Dr. StrangeBox or:
How I Learned to Stop Worrying and Love Urban Big Box Retail
by
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ABSTRACT

Over the past decade, Big Box retailers have been trying to tap into urban markets after years of explicitly avoiding them in favor of suburban environments. In the past few years, retailers have begun experimenting with new store models and layouts to better integrate into these urban environments. Research was based on site observations and analysis of five case studies, consisting of Target and Walmart stores built since 2008 in Chicago and Washington, D.C. An examination of the range of these new urban Big Box typologies was conducted to assess the current state of this phenomenon and attempt to understand and project its impacts on cities. This study found that this trend of urban Big Box retail marks a paradigm shift, suggesting that general merchandise Big Box retailers such as Target and Walmart can and will likely become legitimate urban elements by adapting their form (through mixed-use development) and function (increasing emphasis on daily living essentials, fresh groceries in particular).

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INTRODUCTION

THE URBAN BIG BOX PHENOMENON
Over the past decade, a phenomenon has evolved around Big Box retailers attempting to move into urban markets. A multitude of forces—such as the oversaturation of the suburban market, evolving generational preferences for city living over suburbia, online retail, and the economic recession—coalesced to trigger this phenomenon in the past few years. Retail chains such as Target, Walmart, Best Buy, Home Depot, and others have responded by tweaking their conventional suburban models in an attempt to tap into dense urban areas after decades of tacitly ignoring them. This ongoing experiment has produced a spectrum of new urban retail typologies, with varying degrees of success, from the perspective of both the retailers themselves as well as the urban communities in which they operate.

Since the beginning of this phenomenon, there has been significant backlash against urban Big Boxes. For the most part, city planners and urban dwellers greet the influx of Big Boxes, emblematic of suburban sprawl and thus antithetical to urbanism, with skepticism and scorn. They argue against its auto-dependence and suburban form, functionality, and scale, which disrupt and degrade...
the urban environment. Many cities have passed legislation crafted with the explicit purpose of preventing Big Boxes from entering their respective jurisdictions (Gibbs 2012, 43). Numerous special interest advocacy groups, from environmentalists to neighborhood associations to proponents of labor rights, are organized against urban Big Box development. Those who oppose this phenomenon can point to numerous precedents that illustrate the negative externalities of Big Box retail when a store fails to integrate within its urban context.

In the early stages of this phenomenon, retailers neglected the need (or at least failed to understand how) to adapt their suburban models to the urban environment. Looking back, the negative impacts of these traditional Big Box stores on their surroundings seem all too predictable. Expansive surface parking lots broke up urban blocks and damaged walkability. Building setbacks created large voids between the stores and the street, further degrading the quality of urban streetscapes. Vast, windowless façades — irrelevant in suburbia where the proximity to adjacent uses is too great to make a difference — deteriorated the human scale of urban neighborhoods (Figure 1).

Recently, however, cities have reversed course and are now actively courting these retailers to open stores within their jurisdictions. These more receptive cities are motivated by a range of factors, including the need to bolster their tax bases, catalyze redevelopment, and/or provide much-needed goods and services to residents in under-retailed neighborhoods. There are also signs of innovation in the urban Big Box model, suggesting that retailers are recognizing the need to better integrate their stores within the urban context. Furthermore, there is a paradox evolving around where people live and where they shop. Demographics indicate that an increasing percentage of the population prefers urban living (Gibbs 2012, 44). As urban populations rise, so does the demand for local retail. Given the rising price of gasoline and ever-increasing traffic congestion, it is becoming increasingly time- and cost-intensive for urban dwellers to drive out to the suburbs to shop.

My research addresses the urban Big Box phenomenon by looking at Walmart and Target (America's two largest mass merchandisers) in Washington, D.C. and Chicago (arguably America's two cities most willing to embrace Big Box retail) in

Figure 1 - The Kmart parking lot in Wicker Park, Chicago, IL, serves as an example of suburban-style Big Box retail in an urban neighborhood.

- Jared H. Press
an attempt to determine whether it is passing trend
or a paradigm shift, representing the emergence of
a new urban element. If the urban Big Box proves
to have staying power, and is indeed a legitimate
element of urbanism, then what does this mean
for cities? Can we optimize the model through
design and site selection? If such a paradigm shift
is indeed plausible, cities will be far better served
if urban designers and planners consider how to
turn a Big Box into an urban asset rather than treat
it as an inevitable liability or threat. My research
seeks to address these questions by observing and
qualifying the range of typologies of the urban Big
Box and evaluating the respective impacts of each
typology on its surroundings. From this analysis,
I will draw conclusions about the current state of
urban Big Box retail, and in turn attempt to make
projections about its future.

The fact of the matter is that the urban Big Box
experiment is a relatively recent undertaking, and
it is far from being a proven model. Furthermore,
unlike the suburban and rural proving grounds in
which Big Boxes were born and perfected, because
the urban context is hyper-local and comparatively
irregular, it does not lend itself to models reliant on
mass replication. The success of Big Box retailers,
particularly the mass merchandise discounters, is
predicated on this formulaic reproduction of store
models that streamline operations. The resulting
efficiencies enable Big Boxes economies of scale
that maximize profit margins on each individual
item sold. This is easy enough in the suburbs, where
large parcels are relatively abundant and cheap.
The urban context, however, presents a range of
variables far more diverse and interrelated than the
suburban or rural context. Each store location is
unique unto itself. As such, the repercussions of
an urban Big Box's particular form and function are
all the more complex and impactful. We have seen
how a poorly designed Big Box store can degrade
the surrounding urban environment. At the same
time, a well-designed Big Box can be a great asset
for its surroundings, providing access to affordable,
in-demand retail and fresh groceries within walking
distance.

The primary finding of this thesis is that we are
beyond debating whether or not Big Box retailers
belong in an urban environment — it is a foregone
conclusion that Big Box retailers will operate in our
cities. My research has led me to the conclusion
that urban Big Box retail will become a ubiquitous element of American cities, because a) “retail follows rooftops,” b) cities have begun courting retailers to locate within their jurisdictions, c) the demand for inexpensive goods exists in cities, and d) retailers have proven capable of adapting their suburban formats to fit into legitimate urban forms. What this means for cities hinges on the last point: although Big Box retailers have recently demonstrated the ability to integrate seamlessly within an urban context, they still prefer and will likely continue to build suburban-style formats in urban areas whenever possible.

As such, the focus of this thesis then turns to the design of the urban Big Box. I believe that urban Big Box is an inevitable paradigm shift is because the population density of the urban market frees Big Box retailers from having to operate within some of the inherent confines of the suburban Big Box model, specifically with regard to parking capacity. This enables far greater adaptability to and integration within the urban environment. I will argue that urban Big Box retail can be leveraged to the mutual benefit of both urban communities and retailers by conceptualizing it as a tool for placemaking through mixed-use development.

The argument around urban Big Box retail is not limited to the physical design and siting of the store itself. Indeed, when evaluating the appropriateness of a Big Box retailer within a particular urban context, the issues of fair labor practices and the impact on local retailers must be taken into consideration. While this thesis does not intend to devalue the importance of those factors, it is confined in scope to the physical form and function of the urban Big Box. However, my research uncovered an unexpected finding pertaining to the impact of local businesses. The type of urban neighborhoods that Target and Walmart are locating in tends to lack local retail to begin with. The historic under-retailing of urban communities, discussed in greater detail in Chapter 2, is one of the primary drivers behind the urban Big Box phenomenon.

**HYPOTHESIS**

By treating its form and function as assets, rather than liabilities, Big Boxes can serve as tools for placemaking and the creation of non-retail urban amenities.
Designing Big Box infrastructure to support other urban elements and community amenities, such as housing, flexible office space, R&D facilities, park/recreational space, urban agriculture, etc., results in a mutually beneficial outcome for urban communities as well as retailers.

**METHODOLOGY**

For the purposes of this thesis, the urban Big Box is taken for granted—a ubiquitous element of the American urban landscape—so as to move past the debate of whether or not it should be permitted in cities. From this starting point, I will address the question of how to best optimize a Big Box store, through design and site selection, as a compatible and complimentary element of its surrounding urban environment. In order to understand how to optimize an urban Big Box store, one must survey the range of store typologies in existence. I defined my population as national chain, general merchandise discounters and selected for study the two largest mass merchandisers in the country: Walmart and Target (2012 Fortune 500 Rankings).

I chose to focus on mass merchandisers, as opposed to “category killers” specializing in one product category, such as Best Buy and Home Depot, for two reasons. First, mass merchandisers like Target and Walmart offer a diverse range of goods—some of which, like groceries, are daily essentials—that make them more compelling elements of urban neighborhoods than a PetSmart. Everyone needs bread and toilet paper; not everyone needs dog food. And second, as “one-stop shopping” destinations, I believe that mass merchandisers are better insulated than category killers against competition from online retailers such as Amazon.com. One trip to Target or Walmart can satisfy a customer’s full spectrum of retail demand; especially perishable items or those needed same-day that online retailers have yet to master.² For this very reason, Target and Walmart are devoting more shelf space in their urban stores to daily living essentials that people tend to need on the spot.

In addition to being the two largest general merchandisers, both companies are also ²Amazon.com is currently piloting same-day delivery service and Peapod offers online grocery shopping in Chicago and Washington, D.C., amongst other cities. The potential success of these services represents a legitimate threat to one of mass merchandisers’ greatest competitive advantages: convenience. That both Walmart and Target are developing same-day delivery services confirms the legitimacy of the threat of online retail.
demonstrating the ability to innovate in the design of urban Big Box stores. Within the past two years, new concept stores have emerged from both companies, with Walmart launching its “Walmart Express” format in 2011, and Target opening its first “CityTarget” concept stores in 2012.

Next, I further narrowed my population by location, looking at Walmart and Target stores in Chicago and Washington, D.C. for study. These two cities are exhibiting notable receptiveness to urban Big Box retailers, and both Target and Walmart have increased their presence considerably over the past decade, as illustrated in the metro area maps on the following pages. Between these two cities, the “spectrum” of urban Big Box store typologies, based upon my survey of a much wider range of Walmart and Target stores in cities across the country, is fully represented. I have classified five distinct typologies:

- Urban Mall Anchor: conventionally sized Big Box anchoring single-use, urban mall; significant parking capacity.

- Mini Box Format: stores with ultra-downsized footprints (15,000 to 40,000 sf) that cater to convenience shopping for daily living essentials and groceries; may or may not include parking.

- Large Stand-alone Format: detached, conventionally sized Big Box; significant parking capacity.

- Infill Format: reuse of existing building space previously used for retail; relatively similar in size to conventional format; may or may not include parking.

- Mixed-Use Format: retail/residential combined in new building; retail component relatively similar in size to conventional format; significant parking capacity provided.

My research consists of five case studies, one for each typology. I visited the four case studies that are completed projects in person to conduct site observations and analysis. The Mixed-Use Format, represented by the H Street Walmart in Washington, D.C., is currently under construction, and as such my analysis relies upon existing designs and plans and an interview of the project developer.
METROPOLITAN CHICAGO
Through 2000

- Existing Target Store
- Existing Walmart Store
- Urban Area
- Non Urban Area
METROPOLITAN CHICAGO Through 2007

- ○ Existing Target Store
- ★ Existing Walmart Store
- □ Urban Area
- ▐ Non Urban Area
METROPOLITAN
WASHINGTON, D.C.
Present Day

- Existing Target Store
- Existing Walmart Store
- Proposed Walmart Location

Urban Area
Non Urban Area
THE EVOLUTION OF THE AMERICAN CITY THROUGH THE LENS OF RETAIL

A study of urban Big Box retail requires an examination of Big Box retail itself. The origins of the Big Box store are rooted in the history of retail, and the evolution of retail in America goes hand in hand with that of its cities. According to Julia Christensen, author of “Big Box Reuse,” “In the United States, the government is based on the economic (and political) philosophy of capitalism, and as such, land use is often determined by the promotion of activities that uphold capitalism” (Christensen 2008). So it should come as no surprise that the form and function of both cities and retail have a deeply intertwined relationship. The exchange of goods has always served as one of the foundational elements of city settlement – particularly in the American city, given its relatively short existence – and one can trace the history of cities through the lens of retail.

THE MERCANTILE CITY
The origins of many American cities are based in their geographic orientations along strategically advantageous trade routes. As trade grew, so too did each city in size and population, outwardly from the ports and transportation junctions. Boston, for example, evolved from a colonial settlement into a major international port due in part to the naturally deep waters of its harbor. During the period of America’s westward expansion, Chicago blossomed as an essential trading post because it afforded a short portage between the Great Lakes and the Mississippi River. As cities shifted from agricultural to mercantile economies, they came to be known for their prosperous marketplaces, such as Faneuil Hall in Boston and the French Market in New Orleans.
THE INDUSTRIAL CITY

By the end of the 19th Century, the increasing industrialization of ports, coupled with the advent of streetcar lines, transformed central business districts into the epicenters of American cities. Downtowns became synonymous with department stores, such as Macy's in New York City, Carson Pirie Scott & Co. in Chicago, Hudson's in Detroit, and Dayton's in Minneapolis, which redefined the shopping experience. Smaller merchants and general stores could not compete with the universal offerings of the downtown department stores, which occupied multistory buildings as large as entire city blocks.

