Retail Land Use Trends Report

Fairfax County, Virginia
Department of Planning and Development

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October 2024

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1: Project Overview

Background

The Fairfax County Department of Planning and Development has requested a review of retail land use trends, as authorized by the Fairfax County Board of Supervisors. The objective of this review is to determine whether land planned, zoned, and used for retail should remain as-is, or if that land would better serve the county by allowing for conversion to residential, industrial, or other uses.

To support informed decision-making on this topic, this report examines national trends in retail use and conversion. It looks at common retail building types in light of the desirability of retention versus potential opportunities and impediments to conversion to other uses.

About this Report

In addition to this project overview, this report includes the following sections:

- 2. Retail Land Use Trends. This section includes a brief overview of national and regional vacancy rates, factors that contribute to retail vacancy rates, and the potential demand for repurposing or converting different types of existing retail structures and developments to other uses.
- 3. Conversion Considerations and Examples. This section examines some considerations that impact the potential for conversion of different types of existing retail structures, and provides some examples of conversion projects. It looks at conversion to various other uses, including: retail to residential, retail to experiential uses, and retail to other uses.
- 4. Recommendations. This section includes a brief summary of potential policy or regulatory adjustments that would facilitate conversion of retail space to other uses in the County.
- 5: Appendix. Summary of current policies and regulations in the Fairfax County Policy Plan and Zoning Ordinance related to retail land uses.
- 6. Sources and Supporting Materials. List of the sources and supporting materials that were used to develop this report.

2: Retail Land Use Trends

Widespread pessimistic predictions on the death of bricks and mortar retail space seem to have been premature. The COVID-19 pandemic was undoubtedly a rough patch for in-store retail experiences, but since the end of the public health emergency, the demand for some types of retail space has experienced a robust recovery quite dissimilar to the on-going doldrums in demand for office space.

This demand for retail space is driven by on-going consumer demand, and an economy that has avoided repeated predictions of slowdown or recession. It is also driven by a lack of new retail square footage under construction, such that retail establishments looking for space are in a constrained and competitive market.

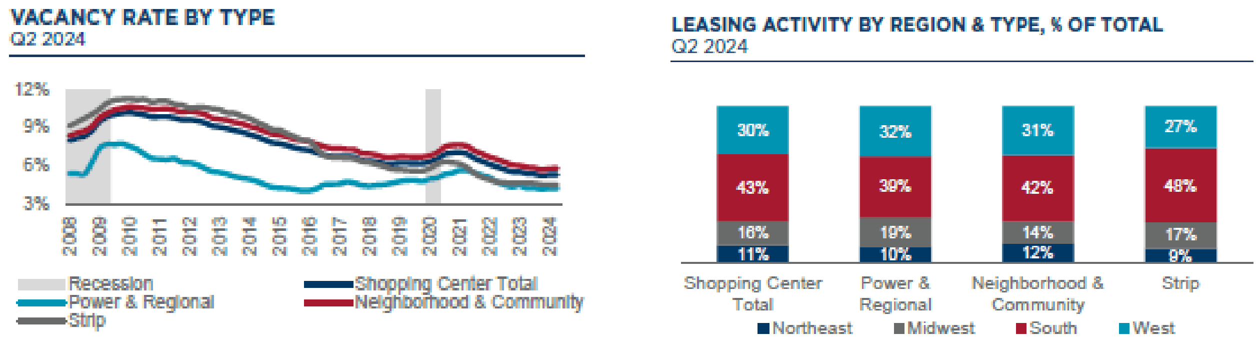
While these factors objectively explain the low vacancy rates cited below, they may seem hard to reconcile with visibly distressed examples of retail, such as blocks of empty downtown storefronts, dying malls, and vacant strip malls. As later sections of this report will discuss, much like other types of commercial real estate, the prevalence of demand is tightly linked to particular *kinds* of retail space, and the differences between them matters very much.

Retail Vacancy Trends

National Retail Vacancy Rates

At the end of the second quarter of 2024, Cushman & Wakefield put the national vacancy rate for open air shopping centers[1] at 5.3 percent, while Colliers cites overall retail space vacancy at 4.1 percent. Cushman & Wakefield notes that this vacancy rate is at its lowest level in the last two decades. While the firm predicts higher vacancies in 2025, it anticipates this change will be minimal, with vacancies still holding below pre-pandemic rates. Nationally, vacancy rates for all types of retail peaked between 2020 and 2021 and have been steadily dropping, with Neighborhood & Community Retail having the highest vacancy rate of all types, and Power & Regional Centers having the lowest vacancy rate of all types. Leasing activity for all types of retail has been strongest in the South (representing between 39 and 48 percent of all leasing activity) and weakest in the Northeast (representing between nine and 12 percent of all leasing activity).

[1] An open air shopping center (sometimes also called an open air mall) is one where store fronts face sidewalks or pedestrian pathways, and access comes from outdoors, as opposed to an enclosed shopping mall where most store fronts (except anchor tenants) are accessed from walkways interior to the structure.



Source: CoStar, Cushman & Wakefield Research

Figure 1: National Vacancy Rates and Leasing Activity

Northern Virginia Retail Vacancy Rates

According to Virginia Realtors, at the end of the second quarter of 2024 (July 2024), retail vacancies statewide were even lower than the national level: 3.8 percent. With low vacancies come rising rents, exacerbated by on-going slow starts in construction. Within the overall category of retail vacancies, at the statewide level, small and neighborhood retail vacancy rates were at 1.9 percent, while big-box vacancies were at 5.0 percent.

The overall vacancy for all types of retail in Northern Virginia is even lower, at 3.4 percent, after peaking at 5.1 percent in Q2 of 2021 (source report does not break down retail type by MSA). This falls in the middle range of the nine metropolitan statistical areas (MSAs) included in this report, where Northern Virginia has the fourth highest vacancy rate (though still quite low overall).

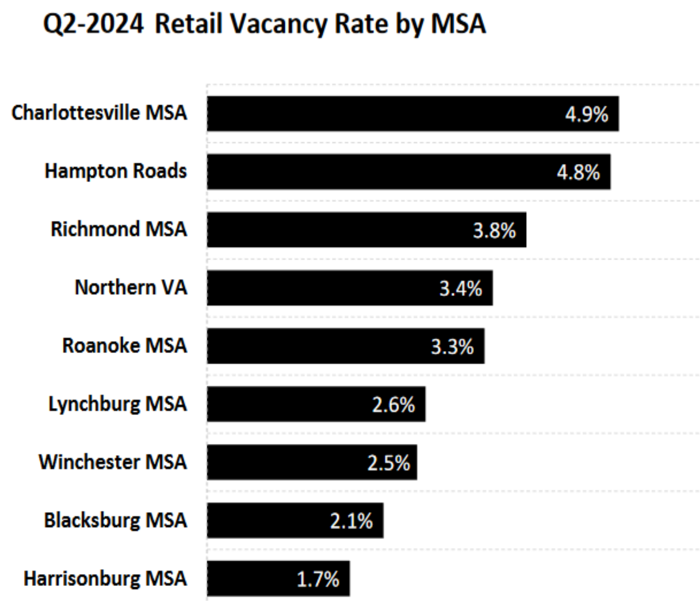


Figure 2: Virgina Realtors Q2 2024 Report

Factors Contributing to Retail Vacancy Rates

Shift to E-Commerce

An obvious and long-standing contributor to increasing retail vacancies, where they exist, is consumer preferences shifting to online shopping. This is a trend that has been gaining momentum for the last decade and more, but was pushed into overdrive by the COVID-19 pandemic, when social distancing and stay-at-home orders limited opportunities for in-person shopping. Even without pandemic restrictions, online shopping has steadily grown in popularity because it is convenient, often offering a broader selection of products than is available in store, available for browsing at any time of day. Most consumers can fulfill almost all their needs through Amazon, and the 200 million Amazon Prime members can usually do so with same-day or 24-hour delivery. As Amazon has consumed steadily more market share, even traditional retail chains have been forced to shift at least part of their business online, operating a hybrid model where consumers can shop online, or at remaining bricks and mortar locations. There are few retailers that do not have this dual presence, but there is a small handful of goods that consumers still prefer to shop for in-person, including higher-end items. Experiential uses, which focus on providing a unique experience rather than the sale of a material good and can include everything from climbing gyms to venues that can hold "immersive" events, have also seen rising success.

