

## **COUNCIL DOWNTOWN COMMITTEE**

**Monday, June 22, 2009  
7:00 p.m.**

**Room 2A - Hayward City Hall  
777 B Street  
Hayward, CA 94541**

Public Comments: (Note: For matters not otherwise listed on the agenda the Committee welcomes public comments under this section, but is prohibited by State Law from discussing items not listed on the agenda. Your item will be taken under consideration and referred to staff.)

1. Mural Program Update
2. Buxton Retail Marketing Strategy Status Report

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**DATE:** June 22, 2009  
**TO:** Council Downtown Committee  
**FROM:** Stacey Sorensen, Neighborhood Partnership Manager  
**SUBJECT:** Mural Program - Update

### **RECOMMENDATION**

That the Council Downtown Committee reviews and comments on this report.

### **BACKGROUND**

The Mural Program takes its inspiration from the City Council's "Crime and Public Safety" and "Cleanliness" Priorities, as well as from the City Manager's Leadership Principles that emphasize alignment of services, strategic planning, and improving service delivery at the community level. Its program design consolidates "best practices" from efforts implemented by other communities that have faced similar challenges arising from graffiti vandalism.

Communities that have sponsored "paint-brush" mural programs have learned that such murals are rarely defaced by graffiti, and that they stimulate a sense of neighborhood pride and collective ownership. Murals could showcase Hayward's cultural heritage, civic pride, historically significant local events, and human diversity, among other themes. Murals would provide an active and creative outlet for self-expression, and invite participation from community members, artists, and educators to create something of value in the neighborhoods where they live.

Murals created in commercial corridors convey a community's values to visitors and impart a sense of local culture, economy, and historical context. Art is important to a healthy, vibrant society, and to incorporate murals into the Hayward landscape would reflect the broader community's sense of self-worth and self-respect, counterbalancing and even outweighing the debilitating effects of graffiti vandalism. The proposed Mural Program would extend to commercial buildings, graffiti-prone utility boxes and may extend to fire hydrants, benches, underpasses and other sidewalk fixtures.

### **DISCUSSION**

The program's purpose is to address and correct exterior code violations on buildings and structures in the downtown and redevelopment area. Artistic murals are applied to surfaces where the City's

Community Preservation staff has documented repeated instances of graffiti vandalism, resulting in code violations. Owners of these vandalized properties have responded enthusiastically to the opportunity to participate in this innovative program.

Coordination of activities to produce the murals is provided by the Neighborhood Services Division. It should be noted that although the murals are the most noticeable, observable aspect of the mural program, it is not an “art program” per se, but rather a graffiti abatement and prevention program that produce murals as an ancillary effect. The program’s infrastructure is near-skeletal, as it must be incorporated into the existing duties of the City’s code enforcement personnel.

The Neighborhood Partnership Manager is responsible for soliciting proposals from the community and making recommendations regarding the art projects to the City Manager’s Office. Artists and designs are then selected by an internal panel in consideration of the City’s objectives for the downtown and redevelopment area.

The City uses a flexible procurement process for the selection of artists (i.e., consultants), that has included outreach to the local artist community and academic institutions (i.e., Cal State East Bay, Hayward Unified School District, and Chabot College). Future projects could incorporate elements of open competition, limited competition, invitational, and direct purchase.

While the current demand for murals far exceeds available resources the city of Hayward would continue to accept artist applications in anticipation of future mural projects. Artists are continuously invited to submit their completed application forms (available on the City’s website) to the City of Hayward.

Consultant and City-Owner agreements meet the City’s standards for contracting, and comply with federal regulations regarding labor standards, nondiscrimination, and environmental review (NEPA).

The program’s first mural project, completed in April, was collaboratively produced by the City, Cal State East Bay, and the Community Resources for Independent Living (CRIL) agency. In addition, thirteen utility boxes that were previously covered in graffiti are now individual, unique, and eye-catching works of art, designed by a local artist and two college freshman volunteers.

