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A lifestyle shift in shopping habits

What's old is in vogue again for mall rats as new mall styles revive old notions of shopping as a form of recreation.

By Julie Mollins

As yet another trend creeps into Canada from the United States, developers are rethinking the enclosed shopping centre format, choosing instead to construct more traditional open-air malls injected with a downtown High Street shopping and recreation flavour.

These so-called lifestyle centres are popping up across the country. The concept emerged early this century to cater to the retail needs and lifestyle pursuits of shoppers in nearby upscale neighbourhoods. "They are attractive because they are made up of a mix of recognizable brand name boutiques and have areas for socializing in an open-air, traffic-free environment," says Luc Corneli, director of the Ontario chapter of the International Council of Shopping Centers (ICSC) and president of High Peak Leasehold.

These lifestyle centres typically include design features that blend the pedestrian and the automotive experience. "The difference between the downtown environment and the lifestyle centre is that the lifestyle experience provides a lot of parking," says

Corneli. Other striking architectural and landscaping features include fountains, plazas and gardens, and even parks, lakes, walking trails and other recreational amenities.

"The tenant mixes are just as interesting because they often take the small specialty tenants from the traditional regional centre and combine them with big boxes, supermarkets, restaurants and non-retail tenants," said René Tremblay, ICSC Chairman and president of Ivanhoe Cambridge, in a keynote speech during the 2007 ICSC Canadian convention in Toronto this past September. "All this has broadened the appeal of the modern shopping centre."

These plazas are constructed as streetscapes around conceptualized old-style European piazzas intended for gathering and socializing. Often there is a clock or another feature to mark the centre of the mall and heat lamps so people can enjoy being in the open air during cold weather.

The lifestyle mall is often built in conjunction with enclosed or big-box centres. The Village at Park Royal in West Vancouver,

B. C., billed as Vancouver's finest outdoor shopping experience, is one such example of an outdoor mall. It was built as an addition next to a traditional enclosed shopping centre.

Quartier Dix30 in Brossard, Quebec, is another type of outdoor lifestyle centre. The centre, which is being developed in stages by Quebec-based Devimco Inc., will include more than 1.2 million square feet of retail, restaurants, a boutique hotel, a 900-seat live theatre and concert hall, a spa and a gym. It is also considered a power centre, which is an unenclosed shopping centre including big-box retailers and various smaller retailers.

Toronto is set to get an open-air lifestyle centre in affluent Don Mills, on the site of the Don Mills Centre, built in the 1950s in its original incarnation. The mall, which is being renamed the Shops at Don Mills, will incorporate older buildings in the area and include office, residential and a big retail component on 40 acres of land. It will include pedestrian-friendly streets, a central town square, post office, an ice rink and public park. Toronto-based Cadillac Fairview is developing the project, and it is expected to open in 2008.

The Lac Mirabel shopping centre, under construction on a 330-acre site in the Basses-Laurentides (lower Laurentians) region north of Montreal, is set to become the mother of all lifestyle shopping centres. It will bump the enclosed 121-acre West Edmonton Mall from its prestigious standing as the largest shopping centre in North America, and will include major retail chains, theatres, hotels, a spa and restaurants.

Le Groupe Murray Frankel, based in St.-Laurent, Quebec, and Connecticut-based Gordon Group Holdings are developing the 2.6 million square foot Lac Mirabel, which is designed as an indoor-outdoor LEED-certified project. A portion of its roof is being designed to open to create the sensation of being out of doors. "It will be designed like a real street," said architect and engineer Murray Frankel. "This is the first green commercial retail centre in Canadian history." On-site construction of the \$450 million facility has already begun, and is scheduled for overall completion in the fall of 2009.

Despite its massive size, Lac Mirabel will still be a lifestyle centre, Frankel said. "When you mix the concept of living, shopping and entertainment, that's what a lifestyle centre is all about," he said. A seven-acre, man-made lake will be constructed outside the mall and flow into it in the form of a river. In the centre court there will be a water feature called the Well of Life.

The rise of the lifestyle concept

Although modern shopping centres originated in the United States during the 1920s, the ICSC considers the Highland Park Shopping Village in Dallas, Texas, developed by Hugh Prather in 1931, to be the first planned shopping centre. However, the idea of developing a shopping district away from a downtown is thought to have originated with J. C. Nichols of Kansas City, Missouri, who opened the Country Club Plaza in 1922 as the business district for a large-scale residential development.

The Mall of America in Bloomington, Minnesota, constructed in 1995, led the way to incorporating entertainment into shopping centres. The Mall of America dramatically showed how shopping centres could offer the same type of experiences found in amusement parks.

David Lehberg, the president and CEO of Knightstone Capital Management, Inc., in Toronto, greets the long-term prospects for the lifestyle model with scepticism. "Conceptually, it's a great idea and it works," says Lehberg. "They look great, and these centres are really popular. The problem we have in Canada is that the land costs too much, and you can debate the weather side of it endlessly. Is this going to work in Winnipeg or Calgary or Toronto? I don't know."

Lehberg's firm is constructing the King's Crossing mall on an 80-acre site in Kingston, Ontario, scheduled for completion in fall 2008. It will be a combination of a big-box power centre, a fashion outlet, a stand-alone structure and will incorporate Kingslake Plaza, an existing retail mall.

"It is financially more feasible to allow any given project to dictate the terms of its development," says Lehberg. "In my industry, as I've learned, it's much easier to respond to something that's brought to me and figure out what I can do with that land and that property as opposed to identifying something I want

to do."

As powerful suburban developments are beginning to adhere to a trend that mimics urban shopping areas with lifestyle and mixed-use shopping centre designs, it raises the question of whether or not independent downtown retailers face extinction.

But Jean Laramee, ICSC's Quebec provincial director and senior vice president of Ivanhoe Cambridge, eastern region, said that he finds little resistance to building new shopping centres, apart from in communities that fear "cannibalization of existing stores or malls."

"The main challenges are to go through the regulatory mechanisms in cities to get building permits, as this seems to be more and more complicated, even without zoning changes required," says Laramee.

Lifestyle centres are rising in prominence when it comes to new retail developments, but do they represent a paradigm shift in the way shoppers will be buying their goods in the future? Corneli says there's not much chance the lifestyle mall will completely dominate the shopping centre industry given the variety of tastes among shoppers. "There's always a consumer who loves to shop on the street, who loves to walk down the street and do their shopping. And then there's the consumer who loves the enclosed mall."

Ultimately, while the descriptive buzzwords and offerings may change over time, the goals of the shopping centre community remain the same: to earn profits by providing retail opportunities and services to a wide spectrum of consumers. And with Canada's population expected to grow to 42.3 million by 2050, the spectrum of consumers is only going to get bigger. **B**

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