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MacArthur project gains speed

First piece breaks ground in 2011

Premium content from San Francisco Business Times - by Blanca Torres

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After years of planning, the developers of the MacArthur BART transit village intend to start construction in early 2011 on the first major component of the project.

The first piece to break ground is a 480-car garage that will replace the existing surface parking lot and make room for various residential projects.

The 7.76-acre, \$370 million project is slated to include the garage, at least 516 market-rate housing units, 108 affordable housing units, 42,500 square feet of commercial space and a 5,000-square-foot child care facility.

"The city of Oakland and its redevelopment agency saw MacArthur and Telegraph as being a key location for major redevelopment and transformation of that part of the community," said **Cynthia Parker**, president and chief executive of [Bridge Housing](#), which builds affordable housing and is one of the master developers of the transit village.

The City of Oakland selected Bridge and Oakland-based partner McGrath Properties to develop the site through a request for proposals process about five years ago.

Bridge's 108-unit project will be the second component to start construction, which is expected to happen during the fall of 2011 and wrap up by early 2013.

The garage and affordable housing components represent about \$80 million of the total project cost. Funding is coming from tax credit investments, the redevelopment agency and Prop. 1C, a \$2.85 billion state program for funding in-fill and transit oriented projects.

In terms of the market-rate housing, McGrath Properties will build a portion of those units, but the team is seeking developers to build the other units. Market-rate housing will take up about 4.5 acres of the site, of which developers would buy parcels to build on. Construction on that portion of the transit village could start in 2012 or 2013.

"We're very pleased that this project is moving forward," Parker said. "It will be a very significant improvement for the City of Oakland."

The project site is near the intersection of Highway 24 and Interstate 580 and is within walking distance of the Temescal commercial district.

"The location is great for rental housing," said John Protopappas, head of Madison Park Financial, a firm that owns rental properties nearby. Many developers will be interested if they can make a project pencil.

"Amenities are close by," Protopappas said. "It's very attractive and a very good location close to transit."



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