



The Re-Imagining of the American Shopping Mall

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Nearly 70 years ago the American shopping mall was born in Edina, Minnesota. Southdale Mall was the idea of the Godfather of the Shopping Mall, Victor Gruen. The Austrian-American architect immigrated to the United States in 1933 and became disgusted by the American sprawl of the post-World War II economic boom that saw the American families' flight from the urban cities to the suburban areas due to a promise of a house and yard. Gruen would generally describe the sprawl as the "avenues of horror." He preferred the easily walkable European cities he was accustomed to rather than car-dominated suburban centers.

Gruen's overarching idea to combat the "avenues of horrors" sprawl was the creation of what we essentially refer to today as a mixed-use center that would include not only shops but also apartment buildings, hospitals, and office spaces. His Southdale Mall would be fully enclosed with the storefronts facing inside (rather than the outside like the strip malls that were developing), large anchor stores on each end, and a central meeting location in the middle to promote a food hall akin to open air European cafes. The idea was to recreate the arcades throughout Europe that had become the main meeting and shopping locations.

Instead of the central location with a multitude of true mixed uses and living spaces that Gruen hoped to create, the shopping mall became bastardized due in large part to the continued sprawl throughout the country. The shopping mall killed off the Main Streets that so many adults in the 60s and 70s grew up on. Hospitals and apartments would never fully join the idea of the mall, but instead, massive centers would be combined with even

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larger parking lots, which Gruen had hoped to defeat.

But with the rise of the internet and the desire to return to the “Main Streets” that were defeated half a century ago, the American shopping mall has been rapidly declining in importance to the American public and economy.

Most will point to the COVID-19 pandemic as the main reason the shopping mall has died. Amazon, Target, and Walmart’s online shopping abilities have vastly improved, while nearly all corporations have moved to some aspect of a hybrid work schedule with employees working from home and rarely coming into the office. However, economists saw the impending failures of the shopping mall nearly a decade ago. Nearly 2,000 shopping malls were built in the United States after Southdale Mall, but by 2020 there were less than 1,000 still truly operational thanks in large part to the rapid failure of former big brand department stores like J.C. Penny’s, Sears, and Macy’s. Of those 1,000 remaining, Coresight Research estimates that another 25% will close by 2025.

These dead malls were originally seen as ideal warehousing locations and fulfillment centers. It made sense. Amazon and other online retailers needed massive spaces, and these dead malls had it in spades. The only issue was the local municipalities that housed these empty buildings. In order to build such a mall, developers had to work with those municipalities on everything from easements to utilities to zoning restrictions. Nearly all of them had been zoned for commercial use and simply changing the zoning from commercial to industrial to allow for those warehousing and fulfillment centers was going to be a bigger hill than many anticipated. Industrial areas are also typically taxed significantly less than commercial areas, so those local municipalities would lose out on thousands, if not millions, in tax revenue by changing the zoning. Amazon, in turn, moved out of the suburban areas that housed these malls to the industrial areas outside the town centers.

So, with tenants rapidly going out of business and exiting their centers, what have the developers been doing with these dead shopping malls?

The most straightforward answer ties back to the Godfather himself, Victor Gruen. People have become re-infatuated with having a central location to spend their money, work and play. The mixed-use development has become the favorite of some developers for good reason. A center with a grocery store anchor at one corner, mixed with smaller, local shops and living spaces next to or on top of those shops makes perfect sense.

In South Carolina, there are shining examples across the state, and in Columbia there are even two on the same street just a little over a mile from each other. The Beach Company, a Charleston development company, developed the Cardinal Crossing at the site of the old Cardinal Newman High School to include multiple restaurants, a cycle bar, a nail spa, and others to go with 256 residential units. Just down Forest Drive is Richland Mall, which opened in 1961 and was the first mall in the Columbia area. Southeastern Development, out of Augusta, purchased the nearly empty mall in January, 2023 and has been working with Richland County and the city of Forest Acres on a plan for redevelopment that will take place over the next ten years to include a green space, housing, and retail.

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While the Gruen's mixed-use concept has become the favorite, other developers are looking at alternatives for the now-defunct shopping malls. In Austin, Texas, Austin Community College purchased the previous Highland Mall and repurposed it into a campus that features an indoor courtyard, kitchens for culinary classes, bookstores, and other unique areas for the school. Countless churches have seen the open spaces of old malls as ideal spaces, including the Southland Christian Church in Kentucky which flipped part of a shopping mall into an auditorium. Unique uses are also happening in South Carolina as MUSC Health purchased a portion of Citadel Mall in West Ashley, turning the former JC Penney site into a 126,000 square foot outpatient facility that also includes a surgery center, an antibody transfusion center, and multiple clinics.

The rebirth of the shopping malls isn't complete though. While Columbia can point to the future of Richland Mall and the success of Cardinal Crossing, Dutch Square Mall and Columbia Place Mall are also in Columbia and are shells of their former selves. What could the future hold for those malls and the other emptying malls across the state? Only time will tell.