

Sares Regis dives into Peninsula

The developer Sares Regis Group of Northern California will dive into historically working-class cities South San Francisco and Daly City for the first time, gearing up to build more than 500 units next to transit hubs.

Sares Regis is hammering out development agreements to build 250 units in Daly City next to the Colma BART station and 262 units in South San Francisco next to a new Caltrain station. The developer may set the tone for the two cities trying to fill housing pipelines after years of paltry multifamily development. Sares Regis is aiming to start building both projects by next year.

"The downtowns up and down the Peninsula are those urban and convenient atmospheres we're looking for," said Drew Hudacek, chief investment officer for development properties at Sares Regis.

Sares Regis is one of the Bay Area's most prolific developers, known mostly for its work on the Peninsula. It has about 2,000 units in the pipeline.

San Mateo County cities such as Redwood City, San Mateo, San Carlos and Millbrae are trying to supplement suburban neighborhoods with dense housing projects next to Caltrain and BART stations. The Association of Bay Area Governments encouraged transit-oriented development in its regional plan.

Most San Mateo cities have a lot of ground to make up if they expect to live up to the expectations ABAG has set. South San Francisco has built only 15 percent of the 1,635 housing units it was supposed to build between 2007 and 2014, while Daly City built 44 percent during that time.

Cities now feel the pressure to catch up, with Daly City and South San Francisco recently penning plans to spur more development. In January, South San Francisco's city council approved a downtown plan to clear the path for 1,400 units.

"Every city went five or six years with very little growth. That became kind of the norm, but that's not the way it is now," said Mike Futrell, South San Francisco's city manager.

Sares Regis' South San Francisco project will sit on the west side of Highway 101. The development will get a big boost from the city's \$55 million upgrade to the derelict Caltrain station. The plan is to move the station from the east to the west side of the highway.

The project will feature amenities like a gym, spa, hot tub and roof deck, bringing a dose of luxury housing to the so-called Industrial City. Myers Development is also planning a highrise condo tower in South San Francisco.

"These sites have all the makings of what we look for in potential projects. It's near a Caltrain station. It's right near a downtown," Sares Regis' senior vice president for residential development Ken Busch said.

The Daly City project, called the Junipero Serra Transit Village, won't border a downtown area, but is slated for a SamTrans-owned, 7.5-acre parking lot next to the Colma BART station.

Sares Regis is on tap to build 250 units while Bridge Housing would build another 250 units.

— Cory Weinberg

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DREW HUDACEK,

Chief investment officer for development properties, Sares Regis



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Sares Regis plans to build 250 units next to the Colma BART Station in Daly City and Bridge Housing plans to build an affordable project next door. From the left, Sares Regis chief investment officer Drew Hudacek, Sares Regis senior vice president of development Ken Busch, Daly City mayor Raymond Buenaventura, San Mateo County Transit District manager Brian Fitzpatrick and Bridge Housing senior vice president Brad Wiblin.