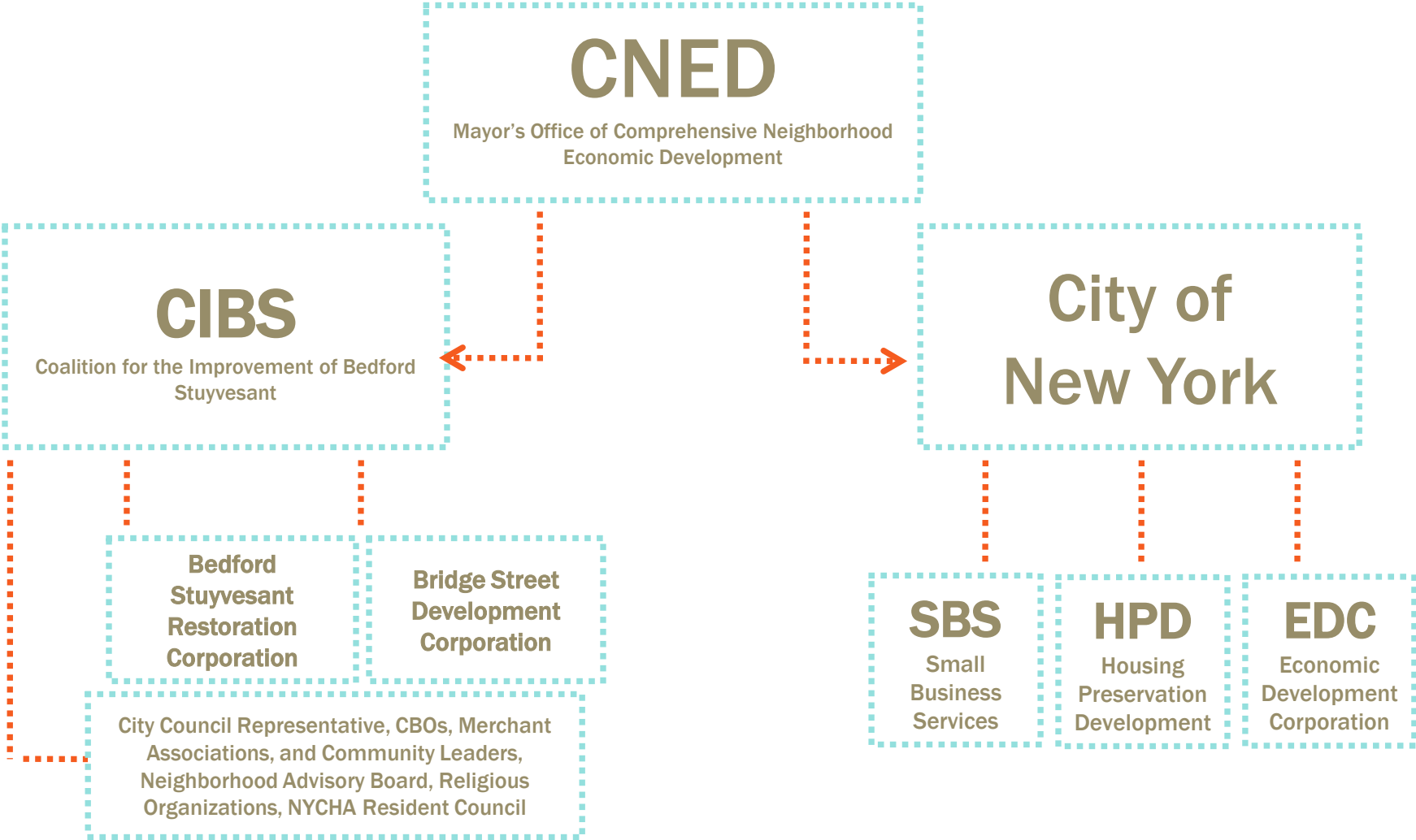


Economic Revitalization in Bedford-Stuyvesant

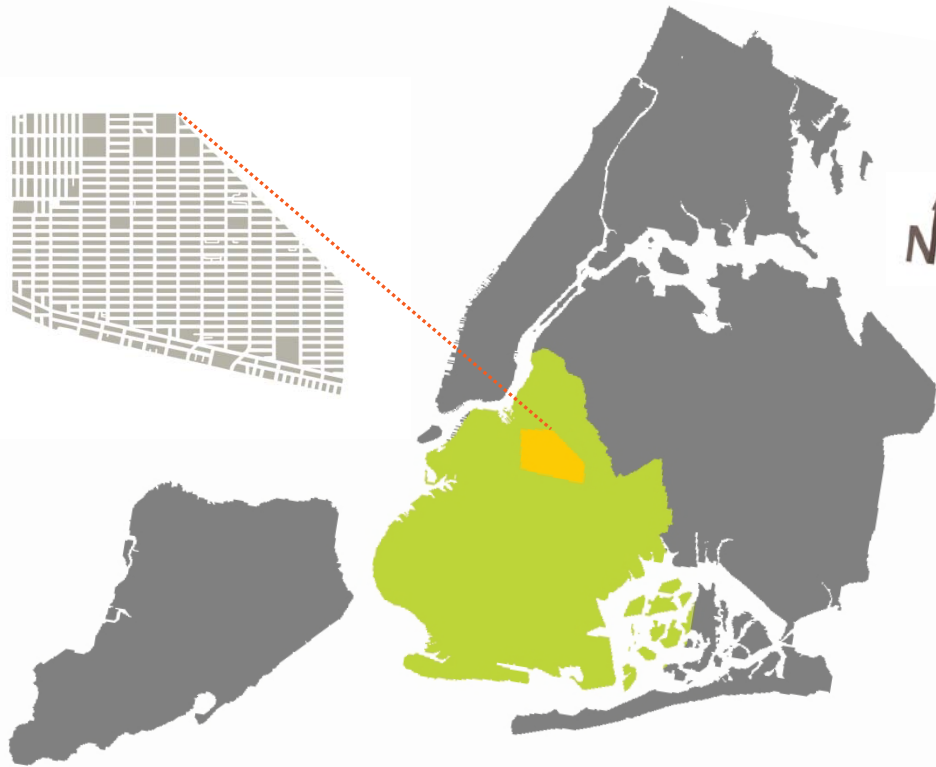


The Client



Site Selection Process

Bedford-Stuyvesant in 2005



34.5% of Bedford-Stuyvesant residents lived in poverty

18% were unemployed

Median income was \$25,000

Median income was 27% below Brooklyn average

Strong institutional partners: Bed-Stuy is the site of the first CDC, Bedford-Stuyvesant Restoration Corporation (a CIBS member)

Availability of city-owned land

Source: CNED City Council Hearing, CNED Site Selection Presentation, CNED Saratoga Site Development Presentation



CNED's Objectives

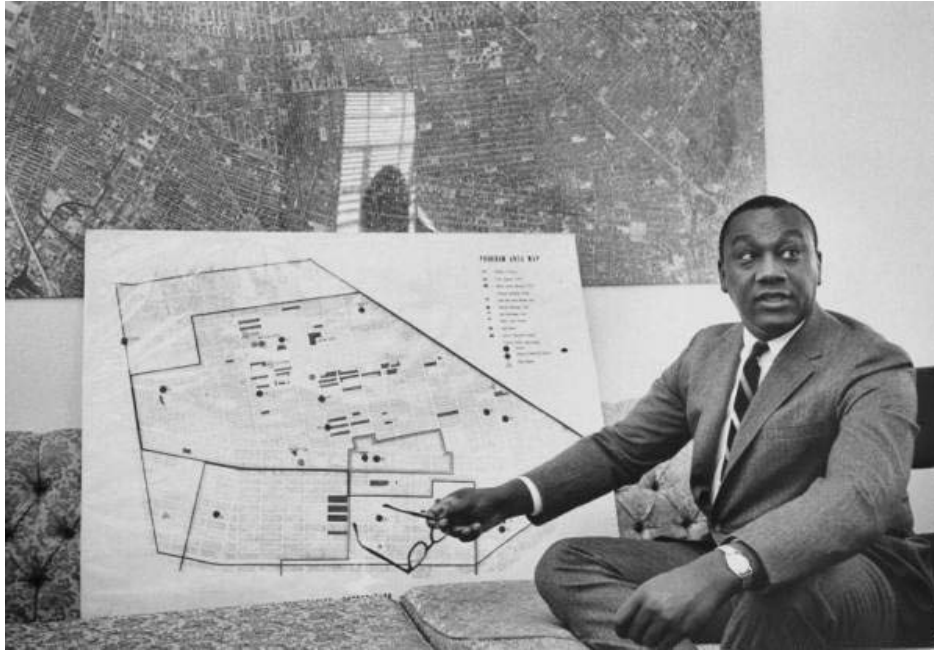


Photo of Franklin Thomas, president and CEO of Bedford Stuyvesant Restoration Corporation from 1967-1977

Workforce development

Commercial revitalization

Personal asset development



Studio Mandate

Recommend highest and best uses for undeveloped parcels on Saratoga Square to be used in RFP



Studio Mandate

Recommend highest and best uses for undeveloped parcels on Saratoga Square to be used in RFP



Studio Mandate

Develop a strategy for expanding the retail potential of Fulton Street and the North-South Corridors

Link commercial corridors



Client Requests

Mixed-use

Incubator

Sustainable development

Specialty food store

Art space


Restaurant

Retail uses for small spaces

Affordable housing



Studio Mission Statement



Find appropriate uses for the city owned parcels in order to achieve comprehensive community revitalization and strengthen retail corridors and existing retail clusters

overview methodology proposal conclusion



Critical Perspective

Complexity of the initiative and organizational structure of CNED

Community representation

Location of parcels in southeastern corner of Bedford-Stuyvesant

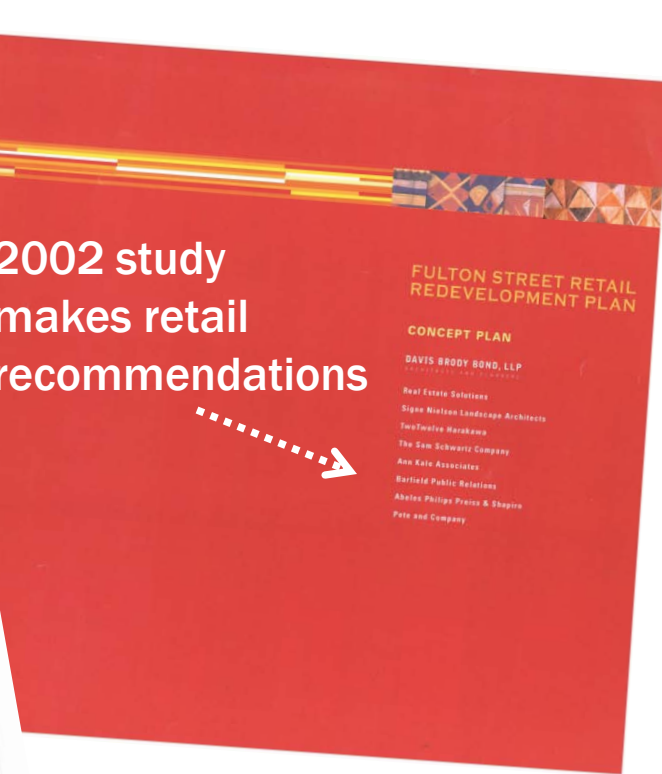


Community Input

Plan informed by input of community members that attended Town Hall meetings and participated in workshops and intercept studies