In 1878, the New York Times captured the spectacle of the department store shopping experience in an article titled “The Great Sixth-Avenue Bazaar; Opening Day at Macy & Co.'s – A Place Where Almost Anything May Be Bought”:

“During the past few days, on the occasion of the
3 Descendants of George Dayton, founder of Dayton’s Dry Goods Company, opened the first Target discount store in 1962. Dayton’s merged with Hudson’s in 1969 to become the Dayton Hudson Corporation, and in 2000, changed its name to the Target Corporation.
The Evolution of the American City through the Lens of Retail

Spring opening at the vast establishment of R. H. Macy Co., of Fourteenth-street and Sixth-avenue, the place has been unusually crowded with visitors. This house is so well known that it is almost unnecessary to say that unusually crowded means it was scarcely possible to move about the premises. The special attraction of the house consists in the universality of the stock, almost every article of dress and household furniture being for sale there, and at the most reasonable prices. A lady can do all her shopping, however extensive it may be, and however long it may occupy her, without even leaving to seek refreshment elsewhere, for there is a separate department devoted to this purpose.” – New York Times, April 4, 1878

THE DECAYING CITY AND THE RISE OF SUBURBIA

Following World War II, the Federal Housing Administration (FHA) and Veterans Administration (VA) loan programs fostered the rise of Suburbia and, subsequently, the birth of Big Box retail. The FHA and VA loan programs were designed to spur homeownership as well as the homebuilding industry, but the unintended impacts upon both cities and retail were just as transformational.
Thanks to these programs, it often became cheaper to buy a house in the suburbs than to rent an apartment in the city (Jackson 1985, 203-206). Owning a home in the suburbs became a symbol of the American way of life, and millions of families jumped at the opportunity to achieve it (Jackson 1985, 203-206). This mass exodus from the cities catalyzed retailers to do the same:

"It did not take long for merchants to realize that their customers had relocated and to follow them out. But unlike America's prewar suburbs, the new subdivisions were being financed by programs that addressed only homebuilding, and therefore neglected to set aside any sites for corner stores. As a result, shopping required not only its own distinct method of financing and development but also its own locations. Placed along the wide high-speed collector roads between housing clusters, the new shops responded to their environment by pulling back from the street and constructing large freestanding signage. In this way the now ubiquitous strip shopping center was born (Duany 2000, 8-9)."

While America's suburbs flourished, thanks in part to the growing discount retail market, its inner cities hollowed out, becoming retail deserts. A multitude of forces led to widespread disinvestment in urban infrastructure and services. Kenneth Jackson, author of Crabgrass Frontier, states, "FHA programs hastened the decay of inner-city neighborhoods by stripping them of much of their middle-class constituency" (Jackson 1985, 206). Robert Gibbs, author of "Principles of Urban Retail Design and Development," highlights the negative impact that highway construction during the mid-to-late 20th Century had on downtown shopping districts, as "bypass roads often reduced traffic on main streets by up to 85%," isolating urban retailers from their customers (Gibbs 2012, 45). Soon, jobs joined in the outward migration, as companies began relocating closer to their workforces (Duany 2000, 9). These forces combined to drain American cities of the retail that was once a central draw and economic engine. From 1954 through 1977, the total retail market share in American urban centers declined by 77% (Gibbs 2012, 45).

This new landscape sparked an evolution in the form and function of retail, giving birth to a new type of company. It is during this period, in 1962,
that the first Walmart, Target, and Kmart stores opened, in Rogers, Arkansas, Roseville, Minnesota, and Garden City, Michigan, respectively. Their timing was impeccable. A 1963 American Society of Planning Officials report illustrates just how well suited discount stores were for the burgeoning suburbs:

“The discount store has filled a retail commercial vacuum in two respects. First, the discount store is relieving an ‘under-stored’ situation in the suburbs. Conventional retail outlets have not kept up with suburban population growth and consumer demand. Second, the consumer purchasing power has been held constant during the past few years. Therefore, the consumer has attempted to find ways of making his spendable dollars go further. Discounters, recognizing this factor, introduced innovations to capture the consumer’s attention and dollars and to increase his purchasing power. Thus, the discount store has become a formidable force on the retail scene.” – The American Society of Planning Officials, 1963

THE GREAT INVERSION
Since the late-20th Century, many American
metropolitan areas have witnessed a population transformation, whereby the more affluent residents are opting to relocate in urban centers. Alan Ehrenhalt, author of "The Great Inversion and the Future of the American City," labels this phenomenon "demographic inversion," which he defines as "the rearrangement of living patterns across an entire metropolitan area, all taking place at roughly the same time" (Ehrenhalt 2012, 3). According to Ehrenhalt, "we are living at a moment in which the massive outward migration of the affluent that characterized the second half of the twentieth century is coming to an end" (Ehrenhalt 2012, 7). Multiple forces contributed to this demographic inversion, from an evolution of cultural tastes across generations to the rising cost of living in the suburbs. But the key takeaway is that a significant portion (the more affluent portion, according to Ehrenhalt) of the consumer bases of Big Box retailers is expressing and acting on a preference to live closer to dense, city centers – exactly where Big Box retailers had avoided since their inception.

4 See "The Great Inversion and the Future of the American City," by Alan Ehrenhalt, p. 9-13, for a more detailed explanation of the impetus of the "demographic inversion."
THE URBAN BIG BOX EXPERIMENT

TROUBLE IN PARADISE
The demographic inversion was just one component of a perfect storm of economic and cultural forces, set in motion long ago, that had begun to coalesce around American Suburbia and Big Box retail at the turn of the century.

Over the past 50 years, the volume of retail across the country exploded, from approximately four square feet of retail per person during the 1960s, to almost 40 square feet per person this decade, the majority of which occurred in the suburbs (Holeywell 2012). After decades of new store expansion, Big Box retailers oversaturated their traditional suburban markets to the point that building a new store simply cannibalized an existing location. Market analysts speculated that Walmart had run out of space when the company began reducing its openings of U.S. Supercenters in the late-2000s, from 132 in 2007 down to just 49 in 2009 (Bustillo and Martin 2010). Before 2008, Target was opening a new store every four days on average; in the first quarter of 2012 it added just one (Townsend 2012).

At the same time, the rapid rise of online merchandisers posed an entirely new competitor, one that could compete with the Targets, Walmarts, and Best Buys on price. According to Matt Arnold, an analyst at Edward Jones & Co. in Des Peres, Missouri, “the biggest challenge for big boxes is increasing consumer confidence in making online purchases” (Welch, Burritt, and Coleman-Lochner 2012).

Many of these factors may have caught the attention of Big Box retailers, but the economic recession of 2008 forced their hand. According
to John Lupo, a retired Walmart executive, "Big boxes boomed in the go-go 1990s. Fueled by an inflated stock market and loose credit, Americans expanded farther into the suburbs and filled their new homes with appliances and consumer goods... The housing boom propelled the big-box retailers into the new millennium. Then came the crash and consumers pulled back" (Welch, Burritt, and Coleman-Lochner 2012).

As a result retailers saw sales drop steadily. Up until the "third fiscal quarter last year, Wal-Mart had posted eight consecutive quarters of declining sales at stores open more than 12 months. Best Buy posted five straight quarters of profit decline before reporting a $2.6 billion loss on March 29 [2012], while analysts forecast declining same-store sales and profit for Target [in 2012]" (Welch, Burritt, and Coleman-Lochner 2012). The recession left approximately 1 billion square feet of retail space vacant (Holeywell 2012).

GIVE THE PEOPLE WHAT THEY WANT
Big Box retail, especially mass discount merchandisers such as Walmart and Target, have an image problem to overcome. They sell low quality goods at low quality prices, and as such are, to many people, emblematic of material excess and waste. But this matters little to residents of neighborhoods that do not have any retail at all. And it becomes a non-issue in neighborhoods that are “food deserts.” Target and Walmart are well aware of the demand for fresh and on-the-go food, and have adapted their approach to urban markets by placing a heavy emphasis on groceries.

In the Chicago neighborhood of West Chatham, where Walmart opened a new Supercenter in 2012,
Alderman Brookins sees the retailer providing a much-needed service. “It may not be right for everybody, but in our community, it works. In our community, the mom-and-pop stores have long since left” (Holeywell 2012).

The emphasis on groceries is great for communities, but it also serves a vital role for retailers, because groceries are necessity items for which shoppers make more frequent trips to the store to purchase. This is an essential element of the urban Big Box retail business model. In order to drive sales at an urban store, retailers have to rely on a higher frequency of customers compared with a suburban store, where shoppers tend to make higher volume purchases, albeit at a less frequent rate. The distinction at hand is between two types of shopping trips: the high-volume, car-dependent stock-up trip, normally made to the large format supercenters; and the low-volume, on-foot convenience trip. The convenience trip is more typical in urban areas, where fewer customers arrive by car, and thus can only carry so many items home with them. Most urban Big Box stores don’t even both stocking bulky items, like an outdoor gas grill. As these items are less likely to be purchased in an urban store, retailers...
need to rely on customers making more recurrent trips to the store. Minneapolis retail consultant Stan Pohmar explains, “food may be a little bit lower profit margin product than Target's general merchandise, but it's purchased more frequently. And when people come into a discount store to buy groceries, they... usually buy something on the general merchandise side of the store that carries a higher profit margin” (Alexander 2013).

In 2008, Target began piloting a new store remodel initiative, known as PFresh, which increased the size of grocery sections in existing general merchandise stores. By 2010, 350 of the 1,752 Target stores nationwide had been remodeled to include the expanded food layout (Vega 2010). By mid-2012, the number of stores with a “Fresh Grocery” section exceeded 1,000 out of 1,763 total stores (“Target Remodels 30 Stores to Expand Fresh Food Selection” 2012). These stores dedicate approximately 10,000 square feet of space to food. According to Will Setliff, former vice president of marketing at Target, “the concept is built around the notion of fill-in trips and convenience trips. There’s a real need for convenient and affordable grocery options” (Vega 2010).

MUNICIPAL COURTSHP
According to Robert Gibbs, “Cities are most sustainable when they sell the goods, brands, and services that are desired and needed by their community as long as they maintain a walkable urban environment and respect the urban fabric” (Gibbs 2012, 50 n5-2). Cities have watched their residents spend their disposable incomes in outer lying jurisdictions for decades. According to Walmart, Chicagoans spend nearly $500 million each year at Walmart stores outside the city; New Yorkers spend $200 million; and Washingtonians spend $40 million (Holeywell 2012). But as budgets get tighter and tighter, municipalities are starting to go out of their way to attract retail inside the city limits.

To remain competitive, many cities are recognizing that in certain areas, Big Box retail fills necessary voids. Says Mark Funkhouser, the former Mayor of Kansas City, “the impact of the recession has finally worn down many of these urban holdouts, and leaders in places like Chicago and Washington, D.C., now are actively courting Walmart” (Funkhouser 2012).
In cities prone to under-retailing and food deserts, officials are actively pitching Big Box retailers to fill local retail voids. Funkhouser tried unsuccessfully to get Walmart to open in downtown Kansas City, but his characterization of the potential upside of an urban Walmart illustrates the perspective of a municipality: “The number one problem in Kansas City was the need to stanch the flow of families from the city’s urban core, and one of the most frequent complaints by these families was the lack of access to a decent grocery store... There are good reasons to want Walmart, especially in the poorer parts of the city. In many cities, the poorest people often must pay higher prices for the things they need than people in the more affluent suburbs pay. Walmart brings low prices, and it can also bring groceries and fresh produce to parts of the city that are ‘food deserts’... cities need what Walmart brings” (Funkhouser 2012).

**URBAN VERSUS SUBURBAN**

To better illustrate the distinctions between urban and suburban Big Box retail, I conducted a qualitative and quantitative comparison between the urban stores chosen for my case studies and one conventional Target and Walmart store each in the Chicago and D.C. metro areas. These stores were all built before 2000 and are located outside the jurisdictions of Chicago and Washington, D.C. These stores include the Northlake Walmart (1993) and Schaumburg SuperTarget (1994) in suburban Chicago, and the Alexandria Walmart (1995) and Silver Spring Target (1998) in suburban D.C. The locations of these stores, as well as the case study examples, are shown in Figure 12. Using data from the 2012 ESRI Business Analyst Desktop, Figure 13 displays the increased population density typical of urban Big Box retail locations in both cities. Figure 14 illustrates the market potential associated with these dense urban areas, and how much larger it is when compared with that of the suburban stores.
Figure 12 - Suburban Big Box vs. Urban Big Box Store Maps
Figure 13 - 2012 Populations within Given Radius from Stores

Source: 2012 ESRI Business Analyst Desktop
Figure 14 - 2012 Total Addressable Market within Given Radius from Stores

"Average Household Disposable Income" X "# of Households within Radius"

Source: 2012 ESRI Business Analyst Desktop
ANATOMY OF A BIG BOX

To succeed in discount merchandising, retailers must achieve operational efficiencies to maintain profit margins on the relatively inexpensive goods they sell. When it comes to operational efficiency, Walmart is the gold standard. The company’s trademark “hub and spoke” distribution system – with 158 distribution centers, 6,500 tractors, 55,000 trailers and more than 7,000 drivers – gives it an expansive reach across the country that cuts down on the time it takes to replenish store inventory (“Walmart Logistics” 2013). According to Walmart’s website, each distribution center supports 90 to 100 stores in a 200-mile radius. Distribution centers are over 1 million square feet in size, and use more than 5 miles of conveyor belts to keep products moving around the clock. Walmart can restock an item within 24 hours, minimizing the possibility that a customer would have to shop elsewhere because a product was unavailable. This optimization of inventory levels gives the company another essential competitive advantage: it can devote significantly less store square footage (10%) to storage than competitors (25%). As illustrated in Figure 20, a floor plan diagram of the proposed Capitol Gateway Walmart in Washington, D.C., back-of-house space accounts a relatively small percent of the stores overall square footage. This enables Walmart to meet customer demands while overcoming the traditional cost of maintaining inventory to do so (Selko 2007). This also allows Walmart to increase the range of products it can put in front of their customers. Says Jay Fitzsimmons, a Walmart senior vice president and treasurer, “we’re in the distribution business. It’s Wal-Mart’s job to bring a product from the dock to the customer’s trunk in as little as 72 hours” (Selko 2007).