Lingering Impacts of COVID-19

As mentioned above, COVID-19 accelerated the existing trend towards online shopping, and mandatory temporary closures followed by social distancing orders caused major upheaval for in-person retailers. Many retailers, especially those already struggling before the pandemic, were not able to withstand the temporary closings, and were forced to shutter their stores permanently, which resulted in a significant increase in vacant retail spaces. In looking at more recent vacancy rates, overall demand nationwide appears to have rebounded to or exceeded pre-pandemic rates, but there are vast discrepancies within these high-level estimates. One exception that has gained a high degree of coverage is the on-going struggle of ground-floor retail in downtowns and urban cores, where the lack of workers returning full-time to offices has kept demand for these spaces low, and vacancies high. Until issues with vacant office space are resolved – either through re-occupancy or re-use -- vacant retail space in these same areas is likely to remain high.

Over-Retailing and Market Saturation

Another prevalent cause of persistent retail vacancies is that the past two decades have seen the construction of too much retail space. In urban and suburban areas, widespread requirements for ground floor retail in mixed-use construction has led to many areas having an oversupply of ground-floor retail space. Because the requirements were not adequately targeted to areas with features that could successfully support retail, mixed-use building requirements that were intended to create activated and vibrant streetscapes have in some cases produced the opposite effect. These requirements have produced ground-floor retail in new developments that is hard to fill, and hard to keep occupied. Mixed-use developments that were built to meet ground-floor retail requirements that were not informed by the types of trade area studies that many retailers do before choosing a location have generally struggled. To cite one component considered in a market analysis, studies show that storefronts that do not front a major street, even if only a block away or on a side-street, experience a significant decline in foot traffic, making these spaces undesirable, subject to frequent turnover with long periods of vacancy in between.

The viability of ground floor retail is also reliant on having a critical mass of residents and/or office workers on the upper floors (or within a short walking distance). Without a "captive audience" of residents or workers that are likely to frequent ground floor retail shops on a routine basis, businesses struggle, and spaces are more likely to remain vacant, even if they are located along a major street frontage, or near a high-frequency transit station. Central business districts and employment centers are still struggling to return to post COVID-19 occupancy rates and, as such, ground floor retail in these areas has been dramatically impacted by an on-going lack of both daily foot traffic, and upper floor occupancy.[2]

Finally, and perhaps counterintuitively, ground floor retail succeeds best where ground floor retail already exists. Because the tenant base of any single building is not likely to be adequate to support a shop or restaurant, that shop or restaurant depends on the presence of other "draws" in the surrounding area, and attracting some spillover from other activity. According to development professionals, creating the critical mass for a retail corridor where none exists can take decades of incremental activity before a thriving retail market can coalesce. This means that ground floor retail spaces in mixed-use buildings in areas where there is not an existing concentration of non-residential uses tend to remain vacant. These spaces have an additional struggle to compete on cost: their rents are more expensive because they are new, and they often require additional upfront investment for tenant improvements before they are move-in ready. This means that returns need to be immediate, high, and sustained for a retail business to make a go of it in a new mixed-use building – even leaving aside other concerns about adequate foot traffic and other retail in the vicinity -- all high barriers that are not present to the same extent in existing spaces in established commercial corridors.

At the other end of the retail spectrum, suburban and highway commercial strips lined with strip malls or standalone big-box structures are not only overbuilt, they are full of aging structures, often designed to serve the types of retail that are experiencing diminishing demand. As a result, their vacancy rates are high, and rising, as discussed further in Evolving Location and Structure Demand.

Evolving Location and Structure Demand

Although there have been more stores opening than closing over the past year or so, the seeming disconnect between this fact and widespread vacancy in some areas and with some types of buildings points to the fact that the footprint and locations of certain existing vacant spaces are not suitable for the kinds of stores being opened. Retailing trends and demand evolve more quickly than other types of development, which can render some building forms obsolete even faster than depreciation and reaching the end of a building's useful life can do.

Currently, there is high demand for small spaces of approximately 2,500 square feet that can accommodate "lifestyle" retail such as fast casual restaurants, and convenience outlets like 7-Eleven. When these are not standalone structures like convenience stores, the desirable locations often occur in the context of "power centers," which are auto-oriented, unenclosed commercial developments of 250,000 to 750,000 square feet, with one to three big-box anchors, pad sites or strip centers incorporated into the development along the periphery, and shared parking. The Fair Lakes shopping center is an example of this type of development in Fairfax County.

There is also a strong demand for mid-sized retail spaces, ranging from 7,500 up to 50,000 square feet. Given sharp inflationary trends post-pandemic there is a pronounced growth in standalone discount stores such as Dollar General (typically, 7,200 to 10,000 square feet), and low-cost grocery markets such as Aldi (18,000 to 22,000 square feet). Consumers of retail spaces at the larger end of this spectrum are

[2] For more information about Office Land Use Trends, see companion report prepared by Clarion Associates, dated September 2024.

international grocery stores such as H-Mart (typically 50,000 square feet), and experiential outfits like Planet Fitness or Urban Air, and similar indoor adventure parks.

What is not thriving? Enclosed shopping malls of the sort that proliferated in the US between 1960 and 2000 are dying at a precipitous rate. Both in the enclosed shopping mall context and in non-mall locations, fashion outlets are also struggling, unless they are high-end retailers like Louis Vuitton and Gucci. However, there are exceptions: a 2023 Market Study for Tysons Corner commissioned by the Tysons Community Alliance (TCA) and conducted by HR&A, Toole Design and Wells & Associates, indicates that enclosed centers in Fairfax County appear to be in better shape than many others around the country. The Market Study illustrates that as of May 2023, visitation to Tysons Corner Center, Tysons Galleria, Pike 7 Plaza, and the Shops at Fairfax Square, had neared pre-COVID levels. (See Figure 2.) Of the four centers evaluated for the Market Study, Tysons Corner Center and Tysons Galleria experienced the strongest rebound in visitation, which the Market Study attributes to the fact that these centers draw most heavily from a much larger market area (more than 68 percent of visitors traveled from more than 10 miles away and 27 percent traveled from more than 50 miles away).

Source: Placer AI, HR&A Analysis, Tysons Urban Center

Figure 3: Tysons Retail Recovery Index

Some standalone big-box stores, pre-dating power centers or built outside of them, have succumbed to the greater convenience of multiple outlets in one location that can be accessed in power centers. Location aside, some big-box chains have been struggling with high overhead combined with supply chain challenges and competition from online retailers. This combination of factors contributed to the demise of Bed, Bath, and Beyond, leaving hundreds of vacant big-box structures scattered across the country. Once these stores become vacant, because of their large size and no-frills build outs, they have historically proven particularly difficult to reoccupy or reuse.

