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\$2 billion in projects along Highway 101 put Sonoma County to work

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An unprecedented tsunami of development along Highway 101 in Sonoma County is putting thousands of people to work and pumping nearly \$2 billion into the economy.

Up and down the spine of Sonoma County, more than a dozen big-budget projects are underway, creating or expanding centers for the arts, shopping opportunities, health care facilities, business offices, hotels, restaurants and a casino resort. The projects also will widen the freeway and pave the way for SMART, the commuter train system intended to eventually extend across the region.



KENT PORTER / The Press Democrat

The new Sutter Hospital under construction in Santa Rosa on Friday is one of several major projects along the Highway 101 corridor in Sonoma County.

“You’d have to go back at least a couple decades to find this kind of activity,” said Keith Woods, chief executive officer of the North Coast Builders Exchange, a Santa Rosa trade group.

A snapshot of the massive investment along Highway 101 illustrates a broad array of projects funded by private developers, a Las Vegas gambling corporation and federal, state and local governments.

It includes enormous changes to Sonoma County’s transportation infrastructure — vehicle and rail — construction of the area’s first new hospital in more than two decades, train stations, a massive casino complex and two new big-box retail centers that will change the face of the south county.

“We’re planning for the future with these projects,” said Sonoma County Supervisor Mike McGuire, whose north county district includes much of the development. “Sonoma County is building a foundation that will ensure we’re not only going to come out of this recession, we’re going to be stronger than we were before.”

Economic experts say the work can be viewed both as a sign of a recovering economy and a catalyst to additional investment, including transit-oriented developments near the train stations that will seek to capitalize on an influx of new customers being brought right to their doorsteps.

Many of the projects, including the shopping centers, the casino, SMART, and to a smaller degree the Caltrans road projects, overcame fierce opposition from those worried about environmental damage, water and sewer burdens, traffic congestion and government spending.

Costliest in county

The single largest, most expensive proposition along Highway 101 is the Graton Resort & Casino in Rohnert Park, which is estimated to cost \$800 million, including

the cost of the land.

It is the costliest project in Sonoma County history, topping the \$312 million Warm Springs Dam, completed in 1983 (about \$750 million when adjusted for inflation), the \$250 million Geysers wastewater pipeline and the \$233 million expansion of the Kaiser Permanente hospital in Santa Rosa three years ago.

Work on the 322,000-square-foot casino began last summer and is expected to finish this year.

The casino will offer 3,000 slot machines, making it the largest in the Bay Area. There will be scores of gambling tables, four restaurants and nine “quick-serve” dining outlets, bars, lounges and an events center for concerts. It will have a five-story parking garage for 5,500 vehicles.

A 200-room hotel is planned for the future. Developers have said the project will employ 900 construction workers and about 2,000 employees in a variety of jobs after it opens late this year.

70 miles of track

Sonoma-Marin Area Rail Transit's \$360 million commuter rail project is planned eventually to connect the North Bay from Cloverdale to the Larkspur ferry terminal. The project will encompass 70 miles of track, with an accompanying bike and pedestrian path and 14 train stations, to transport workers, residents and tourists throughout the area.

In its first phase, nearly 17 miles of new track has been laid from Guerneville Road in Santa Rosa to D Street in Petaluma. Two bridges have been rebuilt, over Colgan Creek and Willowbrook Creek, and station platform footings have been poured in Petaluma, Cotati, Rohnert Park, downtown Santa Rosa and at Guerneville Road.

The first new railroad ties were laid in Santa Rosa last summer and are among 90,000 that will be used along the first phase: 38.5 miles of track between Guerneville Road and downtown San Rafael designed for trains running at 79 mph.

“We're building a transportation spine for the North Bay that will change forever, for generations to come, our access to public transportation,” SMART Executive Director Farhad Mansourian said. “Whether it's local roads or the highway or bus transit or rail transit, we'll be among the fortunate areas where we're no longer slaves to 101 and terrible traffic.”

A decade of work

The third-largest flood of investment into the Highway 101 corridor is on the roadway itself — Caltrans' massive widening project.

