

**CONTRA COSTA TIMES**

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## Peet's to bring buzz, bounty

### Coffee roastery and distribution center to rise on Harbor Bay Island

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Alameda will soon be getting a new, delicious-smelling resident in town.

Peet's Coffee & Tea is building a distribution facility on Bay Farm Island, a boon to the city that will eventually create about 175 new jobs in addition to property tax and business license revenues.

The 135,000-square-foot building, located at 2001 Harbor Bay Parkway, will be Peet's primary roastery and distribution center for the Bay Area and beyond. The two-story brick facility will eventually include public tours and a gift shop upon completion, said Peet's Chief Executive Officer Pat O'Dea at a ground-breaking ceremony Wednesday.

Surface grading has begun for the \$17 million project, which is expected to be finished in April 2007. The roastery will have the capacity to produce 50,000 to 60,000 pounds of coffee per day, said Jim Grimes, vice president of operations.

"Building a new plant here is important to us," O'Dea said. "With this new facility, we'll be able to produce all the coffee we need for the Western United States for the foreseeable future."

City officials on Wednesday who attended the ceremony said Peet's will be a great fit for Alameda because of the company's environmentally-conscious business model and the money it will bring into the city.

"Peet's commitment to our community and our environment is extremely important to us," said City Council member Frank Matarrese, who attended the ceremony in lieu of Mayor Beverly Johnson, who was in Washington, D.C. on business. "We're keeping dollars circulated locally here."

Peet's, which has a local coffee shop on Park Street, posted \$175 million in revenues last year and is growing at a rate of about 20-25 percent per year, O'Dea said. The Alameda facility will be an upgrade of Peet's current West Coast headquarters in Emeryville, which is less than half the size of the proposed Alameda plant.

Once the project is finished, about 90 Peet's employees will move to the Alameda facility. Grimes said the company expects to hire people to work as roasters, packagers and distributors. A small number of jobs will be office and support functions.

O'Dea said that Peet's chose Alameda for its central Bay Area location, environmental values and good access to public transportation.

"We've been welcomed here with open arms from the very beginning," O'Dea said.

Debbie Potter, city base reuse and community development manager, said Alameda can expect to see its property tax base increase after Peet's moves in, but an appraisal of the finished property must be done to determine how much money that will mean. The city also will see additional revenue from business license and utility taxes on the facility.

Because the building will be a distribution center, there will be limited tax revenue, Potter said, but the real boon for Alameda is the number of jobs that Peet's will offer and employees' use of local services and retail.

"All-around, they're going to be a contributor to the city's overall economic base," Potter said.

Peet's is a welcome addition for developers of the Waterfront at Harbor Bay Business Park complex, who have been working hard to lure businesses at the 100-acre stretch of Harbor Bay.

"We think that the decision by Peet's to locate here proves that Alameda is a great place to do business," said Joseph Ernst of SRM Associates, developer of the site.

Peet's, which was founded in Berkeley and is celebrating its 40th anniversary this month, has most of its 113 locations on the West Coast. This year, the company plans to construct between 23 and 28 new stores, primarily in California.

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