

Alameda Point Economic Development Strategy

Prepared by
Keyser Marston Associates, Inc.
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KEYSER MARSTON ASSOCIATES.

Alameda Point Today

- Land Area: 918 acres (Excluding runways)
- Building Inventory: Approximately 5.3M square feet
- Illustrative Attractions: USS Hornet, Antiques by the Bay, Bladium, (partial list) Rockwall, St. George Spirits, ferry terminal, sports fields/facilities
- Existing Businesses:
 - Lease approximately 1.8M square feet of building space
 - Generate over \$6.6 million in commercial rent revenues per year (excludes residential rent revenue)
 - Over 100 businesses with approximately 1,000 employees
 - Generate approximately \$90,000 in sales tax revenue per year



Project Understanding and Approach

The focus of this strategy is how to grow the employment and economic base at Alameda Point. This is achieved by:

- Identifying target industry sector opportunities: outlook for industries, regional clustering, and suitability of existing space at Alameda Point.
- Evaluating the existing tenant base and identifying potential for retention and growth of those firms through adaptive reuse
- Interviewing commercial and institutional groups
- Evaluating a high level financial feasibility for renovation of five (5) buildings
- Recommending specific strategies and actions to enhance and grow jobs at Alameda Point

Note: This strategy is not a land use, an infrastructure, nor a financing plan for Alameda Point.



Project Understanding and Approach

Tasks Completed

Task 1	Commercial Market Analysis
Task 2	Alameda Point Tenant Forum
Task 3	Approach to Commercial and Institutional Groups
Task 4	Adaptive Reuse Physical and Financial Analysis
Task 5	Industry Feasibility Testing and Interviews
Task 6	Economic Development Strategy



Findings: Strengths

1. Central location in the inner Bay Area
2. Deep water access (Seaplane Lagoon)
3. Potential for large development site in the inner Bay Area
4. Existing businesses represent a diverse range of industries
5. Unique buildings and open spaces [also a weakness]
6. Historic role of Alameda Point
7. High quality of life



Findings: Weaknesses

1. Aging Infrastructure
2. Existing buildings require significant investment
3. Large size of existing buildings
4. Lack of identity in the market place
5. Limited access to amenities
6. Entitlement and site development conditions (e.g., environmental, biological and cultural resource constrains, as well as Navy control of certain areas.)
7. Current real estate market conditions
8. Regional access



What's Next? Goals, Recommendations, Strategies and Actions

Goal: Grow employment and economic base at Alameda Point

Recommendations:

- 1) Enhance Identity and Placemaking
- 2) Capitalize on Existing Assets: Both Tenants and the Property
- 3) Encourage New Private Development
- 4) Upgrade Infrastructure



Recommendation 1

Enhance Identity and Placemaking

- Create districts: placemaking
- Improve wayfinding/circulation
- Craft coordinated marketing/branding approach



Placemaking: Identify Subareas to Address Size and Complexity



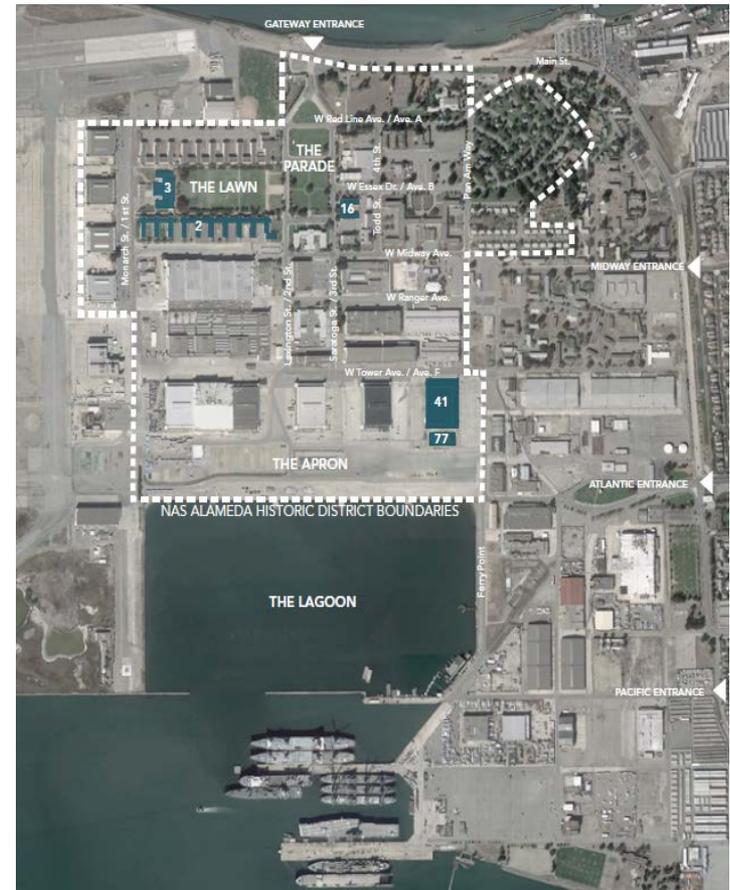
The following illustrative subareas demonstrate how different strategies may be applied to different subareas:

