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## Redesigning Shopping Centers for a Post-Pandemic World

By Rob Budetti, managing partner of AO

n the aftermath of the 2008 recession, shopping centers had many retail vacancies to fill, and we saw a shift to restaurants and entertainment venues emerging as new anchor tenants as retail centers evolved to become more experiential. This transition was accompanied with an emphasis on placemaking, which has now become the cornerstone for a successful retail/entertainment venue.

Fast-forward more than a decade later. Retailers find themselves navigating through a global pandemic, once again compelling centers to redefine placemaking and push the boundaries on experiential retail.

It comes as no surprise that retail, specifically shopping malls and





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centers, has been disproportionally impacted by COVID-19 with the accelerated shift of consumer demand to online shopping. Retailers have responded by implementing new processes, such as buy-online/pickup-in-store (BOPIS), food delivery services and *al fresco* dining, to avoid shutdowns and adhere to safety guidelines. Meanwhile, architects and designers have stepped in to rethink the design of centers to accommodate retailer needs, while figuring out creative ways to attract shoppers and design for the long-term, post-pandemic retail environment. And while some solutions are temporary in nature, what we do know is that the COVID-19 pandemic has forever changed the way we shop and dine.

#### Flexible Space & Open-Air Centers

As governmental restrictions continue to affect many retail tenants' indoor operations, the COVID-19 pandemic has underscored the focus on outdoor spaces — a pre-pandemic trend that continues to grow in popularity and necessity. Many retailers anticipate future pandemic-related restrictions on indoor dining and shopping and seek to increase outdoor spaces to future-proof their property and business. However, the key to the success of these outdoor areas relies not only on the added square footage, but the flexibility to adapt the space to function efficiently for multiple uses.

Completed in 2019 by developer CenterCal Properties, 2nd & PCH in Long Beach, California features a "convertible" Main Street that's typically open to vehicular traffic but can be closed for street fairs or community events without compromising circulation or access to parking structures. During the pandemic, CenterCal permanently closed a portion of Main Street to allow retailers and restaurants to expand outdoors. This conversion has been working really well, leading to a multi-use outdoor space that can serve as a post-pandemic venue for outdoor movie nights or yoga classes and can be partitioned into smaller, more intimate spaces as needed.

In California, and particularly in Southern California, there is a growing trend toward increasing permanent patios and other outdoor spaces because the warm climate allows for the use of these venues year-round. The demand for increased outdoor spaces has been growing for quite some time and the pandemic has accelerated this trend, not just for patios, but for all outdoor gathering areas in general.

While some centers are able to leverage their property to create expansive spaces like 2nd & PCH, another trend on the rise is the increase of smaller, more intimate outdoor areas spread throughout retail centers. This trend involves more intimate seating areas with fire pits and small pocket parks along walkways, which may complement larger gathering areas that can accommodate fitness classes, concerts or movie screenings.

The resurgence of car culture is another trend that is expected to be a post-pandemic mainstay. From extended drive-thru services to expanded drive-in entertainment, certain aspects, such as curbside pickup and food delivery services, are here to stay. Centers



are leveraging and generating revenue from areas such as parking structure rooftop decks to host pop-up drive-in movie theaters, live music venues and even live comedy shows. Again, the key here is maximizing the use of existing outdoor space, providing a variety of space designs in the mix and keeping it flexible to easily adapt to changing circumstances and user needs.

#### **Experiential Design & Placemaking**

With the ever-increasing competition from online shopping, retailers must rely on experiential design and placemaking to drive traffic to shopping centers and incentivize visitors to spend more time onsite. The concepts of experiential design tap into the human need to socialize and gather, creating spaces that shoppers crave through interactive retail environments. This can be achieved through curated experiences that incorporate sculptured art or colorful murals to create Instagrammable moments or, with interactive technology, creative programming and entertainment.

CenterCal's Mountain View Village, an up-and-coming shopping destination in Riverton, Utah, is incorporating experiential retail and placemaking in a number of ways to draw visitors with curated elements, including interactive LED screens with games, impressive fountains with light shows and artistic play areas. On the design front, the center responds to demand for smaller retailer spaces to accommodate boutique and start-up retail concepts.

The COVID-19 pandemic has had a profound impact on consumer shopping behaviors, affecting where people shop to what product or services they purchase and how much they spend. With vaccines becoming more widely available and herd immunity on the horizon, the retail industry will soon see people resume shopping, dining and gathering in person.

While the pandemic undeniably accelerated the shift to online shopping, there is just no substitute to the tangible and social experience that shopping center destinations can deliver. Crowds will return *en masse* to shopping centers that incorporate experiential design and placemaking elements and do a good job of communicating about cleanliness and safety measures.