

DOWNTOWN NEWS

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BUSINESS

Five years on, downtown's post-pandemic resurrection is mixed



by Drew Sitton • Times of San Diego

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DOWNTOWN – The Museum of Illusions, a recent edutainment entry in the Gaslamp, was filled with a diverse crowd on a Friday last month.



Inside a room at the Museum of Illusions San Diego where a tilted floor and tight corner make people look bigger or smaller than reality. (Photo courtesy of the Museum of Illusions)

First dates, families and friend groups looked at the eye-deceiving installations. Staff members posed visitors for trompe-l'œil photos to make it seem like they were hanging sideways from surfboards or climbing a rope up an Old Town building or falling infinitely through a tunnel.

Blocks away, another museum geared up for a bash of a different kind the following evening. It was the final goodbye to [WNDR San Diego](#), another museum blending entertainment and education through immersive art installations that operated for the past two years before closing for undisclosed reasons.

WNDR Museum was among multiple recent shutterings of renowned places in downtown San Diego, including celebrity nightclub [Oxford Social Club](#) inside the Pendry Hotel and James Beard award semifinalist Roma Norte. Director Beau du Bois told [San Diego Magazine](#) that despite rave reviews, Roma Norte “couldn’t drum up the nightlife that any cocktail bar needs to be successful.”

The bar was near Seaport Village, which is celebrating the opening of over-the-water restaurant [Shorebird](#) after years of permitting delays. Gladstone and other entries are still under construction.

Difficulty doing business

With its concentrated population and visitor attractions, businesses come to downtown for big opportunities, but that is reflected in high rental costs and heavy competition. The area is also trying to stake out success without depending on the tumultuous office retail market that made the neighborhood feel so desolate in the early days of stay-at-home orders during the pandemic.

But now, the sidewalks outside both museums teem with people. Cars crowd Fifth Avenue a year after the end of a bollard program that turned the popular nightlife district into a protected promenade.

Michael Trimble, executive director of the [Gaslamp Quarter Association](#), believes the neighborhood is still feeling the effects of the decision to allow cars to return to the former promenade.

“That is another black eye on downtown and it’s all based upon the city’s deficit,” Trimble said.

“Measure E didn’t pass so everyone is paying the price for that sales tax increase not passing and a bulk of it’s happening on the backs of downtown workers and downtown businesses.”

He’s more worried about the [new parking rules](#), which have set meter rates to as high as \$10 an hour around Padres games and other big events at Petco Park.

For businesses, downtown is a mixed bag. It’s clearly a tourist destination with over [90% of the pre-pandemic visitor foot traffic](#) having returned by Spring 2023. It’s also expensive to operate with ever-changing challenges from [rising wages](#) to [vermin](#).

“No matter what you do, you’re sort of paddling uphill,” Trimble said. “It seems like every day there’s a new challenge to stay afloat in business downtown.”



Snoop Dogg performs for a sold-out crowd on May 25, 2025 in the since-closed Oxford Social Club. (Photo by Robert Reyes/Clique Hospitality)



Fifth Avenue bollards are being used to temporarily close off Gaslamp streets during Urban Pickleball events on Thursday evenings. (Photo by Blue Barn Creative/Gaslamp Quarter Association)



Structural issues, but mostly permits, delayed the opening of Shorebird which takes over for Pier Cafe above the water at Seaport Village. (Photo by Drew Sitton/Times of San Diego)

School geofence though, which primarily focused on the Core Civic neighborhood with bits of three other downtown districts: Gaslamp, Cortez and Columbia. East Village, Little Italy and Marina were not included at all.

“From our standpoint, it did not reflect what is known to us or in the Downtown Community Plan as the traditional known boundaries of the neighborhood,” Bishop said. “It didn’t have Petco Park, it didn’t have the entire waterfront or Embarcadero, no Santa Fe Depot, no convention center, right? All these things that uniquely make up our downtown.”

By the data: A real recovery?

Two years ago, downtown San Diego was heralded as a post-pandemic success story that gained national attention.

The data that claim was built on turned out to be faulty.

Researchers from the Toronto School of Cities who used anonymized phone location data to make such a claim had to [downgrade the assessment](#) after discovering the geofence they used included the airport, which artificially improved San Diego’s marks.

Despite the downgrade, with its balance of residents, office workers and tourism, San Diego did better than downtowns in other cities that depended primarily on offices.

“That’s an older model of a downtown,” said Nathan Bishop, vice president of planning and economic development at the [Downtown San Diego Partnership](#).

The partnership took issue with the new Toronto

He pointed to a different [2023 study](#) from Center City District in Philadelphia which combined residents, workers and visitors data to compare recoveries of major cities. The results placed San Diego at third in the nation, thanks in part to its particularly strong visitor recovery.

Two years later, the partnership looked at Placer.ai data and found a 95% recovery rate in total foot traffic in the quarter ending June 30 as compared to the same quarter of 2019.

Resident foot traffic led that with a 157% recovery rate.

