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MEMORANDUM

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To: Jennifer Ott and Eric Fonstein
City of Alameda

From: Tim Kelly and Ernesto Vilchis

Date: April 19, 2012

Subject: Alameda Point Tenant Assessment and Forum: Task 2 Findings

This memorandum presents the findings by Keyser Marston Associates, Inc. (KMA) for Task 2 of the Economic Development Strategy for Alameda Point: Alameda Point Tenant Assessment and Forum.

This task consists of analyzing the City of Alameda's existing tenant base and identifying areas within Alameda Point that could be targeted for long-term leasing. The findings presented in this memorandum are preliminary and could be modified upon completion of future tasks of the Economic Development Strategy.

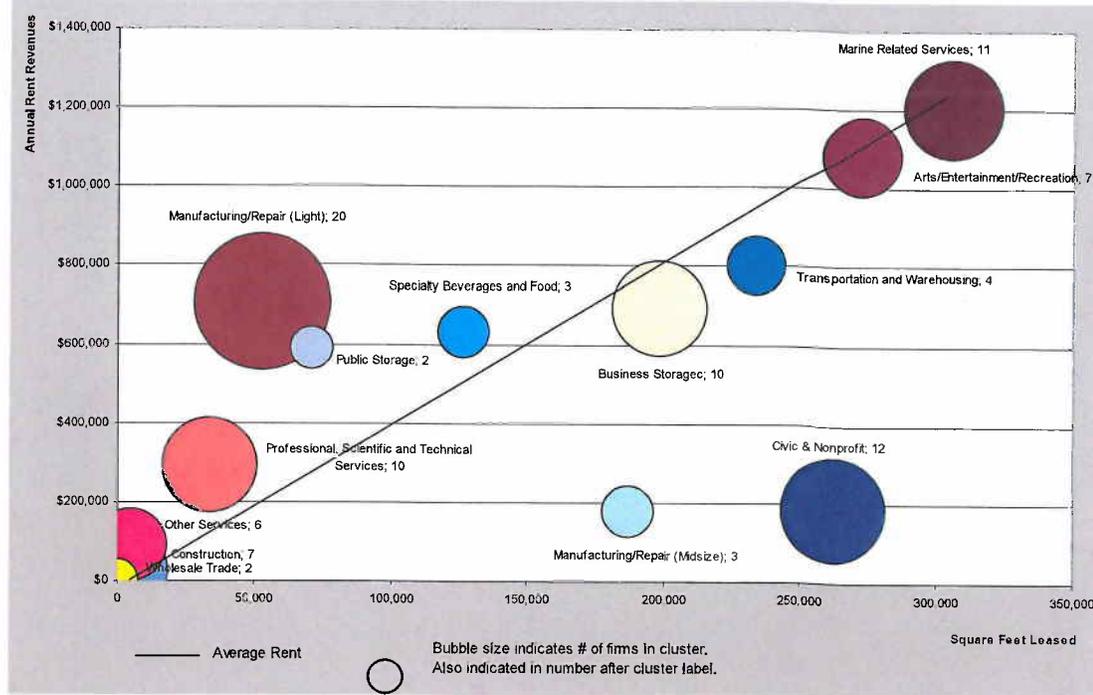
Table 1 contains the public and private businesses located in Alameda Point, which range from bicycle sales and repair to marine contractors and logistics companies. These businesses were identified using data from InfoUSA corroborated by consultations with PM Realty Group (PMRG), attendance at the Tenant Forum held on February 16, 2012, and site visits.

These companies are grouped into clusters according to the type of business activities they conduct. Most of these clusters correspond to the North American Industrial Classification (NAICS). However, there are some clusters, such as Business Related Storage, Marine Related Services, and Other Services, which do not match specific NAICS. Brief descriptions of each cluster are provided below.

The various business clusters are evaluated on various dimensions: number of firms, amount of space leased, rent revenue generated, relative contribution to employment

generation, and impact on the visibility of Alameda Point¹. Figure 1 is a graphical representation of three of these dimensions for each cluster. Other factors, such as compatibility with the Reuse Plan goals for Alameda Point, will be examined in the final economic development strategy.

Figure 1 – Number of firms, space leased, and revenues generated by cluster



Source: See Tables 1 through 3.

Notes:

- * The number of firms by cluster includes main tenants AND subtenants. Square foot leased and annual rent revenues are based ONLY on main tenants.
- * Square footage data excludes land leases and leases of piers and wharves. Rental revenue data includes revenues from land leases and leases of piers and wharves.
- * Square footage for the Public Storage cluster excludes approximately 230,000 square feet of land leased to Alameda Point Storage. However, rent from Alameda Point Storage are included in the rent revenues.
- * Square footage for the Marine Related Services cluster excludes leases of piers and wharfs. However, rent revenues generated by those leases are included.
- * The Manufacturing/Repair (midsized) cluster includes existing lease with Jetsmart which is an outlier on a per square foot basis.

Tables 2 and 3 summarize the square footage leased and rent revenues by cluster type as of December 2011. It is important to note that these tables reflect the cluster designation of the lessee, therefore these tables may over- or underestimate the square

¹ Impact on the visibility of Alameda Point is generally measured by whether the businesses at Alameda Point generate customer/client traffic at Alameda Point.

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footage and rent revenues for each particular cluster. For example, the square footage and revenues associated with Building 166 are assigned to the Marine Related cluster (the cluster associated with the lessee, Power Engineering). However, Power Engineering subleases space to Megaelectric (part of the Construction Cluster) and to West Teak (part of the Light-Manufacturing cluster). In this particular case, the square footage and rent revenues of the Marine-Related industry will be over-stated, while the Construction and Light-Manufacturing clusters will be under-stated. Nevertheless, these tables provide benchmarks to better understand the relative contribution of the various business clusters at Alameda Point.

The locations of the businesses throughout Alameda Point are shown in the Business Clusters Maps attached to this memo. These maps are based on the December 2011 rent roll provided by the City. As shown in these maps, most businesses in each cluster are dispersed throughout Alameda Point. Only the Marine Related Services, the Specialty Beverages and Food, and the Public Storage clusters are concentrated in particular sub-areas of Alameda Point, as discussed below.

The maps also reflect the use of the building by the primary tenant on the lease. As shown in Table 1, many businesses are subtenants at Alameda Point. The maps' footnotes provide additional information on subtenants in each cluster.

Summary by Cluster

Arts, Entertainment, Recreation

This cluster consists of establishments that operate facilities or provide services for the cultural, entertainment, and recreational interests of their customers. This cluster includes businesses such as Bladium, Auctions by the Bay, and the USS Hornet.

- Strong presence based on number of tenants: 7 businesses.
- Leases large amounts of space: 2nd largest.
- Generates significant rent revenues: 2nd largest.
- Based on Bladium, Antiques/ Auctions by the Bay, and Soccer Clubs, tenants in this cluster tend to occupy large spaces.
- Generates significant employment; Bladium and Antiques/Auctions by the Bay are among the largest employers at Alameda Point.
- Increases visibility of Alameda Point; these businesses appear to attract the largest number of visitors to Alameda Point.

