

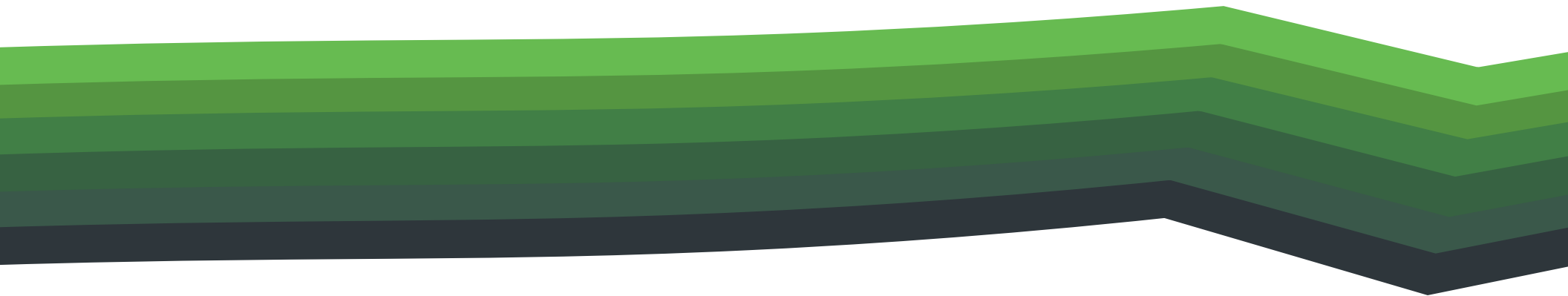
# Executive Summary

## *Centennial: Trading Spaces Developing Better Places*

*Prepared for the City of Centennial, Colorado*

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## *Introduction and Problem Statement*

Trends in retailing continue to shift with the decline of in person shopping and increasing rates of retail bankruptcies. As a result, the demand for retail space is shrinking, resulting in excess square footage and vacant store spaces. This creates challenges for cities that are reliant on tax revenues from these businesses and creates a question of what to do with the excess of retail square footage. At the same time, many municipalities are also facing constraints with overall and affordable housing supplies. Reuse and redevelopment of shopping centers into mixed-use options that integrate retail, entertainment, community resources, and housing is an option are studied and used as a solution to increase customer traffic, provide additional housing supply, and create centers that have a sense of place and community.

Centennial, Colorado is part of the Denver metropolitan area and is located approximately fifteen miles south of Denver. Incorporated in 2001, it is home to a population of approximately 108,000 and is a growing area. Centennial is experiencing these trends in retail and housing and is reviewing existing retail centers for opportunities for revitalization and or transition into mixed-use centers that can add housing. It can be difficult to determine how and where to prioritize redevelopment, and what factors can lead to a successful development.

The East Smoky Hill Road corridor in the eastern portion

of Centennial was identified by the city as an area with opportunity for retail redevelopment and transition to mixed-use. This capstone project examines six locations along the corridor to review existing conditions and determine which ones are most prime for redevelopment. This report reviewed research surrounding best practices and case studies as they relate to mixed-use development and used this information to create a development readiness scorecard. This scorecard considers the features that contribute to mixed-use project success. The report then evaluated and scored the six sites and developed recommendations for the higher scoring locations.

## *Background Research*

The academic literature is not consistent in identifying determining factors for mixed-use development or redevelopment success. This makes sense considering the wide variety, scope, and geographic locations of mixed-use projects. Additionally, research regarding development readiness scorecard factors and using a scorecard or matrix approach to determining which sites are most prime for redevelopment is still evolving, with inconsistent strategies for factor selection and scoring. There are several consistencies across the research however, including land use, the market, and finances being sited as the factors cited most frequently in mixed-use success.

This report reviews three examples of multi-factor scorecard analysis and indexes to score and determine

readiness. These included the Metropolitan Area Planning Council (MAPC) in Massachusetts, the Australian Housing and Urban Research Institute, and the Montgomery Planning Department. The MAPC study performed an analysis of the Boston region's strip malls and commercial properties, many of which were underutilized. Factors used to score the sites included parcel size, land and building values, walkability, flood risk, transit services, hazards, and sensitive habitats. MAPC scored the sites and the top 10% of suitable redevelopment sites were highlighted and reviewed to determine the impact of transitioning these sites to mixed-use including housing, with a finding that this could add 125,000 homes, which would be significant in their work to reducing their housing crisis. While this is a large metropolitan area with a different context than Centennial, the study does demonstrate what redeveloping underutilized retail sites into mixed-use could offer. The study also notes that they planned to keep 75% of the ground floor space retail, so they are preserving retail spaces while adding needed housing.

