

# MISSION BOULEVARD CORRIDOR SPECIFIC PLAN



## APPENDIX B MARKET ANALYSIS AND ECONOMIC DEVELOPMENT STRATEGY AND ADDENDUM



Administrative Draft

**Mission Boulevard Market Analysis and  
Economic Development Strategy**

Prepared for

**Hall Alminana and  
The City of Hayward  
Hayward, California**

**Submitted by**

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## **I. Introduction and Executive Summary**

Mission Boulevard is the key north-south corridor in the eastern portion of Hayward. This older commercial corridor is currently experiencing economic disinvestment and physical deterioration. Most notably, a number of new automobile dealerships have recently vacated this corridor. The City of Hayward has retained a team of consultants led by Hall Alminana to assist in the preparation of a Specific Plan and Form-Based Code, along with a long term Economic Development Strategy and a program-level Environmental Impact Report (EIR). AECOM Economics, formerly Economics Research Associates (ERA), is serving as the economics and fiscal consultant on the consultant team. This real estate market based economic development strategy is the first of two reports to be prepared by AECOM Economics.

The Specific Plan Area consists of two distinct sections of Mission Boulevard. The northern section extends from A Street, or the northern edge of downtown, to the northern City limits, or approximately Rose Street. The southern section ranges from Harder Road on the south to East Jackson Street, or the southern edge of downtown, on the north. The southern section will be improved as part of the State Route-238 Corridor Improvement Project. The Project Area is within the City's Redevelopment Area and comprises of some 600 properties fronting on Mission Boulevard and covering 240 acres.

This report was prepared by the San Francisco office of AECOM Economics, with William "Bill" Lee serving as project manager and primary author. Tanya Chiranakhon assisted with research and analysis.

### **Economic Overview**

The Alameda County economy is evolving away from manufacturing and towards a service dominated economy. From 1998 through 2008, Alameda County lost 19,300 manufacturing jobs and gained 37,800 service sector jobs. With the closure of NUMMI in Fremont a few miles south of Hayward, a onetime joint production facility for Chevrolet and Toyota, resulting in the loss of 4,500 manufacturing jobs, this trend is accelerating. Alameda County is of course adjacent to Santa Clara County or Silicon Valley, the most dynamic and innovative economic region in the world over the past four decades. Historically, Santa Clara County struggled with high land and labor cost and poor access to the lower cost areas of the East Bay. The improvements to SR-237 and more recently I-880 have mitigated the problem. With two BART stations, Hayward's opportunity will be further enhanced by the completion of the BART extension into Santa Clara County. Over the next two decades, more of Hayward's economic opportunities may result from improved linkages to Silicon Valley rather than its traditional ties with the East Bay and San Francisco.

## Opportunities and Constraints

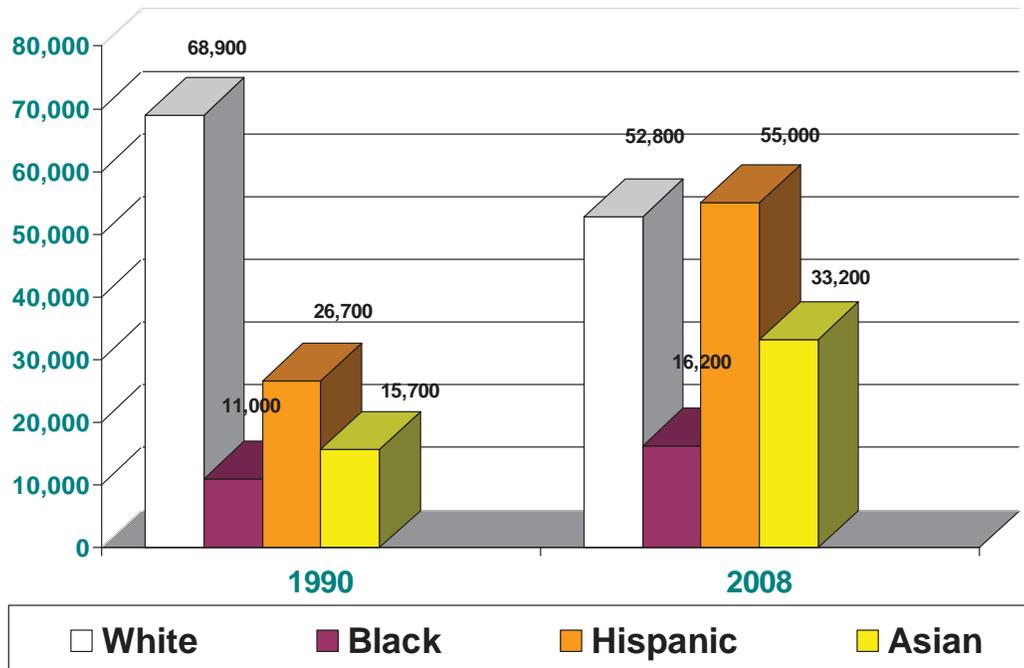
The revitalization strategy of Mission Boulevard should not count on the long term resurgence of the automobile sales and service sector. The dealerships that have recently closed on Mission Boulevard are not expected to return; however, Toyota, Honda, Nissan and Volkswagen are expected to remain for the intermediate term future. The auto-related uses may gradually relocate to be closer to the new car dealership concentrations closer to I-880. Many will likely disperse to Fremont and San Leandro where the new car dealerships are located, while some will remain in Hayward.

Over the past two decades, the Asian and Hispanic populations have been growing much faster in Hayward and its neighboring cities than the overall population. The national retail chains that do not understand the preferences of these populations will not compete as effectively as the retailers that serve these populations well. A successful economic development strategy for Mission Boulevard needs to recognize and take advantage of the changing demographics of Hayward and its neighboring communities.

A detailed analysis of Hayward's proportionate share of the countywide retail sales by sector indicates that the City is substantially under retailled in the following sectors: furniture and appliances, specialty stores, restaurants and grocery stores. The retail leakage along Mission Boulevard in part reflects the misalignment between the new ethnic composition of trade area population and the types and quality of retail establishments that exist.

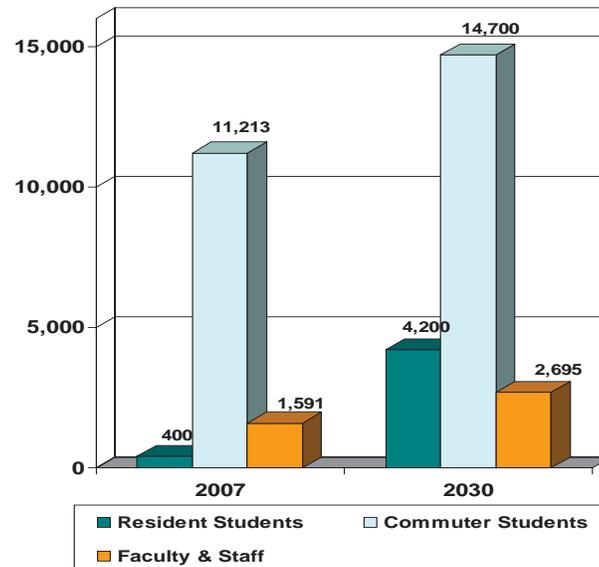
A review of the Hayward housing market indicates demand for 9,000 new units over the next 20 years. This averages out to 450 units per year; and given the highly cyclical nature of real estate cycles, the actual construction in any one year could deviate considerably from this long term annual average. As land becomes scarcer, the proportion of multi-family development will increase. The multi-family share of overall demand is estimated at 59 percent. The Mission Corridor Specific Plan Area is estimated to be able to capture 12 to 15 percent of the citywide demand provided that good residential sites can be created. This translates into 650 to 800 units over the next 20 years for the two sections of this corridor. Because of limited commercial demand, the housing demand is particularly important to the northern section of Mission Boulevard.

### The Changing Ethnic Composition of Hayward and Retail Opportunities Created



The student head count at CSU East Bay is projected to increase from 12,200 in 2007 to 17,600 by 2020 and 21,000 by 2030. Of greater importance, the students residing on campus are project to increase from about 400 in 2007 to 3,500 by 2020 and 4,200 by 2030. Other than the campus bookstore and dormitory food service, these on-campus students will have few dining, shopping or entertainment options. There are also few dining options locally for faculty or staff wishing to entertain visitors or recruitment candidates. Clearly, this campus is underserved by local commercial facilities, and the southern section of Mission Boulevard has the location to provide more commercial services to this campus community.

### Projected Student, Faculty and Staff Growth at CSU East Bay



### Commercial Development Strategy for the Southern Section

AECOM Economics recommends an initial development of approximately 100,000 square feet in a new neighborhood/specialty center or district, assuming economic recovery by 2013 to 2015. This district will likely require eight to nine acres of property. Departing from the standard shopping center formula, this district would have four key anchors including two grocery stores:

- An ethnic grocery store of 15,000 to 20,000 square feet (possibly Indian).
- A specialty grocery store of another 15,000 to 20,000 square feet (like Trader Joe's).
- A pub or sports bar of 8,000 square feet offering karaoke, ping pong, pool tables, dart board, Wii type sports and dancing.
- A full service dinner restaurant of 8,000 square feet (like Le Cheval in Oakland and Walnut Creek).
- Smaller in-line shops and food service outlets with ethnic specialty foods and other items (e.g. ice cream or yogurt shop, sandwich shop, pizza parlor, coffee shop, tea shop, sushi, dumplings, tacos, bakery, laundry, cleaners, beauty salon, etc.).
- A cluster of other smaller restaurants (a selection from Indian, Chinese, Filipino, Korean, Japanese, Vietnamese, Thai, Middle Eastern, Mexican, South American and/or Southern).
- Apparel, specialty stores and sundry outlets.

A second phase of 50,000 to 60,000 square feet could be added approximately five to six years following the initial phase. The timing of the second phase would depend upon the success of the initial phase and will be influenced by the actual increase in the enrollment and on-campus population at CSU East Bay. Its tenant mix would be similar to the initial phase and should be planned to complement that phase. We identified three sites as having good potential for near term redevelopment:

- Westside of Mission between Harder on the south and Torrano on the north.
- Westside of Mission between Sycamore on the south and Pinedale Court on the north.
- Eastside of Mission both north and south of Carlos Bee.

### **Development Strategy for the Northern Section**

Due to lack retail sites of any significant size, the mixture of auto related uses and older buildings in deteriorated condition, and close proximity to the earthquake fault, the demand for pure retail space in this section is projected to be fairly limited. The revitalization strategy for this northern section is going to require a more comprehensive multi-faceted approach incorporating residential development. The key steps include the following:

- The reconstruction of the Mission Boulevard public right-of-way, which is being designed as part of this project.
- A long term commitment to protecting and upgrading the housing stock in the immediately surrounding neighborhoods through an expanded housing rehabilitation loan and grant program.
- Adopting an infill live-work mixed use strategy with housing above work space that could be retail, services, artist studios, or artisan manufacturing.
- Use Redevelopment Agency resources to create one or two anchor projects at strategic locations and then encourage infill development with row houses that have ground floor commercial or workspaces at the street frontage.

The value of the city's housing stock is the key determinant of future community income and household purchasing power. Since local retail potential will be determined by community purchasing power, reinvestment in the City's housing stock needs to be an important policy priority. ERA recommends that the City aggressively expand its residential rehabilitation loan program and target the older neighborhoods around the northern section of Mission Boulevard. After an initial start-up period, the program should be self funding as the repayment of earlier loans fund subsequent loans.

A better housing stock around Mission Boulevard will attract higher income households over the long run and they will in turn spend more money in local retail establishments. The increased local retail spending will lead to new retail businesses and the upkeep of commercial properties. Most of the new retail establishments are expected to be local serving and would likely include smaller restaurants, specialty food stores, a hardware store, and local services.

## II. City and County Economic Trends and Implications for Mission Boulevard

Mission Boulevard through Hayward is in long term transition from a region serving state highway to a more local serving community arterial. As its role changes and the arterial is redesigned in accordance to the SR-238 Improvement Plan, the land uses and urban development along this boulevard will also transform. The transformation of the Mission Boulevard corridor will be guided by City policy and enabled by the real estate market forces that will be apparent over the next couple of decades. Since real estate market forces are governed by economic growth and change, this report section reviews the economic and demographic changes that have occurred in Alameda County and Hayward over the past decade or two and recaps the expected growth over the next two decades.

### Economic Transition and Growth

Like most urban economies in the United States, the Alameda County economy is evolving away from manufacturing and towards a service dominated economy. While this economy has undergone cyclical fluctuations, including one recession during the 2001 to 2003 period and is in the midst of another rather severe recession currently, the long term trend is clear. From 1998 through 2008, Alameda County lost 19,300 manufacturing jobs and gained 37,800 service sector jobs (see **Table II-1**). With the closure of NUMMI in Fremont a few miles south of Hayward, a onetime joint production facility for Chevrolet and Toyota, resulting in the loss of 4,500 manufacturing jobs, this trend is being accelerated. Automobile parts suppliers to NUMMI in the region will lose business resulting in additional manufacturing employment losses.

