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Published January 27, 2016

Fundamental Shift Heralded at Moraga Business Symposium

By Sophie Braccini



From left: Ellen Clark, Ron Mucovich, Jay Kerner and Prof. Kris Chase Photo Andy Scheck

experience, a place to go to be part of an event, a place for a family outing," he said.

Clark said that she was excited for the opportunity to work with Kerner and his team on initiatives to reinvigorate the Rheem Center. "It's been a long-standing community goal to improve and revitalize the Rheem Center, and one obstacle has been the willingness of the shopping center owner to engage with the town in that process," she said.

"We are here to improve the experience," Kerner said. "This is a great time for retail. We are now getting a lot of inquiries from new local shops and regional tenants that want to start or develop their businesses."

Presenting a pertinent view of Moraga's fundamental economic parameters, Clark noted that the town suffers from being away from major transportation, both Highway 24 and BART, and suffers a significant sales tax leakage: only 25 percent of dollars spent by residents are spent in town, but it is not as bad as other neighboring cities, such as Orinda.

Clark noted that Moraga collects half of what Lafayette gets in sales tax per capita, but she noted that Moraga has strengths when considering potential growth of its economy. There are a lot of unmet needs in Moraga. Residents get almost none of their recreation products in town and they spend only 29 percent of their restaurant dollars in town. Also, contrary to other towns, Moraga has available space to grow, plenty of parking spaces, and attracts many shoppers from out of town to shops like T.J. Maxx.

Kerner said the first order of business was to make sure that the operations at the Center were in order, and that his firm had also started on its marketing plan. "We want to get buy-in from the community," he said. "We will propose sketches and start a discussion." He of course warned the community that while his firm had set aside funds to invest in the center, these were not unlimited. He added that he thought that Moraga's population was large enough for the type of businesses he hoped to bring to town.

Since the 1960s there has been a lack of integration and vision in Moraga's two shopping centers, but that may all soon change. At the Jan. 19 business symposium at Saint Mary's College, organized by the Moraga Chamber of Commerce, planning director Ellen Clark spoke about an approach to planning that stresses results over regulations and embraces such concepts as creating human-scale spaces, optimizing connectivity, and encouraging pedestrian access.

Jay Kerner, CEO of U.S. Realty Partners, the new owner of a large portion of the Rheem Valley Shopping Center, spoke of revitalizing the center into a community and shopping space that everyone will be proud of, adding a central gathering area, indoor and outdoor dining or offering entertainment options.

"We would want the center to provide a social

Commercial real estate professional Ron Mucovich and Saint Mary's Economics Professor Kristine Chase also spoke at the symposium. Mucovich noted that commercial real estate in Moraga was in good shape with only an 11.5 percent vacancy rate, and that the town benefited from a relatively low average rent price of \$2 per square foot per month. He added that the retail was suffering from nearby as well as online competition. Chase placed Moraga in the context of the Bay Area and Contra Costa County, explaining that our county may not grow as fast as the peninsula but is producing more long-term stability. In that context, she noted the importance of the college in Moraga's economics that adds to the stability and also offers an opportunity to diversify the customers' characteristics.

"Although it's not realistic to think there's a silver bullet that's going to fix everything overnight," Clark said after the meeting, "there are a lot of practical things we can do, like updating the commercial zoning regulations, that could make a real difference for businesses in the Rheem Center and our other commercial districts. I'm looking forward to it."

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