Ten Principles for Rebuilding Neighborhood Retail

Urban Land Institute

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ULI sponsors education programs and forums to encourage an open international exchange of ideas and sharing of experiences; initiates research that anticipates emerging land use trends and issues and proposes creative solutions based on that research; provides advisory services; and publishes a wide variety of materials to disseminate information on land use and development. Established in 1936, the Institute today has more than 20,000 members and associates from some 70 countries representing the entire spectrum of the land use and development disciplines.

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Introduction

Over the past five decades, retailing in urban neighborhoods has hollowed out, leaving most cities and inner-ring suburbs with too little to support healthy neighborhoods and strong communities. The results are apparent to anyone living in or visiting a 21st century city: commercial streets with deteriorating buildings, empty storefronts or marginal month-to-month tenants, an undersupply of essential goods and services, social problems, poor pedestrian environments and amenities, and untended streets and sidewalks.

The decline of neighborhood retailing has had a profound effect on the desirability of many urban neighborhoods and communities. The convenient availability of goods and services is a key factor that people consider when choosing a place to live, and neighborhoods without suitable retailing are dramatically weakened. Residents who can afford it, leave, and potential new residents choose to live somewhere else. In this type of environment, communities cannot be sustained over the long term.

The challenges of rebuilding persist not only in low-income neighborhoods, but also in many other urban locations where retailing never recovered from the shift of buying habits that led people to suburban shopping centers. Even in some of the most affluent communities—where first-generation, auto-oriented shopping streets have begun to urbanize and take on characteristics of urban shopping districts—redevelopment efforts are often stymied by NIMBYists

Orenco Station, Hillsboro, Oregon.

The Village at Shirlington in Arlington, Virginia, is a mix of 1940s neighborhood retail buildings and new retail and residential developments.

who object to the transition as well as to the changes in character, diversity, and density that the transition brings.

In all cases, rebuilding neighborhood retail streets is a difficult, lengthy, and complicated process. It differs significantly from developing a suburban shopping center or reestablishing downtown shopping districts, so innovative strategies must be employed to restore the neighborhood's vitality and competitiveness. Neighborhood retail streets are betwixt and between most communities' established retail locations, and they have been largely forgotten or purposely avoided for years by retailers, developers, and shoppers. The reasons are clear: misperceptions about the extent of urban buying power are widespread, retail opportunities are perceived to be greater elsewhere, and the many social problems faced by urban neighborhoods have proved difficult to solve.
As a result, even those who live near neighborhood shopping streets are often forced to travel outside their own neighborhoods to shop for goods and services that most others take for granted in their everyday lives.

Opportunities to reestablish retailing along neighborhood commercial streets are great. Through careful planning, new roles can be found for these streets to fill in today's marketplace to better serve neighborhood residents. But a word of

caution: Attempts to re-create past glories—a commonly voiced goal—rarely succeed because most urban neighborhoods have changed dramatically over the past few decades, and their position in the regional hierarchy of retail destinations has been marginalized by newer concentrations of retailing in wealthier neighborhoods with better access, visibility, parking, security, and retailing environments.

The large trade areas that many neighborhood streets once enjoyed have been cut off by newer centers, changes in retail merchandising have rendered obsolete much of the retail space along neighborhood streets, demographic shifts have reduced population densities and buying power, and a critical mass of retailers no longer exists along many of these streets. The result has been lower demand, high vacancies, a poor retail environment, and a failure to adapt to changed competitive circumstances. To achieve long-term sustainability, plans for rebuilding neighborhood shopping streets must recognize these changes and embrace solutions that are realistically market-based. It is not enough to base them solely on enlightened public policy goals or the community's wish list, no matter how well intentioned.

In spite of the challenges faced by neighborhood retail streets, their future is turning much brighter, and the Urban Land Institute believes that the timing is

Bloor West Village in Toronto, Ontario.

right to rebuild them. Numerous metropolitan trends are redirecting growth back into existing communities, which has positive implications for the rebirth of neighborhood retailing. Urban lifestyles are becoming more popular among empty nesters, singles, the elderly, and nontraditional households; immigrants are flocking to many neighborhood streets as low-cost places to open small businesses, stores, and restaurants; retailers are again interested in urban locations because their traditional suburban markets are saturated; states are increasingly concerned about the effects of sprawl and are instituting smart growth policies; pedestrian-oriented, streetfront retail environments are gaining favor with today's consumers; inner-city crime has declined dramatically in the past ten years; and local governments are using increasingly sophisticated planning, regulatory, and financial incentives to encourage market-based real estate investments in distressed urban neighborhoods.

The revitalization of Old Pasadena, California, incorporated new retail trends for shopping and entertainment in a historic main street environment.

But these positive trends alone are not enough to ensure that rebuilding will occur—even in affluent locations—since it takes far more time and effort to rebuild neighborhood retailing than it took to destroy it. The challenge for the public and private sectors is to work together aggressively to create the environment in which retailing can thrive. If this doesn't happen, retailing will continue to shun neighborhood streetfront locations and choose more competitive sites. Gaining the public sector's commitment is a difficult challenge because cities and states are faced with increasingly limited resources and many new and competing obligations. Nevertheless, ULI believes that ways must be found, as part of a long-term strategy, to get started today on the task of rebuilding retail services because the future prosperity of our metropolitan areas depends on it.

New Haven, Connecticut.

Part of ULI's mission is to examine cutting-edge issues and propose creative solutions for improving the quality of land use and development. To that end, ULI sponsored a charrette on smart growth solutions to devise strategies to realistically restore the vitality of neighborhood shopping streets to create more livable environments and sustainable communities. In June 2003, during three days of intensive study of three neighborhood shopping streets in the greater Washington, D.C., area, teams of planning and development experts from around the country toured and studied three very different types of neighborhood streets. The teams were made up of leading commercial developers, public planners, nonprofit developers, architects, economic consultants, and property advisers.

The three streets were chosen as representative of different types of urban neighborhood environments. H Street N.E., at the edge of a gentrifying neighborhood, is an elongated and dilapidated commercial arterial that until the 1960s was one of Washington's major shopping streets; upper Wisconsin Avenue N.W. is a discontinuous, poorly merchandised, and unsightly commercial street in the midst of one of Washington's wealthiest uptown neighborhoods; and the devastated commercial district surrounding the intersection of Charles Street and North Avenue in Baltimore is in one of the poorest and most crime-ridden neighborhoods in the city.

