

Westfield UTC is expanding with a new wing of luxury shops and destination restaurants



Unibail-Rodamco-Westfield is expanding Westfield UTC with a new wing of shops and restaurants designed to complete the north-central section of the mall that faces La Jolla Village Drive. (Courtesy, Westfield Design + Alchemedia 3D)

Unibail-Rodamco-Westfield has started construction on a 50,000-square-foot project that will add nine storefronts and two restaurants to the former Nordstrom lot

By Jennifer Van Grove

April 18, 2024 5:30 AM PT

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Unibail-Rodamco-Westfield has started construction on an all-new wing of luxury shops and destination eateries designed to further elevate the status of its flagship

Westfield UTC property in University City.

Thursday, the French firm announced the expansion project, which will introduce 50,000 square feet of space spread across two buildings with nine storefronts and two restaurants on the lot of the original Nordstrom box.

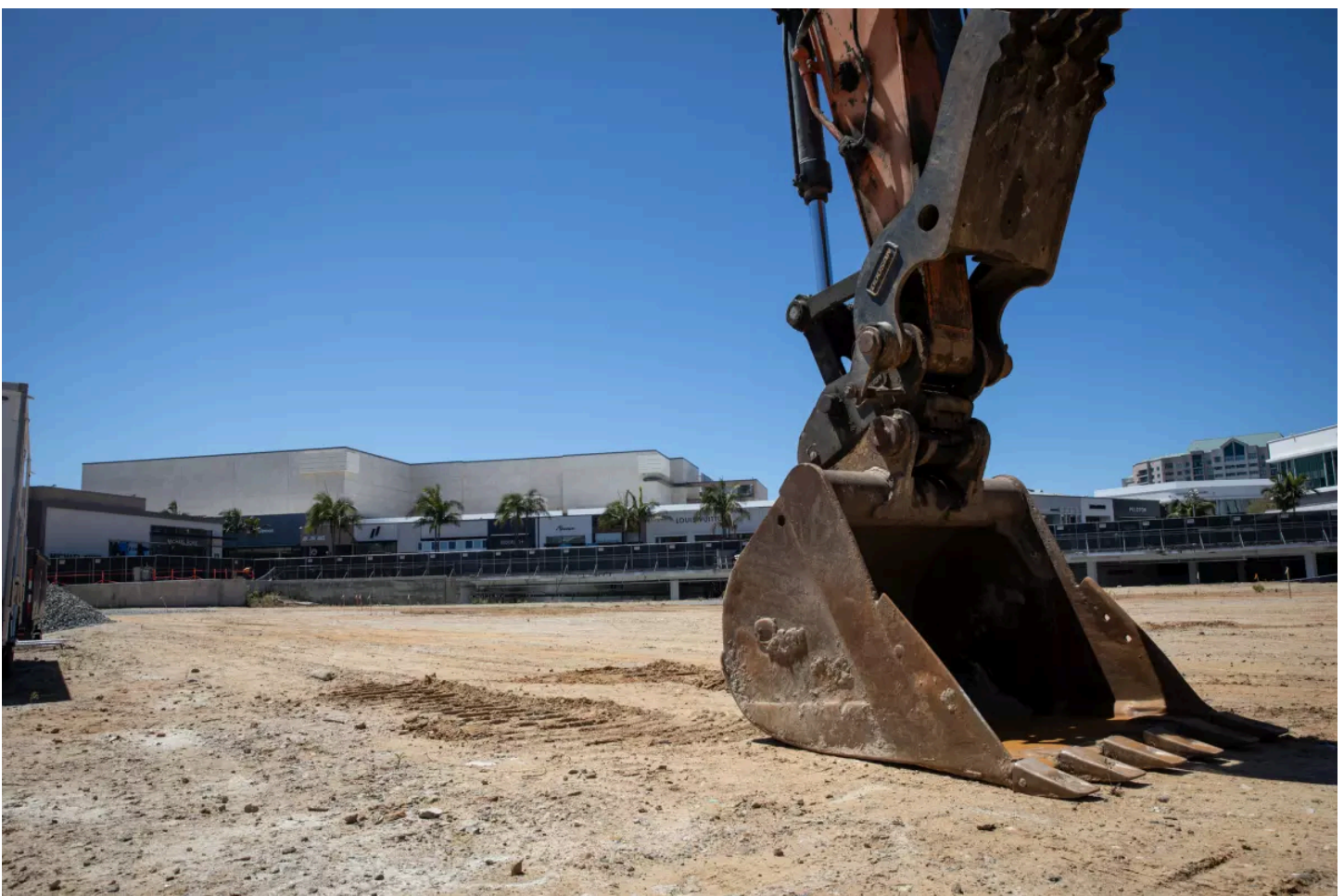
The project, set to open to the public in early 2026, will also add a second valet area near Michael Kors, as well as slightly enlarge and enhance the existing promenade opposite Hermès and Louis Vuitton. The company declined to share the project cost.