In its first major upgrades since it was built in the 1950s, Highway 101 has been under construction in segments for a decade.

But with hundreds of millions of dollars in federal, state and local funding coming through in the past two years, Caltrans is embarking on or in the midst of six major projects between Windsor and Petaluma.

The half-dozen projects in progress total nearly \$356 million in construction.

The largest chunk of that is \$244.8 million in three south county segments: the interchange at Lakeville Highway and the span over 116; a new Petaluma Boulevard South interchange and new bridges over the Petaluma River; and a realignment of the highway south to Marin County.

Supervisor David Rabbitt, who represents the south county, said he has been both dreading and looking forward to the work that will have his district in construction dust for the foreseeable future.

“It reinforces the fact that we do for all intents and purposes live and die along the 101 corridor,” he said. “It’s a vital transportation link and will remain so.

“SMART will give some relief to the 101 corridor. As we get the stations up and integrate them, it will become just as easy to get on the train than in your car and that will give us at least an alternative we’ve never had.”

Also in Petaluma, private developers are spending \$117 million to build what will become the city’s two largest shopping centers.

The \$61 million East Washington Place center, with Target, Sprouts and Dick’s Sporting Goods, is set to open in phases beginning this week with the Spouts grocery.

Deer Creek Village at Rainier Avenue will be anchored by Friedman’s Home Improvement. Set to open early next year, the total project is estimated to cost \$56million.

Despite legal threats, Petaluma approved the projects with economic development in mind. A 2009 retail study estimated Petaluma was losing more than \$97 million a year in “sales leakage” to other communities because of lack of shopping opportunities, including in the general merchandise and building materials categories.

Farther north, the Windsor area will see big changes, including a \$51 million Airport Boulevard-Highway 101 widening project that will result in a five-lane span over the highway, and the county’s \$53.8 million expansion of the Charles M. Schulz-Sonoma County Airport.

Less than two miles away, the sprawling new Sutter Medical Center is rising. The \$284 million hospital is expected to be completed in June 2014, with an opening date set for October. A \$16 million medical office building will be built next door.

The project is employing about 1,500 construction workers, adding to the thousands of jobs either created or supported by the Highway 101 projects.

4,500 construction jobs

Those are among nearly 4,500 construction jobs involved in all of the current projects along Highway 101, not including the Caltrans jobs.

The casino and the two new Petaluma shopping centers will create more than 3,200 new full- and part-time jobs.

Total job figures are elusive and vary greatly with interpretation of newly created jobs or simply continued work for the trades. Still, it’s clear the projects are boosting the hard-hit construction industry, said John Bly of the Northern California Engineering Contracting Association.

“This is as much activity in the area as many of us have ever seen,” he said.

Sonoma County employment figures released in March show the total number of workers was 5,600 higher in January than a year earlier and the total number of jobs, 175,600, was the most recorded in January since 2009. Total employment in the county increased for eight consecutive months on a year-over-year basis.

The last time the central corridor was anywhere near this busy was more than a decade ago, Woods estimated, when the Petaluma River marina area and Santa Rosa’s hotel and convention center were being developed along Highway 101 in

Sonoma County's two largest cities.

“And those projects weren't happening at the same time like we have now,” he said.

Trickle-down effect

Robert Eyler, director of the Center for Regional Economic Analysis at Sonoma State University, said the trickle-down effect of the work is hard to measure, but real.

“From an economic development standpoint, when you see infrastructure projects happening, there's an immediate economic impact to those that are doing the contracting,” he said. “That leads to some reverberation in the economy, especially if they hire locally.”

Once the construction is done, the infrastructure can allow more economic growth because of transportation efficiencies.

“We might actually see more manufacturing activity because there will be more incentive with better logistics,” Eyler said.

Although SMART critics continue to oppose the train as economically infeasible, the rail agency's director sees it as an economic engine for the region along Highway 101.

“This kind of infrastructure does two things: it's a depression-buster because it affects so many other businesses,” Mansourian said. “And it's an investment in your quality of life. This is not just a project. It's forever. How much is that worth?”

