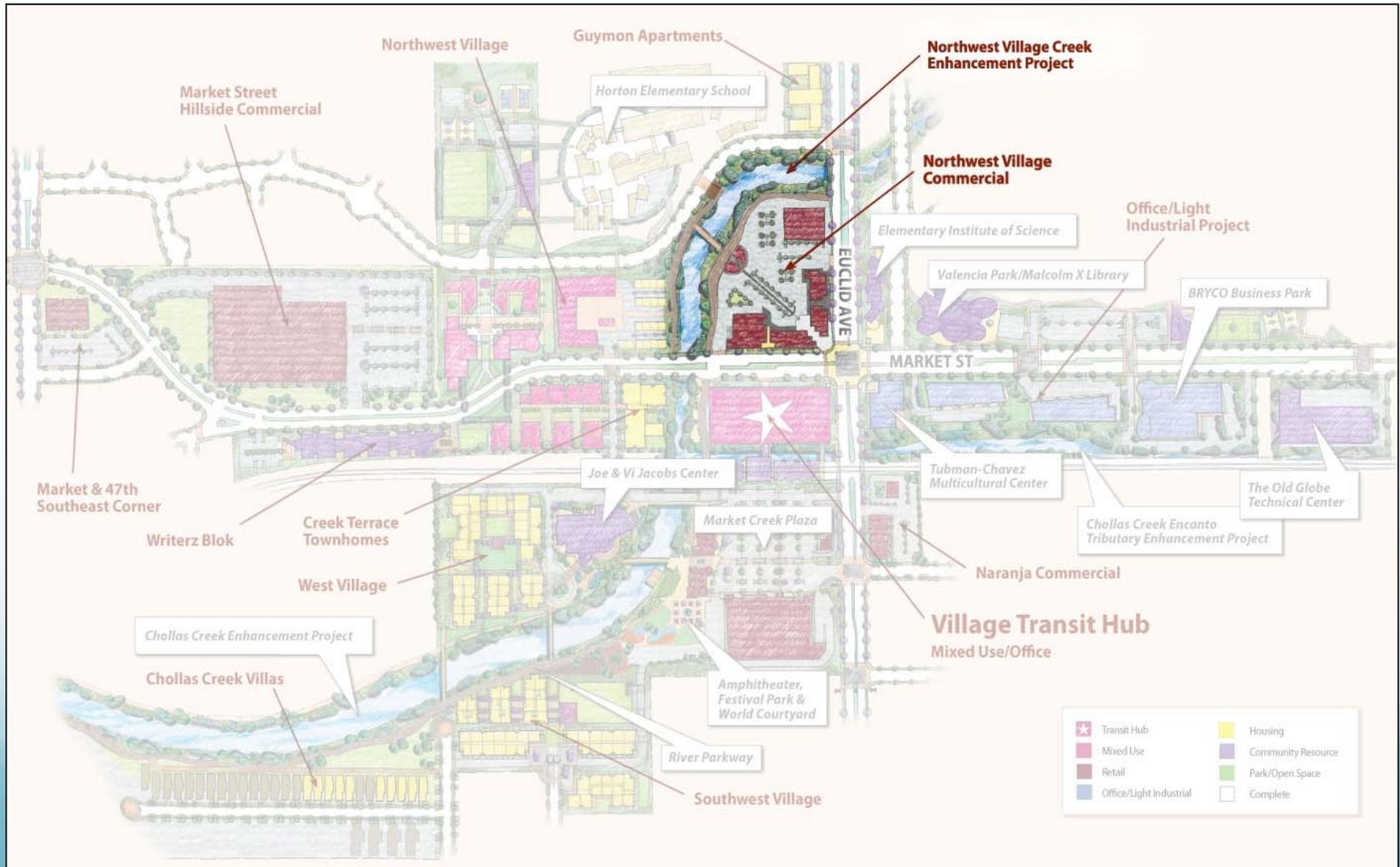
Market Street Hillside

Big Box Retail



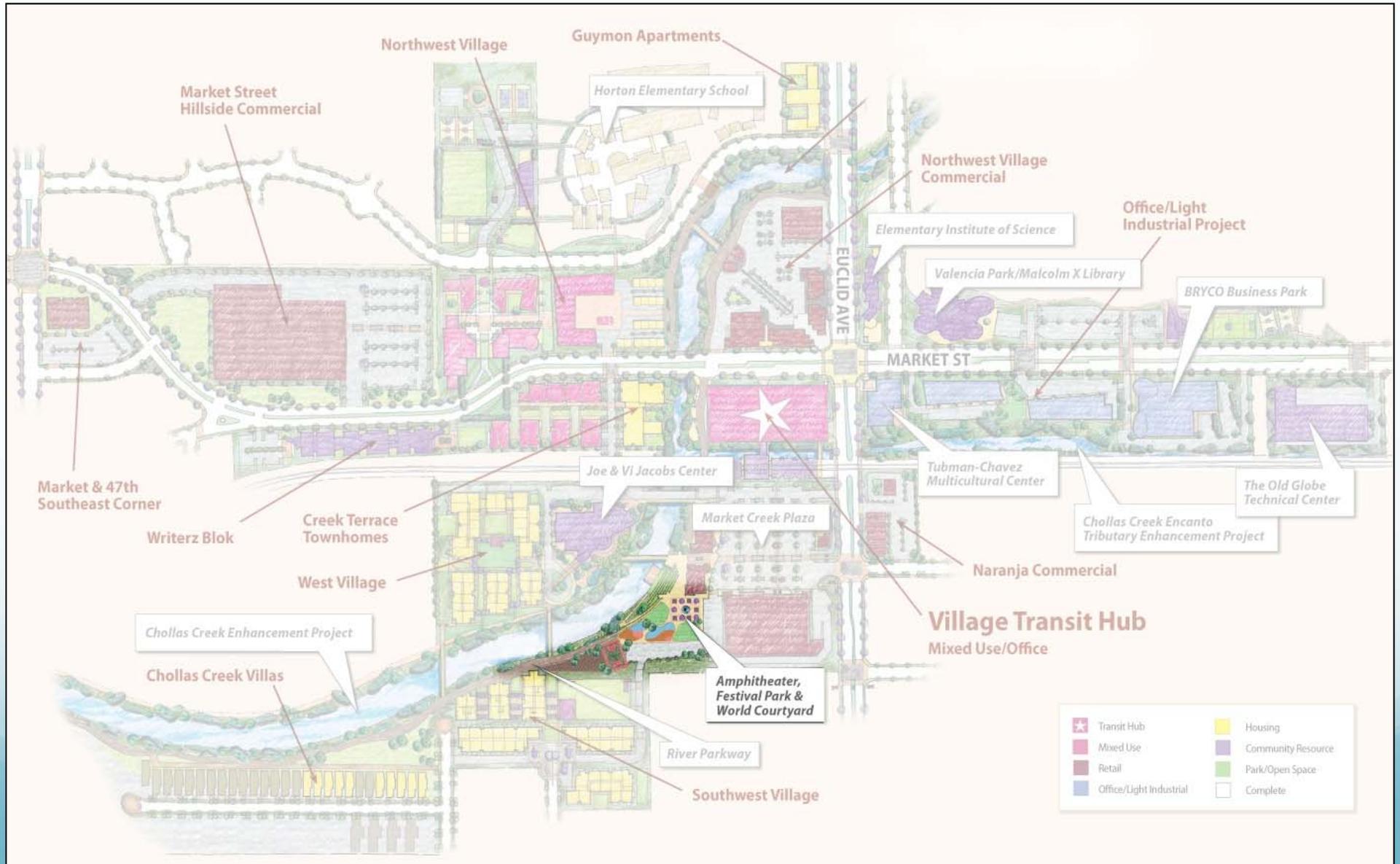
