

## SOUTHERN DALLAS

# Business picking up at RedBird

Redevelopment of former mall isn't done, but it's come a long way

By MARIA HALKIAS

Staff Writer

[mhalkias@dallasnews.com](mailto:mhalkias@dallasnews.com)

The Starbucks in the former Red Bird Mall parking lot on Camp Wisdom Road in southern Dallas is one of “the busiest” in the city, Peter Brodsky likes to say. That’s not just hyperbole from a proud landlord, although Starbucks won’t confirm where it ranks.

At any time of the day, the drive-through has a line and customers fill the seats inside.

Brodsky touts that Starbucks’ performance because he says it’s affirmation that a big swath of southern Dallas can support restaurants, retailers and services if they’d come to his \$200 million development bordered by Camp Wisdom and Westmoreland roads and U.S. Highway 67 and Interstate 20.

Brodsky has made huge strides in the seven years since he bought the property he now calls RedBird. It’s becoming one of the largest commercial developments in southern Dallas. But it’s not finished.

Starbucks is one of the “proof points” Brodsky has to show for his work on a dying mall that so many before him — since the 1990s — had failed to fix.

So far, about 1,500 people work in new medical facilities, offices, stores and restaurants in the mixed-use property, and 450 live in the new Palladium Apartments.

“My sort of effusive praise to the institutions that had enough belief and courage to come to be the chicken or the egg, whichever — Starbucks, UT Southwestern, Parkland, all of the retailers inside the mall — is because they’re the ones that start the virtuous cycle,” Brodsky said.

The population in the immediate area around RedBird is predominantly Black, and there are five Black megachurches within 2 miles of RedBird. But like much of Dallas, the broader demographic trend in the southern part of the city is that residents are becoming more Hispanic, Brodsky said.

When asked what’s working and not working at RedBird, Brodsky said the redevelopment hasn’t overcome “the stickiness of its stereotypes.”

He illustrates this by describing an ongoing discussion with a local restaurant owner. When he was told the Starbucks was coming, the restaurateur said, “It will never work.” When he called back six months later and was told Starbucks was killing it, he replied, “Well, Starbucks works everywhere.”

“I’ve gotten a front-row seat to bias,” Brodsky said. “The objections to this area are not always borne out by the facts.”

Brodsky, 51, moved to Dallas in 1995 to work for private equity firm Hicks Muse. He made lots of money and founded his own investment firm before buying RedBird in 2015.

He became interested in southern Dallas in 2009 while participating in Leadership Dallas, saying, “Before that, I lived the typical North Dallas life and really didn’t go south of I-30.”

## Faulty assumptions

The preconceived notions about crime at RedBird are stubborn and unfair, he said. “A man was shot dead at The Shops at Park Lane in Dallas [in 2019] and people didn’t stop shopping there. Can you imagine if that happened at RedBird?”

Since he bought the mall, Brodsky said, there’s never been a major incident. “We’ve had car thefts, catalytic converters stolen and arguments in the mall but haven’t had store burglaries or even graffiti on our new buildings.”

Brodsky said the property is “spending a lot of money on security because we know if there was a major crime, it would reinforce the assumptions.”

“The standard that this property and community are held to is different, and it’s not based on data. It’s based on assumptions people make about communities of color, and they’re very sticky,” Brodsky said.

RedBird is located at a point where two Dallas City Council districts meet, and it’s on the border with suburban Duncanville and DeSoto, which both have diverse populations. District 8 is the only one in Dallas with mostly Black residents (47.4%), but the Hispanic population (44%) has been rising, according to 2020 U.S. Census figures. The development is across from District 3, which has a large middle class and a population that’s 49.7% Hispanic and 37.7% Black.

Even though Starbucks won’t reveal results of individual stores, a spokeswoman said the RedBird location, which has 30 employees, “has been welcomed by the community.” When it opened in 2018, it was the 12th “community store,” a program Starbucks created to open stores in underserved neighborhoods, and it’s the only freestanding Starbucks for miles.

Starbucks opened its 25th community store in the U.S. and its second in Dallas in the Casa View Shopping Center on Ferguson Road in July.

## Multiuse project

Brodsky, who recruited Dallas-based commercial real estate developers Terrence Maiden and Frank Mihalopoulos to help him redevelop RedBird, has taken a classic, almost dead 1970s mall once anchored by Sears, JCPenney, Dillard’s and Macy’s and turned it into a working, evolving, multiuse project. The plan is to fill in the almost 100 acres with tenants that cater to needs of the surrounding residents.

Brodsky, who says he has been “happily married” for 25 years to his wife, Lael, has spent the last 12 years working on civic issues ranging from stray dog problems to homelessness and public education.

He’s on the board of KIPP Texas, a public charter, tuition-free network of 59 schools, including an elementary and a middle school across from RedBird on Camp Wisdom. His other big focus is Housing Forward, formerly known as the Metro Dallas Homeless Alliance, where he is chairman. The group works with federal and local government and nonprofit groups and raised public and private funds totaling \$70 million to pay for housing for 2,700 people in the last two years.

Based on his deal with the city of Dallas, Brodsky has to spend \$135 million on the RedBird property. The project has received \$27.4 million from the city, \$12 million in loans and \$15.4 million in grants. Separately, the Palladium Apartments and a planned Marriott hotel will bring the total investment to more than \$200 million, Brodsky said.

Brodsky and his investors say they are reinvesting all the rent income back into RedBird. Mihalopoulos was an early adviser with experience bringing medical tenants into similar properties in other cities. He is still an investor.