Finally, older standalone strip centers (again, outside the context of power centers) have been declining for years. Given the generally low quality of initial construction for these developments, and their advancing age, many of these strip malls are obsolete: the cost of necessary renovations required to re-use or re-occupy them is not economical; it is cheaper for retail outlets to invest in occupying newer space (though not brand new, and in need of tenant improvements). As a result, for most strip malls constructed 20 or more years ago, regardless of location, no recovery in demand is anticipated.

Construction Pipeline

Retail construction starts remain historically low. Nationally, in 2023, 9.8 million square feet of new retail space was built, which amounts to just 0.2% of existing inventory. Northern Virginia mirrors this trend, with a year-over-year increase in square footage of 0.2%. Additionally, both the square footage delivery and the amount of retail space under construction is down from prior year reporting.

Retail construction starts began to decline during the pandemic, and despite a subsequent recovery in demand for retail space, retail construction has not rebounded. The market is lagging in response to demand, and starts remain at the lowest level of the past five years. The on-going low level of new construction has led to constrained supply, and given the delay between starts and delivery, that condition is anticipated to persist in the coming years.[3] While the lack of new space coming available contributes to low vacancy rates and rising rents, it is worth reiterating that these supply shortages are for the most desirable locations and the most sought-after building types, like power centers and small spaces within lifestyle centers.[4] The Mosaic District is an example of this type of development in Fairfax County.

NORTHERN VIRGINIA

Local Market Indicator Dashboard

	Q2-2024	YoY Chg	
Total Inventory (sq. ft, millions)	138.0	0.2%	% chg
Vacancy Rate (%)	3.4%	-0.2%	pct points
Net Absorption (sq. ft)	103,986	-243,085	sq. ft
Avg Full Service Rent ($ / sq. ft)	$27.07	$0.14	$ per sq. ft
Deliveries (sq. ft)	22,209	-68,037	sq. ft
Under Construction (sq. ft)	423,932	-158,430	sq. ft

Figure 4: Northern Virginia Retail Statistics

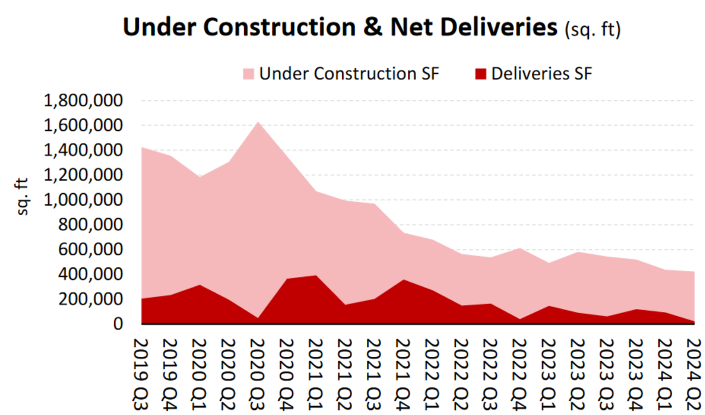


Figure 5: Retail Square Footage Inventory

Supply constrictions, however, do not increase demand across the board: there is still diminishing demand for standalone big-box stores and mall space. This suggests that the construction of new retail space will center around the kind of retail spaces that are in demand, with underutilized

[3] CRE Daily. U.S. Retail Vacancy Rate Hits Lowest Level in 20 Years. July 2024. https://www.credaily.com/briefs/us-retail-vacancy-rate-hits-lowest-level-in-20-years/
[4] A lifestyle center is an outdoor shopping center designed to mimic urban street shopping, featuring a range of retail stores, but also including non-retail components such as entertainment venues and dining options in an open-air, pedestrian-friendly environment.

existing spaces being allowed to convert to alternate uses and more desirable configurations, as described in the next section of this report.

Possibilities for Repurposing Distressed Retail Structures

Ground-Floor Retail

For many cities, converting ground-floor retail space to housing is seen as infeasible, with safety and privacy for residents among the primary concerns in converting existing spaces. Others worry that ground-floor residential units are unpleasant for pedestrians. Some developers are pushing for greater allowance for ground-floor residential in lieu of retail, as more residential units help drive the feasibility of large projects, and market studies suggest a high possibility of the required retail space being difficult to fill. Despite developer pushback, many cities continue to require retail components in new mixed-use developments, under the belief that the residential units will be enough to support the retail requirements. However, as described above in Over-Retailing and Market Saturation, this is not likely to be true, particularly outside of established retail corridors, and on low-traffic local streets. In the face of a national housing crisis, relaxing ground-floor retail requirements and allowing for other uses, especially ground-floor residential, can be helpful on numerous fronts. Retail requirements should also consider existing conditions. It may not make sense to require ground floor retail in areas where conditions do not support their success, like if they are on a side street or far from established retail areas. If this is done strategically, new development will not further exacerbate an existing oversupply of retail space, and projects that are not saddled with unleasable retail space will be more financially viable while enabling the provision of additional, more urgently needed housing.

Strip Malls

Strip malls are often located in suburban areas along main commercial corridors,[5] in areas where residential and commercial areas have been kept separate through single-use zoning. They typically include a row of retail tenants fronted by parking between the building and the street frontage.

Strip malls have been hit particularly hard by changing retail and post-COVID trends, with studies demonstrating that older, 1980s-era properties are particularly underutilized. Many such strip malls have reached the end of their lifecycle, when rising maintenance costs begin to exceed the cost to demolish and redevelop. These dated and increasingly vacant strip malls and their parking lots are underutilized land, and where planning or zoning allows conversion, provide excellent redevelopment opportunities. Rough estimates have shown that repurposing 10% of existing strip malls into housing could create more than 700,000 new homes nationally.[6]

Rezoning may be needed to create housing in areas where previously only single-use commercial zoning applied. In some cases, rezoning requests for strip mall conversion can encounter neighborhood opposition, when denser multi-family development has historically been uncommon in areas that were previously limited to commercial development. However, such rezonings, when approved, allow the

[5] Abu-Khalaf, Ahmad. Repurposing Underutilized Strip Malls to Create Multifamily Housing. November 2023. https://www.enterprisecommunity.org/sites/default/files/2023-10/Repurposing-Underutilized-Strip-Malls-White-Paper-Final.pdf
[6] Abu-Khalaf, Ahmad. Repurposing Underutilized Strip Malls to Create Multifamily Housing. November 2023. https://www.enterprisecommunity.org/sites/default/files/2023-10/Repurposing-Underutilized-Strip-Malls-White-Paper-Final.pdf

creation of multi-family structures that can help to diversify housing options in areas that previously limited or did not allow multi-family. Finally, because strip malls chose locations with good transportation access (even if only for automobiles), any replacement development would also reap this benefit.

In Fairfax County and in other major metropolitan areas across the U.S., some older strip malls have retained retail tenants serving local and ethnic communities. These tenants are able to “hang on” because they are serving the needs of a defined community, the rent is cheaper here than in new development, and often the size of the space is of a smaller scale. Without plans and policies in place to prevent loss and displacement of these retailers, redevelopment pressure often spells their demise. The recommendations in this report suggest certain measures that can be considered that allow for both the replacement of outmoded strip mall development, and the preservation of retail outlets that remain in them.

Shopping Malls

For at least two decades, shopping malls (particularly lower-end malls) have grown increasingly out of sync with evolving retail trends. Once the pinnacle of retail development, these large, windowless structures can be difficult to repurpose to other uses. However, they do hold potential for conversion, or, in some cases, may simply benefit from a shift from traditional retail to more experiential uses. Shopping malls also have the option to retain some retail while developing other space into a more mixed-use product. Converting sections of shopping malls to residential use, or adding residential units in unused parking lots, can locate enough consumers near retail to keep this type of retail alive. For malls in extreme decline or that are already closed, the entire parcel of land – an area sometimes up to a hundred acres -- can be repurposed for apartments or townhomes. Like strip centers, shopping malls are often in suburban locations along major transportation corridors, so any converted development benefits from this access.

