

Food Halls for When You're Always Hungry

Carla Vianna, *Daily Business Review* | April 10, 2017



Food halls are a place for homegrown entrepreneurs to grow food-truck concepts into permanent settings, said Beth Azor, founder of Azor Advisory Services in Davie. *J. Albert Diaz*

For Miami's Brickell City Centre, a traditional food court wouldn't do.

The recently completed open-air shopping center will be home to Miami's first modern food hall, a 38,000-square-foot, Italian-inspired collection of food vendors and cafes displayed over three levels in the mall.

Dubbed La Centrale, the concept is a gastronomical first for the city's Financial District, but it sure won't be Miami's last.

Food halls are making a comeback across the nation: In the first nine months of 2016, the number of existing food hall projects in the U.S. increased 37 percent, according to a [Cushman & Wakefield report examining the trend](#).

It kicked off with New York's Eataly in 2010 and has trickled down to South Florida. At least five food-hall concepts have been proposed or are underway across Miami-Dade County.

"When we're looking at curating a tenant mix for our shopping center, we try to put together different, unique offerings, which ultimately will create a regional draw for the project," said Debora Overholt, vice president of retail for Swire Properties, the developer behind Brickell City Centre.

Ideally, La Centrale will attract a mix of residents and tourists "because there's nothing else like it," Overholt said.

Today's food hall is a modern approach to a century-old European concept, where a mix of vendors sets up shop in one location and offers everything from sit-down, upscale dining to urban street foods. Tenants can range from world-renowned, chef-driven concepts to relatively unknown culinary entrepreneurs.

The vendors are chosen based on food quality, authenticity and uniqueness.

"Quality and authenticity have been reshaping the nation's retail since the post-recession era began with new better-burger chains and aggressive growth from fast-fire pizza purveyors suddenly giving traditional fast food and casual dining players a run for their money," Cushman & Wakefield stated in its report.

Food halls are a good home for chefs who have proven themselves elsewhere and are looking to break into a new market. They're also a place for homegrown entrepreneurs to grow food-truck concepts into permanent settings, said Beth Azor, founder of Azor Advisory Services in Davie.

It's a low-risk option for operators who aren't ready to open a 3,000-square-foot restaurant.

"The key is to have proven entrepreneurs that know how to do it," Azor said. "If someone puts together a food hall and there's 30 vendors, and 28 of them are the guys that any consumer can [visit] through a drive-thru, then it's not going to work. They have to be unique offerings."

Brickell City Centre's La Centrale is set to open this fall.

Downtown Miami is set to welcome another food hall this year at the MiamiCentral transit hub. Central Fare will host celebrity chefs and brothers Bryan and Michael Voltaggio, known for winning on Bravo's "Top Chef," who will open an eatery called Monger. Other food highlights will include Little Havana's Miami Smokers, Azucar Ice Cream and Brickell's Toasted Bagelry & Deli.

Central Fare will span 50,000 square feet at the mixed-use transit hub, which will be home to All Aboard Florida's Brightline express inter-city train service.

Eating Habits

Landlords are using food-hall concepts as a junior anchor for larger developments, said Paco Diaz, a senior vice president with CBRE Inc. in Miami. The diverse food offerings help attract a larger pool of people to the development.

"You can go several times a week because of the variety of [food] being offered," said Diaz, whose team is involved with retail leasing at MiamiCentral. He said there's only room for one or two more food vendors.

One of the main drivers behind the resurgence of food halls is a shift in American eating habits: They're eating out more than ever. The amount of money American consumers spend in restaurants has surpassed the amount of money spent in grocery stores, a trend never seen until a couple of years ago.

"No other retail category has generated as much aggressive growth in the past few years as food-related retail," according to Cushman & Wakefield.

South Florida restaurants are on fire in terms of sales volume and activity, said Azor with Azor Advisory Services.

She receives three to five calls a week from restaurateurs searching for space compared with 10 years ago when apparel stores drove most of the demand. But as traditional brick-and-mortar retailers try to find balance on uneven grounds, store closings are more and more prevalent.

Shopping center anchor tenants have historically viewed restaurants as pesky neighbors who steal parking spots away from shoppers, but big-box stores are now asking mall owners to bring in more eateries to drive up foot traffic.

"It's the hot new retail solution," Azor said. "Every shopping center, whether it's a strip center, power center or a mall, is adding a significantly higher percentage of restaurants."

The Citadel, a mixed-use project under development in Miami's Little River neighborhood, promises its own food hall. Developed by Conway Commercial Real Estate and Urban Atlantic Group, the 10,000-square-foot venue will house a gastronomical sampling of Miami. This may include baked goods, sushi, sandwiches, coffee, ice cream, pizza and Asian food, to name a few, said Conway principal Thomas Conway.

So far, the group has announced include Cake Thai Kitchen, Myumi and Antonio Bachour's pastry shop.

"We wanted to have a space where no matter what you're in the mood for, most likely we would have it in there," Conway said.

The Citadel food hall should be up and running by the end of the year.

Developer Daniel Pena Giraldi with Miami-based Stambul previously shared plans with the Daily Business Review to [transform a former post office](#) building in downtown Miami into a food hall and market at 100 NE First Ave., only a few blocks from MiamiCentral. He could not be reached for comment by deadline.

The trend has also found its way across the bay to Miami Beach, where Terranova is backing The Lincoln Eatery, a 9,600-square-foot hall at Meridian Avenue and North Lincoln Lane just north of famed Lincoln Road. The venue will offer a varied selection of fast-casual, affordable dining options ranging from American to multicultural cuisine, Terranova announced in March.

The question is: Are there enough hungry people in Miami to sustain the new real estate trend?

"I don't think we have the demand to support four or five food halls. Probably two, maybe three," Azor said. "If we only had one, it would be wildly successful, but if we're going to have four or five, they'll all be hurt."