Retrofitting Suburbia for the 21st Century: Placemaking Strategies

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What’s the Problem with Suburban Strips

- One-dimensional forms of development
- Lack a distinct sense of place or community
- Increasingly plagued by problems
  - Fragmentation
  - Congestion
  - Inconvenience
  - Inefficiency
  - Deterioration
  - Visual blight

Published in 2001
Problem: Inefficient Use of Land

Problem: Inefficient Use of Land
Problem: No Place for Pedestrians or Bikes

North Watt Avenue, Sacramento County

Problem: No Place for Pedestrians or Bikes

San Leandro, Alameda County
Problem: Challenging to Cross the Street

Problem: Disconnected Land Uses
Problem: Disconnected Land Uses

Problem: Traffic Congestion
Lack of Connectivity Creates Challenges

- Transit routing is very difficult and inefficient
- Lack of direct routes discourages walking and bicycling
- Traffic funneling requires larger arterial roads to manage traffic
- Large intersections require long signal cycles and reduce efficiency
- More challenging and expensive for emergency responders
Disconnected street networks lower efficiency and drive up cost of emergency response

Source: City of Charlotte
Problem: Commercial Strips are Ugly

Courtesy: Freedman Tung Sasaki
Problem: Oversupply of Retail

- Number of malls in U.S. grew more than twice as fast as population between 1970 and 2015
- U.S. has 40 percent more shopping space per capita than Canada, five times more than the U.K., and 10 times more than Germany

<table>
<thead>
<tr>
<th>Shopping Center</th>
<th>GLA (sq ft, MM)</th>
<th>Population (MM)</th>
<th>GLA Per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>7,567</td>
<td>321</td>
<td>23.5</td>
</tr>
<tr>
<td>Canada</td>
<td>589</td>
<td>36</td>
<td>16.4</td>
</tr>
<tr>
<td>U.K.</td>
<td>299</td>
<td>65</td>
<td>4.6</td>
</tr>
<tr>
<td>Spain</td>
<td>254</td>
<td>66</td>
<td>3.8</td>
</tr>
<tr>
<td>France</td>
<td>157</td>
<td>46</td>
<td>3.4</td>
</tr>
<tr>
<td>Italy</td>
<td>169</td>
<td>61</td>
<td>2.8</td>
</tr>
<tr>
<td>Germany</td>
<td>191</td>
<td>81</td>
<td>2.4</td>
</tr>
</tbody>
</table>

*France & Germany 2014
GLA=Gross Leasable Area

Cowen Research
Changing trends in retail — E-Commerce

- 2010: U.S. Post Office delivered 3.1 billion packages nationwide;
- 2016: delivered more than 5.1 billion packages
  - USPS overtook both FedEx and UPS as the largest parcel-delivery service in the country

### USPS Packages Delivered

<table>
<thead>
<tr>
<th>Year</th>
<th>Packages Delivered</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>3.1 billion</td>
</tr>
<tr>
<td>2011</td>
<td>3.2 billion</td>
</tr>
<tr>
<td>2012</td>
<td>3.3 billion</td>
</tr>
<tr>
<td>2013</td>
<td>3.4 billion</td>
</tr>
<tr>
<td>2014</td>
<td>3.5 billion</td>
</tr>
<tr>
<td>2015</td>
<td>3.6 billion</td>
</tr>
<tr>
<td>2016</td>
<td>5.1 billion</td>
</tr>
</tbody>
</table>

**Between 2010 and 2016,** Amazon’s sales in North America **quintupled** from $16 billion to $80 billion.

- According to several reports, half of all U.S. households are now Amazon Prime subscribers.
Since the beginning of this decade, online retail sales in the U.S. have grown by about 15 percent every year.

And yet...

- Nine retail bankruptcies in 2017 — as many as all of 2016
- J.C. Penney, RadioShack, Macy’s, and Sears each announced more than 100 store closures
- Sports Authority has liquidated
- Payless has filed for bankruptcy

GDP has been growing for eight straight years; Gas prices are low; and unemployment is under 5 percent.
Year-to-date store closings are already outpacing those of 2008. About 2,880 have been announced so far this year, compared with 1,153 for this period of 2016.

