

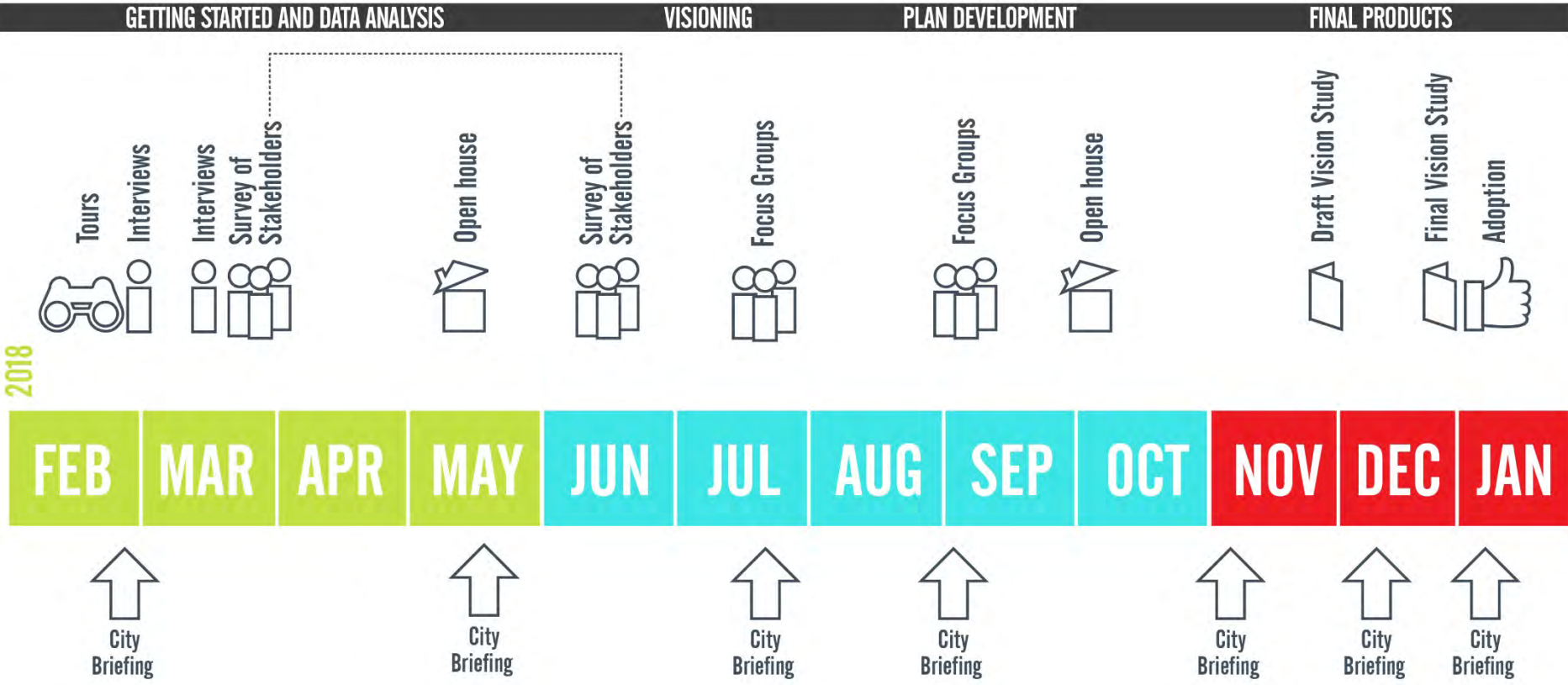


COLLINS / ARAPAHO TOD & INNOVATION DISTRICT STUDY

INTERFACE STUDIO
NINIGRET PARTNERS
BIG RED DOG ENGINEERING

MAY 21, 2018
CITY COUNCIL

SCHEDULE



Public outreach

- Richardson Today
- Facebook (@richardsonredevelopment)
- Project webpage
(www.cor.net/collinsarapaho)

Help determine the

FUTURE of the TELECOM CORRIDOR®

We are envisioning the future of the district around the Arapaho Center DART station and we need your help!