2002 study makes retail recommendations



“The plan was formally endorsed by Community Board #3”

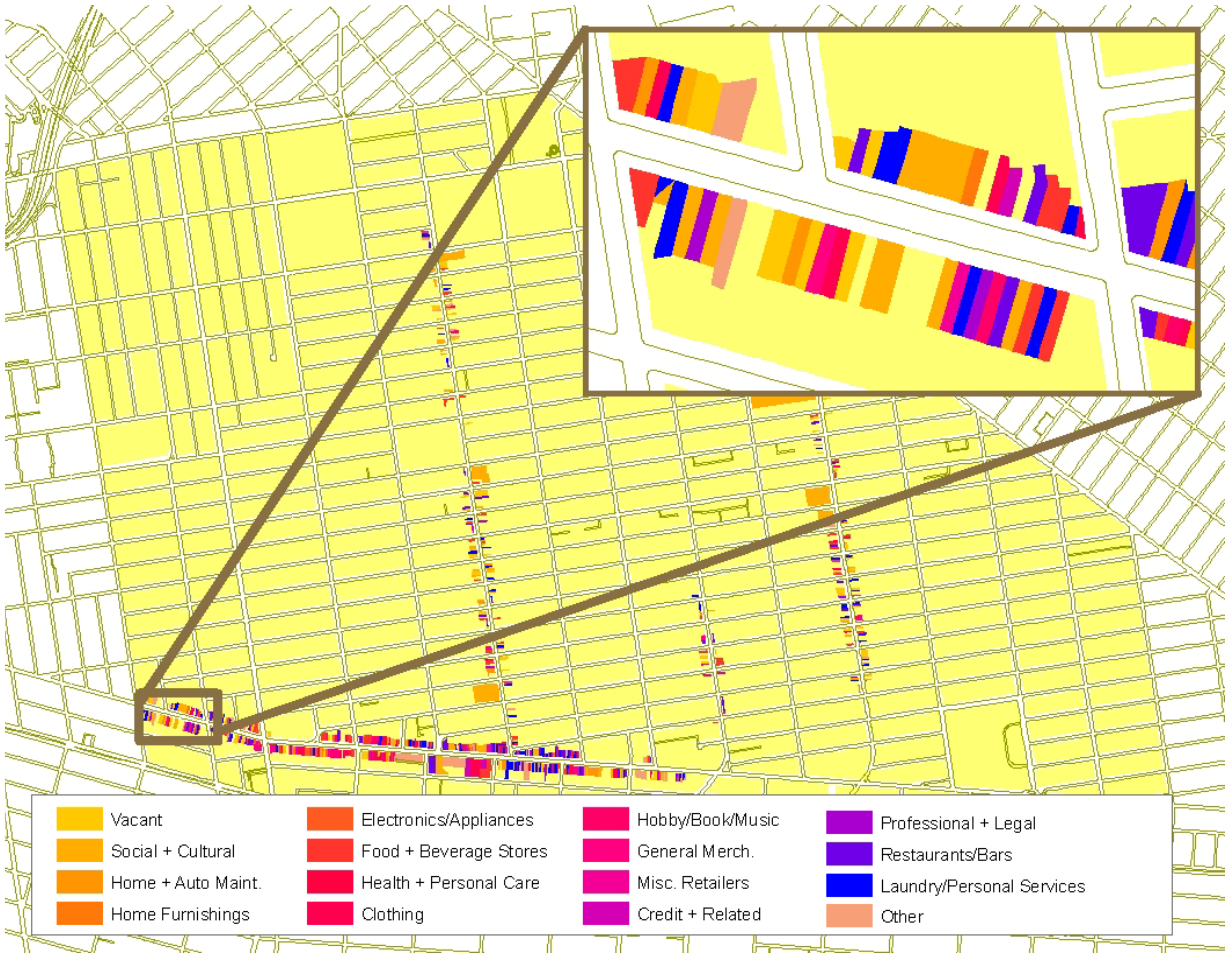


2002 Fulton Street Retail Inventory

2002 inventory of mix of ground level spaces and type of use



2009 Studio Inventory



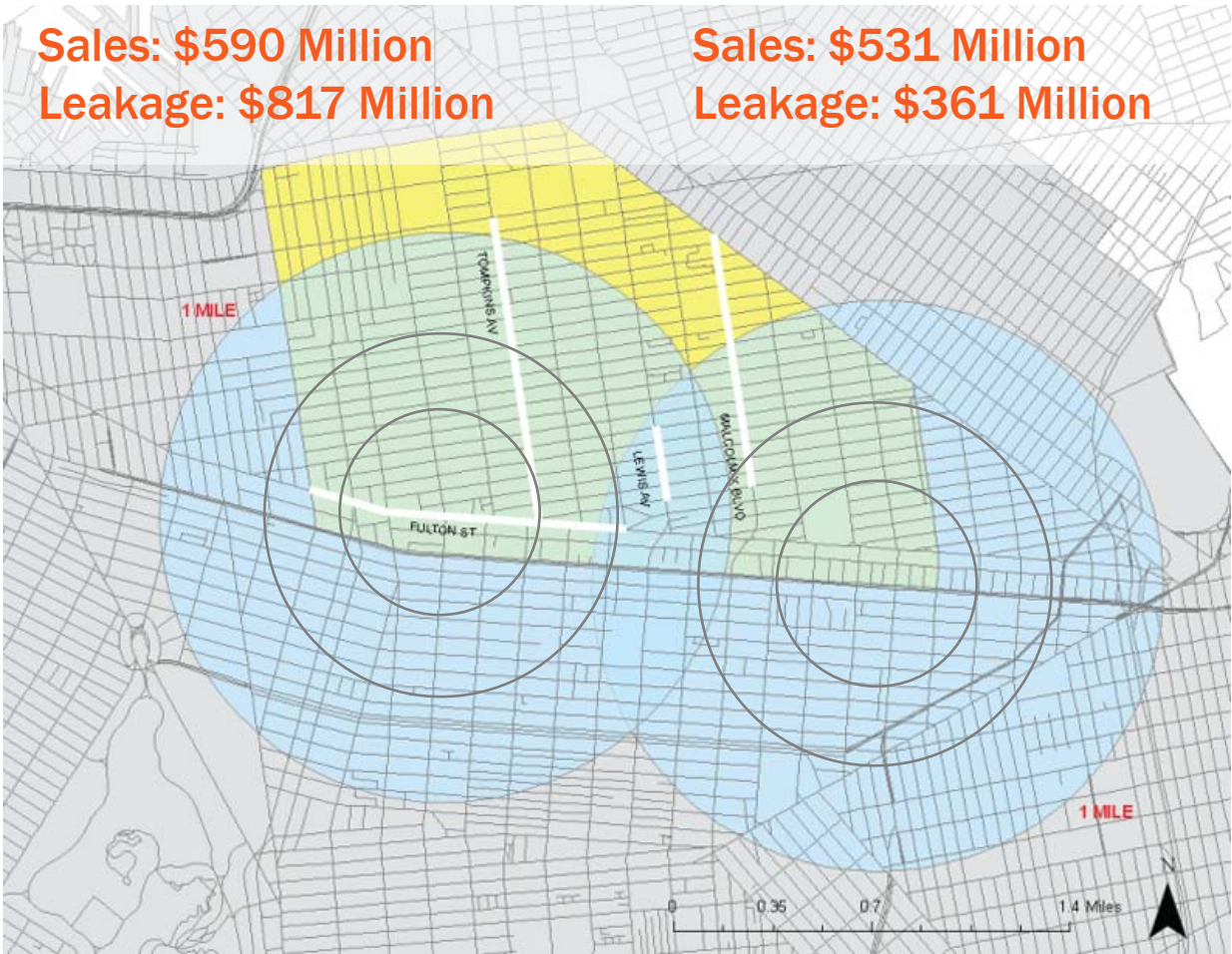
Primary Retail Study Areas

Nostrand-Fulton

Sales: \$590 Million