Northwest Village

Mixed Use Including Walgreens



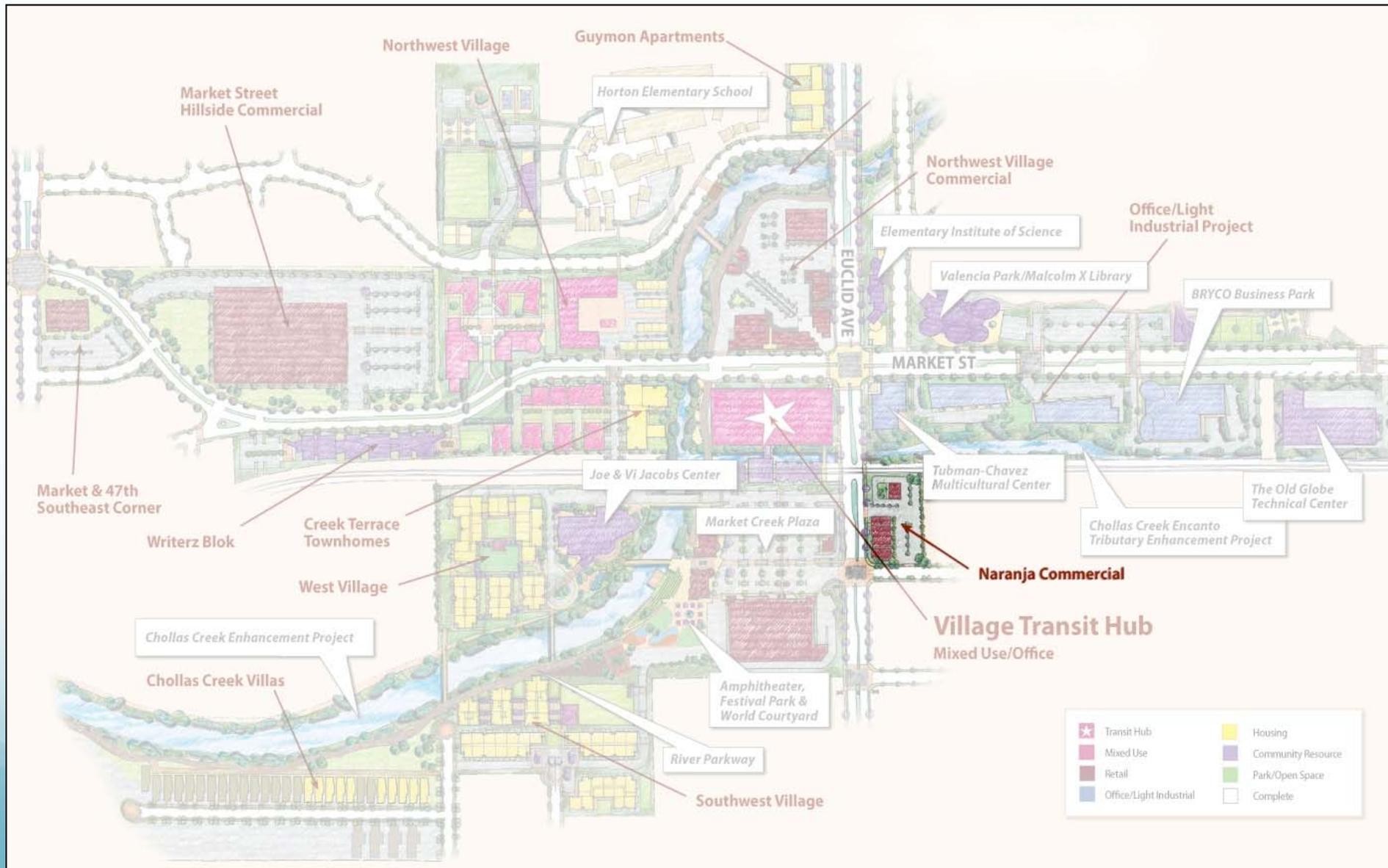