Highway 101 projects

Here is a look at work being done along Highway 101 in Sonoma County:

Charles M. Schulz-Sonoma County Airport expansion

Cost: \$53.8 million

Start: Mid-2013

Completion: Mid-2014

Status: In construction bidding. Includes main and secondary runway extension, changing runway layout, safety features to meet new standards, environmental mitigation.

Jobs: Undetermined, possibly several hundred overall

New Sutter Medical Center and offices

Cost: \$300 million (2 projects)

Start: Sept. 2010

Completion: June-Oct. 2014

Status: Underway

Jobs: 1,500 during construction, 1,000 hospital employees

Wells Fargo Center for the Arts upgrade

Cost: \$10 million

Start: Phase one, \$2.8 million renovation of Ruth Finley Person Theater

Est. completion: 2016-2018 for all four phases

Status: Begins this month

Jobs: 75 for phase one

SMART rail and pathway, first phase: 38.5 miles from north Santa Rosa to downtown San Rafael

Cost: \$360 million total cost

Start: May 2012

Completion: 2016

Status: More than 40 percent of the track from Santa Rosa to San Rafael — the first phase of service — has been rebuilt, mostly in Sonoma County. Six bridges have been replaced and station footings and walls completed in Petaluma, Cotati, Rohnert Park and two in Santa Rosa. Jobs: 1,000 construction jobs including manufacturing of vehicle components, 100 transit agency and operations jobs at completion

Graton Resort & Casino

Cost: \$800 million, including land purchase

Start: June 2012

Completion: Late 2013

Status: Underway. Includes 322,000-square-foot casino with 3,000 slot machines and gaming tables

Jobs: 900 in construction, 2,000 when open

Deer Creek Village shopping center, Friedman's Home Improvement

Cost: \$56 million

Start: Spring 2013

Est. completion: First quarter 2014 Friedman's, others soon after

Status: Underway

Jobs: 330 construction, 510 permanent

East Washington Place shopping center, Target

Cost: \$61 million

Start: Feb. 2012

Completion: Summer 2013

Status: Underway, first major tenant, Sprouts, opens this week

Jobs: 390 construction, 720 permanent

Highway 101 makeover

Nearly \$356 million is being spent on projects underway now to widen Highway 101 and revamp overpasses from Petaluma to Windsor:

Project: Widen Airport Boulevard overcrossing (Windsor) to five lanes, combine Fulton Road and Airport Boulevard into one interchange, add sound walls in Windsor

Cost: \$51 million

Start: April 2013

Est. completion: 2015

Status: Tree removal complete

Project: Old Redwood Highway-Petaluma Boulevard North interchange improvements, four-lane overpass, ramps widened to two lanes

Cost: \$41.1 million

Start: Spring 2013

Est. completion: 2015

Status: Groundbreaking last month

Project: East Washington Street interchange improvements

Cost: \$18.9 million

Start: 2011

Est. completion: 2014

Status: Possible early completion in 2013

Project: Lakeville Highway-Highway 116 interchange improvements

Cost: \$33.4 million

Start: 2013

Est. completion: 2015

Status: Tree removal almost complete

Project: New Petaluma Boulevard South interchange, replace existing Highway 101 bridges over Petaluma River

Cost: \$130 million

Start: Spring 2013

Est. completion: 2016

Status: Tree removal complete

Project: Realign Highway 101 to the west near Sonoma-Marin County line

Cost: \$81.4 million

Start: 2015

Est. completion: 2017

Status: Design is at 95%, right-of-way acquisition underway

PENDING

Project: Build commuter lanes in both directions from north of Highway 116 East to Old Redwood Highway-Petaluma Boulevard North in Petaluma

Cost: \$96.4 million, \$90million unfunded

Start: Dependent on funding

Project: Northbound and southbound commuter lanes between Petaluma Boulevard South and the county line

Cost: \$37.9 million, \$35million unfunded

Start: Dependent on funding

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