

An Assessment of the DART LRT on Taxable Property Valuations and Transit Oriented Development

Prepared for
Dallas Area Rapid Transit

Prepared by
Bernard L. Weinstein, Ph.D.
Terry L. Clower, Ph.D.

With the assistance of

Frances Means
Lisa G. Gage
Matthew Pharr
Gregory Pettibon
Shekeira Gillis

University of North Texas
Center for Economic Development and Research

September 2002

Executive Summary

This report updates our previous studies of the direct and indirect economic impacts of the DART LRT system. Two specific topics are addressed in detail:

- 1) How has proximity to an LRT station affected taxable property values? and
- 2) To what degree is DART rail serving as a catalyst for transit-oriented development (TOD)?

Our earlier research showed that properties near DART light rail stations recorded valuation increases about 25 percent greater than those in a control group of neighborhoods not served by DART rail between 1994 and 1998. Examining the 1997 to 2001 time period, and using a somewhat different methodology, we find that proximity to a DART station continues to exert a positive influence on property valuations. Median values of residential properties increased 32.1 percent near the DART rail stations compared to 19.5 percent in the control group areas. For office buildings, the increase was 24.7 percent for the DART properties versus 11.5 percent for the non-DART properties. However, proximity to DART rail does not appear to have a significant differential impact on retail and industrial property valuations.

Visits and interviews with most suburban DART member cities, as well as several non-DART cities, revealed a keen interest in transit-oriented development, with the LRT serving as the centerpiece in many instances. Business leaders, planners, and elected officials are committed to public transportation for three main reasons:

- 1) To spur development and redevelopment in their communities, especially their “old town” neighborhoods;

- 2) To provide an alternative to the automobile for commuters and visitors; and
- 3) To help the region improve its air quality and avoid possible sanctions by the Environmental Protection Agency.

Though master plans vary from suburb to suburb, each hopes to make the DART LRT an integral part of vibrant, pedestrian-friendly, multi-use developments. Several cite Mockingbird Station in Dallas as a model they wish to emulate. Others are planning for low-rise office and light industrial development around the rail stations, while several hope that DART will help make their revitalized downtowns “destinations” for visitors and conventioneers.

Officials in the non-DART communities expressed a strong desire to buy into DART or a wider regional public transit system. All of these communities have matured beyond the “suburban bedroom” state and support sizeable local businesses as well as rapidly growing populations.

Section I

The Positive Influence of the DART LRT on Adjacent Property Values

Introduction

In what follows, we report the findings of our analysis of the impact of DART light rail service and stations on immediate-area property valuations. This assessment extends our previous analysis conducted for the 1994 to 1998 period in which we found that a sample of properties around DART light rail stations saw their values rise faster than both overall valuations in Dallas County and a control group of properties. In our new study for the 1997 to 2001 time frame, we expand on our earlier work by taking a census of *all* properties located within a one-quarter mile radius area of the rail stations and comparing the increases in property valuations to a group of similar properties not located within the study area.

Description of examined properties

This analysis focuses on DART light rail stations located outside of the Dallas Central Business District. With the extensive use of tax increment financing funds to renovate properties and spur development in the central business district, we believe that measuring any unique impacts of DART rail would be nearly impossible in a statistically valid manner.

The geographic areas of focus, our “study areas,” are defined by one-quarter mile radii centered on the 23 stations located outside of the Dallas central business district (see Table 1). This includes some stations, such as Galatyn Park, that opened after 2001 tax roll data were available. Stations opening this year are included because their potential

impacts may already be reflected in market valuations of surrounding properties. While it is likely that any effect from the presence of DART rail stations on surrounding property values will extend beyond our arbitrary boundary, we believe the effect will diminish rapidly beyond the quarter-mile radius.

Table 1
DART Light Rail Stations Examined

Station Names		
Arapaho	Kiest	Spring Valley
Cedars	LBJ/Central	Tyler/Vernon
City Place	LBJ/Skillman	VA Hospital
Corinth	Ledbetter	Walnut Hill Lane
Forest Lane	Lovers Lane	Westmoreland
Galatyn Park	Mockingbird Lane	White Rock
Hampton	Morrell	Zoo
Illinois	Park Lane	

The key to identifying the unique effects of DART rail stations on property valuations is the careful selection of a group of “control” properties that share similar location and market characteristics. For example, DART rail stations are located at the intersection of significant thoroughfares. Therefore, our control group properties are located within a one-quarter mile radius area at the next major intersection outside of the rail station area. In several cases, the rail station area and control group area are effectively contiguous. In other instances, the control group area is not contiguous but separated from the DART area by just a few hundred feet.

Our examination breaks down the properties into distinct market classes including residential, office, retail, and industrial. We have further separated residential properties into two categories: those with improvements and those that were unimproved (vacant) in 2001.

Data analysis

Using data from the Dallas County Central Appraisal District, we calculated changes in taxable property values between 1997 and 2001. While some researchers have expressed concern about the reliability of appraisal district data on property valuations, we believe that any variance in taxable versus actual market value will be effectively controlled because of the very large number of properties examined. In other words, differences in taxable valuations that may be due to the variance in individual property owner behavior in challenging taxable assessments average out when all properties are considered. Moreover, we have no reason to believe there is any difference in the average behavior of property owners in the study group versus the control group as it relates to property value assessments.

The appraisal information was screened for obvious data entry errors—a large building with a taxable value of \$100, for instance. In addition, some properties were not included because of excessively high valuation changes over the four-year period. These exclusions included a very few study and control group properties totaling less than one percent of the total properties examined in this analysis.