The investment will round out more than a decade of upgrades that have, amid a consumer shift to online shopping, remade the outdoor shopping center into a resort-style destination that can accommodate a mix of interests. The project also comes as the Paris-based mall operator, which took over Westfield in 2018, pushes forward with its plan to offload all of its U.S. properties.

“The overall design of this project is world class, based on the coastal environment. We’ve really designed this project to be very local to the market,” Kim Brewer, senior vice president of development for Unibail-Rodamco-Westfield in the U.S., told the Union-Tribune. “We’re really going to focus on ensuring that the addition is a seamless integration to what currently exists today and helps this outdoor destination feed off of this amazing climate here.”

Opened in 1977, Westfield UTC has undergone a nearly \$1 billion transformation since 2012, when an initial redevelopment phase added new building facades, a fancier food court and an upscale movie theater. In 2017, a more substantial makeover created 400,000 square feet of space, high-end shops, a five-level parking structure, trendy eateries and office space. And, in 2019, the pricey Palisade apartment tower opened in the mall’s Nobel Drive parking lot area.

The mall currently has 280 tenants, a Unibail-Rodamco-Westfield spokesperson said.



The Westfield UTC expansion project is located where the original Nordstrom box and connected shops used to be. The mall operator razed the site in 2022. (Ana Ramirez/The San Diego Union-Tribune)

The latest addition has been in the works since 2017, although the project's timeline was protracted because of the ownership change and the pandemic, Brewer said. In 2022, the company razed the old Nordstrom store and adjacent shops to ready the site for redevelopment.

The project site will be familiar to mall-goers who traverse the current promenade that extends from Michael Kors to Din Tai Fung, with the new wing going in northeast of the fencing that has long blocked off the area.

Here, Westfield will create a mostly single-level experience that extends the promenade at the same grade, over 70 additional parking garage spaces. The addition completes a section of the mall that has looked unfinished for years. The wing will be outfitted with more lush landscaping and a new art piece. And it will be capped by an all-new, two-level restaurant building that amplifies the arrival ambiance near the current valet area, opposite Din Tai Fung and Javier's.

The nine new storefronts, concentrated in a single-story retail building, will be of a similar caliber to the designer boutiques that already line the corridor, Brewer said. The mall has leased more than 80 percent of the under-construction addition, but it is not disclosing tenant names, she said.

Construction on the project started April 1, and Unibail expects to turn over the retail and restaurant spaces to tenants in the middle of 2025. The project architects are Westfield Design and Architects Orange. Davis Reed Construction is the project's general contractor.

The expansion comes as malls around the country are not only grappling with changes in consumer shopping patterns but are still seeking to rebound from pandemic-era losses.



The new restaurant building and retail wing will be located on the eastern side of the pedestrian bridge and promenade, opposite Din Tai Fung and existing designer retailers. (Ana Ramirez/The San Diego Union-Tribune)

Brewer links Westfield UTC's resilience to the operator's long-held desire for the La Jolla-adjacent center to be more than a mall.

"Great retail centers are going to continue to perform if you're continually reinvesting, if you continue to bring a unique dynamic to the merchandise, if you look at the amenities that are being offered, if you custom tailor the experience to the customer that's local. We have spent so much time trying to get the product right for the customer in this market, that people continue to want that experience," Brewer said. "When you have a dynamic outdoor center that's got an environment like we do in San Diego, that has entertainment, great food and beverage, world-class retail, it just continues to be a desirable place for people to come."

Unibail is investing in Westfield UTC even as it has divested from second-tier centers elsewhere in town.

Last year, the firm sold its two Mission Valley shopping centers to separate buyers for a combined \$290 million. It also sold the leasehold for its Escondido mall, now called North County Mall, for \$57 million.

Unibail said in its 2023 financial report, published in February, that it continues to pursue a “radical reduction” of its “financial exposure” in the U.S., meaning additional sales are likely. The firm is in talks with potential buyers for more than a billion dollars worth of assets in Europe and in the U.S., the report said.

Similarly, Seritage Growth Properties, which owns the easternmost parcel at UTC where Sears used to be, has also been shopping for a buyer for its real estate. The Collection at UTC, as the property is called, includes an assortment of ground-floor stores and food and beverage options. The upper levels are leased to Amazon. In 2022, Seritage shareholders approved a dissolution plan that includes selling off all assets.



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