



**PURPOSE CASE  
BUILT STUDY**

## **The Simpson Center for Girls**

Girls Inc. of Alameda County relocated its program center to downtown Oakland, renovating a historic space to reach and empower more underserved girls.

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# Executive Summary

## **Organization**

Girls Inc. of Alameda County

## **Location**

Oakland, California, USA

## **Construction Type**

Historic renovation

## **Opening Date**

2013

## **Project Area**

34,000 square feet

## **Project Cost**

\$17.6 million

## **S. D. Bechtel, Jr. Foundation Investment**

\$1 million



Girls Incorporated (Girls Inc.) is a national organization with a mission to “inspire all girls to be strong, smart, and bold.” The Alameda County affiliate of this nonprofit supports underserved girls, providing research-based programming to empower them at every stage of their development.<sup>1</sup> In 1991, the affiliate moved its operations to a converted warehouse in San Leandro, California. By the mid-2000s, the organization was outgrowing this space, with administrative staff needs pushing programs off-site. The location itself was problematic—the affiliate sought to serve girls from the neighboring city of Oakland, but public transportation to the San Leandro site was lacking. Plus, local leaders saw a need to increase and diversify revenue and believed that a better facility would allow the organization to attract new donors.

In 2008, Girls Inc. made a decision to move—initiating a process that led to renovation and occupancy of a historic downtown Oakland office building in 2013. Through this facility, named the Simpson Center for Girls, the organization planned to expand and improve on-site programming and increase visibility. The project team engaged girls from the Oakland community as well as staff members, external consultants, and the affiliate’s board of advisors to develop a design that was both accessible and inspiring to girls.

In its first semester of operations, Girls Inc. welcomed 265 girls to the Simpson Center—far surpassing its goal of 50 program participants. The facility’s high-quality, girls-focused design communicates the organization’s belief in empowerment, and contributes to positive self-perception and behavior among program participants. Meeting and conference spaces also help new local partnerships to blossom—elevating the affiliate’s profile in Oakland and throughout the region.

The project began with studies that enabled Girls Inc. to assess and plan for a move thoughtfully. While leaders anticipated increased operating and maintenance costs in a new facility, as well as debt payments resulting from financing a capital project, first-year expenses exceeded projections and created risk. Girls Inc. is mitigating the financial consequences of the move by generating tenant and event revenues in the Simpson Center, and by using this new facility as an asset to grow its donor base.

While Girls Inc. is continuing to hone its economic model in the new site, the move to a location that is accessible, attracts and serves more girls in need, and appeals to donors has allowed the organization to become more relevant to its region and more capable of fulfilling its mission.

This case study is based on research conducted by MASS Design Group in September 2015. Funded by the S. D. Bechtel, Jr. Foundation, this case illustrates how organizations can address financial risks while investing in capital projects that advance their programs, partnerships, and fundraising potential.

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## Purpose Built Series

Capital projects often bring lasting benefits to nonprofit organizations and the people they serve. Given this opportunity, foundations grant more than \$3 billion annually to construct or improve buildings in the United States alone.<sup>i</sup> Each capital project affects an organization's ability to achieve its mission—signaling its values, shaping interaction with its constituents, influencing its work processes and culture, and creating new financial realities. While many projects succeed in fulfilling their purpose, others fall short of their potential. In most instances, organizations fail to capture and share lessons learned that can improve practice.

To help funders and their nonprofit partners make the most of capital projects, The Atlantic Philanthropies and the S. D. Bechtel, Jr. Foundation commissioned *Purpose Built*—a multi-faceted study by MASS Design Group, a nonprofit architecture and research firm. In 2015 and 2016, MASS conducted interviews, reviewed literature, and examined a diverse set of completed projects around the world; each project was supported by one of the above funders.

The study generated a set of core principles as well as tools for those considering or conducting capital projects:



*Introducing the Purpose Built Series* is an overview of the study and its core principles.



*Making Capital Projects Work* more fully describes the *Purpose Built* principles, illustrating each with examples.



*Planning for Impact* is a practical, comprehensive tool for those initiating capital projects.



*Charting Capital Results* is a step-by-step guide for those evaluating completed projects.



*Purpose Built Case Studies* report on 15 projects to illustrate a range of intents, approaches, and outcomes.

See the full *Purpose Built* series online at [www.massdesigngroup.org/purposebuilt](http://www.massdesigngroup.org/purposebuilt).

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<sup>i</sup> Foundation Center, *Foundation Maps* data based on grants made in the United States, 2006-2015.





