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SALTWORKS PROJECT

Study points to economic benefits

■ Job boon, spending spree expected if 12,000 homes built

BY SHAUN BISHOP

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Thousands of jobs would be created and hundreds of millions of consumer dollars spent if the 12,000-home Saltworks project on Cargill's bayfront land in Redwood City is approved, according to an economic study commissioned by the developer.

The 30,000 or so residents expected to live at the Saltworks site would spend a combined \$410 million per year on retail goods, services and entertainment, with about 40 percent of that going to Redwood City businesses alone, according to a study done by Berkeley-based Economic and Planning Systems. The study was released Wednesday by developer DMB Associates.

The spending spree would support an estimated 11,550 permanent new jobs in San Mateo County, mostly in retail, health care and social assistance services. And the 30-year phased construction of the project would generate a total of 33,400 construction jobs with combined wages of \$1.8 billion, according to the study.

"We have an ability to deliver this economic stimulus — which I believe is going to be a once-in-a-generation opportunity — and do it all with private funding," said John Bruno, vice president of DMB Associates.

But a leading critic of the project said the study has a "glaring and intentional

omission" — namely, an analysis of how the development might increase costs for city services such as fire protection and public works.

David Lewis, executive director of the environmental group Save the Bay, said the "threshold question" for the city and other agencies is whether the 1,436-acre site east of Highway 101 along Seaport Boulevard should be developed at all. Lewis and others say it should be restored to wetlands.

"Of course they will pay consultants to issue studies that will say anything to benefit their PR message," Lewis said. "This development is going to make them a lot of money, and I just think the most important thing to remember is that this doesn't change that the site is the wrong place for development."

More than 100 current and former Bay Area elected officials and various environmental groups have lined up against the plan.

Bruno said environmental studies of the Saltworks plan launched last month by the city council will address impacts on city services

He said the Saltworks proposal "addresses a multitude of community priorities," and Lewis' group has "a myopic vision of the site" with no plan to pay for wetlands restoration.

Local business leaders said the study shows the project could bring economic benefits to the region.

In addition to jobs generated by construction and consumer spending, the study found that Saltworks' 1.1 million square feet of office space and 170,000 square feet of retail space would create 4,400 on-site jobs. The plan also includes sports fields, schools and wetlands restoration.

The study assumed that buyers of the development's 10,080 market-rate units would have annual household incomes of \$150,000 and spend an average of \$34,000 per year.

Of the \$410 million Saltworks residents are expected to spend, \$167 million would end up in the cash registers of Redwood City businesses. Food stores in the city would pick up 80 percent of what's spent on food, gas stations 60 percent of what's spent on station business, and apparel and home furnishing stores 15 percent of what's spent on those products.

The spending would be a "tremendous shot in the arm" to the city's ongoing effort to revitalize downtown, said James Musbach, a principal at the consulting firm who helped prepare the study.

"With small and large businesses struggling over the past several years, this is exactly the shot in the arm the community and region needs, to not only recover its economic footing but have a solid foundation for the future," Larry Buckmaster, CEO of the Redwood City-San Mateo County Chamber of Commerce, said in a written statement.