

## Outlet center planned for Texas City area

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The Texas City area may be getting a major outlet mall that would be operated by the outlet division of Simon Property Group, the owner of the Galleria. The company has announced plans for the [Galveston Premium Outlets](#), a 350,000-square-foot project that would be along Interstate 45 at Holland Road. The mall would contain about 100 stores.

"We are currently under contract to purchase the land," said Michele Rothstein, spokeswoman for Premium Outlets, Simon's outlet division.

Galveston Premium Outlets would allow Premium Outlets to serve Galveston and the southeast Houston area, Rothstein said.

In the greater Houston area, Indianapolis-based Simon Property Group operates the Katy Mills and Houston Premium Outlets.

The Galveston Premium Outlets project, however, is not a done deal.

Ed Page, principal of Houston-based Page Partners, is representing Simon on the land acquisition and said a few other developers are also looking to build an outlet mall in the same area, he said. Which one actually builds a center will depend on who can line up the most tenants.

"When you have three major players running after the same tenants, the tenants are going to keep options open and talk to everybody. There will be a tipping point when a couple of key tenants will make a decision," Page said.

He declined to name the other developers scouting Houston.

"I think that Simon as well as these other players feel like Houston is big enough and viable enough that it could support another outlet mall," he said.

Simon's Premium Outlet malls specialize in discounted designer apparel. At Houston Premium Outlets near Cypress, for example, stores include Brooks Brothers, Tommy Hilfiger, Kate Spade and Cole Haan.

Simon hasn't announced which stores would go in the new mall.

Outlet malls have been among the few retail center sectors to expand lately. Last April, Simon CEO David Simon told the Chronicle: "Ground-up development is really dormant today except for the outlet properties."

Simon said it expects that Galveston Premium Outlets would generate \$120 million in retail sales.

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