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EAST BAY BUSINESS TIMES

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Old Kellogg site in San Leandro transformed into industrial park

East Bay Business Times - by [Blanca Torres](#) San Francisco Business Times

A Palo Alto developer has revamped a former factory that once housed **Kellogg Co.** and Welch's Grape Juice into a new industrial park with about 465,000 square feet of space - a rare offering in the tight Bay Area market.

Broadreach Capital Partners acquired the site in **San Leandro** last year and renamed it the Williams Street Industrial Park. Kellogg had occupied the site for decades to make products like Frosted Flakes and Pop Tarts before vacating in 1995. The next owner, a private investor, used it mostly for storage.

"It looked terrible when we bought it," said Trevor Wilson, a senior director in Broadreach's San Francisco office. "It wasn't being used as a marketable investment. We now have a usable industrial space."

The site is just off of Interstate 880 a few miles from the Port of the Oakland and the **Oakland International Airport** with a rail line running along one side of the property.

Broadreach refurbished the park's two main buildings that are equipped with large-scale power and sewer connections and easy truck access. A walking bridge connects the main facilities to a parking lot across Williams Street.

Michael Karp, a broker with NAI BT Commercial who is leasing the Williams Street's available space, said the site could attract a variety of companies looking to be close to transportation.

"Clean technology companies, as well as local food-processing and beverage concerns, and sustainable building products manufacturers can effectively reuse the systems once used to manufacture breakfast cereal," he said.

Current tenants include **Meto Poly Co.**, a maker of plastic bags, and Zim Diversified, a warehouse storage provider, that together take up about 137,000 square feet.



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John Osmond, Trevor Wilson and Michael Karp at the former Kellogg

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"It's an excellent logistic location being central within the Bay Area," said Doug Norton, an Oakland broker and senior vice president with **CB Richard Ellis**. "You can attract users from the South Bay, (Peninsula) and the North Bay. It has great access to the large employee-base markets in throughout East Bay and even the Altamont Pass."

"This is a parcel that has been underutilized since the closure of the plant for many years," said Bruce Kern, head of the East Bay Development Alliance for Business. "This will be a good facility for both business looking to expand as well as businesses looking to locate in the area. ... We have at any time 200 to 300 businesses looking to expand here."

The vacancy rate for industrial space in the East Bay is 4.2 percent, making it hard for companies to find space, let alone a large floor plan like the one Williams Street offers. Many industrial space users have had to look in the Central Valley and other far-reaching areas.

"(Williams Street) is going to serve businesses that need to be in the inner Bay Area," Kern said. "With the rising cost of fuel, traveling far to reach a consumer base is going to be a major issue."

The city of San Leandro has made an effort to hold on to most of its industrial land, while many other Bay Area cities rezoned land for residential or other commercial uses.

"We think it's important to retain that land use as industrial," said Cynthia Battenberg, San Leandro's business development manager. "We see it as a creator of jobs."

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