

Appendix D

DKS Vehicle Miles Traveled Analysis Memorandum



VMT ANALYSIS

DATE: May 13, 2020

TO: Aelita Milatzo, Pelle Clarke | City of Sacramento

FROM: Vic Maslanka, Erin Vaca | DKS Associates

SUBJECT: VMT Analysis

Project #19179-005

Natomas Town Center Phase 2

This memorandum summarizes the VMT analysis for CEQA purposes of the Natomas Town Center Phase 2 project located at the northeast corner of Del Paso Road and Town Center Drive in North Natomas in the City of Sacramento.

BACKGROUND

The Natomas Town Center Phase 2 project consists of 78,036 square feet of commercial space in the North Natomas area of the City of Sacramento. The project plan shows uses that include a health club, day care, bank, restaurants, and retail space. An earlier transportation analysis evaluated vehicular trip generation and distribution, traffic circulation, and intersection operations (delay and queuing).¹ This VMT analysis is being conducted for the project for the purposes of CEQA review.

PROJECT DESCRIPTION

As illustrated in Figure 1, the project is located on the northeast corner of Del Paso Road and Town Center Drive. The project is located just east of the existing Natomas Town Center (across Town Center Drive), which is a shopping center anchored by a Safeway grocery store.

Figure 2 illustrates the project site plan. Table 1 summarizes the project the land uses. The project contains a bank (3,827 s.f.), day care (12,072 s.f.), health club (38,295 s.f.), retail space in two buildings (11,600 s.f.), and restaurants (12,242 s.f.).

¹ Transportation Analysis, Natomas Town Center Phase 2, prepared for City of Sacramento, DKS Associates, May 12, 2019.



FIGURE 1 – PROJECT LOCATION

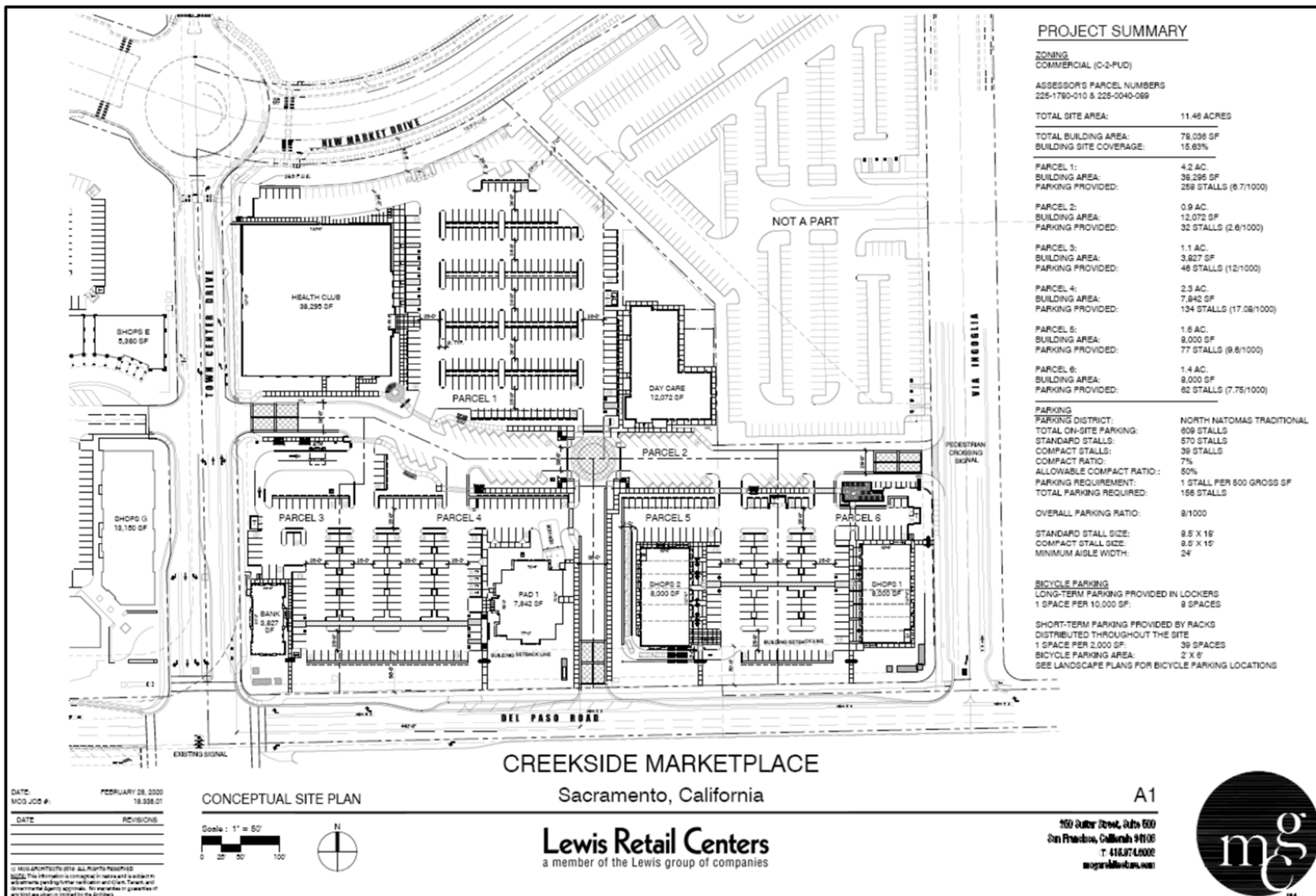


FIGURE 2 – SITE PLAN

TABLE 1: PROJECT COMPONENTS

BUILDING	COMPONENT	SIZE (SQUARE FEET)
BANK	Bank with ATM Drive-Through	3,827
DAY CARE	Day Care	12,072
HEALTH CLUB	Health Club	38,295
PAD 1	Sit-Down Restaurant	7,842
SHOPS 1	Retail	5,800
	Fast Casual Restaurant (Take-out)	2,200
SHOPS 2	Retail	5,800
	Coffee/Donut Shop with Drive-Through	2,200
TOTAL	All	78,036

