

Dollar Tree plans to build a 1.2 million-square-foot distribution center in a deal that would establish a new frontier for industrial developments in Rosenberg.

The company, which operates the Dollar Tree and Family Dollar discount stores, has targeted a 140-acre site at the southwest corner of Spur 10 near Klosterhoff Road south of U.S. 59 in Fort Bend County.

The company plans to invest approximately \$130 million in the project, while creating more than 300 jobs.

The deal remains contingent on a number of factors, Dollar Tree said in an announcement. Among the things that need to fall into place are approvals from the City Council, the Rosenberg Development Corp. and the Fort Bend County Commissioners Court; the city of Rosenberg must annex the 140-acre site; city and county Reinvestment Zones need to be created; and Dollar Tree must still close on the purchase of the site.

"Dollar Tree is a large and growing organization," Gary Philbin, its president and chief executive, said in the announcement. "We currently operate more than 1,600 Dollar Tree and Family Dollar stores in Texas and we are excited about our new distribution center project in Fort Bend County. We expect this new, state-of-the-art facility will enhance our supply chain efficiencies and provide convenient access to our network of stores through reduced stem miles, all while creating hundreds of new jobs."

Bret Gardella, executive director of Rosenberg Development Corp., has been working on the deal for 18 months.

"Because of the size of this facility, it was very challenging for us to find the right piece of property for this to sit on," Gardella said. "This really kind of pushed the boundaries for us. It was contiguous to the city limits, but just outside."

Rosenberg City Council agreed to annex the property, which borders the southwest edge of the city and was assembled from three parcels of agricultural

land. The owners were not disclosed.

Once completed, the Dollar Tree project will nearly double the size of the largest industrial development in Rosenberg, Aldi's 650,000-square-foot distribution center and division headquarters. That facility, which opened in 2016, is north of U.S. 59 near U.S. 90.

Rosenberg stands to land more light manufacturing, distribution and logistics centers in the next five to 10 years as transportation improvements are made, including a potential short rail connecting with Port Freeport, Gardella said.

Dollar Tree plans to begin construction in April or May and finish by summer 2020, the company said. Contractors have not been named.

The facility would be one of 23 distribution centers servicing nearly 15,000 stores in the U.S. The closest distribution centers are in west Texas, Oklahoma, Arkansas and Mississippi.

The proposed Rosenberg distribution center is consistent with the size of other recent Dollar Tree projects, which range from 1 million to 1.5 million square feet. The company opened a distribution center in Warrensburg, Mo. last year and will be opening one this year in Morrow County, Ohio.

Land broker Stan Creech, president of Stan Creech Properties, said Dollar Tree's location near U.S. 59 and Spur 10 provides excellent accessibility in all directions.

"The 140 acres is an ideal size, as large scale distribution centers require 100 to 150 acres," Creech said. "Houston is becoming a major distribution hub which strengthens the diversification of our economy."

Distribution centers pushing past the 1 million-square-foot mark have become more common in the Houston region. Costco recently acquired 150 acres in Katy for a distribution center near another large one occupied by Amazon.

Based in Chesapeake, Va., Dollar Tree has 15,187 stores in the U.S. and Canada. The company has more stores in Texas than any other state.

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