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Business Related Storage

This is not an industry cluster but rather a cluster of businesses across various industries using their space at Alameda Point primarily for storage purposes. For example, Chabot Space & Science Center and the Pacific Pinball Museum would have been included in the Arts, Entertainment, and Recreation cluster but they use their space at Alameda Point to store museum pieces. Architectural Glass & Aluminum and JK Communications & Construction would have been included in the Construction cluster, but they use their facilities at Alameda Point for storage and lay down area for materials, and parking of company vehicles.

- Strong presence based on number of tenants: 10 businesses.
- Leases large amounts of space: 5th largest.
- Generates significant rent revenues: 5th largest
- Does not generate significant employment. Use of space is mostly passive.
- Neutral impact on the visibility of Alameda Point.

Civic & Nonprofit

This cluster includes branches of City's government such as the Public Works Department and the Fire Department. Also includes nonprofits such as the Alameda Point Collaborative and Community Bible Church.

- Strong presence based on number of tenants: 12 businesses.
- Leases large amounts of space: 3rd largest.
- Does not generate significant rent revenues.
- Positive impact on employment generation.
- Neutral impact on visibility of Alameda Point. Civic uses draw mostly city employees and nonprofits serve mostly Alameda Point residents.

Construction

This cluster includes companies ranging from roofing, plumbing, and electrical contractors. Companies include Jim Bustos Plumbing and Rain Defense.

- Strong presence based on number of tenants: 7 businesses.
- Currently, most companies in this cluster are subtenants and data on how much space is leased and rent revenues are not readily available.

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- Positive impact on employment generation; however, most services are provided outside of Alameda Point.
- Neutral impact on visibility of Alameda Point.

Film and Event Production

This cluster includes two types of businesses: film and video production, and event production companies. Film and video production comprises establishments primarily engaged in producing, or producing and distributing motion pictures, videos, television programs, or television commercials. Examples of this type of businesses include Beyond Productions and Area 51 Productions. Event production companies are primarily engaged in organizing, promoting, and/or managing live performing arts productions, concerts, festivals, sports events, and similar events in facilities that are managed and operated by others. Businesses in this category include Edge Innovations, Gene Productions, and Event Productions, Inc.

- Strong presence based on number of tenants: 8 businesses.
- Not among largest lessees of space or revenues, however many businesses are subtenants and therefore information is not readily available on square feet leased and revenue generated.
- Most likely does not generate significant permanent employment at Alameda Point.
- Production of television shows and films made/produced in Alameda Point, such as Mythbusters or the Matrix Increases visibility of Alameda Point.

Manufacturing/Repair (Midsized)

Midsized manufacturing/repair businesses are defined as manufacturing businesses occupying between 5,000 and 100,000 square feet of space.

- Not a strong presence based on number of tenants: 3 businesses
- Large lessee of space: 6th largest.
- Generates solid rent revenues: 4th largest.
- Presents opportunities to lease large spaces.
- Generates employment. Cluster includes some of Alameda's largest employers.
- Neutral impact on visibility of Alameda Point. Does not draw a large number of visitors to the Point.

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Manufacturing/Repair – Light

Businesses in this cluster are engaged in small scale/artisan manufacturing and repair, ranging from high-end, custom made furniture makers and designers to kayak fabricators.

- Strong presence based on number of tenants: 20 businesses. The largest cluster by number of firms.
- Not a significant lessee of space; most businesses are subtenants.
- Not significant source of revenues. However, rents per square foot appear to be above average.
- Businesses in this cluster occupy relatively small industrial spaces (i.e. less than 5,000 square feet.)
- Neutral employment impact. Firms consist mostly of sole proprietorships with 1-4 employees.
- Increases visibility of Alameda Point. Firms use space at Alameda Point as a mixture of workshop/showroom, therefore attracting some visitors to Alameda Point.

Marine Related Services

Businesses in this cluster range from ship building and repair to maritime infrastructure construction. Businesses include Bay Ship & Repair, Island Planet Sails, Delta Sandblasting, and Vigor Marine.

- Strong presence based on number of tenants: 11 businesses. Not surprisingly, these businesses are concentrated in proximity to the piers and wharves.
- Largest lessee of space at Alameda Point.
- Largest rent revenue generator (including the U.S. Department of Transportation Maritime Administration - MARAD)
- Presents an opportunity to lease large spaces: Large businesses footprint range from 5,000 to 55,000 square feet (excluding MARAD, which leases 117,000 square feet plus the piers).
- Generates significant employment. Cluster includes most of Alameda Point's largest employers.
- Neutral impact on visibility of Alameda Point. Most businesses in this cluster do not generate customer traffic.

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Professional, Scientific and Technical Services (PSTS)/High Tech

This cluster includes establishments that specialize in performing professional, scientific, and technical activities, which require a high degree of expertise and training. Many of the companies in this cluster are primarily involved in clean-technology development. Businesses in this cluster include Makani Power, Natel Energy, and Point Source Power.

- Strong presence based on number of tenants: 10 businesses.
- Businesses in this cluster do not occupy large amounts of space nor generate large rent revenues. However, in addition to businesses in the civic and nonprofit cluster, businesses in the PSTS/High Tech cluster are the only ones that lease office space/flex at Alameda Point.
- Generates employment opportunities for highly specialized/skilled workers.
- Increases visibility of Alameda Point. Companies are developing cutting edge technology, which creates a buzz. Also, most of the companies in this cluster are in the clean-tech and biotechnology sectors, which attract significant investment and are among the fastest growing industries.

Public Storage

This cluster comprises establishments primarily engaged in renting or leasing space for self-storage. These establishments provide secure space (i.e., rooms, compartments, lockers, containers, or outdoor space) where clients can store and retrieve their goods. It differs from Business related storage in that their services are open to the general public. Two public storage companies operate in Alameda Point: Alameda Point Storage, and Container Storage, Inc.

- Not a strong presence based on number of tenants; 2 businesses. Both located on the southeast corner of Alameda Point.
- Leases large areas (when land lease by Alameda Public Storage is included).
- Important source of rent revenues: 7th largest.
- Not significant impact on employment.
- Neutral impact on visibility of Alameda Point. Draws customers to Alameda Point, but fewer than other clusters such as the Specialty Beverages and Food, or the Arts, Entertainment and Recreation clusters.

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Specialty Beverages and Food

There are only three companies included in this cluster: Pacific Fine Food, Rockwall Wine Company, and St. George's spirits.

- Only 3 firms in this cluster, but they create a destination along Monarch Street.
- Leases large amounts of space: 7th largest.
- Generates significant rent revenues: 6th largest.
- Presents opportunity to lease large spaces, for example, St. George's Spirits and Rock Wall Wines lease 60,000 square feet each, on average.
- Generates employment St. Georges' Spirits is one of Alameda Point's largest employers.
- Increases visibility of Alameda Point. St. George's Spirits and Rock Wall Wines tasting rooms draw people to the Point, and they also organize events.

Transportation and Warehousing

This cluster includes industries providing transportation of cargo, warehousing and storage for goods, and support activities related to transportation. Business in this cluster use transportation equipment and/or warehousing facilities as a productive asset. Businesses in this cluster include TransFreight Express, DR Trucking, and North American Van Lines.

- Not a strong presence based on number of tenants: 4 businesses.
- Large lessees of space: 4th largest
- Significant source of revenues: 3rd largest
- Generates moderate employment opportunities. Trans Freight Express for example has approximately 25 employees on site.
- Neutral impact on visibility of Alameda Point. Companies in this cluster do not draw visitors/customers to Alameda Point; however, businesses such as Trans Freight Express make very active use of their space, which contributes to an impression of economic activity at the Point.

