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New apartments and, soon, a movie theater are enlivening Dallas' South Side neighborhood

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Drive down the stretch of Lamar Street just south of downtown Dallas these days and you'll be dodging a steady stream of commuters and construction vehicles.

The old industrial district south of Interstate 30 is being reborn with hundreds of new apartments, retail space and – coming soon – a movie theater.

It's all part of redevelopment of the area that's come to be known as South Side.

Almost 20 years ago when Canadian developer Jack Matthews first toured the scruffy commercial district, there wasn't a lot of "there" there.

"It was mostly empty buildings -- there was no traffic on the road and the lights were barely working," says Matthews, who has just broken ground on his next development along South Lamar. It's a 290-unit apartment community being built in partnership with Irving-based builder TDI.

"My partners back then had a hard time understanding how a part of the city so close to downtown could have so little value and so little going on," he said.

That's when his Matthews Southwest firm decided to make something happen. He started by turning the huge empty Sears, Roebuck & Co. warehouse into 457 loft apartments.

Since then the South Side district and the adjoining Cedars neighborhood have become another of the revitalized areas that circle downtown Dallas.

More development is on the way.

New housing for urban workers

Matthews is just finishing work on a \$24 million 164-unit apartment community on Belleview Street that will provide workforce housing.

The cheapest unit in the 1400 Belleview project with panoramic view of the downtown skyline will start at close to \$500 a month.

“That building right now is 85 to 90 percent leased, and it’s not even open yet,” Matthews said. “We wanted to build a place priced where the people work in the hotels and the restaurants can afford to live.”

Matthews said he has almost two blocks left to develop surrounding 1400 Belleview that can be used for more apartments.

“We will probably do some townhouses over there next I would guess,” he said.

The more than \$30 million apartment project Matthews is building in partnership with TDI at 1210 S. Lamar will be for more affluent renters. The new rental community will have two private courtyards, swimming pool and green space.

The smallest apartment in the project will start at just over \$1,000 a month, said TDI development partner Matt Brendel.

“That area is a hidden gem right now in Dallas,” Brendel said. “South Side provides a unique blend of history and forward thinking energy.

“It’s a showcase of urban living – the way it’s supposed to be,” he said.

Walkability, retail are priorities

A walking trail will connect the new apartments with the nearby DART light rail station on Belleview.

About 7,500 square feet of retail space will be on the ground floor.

“The most exciting thing for me with that project is the streetfront retail,” Matthews said. “Lamar needs to get more retail and walkability.”

There’s already the Gilley’s Dallas nightclub and entertainment venue. And a smattering of pubs and restaurants have sprung up in South Side.

Construction of the 8-screen Alamo Drafthouse theater at Lamar and Cadiz Street will bring more visitors when it opens in just over a year.

“It will draw people from downtown and all over,” said Matthews, who’s been working on the deal for about three years.

Bill DiGaetano, who owns the Dallas-Fort Worth area Alamo Drafthouses, said he looked at other sites in the downtown area before deciding on South Side.

“None of the other locations really compared in our opinion,” he said. “Just the synergy of what’s going on down there between the apartments, the restaurants and the hotels – its hard to compete with that.”

More development to come

The 2-year-old Nylo Hotel Matthews Southwest built at Lamar and Bellevue Street has been popular with both locals and visitors to the nearby convention center.

“It started slow for business travelers and busy on the weekends,” he said. “Now it’s seeing a good crowd all the time.”

The Beat condominium tower across from the police headquarters on Lamar also adds to area population.

Matthews said all but a few units in the building are sold. “If you are going to do a condo building, try not to do it in 2008” right when the recession hit, said Matthews.

While most of the old buildings along Lamar have now been repurposed, Matthews said he won’t be done developing the neighborhood for a long time.

He owns about 60 acres southwest of the old Sears building that’s being planned for an urban village of apartments and shopping. The land fronts on Cadiz and Riverfront Boulevard.

"It’s got great views of the city and it’s on the river," Matthews said. "In time it will be a great development.

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