

CITY OF Alameda



# Alameda Economic Development Strategic Plan Community Workshop #1 September 22, 2016



# Business Parks



 VF Outdoor, Inc.  
2701 HARBOR BAY PKWY  
www.vf.com

# Maritime Industrial



# Maritime Recreation



# Retail



# Industrial





# Agenda for Today

- Welcome and Overview
- Presentation with Keypad Questions
- Small Group Table Exercises
- Report Back to Full Group
- Closing

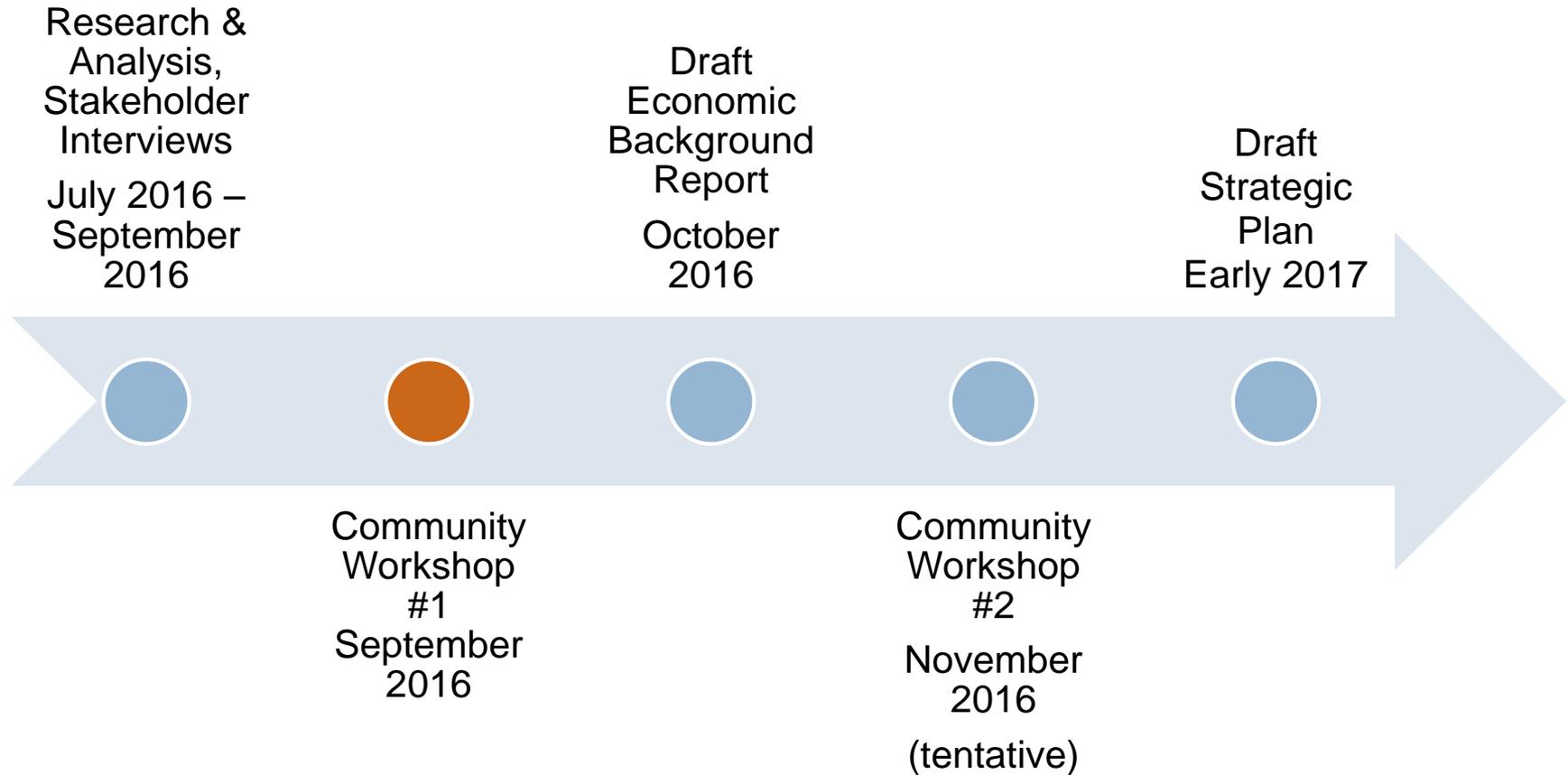


# Introduction to EDSP

# Economic Development Strategic Plan: Focus on Businesses in Alameda

- Regional and local economic trends: employment/workforce, industries, businesses
- Office and industrial market in Alameda
- Retail trends and implications for Alameda
- Tourism and visitation to Alameda
- Opportunities for maximizing the value of commercial areas
- Implementation strategies for City and partners