Source: Conceptual Site Plan, Creekside Marketplace, February 28, 2020; City of Sacramento.

VMT IMPACT CRITERIA – SB 743

Senate Bill 743 (Steinberg, 2018), codified in Public Resources Code section 21099, required changes to the CEQA Guidelines on the analysis of transportation impacts. In January 2019, the Natural Resources Agency updated the CEQA Guidelines in response to SB 743. The revised guidelines state, “Generally, vehicle miles traveled is the most appropriate measure of transportation impacts.” In addition, “Except as provided in subdivision (b)(2) below...a project’s effect on automobile delay shall not constitute a significant environmental impact.” With respect to the timing of the change to the CEQA Guidelines, “A lead agency may elect to be governed by the provisions of this section immediately. Beginning on July 1, 2020, the provisions of this section shall apply statewide.”²

The most authoritative guidance on implementing the SB 743 changes comes from the Governor’s Office of Planning and Research (OPR), which worked with the Natural Resources Agency to update the CEQA Guidelines. In December 2018, OPR published technical guidance recommending approaches to analyzing transportation and land use projects. Because new retail development often redistributes trips rather than creating new travel demand, the OPR guidance recommends

² California Code of Regulations, Title 14, Division 6, Chapter 3, Section 15064.3(c).

that lead agencies analyze the net change in VMT to indicate the transportation impact of retail projects.³

The potential for VMT impacts, according to this approach, hinges on whether the project can be considered local-serving or regional. By adding retail opportunities within existing neighborhoods, local-serving retail projects can shorten trips and reduce overall VMT. In contrast, regional destination retail projects would draw customers from larger trade areas, potentially substituting for shorter trips and increasing VMT. The OPR guidance suggests that any retail projects including stores larger than 50,000 square feet might be considered regional serving retail.

RETAIL CENTER CHARACTERISTICS

The classification of commercial centers (retail centers, shopping centers) is complicated by the many possible combinations of uses within any center. However, for purposes of managing and leasing space, the shopping center industry has developed a classification scheme with ten categories, as illustrated in Figure 3. Of the ten categories, the “Strip / Convenience” Center and the “Neighborhood Center” can usually be considered as local-serving retail. These centers, which typically range in size up to 125,000 square feet, are occupied by uses oriented to a trade area of three miles or less. The typical uses are ubiquitous throughout the area, with many nearby competitors, as well as multiple locations of specific tenants. Neighborhood centers require the support of 6,000 to 8,000 households in a one- to two-mile radius.⁴

PROJECT ENVIRONS AND CHARACTERISTICS

As discussed in the description of VMT screening of retail projects, a retail project may result in a reduction of VMT if it is “local-serving retail”. The following characteristics of the environs and of the project itself were evaluated.

NEARBY LAND USE

The project is in the North Natomas Community Plan area, which encompasses about 9,000 acres in an urban form including a mixture of residential, employment, commercial, and civic uses.⁵ Del Paso Boulevard, a six-lane arterial roadway, provides primary access. As shown in Figure 4, the General Plan designation for the site is “Traditional Center”, with “Urban Center High” designation across Del Paso Road.

³ Governor’s Office of Planning and Research, Technical Advisory on Evaluating Transportation Impacts in CEQA. (New York: Free Press, December 2018), 15–16.

⁴ A Primer on Retail Types and Urban Centers, Robert Steuteville, Congress for the New Urbanism, Public Square, September 1, 2007.

⁵ 2035 General Plan, North Natomas Community Plan, City of Sacramento, Adopted March 3, 2015.

