GROWTH & DEVELOPMENT

Mega project replacing Seaport Village, Central Embarcadero has swelled in size and cost



The view of the proposed Seaport San Diego project as it would be seen from Bayview Park in Coronado. The perspective shows the project's 10 new buildings in context with the rest of the downtown skyline. Planning & Design Architect: CRTKL Inc.; Iconic Tower: BIG; Aquarium and Blue Tech Innovation Center: SRA. (Courtesy, Seaport San Diego)

The \$3.5 billion Seaport San Diego project now includes 105 acres of land and water area — and 2.7 million square feet of mixed-use development.

> BY JENNIFER VAN GROVE MARCH 1, 2022 5:15 AM PT

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Mega project replacing Seaport Village, Central Embarcadero has swelled in size and cost - The San Diego Union-Tribune With a more fully baked site plan and an estimated cost of \$3.5 billion, the longawaited Seaport San Diego project from developer 1HWY1 is now available for public examination.

Tuesday, the Port of San Diego released the Seaport San Diego <u>project description</u>, a 167-page document with development specifics and narrative descriptions for each of the project's seven land blocks and five water zones. The document, which is more than five years in the making, will go before port commissioners at the March 8 board meeting where they'll get to weigh in on — but not approve — the latest iteration of the mega project that promises to substantially alter the city's front porch.

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"We're breaking the pencil, as I would call it, and cementing in place the final project," said Yehudi "Gaf" Gaffen, who runs 1HYW1. "It's a one-of-a-kind, transformational mixed-use project on the water that I truly do believe is going to set the bar for other projects, if not in the United States then in the world."



Seaport San Diego proposes to construct an urban beach at the southern tip of the project on Embarcadero Marina Park North. The view looks northward toward the project, with a relocated Ruocco Park separating the beach from the tower and hotels in the background. Planning & Design Architect: CallisonRTKL Inc.; Landscape: OJB. (Courtesy, Seaport San Diego)

Today, the program envisions a total of 2,058 hotel rooms spread across seven properties, including 400 rooms taking up 24 of the 34 stories planned for a 500foot, skyline-defining observation tower at the foot of Pacific Highway. Additional features include 597,600 square feet of floating docks and fixed piers, 229,213 square feet of retail and restaurant space, 308,524 square feet of office space reserved for ocean research-related enterprises, a 129,900-square-foot public beach, and nearly 15 acres of parks and open space. Mega project replacing Seaport Village, Central Embarcadero has swelled in size and cost - The San Diego Union-Tribune

The evolution of Seaport San Diego

The mega project from developer 1HWY1 has evolved over the years, and now proposes nearly 2.7 million square feet of land and water development.

Business	2016	2020	Current
Retail	388,625 sq. ft.	253,011 sq. ft.	229,213 sq. ft.
Aquarium & butterfly exhibit	178,490 sq. ft.	170,822 sq. ft.	231,852 sq. ft.
Education	65,150 sq. ft.	77,223 sq. ft.	80,479 sq. ft.
Tower	18,000 sq. ft.	45,919 sq. ft.	43,304 sq. ft.
Base attraction	0	0	30,000 sq. ft.
Yacht club	0	0	40,000 sq. ft.
Blue tech	19,130 sq. ft.	159,454 sq. ft.	308,524 sq. ft.
Hostel	225 rooms	150 rooms	121 rooms
Micro hotel	350 rooms	368 rooms	285 rooms
Full service hotel	500 rooms	0	500 rooms
Selected limited hotel	0	674 rooms	276 rooms
Extended hotel	0	586 rooms	276 rooms
5-star hotel	0	150 rooms	200 rooms
Event space	20,000 sq. ft.	110,247 sq. ft.	102,739 sq. ft.
Parking spaces	2,410	2,345	2,203
Public realm	70% committed		70% committed
Docks, linear feet	10,670	15,220	28,490
Slips	164	178	355
Fish processing plant	0	33,490 sq. ft.	41,768 sq. ft.

Source: Port of San Diego

Michelle Guerrero / The San Diego Union-Tribune

Seaport is subdivided into chunks, each with its own identity and purpose.

For instance, the circular pyramid-shaped tower, promising sweeping views of the city and bay, is located on what's being called Block A and is the <u>centerpiece of the project</u>. Beyond hotel rooms, it will include a little bit of everything: restaurants, art exhibition space, a yacht club, farmer's market, and six sky-high floors of attractions topped off by an observation deck on the 35th floor.