Leakage: \$817 Million

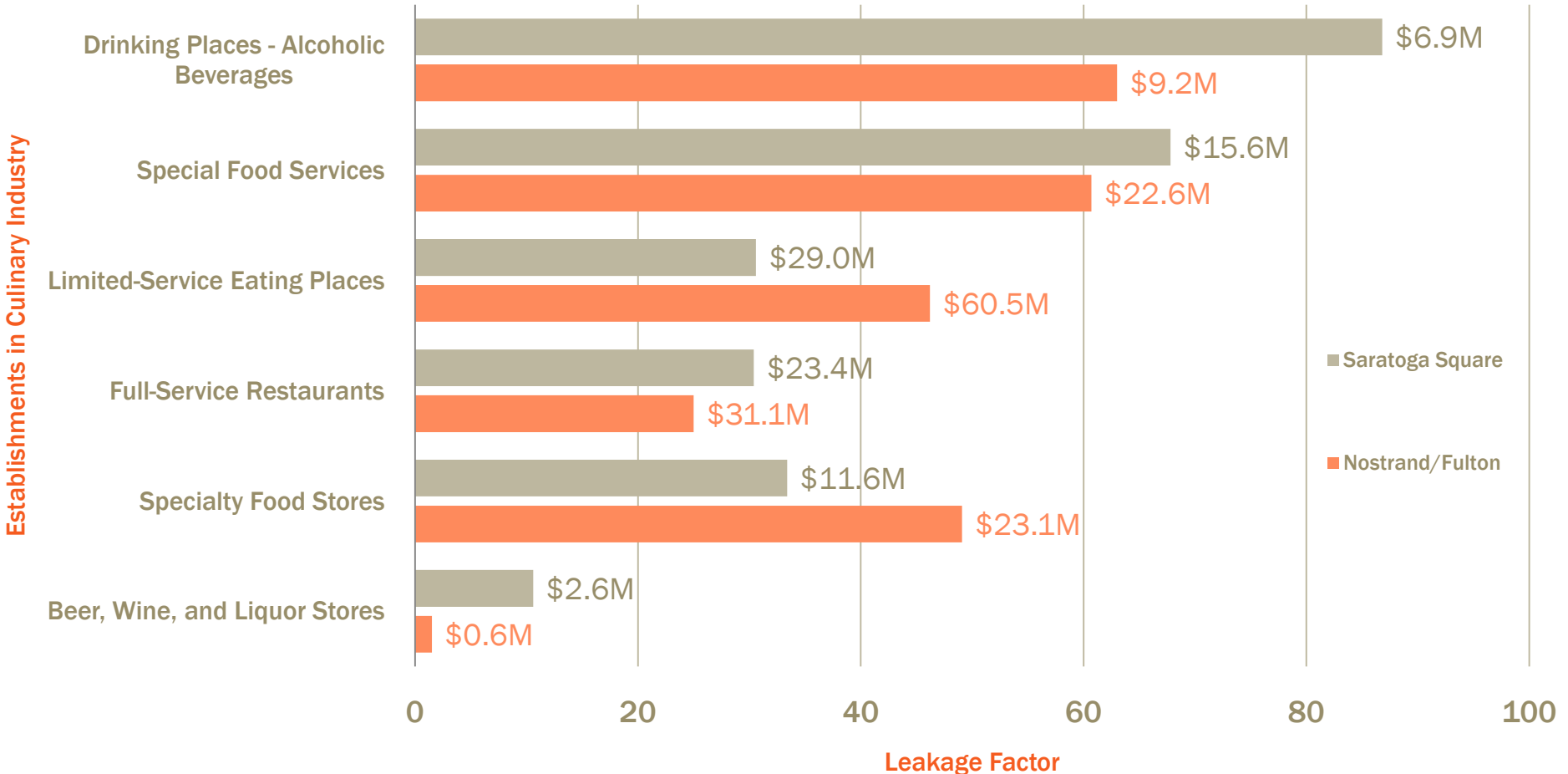
Saratoga Square

Sales: \$531 Million
Leakage: \$361 Million



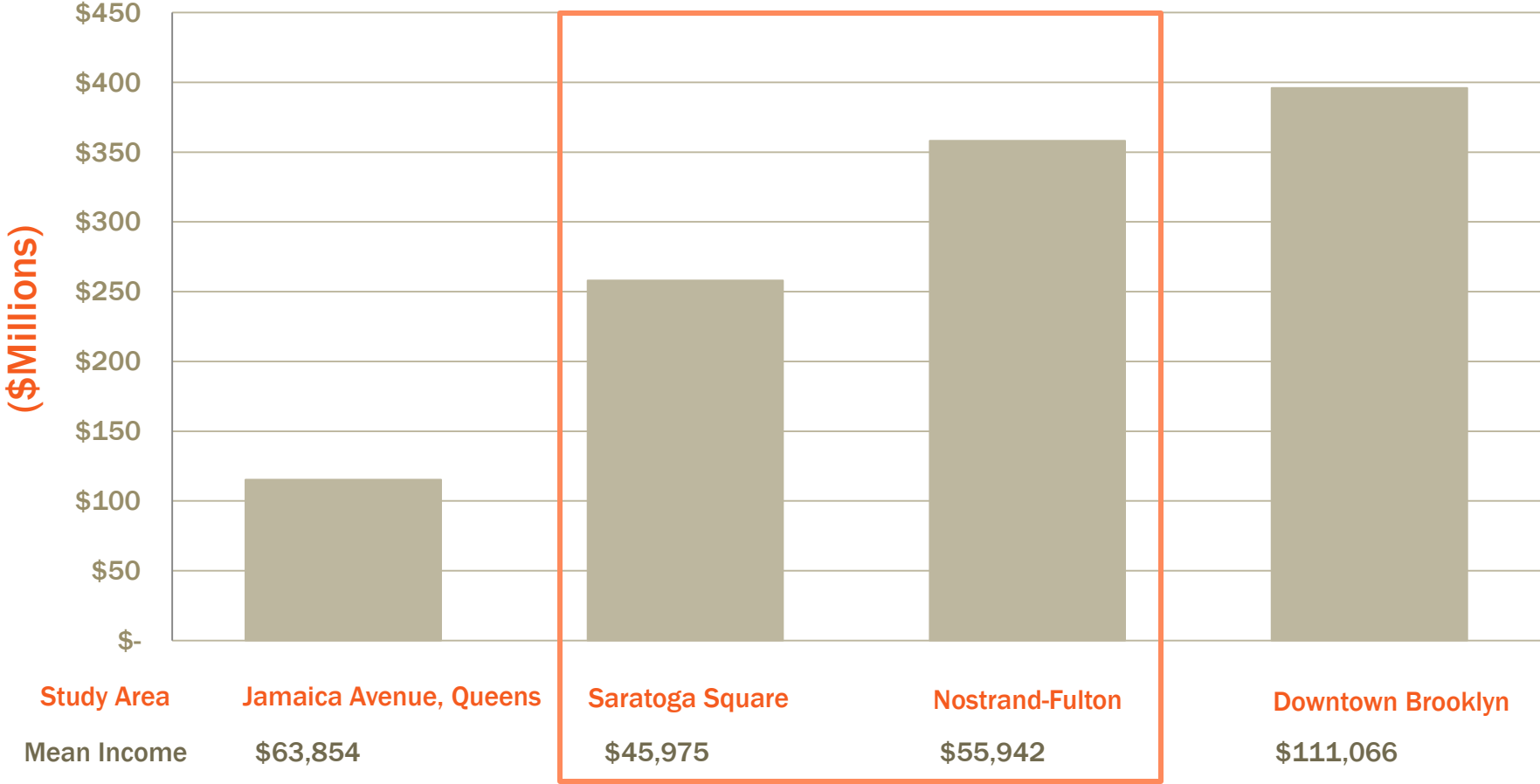
Retail Analysis

Retail Analysis of Food-Related Industries



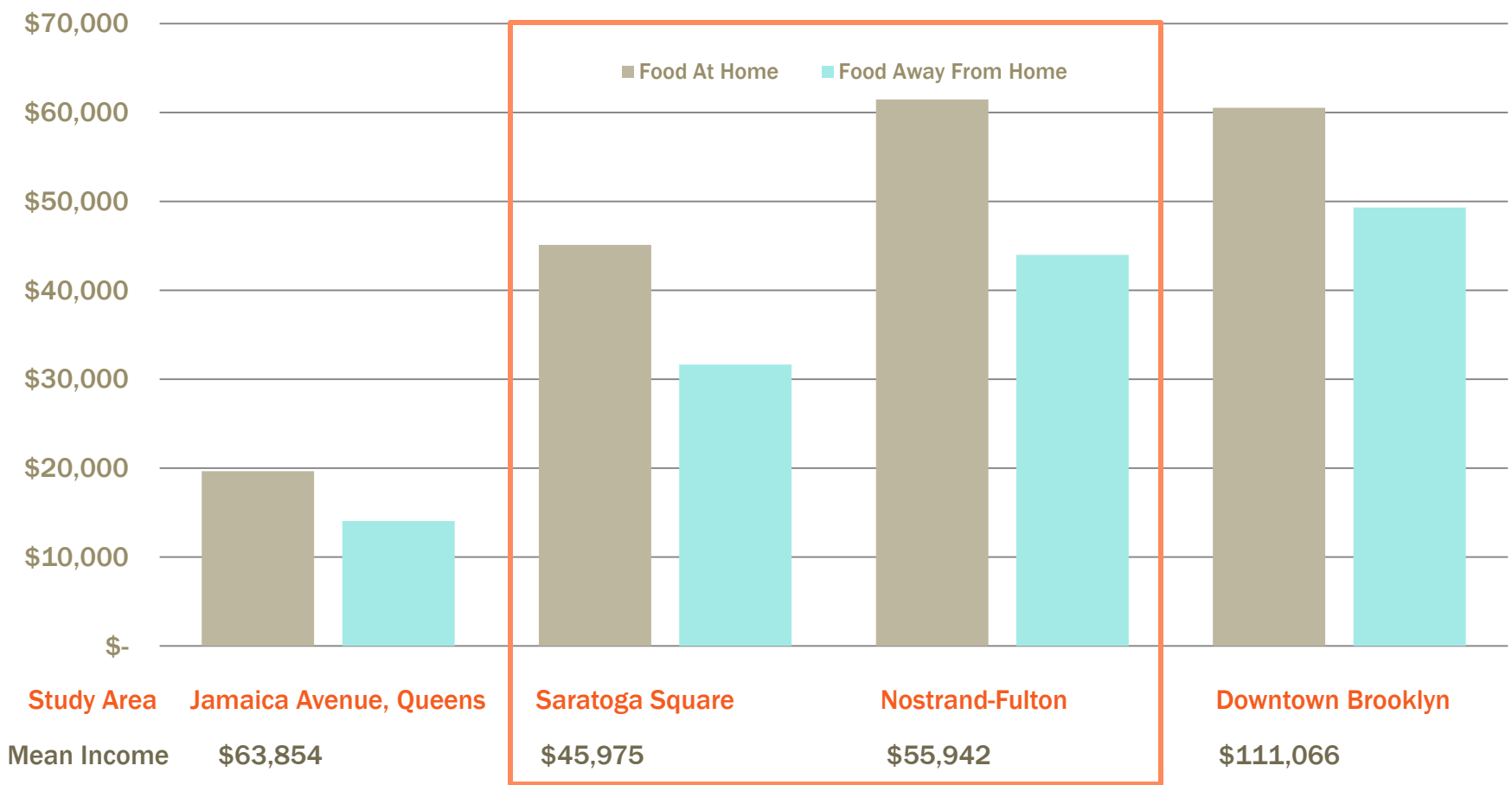
Market Analysis

Retail Purchasing Power



Market Analysis

Food-Related Purchasing Power (\$Millions)



