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Target Is Fourth Anchor at 'the Plant'

SAN JOSE, CA-Target is the fourth anchor to commit to the Plant, a 646,000-sf retail center on 55 acres here that is replacing a former General Electric Motor Plant. The national retail acquired a 10-acre parcel over the holidays and earlier this month broke ground for a 138,000-sf store. The store along with the rest of the center is slated to open in the third quarter of this year.



The Plant

The developer is a joint venture of Westrust, Pacific Coast Capital Partners and Vornado Realty Trust. The three other anchors, all on ground leases, are Home Depot, Best Buy, and PetSmart. Westrust's director of leasing Sean Whiskeman tells GlobeSt.com that five additional anchor tenants have signed LOIs and two other deals, including one junior anchor, are in the works. The total development cost--not including land sold or ground leases--is approximately \$140 million, a Westrust source tells GlobeSt.com.

Community amenities will include a 2,000-sf community center and a Town Square with a central park, restaurants and boutiques. There will be about 85,000 sf of small shop space in addition to the 500,000-sf of big-box space plus several restaurants, 8,000 sf of office space and a gas station. The net lease rates for the shop space will range from \$50 to \$60 per sf per month depending on location, size, length of commitment and tenant improvements, Whiskeman says.

Drawing from a trade area with an average annual household income in excess of \$97,220, the shopping center will generate some \$243 million in annual sales revenue, according to the Sedway Group of San Francisco. "As California's third largest city, with an increasingly affluent population, San Jose...has been underserved by major retailers," says Westrust co-managing partner Ricardo Capretta in a prepared statement.

Westrust, in its 16th year, is a specialist in retail and mixed-use projects. It is owned by Ricardo Capretta, who runs the Northern California region, and Charles Smith, who runs the Southern California region. Other Westrust developments in Northern California include Westrust Nut Tree Village, a 30-acre, 332,000-sf mixed-use power/lifestyle/office center in Vacaville.