



**Post Office Box 9010 Addison, Texas
75001-9010
5300 Belt Line Road
(972) 450-7000 Fax: (972) 450-7043**

AGENDA

SPECIAL MEETING OF THE CITY COUNCIL

AND / OR

WORK SESSION OF THE CITY COUNCIL

6:00 PM

December 8, 2014

ADDISON TOWN HALL

5300 BELT LINE RD., DALLAS, TX 75254

SPECIAL MEETING

- S1 Discussion, consider and take action regarding approving and authorizing the City Manager to execute an agreement with the World Affairs Council of Dallas/Fort Worth for consulting services for an amount not to exceed \$60,000, subject to the final review/approval of the City Manager and City Attorney.

RECOMMENDATION:

Administration recommends approval.

S2 Presentation, discussion, consider and take action approving of and authorizing the City Manager to award a contract to Flow-Line Construction, Inc., for the relocation of water, sewer, and storm water drainage systems on Addison Airport to accommodate the construction of a new \$3 million hangar at the Airport for an amount not to exceed \$425,247.

RECOMMENDATION:

Administration recommends approval.

WORK SESSION

WS1 Presentation and discussion regarding the special area study findings and recommendations regarding future development of the properties within that area of the Town generally bounded on the north by Belt Line Road, on the east by Midway Road, on the south by an Oncor utility easement located approximately 250 feet north of Proton Drive, and on the west by the Midway Meadows, Towne Lake, and Pecan Square neighborhoods.

Adjourn Meeting

Posted:
Matthew McCombs, December 5, 2014, 6:00pm

**THE TOWN OF ADDISON IS ACCESSIBLE TO PERSONS WITH DISABILITIES.
PLEASE CALL (972) 450-7090 AT LEAST
48 HOURS IN ADVANCE IF YOU NEED ASSISTANCE.**

Special Meeting and Work Session

Meeting Date: 12/08/2014

Department: City Manager

Council Goals: Create raving fans of the Addison Experience.
Maintain and enhance our unique culture of creativity and innovation.
Attract new businesses to Addison
Brand Protection and Enhancement
Fully integrate the Arts as part of our brand

Information

AGENDA CAPTION:

Discussion, consider and take action regarding approving and authorizing the City Manager to execute an agreement with the World Affairs Council of Dallas/Fort Worth for consulting services for an amount not to exceed \$60,000, subject to the final review/approval of the City Manager and City Attorney.

FINANCIAL IMPACT:

The service agreement is in the amount of \$50,000. Staff is also recommending that Council approve an additional allocation of \$10,000 to be managed by the Town of Addison for reserving meeting space within Addison to ensure events are hosted in Addison as part of this agreement, for marketing support to promote events hosted by the World Affairs Council as part of this Scope of Services Agreement. Given this recommendation, the total amount being asked to be approved by City Council is \$60,000. City Council had previously approved \$35,000 in the FY 2015 Budget. Approval of this agenda item will require a \$25,000 budget amendment.

BACKGROUND:

What is the World Affairs Council: The World Affairs Council serves as a gateway to the world for our region, providing a wide array of opportunities for the public and its 4,000+ members. The non-profit, nonpartisan organization has presented hundred of speakers in recent years, including *Newsweek International* editor, CNN host and bestselling author Fareed Zakaria, rock star and humanitarian Bono, former President of Mexico Vicente Fox, The New York Times columnist Thomas Friedman, author Walter Isaacson, human rights activist Ayaan Hirsi Ali, as well as journalists, ambassadors, foreign affairs experts and other newsmakers from around the world. The WAC also administers the following programs:

- International Education Initiative, impacts more than 100,000 North Texas students annually

- U.S. Department of State-sponsored International Visitor Program
- City of Dallas Office of Protocol

In previous years, the World Affairs Partnered with the Town of Addison in organizing the Town's Annual World Fest. For 2015 the World Affairs Council has been asked to provide a more focused program on enhancing and providing support to the Town's international business development efforts. Town Staff has collaborated with the senior staff of the World Affairs Council in developing a Scope of Services that would help achieve the new focus. Five (5) key goals were selected to be achieved by the World Affairs Council as part of this agreement. These goals were approved by World Affairs Council President Jim Falk and Town Staff. They include:

1. International Business Development Support.
2. International Entrepreneur Development Support of the Town's TreeHouse.
3. Access for Town Employees/Council Members to World Affairs Council Events.
4. Highlighting Addison as a member Partner.
5. Consulting Services.

Each goal includes various tactics addressed in the attached agreement that describe work items to be achieved by the World Affairs Council as deliverables that must be achieved to satisfy the successful execution of the agreement.

Because of the change in focus from World Fest to International Business Development, the agreement, if approved by City Council will be managed by the Economic Development & Tourism Department.

RECOMMENDATION:

Administration recommends approval.

Attachments

World Affairs Council Agreement

- recommend the Addison TreeHouse as a regional entrepreneur resource center to international entrepreneurs/groups interested in the North Texas Start-up Community.
- C. Provide members of the Addison Council with opportunities to participate in international events:
- make recommendations on events that may be appropriate for members of the Council to attend;
 - provide passes to Addison to such events (subject to the Charter and ordinances of Addison; and
 - recognize member of the City Council present at events from podium when appropriate.
- D. Feature the Town of Addison as a participant:
- recognize Addison as a participant in World Affairs Council website;
 - recognize Addison as a partner in designated events hosted by World Affairs Council, and
 - Promote Fork & Cork and Oktoberfest to World Affairs Council members.
- E. Consulting Services:
- provide consulting services on international relations;
 - provide cultural consulting awareness services on how to appropriately address dignitaries from particular countries;
 - Develop by January/February 2015 in conjunction with Addison Special Events an international-focused gastronomic element for Fork and Cork.
 - Develop by March/April 2015 a German program element for the Town's annual Oktoberfest event in collaboration with the German Consulate in Texas.

A table reflecting and including these Services is attached to this Agreement as Exhibit A and incorporated herein and made a part hereof.

Performance Reports – World Affairs Council shall provide to the City following or at the end of the second, third, and fourth calendar year (2015) quarters (or portion thereof, as applicable) while this Agreement is in effect, a report (“Performance Report”) regarding the work and activities of World Affairs Council for the calendar year quarter immediately prior to the date the report is provided, including, without limitation, (i) all marketing activities of World Affairs Council, (ii) a report on expenses and the payment thereof (e.g., payments to performers, other third parties, and proof of such payment), (iii) a report regarding the activities of World Affairs Council as to all other of the above and foregoing Services. The Performance Report for the (a) second calendar year quarter shall be provided by June 30, 2015, (b) third calendar quarter shall be provided by September 30, 2015, and (c) fourth calendar quarter shall be provided by December 31, 2013. Each such report shall be in form and content satisfactory to the City, and World Affairs Council shall provide supporting information for its report, including any supporting information as the City may reasonably request. Upon the expiration or

earlier termination of this Agreement, World Affairs Council shall provide such report to the City not later than the 25th day following the Expiration Date or the date of termination, as applicable, and the obligation to provide such report shall survive the expiration or earlier termination of this Agreement.

In connection with the Services, World Affairs Council warrants and represents to the City that:

- 1) World Affairs Council has the skills, qualifications, expertise, experience and financial capability necessary to perform the Services with a high degree of quality and responsiveness;
- 2) The Services and work will be provided in a professional and timely manner, consistent with the commercially accepted best practices and standards;
- 3) The Services shall comply with all applicable federal, state or local statutes, ordinances, laws, rules, standards, codes and regulations;
- 4) World Affairs Council: (i) is a corporation duly organized, validly existing and in good standing under the laws of the State of Texas, and shall remain in good standing throughout the term of this Agreement; (ii) it has the requisite power and authority to carry on its business as it is now being conducted; (iii) it has the legal capacity to enter into this Agreement; and, (iv) the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement have been authorized and approved by all action required on the part of World Affairs Council; and
- 5) The execution and delivery of this Agreement by World Affairs Council does not: (i) conflict with, or result in any violation or breach of, any provision of the World Affairs Council's charter documents; (ii) result in any violation or breach of, or constitute a default under, or require a consent or waiver under, any of the terms, conditions or provisions of any license, contract or other agreement to which World Affairs Council is a party; or (iii) materially conflict with or violate any franchise, license, judgment, order, statute, law, rule or regulation applicable to World Affairs Council.

All Services shall be provided by World Affairs Council in cooperation and coordination with the City Staff, and in particular with the Addison Director of Special Events (the "Director"). Any and all promotional or other materials regarding the Festival which are to be prepared, given or delivered by World Affairs Council shall be first presented to the Director for the Director's review and approval prior to the public dissemination of any such materials. Standardized language agreed upon by both parties prior to any public dissemination thereof may, after such agreement, be disseminated in World Affairs Council materials without prior review of those materials. Prior to solicitation of any entertainers, activities and other vendors, World Affairs Council shall use its reasonable efforts to first obtain the pre-approval of the Director regarding such solicitation; however, the parties hereto recognize that World Affairs Council may not be able in all

instances to obtain the pre-approval of the Director prior to a solicitation, and in such event World Affairs shall nevertheless, in conducting any solicitation, abide by and comply with such communication standards as the Director shall establish. The Services shall be provided by World Affairs Council in a professional manner. In identifying, selecting, and recommending entertainers, activities, and vendors pursuant to this Agreement, and in performing all of its Services hereunder, World Affairs Council understands and recognizes that the Festival is for entertainment purposes only, is a family oriented and family-friendly, is not a religious or political event (and is not an event that promotes or suggests any religious or political agenda), and World Affairs Council will perform its Services hereunder in accordance therewith.

3. **Compensation.** For the Services provided by World Affairs Council in accordance with the terms and conditions of this Agreement and subject to the termination provisions of this Agreement, the City will pay World Affairs Council a fee as follows:

The City will pay World Affairs Council Fifty Thousand and No/100 Dollars (\$50,000.00), to be paid in four installments as follows: (1) the first installment (“first installment”) of \$12,500.00 shall be paid by December 15, 2015, (2) the second installment (the “second installment”) of \$12,500.00 shall be paid by March 1, 2015, (3) the third installment (the “third installment”) of \$12,500.00 shall be paid by June 1, 2015, and (4) the fourth installment (the “fourth installment”) of \$12,500.00 shall be paid upon (i) the completion of the Scope of Services (that is, upon completion of all of the Services), and (ii) the satisfactory performance as reasonably determined by the City of all of the Services by World Affairs Council, including, without limitation, the timely receipt by the City of the October (for the last quarter of 2015) Performance Report and all performance reports to be provided prior thereto, in form and content reasonably acceptable to the City (upon the satisfaction of the said (i) and (ii), payment of the fourth installment shall be by no later than October 31, 2016).

4. **Termination.**

- A. *Without cause.* Either party may terminate this Agreement at any time by giving to the other party at least 30 days written notice of such termination. Termination shall have no effect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. In the event of termination or upon the expiration of this Agreement, all finished or unfinished data, studies, reports and other materials and items (whether kept electronically, in writing, or otherwise) prepared by World Affairs Council shall be and become the property of the City and World Affairs Council shall promptly deliver such items to the City.
- B. *With cause.*
- (i) If (a) World Affairs Council fails to perform any of World Affairs Council’s duties or responsibilities as reasonably determined by the City, or (b) if World Affairs Council fails to fulfill in a timely and professional manner World Affairs Council’s obligations under this Agreement, or (c) if World Affairs Council shall violate any of the terms or provisions of this Agreement (the said (a), (b) and (c) being referred to together in this paragraph as a “Failure”), or (d)

if World Affairs Council, World Affairs Council's agents or employees fail to exercise good behavior either during or outside of working hours that is of such a nature as to bring discredit upon the City, as determined reasonably but solely by the City, then the City shall have the right to terminate this Agreement effective immediately upon the City giving notice thereof, either oral or in writing, to World Affairs Council.

- (ii) Notwithstanding the foregoing subparagraph B.(i), with respect to a Failure, such right of termination shall not be exercised by the City unless and until a Failure remains uncured by World Affairs Council for a reasonable period of time (as determined by the City) after notice thereof (which notice shall specifically identify the Failure) from the City is received by World Affairs Council.
- (iii) If the City's termination of World Affairs Council for cause is defective for any reason, including but not limited to the City's reliance on erroneous facts concerning World Affairs Council's performance, or any defect in notice thereof, the City's maximum liability shall not exceed the amount payable to World Affairs Council under Section 3 above.

- C. In the event of termination or upon the expiration of this Agreement, all finished or unfinished data, studies, reports and other items (whether kept electronically, in writing, or otherwise) prepared by World Affairs Council shall be and become the property of the City and World Affairs Council shall promptly deliver such items to the City.
- D. If this Agreement is terminated in December, 2014, World Affairs Council shall promptly reimburse the amount of the first installment to the City. If this Agreement is terminated: (i) in January, 2015, World Affairs Council shall promptly reimburse to the City the sum of \$6,250.00; (ii) in February, 2015, World Affairs Council shall promptly reimburse to the City the sum of \$3,125.00. If this Agreement is terminated in March, 2015, World Affairs Council shall promptly reimburse the amount of the second installment to the City. If this Agreement is terminated: (i) in April, 2015, World Affairs Council shall promptly reimburse to the City the sum of \$6,250.00; (ii) in May, 2015, World Affairs Council shall promptly reimburse to the City the sum of \$3,125.00. If this Agreement is terminated in June, 2015, World Affairs Council shall promptly reimburse the amount of the third installment to the City. If this Agreement is terminated: (i) in July, 2015, World Affairs Council shall promptly reimburse to the City the sum of \$6,250.00; (ii) in August, 2015, World Affairs Council shall promptly reimburse to the City the sum of \$3,125.00. Following such termination, World Affairs Council shall be entitled to no further payment or compensation hereunder. The reimbursement obligation set forth herein shall survive the termination of this Agreement.

If this Agreement is terminated in the months of September, October, November, or December, 2015, World Affairs Council shall be entitled to payment of a ratable portion of the fourth installment for Services properly performed hereunder, as reasonably determined by the City.

5. **Relationship of Parties.** World Affairs Council is and shall be during the entire term of the Agreement an independent contractor, and nothing in this Agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, a joint enterprise, or to allow the City to exercise discretion or control over the professional manner in which World Affairs Council performs the Services which are the subject matter of the Agreement; provided always however that the Services to be provided by World Affairs Council shall be provided in a manner consistent with all applicable standards, regulations, and laws governing such Services.

6. **Insurance.** At all times in connection with this Agreement, World Affairs Council shall purchase and maintain in a company or companies lawfully authorized to do business in Texas such insurance coverages as set forth below:

- | | | |
|----|--|--|
| a. | Commercial General Liability: | \$1,000,000.00 |
| b. | General Aggregate | \$1,000,000.00 |
| c. | Product/Completed Operations Aggregate | \$1,000,000.00 |
| d. | Personal & Adv. Injury | \$1,000,000.00 |
| e. | Per Occurrence | \$1,000,000.00 |
| f. | Medical Coverage | \$ 5,000.00 (any one person) |
| g. | Liquor Liability Endorsement | \$1,000,000.00 (if selling beer and/or wine) |
| h. | Fire Liability (any one fire) | \$ 50,000.00 |
| i. | Statutory Limits of Workers Compensation Insurance | |

All such insurance shall: (i) be issued by a carrier which is rated "A-1" or better by A.M. Best's Key Rating Guide and licensed to do business in the State of Texas, (ii) name the Town of Addison as an additional insured and contain a waiver of the subrogation endorsement in favor of the Town of Addison, (iii) endorsed to read as primary coverage regardless of the application of other insurance, (iv) contain no cross liability exclusions or insured versus insured restrictions applicable to the claims of the Town of Addison, and (v) include coverage for the period of time including the Festival days as well as set-up days (usually one day before and one day after the event). Certified copies of all such policies shall be delivered to Addison upon the execution of this Agreement, but in any event no later than two weeks prior to the event; provided, however, that Addison, in its sole discretion and in lieu of certified copies of such policies, may permit the delivery of certificates of insurance (listing each insurance coverage described and required herein) together with the declaration page of such policies, along with a copy of the endorsements necessary to meet the requirements and instructions contained herein, including, without limitation, the endorsement naming the Town of Addison as an additional insured, and shall specifically set forth the notice of cancellation and termination provisions to the Town of Addison. Each such policy shall provide that it shall not be canceled without at least 30-days written notice thereof being given to the Town of Addison. Coverage for Products/ Completed Operations must be maintained at least two (2) years after this Agreement is terminated in its entirety, including any renewal thereof or extensions thereto.

7. **Records.** World Affairs Council shall keep complete and accurate records for the Services performed pursuant to this Agreement and any records required by law or government regulation and shall make such records available to City upon request. World Affairs Council shall assure the confidentiality of any records that are required by law to be so maintained. World Affairs Council shall prepare and forward such additional or supplementary records as City may reasonably request.
8. **Notice.** For purposes of this Agreement, if written notice or other communication is given, such notice or other communication shall be in writing, addressed as provided hereinafter to the party to whom the notice or request is given, and shall be either (i) delivered personally, (ii) sent by United States certified mail, postage prepaid, return receipt requested, or (iii) placed in the custody of Federal Express Corporation or other nationally recognized carrier to be delivered overnight. Notice shall be deemed given: when received if delivered personally; seventy-two (72) hours after deposit if sent by mail; and twenty-four (24) hours after deposit if sent by Federal Express or other nationally recognized carrier. Addresses for notice are as follows:

To the City:
Town of Addison, Texas
5300 Belt Line Road
Dallas, Texas 75254-7606
Attn: Chris Terry

To World Affairs Council:
World Affairs Council
325 N. St. Paul Street, Suite 4200
Dallas, TX 75201
Attn: Jim Falk

The addresses and addressees for the purpose of this Section may be changed by giving notice of such change in the manner herein provided for giving notice. Unless and until such written notice is received the last addresses and addressee stated by written notice, or provided herein if no written notice of change has been sent or received, shall be deemed to continue in effect for all purposes hereunder.

9. **Reports Confidential.** No reports, information (either in writing or oral), documents, or other materials given to or prepared by World Affairs Council under this Agreement which the City requests in writing to be kept confidential, shall be made available to any individual or organization by World Affairs Council without the prior written approval of the City.
10. **Authority to Execute.** The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto.
11. **Ownership of Reports.** The reports, documents and materials prepared by World Affairs Council under or pursuant to this Agreement shall be the sole property of the City.
12. **Assignment.** Inasmuch as this Agreement is intended to secure the specialized services of World Affairs Council, World Affairs Council has no authority or power to and may not assign, transfer, delegate, subcontract or otherwise convey any interest herein without the prior written consent of the City, and any such assignment, transfer, delegation, subcontract

or other conveyance without the City's prior written consent shall be considered null and void *ab initio*.

13. **Rights and Remedies Cumulative; Non-Waiver.** The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by either party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise. The failure by either party to exercise any right, power, or option given to it by this Agreement, or to insist upon strict compliance with the terms of this Agreement, shall not constitute a waiver of the terms and conditions of this Agreement for any reason whatsoever, including with respect to any such right, power or option or to such compliance or to any other or subsequent default or breach hereof, nor a waiver by either party of its rights at any time to exercise any such right, power or option or to require exact and strict compliance with all the terms hereof. Any rights and remedies either party may have with respect to the other arising out of this Agreement shall survive the cancellation, expiration or termination of this Agreement.
14. **Applicable Law; Venue.** In the event of any action under this Agreement, exclusive venue for all causes of action shall be instituted and maintained in Dallas County, Texas. The parties agree that the laws of the State of Texas shall govern and apply to the interpretation, validity and enforcement of this Contract; and, with respect to any conflict of law provisions, the parties agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the governing, interpretation, validity and enforcement of this Agreement.
15. **Enforceability.** If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
16. **Force Majeure.** In the event either the City or World Affairs Council shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of fire, casualty, strikes, lockouts, labor trouble, inability to procure materials or supplies, failure of power, governmental authority, riots, insurrections, war or other reason of like nature, where such delay, hindrance or prevention of performance shall not be within the reasonable control of the party obligated to perform and not be avoidable by diligence, the party so delayed shall promptly give notice to the other party, and thereupon performance of such act shall be excused for such period of delay.
17. **No Third-Party Beneficiaries.** This Agreement and all of its terms and provisions are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity.
18. **Incorporation of Recitals.** The above and foregoing Recitals to this Contract are true and correct and are incorporated herein and made a part hereof for all purposes.

- 19. Construction of Certain Terms.** Section and subsection headings herein are for convenience only and shall not be used in interpretation of this Agreement. The words “includes” and “including” are terms of enlargement and not of limitation or exclusive enumeration, and use of the terms does not create a presumption that components not expressed are excluded.
- 20. Severability.** The sections, paragraphs, sentences, phrases, words, and all other provisions of this Agreement are severable, and if any part of this Agreement is determined by a court of competent jurisdiction to be illegal, unlawful, unconstitutional, or void for any reason, the parties intend that the remaining provisions of this Agreement shall remain in full force and effect. In lieu of any such illegal, unlawful, unconstitutional, or void provision, the parties agree to seek to negotiate to add to this Agreement another provision that would be permitted that is as close to the intent of the original provision as possible.
- 21. Entire Agreement and Modification.** This Agreement supersedes all previous Agreements and constitutes the entire understanding of the parties hereto. No changes, amendments or alterations shall be effective unless in writing and signed by both parties.

SIGNED by each of the respective parties on the date set forth below.

TOWN OF ADDISON, TEXAS

**WORLD AFFAIRS COUNCIL OF
DALLAS FORT WORTH**

By: _____
Chris Terry, Assistant City Manager

By: _____
James N. Falk, President and CEO

Date: _____

Date: _____

Special Meeting and Work Session

Meeting Date: 12/08/2014

Department: City Manager

Council Goals: Infrastructure improvement and maintenance

Information

AGENDA CAPTION:

Presentation, discussion, consider and take action approving of and authorizing the City Manager to award a contract to Flow-Line Construction, Inc., for the relocation of water, sewer, and storm water drainage systems on Addison Airport to accommodate the construction of a new \$3 million hangar at the Airport for an amount not to exceed \$425,247.

FINANCIAL IMPACT:

Funds for the relocation of the utilities is budgeted in the Utility Fund.

BACKGROUND:

In order to facilitate the construction of a new \$3 million hangar, the Town agreed to pay for the relocation of the public utilities, to include the water, sanitary sewer, storm drainage utilities. The project design and the bid package was prepared by Cobb Fendley Engineers. Bids were opened on December 4th and Flow-Line Construction, Inc., was the lowest responsive bidder. Flow-Line Construction, Inc., is qualified to perform this work and staff recommends that the bid be awarded for an amount not to exceed \$425,247.

If the bid is awarded, the work will begin as soon as the bonding and contract documents are complete and notice to proceed is issued.

RECOMMENDATION:

Administration recommends approval.

Special Meeting and Work Session

Meeting Date: 12/08/2014

Department: Infrastructure- Development Services

Council Goals: Attract new businesses to Addison
Create and implement a Comprehensive Land Use/Revitalization Plan

Information

AGENDA CAPTION:

Presentation and discussion regarding the special area study findings and recommendations regarding future development of the properties within that area of the Town generally bounded on the north by Belt Line Road, on the east by Midway Road, on the south by an Oncor utility easement located approximately 250 feet north of Proton Drive, and on the west by the Midway Meadows, Towne Lake, and Pecan Square neighborhoods.

FINANCIAL IMPACT:

N/A

BACKGROUND:

The Comprehensive Land Use Plan approved in 2013 identified a number of special area study sites for properties where the Town felt the future of those properties was uncertain or where the current land use might no longer be appropriate. The goal of these studies was to provide a recommendation to the Planning and Zoning Commission and City Council regarding the future use of those sites after an in-depth analysis.

The Council chose an area of land generally running from the Sam's Club site south along the Midway Corridor including the Midway Square Shopping Center and Office in the Park as the first study area. Council and staff selected a committee of Council Members, Planning and Zoning Commissioners, residents, and property owners to work on the Study. A consulting team consisting of Strategic Community Solutions, Kimley-Horn and Ricker Cunningham was brought in to aid the committee in their work.

The Committee met three times over the course of three months and has prepared a recommendation regarding the future land use of this area. Karen Walz and her team will be presenting the findings and recommendation of the committee. Attached is her presentation and background material from the committee meetings.

RECOMMENDATION:

Attachments

Presentation



Sam's Club Site Special Study



STRATEGIC
COMMUNITY
SOLUTIONS



City Council Briefing
Materials

December 8, 2014

Kimley » Horn

Packet Table of Contents

- Summary
- Reason for Study
- Study Organization
- Market Considerations
- Draft Preferred Plan
- Next Steps
- Appendices
 - Background Research and Analysis
 - Committee Direction
 - Implications of Alternative Scenarios

Summary

- Purpose today: first opportunity to share Committee work and consultant research with Council
- Possible Council direction today:
 - Continue to pursue this approach
 - Ask Committee to investigate further
 - Have a wider dialogue through a community workshop
 - Something else



Reason for Study



STRATEGIC
COMMUNITY
SOLUTIONS



Ricker | Cunningham

Kimley » Horn

Council's policy direction for development & revitalization

TOWN OF ADDISON
COMPREHENSIVE PLAN
2013



4150 BELT LINE ROAD

PARCEL 3-D



Acreage, Parcel 3-D: 17.34 acres

Zoning, Parcel 3-D: PD 091-066

Owner, Parcel 3-D: Wal-Mart Stores, Inc.

Discussion:

Sam's built this store in 1991 after a lengthy and heated zoning process. The Town wanted to be very careful to protect the Midway Meadows neighborhood immediately south of this site, and it required Sam's to do several things it had not done for other stores. The store had to be 100% brick and landscaping had to total 20% of the site. Sam's had to build a 10-foot-high wall on the south side of the building, and install and maintain a green space along the north side of Beltway Drive. In addition, Sam's had to secure an easement across another property to the traffic signal at Runyon Road. The Sam's store has not impacted the Midway Meadows in a negative way. In fact, Sam's has been a good corporate citizen and allows the Town to hold its twice-yearly garage sale in the Sam's parking lot. However, the store has never experienced the sales volume that Sam's had hoped for. Wal-Mart is in the process of building a new site at Midway Road and I-635, and there is speculation that this store will relocate to that site. While the Town would hate to lose Sam's as a corporate citizen, the site presents a good redevelopment opportunity for this important corner.