# Process



# Part 1: Jobs in Alameda



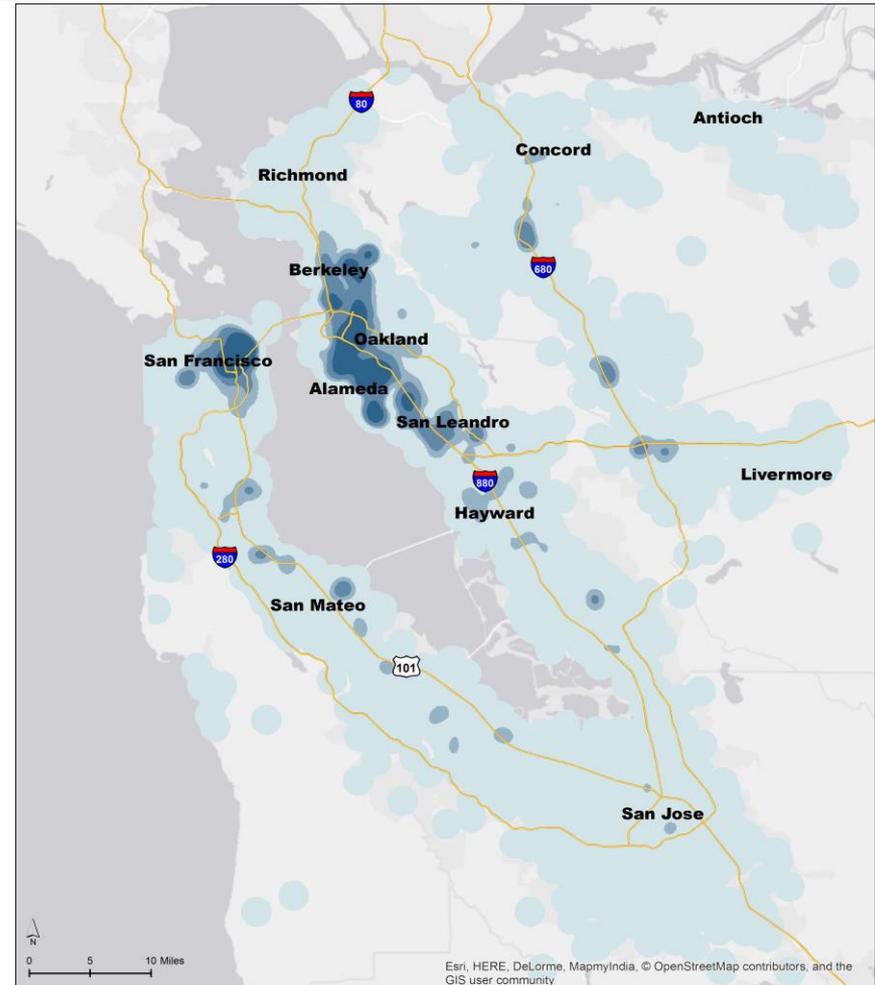


In 1990, Alameda had an average of 0.9 jobs per employed resident. Has the average number of jobs per employed resident grown or decreased since then?

- A. Grown
- B. Declined
- C. Stayed the same

# Jobs-Housing Balance

- Alameda's jobs per employed resident is estimated at 0.8
  - Was 0.9 in 1990, when the naval base was open
- 40% of Alameda's employed residents commute to San Francisco and Oakland
- 20% of employees that work in Alameda live in Alameda

