



Mall Redevelopment Trends

CHAPEL HILL

OPEN2.BIZ

October 4, 2019



> Mall Evolution

1956

Edina, Minnesota

First US Shopping Mall

The father of the American shopping mall, Austrian-born architect Victor Gruen, envisioned the mall as a sort of European-style town center for the American suburbs. He saw malls as climate-controlled Main Streets, with post offices, supermarkets and cafes, set amidst larger complexes with schools, parks, medical centers and residences. You'd hardly need to drive at all. Gruen found cars repulsive.

> Problem

There's simply far too much retail space in America.

- The US has more than **double the square feet of retail space** per person than Australia, and **five times more than the UK**.
- Developers built at a rapid rate from the 1990s through the mid-2000s, just as the internet was beginning to change the retail landscape. Then the Great Recession hit. Many mall staples began to shutter all or many of their locations.

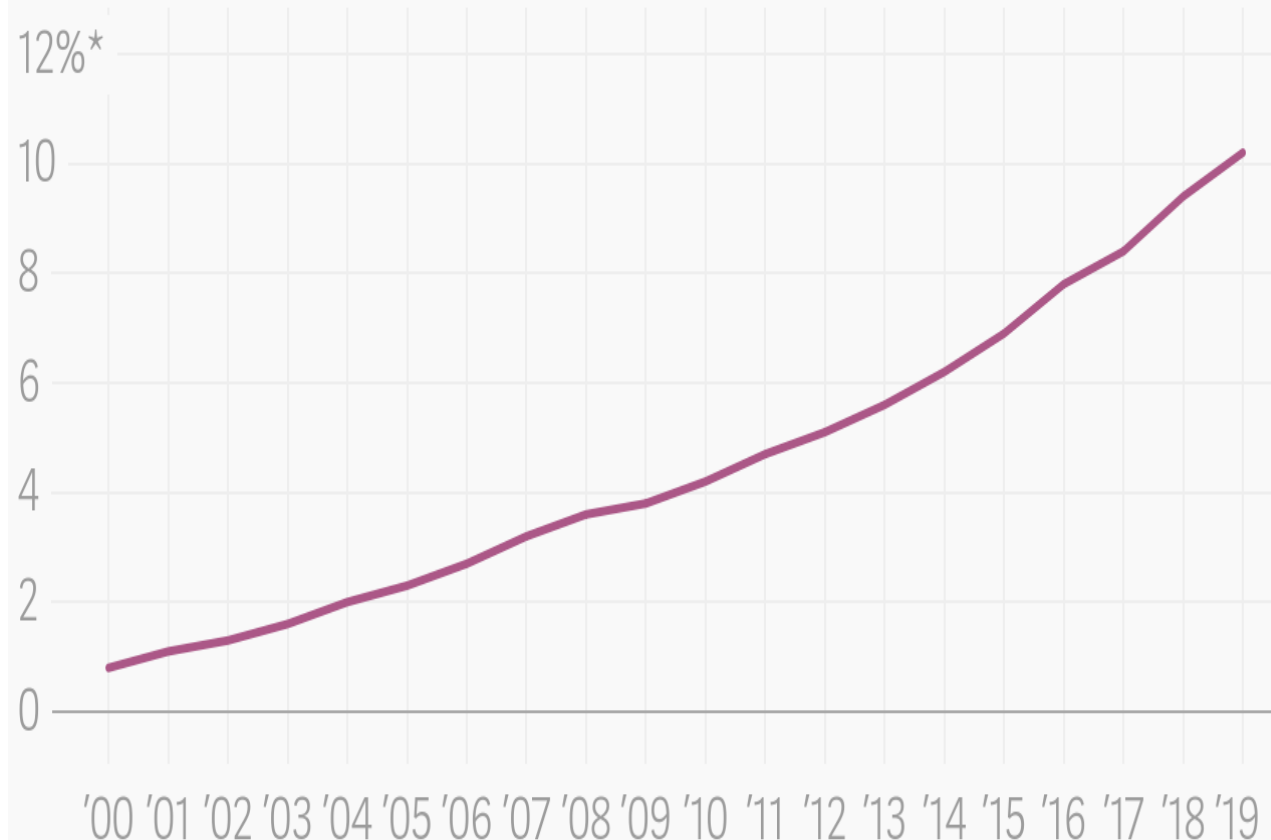


> Problem

Consumer tastes and habits are changing.

- E-commerce continues to rise. **70% of Americans** will make a purchase online this year.
- Retailers like Walmart and Target make it easier for people get all **their shopping done in one trip**.
- **Americans 15-34** saw the largest **decrease** in time spent shopping from **2003-2018**.
- Desire for **experiential retail**.

Share of retail sales made online



△ T L △ S | Data: US Census | *First quarter of each year

Key to
the
future!

> experiential retail

 The Business Journals

The ultimate in experiential retail? Now you can get hitched at ...

Talk about experiential retail: Helzberg Diamonds is taking customer service to the next level by ordaining its store associates to perform ...