Even with this steady decline in the manufacturing sector, resulting from the Bay Area's higher labor and housing cost as compared to many other parts of the world, total employment in Alameda County has actually grown over the 1998 to 2008 decade by adding 30,400 jobs. Much of the job gain was in professional, business, educational and health services. In summary, the City of Hayward is located in a region that has experienced modest long term economic growth but is in transformation from manufacturing to a service based economy.

Alameda County is of course adjacent to Santa Clara County or Silicon Valley, the most dynamic and innovative economic region in the world over the past four decades. Some 30 years ago, the City of Fremont in Alameda County was wondering if it could become part of Silicon Valley. That question is no longer an issue today, and Fremont is now viewed as an integral part of Silicon Valley. Hayward, being only two or three miles north of Fremont, may be able to experience a similar transformation over the next couple of decades. Historically, Santa Clara County struggled with high land and labor cost and poor access to the lower cost areas of the East Bay. The improvements to SR-237 and more recently I-880, have mitigated the problem. With two BART stations, Hayward's opportunity will

be further enhanced by the completion of the BART extension into Santa Clara County. This extension will have a new station at Warm Springs in Fremont and then six stations in Santa Clara County: Milpitas, Berryessa, Alum Rock, Downtown San Jose, Diridon Station San Jose and then Santa Clara. Completion is expected in 2017, and the Santa Clara BART station will have a people mover link to San Jose International Airport passing under the airport runway. With initial construction due to begin shortly, the California High Speed Rail System expects to have high speed service from Diridon Station in San Jose to Los Angeles, San Diego, the Central Valley and San Francisco by 2020. Over the next two decades, more of Hayward's economic opportunities may result from improved linkages to Silicon Valley rather than its traditional ties with the East Bay and San Francisco.

### **Population Growth and Housing Development**

Over the past two decades, Hayward and its more significant neighboring cities – San Leandro, Union City and Fremont – have added substantial number of residents. Hayward gained nearly 40,000 new residents from 1990 to 2009, and the four cities combined added 116,000. Growth, however, slowed considerably from the decade of the 1990s to the 2000s as readily developable land became scarcer. For example, Hayward grew by 28,700 during the decade of the 1990s but added only 10,800 in the nine years from 2000 to 2009. The pattern for the neighboring cities was similar with the growth rate falling to less than half of that achieved during the 1990s (**Table II-2**).

Based upon a tabulation of building permits issued, Hayward added on average 351 units per year during the 1998 to 2008 period with the multi-family share being 25 percent. Alameda County as a whole added 4,423 units per year, with 47 percent being multi-family units (**Table II-3**). Performance over this past decade suggests that Hayward's multi-family development market was 89 units per year on average as compared to Alameda County's market of 2,077 per year. With about ten percent of the Alameda County population, Hayward only had four percent of its multi-family residential development.

### **Retail Sales Trends**

With population growth in Alameda County, retail sales have increased as well. This growth is however uneven and fluctuates with growth and contraction of the regional economy. Countywide retail sales climbed rapid in 1999 and 2000 and then declined during the technology led recession of 2001 and 2003. It climbed steadily from 2003 through 2006 but leveled off in 2007 and dropped precipitously in 2008 by 7.1 percent (**Table II-4**). Another more modest drop is expected in 2009. The retail store sales per capita has followed the same pattern, climbing from \$8,600 in 1998 to \$11,400 in 2006 and 2007 only to fall back to \$10,500 in 2008. However, sales in some sectors have not been particularly affected by the recent recession at least according to data through 2008; and

these include the apparel sector and the restaurant sector (see **Table II-5**). The service station sector has also shown great long term sales increase, reflecting the sharp rise in global oil prices rather than local economic conditions.

With 9.7 percent of the county population, the City of Hayward currently has 10.0 percent of the countywide retail store sales. However, this is down from 11.6 percent a decade ago. Like Alameda County, the apparel, restaurant and service station sectors have shown strong long term growth. In addition, the hardware and building materials sector has also performed well in Hayward over the past decade (**Table II-6**). A detailed analysis of Hayward's proportionate share of the countywide retail sales by sector indicates that the city is substantially under retailled in these following sectors: furniture and appliances, specialty stores, restaurants and grocery stores (**Table II-7**). These are the opportunity sectors which could contribute to the revitalization of Mission Boulevard.

### **Growth in Retail Space**

According to detailed survey of over 8,000 retail buildings by CoStar, Alameda County has 80.4 million square feet of retail of which 76.1 million is occupied for an occupancy rate of 94.6 percent. The county does not have an excess overhang of retail space; however, the recent recession has driven triple net rents (net of taxes, insurance and operating cost) from over \$30 per square foot in late 2007 to around \$22 per square foot currently. As detailed in **Table II-8**, the amount of occupied retail space in Alameda County has grown from 70.2 million square feet ten years ago to 76.1 million square feet today. This reflects an average net gain in occupied retail space of nearly 600,000 square feet per year. Much of this new space addition is no doubt in East County where population growth has been brisk.

While Mission Boulevard has struggled with the departure of automobile dealerships and vacant older retail buildings, the city of Hayward as a whole does not appear to be suffering from an excess supply of contemporary retail space. According the CoStar survey of 768 retail buildings in Hayward, this city has 7.65 million square feet of space of which 7.24 million is occupied. The occupancy percentage is again 94.6 percent which is about market equilibrium (**Table II-9**). Over the past decade, the occupied retail space in Hayward has climbed from 6.66 million to 7.24 million square feet; this translates into an average net absorption of 58,000 square feet per year or just under ten percent of the countywide absorption.

### **The Automobile Sector**

In recent years, the automobile dealerships along Mission Boulevard have suffered from a confluence of three streams of economic influences:

- A steady shift in consumer preference away from the domestic brands toward the imported brands.
- The relocation of dealerships into larger concentrations at near freeway locations with the Fremont Auto Mall and Marina Boulevard in San Leandro providing stiff competition in the East Bay.
- The sharpest decline in automobile sales in two decades as a result of the national and statewide recession.
- As a result, several dealerships along Mission Boulevard have closed including Chevrolet, Ford, Dodge and Mazda. These dealership properties have been available for sale and new development.

Over the next decade, the automobile sector outlook is as follows:

- A clear rebound from the low sales of 2008 and 2009.
- Some stabilization of domestic brands with Ford offering a wide range of new fuel efficient models and General Motors betting heavily on the electric Volt which will be sold by Chevrolet Dealership starting later this year.
- The Korean brands (Hyundai and Kia), enjoying lower labor cost, favorable currency exchange rates and excellent engineering, beginning to take market share away from the Japanese brands (Toyota, Honda, Nissan, Mazda, etc.) and the lower priced European brands (Volvo, Saab, VW, etc.).
- Chinese automobile brands may become significant players by the end of the decade.
- The continued dealership preference for freeway exposure, near freeway location and concentration into large clusters at auto malls or corridors.

The implications for Mission Boulevard are as follows:

- The new car dealerships that have closed or moved will not be coming back.
- Toyota, Honda, Nissan and VW will remain in the intermediate term future (5 to 8 years).
- The used car dealerships will also remain in the intermediate term future.
- The automobile related retailers and services will gradually relocate to be closer to the new dealership concentrations.
- Mission Boulevard will have little success competing against the Fremont Auto Mall or Marina Boulevard in San Leandro in attracting new dealerships.

The revitalization strategy of Mission Boulevard should not count on the long term resurgence of the automobile sales and service sector.

### **The Hotel Sector**

The hotel sector in Hayward has been dominated by the “select service” hotels with a number of fairly new ones located along Mission Boulevard. A new 82-room Holiday Inn Express has recently been approved for the east side of Mission Boulevard at Torrano Avenue, and the Hayward Redevelopment Agency has been in negotiations with a developer for a number of months to redevelop Centennial Hall, a City owned conference center, into a new hotel and conference center. The redevelopment of Centennial Hall will also include the former City Hall office tower and the adjacent City-owned parking garage as part of the overall development package. The City is interested in having a full service hotel, which would be an important image-maker and General Fund revenue generator for Hayward.

### **The Office Market**

Alameda County currently has 70.3 million square feet of office space in 3,200 buildings surveyed by CoStar. Of this total space, 61.8 million is occupied for a vacancy percentage of 12.1 percent (**Table II-10**). Average direct full service rents in the county are currently \$21 per square foot, down from nearly \$24 per square foot three years ago. The countywide office market is currently rather weak, as is the regional market when San Francisco and Santa Clara Counties are considered.

The Hayward office market currently has 3.63 million square feet of rentable space in 291 buildings. Of this total, 3.37 million square feet is leased resulting in a vacancy rate of only 7.1 percent. Occupied space in this market climbed from 3.15 million square feet at the end of 1999 to 3.53 square feet by the beginning of 2006. However, from that high point, occupancy declined to 3.05 million square feet by the end of 2009. The recent absorption of 326,400 square feet has brought the occupied total to 3.37 million square feet and the occupancy rate up to 92.9 percent (**Table II-11**). Including the most recent banner quarter, net absorption over the past ten years has averaged only 23,000 square feet per year. Full service office rents in Hayward average \$14.50 per square foot or about two-thirds that of the Alameda County average. Considering the location of Mission Boulevard for office development and the relatively weak Hayward office market, an aggressive office development strategy for Mission Boulevard is not likely to be highly successful.

### **Housing Demand Review**

A review of the Hayward housing demand, based upon a modest 0.8 percent annual population growth rate, indicates 9,000 units over the next 20 years. This averages out to 450 units per year; and given the highly cyclical nature of real estate cycles, the actual construction in any one year could

deviate considerably from this long term annual average. As land becomes scarcer, the proportion of multi-family development will increase. The multi-family share of overall demand is estimated at 59 percent (see **Table II-12**). The Mission Corridor Specific Plan Area is estimated to be able to capture 12 to 15 percent of the citywide demand provided that good residential sites can be created. This translates into 650 to 800 units over the next 20 years for the two sections of this corridor. Because of limited commercial demand, the housing demand is particularly important to the northern section of Mission Boulevard. The realization of this demand will depend upon the creation of residential or mixed-use redevelopment sites of sufficient size to be of interest to developers and upon the plan being able to create residential neighborhoods that will appeal to future residents.



Table II-1  
ALAMEDA COUNTY EMPLOYMENT GROWTH

Employment Category	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Growth 98-08	
												Absolute	Annual Rate
Total, All Industries	660,500	683,600	711,000	719,500	699,600	693,800	687,700	693,400	702,400	702,800	690,900	30,400	0.5%
Annual Change	21,400	23,100	27,400	8,500	-19,900	-5,800	-6,100	5,700	9,000	400	-11,900		
Annual Percentage Change	3.3%	3.5%	4.0%	1.2%	-2.8%	-0.8%	-0.9%	0.8%	1.3%	0.1%	-1.7%		
Total Farm	1,000	900	800	900	800	600	700	700	800	800	700	-300	-3.5%
Total Nonfarm	659,500	682,700	710,200	718,600	698,800	693,200	687,100	692,600	701,600	702,000	690,200	30,700	0.5%
Natural Res., Mining and Constru	31,400	36,000	39,200	41,300	39,700	40,500	42,000	43,500	44,200	43,800	40,000	8,600	2.5%
Manufacturing	91,800	89,700	93,500	90,400	81,700	77,400	77,600	75,800	75,600	73,700	72,500	-19,300	-2.3%
Transportation and Utilities	31,600	33,400	33,000	32,300	30,200	28,100	26,600	26,700	26,600	28,500	27,700	-3,900	-1.3%
Wholesale Trade	40,200	42,500	44,600	45,800	43,000	41,300	40,200	39,700	39,700	39,600	39,300	-900	-0.2%
Retail Trade	65,200	68,000	70,100	70,100	68,700	68,400	67,200	68,100	69,300	68,900	66,800	1,600	0.2%
Finance, Ins., and Real Estate	25,500	25,700	26,200	29,900	31,700	35,300	35,000	35,500	35,600	33,300	30,400	4,900	1.8%
Services <sup>1</sup>	250,500	261,700	275,400	279,500	270,100	270,200	268,200	273,600	277,200	282,500	288,300	37,800	1.4%
Government	123,300	125,800	128,400	129,200	133,600	132,100	130,400	129,800	133,100	131,700	125,000	1,700	0.1%

<sup>1</sup> Services category includes the Information, Professional and Business Services, Educational and Health Services, Leisure and Hospitality, and Other Services categories.

Source: State of California, Employment Development Department



Table II-2  
**HAYWARD AREA POPULATION GROWTH**<sup>1</sup>

	1990	2000	2005	2006	2007	2008	2009	1990-2000		2000-2009	
								Rate of Growth	Absolute Growth	Rate of Growth	Absolute Growth
								Hayward	111,343	140,030	145,416
San Leandro	68,223	79,452	81,236	81,108	81,351	81,841	82,472	1.5%	11,229	0.4%	3,020
Union City	53,762	66,869	70,387	71,063	72,072	73,269	73,977	2.2%	13,107	1.1%	7,108
Fremont	173,339	203,413	209,558	209,890	211,006	213,124	215,636	1.6%	30,074	0.7%	12,223
Four City Subtotal	406,667	489,764	506,597	508,274	511,822	517,169	522,963	1.9%	83,097	0.7%	33,199
Total Alameda County	1,276,702	1,443,939	1,498,967	1,506,176	1,519,326	1,537,719	1,556,657	1.2%	167,237	1.0%	112,718

<sup>1</sup> Data for 1990 and 200 are as of April of that year. All other data are as of January of that year.

