

ECONOMIC DEVELOPMENT ELEMENT

INTRODUCTION

A strong economic and fiscal base is critical to developing and maintaining Union City's prosperity. Union City has many locational advantages that make it a draw for business, including its potential as a transportation nexus; its location along the Nimitz Freeway (Interstate 880) and at the gateway of the Silicon Valley; and its proximity to Stanford, U.C. Berkeley, and Palo Alto venture capitalists.

This strategic location at the edge of Silicon Valley creates an opportunity for Union City to attract light industrial establishments which will create more job opportunities for local residents, reduce the need to commute, and diversify the local economy away from being a bedroom community and warehouse center. But, Union City has a limited supply of vacant land and lacks some of the amenities that are important to attract the desired economic base. It is important to note that Union City has made great strides over the last several years to add amenities to the community that are important to economic development, such as the construction of upscale housing, the expansion of restaurants and the construction of a new hotel. These amenities coupled with the city's diverse population and strong commitment to the local school system provide the community qualities needed to attract high-tech and corporate jobs.

Union City's economic development challenge is to balance its goal to expand its position within Silicon Valley with its need to create a stronger sense of community identity. The Economic Development Element addresses this balance by identifying a set of economic development goals, policies, and implementation programs that focus primarily on six business districts: Station District (encompassing Decoto Industrial Park, BART station, and the El Mercado, and Market Place shopping centers), the Central Technology Center (i.e., Central Bay Industrial Park), Alvarado Technology Center, Union Landing, the International Market Place (i.e., Four Corners), and the Mission Boulevard entryway corridor.

Other retail centers, business parks, and commercial corridors not specifically identified in the economic development goals, policies, and implementation steps are also important parts of the City's economy and future. But, the Economic Development Element suggests that private sector investment decisions and the City's normal zoning and permitting procedures will guide changes in these areas, and that City efforts to diversify its economy will focus primarily on the six key business districts.



A sign in Union City showing the old and new economy businesses

A. CITYWIDE

Goal ED-A.1	To expand Union City's base of high quality jobs and retail shopping opportunities.
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Policies

ED-A.1.1 The City shall actively seek to attract small entrepreneurial start-up research and development firms.

ED-A.1.2 The City shall promote development of a business incubator facility to accommodate entrepreneurial start-up research and development firms.

ED-A.1.3 The City shall support the establishment of pedestrian-oriented neighborhood commercial and personal services in order to enhance Union City's attractiveness to the research and development workforce.



Home at Ponderosa Cove under construction

ED-A.1.4 The City shall continue to encourage the development of upscale housing to help make the community attractive to Silicon Valley engineers and executives.

ED-A.1.5 The City shall actively seek to attract light industrial companies to Union City.

ED-A.1.6 The City shall seek to attract light industrial manufacturing uses to vacant parcels or redevelopment sites along Union City Boulevard (between Smith Street and the Hayward border), Central Technology Park, Alvarado Technology Park, and Station District.

ED-A.1.7 The City shall encourage the conversion of existing warehouse space into light manufacturing and research and development space.

ED-A.1.8 The City should use business incentives (including redevelopment tax increment revenues) to encourage light industry establishments to locate on appropriate sites in Union City.

ED-A.1.9 The City shall actively seek to attract sales tax-generating uses to its technology centers and industrial/business parks.

ED-A.1.10 The City shall encourage more job-intensive industries to locate in the community. The City shall seek high quality and higher paying jobs.

ED-A.1.11 The City shall promote the development of communication infrastructure that benefit businesses and residences.