As shown in Figures 15-19, the conventional
design and site selection of Big Box retail stores illustrates the emphasis that companies like Walmart and Target place on efficiency. Ample space is provided for shipping and distribution on the backside of the store. Multiple loading bays ensure that overlapping deliveries do not cause a delay (Figure 21). These areas are often accessible by dedicated roads, back alleys, and/or turnouts, so as to separate delivery trucks from customer traffic.

Another form of circulation, that of the customer and his or her shopping cart, is carefully tended to inside of a Big Box. Floor plans are designed to be free of all obstructions that might impede, deter, or frustrate customers. Aisles are ideally wide enough for two carts to pass with ease. with shelves being the one obvious exception. Pillars are rare, and if necessary are placed strategically at intervals that allow them to be wrapped or concealed by a shelving unit. Shelf space is not taken for granted, as the more products made visible to the customers, the more sales the store will generate. This priority explains in part the lack of windows characteristic of Big Box stores (another factor being construction costs). A wall with windows is a wall without a shelf, and the potential loss of
Anatomy of a Big Box

sales will override the desire to improve the indoor environmental quality most of the time. Big Box stores are not opposed to skylights, however, as studies have shown that natural light increases sales, regardless of product type or store location, when compared with fluorescent or incandescent light ("Skylighting and Retail Sales: An Investigation into the Relationship Between Daylighting and Human Performance" 1999).5

The degree to which Big Box retailers cater to the automobile cannot be overstated. It should come as no surprise, given that the design of the prototypical suburban Big Box store rests on the premise that all customers will access the store

5 From a Wall Street Journal article describing Walmart's experience with testing skylights as part of "Eco-Mart" in Lawrence, Kansas: Wal-Mart claims energy savings from drawing natural light through the skylights. But 'something else has gotten the corporation's attention,' says the Rocky Mountain Institute. In every Wal-Mart store, each cash register is connected in real time back to headquarters in Bentonville, Ark. According to Tom Scay, who was then the company's vice president for real estate, sales were 'significantly higher' in those departments in the daylit half of the store, and they were also higher there than in the same departments at other stores. Employees in the half without daylighting continue to try to have their departments move to the daylit side (Pierson 1995)."
by car. The auto-dependence of Big Box retail is primarily a factor of location – the typical Big Box store is virtually inaccessible by any other means. However, even when customers can walk, bike, or take a bus or train to a store, retailers would still prefer they drive, because with a car, they can carry far more goods and thus are likely to spend more money. So as not to miss out on any potential customers, retailers prefer, and often demand, their parking lots be large enough to accommodate their annual peak demand, which is always the day after Thanksgiving (Ben-Joseph 2012, 16). The typical Big Box parking lot carries a ratio of 4 to 5 spaces per 1,000 square feet of retail, much of which is underutilized throughout the year. Parking lot pics

If a lack of alternative modes of accessibility and the spending tendencies of customers were the only factors, retailers would move their parking lots to the back of their properties and give their stores the prime, eye-catching street frontage. But the bond between parking and Big Box retail is further reinforced by the underlying but increasingly important factor of convenience. The relative convenience of getting to a particular store versus another is one of three factors (the
Anatomy of a Big Box

Others being price and quality) upon which the vast majority of consumers decide where to shop. Even the perception of convenience can lure potential customers. As a result, surface lots tend to be located alongside adjacent roadways to assure passing drivers of the availability of convenient parking. It is not an accident that the mental image of a Big Box store invariably includes a spacious surface parking. It is engrained in anyone familiar with suburbia, and provides constant reassurance: “yes, I will definitely be able to find a parking spot a Walmart on my way home from work this evening.”

The lack of space constraints in the suburban environment enables retailers to build Big Boxes as they are: nondescript, inward-facing structures. Without a surrounding built environment, the Big Box has little, if any, context to relate to or with. All Big Boxes are spatially disconnected from the one infrastructural element that they share in common – the road – by the voids resulting from acres of paved surface lots. But in the sporadically developed suburbs, the Big Box is logical, practical, and functional. With a simple, replicable design, it can be built quickly and inexpensively. Because of these qualities, it facilitates in-demand discount merchandisers. It can be criticized for being cheap, wasteful, and aesthetically uninspiring, but the Big Box is a rational manifestation considering the surroundings, or lack thereof. Without space constraints, Big Box retailers have no reason to be conservative. And in the absence of a public realm, they don’t need to adapt the conventional form for the sake of integration. It is a product of its environment.

The conventional form and function of Big Box retail becomes more problematic in urban environments, where higher levels of density impose unfamiliar space constraints. In such contexts, Big Box features such as scale, orientation to the public realm, and parking configuration and capacity, take on an entirely new relevance. Some of the foundational elements of the Big Box, perhaps inconsequential in a suburban context and thus taken for granted, evolve into sources of negative externalities in urban areas and need to be reconsidered. What is an appropriate parking capacity? What impact does a façade have on the streetscape? Is the typical Big Box scale compatible with surrounding buildings and land uses? How can a Big Box contribute to or create a unique sense
of place?

These are just some of the questions that I will address in my case study analysis. At the same time, it is important not to lose sight of what Big Box retailers require to remain competitive. Different circumstances are sure to call for unique solutions, but it is fair to assume that in order to envision an ideal urban Big Box store, some degree of compromise will always be necessary.

BRAND CHALLENGES

Walmart and Target, each opened in 1962, are the two largest mass merchandising companies in the United States, and they sell the same range of products at very similar prices across the country. In a 2012 price comparison study, Bloomberg Businessweek found only a 46-cent difference between the two retailers for every $100 spent, with Target winning out as the ever-so-slightly cheaper option (Townsend and Welch 2012). Says Charles Fishman, author of “The Wal-Mart Effect,” “The remarkable thing is that 80 percent of the stuff in Target and Wal-Mart is identical” (Boyle 2012). Despite these similarities, the public perception is that these are two very different companies, particularly when it comes to some of the more polarizing topics of product quality, style, and social values. To understand some of the more nuanced aspects of the urban Big Box phenomenon, one must first understand the fundamental distinctions between the two most successful and influential Big Box retailers. While both companies are trying to tap into the same urban markets, their strategies diverge because of their perceived and actual differences, and the resulting urban formats manifest in markedly different ways.

The main distinction between Target and Walmart stems from how they market themselves. Since its inception, Walmart has distinguished itself from competitors by offering the lowest prices anywhere, anytime – a claim that it can back up thanks to its logistical expertise. Meanwhile, Target markets itself as the place where people can buy goods with a design aesthetic at bargain prices. Laura Rowley, author of “On Target,” describes Target as “the home of the upscale bargain hunter” (Rowley 2003, 15). Both companies have been extremely successful in getting their messages across, as made evident by the stark differences between brand loyalists, often referred to as “Walmart America” and “Target

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Target vs. Wal-Mart

An independent survey asked: If you could shop at only one store for the rest of your life, which would you choose? A Patchwork Nation analysis of the answers shows that people in seven community types favored Wal-Mart. People in the other four community types – which include the most populous types – went for Target. The percentages in each community type that chose Target (bars with darker shading) and Wal-Mart (lighter shading):

![Bar chart showing store preferences across different community types.](image-url)
Anatomy of a Big Box

Figure 24 - A Target advertisement for the launch of Margherita Missoni's clothing line in 2011. Target has distinguished itself from its competitors by carrying fashionable designer clothes at affordable prices, and in doing so, established brand loyalty that is rare amongst customers who typically shop at discount merchandise stores. Fashion Magazine described the unexpected demand for Missoni's line on opening day: "Shortly after launching online at 6:00 a.m. EST the Target site crashed leaving shoppers frantic for ways to try to buy the coveted clothes. The site was back up later that morning but continued to crash throughout the day with customers resorting Target's mobile site or calling customer service" (Lukas 2011).

America.” The customer bases break down along political, socioeconomic, and geographical lines, as illustrated in Figure 23, which displays data from a 2009 poll from Zogby International about store preferences (Chinni 2009). The four community types in which a majority expressed a preference for Target over Walmart are more affluent and more urban when compared with the communities that expressed a preference for Walmart. According to a 2004 survey by the American Affluence Research Center, Target was the most popular retailer among the wealthiest (average annual income of $359,000) 10% of the U.S. population (Spector 2005, 56). These data points confirm the appeal of Target amongst affluent urbanites, and this bodes well for the company's foray into city centers.

The Walmart brand may not hold the same cache as Target, but it maintains an important foothold in the market thanks to its reputation for bargain basement prices (even if there is virtually no difference in actual pricing between the two companies). Ellen Dunham-Jones, Professor of Architecture and Urban Design at Georgia Tech who has written about Big Box development, suggests that the two companies serve different types of shopping
trips: “Walmart is seen more as a store that people stock up on necessities, whereas Target is more about discretionary spending, where people find the hidden treasure” (Carter 2010). Perhaps this is a reflection of the difference between “Walmart America” and “Target America.” Either way, if such a perception is accurate, it would suggest that Walmart draws shoppers on a more regular basis while Target is frequented on a more sporadic basis.

As discussed in Chapter 3, attracting shoppers who make more frequent trips is essential to both companies’ urban strategies. Walmart’s heavy emphasis on groceries, as illustrated in Figure 11, lends credence to Dunham-Jones’ characterization of Walmart as being more focused on necessities. The company was recognized in 2011 by First Lady Michelle Obama for its affordable health food initiative.

The success of both companies may depend on their ability to maintain core competencies in the new urban environment. In city centers, Target will face new competition from established retailers known for accessible design and “hidden treasures.” Meanwhile, Walmart’s reputation for carrying the cheapest goods around will hinge on...
its ability to adapt its hub and spoke distribution system to support smaller stores with less capacity for on-shelf inventory (Carter 2010).

Brand preference aside, there appears to be plenty of space for discount retail in cities, especially those under-served. "A variety of new retailing concepts have appeared over the last two decades, including warehouse clubs, supercenters, outlet malls, websites, "category killers" and high-style, affordable European chains. As a result, shoppers are reluctant to pay full price, and lacking time, tend to favor the most convenient retail channels" (Rowley 2003, 52).
Since the recession, Big Box retailers have made news by building downsized versions of their conventional suburban format stores. Target and Walmart are at the forefront of this trend, each launching new urban concept stores within the past two years. While Target and Walmart experiment with these smaller footprint stores, they continue to build their signature large format stores in urban areas. As illustrated in Figure 27, both companies appear to be streamlining their store formats, phasing out or converting less efficient formats in favor of their most profitable: the General Merchandise + Grocery format. Can Target and Walmart develop small footprint stores while at the same time increase their investment in large footprint supercenters? This apparent contradiction is important to keep in mind while evaluating each case study, as it raises questions about the long-term goals and strategies of each company.
Figure 27 - Target and Walmart Format Trends Over the Past Decade

Sources: Target Corporation and Wal-Mart Stores, Inc. Annual Reports 2003-2013
Overview of Typology Case Studies

Average Size of Retail & Parking by Format

CityTarget
- 190,000 sf

Target
- 130,000 sf
- 131,200 sf*

SuperTarget
- 174,000 sf
- 268,800 sf*

Walmart Express
- 15,000 sf

Walmart Neighborhood Market
- 30,000 sf

Walmart Discount Store
- 106,000 sf
- 127,200 sf*

Walmart Supercenter
- 182,000 sf
- 215,400 sf*

Case Study Square Footage

Walmart Express
- River North, Chicago, IL
- 15,000 sf

Walmart Supercenter
- H Street, Washington, D.C.
- 83,000 sf
- 130,200 sf

CityTarget
- The Loop, Chicago, IL
- 30,000 sf

Target
- West Loop, Chicago, IL
- 171,000 sf
- 119,300 sf*

Target
- Columbia Heights, Washington, D.C.
- 180,000 sf
- 355,250 sf*

*Assumes 4 parking spaces per 1,000 sf of retail; 300 sf per at-grade parking space; 350 sf per below-grade parking space
Target
Columbia Heights, Washington, D.C.

Walmart Express
River North, Chicago, IL

CityTarget
The Loop, Chicago, IL

Target
West Loop, Chicago, IL

Walmart Supercenter
H Street, Washington, D.C.
TYPOLOGY CASE STUDY: THE URBAN MALL ANCHOR

TARGET, COLUMBIA HEIGHTS, WASHINGTON, D.C.

The Columbia Heights Target opened in 2008 as the anchor tenant of DC USA, a three-level, 500,000 square foot single-use retail complex (the largest of its kind in the city). As the keystone element of the decade-long and ongoing redevelopment of Columbia Heights, this urban mall brought much needed retail to a historically underserved area. As the anchor tenant of DC USA, Target can be credited with catalyzing adjacent residential and retail development. The general consensus has been conflicted: many residents respond positively to the presence of the discount mass merchandiser and simultaneously express dismay over the dilution of the neighborhood identity resulting from the generically designed complex occupied almost
NEIGHBORHOOD CONTEXT

Columbia Heights is a dense residential neighborhood bisected by the 14th St commercial corridor. It is one of the District's most ethnically diverse neighborhoods. The neighborhood, particularly along the 14th Street Corridor, was subject to the 1968 riots following the assassination of Dr. Martin Luther King, Jr., and many burned buildings remained vacant for decades (Thoerig 2011). The riots accelerated a trend of population decline in D.C. that had begun in the 1950s stemming from suburbanization and desegregation (Schwartzman 2008). Over the past decade, the area has undergone extensive redevelopment, sparked by the extension of the Green Line to the new Columbia Heights Metro Station at the intersection of Irving Street and 14th Street. The completion of the Metro Station in 1999 helped catalyze the development of DC USA, then and still the largest retail complex in the city. The completion of DC USA in 2008 coincided with six new apartment buildings, the historic Tivoli Theater (restored in 1999 as part of the mixed-use Tivoli Square project), a Giant supermarket and exclusively by national retail chains.
Typology Case Study: The Urban Mall Anchor - Target, Columbia Heights, Washington, D.C.

more than three dozen new restaurants, banks and shops (Schwartzman 2008).

