

1/21/2015

Angela,

This is in response to your inquiry requesting information relating to the issue of mixed-use development and the relative desirability of having residential vs. office over retail, and particularly grocery stores. As promised I have been poking around and have not really found a source that is precisely on point, but rather a number of sources that together provide some more insights into this issue. I can't say that I found anything that talked about the desirability of having office over a grocery store. As you have already guessed, residential is the most frequent use that is discussed in this context, and this seems to be particularly so due to several factors including the beginnings of an economic upturn, strength in the multifamily development area, increased interest in walkability, higher investment returns on properties with higher walkability scores, and demographic trends that support this type of development (Millennials who drive less and who are looking for more walkable and urban lifestyles and, interestingly, many empty-nesters who are looking for similar experiences). Anyway, here are a few reads that Jon and some of the others might be interested in whilst they are considering some of these issues:

- [Food Markets: The Latest Must-Have Amenity Fueling Condo Sales](#), *Forbes*, April 30, 2013
- [Rethinking Grocery Stores](#), *Urban Land*, May 16, 2011
- [Walkability increasingly drives developers and real estate market](#), *The Washington Post*, November 16, 2012
- [Office-Worker Retail Spending in a Digital Age](#), International Council of Shopping Centers, 2012
- [Business Performance in Walkable Shopping Areas](#), Active Living Research, November 2013
- [Urban Grocers](#), *Urban Land*, November 4, 2011
- [Six Trends in Commercial Real Estate to Watch for in 2015](#), *Urban Land*, January 5, 2015 ("Multifamily still popular")

I hope this information will be of assistance.

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Byron

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