



GARLAND

Forest-Jupiter Transit-Oriented Redevelopment Plan



May 7, 2013

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Executive Summary

Over the last two decades, community-initiated revitalization efforts have been producing tangible results in the form of diminishing blight, increasing sales receipts, and stabilizing property values. In virtually every story of success, redevelopment and new development has been the result of a holistic approach involving nurturing and growing select segments of the economy, eliminating barriers to investment and marketing positive change. Through a process which involved educating stakeholders, soliciting their input, identifying obstacles and designing a program of actions to move the Forest / Jupiter Study Area towards a vision of revitalization, the City of Garland (City) has sought to achieve the same end.

It was with this understanding, as well as a thorough analysis of local conditions in the Study Area, that the *Forest / Jupiter Transit-Oriented Redevelopment Plan (Redevelopment Plan)* has been prepared. Its intent is to assist the City of Garland, property owners and other project partners with a technical framework for discussions regarding market opportunities, development programming alternatives, and partnership strategies. Whereas experience knows that revitalization themes must be a reflection of the local market's historical character, its resources, amenities, and people, the vision and directives referenced herein were developed with input from property and business owners, and guidance from City Staff and the Consultant Team. As such, they are unique to the City of Garland.

In March 2012, Garland City Council adopted the *Envision Garland Comprehensive Plan* (hereafter, *Envision Garland*) that thoroughly describes the community's vision for the next 20 years. *Envision Garland* calls for targeting public and private investment in strategic geographic areas of the community to instigate a positive economic "ripple effect" in surrounding neighborhoods and commercial districts. The *Redevelopment Plan* Study Area is one of seven key geographic areas, called Catalyst Areas, to target redevelopment and reinvestment activities. It is within these catalyst areas that the City targets its scarce public resources in a way that leverages private investment that accords with advancing the community's vision.

This *Redevelopment Plan* provides a detailed road map to revitalizing a critical portion of Garland highlighted in its 20-year growth and development framework. The main approach taken is defining policies and programs that positively impact the Study Area as a whole while at the same time partnering with the private sector to bring about significant real estate projects that become a positive catalytic force for encouraging future private investment. These "catalyst projects" occur within the three distinct development districts found in the Study Area: a transit-oriented community centered on the Dallas Area Rapid Transit (DART) Forest / Jupiter Light Rail Station, a community retail center anchored by new infill development around the Walnut Street and Jupiter Road intersection, and a medical sciences district anchored by BMC-Garland around the Shiloh Road and Walnut Street intersection. Broader Study Area-wide policy objectives and more targeted investment strategies are all based on an assessment of the current physical conditions and near-term market demand and supply of different types of land uses.

Study Area Strategies

Experience has shown that programs to maintain, promote and develop the concepts shown in this *Redevelopment Plan* cannot succeed in a fragmented structure and the relationship proposed between the City and the Garland Chamber of Commerce (Chamber) will be critical towards advancing the concepts. As such, these strategies have been prepared for use by



the City and the Chamber towards the implementation of the economic development initiatives recommended in this *Redevelopment Plan* through a variety of improvements and services.

- ◆ Operate with the Garland Chamber of Commerce under a unified marketing incentive and business development platform to project a “no wrong door” image.
- ◆ Re-align roles and responsibilities within and between the City and Chamber to better focus skill sets and resources to enhance economic development efforts.
- ◆ In association with the Chamber, offer a comprehensive incentive program to facilitate redevelopment, business expansion, retention and attraction.
- ◆ Revise development regulations to better encourage quality new investment and reuse of infill properties.
- ◆ Direct public investment into the TIA’s to leverage private investment that advances the *Redevelopment Plan* vision.

Targeted Investment Area (TIA) Strategies

Whereas the overall Study Area strategies described previously were broad, the strategies associated with the implementation of the specific catalyst projects recommended for the TIA’s in this *Redevelopment Plan* are very specific. Implementing these activities will require strong and seamless collaboration based on staff skill sets, resources, regulatory control, and the willingness and interest of property owners and outside developer/investors. The following table summarizes the key actions in order of sequence for each of the catalyst projects in their respective targeted investment area. The actions generally fall within the following categories:

- ◆ **Land Control:** Securing control of the site for the project.
- ◆ **Marketing:** Winning developer, tenant or business owner/operator interest in getting site control and subsequently entering into a partnership to do a catalyst project .
- ◆ **Developer Interest:** Marketing partnership opportunities with developers that will ideally lead to land control and partnership formation and project financing.
- ◆ **Entitlement:** Obtaining the appropriate regulatory permissions, such as zoning, easements, etc.
- ◆ **Gap/Partnership Concept:** Refining the overall development program and financing strategy for the project based on negotiations with specific property owners and investors.
- ◆ **Project Underwriting:** Securing project financing for a specific project that is under land control from specific sources of private debt and equity and public participation in the form of economic development incentives.
- ◆ **Partnership/Contracts:** Finalizing the “gap/partnership concept” through the appropriate legal documents, including contracts and City incentive agreements.

Redevelopment is never easy, but always exciting. It is challenging, and as such requires higher levels of analysis, planning and assistance. It is widely accepted that early projects in any revitalization effort should be assisted at least until market conditions reach levels where new construction can more than support itself. The Study Area is but one subset of a larger market, and as such, has strengths which can be capitalized on and limitations which need to be overcome. These limitations, commonly referred to in this *Redevelopment Plan* as barriers, pose unique obstacles which require unique solutions. Given the importance of key anchors including major employers within the Study Area (including existing industry clusters and the Baylor Medical Center-Garland campus) have a tremendous influence on the economic well-being of the entire region. These valued assets must be protected and the environment within which they operate improved and maintained.

Forest-Jupiter Transit-Oriented Redevelopment Plan

Table 1A. Executive Summary Table

	Near Term (0-2 Years)	Median Term (2-5 Years)	Longer Term (5-10 Years)	Ongoing
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Forest - Jupiter TIA

Action	South Mixed Use	North Mixed Use	Office /R&D	Overall
1	Land Control	Gap/Partnership Concept		Conceptualize the industrial area to the southwest as an "industrial park"
2	Entitlement	Marketing	Land Control	Provide amenities to the "park" in the surrounding area
3	Gap/Partnership Concept	Land Control	Entitlement	Work with property owners to establish enhanced security.
4	Marketing	Entitlement	Gap/ Partnership Concept	
5	Partnership/ Contracts	Partnership/Contracts	Marketing	
6			Partnership/ Contracts	

Jupiter Walnut

Action	Northwest Quadrant	Northeast Quadrant	Southeast Quadrant	Overall
1	Developer Interest	Developer Interest	Developer Interest	Form a business association to advance marketing and other efforts
2	Project Underwriting	Gap/ Partnership	Project Underwriting	Develop a branding identity and marketing strategy
3	Land Control	Marketing	Land Control	Provide small business expansion support
4	Entitlement	Land Control	Entitlement	Recruit businesses that fill a specific void
5	Partnership/ Contracts	Entitlement	Partnership/ Contracts	Undertake a drainage study for the area
6		Partnership/ Contracts		

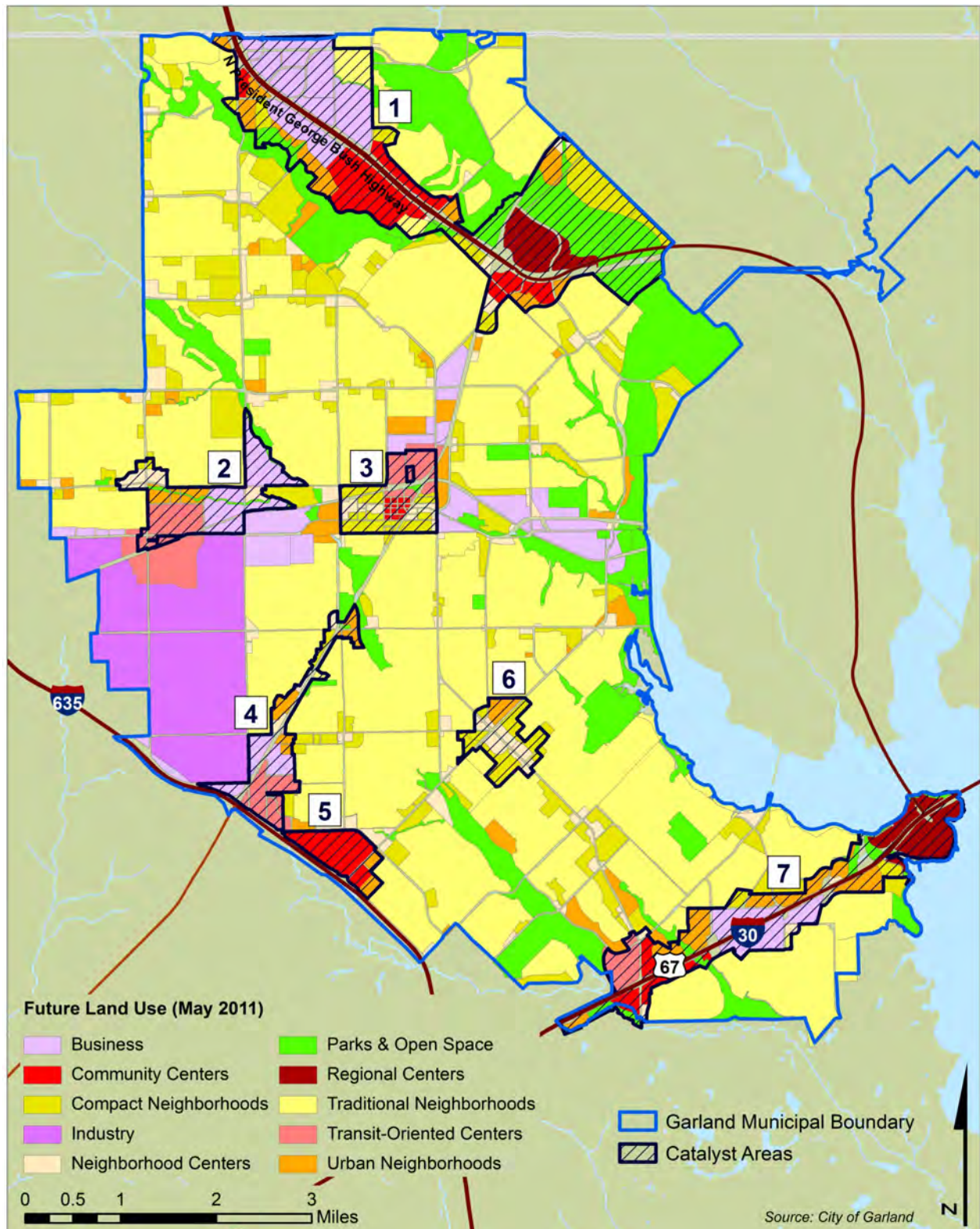
Shiloh/ Walnut TIA

Action	Senior Living	Mixed-use	Overall
1	Land Control	Gap/ Partnership	Partner with Baylor Medical Center to tailor the strategies to support their needs
2	Gap/ Partnership Concept	Developer Interest	Create a street grid network to better define blocks
3	Marketing	Land Control	Work with area real estate brokers to invest in appropriate uses within those blocks
4	Partnership / Contracts	Entitlement	Expand the area to include Vista Hospital
4		Partnership/ Contracts	

In summary, successful implementation of this *Redevelopment Plan* will be dependent on committed leadership from the public and private sectors. So as to ensure that the *Redevelopment Plan* will not be vulnerable to the failure of one project -- many projects should be underway at any given time, and a wide variety of stakeholders will be involved. Experience has shown that success is dependent on capitalizing on opportunities while also removing barriers to investment. This said, regulations should allow for and encourage the vision for the Study Area and prohibit anything inconsistent with that vision. Victories, even minor ones, will be continually broadcast through an on-going communications strategy, and all policy and regulatory documents will be aligned towards a common goal – to advance the vision expressed herein.



Figure 1A. Seven *Envision Garland* City-Wide Catalyst Areas.



Section 1: Introduction

North Central Texas is in the midst of a population and employment boom. Projections for the Dallas/Fort Worth Metroplex call for an additional 3 million new residents by 2030. Garland's ability to capture a its fair share of new regional market growth hinges upon its ability to create places where new residents, business and real estate investors will want to invest. People have many choices where to live, open a business or invest in real estate ventures. Therefore, Garland must cultivate and communicate an investment climate attractive to those making the choices but do so in a manner that supports the community's vision for its future. City of Garland (City) policy makers and civic leaders use City Council adopted revitalization plans, including the *Economic Development Strategy* and this *Forest–Jupiter Transit-Oriented Redevelopment Plan* (hereafter, the *Redevelopment Plan*), to guide their decisions leading to socially responsible development.

Study Area

The *Redevelopment Plan* provides a detailed road map to revitalizing a critical portion of Garland highlighted in its 20-year growth and development framework. In March 2012, Garland City Council adopted the *Envision Garland Comprehensive Plan* (hereafter, *Envision Garland*) that thoroughly describes the community's vision for the next 20 years. *Envision Garland* calls for targeting public and private investment in strategic geographic areas of the community so to instigate a positive economic “ripple effect” in surrounding neighborhoods and commercial districts. The *Redevelopment Plan* Study Area as one of seven key geographic areas, called Catalyst Areas, to target redevelopment and reinvestment activities. As shown in Figure 1A, these Catalyst Areas include the following districts:

- 1) 190 Catalyst Area
- 2) Forest/ Jupiter/ Walnut Catalyst Area
- 3) Downtown Catalyst Area
- 4) South Garland Catalyst Area
- 5) Broadway / Centerville Catalyst Area
- 6) Centerville / Marketplace Catalyst Area
- 7) I-30 Catalyst Area

This specific Study Area encompasses the Forest/ Jupiter/ Walnut Catalyst Area: a large district that generally spans from the intersections of Forest Lane / Jupiter Road, Jupiter Road / Walnut Street, Shiloh Road / Walnut Street, and Shiloh Road / Forest Lane. This Catalyst Area encompasses residential and commercial districts that share similar characteristics, opportunities and challenges. The residential neighborhoods within and adjacent to the Study Area have witnessed demographic change over the last decade, becoming increasingly multi-ethnic. The residential and commercial building stock is aging, having been built primarily in the 1960s and 1970s to support the major manufacturing center to the southeast and west. The grid thoroughfare network is augmented with the presence of the Dallas Area Rapid Transit (DART) Light Rail Station at Forest and Jupiter. The Study Area, therefore, offers a diversity of business, residential and civic assets to build a comprehensive revitalization strategy.

Real estate and business investment decision; however, are made at the site level. Therefore, the *Redevelopment Plan* must further refine the most likely places to invest in this Study Area. The Forest/ Jupiter/ Walnut Catalyst Area has three major assets that can serve as anchors for more refined geographic targeting: the Forest/ Jupiter DART Light Rail Station, Baylor Medical Center–Garland (BMC–Garland), and the Jupiter/ Walnut ethnic retail center. The opportunities afforded by these anchors are the reason that *Envision Garland* identifies the immediate area



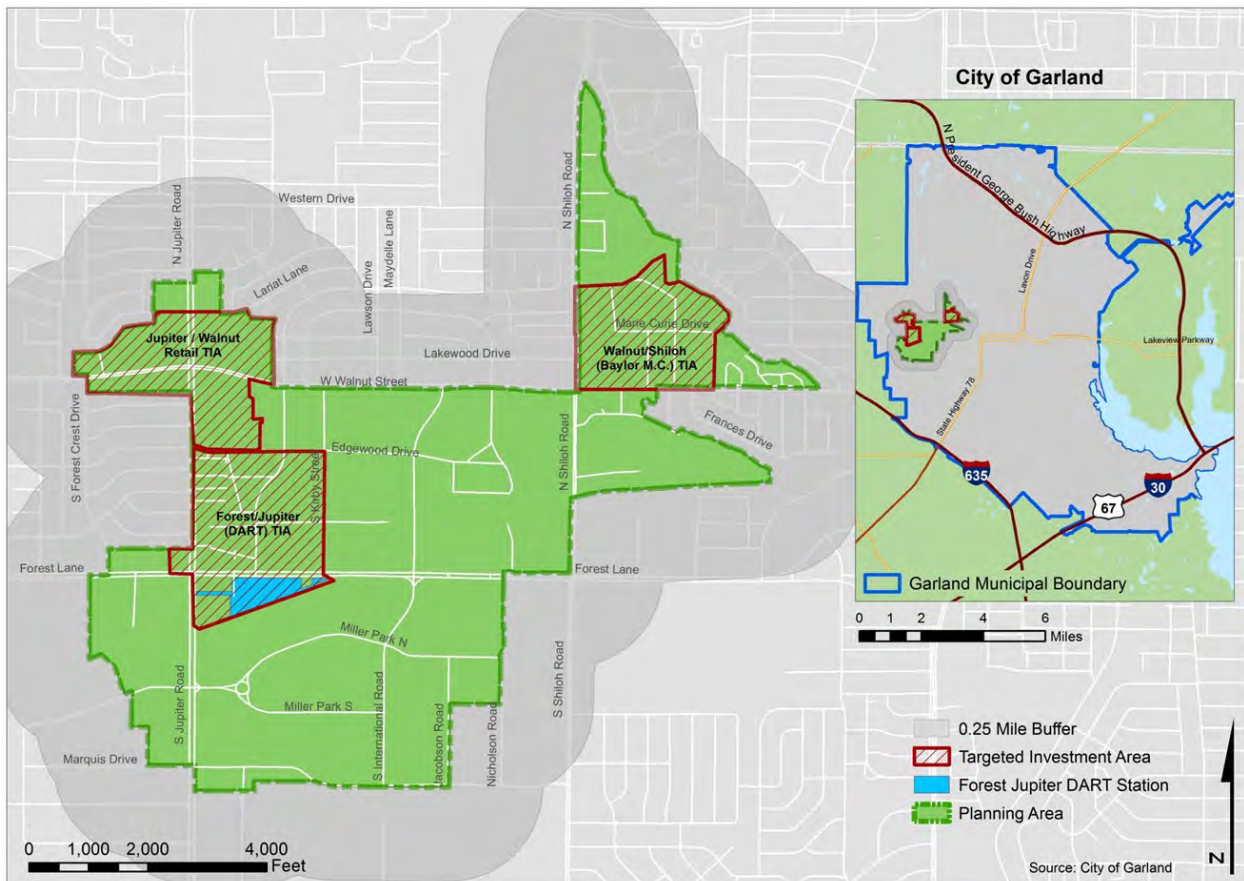
around the anchors as Targeted Investment Areas (TIAs). The TIAs that anchor the Study Area include the areas immediately around the three intersections, as depicted in Figure 1B :

- ◆ Forest/Jupiter (a transit oriented development area)
- ◆ Jupiter/Walnut (a neighborhood retail center area),
- ◆ Shiloh/Walnut (a BMC-Garland medical district area)

These TIAs are considered to represent the most likely locations within the Catalyst Area to leverage public and private investment through quality infill development and redevelopment efforts.

Whereas *Envision Garland* lays the foundation for identifying these areas as where to leverage private investment, the *Economic Development Strategy* details how the City and its partners should carry this out. As government has the longest-term investment in the community, it was deemed appropriate for the City to pave the way for investment and reinvestment by the private sector in this way. The City (as a public partner) could then effectively leverage private investment efforts to bring about sustainable economic revitalization. The *Economic Development Strategy* lays out a number of broad actions for revitalization, including the creation of this *Redevelopment Plan*. This *Redevelopment Plan* encapsulates a clear vision for each TIA and detailed road map to make that vision a reality through the public leverage of private investment; it raises awareness of development opportunities and highlights the combined roles that private investment and supportive public policy can play in redevelopment.

Figure 1B. Study Area Boundaries



Community Direction

The Redevelopment Plan is predicated on removing the existing barriers to investment and capitalizing on market opportunities over the near and long term. How this is done is guided by the vision and direction provided by the community through broad community input in the creation of the *Redevelopment Plan*. Key residents, business and property owners articulated their vision for the Study Area in general and their particular TIA. Additionally, this input helped to establish priorities in terms of what issues warranted immediate attention and the types of intervention. Finally, the conversations resulting from the planning process revealed a number of projects that, if implemented, would significantly advance the growth and redevelopment of the Study Area in general and specific TIAs.

Input from the public was solicited through a variety of venues including community meetings, and stakeholder and developer discussions. The Consultant Team hosted three public meetings for residential and business owners where they were asked to review assembled data, identify issues and impacts, articulate criteria by which planning concepts would be evaluated, refine potential catalyst investment projects and discuss alternative strategies required to move the *Redevelopment Plan* towards adoption and implementation. In addition to the community meetings, members of the Consultant Team also conducted a series of one-on-one interviews with key property owners and stakeholders, as well as potential developer / investors. In total, over 100 property owners, stakeholders, residents, and business owners participated throughout the process. Summaries of public meetings, responses to questionnaires, and survey results are included in Appendix 1.

Nearly all of the participants reported opinions consistent with those of the meeting attendees. Table 1A below summarizes the important elements of the Study Area which the *Redevelopment Plan* would address: removal of limiting conditions, capitalizing on positive elements and achieving future redevelopment goals. The City would seek out and support redevelopment projects that achieve all three in each of the TIAs.

Table 1A. Public Input Summary

	Positive Elements	Limiting Conditions
Existing Conditions	<ul style="list-style-type: none"> ▪ Presence of hospital campus ▪ Easy access for light industry to I-635 ▪ DART Light Rail and Station 	<ul style="list-style-type: none"> ▪ Deteriorating physical environment ▪ Lack of diversity in shopping choices ▪ Concentration of older apartments ▪ Lack of (perceived) security ▪ Deferred property maintenance ▪ Lack of pedestrian improvements
Future Goals	<ul style="list-style-type: none"> ▪ An improved physical realm ▪ More and different housing types ▪ Greater protection of private property 	<ul style="list-style-type: none"> ▪ Stronger mix of businesses and other land uses ▪ Future investment sensitive to existing residents and employers

In addition to identifying general elements the redevelopment framework should address, the public input process provided insight into specific implementation opportunities through the results of a business and resident survey, the results of which can be found in Appendix 1. The survey indicates near-term opportunities for existing business expansion and provides guidance on the types of effective revitalization strategies, which are summarized above in Table 1A.

Most importantly, community input helped to establish a set of criteria that would provide a framework for deciding the types of projects that merited consideration as catalyst projects.



Catalyst projects, as the name implies, significantly advance the community's goals for revitalizing the Study Area. The purpose of the criteria was to provide a framework for decision-making that reflected goals and desired outcomes. These criteria include the following eight considerations: How well does the project ...

- ... strengthen the Area's identify?
- ... create potential to expand business revenue?
- ... provide stronger connections between activity centers?
- ... improve the Area's pedestrian and vehicular infrastructure?
- ... provide more defined and usable open space?
- ... enhance the Area's sense of safety and cleanliness?
- ... expand the area's retail and restaurant options?
- ... initiate / incentivize redevelopment and reinvestment?

The Approach

In March 2011, the City of Garland (the City) and the North Central Texas Council of Governments (NCTCOG) issued a request for proposals for a consultant team to assist NCTCOG, DART, the Garland Chamber of Commerce and City of Garland in developing a *Redevelopment Plan* for the Study Area. The *Redevelopment Plan* that follows synthesizes the scope of work entailed in this effort:

- ◆ Assessing the existing physical conditions within the area that may impact investment and reinvestment decisions (Section 2);
- ◆ Specifying the market opportunities in terms of appropriate land use types based on the most recent available data and expert reconnaissance (Section 3);
- ◆ Identifying actions and specific catalytic real estate projects that advance the overall vision and objectives of the Study Area in general and the three TIAs (Section 4) ; and,
- ◆ Outlining a specific road map to implement the recommendations (Section 5).
- ◆ An appendix that provides the reader more specific detail.

What follows is the culmination of the above activities based on the community's guidance through the public input process.

Section 2: Existing Conditions

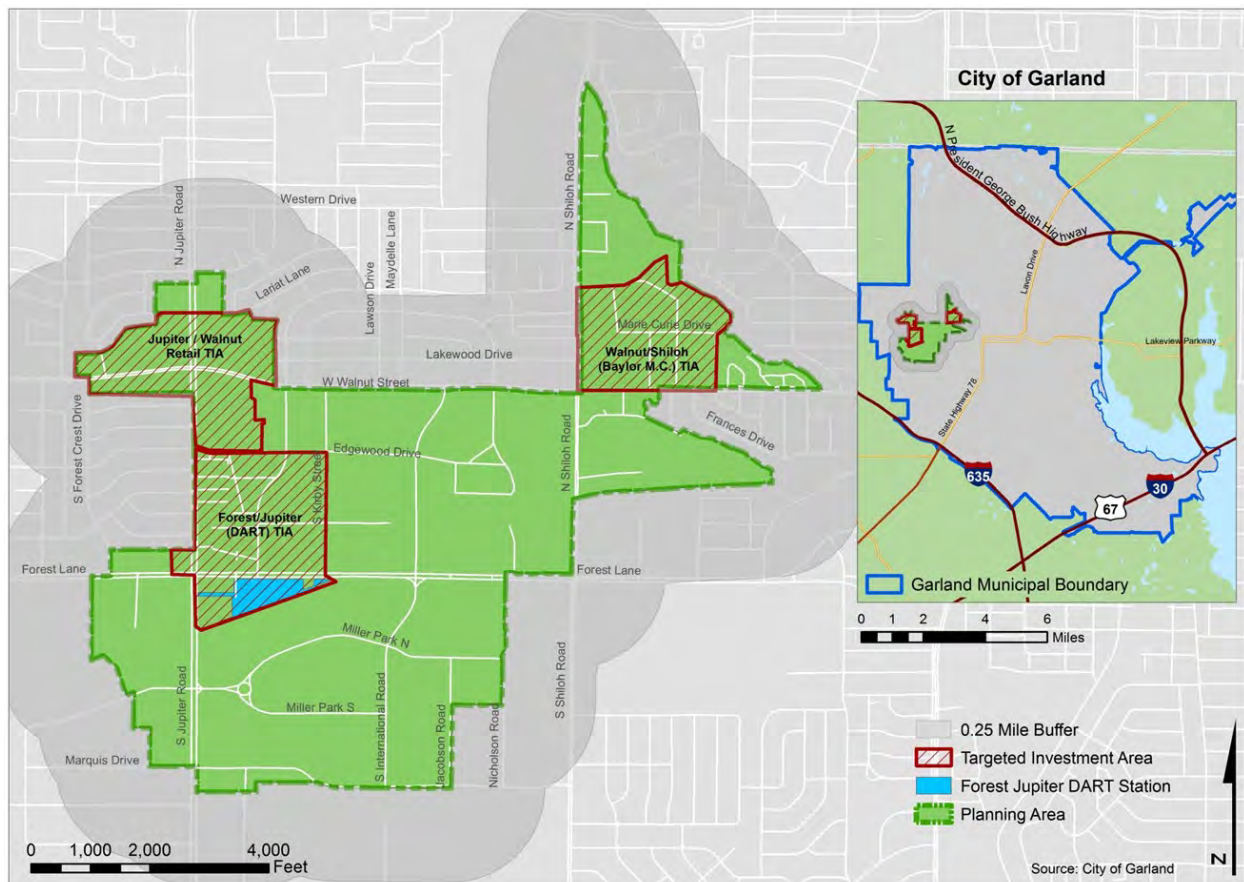
Garland is located in the northeastern part of the Dallas-Fort Worth-Arlington, Texas Metropolitan Statistical Area (DFW Metroplex) and is an inner-ring suburb of Dallas. The Study Area is on the far west side of Garland, adjacent to one of the more established employment centers in the DFW Metroplex.

The Study Area, illustrated in Figure 2A, is host to a diverse mix of development. Uses include a mix of commercial, industrial and multifamily residential uses, all bordered by established single family neighborhoods. Although an older sector of the city, a number of assets were identified as amenities that can be capitalized in future redevelopment initiatives. Identified previously as TIAs, these assets include:

- ◆ An industrial and manufacturing district and the DART Forest / Jupiter Station near the intersection of Forest Lane and Jupiter Road;
- ◆ Older commercial structures with newer ethnic establishments around the intersection of Jupiter Road and Walnut Street; and
- ◆ The BMC-Garland campus at Shiloh Road and Walnut Street.

The following discussion describes existing conditions that could affect investment and reinvestment decisions first, in the Study Area, and second in the individual TIAs.

Figure 2A. Study Area Boundaries

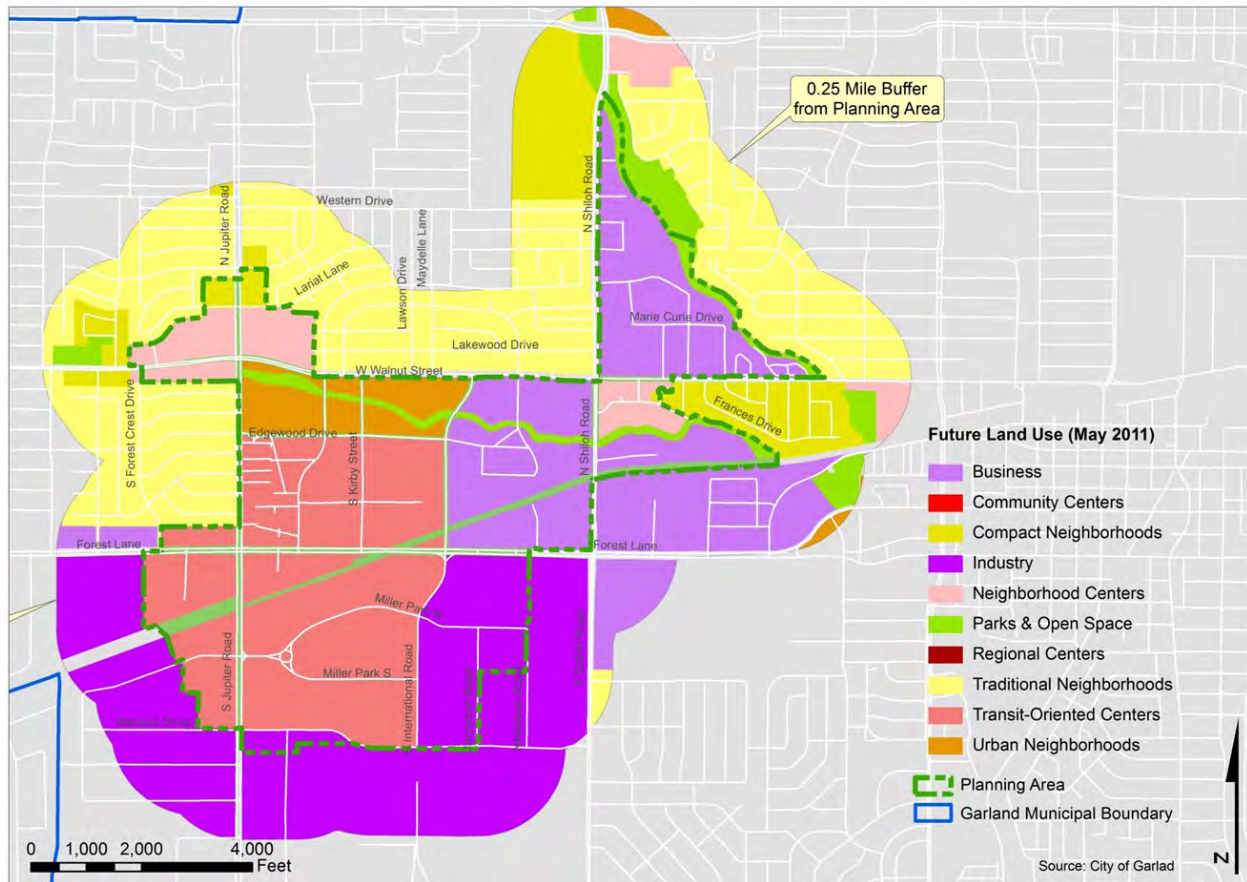




Study Area Land Use Pattern

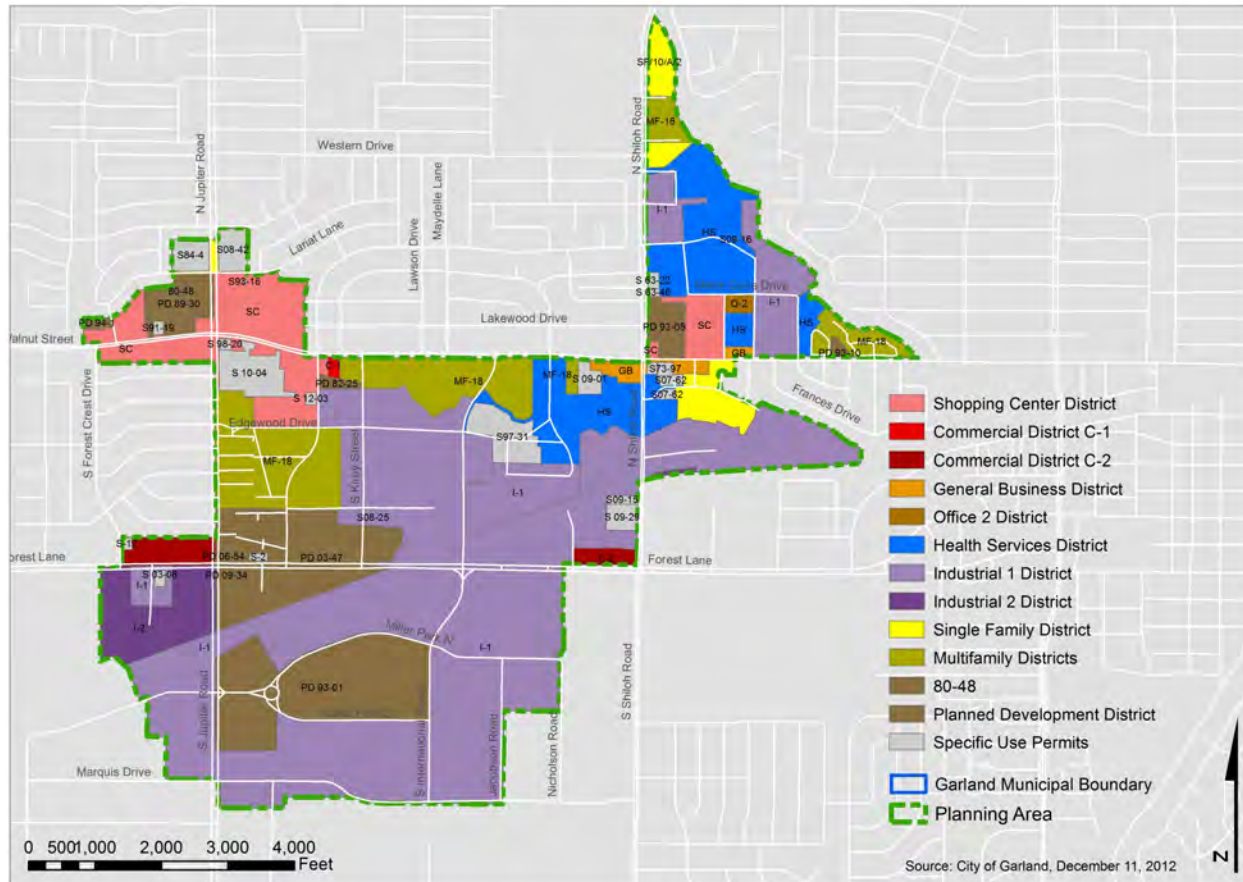
The diverse mix of development types within the Study Area has occurred over the past 40 to 50 years. Existing land use patterns are dominated by industrial concentrations and bordered by low-density residential to the north, east, and west. Commercial, office and retail uses are integrated throughout, primarily along major arterials. While this land use pattern might otherwise be considered positive given the combination of jobs, housing, and commercial services all within a walkable distance of each other, much of the infrastructure in the Study Area is aged and some of it is dilapidated or missing, leaving voids, especially for pedestrians and bicyclists attempting to connect between activity centers.

Figure 2B. Future Land Use Map (*Envision Garland* excerpt)



An early opportunity for redevelopment exists due to the Study Area’s reputation as the Southwestern Industrial District. An enhanced public realm serves to complement the existing inventory of uses and could grow awareness of the area as a regional business park address, potentially expanding its appeal to a greater variety of complementary uses. The large blocks of similar industrial land uses in the southern portion of the Study Area operate adjacent to, yet independent of each other. Throughout the Study Area properties are disconnected by a lack of walkable routes, despite the presence of recreational amenities including sidewalks and trails, Duck Creek, and Keen Branch, which could provide the needed connections.. This vision is consistent with the City’s future land use map presented in *Envision Garland* (Figure 2B). The intent of the map is to provide a more specific guide for land use and zoning changes as properties elect to redevelop in a manner consistent with the long-term vision for the Study Area.

Figure 2C. Existing Zoning Map



Existing Zoning

The existing zoning pattern in the Study Area reflects a combination of traditional zoning categories and planned development (PD) districts. It is anticipated that with redevelopment of key parcels, existing zoning may need to change in order to accommodate the range and density of uses envisioned. In these instances, it is feasible that new zoning descriptions may be required that do not currently exist.

As Figure 2C shows, the zoning currently in place encourages a land use pattern with limited opportunities for integration of supporting, synergistic uses and activity. In spite of PD districts where different uses may occur side-by-side on the same property, there are few designations for vertical integration (or mixed-use) development.

One exception is PD 03-47, which was approved in 2003 to coincide with the new DART Forest / Jupiter Station, and is zoned for Transit Oriented Development (TOD). The intent of this zoning designation is to enable a development pattern based on principles that have been successfully utilized in other TOD places such as Addison Circle (Addison, TX), Downtown Plano (Plano, TX), and 5th Street Crossing (Garland, TX). These principles include the use of compact development form to create distinct urban identity near transit, a mixture of complementary land uses (residential, retail, recreation, education, employment); and pedestrian-oriented site design and streetscape to facilitate comfort and use of transit and other public improvements.



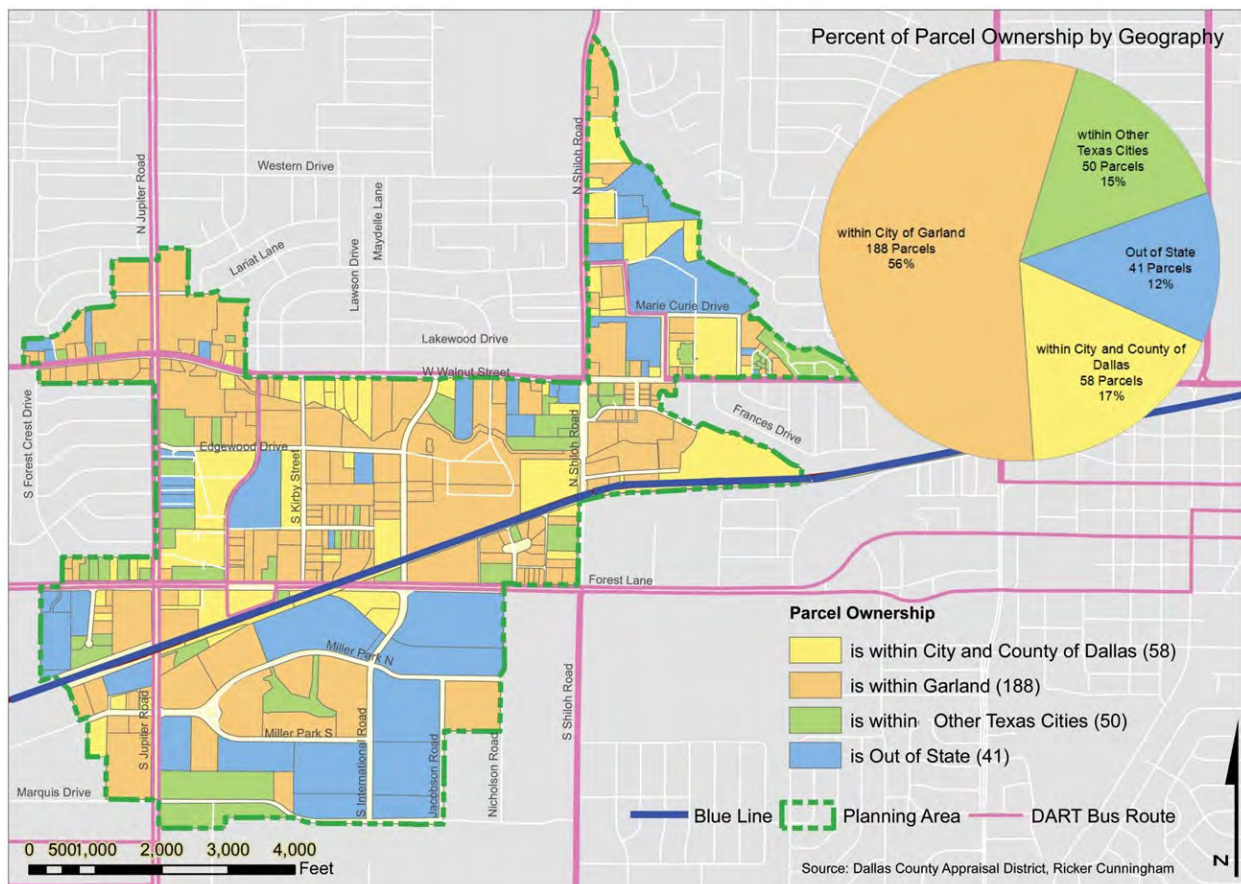
Land Ownership Pattern

Ownership information for parcels in the Study Area suggests a strong local and regional presence. As reflected in Figure 2D, properties in the Study Area are primarily locally-owned, with 56 percent (%) of owners (of 337 total parcels) residing in Garland. This is followed by 17% of owners residing in the City and/or County of Dallas, 15% in other Texas cities, and 12% residing out-of-state. The nature of a redevelopment district's ownership pattern can be a key determinant of whether investment will occur over a short or long timeframe. The more fragmented the ownership, the more expensive it becomes for investors. That is, as costs and time to assemble properties increase, the longer it can take for redevelopment to occur. Additionally, when a significant amount of land is owned by out-of-state interests, assemblage efforts can be further complicated, as these properties often reflect assets within portfolios or regional facilities with substantial investment on the ground. Although the Study Area suffers from some of these challenges, there are instances of properties with favorable ownership conditions which may present near-term opportunities for redevelopment.

Value

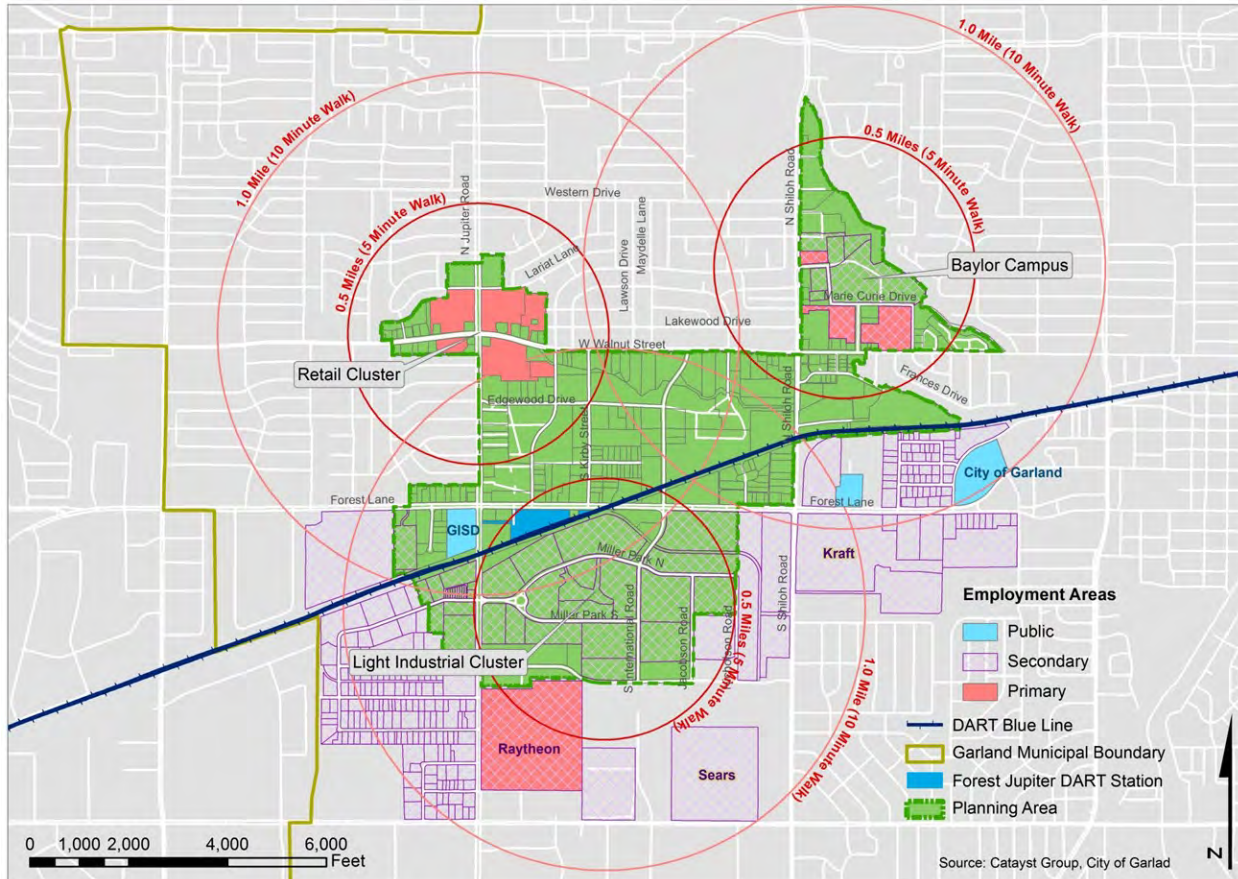
Values in the Study Area were measured two ways: change in total assessed value; and, improvement value as a percent of total value. With regard to assessed values, 98 of 337 parcels (29%) declined in value during the period between 2005 and 2011, the majority of which (63 parcels) declined between 0 and 20%. Of the remaining 239 parcels, 28 showed no increase in value and 178 (74%) increased in value, the majority of which (78 parcels) increased between 0.01 and 20%.

Figure 2D. Parcel Ownership



With regard to improvement value as a percent of total value, the majority of properties in the Study Area (190 parcels) have an improvement value that exceeds 60 percent of total value, while 26 percent (87 parcels) have an improvement value below 60 percent of total value, suggesting a significant number of under-utilized parcels in the Study Area and ample opportunity for reinvestment.

Figure 2E. Employment Generators



Primary Employment Generators

A host of existing employment centered in and around the Study Area offer potential for redevelopment (Figure 2E). BMC-Garland, located in the northern portion of the Study Area, is home to a range of health science uses with a daytime employment population of approximately 3,000 people and serving approximately 300,000 patients / visitors per year. The southern edge of the Study Area is bordered by a large industrial district anchored by companies such as Raytheon, Sears, and Kraft Foods Global. These existing retail and flex / industrial clusters also provide employment and activity, but they are disconnected from the larger Study Area.

Employers in the Study Area have expressed concerns regarding their ability to retain and attract employees in part due to the existing physical realm and limited number of connections to the DART Forest / Jupiter Station. Redevelopment of properties in the Study Area presents an opportunity to advance strategies that alleviate these challenges and elevate the public-private dialogue with regard to community development-based job retention, expansion, and attraction efforts.



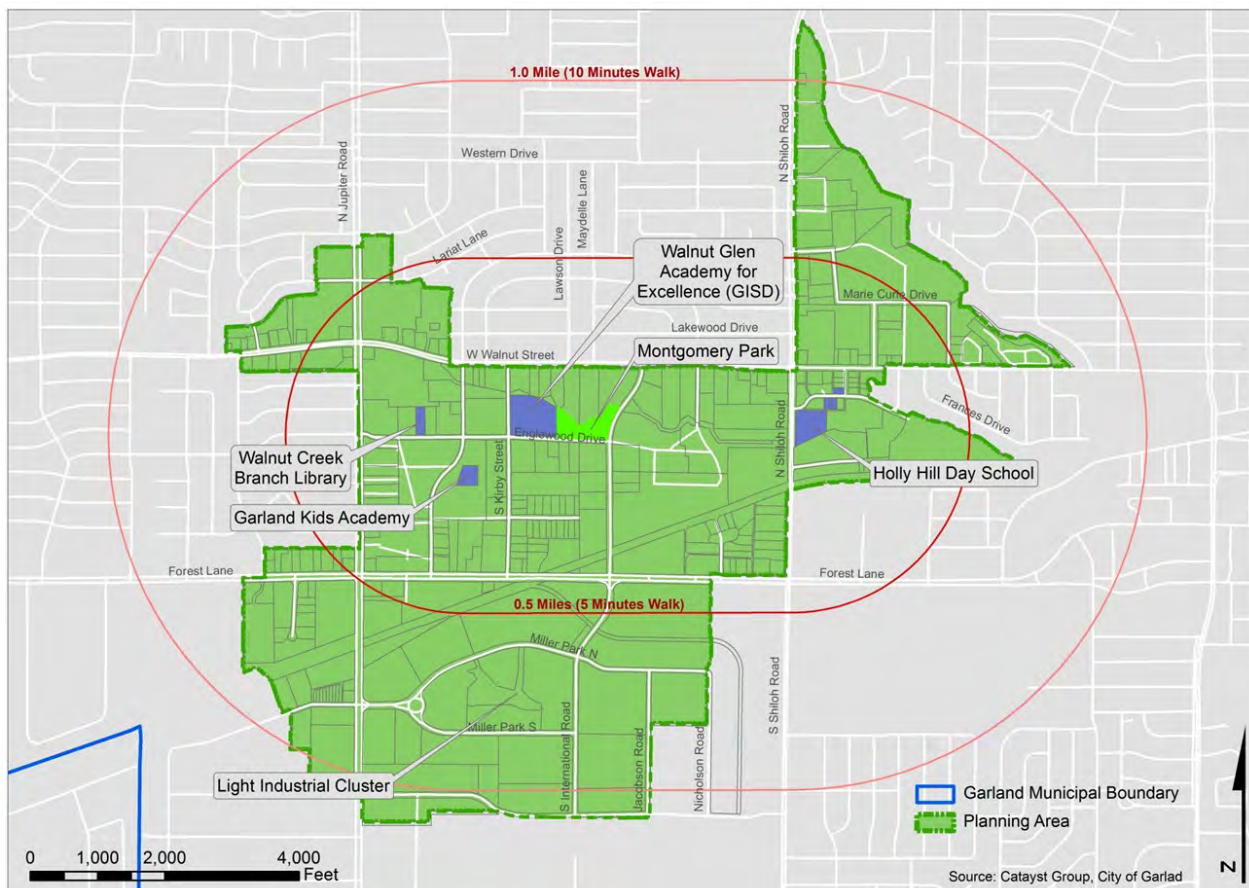
Safety and Protection

During the public meetings, concern over the perception and stated reality of crime in the Study Area was keenly noted. Due to these concerns raised over safety and protection of personal property in the Study Area, the Garland Police Department was asked to define the type and frequency of recorded incidents occurring in the Study Area. Their analysis has identified an occurrence rate similar to other areas of the City (on average). Between June 2012 and December 2012 (first week), there were an average of 34 occurrences over a six month period of time. During this same timeframe, there were an average of 38 occurrences in other areas of the city (with some experiencing both higher and lower averages). The Study Area is part of three separate police districts (#22, #23, and #25). Appendix Exhibit 2-1 illustrates the location of the City of Garland Police Districts.

Community Assets and Institutions

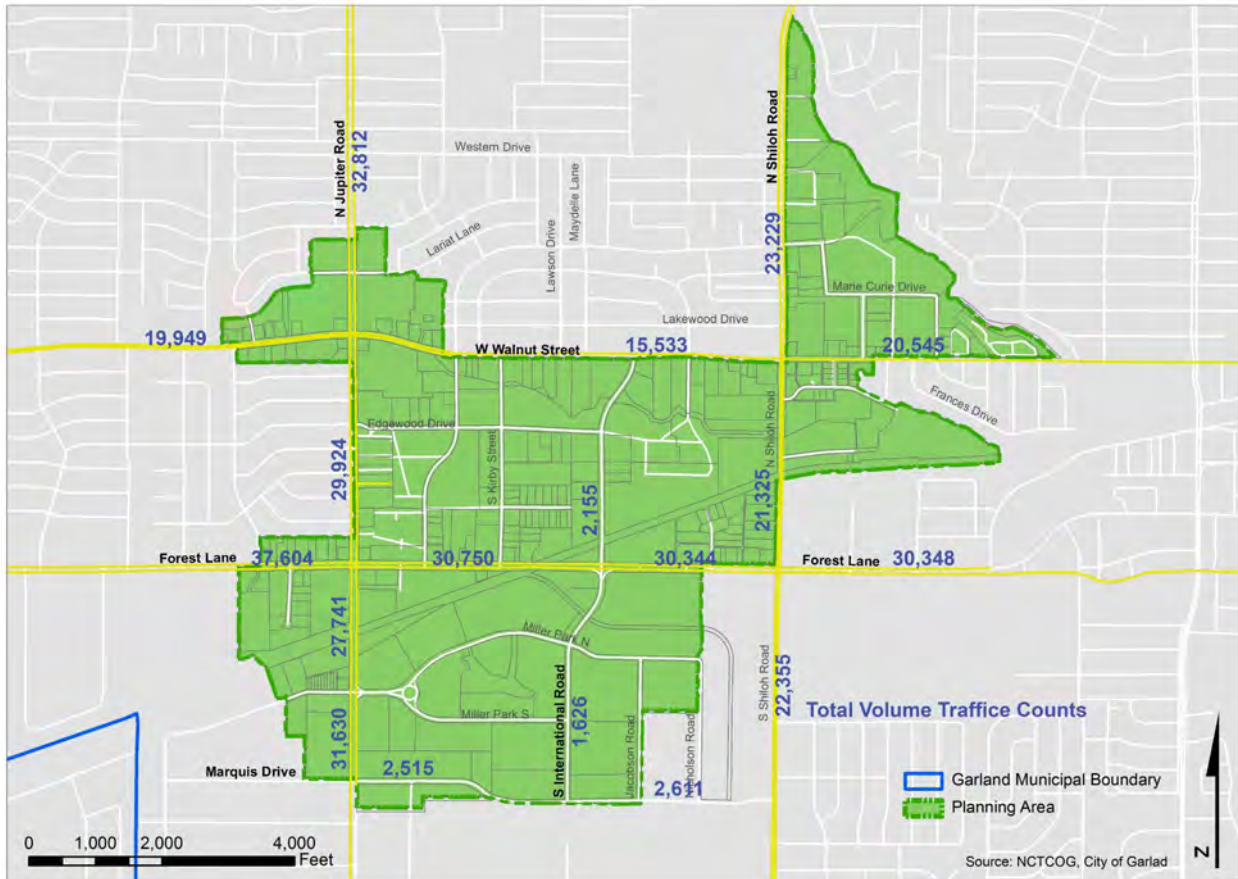
Several civic and neighborhood uses provide anchors of community activity within or adjacent to the Study Area, including Walnut Creek Branch Library, Montgomery Park, Hollabaugh Park and Recreation Center, along with nearby school, day care, and worship facilities. While these services and amenities are not highlighted by the existing community design, their presence is well known and valued by the immediate and surrounding community. Facility directors report heavy usage by the community they serve. As reflected in Figure 2F, these facilities are within walking distance of each of the three TIAs, thus providing opportunity for programming and infill redevelopment strategy.

