

TACKLING AN INTERESTING DEVELOPMENT

Randhurst Mall, one of the country's first (and largest) regional malls, presents an interesting case study as it's de-malled into a mixed-use project called Randhurst Village.

Feature article by Brett Hutchens

Transforming Randhurst Village from a former regional mall to an open-air center presented many challenges.

Interesting is a word that tends to make developers nervous. In the context of large scale commercial and mixed-use development, describing a project as interesting can mean anything from “the circumstances surrounding this project are a little bit out of the ordinary,” to “we have a real problem on our hands.” And there are quite a few types of interesting out there.

From topography to geography, and from sightlines to site plans, the range of potentially complicating factors that every developer must take into consideration encompasses a formidable — and sometimes intimidating — list of issues. Design and development challenges range from the practical, such as financing issues, infrastructure necessities and construction requirements, to less easily quantified, but equally important priorities like satisfying specialized tenant concerns and working closely with area residents to ensure that the project meets the needs of surrounding communities.

The renovation and redevelopment of an existing 100-acre enclosed shopping center in Mt. Prospect, Illinois, Randhurst Village reinvents an obsolete space as a premier open-air mixed-use lifestyle center destination.

Fortunately, even the most formidable of challenges also frequently present opportunities. Opportunities to develop and implement creative solutions that do more than just solve a problem, but can potentially elevate and expand upon design ideas and take a project in new and exciting directions. In the process of developing innovative solutions to meet unique challenges, successful developers are often able to take risks, explore new ideas, and expand the boundaries. The result can not only be a better project today, but a set of experiences and accumulated strategic wisdom that can be applied in the future to build and lease future projects.

Larger scale projects and urban redevelopments often present some of the most challenging logistical, design and development scenarios. One such project, Randhurst Village, has presented us with a number of particularly interesting and unique issues. A closer look at the ongoing Randhurst Village development process may help to illustrate a few of the ways in which design and development challenges can be met and obstacles can be overcome. Some of the issues we are facing are not uncommon while others are unique to this project. But our experiences help paint a representative portrait of some of the challenges with a project like Randhurst Village.

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First, the good news.

When completed in 2010, the finished Randhurst Village will include 1 million total square feet, with 100,000 square feet of hotel, 90,000 square feet of office and a new AMC 18-screen cinema entertainment anchor.

The renovation and redevelopment of an existing 100-acre enclosed shopping center, Randhurst Village reinvents an obsolete space as a premier open-air mixed-use lifestyle center destination. The expansion will add hospitality, office and, ultimately, residential components and introduce a vibrant mixed-use street-level energy to the space. New landscaping and street furniture will line pedestrian avenues and complement natural gathering spaces. When completed in 2010, the finished project will include 1 million total square feet, with 100,000 square feet of hotel, 90,000 square feet of office and a new AMC 18-screen cinema entertainment anchor. New surface parking will service the expanded retail, dining and entertainment options and provide additional parking capacity for office tenants and underground parking will be created to service the new hospitality component.

From the start, the Mt. Prospect, Illinois, project has had a lot going for it. With 320,000 people living within 5 miles of the site, Randhurst Village boasts an extremely promising demographic profile. An extraordinary piece of real estate with a rich history and community presence, Randhurst Mall has long been a place with both social and architectural significance for many area residents.

As one of the country's first regional malls, Randhurst Mall was an architectural icon at the time of its construction more than four decades ago. Randhurst was not only the first enclosed mall in the state of Illinois, but was actually one of the largest air-conditioned contiguous indoor spaces in the world. Incorporating its history while creating an entirely new development was one of the challenges faced by Casto Lifestyle Properties.

Despite recent struggles, the existing mall originally represented a regional retail landmark. An architectural icon and a state-of-the-art design at the time of its construction more than four decades ago, Randhurst was not only the first enclosed mall in the state of Illinois, but was actually one of the largest air-conditioned contiguous indoor spaces in the world. One of our first challenges was to decide how to address these important issues of community identity and historical context. While the site was clearly in need of some fundamental changes and a comprehensive redevelopment, the history and legacy of the site could not be ignored. A few primary steps we took in order to address that priority were to retain the Randhurst name and preserve the water tower that has been a Mt. Prospect icon for 45 years. While our overriding goal is to create an extraordinary new destination, we also do not want to overlook or diminish the role of mall such an enduring community presence.

