

The Economics of Land Use



Final Report

Oklahoma City Retail Plan

Prepared for:

City of Oklahoma City

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1. SUMMARY OF FINDINGS

Executive Summary

Background and Purpose

Oklahoma is the only state in the United States which does not allow municipalities to use property taxes for operations. Thus, Oklahoma City's fiscal health depends heavily on its major source of revenue, sales tax. This tax is collected on a point-of-sale basis, meaning retail businesses pay municipal sales taxes based on where they are located. There is no redistribution formula, as is common in other states, whereby sales taxes are distributed to municipalities based on considerations independent of point-of-sale, such as population.

Beyond the impact to the City's fiscal stability, healthy retail businesses also provide many other important benefits to the community and individual neighborhoods. Residents and workers depend on a diverse array of retail goods and services to provide both necessities and amenities that make neighborhoods and employment centers functional and attractive. Viable retail can provide an identity and consistency for an area that assists with stabilization and revitalization. Conversely, retail can negatively impact neighborhoods if it is allowed to decline and become a blighting influence. Unfortunately, too many of Oklahoma City's retail nodes or corridors fall into this latter category.

Oklahoma City must compete with other cities in the region for retail sales tax revenue. It is, therefore, incumbent upon the City to take steps to protect existing retail and ensure sufficient new or retrofitted space exists to meet future demand. Oklahoma City's position as a regional employment center and its associated amenities help attract shoppers; however, this benefit is offset by the fact that the City must provide services and infrastructure to support these employment centers and attracters. In addition, the advantage of being a regional draw is offset to a large degree by weak retail performance in older areas of the city where urban decline is prevalent. The dependence of retail space on tenants, financing, and access results in a propensity for retail to move to new, more attractive spaces that meet ever-changing consumer preferences and industry needs, leaving a wake of vacant or underutilized retail in older areas of the city. This retail plan is designed to meet these challenges and to provide a solid base of analysis for retail land use planning efforts as part of the **planokc** process.

Study Findings

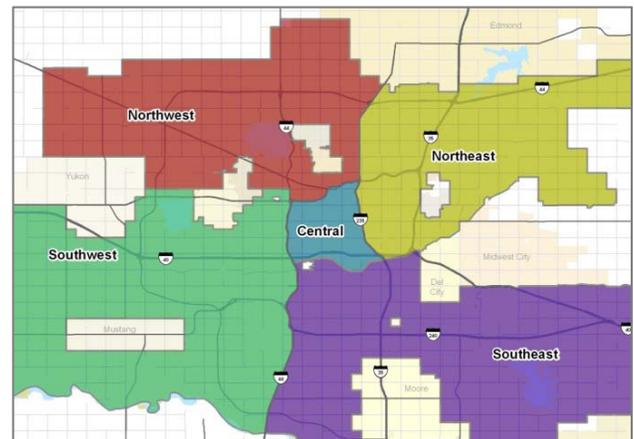
Prior to 2000, the vast majority (60-75 percent) of metro area retail center development had occurred within Oklahoma City. Since 2000 the communities surrounding Oklahoma City have captured a greater share of retail development, with Oklahoma City capturing only approximately 20 percent of the new centers. Growth in the surrounding suburban communities has allowed them to reach a large enough size to support their own regional centers, which has cut into Oklahoma City's retail inflow. New, large retail centers have been developed in Edmond, Midwest City, Moore, Mustang, Norman and Yukon over the last 12 years. These new centers offer retail that previously existed only within Oklahoma City boundaries. Thus, while Oklahoma City remains the dominant generator of taxable sales in the region, and is a net importer of

approximately \$900 million in annual retail spending, outlying communities are gaining market share through their new retail supply.

Sales Inflow and Outflow by Subarea

This study separated Oklahoma City into 5 separate districts, or subareas. The Northwest, Southwest, and Central subareas of the city were found to be net importers of retail sales, while the Northeast and Southeast subareas are net exporters of retail sales and are underserved in almost all retail categories. This means that Northeast and Southeast subarea residents must travel farther afield to access all of the retail goods they need. A brief subarea performance summary follows:

Subarea	Annual Net Sales Inflow	Annual Net Sales Outflow
Central	\$175,000,000	
Northeast		\$164,200,000
Southeast		\$152,200,000
Southwest	\$248,000,000	
Northwest	\$373,200,000	



Small District Retail Potential

One of the more exciting retail development trends in recent years has been the revitalization of some of the city’s oldest commercial districts. Some of the historic neighborhood commercial districts surrounding the downtown have evolved into more specialized retail districts focused on restaurants, specialty retail, entertainment, and the arts. Among the more successful commercial areas include the Paseo Arts District, Plaza District, and Asian District. Other districts are still evolving from a traditional to specialized business mix, including Uptown 23rd and Capitol Hill. To date, the central business district has struggled to re-establish a critical mass of retail uses. However, a number of specialized regional draws are developing in and near the downtown core, most notably the Bricktown entertainment district and Automobile Alley and Midtown commercial areas.

Other Findings

- The lack of sign control and common design themes in retail areas has created an aesthetically unpleasant environment for many retail corridors in the city.
- The I-240 Corridor has lost its role as a major regional retail destination and needs to be repositioned.
- Oklahoma City has an oversupply of older retail space.
- Much of the retail space along the city’s arterial corridors will need to be repurposed.

- The retail development pattern along highways and highway frontage roads is linear and disjointed, resulting in traffic circulation and safety issues.
- A significant number of retail anchors are located on single-store pads, leading to disjointed retail center development, poor internal access, and underperforming ancillary retail space.

Study Recommendations

Oklahoma City is a net importer of approximately \$900 million in annual retail spending. This level of net inflow is significant and larger than many cities of similar size. However, a portion of these dollars are likely a function of a larger municipal geography and lower regional population compared to other cities around the country. As regional population continues to grow, surrounding communities will begin to expand their local retail bases. **In order to maintain this level of net inflow, Oklahoma City will need to focus on developing unique regional and specialty retailers that draw shoppers from across the region.**

New housing units, coupled with continued inflow sales from visitors to the city, will generate demand for roughly 2.5 million square feet of new regional retail by 2030. Half of the regional retail demand can be accommodated by existing regional nodes. **The other half (1.25 million square feet) should be accommodated in a new regional retail node in the downtown area in concert with efforts to attract a lifestyle or mixed-use center. The City should also:**

- **Continue to pursue one-in-the-market retailers with potential to attract shoppers from the entire metro area;**
- **Partner with Simon Property Groups and other Penn Square area property owners to develop a plan for retail expansion of the Penn Square regional retail node;**
- **Continue to aggressively seek a new or expanded grocery store or supermarket to serve the Northeast subarea;**
- **Seek to attract another Hispanic-focused supermarket to serve the South subarea; and**
- **Actively seek a natural foods grocer to serve the Midtown and Deep Deuce neighborhoods.**

In addition to the above recommendations, this document also contains detailed recommendations for 17 specific nodes and corridors identified by the study. Each identified node or corridor was categorized as one of three possible policy frameworks—Re-vision, Revitalize, or Reaffirm. These were developed to provide context and guide potential retail policy approaches and implementation tools. In addition, this document contains recommended general development policies for new regional-, community-, and neighborhood-scale retail developments.

Detailed Summary

Project Background

The Oklahoma City MSA experienced significant population growth in the previous decade, growing from 1.08 million to 1.24 million people, or an average of 15,300 people per year between 2000 and 2010. Oklahoma City accounted for over half of the growth in the region, reaching a population of approximately 580,000 in 2010. As measured by land mass (606 square miles), Oklahoma City is the ninth largest city in the country, but the twenty ninth largest by population, thus has sufficient land capacity to continue to grow in the future.

Despite the city's continuing growth and role as the primary employment center for the region, retail development and related sales tax revenue growth has lagged the surrounding suburban communities. State of Oklahoma law prevents property tax to be used for general operational costs. Thus, sales tax revenue is essential to the City's fiscal health and sustainability.

In order to protect the City's existing sales tax base, while enhancing its competitive position to capture future regional retail growth, the City engaged Economic & Planning Systems (EPS) to create a proactive plan for future retail development in the city. This Retail Plan is intended to identify opportunities for retail development and recruitment and to provide direction on retail/commercial development and redevelopment land use decisions as a component of the new comprehensive plan (planokc).

Retail Conditions

1. *Oklahoma City is the dominant city in the region but is starting to lose its share of household growth to surrounding cities.*

Between 2000 and 2010, Oklahoma City added approximately 26,000 new households, reaching a 2010 total of 230,233. However, its share of total regional households declined slightly from 59.0 percent to 58.7 percent. During this same time period, surrounding cities grew from 117,974 to 136,721 households, increasing their share of the regional total from 34.0 to 34.9 percent. Thus, suburban communities accounted for 41.3 percent of the decade's growth, and this share is anticipated to increase in the future.

2. *Surrounding cities are gaining on Oklahoma City in retail sales market capture.*

While Oklahoma City remains the dominant generator of retail sales in the region, outlying communities are gaining market share. Since 2005, sales tax collections in Oklahoma City increased approximately 24.0 percent while sales tax growth in Edmond, Midwest City, and Norman increased 26.0 percent. Moore, Mustang, and Yukon, in particular, gained significant market share, increasing by 54.0 percent, 36.0 percent, and 38.0 percent, respectively, over 2005 base levels.

3. *Oklahoma City is a net importer of retail sales.*

Based on 2010 retail sales and household expenditure potential, Oklahoma City receives an estimated inflow of \$1.9 billion annually of retail sales from households in surrounding regional cities. At the same time, the city experiences approximately \$1.0 billion annually in expenditure outflows (leakage) as a result of Oklahoma City household purchases outside of the city. Thus, Oklahoma City is a net importer of approximately \$0.9 billion in annual retail spending. This level of net inflow is significant and larger than many cities of similar size;

however, a portion of these dollars are likely a function of larger municipal boundaries and lower regional population compared to other cities. As regional population continues to grow, surrounding communities will begin to expand their local retail bases. In order to maintain this level of net inflow, Oklahoma City will need to focus on developing unique regional and specialty retailers that draw shoppers from across the region.

4. *The Northwest, Southwest, and Central subareas of the city are all net importers of retail sales, while the Northeast and Southeast subareas are net exporters of retail sales.*

Based on an analysis of 2010 retail store sales flows, the Northwest subarea is the largest importer of retail sales in the city, or \$373 million annually, followed by the Southwest at \$247 million and the Central subarea at \$175 million. By contrast, the Northeast subarea is the largest exporter of retail sales with a net balance of approximately \$164 million in retail sales spent outside of the subarea, followed by the Southeast subarea with \$152 million.

5. *The Northwest subarea contains the city's strongest retail centers and corridors.*

The Northwest subarea of the city is home to several of the city's highest performing retail destinations including Penn Square Mall, Belle Isle Station, Quail Springs Marketplace, and the May Avenue arterial corridor including the Village at Quail Springs and Northpark Mall community centers.

Retail Strengths

1. *Oklahoma City is home to the four largest and most specialized retail destinations in the region.*

Penn Square Mall and Quail Springs Mall anchor the two largest regional shopping destinations in the region. Both locations have over 1.5 million square feet of retail space including the department store anchored regional shopping mall and an almost equal amount of additional ancillary retail space nearby. The recently opened Outlet Shoppes at Oklahoma City is an emerging regional draw, and a potential anchor for a unique regional node on the west side of the city. Bricktown is the region's premier entertainment district with two major anchors in Bass Pro Shoppes and Harkin's Theaters, over 40 restaurants and bars, two major sporting venues, and a growing cluster of hotels.

2. *Oklahoma City is home to two major energy companies that have both made major real estate investments in the city, creating a stimulus for additional commercial development and investment.*

Devon Energy, with 2,600 employees in downtown, completed a 52 story, 1.8 million square foot office tower in downtown in October 2012. The \$750 million investment includes the renovation of the adjacent Colcord Hotel and restaurant adding new street level retail activity to the downtown as well a potential anchor for the new Core to Shore redevelopment area. Chesapeake Energy, with 4,600 employees, has a 111 acre campus on Western Avenue in the Northwest subarea. The company has also made a major investment in the surrounding area by building the Classen Curve specialty retail area and planning for additional commercial reinvestment on adjacent properties within the Penn Square regional node.

3. *The City MAPS initiatives have invested over \$1 billion in civic and cultural improvements in the downtown area that has improved the quality of the downtown environment as a location for employment, housing, and retail development.*

The major infrastructure projects paid for by the MAPS program, including the Bricktown Canal and trolley, streetcar, and downtown streetscape, will help catalyze new mixed use residential districts in the downtown core and the surrounding neighborhoods including Bricktown, Deep Ducee, Midtown, and Core to Shore that will also stimulate new demand for retail development.

4. *The City has successfully revitalized many of its neighborhood business districts.*

A number of small, neighborhood commercial districts, including Paseo Arts District, 16th Street Plaza District, and Asian District are emerging as unique retail environments not found elsewhere in the region and providing an avenue for locally oriented retailers and restaurants to prosper. The success of these districts is a product of the organization of property owners and merchants, assistance from the City's Commercial District Revitalization Program (CDRP) and substantial reinvestment in the adjacent neighborhoods.

Retail Weaknesses

1. *There is an oversupply of older retail space in the city and much of the retail space along the city's arterial corridors will need to be repurposed.*

Many shopping centers built between the 60's and 80's are at the end of their real estate cycle. The aggressive expansions of national retailers, the impact of the recession, growth of internet sales, and reductions in the number of profitable retail anchors are all factors putting added pressure on existing retail centers and corridors. The growth in vacancies and decline in sales is particularly evident in older and lower income neighborhoods where there is an aging population and declining household incomes. Outmoded centers in transitioning neighborhoods with lower income populations are also challenged by the development of newer competition a short distance away.

2. *The retail development pattern along highways and highway frontage roads is linear and disjointed resulting in traffic circulation and safety issues.*

The accessibility of the retail centers and stores along the major transportation corridors in the city is poor due to lack of connectivity between centers, multiple entrances to centers, poor internal paths in retail centers, and the linear proliferation of retail along roadway corridors. Retail areas and corridors in the city have been built in a piecemeal fashion with attention paid to specific pads or centers instead of the network within and along the retail corridors. These challenges are especially prevalent along I-240 and Northwest Expressway, as well as in community nodes. Newer developments, such as Westgate Marketplace and the Outlet Shoppes do a better job providing access to, between and within their developments.

3. *A significant amount of retail anchors are located on single-store pads; consequently, many retail centers are poorly planned with disjointed site development, poor internal access, and underperforming ancillary retail space.*

A large portion of the grocery stores in Oklahoma City are on individual pads with no attached inline retail space or associated retail buildings or pad sites. Inline retail space and tenants are bolstered and often dependent on the traffic generated by visitors to grocery stores. Instead of being integrated into a center, inline retail spaces are often detached and

disconnected from the grocery store anchor, decreasing the likelihood that the inline tenants benefit from the traffic to the anchor. As well, multiple pads with stand-alone retailers make connecting these stores with internal roads difficult and confusing to the customer.

4. *The lack of sign control and common design themes in retail areas has created an aesthetically unpleasant environment for many retail corridors in the city.*

Even in newer retail areas in the city, retail pads and centers are allowed to have multiple signs of varying height, size and orientation. The multitude of signs creates a disorienting retail environment for customers. Many retail centers in the city have different façade and design aesthetics among the buildings within the center. Retail anchors, especially the area's grocery stores, have a poor architectural standard and the associated inline retail has different architectural design and façade than the anchor.

5. *The I-240 Corridor has lost its role as a major regional retail destination and needs to be repositioned.*

The I-240 Corridor in southern Oklahoma City, once anchored by Crossroads Mall, has lost its function as a major regional retail destination. Crossroads Mall is in need of reinvention or redevelopment to make the center viable for retail in the future. The power centers scattered along I-240 have lost sales to new centers along I-35 in Moore and north Norman. The corridor can still be a viable retail location, but it needs to be re-purposed through new retail concepts, such as the proposed Plaza Major redevelopment of Crossroads Mall to serve the closer-in (primarily Hispanic) trade area.

Retail Opportunities

EPS recommends the following actions to maximize the City's retail recruitment and development opportunities. The recommendations for City action include its partnership with the Oklahoma Area Chamber of Commerce (Chamber) for retail recruitment and The Alliance for Economic Development of Oklahoma City (The Alliance) for development and redevelopment assistance.

1. *The City should partner with Simon Property Groups and other area property owners to develop a plan for retail expansion of the Penn Square regional retail node.*

The Penn Square regional node is the largest retail center in the metro area and the most important retail node in the city. There continues to be interest by national retailers to locate in or near the Penn Square Mall. The Classen Curve project has provided a relief valve for some retailers including Anthropologie, however a mall or mall adjacent location would most likely be preferable to most upscale apparel, home furnishings and specialty retailers. There are also a number of sites on and surrounding the Mall with redevelopment potential, however there are a number of planning challenges including circulation and neighborhood impacts. The ability of the Penn Square area to accommodate and attract one in the market national retailers is important to the node's long term viability, as well as potentially precluding the development of competitive retail projects elsewhere in the market. We recommend engaging Penn Square area property owners in a subarea planning process to develop a plan and potential public private partnership for expanding the area's retail development opportunities.

2. *The City should continue to pursue one in the market retailers with a potential to attract shoppers from the entire metro area.*

Oklahoma City has the region's primary regional retail destinations including Penn Square, Bricktown, and The Outlet Shoppes. Although differing in composition and tenant mix, all contain a specialized mix of destination businesses including "one in the market" retailers that entice shoppers from the entire metro area as well as visitors to the region, creating

positive sales inflow and sales tax revenue to the City. The strengthening and expansion of these existing regional nodes should be a high priority for the City. This includes attracting additional one in the market stores that can individually draw shoppers to the city, as well as further enhancing the cumulative market attraction of the regional node. Possible tenants that could be attracted include Nordstrom and Costco.

3. *The City should work to establish a critical mass of retail uses in or near the downtown area.*

Downtown Oklahoma City lost its department stores and other regional and community retail stores during the first wave of planned shopping center development in the 1960s and 1970s. Over the last 15 years, Bricktown has emerged as a retail destination, however it is largely populated by restaurants, bars, and other entertainment venues. Re-establishing a critical mass of retail downtown is important to the city's attraction of tourists and visitors and critically important to the development of downtown housing. A lifestyle center or mixed use town center presents the most viable option for a major infusion of retail into downtown. The City must be proactive in working with developers to identify potential locations for a new lifestyle center in order to prevent this development from occurring in a more suburban location. The City should thoroughly investigate the potential to develop a lifestyle retail component as part of a larger mixed use town center in Bricktown or on the Boulevard in the Core to Shore area. Such a development would help to establish a critical mass of retail uses adjacent the CBD.

4. *The City should continue to aggressively seek a new or expanded grocery store or supermarket to serve the Northeast subarea.*

Northeast Oklahoma City is largely underserved by retail. With only one undersized supermarket located at 23rd and MLK, the subarea meets the classic definition of a "food desert." Based on the existing household population and incomes, there is unmet demand to support one additional full-line supermarket. However, the low residential densities make it difficult to support a grocery store within a standard two-mile trade area. Coupled with a lack of available sites with good access, as well as existing retailer perceptions, no new grocery stores have been developed in the last decade. However, given a developable site, a new supermarket-anchored neighborhood shopping center with an additional 15,000 to 25,000 square feet of convenience retail and services remains an opportunity. One potential development option would be to work with Buy For Le\$\$ to expand its existing supermarket at NE 23rd and MLK, anchoring the east end of the East 23rd Street corridor. Alternately, or potentially in addition, the City (with the assistance of the Alliance and Chamber) could assist a developer with building a new store and shopping center on available land at NE 36th and Lincoln.

5. The City should seek to attract another Hispanic focused supermarket to serve the South subarea.

The southern portion of Oklahoma City, particularly south of I-40 and north of I-240, is where the majority of the city's Hispanic population lives. This area is underserved for convenience goods and would benefit from an additional Hispanic-oriented grocery store and shopping center. There are a number of expanding Hispanic or Mexican grocery store chains that could enter or expand in Oklahoma City including El Mariachi (existing store on NW 16th), Pro's Ranch Market (Texas and New Mexico); and Supermercado El Rancho (Dallas). Thus, potential exists to develop a community-oriented shopping center to serve the Southeast subarea, anchored by a major new Hispanic-oriented supermarket. There are a number of underutilized sites that could be redeveloped for these uses including the intersection of SW 59th and Western, as well as older underperforming shopping centers elsewhere on SW 29th, 44th, and 59th avenues.

6. The City should actively seek a natural foods grocer to service the Midtown and Deep Deuce neighborhoods.

The greatest growth in the grocery store market is in the specialty and natural foods grocers, led by Whole Foods, the Austin, Texas-based chain with 320 stores nationally and one Oklahoma City store. The chain's average store is now 38,000 square feet, down from 50,000 square feet five years ago. Additional natural grocers include Sprouts Farmers Market, Natural Grocers by Vitamin Cottage, and The Fresh Market whose stores are in the 15,000 to 25,000 square foot range. These smaller sizes provide greater flexibility to be sited at infill locations. The City's retail recruitment team should pursue a natural foods grocer for the Midtown area to serve the new infill housing in the growing downtown area neighborhoods (Midtown and Deep Deuce) as well as the existing historic neighborhoods north of 13th Avenue. The presence of a grocery store can also help support the development of additional housing projects. Pending additional growth in urban housing in the downtown area, a Midtown location could also be an opportunity in the five to ten-year time horizon.

7. The City should plan for one new regional retail node in the City by 2030. This node should be planned for the Core to Shore neighborhood in concert with efforts to attract a lifestyle or mixed use town center.

EPS used the housing unit forecast developed in the Housing Study completed for planokc to assess the demand for retail in Oklahoma between 2010 and 2030. EPS has provided recommendations for the number of and general location of future centers in the City and each subarea in the Future Retail Demand section of this report. The City is forecast to grow by 79,050 housing units between 2010 and 2030. The new housing units, coupled with continued inflow sales from visitors to the City, will generate the demand for 2.5 million square feet of regional retail. Half of the regional retail demand can be accommodated by existing regional nodes. The other half, 1.25 million square feet of retail space, should be planned for in a new regional retail node in the downtown area, potentially on Boulevard in the Core to Shore neighborhood to which can help support the goal of building a critical mass or downtown retail uses.

Retail Goals and Policies

EPS recommended goals and policies for planokc to provide direction on the location criteria and site development principles for the development of new retail centers as well as the revitalization or redevelopment of existing retail centers, nodes, and corridors.

Overall Goals

1. Oklahoma City seeks to develop and maintain a robust retail sector to generate the sales tax levels and growth needed to fund essential governmental operations and services for its residents.
2. The City seeks to meet the retail needs of a growing population, as well as prevent retail outflow to surrounding cities by providing the full range of goods and services within the city.
3. The City seeks to attract specialized and unique “one in the market” retail stores and attractions to the City to attract visitors from the metro area, state, and the larger region.
4. The City seeks to encourage new retail development to occur in a “smart growth” fashion, limiting financial strain on its capital and service resources, while encouraging the overall livability and economic vibrancy of existing areas.
5. Retail uses will be classified according to a hierarchy of centers and nodes based on market characteristics rather than just size.

Regional Retail Policies

Regional retail development includes new and existing major retail clusters featuring at least one regional center and envisioned as a unique retail and/or entertainment destination and serves the largest trade areas of all cluster types, drawing customers from all over the metro area, and in the case of some nodes, even larger parts of the state.

1. Regional retail development should be clustered at designated regional nodes to maximize the ability to be a regional destination and to minimize impacts on residential neighborhoods and local roads and arterials.
2. Regional retail development may include a variety of building configurations including enclosed or open-air malls, big box retail uses, power centers, and specialized retail and entertainment attractions.
3. Incentives for new regional retail development should only be considered if the proposed project truly creates a new regional destination for the city and does not significantly cannibalize sales from existing designated regional locations.
4. New regional retail development should be located at regional highway interchanges or intersections with superior highway capacity and access in order to serve the larger metro area market.
5. In regional retail infill locations, structured parking is encouraged where appropriate.

6. Regional retail development should be designed and sited to mitigate impacts on surrounding land uses and traffic should not be routed through adjacent residential neighborhoods.
7. All signage in Regional retail nodes should be constructed in a manner to provide visual coherency. This includes a consistent and cohesive pattern of materials, lighting, and height. A limit of one or two primary centralized signs per center is encouraged.
8. Where appropriate, mixed-use development should be encouraged to enhance the overall balance of land uses and promote supplemental demand for retail businesses. Appropriate mixed-use development for Regional retail includes major office and entertainment uses, as well as high density residential housing.

Community Retail Policies

Community retail development is envisioned as focal points for retail and commercial activity at the sub-regional level, serving multiple neighborhoods with a logical two to three mile trade area containing 10,000 to 25,000 households. Community retail policies apply to new, larger community and power centers, as well as existing community nodes, highway corridors, and arterial corridors. Community retail may include a variety of building configurations including big box retail uses, power centers, and neighborhood and community shopping centers.

1. New community retail should be concentrated at specific community nodes rather than along highway or arterial corridors with multiple retail centers and stores built in a linear pattern. The linear development of centers and individual big box stores is discouraged.
2. Community retail should be developed with an internal vehicle and pedestrian circulation system between new and existing centers and individual stores.
 - a. Where appropriate, access for new retail development should be concentrated at shared primary entrance points with adjacent centers. Primary entrance points should be aligned with access points immediately across intersecting roads. Multiple curb cuts to primary highways and arterials should be prohibited.
 - b. Pedestrian circulation, including sidewalks and median breaks along interior and exterior fronting roads should be encouraged.
 - c. Excess parcelization, including the separate and uncoordinated development of ancillary space from a supermarket or discount store anchor is discouraged. .
3. Street-fronting retail/commercial buildings along public and private commercial streets should be encouraged in order to promote pedestrian circulation and multi-purpose shopping trips, as well as to provide a visual demarcation between the street and shopping center parking lots. This includes the coordinated development of pad sites to shield visibility of surface parking lots.
4. Community retail parking lots should include landscaping and median breaks to enhance overall beautification and limit large areas of impermeable pavement.
5. All signage in a Community retail area should be constructed in a manner to provide visual coherency. This includes a consistent and cohesive pattern of materials, lighting, and height.

6. Where appropriate, mixed-use development should be encouraged to enhance the overall balance of land uses and promote supplemental demand for retail businesses. Appropriate mixed-use development for Community retail includes professional/service office and medium and high density residential housing.

Neighborhood Retail Policies

Neighborhood retail centers are envisioned as locations for retail uses serving the daily and weekly needs of residents for groceries and other convenience goods with a logical 1½ to 2 mile trade area containing 5,000 to 10,000 households. Neighborhood retail policies apply to new or existing smaller neighborhood centers, strip centers, and new or existing CRDs. Neighborhood nodes may include one or two neighborhood shopping centers and/ or individual supermarkets superstores, and drug stores.

1. New neighborhood retail should be located within new residential growth areas to provide locally serving goods and limit trip distances. This retail format is preferred in newly developing areas over the existing linear development patterns along city arterials.
2. Neighborhood retail is encouraged to be developed at the median breaks or intersections of major or minor collectors with retail uses confined to one or two quadrants of a major intersection. Retail development on all four corners is not encouraged.
3. Neighborhood retail should be developed with an internal auto and pedestrian circulation system between new and existing centers and individual stores.
 - a. Access for new retail development should be concentrated at shared primary entrance points with adjacent centers. Primary entrance points should be aligned with access points immediately across intersecting roads. Multiple curb cuts to primary highways and arterials should be limited.
 - b. Pedestrian circulation, including sidewalks and median breaks along interior and exterior fronting roads should be encouraged.
 - c. Excess parcelization, including the separate and uncoordinated development of ancillary space from a supermarket or discount store anchor is discouraged.
4. Street-fronting retail/commercial buildings along public and private commercial streets should be encouraged in order to promote pedestrian circulation and multi-purpose shopping trips, as well as to provide a visual demarcation between the street and shopping center parking lots. This includes the coordinated development of pad sites to shield visibility of surface parking lots.
5. All signage in a Neighborhood retail area should be constructed in a manner to provide visual coherency. This includes a consistent and cohesive pattern of materials, lighting, and height.
6. Wayfinding mechanisms and other placemaking features should be strongly encouraged in new and existing CRDs.
7. Mixed-use development should be encouraged to enhance the overall balance of land uses and promote supplemental demand for retail businesses. Appropriate mixed-use development for neighborhood retail includes professional/service office and medium density residential.

2. RETAIL CONDITIONS

This section of the report summarizes retail conditions nationally, as well as evaluates existing retail patterns and conditions in the Oklahoma City Study Area, including an inventory of regional development and retail centers, and a tabulation of retail sales trends. Retail sales flows are then estimated by comparing estimated household expenditure potentials to the actual store sales by area. The net sales flows by subarea identify under- or over-served retail store categories by geography.

National Retail Conditions

The retail sector is in a cycle of transition due to both demographic and market changes, as well as structural changes in the industry. The major shifts expected to affect development and redevelopment opportunities in the Oklahoma City area going forward are summarized below:

1. Retail commercial uses are currently overbuilt and it will take some time to absorb the vacant inventory.

From the mid-1990s to the start of the recession in 2008, national retailers were expanding at an unprecedented rate. The national leaders included the 100,000 square foot plus big boxes (e.g., Wal-Mart, Target, Kohl's, Home Depot, Lowe's, Sam's Club, and Costco) as well as the 20,000 to 50,000 square foot mass merchandisers in the electronics, books, apparel, sporting goods, office supplies, and pet products categories. The growth of total retail space built from 1990 to 2008 far exceeded the growth of the housing units needed to support the space. At the same time, many chains were decreasing their trade area requirements and building stores at a closer spacing to gain market share. Coupled with the national recession, the end result was a large oversupply of space in the market that will take five to ten years to absorb in many larger metro markets. Although the economic downturn in Oklahoma City was more moderate than in many markets, national conditions have affected the balance sheets of many retailers, negatively impacting their appetites for and ability to expand even where opportunities exist.

2. The growth of e-commerce continues to impact traditional bricks and mortar retailers.

As of 2010, annual e-commerce retail sales in the U.S. reached \$146.7 billion, which is still a surprisingly low 5.5 percent of total retail sales of \$2.50 trillion as shown in **Table 1**. However, over the last 10 years, e-commerce sales have grown by \$134.4 billion, which accounts for 18.1 percent of the total growth in retail sales of \$653.2 billion (figures exclude auto related and gasoline sales). While no one is predicting the disappearance of traditional stores, e-commerce sales are forecasted to continue to grow at a 15 percent annual rate through 2015; resulting in growing competition and lower profit margins for traditional retailers. In some retail categories, notably books and electronics, the result has been more impactful resulting in the closure of major retail chains including Borders Books, Circuit City, and Ultimate Electronics. E-commerce has also fueled a number of mergers, most notably in the traditional department store category where the number of national retailers has continued to diminish. It has also contributed to a number of chains reducing store sizes and cutting back on national expansion plans.

Table 1
E-commerce and Total Retail Sales, 2001-2010

	Bricks and Mortar		E-Commerce			Total Retail	
	Sales	% Growth	Sales	% Growth	% of Total	Sales	% Growth
2001	\$1,966,900	---	\$28,405	---	---	\$1,995,305	---
2002	\$2,022,298	2.8%	\$36,824	29.6%	1.8%	\$2,059,122	3.2%
2003	\$2,100,278	3.9%	\$45,925	24.7%	2.1%	\$2,146,203	4.2%
2004	\$2,222,992	5.8%	\$60,198	31.1%	2.6%	\$2,283,190	6.4%
2005	\$2,347,308	5.6%	\$75,624	25.6%	3.1%	\$2,422,932	6.1%
2006	\$2,457,344	4.7%	\$94,768	25.3%	3.7%	\$2,552,112	5.3%
2007	\$2,522,644	2.7%	\$114,651	21.0%	4.3%	\$2,637,295	3.3%
2008	\$2,534,604	0.5%	\$121,740	6.2%	4.6%	\$2,656,344	0.7%
2009	\$2,437,651	-3.8%	\$126,756	4.1%	4.9%	\$2,564,407	-3.5%
2010	\$2,501,743	2.6%	\$146,713	15.7%	5.5%	\$2,648,456	3.3%
Change 01-10	\$534,843	27.2%	\$118,308	416.5%	18.1%	\$653,151	32.7%
Total Growth	27.2%		416.5%				
% of Growth	81.9%		18.1%				
Annual Growth	2.7%		20.0%				

Note: Sales in millions of dollars

Source: US Census Annual Retail Trade Survey

3. The average store sizes in most retail categories are trending smaller.

Stores have been getting larger for 50 years since Wal-Mart and Kmart introduced the large format discount store in the 1960s. However after decades of stores growing larger and more inclusive in their product lines, many of the mid-size and large format stores are now trending smaller. Wal-Mart has reduced its largest format superstore down from over 200,000 square feet to 180,000 square feet. Additionally, it is selectively eliminating items for which it is not price competitive including most electronics. Staple's, the office supply store, is downsizing four of its Oklahoma City stores from an average of 25,000 square feet to 13,000 to 15,000 square feet. Office Depot, its largest competitor, has merged with Office Max, reduced its number of stores and downsized the average store size from 27,000 to 18,000 square feet. And the largest electronics retailer Best Buy, whose stores range in size from 20,000 to 58,000 square feet, is paring an average of 10 percent off of its various formats. The smaller formats are partly a response to e-commerce competition and declining sales per square foot. Many retailers, including Target and Wal-Mart, are also creating smaller format prototypes to build at infill locations in more dense urban areas in an effort to continue to grow by expanding into underserved areas.

4. Traditional mall-based department stores are struggling, reducing opportunities for regional malls and centers.

The mid-market, full-line department stores that anchor regional shopping centers are declining in number due to mergers and acquisitions brought on by competition from discounters on the low end and specialty retailers on the high end. There are now only four major national companies anchoring mid-market malls, JCPenney with 1,108 stores, Sears with 863 mall based stores, Macy's with 850 stores, and Dillard's with 321 stores. Further, Sears has been closing stores and JCPenney has been largely building freestanding discount

format stores to go head to head with Kohl's. The major discounters, Wal-Mart and Target, are more profitable and have many times the number of outlets as Kohl's. The fastest growing department store is actually Kohl's with 1,058 stores, but it has a discounter store layout and typically builds its stores in power centers or on freestanding sites. On the high end, specialty department stores including Nordstrom and Neiman Marcus are more profitable, albeit with many fewer outlets. The end result is that there are very few new stores in the pipeline for department store anchors, and therefore an even smaller number of new malls being planned. There are also numerous malls that have lost key department store anchors, leading to a need for the restructuring or repositioning of many properties.

5. *The grocery store market is also becoming bifurcated with competition on the low and high end.*

The traditional full service supermarket chains are experiencing competition from the superstores and discounters on the low end of the price scale and the natural food and specialty grocers on the high end. The impact of the discounters on the market is well known in Oklahoma City where Wal-Mart has captured a 60 percent share of the grocery market with its Supercenters and Neighborhood Markets. The dominant national supermarket chains including Kroger, Safeway, Albertson's, and A&P have suffered the greatest impact. In fact, none of these national chains are present in the Oklahoma City market, where there are only two regional chains, Homeland with eight stores, and Buy For Le\$\$ with nine stores. The more specialized natural foods grocers are just now entering the market including Whole Foods and Sprouts (previously Sunflower). Additionally, the rapid growth of ethnic populations has spurred the emergence of Hispanic and Asian oriented supermarkets.

6. *There is a substantial oversupply of older shopping center space, much of which will need to be repurposed.*

Many shopping centers built between the 1960's and 1980's are at the end of their real estate cycle. The aggressive expansions of national retailers, the impact of the recession, growth of internet sales, and reductions in the number of profitable retail anchors are all factors putting added pressure on existing retail centers. At the same time, overall retail demand in older neighborhoods is shrinking due to an aging population and declining household incomes. In particular, the loss of the anchor store to a new location leads to higher vacancies, lower rents, marginal uses, and higher turnover.

This real estate cycle can be short term if a center is in a strong location and can be re-tenanted. In particular, real estate developers have had some success repositioning older regional malls by subdividing a vacant department store into two or more of the popular large apparel and home furnishings tenants (e.g., Forever 21, H&M, Container Store, Aeropostale) or by demolishing the vacant box and building a "lifestyle" component with primarily restaurant and entertainment uses.

However, without a new anchor or a major repositioning the cycle of disinvestment can be more structural, requiring a more radical solution. Where malls have become outmoded due to newer competition, they have been "de-malled" and rebuilt as lifestyle centers. Because these sites are generally 100 acres +/- with very few landowners, redevelopment can be a feasible alternative particularly if the market location is still strong and non-retail mixed use development can be feasibly introduced. However, these larger redevelopment efforts generally require and also generally receive public financing incentives to address the costs of redevelopment.

The challenges of repositioning and redeveloping older neighborhood and community centers are more significant. There are a few centers in stable middle and higher income neighborhoods with enough retail demand to refill vacant anchor spaces or to reposition a property for a different tenant mix. More often, these outmoded centers are in transitioning neighborhoods with lower income populations and are challenged by the development of newer competition a short distance away. The ability to redevelop is also impacted by smaller parcel size and the inability to create a greater amount of new development to cover the costs of redevelopment.

Regional Retail Conditions

The retail development pattern in Oklahoma City has mirrored national development trends over the last 50 years. The post-World War II suburban residential development boom was accompanied by the emergence of the planned shopping center as the dominant retail development model. By 1960, a new inventory of supermarket-anchored neighborhood and community centers had emerged in the newer residential areas of the city and in the adjacent suburbs.

At the same time, department store-anchored regional shopping centers were developing as a more convenient auto-accessible alternative to the downtown core for major shopping trips. Shepherd Mall on 23rd Street and Penn Square Mall on 50th were among the earliest with the former now converted to non-retail uses and the latter having been renovated and expanded numerous times to maintain its position as the premier regional center in the city. The metropolitan area now has a fully developed hierarchy of centers, including:

- Unanchored strip centers;
- Supermarket-anchored neighborhood centers;
- Community and power centers dominated by discounters and mass merchandisers; and
- Department store-anchored regional centers.

The other dominant commercial land use pattern in the city is the commercial strip or corridor. The one-mile section grid defines the city's network of arterial roads and highways, as it does in most western U.S. cities. Most of the neighborhood and community shopping centers have located at the intersections of these arterials. Smaller commercial centers and single-use buildings have proliferated along the frontage of many of the arterials connecting these centers. In some cases these corridors have been deliberate in that the arterial frontage was zoned for commercial uses all along. In other cases, the commercial strips have developed by default, as homes fronting the arterials became less attractive as residences and were converted to commercial uses or demolished to build single-purpose commercial buildings and/or smaller strip commercial centers.

More extensive commercial uses have developed along a number of highway corridors in the city, including I-240 and Northwest Expressway. As with arterials, a series of distinct retail centers have become connected in a continuous retail strip through the development of smaller retail centers and freestanding retail uses who seek to take advantage of the attributes of the highway location and the adjacencies to the nearby major retail centers. The distinction for these highway corridors is that they tend to be dominated by larger format stores and centers serving a 3 to 5 mile regional trade area, including supercenters, power centers, and home improvement centers.

One of the more exciting retail development trends in recent years has been the reemergence of some of the city's oldest commercial districts. The neighborhood commercial districts in the older historic neighborhoods surrounding the downtown have generally evolved into more specialized retail districts focused on restaurants, specialty retail, entertainment, and the arts. Among the more successful commercial areas include The Paseo Arts District, The Plaza, and the Asian District. Other districts are still evolving from a traditional to specialized business mix, including Uptown 23rd, Capitol Hill, and Midtown. Unfortunately, to date, the CBD has struggled to re-establish a critical mass of retail uses. However, a number of specialized regional draws are developing in and near the downtown core, most notably the Bricktown entertainment district and the Automobile Alley and Midtown commercial areas.

Regional Retail Inventory

As of 2011, there are approximately 180 retail centers in the Oklahoma City region. Of these centers, approximately 100 are in the city and 80 are outside the city, as shown in **Table 2** and graphically in **Figure 1**. The majority of centers in the region were constructed before 1990. Prior to 2000, the vast majority of retail center development had occurred in Oklahoma City, as it captured between 60 and 75 percent of the retail square feet built in retail centers in the metro area. Since 2000, the communities surrounding Oklahoma City have captured a greater share of retail development, with Oklahoma City capturing only approximately 20 percent of the new centers. New, large regionally serving retail centers have been developed in Edmond, Midwest City, Moore, Mustang, Norman and Yukon over the last 12 years.

Almost all of the larger shopping centers outside of Oklahoma City are power centers, as shown in **Figure 2**, with Sooner Mall in Norman being the only major mall outside of the city. The new centers built in the surrounding communities offer stores that previously required residents to shop in Oklahoma City. The growth in the surrounding suburban communities has allowed them to reach a large enough size to support their own regional centers, which has cut into the retail inflow into the city. Oklahoma City has the three largest regional mall/centers in the metro area with Penn Square, Quail Springs, and the new Outlet Shoppes serving as the premier shopping locations in the metro area.

Table 2
Regional Retail Center Inventory

	Oklahoma City	Norman	Edmond	Midwest City	Moore	Yukon	Other	Metro Total
1960's								
Shopping Centers	17	6	1	2	2	1	2	31
Square feet in Centers	2,470,000	606,000	131,800	188,000	230,000	87,493	177,863	3,891,156
% of Total Sq Ft	63%	16%	3%	5%	6%	2%	5%	100%
1970's								
Shopping Centers	26	4	3	2	2	2	5	44
Square feet in Centers	2,870,000	755,000	337,398	119,000	92,000	299,300	336,496	4,809,194
% of Total Sq Ft	60%	16%	7%	2%	2%	6%	7%	100%
1980's								
Shopping Centers	33	8	13	3	0	2	1	60
Square feet in Centers	4,070,000	538,000	966,115	165,000	0	140,603	114,475	5,994,193
% of Total Sq Ft	68%	9%	16%	3%	0%	2%	2%	100%
1990's								
Shopping Centers	8	2	3	0	1	0	0	14
Square feet in Centers	2,650,000	468,000	365,009	0	88,000	0	0	3,571,009
% of Total Sq Ft	74%	13%	10%	0%	2%	0%	0%	100%
2000's								
Shopping Centers	9	1	11	1	7	3	1	33
Square feet in Centers	1,020,000	550,000	1,003,000	700,000	975,000	793,690	174,671	5,216,361
% of Total Sq Ft	20%	11%	19%	13%	19%	15%	3%	100%

Source: CBRE, Claritas, Loopnet, Economic & Planning Systems

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Figure 1
Oklahoma City Retail Centers by Year Built

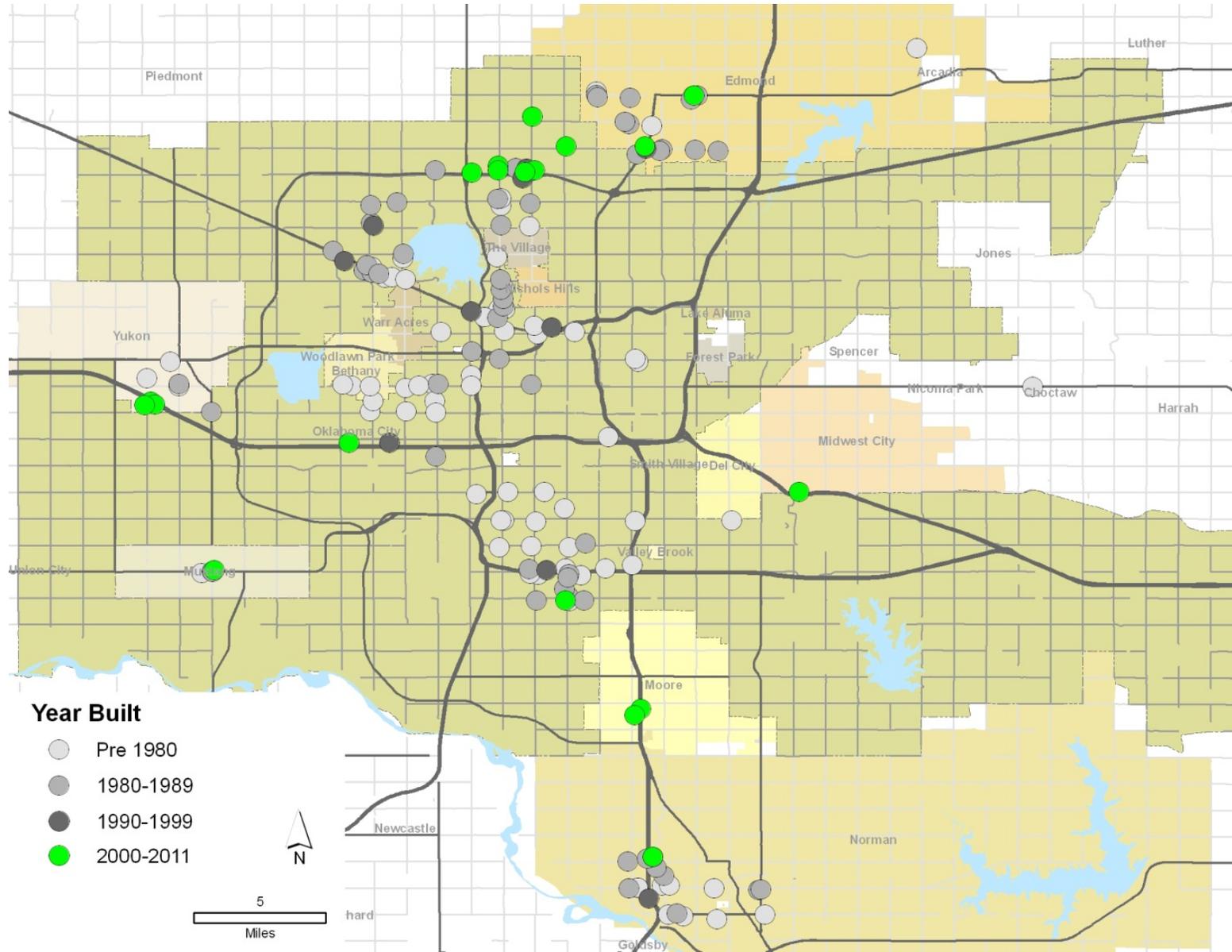
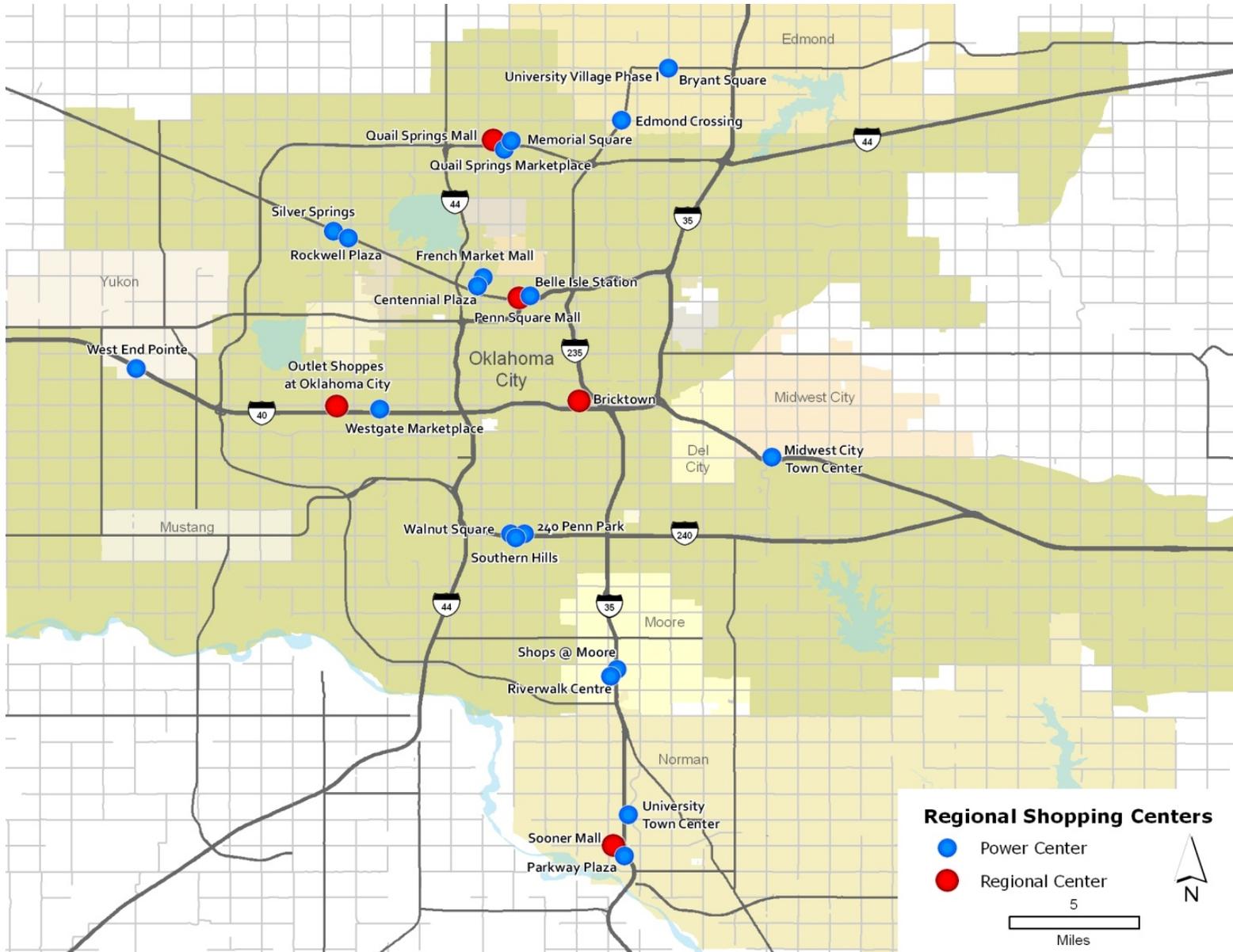


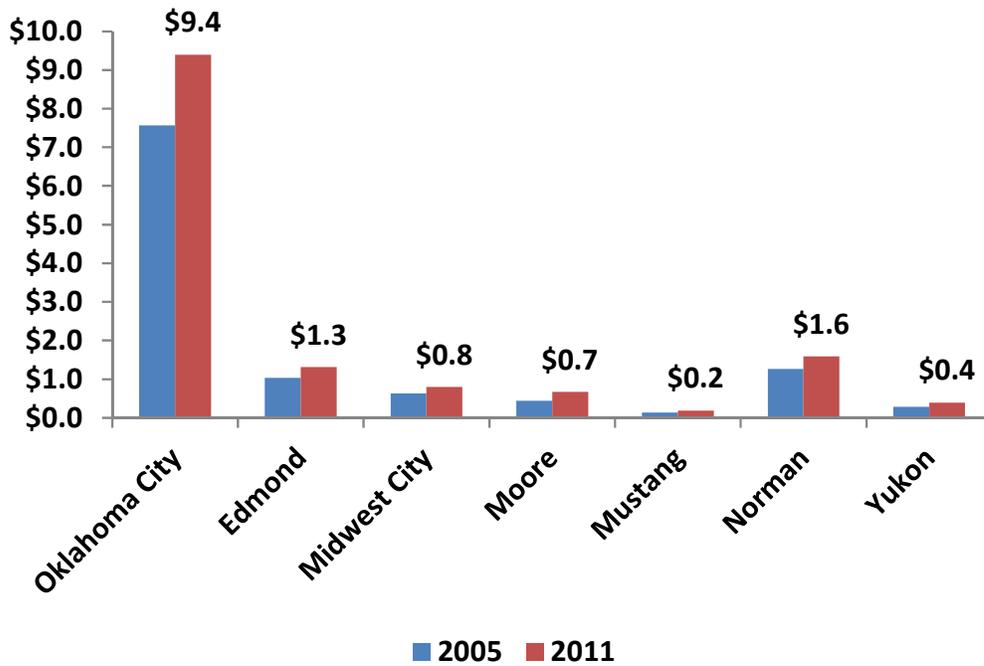
Figure 2
Oklahoma City Regional Retail Shopping Centers



Regional Taxable Sales Growth

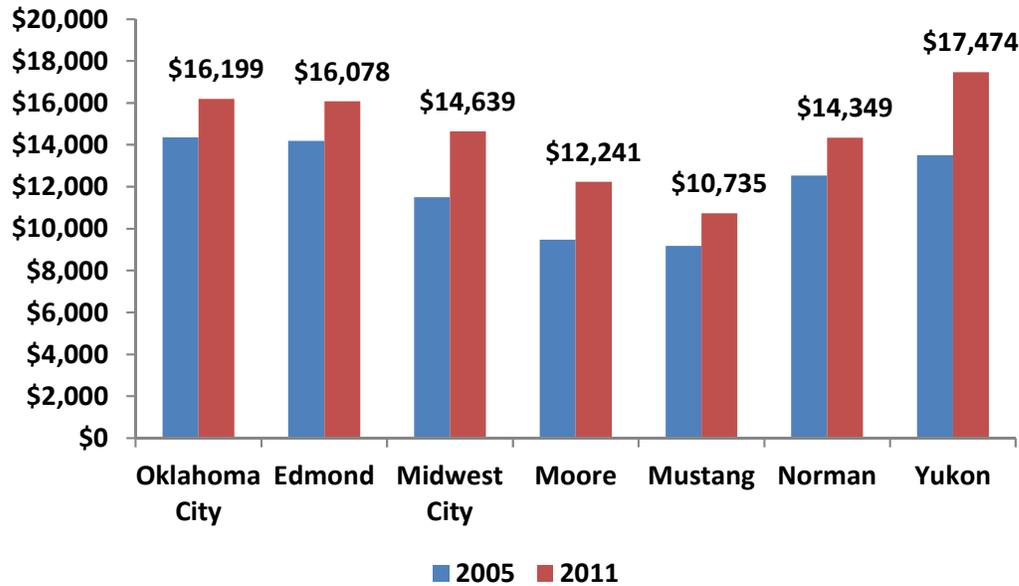
Despite the addition of new retail supply in outlying areas, Oklahoma City remains the dominant city in the region for taxable sales, totaling over \$9.0 billion in 2011 as shown in **Figure 3**. The next largest generator of taxable sales is Norman with approximately \$1.5 billion in annual sales, followed by Edmond and Midwest City (figures are for total taxable sales). Because Oklahoma City is also the dominant employment hub in the region, a larger portion of the city's taxable sales are likely attributable to non-retail business activity.

