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# Stores shut, stay or can spring up at shopping centers north of Galleria

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Hit hard by the housing collapse and the recession's retail bankruptcies, the home-goods-themed shopping district north of Galleria Dallas is now a lesson in post-recession retail development. Shopping centers facing the Dallas North Tollway from the Galleria to Spring Valley Road have served as billboards for some of the biggest retailing casualties.

Large gaping spaces were left by the demises of [Circuit City](#), Linens 'n Things and Bombay Co. and [Home Depot's](#) decision to shutter its Expo Design Centers.

And now the adjoining shopping center on Alpha Road across from the Galleria is losing some of its upscale furniture stores. Crate & Barrel is moving to [Plano](#) next spring. That led to [Restoration Hardware's](#) closing last month and Aneita Fern's decision to leave.



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**Empty retail spaces can be found** north of the Galleria Dallas, where there is a Westin. The shopping centers, built in the late 1990s, may continue the area's home theme, according to an executive with one of the leasing firms.

Built in the late 1990s, the centers filled with what were at the time expanding and new home-centric retailers such as Expo, Mikasa, Crate & Barrel, Storehouse, Z Gallerie and the [Container Store](#).

Now the area is in a transition that often comes in 10- to 15-year intervals, say retail experts.

Retailers actively expanding 10 years ago aren't the same ones growing now, said Jeff Kittleson, senior vice president of CB Richard Ellis' retail services group. "What a center becomes has a lot to do with who is active. Today, it's the value retailers who are expanding."

Kittleson described the retail areas around the Galleria as "a case study for what's happening in the broader market."

"Quality big boxes left vacant are getting absorbed as stores move to better locations," he said. "The evolution of the Galleria area is consistent with a lot of trade areas."

[Dick's Sporting Goods](#) took over the Circuit City space. [Bed Bath & Beyond](#) filled some of the huge

Home Depot Expo space and is occupying the rest with two concepts it owns: Buy Buy Baby and Christmas Tree Shops.

CompUSA, under new ownership by the company that owns online electronics discounter TigerDirect, plans to open its third Dallas-area store in a former Shoe Pavilion later this year.

Toys R Us/Babies R Us is close to signing a lease for the 48,000 square foot Linens 'n Things space. In August, Rally House Texas, a sports team apparel and memorabilia shop founded in Kansas, is opening a 7,100 foot-store – its third in the market.

"We like the co-tenancy with Dick's and Bed Bath & Beyond, being close to the Galleria and all these office towers. And customers being able to park and walk in," said Aaron Liebert, executive vice president of Rally House.

[Wayne](#) Nash, owner of Alpha Parkway Plaza, which currently has two large vacancies, said he's concerned about Crate & Barrel and others moving out, but "we plan to be 100 percent leased this year." Four strip centers, each with different owners, create an L-shape shopping area north of the mall.

It helps to have "better visibility facing the Tollway that the furniture stores on Alpha don't have," Nash said. "It was like a domino effect when Crate & Barrel didn't re-lease."

Stickley furniture dealer and home accessories retailer Aneita Fern plans to shut its doors by July 3.

"High-end furniture is suffering the last year and a half in this market," said Christopher Walthall, general manager of Aneita Fern. "You don't have to look further than Robb & Stucky closing at NorthPark to drive that point home. With two longtime anchors leaving, I would be a fool to think that traffic is going to magically return to my store."

Crate & Barrel is building a store at the Shops at Willow Bend in Plano, creating more distance from its Knox Street location in Dallas. Restoration Hardware also closed its Stonebriar Centre store in [Frisco](#) last fall, leaving the Dallas area with only the store on Knox.

The news isn't all bad.

Other longtime tenants are staying, including Z Gallerie, the Arrangement and [Cost Plus](#) World Market.

Valerie [Richardson](#), vice president of real estate at the Container Store, said the Coppell-based retailer signed a new lease, ending speculation that it also was about to leave.

"There is absolutely a viable market in that trade area," she said. "The [center] is in a transition after hitting its 10-year mark. That happens."

Richardson said the Container Store's strong presence in North Texas puts it in a different situation than other retailers.

"We have lots of stores in the market," she said. "For Crate & Barrel, it's different. They draw from a

broader area and needed to address customers in and north of Plano."

Walthall was on staff at Restoration Hardware when it opened in 1999.

"We were busy all day long. But there wasn't all that retail yet in Allen, Frisco and points beyond Plano," he said.

Katherine Snedeker, owner of the Arrangement, an upscale western interiors furniture store, opened a store in Alpha Parkway Plaza six years ago after closing stores in Plano and Deep Ellum.

"For us, facing the toll road just above the Galleria is a great location. We never have to explain where we are," she said. "We have unique product and clientele. Our sales have been great here."

The broader area along I-635 and west to Midway Road is also known for its home goods, upholstery fabric and furniture stores. Sears' only Great Indoors is on the west side of the Tollway from the Galleria, and Freed's Furniture and [Best Buy](#) are on I-635. Just east of the Galleria across Noel Road is French luxury contemporary furniture retailer Roche Bobois.

Keeping the home theme is a goal, said Scott Weaver, chief executive of United Commercial Realty, the company responsible for leasing Galleria North, the center that includes Crate & Barrel.

"Proximity to the Galleria is a plus," he said. "Right now is a great time for retailers to choose new big box locations."

The Dallas-[Fort Worth](#) area has 190 big retail boxes left vacant by Albertson's, Bally's Total Fitness, Circuit City and Linens 'n Things, among others. Forty of those vacancies have been filled in the last year, Kittleson said. "There's still a lot to go."