Source: Bureau of Census, California Department of Finance



Table II-3  
**NEW, PRIVATELY-OWNED RESIDENTIAL BUILDING PERMITS, 1998-2008**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Annual Avg 1998-08 Percentage	
<b>Hayward</b>													
Single Family	442	151	294	101	134	496	468	140	253	255	157	263	75%
Multi Family	183	193	0	162	101	50	124	63	0	98	0	89	25%
<b>Hayward Total</b>	<b>625</b>	<b>344</b>	<b>294</b>	<b>263</b>	<b>235</b>	<b>546</b>	<b>592</b>	<b>203</b>	<b>253</b>	<b>353</b>	<b>157</b>	<b>351</b>	<b>100%</b>
<b>Alameda County</b>													
Single Family	3,795	4,943	3,071	1,764	2,501	2,138	2,309	1,561	1,635	1,315	780	2,347	53%
Multi Family	2,036	1,454	983	1,485	1,054	2,331	3,069	2,815	4,641	1,823	1,153	2,077	47%
<b>Alameda County Total</b>	<b>5,831</b>	<b>6,397</b>	<b>4,054</b>	<b>3,249</b>	<b>3,555</b>	<b>4,469</b>	<b>5,378</b>	<b>4,376</b>	<b>6,276</b>	<b>3,138</b>	<b>1,933</b>	<b>4,423</b>	<b>100%</b>

Source: U.S. Census Bureau and California State Department of Finance



Table II-4  
**ALAMEDA COUNTY TAXABLE RETAIL STORE SALES**  
 (Thousands of Dollars)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Rate of Growth
Apparel Stores	\$386,934	\$403,518	\$485,707	\$502,383	\$501,148	\$519,274	\$566,713	\$625,984	\$641,261	\$666,247	\$747,645	6.8%
Gen. Merchandise & Drug	1,682,206	1,795,161	1,934,406	1,935,606	1,883,422	1,904,012	1,989,603	2,087,101	2,236,412	2,292,279	2,126,734	2.4%
Food Stores	604,026	657,525	720,183	744,857	733,183	733,608	732,950	744,339	759,659	801,916	780,311	2.6%
Eating & Drinking Places	1,217,154	1,307,960	1,458,323	1,508,144	1,516,332	1,542,242	1,621,608	1,709,868	1,832,279	1,953,544	1,989,406	5.0%
Furnishing & Appliances	535,278	591,731	771,808	783,777	771,352	797,883	808,098	843,587	843,210	811,390	823,075	4.4%
Bldg Materials & Farm Eqmt	1,114,955	1,271,750	1,465,302	1,477,850	1,506,466	1,541,611	1,769,134	1,865,569	1,901,509	1,582,519	1,373,877	2.1%
Auto Dealers & Supplies	2,168,639	2,626,188	3,177,301	3,095,126	2,977,123	2,931,258	2,924,985	2,987,795	2,934,975	2,912,074	2,329,408	0.7%
Service Stations	735,047	841,177	1,063,763	1,016,894	962,412	1,133,991	1,309,013	1,518,337	1,671,074	1,831,042	2,030,681	10.7%
Other Retail Stores	2,254,372	2,400,988	2,791,376	2,618,070	2,524,149	2,458,270	2,621,738	2,845,902	2,836,035	2,813,929	2,346,612	0.4%
<b>Total Alameda County</b>	<b>\$10,698,611</b>	<b>\$11,895,998</b>	<b>\$13,868,169</b>	<b>\$13,682,707</b>	<b>\$13,375,587</b>	<b>\$13,562,149</b>	<b>\$14,343,842</b>	<b>\$15,228,482</b>	<b>\$15,656,414</b>	<b>\$15,664,940</b>	<b>\$14,547,749</b>	<b>3.1%</b>
Annual Growth		11.2%	16.6%	-1.3%	-2.2%	1.4%	5.8%	6.2%	2.8%	0.1%	-7.1%	

Source: California Board of Equalization



Table II-5  
PER CAPITA RETAIL STORE SALES IN ALAMEDA COUNTY

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Rate of Growth
Alameda County Population	1,389,000	1,412,315	1,443,939	1,465,144	1,482,473	1,490,072	1,494,675	1,498,967	1,506,176	1,519,326	1,537,719	1.0%
<b>Per Capita Sales</b>												
Apparel Stores	\$279	\$286	\$336	\$343	\$338	\$348	\$379	\$418	\$426	\$439	\$486	5.7%
Gen. Merchandise & Drug <sup>1</sup>	1,247	1,309	1,380	1,361	1,309	1,316	1,371	1,434	1,529	1,554	1,425	1.3%
Food Stores <sup>2</sup>	1,305	1,397	1,496	1,525	1,484	1,477	1,471	1,490	1,513	1,583	1,522	1.6%
Eating & Drinking Places	876	926	1,010	1,029	1,023	1,035	1,085	1,141	1,217	1,286	1,294	4.0%
Furnishing & Appliances	385	419	535	535	520	535	541	563	560	534	535	3.3%
Bldg Materials & Farm Eqmt	803	900	1,015	1,009	1,016	1,035	1,184	1,245	1,262	1,042	893	1.1%
Auto Dealers & Supplies	1,561	1,859	2,200	2,113	2,008	1,967	1,957	1,993	1,949	1,917	1,515	-0.3%
Service Stations	529	596	737	694	649	761	876	1,013	1,109	1,205	1,321	9.6%
Other Retail Stores	1,623	1,700	1,933	1,787	1,703	1,650	1,754	1,899	1,883	1,852	1,526	-0.6%
<b>Total Alameda County</b>	<b>\$8,608</b>	<b>\$9,392</b>	<b>\$10,642</b>	<b>\$10,395</b>	<b>\$10,050</b>	<b>\$10,125</b>	<b>\$10,617</b>	<b>\$11,194</b>	<b>\$11,448</b>	<b>\$11,411</b>	<b>\$10,517</b>	2.0%
Annual Growth		9.1%	13.3%	-2.3%	-3.3%	0.7%	4.9%	5.4%	2.3%	-0.3%	-7.8%	

<sup>1</sup> Adjusted from taxable sales by 3% to reflect non taxable drug sales

<sup>2</sup> Adjusted taxable sales by 3 times to reflect total food store sales

Source: Bureau of Census, California Department of Finance and California Board of Equalization



Table II-6  
**HAYWARD TAXABLE RETAIL STORE SALES**  
 (Thousands of Dollars)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Rate of Growth
Apparel Stores	\$45,093	\$44,451	\$60,181	\$60,507	\$59,512	\$60,246	\$63,795	\$69,718	\$69,420	\$69,503	\$75,705	5.3%
Gen. Merchandise & Drug	183,767	192,721	216,348	219,950	217,909	231,258	238,851	239,640	285,948	301,442	269,450	3.9%
Food Stores	50,974	54,602	58,719	60,928	61,078	61,471	62,076	63,027	59,030	63,286	65,632	2.6%
Eating & Drinking Places	98,307	103,817	112,172	112,687	113,869	116,136	124,284	131,148	138,445	156,115	156,937	4.8%
Furnishing & Appliances	54,601	54,190	62,764	55,080	51,584	72,451	96,127	99,620	88,181	79,897	47,933	-1.3%
Bldg Materials & Farm Eqmt	98,771	121,017	159,749	139,859	163,040	156,523	175,381	168,503	197,496	193,279	184,769	6.5%
Auto Dealers & Supplies	371,567	457,104	512,666	506,168	451,539	414,667	376,845	380,153	358,309	353,283	260,545	-3.5%
Service Stations	85,943	101,459	126,964	129,473	124,631	145,300	160,268	164,990	171,629	199,392	227,312	10.2%
Other Retail Stores	250,054	247,491	250,862	233,629	215,695	194,914	204,707	221,134	207,097	202,385	173,322	-3.6%
<b>Total City of Hayward</b>	<b>\$1,239,077</b>	<b>\$1,376,852</b>	<b>\$1,560,425</b>	<b>\$1,518,281</b>	<b>\$1,458,857</b>	<b>\$1,452,966</b>	<b>\$1,502,334</b>	<b>\$1,537,933</b>	<b>\$1,575,555</b>	<b>\$1,618,582</b>	<b>\$1,461,606</b>	1.7%
Annual Growth		11.1%	13.3%	-2.7%	-3.9%	-0.4%	3.4%	2.4%	2.4%	2.7%	-9.7%	
<b>Total Alameda County</b>	<b>\$10,698,611</b>	<b>\$11,895,998</b>	<b>\$13,868,169</b>	<b>\$13,682,707</b>	<b>\$13,375,587</b>	<b>\$13,562,149</b>	<b>\$14,343,842</b>	<b>\$15,228,482</b>	<b>\$15,656,414</b>	<b>\$15,664,940</b>	<b>\$14,547,749</b>	3.1%
Hayward Share of Alameda County	11.6%	11.6%	11.3%	11.1%	10.9%	10.7%	10.5%	10.1%	10.1%	10.3%	10.0%	

Note: Taxable retail store sales does not include business to business sales conducted outside of retail stores or sales of home businesses

Source: California Board of Equalization



Table II-7  
HAYWARD SHARE OF ALAMEDA COUNTY TAXABLE RETAIL STORE SALES

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Apparel Stores	11.7%	11.0%	12.4%	12.0%	11.9%	11.6%	11.3%	11.1%	10.8%	10.4%	10.1%
Gen. Merchandise & Drug	10.9%	10.7%	11.2%	11.4%	11.6%	12.1%	12.0%	11.5%	12.8%	13.2%	12.7%
Food Stores	8.4%	8.3%	8.2%	8.2%	8.3%	8.4%	8.5%	8.5%	7.8%	7.9%	8.4%
Eating & Drinking Places	8.1%	7.9%	7.7%	7.5%	7.5%	7.5%	7.7%	7.7%	7.6%	8.0%	7.9%
Furnishing & Appliances	10.2%	9.2%	8.1%	7.0%	6.7%	9.1%	11.9%	11.8%	10.5%	9.8%	5.8%
Bldg Materials & Farm Eqmt	8.9%	9.5%	10.9%	9.5%	10.8%	10.2%	9.9%	9.0%	10.4%	12.2%	13.4%
Auto Dealers & Supplies	17.1%	17.4%	16.1%	16.4%	15.2%	14.1%	12.9%	12.7%	12.2%	12.1%	11.2%
Service Stations	11.7%	12.1%	11.9%	12.7%	12.9%	12.8%	12.2%	10.9%	10.3%	10.9%	11.2%
Other Retail Stores	11.1%	10.3%	9.0%	8.9%	8.5%	7.9%	7.8%	7.8%	7.3%	7.2%	7.4%
<b>Total City of Hayward</b>	11.6%	11.6%	11.3%	11.1%	10.9%	10.7%	10.5%	10.1%	10.1%	10.3%	10.0%

