



# Eden Shores Industrial Park

City of Hayward Planning Commission • July 23, 2015

Shea Properties®

# J.F. Shea Companies

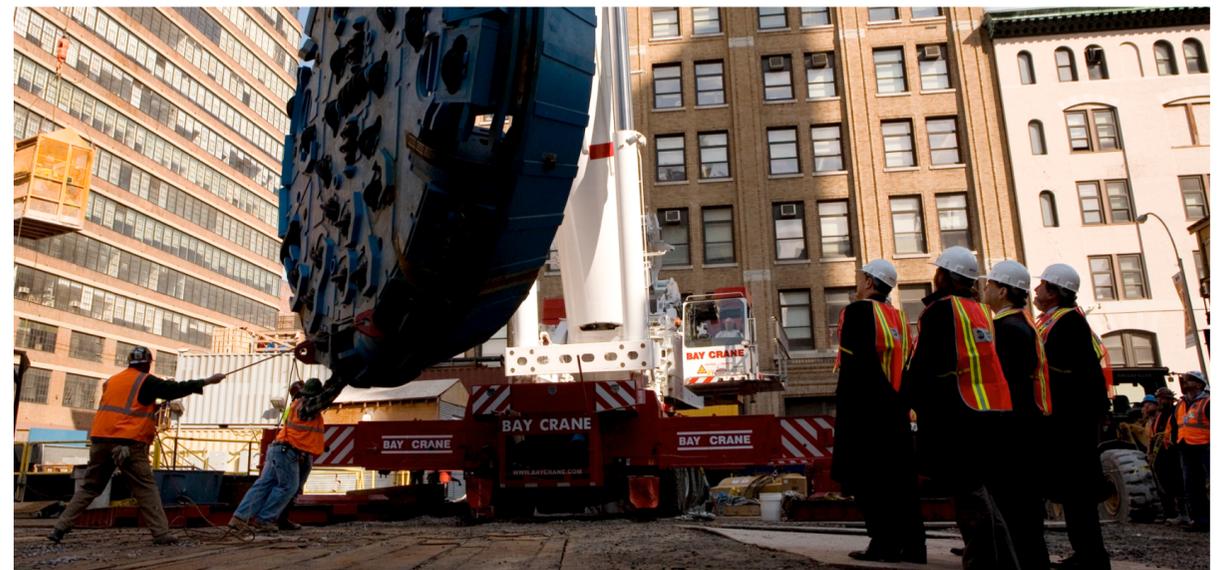
Caring Since 1881

## Milestone projects include:

- Hoover Dam
- Golden Gate Bridge
- Oakland Bay Bridge
- Bay Area Rapid Transit
- NY City Subway

