

# Industrial park planned near Kingsburg

## Developer aims to lure tenants with rail access.

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By Sanford Nax / *The Fresno Bee*

Where others see vineyards, Roger Van Groningen and Steve Geil envision an industrial park and hundreds of jobs.

The business leaders see dozens of rail cars loading and off-loading raw materials and agriculture products each day. They envision warehouses and other buildings carved out of the grape fields west of Kingsburg.

Van Groningen, owner of Van-G Logistics of Fowler, is developing The Crossings industrial park along the Burlington Northern Santa Fe Railway. At 154 acres, it wouldn't be the largest industrial park in Fresno County, but it is served by rail, which some experts say is gaining importance in this era of environmental consciousness.

And it is another step toward reaching a longtime goal of Geil, president of the Economic Development Corporation serving Fresno County: creating an ample supply of zoned and ready industrial property for businesses looking in the area.

The rail access makes the development significant even though it isn't the first or the largest industrial park in the area. The Parnagian family, which operates Fowler Packing Co., is developing North Pointe Business Park at the southwest corner of North and Orange avenues in south Fresno.

North Pointe has 230 acres, of which 160 is available. But it doesn't have rail access.

"In California and the West, rail is becoming a much more coveted transportation linkage than historically has been the case," said John Boyd of The Boyd Co. in Princeton, N.J. "This is especially the case for Fresno and other Central Valley sites which are competing for manufacturing and distribution projects."

Boyd, who has studied the Fresno area extensively, said much of the container shipments out of California ports from China and the Far East can be shipped more economically by rail, especially given the growing congestion and air pollution concerns, and tighter regulations on trucks.

"There certainly is room for well-priced industrial land that is rail served," said Nick Audino, an industrial specialist at CB Richard Ellis commercial real estate in Fresno. "The EDC is right in that the more ready-to-go industrial land we have and have rail served, the better off we are."

The site meets some important requirements: "We get three questions from users: Is it zoned? Are sewer and water available? And is land for sale? We don't have much that meets all three," Audino said.

And Van Groningen understands rail service. Van-G has 17 acres near Stockton, 84 acres in Imperial County and 73 acres in Fowler connected to rail lines. From Stockton come bakery flour,

rice and steel. In Imperial County, his company ships a lot of ethanol. In Fowler, he stores agriculture and other products that move on Union Pacific.

It's called "transloading," and his company handles about 3,000 rail cars per year.

But he doesn't have any presence on Burlington Northern in the Valley. Which is where The Crossings comes in.

It began as an effort by Van Groningen to find property for his company along Burlington Northern. A pilot, he flew his Beechcraft Baron above the tracks until he found a location he liked. Then Geil suggested creating an industrial park -- and The Crossings was born.

Van Groningen has built a 122,500-square-foot storage plant near Peach and Conejo avenues, is having the property rezoned and hopes to attract agriculture and other businesses to the rest of the property.

His trucking company distributes goods shipped in on rail, or it can pick up products from local businesses, then load them onto train cars.

He says rail becomes cost-effective after 500 miles.

"There is a huge savings by rail. Four truckloads can fit into one rail car. Any and all companies needing to receive raw materials for their manufacturing processes or shipping finished goods via rail would be a welcome fit for The Crossings," he said. "Butter, cheese, frozen foods of any kind can be stored on site and can be transferred to truck for distribution or loaded on a rail car for traveling to distances."

Geil and commercial real estate agents say the demand for industrial land is slow during this recession, but the economic development chief said now is the time to prepare for the eventual recovery.

That includes building even more industrial parks. The efforts don't stop with The Crossings. Fresno County officials continue to look for sites for an industrial park of up to 1,000 acres, and the city of Fresno is working in the same direction.

City officials have designated up to 1,200 acres of potential industrial property in the area bounded by Jensen, Minnewawa, North and Temperance avenues, and northeast of Temperance and Jensen avenues.

In addition, the city is studying how to better plan and serve with utilities about 2,000 acres just outside the city limits and clustered in numerous parcels in four regions -- south of the intersection of Highways 41 and 99, west of Minnewawa and south of Jensen, west of Highway 180 and east of Fresno Yosemite International Airport, said Keith Bergthold, assistant director of planning and development.