- ED-A.1.12 The City should discourage the encroachment of new housing immediately adjacent to light manufacturing firms and vacant lands earmarked for light manufacturing unless it can be integrally planned to function as a mixed-use unit.
- ED-A.1.13 The City shall support the expansion of specialty retail, specialty food stores, and restaurants to meet the preferences of Union City's ethnic consumers.
- ED-A.1.14 The City shall promote intensification and redevelopment of existing community shopping centers such as El Mercado, Union Square Market Place, and International Market Place (Four Corners) in lieu of creating new shopping centers to meet the growing demand for retail shopping opportunities for both the east and west sides of Union City.
- ED-A.1.15 The City shall use redevelopment tax increment revenues to finance facade and urban design improvements at neighborhood commercial centers, including improvements to signage, lighting, circulation, parking, and other consumer amenities.
- ED-A.1.16 The City, in collaboration with the Chamber of Commerce, local businesses and other representatives, shall, through the development and implementation of an Economic Development Strategic Marketing Plan, implement effective business retention and business attraction programs designed to preserve and enhance Union City's economic base. The Economic Development Strategic Marketing Plan shall reflect the goals and policies of the General Plan.
- ED-A.1.17 The City shall support the establishment of child care centers near high density commercial and light industrial districts in order to enhance Union City's attractiveness as a business destination.
- ED-A.1.18 The City shall support the development of home businesses, provided the businesses do not adversely impact the surrounding residential neighborhood.
- ED-A.1.19 The City shall actively attract a range of business types in order to minimize the need for residents to go to other cities for good and services.
- ED-A.1.20 The City shall consider parcel consolidation as a technique for providing sites for revenue-enhancing uses, especially along the northern Union City Boulevard corridor.
- ED-A.1.21 The City shall advocate, through the League of California Cities, changes in State laws that allow for balanced revenues from all types of land use.

Implementation Programs

ED-A.1 The City Manager shall establish an Economic Development Action Team (EDAT) consisting of City staff, Chamber of Commerce and other representatives. The EDAT shall develop and implement an Economic Development Strategic Marketing Plan, which will include business attraction and retention strategies.

Responsibility:

- 9 City Manager’s Office
- 9 Community Development Department

Time Frame:

- 9 FY 02-03

ED-A.2 The City shall ensure the availability of resources required to develop and distribute high quality marketing materials for use by staff, Chamber of Commerce, commercial real estate brokers and local businesses to attract new businesses to Union City, in accordance with the Economic Development Strategic Marketing Plan.

Responsibility:

- 9 City Manager’s Office
- 9 Community Development Department

Time Frame:

- 9 FY 02-03

ED-A.3 The City shall ensure the availability of resources required to actively maintain and improve the City’s Internet web page to include key development opportunity sites and buildings available in Union City, in accordance with the Economic Development Strategic Marketing Plan; the use of Geographic Information System (GIS) technology shall be evaluated and if feasible, incorporated into the City’s Economic Development web page.

Responsibility:

- 9 City Manger’s Office
- 9 Community Development Department
- 9 Administrative Services Department (Management Information Systems)

Time Frame:

- 9 FY 02-03

B. STATION DISTRICT

The greater Station District is the community’s greatest opportunity for redevelopment of underutilized and vacant lands around the BART station. The District consists of three subareas that are delineated by rail tracks. The most northeasterly area is the interior of the existing Decoto Industrial Park and is bounded by the former Southern Pacific tracks to the southwest and single-family residences to the northeast.

This area is envisioned to support research and development campus (designated RDC). Many of the existing businesses have 30-year "longevity" agreements with the City Council. These agreements were developed based upon recommendations in the DIPSAs Specific Plan.

Several of the properties, however, are undeveloped or underutilized parcels. Twenty-four acres of vacant land are located directly adjacent to the former Southern Pacific rail line (also the current Capital Corridor/Amtrak line). Several other parcels in the area are underutilized. The Air Liquide operation located on a seven-acre site on Decoto Road at 7th Street is considering relocating and the site appears prime for private redevelopment.

The central area of the Station District is bounded by the former Southern Pacific rail line to the northeast and Union Pacific/BART tracks to the southwest. This area includes the PG&E site and the PSSC site. PG&E is interested in redeveloping their lands with more intensive uses. The PSSC property is proposed to redevelop with residential and research and development/light industrial/office uses. Any development on the PSSC property will be a negotiated between the City, property owners, and the appointed Federal court representative.