Date:

Wednesday
May 23, 2018

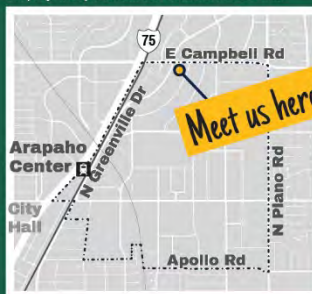
Time:

Drop in anytime
between 5 - 8 pm

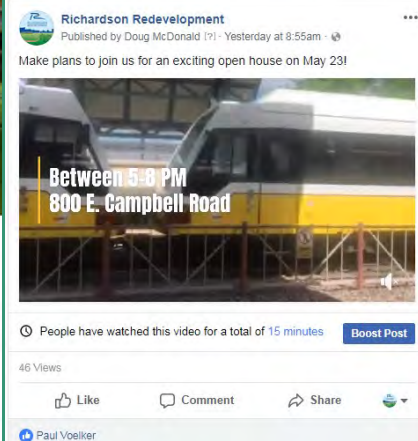
Location:

In the Atrium of 800 E Campbell Road
Richardson, TX 75081

Stop by an open house to share YOUR IDEAS!



If you have any questions, please contact
Doug McDonald at 972-744-4243 or doug.mcdonald@cor.gov



Public outreach by the numbers

20 Interviews

375 Surveys (as of 5/21/18)

16 Wildflower tickets

4 Tours

1,477 Postcards

5,698 Next Door accounts

28 Median signs

Agenda



1. Understanding Richardson

- What we've heard
- What we know

2. Key planning framework

- Growth patterns in North Texas
- Housing versus commuting
- Richardson's tech story is evolving
- District space is a challenge and asset
- Creating a place

1

Understanding Richardson

- What we've heard
- What we know

What we've heard

(so far from 20 interviews and a few tours)

- > Richardson is in a sweet spot - cheaper to (re)develop than Dallas and not as far as greenfields to the north
- > Developing Arapaho Station is an opportunity to activate and redefine the area
- > Richardson is business friendly and has the space for larger assets and for businesses to scale up
- > This has always been place for innovation and UTD is a key innovation asset
- > The existing building stock is old but serves as effective, inexpensive space for small businesses
- > Getting around the district (without a car) is not easy and public spaces need to look better

What we know

- > 53% of Richardson residents have a BA or higher
- > 1 in 4 Richardson residents were born in another country
- > Richardson's diversity helps it with the global talent pool drawn to DFW
- > Estimated employment is 96,000 to 130,960
- > Employment has been steadily growing, mostly due to growth in financial services
- > The study area contains over half of the businesses in Richardson and 20% of the jobs
- > Arapaho Center Station is on par with surrounding stations for weekday ridership but falls behind annually due to lower weekend ridership

2

Key planning framework

- Growth patterns in North Texas
- Housing versus commuting
- Richardson's tech story is evolving
- District space is a challenge and asset
- Creating a place