Retaining the name, and clearly communicating our plans, goals and excitement about the project, as well as soliciting community feedback along the way, sent a clear and unambiguous message to the surrounding communities that the new Randhurst Village would celebrate the things that have made this place special.

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While the unique character of the site made identity issues and communications an important consideration, the inherent design and architectural challenges posed by an aging structural framework and awkward layout present an entirely new level of challenges. Establishing the powerful sense of place needed to reinvigorate the site and successfully (re)developing what we feel can be an inspired new lifestyle concept requires first having to overcome some daunting structural, functional and design obstacles. Foremost among those obstacles is the layout of the mall, itself. The triangular-shaped central mall makes parking difficult, constrains fluid movement through the site, and imposes unnecessary logistical and visual limitations on the space. The solution is a new lifestyle format that will hopefully reenergize and reinvigorate the site by promoting connectivity, fostering architectural cohesion and improving functionality. An open-air street-retail element adds much-needed density and will dramatically open and ultimately transform the site.

One of the unique aspects of the new Randhurst Village is a subterranean parking structure, created from an enormous bomb shelter (required under 1950s zoning) that was underneath the property.

The demolition of the core mall structure reveals a one-of-a-kind design quirk that presents another interesting development challenge. First zoned and approved in the 1950s, original construction approval mandated the construction of a large bomb shelter that still exists today beneath the mall. This enormous space could have been a hindrance or a complication, but instead has become a real asset.

By converting that bomb-shelter space into an additional sub-grade parking area and vaulted water retention, the new design turns a potential negative into a positive. Creative reuse is a necessity with large, complex redevelopment projects. Redevelopment opportunities frequently present as seemingly inconvenient obstacles, and the ability to leverage those existing architectural lemons into redevelopment lemonade can make the difference between an ultimately successful project and a marginal one.

Experienced developers can attest that, for all of the headaches and potential expense of outdated infrastructure and uncompromising site plans, perhaps the biggest redevelopment hurdles of all are those of a procedural nature. Planning the complex construction logistics has been especially challenging in the case of Randhurst Village, where construction has to work around several of the existing project's peripheral anchor tenants, many of whom have performed relatively well and plan to remain open throughout the redevelopment process. In fact, seven anchor tenants, including familiar names like Borders, Home Depot, Bed Bath & Beyond and Costco, are remaining operational, and settling on a construction strategy that both accommodates their needs and seamlessly integrates them into the new design is one of the biggest ongoing challenges for this project.

A number of retailers are remaining operational during the redevelopment.

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The complexities of negotiating site plan detail with all seven tenants, including parking considerations and construction details, are also an issue. All of the tenants have short- and long-term priorities that must be addressed. Randhurst Village would not have been possible if we had not been willing and able to work closely with the existing anchors on issues like store modification, parking alterations, and loading, service and delivery modifications. Fortunately, an abundance of available “spare” parking lot acreage has made it possible to develop a phased construction schedule that accommodates necessary construction and redevelopment work while allowing the anchors to remain open and operating with minimum inconvenience. Inevitably, complex projects with lots of moving pieces will require that kind of flexibility and creativity throughout the design and development process. Plans evolve; complex plans, especially, and savvy developers will not be afraid to modify existing plans as needed. Randhurst Village has had to acknowledge reality and delay the construction of what was initially planned to be up to 200 units of second-level residential-above-retail along the new Main Street.

Despite, or perhaps even because of the challenging design, construction, communications and logistical challenges posed by an aging site and a complex network of influential factors, Randhurst Village appears to be well on the way to its successful 2010 grand opening. While projects like Randhurst Village can be challenging, complex, and sometimes frustrating, the ultimate payoff can make it all worthwhile. Revitalizing underutilized spaces and transforming landmark sites with a comprehensive architectural, aesthetic and functionality overhaul

can be both profitable and very satisfying. In fact, it is those interesting projects that have the potential to become memorable and defining spaces for developers, tenants, and communities alike.

-- Brett Hutchens is president and CEO of Casto Lifestyle Properties.