Figure 2F. Community Assets



In particular, usage of the Walnut Creek Branch Library goes beyond that of a conventional library, providing a valuable resource for new immigrants as they acclimate to local practices, convene for discussion, and gather for group events. This combined with a lack of outdoor recreational and sporting facilities identify this area to be under-positioned to meet the community's need for multi-use community and information center.

Figure 2G. Primary Roadways and Trip Counts



Traffic Volume and Trip Counts

Levels of traffic are an important factor when considering various development and redevelopment programs. To some businesses, such as large industrial and warehousing enterprises, streets designed to accommodate higher traffic volume and speed reflects an area's ability to move goods and materials efficiently. To others, such as retail stores and restaurants, congestion and high speeds reflect a condition that may detract from a pedestrian-friendly environment and ability for patrons to easily access these businesses. Further, from a commercial investment perspective, efficient vehicular traffic management is essential for access and visibility (a key determinant of land value). Commercial investment practice also values the benefit of foot traffic and access via non-vehicular means. As a result of these various perspectives, the ideal scenario for a healthy traffic framework is a balanced design that allows all traffic to arrive and pass through the area utilizing a variety of transit modes.

Figure 2G shows the major arterials and streets that exist within the Study Area. Traffic volumes on these are considered healthy for retail and commercial uses (20,000+ vehicles per



day) and within an expected range for an established area such as this. Currently, substantially more traffic travels from the south than the north, in part to access the industrial / manufacturing area, but this trend could change. Additional and greater diversity of uses and activities could also lead to an increased need for transportation options.

Transit

The Study Area is served by DART light rail trains and buses as depicted in Figure 2H. Forest-Jupiter Station is located on the Blue Line and is served by four bus routes (372, 410, 486, and 987). Additionally, bus route 463 provides transit service to the BMC-Garland campus.

A ridership usage study was undertaken by DART in 2011 to determine where riders travelled within the overall DART system (all modes of DART transit). Figure 2I illustrates transaction points in which riders utilizing the DART Forest / Jupiter Station accessed other transit stops during the October 24 – 28, 2011 timeframe; specifically identified are locations where riders boarded, disembarked or transferred to/from a DART vehicle. As measured, the total number of transactions over this five day period was approximately 11,000 transactions (roughly 2,200 transactions per day).

While this analysis did not track final destinations specifically, it did identify the DART Forest / Jupiter Station as a gateway to the entire DART system. The heaviest groupings of transaction points occurred in the following areas and specific locations:

Figure 2H. DART Service (Local)

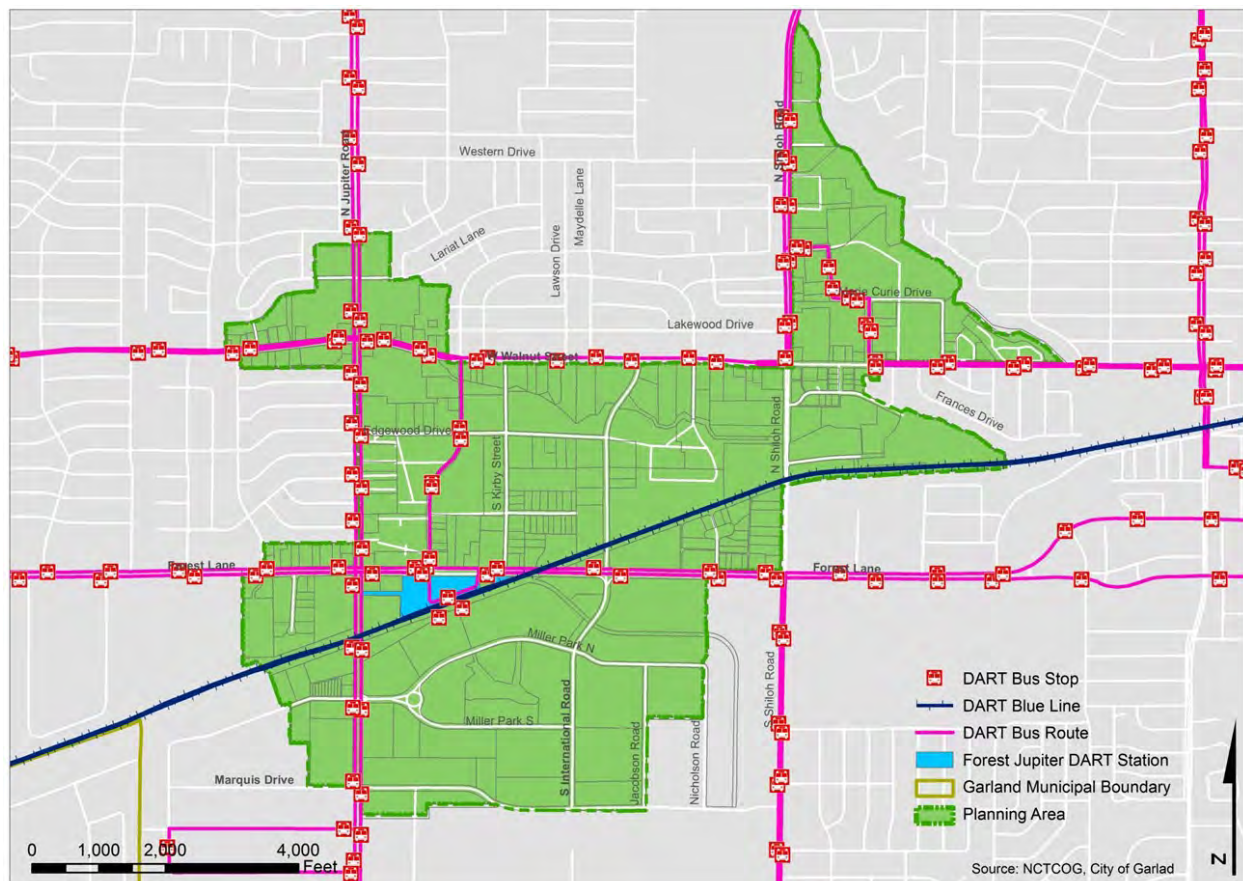
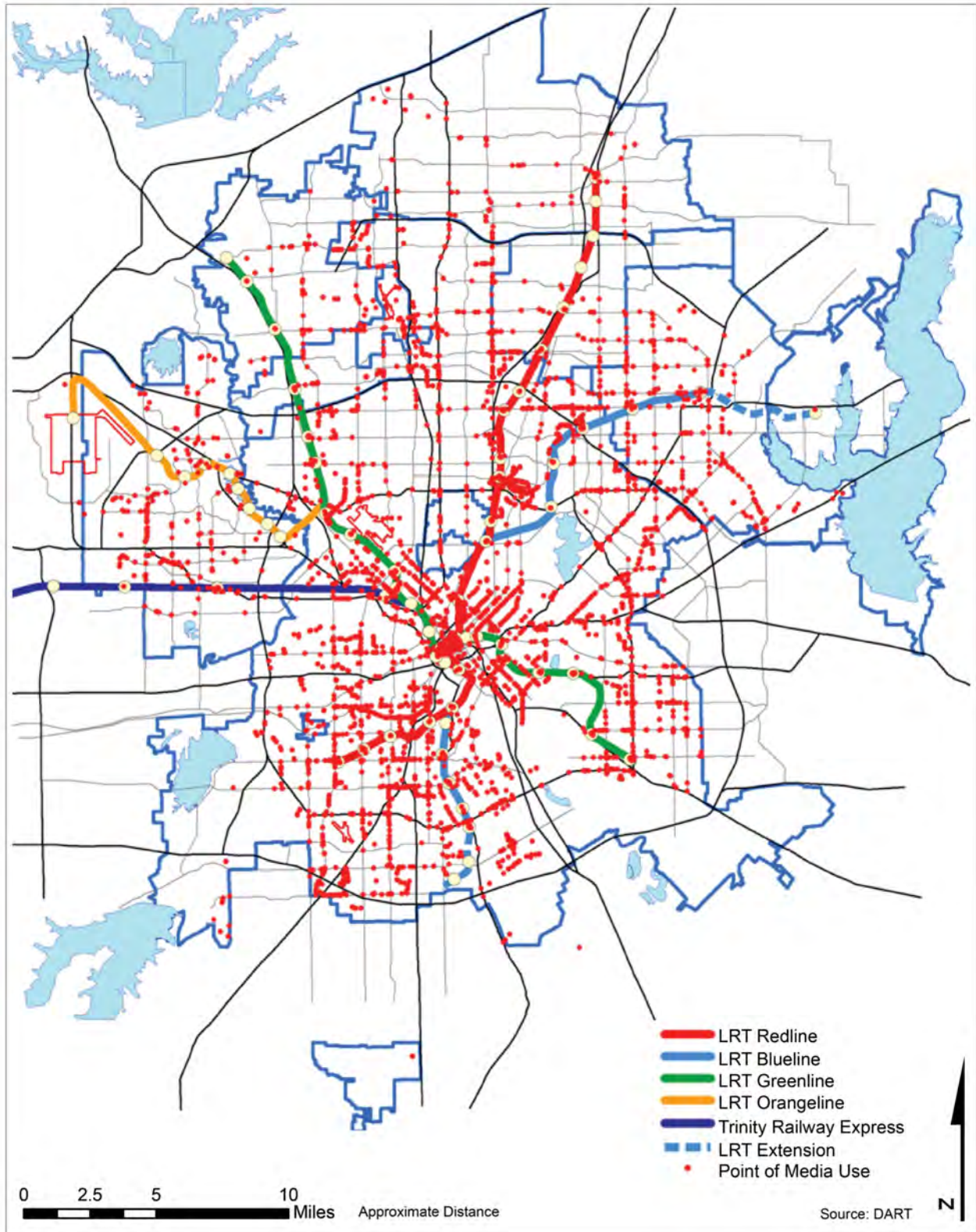


Figure 2I. DART Forest/Jupiter Station Ridership Transaction Points (Oct 24-28, 2011)





Areas:

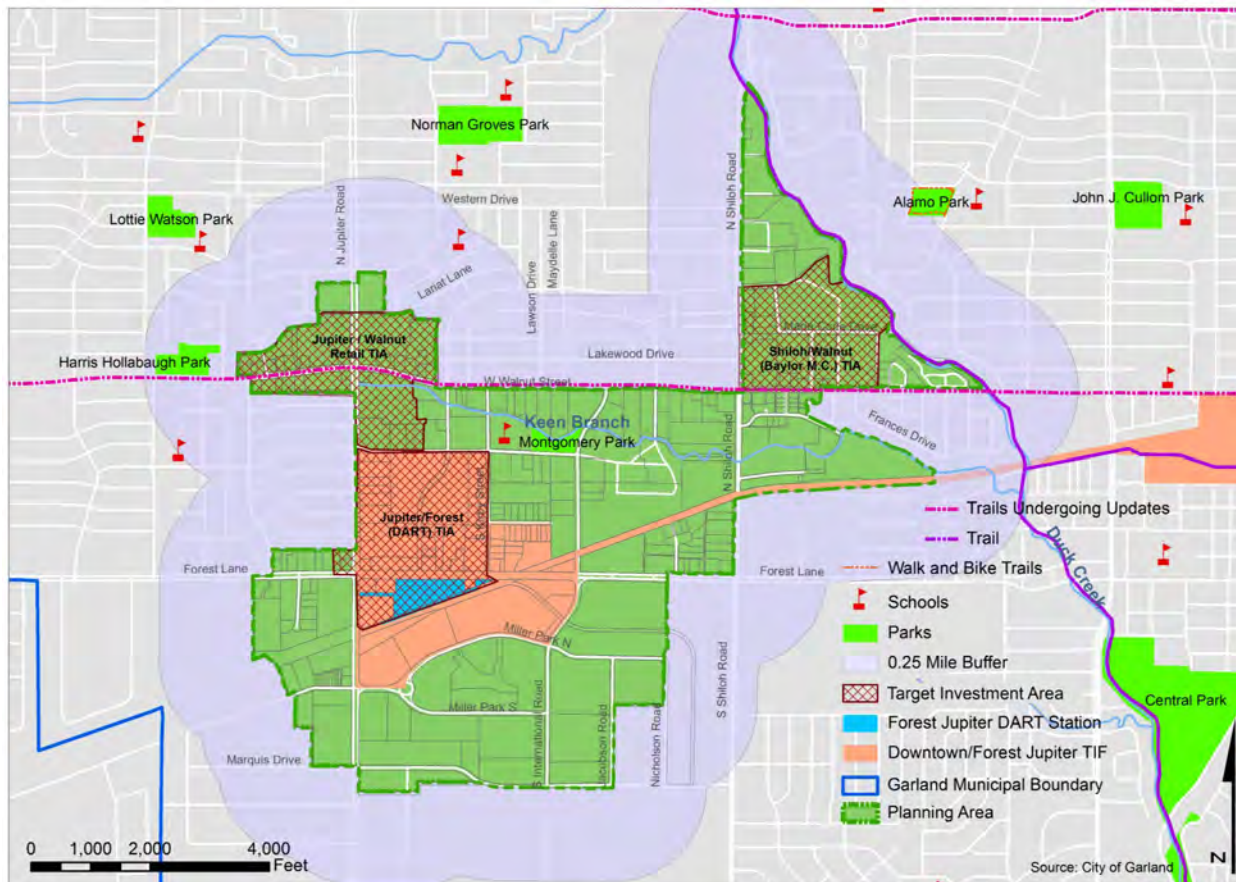
- ◆ Garland Neighborhoods
- ◆ Oak Cliff and Southern Dallas Neighborhoods
- ◆ Downtown Dallas and adjacent Neighborhoods (e.g. Oak Lawn, lower Northeast Dallas)

Specific Locations:

- ◆ Downtown Dallas
- ◆ Medical District (Parkland Hospital, UT Southwestern Medical District, etc.)
- ◆ Baylor Medical Center Dallas
- ◆ Methodist Hospital Dallas
- ◆ Fair Oaks Community (northeast of Northwest Highway / US Highway 75)

These graphics and analysis illustrate the accessibility of the Study Area, and that an employer who locates in the DART Forest/ Jupiter Station vicinity can successfully recruit employees from a very wide area with the expectation that the transit system can reliably get them to and from work. Similarly, it indicates that residents and visitors within the DART Forest / Jupiter Station area can successfully travel to virtually any part of the DART service area by transit using the station as their point of beginning. This significant and unique access to the regional transit system has only heightened with the recently completed extension of the DART Blue Line to Rowlett.

Figure 2J. Non-Vehicular Features



Bicycle and Pedestrian Infrastructure

Existing transit alternatives, a large daytime employment population, and high number of residents located adjacent to the Study Area make it an ideal setting for enhanced pedestrian and bicycle connections; however, existing infrastructure is limited and inconsistent throughout the Study Area. Community groups such as Bike Friendly Garland have shown the need for a more improved and connected bicycle network, and *Envision Garland* has identified this potential for adapting the current transportation network to incorporate the pedestrian, bicycle, and transit priorities identified in the planning that can occur for the Study Area. Existing improvements are illustrated in Figure 2J and categorized as on-street bikeways, off-street trails, and sidewalks.

On-Street Bikeways

Three municipal bikeway plans identify bike-related improvements in the general vicinity of the Study Area. The City recently completed a portion of the North-South Bikeway located approximately 2-3 miles east and north of the Study Area. This bikeway will act as a primary bikeway route, which is designed to link Garland with Richardson (north) and Mesquite (south). In the future additional routes will connect to other destinations within Garland. The City of Richardson bike plan indicates a small route segment approximately 1-mile north of the Jupiter-Walnut TIA, on Yale Drive, north of Buckingham Road. A terminal segment of the *2011 Dallas Bike Plan* is proposed south of Forest Lane along Plano Road. While the Richardson and Dallas plans identify proposed improvements, they do not reflect a built condition nor do they identify such connections through the Study Area.

There are several key bike-friendly corridors that could be created through careful renovation of existing streets. The streetscapes shown on the TIA development concepts anticipate bike connections as built into the proposed renovated streetscapes along Walnut Street, Barnes Drive, Forest Lane, Jupiter Road and Shiloh Road.



Figure 2K. Walking Distances



Off-Street Trails

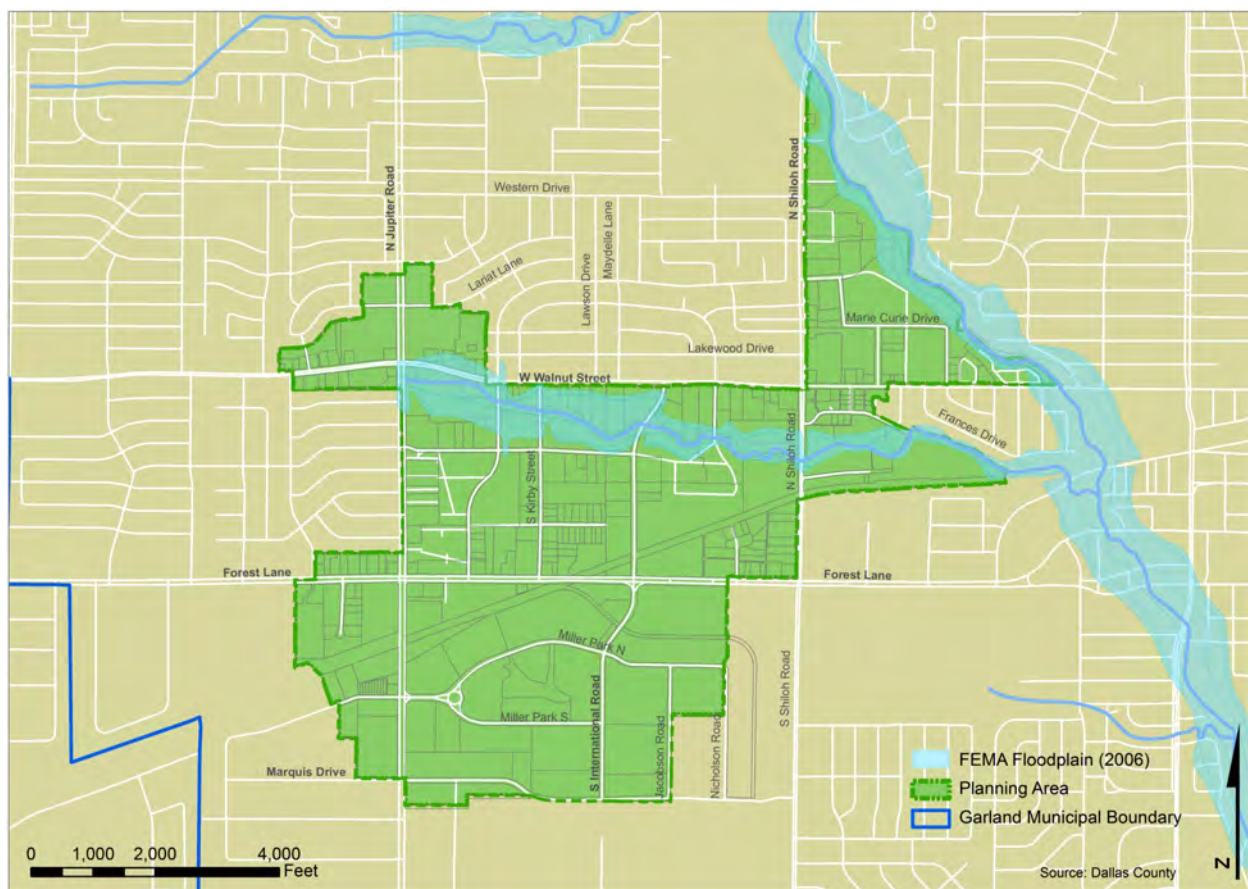
In addition to on-street bikeway plans, there are several regional off-street trails that have been planned near the Study Area. These alignments include portions of the *Dallas County Trail Plan* and the NCTCOG Regional Veloweb, although they are only identified as conceptual connections to-date. Alignments along Duck Creek and Keen Branch represent these planned potential routes, as well as others along the railroad corridor. Non-vehicular access to and from these corridors could raise security concerns and will need to be addressed in order to achieve successful future connections.

Sidewalks and Pedestrian Connectivity

In general, the Study Area lacks continuous sidewalks and trails to accommodate pedestrian routes within or between activity centers. Figure 2K indicates what could be comfortable walking distances of between 5 and 10 minutes, or ¼- and ½-mile from and between the TIAs.

Sidewalk conditions and connections within the Study Area appear to be lacking or in poor condition in numerous locations. Based on visual assessments, only a single pedestrian-width sidewalk connects to the DART Forest / Jupiter Station platform – a narrow strand of pavement leading southward from the Barnes Drive entrance off of Forest Lane. This is the only pedestrian access provided for entering the DART Forest / Jupiter Station property, suggesting a missed opportunity. Access from the west entrance of the Station is limited to a narrow roadway lined by trees but lacking sidewalks. Other roadway entries and exits accommodate only vehicular traffic and potentially bicycles. No pedestrian or Americans with Disabilities Act (ADA) access is otherwise provided, although a well-worn volunteer path along Jupiter Road leads southward from the west side of the station entrance. Future non-motorized connections to the DART platform and other anchors within the Study Area will need to be planned in the context of the larger redevelopment program.

Figure 2L. Major Drainage and Floodplain Features



Major Drainage and Floodplain Features

Two primary drainage features are found within the Study Area. Duck Creek, a tributary to the East Fork of the Trinity, runs along the northeastern edge, while Keen Branch, a tributary to Duck Creek, flows generally parallel to Walnut Street, from Jupiter Road toward the southeast. Both traverse developed areas; Keen Branch incorporates the Study Area’s only municipal park, Montgomery Park. Figure 2L illustrates the location of both water features and the extent of their impact.



The presence of these water features presents both opportunities and challenges for development. As an opportunity, they offer an amenity that softens the hardscape by incorporating natural features, mature trees and running water. As a challenge, Keen Branch and related floodplain create a gap in the development pattern along the Walnut Street corridor. Going forward, these natural amenities should be better capitalized on for their potential to offer positive views, pedestrian and bike path routes, and focal points for development.

Figure 2M. Building Coverage Diagram



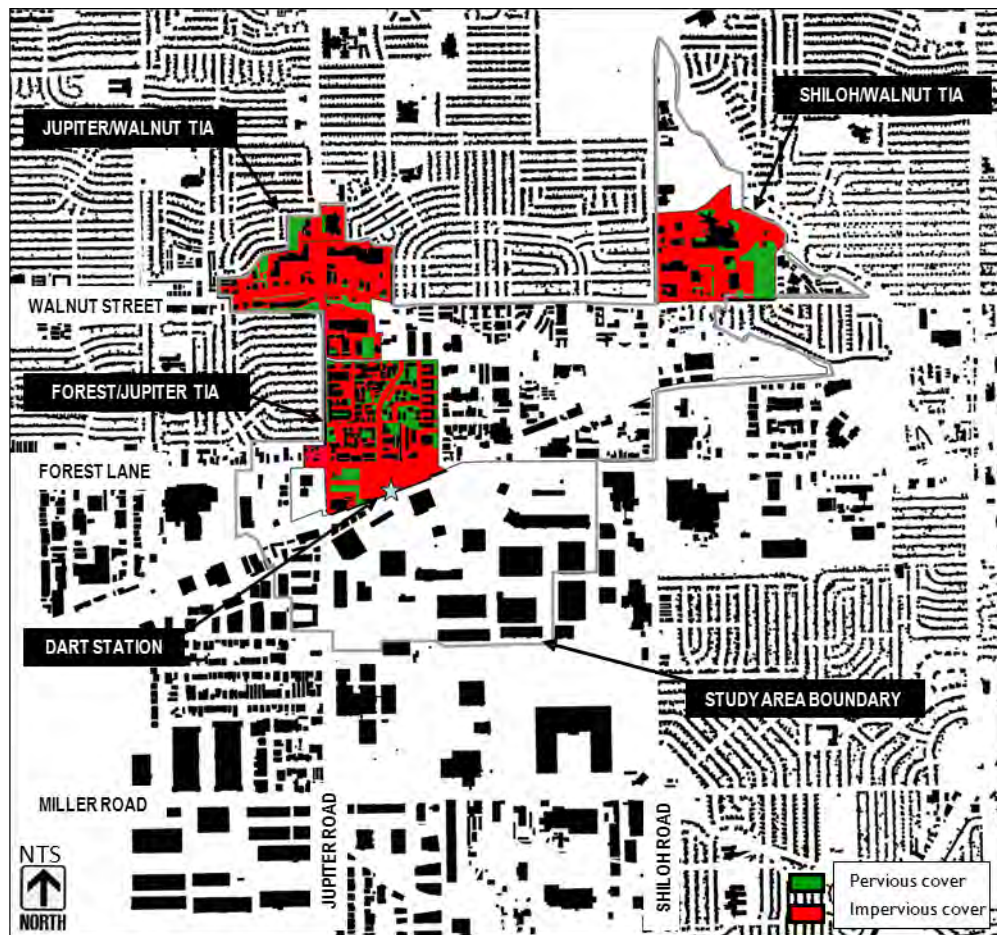
Source: Catalyst Group

Building Coverage Analysis

Building Coverage Analysis is an urban analysis diagram that compares building footprints to the surrounding area in order to understand the size and configuration of spaces and places created by the buildings. The value of understanding these relationships is in defining the urban form and development identity created by the relationship between buildings and their surroundings, thus strengthening a sense of gateway to both the Study Area's neighborhoods and commercial district. While this concept is somewhat subjective, a hallmark of successful mixed-use and urban districts that have evolved from older commercial and industrial settings (such as Uptown Dallas, Fort Worth's West 7th Street, Addison Circle, North Dallas Furniture District, and Dallas' Design District, among others) is the use of a more consistent relationship in the collective form the district's buildings create.

The Building Coverage diagram (Figure 2M) suggests that, in general, existing buildings do not present a regimented urban form, unlike those within the surrounding single family communities where the urban form is more predictable. Further, it appears that conditions might detract from the user experience along the Study Area's primary thoroughfares, and that key interventions and additions in the TIA's can improve the respective visual identity and overall neighborhood cohesiveness.

Figure 2N. Pavement Coverage Diagram



Source: Catalyst Group

Pavement Coverage Analysis

As a compliment to the Building Coverage Analysis, the Pavement Coverage Diagram (Figure 2N) depicts areas that are dedicated to use by the automobile. Such areas include parking lots, streets, and other locations where pavement dominates the surface and separates built structures. As identified by the Urban Land Institute in their national study, Reinventing the Commercial Strip, an excess of auto-related pavement in a district places emphasis on movement of vehicles rather than pedestrian activity, or the buildings themselves. While this may be appropriate in the larger industrial zones within the Study Area where such movement is warranted, it may be a challenge to the redevelopment of the TIAs through more pedestrian-oriented mixed-use development.



As such, the Study Area has been analyzed to display those sectors where paving dominates, as well as those that provide potential as development amenities or infill sites (refer to Figure 2N). This analysis identifies the opportunity to reduce the amount of pavement and improve the relationship between structures through targeted infill of new buildings and landscaped areas. While focused on areas within the TIA's such improvements can serve to create identifiable spaces and places and begin to alter the Study Area's perception as an older suburban environment. This type of evolution is now taking place in Garland's downtown in a manner that has experienced success in such other local transit-oriented environments as Downtown Plano, Uptown Dallas, Addison Circle, the 7th Street Corridor in Fort Worth, DeSoto Town Center, and Mockingbird Station in Dallas. In each instance, a positive visual change has helped ready a new environment for investment by providing a more pleasant and predictable development pattern.

Study Area Opportunities

The Study Area can be described as having many of the essential elements for a successful redevelopment program – transit access, stable neighborhoods, community assets and favorable ownership patterns, and natural features. Despite a significant amount of aged and absent infrastructure (sidewalks, streetscape, trail connections), once improved, the Study Area would have the foundation for revitalization to occur within the Study Area itself. The implementation strategy presented later in this report includes several key items intended to improve both physical conditions and the Study Area's overall investment climate.

Figure 20. Forest/ Jupiter TIA Boundaries



Targeted Investment Areas (TIAs)

The purpose of analyzing existing conditions in a redevelopment area is to understand deficiencies, needs, and amenities. By understanding the presence, capacity and condition of area infrastructure, investors can begin to quantify the economic feasibility of development or redevelopment and potential necessity for public sector participation in readying the environment for investment. Each of the three TIA's possess specific conditions which will inform public priorities and private investment.

Forest Lane / Jupiter Road TIA (A Transit-Oriented Development District)

The Forest Lane and Jupiter Road (Forest/ Jupiter) TIA, generally located at the intersection of Forest Lane and Jupiter Road, contains a mix of older multi-family, industrial, retail, and motel uses together with the DART Forest / Jupiter Station. This TIA can be categorized as an integral part of the surrounding employment district. Figure 2O illustrates the boundaries of the Forest Lane and Jupiter Road TIA. Defining factors associated with this TIA include both positive and negative considerations:

Positive:

- ◆ In general, the TIA presents a downgraded external presence and identity caused by aging buildings and a lack of positive pedestrian-oriented streetscape improvements.
- ◆ DART parking lots and adjacent undeveloped property is well-positioned for potential Transit-Oriented Development (TOD) so long as such future investment accommodates required DART parking and bus circulation.
- ◆ Existing civic uses (library, school and park) are successful assets and well positioned to compliment new investment.

Negative:

- ◆ The DART Forest / Jupiter Station platform is somewhat disconnected from the community it serves as the related pedestrian infrastructure is not properly connected to ridership-generating uses (such as manufacturing to the south and multi-family to the north).
- ◆ Existing apartments along Barnes Drive are an older garden apartment format. These developments appear dated and contain interior courtyards or other hidden areas in which crime can occur.



Figure 2P. Forest/ Jupiter TIA 2011 Assessed Property Values



Retail Inventory Analysis

While serviced by a variety of commercial operations, the area lacks the necessary business and work place amenities, lunch time opportunities, cohesive pedestrian connections between uses, and overall area identity successful districts leverage to attract and retain businesses and their skilled workers. The profile of existing retailers tends to reflect visitors passing through the area and a narrow segment of the existing residential base. While the high number of ethnic retailers (compared to other infill locations within the city) offers an opportunity for a destination dining and shopping node, the diversity of offerings is fairly limited. If the City were able to recruit additional stores and restaurants and provide the necessary infrastructure, this TIA could rather easily become an identifiable place for visitors, residents and employees. Figure 2P illustrates concentrations of investment as measured by 2011 property assessed values.

Jupiter Road / Walnut Street TIA (A Neighborhood Center)

The Jupiter Road / Walnut Street (Jupiter/ Walnut) TIA is generally located at the intersection of Jupiter Road and Walnut Street; its boundaries are shown in Figure 2Q. This TIA serves as a community commercial center with retail, office and service uses; defining factors include:

Positive:

- ◆ Existing retail properties have healthy occupancies with a vibrant mix of ethnic-oriented retail tenants.
- ◆ Keen Branch flows through the TIA and offers the opportunity to highlight this natural feature in the context of a fully developed area.

Negative:

- ◆ Though some newer buildings have been completed in the northeast and southeast quadrants of the intersection, the overall area has a downgraded external presence and identity caused by aging buildings and a lack of positive pedestrian-oriented streetscape improvements.
- ◆ Uses within the TIA are not well connected or integrated to adjacent properties and neighborhoods. This results in a disjointed and undistinguishable community experience.
- ◆ Properties within the southeast quadrant of the intersection are impacted by Keen Branch resulting in limited frontage along property lines.

Figure 2Q. Jupiter / Walnut TIA Boundaries





Figure 2R shows concentrations of investment within the Jupiter/ Walnut TIA, as measured by 2012 property assessed values reported by the Dallas County Appraisal District. Understanding the magnitude of these values begins to inform the financial feasibility of acquiring and redeveloping property in the Study Area.

Figure 2R. Jupiter/ Walnut TIA 2011 Assessed Property Values



Retail Inventory Analysis

A vibrant ethnic retailing destination is found within the Jupiter/ Walnut TIA with few vacancies and a well-performing economy; albeit, in older suburban buildings that were not originally constructed to accommodate retail demands by today's day- and night-time populations. Existing structures suffer from an inferior visual quality when compared to other retail and mixed-use destinations in the region, making them less competitive for new investment. There are a wealth of opportunities to better leverage potential activity with strategic additions to the program and stronger design elements, however few have been forthcoming.

A retail inventory analysis performed for the Jupiter Road/ Walnut Street intersection quadrants identifies the specific tenants occupying each quadrant as of April 25, 2012, measures vacancy rates, and types of retail use as a percentage of each quadrant. This analysis shows the potential to add grocery, legal services, health care, and restaurants, all aimed at the growing local Hispanic, Chinese, and Vietnamese ethnic marketplace. As noted

in the implementation section of this document, the Garland Chamber offers the local Small Business Development Center to support such businesses. Appendix Exhibit 2-2 through Exhibit 2-9 identify the mix of retail establishments in the Jupiter Road and Walnut Street TIA as compared to other ethnic retailing nodes within the DFW Metroplex.

Shiloh Road / Walnut Street TIA (A Mixed-Use Medical District)

The Shiloh Road and Walnut Street (Shiloh/ Walnut) TIA is located in and around the BMC-Garland campus. Figure 2S illustrates the boundary of the Shiloh/ Walnut TIA. Supporting uses include a series of medical and health-care related facilities concentrated at the Shiloh Road and Walnut Street intersection.

Outside of the TIA, yet within the influence area, the former Vista Hospital provides a unique opportunity for redevelopment, new development, or adaptive reuse. The entire hospital campus offers a combination of existing buildings and vacant development parcels, all located adjacent to the well-traveled Walnut Street. As such, it may provide an anchor of reinvestment that acts in concert with future improvements to the BMC-Garland campus itself. Figure 2T illustrates concentrations of investment as measured by 2011 property assessed values.

Defining factors associated with this TIA include:

Positive:

- ◆ BMC-Garland and related uses serve as critical anchors in the west Garland community as they offer major employment and regional identity.

Figure 2S. Shiloh/ Walnut TIA Boundaries





- ◆ On-campus facilities at BMC-Garland are well kept and present a strong sense of place from which to build upon.
- ◆ Duck Creek provides a major natural amenity adjacent to the TIA with an impressive grouping of mature trees and beautiful water course.
- ◆ BMC-Garland owns several key properties that have clear potential for synergistic development. This ownership may provide simpler land assembly.
- ◆ Nearby, the former Vista Hospital campus consists of vacant property and significant built facilities that may lend itself well to new and infill investment.

Negative:

- ◆ Off-campus edge conditions west and south of the BMC-Garland facility present a negative visual appearance that undermines campus entry and shields the positive on-campus improvements from direct public view.
- ◆ There is no critical mass of uses and activities to define / position the area as a mixed-use health sciences employment district.
- ◆ The retail center at the northeast quadrant of Shiloh Road / Walnut Street is in particular poor visual condition but has multiple tenants which may make its acquisition for redevelopment difficult.
- ◆ The retail center at the northeast quadrant of Shiloh Road / Walnut Street is in particular poor visual condition but has multiple tenants which may make its acquisition for redevelopment difficult.
- ◆ The nearby former Vista Hospital campus is vacant and provides a negative comparable in this TIA's immediate marketplace.

Figure 2T. Shiloh / Walnut TIA 2011 Assessed Property Values

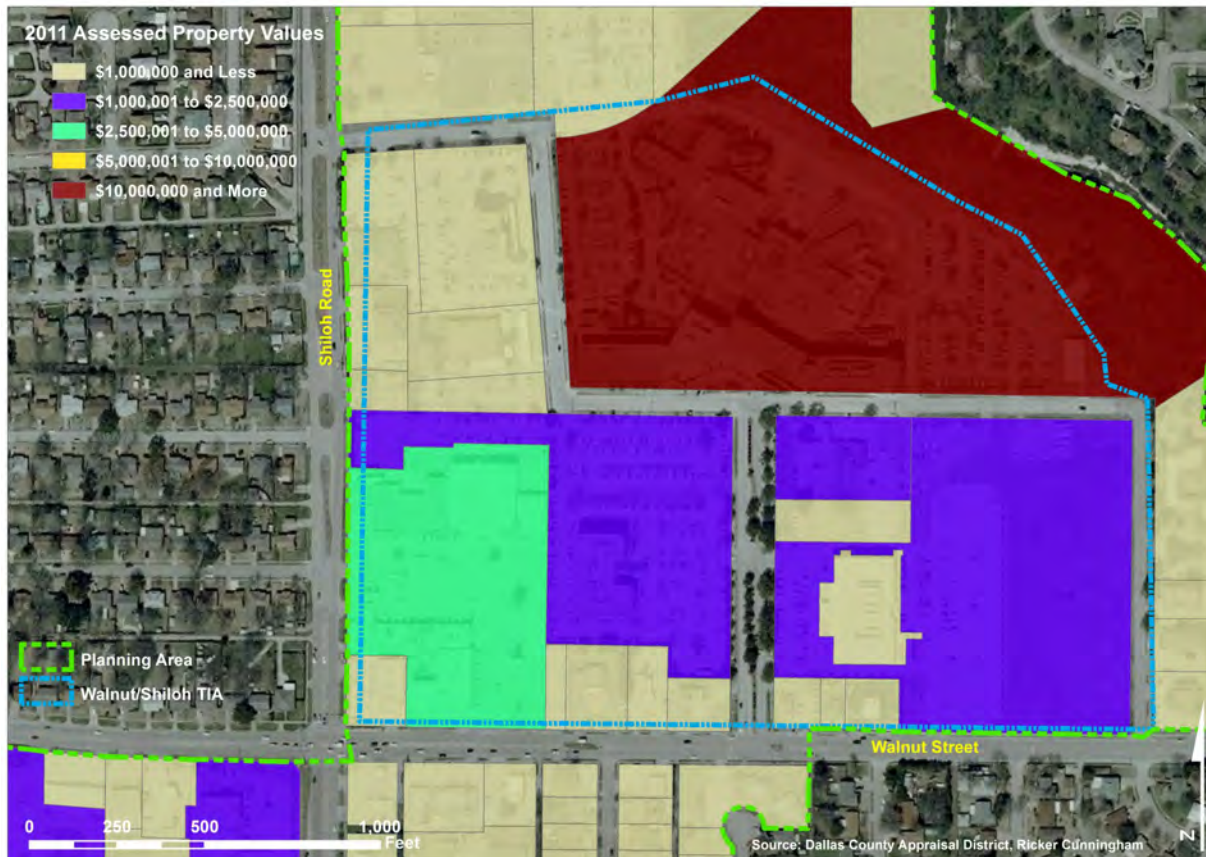
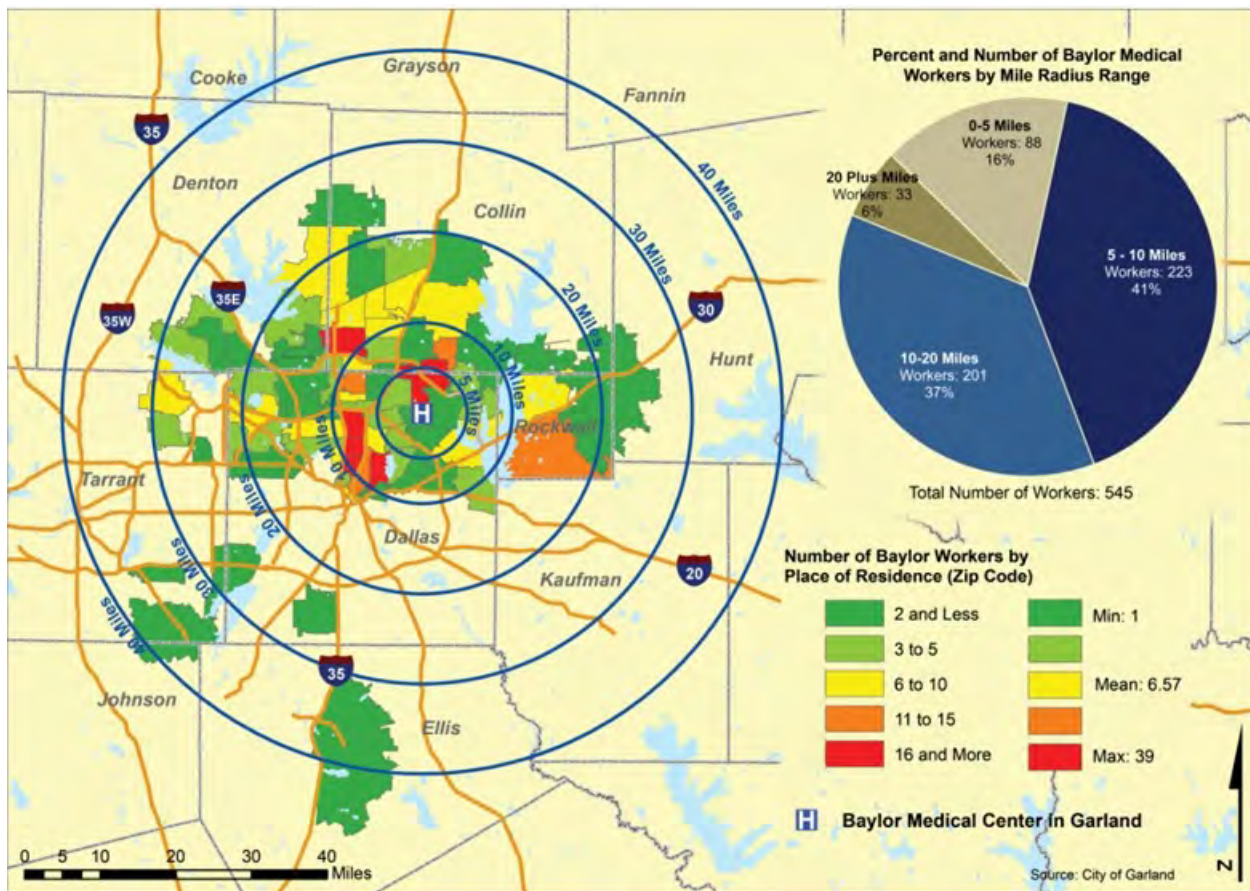


Figure 2U. BMC-Garland Labor Shed



Labor Shed Analysis

BMC-Garland, a major employer in the Study Area, is the primary employer in the Shiloh/Walnut TIA. To better understand the daily commute patterns for BMC-Garland employees, a zip code analysis (labor shed) was performed by the Hospital. This labor shed analysis (Figure 2U) locates where each employee lives within the DFW Metroplex. The figure identifies the vast majority of employees commuting from the northern portion of the DFW Metroplex, and the least number from communities located immediately adjacent to the BMC-Garland campus. Communities where the greatest percentage of BMC-Garland employees live include:

- ◆ north Dallas (south of I-635; west of the Dallas North Tollway),
- ◆ far north Dallas (east of Addison),
- ◆ north Plano,
- ◆ Wylie,
- ◆ north Garland,
- ◆ southeast Garland,
- ◆ Rockwall / Heath (north and south of I-30),
- ◆ lower East Dallas,
- ◆ Park Cities area,
- ◆ Lake Highlands area of Dallas,
- ◆ Grapevine, and
- ◆ Southlake.



This labor shed analysis indicates potential to improve employee commute time in a manner that improves BMC-Garland's workplace experience. Having access to the DART Forest/Jupiter Station through the regional transit system, promotion of rail transit to BMC-Garland employees could increase rail ridership and lessen commute times. Additionally, given that the area immediately adjacent to the BMC-Garland campus is shown as having nearly the least number of employee-residents, promoting the development of new housing and services on and near the hospital campus presents opportunities for BMC-Garland employees to live near work.

Section 3: Market Composition

Introduction

Planning for the strategic redevelopment of a community requires an understanding of physical conditions, policies and regulations, financial challenges and market opportunities. The market context portion of the *Redevelopment Plan* focuses on identifying market opportunities within the Study Area and a representative trade area. The purpose of the market analysis in the context of a revitalization effort such as this is fourfold:

- ◆ Provide a reality check for the conceptual planning effort;
- ◆ Ensure that recommendations are grounded in market and economic reality;
- ◆ Set the stage for implementation; and,
- ◆ Provide an accurate and independent story to tell potential development and investor audiences.

As explained in the *ED Strategy*, Garland, like many DFW Metroplex inner-ring communities, is at a critical point in its evolution. While Garland has long benefited from its geographic location near central Dallas, historically maintaining a steady rate of growth within a strong regional economy, it is seeing that growth decline, as the Metroplex expands into ex-urban communities. With comparatively few remaining undeveloped and under-developed areas, the growth of Garland over the near- and long-term will be largely in the arena of redevelopment. The *ED Strategy* identifies the Study Area as having potential for redevelopment with emphasis on the three TIA's described previously. The market analysis that follows shows that there is market demand in the Trade Area, Study Area and all three TIAs, and that with strategic public and private reinvestment and supportive policies, several parcels individually and as an assemblage could be successfully positioned to capitalize on select opportunities.

Methodology

Market analyses, in the context of infill and redevelopment, examine the following questions:

- ◆ What conditions encourage or challenge investment and reinvestment?
 - Physical, market, financial, regulatory, organizational and political conditions that will influence the development envelope and inform the implementation strategy
- ◆ What is the Study Area's range of influence?
 - Trade area size and shape (should include most likely customers, residents and competitors)
- ◆ What are potential target markets?
 - Customer base demographics, economics, and psychographics (lifestyle segments)
- ◆ What is the competition?
- ◆ Types of competition (current and potential inventory).
- ◆ Size and performance of competitive projects.
- ◆ How much demand is in the trade area?
 - Annual absorption (in units or square feet) projected forward
- ◆ How much total market demand can properties in the areas capture and / or accommodate?
 - Given magnitude of demand, level of competition, physical or regulatory capacity, financial feasibility, and consistency of potential projects with area vision



Real Estate Trends

During the latter part of 2008, new real estate development throughout the United States nearly ceased to exist. In the years that followed, among those markets that have seen modest levels of activity, the indices which determined feasibility evolved from what they were in earlier decades. Today, real estate developments considered feasible are not just those for which there is sufficient demand and subject to limited competition, but those that can secure financing. Real estate projects are being influenced by multiple factors including: limited development capital, technology, changing demographics and psychographics (lifestyle segmentation data), and more informed municipal policies. What follows is a discussion of prevailing conditions that will influence real estate development over the near- (1 to 3 years) and mid- (3 to 7 years) terms and the expected market response.

People

While demand for commercial space going forward will likely be at a lower space per capita ratio, the growth of the U.S. population will increase overall demand for commercial and non-commercial real estate. Other demographic and psychographic trends affecting real estate development include:

- ◆ The U.S. population will increase by 100 million over the next 30 years (3 million annually), with Texas forecasted to receive a large proportional share of this growth.
- ◆ The DFW Metroplex led the nation in 2012 in population growth. This expanding population will continue to absorb housing inventory and sustain growth in apartments.
- ◆ The Generation Y segment (individuals aged 15 to mid-30s) is a larger population group than Baby Boomers and are comparably more frugal, more comfortable in smaller spaces, and desiring of living units convenient to work, shopping and recreation / entertainment districts. This demographic is a key supporter of the continued growth in mixed-use environments across the DFW Metroplex as a result.
- ◆ The Generation X segment (individuals between 31 and 46 years of age) are redefining the cultural assumptions associated with past decades. In general, they have been shown to desire equal parts traditionalism, work and leisure while gravitating around smaller, higher quality homes. This 49 million-strong cohort is challenging the Baby Boom precedent that “to spend is good, and to spend more is better.” This shift translates into a lower level of demand for commercial space per capita as this demographic group enters its peak earning years.
- ◆ Two age segments prefer low maintenance housing options (urban apartments and condos, townhomes and row houses, flats and co-ops). These include individuals and couples 18 to 32 years of age, and empty nesters 55 and older. Both segments are expected to grow in the Trade Area by 5 percent and 32 percent, respectively, over the next ten years.
- ◆ The growth in ethnic populations in Texas is creating new demand for goods and services, as well as changes in workplace dynamics. The integration and assimilation of these ethnic groups into communities represents both a future challenge and on-going opportunity for the Study Area.

Place

Over the last several years, there has been an increasing demand among consumers for walkable, mixed-use, high-density community spaces that support the integration of dynamic live / work / play activities. In light of higher energy costs, reductions in free time, and a desire for community interaction, real estate consumers are looking inward to urban infill locations to

address these concerns. Another significant influence on the size and character of commercial and non-commercial real estate has been the use of the internet for both commerce and industry. Specifically, technical advances and e-commerce have affected not only retail, but also industrial and office sectors, and to a lesser extent residential product types. “Connectedness” is now a given in both the workplace and at home. These trends may have a direct impact on the potential for new investment in the Study Area as follows:

- ◆ High-risk speculative development without established pre-leasing or ample market demand will be filtered out through conservative lender underwriting. This process will act to steer new development towards more proven and stable markets rather than newer ex-urban communities. While this is a positive trend for the Study Area, there are other more competitive urban marketplaces in the DFW Metroplex that will be seen more favorably until market momentum returns to the Study Area.
- ◆ Psychographic and demographic preferences of Generations X and Y lean toward urban infill locations offering the chance to live and work in a walkable, short commute, or transit-served environment. With a large existing workforce, excellent access to a range of public transit options, the presence of non-traditional retailers and ethnic restaurants, and having a primary quality health care facility, the Study Area is well positioned to appeal to such preferences.
- ◆ The development community is discovering that place-making elements provide pricing premiums that more than offset additional costs. Seeing this trend emerge in the Metroplex, the City has proactively revised its development growth policies to promote infill redevelopment and initiated this *Redevelopment Plan* to plan for such growth.

Employment

As noted in the *ED Strategy*, the City has long maintained a sizable industrial / manufacturing base that is primarily located along the I-635 corridor, and that includes the Study Area. As also noted in the *ED Strategy*, 40 percent of Garland’s industrial base was constructed prior to 1980. With this aging inventory and manufacturing and distribution companies trending away from traditional industrial space, the Study Area has an opportunity to re-tool existing space to accommodate expansion and / or conversion of existing industries, and enhance the existing industrial environment with the addition of ancillary housing (workforce) and commercial uses. Other manufacturing and distribution traits emerging in the next 10 years include the following trends.

- ◆ Consolidation of operations (meaning fewer locations and larger facilities)
- ◆ Speed-to-market demands and the logistics of just-in-time shipping
- ◆ Strategic importance of proximity to intermodal transportation and suppliers
- ◆ Flexibility to accommodate growth and change
- ◆ Sophisticated materials handling systems that support increasing market demands for efficiency, customization and high-tech
- ◆ Individualized requirements that demand an inside-out approach to infrastructure, i.e., first addressing inside equipment needs, then developing the building around those needs
- ◆ Access to a competitive labor market
- ◆ A return to the urban core and adaptive reuse opportunities
- ◆ An increased awareness of energy and environmental issues
- ◆ Higher profits off smaller inventories



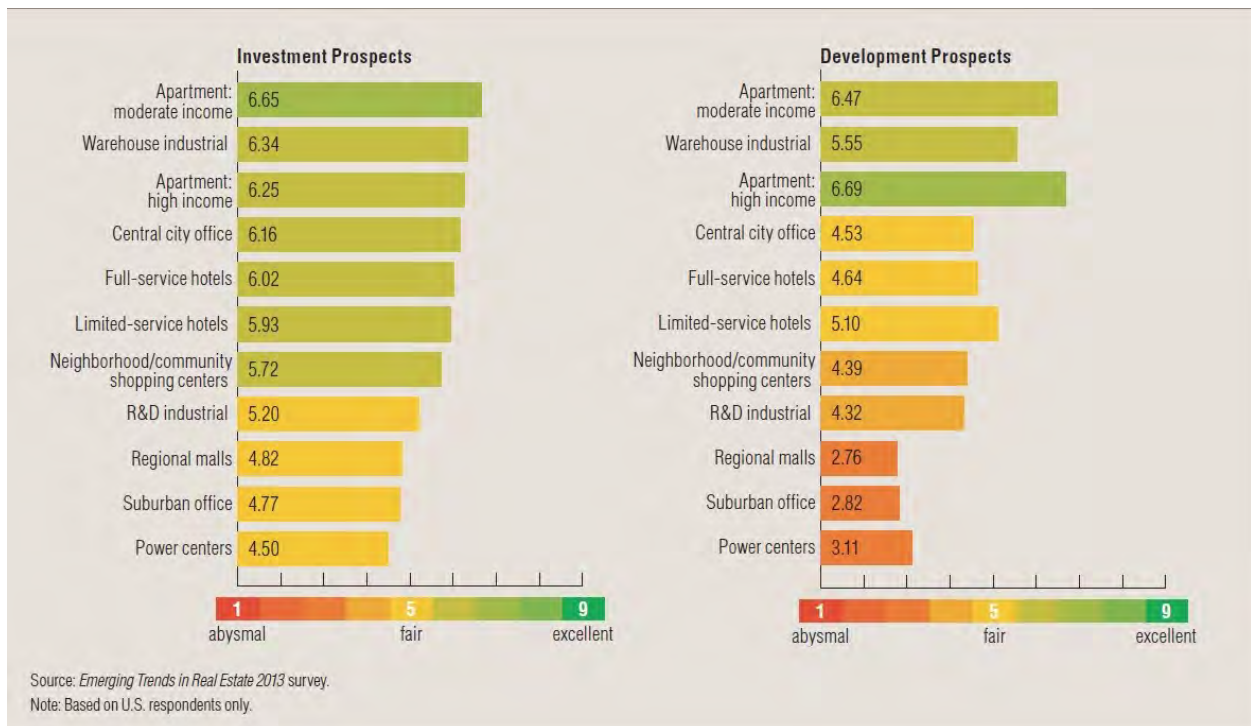
Development and Investment Opportunities

Development and investment trends could have a profound impact on the real estate products delivered over the next several years. To monitor the impact of these trends, Price Waterhouse Coopers (PWC) and the Urban Land Institute (ULI), the lead membership organization representing real estate professionals throughout the world, issues a report on real estate prospects for investment and development each year. The following summarizes near-term expectations, based on PWC's most recent survey of practitioners throughout the United States. Figure 3A through Figure 3F provide graphic illustrations of the results.

