

Out of the box: Nontraditional and smaller users transform large vacant retail spaces

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The recent recession has left a trail of empty big-box stores throughout the suburbs of America.

In better times, such vacancies often were created when original users moved to even bigger boxes, leaving their former spaces to be snapped up by other discounters, supermarkets and category-killer chains.

With the retail sector still reeling, however, empty big boxes now are being filled with nontraditional single-user tenants or carved up for smaller users. Either way, these big-box makeovers are creating savings for users and revenue for the commercial construction industry, which has been weathering a slump of its own.

"We've always done renovation of historic buildings and repurposing of various tenant spaces," said Sarah Staten, a project manager with [A.L. Huber General Contractor](#) in Overland Park. "But I think the adaptive reuse of these big boxes is going to be a much bigger trend going forward."

HOLY BIG BOX

Staten, who helped guide the recent transformation of an Olathe furniture store into the new home of [Heartland Community Church](#), said two reasons for the trend are the current bargain prices for the vacant big boxes and the growing emphasis on sustainability.

"Our congregation believes in being wise stewards of resources," said Steve Fisher, Heartland Community Church's director of operations, adding that you can't get much more sustainable than reusing a building.

The church bought the 111,000-square-foot building and 1,150 parking spaces for \$6.45 million, just more than half of its appraised value, Fisher said.

The \$6.2 million spent to create a new facade and finish about 70 percent of the interior was only about half what the church would have spent for new construction of that much space, Fisher said.

Designed by [360 Architecture](#), the improvements do not include stained glass or a steeple. But Fisher said Heartland's new home "very much fits our DNA as a church for the unchurched."

Services are held in an auditorium with high-tech lighting and sound systems and seating for 1,200. Continuing membership growth eventually may necessitate the construction of an even larger auditorium in the unfinished portion of the building.

That being the case, the congregation decided to live with the four steel columns that rise about 30 feet from the auditorium floor to the ceiling. Clear-spanning the 170-foot width of the auditorium would have required structural fortification at a cost of about \$900,000, Staten said. And the columns will be needed should the church ultimately decide to add a second story over the current auditorium space, she said.

In the meantime, the congregation is enjoying the "Wrigley Field feel" created by leaving the columns, Fisher said. But Staten said the overriding design strategy was to create new looks by removing old materials.

That included moving some precast concrete panels from the facade of the building and opening holes in the roof to let in energy-saving daylight. In addition, the contractors cut grooves in remaining exterior panels for architectural detail, peeled up 60,000 square feet of carpet and "densified" the underlying concrete, and took down thousands of drop-ceiling tiles that had been added to create a homelike feel for furniture shoppers.

Instead of trying to improve a vestibule that served as the main entrance to the furniture store, A.L. Huber removed that, too, replacing it with a courtyard and creating an inviting new entryway by cutting a notch into the big box. It opens into a 30-foot-high atrium, in which visitors are greeted to the right by a bright green wall that closes off the unfinished space. To the left is another expansive wall warmed by irregularly shaped slabs of reclaimed old-growth black walnut. And through it, members can access the auditorium, classrooms, a gathering area with a massive fireplace and other spaces.

EXTREME MAKEOVER

Mike Boyd, a developer with [Walter Morris Cos.](#) in Wichita, said the great location at 135th Street and Metcalf Avenue prompted the firm and a co-developer to snap up the closed Extreme Ford dealership there in 2007 — despite having no new tenant commitments.

MEDIA



"A lot of times you can buy (closed big-box retail buildings) for a lot less than replacement cost," said Boyd, who has redeveloped several. "That allows you to put new tenants in them for less rent than they would pay in a new construction deal."

Gus Rau Meyer, a principal of **Rau Construction Co.** in Overland Park, said the firm led the \$4.5 million project to retrofit the 88,000-square-foot box left behind by Extreme Ford. The project entailed reducing the building's size to 62,000 square feet to create more parking and room for a pad site, plus carving it into spaces for five new retailers. Accommodating those tenants via new construction would have cost between \$7 million and \$8 million, Meyer said.

Designed by **Klover Architects Inc.**, the extreme makeover included replacing the gray precast concrete facade of the hulking building with more attractive bricks, mortar and stucco, Meyer said.

The biggest construction challenges, Meyer said, were tearing off part of the facade while maintaining the rest of the structure and converting utility service for a single user into service for five.

The project took two years to complete, and with the recent sale of its pad site, the job of retenanting also is finished, said David Hickman, a **CB Richard Ellis** broker who is becoming a specialist in big-box makeovers.

COMPLETING A PUZZLE

"There used to be a time when it was a lot easier to fill these stores with other big-box users," said Scott Taubin, senior vice president of **The R.H. Johnson Co.**, a Kansas City-based real estate services firm. "You could take an old Walmart store, break it into a Hobby Lobby and a Heilig-Meyers furniture store, and you'd be done."

That was not the case with a former Walmart Supercenter in Blue Springs, which was purchased a couple of years ago by a partnership that hired The R.H. Johnson Co. for brokerage and development services.

The new owners had to divide the 131,000-square-foot building into four spaces, the last of which was leased recently to the **Disabled American Veterans** for a thrift store. The former Walmart also houses a Westlake Ace Hardware store, a Goodwill thrift store and a Deal\$ discount store.

"Most big-box retailers aren't opening stores today," Taubin said. "So you've got to look for folks like the dollar stores and thrift stores that are thriving in today's economy."

Then you have to figure out how to accommodate them in a 300-foot-deep building, he said. In the case of the \$3 million Blue Springs makeover, that entailed creating L-shaped spaces for the thrift stores and adding dock space.

"Everybody got what they wanted," Taubin said. "But it was like putting together a puzzle, which took a little time."

Heartland Community Church

Previous use: Rhodes Furniture store

Square feet: 111,000; just less than 70,000 has been remodeled for use by the church

Address: 12175 S. Strang Line Road, Olathe

Description: After outgrowing a former elementary school in Overland Park, the Heartland congregation bought the vacant big-box store in Olathe for its new home. The church paid \$6.45 million for the building, just over half of the \$11 million at which it had been appraised.

Makeover construction cost: \$6.2 million

Completion date: The congregation moved into the initial phase in November. Future phases, including possible creation of mezzanine-level spaces, will be determined by the growth and needs of the church.

Makeover players: A.L. Huber General Contractor, 360 Architecture

Challenge: Bringing more daylight into the building was accomplished by moving precast concrete panels on the facade, installing skylights and cutting a hole in the roof to create an interior glass-lined light box that contains plants and a fountain.