**“Programming-wise, this Girls Inc. affiliate has always been the best. Now, the building matches it.”**

**—Odette Nemes,  
Senior director of  
development**

**Above.** Girls Inc. renovated a historic building in downtown Oakland, contributing to the revitalization of the area.

**Cover.** Girls informed the Study Hall design, which features bold colors and graphics inspired by their input.

## Introduction

Girls Inc. is a nonprofit organization with a mission to “inspire all girls to be strong, smart, and bold.”<sup>2</sup> The organization serves girls ages six to 18 and emphasizes the whole girl by hosting and supporting a variety of development activities focused on academic achievement, positive risk taking, and health and fitness.<sup>3</sup> With affiliates in all 50 states, as well two Canadian provinces, local affiliates are able to respond to specific and changing needs in individual communities.

Girls Inc. of Alameda County is an affiliate that focuses on marginalized communities to empower girls at every stage of their development. The affiliate offers academic, wellness, and leadership programming as well as mental health services for K-12 students. Founded as the San Leandro Girls Club in 1958, the organization became a Girls Inc. affiliate in 1960. Alameda County is located on the east coast of the San Francisco Bay and includes the cities of San Leandro, Oakland, Hayward, Fremont, and Berkeley.

### LIMITED BY FACILITY SIZE, LOCATION, AND QUALITY

In 1991, Girls Inc. purchased and converted a 13,500-square-foot warehouse in San Leandro to serve as its office and program space. From the time of the building’s purchase through 2007, the

organization’s staff grew from 30 to 101 members.<sup>4</sup> In spite of renovations in 1992 and 1996, the facility suffered from years of deferred maintenance and significant overcrowding. To accommodate increasing demand for staff office space, Girls Inc. relocated all of its programs to local school facilities. This approach limited both the number of girls who could access programs as well as the types of programs the organization could offer.<sup>5</sup>

Beyond the constraints of the facility itself, the building’s location in San Leandro curbed the organization’s visibility and reach. The site was difficult to access by public transportation and distant from



**Above.** A sketch of the original Girls Inc. facility in San Leandro.

Oakland, the largest city in Alameda County. According to Monica Manriquez, a Girls Inc. alumna and former board member, Oakland is “an area of extremely high need” with many girls who need help. In 2010, the median income of Oakland households was \$49,721 which was \$17,448 less than the county median income (\$67,169).<sup>6,7</sup>

Manriquez believed the organization’s location in San Leandro caused the community to question Girls Inc. and its commitment to Oakland. As she explained, community members often asked questions like:

If you want to come into our neighborhoods and work, but you’re not dropping your anchor here, are you really committed to us? Or are you just another organization that’s interested in putting us on your résumé?

Most importantly, the quality and design of the existing space conflicted with the organization’s values of empowerment and dignity. The converted warehouse could not accommodate growth. It was divided into makeshift offices, and staff expansion led to desks being placed in hallways; the majority of staff lacked privacy, and the absence of storage space resulted in clutter. People felt they were working on top of each other in a deteriorating building, with duct tape used to repair floors, and bathrooms described as disgusting.<sup>8</sup> When former CEO Linda Boessenecker joined the affiliate in 2007, her first impression of the facility caused her to question if Girls Inc. was truly committed to helping girls feel valued, inspired, and safe. She recalled:

If you’re working with really under-resourced and underserved communities, does it mean the girls aren’t important enough to have a quality building, and that your staff is not important enough to work in an environment that is in alignment with those goals?

### RELIANT ON A LIMITED DONOR BASE FOR FUNDING

The organization’s location in San Leandro also reduced its visibility to prospective partners and donors. Since girls do not pay for programs, the majority of the affiliate’s revenue comes from charitable contributions. From 2005 to 2014, contributions represented 83 percent of total revenue on average.<sup>9</sup> The organization was heavily dependent on a single donor, who in the latter half of the 2000s often contributed 40 percent or more of the organization’s revenue. Girls Inc. leaders knew that it was essential to diversify their donor base and revenue streams. As Judy Glenn, Girls Inc.’s former chief operating officer, described, “We were at a point where some of our major donors were aging, so if there were any time to do it, [it was] then.” She added that Girls Inc. believed that the capital project “had the potential to open doors [to new sources of revenue].”



Above. A map of the San Francisco Bay Area with Alameda County highlighted.

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## Project Mission

Given this range of challenges, the Alameda County affiliate of Girls Inc. embarked on a capital project with two primary goals: to reach more girls in need and to design a facility that would empower its users. To achieve these goals, Girls Inc. sought a new space that would expand its capacity to host programs, appeal to new donors and partners, and strengthen the organization’s relationship with the community of Oakland.