Figure 3
Regional Total Taxable Sales (\$B), 2005-2011



On a per capita basis, the surrounding cities are more competitive. Yukon, with a population of only 21,000, has the highest amount of annual sales per capita, or approximately \$17,474, as shown in **Figure 4**. Oklahoma City and Edmond have the next highest annual sales per capita, or approximately \$16,199 and \$16,078, respectively. This indicates that both cities experience more inflow than the remaining cities of Midwest City, Moore, Mustang, and Norman.

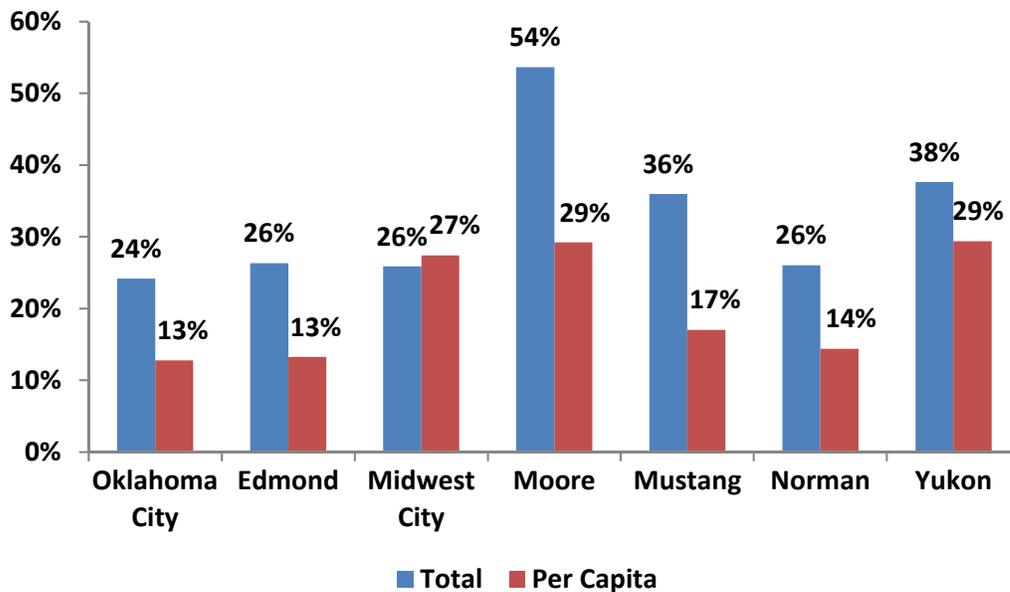
Figure 4
Regional Taxable Sales per capita, 2005-2011



While Oklahoma City remains the dominant generator of taxable sales in the region, outlying communities are gaining market share. Since 2005 sales tax collections in Oklahoma City increased approximately 24 percent, as shown in **Figure 5**. This growth is slightly lower than the sales growth experienced in Edmond, Midwest City, and Norman, at 26.0 percent. With an increase of 54.0 percent over 2005 base levels, Moore experienced the largest growth in taxable sales, or more than double that of Oklahoma City. Mustang and Yukon, too, experienced significant increases at 36.0 and 38.0 percent, respectively.

While this loss in market share is primarily the factor of new retail supply in the competitive communities, growth in new households can significantly contribute to new retail sales as well. Adjusting for population growth, Oklahoma City taxable sales per capita increased 13 percent since 2005. Again, this growth is similar to Edmond (13.0 percent) and Norman (14.0 percent). However, growth in sales per capita in Midwest City (27.0 percent) actually exceeded its total growth (26.0 percent). This is the result of a significant addition of new retail supply (Midwest City Town Center) while experiencing stagnant population growth. Conversely, the majority of Mustang's retail sales growth was driven by population, with per capita sales increasing 17 percent versus 36.0 percent in aggregate. Moore and Yukon experienced the largest increases in taxable sales on a per capita basis, increasing 29.0 percent since 2005. Thus, these communities experienced both significant new retail supply and significant population growth since 2005 base levels.

Figure 5
Regional Taxable Sales Growth, Percent Change 2005-2011



Survey Results

A survey of residents in the Oklahoma City metro area was completed as an input into planokc. The survey included a select number of questions regarding where residents make their retail purchases to be used as input into the retail sales inflow/outflow analysis completed for the project. The survey results pertaining to retail are summarized below and are later used as input to calibrate the analysis of retail sales flows.

Major Retail Purchases

Oklahoma City residents estimated that they make approximately 69 percent of their retail purchases in Oklahoma City, 23 percent elsewhere in the metro area, and 8 percent online, as shown in **Table 3**. The residents in the Central subarea of Oklahoma City make the highest proportion of their purchases within the city (79 percent), while residents of the Southeast subarea make the lowest proportion (56 percent). (Refer to **Figure 9** for the boundaries of the subareas used for the survey.) The Northeast and Southeast subarea residents make a significant percentage of their retail purchases outside of the city at 35 and 37 percent respectively. The competition from newer retail centers in Moore and Norman to the south and Edmond to the north have had a significant impact on the locations of these residents' purchases.

Table 3
Retail Survey - Where Retail Purchases are Made?

	Location of Retail Purchases			Total
	% in Oklahoma City	% Outside OKC	% on Internet	
Where Respondents Live				
Central	79%	10%	11%	100%
Northeast	58%	35%	7%	100%
Northwest	75%	17%	8%	100%
Southeast	56%	37%	8%	100%
Southwest	67%	26%	7%	100%
Oklahoma City	69%	23%	8%	100%
Edmond	25%	66%	8%	100%
Midwest City	38%	55%	8%	100%
Norman	16%	78%	6%	100%
Outside Oklahoma City	25%	67%	7%	100%

Source: Economic & Planning Systems

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On average, metro residents living outside of Oklahoma City make about two-thirds of their purchases locally (outside of Oklahoma City) and 25 percent of their purchases in Oklahoma City. Similar to Oklahoma City residents, metro residents make a similar portion of their retail purchases online, or approximately 7.0 percent. This is slightly above the national average of 5.5 percent and consistent with what might be expected in a smaller metro area lacking the full array of specialty stores. (This survey question allowed the respondent to put percentages in multiple categories adding up to 100 percent.)

The survey respondents were also asked to select the single location where they make most of their major retail purchases. Oklahoma City residents surveyed make the majority of their major purchases in the city, with only 15 percent selecting a city outside Oklahoma City, as shown in **Table 4**.

The Northwest subarea was the only subarea where most residents indicated that they make their major retail purchases within their own subarea (88 percent). By contrast, Southeast subarea residents make 41 percent of their major purchases outside Oklahoma City and an additional 16 percent outside the subarea.

Table 4
Retail Survey - Where are Most Major Retail Purchases Made?

	Location of Major Retail Purchases		
	% in Subarea	Elsewhere	
		In OKC	Out of OKC
Where Respondents Live			
Central	35%	62%	3%
Northeast	15%	52%	33%
Northwest	88%	8%	4%
Southeast	43%	16%	41%
Southwest	54%	40%	6%
Oklahoma City	55%	30%	15%
	% In Area	% In OKC	% Elsewhere
Edmond	62%	37%	1%
Midwest City	75%	20%	5%
Norman	89%	11%	1%
Outside Oklahoma City	73%	25%	2%

Source: Economic & Planning Systems

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Grocery Purchases

The survey also asked city residents where they made their grocery purchases. Of the survey respondents who live in Oklahoma City, 67 percent reported that they make their grocery purchases within the subarea in which they reside, as shown in **Table 5**. The two subareas with the highest portion of residents purchasing groceries locally (within the subarea) are the Northwest (87 percent) and the Southwest (79 percent) subareas. By contrast, 81 percent of Northeast subarea residents buy their groceries outside of the subarea. Only a small number of people that live outside of Oklahoma City purchase their groceries in Oklahoma City, or approximately 7.0 percent.

**Table 5
Retail Survey - Where Grocery Purchases are Made?**

	Location of Most Grocery Purchases									Total	
	Central	Northeast	Northwest	Southeast	Southwest	Edmond	Midwest City	Norman	Total	% In	% Out
Where Respondents Live											
Central	55%	3%	31%	2%	7%	1%	1%	0%	100%	55%	45%
Northeast	8%	19%	22%	2%	0%	30%	18%	0%	100%	19%	81%
Northwest	2%	0%	87%	0%	4%	6%	0%	0%	100%	87%	13%
Southeast	1%	1%	2%	62%	4%	0%	16%	13%	100%	62%	38%
Southwest	1%	0%	9%	9%	79%	0%	1%	0%	100%	<u>79%</u>	<u>21%</u>
Oklahoma City	13%	3%	40%	14%	16%	6%	5%	3%	100%	67%	33%
Edmond	0%	1%	5%	0%	0%	92%	1%	0%	100%	92%	8%
Midwest City	0%	2%	0%	5%	1%	0%	93%	1%	100%	93%	7%
Norman	0%	0%	1%	6%	0%	0%	1%	92%	100%	<u>92%</u>	<u>8%</u>
Outside Oklahoma City	0%	1%	3%	3%	0%	44%	20%	29%	100%	92%	8%

Source: Economic & Planning Systems

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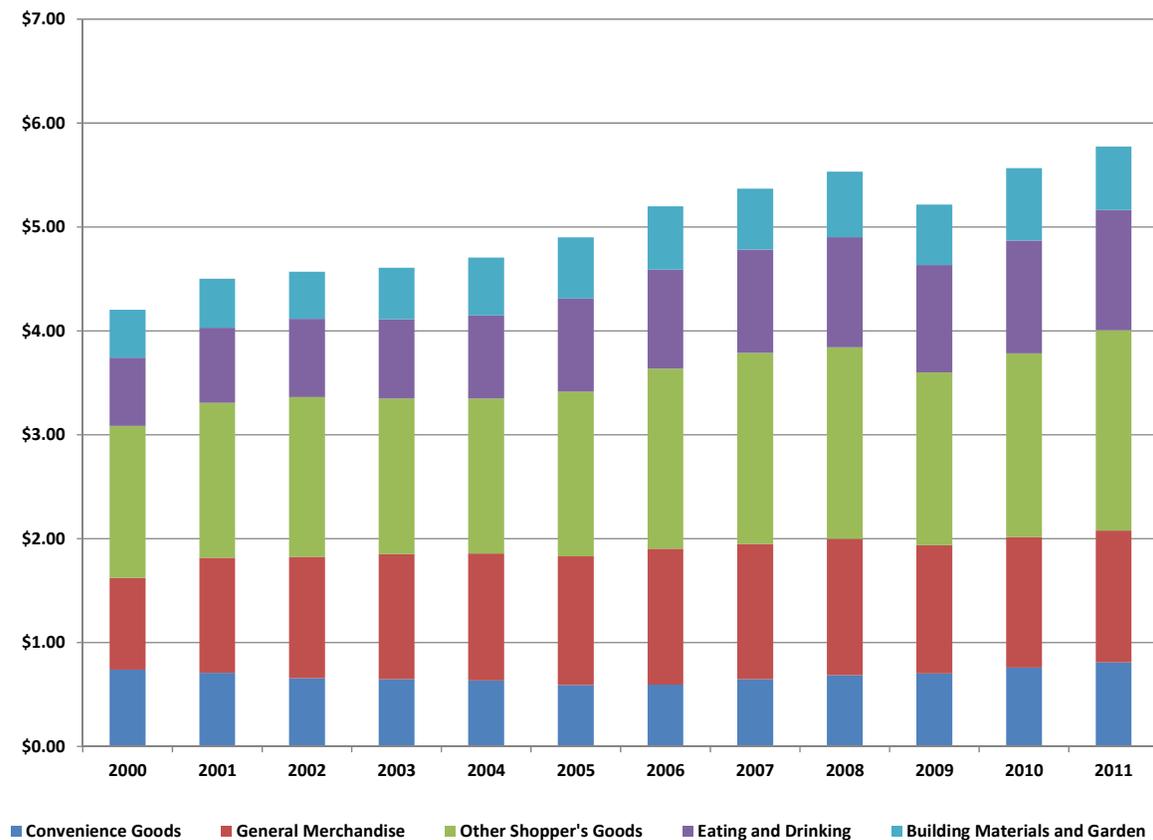
City Retail Conditions

Retail sales flows are estimated by comparing expected household expenditures to actual retail store sales. Expenditure potentials are estimated by calculating the percent of household income spent on retail purchases by store category. Based on this comparison, EPS estimated the sales performance of retail store categories, including the magnitude of net inflow and outflow.

City Retail Sales

Oklahoma City retail sales grew at an annual average of 2.9 percent between 2000 and 2011, increasing from \$4.2 billion to \$5.8 billion as shown in **Figure 6**. While the City suffered a slight drop in sales in 2009, retail sales rebounded in 2010 before reaching a new high in 2011. This steady growth is likely reflective of a strong local economy based in natural resources (oil and natural gas) and continued retail development throughout the city.

Figure 6
City Retail Sales (\$B), 2000-2011



Household Expenditure Potential

Total Personal Income (TPI), or total households multiplied by average (mean) household income, is a measure of household buying power in a trade area. While median household income is often used as a better representation of a typical household, average income accounts for the total amount of buying power in a given trade area and is used in this analysis. There are approximately 230,000 households in the city. Multiplying this total by the average household income of approximately \$61,500, Oklahoma City has an estimated TPI of approximately \$14.2 billion as shown in **Table 6**.

Table 6
Oklahoma City TPI, 2010

Description	2010
Oklahoma City	
Households (2010 US Census, EPS Projections)	230,233
Avg. (Mean) HH Income (2010 ACS)	\$61,511
Total Personal Income (TPI)	\$14,161,862,063

Source: US Census/ACS; Economic & Planning Systems

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Table 7
Oklahoma City Retail Expenditure Potential, 2010

Store Type	Pct. of TPI	OKC Resident Expend Potent (\$000s)
2010 Oklahoma City, TPI	100.0%	\$14,161,862,063
Convenience Goods		
Supermarkets/Grocery Stores	4.2%	\$595,518
Other Food Stores	0.1%	\$16,658
Convenience Stores	0.6%	\$87,921
Beer, Wine, & Liquor Stores	0.5%	\$65,170
Health and Personal Care	0.7%	\$95,602
Total Convenience Goods	6.1%	\$860,869
Shopper's Goods		
General Merchandise		
Department and Variety Stores	8.8%	\$1,245,529
Miscellaneous general merchandise stores	1.3%	\$188,389
Total General Merchandise	10.1%	\$1,433,917
Other Shopper's Goods		
Clothing & Accessories	1.5%	\$218,767
Furniture & Home Furnishings	1.0%	\$136,371
Electronics & Appliances	1.7%	\$240,738
Sporting Goods, Hobby, Book, & Music Store:	1.0%	\$141,268
Miscellaneous Retail	3.1%	\$442,985
Total Other Shopper's Goods	8.3%	\$1,180,129
Eating and Drinking	6.2%	\$877,783
Building Material & Garden	3.6%	\$513,933
Total Retail Goods	34.4%	\$4,866,627

Source: Oklahoma City; US Census of Retail Trade; Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Models\21863-Inflow-Outflow-City.xls|2010 Expend-Sales

Based on state sales tax data, Oklahoma residents spend approximately 34.4 percent of annual household income on retail goods. The approximate percent of household income spent by retail category is shown in **Table 7**. Based on a total TPI of \$14.2 billion, Oklahoma City residents spend approximately \$4.9 billion on retail goods annually.

Household Spending Patterns

Oklahoma City households have the option of either making their retail purchases within the city (local capture) or outside of the city (outflow). The decision to shop locally ultimately depends on the availability of local goods and services, the quality of shopping experience, and overall convenience. Using the existing retail inventory and resident survey responses, EPS estimated the percent of Oklahoma City household expenditures spent locally, or within the city. This estimate ranges from as low as 75 percent for General Merchandise stores to as high as 85 percent for Convenience Goods, as shown in **Table 8**. In total, it is estimated that Oklahoma City residents spend approximately 78 percent of their retail expenditure potential within the city. The remaining portion of household expenditure potential represents outflow. Based on this analysis, an estimated 22 percent of Oklahoma City household expenditure potential is spent outside of the city. This includes 15 percent of Convenience Goods, 25 percent of Shopper's Goods (including General Merchandise and Other), 20 percent of Eating and Drinking, and 20 percent of Building Material and Garden. The estimated percent of local capture is higher than in other markets and generally reflects the large geographic size and population of Oklahoma City in comparison to outlying communities.

Table 8
Oklahoma City Household Expenditure by Location, 2010

Store Type	A Pct. of TPI	B OKC Resident Expend. Poten. (\$000s)	C Local Capture		E Outflow	
			D Pct. of Expenditures	D Resident Expenditures (\$000s)	E Pct. of Expenditures	F Resident Expenditures (\$000s)
2010 Oklahoma City, TPI	100.0%	\$14,161,862				
Convenience Goods	6.1%	\$860,869	85%	\$728,676	15%	\$132,193
Shopper's Goods						
General Merchandise	10.1%	\$1,433,917	75%	\$1,075,438	25%	\$358,479
Other Shopper's Goods	8.3%	\$1,180,123	75%	\$885,093	25%	\$295,031
Total Shopper's Goods	18.5%	\$2,614,041	75%	\$1,960,531	25%	\$653,510
Eating and Drinking	6.2%	\$877,785	80%	\$702,228	20%	\$175,557
Building Material & Garden	3.6%	\$513,932	80%	\$411,146	20%	\$102,786
Total Retail Goods	34.4%	\$4,866,627	78%	\$3,802,581	22%	\$1,064,046

Source: Oklahoma City; US Census of Retail Trade; Economic & Planning Systems
H:\21863-Oklahoma City OK Retail Plan\Models\21863-Inflow-Outflow-City.xls\2010 Expend-Sales Summary

Retail Sales by Origin

Oklahoma City functions as a regional retail hub, not only capturing the majority of local expenditure potential, but also by drawing from the surrounding communities in the region (inflow). To estimate the amount of inflow sales in the city, resident purchases (local capture) must be netted out of actual retail sales. As of 2010, Oklahoma City had a total of \$5.8 billion of retail sales, as shown in **Table 9**. Of this total, \$3.8 billion are estimated to represent purchases by residents (see **Table 8**). Thus, the remaining \$2.0 billion, or 34 percent of total sales, represents inflow sales. This includes approximately 10 percent of Convenience Goods sales, 39 percent of Shopper's Goods sales, including General Merchandise and Other, 39 percent of Eating and Drinking sales, and 33 percent of Building Material and Garden sales.

Table 9
Oklahoma City Retail Store Sales by Origin, 2010

Store Type	A	B	C	D	E
	OKC	Sales to Residents		Inflow and Visitor Sales	
	Store Sales (\$000s)	% of Sales	Sales (\$000s)	% of Sales	Sales (\$000s)
Convenience Goods	\$810,500	90%	\$728,676	10%	\$81,824
Shopper's Goods					
General Merchandise	\$1,269,321	85%	\$1,075,438	15%	\$193,883
Other Shopper's Goods	\$1,926,006	46%	\$885,093	54%	\$1,040,914
Total Shopper's Goods	\$3,195,327	61%	\$1,960,531	39%	\$1,234,796
Eating and Drinking	\$1,159,308	61%	\$702,228	39%	\$457,080
Building Material & Garden	\$610,117	67%	\$411,146	33%	\$198,971
Total Retail Goods	\$5,775,252	66%	\$3,802,581	34%	\$1,972,671

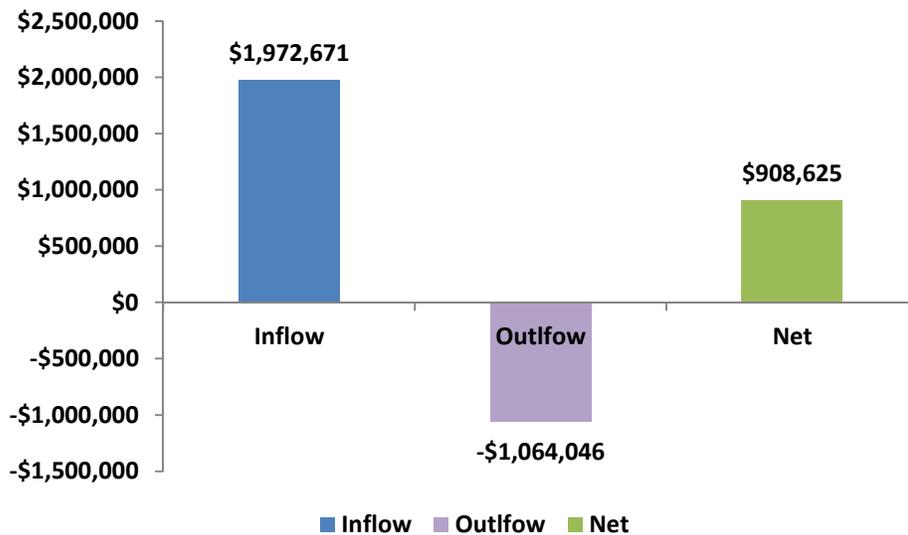
Source: Oklahoma City; US Census of Retail Trade; Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Models\21863-Inflow-Outflow-City.xls\2010 Expend-Sales Summary

Net Retail Sales Flow

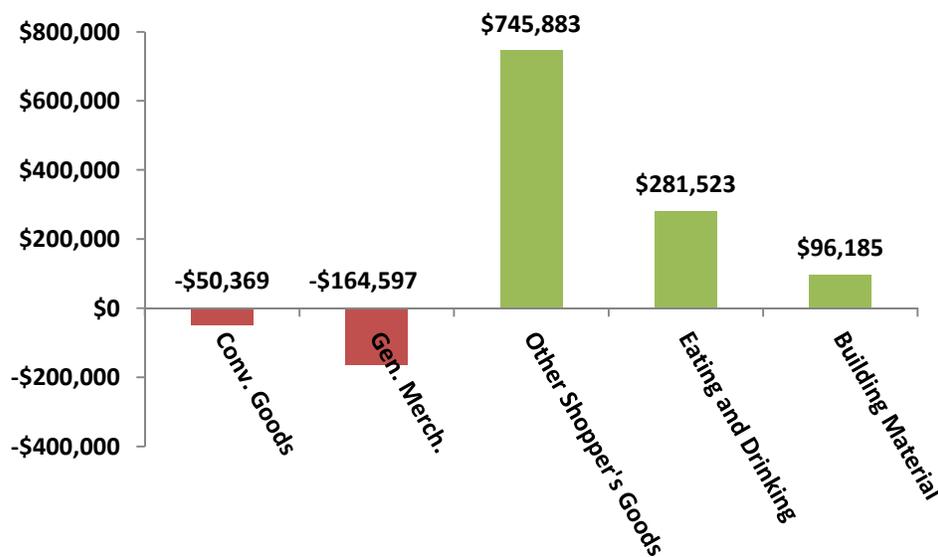
Netting total retail inflow (\$1.97 billion) against estimated retail outflow (\$1.1 billion), Oklahoma City is estimated to import approximately \$0.9 billion in annual retail spending from the surrounding region, as shown in **Figure 7**. This level of net inflow is significant and larger than many cities of similar size; however, a portion of these dollars are likely a function of larger municipal boundaries and lower regional population compared to other national cities. As regional population continues to grow, surrounding communities will begin to expand their local retail bases. In order to maintain this level of net inflow, Oklahoma City will need to focus on developing unique regional and specialty retailers that draw shoppers from across the region.

Figure 7
City Net Sales Flow (\$B), 2010



On a store category level, Other Shoppers Goods, Eating and Drinking, and Building Material & Garden, represent the strongest retail store categories in the city with net inflows of \$0.75 Billion, \$0.28 Billion, and \$0.096 billion, respectively. Convenience Goods and General Merchandise have minimal net outflow and can be considered to be relatively balanced. This is expected at the Convenience Goods level given the large number of centers and smaller neighborhood level trade areas. General Merchandise would be expected to generate net inflow to the city given the more regional orientation and the concentration of department stores at Penn Square and Quail Springs. However, due to sales tax data limitations, department stores are aggregated with discounters and warehouse clubs that appear to have some outflow due to the locations of newer stores and centers outside of the city.

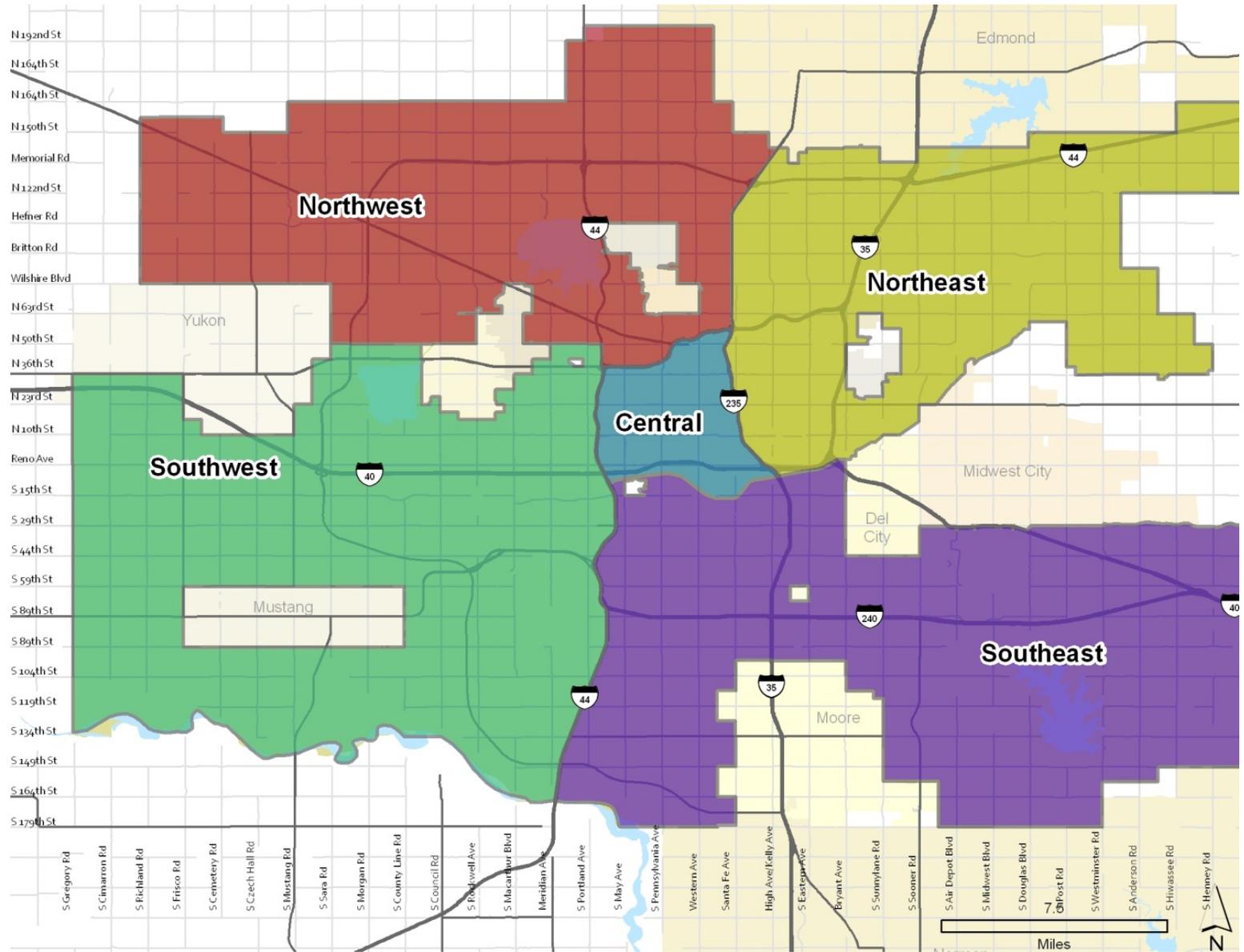
Figure 8
City Net Sales Flow by Major Retail Category (\$B), 2010



Subarea Retail Conditions

While it is important to understand sales flows at the citywide level, it is equally important to gain an understanding of retail sales flows at the subarea level in order to identify the performance of local trade areas and potential retail opportunities for retail nodes and corridors within the city. Thus, the same sales flow methodology was applied using subarea demographics and retail sales data. EPS worked extensively with the City to allocate retail sales at the subarea level based on sales tax collection data points. All sales tax data were aggregated to maintain the confidentiality of the filers. EPS then calculated the net inflow or outflow of each retail category as an indicator of overall category performance. The expected sales from residents in each retail category were matched against the actual sales in each retail category to determine inflow or outflow. A net negative figure means the retail sales category is underperforming and leaking retail expenditure potential out of the subarea. A net positive figure means the retail sales category is overperforming and draws retail expenditure potential from outside of the subarea. A summary map and subarea breakdown of the performance of each retail category follows.

**Figure 9
City Subareas**



Central Subarea

The Central subarea contains the CBD and surrounding downtown area neighborhoods, including Bricktown and Midtown, and has a residential population of approximately 54,600 people with a per capita income of \$23,991. This results in an estimated TPI of \$1.31 billion. Assuming 34.4 percent of TPI is spent on retail goods, there is approximately \$450 million in total retail expenditures in the subarea. Actual sales in the subarea total approximately \$625 million, resulting in a net inflow of \$175 million in annual sales imported to the subarea. General Merchandise stores, such as Supercenters (Wal-Mart, Target) and traditional department stores are vastly under-represented in the subarea. Top performers include Eating and Drinking establishments and Building Materials and Garden supply stores. The high performance of Eating and Drinking is reflective of the significant entertainment role of the CBD, including bars and restaurants in areas such as Bricktown and Midtown. The high sales figures for Building Materials and Garden reflect a high amount of building material suppliers present to the south of downtown. While the Central subarea is a successful importer of retail sales dollars, it lacks the critical mass of downtown retailers in its CBD that exists in other western cities.

Table 10
Oklahoma City Central Subarea Net Sales Flow, 2010

Store Type	Actual Sales		Exp. Potential		Net Sales Flow	
	\$ (\$000s)	% of City	\$ (\$000s)	% of City	\$ % Over/(Under) (\$000s)	Exp. Pot.
TPI			\$1,309,915			
Convenience Goods	\$108,142	14%	\$79,627	9%	\$28,515	36%
Shopper's Goods						
General Merchandise	\$35,638	3%	\$132,632	9%	-\$96,994	-73%
Other Shopper's Goods	\$159,403	9%	\$109,157	9%	\$50,246	46%
Subtotal	\$195,040	6%	\$241,788	9%	-\$46,748	-19%
Eating & Drinking	\$199,712	18%	\$81,192	9%	\$118,520	146%
Building Materials & Garden	\$122,293	18%	\$47,537	9%	\$74,756	157%
Total Retail Goods	\$625,186	11%	\$450,143	9%	\$175,043	39%

Source: Oklahoma City, Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Models\21863-Inflow-Outflow-Central.xls\Net Summary

Northeast Subarea

The Northeast subarea primarily contains the neighborhoods east of I-235 and north of I-40. Based on a population of 47,126 people and an average per capita income of \$21,642, TPI is estimated to total \$1.02 billion with an estimated retail expenditure potential of \$350 million. Actual sales in the subarea total approximately \$186 million, resulting in a net sales outflow of \$164 million. The Northeast subarea is severely underserved in almost all retail categories, except Building Materials and Garden where it is a net importer of retail spending. This lack of retail convenience, shopper's goods, and restaurants in the subarea is primarily the result of a lack of sites with sufficient incomes and residential densities for a traditional two-mile grocery trade area. While there is demonstrated demand for these goods across the entire subarea, there are a limited number of developable sites with sufficient transportation access to serve the entire subarea. Last, the subarea suffers from a poor demographic perception by traditional retailers who do not perceive the local demographics as a match with their identified customer base.

Table 11
Oklahoma City Northeast Subarea Net Sales Flow, 2010

Store Type	Actual Sales		Exp. Potential		Net Sales Flow	
	\$ (\$000s)	% of City	\$ (\$000s)	% of City	\$ % Over/(Under) (\$000s)	Exp. Pot.
TPI			\$1,019,892			
Convenience Goods	\$25,174	3%	\$61,997	7%	-\$36,823	-59%
Shopper's Goods						
General Merchandise	\$17,874	1%	\$103,266	7%	-\$85,392	-83%
Other Shopper's Goods	\$63,605	4%	\$84,989	7%	-\$21,384	-25%
Subtotal	\$81,479	3%	\$188,255	7%	-\$106,776	-57%
Eating & Drinking	\$36,318	3%	\$63,215	7%	-\$26,897	-43%
Building Materials & Garden	\$43,340	6%	\$37,012	7%	\$6,328	17%
Total Retail Goods	\$186,310	3%	\$350,479	7%	-\$164,169	-47%

Source: Oklahoma City, Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Models\21863-Inflow-Outflow-Northeast.xls\Net Summary

Southeast Subarea

The Southeast subarea primarily contains the neighborhoods east of I-235 and south of I-44, including the I-240 Corridor. There are approximately 204,775 people residing in the subarea with an average per capita income of \$18,378, resulting in a TPI of \$3.76 billion and total retail expenditure potential of approximately \$1.3 billion. Actual sales in the subarea total approximately \$1.1 billion, resulting in a net sales outflow of \$152 million. The Southeast subarea is underserved in almost all retail categories, except Building Materials and Garden where it is a net importer of retail spending.

Table 12
Oklahoma City Southeast Subarea Net Sales Flow, 2010

Store Type	Actual Sales		Exp. Potential		Net Sales Flow	
	\$ (\$000s)	% of City	\$ (\$000s)	% of City	\$ % Over/(Under) (\$000s)	Exp. Pot.
TPI			\$3,763,392			
Convenience Goods	\$182,723	19%	\$228,768	27%	-\$46,046	-20%
Shopper's Goods						
General Merchandise	\$261,140	16%	\$381,051	27%	-\$119,911	-31%
Other Shopper's Goods	\$289,181	21%	\$313,608	27%	-\$24,427	-8%
Subtotal	\$550,321	19%	\$694,659	27%	-\$144,338	-21%
Eating & Drinking	\$206,911	16%	\$233,264	27%	-\$26,353	-11%
Building Materials & Garden	\$201,086	14%	\$136,573	27%	\$64,513	47%
Total Retail Goods	\$1,141,041	18%	\$1,293,264	27%	-\$152,223	-12%

Source: Oklahoma City, Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Models\21863-Inflow-Outflow-Southeast.xls\Net Summary

Southwest Subarea

The Southwest subarea primarily contains the neighborhoods east of I-44 and south of 164th Street. There are approximately 97,086 people residing in this area with an average per capita income of \$22,226, generating \$2.16 billion in TPI and a total retail expenditure potential of \$742 million. Actual sales in the subarea total approximately \$989 million, resulting in a net sales inflow of \$248 million. The Southwest subarea underperforms in General Merchandise; however, it experiences a significant amount of inflow in Other Shopper's Goods. This likely reflects the large regional furniture and home furnishings cluster along I-70.

Table 13
Oklahoma City Southwest Subarea Net Sales Flow, 2010

Store Type	Actual Sales		Exp. Potential		Net Sales Flow	
	\$ (\$000s)	% of City	\$ (\$000s)	% of City	\$ % Over/(Under) (\$000s)	Exp. Pot.
TPI			\$2,157,812			
Convenience Goods	\$141,243	19%	\$131,169	15%	\$10,074	8%
Shopper's Goods						
General Merchandise	\$203,722	16%	\$218,483	15%	-\$14,761	-7%
Other Shopper's Goods	\$366,844	21%	\$179,813	15%	\$187,031	104%
Subtotal	\$570,566	19%	\$398,296	15%	\$172,270	43%
Eating & Drinking	\$178,270	16%	\$133,746	15%	\$44,524	33%
Building Materials & Garden	\$99,405	14%	\$78,307	15%	\$21,098	27%
Total Retail Goods	\$989,484	18%	\$741,517	15%	\$247,966	33%

Source: Oklahoma City, Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Models\21863-Inflow-Outflow-Southwest.xls\Net Summary

Northwest Subarea

The Northwest subarea primarily contains the neighborhoods east of I-235 and north of North 50th. There are approximately 171,722 people residing in this area with an average per capita income of \$33,186 generating almost \$5.7 billion in TPI and \$2.0 billion in total retail expenditure potential. Actual sales in the subarea total approximately \$2.3 billion, resulting in a net sales inflow of \$373 million. The Northeast subarea is underserved in Convenience Goods and Building Material and Garden; however, it serves as a net importer of all other retail categories, including a significant amount of Shopper's Goods sales. This is the result of Penn Square's dominance as a regional retail destination, as well as the significant supply of mid-box and big-box retail along Northwest Expressway.

Table 14
Oklahoma City Northwest Subarea Net Sales Flow, 2010

Store Type	Actual Sales		Exp. Potential		Net Sales Flow	
	\$ (\$000s)	% of City	\$ (\$000s)	% of City	\$ % Over/(Under) (\$000s)	Exp. Pot.
TPI			\$5,698,715			
Convenience Goods	\$249,612	33%	\$346,412	40%	-\$96,800	-28%
Shopper's Goods						
General Merchandise	\$729,974	58%	\$577,006	40%	\$152,968	27%
Other Shopper's Goods	\$783,153	44%	\$474,880	40%	\$308,273	65%
Subtotal	\$1,513,127	50%	\$1,051,887	40%	\$461,241	44%
Eating & Drinking	\$393,431	36%	\$353,220	40%	\$40,211	11%
Building Materials & Garden	\$175,388	25%	\$206,806	40%	-\$31,418	-15%
Total Retail Goods	\$2,331,558	42%	\$1,958,324	40%	\$373,234	19%

Source: Oklahoma City, Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Models\21863-Inflow-Outflow-Northwest.xls\Net Summary

3. RETAIL CENTERS

This section of the report defines the types of retail centers in Oklahoma City and evaluates the current performance of the centers. Approximately 40 percent of retail space (14.5 million square feet) in the city is located in over 100 retail centers with the remaining 40 percent located in unidentified strip centers and single-store formats.

Definitions

Retail industry definitions of shopping centers were tailored to match the types of retail centers that exist in Oklahoma City. The definitions of the five primary retail center types are provided below:

- **Regional Center** – Large-scale, enclosed malls, lifestyle centers, or town centers anchored by a high concentration of apparel, home furnishings, and specialty stores serving a regional trade area. Regional centers are typically 750,000 square feet or greater and often contain “one in the market” retailers.
- **Power Center** – Large, open strip centers with three or more mid- or big-box tenants as anchors. Power centers typically range in size from 300,000 square feet to over 500,000 square feet. Power centers serve as sub-regional centers that serve a trade area of around five miles in size. Anchors can account for as much as 75 percent of the gross leasable area in the center, with other small- to mid-sized retailers integrated as ancillary space.
- **Community Center** – Discount supercenter-anchored shopping centers, typically around 300,000 square feet in total size, including a supercenter of 100,000 square feet or greater and ancillary retail space.
- **Neighborhood Center** – Supermarket or grocery-anchored centers, typically ranging from 80,000 to 150,000 square feet that generally contain a mix of convenience goods and personal services serving a local trade area.
- **Strip Center** – Unanchored retail centers with a collection of small spaces and a wide range of sizes from 20,000 to 75,000 square feet.

Center Performance

An inventory of centers was generated for the City using information provided by City staff, CBRE Oklahoma and other primary research. The inventory encompasses the vast majority of centers in the city, which are grouped based on the center type definitions provided previously. The retail centers in the five center types were ranked based on four criteria shown below:

- Vacancy rate of the center
- Taxable sales per occupied square foot in the center
- Value of parcel(s) that make up the center
- Average lease rate of the retail spaces in the center

For each criteria the centers are grouped into thirds (top, middle, bottom) based on their performance for that specific criteria. The top centers for each criterion are scored three points, the middle centers are scored two points, and the bottom centers are scored one point. With four criteria, the maximum ranking score a center can get is 12 points, with the lowest score being 4 points. The centers in each center type were grouped again in thirds based on their total score. A map showing the location of each center by types are provide below with Top centers for each type shown in green, the middle performing centers showing yellow and the bottom performing centers shown in red.

Regional Centers

Four centers are categorized as regional centers in Oklahoma City, including Penn Square Mall, Quail Springs Mall, the recently built Outlet Shoppes at Oklahoma City, and Bricktown, anchored by a Bass Pro Shops. A description of these centers is provided below and their current performance is shown in **Table 15**.

- **Penn Square Mall** – Penn Square is an upscale, regional mall originally built in 1960 at the confluence of the Northwest Expressway, I-44 and Pennsylvania Avenue. Penn Square Mall has been remodeled significantly since 1960 and is currently a two-story enclosed mall with over a million square feet of retail space. The mall is anchored by three department stores: Dillard's, Macy's and JCPenney's. The Simon Properties mall is the best performing (in terms of sales per square foot) regional center in Oklahoma City, with an average sales of \$256 per square foot.
- **Quail Springs Mall** – Quail Springs is an enclosed regional shopping mall built in 1980 located along the John Kilpatrick Turnpike between May Avenue and Pennsylvania Avenue in northern Oklahoma City. The General Growth Properties (GGP) mall is anchored by four department stores: Dillard's, JCPenney's, Macy's and Sears. The mall is 1.17 million square feet in size and has a small amount of vacant space currently. Quail Spring's stores have an average sales per square foot of \$138, which is lower than the other regional centers in Oklahoma City.
- **Outlet Shoppes at Oklahoma City** – The Outlet Shoppes at OKC is a 348,000 square foot outlet mall that was built on the west side of Oklahoma City in 2011. A full year of sales tax data had yet to be collected at the time of this report so no sales performance numbers have been provided. The Outlet Shoppes are considered a regional center due to the unique nature of the development, which is the only major outlet mall in the metro area.
- **Bricktown** – Once a warehouse district, Bricktown has become a major entertainment and retail district located just east of downtown Oklahoma City. The city initiated the redevelopment process with the construction of a minor league baseball stadium, the creation of a river canal, and the successful recruitment of a handful of major retailers and employers. Retail space is more entertainment-focused, featuring a variety of bars and restaurants. The redevelopment area is anchored by a Bass Pro Shops and a Harkins Theatre. Bricktown retail space is currently 100 percent leased and with an average sales per square feet of \$213, as shown in **Table 15**.

