

Westcor plans developments, improvements

by **Cathryn Creno** - Jun. 11, 2008 05:28 PM
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Westcor, the Valley's largest mall company, turns 40 next year. Like many mid-lifers, the company believes it is experienced enough to capitalize on opportunities and challenges by developing a long-term strategy and sticking to it.

It presently is spending about \$1 billion on projects ranging from renovation of older malls like Metrocenter and Scottsdale Fashion Square to the continued development of the SanTan Village regional lifestyle center in Gilbert.

And Westcor also is pondering what it might be doing 40 years in the future: Developing green buildings; fashioning centers that incorporate bus routes and condo towers; and capitalizing on relationships with retailers that could be the Macy's or JC Penneys of tomorrow.

Westcor faces the same challenges as other businesses - rising costs of fuel, materials and labor, said Garrett Newland, a Westcor vice president for development.

But Newland and other Westcor officials said this week that the current economic slump has not reduced the pace any of its redevelopment projects and only has slowed development of one regional center, Estrella Falls in Goodyear. "We aren't 'spec-ing,'" said development vice president Scott Nelson, in reference to a practice by some companies that build first and hope retailers will lease space later on.

"We are building space that has been pre-leased."

Newland said Westcor also is "already looking at sites further out" than SanTan Village and Estrella Falls, although concrete plans for those areas may not be ready for years.

And the company is continuing to pursue such coveted stores as H&M, the Swedish retailer known for its inexpensive, fashionable clothes, said leasing vice president Kim Choukalas. According to executives, other front-burner projects for Westcor include:

- Partnering with DMB Associates Inc. of Scottsdale to co-develop One Scottsdale and Palisene at the northeastern and northwestern corners of Scottsdale Road and Loop 101. The area is expected to become an urban core, featuring luxury retail, residential, office and hotel spaces.
- Adding 25 more retailers, including Best Buy, Dick's Sporting Goods and Kona Grill, to SanTan Village by holiday time.
- Adding upscale retailers Coach and BCBG to the Biltmore Fashion Park, which is being redeveloped into an ultra luxury center. The center also has landed the only Roberto Botticelli Italian designer shoe store in the United States.
- Networking with Valley transit officials to find ways to link shopping centers to light rail by shuttle and forms of transportation other than cars.
- Working with consultants on ways to make new projects more energy-efficient. Estrella Falls is expected to be Westcor's first green project.