



New Mexico

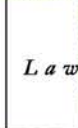
Welcome!
Thank You For Joining Us
Today!

Questions about ULI New Mexico?
Please email dan.majewski@uli.org
or call (505) 433-1584



New Mexico

Thank You Annual Sponsors!





New Mexico

**THANK YOU TO OUR
PRINCIPAL SPONSOR!**



GARCIA
automotive group





New Mexico

**THANK YOU TO OUR
GOLD SPONSORS!**





New Mexico



RETAIL: APOCALYPSE OR RESET?

Wednesday, October 20th, 2021, 4-7 pm

Glorieta Station - 523 Commercial St NE, Albuquerque, NM 87102

Principal Sponsor:



Gold Sponsors:



Silver Sponsor:



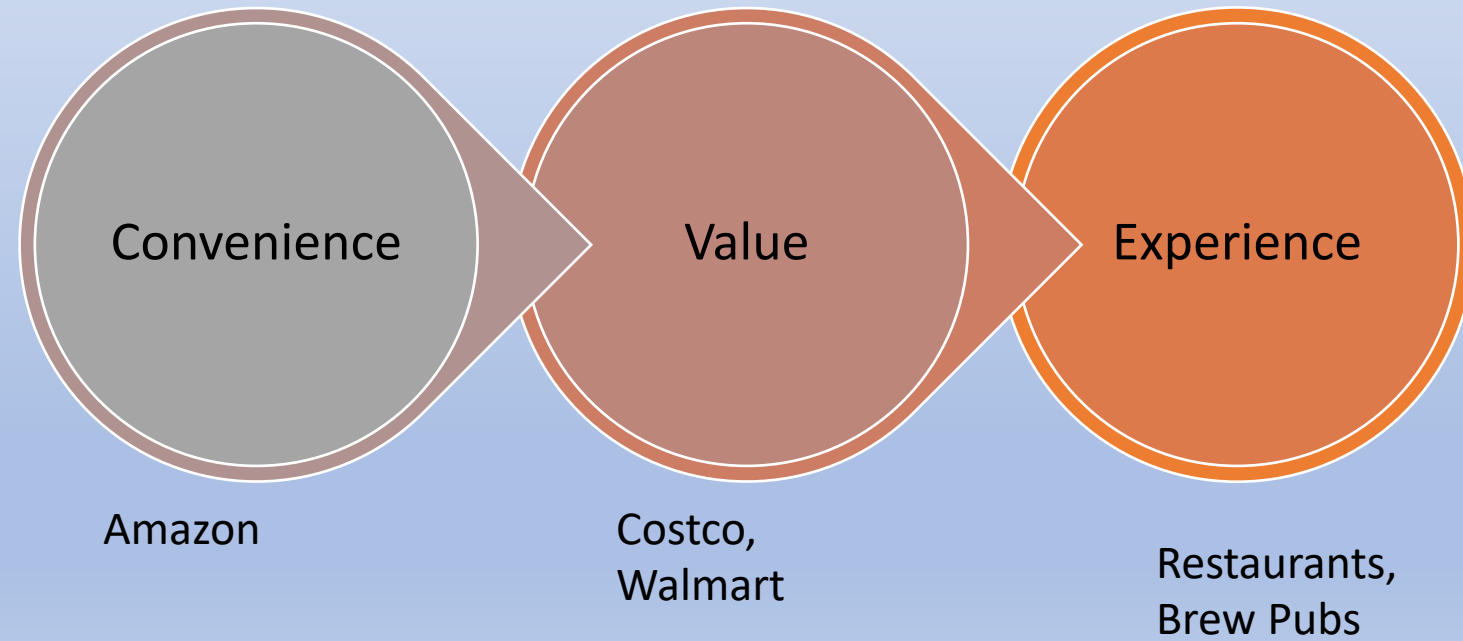
Retail: Apocalypse or Reset



Maureen McAvey

-
- + • *Crises frequently accelerate change, they don't often change the direction of change.*
 -

Retail Requirements



Tsunami Forces: Led by COVID

Businesses shutter, layoff workers, rents fall, values drop

Massive WFH/WFA disruption to restaurants and retail

Dramatic uptick in delivery of EVERYTHING from groceries to office supplies to apparel

Retail impacts across the spectrum from malls to power centers, big box, to Mom and Pop restaurants and boutiques

The National Restaurant Association estimates that 110,000 eating establishments closed in 2020 alone

Over 40 million sq.ft. of closures in 2020

Past to Present: Status Report

Over 1/5 of all Americans work in retail and hospitality

More than 32 million people directly employed

Additional impact on retail trade and supplier employment

Local and state government tax impacts, loss of sales and hospitality revenues, tourist revenues

That's some of the bad news.....