Source: California Board of Equalization

Table II-8  
TRENDS IN ALAMEDA COUNTY RETAIL SPACE

Period	# Bldgs	Total RBA	Total Vacant SF	Total Vacant %	Occupied SF	Occupied %	Direct Net Absorption	Direct Average Rate
QTD	8,085	80,422,802	4,314,155	5.4%	76,108,647	94.6%	4,942	\$22.37/nnn
2009 4Q	8,066	80,136,241	4,421,965	5.5%	75,714,276	94.5%	339,458	\$22.68/nnn
2009 3Q	8,055	79,875,949	4,480,993	5.6%	75,394,956	94.4%	(361,823)	\$24.73/nnn
2009 2Q	8,051	79,806,810	4,123,258	5.2%	75,683,552	94.8%	(187,400)	\$25.51/nnn
2009 1Q	8,048	79,790,237	3,708,792	4.6%	76,081,445	95.4%	(488,709)	\$26.12/nnn
2008 4Q	8,041	79,727,669	3,090,044	3.9%	76,637,625	96.1%	335,151	\$28.38/nnn
2008 3Q	8,028	79,100,964	2,769,160	3.5%	76,331,804	96.5%	38,576	\$28.85/nnn
2008 2Q	8,021	78,992,510	2,738,666	3.5%	76,253,844	96.5%	(46,045)	\$28.48/nnn
2008 1Q	8,019	78,968,171	2,644,289	3.3%	76,323,882	96.7%	564,963	\$30.33/nnn
2007 4Q	8,003	78,240,119	2,477,243	3.2%	75,762,876	96.8%	257,279	\$31.32/nnn
2007 3Q	7,990	78,066,575	2,575,762	3.3%	75,490,813	96.7%	89,163	\$27.78/nnn
2007 2Q	7,981	77,896,818	2,521,138	3.2%	75,375,680	96.8%	620,846	\$26.87/nnn
2007 1Q	7,971	77,588,793	2,805,131	3.6%	74,783,662	96.4%	1,019,548	\$26.83/nnn
2006 4Q	7,957	77,356,012	3,558,880	4.6%	73,797,132	95.4%	853,057	\$29.67/nnn
2006 3Q	7,953	77,251,309	4,319,009	5.6%	72,932,300	94.4%	193,976	\$29.70/nnn
2006 2Q	7,944	76,921,296	4,176,579	5.4%	72,744,717	94.6%	182,763	\$29.60/nnn
2006 1Q	7,938	76,843,844	4,299,206	5.6%	72,544,638	94.4%	(35,266)	\$27.10/nnn
2005 4Q	7,927	76,562,089	3,945,066	5.2%	72,617,023	94.8%	816,461	\$27.48/nnn
2005 3Q	7,918	75,963,645	4,158,925	5.5%	71,804,720	94.5%	(725,479)	\$26.58/nnn
2005 2Q	7,902	75,612,840	3,063,553	4.1%	72,549,287	95.9%	(506,819)	\$30.50/nnn
2005 1Q	7,900	75,606,840	2,593,952	3.4%	73,012,888	96.6%	586,396	\$32.58/nnn
2004 4Q	7,879	74,769,210	2,346,705	3.1%	72,422,505	96.9%	64,139	\$33.17/nnn
2004 3Q	7,870	74,570,102	2,210,426	3.0%	72,359,676	97.0%	43	\$26.01/nnn
2004 2Q	7,866	74,486,269	2,105,624	2.8%	72,380,645	97.2%	(139,936)	\$25.40/nnn
2004 1Q	7,865	74,483,669	1,960,860	2.6%	72,522,809	97.4%	426,416	\$25.17/nnn
2003 4Q	7,851	73,777,540	1,672,920	2.3%	72,104,620	97.7%	(31,173)	\$22.63/nnn
2003 3Q	7,844	73,727,833	1,592,085	2.2%	72,135,748	97.8%	(19,532)	\$22.75/nnn
2003 2Q	7,839	73,684,778	1,535,687	2.1%	72,149,091	97.9%	(130,654)	\$21.45/nnn
2003 1Q	7,839	73,684,778	1,402,685	1.9%	72,282,093	98.1%	(53,248)	\$21.52/nnn
2002 4Q	7,829	73,487,411	1,136,197	1.5%	72,351,214	98.5%	(292,786)	\$17.11/nnn
2002 3Q	7,824	73,442,760	807,032	1.1%	72,635,728	98.9%	19,325	\$16.36/nnn
2002 2Q	7,823	73,436,510	820,107	1.1%	72,616,403	98.9%	29,606	\$14.99/nnn
2002 1Q	7,818	73,414,149	830,352	1.1%	72,583,797	98.9%	815,180	\$17.65/nnn
2001 4Q	7,806	72,835,132	1,066,515	1.5%	71,768,617	98.5%	(294,443)	\$18.20/nnn
2001 3Q	7,803	72,821,778	762,568	1.0%	72,059,210	99.0%	721,093	\$18.20/nnn
2001 2Q	7,800	72,452,755	1,109,358	1.5%	71,343,397	98.5%	(305,645)	\$23.12/nnn
2001 1Q	7,797	72,374,810	725,048	1.0%	71,649,762	99.0%	136,909	\$22.80/nnn
2000 4Q	7,786	72,267,229	745,330	1.0%	71,521,899	99.0%	170,282	\$23.00/nnn
2000 3Q	7,781	72,096,282	744,665	1.0%	71,351,617	99.0%	(152,367)	\$21.06/nnn
2000 2Q	7,777	72,010,631	506,647	0.7%	71,503,984	99.3%	269,088	\$17.93/nnn
2000 1Q	7,770	71,884,479	649,583	0.9%	71,234,896	99.1%	1,079,093	\$14.13/nnn
1999 4Q	7,750	70,827,663	630,185	0.9%	70,197,478	99.1%	5,777	\$12.13/nnn

Source: CoStar

Table II-9  
TRENDS IN HAYWARD RETAIL SPACE

Period	# Bldgs	Total RBA	Total Vacant SF	Total Vacant %	Occupied SF	Occupied %	Direct Net Absorption	Direct Average Rate
QTD	768	7,651,475	413,332	5.4%	7,238,143	94.6%	(3,785)	\$17.93/nnn
2009 4Q	768	7,651,475	409,547	5.4%	7,241,928	94.6%	113,375	\$18.51/nnn
2009 3Q	767	7,497,475	368,272	4.9%	7,129,203	95.1%	(51,475)	\$19.18/nnn
2009 2Q	767	7,497,475	350,663	4.7%	7,146,812	95.3%	3,461	\$19.08/nnn
2009 1Q	767	7,497,475	327,024	4.4%	7,170,451	95.6%	(84,599)	\$19.39/nnn
2008 4Q	767	7,497,475	210,859	2.8%	7,286,616	97.2%	24,472	\$22.69/nnn
2008 3Q	765	7,442,552	178,108	2.4%	7,264,444	97.6%	(3,032)	\$23.14/nnn
2008 2Q	765	7,442,552	175,076	2.4%	7,267,476	97.6%	(35,722)	\$23.20/nnn
2008 1Q	765	7,442,552	144,317	1.9%	7,298,235	98.1%	30,124	\$22.66/nnn
2007 4Q	764	7,437,971	179,370	2.4%	7,258,601	97.6%	(2,588)	\$28.20/nnn
2007 3Q	763	7,436,753	173,771	2.3%	7,262,982	97.7%	8,435	\$28.10/nnn
2007 2Q	763	7,436,753	182,206	2.5%	7,254,547	97.5%	(8,484)	\$28.41/nnn
2007 1Q	763	7,436,753	173,722	2.3%	7,263,031	97.7%	93,291	\$22.27/nnn
2006 4Q	762	7,431,852	262,112	3.5%	7,169,740	96.5%	148,397	\$22.19/nnn
2006 3Q	762	7,431,852	435,933	5.9%	6,995,919	94.1%	117,770	\$22.41/nnn
2006 2Q	761	7,241,852	363,703	5.0%	6,878,149	95.0%	114,806	\$22.27/nnn
2006 1Q	759	7,221,706	458,363	6.3%	6,763,343	93.7%	54,344	\$23.15/nnn
2005 4Q	758	7,204,298	466,755	6.5%	6,737,543	93.5%	96,806	\$24.30/nnn
2005 3Q	757	7,086,401	445,664	6.3%	6,640,737	93.7%	(134,144)	\$19.02/nnn
2005 2Q	757	7,086,401	301,960	4.3%	6,784,441	95.7%	2,519	\$26.01/nnn
2005 1Q	757	7,086,401	336,579	4.7%	6,749,822	95.3%	3,291	\$25.97/nnn
2004 4Q	752	7,021,188	242,557	3.5%	6,778,631	96.5%	(48,069)	\$26.19/nnn
2004 3Q	749	6,972,708	146,008	2.1%	6,826,700	97.9%	32,039	\$32.42/nnn
2004 2Q	749	6,972,708	180,847	2.6%	6,791,861	97.4%	(28,969)	\$22.15/nnn
2004 1Q	749	6,972,708	149,078	2.1%	6,823,630	97.9%	(6,569)	\$14.90/nnn
2003 4Q	748	6,967,610	137,411	2.0%	6,830,199	98.0%	33,811	\$15.16/nnn
2003 3Q	744	6,928,621	132,233	1.9%	6,796,388	98.1%	21,278	\$11.78/nnn
2003 2Q	742	6,908,843	133,733	1.9%	6,775,110	98.1%	(27,953)	\$11.70/nnn
2003 1Q	742	6,908,843	105,780	1.5%	6,803,063	98.5%	39,152	\$14.40/nnn
2002 4Q	740	6,821,685	57,774	0.8%	6,763,911	99.2%	(2,113)	\$14.40/nnn
2002 3Q	740	6,821,685	55,661	0.8%	6,766,024	99.2%	38,054	\$14.40/nnn
2002 2Q	740	6,821,685	93,715	1.4%	6,727,970	98.6%	(100)	\$14.40/nnn
2002 1Q	740	6,821,685	93,615	1.4%	6,728,070	98.6%	27,876	-
2001 4Q	738	6,775,644	75,450	1.1%	6,700,194	98.9%	(33,472)	-
2001 3Q	738	6,775,644	41,978	0.6%	6,733,666	99.4%	28,950	-
2001 2Q	738	6,775,644	70,928	1.0%	6,704,716	99.0%	42,304	-
2001 1Q	737	6,714,190	51,778	0.8%	6,662,412	99.2%	(8,606)	-
2000 4Q	735	6,711,696	40,678	0.6%	6,671,018	99.4%	(913)	-
2000 3Q	734	6,707,281	35,350	0.5%	6,671,931	99.5%	(4,850)	-
2000 2Q	734	6,707,281	30,500	0.5%	6,676,781	99.5%	17,148	-
2000 1Q	733	6,692,233	32,600	0.5%	6,659,633	99.5%	1,050	-
1999 4Q	733	6,692,233	33,650	0.5%	6,658,583	99.5%	10,517	-

Source: CoStar

Table II-10  
TRENDS IN ALAMEDA COUNTY OFFICE SPACE

Period	# Bldgs	Total RBA	Total Vacant SF	Total Vacant %	Occupied SF	Occupied %	Direct Net Absorption	Direct Average Rate
QTD	3,200	70,303,712	8,525,774	12.1%	61,777,938	87.9%	357,505	\$21.11/fs
2009 4Q	3,194	70,278,150	8,856,684	12.6%	61,421,466	87.4%	(56,066)	\$21.19/fs
2009 3Q	3,194	70,278,150	8,689,953	12.4%	61,588,197	87.6%	(283,001)	\$22.92/fs
2009 2Q	3,193	70,261,289	8,451,064	12.0%	61,810,225	88.0%	(132,482)	\$23.06/fs
2009 1Q	3,190	69,860,289	7,876,828	11.3%	61,983,461	88.7%	(498,758)	\$23.09/fs
2008 4Q	3,189	69,840,543	7,486,731	10.7%	62,353,812	89.3%	288,674	\$23.55/fs
2008 3Q	3,176	69,774,543	7,691,550	11.0%	62,082,993	89.0%	101,124	\$23.75/fs
2008 2Q	3,172	69,708,543	7,792,095	11.2%	61,916,448	88.8%	4,086	\$23.91/fs
2008 1Q	3,170	69,671,881	7,701,185	11.1%	61,970,696	88.9%	(115,159)	\$23.91/fs
2007 4Q	3,169	69,660,397	7,685,518	11.0%	61,974,879	89.0%	19,081	\$23.71/fs
2007 3Q	3,162	69,350,273	7,423,756	10.7%	61,926,517	89.3%	(68,877)	\$23.73/fs
2007 2Q	3,156	69,034,781	7,100,116	10.3%	61,934,665	89.7%	277,075	\$23.67/fs
2007 1Q	3,153	69,028,495	7,375,914	10.7%	61,652,581	89.3%	104,111	\$23.42/fs
2006 4Q	3,153	69,028,495	7,599,551	11.0%	61,428,944	89.0%	(981,528)	\$21.38/fs
2006 3Q	3,149	68,922,276	6,693,044	9.7%	62,229,232	90.3%	240,952	\$21.38/fs
2006 2Q	3,148	68,871,036	6,788,555	9.9%	62,082,481	90.1%	(156,940)	\$20.89/fs
2006 1Q	3,148	68,871,036	6,615,142	9.6%	62,255,894	90.4%	(68,411)	\$20.56/fs
2005 4Q	3,143	68,704,554	6,334,227	9.2%	62,370,327	90.8%	247,928	\$21.26/fs
2005 3Q	3,143	68,704,554	6,705,072	9.8%	61,999,482	90.2%	571,731	\$21.22/fs
2005 2Q	3,143	68,704,554	7,272,914	10.6%	61,431,640	89.4%	313,907	\$21.26/fs
2005 1Q	3,140	68,569,038	7,608,801	11.1%	60,960,237	88.9%	(205,510)	\$21.57/fs
2004 4Q	3,137	68,502,145	7,407,724	10.8%	61,094,421	89.2%	474,456	\$21.39/fs
2004 3Q	3,136	68,499,463	8,051,546	11.8%	60,447,917	88.2%	1,042,534	\$21.20/fs
2004 2Q	3,136	68,499,463	9,120,676	13.3%	59,378,787	86.7%	(251,969)	\$21.11/fs
2004 1Q	3,136	68,499,463	8,949,243	13.1%	59,550,220	86.9%	(34,991)	\$21.09/fs
2003 4Q	3,133	68,438,898	8,955,343	13.1%	59,483,555	86.9%	(118,483)	\$21.52/fs
2003 3Q	3,132	68,422,098	8,980,627	13.1%	59,441,471	86.9%	(217,571)	\$21.95/fs
2003 2Q	3,131	68,403,039	8,543,327	12.5%	59,859,712	87.5%	61,737	\$22.50/fs
2003 1Q	3,129	68,123,149	8,476,308	12.4%	59,646,841	87.6%	(377,536)	\$23.24/fs
2002 4Q	3,119	67,527,016	7,984,944	11.8%	59,542,072	88.2%	(158,814)	\$24.00/fs
2002 3Q	3,119	67,527,016	7,554,363	11.2%	59,972,653	88.8%	(225,493)	\$25.83/fs
2002 2Q	3,118	67,495,016	7,451,903	11.0%	60,043,113	89.0%	199,173	\$26.02/fs
2002 1Q	3,113	66,751,900	6,990,691	10.5%	59,761,209	89.5%	265,646	\$27.15/fs
2001 4Q	3,102	66,070,537	6,258,529	9.5%	59,812,008	90.5%	(56,054)	\$27.67/fs
2001 3Q	3,098	65,881,718	5,748,246	8.7%	60,133,472	91.3%	42,767	\$29.87/fs
2001 2Q	3,094	65,375,008	4,941,369	7.6%	60,433,639	92.4%	(107,974)	\$32.47/fs
2001 1Q	3,084	64,741,595	3,915,694	6.0%	60,825,901	94.0%	415,416	\$32.77/fs
2000 4Q	3,073	63,640,698	2,799,092	4.4%	60,841,606	95.6%	450,095	\$31.11/fs
2000 3Q	3,071	63,462,181	3,147,798	5.0%	60,314,383	95.0%	(673,610)	\$29.33/fs
2000 2Q	3,066	62,899,558	1,677,135	2.7%	61,222,423	97.3%	1,405,973	\$27.76/fs
2000 1Q	3,064	62,526,575	2,850,213	4.6%	59,676,362	95.4%	1,689,637	\$24.81/fs
1999 4Q	3,050	61,526,394	3,662,027	6.0%	57,864,367	94.0%	345,202	\$23.40/fs

