

To developer De Monet

Whiskey Gulch — a perfect 10

By **Mary T. Fortney**
Times Tribune staff

If Joaquin De Monet follows his usual practice, the proposed redevelopment of the Whiskey Gulch section of East Palo Alto promises to be "exciting and innovative," the San Mateo developer says.

De Monet acted out his approach to development during an interview this week at his plush offices on the sixth floor of Century Centre in San Mateo.

Pointing out the window at a tall brown office building across the way, De Monet said, "We looked at that building, which was the state of the art when we got here. Then

we wanted to do something more exciting and innovative."

That attitude created Century Centre — a dazzling white two-building development on Fashion Island Boulevard. One building has 10 stories and the other six. The smooth lines are set off by a center square with a fountain topped by a red, yellow and blue abstract structure.

De Monet plans to outdo himself on the East Palo Alto redevelopment project because "it's the most exciting project we've been involved in." He predicted it will become the most important development between San Mateo and Los Angeles.

"A site like this is a 10 on a scale of one to 10," he said.

De Monet doesn't have a name for the development yet, explaining, "The name is something we and the City Council have to work out. The input of council members is very important. The spirit between us is very good and I'd like to keep it that way."

De Monet isn't concerned that the development may be connected in prospective tenants' minds with a poor, primarily black city.

"The association with a poor black city will change to a rich black city," he said. "At that point

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Joaquin De Monet
... creating "rich black city."

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it won't matter whether the city is black or white."

The redevelopment is expected to give a huge boost to East Palo Alto's sales and property tax revenues.

The East Palo Alto Redevelopment Agency and City Council this week gave De Monet Industries an exclusive agreement for 18 months, with a possible extension for another year, to negotiate for redevelopment of the 11-acre parcel west of the Bayshore Freeway.

De Monet visualizes transforming the run-down area of small businesses into a mammoth complex with 1.2 million to 1.5 million square feet of space.

He expects the first phase of the project will be a 20- or 22-story commercial-office building with retail space on the ground floor and a 250-room hotel. The second phase will be another 20-story building, and the third and fourth phases will be two smaller buildings of 10 to 12 floors. Construction is expected to span five to seven years.

"Our goals are to update the state of the art in the Whiskey Gulch development," De Monet said.

The development will include tennis courts and a full gymnasium for tenants; De Monet himself is an avid tennis player and works out on weights. He also plans to provide child and health care facilities for tenants.

The development also will include 50,000 to 80,000 square feet of retail space.

De Monet said he is looking at three to four designs and will work with the city "to figure out which one we all like." He said he hopes to have something ready to show the city in the next three to four weeks.

In the meantime, work is going ahead on the "infrastructure" for the proposed project.

"Soils and engineering surveys are taking place now so we can define the square footage and where buildings should be located," he said.

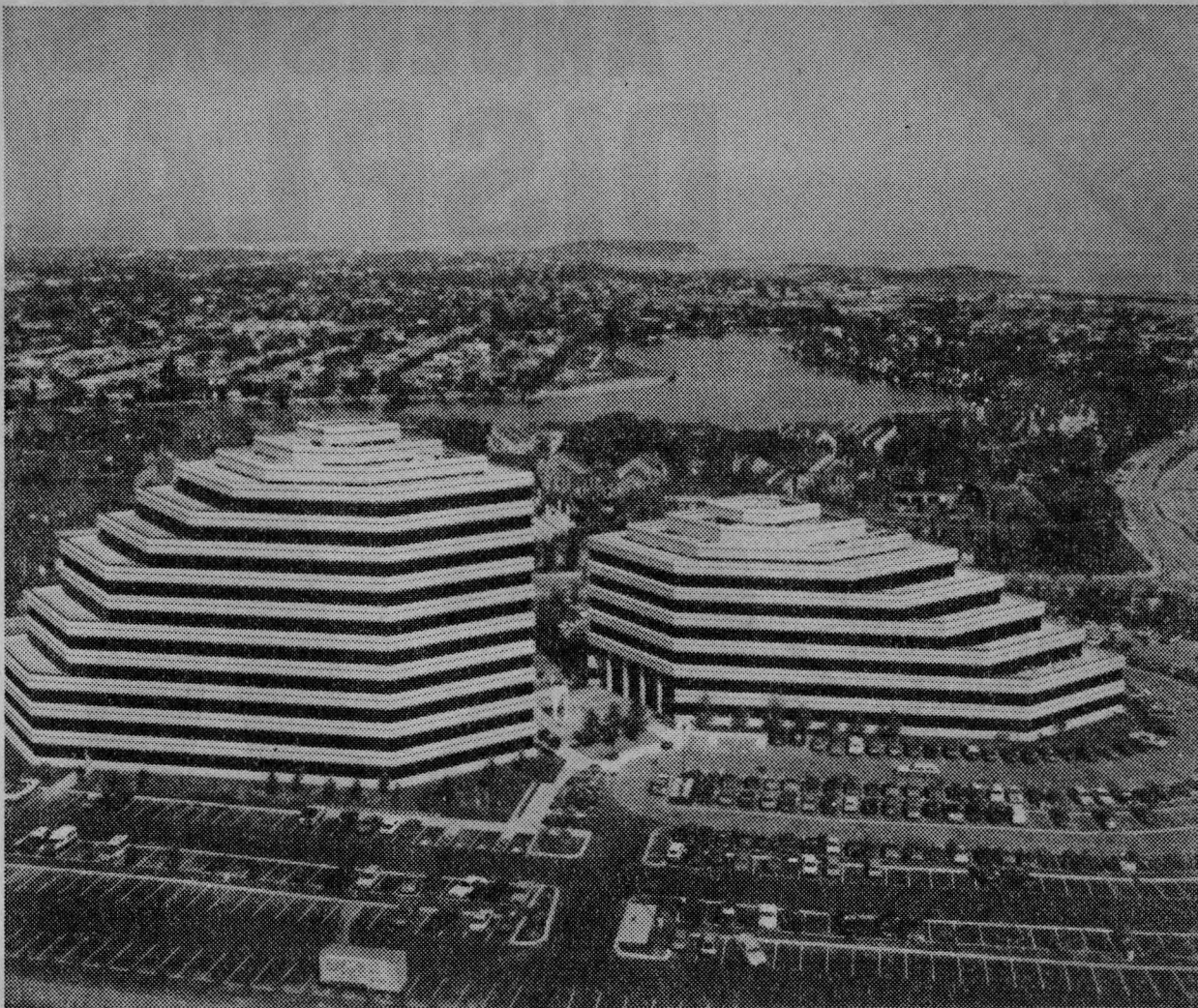
Company representatives approached property owners in Whiskey Gulch before talking to city officials, but De Monet doesn't intend to buy any land until he obtains city approval to go ahead with the project. Processing the plans through city procedures, including public hearings and preparation of an environmental impact report, will take more than a year.