Changing trends in retail — E-Commerce

- **About 15% of U.S. malls will fail or be converted into non-retail space within next 10 years.** (Source: Green Street Advisors, a real estate and REIT analytics firm)
  - Increase from less than two years ago, when the firm predicted 10% of malls would fail or be converted.
  - Of roughly 1,000 malls in the U.S., about 400 cater to upper-income shoppers.
    - For higher-end malls, business is improving
    - Lower-end malls that are being hit by store closures
Urban commercial corridors have a few advantages here:

- Blight of vacant storefront can be contagious and damaging
  - However, ownership structure of urban corridor is more forgiving than that of a mall, where a few vacancies can tip the balance sheet of the whole entity
- Typical mix of an urban retail corridor — with stores flanked by restaurants, bars, and other entertainment attractions — ought to be more resilient than old-fashioned malls.

What stands out from last time all this happened is this: Major American cities threw everything at retaining center-city retail, and they still basically failed.

Lesson from cities:

- Broader systems changing how people shop cannot be overturned with tax breaks for new development
- The sooner suburbs begin to think of alternate ways to create community and jobs — and to reuse and rebuild the vacated space of the mall — the better off they’ll be.
What can we do about this?

- **Re-inhabitation**, or various forms of adaptive reuse
- **Re-development**, or urbanization by increasing density, walkability, use mix, and
- **Re-greening**, from small parks and plazas, to restoring wetlands ecologies.

Suburban housing strategies

- Revising zoning codes to allow ADUs
- Legalization of accessory apartments in R-1 zones (e.g. Seattle)
- Retrofitting garden apartments into new complexes to suit large immigrant families
  - Example: Brookside Apartments in Atlanta
- Introducing more “Missing Middle” Housing into suburbs
Guidelines for residential remodeling
(First Suburbs Coalition Idea Book)

Commercial Strips — The Next Frontier

- ULI’s Principles to Reinvent Suburban Strips
  - Ignite Leadership/Nurture Partnership
  - Anticipate Evolution
  - Know The Market
  - Prune Back Retail-Zoned Land
  - Establish Pulse Nodes of Development
  - Tame the Traffic
  - Create the Place
  - Diversify the Character
  - Eradicate the Ugliness
  - Put Your Money (and Regulations)
    Where Your Policy Is
Revitalizing Suburban Strips

- Intensify Development at Nodes
- Prune Back Retail
- Create the Place

Low- and mid-rise office, multifamily and neighborhood retail development

Higher density urban core, finer-grain street grid, pedestrian-oriented blocks, critical mass of activity, sense of place

Lower-density attached and single-family detached housing

Parks, recreational areas and open space provide amenities and serve as buffers

Local Government Commission

www.lgc.org

Courtesy: Freedman Tung Sasaki
Revitalizing Old Shopping Centers

- Intensify development
- Fill in parking lots
- Build structured parking
- Complete street wall
- Support pedestrian activity

Existing Zoning

Courtesy: Freedman Tung Sasaki
Restructuring Plan – Policy Framework

Reinhabitation: Portland Mercado

- Community driven effort, developed by non-profit Hacienda Community Development Corporation
  - Supported by federal, local, foundation and private sector dollars
- Offers affordable retail space and a cultural platform for Latinos and other entrepreneurs to start or grow a business
- Includes 19 small businesses in food, grocery, retail and service.
  - Fundraised over three million
  - Built a place for dining in, to go and grocery shopping for surrounding neighborhoods
  - Over 2.5 million in sales for 19 small businesses in first year
  - Created 114 new jobs in first year of business
  - Welcomed an average of 580 people per day

Courtesy: Freedman Tung Sasaki
Reinhabitation: Portland Mercado

40,000 sq. ft. site

Courtesy: Michelle Reeves, Civialis Consultants
Reinhabitation: Portland Mercado
Reinhabitation: Portland Mercado

Reinhabitation: Milagro Centre, Carmichael

- Project of real-estate developer Allan Davis
- Replaced strip shopping center along Fair Oaks Boulevard in Carmichael
- Created upscale, 46,000-square-foot with 7,000 sq. ft. events center and variety of restaurants:
  - Mesa Mercado
  - FishFace Poke Bar
  - Ghiotto Artisan Gelato
  - River City Brewing Company
  - Insight Coffee
  - Jaynee Cakes
  - Giant patio (with large fireplace)
Reinhabitation: Milagro Centre, Carmichael

2011

Reinhabitation: Milagro Centre, Carmichael

2016
Reinhabitation: Milagro Centre, Carmichael

Lexington Mall, Lexington, KY
- Built 1975
- 1980s: Many stores leading nation in sales in 1980s
- September 2005: Mall’s only remaining tenant, Dillard’s left
- Southland Christian Church bought mall for $8.1 million in 2010, and architects retrofitted it to hold 52,000-square-foot auditorium and church offices
- Former Dillard’s space now used for nursery, school and classrooms, and worship center, with 2,800 seats.
Reinhabitation: The Village @ Indian Hill, Pomona

- Pomona Unified School District (PUSD) acquired first portion of the Regional Commercial Center and Mall totaling over 350,000 square feet on 22+ acres in 1995 and renamed it The Village @ Indian Hill.