ATTRIBUTES OF SUCCESS MATRIX

4150 BELT LINE ROAD

3-D

| ATTRIBUTES | COMMENTS | SCORE |
|-----------------------------|---|-------|
| Competitive | The Sam's store has a good location and is competitive with other stores in the area. Sam's, which also sells gasoline, is a good retailer for the Town. | |
| Safe | The site has good visual accessibility and is occupied most hours of the day. It is safe. | |
| Functional | The site is functional at present for a Sam's store, but there is a fear that Sam's will leave, and it is very difficult to find another tenant that can take such a large store. | |
| Visually Appealing | The building is constructed of good materials and has attractive landscaping. Sam's does an adequate job with the landscaping maintenance. Power lines across the front of the property are unattractive. | |
| Supported with Amenities | The site has an excellent location for restaurants, retail, and other support services. | |
| Environmentally Responsible | The site meets the Town's landscaping requirements and is environmentally responsible. | |
| Walkable | The site is in a good location for walkability and has a sidewalk on Belt Line Road. However, the sidewalk is immediately back of curb and is not pleasant to walk. | |
| Overall Assessment | Sam's has been a good business in Town since 1991, and the Town would hate to lose the store. However, should the store relocate, the Town should be thinking now about the redevelopment opportunity that the large site on a key corner represents. | |

Status of Sam's Club

- Have made decision to sell
- Normally won't sell to competitor
- Timing
 - Process of due diligence underway in August & September
 - Set a price in October
 - Marketing of property
 - Typical process takes about 1 year before actual move

URBAN INFILL DEVELOPMENT 17 ACRE OPPORTUNITY

4150 Belt Line Road | Addison, Texas 75001

FOR SALE



AVAILABLE

136,549 SF
17.36 Acre(s)

OCCUPANCY

Soon To Be Vacant

SALES PRICE

\$14,360,000

DEMOGRAPHICS

| | 3 Mile | 5 Mile | 10 Mile |
|----------------------|----------|----------|-----------|
| Estimated Population | 135,237 | 356,608 | 1,184,881 |
| Avg Household Income | \$83,995 | \$91,482 | \$97,563 |
| Estimated Households | 155,980 | 300,180 | 1,009,994 |

Year: 2013 | Source: Synergos Technologies

TRAFFIC COUNTS

| | |
|-------------------------------------|------------|
| Belt Line Road East of Midway Road | 52,194 CPD |
| Midway Road South of Belt Line Road | 52,808 CPD |

Year: 2012 | Source: KSS Fuels

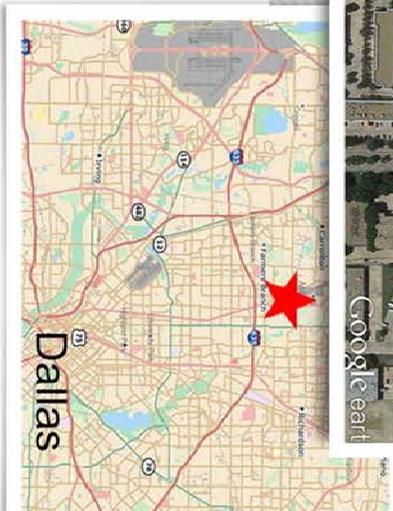
CONTACT

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SRS Real Estate Partners
5120 Woodway Drive, Suite 10014 | Houston, TX 77056
281.661.3220 | SRSRE.COM



DESCRIPTION

- Large urban infill tract
- Key inter-section
- Zoning expected to change to accommodate mixed use
- Approximately 700' of frontage along Belt Line Road
- Sam's Club relocation is expected Summer 2015
- Building is approximately 360' Wide X 350' Deep

The information contained herein was obtained from sources deemed to be reliable. However, SRS Real Estate Partners makes no guarantees, warranties, or representations as to the completeness or accuracy thereof. Published: 11.05.2014

Sam's Club

- Sale price = \$14,360,000
- Price = \$19 per square foot
- Sam's Club relocation in summer 2015



Study Organization



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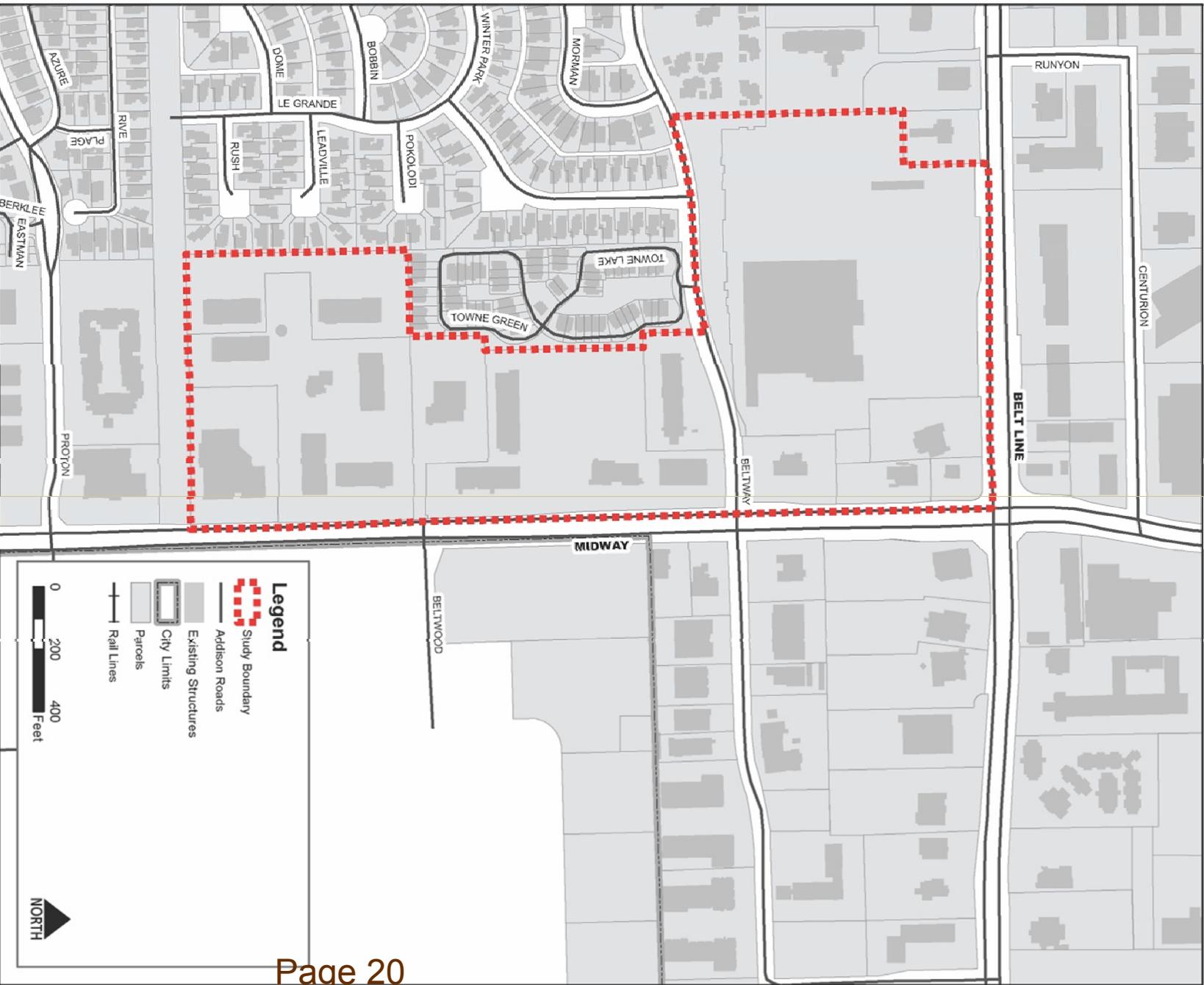


Ricker | Cunningham

Kimley » Horn

Project Phases

- Phase 1: Project Management
- Phase 2: Strategic Assessment
 - Committee Work Session #1
- Phase 3: Development Alternatives
 - Committee Work Session #2
- Phase 4: Design & Direction
 - Committee Work Session #3
- Phase 5: Study Completion



Study Area Boundary
Sam's Club Special Study

Legend

- Study Boundary
- Addison Roads
- Existing Structures
- City Limits
- Parcels
- Rail Lines

0 200 400 Feet

NORTH

Committee Membership

- **Chris DeFrancisco**
 - Council Member
- **Janelle Moore**
 - Council Member
- **Linda Groce**
 - P&Z Commissioner
- **Ivan Hughes**
 - P&Z Commissioner
- **Alexander P. McCutchin**
 - Family Owns/Manages Midway Square
- **Bill Park**
 - Property Owner (Nate's, Starbucks)
- **Dan Stansbury**
 - Property Owner (Office in the Park)
- **Chou Crook**
 - Resident
- **Doyle Roberson**
 - Resident

MARKET CONSIDERATIONS

Purpose of Market Analysis

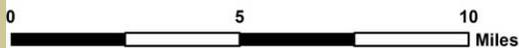
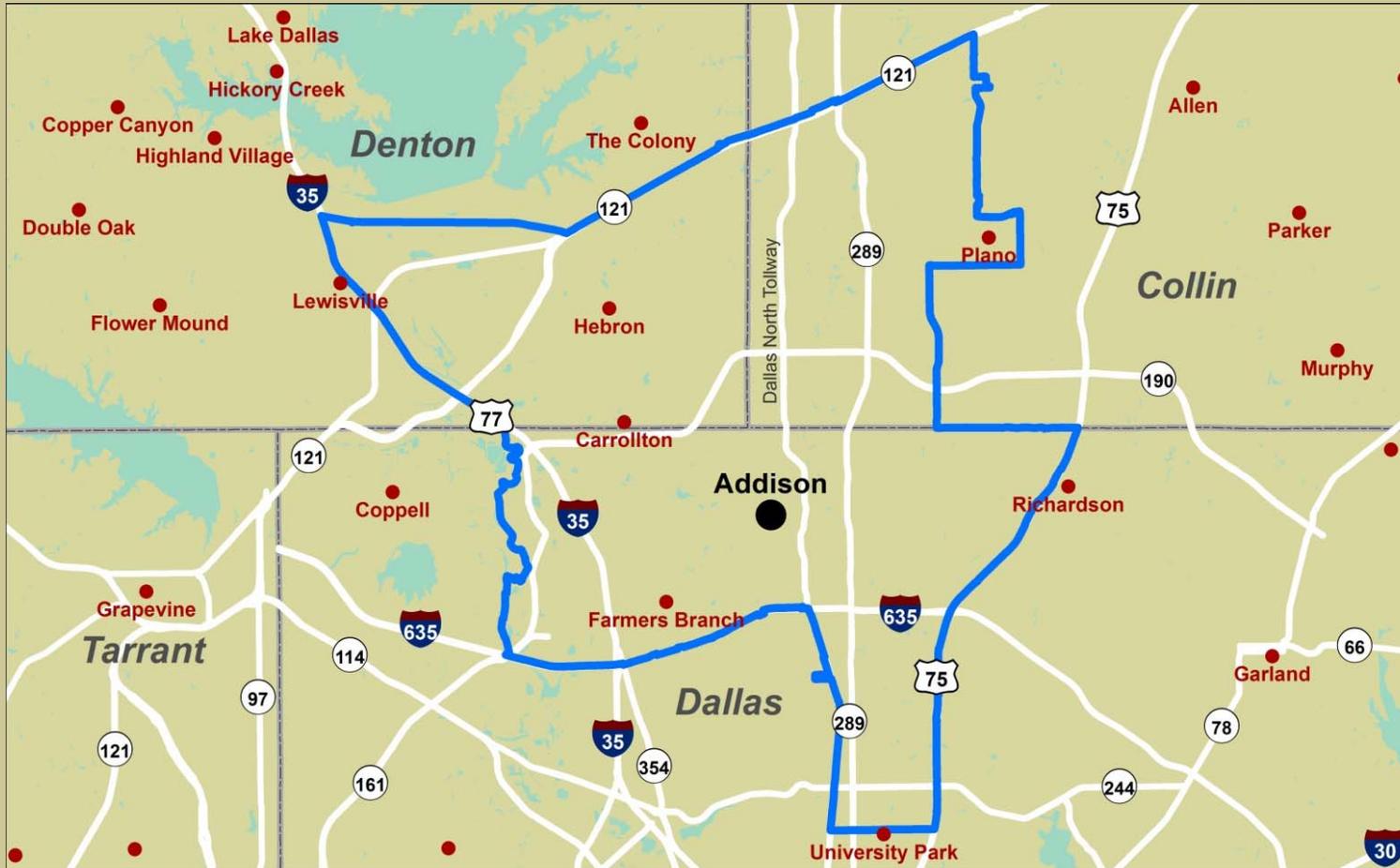
- Provides a “reality check” for the planning process
- Ensures that land use decisions are grounded in market and economic reality
- Offers an independent, third-party, “story to tell” to public and private development / investment partners

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Trade Area Determination



Trade Area determined by:

- Physical / psychological barriers
- Presence of activity generators
- Travel patterns and thoroughfares
- Competition

Trade Area includes:

- North Dallas Tollway Influence Area
- North Dallas Suburbs



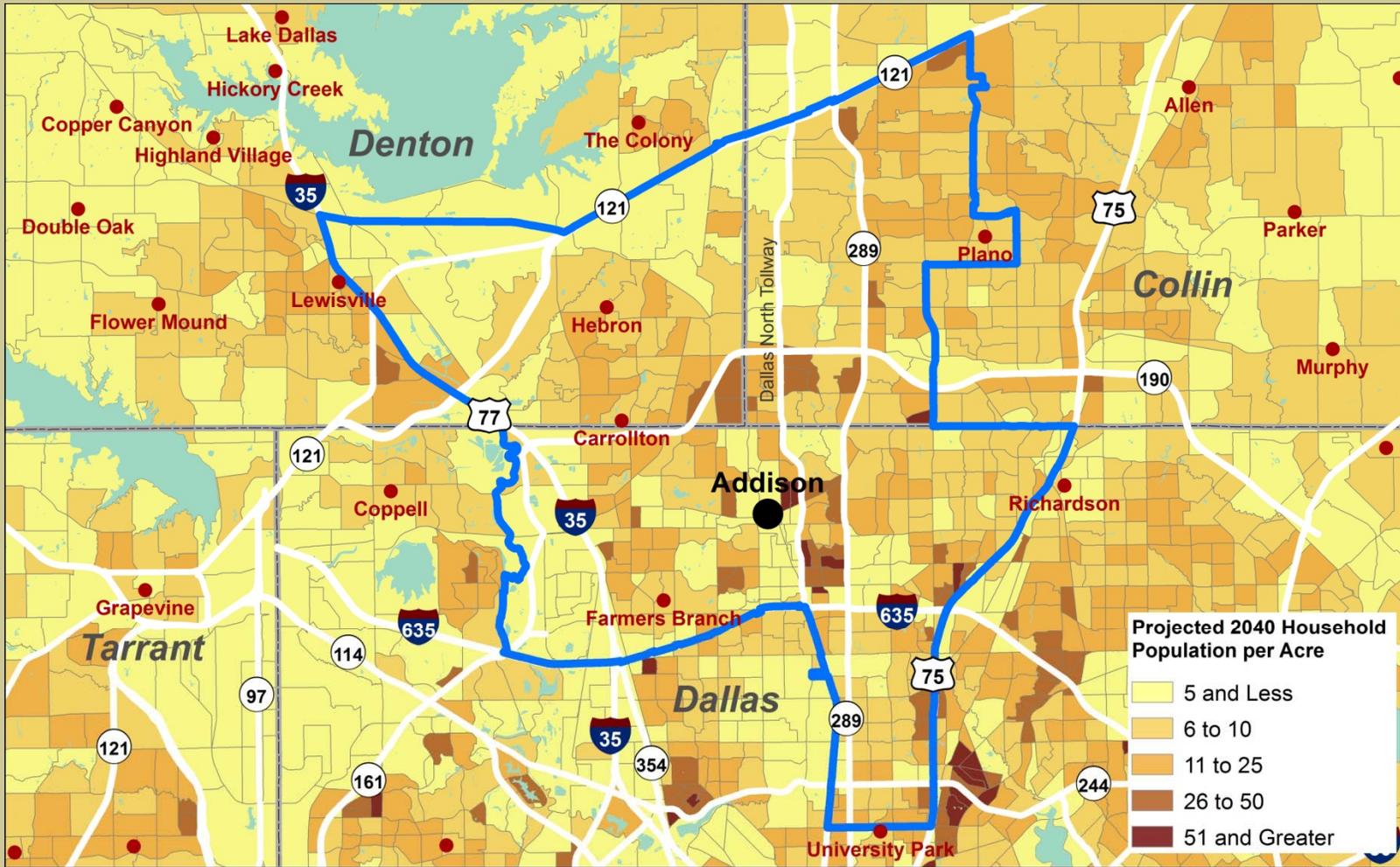
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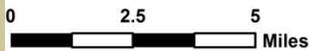


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Household Growth



SOURCE: North Central Texas Council of Governments



Mean Projected 2040 Household Population per Acre within Trade Area: 10.56

Trade Area

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Renter Households



Mean Number of Occupied Rental Household Units
Per Acre within Trade Area: 3.01

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Demographic Overview

- Over the last 4 years, the Town of Addison has grown at a rate over three times that of the Trade Area.
- The Town's average household size is significantly lower than the Trade Area. Not surprisingly, the Town has a much higher share of one- and two-person households and a higher share of renter households.
- The Town's age profile skews significantly younger than the Trade Area, even though median household incomes are similar. This would indicate a high concentration of higher-income singles and/or young married couples.
- The Town's ethnic profile is similar to the Trade Area.

| 2014 Estimates unless noted | Town of Addison | Addison Trade Area |
|---|-----------------|--------------------|
| 2010 Population | 13,056 | 612,700 |
| 2014 Population | 16,300 | 651,600 |
| Annual Population Growth (2010-2014) | 5.7% | 1.6% |
| Average Household Size | 1.77 | 2.48 |
| % 1- and 2-Person Households | 83% | 50% |
| Percent Renters | 75% | 41% |
| Percent Age 25-34 | 29% | 16% |
| Percent Age 35-54 | 29% | 29% |
| Percent Age 55+ | 17% | 23% |
| Median Age | 32.7 | 36.1 |
| Percent Hispanic (of any race) | 25% | 29% |
| Median Household Income | \$57,400 | \$59,200 |

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

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Psychographic Overview

- Psychographics is a term used to describe the characteristics of people and neighborhoods which, instead of being purely demographic, speak more to attitudes, interests, opinions and lifestyles. PRIZM (Claritas, Inc.) is a leading system for characterizing neighborhoods and the local workforce into one of 65 distinct market segments
- Commercial retail developers are interested in understanding a community's psychographic profile, as this is an indication of its resident's propensity to spend across select retail categories. Residential developers are also interested in understanding this profile as it tends to suggest preferences for certain housing product types
- The Addison Trade Area is dominated by Second Cities social segments, indicating higher incomes and higher disposable retail spending.
- The Trade Area psychographic profile shows a sizable "pool" of potential urban housing residents (38% in urban and second cities segments). A more typical suburban community would have less than 25% of households in these two segments.

Top Trade Area Segments

| Lifestyle Segment | Area Households | % of Total Households | U.S. Index=100* |
|-------------------------------|-----------------|-----------------------|-----------------|
| Low-Rise Living | 731 | 0.3% | 18.4 |
| Big City Blues | 476 | 0.2% | 15.2 |
| Urban Elders | 468 | 0.2% | 12.5 |
| City Roots | 464 | 0.2% | 14.4 |
| The Cosmopolitans | 450 | 0.2% | 13.6 |
| Urban Subtotal | 2,589 | 1.0% | -- |
| Boomtown Singles | 24,521 | 9.1% | 620.3 |
| Up-and-Comers | 20,578 | 7.6% | 553.8 |
| Brite Lites, Li'l City | 20,408 | 7.6% | 442.2 |
| Upward Bound | 16,920 | 6.3% | 346.7 |
| Second City Elite | 13,861 | 5.1% | 382.5 |
| Second Cities Subtotal | 96,288 | 35.7% | -- |
| Young Influentials | 18,764 | 7.0% | 503.9 |
| Home Sweet Home | 13,283 | 4.9% | 277.1 |
| Movers and Shakers | 12,251 | 4.5% | 293.8 |
| Upper Crust | 8,311 | 3.1% | 213.5 |
| Executive Suites | 6,922 | 2.6% | 300.7 |
| Suburbs Subtotal | 59,531 | 22.1% | -- |
| Total Above Segments | 158,408 | 58.8% | -- |
| Total Trade Area | 269,439 | 100.0% | -- |

* Indicates concentration of this segment relative to U.S. average. A segment index of 200 would mean that this group contains 2 times the concentration of employees/households compared to the average U.S. community.

Source: Claritas, Inc. and Ricker | Cunningham.



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Residential Market Demand

| Residential Demand Analysis | | | | Households | 2014 | 261,200 | | |
|---------------------------------------|------------------------|------------------------------|--------------------------------------|---|---------------|--------------------|---|-----------------------|
| Addison Trade Area | | | | | 2019 | 280,003 | Annual Growth Rate | 1.4% |
| 10-yr Demand Estimates | | | | | 2029 | 300,160 | | |
| | | | | Household Growth (2014-24) | | 38,960 | Adjust for 2nd homes, demolition, vacancy | 1.0% |
| | | | | Adjusted Unit Requirement | | 39,350 | % Rental | 41% |
| | | | | Trade Area Demand from New Households (10-yr) | | | | |
| Household Income Range (2010 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 | 9% | 8% | 3,148 | 95% | 2,991 | 157 |
| \$15-25K | \$375 - \$625 | \$75 to \$100K | 9% | 8% | 3,148 | 90% | 2,833 | 315 |
| \$25-35K | \$625 - \$875 | \$100 to \$150K | 10% | 9% | 3,541 | 80% | 2,833 | 708 |
| \$35-50K | \$875 - \$1,000 | \$150 to \$200K | 13% | 13% | 5,115 | 60% | 3,069 | 2,046 |
| \$50-75K | \$1,000+ | \$200 to \$250K | 18% | 18% | 7,083 | 25% | 1,771 | 5,312 |
| \$75-100K | \$1,000+ | \$250 to \$350K | 11% | 11% | 4,328 | 20% | 866 | 3,463 |
| \$100-150K | \$1,000+ | \$350 to \$500K | 14% | 15% | 5,902 | 15% | 885 | 5,017 |
| \$150K and up | \$1,000+ | \$500K and up | 16% | 18% | 7,083 | 10% | 708 | 6,375 |
| Totals | | | 100% | 100% | 39,350 | 41% | 15,956 | 23,393 |

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

The Addison Trade Area has the opportunity to realize steady growth in residential development activity over the next 10 years – potentially adding over 39,000 new housing units. Approximately 59% of these units could be ownership and 41% could be rental housing. Ownership products include both single family detached and attached units.



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Demand Summary

Total Trade Area Demand

| Land Use Type | Trade Area Demand (10 Year) |
|---------------------------------|-----------------------------|
| Residential (Units): | |
| Single Family Detached | 15,100 |
| Single Family Attached* | 8,100 |
| Rental Apartments | 12,900 |
| Non-Residential (Sq Ft): | |
| Retail | 5,675,500 |
| Office | 23,184,900 |

Source: Ricker | Cunningham.

* Single family attached units are ownership products such as condominiums, townhomes, rowhouses, etc.

Within the Trade Area serving the Addison market, there is expected to be significant growth over the next 10 years among all of the primary land uses and many of the product types within them.

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Residential Demand Details

- Housing Type
 - Physical design of units
- Housing Tenure
 - Ownership vs. rental
- Housing Type and Tenure are not identical.
- Planning focuses first on housing type with a recognition of implications for tenure.

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Housing Type

- **Single Family**
 - One housing unit on an individual piece of property
- **Multi-Family**
 - Two or more housing units on an individual piece of property
- **Live-Work**
 - A business unit is on the same property as the housing unit

Housing Type

- **Single Family**
 - Detached
 - Attached
 - Townhome/Rowhouse
 - Condominium/Flats
- **Multi-Family**
 - Urban/Lofts Apartments
 - Garden Apartments

Housing Tenure (Target Market)

- Single Family Detached (ownership)
 - Married Couples
 - Families
- Single Family Attached (ownership)
 - Single Professionals
 - Young Couples (no kids)
 - Empty Nesters (55+)
- Multi-Family (rental)
 - Singles, Students
 - Young Couples (no kids)
 - Seniors (65+ -- independent through assisted living)



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Draft Preferred Plan



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Draft Preferred Plan – Objectives

- This is a prime location within Addison; its development should provide a good return on investment for the owner and the Town.
- We need to recognize that Addison is an urban community. We need to insist on mixed use development with an appropriate scale, density and diversity.
- High quality design is an Addison characteristic that needs to continue here.
- Plan should succeed in phases.