Retail Clusters



Restaurants



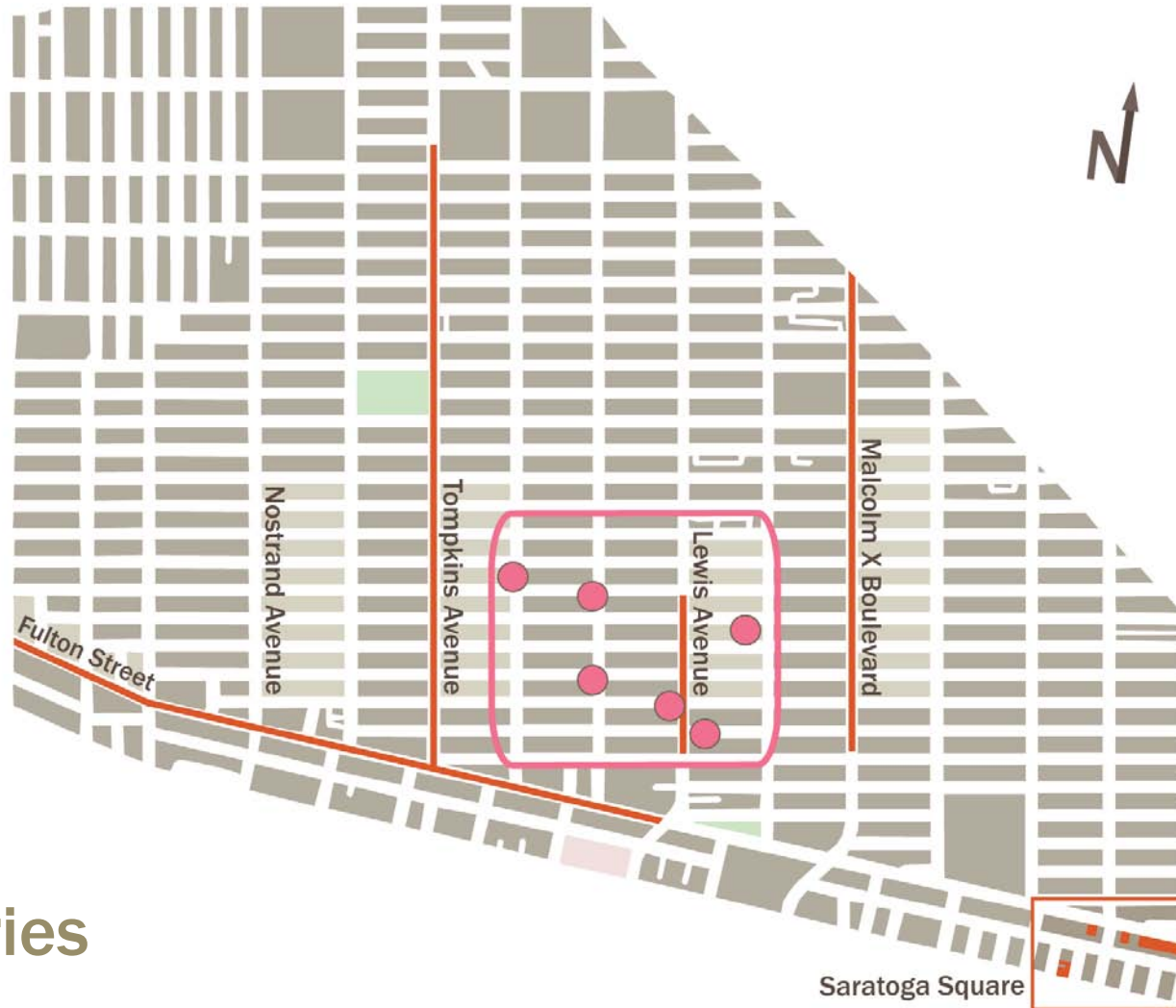
Retail Clusters



Specialty Food Stores



Retail Clusters



Art Galleries



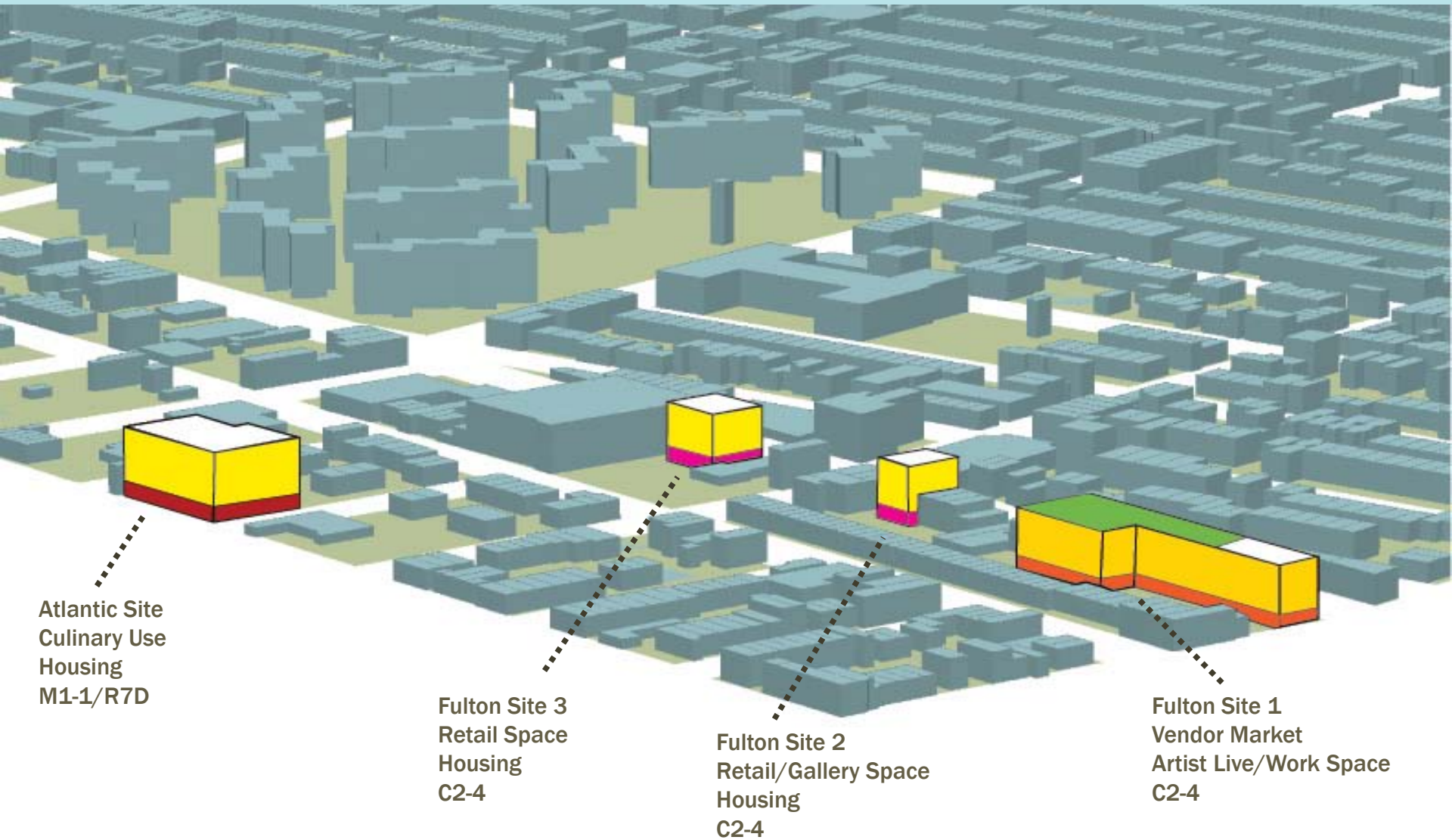
Retail Clusters



Retail Linkage Strategy



Saratoga Square Overview



Atlantic Site
Culinary Use
Housing
M1-1/R7D

Fulton Site 3
Retail Space
Housing
C2-4

Fulton Site 2
Retail/Gallery Space
Housing
C2-4

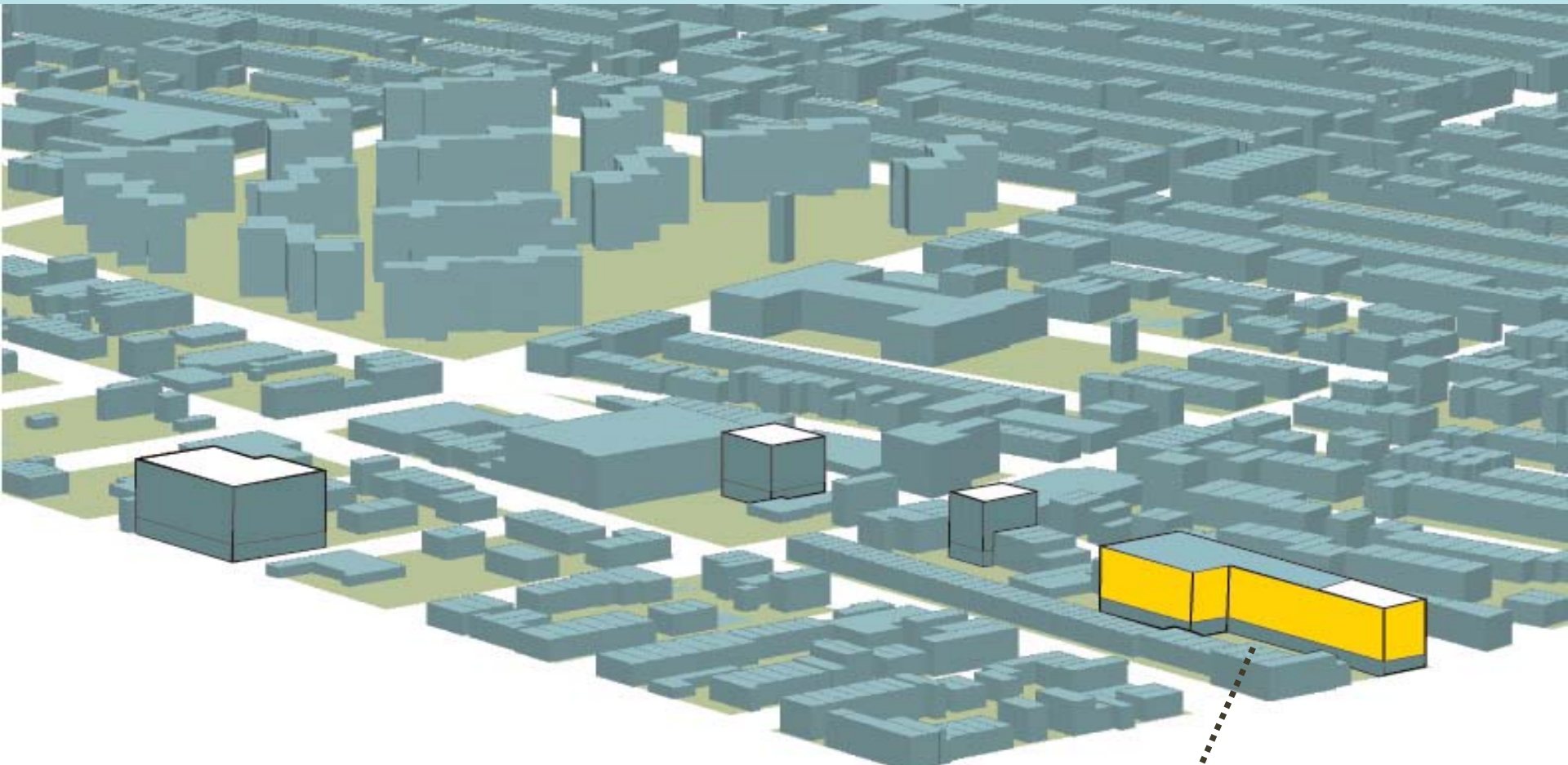
Fulton Site 1
Vendor Market
Artist Live/Work Space
C2-4



Transportation



Live△Work Artist Space



Fulton Site 1
Up to 116,000 Square Feet of
Artist Live/Work Space
13,000 Square Feet of Parking
C2-4