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## Process

### INVOLVING EXPERTS AND CONDUCTING STUDIES

Girls Inc. engaged consultants to help define criteria for the new building’s size, location, and price. Through limited prior experience with a capital project for the Girl Scouts, Boessenecker knew that external expertise could contribute to a successful project. As she recalled, “I knew I needed people to help me, so I talked to everybody I could about it.” Boessenecker expanded the board from eight to 25 members in preparation for the project, recruiting leaders with needed skills and experience. One board member worked closely with Boessenecker to plan and execute the capital campaign, and



another's real estate expertise added a trusted voice in the search for a new building. New board members with relevant knowledge supported three planning studies between 2008 and 2010; these efforts informed Girls Inc. regarding site and building selection as well as fundraising. One study was supported by the Evelyn and Walter Haas, Jr. Fund, and the other two were conducted on a pro bono basis.

Deloitte conducted the first study to establish specific spatial needs, including square footage. Deloitte concluded that consolidating Girls Inc. staff in a single large facility would be more cost effective than leasing a number of smaller spaces and would benefit internal communication, productivity, and culture. The study indicated that Girls Inc. should seek a 33,000-square-foot building with a total project budget of \$7 to \$8.5 million. Patricia Schnedar, chief financial officer at the time, said:

[The Deloitte study] put in concrete terms the need for the space as well as help[ed] frame the financial impact [with regard to upfront cost and ongoing debt]. [It helped] frame priorities so we could make objective evaluations of the space to find the right building.

A second study, conducted by the Northern California Community Loan Foundation (NCCLF), solidified priorities for relocation. The NCCLF study also evaluated Girls Inc.'s financial readiness for the project, analyzing the organization's revenue and expenses, unrestricted reserves, and ongoing capacity to finance costs

emanating from the relocation. Joshua Simon, who was a real estate development consultant at NCCLF at the time, stressed the importance of using experienced consultants, saying:

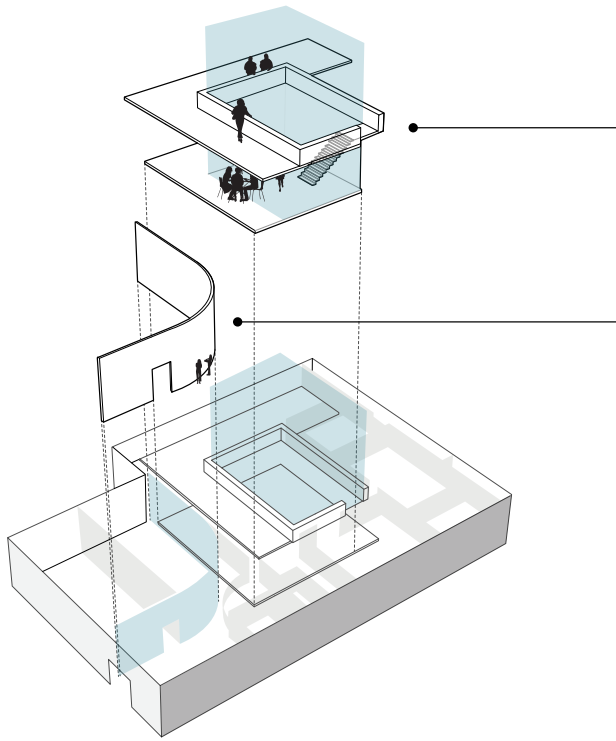
There are so many mistakes you can make in trying to figure out a facility—it's just not wise for people to do it in their spare time. Many organizations assign their COO [to it], [but the COO] is an operations person and may not have extensive real estate development experience or knowledge about the rather unique tools available for nonprofit community development financing.

Notably, the study confirmed the desire of staff members to find a location in Oakland that was easily accessible by Bay Area Rapid Transit (BART). The board and executive staff unanimously decided on the relocation to Oakland. Manriquez recalled the group's reasoning, saying, "If it's Girls Inc. of Alameda County . . . you should be addressing the highest need in your county, which is Oakland." Affiliate leaders knew that the decision to move to Oakland had the potential to alienate girls in San Leandro. However, by relocating to a site near public transit in Alameda's largest and most central city, they hoped that Girls Inc. would remain accessible to the San Leandro community while also broadening its reach throughout the entire county. These leaders also believed that relocating to Oakland would increase visibility to potential donors and program partners.

Finally, a "goal feasibility study" by Netzel Grigsby created a strategy and budget for the capital campaign. The study recommended

**Below.** Girls Inc. staff members lead orientation in the interior courtyard of the Simpson Center.





**Interior Courtyard.** This space enables non-program staff, visiting partners, and donors to connect with girls who are on-site for program activities.



