

Rheem Center Woes

By Sophie Braccini

The Box Guy, 2nd Generation Consignment, Star Shoes, The Karate and Fitness Place, Mia and Friends, Special-Tees, Imelda Ward, Beauty Source... the list of businesses that have left, or are leaving, the Rheem Center is long, and growing longer every month. Some of these businesses have relocated; others have packed it up and called it a day. This might be considered business as usual and not of major concern had new merchants been moving in to take their place, but the number of empty spaces is clearly rising. Of the fifty-one storefronts in the Rheem Center, eight are currently vacant.

Jack White, the owner of Beauty Source, says he had no choice but to pull out of Rheem. The new owner of the Center, Kimco Realty Corporation, notified him that his lease would cost 25% more when renewed; Beauty Source had been in operation at Rheem for ten years and was profitable, but not enough for White to be able to afford the rent hike.

White was able to secure a new location two miles south in the Moraga Center, which currently has several vacancies as well, although recently more businesses are moving in rather than out; Beauty Source will once again be the neighbor of the Karate and Fitness Place, which also made the move down the street from one Center to the other.

Rising rents may not be the only problem at Rheem.

Lisa Taapken, who owns "Mia and Friends," a creative specialty clothing store for girls, left the Center a few months ago. "The side of the Center where my store was is totally distressed," says Taapken.



Empty storefronts at Moraga's Rheem Center

"We've seen depredation from teenagers, and many times I had to call the police," she adds, "and still we, the tenants, had to pay for any damage." Taapken now runs two "Mia and Friends" stores in Walnut Creek.

White also points out that not all Moragans are supportive of their local stores. Lori Stubblefield, of Lori's Perfect Tan, agrees: "We have as much selection and quality products in our stores than any Walnut Creek retailer, and for off-season swimwear people come from Blackhawk to shop here, but some local people just don't want to shop in Moraga." For Stubblefield, who has been building her business for eleven years, the next challenge will be the renewal of her own lease at the end of the year. She fears that if she has to face a 25% increase, Lori's Perfect Tan will be history.

Is the Rheem Center getting the wrong end of the stick in the revitalization of Moraga? The Moraga Economic Development Advisory Committee (EDAC), a group appointed by the Town to help energize business, sees a mixed picture at Rheem. EDAC points out that some businesses have been doing very well for years at the Center, but suggests that it is in the best interest of all if rents remain at fair and reasonable levels for big and small businesses alike. EDAC has hired a retail consultant, MapInfo, that will make recommendations on an economic strategy and on the types of businesses needed for both the Rheem and Moraga Centers.

Phil Vince, Moraga's Town Manager, is a strong supporter of the Rheem Center although he agrees that the Moraga Center has been higher on the Town's priority list than has Rheem: "We have 177 acres of vacant space (at the Moraga Center), versus 7 at the Rheem Center," explains Vince, "and the Bruzzone family, which owns the Moraga Center, has been working with us for years, with experts, on the development of that space."

We made several attempts to contact Kimco for this article, but received no response to our calls inquiring into plans for revitalizing the Rheem Center, which is one of hundreds of shopping centers owned by Kimco in the US and Canada.



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