




Print this page  Close

Gwinnett Place Mall's future uncertain

By Arielle Kass
The Atlanta Journal-Constitution

8:35 p.m. Wednesday, March 14, 2012

The nation's largest mall owner has given up on Gwinnett Place Mall in Duluth. But some in the community think that could be the best thing to happen to the property.

Once considered a community gem, Gwinnett Place has lost national retailers and has been unable to compete against Mall of Georgia to the north as the county's premiere shopping destination.

Owner Simon Property Group decided it had languished long enough.

In February, Simon reported that it had "disposed of [its] interest in" Gwinnett Place and two other malls. Late last year, a \$115 million loan that matures this summer was transferred to a special servicer, a company that oversees troubled loans.

Gwinnett Place is not expected to close, but the change in ownership gives local property owners and residents an opportunity to dream about what could be. The visions include condos and apartments on the mall site, combined with offices and a hotel, a park and stores in a setting without a roof.

"I would definitely go there if there was something like that," said Lilburn resident Janet Tobin, who estimates she visits Gwinnett Place a couple times a month. "I think it could be redeveloped."

Tobin said she would like to see picnic areas and walking paths that would make the mall area more inviting. The mall property has recently been included in a study by the Gwinnett Place Community Improvement District that envisions potential uses for that property, and others. Ideas for Gwinnett Place include a large public space and the creation of a more mixed-use, urban setting — whether or not the mall remains intact.

Just who would enact the plan remains unknown.

A spokesman for the special servicer, C-III Capital Partners, said the company had no comment on the mall property. Simon spokesman Les Morris said he did not have the authority to disclose who owns the mall, but that it is not C-III.

Simon continues to manage the mall, though, and will "for the foreseeable future," Morris said. While the company's preference is to own and manage properties, Simon manages 10 other shopping centers — including eight malls — that it does not own, Morris said.

Some members of the community are optimistic about the prospect of new ownership, saying that a new owner who comes in with an awareness of the mall's challenges could have a large impact on Duluth.

"With this, we have an opportunity," said Joe Allen, executive director of the Gwinnett Place Community Improvement District. "We need someone to come in with a fresh set of eyes, a fresh vision, and redream that mall."

Gwinnett County's demographics have shifted since the mall was built in 1984. Since then, the county has transitioned from a mostly white suburban area, full of farmland, to a densely populated county where racial minorities make up a majority of all residents. According to 2010 census data, more than a quarter of all residents were foreign born.

Allen has long described Gwinnett Place Mall, and the surrounding area of Pleasant Hill Road, as the county's downtown. In a statement, he said the characteristics that initially made the mall viable remain: its location off of I-85, its strong surrounding infrastructure and a large base of potential shoppers.

Other local businesses have moved into the area or expanded, Allen said, even as stores like Justice left the mall. Over the years, Gwinnett Place has lost stores like Gap, Ann Taylor, The Children's Place, The Disney Store, The Limited, Starbucks and Yankee Candle. According to a report by real estate research firm Trepp, Gwinnett Place was 83 percent occupied at the end of February.

"There's so much potential," Allen said. "Businesses on Pleasant Hill, they are finding success here."

Leo Wiener, a partner and principal with Glenwood Development Co. and the owner of the Mall Corners shopping center, said he sees Gwinnett Place as a blank canvas. As a property owner who is directly affected by the mall's success or failure, Wiener said he thinks new ownership will be a positive for the area.



"All the ingredients are there for someone to make a go of it," he said. "Someone with a lot of creativity really has a blank palette to create their vision."

George Thorndyke, a real estate consultant for the owner of Gwinnett Place Mall anchor Mega Mart, said he thinks the area is ripe for condominiums and high-end apartments. He, too, said a new owner could benefit the area by courting tenants and marketing the mall.

"It may take five years," he said. "The mall area, with these changes, will come back."

Find this article at:

<http://www.ajc.com/business/gwinnett-place-malls-future-1385310.html>

 Print this page  Close