## **FISCAL IMPACT**

The proposed program is being supported using existing resources and opportunities. Under the direction of the Maintenance Services Department Director, the Neighborhood Partnership Manager would be responsible for coordinating mural activities.

1. Identification and recruitment of Graffiti Task Force members and/or other volunteers.
2. Approval of a CDBG application to support the Mural Project’s activities during FY 09-10.
3. Façade Improvement Funds through the Redevelopment Agency
4. Capital Improvement Project Funds
5. Acquisition of non-City resources to sustain the program through various grant opportunities.

## **PUBLIC CONTACT**

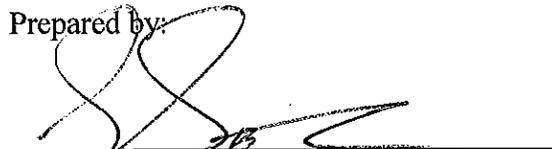
This item has been discussed at various Neighborhood Partnership meetings, multiple Hayward Police Department training classes, Blight Buster volunteer training meetings and at the Keep Hayward Clean & Green Task Force meetings.

## **NEXT STEPS**

Staff will complete the development of a mural information web-page for City's web-site. This web-page will include the city's mission statement, artist's applications, selection process information, wall donation opportunities for businesses, current project openings and city contacts.

Phase II of the Downtown Utility Box Mural Project on A Street will continue with anticipated completion to be mid to late July 2009. Staff will make final review of three Cinema Place Garage and one Cinema Place alleyway wall mural designs by late June with an anticipated application date of early August. Proposals for a potential Russell City mural on B Street will be accepted and reviewed during the months of June/July. Staff is collaborating with the property owner of 967 B Street and a local artist, for a wall mural to assist in the correction and prevention of on-going graffiti problems. In June of 2009, staff will work with local high school students and Hayward High School Art teacher Andrew Knight to begin a gateway mural on Foothill Blvd. Staff will continue working with a local artist, El Taquito a local business on Mission Blvd. and the City's Engineering Dept. to complete a "recreation" of the La Victoria mural. Estimated completion date, weather permitting, is late summer 2009.

Prepared by:



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Stacey Sorensen, Neighborhood Partnership Manager

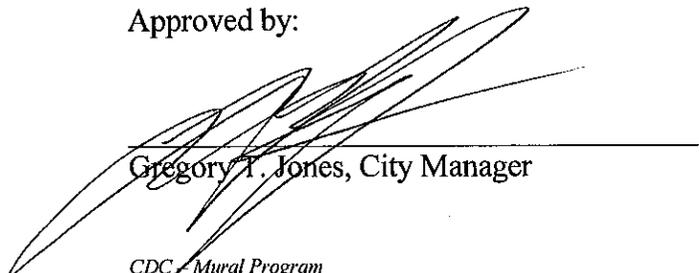
Recommended by:



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Matt McGrath, Director of Maintenance Services

Approved by:



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Gregory T. Jones, City Manager



CITY OF  
**HAYWARD**  
HEART OF THE BAY

**DATE:** June 22, 2009  
**TO:** Council Downtown Committee  
**FROM:** Sally Porfido, Economic Development Specialist  
**SUBJECT:** Buxton Retail Marketing Strategy Status Report

**RECOMMENDATION:**

That the Council Downtown Committee reviews and comments on this report.

**DISCUSSION:**

In order to effectively recruit attractive retail tenants to the City of Hayward, it is necessary to use a more sophisticated approach than what has been used in the past to match retailers to site opportunities. Desired and usually sophisticated retailers require an informative approach that details how the buying habits of the City's population are a match for their retail product mix. Such an effort is consistent with Council's stated priority for Economic Development under our Fiscal Stability Initiative.