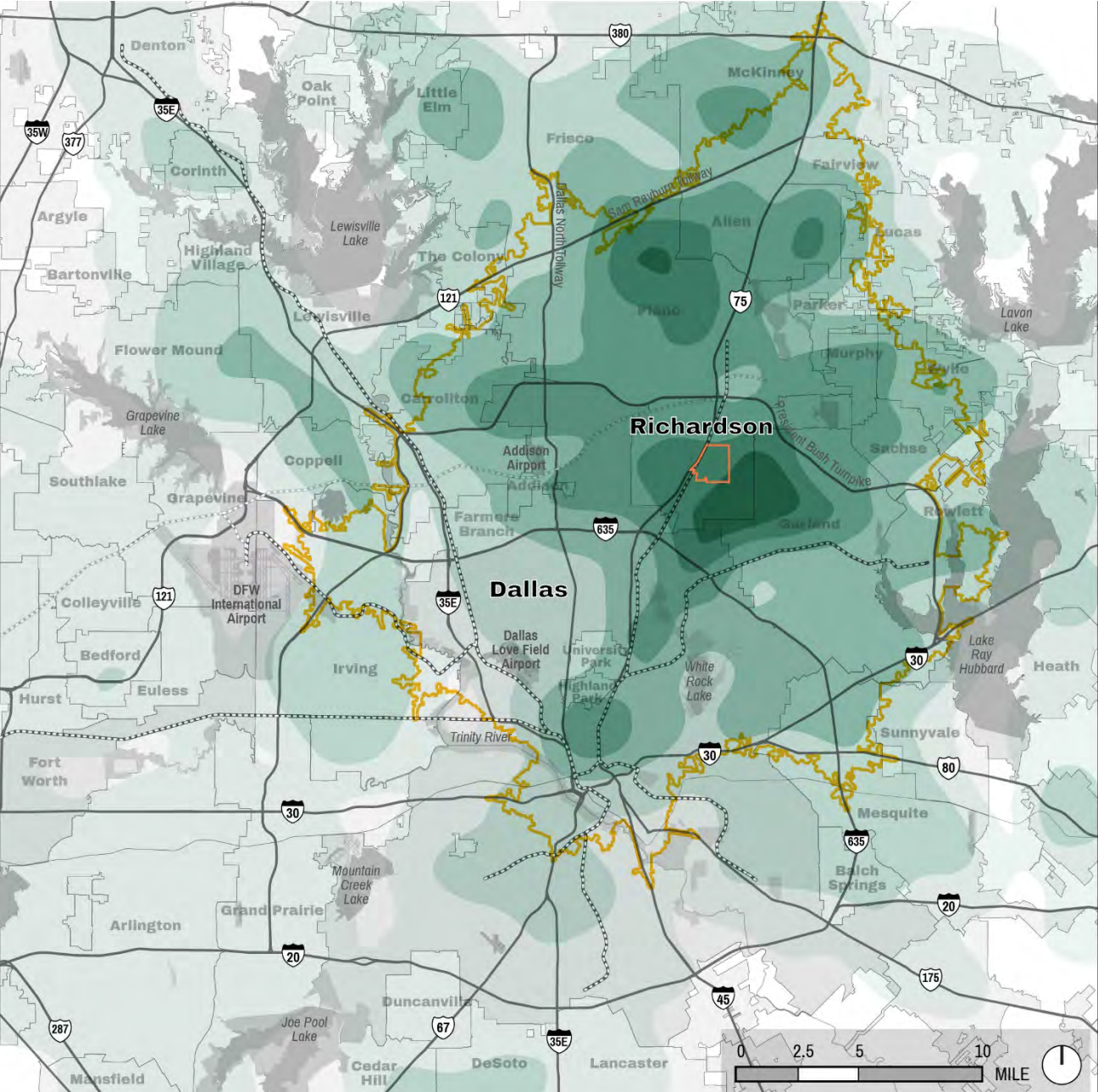
Growth patterns of North Texas will influence the redevelopment of the study area

“Richardson will be the low hanging fruit in the next cycle. Everything south has already been gobbled up and is 10 times more expensive to redevelop. The north is new but you’re driving forever.”

“This is almost becoming Dallas...it’s all filling in.”

“Legacy West is great but traffic is terrible.”

Most workers in the district live within a 45-minute drive and almost half live within 20 minutes