Mall conversion, however, presents unique challenges. The structures themselves are vast and windowless, with most interior space configured along wide interior corridors. This configuration can be difficult to convert to residential use without significant and costly reconstruction. Residential redevelopment isn’t the only suitable use for mall conversions, however. Shopping malls structures may be better suited for conversions to educational facilities, data centers, medical facilities, and experiential uses, taking compatibility with adjacent uses into consideration. When less parking is needed by any new use, some of the extent of large surface parking lots may be redeveloped for other uses too.

Big-Box Stores

In the past, it was particularly difficult to find new uses for big-box structures once they became vacant. Cities adopted White Elephant Ordinances,[7] and tried to get operators to agree to redevelopment or demolition clauses that accompanied project approvals. However with the rise in need for light industrial

[7] In this context, big box stores that became vacant were considered white elephants, because they could not be re-used or re-occupied without extreme difficulty, and the cost of maintaining the vacant structure and property was out of proportion to its usefulness. Over time, re-use of these structures has become easier, but some communities still require written commitment from the original business operator to assist in finding subsequent tenants in the event of vacancy.

space, empty big-box stores now appear somewhat more readily re-usable than was true in the past. Out of all the structures discussed in this report, big-box stores are the most well suited for conversion to some light industrial uses for which there is rapidly rising demand, such as warehousing and distribution centers, or data centers (again accounting for compatibility with adjacent uses and other relevant considerations). Empty big-box stores also have the potential for conversion to other large footprint uses, like civic or entertainment uses, or fitness centers. As with shopping malls, even if the structure is not easily convertible to multi-family housing, unneeded parking area on the site may be.

3: Conversion Considerations and Examples

As cities across the US face a shortage of housing, many are exploring the potential for converting existing buildings of various types into residences. The biggest example of this phenomenon is office to residential conversion. After COVID-19, many companies chose to remain fully remote or only return to the office in a part-time capacity, leading to an abundance of vacant office space that could be suitable for conversion to residential use. Similarly, retail spaces that are not anticipating a revival in demand may be candidates for conversion to residential uses. While not as "hot" a topic as office conversions, there are many retail spaces that are suitable for conversion into housing. This section provides a brief overview of some common conversion types, and where available, some specific examples of conversion projects.

Retail to Residential

Shopping Mall Conversion: Micro Lofts at the Arcade Providence, Providence, RI

Despite inherent difficulties owing to mall design, conversion to residential or mixed-use development is probably one of the most prevalent and frequently executed types of conversion. That is partly owing to abundance of opportunity: dying malls are scattered throughout the country. It is also the quality of the opportunity: because retail "has historically followed rooftops, most malls are already in dense population centers -- the exact places most in need of housing." As a result, these conversions are not uncommon, with hundreds of examples that could be cited. The following example shows that conversions can accomplish more than one community objective. In this case, both historic preservation, and addition of new, lower-cost micro-unit housing.

This 1828 Greek revival building is a historic structure and was one of the country's oldest shopping malls. After its closure in 2008, the mall was in danger of demolition until a developer proposed a multi-million-dollar reuse project to convert the mall to micro-units. The micro-units are particularly popular with students at nearby universities and the city's rising population of single person households. The ground-floor is a mix of apartment amenities, retail, and restaurants.[8]

[8] Business Insider. America's oldest shopping mall has been turned into beautiful micro-apartments — take a look inside. October 2016. https://www.businessinsider.com/americas-first-shopping-mall-is-now-micro-apartments-2016-10

Image © Ben Jacobsen/Northeast Collaborative Architects

Strip Mall Conversion: La Placita Cinco, Santa Ana, California

When strip malls lose anchor tenants, generally the most recognizable retail lessee that occupies the largest space and draws the most customers to a development, it can start a negative spiral where all other lessees end up closing down for lack of business. Strip malls also end up vacant when they age into obsolescence, with retail tenants moving to or initially locating in newer, more updated construction. Outdated strip malls in need of significant maintenance are also good candidates for repurposing, as they may have few existing tenants to negotiate with and have lower acquisition costs. It is often more economically efficient to tear down existing structures and build new, but in at least some cases, conversion of existing space to new use is possible.

This strip mall conversion project consisted of two single-story commercial buildings, a gas station, and a significant amount of asphalt paving. The gas station and parking lot were converted to a mixed-use building of affordable rental homes priced at 30-60% of the area median income. The existing commercial buildings (and their tenants) remained and were integrated into the site plan, received façade updates and enhanced pedestrian access, and were brought into ADA access compliance.[9] The site redevelopment also includes a playground and landscaped plazas.

[9] Abu-Khalaf, Ahmad. Repurposing Underutilized Strip Malls to Create Multifamily Housing. November 2023. https://www.enterprisecommunity.org/sites/default/files/2023-10/Repurposing-Underutilized-Strip-Malls-White-Paper-Final.pdf

Image © TCA Architects

Strip Mall Redevelopment: Townhomes at Graham Park, Falls Church, Virginia

Graham Park Plaza was established in 1971, along Arlington Boulevard (Route 50) at the intersection with Graham Road. In 2021, the development firm EYA purchased 8.3 acres at the west end of an existing shopping center site. This area has been redeveloped with a total of 172 three- and four-story townhome units, that includes 22 affordable units. There are street and sidewalk connections from the residential development into the remaining shopping areas, so it is possible to access the retail area easily, either on foot or by bike. The shopping area includes a Giant grocery, McDonald's and some other fast casual restaurants, a pediatric urgent care, and a bank. The development has a park, playground, and central gathering space called the Hangar. At the time of this report, only 5 of the units remain unsold.

Image from EYA Development

Ground-Floor Retail

Converting ground-floor retail spaces comes with a set of unique challenges that must be considered. Ground-floor retail spaces are typically designed with large open floor plans, high ceilings, and significant frontage to attract foot traffic. Converting these spaces to residential use requires substantial structural modifications to create livable units, including additional plumbing, electrical work, and partitions for privacy. There are also concerns that ground-floor residences will be too loud or not private enough for residents. Elevated stoops, sub-grade entrances, and lobby entrances are all ways to provide tenant access while providing more privacy.

Many commercial, downtown, and mixed-use developments are planned and zoned specifically to encourage active ground-floor uses. These uses are seen as integral to promoting activated and safe streets, and it may be difficult for community members, stakeholders, and governing bodies to agree to allow residential on ground-floors. While maintaining some ground-floor retail in mixed-use developments along high-traffic corridors contributes to vibrant, pedestrian-friendly environments, there are circumstances where converting these spaces to residential units makes sense. This is particularly true for side streets or less walkable areas where retail demand is insufficient. In such cases, a balanced approach that includes flexible zoning permissions and creative design solutions can help maintain the benefits of mixed-use developments while addressing the realities of market demand and urban housing needs.

Retail to Experiential Uses

Overview

As consumer preferences shift from valuing material goods to valuing experiences, one way to address increasing retail vacancy is to allow more experiential uses. The shift to wanting unique experiences is indicative of a desire for spaces that facilitate social interaction and activity. By nature, these uses are not as susceptible to e-commerce competition as traditional retail is.