Draft Preferred Plan – Objectives

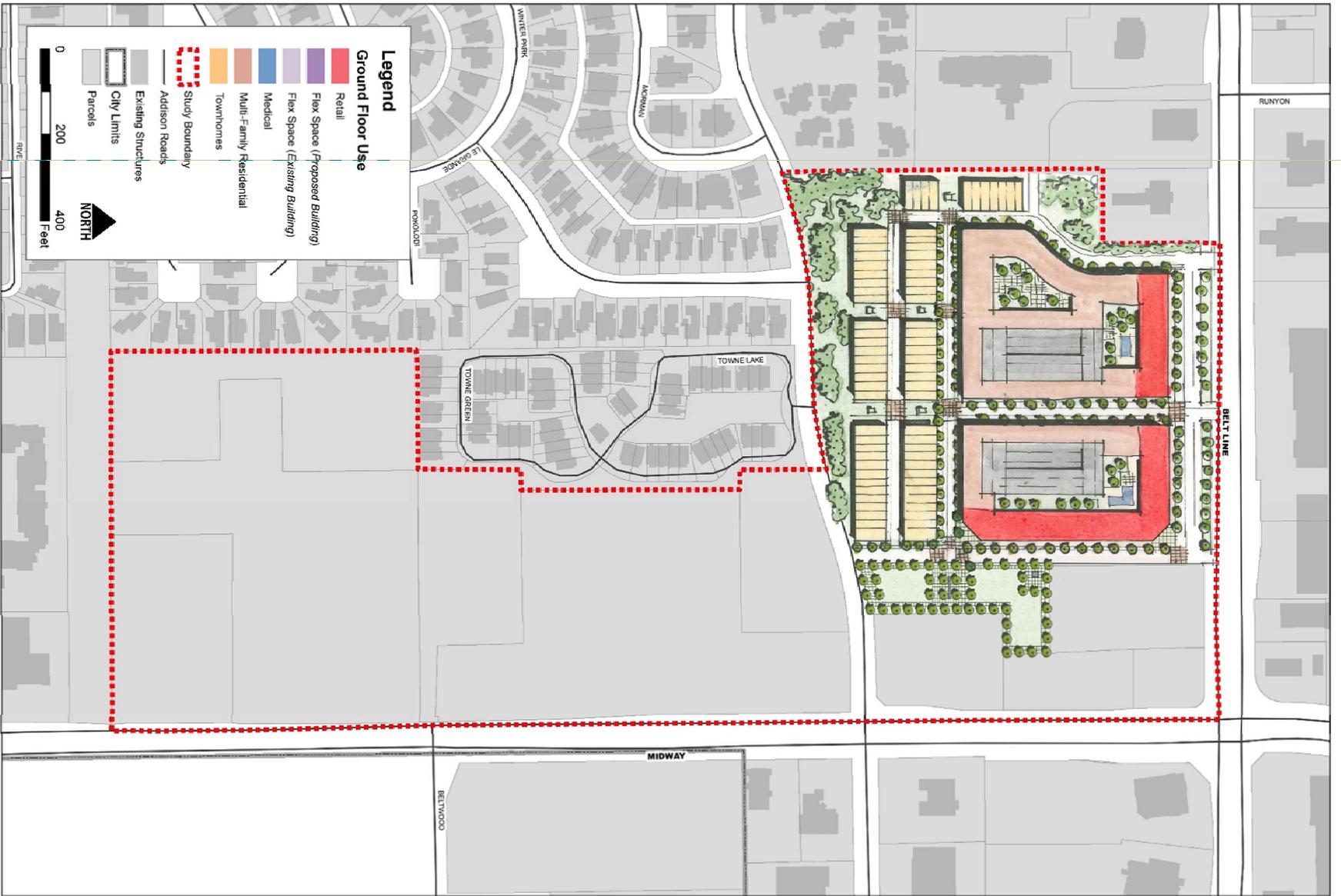
- Organic expansion of existing neighborhoods into study area.
- Add housing choices that aren't easily found in Addison today, particularly for 'aging in place'.
- Create new employment locations.
- Provide retail, service, health/wellness businesses that serve nearby residents.
- Include people places and sidewalk / trail connections.
- Desired connections allow for removal of wall.



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Presentation of Draft Concept

- For each phase
 - Conceptual site plan
 - Prototype images of uses envisioned in that phase
- Ultimate concept
 - Development program
 - Share of trade area market
 - Economic analysis



Preferred Development Concept, Phase I
 Sam's Club Special Study



Mixed-Use



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Mixed-Use



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Mixed-Use



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Mixed-Use



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Street Character



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Street Character



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Street Character



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Townhome



Street Character



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Open Space Character – Residential Frontage



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Open Space Character – Eastern Edge



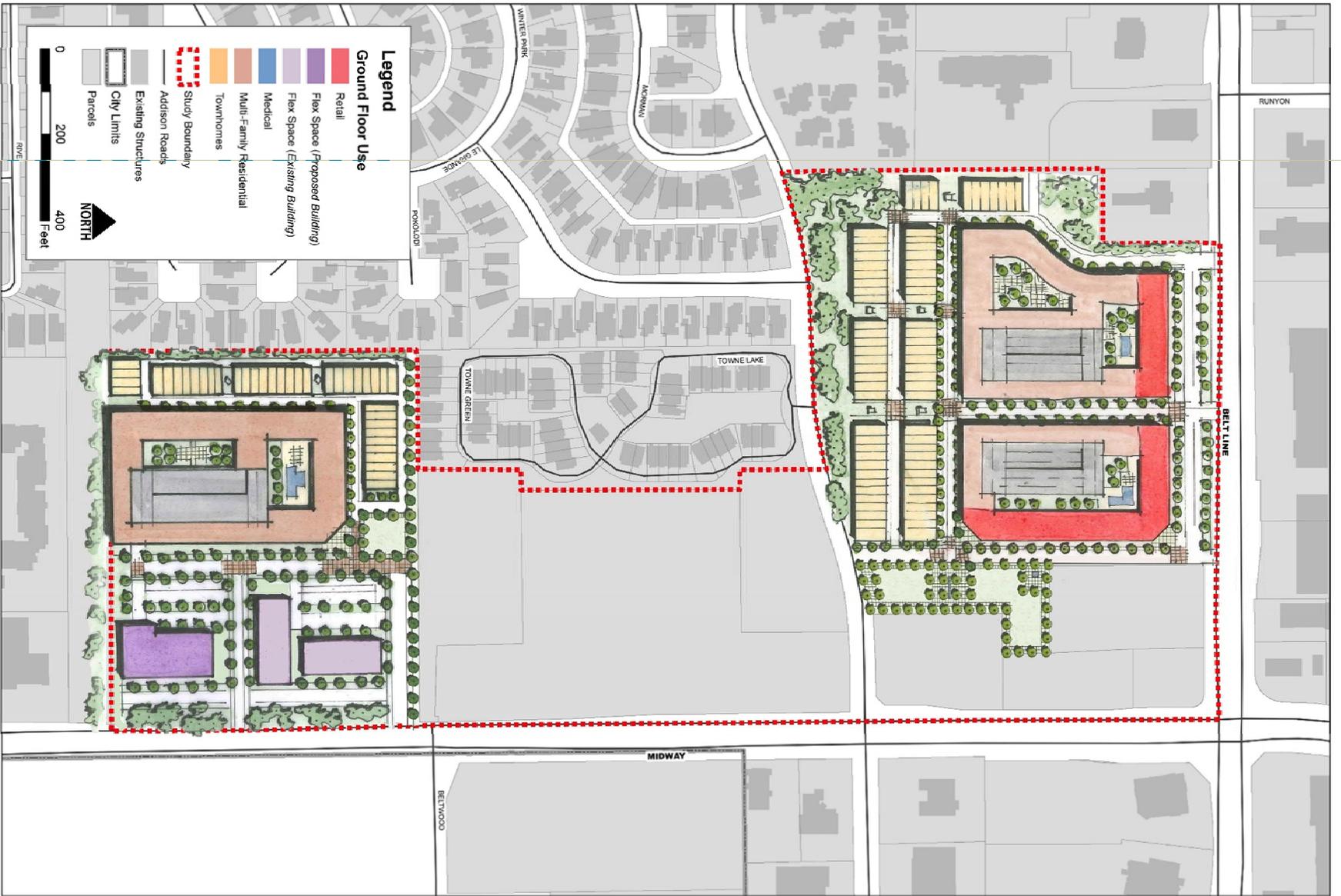
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Preferred Development Concept, Phase 2
Sam's Club Special Study



Multi-Family Residential



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Multi-Family Residential



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Multi-Family Residential



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Townhome



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Townhome



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Street Character



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Street Character



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Street Character



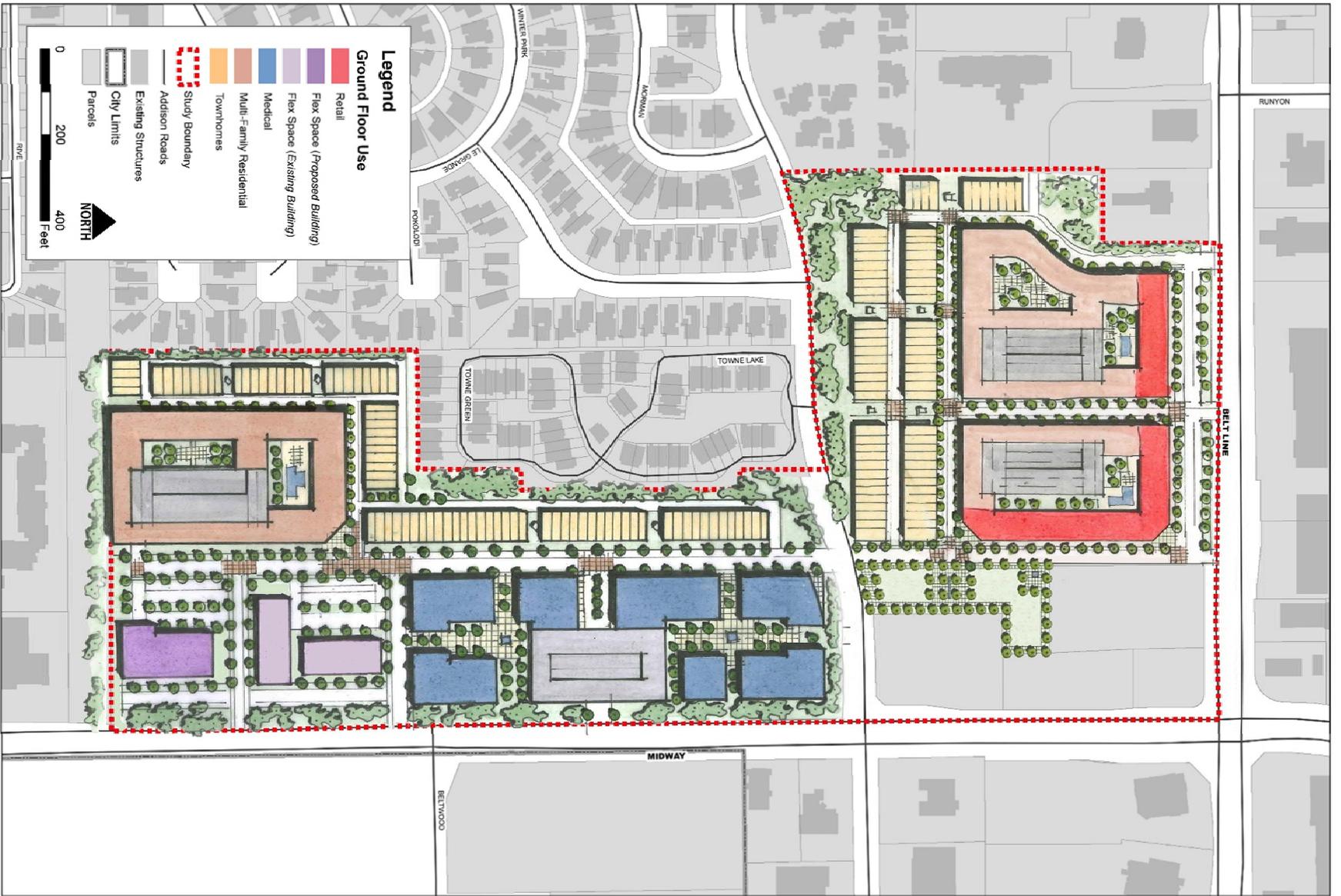
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Legend

Ground Floor Use

- Retail
- Flex Space (Proposed Building)
- Flex Space (Existing Building)
- Medical
- Multi-Family Residential
- Townhomes

Study Boundary

Addison Roads

Existing Structures

City Limits

Parcels

0 200 400 Feet

NORTH



Preferred Development Concept, Phase 3
 Sam's Club Special Study



Flex Office



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Flex Office



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Flex Office



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Street Character



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Street Character



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Parking Structures

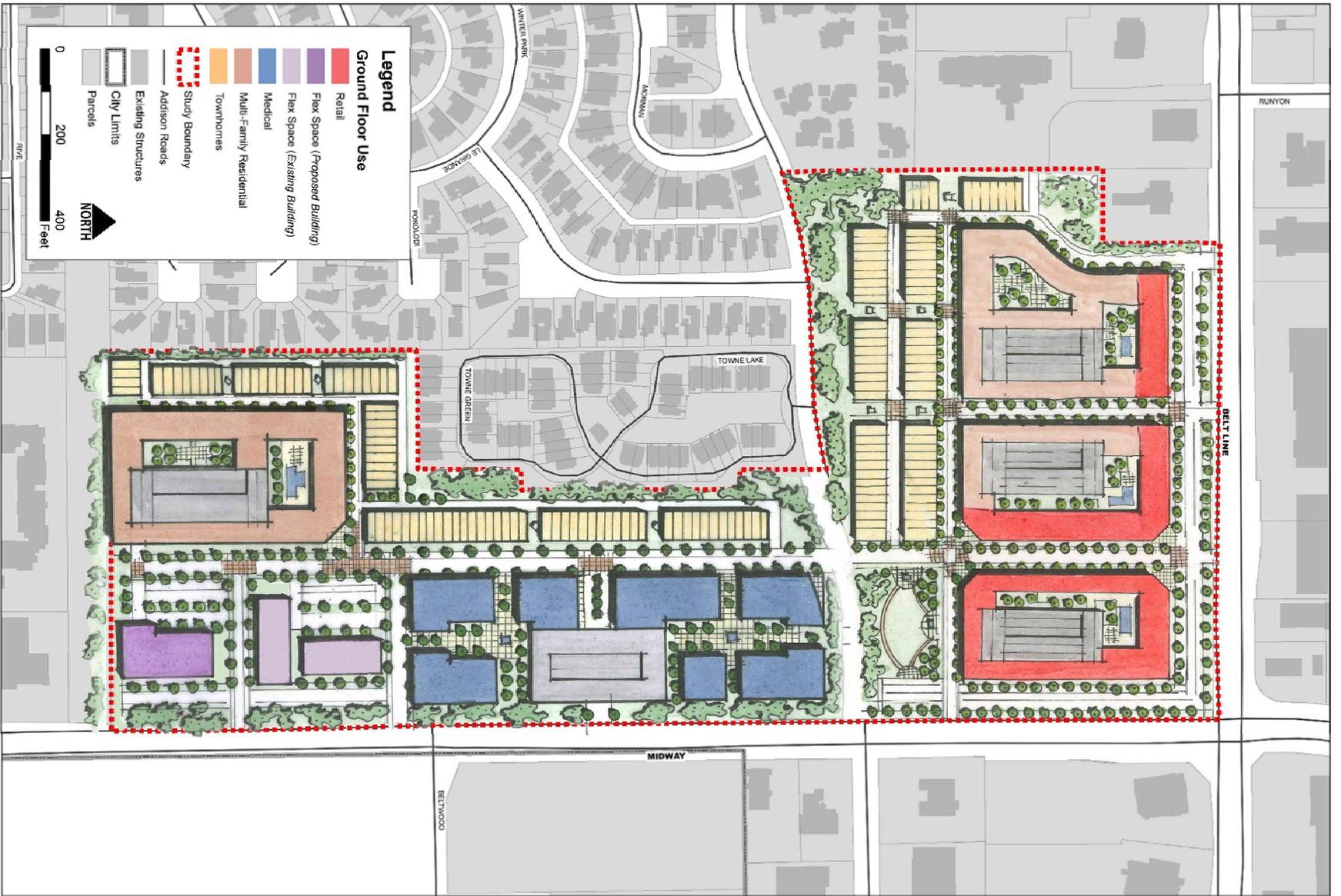


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Preferred Development Concept, Ultimate
 Sam's Club Special Study



Mixed-Use



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Mixed-Use



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Mixed-Use



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Mixed-Use



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Open Space Character



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Open Space Character



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Development Program (Ultimate)

| Product Type | Trade Area Demand (10-yr) | Sam's Club Study Area | |
|---------------------------------------|---------------------------|-------------------------------|---------------------|
| | | Preferred Development Program | Share of Trade Area |
| Ownership Residential (Units): | | | |
| Single Family Detached | 15,100 | 0 | 0% |
| Single Family Attached | | | |
| Townhome/Rowhouse* | 4,860 | 138 | 3% |
| Condominiums/Flats | 3,240 | 371 | 11% |
| Rental Residential (Units): | | | |
| Urban/Loft Apartments | 12,900 | 825 | 6% |
| Non-Residential (Sq Ft): | | | |
| Retail/Restaurant | 5,675,500 | 123,500 | 2% |
| Office/Medical | 3,477,735 | 124,800 | 4% |
| Flex Office/Employment | 4,636,980 | 187,200 | 4% |

* Includes live/work units.
Source: Ricker | Cunningham.

The preferred development program provides an approximate 60% to 40% mix between rental and ownership housing. Addison's current mix is 75% rental to 25% ownership.

- The preferred development program reflects market-supported product types.
- None of the product types requires a higher-than-average market share.
- Approximately 3,600 parking spaces are provided.



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Development Program By Phase

| Private Sector Investment | Phase 1 | Phase 2 | Phase 3 | Phase 4 |
|-------------------------------|---------|---------|---------|---------|
| Project Land Area (Acres) | 17.3 | 14.1 | 12.4 | 4.8 |
| Retail/Restaurant (sq ft) | 61,500 | 0 | 0 | 62,000 |
| Office/Employment (sq ft) | 0 | 42,000 | 270,000 | 0 |
| Urban/Loft Apartments (units) | 600 | 85 | 0 | 141 |
| Condominiums/Flats (units) | 150 | 128 | 0 | 94 |
| Townhouse/Rowhouse (units) | 74 | 40 | 24 | 0 |
| Parking Spaces | 1,518 | 612 | 858 | 599 |
| Floor Area Ratio | 86% | 59% | 50% | 177% |

Source: Strategic Community Solutions; Kimley-Horn; and Ricker Cunningham.

- Phasing of development program allows for smaller, more “doable” projects.
- Phasing will also respond to market in a more measured way.



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Economic Analysis Summary

| Project Indicator | Phase 1 | Phase 2 | Phase 3 | Phase 4 |
|--|----------------------|----------------------|----------------------|----------------------|
| Private Sector Investment | | | | |
| Project Land Area (Acres) | 17.3 | 14.1 | 12.4 | 4.8 |
| Development Square Feet: | | | | |
| Retail/Restaurant | 61,500 | 0 | 0 | 62,000 |
| Office/Employment | 0 | 42,000 | 270,000 | 0 |
| Urban/Loft Apartments | 539,580 | 76,500 | 0 | 126,480 |
| Condominiums/Flats | 179,860 | 153,000 | 0 | 112,427 |
| Townhouse/Rowhouse | 133,200 | 72,000 | 43,200 | 0 |
| Total Private Development | 780,940 | 271,500 | 270,000 | 300,907 |
| Floor Area Ratio | 103% | 44% | 50% | 145% |
| Total Project Value (@ Build-Out) | \$149,812,020 | \$52,785,960 | \$49,749,710 | \$54,501,142 |
| Total Project Costs (@ Build-Out) | \$137,833,471 | \$61,667,775 | \$56,008,740 | \$55,602,075 |
| Project Margin/(Gap) | \$11,978,549 | (\$8,881,815) | (\$6,259,030) | (\$1,100,933) |
| Project Margin/(Gap) % | 9% | -14% | -11% | -2% |
| Potential Contributions to Gap | | | | |
| Land Acquisition/Writedown | \$0 | \$0 | \$0 | \$0 |
| Site Improvements Contribution | \$0 | \$3,604,224 | \$1,218,130 | \$0 |
| Supportable TIF (20 Years) | \$0 | \$5,300,000 | \$5,200,000 | \$0 |
| Sales Tax Sharing (380 Loan -- 20 Yrs) | \$0 | \$0 | \$0 | \$0 |
| Property Tax Abatement (10 Years) | \$0 | \$0 | \$0 | \$0 |
| Development Fee Waivers | \$0 | \$0 | \$0 | \$0 |
| Federal/State/Local Grants | \$0 | \$0 | \$0 | \$0 |
| Streamlined Development Approval Process | \$0 | \$0 | \$0 | \$0 |
| Total Contributions to Gap | \$0 | \$8,904,224 | \$6,418,130 | \$0 |

Source: Strategic Community Solutions; Kimley-Horn; and Ricker Cunningham.

- Phases 1 and 4 appear to result in reasonable returns to the private sector.
- Phases 2 and 3 result in economic gaps ranging between 11% to 14% -- not uncommon in urban redevelopment.
- “Gaps” typically result from higher land costs, cost of structured parking, and some discounting due to level of market readiness.
- Contributions can often fill gaps without direct impact on the general fund.



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Next Steps



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Steps for the Town to consider

- Direction on this draft Preferred Development Concept
 - Continue to pursue this approach
 - Revise Comprehensive Plan
 - Planning & Zoning consideration
 - City Council consideration
 - Ask Committee to investigate further
 - Have a wider dialogue through a community workshop
 - Something else
- Communication with Sam's Club and potential buyers

Steps for the Town to consider

- If the Comprehensive Plan is revised
 - Consider proposals after sale of Sam's Club property
 - Rezoning consistent with the plan
 - Town infrastructure investment to support consistent development
 - Economic or other incentives



Appendix 1: Background Research and Analysis



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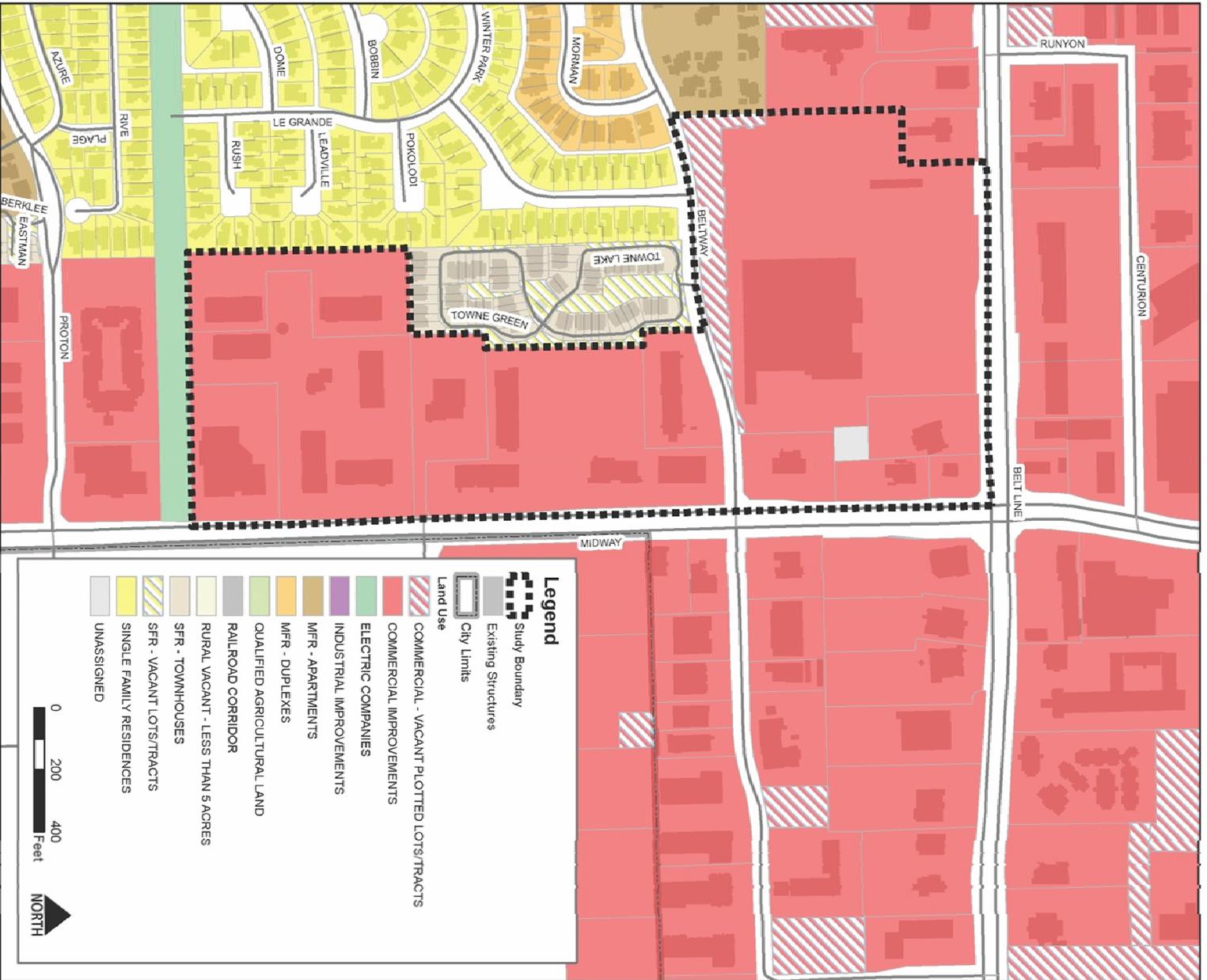
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Background Research and Analysis

