TOD and Retail Workshop: What's on Your List?

Rail~Volution 2013
Seattle, WA
TOD and Retail Workshop: What's on Your List?

Facilitated by Kim DeLaney, Ph.D.
Treasure Coast Regional Planning Council
C. Blair Howe, CCIM
Vice President
Kidder Matthews
Retailing is a Response to Consumer Demand

• Successful Retailers:
  – Know how to capture demand
  – Understand the consumer
  – Locate facilities in response to the consumer demand
Common Retail Site Selection Criteria

- Number of Households
- Population \textit{(size and change)}
- Daytime Population
- Median Household Income \textit{(current & projected)}
- Pedestrian Traffic
- Visibility & Orientation
- Parking

- Competition \textit{(presence, type and location)}
- Crime
- Educational Attainment
- Ethnic Composition
- Homeownership
- Home Values
- Etc.
GROCERY OUTLET, INC.

The Company currently has a net worth of $75,000,000, a Dun & Bradstreet rating of “AAAAA2” and is debt free. Operating more than 130 stores throughout Washington, Arizona, California, Idaho, Nevada and Oregon, Grocery Outlet looks for continued growth opportunities within its current operating areas.

CONTACT

ROBERT CORON 425-641-4169 robert@faponline.net

SITE CRITERIA

- Approximately 14,000 - 22,000 Square Feet, with a good frontage to depth ratio. Smaller in urban settings.
- Rear loading dock preferred.
- Significant pylon and building signage.
- 5:1 parking ratio, or approximately 100 dedicated spaces.
- Left turn in and out of the store.

DEMOGRAPHIC REQUIREMENTS

- Rural locations usually have 60,000 persons within a 10 mile radius or trade zone.
- Suburban locations usually have 100,000 persons within a 5 mile radius.
- Urban locations usually have 250,000 persons within a 5 mile radius.
April 19, 2013

Eight (8) locations now open in the Puget Sound with plans to open at least six (6) more in 2013!

MOD Superfast Pizza is seeking additional lease sites with the following characteristics:
- 2,000 SF - 2,500 SF high exposure end-caps
- Patio seating
- Heavy pedestrian traffic
- Close proximity to other traffic generators
- All sites in King, Snohomish and Pierce Counties will be considered

MOD’s high energy, quick service concept will drive customers to your project! Check them out at www.modpizza.com

If you have any properties that meet these requirements, please call or e-mail:

Brian Nelson
425.450.1139
bnelson@kiddermathews.com
Seeking Retail Space With The Following ...

- At least 40' of retail frontage
- 3,000 - 4,000 RSF
- Exclusive Use no other specific eyeglass sales in Center
- Will Consider any market that has the following requirements:
  - Population of at least 100,000 within 5 miles
  - Income--ideally $30-60K
  - Desirable co-tenants are "soft good retailers" TJ Maxx, Ross, Marshall's, Target, Kohl's, Wal-Mart

PLEASE E-MAIL A SITE PLAN, and AERIAL of any submission. (These documents located within flyer is OK)

NEED INFO AS SOON AS POSSIBLE FOR OPENINGS Q-1 2014.
LOCATION SPECIFICATIONS
- Puget Sound – Alderwood to Southcenter
- 1,000 - 1,600 sf
- Minimum 18' store frontage
- Minimum finished 12' ceiling height
- In-line or end-cap
- Excellent street visibility
- Outdoor seating if available
- Ample parking
- 400 amp/3 phase electrical

DEMOGRAPHICS
- High daytime and evening population
- Thriving Urban and Suburban Communities
- Medium and high income demographics

LOCATION TYPE
- Strip centers
- Lifestyle centers
- Regional power centers
- Street retail
- Campus sites near schools/colleges
- Family friendly neighborhoods
Crisp Harvest Market is a unique retail concept offering consumers the bounty and diversity of a farmers’ market all week long, all year round, in convenient urban stores. Our high-quality, fresh, local and regional produce will be offered at low prices. There is a proven demand in the marketplace for ‘fresh and local’ natural food choices; never before have today’s consumers been offered such fare on a small, convenient, all-week-long platform.

Crisp Harvest Market is looking for high foot traffic locations throughout Seattle. Our customer base will be the well-educated, diverse populations working, studying, and residing nearby. To maximize these opportunities, Crisp’s operational structure will follow a hub-and-spoke model.