ACCESSIBILITY

The pedestrian accessibility of this Target is excellent, as it is adjacent to the aforementioned Columbia Heights Metro Station, served by the Green and Yellow lines, as well as 10 bus routes. In 2012, the station experienced the third-highest number of evening exits in the city, signaling a rise in the neighborhood’s presence and accessibility (Johnson 2012).

According to D.C. Councilmember Jim Graham in May of 2008, Metro ridership at the Columbia Heights station increased 24% on weekdays and 39% on weekends since the opening of DC USA (Graham 2008). By 2009, traffic at the Columbia Heights Metro station had jumped 25% overall, the most rapid increase of any stop in the city according to planning officials (Schwartzman 2009).

The complex has a rear service alley for deliveries that can be accessed from Irving Street and Hiatt Place. Busy loading docks present potential conflicts for neighbors, but the surrounding mix
of uses serves DC USA rather well, as the back of house activities are buffered rather well by the Bell Multicultural High School athletic field.

**BUILDING TYPE**

In 1997, in anticipation of ensuing investment and gentrification expected to follow upon completion of the Columbia Heights Metro Station, concerned residents of Columbia Heights took part in a series of community workshops to formulate a redevelopment strategy for the neighborhood called "A Community-Based Plan for the Columbia Heights Metro Station Area" (CBP). Two underlying principles of the CBP standout in particular: "New structures should be architecturally compatible with older ones; their scales should blend"; and "No blank façades allowed" (*A Community-Based Plan for the Columbia Heights Metro Station Area* 1997). The DC USA complex, and Target by extension, fail to support either of these principles. As a result, the physical form of the building detracts from the neighborhood's identity.

Beginning with scale, the massive structure (approximate footprint of 180,000 sf; 50-60 feet tall) runs the full length of the block on both
14th Street and Irving Street, creating a vast, continuous building face that is uncharacteristic of the neighborhood. Along Park Road, it extends only halfway down the block, where it dwarfs the adjacent row of two-story retail buildings (Figure 30). This poor execution of scaling could be dismissed as a simple decision by the developer to maximize building square footage, except for the fact that on the opposite side of the block along Irving Street, the building is actually scaled down from three floors to two, despite not abutting any smaller buildings. By scaling the building down on the north end of the block instead, where scale is actually an issue, the developer could have achieved a far better integration within the surrounding context without losing any square footage.

On the topic of architecture, the building's main entrance — a 3-story cylindrical glass atrium on 14th Street — is its most distinct feature. The incompatibility of the atrium's modern aesthetic with the "older" style of the neighborhood could be forgiven if it were at least unique and original. Yet it is a near replica compared with the main entrance of another Target store in the Uptown neighborhood of Chicago (Figure 31).
Although the ground-floor is consistently lined with storefronts for smaller retailers, the second and third floors of the building are wrapped with a facade that would be blank were it not for tacky decorative features, including non-distinct flags and faux windows – some of which are filled with generic stock images cookware – and blunt corporate logos (Figure 32). Real exterior windows would improve the integration of DC USA with its surroundings in terms of scale and urban context. In its current form, DC USA is a large, enclosed box – unmistakably suburban – that clashes with the character of Columbia Heights. Target itself has no exterior windows and thus lacks any view of the street. Blank interior walls are a standard feature of Big Box stores, as they enable retailers to maximize shelf space. Target has successfully incorporated exterior windows in subsequently developed stores (see CityTarget, Chicago), but it is still the exception to the rule (see West Loop Target, Chicago).

Generally speaking, the out-of-proportion scale and generic architecture convey the sense that DC USA offers a shopping experience far more reminiscent of suburbia than that of the most
diverse neighborhood in a cosmopolitan city.

In spite of her appreciation for the new retail, neighborhood resident Anne Bouie expresses her disappointment with the blandness of the complex: “I love Target; I’m not going to lie. I’m in there every week. But they’re soul stealers from communities like these. ... I mean, look at this. Does this have any spin, any flavor, any style by any criteria?” (Carter 2010).

**ADJACENCIES**

A dense mix of uses surrounds DC USA and Target, most notably the newly constructed condo buildings with ground-floor retail. These buildings’ tenants provide a solid customer base in a neighborhood traditionally starved of retail. The continuous ground-floor retail along 14th Street and Irving Street help create double-sided retail corridors on two of the three outward-facing sides of the DC USA complex. By upholding this double-sided retail corridor (as opposed to an inward-facing retail orientation) DC USA enhanced the legibility of these streets and strengthened the locations of the retailers across both streets.

While walking along 14th Street, the corridor appears to be composed almost entirely of residential above chain retail. However, a survey of uses on adjacent streets reveals a diverse range of land use types. Most notable is the collection of cultural institutions, including the Kelsey Temple Church of God along Park Road, the historic and recently renovated Tivoli Theater across 14th Street, the Bell Multicultural High School athletic field to the rear of DC USA, and the Bell Multicultural High School, Lincoln Middle School, and Powell Recreation Center across Hiatt Place. Such institutions are urban amenities that anchor and define this particular node as the community center of the neighborhood. Without these institutions, this specific juncture of Columbia Heights would simply be a commercial corridor, more susceptible to competition from similar corridors. This is especially true over extensive periods of time, as cultural institutions such as churches, schools,
and theaters tend to remain relevant longer than individual retail stores.

Within DC USA, Target's fellow tenants are composed exclusively of chain retail and food and beverage establishments. With the exception of two local restaurant chains (Cava Mezze Grill and Desi's Chicken and Steak), all other tenants of DC USA are national chain retailers, including Bed Bath & Beyond, Best Buy, Staples, Marshalls, Washington Sports Club, Payless Shoe Source, Radio Shack, Lane Bryant, The Children’s’ Place, Quiznos Subs, Panda Express, The Vitamin Shoppe, Mattress Discounters, IHOP, and Geek Squad. This dense collection of chain retail contributes to the generic and sanitized character for which DC USA has been criticized.

**PARKING**

The D.C. government paid $42 million to build the two-level, 1,015-space underground parking structure, accessible from Park Road and Hiatt Place. Since opening, the garage has been significantly underutilized, operating at an average of only one quarter of its total capacity (Pianin 2013). As of 2009, the second level had yet to
be used at all (Alpert 2009). Due to the gross underutilization, the garage costs the city $2-3 million each year. Numerous attempts have been made to boost usage, from providing daily and monthly spaces for transit commuters to renting space out to neighborhood church patrons, as well as repurpose parking as storage space or a bowling alley. According to David Alpert of Greater Greater Washington, “Target had reportedly been resisting any other use of the space” (Alpert 2010).

Jay Klug, a Principal at D.C.-based JBG Rosenfeld (who are currently developing the H Street Walmart – Mixed-Use Format), comments on the assumptions about urban retail in 2008 with regard to DC USA: “These retailers thought that the only way they would come into the city is if they had suburban-style parking in terms of spaces per thousand square feet of retail. Four or five spaces per thousand square feet of retail space. I think Target, and all the other retailers coming into DC USA, said, ‘look we’ll come here but you have to give us a crazy amount of parking.’ And it just turns out that no one is using it. So many people are walking there.”

PUBLIC REALM ORIENTATION

In 2003, the D.C. Office of Planning (DCOP) began developing the “Public Realm Framework Plan” (PRFP) for the neighborhood to “coordinate high quality ‘Public Realm’ improvements – those within the public domain of civic space and public streetscape – to foster a unified community identity for Columbia Heights” (“Columbia Heights Public Realm Framework Plan” 2004, ES.1.). From the outset, the PRFP set out to “understand the cultural and physical background and evolving history of the Columbia Heights Neighborhood” and in turn develop “streetscapes which define a ‘Community Design identity’, which captures the unique qualities of Columbia Heights” (“Columbia Heights Public Realm Framework Plan” 2004, ES.1.).

In accordance with the PRFP, the city incorporated two public open spaces across the street from the northeast and southeast corners of the DC USA block: the Civic Plaza at the intersection of Park Road, Kenyon Street, and 14th Street, and the Metro Plaza at the intersection of Irving Street and 14th Street (Figure 35). The establishment of these public open spaces in the core of Columbia Heights, which previously lacked any such amenity, enhanced...
its perception as a neighborhood destination. The close proximity and physical orientation of Target and the other retailers of DC USA to both plazas only solidified that perception further. These two amenities — a retail hub and public open space — are community anchors that compliment each other by attracting foot traffic in different ways, and the quality and long-term sustainability of both type of amenity is enhanced by the frequency of visitors.

Although the physical orientation of DC USA and Target to the public plazas is ideal, the thematic and aesthetic relationship falls short. The PRFP evolved conceptually as a thematic narrative of the art and culture of the neighborhood. DCOP, in collaboration with the DC Commission on the Arts and Humanities, enlisted local artists to develop design concepts representative of local heritage and environment for each plaza “to ensure that the public artworks will capture and integrate the distinct and unique character of the community” ("Columbia Heights Public Realm Framework Plan" 2004, 2.30). The plan proposed that DC USA include architectural and artistic features, such as a community wall mural along 14th Street, into its façade to compliment the themes of each plaza.

Figure 35 - Civic Plaza, at the intersection of Park Road, Kenyon Street, and 14th Street - Jared H. Press
Typology Case Study: The Urban Mall Anchor - Target, Columbia Heights, Washington, D.C.

"Columbia Heights Public Realm Framework Plan" 2004, A.3). The developers of DC USA neglected to incorporate any of these recommendations, however. There are no architectural characteristics or design features that distinguish the complex as an element unique to or thematically of Columbia Heights, or even Washington D.C. for that matter, and as a result it contributes little aesthetically or thematically to the public realm.

The developers of DC USA missed another opportunity to enhance the public realm by failing to make use of its rooftop. At approximately 60 feet tall, situated at a relatively high point of Washington, D.C., the rooftop of DC USA offers a stunning and rare view of the city. The new residential buildings in the area provide private rooftop patios for their residents that are in high demand during the warmer months of the year. Yet no such space accessible by the public exists in the neighborhood. Such an amenity would serve as a citywide attraction, not to mention a potential revenue generator for DC USA. As it is, the unutilized rooftop represents significant value left on the table.

CIVIC VALUE
The presence of Target, as well as that of DC USA, has had a catalytic impact on redevelopment in Columbia Heights. According to Franklyn Carter of NPR, "the area is bustling, surrounded by other stores and restaurants. There is no doubt that the Target and its neighbors have been a catalyst for neighborhood gentrification" (Carter 2010). Responding to the newly opened Target, some residents have welcomed the recent revitalization after years of disinvestment, while others sense a loss of neighborhood identity and distinctiveness in spite of the new wealth of neighborhood services. Target's decision to locate in Columbia Heights reversed a long-standing trend among national retailers to avoid not only the neighborhood, but also D.C. in general. This coincided with the aforementioned demographic inversion in the District. Harriet Tregoning, the city's Director of Planning, describes the transformation:

"A lot of people are moving back to the cities. We've seen some very substantial population increases in the last several years – nearly 10,000 last year alone, the largest annual increase our city has seen since World War II. So, I think in some
ways they're following their customers back to the city. And they're also saying, ‘Here's a largely underserved market. Why don't we see if we can figure out a way to be urban and crack into a whole new market?’” (Carter 2010).

To fully grasp the void that Target has filled, consider that the store's opening day had the second highest sales of all Target stores in the country (Graham 2008). The impact on local employment is worth mentioning as well. Upon opening, 25% of Target's employees hailed from Ward One (Columbia Heights is in Ward One), and 80% overall lived in D.C. (Graham 2008).
TYPOLOGY CASE STUDY:
THE MINI BOX

WALMART EXPRESS, RIVER NORTH, CHICAGO, IL

The Mini Box typology consists of hyper-downsized stores that more closely resemble convenience stores than one-stop general merchandise stores, both in form and function. These formats offer a much smaller range of goods, limited to urban living essentials, pharmacy products, and most importantly, groceries.

Walmart is experimenting with two models; Neighborhood Markets (averaging 30,000-40,000 sf) and Express stores (approximately 15,000 sf). Both brands exist in Chicago, but for the purposes of this study, I will focus on the Walmart Express brand, as it represents one extreme in the spectrum of urban Big Box typologies. The Express format
is designed to provide fresh produce and dry grocery goods to "food deserts" (Deale 2011). In 2012, Walmart opened the River North Express store in a building formerly occupied by an arts supply store. The company launched the Express format in 2011, and the River North branch was the third store to open in Chicago. At 15,000 sf, it is one of the smallest Walmart stores in the country. According to a Walmart representative who wished to remain anonymous, the store does not turn a profit, nor is it expected to. Its main purpose is to get the Walmart name into the community and prevent competitors (such as Target, which is broke ground on a new store less than a mile away) from dominating the market share.

