

# CRAIG'S

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# Avoiding the curse of Wal-Mart

Related needs other big-box stores for planned Gateway retail project

**A**S THE RELATED COS. enters the political arena in its push for a \$400 million retail project on the site of the Bronx

Terminal Market, the developer has adopted a simple strategy: Steer clear of "the Wal-Mart story."

That's how Related President Jeff Blau describes what happened in Rego Park, Queens, last year when a development was scuttled by the City Council because it would have included a Wal-Mart, a company despised by labor unions.

Though Related says it doesn't intend to lease space at its proposed Gateway Center to Wal-Mart, it

might still draw union ire. With nearly 1 million square feet to fill, the developer would have to secure big-box tenants, which are uniformly nonunion.

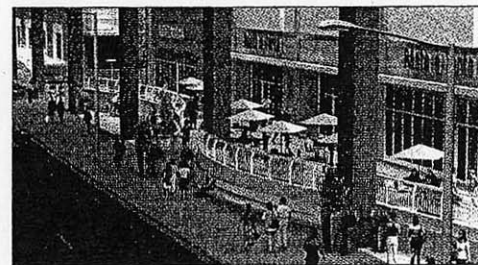
Related will try to head off opposition from unions and small-store lobbyists by saying that it expects to bring in retailers that already have stores in the city.

In addition, Related, with help from the city Economic Development Corp., will argue that the

Bronx badly needs growth and that its consumers crave big-box stores. Businesses in the borough capture just 60% of sales to residents, the lowest rate in the city.

The clock is now ticking on the city review process that will determine the proposal's fate.

A City Council panel is likely to take up Related's plan within two



**THE \$400 MILLION** Gateway Center in the Bronx will go before the City Council in the next month.

weeks, and the full council must vote by the end of the second week of February. If it takes no action, the planning commission's Dec. 19 approval will stand. Interested parties will be watching closely, because Gateway Center could be an early indication of how the council will handle such proposals under the new speaker, Christine Quinn.

In the past, the full council has respected the wishes of members in the borough affected by a project. Related claims that the center is supported by all eight Bronx council members, but opposition lobbyist Richard Lipsky says the delegation is still "in play," with at least four members uncommitted.

The review will also be the first litmus test for the new Land Use Committee, whose decisions are typically ratified by the full council. New panel chairmanships and memberships will be established by