



Oxford Co. creates a downtown Ann Arbor retail incubator

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It can be expensive to rent prime retail storefront space in downtown Ann Arbor - and Julie Page knew it.

So instead of taking out a loan to pay for a traditional commercial lease, Page is renting space on a trial basis from Oxford Co. in its new retail business incubator in the lower level of East Liberty Plaza.

"Financially, it's helped us tremendously to get our business off the ground," said Page, who owns the Christian music store Access International Music with her husband, Richard. "We've been able to do this debt free."

The incubator is on the lower level of 255 E. Liberty St., below the former Dinersty Restaurant, Underground Sounds and Afternoon Delight.

Oxford Co. is offering free rent for three months at the beginning of a 15-month lease. There's an opt-out clause available if things don't work out.

The incubator operates much like Ann Arbor Spark, which provides office space at a reduced rent for startup or transitioning technology companies.

More than 4,000 square feet of space has been split into five retail suites in the incubator, ranging in size from 462 to 1,527 square feet. Antelope Antiques and Coins is moving in, along with Access International Music, leaving three suites available. Cappello's Hair Salon, also located downstairs, is not part of the incubator.

If things go well, the businesses would be able to sign a longer-term lease or graduate to a bigger, more permanent space after completion of their 15-month leases.

"There used to be other retail businesses that started down there and once they got established and were doing well, they took street-level retail," said Randy Maas of Oxford, citing former tenants like Vault of Midnight and Tortoise & Hare. "It's a good opportunity for someone to try their hand at running a business with lower risk."

Tenants will be required to pay utilities during their three-month free-rent period. If tenants want to leave after that, they must submit a 30-day termination notice at the end of the second month. Rents range from \$12 per square foot to \$19 per square foot, plus utilities - which Maas estimates at nearly half the cost for ground level space nearby.

The ground floor of the East Liberty Plaza building above the incubator, where Dinersty Restaurant and Pamela's Hair Salon used to be, is being taken over by a Middle Eastern restaurant called Yoshi's, according to Maas. Office tenants occupy the second floor.

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The entire structure - which Maas said is actually two buildings - is 24,000 square feet. Some parking is available on the building's north side.

Lower level alum Vault of Midnight did good business in East Liberty Plaza, said owner Liz Sullivan, but that was also because the comic book and toy store is a destination. She said the shop got complaints that people "couldn't tell how to get in" since it was downstairs, but window space looking into the store from the street level helped.

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