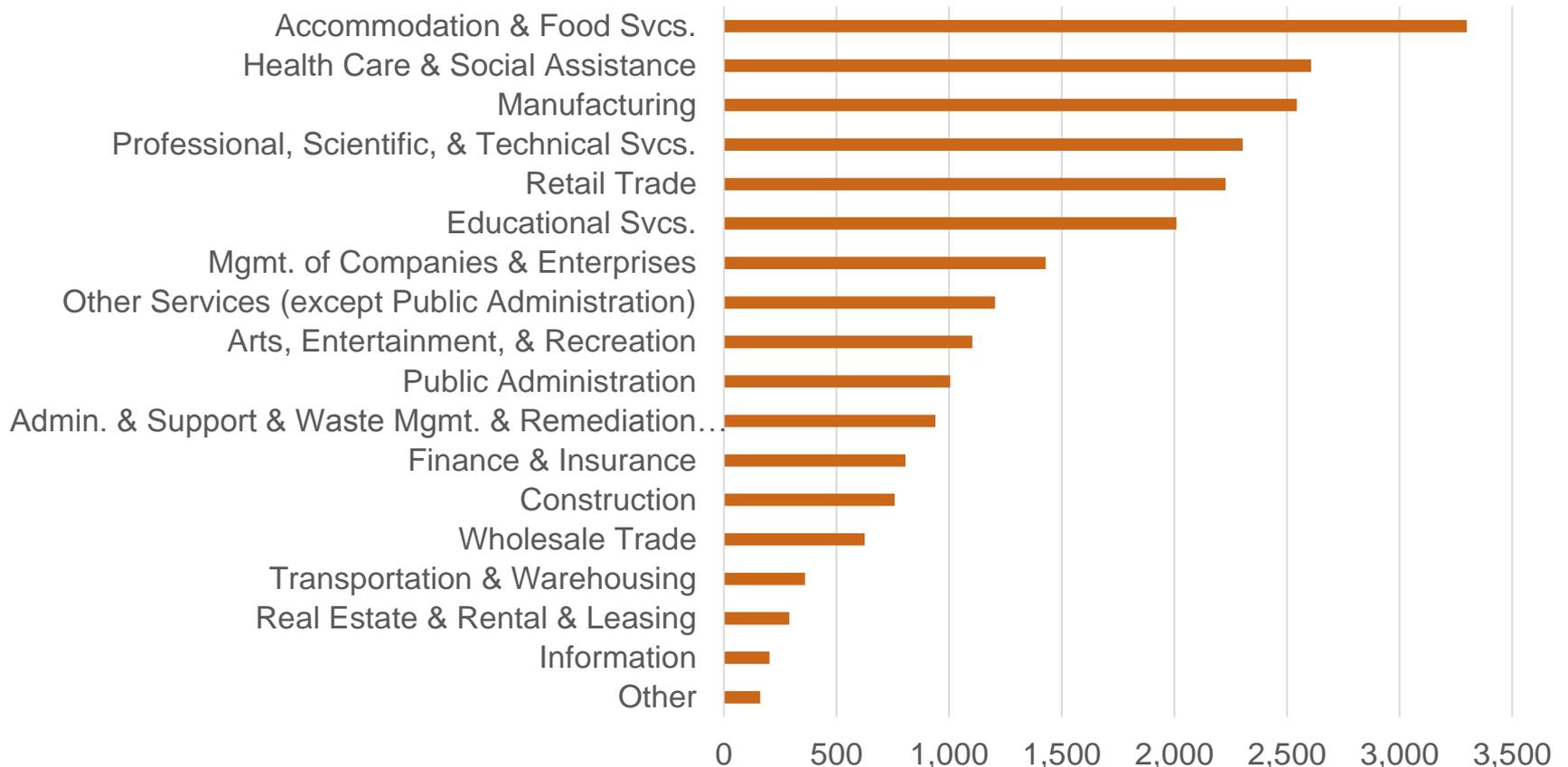


Work Locations for Alameda Residents, 2014



# Alameda's Diverse Economy

Alameda's Largest Industries by Employment, 2015



# Alameda's Specialized Industry Groups

Industry Group	Example Businesses	% of Alameda Jobs	Job Growth, 2010-2015
<b>Eating and Drinking</b>	Asena Restaurant, In-n-Out, Forbidden Island	13%	+75%
<b>Media, Computer Tech, &amp; Professional Services</b>	Perforce Software, Wind River, Ballena Technologies	9%	-15%
<b>Maritime Industry &amp; Recreation</b>	Svendsen's, Bay Ship and Yacht, Club Nautique	6%	+12%
<b>Biotech &amp; Alternative Energy</b>	Penumbra, Natel Energy, BioTime	5%	+204%
<b>Specialty Food &amp; Beverage Manufacturing</b>	Semifreddi's, Faction Brewing, Peet's (roasting facility)	3%	+65%
<b>Hospitality, Arts, &amp; Recreation</b>	Pacific Pinball Museum, Rhythmix Cultural Works, Hawthorn Suites	3%	+85%
<b>High Tech Manufacturing</b>	Wrightspeed, ABB Concise, S&C Electric Company	2%	-44%

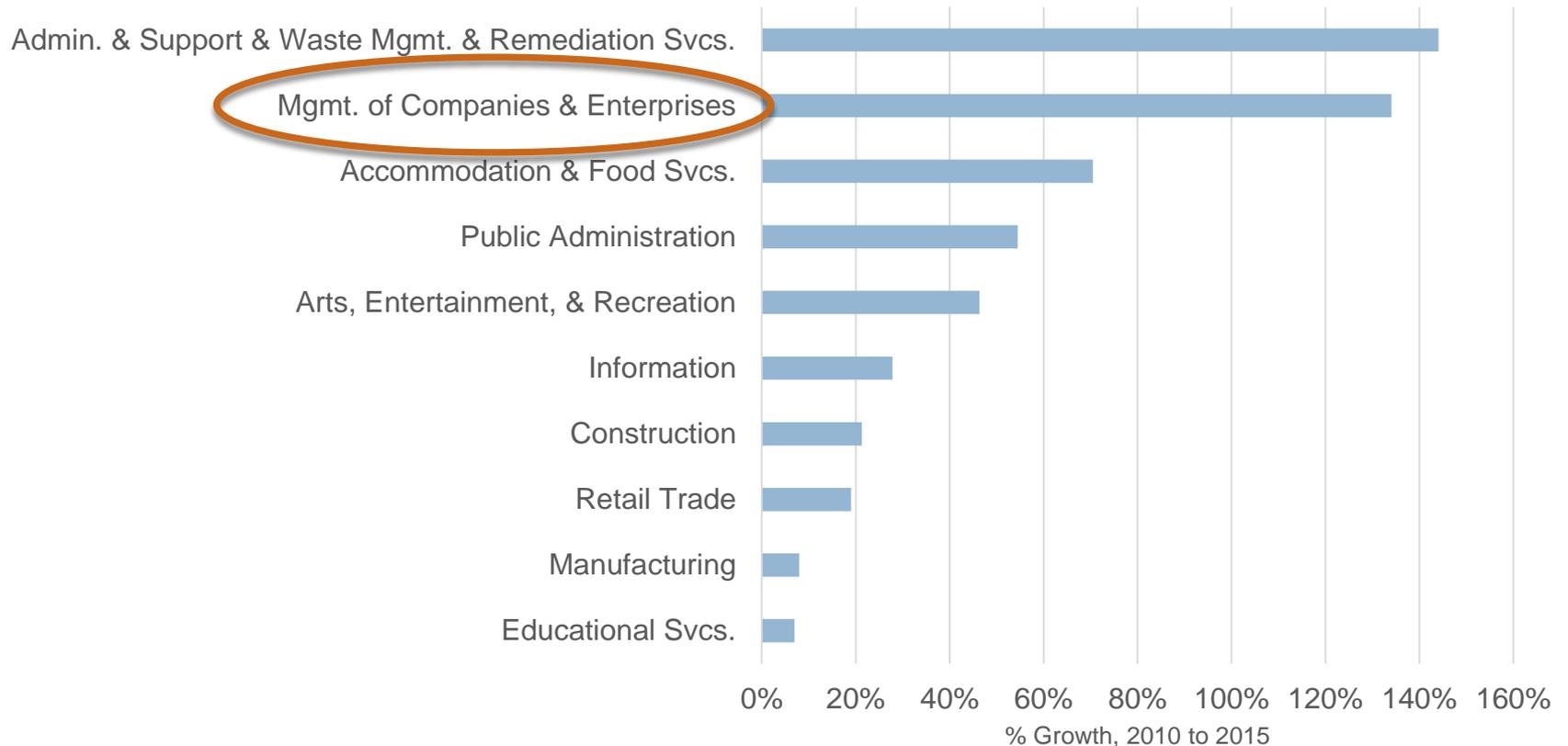


Which of the following industry sectors grew most rapidly in Alameda in the last five years?

- A. Accommodation and Food Services
- B. Professional, Scientific, and Technical Services
- C. Health Care and Social Assistance
- D. Management of Companies (corporate headquarters)
- E. Manufacturing

# Alameda's Fastest Growing Major Industry Sectors, 2010 to 2015

Alameda's Fastest-Growing Industry Sectors, 2010 to 2015





Which of the following areas has the largest number of jobs?

