

# News Clips Report

## Development projects come to a halt WAFB-TV - Online

**08/26/2009**

Posted:

Updated:

Wednesday, August 26, 2009 5:15 AM EST

### Featured Videos

Developments stopped because retailers are cautious

### More 9News Headlines

BATON ROUGE, LA (WAFB) - Several proposed building projects around Baton Rouge seem to have been buried because larger retailers are not accepting offers to expand. A long-time realtor said securing a so-called "anchor store," like Target or a department store, is the problem.

Those large stores usually help lure in the smaller shops. So now, acres upon acres of land in Louisiana once set aside for major retail developments sit vacant. Managers of property on Perkins Road and Acadian Thruway said they cannot break ground on a proposed Louisiana-themed strip mall until 60 percent of the space is sold. Almost one year after they had hoped to begin construction, no tenant has signed a lease, except Acme Oyster House.

Another location where construction has stopped is a space on Burbank and West Lee drives. It was once reserved for a Target Store. "There was extreme interest from retailers two years ago, and right now, none of these retailers will commit to go anywhere for another two to three years," said **Chip Songy**, a long-time Baton Rouge realtor. "Retail has basically come to a screeching halt in the last 12-18 months."

Realtors attribute the plunge to lower national sales figures, along with banks tightening their loan policies. So what does that mean for the fate of empty spaces around the state? "It'll take a year before the retailers will start negotiating again at best, and then it takes six months to one year to get the deal done, and it takes another 12-18 months to get the project built," said **Songy**. "This is without question the most severe downturn and the most dramatic downturn in that it happened so fast."

If land owners can afford to wait, eventually their plans may make it above ground. Tuesday afternoon, 160 business insiders gathered to discuss what's hurting commercial real estate. Experts say it's tough to predict exactly when this retail standstill will end, but they expect a long recovery process.

2009 WAFB. All rights reserved. This material may not be published, broadcast, rewritten, or redistributed.