

LIVE-WORK COMMUNITY PROPOSED FOR AGILENT SITE

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Codding Enterprises hopes to soon lease the Agilent Technologies buildings in Rohnert Park as consultants design residential and commercial land uses to shape the site into a new neighborhood where people live, work and shop.

Leasing large chunks of the 713,000 square feet in industrial and office space helps Codding Enterprises begin gaining a return on its investment in the 200-acre site the company is buying from Agilent.

Designing a high-density, mixed-use concept for the site's vacant land is critical because Codding Enterprises needs a development outline city officials will support before the company completes the purchase.

"This is a really big deal for us. We think that if anybody could make it work, it would be us," said Brad Baker, president and chief executive officer for Codding Investments, the corporate parent of Codding Enterprises, the Santa Rosa-based housing and shopping center developer.

Several leases should be in hand by April when the purchase is expected to close one of the largest housing and commercial projects in the county's history, Baker said.

A design concept for the site is due in about a month from Fisher & Hall Urban Design of Santa Rosa. Lois Fisher and Laura Hall have designed projects in Petaluma's downtown redevelopment area and worked as Windsor planning commissioners on that city's classic downtown of mixed-use development by Orrin Thiessen, who also is involved in the Codding project.

"It's an opportunity to do something new, the next big thing for Sonoma County," Fisher said.

Agilent moved its Rohnert Park operations to Santa Rosa, and put the property on the southeast edge of Rohnert Park on the market in October.

Codding Enterprises was selected from at least eight suitors, including home builders and commercial developers, according to people involved in the bidding. The price was not disclosed.

The site has four buildings and a cafeteria complex on 98 acres. The mix of residential and commercial development in an urban village design would go on 77 acres of fields. Another 25 acres are zoned for agriculture and would not be developed.

While Coddling Enterprises hasn't built much in years, the company remains a significant player in commercial leasing, primarily through its shopping centers, including Coddington in Santa Rosa.

“We think that our advantage is really being close to our markets and knowing what's going on in our markets. It's basically in our back yard,” Baker said.

Leasing the Agilent site will be a challenge given its size. Each of the four buildings alone ranks among the largest available industrial or office spaces in the Sonoma County market.

About two-thirds of the space is suited for industrial tenants and one-third for offices, Baker said.

“You could probably put pretty much anything in there,” he said. “We're looking for big tenants that can take a big chunk.”

So far, he said, prospective tenants range from several that could occupy up to 100,000 square feet together to one that could lease as much as 400,000 square feet.

The Rohnert Park site has some advantages, including being south of Santa Rosa's stretch of daily traffic congestion on Highway 101. Another advantage could be in pricing because Coddling Enterprises likely paid a discounted price for such a huge amount of space.

“The industrial space is going to lease up quicker than the office space,” said Peter O'Brien, an agent with the commercial brokerage Orion Partners. Countywide vacancy rates are about 8 percent for industrial and 14 percent for office space.

“If they could get up to average vacancy rates for that site, I'm sure they would be thrilled,” O'Brien said.

The design work is on a parallel track to the leasing.

The Coddling proposal would create a self-sufficient neighborhood encouraging walking or biking to jobs and stores, restaurants and other services.

Borrowing design elements from towns in Sonoma County and elsewhere, town homes and apartments would be placed above storefronts near a town plaza and single-family

homes would go up closer to the edges. Streets would be on a grid with a park or two included.

Bus stops would be no more than a half-mile walk from residences, and stores and parks would be no more than a quarter-mile walk. The proposed Cotati railroad depot is within a three- to-six-minute bike ride or 10- to-20-minute walk.

“We copy what works. We don't invent anything new,” Hall said. “This will be a whole neighborhood as opposed to pieces. This is enough of a size to really make it work.”

By contrast, much of Rohnert Park -- as with many California cities developed over the past 30 years -- features subdivisions separated by shopping centers surrounded by parking lots. Collector roads, some with sound walls, link neighborhoods and make driving often preferable to walking to schools and parks.

City leaders and residents would determine how this new neighborhood would look, including the amount and density of residential and commercial development.

Hall noted the traditional American small town has between 10 and 12 residential units per acre. That would equate to between 770 and 924 residential units on the 77-acre undeveloped portion of the Agilent site, though no number has been proposed.

“So this is a new way of doing things for Rohnert Park, which we think they're going to love,” Fisher said.

Rohnert Park officials have indicated initial support for the concept.

Longtime developer Ken Martin said he's convinced such a project makes sense in a county where cities are ringed by urban growth boundaries with increasingly expensive developable land.

“I think all in all it's real exciting,” Martin said.

Martin thought enough of the proposal that he is a one-third investor with Coddling Enterprises. Through Pine Creek Properties of Santa Rosa, he owns a handful of apartment complexes and about 1 million square feet of industrial space and has built a number of small housing subdivisions and industrial or office buildings over more than three decades.

Martin noted two particular pluses for the project.

“With the current economy, housing is in strong demand and office space and other uses isn't,” he said. “Trying to develop that live-work situation, I think you would have less traffic than if you build it all out as industrial.”

Baker said bringing in Martin, Thiessen and the design team will help Coddling Enterprises propose a quality project.

“This is a big project. We don't want to screw it up,” he said. “I think it has the potential to be a place where everybody wants to be.”

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