

## San Francisco Mall May Supply Concept for L.A.

**A tall mall must draw shoppers in and up. It could serve as a model for other cities.**

By Roger Vincent, Times Staff Writer  
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SAN FRANCISCO — A new style of high-rise mall that may serve as a model for downtown Los Angeles and other big city centers will open its doors here today as the largest urban shopping center west of the Mississippi River.

The expanded San Francisco Centre in the heart of this city's historic commercial district at 5th and Market streets combines department stores, supermarkets, movie theaters, restaurants, shops, a spa and office space in two buildings, one nine stories and the other eight.

City leaders hope that the mall will further invigorate once-seedy Market Street and serve as a bridge between Union Square — now the city's main shopping attraction — and the grittier former industrial district south of Market Street known as SoMa, which includes new museums and hotels.

If successful, San Francisco Centre eventually could be a blueprint for renewing the once-vaunted shopping district of downtown Los Angeles, experts said. But it is a bold and risky bet that residents and tourists will frequent a so-called vertical mall that goes upward instead of outward in the style of most sprawling suburban shopping centers.

"Most American consumers, save for San Francisco and Chicago, aren't really attuned to vertical retailing," said Peter Lowy, chief executive of U.S. operations for Sydney, Australia-based Westfield Group, which owns the mall with Forest City Commercial Group. "Even New Yorkers tend to not shop vertically unless they are in a department store."

Los Angeles' most recent experiment in vertical malls, the four-story Hollywood & Highland Center, was widely shunned when it opened in 2001 in part because shoppers found it difficult to navigate. The developer sold it at a loss of hundreds of millions of dollars, and the new owners have labored to make it easier to get around inside.

Angelenos are expected to get another taste of vertical retailing in the \$1.8-billion Grand Avenue project planned for Bunker Hill downtown that is to include a grocery store, shops, theaters and other entertainment features. Construction is slated to start next year.

But a high-end reworking of some of Los Angeles' historic department stores that have long since been turned to other uses will probably have to wait several years because downtown L.A. lacks the density of San Francisco.

Not enough people live in downtown L.A. yet, and it would take a lot of new development to restore its long-lost reputation as a daytime shopping destination, said Los Angeles retail consultant Greg Gotthardt of Alvarez & Marsal. San Francisco is also hotel-rich, with about 15,000 rooms near the city center, compared with about 3,000 rooms in downtown L.A.

Nonetheless, many shoppers are ditching traditional indoor suburban malls for so-called lifestyle centers that mimic Main Street, such as the Grove in the Fairfax district of Los Angeles.



MARK HAFER / Los Angeles Times

### MAP

September 28, 2006



### Guiding forces

(Robert Durell / LAT)

September 27, 2006



### Restored

(Robert Durell / LAT)

September 26, 2006



### Big bet

(Robert Durell / LAT)

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The expansion of San Francisco Centre, which cost \$460 million, is part of an industry trend toward making existing successful malls much bigger by adding shops and other uses, including apartments and condos. With the new addition, San Francisco Centre has tripled in size to 1.5 million square feet.

Remodeling and ambitiously expanding malls "is clearly something that is going to continue to happen across the U.S.," said competitor Art Coppola, chief executive of Santa Monica-based mall operator Macerich Co., which is also expanding some of its malls.

Retailers prefer to join proven centers, and the neighbors are less likely to object to expanding an existing center than they would to the creation of a new one.

And if the properties are near public transit hubs, public officials are often quick to approve the addition of office space and residential units, Coppola said. "It makes sense because it's smart growth."

San Francisco Centre is above an underground rail station and along one of the city's busiest bus routes. Across Market Street, the city's main thoroughfare, a turntable spins cable cars around and relaunches them back up Nob Hill toward Fisherman's Wharf.

"The whole mid-Market area has been difficult, but now I think it will come to life," San Francisco Mayor Gavin Newsom said. "It will ignite some long-range development."

He said he was also looking forward to the 25 million visitors the mall is expected to attract and the estimated \$18 million it should contribute to the city's general fund through taxes.

The expanded San Francisco Centre combines the original Centre, a nine-story venue that opened in 1988 with a Nordstrom store, with an aged eight-story building that once housed the Emporium. It will contain, among other things, the nation's second-largest Bloomingdale's and a gourmet Bristol Farms market.

The Emporium building was built in 1896 and survived San Francisco's devastating 1906 earthquake but was destroyed by the subsequent fire. The building was rebuilt and has been a local landmark, offering through the years the city's first escalators, a circular bandstand for free concerts and a Christmastime department where only men could shop for women's gifts.

Restoring life to the cherished relic was a 10-year ordeal for owner Forest City Commercial, President Jim Ratner said. A combined project with San Francisco Centre next door made the most sense, but its owners weren't interested until Westfield, the world's largest shopping center owner, took it over in 2002.

"Melding the two buildings was the key to keeping the historical architecture while giving us the critical mass to go forward," Westfield's Lowy said.

The Market Street facade renovation brought back windows and storefronts on the sidewalk that had been boarded up for at least half a century, said architect Norman Garden of RTKL, the principal design firm for the renovation. "It restores the street fabric and original intent."

Bright natural light reaches most of the revamped addition through the facade windows, dome and new glass roofs, bathing floors below that open to the central core and are staggered in shape to evoke San Francisco's hilly topography. The light is a central part of the design scheme intended to coax shoppers to travel up and down several floors, which is rarely attempted in American retail centers.

"The challenge with vertical malls has always been getting the foot traffic flow

worked out to attract people to each level," said consultant Gotthardt. "Otherwise you have significant dead zones and poor performance."

San Francisco Centre's multiple tiers are a gamble, Lowy acknowledged, but if the center works, the successful elements can be duplicated elsewhere. It's now one of very few vertical-style malls in the country

After today's opening hoopla, including Cirque du Soleil acrobats dangling from the high ceiling ends, San Francisco Centre will face the challenge of attracting enough of the region's demanding shoppers to prosper. Former Emporium patron Lillian Markinson gave it thumbs up so far.

"It's in good taste and not showy," said Markinson, who was there for a pre-opening tea. "It's one of the loveliest malls I have ever seen."

*\*roger.vincent@latimes.com*