- Commercial Reuse – build on existing market position and tenant base
- Campus – has the potential to be marketed with its own unique identity and northern entrance
- South of Atlantic – offers best opportunity to attract a large major employer to build a new campus or other specialized project
- North of Atlantic – assumed to continue to have a primarily residential emphasis



Placemaking: Name Large Open Spaces, Entrances and Buildings

- Name the entrances to Alameda Point
 - e.g. The Gatehouse, The Atlantic Oval, Midway, and Pacific.
- Name key buildings
 - Celebrate Alameda Point's history. The names could originate from Alameda and Navy historical figures, events or locations, as appropriate
- Name the large exterior spaces and business districts. For example:
 - The Lawn: between buildings 2, 3, and 4
 - The Parade: main entrance green space
 - The Apron: former seaplane taxiway
 - Create name for business clusters such as the row of wineries, brewery, and distillery



Placemaking: Recruit Amenities to Attract Visitors and Support Workers

- Explore the potential to attract food trucks and pop-up stores .
 - The example of “Pedal Beach” in the City of Alameda illustrates how a pop-up store operating out of a cargo container at Alameda Point may work.
 - A pop up store/restaurant could also be hosted in one of the vacant buildings; showcasing how existing buildings could be adapted to new uses.



Wayfinding: Enhance Gateways

- Landmarks should reinforce the image of Alameda Point as place to do business and reflect a coordinated branding approach



Current conditions at Alameda Point's gateways



Entrance to McClellan Business Park

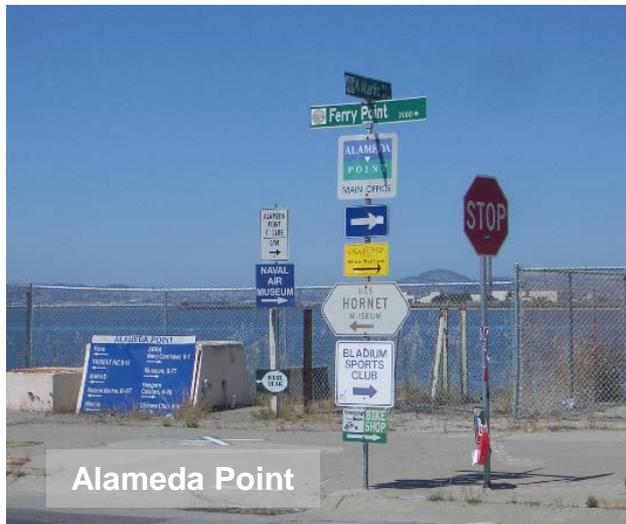


Entrance to Mather Commerce Center



Wayfinding: Improve Wayfinding Elements

- Wayfinding elements should reinforce branding and emphasize major destinations, including large exterior spaces, recreational facilities, and major tenants.



Illustrative example

Source: www.fusion.com



Marketing/Branding: Alameda Point as a Place to Do Business

- Tell a story/create image
- Branding to target audiences
- Multiple media



Building Signage

Website

Marketing Brochures

HIGHLIGHTS

- ▲ Mix of private offices and open space. Full height glass curtain wall. High open truss ceiling. Improve view open work area. 3 private offices, conference room, bathroom, storage, telecon/server room.
- ▲ **Flexibility**
Raised floor system allows easy, cost effective relocation of HVAC, power, and data outlets. Multiple entry/exit locations.
- ▲ **Spectacular Work Environment**
High quality improvements. Abundant nearby amenities. Operable windows. Highly customizable HVAC zones.