ULI teams were assigned to each strip and given the following tasks: to determine the critical issues and challenges that neighborhood streets face; to determine the most effective ways to rebuild neighborhood streets to ensure their long-term competitive position; and to set strategic principles to guide community residents, public planners, and developers in this effort. These principles were consolidated and refined by the three teams so that they could be applied universally to all types of neighborhood streets around the world. ULI had the support and participation of the two cities—Washington, D.C., and Baltimore, Maryland—in whose jurisdictions the streets are located. Each provided detailed background information, briefings, and tours for the ULI teams. After much deliberation, the teams adopted the following ten strategic principles to guide communities, developers, retailers, and residents in rebuilding their neighborhood retail streets.

Ten Principles for Rebuilding Neighborhood Retail

1. Great Streets Need Great Champions
2. It Takes a Vision
3. Think Residential
4. Honor the Pedestrian
5. Parking Is Power
6. Merchandise and Lease Proactively
7. Make It Happen
8. Be Clean, Safe, and Friendly
9. Extend Day into Night
10. Manage for Change

1 Great Streets Need Great Champions

Every revitalization project needs a champion—someone to initiate the process, fight to ensure it is done right, and follow through to completion. This is particularly true for rebuilding neighborhood retailing because of the length and complexity of the undertaking. In most situations, the champion will be a person (or a group of people) who is a committed, responsible stakeholder who recognizes the problem, has dreams of something better, and has the passion to overcome obstacles to achieve results. Without a champion, retail revitalization efforts will most likely get lost among competing needs in a community when it comes time to fight for attention and limited resources.

In some quarters, neighborhood revitalization efforts are seen as inherently public responsibilities that should be led exclusively by public representatives, because the private sector is often seen as unwilling, uninterested, or unable to do the job itself. Others believe that if a market exists, the private sector will find it and, without government help, lead the way through its own entrepreneurial efforts. ULI believes that, in most cases, neither extreme is an effective approach.

King Street, Alexandria, Virginia.

Long-term success will come only when public/private partnerships are created that marry the public's planning, coordination, infrastructure, and public financing tools with the private sector's entrepreneurial savvy, development expertise, retailing know-how, and private capital. When new retail markets are just being formed, neither sector can achieve its goals without aggressive assistance from the other.

It doesn't matter whether the champion is from the public or private sector, but he or she must make sure that all the other stakeholders are included in the redevelopment effort.

- The champion can be a group or an individual. Possible group champions include a business improvement district (BID), corporation or partnership of businesses, community development group, financial institution, or neighborhood anchor such as a hospital or university.

- An individual champion can be a resident, a business or community group leader, an elected official such as a mayor or councilperson, a property owner, a retailer, or a city staff person.

- The champion should pull together a core group of involved stakeholders to form a public/private partnership entity to guide the rebuilding effort.

By building interest and commitment among diverse stakeholders, a champion can foster the development of a consensus vision for the street.

- The stakeholders are the people and groups who will be directly affected by the redevelopment and the decisions made by the public/private partnership. Ideally, they will transcend political turnover because the redevelopment effort will last through several election cycles. Politicians may be involved, of course, but they should be willing to remain involved if they lose future elections or choose not to run. Staying power is essential to long-term success.

- The champion should lead efforts to develop a process or mechanism to resolve conflicts among the stakeholders and reach consensus. Conflict is healthy, and the champion is ideally positioned to help resolve conflicts and make sure that potential problems and issues are debated and not avoided.

2 It Takes a Vision

Retailing has changed forever. Big-box stores and category killers; fortress malls; outlet, lifestyle, and power centers; catalogs; and the Internet are where today's consumers shop. The competition is fierce, and consumers want it all: low prices, endless variety, the latest designs, parking at the door, and an environment so entertaining that they go there even when they don't need to shop! How can neighborhood streets hope to compete? By providing goods and services tailored to the specific needs of each neighborhood in an environment that is convenient, service-oriented, pedestrian-scaled, and connected to the urban lifestyles of the neighborhood's residents.

The visioning process can identify streetscape improvements that are needed, how tenants will be recruited, and other action items. A thorough visioning process will help ensure retailers that the city and property owners are committed to redeveloping a vibrant urban retail street.

The successful rebuilding of a neighborhood shopping street will be incremental, so it must be based on a shared vision that provides a strategic framework for imagining, analyzing, judging, and implementing each step along the way. The champion of a rebuilding effort is the one best positioned to pull together the diverse partnership of stakeholders to create the long-term vision for the street. Although the champion should make sure that no interests are left behind, the community's vision must be rooted in market realities. Too often, communities have followed the loudest voices and pursued plans that cannot be sustained economically, which inevitably leads to disappointment and failure. Recognize that there is often a great difference between what one group of stakeholders may want and what the market will support.

Reaching a shared vision requires facing the tough questions upfront, making sure everyone understands the realities of the situation, and setting short-, medium-, and long-range goals that are realistically attainable. There is no cookie-cutter solution that will be effective long term, and pie-in-the-sky doesn't qualify as vision, so it is essential to understand the reality of the street and what is possible before asking what it can become. There is a general rule: Strive to be what you really can be. Most urban streets cannot successfully become like a suburban mall, and it's doubtful that this would be a good idea even if it were possible. Each retail street needs to be individually crafted to reflect the community, people, lifestyle, and aspirations of its neighborhood because one-size visions do not fit all.

Visioning will help create and enhance an identity for the street that reflects the neighborhood.

The first task of the public/private partnership is to make sure that the vision is shared. Property owners, residents, and nontraditional neighborhood anchors, such as churches, colleges, and hospitals, must buy in because they have the most at stake. These players have a strong vested interest in the neighborhood environment because their success depends in part on desirability of their surroundings. Large employers should be actively recruited because they have important resources that can be brought to bear.

- Do not allow the rebuilding process to be "hijacked" by any one group or individual—even the residents. It is only natural that stakeholders have agendas; bringing these agendas into the open and aligning them are critical.

- Create momentum for the vision by assigning specific roles to each stakeholder and getting them to buy in to the plan. Getting stakeholders monetarily involved in the process may help to ensure their continued involvement and support.

- Identify negative influences that are hindering the redevelopment effort and neutralize or eliminate them as soon as possible; they could be a person, a building, or a neighborhood condition.