In performing our analysis, we have focused on changes in median property values. The median is the “middle” value where one-half of the properties are valued higher and one-half are valued lower. Examining the changes in median values keeps extremely high or low valued properties from exerting too large an influence on the value of the averages. For example, in studying the income characteristics of a local population, median incomes are considered to be a more accurate measure of well being

than average income. If Mark Cuban moves to our neighborhood, his income would pull the average way up and give a distorted view of how well off the rest of us are.

Findings

Table 2 summarizes the results of the data analysis. The number of properties in each group is indicated by the “N=” notation.

Table 2

Changes in Median Property Valuations, 1997-2001

	Control	DART
Office (Control N= 121, DART N= 47)		
1997	\$331,450	\$519,240
2001	\$369,460	\$647,730
Total Change	\$38,010	\$128,490
% Change	11.5%	24.7%
Residential (Control N= 4,393, DART N= 3,262)		
1997	\$37,560	\$35,605
2001	\$44,880	\$47,025
Total Change	\$7,320	\$11,420
% Change	19.5%	32.1%
Residential-vacant (Control N= 169, DART N= 400)		
1997	\$3,000	\$2,250
2001	\$3,000	\$2,500
Total Change	\$0	\$250
% Change	0.0%	11.1%
Retail (Control N= 155, DART N= 111)		
1997	\$230,000	\$243,000
2001	\$300,000	\$311,730
Total Change	\$70,000	\$68,730
% Change	30.4%	28.3%
Industrial (Control N= 158, DART N= 104)		
1997	\$234,900	\$221,180
2001	\$285,405	\$250,000
Total Change	\$50,505	\$28,820
% Change	21.5%	13.0%

Source: Dallas County Central Appraisal District, authors' calculations

The findings of the data analysis confirmed our expectation of higher market values for residential and office properties located in close proximity to a light rail station. What's more, median values of residential and office properties increased more rapidly near the DART LRT stations than they did in the control group areas: 32.1 percent versus 19.5 percent in the case of residential and 24.7 percent versus 11.5 percent in the case of offices. These results suggest that DART rail is an amenity-enhancing service most keenly affecting the market values of properties where people live and where there are comparatively high concentrations of non-industrial jobs—i.e., office buildings. Location near a DART rail station also appears to have a positive influence on the market value of vacant residential lots.¹

Retail properties show no meaningful difference in the change in median values between outlets located near the rail stations and those in the control group. This may simply reflect the fact that retail growth during the boom years of 1997 to 2001 was fairly evenly dispersed across Dallas County. Still, retail properties within one-quarter mile of DART stations are quite competitive and should fare well in the future as the LRT expansion improves access to these venues.

Proximity to a DART LRT station does not appear to have an especially strong influence on industrial property valuations. The median valuation is lower than in the control group and valuation increases have been smaller in recent years. This result is consistent with the findings by Landis et al (1995) in a study of five California transit rail

¹ Note that the median value for the control group properties does not change. However, the average (mean) value of vacant-residential lots did rise by 5.1 percent for the non-station areas versus 10 percent for lots located near a rail station.

systems.² It may be that the presence of LRT lines interferes with site ingress and egress for large commercial motor vehicles delivering raw materials and picking up finished goods at industrial facilities. In addition, several of the control group locations have heavy rail access that can be an important factor influencing the market value of industrial properties.

In sum, light rail appears to have its strongest positive influence where site access is improved for people, as exhibited by greater increases in office and residential valuations close to the LRT stations. Easy access to motor freight and heavy rail are more important factors for warehouse and manufacturing plant valuations.

Conclusion

Rapid population and employment growth in north Texas, including Dallas County, marked the years 1997 to 2001. This was also a period characterized by a very strong property market. Nonetheless, ***proximity to a current or future DART LRT station appears to have had an additional positive impact on median valuations for most classes of property.*** Importantly, these higher values translate into enhanced property tax revenues for DART member cities.

² Landis, J., Guhathakurta, S, and Zhang, M. (1995). "Rail Transit Investments, Real Estate Values, and Land Use Change: A Comparative Analysis of Five California Transit Systems," Institute of Urban and Regional Development, University of California at Berkeley.

Section II

Transit Oriented Development in the Dallas Suburbs: The Influence of the DART LRT

Introduction

To gain a better understanding of how communities in the Dallas area view transit oriented development (TOD), we conducted a series of interviews with leaders in 15 different Dallas suburban communities, including some not currently members of DART. Participating cities were McKinney, Fairview, Allen, Plano, Richardson, Garland, Carrollton, Farmers Branch, Irving, Grand Prairie, Duncanville, Cedar Hill, Desoto, Lancaster, and Midlothian. In particular, we wished to ascertain whether, and how, the advent of the light rail system (LRT) was being integrated into urban planning. Participants in the interviews included city managers, assistant city managers, traffic directors, city planners, town administrators, mayors, legislative representatives, Chamber of Commerce officers, and business developers. (See Table 3 at the end of this section.)

Interviews with elected officials, planners, and developers*

The majority of the interviews were conducted in personal meetings, with one community responding via telephone interview and two others responding via e-mail requests. While the interviews were free flowing in nature, a predetermined set of questions was composed to keep discussions focused on economic development revolving around the LRT system. Those questions were:

* Complete interview notes appear in the Appendix at the end of this report.

- 1) How do you, as a government official, perceive DART Light Rail Transit (LRT) will affect your community? What kinds of commentary are you receiving from the community?
- 2) Are there differences in support for LRT and DART between private citizens and the business community?
- 3) Is the rail system influencing land use planning around the stations?
- 4) Is the DART LRT stimulating mixed-use property development?
- 5) Is the city using any fiscal incentives to stimulate private development of areas near light rail stations?

