

# Council Economic Development Committee

Regular Meeting

April 2, 2018

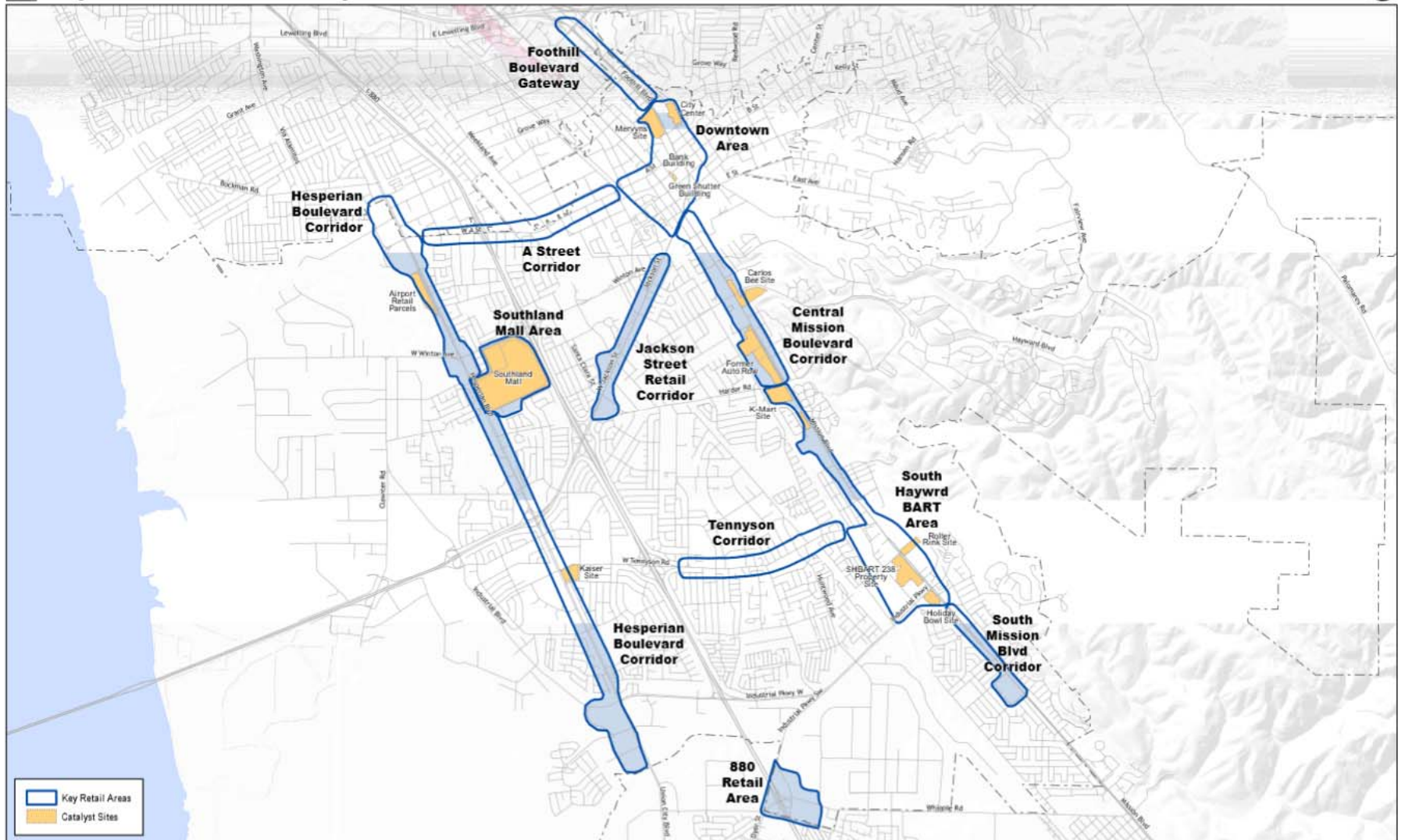


Approval of March 5, 2018  
Regular Meeting Minutes

Preliminary Concept Review –  
United Growth Drive-thru – 2429 Whipple Road



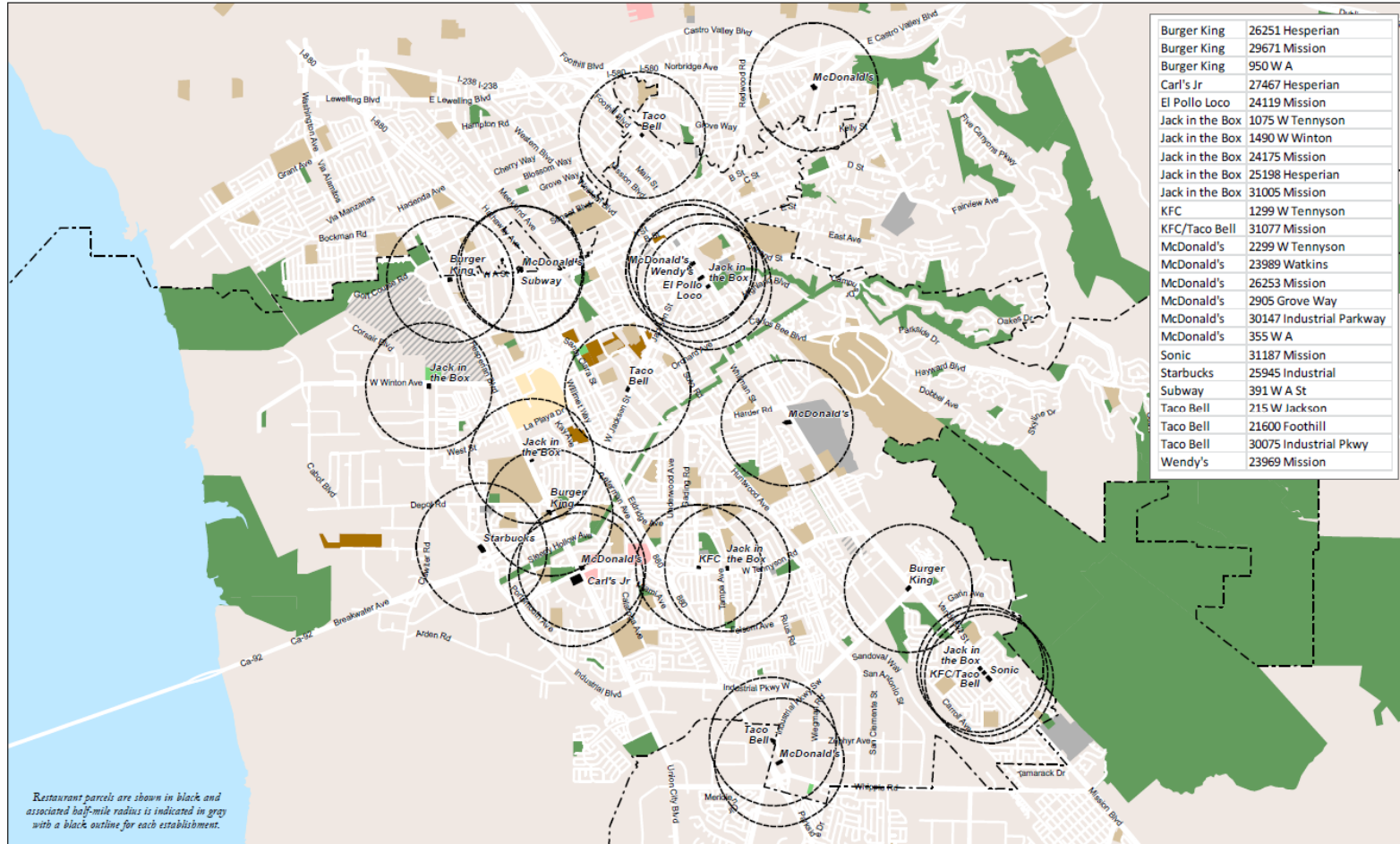
## Key Retail Areas & Catalyst Sites







## Drive-Thru Restaurants with Half-Mile Radiuses



Burger King	26251 Hesperian
Burger King	29671 Mission
Burger King	950 W A
Carl's Jr	27467 Hesperian
El Pollo Loco	24119 Mission
Jack in the Box	1075 W Tennyson
Jack in the Box	1490 W Winton
Jack in the Box	24175 Mission
Jack in the Box	25198 Hesperian
Jack in the Box	31005 Mission
KFC	1299 W Tennyson
KFC/Taco Bell	31077 Mission
McDonald's	2299 W Tennyson
McDonald's	23989 Watkins
McDonald's	26253 Mission
McDonald's	2905 Grove Way
McDonald's	30147 Industrial Parkway
McDonald's	355 W A
Sonic	31187 Mission
Starbucks	25945 Industrial
Subway	391 W A St
Taco Bell	215 W Jackson
Taco Bell	21600 Foothill
Taco Bell	30075 Industrial Pkwy
Wendy's	23969 Mission