- Create an identity for the street that is inventive and reflects the neighborhood. Some neighborhood streets are already place-specific and have identities that can be reinforced or enhanced. In other cases, the identity is either nonexistent or negative—in which case, changing the perceived identity (or overcoming the nonidentity) will be one of the biggest challenges.

M Street, Washington, D.C.

- Adapt the retail environment to serve and enhance the surrounding neighborhood. Serving a broader trade area may be important, but will usually be a secondary goal.

- Recognize that nearby competition not only will dramatically affect the market for your street, but will also affect the vision you have for its future.

- Hire a leasing professional from day one to coordinate management and recruitment of retail tenants. Recognize that retailers will "vote" on the soundness of the redevelopment's vision by deciding whether to rent or not.

3 Think Residential

High-density single-family homes accommodate families and make neighborhoods more walkable.

Successful retail depends on successful residential neighborhoods. Retailing cannot survive in an environment of deteriorating neighborhood housing, declining population and homeownership rates, disinvestment, crime, and neglect. Most important, successful retail needs a growing number of high-quality residents because this is what retailers look for. High-quality residents are found in high-, medium-, and low-income brackets so, individually and as a group, residents need to take ownership of their streets and start changing the negatives in their neighborhoods so the environment is right to attract retailers.

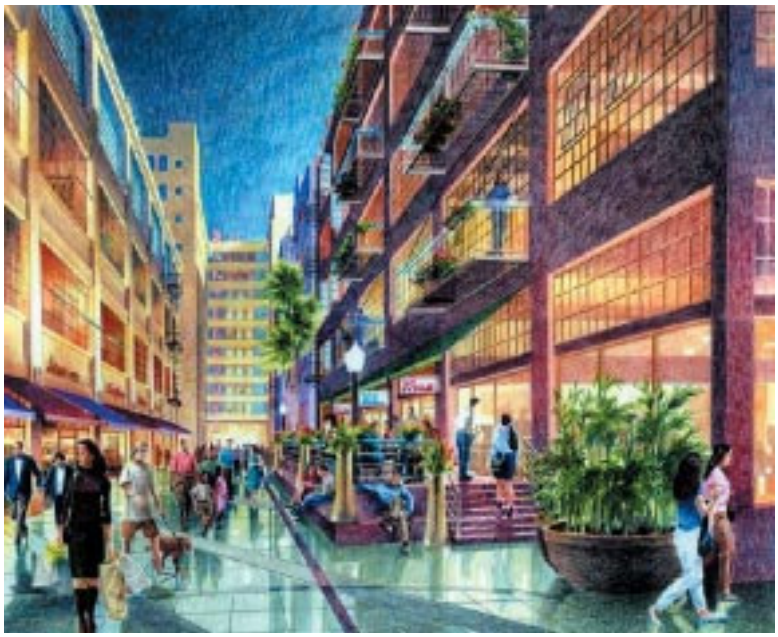
Great streets are always surrounded by dense residential development. Where residential growth and revitalization is occurring, retail is primed to follow; it simply will not occur the other way around. Retailers will not be attracted to a neighborhood street, regardless of how much public money they get, unless they see the cash registers ringing, and this depends on the strength of the surrounding residential market.

Streets evolve over time, and the quality and amount of the residential development will dictate what type of retail tenant will be interested in leasing space. The typical pattern is for home-grown, startup businesses and creative enterprises looking for low-cost locations to move in first, followed by mass-market national stores and, if the neighborhood is very successful, by specialized higher-end retailers. The community should not expect the best stores to move in immediately, but to the extent that higher-quality residential development occurs, retailing will continue to improve.

- Increase homeownership (including condominium ownership) to stabilize the neighborhood and create more stakeholders and customers.

- Residential development creates a customer base for neighborhood-serving retail, especially grocery store and pharmacy anchors. It is important for such stores—which commonly are national chains and require the most parking—to conform to the urban character of the community.

■ Encourage mixed-use developments. A mix of housing and offices supports retail by creating more customers, supporting longer business hours, and bringing in rents up to 20 percent higher than would be likely in the same place without the mix of housing and office space. Office components provide daytime retail and restaurant demand, while residents add customers in the evening.



Residential units above retail keep the street active around the clock, providing convenience for residents and sales volume for retailers.

■ It isn't necessary to attract national retailers to be a success. Successful streets often have a mix of locally owned and operated vendors, especially specialty food stores (selling baked goods, ethnic foods, coffee, and wine), ethnic restaurants, pharmacies, art shops, antique stores, hardware stores, and service providers (laundry, video rental, garden). If you sit around waiting for Pottery Barn, nothing else is going to happen.

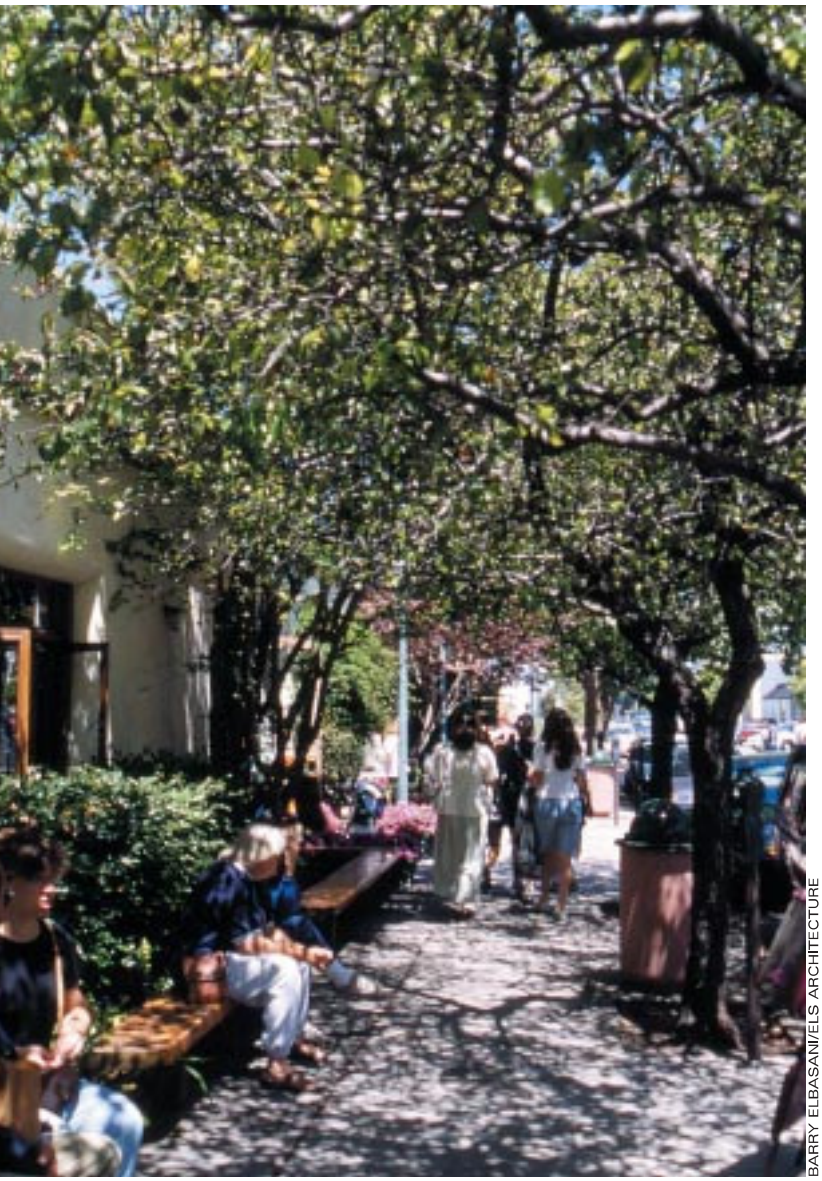
■ Recognize that although neighborhood residential development provides a strong shot in the arm for retailing, it does not provide the only source of demand.