Bishop said 5,000 more people live in downtown today than in 2021 and residency rates keep growing as more units come online.

The weakest foot traffic in downtown comes from employees, only at 80% of pre-pandemic levels – a metric which includes industries from hospitality to office workers.

San Diego's office leasing rates continue to suffer, with a JLL mid-year report finding that as law firms push for a return to the office, there is a shift in preference from being near the courts downtown. They prefer La Jolla UTC and Del Mar Heights instead.

A bigger blow for office leasing came with the announcement that Horton Plaza is in foreclosure and [failed to sell](#) at auction, dimming mixed-use redevelopment hopes that may have brought new people shopping, dining, renting apartments and buying condos downtown.

With the Campus at Horton's failure to launch, Trimble said, "You take a lot of potential people that could have helped the neighborhood out of the equation."

The office leasing does not worry Bishop as more office to housing or hotel conversions take place. Plus, several buildings have changed hands recently.



The Downtown San Diego Partnership disagreed with the Toronto School of Cities geofence boundaries, above, to track downtown recovery since it excluded most of the Gaslamp and all of East Village, Little Italy and Marina. (Photo courtesy Downtown San Diego Partnership)

Core Civic, once home primarily to government and business offices with lunch retail to support them, has a growing arts focus with support from the [Prebys Foundation](#). It could even becoming a formal arts district, Bishop said. That in turn, would bring in more visitors.

A few years after opening Park & Market in the Village, [University of California, San Diego](#) is expanding its downtown presence with The Depot, opening next year in the Museum of Contemporary Art San Diego's former downtown outpost. That museum is now only in La Jolla.

Downtown an entertainment magnet

While its offices struggle, downtown's entertainment offerings have never been stronger. The [Museum of Illusions](#) is just one of the options not found elsewhere in the county. Nathan Bishop of the Downtown Partnership says that he expects more experiential retail entries in the future.



The Museum of Illusions San Diego is rife with photo opportunities as well as kid-friendly activities in the Gaslamp. (Photo courtesy Museum of Illusions)

“Downtowns have changed since the beginning of time, right? And this is one of those evolutions,” Bishop said.

Tourists still flock to the area, with Brick Hospitality founder Robert Rauch, in a July report, stating that San Diego [hotel occupancy](#) consistently leads California.

Locals, too, go for entertainment options not found elsewhere. North Park resident Linda Glevy spent her 28th birthday with a group of friends in costume to see Lindsey Lohan drag impersonators screening *The Parent Trap* at Rooftop Cinema Club. “It was right up my alley,” Glevy said. “Lots of fun.”

The club, at the Manchester Grand Hyatt, is on track to surpass last year’s numbers of 54,013 admissions, internal data shows.

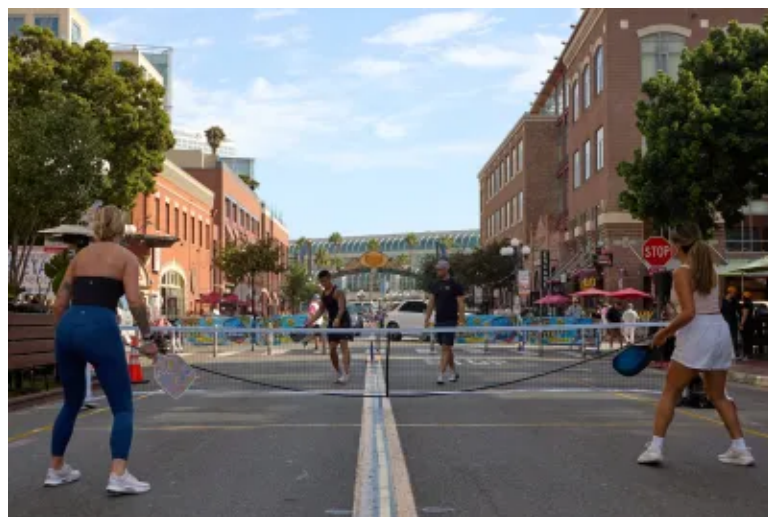
However, visits downtown are not spur-of-the-moment decisions like many other options in San Diego, according to Glevy, who mentioned the price, nerve-wracking driving, parking, safety, crowds and tourists as factors to consider.

“It really takes more planning. I also feel like I need to mentally prepare,” Glevy said, estimating they go downtown once or twice a month.

However, there continue to be success stories.

A first-of-its-kind urban pickleball tournament in the Gaslamp sold out multiple weeks and the Padres have broken attendance records for three straight years with [2025 on track to beat](#) last year’s 3,330,545 ticket sales.

Those, as well as the growth of the entertainment sector, offer hope to downtown San Diego. Yet despite its challenges, the area’s unique offerings continue to make it a hub for tourists and San Diegans alike.



Participants play pickleball on Fifth Avenue in the Gaslamp during sold out tournaments. (Photo by Blue Barn Creative/Gaslamp Quarter Association)