Table 15
Regional Shopping Centers Performance

Shopping Center	Subarea	Total Retail Space Sq Ft	Occupied Space Sq Ft	Center Sales	Year Built	Vacancy Rate	Sales per Occupied SF	Value per Square Foot	Average Lease Rate
Bricktown	Central	420,000	420,000	\$89,657,525	1900	0.0%	\$213	\$81	\$22.00
Outlet Shoppes at OKC	Southwest	348,000	348,000	---	2011	0.0%	---	\$190	\$23.00
Penn Square Mall	Northwest	1,020,080	1,020,080	\$261,136,180	1960	0.0%	\$256	\$104	\$50.00
In-Line Stores		421,034	421,034	\$181,679,424		0.0%	\$432		
Department Stores		599,046	599,046	\$71,623,911		0.0%	\$120		
Quail Springs Mall	Northwest	1,171,453	1,158,802	\$159,476,111	1980	1.1%	\$138	\$100	\$29.00
In-Line Stores		449,455	437,320	\$83,062,335		2.7%	\$190		
Department Stores		721,998	721,998	\$76,413,776		0.0%	\$106		

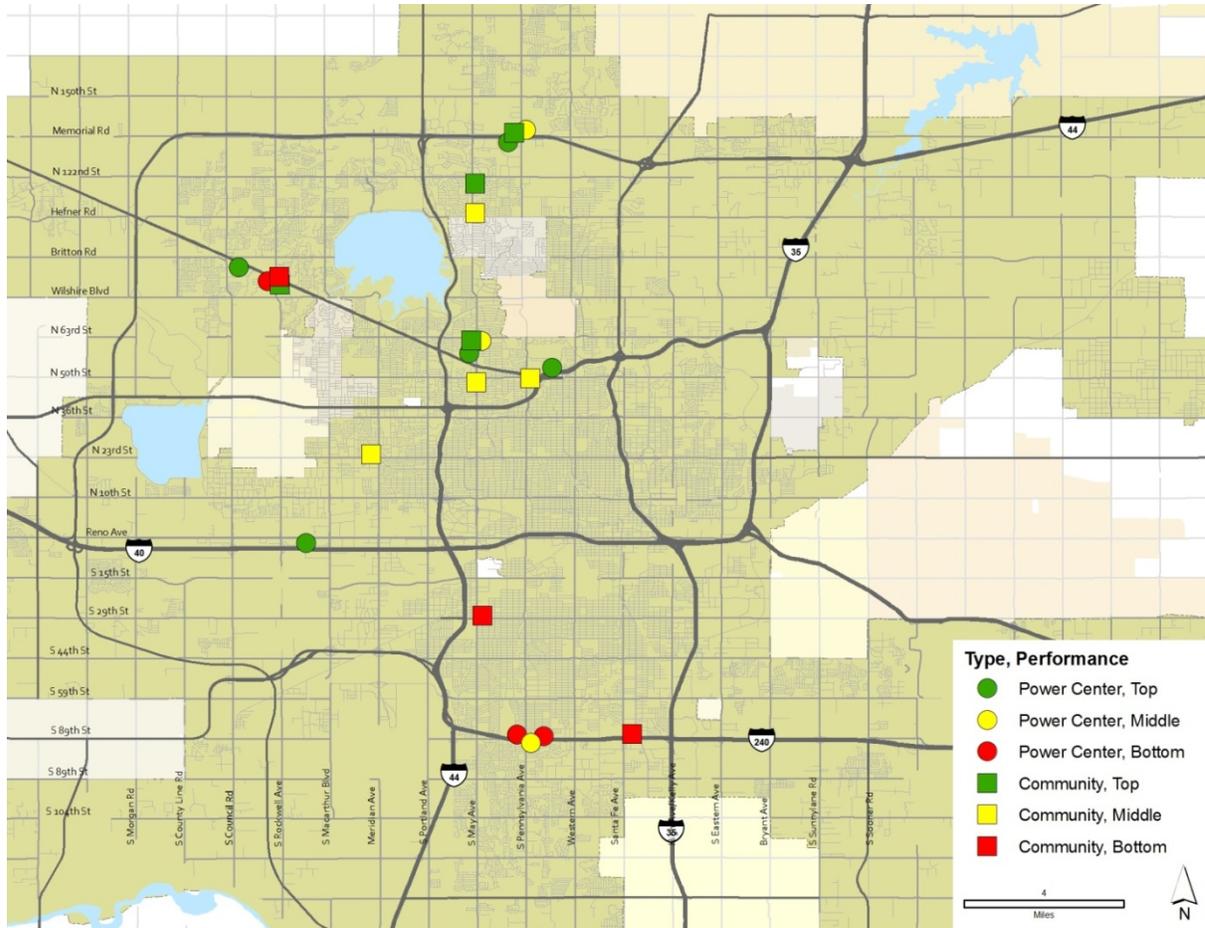
Source: Oklahoma City, CBRE, Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Data\21863-Major Shopping Centers-9-20-12.xlsx\Regional Centers

Power and Community Centers

The power and community centers in Oklahoma City are located on **Figure 10** and shown by ranking in **Table 16**. The clustering of top and middle performing centers around Penn Square and Quail Springs malls as well as along May Avenue, show the strong retail clusters within the city. The South I-240 Corridor in south Oklahoma City has mixture of bottom and middle performing power and community centers.

Figure 10
Power and Community Center Performance



Power Centers

There are 11 power centers in Oklahoma City. These centers average 380,000 square feet, have an average sales per square foot of \$223, an average value of \$120 per square foot and an average rental rate of \$14.39 per square foot. There are five centers that are ranked as top performing centers, as shown in **Table 16**. Four of the five top centers were built between 1998 and 1999, and three of these five centers are next to major regional centers.

Community Centers

There are 11 community centers in Oklahoma City. The 11 centers have an average size of 176,000 square feet, an average sales per square foot of \$108, and an average value per square foot of \$69. The four top performing community centers are in the Northwest subarea of the city.

Table 16
Power and Community Shopping Centers Performance

Type	Subarea	GLA	Center Sales	Year Built	Vacancy Rate	Sales per Occupied SF	Value per Square Foot	In-Line Lease Rate	Performance Ranking
Power Centers									
Westgate Marketplace	Southwest	700,000	\$176,747,964	1999	1.0%	\$255	\$144	\$18.50	Top
Belle Isle Station	Northwest	421,981	\$106,273,703	1998	10.5%	\$281	\$123	\$20.50	Top
Quail Springs Marketplace	Northwest	448,707	\$117,603,472	1998	13.5%	\$303	\$152	\$16.50	Top
Silver Springs	Northwest	650,000	\$190,085,730	1998	0.4%	\$293	\$113	\$15.00	Top
Centennial Plaza	Northwest	233,794	\$80,085,074	1985	4.3%	\$358	\$193	\$14.00	Top
French Market Mall	Northwest	244,724	\$28,078,940	1978	1.5%	\$117	\$119	\$15.50	Middle
Memorial Square	Northwest	346,486	\$68,059,188	2004	5.6%	\$208	\$111	\$13.00	Middle
Southern Hills	Southeast	203,768	\$10,596,638	1962	0.7%	\$52	\$81	\$13.00	Middle
240 Penn Park	Southeast	242,000	\$36,899,562	1992	3.2%	\$158	\$119	\$12.75	Bottom
Rockwell Plaza	Northwest	387,418	\$69,118,984	1980	5.7%	\$189	\$84	\$10.50	Bottom
Walnut Square	Southeast	322,500	\$13,409,491	1983	2.4%	\$43	\$81	\$9.00	Bottom
Average		381,943	\$81,541,704	1989	4.4%	\$223	\$120	\$14.39	
Community Centers									
Mayfair Place	Northwest	96,337	\$10,396,064	1978	3.7%	\$112	\$96	\$13.00	Top
Village at Quail Springs	Northwest	100,404	\$34,997,226	2005	0.0%	\$349	\$116	\$10.00	Top
Northpark Mall	Northwest	238,717	\$17,242,682	1976	20.3%	\$91	\$83	\$16.00	Top
Rockwell Northwest	Northwest	144,459	\$11,759,991	1984	11.1%	\$92	\$87	\$11.00	Top
Mayfair Village	Northwest	182,826	\$11,821,113	1950	26.8%	\$88	\$66	\$12.00	Middle
Quail Plaza	Northwest	115,023	\$6,642,183	1987	20.8%	\$73	\$63	\$12.50	Middle
50 Penn Place	Northwest	233,000	\$12,686,177	1974	50.9%	\$111	\$34	\$12.00	Middle
Windsor Hills	Southwest	278,366	\$13,094,976	1974	8.5%	\$51	\$64	\$11.00	Middle
Market Plaza	Northwest	151,439	\$11,560,878	1979	25.9%	\$103	\$75	\$8.50	Bottom
South Shields Plaza	Southeast	200,624	\$26,371,752	1972	35.5%	\$204	\$12	\$7.50	Bottom
Economy Square	Southeast	202,357	\$10,188,323	1968	0.0%	\$50	\$58	\$7.00	Bottom
Average		176,687	\$15,160,124	1977	20.2%	\$108	\$69	\$10.95	

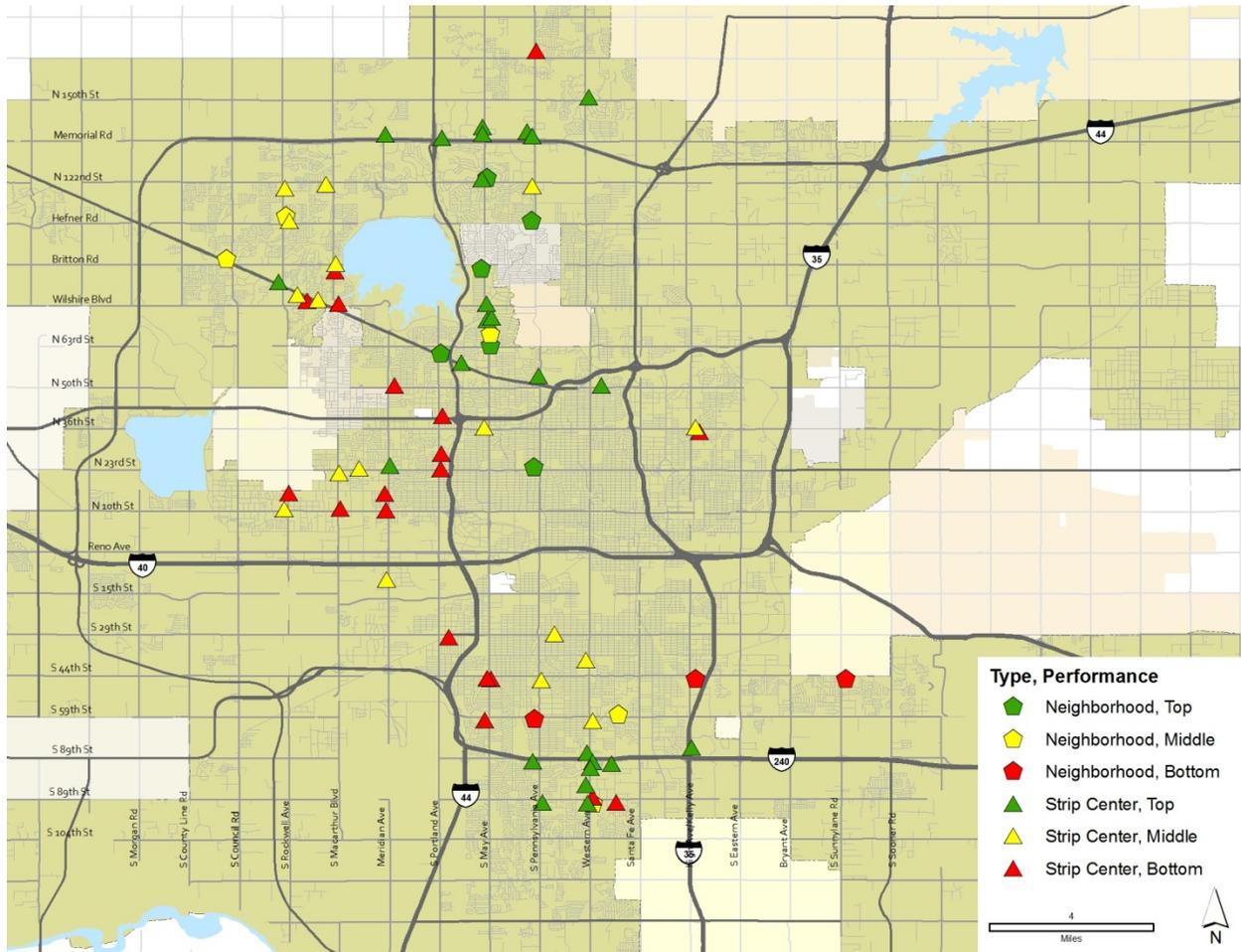
Source: Oklahoma City, CBRE, Economic & Planning Systems

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Neighborhood and Strip Centers

The neighborhood and strip centers in Oklahoma City are shown in **Figure 11**. The ranking of these centers is also shown in **Table 17** and **Table 18**. The top and middle performing centers generally cluster along May Avenue, the John Kilpatrick Turnpike, and south of I-240.

Figure 11
Neighborhood and Strip Center Performance



Neighborhood Centers

There are 14 neighborhood centers in Oklahoma City. The average size of the neighborhood centers is 100,500 square feet. The average sales per square foot of these centers is \$70 and the average value per square foot is \$67. Five of the six top ranked centers are in the Northwest subarea, with the other top center in the Central subarea.

Strip Centers

There are 61 strip centers in Oklahoma City that have been inventoried as part of the study. The average size of the strip centers in the City is 61,000 square feet. (See Page 54 for averages). The strip centers have an average sales per square foot of \$61 and an average value per square foot of \$63, shown in **Table 18**. The top performing centers seem to be clustered together in three retail areas around Quail Springs, along May Avenue and south of I-240.

Table 17
Neighborhood Centers Performance

Neighborhood Centers	Subarea	GLA	Center Sales	Year Built	Vacancy Rate	Sales per Occupied SF	Value per Square Foot	In-Line Lease Rate	Performance Ranking
Penn Crossing	Central	147,053	\$30,007,538	1988	18.0%	\$249	\$80	\$11.00	Top
Colonial Plaza	Northwest	130,569	\$8,142,531	1973	0.0%	\$62	\$94	\$8.75	Top
Gold's Gym Center	Northwest	49,339	\$1,718,520	1992	0.0%	\$35	\$96	\$8.50	Top
Penn-Hefner Plaza	Northwest	67,805	\$1,051,467	1965	0.0%	\$16	\$74	\$13.00	Top
Spring Creek North	Northwest	93,795	\$2,278,226	1978	3.8%	\$25	\$85	\$11.50	Top
Country Club Corner	Northwest	53,477	\$4,085,002	1980	0.0%	\$76	\$76	\$11.00	Top
Brookwood Shopping Center	Southeast	130,446	\$11,672,725	1970	37.2%	\$142	\$56	\$12.00	Middle
6900 Place	Northwest	49,502	\$4,363,809	1981	26.8%	\$120	\$71	\$9.00	Middle
Warwick	Northwest	79,823	\$2,950,631	1984	0.0%	\$37	\$79	\$8.00	Middle
Walker Square	Southeast	108,862	\$936,033	1985	13.9%	\$10	\$53	\$11.50	Middle
Council Crossing	Northwest	141,049	\$4,828,757	1986	55.6%	\$77	\$42	\$11.25	Middle
Sunnylane Plaza	Southeast	118,000	\$4,227,089	1978	3.5%	\$37	\$63	\$5.45	Bottom
Hillcrest Shopping Center	Southeast	55,681	\$2,166,556	1977	50.0%	\$78	\$45	\$8.00	Bottom
Southeast Plaza	Southeast	181,802	\$2,622,700	1972	19.1%	\$18	\$25	\$5.75	Bottom
Average		100,515	\$5,789,399	1979	17.9%	\$70	\$67	\$9.62	

Source: Oklahoma City, CBRE, Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Data\21863-Major Shopping Centers-9-20-12.xlsx\Neighborhood Centers

Table 18
Strip Centers Performance (Top)

Strip Center	Subarea	GLA	Center Sales	Year Built	Vacancy Rate	Sales per Occupied SF	Value per Square Foot	In-Line Lease Rate
Quail Springs Village	Northwest	25,492	\$1,890,637	1984	0.0%	\$74	\$110	\$18.50
The Plaza at Quail Springs	Northwest	105,229	\$9,494,593	1996	2.5%	\$92	\$95	\$16.00
74 South	Southeast	59,414	\$13,305,492	1972	2.9%	\$231	\$90	\$13.00
Shoppes at North Pointe	Northwest	37,684	\$2,506,654	2001	2.1%	\$68	\$140	\$15.00
Country Club Village	Northwest	52,642	\$5,659,066	1971	8.0%	\$117	\$110	\$12.00
North Penn Plaza	Northwest	32,000	\$2,060,567	1971	0.0%	\$64	\$91	\$12.00
Brixton Square	Northwest	95,714	\$10,850,581	1986	3.6%	\$118	\$102	\$11.50
Lightning Creek	Southeast	48,005	\$7,256,693	1984	0.0%	\$151	\$82	\$9.00
Quail Village	Northwest	56,000	\$2,570,953	2007	12.6%	\$53	\$123	\$19.00
Shops at the Veranda	Northwest	44,989	\$2,334,768	2008	78.2%	\$238	\$129	\$17.00
Towne South Center	Southeast	75,000	\$3,583,559	1975	5.2%	\$50	\$126	\$15.00
Town & Country Village	Northwest	43,491	\$4,563,653	1983	8.4%	\$115	\$90	\$10.00
Cross Rock Shops	Northwest	24,578	---	2001	5.6%	---	\$169	\$20.00
Summit Point	Southeast	30,414	\$1,774,820	2008	47.1%	\$110	\$75	\$15.85
Quailbrook Center	Northwest	90,454	\$2,020,321	1987	5.3%	\$24	\$85	\$12.50
Shartel Plaza	Northwest	72,500	\$2,283,027	1949	0.0%	\$31	\$44	\$12.50
Crossroads Shopping Center	Southeast	31,269	\$1,575,995	1974	0.0%	\$50	---	\$12.00
Lakehurst Plaza	Northwest	14,520	\$182,574	1980	7.4%	\$14	\$95	\$12.00
Windsor Park	Southwest	27,503	\$1,494,303	1987	0.0%	\$54	\$60	\$11.00
Westernview	Southeast	107,779	\$5,222,731	1976	13.9%	\$56	\$93	\$10.50
Lakeside Shops	Northwest	67,000	\$3,711,849	1980	24.1%	\$73	\$88	\$10.50
South Penn Plaza	Southeast	83,000	\$3,895,153	1984	4.0%	\$49	\$73	\$10.00
Centre 8400	Southeast	29,355	\$1,963,648	1984	10.6%	\$75	\$48	\$8.63
South 240 Plaza	Southeast	27,120	\$2,202,758	1981	19.2%	\$101	\$108	\$8.00
Midland Center	Northwest	43,697	\$8,598,958	1961	6.5%	\$210	\$111	\$5.50

Table 18 (cont.)
Strip Centers Performance (Middle)

Strip Center	Subarea	GLA	Center Sales	Year Built	Vacancy Rate	Sales per Occupied SF	Value per Square Foot	In-Line Lease Rate
South Meridian Avenue	Southeast	36,000	\$7,013,811	1985	24.7%	\$259	\$79	\$11.00
Camelot Square	Northwest	113,801	\$4,032,658	1984	3.9%	\$37	\$61	\$9.00
Warwick Crossing	Northwest	31,804	\$1,205,018	1995	47.2%	\$72	\$56	\$8.88
Reding Shopping Center	Southeast	65,396	\$3,723,489	1974	11.1%	\$64	\$76	\$8.50
Southwestern Plaza	Southeast	122,527	\$4,934,542	1964	10.8%	\$45	\$50	\$8.25
36th & May	Central	97,500	\$393,048	1986	1.3%	\$4	\$40	\$8.00
MacArthur Park	Southwest	55,506	\$3,709,380	1974	0.0%	\$67	\$49	\$5.75
Westoaks Village	Southwest	91,347	\$8,102,213	1964	2.2%	\$91	\$25	\$4.00
Rockwell Crossing	Northwest	29,750	\$650,744	1986	17.6%	\$27	\$55	\$13.00
Springbrook	Northwest	56,192	\$142,682	1972	5.7%	\$3	\$62	\$11.50
Warwick Plaza	Northwest	41,230	\$12,130	1981	3.3%	\$0	\$31	\$11.00
Rock Center	Northwest	29,000	\$221,164	1980	13.8%	\$9	\$53	\$10.00
MacArthur Shops	Northwest	26,050	---	1984	8.8%	---	\$47	\$8.00
Ann Arbor Terrace	Southwest	40,856	\$1,936,640	1975	10.0%	\$53	\$43	\$7.50
Grant Square	Southeast	109,680	\$4,320,801	1958	11.5%	\$45	\$43	\$6.50
Park Plaza	Northeast	36,268	\$1,761,341	1960	0.0%	\$49	\$17	\$6.25
29th & Kentucky Shops	Southeast	32,500	\$1,620,930	1969	3.7%	\$52	\$28	\$4.00

Table 18 (cont.)
Strip Centers Performance (Bottom)

Strip Center	Subarea	GLA	Center Sales	Year Built	Vacancy Rate	Sales per Occupied SF	Value per Square Foot	In-Line Lease Rate
Fenwick Plaza	Northwest	35,304	\$413,209	2008	28.1%	\$16	\$70	\$11.87
Portland Plaza	Northwest	103,312	\$1,062,223	1984	36.8%	\$16	\$49	\$10.00
Peppertree Square	Northwest	96,800	\$2,930,932	---	27.6%	\$42	---	\$8.00
Lakeshore Shops	Northwest	34,085	\$1,559,001	1968	6.6%	\$49	\$34	\$7.50
Brookwood North I & II	Southeast	58,936	\$1,471,817	1984	5.2%	\$26	\$49	\$6.75
South Park	Southeast	86,848	\$912,948	1973	0.0%	\$11	\$13	\$5.50
Mayridge Shopping Center	Southeast	38,000	\$2,084,380	1958	22.4%	\$71	\$31	\$3.50
Springdale	Northwest	131,600	\$2,235,274	1962	13.3%	\$20	\$31	\$7.25
Meridian Plaza	Southwest	94,871	\$3,824,095	1950	30.5%	\$58	\$24	\$6.00
Will Rogers Park Plaza	Southwest	130,825	\$357,260	1960	8.1%	\$3	\$17	\$4.50
89'er Plaza	Southeast	30,000	\$288,674	1984	25.0%	\$13	\$50	\$4.00
Portland Square	Southwest	36,127	\$1,471,540	1965	26.3%	\$55	\$35	\$4.00
Airline	Southeast	140,187	\$806,925	1950	6.8%	\$6	\$19	\$3.00
Newport	Northwest	26,100	\$5,560	1975	16.1%	\$0	\$34	\$6.00
Ten-M	Southwest	33,000	\$147,338	1962	43.3%	\$8	\$35	\$5.00
Rock Glen Center	Southwest	25,308	\$46,821	1971	23.5%	\$2	\$23	\$4.83
Almonte Square	Southeast	121,687	\$1,459,052	1964	69.4%	\$39	\$29	\$4.00
Walnut Creek	Southwest	69,475	\$1,138,629	1967	15.3%	\$19	\$21	\$4.00
NE Shopping Center	Northeast	94,514	---	1968	35.0%	---	\$4	\$4.00
Total		14,238,901	\$1,822,041,142	---	9.7%	\$142	\$70	---
Average		140,979	\$18,783,929	1979	13.5%	\$90	\$72	\$10.86
Median		90,454		1979	7.4%	\$62	\$72	\$10.50

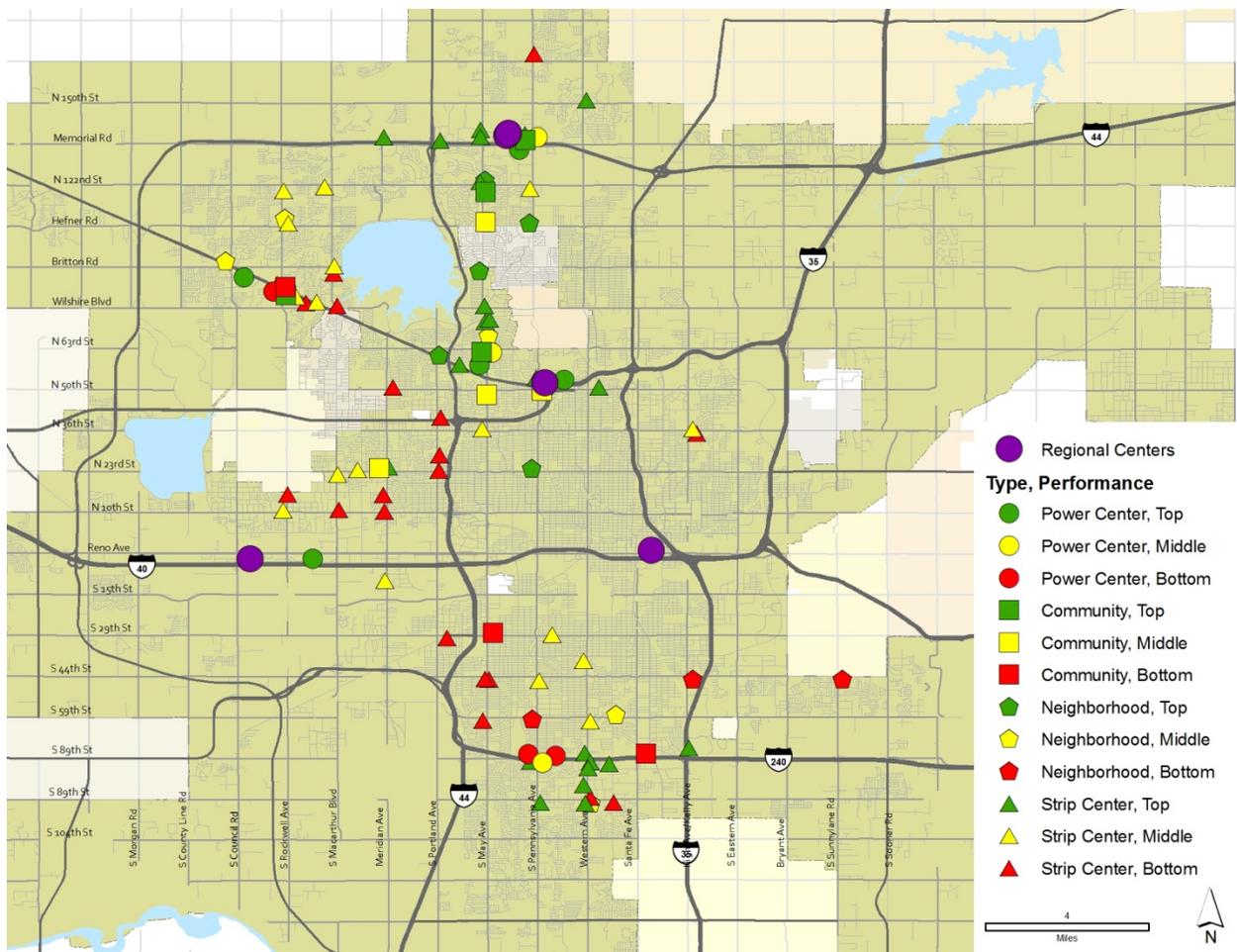
Source: Oklahoma City, CBRE, Economic & Planning Systems

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All Centers

The identified retail centers and their respective performance are shown in **Figure 12**. The clustering of centers is a key component to identifying the major retail nodes and corridors in Oklahoma City and their corresponding roles in the city's retail landscape. A significant amount of the top performing centers are clustered along May Avenue and the Kilpatrick Turnpike in the Northwest subarea of the city. These centers are bolstered by their proximity to the major regional centers of Penn Square and Quail Springs, as well as the high incomes in the local area. Other top performing centers are located along Northwest Expressway and I-40 (Westgate), also indicating a more regional role in the city. The changing nature of the I-240 and S. Western corridors into more locally-serving areas is evident in the cluster of top-performing neighborhood centers in proximity of this intersection.

Figure 12
All Shopping Centers Performance



4. RETAIL NODES AND CORRIDORS

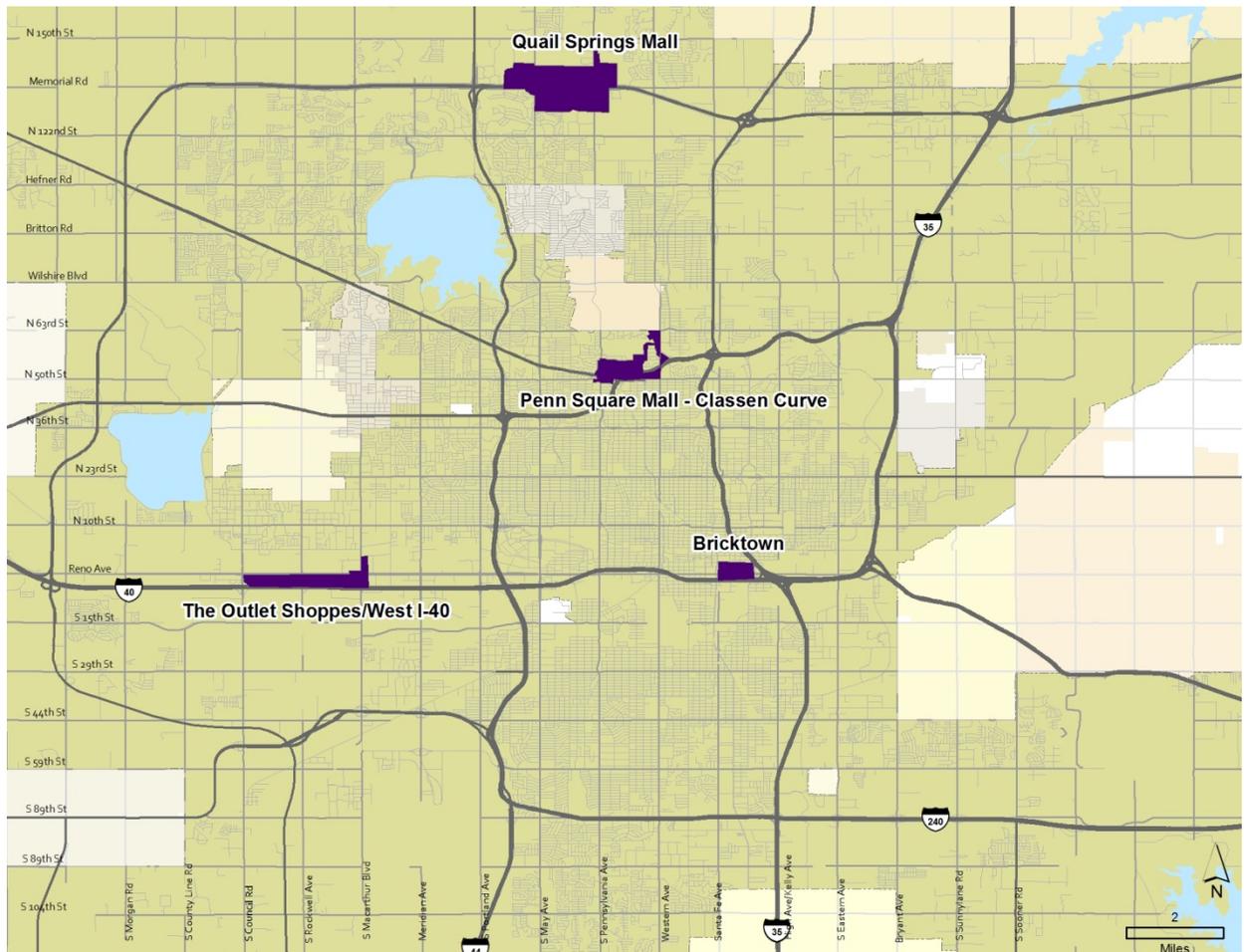
In addition to retail centers, sales tax data was also collected and analyzed for retail groups. Retail groups include parcels or groups of parcels with at least three store sales tax records. Through retail groups, the sales analysis was expanded to include retail space not located in centers, while also protecting the confidentiality of single retailers. Thus, retail groups include sales in all retail centers as well as sales in a limited number of single-store formats and unidentified strip centers. When mapped, the majority of retail centers and retail groups in Oklahoma City tend to cluster at key intersections or transportation corridors. Based on these clusters, a set of five distinct retail types was identified. These retail types are composed of two or more retail centers, and their boundaries generally extend to include a set of one or more complementary retail groups. Analyzing retail centers and groups as part of a collective economic place yields a greater understanding of the Oklahoma City retail landscape. The five distinct retail types, referred to as nodes and corridors for the purposes of this analysis, are defined below:

- **Regional Node** – Area of at least one regional center, usually combined with a number of power or community centers.
- **Highway Corridor** – Area of two or more power, community, or neighborhood centers arranged linearly along a major highway serving a regional trade area.
- **Arterial Corridor** – Area of two or more power, community, or neighborhood centers arranged linearly along a commercial thoroughfare (non-highway).
- **Community Node** – Area of two or more community or neighborhood centers serving a local trade area.
- **Commercial Revitalization Districts (CRD)** - Existing or potential neighborhood districts or strips that are a part of the City's commercial district revitalization program (CDRP).

Regional Nodes

Regional nodes are major retail clusters with at least one regional center. Regional nodes are generally centered on a large regional center and surrounded by a number of other retail centers or groups. Regional nodes serve the largest trade areas of all cluster types, drawing customers from all over the metro area, and in the case of some nodes, even larger parts of the state. Based on this definition, there are four regional nodes in the city, as shown in **Figure 13**. These nodes include The Outlet Shoppes at Oklahoma City area, Bricktown, the Penn Square Mall - Classen Curve area, and the Quail Springs Mall area.

Figure 13
Regional Nodes



Highway Corridors

Highway corridors are those retail clusters with two or more centers arranged linearly along a major highway. Highway corridors serve larger trade areas than other linear categories. Based on this definition, EPS identified two highway corridors in the city, Northwest Expressway and the I-240 Corridor, as shown in **Figure 14**.

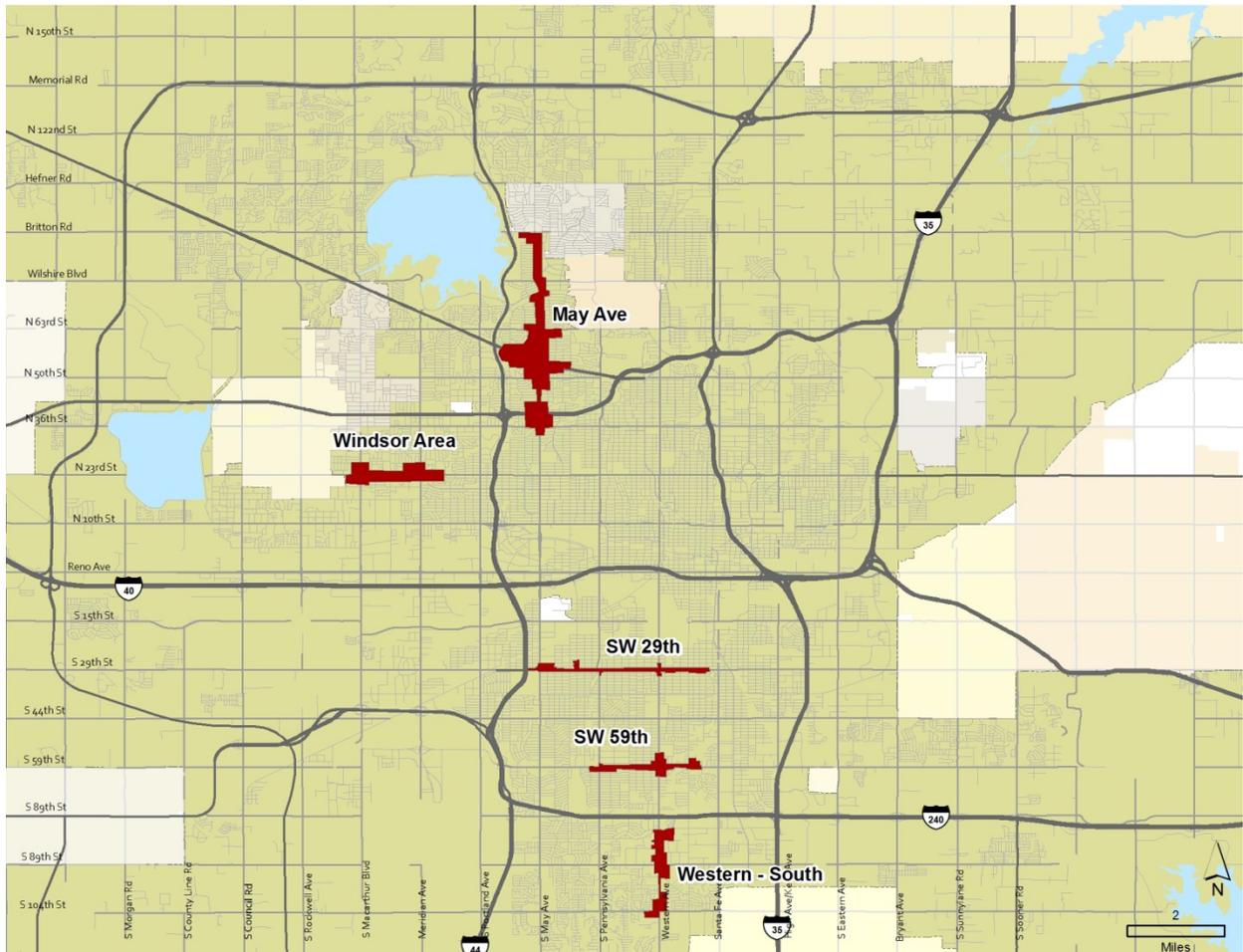
Figure 14
Highway Corridors



Arterial Corridors

Arterial corridors are linear retail corridors located on the city's arterial streets. Arterial Corridors generally serve a relatively small trade area with predominantly community-serving uses such as convenience goods (grocery, health and beauty, etc.) and eating and drink establishments. However, some arterial corridors (e.g. May Avenue with its adjacency to Penn Square Mall and access to I-44) also feature a collection of power centers with larger trade areas. EPS identified five arterial corridors in the city: May Avenue, Windsor, Southwest 29th Street, Southeast 59th Street, and Western Avenue South, as shown in **Figure 15**.

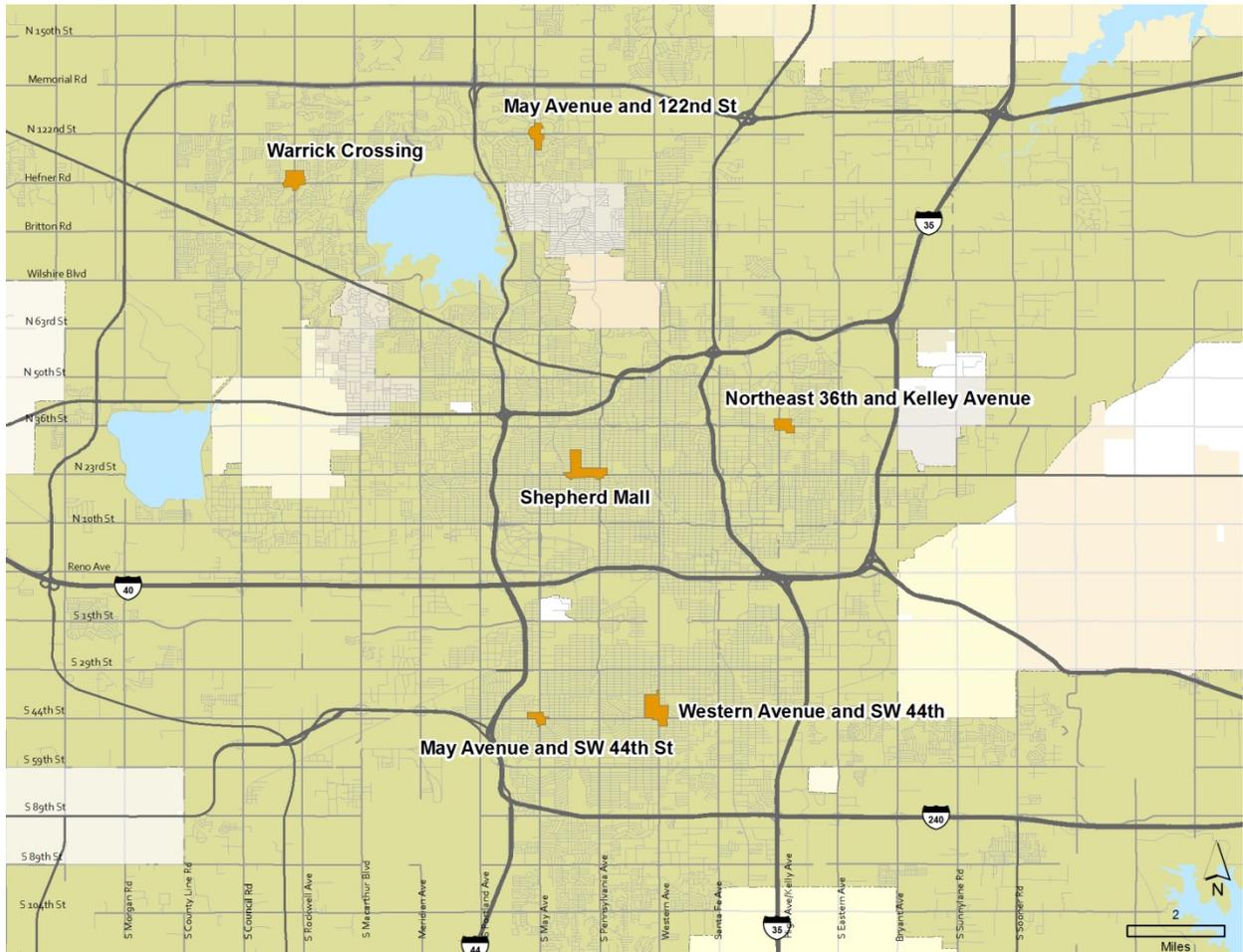
Figure 15
Highway Corridors



Community Nodes

Community nodes are retail clusters with two or more existing or potential community centers. While some identified community nodes do not currently have two community centers, they have been identified as such based on the potential to accommodate at least one additional community center. These nodes are generally neighborhood serving, primarily anchored by one or more grocery stores. Based on this definition, EPS identified six community nodes in the city, including Warrick Crossing, May and 122nd, Northeast 36th and Kelley, Shepherd Mall, May Avenue and SW 44th Street, Western Avenue and SW 44th as shown in **Figure 16**.

Figure 16
Community Nodes



Nodes and Corridors Performance

Retail space in the identified nodes and corridors accounts for over half of the retail space in the city, or approximately 19.8 million square feet out of a total of 38.3 million, as shown in **Table 19**. The remaining 18.5 million square feet represents retail space that is not located in an identified node or corridor. Of the 19.8 million square feet, approximately 60 percent is located in a retail center (this percentage is likely higher, as not all centers in the city were able to be identified) and 78 percent is located in a retail group (parcels or groups of adjoining parcels with three or more sales tax vendor records per parcel). Conversely, only 11 percent of retail space not in an identified node or corridor is located in a retail center and 53 percent is located in a retail group. Citywide, 36 percent of space is located in a retail center and 66 percent is located in a retail group. The average year built for a center in the identified nodes and corridors is 1983 versus 1975 for retail centers not in an identified node or corridor and 1979 citywide. Thus, while younger, existing retail space in the identified nodes and corridors continues to age and reach the end of its initial life cycle.

Retail centers located in the identified nodes and corridors outperform both retail centers not located in an identified node or corridor, as well as the city as whole. The average property value per square foot for centers located in identified nodes and corridors is approximately \$84 per square foot, while the average property value for centers not located in an identified node or corridor is approximately \$52 per square foot and \$71 per square foot citywide. The average lease rate for centers located in identified nodes and corridors is approximately \$15.03 per square foot versus just \$8.44 per square foot for centers not in identified nodes and corridors and \$10.86 per square foot citywide. The average sales per square foot for centers in the identified nodes and corridors is estimated at approximately \$163, while the average for centers not located in the identified nodes and corridors is only \$43 per square foot and \$146 per square foot citywide. The same disparity exists for retail groups. The average sales per square foot for retail groups located in the identified nodes and corridors is \$175 per square foot, while retail groups not located in an identified node or corridor is only 64 per square foot. The citywide average annual sales for retail groups is \$132 per square foot. These findings demonstrate the importance of achieving critical mass for successful retail places.

Regional Nodes

Of the identified retail types, Regional nodes have the highest sales and property values per square foot, as well as the highest rental and occupancy rates. This is the result of the significant amount of regional-serving destinations that draw inflow and business activity from a larger trade area. While Penn Square Mall is the best performing retail center in the city, the larger Penn Square retail node has the lowest group sales per square foot of the regional nodes, with \$148 per square foot. This is a result of the underperforming and isolated retail that exists in the area immediately surrounding the mall. While specific center sales data was unavailable, the new West I-40/Outlet Shoppes regional node has the highest retail group sales per square foot total with \$285 per square foot. This emerging node is bolstered by the strength of the Outlet Shoppes and the large collection of major anchor, big-box and mix-box stores in the Westgate Marketplace. In aggregate, the average sales per square foot for retail space in regional nodes is around \$200 and the average property value per square foot is \$100.

Highway Corridors

The two retail highway corridors, Northwest Expressway and I-240, average annual retail center sales of approximately \$176 and \$179 per square foot, respectively. Both have approximately the same vacancy (10.0%) and rental rates (\$11.92 per square foot), as well as the same property value, or approximately \$82 per square foot. However, when including additional retail space not within an identified center, retail groups in Northwest Expressway generate a higher average sales per square foot than retail groups along I-240, or approximately \$187 per square foot versus just \$149 per square foot.

Arterial Corridors

May Avenue is the best performing retail arterial corridor in the city, with an average sales per square foot in centers almost \$100 higher than the rest of the corridors. This is likely the result of its regional accessibility and proximity to Penn Square Mall, as well as its greater collection of power and community centers. The remaining arterial corridors feature a collection of locally-serving retail buildings, strip centers, and neighborhood centers. The older of the arterial corridors—SW 29th and SW 59th—have more stand-alone retail spaces on individual parcels, fewer organized centers, and smaller parcel sizes, making it harder for these corridors to build nodes of retail activity and redevelop or reform into more modern retail formats. However, these corridors are located adjacent residential neighborhoods and accommodate high levels of traffic, which continues to make them viable retail locations.

Community Nodes

Retail centers across the six identified community nodes average approximately \$91 per square foot in annual sales. Sales in retail groups average approximately \$127 per square foot. At \$249 per square foot, retail centers in the Shepherd Mall community node have the highest annual sales per square foot average of all community nodes in the city. The SW 44th and Western Avenue node has the highest average sales per square foot (\$233) across all retail groups located in community nodes. The strength of the SW 44th and Western Avenue node is its large retail anchors (Target, Sears, Wal-Mart Neighborhood Market) and lack of ancillary retail space, which often house local services and can bring down the sales average. The lowest performing community nodes include SW 44th and May Avenue and NE 36th and Kelley Avenue due to both age of the retail space and a lack of major retail anchors.