General

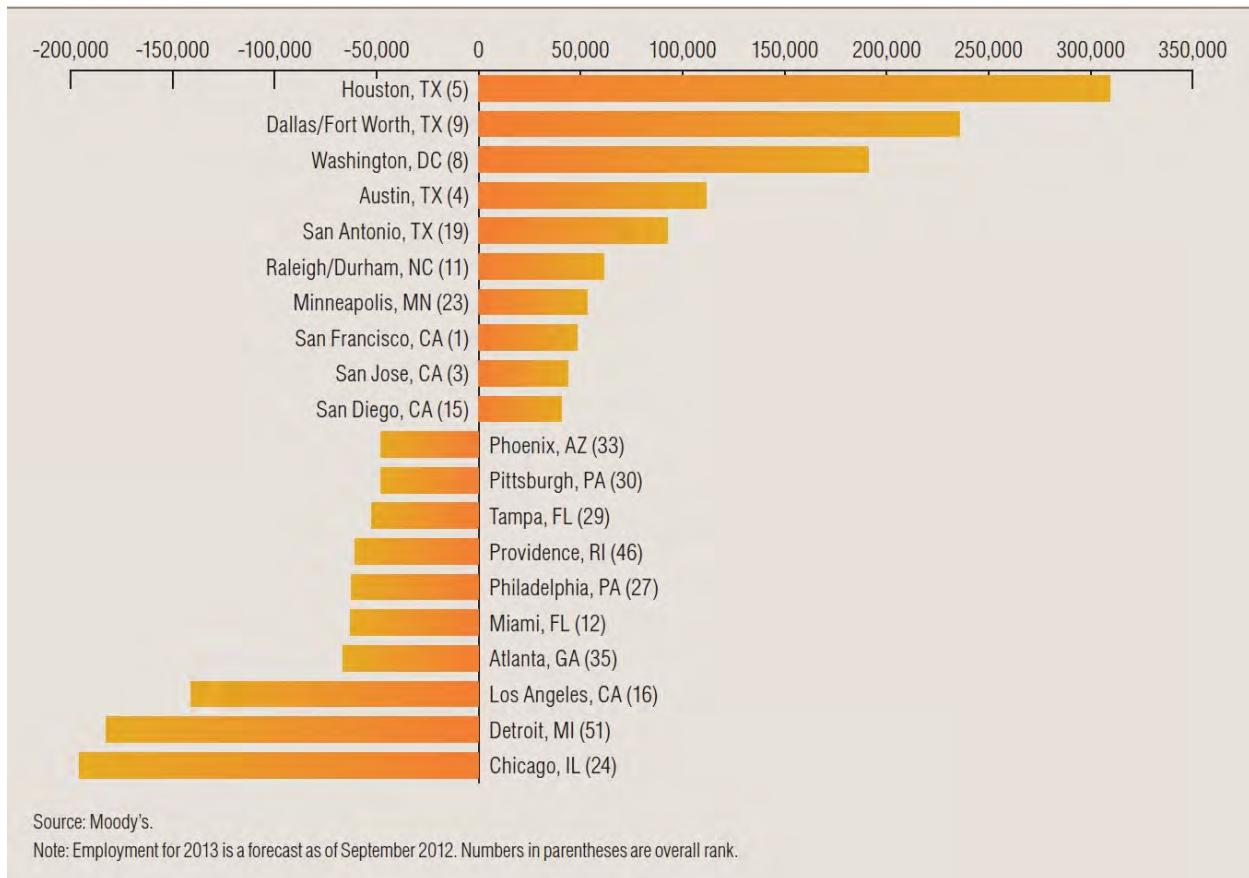
General investment opportunities for non-central city locations such as the Study Area include moderate income apartments (moderate and higher income), warehouse industrial, and community retail. Top development prospects include apartments (high income and moderate

Figure 3A. General Investment and Development Prospects



income), and warehouse industrial. Niche opportunities that will continue to thrive for psychographic reasons include senior housing and medical office (discussed later). Apartments and industrial are considered the only property types that will reliably cash-flow in the near term, while profitable mixed-use opportunities will involve mid-rise residential products around established shopping, employment and transit. Urbanity in the suburbs will continue to be in demand as many consumers continue to be priced-out of inner-city locations. Such development is not limited to walkable “New Urbanist” design, but the active programming of space to encourage active lifestyles. Heightened shared amenities including parks, trails and open space is becoming an increasingly palatable alternative to large yards. Further, sustainable building concepts will become industry standard in next-generation projects. Existing buildings will need to increase efficiencies and retrofit new systems in order to compete.

Figure 3B. Employment Change (2007-2013)



The DFW marketplace will continue to enjoy these changes as it is second in the nation in job creation over the past 5 years (Figure 3B). This increase in employment is projected to continue and offers a continuation in the expansion of the regional marketplace.

Residential

PWC and ULI have identified this period of development through 2015 as being known as the “Era of Less”, driving demand for apartments (Figure 3D).

- ◆ Constrained apartment development, pent-up demand, former homeowners and an expanding population base 32 years and younger will continue to drive down vacancies and increase rents. This will be fed by couples marrying and/or starting families later and seniors who choose a simplified and more efficient lifestyle.
- ◆ Investors and owners express more interest in reducing and managing energy costs than renters. As such, access to reduced/bulk energy pricing, and availability of energy-efficient fixtures and equipment will help steer location of supply.
- ◆ Senior housing will continue to grow as certain Baby Boomers will settle for comfortable rental as an empty-nest move-out option over for-sale condominiums.
- ◆ 24-hour metro areas will continue to be the best environments for successful apartment development, with the exception being markets where condo overbuilding presents competition for conversions.
- ◆ Affordable housing will continue to be necessary in growing markets with higher employment such as the context for the Study Area.



Figure 3C. Specific Prospects

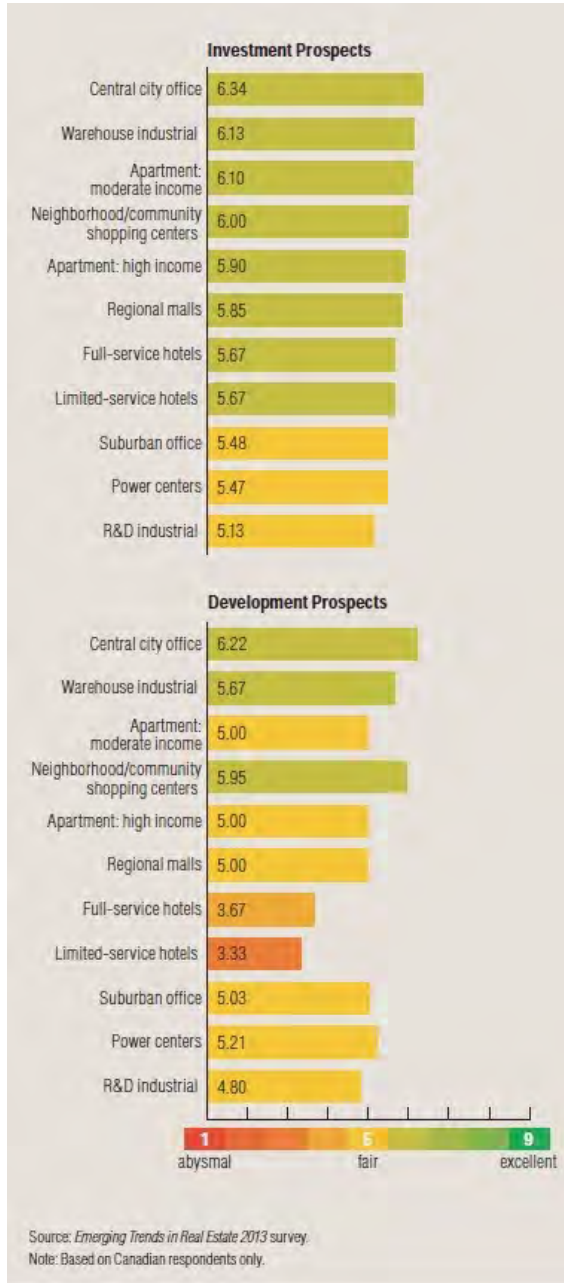
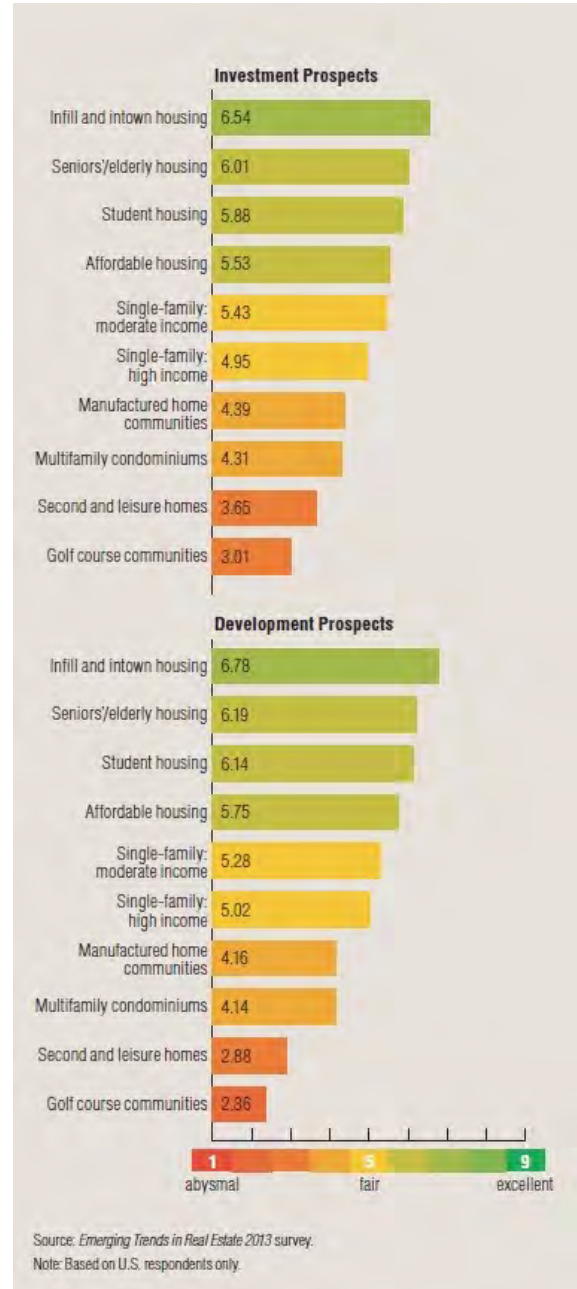


Figure 3D. Residential Prospects



Retail

Retail opportunities in the near term will be classified as nearly non-existent in most markets, though that trend may reverse in the mid-term for markets defined through the following characteristics (Figure 3E).

- ◆ Ethnic retailing, internet retailing, and experience show rooms will dominate the near-to-mid term retail field, as consumers place more emphasis on the experience of shopping.

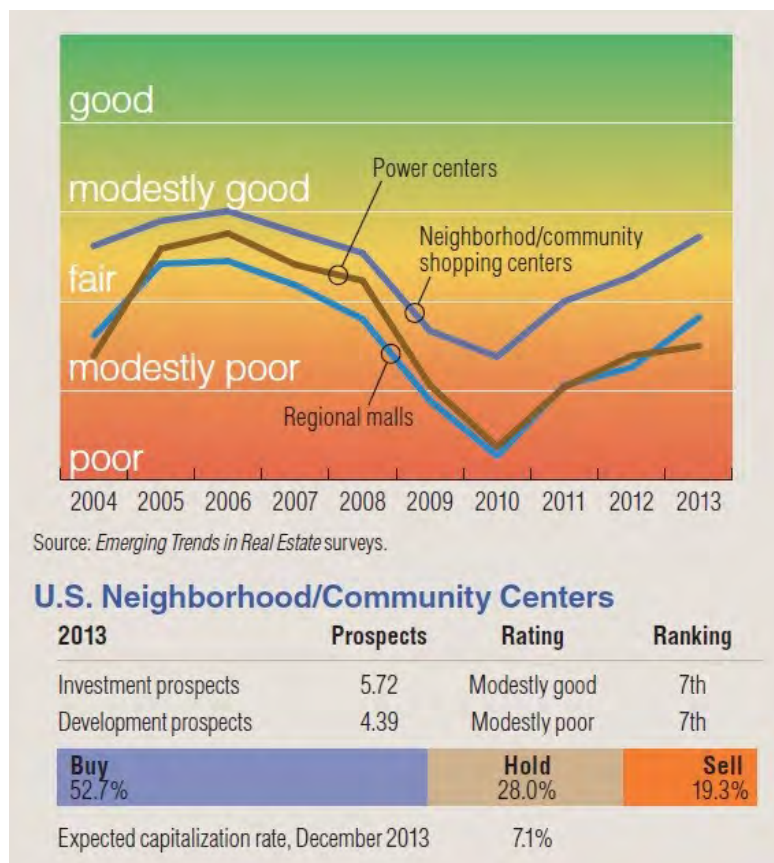
- ◆ Multi-branding and cross-branding will be essential, and health and wellness connections will be emphasized. This provides commercial centers with hospital affiliations to have particular viability.
- ◆ Higher profits off smaller inventories will continue to be the trend in retail development.
- ◆ Big box retailers will continue to deliver new boutique stores, particularly in inner-city locations.
- ◆ Outlet malls will continue to be well-positioned to capitalize on the new value-proposition.
- ◆ More on-line stores will likely reduce the number of bricks-and-mortar stores, modifying distribution models and reducing warehouse needs; to-date, the impact has been smaller stores, with less inventory on-site.

Office / Industrial

Office development opportunities (Figure 3F) will be largely limited to gateway communities with a healthy shipping trade. Non-gateway communities having infill locations with products offering green attributes might see some investment including the following opportunities and characteristics.

- ◆ Telecom and computer innovations that make going to an office superfluous for more workers, and that have enabled domestic and offshore outsourcing to people operating from homes or at cheaper overseas locations will continue. This will temper new demand for office space.

Figure 3E. Retail Prospects





- ◆ Shipping and trade activity will show signs of improvement as business inventories rebuild and the market demands industrial space that doesn't exist because of subdued development.
- ◆ Whereas “green buildings” (those designed and built with sensitivity to the environment) are considered a right of entry into the market since many corporations and governments have established policies and regulations making it mandatory, markets will see more of this product type.
- ◆ With more than a decade of green building, it has been determined that the investment can be recouped in five to ten years – thus only appealing to specific investor groups.
- ◆ Greener speculative buildings and proximity to transport options will command higher rents.
- ◆ Employment in proximity to areas having a mix of uses including housing and lunchtime opportunities will be better positioned generally, than those that do not have such amenity-rich contexts.

Figure 3F. Office Prospects



Hospitality

Hotels, while an acquisition (but not development) opportunity, will be highly speculative though all key metrics (occupancies, room rates, and revenues) should improve over the next 5 years.

Study Area Trade Area

The Study Area for this market analysis, and ultimately the *Redevelopment Plan*, is illustrated in Figure 3G. The purpose of the work presented herein is to: understand key indicators that collectively define the Study Area's competitive position for investment and reinvestment, as well as those of the TIAs; and to quantify growth and corresponding demand for specific real estate product types which might develop. Knowing that new investment, regardless of type and location, will compete with sites and areas outside their boundaries, comparative demographic information is provided for three geographies: (1) City of Garland, (2) Study Area Trade Area, and (3) DFW Metroplex.

Forest / Jupiter Transit-Oriented Redevelopment Plan Trade Area

The market analyses summarized herein, provide an overview of supply conditions and demand estimates by major land use for the Study Area Trade Area (later referred to as the Macro Trade Area) and individual TIA Trade Areas.

A trade area is defined as an area from which a project or locale will draw the majority of its residents (housing), patrons (retail), employees (office, industrial, institutional), and visitors (lodging), and those areas that will likely be a source of competition and demand. It is intended to encompass the majority of sources of demand (especially in the case of retail), as well as the primary competitive set for potential land uses contemplated for future projects. The boundaries of a trade area are often irregular as they are influenced by the following conditions:

Physical Barriers

The presence of certain physical barriers including highways, arterials and significant structures that influence driving and shopping patterns;

Location of Possible Competition

inventory of potentially competitive projects that could diminish the market share available to projects in the Study Area (e.g., supply concentrations for residential, retail and employment uses);

Proximity to Population and / or Employment Concentrations

Centers of both that could translate into more population and households to support projects in the Area (density and housing units);

Zoning

Restrictive or favorable regulatory environment that will influence a developer's interest in delivering projects in one location vs. another (e.g., availability of transit and / or mixed-use zoning; form-based codes, design standards, policies and other regulations);

Market Factors

Conditions that will set sale and lease prices, influence a developer's interest or impact a project's revenue potential (value) (e.g., market perceptions based on interviews with brokerage and development communities); and

Drive Times, Spending, and Commuting Patterns

Established habits and patterns that could impact a project's or area's ability to capture market share (or require re-education) (e.g., propensities to drive in rather than out).

It should be noted that when preparing a market analysis in the context of a sub-area planning initiative that will be refined over-time, it is sufficient to analyze conditions for multiple land uses within a single trade area. Once select sites or locations are identified and development programs proposed, it will be prudent to prepare customized trade areas reflective of the various development program components.



Macro Trade Area

The factors identified previously have helped shape a specific macro Trade Area for this project that reflects the sub-regional trends affecting the Study Area marketplace. This Trade Area boundary includes all of Garland, plus portions of Richardson, Plano, Murphy, Sachse, Wylie, Rowlett, Sunnyvale, Mesquite and northeast Dallas. It represents an approximate 7- to 9-mile area surrounding the Study Area and is somewhat similar to the Garland Trade Area identified in the *ED Strategy*. Figure 3G shows the Trade Area used in the context of this *Redevelopment Plan*. The western boundary of the updated Trade Area has been extended from what was used in the *ED Strategy* westward to Preston Road from Coit Road. This expanded Area includes additional development concentrations north of President George Bush Turnpike (PGBT) and west of US 75. This larger area is justifiable as it is within a day-to-day transportation zone that accounts for travel by both residents and employees to and from the Study Area, reflects an urban marketplace in which land assembly is more difficult, and measures the growth within this urban context that will be competitively available. In calculating the specific land use programming for each TIA however, the larger land use programming potential that is derived by the overall Trade Area will require a process of discounting based on the physical and market characteristics of each TIA. Such a process has been undertaken to arrive at the specific programming identified in this *Redevelopment Plan*.

Figure 3G. Macro Trade Area



Measuring Programming Potential for Each TIA

The *ED Strategy* provided preliminary estimates of market demand for the three TIAs utilizing such discounting to measure local demand. These estimates were based on a citywide prioritization of *Envision Garland's* seven Catalyst Areas and related TIAs, which showed the Forest / Jupiter Transit-Oriented Redevelopment Plan Study Area as a lower priority area relative to other Catalyst Areas in the city. The market demand estimates for the Study Area, then, reflected slower absorption over a ten-year period for all land uses analyzed. After the *ED Strategy* was completed, the Forest / Jupiter Transit-Oriented Redevelopment Plan Study Area became a higher priority investment area, as evidenced by this current planning effort.

Experience has shown that, when a city casts a light on a specific area, activity can happen faster, particularly if public expenditures become a priority. To account for this new City focus on the Forest/Jupiter Transit-Oriented Redevelopment Plan Study Area, the estimates of market demand were updated in three ways:

- 1) To account for an expanded trade area to more accurately reflect the Forest / Jupiter Transit-Oriented Redevelopment Plan Study Area's potential market influence;
- 2) To reflect the impact of heightened public attention to the redevelopment Study Area; and
- 3) A smaller Influence Zone was determined for the specific Study Area in which a greater capture rate was factored for the specific land use programming recommendations for planning purposes. (See Figure 3H)

Figure 3H. Study Area Influence Zone within Trade Area





Demographic Characteristics

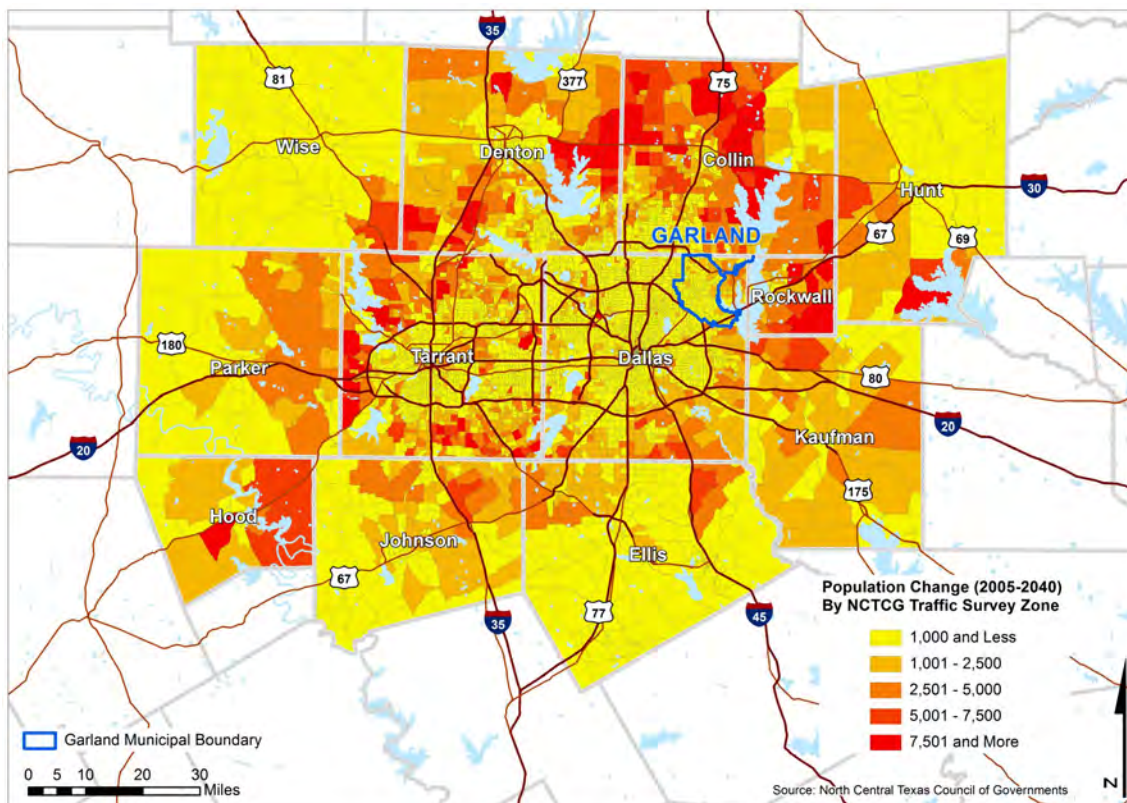
Demographic characteristics in the market are indicators of overall trends and economic health which may affect private and public sector development and redevelopment activity. The following summarizes trends which will affect (re)development demand within the Study Area over the near- and long-term.

Population

Garland's population represents 26 percent of the total Trade Area population. The Trade Area population, in turn, represents 13 percent of the DFW Metroplex population. As reflected in Appendix Exhibit 3-1 between 2000 and 2011, the Trade Area grew at an annual rate of 1.2 percent, while the DFW Metroplex grew at a rate of 2.3 percent. Lower growth rates in Garland and the Trade Area in the midst of healthy regional growth are highly reflective of the capacity of these areas to accommodate new development. Inner ring communities such as Garland are often assigned modest rates of growth by regional entities like NCTCOG as their models are based on land utilization and zoning designations. The extraordinary efforts of infill communities to encourage property re-use and densification through supportive policies and financial incentives are rarely accounted for in estimates of growth.

As the primary source for regional forecasting, NCTCOG's forecasts are generated with county level control totals. The forecasts at the district (or county) level were then disaggregated to

Figure 3I. Population Trends



Traffic Survey Zones (TSZs). The TSZs that are within the Garland municipal boundaries are projected to experience low to moderate population growth between 2005 and 2040 as shown in Figure 3I.

As noted, regional forecasting models weigh heavily on land availability and therefore, typically understate the potential for infill redevelopment. With this as context, NCTCOG’s long-term population projection for the Trade Area (from 2005 to 2040) is 0.9 percent, slightly lower than the 1.2 percent rate projected by Claritas (a national on-line data source) over the next five years. For the purposes of this analysis, a blended household growth rate of 1.0 percent annually was used for the Trade Area through 2021.

Age Demographics

Figure 3J and Figure 3K illustrate the Baby Boomer Population and Gen Y Population, respectively. The overall age profile for the Trade Area is similar to Garland and DFW Metroplex, with a slightly higher average age. The overall Trade Area is home to concentrations of 20-something adults, particularly in the neighborhoods nearest to the US 75 and PGBT Highway 190 corridors. Conversely, Garland has a somewhat smaller percentage of 20-something adults, compared to both the Trade Area and Metroplex overall. The concentration of 30-something adults is similar across all three geographies, with Garland having a slightly lower concentration. The Garland community’s emphasis on infill development and redevelopment initiatives over the near- and long-term will likely target the two age segments discussed here as the product types that typically succeed in these markets are frequently attached ownership and rental product types conducive to smaller household sizes.

Figure 3J. Age Demographics: Baby Boomer Population

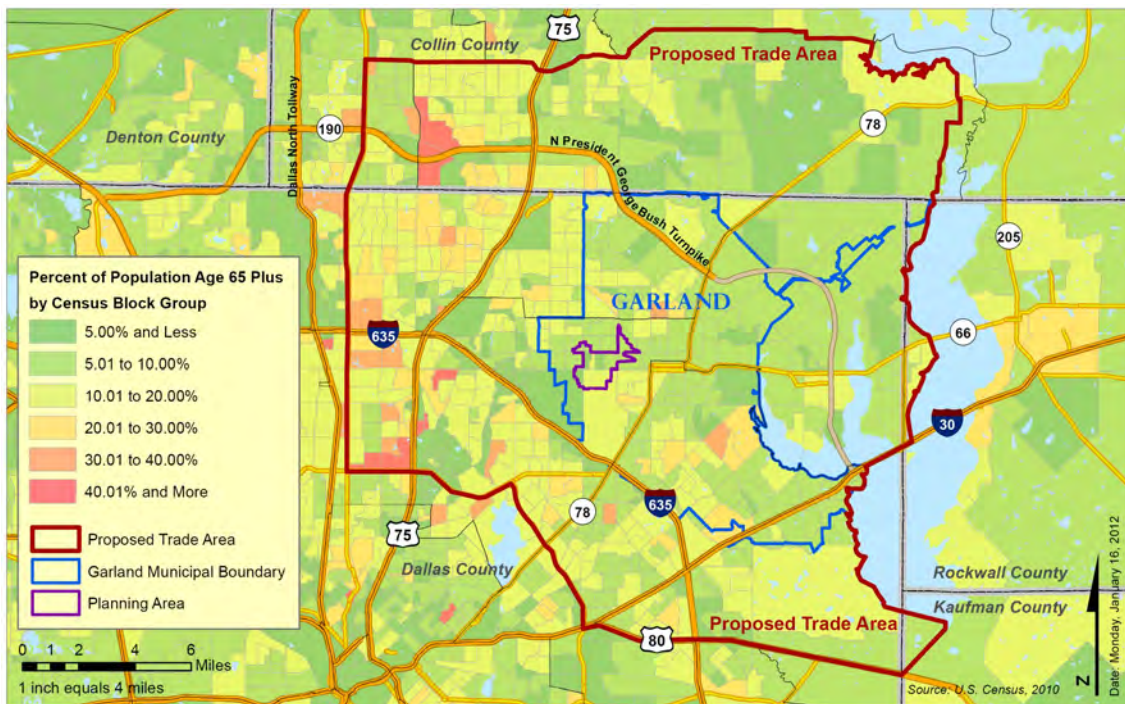




Figure 3K. Age Demographics: Generation Y Population

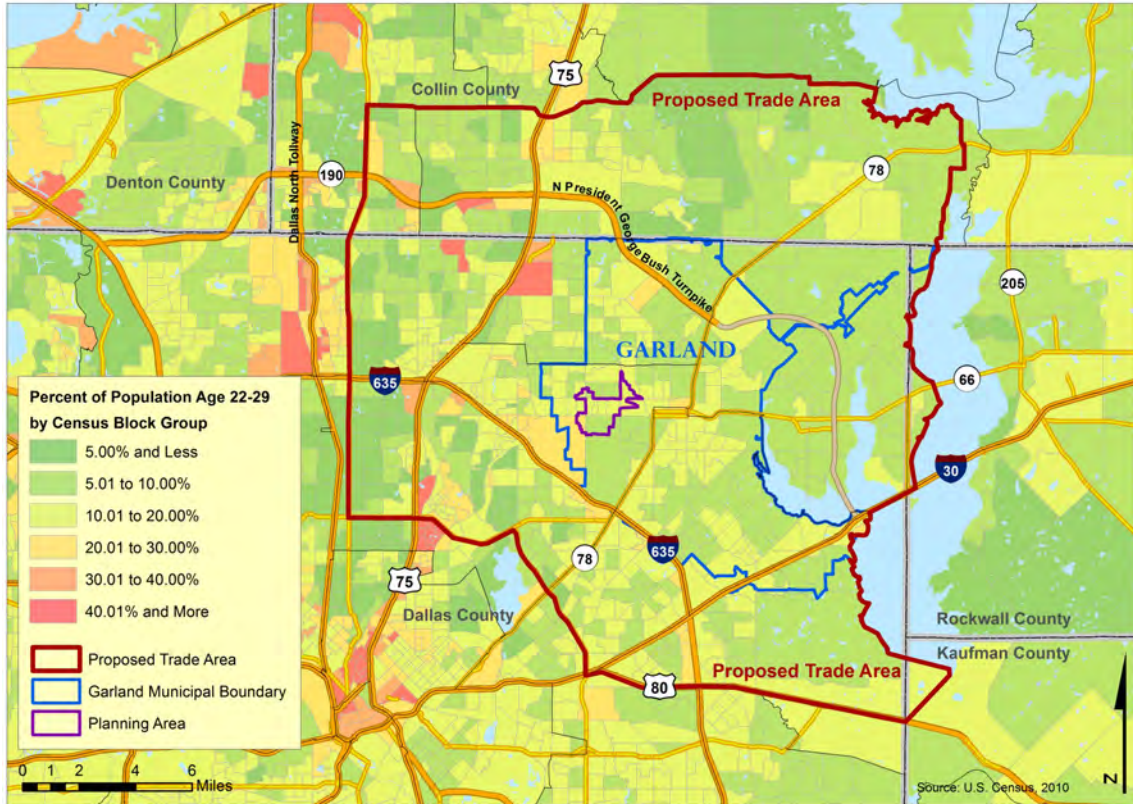


Table 3A. Population and Household Growth

	City of Garland	Trade Area	DFW Metro
Population			
2000 Census	215,768	765,510	5,161,544
2010 Census	226,876	859,206	6,371,773
2011 estimate	227,730	869,185	6,627,743
2016 projected	239,347	920,632	7,257,611
2000-2011 CAAGR*	0.5%	1.2%	2.3%
2011-2016 CAAGR*	1.0%	1.2%	1.8%
Households			
2000 Census	73,241	287,153	1,881,056
2010 Census	75,696	316,304	2,298,498
2011 estimate	75,946	319,377	2,367,002
2016 projected	79,426	335,668	2,582,386
2021 projected	79,949	352,790	2,829,283
2000-2011 CAAGR*	0.3%	1.0%	1.8%
2011-2021 CAAGR*	0.9%	1.0%	1.8%

* Compound Average Annual Growth Rate

Source: U.S. Census; NCTCOG; Claritas, Inc.; and Ricker|Cunningham.

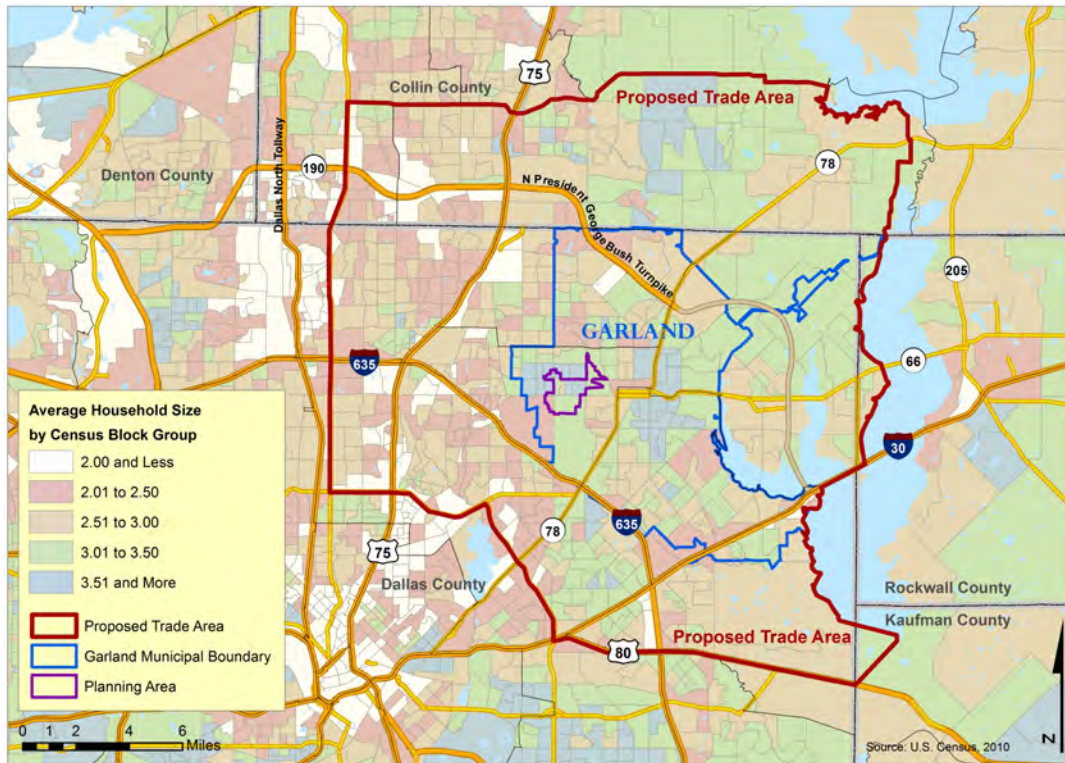
Table 3B. Age Distribution (2010)

	City of Garland	Trade Area	DFW Metro
0-17	29%	27%	28%
18-24	9%	9%	9%
25-34	15%	15%	15%
35-44	14%	15%	15%
45-54	14%	14%	14%
55-64	10%	10%	10%
65 and up	9%	10%	9%
Total	100%	100%	100%
Age 20 to 29	10%	12%	14%
Age 30 to 39	14%	15%	15%
Average Age	34.0	35.4	34.4

Source: U.S. Census; Claritas, Inc.; and Ricker|Cunningham.



Figure 3L. Average Household Size



Household Characteristics

While household sizes (also an indicator of family life stage) tend to be larger in newer suburban development locations and smaller in established urban areas, they can also skew higher among select ethnic groups regardless of location. Note: Larger households tend to be concentrated in established neighborhoods on the edge, with a few pockets located in the central urban areas of Garland. (See Figure 3L) As presented in Table 3C, across the three geographies presented here, the Metroplex has the largest percentage of households living in non-family arrangements. Because non-family households are more likely to be renters, it is not surprising that Garland has somewhat fewer renters and an overall larger household size.

As shown in Figure 3M, higher concentrations of renter households exist along the US 75, PGBT Highway 190, and the I-635 and I-30 corridors, closest to existing employment centers.

Table 3C. Household Characteristics (2010)

	City of Garland	Trade Area	DFW Metro
Average Household Size	3.04	2.87	2.75
1- and 2-Person	49.1%	51.5%	54.4%
Non-Family	27.4%	29.0%	30.8%
Renter-Occupied	34.8%	36.5%	38.4%

Source: U.S. Census; Claritas, Inc.; and Ricker|Cunningham.

Figure 3M Rental House Distribution

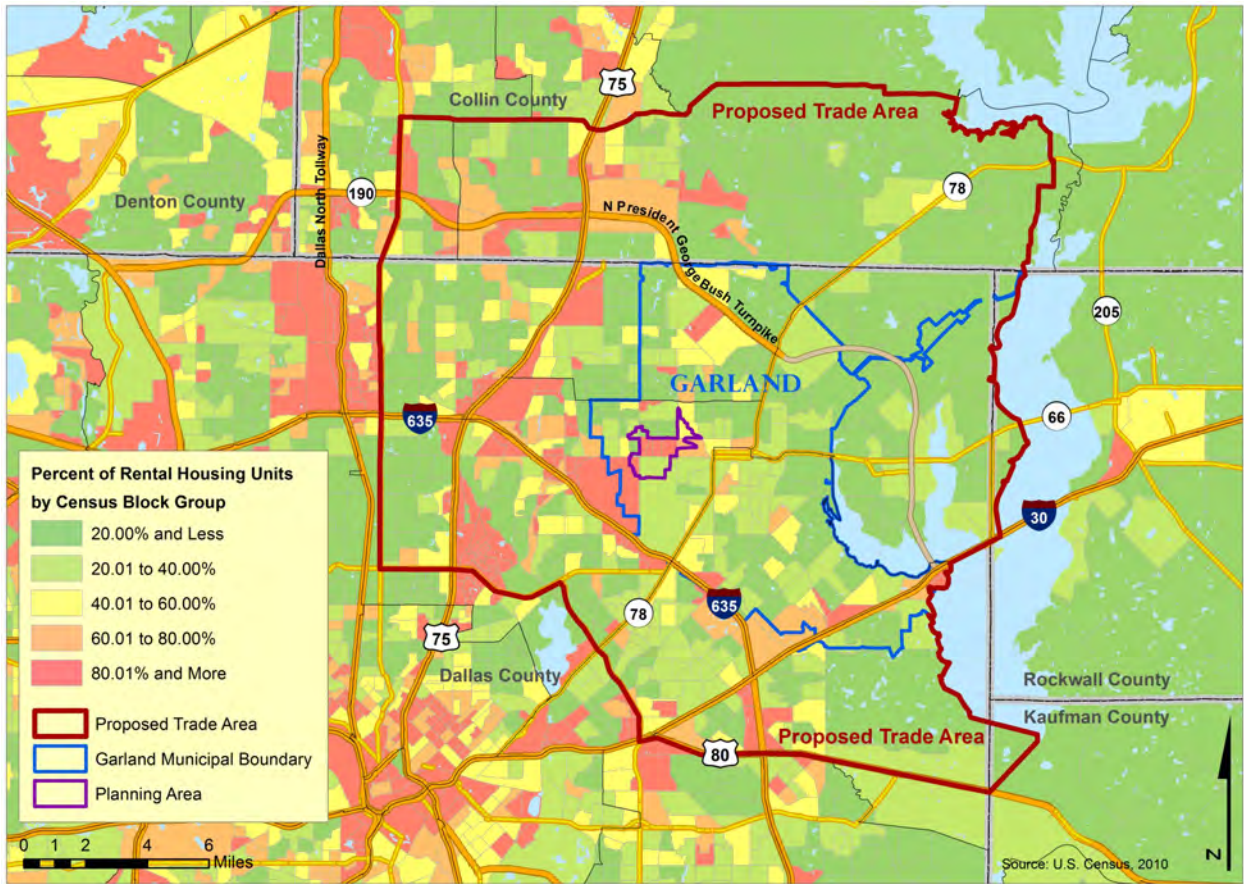


Table 3D. Household Characteristics (2010)

	City of Garland	Trade Area	DFW Metro
White	57%	60%	65%
Hispanic/ Latino	38%	35%	27%
Black/ African-American	15%	15%	15%
Asian	9%	8%	5%
Other or Multi-Race	19%	18%	14%

Source: U.S. Census; Claritas, Inc.; and Ricker | Cunningham.



Figure 3N. Hispanic Population

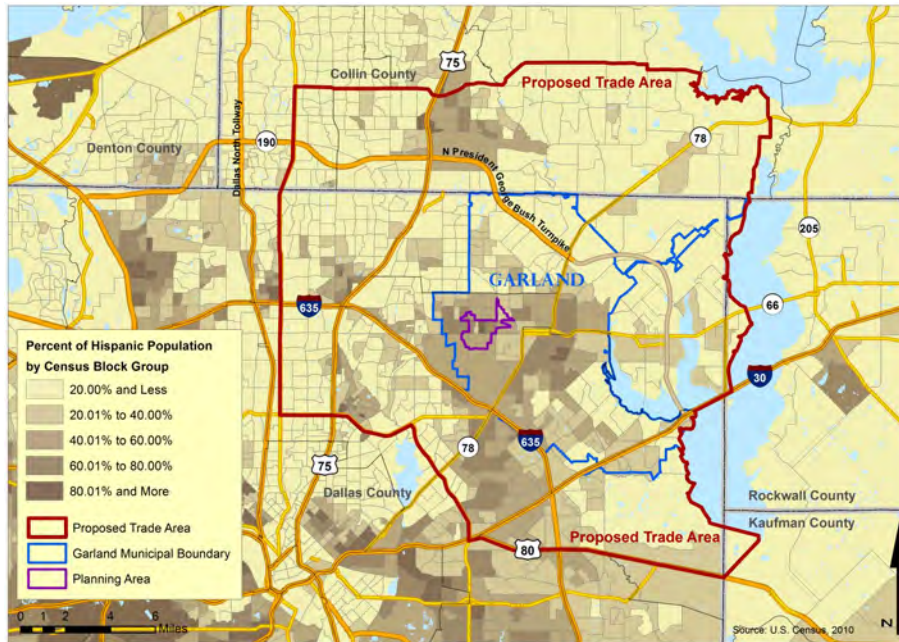
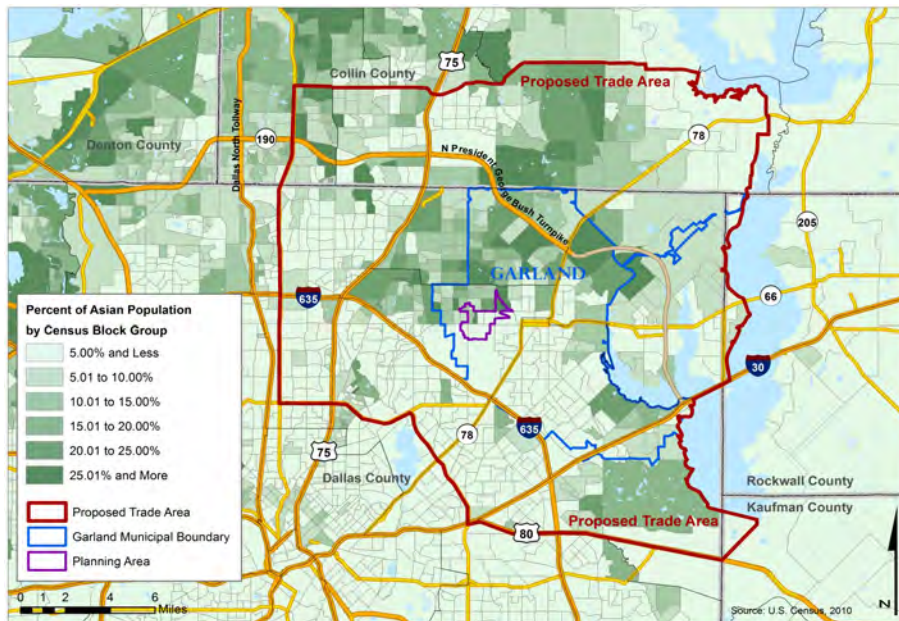


Figure 3O. Asian Population



Ethnicity

The 2010 Census revealed what many communities in the DFW Metroplex anticipated – the rising influence of the Hispanic and Asian populations, as historically White and African American populations shifted to accommodate these growing populations. As shown in Table 3D, Garland has the greatest ethnic diversity of the three geographies, with higher Hispanic and Asian populations than either the Trade Area or Metroplex. Understanding a community’s ethnic profile, particularly by geography, can be beneficial when attempting to position key Catalyst Areas for targeted investment. This is especially true among retailers. Other groups that can use this information are institutional groups including education, training, and social services. (See Figures 3N and 3O).

Income Demographics

Pockets of affluence can be found throughout the Trade Area, especially to the north (Plano, Sachse, Wylie) and west (Richardson), with newly forming affluent areas to the east (Rowlett) – see Figure 3P. This is reflected in higher per capita and household incomes in the Trade Area, as well as higher concentrations of \$100,000+ households. As Table 3F demonstrates, Garland’s household income profile is slightly lower than both the Trade Area and Metroplex, likely due to the age of the community and its significant blue collar employment base.

Employment Growth

While Garland is home to many firms employing over 100 workers, especially in the southwest portion of the city, the highest concentrations of large employers within the Trade Area are located along US 75, particularly in Richardson and Plano (See Figure 3Q). While job growth over the last few years and through the recent recession was considered comparatively healthy, long-term job growth is projected to be somewhat slower (per NCTCOG). Rates are forecasted to remain below 2 percent at 1.6 percent in the Trade Area and 1.8 percent in the Metroplex through 2035.

NCTCOG employment growth projections suggest strong growth along the US 75 and PGBT Hwy 190 corridors. Interstate highway corridors such as I-30 and I-635 will be more likely targets for incremental job growth through redevelopment. The immediate Garland market area is expected to experience modest growth, somewhat higher in its northeast quadrant along the PGBT Hwy 190.

Figure 3P. Median Household Income

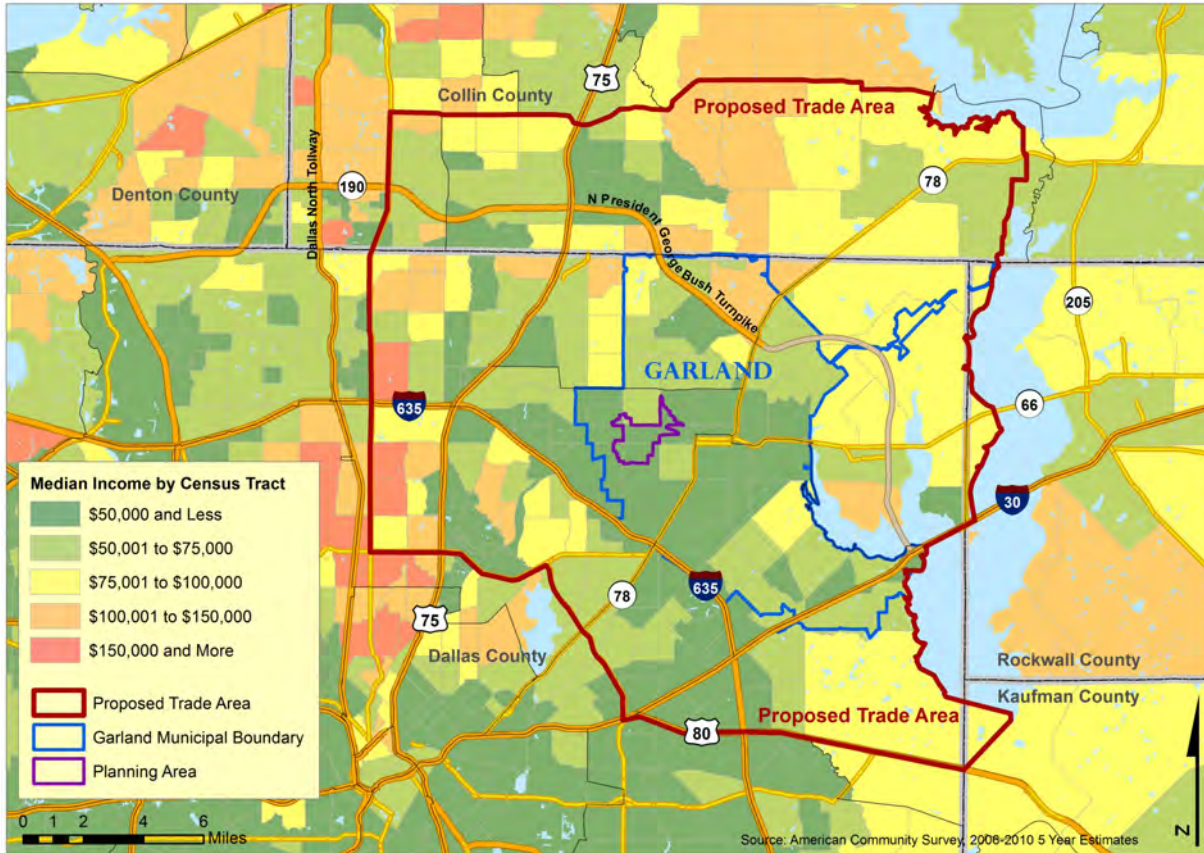


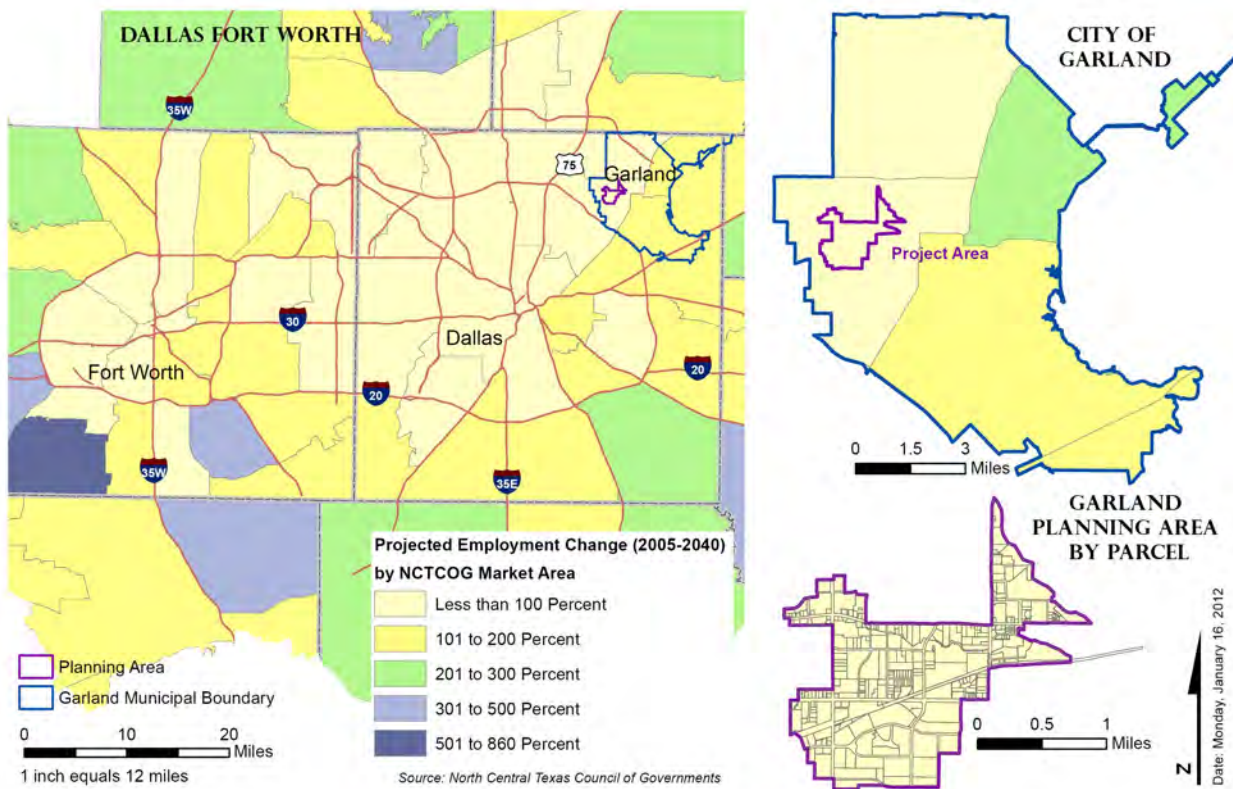


Table 3F. Household Income (2011 Estimate)

	City of Garland	Trade Area	DFW Metro
Median Household Income	\$52,450	\$57,110	\$55,943
Average Household Income	\$64,071	\$75,638	\$74,845
Per Capita Income	\$21,548	\$27,957	\$26,929
% Earning < \$35,000	30%	28%	30%
% Earning \$100,000+	15%	22%	22%

Source: U.S. Census; Claritas, Inc.; and Ricker | Cunningham.

Figure 3Q. Regional Employment Growth



Psychographic Characteristics

Psychographics is a term used to describe characteristics of people and neighborhoods which, instead of being purely demographic, speak more to attitudes, interests, opinions and lifestyles. PRIZM NE (Claritas, Inc.) is a leading system for characterizing neighborhoods and the local workforce into one of 65 distinct market segments. Psychographic analysis uses geographic and demographic information as part of its methodology, but the resulting segment profiles include a richer set of information on wants, needs, and consumer behavior tendencies based on a variety of survey and other data sources.