All respondents voiced positive comments regarding the LRT, and most cities are planning—or have already completed—mixed use development around the stations. Not a single city relayed any negative commentary from its citizens regarding DART or the LRT. In all cases, the opposite was noted. Residents are eager and excited about having access to the LRT transit option. However, two communities voiced concern that delays in implementing service were creating some anxiety among residents and that present timetables for new service not be pushed back.

Six of the non-DART cities we interviewed acknowledged that the LRT has become a driver for regional economic development and that they would like to somehow link up their communities with DART rail. Rapid growth in these cities has created increased congestion on existing transportation corridors, taxing the patience of both local residents and pass-through commuters. Residents of non-DART cities are also concerned with the environmental degradation that has accompanied growing traffic congestion. The non-DART interviewees recognize that the lack of public transit options may be a hindrance to future development, and several elected officials expressed an interest in trying to get Austin to “change the rules” to permit membership by means

other than dedicating a full one percent sales tax. Comments were also made about the need to eventually create a larger regional transit authority that would encompass the entire Metroplex.

The DART LRT as a stimulus to development and redevelopment

DART rail is not only an amenity for commuters but is fast becoming the preferred way to get downtown for special events. Though initially regarded as a novelty, both northern and southern suburbanites have begun utilizing the LRT system to attend downtown activities such as concerts, sporting events, the zoo, the circus, and West End venues. The ease of parking and the comfort of riding the light rail trains have drawn thousands of cars off area highways during evenings and weekends.

Businesses, as well as public officials, are committed to TOD across the DART LRT service area. Sites for future LRT stations have become focal points for small urban centers. Some cities are locating LRT stations in historic “old towns” in hopes of revitalizing these neighborhoods with homes and businesses. Suburban cities such as Richardson, Plano, and Carrollton with multiple stations have designated one of theirs as an “urban hub” for mixed-use development.

All of the DART cities we interviewed have hired outside consultants to assist with their TOD plans. The consultants have conducted land use studies and special use studies, and in some cases these reports have been integrated with the cities’ comprehensive plans. All of the consultant reports have recommended pedestrian-friendly urban centers, to help promote residential development and ancillary retail, while limiting the amount of vehicular surface parking to encourage rail use. For the most part, suburban “downtown living” consists of apartments, lofts, townhouses, and

condominiums. Some of these studies have also advocated low-rise office and light industrial development around the rail stations. Several cities hope the DART LRT will turn their newly revitalized urban centers into “destinations” attracting residents from across the service area as well as visitors and conventioneers.

City of Plano officials acknowledged that the DART LRT was not the primary driving force for redevelopment of their old downtown but nonetheless felt that the impending light rail station was a catalyst that allowed the city to assemble the necessary land area and implement a comprehensive plan. Once the station opens, Plano plans to market their Old Town venues to Dallas conventioneers who would be able to board the train in downtown Dallas and arrive in Plano 30 minutes later.

The *City of Richardson* is trying to develop partnerships with local businesses to maximize use of its four LRT stations. It has also recently hired several consultants to recommend a comprehensive plan for revitalizing the neighborhood around its downtown (Belt Line) LRT station. The Galatyn Park station has been a catalyst for multipurpose developments, including a performing arts center, a hotel, some retail, offices, and apartments. The Arapaho Station, which till now has been a “park-and-ride” location, may eventually be the centerpiece of a multi-use development including residences, hotels, offices, cinemas, and retail. Specifically, a recent consultant report recommends that the Arapaho station become an “entertainment” destination similar to Mockingbird Station. Since construction would occur on what is now the transit center’s parking lot, the consultant’s plan would also require DART to build a four-or five-story parking garage

Historically, the automobile has driven development patterns in the *City of Garland*, and as a result the city lacks a vibrant downtown core. Though efforts have been made in the past to stimulate destination retail in the central city, higher density development has not occurred. City officials are hopeful that the downtown LRT station will eventually stimulate adjacent retail and residential development, but so far no developers have shown interest. The Forest Lane station will serve an industrial employment area, and alternative access via DART may alleviate some of the existing traffic congestion.

The *City of Irving* anticipates the future LRT line will be the catalyst for stimulating development along the eastern edge of Las Colinas. The Las Colinas stations are planned for high-density residential units along with retail and commercial office space in an urban setting. A new civic center and hotel are also in the planning stages, to be integrated into the LRT. The University of Dallas station will make UD the first area university with direct DART LRT service. Eventually, the LRT will link Love Field and DFW Airport, at which time a speedy and comfortable alternative will exist to the growing traffic congestion around both airports.

The *Cities of Farmers Branch and Carrollton* are scheduled for LRT service in 2007 and 2008, respectively. Farmers Branch will have one station while the City of Carrollton will have three. Farmers Branch is focused on using the rail station to help revitalize its historic downtown center by combining the features of pedestrian-friendly retail and residential. Parking facilities will be constructed to accommodate area commuters, and two TIFs have been created to spur infrastructure development.

Carrollton has three different visions for its stations, though together they support the Carrollton Renaissance Initiative. The Beltline/Old Town station will be surrounded by retail and residential buildings designed to reinforce the old downtown character of this neighborhood. The Trinity Mills station will blend the multi-modal aspects of a major highway system with LRT options. Mixed-use development is also anticipated. By contrast, the Frankford station is envisioned as a park-and-ride facility to accommodate Denton County commuters heading to other Dallas area destinations.

Conclusions

As indicated above, many of the DART member cities recognize the logic of mixed-use development along the LRT corridors with emphasis on pedestrian friendly retail/residential neighborhoods. Indeed, transit-oriented development will eventually create a more urban character to most Dallas-area suburbs. Mockingbird Station is probably the best current example of local TOD, and several suburbs hope to emulate the success of this project. Plano, in particular, has embraced this vision by partnering with the private sector to construct a transit village that already boasts occupancy rates in excess of 90 percent, even though rail service won't begin until December 2002. Though LRT service is years into the future, Carrollton and Farmers Branch have embraced TOD and changed their zoning to ensure land around future LRT stations is developed to its highest and best use.