U.S. Shopping-Center Classification and Characteristics												
Type of Shopping Center	Concept	Center Count	Aggregate GLA (Sq. Ft.)	% Share of Industry GLA	Average Size (Sq. Ft.)	Typical GLA Range (Sq. Ft.)	Acres	# of Anchors	% Anchor GLA	Typical Number of Tenants	Typical Type of Anchors	Trade Area Size
General-Purpose Centers		112,520										
Super-Regional Mall	Similar in concept to regional malls, but offering more variety and assortment.	620	778,336,548	10.2%	1,255,382	800,000+	60-120	3+	50-70%	NA	Full-line or junior department store, mass merchant, discount department store and/or fashion apparel store.	5-25 miles
Regional Mall	General merchandise or fashion-oriented offerings. Typically, enclosed with inward-facing stores connected by a common walkway. Parking surrounds the outside perimeter.	600	353,795,548	4.7%	589,659	400,000-800,000	40-100	2+	50-70%	40-80 stores	Full-line or junior department store, mass merchant, discount department store and/or fashion apparel store.	5-15 miles
Community Center ("Large Neighborhood Center")	General merchandise or convenience-oriented offerings. Wider range of apparel and other soft goods offerings than neighborhood centers. The center is usually configured in a straight line as a strip, or may be laid out in an L or U shape, depending on the site and design.	9,776	1,930,849,736	25.4%	197,509	125,000-400,000	10-40	2+	40-60%	15-40 stores	Discount store, supermarket, drug, large-specialty discount (toys, books, electronics, home improvement/furnishings or sporting goods, etc.)	3-6 miles
Neighborhood Center	Convenience oriented.	32,588	2,340,711,371	30.8%	71,827	30,000-125,000	3-5	1+	30-50%	5-20 stores	Supermarket	3 miles
Strip/Convenience	Attached row of stores or service outlets managed as a coherent retail entity, with on-site parking usually located in front of the stores. Open canopies may connect the store fronts, but a strip center does not have enclosed walkways linking the stores. A strip center may be configured in a straight line, or have an "L" or "U" shape. A convenience center is among the smallest of the centers, whose tenants provide a narrow mix of goods and personal services to a very limited trade area.	68,936	911,202,922	12.0%	13,218	< 30,000	<3	Anchor-less or a small convenience-store anchor.	NA	NA	Convenience store, such as a mini-mart.	<1 mile
Specialized-Purpose Centers		3,275										
Power Center	Category-dominant anchors, including discount department stores, off-price stores, wholesale clubs, with only a few small tenants.	2,258	990,416,667	13.0%	438,626	250,000-600,000	25-80	3+	70-90%	NA	Category killers, such as home improvement, discount department, warehouse club and off-price stores	5-10 miles
Lifestyle	Upscale national-chain specialty stores with dining and entertainment in an outdoor setting.	491	164,903,247	2.2%	335,852	150,000-500,000	10-40	0-2	0-50%	NA	Large format upscale specialty	8-12 miles
Factory Outlet	Manufacturers' and retailers' outlet stores selling brand-name goods at a discount.	367	87,368,113	1.2%	238,060	50,000-400,000	10-50	NA	NA	NA	Manufacturers' and retailers' outlets	25-75 miles
Theme/Festival	Leisure, tourist, retail and service-oriented offerings with entertainment as a unifying theme. Often located in urban areas, they may be adapted from older--sometimes historic--buildings and can be part of a mixed-use project.	159	23,498,769	0.3%	147,791	80,000-250,000	5-20	Unspecified	NA	NA	Restaurants, entertainment	25-75 miles
Limited-Purpose Property		62										
Airport Retail	Consolidation of retail stores located within a commercial airport	62	15,452,860	0.2%	249,240	75,000-300,000	NA	NA	NA	NA	No anchors; retail includes specialty retail and restaurants	NA
Total Industry		115,857										
Total Industry	Traditional + Specialty + Special Purpose	115,857	7,596,535,781	100.0%	65,568							

Sources: ICSC Research and CoStar Realty Information, Inc. (www.costar.com)

