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JUL 30 2009



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Where Values Make The Difference

MEMORANDUM

Economic Development – Council Memo No. ED 10-005

DATE: July 29, 2009

TO: MAYOR AND CITY COUNCIL

THRU: W. MARK PENTZ, CITY MANAGER
PATRICK MCDERMOTT, ASSISTANT CITY MANAGER
CHRISTINE MACKAY, ECONOMIC DEVELOPMENT DIRECTOR

FROM: JAMES SMITH, ECONOMIC DEVELOPMENT SPECIALIST

SUBJECT: CITY OF CHANDLER RETAIL ANCHOR CENTER STATUS UPDATE

This memo and the attached spreadsheets were prepared in response to Councilmember Orlando's request for Economic Development staff to provide a status update to Mayor and Council on retail anchor centers at the Thursday, July 30, 2009 City Council meeting.

The attached spreadsheets detail Chandler's current inventory of vacant anchor space (defined as 15,000 square feet or greater for the purpose of this analysis). The first worksheet lists vacant anchor space which, to Economic Development staff's knowledge, does not have current lease or purchase activity. The second sheet documents notable anchor space that is currently in lease/purchase negotiations and/or is being marketed for adaptive reuse, primarily office uses.

The City currently has approximately 406,000 square feet of vacant anchor space. However, it is important to note that the City's vacant anchor properties have been receiving significant interest. The former Linen's and Things near Chandler Fashion Center will reopen in September as a Buy Buy Baby, while the former Circuit City (Chandler Gateway) and Robb and Stucky (near Chandler Pavilions) are in active negotiations.

In addition, two other large retail spaces have garnered interest for uses other than traditional retail. These include the former Food for Less at East Valley Mall and the former Bank First call center at Alma School and Warner.

If you would like any further information or if you have any additional questions please contact me at (480) 782-3033.

CITY OF CHANDLER - ANCHOR SPACE OPPORTUNITIES

(> 50,000 Square Feet)

<u>Shopping Center</u>	<u>Intersection</u>	<u>Square Footage</u>	<u>Background/ Current Status</u>
Mervyn's Center	SWC Alma School/Elliot	74,862	Former Mervyn's
East Valley Mall	NWC Arizona/Warner	66,370	Former Food for Less
Chandler Commons	SWC Cooper/Ray	57,000	Former Bashas'
Kyrene Village	SEC Kyrene/Chandler	55,000	Former Bashas' (Sq. Ft. Approximate)

(15,000 - 49,999 Square Feet)

<u>Shopping Center</u>	<u>Intersection</u>	<u>Square Footage</u>	<u>Background/ Current Status</u>
Laguna Village	SEC Kyrene/Ray	36,743	Former movie theatre, floor has been leveled
Sunset Plaza	NEC Rural/Ray	25,106	Former Bally's Total Fitness
Sun Village Fair	NEC Alma School/Warner	23,837	Former Petsmart
Chandler Marketplace	NWC Alma School/Ray	19,325	Former Alberston's, DD's Discounts has portion of space
San Tan Plaza	SWC Arizona/Loop 202	17,600	Space never occupied, Kohl's anchored
Mervyn's Plaza	SWC Alma School/Elliot	15,305	
Santan Gateway	SEC Arizona/Loop 202	15,015	Former Paddock Pools
TOTAL ANCHOR SPACE AVAILABLE		406,163	

Chandler Retail Vacancy

Vacant Retail Space (Sq. Ft.)	1,297,364	
Total Retail Space (Sq. Ft.)	16,575,811	7.8%

Maricopa Co. Retail Vacancy

Vacant Retail Space (Sq. Ft.)	20,451,750	
Total Retail Space (Sq. Ft.)	197,041,742	10.4%

CITY OF CHANDLER - NOTABLE ANCHOR SPACE

(> 50,000 Square Feet)

<u>Shopping Center</u>	<u>Intersection</u>	<u>Square Footage</u>	<u>Background/ Current Status</u>
Smitty's	SEC Alma School/Warner	104,000	In escrow
The Boulevard	NWC Dobson/Chandler	86,000	Former MCI call center, marketed as office space

(15,000 - 49,999 Square Feet)

<u>Shopping Center</u>	<u>Intersection</u>	<u>Square Footage</u>	<u>Additional Informational</u>
Chandler Festival	NEC Loop 101/Chandler	35,000	Former Linens N Things, Buy Buy Baby to open in Sept.
Chandler Gateway	NWC Loop 101/Chandler	32,929	Former Circuit City, In lease negotiations
The Village at Sun Lakes	S of SWC Arizona/Riggs	29,700	County Island, Planned to be Big Lots!
Chandler Mercado	NEC Arizona/Warner	27,000	Former K-Mart, Next to PGA Tour Superstore, In lease negotiations
Chandler Gateway	SEC I-10/Ray	19,382	Former Robb & Stuckey, In lease negotiations