

# International Council of Shopping Centers (ICSC) RECon 2014

## THE STATE OF RETAIL

Michelle Hill – Senior Economic Development Specialist  
June 16, 2014



REDEFININGCommerce.com



# PRESENTATION PURPOSE

- 2014 ICSC RECon Report
- The changing state of the retail industry
  - Impact on retail development
  - Potential impact on Commerce City retail development
- Economic Development program changes

# ICSC REPORT: THE STATE OF RETAIL



## **RETAIL REDEFINED**



## **RETAIL DEVELOPMENT 101**



## **ECONOMIC DEVELOPMENT – ADAPTING & LOOKING AHEAD**

# ICSC REPORT: THE STATE OF RETAIL



## RETAIL REDEFINED



## RETAIL DEVELOPMENT 101



## ECONOMIC DEVELOPMENT – ADAPTING & LOOKING AHEAD

# RETAIL REDEFINED



## Changing Consumer Habits

- Buying Less
- Value Focused
- Online Sales Growing



## Changing Shopping Centers

- Malls
- Lifestyle Centers
- Mixed Use Development



## Downsizing

- Less Packaging
- Focus on Key Products
- Smaller Footprints

# RETAIL MARKET CHANGES –

## Decreasing store sizes

2008 –  
“Big Box” 145,000 sf  
format became the standard.

2011 –  
Packaging decreased - less  
shelf & inventory space was  
needed. 115,000 sf was the  
new “Big Box.”

2004 –  
Average store size  
was 65,000 sf.

2013 –  
A smaller 35,000 sf  
footprint for urban  
in-fill stores.

# RETAIL REDEFINED - Related Sectors



## Restaurants

- Impacted by economy & lifestyles
- Market growth is sole proprietors & national Fast Food and Fast Casual
- Daytime population



## Hotels

- Nearing market saturation
- Room night needs, Monday - Thursday



## Entertainment

- Slow growth of traditional entertainment
- Large trade areas
- Competition



# ICSC REPORT: THE STATE OF RETAIL



## RETAIL REDEFINED



## RETAIL DEVELOPMENT 101



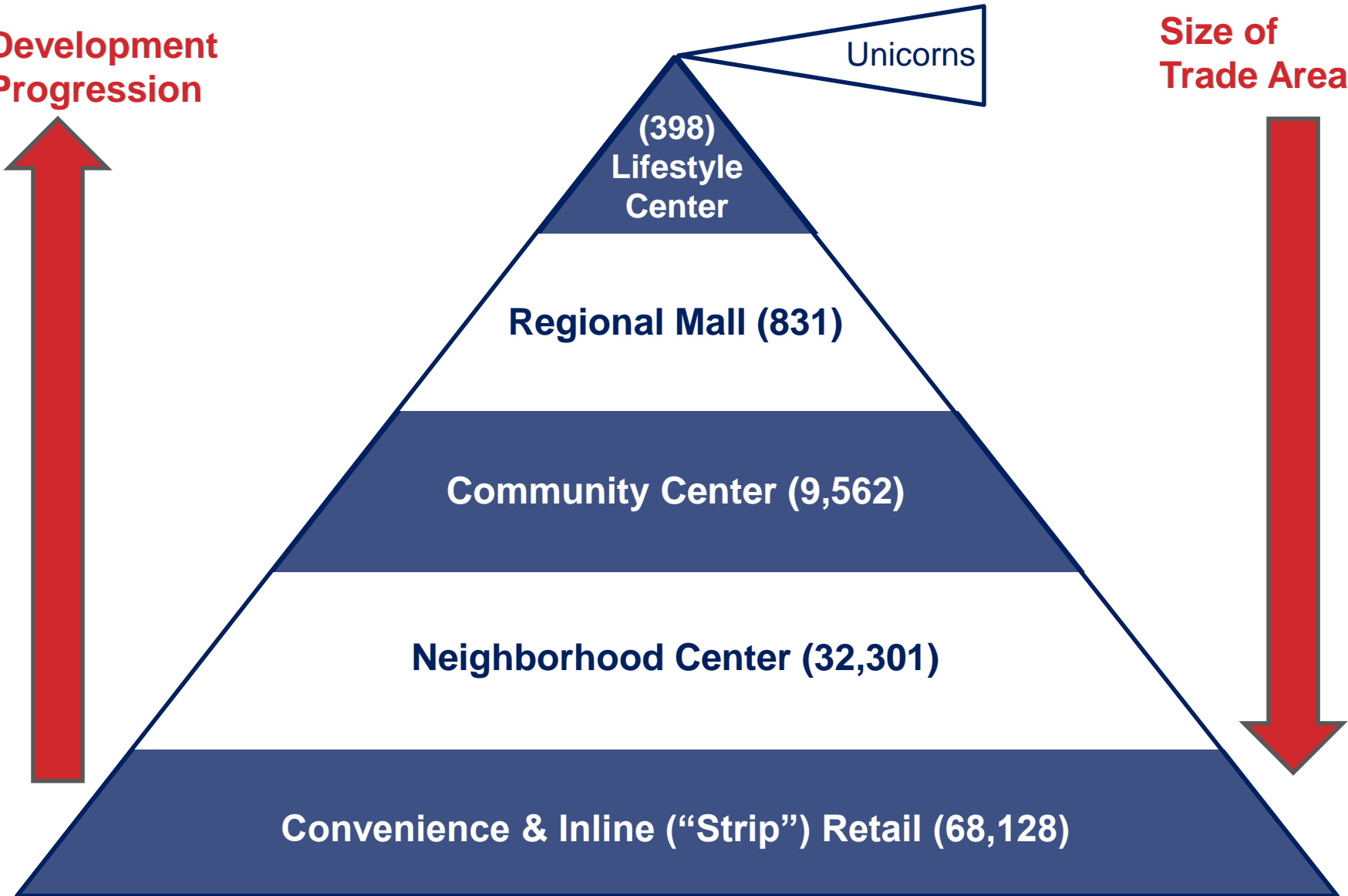
## ECONOMIC DEVELOPMENT – ADAPTING & LOOKING AHEAD