## Divisions include:

- J.F. Shea Heavy Construction
- Venture Capital
- Shea Homes
- Shea Properties



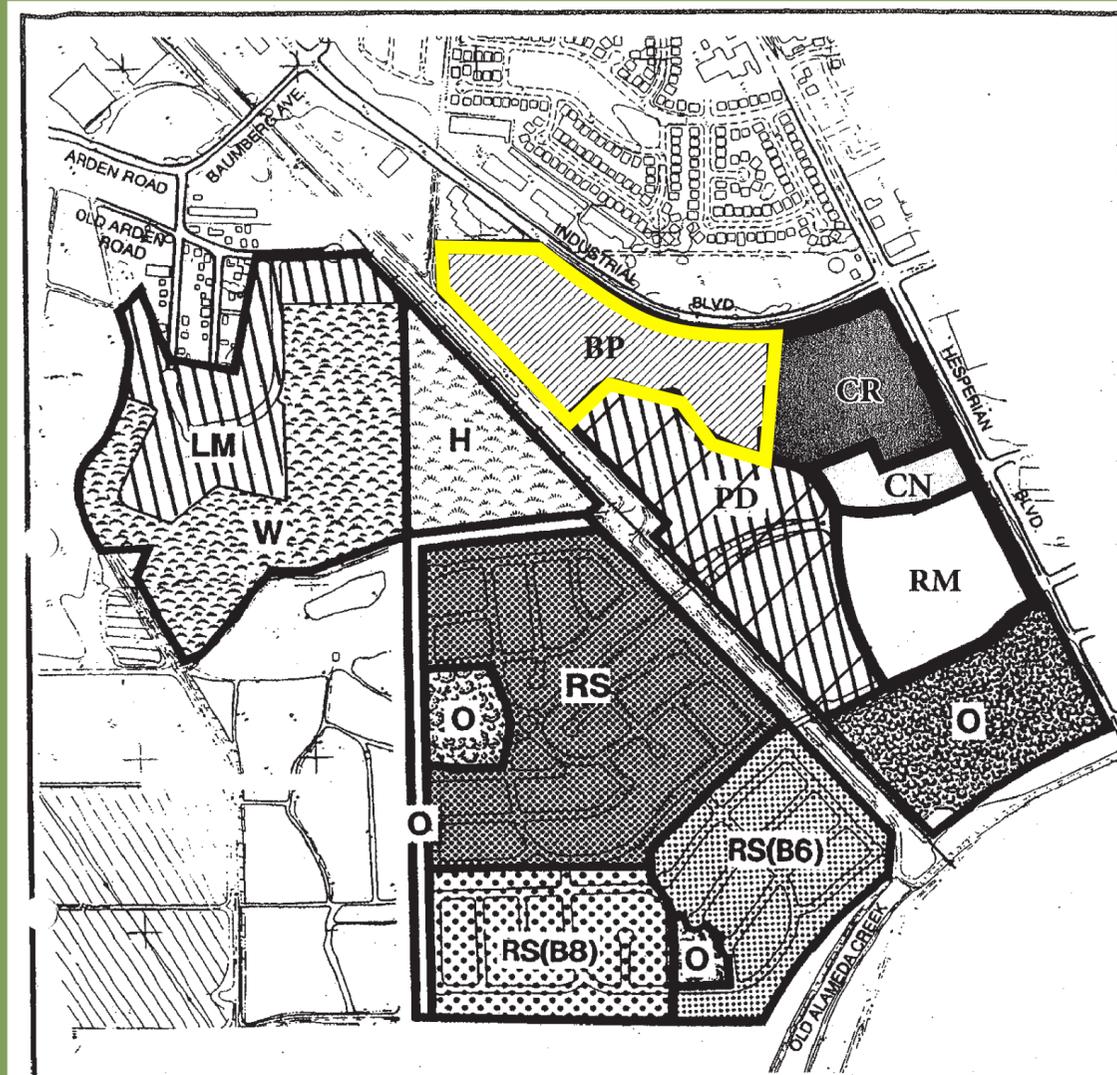
# Shea Properties

- Acquires, designs, develops, constructs and manages shopping centers, apartment communities, and business parks.
- Views its portfolio of assets as long-term holds.
- Stabilized portfolio includes:
  - 6,500 apartment units
  - 1.6 million square feet of retail
  - 1.1 million square feet of office
  - 2.4 million square feet of industrial
- Currently, Shea Properties has more than \$1 billion in active projects underway.





