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Macy's Heads West For Latest Openings

By Sharon Edelson

Macy's Inc. is betting on the fast-growing Phoenix market and on Las Vegas, which has been hard-hit by the economic slowdown. The retailer said Tuesday it will unveil a 120,000-square-foot unit next April at SanTan Village in Gilbert, Ariz. In fall 2010, a 120,000-square-foot unit will open at Estrella Falls in Goodyear, Ariz., and a 150,000-square-foot two-level store is to open at CityNorth in the Northeast Valley of Phoenix.

By the end of 2010, Macy's plans to operate 11 stores in the Phoenix-Scottsdale metropolitan area. The company said it is following the population, which is moving from Scottsdale to the north and southwest.

In addition, a 180,000-square-foot store at the Shops at Summerlin Centre in west Las Vegas is scheduled to open in fall 2009. The General Growth Properties project, an open-air regional center, is rising near the new western portion of the Las Vegas belt-



A rendering of CityNorth's West Plaza Park where Macy's will be located.

way. Macy's two-level store will offer apparel and accessories for men, women and children, and merchandise for the home.

"West Las Vegas is one of the country's fastest-growing suburban markets, and we look forward to expanding the merchandise and service in this market," said Jeff Gennette, chairman and chief executive officer of Macy's West, the division responsible for the Arizona and Las Vegas markets. The new store will give Macy's five units in the Las Vegas area.

"This is a difficult period right now, but we expect the [Las Vegas] economy to bounce back at some point," a Macy's spokesman said. "This is growth for the future."

In Arizona, SanTan Village, a 3 million-square-foot mixed-use project, will have 1.2 million square feet of regional shopping space with Dillard's Inc. and 130 specialty shops. Estrella Falls has received a commitment from Dillard's, but the lease has yet to be signed. Both projects are being developed by Westcor.

"From the perspective of Estrella Falls, Macy's validates our long-term vision of developing a regional destination in a highly underserved market," said Garrett Newland, vice president of development for Westcor.

The Related Cos. and Thomas J. Klutznick Co.'s CityNorth will have 1.25 million square feet of retail space, including anchors Nordstrom and Bloomingdale's.

"This [Macy's] gives us the third leg of the triangle," said Webber Hudson, executive vice president of Related Urban Development, a unit of Related Cos.

Each of the Phoenix-area Macy's stores will have a design suited for open-air lifestyle centers with new "main street" entrance configurations and an emphasis on natural lighting.