1 hour ago

 Hospitality Net

Experiential Retail: Are Hotels Replacing Flagship Stores? | By Jennifer Luo

To enhance their customer experience, companies are merging hospitality concepts into retailing methods through experiential retail. By doing ...

2 weeks ago


 TheStreet.com

Jim Cramer: Lululemon Is a Master at Experiential Retail

Let's add a third kind of retailer to the list of successes: the experiential retailer. After listening to Lululemon's (LULU) execs talk about a truly ...

4 weeks ago



 Hollywood Reporter

LeBron James to Open Experiential Retail Flagship in Miami

The 10,000-square-foot Unknwn retail concept (with a photo studio, art installations and a space to hold sporting events) will open its doors ...

1 month ago




lululemon Experiential Retail Takes Philly by Storm

Women's What's

Women's Bestsel

All Women's


All Men's

 REBusinessOnline

The opening of Fashion District Philadelphia in the Center City neighborhood is a key piece of the larger retail revival happening throughout ...

1 week ago



 Econsultancy (blog)

Does Puma's new NYC flagship store deliver on its ...

Much of the upstairs is dedicated to another phenomenon—that of experiential retail. Immediately after the escalator there is a 'Birch' coffee ...

3 weeks ago





> Winners & Losers

- **Not all shopping malls are failing**
- Real estate research firm Green Street Advisors sorts **malls into four grades**—A, B, C and D, **depending on productivity and quality of tenants**
- Class A Malls typically generate over \$500 per square foot
- High-productivity **malls** have **doubled in value** since the recession while lower producing malls are struggling.

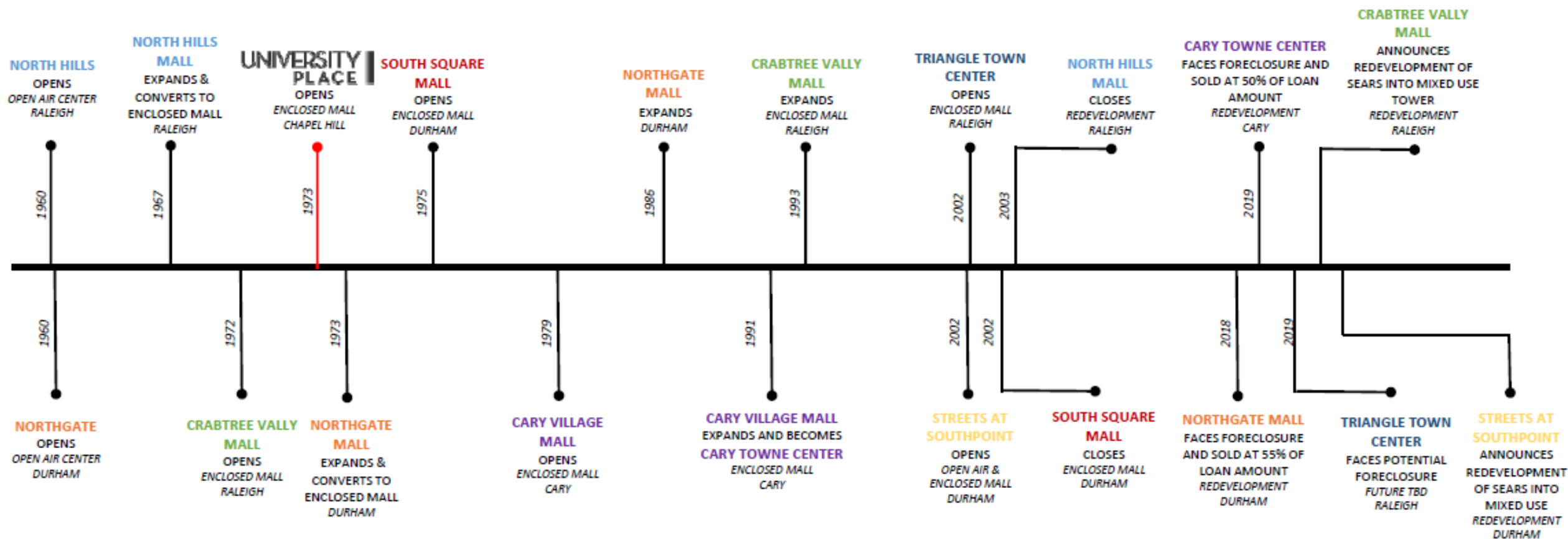
> Solutions

Walkable, greenspace

- The Grove, LA- In addition to retail and entertainment houses their historic farmers market.
- Southpoint- Outdoor programming draws people into the space



The Streets at Southpoint, in Durham, North Carolina.