Hub Stores will be 4,000 - 8,000 square feet. They will be larger-format stores with a broader product mix. The hub stores will feature a large, visible preparation area where customers can see prepack and salad bar items prepared fresh daily.

Spoke Stores will be 2,000 - 4,000 square feet. They will be small-format stores with a focus on grab and go readymade products to serve the busy urban shopper.

Our founders are former Whole Food executives with more than 30 years combined experience in the fresh produce arena and have strong financial backing!

Your Space is Right for Us:
- High Foot Traffic Locations
- Well Educated Population
- Diverse Population
- High Daytime Populations
- In the Seattle CBD
- In the U-District
- 4,000 SF up to 8,000 SF
- 2,000 SF up to 4,000 SF
Site in Search of a Use

• How to know if a site can attract retail?
  – Study the market
    • Supply and demand analysis by market segment
    • Thorough site analysis
    • Ground truth study findings with someone who is actively leasing/selling space in the market
  – Know the retail site selection criteria of tenants active in the market
TOD and Retail Workshop: What's on Your List?

William Kohn Fleissig
President & Managing Director
COMMUNITAS DEVELOPMENT INC.

TRANSACT
## Retail Types

<table>
<thead>
<tr>
<th>TYPE</th>
<th>PROJECT SIZE (sf)</th>
<th>DESIGNATED PARKING (spaces/retail 1,000 sf)</th>
<th>PRIMARY CATCHMENT AREA (miles)</th>
<th>TRANSIT RIDER RELATIONSHIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kiosk/Truck</td>
<td>100 - 300</td>
<td>none</td>
<td>.25</td>
<td>Very high</td>
</tr>
<tr>
<td>Pad (near station)</td>
<td>1,200 - 4,000</td>
<td>5-10</td>
<td>2.0-3.0</td>
<td>Low</td>
</tr>
<tr>
<td>Suburban Strip (near station)</td>
<td>8,000 - 25,000</td>
<td>5-10</td>
<td>.5-3.0</td>
<td>Very Low</td>
</tr>
<tr>
<td>MXD Building (street level)</td>
<td>3,000 - 5,000+</td>
<td>None-3</td>
<td>.25-.50</td>
<td>Moderate</td>
</tr>
<tr>
<td>Neighborhood Center</td>
<td>30-150,000</td>
<td>3-5</td>
<td>3.0</td>
<td>Low</td>
</tr>
<tr>
<td>Community Center</td>
<td>100-300,000</td>
<td>4-5</td>
<td>3.0 – 6.0</td>
<td>Low</td>
</tr>
</tbody>
</table>
# Retail Types

<table>
<thead>
<tr>
<th>TYPE</th>
<th>PROJECT SIZE (sf)</th>
<th>DESIGNATED PARKING (spaces/retail 1,000 sf)</th>
<th>PRIMARY CATCHMENT AREA (miles)</th>
<th>TRANSIT RIDER RELATIONSHIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifestyle Center</td>
<td>150-500,000</td>
<td>3.5-5</td>
<td>20+</td>
<td>Low-Moderate (bus/light rail)</td>
</tr>
<tr>
<td>Power Center</td>
<td>250-600,000</td>
<td>5+</td>
<td>5-10</td>
<td>Very Low (bus)</td>
</tr>
<tr>
<td>Regional Center</td>
<td>400-800,000+</td>
<td>5</td>
<td>15+</td>
<td>Low (bus)</td>
</tr>
<tr>
<td>Urban Center</td>
<td>150-500,000</td>
<td>2-4</td>
<td>Varies</td>
<td>Moderate to High (heavy-light rail-streetcar)</td>
</tr>
</tbody>
</table>
## TOD Place Types