January 2017

FIGURE 3 – SHOPPING CENTER CLASSIFICATION AND CHARACTERISTICS

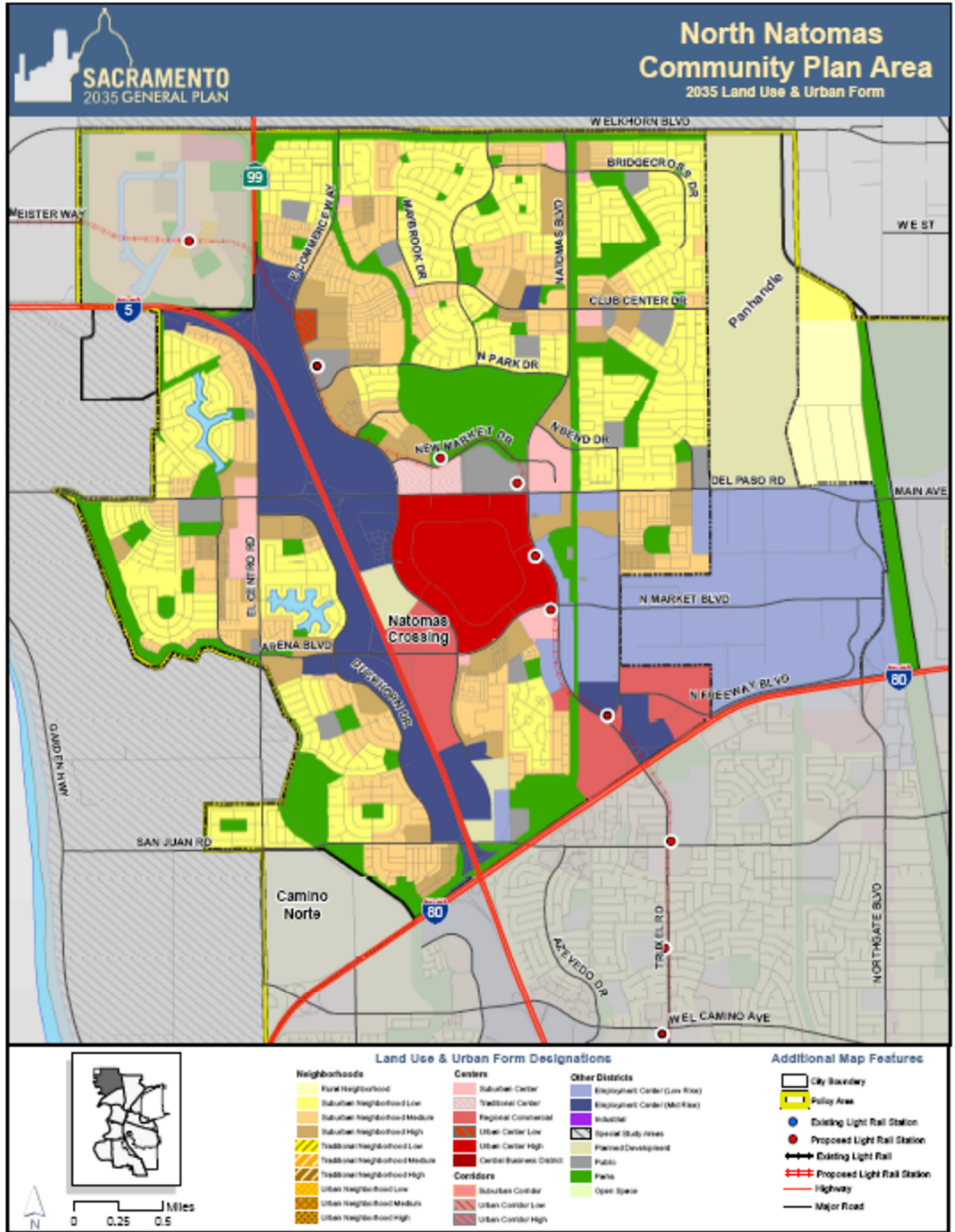


FIGURE 4 – 2035 GENERAL PLAN DESIGNATIONS

To the west of the site across Town Center Drive is the Natomas Town Center, a neighborhood retail center of about 130,000 square feet with a Safeway grocery store. To the northwest is Homecoming at Creekside Natomas, a 450-unit apartment community. To the north across New Market Drive is the North Natomas Regional Park.

To the east across Via Ingoglia is Inderkum High School, American River College (ARC) Natomas Center, and the North Natomas Library. Several office buildings are located across Del Paso Boulevard from the site. Estimated 2018 population within two miles is 54,301, and 81,310 within three miles.⁶

Near the project, several projects have been approved but are have not yet been constructed and fully occupied. These projects are illustrated on Figure 5 and summarized in Table 2.

PROJECT COMPONENTS

The proposed project components are retail / service uses that are common throughout the North Natomas area. They are intended to serve the local area and will compete with nearby businesses. No “unique” or destination-retail uses are proposed which would be likely to attract a substantial number of long-distance trips.

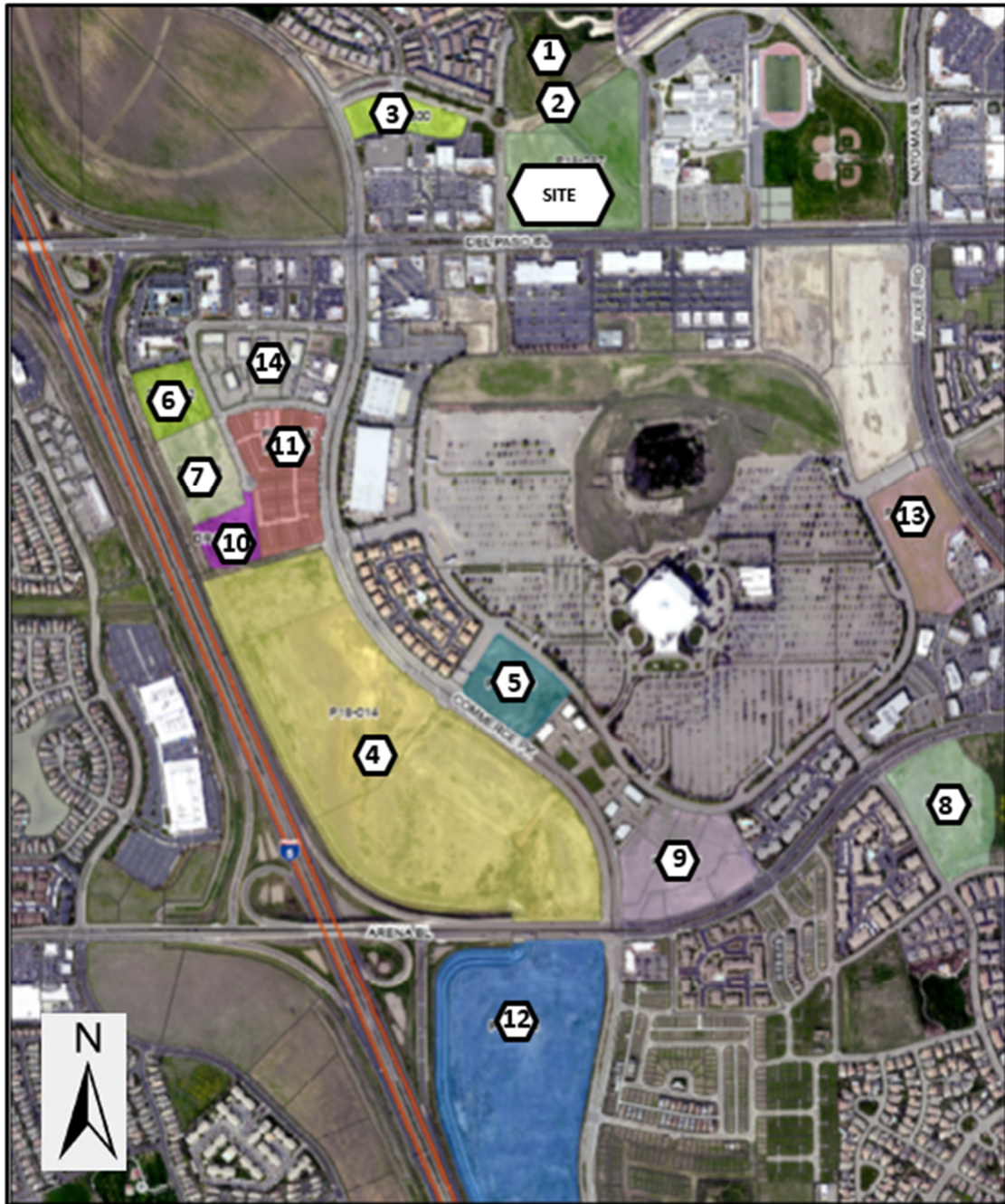
- Bank – There are numerous banks located within one mile of the site, including US Bank, Bank of America, Five Star Bank, SAFE Credit Union, Wells Fargo Bank, and Tri Counties Bank.
- Day Care – There are approximately ten-day care centers within two miles of the site.
- Health Club – There are approximately ten fitness centers / health clubs within two miles of the site.
- Restaurants / Coffee Shops – There are over twenty dining establishments within two miles of the site.
- Retail Space – There are two retail components, each at 5,800 square feet, which may be divided. Although tenants are unknown, it is anticipated that these uses would be like those in the adjacent Natomas Town Center, comprised of small businesses and services oriented to the local community.