- A. Alameda Point (former Naval Station)
- B. Marina Village (Northeast of Webster and Atlantic)
- C. Harbor Bay Business Park (Bay Farm Island)

**4 NORTH WATERFRONT AREA**

**Contains 8% of total jobs in Alameda**

**2 MARINA VILLAGE BUSINESS PARK AREA**

**1 Alameda Point Area (former Naval Air Station)**

**Contains almost 4% of total jobs in Alameda**

**Contains 26% of total jobs in Alameda**

**3 HARBOR BAY BUSINESS PARK AREA**

**LEGEND**

- Major Road
- Secondary Road
- Bridge/Tube
- Business Parks and Development Sites
- Regional and Community Shopping
- Historic "Main Street" Business District
- Parks
- ★ Neighborhood
- ⚓ Marina
- 🚢 Ferry Terminal

# Business Districts/Parks

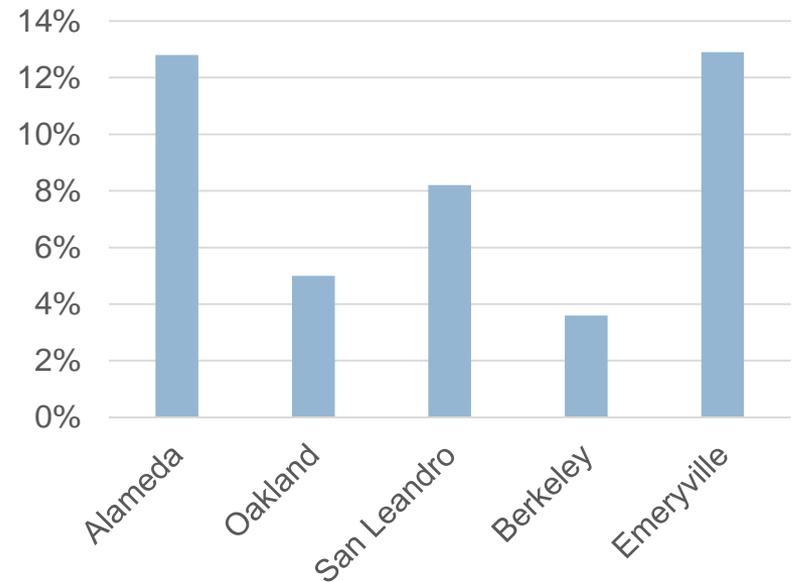
# Office Market in Alameda

Alameda has about 4 million square feet of office space, which is 9% of the total inventory in the I-80/880 corridor.

## Average Asking Lease Rates

City	Class A	Class B	Class C
Alameda	N/A	\$2.19	\$1.29
Oakland	\$4.32	\$2.25	\$2.04
Downtown Oakland	\$4.32	\$3.06	\$2.56
San Leandro	N/A	\$1.73	\$1.68
Emeryville	\$3.78	\$2.53	\$1.98
Berkeley	N/A	\$2.60	\$2.56

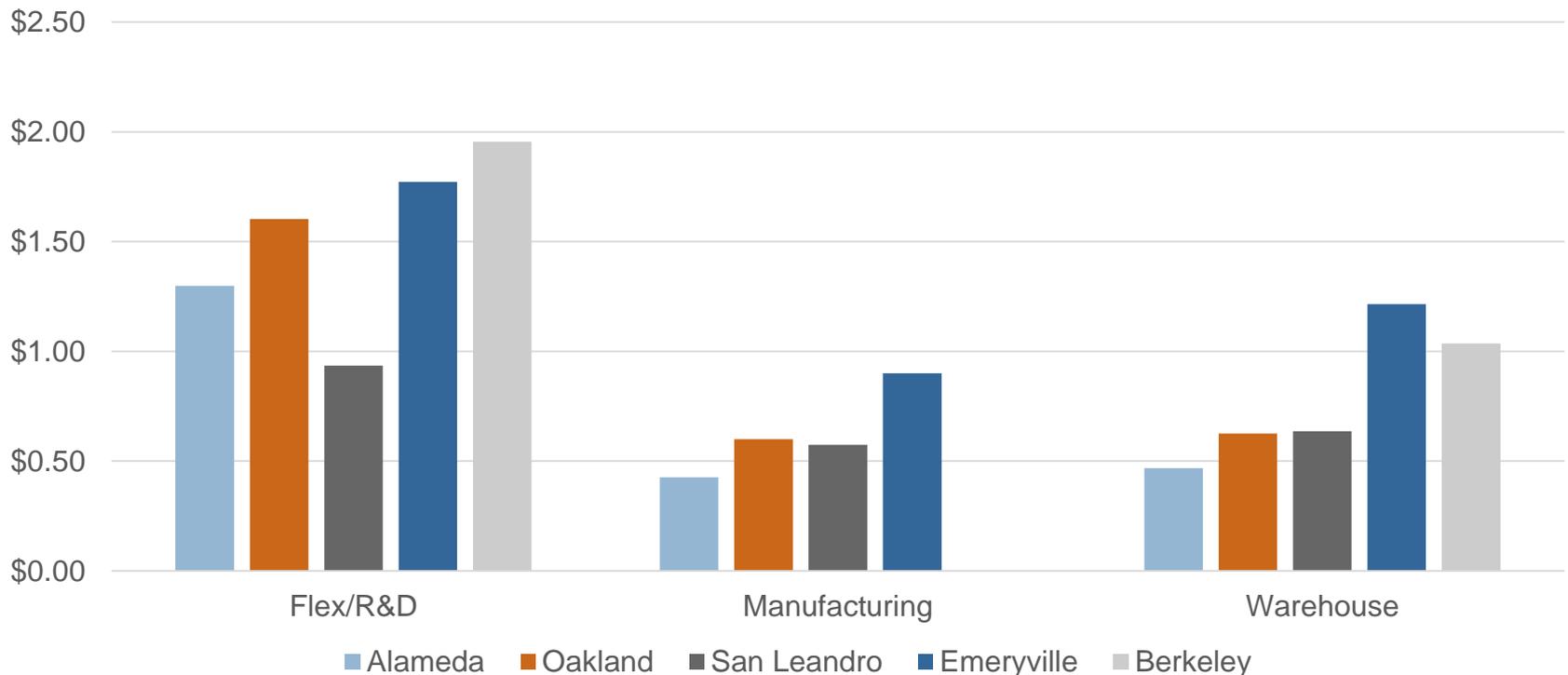
## Vacancy Rates



# Industrial Market in Alameda

Alameda has about 6.2 million square feet of industrial space, which is 9% of the total inventory in the I-80/880 corridor.