Food Halls and Markets

While grocery needs can be met online and through delivery apps, food halls that sell specialty goods or have a variety of restaurants bring a unique experience to dining or grocery shopping. Food halls might feature a variety of cuisines and styles that appeal to groups or families looking for variety. They also tend to feature local vendors and chefs, some even serving as "incubators" for small local restauranteurs. Farmers markets , and specialized grocery stores are less susceptible to e-commerce competition by offering goods that are difficult to sell online or that cater to a particular ethnic group (Patel Brothers, H-Mart, etc.). Fresh produce, artisanal products, and local meats or seafood attract food enthusiasts while also supporting local economies and promote a social atmosphere.

Entertainment Complexes

Former department stores, with large footprints and warehouse exterior, are particularly well suited for repurposing into entertainment centers. Entertainment complexes generally offer a combination of activities, gaming, and dining, and often encourage longer visits. These complexes might include venues like bowling alleys, trampoline parks, climbing gyms, or indoor mini-golf. Entertainment complexes could require large open spaces, but do not require frequent window openings or significant subdivision and reconfiguration of internal space in the way a residential conversion would. While smaller spaces, such as ground-floor retail, might not offer enough space for a full entertainment complex, they may still be suitable for entertainment uses, like escape rooms, arcades, or newly axe-throwing venues.

Fitness and Wellness Centers: Pickleball America, Stamford Connecticut

Experiential uses also include a variety of fitness and wellness uses, which are generally not included in traditional retail zoning. Fitness centers might include CrossFit gyms, yoga studios, or pickleball courts, while wellness uses include wellness spas and holistic health clinics. Chains like Orange Theory and F5 Boxing have capitalized on vacant retail space where allowed. These uses provide the same benefits many planners want from retail – large windows and storefronts that are attractive to pedestrians and encourage an activated street. These uses also integrate well with a mixed-use development, as people want an option for fitness located by their residence and may be inclined to shop for fitness gear in nearby stores or purchase food at restaurants after their workouts. They also promote the social and community atmosphere consumers are looking for.

Stamford Town Center shopping mall in Stamford, Connecticut is getting new life by converting an 80,000 square foot mall into one of the world's largest pickleball venues.[10] The facility is planned to include 28 pickleball courts, lockers, showers, and a café. The popularity of pickleball has exploded in recent years, and this reuse project is a great example of adapting to market changes.

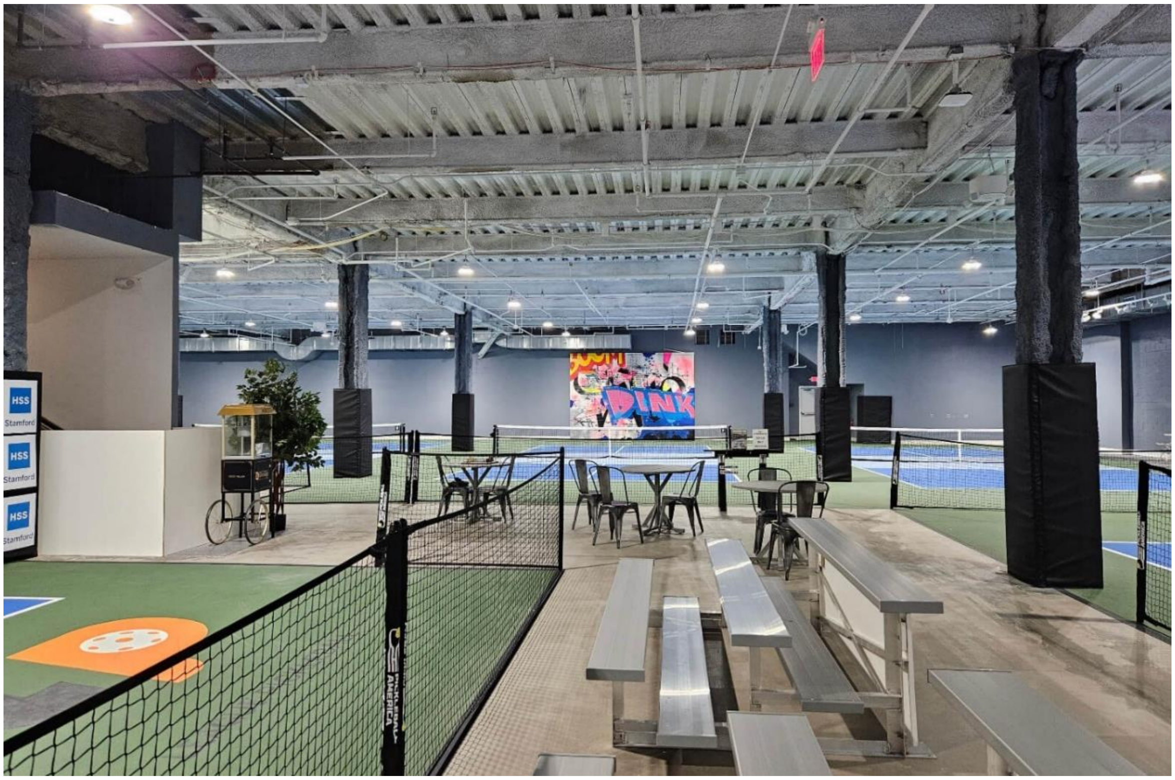


Image © Pickleball America

Cultural and Artistic Venues

Similar to fitness centers, cultural and artistic venues are a great option for vacant retail spaces with a smaller footprint. They are also conducive to social and community engagement, and integrate well with a walkable, activated street. Art galleries, theaters, and pottery and painting classes are all examples of artistic and cultural experiential uses that appeal to the modern consumer. Larger retail spaces might be suitable for creative museums or interactive art installations.

Public and Community Spaces: Public Library in McAllen, Texas

Other examples of experiential uses include certain types of community spaces, or "third spaces," that are not the home or the workplace, but are also not private enterprises like restaurants or coffee shops. Public recreation centers, indoor parks, and libraries can provide a host of activities that attract local

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[10] New York YIMBY. Renderings Reveal 80,000-Square-Foot Pickleball Venue to Debut at the Stamford Town Center Mall in Connecticut. April 2023. https://newyorkyimby.com/2023/04/renderings-reveal-80000-square-foot-pickleball-venue-to-debut-at-the-stamford-town-center-mall-in-connecticut.html

residents and provide this third space for community engagement. These spaces promote community interaction, and so can become valuable community assets. Recreation centers and libraries that host events and workshops may contribute to a community's vibrancy.

The city of McAllen, Texas bought a vacant Walmart to convert into the nation's largest single-story library. The 124,000 square foot space consists of 14 study rooms, two computer classrooms, a teen center, and, of course, plenty of room for books. The library collaborates with other community partners as well. Every Saturday, the library hosts a year-round farmer's market outside their building. They have also worked with AARP tax assistance, Marketplace Navigators health insurance volunteers, and summer meals programs.[11]

Image © Lara Swimmer Photography

Retail to Other Uses

Industrial and Self-Storage: Northgate Industrial Park

Industrial uses have not been subject to the same drop in demand as office and retail – quite the opposite. Industrial demand is driven by light industrial uses as opposed to heavy industry and manufacturing, and exists at both the large-footprint end of the spectrum, and small-space demand, for companies such as HVAC installation and repair, and "maker" uses engaged in micro-scale artisanal production products.

