

**SPECIAL MEETING AGENDA
CITY OF UNION CITY
CITY COUNCIL ECONOMIC DEVELOPMENT GEOGRAPHIC WORK SESSION**

**TUESDAY, OCTOBER 4, 2011
7:00 PM – 9:00 PM**

**HOLLY COMMUNITY CENTER
31600 ALVARADO BOULEVARD
UNION CITY CA 94587**

I. CALL TO ORDER

I.a Pledge of Allegiance

I.b Roll Call

*Mayor Mark Green
Vice Mayor Jim Navarro
Councilmember Emily Duncan
Councilmember Lorrin Ellis
Councilmember Pat Gacoscos*

II. ORAL COMMUNICATIONS

Comments from the audience regarding the topic under consideration will be received. Persons wishing to speak must complete a speaker card available from the City Clerk.

III. CITY COUNCIL WORK SESSION REGARDING ECONOMIC DEVELOPMENT

- Welcome
Larry Cheeves, City Manager
- City Council Introductions
Mayor Mark Green
- Staff Introductions
City Manager Cheeves
- Participant Introductions
Self-Introductions
- Regional Briefing
Scott Peterson, Deputy Director, East Bay Economic Development Alliance
- Geographic Area Presentation
Joan Malloy, Economic & Community Development Director
- Discussion
 - Opening / Initial Statements by Panelists
 - Question / Answer Period with Councilmembers
 - Written Questions from Audience

IV. ADJOURNMENT

Dated: September 29, 2011

/s/ _____
MARK GREEN
Mayor



Agenda Item

DATE: OCTOBER 4, 2011

TO: CITY COUNCIL

FROM: JOAN MALLOY, ECONOMIC AND COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: ECONOMIC DEVELOPMENT WORK SESSION – OLD ALVARADO/UNION CITY BOULEVARD

This is the first of four economic development work sessions that the City Council has requested in order to review specific geographic areas of the City. This meeting will cover the Old Alvarado and Union City Boulevard Area.

DISCUSSION

Staff has arranged for panelists to join the conversation to provide varied perspectives on each geographic area. To date, staff has arranged for representatives from:

- Large and small local businesses
- Commercial developer
- Commercial broker
- Residential developer and
- East Bay EDA

Staff has not been able to confirm a retail representative at this time; however, we will continue seek a panelist for this sector.

Attached to this staff report is the cover letter sent to the panelists and the Old Alvarado/Union City Boulevard booklet that is intended to provide a broad overview of the area for the panelists and Council. Included in the booklet are broad questions intended to “seed” the discussion. The questions are not intended to be answered specifically, but rather, help guide the discussion. City-wide demographic information and city-wide real estate building data is also provided.

FISCAL IMPACT:

There will be no fiscal impacts as a result of receiving this information.

RECOMMENDATION:

There is no recommendation at this time. This information is provided in advance of the work session to guide the conversation.

Prepared and Submitted by:
Joan Malloy, Economic and Community Development Director

Approved by:
Larry Cheeves, City Manager

Attachments: Cover letter to panelists
Old Alvarado / Union City Boulevard Overview

September 29, 2011

[Recipient Name]

[Title]

[Company Name]

[Street Address]

[City, ST ZIP Code]

Dear [Recipient Name]:

The City of Union City would like to thank you for taking the time to participate as a panelist in the upcoming City Council Economic Development Geographic Work Session and to take a few minutes to review the enclosed materials.

The purpose of the work session series is to receive feedback from the local stakeholders (businesses, developers and brokers) regarding a specific geographic area of the City to assist City Council and staff in developing successful economic development strategies that bring economic value to the area and community as a whole. The area the City will be discussing on October 4, 2011 is the Old Alvarado District and Union City Boulevard corridor.