### Reconnecting America

<table>
<thead>
<tr>
<th>TYPE</th>
<th>BUILDING CHARACTER</th>
<th>NET DENSITY (du/ac)</th>
<th>RETAIL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park n Ride</td>
<td>Kiosk/Truck</td>
<td>n/a</td>
<td>None/Pad</td>
</tr>
<tr>
<td>Main Street</td>
<td>2-4 stories</td>
<td>Varies</td>
<td>Small Shops</td>
</tr>
<tr>
<td>Town Center</td>
<td>2.0 FAR</td>
<td>20-75</td>
<td>Shops + Pads</td>
</tr>
<tr>
<td>Suburban Center</td>
<td>4.0 FAR</td>
<td>35-100</td>
<td>Shops+ Pads+Anchors</td>
</tr>
<tr>
<td>Urban Center</td>
<td>2.5 FAR</td>
<td>50-150</td>
<td>Shops+Anchors</td>
</tr>
<tr>
<td>Regional Center</td>
<td>5.0 FAR</td>
<td>75-300</td>
<td>Shops+Anchors</td>
</tr>
</tbody>
</table>
# TOD Place Types

## Reconnecting America

<table>
<thead>
<tr>
<th>TOD Typology</th>
<th>Desired Land Use Mix</th>
<th>Desired Housing Types</th>
<th>Commercial Employment Types</th>
<th>Proposed Scale</th>
<th>Transit Connectivity</th>
<th>Color Code</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Center</td>
<td>Office Residential Retail Entertainment Civic Uses</td>
<td>Multi-Family and Loft</td>
<td>Prime Office and Shopping</td>
<td>5 Stories and above</td>
<td>Intermodal Facility/transit hub. Major Regional Destination with quality feeder connections</td>
<td>Red</td>
<td><img src="https://via.placeholder.com/150" alt="Regional Center Examples" /></td>
</tr>
<tr>
<td>Urban Center</td>
<td>Office Retail Residential Entertainment</td>
<td>Multi-Family/Loft/Townhome</td>
<td>Employment Emphasis, with more than 250,000 sf office and 50,000 sf retail</td>
<td>5 Stories and above</td>
<td>Sub-Regional Destination. Some Park n Ride. Linked district circulator and feeder transit service</td>
<td>Orange</td>
<td><img src="https://via.placeholder.com/150" alt="Urban Center Examples" /></td>
</tr>
<tr>
<td>Suburban Center</td>
<td>Residential Retail Office</td>
<td>Multi-Family/Townhome</td>
<td>Limited Office. Less than 250,000 sf office. More than 50,000 sf retail</td>
<td>3 Stories and above</td>
<td>Sub-Regional Destination. Some Park n Ride. Linked district circulator and feeder transit service</td>
<td>Yellow</td>
<td><img src="https://via.placeholder.com/150" alt="Suburban Center Examples" /></td>
</tr>
<tr>
<td>Neighborhood</td>
<td>Residential Neighborhood Retail</td>
<td>Multi-Family/Townhome/Small Lot Single Family</td>
<td>Local-Serving Retail. No more than 50,000 sf</td>
<td>2-5 Stories</td>
<td>Walk up station. Very Small Park and Ride, if any. Local and express bus service.</td>
<td>Blue</td>
<td><img src="https://via.placeholder.com/150" alt="Neighborhood Examples" /></td>
</tr>
<tr>
<td>Main Street</td>
<td>Residential Neighborhood Retail</td>
<td>Small Lot Single Family</td>
<td>Main Street Retail Infill</td>
<td>2-4 Stories</td>
<td>Bus or streetcar corridors. Feeder transit service. Walk up stops. No parking.</td>
<td>Purple</td>
<td><img src="https://via.placeholder.com/150" alt="Main Street Examples" /></td>
</tr>
<tr>
<td>Campus/Special Events Center</td>
<td>University/Campus Sports Facilities</td>
<td>Limited Multi-Family</td>
<td>Limited Office/Retail</td>
<td>varies</td>
<td>Large Commuter Destination.</td>
<td>Brown</td>
<td><img src="https://via.placeholder.com/150" alt="Campus/Special Events Center Examples" /></td>
</tr>
</tbody>
</table>
Suburban Station Area Scenario

• ½ mile radius from station:
  – Land Area = 12,566,000 SF
  – Less Circulation /Parks @ 30% = 3,770,000 SF
  – Total Existing Land Use/New Development = 8,796,000 SF
  – Residential @ 70% @ 35 DU/AC Av = 4,725 DU
  – Commercial @ 15%; 1.5 FAR Av = 1,980,000 SF
  – Retail @ 12% overall; 2.5 spaces Av = 400,000 SF
    – (2,637 spaces support 30% In Line; 70% Stand Alone)
  – Civic / Other @ 2%; 2 spaces Av = 118,000 SF
TOD Retail Quadrants
TOD Retail Quadrants

