

SAN JOSE MERCURY NEWS

The Plant fills retail jigsaw puzzle in San Jose

NEW SHOPPING CENTER, THE PLANT, TAKES SHAPE AT FORMER GE SITE

By Mike Antonucci
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Like a large piece in the middle of an unfinished jigsaw puzzle, a sprawling new San Jose shopping center is a symbol of the city's expanding retail scene.

The Plant, a 653,000-square-foot center going up at the northwest corner of Curtner Avenue and Monterey Road, will have a mostly familiar look - a mix of big-box and smaller stores along with restaurants and a dollop of office space.



But its behind-the-scenes tale is about the special development challenges the \$149 million project had to overcome and why such a center - the size of 11 football fields - is important, especially in a city that considers itself underserved by retailers. Target and Best Buy stores already are open at The Plant, and more than two dozen other businesses, including PetSmart, Office Max and Toys R Us, are scheduled to open from December to April.

"This is the most complicated project in our company's history, by a factor of 200 percent," said Ricardo Capretta, co-managing partner of Westrust, a development and property management company with offices in San Francisco and Los Angeles.

Most of the hurdles Westrust faced involved soil and geography, partly because of the 55-acre property's history as a General Electric motor factory that produced, among other items, components for nuclear power plants.

After buying the site early last year, Westrust had to: coordinate its construction with the ongoing environmental cleanup being handled by GE; create a floodwater prevention system because the site is in a flood plain, as well as implement a runoff filtering system; design complex foundation systems because of soil liquefaction concerns; remove large power poles in the area, rebuild utility systems and coordinate a tripling in size for the PG&E substation on the property; and work with the city to widen Curtner.

All of this heralds more for nearby residents than buying pumpkin spice lattes and cute shoes at the future Starbucks and Payless ShoeSource.

More important, The Plant is in a section of San Jose that both the developer and city officials describe as starkly under-retailed because it has a dense population with spending power but, until now, relatively limited shopping opportunities. Westrust said the center is 90 percent leased.

"We're enthusiastic that we won't have to drive all the way to the Oakridge or Eastridge malls," said Lupe Orozco of the nearby Monticello Avenue neighborhood group. "But we also have a lot of elderly people, and it's very good for them to have this close by."

Nanci Klein, manager of corporate outreach for San Jose's Office of Economic Development, is among the city's experts on the complexities of adding large retail centers. Such developments are vital to stemming what's estimated to be \$2 billion in annual sales tax that's lost because residents spend so much retail money outside San Jose. The Plant is 80 percent larger, for instance, than another important new shopping destination, the 362,000-square-foot San Jose MarketCenter at Coleman Avenue and Taylor Street.

The jigsaw-puzzle work becomes particularly challenging as officials and developers try to make land-use and construction needs fit together with property size and market potential. The Plant appears to have all the key ingredients, including the kind of major anchor retailers that generate high tax revenue and provide spillover business for the smaller merchants.

"It's a good example of a lifestyle center that serves multiple purposes, including helping employment in the community," Klein said.

With luck, shoppers hunting for good parking spaces also will notice some of the architectural touches meant to evoke the site's historic legacy. One key element is the renovation of a 1948 GE office building that was spared demolition and will be used for both retail and office space.

And the heart of the lifestyle attraction is a "town square" and park, close to many of the eateries along the Curtner Avenue edge of the center, that will include a stage for music and entertainment events.

RETAILERS AND RESTAURANTS AT THE PLANT

Best Buy and Target already are open at The Plant. Here's a current list of retailers and restaurants, with projected openings:

Best Buy, open

Target, open

Justice for Girls, Feb.

Babies R Us, Feb./March

Bath & Body Works, Feb./March

FedEx Kinko's, Feb./March

Jamba Juice, Feb./March

L&L Hawaiian BBQ, Feb./March

Off Broadway, Feb./March

Payless ShoeSource, Feb./March

Planet Beach, Feb./March

Starbucks, Feb./March

Subway, Feb./March

T-Mobile, Feb./March

Toys R Us, Feb./March

Washington Mutual, Feb./March

Ross, March

Home Depot, March/April

Panera Bread, March/April

Applebee's, April/May

Chevy's, April/May

El Pollo Loco, May

Panda Express, May

Famous Dave's BBQ, summer

Office Max, December

PetSmart, December

Rubio's, Dec./Jan.

Sleep Train, Dec./Jan.