



Littering the West with vacant superstores

by Stacy Mitchell and Jeff Milchen

It's no secret that as corporate chains have taken over much of the retail economy, they've left a wake of half-empty downtowns, shuttered family businesses and neighborhood residents dependent on driving to strip malls and "big box" stores for staple items.

Now these same chains are dealing communities a second blow -- vacating existing stores to build bigger outlets, leaving huge empty shells and acres of asphalt behind.

Dead malls and empty superstores now litter the Western landscape. New Mexico is home to eight empty Wal-Mart carcasses alone. Aurora, one of five Colorado communities with abandoned Wal-Marts, is honored with two. Both are an astounding 100,000 square feet -- more than twice the size of a football field and three times the size of a large supermarket. And that's not counting their vast parking lots.

Alamosa, Colorado, already scarred by an abandoned Kmart, will soon have an empty Wal-Mart, too. The company is doing what Kmart did years ago --moving into an even bigger box down the road.

Nationwide, fully half a billion square feet of retail space sits empty -- the equivalent of about 4,000 shopping malls.

Two factors are driving this problem. First, chain stores are multiplying at a staggering pace and have created a glut of retail space. In the last 12 years alone, per capita retail space has increased 34 percent, from 15 to 20 square feet. Many communities have more retail space than residents can support, so vacancies inevitably follow.

The second factor is that corporate chains reinvent themselves every 10 years or so, abandoning existing outlets for new formats. First there were small strip malls, which gave way to enclosed malls. These in turn failed as developers built successive waves of ever-larger regional malls. Then hundreds of malls closed following the first wave of big box stores in the 1980s. In the 1990s, the big boxes themselves began to shed their skins, vacating existing stores only to build larger outlets across the street or across town.

Wal-Mart is one of the worst offenders. Nearly 400 of its stores -- many built less than a decade ago -- now sit empty. That's more than 30 million square feet of vacant retail space surrounded by thousands of acres of asphalt -- the refuse of just one corporation. Wal-Mart plans to "relocate" another hundred stores this year as it creates "supercenters" that combine general merchandise and a supermarket under one giant roof.

This wasteful phenomenon not only concerns those who live in the impacted communities, it has also caught the attention of real estate interests. Pricewaterhouse Coopers recently advised investors to shun big box developments, noting that too many have been built and America is already "over-retailed."

Rather than becoming victims of the corporate cannibalization game, many cities and towns are taking a different approach. Some have barred construction of new big box stores and zoned new commercial growth into existing developed areas. Others have shifted tax dollars that have long subsidized new roads and sewers for sprawling developments into projects that strengthen downtown businesses.

New ways of thinking are also emerging. In 1998, Boulder, Colorado, homegrown businesses formed an Independent Business Alliance, a cooperative effort to help each other prosper, and build stronger bonds with the community. The Alliance, which now includes more than 150 member businesses, coordinates group purchasing, political organizing and joint marketing campaigns that promote the benefits of supporting locally owned businesses.

Similar alliances have since sprung up in other communities, including Grand Junction and Vail in Colorado, and Salt Lake City. Many more towns have formed downtown business partnerships to promote town centers as a destination. A new organization, the American Independent Business Alliance, hopes to knit these efforts together into a national coalition.

The "Vest Pocket Business Coalition" in Salt Lake City demonstrated the power of these alliances last summer, when it played a pivotal role in stopping taxpayer subsidies for a new mega-mall on the city outskirts. Without the subsidy, the project was ultimately scrapped.

These efforts should pay big dividends in the long run. Unlike footloose superstores, traditional business districts have been around for hundreds of years and have the potential to endure for hundreds more.

Most important, local businesses, unlike global companies, are owned by people who live in the community and are committed to its well-being. These businesses are vital to our quality of life and sense of place, but they face powerful threats, and it will take conscious action to ensure their survival. Thankfully, many communities in the West are responding to the challenge, realizing that the best community qualities don't come in big boxes.

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http://www.coalitionlc.org/empty_superstores.htm