**Donor Wall.** Spanning two floors, the donor wall displays the names of individuals, businesses, and foundations that contribute to Girls Inc. It is intended to remind the girls that “they are worth investing in.”

that Girls Inc. launch a two-year campaign with a \$10.25 million goal, leveraging the organization’s engaged and supportive board to help fundraise. Per Boessenecker’s suggestion, the capital campaign included a \$1.5 million goal dedicated to a building maintenance fund. Informed by these studies, Girls Inc. took the next steps to secure a new home.

### UNCOVERING A HISTORIC BUILDING’S NEW POTENTIAL

Boessenecker enlisted key consultants and board members during a two-year search for the right building. The process involved real estate development consultant Joshua Simon, architect Anne Phillips, and contractor Steve Oliver. Phillips and Oliver would subsequently design and construct the project.

In 2011, the project team viewed the building that would become the Simpson Center for Girls. This five-story historic structure was located in the heart of downtown Oakland. It was large enough to hold Girls Inc.’s staff and programs, and was just a short walk from a BART stop. However, the facility required major improvements and had been subdivided across floors to house many occupants—an arrangement that would recreate the separation and lack of cohesive identity that hampered staff in San Leandro. Seeing beyond these barriers, project consultants focused on how the building could be

improved to achieve Girls Inc.’s goals. Boessenecker recalled that without Phillips’ compelling design vision for transforming the space, she would have overlooked the facility.

This site would come at a cost. Priced at \$4 million, the land and building called for about \$2 million more than Girls Inc. had initially planned to acquire a facility. Plus, the project would involve upgrading building systems—including changes to meet seismic standards for the area—as well as significant remodeling. Adding in these improvements and other anticipated costs, choosing this building meant that Girls Inc. would need to take on a total project budget of \$17.6 million.<sup>10</sup>

This figure was daunting. The feasibility study projected that the affiliate could raise \$10.25 million in donor support, and sale of the San Leandro facility would generate additional funds, but more financial resources were needed. Simon connected Girls Inc. with Equity Community Builders, a developer that helped the organization acquire significant Historic and New Markets Tax Credits. These tax credits, combined with a sale credit from the San Leandro property, Oakland City grant funding, and an increase in the capital campaign goal to \$10.85 million, allowed Girls Inc. to undertake the \$17.6 million project.<sup>11</sup> The Oakland building was purchased in 2011.