Source: CoStar

Table II-11  
TRENDS IN HAYWARD OFFICE SPACE

Period	# Bldgs	Total RBA	Total Vacant SF	Total Vacant %	Occupied SF	Occupied %	Direct Net Absorption	Direct Average Rate
QTD	291	3,632,511	257,664	7.1%	3,374,847	92.9%	326,437	\$14.51/fs
2009 4Q	291	3,632,511	584,101	16.1%	3,048,410	83.9%	(15,174)	\$14.51/fs
2009 3Q	291	3,632,511	568,927	15.7%	3,063,584	84.3%	(2,125)	\$15.12/fs
2009 2Q	291	3,632,511	558,905	15.4%	3,073,606	84.6%	15,377	\$15.13/fs
2009 1Q	291	3,632,511	576,319	15.9%	3,056,192	84.1%	(343,838)	\$15.08/fs
2008 4Q	291	3,632,511	232,481	6.4%	3,400,030	93.6%	13,375	\$18.17/fs
2008 3Q	291	3,632,511	252,230	6.9%	3,380,281	93.1%	(11,424)	\$18.14/fs
2008 2Q	291	3,632,511	241,444	6.6%	3,391,067	93.4%	(51,601)	\$18.26/fs
2008 1Q	291	3,632,511	192,694	5.3%	3,439,817	94.7%	13,627	\$18.09/fs
2007 4Q	291	3,632,511	201,317	5.5%	3,431,194	94.5%	5,329	\$16.72/fs
2007 3Q	291	3,632,511	206,646	5.7%	3,425,865	94.3%	(12,304)	\$16.67/fs
2007 2Q	291	3,632,511	194,342	5.4%	3,438,169	94.6%	9,428	\$16.42/fs
2007 1Q	291	3,632,511	193,313	5.3%	3,439,198	94.7%	6,548	\$16.91/fs
2006 4Q	291	3,632,511	199,861	5.5%	3,432,650	94.5%	(37,155)	\$14.92/fs
2006 3Q	291	3,632,511	164,946	4.5%	3,467,565	95.5%	48,392	\$14.89/fs
2006 2Q	291	3,632,511	213,338	5.9%	3,419,173	94.1%	(109,455)	\$13.99/fs
2006 1Q	291	3,632,511	101,643	2.8%	3,530,868	97.2%	46,150	\$13.96/fs
2005 4Q	290	3,627,511	142,793	3.9%	3,484,718	96.1%	44,867	\$17.40/fs
2005 3Q	290	3,627,511	187,660	5.2%	3,439,851	94.8%	11,151	\$16.42/fs
2005 2Q	290	3,627,511	198,811	5.5%	3,428,700	94.5%	2,828	\$17.43/fs
2005 1Q	290	3,627,511	201,639	5.6%	3,425,872	94.4%	(12,970)	\$18.91/fs
2004 4Q	290	3,627,511	188,669	5.2%	3,438,842	94.8%	(41,060)	\$17.71/fs
2004 3Q	290	3,627,511	147,609	4.1%	3,479,902	95.9%	54,217	\$15.99/fs
2004 2Q	290	3,627,511	201,826	5.6%	3,425,685	94.4%	25,597	\$16.39/fs
2004 1Q	290	3,627,511	227,423	6.3%	3,400,088	93.7%	1,319	\$15.41/fs
2003 4Q	290	3,627,511	228,742	6.3%	3,398,769	93.7%	(39,145)	\$15.87/fs
2003 3Q	290	3,627,511	189,597	5.2%	3,437,914	94.8%	14,114	\$16.31/fs
2003 2Q	290	3,627,511	203,711	5.6%	3,423,800	94.4%	(37)	\$16.60/fs
2003 1Q	290	3,627,511	203,674	5.6%	3,423,837	94.4%	62,063	\$17.80/fs
2002 4Q	289	3,604,077	243,006	6.7%	3,361,071	93.3%	12,296	\$19.17/fs
2002 3Q	289	3,604,077	255,302	7.1%	3,348,775	92.9%	46,179	\$19.84/fs
2002 2Q	289	3,604,077	303,648	8.4%	3,300,429	91.6%	(6,433)	\$20.61/fs
2002 1Q	289	3,604,077	299,715	8.3%	3,304,362	91.7%	(11,464)	\$21.00/fs
2001 4Q	289	3,604,077	288,251	8.0%	3,315,826	92.0%	(13,204)	\$21.09/fs
2001 3Q	289	3,604,077	272,177	7.6%	3,331,900	92.4%	(11,534)	\$22.03/fs
2001 2Q	289	3,604,077	263,383	7.3%	3,340,694	92.7%	147,351	\$22.63/fs
2001 1Q	288	3,428,159	219,494	6.4%	3,208,665	93.6%	42,069	\$23.05/fs
2000 4Q	287	3,370,147	203,551	6.0%	3,166,596	94.0%	(84,619)	\$23.64/fs
2000 3Q	287	3,370,147	118,932	3.5%	3,251,215	96.5%	(17,507)	\$20.41/fs
2000 2Q	287	3,370,147	101,425	3.0%	3,268,722	97.0%	61,277	\$16.50/fs
2000 1Q	287	3,370,147	162,702	4.8%	3,207,445	95.2%	62,400	\$16.52/fs
1999 4Q	285	3,312,173	167,128	5.0%	3,145,045	95.0%	(24,517)	\$15.85/fs

Source: CoStar

Table II-12  
MISSION CORRIDOR HOUSING DEMAND FORECAST

	2010	2015	2020	2025	2030	2010-2030	
						Rate of Growth	Absolute Growth
Population	149,100	155,600	162,200	168,800	176,500	0.8%	27,400
Households	47,300	49,280	51,390	53,610	55,920	0.8%	8,620
Housing Units Needed @ 5% Vacancy	49,789	51,874	54,095	56,432	58,863	0.8%	9,074
		<b>2010-15</b>	<b>2015-20</b>	<b>2020-25</b>	<b>2025-30</b>		
Total Units Needed		2,084	2,221	2,337	2,432		9,074
Single Family Units		938	888	935	924		3,685
Multi Family Units		1,146	1,333	1,402	1,508		5,389
Multi Family Percentage		55%	60%	60%	62%		59%
Low Corridor Share @ 12% of MF		138	160	168	181		647
High Corridor Share @ 15% of MF		172	200	210	226		808

Source: Association of Bay Area Governments 2009 Projections

### III. Changing Ethnic Composition and Market Implications

While the pace population growth in Hayward and the surrounding cities has been moderate during the past two decades, the changing ethnic composition of that population has not been fully appreciated by retailers, particularly the national chain retailers headquarters outside of Northern California. Sales in Hayward restaurants and grocery stores have been below potential and well below the countywide average on a per resident basis because the existing establishments and their merchandise do not match the taste and interest of the new local population very well.

#### Hayward

From 1990 to 2008, according to the Bureau of Census, population in Hayward climbed from 111,498 to 143,407 for an overall increase of 31,909. Upon further examination, we found that the White population had declined from 68,911 to 52,818 or a decline of 16,093 (see **Table III-1** for details). In contrast, the Asian population, more than doubled from 15,710 to 33,224 for a gain of 17,514. Those indicating other races, suggesting mixed race jumped from 13,203 to 48,476 for an increase of 35,273. The Hispanic or Latino population, which can be of any race or mixed race, jumped from 26,671 to 54,972 for a gain of 28,301. Hayward's ethnic composition is now 37 percent White, 11 percent Black, 23 percent Asian and 34 percent of "other" or mixed race. It is also 38 percent Hispanic. Like much of Northern California, Hayward's population is very diverse and becoming more Asian and more Hispanic. The city's Asian population is about half Filipino, and since the Philippine Island were occupied by Spain for several centuries and by the United States as a colony for about 50 years, that population has mixture of Eastern and Western cultural influences.

#### San Leandro

The changes in San Leandro over this same 18 year period are similar. Its White population declined by 10,600 but its Asian population increased by 14,854, its Black population increased by 9,871, and its Hispanic population increased by 11,311. San Leandro's Asian population is predominantly Chinese and Filipino (see **Table III-2** for details).

#### Union City

Union City to the south had a population of 61,600 in 2008. Following a similar pattern, its White population declined by 12,000 over the past 18 years, but the city's Asian population increased by 15,300. The largest Asian group in Union City is Filipino with 12,200 and Asian Indian with 9,400; however, the Asian Indian population has been growing most rapidly (**Table III-3**).

#### Fremont

Fremont, one of the larger cities in Northern California, has benefitted from its integration into Silicon Valley. Its population is now about 200,000 with half being Asian. Over the past 18 years, Fremont

gained 64,100 Asians and lost 49,000 Whites. Its largest Asian groups are Indian with 23,900 and Chinese 23,700. Its Black and Hispanic populations have not changed significantly (**Table III-4**). The Ranch 99 Supermarkets in Fremont and Union City target the East Asian patrons, primarily Chinese, Filipino, Korean and Japanese. The South Asian Indian and Pakistani population, many who have advanced technical degrees and were attracted to Silicon Valley job opportunities, may not be well served and could represent an opportunity for the southern segment of the Mission Boulevard Specific Plan Area.

### **North versus South**

Since the northern segment of Mission Boulevard has a narrower road profile, older initial development and smaller lots, its economic development opportunities may be different from the southern segment. To probe the differences in market opportunity, the demographic characteristics of the areas covered by the drive time sheds were analyzed for the northern and southern end points of the Specific Plan Areas. In **Table III-5**, the demographic characteristics of the five and ten minute drive time shed of the Mission and Sunset intersection (north end) were compared against that of the Mission and Harder intersection (south end). According to the estimates by ESRI, the GIS data provider, the northern segment has access to a larger market by either a five or ten minute drive times because of slightly closer proximity to an earlier generation of urbanization which had smaller lots. The ESRI estimates also indicated that the incomes and the ethnic mix do not differ greatly between the north and south end drive time sheds due to considerable overlap between the two. Our informal observation suggests that the new and higher value housing development has been mostly to the south of this Specific Plan Area, and we would expect the southern trade area to have higher incomes.

### **Summary**

The detailed demographic analysis only confirms the fact that Hayward is very diverse community, and that diversity is a source of community pride. Within that diversity, the Asian and Hispanic populations are growing faster. In Northern California, these minority populations often have incomes that are comparable to or even higher than that of the main stream population. The national retail chains that have fairly standard store formats that do not understand the preferences of these populations will not compete as effectively as the retailers that serve these populations well. A successful economic development strategy for Mission Boulevard needs to recognize and take advantage of the changing demographics of Hayward and its neighboring communities.