Still.....



Remarkable resilience and nimble responses

- E-commerce soared
- Delivery of anything/everything
- BOPIS



Have we Hit Bottom?

- 2021 Expected to be 5 year low in store closings
- Fewer bankruptcy filings
- Only 10 notable retailers filed so far in 2021, compared to 70 in 2020
- Vaccines becoming more widespread
- Schools back, childcare more available
- Stores, restaurants opening
- Outdoor adaptations

Help Arrived Fast and Furious

Government Aid

- \$6 trillion in federal support
 - Payroll Protection Program
 - Mortgage and rent forbearance and support
 - Stimulus checks
- State and local aid as well

Signs of Progress

- Shortest recession in history
- Improving unemployment picture
- Retail sales up 15.8% yoy
- Clothing up 43.4% yoy
- **Consumers are spending!**

Local Actions

- Sidewalks expanded
- Streets closed
- Parking requirements relaxed
- Liquor laws relaxed



Bethesda

- First ring suburb to DC
- Wealthy, well-educated, 85% with BA or above
- \$200,000 median HHI
- Almost 12% population growth 2010-2020
- A remarkable history of public/private partnerships
- Over \$1 billion in new development over 10-15 years
- New corporate HQ of Marriott, Host
- Over 8,000 new housing units/apartments
- Organizations
- Public/private partnership at many levels

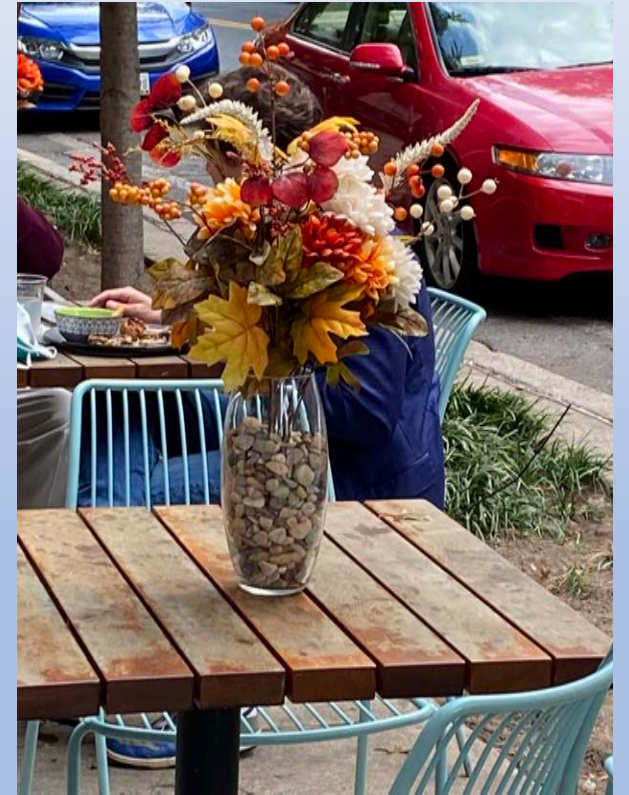
Enhancing the Public Realm



Street Amenities



Street Dining



The Benefits of Place



Frederick MD



Strategic Investing

- Historic past, back to the Revolutionary and Civil War
- 2019 Population, 72,000, above average growth
- 2012 MHHI \$78,000
- Diverse population
- 35% of population with BA or higher degrees
- 50% of downtown employment government/institutional

