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American Canyon giant wine warehouses start

Jeff Quackenbush, Business Journal Staff Reporter Monday, March 10, 2014, 7:07 am

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Construction started last week on the latest new wine warehousing project in Napa Valley, two buildings totaling 287,000 square feet in American Canyon.

The estimated \$25 million **Lombard Crossing Industrial Park** project is a joint venture of **ICC/Stravinski Development Group** and **Hess Development**. It's located on 25 acres south of the railroad tracks between Stravinski's last large Hanna Court warehouse project with 718,000 square feet of buildings and the north end of Lombard Road.

Depending on weather, the buildings of about 150,000 square feet each are set to be ready for occupancy by year-end or early next year, according to **Steve Brock** of ICC/Stravinski.

The **American Canyon City Council** gave the final go-ahead for the project on Jan. 14. Included in the development agreement was setting aside 8.5 acres of the property for wetlands and building a bridge over a slough to access the second building from Lombard Road. The project was initially approved in 2009.

It's the latest of at least 1.5 million square feet of such space set to be completed in Napa and Sonoma counties in the next few years. **E&P Properties**, led by **Dennis Pauley**, owner of Benicia-based **Metropolitan Van & Storage**, is putting the finishing touches on a second 103,000-square-foot warehouse in **Napa Valley Gateway Business Park**. Ground was broken in September at the 5.8-acre site on Technology Way at Airpark Road.

At **Buzz Oates Group of Companies' Solano Logistics Center** in southeast Fairfield, a 330,000square-foot building for Encore Glass recently was finished, and a 473,000-square-foot building for **Saxco International**, supplier of glass for the wine and other industries, is set to begin this spring.

Sacramento-based **Panattoni Development** plans to start construction early this year on a nearly 91,000-square-foot light-industrial building, the first of seven light-industrial and high-cube warehouses approved for the **Napa Airport Corporate Centre** project at Devlin and South Kelly roads in American Canyon. Buildings range in size from 20,000 square feet to nearly 300,000 square feet.

New owners of the 18-acre former **Greenwood Commerce Center** project at 1535 Airport Rd. near Napa County Airport plan to start construction this spring on a 228,000-square-foot warehouse and maybe the other one, with 75,000 square feet.

Another large project waiting in the wings is **Napa Commerce Center Industrial Park**, a 218-acre property south of Devlin Road at South Kelly Road in American Canyon. It was planned for up to **)** million square feet of commercial space in buildings. A 646,000-square-foot warehouse planned for the first phase was put on hold in 2010 because of the economy. The city annexed the property in January 2011.

On Feb. 18, the city council approved the sale of the property to **Orchard Partners**, a real estate developer with Lafayette and Mountain View offices, and **DivcoWest**, a developer with offices in San Francisco and Boston, according to city documents and agents involved. That approval was needed under the development agreement the city made with the current owner, a venture between **Headwaters Development Co.** and **Deutsche Bank**'s **RREEF** group.

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Larkspur-based **O'Neill Vintners & Distillers** (<u>ONeillWine.com</u>) and Vineburg-based **Cecchetti Wine Company** (<u>CecchettiWineCo.com</u>) on March 4 said they are blending winemaking and sales functions for their respective national wine brands.

As O'Neill Vintners & Distillers, they combine O'Neill's grape sourcing and production capabilities with Cecchetti's promotional powers, the companies said. Cecchetti founder and Chief Executive Officer **Roy Cecchetti** will be president of O'Neill's Good Cases division and lead national sales. Cecchetti winemaker **Bob Broman** will consult on the brands.

"O'Neill is a vertically-integrated, primary source winery with one of the most modern production facilities in California," Mr. Cecchetti said. "They offer top-notch vineyard, winemaking and bottling capabilities that can scale as our brands continue to grow."

The combined portfolio has Cecchetti brands Austerity, Backhouse, Exitus, Line 39 and Redtree as well as O'Neill labels Camelot, Martin & Weyrich aka Moscato Allegro, Pepi and Tin Roof Cellars.