- 14.6 Acres



- Industrial Corridor Land Use
- Business Park Zoning

# What Changed?

## The Economy

- Recession hit in 2008

## Land Use Trends

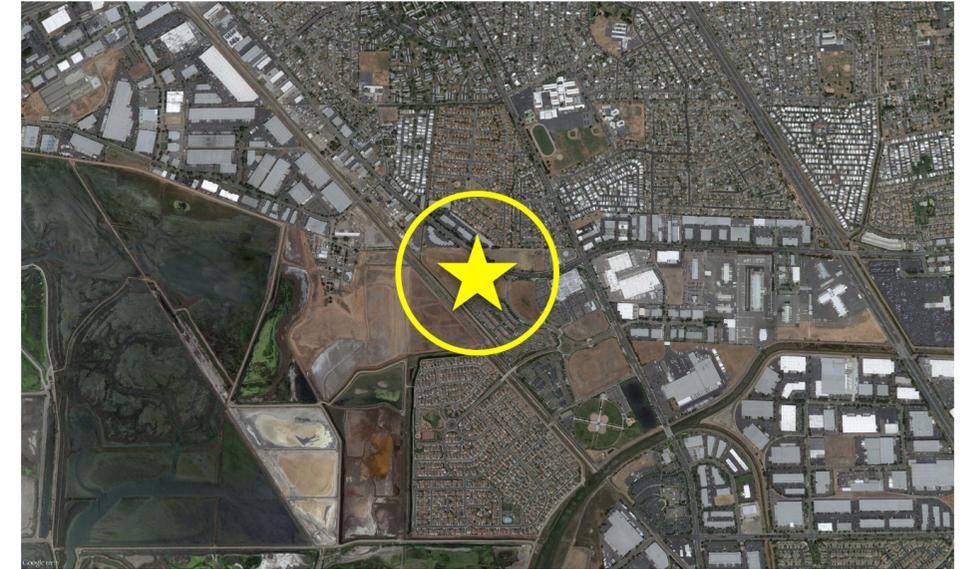
- Increased residential in City Center
- “Flight to Quality” consolidated office market
- Industrial pushed to outer markets

## Office Trends

- Less than 50% of office workforce needs to be at their desk
- Increase in open/collaborative space, trending at 60%
- Reduction of space per employee

## Market Demand

- Office trends have resulted in increased intensity in priority markets
- R&D/Office absorption is roughly 18,408 SF over the past 3 years
- Absorption of 370,000 SF of new office is uncertain



## HAYWARD OFFICE VACANCY

23%

Q4 2014

Inventory      3.5M SF

Available      815,000 SF

Absorption      18,408 SF

(over the past 3 years)

# Hayward Market Demand

## Inventory (Q2 2015):

- Industrial 16.6 MSF

## Vacancy Rates (Q2 2015):

- Industrial 2.1%

## Net Absorption (Q2 2015):

- Industrial 31,571 MSF

Positive indicators are present for continued growth in Industrial developments

## INDUSTRIAL MARKET INDICATORS

	Q2 2015	Q3 2015*
Vacancy	↓	↓
Rental Rate	↑	↑
Net Absorption	↑	↑
Construction	↑	↑

\* Projected



# Market Demand

	EMPLOYER	EMPLOYEES	SF
1	Fremont Manufacturing Company	200-250	150-200,000
2	Food Production/Distribution	100-150	100-150,000
3	Milpitas Manufacturing Company	200-300	100-150,000
4	Plastic Manufacturing Company	150-200	100-125,000
5	East Bay Ceramics	125-150	80-100,000
6	Seat Manufacturing	100-125	80-100,000
7	Food Preparation-Chicago Based	60-75	40-50,000
8	Food Preparation-UK Based	60-75	40-50,000