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Wholesale Trade

This cluster includes establishments engaged in wholesaling merchandise, generally without transformation (i.e. value added), and rendering services incidental to the sale of merchandise.

- Not a strong presence based on number of tenants: two businesses.
- One company (West Coast Novelty) in this cluster leases approximately 65,000 square feet of space and generates significant revenue. However, most of the space (approximately 50,000 square feet) is subleased to a shipping company, which uses the space for storage purposes.
- Neutral impact on visibility of Alameda Point.

Table 1

Companies located at Alameda Point, by Cluster (2011)

Tenant Forum

Alameda Point Economic Development Strategy

Industry/Company	Building	Address	Industry SIC Description	Job Range	Headquarters/ Branch
Arts, Entertainment, and Recreation					
1 Alameda Naval Air Museum	77	2151 Ferry Pt # 77	Museums	1 to 4	Single Location
2 Alameda Soccer Club	Lot 22	250 W. Hornet Ave.	Soccer Club	N/A	N/A
3 Antiques By The Bay	NWT 22	2700 Saratoga St	Antiques-Dealers	1 to 4	Single Location
4 Auctions By The Bay Inc	18, 20, 25, 525	1951 Monarch St	Auctions/Sales	20 to 49	Single Location
5 Aircraft Carrier Hornet Fndtn	Pier 3 and Parking Area	707 W Hornet Ave # 3	Museums	1 to 4	Single Location
6 Bladium/Hangar 40 Sports Bar & Café	40	800 W. Tower Ave.	Health Clubs Studios & Gymnasiums	20 to 49	Single Location
7 Piedmont Youth Soccer Club	Fields 424, 425 (License)	2655 Lexington St.	Sports Organization	N/A	N/A
Business Related Storage ¹					
1 American Red Cross	8	451 Stardust Pl	Social Service & Welfare Organizations	5 to 9	Branch
2 Architectural Glass & Aluminum	118 (Fenced Lot)	104 W. Tower Av. (Fenced Lot)	Glass and Glazing Work	N/A	N/A
3 Chabot Space & Science Center	8	2350 Saratoga St.	Museums	N/A	N/A
4 Friends of the Alameda Theater	91	651 W. Tower Ave.	Member Associates	N/A	N/A
5 General Services Administration	169	1680 Viking St.	Government Offices-Federal	1 to 4	Branch
6 Glenn Products	Subtenant (unknown)	2701 Monarch St	Storage of Personal Equipment	5 to 9	Single Location
7 JK Communications & Construction	118 (Fenced Lot)	106 W. Tower Av.	Fiberglass, cable installation	1 to 4	Branch
8 Matson Navigation	(Subtenant Bldg. 23)	2401 Monarch #23	Ship Parts & Equipment Storage	1 to 4	Branch
9 Scooterimporter.com	Subtenant (unknown)	51 W Hornet Ave	Toys-Retail	5 to 9	Branch
10 The Pacific Pinball Museum	13	2100 Ferry Point, Suite 100-300	Museums	N/A	N/A
Civic & Non Profit					
1 Alameda Development Corp	7	851 W Midway Ave # 102	Housing Assistance	1 to 4	Single Location
2 Alameda Fire Training Div	6, 522	950 W Ranger Ave	Fire Departments	1 to 4	Branch
3 Alameda Head Start Matheson	Subtenant (Collab.)	670 W Midway Av	Child Care Service	5 to 9	Single Location
4 Alameda National Wildlife Refuge	Air Field	Air Field	Wildlife Refuge	N/A	N/A
5 Alameda Municipal Power	162, 557		Utility Company	N/A	N/A
6 Alameda Point Collaborative	607	677 W Ranger Ave	Social Service & Welfare Organizations	20 to 49	Single Location
7 Bessie Coleman Court	Subtenant (Collab.)	2500 Barbers Point Rd	Housing Assistance	1 to 4	Single Location
8 Changing Gears Bike Shop	Subtenant (Unknown)	650 W Ranger Ave	Bicycle Repair	1 to 4	Single Location
9 City of Alameda	1, 6, 60, 76, 134, 162, 397	950 W. Mall Sq.	Government	20 to 49	Branch
10 Community Bible Church	564		Religious		N/A
11 Native American Health Center	Subtenant 607	677 W Ranger Ave	Clinics	1 to 4	Single Location
12 Operation Dignity		2350 Rainbow Ct	Housing Assistance	5 to 9	Single Location
Construction					
1 Advanced Roofing Svc Inc	Subtenant	1450 Viking St	Roofing Contractors	10 to 19	Single Location
2 Alliance Solar Svc	Subtenant (Bldg. 163, 414)	1800 Orion St	Solar Energy Equipment Installation	1 to 4	Single Location
3 All Phase Electric	Subtenant (14)	1800 Ferry Pt. #14	Electric Contractors	1 to 4	Single Location
4 Hadal	Subtenant	1500 Ferry Pt	Contractors-Engineering General	5 to 9	Single Location
5 Jim Bustos Plumbing	612	1450 Viking St	Plumbing Contractors	5 to 9	Single Location
6 Megaelectric	Subtenant (Bldg. 166)	1501 Viking St # 100	Electric Contractors	1 to 4	Single Location
7 Rain Defense Inc	Subtenant	2400 Monarch St	Roofing Contractors	10 to 19	Single Location

Table 1

Companies located at Alameda Point, by Cluster (2011)