Acknowledging that mobility is perhaps the most serious challenge facing the Metroplex, officials in the non-DART communities we interviewed were candid about their desire to participate in a regional public transit system. Many of these communities have matured beyond the "suburban bedroom" stage and now support sizeable local

businesses as well second and third generation residents. Some non-DART cities would probably join DART if an alternative to the one-cent sales tax could be found. Others would like to utilize existing freight lines for a commuter rail link-up with the DART LRT. Several political leaders in non-DART cities would like to see a Metroplex-wide transit authority drawing fiscal resources from across the region.

In sum, Dallas-area business leaders, planners, and elected officials are committed to public transportation, both for mobility and developmental goals. Their host communities view the existing and soon-to-open DART LRT stations as tremendous assets, and we detected little opposition or discontent with DART's current operations and future plans. What's more, non-DART cities want to be an integral part of the region's public transit future.

Importantly, the DART LRT is viewed not just as "rapid transit" but also as a shining example of how individual communities in the region can come together to help solve a region-wide problem—in this case, mobility. Over time, it can help the region develop a more cosmopolitan character similar to that found in the great international cities.

Table 3
Cities Interviewed

Personal Interviews:

Municipality	Interviewee(s)	Date
City of Plano 1520 Avenue K, Suite 300 Plano, TX 75074-6232 Phone: 972/941-7122	Frank F. Turner, Executive Director of the Development Business Center	July 23, 2002
City of Richardson 411 W. Arapaho Road, Suite 201 Richardson, TX 75080-4551 Phone: 972-744-4204	Bill Keffler, City Manager	July 31, 2002

Personal Interviews (cont'd):

Municipality	Interviewee(s)	Date
City of Carrollton 1945 E. Jackson Rd. Carrollton, TX 75006 Phone: (972) 466-3040	Christopher Barton, Chief Planner	August 7, 2002
City of Irving 825 W. Irving Blvd. Irving, TX 75060 Phone: (972) 721-2166	James Cline, Jr., Director of Traffic & Transportation Philip (Phil) Baker, Executive Director of Insignia/ESG	August 13, 2002
City of Farmers Branch 13000 Wm. Dodson Pkwy Farmers Branch, TX 75381-9010 Phone: (972) 919-2515	John Roach, Assistant to the City Manager Kaizer Rangwala, Director of Planning	August 14, 2002
City of McKinney 222 N. Tennessee McKinney, TX 75069 Phone: (972) 547-7503	Don Dozier, Mayor John Childers, Chairman of the McKinney Transportation Committee Regie Neff, Assistant City Manager Larry Robinson, City Manager	August 19, 2002
City of Allen	Peter Vargas, City Manager	August 22, 2002
City of Lancaster	Joe Tillotson, Mayor James O'Neal, Mayor Pro Tem	August 28, 2002
City of Duncanville	Glenn Repp, Mayor	August 28, 2002
City of DeSoto	Rudy Oeftering, Chair of Best SW Partners	August 28, 2002
City of Midlothian	David Vedral, Legislative Chair of Best SW Partners	August 28, 2002
City of Cedar Hill	Steve Smith, Best SW Partner	August 28, 2002

Telephone and E-mail Interviews:

Municipality	Interviewee	Date
City of Grand Prairie 206 W Church St. Grand Prairie, TX Phone: (972) 237-8319	Daon Stephens, Transportation Planner – Telephone Interview	August 7, 2002
City of Fairview 500 S. Highway 5 Fairview, TX 75069 Phone: (972) 560-0522	Ron Clary, Town Administrator – E-mail Response	August 18, 2002
City of Garland The Garland Chamber of Commerce and Garland ISD 914 S. Garland Avenue Garland, Texas 75040 Phone: (972) 272-7551 Fax (972) 276-9261	Chris Sims, Vice President of The Garland Economic Development Partnership – E-mail Response	August 21, 2002

Section III

DART and Commercial Real Estate

In our 1999 report, we examined changes in commercial occupancy rates and rents for properties located close to the new DART stations. Though the rail system did not start operating until 1996, we hypothesized that occupancies and rental rates had probably risen in anticipation of the forthcoming rail service. The results of our analysis supported this hypothesis. During the 1994 to 1998 period, proximity to DART LRT stations was a plus for most classes of property, especially Class A and Class C office buildings. We also found impressive gains, in terms of higher occupancy and rental rates, for strip retail centers located near DART stations.

Because of deteriorating economic conditions in the Dallas area over the past two years, we did not conduct a comparable analysis in this update. As the unemployment rate has jumped from 2.5 to 7 percent over the last 20 months, and as thousands of layoffs have been announced by area businesses, not surprisingly office and retail vacancy rates have surged all over Dallas County while rental rates have dropped. Indeed, as of September 2002 office vacancy rates in Richardson's telecom corridor were as high as those in Dallas' central business district.

Still, we believe when the economic recovery picks up steam, offices and retail centers close to DART LRT stations will fill up more quickly than those not served by rail because these properties will have the greatest appeal to expanding and relocating businesses.

Appendix

Interview Notes

Municipality: **City of Plano**

1520 Ave. K. Suite 300
Plano, Texas 75074-6232
Phone: (972) 941-7122

Date: July 23, 2002

Interviewee: Mr. Frank F. Turner, Executive Director of the Development Business Center

Interviewers: Dr. Bernard Weinstein and Frances Means

What has DART Rail meant to the community?