QUAD 1: High Density/Destination Retail

Station Types:
- Park & Ride
- Town Ctr
- Suburban Ctr
- Urban Ctr
- Regional Ctr

Retail Types:
- Community Ctr
- Neighborhood Ctr
- Lifestyle/Power Ctr
- MXD Building
- Main Street
- Pad
- Kiosk/Truck
TOD Retail Quadrants

QUAD 1:
High Density/Destination Retail

QUAD 2:
High Density/Service Retail

Station Types:
- Park & Ride
- Town Ctr
- Suburban Ctr
- Urban Ctr
- Regional Ctr

Retail Types:
- Community Ctr
- MXD Building
- Main Street
- Pad
- Kiosk/Truck
BayFair Mall Context
BayFair Mall / BART Station
Proposed BayFair Transit District
San Leandro, CA
The View from 20,000 Feet:

*Retail Demand – incorporating TOD metrics*

- Retail Type or Category (e.g., grocery, big box retail, franchise restaurant)
- Range of Sizes
- Number of HH (and radius)
- Income Demographics
- Retail Factors (e.g., visibility, height of storefront, accessibility, parking demand)
- Increased density of people (visitors, workers, residents, students, riders)
- Robust access (autos, transit, peds, bikes)
- More niche services/products/businesses
- Expand shopping window beyond AM/PM rush
• 122 miles of new light rail and commuter rail
  • West Line opened
  • East/Gold Lines P3 50% complete
  • I-225 Line under construction
  • North Metro evaluating proposals

• 18 miles of Bus Rapid Transit (BRT) service
  • Phase 1 – Complete
  • Phase 2 – Under Construction

• Redevelopment of Denver Union Station
  • -93% Complete

• 50+ new rail and/or BRT stations for Transit Oriented Communities opportunities
Denver Union Station

- Hub of the FasTracks system
  - 24 bay underground bus facility
  - Commuter and light rail platforms
- Over 19 acres under redevelopment in Downtown Denver
- Includes redevelopment of historic transit station to hotel w/ ground floor retail
Denver Union Station

- Above development projections in office, hotel, and residential sectors
- Below retail expectations
  - Numbers below for constructed retail space, not occupied

<table>
<thead>
<tr>
<th>Uses</th>
<th>Feasibility Study Absorption Range (Lo/Hi) 2009 - 2019</th>
<th>As of May, 2013 Built or Under Construction/Plus Under Design</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>418,000 – 628,000 SF</td>
<td>835,000 – 1,860,500 SF</td>
</tr>
<tr>
<td>Retail</td>
<td>193,000 – 245,000 SF</td>
<td>144,000 – 270,500 SF</td>
</tr>
<tr>
<td>Commercial</td>
<td>611,000 – 873,000 SF</td>
<td>979,000 – 2,131,000 SF</td>
</tr>
<tr>
<td>Hotel</td>
<td>(2019 – 2024 Time Frame)</td>
<td>112 – 272 Rooms</td>
</tr>
<tr>
<td>Residential</td>
<td>1,520 – 1,930 Units</td>
<td>1098 – 1,348 Units</td>
</tr>
</tbody>
</table>
TOD Retail Market Trends

- Retail has been struggling since the recession started
- Recent construction due in large part to TOD-specific zoning regulations that require ground floor activation
CityCenter Englewood

- Redevelopment of the Cinderella City Mall
- Southwest Light Rail Line
- 440 multifamily units
- 330,000 SF of new retail
- New location of City offices
CityCenter Englewood

- Residential component very successful
  - Near zero percent vacancy
  - Higher rents than submarket
- Big-box retail component successful
  - Recent expansions
CityCenter Englewood

- Neighborhood retail less successful
  - High vacancy rate
  - Inactive uses
    - i.e. tax offices
CityCenter Englewood

- Neighborhood retail not supported by neighborhood density
- Pedestrian-oriented spaces remain vacant
  - Not enough pedestrians
- No PnR walking traffic
  - Jury is still out if that would be enough
Compare to the Prospect Neighborhood

- Unique neighborhood – example of retail in a vacuum
- Englewood – 330,000 SF Retail, 440 residential units
- Prospect – 3,000 SF of retail for 1,174 residential units
Alameda Station

