

Fayette Crossing final phase underway

By Eric Morris emorris@heraldstandard.com | Posted: Sunday, January 18, 2015 2:15 am

After a lengthy planning stage that stirred debate among local officials and residents, construction is underway on the third and final phase of a South Union Township development.

Nearly one year after an Ohio development firm requested financing assistance from local taxing bodies to add to the Fayette Crossing retail complex, ground broke in late October to construct the first store in what is considered phase three of the development.

Once the controversial tax increment financing (TIF) plan was approved by county, township and Fayette County Redevelopment Authority officials in the latter half of 2014, Cedarwood Development Inc. immediately began construction of a store for arts and crafts chain Hobby Lobby, said Randy Hake, Cedarwood vice president of commercial development.

The third phase of development comprises the construction of a shopping center on a 27-acre parcel adjacent to Wal-Mart, off Matthew Drive. The 55,000-square-foot Hobby Lobby, one of two anchor tenants for the shopping center, is set to open in April, with additional stores to follow.

Hake said Tri-C Construction, a subsidiary of Cedarwood Companies, will soon break ground on the center's other anchor tenant, a 35,000-square-foot Dick's Sporting Goods store, which will stand adjacent to Hobby Lobby and is on schedule to open mid-summer.

Five additional retail units ranging from 4,000 to 25,000 square feet will round out the



New construction

Roberto M. Esquivel|Herald-StandardCedarwood Development Inc. is nearing completion of a new Hobby Lobby store that plans to open in April as part of shopping center under development at Fayette Crossing in South Union Township. Construction will soon begin at the site on a Dick's Sporting Goods store.

shopping center but will not be built until Cedarwood can secure tenants for the spaces, said Hake.

“We’re currently talking to a number of regional and national prospective tenants, none of which are committed at this time,” he said. “All prospective tenants we’re speaking with will be new to the community, which means new jobs. We’re also talking to a number of outlot users, including lending institutions, service-oriented retailers and restaurants.”

Hake said the land available for phase three consists of 13 usable acres, seven of which will be used for the two planned retailers and their parking facilities. Six acres will remain for future development.

Fayette Crossing was born in 2008 with the construction of a Wal-Mart Supercenter and Applebee’s, Sonic Drive-In and IHOP restaurants. The development’s second phase, constructed just east of Wal-Mart in 2012, consists of a strip plaza containing 13 businesses.

When the final stage is completed, the complex will consist of nearly 400,000 square feet of retail space on a 60-acre parcel.

Vince Parker, spokesperson for Hobby Lobby Stores Inc., said the company is looking to open the store at Fayette Crossing in mid-April and will hire 30 to 50 local employees to fill various positions.

Hobby Lobby Store Inc. is aiming to open 70 stores in the U.S. this year after launching 68 stores in 2014.

“We feel that we can bring a very unique shopping experience to the area,” Parker said. “We are looking forward to becoming part of the community.”

Dick’s Sporting Goods confirmed that a store is coming to the Uniontown area this year, but said no further information could be provided.

Early last year, the county, township and Laurel Highlands School Board agreed to share the cost of a \$2.67 million bond issue requested by Cedarwood to defray some of the infrastructural development costs for the estimated \$23 million project.

However, in June, Laurel Highlands declined to take part in the plan, requiring Cedarwood and the other parties to restructure the plan with the two remaining participants as the only contributors.

“Those stores would not have been able to be built if not for the approval of the TIF,”

Hake said. “We’re happy to be able to move forward because of the approval of the TIF by the county and the township.”

Delays in the plan’s approval and subsequent changes to the deal, however, caused several retailers to pass on the shopping center.

“We were in serious negotiations with national retailers who would come if we could get them a significant rent reduction. We lost a couple of significant opportunities,” said Hake.

Under the current agreement, the county and township will turn over to Cedarwood all of the tax revenue generated from the property — a total of about \$965,000 — for a 20-year period.

The bulk of the tax revenue — \$750,000 — will be spent to stabilize the property through underground mine remediation, with \$70,000 for related engineering costs and the remaining amount for paving at the shopping center.