- ◆ While urban develop/redevelopment has progressed, DART is not the primary factor in the process but a catalyst in the process flow.
- ◆ Three unique light rail stations (LRT) to be developed, each with its own characteristics.
- ◆ Parking areas create planning problems for both the commuter and business owners.
- ◆ Most northern station at Park Road in the developmental stages with 10-15 yrs of opportunities to develop.
- ◆ It is hard to isolate how much growth is attributable to DART with other factors, especially the creation of the Eastside Tax Increment Financing District in 1999 that focuses on DART rail corridor. There has been \$100 million in growth since the TIF was created.

Prior to DART, was redevelopment of downtown Plano a priority?

- ◆ Yes, but DART was the catalyst for assemblage of the parcels of land to make up the development corridor.
- ◆ In the early 1980's the city officials recognized the changing importance of the downtown business district as retail and residential development boomed along I-75.
- ◆ In 1983 Plano voters recognized need for transportation access and joined 13 other North Texas communities to approve creation of Dallas Area Rapid Transit (DART) to provide bus services and to develop high occupancy vehicle lane and light rail transit (LRT). At this point in time LRT is not anticipated to develop until 2010.
- ◆ Downtown business changed in composition from primarily retail support services (grocery, drug, hardware, etc.) to short lived specialty businesses (novelty and antique shops).

- ◆ A disconnect between building owner and business owner saw a slow decay of the downtown façade.
 - ◆ In 1981, the city owned some property in downtown area that was used for surface parking.
 - ◆ City made commitment in to consolidate city government services in the downtown area and by 1991 had completed construction of the Plano Municipal Center.
 - ◆ In 1991 the Downtown Development Plan was approved by City Council with the goal of creating a compact urban center.
 - ◆ New zoning district (Business/Government) created to promote mixed-use development.
 - ◆ Inclusion of a downtown rail station recommended with connecting bus service to nearby neighborhoods and employment centers.
 - ◆ In 1993 the city announced plans to use DART LRT mainly for specialty event services.
 - ◆ In 1997 DART concluded that specialty use is not cost effective and recommended downtown LRT station to be a full-service platform. Favorable funding from local tax revenue and federal funding accelerated LRT development to a projected June 2003 service date.
 - ◆ Downtown station planned as a “destination station” without a park-and-ride lot. The 190 and Parker Road stations would be planned with large parking areas.
-

Municipality: **City of Richardson**

411 W. Arapaho Road, Suite 201
Richardson, Texas 75080-4551
Phone: (972) 744-4204

Date: July 31, 2002

Interviewee: Mr. Bill Keffler, City Manager

Interviewers: Dr. Bernard Weinstein and Frances Means

What has DART Rail meant to the community?

- ◆ LRT is seen as an important economic development tool.
- ◆ Richardson recognizes its lack of a central business district.
- ◆ Multiple activity centers located throughout the City
- ◆ LRT seen as a mechanism for business worker transport (100,000+ employees commute to Richardson daily).
- ◆ DART LRT sought as a vehicle to transport workers of the telecom industry to reduce automobile congestion. A goal of 10 percent ridership has been set. Prior to recent economic downturn, major telecom stakeholders support and promote LRT use for employees.
- ◆ Four LRT stations within City boundaries – each have unique characteristics drawing different demographic rider.

- ◆ Professional consulting groups used to fine tune station area development to best utilize facilities (CalThor and Ginsler).
 - ◆ Major consideration in land use planning – I-75 acts as east/west barrier. DART to parallel highway; great attention on appropriate development around DART stations to mitigate barrier effect. More urbane, pedestrian-oriented concepts sought.
 - ◆ Telecom Corridor supports 16 percent of total Metroplex employment.
 - ◆ Utilization of rail system for employee/commuter mobility.
 - ◆ Partnerships with Nortel, Alcatel, etc., to promote and share commuter expense.
 - ◆ City sourced outside expertise to develop Transit-Oriented Development (TOD) Plan (Urban Land Institute major contributor).
 - ◆ Five rails stations to be constructed.
 - ◆ Spring Valley and Main Street Stations seen as similar concepts – redevelopment of older portions of city and brown field development (Main Street) 800 parking spaces.
 - ◆ Arapaho Station: governmental offices – multi-modal design – park n ride 1200 space surface parking (redevelopment).
 - ◆ Galatyn Park Urban Village: major development with 4 components – high density residential, retail/entertainment, office/commercial, and public use access (green development). Hotel/symphony hall catalyst.
 - ◆ 190 Station seen as a park-n-ride with 3,000 allotted spaces for commuters (new development).
 - ◆ Use of 4A & 4B funding, no CBDG funds – locally utilized funding, no downtown associations. Richardson only city in DART that has not had a vote at some point in time to leave DART.
 - ◆ Public support great with no opposition to LRT development.
-

Municipality: **City of Grand Prairie**

206 W Church St.

Grand Prairie, Texas

Phone: (972) 237-8319

Date: August 7, 2002

Interviewee: Daon Stephens, Transportation Planner

Interviewer: Frances Means (via telephone)

What has DART Rail meant to the community?

- ◆ Grand Prairie not a member of DART.
- ◆ Mass development seen as a serious need for Grand Prairie. Recent attempts to partner with the City of Arlington to create a Transit alliance. Arlington voters not supportive in recent election.
- ◆ Mass transit development put on hold.

