

Urban development: mixed use, mixed results?

By [Marlys Harris](#) | 04/02/14 MinnPost



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Ever since Jane Jacobs celebrated diverse, high-density neighborhoods in her 1961 classic "The Death and Life of Great American Cities," city planners, politicians, academics and even some developers have been jonesing to recreate New York's homey West Village where she lived back then.

Of course, to adopt Jacobs' prescriptions for the perfect city — short, walkable blocks, high-density living and maintenance of old, sometimes out-of-date and impossible-to-upgrade buildings — would have required a monumental upheaval in most of the nation's sprawling, car-centric metropolises. However, her call for mixed-use development — commercial and housing jumbled together to produce a lively street — was one goal that most cities could implement without bulldozing themselves and starting from scratch.

Thus was born the notion of the mixed-use development. Put a condo or apartment building on top, a Starbuck's, a yoga studio and a flower shop beneath, and *bippety-boppety-boo*, you've got yourself — you hope — an interesting, walkable street. Clump a bunch of these things together and maybe you'll witness the birth of a charming urban neighborhood, the likes of which you'd find in Copenhagen, London or Buenos Aires.

In the past two decades or so, the mixed-use development has become an ideal that city planning departments try to encourage. Minneapolis, for example, grants a 20 percent density bonus in commercial districts to buildings that devote at least 50 percent of their ground-floor space to commercial use. St. Paul does not provide any such incentive, but Mayor Chris Coleman has waxed enthusiastic about the Penfield and the Winnepeg, two new apartment buildings with ground-floor retail; only last Friday he pitched a residential-retail-movie-theater complex on Wabasha Street to replace the abandoned Macy's. Even the suburbs have jumped in. There's Excelsior on Grand in St. Louis Park, and Hopkins has seen the development of Marketplace & Main and has under consideration Fifth Avenue Flats, both combining apartments and retail space.

All of this is well and good. For sure, streets with storefronts are more fun to walk down than those with surface parking lots — and they very definitely produce more commerce, spending, jobs and tax revenues. But when I drive around town, I see a whole lot of mixed-use buildings with unused retail space. So I wonder: Have we gone overboard with this dogma?

'It went in locations that couldn't support it'

Mary Bujold, president of Maxfield Research, a real-estate consulting firm, believes that the mixed-use development may actually be a bit ahead of its time. Back in the '90s, she says, "when we started requesting that people do mixed use, it went in locations that couldn't support it." At that point, the trickle of population back to the city had just begun, and there wasn't enough population to provide the business stores needed to stay afloat.

That trickle back to the city has turned into a small but steady flow. Still, people won't necessarily walk to stores on the street, even when they live in the same building. I had to engage in major browbeating and fishwife-style nagging to get my husband to buy a half-gallon of milk or a jar of olives at the small grocery on the ground floor of our building rather than driving to Rainbow.

If the store had been in a building five blocks away, I wouldn't have stood a chance. And our climate doesn't help. If the store had been five blocks away and we'd been in the throes of the Polar Vortex, I would have driven to Rainbow myself rather than step out into the elements.

"It's very difficult to break the car habit," says Bujold. "Here in the Midwest we don't have a history of being pedestrians." (Not for the last century anyway.) Apparently, a lot of other people in our neighborhood suffer a similar addiction to the car, because the grocery closed its doors last fall, leaving an empty storefront.

Requires design and architectural finesse

To make a mixed-use building successful takes design and architectural finesse, which not every architect and developer have, says Sam Newburg, a real-estate analyst who blogs as Joe Urban. There has to be clear signage, windows big enough to attract people from the sidewalk, obvious paths into the store from the street and from any parking area. [He points to West River Commons](#) on East Lake Street as an ideal. Developed by Michael Lander, it has only 8,000 square feet of retail — a restaurant, coffee shop, gift shop and take-and-bake pizza, all of which is located on the busiest side of the building. And, a small plaza offers outdoor seating for the coffee shop.

Newburg adds that the empty retail space I'm seeing is in the newest buildings. "It's much easier to lease up the apartments than the retail space," he says. The developer usually receives enough income from the residential units to cover his costs and can wait until he finds the right retail to go in the building.

Maybe Newburg is right. When I drove back to some of the empty storefronts I'd seen on Lyndale, I found some of the retail filled in — a gift shop, an art gallery and something called a "pharmacie" in one building and a chiropractor, hair-removal place and soon-to-arrive sushi restaurant in another.

Still, whether those businesses will survive is an open question. With the exception of a pizzeria, the stores in my own building seem often to be echoingly empty. And I have to wonder whether planners have been ordering up too much retail altogether. After all, we're living in an age when big box stores are closing, malls and downtowns alike are struggling, and most of us have become accustomed to buying at least some of our stuff online. If all the ground floor retail that planners and politicians are encouraging has no staying power and developments wind up with revolving-door tenants and boarded-up storefronts, well, we would not have created vibrant mixed-use streets. Just the opposite.

'Location, location, location'

"There will always be a need for retail," says Stuart Ackerberg, an Uptown property owner and developer of the Rainbow Building and Shops, the Lyn-Lake Building and the Mozaic condo, among others. "People are social beings, and they want to go out, be with other people, touch things, feel things."

But, in retail as in all real estate, he adds, the rule is always "location, location, location. Those mixed-use buildings are not empty in Uptown, not at 50th and France or at 50th and Xerxes," he says. Certain areas don't have enough population, the right demographics and people with enough disposable income to make those neighborhood businesses viable. "We want to do mixed-use everywhere, but it isn't always prudent," he says.

What to do with the storefronts that go empty? I regularly drive by the Minneapolis Grand on Chicago Avenue. Its ground floor has been available for lease for months, but nary a store or doctor's office, not even a coffee shop, has appeared. Yesterday, however, workmen were busy in one of the units. "What's going on?" I asked one.

"We're converting it into apartments," he said.

Single use, anyone?