

Historic Auto Plant Returns From Ruin

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Square Feet

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Photos: Eddie Orton, left, a commercial developer, is renovating a vast 1930's Ford assembly plant in Richmond, Calif., for factory, commercial, restaurant and residential use, as part of an effort to lift the city's economy. (Photographs by Peter DaSilva for The New York Times)

RICHMOND, Calif. - A landmark former Ford assembly plant here that was designed by the renowned architect Albert Kahn is welcoming its first tenant since the late 1980's. The project is expected to give a boost to the beleaguered economy of this city of about 100,000 people at the north end of San Francisco Bay.

The 517,000-square-foot building, which is on the waterfront, is being renovated by the Orton Development Company of Emeryville, Calif. The first phase of the project, covering almost half the facility, is offering warehouse and assembly space. Later phases will be divided among office, retail, restaurant, conference and residential uses. The final configuration will be determined by demand as time passes.

The initial tenant of the building, which has been rechristened Ford Point, will be the online wine seller Wine.com, which is moving this week from Oakland to 53,280 square feet of warehouse space. In coming weeks, a second online retailer, Title 9 Sports, will relocate from Berkeley to a 40,000-square-foot space.

According to the project leasing director, Gary Fracchia, a principal with NAI BT Commercial Real Estate in Oakland, leases for another 80,000 square feet are expected to be signed soon. Orton's president, Eddie Orton, said he expected to have the building's first phase fully leased by August.

Mr. Orton, whose company owns 10 million square feet of urban mixed-use properties in five states, has had his eye on the handsome brick structure for two decades. Kahn, regarded as one of the foremost industrial architects, used hundreds of windows to bring daylight to the assembly floor; the plant was added to the National Register of Historic Places in 1988.

Mr. Orton made his first attempt to buy the 25-acre property in 1986 and made two more offers before finally acquiring it for \$5.4 million in 2004.

His initial unsolicited offer was rejected out of hand by the Richmond Redevelopment Agency, which bought the property in 1975 from the University of California. Ford built the plant in 1930 and vacated the site in 1955, selling it to the university for use as a book depository. The developer said few repairs had been made while the university owned it, and the building deteriorated.

The city around it was also in decline. An industrial powerhouse for the first half of the 20th century and one of the nation's largest shipbuilding centers during World War II, the city began to decay in the 1960's as industry fled for new ground.

Even today, Richmond struggles with high crime and unemployment. Its per capita income of about \$20,000 a year is only 60 percent of the state average, and more than 16 percent of the population lives below the poverty line.

If anything, the situation was even worse when the redevelopment agency bought the two-story behemoth. Though the city itself wanted to restore the building as a linchpin for redevelopment of the waterfront as a whole, a shortage of financial resources and a lack of interest among potential tenants blocked action.

In the meantime, the agency leased 75,000 square feet to a tenant and left the rest empty. Extensive structural damage from the earthquake of 1989 forced the tenant out, and the building has been vacant since.

Though the city created a renewal plan calling for combined commercial and residential use, it could not attract a developer until the Federal Emergency Management Agency agreed to underwrite \$15 million in repairs and seismic strengthening.

When the money finally came through in 1998, the Richmond City Council quickly selected Forest City Enterprises, based in Cleveland, over Mr. Orton's company and several other competitors to tackle the project. The developer initially agreed to build 200,000 square feet of office and retail space and 246 live-work lofts but later sought to convert the entire building to residences. The city refused, and in 2001 Forest City pulled out.

In 2002, the city rebid the project. Once again, it passed over Mr. Orton, awarding development rights to a investment group led by two Bay Area artists. They planned to transform the property into an entertainment production center.

When that venture failed to secure financing, Mr. Orton finally got his chance. Prevailing over four rivals, he proposed his mixed-use project. The proposal, he said, was basically identical to his three previous ones. "Our idea has always been the same," he said. "It's too big for any one use. We needed a manageable amount of space in each of the different segments so we wouldn't overwhelm the marketplace."

Mr. Orton estimated that the development, including acquisition and seismic work, would end up costing about \$60 million. Richmond's community and economic development director, Steve Duran, said that the federal Department of Housing and Urban Development had provided a \$1.5 million grant and \$3 million loan and the city had contributed \$3.6 million in redevelopment funds for public infrastructure improvement.

Rents for the project's industrial space are about 50 cents a square foot a month, which Mr. Fracchia called comparable to other new spaces in the Richmond area. In contrast to New York and many other cities, rents per square feet in the San Francisco market are quoted monthly, rather than annually.

Mr. Fracchia did not disclose the asking rent for the proposed retail and office space, but an NAI BT Commercial market report pegs the average monthly Richmond office rent at \$1.77 a square foot. Terranomics, a retail real estate brokerage firm, gives the average retail rent as \$1.50 a square foot. Several local brokers said new waterfront space would be likely to command higher rates.

Mr. Orton said the building's architecture and waterfront setting have drawn interest from a number of high-profile tenants. In addition, the Rosie the Riveter/World War II Home Front National Historical Park, which encompasses the site, is negotiating to open a visitors' center in the project. Though privately owned, Ford Point is included in the park because it was used for Jeep and tank production during the war.

Mr. Orton said he had a waiting list of at least 50 people for 20 or so live-work units that are planned for the next phase of development. His management company will also lease and operate a 60,000-square-foot events center to be rented out for business meetings, parties and small conventions; it is to be created from a former crane way at the front of the building, where years ago cranes lifted cars as they came off the assembly line.

Mr. Orton regards Ford Point as a symbol of rebirth for both Richmond and older cities in general. "We believe the project will kindle a lot of growth and change," he said. "We think it can have a transformative effect on the entire city, bringing new services and jobs to underserved neighborhoods."

The Port of Richmond lies immediately west of the project. Mr. Duran, the economic development official, reported that Toll Brothers of Horsham, Pa., the big national home builder, has approval to build a 269-unit residential condominium project immediately east of it. He said at least a dozen new residential and office projects have been built in the neighboring Marina Bay area and more are proposed.

Mr. Orton is pressing for resumption of ferry service between Richmond and San Francisco and promoting creation of a business-financed shuttle bus between the waterfront and the Bay Area Rapid Transit station in downtown Richmond.

"We're trying to return to a cityscape that's people-oriented rather than car-oriented," he asserted. "We're really moving into a different time, the one we had before the main thrust of development was toward the suburbs."

On the other hand, he added, "I do want to say we have a fantastic freeway location."