PROJECT TRAVEL PATTERNS

The earlier transportation analysis provides quantitative estimates of project vehicular trip generation. The project is estimated to generate 8,833 vehicle trips.

- About 23 percent of the trips will be internal trips. These internal trips between uses on the site will replace automobile trips.

⁶ Fact Sheet, Natomas Town Center, CBRE.



- | | | |
|---|------------------------------|-----------------------------|
| 1. North Natomas Community Center and Aquatics Complex (NNCCAC) | 7. Vibra Rehab Hospital | 14. Natomas Crossing Office |
| 2. New Market Drive Segment | 8. Spanos Apartments | |
| 3. Creekside Apartments | 9. Innovate Corporate Center | |
| 4. Centene | 10. 20 Advantage Court | |
| 5. Medley Apartments | 11. Provance Condominiums | |
| 6. Aloft Hotel | 12. Natomas Crossing Area 3 | |
| | 13. Arena Seniors | |

FIGURE 5 – NEARBY APPROVED PROJECTS

TABLE 2: NEARBY APPROVED PROJECTS

PROJECT	LOCATION	DESCRIPTION
1. NORTH NATOMAS COMMUNITY CENTER AND AQUATICS COMPLEX (NNCCAC)	North side of New Market Drive between Town Center Drive and Via Ingoglia	<ul style="list-style-type: none"> ▪ Community Center (16,000 square feet) ▪ Aquatic Center (Swimming Pools, Concession Areas – 35,000 square feet)
2. NEW MARKET DRIVE SEGMENT	Town Center Drive to Via Ingoglia	New two-lane roadway with median
3. CREEKSIDE APARTMENTS	North and south sides of New Market Drive east of East Commerce Way	120 Apartments
4. CENTENE	West side of East Commerce Way between Arena Drive and future Snowy Egret Drive	Office (1,250,000 square feet)
5. MEDLEY APARTMENTS	East side of East Commerce Way South of Arena Main Entrance	160 Apartments
6. ALOFT HOTEL	3041 Advantage Way	131 rooms
7. VIBRA REHAB HOSPITAL	10 Advantage Court	62,061 square feet hospital
8. SPANOS APARTMENTS	Southeast corner Arena Boulevard and Innovator Drive	293 Apartments
9. INNOVATE CORPORATE CENTER	Northeast corner of East Commerce Way and Arena Boulevard	120 room hotel
10. 20 ADVANTAGE COURT	20 Advantage Court	124 room hotel
11. PROVANCE CONDOMINIUMS	Southwest corner East Commerce Way and Benefit Way	237 condominiums
12. NATOMAS CROSSING AREA 3	Southwest corner East Commerce Way and Arena Boulevard	302,206 square feet office
13. ARENA SENIORS	Southwest corner Truxel Road and Terracina Drive	240 apartments
14. NATOMAS CROSSING OFFICE	Southeast corner Advantage way and Advantage Court	122,500 square feet office

Source: DKS Associates, 2020.

- About 28 percent are expected to be pass-by trips. Pass-by trips are vehicle trips that access the project site that are already on the roadway network driving past the site. These linked trips result in minimal changes in VMT.

The resultant new external vehicle trips are estimated to be 4,304 daily.

The project also has good pedestrian access to nearby uses, which could reduce automobile trips to the site. To the west, a new traffic signal with pedestrian crossing will provide direct access to Natomas Town Center. To the east, via sidewalks and a planned pedestrian crossing, Inderkum High School, ARC Natomas Center, and the North Natomas Library can be accessed. To the north across New Market Drive via Town Center Drive and Via Ingoglia, the North Natomas Regional Park and planned North Natomas Community Center and Aquatics Complex (NNCCAC) can be accessed.