# RETAIL DEVELOPMENT 101

**Development  
Progression**

**Size of  
Trade Area**



(#) represents the number of U.S. shopping centers of that type.

Sources: Appraisal Institute, CoStar and ICSC, January 2014

# ICSC REPORT: THE STATE OF RETAIL



## RETAIL REDefined



## RETAIL DEVELOPMENT 101



## **ECONOMIC DEVELOPMENT – ADAPTING & LOOKING AHEAD**



# 2014+ Implementation Program Recommendations

Recruitment/Attraction

Retention/Expansion

Marketing

Address ED Issues

Workforce

# Recruitment & Attraction



THE  
**SITE  
SELECTOR**  
GUILD



## Prospect- ing

- Prospect Tracking/ Handling
- Engage with Local Industry
- Visibility with Influencers

## Site Selection Outreach

- Partnering
- Direct
- Strategic Sponsorships
- Global? - Flights

## Target Industries

- Primary Employment
- Less Focused on Retail
- Current Strengths
- Aspirational

## Address ED Issues

- More later

# ECONOMIC DEVELOPMENT – ADAPTING & LOOKING AHEAD



## Outreach & Support

- Refine Promotional Materials
- Information unique to Commerce City
- Support Deal-Makers
- Build Relationships
- Development Process



## Attraction

- Employers
- Traffic Generators
- The Next Tier of Retail



## Strategic Focus

- Sit-Down Restaurants
- Hotels
- Diversify
- Maximize Impact



# ECONOMIC DEVELOPMENT – ADAPTING & LOOKING AHEAD

- Targeted approach to meetings
  - Sit-down restaurants
  - Developers
  - Hotels
- Smaller team
- Quality vs Quantity
- New ideas = New relationships



# ECONOMIC DEVELOPMENT – ADAPTING & LOOKING AHEAD



***Make an  
impression!***



# BROKER FEEDBACK



“Laura and Michelle, thanks for the gift basket. Great idea; I like the competition and prize.”

**Mike Dailey - President**



“On behalf of the team over here, thank you for the ICSC Rescue Kit. It was very clever and went to good use!”

**Tami Lord – Vice President**



“We received the kit today...that was very thoughtful, thank you!!”

**Jim Stilwell - COO**



“Very cool idea, and our team liked the contents of the survival kit. Thanks for sharing this.”

