

## Rising downtown population spurs rapid retail, dining growth

BY MARILYN BOWDEN

The rapid filling up of residential condos downtown with renters or owners is encouraging growth in the retail market, experts say, with restaurants leading the way.

Ten new retailers have opened in the central business district so far this year, with another seven under construction, said Leo Zabezhinsky, real estate and business development manager for Downtown Development Authority. The total for all of 2009 was 14.

"We are looking very closely at the retail mix," he said. "We offer incentives to improve the retail mix downtown.

"We don't measure solely by numbers. The inquiries we've been receiving this year, both in calls for expansion and new tenants reaching out to us, certainly reflect a higher quality."

Zuma, a popular London-

based Japanese restaurant, opened in May in The Epic Hotel. New York Bagel Deli and Lime Fresh Mexican Grill are new to Flagler Street. Chef Daniel Boulud is to bring his db Bistro Moderne concept, featuring upscale French cuisine, to the new JW Marriott Marquis Hotel on the Miami River this fall.

In addition, Peruvian eatery La Granja will open a branch catty-corner to the Marriott Courtyard, said Jason Press, a senior retail associate at Continental Real Estate Cos.

"Assuming all these restaurants do well," he said, "others will follow, as happened with Midtown Miami."

"Restaurants are the drivers behind the new retail mix," said Tony Cho, founder and president of Metro 1 Properties. "Because of the residents now living downtown, there's a renewed energy. Downtown is



**"Because of the residents ... there's a renewed energy," said Tony Cho.**

starting to move."

He said the area now has two distinct populations—workforce and residents.

"With recent reports of the filling of the new condos," Mr. Cho said, "there's a lot more interest from retailers serving their needs."

Still missing, Mr. Press said,

is a supermarket serving downtown residents, but help is on the way.

"Publix is committed to a deal across from the Omni," he said, "and there are rumblings that Whole Foods might re-sign at Met 3. Historically, they make a significant impact on changing urban environments."

Downtown is still working on getting a critical mass of diners and shoppers into the urban core after work hours, but that's slowly changing, Mr. Zabezhinsky said.

"Macy's is now staying open until 7 p.m. on the weekends," he said, "which is very encouraging."

In that regard, Mr. Cho said, "there's some concern about the fate of the Gusman, which drives a lot of after-hours traffic. One of the critical points in attracting retailing is after-dark and shopping patterns. But I think it will only strengthen with

a few success stories."

The popularity of The Miami Heat has had a major impact on demand from restaurants, Mr. Press said, because for each of 40 or so home games a year the team draws 20,000 fans downtown, many of whom will eat downtown before the game.

He said CoStar records vacancy in downtown retail space at 6.7%, or 3.8% if the former Omni Mall is excluded. Renovation and upgrading of retail space at the Wachovia Center opens opportunities for more upscale eateries, he said, but retailers looking for 10,000 square feet or more would not have many options.

One innovative opportunity, Mr. Cho said, is the historic post office at 100 NE Firstst Ave.

"We're working with a couple of lifestyle tenants," he said, "that might take the entire building."