August, 2015



# City of Hayward, CA Whipple & Weigmen Rd

## CEDC Mtg

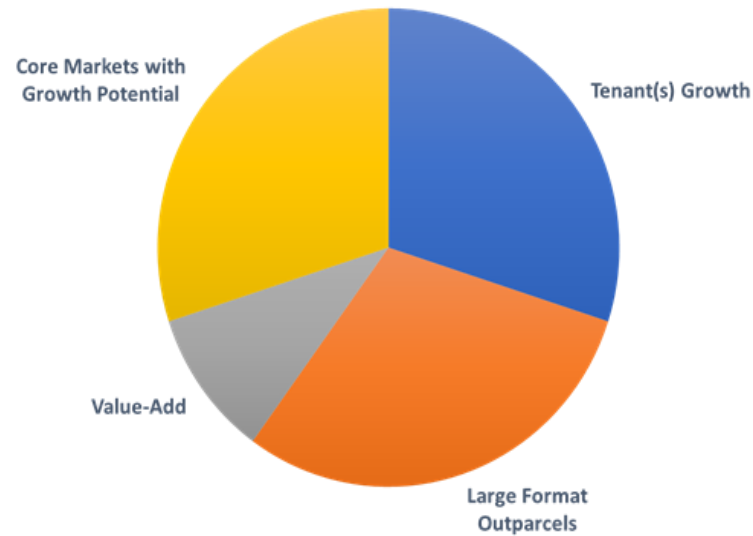
Carmelita Botelho

*VP of Acquisitions*

April 2, 2018

# Who is **UG** UNITED GROWTH

- ▶ National Retail Developer / Asset Management Firm
- ▶ Focus on quality / First Class Retail
- ▶ Diverse Investment Strategy



# UG Tenants

## ► Various Categories

- Grocery
- Banking/Financial
- Medical
- Retail
- Beverage/Food
- Services



Bank of America.



AspenDental



**HOBBY LOBBY**  
Super Savings, Super Selection!™



petco





# Large Format



# Multi-Tenant







# Redevelopment/Repurposing



BEFORE

AFTER





# Single Tenant











# UG Site History

- ▶ LBA brought to UG 2013 based upon our expertise
- ▶ Offering was for 3,500 s.f. drive through building
- ▶ Filling a need in the area with convenient food/beverage and/or service option for local employees in the Industrial area.
- ▶ It is an extension to the existing shopping center.
- ▶ Met with City of Hayward / denied based upon current zoning regulations
- ▶ 4+ years
- ▶ Initially Habit Burger no drive through
- ▶ Marketed to non-drive through uses only







# Unique Site Attributes

- ▶ Close proximity to a State highway(s)
- ▶ Major commuter corridor(s)
- ▶ Synergy (Retail/Daytime)
- ▶ Signalized intersection
- ▶ Visibility/Accessibility
- ▶ Fulfilling community services/needs
- ▶ Suitable Uses
- ▶ Beneficial site layout/parcel size

# Challenges

- ▶ Current City of Hayward Zoning Regulations
- ▶ Habit Burger discontinued growth on all non-drive through locations
- ▶ Only interested retailers/restaurants require drive-through
- ▶ Non-drive through were not favorable uses
- ▶ Market rate rents call for high volume sales