The Australian Housing and Urban Research Institute created an index of property redevelopment potential to review the best opportunities for housing redevelopment in greyfield spaces. This used land value and capital land value to identify properties with the most potential. The Montgomery Planning department also used a scoring matrix to assess mixed-use sites weighted variables measuring sustainability, walkability, and convenience. These studies are useful in reviewing how matrix or score-card style evaluations of properties can be used by

municipalities for planning.

This report also reviews two redevelopment case studies, Dior Dedham and The DeSoto Marketplace. The Dior Dedham shares some context with the locations in this project and was identified for redevelopment through the MAPC study. The DeSoto Marketplace is an example of adaptive reuse of a larger retail format with flexibility in layout to accommodate micro businesses, as well as an activation of excess space in the parking lot to create a gathering space for the community.

## *Methodology*

An existing conditions assessment was completed that reviewed retail occupancy type, storefront vacancy rates, pictures documenting site conditions including infrastructure and overall conditions, pedestrian connectivity, public transit, bike or pedestrian paths, and zoning. Demographic information on population, age, and race was also collected from the American Community Survey 2015-2019 years. Sites were also reviewed for Superfund and brownfield site status, as well as flood risks. Five factors were established for the creation of the development readiness scorecard including storefront vacancy rates, walkability, proximity to amenities land and improvement values, and overall site conditions. This information was collected, scored, indexed, then weighted based on relative importance to develop the overall development readiness scores for each of the six locations.

## *Findings*

The weighted scorecard results have a range of 13 to 26.125, with the higher scores indicating more readiness for development. The highest two scores are more clustered together in range, with the remainder of the results falling off a fair amount from the higher totals, with the lowest score being about half of the highest. The locations with the two highest scores on the final development readiness scorecard, indicating the sites are more prime for redevelopment, are Smoky Hill & Orchard (NE) and Smoky Hill Town Center. They score the same on storefront vacancy rates and proximity to amenities. Smoky Hill & Orchard (NE) has a higher Walk Score, a higher ratio of land improvement value to total value, and worse overall site condition. The lowest scoring site was Smoky Hill & Orchard (SE). This location had no storefront vacancies, was in good condition, and decent walkability and land and building value values.

## *Recommendations*

The highest scoring site on the development readiness scorecard is the Smoky Hill & Orchard (NE) site, which makes sense given this site lost its grocery store anchor. The site has a parking lot that was sized for a grocery store, but with only part of the store repurposed into a swimming school there is opportunity for infill or repurposing with the parking lot space or potentially some of the vacant for lease stores. The parking lot could be partially repurposed

to allow for food trucks and picnic tables, which could help drive retail customers to the site and provide a gathering place. There could also be potential for some pop-up retail with flexible space, which would fit well with current retail trends.

The next highest scoring site is the Smoky Hill Town Center, which currently houses the United States Postal Service and is near the Smoky Hill Library. Mixed-use or activity centers can be more successful if there are civic functions interspersed within. Increasing density and adding mixed-use retail and housing around the post office and creating or improving walkable connections to the library could provide an opportunity to create a Neighborhood Activity Center.

Finally, the Park-N-Ride location is ranked fourth and not third, however there is vacant land adjacent to the Park-N-Ride, which could be an opportunity to create a development that is more walkable and accessible to multimodal transportation. Introducing multi-family housing on the vacant land could be a potential option to offer to help mitigate the housing affordability and shortages within Centennial.



## Conclusion

The research and results presented in this report are an opportunity to develop further conversations and planning to revitalize or redevelop retail centers on the East Smoky Hill Road corridor. Updating these properties with infill development, retrofitted buildings, flexible space gathering places, and mixed-use or residential tenancy can help meet the needs of business owners, maintain, and improve city revenue streams, and needed housing, and create a sense of place. The development readiness scorecard helps identify which locations might be the most compelling sites to prioritize for mixed-use and other redevelopment options.

Recommendations Map