**Christopher Burton – Founding Partner**

# SUMMARY

- The retail industry is changing
- Retail development principles still apply
- Economic Development staff is shifting focus for a strategic response to changes

**Thank you!**

**Questions?**



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**CITY**  
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# ICSC REPORT: THE STATE OF RETAIL

## Exhibits



COMMERCE CITY RETAIL MAP



COMMERCE CITY RETAIL MAP  
60<sup>th</sup> Avenue & Highway 85 Area



COMMERCE CITY RETAIL MAP  
104<sup>th</sup> Avenue Corridor

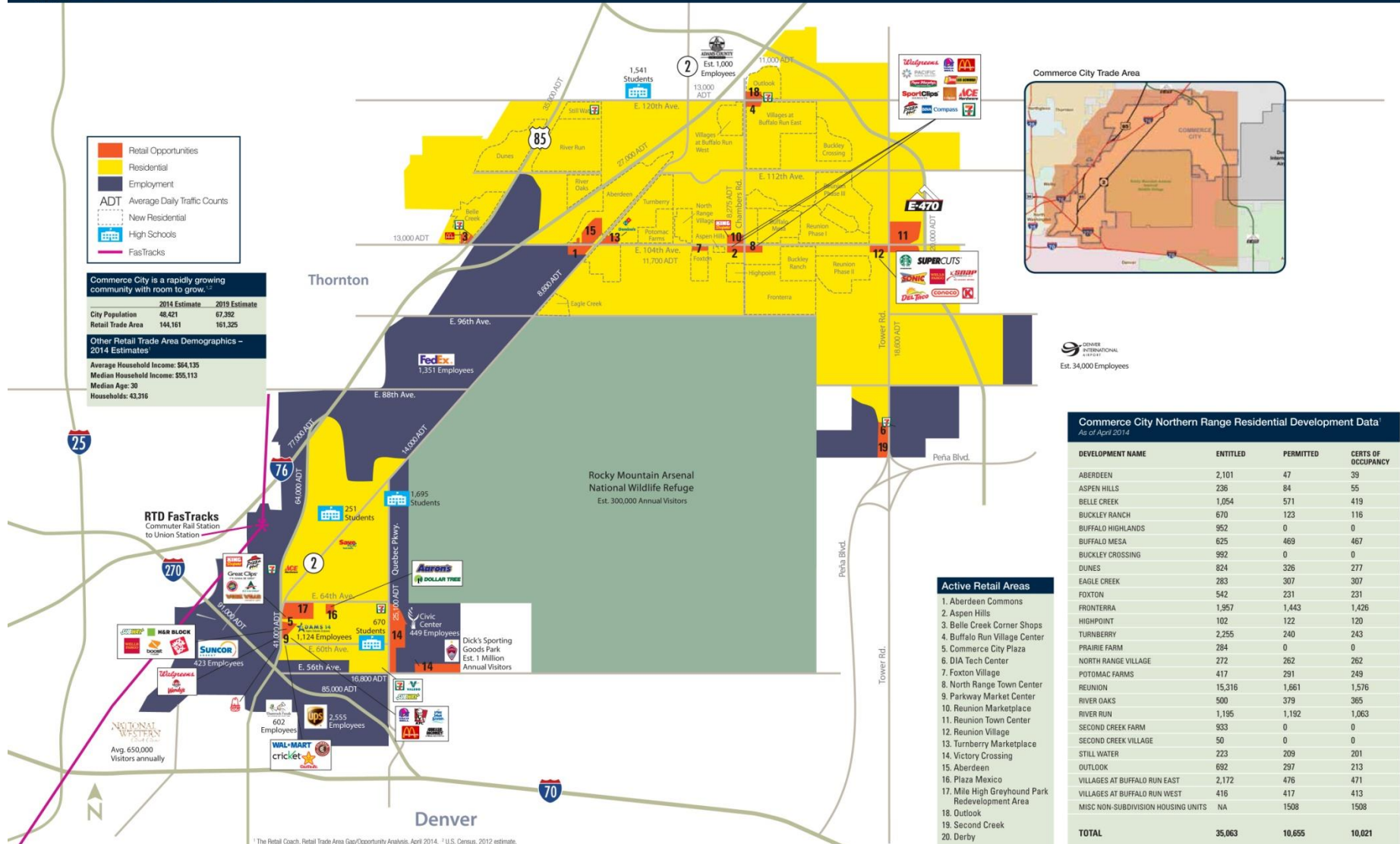