NEIGHBORHOOD CONTEXT
Located in the River North neighborhood of the Near North Side of Chicago, this Walmart Express sits within blocks of the Frances Cabrini Rowhouses, the last remaining occupied homes of the infamous Cabrini-Green public housing project. This neighborhood has been the focus of redevelopment efforts since the Chicago Housing Authority began dismantling the project during the 1990s.
With new condo buildings popping up, retailers have been eager to fill the growing demand from new and future residents in an area previously underserved. This narrative explains part of the rationale behind the opening of the Walmart Express on Chicago Avenue, but to have a clear picture of the company’s motives, one must be aware of Target’s plans for the neighborhood. Not surprisingly, Target has been developing plans for a new 150,000 square foot store since 2011, less than three quarters of a mile from the Express site. This rush into the Near North Side is indicative of Big Box retailers’ pursuit of the market share of burgeoning urban neighborhoods. These neighborhoods – such as Columbia Heights – are not new; they are simply gentrifying, and Target and Walmart are eager to get in early and establish themselves as the go-to neighborhood retailer.

ACCESSIBILITY
Located along the Brown CTA line and within a three-block radius of four bus routes, the River North Walmart Express is easily accessible from any direction. The store is literally below the elevated Chicago Avenue – Brown Line station. In fact, the stairwell and elevator down from the
station conceal close to half of the storefront. In almost any other case, retailers would be unwilling to put up with such an obstruction. But here, the obstruction is a transit station that doubles as a gateway to the neighborhood. The foot traffic more than makes up for the location's reduced street visibility. Walmart's site selection for this store illustrates the value it places on accessibility via mass transit in an urban area.

BUILDING TYPE
To call the building occupied by Walmart Express "atypical" for a Big Box retailer would be an understatement. The miniscule 15,000 footprint is shocking by itself, but perhaps even more jolting is the repurposed interior, with exposed wooden crossbeams, vaulted skylights, and brick walls hailing from an earlier era (Figures 36-37). The taupe stucco exterior leaves plenty to be desired — thankfully it is hidden behind the structure of the elevated Chicago Avenue – Brown Line station (Figure 38).

ADJACENCIES
The former tenant of the building—Pearl Art Supply—gives a clue to the makeup of the neighborhood.
Despite the closing of Pearl, countless art galleries exist in the warehouse buildings of the immediate surrounding blocks.

PARKING
There is no parking lot for this store. The only parking spaces one will find here are metered street spaces along W. Chicago Avenue and N. Franklin Street.

PUBLIC REALM ORIENTATION
Walmart did not have much to work with on this site, given its size and existing adjacencies. However, sticking to its suburban tendencies, it did reduce the existing store window frontage, and as such exists as an enclosed box, albeit a very small box. Nonetheless, the store's proximity to the Chicago Avenue – Brown Line station exit cannot be overstated. In a day and age when convenience and cost are driving purchasing decisions, it is hard to argue against the business case for putting the front door of a Walmart less than 10 feet from a train station exit.

CIVIC VALUE
Walmart Express opened on W. Chicago Avenue
on May 9th, 2012, to protests from the River North Residents Association over concerns of “temporary jobs,” “cheap produce,” and being “too competitive with local business” (Hatch 2012). Without commenting on the validity of either side of these arguments, Walmart Express does serve an immediate need of replacing a vacant storefront, a service that cannot be underestimated in a neighborhood attempting to revitalize, such as River North, and the Near North Side on a larger scale. In response to the neighborhood association’s protests, one resident stated that “although I avoid Walmart big box stores at all costs I’m glad this kind of store opened up in my area. This Walmart will not bring in any more issues then the neighborhood already has... The association should be more focused on cleaning up the area and filling the large amount of vacant retail shops” (Hatch 2012).

This quote illustrates the typical reception given to Big Box stores opening in urban neighborhoods. On one side, there is the opposition, which tends to be led by a community organization or advocacy group and centers around long-term issues such as labor practices and local economic development. On the other side are individual residents who welcome the retail for its more immediate impacts, such as filling property vacancies and providing essential household goods that are convenient and inexpensive.

Another in-demand service that this store provides to the neighborhood is groceries, particularly in the affordable category. Comments about the store on Yelp.com illustrate this sentiment:

“this place is very much needed in this area and provides some great quick shopping.” – Luke S. (“Walmart Express” 2013)

“this place is a great addition to the neighborhood. With a place that doesn’t really have that many grocery stores, that many “affordable” convenience stores, etc., Walmart Express was a definite plus. Across the street from Starbucks, this place is extremely convenient and the low Walmart prices have been brought to the area!” – Ellen C. (“Walmart Express” 2013)

“FINALLY, the folks who live and work in this neighborhood have a fairly good size grocery store
Typology Case Study: The Mini Box - Walmart Express, River North, Chicago, IL

that sells everyday items for prices below Jewel and Dominicks. The store doesn’t look like much from the outside, but it’s spacious and well-stocked on the inside. There’s even a pharmacy.” – Robert S. (“Walmart Express” 2013)

“I personally welcome a grocery that I can walk to in the West River North area – one key thing that has been missing from my little corner of the ‘hood. I’ll still be frequenting Jewel and Dominicks, but it’s good to have a place close by to fill in the gaps when I don’t want to get in the car.” – Amelia B. (“Walmart Express” 2013)

There was a bit of controversy before this Walmart Express opened in the neighborhood, but it is JUST what we needed in River North. I know people have their squabbles with Walmart, but they actually have a wonderful selection of fresh produce, sandwiches, and salads. Whereas before, you had to rely on either eating out or piecing together snacks from Walgreens, this Walmart offers a more substantial grocery option for the neighborhood.” – Caitlin S. (“Walmart Express” 2013)

“This place is a grocery store. Yes they have everything I could need for a meal. The fruit and veggie selection was huge...the prices were also really low too for being a store that is downtown...In this economy, Walmart is a welcome to many American families trying to make ends meet and keep their head above water. Welcome to the neighborhood. I was glad to get to check out the store today...I feel like I have been waiting forever and I am glad that this day has finally come. We will be back soon to load up the wagon on our next walk.” – Anthony M. (“Walmart Express” 2013)
TYPOLOGY CASE STUDY:
LARGE STAND-ALONE FORMAT

TARGET, WEST LOOP, CHICAGO, IL
With an adjacent Interstate highway exit, 178,000 square feet of floor space and close to 400 parking spaces, this recently opened Target fits the suburban store prototype, with one exception: it is a two-story structure, with parking on the first level and shopping above. Located in Chicago's rapidly redeveloping West Loop neighborhood, this full size store represents the “Large Format Urban Big Box” typology, featuring the same capacities of its suburban counterparts. This store fills a similar retail void in the West Loop to that of the Columbia Heights Target in Washington, D.C., but at an earlier stage of a larger redevelopment process, and in a far less integrated fashion.
The West Loop is a neighborhood undergoing significant redevelopment. Formerly composed primarily of manufacturing and warehousing facilities, many of the area's buildings are being repurposed for residential, retail, and entertainment uses. The revitalization efforts have been concentrated on the north side of the West Loop, particularly along W. Randolph Street, with restaurants serving as pioneers.

The area is also a subsection of the “Eisenhower Corridor” (derived from the east-west I-290 Dwight D. Eisenhower Expressway), which Mayor Rahm Emanuel recently highlighted as one of the seven targeted Chicago neighborhoods in his long-term strategic vision for the city, known as the “Opportunity Planning” initiative. The Mayor’s goal for the Eisenhower Corridor is to “create a new nexus of entertainment and education opportunities.” The Initiative also recommends the enhancement of W. Madison Street as a mixed-use gateway to the community (“Mayor Emanuel Announces ‘Opportunity Areas’ As Part of Long-Term Strategic Vision to Support Growth and Development Across Chicago” 2013).
Typology Case Study: The Large Stand-alone Format - Target, West Loop, Chicago, IL

The West Loop is bordered by a particularly hard edge in I-290 to the south, from which it requires a degree of buffering. Target is on one of the blocks that abut I-290, so in a sense it contributes to this buffer. This also means, however, that it is situated on the outskirts of the neighborhood.

ACCESSIBILITY

The store is situated between two one-way streets: the eastbound W. Jackson Boulevard and the westbound W. Van Buren Street that functions as a feeder road for I-290. The two-way S. Racine Avenue provides an essential connection across the highway, enabling access to neighborhoods to the south as well as I-290 eastbound traffic. Just one block to the east, S. Morgan Street filters westbound traffic from I-290 into the neighborhood. Judging from the comments of Yelp.com members, the convenience of driving to this store, combined with its parking capacity, is a major asset.

The CTA Blue Line runs in between the east-and west-bound lanes of I-290, just south of the West Loop Target. Two stations are within close proximity to the store: the Racine stop is a quarter-mile away; and the UIC-Halstead station is just
under a half-mile walk.

Currently, the surrounding blocks are not conducive to walking, largely because of a lack of other pedestrian draws. Over time, however, as the West Loop transitions into more of a mixed-use neighborhood, especially if a concentration of activity along W. Madison Street is achieved in accordance with Mayor Emanuel’s Opportunity Initiative, it is possible to imagine the surrounding neighborhood becoming more walkable.

BUILDING TYPE

With a building footprint of 178,000 sf, this standalone store illustrates that Big Box retailers, even those as innovative as Target, will opt to replicate their suburban store models given the opportunity. The proximity to an intersection of two major highways makes the site itself reminiscent of suburban store locations. It is worth noting that the company also acquired the land at an incredible discount, paying $9.3 million for the four-acre site in 2010, less than half what the previous owner paid in 2007, just before the economic downtown (Baeb 2010).
The community did not embrace the aesthetics of Target’s initial store designs, according to Eric Sedler, a vice-president with the West Loop Community Organization (Baeb 2010). Says resident Barbara Talisman, “it’s nothing that reflects our community at all” (Maidenberg 2010). The company responded to this criticism by altering the original brick-centric design to a more glass-centric concept (Figures 41-42). At a community meeting at which Target unveiled its redesigned concept, West Loop resident Jason Ziemba said the store’s layout struck him as still essentially suburban in nature and out of character with the neighborhood’s built environment. “I like the designs but it reminds me of the suburbs,” said Ziemba. Forrest Russell, a development manager for Target, responded, “We are a big box. I’ll admit that” (Maidenberg 2010). A comparison of these two design concepts does not convey the sense that Target bent over backwards to tailor the design in with much originality or character. That said, the finished product incorporates four different envelope materials, which lends a modicum of heterogeneity to the extensive façade. One of the façade materials, corrugated metal, compliments the adjacent Hubbard Street Dance Center quite well.
(Figure 43). Nonetheless, these façade treatments cannot mask the fact that the store remains a vast, inward-facing box.

**ADJACENCIES**

As to be expected for a former manufacturing area, the blocks surrounding Target are scattered haphazardly with a range of uses. With I-290 to the south, light industrial warehouses and surface parking mostly populate the blocks along W. Van Buren Street. While currently eyesores, both uses represent significant neighborhood redevelopment potential. With a nearby Target, the case for transitioning these lots to mixed-use retail/residential uses becomes more compelling.

Existing residential buildings are sparse the closer one gets to the highway. Most apartment and condo buildings are concentrated further north in the West Loop. Most multi-unit residential buildings, particularly those in between W. Monroe Street and W. Adams Street, are recently constructed or renovated, indicative of the redevelopment trend in the neighborhood. The disparate conditions of two nearby school buildings echo this trend. A small and outdated elementary school sits vacant at the corner of W. Jackson Boulevard and S. Aberdeen Street. Meanwhile, the Mark T. Skinner West Elementary School, a $41.6 million LEED Silver-equivalent building opened in 2009, stands gleaming at the corner of W. Adams Street and S. Throop Street. The school was one of five new public schools opened in Fall 2009 and built under the “Modern Schools Across Chicago” program. Skinner is a “classical school,” which draws pre-kindergarten through eighth grade students from across the city, as well as a “neighborhood school,” made available to residents of the immediate neighborhood, the first school in the

![Figure 43 - Adjacent Hubbard Street Dance Center - Jared H. Press](image-url)
Chicago Public School system to combine the two approaches ("Teaching Olympic Ideals" 2009). The City’s investment in such an important urban amenity as a brand new elementary school indicates a level of neighborhood stability and predictability necessary for prospective residents and developers, and is illustrative of the commitment to make West Loop a more complete and balanced place to live. Target’s close proximity further solidifies this neighborhood balance.

Of note are some of the civic and cultural institutions in close proximity, including the Hubbard Street Dance Center adjacent to Target and the Mercy Home for Boys & Girls taking up the block across W. Jackson Boulevard.

PARKING

This store has 385 free parking spaces, provided at-grade, covered by the second level store above. The capacity of this covered, at-grade lot is highlighted as an asset in 10 of the 27 reviews of the store on Yelp.com. According to these reviews, there are “plenty” of parking spaces in this “huge” lot (“Target” 2013). However, with a parking ratio of 2.16 spaces per thousand square feet of retail, the capacity of this store is well below the standard 4 to 5 space per thousand square feet of retail for a typical suburban store. It is interesting that residents of this urban neighborhood use words like “huge” and “plenty” to describe this downsized lot. Target might beg to differ, it being so much smaller than what they are used to having. This ratio suggests one of two things: either Target believed the 2.16 ratio was sufficient for this area, or that it was not financially feasible to provide any additional capacity. The parking lot does take up the as much of the ground level footprint as possible. Additional parking would have required a below-grade structure. Nonetheless, providing what at least the neighborhood might deem a copious amount of parking is understandable for a store that is a) so close to the junction of two major highways, b) located in a transitional neighborhood which at present lacks a sufficient customer base within walking distance, and c) expected to draw from surrounding neighborhoods at distances that require some degree of travel.