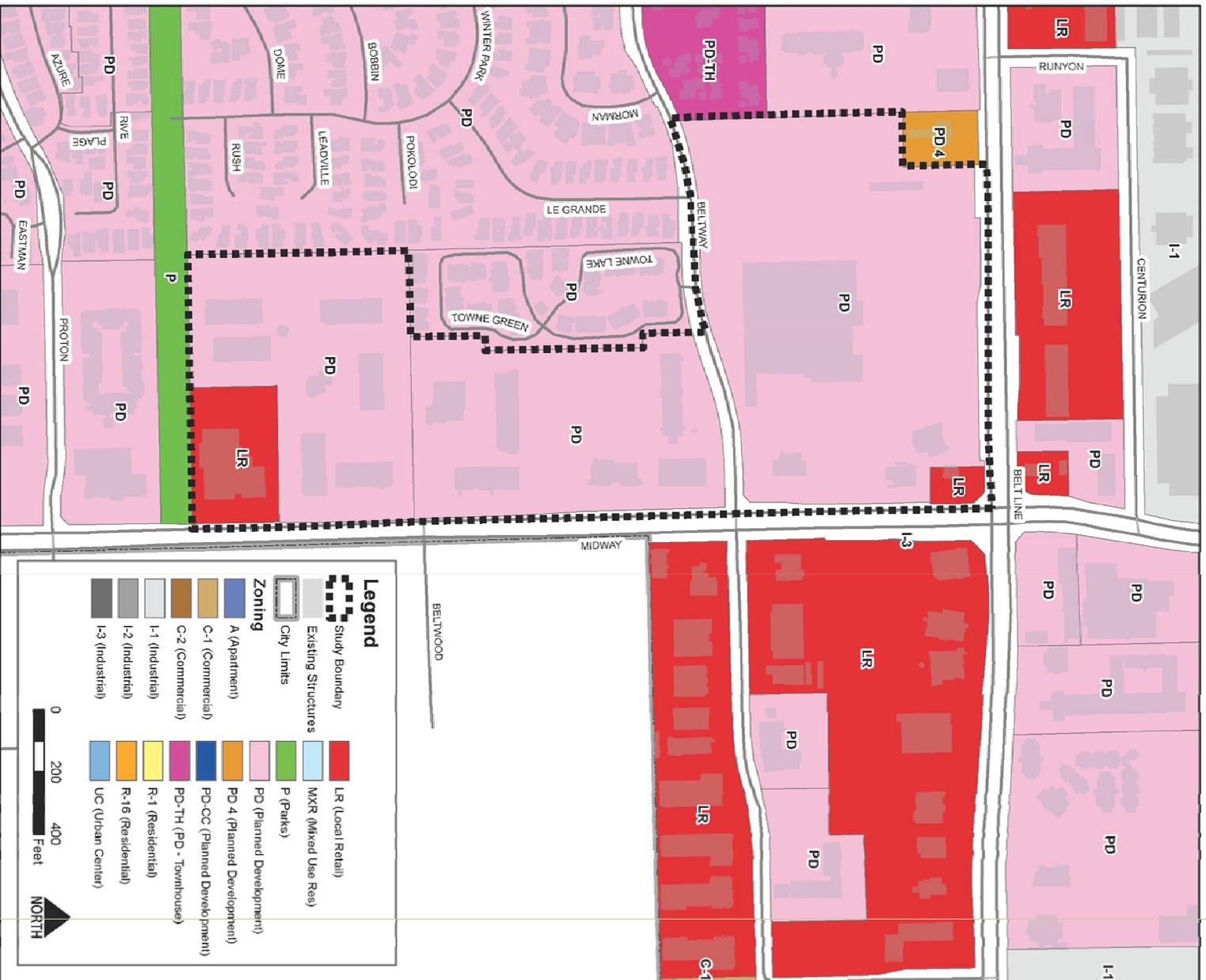
- Physical Characteristics
- Demographics and Market Analysis
- Stakeholder Input

PHYSICAL CHARACTERISTICS



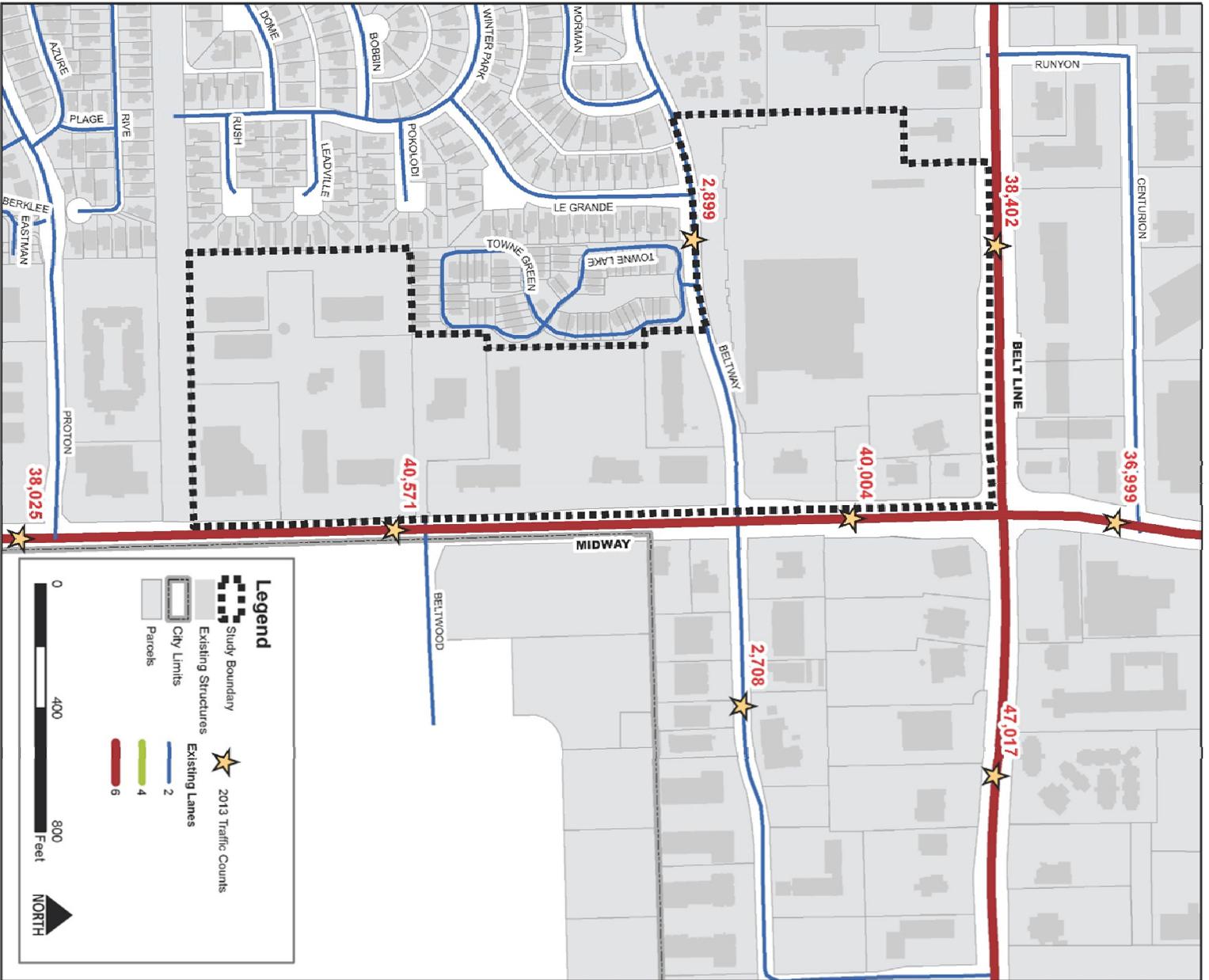
Existing Land Use
Sam's Club Special Study





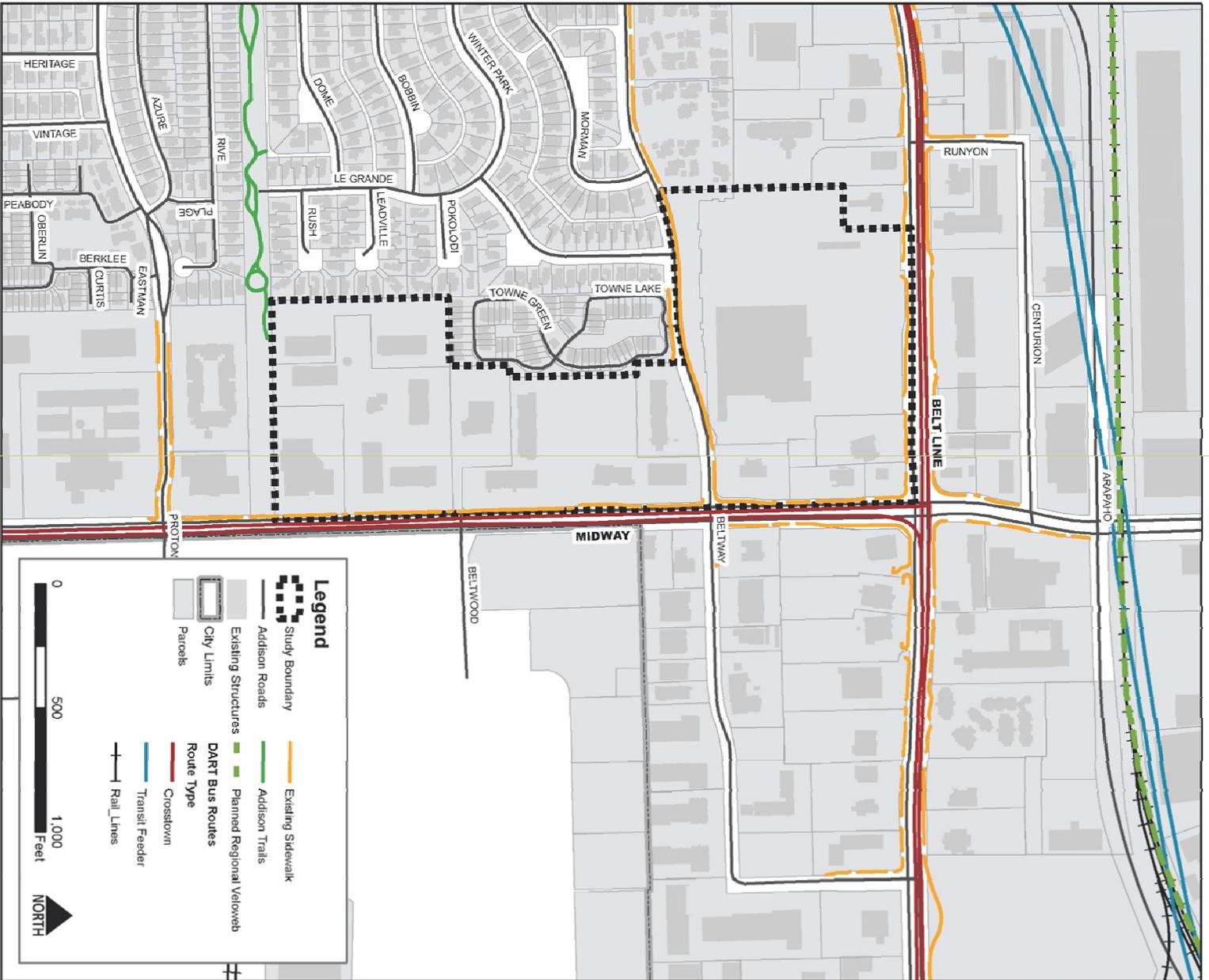
Existing Zoning
Sam's Club Special Study





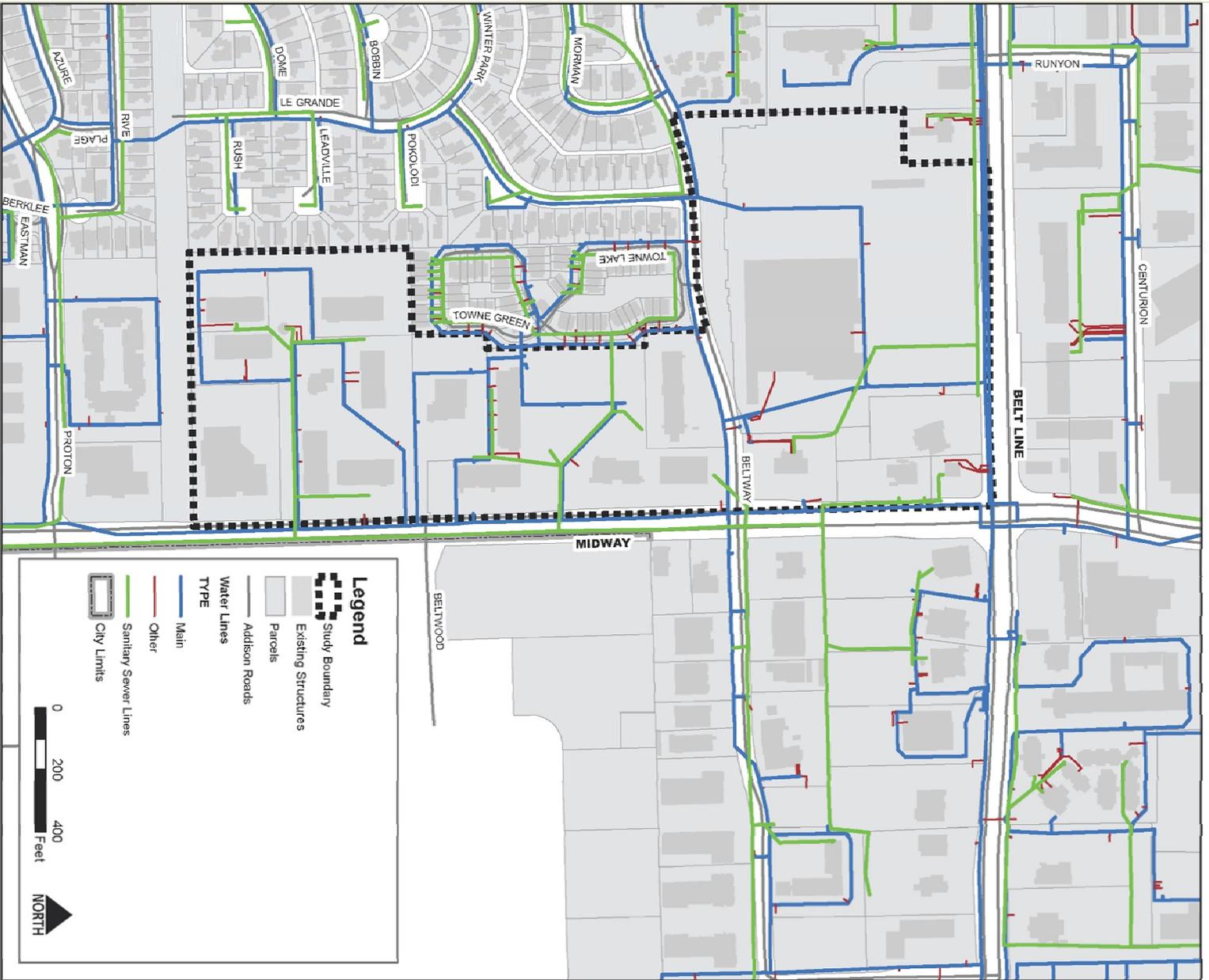
Existing Traffic Conditions
Sam's Club Special Study

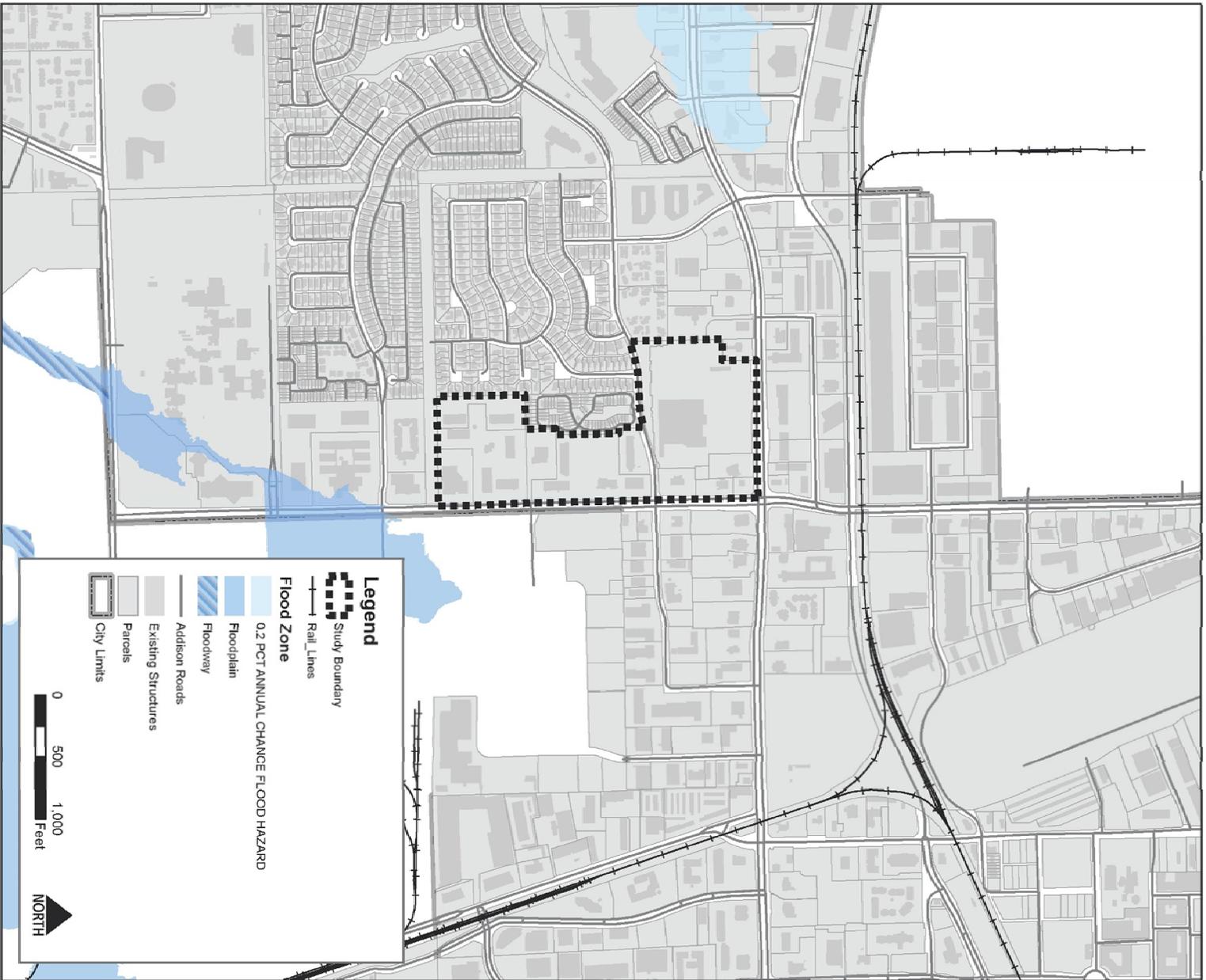




Multi-modal Transportation
Sam's Club Special Study



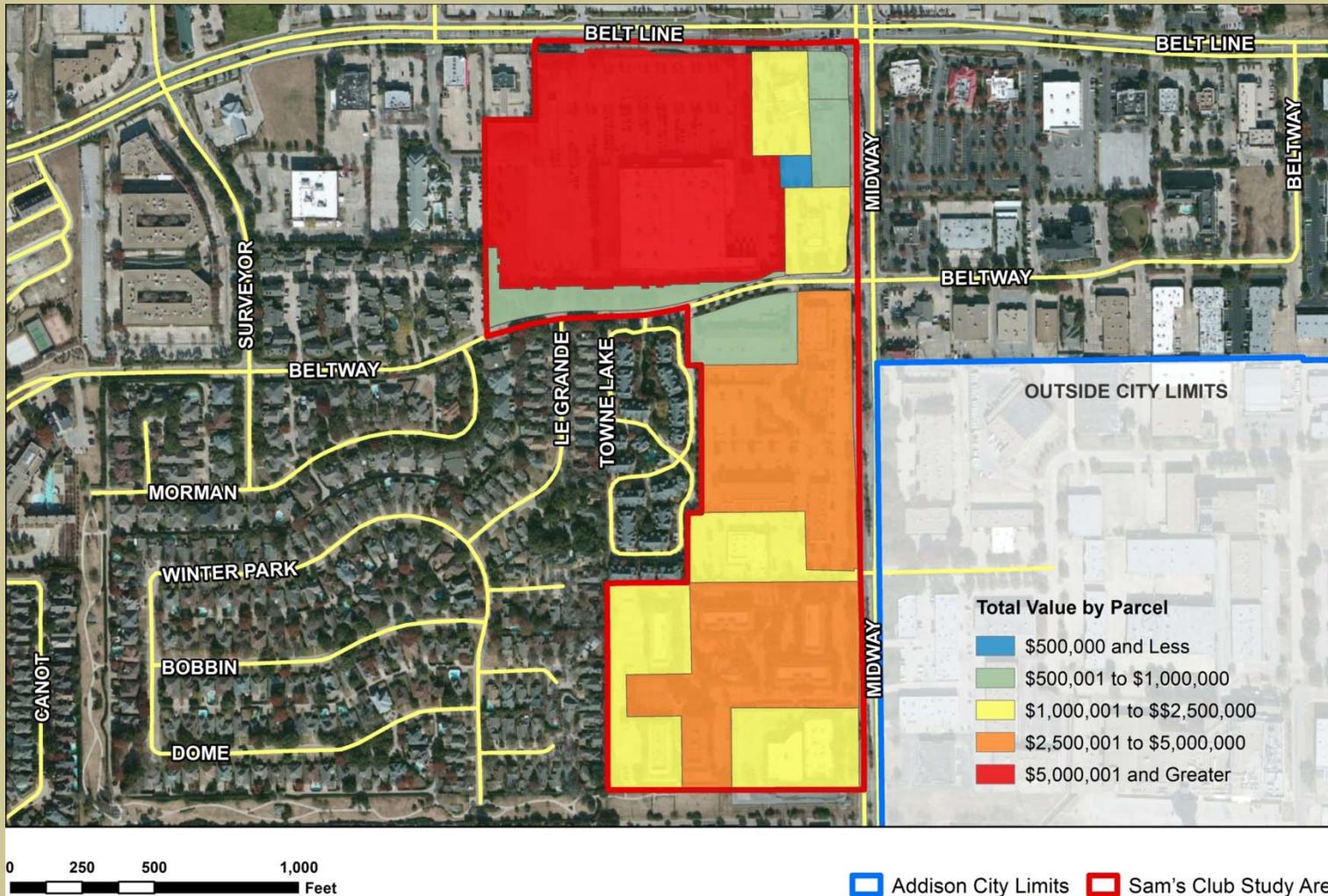




Existing Rail and Floodway
Sam's Club Special Study



Parcel Value



- Shows where investment values are concentrated
- Study Area shows a mix of parcel values typical of a commercial redevelopment area

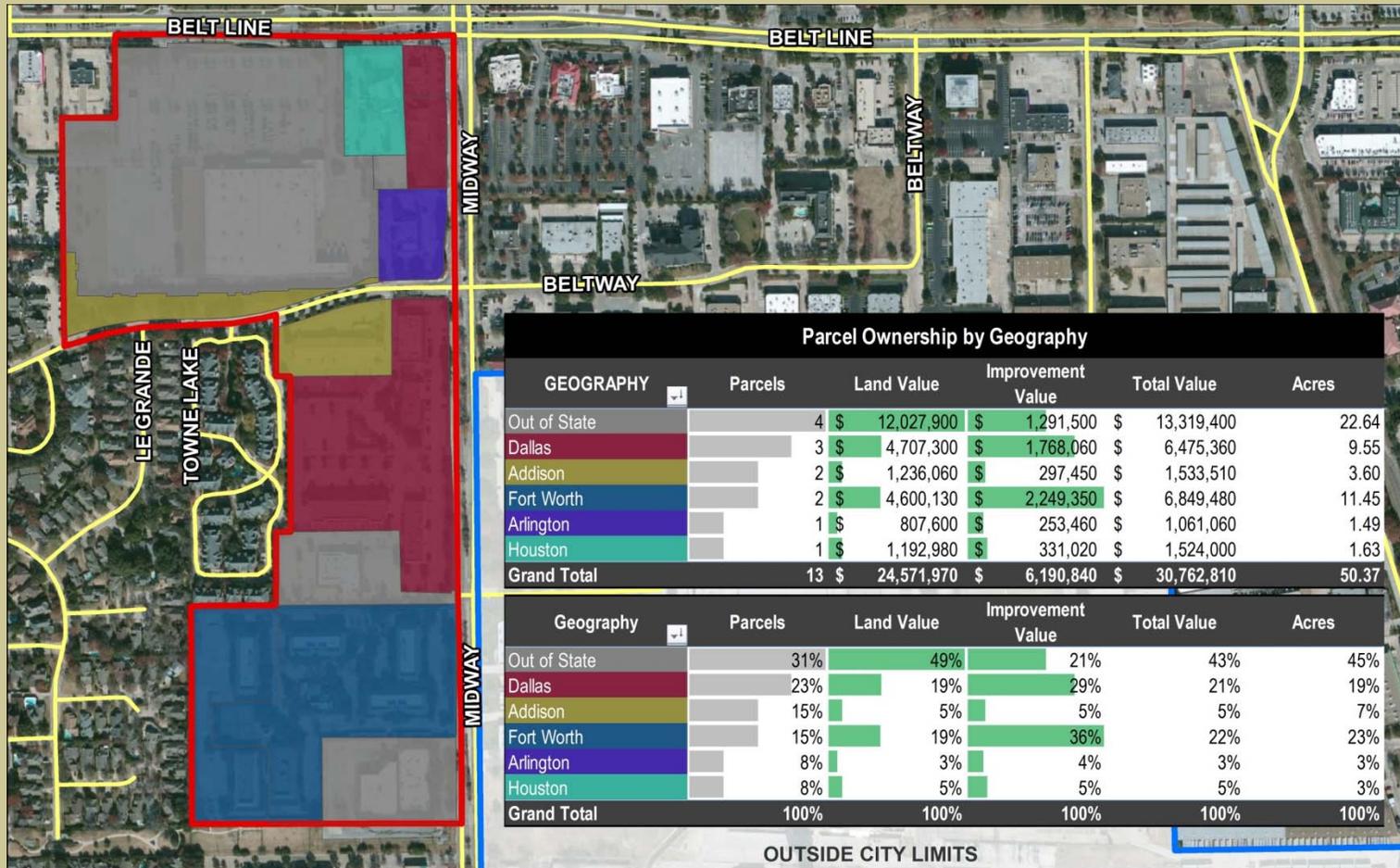


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Parcel Ownership



- In any revitalization area, strong presence of local property ownership is desirable (attention to investment rather than piece of larger portfolio)
- DFW property owners control 62% of Study Area parcels, representing 52% of Study Area acreage
- Only 38% of properties are owned by out-of-state interests, but those properties represent 48% of total Study Area acreage