See Reverse for Floorplan

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Marketing/Branding: Redesign Website

Updated website should reflect a business brand

- Emphasize available space
- Highlight existing businesses
- Target key industry clusters
- Advertise unique benefits such as LAMBRA and AMP benefits
- Coordinate with City's economic development efforts
- Include clear links to City services (such as permitting)



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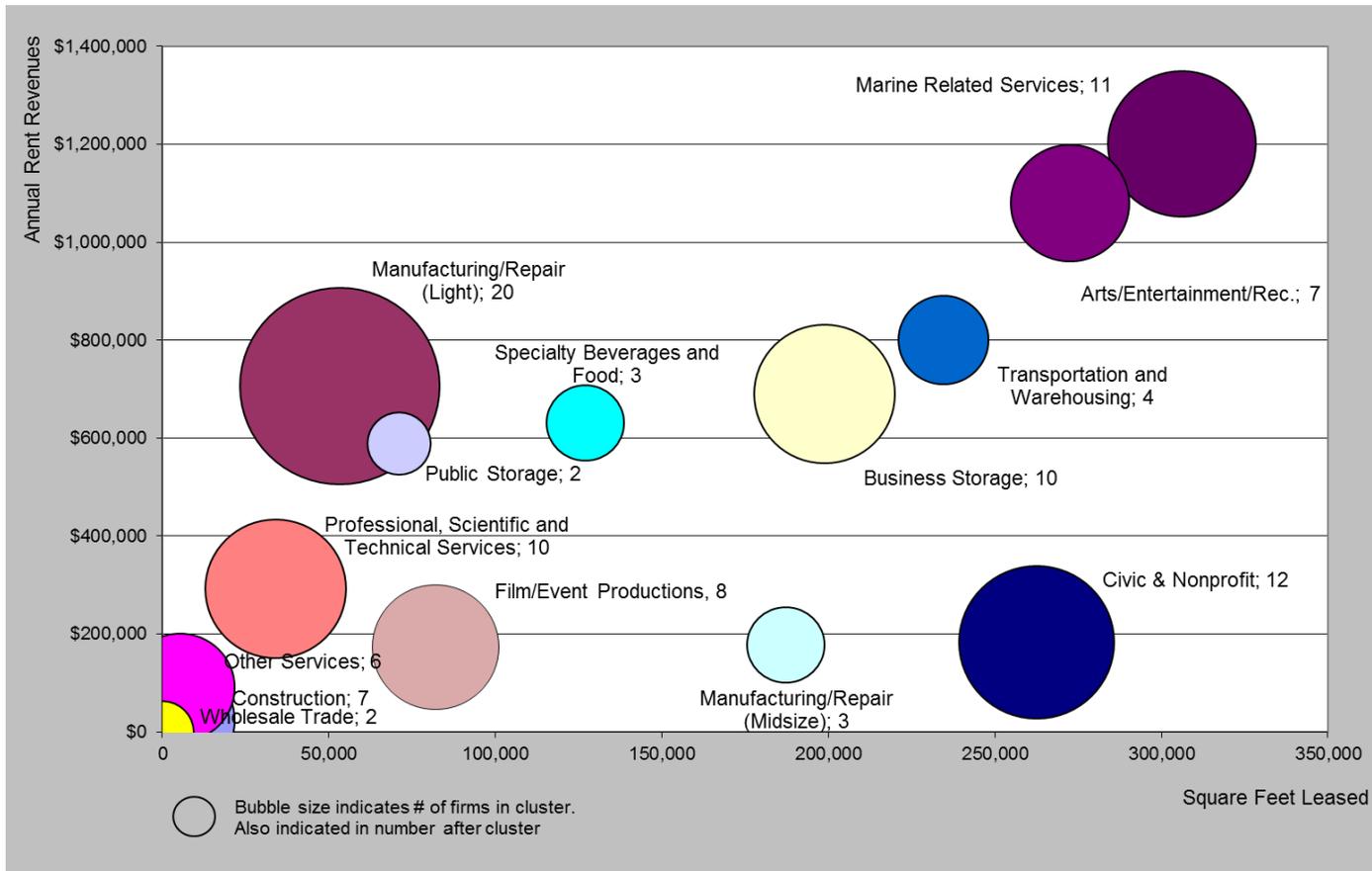
Recommendation 2

