

Work begins on Walmart, Sam's

Construction continues for Rayzor Ranch retail

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By Candace Carlisle / Staff Writer

As retailers pull the reins on commercial projects throughout the nation, developers for the Rayzor Ranch mixed-use development are starting construction on a Sam's Club and Denton's second Walmart.

The long-awaited stores are expected to open this fall.



DRC/David Minton

Construction activity at the Rayzor Ranch development is halted by wet weather and muddy conditions Wednesday in Denton. Workers were preparing to erect walls for Walmart and Sam's Club stores.

Three other retail buildings are finished and are available for lease, with other buildings anticipated to be built in the future. And that's just on the north side of U.S. Highway 380.

The southern section of the \$1 billion project will get help from RED Development, which recently entered into a joint-venture agreement with Allegiance Hillview LP to work on the development, said Allegiance representative Rex Paine, of Austin-based Kingbridge Capital. Paine also is a partner at Torreon Capital, which owns Rayzor Ranch with Fortress Investment Group as Allegiance Hillview.

"They are literally one of the top groups in the country," Paine said. "They bring an entertainment element to their centers, an architectural distinction. We are really excited about this relationship."

RED Development, with offices in Scottsdale, Ariz., and Kansas City, Mo., was founded in 1995 and specializes in developing open-air shopping centers with retailers including Barnes & Noble, Crate and Barrel, Gap, Target and others.

The development company will leverage its retail, restaurant and entertainment relationships to secure a complementary tenant mix for the area, said managing partner Michael Ebert in a written statement.

After an initial announcement about Rayzor Ranch in 2006, the development was stalled by internal changes among financial management and a slowing economy. However, in recent months construction has picked up, with the first retail walls erected in August.

The widening of U.S. 380 from Bonnie Brae Street to Interstate 35, an estimated \$12 million project, is expected to be complete in early March, said Charles Hodges, Rayzor Ranch project manager.

Now, walls for Sam's Club and Walmart have started to go up. The stores will add more than 321,000 square feet of retail space to the area.

"The level of activity there has really accelerated," Hodges said. "We now have an in-process, real situation, with Walmart and Sam's scheduled for completion for fall of this year."

While Wal-Mart Stores Inc. has pulled out of other projects, Denton's location is very appealing to the company, Hodges said.

"The site is a great site. It always has been, and it's taken the right situation [for construction to begin]," he said. "It's a testament to the location of this project."

The developers have announced that two of the three completed buildings will house T-Mobile, Mattress Giant, GameStop, RadioShack, a dental office and two restaurants. The buildings are still being leased.

Between those two buildings, a patio will provide public seating near a gas fireplace, which is part of the architectural theme of the project, Hodges said.

"You'll find, as development evolves, there will be more places for public pause, art and sculpture," Hodges said.

The third building — near the intersection of U.S. 380 and Bonnie Brae — has secured a Quiznos Sub Shop, he said, and construction has begun on sites for First State and First United banks.

Other ongoing negotiations concern housing and medical office space in the southern portion of the development, between U.S. 380 and Scripture Street and just north of Texas Health Presbyterian Hospital Denton, Hodges said.

The possibility of having a medical campus on that land is one of the strongest features drawing retail shops and restaurants, Hodges said.

“It’s an overall regional attraction,” he said. “As medical groups evolve in Denton, there are more and more inquiries about medical office space.”

While it’s been a long road for all involved — including city officials and residents who have long anticipated the retail shops and restaurants — Rayzor Ranch is finally on its way to completion, Paine said.

“We are excited about getting a national, high-quality development group as a partner, and we’re looking forward to the next year or two,” he said.

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