Festival Park

Community Park & Commercial



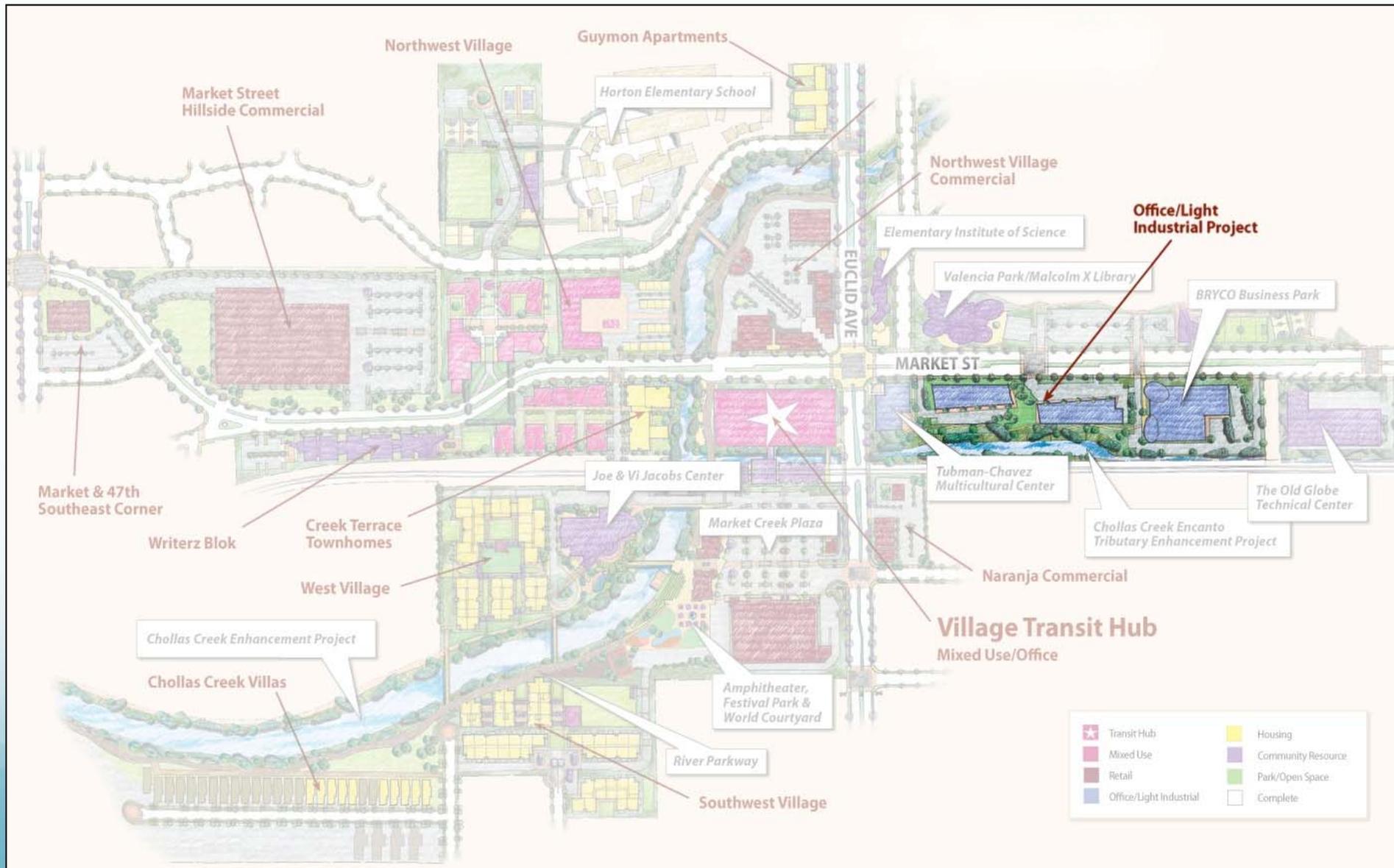
Naranja Street