**Top.** Study rooms throughout the Center provide flexible spaces where girls can do school work comfortably.

**Below.** The Center's yoga room is dedicated to promoting physical and emotional health.





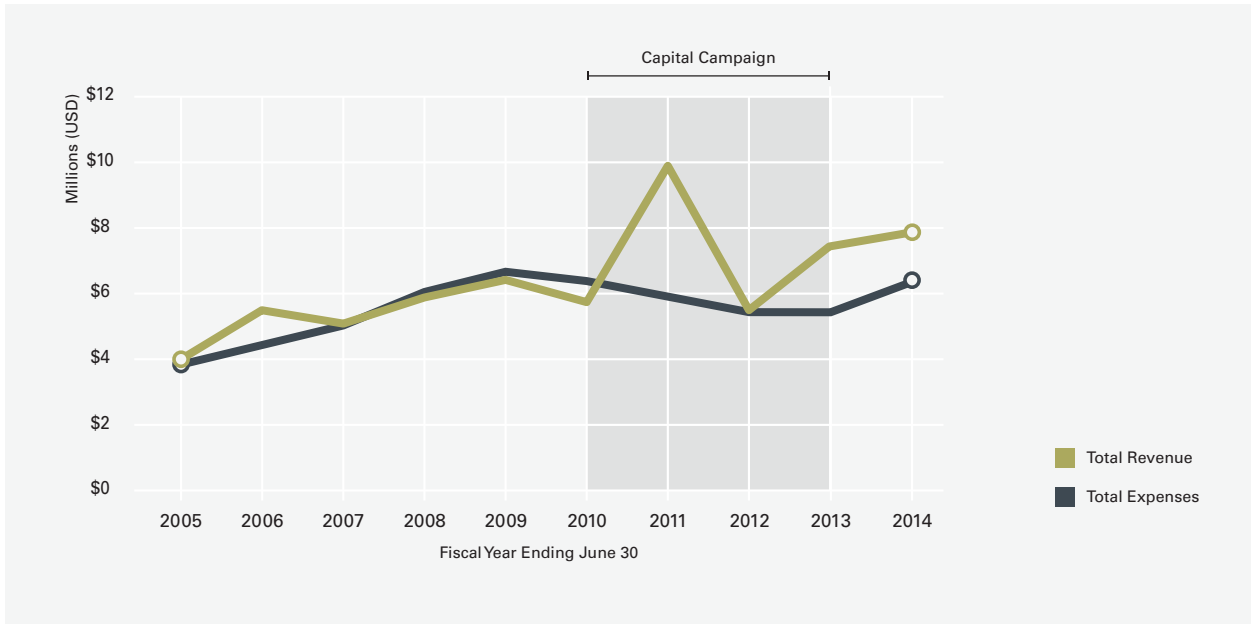


Figure 1. Total Budget

**SUSTAINING THE PROJECT THROUGH A DOWNTURN**

The Girls Inc. staff continued to expand as the capital project was being planned, growing to 195 people by early 2009.<sup>12</sup> Meanwhile, 2008 brought an economic recession, which negatively affected contributions from individuals and businesses. This decrease in contributions mirrored what was occurring in the nonprofit sector nationally; charitable donations decreased across the US by 10.9 percent between 2007 and 2010.<sup>13</sup> Although Girls Inc. still managed to grow total revenue in 2008 and 2009 before seeing a decrease in 2010, the gains were outpaced by staff and program expenses, leading to deficits in all three years and forcing layoffs (see fig. 1).<sup>14</sup>

The capital project continued amid these setbacks. As one staff member described:

[The project] was occurring when [Girls Inc. was] feeling the real reverberations of the recession. . . . We had large layoffs all of that time, so I think there was ill feeling in the staff about why we were buying a building.

The effects of the recession required Boessenecker to reinforce the importance of the building continually by urging the board to “take a leap of faith.” With low recession-era construction costs, aging donors, and strong fundraisers on the board, Boessenecker knew the organization had a slim window of opportunity to complete the building. Ultimately, support from the board, guidance from the capital campaign feasibility study, and the expertise of project

managers allowed Girls Inc. to reach its adjusted goal of \$10.85 million by June 2013, only one year behind the original schedule. The campaign ultimately generated a total of \$11.4 million.

**DESIGNING A FACILITY FOR AND WITH GIRLS**

Architect Anne Phillips was tasked with designing a remodeled space that could capture the heart of the Girls Inc. mission, inspiring girls to be “strong, smart, and bold.”<sup>15</sup> To help achieve this intent, the project team engaged end users to inform decisions on programming, layout, and aesthetics. For example, girls indicated that they wanted a kitchen that could help them and their mothers develop cooking skills. Several girls participated in a leadership program that featured regular interaction with the design team and opportunities to provide input; meeting topics included environmental sustainability, furniture arrangements, and graphics and colors for the Simpson Center.

The final design for the building included a classroom and study spaces for girls, a teaching kitchen, a gym and yoga room, and a two-story indoor courtyard. The first and second floors, specifically created for girls and visitors, would come to life through naturally-lit spaces with open views, comfortable rooms, high-quality finishes, and bold and fun colors. Large graphics of the girls themselves would adorn the walls and hide otherwise exposed HVAC (heating, ventilation, and air conditioning) equipment. A curved donor wall near the entry of the facility would proclaim the many individuals and organizations that “believe in the girls and want to invest in them.”

An atrium overlook on the second floor would provide girls, visitors, and staff with a sweeping view of the primary program activities at Girls Inc. It would also visually connect the boardroom to an interior courtyard and cafeteria space below. The third floor would be dedicated to mental health services and include counseling rooms, waiting spaces, and offices for staff delivering these services. The fourth and fifth floors would house other Girls Inc. staff.

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## Impact

### REACHING MORE GIRLS IN NEED

Following an extensive building renovation, Girls Inc. moved into the new Simpson Center for Girls in 2013. The relocation to downtown Oakland, proximity to a BART station, and expanded square footage enabled Girls Inc. to attract and serve a wider population of girls from disadvantaged communities in Alameda County. In the new building, the organization increased programming—including programs targeted to older girls who were otherwise unlikely to be involved unless their high school hosted Girls Inc. activities.

Wendy Calimag, senior director of community-based programs, said the facility has allowed a “shift in community programs. By having this building, we’re able to have programs every single day.” Program participation has exceeded expectations. When the building opened, its programs were immediately at full capacity. Girls Inc. far surpassed its aim to serve 50 girls in its first semester in Oakland, welcoming 265 girls—210 of whom were new to the organization. Attendance was so high that it stretched the operating capacity of Girls Inc. and

caused the organization to add staff positions over the next year.

Manriquez observed, “Now the students are girls from different neighborhoods that get to come together. That’s even more powerful, and that’s something that could not happen at San Leandro.” In a speech in 2015, Boessenecker elaborated that program participants at the new building represented 61 schools across Alameda County, with 83 percent of the girls coming from Oakland.<sup>16</sup> Glenn said the Simpson Center has helped ensure that “any middle or high school-aged girl can participate, and she can participate at any time.”