**Table 19
Retail Nodes and Corridors Performance**

Name	Total Retail Square Feet	% in Centers	% in Retail Groups	Shopping Centers								Retail Groups			
				Total Centers	Average Year Built	Sq Ft in Centers	Occupied Sq Ft	Vacancy	Value per Sq Ft	Average Lease Rate	Sales in Centers	Sales per Sq Ft	Sales in Groups	Retail Sq Ft in Groups	Group Sales per sq Ft
Regional Nodes															
Penn Square - Classen Curve	4,284,682	40%	70%	4	1975	1,707,061	1,544,295	10%	\$89	\$24.00	\$382,156,628	\$247	\$444,738,587	3,008,974	\$148
Bricktown	420,400	100%	45%	1	---	420,400	420,400	---	\$81	\$22.00	\$89,657,525	\$213	\$32,381,872	189,815	\$171
Quail Springs	3,181,320	74%	91%	8	1996	2,358,117	2,262,103	4%	\$112	\$17.00	\$415,670,839	\$184	\$693,883,203	2,901,612	\$239
Outlet Mall/West I-40	1,230,338	85%	59%	2	2005	1,048,000	---	---	\$155	\$23.00	---	---	\$205,293,750	720,026	\$285
Total/Avg.¹	9,116,740	61%	72%	15	1994	5,533,578		5%	\$100	\$20.34		\$210	\$1,376,297,412	6,820,427	\$202
Highway Corridors															
Northwest Expressway	2,249,725	79%	91%	10	1981	1,786,156	1,590,027	11%	\$82	\$10.00	\$302,916,018	\$197	\$380,969,864	2,041,847	\$187
I-240	2,214,566	58%	76%	9	1977	1,286,210	1,160,307	10%	\$83	\$11.00	\$111,591,983	\$99	\$251,158,921	1,680,050	\$149
Total/Avg.¹	4,464,291	69%	83%	19	1986	3,072,366		10%	\$82	\$11.92		\$156	\$632,128,785	3,721,897	\$179
Arterial Corridors															
May Avenue	1,892,648	67%	81%	12	1975	1,266,588	1,160,151	8%	\$97	\$11.00	\$165,518,028	\$143	\$302,748,306	1,536,415	\$197
Western Avenue	581,266	20%	99%	3	1992	118,705	98,234	17%	\$56	\$10.40	\$5,210,284	\$53	\$71,541,710	574,392	\$125
Windsor Area	686,787	59%	84%	4	1978	402,231	379,123	6%	\$60	\$8.80	\$20,235,299	\$53	\$71,585,556	576,666	\$124
SW 29th Street	745,793	31%	46%	2	1969	234,857	234,857	0%	\$49	\$6.50	\$11,809,253	\$50	\$23,420,186	340,401	\$69
SW 59th Street	560,506	51%	94%	3	1975	287,070	230,932	20%	\$46	\$9.25	\$8,037,131	\$35	\$53,969,370	525,996	\$103
Total/Avg.¹	4,467,000	52%	80%	24	1977	2,309,451		9%	\$61	\$9.19		\$100	\$523,265,128	3,709,220	\$147
Community Nodes															
Shepherd Mall	292,897	50%	76%	1	1988	147,053	123,053	16%	\$80	\$11.00	\$30,007,538	\$249	\$41,626,190	221,727	\$188
May and 122nd St	416,321	90%	99%	3	1979	376,003	328,842	13%	\$84	\$12.50	\$24,084,561	\$75	\$31,697,000	410,921	\$77
Western and SW 44th St	391,060	17%	84%	1	1974	65,396	58,122	11%	\$76	\$9.00	\$3,723,489	\$64	\$76,550,550	328,395	\$233
Warwick Crossing	256,207	44%	60%	2	1990	111,627	96,613	13%	\$79	\$8.50	\$4,155,649	\$43	\$11,451,434	154,073	\$74
May and SW 44th St	196,654	63%	64%	2	1965	124,848	116,348	7%	\$19	\$4.50	\$2,997,328	\$26	\$3,356,834	125,744	\$27
NE 36th and Kelley Ave	182,378	72%	44%	2	1964	130,782	95,782	27%	\$8	\$5.00	---	---	\$3,089,681	79,637	\$39
Total/Avg.¹	1,735,517	55%	76%	11	1976	955,709		14%	\$58	\$8.42		\$91	\$167,771,690	1,212,916	\$127
Total Nodes and Corridors¹	19,783,548	60%	78%	69	1983	11,871,104		8%	\$84	\$15.03		\$163	\$2,699,463,016	15,464,460	\$175
Not in Node or Corridor²	18,535,205	11%	53%	31	1975	2,019,797	1,940,500	4%	\$52	\$8.44	\$67,381,115	\$43	\$627,686,403	9,795,516	\$64
City Total/Average	38,318,753	36%	66%	100	1979	13,890,901	12,506,275	10%	\$71	\$10.86	\$1,822,041,142	\$146	\$3,327,149,419	25,259,976	\$132

Note: "----" reflects unavailable data.

¹For categories with unavailable data, averages reflect weighted average of available data.

² Does not include center and center/retail group sales within identified CDRPs

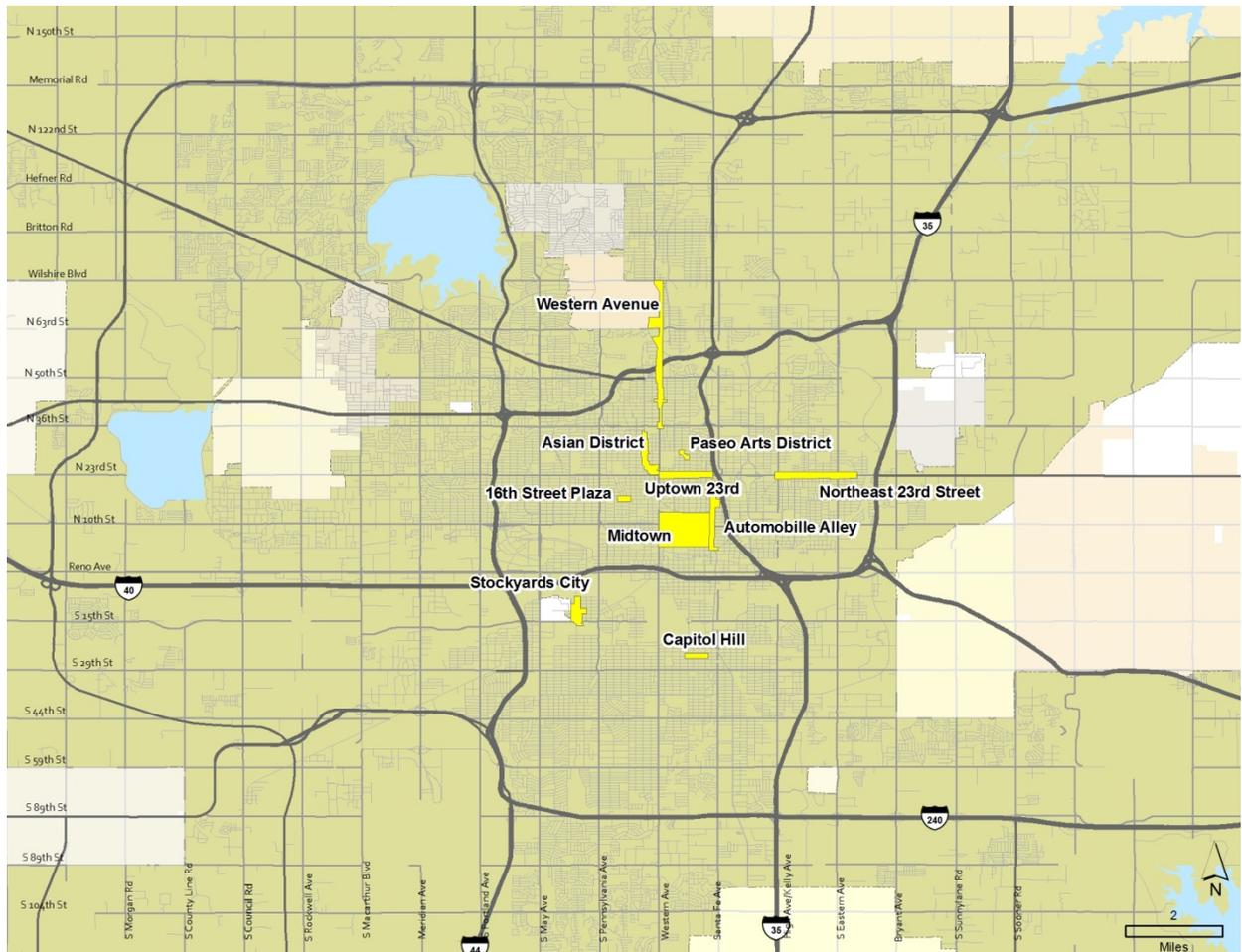
Source: Oklahoma City; CBRE-OK; Economic & Planning Systems;

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Commercial Revitalization Districts (CRDs)

Commercial Revitalization Districts (CRDs) are neighborhood commercial strips with an existing or potential merchant association. CRDs are assisted by City of Oklahoma City Planning Department staff through the Commercial District Revitalization Program (CDRP). CRDs are generally urban neighborhood districts which once served as the primary destination for commercial services in the area. Today these districts often contain a unique mix of retail and dining establishments along with local business services. The City is working with 10 districts in its CDRP, including Windsor (identified as arterial corridor), Asian District, Uptown 23rd, Paseo Arts District, Western Avenue, Midtown, Downtown, Capitol Hill, Stockyards, and the 16th Street Plaza District. EPS has also included two additional potential CRDs, with districts Automobile Alley and Northeast 23rd Street.

Figure 17
Community District Revitalization Districts

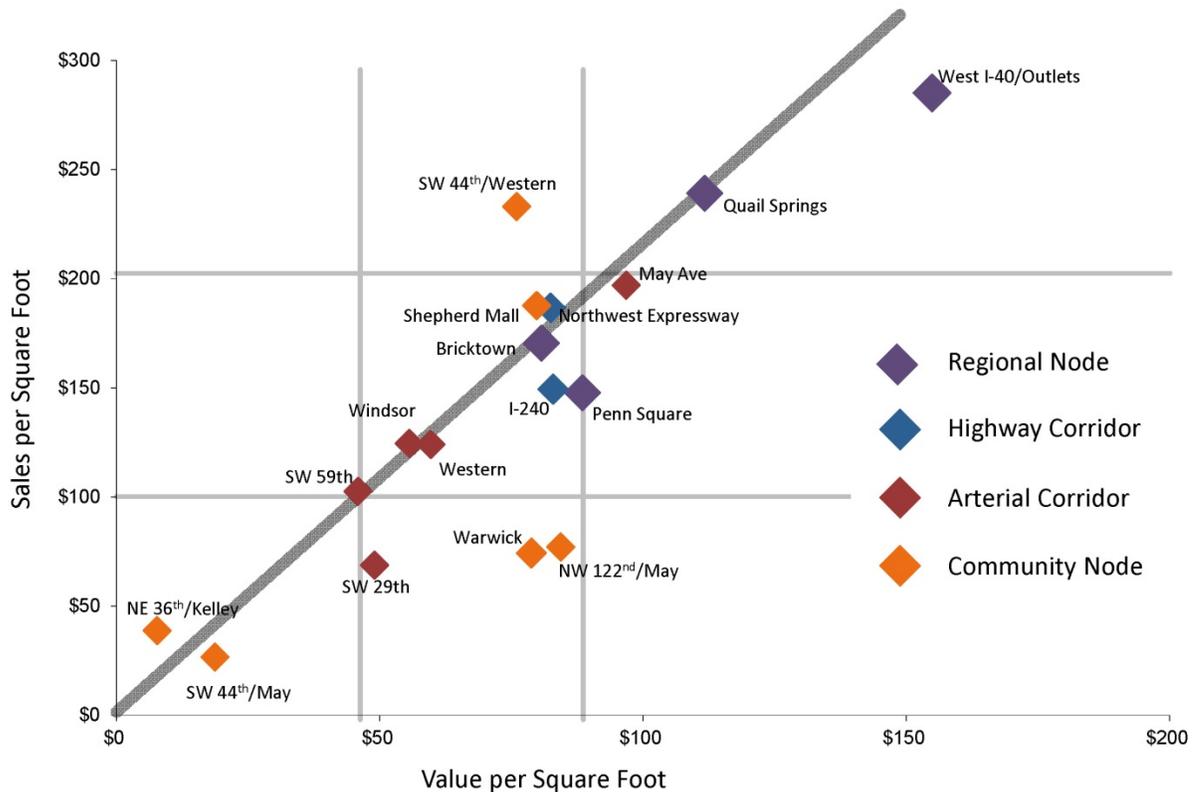


5. RETAIL POLICY FRAMEWORK

Nodes and Corridors Evaluation

While the success of each retail node or corridor will require a unique set of policy recommendations, the overall economic health of each node and corridor greatly influences potential policy approaches. In order to evaluate the economic health of each node and corridor, property values and sales performance were used to represent both the level of store performance of the retail area, as well as the overall desirability or attractiveness of the area based on local property value. Thus, the property value per square foot (as determined by the assessor) of each node and corridor was graphed against its sales per square foot, as shown in **Figure 18**. Nodes and corridors that have a higher sales per square foot average relative to their property value per square foot indicate that local retailers are outperforming the overall attractiveness (or unattractiveness) of their local market and additional retail may be supportable. An example of this type of node is the SW 44th and Western Avenue community node. Nodes or corridors with higher property values per square foot relative to sales per square foot indicate an attractive local market area that may be over-retailed, impacting the sales performance of existing businesses. An example of this type of node is the Warwick Crossing community node.

Figure 18
Node and Corridor Value and Sales per Square Foot



Policy Framework

Based on the clustering of retail nodes and corridors, EPS developed three policy frameworks to provide context and guide potential retail policy approaches and implementation tools. These policy frameworks include Re-vision, Revitalize, and Reaffirm. The categorization of the retail nodes and corridors is shown in **Figure 19**.

Re-vision

Nodes and corridors clustering at the low end of the evaluation, or those nodes and corridors with the lowest market values and annual sales per square foot, will require substantial “re-visioning” featuring potential wholesale changes in land uses. These nodes and corridors generally have significant challenges related to transportation and physical building quality and perform lowest on a sales per square foot basis. The majority of these nodes and corridors require significant replacement of outmoded retail into other land uses to reduce the oversupply of retail in the area and concentrate new uses in specific nodes or clusters. Based on the physical obsolescence of many of these nodes and corridors, the majority of policies are centered on redevelopment, including the demolition and consolidation of existing uses, and the development of new land uses.

Nodes and corridors that fall within the Re-vision policy framework are the NE 36th/Kelley and SW 44th/May community nodes.

Revitalize

Nodes and corridors clustering in the middle of the evaluation require policies centered on revitalization. These areas generally do not require wholesale changes in uses, but rather, policies geared toward strengthening existing retail uses through re-tenanting of vacant space, the elimination of retail space to “right size” the node or corridor, landscape and beautification efforts, façade programs, business coordination, and the potential introduction of new complementary land uses.

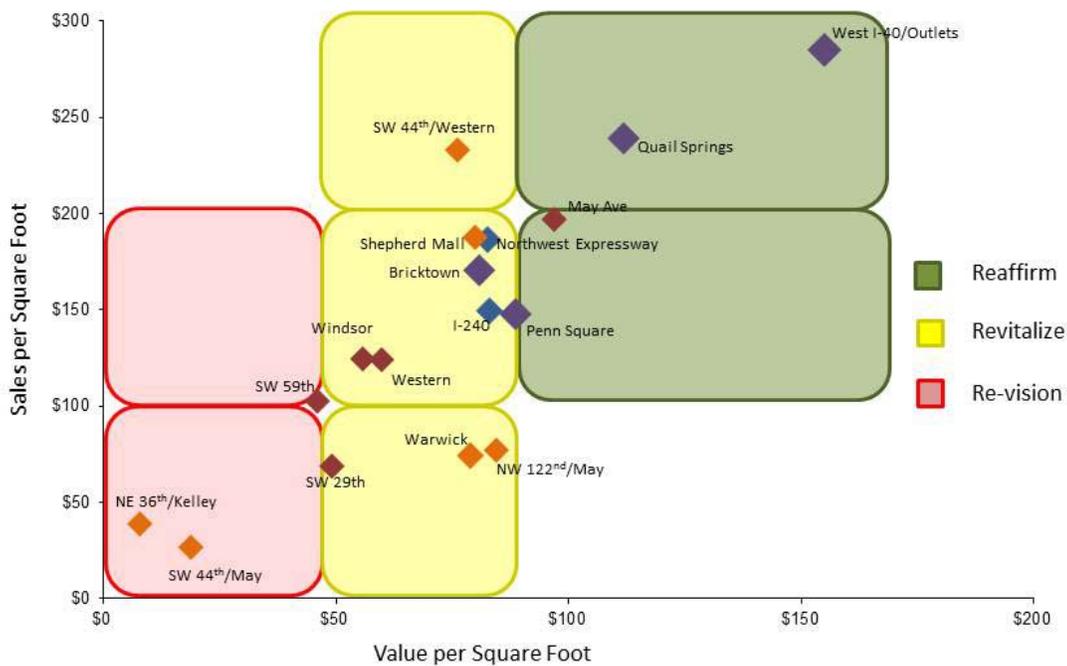
The Revitalize policy framework applies to the majority of nodes and corridors, including the Bricktown and Penn Square regional nodes, the Northwest Expressway and I-240 highway corridors, the Windsor, Western, SW 59th and SW 29th arterial corridors, and the SW 44th/Western, Shepherd Mall, Warwick, and NW 122nd/May community nodes.

Reaffirm

Nodes and corridors clustering at the high end of the evaluation, or those nodes and corridors with the highest market values per square foot, require significantly less investment. These nodes and corridors perform at the high end of the sales per square foot range and generally feature well-maintained retail centers and commercial property. Policies geared toward these nodes and corridors should reaffirm centers in an effort to maintain their performance over the long run. Potential policies include attracting new or “one in the market” tenants, assembling underutilized land uses to open up expansion opportunities, land use controls to restrict the sprawling or “stripping” out of new retail uses, and general landscape and beautification efforts. The goal for these nodes and corridors is to maintain relevancy over the long-term in an increasingly competitive retail environment with adjacent communities.

Nodes and corridors that fall within the Reaffirm policy framework are West I-40/Outlet Shoppes regional node, the Quail Springs regional node, and the May Avenue arterial corridor.

Figure 19
Node and Corridor Policy Framework Grouping



6. RETAIL NODES AND CORRIDORS RECOMMENDATIONS

In order to provide more specific information on potential policy recommendations based on the identified retail policy frameworks, an in-depth “case example” was developed for each node and corridor type. These case examples provide context for potential application of the identified policy frameworks, as well as specific recommendations regarding development/redevelopment, transportation/access, and ongoing operations/management issues. The specific nodes and corridors were selected as case examples based on the transferability of policy recommendations to other nodes and corridors in the city, as well as to provide a full range of economic and geographic retail settings. The selected case examples include Penn Square, Northwest Expressway, Southwest 59th, 44th and Western, and Uptown 23rd. Policy recommendations for the remaining nodes and corridors are summarized in the Appendix of this report.

Regional Nodes

Penn Square – Classen Curve

Subarea: Northwest
Size (sq. ft.): 4.3 million sq. ft.
Major Centers: Penn Square Mall, Belle Isle Station, Classen Curve
Major Anchors: Macy’s, Dillard’s, JCPenney, Whole Foods, Anthropologie
Shopping Centers Value per Sq. Ft.: \$89
Shopping Centers Sales per Sq. Ft.: \$247
Retail Groups Sales per Sq. Ft.: \$148



Penn Square Mall

Issues and Conditions

The Penn Square-Classen Curve regional node is the largest regional retail center in the metro area. The node is primarily composed of Penn Square Mall and Classen Curve, the city’s first lifestyle-oriented retail center, and is adjacent to the Chesapeake corporate office campus. Penn Square Mall anchors include Macy’s, JCPenney, and two Dillard’s stores, as well as mix of moderate and upper-tier mall tenants.



Classen Curve Entry

Classen Curve is home to a unique mix of high-end retailers, as well as several restaurants. Based on discussions with local brokers, the high vacancy (approximately 50 percent) of the center is the result of selective leasing by the center’s owner, Chesapeake, who chooses to limit leases to local specialty stores. The two national retailer exceptions are Whole Foods and Anthropologie, both located at the second phase of the project, The Triangle at Classen Curve.

Figure 20
Penn Square Existing Conditions



Belle Isle is a prominent new power center and represents the first major attempt to expand national retail offerings in the node in several years. The majority of remaining development in the node is a mix of office and auto-oriented strip retail centers. Chesapeake has purchased a large portion of surrounding commercial property with the long-term goal of redeveloping the area. Access, traffic, and available land are the largest obstacles to the long-term success of the area.

Conclusions

Despite its age and overall connectivity issues, Penn Square Mall continues to perform well and is considered the premium location for national retailers in the region. To maintain its competitiveness with potential new regional retail locations, the Mall and surrounding development needs to evolve with national retail trends and formats. With limited available/vacant land, this process largely depends on the mall owner (Simon) and Chesapeake, the primary owner of surrounding commercial property. The City should take an active role in forging a partnership with these private entities, as well as begin the long-term planning for future transportation improvements needed to support retail expansion.

Policy Framework: Revitalize

Policy Recommendations

Development/Redevelopment

Penn Square Mall is the largest mall in the region and serves as the city's primary retail destination. Every effort should be made to leverage this asset and expand existing retail uses. Unfortunately, limited developable land exists in the immediate area. Assuming a long-term view, six sites have been identified with a total of 65 acres for future redevelopment. The most critical of these sites is the northwest frontage of Penn Square Mall. This portion of the property is of sufficient size to accommodate a new outdoor lifestyle expansion of the mall, featuring a mix of unique retailers and destination restaurants. Issues likely exist with flood detention on the north; however, this opportunity warrants a full evaluation of current floodway issues and potential mitigation efforts. The City should be fully willing to participate as a partner to resolve local flood issues, as well as support mall ownership in the attraction of new retail and "one in the market" tenants not currently in the region.

Due in large part to its proximity to the Mall, Classen Curve has established itself as a draw for unique and/or upscale retail stores. The Whole Foods and Anthropologie serve as tremendous drivers of both retail sales and traffic, and the location immediately adjacent the Chesapeake campus provides significant opportunity to redevelop low value uses along Grand Boulevard. To this end, Chesapeake has already begun assembling much of the land in the immediate area. Future redevelopment could include an expansion of Classen Curve retailers, as well new mixed-use development. Additional potential exists to combine the neighboring Nichols Village center into future redevelopment plans. Such an effort may require financial participation in a partnership between Chesapeake, Oklahoma City, and the City of Nichols Hills.

Transportation/Access

While arterial traffic congestion is a concern, the primary transportation improvements should be focused on automobile and pedestrian connections between Penn Square and the adjacent shopping and employment destinations of Belle Isle, North Penn Plaza, and Penn Place.

Enhancing pedestrian access between the adjacent centers promotes greater “cross-shopping” opportunities and alleviates overall traffic congestion. Establishing a direct connection with Belle Isle will require a bridge to be constructed over the existing canal on the east side of the Mall. Significant gateway enhancements, including signage, paving, and lighting, as well as pedestrian improvements, such as traffic-calming, sidewalks, and crosswalks, should be created at the two main entrances into the mall at Penn Place on the south and at North Penn Plaza on the west. A strong pedestrian connection at Penn Place is critical to provide daytime employment with safe, direct access to the mall without the use of an automobile.

Additionally, potential transportation improvements to Western Avenue are recommended to create a more defined connection between Belle Isle and Classen Curve. These improvements would greatly benefit both centers as shoppers attempt to navigate between centers.

Operations/Management

The City should take in active role in forging a relationship among mall ownership, Chesapeake, and local property owners to conduct a small area plan and visioning process to gather community input, assess the market for redevelopment potentials, and analyze local transportation connections. The result of this process should create a unified brand for the area and its centers, address local connectivity, and provide an overall vision for new land uses. This vision should be carried through with future signage and streetscape projects. Penn Square and Classen Curve should feature prominently in all visitor information generated by the City.

Table 20
Penn Square Policy Recommendations

Action	Timeframe (Immediate/Future)	Roles
Development/Redevelopment		
Focus on attracting “one in the market” retailers	Immediate	Simon, Chamber
Retail Expansion of Mall/Mall Placemaking at northwest corner	Future	Simon, City
Retail and Mixed-Use expansion at Classen Curve through public-private partnership	Future	Chesapeake, City
Retail Expansion of off-mall locations	Future	Private, City
Transportation/Access		
Create auto connections to Belle Isle	Immediate	Simon, City
Create key entryways to/from Mall	Immediate	Simon, City
Create pedestrian connections to/from Mall	Immediate	Simon, City
Operations/Management		
Create land use plan	Immediate	City
Branding and marketing of existing centers	Immediate	Simon, City, Chamber
Create visual coherency through signage	Immediate	Private, City
Create visual coherency through streetscape projects	Immediate	Private, City

Source: Economic & Planning Systems

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Figure 21
Penn Square Policy Recommendations



Highway Corridors

Northwest Expressway

Subarea: Northwest
 Size (sq. ft.): 2.2 million
 Major Centers: Rockwell Plaza, Silver Springs
 Major Anchors: Target, Super Wal-Mart, Home Depot, Kohl's, Best Buy, TJ Maxx
 Shopping Centers Value per Sq. Ft.: \$82
 Shopping Centers Sales per Sq. Ft.: \$197
 Retail Groups Sales per Sq. Ft.: \$187

Issues and Conditions

The Northwest Expressway is a six-lane divided highway located in the Northwest subarea of the City. It is one of the City's largest commercial corridors, stretching from I-44 at Penn Square Mall to the John Kilpatrick Turnpike. The primary retail corridor stretches almost 2.5 miles from North MacArthur Boulevard on the east to just west of North Council Road. The majority of retail development on the corridor is located in large power centers and automobile-oriented strip development with significant setbacks from the road frontage, limiting visibility of retailers in some centers. Retail center ages range from 15 to 40 years old with a number of prominent mid-box vacancies. The corridor is primarily surrounded on both sides by single-family residential subdivisions, with the exception of the Wiley Post Airport on the south and Lake Hefner on the north. Other large uses in the area include car dealerships and two cemeteries. Large vacancies, significant frontage setbacks, and a limited mix of land uses are the largest obstacles to success.



Rockwell Plaza sign and adjacent billboard, and overhead power lines

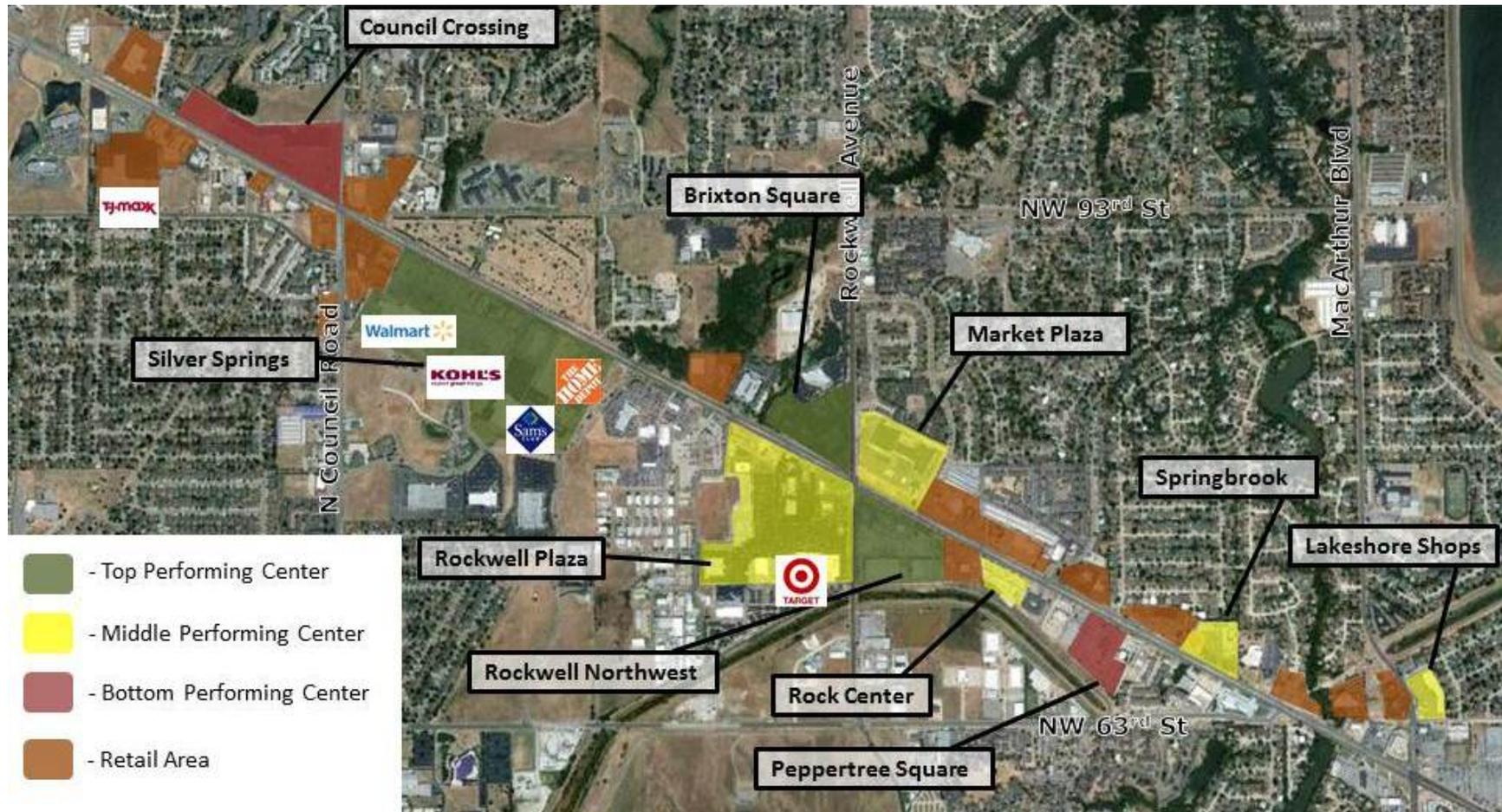


Brixton Square Shopping Center



Rockwell Northwest Shopping Center

Figure 22
Northwest Expressway Existing Conditions



Conclusions

While the corridor is beginning to show its age, many of the centers continue to perform well. The primary focus of the corridor should be to re-tenant viable vacant commercial boxes and redevelop outmoded centers (primarily west of North Council Road) into other land uses. While the diagonal nature of the corridor creates a number of challenges, the City should place significant effort on identifying access alternatives off of Northwest Expressway and emphasizing primary entrances. This will ultimately relieve traffic congestion along the corridor, enhance sense of place, and create more opportunity for “cross-shopping” among the various centers.

Policy Framework: Revitalize

Policy Recommendations

Development/Redevelopment

The most underperforming centers along the corridor are located at the far west side end including Council Crossing on the north side and an unnamed center anchored by TJ Maxx on the south. Both of these centers have significant vacancies and are located furthest from the residential population base. EPS recommends consolidating retail development to the area between North Council Road and North MacArthur Boulevard. This would suggest the potential redevelopment of the underperforming center currently housing TJ Maxx into new uses such as professional office or multifamily and limiting any new retail development from occurring on the undeveloped land further west. While Council Crossing is underperforming, its visibility and frontage along Northwest Expressway make it a likely candidate for re-tenanting the empty anchor space and improving the façade of the remaining center. Similarly, the majority of other new retail opportunities along the corridor are related to re-tenanting key vacancies, such as the vacant mid boxes in Council Crossing, Market Plaza, and Rockwell Northwest, as well as the potential addition of smaller ancillary retail, such as new quick casual restaurant formats, to enhance sense of place and modernize the eating and drinking options at existing centers. A prime candidate for re-tenanting these empty boxes would be the opportunity to relocate TJ Maxx.

Transportation/Access

In addition to “right-sizing” the retail supply, the area needs transportation and access improvements. The current ability to “cross shop” multiple retail destinations in a single trip is extremely difficult and generally requires shoppers to re-enter Northwest Expressway to travel to other centers, even for short distances. In addition to the inconvenience, this obstacle creates unnecessary congestion on Northwest Expressway. Thus, creating new interior linkages among the centers and limiting primary access on Northwest Expressway at a handful of new gateway entrances are recommended. This relieves traffic congestion along the corridor, enhances overall beautification and sense of place, and eases the ability to “cross shop,” ultimately benefiting retail sales performance.

Potential new gateway entry points could include two primary entrances at the Silver Springs center, one at Rockwell Plaza, and one Rockwell North. The City could investigate options to create a secondary internal route to the rear of the centers between North Council and Rockwell Avenue. The City could also evaluate the potential to provide smaller shared access points crossing Rockwell Avenue between Brixton Plaza and Market Plaza and Rockwell Plaza and Rockwell Northwest. An additional common linkage could be located between Rockwell Plaza and Silver Springs.

Last, the significant setbacks located at the majority of centers offer an opportunity to enhance corridor beautification efforts and pedestrian conditions through linked sidewalks, lighting, and landscaped frontages. The potential for enhanced future bus service and stations should also be considered.

Operations/Management

A Northwest Expressway merchants' association is recommended to enable business and property owners to work together to generate common solutions related to traffic, access, crime, and marketing, as well as provides the business community with a larger platform for future communication with the City.

Table 21
Northwest Expressway Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Re-tenant viable vacant boxes	Immediate	Private, City
Redevelop non-viable center (TJ Maxx Center) into other uses	Future	Private, City
Limit new retail development to between N. Council Road and MacArthur Blvd.	Future	Private, City
Transportation/Access		
Create primary entrances at several key intersections	Future	Private, City
Create internal linkages to centers off of Northwest Expressway	Future	Private, City
Utilize road ROW to enhance streetscapes, signage	Future	City
Operations/Management		
Organize existing businesses and property owners into merchants/business association	Future	Private, City

Source: Economic & Planning Systems

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Figure 23
Northwest Expressway Policy Recommendations



Arterial Corridors

Southwest 59th Street

Subarea: Southeast
 Size (sq. ft.): 560,500
 Major Centers: Walker Square, Southwestern Plaza, Hillcrest Shopping Center
 Major Anchors: Wal-Mart Neighborhood Market, Walgreens, Aldi, Buy For Le\$\$ Super Mercado
 Shopping Centers Value per Sq. Ft.: \$46
 Shopping Centers Sales per Sq. Ft.: \$35
 Retail Groups Sales per Sq. Ft.: \$103



Example of typical streetscape and signage along SW 59th

Issues and Conditions

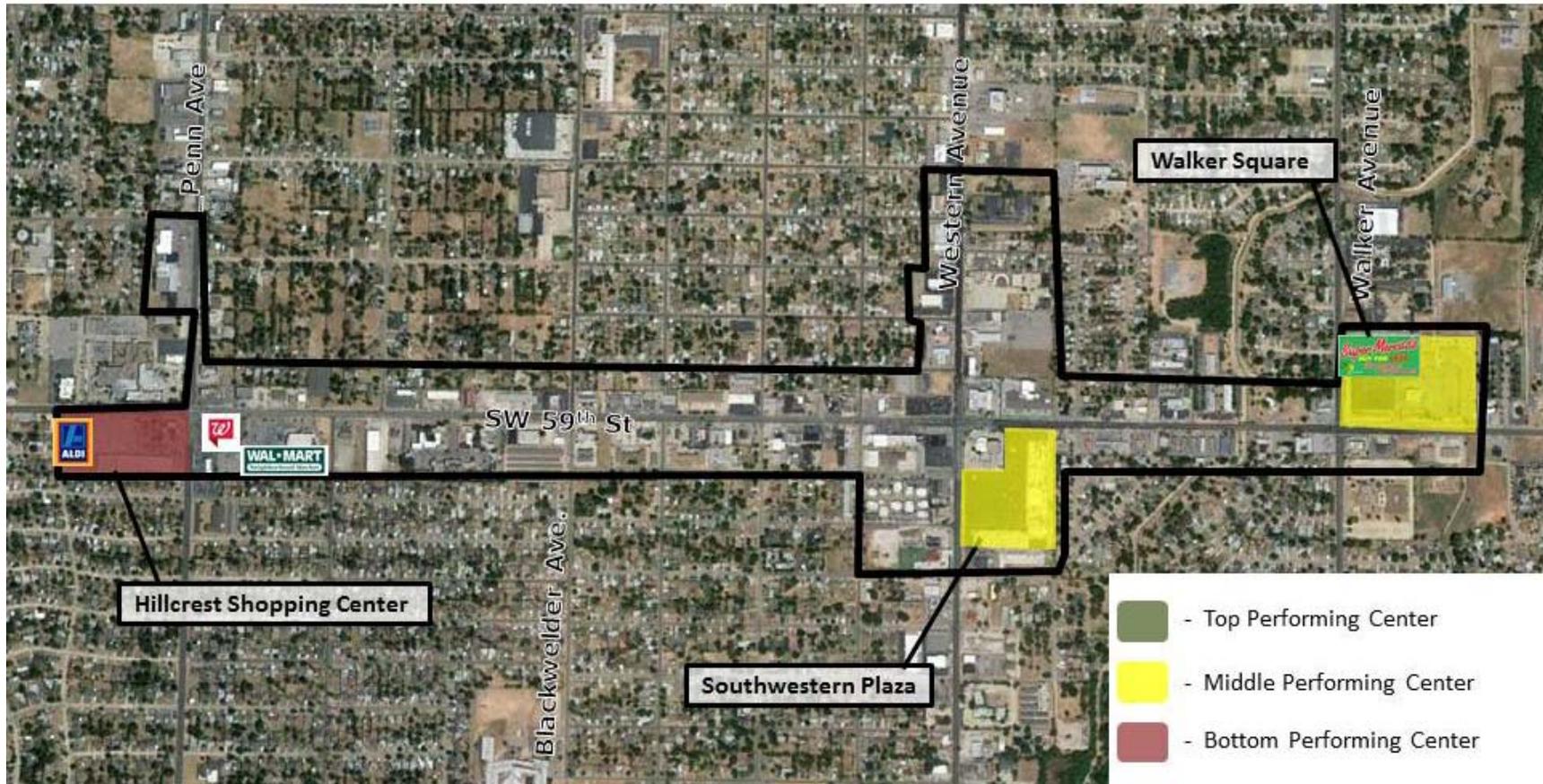
The Southwest 59th corridor is a four-lane east-west commercial arterial extending along Southwest 59th Street from the intersection of Pennsylvania to the west and Walker to the east. The commercial corridor is primarily composed of shallow single-story strip retail and large inconsistent auto-oriented signage. Three larger retail centers are located at each of the primary intersections along the corridor (Pennsylvania, Western, and Walker). The retail cluster at Pennsylvania is anchored by a Wal-Mart Neighborhood Market, Walgreens, Aldi and accompanying ancillary retail. Similar to many other centers throughout the city, these anchors are generally separated from the ancillary retail, limiting their potential positive impacts to the smaller retail businesses. The large center at 59th and Western is currently unanchored and



Southwestern Shopping Center Mexican restaurant anchor

contains a mix of Hispanic-oriented retailers, restaurants, and a Family Dollar. Walker Square, located at Walker, is anchored by a Buy For Le\$\$ Super Mercado. With the exception of the Super Mercado, this center has received an attractive façade upgrade. Various apartments, churches, storage, and auto uses compose the remainder of the corridor, which is encompassed by a large, primarily Hispanic single-family residential neighborhood. The primary challenges facing the corridor include shallow lot dimensions, unattractive signage and building façades, and unsafe automobile and pedestrian conditions.

Figure 24
Southwest 59th Existing Conditions



Conclusions

As one of the primary commercial corridors of a large and growing Hispanic community in the city, the Southwest 59th corridor presents a potential redevelopment opportunity. However, the shallow lot dimensions created by the existing strip retail centers along the corridor limit most large-scale changes. The shopping center at 59th and Western represents the best opportunity for large-scale infill development, and the City should work with the property owner to investigate the potential for a new anchor at the site. The City's remaining efforts should be focused on improving automobile and pedestrian safety, and beautification.

Policy Framework: Revitalize

Policy Recommendations

Development/Redevelopment

The shopping center at 59th and Western represents the best opportunity for large-scale redevelopment. Western is a primary north-south corridor in the City, offering access to I-240 to the south and retail and employment uses at 44th to the north. Thus, this center provides the most strategic and catalytic location for new retail redevelopment on the corridor. The trigger for redevelopment depends on the attraction of a key anchor to the site, potentially a "one-in-the-market" Hispanic supermarket. While the potential redevelopment of Crossroads Mall into a Hispanic-oriented retail center will serve as a regional destination for the market, 59th and Western could become a more local-oriented center, focusing on neighborhood and community-oriented goods and services for the local trade area. Redevelopment at 59th and Western would also benefit existing retail development along the corridor, serving as a central anchor of activity.

An additional opportunity exists to better utilize the Aldi at the Hillcrest Center to support new and existing retail. Currently Aldi is on its own pad and is largely separated from the rest of the center. As a result, the existing ancillary is struggling. A rehabilitation and expansion of this center, potentially bringing it closer to the street will provide more activity the local tenants for the center. A revitalized center will also benefit from the neighboring Wal-Mart Neighborhood Market to the east. The remaining retail on the corridor would greatly benefit from façade improvements, as these sites are not sufficient in size to attract significant redevelopment.

Last, a large amount of undeveloped land exists at the east end of the corridor. The City could encourage new non-retail uses, such as multifamily housing, on these parcels in order to enhance walkability and support existing retail businesses in the area, particularly Walker Square.

Transportation/Access

The corridor is a five lane arterial (four travel lane with a central turn lane). There are safety issues as a result of the large number of curb cuts and related turn movements. Frequently, adjacent properties along the corridor do not provide access to another, using paved parking spaces or landscaping as a barrier to access. The City should seek to limit the number of curb cuts along the corridor and create greater internal linkages among the retail centers and parcels. This would relieve traffic congestion, as well as decrease the incidence of accidents on 59th. A key access point needs to be created between the Hillcrest Center and the Walgreen and Neighborhood Market across Penn Avenue. Currently the access points do not line up. Thus, creating one aligned access point will ease navigation between to the two centers and provide for greater cross-shopping opportunity, enhancing the sales performance at Hillcrest.

While some sidewalks do exist on newly-developed parcels along the corridor, the vast majority of the corridor is unsafe for pedestrians. This is a critical issue as the local population often depends on walking to access jobs and shopping. In addition to safety, new sidewalks and landscaped buffers would also contribute to the overall beautification of the corridor.

Operations/Management

The number, size, and shape of signage along the corridor significantly contributes to the local economic conditions and causes confusion for motorists and pedestrians navigating the corridor. The City should consider enacting a local sign ordinance that controls the size and shape of future signage along the corridor. This ordinance would provide visual coherency and contribute to an overall sense of place lacking along the corridor. The City should also institute a façade improvement program, providing a revolving loan for local businesses to improve façades and modify existing signage.

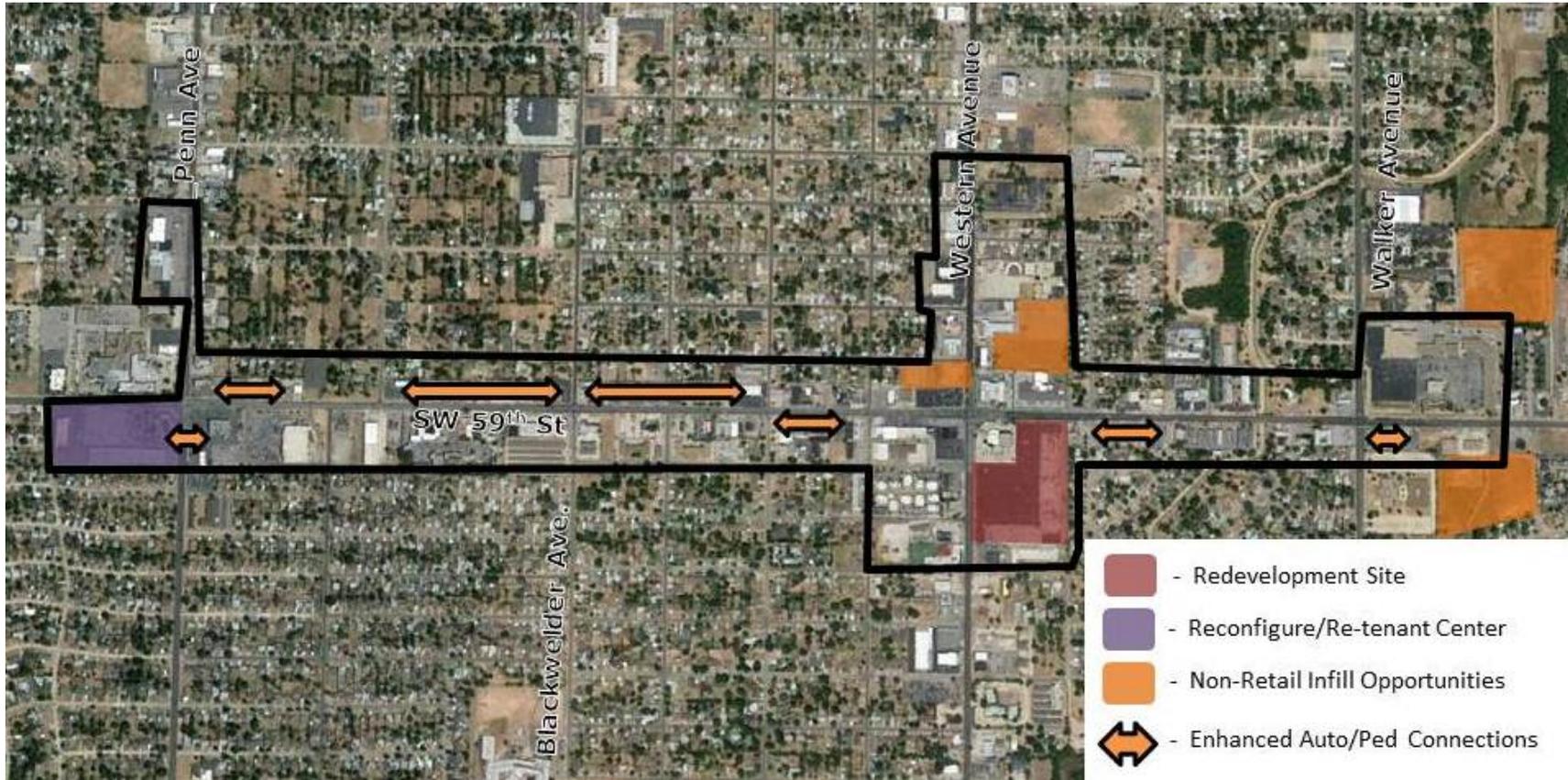
Table 22
SW 59th Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Focus redevelopment at Western and 59th with Hispanic supermarket	Future	Private, City
Assemble property for redevelopment at adjacent corners	Future	Private
Façade Improvements on viable existing centers	Future	Private, City
Encourage new residential uses to support retail at east end	Future	Private, City
Transportation/Access		
Invest in pedestrian improvements/sidewalks/safety	Immediate	City
Enhance internal linkages to centers	Immediate	Private
Operations/Management		
Create visual coherency through signage	Immediate	Private, City
Create visual coherency through streetscape projects	Immediate	Private, City

Source: Economic & Planning Systems

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Figure 25
Southwest 59th Policy Recommendations



Community Nodes

44th and Western

Subarea: South/Southeast
 Size (sq. ft.): 391,060
 Retail Centers: Reding Shopping Center
 Major Anchors: Sears, Wal-Mart Neighborhood Market, Target, Buy For Le\$\$ Super Mercado
 Shopping Centers Value per Sq. Ft.: \$76
 Shopping Centers Sales per Sq. Ft.: \$64
 Retail Groups Sales per Sq. Ft.: \$233



Sears Store and large associated parking field

Issues and Conditions

The Western Avenue and SW 44th Street community node is located on Western Avenue between SW 36th and SW 44th, with the SW 44th intersection being the center of retail activity. On the southeast corner of SW 44th and Western Avenue is a Target store with an attached Ace Hardware store and two pad retail sites along SW 44th. On the northeast corner of that same intersection is a 23-acre parcel with a Wal-Mart Neighborhood Market along SW 44th and a large Sears store and auto center. Sears is a free standing store that was built in 1965. There is a large parking field north of the Sears building that exceeds current parking needs of Sears. On the west side of Western Avenue is a medical campus anchored by the Integris Southwest Medical Center. North of the medical center is additional retail development including a Buy For Le\$\$ Super Mercado, the Reding Shopping Center, and other retail pads, as shown in **Figure 26**.



