

Redevelopment of closed Fry's in North Sacramento into industrial building likely to start in spring 2023



Work should start next spring on converting a former Fry's retail store in North Sacramento into an industrial building, and another building to be built in the store's parking lot, according to developer LaTerra Development LLC.

RMW Architecture & Interiors

By [Ben van der Meer](#) – Senior Reporter, Sacramento Business Journal
Dec 6, 2022

Listen to this article 3 min

Conversion of a former big-box retail store in Sacramento into an industrial use is planned to start in a few months.

Los Angeles-based LaTerra Development LLC is into construction drawings for the former Fry's Electronics at 4100 Northgate Blvd. in North Sacramento.

"Sacramento continues to be a top-10 industrial market in the nation," said [Chris Tourtellotte](#), managing director at LaTerra. "There's an imbalance in demand, and within a 70-mile radius there's about 7 million people."

The closed Fry's, which dates back about 30 years to its origin as an Incredible Universe store, [will become](#) a 155,000-square-foot industrial building. LaTerra will build a second, 110,000-square-foot building on what's now unused parking on the same property, and will rename the entire site the Northgate Industrial Park.

Once work starts, Tourtellotte said, it should be completed in about a year, or second quarter 2024. Including land acquisition and other costs, the project will be about \$40 million, he said.

Both buildings will be made ready for either a single tenant or multiple tenants, and it's even possible one tenant could occupy both, Tourtellotte said. Converting a former retail building won't be difficult because it's climate controlled, which many industrial buildings aren't, and also has the heights needed for modern industrial projects.

Sacramento's planning commission signed off on the project last month. The city received an appeal from a Southern California environmental group expressing concerns about a lack of adequate review for the project, but the group withdrew the appeal before it was to be heard at last week's Sacramento City Council meeting.

"My understanding is the appellant felt their concerns were adequately addressed," Tourtellotte said. The group, Golden State Environmental Justice Alliance, didn't return a call last week seeking comment.

Redeveloping Fry's is unlikely to be LaTerra's last project in the Sacramento region. Tourtellotte said a commercial side of the company is looking for sites for industrial or self-storage projects, while a residential side is looking for suitable spots for multifamily or build-for-rent developments.

Noting the region is not only a hot industrial market but ranks at the top as a potential destination for relocating coastal California residents, he said Sacramento is on the radar.

"For us, that tells us there's significant demand there," Tourtellotte said.