“I think we’re at a point where conversations that have been frozen a long time are now thawing out,” said Maiden, Brodsky’s development partner. “We’re not where we want to be, but the tenants we’ve wanted an audience with are now engaging with us.”

Maiden said he thinks the project is close to a tipping point with the new leases signed: “My gut feeling is that we’re really close now.” He’s working to attract quick service restaurants for the property’s Camp Wisdom perimeter, a grocery store and entertainment concepts.

Foot Locker and Champs moved from inside the mall into a new freestanding building along a green space in 2020, and Kids Foot Locker was added in the same building in January. A similar size building that can house three or four restaurants is planned across the grassy area.

Just past that shopping and dining area is the future entrance to the mall in the former Macy’s, which will have smaller shops on either side of a corridor leading to the original sunlit atrium.

There are about 35 businesses in the original mall space, mostly mom-and-pop stores but also national retailers Hibbett Sports, Jimmy Jazz and Burlington.

Brodsky is planning a scaled-back, one-level mall space with 100,000 to 150,000 square feet, or one-tenth the size of the former mall. The building’s second level has already become office space, and some of the mall has been knocked down.

The steel and concrete bones are making the redevelopment more affordable, Brodsky said.

Last month, UT Southwestern Medical Center opened a regional medical center at RedBird where a Sears store once stood.

The two-level, 150,000-square-foot facility opened with outpatient services that include primary care, cardiology, cancer care, MRIs, CT scans and women’s diagnostics such as ultrasound and mammography. Plans include adding neurology and culinary medicine later this year. Children’s Health is expected to be added in 2024.

Parkland Hospital opened a 40,000-square-foot clinic in the former Dillard’s space a year ago with a pharmacy.

Atlanta-based call center operator Chime Solutions was another early success, taking up much of the second level of the mall that's been turned into office space.

Chime provided validation that mall space could be turned into attractive office space, Brodsky said. Dallas College leased 25,000 square feet of space to open a training center.

Starbucks opened in 2018. Palladium Apartments opened in 2021, and all 300 units are leased, with 70% of them classified as affordable housing for people who earn 60% of the area's median income.

A building next to Starbucks that had housed a men's discount clothing store has been remodeled into four spaces. It is now occupied by Frost Bank, Wow Dental, Fuzzy's Taco Shop with a covered patio and the just-opened locally owned Breakfast Brothers restaurant.

## **'Psychological boost'**

Anga Sanders has lived just 3 miles from RedBird for 42 years and says she's seen the mall's heyday, decline and then a series of owners who made promises they didn't keep. She moved to Dallas to go to college and was one of the first Black graduates of Southern Methodist University.

"I was worried it was going to end up as one of those eyesore flea markets and then here comes Peter [Brodsky] to save it," she said. "I'm thrilled about what Peter has been able to do."

She lives in Oak Cliff "by choice" and started a consulting business after a long corporate career in human resources. "This community needed a psychological boost, and we didn't need a scaled down, low-level, slipshod development."

Maiden said other nearby property owners are upgrading building facades and parking lots. The city of Dallas is planning improvements to Camp Wisdom Road with wider sidewalks and new lighting.

The Chuck E. Cheese pizza restaurant on Westmoreland Road just outside of the mall property recently got a \$500,000 remodel inside and out. Brodsky doesn't own that real estate but says it shows the neighborhood could support more family entertainment businesses.

"That store has been open for 40 years, and we have a legacy of guests that keep that store full," said Alejandra Brady, head of public relations at Irving-based CEC Entertainment.

She called it a strong-performing store serving a huge area that stretches as far south as Midlothian. CEC Entertainment closed 50 stores as part of a bankruptcy restructuring during the pandemic, but the RedBird store wasn't a candidate.

## **Supermarket quest**

Brodsky has pushed hard for a grocery store. The plot is ready for a 55,000-square-foot supermarket, he said. Kroger's proposed merger with Albertsons will likely slow down those efforts, Brodsky said, as major players pause their store plans to figure out a combined footprint.

"I am very, very, very convinced that any grocer that came here would do extremely well for the same reason that Starbucks does well, if they approach it right. And the same reason that UT Southwestern is going to do well. It's because there is such a lack of amenities that people will travel from a much larger radius to get food if it's a quality product.

"But I also understand that grocery is a razor-thin-margin business. There's very little room for error. And Prosper feels like a sure bet," he said, referring to all the grocery stores being built in fast-growing Collin County.

RedBird is an obvious passion for Brodsky, but he wants people to know that it's also very much a business decision for him.

"I've always been very upfront about the fact that this is a for-profit investment, right? The one place where I would say that I wouldn't call it a sacrifice, but the one place where this would differ from a purely market investment is time," he said.

A big real estate fund likes to get in and out of a redevelopment project in three to five years and has the deep pockets to pay for redevelopment upfront.

"This is being done first with my personal capital, and now we've got a group of investors, but it's not institutional. We're not doing renovations of buildings in advance," he said. "It would be a lot easier to market the Macy's for lease if it had already been renovated. But we're asking people to use their imagination and then wait for us to renovate.

"So it's just another barrier, but that's the way the financial model works."

## **'Come on in'**

Business is about overcoming obstacles, he said.

"So I'm not worried about any of that. The message that I want to get out is the same message we've been trying to get out for seven years, which is 'Come on in. The water's fine.'

“There is an addressable market here of consumers, office workers, diners, patients, residents, and this is an unaddressed market. And there’s nothing to be nervous about. And the other thing is that this is not an area where it’s about, you know, importing new people to then utilize those amenities. The people who want to utilize those amenities are right here.”

And Brodsky said, he’s “a devoted Starbucks customer for life.”

*Twitter: @MariaHalkias*