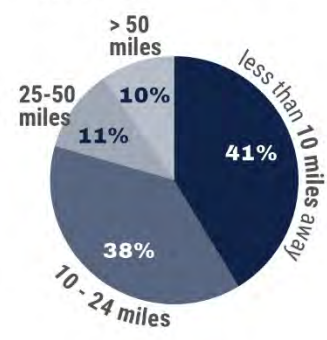


Where People Working in Study Area Live

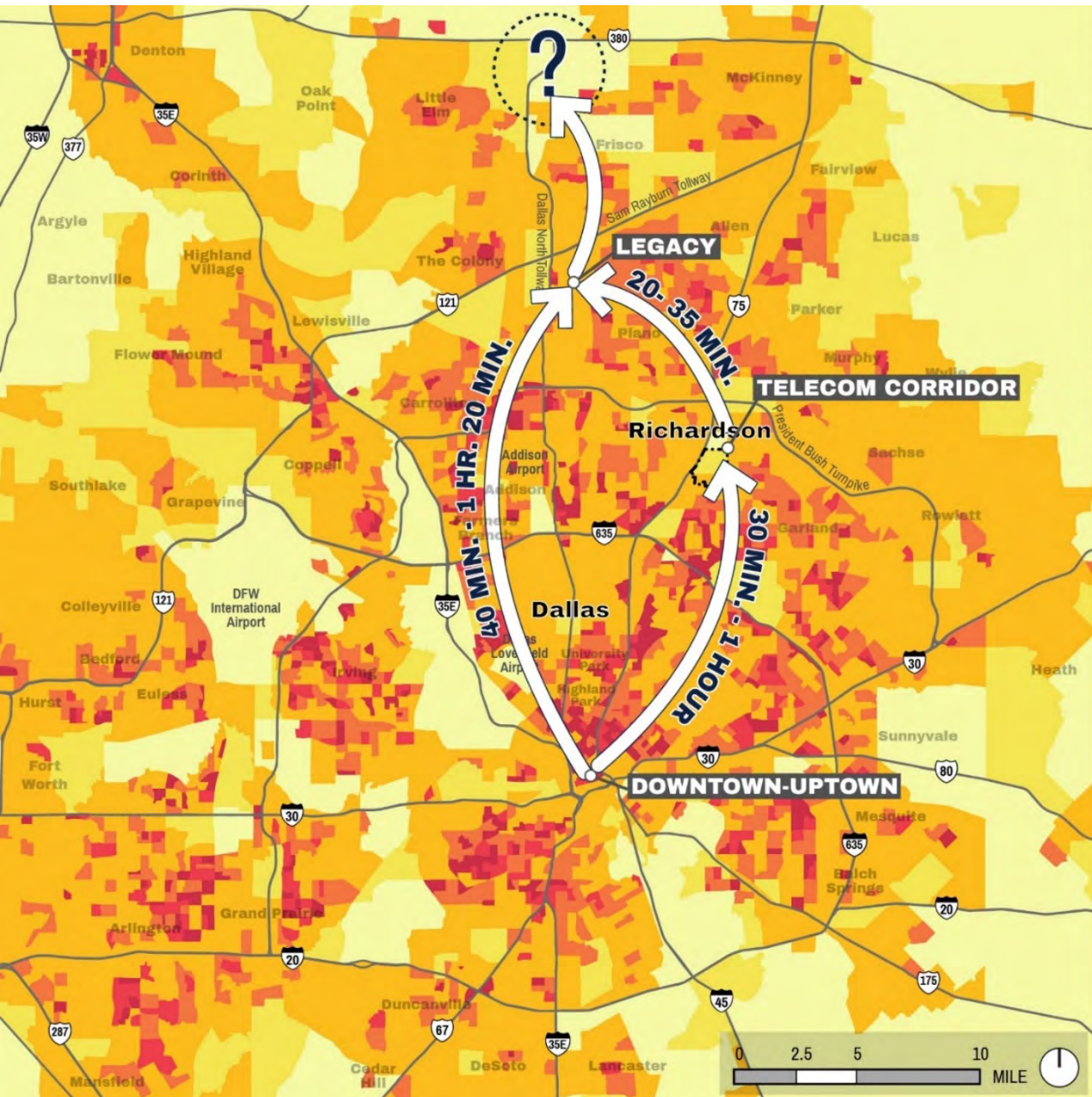
Source: Census, OnTheMap Application And LEHD Origin-Destination Employment Statistics (Beginning Of Quarter Employment, 2nd Quarter Of 2002-2015).