Given its central location, Girls Inc. remains accessible to girls from outlying areas including San Leandro. The affiliate is still physically connected to San Leandro as two thirds of its facilities for mental health services are located in rented space there. Opinions differ on how well Girls Inc. serves San Leandro following the move. According to one staff member, some San Leandro residents felt “wowed, like [Girls Inc.] has left.” However, most staff believed that the trade-off in moving from San Leandro ultimately increased the organization’s impact and the number of girls reached. As Manriquez described, “It’s hard to know that [San Leandro] lost this resource . . . but I’m still glad that we are in Oakland. [We] can serve more girls here . . . It’s just the place we had to be.”

### EMPOWERING USERS THROUGH DESIGN

The facility, designed with user input, achieves the project mission of creating a more empowered experience for girls. In the words of Odette Nemes, current senior director of development and former Girls Resource Center program manager, “Programming-wise, this Girls Inc. affiliate has always been the best. Now, the building matches it.” Nemes stressed that it was important for girls entering the space to believe that “they belong,” because “if [they] walk in here and [they’re] low-income girls of color, [they’re usually] not in places [as nice as] this . . . and they may not feel like they deserve such a space.”

High-quality design, colors and graphics that girls identify with, and light-filled rooms provide an environment that nurtures ownership of the building. In the words of one participant, “I walk around the corner and see the banner, and it makes me feel so special to have a place that feels like it’s just for me.” This sentiment is evident in the increased number of girls who come to the building and the respect with which the girls treat its interior spaces. Calimag and Mariela Donis, the senior director of school-based programs, agreed that a sense of respect and dignity in the building has had an impact on the girls’ behavior. Donis noted, “If you take kids from their environment and you bring them somewhere else, they’re different people, and I think that’s what we’re seeing here. They’re able to listen to each other and feel respected.”



**Above.** The Simpson Center’s lobby prominently displays Girls Inc.’s national mission.



**Above.** Girls gather for a group activity in one of the classrooms at the Center.

The character and visibility of the donor wall further conveys that girls are valued. Robin Evitts, current president of the Girls Inc. board of directors, said that this tribute helps the girls know “that a group of adults wanted to support them and spent a lot of time and money to make this place happen for [them].” Nemes appreciates the wall’s position near the entry of the building, saying that she “love[s] telling them [they] are worth people giving [them] \$11 million.”

### **CREATING DIGNIFIED SPACES**

A vast improvement over the poor-quality, dreary conditions of the converted San Leandro warehouse, the Simpson Center supports a more dignified experience for staff as well as girls. Open spaces, including the interior courtyard, facilitate interaction between staff and program participants. This has proven particularly meaningful for administrative staff whose contact with participants would otherwise be minimal. The design of the fourth and fifth floor offices reflects staff input as well as knowledge gained through project team visits to outside facilities. As a result, the work environment in the new building has ample space for storage and group work, as well as attractive furnishings. Though much of the furniture was purchased secondhand, staff members were able to provide input on its selection and reported being very pleased with its functionality and quality.

However, Girls Inc. also encountered some unexpected shortcomings in the building’s design. In particular, the design of the third floor—where mental health services are provided—became a subject of staff criticism. For example, privacy was hampered due to sound that

carried through walls, leading staff to add white-noise machines. One staff member recalled that the Girls Inc. team insisted on adequate soundproofing but that “builders usually do soundproofing for buildings that aren’t for mental health, so their perception of what it needs to be [for specific spaces] is different.” In retrospect, the project team’s emphasis on the design of the first two floors—which are more outward facing—may have resulted in inadequate consideration of small but important details like this in other parts of the building. The upper floors could have benefitted from additional research and consultation with relevant experts.

### **CONNECTING WITH OAKLAND AND NEW PARTNERS**

Girls Inc. invested in rehabilitating a historic Oakland building. One staff member recalled that the project aimed to bring “freshness and beauty to downtown,” and that a restored facility in this location demonstrated that Girls Inc. was “really committed to working in Oakland.” As another described, “[the aesthetics and quality of the building] should be the norm. . . . Oakland is beautiful, and we are part of the beauty of Oakland.”

Phillips stated that the building has contributed to the revitalization of Oakland:

Everything on the block had been abandoned . . . this building made the whole block seem like a welcoming place . . . it’s a textbook example of one project having a huge impact on the urban fabric of a neighborhood.