To focus the conversation, the key objective for the City is to:

- *Increase revenues to the City through property taxes, job creation and sales taxes in order to provide community services.*

The meeting time and location is as follows:

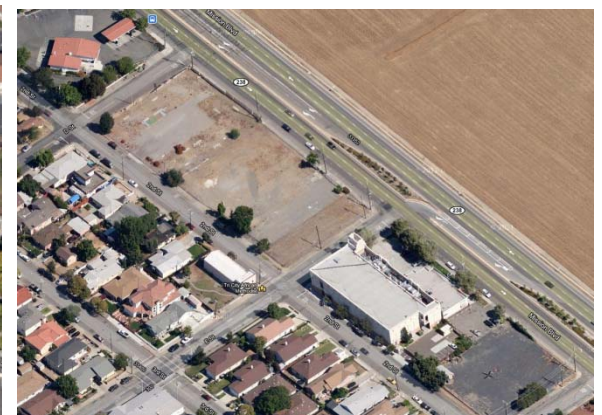
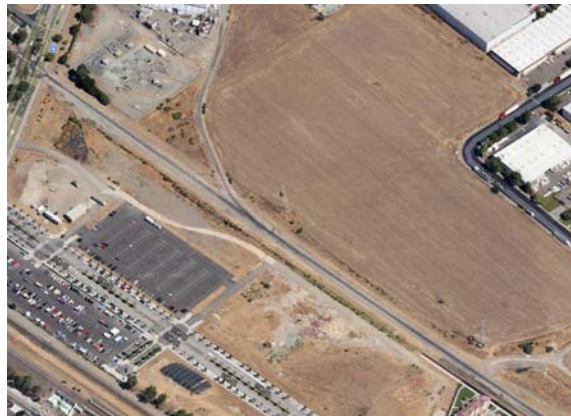
Date:	October 4, 2011
Location:	Holly Community Center 31600 Alvarado Boulevard, Union City, CA 94587
Time:	7:00 pm

If you have any questions prior to the meeting please feel free to contact me at (510) 675-5396 or email me at cfriday@unioncity.org or Joan Malloy, Economic & Community Development Director at 510-675-5327 or email jmalloy@unioncity.org. We look forward to your participation.

Sincerely,

Christine Friday
Economic Development Coordinator
City of Union City

CITY COUNCIL ECONOMIC DEVELOPMENT GEOGRAPHIC WORK SESSION



10/4/2011

Old Alvarado / Union City Boulevard Area

QUESTIONNAIRE TO GUIDE DISCUSSION

Old Alvarado / Union City Boulevard

Please Note:

The following questionnaire is intended to assist with thinking about the Old Alvarado/Union City Boulevard Area and serve as a discussion guide. It is not necessary to provide responses to all questions.

1. Commercial Broker and Developer Questions:

- a.) From your perspective, what is necessary to make this area attractive to businesses?
- b.) How can the City influence your decision to bring revenue / job generating businesses to Union City?

2. Residential Developer Questions:

- a.) Is this area attractive for residential development? Please explain why or why not.

3. Business Questions:

- a.) Why did you choose this location in Union City? How did Union City get on your short list for consideration?
- b.) What resources and amenities does your business desire to be close to you in order to operate your business efficiently?
- c.) What can Union City do to improve its process and/or service to you?
- d.) Would opening the railroad crossing at the end of Whipple Road, near Union City Boulevard, improve the value of the industrial park?

4. General Questions:

- a) From your perspective, if you had control, what would you do with this corridor/area?
- b) Do you see a conflict with locating residential adjacent to industrial and manufacturing uses?
- c) Do you see a conflict with locating residential adjacent retail and office uses?
- d) From your perspective, what is Union City's reputation in the marketplace?
- e) What are the constraints and opportunities of this corridor?
- f) How does the City provide flexibility to businesses in the changing business environment?

UNION CITY KEY DEMOGRAPHICS

Key Demographics, 2010

Population	69,516
Home Ownership Rate	71.3%
Median Household Income	\$87,205
Residents with a College Degree	44%
Management, Professional, Technical, and Scientific Occupations	48%
Sales and Office Occupations	25.8%
Education Services and Healthcare Occupations	19.3%

Racial Composition, 2010

One race	93.3%
White	23.9
Black or African American	6.3
Asian	50.9
Asian Indian	11.5
Chinese	11
Filipino	20.1
Other Asian [1]	8.4
Native Hawaiian and Other Pacific Islander	1.3
Two or more races	6.7%
Hispanic or Latino (of any race)	22.9%

Resident Profiles

Money & Brains 26.4%

High incomes, advanced degrees, and sophisticated tastes. Married with few children.

Young Digerati 21.3%

Tech-savvy, affluent, highly-educated and ethnically mixed. Trendy and fashionable.

American Dreams 7.9%

Ethnically diverse, multi-generational, multi-lingual consumer families living, working and investing in the community and the future.

Bohemian Mix 6.2%

Mobile urbanites and early-adopters, with a progressive mix of young singles, couples, and families from students to professionals.

