## COLUMN

## Can the Providence Place Mall be saved? Experiences are the key.

## With court-appointed receivers in place, the mall is getting spruced up as it is prepared for a sale in 2025

By Dan McGowan Globe Columnist, Updated December 19, 2024, 6:00 a.m.



People enter Providence Place shopping mall in June 2020. STEVEN SENNE/ASSOCIATED PRESS

Let me state the obvious up front.

If I win \$800 million in the Mega Millions this week, the only thing further down my buying list than the <u>Providence Place Mall</u> might be the <u>Providence Journal</u>. In 2024, brick-and-mortar

retail and newspapers aren't exactly the safest investments.

But I have to hand it to John Dorsey and John Zilliken. They're bringing a refreshing sense of urgency and vision to uplift the 1.4 million square-foot facility in the heart of downtown Providence, and they're moving quickly to prove to investors more daring than me that some version of the mall can be saved.

Dorsey and his partner Mark Russo are the <u>court-appointed receivers of the mall</u>, and Zilliken is the onsite property manager who sees grandiose opportunities everywhere he looks in the building. Perhaps it's no surprise that he came to Providence from Las Vegas, where he helped shape retail up and down the strip for more than 15 years.

When I met Dorsey and Zilliken at the mall around lunch time on Tuesday, I fully expected to be visiting a place on its last legs based on everything I've read about its financial troubles. A Rhode Island judge handed Dorsey the keys to the mall last month because Brookfield Properties was unable to pay its debts in a timely manner.

Brookfield has been a disaster for the mall in recent years, essentially functioning like an underwater landlord who just wanted to squeeze every last dollar out of his property before walking away, leaving it for someone else to deal with.

The company slashed hours for security and house cleaning at Providence Place, which has contributed to the reputation that the mall is unsafe and unsanitary, in addition to being unstable. Plus, in recent years, it's been a 50-50 chance that you'd end up stuck in the parking lot because a pay station wasn't functioning properly.

Dorsey has already signed off on restoring the hours for security and increasing cleaning services in the mall, and Centennial Real Estate Management is working on a plan to make it easier to pay for parking.

"There are very strong bones here," Dorsey told me while we walked past a first-floor exhibit focused on "The Gilded Age."

Dorsey said the mall has an occupancy rate of about 90 percent, and he's trying to be a hands-on receiver to meet with current tenants. He wouldn't disclose the numbers, but he said the mall

still performs better than average on a sales-per-square-foot basis, and he's hopeful that Macy's — one of the building's anchor tenants — will remain in place.

Dorsey said the mall saw a 5 percent increase in foot traffic on Black Friday compared to last year, and even on a Tuesday afternoon, there was a steady stream of shoppers on all three floors as we toured the building.

But both Dorsey and Zilliken acknowledged that their top priority is finding ways to convince more people to visit the mall.

They think experiences are the key.

We sat down for a bite to eat in Level 99, the nearly year-old adult playground that is located where JCPenney used to be. On any given weekend, more than 3,000 people visit the space to play games, have a few beers, and eat from a surprisingly delicious menu (try the Detroit-style pizza).

The team is also currently in negotiations with <u>Pokiddo</u>, which builds indoor adventure or trampoline parks, in the space that used to be Bed, Bath, and Beyond, and is now a homely looking Champs Sports outlet.

Prior to the receivership, Zilliken said the mall was close to entering into a deal with PuttShack, which offers an indoor minigolf experience. They also talked to Flight Club, which is a dart bar. Both companies are similar to TopGolf.

"Just another reason for people to come to downtown," Zilliken said,

Dorsey floated other creative ideas like the Providence city archives or a Black history museum as potential options — anything that might draw new people to the mall and then keep them there to shop.

"We want people to know this is a great way to spend the day with your family," Dorsey said.

I told Dorsey and Zilliken that they should really consider creating an exhibit for the guys who built an illegal apartment inside the mall but were caught in 2007. There's a great documentary that came out this year called "<u>Secret Mall Apartment</u>" featuring Michael Townsend, who remains banned from the mall to this day.

Why not hold a grand ceremony pardoning Townsend and his friends, and then air the documentary in the mall?

"Everything is on the table," Dorsey said.

Zilliken, who was actually brought in by Brookfield three years ago but was stonewalled from accomplishing anything under the previous management, has even more creative ideas. He thinks the mall should go all-in on the holiday experience, and invest heavily in making Providence Place the only location where you'd want to bring your kids to visit Santa Claus each Christmas. (Side note: I took my son to meet Santa in the mall, and we had a fantastic experience.)

Still, Dorsey and Zilliken aren't naive. They understand that retail has changed rapidly over the last decade, and will likely continue to be disrupted. But for the first time in a while, the mall seems to be in good hands.

Dorsey said the process of selling the mall will begin in earnest in the new year, and he's confident that a buyer will emerge.

As for the future?

"In 10 years, we still want it to be seen as Providence Place" Dorsey said. "Do you weave in other uses? Yeah, probably. But at the end of the day, it's still Providence Place."

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Dan McGowan can be reached at dan.mcgowan@globe.com. Follow him @danmcgowan.

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