

Economic downturn doesn't dampen interest in City Creek

SLC project is one of few regional shopping centers being built with lure of key anchors.

By Lesley Mitchell
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City Creek Center may be trying to attract retail tenants during tough economic times, but that doesn't mean there will be lots of empty storefronts when the massive project opens for business in early 2012, a representative said Wednesday.

Interest in City Creek -- one of the few large shopping centers in development nationally -- is high, Mark Gibbons, president of City Creek Reserve, said without elaborating.

"We are very confident in the level of leasing activity that will be in place when the center opens," Gibbons said while speaking as part of a roundtable discussion about downtown development in Salt Lake City.

The project is set to include Macy's and Nordstrom department stores as anchors, a Harmons grocery store, a food court, several condominium buildings, apartments and office space. But City Creek Reserve, a development arm of The Church of Jesus Christ of Latter-day Saints, has yet to release much information about retailers that will fill 80 smaller speciality shops.

The church has partnered with well-known mall management and development company Taubman Centers Inc. to fill retail space. But it also could benefit from building at a time when few shopping centers are being constructed, let alone one that has secured key anchors, Gibbons said. Most such projects, including several in Utah, are stalled.

Retailers looking to locate in newly built regional shopping centers will have few options in the coming years due to the lack of new construction nationwide.

Financed by the LDS Church, City Creek has progressed since demolition work began in November 2006 with the destruction of two aging malls and surrounding structures. The church estimates that today, 22 months before the retail portion of the center opens for business, about 1,200 construction workers are toiling on site, down from a peak of 1,700 last fall.

Mark Bouchard, senior managing partner with commercial brokerage CB Richard Ellis in Salt Lake City, said the church's project makes Salt Lake City a bit of an anomaly because of the "significant capital investment being made at a difficult time."

In fact, City Creek was mentioned as one of Salt Lake City's attributes in its 5th-place ranking nationally in *Kiplinger's Personal Finance* listing of the "10 Best Cities for the Next Decade," announced Wednesday, that gauges the best places to live and find a job.

The showing is important because it's not about "where we've been, it's about where we're going," said Jeff Edwards, CEO of the Economic Development Corp. of Utah, which works to recruit companies to expand in the state. "Our phone really starts to ring when people hear about things like this."

lesley@sltrib.com

City Creek Center

Already in place

City Creek's food court, at 28 S. State St., in operation since June, includes national chains such as McDonald's, Great Steak and Sbarro, as well as local favorites such as Red Iguana.

The twin 10-story Richards Court towers are being leased across from the LDS Church's Temple Square at 45 and 55 W. South Temple.

To come

Work on a Harmons grocery store begins in July with a scheduled completion date of mid- to late-2011.

Macy's and Nordstrom department stores are set to open, along with as many as 80 specialty shops not long afterward, in early 2012.

Three condo projects are in development. The Regent, at 35 E. 100 South, is being marketed and is set for completion in mid-2011. The 30-story, 185-unit Promontory tower at 99 W. South Temple across from Temple Square will be marketed in late summer. A fourth condo project is planned.

More than 100 apartment units, some of which will front Main Street, are being built, with completion set for mid-2011.

Construction is under way on a six-story office building on South Temple between State and Main streets.

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10 best cities for the Next Decade

Kiplinger's Personal Finance magazine released a list Wednesday of the best places to live and find a job:

1. Austin, Tex.
2. Seattle, Wash.
3. Washington, D.C.
4. Boulder, Colo.
5. **Salt Lake City**
6. Rochester, Minn.
7. Des Moines, Iowa
8. Burlington, Vt.
9. West Hartford, Conn.
10. Topeka, Kan.

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