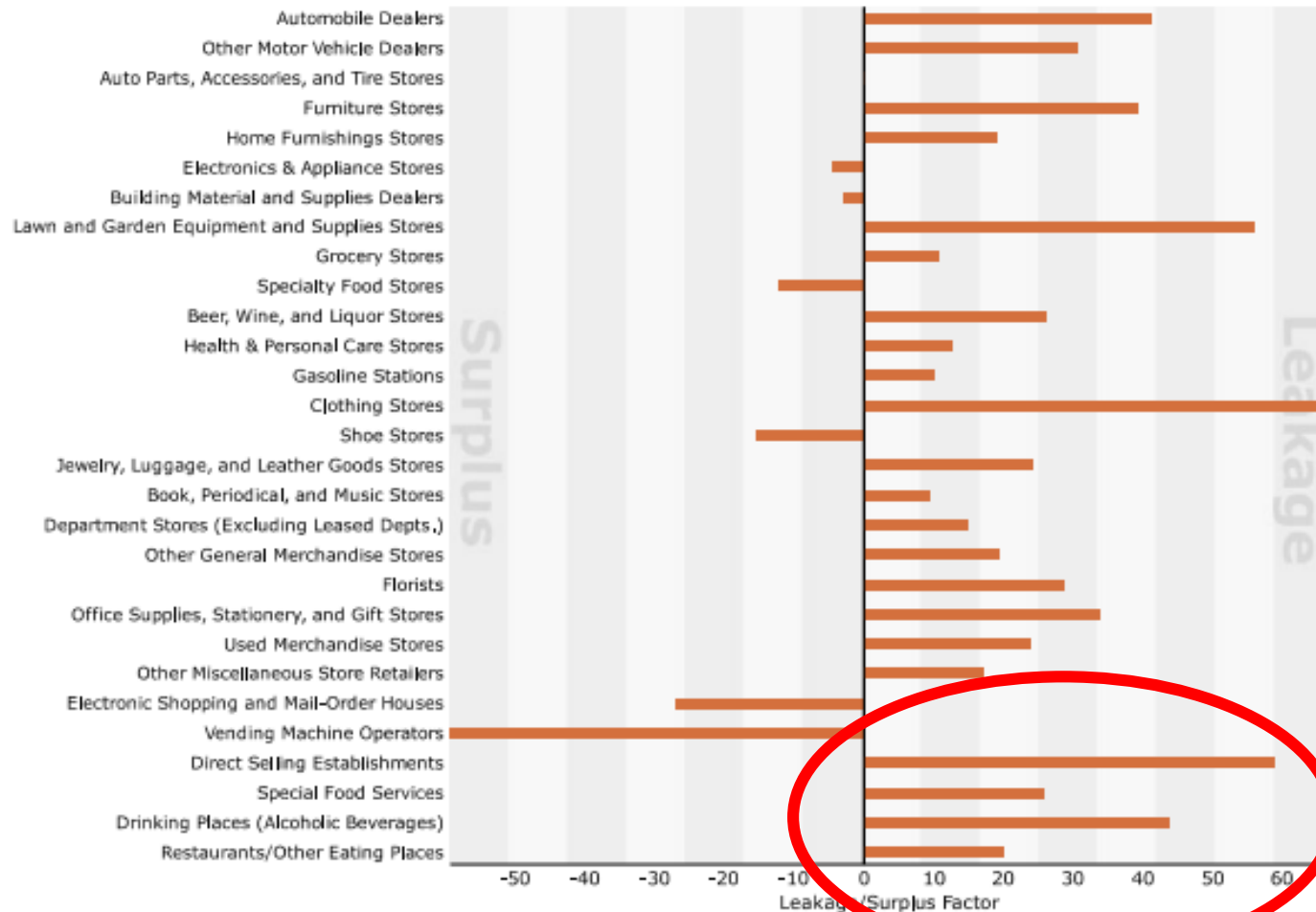
# Drive-through Benefits

- ▶ QSRs: Industry Reports
  - ▶ 70% coming through drive-through versus counter
  - ▶ 30% additional sales driven by drive-throughs
  - ▶ Convenience for commuter customers
  - ▶ Less impact on parking field
  - ▶ Less impact on traffic congestion
- ▶ Drive-thru minimizes parking requirements while serving a bigger population, which is a more efficient way of development.
- ▶ Since Drive-thru creates a greater revenue for developers than standard sit-down restaurants, it justifies the cost of developing this parcel, which in turn expedites generating tax revenue to the City, adding employment opportunities, addressing this prominent corner parcel aesthetically which is currently barren by adding new improvements and landscaping which in turn improves streetscape.
- ▶ Short term and long term employment opportunities
- ▶ Sales tax revenue
- ▶ Missing categories in the City of Hayward (Leakage)
- ▶ Services needed in the community