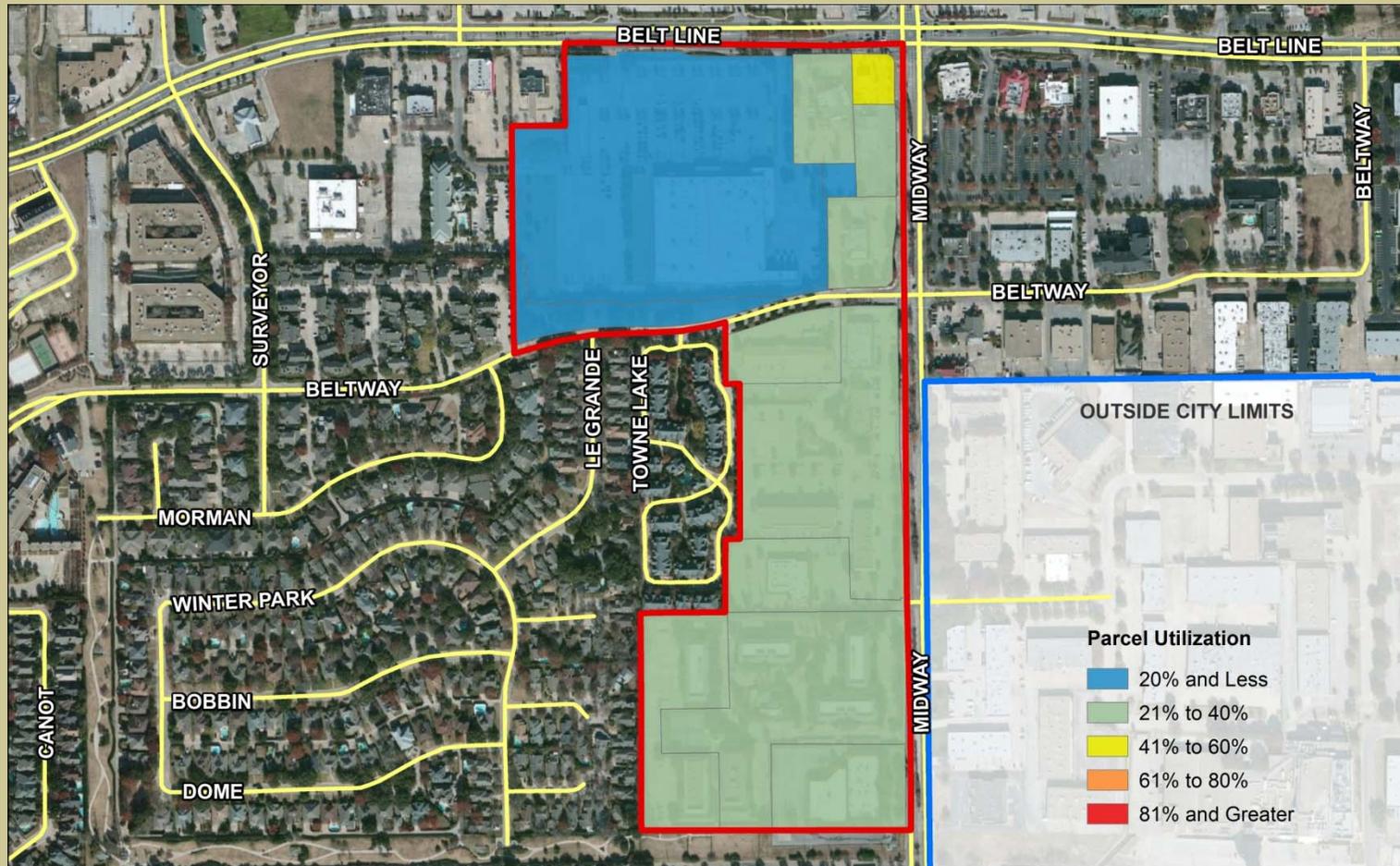
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□ Addison City Limits □ Sam's Club Study Area

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Parcel Utilization



0 250 500 1,000 Feet

□ Addison City Limits □ Sam's Club Study Area

- Perhaps the most effective measure of an area's "ripeness" for redevelopment
- Measures economic utilization of property – amount of investment concentrated on site (relationship of improvement to total value)
- Study Area shows a high percentage of "underutilized" property (i.e., improvements represent less than 50% of total value)



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DEMOGRAPHICS AND MARKET ANALYSIS

Purpose of Market Analysis

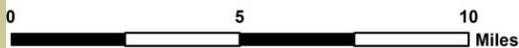
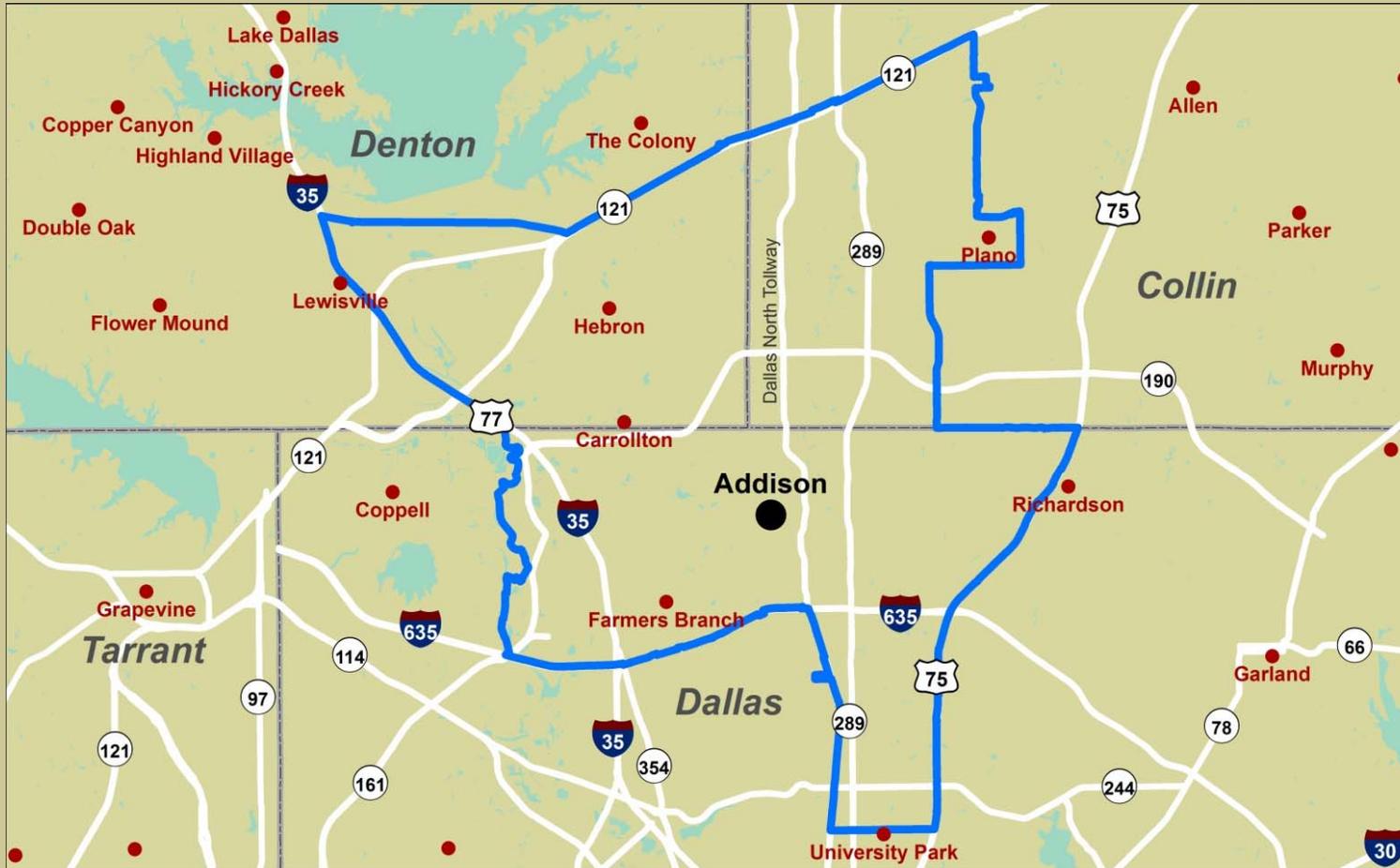
- Provides a “reality check” for the planning process
- Ensures that land use decisions are grounded in market and economic reality
- Offers an independent, third-party, “story to tell” to public and private development / investment partners

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Trade Area Determination



Trade Area determined by:

- Physical / psychological barriers
- Presence of activity generators
- Travel patterns and thoroughfares
- Competition

Trade Area includes:

- North Dallas Tollway Influence Area
- North Dallas Suburbs



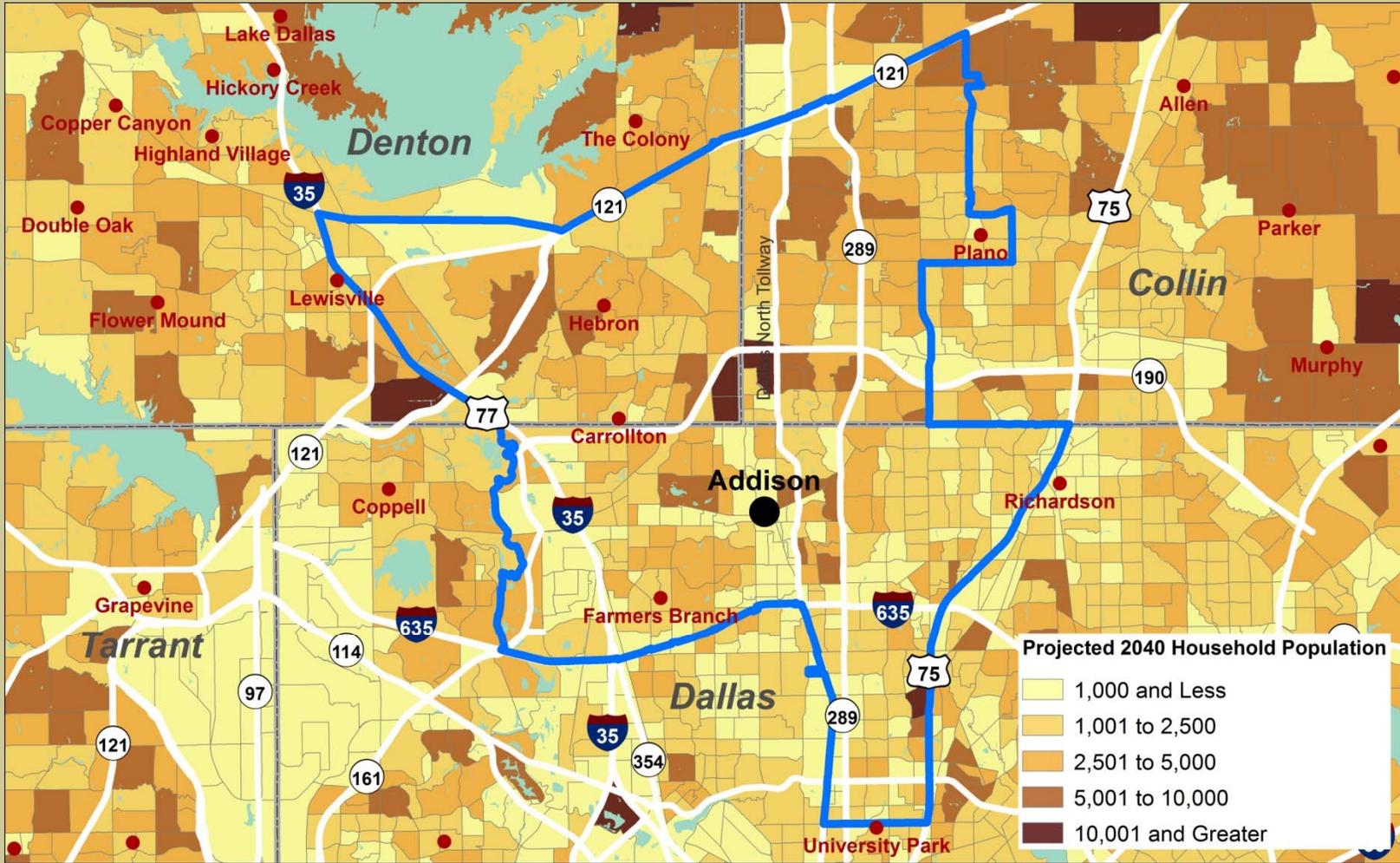
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Household Growth



SOURCE: North Central Texas Council of Governments



Total Projected 2040 Household Population within Trade Area: 825,350

Trade Area

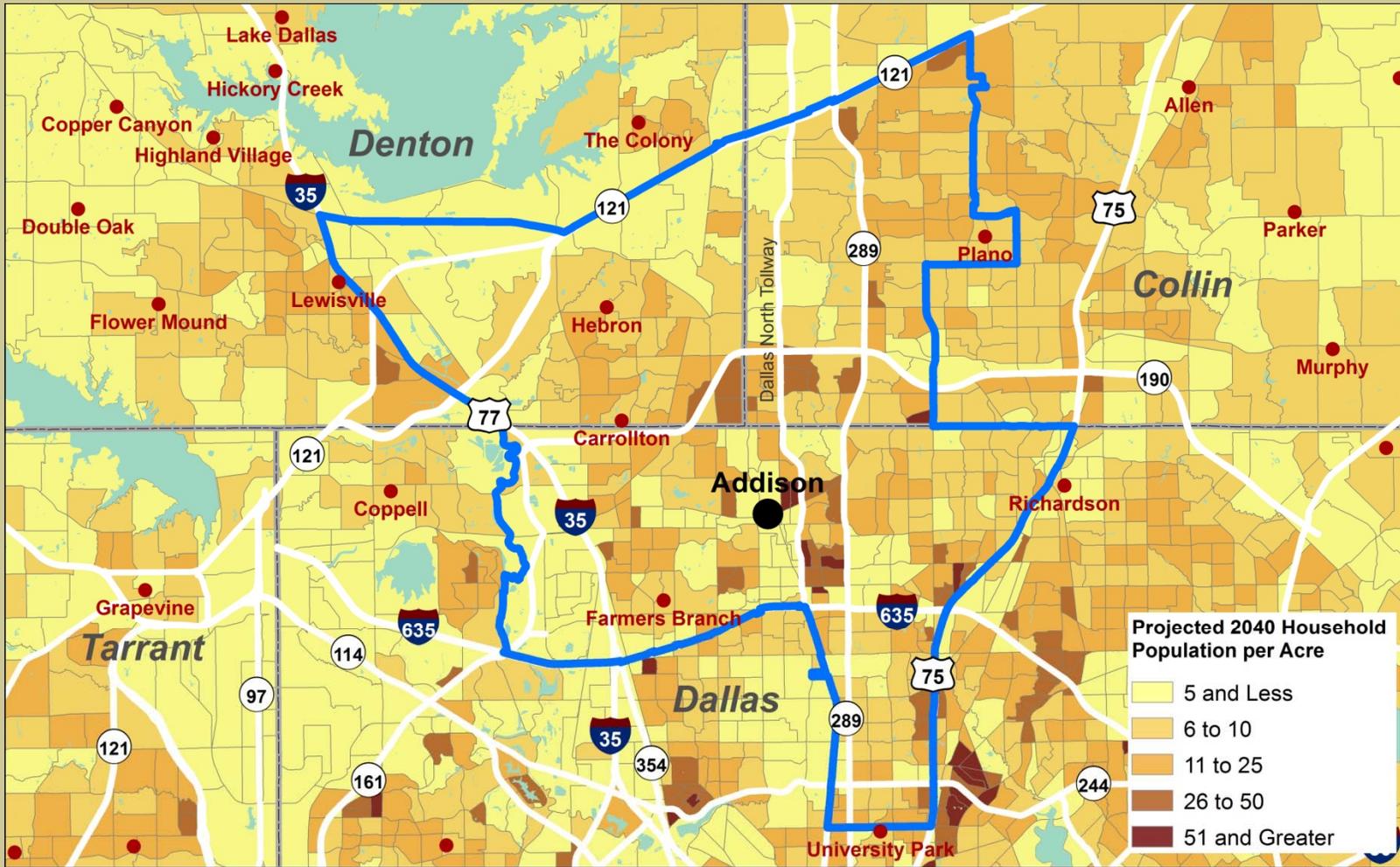


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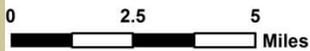
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Household Growth



SOURCE: North Central Texas Council of Governments



Mean Projected 2040 Household Population per Acre within Trade Area: 10.56

Trade Area

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Age Cohort Shifts: Baby Boomers

(Born 1946 to 1964)



Baby Boomer Population by Census Block Group in 1990 within Trade Area: 145,137 or 42.2% of Total (344,126)



Baby Boomer Population by Census Block Group in 2010 within Trade Area: 142,450 or 26.2% of Total (542,848)



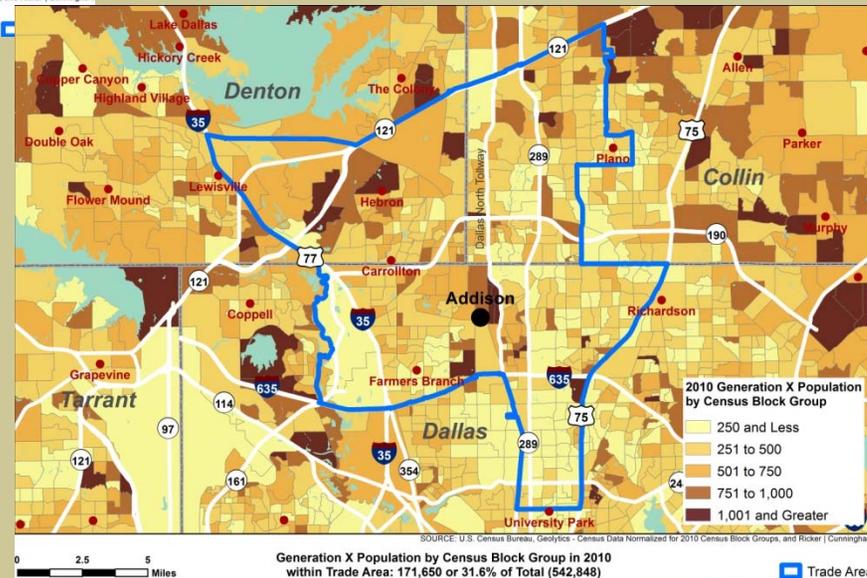
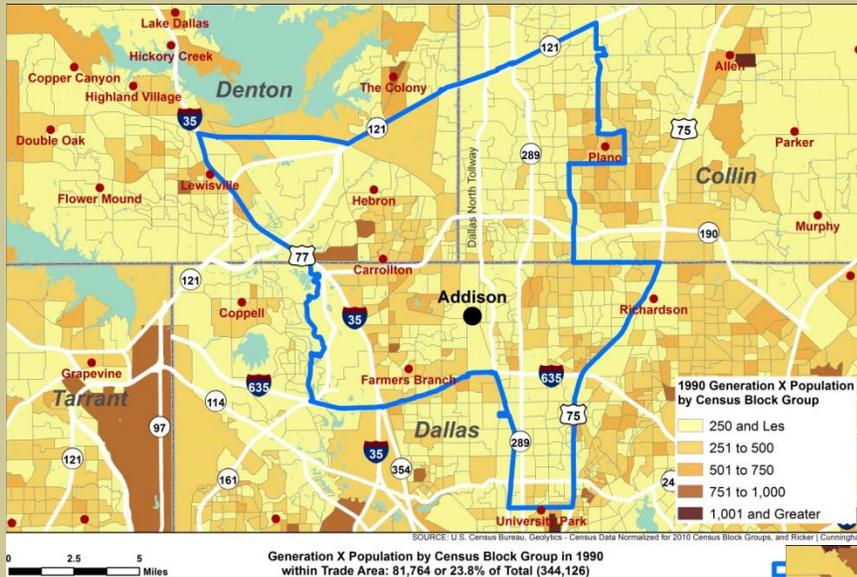
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Age Cohort Shifts: Gen X

(Born 1968 to 1979)



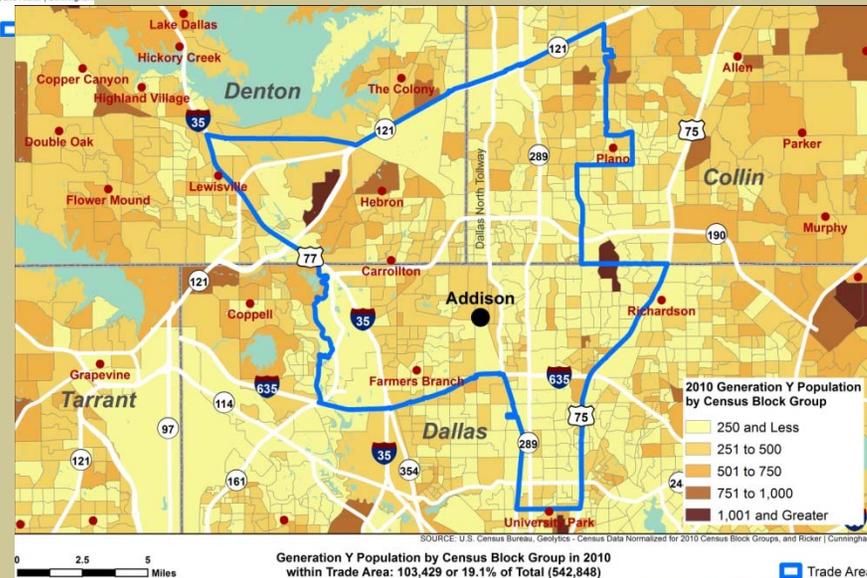
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Age Cohort Shifts: Gen Y

(Born 1977 to 1994)

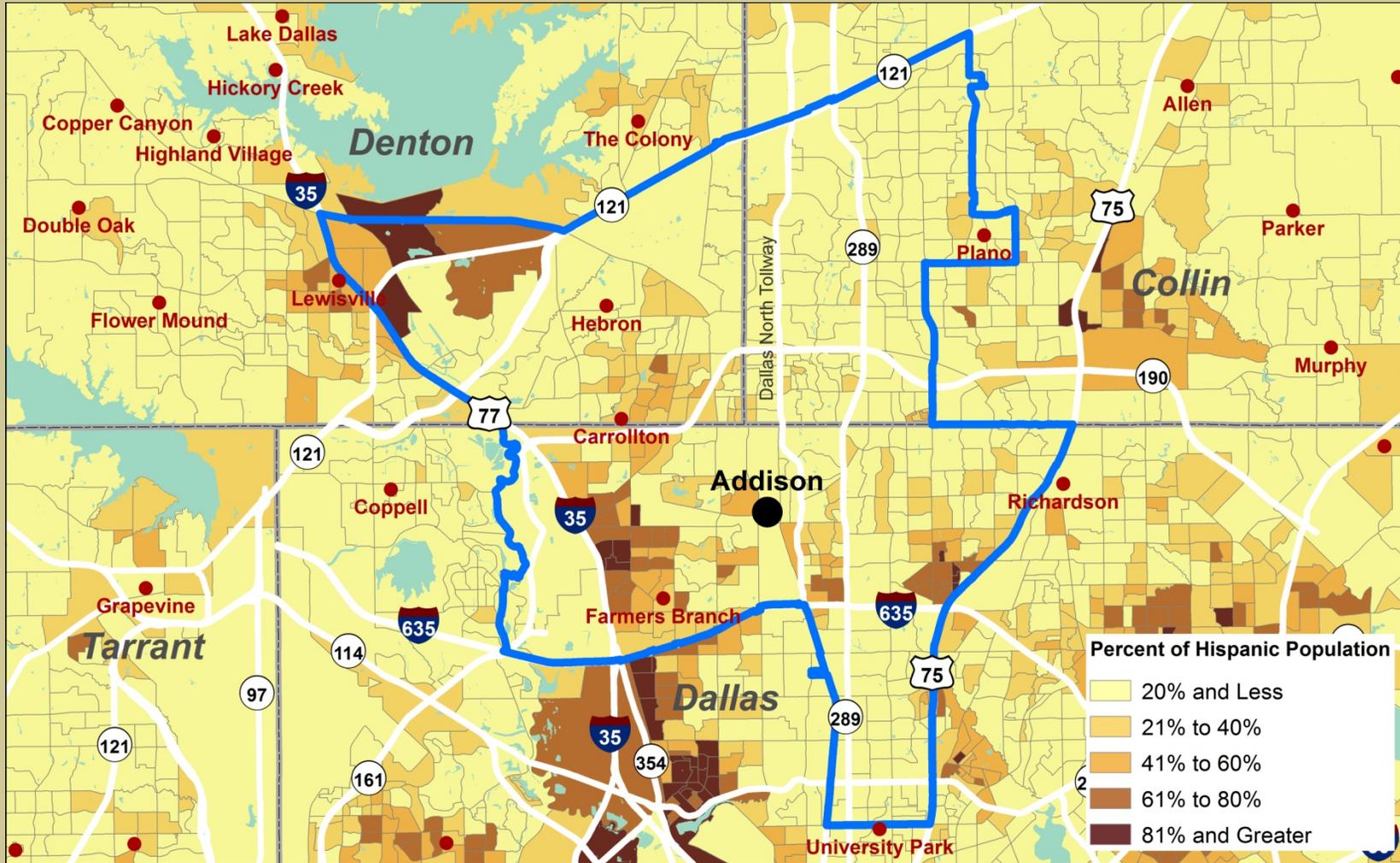


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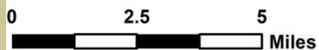
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Ethnicity (Hispanic)