Live Work Artist Space

Workspace and housing

Cost-saving

Community/shared space

Mixed use development

Non-profit/CDC driven



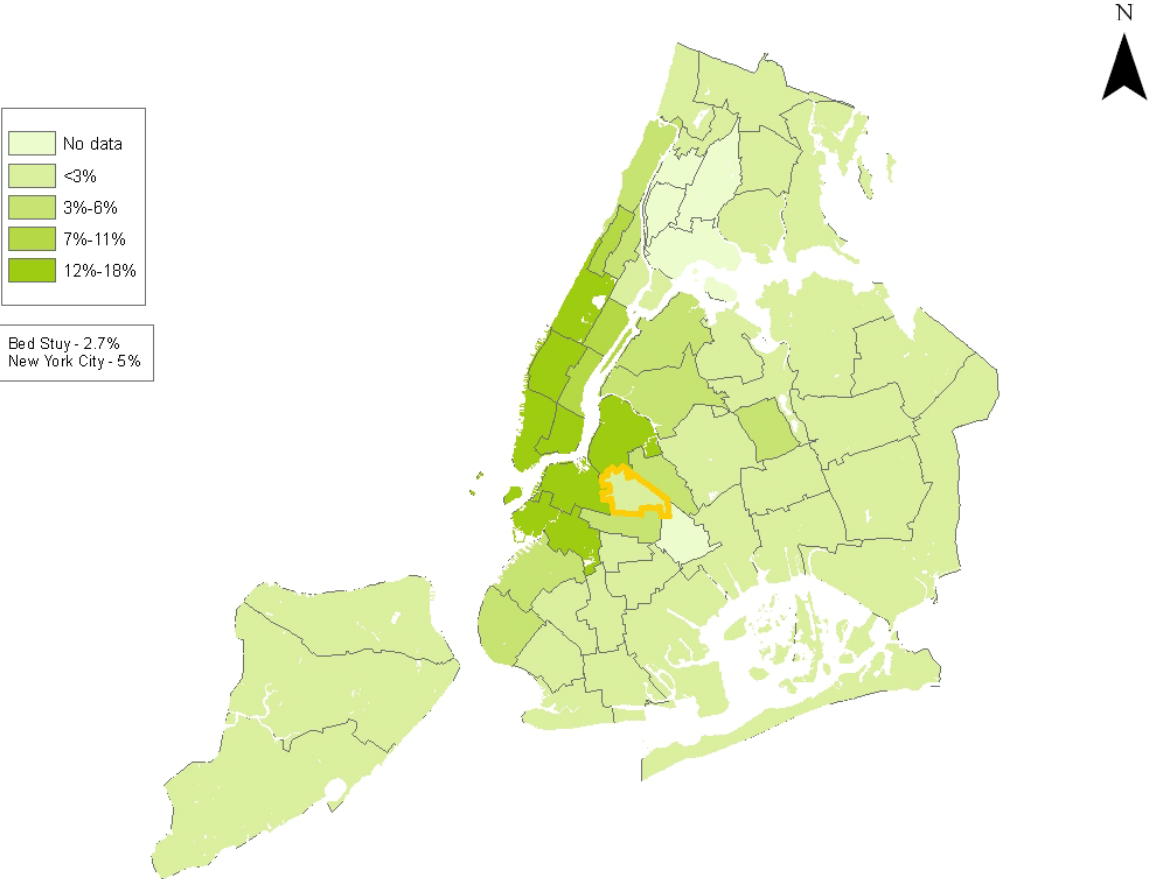
Live Work Artist Space

“Community Board #3 is currently home to many artists and the former home to many others. It is also the home of a significant number of art and cultural organizations ... However, many, if not all of them, exist at the edge of financial peril--undercapitalized, under-funded and under-staffed.”

Brooklyn Community Board 3 District Needs Assessment, 2007-2008



Employment in the Arts by Public Use Microdata Area



2005-2007 American Community Survey

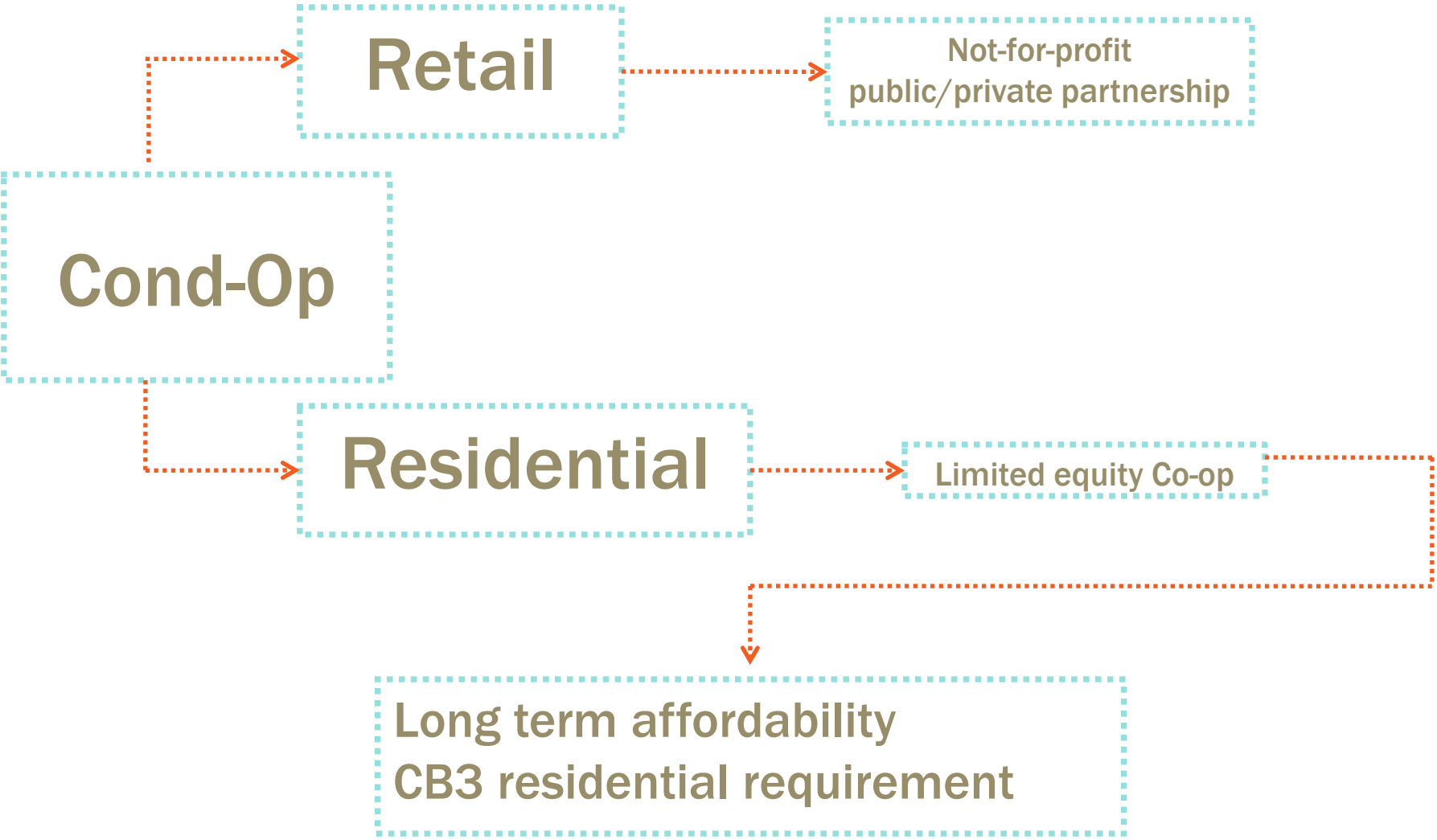


Live Work Artist Space

- Pratt Institute
- BeSAA
- SONYA
- 35 Claver Pl.
- House of Art
- Skylight Galler
- Zion Gallery
- AfroArt Designs
- Brooklynite Gallery
- 123 Community Space
- Magnolia Earth Tree Center
- Central Brooklyn Jazz Consortium
- IronworkNY
- 178 Walworth Street
- Sputnik
- Lab 24/7
- 20/20 Art
- Fish Gallery
- Lewis Gallery
- Red Creative Art Concept Studio
- Welancora Gallery



Live Work Artist Space



Financial Projections

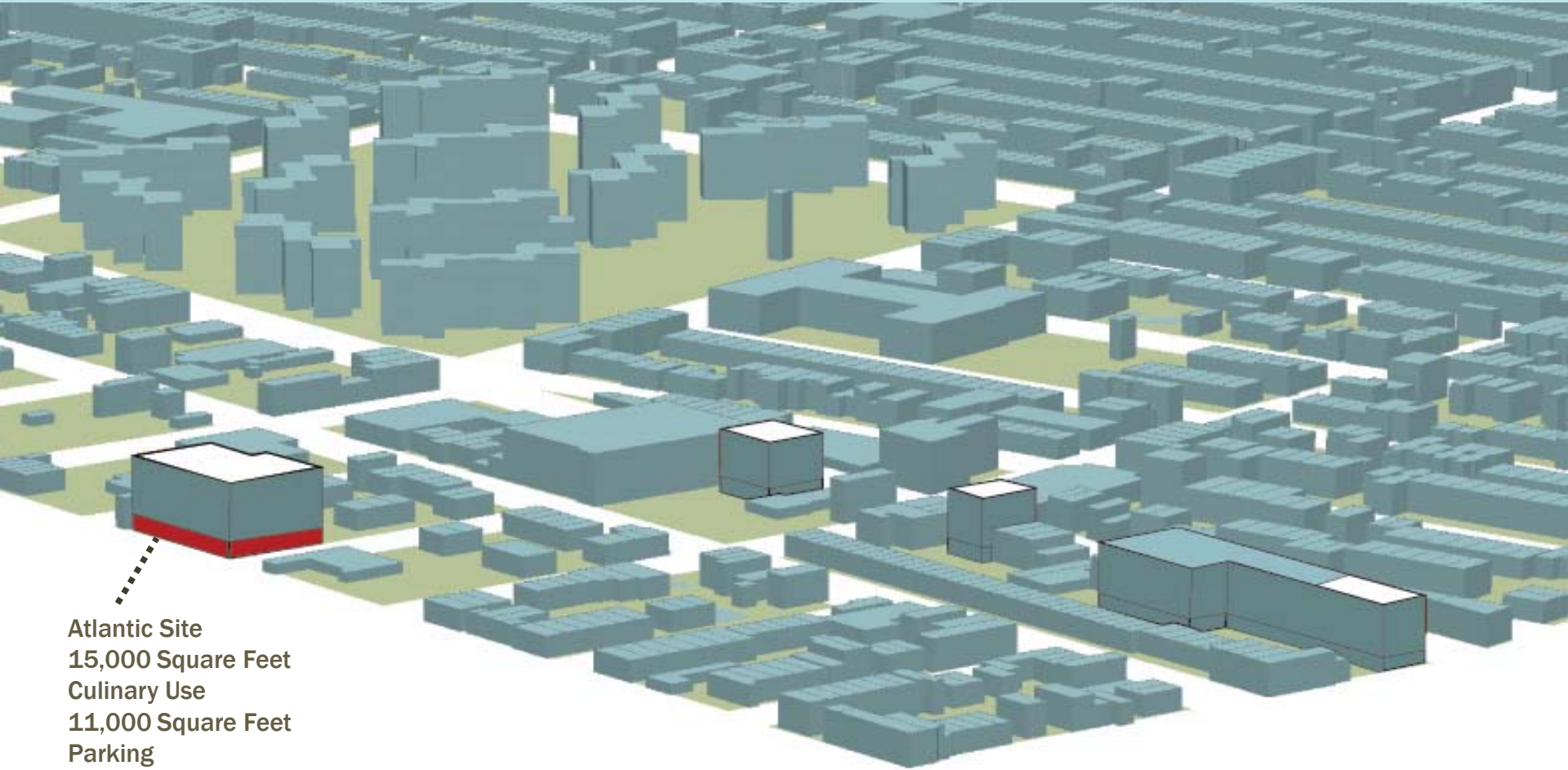
Site	Fulton
Total Floor Space	116,000
Cost/Square Foot	\$151*
Construction Cost	\$17,495,615
Size of Artist Unit	1,000*
Number of Units	88
60% Market Rate Units at \$360,000	52*
40% Below Market Rate at \$80,000	36*
Loan at 75% of Construction Cost	\$13,121,711
Equity at 25%	\$4,373,903
Total Revenue from Sales	\$21,600,000
Net Income	\$8,478,289
Return on Equity (Before developer fees)	\$4,104,386