Tenant Forum

Alameda Point Economic Development Strategy

Industry/Company	Building	Address	Industry SIC Description	Job Range	Headquarters/ Branch
Film/Event Production					
1 Area 51 Productions	Subtenant (24, 25)	2301 Monarch St # 200	Motion Picture Producers & Studios	1 to 4	Single Location
2 Beyond Productions	NWT (License)	2900 Navy Way	Filming	N/A	N/A
3 Da Vinci Fusion Inc	Subtenant (unknown)	650 W Ranger Ave	Events-Special	1 to 4	Single Location
4 Edge Innovations	13	2100 Ferry Point, suite 400	Event Lighting and Design	N/A	Branch
5 Event Productions Inc	91	651 W Tower Ave	Conventions, trade shows and corp. events	20 to 49	Single Location
6 Gene Productions	Subtenant (Bldg. 163, 414)	1800 Orion St	Event Management	N/A	
7 Sacchi Enterprises	170 (South Land)	1770 Viking St.	Film Props	1 to 4	Single Location
8 Turn Key Show Productions	459	101 W. Tower Av.	Motion Picture and Tape Distribution	N/A	N/A
Manufacturing/Repair (Midsize)					
1 American Bus Repair	24	2301 Monarch St	Truck-Repairing & Service	10 to 19	Single Location
2 Group Delphi	39, 117	950 W Tower Ave	Display Designers & Producers	50 to 99	Headquarter
3 Jetsmart / Alameda Aerospace	398		Aircraft maintenance and services	10 to 19	N/A
Manufacturing/Repair (Light)					
1 Alameda Import Automotive LLC	Subtenant (Bldg. 608)	50 W Hornet Ave	Automobile Repairing & Service	1 to 4	Single Location
2 Avanti Cabinets	Subtenant (Bldg. 98)		Cabinet Makers	1 to 4	Single Location
3 Brian Harte	Subtenant (Bldg. 14)	1800 Ferry Pt	Furniture-Designers & Custom Builders	1 to 4	Single Location
4 Callahan Piano Service	Subtenant (Bldg. 14)	1800 Ferry Point	Piano Reconditioning and Rebuilding		
5 Christopher Loomis Studios	Subtenant (Bldg. 14)	1800 Ferry Pt # 14	Furniture-Designers & Custom Builders	1 to 4	Single Location
6 Dreyfuss Capital Partners	29	1701 W. Monarch St.	Lighting Manufacturing, general office	N/A	N/A
7 Eco Exotic	Subtenant (Bldg. 91)	651 Tower Ave	Furniture & Design	1 to 4	Single Location
8 Frank Bletsch Design	Subtenant (Unknown)	50 W Hornet Ave	Metal Fabricators - Artistic	1 to 4	Single Location
9 Hirschfeld Fabrications	Subtenant (Unknown)	450 W Atlantic Ave	Metal Fabricators - Artistic	5 to 9	Single Location
10 Janofsky Design	Subtenant (Bldg. 14)	1800 Ferry Pt # 14	Woodworkers	1 to 4	Single Location
11 Leon Paulos (Loenidas Kyriakopoulos)	Subtenant (Bldg. 14)	1800 Ferry Pt # 14	Furniture-Designers & Custom Builders	1 to 4	Single Location
12 Navigator Desk Systems	14	1800 Ferry Pt # 14	Ergonomic furniture manufacturer	5 to 9	Single Location
13 One Inch Round	Subtenant (Bldg. 14)	1800 Ferry Pt # 14	Custom Buttons	5 to 9	Single Location
14 Stafford Sent Packing	611	2440 Pan Am Way	Real Estate Staging	1 to 4	Single Location
15 Studio Roeper	Subtenant (Bldg. 14)	1800 Ferry Pt	Furniture-Designers & Custom Builders	1 to 4	Single Location
16 The Last Inch	Subtenant (Bldg. 14)	1800 Ferry Pt # 14	Furniture-Designers & Custom Builders	1 to 4	Single Location
17 The Pilgrim Soul Forge	Subtenant (Unknown)	450 West Atlantic Avenue	Artist Blacksmith		Single Location
18 West Teak Inc	Subtenant (Bldg 166)	1501 Viking St # 108	Furniture-Outdoor	1 to 4	Single Location
19 Wolfgang Brinck Small Boats	Subtenant (Bldg. 29)	1701 Monarch St	Kayak manufacturers		
20 Woodmasters	43	2440 Monarch St # B	Woodworkers	1 to 4	Single Location

Table 1

Companies located at Alameda Point, by Cluster (2011)

Tenant Forum

Alameda Point Economic Development Strategy

Industry/Company	Building	Address	Industry SIC Description	Job Range	Headquarters/Branch
Marine Related Services					
1 BAE	Subtenant (167)	1500 Ferry Pt # 200	Ship Builders & Repairers (Mfrs)	10 to 19	Single Location
2 Bay Ship & Yacht Co Fleet Svc	292, 400A	1450 Ferry Pt	Ship Building and Repair	10 to 19	Branch
3 Building 43 & Associates	43	2440 Monarch St.	Ship Repair	N/A	N/A
4 Delta Sandblasting Co Inc	Subtenant (Bldg. 166)	1501 Viking St	Sandblasting	1 to 4	Single Location
5 Island Planet Sails	Subtenant (Bldg. 163, 414)	1800 Orion St.	Sailmaking		Branch
6 MARAD	168, Piers 1, 2, 3	1651 Viking St. & Piers 1, 2, 3	Government - Cargo Ships	100 to 249	Branch
7 Nelson's Marine	167	1500 Ferry Pt # 167	Boat Storage	20 to 49	Single Location
8 NRC Environmental Svc Inc	15, 64, 616	1500 Ferry Pt	Environmental & Ecological Services	50 to 99	Branch
9 Power Engineering Contrs Inc	166	1501 Viking St # 200	Marine Contractors & Designers	50 to 99	Single Location
10 Puglia Engineering Inc	67	401 W Seaplane Lagoon	Ship Repair	10 to 19	Single Location
11 Vigor Marine	7	851 Midway Ave. # 104A	Boat Repairing	1 to 4	Single Location
Other Services					
1 AT&T	22		Cellular Service Provider	N/A	Branch
2 B & B Environmental Safety Inc	7	851 W Midway Ave # 201c	Environmental & Ecological Services	1 to 4	Single Location
3 Cingular Wireless	Unknown		Cellular Service Provider	N/A	Branch
4 Conmar	98	451 W Seaplane Lagoon	Concrete Prods-Ex Block & Brick (Mfrs)	N/A	Branch
5 MDG Promo	Subtenant (166)	1501 Viking St # 103	Advertising-Promotional	1 to 4	Single Location
6 Nextel	624		Cellular Service Provider	N/A	Branch
Professional, Scientific, and Technical Services (High Tech)					
1 InTouch BioSolutions	7	851 W. Midway Ave. #113, 114	Biotechnical research	N/A	N/A
2 Kirsan Radio Vision	Subtenant (Bldg. 163, 414)		High-tech 3-D imaging	N/A	
3 Makani Power, Inc.	19, NWT (License)	2175 Monarch Street	Energy Extraction technologies	N/A	N/A
4 Natel Energy	Subtenant (19)	2175 Monarch Street	Energy Extraction technologies	N/A	Single Location
5 MTR, Inc. Membrane Tech. & Research	Subtenant (Bldg. 163, 414)		Gas separation systems for oil and gas	N/A	Branch
6 PhasorCorp / Biofuel Resources	Subtenant (Bldg. 163, 414)		Biodiesel car	N/A	
7 Point Source Power	7	851 W Midway Ave # 104a	Energy Extraction technologies	1 to 4	Single Location
8 Renovare International Inc	7	851 W Midway Ave # 104c	Electrochemical cell technology	5 to 9	Single Location
9 Sustainable Technologies	Subtenant (Bldg. 163, 414)	1800 Orion St # 101	Design, fabrication, and installation of PVsys	5 to 9	Single Location
10 Volochem, Inc.	7	851 W. Midway Ave. #208, 201B	Biotech R&D	1 to 4	Single Location
Public Storage					
1 Alameda Point Storage	Land	50 W Oriskany Ave	Storage-Household & Commercial	1 to 4	Single Location
2 Container Storage Inc	338, 608	50 W Hornet Ave	Storage-Household & Commercial	1 to 4	Single Location
Specialty Beverages and Food					
1 Pacific Fine Food Inc	42	2480 Monarch St	Food Preparation/Catering	5 to 9	Single Location
2 Rockwall Wine Co Inc	24, 25	2301 Monarch St # 300	Winemaking & retail tasting	1 to 4	Single Location
3 St George Spirits	21	2601 Monarch St	Distillers (Mfrs) & retail tasting	20 to 49	Single Location

Table 1
Companies located at Alameda Point, by Cluster (2011)
Tenant Forum
Alameda Point Economic Development Strategy

Industry/Company	Building	Address	Industry SIC Description	Job Range	Headquarters/ Branch
Transportation and Warehousing					
1 D R Trucking	Subtenant (unknown)	1190 W Tower Ave	Trucking	1 to 4	Single Location
2 GFC/North American Van Lines	170	1770 Viking St	Movers	10 to 19	Branch
3 GRM	9	707 W. Tower Ave.	Document Management	1 to 4	Branch
4 Trans Freight Express	11	1190 W Tower Ave	Transportation/Shipping	5 to 9	Single Location
Wholesale Trade					
1 Con-Roc Distribution Inc	Subtenant (Bldg. 43)	2440 Monarch St	Concrete Equipment & Supplies (Whls)	1 to 4	Single Location
2 West Coast Novelty	23	2401 Monarch St # 23	Importers (Whls)	20 to 49	Branch

Summary By Cluster	# of Firms
Manufacturing/Repair (Light)	20
Manufacturing/Repair (Midsize)	3
Civic & Non Profit	12
Marine Related Services	11
Business Related Storage	10
Professional, Scientific, and Technical Services	10
Construction	7
Film/Event Production	8
Arts, Entertainment, and Recreation	7
Other Services	6
Transportation and Warehousing	4
Specialty Beverages and Food	3
Public Storage	2
Wholesale Trade	2
	105

Source: City of Alameda, HdL Companies, Info USA, KMA.