■ Encourage mixed-income housing. A big challenge of retail is the recruitment of retail workers, and they need a convenient place to live. A stock of potential workers living close by enhances the attractiveness of the site for retailers.

■ Ground floor space does not need to be all retail. If the neighborhood street is too long for shopping the entire length, retailing should be concentrated in designated blocks. Shoppers typically will walk for only three or four city blocks. Residential or office uses should predominate beyond a core walking area.

■ Don't underestimate the value of anchors on the street. They help the smaller, independent tenants succeed by drawing customers to the area.

4 Honor the Pedestrian



BARRY ELBASANI/ELS ARCHITECTURE

Pedestrian amenities entice shoppers to linger.

The era when anything developed in an urban neighborhood was considered to be better than nothing is over. Desperation has driven many communities to accept developments that are inappropriate for an urban street and antithetical to an enjoyable pedestrian experience. Suburban-style, pedestrian-deficient retailing with blank walls facing the sidewalk, parking lots that disrupt retail continuity, throw-away architectural quality, inappropriate building design and scale, and lack of pedestrian amenities are some of the most egregious mistakes that made many urban streets mean and decidedly unfriendly to shoppers.

Neighborhood retailing that is rebuilt in these ways has proved unsustainable, failed to generate ongoing improvements in retail quality or spin-off activity, and fallen short of attracting the level of customer loyalty from the neighborhood or beyond that is necessary for long-term growth. When pedestrians are not honored with a pleasant and enjoyable shopping experience, they usually choose competing locations that do a better job of creating such an environment.

The first goal for a neighborhood shopping street should be to satisfy the aspirations and enhance the lifestyles of a neighborhood's residents. Neighborhood retail should not be structured in a way that encourages commuters to move quickly through the neighborhood to reach other neighborhoods. Too often, neighborhood streets have evolved in ways that make it easier and more enjoyable for shoppers and commuters to travel to other neighborhoods than to stay and conveniently shop nearby.

- Don't let traffic engineers rule the streets. Accommodating traffic is only one of many goals for successful shopping streets. Retail streets must balance the needs of the pedestrian and the needs of the automobile. Traffic must be calmed, and pedestrian amenities must be added for successful shopping streets to be rebuilt.

- Street width is an important determinant of retail success. In neighborhood locations, wide streets form a great barrier to success since they make it difficult to establish either an intimate neighborhood feel or a community connection.

Landscaping and brick sidewalks—often on a modest scale—add significantly to a neighborhood's ambiance for pedestrians and shoppers as in West Chester, Pennsylvania.

Successful single-loaded retail streets are rare, so to improve chances for success, narrow the street or introduce a landscaped median that will tie the two sides of the street together into one retail experience and make it easier for customers to shop both sides of the street.

- Recognize that street patterns also affect the pedestrian experience. In most cases, one-way streets should be converted to two-way streets to eliminate the raceway effect of one-way arterials and give the streets more of a neighborhood character.

- Convenient parking must be designed to enhance the pedestrian experience and not detract from it. Traffic can be slowed by providing on-street parking—this type of configuration protects shoppers from speeding traffic, allows shoppers to park in front of the store, and creates a stronger connection to the street.

- Encourage multiple entrances to shops so they are accessible from the front sidewalk as well as from off-street parking areas.

■ Pedestrian amenities should be added first along the blocks with the greatest concentration of retailing or those with the greatest potential. In some cases, neighborhood shopping streets are too long and some blocks may no longer be suited for retail. In such cases, clearly designate the blocks that are targeted for retailing and concentrate pedestrian amenities there first.

■ Sidewalks should be wide enough to accommodate outdoor dining while providing enough room to allow an unimpeded pedestrian flow; tables should be permitted at the curb line to allow window shoppers to stroll next to the shop windows. Rebuilding sidewalks with brick or patterned concrete also can have a positive effect.

■ Greening the street is necessary to make it more comfortable for pedestrians. Improvements should include tree canopies that provide shade from day one, green spaces where shoppers can linger and relax, and flowers and shrubs that enliven store fronts, tree boxes, light standards, and parking lots.

VISIBILITY

Transparency is critical. Buyers want to see inside the store—they want it to look safe, they want to see that it offers the goods or services they are interested in, and they want to feel comfortable that a salesperson is not hovering to accost them when they walk in the door. The best design provides visibility into the store and not just into a window display.

ARCHITECTURE

Buildings must look as though they belong in the neighborhood, especially in terms of scale, height, and character. Retail is most successful when it is on a single level, but offices and apartments work very well in levels over retail. The neighborhood vernacular should be expressed in the design of buildings. Good architecture improves the quality of the neighborhood. In revitalization, it can serve as a model of good design. Flexible guidelines that allow variation within acceptable ranges may be best. Even convenience stores can be accommodated with good design standards. The standard retail bay in the United States is 30 feet wide by 60 to 90 feet deep. Multiples of this module can accommodate larger users, such as restaurants. Neighborhood retail often has regular turnover, and adherence to these standards can help find new users. Windows that offer visibility into the store are good advertising and contribute to comfort on entry. Awnings or recessed entries provide comfortable shelter from rain and sun.