The lands on the southwest side of the BART station are known as the BART property (the BART parking lot) and the Litke property (the bowling alley and the auto repairs businesses), which total approximately 20 acres. Litke is interested in redeveloping his property with a multi-family residential project. BART is interested in intensifying development on their site and is willing to explore joint development opportunities.

The BART station, located at the center of the Station District, is targeted for expansion into a major regional transit hub. The site currently serves BART, AC Transit, Dumbarton Express, and Union City Transit. The proposed development of an intermodal facility includes passenger rail service and improved bus transfer facilities. Essentially, this area will become a transit hub that connects the East Bay to Silicon Valley and the Peninsula, which will, in turn, stimulate more intensive residential, employment, and commercial development in the surrounding neighborhood.

The new intermodal facility centered on the BART station will create market conditions that attract new residents and knowledge-intensive firms that want to be located within walking distance of regional transit, eating and drinking establishments, fitness centers, and other support services important to the "new economy."

In total, there are approximately 200 acres of lands in the greater Station District area. Approximately 150 acres are ripe for development or redevelopment over the twenty year life of the General Plan, including the vacant 24 acres in the Decoto Industrial Park, the PG&E, Air Liquide, PSSC, BART, and Litke properties.

Goal	To transform the Station District into a unique place that takes advantage of transit-oriented development opportunities.
ED-B.1	

Policies

- ED-B.1.1 The City shall encourage higher intensity development by allowing additional employment, commercial, and residential space to be developed and redeveloped within walking distance of the intermodal facility.
- ED-B.1.2 The City shall support creation of expandable structured parking near the intermodal facility in order to promote more intensive use of the station.
- ED-B.1.3 The City shall improve pedestrian and bicycle access (e.g., constructing a pedestrian overpass or underpass) to the intermodal facility and improve the traffic management and urban design of the properties surrounding the intermodal facility)
- ED-B.1.4 The City shall seek businesses that take advantage of public transit.

Goal	To take a proactive planned approach to the development and redevelopment of the Station District.
ED-B.2	

Policies

- ED-B.2.1 The City shall take a leadership role in guiding the development and redevelopment of the Station District, including the Decoto Industrial Park, the intermodal facility, and adjacent commercial and residential properties.
- ED-B.2.2 The City shall take a leadership role in transforming the Decoto Industrial Park into a light industrial business park in the area bounded by 7th Street, the Southern Pacific railroad tracks, Decoto Road and the proposed SR 84 right-of-way. The development of new housing immediately adjacent to the light industrial business park should be discouraged without the preparation of a design plan that takes into account appropriate buffering between such uses.

Goal	To attract business tenants and developers to invest and implement the City's economic development objectives.
ED-B.3	

Policies

- ED-B.3.1 The City shall identify and select developers willing to invest and implement the agreed upon vision presented in the General Plan and Economic Development Strategy.
- ED-B.3.2 The City shall invest its resources in a public/private partnership with developers to attract business to the Station District.

- ED-B.3.3 The City shall use business incentives (including redevelopment tax increment revenues) to achieve City objectives within the Station District.
- ED-B.3.4 The City shall identify Federal, State, local and other public funding sources to make required infrastructure and circulation improvements within the Station District.

Implementation Programs

- ED-B.1 The City shall use redevelopment tax increment revenues to improve pedestrian access to and from the intermodal facility. Other borrowing sources, such as municipal bonds, should be considered if tax increment revenues are insufficient. The following types of improvements should be funded:
 - a. Construction of a pedestrian connection with access to both sides of the BART tracks; and
 - b. Improved lighting, sidewalks, and pedestrian access ways to and from the intermodal facility.

Responsibility:

- 9 Community Redevelopment Agency
- 9 Community Development Department

Time Frame:

- 9 Ongoing

- ED-B.2 The City shall identify and aggressively seek external sources of public funding to finance infrastructure and circulation improvements including additional parking within the Station District.

