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Director's Viewpoint



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UTA's Advanced Design Studio creates High Density Scenarios with maximum Tax Increments to fund Infrastructure and Open Space. These Scenarios cover Demo and new Roadways from Taxes not otherwise generated, thus no new Public costs.

The I-345 Removal Debate

Downtown Dallas is ringed by freeways, and public discussion has focused on removal of I-345 to expand the urban core, reconnect to Deep Ellum historic entertainment district and to the expanding Baylor Medical Center.

Challenge: Reuse I-345 Corridor at No Public Cost

D Magazine and Civic groups have debated the benefits for urban living with removal of the freeway. Our Scenarios show alternatives for thru traffic, Infrastructure costs offset by increased density and new TIF generated, Residential and modern Workplace choices. Thus each Scenario covers Infrastructure at no new cost to the Public.

Scenario Comparisons --Costs/Density

Chart below compares the three Scenarios and resulting density of land uses, generation of Tax Increment allocated to Infrastructure, and new Jobs and Residents produced.

| SCENARIO Comparisons | Boulevard | Central Park | Tunnel |
|----------------------------|------------------|----------------|----------------|
| Office Parcels SF | 488,423 | 1,861,636 | 835,000 |
| Office Devel SF | 1,851,275 | 2,500,000 | 3,811,000 |
| Hotel Parcels | 91,835 | 428,310 | 518,000 |
| Hotel SF | 179,800 | 539,122 | 337,500 |
| Resid Parcels SF | 1,871,267 | 2,989,021 | 4,260,600 |
| Residential SF | 3,571,621 | 7,968,808 | 12,920,582 |
| Resid Units | 3,888 | 7,472 | 11,361 |
| Residential SF incl Retail | 290,850 | 450,000 | 550,000 |
| Retail Village Parcel | 296,000 | 300,000 | 400,000 |
| Urb Retail Devel | 371,273 | 507,959 | 600,000 |
| EntertainCntr Parcel | 112,999 | 230,614 | 379,000 |
| Entertainment Center SF | 206,676 | 368,873 | 614,000 |
| Parcels SF | 3,120,533 | 5,809,581 | 6,392,600 |
| Development Area | 6,471,495 | 12,334,762 | 18,833,082 |
| Avg Dev Cost @ \$240 pSF | 1,553,158,800 | 2,960,342,880 | 4,519,939,680 |
| Parking Spaces | 14,000 | 18,000 | 21,000 |
| Garage SF | 5,950,000 | 7,650,000 | 8,925,000 |
| Garage \$ Cost | 147,000,000 | 189,000,000 | 220,500,000 |
| Less Mothership Garages | (16,800,000) | (16,800,000) | (16,800,000) |
| Grand Total \$ Dev | \$ 1,683,358,800 | 3,132,542,880 | 4,723,639,680 |
| Fulltime Jobs Created | 8977 | 13492 | 19780 |
| Support Multiplier@1.10 | 9875 | 14841 | 21758 |
| Total Jobs Created | 18852 | 28333 | 41538 |
| TIF \$ Capitalized | \$ 100,405,425 | \$ 258,256,203 | \$ 318,539,261 |
| New Residents | 4,860 | 9,340 | 14,201 |

Three Alternative Scenarios

The CfMD Advanced Design Studio analyzed three alternative layouts to continue thru traffic and provide local access. All involve demolition of the existing I-345 freeway, re-use of ROW, and vacant parcel acquisitions, with high density MXD.



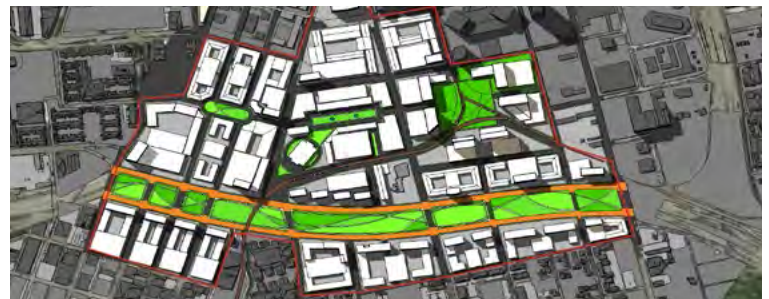
Boulevard

Least expensive Scenario utilizes new Boulevards on either side of the existing freeway, with subsequent demolition and Park replacement. Excess right-of-way reclaimed for high density MXD with the acquisition of vacant or underutilized sites



Center Park

Mid-range cost Scenario features Roundabout connections, a reconfigured Cesar Chavez Boulevard with a new Boulevard to the East. Significant parcels acquired for high density MXD development will offset Infrastructure costs.



Park-Covered Tunnel

Most expensive Scenario offers thru traffic By-Pass with Park-covered Tunnel as focus for significant underutilized parcel acquisitions for high density Live/Work, Family Courtyard Residential, SkyRide transit loop, and DART-oriented Citi Center.

