

REAL ESTATE **roundup**



Photo courtesy of Grossmont-Cuyamaca Community College District

Grossmont College has a new 1,400-space parking structure and an adjoining facility for campus police.

Financing Woes Halt Hotel Project in Imperial Beach

Citing the difficulty of getting financing, hotel developer **Pacifica** has postponed plans to build a \$20 million, 78-room hotel on the site of Seacoast Inn in Imperial Beach.

"Lenders are reluctant to offer loans for the construction of new hotels, and as a result we have not been able to secure financing from our traditional sources," said a statement issued by San Diego-based Pacifica on Aug. 25.

Pacifica was to demolish the existing Seacoast Inn in October to make way for the new development. It now plans to leave the current structure standing.

Pacifica had planned on financing the project by selling condominium hotel units. "With increasing litigation regarding condo hotels, the condo hotel market today is almost nonexistent," Pacifica's statement said. Financing the project as a hotel only leaves a "multimillion funding gap," the statement said.

Pacifica said it "remains committed" to the project.

Mayor Jim Janney told constituents in a letter Aug. 21 that Pacifica told him the project would be delayed for "the foreseeable future." The mayor added that he was "disappointed and angry" about the turn of events. Many viewed the hotel project as a significant step toward revitalizing the beach community.

— Brad Graves

Jaynes, Harley Ellis Work on High School Science Building

Grossmont High School's 70-year-old Building 900 was demolished recently to make way for state-of-the-art science classrooms as part of the Proposition H school bond.

Jaynes is the general contractor and Harley Ellis Devereaux the architect of

the \$6 million science building. Debbie Murray is the project manager, according to the Grossmont Union High School District.

Building 900 came down in phases in order to keep up with a green policy by recycling the majority of the construction materials. The demolition is part of Phase 3A of the \$274 million Proposition H construction bond program passed in 2004 and has cleared the way for the new science building. The building will include 10 science classrooms for teaching college preparatory chemistry, biology and physics. The building is set to open its doors on the El Cajon campus in spring 2010.

Building 900 was a 15,000-square-foot concrete structure built for \$43,000.

Grossmont College Opens \$24.5M Parking Structure

Grossmont College celebrated the grand opening of its \$24.5 million, 1,400-space, tri-level parking structure Aug. 17. The 400,000-square-foot facility includes an addition of 768 spaces to the campus in El Cajon.

Proposition R provided the funds to pay for the parking structure and its adjoining 3,200-square-foot facility for campus police. The money came from a \$207 million facilities bond measure approved by East County voters in 2002.

McCarthy Building was the general contractor and International Parking Design was the project architect. The interior design architect for the police facility was Carrier Johnson.

Spawar Seeks Scheduling Services From Eastern Firm

The Space and Naval Warfare Systems Command in San Diego awarded a contract to CSA to provide project monitoring and control, or PMC, ser-

vices for Spawar 6.0. Financial terms of the deal, announced Aug. 11, were not disclosed.

CSA, a Pennsylvania-based engineering and architectural services firm, has been supplying PMC services for Spawar for five years and this contract will expand the work it provides on the Department of Defense acquisition programs.

CSA will assist Spawar 6.0 in adopting a master schedule designed to improve the accuracy, collection and reporting of cost and schedule information for Spawar acquisition programs.

CSA's contract with the U.S. Navy has a base year and four option year period. The work is scheduled to be performed in San Diego.

Vista Community Clinic Grows in North County

Vista Community Clinic planned to hold grand opening ceremonies for its 12,000-square-foot primary care clinic on Grapevine Road in Vista on Aug. 27.

The facility, located near the border of Vista and Oceanside, is expected to serve 16,000 North County residents annually to meet the increasing demand in affordable health care.

Architect Linas Naujokaitis designed the facility, while Erickson-Hall Construction built it.

As of mid-July, \$4.3 million had been pledged to support construction of the clinic. A groundbreaking ceremony took place in July 2008 and the clinic opened its doors last month.

The clinic will include six full-time physicians and nurse practitioners, as it expands pediatrics, family medicine and obstetrics services.

With locations in Oceanside and Vista, the clinic has a staff of 465 workers and a budget of \$26 million, according to its Web site.

— Molly Pappas

Lease:

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RA products could bring big profits to Takeda. The FDA said in August that it was issuing stronger warnings on drugs such as Remicade, made by Johnson & Johnson, and Abbott's Humira, because of a risk of cancer in children and adolescents.

Drugs for treating arthritis posted sales of \$914 million in the U.S. alone last year, according to market research firm IMS Health.