Vacant, undersized inline retail space in Reding Shopping Center

Figure 26
44th and Western Existing Conditions



Conclusions

While the Western and SW 44th community node is a viable community retail location, the area will require a greater concentration of retail activity to be successful in the long run. The Target and Wal-Mart Neighborhood Market are strong anchors for the node and can potentially leverage additional ancillary retail tenants. However, new retail activity has not occurred due to the lack of additional space associated with the current format of these anchors. The retail north of the medical center is disconnected from the activity at 44th and Western and has high inline vacancy as a result of limited store sizes. There is a vacant parcel in the middle of this collection of retailers that could attract a single-user retail building, as well as a potential vacant pad site on the Target corner. The City should undergo conversations with Sears about the future of its

store, as this will drive the future of redevelopment in the area. A potential redevelopment will likely require City participation, either through the establishment of a URA or other financial incentives. The City should also engage in conversations with the Medical Center as a potential community partner. Last, greater linkages, both internal and external, need to be created to promote greater opportunity for cross-shopping in the area.

Policy Framework: Revitalize

Policy Recommendations

Development/Redevelopment

The physical condition of the current Sears parcel and adjacent parking is a disincentive for new retail activity, but could offer a significant opportunity site for redevelopment, strengthening the node. The opportunities for the Sears parcels depend on the ability to attract an anchor to the site. The Sears, in its current building, will likely not last much longer. Thus, Sears should be engaged to determine its future plans at this location, including the potential to relocate the store in a new building either at this node or elsewhere. The sales flow analysis for the Southeast Subarea documented an under supply of both convenience goods (grocery stores, drug stores, convenience stores) and general merchandise stores (discount department stores, apparel and soft goods). The possible anchors for a redevelopment on this parcel would be a new format Sears store, a discount department store, or an off-brand apparel store. If an anchor can be found for this parcel, the land north of the Wal-Mart and Sears Auto Center could be redeveloped into a new shopping center featuring an anchor tenant, inline retail space, and retail pads along Western Avenue. The hospital and medical office buildings across the street, coupled with the surrounding neighborhood, create demand for quick casual format restaurants serving daytime employment and local residents and could serve as a major component of the redevelopment.

If an anchor for the site cannot be found, the site could be redeveloped for a smaller increment of retail space along with civic facilities. The southern half of the parcel, in this scenario, could maintain the existing auto center and Wal-Mart Neighborhood Market, in addition to new space for quick casual restaurants and/or service retail uses. The north half could be redeveloped as either a public amenity, such as a recreation or senior center, and/or medium to high density housing. Creating a senior center with a senior housing development on the northern half would help to bolster investment in the area and support the retail by increasing visitation to the node.

Transportation/Access

Because of the spacing of existing retailers, both internal and external linkages among the various centers need to be enhanced and/or created. An internal north-south connection should be established between the Super Mercado, Reding Center, and the Medical Center to allow users to travel among the Medical Center and adjacent centers without re-entering Western Avenue. Two key connections should be established across Western Avenue between the Medical Center and the Sears site, with a new entryway design at the main entrance of the Medical Center and Sears. Finally, an additional entryway investment and pedestrian connection should be established across 44th between the Wal-Mart Neighborhood Market and the Target, enabling greater “cross-shopping” potential.

Operations/Management

The City should make an effort to further engage the Medical Center as a key neighborhood partner, particularly as it relates to transportation linkages with adjoining properties. The City should also seek input from Medical Center employees on specific stores and/or services lacking in the area and what they would like to see develop on properties in the area. Last, the City should investigate the potential to establish a URA to assist potential redevelopment efforts at the Sears site.

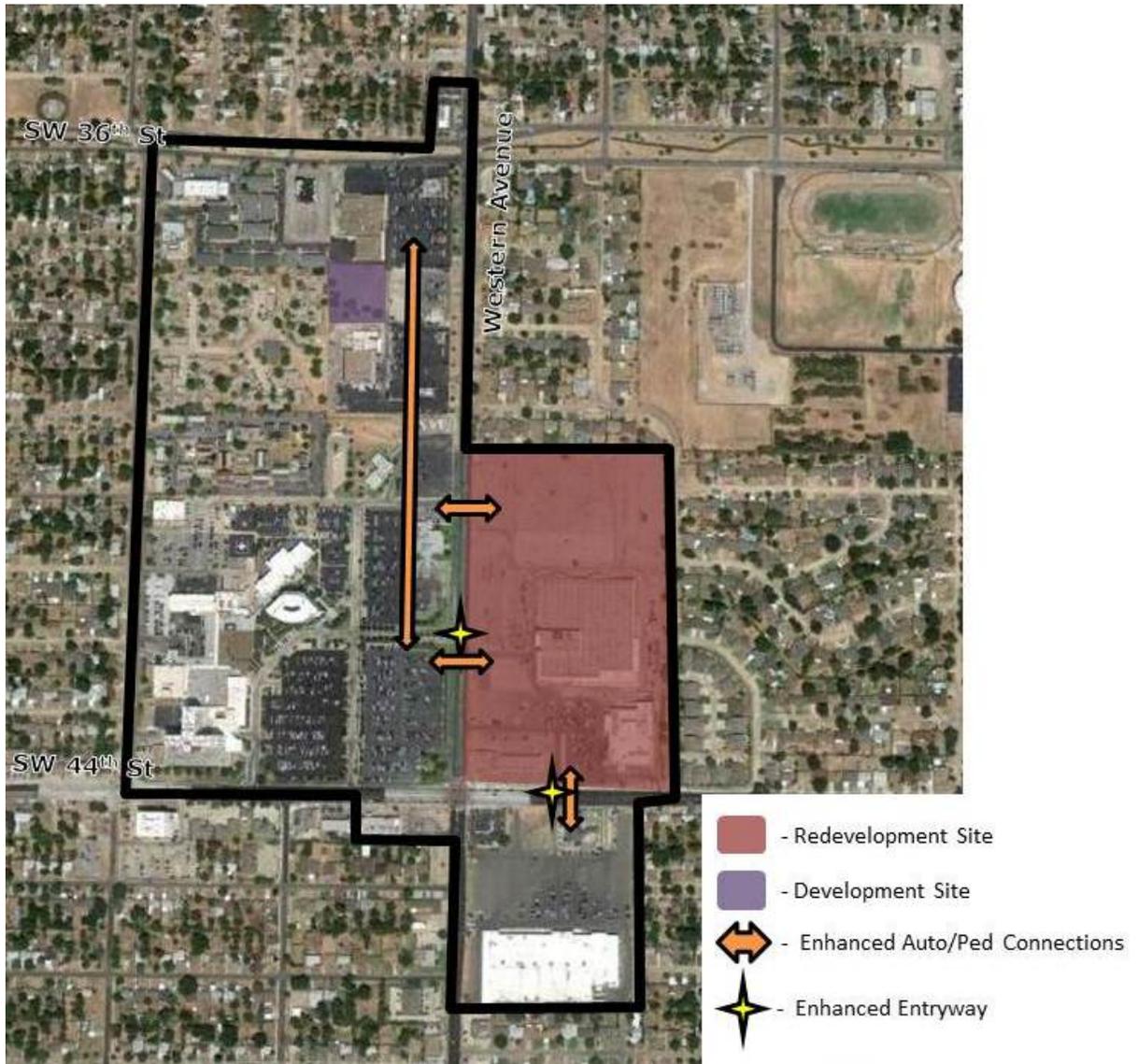
Table 23
44th and Western Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Engage Sears about future store plans and seek to redevelop site either as: New retail anchored community center (with Sears or other anchor) and ancillary space Senior-oriented development with new senior center and housing	Future	Private, City, Alliance
Seek opportunity for new quick-casual dining options to serve medical center	Future	Private, Chamber
Transportation/Access		
Create internal linkage between Medical Center and Super Mercado on west side of Western	Future	Private, City
Create new gateway entry point at Sears and Medical Center on Western	Immediate	Private, City
Create new gateway entry point at Wal-Mart Neighborhood Market and Target	Immediate	Private, City
Establish greater pedestrian connections identified gateways	Immediate	City
Operations/Management		
Engage with Medical Center to be community partner	Immediate	City
Establish a potential URA for redevelopment of Sears site	Future	City

Source: Economic & Planning Systems

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Figure 27
44th and Western Policy Recommendations



Commercial Revitalization Districts (CRDs)

The City of Oklahoma City provides planning assistance to commercial districts and corridors through the Commercial District Revitalization Program (CDRP). The program provides grants to assist community based non-profit organizations with marketing, management, and maintenance of commercial districts. The organization, either by BID or other non-profit entity, develops a business plan and submits an application to the City. The City provides limited matching funds ranging from \$15,000 to \$40,000 per year as well as professional support. The City has limited funds of about \$200,000 per year dedicated to the program. The 12 currently recognized Commercial Revitalization Districts (CRDs) in the City are listed below:

- Asian District
- Friends of 10th
- Stockyards City
- Capitol Hill
- Midtown
- Uptown 23rd
- Downtown
- Paseo Arts District
- Western Avenue
- I-240 area
- 16th Street Plaza District
- Windsor Area

Four of the CRDs have an associated business improvement district (BID) to provide formal organization of the area and create financial tools for the district to use to market and build the district. Currently, there are four Business Improvement Districts: Downtown, Stockyards City, Capitol Hill, and Western Avenue.

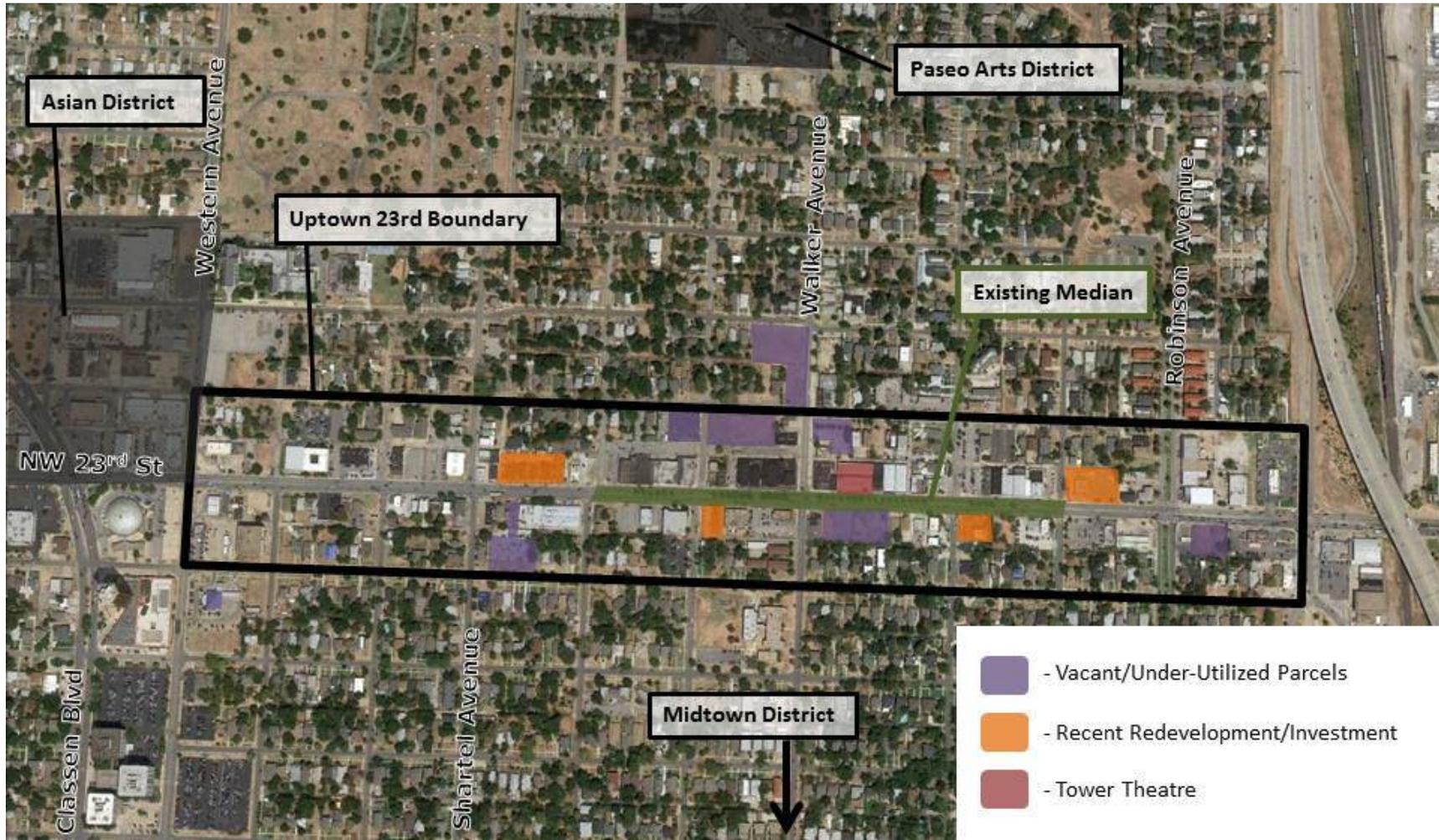
The CDRPs has focused to date on the older commercial districts in the City's historic neighborhoods, particularly areas that are evolving to a more specialty retail mix. The program's focus on helping merchants and property owners with marketing and management would also have applicability to some of the newer retail nodes and corridors particularly where the neighborhood and trade area economic conditions support the evolution to a more cohesive mix of specialty businesses. A few of the CRDs are a part of a larger retail node or corridor and have been discussed earlier, specifically I-240, Windsor Area, and parts of Downtown.

Uptown 23rd

Issues and Conditions

The Uptown 23rd CRD is an emerging district recently formed by the businesses along NW 23rd from Western Avenue to I-235. The district is a loose collection of retail businesses that are trying to revive the area. The Uptown 23rd corridor is lined with older commercial buildings built primarily between 1920 and 1940, with large store windows fronting onto 23rd and smaller scale auto oriented retail with multiple curb cuts built between 1950 and 1970. There are some large vacant parcels and underutilized parking lots along 23rd. A portion of the roadway, between North Lee Avenue and North Harvey Avenue, features a raised median and landscaping. There has been some limited, but successful new investment along the corridor including; Tuckers Burgers, Big Truck Taco, and a creative reuse of four adjacent bungalows into new retail buildings with common parking and street access. The major architectural feature and potential attraction of the district is the Tower Theatre which is on the north side of the street between Walker and Hudson Avenues.

Figure 28
Uptown 23rd Existing Conditions



Conclusions

Uptown 23rd is different from the typical CRD in that it functions more like a commercial arterial (without traditional shopping centers) than a small local district. Thus, the length of the district makes it more difficult to create a unique destination than an area like Paseo or 16th Street Plaza. The recent success of Uptown 23rd is due primarily to the strength of the neighborhoods on the north and south of the street. The traditional commercial location and strong adjacent neighborhoods have driven retailers to locate along the corridor but this trend alone will not likely be sufficient to create a successful district over the long-term. A more concerted effort is required to reinforce recent successes and create a consolidated, vibrant retail destination. This includes transportation and traffic calming efforts, enhancing north-south connections to the adjacent neighborhoods, and activating the district with new entertainment and residential uses that drive activity for new retail.

Policy Framework: Revitalize

Policy Recommendations

Development/Redevelopment

The district currently lacks a central attraction or drawing point. The Tower Theatre is a natural place to focus revitalization efforts. The current owner of the theatre has tried to renovate the building but has had difficulty developing or financing a viable project. The Tower Theatre is an important landmark and potential anchor for the district, and the City needs to become actively involved where possible to aid in its redevelopment, which includes not only possible financial help but visioning, feasibility, and operational assistance. The intersection of Walker and 23rd is the logical center of activity for the district and should be the primary short term focus.

Linear districts like Uptown 23rd typically require more than one node to anchor retail activity. Efforts should focus on catalyzing a specific node/intersection, generating investment outward from the node. For the most part, the City's has invested in CRDs by assisting with streetscape and infrastructure type projects. These projects can often help attract private investment in revitalization and redevelopment projects. There are several opportunity areas identified along the corridor, many of which are clustered around the intersection of Walker and 23rd that could serve as locations for new retail, housing, or mixed use development. The best redevelopment site example is the surface parking lot and low-value development at the southeast corner of Walker and 23rd. While small in scale, these potential projects could help prove the market for private development on the corridor and aid in establishing a central point of activity for the district. The City and current CRD should be active in utilizing available redevelopment tools in this effort.

In addition to creating new development sites, the City, in partnership with existing property and business owners, should aid in readying existing retail spaces in older buildings for new tenants, including the street-fronting building at the northwest corner of Walker and 23rd. The age, former use, and inactivity of several of the buildings along the corridor, likely creates economic hardships on some existing property owners that make rehabilitation difficult for individual businesses.

Transportation/Access

While Uptown 23rd has benefited from landscaped median improvements on portions of the district, the pedestrian environment remains unsafe. Continued work should include greater traffic calming measures such as bulb-outs and/or mid-block, signalized pedestrian crossings.

These improvements would greatly enhance the ability to accommodate pedestrian activity. In addition to improvements on the corridor, Walker Avenue provides the primary north-south connection to the strong neighborhoods (Paseo on the north and Midtown on the South) on either side of the district. Enhancing this street as a “complete street” featuring bike lanes and pedestrian improvements will greatly benefit the district, providing easy access to the households and incomes associated with these neighborhoods. It would also provide a direct connection to the Paseo Arts District CRD, creating economic synergy among existing businesses and retail destinations.

Operations/Management

The CRD should continue to advertise Uptown 23rd as a unique retail destination. As an emerging destination, the current niche of the district remains undefined. The CRD should work with the local community to identify the future vision of the district and its competitive position with other CRDs in the City.

Table 24
Uptown 23rd Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Redevelop/Rehabilitate the Tower Theatre	Immediate	Private, City
Develop low value sites into new mixed-use development (emphasis at 23rd and Walker)	Future	Private, City
Renovate existing older retail space where appropriate	Immediate	Private, City
Transportation/Access		
Enhance pedestrian environment (traffic calming, mid-block signalized crossings)	Immediate/Future	City
Enhance north-south connections (Walker Avenue) with improved multi-modal access	Future	City
Operations/Management		
Define competitive niche	Immediate	Private, City
Advertise district as "unique destination"	Immediate	Chamber, City

Source: Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Reports\[21863-Policy Recommendations.xlsx]Uptown 23rd

Figure 29
Uptown 23rd Policy Recommendations



7. RETAIL OPPORTUNITIES AND IMPLEMENTATION

This section of the report summarizes the short-term retail development and tenancing opportunities for the City (and the Alliance for Economic Development as the City's agent) to pursue over the next three to five years. The currently available strategies, programs, and incentives are summarized. In addition, funding and financing approaches used in other cities for retail development, redevelopment, and tenant recruitment are identified.

Retail Tenant Opportunities

As summarized in Chapter 2, the retail sector is in a cycle of transition, faced with an overbuilt market, growing competition with online shopping, shrinking store sizes, and struggling department store anchors. Thus, there will be more limited opportunities for new retail development in the future than in the past two decades. However, Oklahoma City remains a growing market and is located in smaller metro area where a number of prominent national chains have not yet located, making it a potential target for expansion locations. This section outlines the competitive marketplace in Oklahoma City by major store grouping and identifies potential tenancing opportunities for the next five to ten years.

Department Stores

The traditional mid-market, mall-based department store is largely struggling. Because these stores frequently anchor mall formats, there are only a handful of regional malls under development nationwide and a greater number of existing mall properties seeking tenants for vacant anchors. The Oklahoma City metro had five regional malls for 30 years from the time when Quail Springs opened in 1980 to 2010. Currently, Penn Square is thriving with above average sales, while Quail Springs and Sooner Mall (in Norman) continue to be stable. However, Crossroads Mall is failing with all of the anchor stores and much of the inline space vacant, and Heritage Park (in Midwest City) has closed with the exception of Sears, the sole remaining anchor.

JCPenney, the largest national department store chain, is an anchor in Penn Square, Quail Springs, and Sooner Mall and has two more recent additions in the market with freestanding discount store format stores in Midwest City and Moore.

Sears, the second largest chain, has mall anchor stores in Quail Springs and Sooner Mall. The former anchor store at Heritage Park Mall remains open and Sears also has a freestanding store at 44th and Western. Sears Holding Company, which was formed in 2005 when Kmart bought out Sears, is focused on maximizing the real estate value of its holdings and not on expanding the number of stores. It recently sold its Quail Springs store to the mall's owner General Growth Properties. The store is now closed and will be replaced by the Von Maur department store. Sears is also planning to sell the excess real estate at its 44th and Western store location.

Macy's, the third largest department store chain, has a store in Penn Square and a second in Quail Springs. It would be a likely anchor tenant for a new mall or alternately, as a one department store anchor for a lifestyle center.

Dillard's is also present in the three active regional malls with two store spaces in Penn Square Mall. This was the result of the May Company and Federated merger and May Company leaving the market. Dillard's split its women's and men's stores into the two anchors and thereby prevented a competitor from entering the market. Dillard's could also be a potential anchor for a new mall or lifestyle center in the future.

Kohl's, the fastest growing discount department chain with 1,058 stores nationally, has six local stores on NW Expressway, I-35 in Moore, and I-40 in Midwest City, and also stores in Yukon, Edmond and Norman. Kohl's favors freestanding and power center locations in suburban locations with concentrations of families with school-aged children. There will be opportunities for one or two more stores in the next five years with locations at or near Westgate Marketplace and on the Memorial Road Corridor filling holes in the current trade area.

Dick's Sporting Goods are not full line department stores, but rather, sporting goods superstores in the 55,000 to 60,000 square foot range. It recently entered the Oklahoma City market with four stores at regional retail nodes including Westgate Marketplace, Quail Springs, Moore, and Midwest City.

Von Maur, an upscale department store specializing in mid-priced brand apparel and accessories based in Iowa, is also expanding. The chain now has 27 stores in 11 states located in both malls and lifestyle-formats. Von Maur recently agreed to occupy the 150,000 square foot former Sears site at Quail Springs. Von Maur does have multiple locations in several regions including Chicago, Detroit, Indianapolis, Atlanta, and its hometown of Davenport. However, based on the size of the market, additional Oklahoma City locations will likely depend on the performance of the Quail Springs store when it opens in the summer of 2013.

Other longer term department store opportunities include the potential of attracting **Nordstrom**, a Seattle based high-end department store with 236 stores nationally including 117 full-line stores and 119 Nordstrom Rack off-price outlet-style stores. The City has courted Nordstrom for some time as a desirable additional tenant. The only location Nordstrom would consider at this time is Penn Square and there are no easy expansion opportunities at that site. Nordstrom Rack is opening its first Oklahoma City store in the former 33,500 square foot Linens 'n Things at Belle Isle Station.

Over the next 20 years, projected household and income growth would be sufficient to support at least one additional department store anchored mall, particularly given the demise of Crossroads Mall and Heritage Park Mall in the last few years. However since the recession, the regional mall REITs have been consolidating and right sizing their portfolios rather than building new properties. In addition, department stores are also in a consolidation mode, presenting few opportunities to anchor new centers.

The geographic spacing and the distribution of household incomes also presents challenges to locating a new center. The upscale department stores (Nordstrom or Von Maur) would want a north or northwest location. However, Penn Square and Quail Springs cover this trade area reasonably well. On the south side of the metro area, the closure of Heritage Park and Crossroads provides an underserved population on the south and east. However, the development of two new freestanding JCPenney's and additional outdoor retail at the Midwest City Town Center and the Shops at Moore have split the southeast trade area and largely preclude an additional mall on the south side of the city. Further south, there are opportunities for additional regional retail development in Norman, either at University Town Center or redevelopment or reinvestment in the Sooner Mall.

Lifestyle Tenants

Numerous apparel, home furnishings, and bath and beauty retail chains expanded rapidly during the 1995 to 2008 time period. A selected sample of many of the best known retail chains is shown on **Table 39**. Lacking regional mall opportunities, these stores fueled the development of a new generation of lifestyle centers and mixed-use town centers. According to ICSC, lifestyle centers are most often located near affluent neighborhoods and have an upscale orientation with the following characteristics:

- Between 150,000 and 500,000 square feet of leasable retail area. According to industry sources, a center requires at least between 250,000 to 300,000 square feet in order to be viable.
- Typically feature open-air configurations.
- A tenant mix comprised of predominantly national upscale apparel and home furnishings stores and national upscale chain restaurants.
- Frequent tenants include apparel stores such as Gap, Ann Taylor, Eddie Bauer, Banana Republic, Limited Express, Chico's, Talbots, and Victoria's Secret; home furnishings stores such as Williams Sonoma, Pottery Barn, Restoration Hardware, and Bombay Company; and books and music stores like Barnes & Noble.
- Feature a mix of local independent specialty stores to add local flavor to the center.
- Designed to be an appealing destination for more than just shopping and typically include one or more table-service restaurants and may also have a multiplex cinema.
- Typically include a mix of national restaurant tenants include P.F. Changs, California Pizza Kitchen, and Macaroni Grill, among others.
- Typically include one or more department stores may as anchors, but these are generally smaller than full-size stores.

Given the lack of regional mall opportunities, a lifestyle center may present the best opportunity for new regional retail development within the next five to ten years. If combined with residential development, a mixed use town center may present a development opportunity within the larger downtown area, potentially adjacent to downtown along the Boulevard in the Core to Shore redevelopment area or alternately in the eastern end of Bricktown close to Bass Pro. Additional opportunity likely exists to add lifestyle retailers through a lifestyle expansion of Penn Square and/or Quail Springs Mall.

Table 25
Typical Lifestyle Center Tenants

Typical Tenants	In Metro Area	In Oklahoma City	Typical Tenants	In Metro Area	In Oklahoma City
Apparel			Apparel Cont...		
Abercrombie & Fitch	1	1	Nordstrom Rack ¹	0	0
Aeropostale	4	3	Pacific Sunwear	1	1
American Eagle	5	4	Pendletons	1	0
Ann Taylor	3	2	Sunglass Hut	0	0
Ann Taylor Lofts	3	2	Talbots	3	2
Anthropologie	1	1	Urban Outfitters	0	0
Athleta	0	0	Victoria's Secret	4	3
Baby Gap	3	2	Wet Seal	2	2
Banana Republic	2	1	White House/Black Market	3	2
Bebe	0	0	Zumiez	4	3
Brookstone	1	1			
Buckle	3	2	Bath & Body		
Charlotte Russe	3	2	Bath & Body Works	5	4
Chico's	2	2	Origins	1	1
Children's Place	4	3	The Body Shop	1	1
Christopher & Banks	3	2			
Coldwater Creek	2	1	Books & Music		
Dress Barn	4	3	Apple Store	1	1
Easy Spirit	0	0	Barnes & Noble	3	2
Eddie Bauer	2	1			
Express	3	2	Home Furnishings		
Finish Line	3	2	Bed, Bath & Beyond	4	1
Forever 21	1	1	Crate & Barrel	0	0
Francescas	4	2	Kirkland's Home	3	1
Gap	3	2	Pier 1 Imports	4	2
Gap Kids	2	2	Pottery Barn	1	1
Guess	1	1	Pottery Barn Kids	0	0
Gymboree	4	3	Restoration Hardware	0	0
Hollister	2	2	West Elm	0	0
J. Crew	2	2	Williams-Sonoma	1	1
J. Jill	1	1	Yankee Candles	2	2
Jos A Bank	4	2			
Lane Bryant	6	4			
Limited	1	1			
Lucky Brand Store	0	0			

¹ A permit was pulled in August of 2012 to build a Nordstrom Rack in the Belle Isle Shopping Center

Source: Economic & Planning Systems

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Mass Merchandisers

There is a wide array of mass merchandise stores in the 18,000 to 40,000 square foot range in the apparel, home furnishings, sporting goods and footwear, electronics, book/music, pet supplies, and office products store categories. These tenants are generally found in power centers and hybrid centers located close to regional malls and at other regional nodes. The active stores in the Oklahoma City market are shown by category in **Table 26**. Similar to discounters, these stores focus on high volume and low prices but in narrower product lines.

The mass merchandise stores have been impacted by internet sales, mergers, and closures over the last five years including Circuit City, Borders Books, Ultimate Electronics, and Linen 'n Things. As a result, there are a number of vacant boxes in power centers and at freestanding locations. The best located sites will be re-tenanted by other mass merchandisers, particularly second tier existing space users like Michaels, Jo-Ann Fabrics, Hobby Lobby, and Burlington Coat Factory. Specialty retail stores (e.g., Nordstrom Rack), or natural foods grocers will also absorb sites in strong centers and nodes. Less well located stores will be harder to lease and in some cases may trigger the further deterioration of the larger center. A number of empty boxes have been repositioned to non-retail uses including the Ultimate Electronics at I-240 and Walker which is being converted to a wholesale food warehouse.

Table 26
National Mass Merchandisers

Tenant	In Metro Area	In Oklahoma City		In Metro Area	In Oklahoma City
Apparel			Sporting Goods		
Burlington Coat Factory	2	2	Academy Sports	4	2
DSW	1	1	Big 5 Sporting Goods	0	0
Famous Footwear	8	4	Dick's Sporting Goods ¹	4	2
Mens Warehouse	3	2	Gander Mountain	0	0
Marshalls	3	2	Hibbett Sports	4	1
Old Navy	5	3	REI	0	0
Ross	8	5	Sports Authority	0	0
T.J. Maxx	3	1			
Appliances/Electronics/Books			Pets		
Best Buy	7	4	PETCO	3	1
Barnes & Noble	3	2	PETSMART	9	5
Office Supplies			Others		
Office Depot	4	4	Babies R Us	1	1
OfficeMax	1	0	Toys R Us	4	3
Staples	4	2	ULTA	4	2
Home Furnishings					
Bed, Bath & Beyond	4	1			
Cost Plus World Market	0	0			
Ethan Allen	1	1			
Hobby Lobby	9	4			
JoAnn's Fabrics	2	1			
Michael's	5	3			
Pier I	4	2			

¹ All of the Dick's Sporting Goods are under construction as of October 2012

Source: Economic & Planning Systems

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Supermarkets and Specialty Grocers

Traditional full-line supermarkets are being squeezed by the discounters on the value end of the price spectrum and the specialty and natural foods grocers on the high end. Wal-Mart (including five Supercenters and seven Neighborhood Markets) dominates Oklahoma City grocery sales with an estimated 60 percent market share. Regional chains Homeland with eight stores and Buy For Le\$\$ with nine stores lag well behind with market shares in the 10 to 15 percent range. A number of smaller discount priced stores round out the market including Save-a-Lot with two stores and Aldi with four stores.

Natural Foods Grocers

The greatest growth in the grocery store market is in the specialty and natural foods grocers, led by Whole Foods, an Austin, Texas-based chain with 320 stores nationally and one Oklahoma City store, which opened at Classen Curve in 2011. Whole Foods is the fastest growing grocery chain, with 25 new stores in 2011 and 30 stores planned in 2012. The chain's average store is now 38,000 square feet, down from 50,000 square feet five years ago. This smaller size provides greater flexibility to enter smaller markets and infill locations. The success of the new Oklahoma City store is likely to spur additional store openings in the next five years with Edmond or Norman being logical second store locations. Pending additional growth in urban housing in the downtown area, a Midtown location could also be an opportunity in the five to ten-year time horizon.

Three smaller specialty supermarket chains, including Sprouts Farmers Market, Natural Grocers by Vitamin Cottage, and The Fresh Market, are also expanding and adding locations. Sprouts has 142 stores in the western U.S. and has been growing by acquiring other similar chains including Sunflower Farmers Markets and Henry's Farmers Markets. It has two area stores including one at 62nd and May in Oklahoma City and one in Edmond. Two more stores will open in the region this year including one in Norman and the other in Tulsa. The chain locates its 25,000 to 30,000 square foot stores in existing centers or in new buildings. Oklahoma City can expect to see two or four additional stores over the next five years.

Denver-based Natural Grocers by Vitamin Cottage has 57 stores in 11 states and plans to expand by 10 stores a year in its region to reach 180 before expanding on a national basis. True to its vitamin store roots, the chain has also expanded to a full line natural grocer with its 15,000 to 20,000 square foot stores primarily in existing centers and nodes. It is actively evaluating vacant Office Depot and OfficeMax stores as providing a floor plate that works for its stores. It currently has one local outlet in Norman but can be expected to lease multiple stores over the next five years.

The Fresh Market is a North Carolina-based chain with 124 stores in 25 states including one Oklahoma store in Tulsa and additional stores in the Oklahoma City area in the near future. It is expanding westward and can be expected to add 15 stores per year in 2012 and 2013. Stores average 20,000 square feet in both existing and new construction locations.

Hispanic and Other Ethnic Markets

The other areas of opportunity in the grocery market are markets directed at specific ethnic groups including Hispanics and Asian populations. Oklahoma City has a successful Vietnamese Market, Super Cao Nguyen located at 26th and Military in the Asian District. The Super Cao includes a full range of Asian foods and spices and has an extensive fish market.

The Hispanic population is the largest ethnic group in the City and the fastest growing. Two Hispanic-oriented grocery markets are currently in the metro area. Terry's El Mariachi Supermarkets is a Dallas based Hispanic oriented grocery store chain with 13 stores including one in Oklahoma City and the remainder in the DFW area. The local store is located on NW 16th Street. A second local outlet opened in 2007 now is closed. Future expansion plans are unknown.

Buy For Le\$\$, a Oklahoma City supermarket chain with 12 area stores, has rebranded two of its southwest Oklahoma City outlets as Super Mercados with a heavy orientation to the Hispanic customer. The existing stores are located at 37th and Western and 59th and Walker. The Super Mercado format is successful in the Hispanic portions of the City and a number of additional existing Buy For Le\$\$ stores may be converted in the future.

The recent recession hit lower income communities hard and the Hispanic grocery chains were also impacted, with little or no new store activity in recent years. However, as the Hispanic population continues to grow, Oklahoma City can continue to expect interest from Hispanic grocers. There are a number of other regional Hispanic grocery store chains active in Texas and the southwest U.S. that could potentially enter the Oklahoma City market in the future including Supermercado El Rancho and Fiesta Mart in Texas; Pro's Ranch Market in California and New Mexico; and Rancho Liborio in California and Colorado.

Retail Development Opportunities

The analysis of retail development patterns and performance measures has identified a number of key issues that should be prioritized for economic development initiatives and retail marketing and recruitment activities.

NE Oklahoma Neighborhood Retail

Northeast Oklahoma City is the least dense (at 0.7 persons per square mile) and poorest (at \$21,000 per capita) subarea in the city. Challenged with a lack of accessible retail sites to serve the subarea and poor perceptions from national retailers who often do not see the neighborhood as a good fit with their customer base, the area is underserved in every major retail category. Of most critical concern is the lack of neighborhood retail centers and grocery stores providing basic services needed by residents on a frequent basis. This portion of the city meets the classic definition of a “food desert” with only one supermarket, the Buy For Le\$\$ (until recently a Hometown Market) located at 23rd and MLK in the southern portion of the subarea. Total personal income in the subarea of \$1.01 billion would support \$43 million in grocery store sales and \$62 million in total convenience goods sales. The area could therefore support at least one additional full-line supermarket anchoring a neighborhood shopping center with an additional 15,000 to 25,000 square feet of convenience retail and services.

The challenge for the supermarket chains is location. The area is settled at a very low density, and there are few locations with the desired population of 7,000 households (20,000 in population) within a two-mile radius. The strongest locations are 23rd and MLK where the one existing grocery store is located and 36th and Lincoln.

The Buy For Le\$\$ located at the northeast corner of 23rd and MLK is an undersized store in a small shopping center. If this center was redeveloped with a new full-line Buy For Le\$\$ it would greatly improve the level of shopping in the neighborhood and also provide the local supermarket chain with a larger and newer store. It would also provide a strong anchor for the east end of the 23rd Street district corridor and help stimulate additional retail uses to the west.

A second option would be to develop a new store at 36th and Lincoln. A vacant parcel exists on the site that could be developed with a new supermarket-anchored center. It has a higher two-mile trade area population than 23rd and MLK but lower traffic counts on the intersecting arterials. A new supermarket or grocery store at this location would provide a second grocery option to the area and would allow for better services to the more sparsely populated northern portion of the subarea.

Destination Retail

As the economic center of a metropolitan area of over 1.2 million, Oklahoma City is home to the region’s primary regional retail destinations, including Penn Square, Bricktown, and The Outlet Shoppes. These centers, although differing in composition and tenant mix, all contain a specialized mix of businesses, including “one in the market” retailers that entice shoppers from across the region as well as visitors from outside of the region, creating positive sales flow and tax revenue to the City.

In most other retail categories, Oklahoma City is expected to lose market share as the suburban communities surrounding the city grow to the size threshold needed to support retail goods and services at the local level that were previously purchased in the City. Thus, unique destination centers are critical to the City's role as the economic center of the region, as well as to its fiscal health. The strengthening and expansion of existing regional destinations should be a high priority for the City and potential actions should include attracting additional one in the market stores that can individually draw shoppers to the city, as well as further enhancing the cumulative market attraction of the city's regional nodes. Key marketing targets meetings this criteria include:

- **Nordstrom** – This upscale department store has 117 full-line department stores and 119 Nordstrom Rack outlet stores in 31 states. It has recently opened a Rack store in Belle Isle and often co-locates these outlet stores near a full line department store. Until recently, Nordstrom was not locating new stores in metro areas of less than two million in population. It is now moving into smaller markets in the one to two million range so it is reasonable to assume that Oklahoma City would be a candidate within five to ten years provided a suitable mall location was available. A Penn Square location would likely be preferred based on its desired trade area demographics and co-tenant preferences.
- **Costco** – This national membership warehouse retailer has 448 stores in 41 states but none in Oklahoma to date. It has reportedly been considering Oklahoma City in its expansion plans. Its standard 150,000 square foot stores average \$125 million in sales or over \$800 per square foot. With an average of 60 percent of taxable goods, one store would generate about \$3.0 million per year in city sales tax revenue.

Lifestyle Retail Center

A lifestyle center presents the best short term opportunity for new regional retail development. Although the pace of national retail development is still down from pre-recession levels, additional regional retail development is likely within the next five to ten years. The question is, where? These centers are driven by the expansion of upscale apparel and home furnishings stores and therefore prefer locations with a high number of households with incomes over \$75,000. Possible locations would therefore include northwest Oklahoma City and Edmond. The City may need to be aggressive in working with developers to identify potential sites to preclude a location outside the city boundaries. As previously discussed, there may be an opportunity to develop a lifestyle retail component as part of a larger mixed use town center in Bricktown or the Core to Shore area. This would also require redevelopment and public financing assistance to be feasible.

Hispanic Retail

The Southeast subarea where much of the City's Hispanic population lives, is also underserved with convenience retail uses including grocery store and other neighborhood serving retail uses. There are a number of expanding Hispanic or Mexican grocery store chains that could enter or expand in Oklahoma City including El Mariachi (existing store on NW 16th), Pro's Ranch Market (Texas and New Mexico); and Supermercado El Rancho (Dallas). A major new Hispanic-oriented supermarket was identified in the analysis as a possible anchor tenant for a potential shopping center redevelopment at SW 59th and Western to service southeast subarea of Oklahoma City.

Retail Incentive Policies and Tools

Recommended goals for the City's retail development policy are as follows:

- Promote new investment that provides new shopping opportunities to the citizens of Oklahoma City and its visitors,
- Enhance the City's sales tax base through a cooperative and collaborative effort between the Chamber, Alliance, and City, and
- Foster new and ongoing relations with developers, retailers, and brokers to maximize the capture of retail stores and centers within the city.

The City's retail incentives policies, adopted in 2008, allow incentives for the following types of retail projects:

- **Destination Retail Projects** – A retail project with over \$20.0 million in annual sales offering goods unique to the market and that may otherwise choose to be located in a nearby city or metro area.
- **Regional Retail Project** – A project of 250,000 square feet or greater that attracts at least 50 percent of its customer base from beyond a 25-mile radius of the city and is not within 100 miles of its nearest competitor.
- **Retail in Underserved Areas** – A project of 5,000 square feet or greater in an underserved area of the city.
- **Retail Project in a Redevelopment Area** – A retail project of 5,000 square feet or greater in a defined area requiring redevelopment assistance and/or in an established TIF district.

In 2011, the City Economic Development Trust (Trust) created The Alliance for Economic Development for Oklahoma City (The Alliance) to be the lead organization and single point of contact for economic development and redevelopment projects that are utilizing public financing incentives through the various economic development programs and tools of the City and its related entities. The Alliance is therefore responsible for the management, planning, and implementation of the following economic development planning and implementation functions:

- The General Obligation Limited Tax Bond Program (GOLT);
- Tax Increment Financing (TIF) Districts;
- The City's retail strategy and incentives;
- Redevelopment programs of the Oklahoma City Urban Renewal Authority (OCURA);
- Identification of job creation sites; and
- Planning and coordinating of downtown MAPS 3 Projects.

Existing City Incentives

The City (directly or through the Alliance and/or through a beneficiary Trust) may assist a retailer or retail developer by providing the following programs and incentives:

- **Public Infrastructure Improvements** – The City may pay for infrastructure improvements needed by a retail project to reduce overall project costs. Eligible improvements include roads, traffic signals, utility extensions, drainage improvements, streetscapes, and structured parking. The City can either make these improvements directly or reimburse a developer through a sales tax sharing agreement or a TIF arrangement.
- **Expedited Permitting** – The City (through the Alliance) can provide assistance with the entitlement process including zoning, site planning approval, building permitting, and inspections.
- **Site Costs** – The City and/or Trust can provide assistance with site acquisition and/or environmental remediation specifically on infill and revitalization sites where the costs of redevelopment exceed the norm for a desired retail project.
- **Tax Increment Financing (TIF) Districts** – TIF districts are an economic tool used by the City for promoting development or redevelopment in blighted or underserved areas. The City currently has eight TIFs, including six property tax based districts and two sales tax based districts. The TIF Board approves a dollar total for a specified set of improvements. The developer is reimbursed on an annual basis based on the net new increment of taxes collected in the district for up to a maximum of 30 years. When the approved increment is refunded, the district is dissolved.
- **Sales Tax Sharing** – The City can also directly commit a portion of the new sales tax from a retail project meeting the above criteria for incentives as a performance based incentive. The incentive is typically no more than 50 percent of the net new sales taxes expected to be received by the City through an annual payment for a specified time period up to a maximum total. The goals for a project seeking retail incentives are outlined below:
 - Increase the tax base including sales taxes, real property taxes, personal property taxes, payroll or earnings taxes, and business license fees;
 - Provide a better quality of life for citizens including enhanced offerings of retail goods and services;
 - Provide merchandise or entertainment as well as public areas that provide community gathering places;
 - Attract other types of development including other retail businesses, office, and residential projects;
 - Stop sales tax leakage – the loss of sales and revenue from Oklahoma City residents who drive to an adjacent community to purchase or consume goods and services.

In general, the City has been conservative about using retail incentives compared to some neighboring jurisdictions. A major project receiving incentives was The Outlet Shoppes on I-40. The project received \$3.9 million in general obligation bond funds for infrastructure improvements. It also received a sales tax rebate valued at \$5.5 million that refunded a portion of the center's sales tax to retailers. The incentives were primarily a defensive move against the possibility that the project could have located in Yukon.

- **Urban Renewal Project** – The City, through the Oklahoma City Urban Renewal Authority (OCURA), can also establish an urban renewal project (or redevelopment project) for purposes of land acquisition or disposition, demolition, capital improvements, and other redevelopment activities in areas of the city meeting the statutory definition of blighted areas. The URA has the authority to issue general obligation bonds within the bounds of the City debt ceilings. It can also form a TIF District and issue bonds backed by the property tax increment of the district for up to 30 years.
- **Special Assessment District** – The City can establish a special assessment district for specified capital improvements to be paid for by the property owners of a defined area through an additional property tax levy or special assessment. These districts require the approval of 51 percent of the property owners which is often difficult to obtain. However, in the case of a retail development or redevelopment project with only a limited number of property owners, this mechanism can be used to pay for up front capital improvements to be paid for by the future tenants in the project.
- **Commercial District Revitalization Program** – The City of Oklahoma City provides planning assistance to commercial revitalization districts (CRDs) and corridors through the Commercial District Revitalization Program (CDRP). The program provides grants to assist community based non-profit organizations with marketing, management, and maintenance of commercial districts. The area organization (either a BID or other non-profit entity) develops a business plan and submits an application to the City. The City provides limited matching funds ranging from \$15,000 to \$40,000 per year as well as professional support. The City has limited funds of about \$200,000 per year dedicated to the program. The seven existing CRDs in the city include: 16th Street Plaza, Paseo Arts, Western Avenue, Stockyards City, Capitol Hill, Midtown, and Asian Districts.

Additional Incentives

Retail development and recruitment strategies and tools used in other cities and states were researched to determine if there were other approaches that could be utilized in Oklahoma.

- **Public Improvement Fee (PIF)** – This is fee voluntarily imposed by a developer on retail/services tenants to finance public improvements. Also referred to as a retail sales fee (RSF), it is established by development covenant or lease agreement. It generally requires the consent of the City because the City needs to collect it in the same manner as sales taxes. It is similar but in addition to the sales tax rate. A PIF can be used to generate additional revenue to pay back City, TIF district, or special district issued revenue bonds. It is generally most useful on major retail development and redevelopment projects.

The use of a PIF is most prevalent in Colorado, where at least a dozen major regional retail projects were completed with PIFs imposed over the last 10 years. There has been little buyer resistance or push back on these fees that effectively increase the overall sales tax/fee burden. There would be resistance on supermarket and neighborhood and convenience stores as the profit margins are lower, the impact of the additional fee greater, and the availability of nearby competition without the fee greater. The PIF rate has most frequently been 1.0 percent but the range on existing projects is from 0.5 percent to 2.25 percent.

8. RETAIL GOALS AND POLICIES

This section of the report presents proposed goals and policies for **planokc** to provide direction on the location and development of new retail centers as well as the revitalization or redevelopment of existing retail centers, nodes, and corridors. There will continue to be a need for new retail centers and nodes in the city, particularly as residential growth expands into undeveloped areas. The intent of the plan is not necessarily to designate specific locations for these centers, but rather to forecast the amount and type of new retail centers to be required to serve household growth forecasts and to outline the location criteria and site development principles under which these new retail sites should be developed.

Within the existing built portion of the city, there will be limited opportunities for new retail districts. The vast majority of future retail development can and should take place within existing nodes and corridors. Thus, the identified goals and policies should also apply to new retail development that occurs in existing nodes and corridors.

Key Retail Goals

Oklahoma City is almost totally dependent on sales taxes to support general government services. Retail store sales are the largest contributor to the sales tax base; therefore the development of retail space and the attraction of retail tenants is a high economic development priority for the City. Retail centers and stores are also important because they provide essential and discretionary goods and services to the city's neighborhoods, thereby contributing to the quality of life for its residents. The overall goals for retail development in the city are as follows:

1. Oklahoma City seeks to develop and maintain a robust retail sector to generate the sales tax levels and growth needed to fund essential governmental operations and services for its residents.
2. The City seeks to meet the retail needs of a growing population, as well as prevent retail outflow to surrounding cities by providing the full range of goods and services within the city.
3. The City seeks to attract specialized and unique "one in the market" retail stores and attractions to the City to attract visitors from the metro area, state, and the larger region.
4. The City seeks to encourage new retail development to occur in a "smart growth" fashion, limiting financial strain on its capital and service resources, while encouraging the overall livability and economic vibrancy of existing areas.
5. Retail uses will be classified according to a hierarchy of centers and nodes based on market characteristics rather than just size as presented in **Table 27**.