Target has received plaudits for its stacked store model, with the store elevated above parking. Given the space constraints of the site, this strategy was
necessary for Target to provide parking for a store of this size. However, the presence of an enclosed and covered parking lot at the street level creates a hard edge along three sides of the block that makes for a rather cold and uncomfortable experience for pedestrians. Becky Marshall, a resident of the West Loop, comments “Parking would have been better on the roof so that there’s not yet another vapid parking garage to see and/or walk by on the sidewalk” (“Target” 2013). The decision to provide parking at-grade, as opposed to below-grade or rooftop parking, was almost certainly based on cost. Nonetheless, it is important to consider that either alternative would have improved the integration of the store in within its surroundings. While this may not seem incredibly important at present, given that the current uses of the immediate surrounding blocks do not encourage much pedestrian activity, it may very well become more problematic over time as the neighborhood is further developed for residential and retail uses. In hindsight, this may even prove to be an obstacle to the redevelopment of adjacent lots, in particular the industrial and warehousing buildings across S. Aberdeen Street.

PUBLIC REALM ORIENTATION

As a massive, enclosed box, this store creates hard edges along the sidewalk on all sides, with the exception of the main entrance to the store at W. Jackson Boulevard and S. Aberdeen Street. Here, the two-story, floor-to-ceiling, glass-encased lobby functions not only as the main store entrance, but also creates a visual gateway between the store and street. Such an element is uncommon in the suburbs, where stores tend to rely on tall signage to capture auto-traffic and signify the store entrance to customers getting out of their cars in the parking lot. A small plaza exists at this corner of this block, with two small benches, a small landscape feature, and three red spheres acting as bollards. While unlikely to attract any pedestrians, this feature (also uncommon in the suburbs) attempts to create a permeable seam between the street and the store’s gateway. It is rather lazy and relatively ineffective, but perhaps notable because it indicates that at least some consideration was given to the store’s otherwise hard edges along the block. Sidewalk planters with trees along S. Aberdeen Street and W.

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6 Keep in mind, however, that Target acquired the land at an incredible discount, paying $9.3 million for the four-acre site in 2010, less than half what the previous owner paid in 2007 (Baeb 2010).
Van Buren Street function in a similar capacity, and over time will improve the harsh edge condition of the store's blank façade. The lack of similar treatment along W. Jackson Boulevard is somewhat surprising, as it will receive the majority of foot traffic.

**CIVIC VALUE**

After the Fanny May Candy factory closed in early-2004, the four-acre lot remained empty until Target opened its doors in 2012. During that period, the site had been slated for redevelopment as a mixed-use retail/residential complex. The proposal went through multiple iterations – at one time, Robert Redford’s Sundance Cinemas had signed on as an anchor – but eventually fell apart during the economic downturn. After four years of a virtual moratorium on development, some of the first signs of life in the Chicago real estate market could be found in the West Loop, and one of these signs was Target’s 2011 groundbreaking at W. Jackson Boulevard and S. Aberdeen Street (Bentley 2011).

When the community first caught wind of Target’s plans in 2010, it responded with mixed emotions. Some were of the mindset that the community “should stay oriented toward residential developments first and foremost” (Maidenberg 2010). This coincided with a similar mixed-use retail/residential project near S. Racine Avenue and W. Madison Street being scrapped and replaced by the commercial headquarters of t-shirt company, Threadless (Maidenberg 2010).

Despite disappointment over the loss of the residential component, many community members agreed that the neighborhood was better off with a Big Box retailer than a vacant lot. Resident “Travis Johnson said he would have preferred to see [the mixed-use retail/residential project] built at the Jackson and Aberdeen parcel, but was ready to see Target come to the area. ‘I think it’s good for the community and good for land values’” (Maidenberg 2010). Martha Goldstein, executive director of the West Loop Community Group, went further, expressing her preference for Target over other Big Box retailers when it comes to blending into an urban context. Says Goldstein, “the great thing about Target is that they don’t disrupt neighborhoods” (Bentley 2011).
CASE STUDY TYPOLOGY:
THE INFILL FORMAT

CITYTARGET, THE LOOP, CHICAGO, IL
The Loop store is one of the original four CityTargets launched by the company in 2012. The brand is Target's most innovative urban store, and is representative of the Infill City Format. Target is not the only company to take over and refurbish a vacant building or space, but they are the first company to create a store format around the strategy. While each of the CityTarget stores launched thus far have been infill projects, the Chicago store is the first Target to ever be housed in a building on the United States National Register of Historic Places (Hatch 2011). The store occupies the Carson Pirie Scott & Co. Building, one of Chicago's premier department stores of the 20th century, designed by native-Chicagoan Louis Sullivan. The ability of a Big Box retailer such as
Target to successfully repurpose a space over 100 years old that was not designed explicitly for their needs suggests that Big Box retail may be far more adaptable than we (or the retailers themselves) give it credit for.

While the 98,000 square foot CityTarget may be smaller than the average suburban Target (126,000 sf), it still takes up a massive amount of space by city standards, and dwarfs Walmart's smaller format stores. The focus of these stores is on items that pedestrians and commuters tend to buy, such as groceries and household basics, as opposed to bulkier products that require a car, like patio furniture.

NEIGHBORHOOD CONTEXT
The "Loop" is the historic commercial center of Downtown Chicago. The name of the district is commonly attributed to the ring of elevated rail tracks, completed in 1897, that to this day serves as the central hub for the citywide transportation system. The expansiveness of the transit system, and the neighborhood's centrality within it, helped to preserve the relevance of the core despite Chicago's expansive outward growth (Danzer...
Typology Case Study: The Infill Format - CityTarget, The Loop, Chicago, IL

Within the Loop itself is the “Loop Retail Historic District,” illustrating the longstanding significance of the area as a shopping destination. High-rise office buildings and marquee department stores, including the Marshall Field & Company Building and the Carson Pirie Scott & Co. Building, dominated the Loop during its heyday during the late 19th and early 20th centuries.

The Loop’s decline began in 1920, when the opening of the Michigan Avenue Bridge catalyzed the rise of the Magnificent Mile, a second downtown commercial district distinguished for its luxury retail. This coincided with the emergence of local retail hubs in the growing commuter suburbs (Danzer 2005). In 1979, after years of decline, the State Street commercial corridor was redesigned as a car-free street in an attempt to cater to pedestrians. Despite failing to revitalize the district, State Street was not reopened to cars until 1996 (Danzer 2005).

The Loop is currently undergoing a renaissance, marked in part by CityTarget’s renovation of the Carson Pirie Scott & Co. Building. The success of

Figure 45 - Carson, Pirie, Scott & Co. Building, depicted on a 1916 postcard published by Max Rigot Selling Co., Chicago, IL.
Millenium Park has contributed immensely to the rebirth of the Loop, providing a citywide attraction just two blocks east of CityTarget. The population of the Loop has tripled, to 20,000 residents, in the past decade, and according to the Chicago Loop Alliance, the neighborhood’s 300,000 workers spend more than $1 billion a year at local stores (Townsend 2012).

ACCESSIBILITY
From a transit perspective, the accessibility of the Loop is unrivaled in the city, not surprising for a district whose name is derived from the central hub of the Chicago Transportation Authority’s (CTA) “El Train” rapid transit system. According to the CTA Monthly Ridership Report for February 2013, the nine stations along the Loop serve an average of 72,786 passengers per weekday and a total of 3,357,551 passengers in the past year via the Brown, Green, Orange, Pink and Purple lines. CityTarget is located one block from two of these stations, Madison/Wabash and Adams/Wabash. Additionally, the Red and Blue lines also serve the Loop via underground stations, three of which (Monroe-Red, Monroe-Blue, and Washington-Blue) are within a two-block radius of the store.
The store is also within a two-block radius of stops served by 24 different CTA bus routes.

Shipping to the densest area in the city presents some challenges, and Target has responded by using smaller trucks to service its Loop location. These trucks are six inches shorter in height – so as to fit under the elevated CTA tracks that define the district – and 25 feet shorter in length than the standard 53-foot trucks (Wohl 2012).

BUILDING TYPE

The architectural heritage of the Carson Pirie Scott & Co. Building generated a high degree of anticipation and excitement surrounding the opening of the Loop CityTarget. Designed by Louis Sullivan in 1899, with an addition completed by Daniel Burnham in 1906, the building is steeped in the tradition of Chicago architecture that is typical of the Loop Retail Historic District. The building was designated a Chicago Landmark in 1970, and a National Historic Landmark in 1975.

After over a century of operation, the Carson Pirie Scott & Co. department store closed its doors in 2007. Developer Joseph Freed and Associates purchased the building and began the process of renovating over 1,000,000 square feet. The upper floors were turned into offices and soon thereafter occupied, but the first two floors remained vacant (Kamin 2012).

In 2010, despite representing a potential end to the building’s primary vacancy, news of Target’s expressed interest in the space generated considerable unrest. According to the Chicago Tribune, “when Target announced last year that it would open a store in architect Louis Sullivan’s former Carson Pirie Scott & Co. Building in Chicago’s Loop, cynics reacted as though the Mona Lisa was being handed over to Snooki and the barbarians of ‘Jersey Shore.’ What would the discount retailer do, they wondered – plaster its red bull’s-eye logo all over the world-renowned architectural masterpiece?” (Kamin 2012).

Upon opening, however, critics praised Target’s execution of the restoration project:

"[The store] strikes the right balance between preserving the aesthetic integrity of one of the nation’s great works of architecture and projecting..."
the visual brand of one of the nation’s biggest retailers” (Kamin 2012).

“Design-wise, it is a tricky thing bringing the retailer — and its famous red bull’s-eye logo signage and color scheme — into one of the world’s most celebrated pieces of architecture. But the marriage seems pretty good so far. The Target logo in the rotunda’s second-story window is just the right size. The store looks bright and inviting and the signage is visible but doesn’t overwhelm the building.” — Lee Bey, architecture critic (Abernethy 2012)

By undertaking the restoration of such a treasured landmark, designed by one of Chicago’s favorite sons — and succeeding in its execution — Target has managed to transform this particular store into more than just a retail destination, as it doubles as a cultural attraction for architectural and historical enthusiasts. In the second story of the rotunda, a series of plaques commemorates the history of the building (Figure 48).

Pulling off a successful rehabilitation such as this was not cheap. Although he would not provide specific figures, Rich Varda, Target’s senior vice
president of store design, “acknowledged that the cost per square foot was more than double that of a typical, single-level Target due to the intricacy of inserting a two-story store, including new elevators and escalators, within an oddly configured, historic complex” (Kamin 2012).

ADJACENCIES
At the intersection of S. State Street and E. Madison Street, CityTarget is surrounded by a wide range of retailers, most of whom also occupy the ground floors of office and residential buildings. Retailers include Sears, TJ Maxx, Office Depot, Urban Outfitters, Forever 21, Men’s Warehouse, American Apparel, Blick Art Supply, and Utrecht Art Supplies among many others. Target’s neighbors in the building include the School of the Art Institute of Chicago, Gensler, and a corporate Walgreens office.

Operating in the aforementioned Loop Retail Historic District, CityTarget is surrounded by landmarked buildings. In a one-block radius of the store, there are 10 landmarked buildings. The district has the highest density of National Register of Historic Places and Chicago Landmark designated buildings in Chicago.

PARKING
Breaking the most sacred of Big Box retail tenets, the Loop CityTarget does not include any parking. To those familiar with the Loop and its high degree of accessibility via public transit, this is understandable. Nonetheless, a 98,000 square foot Big Box store without any parking is unprecedented, and signals a major shift in Target’s business model, at least with regard to the CityTarget brand. If there had been an opportunity to provide parking via an existing underground structure, it is possible, if not likely, that Target would have done so. Whether or not parking was ever an option in The Loop is unknown. But Target’s willingness to forgo parking entirely indicates that it expects sales to be driven by customers who arrive on foot or by mass transit, be they residents, daytime workers, or tourists. The significance of this cannot be overstated, as it implies that one of the most successful Big Box retailers in the country believes – or at least is willing to test – that it’s business does not necessarily depend on the car.

7 To be clear, the CityTarget brand is still very much in the experimental phase, and other CityTarget stores do provide parking.
PUBLIC REALM ORIENTATION

To do Sullivan's original architecture justice, Target had to break a Big Box cardinal rule. The store is transparent, with window displays, bucking the trend of closed-off walls. This may have reduced the shelf space of the store, but it goes a long way in helping Target blend into its surroundings, and in doing so reviving the age-old urban custom of window-shopping (a first for Target). These features give the store an excellent relationship with the public realm. The architecture remains the focal point and draws people in; the transparency enables people on the street to engage the interior function – that being Target. According to Target Executive Vice President John Griffith, this was intentional. The company wanted pedestrians to see that “this is a Target store, and a really cool Target store” (Townsend 2012).

Once inside the store, this façade transparency, provides unique views of the city that create a far more interesting shopping experience, especially on the second level. There is a windowsill in the second level of the rotunda that is kept free of merchandise, allowing customers to sit and take in the busy intersection at S. State Street and E. Madison Street (Figure 49). On the east side of the store, one can watch the El trains pass by on the tracks that run along N. Wabash Avenue (Figure 51).

CIVIC VALUE

Taking over the first two floors of the Carson Pirie Scott & Co. Building did a huge service to the State Street shopping district. Even after the upper floors had been renovated and reoccupied by notable tenants such as Gensler and the School of the Art Institute of Chicago, the vacancy of the building’s prime retail space was a black-eye that hindered adjacent retail. According to the Chicago Tribune, “only now, with a store back on its first two floors and people coursing through the revolving doors at State and Madison, does the building truly feel reconnected to the city around it” (Kamin 2012).