Responsibility:

- 9 Community Redevelopment Agency
- 9 Community Development Department

Time Frame:

- 9 Ongoing

- ED-B.3 When appropriate, the City shall issue developer requests for proposals to implement General Plan objectives for the Station District. Appropriate tax increment revenues shall be used to help ensure that implementation is financially feasible.

Responsibility:

- 9 Community Redevelopment Agency
- 9 Community Development Department

Time Frame:

- 9 As needed

C. CENTRAL TECHNOLOGY CENTER AND ALVARADO TECHNOLOGY CENTER

The Central Technology Center, otherwise known as the Central Bay Industrial Park, covers 320 acres which are mostly built out and occupied by a mix of light industrial, food processing, warehouse, and high technology firms. The Central Technology Center is the busiest and most employment-intensive business park in Union City. A few small sites are available for infill development. Tenant turnover creates opportunities for property upgrades and building reuse.

The Alvarado Technology Center, located in the northwest part of Union City, is the second largest business park. Most of the current uses at this site consist of light industrial and warehousing. Most of the nearly 214-acre area is built out, with only 16 acres that are considered vacant or underutilized. Similar to the Central Technology Center, this area represents one of the City’s best opportunities for conversion to employment-intensive uses such as research and development.

One of Union City's long-term economic development challenges is to manage the transformation of these areas into true technology centers with expanded buyer and supplier linkages to Silicon Valley firms. Firms that supply San Mateo and Santa Clara County technology companies are primary targets to attract to Union City. The transformation of these areas into true technology centers requires retrofitting entire business centers, not just individual buildings. The development of a range of support services such as cafes, restaurants, and health clubs should enhance the success of the Central Technology Center and Alvarado Technology Center.



Crossroads Technology Park at Whipple Road and Union City Boulevard

Goal	To actively attract new business establishments to the Central
ED-C.1	Technology Center and the Alvarado Technology Center with a focus on Silicon Valley firms seeking lower land costs.

Policies

ED-C.1.1 The City shall seek to attract firms to the Central Technology Center and the Alvarado Technology Center and not rely solely on the efforts of private real estate brokers. Instead, the City should adopt a proactive effort to market vacant parcels and available buildings to the types of firms that meet local economic development objectives.

ED-C.1.2 The City shall develop and maintain a database of warehouse and light industrial buildings available for reuse and redevelopment.

ED-C.1.3 The City should encourage additional business support services to be developed within the Central Technology Center and the Alvarado Technology Center such as food-oriented retail services, childcare services, and health clubs. Business support services should be clustered strategically within the technology centers.



New industrial space in Central Bay Technology Center

Goal	To support the conversion of warehouses to light industrial, research and development, or other higher-intensity employment uses.
ED-C.2	

Policies

ED-C.2.1 The City shall promote the conversion of warehouse buildings into more employment-intensive light industrial and research and development facilities.

ED-C.2.2 The City shall work with property owners and businesses to devise solutions to parking problems caused by warehouse conversion into more employment-intensive uses. Allowance for offsite parking, shared parking, and increased transit services should be considered.

ED-C.2.3 The City shall establish express transit connections from the Central Technology Park and the Alvarado Technology Center to the intermodal facility.

Goal	To develop a business incubator facility that can accommodate technology industry start-ups and better link Union City to Silicon Valley.
ED-C.3	

Policies

ED-C.3.1 The City shall prepare a business incubator feasibility study.

ED-C.3.2 The City shall identify a site within the Central Technology Center where an existing facility could be purchased and retrofitted, or where a build-to-suit incubator could be constructed.

Implementation Programs

ED-C.1 The City shall review and make appropriate zoning and permit requirement changes as they apply to the Central Technology Center and Alvarado Technology Center regarding the development of flex space along with additional business support services. This includes the allowance of building conversion for additional support services such as food oriented retail, health, childcare, and others.

