

➤ RESIDENTIAL REAL ESTATE

# WELCOME TO 'HIPSTURBIA'

The developer of Bishop Ranch aims to transform the massive business park into a vibrant community where thousands of people will want to live

Bishop Ranch is designed as somewhat of a suburban bubble.  
TODD JOHNSON | SAN FRANCISCO BUSINESS TIMES



By **Blanca Torres** – Reporter, San Francisco Business Times  
2 hours ago

Several decades ago, it was hard to imagine that global corporations would plant major facilities in the sleepy Bay Area suburb of San Ramon.

Sunset Development Co. made a big bet that they would. At Bishop Ranch, it built out millions of square feet of campus-style office space on 585 acres it bought in 1978. Eventually, a slew of Fortune 500 companies like [Chevron](#), [General Electric](#) and IBM put 30,000 jobs there.

Now the developer wants to pioneer a much broader future for Bishop Ranch: As a place for people to live and play, not just to work and leave. Over the next quarter century, it wants to build 4,500 apartments and condos there.

“Once people reach their mid-30s, they are moving away because of the lack of affordable housing options,” said [Alex Mehran Jr.](#), the third-generation of his family to run Sunset Development. “Many people who work at Bishop Ranch can’t afford a \$300,000 down payment to buy a house here, but they can afford to pay rent.”



Sunset Development President and CEO Alex Mehran Jr.

TODD JOHNSON | SAN FRANCISCO BUSINESS TIMES

The proposal, a radical shift for Bishop Ranch, speaks to a much larger trend among suburbs trying to replicate what people like about cities – lively streets, shopping opportunities, interesting places to hang out and proximity to work. It's becoming known as “hipsturbia” (hipster + suburbia) or “surban” (suburban + urban) among housing developers hoping to ride this wave.

Hipsturbia is one of the top trends influencing real estate development across the country, according to a recent report from the Urban Land Institute, a trade association for developers. In the past, developers questioned whether younger generations would follow the baby boomer model of moving to the suburbs, and the answer is that they will – but only to certain suburbs.

“Concentrating the talent pool of young workers is seen as a key to luring (or keeping) large employers in an era when downtowns are competing ever more effectively for businesses,” the report states.

In San Ramon, ills like traffic congestion and skyrocketing housing prices worsened as the city grew by 70 percent from 45,000 people in 2000 to 76,000 in 2018.

Workers coming from Concord, Walnut Creek, Vacaville, Fairfield and Tracy face grueling commutes on clogged interstates, said [Stewart Bambino](#), who runs the city's chamber of commerce.

“Bishop Ranch is really the driving force in San Ramon as far as business and economic vitality,” Bambino said. “If people could live close to their jobs, then that could help solve the housing and transportation issues.”

### **The vision**

Sunset has outlined four parcels totaling 135 acres where it can add housing adjacent to the existing office buildings. Each of the four areas will have the feel of a distinct neighborhoods, Mehran said.

The developer has brought on [BAR Architects](#) and ROMA Design Group to sketch out the master plan for the project, dubbed City Walk. Buildout will take 25 years with a few hundred units coming on line each year. The developer aims to break ground in 2021.

Besides office, Sunset also developed The Shops at Bishop Ranch, a Target-anchored, 235,000-square-foot strip mall, and City Center, a 300,000-square-foot, \$300 million retail and entertainment complex that opened a year ago.



Rendering of City Walk Bishop Ranch

COURTESY SUNSET DEVELOPMENT COMPANY

Sunset's vision is to provide what Mehran called a “15-minute lifestyle” between the places people go daily – work, stores, leisure activities and schools.

The plan also includes a 169-room hotel, another 170,000 square feet of retail and creative office space, new parking garages, an improved shuttle system, pedestrian and bicycle trails, parks and open space, and a 1,500-seat outdoor theater. Bishop Ranch features two man-made lakes where residents can ride boats and kayaks, Mehran said.

The developer also plans to expand its event offerings that currently consist of farmers markets and business lectures to more entertainment-focused programs such as concerts and family festivals. The vision, Mehran said, is to provide an entire lifestyle that includes activities on the weekends.