- ◆ Grand Prairie does not have the revenue source necessary to join DART. Tax revenues are already at a maximum.
 - ◆ Economic development continues but lacks the mass transportation component.
 - ◆ Discuss short and brief, as any mass transit development inclusive of LRT is not presently in Grand Prairie's near future. Mr. Stephens stated that the North Texas Council of Governments had just completed study relating to this.
-

Municipality: **City of Carrollton**

1945 E. Jackson Rd.
Carrollton, Texas 75006
Phone: (972) 466-3040

Date: August 7, 2002

Interviewee: Christopher Barton, Chief Planner

Interviewer: Frances Means

Email report to Dr. Weinstein:

This morning's meeting at the City of Carrollton went well. Mr. Webb was unavailable and had me meet with Christopher Barton, Chief Planner. Mr. Barton spent an hour with me discussing the 3 planned LRT stations. Similar to Plano, Carrollton is focusing on a "Renaissance" for its downtown center, and urban type setting similar to Addison Center for the Trinity Mills Station and the Frankford Station as a park 'n ride with heavy use for Denton commuters. In this morning's Dallas Morning News there is an article about Dallas leaders attempting to delay suburban rail development to focus on a Love Field stop. Mr. Barton said there was an intense eruption in his office this a.m. from the article. Carrollton has been given four delay dates so far for the DART LRT development with the most recent date to be Dec. 31, 2007. It was very interesting to hear that community support of the light rail is extremely positive. Mr. Barton stated that in all his years of working in government, this was the first major project that he worked on that did not receive any negative input for the local community. The residents of Carrollton are anxious to get the DART LRT and are starting to become impatient with DART and its delays. Carrollton has utilized some outside consultants for land use development concepts. Mr. Barton gave me a CD that has conceptual plans for the LRT development.

Other Notes:

- ◆ LRT seen as component to push community development.
- ◆ Three stations to be constructed; three separate land use plans for each station.
- ◆ Downtown Carrollton – Renaissance initiative – true old downtown center. Redevelopment around old downtown character to include retail and

- residential components. Some surface parking 200 spaces planned. May limit new construction in downtown area to preserve character.
- ◆ Trinity Mills Station – development of flood plan area around the newly constructed George Bush Highway. Intent is to develop as commuter station with local services for community – attempting to model after Addison Center site.
 - ◆ Frankford Station perceived as a park-n-ride center serving commuters from Denton. Hebron Parkway viewed as last major new economic development area.
 - ◆ Valwood Improvement District major source of funding for city's development. City will continue to develop land west of I-35 with focus on light industrial.
 - ◆ Community extremely positive to LRT development. Anxious to see results. Concern expressed over construction delays. Carrollton last city on DART LRT line development. Tension noted over DMN article on Love Field Station and possible delays to suburban LRT development.
-

Municipality: **City of Irving**

825 W. Irving Blvd.
Irving, Texas 75060
Phone: (972) 721-2166

Date: August 13, 2002

Interviewees: James (Jim) Cline, Jr., and Traffic & Transportation Director
Philip (Phil) Baker, Exec. Director, Insignia/ESG – real estate develop.

Interviewers: Dr. Bernard Weinstein and Frances Means

What has DART Rail meant to the community?

- ◆ Irving presently benefits from the Trinity Rail Express (TRE). Anticipation of the LRT into Las Colinas with multi-route plans to DFW Airport seen as greatest driving force for economic development. LRT development focused on north Irving (north of 183)
- ◆ Mixed-use primary utilizing TOD concepts for conceptual plan.
- ◆ Business community extremely supportive with the City attaining the necessary easements from current property owners without offering incentives or monetary compensation. Green field alignment for new development achieved via deed restrictions.
- ◆ University of Dallas Station first LRT within vicinity of major educational institution in system. Some issues under consideration include future development of Texas Stadium.
- ◆ South Las Colinas Station seen as mixed use with high-density residential, retail, and commercial office urban setting.
- ◆ Development of Love Field Station seen as a positive impact upon Irving LRT development. The ability of business people to access two major airports greatly accepted by community.

- ◆ Employment in north Irving – 100,000+ with many commuters. Rail seen as a necessity to reduce vehicular traffic congestion.
 - ◆ Three primary factors promoting LRT: economic development, servicing the existing community, and pulling traffic off of Highway 114.
-

Municipality: **City of Farmers Branch**

13000 William Dodson Pkwy.
Farmers Branch, Texas 75381-9010
Phone: (972) 919-2515

Date: August 14, 2002

Interviewees: John Roach, Asst to City Mgr. & Kaizer Rangwala, Director of Planning

Interviewers: Dr. Bernard Weinstein and Frances Means

- ◆ Farmers Branch will have one LRT Station. Community input has been greatly sought to insure the best possible development for the City. The present park-n-ride location is the tentative site for the LRT station.
- ◆ City made up of 12 square miles developed into 3 unique sections:
 - Valley View to Josey is the retail corridor;
 - Old Farmers Branch is southern boundary of city to Valwood Parkway; and
 - I-35 to City Hall.
- ◆ Eighty percent of the tax base is derived from business.
- ◆ DART LRT development seen as mixed-use development with the creation of a new neighborhood.
- ◆ Rail is an important component in development but not the primary or key component. LRT transportation seen as a great benefit.
- ◆ Community support extremely strong. Residents anxious to see results. Station scheduled for service in 2008.
- ◆ Addison Circle used as model for Station development. Retail/restaurants, personal and professional office space, as well as urban residential units are desired within walking distance of LRT Station.
- ◆ Attention being paid to traffic patterns with the intent of creating more pedestrian friendly amenities
- ◆ Multi-modal connections with intent to reduce surface parking requirements and better land use.
- ◆ TIF #1 and TIF #2 in place to spur infrastructure development.
- ◆ Love Field Station viewed to be a positive benefit for Farmers Branch residents/employers with access to two major airports readily available. But, delays to Farmers Branch station not acceptable if construction of Love Field Station proceeds.
- ◆ Mr. Roach requested copy of final report to DART for their files. Presently researched all aspects of LRT nationwide to be able to assist in Farmers Branch planning process.

