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Garland's big catch

Officials see Bass Pro project as regional draw, magnet for development

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By RICHARD ABSHIRE / The Dallas Morning News

GARLAND – The lakeside hilltop lay fallow and forgotten for so long that when surveyors arrived, neighbors worried they might disturb the bobcats and raccoons. Developers toured the site on horseback.

Today, the brush is cleared and the hilltop is level and partially paved. Yellow earthmoving machines scrape and mold the slope to make way for a 120,000-square-foot Bass Pro Shops Outdoor World store overlooking Lake Ray Hubbard.

If hopes bear fruit, the sporting goods giant will anchor a regional retail and entertainment destination. If dreams come true, the 28-acre Harbor Point development will be a magnet for economic redevelopment along Interstate 30 from the lake to LBJ Freeway.

"It's a once-in-a-lifetime deal," said Greg Sims, vice president for economic development at the Garland Chamber of Commerce. "So many things had to come together."

The first piece of the puzzle was the land itself, left undeveloped after the area's 1980s savings and loan scandal and further hampered by years of Interstate 30 construction.

Second was city money, \$23.7 million in bonds approved by voters last year to buy land and build infrastructure. A tax-increment financing district was established in the I-30 corridor to retire the bond debt using revenues from new development attracted by Harbor Point.

Finally, the city not only agreed to abate some sales and property taxes but also secured the deal by guaranteeing payment to the original property owners.

"This is a new step for Garland as far as bringing in new development," said City Council member Harry Hickey, whose district includes the area.

"Some people are afraid of it because it is something we haven't done before."

Among them is Mike Rose, who served on the city's charter review committee in 2004 and led the successful drive this year to approve beer and wine sales at grocery and convenience stores in Garland.

"The concern I have is how much of the farm did they give away, and is there anything left of the farm

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JASON KINDIG/Special Contributor

An excavator moves dirt at the site of the Harbor Point project. City officials hope that the 28-acre development will draw economic development to the area along Interstate 30 from Lake Ray Hubbard to LBJ Freeway.

to give to somebody else?" he said.

"Apparently it's typical of how Bass Pro goes into cities."

It's typical of how a lot of major retailers make location decisions, according to Dan Howard, chairman of the Marketing Department at Southern Methodist University's Cox School of Business.

"Cities compete, if they're smart, for the location of major retailers," Dr. Howard said. "Smart city managers have people who market their communities. Giving tax advantages is a standard practice."

But does a big retailer like Bass Pro typically attract other development?

"It does as long as the expansion is successful," Dr. Howard said. "It's called the Principle of Attraction theory. That's the way retail markets develop. Historically, that's what happens."

Bernard Weinstein, director of the Center for Economic Development and Research at the University of North Texas, sees a risk-reward proposition.

"It's a gamble," Dr. Weinstein said. "We know that Bass Pro stores generate a lot of business. It makes sense in terms of the location. The question is, did the city need to offer all those incentives?"

"Normally I don't recommend granting tax incentives for retail. But with these megastores like Bass Pro and Ikea, the perception is that they will draw in dollars from outside the region. Therefore, we can justify giving them a tax break because they're going to bring in new money."

"Only time will tell if it turns out to be a good investment of taxpayer dollars," Dr. Weinstein said.

Hotel talks

Mr. Hickey seems confident.

"We have to make sure we continue to add more development on I-30," he said, "but I don't think that's a problem."

In fact, he says, a developer is already talking to the city about building a hotel at Harbor Point.

A hotel next to a sporting goods store?

Sure, says Larry Whiteley, manager of corporate relations for Bass Pro Shops. "Hotels seem to follow us, because of the crowds we bring," he said. "We've had people tell us that they take a day or two to go through our store. It's a lot more than just going shopping."

Bass Pro Shops markets itself not only to hunters and anglers but also to hikers, campers and birdwatchers. The company prides itself on a wide array of merchandise and exhibits, equipment testing areas and classes for outdoor enthusiasts.

Said Mr. Whiteley, "Our stores are like museums."

There are other reasons for optimism.

The Bush Turnpike is scheduled to reach I-30 in 2009, forming a convenient link between Harbor Point and Firewheel Town Center, a regional mall set to open in Garland in October at the turnpike and State Highway 78.

The Bush Turnpike, Mr. Sims said, "is going to change that corridor in a way we can't even conceive of."

Scandal's impact

Such optimism has been a long time coming.

Garland's I-30 corridor was made infamous by the 1980s condo scandal that sent local developer Danny Faulkner and former Garland Mayor Jim Toler to prison in what a prosecutor called the biggest bank fraud in Texas history, a scandal that brought *60 Minutes* to town in 1989.

If the scandal had a bright side, it's that its fallout may have kept anyone from building homes on what was then known as Faulkner Point.

"It's a blessing in disguise that this site wasn't developed," Mr. Sims said.

Business owners and developers say the scandal hurt, and so did what came next – years of highway construction that widened I-30 but made access difficult for customers. The work begun in the mid-1990s finally was completed in 2000.

"The highway construction really killed the incentive for people to look at our corridor," Mr. Sims said. "And Mesquite exploded. They had a building heyday for retail around Town East Mall similar to what we're going through today with Firewheel Town Center."

The turnaround began in 2001, when Wal-Mart opened a store at Broadway Boulevard and I-30, replacing a horse stable and pasture that had been a landmark to some, an eyesore to others.

Bass Pro competition

When Bass Pro came looking for its third site in Texas after Grapevine and Katy, Garland had to compete with Allen, Rockwall, McKinney, Mesquite and possibly other cities.

Tom Palmer, Mesquite's economic development director, confirmed last year that his city went after Bass Pro. He acknowledged that Garland's lakeshore location was a big draw for a company that sells a lot of boats. But there was more.

"We were not willing to offer the size of incentive sought," Mr. Palmer said.

Grapevine's acting city manager, Bruno Rumbelow, wouldn't be specific about the incentives his city offered to land its Bass Pro, calling them minor.

Of the store that opened in 1999, he says, "It's certainly a regional draw.

"If you get them, you're lucky to have them."

Shannon Phillips isn't so sure. As vice president of the Faulkner Point Homeowners Association, he has

warned city planners about traffic congestion ever since Harbor Point was announced.

The city has plans to put a traffic signal on Chaha Road at the entrance to Harbor Point, but Mr. Phillips said Chaha Road should be widened and improved so people who live there can get in and out without rush-hour delays.

City Council member Weldon Bradley, who supports the Harbor Point project, also cited the need to prevent congestion.

"Bass Pro Shops is going to attract a lot of people," he said.

But will it attract a lot of development?

"I think people see the handwriting on the wall, what Bass Pro Shops is going to do," Mr. Bradley said.

"I think it's going to be a win situation for everyone."

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BASS PRO SHOPS: GRAPEVINE AND GARLAND

A comparison of the Bass Pro Shops stores in Grapevine and Garland:

Grapevine store:

Garland store:

Outdoor World*

Outdoor World*

*Company's largest store version

**Projected

SOURCES: Bass Pro Shops; cities of Garland and Grapevine

Opening date	March 1999	Fall 2006**
Square feet	200,000, with restaurant nearby not owned by company	120,000, with a company-affiliated restaurant, Isla Morada Fish Co., in the store overlooking the lake
Site size	27 acres	28 acres
Parking spaces	1,154	680 for Bass Pro; 1,600 in all
Structure	One story	Two stories
Boat facilities	Boat Super Center	Boat Super Center plus marina
Jobs	250-300	250
Construction	Log and rock	Log and rock

Extras

Exhibits and free classes Exhibits and free classes

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