Commercial retail developers are particularly interested in understanding a community's psychographic profile, as this is an indication of its resident's propensity to spend across select retail categories and in specific retail formats (e.g., lifestyle centers, regional malls, downtowns, etc.). Both commercial and residential developers are interested in understanding this profile as it tends to suggest preferences for certain real estate products. When these preferences are compared to existing inventories, it can quickly become obvious where there are disconnects between the delivery system's perception of the market and the market itself. (Note: The delivery system includes developers, lenders, City officials, merchants, and others who affect the delivery of projects to the market.) Psychographics, in combination with demographic analyses and community survey information is often used in lending requests for development types that are still unproven in their respective markets.

Top Resident Psychographic Segments

Appendix Exhibit 3-2 presents the top (in terms of numbers) 20 psychographic segments for Garland and the Trade Area. City segments represent 87 percent of all households, whereas the Trade Area segments represent 73 percent of all households. It is not unusual for either a municipality or custom geography to maintain a significant percent of households in less than one-third of all market segments (65 total) whereas individuals tend to select communities where their neighbors may share similar values and lifestyle choices. Garland and Trade Area segments are further organized by life stage – Younger Years, Family Life and Mature Years.

As Appendix Exhibit 3-2 also shows, 20.6 percent of Garland's households fall within the Younger Years life stage, compared to 26.1 percent of Trade Area households. Conversely, 53.3 percent of Garland's households fall within the Family Life stage compared to 32.0 percent of Trade Area households. Finally, 12.6 percent of city households are concentrated in the Mature Years life stage, while 14.7 percent of Trade Area households are. In summary, Garland maintains more family households while the Trade Area is home to more singles, as well as younger and older households.

Of particular interest are those households within each stage that suggest a preference for both commercial and housing product types that do not exist within their respective geographies. Of the households in Garland that are classified as Younger Years, more than 40 percent clearly desire either a market-rate rental or attached ownership housing product type. Family Life and Mature Year households that prefer these products total 36 and 60 percent, respectively. In aggregate, these households represent more than 40 percent of Garland's top segment groups. Interestingly, fewer than 35 percent of all residential permits in Garland, over the last seven years, were for these products. Comparatively, 24 percent of households in the Trade Area prefer either a rental or attached ownership housing product, while fewer than 20 percent of all residential permits in the Trade Area over this same timeframe were for these products.



Households in Garland are generally living in a diverse mix of affluent white collar and more modest, blue-collar neighborhoods, with concentrations of retirees, singles and families. There is a high level of ethnic diversity across every income segment.

Demographic and Psychographic Implications

The Trade Area's demographic composition is similar to many inner ring suburbs throughout the U.S. Population and household growth rates in these communities tend to lag behind the fringe, or ex-urban communities that often abut them. Despite this apparent competitive disadvantage, the portion of the Trade Area that the Study Area has the potential to serve exhibits the characteristics of both inner ring and fringe communities; it has both established stable neighborhoods and growing development areas. In addition, recent trends show that people and households are moving back in to communities like those in the Trade Area, rather than out to communities on the fringe. The following outlines further trends.

The Trade Area's population tends to skew slightly older than that of Garland or the Metroplex. This indicates a smaller family population and a growing senior resident base. A key demographic for economic development is the young adult age cohort (20s and 30s), who tend to be the drivers of new business growth within a community. The Trade Area has a larger percentage of these young adults than Garland, but a smaller percentage than the Metroplex (above the youngest bracket). This might suggest that high school graduates in Garland may tend to leave Garland to pursue job opportunities in other parts of the Metroplex or beyond. While this difference in the concentration of young adults is not substantial, it still points to an area of focus for future economic development efforts. The larger household size and lower share of renter and non-family households indicate an even larger gap in the young adult population.

The Trade Area's ethnic profile reflects a trend throughout the Southwestern U.S. – growing Asian and Hispanic populations. In particular, the Trade Area has significantly higher Hispanic and Asian populations than the Metroplex as a whole. The economic development challenge posed by these ethnic groups is the effective assimilation of their populations into the business community. At the TIA level, the identification of ethnic neighborhood dynamics will be critical in developing opportunities for local ethnic entrepreneurs.

The Trade Area's income profile is slightly more attractive than either Garland or the Metroplex. Trade Area wealth is concentrated in the communities of Plano and Richardson. For economic development purposes, the Trade Area can be described as a solid, stable upper-middle income community.

In terms of future employment opportunities in the Metroplex, the Trade Area is uniquely positioned, with US 75 and the newly developing PGBT corridor. While projected Trade Area job growth rates are actually lower than the Metroplex, there are still ample opportunities for new economic development, building on established employment centers and infill / redevelopment areas.

For economic development purposes, then, the Study Area can sell the more attractive demographics of the Trade Area for new development and the more stable demographics of Garland for redevelopment. This two-pronged marketing approach will allow the Area to accommodate a broader diversity of development opportunities.

As noted, Garland's psychographic profile reflects a diverse mix of relatively affluent white collar and more modest blue collar neighborhoods, with growing ethnic populations. As is the case with inner ring suburbs, Garland shows more diversity than the Trade Area.

Garland's resident psychographic profile reflects the family environment that was evident in Garland's demographics. Heavily represented groups such as American Dreams, Kids and Cul-de-Sacs, Blue-Chip Blues, Beltway Boomers, Winner's Circle and Blue Blood Estates reflect this primarily suburban lifestyle. These suburban style family categories are also represented in the Trade Area.

Market segments which suggest a preference for a more urban lifestyle in both Garland and the Trade Area include New Beginnings, Young Influentials, Bohemian Mix, The Cosmopolitans, Money and Brains and Executive Suites. A comparison of existing inventories to lifestyle preferences in both Garland's and the Trade Area's housing stocks suggests an opportunity for more diversity, including products that could easily be accommodated within the select areas of the Study Area, particularly those served by transit.

Psychographic segments that support the development (and redevelopment) of higher-density, lower-maintenance housing products also tend to support unique types of retail and employment environments. The more suburban lifestyle categories will continue to support the range of housing, retail and office products, primarily those in a lower-density environment that already exist in the market.

Market Opportunity – Study Area

An accurate interpretation of the Study Area's competitive position requires an understanding of the supply characteristics of competitive developments. In order to identify potential redevelopment opportunities given prevailing market conditions, demand estimates were also prepared. The following discussion presents an overview of existing supply conditions by land use, as well as estimates of future demand and potential levels of supportable units and square feet by product type.

Residential Supply, Demand, and Implications

The City issued, on average, 345 residential building permits annually over the last 7 years. Of these average permits issued, 32 percent of those issued over the last 7 years constituted multi-family permits. (See Appendix Exhibit 3-3.) For the jurisdictions included (at least in part) in the Trade Area, the total average number of permits was 2,029 per year, only 19 percent of which were for multi-family units. Considering just the communities which permitted multi-family construction (Garland, Mesquite, Richardson, and Wylie) total permits issued averaged 1,436, with multi-family permits representing 27 percent of construction. Although Garland makes up nearly 23 percent of the Trade Area's existing households (in other words, it's total historical absorption), it has accounted for approximately 17 percent of recent Trade Area home-building. These percentages suggest that while Garland had historically captured a greater share of Trade Area growth, time and a declining supply of competitively positioned and available parcels have caused a reduction in their share. This is not unusual for an inner ring community competing for new development with fringe areas. As an illustration of this trend, building permits for the last 7 years in Trade Area fringe communities represented a substantial portion of their current housing bases, e.g., Sachse (18 percent), Wylie (32 percent) and Murphy (37 percent).

Sales of single family detached units represented 92 percent of Trade Area new home sales in 2011 (through October). With 133 units sold (as tracked by Hanley Woods), Garland trailed only Plano and Wylie in the Trade Area in terms of number of single family units sold in 2011. Approximately 53 percent of single family detached sales were for units priced between \$200,000 and \$350,000. (See Appendix Exhibit 3-4.)



Single family attached units accounted for just 2 percent of Trade Area new home sales in 2011. Garland and Richardson accounted for all of these sales. Sale prices for single family attached units ranged between \$193,000 and \$220,000.

These figures suggest the following:

- ◆ The Trade Area appears to be falling behind other competitive infill communities (and regional / national trends) in terms of diversifying housing product types, particularly those that effectively respond to a range of lifestyle needs and preferences.
- ◆ Older communities in the Trade Area, particularly Garland and Richardson, are attempting to address the need for denser housing. These efforts could be significantly accelerated considering approaching demographic shifts.

Demand

The Trade Area is expected to experience demand for approximately 33,748 new housing units by 2021. (See Appendix Exhibit 3-5.) Assuming the ratio of rental to owner-occupied units remains at 38 percent, this would translate into demand for 12,672 new rental units and 21,076 new ownership units.

Ownership

Of the 20,806 total units of for-sale housing demand by households earning over \$15,000, approximately 30 percent or 6,242 units could be attached (condo, townhome, row house, loft, etc.). Assuming a 2 percent capture rate (market share) of attached units, the Study Area could absorb approximately 125 new condo / townhome units by 2021. (See Appendix Exhibit 3-6.)

Rental

The Trade Area is expected to support 10,243 total units of rental housing demand by households earning over \$15,000. At a 3 percent capture rate similar to attached units, the Study Area could absorb approximately 307 new rental units by 2021. (See Appendix Exhibit 3-7).

Residential Implications

Over the past five years, there has been a slight shift in the Trade Area to more higher-density housing products, e.g., townhomes, condominiums and apartments. Garland and Richardson, in particular, have moved toward higher shares of multi-family construction. Despite a growing townhome / condominium market, it is still not as active as other interior Metroplex communities, particularly East Dallas. While East Dallas is distinctly more urban than the remainder of the Trade Area, the movement toward a higher-density housing market is significant. As the next ring of communities moving outward from Dallas, Garland and Richardson have unique opportunities to be logical targets for urban housing. The recent completion of transit improvements in the Study Area only enhances these opportunities, representing a competitive advantage within the Trade Area.

Retail Supply

The Trade Area currently maintains an inventory of 57.9 million square feet of retail space. Vacancy rates are somewhat high at 11.2 percent (assuming equilibrium is approximately 7 percent vacant). Asking rents have fluctuated in recent years and remain near 2004 to 2005 levels at approximately \$13 per square foot. (See Appendix Exhibit 3-8.) Recent absorption in the Trade Area (over 600,000 square feet in the last 12 months) and the stabilization of

vacancy rates may be an indication that the retail market is approaching some level of equilibrium.

The average age of buildings in the Trade Area is over 28 years. A fairly reliable retail adage suggests that “retail changes its face every 7 years”. This said, the Trade Area retail market is likely underserved by new formats and product mixes. This condition should present a replacement / redevelopment opportunity for the Study Area, even if projected demand for new space in the Trade Area is lost to newer areas.

Retail Demand

Demand for new retail space is a product of future retail spending by new households, as well as by the recapturing of retail spending that is currently being lost to nearby communities or areas. This measurement, herein referred to as leakage, has resulted in a retail void in the Study Area. (See Appendix Exhibit 3-9.) The combination of future household growth and recapture of retail leakage in the Trade Area is expected to support an additional 9.2 million square feet of new retail space over the next 10 years. At a modest 2% capture rate, the Study Area could absorb approx. 183,750 square feet of new retail space by 2021.

The nature of the Study Area, as a series of newly revitalizing neighborhoods and commercial nodes, provides an immediate opportunity to recapture retail spending lost to the remainder of the Trade Area (e.g., Richardson, Plano, Rowlett) and beyond.

Retail Implications

While there is a healthy degree of retail leakage occurring in the Trade Area (enough to support a sizable amount of new space), the recent closure of major national retailers, as well as the significant amount of underutilized or obsolete space which remains in the inventory, could characterize the Trade Area as a failing retail market. This is a market perception that will have to be overcome when attracting new retailers and new formats to the Study Area.

Despite prevailing vacancies and stagnancy in rent levels, the Trade Area appears to be underserved by newer retail formats and product mixes, a concept that is not uncommon in inner ring communities. Within the Metroplex, the preponderance of commercially-zoned land has contributed to the development of a relatively homogenous retail market. In association with the increased diversity of housing products and targeted demographic groups, the Trade Area could accommodate a wider variety of retail product types and formats.

Office Supply

The Trade Area contains approximately 4.5 million square feet of Class A office space and 3.3 million square feet of Class B office space. (See Appendix Exhibit 3-10 and Exhibit 3-11.) Vacancy rates in the Trade Area for both Class A and Class B space have increased significantly over the past three years, from 27 percent to 48 percent for Class A space, and from 45 percent to 62 percent for Class B space. Over that same three-year period, however, asking rents have remained relatively stable – between \$20.00 and \$20.60 per square foot for Class A space and between \$18.68 and \$19.22 per square foot for Class B space.

Garland is comparatively underdeveloped as an office market, with most Trade Area space concentrated outside the City’s municipal boundaries. These office submarkets are currently along US 75 through northeast Dallas, Richardson and south Plano, as well as along the I-635 corridor between Coit Road and Abrams Road.



Office Demand

Demand for new employment space is derived from two primary sources: expansion of existing industry; and the relocation of new companies into the market. Employment projections by industry classification for the Trade Area were used to estimate demand over the next ten years. (See Appendix Exhibit 3-12.) Assuming an overall 1.5 percent sustained annual employment growth, the Trade Area should add approximately 127,299 new jobs between 2012 and 2022. Assuming differing levels of office space needed across various industry categories, the analysis revealed demand for nearly 9.2 million square feet of new office space over this period. At a modest 3 percent capture rate, the Study Area could absorb approximately 276,339 square feet of new office space by 2022.

Office Implications

While Garland is a relatively underdeveloped office market, the Trade Area has significant concentrations of Class A office space along the US 75 and I-635 corridors, with remaining office concentrations in the Trade Area offering primarily Class B and C locations. Garland's niche opportunity, then, may be as a secondary office location providing less expensive space in a close-in market. With the Trade Area office market focused on the US 75 and I-635 corridors, Garland represents an opportunity for easy access to those areas at a more reasonable price. Instead of the "100% location", Garland could become the "80% location." The Study Area in particular could represent one such opportunity, especially for niche development in education and health care.

Health Care Opportunity

The presence of the BMC-Garland medical center in the Study Area offers a unique market opportunity for enhancement / expansion of health care services. BMC-Garland has long been a tremendous asset for Garland and the surrounding communities. In addition to serving the healthcare needs of the community, BMC-Garland is a significant direct employer and produces a positive residual effect for healthcare businesses and investments. In addition to properties adjacent to BMC-Garland, Vista Hospital, now vacant and located near the Shiloh Road and Walnut Street TIA, offers an additional redevelopment opportunity.

Currently, properties that are situated in front of the BMC-Garland do little to define the area as a medical district. In addition to a limited commercial inventory, the quality and character of uses are aged and in disrepair. A strategy to acquire these parcels and position them for private investment in a coordinated manner, such as through this planning effort, could provide both the city and hospital with a sustainable long-term asset. Based on conversations with BMC-Garland administrators, potential uses for these parcels could include the following:

Outsourced Urgent Care / Emergency Care

Due to changing demographics surrounding the hospital, the payer mix has turned suboptimal. The current no-pay / self-pay percentage of care is reported to be 15 percent. By encouraging or subsidizing private investment, this charity care can be converted to other ventures in a free standing Emergency Room or high acuity Urgent Care facility.

The Hope Clinic

This charity clinic is currently located on the BMC-Garland campus and is an affiliate of the greater Dallas County organization, Project Access Dallas. The clinic could also be expanded and relocated to an out-parcel, thereby freeing up resources for BMC-Garland's expansion.

Staff Daycare

With almost 2,000 direct employees and hundreds of others working for ancillary physician practices and medical providers, a close-in daycare could serve as an amenity for both retaining and recruiting new staff. The daycare could be staffed for extended hours to address the different work shifts common in a hospital.

Senior Housing

Commonly referred to as the senior tsunami, 10,000 United States citizens are turning 65 years old every day and correspondingly joining Medicare. The Baby Boomer generation is starting to age and therefore is beginning to need specialty housing at an accelerated rate. This housing can take the form of assisted living, age-restricted apartments, nursing homes, or specialty rehab or dementia care.

Education

Demand for healthcare professionals continues to increase. By creating an opportunity for technical or medical education, the area around the hospital could not only be enhanced, but serve as an attractive lure for professionals who will feed into job openings nearby.

Industrial Supply

The Trade Area contains approximately 92.5 million square feet of industrial space. (See Appendix Exhibit 3-13.) This includes flex space, which is a hybrid office / industrial product. Vacancy rates in the Trade Area for industrial space have gradually decreased over the past three years, from 12.1 percent to 10.9 percent. Over that same three-year period, however, asking rents have declined, from \$5.54 to \$4.53 per square foot.

The Trade Area is somewhat unique in the Metroplex, as it contains significant concentrations of a wide variety of employment space, from Class A office space along the US 75 corridor, to traditional industrial / warehouse space along I-30, giving it a competitive advantage to capture a higher share of regional growth.

Industrial Demand

Demand for new industrial space is derived from two primary sources: expansion of existing industry; and the relocation of new companies into the market. Employment projections by industry classification for the Trade Area were used to estimate demand over the next ten years. (See Appendix Exhibit 3-14.) Assuming an overall 1.5 percent sustained annual employment growth, the Trade Area should add approximately 127,299 new jobs between 2012 and 2022. Assuming differing levels of industrial space need across various industry categories, the analysis revealed demand for over 8.4 million square feet of new industrial space over this period. At a relatively modest 6 percent capture rate, the Study Area could absorb approximately 505,638 square feet of new industrial space by 2022.

Industrial Implications

While Garland is a major industrial force in the Trade Area, it has a significantly lower share of higher-value (i.e., higher rents) flex space. Within the Trade Area, Richardson has become home to a sizable share of flex space, where rents are at the top end of the industrial market. Garland's Firewheel Distribution Center is a good step toward diversifying Garland's flex space inventory, but there are ample opportunities to expand this employment space sector which has not yet been capitalized on.



Garland's sizable industrial base offers a range of opportunities for economic development. Companies providing services to existing companies could be accommodated in industrial and / or flex space. Expansion of existing industries could provide demand for new and / or redeveloped industrial space. Existing industries could be converted to accommodate businesses that are new to the Trade Area and have higher level technological needs. Lastly, there is an opportunity to enhance the existing industrial environment with the addition of ancillary housing and commercial uses. This is especially relevant to the Study Area, which already has an established industrial environment.

Target Investment Area (TIA) Supply and Demand

Market supply and demand characteristics for each of the individual TIAs are summarized in the following sections.

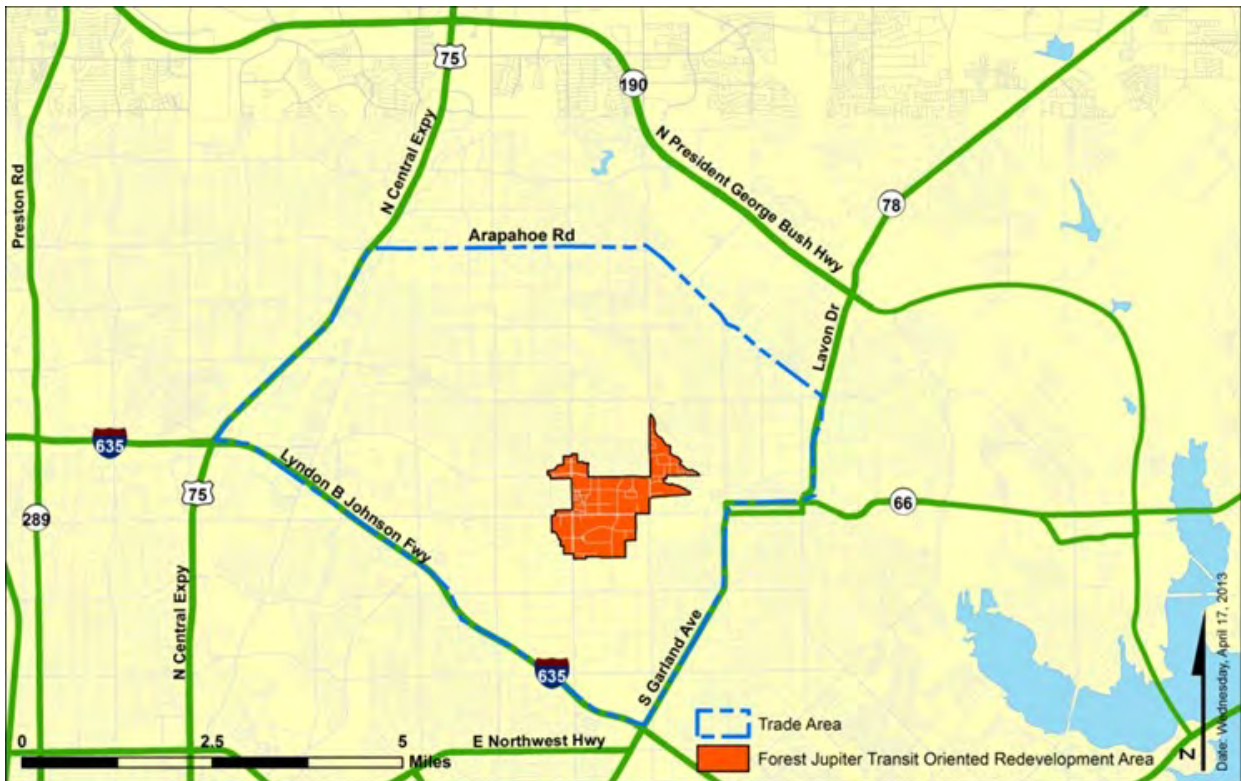
Forest / Jupiter TIA

The trade area for the Forest / Jupiter TIA is bounded by:

- North: Arapaho Road
- South: Interstate 635
- West: U.S. Highway 75
- East: Garland Avenue

This trade area is illustrated in Figure 3R.

Figure 3R. Forest / Jupiter TIA Trade Area





Supply characteristics for the Forest / Jupiter Trade Area are summarized in Table 3F.

As shown, Trade Area supply conditions indicate relatively low rental rates and high vacancy rates for non-residential product types, reflective of the age and quality of existing buildings in the Study Area.

Apartment submarkets serving this Trade Area include Richardson and Garland. As shown in Table 3G, current conditions in these two submarkets are also reflective of the age and quality of the existing building stock.

Trade Area market demand estimates for various land uses in the Forest / Jupiter TIA are presented in Appendix Exhibit 3-15 through Exhibit 3-20. These forecasts indicate support for 178 residential units (single family attached and apartments), 49,000 square feet of retail space, 72,000 square feet of office space, and 97,000 square feet of industrial space over the next 10 years.

Table 3F. Trade Area Non-Residential Supply (Forest/Jupiter TIA)

Indicator	Product Type			
	Office	Retail	Industrial	Flex
Total Space (sq ft)	5,007,748	7,607,015	26,854,648	11,361,199
Vacancy Rate	14.8%	13.0%	9.8%	12.4%
Average Rental Rate (per sq ft)	\$14.96	\$10.39	\$4.49	\$5.28

Table 3G. Trade Area Apartment Supply (Forest/Jupiter TIA)

Indicator	Submarket	
	Richardson	Garland
Total Units	11,083	16,683
Vacancy Rate	4.8%	6.2%
Average Monthly Rental Rate	\$989	\$730

Jupiter / Walnut TIA

The trade area for the Jupiter / Walnut TIA is bounded by:

- North: Arapaho Road
- South: Interstate 635
- West: U.S. Highway 75
- East: Garland Avenue

This trade area is illustrated in Figure 3S.

Figure 3S. Jupiter / Walnut TIA Trade Area





Supply characteristics for the Jupiter / Walnut Trade Area are summarized in Table 3H.

As shown, Trade Area supply conditions indicate relatively low rental rates and high vacancy rates for non-residential product types, reflective of the age and quality of existing buildings in the Study Area.

Apartment submarkets serving this Trade Area include Richardson and Garland. As shown in Table 3I, current conditions in these two submarkets are also reflective of the age and quality of the existing building stock.

Trade Area market demand estimates for various land uses in the Jupiter / Walnut TIA are presented in Appendix Exhibit 3-21 through Exhibit 3-26. These forecasts indicate support for 143 residential units (single family attached and apartments), 66,000 square feet of retail space, 48,000 square feet of office space, and 97,000 square feet of industrial space over the next 10 years.

Table 3H. Trade Area Non-Residential Supply (Jupiter/Walnut TIA)

Indicator	Product Type			
	Office	Retail	Industrial	Flex
Total Space (sq.ft.)	5,007,748	7,607,015	26,854,648	11,361,199
Vacancy Rate	14.8%	13.0%	9.8%	12.4%
Average Rental Rate (per sq.ft.)	\$14.96	\$10.39	\$4.49	\$5.28

Table 3I. Trade Area Apartment Supply (Jupiter/Walnut TIA)

Indicator	Submarket	
	Richardson	Garland
Total Units	11,083	16,683
Vacancy Rate	4.8%	6.2%
Average Monthly Rental Rate	\$989	\$730

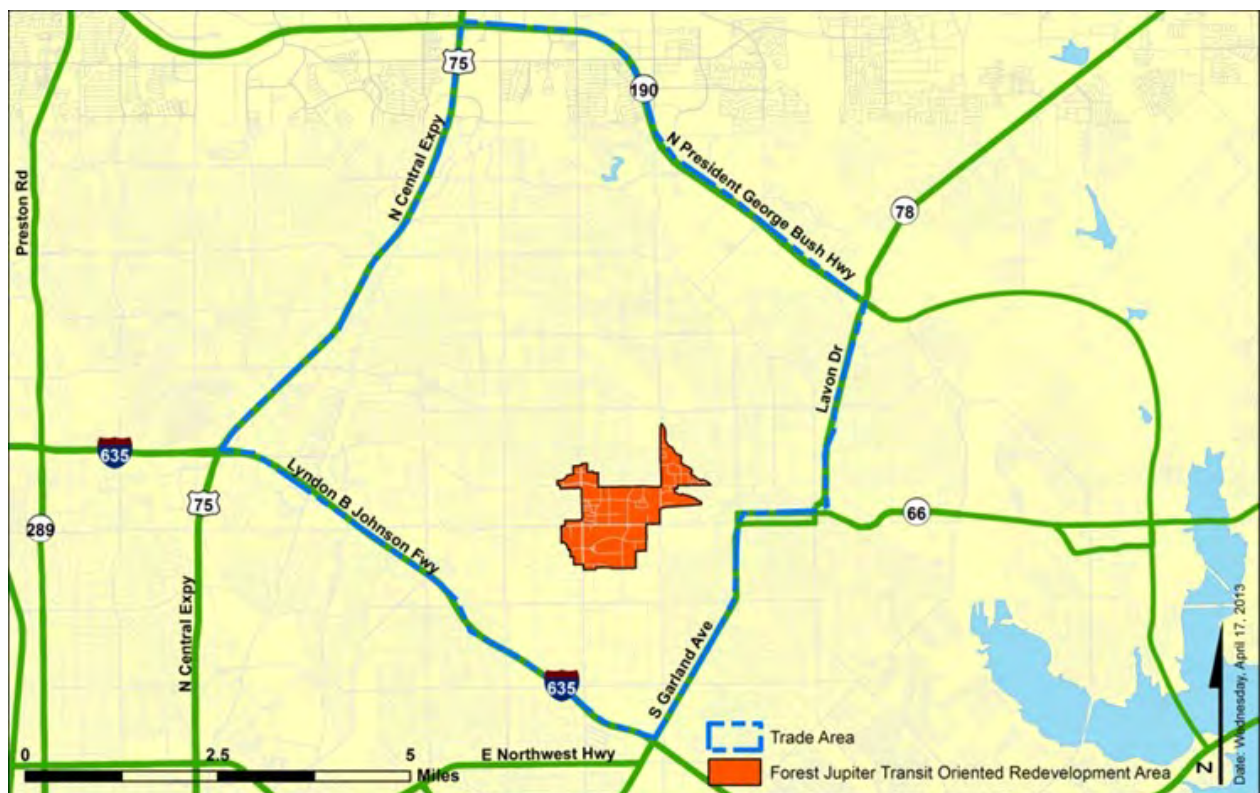
Shiloh / Walnut TIA

The trade area for the Shiloh/ Walnut TIA is bounded by:

- North: Arapaho Road
- South: Interstate 635
- West: U.S. Highway 75
- East: Garland Avenue

This trade area is illustrated in Figure 3T.

Figure 3T. Shiloh / Walnut TIA Trade Area





Supply characteristics for the Shiloh / Walnut Trade Area are summarized in Table 3J.

As shown, Trade Area supply conditions indicate slightly healthier rental rates and vacancy rates as compared to the Forest / Jupiter and Jupiter / Walnut trade areas, primarily because of the inclusion of the Highway 190 corridor.

Apartment submarkets serving this Trade Area include Richardson and Garland. As shown in Table 3H, current conditions in these two submarkets are also reflective of the age and quality of the existing building stock.

Trade Area market demand estimates for various land uses in the Shiloh / Walnut TIA are presented in Appendix Exhibit 3-27 through Exhibit 3-32. These forecasts indicate support for 192 residential units (single family attached and apartments), 88,000 square feet of retail space, 90,000 square feet of office space, and 73,000 square feet of industrial space over the next 10 years.

Table 3J. Trade Area Non-Residential Supply (Shiloh/Walnut)

Indicator	Product Type			
	Office	Retail	Industrial	Flex
Total Space (sq.ft.)	14,477,519	9,931,750	43,983,663	16,805,354
Vacancy Rate	14.4%	11.1%	9.5%	20.3%
Average Rental Rate (per sq.ft.)	\$18.44	\$11.23	\$3.60	\$14.29

Table 3H. Trade Area Apartment Supply (Shiloh/Walnut)

Indicator	Submarket	
	Richardson	Garland
Total Units	11,083	16,683
Vacancy Rate	4.8%	6.2%
Average Monthly Rental Rate	\$989	\$730

Summary

Historically, Garland has been a good investment, but it will become an even better investment with expansion and diversification of the Study Area's industrial, commercial, and residential bases. This market analysis will provide the foundation on which to build sound investment strategies.

Principal land uses / real estate products have been identified and include attached and detached ownership and rental housing units, retail and office space (in mixed-use developments and free-standing), and employment office and industrial space. As concluded here and assuming future area improvements, coordinated planning efforts, and certain other catalyst events, the Study Area will be strategically located to capture a substantial share of the region's traffic and business growth. Forecasts indicate that more than 17.6 million square feet of employment space (office and industrial), more than 9.2 million square feet of retail space and nearly 33,750 residential units could be absorbed in the Trade Area over the next ten years, from which the Area could benefit. The level of investment that actually occurs within the Study Area will be directly proportionate to Garland's and property owners' commitment to wait for the right investment. Given the highly competitive nature of new development, and the heightened challenges of developing in infill environments, success will depend on defining a place in the minds of the region's residents and area visitors. Developing key catalyzing projects as retail, residential, employment and community destinations will increase the Area's ability to capture not only a greater share of the Trade Area demand, but also to reach beyond those boundaries. This evolution will obviously be expedited with assistance from a favorable regulatory environment which encourages a flexible land use model, tighter building form, balanced parking requirements and stronger connections.



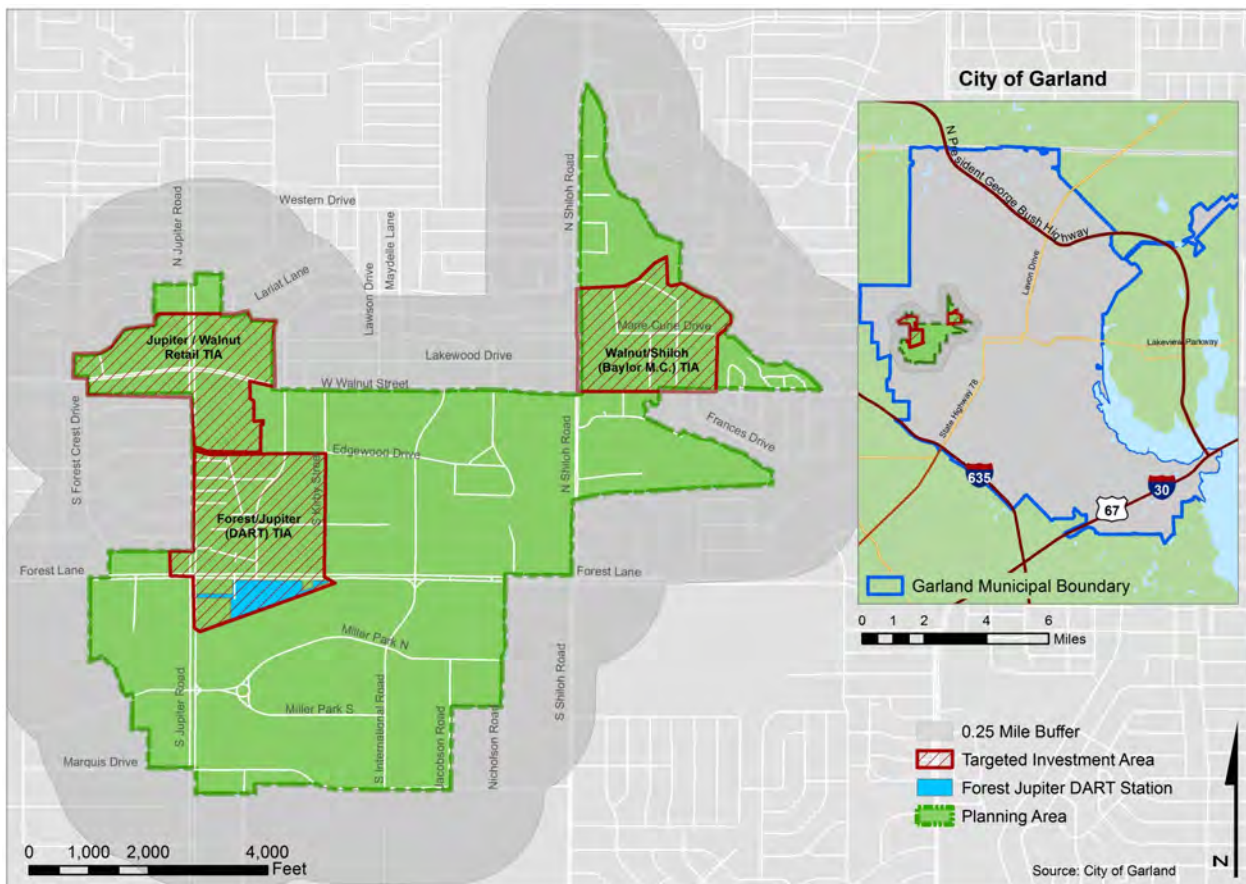
Section 4. Redevelopment Program

The Redevelopment Program lays out the revitalization strategy for the Study Area as a whole and each of the three targeted investment areas (TIAs) depicted in Figure 4A. The Redevelopment Program is based on synthesizing the results of the current physical conditions (Section 2), current and anticipated market demand for real estate (Section 3) and the input of key property owners, business interests, residents and key civic interests. Whereas experience knows that the specific recommendations stem from a number of factors -- the local market's historical character, its resources, amenities, and people – the vision and directives constituting the framework arise from property and business owners input and guidance from City Staff. As such, they are unique to the City of Garland.

Study Area Redevelopment Framework

Based on the results of the physical analysis, market analysis, and public input gained throughout the planning process, an overall redevelopment concept has been determined for the Study Area. This concept focuses on policies and implementation actions to allow and induce marketplace reinvestment in a manner that promotes the visual improvement of the overall community experience, strengthens the programmatic and physical quality of the primary corridors within the Study Area, and promotes targeted reinvestment and redevelopment within the three TIA's.

Figure 4A. Study Area Boundary and TIA Designations





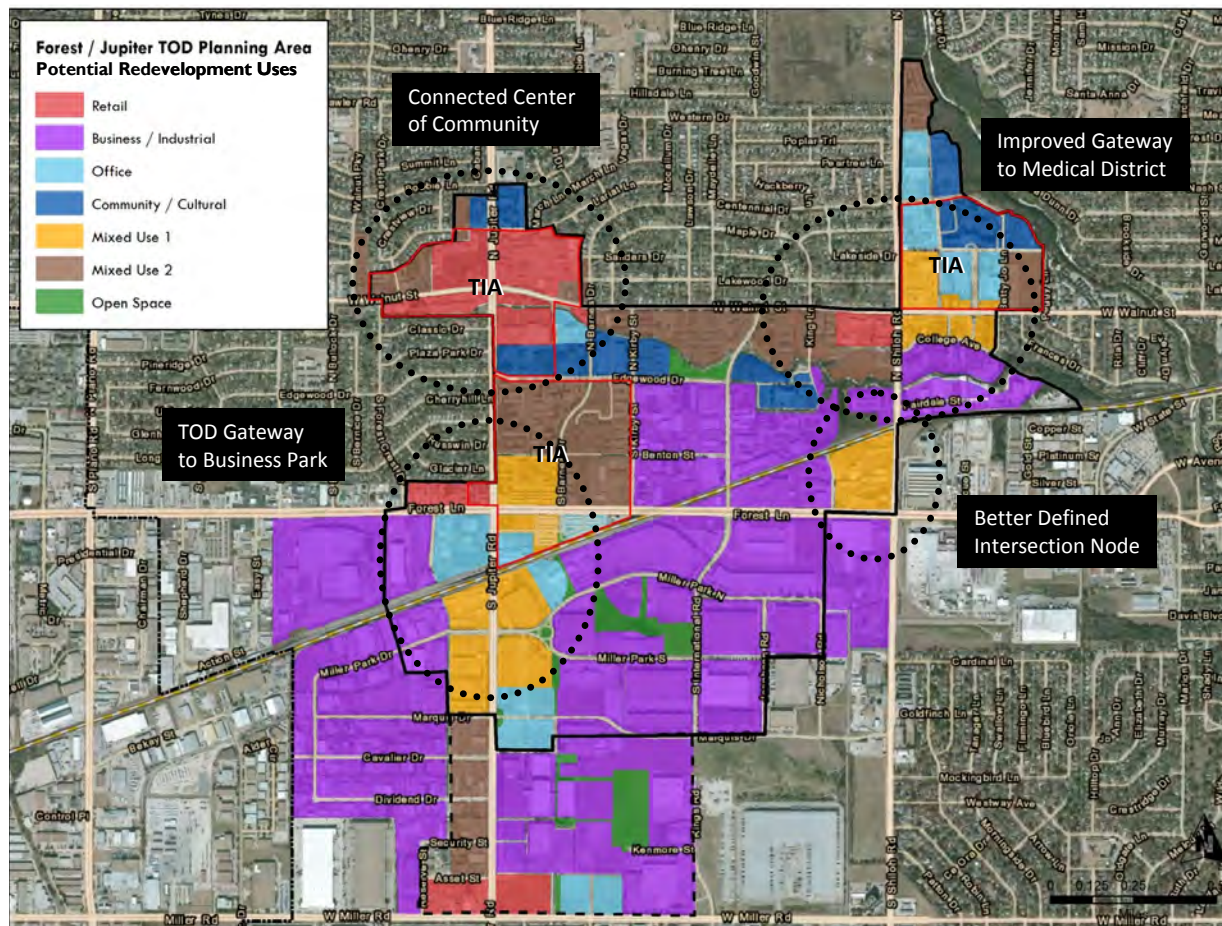
The specific strategies for each TIA are positioned to create recognizable development districts that are each comprised of a mix of land uses and programmatic activities designed to create clear centers of neighborhood identity. These identities include a new medical sciences district anchored by BMC-Garland within the Shiloh/Walnut TIA, a community retail center anchored by new infill development within the Walnut/Jupiter TIA, and a transit-oriented community centered on the DART Forest/Jupiter light rail station. The planning strategy also envisions the improvement of the business park south of the DART line through enhanced amenities and development infill, and a mixed residential and business district at the Forest/Jupiter intersection. Figure 4B Illustrates these potential redevelopment concepts.

TIA Redevelopment Framework

As explained throughout the planning process, the strategy for redevelopment of the Study Area is based on the premise that *private investment follows public commitment*. Fundamental to this approach is identification of “catalyst concepts” which hold investment potential despite select economic and other development challenges. While catalysts can be site-specific or floating, all are purely conceptual. They are possible project concepts which serve to prove up market potential in a previously unproven location.

Predominant land uses can be residential, non-residential, institutional, and public. Within what are often relatively compact geographic areas, such as the urban condition in the Study Area, a variety of land uses are located side by side or within the same structure. Structures

Figure 4B Potential Redevelopment Concept



are assumed to be taller with minimal setbacks and reduced parking requirements, all in an effort to achieve rent and sale prices necessary to support higher infrastructure and construction costs. Catalyst concepts are intended to inform public and private investment, as well as municipal policies and regulations, as they are designed to highlight development opportunities and challenges.

Whereas experience has proven that implementable plans must maintain a high degree of flexibility, improvements to the physical realm need to be designed for flexibility allowing them to evolve with changing market conditions. It is less important that they occur exactly as presented and more important that they advance the community's vision over the long-term. Each catalyst project depicted in the following section embodies the following four characteristics, which will help the City identify future potential catalyst projects:

- ◆ Encourage sustainable elements
- ◆ Stimulate market supported private investment
- ◆ Inform early priority public investments
- ◆ Demonstrate potential for uses which do not exist today

Determining the potential impact of future development opportunities will be essential to the long term implementation of the redevelopment framework. Therefore, during the first public meeting, participants were asked to provide guidance on a set of criteria that could be used to evaluate various catalyst concepts that would inform future development and investment decisions in the Area. Note, each particular concept is consistent with stakeholder preferences expressed during public input sessions (as fully displayed in Appendix 1). The purpose of the criteria was to provide a framework for decision-making that reflected goals and desired outcomes.

These criteria include the following eight considerations: How well does the project ...

- ◆ ... strengthen the Area's identity?
- ◆ ... create potential to expand business revenue?
- ◆ ... provide stronger connections between activity centers?
- ◆ ... improve the Area's pedestrian and vehicular infrastructure?
- ◆ ... provide more defined and usable open space?
- ◆ ... enhance the Area's sense of safety and cleanliness?
- ◆ ... expand the area's retail and restaurant options?
- ◆ ... initiate / incentivize redevelopment and reinvestment?

Redevelopment Program Format

Based on the input from the first public meeting, catalyst concepts were developed for each targeted investment area (TIA). The preliminary catalyst concepts affirmatively address the above criteria as well as the projected market potential from the market study. At the second public meeting, participants were asked to prioritize the most important elements and provide feedback on each of the preliminary catalyst concepts. This input, along with one-on-one meetings with key property owners refined the catalyst concepts. Final drafts were presented and validated at a final public meeting in the study area. Section 4 provides each TIA Redevelopment Program. Section 5: **Implementation** outlines how to move from these refined concepts to reality given market conditions.



Each of the catalyst concepts for the TIAs is presented according to several key elements:

- ◆ The Environment
- ◆ The Vision
- ◆ The Opportunity
- ◆ The Concept
- ◆ The Economics
- ◆ The Strategy

The overview of the general conditions within each of the TIAs describes the environment that could impact investment and reinvestment decisions. This overview is followed by a vision statement describing the broader redevelopment concept and a detailed list of market-supported redevelopment opportunities by land use type. Collectively these uses are illustrated as catalyst concepts with key elements defined. The catalyst concept includes private-sector lead real estate development, as well as enhanced streetscape and public amenities in the public realm. Each illustration is accompanied by a summary of the development’s financing gap and summary of how to address the gap with public support. The City may use its Capital Improvement Program (CIP) budgeting process to assist in supporting the catalyst project. In addition, this section also includes supportive implementation resources and strategies necessary to advance the project.

The purpose of this analysis was to provide the City and other advocacy organizations with an understanding of potential ranges of economic gaps associated with advancing catalyzing projects and resources which can be employed to fill them. Since assumptions were based on findings from a market analysis that reflected current conditions, the actual programming, cost, and revenue figures will likely be different as conditions and markets change over time. Conclusions derived to-date can best be used to understand the range and number of financing mechanisms and strategies which will be needed to deliver projects of these types to the market.

Forest Lane / Jupiter Road TIA

The Environment

The Forest Lane / Jupiter Road (Forest/ Jupiter) TIA is generally bounded by Edgewood Drive, Kirby Street, DART rail line, and Jupiter Road. This TIA is anchored by the DART Light Rail Station and hosts several older multi-family, industrial, retail and motel uses. Figure 4C illustrates Targeted Investment Area boundaries, as well as some of the existing features. The opportunities associated with the conditions that could impact investment (as defined in Section 2) are shown in Table 4A.

Table 4A. Existing Conditions and Redevelopment Opportunities

+ / -	Element	Strategic Response
+	Underutilized DART parking lot	Leverage a transit oriented development (TOD)
+	Local ownership of adjacent land	Potential for land assemblage for a TOD
+	Nearby library, school and park	Community assets that new development can build
-	Aging buildings and lack of streetscape	Existing building renovation and streetscape
-	Concentration of older apartments lacking modern amenities	New residential infill development can encourage substantial renovation
-	DART Light Rail Station platform hard to access by foot	Connect the station platform to the area through pedestrian streetscape improvements

Figure 4C. Forest/ Jupiter TIA Boundary and Existing Features



Forest / Jupiter TIA Boundary



DART Platform



DART Parking Lot



Walnut Creek Branch Library



Montgomery Park/Walnut Glen



Multifamily on Barnes



Existing Church



Forest Lane Frontage



View from station area looking north along Barnes Drive



The Vision

The Forest/ Jupiter TIA is envisioned as a regional transit gateway to the City of Garland, as well as the local gateway to the industrial business park.

- ◆ Employees in the Study Area now have the opportunity to live near work and enjoy commercial venues which meet their lifestyle needs,
- ◆ Residents in and around the Study Area would have an improved regional gateway to their community with stronger access to transit, and
- ◆ The City would have an improved transit-oriented district on one of two light rail stations in the City that expands its tax base and overall quality of life.

This will be accomplished through a collection of mixed land uses in a more urban format based on buildings being closer to streets, high quality urban streetscapes with wide sidewalks and street trees, and careful urban design to create a stronger visual and programmatic environment for the surrounding business district. To accomplish this, the City would work with existing property owners near the station and outside developer/investors to help unlock this potential.

Imagery of Envisioned Program Types (Forest/ Jupiter TIA)



Labor Training Facility

credit: Bowman Melton



Lofts and Streetscape Retail

credit: David Whitcomb



Urban Mixed-Use

credit:: David Whitcomb



Loft Office R&D

credit: Freese Nichols



Over-Rail Pedestrian Access

credit: Bowman Melton



Urban Streetscape

credit: David Whitcomb



The Opportunity

The following reflects market-supportable redevelopment programming ranges by use. The specific redevelopment programs shown on the concept plans fall within these ranges and are identified in the catalyst project details (Table 4B).

Table 4B. Attainable Capture

Land Use	Attainable Capture	
	5 Year	10 Year
Residential (units)	150	200
Retail/Service (sq. ft.)	15,000	20,000
Educational (sq. ft.)	50,000	50,000
Employment (sq. ft.)	50,000	100,000

The Concept

Redevelopment of the Forest/ Jupiter TIA consists of a variety of catalyst projects listed below and depicted in Figure 4D.

- 1) **General Redevelopment** introduces connected streets to define urban blocks and deliver more dense residential and commercial development with new walkable streetscapes, and a planting circle on Barnes Drive. These are shown as future developments.
- 2) **Mixed-Use Loft Residential Development** introduces buildings on both sides of Forest Lane to form a strong street frontage, urban streetscape, pedestrian amenities, and ground-level retail along Forest Lane. This is shown as an initial catalyst development.
- 3) **Research and Development** creates office incubator space on eastern half of DART property through a partnership with existing hi-tech employers in the area. As this has a high associated public improvement cost, this would only occur if a specific user showed interest.
- 4) **Station Plaza** creates open space adjacent to the platform entrance. Existing bus facilities and routing to remain on site in streetscape. This would be part of the research and development project when developed.
- 5) **DART Parking** moved across the rail with overhead pedestrian access structure. This occurs when the office research and development project is ready. New DART parking becomes future infill site once market allows densification.
- 6) **Job Training** and/or flex-industrial facility located adjacent to new DART replacement parking south of the rail line. Land for this facility would be part of the property acquired for the new DART replacement parking, and would not likely occur until the research and development project moves forward.
- 7) **New Streetscape** along Forest Lane coordinates with development infill projects. Each segment would be constructed with related infill development.

Figure 4D. Imagery of Envisioned Program Types





Figure 4E. Forest/ Jupiter Targeted Investment Area Map



CIP and Economic Development Budgeting Summary

The Forest/ Jupiter TIA catalyst projects have been planned to induce greater reinvestment within the TIA by redefining the District entry, introduction of new retail and services, and delivering new loft housing and commercial space (Figure 4E). Through initial programming and market-based analysis, it has been determined there are site and infrastructure expenses that generate a financial gap which would inhibit such a project to occur. As such, the City may consider funding all or a portion of such expenses to help induce catalytic reinvestment efforts.

The range of public improvements and economic development costs vary, depending on the project and level of subsidy determined in final project budgeting:

- ◆ South side of Forest Lane (Project 1.1) is approximately \$2,265,249;
- ◆ North side of Forest Lane (Project 1.2) is approximately \$1,951,989; and
- ◆ East DART parking lot (Project 1.3) is completely tied to an office user desiring this site and would require new construction of parking and pedestrian improvements that require a larger subsidy amount of approximately \$6,841,083.

Table 4C. Forest Lane/ Jupiter Road TIA CIP and ED Investment Summary

1.1 Catalyst Project: Mixed-Use Building on DART West Parking Lot and Vacant Land	
Total Development Value	\$ 23,905,071
Public Improvements Required as Incentives	\$ 715,405
<u>Additional Economic Incentives</u>	<u>\$ 1,549,844</u>
Total Public Investment	\$ 2,265,249
Leverage Ratio	\$10.55 to \$1
(private dollar value to public dollar investment)	
1.2 Catalyst Project: North Mixed-Use Block	
Total Development Value	\$ 35,076,713
Public Improvements Required as Incentives	\$ 635,235
<u>Additional Economic Incentives</u>	<u>\$ 1,316,754</u>
Total Public Investment	\$ 1,951,989
Leverage Ratio	\$17.97 to \$1
(private dollar value to public dollar investment)	
1.3 Residual Project: Research and Development on DART East Parking Lot	
Total Development Value	\$ 13,880,088
Public Improvements Required to Create Development Value	\$ 6,841,083
Leverage Ratio	\$2.03 to \$1
Notes: These costs do not include storm drainage, utilities, franchise, and on-site construction or other site development costs. These assumptions reflect an opinion of probable cost based on the consultant’s experience and best judgment as a professional. Any evaluation of work to be performed related to project construction must be speculative in nature until actual detailed design.	
The consultant has no control over the cost of labor, materials or services to be furnished by others or over market conditions, and cannot guarantee that actual costs will not vary from the opinions expressed herein. These costs assume any land purchase at current DCAD assessed value.	



Catalyst Project 1.1 Summary

Figure 4F. Project 1.1 South Mixed Use Block Map

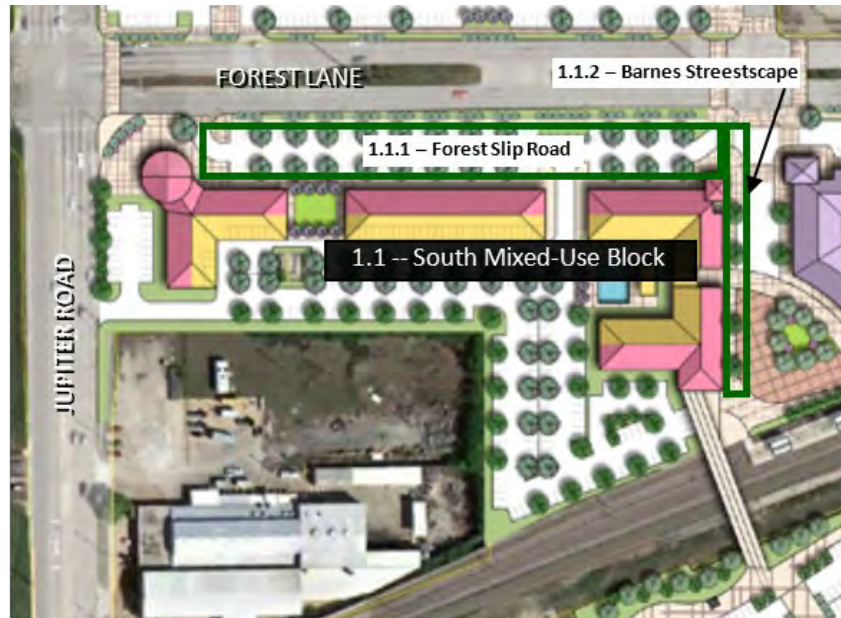


Table 4D. Development Costs (Project 1.1 South Mixed Use Area)

On & Offsite Development Costs		
Development Project	\$/SF	Total
Land Allocation	\$10.94	\$2,072,000
Sitework Allocation	\$2.06	\$390,000
Sitework Contingency	\$0.08	\$16,000
Parking Spaces (surface)	\$3.93	\$744,000
Hard Costs (on & offsite)	\$81.17	\$15,368,000
Hard Cost Contingency	\$3.50	\$662,000
Retail TI	\$2.34	\$444,000
Soft Costs	\$17.27	\$3,269,000
Soft Cost Contingency	\$0.69	\$131,000
Total Development Costs	\$121.98	\$23,095,000

Offsite Development Costs		
Streetscape Improvements	\$/LF	Total
Forest Slip Road	\$715.33	\$469,136
Barnes Streetscape	\$385.00	\$86,303
Total Hard Costs		\$555,439
Design/Engineering	12%	\$66,653
Contingency	15%	\$93,314
Total Streetscape Costs		\$715,405

Figure 4G. Project 1.1 South Mixed Use Block Artist Rendering



Table 4E. Development Financing (Project 1.1 South Mixed Use Area)

Development Financing	
Project Income	Total
Residential Income	\$2,572,383
Retail Income	\$266,244
Other Income	\$70,000
Vacancy & Credit Loss	(\$228,327)
Effective Gross Income	\$2,680,299
Project Expenses	Total
Controllable & Non-Controllable	\$596,031
Real Estate Taxes	\$435,626
Capital Reserve	\$15,819
Total Expenses	\$1,047,476
Net Operating Income	\$1,632,823
Financing	Total
Total Development Costs	\$ 23,095,000
Loan Amount (83%)*	\$ 19,226,588
Public & Private funds needed (17%)	\$ 3,868,413
Debt Service (4.95% IR)	\$1,104,890
Cash Flow After Debt Service	\$527,934
Debt Coverage Ratio (DCR)	1.48

* Assumes HUD 221 (d)(4) Loan



Table 4F. Catalyst Program (Project 1.1 South Mixed Use Area)

Catalyst Program			Monthly Rent PSF	
Land Use	GLA (sf)	Units	Today	Stabilized
Residential	163,940	200	\$1.21	\$1.31
Clubhouse	3,200		\$0.00	\$0.00
Retail	22,187		\$1.00	\$1.00
Total Program	189,327	200	\$1.16	\$1.25

Table 4G. Catalyst Project Summary (Project 1.1 South Mixed Use Area)

Catalyst Project Summary	
Return on Investment	
Stabilized Return on Costs	7.07%
Untrended Return on Costs	6.54%
Return on Equity	13.65%
Immediate Return Required	7.25%
Gap Analysis	
Total Development Costs	\$ 23,095,000
Less Private Sources of Debt & Equity	\$ 20,829,751
Debt	\$ 19,226,588
Equity	\$ 1,603,164
Total Public Financial Gap	\$ 2,265,249
Tools to Cover the Gap	
<ul style="list-style-type: none"> • City infrastructure financing (bonds) • EB5 Immigrant Investor Loan • New Market Tax Credit equity • Tax Increment Financing • HUD 221(d) (4) Loan • Low Income Housing Tax Credits • Below-market DART Land Lease 	

Financial Proforma (Project 1.1 South Mixed Use Block)

Several issues influence the economics and related financial gap for the south mixed-use block (Project 1.1) of the Forest/ Jupiter TIA.

