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Two huge retail developments near completion

by Linda Obele Contributing Writer

Shopping nirvana is less than three months away for East Valley retail enthusiasts, who have been counting the minutes to the opening of the region's two new mega-retail experiences: Tempe Marketplace and Mesa Riverview.

But what effect the combined 2.5 million square feet of shopping and entertainment space will have on nearby Fiesta Mall and Mill Avenue (the region's older, more established shopping districts) is yet to be determined.

Industry insiders, as well as those who live in the area, speculate there are more than enough shopping dollars to go around. What's more, while there may be a few cases of tenant musical chairs going on right now, the two newcomers likely will provide an opportunity for older East Valley shopping venues to redefine themselves.

John Corritore -- president of The Corritore Co., a specialty retail brokerage firm that's handling leasing for Tempe Marketplace -- points to Tempe's Mill Avenue as the classic example.

Once home to an eclectic mix of local favorites such as Cookies From Home, Changing Hands Bookstore, Long Wong's and The Spaghetti Co., the 1990s saw Mill Avenue begin welcoming national tenants such as Borders, Urban Outfitters, Bath & Body Works, The Gap and Abercrombie & Fitch. Eventually, many of the independents -- struggling under the weight of higher rents and other factors -- shut their doors for good or moved on.

Now the national retailers are starting to clear out, opening the door for Mill Avenue to return to its funky roots.

Corritore cited the closing of The Gap, Lucky Brand and Islands restaurant, all of which have locations at the new Tempe Marketplace, as impetus for the next evolutionary stage for Mill Avenue.

"National tenants did not have a lot of success on Mill," said Corritore. "There was not enough critical mass there, and not enough easy access or parking. I think Mill will probably go in the direction the purists in Tempe wanted it to go in the first place.

"When it began changing toward Abercrombie and P.F. Chang's, a lot of people didn't like that. They wanted more unique retailers," he said. "Now, it looks like they will get their wish."

David Larcher, executive vice president of Vestar Development, developer of the 1.3 million-square-foot Tempe Marketplace at the confluence of Loops 101 and 202, said when a retailer leases space at a new shopping development, it doesn't necessarily mean a death knell for an existing location nearby.

Harkins Theatres will open a new location at Tempe Marketplace in June that will be vastly different from its Mill Avenue and Arizona Mills sites, which are one and four miles away, respectively.

Abercrombie, Victoria's Secret, Best Buy and American Eagle also will have shops at both Fiesta Mall and Tempe Marketplace.

"The operating strategies are probably different for each one," said Larcher. "Some will wait to see what's happening with the existing stores" before deciding whether to close them.

In addition to the retail scene's standard favorites, Tempe Marketplace will feature a number of Arizona firsts, including Road Runner Sports, Zizebeh ladies clothing boutique and Dave & Buster's, when it celebrates its grand opening in September.

Marty DeRito, whose DeRito Partners is teaming with Kimco Development to develop Mesa Riverview at Dobson Road and Loop 202, said there definitely is room for all of the East Valley's shopping destinations to coexist.

The 250-acre Riverview project features 1.2 million square feet of retail and entertainment, a 33-acre auto park, a 38-acre business park and a Hyatt Place hotel at Dobson Road and the Loop 202. DeRito said it's vastly different from Fiesta Mall and even Tempe Marketplace.

"They are two different shopping experiences," he said. "One week someone may be at Fiesta Mall, and the next week at ours."

The Valley's first Cinemark theater complex already opened at Riverview, and Bass Pro Shop is planning a June opening. Bass stores reportedly draw a loyal following of people who travel an average of two hours to get there, then spend more than three hours in the store.

Mesa Riverview's other shops and restaurants are scheduled to open at various times throughout the remainder of the year.

DeRito said the opening of Riverview, along with Westcor's planned redevelopment of Fiesta Mall, bodes well for the west Mesa area in general, which has been in a state of decline over the past several years.

"With Fiesta Mall anchoring the south portion of west Mesa and us anchoring the north portion, it will only help everything in between get developed," he said.

Dave Richins, executive director of the West Mesa Community Development Corp. and co-chairman of the Mesa Grande Neighborhood Alliance, agreed.

"There's all kinds of pent-up demand here," he said, adding that he's one of the people eagerly awaiting the opening of both new developments. "I hope these guys realize this is a vastly underserved area. I know I'll be at both centers."

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Mesa Riverview: www.mesariverview.com

Tempe Marketplace: www.tempemarketplace.com