

McClellan Military Base Conversion Project

Mather/McClellan-Watt Merged Project Area

Developer: McClellan Business Park, LLC

Barriers to Development

- ❑ Many outdated buildings
- ❑ Obsolete infrastructure
- ❑ Designed for military, not commercial uses
- ❑ Insufficient financing capacity to fund initial infrastructure

Redevelopment Tools

- ✘ Public developer role
- ✘ Funding for basic backbone infrastructure
- ✘ Financial leverage
- ✘ Affordable housing



Before Redevelopment



After Redevelopment

¹ Project Impact	With Redevelopment
Permanent Jobs to 2023	Increased from 10,500 base jobs to 30,000 after conversion
Construction Jobs (for capital improvements)	3,656
Affordable Housing units to 2023	5,000
Commercial square footage to 2023	16,744,162
² Public Investment to 2002	\$18.9 million
³ Private Investment to 2002	\$54.1 million
Property taxes over life of project area	\$836 million
⁴ Economic benefit during construction to 10/02	\$744,333,210
⁵ Annual Economic Impact 2003	\$92,052,471

Project Benefits

- ☛ ⁶At build out annual economic impact will exceed by \$1 billion the economic impact of McClellan as a military base
- ☛ Restored jobs and revenues lost due to base closures
- ☛ Provided early infrastructure development critical for fast lease-up and tax increment growth
- ☛ Attracted private investment
- ☛ Established strong local government partnership to coordinate public resources
- ☛ Stimulated economic development in adjacent areas
- ☛ Provided transitional and permanent housing to assist homeless
- ☛ Leveraged \$10 million in State financing for infrastructure improvements
- ☛ Created integrated land use pattern to optimize existing AFB assets.

¹ Development of the project is expected to span 20 years. Projections to 2023

² McClellan Park and Key Adjacent Interfaces Investment strategy, 10/02

³ ibid.

⁴ Estimated economic activity resulting from capital improvement construction up to 2002

⁵ Estimated annual contribution to gross regional product based on permanent jobs as of March, 2003

⁶ Economic impact refers to estimated annual contribution to gross regional product based on permanent jobs on base and after base conversion.