In 2007, the Redevelopment Agency contracted with Claritas to provide an overview of the Hayward area demographics and provide access to an on-line Retail Tenant Directory service. This information was used in two Economic Indicator projects that the City engaged California State University East Bay, HIRE Center to prepare in order to analyze population characteristics of Hayward as compared to other East Bay cities and counties. The on-line Retail Tenant Directory also provides specific retailer information that can be used for matching retail tenants to existing available retail spaces within the City.

In January 2009, the City Council/ Agency Board approved a contract with the Buxton Company to develop a targeted retail strategy for three trade areas within the City of Hayward. The primary goal of the Buxton Company service is to prepare Hayward to successfully expand its retail sector by identifying retailers that are a good fit for the Hayward customer profile. Buxton Company utilizes their proprietary methodologies to collect and analyze demographic, consumer and trade area information, and delivers it to the community in a format that is easy to use and appealing to real estate executives and developers. They then deliver an execution strategy called Community ID® to assist in developing a marketing program for retail sites.

The Buxton Company has provided a Retail Site Assessment for the following three Hayward target areas:

- Tennyson/ Mission to Industrial Boulevard
- Southland Mall/ Hesperian corridor
- Downtown/Foothill area

To date, for each Retail Project Site, Buxton has provided the following:

- A Retail Site Assessment Report evaluating Hayward's retail potential: including a retail leakage/supply analysis and customer profiles.
- An electronic presentation of the Hayward Community ID process, including the major findings such as lifestyles, purchase behaviors, media reading, and viewing habits.
- An "on-line" account, which allows Hayward to access the information developed as part of the retail analysis and to further refine marketing presentation materials or respond to inquiries by specific retailers. This on-line account will be available as part of the contract for a one-year period.
- A Retail Match List and Operational Status. The Retail Match List is a list of all retail identified by Buxton that fits the consumer household profile of our trade area. Operational Status of Retailers is a document that is intended to serve as a companion piece to the Retail Match List. The purpose of this document is to provide specific information about each retailer that will assist in making more informed decisions towards choosing the final retail selections.

Attachment No. 1 is a Leakage/Surplus Index for each of the trade areas that were analyzed. This index provides an indication of the types of retail goods and services that are undersupplied or oversupplied for each area. Attachment No. 2 is a Summary of the Buxton Retail Site Assessment, which describes the most representative "segment populations" that make up the consumer population for each of the areas, as well as a very short list of retail types that were recommended for each area.

Staff has been meeting to choose the best retail matches by project area. Once staff has selected 20 retail prospects per project area, Buxton will provide 60 marketing packages for the retail prospects selected from the Retail Match Lists.

#### **FISCAL AND ECONOMIC IMPACT:**

The potential fiscal impact would be the addition of one to two new retail establishments per year as a result of using the recruitment tools provided through Buxton. This would increase the sales tax revenue for the City of Hayward.

## NEXT STEPS

1. Staff is reviewing the Buxton recommended retailers per project area from the Retail Match Lists they have provided.
2. Staff will inventory available sites within the three project areas and meet with commercial brokers, property owners and Southland Mall Manager to pool resources to attract the selected retail.
3. Following completion of the initial marketing packages, begin recruiting those retailers and restaurants that best match Hayward's market potential.

Prepared by:



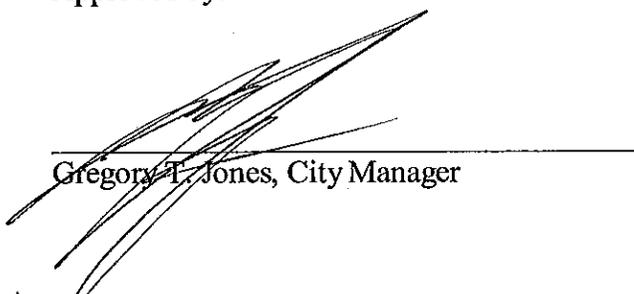
Sally Porfido, Economic Development Specialist

Recommended by:



Sean Brooks, Economic Development Manager

Approved by:



Gregory T. Jones, City Manager

Attachment 1: Leakage/Surplus Index

Attachment 2: Summary of the Buxton Retail Site Assessment

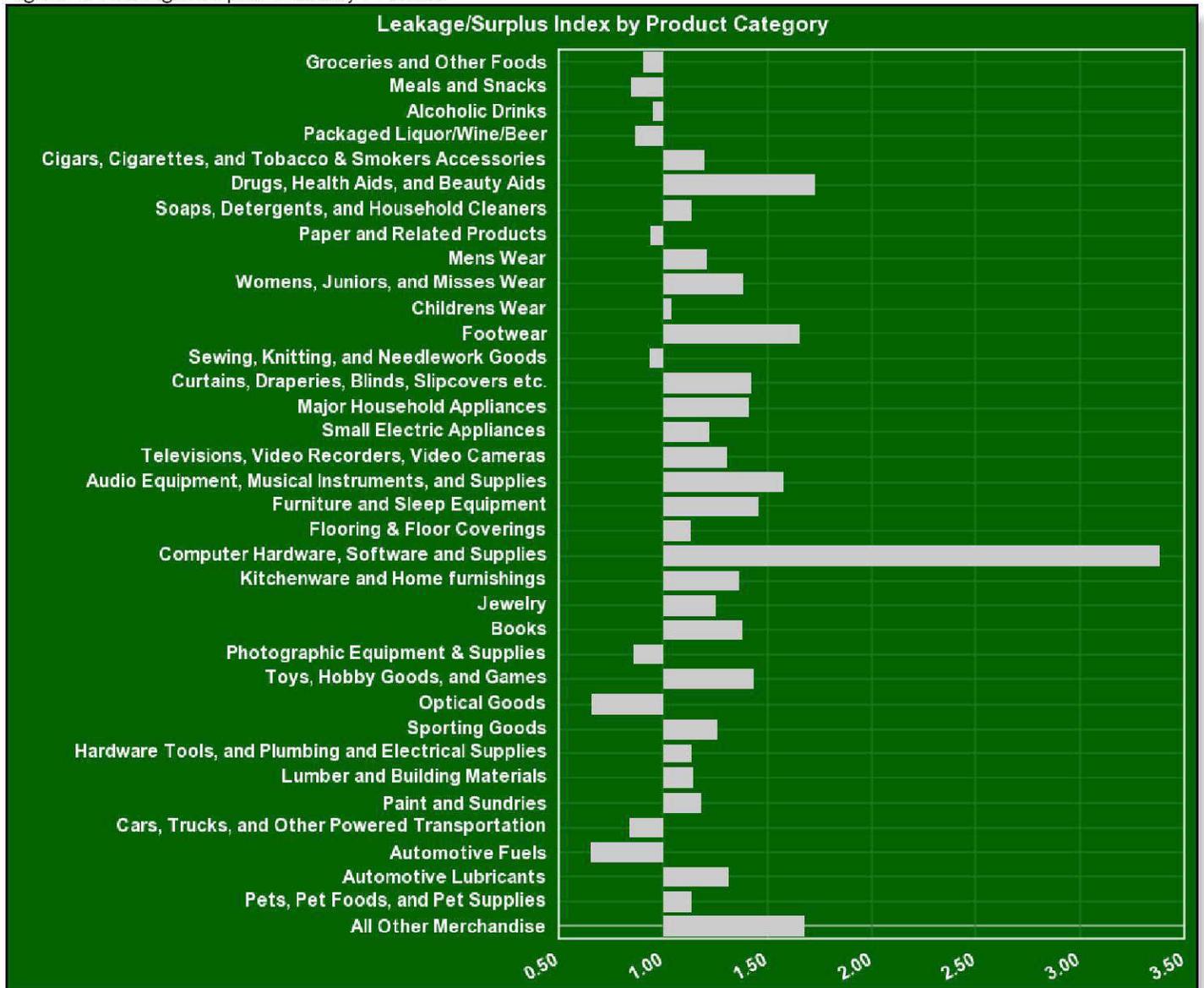
Site	Address	Analysis Geography
Hesperian Blvd Corridor	Hesperian Blvd Corridor Hayward, CA 94545	8 Minute Drive Time