The arrival of CityTarget also signals the evolution of the Inner Loop from a traditional, commercial-oriented downtown into an actual place for people to live. With its emphasis on groceries and everyday essentials, it is exactly the type of store that the bustling downtown needs to support a growing residential population. A quote from the
Chicago Architecture Blog sums up CityTarget’s contributions to the Loop well:

“There are retail openings and closings every day in downtown Chicago. But the opening of CityTarget... is an important stitch in the city’s urban fabric. It revitalizes a huge portion of a Chicago city landmark, fills in a massive retail hole along the city’s #2 shopping street, and provides a great selling point for attracting even more people to live downtown. Its presence represents yet another huge vote of confidence in the vitality of downtown Chicago, and will draw smaller companies to also set up retail presences here” (“CityTarget Chicago Now Open In The Loop – Four Days Early!” 2012).

CityTarget’s occupancy of this space did more than just fill a void, however. The successful revival of the Carson Pirie Scott & Co. Building generated tons of excitement and publicity around the new store. Not only has the iconic rotunda been reactivated, but the interior design, layout, and transparency allows people to move through the space and see the city from a new perspective, effectively make the building into a living landmark. To be certain,
CASE STUDY TYPOLGEOY:
MIXED-USE FORMAT

WALMART SUPERCENTER, NOMA,
WASHINGTON, D.C.

In 2010, Walmart announced its plans to build six new stores in Washington D.C., marking the company's first foray into the nation's capital. The H Street Walmart Supercenter will be Walmart's first ever mixed-use project, combining an 83,000 square foot Supercenter store with 300 residential rental units, approximately 8,000 square feet of additional inline retail and a two-level underground parking structure. The emphasis of this Walmart is on groceries (over half of the store's square footage is devoted to food), as the neighborhood lacks alternative options.

Although the building is still under construction (scheduled to open in the 4th quarter of 2013), I had the opportunity to speak at length with Jay
Klug, one of the Principals at JBG Rosenfeld (JBGR), the developers of the project. Despite not being able to observe and evaluate an occupied and operational finished product, I believe my thesis would be incomplete without investigating this particular project. There are few precedents of the Mixed-Use typology, and this represents the greatest departure from the suburban format, as well as the degree to which Walmart is willing to innovate in order to tap into urban markets.

NEIGHBORHOOD CONTEXT
The H Street Walmart is located in a small area straddling Northwest and Northeast D.C. that has recently been rebranded by real estate developers as “NoMa” (North of Massachusetts Avenue) in an attempt to establish an identity and jumpstart redevelopment. In the late 19th century, Irish immigrants settled the area and named it Swampoodle – derived from their pronunciation of “swamp- puddle” and indicative of the natural topography of the then-outskirts of the city (Friedman 2011). The community was decimated in 1907 when over one thousand residents were displaced by the development of Union Station, at the time the largest train station in the world.
The nearby H Street corridor, just across the H Street Bridge into Northeast D.C., continued to serve what remained of the community. During the early 20th century, H Street had evolved into one of the major shopping and entertainment destinations in the city. Similar to Columbia Heights, however, the area was destroyed during the riots following the assassination of Dr. Martin Luther King, Jr. In 2005, the city targeted the H Street corridor for its “Great Streets Initiative,” setting in motion redevelopment efforts that have spread to what is now NoMa.

Despite the area’s turbulent history, it is notable for the numerous institutions that back up against it, including Gonzaga College High School, the Georgetown University Law School, the U.S. Government Printing Office, the National Capitol Post Office, and the aforementioned Union Station. The U.S. Capitol Building is just over a half-mile to the south.

**ACCESSIBILITY**

Wedged in between I-395 and Union Station (the busiest Metro station in the city), the H Street Walmart is very accessible by car, bus (13 different...
bus routes nearby), and train. North Capitol Street, H Street, and Massachusetts Avenue are major thoroughfares that link to neighborhoods to the north, east, and west, respectively.

The city is also reintroducing a streetcar system, and the primary line runs along H Street. The first phase is expected to be complete by the end of 2013 and will run 2.4 miles from Benning Ridge in Southeast to Union Station, with plans to extend the line further west, right past Walmart, all the way to the Georgetown waterfront.

The developers of the project are reconnecting First Street, which previously terminated in dead-ends at both H Street and I Street. This cross block connection should be an important connection to the cluster of residential buildings north of I Street, as it leads directly to the main public-oriented entrance of the building.

Considering the emphasis that Walmart places on logistical efficiency, it should come as no surprise that the configuration of their loading dock in an urban environment posed one of the bigger challenges for JBGR. Says Klug, "There were a
lot of sensitivities around how that was designed. Walmart has very firm guidelines about how a truck needs to move in and out of one of their stores, being a very organized and operationally focused company.” The space limitations and increased cost of land in urban areas have forced Big Box retailers to adopt multi-level store formats, which require an entirely different approach to organizing inventory. Given the choice, Walmart will always opt to have a ground-level floor.

At this point, it should be noted that there is a grade change along First Street, such that the second floor of the building is at-grade on I Street (Figure 55). Naturally, the front of the building is on H Street, given its connections to neighborhoods to the east and west. As such, the loading dock is located at the back of the building on I Street. This grade change turned out to be an incredibly valuable asset for the building’s program. As Klug explains, “Walmart can load their trucks at-grade with the store on I Street, which is really important to them, because moving merchandise up and down a freight elevator is extremely inefficient, and for a company that moves as volume of stuff as Walmart, that’s a really big deal... this is a great design because we
were able to elevate Walmart.”

BUILDING TYPE

Of the six new stores Walmart has proposed for D.C., the plans suggest that H Street store will be the most urban. It is one of only two stores combined with residential, although the other mixed-use store, located in the less dense Fort Totten neighborhood, does not have an underground parking structure and thus relies on a surface lot.

Based on available renderings as well as images from a live-feed webcam of the jobsite, the building looks nothing like a Big Box store (Figure 57). From the perspective of scale and architecture, it blends in quite well with its surroundings. The brick exterior matches the adjacent Government Printing Office and the office building at 800 North Capitol Street.

As Klug points out, the residential component is the driving force behind this project for JBGR. “The preponderance of the value profits are in the apartment units, not the Walmart or the ground-floor retail, so everything we do is done with thought to how it will impact the residential units above.”
Engaging in a mixed-use residential building for the first time forced Walmart to consider a new range of questions. According to Klug, designing the interior layout of the store took over a year. “It gets very complicated when you start building residential on top of Big Box because there are all kinds of penetrations that come through their roof that they are unaccustomed to. Their custom is being open to the sky and having their roof, so they don’t have to deal with anything. When they go into a mixed-use building, they’ve got water and sewage pipes coming through, concerns about how a leak would be managed, and having to grant access into their space to fix something, and then you get into these very complicated, three dimensional condominium legal regime documents that basically breaks the building up into sub-units.”

**ADJACENCIES**

At present, NoMa is not starved for daytime foot traffic. The neighborhood sits on the edge of Capitol Hill, and to the east and south of the site there is an active cluster of government offices and institutions, populated mostly by city and federal employees. According to JBGR, there are 113,942 daytime employees within a one-mile radius of
the site. The Walmart site is directly flanked by Gonzaga College High School, a private Catholic school that draws its students from all across the Metropolitan area.

Less than a half-mile to the west of the H Street Walmart is Chinatown, a popular entertainment district with restaurants, bars, and shopping centered around the Verizon Center, home of the Washington Wizards and Capitals. And just a few blocks to the east is the burgeoning H Street corridor. On paper, this area should have no trouble thriving as a link between its two neighbors. But getting to either neighborhood requires an uncomfortable crossing of a physically and conceptually harsh edge: the Union Station rail yard via the H Street bridge to the east; and I-395 to the west.

These edge conditions have effectively created a "no-mans-land" in between. Surrounded by many vacant parcels and surface parking lots, there is little activity at night. The only residents live in a handful of row houses and apartment buildings that are spread out sparsely across the blocks to the north.

PARKING

Before the project began, JBGR met with Harriet Tregoning, the Director of the D.C. Office of Planning. Says Klug, "we finally came clean about who we were negotiating with for the anchor, and we were very nervous about what her reaction would be. But her reaction was very positive. She thought it was a good location for them. One of the things that she was most sensitive to was that we didn't replicate the problem that happened at DC USA, which is that they overbuilt parking." To be clear, Klug is referring to the DC USA complex that Target anchors in Columbia Heights. The mistake those developers made in 2008, and for which the city is still paying today, has proven to be an incredibly important precedent – Klug calls it a "game-changer" – that demonstrates that Big Box retail can succeed in urban areas with far less parking capacities. Even with a ratio of approximately 2 parking spaces per 1,000 square feet of retail (well below the standard 4 to 5 per 1,000 square feet for suburban stores), over half of the parking lot remains empty year-round. JBGR used the DC USA precedent to convince Walmart to reduce their original parking requirements to a parking ratio of just under 2.5. Says Klug, "I don't
Typology Case Study: The Mixed-Use Format - Walmart Supercenter, NoMa, Washington, D.C.

think there’s any example you could find in new construction where Walmart has dipped that low in terms of parking ratio. And it was tremendously difficult to get them to approve that. But I think it just speaks to the good timing of their hunger for urban deals at the time.” That Walmart would not agree to a ratio below 2, despite the precedent of set by DC USA, is also indicative of just how high of a value Big Box retailers continue to place on parking. In total, the building will have 373 parking spaces – 193 for Walmart customers, and 180 for residents.

PUBLIC REALM ORIENTATION

With a front door at the main pedestrian thoroughfare that is H Street, which is lined with ground-floor retail, this Walmart is well oriented to the public realm. Residents also enter and exit the building from H Street at the other end of the building. Overall, Walmart occupies a relatively small portion of the total building façade, at the corner of H Street and First Street. The small-scale, ground-floor retail should help establish a pedestrian environment along H Street. The ability to provide this additional retail ties back into the design and configuration of the loading dock.

Again, Klug:

“They’re loading at-grade on I Street, yet their store is elevated on H Street, which permits us to swap in the ground-floor retail. That is extremely important because it creates the street presence that we want, the dynamic atmosphere with doors every sixty feet for small shop retailers. It creates a variety of uses that are important to the residents upstairs.”

The concentration of back of house services on I Street, across the street from Gonzaga College High School – “a politically powerful organization.” The president’s office fronts this side of the building, and the school took issue with the prospect of a constant stream of trucks disrupting the neighborhood. The developers addressed these concerns by installing a garage door that conceals the loading dock, opening only when a truck enters or exits, so as to minimize the school’s exposure (Klug).

CIVIC VALUE

The arrival of a shopping destination such as Walmart, along with 300-plus new households should go a long way in driving development of
the surrounding vacant properties, and potentially create a small but comprehensive community tucked in between I-395 and Union Station. The project’s location on H Street also may help establish a better link between Chinatown to the west and the H Street corridor to the east. More than anything, it provides much needed neighborhood retail, groceries in particular, to an area long starved of such services.
FINDINGS: THE CURRENT STATE OF URBAN BIG BOX RETAIL

Generally speaking, we are beyond debating whether or not Big Box retail belongs in urban environments, because whether or we like it or not, it has arrived. Retailers have already proven capable of adapting their store formats enough to locate in cities. It is difficult to draw concrete conclusions about the long-term viability of each typology without access to actual sales figures for each specific store (neither Target nor Walmart disclose such data, nor does it exist for the more recently opened stores). My conclusions about the current state of urban Big Box retail are based on my specific analysis of each typology case study (summarized in the adjacent table), market demographics (as shown in Figures 13-14), and the general strategic principles of Big Box retail as well as urban retail.