Like other pharmaceutical firms,

Takeda is seeking opportunities in biotech, where copying drugs proves more difficult because they are made from living cells rather than chemical compounds. Last year, Takeda took advantage of the weak U.S. dollar to acquire businesses that would help boost its drug pipelines.

Takeda's purchase of Massachusetts-based Millennium Pharmaceuticals for \$8.9 billion in 2008 ranked it among the year's top three pharmaceutical deals. It made two other billion-dollar acquisitions that year: the purchase of Amgen's Japan unit for just over \$1 billion in February and Tap Pharmaceuticals' \$1.5 billion buy

in March.

Analysts expect Takeda's Millennium purchase to strengthen its position in cancer drugs, a lucrative market for the company. The New England biotech makes Velcade, a bone marrow cancer treatment that reached blockbuster status last year with global sales of more than \$1 billion.

New research suggests that pairing Velcade with Celgene's Revlimid might work best for patients. That would be welcome news for Takeda, whose patent on its biggest-selling heartburn drug Prevacid expires this year.

SALES AND LEASES

SALES

Springfield Ventures purchased a 3.89-acre parcel of land at the southwest corner of San Marcos Boulevard and Las Posas Road in San Marcos for \$2,665,000. Matt Weaver, Rusty Williams and Dan Gaston of Lee & Associates represented both the buyer and seller, San Marcos Galleria, in the transaction.

LEASES

Elsevier renewed its lease for 31,000 square feet of space at Golden Eagle Plaza, 525 B St., in downtown San Diego. Scott Panzer and Lisa Campofranco of Newmark Knight Frank and Rich Porreco of CresaPartners represented the lessee. Matthew Carlson of Cushman & Wakefield represented the lessor, Hines. Financial terms and length of the lease were not available by deadline.

BMT Scientific leased 25,000 square feet of industrial space at 955 Borra Place in Poway for 120 months for \$2,503,216. Russ Sande and Rich Porreco with CresaPartners represented the lessee. Greg Pieratt and Tom Blackmore of Lee & Associates represented the lessor, 955 Borra Place.

PNS Stores, dba Big Lots, leased 30,000 square feet of retail space at Lake Elsinore Town Center, 32241 Mission Trail Road, in Lake Elsinore. The lease is valued at \$1,665,833. The length of the lease was not disclosed. Nick Alford and Kam Walton of Cushman & Wakefield represented the lessor, Blue Canary. The lessee represented itself.

Dave Dean of Lee & Associates represented Escondido Collision Center in leasing the 14,000-square-foot industrial building at 417 Via del Monte in Oceanside. The 36-month lease is valued at \$354,000. Barry Hendler with Grubb & Ellis/BRE Commercial represented the lessor, Kent Thompson.

Marc Dudzik of Lee & Associates represented the lessor, Urban Board Shop, in leasing the 2,100-square-foot retail space at 12373 Poway Road in Poway. The value of the 60-month lease is \$169,277. Mike Foster of Foster & Co. represented the lessee, Duckett Wilson.

North County Fresh Poultry leased 2,700 square feet of retail space at 2600 Oceanside Blvd., Suite A, in Oceanside. The 60-month lease has a value of \$122,899. Evan Hanyak of Lee & Associates represented both the lessee and lessor, Oceanside Center.

Steve Bruce of Lee & Associates leased 4,700 square feet of office space at 444 S. Cedros Ave. in Solana Beach. Roberto's Mexican Food leased 1,300 square feet of office space in Suite 100 for 36 months at \$82,008. Greener Dawn leased 3,000 square feet in Suite 195 for 12 months at \$41,500. OC Home Loans leased 400 square feet in Suite 210 for six months at \$6,000. Bruce represented the lessees and lessor, South Cedros Associates, in the transactions.

Basilops leased 1,700 square feet of industrial space at 2336 La Mirada Drive, Suite 500, in Vista for 24 months at a cost of \$37,608. Rusty Williams and Larry Strickland of Lee & Associates represented the lessor, Thibodo Management. Marko Dragovic, also of Lee & Associates, represented the lessee.

Quest Software leased 6,500 square feet of space at Centrewest Plaza, 9710 Scranton Road, in the Sorrento Mesa submarket. The plaza is 93 percent occupied and owned by an HCP affiliate. HCP is acting as asset manager for the affiliate. Wendy Han of Studley represented the lessee. Steve Wolf and Brunson Howard of Cushman & Wakefield represented the lessor. Financial terms and length of the lease were not available by last week's deadline.

— Molly Pappas