Industrial Average Asking Lease Rate Comparison



# Office and Industrial Uses: Advantages and Challenges

## Advantages

- Unique Estuary and Bay access and infrastructure for Maritime industries
- Low cost, large spaces in central Bay Area
  - Large R&D and industrial buildings
  - Large parcels for new campuses
- Diversity of building stock
- Good truck access for Harbor Bay businesses

## Challenges

- Perception of difficult access
  - Limited public transportation
  - No direct freeway access
- Limited amenities (restaurants, retail) at Alameda Point and Harbor Bay
- Small employment base
- Alameda is not known as a business location
- Conversion of northern waterfront industrial lands to other uses

## Part 2: Retail and Restaurants



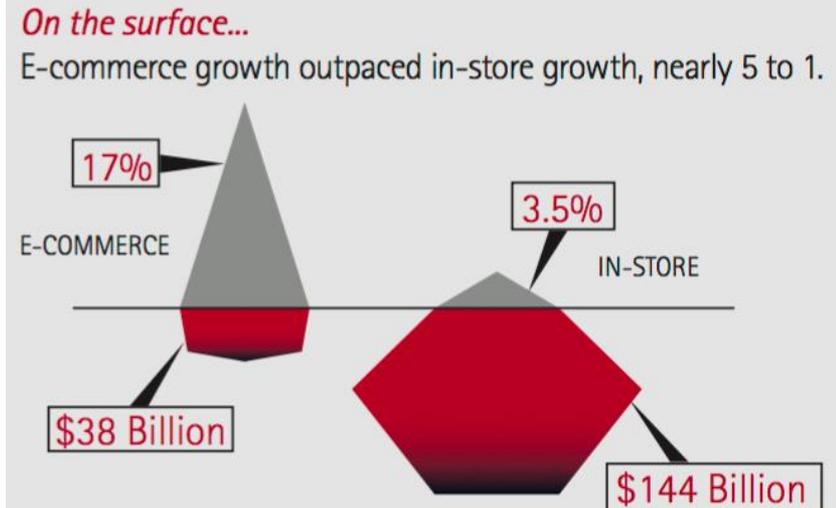


In the last year, where did you do most of your shopping for clothing and shoes?

- A. Stores in Alameda
- B. Bay Street, Emeryville
- C. Bayfair Center, San Leandro
- D. Walnut Creek
- E. San Francisco
- F. Online Stores
- G. Other Location

# National Trends in Retail: Growth in Internet Sales and Mobile Services

- Shopping patterns are changing due to Internet sales and mobile technologies
- But most customers are still doing most of their shopping in physical retail stores



Source: International Council of Shopping Centers

# National Trends in Retail: Consolidation and Closures of Major Stores

washingtonpost.com

Digger

## Macy's is closing 100 stores: Does yours stand a chance?

By Jonathan O'Connell and Sarah Halzack August 30



Macy's is closing 100 stores

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### List of the 154 U.S. stores Walmart is closing



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## Office Depot to Buy OfficeMax for \$1.17 Billion in Stock

by Matt Townsend

February 20, 2013 - 4:30 PM PST

f t ↗

## Walmart is buying Jet.com for \$3 billion

Posted Aug 7, 2016 by Jonathan Shieber (@jshieber), John Mannes (@JohnMannes)

f t in g+ ↗



Walmart Stores is buying Jet.com in a deal worth \$3 billion dollars according to a source

# National Trends in Retail: Growth in Eating and Drinking and Services

“Experiential Retail” offers something you cannot get online:

- Nail and beauty salons
- Fitness gyms, studios, and spas
- Theaters and cinemas
- Art galleries
- Specialty stores
- Restaurants

