

The City of San Dimas and the Via Verde Plaza Shopping Center
January 2017

The City of San Dimas has concerns about the Via Verde Center. Perhaps it would be helpful to provide some background on the city's activity with the Center's owner. This is not offered to engage in any discussion, but to just provide some background to those that might be open to it or interested in what the city has done.

The real estate office, bank, and Vons properties are each separately owned. The shopping center is also privately owned by a gentleman that owns other centers throughout Southern California. Here is a listing of what we have done to encourage this private property owner to improve the viability and success of his center:

- We have convened several sessions and meetings with the owner in city hall and on site to listen to his concerns and issues and to encourage his attention to the center.
- We have listened to his tenants and shared their 'landlord' concerns directly with him in an effort to encourage a better business relationship between tenants and the landlord. In the past several years 10 tenants have left because of lease and building issues with the owner/landlord. The owner through the leasing agent often establishes leasing practices that make it difficult for existing and new tenancy. It is difficult when the owner's policies are a challenge to existing and new tenants.
- The city receives a regular report of retail uses in the city that indicate which businesses may be under represented in our local market (in other words we can determine if San Dimas is reporting less shoe sales than the average in California – therefore a shoe store could be a viable business here). We prepared a complete report of possible retail uses and gave it to the owner and his leasing agent to recruit those businesses into this market.
- We told the owner that in today's retail market we understand that certain new/potential tenants may not be true retail uses or there could be a benefit in the city opening up a broader range of allowable uses with our zoning so that the center may be more successful in attracting desirable tenants. We have offered and used this approach with other shopping centers in San Dimas with great success (the Target, Arrow Highway, San Dimas Station, Lowe's, and Costco Centers). The owner has yet to let us know of any interest in looking at possible changes.
- We continually have pressed for the owner to improve the appearance of the buildings and property. Von's resurfaced their parking area a few years ago, and 2 months ago the owner finished repainting his buildings.
- We told the owner that we were willing to look at additional signage options for the center - including a new more descriptive sign on Via Verde so that people would know what stores and uses are available at the center. He made an initial application for a sign, but we are still waiting for his final submission.

- Area residents surveyed themselves with suggestions to improve the Center - we promptly forwarded those suggestions directly to the owner and his broker.
- There are some external challenges that the Via Verde Center faces. A good portion of potential tenants/businesses use a series of criteria when they look at coming to a particular area. They want to know the population density within 1-3 miles of the location; and they want to be on heavy traffic volume streets so that they know they are within a large customer base area. The Via Verde Center does not compare well to other retail or shopping center options for those businesses that are looking for a large potential customer base to work with. The other active shopping centers in San Dimas have significant traffic volume and higher residential densities which make those locations more attractive to new businesses. It is still possible that Via Verde could be a profitable location, but there are many businesses that would desire a more active and crowded business climate.

There has been some suggestion that the city should use its funds to become financially involved in improving the viability and success of the Via Verde Center. For good reason, there are provisions and laws that city tax dollars are only to be used to provide municipal services for its residents and property owners. Not only are cities prohibited from using tax dollars to improve private property it would simply be inappropriate to use tax payer funds to subsidize private businesses and to have financial relationships to bail out private shopping center owners. Cities used to have a tool called Redevelopment to work on private property development matters subject to an approved plan and public decision making. But Redevelopment was completely abolished by the State of California in 2011.

This is just a summary of our efforts and activity to let you know we share in the concerns regarding the Via Verde Center. We continue to extend our encouragement and cooperation to the owner for him to work to improve the center.