SOURCE: American Community Survey, 2008-2012 5-Year Estimate



Total Hispanic Population within Trade Area:
126,104 or 22.8% of Total Population (553,794)



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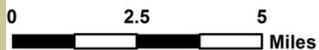
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Renter Households



SOURCE: American Community Survey, 2008-2012 5-Year Estimate



Occupied Rental Household Units by Census Block Group
within Trade Area: 109,460 or 48.0% of Total (227,778)



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Trade Area
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Renter Households



Mean Number of Occupied Rental Household Units
Per Acre within Trade Area: 3.01

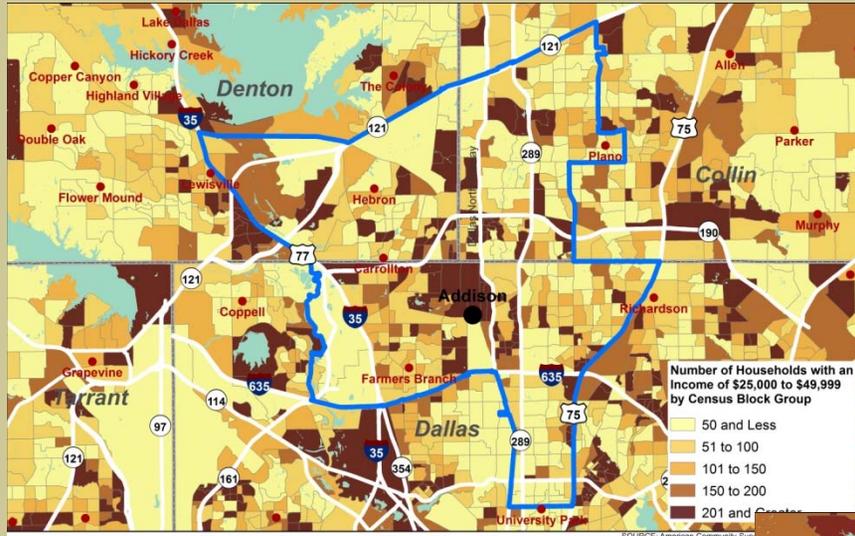
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Household Income



Number of Households with an Income of \$25,000 to \$49,999 within Trade Area: 50,785 or 22.3% of Total (227,778)



Number of Households with an Income of \$100,000 and Greater within Trade Area: 75,834 or 33.3% of Total (227,778)



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Demographic Overview

- Over the last 4 years, the Town of Addison has grown at a rate over three times that of the Trade Area.
- The Town's average household size is significantly lower than the Trade Area. Not surprisingly, the Town has a much higher share of one- and two-person households and a higher share of renter households.
- The Town's age profile skews significantly younger than the Trade Area, even though median household incomes are similar. This would indicate a high concentration of higher-income singles and/or young married couples.
- The Town's ethnic profile is similar to the Trade Area.

| 2014 Estimates unless noted | Town of Addison | Addison Trade Area |
|---|-----------------|--------------------|
| 2010 Population | 13,056 | 612,700 |
| 2014 Population | 16,300 | 651,600 |
| Annual Population Growth (2010-2014) | 5.7% | 1.6% |
| Average Household Size | 1.77 | 2.48 |
| % 1- and 2-Person Households | 83% | 50% |
| Percent Renters | 75% | 41% |
| Percent Age 65+ | 4% | 10% |
| Percent Hispanic (of any race) | 25% | 29% |
| Median Household Income | \$57,400 | \$59,200 |

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

Psychographic Overview

- Psychographics is a term used to describe the characteristics of people and neighborhoods which, instead of being purely demographic, speak more to attitudes, interests, opinions and lifestyles. PRIZM (Claritas, Inc.) is a leading system for characterizing neighborhoods and the local workforce into one of 65 distinct market segments
- Commercial retail developers are interested in understanding a community's psychographic profile, as this is an indication of its resident's propensity to spend across select retail categories. Residential developers are also interested in understanding this profile as it tends to suggest preferences for certain housing product types
- The Addison Trade Area is dominated by Second Cities social segments, indicating higher incomes and higher disposable retail spending.

| Lifestyle Segment | Area Households | % of Total Households | U.S. Index=100* |
|-------------------------------|-----------------|-----------------------|-----------------|
| Low-Rise Living | 731 | 0.3% | 18.4 |
| Big City Blues | 476 | 0.2% | 15.2 |
| Urban Elders | 468 | 0.2% | 12.5 |
| City Roots | 464 | 0.2% | 14.4 |
| The Cosmopolitans | 450 | 0.2% | 13.6 |
| Urban Subtotal | 2,589 | 1.0% | -- |
| Boomtown Singles | 24,521 | 9.1% | 620.3 |
| Up-and-Comers | 20,578 | 7.6% | 553.8 |
| Brite Lites, Li'l City | 20,408 | 7.6% | 442.2 |
| Upward Bound | 16,920 | 6.3% | 346.7 |
| Second City Elite | 13,861 | 5.1% | 382.5 |
| Second Cities Subtotal | 96,288 | 35.7% | -- |
| Young Influentials | 18,764 | 7.0% | 503.9 |
| Home Sweet Home | 13,283 | 4.9% | 277.1 |
| Movers and Shakers | 12,251 | 4.5% | 293.8 |
| Upper Crust | 8,311 | 3.1% | 213.5 |
| Executive Suites | 6,922 | 2.6% | 300.7 |
| Suburbs Subtotal | 59,531 | 22.1% | -- |
| Total Above Segments | 158,408 | 58.8% | -- |
| Total Trade Area | 269,439 | 100.0% | -- |

* Indicates concentration of this segment relative to U.S. average. A segment index of 200 would mean that this group contains 2 times the concentration of employees/households compared to the average U.S. community.

Source: Claritas, Inc. and Ricker | Cunningham.



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Residential Market Demand

| Residential Demand Analysis | | | | Households | 2014 | 261,200 | | |
|---------------------------------------|------------------------|------------------------------|--------------------------------------|---|---------------|---|--------------------|-----------------------|
| Addison Trade Area | | | | | 2019 | 280,003 | Annual Growth Rate | 1.4% |
| 10-yr Demand Estimates | | | | | 2029 | 300,160 | | |
| | | | | Household Growth (2014-24) | 38,960 | Adjust for 2nd homes, demolition, vacancy | | 1.0% |
| | | | | Adjusted Unit Requirement | 39,350 | % Rental | | 41% |
| | | | | Trade Area Demand from New Households (10-yr) | | | | |
| Household Income Range (2010 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 | 9% | 8% | 3,148 | 95% | 2,991 | 157 |
| \$15-25K | \$375 - \$625 | \$75 to \$100K | 9% | 8% | 3,148 | 90% | 2,833 | 315 |
| \$25-35K | \$625 - \$875 | \$100 to \$150K | 10% | 9% | 3,541 | 80% | 2,833 | 708 |
| \$35-50K | \$875 - \$1,000 | \$150 to \$200K | 13% | 13% | 5,115 | 60% | 3,069 | 2,046 |
| \$50-75K | \$1,000+ | \$200 to \$250K | 18% | 18% | 7,083 | 25% | 1,771 | 5,312 |
| \$75-100K | \$1,000+ | \$250 to \$350K | 11% | 11% | 4,328 | 20% | 866 | 3,463 |
| \$100-150K | \$1,000+ | \$350 to \$500K | 14% | 15% | 5,902 | 15% | 885 | 5,017 |
| \$150K and up | \$1,000+ | \$500K and up | 16% | 18% | 7,083 | 10% | 708 | 6,375 |
| Totals | | | 100% | 100% | 39,350 | 41% | 15,956 | 23,393 |

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

The Addison Trade Area has the opportunity to realize steady growth in residential development activity over the next 10 years – potentially adding over 39,000 new housing units, approximately 41% of which could be rental housing.



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Retail Market Demand

Trade Area Demand – Existing Leakage

| Retail Category | Estimated 2014 Household Retail Demand | Estimated 2014 Retail Sales (Supply) | Estimated 2014 Retail Void (Leakage) | Estimated Retail Sales/s.f. | New Retail Space Needed to Recapture Void/Leakage |
|------------------------------------|--|--------------------------------------|--------------------------------------|-----------------------------|---|
| Furniture & Home Furnishings | \$187,372,326 | \$368,598,125 | \$0 | \$275 | 0 |
| Electronics & Appliance | \$166,604,222 | \$199,843,630 | \$0 | \$300 | 0 |
| Bldg Materials, Garden Equipment | \$739,823,333 | \$587,959,103 | \$151,864,230 | \$375 | 404,971 |
| Food & Beverage (Grocery) | \$986,627,095 | \$843,295,275 | \$143,331,820 | \$450 | 318,515 |
| Health & Personal Care | \$461,609,976 | \$426,426,218 | \$35,183,758 | \$400 | 87,959 |
| Clothing and Accessories | \$439,790,743 | \$739,499,887 | \$0 | \$300 | 0 |
| Sporting Goods, Hobby, Book, Music | \$173,610,184 | \$141,162,761 | \$32,447,423 | \$300 | 108,158 |
| General Merchandise | \$997,640,364 | \$937,801,773 | \$59,838,591 | \$375 | 159,570 |
| Miscellaneous Stores | \$222,787,577 | \$257,388,386 | \$0 | \$275 | 0 |
| Foodservice & Drinking Places | \$963,468,951 | \$1,781,096,555 | \$0 | \$425 | 0 |
| Total | \$5,339,334,770 | \$6,283,071,713 | \$422,665,822 | | 1,079,173 |

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

Support for retail space is derived from two sources – the “recapture” of expenditures by residents of the Trade Area that occur outside the Trade Area (leakage); and expenditures by new residents of the Trade Area resulting from household growth. As shown here, there is a significant level of “leakage” among several retail categories, potentially supporting an additional 1.1 million square feet of space.

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Retail Market Demand

Trade Area Demand – New Household Growth

| Retail Category | Estimated 2014 Household Retail Demand | Estimated 2014 Retail Sales (Supply) | Annual Household Growth Rate (2014-2024) | Net New Household Retail Demand | New Retail Space Needed for Household Growth |
|------------------------------------|--|--------------------------------------|--|---------------------------------|--|
| Furniture & Home Furnishings | \$187,372,326 | \$368,598,125 | 1.4% | \$60,064,621 | 218,417 |
| Electronics & Appliance | \$166,604,222 | \$199,843,630 | 1.4% | \$53,407,136 | 178,024 |
| Bldg Materials, Garden Equipment | \$739,823,333 | \$587,959,103 | 1.4% | \$237,159,931 | 632,426 |
| Food & Beverage (Grocery) | \$986,627,095 | \$843,295,275 | 1.4% | \$316,276,066 | 702,836 |
| Health & Personal Care | \$461,609,976 | \$426,426,218 | 1.4% | \$147,975,044 | 369,938 |
| Clothing and Accessories | \$439,790,743 | \$739,499,887 | 1.4% | \$140,980,607 | 469,935 |
| Sporting Goods, Hobby, Book, Music | \$173,610,184 | \$141,162,761 | 1.4% | \$55,652,988 | 185,510 |
| General Merchandise | \$997,640,364 | \$937,801,773 | 1.4% | \$319,806,512 | 852,817 |
| Miscellaneous Stores | \$222,787,577 | \$257,388,386 | 1.4% | \$71,417,437 | 259,700 |
| Foodservice & Drinking Places | \$963,468,951 | \$1,781,096,555 | 1.4% | \$308,852,424 | 726,712 |
| Total | \$5,339,334,770 | \$6,283,071,713 | | \$1,711,592,767 | 4,596,314 |

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



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Expenditures by new residents of the Trade Area over the next 10 years could support 4.6 million square feet of new space.



Retail Market Demand

Trade Area Demand – Total

| Retail Category | New Retail Space Needed to Recapture Void/Leakage | New Retail Space Needed for Household Growth | Total 10-Year New Trade Area Retail Demand (s.f.) |
|------------------------------------|---|--|---|
| Furniture & Home Furnishings | 0 | 218,417 | 218,417 |
| Electronics & Appliance | 0 | 178,024 | 178,024 |
| Bldg Materials, Garden Equipment | 404,971 | 632,426 | 1,037,398 |
| Food & Beverage (Grocery) | 318,515 | 702,836 | 1,021,351 |
| Health & Personal Care | 87,959 | 369,938 | 457,897 |
| Clothing and Accessories | 0 | 469,935 | 469,935 |
| Sporting Goods, Hobby, Book, Music | 108,158 | 185,510 | 293,668 |
| General Merchandise | 159,570 | 852,817 | 1,012,387 |
| Miscellaneous Stores | 0 | 259,700 | 259,700 |
| Foodservice & Drinking Places | 0 | 726,712 | 726,712 |
| Total | 1,079,173 | 4,596,314 | 5,675,488 |

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

Collectively, the recapture of lost dollars and capture of new dollars could result in the addition of over 5.6 million square feet of retail space in the Trade Area over the next 10 years.

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Office Market Demand

Trade Area Demand

| Industry Category | Estimated 2014 Employees | Estimated Growth Rate 2014-2024 | Estimated 2024 Employees | Estimated New Employees | Estimated % in Office Space | Estimated Net New Office Employees | Sq Ft per Office Employee | Estimated 10-yr Office Demand |
|--|--------------------------|---------------------------------|--------------------------|-------------------------|-----------------------------|------------------------------------|---------------------------|-------------------------------|
| Natural Resources, Mining and Construction | 86,437 | 2.0% | 105,366 | 18,929 | 25% | 4,732 | 180 | 851,815 |
| Manufacturing | 106,179 | 1.3% | 120,818 | 14,639 | 5% | 732 | 180 | 131,755 |
| Trade, Transportation and Utilities | 321,842 | 1.4% | 369,847 | 48,005 | 10% | 4,801 | 180 | 864,093 |
| Information | 49,265 | 1.1% | 54,960 | 5,695 | 80% | 4,556 | 180 | 820,140 |
| Financial Activities | 148,731 | 1.6% | 174,317 | 25,586 | 90% | 23,027 | 180 | 4,144,856 |
| Professional and Business Services | 299,369 | 2.4% | 379,495 | 80,126 | 80% | 64,101 | 180 | 11,538,186 |
| Educational and Health Services | 276,136 | 2.8% | 363,960 | 87,824 | 20% | 17,565 | 180 | 3,161,680 |
| Leisure and Hospitality | 141,499 | 2.9% | 188,325 | 46,826 | 10% | 4,683 | 180 | 842,861 |
| Other Services | 39,147 | 1.5% | 45,432 | 6,285 | 30% | 1,885 | 180 | 339,373 |
| Government | 37,333 | 2.2% | 46,409 | 9,076 | 30% | 2,723 | 180 | 490,102 |
| Totals | 1,505,938 | 2.1% | 1,848,930 | 342,992 | 38% | 128,805 | 180 | 23,184,861 |

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

Support for office space is derived from two sources – growth / expansion among existing users in the Trade Area; and the relocation of new companies into the market. Based on overall annual employment growth of 2.1%, the Trade Area could support an additional 23.2 million square feet of new office space over the next 10 years.



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Demand Summary

Total Trade Area Demand

| Land Use Type | Trade Area Demand (10 Year) |
|---------------------------------|--------------------------------|
| Residential (Units): | |
| Single Family Detached | 15,100 |
| Single Family Attached | 8,100 |
| Rental Apartments | 12,900 |
| Non-Residential (Sq Ft): | |
| Retail | 5,675,500 |
| Office | 23,184,900 |

Source: Ricker | Cunningham.

Within the Trade Area serving the Addison market, there is expected to be significant growth over the next 10 years among all of the primary land uses and many of the product types within them.



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Study Area Market Share

Top Down Considerations

- Demand for certain land uses
- Demographic and psychographic conditions which support land uses
- Untapped market niches (product voids)
- Competitive projects (proposed, planned and under construction)

Bottom Up Considerations

- Physical capacity of the area
- Vision and desire for certain uses and product types
- Parcel size, ownership (public and private), owner investment objectives
- Zoning (and other regulations)

External Considerations

- Delivery system – property owners, developers, lenders, etc.
- Financing markets – availability of capital
- Market forces beyond those currently in the market

Other Considerations

- Public support for a long-term vision

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STAKEHOLDER INPUT

Summary of Input - Overview

- Residents and property owner are generally positive about Addison
- A change in ownership and/or use in this study area is an opportunity for Addison to improve its appeal
- Concerns about existing uses might be addressed by new development. These are:
 - Noise from nightclub and large trucks
 - Parking, particularly for large trucks
 - Screening of adjacent neighborhoods from retail and other commercial uses
 - Perception that some areas are unsafe



Summary of Input – Future Uses

■ Housing

- Interest in senior housing or perhaps rehab. housing
- Prefer owner-occupied
- Believe Addison needs more single family housing but not in this location
- Want to keep sense of ‘homes in a park’

■ Hotel

- Residents have concerns about quality of hotels based on past experience
- Owner/operator is renovating and believes there is a good mid-level market here



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Summary of Input – Future Uses

- **Retail**
 - Do not want more strip commercial centers
 - Niche-type shopping centers are desired (i.e., Highland Park Village)
- **Restaurant**
 - Like the idea of a mix of restaurants here
 - Need to overcome the perception that Addison's 'restaurant row' is only east of Midway
- **Office, Service, Business**
 - Interested in office, business park, incubator space
 - Would like to see services included
 - Perhaps hospital or out-patient clinic

Summary of Input – Design Ideas

- **Buffers and Transitions**
 - The wall on the Sam's Club site is an important buffer is important buffer for neighboring residents
- **Mobility**
 - Want an emphasis on walking and biking
- **Design Issues**
 - Character along Midway does not fit Addison's image
 - Landscaping is a critical design component
 - May need architectural design standards for future developments
- **Future uses need to appeal to a 'next generation' of Addison residents**



Appendix 2: Committee Direction



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Work Session #1 (September 12, 2014)

STRATEGIC ASSESSMENT

SWOT Analysis

- What are the **Strengths** of the study area?
- What are the **Weaknesses** of the study area?
- What **Opportunities** are (or will be) available to the study area?
- What are the external **Threats** facing the study area?

STRENGTHS

- LOCATION
- DISPOSABLE INCOME
- TRAFFIC VOLUME (DISABILITY)
- PROGRESSIVE GOVERNANCE
- Value to neighborhood of well-
barrier

9/12/14
1

WEAKNESSES

- High traffic volume
(congestion)
- Conflict between neighbors +
this area - Beltway
- Barriers to connection
- HEIGHT OF BUILDINGS (FUTURE) 550 FEET

9/12/14
2

OPPORTUNITIES

- Better connection to future trails
- Take advantage of housing types desired by 'down-sizing' baby boomers - one level but more space, amenities
- Ability to shape vision

9/12/14
3



THREATS

- Wal-Mart procedures / approach
 - deed restrictions

9/12/14
4

Development Choices

- Market feasibility
- Site characteristics
- Brain-storming of alternatives

Strategic Direction

1. What is the strategic role this study area should play in the future of the Addison community?
2. What development alternatives should be examined?
3. What design concepts are most desirable for future development and use in the area?



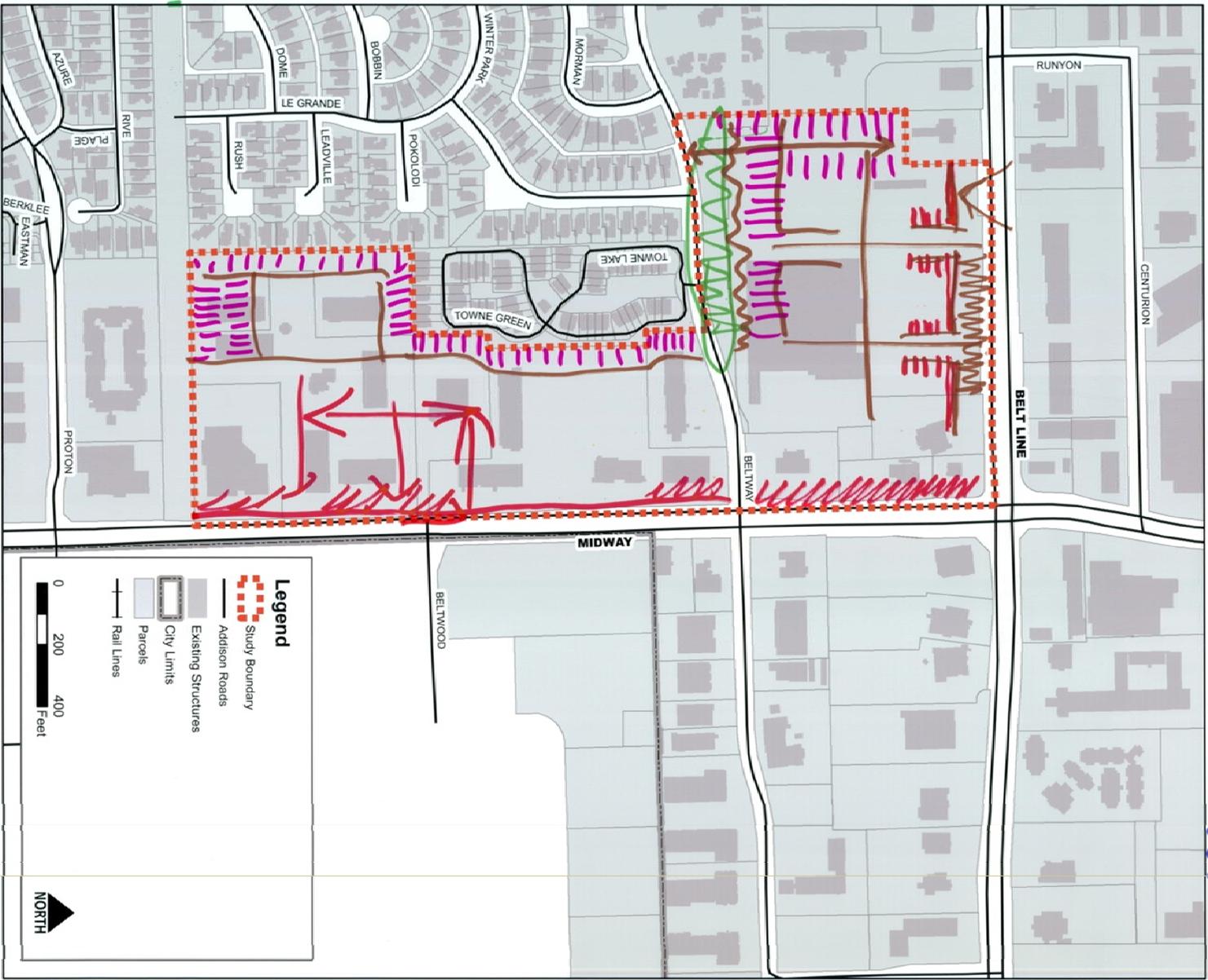
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Scenario 1

Dense New Neighborhoods

- Focus is on residential
- Create max. mix of residential choices for new markets
- Reconnect with surrounding neighborhoods
- Retail, office, restaurant are part of mix, but emphasize local-serving

9/12/14
T



Scenario 1

ADDISON
Study Area Boundary
 Sam's Club Special Study


 Kimley  Horn
 Robert Cunningham



Scenario 2

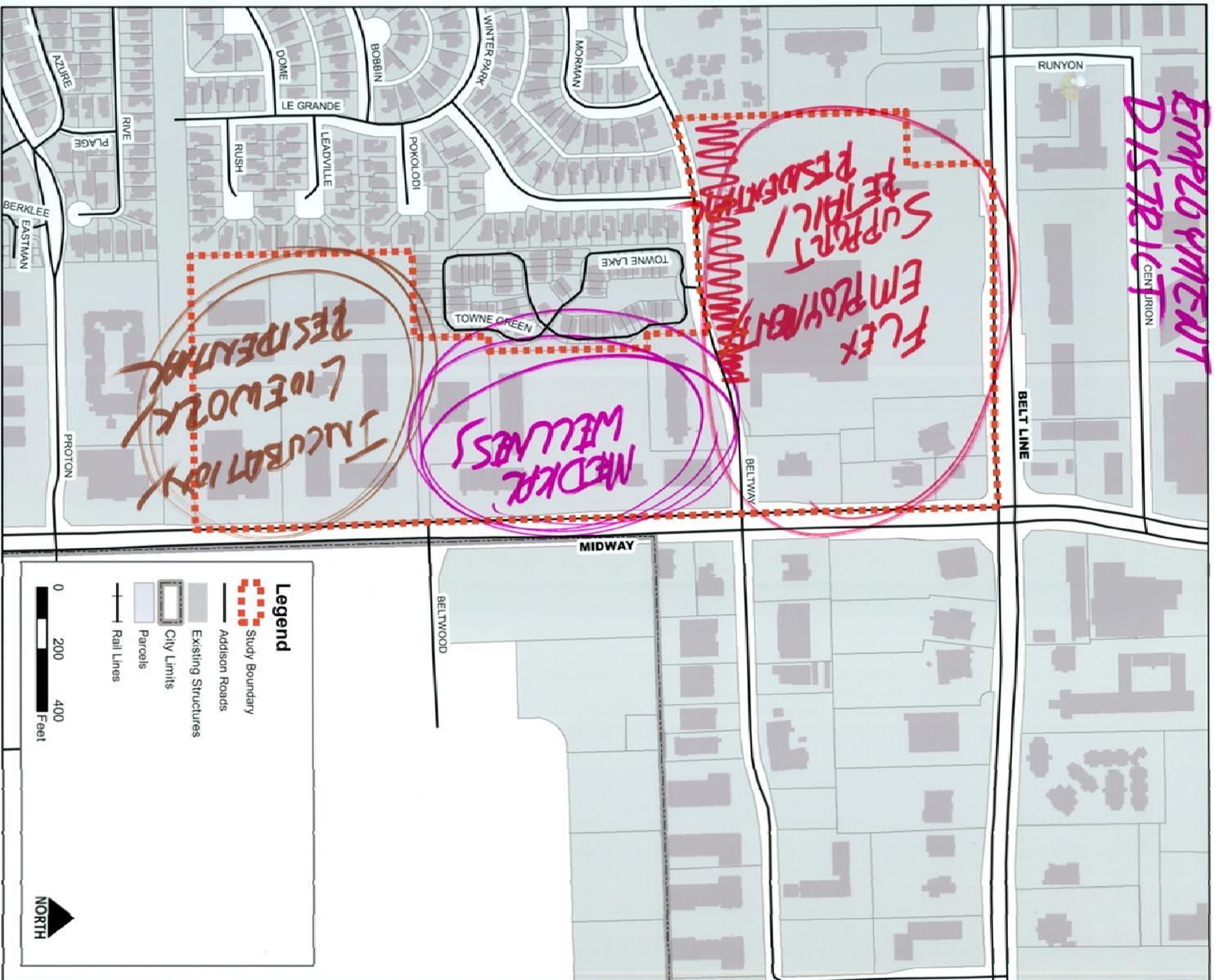
Employment District

- Focus is on flex employment, medical/wellness
- Still some mid-rise residential
- Retain more buffer for existing neighborhoods
- Incubator and room to grow
- Live-work