### Leakage/Surplus Index by Product

The Leakage/Surplus Index provides a relative comparison of the supply and demand across retail product categories. It is calculated by dividing actual sales by potential sales. An index greater than 1.0 means that the community is attracting retail sales (surplus) from outside the trade area. If the index is less than 1.0 it means that out-shopping is taking place and the community is not successfully drawing its own residents.

Leakage/Surplus Index (Figure 1) shows the strengths and weaknesses of a community's retail market by product.

Figure 1. Leakage/Surplus Index by Product



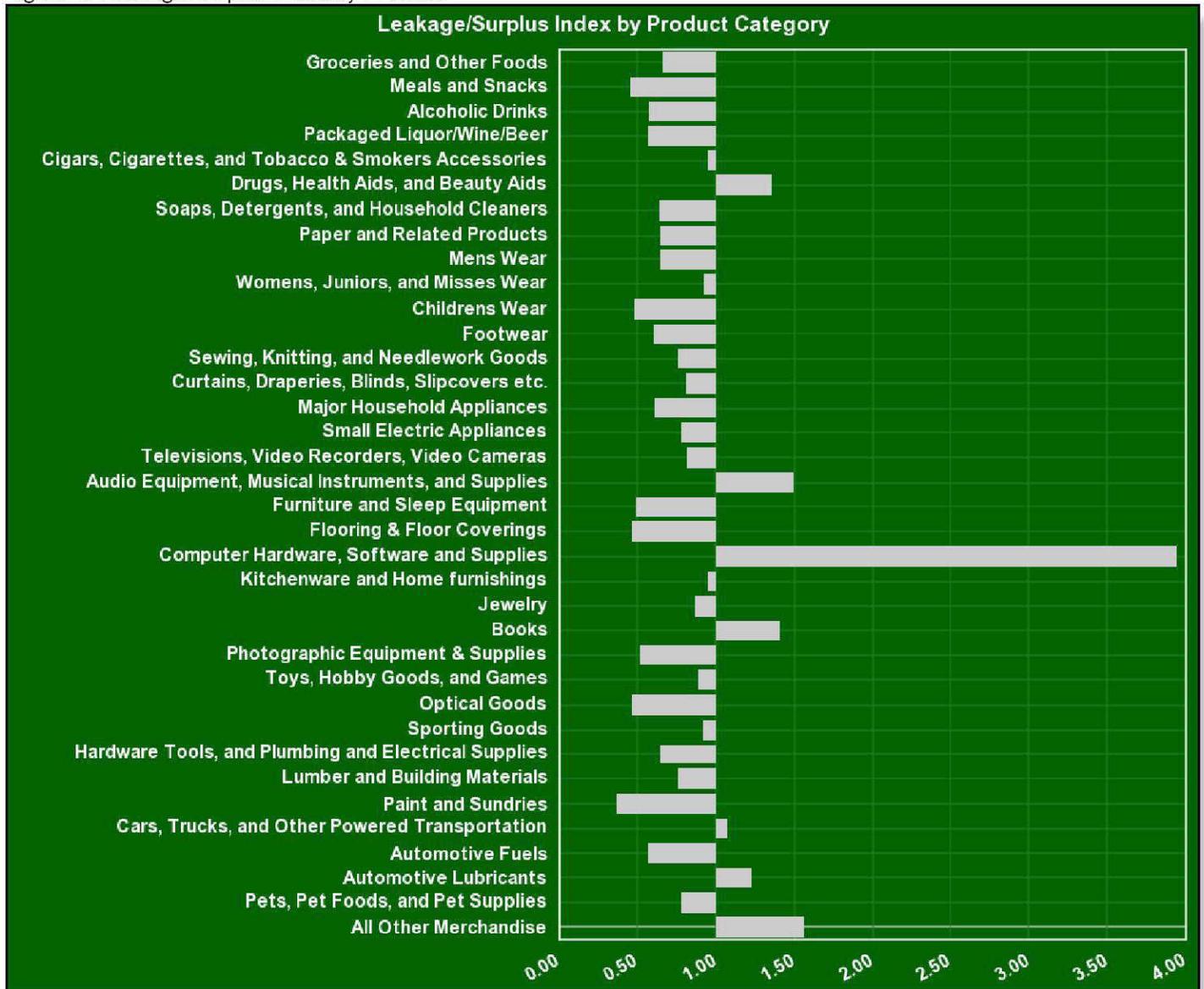
Site	Address	Analysis Geography
Downtown-Foothill Blvd Corridor	Downtown-Foothill Blvd Corridor Hayward, CA 94541	Custom Drive Time