Large-scale operations are potentially strong tenants for former big-box stores. These stores already have loading docks, making conversion easier, and they have been sited and designed to accommodate heavy

[11] Strong Towns. The McAllen Main Library: A model for big box retrofit or not? July 2016. https://www.strongtowns.org/journal/2016/7/15/the-mcallen-main-library-a-model-for-big-box-retrofit-or-not

traffic. Large parking lots can be repurposed for outdoor storage or as space to build additional structures. The vast empty interior space is an advantage, and the lack of windows and other design elements is rarely a disadvantage. While industrial uses, storage, or warehousing do not necessarily result in site improvements and increased design quality that can be achieved with conversion to housing or a mixed-use development, conversion to these types of uses can stimulate job growth and economic development, and make a positive contribution to an area's tax base.

In Sacramento, California, the Northgate Industrial Park project plans to repurpose a 17.6-acre site that used to be Fry's Electronics Store. The existing 156,000 square foot building will become an industrial warehouse facility. In addition to the converted structure, a new warehouse structure of 109, 673 square feet will be constructed on the existing surface parking lot. The redevelopment site boasts of the excellent interstate access the location has, and also highlights its proximity to Sacramento's airport – the interconnectedness of multiple modes of transportation being especially important for some warehouse and distribution operations.

Image © LaTerra Development

Education and Medical Offices: North Kansas City Early Education Center

Reuse for large-scale education facilities is another option for vacant retail spaces. Early childhood education and preschools in particular are in high demand and can be costly to construct. Renovating existing buildings can be a significant cost-saving measure, which is especially valuable to non-profits looking to create schools or childcare centers.

While offices have struggled to return to pre-pandemic demand, trends suggest that medical offices are a stronger market than traditional office space.[12] Medical offices could include traditional doctor or dentist offices, as well as physical therapy, chiropractic, mental health counseling, or addiction rehabilitation

[12] RCLCO. Retail Reimagined: 8 Ways Retail Spaces are Being Converted and Revitalized. May 2023. https://www.rclco.com/publication/retail-reimagined-8-ways-retail-spaces-are-being-converted-and-revitalized/

facilities. Both education and medical uses perform stronger in areas with large household growth, making them strong contenders to fill vacant shopping centers or strip malls.

North Kansas City Schools converted a former Price Chopper and Hobby Lobby to an early education center. This 112,000 square foot project serves approximately 1,000 children from preschool to 5th grade, about half of whom have special needs. DLR Group, a design firm that worked on the project, noted that the conversion cost per square foot was significantly less than it would have cost to build a school from the ground up. This space was also in a prime location – the empty stores were in the center of the school district and located along a very frequented transportation corridor.

Image © 2021 Michael Robinson

4: Recommendations

Overview

This section provides recommendations for Fairfax County regarding policy guidance on the issue of vacant retail spaces in the County, and opportunities to leverage their potential for alternative uses. Recommendations are based on the review of:

- Retail trends nationally and within the Northern Virginia region;
- Recent retail conversion projects in the County and in other jurisdictions; and
- The County's current guidance (Appendix 13) on assessing requests for conversion of retail land uses to housing.

Encourage Retail Conversions that Conform with Expanded Performance Criteria Guidelines

Appendix 13 of the County's Comprehensive Policy Plan regarding "Guidelines for Commercial Building Repurposing" already considers instances where re-purposing retail space could be appropriate:

> "Alternative commercial, service, office, light industrial, governmental or institutional uses may also be appropriate for the repurposing of spaces planned and developed for retail use, retail or other commercial uses, or as a retail component of a mixed-use plan recommendation. *Examples of such uses may include entertainment uses, indoor recreation, professional offices, health care providers, theater/performing arts centers, libraries, or emergent commercial/industrial uses such as craft breweries, makerspaces, or small-scale production facilities, among others."*

The added emphasis is ours, to demonstrate that conversions such as this report describes are already contemplated by the Plan (and occurring on the ground). The criteria covered by Appendix 13 for assessing potential conversion requests may be less relevant to retail re-purposing or reuse than when applied for converting office space to residential use. However, the seven Appendix 13 criteria to consider in part are: Compatibility; Transportation; Site Design; Schools, Parks, and Other Public Facilities; Environment Affordable and Workforce Dwelling Units; and Historic Preservation.

The retail trends examined in this report suggest consideration of an expanded list of criteria when assessing requests for partial redevelopment (for example, filling a vacant parking lot with new residential that would otherwise need a Plan amendment, or converting ground floor retail to residential) – this could be a way to review those requests absent a Plan amendment to include:

1. Type of structure
   Consider whether the structure is likely to be re-occupied by a retail tenant. Certain structures are less likely to be re-used by retail establishments, even if they were purposely built for retail. Accordingly, any proposals for re-use of an empty big store or re-purposing of empty enclosed malls should likely be favored.

2. Age/type of retail space

   The average useful lifespan of a commercial structure is roughly 40 years. After that point, the cost to renovate the structure and/or update building systems system including HVAC and wiring for communications technology is often greater than the building's value. In cases where a redevelopment request applies to a building nearing the end of its useful life, approval of redevelopment is likely a better option than retaining the original structure. Strip malls in particular become less viable for re-use and re-occupation the older they become.

3. Proximity to other retail

   Though similar to compatibility, this focuses more specifically on determining whether the location is already part of a viable, existing retail corridor or commercial neighborhood, because retail builds on other retail, and rarely succeeds in isolation. This criteria may help in determining whether vacant ground floor retail spaces should be retained or allowed to be repurposed.

4. Proximity to transportation

   Structures with access only on local streets, or that are not within ¼ mile of Metro or BRT may be viewed as unlikely for retail re-use, and could be favored for changes of use or redevelopment. Where aging strip malls are located near transit, repurposing some of the parking area with housing – or the whole development, depending upon its occupancy and viability – could also be favorably considered.

5. Alternative ways to activate the streetscape absent ground floor retail

   Redevelopment proposals that offer streetscape enhancements (landscaping, pedestrian amenities such as shade structures and benches) where storefronts would be removed could be reviewed more favorably.

6. Additional affordable and workforce housing

   Proposals that replace underutilized retail structures and/or the associated parking lots with affordable and/or workforce housing beyond the minimum required should receive favorable consideration. In particular, proposals that replace empty ground floor retail with affordable or workforce units rather than more market rates units could receive special consideration for approval.

7. Located in a revitalization or special planning area

   Similar to above, proposals for new development or redevelopment in revitalization areas or special planning areas where underutilized retail structures and/or the associated parking lots are replaced or redeveloped should receive favorable consideration.

Explore the Use of Agreements and Incentives to Preserve Existing Retail

Development agreements can be used in two ways to discourage the displacement of existing, viable retail enterprises when there is a proposal for site redevelopment. Both of these approaches have been used in residential redevelopment contexts, in high-demand locations when redevelopment threatens to displace long-term, moderate-to-lower-income communities, but they can be employed to preserve commercial uses as well. Prior to implementing either of the options described below, the County should establish clear criteria for the kind of businesses that may be eligible for such assistance, and the circumstances that must apply.

RIGHT OF RETURN

In situations where a redevelopment involves preserving a retail component on a site, or redeveloping with replacement commercial space, existing tenants can be offered right of return. This can take the form of guaranteeing a tenant space in the redeveloped property, or maintaining a lease in existing retail space preserved on site. Two potential complications with its implementation are addressing rent differentials between current lease rates and potential increases on account of improvements to the space, and the ability to monitor over time and enforce any private agreement to which the County is directly a party.

COMMUNITY BENEFITS AGREEMENT / RELOCATION ASSISTANCE

If circumstances prohibit a retail tenant from returning to a redevelopment site, either because there is no retail component in the proposed redevelopment, or because agreement on terms of return cannot be reached, developers can enter into an agreement to provide relocation assistance to existing tenants as a condition of approval for their proposed new development. Such an agreement prevents outright displacement of existing retail, helps to ensure its re-establishment elsewhere, and still enables redevelopment of an underutilized site. Determination of the location for re-establishment should be driven by the retail tenant.