2002 Plan:
- Village Square, framed by new buildings adjacent to existing mall and provide central gathering space close to proposed Metrolink Station
- School playgrounds: bottom left
- Canal Park: bottom right
- Village Playfield: middle left
Reinhabitation: The Village @ Indian Hill, Pomona

- Today, “The Village” has expanded to over 600,000 square feet on 50 acres and is home to:
  - Schools that serve more than 2,000 students, Grades pre-K to 14
  - Large high tech Conference Center, over 8,000 square feet
  - Technology Training and Production Centers.

Reinhabitation: Highland Mall, Austin, TX

- Opened 1971 covering 81 acres, and had 1.2 million square feet of interior space. By 2010, though, nearly all of the stores were vacant.
- Austin Community College purchased it in 2010 with plan to make buildings centerpiece of a planned, mixed-use community
- Converted former JC Penney building into “the galaxy’s largest learning emporium,” with 604 computer stations, 200,000 square feet of instructional space, a library, and offices
Redevelopment: Highland Mall, Austin, TX
- Transforming 40 acres of parking lots into residential, retail, hospitality, office and parkland
- Phase I of campus opened in fall 2014
- Phase II, “regional workforce innovation center” recently started to be completed by 2019
- Future mixed-use residential building

Reinhabitation: Medical Centers
- Jackson, Mississippi
  - An ailing mall in Jackson, Mississippi, for instance, is now a medical complex that serves low-income residents. The Jackson Medical Mall also contains specialty clinics, a college of public service, a restaurant and smoothie bar, and meeting spaces for community events
- Nashville, TN
  - Vanderbilt University Medical Center did something similar, taking over the entire second floor of the struggling 100 Oaks Mall in Nashville. Parking is easier for patients, and they’re sometimes allowed to wander the still-open parts of the mall with a beeper as they wait for the doctor to see them, according to the Nashville Business Journal.
Redevelopment: Lancaster, CA Main Street

- Reconstruction project
- $11.6m public investment
- Created center “rambla” for parking and community events
- Added landscaping
- Changed signal timing
- Economic benefits:
  - 48 new businesses
  - 802 new jobs
  - Vacancy rate: 4%
  - Sales tax revenue: ↑ 96%

Redevelopment: Lancaster, CA Main Street
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Redevelopment: Lancaster, CA Main Street
Redevelopment: Downtown Brea, CA

Downtown Brea
Before

Redevelopment: Downtown Brea, CA

Vision for new downtown

Birch Street
Brea Boulevard
“Superblocks”
Redevelopment: Downtown Brea, CA

Birch Street
Vision for new downtown main street

Case Study — Brea

Shopping Center
Case Study — Brea

Brea Boulevard
After

Brea Boulevard
After
Case Study — Brea

Pedestrian Crossing
Brea Blvd. and Birch Street

Case Study — Brea

Birch Street Lofts over retail
24 units, 773 sq.ft.
80 units/acre
83% affordable
Case Study — Brea

Birch Street
After
Redevelopment: Downtown Brea, CA

Ash Street Cottages
City Walk

Case Study — Brea

Ash Street Cottages
9.1 units/acre
96 units, 1,300 to 1,570 sq.ft.
Alley-loaded
Case Study — Brea

City Walk
For sale rowhouses
24 units/acre
40 units, 1,460 to 1,650 sq.ft.
50% affordable
Redevelopment: Belmar, Lakewood, CO

Villa Italia Shopping Mall (Circa 1967)

Courtesy: Continuum Partners

Redevelopment: Belmar, Lakewood, CO
Case Study: Belmar, Lakewood, CO

Villa Italia Historical Sales Volumes

- Major elements of 2006 plan
  - Street grid and walkable streets
  - Four anchors — 2 major retailers, cinema and grocery
  - Public plaza and pedestrian main street form the heart
  - Structured parking minimizes need for surface lots
  - Office employment environment
  - Village green and adjacent housing — a neighborhood

- Owned by Starwood Capital
  - Has over 80 stores including Best Buy, DSW, Target, Century Theatres, and a Lucky Strike bowling alley