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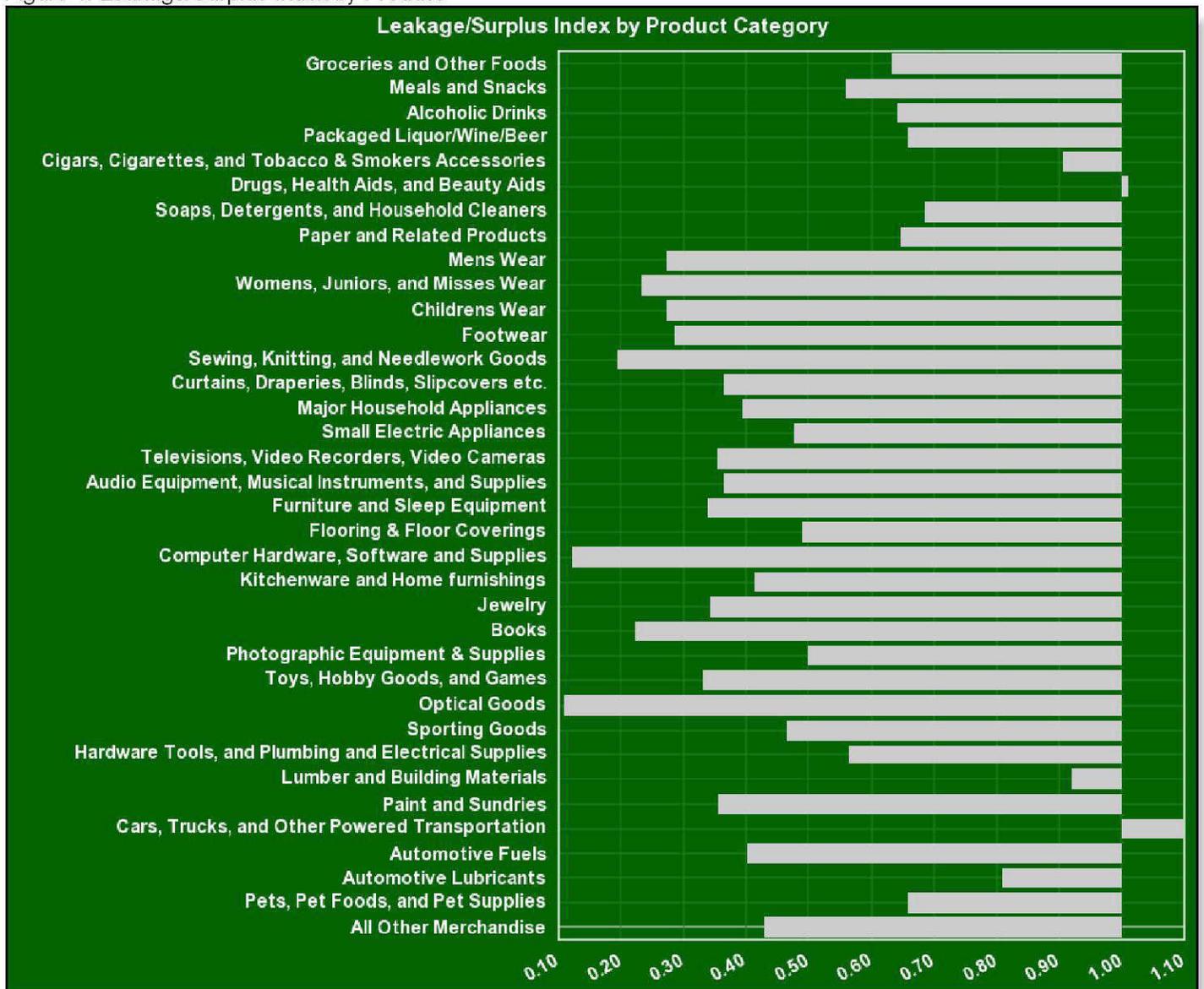
Site	Address	Analysis Geography
Mission Blvd Corridor	Mission Blvd Corridor Hayward, CA 94542	Custom Drive Time