Land Cost	At \$10,360 per door, the land cost is higher than many conventional suburban sites for this type of development. This cost would ideally be in the \$5000 to \$6000 per door. Given this land is owned by DART, such consideration may be given if a quality development concept is advanced to generate the reinvestment strategy shown in this concept.
Rents	Retail rents are shown at \$12/square foot (sf) (\$1/sf monthly). This rate is lower than may be achievable and, if so, project performance would improve. That said, residential rents at \$1.21/sf (today) are somewhat aggressive given the overall nature of the current marketplace and would require the high level of streetscape improvements and quality building programming and unit design as shown in the TIA planning.
Hard Costs	The costs shown in this proforma have been planned to achieve a quality development with masonry exterior materials and quality interior finishes. While this cost may be reduced somewhat, it would not be advisable given the lower visual quality of surrounding uses.
Expenses	No tax abatement has been assumed. This may be an incentive tool that could be utilized to reduce the overall financial gap shown in this analysis.
Return on Cost	The financial gap is generated by the difference between the project return on cost as generated through this proforma analysis and a minimum assumed investor threshold of 7.25%. Certain development groups can be more aggressive on yields by incorporating other revenue streams (i.e. management fees, construction fees, etc.). The related financial gap would adjust accordingly.
Financial Gap	The financial gap shown here is for the vertical development only. The total gap associated with the full development is identified in Table 4G.



Catalyst Project 1.2 Summary

Figure 4G. Project 1.2 North Mixed Use Block Map



Table 4H. Development Costs (Project 1.2 North Mixed Use Block)

Total Development Costs		
Development Project	\$/SF	Total
Land Allocation	\$12.23	\$3,642,000
Sitework Allocation	\$1.13	\$390,000
Sitework Contingency	\$0.05	\$16,000
Parking Spaces (surface)	\$3.09	\$920,000
Hard Costs (on & offsite)	\$81.13	\$24,153,000
Hard Cost Contingency	\$3.41	\$1,015,000
Retail TI	\$0.99	\$296,000
Soft Costs	\$15.01	\$4,468,000
Soft Cost Contingency	\$0.60	\$179,000
Total Development Costs	\$117.64	\$35,079,000

Offsite Development Costs		
Streetscape Improvements	\$/LF	Total
Forest Lane Parking Slip Road	\$498.82	\$390,423
Barnes Streetscape (west side)	\$266.88	\$102,772
Total Hard Costs		\$493,195
Design/Engineering	12%	\$59,183
Contingency	15%	\$82,857
Total Streetscape Costs		\$635,235

Table 4I. Development Financing (Project 1.2 North Mixed Use Block)

Development Financing	
Project Income	Total
Residential Income	\$4,426,000
Retail Income	\$177,000
Other Income	\$119,000
Vacancy & Credit Loss	(\$336,000)
Effective Gross Income	\$4,386,000
Project Expenses	Total
Controllable & Non-Controllable	\$966,000
Real Estate Taxes	\$742,000
Capital Reserve	\$27,000
Total Expenses	\$1,735,000
Net Operating Income	\$2,651,000
Financing	Total
Total Development Costs	\$ 35,079,000
Loan Amount (70%)	\$ 24,555,300
Public & Private funds needed (20%)	\$ 10,523,700
Debt Service (4.5% IR)	\$1,493,017
Cash Flow After Debt Service	\$1,157,983
Debt Coverage Ratio (DCR)	1.78

Figure 4H. Example of Possible Development (Project 1.2 North Mixed Use Block)



Mixed-Use Loft Infill Streetscape

Photo: David Whitcomb



Table 4J. Development Financing (Project 1.2 North Mixed Use Block)

Catalyst Program			Monthly Rent PSF	
Land Use	GLA (sf)	Units	Today	Stabilized
Residential	279,725	341	\$1.21	\$1.32
Clubhouse	3,200		\$0.00	\$0.00
Retail	14,777		\$1.00	\$1.00
Total Program	189,327	341	\$1.19	\$1.29

Table 4K. Catalyst Project Summary (Project 1.2 North Mixed Use Block)

Catalyst Project Summary	
Private Sector Development Project	
Stabilized Return on Costs	7.56%
Untrended Return on Costs	6.85%
Return on Equity	11.00%
Immediate Return Required	7.25%
Gap Analysis	
Total Development Costs	\$ 35,079,000
Less Private Sources of Debt & Equity	\$ 33,124,724
Debt	\$ 24,555,300
Equity	\$ 8,571,711
Total Public Financial Gap	\$ 1,951,989

Tools to Cover the Gap
<ul style="list-style-type: none"> • City infrastructure financing (bonds) • EB5 Immigrant Investor Loan • New Market Tax Credit equity • Tax Increment Financing • HUD 221(d) (4) Loan • Low Income Housing Tax Credits

Financial Proforma Analysis (Project 1.2 North Mixed Use Block)

Several issues influence the economics and related financial gap for the north mixed-use block (Project 1.2) of the Forest/ Jupiter TIA.

Land Cost	At \$10,680 per door, the land cost is higher than many conventional suburban sites for this type of development. This cost would ideally be in the \$5000 to \$6000 per door. However, given this land currently has cash-flowing properties and is held privately, it is doubtful it would be able to be acquired for less (and may be more expensive). This is one factor driving the financial gap.
Rents	Retail rents are shown at \$12/sf (\$1/sf monthly). This rate is lower than may be achievable and, if so, project performance would improve. That said, residential rents at \$1.21/sf (today) are somewhat aggressive given the overall nature of the current marketplace and would require the high level of streetscape and landscape improvements shown in the TIA planning as well as quality building programming and unit design. With this said, it is anticipated that this development would not occur until Project 1.1 is completed across Forest Lane. With the success of this project, such rents would be justifiable.
Hard Costs	The costs shown in this proforma have been planned to achieve a quality development with masonry exterior materials and quality interior finishes. While this cost may be reduced somewhat, it would not be advisable given the lower visual quality of surrounding uses.
Expenses	No tax abatement has been assumed. This may be an incentive tool that could be utilized to reduce the overall financial gap shown in this analysis.
Return on Cost	The financial gap is generated by the difference between the project return on cost as generated through this proforma analysis and a minimum assumed investor threshold of 7.25%. Certain development groups can be more aggressive on yields by incorporating other revenue streams (i.e. management fees, construction fees, etc.). The related financial gap would adjust accordingly.
Financial Gap	The financial gap shown here is for the vertical development only. The total gap associated with the full development is identified in Table 4K.



Catalyst Project 1.3 Summary

**Figure 4I. Pedestrian Bridge Example
(Project 1.3 Office and R&D Area)**



Table 4L. Development Costs (Project 1.3 Office and Research & Development)

Total Development Costs		
Development Project	\$/SF	Total
Land Allocation	\$16.53	\$952,000
Sitework Allocation	\$10.42	\$600,000
Sitework Contingency	\$0.52	\$30,000
Parking Spaces (surface)	\$10.00	\$576,000
Hard Costs (on & offsite)	\$90.00	\$5,183,000
Hard Cost Contingency	\$6.50	\$374,000
Retail TI	\$30.00	\$1,728,000
Soft Costs	\$73.39	\$4,226,000
Soft Cost Contingency	\$3.67	\$211,000
Total Project Costs	\$241.03	\$13,880,000

Offsite Development Costs		
Public Streetscape of Development	\$/LF	Total
Forest Lane Parking Slip Road	\$444.91	\$314,703
Barnes Streetscape (west side)	\$258.75	\$95,903
Subtotal		\$410,606
Design/Engineering	12%	\$49,273
Contingency	15%	\$68,982
Development Streetscape subtotal		\$528,861
DART Station Public Cost Subtotal	\$/LF	Total
Property Acquisition	\$3.42	\$1,370,680
Pedestrian Bridge	\$868.00	\$2,500,000
Surface Parking Lot	635 spaces	\$1,047,750
Total Hard Costs		\$4,918,430
Design/Engineering	12%	\$425,730
Contingency	15%	\$801,624
DART Station Public Cost Subtotal		\$6,145,784
TOTAL OFF SITE DEVELOPMENT COSTS		\$6,674,645

Figure 4J. Project 1.3 Office and Research & Development Map



Table 4M. Development Financing (Project 1.3 Office and Research & Development)

Development Financing	
Project Income	Total
Rental Income	\$1,440,000
Vacancy & Credit Loss	(\$43,000)
Effective Gross Income	\$1,397,000
Project Expenses	Total
Controllable & Non-Controllable	\$402,000
Total Expenses	\$402,000
Net Operating Income	\$995,000
Financing	Total
Total Development Costs	\$ 13,880,000
Loan Amount (70%)	\$ 9,716,000
Public & Private funds needed (30%)	\$ 4,164,000
Debt Service (5.8% IR)	\$684,107
Cash Flow After Debt Service	\$310,893
Debt Coverage Ratio (DCR)	1.45



Table 4N. Catalyst Program (Project 1.3 Office and Research & Development)

Catalyst Program			Monthly Rent PSF	
Land Use	GLA (sf)	Units	Today	Stabilized
Office R & D	57,587		\$25.00	\$25.00
Total Program	57,587		\$25.00	\$25.00

Table 4O. Catalyst Project Summary (Project 1.3 Office and Research & Development)

Catalyst Project Summary	
Private Sector Development Project	
Stabilized Return on Costs	7.17%
Untrended Return on Costs	7.16%
Return on Equity	7.51%
Immediate Return Required	7.25%
Gap Analysis	
Total Development Costs (On & Offsite)	\$ 20,554,732
Less Private Sources of Debt & Equity	\$ 13,713,649
Debt	\$ 9,716,000
Equity	\$ 3,997,649
Total Public Financial Gap	\$ 6,841,083
Tools to Cover the Gap	
<ul style="list-style-type: none"> • City infrastructure financing (bonds) • TxDOT Enhancement Grant • New Market Tax Credits • Traditional debt and equity • NCTCOG Sustainable Development Grant • TIGER Grant 	

Financial Proforma Analysis (Project 1.3 Office and Research & Development)

Several issues influence the economics and related financial gap for the Office R&D block (Project 1.3) of the Forest Lane / Jupiter Road (TIA).

Land Cost	At \$16.53/sf, the land cost is higher than many conventional suburban sites for this type of office development. This cost would ideally be in the \$8/sf to \$12/sf range. Given this land is owned by DART, such consideration may be given if an office user is identified, funding for the replacement parking and related infrastructure is determined, and a quality development concept is advanced.
Rents	Office rents are shown at \$25/sf. This rate is somewhat aggressive given the overall nature of the marketplace and would require the high level of streetscape and landscape improvements shown in the TIA planning as well as quality building design. It is also assumed that the user would be part of a larger office/industrial lease in the immediate area to serve as the “front door” for this larger user.
Hard Costs	The costs shown in this proforma have been planned to achieve a basic masonry clad tilt up office structure within the quality assumptions of the TIA planning. While this cost may be reduced somewhat, it would not be advisable given the lower visual quality of surrounding uses.
Expenses	No tax abatement has been assumed. This may be an incentive tool that could be utilized to reduce the overall financial gap shown in this analysis.
Return on Cost	The financial gap is generated by the difference between the project return on cost as generated through this proforma analysis and a minimum assumed investor threshold of 7.25%. Certain development groups can be more aggressive on yields by incorporating other revenue streams (i.e. mgt fees, construction fees, etc.). The related financial gap would adjust accordingly.
Financial Gap	The financial gap shown here is for the vertical development only. The total gap associated with the full development is identified in 4O.



Implementation Factors

For the overall Study Area and TIA’s, and in keeping with the central tenet of *Envision Garland* and the *ED Strategy*, a series of implementation strategies has been developed to encourage and attract private investment and reinvestment. The general strategy concepts for the Forest/ Jupiter TIA are defined in Table 4P. Detailed implementation actions associated with the catalyst projects in this TIA are defined in Section 5.

Table 4P. Implementation Action Concepts

<p>Financial</p> <ul style="list-style-type: none"> ◆ Gap Financing (new investment and reinvestment) ◆ CDBG Dollars ◆ Signature Project ◆ Public-Private Partnership ◆ Reinvestment Incentives (Residential and Commercial) ◆ Section 108 Loan Program ◆ Low Income Housing Tax Credit (LIHTC) ◆ HUD 221(d)(4) Mortgage Insurance Program ◆ TIGER Grant for TOD Infrastructure Improvements ◆ Private Investment <p>Regulatory</p> <ul style="list-style-type: none"> ◆ Re-Zoning ◆ Design Standards ◆ Reduced Parking Requirements ◆ Enhanced Security (police presence, lighting, design) ◆ Historic Preservation ◆ Code Enforcement ◆ Diversify Housing Inventory ◆ Graffiti Abatement 	<p>Organizational</p> <ul style="list-style-type: none"> ◆ Business Improvement District Services ◆ Business Owner Outreach / Awareness Program ◆ Commercial Property Owner Outreach/ Awareness Program <p>Political</p> <ul style="list-style-type: none"> ◆ Balanced Growth Policies ◆ Affordable Housing Policies ◆ Long-Term Support for Envision Garland and ED Strategy <p>Market</p> <ul style="list-style-type: none"> ◆ Small Business Assistance ◆ Brand Identification (Districts) ◆ Business Promotion ◆ Stronger Retail Mix <p>Physical</p> <ul style="list-style-type: none"> ◆ Streetscape ◆ Pedestrian Improvements ◆ Infrastructure Improvements ◆ Gateway Improvements ◆ Open / Public Space Improvements ◆ Trail Improvements ◆ Bike Paths ◆ ADA Improvements
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Jupiter Road / Walnut Street TIA

The Environment

The Jupiter Road / Walnut Street (Jupiter/ Walnut) TIA is generally located at the intersection of Jupiter Road and Walnut Street. It serves as a retail center for businesses and residents and as such contains retail, office and service uses. The conditions within the TIA that could impact investment and reinvestment decisions along with identified redevelopment opportunities follow in Table 4Q.

Table 4Q. Existing Conditions and Redevelopment Opportunities

+/-	Element	Strategic Response
+	Strong and vibrant mix of ethnic tenants	New opportunities for expansion and investment
+	Keen Branch offers a natural amenity	Reclaim developable property and beautify area
+	Larger retail parcels with single	Simpler redevelopment and reinvestment process
-	Aging buildings and lack of streetscape	Enhance existing building renovation and
-	Business and neighborhoods	Improve connections and add new infill
-	Unbalanced land value vs rent structure	Provide/enhance economic development
-	High perception of crime	Improve GPD presence and conditions for self-policing (visibility, lighting)

Figure 5K. Jupiter/ Walnut TIA Existing Features



Jupiter / Walnut TIA Boundary



Ethnic Retailers



Older Signage



Keen Branch Flood Plain



Large Expanses of Parking



Negative Transitions



Confusing Visual Identity



View of Retail Infill and Enhanced Gateway Frontage



The Vision

The vision for the Jupiter/ Walnut TIA is that of a strengthened neighborhood center, one that has regained its role as a convenient and identity-driven community core. A “town center” within the Study Area would likely include:

- ◆ Renovated buildings and strategic infill of new buildings to increase the density, value and return of investments;
- ◆ Improved access and stronger pedestrian connections;
- ◆ Greater diversity of commercial uses and new pedestrian-based amenities; and
- ◆ Greatly improved visual identity for the gateway to the neighborhood, and improved identity for the area, as a whole.

This is to be accomplished through a collection of retail, restaurant and small businesses which together serve as a center of the local community, enhanced by retail and residential offerings catering to the changing ethnic demographics, and integrated with and surrounded by established neighborhoods.

In addition to working with the existing property owners of the large retail centers, utilization of land fragments offers opportunities for new housing products as an alternative to traditional single family products, while serving to attract individuals desiring a moderately-priced, lower-maintenance lifestyle in close proximity to their work and/or family.

Imagery of Envisioned Program Types



Retail/Restaurant Infill credit: David Whitcomb



Retail Kiosks credit: Freese Nichols



Live/Work Infill credit: David Whitcomb



Restaurant Incubator credit: Freese Nichols



The Opportunity

The following reflects market-supportable redevelopment programming ranges by use (see Table 4R). The specific redevelopment programs are shown on the concept plans and have been based on this analysis.

Table 4R. Attainable Capture

Land Use	Attainable Capture	
	5 Year	10 Year
Residential (units)	150	150
Senior Living (units)	120	120
Retail/Service (sq. ft.)	15,000	30,000
Cultural/Recreational	10,000	20,000
Educational (sq. ft.)	2,500	4,500
Employment (sq. ft.)	25,000	50,000

The Concept

Redevelopment of the Jupiter/ Walnut TIA consists of a variety of catalyst projects listed below and depicted in Figure 4L.

- 1) Senior Housing and townhomes on vacant land adjacent to existing church serves as new gateway to neighborhood. This is a future development and not part of the initial catalyst projects as it does not require public investment.
- 2) Restaurant Incubator with classroom kitchen and ethnic food court helps to anchor inside corner of retail center.
- 3) Housing Infill behind retail center situated on shared new parking streets and plazas. This is a future development concept and not part of the initial catalyst projects as its marketability would be better defined by the successful completion of the adjacent redevelopment.
- 4) Signage and Streetscape improvements along main streets
- 5) Retail Infill (restaurants, food kiosks, and small shops created by culling certain pad sites, reorganizing parking fields and placing employee parking in a rear condition on shared parking streets.
- 6) Landscaped Project Entries with strong urban design features helps to formalize, define , and enhance the experience along Walnut and Jupiter.
- 7) Live/Work and single-family on former rights of way, retail edge, and neighborhood infill. This is a future development concept and not part of the initial catalyst projects as its marketability would be better defined by the successful completion of the adjacent redevelopment.

Figure 4L. Jupiter/ Walnut TIA Concept Plan



- 8) Improved Waterway induces sites for new retail/restaurant pads with outdoor dining. This improvement would be part of a horizontal master development of the Walnut frontage and would not occur until such a master developer (or property owners) express interest.
- 9) Reposition Office with new landscaped entrance and retail/restaurant pad. This is a future development concept and not part of the initial catalyst projects as its marketability would be better defined by the successful completion of the waterway master development and may not require public assistance.
- 10) Community Center, recreation facility and sport court infill around library to strengthen its location as a community destination anchor. This is a future development concept and not part of the initial catalyst projects as its marketability would be better defined by the successful completion of the catalyst projects.



Figure 4M. Jupiter/ Walnut Target Investment Map



Public Improvements

Figure 4N. Aging Ethnic Retail Center Renovation



Lake June Plaza — Before



Torre Vista — After

Renovation Concept

As an alternative (or in addition) to the retail infill concept, a larger renovation concept involves expanded merchandizing of the entire retail center. Referred to as *Renovation Over Infill*, this would include architectural improvements to the facades, interiors, signage, site design, and overall visitor experience. It would likely include the addition of new retail stores through new ownership and leasing strategy. One example, shown in Figure 4N, is the Torre Vista shopping center (formerly Lake June Plaza). Torre Vista is a fully renovated shopping center containing a diverse blend of ethnic retailers located at the intersection of Lake June Road and North Masters Drive in Dallas, TX. This project is the result of a partnership between Vista Property Company and the City of Dallas.



CIP and Economic Development Budgeting

Retail-based catalyst infill projects are anticipated to occur on three of the four intersection quadrants of the Jupiter/ Walnut TIA to form a stronger neighborhood center. Initial programming and market-based analysis determined that both site and infrastructure expenses generate a financial gap, which may inhibit such projects to occur. As such, the City may consider funding all or a portion of such expenses to help induce these catalytic reinvestment efforts.

The approximate cost of public improvements and economic development are similar:

- ◆ Northwest quadrant (Project 2.1) is approximately \$1,474,044;
- ◆ Northeast (Project 2.2) is approximately \$1,882,076; and
- ◆ Southeast (Project 2.3) is approximately \$1,759,729; includes expense for new retail pad site development (reclaiming floodplain, constructing an improved waterway).

As shown in Table 4S, estimated public improvement and economic development costs identified in the TIA planning range between \$3,356,121 and \$5,115,850, depending on the level of improvements and economic development costs associated with a final plan. A more detailed gap analysis will be required to determine specific costs and to consider whether the specific development proposal achieves the goals set forth for redevelopment in the Jupiter/ Walnut TIA.

Table 4S. Jupiter/ Walnut TIA - CIP and ED Investment Summary

2.1 Catalyst Project: Northwest Retail Quadrant

Total Development Value	\$ 19,726,824
Public Improvements Required as Incentives	\$ 574,290
<u>Additional Economic Incentives</u>	<u>\$ 899,754</u>
Total Public Investment	\$ 1,474,044
Leverage Ratio (private dollar value to public dollar investment)	\$13.38 to \$1

2.2 Catalyst Project: Northeast Retail Quadrant

Total Development Value	\$ 14,161,762
Public Improvements Required as Incentives	\$ 750,680
<u>Additional Economic Incentives</u>	<u>\$ 1,131,396</u>
Total Public Investment	\$ 1,882,076
Leverage Ratio (private dollar value to public \$investment)	\$7.52 to \$1

2.3 Residual Project: Southeast Retail Quadrant

Total Development Value	\$ 3,421,129
Public Improvements Required as Incentives	\$ 1,640,053
<u>Additional Economic Incentives</u>	<u>\$ 119,676</u>
Total Public Investment	\$ 1,759,729
Leverage Ratio (private dollar value to public \$investment)	\$2.09 to \$1

Total Development

Total Development Value	\$ 37,309,715
<u>Total Public Investment</u>	<u>\$ 5,115,850</u>
Leverage Ratio (with SE Quadrant)	\$7.29 to \$1
Leverage Ratio (without SE Quadrant)	\$ 9.75 to \$1

Notes: These costs do not include storm drainage, utilities, franchise, and on-site construction or other site development costs. These assumptions reflect an opinion of probable cost based on the consultant's experience and best judgment as a professional. Any evaluation of work to be performed related to project construction must be speculative in nature until actual detailed design.

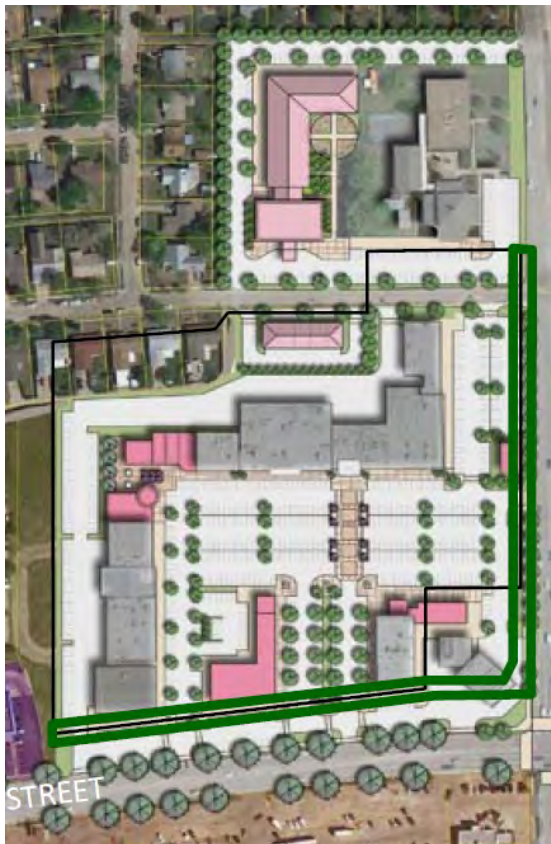
The consultant has no control over the cost of labor, materials or services to be furnished by others or over market conditions, and cannot guarantee that actual costs will not vary from the opinions expressed herein. These costs assume any land purchase at current DCAD assessed value.

Catalyst Project 2.1 Summary

Table 4T. Development Costs (Project 2.1 Northwest Retail Block)

Development Costs		
Development Project	\$/SF	Total
Land Allocation	\$91.22	\$8,075,000
Sitework Allocation	\$5.29	\$468,000
Sitework Contingency	\$0.26	\$23,000
Parking Spaces (surface)	\$7.40	\$655,000
Hard Costs (On & Offsite)	\$63.74	\$5,642,000
Hard Cost Contingency	\$4.66	\$413,000
Retail TI	\$22.06	\$1,953,000
Soft Costs	\$26.88	\$2,379,000
Soft Cost Contingency	\$1.34	\$119,000
Total Project Costs	\$222.85	\$19,727,000

Figure 40. Project 2.1 Northwest Retail Block Map



Offsite Development Costs		
Public Streetscape Improvements	\$/LF	Total
Block edge for NW Quadrant	\$366.48	\$445,878
Total Hard Costs		\$445,878
Design/Engineering	12%	\$53,505
Contingency	15%	\$74,908
Total Streetscape Costs		\$574,291



Table 4U. Development Financing (Project 2.1 Northwest Retail Block)

Development Financing	
Project Income	Total
Rental Income	\$1,543,000
Vacancy & Credit Loss	(\$123,000)
Effective Gross Income	\$1,420,000
Project Expenses	Total
Controllable & Non-Controllable	\$51,000
Capital Reserve	\$13,000
Total Expenses	\$64,000
Net Operating Income	\$1,356,000
Financing	Total
Total Development Costs	\$ 19,727,000
Loan Amount (65%)	\$ 12,822,550
Equity Amount (35%)	\$ 6,904,450
Debt Service (5.25% IR)	\$922,066
Cash Flow After Debt Service	\$433,934
Debt Coverage Ratio (DCR)	1.47

Figure 4P. Project 2.1 Northwest Artists Rendering



Table 4V. Catalyst Programing (Project 2.1 Northwest Retail Block)

Catalyst Program			Monthly Rent PSF	
Land Use	GSF (sf)	GLA (sf)	Today	Stabilized
MU Office	9,000	8,820	\$1.25	\$1.25
Existing In-line Shops	62,258	61,013	\$1.50	\$1.50
In-Line Shops	9,472	9,283	\$1.14	\$1.14
Restaurants	6,500	6,370	\$1.67	\$1.67
Kiosks	1,600	1,568	\$1.50	\$1.50
Pad	1,500	1,470	\$1.67	\$1.67
Total Program	90,330	88,524	\$1.45	\$1.45

Table 4W. Catalyst Project Summary (Project 2.1 Northwest Retail Block)

Catalyst Project Summary	
Private Sector Development Project	
Stabilized Return on Costs	6.87%
Untrended Return on Costs	6.94%
Return on Equity	6.28%
Immediate Return Required	7.25%
Gap Analysis	
Total Development Costs	\$ 19,727,000
Less Private Sources of Debt & Equity	\$ 18,252,956
Debt	\$ 12,822,550
Equity	\$ 5,430,406
Total Economic Gap	\$1,474,044
Tools to Cover the Gap	
<ul style="list-style-type: none"> • City infrastructure financing (bonds) • EB5 Immigrant Investor Loan • New Market Tax Credit equity • Tax Increment Financing • Traditional sources of debt and equity • Local Government Code Chapter 380 Grant • CDBG Section 108 Loan 	



Project 2.1 Financial Proforma Summary

The following issues influence the economics and related financial gap for the northwest retail block (Project 2.1) of the Jupiter/ Walnut TIA.

Land Cost	At \$91.22/sf, this land cost assumes opportunities for higher rents after a renovation and infill project as shown in the TIA planning. Given this land is comprised of currently cash-flowing property under private ownership, final cost will be determined by the owner's willingness to sell.
Rents	Retail and office rents are shown to average \$17.4/sf (\$1.45/sf monthly). Each rate will vary from those shown here based on the success of future leasing activity and related site improvements.
Hard Costs	The costs shown in this proforma have been planned to achieve the renovation and infill concepts shown in the TIA. While this cost may be reduced somewhat, it would not be advisable given the lower visual quality of surrounding uses.
Expenses	No tax abatement has been assumed. This may be an incentive tool that could be utilized to reduce the overall financial gap shown in this analysis.
Return on Cost	The financial gap is generated by the difference between the project return on cost as generated through this proforma analysis and a minimum assumed investor threshold of 7.50%. Certain development groups can be more aggressive on yields by incorporating other revenue streams (i.e. management fees, construction fees, etc.). The related financial gap would adjust accordingly.
Financial Gap	The financial gap shown here is for the vertical development only. The total gap associated with the full development is identified in Figure 4W.

Catalyst Project 2.2 Summary

Table 4X. Development Costs (Project 2.2 Northeast Retail Block)

Development Costs		
Development Project	\$/SF	Total
Land Allocation	\$15.30	\$1,103,000
Sitework Allocation	\$9.78	\$705,000
Sitework Contingency	\$0.49	\$35,000
Parking Spaces (surface)	\$9.23	\$665,000
Hard Costs (On & Offsite)	\$102.01	\$7,350,000
Hard Cost Contingency	\$6.88	\$496,000
Retail TI	\$26.35	\$1,899,000
Soft Costs	\$25.23	\$1,818,000
Soft Cost Contingency	\$1.26	\$91,000
Total Project Costs	\$196.53	\$14,162,000

Offsite Development Costs		
Public Streetscape Improvements	\$/LF	Total
Block edge for NE Quadrant	\$366.48	\$582,826
Total Hard Costs		\$582,826
Design/Engineering	12%	\$69,939
Contingency	15%	\$97,915
Total Streetscape Costs		\$750,680

Figure 4Q. Project 2.2 Northeast Retail Block Map





Table 4Y. Development Financing (Project 2.2 Northeast Retail Block)

Development Financing	
Project Income	Total
Income	\$1,075,000
Vacancy & Credit Loss	(\$117,000)
Effective Gross Income	\$958,000
Project Expenses	Total
Controllable & Non-Controllable	\$38,000
Capital Reserve	\$11,000
Total Expenses	\$49,000
Net Operating Income	\$909,000
Financing	Total
Total Development Costs	\$ 14,162,000
Loan Amount (65%)	\$ 9,205,300
Equity Amount (35%)	\$ 4,956,700
Debt Service (5.25% IR)	\$661,951
Cash Flow After Debt Service	\$247,049
Debt Coverage Ratio (DCR)	1.37

Table 4Z. Catalyst Program (Project 2.2 Northeast Retail Block)

Catalyst Program			Monthly Rent PSF	
Land Use	GSF (sf)	GLA (sf)	Today	Stabilized
MU Office	20,870	20,453	\$1.25	\$1.25
In-Line Shops	42,156	41,313	\$1.14	\$1.14
Restaurants	8,500	8,330	\$1.67	\$1.67
Kiosks	2,000	1,960	\$1.50	\$1.50
Total Program	73,526	72,056	\$1.24	\$1.24

Table 4AA. Catalyst Project Summary (Project 2.2 Northeast Retail Block)

Catalyst Project Summary	
Private Sector Development Project	
Stabilized Return on Costs	6.42%
Untrended Return on Costs	6.50%
Return on Equity	4.98%
Immediate Return Required	7.25%
Gap Analysis	
Total Development Costs	\$ 14,162,000
Less Private Sources of Debt & Equity	\$ 12,279,924
Debt	\$ 9,205,300
Equity	\$ 3,074,624
Total Economic Gap	\$1,882,076

Tools to Cover the Gap
<ul style="list-style-type: none"> • City infrastructure financing (bonds) • EB5 Immigrant Investor Loan • New Market Tax Credit equity • Tax Increment Financing • Traditional sources of debt and equity • Local Government Code Chapter 380 Grant • CDBG Section 108 Loan



Project 2.2 Financial Proforma Summary

Several issues influence the economics and related financial gap for the northeast retail block (Project 2.2) of the Jupiter/ Walnut TIA.

- Land Cost** At \$15.30/sf, this land cost assumes the amount the existing owner would allocate to new infill (whether executed by them or a third party developer). The ultimate value associated with this land will be determined based on the owner’s willingness to execute such a concept.
- Rents** Retail and office rents are shown to average \$4.88/sf (\$1.24/sf monthly). Each rate will vary from those shown here based on the success of future leasing activity and related site improvements.
- Hard Costs** The costs shown in this proforma have been planned to achieve the infill concepts shown in the TIA and no renovation of the existing primary retail center. While this cost may be reduced somewhat, it would not be advisable given the lower visual quality of surrounding uses.
- Expenses** No tax abatement has been assumed. This may be an incentive tool that could be utilized to reduce the overall financial gap shown in this analysis.
- Return on Cost** The financial gap is generated by the difference between the project return on cost as generated through this proforma analysis and a minimum assumed investor threshold of 7.50%. Certain development groups can be more aggressive on yields by incorporating other revenue streams (i.e. management fees, construction fees, etc.). The related financial gap would adjust accordingly.
- Financial Gap** The financial gap shown here is for the vertical development only. The total gap associated with the full development is identified in Figure 4AA.

Catalyst Project 2.3 Summary

Figure 4R. Project 2.3 Southeast Retail Block Map



Table 4AB. Development Costs (Project 2.3 Southeast Retail Block)

Development Costs		
Development Project	\$/SF	Total
Land Allocation	\$7.32	\$1,034,000
Sitework Allocation	\$10.71	\$1,513,000
Sitework Contingency	\$0.54	\$76,000
Soft Costs	\$5.38	\$760,000
Soft Cost Contingency	\$0.27	\$38,000
Total Project Costs	\$24.22	\$3,421,000



Keen Branch Improvements

Photo Credit: Bowman Melton

Table 4AC. Catalyst Program (Project 2.3 Southeast Retail Block)

Catalyst Program			
Land Use	Land SF	Sales PSF	Completed Sales Price
Pad Site I	10,540	\$20.00	\$210,800.00
Pad Site II	10,540	\$18.00	\$189,720.00
Pad Site III	19,630	\$13.00	\$255,190.00
Pad Site IV	18,700	\$13.00	\$243,100.00
Pad Site V	18,700	\$13.00	\$243,100.00
Pad Site VI	63,249	\$12.00	\$758,988.00

Table 4AD Catalyst Project Summary (Project 2.3 Southeast Retail Block)

Catalyst Project Summary	
Private Sector Development Project	
Immediate Return Required	20.00%
Gap Analysis	
Total Development Costs	\$ 3,421,000
Less Private Sources of Debt & Equity	\$ 1,661,271
Total Economic Gap	\$1,759,729

Tools to Cover the Gap
<ul style="list-style-type: none"> • City infrastructure financing (bonds) • Tax Increment Financing • Local Government Code Chapter 380 Grant • CDBG Section 108 Loan



Implementation Factors

For the overall Study Area and TIA’s, and in keeping with the central tenet of *Envision Garland* and the *Economic Development Strategy*, a series of implementation strategies has been developed to encourage and attract private investment and reinvestment. General strategy concepts for the Jupiter/ Walnut TIA are defined in Table 4AE. Detailed implementation actions associated with the catalyst projects in this TIA are defined in Section 5.

Table 4AE. Jupiter/ Walnut TIA Implementation Action Concepts

<p>Financial</p> <ul style="list-style-type: none"> ◆ Gap Financing (new investment and reinvestment) ◆ CDBG Dollars ◆ Signature Project ◆ Public-Private Partnership ◆ Reinvestment Incentives (Residential and Commercial) ◆ Section 108 Loan Program ◆ Low Income Housing Tax Credit (LIHTC) ◆ HUD 221(d)(4) Mortgage Insurance Program ◆ TIGER Grant for TOD Infrastructure Improvements ◆ Private Investment <p>Regulatory</p> <ul style="list-style-type: none"> ◆ Re-Zoning ◆ Design Standards ◆ Reduced Parking Requirements ◆ Enhanced Security (police presence, lighting, design) ◆ Historic Preservation ◆ Code Enforcement ◆ Diversify Housing Inventory ◆ Graffiti Abatement 	<p>Organizational</p> <ul style="list-style-type: none"> ◆ Business Improvement District Services ◆ Business Owner Outreach / Awareness Program ◆ Commercial Property Owner Outreach / Awareness Program <p>Political</p> <ul style="list-style-type: none"> ◆ Balanced Growth Policies ◆ Affordable Housing Policies ◆ Long-Term Support for Envision Garland and ED Strategy <p>Market</p> <ul style="list-style-type: none"> ◆ Small Business Assistance ◆ Brand Identification (Districts) ◆ Business Promotion ◆ Stronger Retail Mix <p>Physical</p> <ul style="list-style-type: none"> ◆ Streetscape ◆ Pedestrian Improvements ◆ Infrastructure Improvements ◆ Gateway Improvements ◆ Open / Public Space Improvements ◆ Trail Improvements ◆ Bike Paths ◆ ADA Improvements
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Shiloh Road / Walnut Street TIA

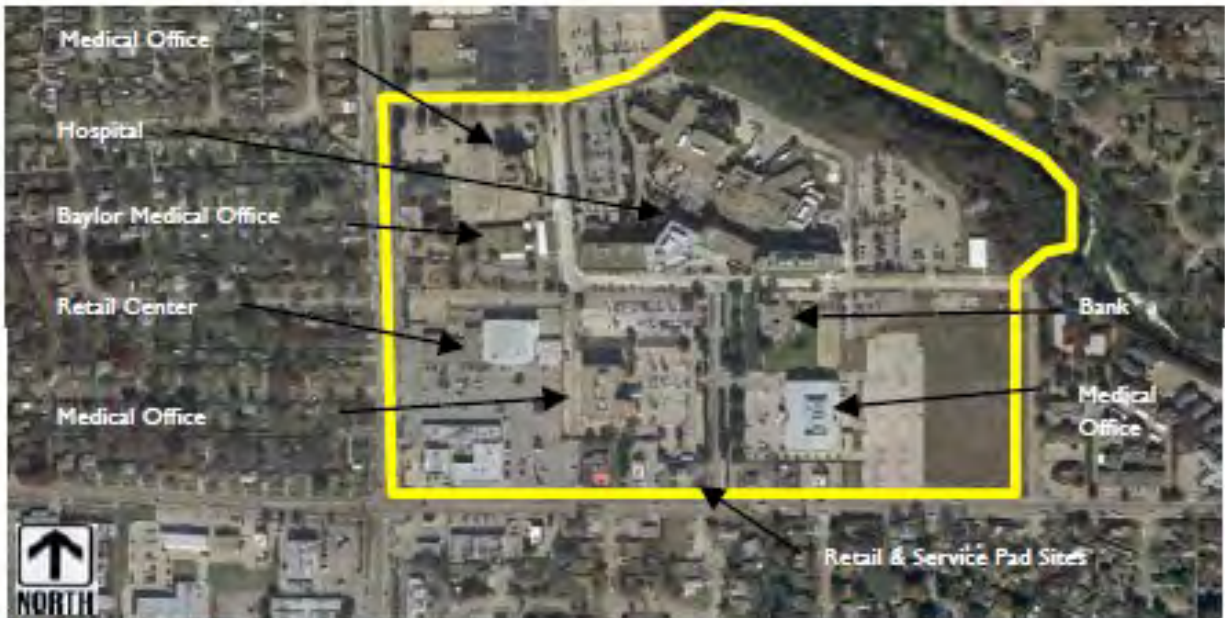
The Environment

The Shiloh Road / Walnut Street (Shiloh/ Walnut) TIA is generally located at the Shiloh Road and Walnut Street intersection and hosts several medical and health-care related uses in the vicinity of the BMC-Garland campus, including the former Vista Community Hospital. Opportunities associated with the issues identified in Section 2 that impact investment within the TIA are shown below in Table 4AF, as well as the mitigating opportunities this analysis has identified for each.

Table 4AF. Existing Conditions and Redevelopment Opportunities

+ / -	Element	Strategic Response
+	BMC-Garland serves as a critical anchor and regional draw	Revitalization strategy focuses on strengthening BMC-Garland's position
+	BMC-Garland facilities create a sense of place	Create aesthetic views of the campus and connections to supportive uses
+	Concentration of BMC-Garland land ownership	Work closely with BMC-Garland to leverage their real estate assets
+	Former Vista Hospital campus on the market	Encourage its redevelopment that complements BMC-Garland services
-	Deteriorated shopping center on the NE corner of Shiloh/Walnut	Redevelop with new entrances, landscape and site design that enhances the area
-	Lack of area identity as a mixed-use health science district	Develop synergistic medical uses and market the area's identity

Figure 4S. Project 2.3 North East Retail Block Map



Walnut / Shiloh TIA Boundary



Baylor Garland Medical Center



Medical Office Buildings



Edge Condition for BMC-Garland Campus



Gateway Experience to BMC-Garland Campus



View of New Parkway and Mixed-Use Entry to BMC-Garland



The Vision

The vision for the Shiloh/ Walnut TIA is one of an integrated mixed-use health science district. Utilizing the BMC-Garland campus as a programmatic anchor and overall driver of regional identity, the addition of residential, retail, and employment uses support the needs of hospital employees and visitors, and nearby residential neighborhoods.

- ◆ New educational and medical uses to strengthen their market positioning;
- ◆ Residential products adjacent to the BMC-Garland facilities provide housing for nurses, support staff and seniors in a walkable and pedestrian-friendly environment; and
- ◆ Ground-level retail and small commercial uses provide lunchtime and neighborhood service uses.

This combination of efforts would be delivered in a manner that forms a more visually appealing and programmatically synergized gateway to the BMC-Garland campus that is active in both the daytime and evening.

To accomplish this, the City would work closely with BMC-Garland to deliver key public improvements that support Baylor's role as land owner, and the two would work with outside real estate developers/investors to help implement this concept.

Shiloh/ Walnut TIA

Imagery of Envisioned Program Types



Senior Living credit: Conservatory Senior Living



Mixed-Use Infill credit: David Whitcomb



Parkway Entrance credit: Post Properties



Lunch-Time Food Trucks credit: John Fregonese



The Opportunity

The following reflects market-supportable redevelopment programming ranges by use. The specific redevelopment programs are shown on the concept plans and have been based on this analysis outlined in Table 4AG

Table 4AG. Attainable Capture

Land Use	Attainable Capture	
	5 Year	10 Year
Residential (units)	150	300
Senior Living (units)	80	80
Retail/Service (sq. ft.)	15,000	30,000
Health Care/Education (sq. ft.)	40,000	40,000
Employment (sq. ft.)	100,000	250,000

The Concept

Redevelopment of the Shiloh Road / Walnut Street TIA consists of a variety of catalyst projects listed below and depicted in Figure 4T.

- 1) **Senior Housing** Independent and/or assisted living adjacent to Duck Creek at the north end of the BMC-Garland.
- 2) **New Roadway** extended through parking fields to create distinct infill blocks over time. This would only occur if/when the independent living project implements.
- 3) **Nursing School** and daycare created within underutilized space within hospital structure. This would only occur if BMC-Garland is interested in pursuing this concept as it effects their operations and physical plant.
- 4) **Baylor ER** and Hope Clinic may be outsourced allowing future expansion / reduced expense. This would only occur if BMC-Garland is interested in pursuing this concept as it effects their operations and physical plant.
- 5) **Mixed-Use** Development to recast existing retail on Shiloh/Walnut corner provides opportunities for loft residential, service retail and restaurants.
- 6) **Green Esplanade** entry to medical district provides for outdoor dining, seating and food carts. Existing medical office given prominence. This would only occur if/when the mixed-use development implements.
- 7) **Adaptive Reuse** and streetscape improvements to remaining Walnut Street retail parcels. This is shown as future development.
- 8) **Future Development Blocks** defined by grid street system and kept for new investment over time.

Figure 4T. Imagery of Envisioned Program Types





CIP and Economic Development Budgeting

Redevelopment planning for the Shiloh Road / Walnut Street TIA identifies a combination of catalyst projects including mixed-use and independent living facilities for sites adjacent to the BMC-Garland campus. These projects have been planned with new public improvements all aimed to help induce larger reinvestment within the TIA by redefining this area as a distinctive development district with clear gateways, open spaces, and mixed-use frontages.

Both public improvement and economic development costs have been identified and may generate a financial gap, which would inhibit such reinvestment from occurring. As such, the City may consider funding all or a portion of such expenses to help induce such catalytic redevelopment efforts.

A more detailed gap analysis will be required to determine specific costs once a developer/ investor is identified. A more detailed gap analysis will be required to determine specific costs once a developer/investor is identified in order for the City to consider whether the specific development proposal achieves the goals set forth for redevelopment in the Jupiter/Walnut TIA redevelopment area.

Table 4AH. Shiloh Road/ Walnut Street TIA CIP and ED Investment Summary

31 Catalyst Project: Seniors Residential Infill on North Side of Baylor Campus

Total Development Value	\$ 16,697,299
Public Improvements Required as Incentives	\$ 1,042,392
<u>Additional Economic Incentives</u>	<u>\$ 1,406,821</u>
Total Public Investment	\$ 2,449,213
Leverage Ratio	\$6.82 to \$1
(private dollar value to public dollar investment)	
Remaining Off-Site Cost to Assist Future Investments	\$650,970

3.2 Catalyst Project: Mixed-Use Development at Shiloh/Walnut

Total Development Value	\$ 30,475,878
Public Improvements Required as Incentives	\$ 961,854
<u>Additional Economic Incentives</u>	<u>\$ 2,019,596</u>
Total Public Investment	\$ 2,981,450
Leverage Ratio	\$10.22 to \$1
(private dollar value to public \$investment)	

Total Development

Total Development Value	\$ 47,173,177
<u>Total Public Investment</u>	<u>\$ 5,430,663</u>
Leverage Ratio	\$8.69 to \$1

Notes: These costs do not include storm drainage, utilities, franchise, and on-site construction or other site development costs. These assumptions reflect an opinion of probable cost based on the consultant's experience and best judgment as a professional. Any evaluation of work to be performed related to project construction must be speculative in nature until actual detailed design.

The consultant has no control over the cost of labor, materials or services to be furnished by others or over market conditions, and cannot guarantee that actual costs will not vary from the opinions expressed herein. These costs assume any land purchase at current DCAD assessed value.

Figure 5U. Shiloh Road/ Walnut Street Target Investment Area Map





Table 4AI. Development Costs (Project 3.1 Senior Living Block)

Development Costs		
Development Project	\$/SF	Total
Land Allocation	\$13.27	\$1,798,000
Sitework Allocation	\$1.40	\$190,000
Sitework Contingency	\$0.06	\$8,000
Parking Spaces (surface)	\$0.80	\$108,000
Hard Costs (on & offsite)	\$81.56	\$11,051,000
Hard Cost Contingency	\$3.34	\$453,000
Retail TI	\$1.25	\$170,000
Soft Costs	\$20.71	\$2,807,000
Soft Cost Contingency	\$0.83	\$112,000
Total Development Costs	\$123.22	\$16,697,000

Offsite Development Costs		
Public Streetscape Improvements	\$/LF	Total
Parking road streetscape	\$831.82	\$607,798
Existing road streetscape	\$523.25	\$201,513
Total Hard Costs		\$809,311
Design/Engineering	12%	\$97,117
Contingency	15%	\$135,964
Total Streetscape Costs		\$1,042,393

Figure 4V. Project 3.1 Senior Living Block Map

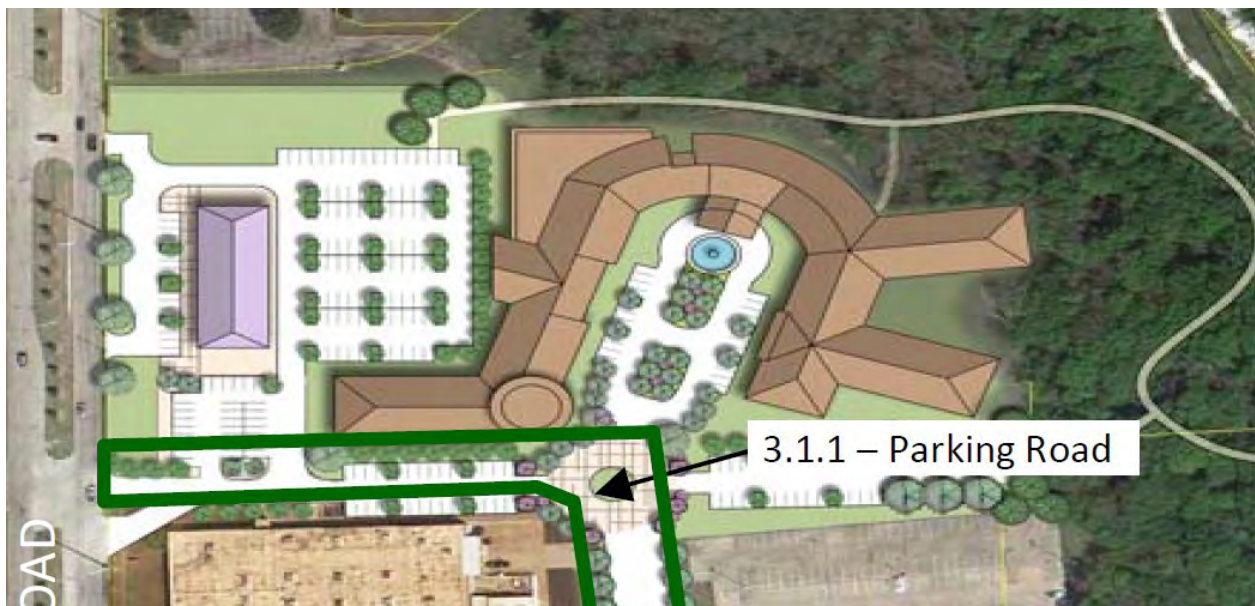


Table 4AJ. Development Financing (Project 3.1 Senior Living Block)

Development Financing	
Project Income	Total
Residential Income	\$1,996,000
Retail Income	\$128,000
Other Income	\$51,000
Vacancy & Credit Loss	(\$167,000)
Effective Gross Income	\$2,008,000
Project Expenses	Total
Controllable & Non-Controllable	\$478,000
Real Estate Taxes	\$320,000
Capital Reserve	\$12,000
Total Expenses	\$810,000
Net Operating Income	\$1,198,000
Financing	Total
Total Development Costs	\$ 16,697,000
Loan Amount (82%)	\$ 13,691,540
Equity Amount (18%)	\$ 3,005,460
Debt Service (4.95% IR)	\$786,809
Cash Flow After Debt Service	\$411,191
Debt Coverage Ratio (DCR)	1.52

Figure 4W. Project 3.1 Image Example



New Streetscape

Photo Credit: Paul Shaw



Table 4AK. Catalyst Program (Project 3.1 Senior Living Block)

Catalyst Program			Monthly Rent PSF	
Land Use	GSF (sf)	Units	Today	Stabilized
Residential	123,800	145	\$1.22	\$1.34
Clubhouse	3,200		\$0.00	\$0.00
Retail	8,500		\$1.25	\$1.25
Total Program	135,500		\$1.19	\$1.30

Table 4AL. Catalyst Project Summary (Project 3.1 Senior Living Block)

Catalyst Project Summary	
Private Sector Development Project	
Stabilized Return on Costs	7.17%
Untrended Return on Costs	6.47%
Return on Equity	13.68%
Immediate Return Required	7.25%
Gap Analysis	
Total Development Costs	\$ 16,697,000
Less Private Sources of Debt & Equity	\$ 14,898,757
Debt	\$ 13,691,540
Equity	\$ 1,207,217
Total Economic Gap	\$ 1,798,243

Tools to Cover the Gap
<ul style="list-style-type: none"> • City infrastructure financing (bonds) • EB5 Immigrant Investor Loan • New Market Tax Credit equity • Tax Increment Financing • Traditional sources of debt and equity • Low Income Housing Tax Credit • CDBG Section 108 Loan

Project 3.1 Financial Proforma Summary

Several issues influence the economics and related financial gap for the Senior Living Block (Project 3.1) of the Shiloh/ Walnut TIA.