A New Urban District

Park-Covered Tunnel enables

- I-345 Traffic By-Pass
- Higher density on Excess Parcels to monetize cost of the Deck Park.
- Provides loop for SkyRide people mover
- Expands Dallas Center Core
- Provides variety of Residential and Workplace choices
- Features Transit-Oriented CitiCenter, Media Forum and Urban Square

This Scenario creates a framework of high density Office and Residential, with Community Retail and custom designed Streetscape to mark a new urban District.

New Parks and CitiSquare create "Address Value" for Family Residential and Workplace options. The District will offer efficient Transit connections for a walkable expansion of Dallas urban Core.

Urban Retail Village

Urban Retail Village features Micro Lofts atop Street-oriented Lifestyle Retail and Cafes. Located between High Density Residential and Transit-oriented Citi Center.

The Urban Retail Village offers a landscaped Boulevard lined with Specialty Retail supported by four corner Anchors, a Mercado for fresh foods, a Cooking School with Video facilities, and a Catering Hall.



Jenna Gates

Urban Entertainment Center

Reconnecting with Deep Ellum and its eclectic collection of bars and restaurants, a new Urban Entertainment Center will offer a live Music Venue with Video broadcast, Interactive Sports Bars, Art Cinemas, Nightclubs, and a Boutique Hotel.

Re-Branding Dallas as an innovative entertainment center, large-scale Media Boards with interactive features mark the entrance to Deep Ellum from the downtown core.



Ruben Resendiz



Kharrol Amisshah-Aidoo



Pamela Ward

Family High Density + Courtyard Residential

Located on ten sites directly facing the landscaped Park deck, Family-oriented Residential ranges from high-rise two and three bedroom units to low-rise stacked Townhomes, offering a variety of Residential choice.

Landscaped courtyards feature recreational and leisure amenities, and adjacency to the Park provides open space for children with significant pre-school Childcare facilities



Johnny Limones



Wang Yan

K – 5 Magnet School

Located on the Park deck with lightweight structure, the merit-based K – 5 Magnet School is a key feature for the Family Courtyard Residential and surrounding neighborhoods.

Open space and the concentration of Urban Families is a natural combination for this innovative educational offering.



Park Themed Landscapes

Park features special Theme zones such as Earth ,Air, Fire and Water. Landscapes express these basic elements, as the above sketch illustrates the Water theme.

The park serves as "Value Address" and a proven urban amenity for high density Residential.

SkyRide People Mover

Elevated SkyRide monorail with automated tandem vehicles operates with short headways on a loop through the Park and Citi Center, connecting the Office core, Arts District, Convention Center and in the near future, the Houston/DFW Fast Train Terminal.



Lizardo Meza

Citi Center and Urban Square

At the crossing of two DART lines and the SkyRide loop, the CitiCenter Square, lined with Cafes and Retail is the focus for a new Workplace expansion of the Dallas Office Core. High-rise Office and Boutique Hotel enjoy the Citi Square address premium and transit options.

The signature high-rise Office Buildings offer large floor plates with ground-floor Retail and a Boutique Hotel. These frame the intersection of two DART lines and a special Media Forum to create a large European-style Square. The elevated SkyRide people mover loops the CitiSquare, connecting Transit to Dallas' existing Office Core, and Civic/ Cultural institutions.

CitiSquare will be one of the largest public Open Spaces in Dallas. Animated by Transit choices, the high density envelope created by the Office and Hotel, and Urban Square with sidewalk Cafes.

Interactive Media Forum

Citi Center features a semi-enclosed Interactive Media Forum. Large scale Digital Displays show information, world news, local events, online opinion poll, and interactive Artline with access from Plaza kiosks and mobile devices.

The Media Forum could become a venue for performances, political events, and displays of new products and technology. Media Forum will be a major attraction, representing an urbane counterpoint to the Arts District and Tunnel Park.



Johnny Limones

| TUNNEL BY-PASS SCENARIO | |
|--|------------------|
| Total Dev Area SF (Off / Res / Retail etc) | 18,833,082 |
| Total Cost (@avg \$245/ SF) | \$ 4,529,999,680 |
| Parking Garages Cost (19,400 spaces) | \$ 203,700,000 |
| Grand Total Project Dev Costs | \$ 4,723,639,680 |
| Capitalized TIF from Projects | \$ 318,539,261 |
| Residents | 14,201 |
| Jobs FTE (Incl Vendor Multiplier) | 41,538 |

Scenario Summary

Chart on left shows total Scenario Development of \$4.7 Billion generating \$318.5 Million of Tax increment to pay for Infrastructure.



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Public Infrastructure Costs

All Scenarios carry at least \$318 Million Infrastructure burden for new Roadways and Parks. We assume no significant TXDOT contribution as Scenarios eliminate a State-owned freeway. Hence, Infrastructure Costs must cover Demo, ROW Parcel purchases, Streetscapes, Roadways and funding of a new Special Purpose Entity "Master DevCorp" for long term implementation over several Political cycles.

