



## URBANLAND

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### Lifestyle Center Goes Local: Westport Village

By Ron Nyren

*When Underhill Associates was converting an apartment complex into condominiums in the early 2000s, the firm's partners saw the Camelot Shopping Center across the street continue its decline. Read how, with a focus on locally owned businesses, the Louisville, Kentucky, developer was able to turn the aging retail center into Westport Village, a pedestrian-friendly lifestyle center.*



As developers increasingly turn to national credit tenants to fill retail storefronts, one lifestyle center in Louisville, Kentucky, is bucking the trend by relying predominantly on locally owned, one-of-a-kind businesses.

It began when brothers Todd and Jeff Underhill, partners of locally based developer Underhill Associates, LLC, were converting an apartment complex to condominiums along Westport Road in Louisville in the early 2000s. They watched the Camelot Shopping Center, an old grocery-anchored neighborhood retail center across the street, continue to deteriorate. Although the Underhills had never developed a specialty lifestyle center, after the success of the condo conversion project, they felt the area held great potential. In 2004, the firm acquired the property. They tapped Todd's son, Colin, who had just graduated from college, to lead the project.

"One of the biggest lessons learned was that being 23 years old when I started the project was my biggest asset," says Colin Underhill, now a partner. "What I didn't know couldn't hurt me."



Many potential tenants were initially skeptical that the aging center could be turned around, partly because accessibility to the center was less than ideal. Two planned infrastructure projects—a new interchange about half a mile away, connecting the Watterson Expressway to Westport Road, and the widening of Westport Road—had long been stalled. Their completion would help the lifestyle center draw customers from a larger area, taking advantage of eastern Jefferson County's upscale demographic. "People said the road won't get widened, the interchange won't come in, the area is not viable for this kind of retail," says Colin Underhill. "They had watched the center deteriorate for ten or 12 years, and people had lost faith. But if everybody had thought this was possible, then someone else would have done it, and I would never have had the opportunity."

Underhill Associates had been working in Louisville for more than 40 years, so Colin Underhill could draw on existing relationships with bankers and other key players. He also spent a significant amount of time driving around the city, hunting for strong local businesses. The local focus would distinguish the new center from the city's two major regional malls.



The existing center consisted of four buildings ranging from 35,000 to 40,000 square feet (3,250 to 3,720 sq m) each, with a sea of parking in front and dumpsters and utility meters in the rear—an eyesore because residences surround the center on all four sides. Underhill Associates remade it into a pedestrian-friendly lifestyle center and redubbed it Westport Village.

To break up the monotony of the parking lot and introduce a street grid, the developers demolished 30,000 square feet (2,790 sq m) of the existing center and constructed two new buildings, each measuring about 25,000 square feet (2,320 sq m), in former surface parking areas, bringing the total square footage up to 175,000 (16,260 sq m).

Westport Village was completed in June of 2008. The new interchange off of Watterson Expressway opened in April of 2010, and the city finished widening Westport Road in October 2010. The biggest boost in customers came in March of 2010, when a number of well-established Louisville businesses moved to the center, including a children's boutique, a jewelry store, a frame shop, and a pizzeria/taphouse. "Now we have 60 retailers here that all have a different product, all have a different nature, but they are for the most part all locally owned, independent, premium businesses," Underhill says.




For others interested in pursuing local tenants, Colin Underhill advises that

a business's operator matters more than the type of business. "Anybody can open a storefront or a restaurant, but it's all about the people behind the individual business," he says. "The right person with the right capitalization will succeed." Even in the economic downturn, the local focus has paid off, he says. "Things certainly aren't easy-we've had to work with a couple of our tenants-but at the end of the day, we've been countercyclical to what has been going on in the rest of the retail environment."



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