LANDSCAPING

Designs for visibility and landscaping often conflict. Here again, the need for transparency and visibility of retail takes precedence. However, in addition to meeting a community's consumer needs, a retail street can be a place to socialize or to relax and linger, especially when the hard urban edge is softened and enhanced with high-quality plant material. Outdoor dining is an instant indicator of safety and congeniality, but it needs a minimum sidewalk depth of ten to 12 feet for convenient pedestrian flow.

SIGNAGE, LIGHTING, AND STREET FURNITURE

As in other design media, quality sells—particularly over the long term. Signs, lighting, and street furniture (seating) are low-cost and highly visible ways of projecting a quality image. To ensure consistency and quality, adopt design guidelines that regulate the scale, typeface, materials, and other design elements of signage, while at the same time encouraging flexibility and creativity. A critical consideration is whether to allow freestanding or hanging signs on buildings. Flush mounting is desirable because it doesn't intrude into the pedestrian zone, but the need for signage to be visible to motorists and pedestrians should contribute to decisions about sign guidelines. Differentiation in retail graphics is both an indicator of unique offerings and a brand identifier. A graphics scheme should not prohibit free expression, but should set standards to ensure long-term quality. Lighting and street furniture in complementary design families add character and safety—lighting for visibility and seating to attract people to the street.

William B. Renner, EDSA / Edward D. Stone, Jr. and Associates

The city of San Rafael, California, encourages the development of housing as a way of bringing life—including evening activity and customers for merchants—to its commercial streets.

- Landscaping, street furniture, and other pedestrian amenities should be sensitively designed so as not to block retail sight lines for motorists or shoppers.

- High visibility for potential customers who are driving or walking by the stores is as important for retail success as easy accessibility and parking.

- Lighting should be bright enough to ensure security in the evening, but sodium vapor—often referred to as "slum lighting"—should be avoided in favor of white lighting, which renders more realistic colors, less sinister appearances, and a more inviting, comfortable, and reassuring feeling for shoppers.

- Set design standards and work with retailers regarding facade improvements, appropriate historic preservation measures, store signage, awnings, window displays, and advertising. These details indelibly frame the pedestrian experience.

5 Parking Is Power

Easy accessibility, high visibility, a sense of personal security, and adequate, convenient parking are all preconditions for successful retailing, and without them retail likely will fail, regardless of the sophistication of the shopping environment or the quality of the tenants.

FEDERAL REALTY INVESTMENT TRUST

At Bethesda Row in the Maryland suburbs of Washington, D.C., designers placed parking behind and to the side of buildings. This fosters a pedestrian-friendly environment and allows stores to utilize most of the road frontage.

Parking is arguably the most important of these requirements because today's consumers, conditioned by their suburban shopping center experiences, expect nothing less than a guaranteed space close to their shopping destination every time they shop. Neighborhood streets that replicate the convenience and abundance of suburban parking—albeit in quite different configurations—will have solved one of the great dilemmas that urban shopping locations face. These are the challenges: How can communities squeeze enough convenient parking into a pedestrian environment where it is not desirable to have large parking lots facing the street in front of the stores? How can communities configure parking in ways that are clearly organized so that shoppers can find spaces in multiple locations from block to block?

- Size the street's parking requirements realistically. Recognize that parking needs will usually be less along neighborhood shopping streets than in suburban shopping centers because some urban shoppers will arrive on foot or by transit, shuttle, or bicycle.

- Recognize that parking needs often change over time. If a neighborhood gets improved transit service, parking needs may decline. Conversely, the introduction of additional anchors, changes in tenant types, or a denser concentration of retailers as the street's popularity grows can increase the number of parking spaces needed.

A mix of parking accommodates different users. Short-term customers can park on the street, while shoppers planning a longer stay can park in the garage.

- Provide spaces in a clear, evenly distributed supply of parking that includes on-street and off-street options. Encourage store employees to park away from store entrances.

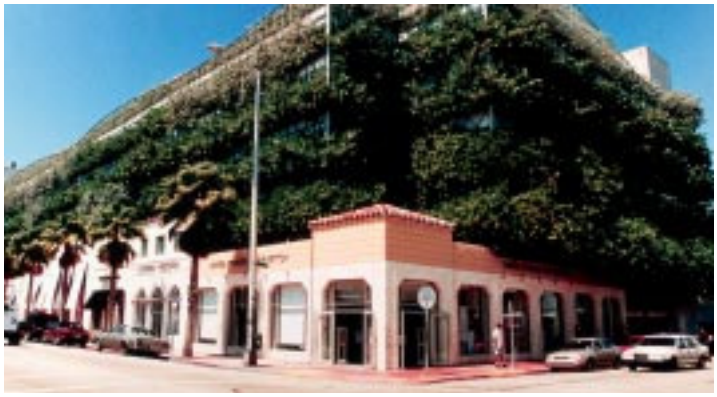
- On-street parking is critical for some retailers' success because it is the most convenient type of parking and creates the steady turnover of shoppers needed by stop-and-go retailers like coffee shops, dry cleaners, and specialty food stores.

On-street parking along Clematis Street, West Palm Beach, Florida.

- Metered parking—whether on- or off-street—should be designed to encourage people to use it. The time limits should be fairly enforced so that the needed turnover actually occurs, but don't go overboard. Customers will shop elsewhere if they are turned off by unreasonable and inflexible adherence to the rules.

- Off-street parking needs to be highly visible from the street, but it should not dominate the landscape, break up the retail district into disjointed parts, or be located farther than one block from storefronts.

- Parking should be user-friendly, starting with clear signage directing customers to individual lots and lighting that is configured to ensure their personal safety and provide a sophisticated ambiance that makes them feel comfortable at night.



The parking garage at Seventh and Collins, Miami Beach, Florida.

- Innovative parking designs—such as parking behind, above, or below the stores—should be considered in dense, high-value urban locations. If these configurations are used, parking must be seen as nonthreatening, as visible as possible, and easily accessible, or motorists will avoid it.

- Shared parking should be planned to accommodate the parking needs of different groups of shoppers as they appear at different times of day. This will eliminate unnecessary spaces that otherwise would sit unused during periods of inactivity.

- Transit (retailer-sponsored shuttles, bus, light rail, and subway) should be actively promoted by developers, retailers, and employers because it reduces parking needs, extends the street's trade area, and brings a greater diversity of demand.

