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Target digs in at first Hawaii site

Target will also open stores in Salt Lake and in Kona on the Big Island in 2009

STORY SUMMARY »

Target Corp. broke ground yesterday on its long-awaited first Hawaii store, at the Kapolei Commons mall. The retailer is to follow suit at its Salt Lake store site this morning. Both are expected to open in March 2009, with a third store in Kona to open in July of that year.

The Kapolei community gathered yesterday to welcome Target with a Hawaiian blessing.

Target will be an anchor tenant at the new Kapolei mall, which is being developed by the **MacNaughton** and **Kobayashi** groups. Other retailers that have signed on there include **Sports Authority**, **OfficeMax**, **Petco** and **Circuit City**.



COURTESY MKC MANAGEMENT
Artist rendering of the new Target store.

Kapolei Commons

Anchors: Target, Regal Cinemas, Circuit City
Retail space: 600,000 square feet
Parking stalls: 3,000
Opening: 2009
Developers: MacNaughton, Kobayashi Groups
Web site: www.thekapoleicommons.com

FULL STORY »



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Lester Chang, director of the City Department of Parks and Recreation, broke ground with Target executives and other dignitaries during an O'o ceremony yesterday. Target is the first anchor tenant of the Kapolei Commons mall.

By Nina Wu
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The first anchor tenant of the Kapolei Commons mall held a Hawaiian blessing and broke ground yesterday. The mall will be the site of **Target Corp.**'s first Hawaii store, slated to open in March 2009.

This morning, Target breaks ground on its Salt Lake store, which will open in tandem with the Kapolei store. Target's Kona store is expected to open in July 2009.

"Today marks a very important milestone," said Bryan Berg, Target's senior regional vice president, who noted the Minneapolis-based company had been searching in Hawaii for years.

Kapolei Commons, the regional mall being built by a joint venture of the **MacNaughton Group** and **Kobayashi Group** at the intersection of Kapolei Parkway and Kalealoha Boulevard, will measure well over 160,000 square feet.

Target's store at at Kapolei Commons will be between **Sports Authority** and **OfficeMax**, and near stores planned by **Petco** and **Circuit City**.

Jeffrey Dinsmore, president of MKC Management LLC, said those Kapolei tenants also have signed leases at Kona Commons, another mall the group is building.

The national retailers have already signed letters of intent at the more than 600,000-square-foot mall and take up about half of it, according to Dinsmore.

That means that Circuit City will be opening two new stores in the state. It now has one, in Aiea. Petco, meanwhile, will also enter the Hawaii market with two new locations at the new malls in Kapolei and Kona, in addition to Pearl City Gateway, a new retail center under development.

Other tenants on the Kapolei Commons site plan include **Borders**, **Bank of Hawaii**, surf shop **Pac Sun** and **Vitamin Shoppe**.

Despite recent economic woes, developers are confident that the mall will perform well when the open in 2009.

"You have to look at the long-term strategy," said Dinsmore. "Kapolei is the place to be and Target is a fabulous tenant."



COURTESY MKC MANAGEMENT

An artist rendering of the planned Kapolei Commons shopping center. Along with Target, other retailers will include Office Max, Petco, Circuit City and Regal Cinemas. The mall is slated to open in March 2009.

With Ko Olina Resort close by, in addition to the planned Disney hotel, Dinsmore said the mall is expected to draw visitor as well as residential traffic.

Kapolei Commons will also offer a mix of casual and formal sit-down restaurants, along with Regal Cinemas.

Berg said the challenges of entering the Hawaii market for Target included finding the right real estate and ironing out logistics for an off-shore store.

He added that Target wanted to make sure it had the right locations and community support --

which it seems to have garnered overwhelmingly.

Target's January sales came in lower than expected earlier this month -- a reflection of a flagging U.S. economy.

Berg said, however, that Target was still optimistic about its long-term future in Hawaii.

"In the short run, it causes us some concern," he said. "But we are a business with a long-term perspective. We're very optimistic (on) our future and vision here. Our perspective is very long-term."

The neighborhood board and community put up a wall of resistance for **Wal-Mart**, which also has announced plans for a store in Kapolei, but has yet to break ground. However, Target was welcomed with open arms.

"This is probably the only project no one complained about," said Maeda Timson, former chair of the Makakilo/ Kapolei neighborhood board.

City council members and state legislators yesterday welcomed Target with speeches of how they or their wives have shopped at the chain on the mainland.

Target has made a dozen hires for its management and executive team in Hawaii, but is still hiring for its stores, approximately 250 to 300 per store.

Target will also be harnessing the sun's energy in Hawaii to help power all three of its planned stores here -- at Salt Lake, Kapolei and Kona.

More than a dozen Target stores in California were outfitted with rooftop solar-panel systems last year.