

# Bayview Village

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## 1. Project Summary

*“Traditional residential planning practices force Americans to own and rely on their cars, to consume electricity and natural gas at unsustainable levels, and to live in isolation and fear of break-ins. The design of community itself has to change, if Americans can ever break free of these limitations and embrace a better way of living...”*

—David Jacobson, Bay Area Development Consultant

**Introduction:** Bayview Village is a large real estate development proposed in the San Francisco East Bay foothills: It is designed to meet six complementary goals:

- Affordable attached housing: all units under HUD 110% of median income
- Green building and native landscaping for energy and water conservation
- Solar Energy: net zero on the grid
- Alternative mobility: more walking, less dependency on automobiles
- High quality visual design of buildings, landscaping, and site
- A secure, friendly community balancing privacy and neighborliness

The 34.3 acre site is in the Hayward foothills and features steeply-sloped open space perimeters around 23.5 acres of developable area, giving the project its own special character. Within the developable area are a knoll on the west, descending slopes on the south, high ground in the middle, and a large flat area of old quarry floor on the north and east. The site plan proposes 1,024 energy-efficient and environmentally-friendly townhouses and condominiums with parks, trails, open space, village center and village bus.

The Hayward Area Planning Association website and on-line advertising have developed a long list of enthusiastic people hoping to live in Bayview Village.

**Demand for Sustainable Housing:** Despite the current housing downturn, long-term housing demand in the Hayward area is strong. The price of raw land is down and the project could come to market as the market recovers. A recent study for Hayward projects 8,620 more households over the next 20 years (Table IV-1, AECOM, Mission Blvd. Market Analysis and Economic Development Strategy, May 24, 2010, for the City of Hayward).

Bayview Village would meet housing demand from (1) faculty, staff, and students at California State University East Bay (CSUEB), Hayward campus, (2) BART commuters and workers along the Village Bus corridor, (3) seniors and retirees, and (4) people who work at home or telecommute. Bayview Village also would appeal to people seeking

affordability; personal health and safety; a less car-dependent life style; environmental sustainability; and community. Most owners would probably buy for practical reasons, mainly affordability and good mobility, and some would buy for environmental, social values, and many special features.

**Homes and Amenities:** Unit types range from studio condominiums to five bedroom townhouses. Unit sizes would vary from 440 SF to 2100 SF. Pricing estimates range from about \$145,000 to \$477,000. Dues to the HOA (Homeowners Association) would run from about \$120 to \$200 per month. The combined cost of mortgage, green energy, property taxes, insurance, and HOA dues would be affordable for middle incomes. Home prices cover the cost of HOA assets and HOA dues cover the cost of operation.

Bayview homes would have tight, insulated construction and energy-efficient doors and windows. They would have integrated solar roofs: weather protection and solar energy designed as one system. Solar panels would increase efficiency by combining thermal and PV in the same array. The energy system would supply all electrical needs with no net energy from the grid over the year and would provide all space heating, hot water, fresh air, and clean air, and most space cooling.

HOA assets would include the Village Center with the busway, the Village Square with a small fountain, a grocery store, a café, and a large Community Center. The café has a magnificent view of the San Francisco Bay area ranging from San Jose to Marin. The Community Center would include mailboxes, mailing services, ATM, a large, flexible room for events, performances, meetings, banquets, and fitness; a few small high tech offices, potential child care room, bicycle repair shop, reading room/library, service desk, office for HOA management, and two manager apartment units.

Bayview Village envisions eleven acres of surrounding open space, two acres of internal parks, the 238 regional trail, and a trail up to a picnic area overlooking the San Francisco Bay. The plan has native landscaping, internal small picnic parks, two plazas, a bocce court, and a tot lot.

In spite of its density, the look and feel of Bayview Village design would be spacious. Three-story buildings would be set back from each other. Parks, land contour variations, facades, trees, and other landscaping would have visual appeal along varied sight lines.

**Transportation:** Bayview Village makes alternatives to drive-alone travel as convenient and efficient as the auto in suburbia. The project is by no means car-free, but travel modes would shift away from cars. Travel times for all destinations, from getting to work, shopping, or a cup of coffee, would be comparable to, or better than, those of suburbia. The plan includes greatly reduces parking and increases use of walkways to reach the units, with the longest walk from the Village Center taking less than five minutes.

HOA assets include the Village Bus, a minivan, an electrocart. The Village Bus, a small shuttle managed by the HOA, would be fast, frequent, and free. It would run every ten minutes most of the day, taking two minutes to reach the CSUEB campus and six

minutes to reach Hayward BART. The bus would use numerous rapid bus technologies and no fare collection.

Bayview Village would reduce auto dependency, but does not eliminate use of cars. The site would have 100 carports leased at market rates, spaces for car share and car rental, and a few public parking spaces using easy-pay technology. The project would provide additional parking at a lower cost off-site. Taxi vouchers would cover important trips where transit does not work and trips home from BART when the Village Bus is not running. No household should need a car routinely. Residents may find they do not need to own a car at all, or can reduce the number they own.

**Finance:** Estimates are based on a detailed pro forma available on the web and in a Dropbox. The energy system would be financed by an energy mortgage or lease, with cost comparable to a typical utility bill. Separate energy financing makes the mortgage on the unit more affordable. Qualification for the mortgage would increase if the lenders give credit for reduced transportation costs (the transportation efficient mortgage), and for improved proximity to destinations (the location efficient mortgage).

The main pro forma assumes a public private partnership, transitional parking, 30% of investment from equity, a 30% internal rate of return (IRR Excel function) over 12 years, 1.024 units, and a medium rate of absorption. Total revenue is about \$303 million. A downside pro forma assumes 880 units and transitional parking remains at end of project; its return is 26%.

**Project Development:** The Hayward Area Planning Association (HAPA) has studied the project for several years. The City of Hayward has already approved the basic concepts of the project in its Program Environmental Impact Report and in its Sustainable Mixed Use land use designation and zoning. The developer who buys the land from the owner, Caltrans, would control the property and the project. The developer could be an LLC formed by investors which retains a management team, or a development firm, with investors and management team already in one company. The eventual project could be similar to Bayview Village, something conventional, or anything in-between. HAPA's involvement and my role (Sherman Lewis) would be determined by the developer. I would like to find a way to continue working collaboratively, without compensation, on the Bayview concept, and my wife and I want to live there.

If the developer pursues a Bayview-style project, it would need a relatively modest set of City approvals: a Planned-Development rezoning, a tentative map, and various storm water discharge permits. The property appears to be free of any protected plant and animal species, inasmuch as it is a former quarry site and consists of exposed granite largely devoid of any vegetation. More information is in the project Overview and supporting documents on the web and in a Dropbox.

Further Information: Sherman Lewis, President,  
Hayward Area Planning Association  
2787 Hillcrest Avenue, Hayward, CA 94542

510-538-3692

[sherman@csuhayward.us](mailto:sherman@csuhayward.us) <http://www.BayviewVillage.us>

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