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Retail wave hits Valley; more stores are on the way

Deanna Durfee didn't mind battling for parking and braving nearly hourlong checkout lines to shop during the grand opening of Kohl's in Meridian earlier this month.

"It's nice to now have a variety of places to shop in a lot of different areas," she said.

Look around the Treasure Valley. New stores like Kohl's seem to be appearing out of nowhere.

"It's quite a phenomenon," Paul Hiller, executive director of the Boise Economic Valley Partnership.

As Boise's retail landscape matures, growth has been moving westward to Meridian and Nampa, creating large destination shopping areas anchored by big-box stores. The trend started in 1999 with the opening of the Crossroads shopping center in Meridian at the intersection of Eagle Road and Fairview Avenue. The latest areas are in Nampa. Treasure Valley Marketplace at the Karcher Road interchange of Interstate 84 is the largest, anchored by a Costco, Kohl's, Target and Best Buy. Retail development also is growing near the Idaho Center with a new Wal-Mart Supercenter and Sam's Club. And a proposed new Gateway development at Interstate 84's Garrity Boulevard exit will be anchored by a J.C. Penney store.

Dozens of smaller retailers are moving in, too, such as Taco Del Mar, a fast-casual Mexican food franchise. Developer Todd Hicks opened his first location at Eagle and McMillan Roads in fall 2004. He now has nine locations with three more in development.

"We know that the population is going to keep growing, and we have to build retail to support that," Hicks said. "People don't always want to drive into Boise to go to a Target."

To be sure, new stores still are coming into Boise. Sporting goods giant Cabela's opened its first location in Idaho on Franklin Road near Boise Towne Square. In Downtown Boise, the BoDo development on 8th Street between Front and Myrtle streets brought new specialty retailers such as Urban Outfitters. Valley residents now have choices for shopping and dining that rival those of bigger cities like Portland, Seattle and Salt Lake City.

Just a decade ago, Boise shoppers were thrilled with the opening of the valley's first Wal-Mart on Overland Road. The valley now has six.

"It's crazy to see this much growth," said Jeni Ranstrom, 33, a long-time Meridian resident shopping at the new Kohl's. "This is where my father used to hunt and where we would go for country drives."

Still, Ranstrom said she thinks there is still room for more stores. Her suggestion: An Ikea, the popular home-furnishings store.

Attractive demographics

"It's a pleasant surprise to see this many retailers having an interest in the Treasure Valley, but I'm not that surprised because the demographics are exactly what retailers look for," said Bob Mitchell, a retail shopping center specialist and partner with Thornton Oliver Keller Commercial Real Estate in Boise. Mitchell, whose firm is marketing the Treasure Valley Marketplace in Nampa, said the area's population, relatively high income and low unemployment is a "great recipe" for retailers.

More than a third of Idaho's nearly 1.5 million people live in the Treasure Valley. Between 2000 and 2006, the population in the Boise metropolitan area, which includes Ada, Canyon, Gem, Boise and Owyhee counties, grew by more than 20 percent, to 567,640 from 464,840, according to the latest U.S. Census data.

Ada County's average income is also the second largest in the state at \$39,302. Canyon County's average income is much lower at \$20,397, but the new stores in Canyon County also serve much of western Ada County.

Pam Eaton, with the Idaho Retailers Association, says demographics also play a part.

"We have a bunch of different type of people moving in the the area from all over, with different socioeconomic backgrounds and different tastes in retail," Eaton said, "Everyone from college students, who seem to have more money than college students 10 to 20 years ago, to executives from companies like Micron, HP and SuperValu."

Mike Griswold, a retail expert with Boston-based AMR Research who has lived in Boise for two years, said the recognition Boise has received nationally over the past several years in magazines such as Forbes has helped catch the attention of retailers. Forbes named Boise as the third best place in the country for business and careers this year.

"You now have to take Boise seriously as a place to bring your business," Griswold said.

Dan Coughlin, president of the Missouri-based Coughlin Co. and the author of the coming book "Accelerate: 20 Practical Lessons to Boost Business Momentum," said large retail companies are almost always in an expansion mode, and they look at areas where they can have an immediate impact on a market.

"Whoever can get a foothold in a community first and build relationships has the advantage," he said.

Mike Whatley, district manager for Kohl's, said the area had been on the company's radar.

And who is Kohl's target customer?

"It's the mom with a family with a disposable income who typically shops at the more traditional department stores," he said.

Just the beginning

The westward expansion probably will continue for years.

"For the next three to five years you're going to see a growing demand for retail services out where people live," Mitchell said.

A second phase of the Treasure Valley Marketplace already is planned and will bring another PetSmart and Sportsman's Warehouse as well as more banks and fast-food restaurants, Mitchell said.

Mitchell expects the next center for major retail growth to be the proposed Ten Mile Road interchange in west Meridian. Work on the I-84 interchange is supposed to start by 2010, and he expects retail to follow, just as it did with the Karcher Road interchange and Midland Boulevard exit in Nampa.

Hicks expects growth moving forward to fill in the holes between Boise, Meridian and Nampa and move into the outlying areas of Kuna and Star.

"Look at Kuna — it doesn't have a lot of retail, yet it has 20,000 people," he said. "We know that the population is going to keep growing, and you have to build retail to support that."

By the end of 2008, Hicks expects to have 15 Taco Del Mar locations in the valley.

"I'll stop when the valley stops," he said.

To offer story ideas or comments, contact reporter Ken Dey at kdey@idahostatesman.com or 672-6757.