COUNTY PROGRAMS AND INCENTIVES

Other economic development agencies in the nation offer programs that support entrepreneurs and small businesses with displacement, and any new support or incentive programs might fit readily within Fairfax County's Department of Economic Initiatives (DEI) portfolio.

Expand Allowable Uses to Align with Updated Policies

As discussed throughout this report, there are many factors that impact retail vacancy rates – including the size of a store, location, and presence of an anchor store. However, one broad regulatory adjustment that tends to decrease vacancy rates is to expand allowable uses beyond traditional retail. The County's commercial "C" zoning districts allow a broad array of uses, including most of the non-industrial uses discussed in this report, either by right, by special permit, or special exception. None of the County's C districts, however, allow household living uses. In other words, conversion to housing in these districts is not allowed. Undoubtedly intended as a measure to reserve land for commercial uses, this prohibition may continue to be valid: conversion or reuse can occur from one commercial use to another. But a more fine-grained analysis may indicate the need for adjustments in this approach. If there is a C-5 area that is struggling to attract and maintain commercial tenants based on vacancy rates and other factors, this area, given its scale and the fact that is already integrated amidst surrounding residential development, might be a candidate for conversion into residential development if the zoning allowed.

Some of the County's already thriving retail areas may have no trouble attracting new commercial tenants to vacant retail spaces. But older, traditional suburban auto-oriented corridor development may benefit from expanding to allow more mixed-use development through a Plan amendment and/or rezoning. This allowance could be especially helpful in the County's designated revitalization or special planning areas, particularly those in close proximity to Metro or high frequency bus lines.

Clarify Priority Locations for Ground Floor Retail

Should new developments be required to provide ground floor commercial space? Or should they be permitted instead to develop single-use residential properties? Should existing development be allowed to convert ground floor space to other uses, including more residential units?

The answer to this likely depends in part on past policy: if mixed-use buildings were widely required, there may already be a surplus of commercial space that is not in high demand. With new proposals, it is helpful to consider some of the same items that a retailer would in conducting a market area study:

1. Trade area

   Ground floor retail in a mixed-use building is generally built to the scale of serving a "convenience trade area" (as opposed to a destination trade area, which draws from a wider area). These areas offer goods and services that residents need on a regular basis, and do not want to travel far to obtain. Groceries are a prime example, as are restaurants and coffee shops, but so are many service businesses such as gyms and hair salons. Although these businesses serve a local area, the resident base of a single building is not enough for them to succeed. Consider all development within a 10-minute walking distance, and 5-minute drive. Are there enough residents nearby? If this is the only residential development, or if nearby residential development is spread out or not dense enough, the location would not be desirable. Are there other businesses nearby? Even neighborhood-serving businesses benefit from the presence of other established businesses in the trade area.

2. Density

   Similar to supporting transit, convenience trade areas can use density as a useful indicator of whether there are enough people to support a business. Transit planners often use a range between 15 and 44 dwelling units per acre, depending on the type and frequency of the transit. The County could apply a similar metric.

3. Access

   In multi-use development, convenience trade relies on multi-modal access. It should front a collector or an arterial, and a location along a transit corridor or near a Metro stop is beneficial. However, pedestrian and other non-motorized access is important too. The more means of access in proximity to the location, the better.

Market studies typically also include detailed information on trade area demographics and income. While these are not likely to be elements the County considers in reviewing development proposals, retailers will not choose a location that does not align with their defined "market" related to demographics and income. This is to say that even if the above considerations seem favorable for supporting ground floor retail, there may be other salient concerns that development review does not account for which will determine the ultimate success of a ground floor retail location.

5: Appendix - Current Retail Policies and Regulations in Fairfax County

This section provides a brief summary of Fairfax County's current policies and regulations for retail, both as a standalone use, and as part of a broader mix of land uses.

Fairfax County Policy Plan (2017 Edition)

Goals and Policies

The Preface to the 2017 Policy Plan establishes 20 goals to provide focus for the objectives and policies in other plan elements. References to land use considerations for commercial development appear in four of the 20 goals, and generally apply to retail development as a subset of commercial development:

Quality of Life. The primary goal of Fairfax County's policies and priorities is to…achieve an outstanding quality of life through *a balance between access to convenient multi-modal transportation and residential, commercial, and industrial development*.

Land Use. Growth should take place in accordance with criteria and standards designed to *preserve, enhance, and protect an orderly and aesthetic mix of residential, commercial/industrial facilities, and open space* without compromising existing residential development.

Economic Development and Opportunities. Fairfax *maintains its prosperous economic climate and varied employment opportunities* by continuing to develop and pursue a broad range of actions, including public/private partnerships, designed to enhance its long-term competitive position in regional, national, and international economic development.

Revitalization. Fairfax County should encourage and facilitate the revitalization of older commercial and residential areas…revitalization initiatives should encourage business development, promote public and private investment and reinvestment, and *seek to prevent or eliminate the negative effect of deteriorating commercial and industrial areas*.

Private Sector Facilities. Fairfax County should continue to *encourage the development of appropriately scaled and clustered commercial and industrial facilities* to meet the need for convenient access to goods and services and to employment opportunities.

Land Use Element

Objective 2: Fairfax County should seek to establish areas of community focus which contain a mixture of compatible land uses providing for housing, commercial, institutional/public services, and recreation and leisure activities.

Policy a. Create mixed-use Centers which enhance the sense of community and reduce the need to travel long distances for employment and/or services.

Policy b. Encourage, within the Tysons Urban Center, cores of Suburban Centers, cores of Community Business Centers, and Transit Station Areas, and other areas within these Centers that would benefit from revitalization and redevelopment, the development of mixed-use projects.

Policy c. Maintain the integrity of mixed-use Centers and neighboring residential communities.

Objective 3: Fairfax County should maintain a supply of land sufficient to meet the need for housing, commercial, industrial, institutional/public services, and recreational and leisure activities to support the Comprehensive Plan.

Policy a. Conduct a comprehensive community needs assessment, at least once every five years, to determine future land requirements to meet adopted county goals.

Objective 7: Fairfax County should reserve and/or conserve areas which provide primarily community-serving retail and service uses.

Policy a. Preserve or establish areas of the county which provide necessary commercial and professional services to the community.

Policy b. Implement programs to improve older commercial areas of the county to enhance their ability to provide necessary community services.

Policy c. Encourage redevelopment or repurposing projects in commercial areas that would preserve or increase desirable community services.

Objective 9: Nonresidential redevelopment or repurposing should be in accord with the recommendations of the Comprehensive Plan.

Policy c. Ensure that the redevelopment or repurposing of existing uses is consistent with the provision of adequate transportation and public facilities.

Policy f. Ensure that the repurposing of existing structures is in accordance with the "Guidelines for Commercial Building Repurposing" in the Land Use Appendix.

Objective 16: Fairfax County should encourage Transit-Oriented Development (TOD) with focused growth near certain planned and existing rail transit stations as a way to create opportunities for compact pedestrian- and bicycle-friendly, neighborhood centers accessible to transit.