¹ Business Related Storage differs from "transportation and warehousing" in that the later category use its facilities as a productive asset.

Table 2

Alameda Point Occupancy Analysis by Cluster (based on primary tenant type)

Tenant Forum

Alameda Point Economic Development Strategy

Total Square Feet	Alameda Point Subdistricts				
	Total Alameda Pt. ¹	Commercial ²	Campus	North of Atlantic	South of Atlantic
Occupied Space					
Arts/Entertainment/Recreation	272,527	232,319	40,208	-	-
Business Related Stor: ³	198,820	90,530	-	21,788	86,502
Civic & Non Profit	262,518	49,375	140,378	11,150	61,615
Construction	4,000	-	-	-	4,000
Film/Event Production	82,080	30,000	-	12,080	40,000
Manufacturing/Repair - Light ⁴	53,181	12,587	-	9,200	31,394
Manufacturing/Repair - Midsize	187,194	120,997	-	66,197	-
Marine	306,235	18,420	231	14,000	273,584
Other ⁵	5,191	301	390	4,500	-
PSTS - High Tech	34,024	16,888	3,340	-	13,796
Public Storage ⁶	70,989	-	-	-	70,989
Specialty Beverages and Food	126,993	126,993	-	-	-
Transportation and Warehousing	234,561	190,561	-	-	44,000
Wholesale Trade ⁷	0	-	-	-	-
Total Occupied	1,838,313	888,971	184,547	138,915	625,880
Vacant Space					
Vacant - Available	476,683	182,041	139,833	72,558	82,251
Vacant - Not Available ⁸	1,833,033	556,882	704,062	296,779	275,310
Total Vacant	2,309,716	738,923	843,895	369,337	357,561
Navy Controlled	1,148,742	1,043,435	-	62,192	43,115
Total	5,296,771	2,671,329	1,028,442	570,444	1,026,556
Occupancy Rate					
% of Total	35%	33%	18%	24%	61%
% of Total Excluding Navy Controlled and Vacant Not Available	79%	83%	57%	66%	88%

Source: 'AP Rent Roll 12.19.11'.xls

¹ Excludes land leases identified as "ALLAND" in the rent roll, such as soccer fields, piers, wharfs, and land.

² Data on 12.19.11 rent roll updated to reflect the vacancies of Building 22, 527. Also Buildings 16 and 94 were added to the roll as vacant.

³ Business Related Storage differs from "transportation and warehousing" in that the later category use its facilities as a productiv asset. Includes square footage of Bldg. 23, which is leased to West Coast Novelty (Wholesaler), but used mainly by Matson for storage purposes.

⁴ Includes square footage for Bldg. 98, which is leased to Conmar. Most of this space is used by Avanti Cabinets (woodworking

⁵ Includes B&B Environmental, and Cellular Telephone Carriers.

⁶ Excludes area of land leased to Alameda Point Storage.

⁷ Excludes square footage of Bldg. 23, which is leased to West Coast Novelty (Wholesaler), but used mainly by Matson for stora

⁸ Buildings not in a condition to be occupied and not currently being marketed by PMRG.

Table 3

Alameda Point Rent Revenue Analysis by Cluster (based on primary tenant type)

Tenant Forum

Alameda Point Economic Development Strategy

Annual Rent

	Alameda Point Subdistricts					
	Total Alameda Pt. ²	Commercial	Campus	North of Atlantic	South of Atlantic	Land
Business cluster ¹						
Arts/Entertainment/Recreation	\$1,079,879	\$822,969	\$256,910	\$0	\$0	\$0
Business Related Storage ³	\$690,240	\$295,092	\$0	\$45,888	\$349,260	\$0
Civic & Non Profit	\$183,012	\$0	\$0	\$36,780	\$133,236	\$12,996
Construction	\$24,012	\$0	\$0	\$0	\$24,012	\$0
Film/Event Production	\$173,484	\$45,828	\$0	\$41,256	\$86,400	\$0
Manufacturing/Repair - Light	\$177,720	\$51,168	\$0	\$39,300	\$87,252	\$0
Manufacturing/Repair - Midsize	\$706,692	\$558,336	\$0	\$148,356	\$0	\$0
Marine	\$1,200,720	\$54,540	\$0	\$65,568	\$1,056,612	\$24,000
Other ⁴	\$90,396	\$51,420	\$12,480	\$0	\$0	\$26,496
PSTS - High Tech	\$292,513	\$153,984	\$66,529	\$0	\$72,000	\$0
Public Storage ⁵	\$588,940	\$0	\$0	\$0	\$396,220	\$192,720
Specialty Beverages and Food	\$631,248	\$631,248	\$0	\$0	\$0	\$0
Transportation and Warehousing	\$800,376	\$656,376	\$0	\$0	\$144,000	\$0
Wholesale Trade ⁶	\$0	\$0	\$0	\$0	\$0	\$0
Total Occupied	\$6,639,232	\$3,320,961	\$335,919	\$377,148	\$2,348,992	\$256,212

Source: 'AP Rent Roll 12.19.11'.xls

¹ Based on business type of primary leaseholder. Does not take into account subtenants.

² Data on 12.19.11 rent roll updated to reflect the Hesco vacating building 22, and Toys for Tots vacating building 527.

³ Business Related Storage differs from "transportation and warehousing" in that the later category use its facilities as a productive asset.