Nodes and Corridors Policies

Regional Retail

Regional retail development includes new and existing major retail clusters featuring at least one regional center as defined in **Chapter 5**. Regional Retail development is envisioned as a unique retail and/or entertainment destination and serves the largest trade areas of all cluster types, drawing customers from all over the metro area, and in the case of some nodes, even larger parts of the state.

1. Regional retail development should be clustered at designated regional nodes to maximize the ability to be a regional destination and to minimize impacts on residential neighborhoods and local roads and arterials.
2. Regional retail development may include a variety of building configurations including enclosed or open-air malls, big box retail uses, power centers, and specialized retail and entertainment attractions.
3. Incentives for new regional retail development should only be considered if the proposed project truly creates a new regional destination for the city and does not significantly cannibalize sales from existing designated regional locations.
4. New regional retail development should be located at regional highway interchanges or intersections with superior highway capacity and access in order to serve the larger metro area market.
5. In regional retail infill locations, structured parking is encouraged where appropriate.
6. Regional retail development should be designed and sited to mitigate impacts on surrounding land uses and traffic should not be routed through adjacent residential neighborhoods.
7. All signage in Regional retail nodes should be constructed in a manner to provide visual coherency. This includes a consistent and cohesive pattern of materials, lighting, and height. A limit of one or two primary centralized signs per center is encouraged.
8. Where appropriate, mixed-use development should be encouraged to enhance the overall balance of land uses and promote supplemental demand for retail businesses. Appropriate mixed-use development for Regional retail includes major office and entertainment uses, as well as high density residential housing.

Community Retail

Community retail development is envisioned as focal points for retail and commercial activity at the sub-regional level, serving multiple neighborhoods with a logical two to three mile trade area containing 10,000 to 25,000 households. Community retail polices apply to new, larger community and power centers, as well as existing community nodes, highway corridors, and arterial corridors, as defined in **Chapter 5**. Community retail may include a variety of building configurations including big box retail uses, power centers, and neighborhood and community shopping centers.

1. New community retail should be concentrated at specific community nodes rather than along highway or arterial corridors with multiple retail centers and stores built in a linear pattern. The linear development of centers and individual big box stores is discouraged.
2. Community retail should be developed with an internal vehicle and pedestrian circulation system between new and existing centers and individual stores.
 - a. Where appropriate, access for new retail development should be concentrated at shared primary entrance points with adjacent centers. Primary entrance points should be aligned with access points immediately across intersecting roads. Multiple curb cuts to primary highways and arterials should be prohibited.
 - b. Pedestrian circulation, including sidewalks and median breaks along interior and exterior fronting roads should be encouraged.
 - c. Excess parcelization, including the separate and uncoordinated development of ancillary space from a supermarket or discount store anchor is discouraged.
3. Street-fronting retail/commercial buildings along public and private commercial streets should be encouraged in order to promote pedestrian circulation and multi-purpose shopping trips, as well as to provide a visual demarcation between the street and shopping center parking lots. This includes the coordinated development of pad sites to shield visibility of surface parking lots.
4. Community retail parking lots should include landscaping and median breaks to enhance overall beautification and limit large areas of impermeable pavement.
5. All signage in a Community retail area should be constructed in a manner to provide visual coherency. This includes a consistent and cohesive pattern of materials, lighting, and height.
6. Where appropriate, mixed-use development should be encouraged to enhance the overall balance of land uses and promote supplemental demand for retail businesses. Appropriate mixed-use development for Community retail includes professional/service office and medium and high density residential housing.

Neighborhood Retail

Neighborhood retail centers are envisioned as locations for retail uses serving the daily and weekly needs of residents for groceries and other convenience goods with a logical 1½ to 2 mile trade area containing 5,000 to 10,000 households. Neighborhood retail polices apply to new or existing smaller neighborhood centers, strip centers, and new or existing CRDs as defined in **Chapter 5**. Neighborhood nodes may include one or two neighborhood shopping centers and/ or individual supermarkets superstores, and drug stores.

1. New neighborhood retail should be located within new residential growth areas to provide locally serving goods and limit trip distances. This retail format is preferred in newly developing areas over the existing linear development patterns along city arterials.
2. Neighborhood retail is encouraged to be developed at the median breaks or intersections of major or minor collectors with retail uses confined to one or two quadrants of a major intersection. Retail development on all four corners is not encouraged.
3. Neighborhood retail should be developed with an internal auto and pedestrian circulation system between new and existing centers and individual stores.
 - a. Access for new retail development should be concentrated at shared primary entrance points with adjacent centers. Primary entrance points should be aligned with access points immediately across intersecting roads. Multiple curb cuts to primary highways and arterials should be limited.
 - b. Pedestrian circulation, including sidewalks and median breaks along interior and exterior fronting roads should be encouraged.
 - c. Excess parcelization, including the separate and uncoordinated development of ancillary space from a supermarket or discount store anchor is discouraged.
4. Street-fronting retail/commercial buildings along public and private commercial streets should be encouraged in order to promote pedestrian circulation and multi-purpose shopping trips, as well as to provide a visual demarcation between the street and shopping center parking lots. This includes the coordinated development of pad sites to shield visibility of surface parking lots.
5. All signage in a Neighborhood retail area should be constructed in a manner to provide visual coherency. This includes a consistent and cohesive pattern of materials, lighting, and height.
6. Wayfinding mechanisms and other placemaking features should be strongly encouraged in new and existing CRDs.
7. Mixed-use development should be encouraged to enhance the overall balance of land uses and promote supplemental demand for retail businesses. Appropriate mixed-use development for neighborhood retail includes professional/service office and medium density residential.

Table 27
Retail Goals and Policies

Types of Retail			
Characteristics	Regional	Sub-Regional	
	Destination Retail	Community Retail	Neighborhood Retail
Function	Offers a wide variety of one in the market, general merchandise, apparel, and specialty retail goods and services. Often includes entertainment components. Limited local retail goods such as convenience and grocery goods. Typically includes several full-service restaurants and bars.	Offers a variety of daily and weekly retail goods and services. Typically contains discount department, general merchandise, and supercenter retailers. Some apparel and specialty retail goods. Limited service office and retail. Grocery and convenience retail goods are a component but not majority of retail offerings. Typically has food and beverage establishments with limited full service restaurants and a variety of fast and quick casual food uses.	Offers routine shopping needs. Specifically grocery, convenience, and health and personal care retail goods. Often includes service office and retail uses such as banks, gas stations and dry cleaners. Limited full-service, quick casual and fast food uses. May be a niche retail area that has a collection of similar retail offerings such as areas with locally owned apparel stores or neighborhood bars and restaurants.
Location	In existing or planned regional retail nodes, near the intersection of major highways and regional highways, or near or around major employment centers and downtown areas	Along major highways, at the intersections of highways and major arterials and the intersection of major arterials	At median breaks or intersections of major or minor collectors with retail confined to one or two quadrants of intersection
Trade Area	Metro area, city, or subarea sized area, typically trade areas with a five mile radius and above with over 25,000 households	Typically a trade area with a two to three mile radius with 10,000 to 25,000 households	Typically a trade area with a one and a half to two mile radius with 5,000 to 10,000 households
Node/Corridor Types	Regional nodes, larger highway corridors	Highway corridors, arterial corridors, community nodes	Smaller community nodes, CRD
Center Types	Enclosed or open-air malls, big box retailers, power centers, entertainment destinations, one in the market retailers or center types	Power centers, big box retailers, community and neighborhood shopping centers, limited strip centers	Neighborhood shopping centers, strip centers
Compatible Uses	Major office employment, civic and entertainment uses; adjacent high density residential	Mix of traditional office and service office uses, as well as medium to high density residential	Within a residential neighborhood or community also with service office uses. Sometimes a component of a larger office park

9. FUTURE RETAIL DEMAND

This section of the report estimates the demand for retail centers and nodes based on household growth forecasts for the City over the 2010 to 2030 time period. The recommended number, size and location of new retail areas are identified as input to future land use planning efforts.

Future Housing Growth

The housing growth forecast developed in the Housing Study for planokc was used to determine the future retail demand for Oklahoma City. The housing study used 12 subareas—all of which are subsets of the retail subareas—and can therefore be aggregated for purposes of forecasting supportable retail space. The forecast housing unit growth per subarea is shown in **Table 28** and **Figure 30**. Oklahoma City is estimated to increase by 79,050 housing units between 2010 and 2030. The northern subareas of the City are expected to capture the largest amount of housing growth, with 20,800 units in the Northwest subarea and 19,050 in the Northeast subarea. The Southeast subarea is forecast to experience the lowest amount of housing growth, with 8,750 new units estimated over the forecast period.

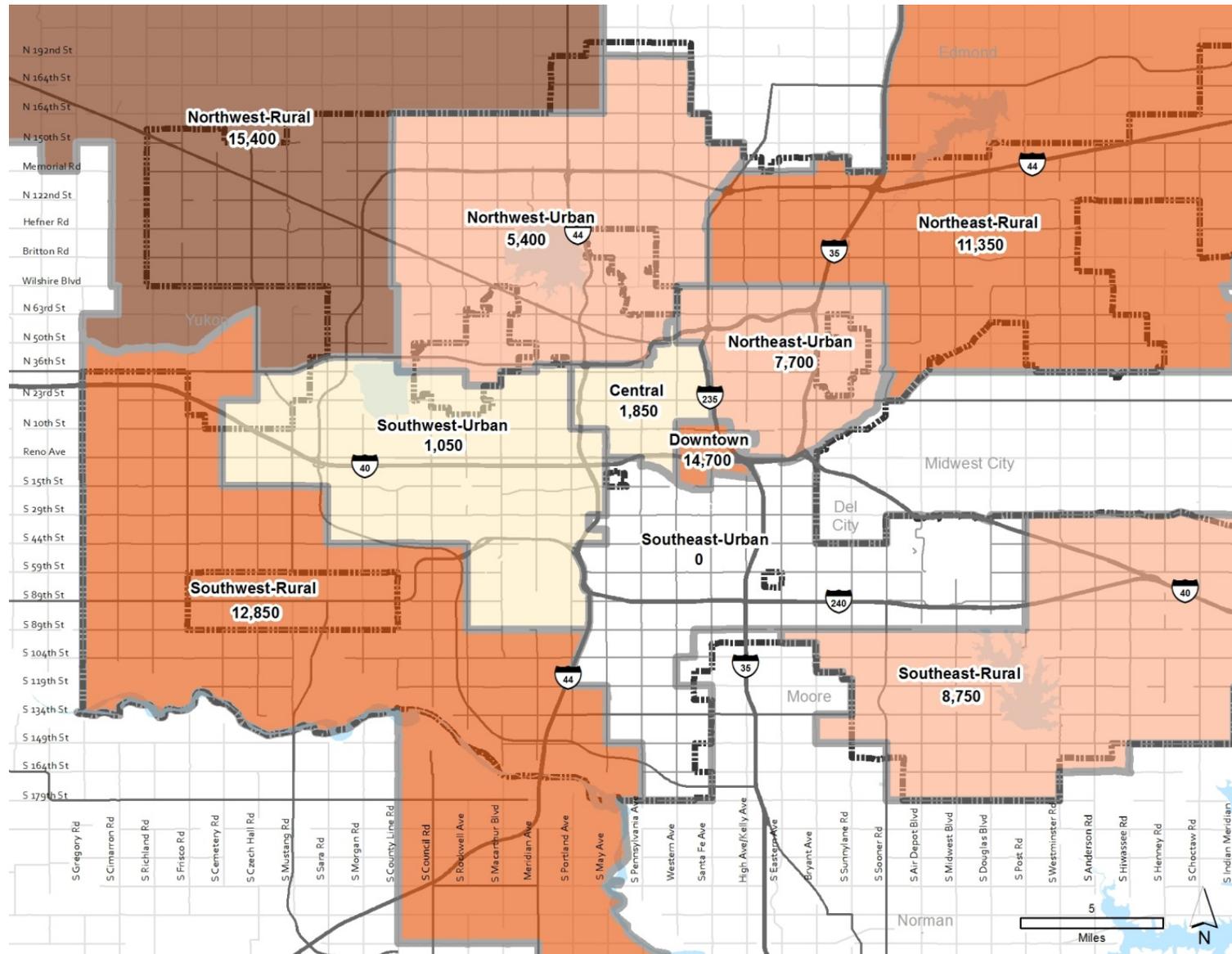
Table 28
New Housing Unit Demand by Subarea, 2010 to 2030

	2010-2020	2020-2030	2010-2030
Central Subarea			
Central	950	900	1,850
Downtown	<u>2,800</u>	<u>11,900</u>	<u>14,700</u>
Subtotal	3,750	12,800	16,550
Northeast			
Urban	1,050	6,650	7,700
Rural	<u>7,350</u>	<u>4,000</u>	<u>11,350</u>
Subtotal	8,400	10,650	19,050
Northwest			
Urban	5,400	0	5,400
Rural	<u>6,850</u>	<u>8,550</u>	<u>15,400</u>
Subtotal	12,250	8,550	20,800
Southeast			
Urban	0	0	0
Rural	<u>1,650</u>	<u>7,100</u>	<u>8,750</u>
Subtotal	1,650	7,100	8,750
Southwest			
Urban	1,050	0	1,050
Rural	<u>7,350</u>	<u>5,500</u>	<u>12,850</u>
Subtotal	8,400	5,500	13,900
Total	34,450	44,600	79,050

Source: Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Data\21863-Housing Study New Unit Demand Forecastv2.xlsx\Demand by Housing subareas

Figure 30
New Housing Unit Demand by Subarea, 2010 to 2030



Regional Retail Demand

New Regional Node Requirements

As described in **Table 27**, regional retail centers and nodes typically serve a five mile or larger trade area with a minimum of 25,000 household. They should be located near the intersection of major and regional highways, near major employment centers and in downtown areas. A new regional retail center is typically 750,000 to 1.5 million square feet in size and requires 75 to 150 acres of land for a traditional center.

Estimated Future Demand

The demand for future regional nodes in Oklahoma City was estimated based on the forecast housing unit growth and assumes inflow for regional retail into Oklahoma City from outside the City will continue at the same rate as currently exists. The forecasted 79,050 new housing units are estimated to increase the expenditure potential for retail from Oklahoma City residents by \$1.67 billion between 2010 and 2030. Oklahoma City generates a large percentage of retail sales from visitors in stores that are regionally oriented, especially stores in the Other Shopper's Goods store categories, which has 54 percent of its sales from inflow. In total, 34 percent of store sales in Oklahoma City came from outsiders. The growth in retail demand from new residents coupled with the estimated inflow into Oklahoma City for regional goods will generate an estimated \$2.17 billion in additional retail sales demand, as shown in **Table 29**.

The demand for retail space at regional nodes is estimated based on demand for retail store categories that are typically found in regional centers such as general merchandise, other shopper's goods store categories (e.g., apparel, electronics and appliances, sporting goods), and building materials and garden stores. Approximately half of the demand for new eating and drinking establishments is estimated to be for restaurants that are in regional centers and have a regional draw. The estimated expenditure potential by store category (shown in **Table 30**) is divided by average sales per square foot for each store category to estimate the demand for new retail square feet. The estimated new housing units in Oklahoma City by 2030 will generate a demand for a total of 3.64 million square feet of new regionally oriented retail space. Inflow from outside shoppers increases this demand to 4.89 million square feet.

Table 29
Oklahoma City New Retail Expenditure Potential, 2010 to 2030

Store Type	Pct. of TPI Exp. Potential	% of Sales From Inflow	2010		2020		2030		Change ¹ 2010-2020 (\$000s)	Change ¹ 2020-2030 (\$000s)	Change ¹ 2010-2030 (\$000s)
			New HU's (\$000s)	With Inflow (\$000s)	New HU's (\$000s)	With Inflow (\$000s)	New HU's (\$000s)	With Inflow (\$000s)			
Oklahoma City TPI			\$14,161,862		\$16,280,916		\$19,024,307				
Convenience Goods											
Supermarkets/Grocery Stores	4.2%	7%	\$595,518	\$638,907	\$684,626	\$734,508	\$799,987	\$858,275	\$95,600	\$123,767	\$219,367
Other Food Stores	0.1%	25%	\$16,658	\$20,829	\$19,150	\$23,946	\$22,377	\$27,980	\$3,117	\$4,035	\$7,152
Convenience Stores	0.6%	3%	\$87,921	\$90,530	\$101,077	\$104,077	\$118,109	\$121,614	\$13,546	\$17,537	\$31,083
Beer, Wine, & Liquor Stores	0.5%	31%	\$65,170	\$85,501	\$74,921	\$98,295	\$87,545	\$114,858	\$12,794	\$16,563	\$29,357
Health and Personal Care	0.7%	7%	\$95,602	\$102,417	\$109,907	\$117,742	\$128,427	\$137,582	\$15,325	\$19,840	\$35,165
Total Convenience Goods	6.1%	10%	\$860,869	\$938,184	\$989,681	\$1,078,566	\$1,156,446	\$1,260,308	\$140,382	\$181,742	\$322,124
Shopper's Goods											
General Merchandise											
Total General Merchandise	10.1%	15%	\$1,433,917	\$1,652,941	\$1,648,476	\$1,900,273	\$1,926,250	\$2,220,475	\$247,331	\$320,202	\$567,534
Other Shopper's Goods											
Clothing & Accessories	1.5%	59%	\$218,767	\$347,033	\$251,501	\$398,960	\$293,880	\$466,187	\$51,927	\$67,226	\$119,153
Furniture & Home Furnishings	1.0%	53%	\$136,371	\$208,351	\$156,776	\$239,526	\$183,194	\$279,887	\$31,176	\$40,361	\$71,537
Electronics & Appliances	1.7%	59%	\$240,738	\$382,699	\$276,760	\$439,963	\$323,395	\$514,098	\$57,264	\$74,135	\$131,399
Sporting Goods, Hobby, Book, & Music Store	1.0%	51%	\$141,265	\$213,256	\$162,402	\$245,166	\$189,768	\$286,477	\$31,910	\$41,311	\$73,221
Miscellaneous Retail	3.1%	49%	\$442,983	\$661,846	\$509,267	\$760,878	\$595,080	\$889,089	\$99,033	\$128,211	\$227,243
Total Other Shopper's Goods	8.3%	54%	\$1,180,123	\$1,813,185	\$1,356,707	\$2,084,493	\$1,585,316	\$2,435,738	\$271,309	\$351,244	\$622,553
Eating and Drinking	6.2%	39%	\$877,785	\$1,223,869	\$1,009,129	\$1,406,998	\$1,179,171	\$1,644,082	\$183,129	\$237,084	\$420,213
Building Material & Garden	3.6%	33%	\$513,932	\$681,536	\$590,832	\$783,514	\$690,390	\$915,539	\$101,979	\$132,025	\$234,004
Total Retail Goods	34.4%	34%	\$4,866,627	\$6,309,715	\$5,594,825	\$7,253,844	\$6,537,573	\$8,476,142	\$944,129	\$1,222,298	\$2,166,427

¹ Estimated change based on expenditure potential w ith estimated inflow

Source: Oklahoma City; US Census of Retail Trade; Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Models\21863-Inflow-Outflow-City.xls\Exp. Potential w inflow

Table 30
Oklahoma City Supportable New Retail Square Feet by Type, 2010 to 2030

Store Type	Sales Per Sq. Ft.	Potential New 2010-2030	Potential New w/ Inflow 2010-2030
Neighborhood Retail			
Convenience Goods			
Supermarkets/Grocery Stores	\$400	511,200	548,400
Other Food Stores	\$400	14,300	17,900
Convenience Stores	\$400	75,500	77,700
Beer, Wine, & Liquor Stores	\$300	74,600	97,900
Health and Personal Care	\$400	<u>82,100</u>	<u>87,900</u>
Total Convenience Goods		757,700	829,800
Eating and Drinking (50%)	\$350	430,500	600,300
Neighborhood Retail Total		1,188,200	1,430,100
Regional Retail			
Shopper's Goods			
General Merchandise			
Traditional Department Stores (10% of GM)	\$200	246,200	283,800
Discount Department Stores (11% of GM)	\$350	154,700	178,400
Warehouse clubs & supercenters (72% of GM)	\$450	787,700	908,100
All other general merchandise stores (7% of GM)	\$300	<u>114,900</u>	<u>132,400</u>
Total General Merchandise		1,303,500	1,502,600
Other Shopper's Goods			
Clothing & Accessories	\$350	214,600	340,400
Furniture & Home Furnishings	\$250	187,300	286,100
Electronics & Appliances	\$500	165,300	262,800
Sporting Goods, Hobby, Book, & Music Stores	\$350	138,600	209,200
Miscellaneous Retail	\$250	<u>608,400</u>	<u>909,000</u>
Total Other Shopper's Goods		1,314,200	2,007,600
Eating and Drinking (50%)	\$350	430,500	600,300
Building Material & Garden	\$300	588,200	780,000
Regional Retail Total		3,636,400	4,890,500

Source: Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Models\21863-Inflow-Outflow-City.xls)Supp. Sq. Ft. Subarea

Regional retail stores are found at regional retail centers (e.g., regional malls or lifestyle centers) or in power centers or community shopping centers. Demand for new power centers and community shopping centers is driven by residents in a more localized trade area that includes households in a three to five mile radius of the center. Regional centers have a five mile or greater trade area and often attract shoppers from a citywide or metro wide trade area. As shown in **Table 31**, the percent of retail demand that will locate in regional centers and nodes is estimated at 50 percent for almost all store types, except traditional department stores that typically locate in regional centers. EPS estimates that 2.55 million square feet of regional retail demand will go into a regional center or node, of which approximately half can be accommodated and attracted to existing regional centers in Oklahoma City.

The remaining 1.3 million square feet of retail space is enough to support one new regional retail node by 2030. Oklahoma City should identify and plan for a new major regional retail node within the City in order to direct the retail growth and to be proactive in attracting a new center to preclude a new center from locating outside the City. The regional retail development policies recommend the development of a lifestyle or mixed use town center on the Boulevard in the Core to Shore redevelopment or in Bricktown to develop a critical mass of retail in the downtown area. Locating a major retail node or center within the Core to Shore redevelopment will require the City to be a more proactive and involved participant in attracting and planning retail. A regional retail center in Core to Shore will require more urban formats for retailers and likely include retail within mixed use buildings.

Table 31
Oklahoma City New Regional Node Demand, 2010 to 2030

Store Type	New Demand 2010-2030	Percent in Regional Centers	Regional Center Demand	Percent in Existing Nodes	Existing Node Demand	Percent in New Nodes	New Node Demand
Regional Retail							
Shopper's Goods							
General Merchandise							
Traditional Department Stores (10% of GM)	283,800	100%	283,800	50%	141,900	50%	141,900
Discount Department Stores (11% of GM)	178,400	50%	89,200	50%	44,600	50%	44,600
Warehouse clubs & supercenters (72% of GM)	908,100	50%	454,050	50%	227,025	50%	227,025
All other general merchandise stores (7% of GM)	<u>132,400</u>	25%	<u>33,100</u>	50%	<u>16,550</u>	50%	<u>16,550</u>
Total General Merchandise	1,502,600		860,150		430,075		430,075
Other Shopper's Goods							
Clothing & Accessories	340,400	50%	170,200	50%	85,100	50%	85,100
Furniture & Home Furnishings	286,100	50%	143,050	50%	71,525	50%	71,525
Electronics & Appliances	262,800	50%	131,400	50%	65,700	50%	65,700
Sporting Goods, Hobby, Book, & Music Stores	209,200	50%	104,600	50%	52,300	50%	52,300
Miscellaneous Retail	<u>909,000</u>	50%	<u>454,500</u>	50%	<u>227,250</u>	50%	<u>227,250</u>
Total Other Shopper's Goods	2,007,600		1,003,750		501,875		501,875
Eating and Drinking	600,300	50%	300,150	50%	150,075	50%	150,075
Building Material & Garden	780,000	50%	390,000	50%	195,000	50%	195,000
Regional Retail Total	4,890,500		2,554,050		1,277,025		1,277,025

Source: Economic & Planning Systems

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Subarea Retail Demand

The demand for new retail nodes at the subarea level is forecasted using the estimated new housing unit demand in these subareas and the associated demand for community and neighborhood level retail stores.

New Community and Neighborhood Node Requirements

To create more cohesive, coherent and better performing retail areas, it is recommended that Oklahoma City plan for the development of retail space by nodes and de-emphasize linear retail corridors. Corridors are only appropriate when multiple nodes are grouped along a major corridor. The trade area and land requirements of new community and neighborhood oriented nodes are described below.

Community Retail Nodes – Community retail nodes offer a variety of convenience and shoppers goods and are typically anchored by discount department or supercenter general merchandise stores. These types of nodes should be located at the intersection of highways with major arterials or at the intersection of major arterials. The trade area for community nodes is typically 10,000 to 25,000 households in size. Community nodes require anywhere from 30 to 60 acres of land, anchored by a larger retail anchor such as a supercenter or a community shopping center.

Neighborhood Retail Nodes – Neighborhood retail nodes offer routine, daily retail goods and services and are typically anchored by a grocery or drug store. This type of node should be located at the intersection of arterials or collectors and limited to one to two quadrants of the intersection. The trade area for neighborhood nodes is typically 5,000 to 10,000 households in size. Neighborhood nodes require anywhere from 10 to 20 acres of land.

Central Subarea

The Central subarea is estimated to grow by 16,550 new residential units by 2030, which will generate the demand for 185,750 square feet of neighborhood oriented retail and 570,000 square feet of regional oriented retail. As shown in **Table 32**, approximately a quarter of new convenience retail demand is estimated to be captured in existing nodes and corridors within the Central subarea. As well, half of the demand for eating and drinking establishments is expected to be for restaurant and bars in neighborhood oriented nodes. There would be a remaining demand for 122,000 square feet of retail space that will need to be planned within a new neighborhood retail node in the subarea. The downtown portion of the Central subarea is expected to capture the majority of housing growth and a new node in or near downtown would best serve the housing growth. The demand analysis also indicates that there is demand for a grocery store in addition to the neighborhood node. A natural foods grocery store, such as Natural Grocers or Sprouts, in the Midtown area of the Central subarea would serve the existing residents in the area and support growth in Midtown. The location of a new grocery store could help catalyze redevelopment of the Midtown or Uptown 23rd CRDs.

The remaining portion of shoppers goods not assigned to regional nodes is expected to locate in community nodes. As well, half of the regional oriented demand for eating and drinking establishments is expected to be captured in restaurant and bars in community oriented nodes. There is an estimated demand for 270,000 square feet of community oriented retail within

existing or new community nodes in the Central subarea. EPS estimates that 75,000 square feet of this new demand will be captured in the existing community node in the Central subarea and CRDs. There is demand for a new community node that would support 190,000 to 200,000 square feet of community oriented retail. As mentioned previously, the majority of housing growth in the Central subarea is expected to be in the downtown neighborhoods. A new community node should be planned near or in downtown. It is likely this retail demand could be planned as part of a larger regional center in the Core to Shore redevelopment.

Table 32
Central Subarea Retail Node Demand, 2010 to 2030

Store Type	Potential New 2010-2030	Percent in Existing Nodes	Existing Node Demand	Percent in New Nodes	New Node Demand		
Neighborhood Retail							
Convenience Goods							
Supermarkets/Grocery Stores	80,000	25%	20,000	75%	60,000		
Other Food Stores	2,200	25%	550	75%	1,650		
Convenience Stores	11,800	25%	2,950	75%	8,850		
Beer, Wine, & Liquor Stores	11,600	25%	2,900	75%	8,700		
Health and Personal Care	<u>12,800</u>	25%	<u>3,200</u>	75%	<u>9,600</u>		
Total Convenience Goods	118,400		29,600		88,800		
Eating and Drinking (50%)	67,350	50%	33,675	50%	33,675		
Neighborhood Retail Total	185,750		63,275		122,475		
<hr/>							
Store Type	Potential New 2010-2030	Percent in Community Centers	Community Node Demand	Percent in Existing Nodes	Existing Node Demand	Percent in New Nodes	New Node Demand
Community Retail							
Shopper's Goods							
General Merchandise							
Traditional Department Stores	38,500	0%	0	0%	0	100%	0
Discount Department Stores	24,200	50%	12,100	0%	0	100%	12,100
Warehouse clubs & supercenters	123,300	50%	61,650	0%	0	100%	61,650
All other general merchandise stores	<u>18,000</u>	75%	<u>13,500</u>	50%	<u>6,750</u>	50%	<u>6,750</u>
Total General Merchandise	204,000		87,250		6,750		80,500
Other Shopper's Goods							
Clothing & Accessories	33,600	50%	16,800	50%	8,400	50%	8,400
Furniture & Home Furnishings	29,300	50%	14,650	50%	7,325	50%	7,325
Electronics & Appliances	25,900	50%	12,950	50%	6,475	50%	6,475
Sporting Goods, Hobby, Book, & Music Stores	21,700	50%	10,850	50%	5,425	50%	5,425
Miscellaneous Retail	<u>95,200</u>	50%	<u>47,600</u>	50%	<u>23,800</u>	50%	<u>23,800</u>
Total Other Shopper's Goods	205,700		102,850		51,425		51,425
Eating and Drinking (50%)	67,350	50%	33,675	50%	16,838	50%	16,838
Building Material & Garden	92,100	50%	46,050	0%	0	100%	46,050
Community Retail Total	569,150		269,825		75,013		194,813

Source: Economic & Planning Systems

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Northeast Subarea

The Northeast subarea is estimated to grow by 19,050 new residential units by 2030, which will generate the demand for 263,450 square feet of neighborhood oriented retail and 806,150 square feet of regional oriented retail. As shown in **Table 33**, approximately a quarter of new convenience retail demand is estimated to be captured in existing nodes and corridors within the Northeast subarea. There is demand for 174,000 square feet of retail space that will need to be planned within a new neighborhood retail node in the subarea. The rural portion of the Northeast subarea is expected to capture the majority of housing growth and a new node where the most significant concentration of housing growth is expected to occur is the best location. The 90,000 square feet that is forecasted to be captured by existing nodes is the estimated future demand for retail that could be captured along NE 23rd or in a new retail node along Lincoln. As previously stated in this report, there is demand for an additional grocery store in the Northeast subarea with the best locations being either on NE 23rd or along Lincoln. The additional demand from future growth will help bolster this new grocery store and any new inline retail uses.

There is an estimated demand for 382,000 square feet of community oriented retail within existing or new community nodes in the Northeast subarea. EPS estimates that 53,000 square feet of this new demand will be captured in the existing retail areas in the subarea. There is demand for a new community node that would support approximately 329,000 square feet of community oriented retail. As mentioned previously, the majority of housing growth in the Northeast subarea is expected to be in the rural area. A new community node should be planned along I-35 at the intersection with a major arterial or the intersection of I-35 and I-44. The location of a center near the intersection of these interstates may increase the demand for retail at this node with additional regionally oriented retailers potentially being interested in the area due to the interstate access and frontage.

Table 33
Northeast Subarea Retail Node Demand, 2010 to 2030

Store Type	Potential New 2010-2030		Percent in Existing Nodes	Existing Node Demand	Percent in New Nodes	New Node Demand
Neighborhood Retail						
Convenience Goods						
Supermarkets/Grocery Stores	113,300		25%	28,325	75%	84,975
Other Food Stores	3,200		25%	800	75%	2,400
Convenience Stores	16,800		25%	4,200	75%	12,600
Beer, Wine, & Liquor Stores	16,500		25%	4,125	75%	12,375
Health and Personal Care	18,200		25%	4,550	75%	13,650
Total Convenience Goods	168,000			42,000		126,000
Eating and Drinking (50%)	95,450		50%	47,725	50%	47,725
Neighborhood Retail Total	263,450			89,725		173,725
Community Retail						
Shopper's Goods						
General Merchandise						
Traditional Department Stores	54,600	0%	0	0	100%	0
Discount Department Stores	34,300	50%	17,150	0	100%	17,150
Warehouse clubs & supercenters	174,600	50%	87,300	0	100%	87,300
All other general merchandise stores	25,400	75%	19,050	4,763	75%	14,288
Total General Merchandise	288,900		123,500	4,763		118,738
Other Shopper's Goods						
Clothing & Accessories	47,600	50%	23,800	5,950	75%	17,850
Furniture & Home Furnishings	41,500	50%	20,750	5,188	75%	15,563
Electronics & Appliances	36,700	50%	18,350	4,588	75%	13,763
Sporting Goods, Hobby, Book, & Music Stores	30,700	50%	15,350	3,838	75%	11,513
Miscellaneous Retail	134,900	50%	67,450	16,863	75%	50,588
Total Other Shopper's Goods	291,400		145,700	36,425		109,275
Eating and Drinking (50%)	95,450	50%	47,725	11,931	75%	35,794
Building Material & Garden	130,400	50%	65,200	0	100%	65,200
Community Retail Total	806,150		382,125	53,119		329,006

Source: Economic & Planning Systems

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Northwest Subarea

The Northwest subarea is estimated to grow by 20,800 new residential units by 2030, which will generate the demand for 368,600 square feet of neighborhood oriented retail and 1.13 million square feet of region oriented retail. As shown in **Table 34**, approximately a quarter of new convenience retail demand is estimated to be captured in existing nodes and corridors within the Northwest subarea. This is primarily the growth expected in the Northwest Urban subarea. There is demand for 243,000 square feet of neighborhood retail space that will need to be planned within likely two new neighborhood retail nodes in the Northwest rural portion of the subarea. The rural portion of the Northwest subarea is expected to capture three-quarters of housing growth. A new node should be located near where the most significant concentration of housing growth is expected to occur. There is demand for 125,550 square feet of neighborhood retail that is estimated to be captured by existing community nodes or the Quail Springs regional node.

There is an estimated demand for 535,000 square feet of community oriented retail within existing or new community nodes in the Northwest subarea. EPS estimates that approximately half of this space will be captured in the existing retail areas in the subarea, most likely in the Quail Springs regional node. There is demand for a new community node that would support 270,000 square feet of community oriented retail. A new community node would be best located along Northwest Expressway to the west of the John Kilpatrick Turnpike or along the Turnpike to the south of Northwest Expressway.

Table 34
Northwest Subarea Retail Node Demand, 2010 to 2030

Store Type	Potential New 2010-2030		Percent in Existing Nodes	Existing Node Demand	Percent in New Nodes	New Node Demand	
Neighborhood Retail							
Convenience Goods							
Supermarkets/Grocery Stores	158,600		25%	39,650	75%	118,950	
Other Food Stores	4,400		25%	1,100	75%	3,300	
Convenience Stores	23,400		25%	5,850	75%	17,550	
Beer, Wine, & Liquor Stores	23,100		25%	5,775	75%	17,325	
Health and Personal Care	25,500		25%	6,375	75%	19,125	
Total Convenience Goods	235,000			58,750		176,250	
Eating and Drinking (50%)	133,600		50%	66,800	50%	66,800	
Neighborhood Retail Total	368,600			125,550		243,050	
Community Retail							
Shopper's Goods							
General Merchandise							
Traditional Department Stores	76,400	0%	0	0%	0	0	
Discount Department Stores	48,000	50%	24,000	50%	12,000	12,000	
Warehouse clubs & supercenters	244,400	50%	122,200	50%	61,100	61,100	
All other general merchandise stores	35,700	75%	26,775	50%	13,388	13,388	
Total General Merchandise	404,500		172,975		86,488	86,488	
Other Shopper's Goods							
Clothing & Accessories	66,600	50%	33,300	50%	16,650	16,650	
Furniture & Home Furnishings	58,100	50%	29,050	50%	14,525	14,525	
Electronics & Appliances	51,300	50%	25,650	50%	12,825	12,825	
Sporting Goods, Hobby, Book, & Music Stores	43,000	50%	21,500	50%	10,750	10,750	
Miscellaneous Retail	188,800	50%	94,400	50%	47,200	47,200	
Total Other Shopper's Goods	407,800		203,900		101,950	101,950	
Eating and Drinking (50%)	133,600	50%	66,800	50%	33,400	50%	33,400
Building Material & Garden	182,500	50%	91,250	50%	45,625	50%	45,625
Community Retail Total	1,128,400		534,925		267,463	267,463	

Source: Economic & Planning Systems

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Southeast Subarea

The Southeast subarea is estimated to grow by the least amount, 8,750 new residential units, by 2030, which will generate the demand for 113,650 square feet of neighborhood oriented retail and 347,550 square feet of region oriented retail. As shown in **Table 35**, all of the new convenience retail demand is estimated to be captured in a new neighborhood node. The rural portion of the Southeast subarea is expected to capture all of housing growth and a new node where the most significant concentration of housing growth is expected to occur is the best location.

There is an estimated demand for 164,775 square feet of community oriented retail to be located in the Southeast subarea. This retail demand should be planned for and captured within the I-240 highway corridor. There is not sufficient demand to support a new community node in the Southeast subarea and new retail would have to compete with existing centers along I-240 and along I-35 in Moore.

Table 35
Southeast Subarea Retail Node Demand, 2010 to 2030

Store Type	Potential New 2010-2030	Percent in Existing Nodes	Existing Node Demand	Percent in New Nodes	New Node Demand		
Neighborhood Retail							
Convenience Goods							
Supermarkets/Grocery Stores	48,800	0%	0	100%	48,800		
Other Food Stores	1,400	0%	0	100%	1,400		
Convenience Stores	7,300	0%	0	100%	7,300		
Beer, Wine, & Liquor Stores	7,100	0%	0	100%	7,100		
Health and Personal Care	<u>7,900</u>	0%	<u>0</u>	100%	<u>7,900</u>		
Total Convenience Goods	72,500		0		72,500		
Eating and Drinking (50%)	41,150	0%	0	100%	41,150		
Neighborhood Retail Total	113,650		0		113,650		
Store Type	Potential New 2010-2030	Percent in Community Centers	Community Node Demand	Percent in Existing Nodes	Existing Node Demand	Percent in New Nodes	New Node Demand
Community Retail							
Shopper's Goods							
General Merchandise							
Traditional Department Stores	23,500	0%	0	0%	0	100%	0
Discount Department Stores	14,800	50%	7,400	100%	7,400	0%	0
Warehouse clubs & supercenters	75,300	50%	37,650	100%	37,650	0%	0
All other general merchandise stores	<u>11,000</u>	75%	<u>8,250</u>	100%	<u>8,250</u>	0%	<u>0</u>
Total General Merchandise	124,600		53,300		53,300		0
Other Shopper's Goods							
Clothing & Accessories	20,500	50%	10,250	100%	10,250	0%	0
Furniture & Home Furnishings	17,900	50%	8,950	100%	8,950	0%	0
Electronics & Appliances	15,800	50%	7,900	100%	7,900	0%	0
Sporting Goods, Hobby, Book, & Music Stores	13,200	50%	6,600	100%	6,600	0%	0
Miscellaneous Retail	<u>58,200</u>	50%	<u>29,100</u>	100%	<u>29,100</u>	0%	<u>0</u>
Total Other Shopper's Goods	125,600		62,800		62,800		0
Eating and Drinking (50%)	41,150	50%	20,575	100%	20,575	0%	0
Building Material & Garden	56,200	50%	28,100	100%	28,100	0%	0
Community Retail Total	347,550		164,775		164,775		0

Source: Economic & Planning Systems

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Southwest Subarea

The Southwest subarea is estimated to grow by 13,900 new residential units by 2030, which will generate demand for 199,350 square feet of neighborhood oriented retail and 610,550 square feet of regional oriented retail. As shown in **Table 36**, approximately a quarter of new convenience retail demand is estimated to be captured in existing nodes and corridors within the Southwest subarea. There is demand for 131,450 square feet of retail space that will need to be planned within a new neighborhood retail node in the subarea. The rural portion of the Southwest subarea is expected to capture the majority of housing growth and a new node where the most significant concentration of housing growth is expected to occur is the best location.

There is an estimated demand for 289,450 square feet of community oriented retail within existing or new community nodes in the Northeast subarea. EPS estimates that this additional demand will need to be planned for in a new community node that would support 300,000 square feet of community oriented retail. A new community node would likely need to either be located along or near I-44, to the south, or near I-40, to the west. A southern location along I-44 would not likely capture the majority of new growth and serve more residents of the Southeast subarea and areas to the south. A location along I-40 would better serve new growth but will have to compete with new centers in Yukon and there may not be a good location far enough from the Westgate Marketplace to attract retailers. This community node demand could also be planned within an enlarged Outlet Shoppes of OKC/West OKC regional node, but this node may not be close enough to new growth to support community level shopping needs of new housing in the area.

Table 36
Southwest Subarea Retail Node Demand, 2010 to 2030

Store Type	Potential New 2010-2030		Percent in Existing Nodes	Existing Node Demand	Percent in New Nodes	New Node Demand
Neighborhood Retail						
Convenience Goods						
Supermarkets/Grocery Stores	85,700		25%	21,425	75%	64,275
Other Food Stores	2,400		25%	600	75%	1,800
Convenience Stores	12,700		25%	3,175	75%	9,525
Beer, Wine, & Liquor Stores	12,600		25%	3,150	75%	9,450
Health and Personal Care	<u>13,700</u>		25%	<u>3,425</u>	75%	<u>10,275</u>
Total Convenience Goods	127,100			31,775		95,325
Eating and Drinking (50%)	72,250		50%	36,125	50%	36,125
Neighborhood Retail Total	199,350			67,900		131,450
Community Retail						
Shopper's Goods						
General Merchandise						
Traditional Department Stores	41,300	0%	0	0	100%	0
Discount Department Stores	26,000	50%	13,000	0	100%	13,000
Warehouse clubs & supercenters	132,200	50%	66,100	0	100%	66,100
All other general merchandise stores	<u>19,300</u>	75%	<u>14,475</u>	0	100%	<u>14,475</u>
Total General Merchandise	218,800		93,575	0		93,575
Other Shopper's Goods						
Clothing & Accessories	36,100	50%	18,050	0	100%	18,050
Furniture & Home Furnishings	31,400	50%	15,700	0	100%	15,700
Electronics & Appliances	27,800	50%	13,900	0	100%	13,900
Sporting Goods, Hobby, Book, & Music Stores	23,300	50%	11,650	0	100%	11,650
Miscellaneous Retail	<u>102,100</u>	50%	<u>51,050</u>	0	100%	<u>51,050</u>
Total Other Shopper's Goods	220,700		110,350	0		110,350
Eating and Drinking (50%)	72,250	50%	36,125	0	100%	36,125
Building Material & Garden	98,800	50%	49,400	0	100%	49,400
Community Retail Total	610,550		289,450	0		289,450

Source: Economic & Planning Systems

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The Economics of Land Use



Appendices

Oklahoma City Retail Plan

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September 4, 2013

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APPENDIX A:
ECONOMIC AND DEMOGRAPHIC FRAMEWORK

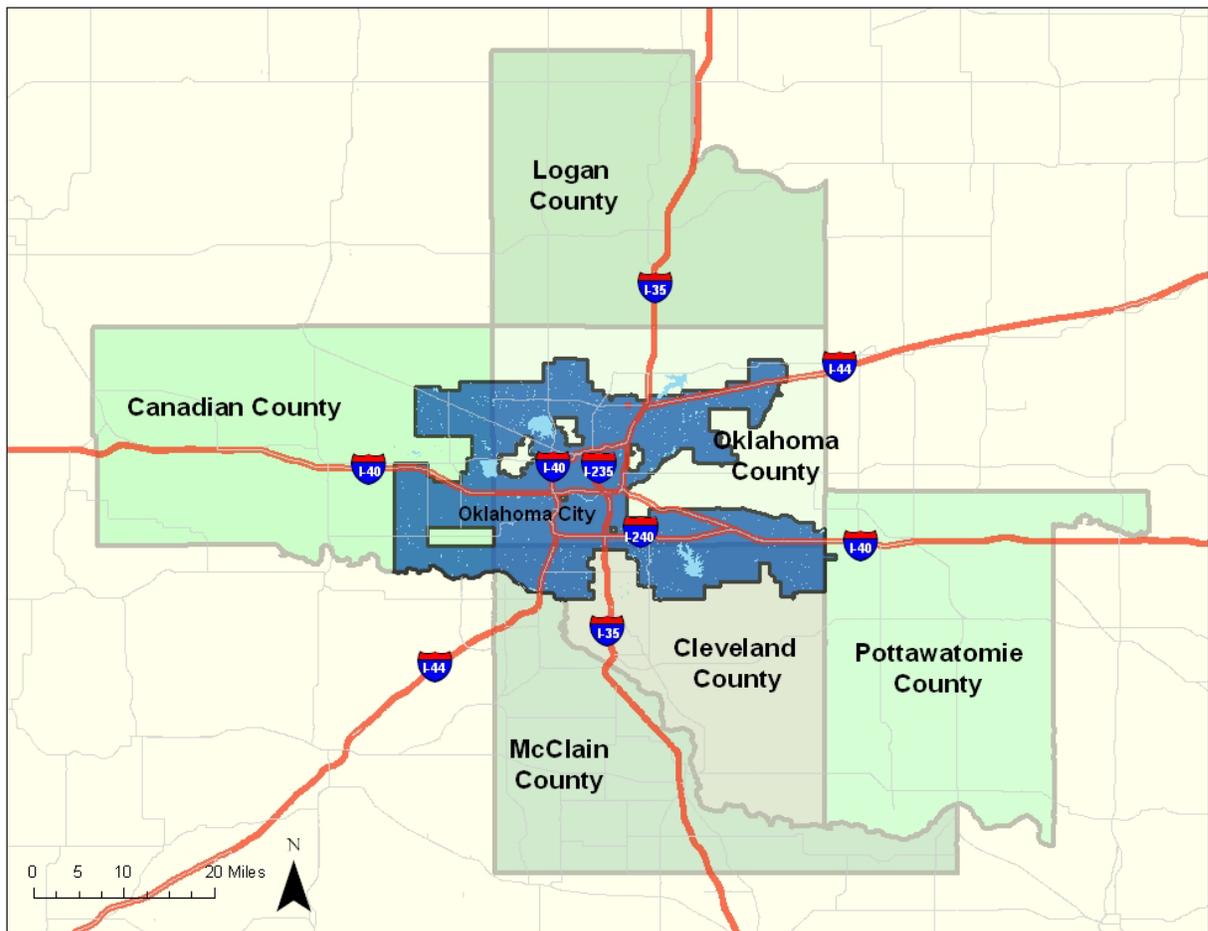
APPENDIX A: ECONOMIC AND DEMOGRAPHIC FRAMEWORK

Appendix A summarizes economic and demographic growth trends for the City of Oklahoma City, and the Oklahoma City Study Area identified for this analysis. It also summarizes the 2010 census data for five subareas identified by the City for more specific analysis. The Study Area population and household forecasts provide the basis for an estimate of retail demand over the next 15 years.

Regional Trends

The U.S. Census Bureau defines the six-county Oklahoma City Consolidated Metropolitan Statistical Area (CMSA) as Canadian, Cleveland, Logan, McClain, Oklahoma, and Pottawatomie Counties. The City of Oklahoma City encompasses over 621 square miles, or approximately 15 percent of the metropolitan land area and overlaps with Oklahoma, Canadian, Cleveland, and McClain Counties, as shown in **Figure A1**.

Figure A1
Oklahoma City Metropolitan Area



Employment

In terms of employment, the Oklahoma City metropolitan economy has remained relatively stable over the last decade, growing at an annual rate of 0.2 percent despite the national economic recession, as shown in **Table A1**. As of 2010, the largest sectors of growth in the region included Mining (including oil and natural gas), Health Care, and Accommodation and Food Services. Mining represents the fastest growing sector over the decade, adding 7,600 jobs and representing an annual rate of 9.0 percent. Other high growth industries include Utilities with 4.4 percent annual growth, and Arts, Entertainment, and Recreation with 2.5 percent annual growth.