- Existing RTD Light Rail Station
  - Formerly near end-of-line
- Back of the Broadway Marketplace Shopping Center
  - K-Mart, Sam’s Club, grocery anchors
  - Product of 1980’s TIF
- Still performing well, but less well over time
  - Competition from newer suburban locations
Now & Later

- Plans in place to redevelop traditional retail center into mixed use neighborhood w/ retail, office, and residential
Partnership: Denver + RTD + Private Sector

- Downsizing retail
- Remaining TIF funds invested in drainage improvement
  - Necessary to achieve densities from plan
- Storm water pipe rerouted to connect to station and create new street above
- Developer/owner relocates existing tenant to vacant space
- Drainage problem solved + better station connectivity + future TOD
Alameda Station

- Private sector participation enabled partnership with RTD
- 275 residential units ~ 500 SF retail
- New plaza
- Reduced transit parking

- Design in line with current trends and encourages transit ridership
  - 1 parking space/unit
  - Smaller units
  - First example outside CBD
Alameda Station
TOD Retail Quadrants

Station Types

- Park & Ride
- Town Ctr
- Suburban Ctr
- Urban Ctr
- Regional Ctr
- Neigh Ctr
- MXD Building
- Main Street
- Pad
- Kiosk/Truck
- Alameda Station (Now)
- Alameda Station (Future)

Retail Types

- Westfield Ctr/SF
- Assembly Sq/Somerville
- Belmar/Lakewood CO
- Canby Corridor/Vancouver
- 16 Market Sq/Denver

Locations:
- Mockingbird/Dallas
- Park and Ride/Eden Prairie
- Alameda Station (Now)
- Alameda Station (Future)
What Retail is Working?

• Low startup cost
• Low overhead
• Destination retail

• Example: Breweries
  – No kitchen required, food truck parks in front
  – No parking (customer base doesn’t like to drive)

• “The closest distance between two beers is a light rail line”
Mark Boyle
Assistant General Manager, Real Estate & Asset Development
Massachusetts Bay Transit Authority
LESSONS LEARNED

• Retail in TOD is still evolving with the urban form of the TOD ...
  • Mature transit systems have more mature pedestrian realms
  • Emerging transit systems are still a bit suburban

• The Retail Market goes well beyond the Station

• Retail versus Rooftops is a Chicken & Egg relationship
MORE LESSONS LEARNED

• Is Retail driving the Market ... or Is the Market driving Retail?

• TOD Regulations – sometimes a blessing, sometimes a curse
  • Retail requirements do not guarantee retail establishments

• The Power of the Station
AND MORE LESSONS LEARNED

• Retail quantities are tricky (under-retailed, just right, over-saturation)
• An Ongoing Challenge: The Pedestrian Realm VS Retail Parking Priorities
• Types of Successful TOD Retailers
TOD and Retail Workshop: What's on Your List?

Your Thoughts?

Rail~Volution 2013
Seattle, WA
### CONTACT INFO

<table>
<thead>
<tr>
<th>Name</th>
<th>Position and Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark A. Boyle</td>
<td>Assistant General Manager, Real Estate &amp; Asset Development, Massachusetts Bay Transit Authority <a href="mailto:MBoyle@MBTA.com">MBoyle@MBTA.com</a></td>
</tr>
<tr>
<td>Kim DeLaney, Ph.D.</td>
<td>Strategic Development Coordinator, Treasure Coast Regional Planning Council <a href="mailto:kdelaney@tcrpc.org">kdelaney@tcrpc.org</a></td>
</tr>
<tr>
<td>William Kohn Fleissig</td>
<td>President &amp; Managing Director, COMMUNITAS Development, Inc. <a href="mailto:will@transactsf.com">will@transactsf.com</a></td>
</tr>
<tr>
<td>Blair Howe, CCM</td>
<td>Vice-President, Kidder Matthews <a href="mailto:bhowe@kiddermathews.com">bhowe@kiddermathews.com</a></td>
</tr>
<tr>
<td>Patrick McLaughlin</td>
<td>Associate, Transit-Oriented Development, Regional Transportation District (Denver) <a href="mailto:Patrick.McLaughlin@RTD-Denver.com">Patrick.McLaughlin@RTD-Denver.com</a></td>
</tr>
</tbody>
</table>