*average development cost for artist live/work space *minimum studio size *Average home sale for 1 bedroom apartment in Bedford-Stuyvesant (hotpads.com)

(30% of 80% of AMI taken from the U.S. Census 2007/0.1) is feasible loan



Shared-Use Kitchen & Culinary Incubator



Atlantic Site
15,000 Square Feet
Culinary Use
11,000 Square Feet
Parking
M1-1/R7D



Shared-Use Kitchen & Culinary Incubator

	Shared-Use Kitchen	Culinary Incubator
Services	<p>kitchen rental</p> <p>equipment rental</p> <p>storage rental</p>	<p>educational focus & skills training</p> <p>job referrals</p> <p>business and finance training & services</p>
Purpose	<p>reduce individual expenses</p> <p>support new businesses & entrepreneurs</p> <p>support struggling businesses</p> <p>recreational uses</p>	<p>support beginners as well as professionals</p> <p>support new businesses & entrepreneurs</p> <p>link job seekers with businesses</p> <p>identify markets</p>



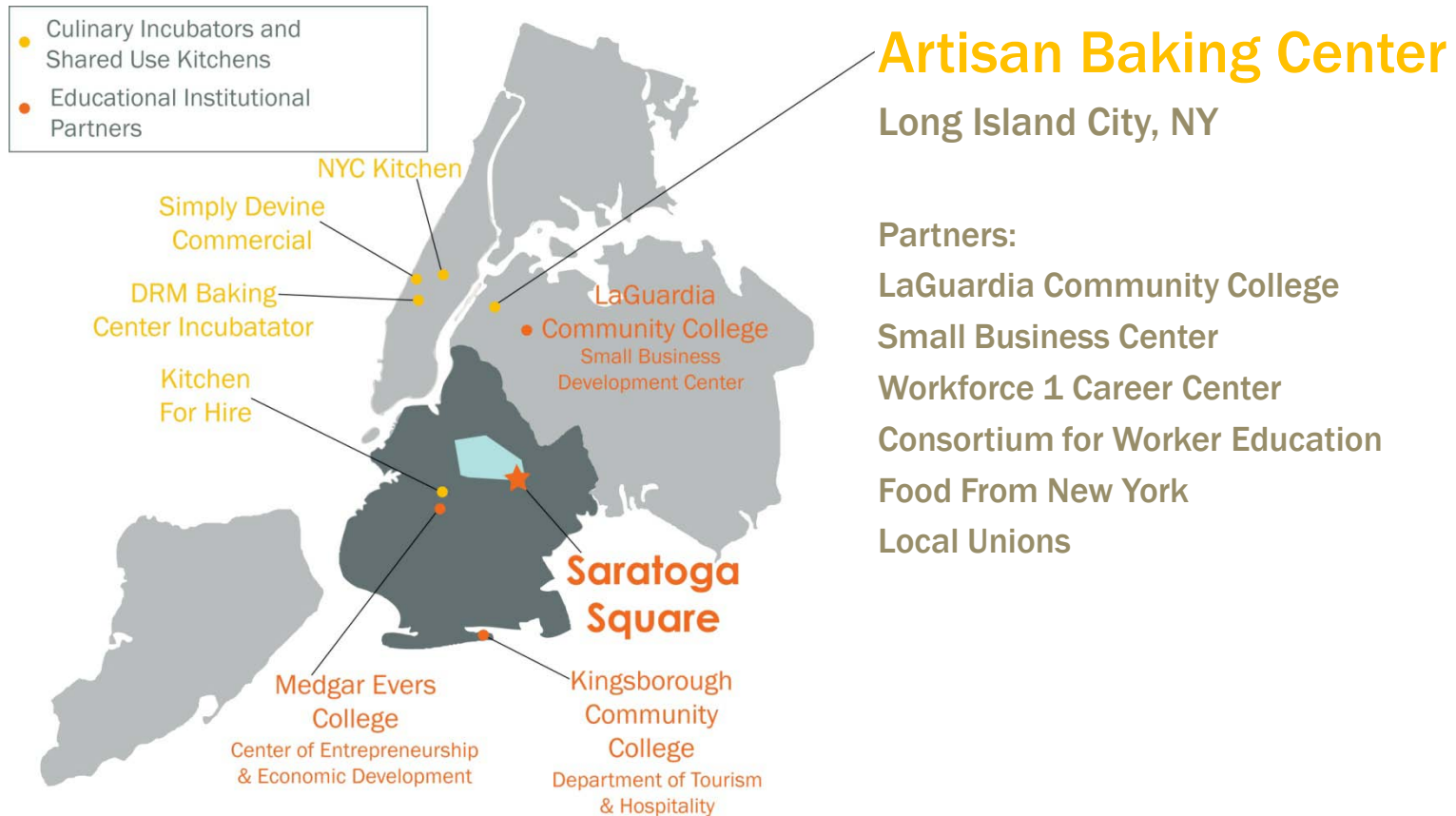
Shared-Use Kitchen & Culinary Incubator

Category of Occupied Stores	The Fulton St Retail Redevelopment Plan (2002)			The Studio Retail Inventory (2009)		
	# of stores	% of Total Sites	% of Sites Occupied	# of stores	% of Total Sites	% of Sites Occupied
Hair/Nail/Beauty	54	13.10%	16.20%	49	15.00%	18.80%
Apparel	53	12.90%	15.90%	24	7.40%	9.20%
Fast food/Take-out	39	9.50%	11.70%	30	9.20%	11.50%
Variety	32	7.80%	9.60%	16	4.90%	6.10%
Grocery/Deli/Fruit/Vegetable	29	7.10%	8.70%	27	8.30%	10.30%
Banks/Insurance/Taxes/RE	20	4.90%	6.00%	12	3.70%	4.60%
Churches/Organizations	18	4.40%	5.40%	10	3.10%	3.80%
Meat/Fish	10	2.40%	3.00%	6	1.80%	2.30%
Cleaners/Laundromat	9	2.20%	2.70%	8	2.50%	3.10%
Furniture/Home Accessories	9	2.20%	2.70%	8	2.50%	3.10%
Electronic/Phone/Beeper	8	1.90%	2.40%	10	3.10%	3.80%
Medical/Dental	7	1.70%	2.10%	9	2.80%	3.40%
Shoes	5	1.20%	1.50%	7	2.10%	2.70%
Bakery	5	1.20%	1.50%	5	1.50%	1.90%
Hardware	4	1.00%	1.20%	4	1.20%	1.50%
Jewelry	4	1.00%	1.20%	4	1.20%	1.50%
Restaurant (sit-down)	4	1.00%	1.20%	5	1.50%	1.90%
Drugstore/Pharmacy	3	0.70%	0.80%	5	1.50%	1.90%
Bar/Nightclubs	3	0.70%	0.80%	1	0.30%	0.40%
Flowers/Card/Gift	1	0.20%	0.30%	1	0.30%	0.40%



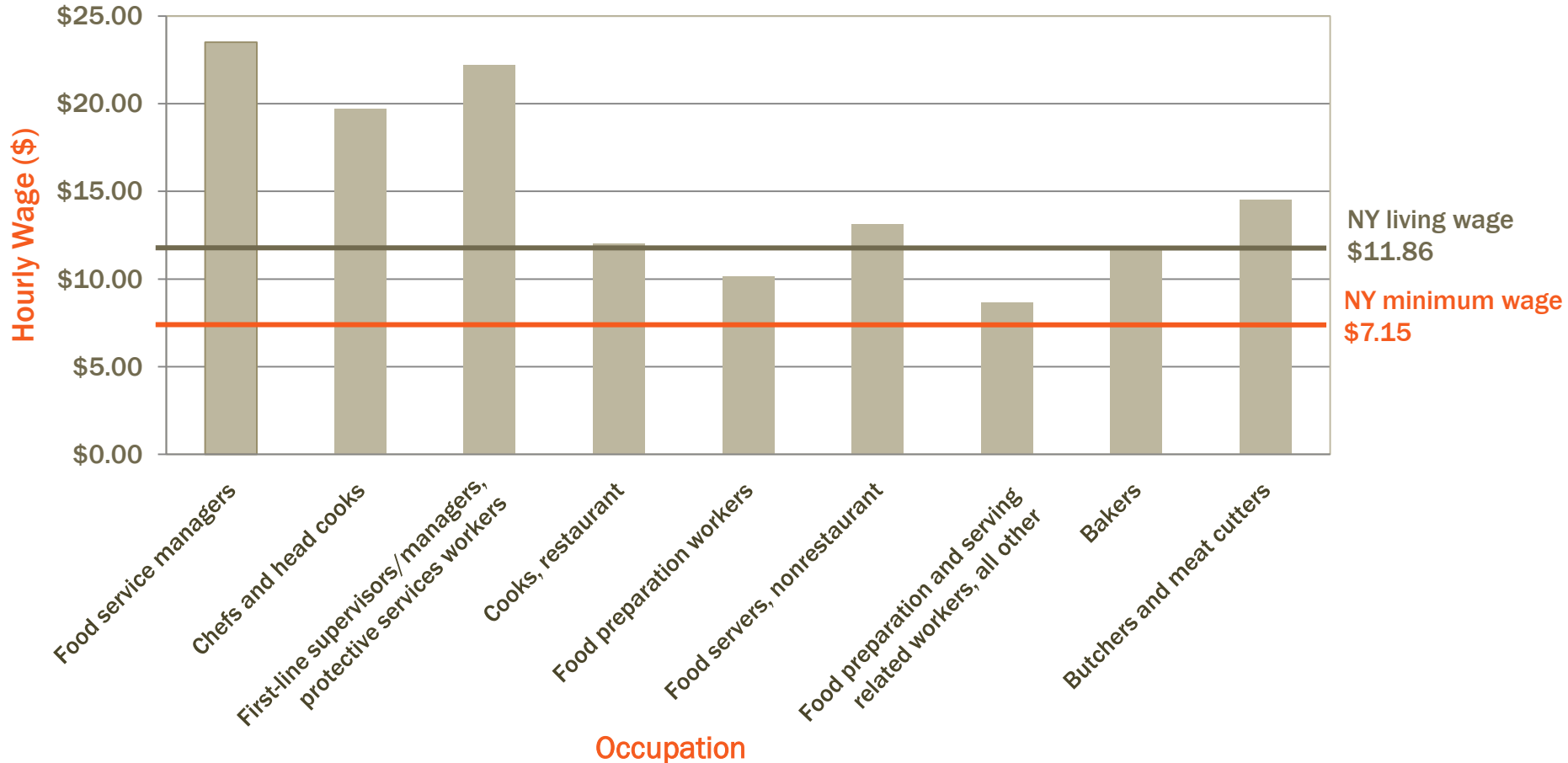
Shared-Use Kitchen & Culinary Incubator

New York City Culinary Incubators, Shared Use Kitchens, and Institutional Partners