Land Cost	At \$12,400 per door, the land cost is higher than many conventional suburban sites for this type of senior living development. This cost would ideally be in the \$7000 to \$9000 per door. Given this land is owned by BMC-Garland, such consideration may be given if a quality development concept is advanced to generate the reinvestment strategy shown in this concept.
Rents	Residential rents at \$1.22/sf (today) are somewhat aggressive given the overall nature of the current marketplace and would require the high level of streetscape and landscape improvements shown in the TIA planning as well as quality building programming and unit design.
Hard Costs	The costs shown in this proforma have been planned to achieve a quality development with masonry exterior materials and quality interior finishes. While this cost may be reduced somewhat, it would not be advisable given the lower visual quality of surrounding uses.
Expenses	No tax abatement has been assumed. This may be an incentive tool that could be utilized to reduce the overall financial gap shown in this analysis.
Return on Cost	The financial gap is generated by the difference between the project return on cost as generated through this proforma analysis and a minimum assumed investor threshold of 7.25%. Certain development groups can be more aggressive on yields by incorporating other revenue streams (i.e. management fees, construction fees, etc.). The related financial gap would adjust accordingly.
Financial Gap	The financial gap shown here is for the vertical development only. The total gap associated with the full development is identified in Table 4AJ.



Table 4AM. Development Costs (Project 3.2 Mixed Use Block)

Development Costs		
Development Project	\$/SF	Total
Land Allocation	\$17.98	\$4,349,000
Sitework Allocation	\$1.61	\$390,000
Sitework Contingency	\$0.06	\$16,000
Parking Spaces (surface)	\$3.39	\$820,000
Hard Costs (on & offsite)	\$80.93	\$19,577,000
Hard Cost Contingency	\$3.45	\$834,000
Retail TI	\$1.86	\$451,000
Soft Costs	\$16.06	\$3,884,000
Soft Cost Contingency	\$0.64	\$155,000
Total Project Costs	\$125.98	\$30,476,000

Offsite Development Costs		
Public Streetscape Improvements	\$/LF	Total
East/west entry road from Shiloh	\$715.33	\$408,231
Shiloh/Walnut edge improvements	\$321.98	\$335,981
North/South entry parkway from Walnut	\$508.59	\$347,178
Total Hard Costs		\$1,091,390
Design/Engineering	12%	\$130,967
Contingency	15%	\$183,354
Total Streetscape Costs		\$1,405,710

Figure 4X. Project 3.2 Mixed Use Block

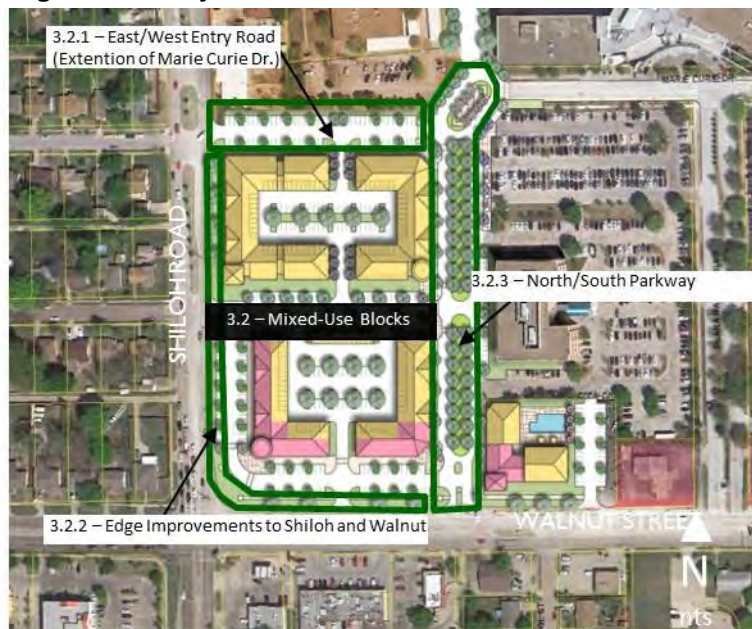


Table 4AN. Development Financing (Project 3.2 Mixed Use Block)

Development Financing	
Project Income	Total
Residential Income	\$3,392,000
Retail Income	\$338,000
Other Income	\$92,000
Vacancy & Credit Loss	(\$299,000)
Effective Gross Income	\$3,523,000
Project Expenses	Total
Controllable & Non-Controllable	\$771,000
Real Estate Taxes	\$575,000
Capital Reserve	\$21,000
Total Expenses	\$1,367,000
Net Operating Income	\$2,156,000
Financing	Total
Total Development Costs	\$ 30,476,000
Loan Amount (70%)	\$ 21,333,200
Equity Amount (30%)	\$ 9,142,800
Debt Service (4.50% IR)	\$1,297,106
Cash Flow After Debt Service	\$858,894
Debt Coverage Ratio (DCR)	1.66

Figure 5Y. Project 3.2 Artist Rendering



New Parkway Street

Credit: Catalyst Group



Table 4AO. Catalyst Program (Project 3.2 Mixed Use Block)

Catalyst Program			Monthly Rent PSF	
Land Use	GSF (sf)	Units	Today	Stabilized
Residential	216,150	264	\$1.21	\$1.31
Clubhouse	3,200		\$0.00	\$0.00
Retail	22,545		\$1.25	\$1.25
Total Program	241,895		\$1.20	\$1.28

Table 4AP. Catalyst Project Summary (Project 3.2 Mixed Use Block)

Catalyst Project Summary	
Private Sector Development Project	
Stabilized Return on Costs	7.07%
Untrended Return on Costs	6.54%
Return on Equity	9.39%
Immediate Return Required	7.25%
Gap Analysis	
Total Development Costs	\$ 30,476,000
Less Private Sources of Debt & Equity	\$ 27,494,550
Debt	\$ 21,333,200
Equity	\$ 6,161,350
Total Economic Gap	\$2,981,450

Tools to Cover the Gap
<ul style="list-style-type: none"> • City infrastructure financing (bonds) • EB5 Immigrant Investor Loan • New Market Tax Credit equity • Tax Increment Financing • Traditional sources of debt and equity • Low Income Housing Tax Credit • CDBG Section 108 Loan

Financial Proforma Summary (Project 3.2 Mixed Use Block)

Several issues influence the economics and related financial gap for the mixed-use block (Project 3.2) of the Shiloh/ Walnut TIA.

Land Cost	At \$17.98/sf, this land cost is higher than the acceptable cost of land for this type of project in a suburban area. Further, given this land currently has cash-flowing properties and is held privately, it is doubtful it would be able to be acquired for less (and may be more expensive). This is one factor driving the financial gap.
Rents	Retail rents are shown at \$15/sf (\$1.25/sf monthly). This rate is lower than may be achievable and, if so, project performance would improve. That said, residential rents at \$1.21/sf (today) are somewhat aggressive given the overall nature of the current marketplace and would require the high level of streetscape and landscape improvements shown in the TIA planning as well as quality building programming and unit design to achieve.
Hard Costs	The costs shown in this proforma have been planned to achieve a quality development with masonry exterior materials and quality interior finishes. While this cost may be reduced somewhat, it would not be advisable given the lower visual quality of surrounding uses.
Expenses	No tax abatement has been assumed. This may be an incentive tool that could be utilized to reduce the overall financial gap shown in this analysis.
Return on Cost	The financial gap is generated by the difference between the project return on cost as generated through this proforma analysis and a minimum assumed investor threshold of 7.25%. Certain development groups can be more aggressive on yields by incorporating other revenue streams (i.e. mgt fees, construction fees, etc.), the related financial gap would adjust accordingly.
Financial Gap	The financial gap shown here is for the vertical development only. The total gap associated with the full development is identified in 4AP.



Implementation Factors

As described in the Introduction section of this report, a central tenet of Envision Garland and the ED Strategy is directing strategic investment to this Study Area. For the overall Study Area and its TIA's, a series of implementation strategies has been developed to encourage and attract private investment and reinvestment. These general strategy concepts are defined in Table 4AQ for this TIA. Detailed implementation actions associated with the catalyst projects in this TIA are defined in Section 5.

Table 4AQ. Implementation Action Concepts

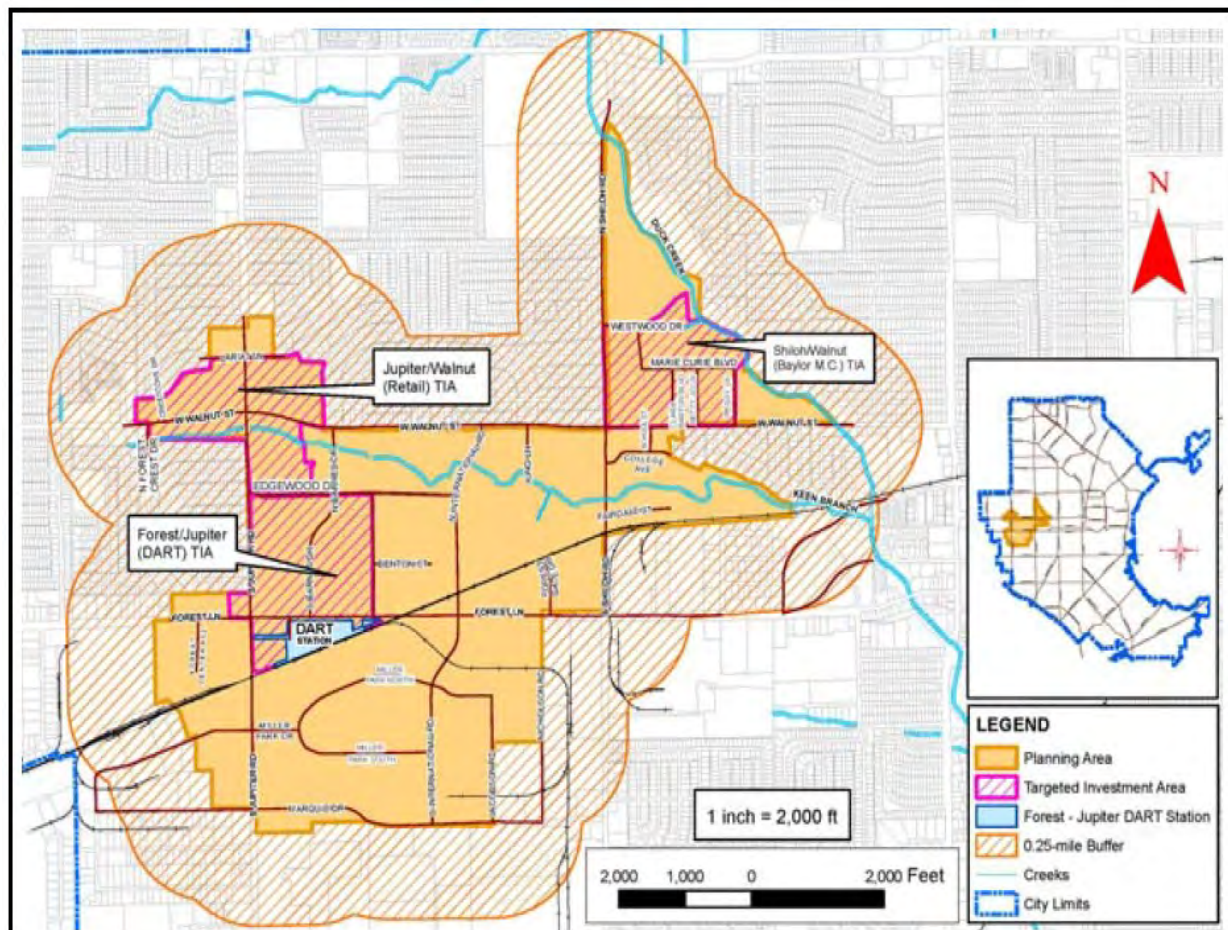
<p>Financial</p> <ul style="list-style-type: none"> ◆ Gap Financing (new investment and reinvestment) ◆ CDBG Dollars ◆ Signature Project Public-Private Partnership ◆ Reinvestment Incentives (Residential and Commercial) ◆ Section 108 Loan Program ◆ Low Income Housing Tax Credit (LIHTC) ◆ HUD 221(d)(4) Mortgage Insurance Program ◆ TIGER Grant for TOD Infrastructure Improvements ◆ Private Investment <p>Regulatory</p> <ul style="list-style-type: none"> ◆ Re-Zoning ◆ Design Standards ◆ Reduced Parking Requirements ◆ Enhanced Security (police presence, lighting, design) ◆ Historic Preservation ◆ Code Enforcement ◆ Diversify Housing Inventory ◆ Graffiti Abatement 	<p>Organizational</p> <ul style="list-style-type: none"> ◆ Business Improvement District Services ◆ Business Owner Outreach/ Awareness Program ◆ Commercial Property Owner Outreach/ Awareness Program <p>Political</p> <ul style="list-style-type: none"> ◆ Balanced Growth Policies ◆ Affordable Housing Policies ◆ Long-Term Support for Envision Garland and ED Strategy <p>Market</p> <ul style="list-style-type: none"> ◆ Small Business Assistance ◆ Brand Identification (Districts) ◆ Business Promotion ◆ Stronger Retail Mix <p>Physical</p> <ul style="list-style-type: none"> ◆ Streetscape ◆ Pedestrian Improvements ◆ Infrastructure Improvements ◆ Gateway Improvements ◆ Open / Public Space Improvements ◆ Trail Improvements ◆ Bike Paths ◆ ADA Improvements
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Section 5: Implementation

Following defining a vision and desired results, comes the challenge of outlining an implementable strategy for promoting investment in the Study Area as envisioned in this *Redevelopment Plan*. As discussed during the planning process, success will depend on implementing a series of actions or strategies designed to capitalize on market opportunities and overcome barriers – effectively readying the environment for investment. Figure 5A illustrates the Study Area boundaries and TIA locations. The key to advancing the long-term vision expressed herein will be the continued monitoring of these strategies to ensure they are tailored to the unique circumstances and potential catalyst projects within the Area. Through this approach the City will:

- ◆ Position the public sector as the early lead in this initiative (private investment follows public commitment);
- ◆ Build community support whereas progress will be visible;
- ◆ Enhance quality-of-life near-term as conditions are improved;
- ◆ Send a message that the Study Area is successful and making positive strides; and,
- ◆ Create an increasingly attractive environment for investment in the TIA's.

Figure 5A Study Area





Strategy Fundamentals

There are two common complaints associated with redevelopment initiatives that are lead by a City. The first is whether this is an activity that a City should undertake rather than the private marketplace and, if such a decision is made, the second has to do with the speed with which investment decisions are made. This *Redevelopment Plan* addresses these two concerns through the following.

First, the analysis of the existing Study Area conditions has shown it to be comprised of a range of land uses and property owners without a common plan, organization, or active and consistent market interest. As such, the City has undertaken the initial step of preparing this *Redevelopment Plan* based on stakeholder input to provide a strategic framework to inform future decisions, a tool for Study Area property owners to use in generating marketplace interest, and a resource to reduce the cost of outside developer/investor initial underwriting for each TIA.

Secondly, a fundamental assumption in the recommendations associated with this *Redevelopment Plan* is that there will be a hierarchy of decision-making. The first layer will involve the private sector (applicant) interface with City Staff, where they will be provided all relevant policy and regulating documents associated with the *Redevelopment Plan* and Study Area. The second layer will be between Staff, the applicant, and relevant Boards and Commissions. Decision-making at this level will be informed by Staff recommendations and consistency with all City adopted documents. The third layer will be between Staff, the applicant and City Council. Decision-making at this level will be informed by Staff recommendations and those of the Boards and Commissions, as well as a set of guiding principles defined in *Envision Garland* and reflective of the expressed goals stated herein. Each of these principles is listed below.

Guiding Principles

The following guiding principles suggest that the Study Area be managed as one cohesive sub-market, strengthening, connecting and promoting its collection of diverse assets and responding in innovative ways to opportunities to leverage investment. They are intended to assist the City, advocacy organizations, and stakeholders with managing issues in the Study Area in a unified way by clarifying the role of the City and overall goals.

Guiding Principles

1. The City will be proactive and entrepreneurial in communicating the opportunities to the private marketplace
2. The City will utilize any appropriate revitalization tool to kick-start initial redevelopment and reinvestment.
3. The City's economic development profile will be elevated on a regional level by such activity.
4. The City will promote development and redevelopment that conforms to the community's vision, as expressed in this *Redevelopment Plan*.
5. The City will build the necessary public improvements shown in this *Redevelopment Plan* to connect the places where people work, live and play, while preserving and protecting neighborhood character.
6. The City will provide preference for the catalyst projects identified in this *Redevelopment Plan* due to their strategic locations.
7. The City will treat the TIA's as a portfolio of assets, realizing that each area will have differing levels of: market readiness; public financial support; and, public return on investment.
8. The City will avoid negative financial impacts to the funding of general government operations and effectively leverage public investment to attract private investment.
9. The City will provide assistance for eligible projects that have verifiable financing gaps at a level that is fiscally responsible.
10. Land use planning and zoning in the Study Area will be supportive of economic development and the goals of this *Redevelopment Plan*.

Study Area Strategies

The following list of strategies and actions are consistent with recommendations in *Envision Garland* and focused on the Study Area. Experience has shown that programs to maintain, promote and develop the concepts shown in this *Redevelopment Plan* cannot succeed in a fragmented structure and the relationship proposed between the City and Chamber will be critical towards advancing the concepts. As such, these strategies have been prepared for use by the City and Chamber towards the implementation of the economic development initiatives recommended in this *Redevelopment Plan* through a variety of improvements and services. Collectively, the synergies that these efforts create will enable properties in the Study Area to compete and offer a framework for the targeted use of Garland's scarce resources. A summary of these action items is listed in a matrix outlining the Study Area implementation concepts by TIA that has been included in Appendix Exhibit 5-1.

A. Operate with the Garland Chamber of Commerce (the Chamber) under a unified marketing incentive and business development platform to project a “no wrong door” image.

- 1) Develop a targeted industry analysis that defines desired strategic industries within and adjacent to the Study Area, and identify strategies to attract, relocate and / or expand industry within those clusters.
- 2) Continue to educate neighborhood and business associations in and around the Study Area in understanding the importance of redevelopment efforts and resources available to assist with redevelopment in each TIA.
- 3) Utilize existing nonprofit housing and redevelopment organizations as vehicles to market the vision and opportunities for each TIA.
- 4) Organize Study Area Stakeholders to help create a specific branding strategy for the Study Area and related TIA's.

B. Re-align roles and responsibilities within and between the City and Chamber to better focus skill sets and resources to enhance economic development efforts.

- 1) The City and Chamber will jointly accept a set of benchmarks for evaluating progress in advancing the *Redevelopment Plan*. These benchmarks will be used to communicate progress related to implementation.
- 2) Formalize the City's commitment to the revitalization of the Study Area by designating and empowering a staff-level professional to facilitate redevelopment efforts with the private sector, negotiate public-private partnerships for key projects, and to develop policies and programs for economic revitalization.
- 3) Designate City Staff (project managers) empowered to negotiate on behalf of the City at the staff level to facilitate coordination of permitting and approval process, resource allocation and elimination of all obstacles for key projects.
- 4) Institute a more formalized in-house process to evaluate (gap analysis) and negotiate economic development incentive packages by using a staff-management vetting process.
- 5) Given the limited number of parcels available in the Study Area for expansion by existing businesses, the Chamber will maintain an inventory of available parcels and continually monitor the expansion and relocation needs of businesses and industries in the Area.



C. In association with the Chamber, offer a comprehensive incentive program to facilitate redevelopment, business expansion, retention and attraction.

- 1) Evaluate existing incentives (e.g. tax abatement policy and existing TIF district) and modify as necessary to better attract investment for redevelopment in the Study Area. This will include analyzing the boundaries and use of the existing TIF district to expand on its resources in order to better capitalize on real estate market, business development opportunities, and public realm improvements.
- 2) Expand the menu of incentives for business expansion, urban infill, existing retail strip center and distressed commercial property within the TIA's.
- 3) Together, the City and Chamber will expand its small business development services to address the needs of ethnic interest in the Study Area. To this end, the City should consider a joint planning activity with a representative group of businesses to understand their resource and service needs.
- 4) Create a "war chest" through a wide variety of funding sources including federal appropriation funding that can serve as patient equity to leverage private development.
- 5) Research the application of Economic Development Administration (EDA), Housing and Urban Development (HUD) and other federal grant and loan funds for development and predevelopment support.
- 6) Partner with existing Community Development Financial Institutions (CDFIs) and Small Business Administration (SBA) lenders to expand the availability of capital for business expansion.
- 7) Develop a procedural and underwriting work plan that individual businesses can utilize in accessing SBA low interest business loans and New Markets Tax Credits (NMTC)
- 8) Explore the utilization of State economic development incentive programs, such as the Neighborhood Empowerment Zone (NEZ) program to encourage reinvestment in and adjacent to the Study Area.
- 9) Explore the utilization of a Business Improvement District (BID) to encourage business redevelopment in the Study Area or nearby large employers.
- 10) Institute an expedited development approval process as one of the incentives for key projects.
- 11) Explore the use of CDBG Section 108 low interest/favorable term loans for key job-creating projects.
- 12) Consider building a redevelopment fund for use in the Study Area along with an annual appropriation of general fund or Capital Improvement Plan (CIP) dollars combined with proceeds from the sale of City-owned property or Federal / State grant funds. In addition, revenues from successful catalyst projects could ultimately be earmarked for future redevelopment efforts. Such a revolving redevelopment fund would allow the City to quickly respond to investment opportunities that arise in the Study Area.

D. Revise development regulations to better encourage quality new investment and reuse of infill properties.

- 1) Revise the future land use map as shown in *Envision Garland* to match the more detailed Potential Redevelopment Concept shown in this *Redevelopment Plan* and that clearly illustrates TIAs as higher density mixed-use activity centers.

- 2) Consider adopting a form based zoning for the TIA's, or, (in conjunction with *Envision Garland* recommendations) create a mixed-use zoning district which permits vertical mixed-use by right in the TIA's. Utilize the design guidelines recommended in this *Redevelopment Plan* in such efforts.
- 3) Work with property owners to rezone parcels within the Study Area to be consistent with Potential Redevelopment Concept shown in this *Redevelopment Plan*.

E. Direct public investment into the TIA's to leverage private investment that advances the *Redevelopment Plan* vision.

- 1) Encourage and support the catalyst projects and implementation steps by TIA as shown in this *Redevelopment Plan*.
- 2) Package incentives tailored to the type of real estate issue / development opportunity and market to potential developers.
- 3) Offer pre-development assistance for strategic properties (site / property design, market analysis, conditions assessment, etc.)
- 4) Assign priority to TIAs in the allocation of capital improvement funds and establish a five-year capital improvement program for priority TIAs to fund improvements.
- 5) Establish a policy requiring an economic impact analysis of all projects receiving financial assistance for use in educating both elected officials and the local citizenry about returns on investment to the community.
- 6) Once redevelopment opportunities are identified and begin to implement, the City and Chamber will craft marketing tools that tell the investment story in an effort to maintain investment momentum.



Targeted Investment Area Strategies

Whereas the Study Area strategies described previously were broad, the strategies associated with the implementation of the specific catalyst projects recommended for the TIA's in this *Redevelopment* Plan are very specific. Implementing these activities will require strong and seamless collaboration based on Staff skill sets, resources, regulatory control, and the willingness and interest of property owners and outside developer/investors. With the assumption that the general strategies listed above are implemented, the specific action steps to implement the catalyst projects is identified by TIA in the format of the full matrix included in the appendix.

Forest Lane / Jupiter Road TIA

General Strategies

- ◆ With the planning concept of the industrial complex as an amenitized business park, the City and Chamber should work with property and business owners to determine the specific business amenities that could be executed within the area to promote new investment and expansion.
- ◆ The City and Chamber would work with property owners in the area to establish a crime watch program in partnership with the Garland Police Department.
- ◆ The specific recommendations should be followed.

Sequential Implementation Steps

Steps and actions associated with each of the three catalyst projects in the Forest/Jupiter TIA are presented in the following tables: Table 5A (Project 1.1), Table 5B (Project 1.2), and Table 5C (Project 1.3).

Table 5A. Forest/Jupiter TIA Catalyst Projects – Sequential Implementation Steps

Project 1.1 (South Mixed-Use Block) – Initial TIA Phase	
Step	Action
(1) Land Control	<ul style="list-style-type: none"> a. Hold discussions with DART regarding the potential for the parking lot west of Barnes Drive and vacant property to be used for development without replacement of parking. b. Agree upon terms with DART in which a property sale or ground lease would be acceptable for the west parking lot subject to developer interest. c. Determine the exact nature of land procurement DART would accept (request for qualifications, request for proposals, or direct sourcing) d. Obtain a Memorandum of Understanding from DART on the terms of these agreed upon options for use in discussions with developer/investors.
(2) Entitlement	<ul style="list-style-type: none"> a. Confirm the catalyst project will conform to the existing PD 03-47 standards and, if not, amend to incorporate the mixed-use development guidelines proposed in this <i>Redevelopment Plan</i>. b. Should rezoning be required, execute rezoning to accommodate all projects shown in the TIA concept working with each property owner.
(3) Conceptual Approval of Gap Financing and Partnership Concept	<ul style="list-style-type: none"> a. This project has been shown to have an estimated financial gap of \$2,265,249 on a total estimated development cost of \$23,905,071. This is made up of two public improvements (1.1.1 and 1.1.2) totaling \$715,405 and economic development needed to execute the vertical project totaling \$1,549,844 based on project assumptions in the <i>Redevelopment Plan</i>. The source of funds that have been envisioned to finance this gap is a combination of bonds, EB5 Immigrant Investor Loan, CDBG Section 108 loan, and/or Tax Increment Financing. b. Prior to specific developer/investor interest being obtained, the City Council should consider this amount of necessary gap financing, the identified source of funds (and others deemed appropriate), and the City’s role in a potential public/private partnership. c. The City should determine the specific method it would accept for entering into a public/private partnership (through request for qualifications, request for proposals, or direct sourcing).
<p>Upon determination of this process, approval of the gap financing and partnership concept, the City would prepare a simple Letter of Intent outlining this understanding for use in discussions with developer/investors.</p>	
(4) Proactive Marketing to Prospective Developer/ Investors	<ul style="list-style-type: none"> a. City Staff and the Chamber would build a list of potential developer/ investors including those involved in the planning process and others deemed to have proven capabilities and success in this type of development. b. Utilizing the project materials from this <i>Redevelopment Plan</i>, the Memorandum of Understanding from DART, and the Letter of Intent from the City Council, City Staff and the Chamber begin approaching each developer/investor to gauge their interest in implementing the project. c. Following the steps outlined by the City’s procurement rules, the City would select a specific developer/investor to move into detailed discussions.
(5) Public / Private Partnership and Contracts	<ul style="list-style-type: none"> a. The City will assist the developer in any information requests, etc that come out of their underwriting process b. The developer will perform their own proforma analysis and gap analysis to determine final economic gap based on their specific programming needs and communicate as such to the City. c. The City and developer will negotiate the terms of the final public/private partnership. d. The City will assist the developer to finalize the terms of the land agreement with DART as needed, and will also be available to work with the developer in its finalization of financing with lenders as needed. e. The City and developer will execute the public/private partnership.



Table 5B. Forest/Jupiter TIA Catalyst Projects – Sequential Implementation Steps

Project 1.2 (North Mixed-Use Block) – Phase Two	
Step	Action
(1) Conceptual Approval of Gap Financing and Partnership Concept	<p>a. Through initial analysis, this project has been shown to have an estimated financial gap of \$1,951,989 on a total estimated development cost of \$35,076,713. This is made up of two public improvements (1.2.1 and 1.2.2) totaling \$635,235 and economic development needed to execute the vertical project totaling \$1,316,754 based on project assumptions in the <i>Redevelopment Plan</i>. The source of funds that have been envisioned to finance this gap is a combination of bonds, EB5 Immigrant Investor Loan, CDBG Section 108 loan, and/or Tax Increment Financing.</p> <p>b. As the price of land is variable based on land owner expectation and the prior project 1.1 would be in place to derive comparable statistics from, it will be necessary to determine a basic scale for public incentives (if any) prior to detailed discussion with developer/investors. As such, City Staff should update the financial projections from this <i>Redevelopment Plan</i> (as necessary), and submit this concept to City Council for consideration.</p> <p>c. The City Council should consider the amount of necessary gap financing, the identified source of funds (and others deemed appropriate), and the City's role in a potential public/private partnership.</p> <p>d. The City should determine the specific method it would accept for entering into a public/private partnership (through request for qualifications, request for proposals, or direct sourcing).</p> <p>e. Upon determination of this process, approval of the gap financing and partnership concept, the City would prepare a simple Letter of Intent outlining this understanding for use in discussions with developer/investors.</p>
(2) Proactive Marketing to Prospective Developer/Investors	<p>a. City Staff and the Chamber would build a list of potential developer/investors including those involved in the planning process and others deemed to have proven capabilities and success in this type of development.</p>
<p>Utilizing the project materials from this <i>Redevelopment Plan</i>, the Memorandum of Understanding from DART, and the Letter of Intent from the City Council, City Staff and the Chamber begin approaching each developer/investor to gauge their interest in implementing the project. Following the steps outlined by the City's procurement rules, the City would select a specific developer/investor to move into detailed discussions.</p>	
(3) Land Control and Project Economics	<p>a. As the two properties required to implement this process are held privately, any discussion regarding acquisition should not be made until it is determined what the budget for the project and gap financing (if necessary) would be. Once this is determined, the developer would engage in dialogue with the land owners to gauge land pricing.</p> <p>b. Based on nature of negotiations with land owner and details associated with its programming and market pricing, developer would prepare its own economic analysis and communicate these results to City for conceptual approval.</p> <p>c. Should negotiations end favorably, developer would enter into a purchase/sale agreement with land owners, with proper timing and contingencies for entitlement and financing as needed.</p>
(4) Entitlement	<p>a. Confirm the catalyst project will conform with the existing zoning and, if not, amend to incorporate the mixed-use development guidelines proposed in this <i>Redevelopment Plan</i> as a new planned development district (or mixed-use district if already adopted by City as part of the Study Area recommendations).</p>

Table 5B. Forest/Jupiter TIA Catalyst Projects – Sequential Implementation Steps

Project 1.2 (North Mixed-Use Block) – Phase Two (continued)	
Step	Action
(5) Public / Private Partnership and Contracts	<ul style="list-style-type: none"> a. The City will assist the developer in any information requests, etc that come out of their underwriting process b. The developer will perform their own proforma analysis and gap analysis to determine final economic gap based on their specific programming needs and communicate as such to the City. c. The City and developer will negotiate the terms of the final public/private partnership. d. The City will be available to work with the developer in its finalization of financing with lenders as needed. e. The City and developer will execute the public/private partnership.

Table 5C. Forest/Jupiter TIA Catalyst Projects – Sequential Implementation Steps

Project 1.3 – Office/Research & Development (Phase Three)	
Step	Action
(1) User Identification	<ul style="list-style-type: none"> a. Implementation of this project triggers substantial public improvements costs associated with property acquisition to relocate DART parking, construction of pedestrian bridge from parking to the DART Forest / Jupiter station, and streetscape improvements. Due to this complexity and cost, it is anticipated that the only way this project will transpire if it is based on specific needs of a particular office / industrial user desiring expansion or relocation to the adjacent business park. b. Should such need arise, or should the City desire to advance this project, City staff and the Chamber will identify this user and work to receive a binding Letter of Intent outlining its specific needs and timing, contingent on financing and approvals. c. With this agreement in place, implementation of following steps begins.
(2) Land Control	<ul style="list-style-type: none"> a. Hold discussions with DART regarding the potential to replace the parking lot east of Barnes Drive to its proposed location south of the DART Forest / Jupiter station in order for their current property to be used for development. b. Agree upon terms with DART in which a property sale or ground lease would be acceptable for the east parking lot. c. Determine the exact nature of land procurement DART would accept (request for qualifications, request for proposals, or direct sourcing) d. Obtain a Memorandum of Understanding from DART on the terms of these agreed upon options for use in discussions with developer/investors.
(3) Entitlement	<ul style="list-style-type: none"> a. Should this property not have been rezoned in prior phases, City would execute rezoning to accommodate the user’s project needs working with DART.



Table 5C. Forest/Jupiter TIA Catalyst Projects – Sequential Implementation Steps

Project 1.3 (Office/Research & Development) – Phase Three (continued)	
Step	Action
(4) Conceptual Approval of Gap Financing and Partnership Concept	<ul style="list-style-type: none"> a. Through initial analysis, this project has been shown to have an estimated financial gap of \$6,841,083 on a total estimated development cost of \$20,554,732. This is made up of three public improvements (1.3.1, 1.3.2 and 1.3.3) totaling \$6,674,644 and economic development needed to execute the vertical project totaling \$166,439 based on project assumptions in the <i>Redevelopment Plan</i>. The source of funds that have been envisioned to finance this gap is a combination of TxDOT Transportation Enhancement Program funds, TIGER Grant, NCTCOG Sustainable Development Grant funds, Tax Increment Financing, and/or bonds. b. Prior to specific developer/investor interest being obtained, the City Council should consider this amount of necessary gap financing, the identified source of funds (and others deemed appropriate), and the City's role in a potential public/private partnership. c. The City should determine the specific method it would accept for entering into a public/private partnership (through request for qualifications, request for proposals, or direct sourcing). d. Upon determination of this process, approval of the gap financing and partnership concept, the City would prepare a simple Letter of Intent outlining this understanding for use in discussions with developer/investors.
(5) Proactive Marketing to Prospective Developer/Investors	<ul style="list-style-type: none"> a. City Staff and the Chamber would build a list of potential developer/investors including those involved in the planning process and others deemed to have proven capabilities and success in this type of development. b. Utilizing the project materials from this <i>Redevelopment Plan</i>, the Letter of Interest from the User, the Memorandum of Understanding from DART, and the Letter of Intent from the City Council, City Staff and the Chamber begin approaching each developer/investor to gauge their interest in implementing the project. c. Following the steps outlined by the City's procurement rules, the City would select a specific developer/investor to move into detailed discussions.
(6) Public / Private Partnership and Contracts	<ul style="list-style-type: none"> a. The City will assist the developer in any information requests, etc that come out of their underwriting process b. The developer will perform their own proforma analysis and gap analysis to determine final economic gap based on their specific programming needs and communicate as such to the City. c. The City and developer will negotiate the terms of the final public/private partnership. d. The City will assist the developer to finalize the terms of the land agreement with DART as needed, and will also be available to work with the developer in its finalization of financing with lenders as needed. e. The City and developer will execute the public/private partnership.

Jupiter Road / Walnut Street TIA

General Strategies

- ◆ Work with Chamber, property and business owners to form a business association focused on the advancement of economic development and marketing efforts for this specific TIA, as well as programming of events, etc.
- ◆ Work with this formed group in the creation of a branding strategy for this ethnic retailing center.
- ◆ Provide small business expansion support, with particular emphasis on anchor retailers through partnerships with the Chamber's SBDC center.
- ◆ Promote business recruitment of certain types of businesses based on void/synergy (and compared with other ethnic centers that have been benchmarked).
- ◆ Undertake drainage study to determine land reclamation and improvements along Keen branch.
- ◆ The specific recommendations should be followed.

Sequential Implementation Steps

Steps and actions associated with each of the three catalyst projects in the Jupiter/Walnut TIA are presented in the following tables: Table 5D (Project 2.1), Table 5E (Project 2.2), and Table 5F (Project 2.3).



Table 5D. Jupiter/Walnut TIA Catalyst Projects – Sequential Implementation Steps

Project 2.1 (Northwest Retail Block) – Phase One	
Step	Action
(1) Initial Measurement of Developer Interest	<p>a. Due to the poor quality of the existing retail center, this project involves the renovation of the existing retail and new infill development. As valuation of this asset should not be influenced by the potential for public/private partnership funding, the City may choose to contact several developer/investors with experience in such renovation to gauge their interest prior to detailed discussions with the owner beyond what has occurred to date in the planning process.</p> <p>b. If this is desirable, and utilizing the project materials from this <i>Redevelopment Plan</i>, City Staff and the Chamber begin approaching each developer/investor to gauge their interest in implementing the project.</p> <p>c. Should such interest be present, and following the steps outlined by the City's procurement rules, the City would select a developer/investor to prepare a simple Letter of Interest outlining their basic terms for the City's consideration based on the information prepared in this <i>Redevelopment Plan</i>, but contingent on their own more detailed analysis.</p> <p>d. With such formal interest displayed, the City and developer would progress in the following process.</p>
(2) Refined Project Underwriting	<p>a. As the property required to implement this process is held privately, any discussion regarding acquisition should not be made until it is determined what the budget for the project and gap financing (if necessary) would be.</p> <p>b. Through initial analysis, this project has been shown to have an estimated financial gap of \$1,474,044 on a total estimated development cost of \$19,726,824. This is made up of one public improvement (2.1.1) totaling \$574,290 and economic development needed to execute the vertical project totaling \$899,754 based on project assumptions in the <i>Redevelopment Plan</i>. The source of funds that have been envisioned to finance this gap is a combination of bonds, EB5 Immigrant Investor Loan, CDBG Section 108 loan, Chapter 380 Grant, and/or Tax Increment Financing.</p> <p>c. The use of New Markets Tax Credits is also a likely source of funds as it is well-suited to the type of project. As such, and to obtain more favorable pricing for these credits, the City may choose to seek its own allocation of these credits as an additional source of funds that can be offered.</p> <p>d. The City Council should consider the amount of necessary gap financing, the identified source of funds (and others deemed appropriate), and the City's role in a potential public/private partnership and communicate its option to the developer.</p> <p>e. Once this is determined, the developer would engage in separate dialogue with the land owner. Based on the outcome of this negotiation, current market pricing, and the City's communicated goals in gap financing and partnership structure, the developer would finalize its own economic analysis and communicate these results to City for conceptual approval.</p>
(3) Land Control	<p>a. Should negotiations with both the City and land owner end favorably, developer would enter into a purchase/sale agreement with land owner, with proper timing and contingencies for entitlement and financing as needed.</p>
(4) Entitlement	<p>a. Based on the programming of this <i>Redevelopment Plan</i>, the current project should work within existing zoning. Should the detailed programming desires of the owner and/or developer differ from existing zoning, a change in zoning would be pursued by the developer.</p>

Table 5D. Jupiter/Walnut TIA Catalyst Projects – Sequential Implementation Steps

Project 2.1 (Northwest Retail Block) – Phase One (continued)	
Step	Action
(5) Public / Private Partnership and Contracts	<ul style="list-style-type: none"> a. The City will assist the developer in any information requests, etc that come out of their underwriting process b. The developer will finalize their own proforma analysis and gap analysis to determine final economic gap and communicate results to the City. c. The City and developer will negotiate the terms of the final public/private partnership if acceptable. d. The City will be available to work with the developer in its finalization of financing with lenders as needed. e. The City and developer will execute the public/private partnership.

Table 5E. Jupiter/Walnut TIA Catalyst Projects – Sequential Implementation Steps

Project 2.2 (Northeast Retail Block) – Phase Two	
Step	Action
(1) Initial Measurement of Owner Interest	<ul style="list-style-type: none"> a. Due to high assessments of property value and more recent property improvements, it is likely that this development concept will require the existing owner to be involved in the project, either as investor or developer. As such, and utilizing the project materials from this <i>Redevelopment Plan</i>, City Staff and the Chamber would approach the property owner to gauge their interest in pursuing the process below. b. Should such interest be present, the property owner would prepare a simple Letter of Interest outlining their basic terms for the City’s use in discussions with developers and/or the City Council.
(2) Conceptual Approval of Gap Financing and Partnership Concept	<ul style="list-style-type: none"> a. Through initial analysis, this project has been shown to have an estimated financial gap of \$1,882,076 on a total estimated development cost of \$14,161,762. This is made up of one public improvement (2.2.1) totaling \$750,680 and economic development needed to execute the vertical project totaling \$1,131,396 based on project assumptions in the <i>Redevelopment Plan</i>. The source of funds that have been envisioned to finance this gap is a combination of bonds, EB5 Immigrant Investor Loan, CDBG Section 108 loan, Chapter 380 Grant, and/or Tax Increment Financing. b. The use of New Markets Tax Credits is likely on the private financing of this project. As such, and to obtain more favorable pricing for these credits, the City may choose to seek its own allocation of these credits as an additional source of funds that can be offered. c. It will be necessary to confirm a basic range of public investment prior to detailed discussion with developer/investors. As such, City Staff should update the financial projections from this <i>Redevelopment Plan</i> (if necessary based on discussion with the land owner), and submit this concept to City Council for consideration. d. The City Council should consider the amount of necessary gap financing, the identified source of funds (and others deemed appropriate), and the City’s role in a potential public/private partnership. e. The City should determine the specific method it would accept for entering into a public/private partnership (through request for qualifications, request for proposals, or direct sourcing). f. Upon determination of this process, approval of the gap financing and partnership concept, the City would prepare a simple Letter of Intent outlining this understanding for use in discussions with developer/investors (if necessary).



Table 5E. Jupiter/Walnut TIA Catalyst Projects – Sequential Implementation Steps

Project 2.2 (Northeast Retail Block) – Phase Two (continued)	
Step	Action
(3) Proactive Marketing to Prospective Developer/ Investors	<p>a. Should a separate developer be necessary, the City Staff and the Chamber would build a list of potential developer/investors including those involved in the planning process and others deemed to have proven capabilities and success in this type of development.</p> <p>b. Utilizing the project materials from this <i>Redevelopment Plan</i>, a Letter of Interest from the property owner, and the Letter of Intent from the City Council, City Staff and the Chamber begin approaching each developer/ investor to gauge their interest in implementing the project.</p> <p>c. Following the steps outlined by the City’s procurement rules, the City would select a specific developer/investor to move into detailed discussions.</p>
(4) Land Control and Project Economics	<p>a. As the two properties required to implement this process are held privately, any discussion regarding acquisition should not be made until it is determined what the budget for the project and gap financing (if necessary) would be. Once this is determined, the developer would engage in separate dialogue with the land owner to finalize budgeting.</p> <p>b. Based on nature of negotiations with land owner and details associated with its programming and market pricing, developer would finalize its own economic analysis and communicate these results to City for conceptual approval.</p> <p>c. Should negotiations end favorably, developer would enter into a purchase/ sale agreement (or joint venture agreement) with land owner, with proper timing and contingencies for entitlement and financing as needed.</p>
(5) Entitlement	<p>a. Based on the programming of this <i>Redevelopment Plan</i>, the current project should work within existing zoning. Should the detailed programming desires of the owner and/or developer differ from existing zoning, a change in zoning would be pursued by the developer.</p>
(6) Public / Private Partnership and Contracts	<p>a. The City will assist the developer in any information requests, etc that come out of their underwriting process</p> <p>b. The developer/investor will finalize their own proforma analysis and gap analysis to determine final economic gap based on their specific programming needs, market pricing, and other variables and communicate as such to the City.</p> <p>c. The City and developer will negotiate the terms of the final public/private partnership if acceptable.</p> <p>d. The City will be available to work with the developer in its finalization of financing with lenders as needed.</p> <p>e. The City and developer/investor will execute the public/private partnership.</p>

Table 5F. Jupiter/Walnut TIA Catalyst Projects – Sequential Implementation Steps

Project 2.3 (Southeast Retail Block) – Phase Three	
Step	Action
(1) Initial Measurement of Developer Interest	<p>a. Due to the poor quality of the existing Walnut frontage and pad sites, this project involves the demolition of existing conditions, improvement of Keen Branch (and related land reclamation), and master horizontal development to achieve the concepts identified in this <i>Redevelopment Plan</i>. As valuation of this asset should not be influenced by the potential for public/ private partnership funding, the City may choose to contact several master</p>

Table 5F. Jupiter/Walnut TIA Catalyst Projects – Sequential Implementation Steps

Project 2.3 (Southeast Retail Block) – Phase Three (continued)	
Step	Action
(1) Initial Measurement of Developer Interest (continued)	<p>developer/investors with experience in such horizontal retail land development programs to gauge their interest prior to detailed discussions with the owner beyond what has occurred to date in the planning process.</p> <p>b. If this is desirable, and utilizing the project materials from this <i>Redevelopment Plan</i>, City Staff and the Chamber begin approaching several identified master developer/investors to gauge their interest in implementing the project.</p> <p>c. Should such interest be present, and following the steps outlined by the City’s procurement rules, the City would select a master developer/investor to prepare a simple Letter of Interest outlining their basic terms for the City’s consideration based on the information prepared in this <i>Redevelopment Plan</i>, but contingent on their own more detailed analysis.</p> <p>d. With such formal interest displayed, the City and developer would progress in the following process.</p>
(2) Refined Project Underwriting	<p>a. Due to the poor quality of the existing Walnut frontage and pad sites, this project involves the demolition of existing conditions, improvement of Keen Branch (and related land reclamation), and master horizontal development to achieve the concepts identified in this <i>Redevelopment Plan</i>. As valuation of this asset should not be influenced by the potential for public/private partnership funding, the City may choose to contact several master developer/investors with experience in such horizontal retail land development programs to gauge their interest prior to detailed discussions with the owner beyond what has occurred to date in the planning process.</p> <p>b. If this is desirable, and utilizing the project materials from this <i>Redevelopment Plan</i>, City Staff and the Chamber begin approaching several identified master developer/investors to gauge their interest in implementing the project.</p> <p>c. Should such interest be present, and following the steps outlined by the City’s procurement rules, the City would select a master developer/investor to prepare a simple Letter of Interest outlining their basic terms for the City’s consideration based on the information prepared in this <i>Redevelopment Plan</i>, but contingent on their own more detailed analysis.</p> <p>d. With such formal interest displayed, the City and developer would progress in the following process.</p>
(3) Land Control	<p>a. Should negotiations with both the City and land owner end favorably, developer would enter into a purchase/sale agreement with land owner, with proper timing and contingencies for entitlement and financing as needed.</p>
(4) Entitlement	<p>a. Based on the programming of this <i>Redevelopment Plan</i>, the current project should work within existing zoning. Should the detailed programming desires of the owner and/or developer differ from existing zoning, a change in zoning would be pursued by the developer.</p>
(5) Public / Private Partnership and Contracts	<p>a. The City will assist the developer in any information requests, etc that come out of their underwriting process</p> <p>b. The developer will finalize their own proforma analysis and gap analysis to determine final economic gap and communicate results to the City.</p> <p>c. The City and developer will negotiate the terms of the final public/private partnership if acceptable.</p> <p>d. The City will be available to work with the developer in its finalization of financing with lenders as needed.</p> <p>e. The City and developer will execute the public/private partnership.</p>



Shiloh Road / Walnut Street TIA

General Strategies

- ◆ Work with BMC-Garland in the formal adoption of the strategies contained in this *Redevelopment Plan*, with particular focus on the concept of creating a grid street network to better define development blocks. Once determined, work with area real estate brokers to determine users suitable to invest on these blocks.
- ◆ Expand area of focus to include the former Vista Hospital campus. Work with local real estate brokers to determine potential users for the Vista campus.
- ◆ The specific recommendations should be followed.

Sequential Implementation Steps

Steps and actions associated with each of the two catalyst projects in the Shiloh/Walnut TIA are presented in the following tables: Table 5G (Project 3.1) and Table 5H (Project 3.2).

Table 5G. Shiloh/Walnut TIA Catalyst Projects – Sequential Implementation Steps

Project 3.1 (Senior Living) – Phase One	
Step	Action
(1) Land Control	<ul style="list-style-type: none"> a. Hold discussions with BMC-Garland regarding the potential for their partial small parking lot and vacant property on the extreme north end of their property to be used for development without replacement of parking. b. Agree upon conceptual terms with BMC-Garland in which a property sale or ground lease would be acceptable subject to developer interest. c. Determine the exact nature of land procurement BMC-Garland would accept (request for qualifications, request for proposals, or direct sourcing) d. Obtain a Memorandum of Understanding from BMC-Garland on the terms of these agreed upon options for use in discussions with developer/ investors.
(2) Entitlement	<ul style="list-style-type: none"> a. Confirm the catalyst project will conform to the existing PD standards and, if not, amend to incorporate the mixed-use development guidelines proposed in this <i>Redevelopment Plan</i>. b. Should rezoning be required, execute rezoning to accommodate all projects shown in the TIA concept working with each property owner.
(3) Conceptual Approval of Gap Financing and Partnership Concept	<ul style="list-style-type: none"> a. Through initial analysis, this project has been shown to have an estimated financial gap of \$2,449,213 on a total estimated development cost of \$16,697,299. This is made up of one on-site public improvement (50% of 3.1.1) totaling \$391,422, two off-site public improvements totaling \$650,970, and economic development needed to execute the vertical project totaling \$1,406,821 based on project assumptions in the <i>Redevelopment Plan</i>. The source of funds that have been envisioned to finance this gap is a combination of bonds, EB5 Immigrant Investor Loan, CDBG Section 108 loan, and/or Tax Increment Financing. b. Prior to specific developer/investor interest being obtained, the City Council should consider this amount of necessary gap financing, the identified source of funds (and others deemed appropriate), and the City’s role in a potential public/private partnership. c. The City should determine the specific method it would accept for entering into a public/private partnership (through request for qualifications, request for proposals, or direct sourcing). d. Upon determination of this process, approval of the gap financing and partnership concept, the City would prepare a simple Letter of Intent outlining this understanding for use in discussions with developer/investors.
(4) Proactive Marketing to Prospective Developer/ Investors	<ul style="list-style-type: none"> a. City Staff and the Chamber would build a list of potential developer/ investors including those involved in the planning process and others deemed to have proven capabilities and success in this type of development. b. Utilizing the project materials from this <i>Redevelopment Plan</i>, the Memorandum of Understanding from BMC-Dallas, and the Letter of Intent from the City Council, City Staff and the Chamber begin approaching each developer/investor to gauge their interest in implementing the project. c. Following the steps outlined by the City’s procurement rules, the City would select a specific developer/investor to move into detailed discussions.
(5) Public / Private Partnership and Contracts	<ul style="list-style-type: none"> a. The City will assist the developer in any information requests, etc that come out of their underwriting process b. The developer will perform their own proforma analysis and gap analysis to determine final economic gap based on their specific programming needs and communicate as such to the City. c. The City and developer will negotiate terms of final public/private partnership. d. The City will assist the developer to finalize the terms of the land agreement with BMC-Garland as needed, and will also be available to work with the developer in its finalization of financing with lenders as needed. e. The City and developer will execute the public/private partnership.



Table 5H. Shiloh/Walnut TIA Catalyst Projects – Sequential Implementation Steps

Project 3.2 (Mixed-Use Block) – Phase Two	
Step	Action
(1) Conceptual Approval of Gap Financing and Partnership Concept	<ul style="list-style-type: none"> a. Through initial analysis, this project has been shown to have an estimated financial gap of \$2,981,450 on a total estimated development cost of \$30,475,878. This is made up of two on-site public improvements (3.2.1 and 3.2.2) totaling \$514,688, one off-site public improvement (3.2.3) totaling \$447,166, and economic development funds needed to execute the vertical project totaling \$2,019,596 based on project assumptions in the <i>Redevelopment Plan</i>. The source of funds that have been envisioned to finance this gap is a combination of bonds, EB5 Immigrant Investor Loan, CDBG Section 108 loan, and/or Tax Increment Financing. b. As the price of land is variable based on land owner expectation and the prior project 3.1 would be in place to derive comparable statistics from, it will be necessary to determine a basic scale for public incentives (if any) prior to detailed discussion with developer/investors. As such, City Staff should update the financial projections from this <i>Redevelopment Plan</i> (as necessary), and submit this concept to City Council for consideration. c. The City Council should consider the amount of necessary gap financing, the identified source of funds (and others deemed appropriate), and the City's role in a potential public/private partnership. d. The City should determine the specific method it would accept for entering into a public/private partnership (through request for qualifications, request for proposals, or direct sourcing). e. Upon determination of this process, approval of the gap financing and partnership concept, the City would prepare a simple Letter of Intent outlining this understanding for use in discussions with developer/investors.
(2) Proactive Marketing to Prospective Developer/ Investors	<ul style="list-style-type: none"> a. City Staff and the Chamber would build a list of potential developer/ investors including those involved in the planning process and others deemed to have proven capabilities and success in this type of development. b. Utilizing the project materials from this <i>Redevelopment Plan</i>, the Memorandum of Understanding from DART, and the Letter of Intent from the City Council, City Staff and the Chamber begin approaching each developer/investor to gauge their interest in implementing the project. c. Following the steps outlined by the City's procurement rules, the City would select a specific developer/investor to move into detailed discussions.
(3) Land Control and Project Economics	<ul style="list-style-type: none"> a. As the two properties required to implement this process are held privately, any discussion regarding acquisition should not be made until it is determined what the budget for the project and gap financing (if necessary) would be. Once this is determined, the developer would engage in dialogue with the land owners to gauge land pricing. b. Based on the nature of negotiations with the land owners and details associated with its programming and market pricing, developer would prepare its own economic analysis and communicate these results to City for conceptual approval. c. Should negotiations end favorably, developer would enter into a purchase/ sale agreement with land owners, with proper timing and contingencies for entitlement and financing as needed.
(4) Entitlement	<ul style="list-style-type: none"> a. Confirm the catalyst project will conform with the existing zoning and, if not, amend to incorporate the mixed-use development guidelines proposed in this <i>Redevelopment Plan</i> as a new planned development district (or mixed-use district if already adopted by City as part of the Study Area recommendations).

Table 5H. Shiloh/Walnut TIA Catalyst Projects – Sequential Implementation Steps

Project 3.2 (Mixed-Use Block) – Phase Two (continued)	
Step	Action
(5) Public / Private Partnership and Contracts	<ul style="list-style-type: none"> a. The City will assist the developer in any information requests, etc. that come out of their underwriting process b. The City will be available to work with the developer in its finalization of financing with lenders as needed. c. The developer will update their own proforma analysis and gap analysis to determine final economic gap based on their specific programming needs, and final market pricing, and communicate as such to the City. d. The City and developer will negotiate the terms of the final public/private partnership if acceptable. e. The City and developer will execute the public/private partnership.