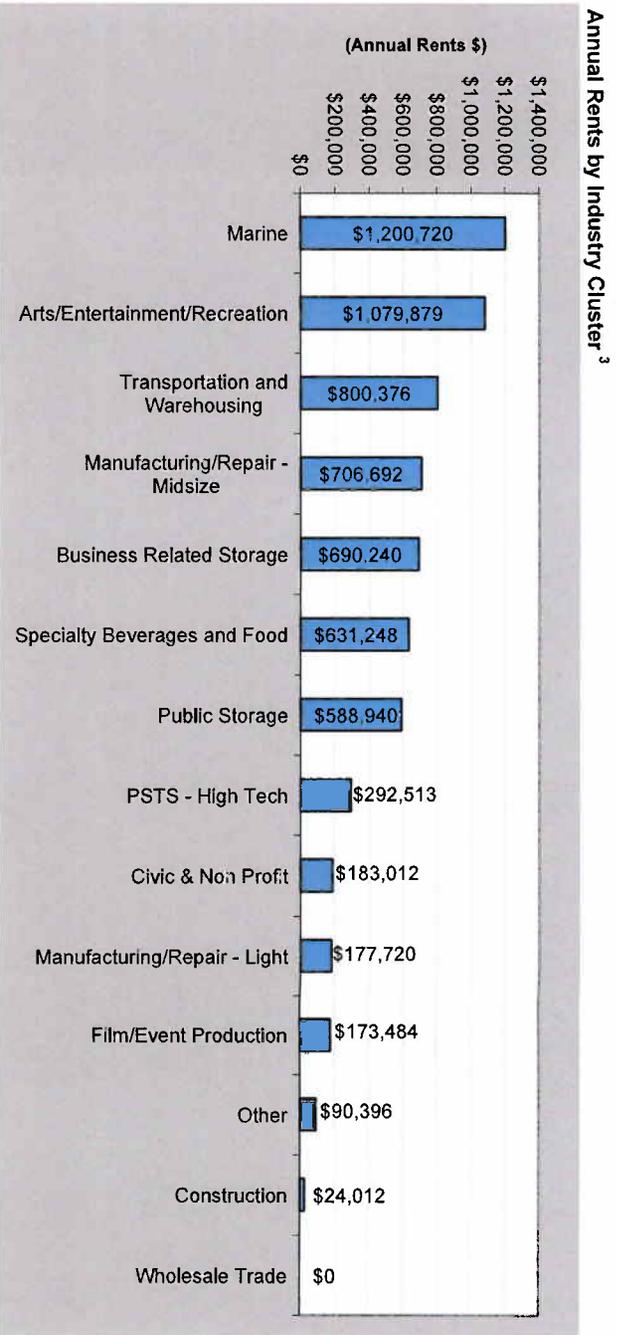
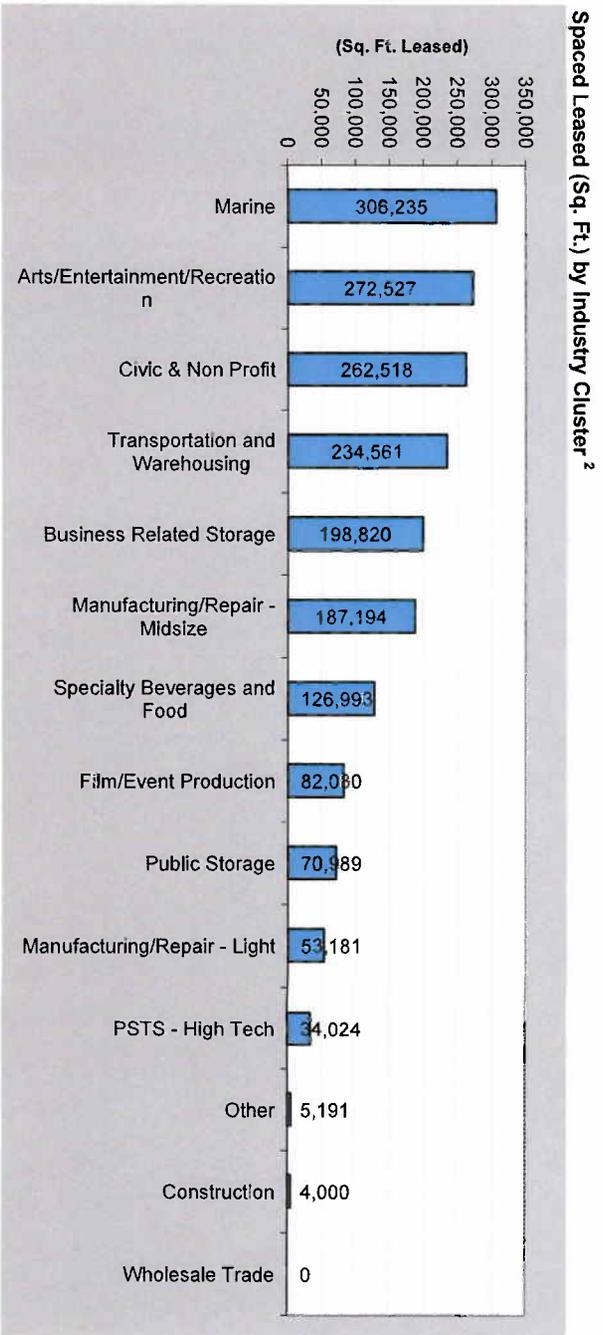
⁴ Includes rent revenues from Bldg. 23, which is leased to West Coast Novelty (Wholesaler), but used mainly by Matson for storage purposes.

⁵ Includes B&B Environmental, GRM Systems and Cellular Telephone Carriers.

⁶ Includes revenues from land leased to Alameda Point Storage.

⁶ Excludes square footage of Bldg. 23, which is leased to West Coast Novelty (Wholesaler), but used mainly by Matson for storage.

Figure 2
Alameda Point Occupancy Analysis by Cluster (based on primary tenant type) 1
Tenant Forum
Alameda Point Economic Development Strategy



¹ Clusters based on industry of primary tenant on lease.

² Excludes land leases

³ Includes revenues from land leased

Map 1 – Alameda Point Business Clusters



TENANT TYPES - AP RENT ROLL 12.19.11 (BASED ON PRIMARY TENANT)

Arts, Entertainment & Recreation	PSTS/High Tech	Other	Wholesale Trade	Navy Controlled
Civic and Non-Profit	Manufacturing (Light/Repair)	Public Storage	Transportation and Warehousing	
Construction	Manufacturing (Medium Size)	Business Related Storage	Vacant	
Specialty Beverages and Food	Marine	Film/Events	Collaborative	

(From April 2001 Request for Business Proposals)

Map 2 – Arts, Entertainment and Recreation Cluster



Buildings/Businesses Not Shown Above

Auctions by the Bay leases the NWT. They also primarily use Building 18 for storage purposes
Soccer fields used by Alameda Soccer Club, and Piedmont Soccer Club

Map 3 – Business Related Storage



West Coast Novelty leases Building 23. However, Matson leases most of the space for equipment storage

Buildings/Businesses Not Shown Above

Scooter Importer may sublease space in Building 338

DaVinci Fusion subleases Building 92 for storage purposes from Collaborative

Map 4 – Civic and Non-Profit Cluster



Map 5 – Construction Cluster



Buildings/Businesses Not Shown Above

There are 7 other construction companies subleasing space at Alameda Point

JK Communications & Construction and Architectural Glass & Aluminum also lease storage space outside of Building 118

Map 6 – Film/Events Cluster



Buildings/Businesses Not Shown Above

Beyond Productions has a license to use the NWT
Area 51 Productions subleases space in Building 24 and/or 25
Gene Productions subleases space in Building 414 or 163