Mixed Retail / Restaurant



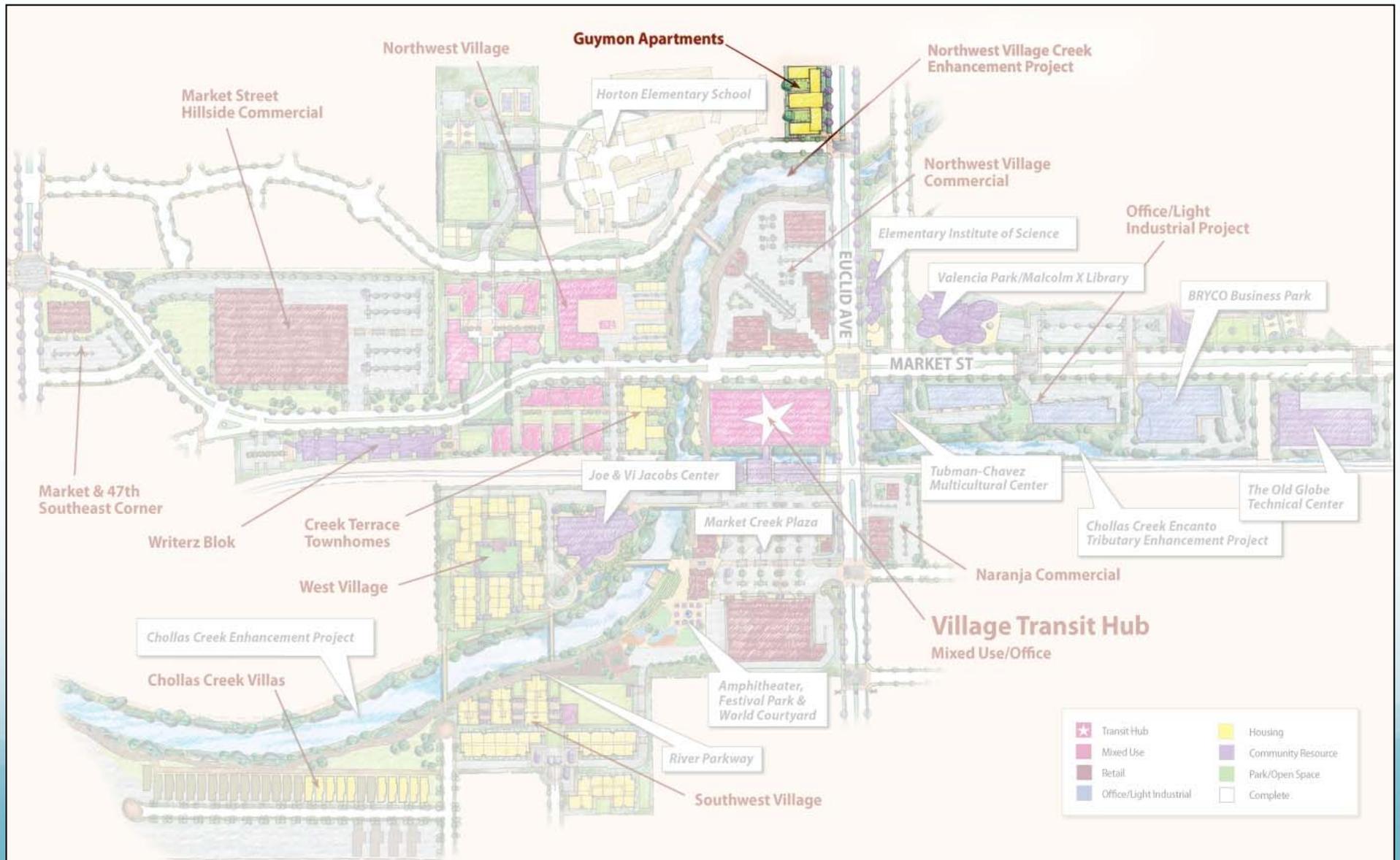
Market Street

Light Industrial / Office



