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## Palm Beach Outlets adds big box stores to its mix

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WEST PALM BEACH —

Seven months after the opening of the biggest redevelopment project in Palm Beach County since the Great Recession, a wave of big-box stores is setting up shop over the next two months on the outskirts of the Palm Beach Outlets. Nearly a dozen new stores, including T.J. Maxx, Ulta Beauty and DSW Designer Shoe Warehouse, are scheduled to open by early-November just west of the open-air outlet mall on Palm Beach Lakes Boulevard. The 300,000-square-foot Marketplace at the Outlets, will ultimately house roughly 20 stores, most of which will be national chains.

“It is a one-stop shop,” said Pam Rada, the mall’s marketing director. “You have everything. You have your big box stores and you also have your outlets.” The Marketplace, which can be seen from Interstate 95, has lured five national retailers away from nearby buildings along Okeechobee Boulevard — a shift that local real estate experts say could lead to redevelopment and new construction along the busy corridor. The Sports Authority, Old Navy, PetSmart, Pier 1 Imports and Bed, Bath and Beyond all plan to close their stores on Okeechobee Boulevard and reopen them at the Marketplace.

**“Those large box retailers all want to be together in one place, and that will create more synergy for the center,” said Rebel Cook, a commercial real estate broker based in Jupiter and president of the Economic Forum of Palm Beach County. As the stores relocate, Cook said the vacant space will be redeveloped or taken over by other retailers. Retail space along Okeechobee Boulevard is desirable because of the amount of traffic along the road every day and its proximity to other shopping areas, experts say.**

**“Palm Beach Lakes, it used to be the center of West Palm Beach,” Cook said. “If you traveled up 95, you got off at the old mall. Then the area died. Now, you have a resurgence of activity.”**

But despite the high-traffic location, retail real estate broker Chris Fleming, of Strategic Realty Services, said landlords along Okeechobee could have a difficult time filling vacant buildings because many national chains are downsizing their brick-and-mortar stores in response to the rise in online shopping. “I think they are going to be forced to reinvent themselves,” Fleming said. “That is a significant amount of space to fill.”

Palm Beach Outlets opened in February, replacing the 45-year-old Palm Beach Mall which had become a sign of blight along Palm Beach Lakes Boulevard. New England Development and its partners paid \$35.5 million in 2011 for the mall property, then spent another \$150 million or more to demolish the mall and rebuild. Since its opening, county leaders say the outlets have spurred a revival of the area around the mall.

The outlets drew roughly 4 million visitors during its six month of operation Rada said. That traffic is the reason so many stores are relocating to the new Marketplace, retail experts say. "When you open something like that, you know it is going to draw a lot of customer traffic," said John Fleming, a spokesman with the Florida Retail Federation. "Retailers want to be where the people are."

The outlets have also become an important attraction for tourists. A 2012 tourism study found out-of-town visitors rank shopping, beaches and dining among the county's top attractions. Roughly 30 percent of tourists surveyed as part of the study said shopping was one the reasons for their visit. "We have called the arrival of the Palm Beach Outlets as a game-changer because of its importance to our visitors, particularly international visitors from Latin America, as well as its highly convenient location in central Palm Beach County," said Jorge Pesquera, President and CEO of Discover The Palm Beaches. The "shopping complex adds a great element for both leisure and meeting visitors alike."

A grand-opening celebration is not planned for the new Marketplace Rada said. Instead, stores will open individually over the next few weeks. The Vitamin Shoppe has opened in a building east of the Marketplace. Pier 1 Imports will be the store to open its doors in the new Marketplace. The store has already closed its Okeechobee Boulevard location. Construction crews are putting the finishing touches on several new store fronts. Fencing separates part of the Marketplace area from the rest of the mall. Fleming, of the state's retail federation, said roughly 20 percent to 25 percent of a retailer's annual sales occur during the holiday season, making it critical for stores in the Marketplace to open before Thanksgiving. "If they delay, and they open after the holiday, they have kind of missed out," he said.