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Figure 1. Leakage/Surplus Index by Product



## Attachment 2

### SUMMARY OF BUXTON RETAIL SITE ASSESSMENT

A review of segmentation for the corridor's trade areas shows that segment 4 (YOUNG DIGERATI™), segment 7 (MONEY & BRAINS™), segment 16 (BOHEMIAN MIX™), segment 26 (THE COSMOPOLITANS™) segment 29 (AMERICAN DREAMS™) and segment 31 (URBAN ACHIEVERS™) comprise a substantial portion of the dominant segment households found at each site. Segments 1 (UPPER CRUST™), segment 3 (MOVERS & SHAKERS™), segment 15 (POOLS & PATIOS™), segment 40 (CLOSE-IN COUPLES™), segment 54 (MULTI-CULTI COUPLES™) and segment 65 (BIG CITY BLUES™) make up the remaining dominant segments. The only difference in the three corridor's trade areas is that the Downtown-Foothill corridor has more dominant segments than the rest of the other two corridor's trade areas. Each of these segments possess unique income and lifestyle characteristics that would attract a variety of retailers to the potential retail sites in Hayward, CA.

#### Segment Descriptions

**YOUNG DIGERATI™** – Young Digerati are the nation's tech-savvy singles and couples living in fashionable neighborhoods on the urban fringe. Affluent, highly educated and ethnically mixed, Young Digerati communities are typically filled with trendy apartments and condos, fitness clubs and clothing boutiques, casual restaurants and all types of bars—from juice to coffee to microbrew.

**MONEY & BRAINS™** – The residents of Money & Brains seem to have it all: high incomes, advanced degrees and sophisticated tastes to match their credentials. Many of these city dwellers—predominantly white with a high concentration of Asian Americans—are married couples with few children who live in fashionable homes on small, manicured lots.

**BOHEMIAN MIX™** – A collection of young, mobile urbanites, Bohemian Mix represents the nation's most liberal lifestyles. Its residents are a progressive mix of young singles and couples, students and professionals, Hispanics, Asians, African-Americans and whites. In their funky row houses and apartments, Bohemian Mixers are the early adopters who are quick to check out the latest movie, nightclub, laptop and microbrew.

**THE COSMOPOLITANS™** – Educated, mid-scale and multi-ethnic, The Cosmopolitans are urbane couples in America's fast-growing cities. Concentrated in a handful of metros—such as Las Vegas, Miami and Albuquerque—these households feature older home-owners, empty-nesters and college graduates. A vibrant social scene surrounds their older homes and apartments, and residents love the nightlife and enjoy leisure-intensive lifestyles.