- Don't forget about bicycle parking. Bicycles are a growing part of the urban lifestyle and parking for them is cheap to build. The need for bicycle parking is especially important in college communities and in neighborhoods with young, highly educated, and sophisticated residents.

6 Merchandise and Lease Proactively

Retailers are the soul of the neighborhood commercial street, so getting the right tenant mix and quality will give the street its unique character as well as the diversity of product offerings it needs to compete successfully with more established retail destinations. To achieve this mix, a neighborhood commercial street must be managed and operated like a shopping center—but recognize that having multiple landowners and operating in the public realm enormously complicate these tasks.

Finding tenants that meet all of these criteria is tough, especially in the early years of rebuilding when a critical mass of retailers is often absent and the environmental and social conditions along the street may not yet be optimal to achieve high sales levels. Complicating this task is the fact that the city cannot rely individually on landlords along neighborhood shopping streets to recruit appropriate high-quality tenants, since they are inclined—understandably—to lease their spaces to whomever is willing to pay the rent. It's not easy for a landlord to turn down a tenant because it does not fit within a street's overall leasing plan or add to its optimal tenant mix. Retailers also do not like to take risks, but if you have a coordinated merchandising plan and strive for a good tenant mix, the risk to retailers will be reduced.

To achieve higher sales, rents, and land values, landlords along the street need to band together and work proactively with the public sector to merchandise and lease their street in a coordinated and mutually supportive way.

Bellevue, Washington.

- Establish a quasi-public retail leasing and management agency to plan and coordinate the street's leasing strategy, actively recruit tenants, and direct them to appropriate landlords and property owners so that leasing deals can be made privately. Recognize that the tighter the leasing control this agency has, the more quickly the street will evolve into a thriving retail destination.

- As the first priority, hire a leasing and management professional to set up the leasing agency and direct its activities. This needs to be someone who can dynamically "sell" your street and neighborhood, and has a sophisticated understanding not only of retail leasing but also of shopping center management and public/private partnerships. The leasing professional should be part of the street's planning and design team, so she/he not only understands the long-term vision of the project but also helps to shape it.

- Develop a comprehensive leasing plan that is flexible and builds on the strengths and competitive advantages that the street and neighborhood already have. Recognize that the plan will need to be adjusted constantly to reflect changing market conditions.

- Context matters. Tailor the leasing strategy to your community and its position in the regional retail hierarchy. Understand the characteristics of your market and location, know your customer and competition, and evaluate nearby retail streets and tenants to guide tenant recruitment.

- Recognize what your street is now and what it can become, and market the space realistically with an eye to the future. Cookie-cutter stores are not attractions in and of themselves, but they do lend legitimacy to the location in the eyes of other retailers, and they have advertising clout that helps one-of-a-kind stores.

- Lead the leasing effort with destination- and neighborhood-appropriate retailers. This will lay the foundation for more intense commercial activity as the street matures.

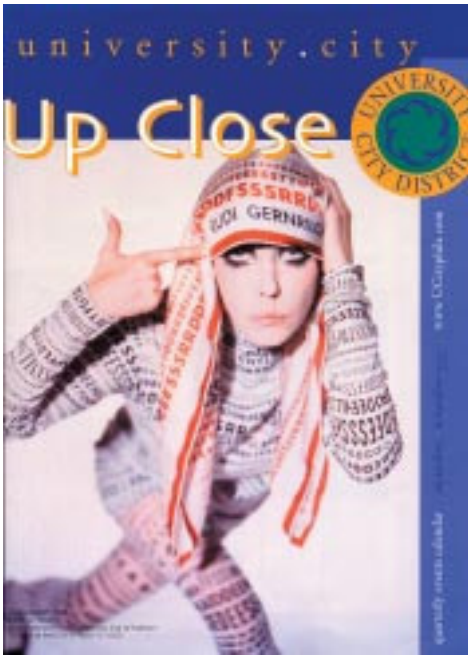
- Initiate the leasing program along one or two blocks that have the greatest potential. Creating a successful retail nucleus to build around will give momentum to the project, stimulate the interest of other retailers, and form a critical mass that becomes a recognizable retail destination for neighborhood shoppers.

- Besides coordinating the leasing program, the leasing and management professional should provide technical assistance to existing and prospective retailers. Financial assistance may also be desirable for facade improvement, building improvements to achieve code compliance, new signage, and the like. She or he should also coordinate maintaining the streetscape and making needed repairs if there is no business improvement district in place.

Shopping centers carefully choose tenants based on many factors, and neighborhood streets must do the same. Tenants should:

- **Fit into the street's agreed-upon vision and leasing strategy;**
- **Fill gaps in the street's retail mix or reinforce specialized tenant concentrations;**
- **Sell merchandise aimed at the street's targeted customer markets;**
- **Project the right image, aesthetic, and lifestyle orientation;**
- **Fit within the physical limitations of the available space;**
- **Be well managed and creditworthy; and**
- **Be able to afford the rent!**

7 Make It Happen



Neighborhood retailing will not spontaneously regenerate. Miracles happen in the movies, but they rarely happen in real life. In many communities, market conditions that caused neighborhood commercial streets to decline are still in place, and it takes an aggressive commitment by the public sector in partnership with the private stakeholders to address negative influences before sustainable retail revitalization will occur.

Communities have powerful financial and regulatory tools to attract desired private investment capital if used judiciously. Some of these tools are "carrots" that create a positive investment climate, improve infrastructure, or reward investors who further community goals. Others are "sticks," which may need to be used if carrots are not sufficiently convincing. Communities should be willing to use both to convince landowners, developers, and retailers that the revitalization efforts are in their interests. Willingness to exercise regulatory powers to achieve the stakeholders' vision and protect it from negative influences projects a sense of momentum to the stakeholders and potential tenants and enhances the street's appeal as a place to do business.

Produce markets, often sponsored by BIDs, add a lifestyle-oriented dimension to neighborhood shopping streets.

- Research carefully what public regulatory and financial tools are available to achieve your goals and what is required to qualify for them, then determine how you can use them as catalysts to make things happen when and where you want them to happen. Direct public resources to generate the maximum bang for the buck in terms of generating and leveraging private investment money.