THRESHOLDS OF SIGNIFICANCE

Consistent with Appendix G of the CEQA Guidelines, thresholds of significance adopted by the governing jurisdictions in applicable general plans and previous environmental documents, and professional judgement, a significant impact would occur if the proposed project would:

VEHICLE MILES TRAVELED (VMT) – CITY OF SACRAMENTO

Impacts to the roadway system are considered significant if the proposed retail project would:

- Result in an increase in VMT.
- Projects consisting of local-serving retail are presumed to have a less than significant impact.

IMPACTS AND MITIGATION MEASURES

Impact: The proposed project could cause potentially significant impacts to the roadway network. Based on the analysis below, the impact is less than significant.

The project is considered to be local-serving retail, which is presumed to have a less than significant impact based upon OPR guidance.

The proposed retail project would consist of local serving uses. The store types within the center are common in the area, with many nearby competitors. Each of the stores within the center is smaller than 50,000 square feet. The overall center size falls within the range of “neighborhood center”, which typically has a trade area of three miles. The population within two miles is over 54,000, which is more than the 6,000 to 8,000 households necessary to support the center. In addition to the households, there is a substantial workforce population near the center.

Mitigation Measure

None required.

TECHNICAL APPENDICES



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NATOMAS TOWN CENTER FACT SHEET

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Natomas Town Center

NEC DEL PASO ROAD & EAST COMMERCE PARKWAY, SACRAMENTO, CA 95835

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PROPERTY INFO

- + ±130,000 SF Neighborhood Center
- + Excellent location across from Sleep Train Arena
- + Easy access from both Interstate 80 and Interstate 5 freeways
- + Upscale "Town Center" design
- + Major development coming to the area in the Metro Air Park including an ±800,000 SF Amazon warehouse
- + Across from Lewis-developed Homecoming at Creekside Natomas, a 450-unit apartment community
- + Part of Lewis-developed Creekside Natomas Master Planned Community

DEMOGRAPHICS	2 Miles	3 Miles	5 Miles
Estimated Population 2018	54,301	81,310	175,356
Average Household Income	\$101,754	\$93,422	\$78,185
Daytime Population	16,271	28,663	65,341

TRAFFIC COUNT

Del Paso Road @ East Commerce Way: 39,321 ADT

Source: Costar

SAFEGWAY



Bank of America



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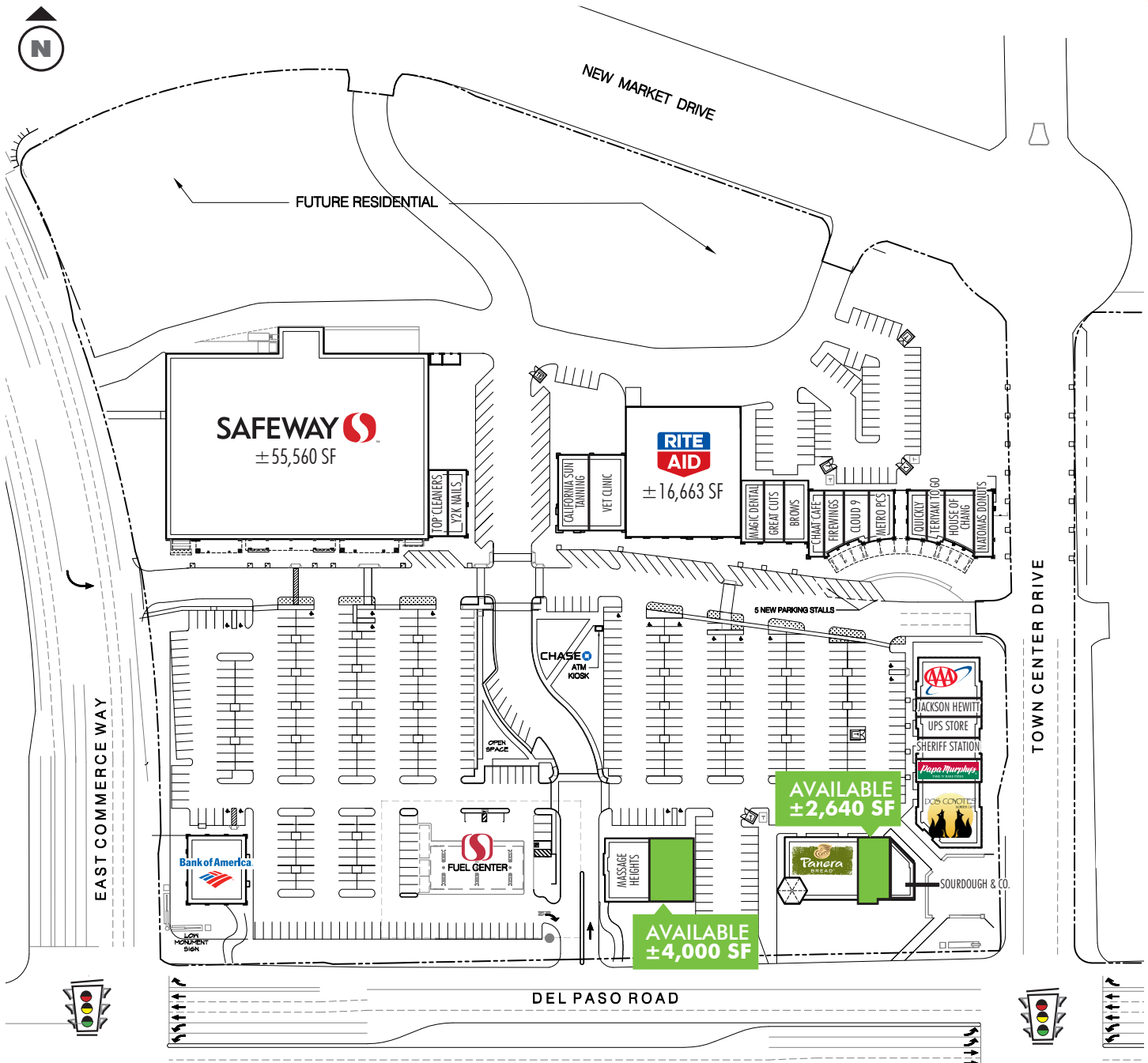
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POPULATION