“It is like building a city,” he said.

### **Best of both worlds**

The core idea behind hipsturbia is that many people, whether they are millennials buying their first homes or empty-nesters looking to downsize, want the vibrancy of city living. They want to be able to walk to buy a cup of coffee or groceries and have places to hang out with friends without depending on a car as much, said [Dean Wehrli](#) of Johns Burns Real Estate Consulting,

The housing development-focused firm even trademarked the term “surban,” which Wehrli called a key “growth sector in the new home market.

“The things you get from the suburbs – lower crime, better schools – are things that you don’t always find in urban core locations and you probably find lower pricing, too,” he said. “It’s the best of both worlds.”

What people don’t like about suburbs is the feeling that the stores, restaurants and houses are the same as in every other suburb in America.

To feel surban, the retail “has to have some character to it,” Wehrli said. “We’re talking specialty retail shops. Everyone wants to curate everything and be bespoke.”

That curation wasn’t something city planners or housing developers thought about much in the past, he said, and it doesn’t happen naturally.

“Sunset Development is creating a new large surban environment in the middle of San Ramon,” Wehrli said. The housing plan “has huge potential because they have the land to do it. The biggest challenge is space.”

More than three-quarters of millennial homeowners buy single-family homes. The reason could be that there are not enough alternatives, said [Cheryl Young](#), a San Francisco-based economist with real estate information site Zillow.

“Buyers who previously lived in cities who are moving to suburbs are a captive market for developers,” she said. “They want those features they were used to in cities, but they want housing that is within their budget or more space.”

## Gathering places

Barry Braden, owner of Berkeley-based Fieldwork Brewing Co., remembers growing up in San Ramon in the 1970s and '80s when residents trekked to Danville and Walnut Creek for shopping or just to socialize.

“Now, there are places to go in San Ramon,” he said. So far, the brewery’s City Center taproom has “been amazing.”

The addition of housing will help boost business in the future, he said. That’s been Fieldwork’s experience operating a taproom in Bay Meadows, a 83-acre mixed-use development in San Mateo. The former racetrack, next to the Hillsdale Caltrain Station, is slated to contain 763,000 square feet of office, 1,100 homes, 41,000 square feet of retail and 18 acres of open space.

“It’s similar in the fact that there is a high concentration of businesses and corporations nearby,” Braden said. “We see that mid-afternoon to early evening after-work population, and on the weekends, we are filled with families coming to enjoy City Center.”

Most Fieldwork taprooms are in suburban areas, where Braden sees strong demand from residents who want to enjoy beer and bring their kids and dogs. “It’s not a bar,” he said, “it’s a beer garden.”



Rendering of City Walk Bishop Ranch  
COURTESY SUNSET DEVELOPMENT COMPANY

## Not just any old suburb

It’s not just Bishop Ranch. In Dublin, a city just south of San Ramon, Brookfield Residential has latched onto the suburban model with its Boulevard project that sits about a quarter mile from the Dublin BART station.

“You have a lot of people who want to live in a place like San Francisco. You can create a cool and engaged experience, but buyers have to be able to afford it,” said [Josh Roden](#), Brookfield’s president for the Bay Area.

Brookfield has sold about 500 of the planned 1,758 homes made up of townhomes and detached, single-family homes. Prices range from about \$700,000 to \$1.3 million for homes measuring 1,500 to 3,200 square feet.

The 189-acre development also includes a 31-acre public park, a site for a new school, and a 14,500-square-foot recreation center.

The project is across the street from Persimmon Place, a 152,500-square-foot shopping center anchored by Whole Foods and [Nordstrom Rack](#).

Homes in Boulevard sit on smaller lots and closer together than in a typical single-family development. The architecture, walkability and amenities such as outdoor co-working areas make the development more contemporary.

“It doesn’t feel like a regular old suburb,” Roden said. “For people that live in the city, it’s a pretty big mental hurdle to move away from that.

“At Boulevard, it’s not so much that residents feel like they are still in the city, but that they feel like what they’ve moved to is a better living experience for them and they haven’t lost the important experiences they want.”