City of Union City

Building Availability and Vacancy Analysis

CITY WIDE ANALYSIS

INDUSTRIAL

<u>Buildings</u>	<u>Existing RBA</u>	<u>Vacancy Rate</u>	<u>Total SF Avail</u>	<u>Average Rate</u>
265	16,153,433	7.9%	1,505,147	\$0.44/sf

OFFICE

<u>Buildings</u>	<u>Existing RBA</u>	<u>Vacancy Rate</u>	<u>Total SF Avail</u>	<u>Average Rate</u>
41	519,395	5.7%	23,999	\$1.46 /sf

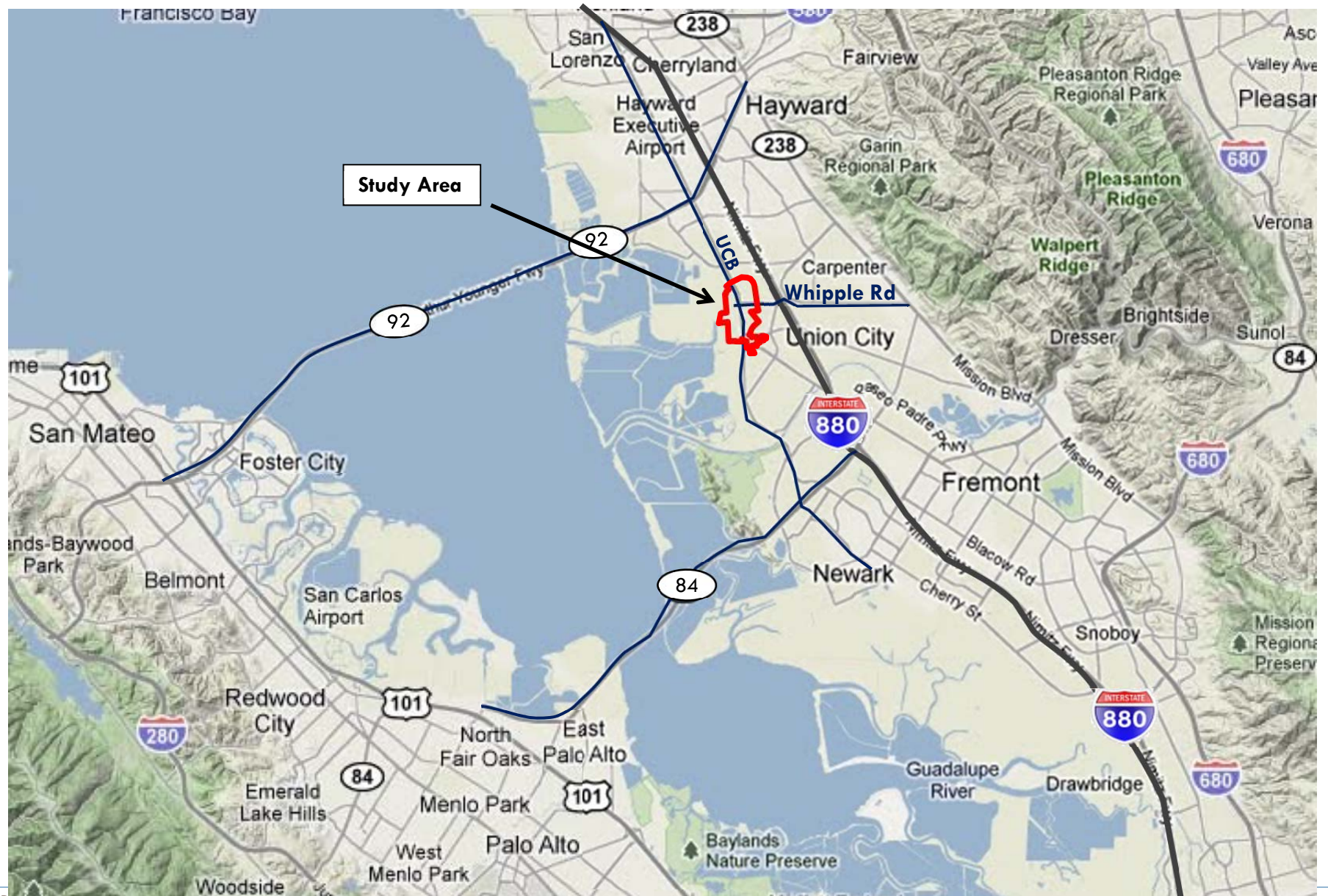
RETAIL

<u>Buildings</u>	<u>Existing RBA</u>	<u>Vacancy Rate</u>	<u>Total SF Avail</u>	<u>Average Rate</u>
141	2,132,402	4.3	123,438	\$1.75