Shared-Use Kitchen & Culinary Incubator

Culinary Employment Wages



Source: 2006 NYC Site Solutions; <http://www.livingwage.geog.psu.edu/places/3606151000>



Shared-Use Kitchen & Culinary Incubator

Financial Assistance Programs

Tax Incentives	Financial Incentive	Loan Assistance
Corporation for Enterprise Development & National Fund for Enterprise Development: The Self-Employment Tax Incentive	New York State Department of Labor: On-the-Job Training Program	New York Business Development Corporation: Small Business Loan Program
IRS: Making Workers Pay Tax Credit	New York State Department of Labor: ADVANCE Grants	New York City: Capital Access Loan Program
New York State & Local Sales and Use Tax Exemption	NYC Small Business Services: Business Solutions Training Funds	Brooklyn Cooperative: Business Loan Program



Shared-Use Kitchen & Culinary Incubator

Startup Equipment Budget

Shared-Use Kitchen Equipment (#)	Cost (\$)
Commercial Stove/Oven (3)	3,135
Dishwashing Machine (3)	27,000
Hood System (3)	6,057
Flat Top (3)	3,816
Salamander (3)	4,581
Low Boy (6)	6,927
Freezer (6)	20,514
Prep Table (6)	2,145
Steam Table (6)	1,434
Food Warmer (3)	327
Coffee/Tea Machine (3)	624
Pots, Pans, etc.	30,000
Walk-in Storage	30,000
TOTAL	136,560

Source: Harden, Neal – Executive Chef of Pure Food & Wine, NYC.



Shared-Use Kitchen & Culinary Incubator

Financial Projection

		1st Year (\$)	2nd Year (\$)	3rd Year (\$)
PROJECTED REVENUE	Kitchen Rental	264,600	291,060	320,166
	Dining Space Rental	20,160	22,176	24,394
	Storage Rental	6,000	12,000	15,000
	Educational & Consulting Programs	2,000	4,000	6,000
	Total Revenue	292,760	329,236	365,560
PROJECTED EXPENSES	Personnel Salaries	210,000	210,000	225,000
	Utilities (electricity, water, gas)	72,000	79,200	87,120
	Equipment Rental, Maintenance & Repair	5,000	17,000	19,000
	Marketing	5,000	8,400	8,700
	Supplies	3,000	3,500	4,000
	Insurance	8,000	8,800	9,680
	Total Expenses	303,000	326,900	353,500
NET OPERATING COST		(10,240)	2,336	12,060

Source: Boise State University / Idaho Business and Economic Development Center (2005), "Feasibility Study: Establishing a shared-use commercial kitchen incubator." Harden, Neal – Executive Chef of Pure Food & Wine, NYC.



Shared-Use Kitchen & Culinary Incubator

Benefits

Creates new business and jobs

Supports existing culinary businesses

Maintains light industrial as-of-right use of Atlantic Avenue site

Works with food recycling program, local CSAs and meal distribution centers

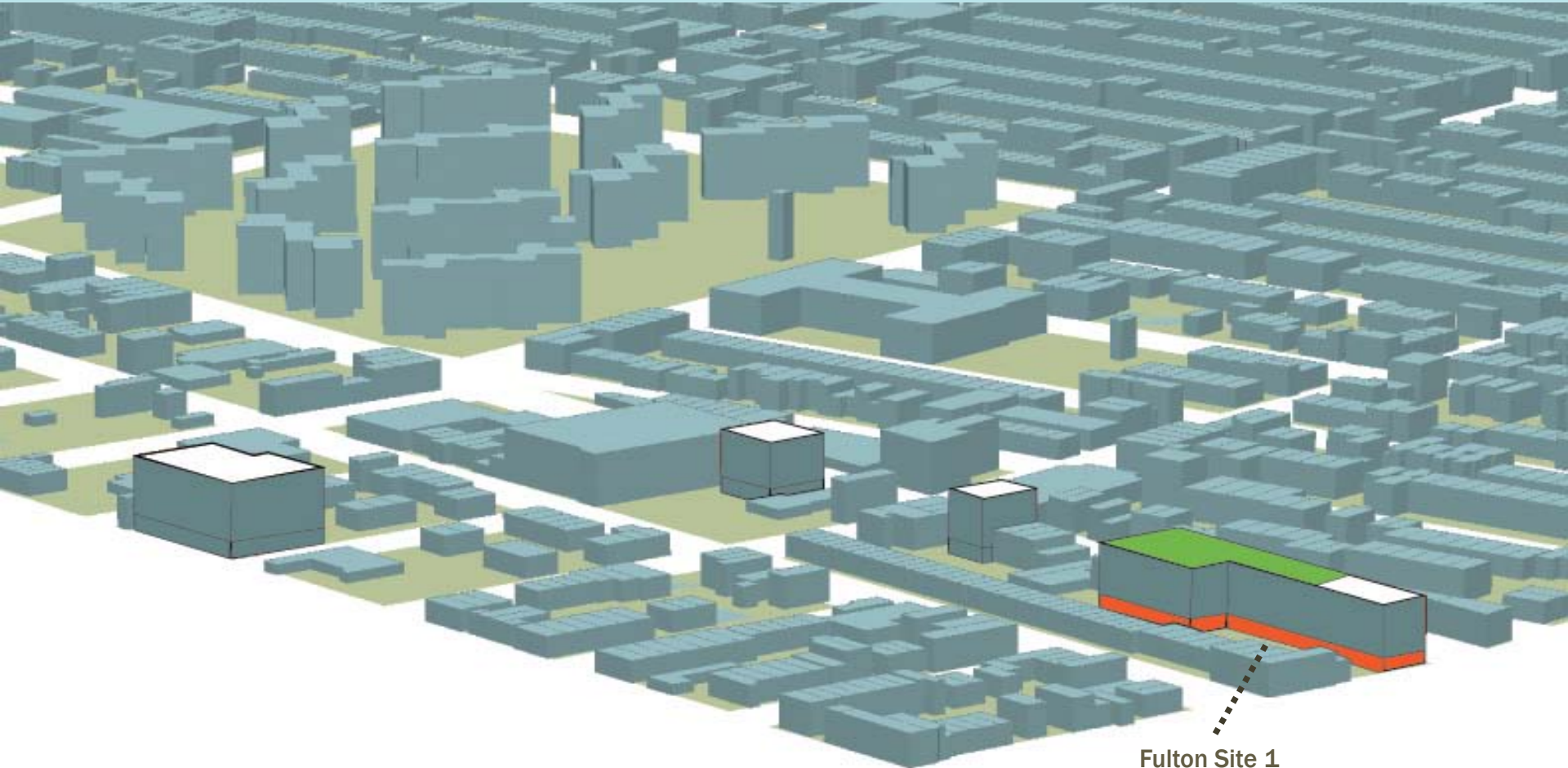
Limitations

Raising sufficient start-up and maintenance capital

Generating sustainable revenue to meet operating costs



Indoor Vendor Market



Fulton Site 1
23,000 Square Feet
Vendor Market
13,000 Square Feet Parking
C2-4



Indoor Vendor Market

Access to local healthy food options

Business opportunity for users of live/work and culinary spaces

Personal asset management and self-employment opportunities

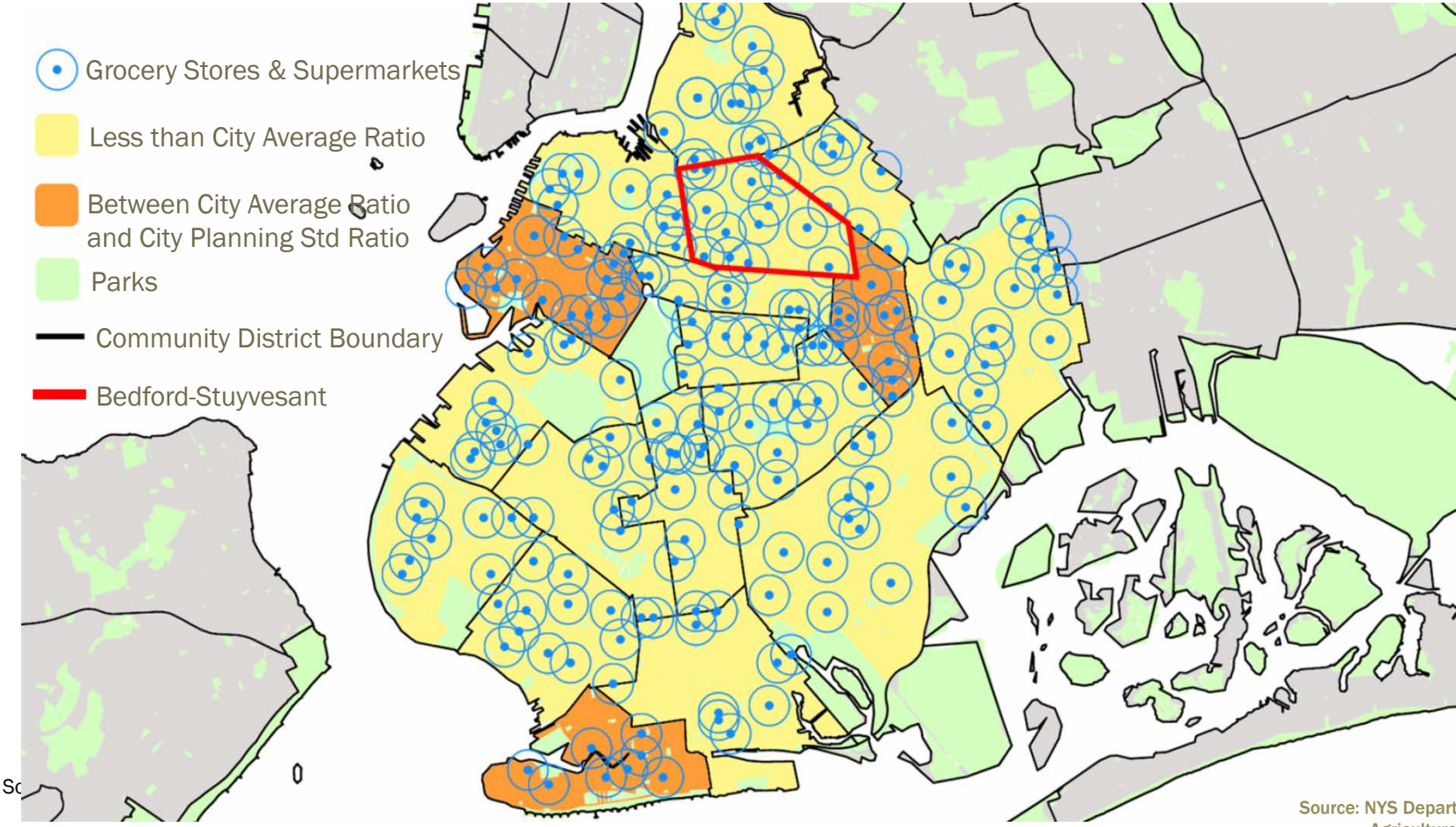
Employment opportunities for local residents and entrepreneurs