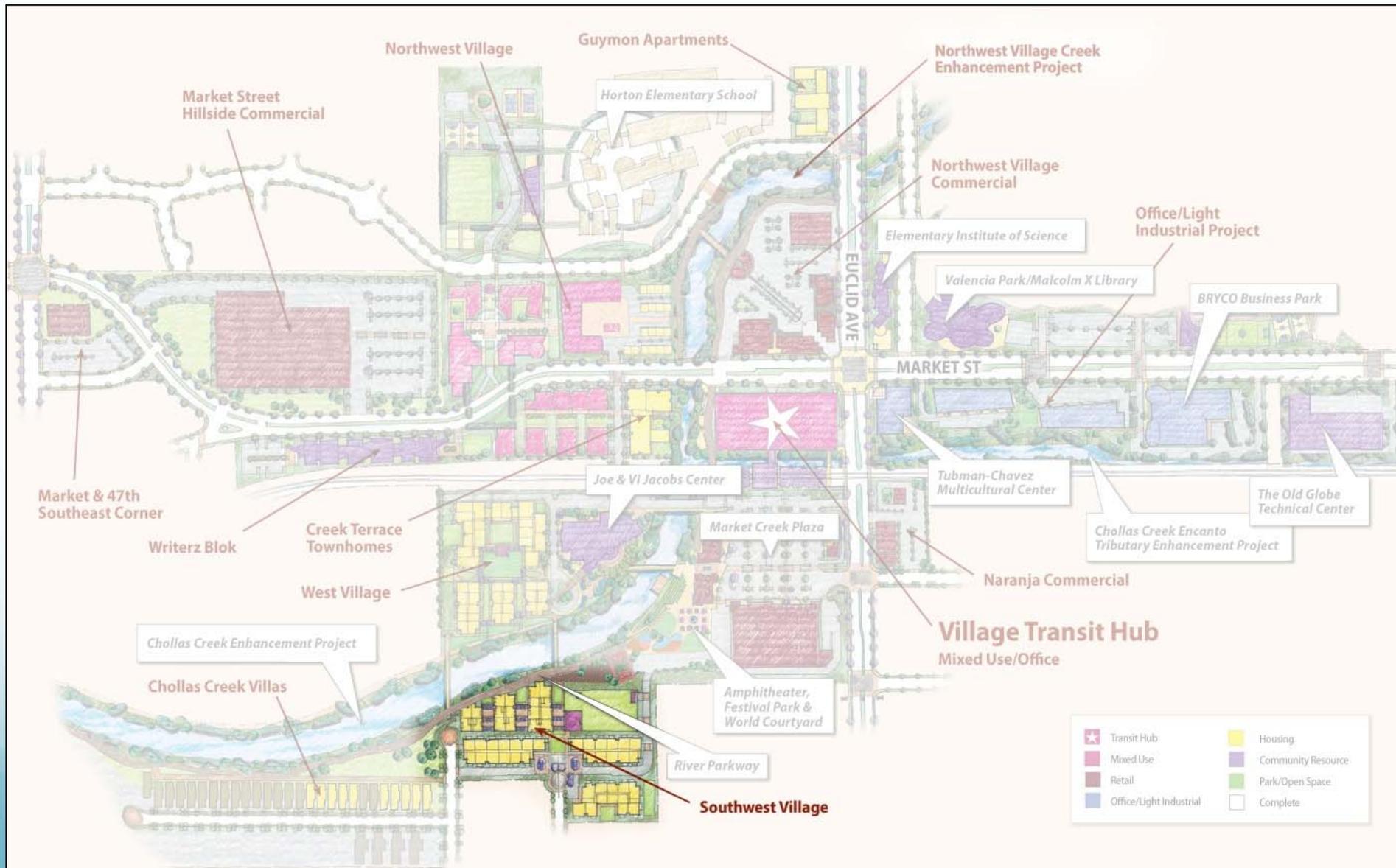
Guymon Street

Mixed-use Residential / Retail



Southwest Village

Family / Senior Housing



***“To go fast,
go alone...”***

***To go far,
go together.”***

– African Proverb