North Hills

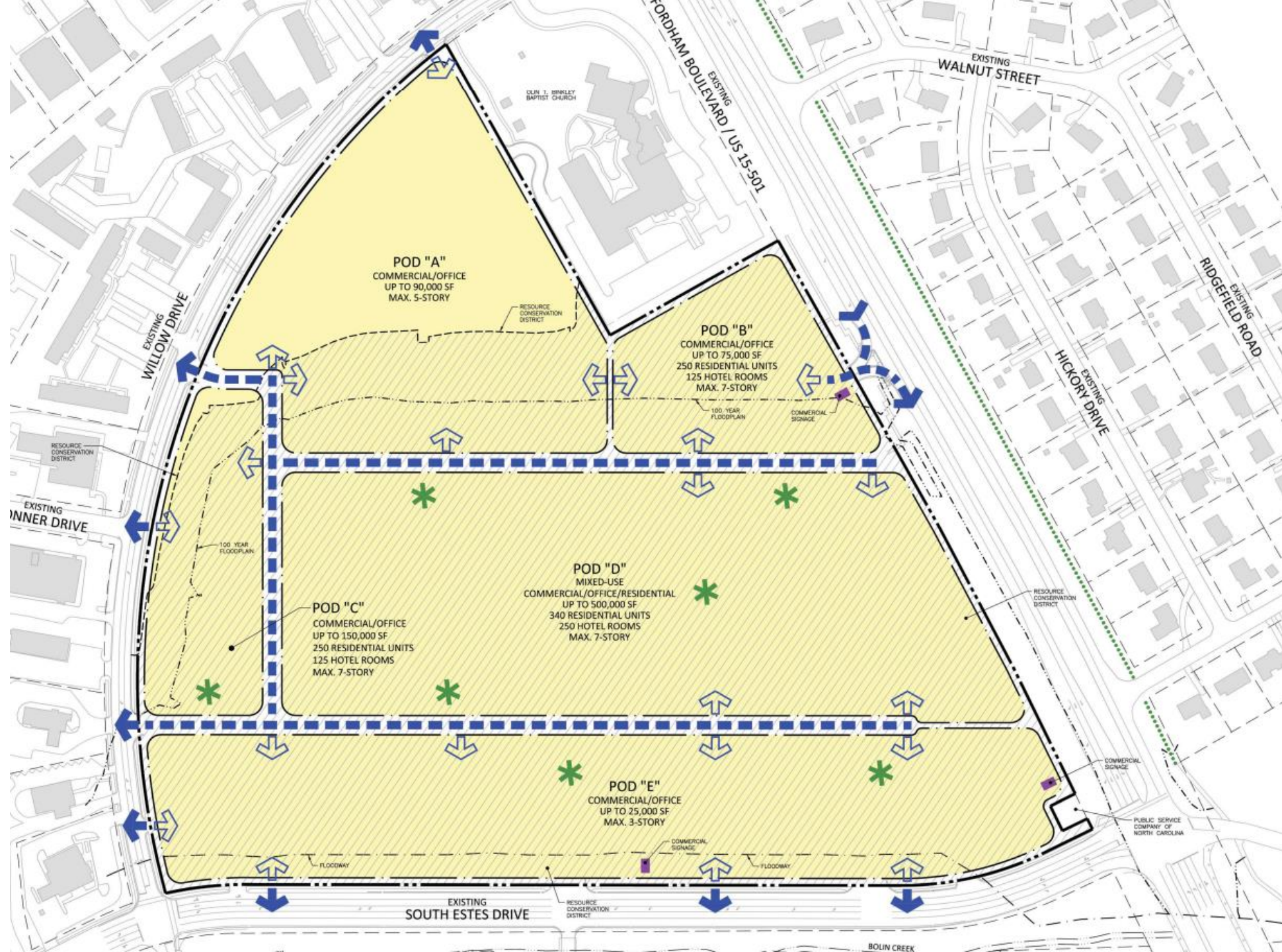
- From mall to mid-town



Crabtree mall redevelopment

- A beginning...





> Case Study



Hawthorn Mall owner on major makeover: We're in it for the ...

> Case Study



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Landmark Mall Redevelopment

ALEXANDRIA, VIRGINIA

PROJECT SCOPE

51 acres

> Case Study

Redevelopment At Hillsdale Shopping Center Nears Completion

January 17, 2018 | Julie Littman, Bisnow Bay Area ✉



...t on upcoming deals? Meet the major San Francisco players at events!



Rendering by ELS Architecture and Urban Design/Courtesy of Outside the Lines
Rendering of fountain to be built at Hillsdale Shopping Center



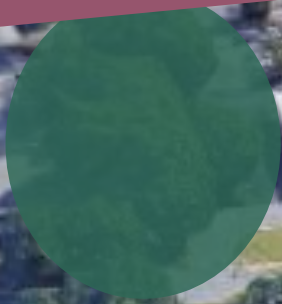
Southlake Town Square, in Southlake, Texas, includes the community's city hall and a grand park that fulfills the residents' desire for a real downtown.



Harris Teeter

Kidzu Children's Museum

University Place



> Summary

- Added services and retail
- Making better place
- Improved mobility
- Stormwater enhancements
- Additional green space
- Growth of sales tax
- Jobs
- Growth of tax base



Raleigh News & Observer



Ram Realty plans big changes to University Place Chapel Hill ...



Questions?



University Place redevelopment