

Tanger plans to build 90-store outlet center in southwest Charlotte

By Ely Portillo
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Tanger Outlets plans to build a new shopping center in southwest Charlotte, on the scale of similar outlets in Mebane and Gaffney, S.C., which have been drawing Charlotte shoppers for years.

The 350,000-square-foot center, called Tanger Outlets Charlotte, will be built at the interchange of Interstate 485 and Steele Creek Road. The outlets will house 90 stores, and the company said it could eventually expand the center by 50,000 square feet.

"This project represents an approximately \$80 million investment by Tanger in the growing Charlotte community," said Steven Tanger, the company's CEO, in a statement.

The proposed shopping center would be slightly larger than the Tanger Outlets in Mebane and more than three times the size of the Tanger Outlets in Blowing Rock.

The Charlotte outlets would be slightly smaller than Simon Property Group's Gaffney Premium Outlets – and much smaller than the Charlotte region's other major outlet shopping center, the 1.3 million-square-foot Concord Mills, also owned by Simon.

Tanger said, through a spokesman, that his company is excited to "offer a convenient, pure outlet shopping experience" in Charlotte, which will help the center compete with such established outlet retailers.

Based in Greensboro, Tanger operates or has an ownership interest in 39 outlet centers in 25 states and Canada, totaling almost 12 million square feet

- Nearby outlet centers: How they stack up
- **Concord Mills** (Simon Property Group): 1.3 million square feet
- **Gaffney Premium Outlets** (Simon): 359,658 square feet
- **Tanger Outlets Charlotte** (planned): 350,000 square feet, with possible 50,000-square-foot expansion to follow
- **Tanger Outlets, Mebane**: 318,910 square feet
- **Tanger Outlets, Blowing Rock**: 104,154 square feet

of retail space. The company reported profits of \$11.7 million in its most recent quarter, up from \$9.4 million in the same quarter a year ago.

Simon Property Group didn't return a message seeking comment on the new outlets.

New jobs, tax income

The new development in Mecklenburg County is expected to generate about 300 construction jobs, plus 900 full- and part-time retail jobs at the outlets once the center opens, Tanger said. The center is expected to generate more than \$10 million annually in tax revenue, according to the company. Given Mecklenburg County's 7.25 percent sales tax rate, that implies the center is expected to generate about \$138 million worth of sales per year.

Tanger said it expects the new outlets to be open in 2014. The company wouldn't say which retailers it is lining up for the new outlets but said the mix will be similar to its existing centers. At its Mebane outlets, Tanger's stores include outlets from Banana Republic, Brooks Brothers, Lane Bryant, Gap and Levi's.

The Gap Inc. is the largest single tenant of Tanger's centers, with 8 percent of the outlet company's total square footage. The Phillips-Van Heusen Corp., owner of brands such as Calvin Klein and Izod, is the second-largest tenant, with 6.4 percent of Tanger's total square footage, followed by the Dress Barn Inc., owner of Justice and Maurices, with 3.5 percent.

In a statement Tuesday, Tanger said it will be developing the parcel bordered by Steele Creek Road, Shopton Road, Dixie River Road and I-485, owned by Steele Creek Limited Partnership. That partnership was created by Sarah Belk Gambrell, a member of the Belk family and a major shareholder of privately held department store company Belk Inc.

Tanger plans to acquire the land, which county property records show has a tax value of almost \$8.7 million, for an undisclosed price.

Steele Creek Limited Partnership owns more than 200 acres in the area, including adjoining lots, and

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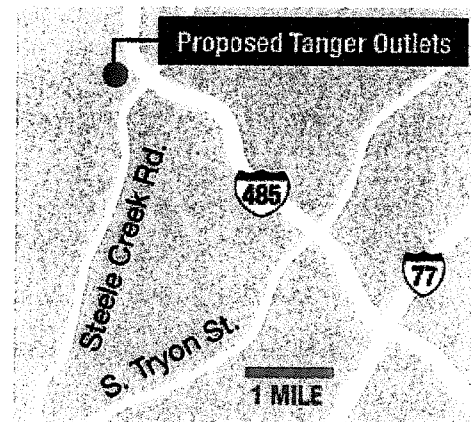
Gambrell plans to develop the area surrounding the new outlets as well, in conjunction with Childress Klein Properties.

“This is the caliber of development we have long envisioned for such a strategic location in our community,” Gambrell said in a statement.

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