



# Harrisburg Mall's new owners plan retail renaissance

Published: Friday, July 20, 2012, 5:00 AM



By [MARY KLAUS, The Patriot-News](#)

If Bob Gorland had bought the Harrisburg Mall in Swatara Township, he says he would think out of the box.

Gorland, vice president of Matthew P. Casey & Associates' Harrisburg office and a specialist in shopping center and supermarket feasibility studies, says malls can house more than stores.

“There are a lot of non-retail uses for a mall,” Gorland said, “offices, community college classes and even churches. The new owners have a big job ahead of them.”

The 43-year-old Swatara Twp. mall, the area's first enclosed shopping mall, recently was sold for \$9.5 million to St. John Properties Inc. of Baltimore and Petrie Ross Ventures of Annapolis.



Justin A. Shaw, The Patriot-News, Harrisburg Malls new owners had the partially constructed Sega Sports Bar on the front side of the mall demolished on July 16.

In 2003, the mall sold for \$17.5 million to Feldman Lubert Adler Harrisburg LP. Six years later, that group defaulted on its \$52.5 million mortgage to TD Bank of Toronto and the mall was sold at auction to a group of banks.

Andy Moyer, president of the Swatara Twp. Board of Commissioners, said that township officials are pleased that the mall has new owners. Commissioner

Doug Goff agreed, pledging the township's help in helping the mall succeed.

Gorland said the new owners have their work cut out for them.

Challenges are nothing new for this mall, known as Harrisburg East Mall from 1969 until 2003 when the Feldman group dropped the word “East” and began a renovation.

The mall assessment, once as high as \$67 million and last year reduced to \$18 million, has seen the coming and going of several anchors and smaller stores.

In recent years, Bass Pro Shops and the Great Escape 14-screen movie theater complex opened and brought traffic to opposite ends of the mall.

Yet when Boscov's, one of the anchor stores, moved out in 2008, no anchor store replaced it. Other stores left, too, leaving the occupancy rate at 70 percent.

"Half the people are excited at what we are doing here," said Walt Petrie, chairman of Petrie Ross Ventures, earlier this week at the demolition of the partially built Sega Sports Bar on the front side of the mall. "The other half think we should tear this mall down. We are committed to putting time and money into redoing this mall. This was the first mall built in this area. There's a reason."

Jerry Witt, St. Johns Properties senior vice president, said the Harrisburg Mall needs more national retailers, more shops for women and children and a better sense of security for shoppers.

He said it also needs more special participatory events such as "American Idol"-type competitions and fashion shows.

Gorland said he is hopeful that the new owners can bring Harrisburg Mall back to life. He says the location is accessible to both the East and West shores.

"The public demolition of Sega shows that the new owners want to put a positive buzz on what they are doing," he said. "They want people to know that good things will happen at the mall."

The new owners hosted a "reverse groundbreaking," a public demolition of the partly-built Sega Sports Bar which, along with Panera Bread and Barnes & Noble, canceled plans to open in the mall. Removing Sega, which St. John called an "eyesore" will allow the establishment of a more inviting entrance and addition of more parking spaces.

Gorland said the new owners have several options to improve the mall: □

Î Offering new tenants "sweetheart" rent deals or even free rent for the first three to five years to add more businesses and bring more traffic into the mall. □

Î Hosting promotional events that are not geared to young, unemployed teenagers who might show up for the event but not spend money in the mall. □

Î Bringing in stores that are popular in Philadelphia and Lancaster but don't exist in Harrisburg, such as an Apple Store, Urban Outfitters, Abercrombie & Fitch, Eddie Bauer and Anthropologie.

Gorland said he's optimistic about the future of the Harrisburg Mall.

"The new owners have the contacts to attract new upscale tenants," he said. "I think they can bring them in to the mall."