# 2018 - 5 Mile Radius Retail Marketplace Profile by Esri

Leakage/Surplus Factor by Industry Group

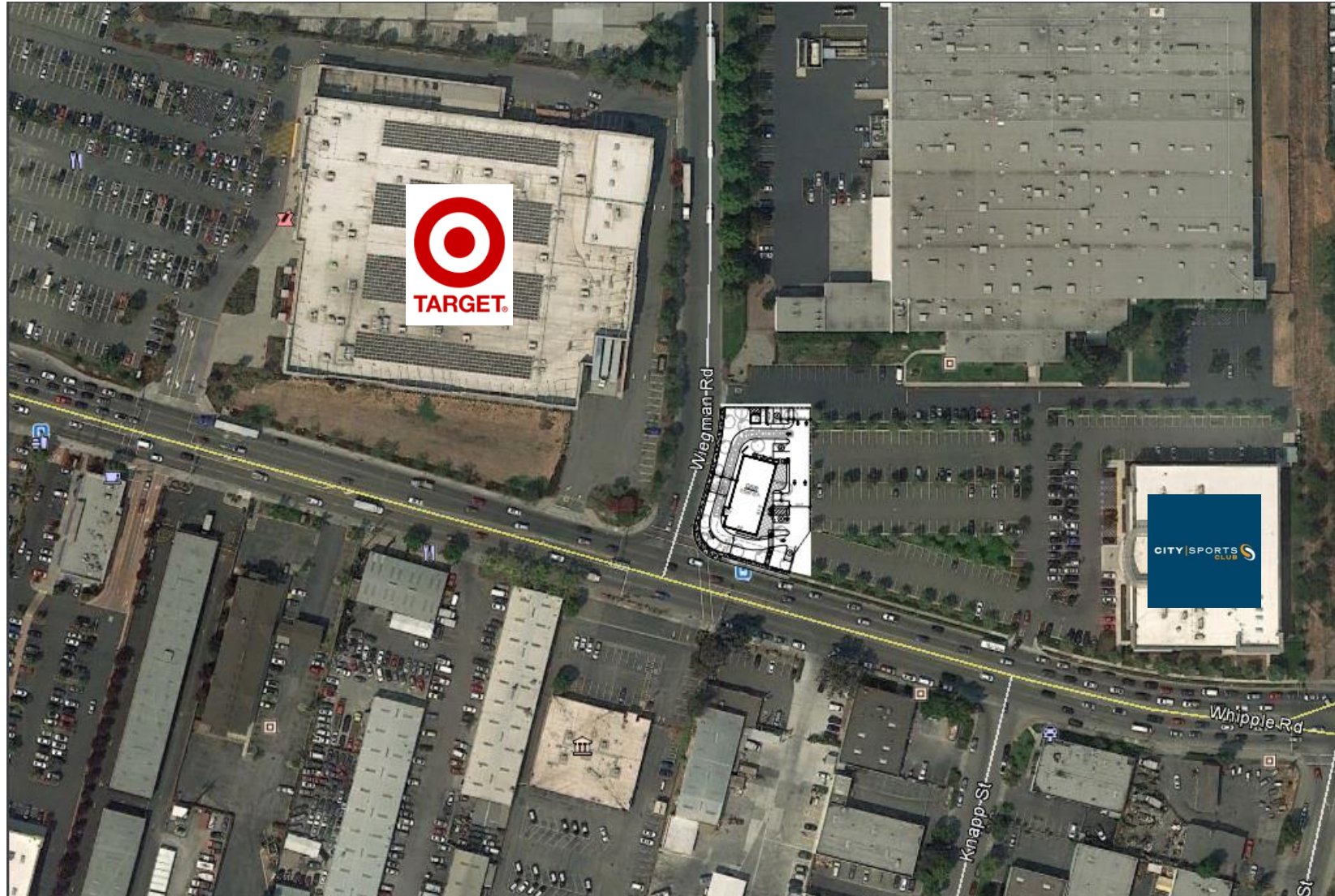


# 2018 - Void Analysis & Prospective tenant interest

## ▶ Restaurants with drive-through

- ▶ El Pollo Loco
- ▶ Panera Bread
- ▶ Raisin Cane's
- ▶ Amy's Kitchen
- ▶ Sonic Burger
- ▶ Habit Burger Grill
- ▶ Dunkin' Donuts
- ▶ Peet's
- ▶ The Coffee Bean & Tea
- ▶ Arby's
- ▶ Dairy Queen
- ▶ Steak N Shake
- ▶ Chick-fil-A
- ▶ Sam's (San Leandro & San Lorenzo)
- ▶ Bowinkle's
- ▶ Falafel's Drive Inn
- ▶ A&W
- ▶ Baldo's Original Mexican
- ▶ Portillo's
- ▶ Tropical Smoothie Café
- ▶ Surf City Squeeze

# Preliminary Site Plan





# Preliminary Site Plan





# Elevations



# Questions and Answers

## Future Meeting Topics



Adjourn