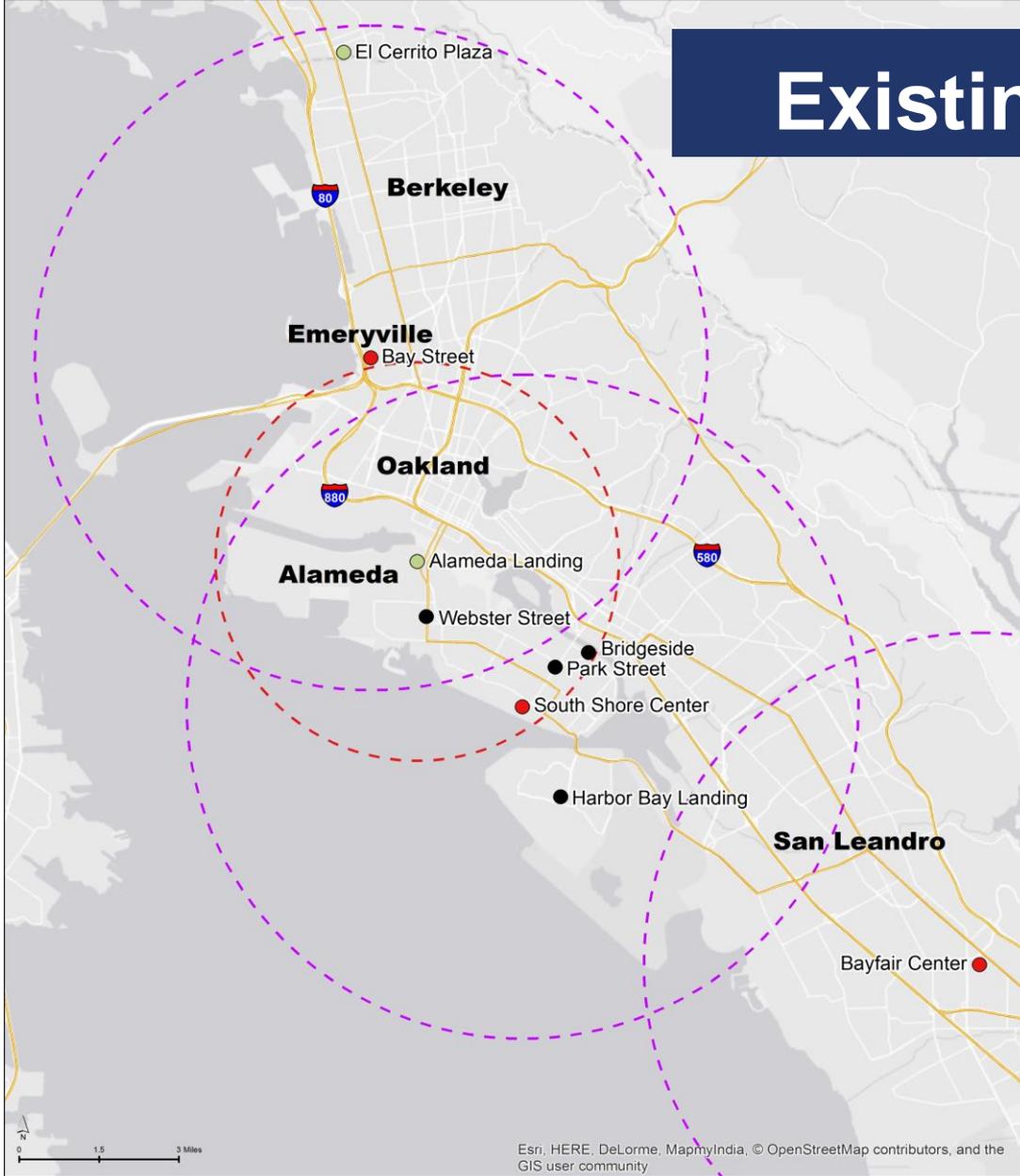


## Restaurants are booming despite financial market turmoil



Diners enjoy a meal at Leona restaurant in Venice. Southern California, one of the fastest-growing regions for restaurants in the nation. (Genaro Molina / Los Angeles Times)

# Existing Retail Centers



## Regional Malls

- Size: 400,000 – 800,000 sq. ft.
- Trade Area: 5-15 mile radius
- Typical Anchors: Department stores, Apparel stores
- Examples: Bayfair, South Shore, Bay Street

## Community Centers

- Size: 125,000 – 400,000 sq. ft.
- Trade Area: 3-5 mile radius
- Typical Anchors: “Big box” stores, grocery store, drugstore
- Example: Alameda Landing

## Neighborhood Centers

- Size: 30,000 – 125,000 sq. ft.
- Trade Area: 1-3 mile radius
- Typical Anchors: Grocery
- Example: Bridgeside, Harbor Bay Landing

Source: International Council of Shopping Centers

## East Bay Region Shopping Centers

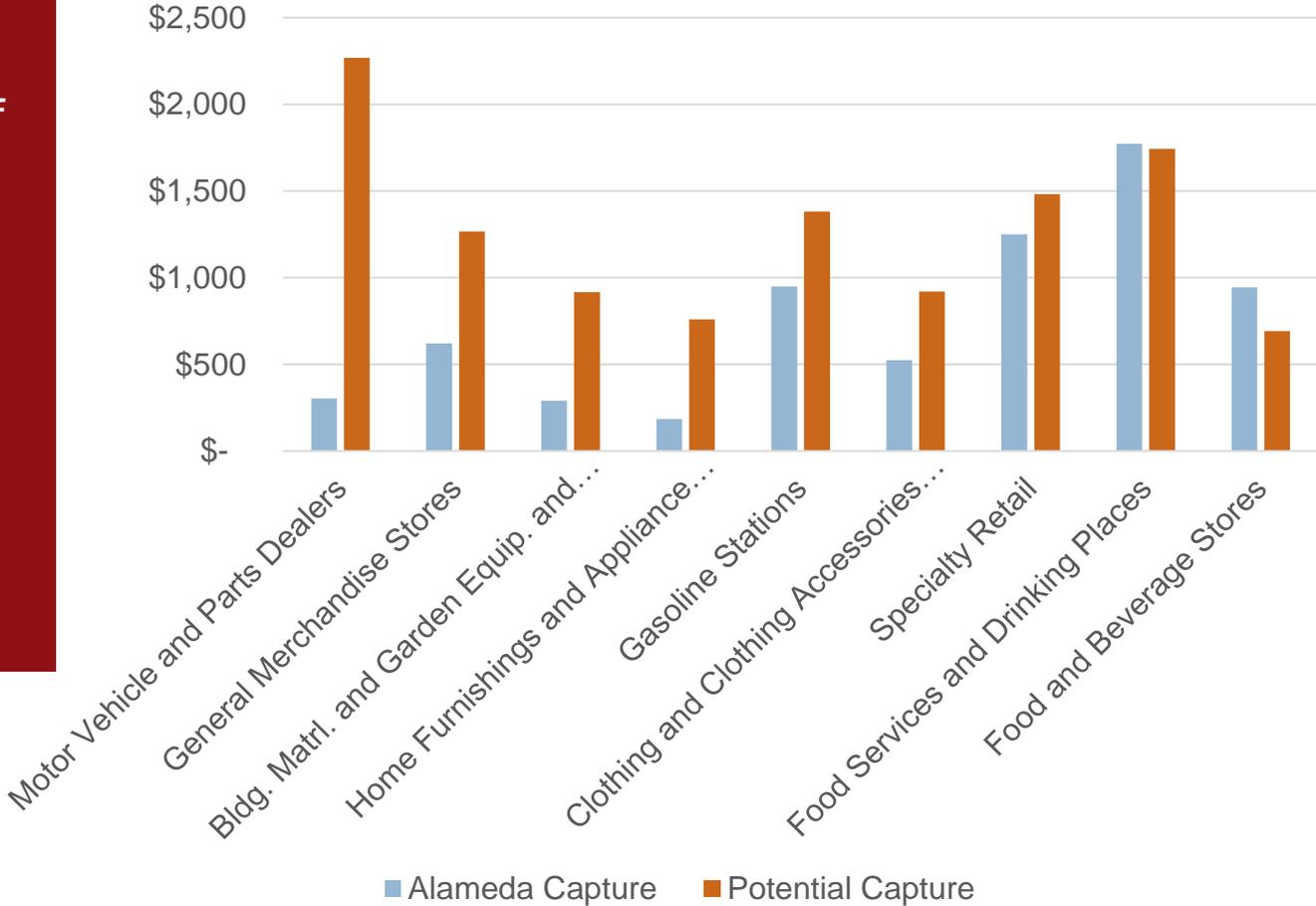
- Community Center
- Lifestyle Center or Regional Mall
- Neighborhood Centers and Districts
- 3 Mile Trade Area (Alameda Landing)
- 5 Mile Trade Area (Bay Street, Bayfair and South Shore)