Case Study: Belmar, Lakewood, CO

Courtesy: Continuum Partners
**Case Study: Belmar, Lakewood, CO**

**Program for Belmar**

<table>
<thead>
<tr>
<th>PHASE ONE</th>
<th>TOTAL PROGRAM</th>
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</thead>
<tbody>
<tr>
<td>Retail 650,000 SF</td>
<td>1,200,000 SF</td>
</tr>
<tr>
<td>Office 180,000 SF</td>
<td>900,000 SF</td>
</tr>
<tr>
<td>Housing 250 DU</td>
<td>1,300 DU</td>
</tr>
<tr>
<td>Parking 5,400 SP (60% structured)</td>
<td>9,008 SP (74% structured)</td>
</tr>
<tr>
<td><strong>Total 1,055,000 SF (w/o garage)</strong></td>
<td><strong>3,300,000 SF (w/o garage)</strong></td>
</tr>
</tbody>
</table>

*Courtesy: Continuum Partners*
Case Study: Lakewood, CO

Retail
1.2 million sq. ft.

Case Study: Belmar, Lakewood, CO

Courtesy: Continuum Partners
Case Study: Lakewood, CO

Office
900,000 sq. ft.

Residential
1,300 units

Courtesy: Continuum Partners
Case Study: Lakewood, CO

**Mix of Housing Types**

<table>
<thead>
<tr>
<th>Housing Type</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apartments Over Retail</td>
<td>300 DUs</td>
</tr>
<tr>
<td>Apartment Complex</td>
<td>525</td>
</tr>
<tr>
<td>For-Sale Condos</td>
<td>350</td>
</tr>
<tr>
<td>Townhome Units</td>
<td>165</td>
</tr>
<tr>
<td>Lofts</td>
<td>12</td>
</tr>
</tbody>
</table>

**Total** 1,352 DUs

Case Study: Belmar, Lakewood, CO

[Image of Belmar, Lakewood, CO]  

Courtesy: Continuum Partners
Case Study: Belmar, Lakewood, CO

Grand Opening Celebration
May 2004

Italian Festival
September 2004

Case Study: Lakewood, CO

The Market at Belmar
May 2004
Regreening: City Center Mall, Columbus, OH

- 2009: Mall Closed
- City of Columbus and Downtown Devpt. Corp. (CDDC) announced plans to demolish existing structure and develop unique, urban park surrounded by residential, retail and offices
- 2011: Nine-acre park with performance space, bocce courts, gardens, and cafes opened Memorial Day weekend.
- Now developers are building upscale apartment buildings and retail on the border of the park.

Redevelopment: Columbus Commons

- Highpoint on Columbus Commons
  - $50 million mixed-use development project
  - Consisting of both multi-family and retail space.
  - 301 apartments and townhomes
  - Plans for 23,000 square feet of street-level retail fronting on High Street
Regreening: Northgate Mall, Seattle, WA

- 2006: Simon Properties announced conversion of mall into anchor for apartment buildings, retail and light commercial blocks
- Plans included a new outdoor "urban-village" that opened in November 2007
- Developers turned parking lot into mixed-use, walkable development

Regreening: Northgate Mall, Seattle, WA

- Included Thornton Creek Water Quality Channel
  - Takes storm-water runoff and uses it to create and nourish pools, terraces, and greenery that mimic a natural creek.
  - Channel filters out pollution that had been feeding into a creek and damaging salmon
Regreening: Northgate Mall, Seattle, WA

2003

Regreening: Northgate Mall, Seattle, WA

2016
Regreening: Northgate Mall, Seattle, WA

Photo Simulations of Suburban Strip Revitalization

Demonstrating the Potential of Converting Strip Corridors to Multi-Use Boulevards

Developed by Steve Price, Urban Advantage

www.urban-advantage.com
Buildings moved up to street; landscaping and bike lanes added; parking and street grid at rear

Mixed-use buildings added one at a time on adjacent properties
Regional traffic arterial: Honolulu

Mixed-use buildings added one at a time on adjacent properties

Regional traffic arterial: Honolulu

Street trees added to median
Regional traffic arterial: Honolulu

Alternative with two lanes each way for through traffic and service lane with diagonal parking

Photo Simulation by Urban Advantage (www.urban-advantage.com)

Regional traffic arterial: US 29, Charlottesville, VA

Existing Conditions
Regional traffic arterial:
US 29, Charlottesville, VA
Regional traffic arterial:
US 29, Charlottesville, VA

Resources
http://buildabetterburb.org/
Questions/Comments

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