

# Designing To Lease Mixed-Use

*Leasing specialist Denver McGarey and architect John Clark on collaboration for mixed-use.*

*Interview by Randall Shearin*

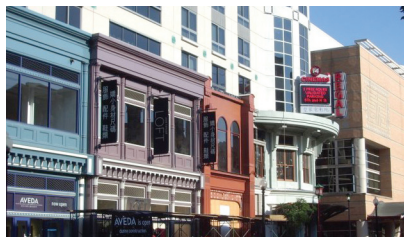
**S**hopping Center Business recently spoke with Denver McGarey, president of The McGarey Group, and John Clark, president of Clark Design, architectural consultant and former president of Development Design Group (DDG), about how design can impact the leasing of centers. Clark has designed such world renowned centers as Easton Town Center in Columbus, Ohio, and CocoWalk in Miami. McGarey has leased mixed-use centers his entire career with projects like Gallery Place. McGarey and his team are currently working on Worthington in Philadelphia and Westgate in Phoenix. Clark and McGarey both collaborated on Atlantic Station in Atlanta when that project was being developed a few years ago and more recently on Westgate, a project of The Ellman Companies.

**SCB:** How did you first work together?

**McGarey:** I was first introduced to John [Clark] through Lehr Jackson [of Williams-Jackson-Ewing]. John is the Picasso of our business. I really began working with him a lot on Atlantic Station, though, when DDG was hired to design the center. We never sat down and threw a term like 'New Urbanism' on the table. We never discussed the latest thing that someone else was doing. John threw 15 fashion maga-

zines in the middle of a conference room table and said, 'I'll be back in 2 hours, pick your religion.' He wanted us — the customer — to pick the look and feel of the center. He is an architect who cares about leasing and merchandising as a way to deliver the consumer experience. At Atlantic Station, even after his work was substantially done on the project, I would get calls from him asking if we landed specific retailers. At the end of the day, he created this design, and it has a living, breathing existence.

**SCB:** John, how do you approach projects?



*The McGarey Group has aided in the leasing of many mixed-use and urban retail developments, like Gallery Place in Washington, D.C.*

**Clark:** I am a big team player. I don't like to do projects in isolation. It is important to have a team of specialists as part of the concept meetings, particularly from the leasing side. I can wrap architecture around anything. But I need their input on who is leasing and what they are leasing and what visions they have for tenants, sizes, and feel of the space. The object is always to create A-plus spaces for every tenant.

**SCB:** You helped to design the first food court, right?

**Clark:** Yes, that was working with The Rouse Company. I was working at RTKL then. That was the first food court in the United States. That changed the retail in-



*Atlantic Station, Atlanta.*

dustry back then. That was the case of us coming up with an idea, then finding a developer who believed in that idea and built it. The idea then took off in the industry. A second case that was revolutionary was CocoWalk [in Miami]. Old Orchard in Chicago was the center that got me believing that open-air spaces could work. CocoWalk completely changed the industry by showing that unanchored retail could work. It used cinemas as an anchor instead of department stores. That project also led to the use of themed architecture. At DDG, we even carried that a step further by carrying themed architecture into retail with our design of Muvico Theatres.

**SCB:** What is the key to building projects that change the industry?

**Clark:** You have to have a client that wants to do a quality project and who wants to do something outside the lines. You don't need to take giant steps, but I think making projects unique and with quality are what change the industry.

**SCB:** Would you say Easton Town Center was one of those groundbreaking projects for the industry?

**Clark:** Yes. I thought a lot about my heritage in small town Virginia when we were working on the design of Easton. We also incorporated elements of European design and living at Easton. Easton



*The McGarey Group worked with John Clark (then with Development Design Group) to lease and design, respectively, Atlantic Station in Atlanta.*

revolutionized the industry because mall developers began to realize this open-air, town center environment was the future. No one is building malls anymore. When we did Easton, no one was building town centers.

**SCB:** When did mixed-use come into play for you?

**Clark:** Atlantic Station was really the first project that had a significant amount of other uses above the retail. It is not hard to see how dynamic these town centers are. People want to live there and work there. Since Atlantic Station, I have been focusing all my attention on mixed-use projects.

**SCB:** What is the most important aspect of mixed-use development?

**Clark:** The quality of the environment. I often say, 'it is not the architecture so much. It is the space between the buildings.' The negative space gives just as much character as the positive space. It's the character-giver of a place that people enjoy.