When comparing the quality of building integration within surrounding contexts, the single-use, new construction stores (Columbia Heights Target and West Loop Target) struggle the most. These stores are poorly scaled with respect to their surroundings, impose hard edges upon the public realm, and degrade neighborhood identity with their generic and sterile design aesthetics. Meanwhile, the stores that repurpose and renovate existing buildings (River North Walmart Express and CityTarget) are the most appropriately scaled. The H Street Walmart is also a new construction project, but is successfully integrated within the surrounding urban environment thanks to its mixed-use character. Because the building’s primary users are residents, the developers must give far more consideration to the building’s orientation to the public realm than they might for a single-use project. The additional
<table>
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<th>Neighborhood Context</th>
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<tr>
<td><strong>Urban Mall Anchor</strong></td>
<td>TOD; high density residential; commercial corridor; under-retailed; undergoing redevelopment and gentrification</td>
<td>New construction; single-use; architecturally out-of-context, disproportionately scaled to adjacent buildings</td>
<td>High density of low/mid-rise buildings; chain retail; residential; civic and cultural institutions; recreational open space</td>
<td>2 levels, below-grade lot 2 spaces per 1,000 sf retail</td>
<td>Building has ground-floor retail; Target has blank, windowless façade; hard edges; generic/sterile design aesthetic</td>
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<tr>
<td><strong>Target</strong></td>
<td>TOD; high density residential; commercial corridor; under-retailed; undergoing redevelopment and gentrification</td>
<td>New construction; single-use; architecturally out-of-context, disproportionately scaled to adjacent buildings</td>
<td>High density of low/mid-rise buildings; chain retail; residential; civic and cultural institutions; recreational open space</td>
<td>At-grade, covered lot 2 spaces per 1,000 sf retail</td>
<td>Blank, windowless façade; generic/sterile design aesthetic</td>
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<tr>
<td><strong>Columbia Heights, D.C.</strong></td>
<td>TOD; high density residential; commercial corridor; under-retailed; undergoing redevelopment and gentrification</td>
<td>New construction; single-use; architecturally out-of-context, disproportionately scaled to adjacent buildings</td>
<td>High density of low/mid-rise buildings; chain retail; residential; civic and cultural institutions; recreational open space</td>
<td>At-grade, covered lot 2 spaces per 1,000 sf retail</td>
<td>Blank, windowless façade; generic/sterile design aesthetic</td>
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<td><strong>Mini Box Walmart Express</strong></td>
<td>Post-industrial; medium density residential; undergoing redevelopment and gentrification</td>
<td>Reuse/renovation of single-story arts supply store; architecturally out-of-context</td>
<td>Medium density of low/mid-rise buildings; light industrial; civic institutions; surface parking lots</td>
<td>Transparent façade; engaging street-level window displays; critically acclaimed preservation of historic architecture</td>
<td>Restoration of culturally significant building seen as boost to State St Shopping District; in-demand retail for residential population</td>
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<tr>
<td><strong>River North, Chicago, IL</strong></td>
<td>TOD; downtown business/shopping district; medium density residential</td>
<td>Reuse/renovation of 2-story department store in historic, mixed-use building; contextual architecture</td>
<td>High density of high-rise buildings; chain retail; residential; office; civic and cultural institutions; recreational open space</td>
<td>No parking provided</td>
<td>Transparent façade; engaging street-level window displays; critically acclaimed preservation of historic architecture</td>
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<td><strong>Large Stand-alone Target</strong></td>
<td>TOD; downtown business/shopping district; medium density residential</td>
<td>Reuse/renovation of 2-story department store in historic, mixed-use building; contextual architecture</td>
<td>High density of high-rise buildings; chain retail; residential; office; civic and cultural institutions; recreational open space</td>
<td>No parking provided</td>
<td>Transparent façade; engaging street-level window displays; critically acclaimed preservation of historic architecture</td>
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<tr>
<td><strong>West Loop, Chicago, IL</strong></td>
<td>TOD; downtown business/shopping district; medium density residential</td>
<td>Reuse/renovation of 2-story department store in historic, mixed-use building; contextual architecture</td>
<td>High density of high-rise buildings; chain retail; residential; office; civic and cultural institutions; recreational open space</td>
<td>No parking provided</td>
<td>Transparent façade; engaging street-level window displays; critically acclaimed preservation of historic architecture</td>
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<tr>
<td><strong>Infill Format CityTarget</strong></td>
<td>TOD; downtown business/shopping district; medium density residential</td>
<td>Reuse/renovation of 2-story department store in historic, mixed-use building; contextual architecture</td>
<td>High density of high-rise buildings; chain retail; residential; office; civic and cultural institutions; recreational open space</td>
<td>No parking provided</td>
<td>Transparent façade; engaging street-level window displays; critically acclaimed preservation of historic architecture</td>
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<tr>
<td><strong>The Loop, Chicago, IL</strong></td>
<td>TOD; downtown business/shopping district; medium density residential</td>
<td>Reuse/renovation of 2-story department store in historic, mixed-use building; contextual architecture</td>
<td>High density of high-rise buildings; chain retail; residential; office; civic and cultural institutions; recreational open space</td>
<td>No parking provided</td>
<td>Transparent façade; engaging street-level window displays; critically acclaimed preservation of historic architecture</td>
</tr>
<tr>
<td><strong>Mixed-Use Format H Street Walmart</strong></td>
<td>TOD; downtown business/shopping district; medium density residential; under-retailed</td>
<td>New construction; mixed-use retail/residential; brick warehouse; contextual architecture</td>
<td>Medium density of low/mid-rise buildings; residential; office; civic institutions; recreational open space; surface parking lots</td>
<td>2 levels, below-grade lot 2+ spaces per 1,000 sf retail; 0.6 spaces per apartment unit</td>
<td>Transparent façade; concealed loading dock; ground-floor retail intended to generate pedestrian activity/foster street life</td>
</tr>
</tbody>
</table>
Findings: The Current State of Urban Big Box Retail

use component also gives the developers more flexibility to configure the building scale with better respect to adjacent uses.

The two building reuse stores (River North Walmart Express and CityTarget) are the only two not to offer any parking. The locations of both stores make them transit-oriented development (TOD), thus rendering parking far less necessary. However, the Columbia Heights Target and H Street Walmart are also considered TOD projects, and both provide parking. The distinction here is that, unlike the River North Walmart Express and CityTarget, they are new construction. This further demonstrates that Big Box retailers continue to expect and/or demand parking whenever possible. Only when parking is absolutely not an option are retailers willing to do without.

Moving on to my assessment of each typology, my analysis of the Urban Mall leads my to believe that the format, as a single-use, auto-oriented model, is inefficient and underperforming, especially when compared with the Mixed-Use model. Although DC USA is successful in its own right, the Mixed-Use precedent set by the H Street Walmart suggests that a retail-only complex may not represent the highest and best use of land in such a central and accessible community hub (though without any available data on the performance of the H Street Walmart, this is purely speculative). More than anything else, it serves as a precedent that demonstrates the tendency to oversupply parking in urban markets.

It is unclear whether or not the Mini Box will prove to be financially feasible in the long-term. From the perspective of functionality, it is perhaps the greatest departure from conventional Big Box retail strategy, and thus has the largest uphill climb to long-term viability. Based on my observations, my sense is that the Mini Box is only a short-term model, designed for preliminary penetration into new markets rather than long-term profitability.

While Walmart’s long-term expectations for the Express format are unknown, the case of the West Chatham branch provides a possible sign of things to come. As Chicago’s first Walmart Express, the West Chatham store opened to much fanfare in July 2011. Less than a year later, however, the company closed the 10,000 square foot store
because it was losing trips to a 157,000 square foot Walmart Supercenter that had opened nearby just six months later. According to a company spokesman, the closure was not a reflection of the Express format. Commenting on the thinking behind opening two stores in such close proximity, the same spokesman explained that “when the opportunity arose to open a smaller store while our supercenter was under construction, we jumped at the chance” (Sweeney 2012).

While this decision-making seems flawed, given the waste of resources it took to build the Chatham Express store, it resembles a tactic that Walmart has been accused of applying in rural and suburban markets, where by the company will close a regular format Discount Store (average 106,000 sf) and open a Supercenter (average 182,000 sf) nearby (Cho 2012). According to Stacy Mitchell, a senior researcher at the nonprofit Institute for Local Self-Reliance in Minneapolis and author of “Big Box Swindle: The True Cost of Mega-Retailers and the Fight for America’s Independent Businesses,” “We’re seeing this all over the country, where Walmart is abandoning stores that in many cases are not that old and moving down the street or a mile down the road to build a new Supercenter” (Cho 2012).

Bill Simon, president and chief executive of Walmart U.S., explains, “Supercenters remain the best vehicle to capture market share, and we remain committed to growing through new Supercenters” (Cho 2012).

In many ways, the Infill Format is the ideal form for urban Big Box retail, for both retailers and urban communities, because it fills existing voids in preexisting physical forms. Comparatively, CityTarget strikes a balance somewhere in the middle of the spectrum of the range of store formats of both Target and Walmart. It is smaller and thus more agile than the average supercenters, while at the same time larger and more centrally located than the hyper-downsized formats such as Walmart’s Neighborhood Market and Express formats. This may enable it to serve two functions at the same time: the high-volume stock-up trips normally made to the large format supercenters as well as the low-volume convenience trips that the Mini Box formats are trying to capture. However,
Findings: The Current State of Urban Big Box Retail

because each store requires a highly customized renovation of an existing urban space, CityTarget is the most time- and cost-intensive model to develop on a per square foot basis. This makes the format the most challenging of all models to replicate, decreasing its likelihood for widespread application. The Infill format makes sense under a specific set of circumstances, and retailers will continue to use the model, but primarily for one-off flagship stores that generate brand awareness in high-profile districts, like the CityTarget in Chicago’s Inner Loop.

The **Large Stand-alone** format remains the preferred model for Big Box retailers, but also presents the biggest challenge to urban communities. Retailers will continue to opt in favor of this typology whenever possible because it is the least expensive and most rapidly implementable model. Of all the current typologies, the Large Stand-alone Format least resembles a legitimate urban element, and as such presents the biggest challenge to cities.

The untested **Mixed-Use** format has the potential to be the most mutually beneficial model for retailers and urban communities, and I believe it will gain traction in the near future. While it remains to be seen how successful the model will be, by combining a community asset such as housing with a Big Box store, it provides an example for how to re-envision the Large Stand-alone Format. Provided it is financially feasible for the retailer, the model should have staying power because it functions as a legitimate urban element. It is well suited to integrate within diverse urban contexts and has the potential to benefit communities by filling retail gaps and jumpstarting redevelopment projects.

Based on these assessments, I believe that cities, by and large, will be dealing with two typologies in the future: the Large Stand-alone format and the Mixed-Use format.
I will next draw on my general research as well as the above conclusions to make a series projections in an attempt to contemplate the future opportunities and challenges that cities will face with regard to Big Box retailers.

**URBAN BIG BOX RETAIL WILL BECOME A UBQUITOUS ELEMENT IN AMERICAN CITIES**

Urban Big Box retail will become a ubiquitous element in American cities, for four main reasons which have been discussed above: 1) “retail follows rooftops” and more people are moving to cities than suburbs; 2) municipalities are reducing some of the regulatory barriers in an effort to attract these types of retailers to their jurisdiction, 3) the demand for convenient, inexpensive goods exists in cities, and 4) retailers have proven adept at adjusting their stores to the confines of urban environments (this does not mean their urban formats are necessarily well integrated, but simply that their urban formats are profitable enough to justify their operation).

**THE TYPICAL URBAN BIG BOX STORE WILL REMAIN RELATIVELY LARGE BY CITY RETAIL STANDARDS**

The barrage of recent headlines about urban Big Box retail suggests that the downsizing trend will continue to increase over time. These stories convey the sense that an urban Big Box store is a slimmed-down version of its suburban counterpart, but this storyline is not an accurate portrayal the urban Big Box store in long run. As we have seen, Target and Walmart have indeed designed and launched smaller urban concept stores, such as the CityTarget, Walmart Express and Neighborhood
Market formats. However, we have also seen that these companies are simultaneously building stores in urban locations that are comparable in size to their respective prototypical suburban models. While some of these smaller urban concept stores may prove successful in their own ways, that does not change the fact that Big Box retailers’ core competency is based around selling discounted goods at a profit by creating economies of scale, and this works best with large footprint stores. As Deisha Galberth Barnett, a Wal-Mart spokeswoman, says, “the supercenter is still what works best for us. We will continue to work to grow the presence of supercenters” (Welch, Burritt, and Coleman-Lochner 2012). The case of the unprofitable Walmart Express in River North illustrates that the primary purpose of many of these small urban concept stores is to generate brand awareness in new markets. It also demonstrates a willingness to operate at a loss to prevent the competition from grabbing too much of the market share.

This projection is based on my conclusions about the current state of urban Big Box retail. The Large Stand-alone format and the Mixed-Use format were the two typologies most likely to endure in the future. Both of these typologies have large footprints, which best suited to the existing Big Box business model. As mentioned above, the Large Stand-alone format presents the biggest challenge to urban communities, and as such cities should consider encouraging and incentivizing retailers to develop alternative models. The Mixed-Use format represents a viable alternative. If it is indeed successful, it will serve as a precedent that for future adaptation, as the retail/residential mix symbolizes just one method to better integrate Big Box retail. I propose an additional alternative to the Large Stand-alone format, extending the Mixed-Use principle to non-residential uses with the intention of creating dynamic urban amenities.

**RECOMMENDATION: LEVERAGE THE UNIQUE FORM AND FUNCTION OF THE STAND-ALONE BIG BOX TO CREATE DYNAMIC URBAN AMENITIES**

We have seen that Target and Walmart, as well as other Big Box retailers for that matter, will continue to replicate their larger single-use suburban format stores in urban environments if given the opportunity. Like the traditional suburban Big Box, the Large Stand-alone format still takes
Projections and Recommendations: The Future of Urban Big Box Retail

**Existing Section of West Loop Target**

![Existing Section of West Loop Target diagram]

**Alternative Design for West Loop Target**

Take advantage of large floor plate to support recreational facilities on rooftop; consolidate parking in underground lot, move store to ground level to establish street frontage and make space for additional usage in back of building.

![Alternative Design for West Loop Target diagram]
Opportunities for Mixed-Use Stacking

- Conventional Big Box Retail
- Residential
- Office/R&D
- Recreation
- Entertainment
- Urban Agriculture
the form of a disproportionately scaled, inward-facing box. It functions autonomously in its environment, creating harsh edges with respect to its surroundings. As such, it presents the greatest threat to urban neighborhoods. However, as some of the case studies have shown, urban Big Box requires far less parking than that which is currently being provided. Freed from having to devote so much space on parking, urban Big Box can adapt to its surroundings far better. Furthermore, the Mixed-Use Retail/Residential format illustrates the potential to match Big Box retail with alternative uses. Drawing on the lesson learned from the case studies of the advantages of co-locating near urban amenities, such as cultural and civic anchors in Columbia Heights and the historic landmarks of the Inner Loop, we can begin to imagine the potential value of a Big Box store when combined with a new non-residential urban amenity. There are multiple features of the Large Stand-alone Big Box store that, on their own, are incongruous with the typical urban environment. However, because these features are unique, perhaps they can be leveraged to create certain types of urban amenities that may otherwise be difficult to find space for. It presents a unique opportunity for the creation of dynamic urban amenities that can be mutually beneficial for the community and well as the retailer.

LARGE FOOTPRINT
Take advantage of the large floor plates and pair with uses that require similar space. Potential uses include residential, as demonstrated by the H Street Walmart, R&D lab space/flex space for companies seeking open floor plates, public open space, athletic fields/courts, urban agriculture; Using the model of the West Loop Target, place shopping on second level and use ground level for amenities that can be covered, such as health and fitness facilities, community centers; entertainment uses, such as movie theaters, sports complexes; year-round green house gardens to supplement produce and/or function as community gardens.


Bibliography


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