Municipality: **City of Fairview**
500 S. Highway 5
Fairview, TX 75069
Phone: (972) 560-0522

Date: August 18, 2002
Interviewee: Ron Clary, Town Administrator
Interviewer: Frances Means (via e-mail question/response)

E-mail from Frances Means to Ron Clary. Questions sent are numbered and in bold type. Responses from Mr. Clary are shown below the questions in non-bolded type:

- 1) How do you, as a government official, perceive DART Light Rail Transit (LRT) will impact your community? What kinds of commentary are you receiving from the community?**

Both our planners and our gov't officials (Planning & Zoning and Town Council) believe that DART is a potential significant benefit to our community. Primarily it will influence how we plan our development in what we term our "Commercial District".....because of the DART rail proximity, we are planning a 'Town Center' concept (somewhat urban & dense around the center) and the DART station would be an integral part of that Town Center area.

We had early favorable comment from our community when we began our commercial planning. Now that the planning process has matured, our comments are currently favorable but few in number.

- 2) Are there differences in the comments from private citizens vs. the business community?**

No. Since we have very little business currently in Fairview, there is not a 'business' community in Fairview.

- 3) Is the rail system influencing the land use around the stations? How is the city directing the land use around the rail corridor?**

Yes. The potential of DART stations is influencing the planning for the areas near the stations. We have established a master plan for our commercial area and are working closely with one larger developer who controls most of the areas where a DART station might be located. The developer has been supportive of our town's planners and their ideas about station location.

- 4) Is the DART LRT influencing mixed-use property development?**

Yes. As mentioned earlier we are working on a “Town Center” concept with mixed-use retail and apartments at the core of the development.

5) Is the city using any incentives for private development of the areas near light rail stations?

Not at this time.

Municipality: **City of McKinney**

222 N. Tennessee
McKinney, Texas 75069
Phone: (972) 547-7503

Date: August 19, 2002

Interviewees: Don Dozier, Mayor

John Childers, Chairman of the McKinney Transportation Committee
Regie Neff, Asst. City Manager
Larry Robinson, City Manager

Interviewer: Dr. Bernard Weinstein

- ◆ City of McKinney wants some form of public transit – seen as important component for economic growth.
- ◆ Uncertain if DART will be in on City's horizon:
 - Extending the LRT to McKinney is not economically feasible for DART – need 1 percent tax revenue to join. Earliest benefits would not be realized until 2013 or later.
 - How can McKinney join DART?
 - Present tax revenues (4A & 4B funds) already included in city operating budget.
 - Difficulty seen if City attempts to reallocate funds for DART.
 - Hard to give up present economic sandbox.
 - McKinney has high property tax rate. Unbalanced distribution of tax base – 2/3 residential to 1/3 commercial – need more commercial development to offset tax burden on residents.
- ◆ Possible hope that State Legislature will raise cap or exempt transit systems from cap.
- ◆ Presently no TOD occurring in McKinney.
- ◆ CCART – Collin County Area Rapid Transit – established with Fed grant moneys to help Senior Citizens mobility within the community.
- ◆ (Option 1) Possible plan to utilize CCART service to transport riders to Parker Road DART LRT Station – available for all age groups. City interested to determine the demand for proposed DART LRT services.
- ◆ Discussions regarding building some sort of garage facility on I-75 as a park-n-ride (bus service) to the DART LRT station.

- ◆ (Option 2) Also in fall 2002, Texoma Area Paratransit System (TAPS) to offer commuter link from Sherman to the Plano Parker Road station with possible stop in McKinney. Possible conflict with TAPS picking up riders from a different COG than one it was chartered under – legal implications being researched by Mark Howser, City Attorney.
 - ◆ (Option 3) Hire an independent transit company (similar to one used in Denton) to move people from McKinney to DART LRT station.
-

Municipality: **City of Garland**

The Garland Chamber of Commerce, &
The Garland Independent School District
914 S. Garland Avenue
Garland, Texas 75040
Phone: (972) 272-7551
Fax: (972) 276-9261

Date: August 21, 2002

Interviewee: Chris Sims, Vice President, The Garland Economic Development
Partnership

Interviewer: Frances Means (via e-mail question/response)

E-mail from Frances Means to Chris Sims. Questions sent are numbered and in bold type. Responses from Mr. Sims are shown below the questions in non-bolded type:

- 1) How do you, as a government official, perceive DART Light Rail Transit (LRT) will impact your community? What kinds of commentary are you receiving from the community?**

Downtown LRT: As economic development director, we have some challenges for our downtown station. We have very high expectations for redevelopment from older, very “mom and pop” retail into more eclectic, younger, higher quality retail but also realize we do not have good enough demographics currently to support it. We hope this LRT will bring enough attention for a multi-family developer to build some higher density and higher income demo residential. The non-downtown residents are excited about the LRT only to the extent that they will have another way of travel to other inner city destinations. As far as the inner city coming to Garland, that is another matter because we don't have any regional entertainment/restaurant/retail attractions in downtown Garland. The time it takes to travel to the other inner city destinations will weigh in when it comes to a suburban “automobile” community as we are. Which is faster and more convenient, the train or the car? Current estimates are that it would take about 1 hour to travel to Downtown Dallas from Downtown Garland by rail when one can get there in 30 minutes by car.

Forest Lane LRT: This station was primarily developed to serve an industrial employment area so expectations from the community are very low in regards to redevelopment projects of any sort.

2) Are there differences in the comments from private citizens vs. the business community?

There really aren't any differences in the opinions or attitudes from these two groups. The business community welcomes it but is waiting to see what developments it helps spur.

3) Is the rail system influencing the land use around the stations? How is the city directing the land use around the rail corridor?

