

# New Walnut Creek medical building fills void

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Sep 19, 2008 (Contra Costa Times - McClatchy-Tribune News Service via COMTEX) --Sep. 19--WALNUT CREEK -- A posh downtown district here that already boasts upscale retailers, sleek restaurants and [luxury](#) condominiums will soon land an additional covey of services with a new medical office building that will offer valet parking to patients.

The new medical facilities will be housed in a long-time office building in downtown Walnut Creek on Ygnacio Valley Road at North Broadway.

"With the expansion of John Muir hospital, there will be a requirement for more medical office facilities," said Marty Dalton, a managing member with San Francisco-based Union Property Capital, which bought the building through an affiliate. "The hospital is getting bigger and bigger, it is a regional facility, and an important hospital. And doctors like to locate around hospitals."

Developers are busy converting the project suitable for medical users. Colliers International brokers have begun to scout for tenants to fill the building.

"It's the newest medical office building in downtown Walnut Creek," said Sonny O'Drobinak, a broker with Colliers International. "It will be an alternative to the Shadelands."

In recent years, Shadelands Business Park, located northeast of the downtown a considerable distance from the Interstate 680 freeway, has evolved into a hub for medical services and life sciences research activities. The boom in hospital facilities is likely to only intensify demand throughout the East Bay for medical offices.

"The medical industry is one of the largest employers in Walnut Creek," said Edward Del Becarro, a senior managing partner with Colliers.

Health care employers as of July provided 87,900 [jobs](#) in the East Bay. That was a gain of 300 jobs over a one-year period -- a welcome contrast to the nearly 20,000 jobs the Alameda County-Contra Costa County region has lost over the same 12 months.

Orthopedics, neurology, kidney dialysis, gastroenterology, nephrology, pediatrics, internal medicine and cardiology are among the uses that could move into the project.

"Doctors are quite interested in this building," said Josh Scott, a Colliers broker. "We're talking to larger [medical groups](#). We're talking to a few full-building tenants."

One of the unique features of the new complex will be an on-site valet service. Attendants will meet patients at the entry and park their car. That will allow patients to walk directly into the building. Once an appointment is complete, receptionists can call the attendants to alert them to have the vehicle available for the patient.

The three-story building covers 56,000 square feet. The facilities could include mammogram and ultrasound services, nuclear medicine, X-rays and magnetic resonance imaging, and an ambulatory surgery center.

The owners of the property, 191 II BAH/590 LLC, the Union Property entity, bought the property in May of this year, according to Contra Costa County records. Union Property paid about \$15 million to buy the building, Dalton said.

"Before the new owners took over, the plans at one point were to bulldoze the building and put up housing," O'Drobinak said. "But you know what the market is like for that now."

The owners are spending at least \$2 million in [upgrades](#) for the property, Dalton said. The renovation will include a complete face-lift for the lobby entrance. Improvements to elevators, heating and air conditioning, rest rooms and common areas are also being undertaken. Tenants could move into the building by early 2009, depending on lease agreements.

The brokers for the site touted the building's location, reminding prospective tenants about the big expansion project for John Muir hospital a few blocks away.

The medical facilities boom underscores the emergence of Walnut Creek as a powerful regional hub, the developer said.

"Walnut Creek is becoming the central location for the East Bay, for retail, for housing, and now for medical," Dalton said.

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