Table III-1  
**CHANGING ETHNIC COMPOSITION OF HAYWARD**

City of Hayward	Total			Absolute Change 90-08	Percent of Total		
	1990	2000	2008		1990	2000	2008
<u>Total Population</u>	111,498	140,030	143,407	31,909	100.0%	100.0%	100.0%
White alone	68,911	60,146	52,818	-16,093	61.8%	43.0%	36.8%
Black or African American alone	10,965	15,374	16,237	5,272	9.8%	11.0%	11.3%
American Indian and Alaska Native alone	1,084	1,177	792	-292	1.0%	0.8%	0.6%
<b>Asian alone</b>	<b>15,710</b>	<b>26,149</b>	<b>33,224</b>	<b>17,514</b>	<b>14.1%</b>	<b>18.7%</b>	<b>23.2%</b>
Asian Indian	1,741	4,086	4,393	2,652	1.6%	2.9%	3.1%
Chinese	3,158	3,998	5,509	2,351	2.8%	2.9%	3.8%
<b>Filipino</b>	<b>7,070</b>	<b>12,755</b>	<b>15,256</b>	<b>8,186</b>	<b>6.3%</b>	<b>9.1%</b>	<b>10.6%</b>
Japanese	1040	1006	849	-191	0.9%	0.7%	0.6%
Korean	732	780	705	-27	0.7%	0.6%	0.5%
Vietnamese	1,340	2,783	4,207	2,867	1.2%	2.0%	2.9%
Other Asian	629	741	2,305	1,676	0.6%	0.5%	1.6%
Native Hawaiian and Other Pacific Islander alone	1,625	2,679	2,089	464	1.5%	1.9%	1.5%
<b>Other<sup>1</sup></b>	<b>13,203</b>	<b>34,075</b>	<b>48,476</b>	<b>35,273</b>	<b>11.8%</b>	<b>24.3%</b>	<b>33.8%</b>
<u>Total Hispanic or Latino</u>	26,671	47,850	54,972	28,301	23.9%	34.2%	38.3%
<b>Mexican</b>	<b>17,296</b>	<b>34,035</b>	<b>38,966</b>	<b>21,670</b>	<b>15.5%</b>	<b>24.3%</b>	<b>27.2%</b>
Puerto Rican	2,564	2,177	2,196	-368	2.3%	1.6%	1.5%
Cuban	228	213	242	14	0.2%	0.2%	0.2%
Dominican (Dominican Republic)	n/a	15	233	n/a	n/a	0.0%	0.2%
Central American	n/a	3,401	10,856	n/a	n/a	2.4%	7.6%
South American	n/a	882	591	n/a	n/a	0.6%	0.4%
Other Hispanic or Latino	6,583	7,127	1,888	-4,695	5.9%	5.1%	1.3%

<sup>1</sup> Includes two or more races



Table III-2  
**CHANGING ETHNIC COMPOSITION OF SAN LEANDRO**

City of San Leandro	Total			Absolute Change 90-08	Percent of Total		
	1990	2000	2008		1990	2000	2008
<u>Total Population</u>	68,223	79,452	87,964	19,741	100.0%	100.0%	100.0%
White alone	50,582	40,754	39,982	-10,600	74.1%	51.3%	45.5%
Black or African American alone	3,923	7,849	13,794	9,871	5.8%	9.9%	15.7%
American Indian and Alaska Native alone	508	609	77	-431	0.7%	0.8%	0.1%
Asian alone	8,774	17,941	23,628	14,854	12.9%	22.6%	26.9%
Asian Indian	297	815	311	14	0.4%	1.0%	0.4%
Chinese	3,558	7,987	10,387	6,829	5.2%	10.1%	11.8%
Filipino	3,269	6,367	9,392	6,123	4.8%	8.0%	10.7%
Japanese	649	607	352	-297	1.0%	0.8%	0.4%
Korean	457	590	358	-99	0.7%	0.7%	0.4%
Vietnamese	355	1,231	2,059	1,704	0.5%	1.5%	2.3%
Other Asian	189	344	769	580	0.3%	0.4%	0.9%
Native Hawaiian and Other Pacific Islander alone	618	683	2,613	1,995	0.9%	0.9%	3.0%
Other <sup>1</sup>	3,818	11,315	11,295	7,477	5.6%	14.2%	12.8%
<u>Total Hispanic or Latino</u>	10,363	15,939	21,674	11,311	15.2%	20.1%	24.6%
Mexican	6,316	10,719	17,705	11,389	9.3%	13.5%	20.1%
Puerto Rican	484	696	1,025	541	0.7%	0.9%	1.2%
Cuban	81	97	0	-81	0.1%	0.1%	0.0%
Dominican (Dominican Republic)	n/a	21	0	n/a	n/a	0.0%	0.0%
Central American	n/a	831	1,007	n/a	n/a	1.0%	1.1%
South American	n/a	391	618	n/a	n/a	0.5%	0.7%
Other Hispanic or Latino	3,482	3,184	1,319	-2,163	5.1%	4.0%	1.5%

<sup>1</sup> Includes two or more races

Source: US Bureau of the Census



Table III-3  
**CHANGING ETHNIC COMPOSITION OF UNION CITY**

City of Union City	Total		Absolute Change 90-08	Percent of Total	
	1990	2000		1990	2000
<u>Total Population</u>	53,762	66,869	7,866	100.0%	100.0%
White alone	23,613	20,198	-12,016	43.9%	30.2%
Black or African American alone	4,612	4,479	13	8.6%	6.7%
American Indian and Alaska Native alone	318	356	-106	0.6%	0.5%
Asian alone	17,343	28,485	15,317	32.3%	42.6%
Asian Indian	2,132	5,751	7,213	4.0%	8.6%
Chinese	2,863	5,910	2,979	5.3%	8.8%
Filipino	9,749	12,587	2,412	18.1%	18.8%
Japanese	455	414	-65	0.8%	0.6%
Korean	583	903	-198	1.1%	1.4%
Vietnamese	1,088	2,096	1,234	2.0%	3.1%
Other Asian	473	824	1,742	0.9%	1.2%
Native Hawaiian and Other Pacific Islander alone	635	610	137	1.2%	0.9%
Other <sup>1</sup>	7,241	12,210	13,858	13.5%	18.3%
<u>Total Hispanic or Latino</u>	13,484	16,020	n/a	25.1%	24.0%
Mexican	10,085	11,960	n/a	18.8%	17.9%
Puerto Rican	635	510	n/a	1.2%	0.8%
Cuban	69	42	n/a	0.1%	0.1%
Dominican (Dominican Republic)	n/a	1	n/a	n/a	0.0%
Central American	n/a	730	n/a	n/a	1.1%
South American	n/a	261	n/a	n/a	0.4%
Other Hispanic or Latino	2,695	2,516	n/a	5.0%	3.8%

<sup>1</sup> Includes two or more races

Source: US Bureau of the Census



Table III-4  
**CHANGING ETHNIC COMPOSITION OF FREMONT**

City of Fremont	Total		Absolute Change 90-08		Percent of Total	
	1990	2000	2008	Change 90-08	1990	2000
Total Population	173,339	203,413	198,067	24,728	100.0%	100.0%
White alone	122,376	96,968	73,404	-48,972	70.6%	47.7%
Black or African American alone	6,562	6,310	6,612	50	3.8%	3.1%
American Indian and Alaska Native alone	1,218	1,048	1,210	-8	0.7%	0.5%
Asian alone	32,707	73,860	96,843	64,136	18.9%	36.3%
Asian Indian	5,577	20,742	29,497	23,920	3.2%	10.2%
Chinese	11,004	29,240	34,718	23,714	6.3%	14.4%
Filipino	9,345	11,782	15,644	6,299	5.4%	5.8%
Japanese	2,123	2,044	1,563	-560	1.2%	1.0%
Korean	1,814	3,168	2,079	265	1.0%	1.6%
Vietnamese	1,712	4,135	4,943	3,231	1.0%	2.0%
Other Asian	1,132	2,749	8,399	7,267	0.7%	1.4%
Native Hawaiian and Other Pacific Islander alone	964	819	1,109	145	0.6%	0.4%
Other <sup>1</sup>	9,512	23,103	26,742	17,230	5.5%	11.4%
<u>Total Hispanic or Latino</u>	23,091	27,409	24,388	1,297	13.3%	13.5%
Mexican	15,051	18,848	17,338	2,287	8.7%	9.3%
Puerto Rican	1,368	1,233	1,526	158	0.8%	0.6%
Cuban	141	172	80	-61	0.1%	0.1%
Dominican (Dominican Republic)	n/a	14	76	n/a	n/a	0.0%
Central American	n/a	1,279	2,482	n/a	n/a	0.6%
South American	n/a	844	1,054	n/a	n/a	0.4%
Other Hispanic or Latino	6,531	5,019	1,832	-4,699	3.8%	2.5%

<sup>1</sup> Includes two or more races

Source: US Bureau of the Census



Table III-5  
DETAILED ANALYSIS OF MARKET AREA DEMOGRAPHICS

Within 5 Minutes Drive Time	North : Mission & Sunset			South : Mission & Harder		
	2000	2014	Change 00-14	2000	2014	Change 00-14
Total Population	111,664	118,664	7,000	87,774	94,606	6,832
White	56,725	50,195	-6,530	37,567	33,680	-3,888
Black	14,516	13,646	-870	9,743	8,988	-755
American Indian	1,117	1,068	-49	790	662	-128
Asian or Pacific Islander	14,405	18,156	3,751	16,326	19,678	3,352
Some Other Races	17,085	23,733	6,648	16,589	21,854	5,265
Two or More Races	7,928	11,866	3,938	6,759	9,650	2,891
Hispanic Origin (Any Race)	36,626	50,432	13,806	33,617	43,992	10,374
Per Capita Income	\$20,117	\$25,827	\$5,710	\$18,048	\$23,645	\$5,597
Median Household Income	\$45,830	\$61,330	\$15,500	\$47,940	\$64,369	\$16,429
Within 10 Minutes Drive Time	North : Mission & Sunset			South : Mission & Harder		
	2000	2014	Change 00-14	2000	2014	Change 00-14
Total Population	379,039	399,676	20,637	332,473	351,395	18,922
White	180,423	156,673	-23,750	158,257	135,990	-22,267
Black	55,340	51,958	-3,382	31,917	29,869	-2,049
American Indian	3,032	2,798	-235	2,660	2,460	-200
Asian or Pacific Islander	68,606	86,730	18,124	72,479	90,309	17,829
Some Other Races	47,380	65,147	17,767	44,219	59,034	14,815
Two or More Races	24,258	36,770	12,512	22,941	33,734	10,793
Hispanic Origin (Any Race)	100,824	137,888	37,064	93,425	125,097	31,672
Per Capita Income	\$21,844	\$28,962	\$7,118	\$21,670	\$28,680	\$7,010
Median Household Income	\$51,758	\$70,448	\$18,690	\$53,711	\$73,650	\$19,939

Source: 2000 Census of Population and Housing and ESRI Forecasts for 2014

## **IV. Retail Market Demand and Development Opportunities**

As the Northern California economy moves out of the recent severe recession and population and income growth resume in Hayward and the surrounding cities, demand for retail facilities will also grow. In this section, the retail space demand increase is estimated based upon projected trade area population and income growth. The underserved CSU campus population and its future retail needs are then taken into consideration as is the changing ethnic composition of trade area population and resulting sales leakage from Hayward. Separate demand estimates are made for the northern and southern segments of the Mission Boulevard corridor. The development recommendations then flow from the market demand estimations, the physical attributes of each segment of Mission Boulevard, and the opportunity sites available.

### **Growth of Hayward and Surrounding Communities**

With the loss of 4,500 jobs at NUMMI occurring on top of an already high unemployment rate in Northern California, near term population and employment growth will be slow. However, with a highly educated labor force and being one of the best places in the world to live, the Bay Area will continue to enjoy long term economic expansion and population growth. The extension of BART to Santa Clara County and the completion of the California High Speed Rail System will stimulate Bay Area growth particularly in the 2020 to 2030 decade. Hayward, being a close in community with vacant, underutilized and relatively inexpensive land for development, will participate in this future economic expansion. According to Association of Bay Area Government's (ABAG) 2009 Projections, Hayward will gain 27,400 new residents, 20,100 new jobs and 8,600 new households over the next 20 years (**Table IV-1**). When the surrounding cities and unincorporated areas are taken into consideration, this part of Alameda County is projected to add around 100,000 new residents, nearly 100,000 new jobs and 30,000 to 40,000 households by 2030. With good planning and some catalytic public investment, the economic and physical transformation of this corridor is not in question. It is a matter of how fast and how much the transformed new Mission Boulevard can elevate the image and fiscal performance of Hayward.

### **Southern Section of Mission Boulevard**

In estimating retail demand for the southern section of Mission Boulevard from Harder to Jackson, we used the following factors:

- Defined Trade Area – Population with five minutes drive time of the Mission and Harder intersection.
- Projected Trade Area Population Growth – 0.9 percent per year from 2010 to 2020 and 1.2 percent per year from 2020 to 2030.

- Per Capita Retail Spending – Based upon the 2008 Alameda County per capita spending.
- Growth in Per Capita Spending – 0.6 percent per year real income growth coming out of this recession from 2010 to 2020 and 0.5 percent per year from 2020 to 2030.
- Gain in Sales – The product of population increase within the Trade Area and per capita sales.
- Gain in Supportable Square Footage – Dividing annual sales by the expected sales per square foot per year performance factor for each type of retail space.
- Market Share – The percentage of new supportable space in each category that can reasonably be attracted to this segment of the corridor based upon location, the availability of development sites and the analyst’s experience.