The composition of regional employment has remained relatively consistent over the last decade, with the exception of a significant reduction in Manufacturing. In 2000, the region's largest industries included Retail Trade (11.8 percent of employment), Health Care (11.0 percent), Manufacturing (9.1 percent), Government (8.9 percent), and Accommodation and Food Services (8.3 percent). As of 2010, the largest industries in the region include Health Care (12.7 percent), Retail Trade (11.2 percent), Accommodation and Food Services (9.5 percent), and Government (9.2 percent).

Table A1
Metro OKC Wage and Salary Employment by Industry, 2001-2010

Industry Sector	2001		2005		2010		2001-2010	
	Total #	% of Total	Total #	% of Total	Total #	% of Total	Avg Ann. Change	Avg. Annual %
Agriculture	875	0.2%	573	0.1%	685	0.1%	-21	-2.7%
Mining	6,486	1.2%	9,397	1.8%	14,090	2.6%	845	9.0%
Utilities	2,618	0.5%	3,643	0.7%	3,852	0.7%	137	4.4%
Construction	23,858	4.5%	25,521	4.8%	25,600	4.7%	194	0.8%
Manufacturing	48,102	9.1%	38,522	7.2%	31,135	5.7%	-1,885	-4.7%
Wholesale Trade	20,922	3.9%	21,346	4.0%	21,266	3.9%	38	0.2%
Retail Trade	62,738	11.8%	62,367	11.6%	60,603	11.2%	-237	-0.4%
Transportation and Warehousing	17,540	3.3%	15,542	2.9%	13,912	2.6%	-403	-2.5%
Information	14,952	2.8%	13,186	2.5%	10,770	2.0%	-465	-3.6%
Finance and Insurance	20,971	3.9%	21,478	4.0%	21,562	4.0%	66	0.3%
Real Estate and Rental and Leasing	10,762	2.0%	11,230	2.1%	9,839	1.8%	-103	-1.0%
Professional and Technical Services	22,815	4.3%	24,512	4.6%	26,751	4.9%	437	1.8%
Management of Companies and Enterprises	5,096	1.0%	4,620	0.9%	6,040	1.1%	105	1.9%
Administrative and Waste Services	40,501	7.6%	40,405	7.5%	37,730	7.0%	-308	-0.8%
Educational Services	23,424	4.4%	23,532	4.4%	24,386	4.5%	107	0.4%
Health Care and Social Assistance	58,194	11.0%	61,930	11.5%	69,152	12.7%	1,218	1.9%
Arts, Entertainment, and Recreation	7,209	1.4%	8,297	1.5%	8,983	1.7%	197	2.5%
Accommodation and Food Services	43,967	8.3%	48,685	9.1%	51,440	9.5%	830	1.8%
Other Services, (not Government)	16,667	3.1%	14,261	2.7%	13,527	2.5%	-349	-2.3%
Government	47,376	8.9%	45,908	8.5%	50,014	9.2%	293	0.6%
Unclassified	36,167	6.8%	41,995	7.8%	41,180	7.6%	557	1.5%
Total	531,240	100.0%	536,950	100.0%	542,517	100.0%	1,253	0.2%

Source: Bureau of Labor Statistics; Economic & Planning Systems

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On a county by county basis, Cleveland County has experienced the majority of employment growth over the last decade, adding over 10,000 new jobs or 90 percent of total employment growth since 2001, as shown in **Table A2**. McClain (2.3 percent annual growth) and Canadian (1.8 percent annual growth) Counties have grown the fastest over the decade, while Oklahoma County has suffered a loss of almost 5,800 jobs, or about 1.4 percent of the total employment base since 2001. This is likely the result of the significant contraction of the Manufacturing industry since 2001, as well as the region's outward expansion from its original core. Despite these recent trends, Oklahoma County remains the primary employment center for the region, with over 75.0 percent of regional employment in 2010.

Table A2
Metro OKC Wage and Salary Employment by County, 2001-2010

County	2001		2005		2010		2001-2010		
	#	%	#	%	#	%	Change	Capture	Annual %
Canadian County	22,255	4.2%	23,589	4.4%	26,036	4.8%	3,781	34%	1.8%
Cleveland County	61,359	11.6%	68,653	12.8%	71,487	13.2%	10,128	90%	1.7%
Logan County	6,520	1.2%	6,460	1.2%	6,722	1.2%	202	2%	0.3%
McClain County	6,131	1.2%	6,709	1.2%	7,555	1.4%	1,424	13%	2.3%
Oklahoma County	415,507	78.2%	411,586	76.7%	409,747	75.5%	-5,760	-51%	-0.2%
Pottawatomie County	19,468	3.7%	19,953	3.7%	20,970	3.9%	1,502	13%	0.8%
Total	531,240	100.0%	536,950	100.0%	542,517	100.0%	11,277	100%	0.2%

Source: Bureau of Labor Statistics; Economic & Planning Systems

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Population and Households

The Oklahoma City MSA has added over 150,000 new residents since 2000, growing at a healthy rate of 1.3 percent annually as shown in **Table A3**. The majority of this growth occurred in Oklahoma County (38 percent of growth) and Cleveland County (31 percent of growth). The fastest growing county over the last decade was Canadian County, increasing at an annual rate of 2.8 percent. As of 2010, Oklahoma County is the largest County in the region, with approximately 58 percent of total population.

Table A3
Population by County, 2000-2010

County	2000		2010		2000-2010		
	#	%	#	%	# Change	Capture	Ann. %
Canadian County	87,697	8.1%	115,541	9.4%	27,844	18.3%	2.8%
Cleveland County	208,016	19.2%	255,755	20.7%	47,739	31.3%	2.1%
Logan County	33,924	3.1%	41,848	3.4%	7,924	5.2%	2.1%
McClain County	27,740	2.6%	34,506	2.8%	6,766	4.4%	2.2%
Oklahoma County	660,448	61.0%	718,633	58.2%	58,185	38.2%	0.8%
Pottawatomie County	<u>65,521</u>	<u>6.0%</u>	<u>69,442</u>	<u>5.6%</u>	<u>3,921</u>	<u>2.6%</u>	<u>0.6%</u>
Oklahoma City MSA	1,083,346	100.0%	1,235,725	100.0%	152,379	100.0%	1.3%

Source: US Census; Oklahoma Department of Commerce; Economic & Planning Systems

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Regional household growth is consistent with regional population growth, adding almost 58,000 new households and growing at an annual rate of 1.3 percent since 2000, as shown in **Table A4**. As with population, the majority of household growth occurred in Oklahoma and Cleveland Counties. As of 2010 Oklahoma County remained the largest county in the region, with approximately 60 percent of total households.

Table A4
Households by County, 2000-2010

County	2000		2010		2000-2010		
	#	%	#	%	Change	Capture	Ann. %
Canadian County	31,484	7.4%	42,434	8.8%	10,950	19.0%	3.0%
Cleveland County	79,186	18.6%	98,306	20.4%	19,120	33.2%	2.2%
Logan County	12,389	2.9%	15,290	3.2%	2,901	5.0%	2.1%
McClain County	10,331	2.4%	12,891	2.7%	2,560	4.4%	2.2%
Oklahoma County	266,834	62.8%	287,598	59.6%	20,764	36.0%	0.8%
Pottawatomie County	<u>24,540</u>	<u>5.8%</u>	<u>25,911</u>	<u>5.4%</u>	<u>1,371</u>	<u>2.4%</u>	<u>0.5%</u>
Oklahoma City MSA	424,764	100.0%	482,430	100.0%	57,666	100.0%	1.3%

Source: US Census; Economic & Planning Systems

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Study Area Trends

The primary Study Area for the Retail Plan is defined as Oklahoma City and its enclaves of Bethany, Forest Park, Lake Aluma, Mustang, Nichols Hill, Valley Brook, The Village, Warr Acres, and Woodlawn Park. In addition, the Study Area includes the surrounding cities of Del City, Edmond, Midwest City, Moore, Norman, and Yukon, as shown in **Figure A2**. This retail trade area contains the vast majority of urban development and growth, as well as the complete inventory of retail nodes and centers.

Figure A2
Oklahoma City Study Area



Population and Households

As of 2010, the Study Area population totaled approximately 987,000, as shown in **Table A5**. Combined with its enclave cities, Oklahoma City represents approximately 63.5 percent of the total, while the surrounding cities represent approximately 36.5 percent.

In terms of growth, the Study Area added approximately 119,000 new residents since 2000, representing an average annual growth of 1.3 percent. Oklahoma City captured the majority of this growth, representing approximately 62.0 percent of new residents, an annual growth rate of 1.4 percent. The majority of enclave cities are mostly stable or aging communities with minimal vacant land for new growth and aging and declining populations. The exception is Mustang which added 4,239 new residents over the decade. When combined with the enclave cities, Oklahoma City grew at a somewhat lower rate of 1.3 percent annually, but a somewhat higher capture of approximately 63.5 percent. The surrounding cities captured approximately 36.5 percent of new residents in the Study Area, representing an annual growth rate of 1.4 percent. Oklahoma City accounts for 59 percent of the total population in the Study Area and captured 62 percent of new population growth, which means Oklahoma City is maintaining its competitive position for new growth in the Study Area.

Table A5
Study Area Population by City, 2000-2010

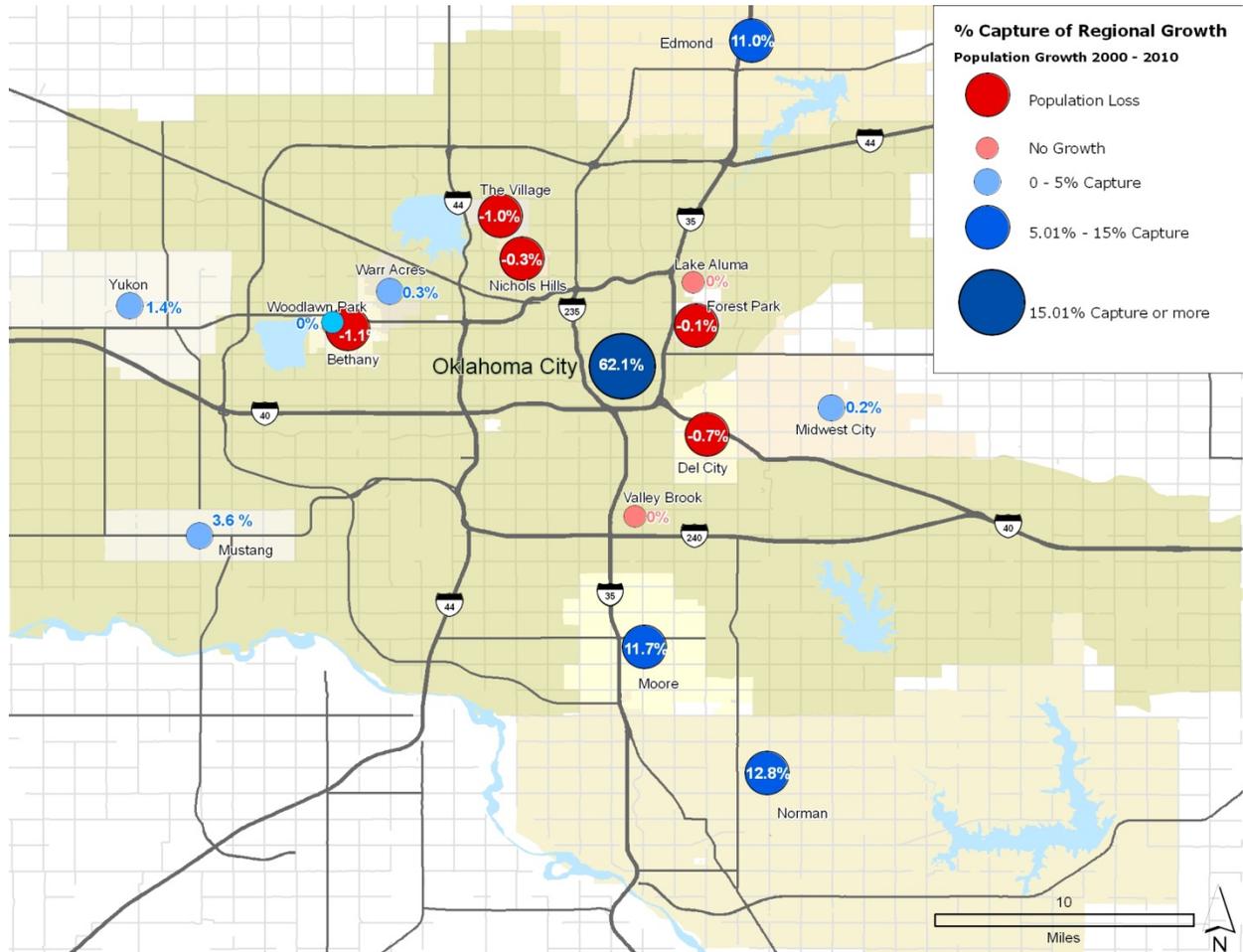
City	2000		2010		2000-2010		
	#	%	#	%	Change	Capture	Ann. %
Oklahoma City	506,132	58.3%	579,999	58.8%	73,867	62.1%	1.4%
Enclave Cities	59,552	6.9%	61,132	6.2%	1,580	1.3%	0.3%
Bethany	20,307	34.1%	19,051	31.2%	-1,256	-79.5%	-0.6%
Forest Park	1,066	1.8%	998	1.6%	-68	-4.3%	-0.7%
Lake Aluma	97	0.2%	88	0.1%	-9	-0.6%	-1.0%
Mustang	13,156	22.1%	17,395	28.5%	4,239	268.3%	2.8%
Nichols Hill	4,056	6.8%	3,710	6.1%	-346	-21.9%	-0.9%
Valley Brook	817	1.4%	765	1.3%	-52	-3.3%	-0.7%
The Village	10,157	17.1%	8,929	14.6%	-1,228	-77.7%	-1.3%
Warr Acres	9,735	16.3%	10,043	16.4%	308	19.5%	0.3%
Woodlawn Park	161	0.3%	153	0.3%	-8	-0.5%	-0.5%
OKC w/Enclave Cities	565,684	65.2%	641,131	65.0%	75,447	63.5%	1.3%
Surrounding Cities	302,406	34.8%	345,823	35.0%	43,417	36.5%	1.4%
Del City	22,128	7.3%	21,332	6.2%	-796	-1.8%	-0.4%
Edmond	68,315	22.6%	81,405	23.5%	13,090	30.1%	1.8%
Midwest City	54,088	17.9%	54,371	15.7%	283	0.7%	0.1%
Moore	41,138	13.6%	55,081	15.9%	13,943	32.1%	3.0%
Norman	95,694	31.6%	110,925	32.1%	15,231	35.1%	1.5%
Yukon	21,043	7.0%	22,709	6.6%	1,666	3.8%	0.8%
Study Area	868,090	100.0%	986,954	100.0%	118,864	100.0%	1.3%

Source: US Census; Economic & Planning Systems

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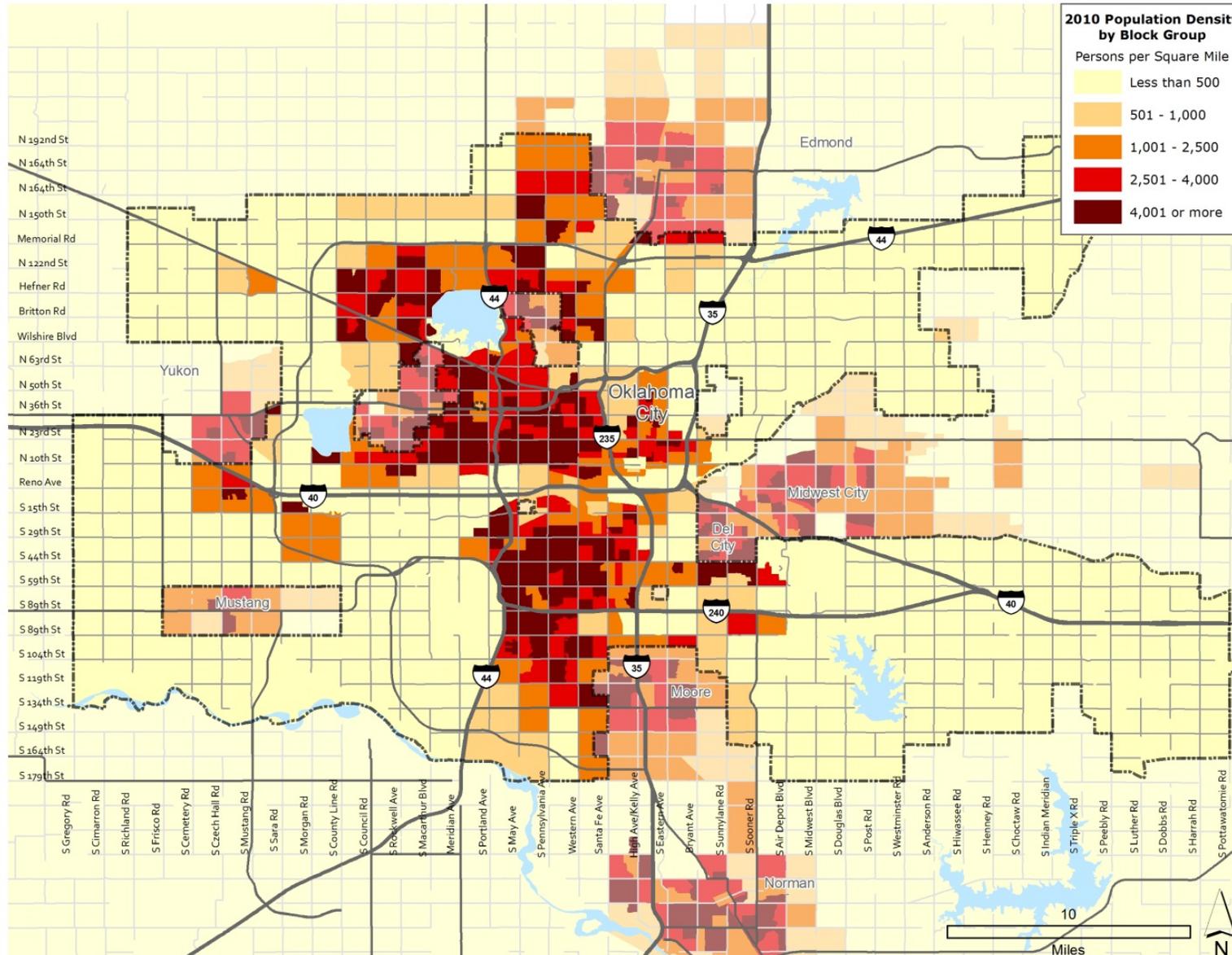
The communities of Edmond (11 percent), Moore (11.7 percent) and Norman (12.8 percent) captured the vast majority of population growth that occurred outside of Oklahoma City, as shown in **Figure A3**. Thus, while some limited growth occurred to the west in Yukon and Mustang and to the east in Midwest City, the majority the majority of regional growth occurred along the I-35 corridor.

Figure A3
Oklahoma City Metro Area Population Change, 2000-2010



In terms of population density, the densest areas of the city are generally in the western-central areas, as shown in **Figure A4** on the following page. The largest pockets of continuous density include the residential communities on the north and south sides of I-240, as well as the east and west sides of I-44. Some additional smaller pockets of density exist on the north side of the Kilpatrick Turnpike, east of I-44, as well downtown. Beyond the city boundaries, the areas north of the city, but west of I-35, and the areas south of the city along I-25, including Moore and Norman, reflect the highest levels of density.

Figure A4
Regional Population Density



The Study Area had a total of approximately 392,000 households in 2010, as shown in **Table A6**. Combined with its enclave cities, Oklahoma City represents approximately 65.0 percent of the total Study Area, while the surrounding cities represent approximately 35.0 percent. The suburbs are beginning to cut into Oklahoma City's growth. Oklahoma City combined with its enclave cities captured approximately 59.0 percent of new households, while the surrounding cities captured approximately 41.0 percent.

Table A6
Study Area Households by City, 2000-2010

City	2000		2010		2000-2010		
	#	%	#	%	Change	Capture	Ann. %
Oklahoma City	204,434	59.0%	230,233	58.7%	25,799	56.9%	1.2%
Enclave Cities	24,213	7.0%	25,033	6.4%	820	1.8%	0.3%
Bethany	8,161	33.7%	7,639	30.5%	-522	-63.7%	-0.7%
Forest Park	433	1.8%	432	1.7%	-1	-0.1%	0.0%
Lake Aluma	40	0.2%	38	0.2%	-2	-0.2%	-0.5%
Mustang	4,721	19.5%	6,589	26.3%	1,868	227.8%	3.4%
Nichols Hill	1,729	7.1%	1,667	6.7%	-62	-7.6%	-0.4%
Valley Brook	298	1.2%	283	1.1%	-15	-1.8%	-0.5%
The Village	4,778	19.7%	4,366	17.4%	-412	-50.2%	-0.9%
Warr Acres	3,978	16.4%	3,945	15.8%	-33	-4.0%	-0.1%
Woodlawn Park	75	0.3%	74	0.3%	-1	-0.1%	-0.1%
OKC w/Enclave Cities	228,647	66.0%	255,266	65.1%	26,619	58.7%	1.1%
Surrounding Cities	117,974	34.0%	136,721	34.9%	18,747	41.3%	1.5%
Del City	9,045	37.4%	8,669	34.6%	-376	-2.0%	-0.4%
Edmond	25,256	104.3%	31,475	125.7%	6,219	33.2%	2.2%
Midwest City	22,161	91.5%	22,726	90.8%	565	3.0%	0.3%
Moore	14,848	61.3%	20,446	81.7%	5,598	29.9%	3.3%
Norman	38,834	160.4%	44,661	178.4%	5,827	31.1%	1.4%
Yukon	7,830	32.3%	8,744	34.9%	914	4.9%	1.1%
Study Area	346,621	100.0%	391,987	100.0%	45,366	100.0%	1.2%

Source: US Census; Economic & Planning Systems

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The greater gains in population in Oklahoma City versus households are reflected in an increase in average household size, or in this case persons per household, while the surrounding cities experienced a slight decline in average household size. The changing demographic mix in Oklahoma City, including the increase in Hispanic households, is likely a contributing factor.

Table A7
Study Area Household Size by City, 2000-2010

City	2000	2010	2000-2010 Change
	(Pop/HH)	(Pop/HH)	
Oklahoma City	2.48	2.52	0.04
Enclave Cities	2.46	2.44	-0.02
OKC w/Enclave Cities	2.47	2.51	0.04
Surrounding Cities	2.56	2.53	-0.03
Study Area	2.50	2.52	0.01

Source: US Census; Economic & Planning Systems

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Housing Units

As of 2010, the Study Area had a total of approximately 430,000 housing units, as shown in **Table A8**. Of this total, just over 56.0 percent are ownership units versus 35.0 percent rental units. Approximately 9.0 percent of Study Area housing units are vacant. Oklahoma City and its enclaves have approximately 54.0 percent ownership and 35.0 percent rental units. The surrounding cities have a higher share of ownership units, or approximately 60.0 percent versus 34.0 percent rental.

Table A8
Study Area Households by Tenure, 2000-2010

City	2000		2010		2000-2010		
	#	%	#	%	Change	Capture	Ann. %
Oklahoma City	228,149	60.1%	256,930	59.7%	28,781	56.6%	1.2%
Owner	121,528	53.3%	137,432	53.5%	15,904	55.3%	1.2%
Renter	82,906	36.3%	92,801	36.1%	9,895	34.4%	1.1%
Vacant	23,715	10.4%	26,697	10.4%	2,982	10.4%	1.2%
Enclave Cities	25,814	6.8%	27,280	6.3%	1,466	2.9%	0.6%
Owner	16,700	64.7%	17,200	63.0%	500	1.0%	0.3%
Renter	7,513	29.1%	7,833	28.7%	320	0.6%	0.4%
Vacant	1,601	6.2%	2,247	8.2%	646	44.1%	3.4%
OKC w/Enclave Cities	253,963	66.9%	284,210	66.0%	30,247	59.5%	1.1%
Owner	138,228	54.4%	154,632	54.4%	16,404	32.3%	1.1%
Renter	90,419	35.6%	100,634	35.4%	10,215	20.1%	1.1%
Vacant	25,316	10.0%	28,944	10.2%	3,628	7.1%	1.3%
Surrounding Cities	125,441	33.1%	146,121	34.0%	20,680	40.7%	1.5%
Owner	76,322	60.8%	86,962	59.5%	10,640	20.9%	1.3%
Renter	41,652	33.2%	49,759	34.1%	8,107	15.9%	1.8%
Vacant	7,467	6.0%	9,400	6.4%	1,933	3.8%	2.3%
Study Area	379,404	100.0%	430,331	100.0%	50,835	100.0%	1.4%
Owner	214,550	56.5%	241,594	56.1%	32,513	64.0%	1.4%
Renter	132,071	34.8%	150,393	34.9%	18,322	36.0%	1.3%
Vacant	32,783	8.6%	38,344	8.9%	18,322	36.0%	1.3%

Source: US Census; Economic & Planning Systems

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Income

Average (mean) household income for the Study Area is approximately \$65,000 as of 2010. This is up from approximately \$50,000 in 2000, representing an annual average growth rate of 2.8 percent as shown in **Table A9**. Per capita income also grew at annual rate of 2.8 percent since 2000, averaging approximately \$26,000 in 2010. Median household income grew at a slightly lower rate of 2.3 percent annually.

Average household income is somewhat higher in the surrounding cities, or almost \$70,000 versus approximately \$63,000 in Oklahoma City and its enclaves. The areas of the metro area that have higher household incomes (greater than \$100,000) are concentrated mainly along the northern border of Oklahoma City, as shown in **Figure 5**. Areas with high population density and/or high average household incomes are most attractive to retailers and retail developers. However, in Oklahoma City, the areas with high incomes are generally areas with lower population densities which is generally consistent with most lower-density western cities.

Table A9
Study Area Household Income, 2000-2010

City	2000	2010	2000-2010	
			Change	Ann. %
Oklahoma City				
Median HHI	\$34,947	\$43,798	\$8,851	2.3%
Mean HHI	\$46,517	\$61,511	\$14,994	2.8%
Per Capita	\$19,098	\$25,042	\$5,944	2.7%
OKC w/Enclave Cities				
Median HHI	\$35,778	\$44,693	\$8,915	2.2%
Mean HHI	\$48,243	\$62,598	\$14,356	2.6%
Per Capita	\$19,519	\$25,345	\$5,826	2.6%
Surrounding Cities				
Median HHI	\$41,282	\$51,987	\$10,705	2.3%
Mean HHI	\$52,000	\$69,591	\$17,591	3.0%
Per Capita	\$20,531	\$27,608	\$7,078	3.0%
Study Area				
Median HHI	\$37,651	\$47,237	\$9,586	2.3%
Mean HHI	\$49,521	\$65,037	\$15,516	2.8%
Per Capita	\$19,871	\$26,138	\$6,267	2.8%

Source: 2000 US Census; American Community Survey 5 year Estimates 2010;
Economic & Planning Systems

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City Subarea Trends

The city was divided into five subareas for purposes of evaluating retail sales flows at a finer grain level, as shown in **Figure A6**. These subareas represent the five distinct retail markets for the city and align with transportation corridors and various block group definitions. The subareas will be used to identify specific retail opportunities and strategies by geographic location. It should be noted that these subareas exclude enclave cities.

Figure A6
Oklahoma City Retail Subareas



Population and Households

As of 2010, the most populated subareas in the city are the Southeast and Northwest, composing 35.3 percent and 30.0 percent of total population, as shown in **Table A10**. Similarly, the largest subareas in terms of households are also the Southeast and Northwest, composing 32.7 and 32.6 percent of total households, respectively. It is important to note that the average household size in the Southeast is significantly larger than the average household size in the Northwest, contributing to the similar number of households versus population.

Table A10
Oklahoma City Retail Subareas Population and Households, 2010

Sub Area	Population		Households		HH Size (Pop/HH)
	#	%	#	%	
Central	56,983	9.8%	23,367	10.1%	2.44
Northeast	47,126	8.1%	19,387	8.4%	2.43
Northwest	174,029	30.0%	75,062	32.6%	2.32
Southeast	204,775	35.3%	75,272	32.7%	2.72
Southwest	97,086	16.7%	37,145	16.1%	2.61
Oklahoma City	579,999	100.0%	230,233	100.0%	2.52

Source: 2010 US Census; Economic & Planning Systems

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Income

The median household income in Oklahoma City is approximately \$44,000, while the per capita income is approximately \$25,000, as shown in **Table A11**. The Northwest subarea, with a median household income of just over \$60,000 and a per capita income of approximately \$33,000, has substantially higher incomes than the rest of the city. The second highest median household income is in the Southwest at \$46,000, while the second highest per capita income is in the Central subarea \$24,000. The lowest median household income is in the Northeast subarea (\$36,000), while the lowest per capita income is in the Southeast subarea (\$18,000). The low per capita income in the Southeast corresponds to the subarea's substantially larger average household size.

Table A11
Oklahoma City Retail Subareas Income, 2010

Sub Area	Median HHI	Per Capita
Central	\$38,631	\$23,991
Northeast	\$36,401	\$21,642
Northwest	\$60,241	\$33,186
Southeast	\$40,060	\$18,378
Southwest	\$45,827	\$22,226
Oklahoma City	\$43,798	\$25,042

Note: Mean household income unavailable at Block Group Level

Source: 2010 US Census; Economic & Planning Systems

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Age

Oklahoma City has a median age of approximately 34 years of age, as shown in **Table A12**. The Southeast subarea is the youngest of the subareas with a median age of 33.5, while the Northeast is the oldest subarea with a median age of just over 40. The largest age group in the Central subarea is between 20 and 34 years of age, and the largest age group in the Northeast subarea is between 50 and 64 years of age. Age groups in the Northwest, Southeast, and Southwest are fairly evenly distributed, with the largest cohorts between the ages of 0 and 19.

Table A12
Oklahoma City Retail Subareas Age Brackets and Median Age, 2010

Sub Area	0-19	20-34	35-49	50-64	65+	Median Age
Central	23.1%	31.0%	20.9%	17.5%	7.4%	33.8
Northeast	22.6%	19.6%	17.5%	24.0%	16.4%	40.2
Northwest	22.3%	21.0%	20.9%	21.7%	14.2%	38.2
Southeast	26.3%	21.5%	20.8%	19.8%	11.7%	33.5
Southwest	25.5%	21.9%	21.4%	20.3%	10.8%	34.8
Oklahoma City	28.1%	23.3%	19.6%	17.8%	11.3%	34.0

Source: 2010 US Census; Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Data\21863-Sub Area Demog.xls\Age Brackets

Race

The predominant race in Oklahoma City is White, composing approximately 62.7 percent of the population, as shown in **Table A13**. The Northeast subarea is the only subarea where another race composes the majority of the population with approximately 53.1 percent of total population identified as Black. The Central, Southeast, and Southwest subareas all have a significant share of the population identified as Other. This is likely the result of a large share of Hispanic population which does not identify with the Census racial categories.

Table A13
Oklahoma City Retail Subareas Race, 2010

Sub Area	White	Black	Amer. Indian	Asian	Pac. Islander	Other
Central	59.7%	12.5%	4.3%	5.4%	0.2%	13.0%
Northeast	36.9%	53.1%	1.8%	1.6%	0.1%	1.6%
Northwest	68.7%	16.9%	2.3%	4.8%	0.1%	2.6%
Southeast	62.4%	8.9%	4.6%	3.3%	0.1%	15.2%
Southwest	66.9%	7.9%	3.9%	4.4%	0.1%	11.2%
Oklahoma City	62.7%	15.1%	3.5%	4.0%	0.1%	9.4%

Note: Subareas based on Block Groups and do not total 100%

Source: 2010 US Census; Economic & Planning Systems

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Hispanic Origin

Approximately 17.2 percent of the Oklahoma City population is of Hispanic origin, as shown in **Table A14**. At the subarea level, Hispanic origin ranges from as low as 4.0 percent to as high as 27.0 percent. The Southeast subarea has the largest percentage of Hispanic population, or 27.0 percent, followed by the Central and Southwest subareas at 21.0 percent and 20.0 percent, respectively. This is consistent with the larger shares of population identified as Other in **Table A13**. The Northeast and Northwest subareas have substantially lower percentages of population with Hispanic origin with 4.0 and 6.6 percent respectively.

Table A14
Oklahoma City Retail Subareas Hispanic Population, 2010

Sub Area	Hispanic	Non-Hispanic
Central	21.1%	78.9%
Northeast	4.0%	96.0%
Northwest	6.6%	93.4%
Southeast	27.0%	73.0%
Southwest	19.9%	80.1%
Oklahoma City	17.2%	82.8%

Source: 2010 US Census; Economic & Planning Systems

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APPENDIX B:
RETAIL NODES AND CORRIDORS EVALUATION

APPENDIX B: RETAIL NODES AND CORRIDORS EVALUATION

Appendix B provides a summary of the potential policy recommendations for the retail nodes and corridors based on the identified policy framework. The summary analysis follows the same format for each category including development/redevelopment, transportation/ access, and operations/ management issues. These summaries provide specific actions and recommendations for the City to incorporate in ongoing planning and development efforts.

Regional Nodes

Penn Square – Classen Curve

Subarea: Northwest
Size (sq. ft.): 4.3 million sq. ft.
Major Centers: Penn Square Mall, Belle Isle Station, Classen Curve
Major Anchors: Macy's, Dillard's, JCPenney, Whole Foods, Anthropologie
Shopping Centers Value per Sq. Ft.: \$89
Shopping Centers Sales per Sq. Ft.: \$247
Retail Groups Sales per Sq. Ft.: \$148



Square Mall

Issues and Conditions

The Penn Square-Classen Curve regional node is the largest regional retail center in the metro area. The node is primarily composed of Penn Square Mall and Classen Curve, the city's first lifestyle-oriented retail center, and is adjacent to the Chesapeake corporate office campus. Penn Square Mall anchors include Macy's, JCPenney, and two Dillard's stores, as well as mix of moderate and upper-tier mall tenants.



Classen Curve Entry

Classen Curve is home to a unique mix of high-end retailers, as well as several restaurants. Based on discussions with local brokers, the high vacancy (approximately 50 percent) of the center is the result of selective leasing by the center's owner, Chesapeake, who chooses to limit leases to local specialty stores. The two national retailer exceptions are Whole Foods and Anthropologie, both located at the second phase of the project, The Triangle at Classen Curve.

Belle Isle is a prominent new power center and represents the first major attempt to expand national retail offerings in the node in several years. The majority of remaining development in the node is a mix of office and auto-oriented strip retail centers. Chesapeake has purchased a large portion of surrounding commercial property with the long-term goal of redeveloping the area. Access, traffic, and available land are the largest obstacles to the long-term success of the area.

Conclusions

Despite its age and overall connectivity issues, Penn Square Mall continues to perform well and is considered the premium location for national retailers in the region. To maintain its competitiveness with potential new regional retail locations, the Mall and surrounding development needs to evolve with national retail trends and formats. With limited available/vacant land, this process largely depends on the mall owner (Simon) and Chesapeake, the primary owner of surrounding commercial property. The City should take an active role in forging a partnership with these private entities, as well as begin the long-term planning for future transportation improvements needed to support retail expansion.

Policy Framework: Revitalize

**Table 20
Penn Square Policy Recommendations**

Action	Timeframe (Immediate/Future)	Roles
Development/Redevelopment		
Focus on attracting "one in the market" retailers	Immediate	Simon, Chamber
Retail Expansion of Mall/Mall Placemaking at northwest corner	Future	Simon, City
Retail and Mixed-Use expansion at Classen Curve through public-private partnership	Future	Chesapeake, City
Retail Expansion of off-mall locations	Future	Private, City
Transportation/Access		
Create auto connections to Belle Isle	Immediate	Simon, City
Create key entryways to/from Mall	Immediate	Simon, City
Create pedestrian connections to/from Mall	Immediate	Simon, City
Operations/Management		
Create land use plan	Immediate	City
Branding and marketing of existing centers	Immediate	Simon, City, Chamber
Create visual coherency through signage	Immediate	Private, City
Create visual coherency through streetscape projects	Immediate	Private, City

Source: Economic & Planning Systems

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Quail Springs

Subarea: Northwest
Size (sq. ft.): 3.2 million square feet
Major Centers: Quail Springs Mall, Quail Springs Marketplace, Memorial Square
Major Anchors: Macys, Dillard's, JCPenney, Super Target, Wal-Mart, Lowes, Home Depot, Dick's Sporting Goods (new), Best Buy, Old Navy
Shopping Centers Value per Sq. Ft.: \$112
Shopping Centers Sales per Sq. Ft.: \$184
Retail Groups Sales per Sq. Ft.: \$239



Quail Springs Mall

Issues and Conditions

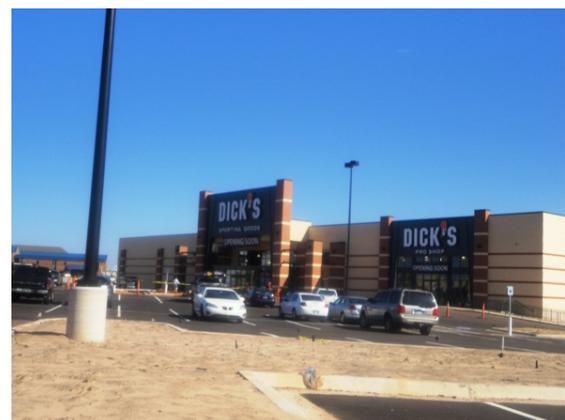


Marketplace Signage

The Quail Springs regional node is located between May and Pennsylvania Avenues along the north and south sides of the John Kilpatrick Turnpike and includes Quail Springs Mall, the second largest mall in the region, as its primary anchor. The surrounding area contains a mix of newer mid box and big box retailers. Quail Springs serves as the primary regional retail node for much of the newer residential development in the north and northwest portions of the city as well as the City of Edmond. To the west of the mall is Quail Springs Corporate Park, one of the largest office developments outside of downtown, and a cluster of hotel uses. New multifamily development has occurred to the north and northeast of the Mall. A significant amount land continues to remain undeveloped immediately west and north of the Mall.

Conclusions

While the Mall itself was built in 1980, it continues to perform reasonably well and has generated significant new retail development in the surrounding area in relation to new residential growth to the north. The critical issue will be to update and reinvest in the Mall to maintain its role as the primary regional anchor in the face of potential new competition in Edmond and the surrounding unincorporated areas. General Growth Properties (GGP), the Mall owner, has purchased the existing Sears store and plans to replace it with a stronger tenant. Sears will close in January 2013. The regional department store Von Maur has been reportedly courted as a replacement. The Mall could also benefit from adding an entertainment-focused outdoor format to the north side of the mall.



New Dick's Sporting Goods

Additionally, the future use of vacant land in area will dramatically impact the overall livability of area, including impacts to traffic and future household expenditure potential to support new retail development. Thus, the City should focus new multifamily residential on the north side of the mall surrounding the potential new entertainment format, as well as limit retail to areas between May and Pennsylvania and immediately south of the Kilpatrick Turnpike.

Policy Framework: Reaffirm

**Table B1
Quail Springs Policy Recommendations**

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Recruit new development store anchor for Mall	Immediate	Chamber The Alliance
Create new entertainment-oriented retail uses north of Mall	Future	City, GGP
Surround new retail development with new multifamily residential	Future	Private
Concentrate new retail development to area immediately surrounding Mall (between May and Pennsylvania) and south side of Kilpatrick Turnpike	Immediate	City Planning
Continue to buildout employment uses to west	Future	Private
Transportation/Access		
Enhance automobile access to Mall through entryway improvements	Immediate	City, GGP
Operations/Management		
Branding and marketing of Mall as regional destination to "live, work, play"	Immediate	GGP, Chamber

Source: Economic & Planning Systems

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Outlet Shoppes of Oklahoma City/West OKC



Outlet Shoppes Entrance

Subarea:	Southwest
Size (sq. ft.):	1.2 million
Major Centers:	The Outlet Shoppes of Oklahoma City, Westgate Marketplace
Major Anchors:	Best Buy, Dick's Sporting Goods, Wal-Mart, Hobby Lobby
Shopping Centers Value per Sq. Ft.:	\$155
Shopping Centers Sales per Sq. Ft.:	N/A
Retail Groups Sales per Sq. Ft.:	\$285

Issues and Conditions

The Outlet Shoppes of Oklahoma City/West OKC is located on I-70 West and is composed of two primary shopping centers, the Outlet Shoppes of Oklahoma City, a regional destination for soft goods, and Westgate, a large power center. The adjacent areas are a mix of vacant and low density light industrial uses, including RV sales and storage. Immediately north of the Outlet Shoppes is a large former data center, newly occupied. The two primary retail destinations have good visibility from I-40 and good internal access along Meridian, as well as internal access roads. While there is limited land is available immediately adjacent to the existing centers, significant vacant land is available across I-40 to the south.

Conclusions

The sales performance of the Outlet Shoppes is not in the sales data set; however, it is reportedly performing above expectations. The Outlet Shoppes is currently expanding by 28,000 square feet. Future expansion is limited by the surrounding light industrial uses. The City should carefully monitor the area as older industrial uses begin to relocate in order to ensure expansion opportunities, while also clustering development between the two existing centers to avoid undesirable outmoded linear development patterns plaguing other major retail destinations in the city, such as I-240.



Westgate Marketplace

Policy Framework: Reaffirm

Table B2
Outlet Shoppes of OKC Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Continue to focus on the attraction of new tenants	Immediate	Private
Focus development on area between Mall and Westgate	Immediate/Future	Private, City
Avoid retail development on south side of I-40	Future	City
Transportation/Access		
Continue to link development internally via access roads	Future	Private
Operations/Management		
Promote Outlet Shoppes as regional destination	Immediate	Chamber Retail Office

Source: Economic & Planning Systems

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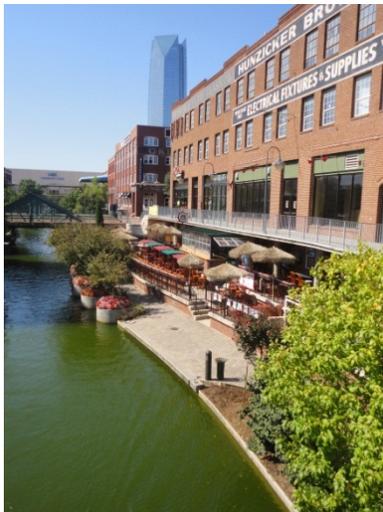
Bricktown

Subarea: Central
Size (sq. ft.): 420,000
Major Centers: None
Major Anchors: Bass Pro Shops
Shopping Centers Value per Sq. Ft.: \$81
Shopping Centers Sales per Sq. Ft.: \$213
Retail Groups Sales per Sq. Ft.: \$171



Bass Pro - Bricktown

Issues and Conditions

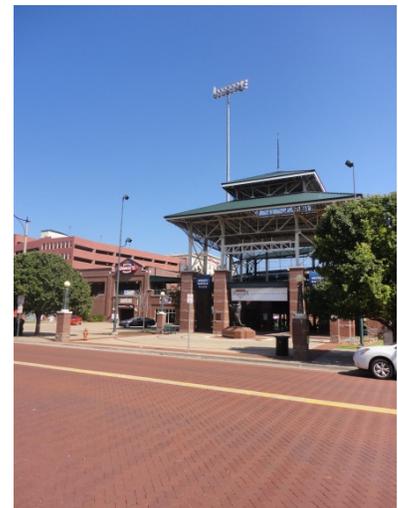


Bricktown Riverwalk

Located just west of the CBD and east of I-35, Bricktown is the region's premier entertainment and nightlife district. Bricktown is composed of a combination of historic brick warehouses, featuring a mix of restaurants, retail, and nightlife, and newer entertainment destinations, including Bricktown Ballpark, Harkin's Theater and the Coca-Cola Events Center. Bricktown offers a pedestrian-friendly environment centered on the Bricktown Canal, initially constructed as part of a MAPS sales tax initiative in 1999 and later extended. Bass Pro Shops, Harkins Theater, and several hotels are also located in the area. Bricktown is also home to the world headquarters of Sonic Drive-Ins, founded in Oklahoma City. Other large land uses include a collection of newer limited-service hotels and surface parking lots. Other than Bass Pro Shops, the retail offerings in Bricktown remain rather limited.

Conclusions

While successful as an entertainment district, Bricktown struggles to provide the necessary mix of unique retail offerings that would make it a "true" regional retail destination. Thus, creating a more attractive mix of retail offerings should be the primary goal in the near future. These retail offerings would not only provide greater attraction to the area, but also serve to balance the mix of dining and nightlife destinations. As there are no primary retail destinations in the downtown area, Bricktown would benefit from an urban-oriented lifestyle center, similar to the Gateway development in downtown Salt Lake City, focused on soft goods and a mix of national and local retailers. The potential for a larger lifestyle center in Bricktown would require infill development on various surface lots or the potential redevelopment of the Coca-Cola Events Center site. Alternatively, a lifestyle center could be located just south of the former I-40 location, in the northeast portion of the Core to Shore redevelopment area.



Chickasaw Bricktown BallparkPenn

Last, Bricktown retail would benefit from a larger amount of residential households in walking distance to local attractions, including both in Bricktown itself, as well as the adjacent Deep Deuce residential neighborhood.

Policy Framework: Revitalize

Table B3
Bricktown Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Focus on attracting soft good retailers	Immediate	Private, City
Continue to encourage residential uses in the area and the adjacent Deep Deuce neighborhood	Immediate/Future	City
Identify large parcel for lifestyle retail development	Future	Private, City
Transportation/Access		
Focus on connectivity to adjacent CBD, Deep Deuce, Core to Shore	Immediate/Future	Private, City
Operations/Management		
Continue to promote entertainment offerings to surrounding cities	Immediate	Private, City, Chamber

Source: Economic & Planning Systems

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Highway Corridors

Northwest Expressway

Subarea: Northwest
Size (sq. ft.): 2.2 million
Major Centers: Rockwell Plaza, Silver Springs
Major Anchors: Target, Super Wal-Mart, Home Depot,
Kohl's, Best Buy, TJ Maxx
Shopping Centers Value per Sq. Ft.: \$82
Shopping Centers Sales per Sq. Ft.: \$197
Retail Groups Sales per Sq. Ft.: \$187



Rockwell Plaza sign and adjacent billboard, and overhead power lines

Issues and Conditions

The Northwest Expressway is a six-lane divided highway located in the Northwest subarea of the City. It is one of the City's largest commercial corridors, stretching from I-44 at Penn Square Mall to the John Kilpatrick Turnpike. The primary retail corridor stretches almost 2.5 miles from North MacArthur Boulevard on the east to just west of North Council Road. The majority of retail development on the corridor is located in large power centers and automobile-oriented strip development with significant setbacks from the road frontage, limiting visibility of retailers in some centers. Retail center ages range from 15 to 40 years old with a number of prominent mid-box vacancies. The corridor is primarily surrounded on both sides by single-family residential subdivisions, with the exception of the Wiley Post Airport on the south and Lake Hefner on the north. Other large uses in the area include car dealerships and two cemeteries. Large vacancies, significant frontage setbacks, and a limited mix of land uses are the largest obstacles to success.



Brixton Square Shopping Center



Rockwell Northwest Shopping Center

Conclusions

While the corridor is beginning to show its age, many of the centers continue to perform well. The primary focus of the corridor should be to re-tenant viable vacant commercial boxes and redevelop outmoded centers (primarily west of North Council Road) into other land uses. While the diagonal nature of the corridor creates a number of challenges, the City should place significant effort on identifying access alternatives off of Northwest Expressway and emphasizing primary entrances. This will ultimately relieve traffic congestion along the corridor, enhance sense of place, and create more opportunity for “cross-shopping” among the various centers.