Support for local farmer's markets and CSAs



Indoor Vendor Market

Supermarkets to People by Community District



Indoor Vendor Market

Bodega Assessment

Name of Bodega	Canned Fruit?	2 Fruits, Vegetables?	Low-Fat Milk?	Low-Sodium Soup or Vegetables?	Whole Grain Bread?	Healthy Meal Options?	Bottled Water Displayed at Eye Level?
Peace Deli	X	X	X	X	✓	✓	X
Game Stars Deli	X	X	X	X	X	X	X
Leonardo Meat Market	X	✓	✓	X	X	✓	X
Fulton Super Deli	✓	X	X	X	✓	✓	X
Atlantic Deli & Grocery	✓	X	X	X	✓	✓	X
Stephie's Deli & Grocery	✓	X	✓	✓	✓	✓	X
Oakland Food Corporation	✓	X	X	✓	✓	X	✓
Farmer John's	X	X	X	X	✓	X	✓
EZ Pass	X	X	✓	X	✓	X	X
Honey Dew	✓	✓	X	✓	X	X	✓



Indoor Vendor Market

Bed-Stuy Farm Share

Local Farmer's Markets

New Amsterdam Market



Indoor Vendor Market



Green Roof Garden

Green roof tax credit equal to approximately 25% of overall costs

Provide a shorter supply chain for fresh produce

Potential use by market or shared-use kitchen



Indoor Vendor Market

Financial Projections

		1st year (\$)	2nd year (\$)	3rd year (\$)
PROJECTED REVENUE	Vendor Rent (\$19/SF)*	2,600,000	2,600,000	2,600,000
	Government Grants**	58,000	58,000	58,000
	Total Revenue	2,660,000	2,660,000	2,660,000
PROJECTED EXPENSES	Vendor Market Buildout*	3,000,000	-	-
	Facility Maintenance***	555,000	555,000	555,000
	Variable Costs****	250,000	-	-
	Exhaust System (\$25,000/Stall)	250,000	-	-
	Total Expenses	3,800,000	555,000	555,000

*Essex Market, ** Green Roof Tax Credit, *** Mart 125, **** Lexington Market



Indoor Vendor Market

Challenges:

Funding

Few high level positions

Providing adequate support to entrepreneurs

Potential Funding Sources:

Project for Public Spaces (PPS) Grants

USDA Community Food Projects Grants

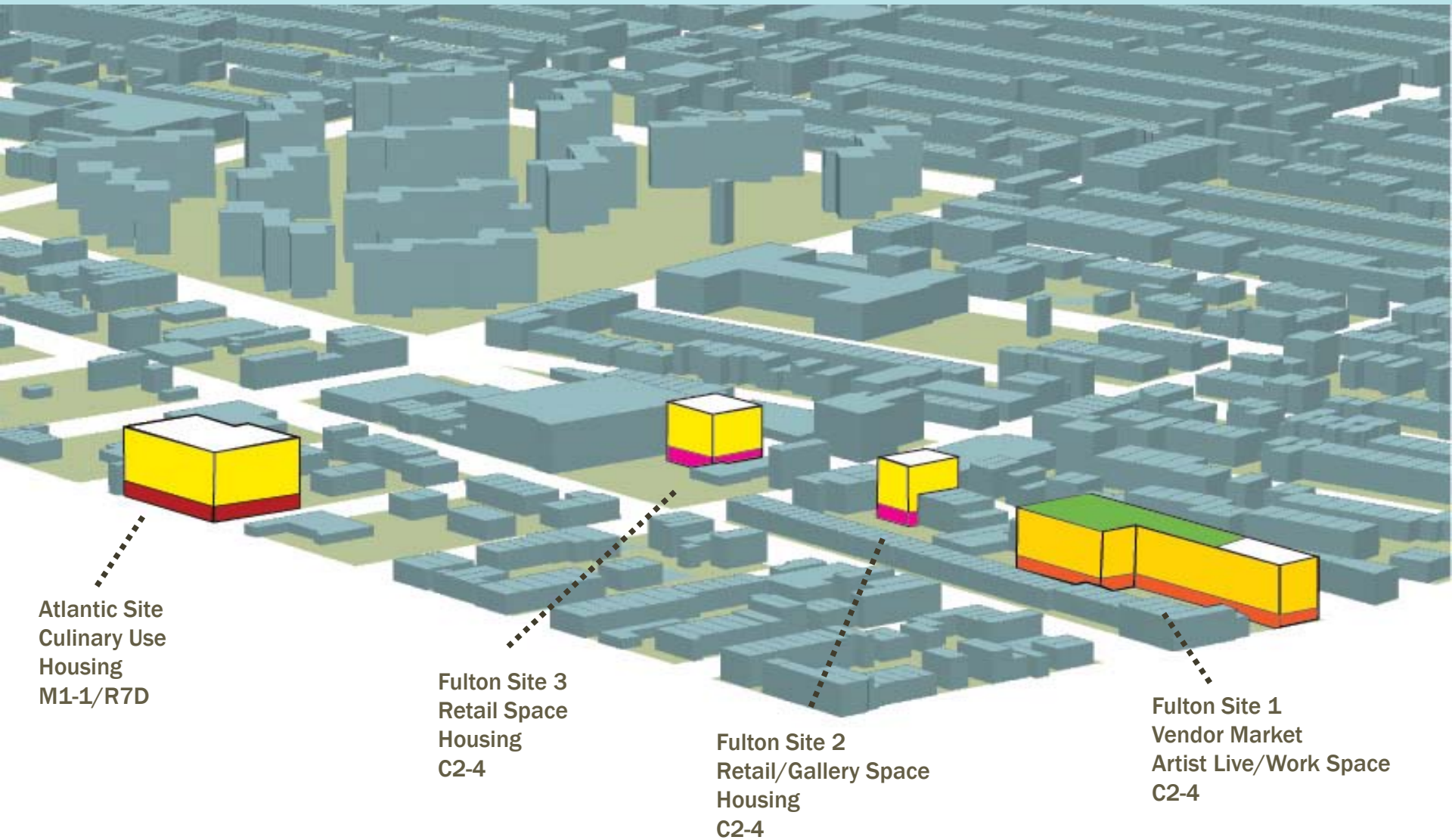
Robert Wood Johnson Foundation

Green Roof Tax Credit

New York City



Saratoga Square Summary



Atlantic Site
Culinary Use
Housing
M1-1/R7D

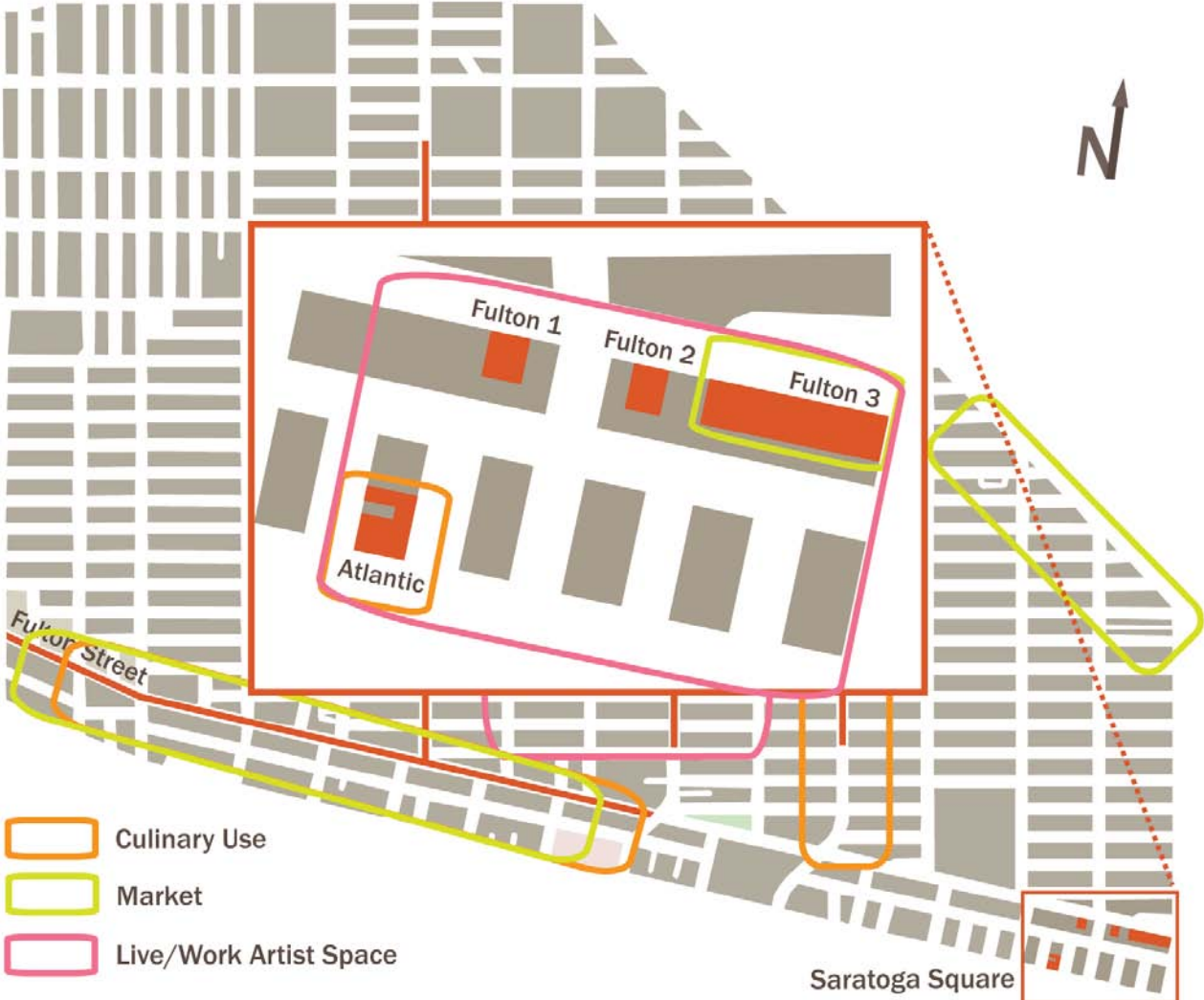
Fulton Site 3
Retail Space
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C2-4

Fulton Site 2
Retail/Gallery Space
Housing
C2-4

Fulton Site 1
Vendor Market
Artist Live/Work Space
C2-4



Retail Linkage Strategy



Streetscaping



Streetscaping



Streetscaping Improvements



overview

methodology

proposal

conclusion



Streetscaping Improvements



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Streetscaping Improvements



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Conclusion

Mixed-use

Incubator

Sustainable development

Access to healthy food

Art space

Affordable housing



Economic Development Bedford-Stuyvesant

CASEY WANG BRENDAN SHERA KEVIN THURMAN JAMES SIMMONS PROFESSOR: STACEY SUTTON TA: CATHERINE KIM
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