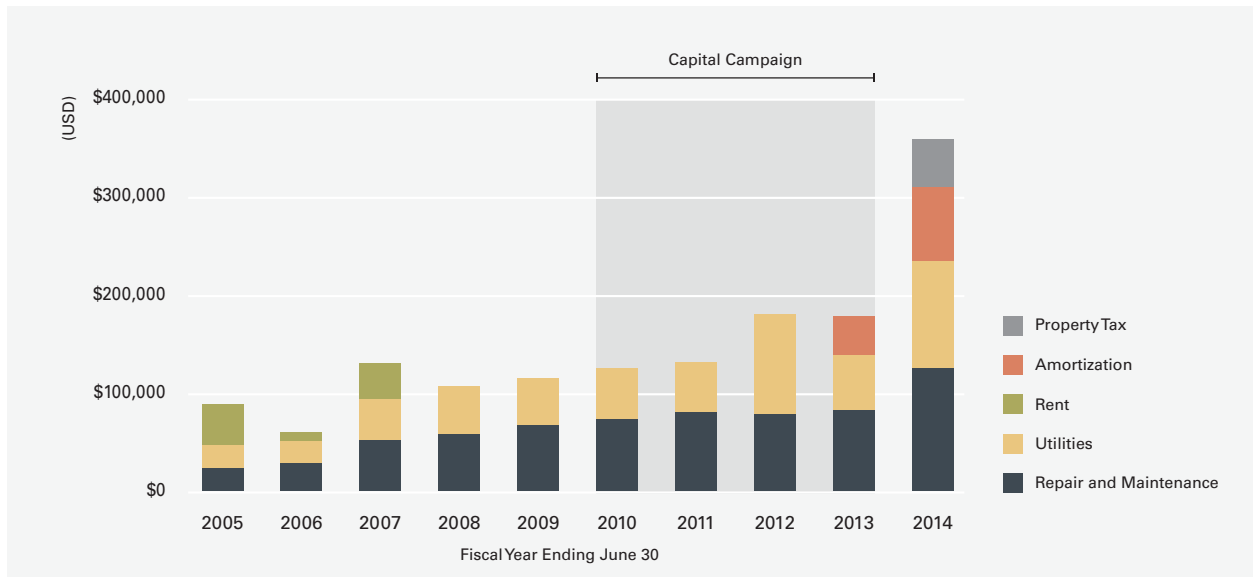


Figure 2. Facility Expenses

The presence of the Simpson Center helped catalyze a youth and community development hub in Oakland, which includes Safe Passages, the East Bay Community Foundation, Youth Radio, and the Oakland Unified School District—whose Board of Education uses Girls Inc. conference rooms and meeting spaces regularly. The design of the facility serves as an example for these and other colleague organizations as well as other Girls Inc. affiliates. The Alameda County affiliate hosted the Girls Inc. regional conference in 2014, and Boessenecker noted that the visit “inspired others to think about the space they’re providing for their girls.” As the first dedicated center for girls programs and mental health services in the Oakland area, many believe that this affiliate is at the forefront of programming for Girls Inc. nationally.

Invitations to the space have nurtured new working relationships, attracted additional partners, and raised the visibility of Girls Inc. The atrium overlook, in particular, helps visitors see the energy and activity in the building, and better experience the ideals and impact of Girls Inc. The organization developed a protocol to standardize the process of accepting partners due to heightened interest following the move.

### ADDRESSING FINANCIAL CHALLENGES

The Simpson Center expanded the financial and operational scale of Girls Inc. of Alameda County. The affiliate had an operating budget of \$5 million in 2009, the year before undertaking this large capital campaign, and was familiar with managing smaller-scale renovations and building maintenance. Informed by consultant studies and

financial analysis, organizational leaders anticipated both debt associated with the capital project as well as higher operating and maintenance costs following the move.

Girls Inc. earmarked a portion of capital campaign funds for an endowment to help sustain ongoing operations. In addition, the new facility allowed for rental income from tenants and events. Despite these new income streams, financial challenges loomed within a year of the move. Operating and maintenance costs significantly increased in the new facility, reaching greater than anticipated levels (see fig. 2).

These unexpected costs in the new facility needed to be addressed as Girls Inc. also faced the increased debt load associated with its new building. Fortunately, the organization received \$1.75 million in loan forgiveness from the East Bay Community Foundation and Barclay Simpson in 2014. Overall, while Girls Inc. liabilities have increased in the new space, total assets have also grown significantly. As of fall 2015, the organization is able to manage its debt payments consistently.

The passing of a major donor to Girls Inc. in 2014 posed another financial challenge. In a period of reduced liquidity and increased liabilities, the loss of this donor’s support could have been especially problematic. But, according to staff, the organization was better positioned to deal with this loss due to its expanded and diversified donor base resulting from the capital project.

The Simpson Center has helped Girls Inc. become more visible to donors in Oakland and throughout Alameda County. According to Schnedar, the affiliate’s former chief financial officer, most of the new

fundraising events at the Oakland facility are achieving greater success than they did before the move, and the new building has become vital to donor cultivation activities.