Conclusion

In summary, successful implementation of this *Redevelopment Plan* will be dependent on committed leadership from the public and private sectors. So as to ensure that the *Redevelopment Plan* will not be vulnerable to the failure of one project -- many projects should be underway at any given time, and a wide variety of stakeholders will be involved. Experience has shown that success is dependent on capitalizing on opportunities while also removing barriers to investment. This said, regulations should allow for and encourage the vision for the Study Area and prohibit anything inconsistent with that vision. Victories, even minor ones, will be continually broadcast through an on-going communications strategy, and all policy and regulatory documents will be aligned towards a common goal – to advance the vision expressed herein.

Redevelopment is never easy, but always exciting. It is challenging, and as such requires higher levels of analysis, planning and assistance. It is widely accepted that early projects in any revitalization effort should be assisted at least until market conditions reach levels where new construction can more than support itself. The Study Area is but one subset of a larger market, and as such, has strengths which can be capitalized on and limitations which need to be overcome. These limitations, commonly referred to in this *Redevelopment Plan* as barriers, pose unique obstacles which require unique solutions. Given the importance of key anchors including major employers within the Study Area (including existing industry clusters and the BMC-Garland campus) have a tremendous influence on the economic well-being of the entire region. These valued assets must be protected and the environment within which they operate improved and maintained.

The proposed approach to redevelopment of the Study Area encourages strategic investment in the core TIA's to deliver an appropriate mix of land uses, with a greater emphasis to multiple forms of access, resulting in a unique sense of place. The *Redevelopment Plan* is intended to assist the City and other advocacy partners with a technical framework for discussions regarding market opportunities, development programming alternatives, and partnership strategies. The vision and directives referenced here were developed with input from stakeholders who participated in the planning process including property and business owners, apartment managers, and institutional representatives along with City and Chamber Staff and guidance from the Consultant Team.

This strategic planning effort was designed to provide the stakeholders with a clear vision of intended investment and criteria with which to evaluate specific development proposals located in the Study Area. The *Redevelopment Plan* is intended to provide recommendations for improvements and policy reform which can be implemented over the near- and long-term

Ultimately, this strategic document will serve as the roadmap to move the community's vision towards reality and to ensure that redevelopment of the Study Area is accomplished in a way that balances private investment objectives with community sustainability.



Appendix 1 (Introduction)

Exhibit 1-1. Public Meeting Summary

Date	Location	Format	Accomplishment
03/07/2012	GISD Administration 601 S. Jupiter Road	Public Meeting	Understand existing conditions Identify issues and opportunities
06/27/2012	Northeast Church	Public Meeting	Review draft catalyst projects
09/25/2012	Northeast Church	Public Meeting	Finalize proposed catalyst projects
10/08/2012	City Hall	Plan Commission	Briefing and input from Plan Commission
04/15/2013	City Hall	City Council	Briefing and input from City Council
05/07/2013	City Hall	City Council	Presentation to and Action by City Council

Exhibit 1-2. Public Meeting Survey Results

Results from General Study Area Public Discussion

Positive Study Area Issues and Locations

- ◆ The BMC-Garland Campus
- ◆ Proximity and Access to Employment
- ◆ Light Industrial Campus
- ◆ Ease of Product Movement to I-635
- ◆ DART Forest/Jupiter Station Grounds

Negative Study Area Issues and Locations

- ◆ Blocks between Barnes Drive, International Road, Edgewood Drive and Forest Lane
- ◆ Patrons of the DART Station
- ◆ General Noise Concerns
- ◆ Decline of Neighborhoods
- ◆ Decline of Restaurants and Housing
- ◆ Location of Parole Office
- ◆ Expanding Ethnicities and Lack of Services
- ◆ Neglected Properties South of Edgewood
- ◆ Inability to Walk Safely to DART Station

Results of Ranking of Top Community Priorities

Pedestrian Friendly Experiences	1
More Positive Community Identity	2
Greater Diversity of Retail Formats	3
Better Connections for Walking, etc	4
More Interactive Streets & Streetscape	5
Better Defined Open Space System	6
Expanded Choice of Workplaces	7
Expanded Choice of Housing Types	8
Better Sense of Community Scale	9



Exhibit 1-3. Responses to Questionnaires

Study Area Residents and Workers Responses to Questionnaire:

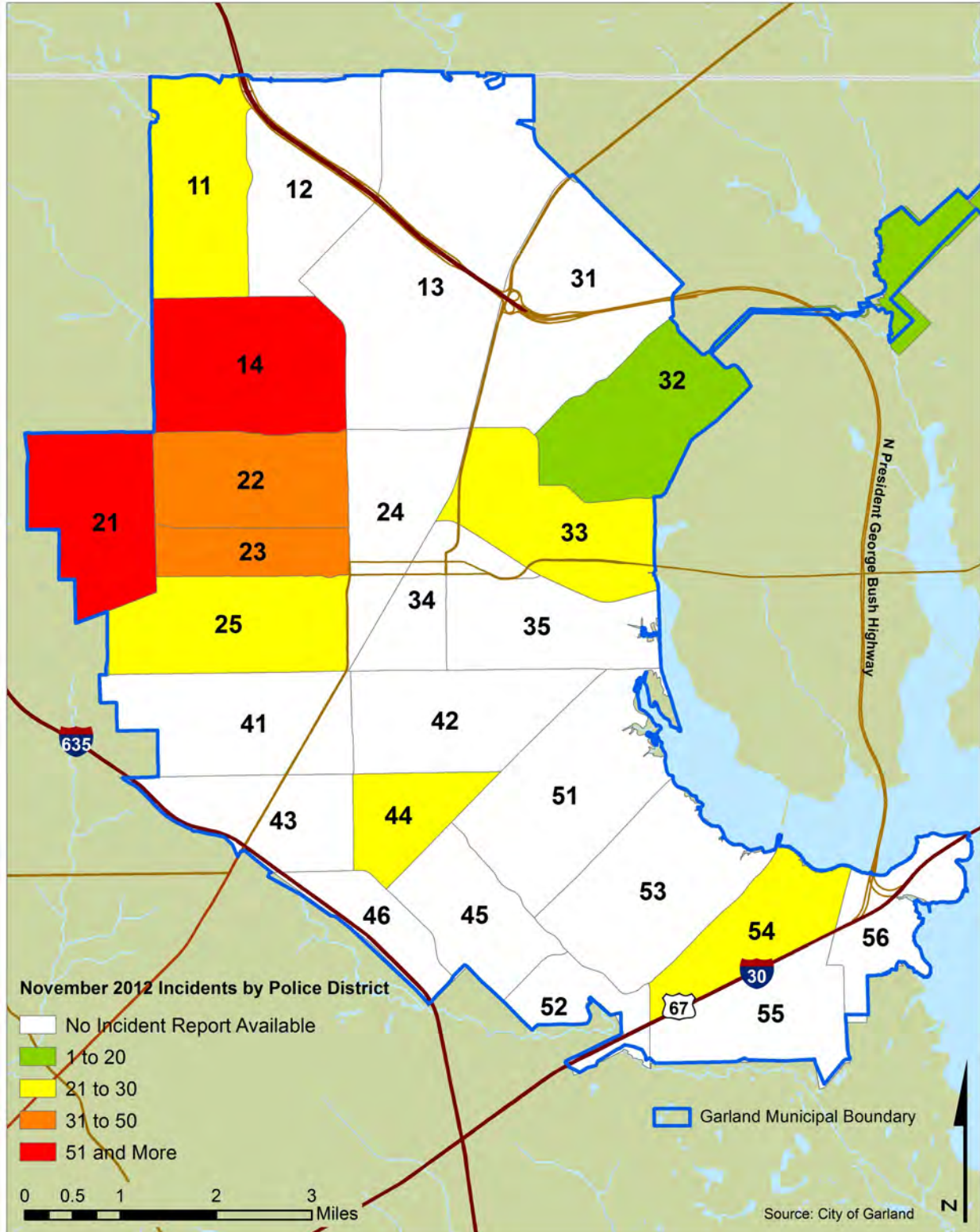
- 1) What are the most significant changes occurring in the Study Area?
 - Aging of public improvements 18%
 - There are no significant changes 17%
 - Increase in residential population density 9%
 - Declining identity of the area 8%
 - Businesses are expanding 8%
 - Demographic decline in area neighborhoods 8%
 - Poor land use transition and connections 8%
 - Degrading area aesthetics and visual quality 8%
 - There has been an influx of transients 8%
 - There is an increase in renters vs. home owners ..8%
- 2) Do these changes encourage or discourage you?
 - Discourage 56%
 - Encourage 33%
 - No change 11%
- 3) Will these conditions improve or decline over 10 years?
 - Decline 33%
 - No change 11%
 - Improve 56%
- 4) Do you take transit to and from this area?
 - No 70%
 - Yes 30%

Business and Property Owner Responses:

- 1) Has your market expanded or contracted in recent years?
 - Contracted 30%
 - Stayed Same 20%
 - Expanded 50%
- 2) Will your market expand or contract over next 10 years?
 - Contract 23%
 - Stay Same 15%
 - Expand 62%
- 3) Do you plan to expand your investment?
 - No 45%
 - Unsure 18%
 - Yes 37%
- 4) Do you plan to sell your investment?
 - No 80%
 - Unsure 10%
 - Yes 10%
- 5) What are largest factors affecting answers above?
 - Business Sales/Revenue 32%
 - Improved Pedestrian Access 25%
 - Employment Cost 15%
 - Safety 07%
 - Brand Name 07%
 - Construction Costs 07%
 - Rent Increase 07%

Appendix 2 (Existing Conditions)

Exhibit 2-1. City of Garland Police District Map





Jupiter / Walnut TIA Retail Inventory Analysis

Exhibit 2-2. Retail Inventory Chart (NW Quadrant Jupiter/Walnut TIA)

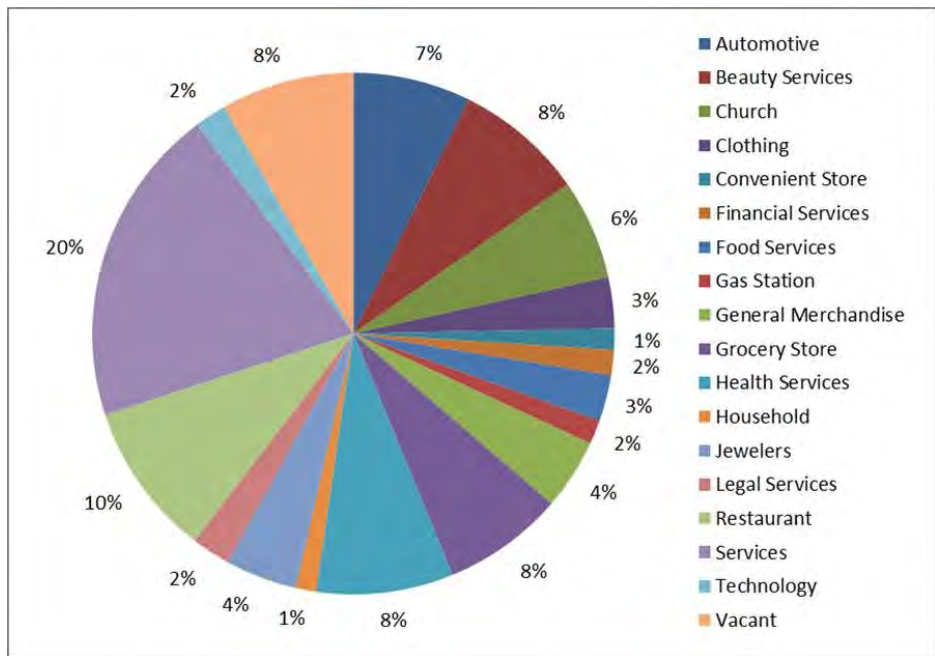


Exhibit 2-3. Retail Inventory Aerial Map (NW Quadrant Jupiter/Walnut TIA)

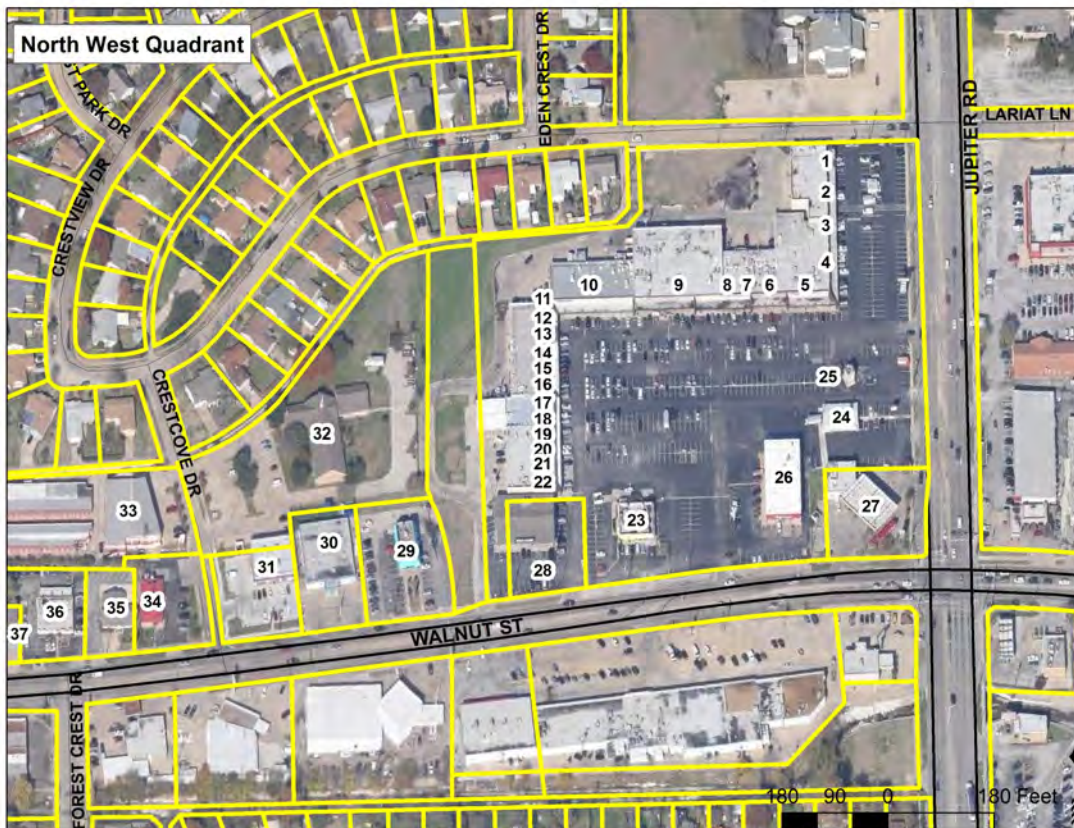


Exhibit 2-4. Retail Inventory Chart (NE Quadrant Jupiter/Walnut TIA)

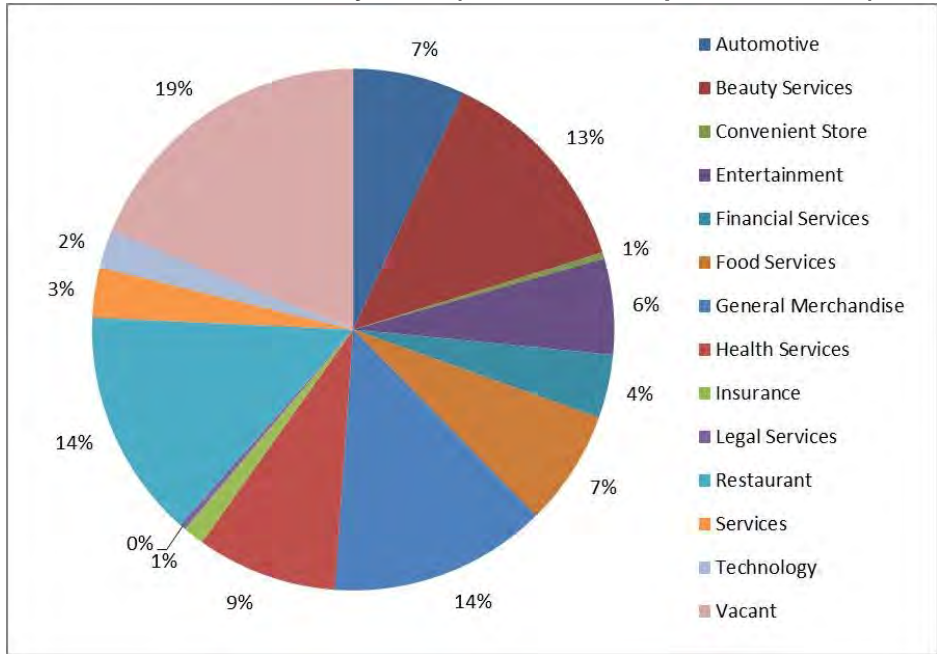


Exhibit 2-5. Retail Inventory Aerial Map (NE Quadrant Jupiter/Walnut TIA)





Exhibit 2-6. Retail Inventory Chart (SE Quadrant Jupiter/Walnut TIA)

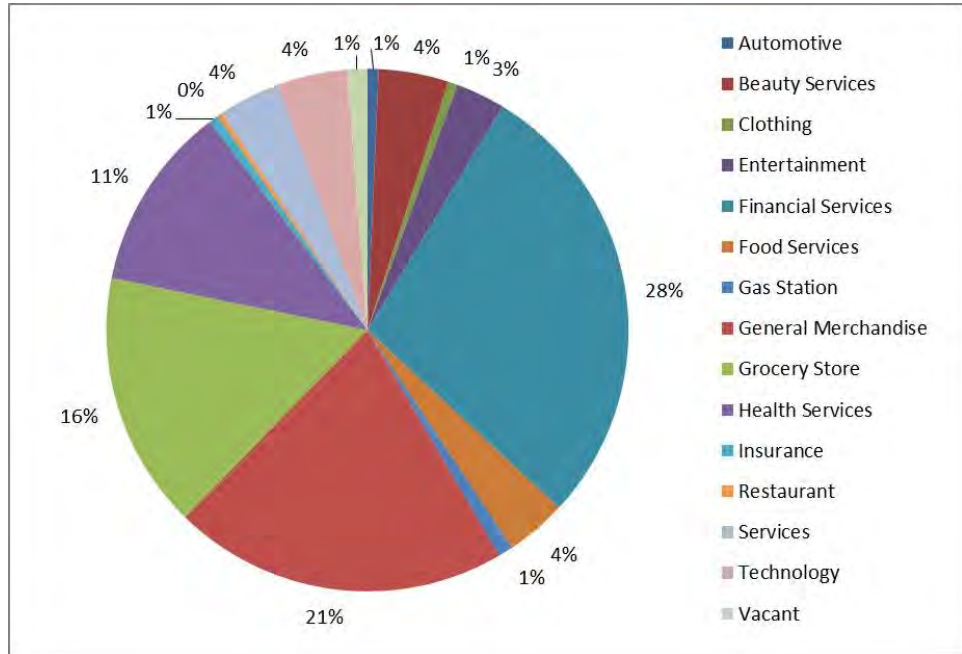


Exhibit 2-7. Retail Inventory Aerial Map (SE Quadrant Jupiter/Walnut TIA)

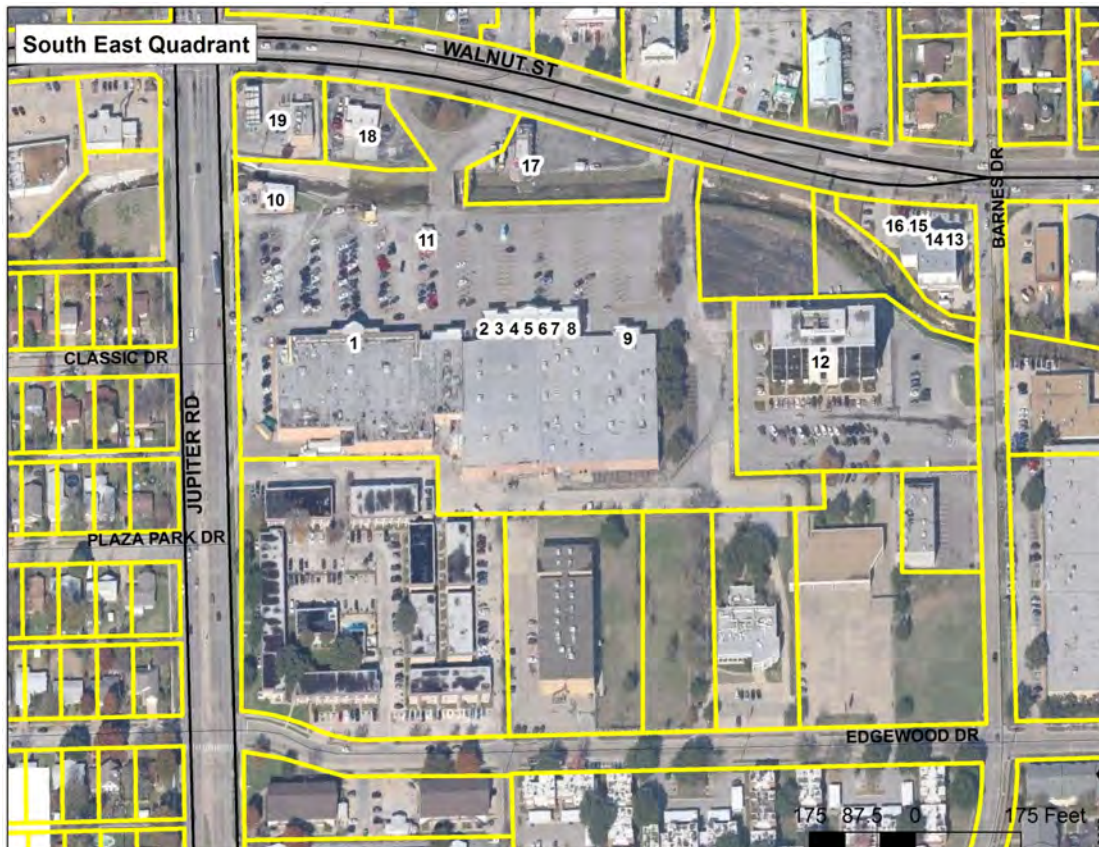


Exhibit 2-8. Retail Inventory Chart (SW Quadrant Jupiter/Walnut TIA)

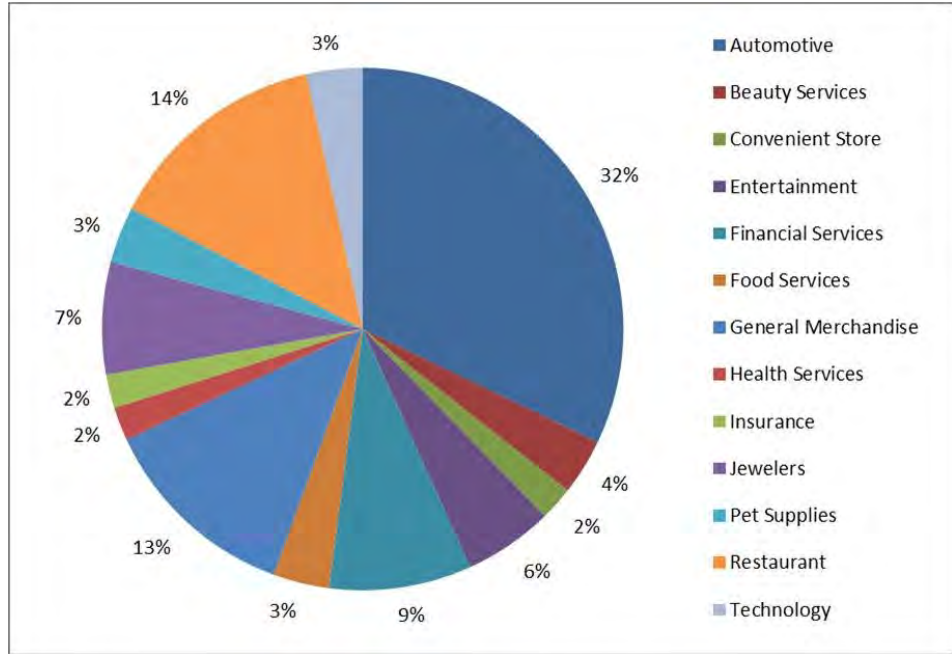
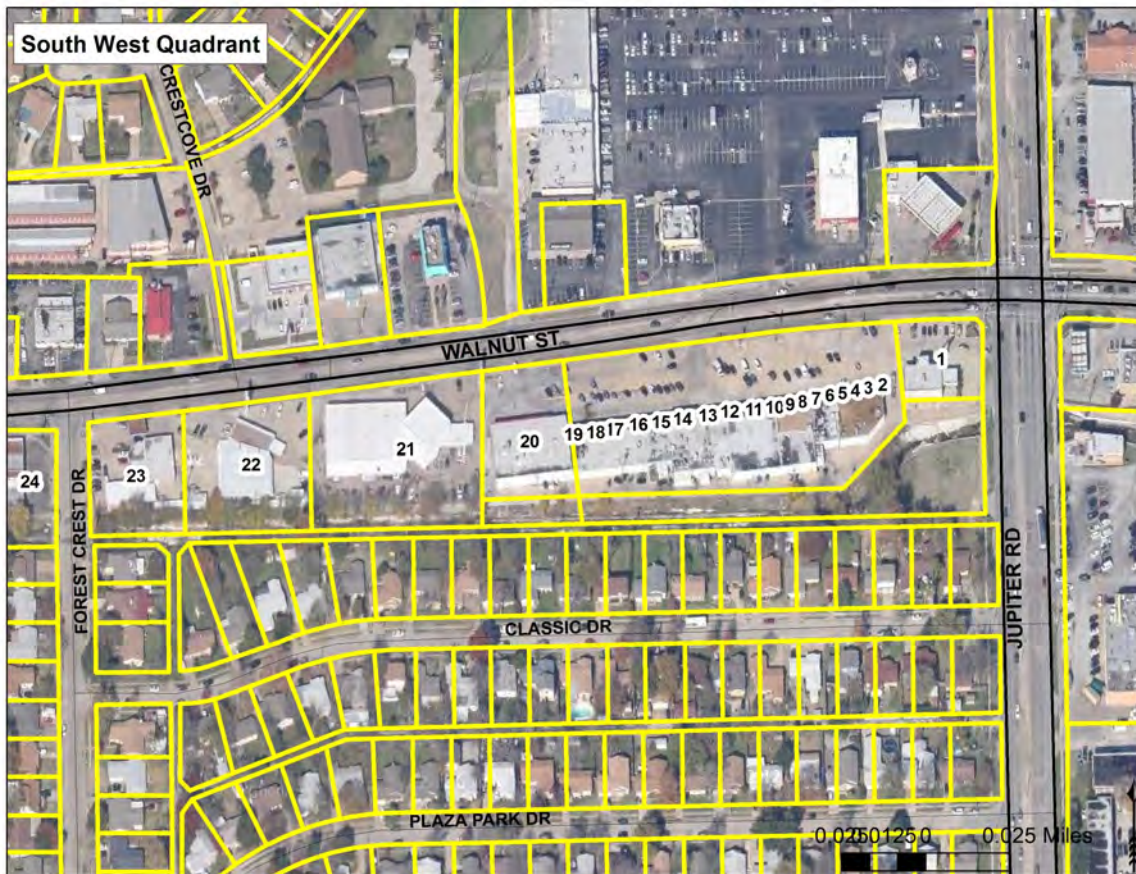


Exhibit 2-9. Retail Inventory Aerial Map (SW Quadrant Jupiter/Walnut TIA)





Appendix 3 (Market Composition)

Exhibit 3-1. Population and Household Growth

	City of Garland	Trade Ar- ea	DFW Met- ro
Population			
2000 Census	215,768	765,510	5,161,544
2010 Census	226,876	859,206	6,371,773
2011 estimate	227,730	869,185	6,627,743
2016 projected	239,347	920,632	7,257,611
2000-2011 CAAGR*	0.5%	1.2%	2.3%
2011-2016 CAAGR*	1.0%	1.2%	1.8%
Households			
2000 Census	73,241	287,153	1,881,056
2010 Census	75,696	316,304	2,298,498
2011 estimate	75,946	319,377	2,367,002
2016 projected	79,426	335,668	2,582,386
2021 projected	79,949	352,790	2,829,283
2000-2011 CAAGR*	0.3%	1.0%	1.8%
2011-2021 CAAGR*	0.9%	1.0%	1.8%

* Compound Average Annual Growth Rate

Source: U.S. Census; NCTCOG; Claritas, Inc.; and Ricker | Cunningham.

Exhibit 3-2. Top 20 Psychographic segments for garland and the Trade Area

Qty of Garland						Garland Trade Area					
Rank	Lifestyle Segment	Number of Households	% of Households	Per Capita Index to U.S. (100%=norm)	Rank	Lifestyle Segment	Number of Households	% of Households	Per Capita Index to U.S. (100%=norm)		
YOUNGER YEARS					YOUNGER YEARS						
6	Home Sweet Home	3,357	4.7%	254%	1	Urban Achievers	28,000	8.8%	571%		
10	New Beginnings	2,261	3.1%	210%	8	Home Sweet Home	10,751	3.4%	185%		
12	Young Influentials	2,138	3.0%	203%	9	Executive Suites	10,268	3.2%	352%		
13	Urban Achievers	2,044	2.8%	190%	10	New Beginnings	9,981	3.1%	194%		
16	Movers and Shakers	1,826	2.5%	159%	11	Movers and Shakers	9,971	3.1%	197%		
19	Suburban Sprawl	1,680	2.3%	178%	17	Young Influentials	7,633	2.4%	163%		
20	Bohemian Mix	1,612	2.2%	127%	19	Suburban Sprawl	6,766	2.1%	162%		
FAMILY LIFE					FAMILY LIFE						
1	Multi-Culti Mosaic	7,951	11.0%	664%	2	Kids and Cul-de-Sacs	20,690	6.5%	404%		
2	American Dreams	7,942	11.0%	517%	3	Multi-Culti Mosaic	18,644	5.8%	350%		
3	Kids and Cul-de-Sacs	5,803	8.0%	496%	4	American Dreams	17,168	5.4%	256%		
4	Blue Chip Blues	4,807	6.7%	535%	5	Blue Chip Blues	12,117	3.8%	304%		
8	Beltway Boomers	2,553	3.5%	368%	13	Winner's Circle	9,309	2.9%	265%		
11	Big City Blues	2,141	3.0%	271%	14	Beltway Boomers	9,063	2.8%	296%		
14	Winner's Circle	1,905	2.6%	242%	15	Big City Blues	8,556	2.7%	241%		
15	Suburban Pioneers	1,883	2.6%	254%	20	Blue Blood Estates	6,695	2.1%	217%		
17	Blue Blood Estates	1,785	2.5%	253%	MATURE YEARS						
18	Low-Rise Living	1,750	2.4%	173%	6	Money and Brains	11,296	3.5%	183%		
MATURE YEARS					7	Close-In Couples	10,842	3.4%	299%		
	The Cosmopolitans	3,443	4.8%	413%	12	The Cosmopolitans	9,371	2.9%	259%		
	Close-In Couples	3,322	4.6%	401%	16	Pools and Patios	8,359	2.6%	200%		
	Money and Brains	2,317	3.2%	162%	18	Upper Crust	7,337	2.3%	152%		
TOTALS		62,520	86.5%	--	TOTALS		232,817	72.8%	--		



Exhibit 3-3. City of Garland Building Permits issued over the past 7 years

City	2005		2006		2007		2008		2009		2010		YTD 11/2011		Total		Annual Average	
	Single Family	Multi-Family	Single Family	Multi-Family	Single Family	Multi-Family	Single Family	Multi-Family	Single Family	Multi-Family	Single Family	Multi-Family	Single Family	Multi-Family	Single Family	Multi-Family	Single Family	Multi-Family
Garland	327	0	398	318	274	0	199	309	162	0	147	0	141	146	1,648	773	235	110
Mesquite	426	0	345	0	132	252	64	0	79	2	42	0	33	0	1,121	254	160	36
Murphy	612	0	436	0	287	0	138	0	87	0	113	0	59	0	1,732	0	247	0
Richardson	125	0	104	0	148	591	68	321	55	154	56	140	51	177	607	1,383	87	198
Rowlett	298	0	251	0	107	0	93	0	43	0	24	0	24	0	840	0	120	0
Sachse	185	0	272	0	165	0	177	0	135	0	118	0	90	0	1,142	0	163	0
Sunnyvale	115	0	76	0	61	0	74	0	37	0	52	0	22	0	437	0	62	0
Wylie	1,234	0	905	4	682	286	412	4	261	0	267	4	207	0	3,968	298	567	43
Total	3,322	0	2,787	322	1,856	1,129	1,225	634	859	156	819	144	627	323	11,495	2,708	1,642	387

Source: U.S. Census and Ricker+Cunningham.

Forest-Jupiter Transit-Oriented Redevelopment Plan

Exhibit 3-4. 2011 New Home Sales (SF detached units)

City Subdivision	Builder Name	Property Type	Closings	Avg Price	Avg Living SF	Land SF
Garland						
CASTLEWOOD ESTATES	SUMEER HOMES	SINGLE FAMILY	3	\$217,274	3,075	11,473
CHATEAUS OF WOODBRIDGE PKWY	DR HORTON	SINGLE FAMILY	4	\$249,744	3,277	--
EMERALD LAKE	GRAND HOMES	SINGLE FAMILY	6	\$264,725	3,565	11,484
ENCLAVE OF EMERALD FOREST	GRAND HOMES	SINGLE FAMILY	5	\$287,999	3,069	6,143
HERONS BAY ESTATES	FIRST TEXAS HOMES	SINGLE FAMILY	5	\$234,954	3,476	8,026
JACKSON HILLS	GRAND HOMES	SINGLE FAMILY	6	\$221,522	3,139	7,535
JACKSON HILLS	MHI PARTNERSHIP LTD	SINGLE FAMILY	5	\$224,694	2,939	6,545
JACKSON HILLS	MHI-MCGUYER HOMEBUILDERS	SINGLE FAMILY	2	--	2,709	8,457
KENSINGTON GARDENS	GRAND HOMES	SINGLE FAMILY	3	\$332,149	3,674	12,026
MYERS MEADOW	FIRST TEXAS HOMES	SINGLE FAMILY	7	\$226,754	2,704	7,691
OAKS FIREWHEEL	MEGATEL HOMES	SINGLE FAMILY	9	\$241,055	2,509	6,801
PARKWOOD RANCH	FIRST TEXAS HOMES	SINGLE FAMILY	7	\$265,568	3,813	9,744
PROVENCE FIREWHEEL REP	HIGHLAND HOMES OF TEXAS	SINGLE FAMILY	8	\$334,092	3,835	9,146
PROVENCE FIREWHEEL REP	K HOVNANIAN	SINGLE FAMILY	10	\$322,671	3,278	9,251
SACHSE FARMS	MEGATEL HOMES	SINGLE FAMILY	8	\$284,125	2,753	11,044
SHOAL CREEK	LANDSTAR HOMES DALLAS, LTD	ATTACHED	4	\$220,493	2,085	4,032
SPRING MEADOW ESTATES	GRAND HOMES	SINGLE FAMILY	3	\$317,495	3,695	9,433
SPRING MEADOW ESTATES	GRAND HOMES	SINGLE FAMILY	2	\$309,984	3,113	10,016
TAYLOR HILLS	HABITAT FOR HUMANITY	SINGLE FAMILY	2	\$53,125	1,364	7,801
VALLEY CREEK	FIRST TEXAS HOMES	SINGLE FAMILY	3	\$202,457	2,894	7,293
WOODBRIIDGE	HIGHLAND HOMES OF TEXAS	SINGLE FAMILY	2	\$242,320	3,012	6,885
*Unknown or Custom Home	FIRST TEXAS HOMES	SINGLE FAMILY	4	\$328,082	--	--
*Unknown or Custom Home	FIRST TEXAS HOMES	SINGLE FAMILY	2	\$200,233	--	--
*Unknown or Custom Home	GRAND HOMES	SINGLE FAMILY	2	\$327,188	--	--
*Unknown or Custom Home	HIGHLAND HOMES OF TEXAS	SINGLE FAMILY	6	\$256,529	--	--
*Unknown or Custom Home	MEGATEL HOMES	SINGLE FAMILY	6	\$302,510	--	--
Garland Averages			133	\$261,750	2,577	6,996
Mesquite						
CREEK CROSSING ESTATE	PRINT IT NORTH	SINGLE FAMILY	2	\$138,996	2,014	7,135
FALCON SOUTH LAIR PRCL	DR HORTON	SINGLE FAMILY	5	\$151,222	2,494	9,773
FALCON SOUTH LAIR PRCL	STANDARD PACIFIC HOMES	SINGLE FAMILY	4	\$193,691	2,584	8,580
FOSSIL RIDGE	CHELDAN HOMES	SINGLE FAMILY	8	\$125,720	1,789	6,295
PIONEER BLUFFS	DR HORTON	SINGLE FAMILY	6	\$161,286	2,157	8,316
SPRING RIDGE ESTATES	KB HOME	SINGLE FAMILY	16	\$136,985	2,185	7,458
STONEY CREEK	BEAZER HOMES	SINGLE FAMILY	2	\$291,870	3,356	15,856
STONEY CREEK	PAUL TAYLOR HOMES	SINGLE FAMILY	3	\$492,792	4,181	46,130
STONEY CREEK	STANDARD PACIFIC HOMES	SINGLE FAMILY	10	\$375,595	3,454	16,537
*Unknown or Custom Home	ALTURA HOMES	SINGLE FAMILY	3	\$117,634	--	--
*Unknown or Custom Home	BEAZER HOMES	SINGLE FAMILY	2	\$336,748	--	13,250
*Unknown or Custom Home	CHELDAN HOMES	SINGLE FAMILY	8	\$134,041	--	--
Mesquite Averages			79	\$191,276	1,969	11,293
Plano						
AVIGNON WINDHAVEN	SHADDOCK & MCNAUGHT	SINGLE FAMILY	3	\$522,058	--	5,927
CHASE OAKS VILLA	CB JENI HOMES	SINGLE FAMILY	2	\$151,923	--	2,263
DEERFIELD NORTH	MERITAGE HOMES	SINGLE FAMILY	4	\$400,263	--	9,062
GABLES NORTH HILL	FIRST TEXAS HOMES	SINGLE FAMILY	3	\$288,409	4,092	11,555
KINGS RIDGE	TOLL BROTHERS	SINGLE FAMILY	5	\$352,222	3,492	7,765
MAXWELL CREEK NORTH	K HOVNANIAN	SINGLE FAMILY	3	\$325,670	4,520	10,259
MAXWELL CREEK NORTH	STANDARD PACIFIC HOMES	SINGLE FAMILY	4	\$316,425	3,458	11,584
PASQUINELLIS WILLOW CREST	CB JENI HOMES	SINGLE FAMILY	14	\$255,310	2,146	--
POINTE WEST	GRAND HOMES	SINGLE FAMILY	3	\$462,467	3,962	7,514
PRESTON VILLA	PULTE-DEL WEBB-CENTEX	SINGLE FAMILY	2	\$261,442	--	2,839
REGENCY PARK	GRAND HOMES	SINGLE FAMILY	9	\$389,937	3,075	6,091
RIDGEVIEW VILLAS	RYLAND HOMES	SINGLE FAMILY	13	\$219,557	--	3,473
ROLLING RIDGE ESTATES	GRAND HOMES	SINGLE FAMILY	6	\$323,885	5,191	11,179
ROLLING RIDGE ESTATES	SHADDOCK COMPANIES	SINGLE FAMILY	2	\$479,250	--	15,585
SAGE CREEK NORTH	ASHTON WOODS	SINGLE FAMILY	2	\$200,010	--	8,175
SUNCREEK TOWNHOMES	RYLAND HOMES	SINGLE FAMILY	3	\$180,938	1,855	2,396
TOWN HOMES LEGACY TOWN CENT	DR HORTON	SINGLE FAMILY	9	\$241,835	--	--
TRAILS OF GLENWOOD	FIRST TEXAS HOMES	SINGLE FAMILY	3	\$238,249	3,943	8,947
TRAILS OF GLENWOOD	GRAND HOMES	SINGLE FAMILY	2	\$234,313	3,974	11,092
VILLAS OF STONEY HOLLOW	RYLAND HOMES	SINGLE FAMILY	15	\$254,588	3,992	--
WILLOW BEND PARK	HW BUILDERS LLC	SINGLE FAMILY	2	\$538,750	--	4,815
*Unknown or Custom Home	CB JENI HOMES	SINGLE FAMILY	11	\$294,243	--	--
*Unknown or Custom Home	FIRST TEXAS HOMES	SINGLE FAMILY	15	\$261,677	--	--
*Unknown or Custom Home	GRAND HOMES	SINGLE FAMILY	23	\$387,125	--	--
*Unknown or Custom Home	K HOVNANIAN	SINGLE FAMILY	2	\$331,022	--	--
*Unknown or Custom Home	MERITAGE HOMES	SINGLE FAMILY	22	\$406,042	--	--
*Unknown or Custom Home	PULTE-DEL WEBB-CENTEX	SINGLE FAMILY	2	\$253,243	--	--
*Unknown or Custom Home	SHADDOCK COMPANIES	SINGLE FAMILY	3	\$437,183	--	--
*Unknown or Custom Home	THE DREES COMPANY	SINGLE FAMILY	4	\$426,019	--	--
Plano Averages			214	\$322,841	1,289	3,314



Exhibit 3-4. 2011 New Home Sales (SF detached units) - continued

Richardson						
BRIDGEWATER XING	TOLL BROTHERS	SINGLE FAMILY	2	\$475,000	--	7,074
LAKE PARK ESTATE UNIVERSITY	LAKE PARK TOWNHOMES LTD (TX)	ATTACHED	4	\$201,609	1,970	2,261
MCKAMY PARK	DAVID WEEKLEY HOMES	ATTACHED	3	\$193,384	1,937	1,774
MCKAMY PARK	DAVID WEEKLEY HOMES	SINGLE FAMILY	3	\$190,853	1,869	1,643
PIONEER BLUFFS	DR HORTON	SINGLE FAMILY	3	\$142,399	--	5,490
*Unknown or Custom Home	TOLL BROTHERS	SINGLE FAMILY	4	\$489,211	--	6,082
Richardson Averages			24	\$263,637	1,106	7,669
Rowlett						
LAKEWOOD POINTE	HIGHLAND HOMES OF TEXAS	SINGLE FAMILY	6	\$235,991	3,036	7,635
Rowlett Averages			8	\$235,305	2,277	8,970
Wylie						
BIRMINGHAM RANCH	RYLAND HOMES	SINGLE FAMILY	7	\$182,458	2,555	--
BOZMAN FARM ESTATES	ALTURA HOMES	SINGLE FAMILY	5	\$165,964	--	9,940
BRADDOCK PLACE	FIRST TEXAS HOMES	SINGLE FAMILY	11	\$299,205	4,310	--
COLLINS ESTATE	PAUL TAYLOR HOMES	SINGLE FAMILY	6	\$382,500	--	20,666
COUNTRY RIDGE	PAUL TAYLOR HOMES	SINGLE FAMILY	4	\$278,994	--	9,241
LAKE TRAILS OF BOZMAN FARM	DR HORTON	SINGLE FAMILY	9	\$188,015	--	8,408
MEADOWVIEW ESTATES	LGD PROPERTIES	SINGLE FAMILY	2	\$183,348	--	8,766
PARKSIDE	ALTURA HOMES	SINGLE FAMILY	3	\$184,879	--	--
PARKSIDE	GRAND HOMES	SINGLE FAMILY	2	\$269,090	3,690	--
SAGE CREEK NORTH	ASHTON WOODS	SINGLE FAMILY	17	\$198,430	2,995	8,567
SOUTHBROOK	ONYX HOMES	SINGLE FAMILY	2	\$164,839	2,059	--
WOODBRIIDGE	DAVID WEEKLEY HOMES	SINGLE FAMILY	3	\$201,949	2,531	--
WOODBRIIDGE	HIGHLAND HOMES OF TEXAS	SINGLE FAMILY	4	\$274,149	--	7,731
WOODBRIIDGE	K HOVNANIAN	SINGLE FAMILY	15	\$218,274	2,871	8,390
WOODBRIIDGE	MEGATEL HOMES	SINGLE FAMILY	12	\$280,896	--	9,880
WYLIE LAKES	DR HORTON	SINGLE FAMILY	4	\$168,832	2,064	8,316
*Unknown or Custom Home	GRAND HOMES	SINGLE FAMILY	6	\$252,818	--	--
*Unknown or Custom Home	HABITAT FOR HUMANITY	SINGLE FAMILY	2	\$56,250	--	--
*Unknown or Custom Home	HIGHLAND HOMES OF TEXAS	SINGLE FAMILY	8	\$204,537	--	--
*Unknown or Custom Home	K HOVNANIAN	SINGLE FAMILY	10	\$205,655	--	--
*Unknown or Custom Home	ONYX HOMES	SINGLE FAMILY	3	\$174,778	--	--
Wylie Averages			147	\$223,722	1,325	5,842
Trade Area Totals/Averages			605	\$264,642	1,676	6,027

Exhibit 3-5. Residential Demand

Household Income Range (2011 dollars)		Approximate Rent Range	Supportable Home Price Range	Current Households in Income Bracket	New Households by Income Bracket	Total Units	Estimated % Rental	Total Rental Units	Total Ownership Units
up to \$15K	up to \$375	up to \$75K	8%	8%	2,700	90%	2,430	270	
\$15-25K	\$375 - \$625	\$75 to \$100K	9%	8%	2,700	80%	2,160	540	
\$25-35K	\$625 - \$875	\$100 to \$150K	11%	11%	3,712	70%	2,599	1,114	
\$35-50K	\$875 - \$1,000	\$150 to \$200K	16%	16%	5,400	50%	2,700	2,700	
\$50-75K	\$1,000+	\$200 to \$250K	20%	20%	6,750	25%	1,687	5,062	
\$75-100K	\$1,000+	\$250 to \$350K	14%	14%	4,725	15%	709	4,016	
\$100-150K	\$1,000+	\$350 to \$500K	13%	14%	4,725	5%	236	4,488	
\$150K and up	\$1,000+	\$500K and up	9%	9%	3,037	5%	152	2,885	
Totals			100%	100%	33,748	38%	12,672	21,076	

Source: U.S. Census; Claritas, Inc.; North Central Texas Council of Governments; and Ricker+Cunningham.

Exhibit 3-6. For Sale Housing Demand (Condo-Townhomes)

Condo/Townhome

10-yr. Trade Area Demand & Investment Area Capture

Annual Household Income Range	Approximate Home Price Range	Trade Area For-Sale Demand (Incomes \$15K+)	Estimated % Townhome/Condo	Estimated Townhome/Condo Demand	Forest/Jupiter TOD Attainable Capture Rate	Forest/Jupiter TOD Attainable Capture (units)
\$15-25K	\$75 to \$100K	540	30%	162	10%	16
\$25-35K	\$100 to \$150K	1,114	30%	334	10%	33
\$35-50K	\$150 to \$200K	2,700	30%	810	10%	81
\$50-75K	\$200 to \$250K	5,062	30%	1,519	10%	152
\$75-100K	\$250 to \$350K	4,016	30%	1,205	10%	120
\$100-150K	\$350 to \$500K	4,488	30%	1,347	10%	135
\$150K and up	\$500K and up	2,885	30%	866	10%	87
Totals		20,806	30%	6,242	10%	624



Exhibit 3-7. Rental Housing Demand

Rental/Apartment

10-yr. Trade Area Demand & Investment Area Capture

Annual Household Income Range	Approximate Rent Range	Trade Area		
		Rental Demand (Incomes \$15K+)	Forest/Jupiter TOD Attainable Capture Rate	Forest/Jupiter TOD Attainable Capture (units)
\$15-25K	\$375 - \$625	2,160	10%	216
\$25-35K	\$625 - \$875	2,599	10%	260
\$35-50K	\$875 - \$1,000	2,700	10%	270
\$50-75K	\$1,000+	1,687	10%	169
\$75-100K	\$1,000+	709	10%	71
\$100-150K	\$1,000+	236	10%	24
\$150K and up	\$1,000+	152	10%	15
Totals		10,243	10%	1,024

Source: U.S. Census; Claritas, Inc.; North Central Texas Council of Governments; and Ricker+Cunningham.

Exhibit 3-8. Trade area Retail Supply ... table + charts

Forest/Jupiter TOD Trade Area	4Q 2000	4Q 2001	4Q 2002	4Q 2003	4Q 2004	4Q 2005	4Q 2006	4Q 2007	4Q 2008	4Q 2009	4Q 2010	3Q 2011
Total Rentable Area	47,365,782	48,945,700	50,139,761	51,346,509	52,788,768	53,890,740	54,282,536	55,500,743	56,893,315	57,377,279	57,421,401	57,902,036
Total Vacant Sq Ft	2,298,871	2,180,895	2,739,559	3,710,037	4,277,394	4,428,565	4,738,180	5,500,228	5,758,537	6,130,395	6,443,136	6,461,326
Vacancy Rate	4.9%	4.5%	5.5%	7.2%	8.1%	8.2%	8.7%	9.9%	10.1%	10.7%	11.2%	11.2%
Total Net Absorption	263,961	459,590	(302,077)	566,828	158,910	595,761	304,268	(48,173)	645,892	166,787	29,150	606,731
Average Asking Rents (triple net)	\$6.50	\$7.03	\$6.75	\$13.25	\$13.75	\$13.23	\$14.97	\$13.31	\$13.28	\$13.32	\$13.00	\$12.98

Source: CoStar Group and Ricker+Cunningham.

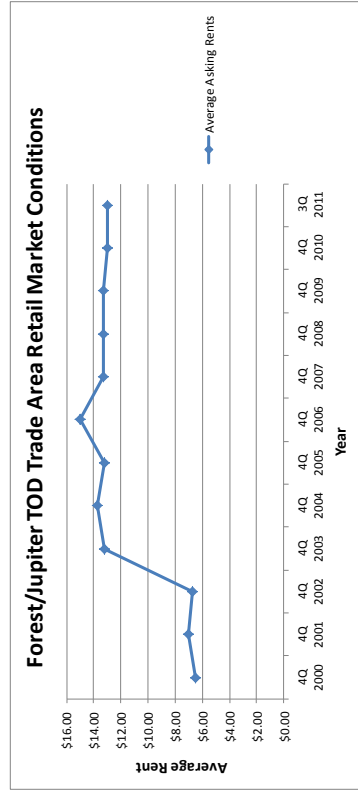
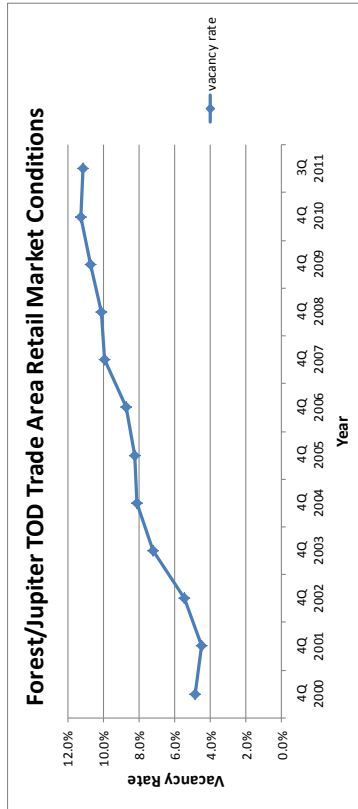




Exhibit 3-9. Study Area Retail Demand (Leakage / Void)

Forest/Jupiter TOD Trade Area											
Retail Category	Estimated 2011 Household Retail Demand	Estimated 2011 Retail Sales (Supply)	Estimated 2011 Retail Void (Leakage)	Estimated Retail Sales/s.f.	New Retail Space Needed to Recapture Void/Leakage	Annual Household Growth Rate (2011-2021)	Net New Household Retail Demand	New Retail Space Needed for Household Growth	Total 10-Year New Trade Area Retail Demand (sf)	Forest/Jupiter TOD Attainable Capture Rate	Forest/Jupiter TOD Attainable Capture (sf)
Furniture & Home Furnishings	\$266,668,645	\$331,495,125	\$0	\$200	0	1.0%	\$27,899,440	139,497	139,497	2%	2,790
Electronics & Appliance	\$290,014,809	\$260,759,067	\$29,255,742	\$225	130,026	1.0%	\$30,341,966	134,853	264,879	2%	5,298
Bldg Materials, Garden Equipment	\$1,149,960,590	\$856,332,205	\$293,628,385	\$300	978,761	1.0%	\$120,311,321	401,038	1,379,799	2%	27,596
Food & Beverage (Grocery)	\$1,665,127,617	\$1,479,514,831	\$185,612,786	\$375	494,967	1.0%	\$174,209,190	464,558	959,525	2%	19,191
Health & Personal Care	\$766,803,154	\$495,544,707	\$271,258,447	\$325	834,641	1.0%	\$80,224,576	246,845	1,081,486	2%	21,630
Clothing and Accessories	\$652,139,239	\$553,890,870	\$98,248,369	\$225	436,659	1.0%	\$68,228,193	303,236	739,896	2%	14,798
Sporting Goods,Hobby, Book, Music	\$255,510,032	\$280,152,495	\$0	\$225	0	1.0%	\$26,732,003	118,809	118,809	2%	2,376
General Merchandise	\$1,740,237,311	\$854,620,863	\$885,616,448	\$300	2,952,055	1.0%	\$182,067,326	606,891	3,558,946	2%	71,179
Miscellaneous Stores	\$326,673,035	\$263,934,446	\$62,738,589	\$200	313,693	1.0%	\$34,177,227	170,886	484,579	2%	9,692
Foodservice & Drinking Places	\$1,429,176,891	\$1,586,150,665	\$0	\$325	0	1.0%	\$149,523,524	460,072	460,072	2%	9,201
Total	\$8,542,311,323	\$6,962,395,274	\$1,826,358,76		6,140,803		\$893,714,767	3,046,686	9,187,489	2%	183,750

Source: Claritas, Inc.; Urban Land Institute; North Central Texas Council of Governments; and Ricker|Cunningham.

