Southern Sector Retail Strategy

Economic Development & Housing Committee
April 11, 2006
INTRODUCTION

• Sustainable communities have a balance of economic and social activities: residential, open space, retail and commercial uses.

• Such communities through their retail and commercial centers meet a variety of public and private needs: places to access goods and services, places to gather, places to take in the shared experience of the community through its street life.
INTRODUCTION

• Purpose of this presentation is to propose a strategy to promote retail development in Southern Dallas, targeting key geographies, that support sustainable communities.
INTRODUCTION

This presentation will:

- Look at existing conditions in a context consistent with Forward Dallas
- Suggest a development strategy focused on retail opportunities
- Describe specific development opportunities
- Discuss City’s role in influencing future development
• Today, the Southern Sector represents:
  • Dallas’ most underdeveloped land area (21% undeveloped)
  • Half of the city’s land area and population
  • Sparse population concentrations

• Tomorrow, Dallas:
  • Will be one of 10 metro regions in U.S. generating significant housing demand in transit zones
  • Is expected to have 56% regional and household growth by 2025 but transit zone growth of 364% according to a FTA study
BACKGROUND

• Retail in Dallas
  • Dallas has the highest number of shopping centers per capita in U.S. and 42K s.f. of retail per 1,000 population (double the national average)

• Retail in Southern Dallas
  • 76% of the city’s retail locations (33M s.f.) and 82% of the city’s retail sales ($16B) outside of Southern Sector
  • Lack of available retail outlets causes Southern Sector residents to shop in surrounding communities
BACKGROUND

- Economic Factors Influencing Retail in Southern Sector
  - Median household income 30% less than rest of city ($35.6k vs. $49.8K)
  - Median home value less than half of rest of city ($60k vs. $134k)
  - Per capita income 43% of rest of city ($12.3K vs. $28.3K)
BACKGROUND

• Previous strategic efforts supporting retail included:
  • Building needed frontage roads (access)
  • Facilitating business parks and job opportunities (income)
  • Capitalizing on regional growth opportunities and demographic changes through development of new “rooftops” (demand)

• Next phase gets into the “trenches” with data research, bond and Public/Private program funding, and the inducement of top tier developers into targeted areas
Since 2000, retail success stories in Southern Dallas include:

- Albertsons @ Jefferson
- Albertsons @ Hampton
- Wal-Mart, Lowe’s, Best Buy, Starbucks, etc. @ Pinnacle Park
- Home Depot @ Fort Worth Ave.
- Wal-Mart & PetsMart @ Wheatland
- Fiesta @ Buckner
- Carnival @ W. Illinois
- Minyards @ Camp Wisdom
- Numerous branch banks and pharmacies
SOUTHERN SECTOR OPPORTUNITIES

- Land less expensive
- Retail market underserved
- Limited infrastructure allows public sector to influence future development
- *Forward Dallas* indicates citizen support for prioritizing Southern Sector development
- Retailers and developers showing interest in potential development opportunities
- Tremendous development potential along southern border
  - NAFTA Corridor Impact Zone, UNT Campus, I-20/US 67 Intersection
SOUTHERN SECTOR CHALLENGES

• PATTERNS OF CONCENTRATION
  • Lack of population concentrations and significant employment centers are primary barriers to development
IMMEDIATE FOCUS

- TIMING CONSTRAINTS
  - UNT Campus development delivered 2012
  - NAFTA Corridor build-out a 10-year plus project
  - New retail center in Cedar Hill impacts re-tenanting of Southwest Center Mall

- To change momentum and configuration of land development in Southern Dallas, we need “early victories”
  - Support new retail center I-20/Hampton Rd.
  - Make Wynnewood Village redevelopment a top priority
IMMEDIATE FOCUS

- Connect anchor development opportunities in the I-20 corridor to the Center City via DART and Transit-Oriented-Development (TODs)
  - Focus on the development of DART station areas of Westmoreland/Illinois, Lancaster-Kiest/VA Medical Center, Fair Park and Cedars
RETAIL OPPORTUNITIES & SUCCESSES

Transit Locations & Opportunities
- Red Line Rail Stations
- Blue Line Rail Stations
- Future Rail Line/Stations

Opportunities
- Proposed Power Center
- Southwest Center Mall
- Westmoreland/ Illinois
- Wynnewood Shopping Center
- Lancaster-Kiest Shopping Center

Successes
1 Albertsons
2 Albertsons
3 Home Depot
4 Petsmart/Wal-Mart
5 Fiesta
6 Carnival
7 Minayard
8 Wal-Mart/Lowes

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STRATEGY

- Coordinate efforts with Housing Department initiatives and with *Forward Dallas*
- Facilitate the creation of communities that are centers of sustainable activity (housing, employment, sense of place, etc.) that generate retail opportunities
  - Requires anchors (various types)
  - Long-term viability enhanced by transit systems – connectivity and accessibility
  - Quality of life, job opportunities, tax revenue
• Utilize information from retail market data project to target specific retail gaps within Southern Sector market areas:
  • Identify potential redevelopment locations and neighborhood in-fill areas
  • Facilitate property owner, developer and retailer interaction with economic development program incentives/tools
  • Recruit retailers and developers using retail data and demographic information as economic rationale
• Focus on anchor areas that serve as demand generators and can nurture sustainable mixed use urban centers if properly planned and zoned
  - Wynnewood Village, UNT-Dallas, NAFTA Trade Corridor, Retail dominated area around I-20 and US 67

• Connect anchor areas via DART to each other and the center city
Recent successes and an ongoing emphasis on sustainable communities and transit oriented development, provide the greatest opportunities for retail development in Southern Dallas.