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## Conclusion

Through a process that featured user engagement, led by a complementary team of staff, board members, and consultants, the Simpson Center for Girls met its goals of reaching and empowering more underserved girls in Alameda County.

The bold decision to leave San Leandro and conduct a major renovation of a historic Oakland structure has contributed to expanded programming as well as greater visibility and credibility for Girls Inc. These attributes have in turn helped attract new donors and program partners, and deepened the organization's relationship with its new host community.

This capital project was transformative for Girls Inc. of Alameda County. Its effects include spurring the organization to consider new possibilities for serving the community in more systemic ways with its growing network of funders and collaborators. As Wendy Calimag, senior director of community-based programs, said, "We were always answering the girl questions, but I think now we're trying to answer big society questions." Former CEO Linda Boessenecker recalled:

I don't think I saw the total impact that the building would have. . . . I didn't foresee what a comprehensive shift it was going to be in how we were going to do our work and how impactful I think we can be eventually. We have to now look at that and build from that for the future.

While Girls Inc. still faces financial risks related to the new facility, including increased operating and maintenance costs as well as a larger debt load, it is approaching these challenges with a stronger identity, broader network of donors, and deeper capability due to its purposeful move to downtown Oakland.

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# Lessons from the Simpson Center for Girls

## **Envision greater possibilities for impact.**

**Design inspires and empowers users:** For Girls Inc., designing a new space represented an opportunity to advance the organization's mission, inspiring girls to be "strong, smart, and bold." The first floor of the Simpson Center serves this purpose in particular—reflecting high-quality, energizing, and approachable design. The space includes bright colors and large graphics of girls, inviting users into the space and encouraging them to feel comfortable. A prominent donor wall highlights the community's belief in girls. The project team intended to make girls feel valued as owners of the space, and as a result, staff members reported that the facility helps girls adopt positive behaviors. In the words of Wendy Calimag, "[When] girls are taken out of their environment and brought somewhere else, they can be different. This space encourages them to dream." By focusing on their primary users, and engaging them in the design process, Girls Inc. has advanced its mission through the Simpson Center.

## **Commit to planning to set the right scope.**

**Upfront studies lead to a better process and outcome:** In preparing to create a new home to replace its converted warehouse space in San Leandro, California, leaders at the local affiliate of Girls Inc. conducted three important studies over a two-year period. Each was led by qualified consultants, some working pro bono. The first established the potential scale of the project, setting criteria for square footage, location, and price. The second finalized project priorities, assessed financial readiness, and helped Girls Inc. make the decision to relocate to central Oakland—a bold choice that resulted in much greater access and visibility for the affiliate. The third examined the feasibility of a major capital campaign, and established a realistic fundraising goal. Ultimately, the organization's investment in upfront planning, including time as well as dollars, resulted in a more efficient implementation process and a more effective outcome.

## **Combine inside knowledge with outside expertise.**

**Consultants and board members add value:** From the outset, Girls Inc. leaders believed that outside experts would make a difference at each stage of the project. Former CEO Linda Boessenecker also expanded the Girls Inc. board from eight to 25 seats, knowing that its members could bring specialized knowledge and connections vital to the project process and outcomes. One board member worked closely with Boessenecker to plan and execute the capital campaign, and another's real estate expertise added a trusted voice in the search for a new building. New board members with relevant knowledge supported three important planning studies between 2008 and 2010. The building search drew on the expertise of three real estate consultants, an architect, and a contractor. An outside designer was instrumental in seeing the potential to transform an old building into an exceptional home for Girls Inc. A developer helped secure tax credits that were pivotal to the project's financing. From start to finish, this expert guidance helped Girls Inc. plan and implement the project successfully.



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## Lessons from the Simpson Center for Girls

### **See financial realities beyond opening day.**

**Unexpected expenses create economic challenges:** Girls Inc. realized that operating and maintenance costs would increase as it expanded programming in a new location. Drawing on consultant advice, Girls Inc. established revenue streams including tenant and event income to help mitigate these higher costs, and placed some capital campaign dollars in an endowment to offset ongoing expenses. Still, operating and maintenance costs in the new facility were greater than anticipated and, together with the debt load resulting from capital project financing, these expenses created challenges for the organization shortly after occupancy of the new space. Benefitting from some debt forgiveness, as well as continuing to focus on new revenue sources and expanded donor outreach, Girls Inc. is addressing its financial realities in the Simpson Center.

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## End Notes

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14. "Form 990: Return of Organization Exempt from Income Tax," op. cit.
15. "Our Story," op. cit.
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