

Creating a World-Class Urban Plaza for San Diego

What's Proposed

A world-class urban plaza has been proposed to replace the former Robinsons-May building at Westfield Horton Plaza in downtown San Diego. The new plaza would create a dynamic central gathering space similar to Union Square in San Francisco or Pioneer Courthouse Square in Portland, Oregon. The final design of the plaza would be developed through a comprehensive public process led by an accomplished landscape architect. Ultimately, more than 200 events per year, such as New Year's Eve or Fourth of July celebrations, would be held on the site.

Regional Benefits

The new world-class urban facility would:

- Provide San Diegans with a new, one-acre urban plaza perfectly suited for family events, civic gatherings and holiday celebrations.
- Expand opportunities for different types of cultural, spiritual, educational and athletic groups and organizations seeking a new outdoor venue.
- Create a new destination for tourists and conventioners that spend valuable tax dollars in San Diego that are used to help fund regional public services, such as police and fire.



Artist Concept Only: Design will be developed through public/community participation process.

How it Would Work

Westfield plans to demolish the existing building and transfer ownership of the land to the Redevelopment Agency of the City of San Diego. In exchange, the City would pay Westfield fair market value for the land and the cost of demolition. Westfield would also agree to prepay in full its existing participation agreement with the City that dates back to 1981 when the Horton Plaza shopping center was originally planned. This process would occur in three steps:

1. Westfield would demolish the former Robinsons-May building and deliver the site to the Agency, as well as perform public improvements in the area.
2. CCDC would hire an architect, coordinate the public process in regard to design, construct the improvements and restore the adjacent historic Horton Plaza park.
3. Westfield is proposing to maintain and activate the plaza with more than 200 community events each year for 25 years.

Financial Parameters of Proposal

In 1981, the City of San Diego partnered with Ernest J. Hahn to build Horton Plaza shopping center. The deal involved providing Hahn with the land in exchange for a share in future parking and retail revenues. That Participation Agreement is worth \$35.1 million today (see below). Westfield has agreed to prepay that amount in exchange for the elements listed below.

Present Value of Participation Agreement	\$35.1 million
Land Value (including Demolition) of Robinsons-May parcel	\$25.8 million
Public Improvements & 25 years of Plaza Maintenance by Westfield	\$8.3 million
Westfield Contributions to Balboa & Lyceum Theaters and Homeless Shelter	\$1.0 million
Total Consideration from Westfield	\$35.1 million

Why This Makes Sense Now

The challenging economic climate, condition of the current park and timetable of the Horton Plaza Redevelopment Project Area contribute to why this proposal makes sense right now. A summary of all factors are noted below.

- The historic Horton Plaza park has become a dilapidated, uninviting urban space in need of restoration.
- The plan's timetable enables completion of redevelopment efforts prior to 2013, the expiration date of the Horton Plaza Redevelopment Project Area.
- The annual value of the payment agreement is tied to the success of the shopping center. Future payments are not guaranteed and are potentially jeopardized by the current economic environment.
- Westfield has agreed to prepay its remaining obligation, removing an obstacle to future reinvestment in the shopping center.
- Removing the former Robinsons-May building will open up the shopping center to the surrounding area, complementing and interacting with the new vibrant urban plaza.

Project Support & Next Steps

So far, several community organizations, government entities and private businesses have voiced their support for this exciting project, including:

- CCDC Board of Directors
- Centre City Advisory Committee Group
- Downtown Residents Group
- Save Our Heritage Organisation (SOHO)
- Move San Diego
- The Irvine Company
- East Village Association
- Little Italy Association
- Downtown San Diego Partnership
- Otay Mesa Planning Group
- Encanto Planning Board

The San Diego City Council, serving as the Agency, is expected to vote on the item January 11, 2011.