Many residents of the adjoining communities of Palo Alto and Menlo Park are less than enthusiastic about having high-rise buildings in their neighborhoods.

But De Monet appears confident that he can assuage their fears and convince them the project will have a favorable impact. He is willing, when the plans are further along, to meet with homeowner groups to discuss the project.

De Monet noted that he's been called a predatory developer, but he admits only to being aggressive.

De Monet's company has a good reputation in San Mateo, said Brian Berg, manager of the county's



Times Tribune photo

Joaquin De Monet developed the Century Centre in San Mateo, a two-building development on Fashion Island Boulevard.

said. "He has an excellent organization."

Swartz added that De Monet has been helpful in a lot of community causes.

De Monet already has three developments close to the Bayshore Freeway — Century Centre and the San Mateo Centre, which consists of seven three-story buildings, totaling 545,000 square feet. In San Jose, there's the eight-story, 108,000 square-foot Homeland International Building at the airport.

De Monet Industries retains ownership of the three developments and handles leasing arrangements. The company has sold its developments in Texas, Los Angeles and Albuquerque, N.M.

De Monet isn't worried about raising the money to construct the Whiskey Gulch project, which real-estate experts estimate will cost about \$300 million.

"We're fortunate to have good relations with two major banks," he said. "They're loyal to us and we're loyal to them."

After reading newspaper accounts of De Monet's proposal, two other developers appeared at the Redevelopment Agency meeting, eager for a chance to redevelop Whiskey Gulch.

De Monet doesn't take credit for being the first to recognize the potential of the area.

"I owe that to Julie Baigent, our corporate counsel," he said. "Three years ago, when she was associated with a Palo Alto law firm, she and a developer saw the potential but didn't know how to go about it."

After she joined De Monet Industries a year ago, she told De Monet about Whiskey Gulch.

"We drove there and I became excited," he said. "It's become our No. 1 priority."

De Monet, 43, is a native of San Francisco. He attended Burlingame High School but skipped his senior year to join the military, serving two years as a paratrooper.

After returning, he attended College of San Mateo part time. Then he spent three years as manager of Continental Lodge in San Francisco and three years as a stock broker with E.F. Hutton in San Francisco.

After that he was in the apartment business (owning apartments) for three years in the Bay Area, and with Regency Development, a firm based in Houston. He organized De Monet Industries 10 years ago.

De Monet, who is president, fo-

cuses on the financial end. His brother, Ricardo, is in charge of construction.

De Monet gets very involved in the design of buildings, saying, "I'm willing to spend an extra dollar on the lines of the building."

"Some people spend on the skin — the tile or stone covering the walls," he said. "I notice more the lines of the building and how it's designed."

De Monet gets the biggest charge from breaking ground and watching the steel of a building go up, and later when the "skin" is put on.

His office reveals a divided artistic taste — Frederic Remington bronzes of Western cowboys are blended with Asian art.

He shows the same diversity in clothes. At Monday's City Council meeting he was wearing a plaid shirt and down vest. On Thursday he was the tailored executive in a pin stripe suit. On Friday, the entire office force goes casual, wearing jeans to work.

De Monet, a Woodside resident, has five children, three from his first marriage, and two with his present wife, Gail. The children are Joaquin Jr., 22, Philip, 19, Monique, 16, Aaron, 6, and Nicole, 4.