



# The Changing Face of Retail

By Dana Kreis Glencer and Andrea Welburn, CREW Network Industry Research Committee

The evolution of retail real estate has been evident in our markets. Old malls have been repurposed into mixed-use developments with apartments, retail, hotel and office space. Even less typical tenants that were previously considered undesirable—grocery stores, movie theaters, fitness centers, medical clinics, yoga studios and massage spas—have become requirements for a successful mixed-use center, and landlords are finding that these tenants are attracting customers to their spaces.

One such location, [City Center Bishop Ranch](#), part of a 585-acre mixed-use development in the California Bay Area, has separate entrances to each retailer and is reminiscent of a downtown city street with a community courtyard. City Center offers an Equinox gym, which anchors the center at one end and a high-end dine-in movie theatre and food center on the other. This development has a rooftop parking garage, which not only hides the parking but makes very efficient use of space. This development is an example of the blending of city and shopping, blurring the lines of where the city ends and the shopping center begins.

[Brookfield Place](#), an upscale mixed-use shopping and office complex in Lower Manhattan, also has an Equinox and other non-traditional tenants, such as a culinary education institute and an ice rink. This complex has 300,000 square feet of dining and luxury shopping (with retailers such as Gucci and Louis Vuitton), over 8 million square feet of office space and hosts free art shows through its unique in-house art program.

In many areas of the U.S., developers and companies have been creative, turning functionally obsolete malls into opportunities to support e-commerce. This can be very attractive to end users. Often, these blighted malls are located close to an interstate or other major thoroughfare, set in a population-dense area and situated on a large parcel of land with ample parking. The former [North Randall Park Mall](#) and [Euclid Square](#) in Cleveland, Ohio have been repurposed into Amazon fulfillment centers. One point of synergy for these sites is that former malls can fulfill the need for ample fulfillment center employee parking.

Many of today's retail spaces now require the accommodation for ride share services such as Uber and Lyft. To meet this growing demand, areas are developing to accommodate pickup and drop-off areas for these services. Many communities

are reducing the number of parking spaces required for new developments and encouraging residents to use public transit.

You will find a similar evolution in the retail environment in Canada as several Metro Vancouver shopping centers are currently either expanding and/or redeveloping. Despite the rise in e-commerce, shopping malls such as [Park Royal](#), [Oakridge Centre](#), [Brentwood Town Centre](#), [Lougheed Town Centre](#) and others are redeveloping to refresh their looks, add square footage or build condominium towers on mall parking lots. Premium malls are investing in more amenities to prolong time spent by visitors and potential spenders.

Shape Properties and HOOP (Healthcare of Ontario Pension Plan) are redeveloping a 28-acre site in Burnaby, referred to as "[The Amazing Brentwood](#)." Up to 11 residential towers will be constructed on the site; some as high as the Trump Tower in downtown Vancouver at 600 feet. Brentwood, branded as a "leisure and entertainment destination for the region," is being marketed as an *experience*, not just a shopping destination.

[Oakridge Centre](#) has been the shopping destination of Vancouver's west side since the 1950s. The opening of the Canada Line in 2010 created an opportunity to re-envision the site as a new civic centre. The introduction of significantly more residential and office space, community amenities, a nine-acre public park and arts programming will transform this site from an urban shopping centre into a vibrant, sustainable and diverse "cultural hub" that will attract visitors. Construction will take place in two phases, with the first phase of housing and public amenities opening in 2022 and the entire project slated to be complete by 2026.

Alberta's [Fort Station Mall](#) in Fort Saskatchewan boasts a medical center and a preschool and gymnastics center in what used to be an overgrown parking lot with a few rundown buildings. Residential is slated to be added in the near future.

As retail continues to change, its real estate must also continue to evolve, adapt and reinvent to stay relevant and meet consumer needs in our communities.

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