**AMERICAN DREAMS™** – American Dreams is a living example of how ethnically diverse the nation has become: more than half the residents are Hispanic, Asian or African-American. In these multilingual neighborhoods—one in ten residents speaks a

language other than English—middle-aged immigrants and their children live in middleclass comfort.

**URBAN ACHIEVERS™** – Concentrated in the nation’s port cities, Urban Achievers is often the first stop for up-and-coming immigrants from Asia, South America and Europe. These young singles and couples are typically college-educated and ethnically diverse: about a third are foreign-born, and even more speak a language other than English.

**UPPER CRUST™** – The nation’s most exclusive address, Upper Crust is the wealthiest lifestyle in America—a haven for empty-nesting couples over 55 years old. No segment has a higher concentration of residents earning over \$200,000 a year or possessing a postgraduate degree, and none has a more opulent standard of living.

**MOVERS & SHAKERS™** – Movers & Shakers is home to America’s up-and-coming business class: a wealthy suburban world of dual-income couples who are highly educated, typically between the ages of 35 and 54, often with children. Given its high percentage of executives and white-collar professionals, there is a decided business bent to this segment: Movers & Shakers rank number one for owning a small business and having a home office.

**POOLS & PATIOS™** – Formed during the postwar Baby Boom, Pools & Patios has evolved from a segment of young suburban families to one for mature, empty-nesting couples. In these stable neighborhoods graced with backyard pools and patios—the highest proportion of homes were built in the 1960’s—residents work as white-collar managers and professionals, and are now at the top of their careers.

**CLOSE-IN COUPLES™** – Close-In Couples is a group of predominantly African-American couples living in older homes in the urban neighborhoods of mid-sized metros. High school educated and empty nesting, these 55-year-old-plus residents typically live in older city neighborhoods, enjoying secure and comfortable retirements.

**MULTI-CULTI MOSAIC™** – An immigrant gateway community, Multi-Culti Mosaic is the urban home for a mixed populace of younger Hispanic, Asian and African-American singles and families. With nearly a quarter of the residents foreign born, this segment is a Mecca for first-generation Americans who are striving to improve their lower-middle-class status.

**BIG CITY BLUES™** – With a population that’s half Latino, Big City Blues has the highest concentration of Hispanic Americans in the nation, but it’s also the multiethnic address for downscale Asian and African-American households occupying older inner-city apartments. Concentrated in a handful of major metros, these young singles and single-parent families face enormous challenges: low incomes, uncertain jobs and modest educations. More than 40% haven’t finished high school.

The Site Assessment Report also presented an attachment Appendix A which gives a detailed leakage analysis per project area. Attached are the summary pages of the Leakage/Surplus Index

by Product, per project area. An index greater than 1.0 means that the community is attracting retail sales (surplus) from outside the trade area. If the index is less than 1.0 it means that out-shopping is taking place and the community is not successfully drawing its own residents.

A few examples of some of the greatest areas of leakage per project area and examples of suggested Retail Matches for these project areas are:

**Downtown-Foothill Corridor:**

<u>LEAKAGE</u>	<u>RETAIL MATCHES</u>
1. Meals and Snacks 0.5	1. Red Lobster Restaurant
2. Children's Wear 0.5	2. TJ Max
3. Furniture & Sleep Equipment 0.5	3. Jennifer Convertibles
4. Sporting Goods 0.9	4. Play It Again Sports

**Hesperian Blvd. Corridor**

1. Computer & Software Stores 0.5	1. Fry's Electronics
2. Book Stores 0.4	2. Barnes & Noble
3. Women's Clothing 0.6	3. Coldwater Creek

**Mission Boulevard Corridor (has the most leakage, across the board, than the other two project areas):**

1. General Merchandise 0.4	1. Cost Plus World Market Sam's Wholesale Club
2. Electronics 0.3	2. Fry's Electronics
3. Books 0.2	3. Half Price Books Records Mags