	2 MILES	3 MILES	5 MILES
2018 Population - Current Year Estimate	54,301	81,310	175,356
2023 Population - Five Year Projection	57,596	85,709	184,847
2010 Population - Census	48,360	73,910	161,568
2000 Population - Census	1,738	19,395	99,928
2010-2018 Annual Population Growth Rate	1.41%	1.16%	1.00%
2018-2023 Annual Population Growth Rate	1.19%	1.06%	1.06%



RACE AND ETHNICITY

2018 Population	54,301	81,310	175,356
White	21,450 39.5%	32,370 39.8%	74,290 42.4%
Black or African American	7,637 14.1%	12,024 14.8%	23,460 13.4%
Asian	15,513 28.6%	19,538 24.0%	31,884 18.2%
American Indian or Alaska Native	336 0.6%	618 0.8%	2,043 1.2%
Pacific Islander	673 1.2%	1,052 1.3%	2,648 1.5%
Other Race	4,058 7.5%	8,647 10.6%	26,678 15.2%
Two or More Races	4,634 8.5%	7,062 8.7%	14,354 8.2%
Hispanic	10,593 19.5%	20,177 24.8%	56,537 32.2%
White Non-Hispanic	16,825 31.0%	24,118 29.7%	52,382 29.9%



EDUCATION

2018 Population 25 and Over	35,192	52,269	110,162
Less than 9th Grade	1,483 4.2%	2,546 4.9%	9,149 8.3%
9-12th Grade - No Diploma	1,163 3.3%	2,123 4.1%	9,013 8.2%
High School Diploma	5,585 15.9%	8,892 17.0%	24,106 21.9%
GED or Alternative Credential	484 1.4%	922 1.8%	3,405 3.1%
Some College - No Degree	7,629 21.7%	11,765 22.5%	24,881 22.6%
Associate's Degree	3,732 10.6%	5,676 10.9%	9,903 9.0%
Bachelor's Degree	9,745 27.7%	13,449 25.7%	19,988 18.1%
Graduate or Professional Degree	5,371 15.3%	6,896 13.2%	9,717 8.8%



HOUSEHOLD INCOME

2018 Households	18,963	28,579	58,266
Under \$15,000	1,251 6.6%	1,973 6.9%	6,039 10.4%
\$15,000-\$24,999	1,201 6.3%	1,912 6.7%	5,478 9.4%
\$25,000-\$34,999	907 4.8%	1,932 6.8%	4,883 8.4%
\$35,000-\$49,999	1,559 8.2%	2,892 10.1%	7,635 13.1%
\$50,000-\$74,999	3,350 17.7%	5,199 18.2%	10,961 18.8%
\$75,000-\$99,999	2,843 15.0%	4,346 15.2%	7,709 13.2%
\$100,000-\$149,999	4,233 22.3%	5,851 20.5%	9,190 15.8%
\$150,000-\$199,999	2,126 11.2%	2,651 9.3%	3,655 6.3%
\$200,000 and Over	1,491 7.9%	1,822 6.4%	2,717 4.7%
2018 Average Household Income	\$101,754	\$93,422	\$78,185
2023 Average Household Income	\$121,583	\$111,534	\$92,739
2018 Median Household Income	\$83,890	\$76,634	\$59,231
2023 Median Household Income	\$100,155	\$88,693	\$68,831
2018 Per Capita Income	\$35,482	\$32,987	\$26,207
2023 Per Capita Income	\$42,031	\$39,057	\$30,844

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A PRIMER ON RETAIL TYPES AND URBAN CENTERS

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A primer on retail types and urban centers

ROBERT STEUTEVILLE (/node/538) SEP. 1, 2007



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Developing and managing retail centers remains one of the most risky of all real estate categories. Retailers must respond to ever-changing consumer trends and demands, while constantly fending off new competition. As a result, the retail industry relies upon proven methods and techniques to minimize the risk and to earn a market rate of return on investment. This risk is more acute in mixed-use urban developments, where vacant store fronts or undesirable retailers can significantly disrupt the surrounding residential and office quality of life.

Most shopping centers fall into one of six primary proven types. Each type of center appeals to distinct market segments and has specific sizes, tenants, location criteria and site plan standards. Although there are always exceptions to these commercial center types, centers that deviate from these industry standards and sizes are often considered risky and difficult to finance or lease.