As detailed in the calculations in **Tables VI-2** and **IV-3**, the southern section of the Mission boulevard Specific Plan Area can support 44,300 square feet of additional retail space by 2020 and additional 58,800 square feet by 2030. This analysis does not fully reflect the impact of CSU, since until very recently the campus has not had any significant resident population. It also does not reflect demand from residents living outside the five minute drive shed. Our final development program recommendations will incorporate both of these additional considerations.

### **Impact of CSU East Bay**

Based upon a review of the recently released Campus Master Plan and discussions with the Dean responsible for campus planning, the growth forecasts for CSU are presented in **Table IV-4**. Total student head count is projected to increase from 12,200 in 2007 and around 14,000 today to 17,600 by 2020 and 21,000 by 2030. However, since the remote learning students do not have any impact on retail development locally, they are subtracted. Of greater importance, the students residing on campus are project to increase from about 400 in 2007 to 3,500 by 2020 and 4,200 by 2030. Other than the campus bookstore and dormitory food service, these on-campus students will have few dining, shopping or entertainment options. There are also few dining options locally for faculty or staff wishing to entertain visitors or recruitment candidates. Clearly, this campus is underserved in terms of commercial facilities, and the southern section of Mission Boulevard is well located to provide the needed service.

Based upon past work AECOM Economics has factors that estimate retail spending at university campuses. As show in **Table IV-5** which compiled the results of a survey of approximately 700 students at UC San Diego, these expenditure estimates differentiate between students living on campus, living off campus, graduates, under graduates, and faculty and staff. We applied the

rounded values of these spending factors against the head counts at CSU East Bay to determine the retail and restaurant square footage supportable by the campus in total (**Table IV-6**). The current supportable square footage is approximately 40,000 square feet, and this demand is in part satisfied by the campus bookstore and the shops and restaurants currently in Hayward (e.g. Buffalo Bill's). However, a good part of this supportable square footage is lost from Hayward to stores in the communities close to where the students and faculty live. As campus grows and adds on-campus student housing, the supportable square footage will grow to 60,000 square feet by 2020 and 80,000 square feet by 2030. About half of this demand will be for food, both grocery stores and restaurants, and entertainment (see **Table IV-7** for distribution). Depending upon site, location and concentration of development, a good portion of this demand can be satisfied by new development along Mission Boulevard.

### Near Term Program

When all aspects of demand are considered that include the following:

- The underserved students, faculty and staff at CSU and their expected growth in numbers.
- The rapidly growing ethnic population of Hayward and neighboring cities to the south.
- The growth in population and income of the primary trade area within five minutes drive time of Mission and Harder.
- The visibility to through traffic on both Mission and Harder.

AECOM Economics recommends an initial development of approximately 100,000 square feet in a new neighborhood/specialty center or district (see **Table IV-8** for details). This district will likely require eight to nine acres of property. Departing from the standard shopping center formula, this district would have four key anchors including two grocery stores. Since 99 Ranch Markets are located in Northern Fremont and Union City and Mi Pueblo is on Harder about a half mile west of Mission, the best grocery store opportunity may be one targeting the South Asian population:

- An ethnic grocery store of 15,000 to 20,000 square feet (possibly Indian).
- A specialty grocery store of another 15,000 to 20,000 square feet (like Trader Joe's or a second ethnic store).
- A pub or sports bar of 8,000 square feet offering karaoke, ping pong, pool tables, dart board, Wii type sports and dancing.
- A full service dinner restaurant of 8,000 square feet (like Le Cheval in Oakland and Walnut Creek).

- Smaller in line shops and food service with ethnic specialty foods and other items ( ice cream or yogurt shop, sandwich shop, pizza parlor, coffee shop, tea shop, sushi, dumplings, tacos, bakery, laundry, cleaners, beauty salon, etc.).
- A cluster of other smaller restaurants (a selection from Indian, Chinese, Filipino, Korean, Japanese, Vietnamese, Thai, Middle Eastern, Mexican, South American and/or Southern).
- Apparel, specialty stores and sundry outlets.

### **Second Phase**

A second phase of 50,000 to 60,000 square feet could be added at a later date. The timing of the second phase would depend upon the success of the initial phase. Its tenant mix would be similar to the initial phase and should be planned to complement that phase.

### **Commercial Site Opportunities**

Based upon the following selection criteria, Economics at AECOM identified three sites as having good potential for near term redevelopment:

- Properties of ample size to attract the developer of significant projects.
- Vacant properties or properties with low value improvements relative to land area.
- Exposure not only to north-south traffic along Mission Boulevard but also to east-west traffic along significant cross roads.
- Blighted properties that should be removed to enhance area image.
- Significant City or Redevelopment Agency ownership of properties to minimize land assembly.
- Significant portions free from the earthquake fault line.
- Free from overhead utilities.
- Free from residential units that would require residents be relocated.

Three site areas surfaced from the screening in accordance to these criteria, and they are as follows:

- **Westside of Mission between Harder on the south and Torrano on the north** – This is the area formerly occupied by Hayward Mazda, Hayward Chevrolet and Hartzheim Dodge. Some residential units are on this site, and a church has just recently been approved for the Chevrolet Dealership property. However, the acreage between the Chevrolet Dealership property and Harder may be sufficient to accommodate a significant new development of eight or nine acres.

- **Westside of Mission between Sycamore on the south and Pinedale Court on the north**
  - This stretch of Mission Boulevard is between the main route to CSU at Carlos Bee and Downtown Hayward. Redevelopment of these parcels would remove dilapidated structures from this corridor, but lot depth is a concern for “new urbanist” types of commercial redevelopment since street parking will not be permitted with implementation of the new SR-238 improvements.
- **Eastside of Mission both north and south of Carlos Bee** –The City owns much of the property in this area. The northern parcel has significant lot depth but is bisected by the fault line. Since Mission at Carlos Bee is a high volume intersection with six through lanes and double left turn lanes on Mission, new commercial development will likely need to face inward onto either a parking lot or a new smaller street.

The urban designers on the team will locate the identified commercial development opportunities onto these and other sites with input from the Hayward community expressed during the design charrette.

### **Northern Section of Mission Boulevard**

The northern section of Mission Boulevard has a narrower street profile and will not be carrying the high volumes of traffic that the southern section will be expected to carry. This is because the north bound traffic on SR-238 is diverted to East Jackson and then Foothill Boulevard as it passes Downtown Hayward, and the south bound traffic from I-580 comes into Hayward on Foothill and proceeds to East Jackson and then Mission Boulevard south of Downtown Hayward. This northern area is also largely within one-half mile of the Hayward BART station. Because the surrounding neighborhood is older and has smaller lots, the neighborhood population density is also higher than that of the southern section. These physical and location characteristics provide a different set of opportunities and constraints for this northern section of the Specific Plan Area.

### **Strategy for the Northern Section**

Due to lack retail sites of any significant size, the mixture of auto related uses and older buildings in deteriorated condition, the demand for pure retail space in this section is projected to be only 30,000 to 40,000 square feet over 20 years (see **Tables IV-9** and **IV-10**). The revitalization strategy for this northern section is going to require a more comprehensive multi-faceted approach incorporating residential development. The key steps include the following:

- The reconstruction of the Mission Boulevard public right of way which we understand is programmed.

- A long term commitment to protecting and upgrading the housing stock in the immediately surrounding neighborhoods through an expanded housing rehabilitation loan and grant program.
- Adopting an infill live-work mixed use strategy with housing above work space that could be retail, services, artist studios or artisan manufacturing.
- Use Redevelopment Agency resources to create one or two anchor projects at strategic locations and then encourage infill development with row houses that have ground floor commercial or workspaces at the street frontage.

When retailers and retail developers search for new opportunities, they look for market areas with “good demographics,” which is simply areas with a large number of high income households. In the communities of this country, a strong statistical correlation exists between household income and the quality and value of its housing stock. With much of Hayward built 40 and 50 years ago, the housing stock around this northern section of Mission Boulevard is now in need of reinvestment. The value of the city’s housing stock is the key determinant of future community income and household purchasing power. Since local retail potential will be determined by community purchasing power, reinvestment in the city’s housing stock needs to be an important policy priority. ERA recommends that the City aggressively expand its residential rehabilitation loan program and target the older neighborhoods. After an initial start-up period, the program should be self funding as the repayment of earlier loans fund subsequent loans. A better housing stock around Mission Boulevard will attract higher income households that will in turn patronize local commercial enterprises. The increased local retail spending will lead to new retail businesses and the upkeep of commercial properties. As indicated in **Table IV-11**, most of the new retail establishments are expected to be local serving and would likely include smaller restaurants, specialty food stores, a hardware store, and local services.

Table IV-1  
**PROJECTED POPULATION, EMPLOYMENT AND HOUSEHOLDS**

	2010	2015	2020	2025	2030	2010-2030	
						Rate of Growth	Absolute Growth
<b>Population</b>							
Hayward	149,100	155,600	162,200	168,800	176,500	0.8%	27,400
San Leandro	82,000	83,600	85,800	88,500	91,500	0.5%	9,500
Union City	73,700	79,700	85,200	90,100	95,100	1.3%	21,400
Fremont	214,200	221,200	230,600	238,100	247,400	0.7%	33,200
Four City Subtotal	519,000	540,100	563,800	585,500	610,500	0.8%	91,500
Alameda County Total	1,549,800	1,626,100	1,705,900	1,787,300	1,874,600	1.0%	324,800
<b>Employment</b>							
Hayward	71,050	72,240	78,250	84,510	91,150	1.3%	20,100
San Leandro	40,940	42,300	45,680	49,390	53,770	1.4%	12,830
Union City	20,230	22,170	24,860	31,540	37,270	3.1%	17,040
Fremont	94,440	96,410	101,050	112,920	127,800	1.5%	33,360
Four City Subtotal	226,660	233,120	249,840	278,360	309,990	1.6%	83,330
Alameda County Total	712,850	761,270	825,070	897,810	970,490	1.6%	257,640
<b>Households</b>							
Hayward	47,300	49,280	51,390	53,610	55,920	0.8%	8,620
San Leandro	31,270	31,960	32,950	33,990	35,090	0.6%	3,820
Union City	20,420	21,940	23,470	24,990	26,520	1.3%	6,100
Fremont	71,110	73,650	76,780	79,720	82,860	0.8%	11,750
Four City Subtotal	170,100	176,830	184,590	192,310	200,390	0.8%	30,290
Alameda County Total	557,270	585,400	615,470	645,680	676,280	1.0%	119,010

Source: Association of Bay Area Governments 2009 Projections



Table IV-2  
**GENERAL POPULATION RETAIL DEMAND FOR SOUTHERN SECTION OF MISSION: 2010-2020**  
 (Dollars are in Thousands)

	2010		2020		Market Area Demand Growth and Southern Section of Mission Capture						
	Trade Area Population - within 5 Minutes	93,000	101,700	Real Income Adjustment	1.000	1.062	Gain in Sales	Annual Sales/SF	Gain in Sq Ft	Market Share	Sq Ft
	Per Capita	Total Market Area Demand									
Apparel Stores	0.486	\$45,217	\$52,495	\$7,278	\$300	24,261	8.0%	1,941			
Gen. Merchandise & Drug	1.425	132,482	153,807	21,325	300	71,083	10.0%	7,108			
Food Stores	1.522	141,578	164,367	22,789	425	53,621	18.0%	9,652			
Eating & Drinking Places	1.294	120,318	139,685	19,367	375	51,645	15.0%	7,747			
Furnishing & Appliances	0.535	49,779	57,792	8,013	275	29,137	7.5%	2,185			
Bldg Materials & Hardware	0.893	83,091	96,466	13,375	250	53,499	7.5%	4,012			
Auto Dealers & Supplies	1.515	140,881	163,557	22,677	NA	NA	NA	NA			
Service Stations	1.321	122,814	142,583	19,769	NA	NA	NA	NA			
Other Retail Stores	1.526	141,921	164,765	22,844	300	76,148	10.0%	7,615			
<b>Total Retail Stores</b>	<b>10.517</b>	<b>\$978,080</b>	<b>\$1,135,516</b>	<b>\$157,436</b>		<b>359,393</b>	<b>11.2%</b>	<b>40,260</b>			
<b>Local Services @ 10% of Retail Store Total</b>										<b>4,026</b>	
<b>Total Resident Generated Retail and Restaurant Demand</b>											<b>44,286</b>

Source: ERA AECOM



Table IV-3  
**GENERAL POPULATION RETAIL DEMAND FOR SOUTHERN SECTION OF MISSION: 2020-2030**  
 (Dollars are in Thousands)