Capitalize on Existing Assets, Both Tenants and the Property

- Build on existing clusters
- Continue leasing vacant buildings
- Encourage renovation of existing buildings
- Provide incentives to encourage private investment



Retain and Promote Existing Businesses and Industry Clusters



Build on Existing Industry Clusters

- Leverage the presence of existing businesses to attract complementary users. Support and market industry clusters, such as:
 - “Antiques Corner”
 - “Artisan Alley”,
 - “Beer, Wine & Spirits Runway”
 - “Recreation Row”
- Examples of industry clusters located in adaptive reuse space:



Source: Epicurean at Altitude

A collection of wineries, including many production facilities located in a two-block former industrial complex in Lompoc, CA



Source: City of Oakland

More than 30 small and medium food and beverage production companies located along the industrial Oakland waterfront.



Source: GMDC

The Greenpoint Wood Exchange in Brooklyn is an 80,000 sq. ft. industrial building that was rehabilitated and today is home to a cluster of more than 12 woodworking firms.



Organize Events to Promote Existing Commercial Activity

- Organize tenant events that showcase Alameda Point businesses, and promote available commercial space.
- Create opportunities for existing tenants to become 'ambassadors' for Alameda Point.



McCLELLAN BUSINESS EXPO

save the date
3RD ANNUAL McCLELLAN BUSINESS EXPO

WHEN?
*November 8th,
12-4pm*

McCLELLAN PARK
3034 Peacekeeper Way
McClellan, CA 95652

Meet McClellan Park's
Tenants, Vendors and
Suppliers

Attend Business Seminars
Largest Business-to-Business
Expo In Sacramento

Free Admission
More than 3,000 attendees
In 2011

The poster features two photographs: the top one shows the exterior of McClellan Park with red and white balloons, and the bottom one shows an indoor expo booth with a staff member and various displays.



Invest Funds to Make Currently Vacant Buildings More Marketable

- The interiors of vacant buildings at Alameda Point currently feature graffiti, exposed electrical wiring, stained walls and carpeting, disheveled drop ceilings, etc.
- Improvements to increase the marketability of these buildings may include debris removal, drop ceilings removal/repair, carpet removal/replacement, and interior painting, etc.



Tenant/Investor RFP for Commercial Sub-Area

Redevelop a building or a group of buildings that can be promoted as an example of what is possible at Alameda Point.

- Work with a tenant or private investor (selected through competitive RFP process)
- Allow investor flexibility to make necessary improvements to meet market needs



Recommendation 3

Encourage New Private Development

- Identify potential development sites and issues that need to be addressed for development to occur
- Provide incentives to encourage private development



Prepare Sub-Area Development Guides

- Development Guides would identify key issues and constraints for potential development sites or redevelopment of existing buildings by subareas (South of Atlantic, Adaptive Reuse, Campus, North of Atlantic.)
- Guides could be developed through a collective effort of City Staff from various departments. Current monthly staff meetings to discuss Alameda Point present an opportunity to consolidate information.
- Topics to be addressed may include:
 - Entitlements/Zoning
 - Infrastructure/telecommunications
 - Environmental clean up process
 - Geotechnical issues/soil characteristics
 - Tidelands regulations
 - Navy control/disposition
 - Biological constraints
 - Historic significance
 - Existing facilities and tenants
 - Access/public transportation
 - Approvals required for development
 - Development incentives (LAMBRA, etc.)
- The guides could also delineate policies or recommendation on issues such as relocation of existing tenants and community outreach.
- This effort should build on the Lawrence Berkeley National Laboratory Second Campus effort, which identified many of the main issues related to development in the South of Atlantic sub area.



Incentives to encourage private sector investment

- Stream lined processing: entitlements, zoning, and flexibility for review and approval
- Prepare adaptive reuse zoning (consider flexibility for standards, such as parking to promote re-use)
- Consider deferred payment of City development impact fees
- Alameda Point designation for New Market Tax Credits (NMTC)
- Promote existing incentives
 - LAMBRA Program
 - Alameda Municipal Power incentives
- Lease terms: length, rent, discounts (utility and rent)
- Long term ground leases and land sale to attract key anchor businesses
- Development agreements
- Track availability of federal, state, and local sources of funds



Recommendation 4

Upgrade Infrastructure

- Develop infrastructure plan
- Allow for flexibility and phasing
- Size infrastructure to match funding



Closing Remarks and Q&A

