

GATEWAY

A tale of four projects

REMEMBER BACK IN THE spring of 2008, when the economy was just humming along and retailers seemed to view the 10/12 corridor as an endless buffet of shoppers? We weren't getting one or two major shopping centers; we were getting four. More than a year later, only one of those projects has celebrated a grand opening.



Original projected opening: 2009

Status: Grand opening was Oct. 1

HAMMOND SQUARE

Stirling Properties spent roughly \$100 million to buy the original 430,000-square-foot Hammond Square Mall—a 1970s-era design disaster—and create a new open-air power/lifestyle center twice the original size.

Hammond Square is the corridor's biggest success story. Even with the economy such that it was, Stirling Properties packed in big-name retailers and restaurants, and opened the mall at 90% capacity. Residents have their first movie theater, seven new restaurants and a slew of stores. The JCPenney ranked No. 2 among 14 stores that opened on the same day; sales at Target are 80% higher than projected. Says Stirling Properties Chairman James Maurin: "We know we have a winner in Hammond."



THE SUMMIT, SLIDELL

The 400-acre, \$900 million project will have nearly 2 million square feet of retail, medical facilities and commercial offices, as well as single- and multi-family homes.

Original projected opening: Spring of 2010

Status: Retail opening in the spring of 2012

When a sign appeared on the site in June proclaiming, "Available: 400-acre site," many presumed the project was a goner. They were wrong. Roads are being paved to make way for the first phase of the project, commercial office space. Corporate Realty in New Orleans is hard at work selling the master-planned business park. Says Corporate's Mike Siegel: "There are a lot of fine buildings in this region, but nothing like a very high-quality, master-planned business park." Developer Jeffrey Bayer thinks that — and The Summit's location along the corridor will be big selling points. Several stores are close to making commitments for 2012. Says Bayer: "Retailers are still ready to do business in this region with all that's happening on the Northshore."



NORD DU LAC, COVINGTON

Colonial Properties Trust planned a \$220 million, 1.1 million-square-foot center with as many stores as the Mall of Louisiana in Baton Rouge. Expected tenants on the 140-acre-site along the northern side of I-12 between La. 21 and the Tchfuncte River included P.F.Chang's, Olive Garden, Mignon Faget, Dillard's and Jos. A Bank.

Original projected opening: October 2009

Status: The anchor store Kohl's was scheduled to open in October.

Colonial Properties Trust spokesman Jim Spahn says the Nord du Lac project is still a go, and that ultimately, 115 stores are still planned. "We are reformulating our development plan, and the project will open in phases," he says. "In Phase One, Kohl's will be the anchor, and we'll have specialty tenants. We continue the work on Pinnacle Parkway and it will open in October. Additionally, we have a lot of activity on the outparcels." Is there a schedule for the other phases? Says Spahn: "Not at this time."



JUBAN CROSSING, LIVINGSTON PARISH

At 471 acres, Juban Crossing was planned as the largest mixed-use community in the region. The Creekstone Companies development will be a destination for shopping, dining and entertainment in addition to its business and residential districts. The open-air retail phase was to break ground in the summer of 2007, with the first shops opening in 2008 and professional office space, entertainment venues, restaurants, hotels and residences following.

Original projected opening: 2008

Status: Clearing of property will begin at the end of the year; infrastructure work is set to begin in mid-2010

Six months ago, retailers scarcely would utter the words "new store." Now, notes Creekstone's Stephen Keller, "it's like somebody switched on a light bulb. Several retailers are saying if they don't open stores by back-to-school 2011 or the first quarter of 2012, they're going to be in trouble." The developer says he's talking to "quite a few large retailers" whom he declined to name, and is in the process of negotiating letters of intent. The bond market has also been a trouble spot for Juban Crossing, but Keller is convinced that by the end of the first quarter of 2010, the market will "come back or be active enough for us to float our bonds." The entire project is expected to still take seven to 10 years to complete, depending on the economy. "Retailers are very, very interested in the Juban site, because of the growth patterns out I-12," Keller says. "Livingston Parish is one of the fastest-growing parishes in the state, and there's no other major shopping facility or mall within a 15-mile radius."