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## Pavilions looks to Europe for anchor stores

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Kathleen Lavine | Business Journal

Reed Bennett, general manager at Denver Pavilions, says one of the biggest retail requests he gets is for high-fashion stores.

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Two internationally known retailers are being pursued by the new owners of Denver Pavilions — Gart Properties LLC — and could be a huge boost for downtown Denver retail if the company lands one or both of the stores.

H&M, a Sweden-based retailer that sells edgy men's and women's apparel in 29 countries, and Zara, another high-end clothing store based in Coruña, Spain, are in Gart's sights as it tries to land a mega European retail anchor to the open-air shopping mall.

"[Zara] is the kind of store that has energy to it, in the way the store is designed ... in the music, in the atmosphere," said Mark Sidell, president of Gart Properties. "These are high-style designs at popular prices. It really makes cutting-edge fashion accessible."

He hopes one of the stores signs on by the end of 2009.

Pavilions tenants and shoppers have sought more variety in the mall for years.

"Some want high-profile eateries, and some want more high-fashion," said Reed Bennett, who took over as general manager of the Denver Pavilions in July.

If one of the two high-fashion companies agrees to open a store at the Pavilions, Gart Properties would have to find a large enough space for the anchor — possibly by knocking out walls and combining two vacant stores, or by not renewing the lease of a tenant in a larger space.

And it's the perfect time to rotate tenants. The Pavilions is 10 years old. Gart Properties bought the mall — located on two city blocks along 16th Street Mall between Welton Place and Glenarm Street — when 10-year leases for several tenants were set to expire. The lease turnover allows the company to plan tenant placements.

Nike Town and Virgin Records anchor the Pavilions, occupying the two largest spaces in the mall.

Virgin Records recently signed a new, short-term lease with Gart Properties that has flexible provisions for both parties.

“We have the right on all the leases we’ve renewed to move them around,” Sidell said.

Gart Properties decided not to offer the long-term leases as was done by the previous owner, Bill Denton of Entertainment Development Group Inc. (EDG) in Los Angeles.

Two souvenir shops on the first level opted not to renew their leases with Gart Properties: Best of Denver and Making History Colorado. They’ll vacate the first week of September.

Another spot is up for grabs when the Democratic National Convention shop that sells DNC memorabilia vacates the former Soup Man fast-casual restaurant space after the DNC.

Reed Bennett took over as mall manager in July.

One of the biggest retail requests he’s had from shoppers is high-end fashion, he said.

Retailers with secure leases would like to see a variety of shops fill the empty spaces.

“Something crafty with kids,” said Jodi Korasick, manager of Bare Escentuals on the first level of the Pavilions. “We always have people come in and ask for something for kids.”

Beth Stephens, owner of Ro Sham Beaux, a card and jewelry shop next to Bare Escentuals, would like to see locally based stores fill vacant spaces.

Whatever happens, Stephens is confident the mall will have a good selection.

“The Garts are people who understand retail,” she said, referring to the Garts’ long history of owning recreational sports stores.

Other changes are on the way.

When Gart Properties bought the 350,000-square-foot mall, it vowed to fill the second-floor space formerly occupied by the Wolfgang Puck restaurant with a new, big-name restaurant.

The company also announced a \$25 million renovation, which includes installing new escalators that will lead directly to the 16th Street Mall, large video screens that will advertise Pavilion shops and restaurants, new lighting, landscaping and plants.

Renovations are scheduled to begin in early 2009.

The immediate changes include “a lot more lighting, a lot more plants,” Bennett said.

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