Responsibility:

9 Community Development Department

Time Frame:

9 FY 02-03

ED-C.2 The City shall study the feasibility of warehouse conversion. A warehouse-building owner within the Central Technology Center or Alvarado Technology Center could be identified to offer his/her facility for a study prototype, and the City should study the feasibility of converting the facility to light industrial or other employment-intensive uses. The results should be marketed to potential investors.

Responsibility:

9 Community Development Department

9 Economic Development Coordinator

Time Frame:

9 FY 02-03

ED-C.3 The City shall continue to collect data on available industrial properties. The data shall be supplemented by an inventory of warehouse buildings that could be made available and potentially converted or demolished to make way for higher intensity employment uses.

Responsibility:

9 Economic Development Department

Time Frame:

9 FY 02-03

ED-C.4 The City shall study and recommend solutions for parking problems caused by warehouse conversion to more employment-intensive uses. Allowance for off-site parking, shared parking, and increased transit services should be considered.

Responsibility:

9 Community Development Department

9 Economic Development Coordinator

Time Frame:

9 FY 02-03

ED-C.5 The City shall prepare a business incubator study. The study should include the identification of possible sites, tenant prospects, a management plan, and financial feasibility analysis. The study should also explore potential collaborations with the neighboring cities of Hayward, Fremont, and Newark since the facility will likely need public subsidies. The study should also identify potential private sector investment partners who can help develop and manage the incubator facility.

Responsibility:

9 Economic Development Department

Time Frame:

9 FY 02-03

ED-C.6 The City shall make it the responsibility of the City’s economic development coordinator to attract new business and ensure the full build-out of the Central Technology Center and Alvarado Technology Center.

Responsibility:

9 Economic Development Department

Time Frame:

9 Ongoing

D. UNION LANDING

The development of Union Landing adjacent to Interstate 880 puts Union City on the regional retail map. Currently (February 2001), the 104-acre site has yet to be fully built out with approximately 75 percent that has been developed. The existing commercial uses are anchored by a 25-screen Century Theater complex, a 150,000 square foot Wal-Mart store, and a 66,000 square foot Albertson's supermarket. The properties with direct access to the I-880 freeway will soon accommodate a new Lowes and Best Buy, which will transform Union Landing into a power center with multiple anchor tenants. The economic development challenge for this area involves managing the full build-out and ensuring that the area remains competitive as a regional retail destination.



Century 25 Theater in Union Landing

Goal	To ensure the full build out of Union Landing to include a mix of
ED-D.1	businesses.

Policies

ED-D.1.1 The City shall continue to attract business to Union Landing's available properties.

ED-D.1.2 The City may include some non-retail business in the mix for Union Landing. For example, a multiple-story office building may fit well with existing retailers, and provide retailers with an additional pool of daytime retail shoppers.

Goal	To ensure that Union Landing remains a retail destination that is
ED-D.2	competitive in the regional market place.

Policies

ED-D.2.1 The City shall use available resources to increase developer fees and tax increment revenues to finance infrastructure, urban design, parking, traffic management, and pedestrian flow improvements to Union Landing. Ongoing investment in the facilities and infrastructure will be needed to ensure that the area adapts to changing market conditions and remains attractive as a regional retail destination.

ED-D.2.2 The City shall target sub-regional commercial uses as opposed to community retail uses in Union Landing.

ED-D.2.3 The City shall actively seek to attract sales tax-generating uses to Union Landing.

ED-D.2.4 The City shall establish express transit connections from Union Landing to the intermodal facility.

Implementation Programs

ED-D.1 The City shall make it the responsibility of the City's economic development coordinator to attract new business and ensure the full build-out of Union Landing.

Responsibility:

9 Economic Development Department

Time Frame:

9 Ongoing

ED-D.2 The City shall continue to negotiate with property owners and tenants for parking, urban design, and circulation improvements to ensure that Union Landing changes over time in order to remain competitive.

