

73 million Target distribution center expansion set for Lugoff

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The Target distribution center in Lugoff will make a \$73 million expansion over the next 20 months, bringing new jobs to the community. Beverly A. Lee, left, helps Wylie Robertson, right, both of Camden, SC complete a job application on Wednesday.

The economic downturn is hurting home prices, retail sales and jobs. But at discount stores like Target, business is not so bad.

As company officials look to double the number of retail stores to 3,000, they are set to invest \$73 million in a distribution center in Lugoff to make it the company's largest and further solidify the state's status as a warehouse hub.

The retail chain plans to open 70 to 100 new stores a year throughout the nation during the next 15 years or so, said Gene Wise, general manager of the distribution center in western Kershaw County.

But before the company can grow its stores, it has to have a support system in place. Kershaw County Council this week approved a fee-in-lieu of taxes agreement that will allow Target to expand its Lugoff distribution center to 1.8 million square feet during the next 20 months. The expansion will bring roughly \$12 million in taxes to Kershaw County during the next 20 years, with the biggest chunk of that going to help fund schools.

The expansion will add some jobs, although Wise would not say how many. Estimates have put the number as high as 100. The center currently employs more than 700 workers. When it located in Lugoff five years ago, the plan was to eventually employ more than 900. About half of the workers come from Kershaw County. The rest come from surrounding counties and as far away as Florence, Wise said.

The distribution center services 60 to 74 stores in South Carolina, North Carolina, Florida and Georgia and the edges of Tennessee and Virginia. The expansion will allow it to service more than 100 stores in the region and will make the Lugoff location the company's largest distribution center.

Most of Target's distribution centers are 1.3 million square feet, the size of the current Lugoff plant and about 25 percent smaller than it will be after the expansion.

"They could have done this expansion in 20 other buildings around the country, and they picked this one," Wise said. "We couldn't be happier." Kershaw County Council chairman Steve Kelly credited the Lugoff site's relationship with the community and the county's pro-business climate for landing the expansion. "We're elated," he said. Target spokeswoman Jenn Glass said the company chose Lugoff because of its proximity to transportation and stores and because of work

force availability. “The workers have really positive attitudes,” she said, adding that they work well with change.

The community and the corporation have embraced each other, said Mark Simmons, executive vice president of the Central SC Alliance. “I think that they’ve had a great experience with the community and also the work force there,” he said. Wise, who serves on numerous community boards, said Target puts a big emphasis on giving back and his workers have been involved in projects such as repairing transitional housing for homeless women and children and volunteering at the Fine Arts Center of Kershaw County. The Midlands area in general offers a large pool of potential employees, Simmons said. “There’s a wide range of skill levels available in the area,” he said.

South Carolina has become a magnet for distribution centers, with nearly half a dozen announced in the past two years, including a \$25 million Home Depot warehouse in July for Lexington County. “Most of these distribution centers are logistics oriented,” Simmons said. “That’s distribution.”

He said the Midlands works well because it is close to numerous interstates and the port in Charleston.

Sid Isler, a real estate agent in Camden, said the expansion will be a “big plus” for Kershaw County. “One of the biggest things we need around here is good jobs,” Isler said. Target’s starting pay is \$13.78 an hour. But the average warehouse worker after a couple of years makes more than \$17 an hour, Wise said. Hourly wages at a QVC warehouse in Florence average \$10.25, and pay starts at \$12 an hour at a Walgreens distribution center in Anderson County, according to news reports last year.

Isler said the higher-paying Target jobs are the kinds that will help stimulate the economy, spurring people to buy homes, cars and other goods. “If you can get good jobs, everything else kind of falls into place,” he said.

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