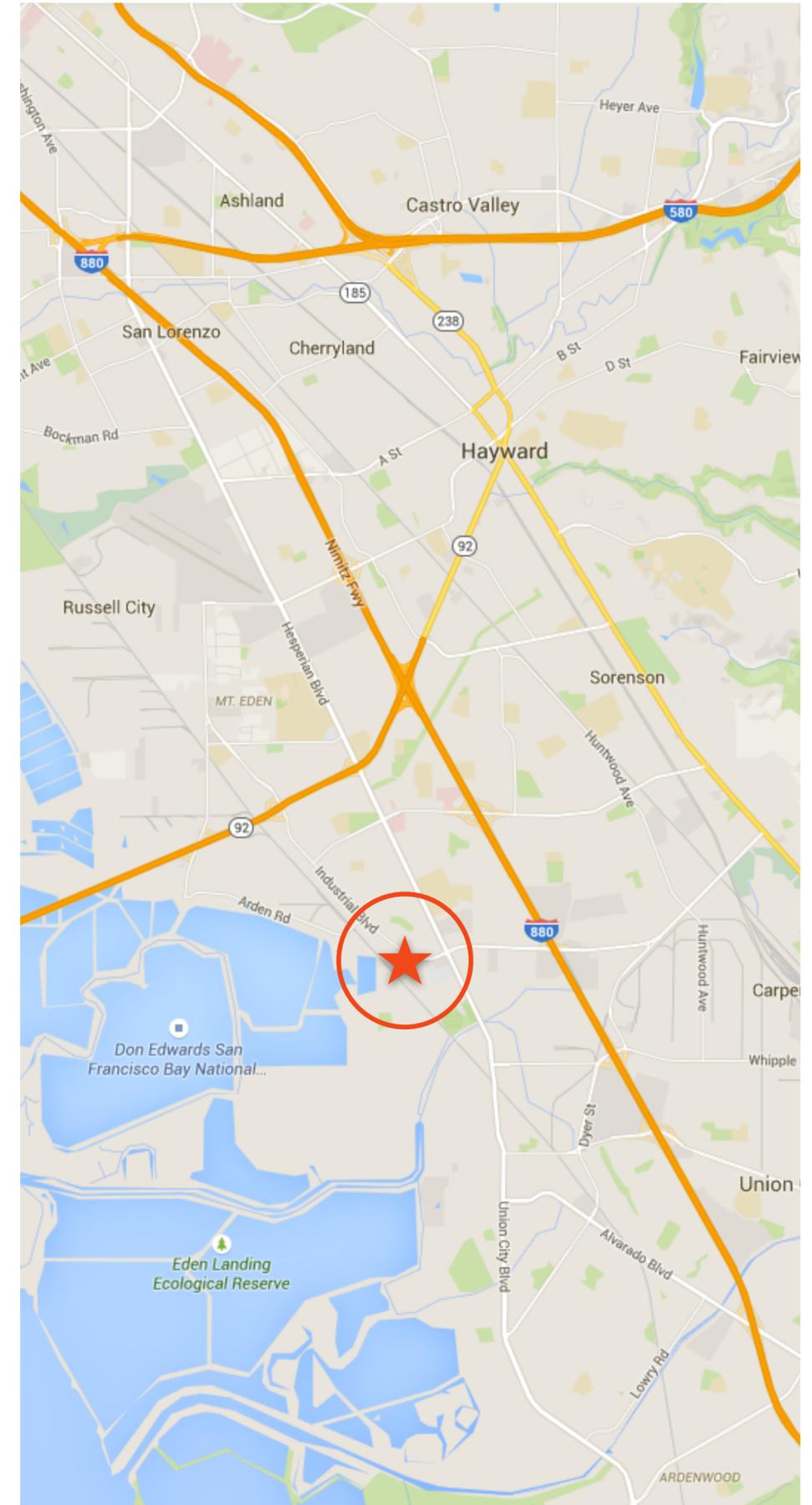
# Market Competitiveness

## Site is well positioned

- Access to major infrastructure
- Good visibility
- Moderate size vacant lot

## State-of-the-art buildings

- New construction
- Built to today's standards



# Goals and Objectives

- Near term development
- Class A light industrial
- Job creation
- Opportunity for Point of Sale/Revenue Source
- Completing the Master Plan



# Proposed Plan Overview



# Proposed Plan Overview



## PROJECT DATA

Site Area	14.63 Acres 637,433 SF
Building Area	274,998 SF*
Parking	556 Stalls 2/1,000SF

\*SF figure assumes mezzanine



# Project Exteriors



Project Exteriors



Project Exteriors



Project Exteriors