Exhibit 3-10 Class A Office Market Conditions

Forest/Jupiter TOD Trade Area	4Q 2000	4Q 2001	4Q 2002	4Q 2003	4Q 2004	4Q 2005	4Q 2006	4Q 2007	4Q 2008	4Q 2009	4Q 2010	3Q 2011
Total Rentable Area	4,168,986	4,451,786	4,451,786	4,451,786	4,451,786	4,451,786	4,451,786	4,451,786	4,451,786	4,451,786	4,451,786	4,451,786
Total Vacant Sq Ft	449,226	699,960	1,062,973	932,311	875,102	775,674	711,326	672,383	871,282	1,209,254	1,702,285	2,154,057
Vacancy Rate	10.8%	15.7%	23.9%	20.9%	19.7%	17.4%	16.0%	15.1%	19.6%	27.2%	38.2%	48.4%
Total Net Absorption	132,092	226,507	(54,913)	12,396	28,532	126,803	(53,880)	17,712	(19,155)	(78,372)	16,621	(96,536)
Average Asking Rents (full service)	\$21.79	\$20.00	\$18.72	\$18.03	\$17.23	\$17.24	\$18.02	\$20.01	\$19.93	\$20.03	\$20.61	\$20.39

Source: CoStar Group and Ricker+Cunningham.

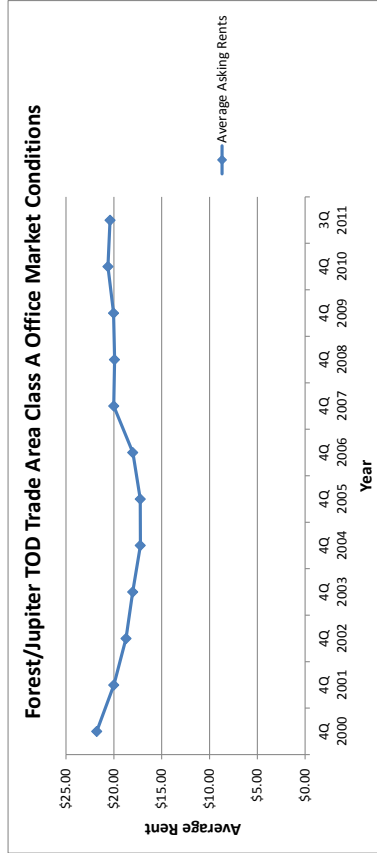
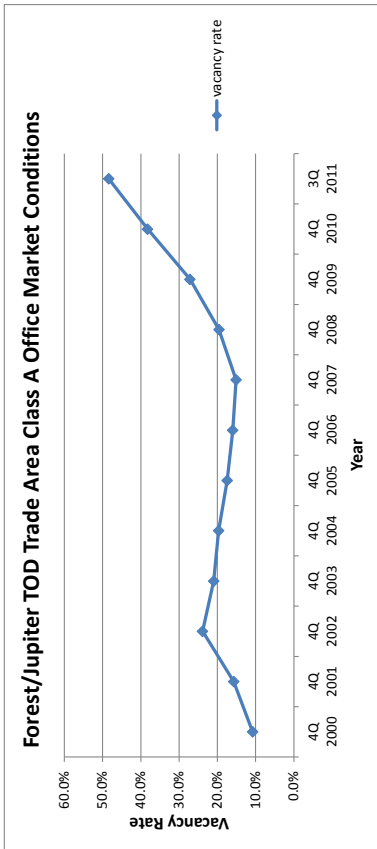


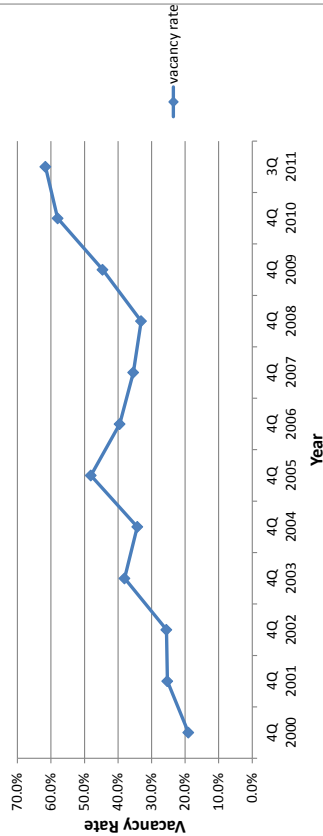


Exhibit 3-11 Class B Office Market Conditions

Forest/Jupiter TOD Trade Area	4Q 2000	4Q 2001	4Q 2002	4Q 2003	4Q 2004	4Q 2005	4Q 2006	4Q 2007	4Q 2008	4Q 2009	4Q 2010	3Q 2011
Total Rentable Area	3,059,909	3,059,909	3,059,909	3,059,909	3,059,909	3,059,909	3,059,909	3,059,909	3,059,909	3,295,836	3,295,836	3,295,836
Total Vacant Sq Ft	582,568	773,649	782,315	1,164,974	1,048,052	1,472,419	1,208,752	1,084,613	1,013,446	1,470,258	1,912,118	2,032,037
Vacancy Rate	19.0%	25.3%	25.6%	38.1%	34.3%	48.1%	39.5%	35.4%	33.1%	44.6%	58.0%	61.7%
Total Net Absorption	(136,830)	(126,553)	(6,641)	(27,773)	(586,042)	1,534	(223,138)	(237,924)				
Average Asking Rents (full service)	\$18.92	\$19.37	\$17.49	\$17.07	\$16.61	\$16.29	\$16.18	\$17.59	\$20.11	\$19.22	\$18.96	\$18.68

Source: CoStar Group and Ricker+Cummingham.

Forest/Jupiter TOD Trade Area Class B Office Market Conditions



Forest/Jupiter TOD Trade Area Class B Office Market Conditions

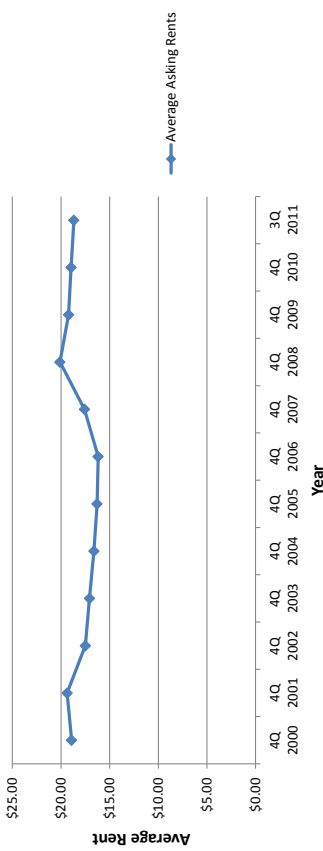


Exhibit 3-12. Office Demand
Office Demand Analysis
Forest Jupiter TOD Trade Area

Industry Category	Estimated 2012 Employees	Estimated Growth Rate 2012-2022	Estimated 2022 Employees	Net New Employees	Estimated % in Office Space	Estimated New Employees	Sq Ft per Office Employee	Estimated 10-Yr New Office Demand	Forest Jupiter TOD Attainable Capture Rate	Forest Jupiter TOD Attainable Capture (Sq Ft)
Educational and Health Services	136,840	2.7%	178,303	41,463	30%	12,439	180	2,239,005	3%	67,170
Financial Activities	71,192	1.3%	80,736	9,544	90%	8,590	180	1,546,125	3%	46,384
Government	34,332	1.8%	40,874	6,541	25%	1,635	180	294,366	1%	2,944
Information	25,041	0.9%	27,368	2,326	70%	1,628	180	293,119	3%	8,794
Leisure and Hospitality	69,142	2.1%	85,459	16,317	10%	1,632	180	293,707	3%	8,811
Manufacturing	70,498	-0.5%	66,740	0	10%	0	180	0	0%	0
Natural Resources, Mining and Construction	49,118	1.2%	55,309	6,191	25%	1,548	180	278,583	1%	2,786
Other Services	28,836	1.5%	33,594	4,757	30%	1,427	180	256,895	3%	7,707
Professional and Business Services	134,856	2.0%	164,403	29,547	70%	20,683	180	3,722,971	3%	111,689
Trade, Transportation and Utilities	160,117	0.6%	170,729	10,612	15%	1,592	180	286,512	3%	8,595
Totals	779,973	1.5%	903,513	127,299	6%	51,174	180	9,211,283	3%	276,338

Source: Texas Workforce Commission; North Central Texas Council of Governments; and Ricker+Cunningham.



Exhibit 3-13. Industrial Supply

Forest/Jupiter TOD Trade Area	4Q 2000	4Q 2001	4Q 2002	4Q 2003	4Q 2004	4Q 2005	4Q 2006	4Q 2007	4Q 2008	4Q 2009	4Q 2010	3Q 2011
Total Rentable Area	82,877,082	85,682,171	87,604,161	88,372,111	88,840,537	89,371,936	90,364,526	90,949,406	92,461,318	92,501,293	92,541,418	92,541,418
Total Vacant Sq Ft	4,136,089	8,690,958	10,213,933	12,986,426	13,697,865	11,982,223	11,031,956	10,603,929	10,215,508	11,164,430	10,875,905	10,102,572
Vacancy Rate	5.0%	10.1%	11.7%	14.7%	15.4%	13.4%	12.2%	11.7%	11.0%	12.1%	11.8%	10.9%
Total Net Absorption	387,600	(388,555)	(333,926)	(708,219)	13,491	721,964	532,356	972,557	(126,310)	203,885	449,744	(108,565)
Average Asking Rents (triple net)	\$5.39	\$5.34	\$4.29	\$4.90	\$5.27	\$5.08	\$4.86	\$5.20	\$5.13	\$5.54	\$5.07	\$4.53

Source: CoStar Group and Ricker+Cunningham.

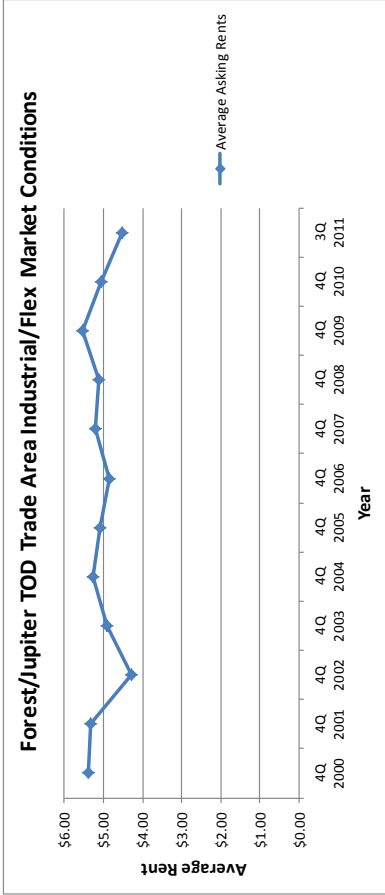
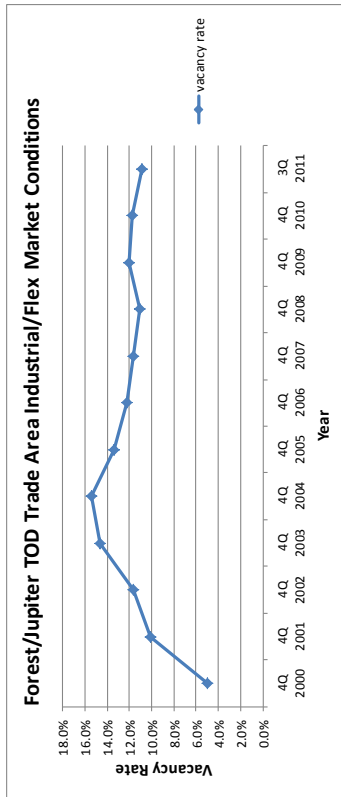
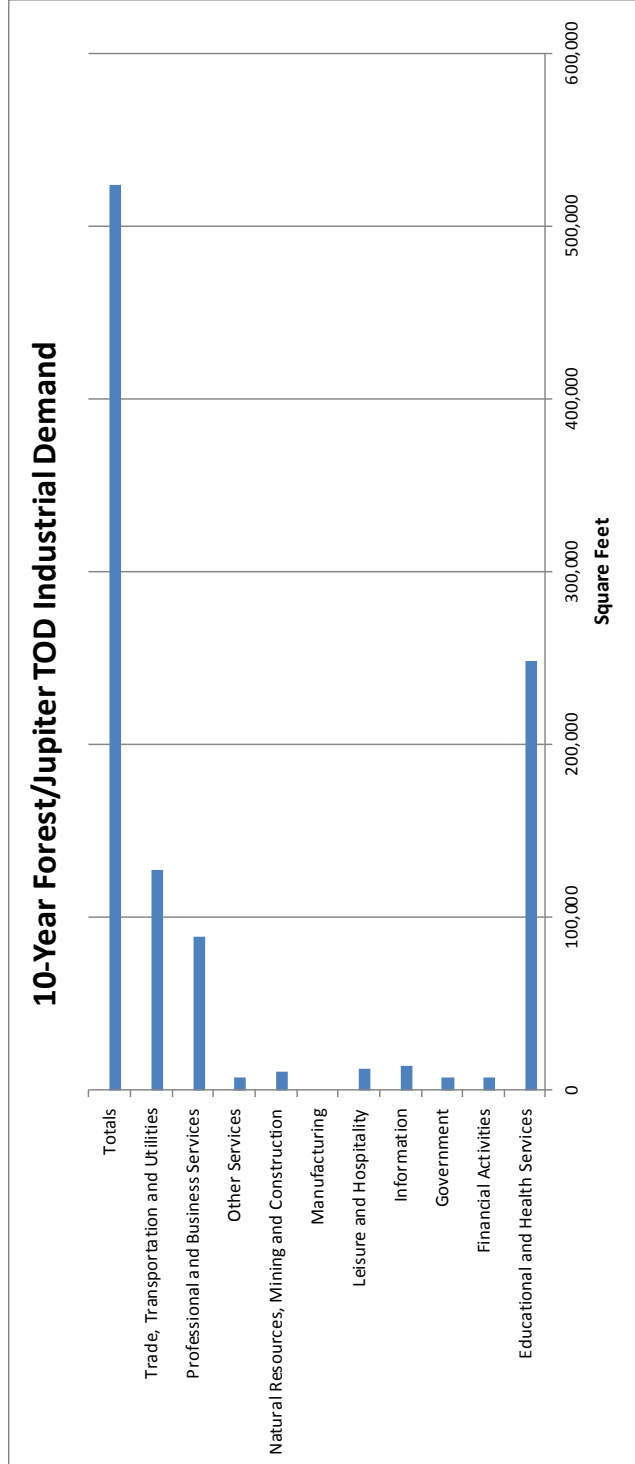


Exhibit 3-14. Industrial Demand

**Industrial Demand Analysis
Forest Jupiter TOD Trade Area**

Industry Category	Estimated 2012 Employees	Estimated Growth Rate 2012-2022	Estimated 2022 Employees	Net New Employees	Estimated % in Industrial Space	Estimated New Industrial Employees	Sq Ft per Industrial Employee	Estimated 10-Yr New Industrial Demand	Forest Jupiter TOD Attainable Capture Rate	Forest Jupiter TOD Attainable Capture (Sq Ft)
Educational and Health Services	136,840	2.7%	178,303	41,463	20%	8,293	300	2,487,783	10%	248,778
Financial Activities	71,192	1.3%	80,736	9,544	5%	477	300	143,160	5%	7,158
Government	34,332	1.8%	40,874	6,541	20%	1,308	300	392,488	2%	7,850
Information	25,041	0.9%	27,368	2,326	20%	465	300	139,580	10%	13,958
Leisure and Hospitality	69,142	2.1%	85,459	16,317	5%	816	300	244,756	5%	12,238
Manufacturing	70,498	-0.5%	66,740	0	80%	0	300	0	0%	0
Natural Resources, Mining and Construction	49,118	1.2%	55,309	6,191	30%	1,857	300	557,166	2%	11,143
Other Services	28,836	1.5%	33,594	4,757	10%	476	300	142,719	5%	7,136
Professional and Business Services	134,856	2.0%	164,403	29,547	20%	5,909	300	1,772,843	5%	88,642
Trade, Transportation and Utilities	180,117	0.6%	170,729	10,612	80%	8,489	300	2,546,778	5%	127,339
Totals	779,973	1.5%	903,513	127,299	3%	28,091	300	8,427,273	6%	505,636

Source: Texas Workforce Commission; North Central Texas Council of Governments; and Ricker+Cunningham.





Forest / Jupiter TIA Market Demand Estimates

Exhibit 3-15 Forest / Jupiter TIA

Residential Demand

Forest/Jupiter TIA Trade Area

Residential Demand Analysis		Households		Annual Growth Rate			
Forest/Jupiter TIA		2012	50,593	1.3%			
2012-2022 Demand Estimates		2017	53,915				
		2022	57,455				
		Household Growth (2011-21)		Adjust for 2nd homes, demolition, vacancy			
		6,862		1.0%			
		Adjusted Unit Requirement		% Rental			
		6,931		38%			
Trade Area Demand from New Households (10-yr)							
Annual Household Income Range (2011 dollars)	Supportable Home Price Range	Current Households in Income Bracket	New Households by Income Bracket	Total Units	Estimated % Rental	Total Rental Units	Total Ownership Units
up to \$15K	up to \$375	12%	11%	762	90%	686	76
\$15-25K	\$375 - \$625	14%	13%	901	80%	721	180
\$25-35K	\$625 - \$875	13%	12%	832	70%	582	250
\$35-50K	\$875 - \$1,000	16%	17%	1,178	50%	589	589
\$50-75K	\$1,000+	21%	22%	1,525	25%	381	1,144
\$75-100K	\$1,000+	12%	13%	901	15%	135	766
\$100-150K	\$1,000+	8%	8%	554	5%	28	527
\$150K and up	\$1,000+	4%	4%	277	5%	14	263
Totals		100%	100%	6,931	45%	3,136	3,794

Source: U.S. Census; Claritas, Inc.; North Central Texas Council of Governments; and Ricker|Cunningham.

**Exhibit 3-16 Forest / Jupiter TIA
Residential Ownership Analysis**

Townhome/Condo Demand

Annual Household Income Range	Approximate Home Price Range	Trade Area For-			Estimated Townhome/Condo Demand	Forest/Jupiter TIA Attainable Capture Rate	Forest/Jupiter TIA Attainable Capture (units)
		Sale Demand (Incomes \$15K+)	Estimated % Townhome/Condo	Condo Demand			
\$15-25K	\$75 to \$100K	180	30%	54	5%	3	
\$25-35K	\$100 to \$150K	250	30%	75	5%	4	
\$35-50K	\$150 to \$200K	589	30%	177	5%	9	
\$50-75K	\$200 to \$250K	1,144	30%	343	5%	17	
\$75-100K	\$250 to \$350K	766	30%	230	5%	11	
\$100-150K	\$350 to \$500K	527	30%	158	5%	8	
\$150K and up	\$500K and up	263	30%	79	5%	4	
Totals		3,718	30%	1,115	5%	56	

Note: Assumes Townhome/Condo development stabilizes at 30% of all ownership demand

Source: U.S. Census; Claritas, Inc.; North Central Texas Council of Governments; and Ricker|Cunningham.



Exhibit 3-17 Forest / Jupiter TIA

Rental/Apartment Demand

Annual Household Income Range	Approximate Rent Range	Trade Area		
		Rental Demand (Incomes \$15K+)	Forest/Jupiter TIA Attainable Capture Rate	Forest/Jupiter TIA Attainable Capture (units)
\$15-25K	\$375 - \$625	721	5%	36
\$25-35K	\$625 - \$875	582	5%	29
\$35-50K	\$875 - \$1,000	589	5%	29
\$50-75K	\$1,000+	381	5%	19
\$75-100K	\$1,000+	135	5%	7
\$100-150K	\$1,000+	28	5%	1
\$150K and up	\$1,000+	14	5%	1
Totals		2,450	5%	122

Source: U.S. Census; Claritas, Inc.; North Central Texas Council of Governments; and Ricker|Cunningham.

Exhibit 3-18 Forest / Jupiter TIA - Retail Analysis

Forest/Jupiter TIA Trade Area

Retail Category	Estimated 2012 Household Retail Demand	Estimated 2012 Retail Sales (Supply)	Estimated 2012 Retail Void (Leakage)	Estimated 2012 Retail Void (Leakage)	Estimated Retail Sales/s.f.	Annual Household Growth Rate (2012-2022)	New Retail Space Needed to Recapture Void/Leakage	Net New Household Retail Demand	New Retail Space Needed for Household Growth	Total 10-Year New Trade Area Retail Demand (s.f.)	Forest Jupiter TIA Attainable Capture Rate	Forest Jupiter TIA Attainable Capture (Sq Ft)
Furniture & Home Furnishings	\$38,663,541	\$24,854,392	\$13,809,149	\$200	\$200	1.3%	69,046	\$5,243,943	26,220	95,265	3%	2,858
Electronics & Appliances	\$35,002,009	\$29,580,629	\$5,421,380	\$0	\$225	1.3%	24,095	\$4,747,329	21,099	45,194	3%	1,356
Bldg Materials, Garden Equipment	\$168,308,788	\$203,482,884	\$0	\$0	\$300	1.3%	0	\$22,827,752	76,093	76,093	3%	2,283
Food & Beverage (Grocery)	\$256,384,100	\$265,807,794	\$0	\$0	\$375	1.3%	0	\$34,773,422	92,729	92,729	3%	2,782
Health & Personal Care	\$125,168,094	\$58,112,456	\$67,055,638	\$0	\$325	1.3%	206,325	\$16,976,571	52,236	258,561	3%	7,757
Clothing and Accessories	\$92,691,237	\$43,158,701	\$49,532,536	\$0	\$225	1.3%	220,145	\$12,571,729	55,874	276,019	3%	8,281
Sporting Goods, Hobby, Book, Music	\$39,054,661	\$33,226,528	\$5,828,133	\$0	\$225	1.3%	25,903	\$5,296,991	23,542	49,445	3%	1,483
General Merchandise	\$259,049,020	\$139,116,904	\$119,932,116	\$0	\$300	1.3%	399,774	\$35,134,866	117,116	516,890	3%	15,507
Miscellaneous Stores	\$48,089,981	\$55,229,579	\$0	\$0	\$200	1.3%	0	\$6,522,453	32,612	32,612	3%	978
Foodservice & Drinking Places	\$203,805,943	\$166,868,808	\$36,937,135	\$0	\$325	1.3%	113,653	\$27,642,237	85,053	198,706	3%	5,961
Total	\$1,266,217,374	\$1,019,438,675	\$298,516,087	\$0	\$325	1.3%	1,058,940	\$171,737,294	582,574	1,641,514	3%	49,245

Source: Claritas, Inc.; Urban Land Institute; North Central Texas Council of Governments; and Ricker|Cunningham.

Exhibit 3-19 Forest / Jupiter TIA - Office Analysis

Forest/Jupiter TIA Trade Area										
Industry Category	Estimated 2012 Employees	Estimated Growth Rate 2012-2022	Estimated 2022 Employees	Net New Employees	Estimated % in Office Space	Estimated New Office Employees	Sq Ft per Office Employee	Estimated 10-Yr New Office Demand	Forest Jupiter TIA Attainable Capture Rate	Forest Jupiter TIA Attainable Capture (Sq Ft)
Educational and Health Services	25,627	1.2%	28,845	3,218	30%	965	180	173,780	6%	10,427
Financial Activities	13,332	1.2%	15,007	1,674	90%	1,507	180	271,233	6%	16,274
Government	6,430	1.2%	7,237	807	25%	202	180	36,334	6%	2,180
Information	4,690	1.2%	5,278	589	70%	412	180	74,203	6%	4,452
Leisure and Hospitality	12,949	1.2%	14,575	1,626	10%	163	180	29,269	6%	1,756
Manufacturing	13,202	1.2%	14,860	1,658	10%	166	180	29,843	6%	1,791
Natural Resources, Mining and Construction	9,199	1.2%	10,354	1,155	25%	289	180	51,982	6%	3,119
Other Services	5,400	1.2%	6,078	678	30%	203	180	36,621	6%	2,197
Professional and Business Services	25,255	1.2%	28,426	3,171	70%	2,220	180	399,608	6%	23,976
Trade, Transportation and Utilities	29,986	1.2%	33,751	3,766	15%	565	180	101,671	6%	6,100
Totals	146,069	1.2%	164,412	18,343	36%	6,692	180	1,204,544	6%	72,273

Source: Texas Workforce Commission; North Central Texas Council of Governments; and Ricker/Cunningham.

Exhibit 3-20 Forest / Jupiter TIA - Industrial Analysis

Forest/Jupiter TIA Trade Area										
Industry Category	Estimated 2012 Employees	Estimated Growth Rate 2012-2022	Estimated 2022 Employees	Net New Employees	Estimated % in Industrial Space	Estimated New Industrial Employees	Sq Ft per Industrial Employee	Estimated 10-Yr New Industrial Demand	Forest Jupiter TIA Attainable Capture Rate	Forest Jupiter TIA Attainable Capture (Sq Ft)
Educational and Health Services	25,627	1.2%	28,845	3,218	20%	644	300	193,089	5%	9,654
Financial Activities	13,332	1.2%	15,007	1,674	5%	84	300	25,114	5%	1,256
Government	6,430	1.2%	7,237	807	20%	161	300	48,445	5%	2,422
Information	4,690	1.2%	5,278	589	20%	118	300	35,335	5%	1,767
Leisure and Hospitality	12,949	1.2%	14,575	1,626	5%	81	300	24,391	5%	1,220
Manufacturing	13,202	1.2%	14,860	1,658	80%	1,326	300	397,908	5%	19,895
Natural Resources, Mining and Construction	9,199	1.2%	10,354	1,155	30%	347	300	103,963	5%	5,198
Other Services	5,400	1.2%	6,078	678	10%	68	300	20,345	5%	1,017
Professional and Business Services	25,255	1.2%	28,426	3,171	20%	634	300	190,290	5%	9,514
Trade, Transportation and Utilities	29,986	1.2%	33,751	3,766	80%	3,012	300	903,740	5%	45,187
Totals	146,069	1.2%	164,412	18,343	35%	6,475	300	1,942,620	5%	97,131

Source: Texas Workforce Commission; North Central Texas Council of Governments; and Ricker/Cunningham.



Jupiter / Walnut TIA Market Demand Estimates

Exhibit 3-21 Jupiter/Walnut TIA Residential Demand

Jupiter/Walnut TIA Trade Area		Households		Annual Growth Rate			
Residential Demand Analysis		2012	2017	Annual Growth Rate			
Jupiter/Walnut TIA		50,593	53,915	1.3%			
2012-2022 Demand Estimates		57,455	6,862	Adjust for 2nd homes, demolition, vacancy			
Household Growth (2011-21)		6,931		1.0%			
Adjusted Unit Requirement		6,931		38%			
Trade Area Demand from New Households (10-yr)							
Annual Household Income Range (2011 dollars)	Supportable Home Price Range	Current Households in Income Bracket	New Households by Income Bracket	Total Units	Estimated % Rental	Total Rental Units	Total Ownership Units
up to \$15K	up to \$375	12%	11%	762	90%	686	76
\$15-25K	\$375 - \$625	14%	13%	901	80%	721	180
\$25-35K	\$625 - \$875	13%	12%	832	70%	582	250
\$35-50K	\$875 - \$1,000	16%	17%	1,178	50%	589	589
\$50-75K	\$1,000+	21%	22%	1,525	25%	381	1,144
\$75-100K	\$1,000+	12%	13%	901	15%	135	766
\$100-150K	\$1,000+	8%	8%	554	5%	28	527
\$150K and up	\$1,000+	4%	4%	277	5%	14	263
Totals		100%	100%	6,931	45%	3,136	3,794

Source: U.S. Census; Claritas, Inc.; North Central Texas Council of Governments; and Ricker|Cunningham.

Exhibit 3-22 Jupiter/ Walnut TIA Residential Ownership Analysis

Townhome/Condo Demand

Annual Household Income Range	Approximate Home Price Range	Trade Area For-Sale Demand (Incomes \$15K+)	Estimated %		Estimated		Jupiter/Walnut	
			Townhome/Condo	Townhome/Condo	Townhome/Condo Demand	TIA Attainable Capture Rate	Jupiter/Walnut TIA Attainable Capture Rate	Jupiter/Walnut TIA Attainable Capture (units)
\$15-25K	\$75 to \$100K	180	30%	30%	54	4%	4%	2
\$25-35K	\$100 to \$150K	250	30%	30%	75	4%	4%	3
\$35-50K	\$150 to \$200K	589	30%	30%	177	4%	4%	7
\$50-75K	\$200 to \$250K	1,144	30%	30%	343	4%	4%	14
\$75-100K	\$250 to \$350K	766	30%	30%	230	4%	4%	9
\$100-150K	\$350 to \$500K	527	30%	30%	158	4%	4%	6
\$150K and up	\$500K and up	263	30%	30%	79	4%	4%	3
Totals		3,718	30%	30%	1,115	4%	4%	45

Note: Assumes Townhome/Condo development stabilizes at 30% of all ownership demand

Source: U.S. Census; Claritas, Inc.; North Central Texas Council of Governments; and Ricker|Cunningham.

Exhibit 3-23 Jupiter/ Walnut TIA Residential Rental Analysis

Rental/Apartment Demand

Annual Household Income Range	Approximate Rent Range	Trade Area Rental Demand (Incomes \$15K+)	Jupiter/Walnut		Jupiter/Walnut	
			TIA Attainable Capture Rate	TIA Attainable Capture (units)	TIA Attainable Capture Rate	TIA Attainable Capture (units)
\$15-25K	\$375 - \$625	721	4%	29	4%	29
\$25-35K	\$625 - \$875	582	4%	23	4%	23
\$35-50K	\$875 - \$1,000	589	4%	24	4%	24
\$50-75K	\$1,000+	381	4%	15	4%	15
\$75-100K	\$1,000+	135	4%	5	4%	5
\$100-150K	\$1,000+	28	4%	1	4%	1
\$150K and up	\$1,000+	14	4%	1	4%	1
Totals		2,450	4%	98	4%	98

Source: U.S. Census; Claritas, Inc.; North Central Texas Council of Governments; and Ricker|Cunningham.



Exhibit 3-24 Jupiter/ Walnut TIA—Retail Analysis

Jupiter/Walnut TIA Trade Area

Retail Category	Estimated 2012 Household Demand	Estimated 2012 Retail Sales (Supply)	Estimated 2012 Retail Void (Leakage)	Estimated 2012 Retail Sales/s.f. (Leakage)	Estimated Retail Sales/s.f. Void/Leakage	Annual Household Growth Rate (2012-2022)	Net New Household Demand	Net Retail Space Needed for Household Growth	Total 10-Year New Trade Area Retail Demand (s.f.)	Jupiter/Walnut TIA Attainable Capture Rate	Jupiter/Walnut TIA Attainable Capture
Furniture & Home Furnishings	\$38,663,541	\$24,854,392	\$13,809,149	\$200	69,046	1.3%	\$5,243,943	26,220	95,265	4%	3,811
Electronics & Appliance	\$35,002,009	\$29,580,629	\$5,421,380	\$225	24,095	1.3%	\$4,747,329	21,099	45,194	4%	1,808
Bldg Materials, Garden Equipment	\$168,308,788	\$203,482,884	\$0	\$300	0	1.3%	\$22,827,752	76,093	76,093	4%	3,044
Food & Beverage (Grocery)	\$256,384,100	\$265,807,794	\$0	\$375	0	1.3%	\$34,773,422	92,729	92,729	4%	3,709
Health & Personal Care	\$125,168,094	\$58,112,456	\$67,055,638	\$325	206,325	1.3%	\$16,976,571	52,236	258,561	4%	10,342
Clothing and Accessories	\$92,691,237	\$43,158,701	\$49,532,536	\$225	220,145	1.3%	\$12,571,729	55,874	276,019	4%	11,041
Sporting Goods, Hobby, Book, Music	\$39,054,661	\$33,226,528	\$5,828,133	\$225	25,903	1.3%	\$5,296,991	23,542	49,445	4%	1,978
General Merchandise	\$259,049,020	\$139,116,904	\$119,932,116	\$300	399,774	1.3%	\$35,134,866	117,116	516,890	4%	20,676
Miscellaneous Stores	\$48,089,981	\$55,229,579	\$0	\$200	0	1.3%	\$6,522,453	32,612	32,612	4%	1,304
Foodservice & Drinking Places	\$203,805,943	\$166,868,808	\$36,937,135	\$325	113,653	1.3%	\$27,642,237	85,053	198,706	4%	7,948
Total	\$1,266,217,374	\$1,019,438,675	\$298,516,087		1,058,940		\$171,737,294	582,574	1,641,514	4%	65,661

Source: Claritas, Inc.; Urban Land Institute; North Central Texas Council of Governments; and Ricker/Cunningham.

Exhibit 3-25 Jupiter/ Walnut TIA—Office Analysis

Jupiter/Walnut TIA Trade Area

Industry Category	Estimated 2012 Employees	Estimated 2012 Growth Rate	Estimated 2012 Employees	Estimated 2022 Employees	Net New Employees	Estimated % in Office Space	Estimated New Office Employees	Sq Ft per Office Employee	Estimated 10-Yr New Office Demand	Jupiter/Walnut TIA Attainable Capture Rate	Jupiter/Walnut TIA Attainable Capture
Educational and Health Services	25,627	1.2%	28,845	3,218	30%	965	180	173,780	4%	6,951	
Financial Activities	13,332	1.2%	15,007	1,674	90%	1,507	180	271,233	4%	10,849	
Government	6,430	1.2%	7,237	807	25%	202	180	36,334	4%	1,453	
Information	4,690	1.2%	5,278	589	70%	412	180	74,203	4%	2,968	
Leisure and Hospitality	12,949	1.2%	14,575	1,626	10%	163	180	29,269	4%	1,171	
Manufacturing	13,202	1.2%	14,860	1,658	10%	166	180	29,843	4%	1,194	
Natural Resources, Mining and Construction	9,199	1.2%	10,354	1,155	25%	289	180	51,982	4%	2,079	
Other Services	5,400	1.2%	6,078	678	30%	203	180	36,621	4%	1,465	
Professional and Business Services	25,255	1.2%	28,426	3,171	70%	2,220	180	399,608	4%	15,984	
Trade, Transportation and Utilities	29,986	1.2%	33,751	3,766	15%	565	180	101,671	4%	4,067	
Totals	146,069	1.2%	164,412	18,343	36%	6,692	180	1,204,544	4%	48,182	

Source: Texas Workforce Commission; North Central Texas Council of Governments; and Ricker/Cunningham.

Exhibit 3-26 Jupiter/ Walnut TIA—Industrial Analysis

Jupiter/Walnut TIA Trade Area

Industry Category	Estimated 2012 Employees	Estimated Growth Rate 2012-2022	Estimated 2022 Employees	Net New Employees	Estimated % in Industrial Space	Estimated New Industrial Employees	Sq Ft per Industrial Employee	Estimated 10-Yr New Industrial Demand		Jupiter Walnut TIA Attainable Capture Rate	Jupiter Walnut TIA Attainable Capture
								Employees	Sq Ft		
Educational and Health Services	25,627	1.2%	28,845	3,218	20%	644	300	193,089	5%	9,654	
Financial Activities	13,332	1.2%	15,007	1,674	5%	84	300	25,114	5%	1,256	
Government	6,430	1.2%	7,237	807	20%	161	300	48,445	5%	2,422	
Information	4,690	1.2%	5,278	589	20%	118	300	35,335	5%	1,767	
Leisure and Hospitality	12,949	1.2%	14,575	1,626	5%	81	300	24,391	5%	1,220	
Manufacturing	13,202	1.2%	14,860	1,658	80%	1,326	300	397,908	5%	19,895	
Natural Resources, Mining and Construction	9,199	1.2%	10,354	1,155	30%	347	300	103,963	5%	5,198	
Other Services	5,400	1.2%	6,078	678	10%	68	300	20,345	5%	1,017	
Professional and Business Services	25,255	1.2%	28,426	3,171	20%	634	300	190,290	5%	9,514	
Trade, Transportation and Utilities	29,986	1.2%	33,751	3,766	80%	3,012	300	903,740	5%	45,187	
Totals	146,069	1.2%	164,412	18,343	35%	6,475	300	1,942,620	5%	97,131	

Source: Texas Workforce Commission; North Central Texas Council of Governments; and Ricker|Cunningham.



Shiloh / Walnut TIA Market Demand Estimates

Exhibit 3-27 Shiloh Walnut TIA - Residential Demand

Shiloh/Walnut TIA Trade Area Residential Demand Analysis		Households	2012	64,623	Annual	1.4%	
Shiloh/Walnut TIA			2017	69,173			
2012-2022 Demand Esti-		Household Growth (2011-21)	2022	74,043	Adjust for 2nd homes, demolition,	1.0%	
		Adjusted Unit		9,514	% Rental	38%	
Trade Area Demand from New Households (10-yr)							
Annual Household Income Range (2011	Approximate Rent Range	Supportable Home Price Range	Current Households in Income Bracket	New Households by Income Bracket	Estimated % Rental	Total Rental Units	Total Ownership Units
up to \$15K	up to \$375	up to \$75K	10%	9%	90%	771	86
\$15-25K	\$375 - \$625	\$75 to \$100K	12%	11%	80%	837	209
\$25-35K	\$625 - \$875	\$100 to \$150 to	12%	12%	70%	799	342
\$35-50K	\$875 - \$1,000	\$200K	15%	15%	50%	714	714
\$50-75K	\$1,000+	\$200 to	21%	22%	25%	523	1,570
\$75-100K	\$1,000+	\$250 to	13%	14%	15%	200	1,132
\$100-150K	\$1,000+	\$350 to	11%	11%	5%	52	994
\$150K and up	\$1,000+	\$500K and up	6%	6%	5%	29	542
Totals			100%	100%	41%	3,924	5,589

Source: U.S. Census; Claritas, Inc.; North Central Texas Council of Governments; and Ricker | Cunningham.

Exhibit 3-28 Shiloh Walnut TIA - Residential Ownership Analysis

Annual Household Income Range	Approximate Home Price Range	Trade Area For-			Estimated Townhome/Condo Demand	Shiloh/Walnut TIA Attainable Capture Rate	Shiloh/Walnut TIA Attainable Capture (units)
		Sale Demand (Incomes \$15K+)	Estimated % Townhome/Condo	Estimated Townhome/Condo Demand			
\$15-25K	\$75 to \$100K	209	30%	63	4%	3	
\$25-35K	\$100 to \$150K	342	30%	103	4%	4	
\$35-50K	\$150 to \$200K	714	30%	214	4%	9	
\$50-75K	\$200 to \$250K	1,570	30%	471	4%	19	
\$75-100K	\$250 to \$350K	1,132	30%	340	4%	14	
\$100-150K	\$350 to \$500K	994	30%	298	4%	12	
\$150K and up	\$500K and up	542	30%	163	4%	7	
Totals		5,504	30%	1,651	4%	66	

Note: Assumes Townhome/Condo development stabilizes at 30% of all ownership demand
 Source: U.S. Census; Claritas, Inc.; North Central Texas Council of Governments; and Ricker|Cunningham.

Exhibit 3-29 Shiloh Walnut TIA - Residential Rental Analysis

Annual Household Income Range	Approximate Rent Range	Trade Area			Shiloh/Walnut TIA Attainable Capture Rate	Shiloh/Walnut TIA Attainable Capture (units)
		Rental Demand (Incomes \$15K+)	Shiloh/Walnut TIA Attainable Capture Rate	Shiloh/Walnut TIA Attainable Capture (units)		
\$15-25K	\$375 - \$625	837	4%	33		
\$25-35K	\$625 - \$875	799	4%	32		
\$35-50K	\$875 - \$1,000	714	4%	29		
\$50-75K	\$1,000+	523	4%	21		
\$75-100K	\$1,000+	200	4%	8		
\$100-150K	\$1,000+	52	4%	2		
\$150K and up	\$1,000+	29	4%	1		
Totals		3,154	4%	126		

Source: U.S. Census; Claritas, Inc.; North Central Texas Council of Governments; and Ricker|Cunningham.



Exhibit 3-30 Shiloh Walnut TIA - Retail Analysis

Shiloh/Walnut TIA Trade Area

Retail Category	Estimated 2012 Household Retail Demand	Estimated 2012 Retail Sales (Supply)	Estimated 2012 Retail Void (Leakage)	Estimated Retail Sales (s.f.)	New Retail Space Needed to Recapture Void/Leakage	Annual Household Growth Rate (2012-2022)	Net New Household Retail Demand	New Retail Space Needed for Household Growth	Total 10-Year New Trade Area Retail Demand (s.f.)	Shiloh Walnut TIA Attainable Capture Rate	Shiloh Walnut TIA Attainable Capture (Sq Ft)
Furniture & Home Furnishings	\$53,090,205	\$30,688,193	\$22,402,012	\$200	112,010	1.4%	\$7,738,542	38,693	150,703	4%	6,028
Electronics & Appliance	\$48,840,539	\$54,013,429	\$0	\$225	0	1.4%	\$7,119,101	31,640	31,640	4%	1,266
Bldg Materials, Garden Equipment	\$234,991,814	\$234,397,930	\$593,884	\$300	1,980	1.4%	\$34,252,908	114,176	116,156	4%	4,646
Food & Beverage (Grocery)	\$335,876,809	\$300,284,020	\$35,592,789	\$375	94,914	1.4%	\$48,958,120	130,555	225,469	4%	9,019
Health & Personal Care	\$163,380,090	\$87,540,520	\$75,839,570	\$325	233,353	1.4%	\$23,814,630	73,276	306,628	4%	12,265
Clothing and Accessories	\$126,367,874	\$54,733,667	\$71,634,207	\$225	318,374	1.4%	\$18,419,651	81,865	400,239	4%	16,010
Sporting Goods, Hobby, Book, Music	\$52,992,766	\$42,435,925	\$10,556,841	\$225	46,919	1.4%	\$7,724,339	34,330	81,250	4%	3,250
General Merchandise	\$344,480,764	\$217,904,714	\$126,576,050	\$300	421,920	1.4%	\$50,212,251	167,374	589,294	4%	23,572
Miscellaneous Stores	\$65,745,045	\$65,750,564	\$0	\$200	0	1.4%	\$9,583,138	47,916	47,916	4%	1,917
Foodservice & Drinking Places	\$276,303,315	\$233,550,238	\$42,753,077	\$325	131,548	1.4%	\$40,274,561	123,922	255,470	4%	10,219
Total	\$1,702,069,221	\$1,321,299,200	\$385,948,430		1,361,018		\$248,097,240	843,747	2,204,765	4%	88,191

Source: Claritas, Inc.; Urban Land Institute; North Central Texas Council of Governments; and Ricker/Cunningham.

Exhibit 3-31 Shiloh Walnut TIA - Office Analysis

Shiloh/Walnut TIA Trade Area

Industry Category	Estimated 2012 Employees	Estimated Growth Rate 2012-2022	Estimated 2022 Employees	Estimated % in Office Space	Net New Employees	Estimated New Office Employees	Sq Ft per Office Employee	Estimated 10-Year New Office Demand	Shiloh Walnut TIA Attainable Capture Rate	Shiloh Walnut TIA Attainable Capture (Sq Ft)
Educational and Health Services	32,033	1.2%	36,056	30%	4,023	1,207	180	217,226	6%	13,034
Financial Activities	16,666	1.2%	18,758	90%	2,093	1,884	180	339,041	6%	20,342
Government	8,037	1.2%	9,046	25%	1,009	252	180	45,417	6%	2,725
Information	5,862	1.2%	6,598	70%	736	515	180	92,754	6%	5,565
Leisure and Hospitality	16,186	1.2%	18,218	10%	2,033	203	180	36,586	6%	2,195
Manufacturing	16,503	1.2%	18,576	10%	2,072	207	180	37,304	6%	2,238
Natural Resources, Mining and Construction	11,498	1.2%	12,942	25%	1,444	361	180	64,977	6%	3,899
Other Services	6,750	1.2%	7,598	30%	848	254	180	45,776	6%	2,747
Professional and Business Services	31,569	1.2%	35,533	70%	3,964	2,775	180	499,510	6%	29,971
Trade, Transportation and Utilities	37,482	1.2%	42,189	15%	4,707	706	180	127,088	6%	7,625
Totals	182,586	1.2%	205,515	36%	22,929	8,365	180	1,505,680	6%	90,341

Source: Texas Workforce Commission; North Central Texas Council of Governments; and Ricker/Cunningham.

Exhibit 3-32 Shiloh Walnut TIA - Industrial Analysis

Shiloh/Walnut TIA Trade Area

Industry Category	Estimated 2012 Employees	Estimated Growth Rate 2012-2022	Estimated 2022 Employees	Net New Employees	Estimated % in Industrial Space	Estimated New Industrial Employees	Sq Ft per Industrial Employee	Estimated 10-Yr New Industrial Demand	Shiloh Walnut TIA Attainable Capture Rate	Shiloh Walnut TIA Attainable Capture (Sq Ft)
Educational and Health Services	32,033	1.2%	36,056	4,023	20%	805	300	241,362	3%	7,241
Financial Activities	16,666	1.2%	18,758	2,093	5%	105	300	31,393	3%	942
Government	8,037	1.2%	9,046	1,009	20%	202	300	60,557	3%	1,817
Information	5,862	1.2%	6,598	736	20%	147	300	44,168	3%	1,325
Leisure and Hospitality	16,186	1.2%	18,218	2,033	5%	102	300	30,489	3%	915
Manufacturing	16,503	1.2%	18,576	2,072	80%	1,658	300	497,385	3%	14,922
Natural Resources, Mining and Construction	11,498	1.2%	12,942	1,444	30%	433	300	129,954	3%	3,899
Other Services	6,750	1.2%	7,598	848	10%	85	300	25,431	3%	763
Professional and Business Services	31,569	1.2%	35,533	3,964	20%	793	300	237,862	3%	7,136
Trade, Transportation and Utilities	37,482	1.2%	42,189	4,707	80%	3,766	300	1,129,675	3%	33,890
Totals	182,586	1.2%	205,515	22,929	35%	8,094	300	2,428,275	3%	72,848

Source: Texas Workforce Commission; North Central Texas Council of Governments; and Ricker|Cunningham.



Appendix 4 (Redevelopment Program)

No Exhibits referenced for this Section



Appendix 5 (Implementation)

Exhibit 5-1. Implementation Matrix

Forest-Jupiter Transit-Oriented Redevelopment Plan Implementation Strategy Matrix	Initiative Objective	Resources Needed	Effort	Impact	Timing	Targeted Investment Area		
	Stabilize Grow Improve Transform	Staff Time General Fund \$ Other \$ * Political Capital	1 = Low 2 = Mod 3 = High	Reverse Decline in Values Strengthen Revenue Stream Leverage Public \$ Catalyze Private Investment	Near- Term (< 24 Mo) Mid-Term (2 - 5 Yrs) Long-Term (5 + Yrs)	Forest / Jupiter (DART) TIA	Jupiter / Walnut (Retail) TIA	Shiloh / Walnut (Baylor) TIA

Market								
Small Business Assistance	Stabilize, Grow	Staff Time	2	Strengthen Revenue Stream	Near-Term	X		
Facilities Assistance (Relocation Expansion)	Stabilize, Transform	Staff Time, Other \$	3	Catalyze Private Investment	Near-Term		X	X
Ethnic Business Support	Stabilize	Staff Time	2	Reverse Declines in Values	Near-Term		X	
Brand Identification (Districts)	Improve	Other \$	2	Catalyze Private Investment	Mid-Term	X	X	X
Business Promotion	Stabilize, Grow	Other \$	2	Reverse Declines in Values	Near-Term	X	X	X
Stronger Retail Mix	Grow, Improve	Other \$	2	Catalyze Private Investment	Near-Term	X	X	X

Physical **								
Streetscape	Improve	General Fund \$, Other \$	2	Catalyze Private Investment	Mid-Term	X	X	X
Pedestrian Improvements	Improve, Transform	General Fund \$, Other \$	2	Catalyze Private Investment	Near-Term	X	X	X
Roadway Improvements	Improve, Transform	General Fund \$, Other \$	2	Catalyze Private Investment	Mid-Term			X
Infrastructure Improvements	Grow	General Fund \$, Other \$	3	Catalyze Private Investment	Mid-Term	X	X	X
Adaptive Reuse / Redevelopment	Improve, Transform	Other \$	3	Catalyze Private Investment	On-Going		X	X
Gateway Improvements	Improve, Transform	General Fund \$, Other \$	2	Catalyze Private Investment	Near-Term	X	X	X
Open / Public Space Improvements	Improve, Transform	General Fund \$, Other \$	2	Strengthen Revenue Stream	Mid-Term	X	X	X
Trail Improvements	Improve	General Fund \$, Other \$	2	Strengthen Revenue Stream	Mid-Term	X		X
Bike Paths	Improve	General Fund \$, Other \$	2	Strengthen Revenue Stream	Mid-Term	X	X	X
ADA Improvements	Stabilize, Improve	General Fund \$, Other \$	2	Strengthen Revenue Stream	Mid-Term	X		

Financial								
Gap Financing (new investment and reinvestment)	Improve, Transform	Other \$	2	Catalyze Private Investment	Near-Term	X	X	X
CRA Dollars	Improve, Transform	Other \$	2	Catalyze Private Investment	Near-Term		X	X
Loan Pools	Improve, Transform	Other \$	3	Catalyze Private Investment	Mid-Term		X	
New Market Tax Credits / CDFI Dollars	Improve, Transform	Other \$	2	Catalyze Private Investment	Near-Term		X	
CDBG Dollars	Stabilize, Grow	Other \$	2	Catalyze Private Investment	Near-Term	X		X
Signature Project	Improve, Transform	Other \$	3	Catalyze Private Investment	Mid-Term	X	X	X
Public-Private Partnership	Improve, Transform	Other \$	3	Catalyze Private Investment	On-Going	X	X	X
Reinvestment Incentives (Residential and Commercial)	Improve, Transform	Other \$	2	Catalyze Private Investment	Near-Term	X	X	X
Section 108 Loan Program	Improve, Transform	Other \$	2	Catalyze Private Investment	Near-Term	X	X	X
LIHTC	Improve, Transform	Other \$	2	Catalyze Private Investment	Mid-Term	X		
HUD 221(d)(4) Mortgage Insurance Program	Stabilize, Grow	Other \$	2	Catalyze Private Investment	Mid-Term	X		
HUD 223(f), 232 LEAN and SBA Loans for Senior Housing	Stabilize, Grow	Other \$	2	Catalyze Private Investment	Mid-Term			X
TIGER Grant for TOD Infrastructure Improvements	Improve, Transform	Other \$	2	Catalyze Private Investment	Mid-Term	X		
Private Investment	Improve, Transform	Other \$	3	Catalyze Private Investment	On-Going	X	X	X

Forest-Jupiter Transit-Oriented Redevelopment Plan

Exhibit 5-1. Implementation Matrix (continued)

Forest-Jupiter Transit-Oriented Redevelopment Plan Implementation Strategy Matrix	Initiative Objective	Resources Needed	Effort	Impact	Timing	Targeted Investment Area		
	Stabilize Grow Improve Transform	Staff Time General Fund \$ Other \$ * Political Capital	1 = Low 2 = Mod 3 = High	Reverse Decline in Values Strengthen Revenue Stream Leverage Public \$ Catalyze Private Investment	Near- Term (< 24 Mo) Mid-Term (2 - 5 Yrs) Long-Term (5 + Yrs)	Forest / Jupiter (DART) TIA	Jupiter / Walnut (Retail) TIA	Shiloh / Walnut (Baylor) TIA

Regulatory

Re-Zoning	Grow, Improve, Transform	Staff Time, Political Capital	3	Catalyze Private Investment	Mid-Term	X		X
Design Standards	Improve	Staff Time, Other \$	2	Catalyze Private Investment	Mid-Term	X	X	X
Reduced Parking Requirements	Improve, Transform	Staff Time	2	Reverse Decline in Values	Mid-Term	X	X	
Enhanced Security (police presence, lighting, design)	Stabilize, Grow, Improve	Staff Time, Other \$	2	Reverse Decline in Values	Near-Term	X	X	X
Historic Preservation	Improve	Staff Time	2	Leverage Public \$	Mid-Term	X		
Code Enforcement	Stabilize	Staff Time, General Fund \$	2	Reverse Decline in Values	Near-Term	X	X	X
De-densify Apartments		Other \$, Political Capital	3	Reverse Decline in Values	Mid-Term			
Diversify Housing Inventory	Improve, Transform	Other \$, Political Capital	3	Reverse Decline in Values	Mid-Term	X		X
Graffiti Abatement	Stabilize, Grow	General Fund \$	2	Reverse Decline in Values	Near-Term	X		

Organizational

Business Improvement District	Stabilize, Grow, Improve	Other \$	2	Leverage Public \$	Mid-Term	X		
Business Owner Outreach / Awareness Program	Stabilize, Grow	Staff Time, General Fund \$	2	Leverage Public \$	Near-Term	X		
Residential Property Owner / Outreach Awareness Program	Stabilize	Staff Time, General Fund \$	2	Leverage Public \$	Near-Term		X	X
Commercial Property Owner Outreach / Awareness Program	Stabilize, Grow	Staff Time, General Fund \$	2	Leverage Public \$	Near-Term	X	X	X

Political

Balanced Growth Policies	Stabilize, Grow	Staff Time, Political Capital	3	Strengthen Revenue Stream	Mid-Term	X	X	X
Affordable Housing Policies	Stabilize	Staff Time, Political Capital	3	Reverse Decline in Values	Mid-Term	X		
Long-Term Support for Envision Garland and ED Strategy	Improve, Transform	Political Capital	1	Catalyze Private Investment	On-Going	X	X	X

* Includes consultant fees.

** If city doesn't lead, timing should coincide with private investment projects.

Source: Catalyst Group and Ricker | Cunningham.

