

## Office space worth over \$11 million donated to Community Medical Centers

By Tim Sheehan



The 7.5-acre office complex at 1630 E. Shaw Ave. in Fresno is one of two office properties donated by developers Richard Gunner and George Andros to Community Medical Centers. RALPH BERRETT — FULLMETALPHOTO

Community Medical Center is celebrating one of the largest gifts it has ever received: a donation of two Fresno office complexes on East Shaw Avenue.

Real estate developers Richard Gunner and George Andros of Gunner & Andros Investments are the donors of the office complexes on the north side of Shaw Avenue, both east and west of the Old Spaghetti Factory restaurant.

The sites — 1510-1560 E. Shaw Ave. and 1630 E. Shaw Ave. — amount to about 16 acres of property with more than 175,000 square feet of office space. According to the Fresno County assessor, the complexes have a total value for property tax purposes of almost \$11 million, but the real value is likely much higher.

The donation tops the gift of \$10 million in cash that Table Mountain Rancheria tribe gave to Community Medical Centers in 2003. That donation eventually helped build a new trauma center at Community Regional Medical Center in downtown Fresno.

“This is a giant chunk of property,” said Katie Zenovich, Community’s vice president of corporate development. “If we were to have to build something, we’re talking about millions of dollars to build a building or purchase a building” to centralize the company’s widespread support offices.

About half of the office space in the complexes is leased to tenants, but the rest is vacant. Zenovich said Community expects to relocate some of its administrative departments to the East Shaw Avenue offices over the next couple of years.

“We have administrative services scattered all over Fresno,” Zenovich said. “What’s happening here is something we’ve wanted to do for a long time. ... When we have all of our administrative services collaborating in one central location, it can only tighten things up and make us stronger.” She added that no clinical treatment services will be at the new offices.

Among the offices that will be moving are finance, communications and human resources. Zenovich said the finance staffers now work in the Community-owned former Sierra Hospital building on Dakota Avenue near Blackstone Avenue, “and our communications staff is in some really old, dilapidated former physician offices” near the Community Regional Medical Center complex in downtown Fresno.

Assessor records indicate that the offices at 1510-1560 E. Shaw were built in 1972, while the buildings at 1630 E. Shaw date to 1974. As tenant leases expire, Zenovich said Community will eventually occupy all of offices in both complexes.

The new site is across town from Community Regional Medical Center, which Zenovich described as the “mother ship” for the company’s medical and clinical services in the Fresno-Clovis area. “But we have ancillary services spread all across the region,” she said, listing Clovis Community Medical Center, Fresno Heart and Surgical Hospital and Community Behavioral Health Center. “This really will be a central location for us. It has easy access to Highway 41 and Highway 168, and its easy for our staff and the public to get to.”

The deal for the property gift reportedly came together quickly.

“Our discussions began just a few months ago, and there were lots of details to work through,” Richard Gunner said in a written statement. “But we were able to finalize the gift last week and Community now owns the property.”

“When this transaction was originally discussed, it sounded like a great benefit to Community Medical Centers and we were immediately in favor,” Gunner added.

Community becomes the new landlord for the existing tenants and Gunner & Andros Investments will be the property manager. Community will eventually start receiving income from those leases, but Zenovich didn’t know how much that would be.

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