- STUDY AREA
- 0 - 1 WORKERS/SQ. MILE
- 2 - 5 WORKERS/SQ. MILE
- 6 - 15 WORKERS/SQ. MILE
- 16 - 30 WORKERS/SQ. MILE
- 31 - 45 WORKERS/SQ. MILE
- 46 - 60 WORKERS/SQ. MILE
- 61 - 73 WORKERS/SQ. MILE
- 45-MIN RUSH HOUR DRIVE

▶ I WORK IN THE STUDY AREA AND I LIVE...



How far is too far? As traffic worsens, redevelopment becomes more and more attractive.



Population Density 2016 (per sq. mile)

Source: ACS 2016 5-yr est. (By Census Block Groups)

STUDY AREA

- 0 - 500
- 500 - 1,000
- 1,000 - 5,000
- 5,000 - 7,500
- 7,500 - 10,000
- 10,000 +

RUSH HOUR COMMUTE TIME

Dallas North Tollway is an important locational competitor for talent

As job centers continue to expand outward, so will commute times

Most workers in the Study Area live within a 45-minute drive and almost half live within 20 minutes

Access to talent is going to become about housing versus commuting time

“In the last 2 years, the reverse commute has gotten worse with people living in Dallas and going to work in Legacy.”

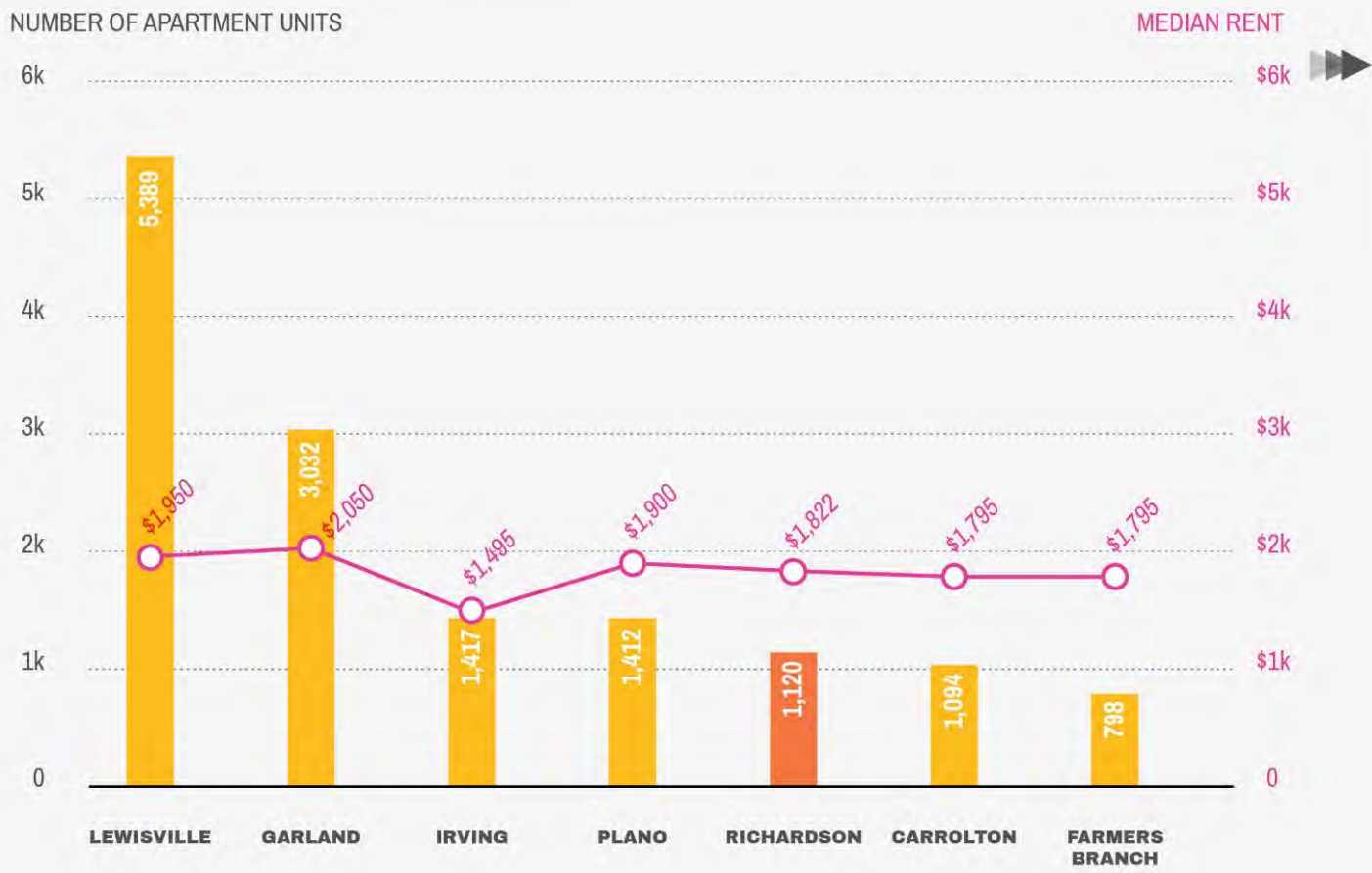
Richardson housing comparison

- > In areas with similar housing and proximity to jobs, the rail in Richardson provides commuting advantages
- > When comparing similar 1st-ring suburbs, Richardson is at the midpoint in terms of price (\$366,840 average listing)
- > But has among the lowest available inventory (239 unit for sale on the market in April)

As of April 22 there were 14,000 apartment units on the market in 1st-ring suburbs