Development intensity is even greater on Block B, where 1HWY1 is clustering four hotels of varying affordability and a 102,739-square-foot event center in three new buildings ranging from 136 feet tall to 338 feet tall. And Block C, just east of Kettner Boulevard, is defined by a 14-story, five-star hotel with 200 rooms.

Together, Blocks A, B and C replace the entirety of Seaport Village and its 90,000 square feet of shops with 1.5 million square feet of development. The only surviving piece of the seaside tourist attraction, which opened in 1980, will be the Looff Carousel, which the developer said will be renovated and relocated.

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Pictured is the view from Block D, which includes the new Ruocco Park, children's play area, event lawn, and restaurant and retail kiosks. Planning & Design Architect: CallisonRTKL Inc.; Iconic Tower: BIG; Landscape: OJB (Courtesy, Seaport San Diego)

The four remaining blocks extend north and south of the core and promise to introduce concepts atypical for California's coastline.

For example, the block northwest of the tower, currently home to Ruocco Park and a seafood processing facility, would house what 1HWY1 is calling a "Blue Campus," a 21-story tower where 16 floors will serve specialized office users and researchers, and seven levels will support an ocean sciences school for high school students. The two uses — school and office — are typically considered out of bounds for tidelands, as defined in California's Public Trust Doctrine, because they are not visitor-serving or water-dependent.

The developer has been <u>conferring for years with the State Lands Commission</u> to secure the agency's signoff. In a January report on the project's consistency with the trust doctrine, the agency left the door open on a wide range of the Seaport components, noting that the plan's indoor event center and membership-based gyms are the most problematic. The school, which the developer is calling a Learning Center, is also a question mark.

"Ocean-centric academics that leverage the unique location on the waterfront and support the project's maritime and blue-tech industries, appear to be consistent with the Public Trust Doctrine. But local schools are not," the report says. "If the Learning Center's foundational purpose is primary education, the Learning Center would be transformed into a local municipal use, in violation of the Public Trust Doctrine and the port's granting statutes."

The land blocks are tied together by 1HWY1's version of The High Line in New York. Referred to as the Green Strand, the elevated pedestrian promenade, standing as high as 25 feet, travels the length of the site and connects to the second story of Seaport's many waterfront buildings.

"We think it's very authentic to San Diego," Gaffen said. "It connects the blocks and it connects the buildings, and it allows the public very easy access to second-floor amenities."



Seaport San Diego's Block G is the northernmost land block and is situated on the existing G Street Mole. 1HWY1 is proposing an improved Tuna Harbor Park and a new three-story mixed-use building with a commercial fish processing facility and restaurant. The building connects to the Green Strand, an elevated pedestrian promenade that extends the length of the project site. (Courtesy, CallisonRTKL Inc.)

Water development, spread across five zones, is substantially greater than envisioned in past versions of the project. That's because the port's jurisdiction was expanded by the state in 2020 to include another 8,300 acres of submerged tidelands. As required by that legislation, the port must prepare a Trust Lands Use Plan for review and approval by the State Lands Commission by January 2024, a spokeswoman for the port said.

The new territory, by 1HYW1's account, more than doubles the waterside footprint of the Central Embarcadero project site, with the area increasing from 31 acres to 68.5 acres. It's unclear, however, if the developer can change the boundaries of its project, and the matter will likely be taken up by the board.

As now proposed, Seaport calls for a total of 355 boat slips, with locals likely noticing the biggest change to on-the-ground conditions in the area opposite the future tower. Here the developer is proposing to introduce 113 boat slips — where there are none today — by extending the Market Street Pier into a T-shape and building an L-shaped pier that juts out of Kettner Mole. The water zone proposes new floating docks between the two piers, with the floating dock and gangway area totaling 152,800 square feet.

1HWY1 is headed by Gaffen, Jeff "JJ" Jacobs (son of Irwin Jacobs) and Jeff Essakow. The development team's architect is CallisonRTKL Inc.

The principals, friends and family members have so far privately invested \$20 million in pre-development project costs, and are likely to spend another \$20 million before Seaport breaks ground, Gaffen said. The group, he said, expects to bring in traditional banks and lenders to finance the bulk of the \$3.5 billion mega project once Seaport gets its coastal development permit. Additional financial details, including estimated port proceeds or proposed lease terms, were not disclosed.