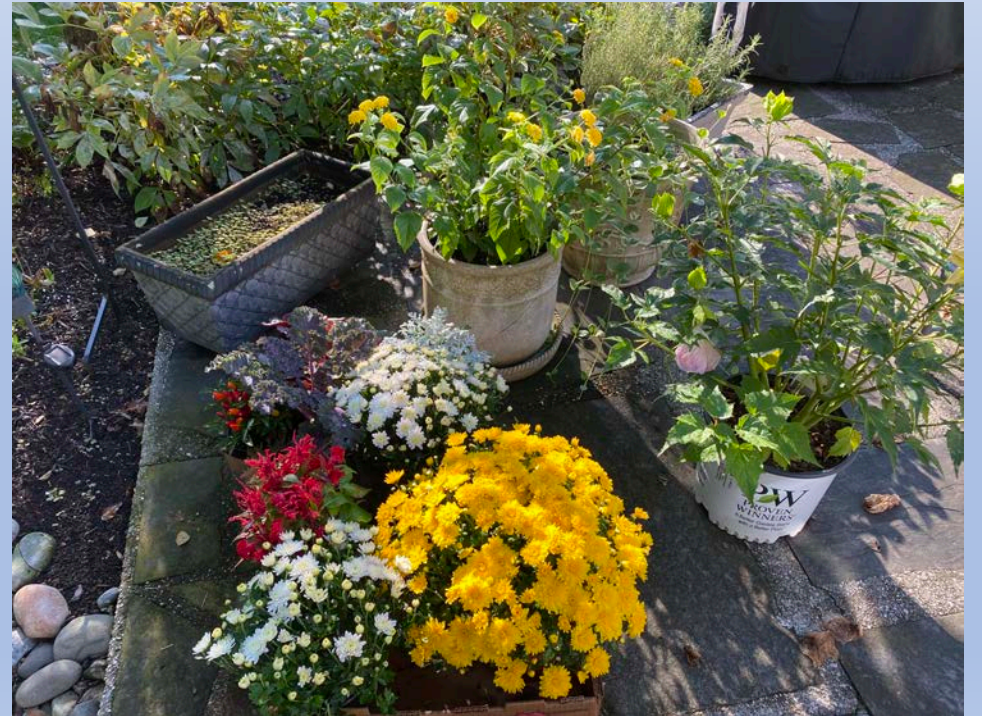


Retail Challenges Ahead

- Slowest national population growth EVER, less than ½ of one percent
- Political divisiveness impacts policy at all levels
- Markets still a bit skittish
- Climate change is evident
- Labor shortages
- Fulfillment and delivery challenges
- Uncertainty
- Increased disparity
- PTSD???

On the Positive Side

- Debt and equity available
- Consumer spending up
- Unemployment falling
- Interest rates likely to remain low
- Booming stock market



Retail Outlook

- Everyone expands business lines
- Continued bifurcation, the best survive
- 43% yoy new store openings, led by Dollar Tree and Dollar General
- Food
- Critical mass?

- Who are the new anchors?



Online Moves to Streetline



Let's have FUN!

- Travel and leisure UP
- Restaurants back, outdoor/indoor



Albuquerque Overview

Challenges Ahead

- Very modest population growth: national 5 yr. projected growth 0.6%, ABQ 0.7%
- Projected job growth slightly below national average for next 5 years

On the Plus Side

- Relatively affordable for housing and cost of doing business
- Slightly above average educational attainment levels

ABQ Outlook

- Continued sprawl but suburbs more attractive because of WFH, WFA
- Mixed use expands
- Housing and industrial most favored sectors
- Anchors?
 - Medical, clinics
 - Cannabis dispensaries
 - Food halls
 - El Vado, Sawmill Market
 - Tin Can Alley, Green Jeans

ABQ Outlook

- Major job growth: 8,000 jobs
 - Amazon
 - Facebook
 - Netflix
 - Intel
- Local developers and investment leading the way
- Housing shortage ahead
- Is retail in the right places, and the right mix?



ABQ Big Questions

- **STRATEGIC** Investments or just spending?
- Overall plan? Implementation discipline?
- Working together? City? County? Business community? Civic Groups?



Places Succeed When They.....

- Celebrate Success—who's feeling the love?
- Expand VISION and share it
- Light that candle rather than criticize the darkness
- Solve the real problems that you can solve: housing shortage, job training and network
- Encourage responsible Media coverage and public education and support