These primary shopping center types are: The corner store, convenience center, neighborhood center, community center, regional center, and the lifestyle (town) center. In addition, each of these center types can be “supersized” or increased by 30 to 50 percent.

Corner stores

The smallest and most useful retail type, the corner store, ranges from 1,500 to 3,000 square feet. These small stores offer beverages, food and sundries that are needed on a regular basis by most households, workers, and travelers. Beer, bread, cigarettes, prepared sandwiches, sundries, and snacks represent the bulk of their sales. These stores primarily offer convenience over selection and value.

Corner stores ideally are located along major local roads at the busiest entry to the neighborhood. However, in densely populated TND's, the corner store can be sustainable within the neighborhood when located along its primary street. The store also benefits if located adjacent to community buildings, parks and schools.

Approximately 1,000 households are necessary to support the average corner store. This number can be reduced significantly if the store is located along a major road with 15,000 or more cars per day. Corner stores that also sell gasoline are supportable with virtually no adjacent homes.

Convenience centers

Typically between 10,000 to 30,000 square feet, these centers offer an array of goods and services geared towards the daily needs of the surrounding neighborhoods. These centers are often anchored with a small specialty food market or pharmacy. Convenience centers tenants offer a limited balance of food, personal services, and local offices.

Typical tenants include a bagel store, bakery, bank, coffee shop, dry cleaner, financial services, florist, food market, ice cream shop, laundry center, mail center, package liquor store, personal services, pharmacy, real estate office, or tailor.

Convenience centers need about 2,000 households — the equivalent of about two TND neighborhoods — to be supportable. These centers must be located along a major road, ideally at the primary entry to both neighborhoods. Their average trade area typically extends up to a 1.5-mile radius.

Neighborhood centers

Anchored with a supermarket, pharmacy, or video store, neighborhood centers offer a full depth of goods and services not available at smaller centers. The primary anchor is a full-sized supermarket typically ranging from 45,000 to 60,000 square feet. This major anchor is the engine that supports most of the other smaller businesses to the extent that if a supermarket closes, many of the other tenants will immediately leave the center.

Neighborhood centers generally range from 70,000 to 90,000 square feet in total size (including the supermarket) and require the support of 6,000 to 8,000 households in a 1- to 2-mile radius. Most households in the primary trade area will visit the center once or twice a week. However, in very rural areas it's not unusual for residents to drive more than 50 miles weekly to visit a neighborhood center.

These centers typically have 10 to 15 smaller retailers such as a bakery, bank, cafe, dollar store, dry cleaner, florist, food market, mail center, pharmacy, tanning salon, family restaurant, laundry center, or stores that sell hardware, electronics, bagels, bicycles, cards, eyewear, shoes, financial services, picture frames, home furnishings, ice cream, jewelry, liquor, telephones, personal services, or rent DVDs.

Community centers

The backbone of the shopping industry, community centers are larger than neighborhood centers but often include the same tenants. Typically 250,000–350,000 square feet in size, community centers pull from a 4 to 6 mile trade area with a 50,000 or greater population. Many community centers exceed 500,000 square feet when multiple anchors are included.

The centers often include discount department stores, home improvement stores, sporting goods, apparel, booksellers, restaurants, and supermarkets. These centers are a challenge to plan in a pure new urban model, although plans using A-B quality formats — a high-quality main street (A) combined with a suburban planned area (B) — have proven acceptable by leading retailers, when demographics are favorable.

Regional centers

The largest shopping center type, regional centers focus on apparel and goods typically sold in department stores. The centers are always anchored with multiple full-sized fashion department stores and often include 200,000 to 300,000 square feet of inline shops and restaurants. The regional center generally exceeds 900,000 square feet, but can go up to 2 million square feet. The centers have an average trade area of 10 to 12 miles in suburban densities.

The lead department stores determine when and where the regional centers open and often seek at least 150,000 persons living within the primary trade area. Recently, discount department stores have been welcomed to regional centers in response to consumer preferences and the consolidation of traditional department stores.

First opened in the mid-1950s, regional mall growth has slowed due to increased competition from community and lifestyle centers. Most regional centers are enclosed and self-contained; however, new open air formats are being tested. Recently numerous regional centers have been converted into mixed-use open air centers.

Lifestyle centers

The newest retail type, the lifestyle center was created in an effort to offer upscale fashion and home furnishing centers without department stores. These open-air centers have become very successful with busy shoppers who seek specific favorite shops. The centers are built with and without streets; however those with streets tend to be more successful.

With a 4- to 6-mile trade area, lifestyle centers can squeeze between regional centers or into tight niche markets that are underserved by retail. Most retailers seek access to at least 75,000 households earning a minimum of \$75,000 per year. However, the lifestyle center format has been proven to work for moderately priced retailers that have a broader consumer base. Developers have recently found that the lifestyle format when combined with residential, office, and community uses can increase traffic and improve overall performance. These new mixed-use centers are often referred to as “town centers.”

Although town centers often closely parallel many new urban principles, they pose a potential threat to historic downtowns. This “main street” collection of popular retailers and restaurants combined with conventional parking and modern retail management techniques offers shoppers an experience that is perceived as “urban enough.” Ideally the popular shopping center formats could be weaved into existing downtowns so they don’t compete with retailers on historic main streets.

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