Appendix 6: Guidelines for Interim Improvement of Commercial Establishments. In some areas of the county, the Comprehensive Plan envisions a substantial change in land use that is expected to come about in connection with eventual redevelopment. In such areas, it may be immediately beneficial and further the overall principles of the Plan to allow changes in existing uses that do not strictly conform with the long-term recommendations of the Comprehensive Plan. Such changes in use may be allowed, on a case-by-case basis, if:

- They result in significant public benefits, for example, improvements in circulation or access, parking, landscaping, site design or building design;
- Those public benefits outweigh any adverse effects of the change in use; and
- Allowing the change in use will not delay or interfere with the achievement of the long-range objectives of the Comprehensive Plan.

Appendix 11: Guidelines for transit-oriented development. Appendix 11 establishes guidance for compact, pedestrian-oriented, mixed-use development around existing and planned rail transit stations. Guidelines of importance to retail development, preservation, or conversion include:

- Transit Proximity and Station Area Boundaries. Focus and concentrate the highest density or land use intensity close to the rail station, and where feasible, above the rail transit station.
- Station-specific flexibility. Examine the unique characteristics and needs of a particular station area when evaluating TOD principals to ensure the appropriate development intensity and mix of land uses relative to the existing and planned land uses for the surrounding areas.
- Mix of Land Uses. Promote a mix of uses to ensure the efficient use of transit, to promote increased ridership during peak and off-peak travel periods in all directions, and to encourage different types of activity throughout the day.
- Housing Affordability. Provide for a range of housing opportunities by incorporating a mix of housing types and sizes and including housing for a range of different income levels.
- Regional Framework. Provide a more efficient land use pattern by concentrating growth around existing and planned transit station areas.
- Economic Benefits. Create an employment base and encourage commercial revitalization adjacent to transit facilities.
- Phasing of Development. Ensure that projects are phased in such a way as to include an appropriate mix of uses in each phase of the development.

Supporting narrative for several of the above guidelines acknowledges that the actual mix of uses that is achieved in individual station areas will be influenced by market feasibility.

Appendix 13: Guidelines for commercial building repurposing. Appendix 13 establishes flexibility to accommodate the repurposing of older commercial buildings that have been vacant for an extended period, or are otherwise considered obsolete. Of particular relevance in this Appendix area the areas of focus where repurposing is encouraged, and the seven performance standards to be used in assessing the desirability of repurposing requests.

Conversion of retail to residential use may be appropriate in *portions* of Tysons Urban Center, Community Business Centers (CBCs), Transit Station Areas (TSAs), Suburban Centers, Suburban Neighborhoods, and Low Density Residential Areas, based on the type of retail and the localized context, as discussed throughout this report.

Performance criteria include: Compatibility; Transportation; Site Design; Schools, Parks, and Other Public Facilities; Environment; Affordable and Workforce Dwelling Units; and Historic Preservation.

Alternative commercial, service, office, light industrial, governmental or institutional uses may also be appropriate for the repurposing of spaces planned and developed for retail use, Retail or Other Commercial Uses, or as a retail component of a mixed-use Plan recommendation. Examples of such uses may include entertainment uses, indoor recreation, professional offices, health care providers, theater/performing arts centers, libraries, or emergent commercial/industrial uses such as craft breweries, makerspaces, or small-scale production facilities, among others.

Comprehensive Land Use Plan (Map and Land Use Categories)

The Comprehensive Land Use Plan includes a dedicated category for Retail and Other Commercial Uses, which encompasses 529,986,851 square feet 4.24% percent of the total land area in Fairfax County. Retail uses are also accommodated in mixed-use areas, which include 5,555.99 acres or 2.30 percent of the total land area in Fairfax County. Mixed-use areas (which include retail and other commercial components) are encouraged in Tysons Urban Center, Community Business Centers (CBCs), Transit Station Areas (TSAs), and Suburban Centers.

Definitions for the individual land use categories illustrated on the map and the terms ‘retail,’ ‘commercial,’ and ‘mixed uses’ are not defined in the Plan glossary.

Special Planning Areas

The Comprehensive Land Use Plan provides more detailed policy guidance and land use recommendations for each of Fairfax County’s 14 Planning Districts, as well as sub-geographies within each district. Retail uses are encouraged as part of a broader mix of uses in most of the County’s Special Planning Areas, including the Tysons Urban Center, Community Business Centers (CBCs), Transit Station Areas (TSAs), Suburban Centers, and Industrial Areas.

Zoning Ordinance (2024)

Base Zoning Districts

The Fairfax County Zoning Ordinance includes four retail zoning districts:

Neighborhood Commercial Retail District (C-5). Provides for neighborhood-oriented convenience shopping. Typical uses include retail commercial, such as grocery stores, drug stores, small specialty shops, and business and personal service establishments, with a limited number of small professional offices and other similar uses. The C-5 District is intended to accommodate development in compact centers. Development should incorporate safe multimodal access, pedestrian circulation, and should be architecturally compatible with the neighborhood in which it is located. Development in the C-5 District is not intended to attract substantial trade from outside the neighborhood.

Community Retail Commercial District (C-6). Provides locations for retail commercial and service uses oriented to serve multiple neighborhoods within the community. Typical uses in the C-6 District are similar to those allowed in the C-5 District, but also include more intense commercial uses. Development within the district should be encouraged in compact centers with coordinated development that is planned to maximize comparison and one-stop shopping, to minimize traffic congestion, and to incorporate safe multimodal and pedestrian circulation.

Regional Retail Commercial District (C-7). Provides locations for a full range of retail commercial and service uses oriented to serve a regional market area. Areas in the C-7 District should be located adjacent to major transportation facilities, and development within the district should be encouraged in centers that are planned as a unit. Development in the C-7 District should incorporate walkable and safe multimodal design.

Highway Commercial District (C-8). Provides locations on heavily traveled collector and arterial highways for auto-oriented commercial and service uses. The C-8 District is intended to accommodate uses in a manner that minimizes interference with through traffic movements and to ensure a high standard in site design, layout, and landscaping. Allowed uses in the C-8 District are encouraged in concentrations.

General retail is also permitted by right as a primary use in the following Planned Development Districts:

Planned Residential Community District (PRC): Retail uses are permitted under the Neighborhood Convenience Center, Village Center, Town Center, and Convention/Conference Center designations.

Planned Development Commercial District (PDC): The PDC District encourages the innovative and creative design of commercial development. The district regulations are designed to accommodate preferred high density or intensity land uses which if not strictly controlled as to location and design in accordance with the Comprehensive Plan recommendations could produce detrimental effects on neighboring properties.

Finally, general retail may be established in the Medium Intensity Industrial District (I-4), General Industrial District (I-5), and Heavy Industrial District (I-6), only with board approval of a special exemption.

PERMITTED USES

Permitted uses in the four commercial zoning districts vary, but generally include a mix of commercial and public, institutional, and community uses. They also include a variety of commercial uses beyond retail, including animal-related services, restaurants, offices, business and services, and some recreation and entertainment uses. Residential uses are not permitted in commercial districts except for some group living facilities permitted by special exception.

USE STANDARDS

Use-specific standards apply to retail uses in the I-4 through I-6 districts (e.g., limitations on retail use gross floor area, restrictions on hours of operation, and screening requirements for outdoor storage and loading areas).

Planned Zoning Districts

Each of the County's Planned Districts addresses the kind of development that is desired in the defined area, most allowing office development of varying size and intensity, tied to the purpose of the district. The Planned Development Commercial District (PDC), Planned Residential Mixed-Use District (PRM), and the Planned Tysons Corner Urban District (PTC) are most permissive for office development, with intensity generally limited by floor area ratio. Where these districts are coincident with areas delineated in the Comprehensive Plan as Transit Station Areas, Community Business Centers, Commercial Revitalization Districts or Areas, and Urban and Suburban Centers, the FAR may be increased in support of accomplishing plan goals.

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