9/12/14

8

SCENARIO 2 -
EMPLOYMENT
DISTRICT



ADDISON
Study Area Boundary
Sam's Club Special Study

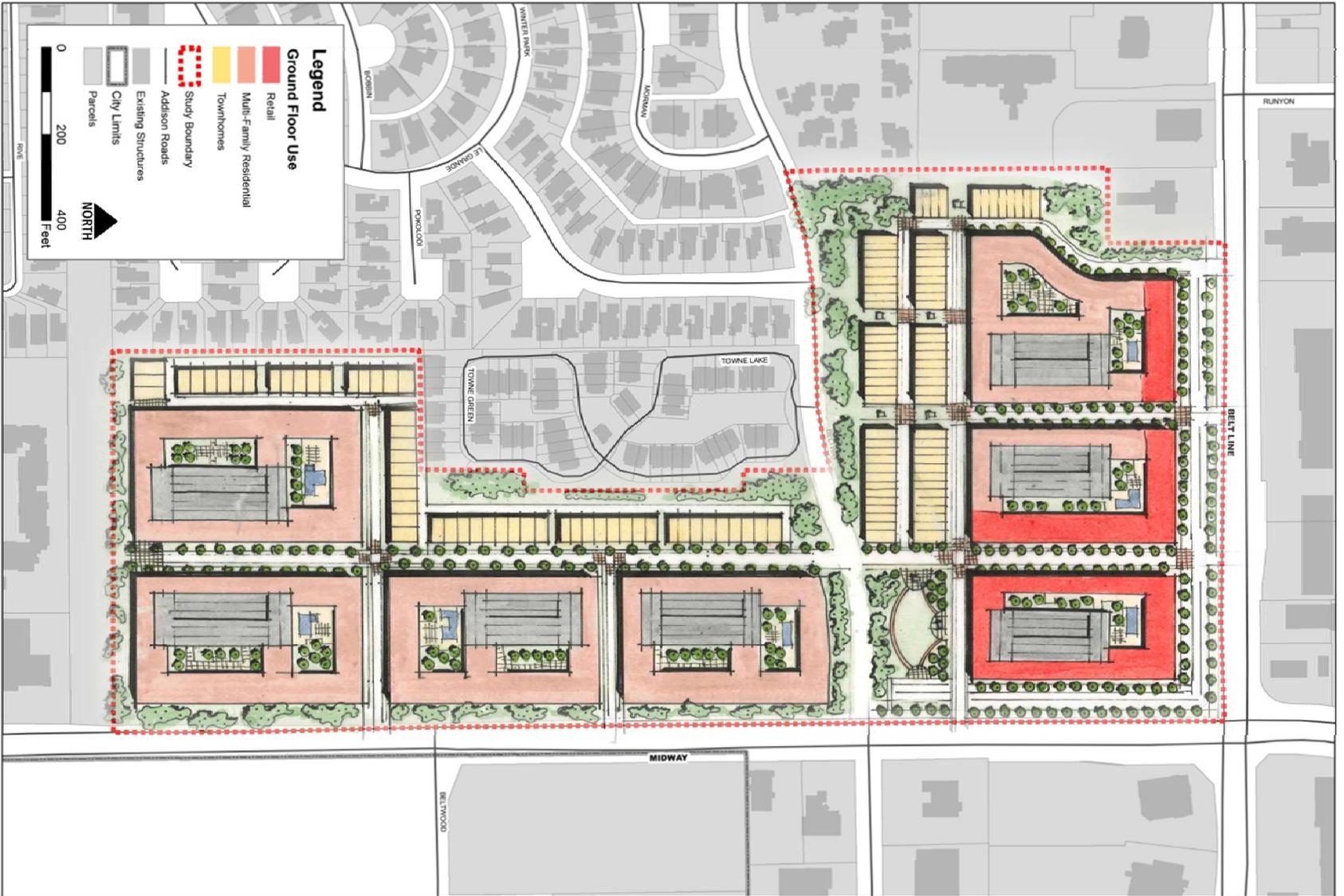
Kimley-Horn
Ricker Cunningham
CONSULTANTS
GOVERNMENT
SOLUTIONS

Work Session #2 (October 10, 2014)

DEVELOPMENT ALTERNATIVES

Consultant Team Refinement

- Follow Committee direction regarding objectives and key concepts
- Develop schematic site plans
- Define mix of uses and intensities
- Estimate amount of development potential
- Assemble prototype images to evaluate possible designs



Scenario 1
Sam's Club Special Study



Scenario 1: Diverse Neighborhoods

- Transform this area into a set of new neighborhoods that offer housing choices not easily found in Addison's existing neighborhoods
- A mix of housing types
- 2,131 residential units
- 123,500 square feet commercial/retail
- 1.05 FAR

Densities for Comparison

| Addison Circle | | | | | |
|----------------------------|---------------|----------------|--------------------|---------------|----------------|
| Total Non-Res. S.F. | Office | 550,000 | | Retail | 75,000 |
| Total Res. Units | 2,548 | 65.90 | Total DU/AC | 65.90 | |
| | Units | Units Per Acre | | Units | Units Per Acre |
| Multi-Family | | | Town Homes | | |
| Allegro Addison Circle | 393 | 67.17 | Post | 6 | 26.20 |
| 15777 Quorum | 414 | 66.61 | District A | 183 | 30.35 |
| Post Addison | 1,334 | 82.61 | Meridian Square | 42 | 33.04 |
| Total | 2,141 | 75.88 | Total | 231 | 30.68 |
| | | | | | |
| | Units | Units Per Acre | | Units | Units Per Acre |
| Town Homes | | | Condominium | | |
| Post | 6 | 26.20 | Aventura | 86 | 61.96 |
| District A | 183 | 30.35 | Meridian Square | 90 | 58.71 |
| Meridian Square | 42 | 33.04 | Total | 176 | 60.25 |
| Total | 231 | 30.68 | | | |



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Densities for Comparison

| Vitruvian Park | | | Midway Meadows | | |
|------------------------------------|-------|----------------|--|-------|----------------|
| Multi-Family | Units | Units Per Acre | Single Family Homes | Units | Units Per Acre |
| UDR Properties | 1148 | 128.99 | Midway Meadows | 201 | 6.12 |
| Includes Savoye, Savoye2 and Fiori | | | Includes homes along Le Grande, Winter Park, Sherlock, Bobbin, Dome, Rush, Leadville and Pokolodi. | | |



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Scenario 2
 Sam's Club Special Study



Scenario 2: Employment District

- Build on existing 'Office in the Park' concept, create business locations emphasizing emerging businesses and health/wellness.
- A mix of uses, mostly non-residential
- 68 live-work residential units
- 907,600 s.f. flex space, office/medical, commercial/retail
- 0.43 FAR

Redevelopment Program

| Land Use Type | Trade Area Demand (10-yr) | Sam's Club Study Area | | | |
|---------------------------------|---------------------------|-----------------------|------------|--------------|------------|
| | | Net New Development | | Market Share | |
| | | Scenario 1 | Scenario 2 | Scenario 1 | Scenario 2 |
| Residential (Units): | | | | | |
| Townhome/Rowhouse* | 4,860 | 150 | 60 | 3% | 1% |
| Condominiums/Flats | 3,240 | 800 | 0 | 25% | 0% |
| Urban/Loft Apartments | 12,900 | 1,200 | 0 | 9% | 0% |
| Non-Residential (Sq Ft): | | | | | |
| Retail/Restaurant | 5,675,500 | 124,000 | 110,000 | 2% | 2% |
| Office/Medical | 3,477,735 | 0 | 281,000 | 0% | 8% |
| Flex Office/Employment | 4,636,980 | 0 | 516,000 | 0% | 11% |

* Includes live/work units.
Source: Ricker | Cunningham.

- Both potential redevelopment programs reflect market-supported land uses.
- The only land use that requires a higher-than-average market share is condominiums/flats



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Prototype Development Images



Analysis of Alternative Scenarios

■ Implications

- Strategic Objectives
- Physical Development Compatibility
- Urban Form and Character
- Resilience Assessment
- **Results found in Appendix 3**

■ Economic & Fiscal Feasibility

Economic & Fiscal Analysis

- Purpose
 - Test feasibility of potential redevelopment programs
 - Quantify economic “gaps” that represent barriers to investment
 - Identify potential public sector contributions to “fill gaps”

Elements of Feasibility

- **Market** Feasibility (demand in the trade area for particular land uses/products)
- **Physical** Feasibility (does physical environment accommodate uses in demand?)
- **Political** Feasibility (is community leadership supportive of desired uses/products?)
- **Regulatory** Feasibility (do existing regulations support market opportunities?)
- **Organizational** Feasibility (are there advocacy entities, or “cheerleaders” in place to advance projects?)
- **Financial** Feasibility (does the market opportunity provide a reasonable return on investment to the private sector?)



Barriers to Investment -- Financial

- Difficulty in assembling property
- Comparatively high land costs
- Higher cost of construction
- Desire for pedestrian environment and corresponding need for structured parking
- Desire for pedestrian environment and corresponding desire for ground floor retail
- Perceptions of risk (narrow market segments)
- Investor return expectations
- Limited examples of creatively-financed projects

Economic Analysis Steps

- Two Scenarios
 - Mixed-Residential
 - Employment District
- Potential Development Programs (Based on Market Demand)
- Development Economics (Project Value vs. Project Cost)
- “Gap” Analysis
- Contributions to Gap (Gap “Fill”)

Scenario 1: Diverse Neighborhoods

| Estimated Project Value (Stabilized Yr) | | |
|--|-----------------------|-----------------------------------|
| Total Retail/Restaurant Rentable SF | 111,600 | 90% Bldg. Efficiency Ratio |
| Rent/SF* | \$20.00 | |
| Total Office/Employment Rentable SF | 0 | 90% Bldg. Efficiency Ratio |
| Rent/SF* | \$20.00 | |
| Total Residential Rentable SF | 816,000 | 85% Bldg. Efficiency Ratio |
| Rent/SF | \$19.20 | \$1.60 Monthly Rent/SF |
| Total Parking Spaces (Structured) | 0 | |
| Rent/Space | \$720 | \$60 Monthly Rent/Space |
| Gross Income | \$17,899,200 | |
| Occupancy | 92% | |
| Effective Gross Income | \$16,467,264 | |
| Operating Costs | \$5,853,600 | \$5.40 \$/SF (Wtd. Avg. All Uses) |
| Net Operating Income | \$10,613,664 | |
| Capitalization Rate | 8.0% | |
| Project Value -- Office/Retail/Rental Hsg | \$132,670,800 | |
| Total Housing Units | 950 | |
| Sales Price/Unit (Wtd Avg) | \$250,000 | |
| Gross Revenue | \$237,500,000 | |
| Less Marketing Costs | (\$16,625,000) | 7% % of Sales |
| Net Sale Proceeds | \$220,875,000 | |
| Project Value -- For-Sale Housing | \$220,875,000 | |
| Total Project Value | \$353,545,800 | |
| * Retail based on triple net lease; Office based on gross lease. | | |
| Development Cost Estimate | | |
| Property Purchase (Acquisition/Demolition) | \$17,424,000 | \$16.00 \$/SF Land (20% Premium) |
| On-Site Improvements (Surface Parking) | \$3,904,375 | \$2,500 \$/Space |
| On-Site Improvements (Structured Parking) | \$0 | \$15,000 \$/Space |
| Site Development/Infrastructure | \$3,267,000 | \$3.00 \$/SF |
| Building Construction (Hard Costs) | \$259,965,017 | \$104 \$/SF (Wtd. Avg. All Uses) |
| Construction Contingency | \$26,713,639 | 10% % of Construction Costs |
| Soft Costs (% of Hard Costs) | \$26,713,639 | 10% % of Hard Costs |
| Developer Profit | \$33,798,767 | 10% % of Total Costs |
| Total Project Cost | \$371,786,437 | \$148.18 \$/SF |
| Development Economic Summary | | |
| Total Project Value | \$353,545,800 | |
| Total Project Cost | \$371,786,437 | |
| Project Margin/"Gap" | (\$18,240,637) | |
| % Project Margin/"Gap" | -5% | |

- This redevelopment program results in an approximate 5% gap (costs > value).



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Scenario 1: Diverse Neighborhoods

| Potential Contributions to "Gap": | | |
|---|----------------------|----------------------------------|
| Land Acquisition/Writedown | \$0 | 0% of Land Cost |
| Site Improvements Contribution | \$3,585,688 | 50% of Total Site Costs |
| Supportable TIF (25 Years) | \$82,700,000 | 0.010929 Total Property Tax Rate |
| Sales Tax Sharing (380 Loan -- 20 Yrs) | \$3,700,000 | 50% % of Local Sales Tax |
| Public Improvement District (20 Years) | \$0 | \$0.00 Assessment Per Bldg Sq Ft |
| Property Tax Abatement (10 Years) | \$15,100,000 | 0.561800 City Property Tax Rate |
| Development Fee Waivers | \$0 | |
| Federal/State/Local Grants | \$0 | |
| Streamlined Development Approval Process | \$0 | |
| Tax Credit Equity (LIHTC, Historic, New Market) | \$0 | |
| Total Contributions to "Gap" | \$105,085,688 | |

- There are number of ways in which the public sector can contribute to “fill the gap”, most of which do not impact the general fund.
- As shown, a combination of gap-filling measures could more than offset any economic gaps that might result from this program.



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Scenario 2: Employment District

| Estimated Project Value (Stabilized Yr) | | |
|--|-----------------------|-----------------------------------|
| Total Retail/Restaurant Rentable SF | 99,000 | 90% Bldg. Efficiency Ratio |
| Rent/SF* | \$20.00 | |
| Total Office/Employment Rentable SF | 717,300 | 90% Bldg. Efficiency Ratio |
| Rent/SF* | \$20.00 | |
| Total Residential Rentable SF | 0 | 85% Bldg. Efficiency Ratio |
| Rent/SF | \$19.20 | \$1.60 Monthly Rent/SF |
| Total Parking Spaces (Structured) | 0 | |
| Rent/Space | \$720 | \$60 Monthly Rent/Space |
| Gross Income | \$16,326,000 | |
| Occupancy | 92% | |
| Effective Gross Income | \$15,019,920 | |
| Operating Costs | \$4,807,100 | \$5.30 \$/SF (Wtd. Avg. All Uses) |
| Net Operating Income | \$10,212,820 | |
| Capitalization Rate | 8.0% | |
| Project Value -- Office/Retail/Rental Hsg | \$127,660,250 | |
| Total Housing Units | 60 | |
| Sales Price/Unit (Wtd Avg) | \$275,000 | |
| Gross Revenue | \$16,500,000 | |
| Less Marketing Costs | (\$1,155,000) | 7% % of Sales |
| Net Sale Proceeds | \$15,345,000 | |
| Project Value -- For-Sale Housing | \$15,345,000 | |
| Total Project Value | \$143,005,250 | |
| * Retail based on triple net lease; Office based on gross lease. | | |
| Development Cost Estimate | | |
| Property Purchase (Acquisition/Demolition) | \$17,424,000 | \$16.00 \$/SF Land (20% Premium) |
| On-Site Improvements (Surface Parking) | \$3,632,500 | \$2,500 \$/Space |
| On-Site Improvements (Structured Parking) | \$0 | \$15,000 \$/Space |
| Site Development/Infrastructure | \$3,267,000 | \$3.00 \$/SF |
| Building Construction (Hard Costs) | \$106,505,522 | \$107 \$/SF (Wtd. Avg. All Uses) |
| Construction Contingency | \$11,340,502 | 10% % of Construction Costs |
| Soft Costs (% of Hard Costs) | \$11,340,502 | 10% % of Hard Costs |
| Developer Profit | \$15,351,003 | 10% % of Total Costs |
| Total Project Cost | \$168,861,029 | \$169.37 \$/SF |
| Development Economic Summary | | |
| Total Project Value | \$143,005,250 | |
| Total Project Cost | \$168,861,029 | |
| Project Margin/"Gap" | (\$25,855,779) | |
| % Project Margin/"Gap" | -15% | |

- This redevelopment program results in an approximate 15% gap (costs > value)



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Scenario 2: Employment District

| Potential Contributions to "Gap": | | |
|---|---------------------|----------------------------------|
| Land Acquisition/Writedown | \$0 | 0% of Land Cost |
| Site Improvements Contribution | \$3,449,750 | 50% of Total Site Costs |
| Supportable TIF (25 Years) | \$30,900,000 | 0.010929 Total Property Tax Rate |
| Sales Tax Sharing (380 Loan -- 20 Yrs) | \$3,300,000 | 50% % of Local Sales Tax |
| Public Improvement District (20 Years) | \$0 | \$0.00 Assessment Per Bldg Sq Ft |
| Property Tax Abatement (10 Years) | \$5,600,000 | 0.561800 City Property Tax Rate |
| Development Fee Waivers | \$0 | |
| Federal/State/Local Grants | \$0 | |
| Streamlined Development Approval Process | \$0 | |
| Tax Credit Equity (LIHTC, Historic, New Market) | \$0 | |
| Total Contributions to "Gap" | \$43,249,750 | |

- There are number of ways in which the public sector can contribute to “fill the gap”, most of which do not impact the general fund.
- As shown, a combination of gap-filling measures could more than offset any economic gaps that might result from this program.



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Economic Analysis Summary

Development Economic Summary

| Project Indicator | Sam's Club Study Area | |
|--|---|------------------------------------|
| | Scenario 1: Mixed-Residential District | Scenario 2: Employment District |
| Private Sector Investment | | |
| Development Sq Ft: | | |
| Project Land Area (Acres) | 25.00 | 25.00 |
| Retail/Restaurant | 124,000 | 110,000 |
| Office/Employment | 0 | 797,000 |
| Residential (Rental) | 960,000 | 0 |
| Residential (For-Sale) | 1,425,000 | 90,000 |
| Total Private Development | 2,509,000 | 997,000 |
| Floor Area Ratio | 230% | 92% |
| Total Project Value (@ Build-Out) | \$353,545,800 | \$143,005,250 |
| Total Project Costs (@ Build-Out) | \$371,786,437 | \$168,861,029 |
| Project Margin/(Gap) | (\$18,240,637) | (\$25,855,779) |
| Project Margin/(Gap) % | -5% | -15% |
| Potential Contributions to Gap | | |
| Land Acquisition/Writedown | \$0 | \$0 |
| Site Improvements Contribution | \$3,585,688 | \$3,449,750 |
| Supportable TIF (25 Years) | \$82,700,000 | \$30,900,000 |
| Sales Tax Sharing (380 Loan -- 20 Yrs) | \$3,700,000 | \$3,300,000 |
| Public Improvement District (20 Years) | \$0 | \$0 |
| Property Tax Abatement (10 Years) | \$15,100,000 | \$5,600,000 |
| Development Fee Waivers | \$0 | \$0 |
| Federal/State/Local Grants | \$0 | \$0 |
| Streamlined Development Approval Process | \$0 | \$0 |
| Total Contributions to Gap | \$105,085,688 | \$43,249,750 |

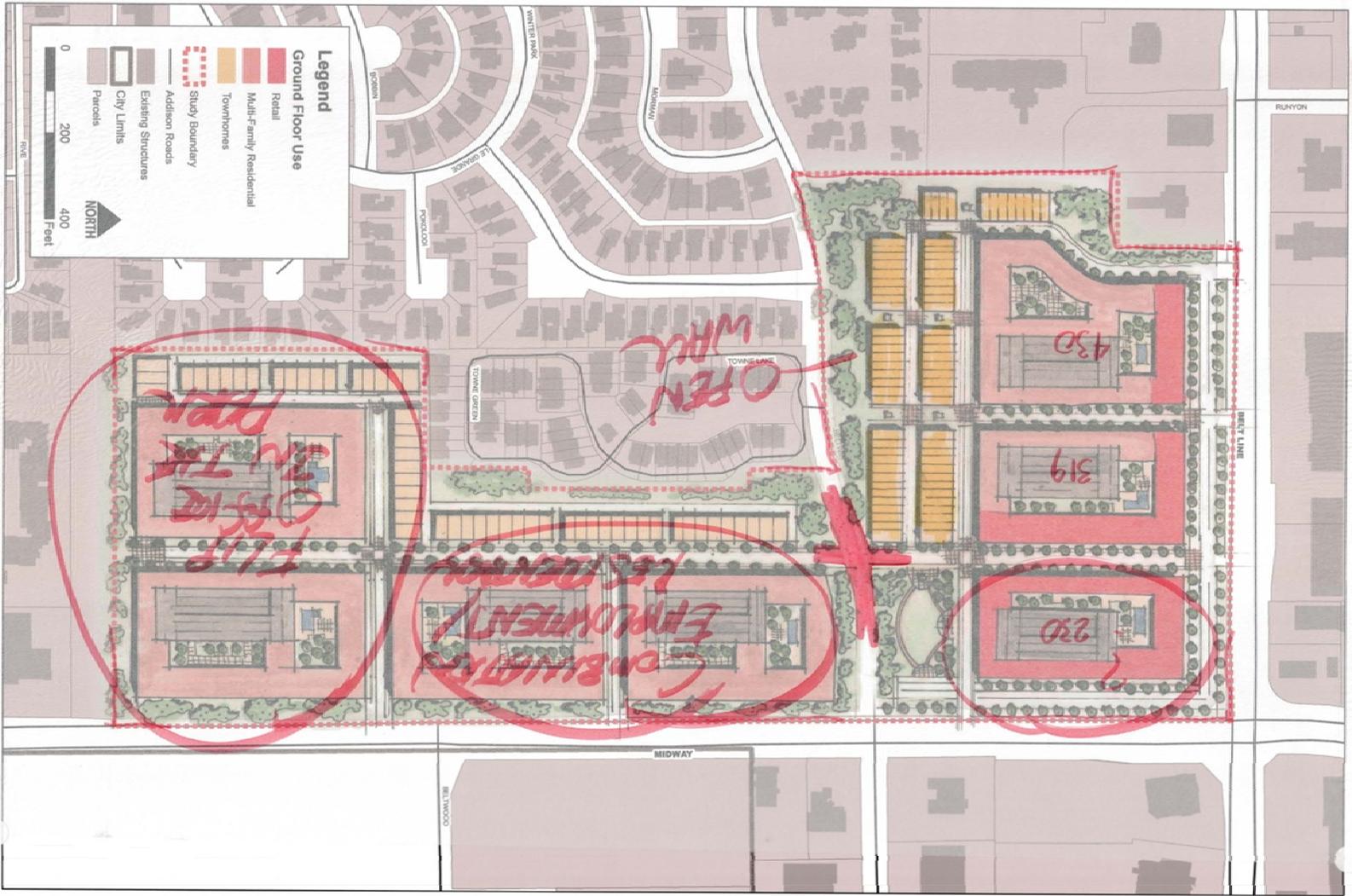
Source: Strategic Community Solutions; Kimley-Horn; and Ricker | Cunningham.

- Economic gaps of 15% to 40% are not uncommon
- Mixed-use allows for absorption of different land uses simultaneously (spreads risk)
- “Gaps” result from higher land costs and some discounting due to level of market readiness
- Contributions can fill gaps without direct impact on the general fund



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ADDISON

Scenario 1
Sam's Club Special Study

Kimley-Horn
Kearney & Fong

Committee Direction -- Concept

- Mixed use on the former Sam's Site and other properties facing Beltline.
- A middle section that mixes some residential with some flex, office, wellness sorts of non-residential.
- A bottom section where Office in the Park is, but flip the existing buildings that remain.
- The wall does not need to remain. There should be pedestrian/bike connections from the existing neighborhoods and maybe some vehicular as well.



Committee Direction – Design

- Keep the focus of retail on Beltline so it benefits from the investments the Town is making in roadway improvements.
- Use the Town's role in planning and zoning as a tool to encourage Wal-Mart to drop some of the future use restrictions they might otherwise place on the property at sale
- Look at the possibility of some areas with lower density and focus on the specific types and markets for the units in the larger structures.
- Find comparison project densities and FAR's. Addison Circle, Vitruvian and Midway Meadows are the projects suggested.
- Like the concept that this development represents an 'organic expansion' of the existing neighborhoods.
- Create an interim concept recognizing that, in the short term, the uses at the corner of Beltline and Midway are not likely to change.



Committee Direction -- Design

- Show clear locations for sidewalks, and include some prototype images that relate to the sidewalk width we indicate.
- Indicate potential areas for outdoor dining, particularly on the new internal 'street' in the northern part of the site.
- Show more places for people to congregate.
- Calculate how much parking the concept provides by area.
- Indicate which buildings could include single level units.
- If there are 2 story units adjacent to existing neighborhoods, show techniques so existing residents retain their back-yard privacy.
- Support landscape that is 'self-sustaining'.

