

**SPECIAL CITY COUNCIL
CLOSED SESSION
MONDAY, AUGUST 3, 2020**

**DOCUMENTS RECEIVED
AFTER PUBLISHED AGENDA**

ITEM #1

Conference with Property Negotiators

**Under Negotiation: Caltrans Parcel Group 6:
Carlos Bee Boulevard and Overlook Avenue;
APN: 455-0180-001-00**

PUBLIC COMMENT

From: Sherman Lewis **On Behalf Of** Sherman Lewis

Sent: Friday, July 31, 2020 7:59 AM

To: Jennifer Ott <Jennifer.Ott@hayward-ca.gov>

Cc: Monica Davis <Monica.Davis@hayward-ca.gov>; List-Mayor-Council <List-Mayor-Council@hayward-ca.gov>;

Joy Rowan; Bruce Barrett

Subject: Re: PG 6 quarry

Thanks for email.

I hope Council will select a developer willing to do market research and study risk reduction.

The only developer who talked to me was Joe Guerra, who studied Bayview and was open-minded.

It may be hard for developers to understand the City's two different ideas for a project, which exist I think because the city is actually open to new ideas of any kind, from parking to Bayview. Developers largely lack imagination since it is so hard to build anything; they know what works and what city's want but are not creative. They can see less car dependency in the old urban core but not in the high-traffic Hayward downtown - CSU corridor with similar potential.

Sherman Lewis

Professor Emeritus, Cal State Hayward

On 7/30/2020 10:30 AM, Jennifer Ott wrote:

Hello Sherman:

Thanks for the email – I wanted to let you know that we are going to a closed session of City Council on Monday, 8/3 for direction on a preferred developer from the RFQ process for Parcel Group 6. Once we have clear direction, I will reach out to you to set up a time for us to talk so we can brief you and discuss our next steps further.

Stay tuned . . .

Jen

Jennifer Ott

Deputy City Manager

City of Hayward

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510-583-4302 (office)

From: Sherman Lewis **On Behalf Of** Sherman Lewis **Sent:** Tuesday, July 28, 2020 5:24 PM

To: List-Mayor-Council <List-Mayor-Council@hayward-ca.gov>

Cc: Joy Rowan; Bruce Barrett

Subject: PG 6 quarry

I tried to use the comment box on the City site but realized when it said -~~2299~~ of 500 characters remaining that it was not going to work.

Brookfield Residential (Joe Guerra) has the resources to see if Bayview would be financially viable based on marketing to its primary and related aspects with market appeal. If the City does not require innovative market research on Bayview, we will never know.

The City should look for a developer who will explore proposed risk reductions that would minimize or avoid any loss. The City should be more explicit about the differences between the PG6 Master Plan and Bayview, and push harder to get more attention for Bayview. The City is clearly on record as wanting two different proposals--car-oriented and Bayview--which conflict on unit count, street grid, affordability, sustainability, mode, central park, trail, parks, HOA assets, community building, café, and probably more. The arguments against student quads is compelling and not part of Bayview. Bayview would serve off-campus low-income students better, just as City View does. I have report based on surveying ASI directors that clarifies the issues; there are two student markets.

The City seems committed to making money more than sustainability, but there are some little things you could do to tweak the proposal of a qualified developer.

We don't know enough about viability. Should we assume that Bayview won't work because we lack good evidence on absorption? Or should we support Bayview because there is no evidence that Bayview is not viable? We think there should be investment in market research and use of risk reduction to test the market. We can't know for sure but at this point we know nothing. Specific research has been proposed and with a little imagination we could ask some good questions.

Bayview however, has a unique market requiring an unusual approach, particularly the low pricing point for the identical interior unit. My research on this involved two competing site plans with a central park and two with a more functional park plan ("For a more likeable city, it all comes down to the micro-details" on W H Whyte. <https://www.jstor.org/stable/26816292?seq=1>)

I estimated costs for Bayview and for wide streets. Both had identical interiors, with the wide streets having streets wide enough for parking, bigger building footprints, costs for paving and parking underneath, and fewer units. Construction costs used the same estimator--it was the relative difference that mattered not the exact price. Bayview would have similar or more profitability given comparable absorption, but the real question was if the lower price would get attention from buyers used to seeing much high prices--is there a latent market that can't afford a car-house and is stretched to pay for a car? Is there a market which sees Bayview working for them and frees up money for other things they can get otherwise? There also appeal from sustainability, health and safety, the HOA assets and design? Is Bayview an iPhone?

Getting attention is step one, and step two in the research is to reach the four main markets and ancillary markets to get them to think about modified and transitional car use (not no parking, that oversimplifies) based on their travel time budgets. Developers just don't do this, so I don't have much hope.

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Sherman Lewis
Professor Emeritus, Cal State Hayward
President, Hayward Area Planning Association