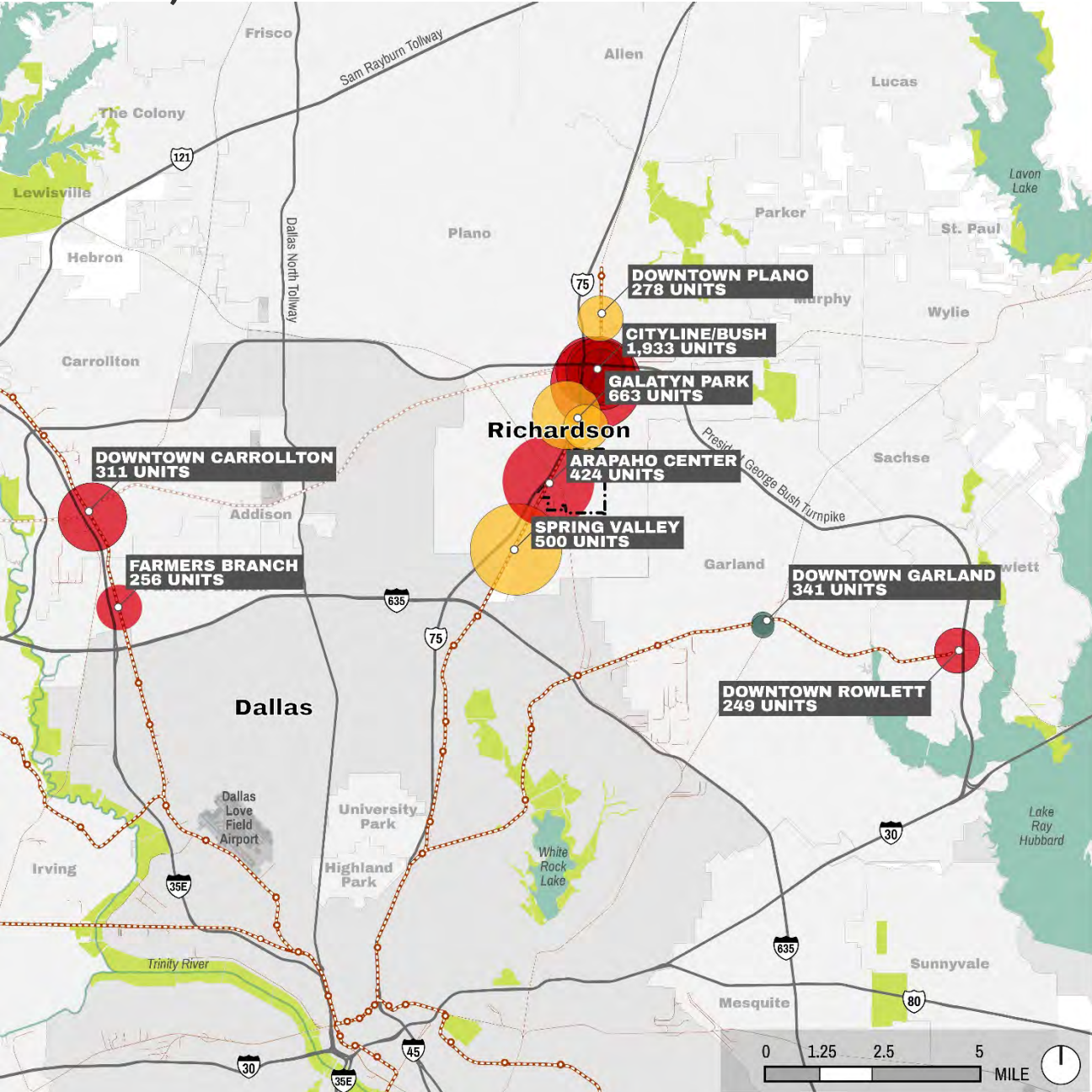
HOUSING RENTAL MARKET

SOURCE: NP ANALYSIS OF TRULIA @ APARTMENTS.COM - APRIL 2018 QUERY



**RICHARDSON HAS
1,120 UNITS**

Approximately 5,200 units of suburban TOD housing exists, over 3,500 units are in Richardson



Suburban TOD Housing Developments

Source: Apartments.com, Apartmentfinder.com

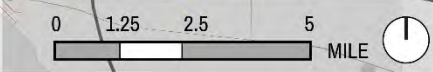
- STUDY AREA
- DART RAIL SYSTEM
- OTHER RAIL

AVERAGE RENTS PER SQUARE FOOT

- LESS THAN \$1.20
- \$1.21 - \$1.40
- \$1.41 - \$1.60
- \$1.61 - \$1.80

OF UNITS

- 100 - 200
- 201 - 300
- 301 - 400
- 401-500



Cityline is already proving to be very successful as a mixed-use development



Nearby the Arapaho Center
DART Station, there is multi-
family housing.



Arapaho Center is ripe for TOD but what is the development mix?

