



Wake up call

Starbucks plans to open off Day Street in August

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By DEVONA WELLS / The Press-Enterprise

Starbucks finally has found Moreno Valley, and how sweet the iced caramel mocha will be.

Yes, the coffee giant took its time warming up to Riverside County's second-largest city, what with Starbucks spanning the globe and opening in some cities block by block. But showing up late is better than never, even if it means Peru, Thailand and the tiny Middle Eastern nation of Qatar got the Frappuccino first.

Landing the coffee status symbol marks a psychological victory as much as a Moreno Valley retail milestone.



AP photo

Two Chinese policemen enjoy a coffee break at Starbucks in Beijing.

"You feel like we've arrived," said Jamil Dada, chairman of the Moreno Valley Chamber of Commerce. "It's like a notch in our belt. OK, we have a Starbucks."

Cities throughout the Inland Empire long have struggled to attract stores and restaurants, from Barnes & Noble to P.F. Chang's. Not so long ago, Starbucks turned Riverside down three times before landing at University Village. The store, opened in 1997, proved so successful the chain added a second, larger shop in the same shopping center last year.

From a celebrated boom town in the 1980s, Moreno Valley floundered through the 1990s as it reeled from the double blows of a state recession and the slashing of 3,000 Air Force personnel at March Air Force Base. Stores drawn by the promise of earlier growth closed. Today, the city is home to 150,200 people but sometimes not the amenities one might expect for a city its size.

But three years ago, Moreno Valley began showing the kind of household incomes and new-home construction retailers such as Starbucks like to see, said Inland economist John Husing.

"Starbucks, I think, has been one of those outlets which speak to the economic level of a community. And so there's a kind of symbolism if you don't have a Starbucks or do have a Starbucks," Husing said.

Landing the coffee chain, coupled with renewed interest by retailers and home builders, points to a Moreno Valley renaissance, the economist said.

"I think it's turned the corner now."

Two planned

Moreno Valley's first Starbucks is expected to open in August on Day Street alongside a small collection of national names, such as Lowe's, also staking a Moreno Valley claim. A second Starbucks should open this fall near Frederick Street in the TownGate Shopping Center, said Fritz Duda Jr., vice president of the company building and developing the Starbucks.

"It's about time," said Ray Becker, who makes a weekly routine of ferrying his kids, 13 and 16, to one of the University Village Starbucks.

Moreno Valley's underdog perception may have kept Starbucks away in the past, he said. But the arrival of the coffee chain is proof that times are changing, he said.

"We're getting away from that sleepy-town reputation," Becker, 40, said by phone.

Jim Spillane, a Starbucks development director, said the company has been searching three years for just the right spot, opening 75 Inland-area stores before getting to Moreno Valley. Among the chain's other Inland locations: Perris, Hemet, Grand Terrace and Banning. The combined population of those cities is less than Moreno Valley's.

As a region, Spillane said Inland Empire stores have outperformed the company's expectations, proving to be one of its best markets in the Southwest, including areas in Arizona, Nevada and New Mexico.

"It seems like we have a lot of stores, and we do, but we're still very particular about the locations we choose," Spillane said in a phone interview. Starbucks stores number more than 7,600 worldwide, with the chain's coffee also available in grocery stores and hotels.

Spillane sees Moreno Valley as "a potential three- to five-store market for us."

For Maria Felix, who's loved Starbucks "since forever," tomorrow isn't soon enough.

"I get my cappuccino at Circle K because that's the only thing close by," said Felix, 46, who expects the Moreno Valley Starbucks to become a daily routine.

Even while making its coffee widely available, Starbucks has created an indulgence of the latte, said retail analyst Doug Fleener. It helps, Fleener said, that Starbucks connects with its customers through baristas that memorize the favorite drink of regulars and a comfy atmosphere of likable music and wireless Internet service.

"People cross the street for Starbucks. I don't think it's lost any of its appeal, which is amazing," Fleener, president of Dynamic Experiences Group, said by phone.

Coffee close to home

In Moreno Valley, Starbucks will open at a shopping center built on a vast chunk of land purchased more than 30 years ago by the Fritz Duda Co. Two-thirds of the property is devoted to residential, with 600 homes nearly finished and 1,200 apartments on the way - a built-in clientele, developer Duda said.

Typically, Starbucks would have been in a city of Moreno Valley's size long ago, Duda said. But retailers need to see the pattern of growth now on tap in Moreno Valley, he said.

"Starbucks really validates the coming of age of a town," Duda said.

Retail activity began picking up in Moreno Valley two years ago, City Manager Gene Rogers said. The 2002-03 fiscal year saw a sales-tax jump from the last year of 12.5 percent with an increase projected this year of 10 percent - compared to previous increases of about 4 percent, Rogers said by phone.

Home Depot opened a second location last year, with Wal-Mart planning a store adjacent to Highway 60. Lowe's also took a spot on Day Street, alongside a new Circuit City and Wendy's.

Rogers said he's fielded more requests for Starbucks than any restaurant.

"I was amazed they weren't here earlier; certainly there was a market. I can't explain it," he said.

By 2002, Starbucks was actively scouting intersections along busy Sunnymead Boulevard, said Michele Patterson, a city economic-development analyst. Ultimately, the chain tried but could not sew up deals on three or four locations before ending up on Day Street, she said.

Not everyone's sold

Don't look for Shirley Bowman at the new Starbucks.

On a recent morning, Bowman sat with best friend Cathy Adams outside Moreno Valley's Coffee Grinder, which gives away bumper stickers reading: Friends Don't Let Friends Drink Starbucks.

Adams drove from Riverside specifically for the almond mocha cappuccino rather than meet Bowman at Starbucks. Coffee Grinder drinks, Adams said, are creamier and without the powder sometimes floating in a Starbucks coffee.

"I haven't found anywhere else that makes the coffee like they do here. Believe me, I've tried," said Bowman, 47, who's lived in Moreno Valley since 1981. But she's always thought it unusual that Starbucks avoided her town.

"People who don't live here say it's because Moreno Valley is low-class," she said.

Inside the Coffee Grinder, owner Fago E. de-Stefani said maybe Starbucks will drive more business his way by making occasional coffee drinkers habitual ones. Either way, he said, the Coffee Grinder beats Starbucks on quality and price.

"A chain doesn't make a town better. It's the small businesses that make life interesting," said de-Stefani, who bought the shop 14 years ago. "Let them come. I'm prepared."

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