REGIONAL RETAIL CENTERS

# COMMERCE CITY RETAIL MAP

COMMERCE CITY 303.289.3620 • RedefiningCommerce.com

retail opportunities | national retailers & retail drivers

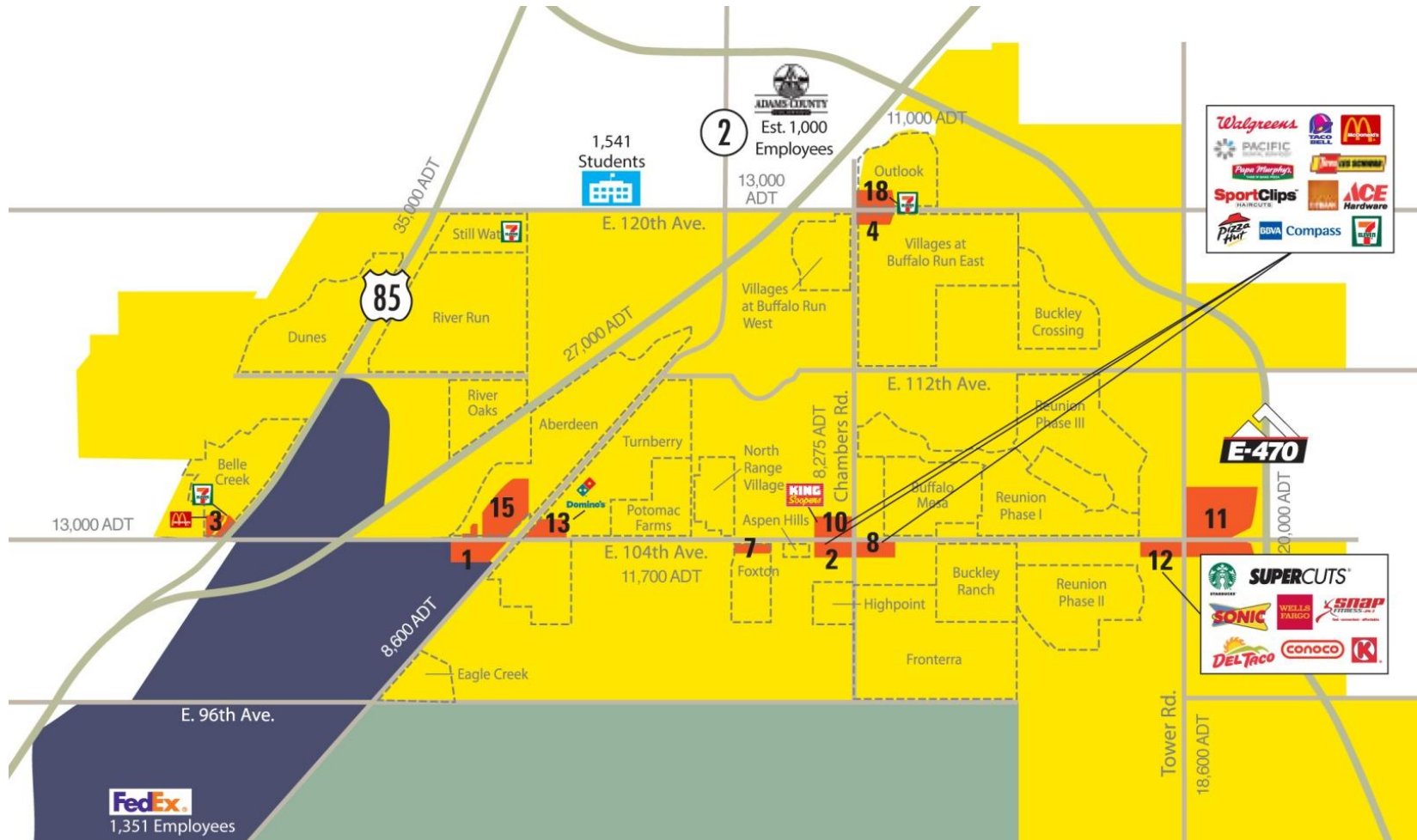




## Convenience, Neighborhood & Community Retail



# 104<sup>th</sup> Avenue Corridor – Convenience & Neighborhood Retail





# REGIONAL RETAIL CENTERS

## Nighborhood Centers

3-mile radius

King Soopers-anchored centers



## Community Centers

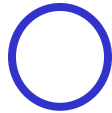
6-mile radius

Gateway

Stapleton

Northglenn Marketplace

Prairie Center



## Lifestyle Center

10-mile radius

Northfield

