

City, parish make investment in new shopping center

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By Janelle Rucker

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When Stirling Properties approached Bossier City officials about establishing a new retail development in the northern part of the city, officials say they saw revenue potential and opened their wallets filled with taxpayer dollars to help.

In an agreement signed in April 2006, Bossier City, Bossier Parish and the developer entered into a cooperative venture where the city agreed to pay \$6.5 million and the parish contributed \$1 million for development costs.

"The projections look like it will generate a lot of business," said Parish Administrator Bill Altimus. "This was a step out. But then you look at what it's going to be. It has tremendous potential."

Based on the performance of their other, similar retail developments, Stirling Properties suggest annual sales taxes will be upward of \$6 million when the development is complete.

While the Stirling project is a first for the Bossier Police Jury, this isn't the first time the city decided to make such an investment.

In a similar agreement with Riverwalk Entertainment in the creation of The Louisiana Boardwalk, the city offered \$10 million to get the riverside entertainment district up and running.

"The project has to have potential to generate sales tax revenue for the city," said city Project Coordinator Pam Glorioso of what persuades city officials to even consider a joint venture.

She cites Stirling's reputation — the company managed Pierre-Bossier Mall until it sold the mall seven years ago — and the working relationship they've built over the years as reasons the city decided to team-up.

Also, the Stirling team came to the city with leases in hand from anchor stores Target and Belk Department Store, Glorioso said.

"It's gotten to be a fairly standard occurrence," said Gerald Songy, vice president of Stirling Properties, of the partnership with retail developers and local governments.

These types of agreements are something Stirling Properties is getting into more often.

"When big, successful retailers come into what they consider smaller markets, (like Shreveport-Bossier City) they generally feel like they're going to generate significant sales tax," Songy said. "So they ask municipalities to assist them or the developer in getting some of the infrastructure taken care of."

Retail developments the company has in Hammond and Lafayette are similar to the one being built in Bossier City in the stores offered and how the infrastructure was financed.

To Songy, benefits to the city include sales tax revenue, new jobs and the establishment of stores that will bring other businesses in their footsteps.

While all the numbers look good, Altimus realizes that there could be some fallout.

"We don't know if this will be new money or old money," he said of the sales tax revenue. He believes that the development will bring some new shoppers from surrounding cities and parishes, but some will just be redistributed when a shopper stops spending at one area store to shop at the new mall.



Construction workers install a sign Wednesday on the Petsmart building located in the new shopping center in Bossier City. The property, which also includes a Target, is just north of Interstate 220 off of Airline Drive. (Jim Hudelson/The Times)

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Stirling retail center budget - city and parish contributions

Bossier City officials and Stirling Properties entered into a cooperative agreement to make the new Stirling Bossier Shopping Center a reality. Below is a breakdown of where the \$7.5 million contributed by the city and the parish was spent.

Company	Break down	Money spent	Total
Coyle Engineering		\$474,700.00	\$474,700.00
F.J. Burnell		\$1,647,915.00	
	Remove pipeline	\$15,000.00	
	I-220 fence	\$31,228.00	
	Sidewalks	\$26,291.00	\$1,720,434.00
Best Yet Contractors		\$3,975,929.00	
	Incentive	\$100,000.00	\$4,075,929.00
Tippoo Relocation		\$162,000.00	\$162,000.00
Wicker Construction		\$427,080.00	
	NE Sitework	\$129,610.00	
	Micoto	\$53,525.00	\$610,215.00
White Electric Bridge Lights		\$10,630.00	\$10,630.00
Hooglands Landscape		\$279,414.00	
	Design	\$29,464.00	\$308,878.00
North fence		\$14,850.00	\$14,850.00
Street striping		\$25,000.00	\$25,000.00
American Testing Labs		\$12,752.00	\$12,752.00
AEP - poles and lighting		\$34,525.00	\$34,525.00
Total spent to date			\$7,449,913.00

Source: Bossier City

The Times

"There will be some fallout," he said. "But not bad enough to say we don't want it."

According to the cooperative endeavor agreement between the city, parish and Stirling Properties, the \$7.5 million from the governmental entities was to go toward infrastructure improvements including water, sewer, streets, drainage, lighting, landscaping and bridges.

The largest amount of money was paid to Best Yet Builders of Shreveport for the development's streets, bridge, drainage and lighting. More than \$4 million was spent on those projects and included a \$100,000 bonus for completing the work early.

About \$1.7 million was paid to F.J. Burnell Inc. of Shreveport to install sidewalks, a fence separating the property from Interstate 220 and to remove a pipeline.

While the governmental agencies contributed funds, the property and management duties all belong to Stirling Properties, Glorioso said.

When complete the outdoor mall will include a Best Buy, Bed Bath & Beyond, Ross Dress For Less, and PetSmart. Target opened Wednesday and Belk Department Store is scheduled to open in the fall.

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