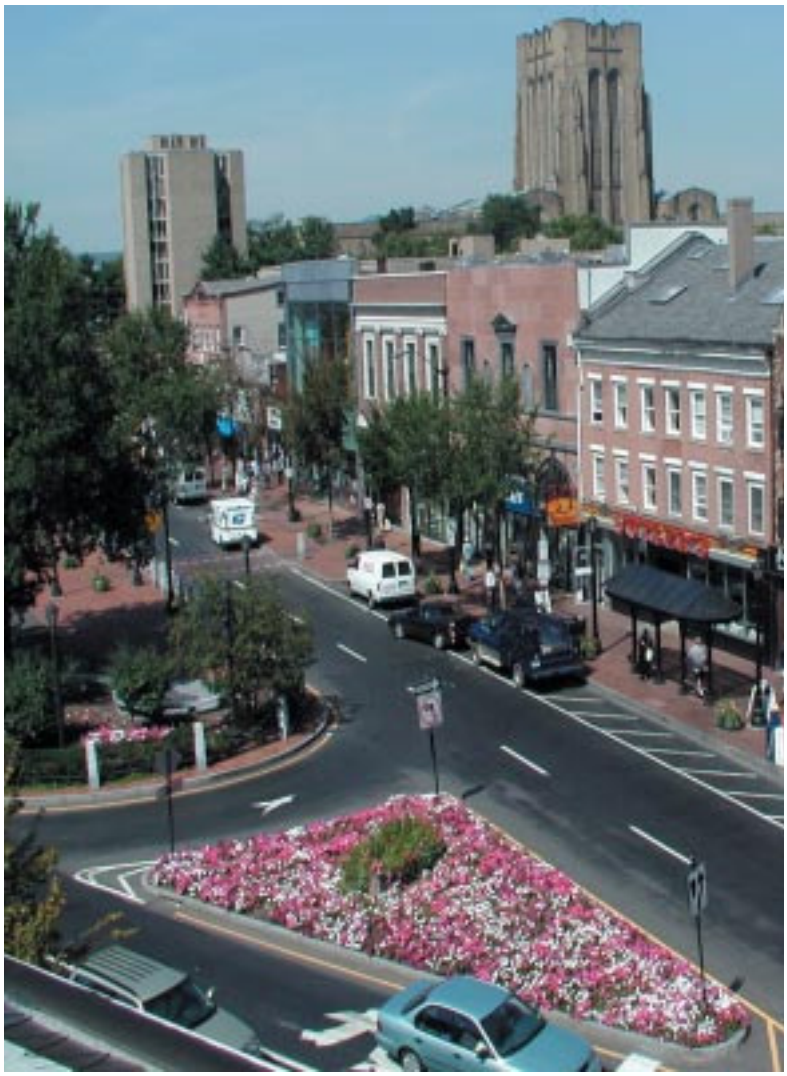
- Develop a strong relationship with local financial institutions and nonprofit organizations, and partner with them to achieve your goals. These organizations are likely to be more willing than national institutions to lend money to developers of nontraditional urban real estate projects and to neighborhood retailers. They are also likely to be more flexible in terms of what you can do with the money.

■ Set up design guidelines and development standards to make sure that new developments as well as facade and other improvements are compatible with the planned character of the street. These standards can control not only aesthetics, but also such concerns as the types of stores that are acceptable, store operating hours, building scale and materials, building setbacks, and number of parking spaces required.

■ Business improvement districts are quite effective at enhancing both the business and physical environment for retailing and for engaging business owners in the revitalization process. Retailers, however, cannot fund BIDs alone; offices are needed to help pay for BID operations. BIDs or special taxing or assessment districts should be set up in the more established commercial streets where landowners and tenants can afford the incremental tax increase. These types of districts should be viewed more as revitalization tools than redevelopment tools.

■ Tax increment financing is best used in districts where major land holdings need to be rebuilt and where infrastructure is substandard or lacking.

■ "Demolition by neglect" statutes should be added to zoning and land development codes to deter landowners from letting their properties deteriorate to the point that they have to be torn down. Don't be afraid to use eminent domain powers to take control of properties that are abandoned or neglected. These properties are a cancer, and cannot be allowed to spread blight throughout the neighborhood. However, before proceeding, have a full understanding of applicable laws in your state, and give the property owner adequate opportunity to correct the problem.



New Haven, Connecticut.

■ So-called friendly eminent domain can be useful with some property owners who may be willing to sell a deteriorated property to rid themselves of a problem. This can be an effective tool to assemble property required for a large-scale redevelopment project.

■ Use targeted requests for proposals or requests for qualifications to solicit interest in redeveloping key properties.

8 Be Clean, Safe, and Friendly

If a neighborhood shopping street is clean, safe, and friendly, customers will be drawn to their favorite shops even though the street as a whole may still be in transition from failure to success. If even one of these characteristics is absent, some neighborhood residents will continue to shop elsewhere, and few commuters are likely to stop as they drive through. Achieving an acceptable comfort level for neighborhood shoppers, however, won't happen without a coordinated, holistic approach to addressing the street's underlying problems and deficiencies.

To solve these problems, an ongoing management entity for the street should be created to perform many of the tasks that a shopping center manager performs. This organization will need to manage the street in perpetuity, operate it like a shopping center, protect its competitive position against more established retail locations, and ensure that it does not slip back into its old dysfunctional ways. A BID is an effective vehicle to act as the management entity because it has the support of the property owners and has a dedicated income stream to support its activities. If a BID is not available to fill the management role, it may fall to a group of business leaders, retailers, or city government representatives.

Successful BIDs keep standards for maintenance, cleanliness, and security high. They also organize activities and events that draw customers to the shopping street, as in Cleveland, Ohio's Playhouse Square.

- Think of the street holistically. Work with the city to stringently enforce building health and safety codes to maintain the street's quality, appearance, and safety. But make sure the codes are flexible and suitable for older/historic buildings, and don't stymie undercapitalized but legitimate improvement efforts.
- Be the advocate for the neighborhood—lobby for scarce resources and ensure that commitments are fulfilled.
- Regularly check the pulse of property owners and retailers to keep on top of issues, concerns, and problems before they spin out of control.

■ Enact extra levies and assessments on property owners who neglect their property. This will encourage them to adhere to the neighborhood's standards.

■ Provide an extra layer of security along the street. Crime prevention and customer security are keys to bringing the shoppers back, so security guards need to be visible but benign, helpful, and unobtrusive.

■ Added police patrols also lend peace of mind for potential retailers and customers, particularly if the area had a bad reputation before redevelopment. But public resources are often stretched thin, and the police alone probably won't be able to solve the problem.