# Alameda Loses Some Retail Spending to Other Communities

Alameda had “sales leakage” of \$4,500 per resident in 2014

Categories that performed very well were restaurants and groceries

Alameda Sales per Capita versus Potential Sales

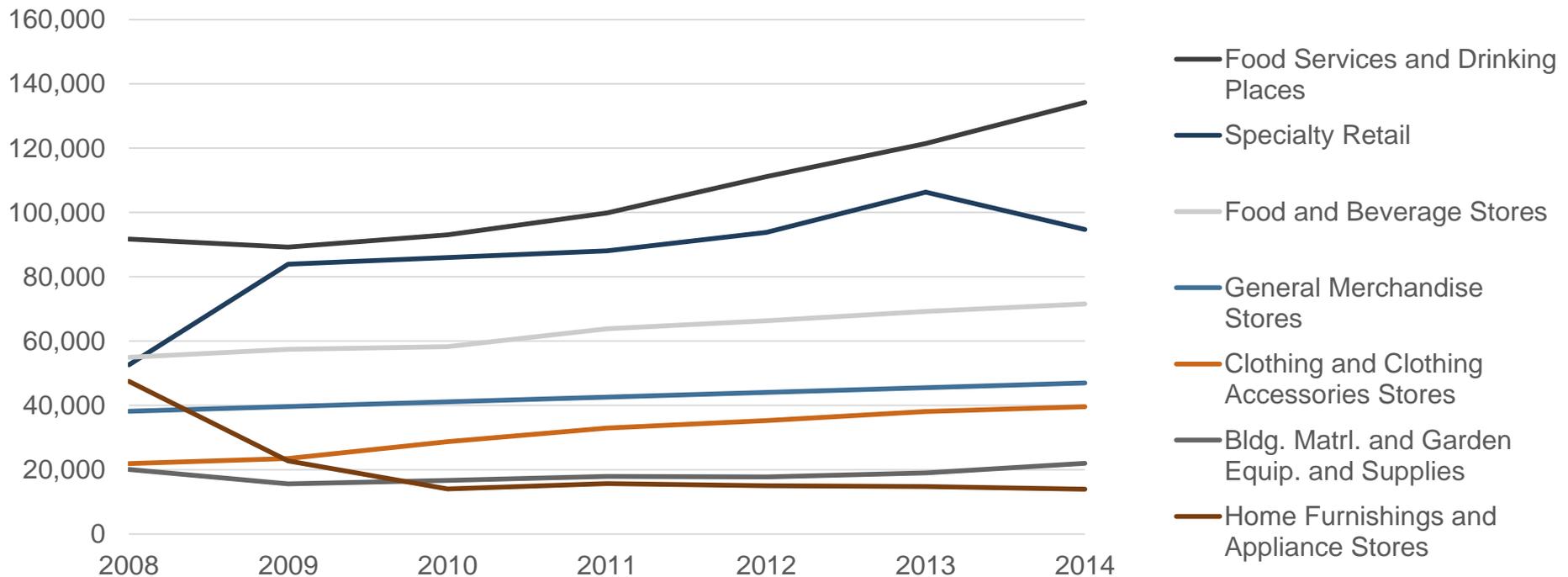


Source: California State Board of Equalization, August 2016.

# Alameda's Retail Trends

- Alameda's retail sales have grown significantly since 2008.
- Strongest sectors are food services (restaurants) and specialty retail