Policy Framework: Revitalize

**Table 21
Northwest Expressway Policy Matrix**

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Re-tenant viable vacant boxes	Immediate	Private, City
Redevelop non-viable center (TJ Maxx Center) into other uses	Future	Private, City
Limit new retail development to between N. Council Road and MacArthur Blvd.	Future	Private, City
Transportation/Access		
Create primary entrances at several key intersections	Future	Private, City
Create internal linkages to centers off of Northwest Expressway	Future	Private, City
Utilize road ROW to enhance streetscapes, signage	Future	City
Operations/Management		
Organize existing businesses and property owners into merchants/business association	Future	Private, City

Source: Economic & Planning Systems

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I-240 Corridor

Subarea: South/Southeast
Size (sq. ft.): 2.2 million
Major Centers: 240 Penn Park, Walnut Square, Southern Hills
Major Anchors: Wal-Mart Supercenter, Home Depot, Lowes, Best Buy, Old Navy, Marshalls, Burlington Coat Factory
Shopping Centers Value per Sq. Ft.: \$83
Shopping Centers Sales per Sq. Ft.: \$99
Retail Groups Sales per Sq. Ft.: \$149



240 Penn Park power center

Issues and Conditions

The I-240 Corridor is a major east-west interstate corridor in the Southwest subarea of the city. The corridor is primarily composed of the commercial development fronting along two parallel collection/distribution (C/D) roads on either side of I-240, also known as SW 74th Street, stretching from I-35 at the east to I-44 at the west. Retail development in this corridor is a combination of big boxes, regional power centers, and community serving strip centers. Crossroads Mall, located at the northeast corner of I-240 and I-35, anchors the far east end of the corridor. The majority of retail centers along I-240 are set back from the road with restaurant pads in front. The corridor remains home to a number of national big box and mid-box tenants; however, the corridor suffers from significant vacancies, the largest of which being Crossroads Mall.



One-way Frontage Road along I-240 used to access retail centers

Formerly a regional mall with four department stores, Crossroads is now mostly vacant with only a handful of long-term remaining tenants and an aging movie theater. In addition to high vacancies, many existing tenants along the corridor represent Class "B" and "C" non-retail replacement tenants (community college, church, thrift store etc.) on former national retailer sites. Non-retail development along the corridor is mostly composed of aging multifamily properties on both the north and south sides of I-240. The surrounding neighborhoods to the north have relatively low incomes; however, higher income neighborhoods to the south have good access to the corridor. Traffic, local access, and large vacancies represent the largest obstacles to success.

Conclusions

While data supports good performance at many of the smaller unanchored strip centers, as well as moderate performance at the Southern Hills shopping center, the corridor no longer serves as a major regional retail destination. Several competing big-box centers have been developed to the south in Moore including major tenants such as Kohl's, JCPenney, and the OMNI-Theater Complex. In addition, a new proposed regional retail location on the west side of I-44 adjacent the airport could only further erode the regional retail base of the corridor. Thus, the corridor is generally over-retailed with regional retail uses, and the majority of older centers should be aggressively redeveloped into new uses, including office and multifamily that capitalizes on the corridor's regional location and proximity to Oklahoma City Community College and the airport. The potential redevelopment of Crossroads Mall into a new regional Hispanic retail destination provides potential opportunity for anchoring the east end of the I-240 Corridor and will help transition other outmoded regional space to more community-oriented retail serving the nearby Hispanic population.

In general, the overall image and brand of the corridor has suffered over the last decade, and any new redevelopment will require higher levels of urban design, architecture and building materials, featuring a mix of activities to attract the market. Internal and external access issues also need to be addressed. Traffic speeds on the C/D Roads are too high to allow for safe turning movements. The roads also lack a continuous detached sidewalk for pedestrian access. In addition, internal access among development parcels needs to be greatly enhanced to avoid having to re-enter the access road to travel from center to center, easing traffic flow and improving safety conditions.

The corridor was recently the subject of a ULI Technical Assistance Panel (TAP). This program of real estate professionals developed the following recommendations: 1) Deliver Community (increase mix of uses and emphasize beautification); 2) Tame the Traffic (limit access points, enhance internal circulation, and invest in pedestrian environment); 3) Evolve the Image (signage control); and 4) Eradicate the Ugliness (enforceable design guidelines). All of these recommendations are supportive of those outlined above.

Policy Framework: Revitalize

Table B4
I-240 Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Redevelop vacant regional retail sites into other land uses	Future	Private, City
Encourage new entertainment and/or residential uses	Future	Private, City
Transportation/Access		
Slow speeds on C/D Roads	Immediate	City
Enhance internal linkages to centers	Immediate	Private, City
Add a continuous detached sidewalk	Immediate	City
Operations/Management		
Create new brand for corridor	Immediate	Private, City
Create visual coherency through signage	Immediate	Private, City

Source: Economic & Planning Systems

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Arterial Corridors

Southwest 59th Street

Subarea: Southeast
Size (sq. ft.): 560,500
Major Centers: Walker Square, Southwestern Plaza, Hillcrest Shopping Center
Major Anchors: Wal-Mart Neighborhood Market, Walgreens, Aldi, Buy For Le\$\$ Super Mercado
Shopping Centers Value per Sq. Ft.: \$46
Shopping Centers Sales per Sq. Ft.: \$35
Retail Groups Sales per Sq. Ft.: \$103



Example of typical streetscape and signage along SW 59th

Issues and Conditions

The Southwest 59th corridor is a four-lane east-west commercial arterial extending along Southwest 59th Street from the intersection of Pennsylvania to the west and Walker to the east. The commercial corridor is primarily composed of shallow single-story strip retail and large inconsistent auto-oriented signage. Three larger retail centers are located at each of the primary intersections along the corridor (Pennsylvania, Western, and Walker). The retail cluster at Pennsylvania is anchored by a Wal-Mart Neighborhood Market, Walgreens, Aldi and accompanying ancillary retail. Similar to many other centers throughout the city, these anchors are generally separated from the ancillary retail, limiting their potential positive impacts to the smaller retail businesses. The large center at 59th and Western is currently unanchored and



Southwestern Shopping Center Mexican restaurant anchor

contains a mix of Hispanic-oriented retailers, restaurants, and a Family Dollar. Walker Square, located at Walker, is anchored by a Buy For Le\$\$ Super Mercado. With the exception of the Super Mercado, this center has received an attractive façade upgrade. Various apartments, churches, storage, and auto uses compose the remainder of the corridor, which is encompassed by a large, primarily Hispanic single-family residential neighborhood. The primary challenges facing the corridor include shallow lot dimensions, unattractive signage and building façades, and unsafe automobile and pedestrian conditions.

Conclusions

As one of the primary commercial corridors of a large and growing Hispanic community in the city, the Southwest 59th corridor presents a potential redevelopment opportunity. However, the shallow lot dimensions created by the existing strip retail centers along the corridor limit most large-scale changes. The shopping center at 59th and Western represents the best opportunity for large-scale infill development, and the City should work with the property owner to investigate the potential for a new anchor at the site. The City's remaining efforts should be focused on improving automobile and pedestrian safety, and beautification.

Policy Framework: Revitalize

Table 22
SW 59th Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Focus redevelopment at Western and 59th with Hispanic supermarket	Future	Private, City
Assemble property for redevelopment at adjacent corners	Future	Private
Façade Improvements on viable existing centers	Future	Private, City
Encourage new residential uses to support retail at east end	Future	Private, City
Transportation/Access		
Invest in pedestrian improvements/sidewalks/safety	Immediate	City
Enhance internal linkages to centers	Immediate	Private
Operations/Management		
Create visual coherency through signage	Immediate	Private, City
Create visual coherency through streetscape projects	Immediate	Private, City

Source: Economic & Planning Systems

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May Avenue

Subarea: Northwest
Size (sq. ft.): 1.9 million
Major Centers: French Market, Centennial Plaza
Major Anchors: Target, Staples, Sprouts, Dave and Busters
Shopping Centers Value per Sq. Ft.: \$97
Shopping Centers Sales per Sq. Ft.: \$143
Retail Groups Sales per Sq. Ft.: \$197



French Market Sign

Issues and Conditions



May Avenue Streetscape

The May Avenue corridor is a four-lane (plus a turn lane) commercial arterial stretching from I-44 on the south to the intersection with Britton Road and the residential enclave of The Village on the north. With limited land available near Penn Square Mall, the intersection of May Avenue and Northwest Expressway is the primary location for regional mid-box retailers desiring proximity to the Mall. Proximity to I-44 on the south also drives demand for a handful of big box retailers. The remaining corridor includes a collection of community-oriented strip centers. The corridor runs parallel to Lake

Hefner Parkway on the west, and land uses on either side of the corridor are primarily single-family residences with some of the highest incomes in the city. Some larger multifamily communities exist at the intersection with Northwest Expressway. Traffic congestion, outmoded formats, and limited land availability are the largest obstacles to success.

Conclusions

The May Avenue Corridor is the top performing retail corridor in the region and an area of significant new investment. This is likely to remain the case for the foreseeable future, as limited new retail development sites continue to exist near Penn Square Mall. Recent evidence to this fact is the successful re-tenanting of several vacant retail sites, including Sprouts/Sunflower and Dave and Busters (formerly an auto dealership). The City should continue the effort of re-tenanting vacant boxes as they occur, while also developing policies to incent property owners to invest in new format modification at aging centers. Other primary actions should focus on corridor beautification, including medians, sidewalks, and local access. South Broadway in Edmond provides a good example of enhanced streetscapes among large retail uses.



New Sprouts (formerly Sunflower) Grocery Store

Policy Framework: Reaffirm

Table B5
May Avenue Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Re-tenant viable vacant mid-boxes	Immediate	Private, City
Façade Improvements on viable existng centers	Future	Private, City
Transportation/Access		
Enhance internal linkages to centers	Immediate	Private, City
Enhance pedestrian saftey along corridor	Immediate	City
Operations/Management		
Branding and marketing of existing centers	Immediate	Private, City
Create visual coherency through signage	Immediate	Private, City
Create visual coherency through streetscape projects	Immediate	Private, City

Source: Economic & Planning Systems

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S. Western Avenue

Subarea: Southeast
Size (sq. ft.): 581,000
Major Centers: Brookwood Shopping Center,
Brookwood North, Summit Point
Major Anchors: Wal-Mart Neighborhood Market
Shopping Centers Value per Sq. Ft.: \$56
Shopping Centers Sales per Sq. Ft.: \$53
Retail Groups Sales per Sq. Ft.: \$125



New Shopping Center along Western Avenue

Issues and Conditions



Signage and Streetscape along Western Avenue

The S. Western Avenue corridor is a four-lane (plus median turn lane) commercial arterial running from just south of I-240 the north to the intersection at 104th Street on the south. The corridor adjoins several other retail corridors including Southeast 59th Street and the I-240 Corridor. The S. Western corridor is primarily a neighborhood-serving retail corridor, with mostly single-use pad sits and neighborhood strip centers. The corridor has a mix of newer well-occupied strip centers and larger aging centers, suffering from the lack of a major anchor. The corridor is also an example of a multi-nodal retail corridor with three primary clusters of retail development at 104th, 89th, and I-240, intermixed with single-family and multifamily residential, as well as open space and/or undeveloped land. Lack of key neighborhood serving anchors and outmoded retail formats represent the largest obstacles to success.

Conclusions

The existing multi-nodal nature of the S. Western retail corridor should be reinforced through focusing new retail development at the three key intersections. While façade improvements have been made to retail centers, these physical improvements alone will not improve the retail without attracting additional anchor tenants. The City should focus on attracting new community anchors at each of these nodes to drive occupancy and sales. The City should continue to capitalize on the demand for residential in this portion of the city and limit new development between nodes to median density single and multifamily development.



Improved façade of shopping center along Western Avenue

Policy Framework: Revitalize

Table B6
S. Western Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Attract new community anchors to corridor	Immediate	Private, City
Continue to promote retail development at existing nodes, encourage residential uses in between	Future	Private, City
Façade Improvements on viable existing centers	Immediate	Private, City
Transportation/Access		
Invest in pedestrian improvements/sidewalks	Future	City
Operations/Management		
Create visual coherency through signage	Immediate	Private, City
Create visual coherency through streetscape projects	Immediate	Private, City

Source: Economic & Planning Systems

H:\21863-Oklahoma City OK Retail Plan\Reports\21863-Policy Recommendations.xlsx\S. Western

Windsor Corridor

Subarea: Southwest
Size (sq. ft.): 687,000
Major Centers: Windsor Hills, MacArthur Park,
Ann Arbor Terrace
Major Anchors: Wal-Mart Neighborhood Market,
Aldi, Crest Foods
Shopping Centers Value per Sq. Ft.: \$60
Shopping Centers Sales per Sq. Ft.: \$53
Retail Groups Sales per Sq. Ft.: \$124



Stand-alone Wal-Mart Neighborhood Market

Issues and Conditions

The Windsor corridor is a four-lane arterial (no turn lane) located along Northwest 23rd, stretching from MacArthur Boulevard on the west to North Meridian Avenue on the east. The corridor is primarily composed of aging multifamily apartments, strip retail centers, churches, and two retail nodes at each end. The retail node on the west includes a Wal-Mart Neighborhood Market, Aldi, and associated ancillary retail. Windsor Hills Shopping Center anchors the retail node to the east. The corridor is generally surrounded on all sides by older but stable single-family residential. Further west of the corridor is another small community-oriented retail node, including a Homeland and Ace Hardware. Access along the corridor is limited due to the lack of a turn lane along 23rd and poor internal access among adjacent retailers.

Conclusions



Streetscape along Windsor Avenue

With the exception of the retail at 23rd and Ann Arbor, the corridor is generally well-clustered, with two community nodes at either end of the corridor and residential and non-commercial uses (churches) in between. The retail cluster at the west end lacks connectivity, as the anchors (Wal-Mart Neighborhood Market and Aldi) are not connected to one another or the adjacent ancillary across MacArthur Boulevard with a common access point. One potential solution would be to create an internal road from the Aldi, through the Wal-Mart Neighborhood Market parcel and out to MacArthur with a matching access point at the center

across the street. The retail frontage of the Wal-Mart Neighborhood Center could be redeveloped into ancillary retail currently missing at the site.

Windsor Hills is an aging center, but benefits from good internal circulation connecting its anchors (Crest and a small movie theater). The retail at 23rd and Ann Arbor could be redeveloped for multifamily uses, consolidating the current retailers to either retail node. Windsor Hills would greatly benefit from a façade improvement, new occupants, and an overall brand enhancement.



Windsor Hills Shopping Center

Policy Framework: Revitalize

**Table B7
Windsor Policy Matrix**

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Redevelop 23rd frontage of Wal-Mart Neighborhood Market into complimentary retail	Future	Private
Redevelop retail uses between Meridan and Walker for residential uses	Future	Private
Concentrate new development/tenants at MacAruthur and/or Windsor Hills	Future	Private, City
Façade Improvement on Windsor Hlls	Immediate	Private, City
Transportation/Access		
Enhance internal linkages to centers (Aldi to Wal-Mart)	Immediate	Private
Enhance pedestrian saftey along corridor	Future	City
Operations/Management		
Branding and marketing of Windsor Hills as destination	Future	Chamber

Source: Economic & Planning Systems

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SW 29th Street Corridor

Subarea: South/Southeast
Size (sq. ft.): 746,000
Retail Centers: Economy Square, 29th and Kentucky Shops
Major Anchors: Buy For Le\$\$, Walgreens
Shopping Centers Value per Sq. Ft.: \$49
Shopping Centers Sales per Sq. Ft.: \$50
Retail Groups Sales per Sq. Ft.: \$69



Economy Square Sign

Issues and Conditions



Economy Square Buy For Le\$\$

The SW 29th Street arterial corridor stretches from I-44 on the west to South Shields Boulevard on the east. The arterial corridor was developed in the 1960's and only has two named shopping centers, Economy Square and the 29th and Kentucky Shops. Economy Square is first generation shopping center with over 200,000 square feet anchored by Buy For Le\$\$.

The corridor has a high concentration of automobile related retail uses ranging from parts stores to used car dealerships. There is also a concentration of Hispanic-oriented business along the corridor, specifically near the eastern half including restaurants, nightclubs, and auto-related businesses.

The majority of the buildings along the corridor share the building vernacular of the 1960's and 1970's with buildings and lots designed to accommodate automobiles, with retail stores pushed back to the back of the parcel with a parking lot in front. Pedestrian paths and connections are limited and no-existent in some places.

Conclusions

The intersection of SW 29th and May Avenue is the only consolidated node of retail activity along the corridor. The majority of retail buildings are parcels fronting SW 29th are only a half block in depth. By comparison the Economy Square shopping center is two full blocks wide. The narrow parcels stripping along SW 29th makes internal connections to retail sites difficult and results in several curb cuts along the road. The lack of larger parcels makes redevelopment difficult and the introduction of new retailers difficult as well. Because of the concentration of small individual Hispanic businesses, the property owners may want to consider creating a business organization to approach the City as a CDRP.



Streetscape along SW 29th

Policy Framework: Revitalize

Table B8
SW 29th Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Façade Improvements on viable existing centers	Future	Private, City
Focus attracting new retailers to May and SW 29th intersection	Immediate	Private, City
Transportation/Access		
Invest in pedestrian improvements/sidewalks/safety	Future	City
Limit Curb Cuts by encouraging shared entrances	Immediate	Private, City
Operations/Management		
Create Business Organization and apply for CDRP	Immediate	Private, City
Create visual coherency through signage	Future	Private, City
Create visual coherency through streetscape projects	Future	Private, City

Source: Economic & Planning Systems

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Community Nodes

44th and Western

Subarea: South/Southeast
Size (sq. ft.): 391,060
Retail Centers: Reding Shopping Center
Major Anchors: Sears, Wal-Mart Neighborhood Market, Target, Buy For Le\$\$ Super Mercado
Shopping Centers Value per Sq. Ft.: \$76
Shopping Centers Sales per Sq. Ft.: \$64
Retail Groups Sales per Sq. Ft.: \$233



Sears Store and large associated parking field

Issues and Conditions

The Western Avenue and SW 44th Street community node is located on Western Avenue between SW 36th and SW 44th, with the SW 44th intersection being the center of retail activity. On the southeast corner of SW 44th and Western Avenue is a Target store with an attached Ace Hardware store and two pad retail sites along SW 44th. On the northeast corner of that same intersection is a 23-acre parcel with a Wal-Mart Neighborhood Market along SW 44th and a large Sears store and auto center. Sears is a free standing store that was built in 1965. There is a large parking field north of the Sears building that exceeds current parking needs of Sears. On the west side of Western Avenue is a medical campus anchored by the Integris Southwest Medical Center. North of the medical center is additional retail development including a Buy For Le\$\$ Super Mercado, the Reding Shopping Center, and other retail pads, as shown in **Figure 26**.



Vacant, undersized inline retail space in Reding Shopping Center

Conclusions

While the Western and SW 44th community node is a viable community retail location, the area will require a greater concentration of retail activity to be successful in the long run. The Target and Wal-Mart Neighborhood Market are strong anchors for the node and can potentially leverage additional ancillary retail tenants. However, new retail activity has not occurred due to the lack of additional space associated with the current format of these anchors. The retail north of the medical center is disconnected from the activity at 44th and Western and has high inline vacancy as a result of limited store sizes. There is a vacant parcel in the middle of this collection of

retailers that could attract a single-user retail building, as well as a potential vacant pad site on the Target corner. The City should undergo conversations with Sears about the future of its store, as this will drive the future of redevelopment in the area. A potential redevelopment will likely require City participation, either through the establishment of a URA or other financial incentives. The City should also engage in conversations with the Medical Center as a potential community partner. Last, greater linkages, both internal and external, need to be created to promote greater opportunity for cross-shopping in the area.

Policy Framework: Revitalize

Table 23
44th and Western Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Engage Sears about future store plans and seek to redevelop site either as: New retail anchored community center (with Sears or other anchor) and ancillary space Senior-oriented development with new senior center and housing	Future	Private, City, Alliance
Seek opportunity for new quick-casual dining options to serve medical center	Future	Private, Chamber
Transportation/Access		
Create internal linkage between Medical Center and Super Mercado on west side of Western	Future	Private, City
Create new gateway entry point at Sears and Medical Center on Western	Immediate	Private, City
Create new gateway entry point at Wal-Mart Neighborhood Market and Target	Immediate	Private, City
Establish greater pedestrian connections identified gateways	Immediate	City
Operations/Management		
Engage with Medical Center to be community partner	Immediate	City
Establish a potential URA for redevelopment of Sears site	Future	City

Source: Economic & Planning Systems

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May Avenue and 122nd

Subarea: Northwest
Size (sq. ft.): 416,000
Retail Centers: Northpark Mall, Spring Creek
North, Town and Country Village
Major Anchors: Homeland, CVS, Walgreens
Shopping Centers Value per Sq. Ft.: \$84
Shopping Centers Sales per Sq. Ft.: \$75
Retail Groups Sales per Sq. Ft.: \$77



Northpark Mall sign/entry way

Issues and Conditions

The May Avenue and NW 122nd Street community node is a collection of three shopping centers at the intersection of two major arterials in northwest Oklahoma City. Spring Creek North shopping center on the northeast corner of May and 122nd was built in 1978 and is a traditional neighborhood center anchored by a Homeland grocery store and CVS pharmacy. On the west side of May Avenue is the Town and Country Village strip shopping center on the southeast corner of the intersection is the Northpark Mall. Northpark Mall was built in the 1970's as a first generation, enclosed mall. Because of the strength of this location, the mall has held on and remains a steady performing center. The tenant mix at Northpark is mainly local, unique retailers. The center is anchored by a discount movie theatre and two full-service restaurants. The community node serves a local trade area of 2 to 3 miles and is situated in an upper income area of the city with primarily single family homes surrounding it. Despite the three centers being built before 1985, the centers are all top performing centers in their categories. The strong performance of these centers is likely due to the strong demographic makeup the of the trade area the node serves.

Conclusions

The May and 122nd community node is a good example of clustering of community serving retail uses that is right sized and meets the needs of the surrounding trade area. The retail uses in this node are confined to a close proximity to the intersection and have not been allowed to strip along either May or 122nd. The three centers in this community node are well performing centers compared to peers in the city. The node does have fair amount of "parcelization" each retail corner along 122nd Street, as there are several individual, and individually owned, parcels within each corner. The collection of individual parcels, which were individually site planned, often creates the inability to for motorist and pedestrians to access each retail store on a given corner without exiting back on to one of the major arterials. This Node is successful in preventing this in some instances, specifically the parcels south of the Town and Country Village and the Walgreen's that is connected to the



Town and Country Village strip center sign

Northpark Mall parking lot. However, there are cases where connectivity is an issue; for example the three unconnected retail/office parcels on the west side of May Avenue south of 122nd Street and the gas station on the northeast corner of the intersection. There are also limited opportunities to cross either 122nd or May directly to enter another center/retail corner.

The Northpark Mall is a unique property due to its local retail stores and lack of a major anchor to the center. The center's ability to remain successful is a testament to the demand of the users in it, but is in an outdated format. This center is similar to the a more recent lifestyle format, which are typically open air centers but have the consistent theme of encouraging visitors to park once and walk to other destinations if needed/desired. The success of the entertainment oriented uses at the mall (restaurants, ice cream/yogurt stores, movie theatre) indicate a demand for these uses in the area and shows the preference for a more interesting and inviting environment than one found at a more generic center like Spring Creek North. This mall parcel is a large parcel, located in a good demographic and retail area. If the mall starts to struggle and vacancy increases (which is already high at 20 percent), then redeveloping the site into an alternative retail format, adding a mixture of uses, and increasing the pedestrian environment could serve to revitalize the center.

Policy Framework: Revitalize

**Table B9
NW 122nd and May Policy Matrix**

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Façade Improvements on viable existing centers	Future	Private, City
Focus on creating a mixed use center if Northpark Mall is closed	Future	Private, City
Transportation/Access		
Create direct automobile connects to centers across arterials	Future	Private, City
Require connection between individual pads and centers on each corner	Future	City
Limit Curb Cuts by encouraging shared entrances	Future	Private, City
Operations/Management		
Create design guidelines to require retail pads to have common architectural and landscaping	Immediate	Private, City
Aid in promotion of Northpark Mall as a local retailers destination	Immediate	Chamber, City

Source: Economic & Planning Systems

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May Avenue and SW 44th

Subarea: South/Southeast
Size (sq. ft.): 197,000
Retail Centers: Mayridge Shopping Center and
South Park Shopping Center
Major Anchors: Homeland Grocery
Shopping Centers Value per Sq. Ft.: \$19
Shopping Centers Sales per Sq. Ft.: \$26
Retail Groups Sales per Sq. Ft.: \$27



Mayridge Strip Center

Issues and Conditions

The community node at the intersection of May Avenue and SW 44th Street is made up of two aging strip centers (Mayridge and South Park) and a stand-alone Homeland Grocery Store. South Park strip center is the bigger (87,000 square feet) and newest (built in 1973) of two strip centers. Mayridge strip center was built in 1958. The two strip centers are on the south side of SW 44th. The Homeland grocery is on the northwest corner of the intersection with a corner pad site that has a Carl's Jr. fast food restaurant. The two centers and Homeland make up what should be one community shopping center, but all three elements were built separately during different decades. SW 44th Street has mainly homes fronting onto the street unlike SW 29th to the north. It is unclear why this intersection was chosen by Homeland as a location for a store other than the availability of land and intersection. The centers are poorly performing with rental rates. There is a large vacant parcel next to the Homeland grocery store which was likely intended to be built with inline retail space anchored by the Homeland.

Conclusions

This community node only nominally fits the definition of a community node, due to its anchor and the presence of multiple shopping centers. However, the total square feet of this node is less than entire Economy Square Center found at SW 29th and May Avenue. The node has enough viable retailers to constitute one shopping center but are spread over three corners. The vacant parcel next to the Homeland store presumable should be able to support new inline retail space to create a cohesive center. However, the fact that it has not happened yet likely indicates the lack of interest from retailers that could pay high enough rental rates to fill newly built space. The Mayridge Center is reaching the end of its useful life. The remaining tenants (Dollar General, a Mattress outlet, Cricket store and restaurants) at the center are achieving respectable sales considering the quality of the center and lack of draw to the node. The South Park Center is completely leased but achieving really low sales levels, likely due to the major portions of the space being leased by non-retailers.



Stand-alone Homeland grocery store and adjacent vacant land

Policy Framework: Re-vision

Table B10
SW 44th and May Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Develop ancillary retail space connected to the Homeland Grocery Store	Future	Private, City
Identify additional anchors to either the Homeland parcel or South Park center	Immediate	Chamber, City
Improve Mayridge Center or relocate retail tenants to new space attached to Homeland	Immediate	Private, City
Transportation/Access		
Require connection between individual pads and centers on each corner	Future	City
Limit Curb Cuts by encouraging shared entrances	Future	Private, City
Operations/Management		
Create visual coherency through signage	Future	Private, City
Create design guidelines to require retail pads to have common architectural and landscaping	Future	Private, City

Source: Economic & Planning Systems

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Northeast 36th and Kelley Avenue

Subarea: Northeast
Size (sq. ft.): 182,000
Retail Centers: Park Plaza, Northeast Shopping Center
Major Anchors: Dollar General
Shopping Centers Value per Sq. Ft.: \$8
Shopping Centers Sales per Sq. Ft.: Undisclosed
Retail Groups Sales per Sq. Ft.: \$39



Park Plaza (Park Estates) Shopping Center

Issues and Conditions

The community node at Northeast 36th and Kelley Avenue is mostly vacant. The node was anchored by two shopping centers, Northeast Shopping Center and Park Plaza Shopping Center. The Northeast Shopping Center located along NE 36th to the east of the intersection was built without a major anchor. The majority of the remaining occupied space is directly on NE 36th. The Park Plaza is a strip center with no anchor on the northeast corner of the intersection. There is a Dollar General on the northeast corner of the intersection which is not a part of Park Plaza center and cannot be accessed via automobile from Park Plaza. The remaining portions of the node include gas stations, isolated pad sites and a larger strip building that may have been the location of a larger store with attached inline retail but is not classified as center.

Conclusions

This area developed as the primary retail node for the northeast neighborhoods of Oklahoma City but has lost its original retailers and has failed to attract major retailers to backfill the space. The lack of commercial viability can be attributed to the low population and housing density in the area and low traffic counts along the arterials that intersect at this node. The northeast area of the city as a whole is underserved in most retail categories and lacks a viable retail node, corridor or even center to anchor retail activity. This node has the land attributes to be potentially redeveloped (large, underutilized parcels) but is likely not the best location for a new center to try and catalyze retail in this portion of the city. However, consolidation of retail uses in this node into one center could serve to right size the retail space at the intersection and open up redevelopment parcels that could have other uses. The demand for new development in this area is limited and may not make development feasible even with City incentives and/or investment.



Parking field in front of mostly vacant Northeast Shopping Center

Policy Framework: Re-vision

Table B11
NE 36th and Kelley Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Create Urban Renewal Plan for this node	Immediate	City, OCURA
Consolidated retailers into one cohesive center	Future	Private, City
Try to identify alternative uses for the mostly vacant Northeast Shopping Center	Future	City, OCURA

Source: Economic & Planning Systems

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Shepherd Mall

Subarea: Central
Size (sq. ft.): 293,000
Retail Centers: Penn Crossing
Major Anchors: Wal-Mart Neighborhood Market,
Buy For Le\$\$, Westlake Ace
Hardware
Shopping Centers Value per Sq. Ft.: \$80
Shopping Centers Sales per Sq. Ft.: \$249
Retail Groups Sales per Sq. Ft.: \$188



Dated Shepherd Mall Signage

Issues and Conditions

The Shepherd Mall community node is located along NW 23rd Street between mainly between May Avenue and Pennsylvania Avenue. The node is bordered on the eastern end by Oklahoma City University. The node is anchored by two grocery stores, Wal-Mart Neighborhood Market and Buy For Le\$\$\$. Also in the node is the former Shepherd Mall, a converted first generation, regional mall that was adaptively reused for several state and local government offices. The node serves convenience retail needs of the central Oklahoma City neighborhoods and is bolstered by the university and the employment at the Shepherd Mall offices. The Penn Crossing Shopping Center is one of the strongest neighborhood centers in the city.

Conclusions

The Shepherd Mall community node is a strong node that could be leveraged to spur additional development. The Shepherd Mall area is a mixed use area that integrates retail with other uses, albeit the office is in a retail building format. The Shepherd Mall building and parking lots may not be fully utilized. Unused parking lot and building space in the node should be considered for new users and even uses that will complement the existing retailers and offices. Efforts to integrate the roadway network from the surrounding residential neighborhoods could serve to create a more pedestrian friendly environment and open up the opportunity for more service retail and restaurants to be considered in the node.



Buy For Le\$\$ grocery store in Shepherd Mall Community Node

Policy Framework: Revitalize

Table B12
Shepherd Mall Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Find site and plan for multifamily housing around/in node to spur activity	Immediate	Private, City
Attract additional retailers to vacant or underutilized space and parcels	Immediate	Chamber, City
Transportation/Access		
Invest in pedestrian improvements/sidewalks/safety	Immediate	City
Create additional access points to the node for the surrounding neighborhood	Immediate	City
Operations/Management		
Create visual coherency through signage	Immediate	Private, City

Source: Economic & Planning Systems

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Warwick Crossing

Subarea: North/Northwest
Size (sq. ft.): 256,000
Retail Centers: Warwick Crossing, Warwick
Major Anchors: Wal-Mart Neighborhood Market,
Crest Food
Shopping Center Value per Sq. Ft.: \$79
Shopping Center Sales per Sq. Ft.: \$43
Retail Groups Sales per Sq. Ft.: \$74



Major drainage way separating retail buildings from Hefner Road

Issues and Conditions

The Warwick Crossing community node is located at the intersection of West Hefner Road and North Rockwell Avenue in northwest Oklahoma City. The node consists of two shopping centers, Warwick and Warwick Crossing, a Wal-Mart Neighborhood Market, and several other retailers all on individual pad/parcels. The two shopping centers are both located on the northeast corner of the intersection. Warwick shopping center is a neighborhood center anchored by a Crest Food, while Warwick Crossing is adjacent strip center. It would appear that there is only one center but there are two centers on different parcels with different owners. The northeast corner of the intersection consists of over 10 different pads with separate buildings on them, and there are still internal pad sites that are undeveloped, which need access via a separate parcel and ownership. On the northwest corner of the intersection are a collection of pad retail sites, the Wal-Mart Neighborhood Market, and an office use in what looks like a retail oriented building. Along portions of the north and south sides of Hefner Road just east of Rockwell is a large drainage way that crosses the road. This drainage bisects pad sites south of Hefner and pushed back the frontage of retail buildings on the north side of the Hefner Road. The southwest corner of the node has retail pad sites stripped along Hefner Road. There is a portion of undeveloped land around the Wal-Mart and to the south.

Conclusions



Vacant pad in middle of retail corner in Warwick Crossing

Warwick Crossing is a good example of a community node composed of locally serving retailers and community-oriented office and service uses. The node is disjointed and the large amount of parcels, combined with the lack of a coherent road pattern, has resulted in meandering connections and odd shaped sites. The southeast corner of node has eight curb cuts to access six retailers and it is not possible to access the corner retailers without exiting on to Rockwell or Hefner. The Wal-Mart Neighborhood Market is not connected directly to the adjacent retail. Also, the store is set in the middle of a large parcel that inhibits developing the remainder of the parcel for additional space. The development of grocery stores, the most common anchor to community nodes, often occurs on individual pads in Oklahoma City. This trend has prevented the ability to leverage additional retail space next to grocery stores, driving greater

demand for inline space and resulting in higher sales and rental rates. While this node is largely built-out, as new uses added and existing centers are modified, the City should evaluate the potential to address current connection issues. Consistent and centralized signage would help call attention to users buried in the corners, as well as to create a more aesthetically pleasing retail environment.

Policy Framework: Revitalize

Table B13
Warwick Crossing Policy Matrix

Action	Timeframe (Immediate/Future)	Role
Development/Redevelopment		
Plan for multifamily housing or office uses in node to spur activity	Immediate	Private, City
Attract additional retailers to vacant or underutilized space and parcels	Immediate	Private
Transportation/Access		
Create direct automobile connects to centers across arterials	Future	Private, City
Require and plan for connections between individual pads and centers on each corner	Immediate	Private, City
Limit Curb Cuts by encouraging shared entrances	Immediate	Private, City
Operations/Management		
Create visual coherency through standardized signage	Immediate	Private, City

Source: Economic & Planning Systems

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Commercial Revitalization Districts (CRDs)

Uptown 23rd

Issues and Conditions

The Uptown 23rd CRD is an emerging district recently formed by the businesses along NW 23rd from Western Avenue to I-235. The district is a loose collection of retail businesses that are trying to revive the area. The Uptown 23rd corridor is lined with older commercial buildings built primarily between 1920 and 1940, with large store windows fronting onto 23rd and smaller scale auto oriented retail with multiple curb cuts built between 1950 and 1970. There are some large vacant parcels and underutilized parking lots along 23rd. A portion of the roadway, between North Lee Avenue and North Harvey Avenue, features a raised median and landscaping. There has been some limited, but successful new investment along the corridor including; Tuckers Burgers, Big Truck Taco, and a creative reuse of four adjacent bungalows into new retail buildings with common parking and street access. The major architectural feature and potential attraction of the district is the Tower Theatre which is on the north side of the street between Walker and Hudson Avenues.

Conclusions

Uptown 23rd is different from the typical CRD in that it functions more like a commercial arterial (without traditional shopping centers) than a small local district. Thus, the length of the district makes it more difficult to create a unique destination than an area like Paseo or 16th Street Plaza. The recent success of Uptown 23rd is due primarily to the strength of the neighborhoods on the north and south of the street. The traditional commercial location and strong adjacent neighborhoods have driven retailers to locate along the corridor but this trend alone will not likely be sufficient to create a successful district over the long-term. A more concerted effort is required to reinforce recent successes and create a consolidated, vibrant retail destination. This includes transportation and traffic calming efforts, enhancing north-south connections to the adjacent neighborhoods, and activating the district with new entertainment and residential uses that drive activity for new retail.

Asian District

Issues and Conditions

The Asian District is a collection of Asian businesses and restaurants at or near NW 26th and Military Avenue. The district boundaries are approximately NW 23rd to the south, McKinley Avenue to west, Western Avenue to the east and NW 30th to the north. Classen Blvd. is the focal street of the district and recently had a major median improvement completed to provide an Asian themed streetscape along Classen to signify the district. The retail in this area is mainly Asian restaurants, food markets and other Asian themed general goods stores. A significant amount of the small strip retail buildings in the district have been built or refaced to fit an Asian motif. There is also new Asian-oriented shopping center at the corner of NW 23rd and Western Avenue.



Example of Asian themed façades

Conclusions

The district has taken the first major steps of creating a brand for the area through streetscape, signage, and architectural features. The district fits a niche specialty market and is reaching a critical mass sufficient to spur additional development and redevelopment that fits the district's brand. Going forward, the City should focus on enhancing the pedestrian environment along Classen, marketing the district to the greater metro area, encouraging and perhaps participating in the continued enhancement of façades and streetscapes and identifying redevelopment sites that for future development opportunities. Monument signage and entrances of the district would work well with the new streetscape to reinforce the district boundaries and create a sense of place.

Policy Recommendations

- Enhance pedestrian environment
- Maintain and build on architectural motive
- Identify locations to add retail or other uses that support the district

Stockyards City

Issues and Conditions

The historic Stockyards City is the commercial district serving what is touted as the world's largest stocker and feeder cattle market. The commercial district is home to many long standing, historic retailers and restaurants including the Cattleman's restaurant. The intersection of South Agnew Avenue and Exchange Avenue (which runs into the stockyards) is the center of the Stockyards City district, with the business fronting onto Agnew and Exchange as the main components of the retail district. The City has created an overlay zoning district for Stockyards City with a primary area around the Agnew and Exchange intersection and an influence area that stretches from SW 15th north to River Park and east to Pennsylvania Avenue. The zoning district overlay has requirements for urban design as well as land use within the area, in order to maintain and enhance the character of the area. The Stockyards City district has a business improvement district that was formed in 1992.



Agnew and Exchange Ave intersection in Stockyards City

Conclusions

The City and Stockyards City BID have done a good job of creating streetscape and entry signage for the district. The urban design regulations work well to reinforce the brand of the area. The area is largely isolated, with a minimal amount of residential neighborhoods to the south and east of the district. The district is primarily a destination node for metro area residents and out of town visitors. There are also a collection of locally serving businesses that support the businesses located at Stockyards City and the surrounding residents. The demand for additional retail is likely dependent on increasing visitation to the district as additional traditional retail demand is limited. The focus of the district should be to support and encourage the growth of retail and entertainment uses that support the Stockyards City's niche and identifying additional compatible uses, specifically employment, that locate in the general area that would add to the vibrancy of the area and create additional demand during non-peak hours.

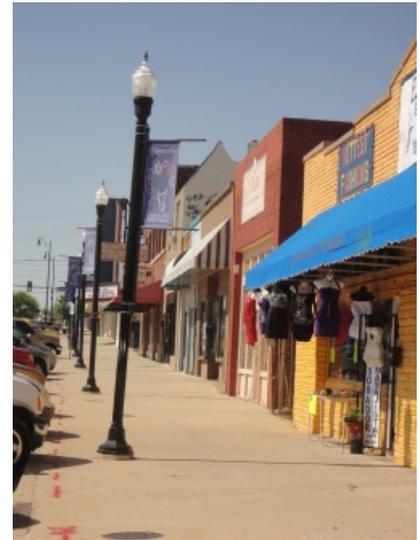
Policy Recommendations

- Grow visitation to Stockyards City through increased exposure, events and additional attractions
- Identify compatible uses that can be attracted to the area

Capitol Hill

Issues and Conditions

Capitol Hill is a historic business and commercial district along W Commerce Street (SW 25th Street) between S Walker Avenue and South Broadway Avenue. The district has become a multi-cultural district and is now a center for Hispanic oriented businesses and cultural amenities. The district however has a diverse array of businesses primarily serving the local neighborhoods. The Community Action Agency of Oklahoma and Canadian Counties is located in the district and provides a day-time population to support the businesses. Oklahoma City Community College also has its Capitol Hill Center located in the district which provides community outreach services and education programs. The district recently formed a BID. The first major project of the BID is the creation of the Capitol Hill Plaza which will serve as a central community gathering point. The district holds the annual Fiestas de las Americas festival typically in late September or early October.



Sidewalk along Commerce Street

Conclusions

The district has an invested group of members who are trying to promote the district. The district has become center for Hispanic business and cultural but has not fully adopted this image within their district branding and aesthetic. The district's primary role will be to provide local serving businesses and retail services to the surrounding neighborhoods, provide entertainment and dining options and serve a community gathering point. Given the higher concentration of Hispanic households in this area, orienting this district towards this population could create a successful niche. The historic building stock, enhanced streetscape and main street feel provides the bones for a successful local district. The district has done a good job in creating an attractive streetscape and investing in a community plaza. Efforts going forward should be on encouraging businesses and restaurants to locate in the district, increasing activity in the district through events and coordinated efforts and providing opportunities for property owners to enhance their building façades.

Policy Recommendations

- Grow the district as a local community gathering point
- Explore orienting the district as a Hispanic culture center
- Attract additional retailers, restaurants and businesses to the district

Midtown

Issues and Conditions

The Midtown District is located immediately north of downtown between NW 4th and 13th Streets and Robinson Avenue on the east and Classen Boulevard on the west. The center of the district is the confluence of N Walker Avenue, NW 10th Street and Classen Drive. This intersection has been made into a roundabout which serves as a focal point for the district along with the signage above the historic Plaza Court building. The city's largest and oldest hospital, St. Anthony's, is also located in the district.



Midtown Plaza Court Building and Sign

Conclusions

The area is the transition area between downtown and the affluent single-family neighborhoods north of NW 13th Street. The area is mixture of single and two-story commercial buildings, single- and multifamily housing, the hospital and related medical office buildings, and large amounts of vacant parcels. The businesses are primarily professional office spaces (i.e. lawyer and accountant offices), restaurants, and local service retail such as salons and gyms. Due to the block sizes, roadway enhancements, and building scale, the Midtown area is the most walkable area of the city and has the highest potential to evolve into a mixed-use district. There is ample opportunity for additional housing and mixed-use development to occur on the many vacant parcels in the district. Retail in the district should be focused on entertainment uses (restaurants, bars, etc.), service retail, and future potential for local serving convenience types goods including small scale grocery, drug and liquor stores specifically, a natural foods grocer (e.g., Sprouts or Natural Grocers) is recommended for the area.

The City can aid in the districts formation through providing assistance with site assemblage, addressing infrastructure issues, and providing flexibility for building types that would support a mixed-use environment. The promotion of Walker Street as the major multimodal connection between downtown and Midtown could also provide a focal street for encouraging retail users. Natural Grocer

Policy Recommendations

- Encourage the development of additional housing and mixed use buildings
- Oriented retail development in the district along specific corridors, specifically Walker Avenue, and around the Walker, 10th Street, and Classen intersection
- Turn Walker Avenue into the multimodal and activity spine of the district and connect Midtown to Downtown, Uptown 23rd and Paseo Arts District by enhancing Walker Avenue.

Paseo Arts District



Paseo Arts District Gateway Monument Sign

Issues and Conditions

The Paseo Arts District was a historic planned shopping district built in the 1920's along the curve portion of road that turns to connect NW 28th Street into N Dewey Avenue. The district has evolved over time into an arts district with complimentary restaurants uses. The original Spanish revival architecture has been maintained as the aesthetic theme of the district. The district is home to 17 art galleries and 60 artists and hosts a monthly first Friday art event.

Conclusions

The Paseo Arts District is one of the most successful niche districts in the city. It is well branded, provides signage and way finding that extends outside of its boundaries down to major roads, and has good mix of complimentary retail users and art galleries. The unique curve main street of the district creates an interesting setting that sets the area apart from the surrounding neighborhood. Districts such as Paseo have been able to build on the draw and success of the arts component and events such as First Friday to turn the district into attractive district that is no longer reliant on its original niche. While the pedestrian environment is good along the curved Paseo Street, the district could benefit from increased connections outside the district as sidewalks disappear on roads leading to the district. There are some unbuilt parcels in the district which could serve to increase the retail and art space or provide a place for some additional housing to be built to bolster the activity in the district. Walker Avenue is shared connection between downtown, Midtown, Uptown 23rd and the Paseo Districts. While other roads serve as major north-south automobile connections, Walker Avenue could be promoted as the enhanced multimodal connection with increased pedestrian and bicycle amenities. The continuation of the City's bike share program into the district north of midtown could be a way to encourage activity between the districts.

Policy Recommendations

- Encourage the development of additional housing and retail
- Oriented retail development in the district along specific corridors, specifically Walker Avenue, and around the Walker, 10th Street, and Classen intersection
- Connect Paseo to Midtown, Downtown, and Uptown 23rd by enhancing Walker Avenue as a multimodal corridor.

Western Avenue

Issues and Conditions

The Western Avenue CDRP is a collection of smaller commercial districts/nodes along Western Avenue from NW 36th Street on the south to Wilshire Blvd. on the north. The district includes an emerging node at NW 36th, a collection of shops and restaurants around the Will Rogers Theatre, another collection of shops and restaurants at the I-44 interchange, and then a strip of retailers and restaurants from NW 63rd to Wilshire Blvd. The Western Avenue Association also includes Classen Curve and the Nichols Hills Plaza shopping centers. The Western Avenue Associate is a business improvement district, which provides mainly marketing and promotional services to its members. There are also beautification efforts.



Western Avenue near Will Rogers Theatre

Conclusions

The organization of this many businesses along a long corridor is an impressive accomplishment and is a good way to promote the retail along the corridor and turn it into a destination. The larger membership allows for the BID to collect more revenue and do larger projects but requires investment be spread over a wider geography. This corridor connects a series of lesser nodes to create one destination. The organization formed at present works well for the purposes that it serves currently. The BID could work with the City to try and find a way to complete larger roadway improvement project that serve the entire corridor but don't require the BID to be the only participant. Travelers through the corridor do not perceive a connected corridor and a common sense of place due to the multiple nodes and gaps in commerce. This is not necessarily a bad thing, as each node could work to solidify its own niche and boundaries and use the greater BID as larger political and marketing entity. The focus should be on creating solid nodes of activity along the corridor and not allowing the corridor to further strip and dilute the nodes.

Policy Recommendations

- Focus on building and strengthening the existing nodes along the corridor, as opposed to connecting the nodes with retail.
- Try to establish identities for each node along the corridor to build each node as its own attraction.
- Use the BID participants and resources to try and leverage funds from the City to build any needed, larger infrastructure improvements for the entire corridor.

16th Street Plaza District

Issues and Conditions

The 16th Street Plaza District is a small commercial district along 16th Street from Indiana Avenue to Blackwelder Avenue in the middle of a residential neighborhood that is located between Classen Blvd and Pennsylvania Avenue. The district formed due to its location as the terminus of a trolley line and received its name from the Plaza Theatre that located there. The district is the location of a variety of locally oriented and locally serving retail shops, art studios, restaurants and bars and the Lyric Theatre.



16th Street Plaza District Landscaping

Conclusions

The district is only about two to three blocks long and the commercial spaces are largely occupied. The district has done a good job of creating signage and wayfinding to the district, but they can be enhanced. Streetscape enhancements have created a pleasing outdoor environment. The district is primarily small retail shops with limited food and beverage options, which is atypical for these types of districts which typically struggle to attract a collection of local retail shops. More restaurants and bars will increase traffic to the district and help support the retailers. The efforts going forward should be to increase visitation to the district, which the district has done a good job programming events to drive visitation, provide avenues for property owners to enhance façades and building quality, encourage infill development in the node and increase residential density in and around the node, which may be difficult with the establish neighborhoods surrounding the district.

Policy Recommendations

- Generate more street activity and night life by adding restaurants, bars, arts galleries and performing arts spaces.
- Create critical mass by expanding the number of locally owned and oriented retail shops and market the district as a destination for small, locally owned retailers.
Explore ways to help building owners to enhance their façades, buildings and land to create more and better retail spaces.