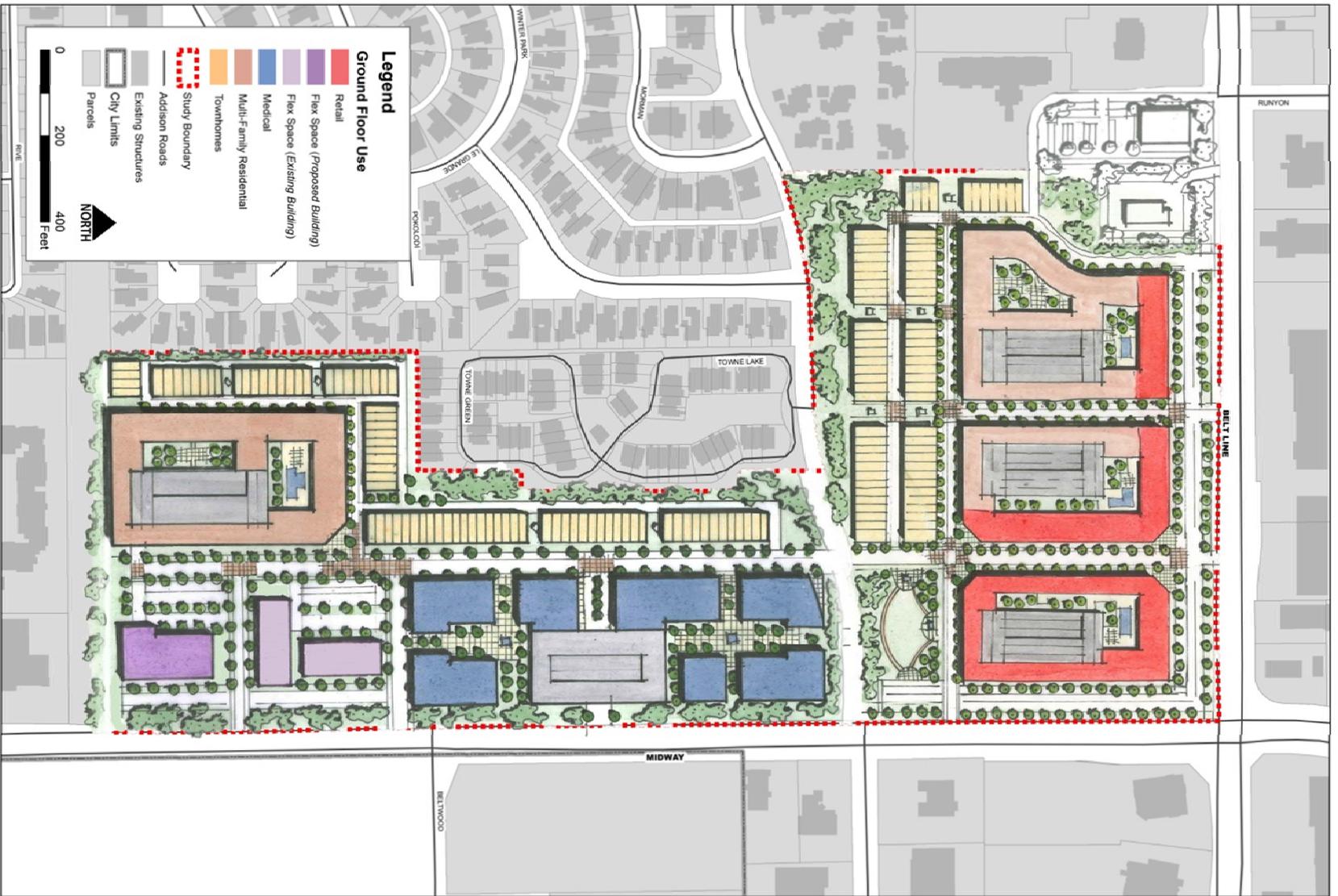


Work Session #3 (November 7, 2014)

CREATION OF A PREFERRED ALTERNATIVE

Draft Preferred Plan – Objectives

- Organic expansion of existing neighborhoods into study area
- Add housing choices that aren't easily found in Addison today
- Create new employment locations
- Provide retail, service, health/wellness businesses that serve nearby residents
- Include people places and sidewalk / trail connections



Preferred Development Concept, Ultimate
 Sam's Club Special Study

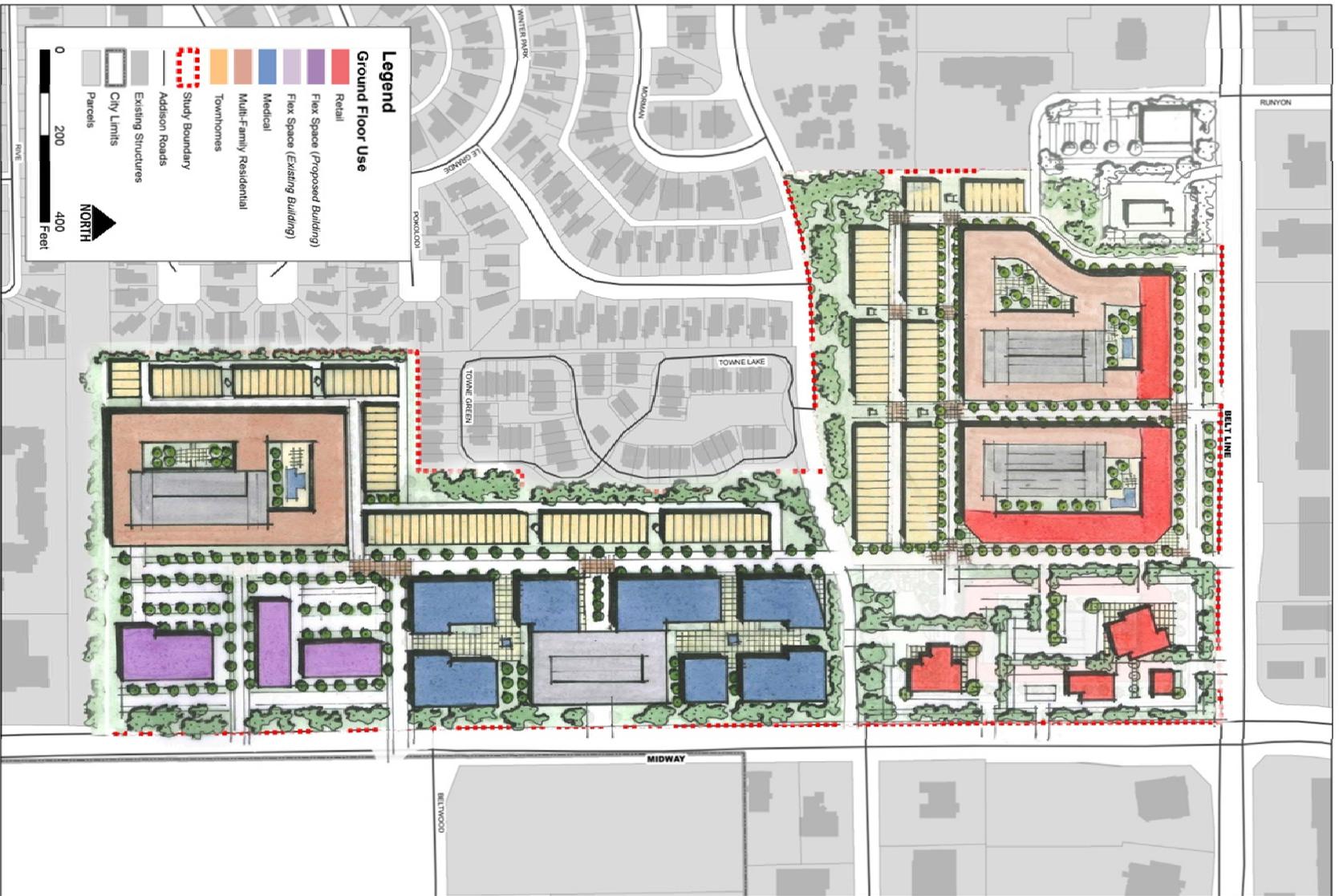


Draft – Preferred Program

| Land Use Type | Trade Area Demand (10-yr) | Sam's Club Study Area | |
|---------------------------------|---------------------------|-------------------------------|-------------------------------|
| | | Preferred Development Program | Preferred Development Program |
| Residential (Units): | | | |
| Townhome/Rowhouse* | 4,860 | 153 | 3% |
| Condominiums/Flats | 3,240 | 385 | 12% |
| Urban/Loft Apartments | 12,900 | 577 | 4% |
| Non-Residential (Sq Ft): | | | |
| Retail/Restaurant | 5,675,500 | 61,500 | 1% |
| Office/Medical | 3,477,735 | 124,800 | 4% |
| Flex Office/Employment | 4,636,980 | 187,200 | 4% |

* Includes live/work units.
Source: Ricker | Cunningham.

- The preferred development program reflects market-supported land uses.
- None of the land uses requires a higher-than-average market share.
- 2,931 parking spaces are provided.



Preferred Development Concept, Interim
Sam's Club Special Study



Implications of Draft Preferred Plan

- Strategic Objectives
- Physical Development Compatibility
- Urban Form & Character
- Resilience Assessment
- Results found in Appendix 3

Draft – Preferred Costs and Values

| Estimated Project Value (Stabilized Yr) | | |
|--|-----------------------|-----------------------------------|
| Total Retail/Restaurant Rentable SF | 55,350 | 90% Bldg. Efficiency Ratio |
| Rent/SF* | \$25.00 | |
| Total Office/Employment Rentable SF | 280,800 | 90% Bldg. Efficiency Ratio |
| Rent/SF* | \$20.00 | |
| Total Residential Rentable SF | 441,520 | 85% Bldg. Efficiency Ratio |
| Rent/SF | \$20.40 | \$1.70 Monthly Rent/SF |
| Total Parking Spaces (Structured) | 1,154 | |
| Rent/Space | \$720 | \$60 Monthly Rent/Space |
| Gross Income | \$16,837,849 | |
| Occupancy | 92% | |
| Effective Gross Income | \$15,490,821 | |
| Operating Costs | \$4,643,262 | \$5.20 \$/SF (Wtd. Avg. All Uses) |
| Net Operating Income | \$10,847,559 | |
| Capitalization Rate | 8.0% | |
| Project Value -- Office/Retail/Rental Hsg | \$135,594,487 | |
| Total Housing Units | 538 | |
| Sales Price/Unit (Wtd Avg) | \$250,000 | |
| Gross Revenue | \$134,441,667 | |
| Less Marketing Costs | (\$9,410,917) | 7% % of Sales |
| Net Sale Proceeds | \$125,030,750 | |
| Project Value -- For-Sale Housing | \$125,030,750 | |
| Total Project Value | \$260,625,237 | |
| * Retail based on triple net lease; Office based on gross lease. | | |
| Development Cost Estimate | | |
| Property Purchase (Acquisition/Demolition) | \$35,105,313 | \$16.00 \$/SF Land (20% Premium) |
| On-Site Improvements (Surface Parking) | \$2,955,000 | \$2,500 \$/Space |
| On-Site Improvements (Structured Parking) | \$17,314,500 | \$15,000 \$/Space |
| Site Development/Infrastructure | \$6,582,246 | \$3.00 \$/SF |
| Building Construction (Hard Costs) | \$157,258,034 | \$103 \$/SF (Wtd. Avg. All Uses) |
| Construction Contingency | \$18,410,978 | 10% % of Construction Costs |
| Soft Costs (% of Hard Costs) | \$18,410,978 | 10% % of Hard Costs |
| Developer Profit | \$25,603,705 | 10% % of Total Costs |
| Total Project Cost | \$281,640,755 | \$185.03 \$/SF |
| Development Economic Summary | | |
| Total Project Value | \$260,625,237 | |
| Total Project Cost | \$281,640,755 | |
| Project Margin/"Gap" | (\$21,015,518) | |
| % Project Margin/"Gap" | -7% | |

- The preferred redevelopment program results in an approximate 7% gap (costs > value).



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Draft – Filling the “Gap”

| Potential Contributions to "Gap": | | |
|---|---------------------|----------------------------------|
| Land Acquisition/Writedown | \$0 | 0% of Land Cost |
| Site Improvements Contribution | \$6,712,937 | 25% of Total Site Costs |
| Supportable TIF (25 Years) | \$35,600,000 | 0.007010 Total Property Tax Rate |
| Town Sales Tax Sharing (380 Loan -- 20 Yrs) | \$1,800,000 | 50% % of Local Sales Tax |
| Town Property Tax Abatement (10 Years) | \$10,100,000 | 0.561800 Town Property Tax Rate |
| Development Fee Waivers | \$0 | |
| Federal/State/Local Grants | \$0 | |
| Streamlined Development Approval Process | \$0 | |
| Tax Credit Equity (LIHTC, Historic, New Market) | \$0 | |
| Total Contributions to "Gap" | \$54,212,937 | |

- There are a number of ways in which the public sector can contribute to “fill the gap”, most of which do not impact the general fund.
- As shown, a combination of gap-filling measures could more than offset any economic gaps that might result from this program.



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Economic Analysis Summary

Development Economic Summary

| Project Indicator | Preferred Development Program |
|--|-------------------------------|
| Private Sector Investment | |
| Development Sq Ft: | |
| Project Land Area (Acres) | 50.37 |
| Retail/Restaurant | 61,500 |
| Office/Employment | 312,000 |
| Residential (Rental) | 519,435 |
| Residential (For-Sale) | 629,187 |
| Total Private Development | 1,522,122 |
| Floor Area Ratio | 69% |
| Total Project Value (@ Build-Out) | \$260,625,237 |
| Total Project Costs (@ Build-Out) | \$281,640,755 |
| Project Margin/(Gap) | (\$21,015,518) |
| Project Margin/(Gap) % | -7% |
| Potential Contributions to Gap | |
| Land Acquisition/Writedown | \$0 |
| Site Improvements Contribution | \$6,712,937 |
| Supportable TIF (25 Years) | \$35,600,000 |
| Sales Tax Sharing (380 Loan -- 20 Yrs) | \$1,800,000 |
| Property Tax Abatement (10 Years) | \$10,100,000 |
| Development Fee Waivers | \$0 |
| Federal/State/Local Grants | \$0 |
| Streamlined Development Approval Process | \$0 |
| Total Contributions to Gap | \$54,212,937 |

Source: Strategic Community Solutions; Kimley-Horn; and Ricker | Cunningham.

- Economic gaps of 15% to 40% are not uncommon
- Mixed-use allows for absorption of different land uses simultaneously (spreads risk)
- “Gap” results from higher land costs, cost of structured parking, and some discounting due to level of market readiness
- Contributions can fill gaps without direct impact on the general fund



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IMAGES

- Units facing park should be ^{finhd.} TH, not live-work
- Live-work - what does this mean?
 - single ownership, 2 entries
 - only one area
- Need clear image for intention of TH by park - Addison Circle, Asbury Circle
- Mews example
- More traditional TH

DECISION / DIRECTION

- Interest in senior living
- We need to recognize we're urban
- We need to insist on mixed use w/ approp. scale & density
- Park - desirable but a 'slim shot' - might be worth Town purchase
- Strategic design - green space along Midway maybe is too
- Residential (S) could include Continuum of care
- Medical - also flex

Preferred

- Benefit from investment on Bldg - focus retail
- Use city role / planning to negotiate in exchange for less restriction from Wal-Mart
- Concern - # of units
- Like organic expansion of nbhd.

Sam's Club site 20141010

Implementation

1. Communicate preferred plan to potential buyers, investors, developers
2. Design improvements on Belt Line and Midway so they support this plan
3. Consider rezoning upon request of new owner
 - a. Site plan, uses, intensities
 - b. Change to wall and access
4. Determine the menu of incentives the Town is willing to consider



Appendix 3: Implications of Alternative Scenarios



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Ricker | Cunningham

Kimley » Horn

| Topic | Scenario 1 | Scenario 2 | Draft Preferred Plan |
|--|--|---|--|
| Definition of Alternatives | | | |
| Title | Diverse Neighborhoods | Employment District | Preferred Development Concept |
| Intent | Transform this area into a set of new neighborhoods that offer housing choices not easily found in Addison's existing neighborhoods. | Build on existing 'Office in the Park' concept, create business locations emphasizing emerging businesses, health/wellness and entrepreneurs wanting a central, urban location in the region. | Organic expansion of existing neighborhoods, diversify housing choices, new job locations, people places and sidewalk/trail connectivity. |
| Residential Summary | 2,131 units | 68 units | 1,115 units (577 loft apts; 385 condos; 153 townhouse) |
| Non-Residential Summary | 123,500 SF commercial/retail | 907,600 SF flex space, office/medical, commercial/retail | 370,000 SF office/medical (new and existing); 61,500 SF retail |
| FAR | 1.05 | 0.43 | 0.69 |
| Alternatives Analysis | | | |
| Strategic Objectives | | | |
| Council Goal: Create raving fans of the "Addison Experience" | More residents to become fans; new choices for existing residents as their needs change. | Business owners, employees, customers to become fans. | More residents, new business owners. existing 'fans' benefit from new connectivity, people places, new housing options, places to grow their businesses. |
| Council Goal: Practice Mindful Stewardship of Town Resources | Any public investments would support revitalization of a key location in a central Addison location. | Any public investments would support revitalization of a key location in a central Addison location. | Any public investments would support revitalization of a key location in a central Addison location. |
| Council Goal: Maintain and enhance our unique culture of creativity and innovation | Live-work option could appeal to artists. | Builds on incubator, offers space for emerging business formats and markets. | Space for emerging business formats, new markets, live-work. |
| Council Goal: Continue to find ways to celebrate our diversity | Contributes to diversity of housing choice. | Contributes to diversity of business opportunities. | Adds housing and business diversity. |

| Topic | Scenario 1 | Scenario 2 | Draft Preferred Plan |
|---|--|---|---|
| Strategic Objectives (continued) | | | |
| Uses & activities that enhance the Addison community | Adds/increases number of live-work, flat-style housing options. Provides larger gathering space/amphitheater. | Gives Addison entrepreneurs the ability to stay in Town as they grow. | housing 'flats', live-work space, room for entrepreneurs to grow beyond incubator. |
| Take advantage of Addison's strengths and opportunities | Strength: location; Opportunity: provide housing types desired by 'down-sizing' Baby Boomers. | Strength: location, retains some of 'Office in the Park'; Opportunity: better internal connections to future trails. | Strength: location, retains some of 'Office in the Park'; Opportunity: housing for 'down-sizing' Baby Boomers, better internal connections to future trails. |
| Correct Addison's weaknesses and reduce threats | Weakness: Residential uses remove past conflicts for adjacent neighborhoods; Threats: Wal-Mart's 'non-compete' restrictions would have less impact. | Weakness: Increased job base means more Addison residents don't have to commute on DNT; Threats: Wal-Mart's 'non-compete' restrictions might have somewhat less impact. | Weakness: Residential uses remove past conflicts for adjacent neighborhoods, job opportunities closer to home; Threats: Wal-Mart's 'non-compete' restrictions would have less impact. |
| Compatibility with the future desired by the community | Eliminates concerns about noise, traffic, safety that relate to existing uses. Opportunity for senior housing, ownership units. Sense of 'homes in a park'. Avoids new strip commercial. Supports walking and biking. Could result in design that's more compatible with Addison's image. | Eliminates concerns about noise, traffic, safety that relate to existing uses. Retains wall; adds live-work units as buffer to existing neighborhoods. Avoids new strip commercial. Could include desired 'niche shopping', restaurants E of Midway. Includes office, incubator, medical uses. Supports walking and biking. Could result in design that's more compatible with Addison's image. | Eliminates concerns about noise, traffic, safety that relate to existing uses. Opportunity for senior housing, ownership units. Sense of 'homes and offices in a park'. Could include new 'niche' commercial but avoids new strip commercial. Includes office, incubator, medical uses. Supports walking and biking. Could result in design that's more compatible with Addison's image. |

| Topic | Scenario 1 | Scenario 2 | Draft Preferred Plan |
|---|--|---|--|
| Physical Development Compatibility | | | |
| Physical constraints to desired development | Access to Belt Line Road. | Access to Belt Line Road. | Access to Belt Line Road. |
| Infrastructure capacity to accommodate | Higher demands on water and wastewater due to higher level of residential uses. | Lower demands on water and wastewater due to focus on employment related uses. | Water and wastewater demands between two earlier alternatives. |
| New infrastructure demands | New infrastructure required throughout site. No major offsite infrastructure needs identified to date. | New infrastructure required throughout site. No major offsite infrastructure needs identified to date. | New infrastructure required throughout site. No major offsite infrastructure needs identified to date. |
| Connections to existing Addison community | Higher level of visual and vehicular connectivity due to removal of wall along Beltway and new vehicular access. | Lower level of visual and vehicular connectivity from Sam's Club site - higher level of pedestrian connectivity on properties south of Beltway. | Higher level of visual and vehicular connectivity due to removal of wall along Beltway and new vehicular access. |
| Implications for traffic congestion | Higher level of congestion due to higher level of residential uses. | Lower level of congestion due to focus on employment uses. | Moderate congestion impact -- fewer residential units than Scenario 1. |
| Connections to and through site for walkability | Provides enhanced sidewalk / trail connection from Beltway to the Redding Trail / Dog Park along Midway Road. | Provides trail connection from Beltway to the Redding Trail / Dog Park along the western edge of the site. | Provides enhanced sidewalk / trail connection from Beltway to the Redding Trail / Dog Park along Midway Road. |
| Urban Form and Character | | | |
| Transition to adjacent uses | Townhome uses adjacent to all existing residential neighborhoods. | Live / work or medical related uses adjacent to all existing residential neighborhoods. | Townhome uses adjacent to all existing residential neighborhoods. |
| Impacts on surrounding neighborhoods | Replaces existing uses with new neighborhoods. | Reduces current impacts. Landscaping, walls provide buffer between uses. | Reduces current impacts. Landscaping, walls provide buffer between uses. |

| Topic | Scenario 1 | Scenario 2 | Draft Preferred Plan |
|---|---|--|--|
| Urban Form and Character (continued) | | | |
| Areas for landscaping, walls, buffers | Existing wall on the Sam's site removed - landscaping maintained. | All existing walls and landscape buffers maintained with additional landscaping. | Existing wall on the Sam's site removed - landscaping maintained. Additional landscaped areas provided. |
| Important design features | Creates a new urban park as a gateway at Beltway and Midway - fronts new residential development (townhome) on the existing park along Beltway by removing existing wall. | Provides an internal park / gathering space on the Sam's site and maintains many of the existing office buildings and site amenities on the existing office site. | Creates a new urban park as a gateway at Beltway and Midway (in ultimate phase), creates an improved open space area on the northwest edge of the Sam's Club site to support new residential development, creates outdoor dining opportunities along enhanced pedestrian areas in the mixed-use building areas - fronts new residential development (townhome) on the existing park along Beltway (by removing existing wall) and along the Redding Trail / Dog Park, creates a heavily landscaped, enhanced pedestrian environment along Midway Road. |
| Resilience Assessment | | | |
| Water consumption | Overall, higher water consumption than non-residential uses. These residential units typically use less water per household than single family units. Landscaping could use natives, other conservation approaches. | Overall, lower water consumption is expected with non-residential uses compared to residential. Medical/health/wellness could be a higher water consuming use. Landscaping could use natives, other conservation approaches. | Water consumption between levels of earlier alternatives. These residential units typically use less water per household than single family units. Landscaping could use natives, other conservation approaches. |
| Energy consumption | Parking structures could include solar. | Designs could include solar. | Designs could include solar. |

| Topic | Scenario 1 | Scenario 2 | Draft Preferred Plan |
|---|--|--|---|
| Resilience Assessment (continued) | | | |
| Consumption of other limited resources | More intensive use of this study area's land. | Less intensive use of this study area's land. | Moderately intense use of this study area's land. |
| Ability to repurpose buildings as market changes | Residential mix should provide flexibility as housing market changes; ground floor retail buildings can be designed with flexibility for other future uses. Less ability to adapt across uses. | Flex Space, Live/Work are highly adaptable; ground floor retail buildings can be designed with flexibility for other future uses. | Residential mix provides flexibility as housing market changes. Flex Space, Live/Work are highly adaptable; ground floor retail buildings can be designed with flexibility for other future uses. |
| Support for local people and businesses | Enables existing Addison residents to have appropriate housing alternatives as they need them. | Supports Addison entrepreneurs. Provides health/wellness services for Addison residents. Live/Work allows residents to keep their businesses here too. | Supports Addison entrepreneurs. Enables existing Addison residents to have appropriate housing alternatives as they need them. Provides health/wellness services for Addison residents. Live/Work allows residents to keep their businesses here too. |
| Ability to use 'green building' design for structures and sites | Could be included in design standards/expectations. Green roofs could be possible on parking structures. | Could be included in design standards/expectations. Green roofs could be possible on buildings. | Could be included in design standards/expectations. Green roofs could be possible on buildings. |
| Ability to employ 'green infrastructure' techniques | Higher impervious coverage. Still opportunities for green infrastructure designs. | Street/trail/open space designs should provide space for green infrastructure designs. Lower impervious coverage. | Street/trail/open space designs should provide space for green infrastructure designs. Lower impervious coverage. |
| Provision of multi-modal transportation options | Internal trips can be made on foot/bike. | Internal trips can be made on foot/bike. Key gathering places could be stops on a | Internal trips can be made on foot/bike. Key gathering places could be stops on a shuttle |

| Topic | Scenario 1 | Scenario 2 | Draft Preferred Plan |
|---|----------------------------------|----------------------------------|----------------------------------|
| Economic and Fiscal Impacts | | | |
| Market capture | 2% to 25%, depending on use type | 1% to 11%, depending on use type | 1% to 12%, depending on use type |
| Total project value at build-out | \$353,545,800 | \$143,005,250 | \$260,625,237 |
| Total project costs at build-out | \$371,786,437 | \$168,861,029 | \$281,640,755 |
| Project gap | -5% | -15% | -7% |
| Potential contributions to fill the gap | 28% | 26% | 19% |