

## HOW RED HOT FOOD HALL CONCEPTS ARE CHANGING THE DEVELOPMENT SCENE (PART 1 OF A 3-PART SERIES)



America is hungry for food halls. These indoor markets showcasing a variety of homegrown food vendors are one of our country's hottest culinary trends, and new developments continue to spring up across the country.

Hartman Simons' partner, [Jeremy Cohen](#), discusses issues arising out of negotiations of leases in food halls and operational concerns for developers and landlords, including addressing tenant build out, safety, balancing tenant mix and addressing tax credits and creative financing techniques. The following is part 1 of a 3-part series.

**Q:** How have food halls changed the traditional restaurant experience in the eyes of developers?

**A:** Food halls have become the rage as developers realize they can create a buzz surrounding their project by bringing several dining concepts together under one roof. Developers learned that by placing several chef-driven restaurants in one confined place, they can create a unique experience for customers and clientele, drawing more people to their development. This trend and the larger idea of creating customer experiences is more important than ever given the concerns about the future of big box retailers.

**Q:** What's the number one issue arising out of negotiations for food halls?

**A:** In practice, often the most difficult part is trying to placate the different chefs, some of whom can be strongly opinionated. Frequently, chefs have definitive ideas about the look and feel they want to create for their individual space, as well as the remainder of the food hall.

This can be problematic when the chef next door has a completely different idea about the look and feel of the food hall. It can be a difficult task corralling these larger than life personas under one roof and convincing them to play nicely in the sandbox.

With respect to the legal issues it is critical to negotiate all of the specifically tailored permitted uses. Each restaurant wants the ability to serve their specialty meal (i.e., their exclusive) and prohibit all of the other restaurants from competing in that particular space.

---

## HOW RED HOT FOOD HALL CONCEPTS ARE CHANGING THE DEVELOPMENT SCENE (PART 1 OF A 3-PART SERIES)

For example, if a restaurant specializes in selling ribs, they want to preclude any other restaurant located in the food hall from also selling ribs. The end goal is to provide each restaurant with an exclusive right to protect their one specialty, while making the exclusive narrow to provide flexibility to enable the landlord to have other restaurants without being overly restricted.

Based in Atlanta, Hartman Simons & Wood LLP, one of the nation's leading commercial real estate law firms, is respected for its integrity, experience and value-driven results. Businesses of all sizes count on its team of attorneys and paralegals for sound, practical and effective legal solutions.

Hartman Simons & Wood LLP is recognized for its proven expertise in the following practice areas: commercial real estate, construction and sustainable development, corporate and tax, creditor's rights and bankruptcy, environmental, investment and finance, land use and government relations and litigation.

For more information visit our website at <http://www.hartmansimons.com>