*RBA- Rentable Building Area

Source: Costar

MAP OF SUB-REGION



OVERVIEW MAP OF OLD ALVARADO/UNION CITY BOULEVARD CORRIDOR



OLD ALVARADO



Site Information:

Zoning	CS (Specialty Commercial)
General Plan	CR (Retail Commercial)
RDA Plan Area	Yes
Site Area	62 acres
Opportunity Sites	varies

Zoning Regulations:

Lot Coverage	100%
Maximum Height	40 ft / 50 ft for mixed-use developments
Setbacks	Front Up to 15 ft from face of curb
	Side 0 ft
	Rear 0 ft

Area Description: The Old Alvarado area is located on the westerly side of the City and consists of the commercial core along Smith Street; commercial and residential properties along Horner Street, Vallejo Street, Watkins Street and Union City Boulevard and Victorian Village. The area is a mix of historic structures and newer buildings that accommodate commercial, residential and institutional uses. The area is developed with approximately 122,000 square feet of commercial space. New development must conform to the Old Alvarado Design Guidelines to ensure compatibility with the historic character of the area.

The area will need to overcome certain challenges to become more of a regional destination. The Old Alvarado has begun to deteriorate from a lack of reinvestment by property owners. Certain areas lack basic infrastructure such as sidewalks. Union City Boulevard functions as a barrier between Old Alvarado and adjacent neighborhoods. The City must begin to strategize on how to revitalize this area and build upon the historic character that already exists.

The area contains several opportunity sites for infill development. The newly adopted Housing Element identifies higher density (approximately 43 units per acre) mixed-use projects (ground floor commercial with residential above) for some of these sites, which will assist the City in accommodating its fair share of the region's growth.

UNION CITY BOULEVARD

**Site Information:**

Zoning	ML (Light Industrial) MS (Special Industrial)
General Plan	ML (Light Industrial) MS (Special Industrial)
RDA	Portion
Site Area	Lincoln-Alvarado Business Park - 68.5 ac UCB Corridor - 51 ac

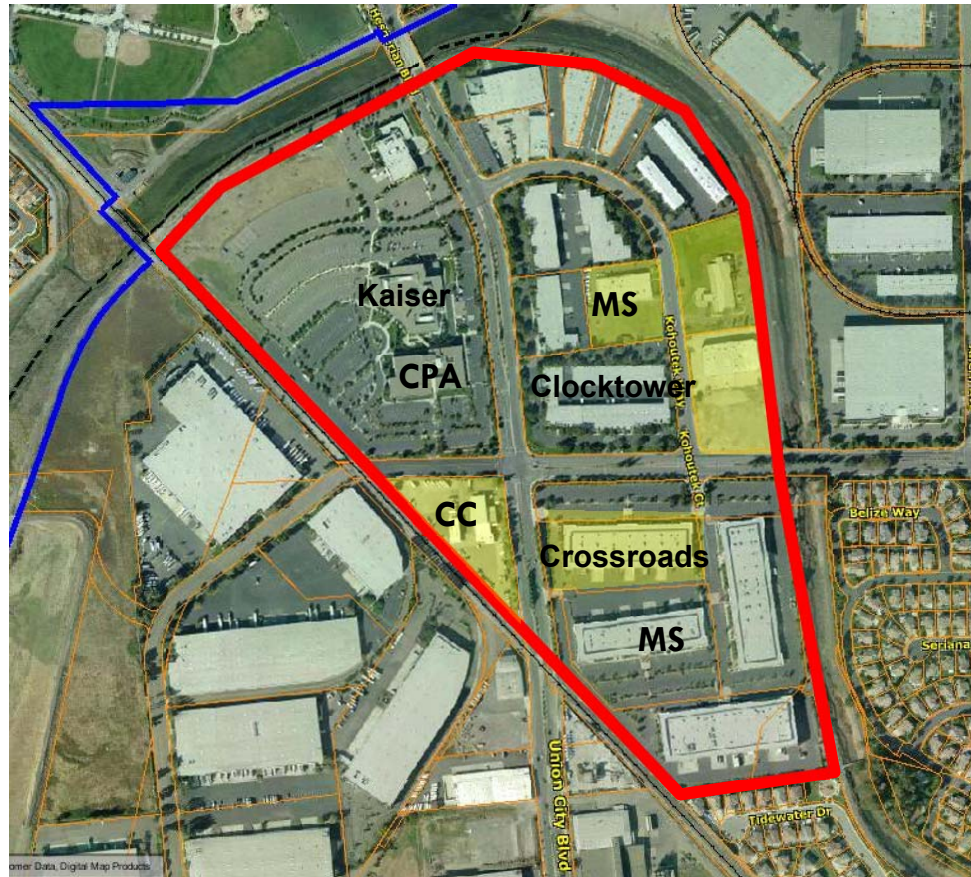
Zoning Regulations:

