

Santa Clara County Supervisor George Shirakawa Jr. wants Niners stadium at fairgrounds

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In yet another twist to the epic journey to develop the Santa Clara County fairgrounds, newly elected Supervisor George Shirakawa Jr. says he will pursue a radical departure from years of planning: wooing an NFL football stadium instead of the residential-retail center that is in the early stages.

Turning the fairgrounds site from a dust bowl into a money-generating community hub is a priority for supervisors, who have only one major piece of land to develop — the 150 acres off Tully Road — as a revenue source for the county's cash-starved social services.

But amid the global recession, the developer selected by the county, Catellus, is now facing hard times, slashing business by as much as one-quarter and halting all new developments.

That's prompted Shirakawa, a former high school football coach and unabashed sports enthusiast, to

pursue other options for the property that sits a mile from his home. Late last week, Shirakawa met with San Francisco 49ers Chief Financial Officer Larry MacNeil and Vice President of Communications Lisa Lang over a carnitas lunch.

The 49ers are wrapping up lengthy negotiations with the city of Santa Clara to build a new stadium close to the Great America amusement park, but Shirakawa's office notes the deal could still fall apart. Such was the case earlier this week, when another stadium-building plan for the Oakland A's baseball team collapsed after lengthy dealings with Fremont city officials.

"Anyone with \$1 billion that wants to come into your community, you talk to them," Shirakawa said. "If those negotiations in Santa Clara fall through, I want them to know that Santa Clara County has open arms for them."

Shirakawa, who represents one of the county's most impoverished districts, said if traffic woes were adequately addressed, a football stadium could generate income while creating jobs and even fostering self-esteem in surrounding neighborhoods. Kids look up to sports figures, he noted.

Lang said the 49ers' goal is to stay in the Bay Area, and at present the chosen site is Santa Clara. "But in the event that that is not workable, we absolutely want to make sure we have more options to achieve our goal," she said. "So if we can add the fairgrounds as a potential area to consider, then that helps us to move this project forward."

Shirakawa hasn't yet approached the Oakland Raiders, who have been in conversation with the 49ers about a possible shared stadium in Santa Clara, but he did not rule that out.

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Frustration with the current proposals for developing the fairgrounds is in part driving Shirakawa's early — and at this point, mostly token — overtures to the 49ers. Although the development is still in the community-outreach stage and a final agreement is far from being negotiated, the supervisor said he is displeased with talk of selling the land to Catellus, and he does not want homes built there — a position shared by at least one other supervisor, Liz Kniss.

Shirakawa also said he is concerned that Catellus' parent company, ProLogis, is "under water."

In November, Denver-based ProLogis announced a sweeping global workforce and spending reduction of 20 to 25 percent. Referring to "the tough economic climate" that has only become tougher since then, the company announced it was halting all new development, "pending improved market conditions."

Santa Clara County officials are well aware of the dismal state of construction nationwide, but a growing number are beginning to register particular concerns about Catellus. The developer was selected in large part because of its deep pockets and ability — above all other bidders — to finance a project of this magnitude, estimated to exceed \$1 billion in costs.

Acting County Executive Gary Graves said he learned last month that the company's Bay Area offices had shrunk and that the county's lead contact there, Aidan Barry, had been laid off. Barry, a vice president responsible for Northern California, has not been replaced.

Asked whether the halt to future development applied to Santa Clara County, ProLogis spokeswoman Jessica Crow said: "It applies, but it doesn't necessarily apply." Crow said the projects

more likely to be affected involved more immediate plans to "invest capital and move dirt." Because Santa Clara County's project is in the early stages, "it's business as usual," she said.

"Clearly, the landscape is changing," Graves said. "So in any kind of development scenario, we're going to have to re-evaluate that status of our relationship in terms of what has changed for them."

Murlin Lee of San Jose, a retired software development manager and president of the 4-H County Council, which has fought to preserve at least part of the fairgrounds for its traditional uses, said he is not surprised that an entirely new idea for the fairgrounds has now been thrown into the mix. For seven years, he noted, supervisors attempted to build a concert hall on the site, before that deal fell apart in 2003.

"There's been a lot of things proposed for out there, and nothing has actually come of it yet," Lee said.

As for the stadium idea, Supervisor David Cortese said he thinks it's "worth exploring."

"They need to stay in the region," he said of the 49ers, "and it would be great to have them in the county for a revenue source and VTA ridership. It would be great to have them on Santa Clara County land if it benefits the county financially."

Mercury News Research Director Leigh Poitinger contributed to this report.

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