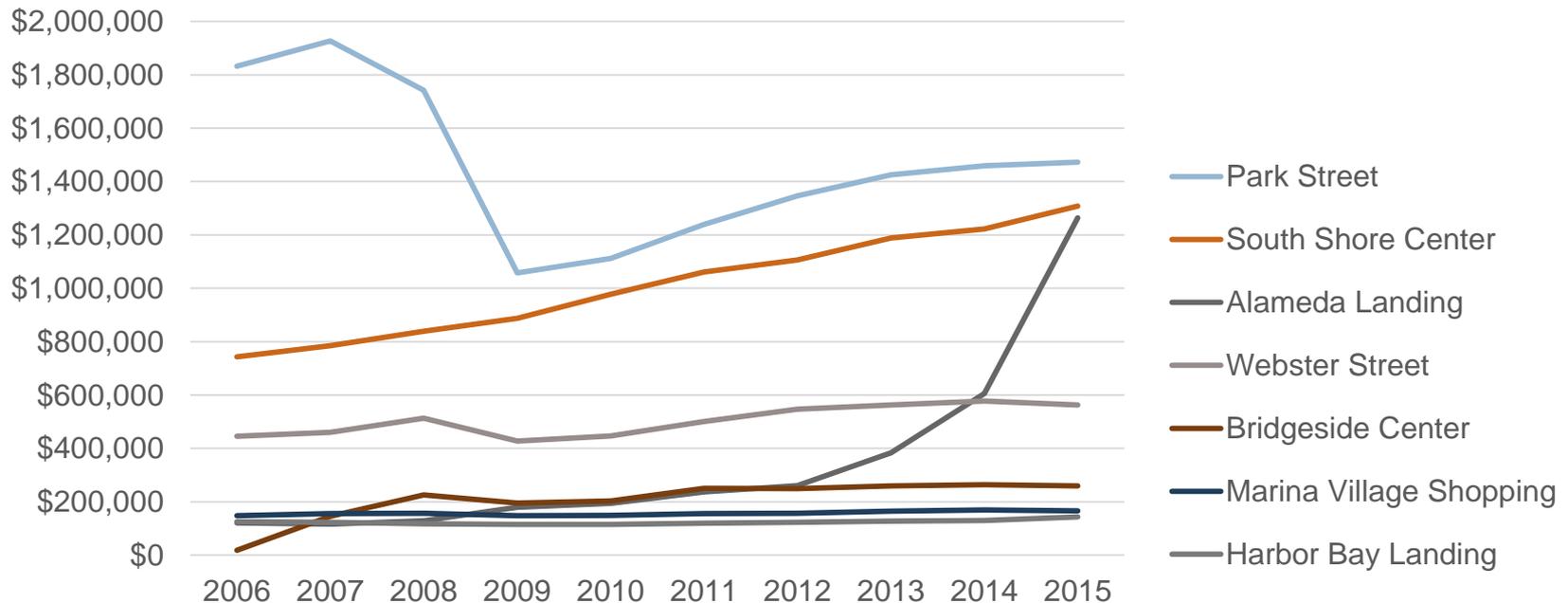
Alameda Taxable Sales by Category (in 000s of dollars)



# Sales Tax Revenue by District

- Sales taxes are the second largest source of revenue for City's General Fund (11% of total)
- Park Street, South Shore, and Alameda Landing are top 3 retail sales districts in the city

Annual Sales Tax Revenue by Alameda Sub-District



# Part 3: Visitor Attractions and Tourism



# Alameda's Visitor Destinations

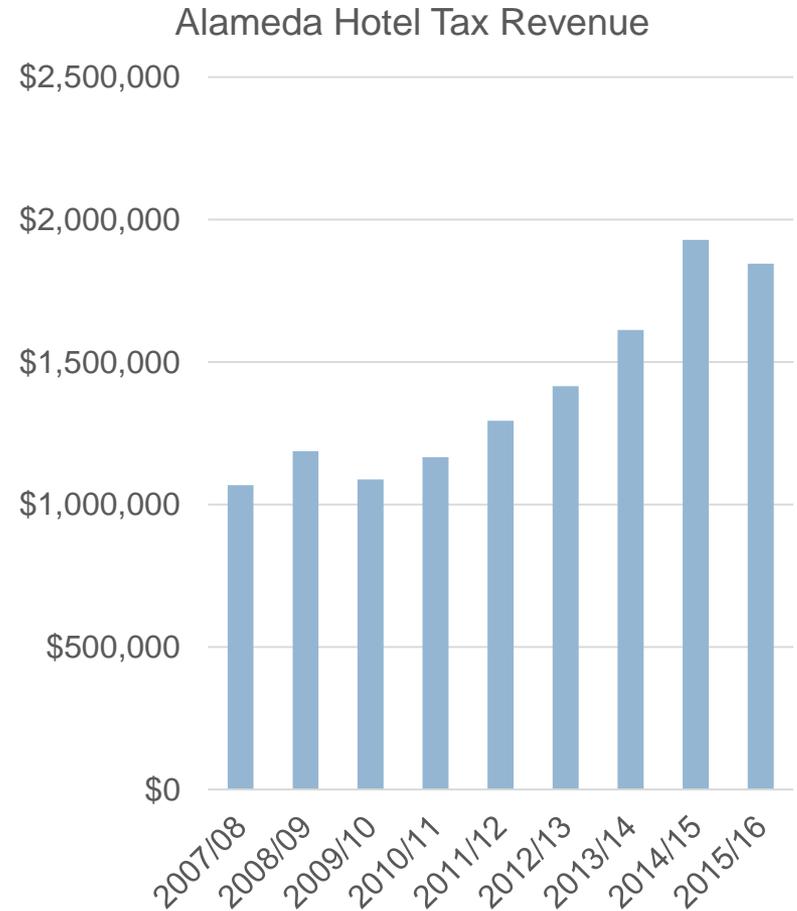
Type	Examples	Annual Visitation
<b>Museums</b>	USS Hornet Museum	100,000
	Pacific Pinball Museum	50,000
	Alameda Naval Air Museum	
	Alameda Historical Museum	
	California Historical Radio Society Museum ( <i>under development</i> )	
<b>Other Historical</b>	Victorian Homes	
	Alameda Point Antiques Faire	120,000
<b>Recreation/Nature</b>	Crab Cove Visitor Center	70,000+
	Crown Point Memorial State Beach	
	Bladium Sports and Fitness Club	
	Waterfront/Sailing Amenities	
<b>Other</b>	Spirits Alley	115,000+

*Alameda has several major tourist destinations (U.S.S. Hornet, Pacific Pinball Museum, Antiques Faire, Spirits Alley). As a local community member, how often do you visit these sites?*

- A. I have been to one or more of these sites many times.
- B. I have gone to one or more of these sites in the past, but do not visit them frequently.
- C. I have never been to any of these sites, but I plan to.
- D. I have never been to any of these sites, and do not plan to.

# Alameda's Hotels

- Strong performance
- High occupancy rates, up to 80%+
- Approximately 560 rooms in 7 hotels
- Two new hotels are planned for development at Harbor Bay (the first in 8 years)



# Visitor Destinations: Advantages and Challenges

## Advantages

- Variety in types of visitor destinations
- Emergence of destinations that have similar market niches
- Strong draw within the Bay Area region

## Challenges

- Limited awareness beyond the Bay Area
- Unmet potential for cross-visitation
- Inadequate signage/wayfinding
- Limited public transportation access