	<u>ML</u>	<u>MS</u>
Lot Coverage	60%	60%
Maximum Height	50-75 ft	40 ft
Setbacks		
Front:	25 ft	25-65 ft
Side:	10 ft	10 ft
Rear:	10 ft	10 ft

Area Description: The Union City Boulevard corridor generally extends from Bettencourt Way to the railroad tracks that bisect Union City Boulevard near Whipple Road. This corridor is developed with a mixture of uses that includes warehouse and distribution, light manufacturing, contractor yards as well as service and recreation uses. This area also accommodates a cement batch plant, which is legal non-conforming. This area was rezoned from ML (Light Industrial) to MS (Special Industrial) during the General Plan update in 2002 to facilitate the transition of this area from light industrial and warehouse uses into more employment generating uses such as office and research and development uses and to support the community design vision of improving the image of this major gateway and thoroughfare through the city. However, the majority of the lots in the area are oddly shaped due to the configuration of railroad lines in the area. In addition, there are multiple property owners, which makes the consolidation of properties to facilitate the development of larger employment generating uses more difficult.

The area zoned MS is generally underutilized. The last industrial building in this area was built in 1969. On the westerly side of Union City Boulevard, a 4-acre portion of the Nuts and Spices parcel is currently vacant and is undergoing remediation to clean-up groundwater contamination from the adjacent Mission Line Supply property, which is also contaminated. Although the remediation is on-going, development of the property is possible with the incorporation of certain controls to address health and safety concerns. There are also several underutilized parcels that could be redeveloped into more job intensive uses. The area zoned ML is developed with the Lincoln-Alvarado Business Park. This park was constructed in phases throughout the 1980's and 1990's and includes approximately 1.25 million square feet of space. Although the park consists of several parcels, they are all owned and managed by the same entity. The park has stable tenants and a low vacancy rate.

UNION CITY BOULEVARD/WHIPPLE ROAD

**Site Information:**

Zoning	CPA (Prof/Admin Commercial) MS (Special Industrial) CC (Community Commercial)
General Plan	CO (Office Commercial) MS (Special Industrial) CR (Retail Commercial)
RDA	Crossroads - yes
Site Area	74 acres Underutilized (Kohoutek) – 1.36 acres Underutilized (Kohoutek) – 2 acres Underutilized (Whipple) – 3.05 acres Underutilized (UCB) – 3 acres Vacant Building (Whipple) – 80,000 sq ft

Zoning Regulations:

	<u>CPA</u>	<u>MS</u>	<u>CC</u>
Lot Coverage	50%	60%	100%
Maximum Height	100 ft	40 ft	100 ft
Setbacks			
Front:	20 ft	25-65 ft	20 ft
Side:	0 ft	10 ft	0 ft
Rear:	0 ft	10 ft	0 ft

Area Description:

The Union City Boulevard/Whipple Road area is anchored by three stable developments – Kaiser Permanente's Medical offices (built in 1990), the Clocktower office park (built in 1990), and the Crossroads Technology Park (built in 2001). There are two major sales tax generators - Abaxis and Selway Tools - located in this general area. There are several opportunity sites in this area, including three underutilized sites totaling 6.4 acres north of Whipple Road. Additionally, the three-acre Monarch Trucking site on Union City Boulevard is legal non-conforming. The triangular site is zoned CC, Community Commercial, and was envisioned as an appropriate location for commercial uses oriented towards the Kaiser facility. Lastly, there is a vacant 80,000 square foot building in the Crossroads Technology Park on Whipple Road.