BID staff stand ready to offer assistance to stranded motorists in Birmingham, Alabama.

■ If homelessness and drug abuse are problems along the street, work closely with city agencies
and neighborhood nonprofit organizations to address them. Social services, however, should not be clustered nearby.

■ Work with the city to make sure that street people don't overwhelm the street—although when street people begin moving to the area, it is an indication of success!

■ Security devices such as roll-down metal doors and window grilles should be eliminated or altered so they are see-through and provide visibility to the shop windows.

■ Plan holiday and other special events to give people an extra reason to visit and bond with the shopping district.

University City, Philadelphia, Pennsylvania.

9 Extend Day into Night

Longer hours equal stronger sales, and strong sales define a successful shopping street. It's as simple as that! As revitalization accelerates and rents rise, retailers will be unable to survive unless business hours can be extended to capture more business. The way to do this is to identify, plan for, and tap multiple markets to keep the cash register jingling throughout the day and after the sun goes down. The evening is the hardest time to keep businesses open even though that's when people have time to shop, and it will take a healthy dose of imagination and hard work to achieve the mix of stores, coordinated hours, and sense of security to create an environment where people are comfortable going out after dark.

An artistic facade creates an inviting destination at night in the Manayunk district of Philadelphia.

Different customers can be drawn to the street during different periods of the day, but the revitalization team must implement a comprehensive strategy to make it happen. Only in the strongest locations will vital retail streets evolve on their own. In the best of these locations, commuters, residents, and nearby workers can be drawn to the street in the morning for coffee or breakfast, to use neighborhood services, and to visit the gym. At midday, office and retail workers will eat lunch, run errands, and leisure shop. In the afternoon, residents and workers will go food shopping, stop at pubs and outdoor cafés, and use neighborhood services. As the evening progresses, neighborhood residents and visitors from other neighborhoods can be drawn out of the house to leisure shop, visit the gym, have dinner, go to the movies and theaters, and take advantage of the nightlife.

This is the ideal that neighborhood commercial streets should strive for. To achieve it requires that multiple

DEVELOPMENT DESIGN GROUP

Signpost decorations, tree lights, and a hansom cab set the scene for an exciting evening during the winter holiday season. Holiday decorations and festivals are a great way to attract families to a shopping area during the evening hours.

sources of demand be brought to the street to broaden the support for retailing.

- Day and night, it's the density and mix of uses that extends the shopping day and creates an exciting urban feel to the street.
- Day and night, it's the proximity and continuity of diverse retailers that creates the opportunities for cross-shopping that makes the street a compelling retail destination.
- Office uses should be recruited because they are "demand anchors" for retailing along the street, especially in the morning and at noontime, if they are integrated with other activities along the street. If they are self-enclosed fortresses or if they disrupt the retail continuity, they will detract from rather than add to the street.

As the sun sets, Third Street Promenade in Santa Monica, California, lights up. The well-lit pedestrian street remains active long after dark.

- Professional tenants such as doctors and lawyers are very desirable because they steadily attract visitors, employ office staff, and serve neighborhood residents—all of whom are potential shoppers.
- Civic, cultural, and entertainment anchors attract a high number of visitors and create the possibility for trip chaining and multiple purchases along the street. Nighttime uses such as restaurants, theaters, and cinemas can help compensate for smaller daytime populations such as office workers.
- Civic uses should be encouraged because they can be attuned to the neighborhood's demographics. A social security office, community center, youth activity center, or department of motor vehicles branch office serves the neighborhood while adding a steady stream of customers to the street.
- Educational facilities, such as university satellite campuses, should also be encouraged because they bring teachers, students, and educational workers to the neighborhood. A bonus is that they fill off-peak parking spaces.

10 Manage for Change

Plan for the long term, but manage for constant change in the short term. Rebuilding a neighborhood retail street is a long reinvestment process, and market realities will undoubtedly continue to change throughout the ongoing life of the street. If the champion, the city, or the property owners are not prepared to support this dynamic in perpetuity—with both their efforts and their money—the revitalization project should not be undertaken. One-shot projects will fail, following a formula will fail, operating on autopilot will fail, and locking a street into an unchanging reality will fail as well. These truisms need to be recognized up front.

Rebuilding neighborhood retail should be planned comprehensively as an integral piece of the larger community that surrounds it, and it should be tailored to the realities of the area. Communities should focus their initial efforts on carefully chosen development nodes to maximize the impact of their efforts, create momentum, and foster faith in the project. As more resources become available, the focus should expand to neighboring blocks and streets. Individual strategies will vary widely because every street is different—each has its own set of problems and opportunities, each has a unique identity that can be capitalized on, and each will evolve over time as entrepreneurship grows. What usually begins

Clematis Street, West Palm Beach, Florida.

as a street with local retailers will likely attract regional and national stores as its success builds and its market is reestablished. And even after a critical mass of retailing is achieved, the street still must be constantly managed and nurtured, like a shopping center, to meet fickle consumer demands.

At Ohio State University, High Street, in Columbus, Ohio, is undergoing a revitalization that will include 250,000 square feet of retail, restaurant, and entertainment space.

- Treat emerging retail districts as living, breathing entities. Build momentum by continuously putting energy into them, and they will create energy on their own.

- Like children, retail streets could grow and change without guidance, but we wouldn't like the results. If you doubt this conclusion, simply visit most of our cities' neighborhood shopping streets.

- Keep close tabs on the markets that you serve, and lease proactively to match the changing demands of these markets.

- Sometimes there is a need to "prune the deadwood" when leases run out. Even when a retailer may be willing to renew its lease, it may no longer fit into the vision or image of the area. In these cases, the space should be leased to a more suitable tenant. It is not unusual for a shopping center to remove 5 to 10 percent of its tenants every year to remain at the cutting edge of what its customers want. Neighborhood shopping streets need to be willing to do the same.

- Monitor emerging trends, problems, and conflicts closely so that they can be dealt with quickly. An ongoing conflict resolution process should be established to resolve conflicts among stakeholders.

- An ongoing central point of reference and clearinghouse for information should be operated to serve existing and potential customers, tenants, and investors.

- Representatives of the business community and citizen leaders should develop and nurture long-term relationships with public sector representatives who have responsibilities for the district to get an appropriate share of attention and funding. Public officials should likewise reach out to the business and citizen leaders. Strong two-way working relationships will help to achieve both public and private goals over the long term.