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## Macy's wants guarantees before renovating downtown Miami store

**Return on investment must be worth millions before Macy's will consider a downtown Miami renovation.**



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Before Macy's will invest in revitalizing its downtown Miami store, company executives want proof the store can generate close to \$20 million in additional sales.

Macy's Florida President J. David Scheiner offered that insight Wednesday at a meeting of a Greater Miami Chamber of Commerce committee discussing the future of Flagler Street.

The additional sales are necessary for the retailer to justify the type of investment needed for a major store renovation, which Scheiner estimated could cost at least \$20 million and involve consolidating in one building.

"The only way we would do it is if we see the ability to pick up at least \$15 million in sales," Scheiner said. "That isn't going to be done by people coming nine to five. It isn't going to be done without a whole downtown revitalization."

Miami city officials have been trying unsuccessfully to persuade Macy's to make a major investment in its downtown store, which critics feel is dated in its physical surroundings and merchandise. The efforts have been in the public eye for almost two years, since Macy's Florida Chairman Julie Greiner took city leaders to task about the state of Flagler Street and raised the possibility that the department store might leave downtown.

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Business leaders jumped on Scheiner once again Wednesday, arguing that even with the real estate slowdown there are still thousands of more residents downtown.

"Downtown is not a nine-to-five place anymore," said Neisen Kasdin, chairman of the chamber's New World Center Committee. "The vision that this panel talks about is already taking place, not in a minor way but in a substantive way."

Kasdin and others also pointed to the fact that Macy's waited until at least 10 years after the revitalization of South Beach before upgrading its store there.

But when it comes to downtown, Scheiner pointed to redevelopments in downtown San Francisco, Chicago and other major cities as evidence that the leadership must come from the government and private developers, not retailers.

"Long-term I believe that there are opportunities, but the question is can it all come together," Scheiner said.

Like other retailers, Macy's is cutting back and reorganizing as it attempts to cope with declining sales. Macy's is in the midst of closing its Florida corporate office, located in the same building as the downtown Miami store. While the location will remain a Macy's regional office, it will only employ a fraction of the workers.

As business leaders try to figure out a plan for Flagler Street, at least one expert urged them to find a common ground with Macy's.

"What's really important is you've got to keep Macy's here," said Elizabeth Plater-Zyberk, dean of the University of Miami School of Architecture, who was part of the Wednesday's panel on Flagler Street. "They can't do it by themselves."