Responsibility:

9 Community Development Department

9 Public Works Department

Time Frame:

9 Ongoing

E. INTERNATIONAL MARKET PLACE

Located at the intersection of Alvarado Boulevard and Dyer Street are four community and neighborhood shopping centers commonly known as the Four Corners. The area is anchored by the International Market, Rite Aid, Fremont Bank, three service stations, two free-standing fast food restaurants, and about a dozen Asian restaurants and specialty stores.

The economic development goal for this area is to transform Four Corners into the International Market Place, which will take advantage of Union City's ethnic diversity. A successful transformation of this area will require a substantial amount of new private and public investment.

Goal ED-E.1	To expand private investment to develop additional retail space at the International Market Place.
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Policies

- ED-E.1.1 The City shall promote more intensive development of the four neighborhood shopping centers to transform them into the International Market Place.
- ED-E.1.2 The City shall seek existing property owners and/or a private developer as a partner to redevelop the area and build additional retail space.
- ED-E.1.3 The City shall initiate an effort to improve the urban design and signage that will connect the four neighborhood shopping centers as the International Market Place.
- ED-E.1.4 The City shall improve the off-site infrastructure and circulation systems providing access to and from the International Market Place.
- ED-E.1.5 The City shall consider using Redevelopment Agency funds, when necessary, in order to stimulate private investment.

Goal ED-E.2	To attract international food and other new retailers to the International Market Place so that consumers from throughout the region will shop in the area.
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Policies

- ED-E.2.1 The City shall promote and guide the development and redevelopment of the International Market Place.
- ED-E.2.2 The City shall make it the responsibility of the City's economic development coordinator to attract ethnic-oriented anchor stores and other



International Market at Four Corners

complementary tenants to the International Market Place.

ED-E.2.3 The City shall ensure that parking and zoning regulations guiding the redevelopment of the International Market Place will enhance a developer's ability to create additional retail space.

ED-E.2.4 The City shall establish express transit connections from the International Market Place to the intermodal facility.

Implementation Programs

ED-E.1 The City shall issue a request for proposal for a developer to reconfigure and add retail space to the International Market Place.

Responsibility:

9 Community Development Department

9 City Manager's Office

Time Frame:

9 FY 02-03

ED-E.2 The City shall study ways to develop more intensively the International Market Place. The study should address ways to mitigate problems associated with more intensive development.

Responsibility:

9 Community Development Department

9 City Manager's Office

Time Frame:

9 FY 02-03

ED-E.3 The City shall study ways to improve transit connections to the intermodal facility from within Union City and the region.

Responsibility:

9 Community Development Department

9 Union City Transit

9 Public Works Department

Time Frame:

9 FY 02-03

ED-E.4 The City shall strive to attract ethnic-oriented anchor stores and other complementary tenants to the International Market Place.

Responsibility:

9 Economic Development Coordinator

Time Frame:

9 Ongoing

F. MISSION BOULEVARD

The area along Mission Boulevard between Decoto Road and the Hayward city boundary is a key entryway corridor for Union City. The corridor is characterized by poorly maintained, underutilized commercial buildings, a trailer park, and scattered housing sites. It is the City's intention to transform this corridor so that it becomes a visibly distinctive gateway into Union City from Hayward.

Goal	To upgrade the appearance and economic vitality of Mission Boulevard
ED-F.1	between the Hayward boundary and Decoto Road.

Policies

- ED-F.1.1 If necessary, the City shall use eminent domain powers to implement an upgrade of this area.
- ED-F.1.2 The City should ensure completion of the Redevelopment Plan update process that is currently underway.

Implementation Programs

- ED-F.1 The City shall prepare an implementation plan that would prioritize and set a schedule for the public improvements identified in the Redevelopment Plan. The implementation plan would also identify any public/private partnerships that are key to the revitalization effort.

Responsibility:

- 9 Community Development Department
- 9 Community Redevelopment Agency

Time Frame:

- 9 FY 02-03