	2020		2030		Market Area Demand Growth and Southern Section of Mission Capture			
	Trade Area Population - within 5 Minutes	101,700	114,568	Real Income Adjustment	1.062	1.116		
	Per Capita	Total Market Area Demand		Gain in Sales	Annual Sales/SF	Gain in Sq Ft	Market Share	Sq Ft
Apparel Stores	0.486	\$52,495	\$62,162	\$9,666	\$300	32,221	8.0%	2,578
Gen. Merchandise & Drug	1.425	153,807	182,128	28,321	300	94,404	10.0%	9,440
Food Stores	1.522	164,367	194,632	30,266	425	71,213	18.0%	12,818
Eating & Drinking Places	1.294	139,685	165,405	25,721	375	68,589	15.0%	10,288
Furnishing & Appliances	0.535	57,792	68,433	10,641	275	38,696	7.5%	2,902
Bldg Materials & Hardware	0.893	96,466	114,228	17,763	250	71,051	7.5%	5,329
Auto Dealers & Supplies	1.515	163,557	193,674	30,117	NA	NA	NA	NA
Service Stations	1.321	142,583	168,837	26,254	NA	NA	NA	NA
Other Retail Stores	1.526	164,765	195,105	30,339	300	101,130	10.0%	10,113
<b>Total Retail Stores</b>	<b>10.517</b>	<b>\$1,135,516</b>	<b>\$1,344,604</b>	<b>\$209,088</b>		<b>477,305</b>	<b>11.2%</b>	<b>53,469</b>
<b>Local Services @ 10% of Retail Store Total</b>								<b>5,347</b>
<b>Total Resident Generated Retail and Restaurant Demand</b>								<b>58,816</b>

Source: ERA AECOM



Table IV-4  
**CSU EAST BAY GROWTH FORECASTS**

	2007	2020	2030	Growth	
				2007 - 20	2020-30
Student Head Count	12,224	17,600	21,000	5,376	3,400
Remote Learning	611	1,408	2,100	797	692
Students Coming to Campus	11,613	16,192	18,900	4,579	2,708
Living on Campus	400	3,520	4,200	3,120	680
Living Off Campus - Commuter:	11,213	12,672	14,700	1,459	2,028
Faculty & Staff	1,591	2,255	2,695	664	440
Faculty Head Count	755	1,070	1,280	315	210
Staff Head Count	836	1,185	1,415	349	230

Source: Cal state East Bay, Hayward Campus Master Plan - Public Review Draft Nov. 2008



Table IV-5  
**ESTIMATED STUDENT STAFF & FACULTY SPENDING - UC SAN DIEGO 2003-04**  
**(Annualized Spending Including Summer)**

Spending by Category	On Campus		Off Campus		Staff & Faculty
	Undergrads	Graduate	Undergrads	Graduate	
<b>Spending by Category</b>					
Food & Beverage <sup>1</sup>	2,528	1,631	1,483	1,692	1,568
Books & Supplies <sup>2</sup>	770	746	873	678	968
Clothing	554	516	621	478	1,310
Furniture & Household	294	357	365	396	505
Retail & Personal Services	854	1,167	1,186	1,325	2,942
Entertainment	<u>501</u>	<u>561</u>	<u>667</u>	<u>728</u>	<u>565</u>
Total Retail Spending	\$5,501	\$4,978	\$5,194	\$5,296	\$7,858
<b>Current Campus Capture</b>					
Food & Beverage <sup>1</sup>	77.0%	38.0%	31.2%	28.7%	32.0%
Books & Supplies <sup>2</sup>	79.7%	55.1%	70.1%	59.2%	40.0%
Clothing	8.1%	4.6%	3.0%	2.6%	2.0%
Furniture & Household	14.4%	1.5%	1.4%	0.9%	1.0%
Retail & Personal Services	32.8%	25.8%	23.4%	21.0%	15.0%
Entertainment	<u>14.5%</u>	<u>9.1%</u>	<u>5.3%</u>	<u>4.0%</u>	<u>2.0%</u>
Total Retail Spending	54.5%	28.4%	27.2%	22.9%	17.5%
<b>Current on Campus Spending</b>					
Food & Beverage <sup>1</sup>	1,947	620	463	486	502
Books & Supplies <sup>2</sup>	614	411	612	401	387
Clothing	45	24	19	12	26
Furniture & Household	42	5	5	4	5
Retail & Personal Services	280	301	277	278	441
Entertainment	<u>73</u>	<u>51</u>	<u>35</u>	<u>29</u>	<u>11</u>
Total On Campus Spending	\$3,001	\$1,412	\$1,411	\$1,210	\$1,373

<sup>1</sup> For on campus undergrads includes dining hall spending

<sup>2</sup> Includes spending in campus bookstore

Source: Detailed ERA and SBRI Survey



Table IV-6  
ESTIMATED POTENTIAL LOCAL SPENDING BY CSU STUDENTS & FACULTY

	Growth			
	2007	2020	2030	2007 - 2020 - 2030
<b><u>Head Counts</u></b>				
Students Living on Campus	400	3,520	4,200	3,120
Commuter Students	11,213	12,672	14,700	1,459
Faculty	755	1,070	1,280	315
Staff	836	1,185	1,415	349
<b><u>Estimated Per Capita Spending</u></b>				
Students Living on Campus	\$1,500	\$1,800	\$2,000	
Commuter Students	800	1,000	1,200	
Faculty	1,500	1,500	1,500	
Staff	100	1,200	1,400	
<b><u>Estimated Total Off Campus Spending</u></b>				
Students Living on Campus	\$600,000	\$6,336,000	\$8,400,000	\$5,736,000
Commuter Students	8,970,240	12,672,000	17,640,000	3,701,760
Faculty	1,132,500	1,605,000	1,920,000	472,500
Staff	83,600	1,422,000	1,981,000	1,338,400
Total CSU Spending	\$10,786,340	\$22,035,000	\$29,941,000	\$11,248,660
<b><u>Sales per SF per Year</u></b>				
Low	\$350	\$350	\$350	
Hight	400	400	400	
<b><u>Supportable Development (SF)</u></b>				
Low	26,966	55,088	74,853	28,122
Hight	30,818	62,957	85,546	32,139
				19,765
				22,589

Source: ERA | AECOM



Table IV-7  
**DEVELOPMENT PROGRAM ON MISSION BOULEVARD SUPPORTABLE BY CSU**

	2020	2030	Distribution	Notes
Restaurants & Bars	12,000	16,000	20%	Sushi bar, Indian, Thai, Vietnamese and ice cream or yogurt
Grocery Store	12,000	16,000	20%	Trader Joe's
Books & Supplies	13,200	17,600	22%	Art supplies, sports equipment, books
Clothing	3,000	4,000	5%	Shoes, sporting clothing
Retail & Personal Services	15,000	20,000	25%	Drug store, laundry, cleaners, barber shop, beauty salon
Entertainment	<u>4,800</u>	<u>6,400</u>	<u>8%</u>	<u>8%</u> Bar, karaoke, ping pong, dart board, Wii sports, pool tables
Total CSU Supported SF	60,000	80,000	100%	

Source: ERA|AECOM



Table IV-8  
**RECOMMENDED DEVELOPMENT PROGRAM FOR SOUTHERN SECTION OF MISSION**

	New Development			2030 Distribution	Comments
	2010-20	2020-30	By 2030		
Restaurants	16,800	11,200	28,000	18%	Sushi bar, Indian, Thai, Vietnamese and ice cream or yogurt
Entertainment	8,000	2,000	10,000	7%	Bar, karaoke, ping pong, dart board, Wii sports, pool tables
Grocery Store	30,000	12,000	42,000	28%	Ethnic market, Trader Joe's
Books & Supplies	12,000	8,000	20,000	13%	Art supplies, sports equipment, books
Clothing	8,000	4,000	12,000	8%	Old Navy, shoes, sporting clothing
Personal Services & Sundries	16,000	8,000	24,000	16%	Drug store, laundry, cleaners, barber shop, beauty salon
Specialty Stores	<u>10,000</u>	<u>6,000</u>	<u>16,000</u>	<u>11%</u>	<u>Sporting goods, cards, imported goods, etc.</u>
Total Program in SF	100,800	51,200	152,000	100%	

Source: ERA | AECOM



Table IV-9  
**GENERAL POPULATION RETAIL DEMAND FOR NORTHERN SECTION OF MISSION: 2010-2020**  
 (Dollars are in Thousands)

	2010		2020		Market Area Demand Growth and Northern Section of Mission Capture						
	Trade Area Population - within 5 Minutes	116,700	121,500	Real Income Adjustment	0.980	1.040	Gain in Sales	Annual Sales/SF	Gain in Sq Ft	Market Share	Sq Ft
	Per Capita	Total Market Area Demand									
Apparel Stores	0.486	\$55,605	\$61,461	\$5,856	\$300	19,520	4.0%	781			
Gen. Merchandise & Drug	1.425	162,918	180,076	17,157	300	57,191	7.5%	4,289			
Food Stores	1.522	174,104	192,439	18,335	425	43,142	8.0%	3,451			
Eating & Drinking Places	1.294	147,960	163,542	15,582	375	41,552	8.0%	3,324			
Furnishing & Appliances	0.535	61,215	67,662	6,447	275	23,443	5.0%	1,172			
Bldg Materials & Hardware	0.893	102,180	112,941	10,761	250	43,043	5.0%	2,152			
Auto Dealers & Supplies	1.515	173,247	191,492	18,245	NA	NA	NA	NA			
Service Stations	1.321	151,029	166,935	15,905	NA	NA	NA	NA			
Other Retail Stores	1.526	174,526	192,906	18,380	300	61,266	5.0%	3,063			
<b>Total Retail Stores</b>	<b>10.517</b>	<b>\$1,202,786</b>	<b>\$1,329,454</b>	<b>\$126,668</b>		<b>289,156</b>	<b>6.3%</b>	<b>18,233</b>			
<b>Local Services @ 10% of Retail Store Total</b>								<b>1,823</b>			
<b>Total Resident Generated Retail and Restaurant Demand</b>								<b>20,057</b>			

Source: ERA AECOM



Table IV-10  
**GENERAL POPULATION RETAIL DEMAND FOR NORTHERN SECTION OF MISSION: 2020-2030**  
 (Dollars are in Thousands)

	2020		2030		Market Area Demand Growth and Northern Section of Mission Capture						
	Trade Area Population - within 5 Minutes	121,500	129,037	Real Income Adjustment	1.040	1.105	Gain in Sales	Annual Sales/SF	Gain in Sq Ft	Market Share	Sq Ft
	Per Capita	Total Market Area Demand									
Apparel Stores	0.486	\$61,461	\$69,298		\$7,836	\$300	26,122	4.0%	1,045		
Gen. Merchandise & Drug	1.425	180,076	203,036		22,960	300	76,534	7.5%	5,740		
Food Stores	1.522	192,439	216,976		24,537	425	57,733	8.0%	4,619		
Eating & Drinking Places	1.294	163,542	184,394		20,852	375	55,606	8.0%	4,448		
Furnishing & Appliances	0.535	67,662	76,289		8,627	275	31,371	5.0%	1,569		
Bldg Materials & Hardware	0.893	112,941	127,342		14,400	250	57,602	5.0%	2,880		
Auto Dealers & Supplies	1.515	191,492	215,908		24,416	NA	NA	NA	NA		
Service Stations	1.321	166,935	188,219		21,285	NA	NA	NA	NA		
Other Retail Stores	1.526	192,906	217,502		24,596	300	81,987	5.0%	4,099		
<b>Total Retail Stores</b>	<b>10.517</b>	<b>\$1,329,454</b>	<b>\$1,498,964</b>		<b>\$169,510</b>		<b>386,955</b>	<b>6.3%</b>	<b>24,400</b>		
<b>Local Services @ 10% of Retail Store Total</b>									<b>2,440</b>		
<b>Total Resident Generated Retail and Restaurant Demand</b>									<b>26,840</b>		

Source: ERA/AECOM



Table IV-11  
**RECOMMENDED DEVELOPMENT PROGRAM FOR NORTHERN SECTION OF MISSION**

	By 2020	By 2030	2030 Distribution	Comments
Restaurants	4,000	8,000	24%	Mexican, Chinese, Filipino, coffeee
Food Stores	3,500	8,000	24%	Local serving, bakery, specialty foods
Hardware	2,000	5,000	15%	Hardware store
Clothing	1,000	2,500	7%	Small clothing stores
Personal Services & Sundries	2,500	6,000	18%	Drug store, laundry, cleaners, barber shop, beauty salon
Specialty Stores	<u>3,000</u>	<u>4,000</u>	<u>12%</u>	<u>Cards, gifts</u>
Total Program in SF	16,000	33,500	100%	

Source: ERA|AECOM

## General Limiting Conditions

Every reasonable effort has been made to ensure that the data contained in this report are accurate as of the date of this study; however, factors exist that are outside the control of AECOM and that may affect the estimates and/or projections noted herein. This study is based on estimates, assumptions and other information developed by AECOM from its independent research effort, general knowledge of the industry, and information provided by and consultations with the client and the client's representatives. No responsibility is assumed for inaccuracies in reporting by the client, the client's agent and representatives, or any other data source used in preparing or presenting this study.

This report is based on information that was current as of March, 2010 and AECOM has not undertaken any update of its research effort since such date.

Because future events and circumstances, many of which are not known as of the date of this study, may affect the estimates contained therein, no warranty or representation is made by AECOM that any of the projected values or results contained in this study will actually be achieved.

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This study is qualified in its entirety by, and should be considered in light of, these limitations, conditions and considerations.