**SCB:** What makes retail work in mixed-use and town center environments?

**McGarey:** We have to focus on the consumer science aspect of leasing. We have to truly understand the people who live in the market. You have to define their needs. Everything that we do is relative to drive time in most markets. We merchandise without prejudice. Quite often, our clients are in a financial place that is different than the market that they are developing. We very quickly have to establish with the client that it is not about the bank, it is not about the architect, it is not about us. It is about the people who really live there. We have to give the people what they want. Once we establish that, we start working with the architect and the client. We want to create the best platform for the consumer to engage with the retailer. If we do that, then the retailer takes care of the landlord.

**SCB:** Denver, do you ever argue with the architects?

**McGarey:** Yes. Well, we debate. We want to make sure we are creating authenticity. If we are going to be in Hawaii you shouldn't build a project for New Jersey, and if you are going to build in New Jersey, don't build a project for Arizona.

**Clark:** We are not trying to create Disneyland in these places. We are trying to reach into history and steal from the best of buildings and materials. I don't generally do contemporary architecture. I just don't think there are that many great examples out there of buildings that are 400 feet long with the same architecture along the whole façade. The buildings and the materials are broken up to create a more human scale. Using real materials is an expensive proposition, but people appreciate things that they can touch and feel when they are in close proximity to them.

**SCB:** How should such a meeting between leasing and design be conducted?

**Clark:** The team approach we have really shortens the length of time for the design process and answers the needs of the consumer. The leasing person is giving me instant feedback as I'm drawing across the table. There are no bad ideas in a design meeting. I like to use a charette process, where we are all in the same room throwing out ideas. The leasing team and the development team should be in the room with their cell phones off. We just focus on the project, creating the sense of place.

**SCB:** When a developer approaches you, they probably say, 'We want something different than what's down the street.' These days, how do you go about giving them something different without reinventing the wheel?

**Clark:** I am always trying to improve what we've done before. Just because we have created the wheel doesn't mean we have to do something different the next time. I still go back to shopping center 101 – the dumbbell – sometimes. If you look at Easton, there is a dumbbell shape there. I always use an axis. Each end of the axis has something to draw you to the end of the axis. There can also be cross-axis. There has to be a terminus at the end of the streets so that people will make a turn and see what else the center has. Having the leasing team there to help position retailers so that they are along the axis helps. Also, it helps because they will listen to ideas. It took me forever to get them to put gourmet grocers into projects. It was obvious to me 10 years ago, but now everyone is doing it. You also have to look at change. It used to be record stores were a big draw to malls. There are no more record stores, really. We're also bundling

things more. We're building a lot more housing now as a part of retail centers. Sometimes, we are building twice as much housing as we are retail. You also have to have a team that is willing to go that extra mile and make a project happen. I remember at Atlantic Station, I believed so much that residential over retail would work that I said that I would design residential over retail and build a model at my firm's expense. We just did it. I told the development team that if they didn't like it, they could just lift the box off the top of the roof. I like to push ideas to make them happen. It ended up that the residential space was the first thing to sell.

**McGarey:** From a leasing perspective, we like to create a platform and a menu with local flavor to differentiate projects. We look for local branding, local boutiques, local cafes and restaurants. Local flavor is very important. We tell our clients it is ok to have a bank next to a sushi restaurant, next to a Pottery Barn next to a local apparel shop. It is not New Urbanism we are trying to create, it is old urbanism. It is what makes a city work. That also includes a sense of security. Part of that sense of security is using real materials. You don't want someone to be able to put their hand through a wall. It is the creation of a permanent place within an authentic setting. It has to come in like a Lego block and click into what is already happening in the area. We just had eight tenant tours at Westgate over 2 days. What is wowing the tenants is that everyone sees that what is being built there is the most superior, permanent place that will leave a watermark on the community. They know the project will be there for the long haul.

**SCB:** What's the challenge with designing mixed-use?

**Clark:** Creating good quality. We were trying to develop a list of mixed-use town center projects yesterday with quality residential space in them. We came up with about six of them across the U.S.

**SCB:** What advice do you have for those involved in the industry?

**McGarey:** Be humble in design, brave in action, and relentless in pursuit of a better experience for the consumer and retailer. **SCB**