Map 7 – Manufacturing Cluster



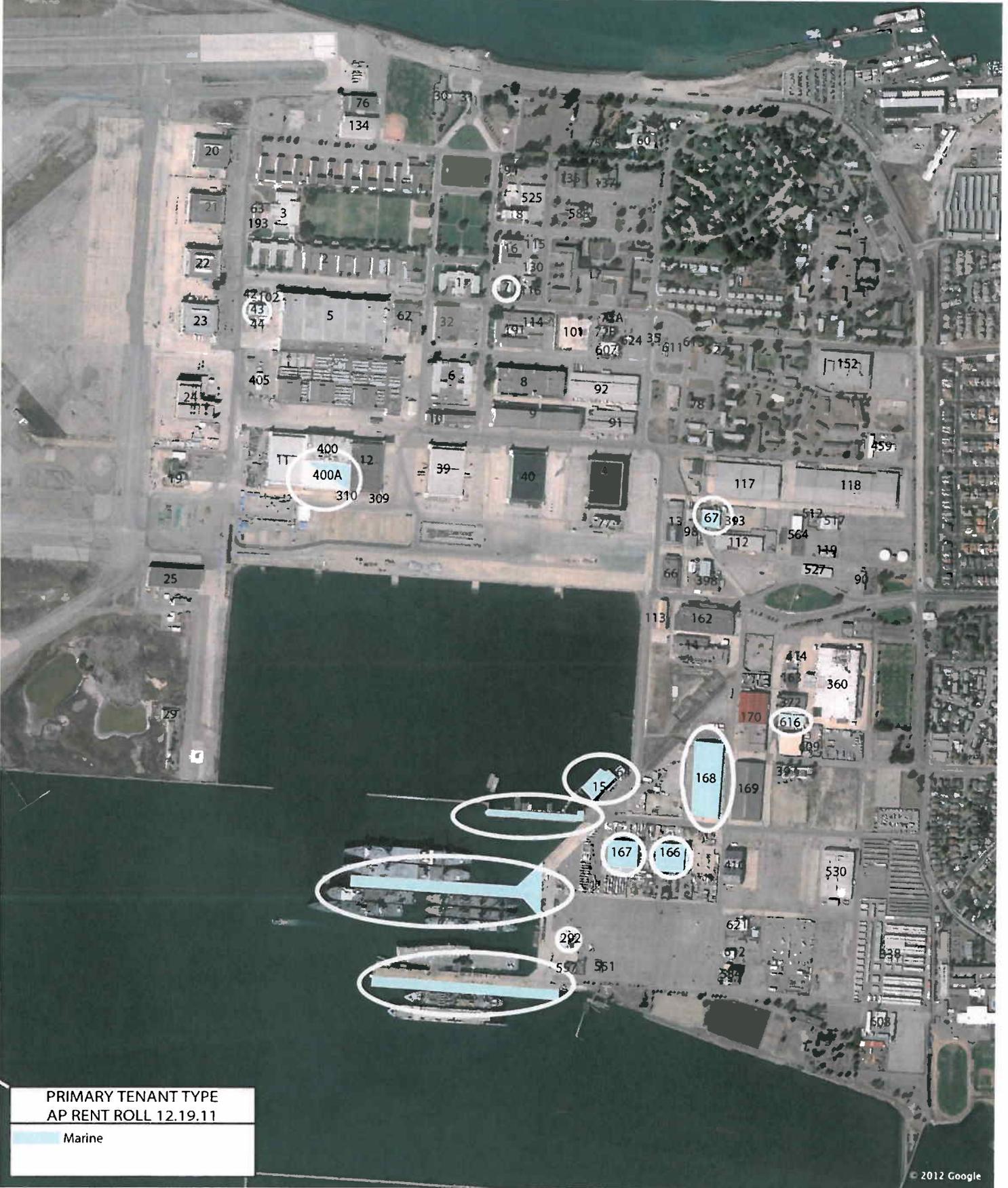
Space in Building 117 is used primarily for storage purposes

Buildings/Businesses Not Shown Above

West Teak subleases space in Building 166

Avanti Cabinets subleases space in Building 98

Map 8 – Marine Cluster



Buildings/Businesses Not Shown Above
 BAE subleases space in Building 167
 Island Planet Sails subleases space in Building 163 or 164

Map 9 – Other Uses Cluster



A consultant to the Navy occupies Building 112

Buildings/Businesses Not Shown Above

Alameda Import Automotive subleases space in Building 608

MDG Promo may sublease space in Building 167

Avanti Cabinets subleases space in Building 98 (included in light manufacturing/repair)

Map 10 – Professional, Scientific and Technical Services (PSTS) / High Tech Cluster



Map 11 – Public Storage Cluster



Alameda Import Automotive subleases at least a portion of Building 608
Scooter Importer space in Building 338 for business related storage

Map 12 – Specialty Food and Beverage Cluster



Map 13 – Transportation and Warehousing Cluster



DR Trucking may sublease space in Building 11

Map 14 – Wholesale Trade Cluster



West Coast Novelty leases Building 23. However, Matson leases most of the space for equipment storage

Buildings/Businesses Not Shown Above

Con-Roc Distribution subleases space in Building 43

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Medium/Long Term Leasing Strategy

As part of Task 2 of the Economic Development Strategy, KMA also identified areas within Alameda Point that could be targeted for long-term leasing. KMA assumes that leases are for buildings as opposed to land. The terms of leases are assumed to be:

- Short term: 1 to 2 years
- Medium term: 3 to 7 years plus options
- Long term: 10 years plus possible options

Our assessment of the potential leasing areas is based on:

1. Overview of the real estate market;
2. Existing conditions, including:
 - Buildings conditions
 - Environmental conditions;
3. Schedule of transfer of properties from the Navy;
4. Potential to redevelop a large site for a new corporate/institutional campus; and
5. Areas planned for new construction.

Financial feasibility (Task 4 of the Economic Development Strategy) may change the findings and recommendations presented here. The following recommendations are based upon the tenant leasing a building in its entirety.

To facilitate the opportunities and timing for job growth, Alameda Point should be viewed as having four sub-areas for capturing development based on the existing inventory of buildings and underdeveloped land area. The areas are described in detail in the market study prepared in Task 1 of the Economic Development Strategy. The sub-areas are also shown in Map 15. The four main sub-areas (Campus, Commercial, North of Atlantic, and South of Atlantic) are further segmented into smaller sub-areas labeled A through L.

Campus Sub-Area

This area benefits from the historic military campus with its well constructed buildings, views, and open spaces. The location has the potential to be marketed with its own unique identity and northern entrance. Opportunities exist to be developed as an institutional campus, such as an academic institution or a corporate user willing to invest in the renovation of the buildings. The area could also function as a series of smaller

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office buildings that should be able to be competitively priced in a campus setting. A land assemblage to accommodate a new build-to-suit complex may also be possible.

Sub-Areas A and C: Long-term. The buildings in this sub-area consist of large, special-purpose buildings, which may require significant investment to adapt them to a new use. Long-term leases would encourage potential tenants to make the necessary investment.

Sub-Area B: Short- to mid-term if leased individually. It is plausible that potential tenants may be interested in leasing some of the buildings in this sub-cluster individually rather than as part of a larger campus. Short- to mid-term leases would be most appropriate to allow for potential long-term development as a campus if the opportunity materializes. Buildings could be leased on a long-term basis if leased as part of a larger campus site along with Campus sub-areas A and C.

Sub-Area D: Short-term. This area could be set aside as a potential redevelopment site for a commercial end-user. Existing buildings could be leased on a short-term basis until a new development opportunity arises.

Commercial Sub-Area

Buildings in this sub-area consist mostly of large warehouse and manufacturing type spaces. There are few places available in the Inner Bay Area that offer the features of some of the largest spaces at Alameda Point, such as clear-span large floor plates with 40' ceiling heights, and door access with 27'x98' clearance.