So far the rail system has not influenced a private real estate developer to consider any type of development at either station. The Economic Development Office is constantly talking to developers and brokers regarding the city's strong desire to redevelop the Downtown. The city has also spent a great deal of time and money on land use plans with Wallace, Roberts, and Todd, proven urban designers.

4) Is the DART LRT influencing mixed-use property development?

Not so far

5) Is the city using any incentives for private development of the areas near light rail stations?

The city has offered unlimited incentives for private development, but the marketplace has not responded. It seems that incentives don't drive development but demographics do, and that has been our main problem, enhancing the demographics downtown.

Side Bar comment: The proximity to Hwy 75 for Mockingbird Station and Richardson and Plano stations has made a good argument in support of redevelopment at those stations, particularly multi-family. Garland's two LRT stations are at much greater distances from major freeways thus damaging our attractiveness for redevelopment.

Municipality: **City of Allen**

City Hall
One Allen Civic Plaza
Allen, Texas 75013
Phone: (972) 727-0110
Fax: (972) 727-7502
E-mail: pvargas@ci.allen.tx.us

Date: August 22, 2002

Interviewee: Peter Vargas, City Manager

Interviewer: Dr. Bernard Weinstein

Notes from Dr. Weinstein's meeting:

- ◆ The city of Allen is very supportive of public transit in general and DART in particular, even though they have neither right now.
- ◆ Mr. Vargas feels the voters of Allen would be willing to give up the 4A or 4B (maybe both) to join DART. The determining factor will be how long it is estimated to take to extend the line from Plano to Allen. In other words, how long would the citizens of Allen have to wait before receiving service?
- ◆ As an interim step, they would want connecting bus service to the Parker Road station in Plano.
- ◆ The City of Allen has an "old town" they want to renew and feel that DART light rail can be a catalyst, or at least an amenity.
- ◆ The city only wants one station, and that would be the Old Town station.
- ◆ Allen's CBD redevelopment plan shows how the DART rail fits in to their new library and other proposed civic amenities.
- ◆ Unlike most cities in the Metroplex, Allen's finances are in good shape. They have used their 4A and 4B very judiciously.

Notes from Redevelopment Plan provided to Dr. Weinstein:

- ◆ Allen has history of rail service in early transportation development.
- ◆ Fast growth in past 10 years.
- ◆ Attracting more highly educated, technically savvy demographic.
- ◆ Allen has a substantial area of land still open for development – excess of 40 percent
- ◆ Identified need to reassess strategy for land use. Infrastructure needs serious assistance to attract commercial development.
- ◆ Development goals include enhancement of vehicular patterns, increase pedestrian traffic, joint partnering with Economic Development officials and the Chamber of Commerce.
- ◆ Transportation corridor focused on vehicular traffic.
- ◆ Mention of LRT in report recognizing this transit option as a benefit for future development.

- ◆ Suggested location of LRT line would be north of Main Street complementing planned parking concepts and encouraging bicycle and pedestrian traffic in the Allen (CBD) area. DART seen as a catalyst for development.
-

Municipality: **Best Southwest Cities Partners**

(Duncanville, DeSoto, Lancaster, Cedar Hill, and Midlothian)

Met at: Thorntree Country Club
825 W. Wintergreen Road
DeSoto, Texas 75115

Date: August 28, 2002

Interviewees: Hon. Joe Tillotson, Mayor - Lancaster
Hon. James O'Neal, Mayor Pro Tem - Lancaster
Hon. Glenn Repp, Mayor- Duncanville
Mr. Rudy Oeftering, Chair, Best SW Partners - DeSoto
Mr. David Vedral, Legislative Chair, Best SW Partners – Midlothian
Mr. Steve Smith, Best SW Partners – Cedar Hill

Interviewers: Dr. Bernard Weinstein and Frances Means

- ◆ None of the Best SW Cities Partners are members of DART.
- ◆ 4A & 4B tax revenue is maxed out.
- ◆ Looking for State Legislature to make change for transportation revenue sources.
- ◆ DART seen to focus on development in northern portion of Dallas County.
- ◆ Mention of Burlington Rail to construct/develop a commuter rail line.
- ◆ Presently freight rail in 4 of 5 communities present.
- ◆ Possible suggestion of a rail line similar to Trinity Rail Express (TRE).
- ◆ Discussion of NTCOG study of rail use. Awaiting results.
- ◆ Can visualize a Waxahachie to downtown Dallas commuter rail line.
- ◆ Presently no plans for LRT development in southern sector. Aware of economic issues of present TRE service – scheduling issues apparent.
- ◆ LRT quoted at \$40 million/mile to construct – commuter rail maybe more viable option.
- ◆ Recognize problems:
 - Non-attainment area.
 - Fewer transportation options for residents compared to other Dallas County communities.
 - Traffic increasing – not enough \$\$ to build highways.
 - Long-term transit problems recognized.
- ◆ When asked, “Would an increase in sales tax pass voter approval?” the answer was a resounding NO. (Recent election in Arlington cited with Arlington residents defeating mass transit initiatives.)
- ◆ Need to educate public – grave need to get public up to speed.
- ◆ Lancaster has benefited dramatically from use of 4A funds – would be difficult to redirect revenues.

- ◆ Dallas able to tap into federal funding.
- ◆ DART seen as being difficult to do business with – boondoggle similar to City of Dallas – lack of cooperation between Dallas and southern sector cities.
- ◆ Cities will put funds into economic development in which they have control of funds – want to see return for investment in shorter time frame than currently demonstrated by DART, i.e., 5 to 7 years instead of 15 to 20 years.
- ◆ Vision centers on commuter rail for economic development in next 20 years – need to become ‘destination cities.’
- ◆ Cedar Hill presently does not have any type of rail service but sees need for regional solution to relieve burden of NAFTA highway congestion.