Tax Increment Finance funds Infrastructure, particularly for Park-Covered Tunnel, which is the only Scenario that permits thru-traffic, featuring a Park Cover as "Address Value" for high density Residential and creates the largest TIF. ROW and Parcels purchased by the "Master DevCorp" are later sold to developers at increased prices based on the created environment. Each Scenario passed Feasibility tests using market rate Capitalization and Discount rates, and IRR targets.

| Infrastructure Sunk Costs | Area | Stkhltrs | Soft Costs | DevCorp | Hard | Hard Cost | Sub Totals |
|-----------------------------|---------|----------------|------------------|-------------------|--------|--------------------|--------------------|
| | sf | Apprvls | 6% AEP | at 1% Hard | Cst/sf | \$ | \$ |
| DevCorp Plng /ROW Acquis | | 175000 | | 1000000 | | | 1175000 |
| Parcel Acquis Legal/Brokers | | | | 4000000 | | | 4000000 |
| Ongoing DevCorpCost 15 ys | | 175000 | | 15000000 | | | 15175000 |
| I-435 ROW Demo | 2700000 | | 162000 | 540000 | 20 | 54000000 | 57402020 |
| New Major Streets | 1002859 | | 1203430.8 | 10028.59 | 30 | 30085770 | 32302118 |
| Exist Sts Realign/Repair | 544970 | | 435976 | 217988 | 20 | 10899400 | 12098354 |
| Open Space/Plazas/Parks | 1236328 | 175000 | 2596288.8 | 865430 | 35 | 43271480 | 48144561 |
| Streetscape | 1220000 | | 1464000 | 366000 | 30 | 36600000 | 39650030 |
| Temp Signalization | 820000 | | 492000 | 164000 | 20 | 16400000 | 17876020 |
| Perm Signal/Striping | 820000 | | 328000 | 164000 | 20 | 16400000 | 17712020 |
| Utility Relocations | 1200000 | | 600000 | 300000 | 25 | 30000000 | 32100025 |
| New Utility Master Lines | 1200000 | | 1080000 | 360000 | 30 | 36000000 | 38640030 |
| Infrastructure Costs | | 525,000 | 8,361,696 | 22,987,446 | | 219,656,650 | 316,275,179 |



City/Stakeholders Roundtable

Panel explored current Civic and City Agency thinking on the viability of the undertaking, the political will required to execute Scenarios over multiple administrations, and Market forces that drive absorption of Office and Residential.



Developers/Designers Roundtable

Panelists identified the need for Residential Choice, and insisted Retail is a critical amenity for Workforce and Residents. Long-term development expected as Uptown Dallas required 15 years to mature.

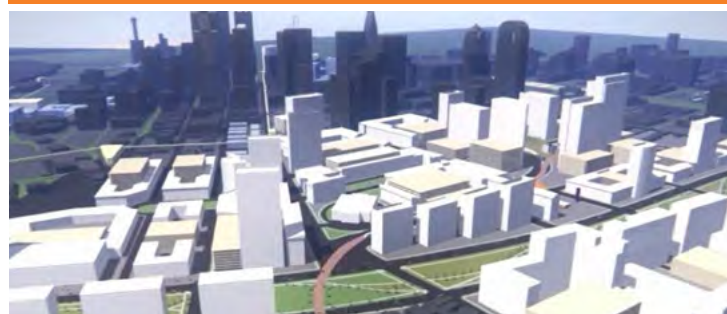
Downtown Parking ratios are lower than suburban due to cost. Hence, two Mothership Garages, owned by a new Parking Authority were proposed for each Scenario.

Infrastructure Pay-Back

Chart at right shows Infrastructure Costs are recovered by new TIF generated by projects, and Parcel sales to developers from the Public/ Private DevCorp.

Infrastructure includes funding the DevCorp as Master Developer for public improvements, developer selection, and design review, all at no new cost to the public with a Net Reserve Constingency.

| | | | |
|----------------------------------|-------------|---------|--------------------|
| Tunnel By-Pass - 145 Acres | | | |
| Infrastructure Base Costs | | | 316,275,179 |
| Tunnel Excavation | | | 47,416,108 |
| Tunnel Cover + Landscape | | | 95,000,000 |
| ROW + Parcel Acquis | 6,321,600sf | \$55/sf | 410,904,000 |
| SkyRide Extension | | | 40,000,000 |
| Total Public Costs | | | 909,595,287 |
| DevCorp Parcel Sales | | \$95/sf | (600,552,000) |
| Proj TIF Contribution | | | (318,539,261) |
| Offset to Tot Dev Cost | | | (919,091,261) |
| Net Reserve (Contingency) | | | 9,495,974 |



I-345 Tunnel By-Pass Scenario Benefits

Economic Development War Chest

- City Tax NPV (over 60 yrs) to \$1.3 Billion
- TIF pays Infrastructure to \$318.5M
- Cumulative City Tax (60 yrs) to \$7.3 Billion

Expands Workplace and Regional Impact

- High value Workplace and increased Residential choices
- Re-branded Urban experience captures DFW fair share

Live/Work/Learn District

- Produces 41,500 Employees and Vendor Jobs
- Walkable Neighborhoods with Parks, Retail, and Cafes
- Residential MXD creates 14,200 new Residents as a Voter Block.