Sub-Area E: Mid- to long-term. As explained above, there are few places in the Inner Bay Area that offer the features of the buildings in this area. As a result, demand is relatively strong. As of December 2012, only one of the six buildings in this sub-area was vacant. Mid- to long-term leases are recommended to tenants that are compatible and enhance the uses by existing tenants.

Sub-Area F: Short- to mid-term. Many of the buildings in this sub-area are currently leased and those that are vacant are in leasable condition and may not require significant investment by potential tenants to make them suitable for use. There are, however, some exceptions. Building 5 and the second floor of Building 400 will remain under Navy control until 2019 and active environmental clean up will be conducted during this period. If Building 5 were to be transferred to the ARRA before 2019, it would be a candidate to be leased on a long-term basis. Most other buildings in this sub-area could be leased on short- to mid-term leases.

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Sub-Area G: Mid- to long-term. Building 41 in this sub-area needs significant investment (roof and electrical repairs among others) by a potential tenant to make it suitable for use. A long-term lease would encourage potential tenants to make the necessary investment. Building 40 is currently leased (assuming current tenant exercises options) through 2035. Building 39 is located in the in the Public Trust Lands, which restricts uses. If the opportunity to lease to a tenant that meets the use restrictions presents itself, a long-term lease may be appropriate. Until then, short- to mid-term leases with current tenant may be appropriate.

North of Atlantic Sub-Area

This sub-area consists mostly of residential uses (e.g., Alameda Point Collaborative and Big Whites).

Short-term leases. It is assumed that this area will be developed mostly as new residential units. Existing commercial buildings could be leased on short-term leases until residential development occurs.

South of Atlantic Sub-Area

This sub-area is in excess of 150 acres. To place the size in context, it is as large as the commercial/institutional portion of Mission Bay in San Francisco. The sub-area contains both large underdeveloped land areas as well as approximately 1 million square feet of leasable building area.

Given the large areas of underdeveloped land, this is the sub-area that offers the best opportunity to attract a large major employer to build a new campus and, in fact, was the proposed location for the LBNL Second Campus. However, projected job growth will not support development of new multi-tenant complexes until commercial rents support development costs.

Sub-Area H: Short- to mid-term. It is assumed that this area will remain under Navy control until 2019 and active environmental clean up will be conducted during this period. Long-term leasing may not be appropriate until clean up activities are completed.

Sub-Area I: Short-term. This area could be set aside as a potential redevelopment site for a commercial end-user. If a larger area is needed, the area could be extended to include sub-area K, and/or sub-area H, if it can be transferred from the Navy earlier than currently anticipated. In order to maintain the site available for potential redevelopment, short-term leases may be the best option for existing buildings.

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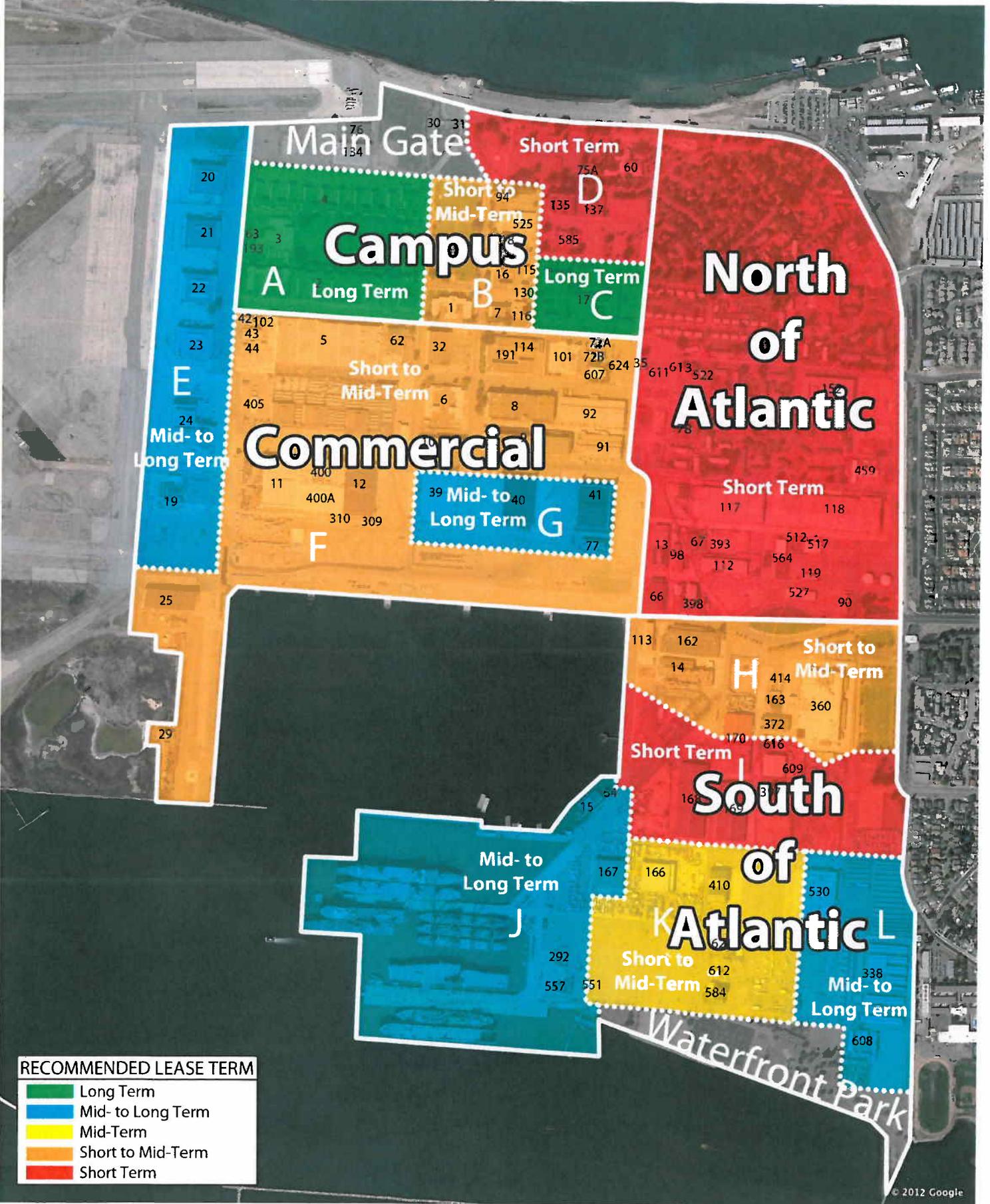
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Sub-Area J: Mid- to long-term. This area consists mostly of wharves and piers. This area is also located in the Public Trust Lands which limit its uses. Buildings and piers in this area could be leased to marine-related businesses or other tenants allowed under the Public Trust Law on a mid to long-term basis.

Sub-Area K: Short-to Mid-term. If a larger area is needed to accommodate a potential commercial end-user who wants to develop a new campus, this area could be integrated with Sub-Area I. To maintain that as an option, short- to mid-term leases may be appropriate in the interim.

Sub-Area L: Mid- to long-term. This area could continue to be used for public storage or business related storage. Given the availability of land South of Atlantic, it is unlikely that long-term leases of buildings in sub-area L would preclude a potential development opportunity in sub-areas I or K from moving forward, if the opportunity were to arise.

Map 15 – Potential Lease Term for Commercial Buildings



Source: KMA