STATION AREA CHARACTERISTICS (WITHIN 1/2 MILE RADIUS)
 SOURCE: NCTCOG, DART, ACS 2014 5-yr est. by block groups

DOWNTOWN PLANO

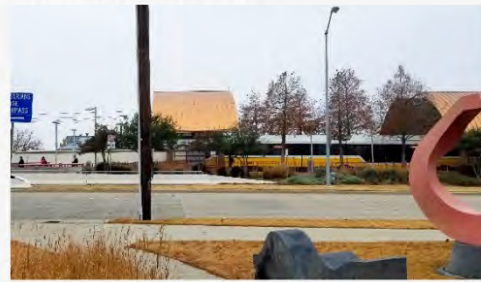


RIDERSHIP 600 (weekday avg.)

PRIMARY ACCESS MODE TO STATION:
Walk (56%)

KEY DEVELOPMENTS:

ARAPAHO CENTER



RIDERSHIP 1,100 (weekday avg.)

PRIMARY ACCESS MODE TO STATION:
Transit Transfer (49%)

KEY DEVELOPMENTS:

CITYLINE/BUSH



RIDERSHIP 1,400 (weekday avg.)

PRIMARY ACCESS MODE TO STATION:
Drive alone (49%)

KEY DEVELOPMENTS:

SPRING VALLEY



RIDERSHIP 1,300 (weekday avg.)

PRIMARY ACCESS MODE TO STATION:
Walk (43%)

KEY DEVELOPMENTS:

GALATYN PARK



RIDERSHIP 400 (weekday avg.)

PRIMARY ACCESS MODE TO STATION:
Walk (71%)

KEY DEVELOPMENTS:

LBJ/CENTRAL



RIDERSHIP 1,200 (weekday avg.)

PRIMARY ACCESS MODE TO STATION:
Walk (42%)

KEY DEVELOPMENTS:

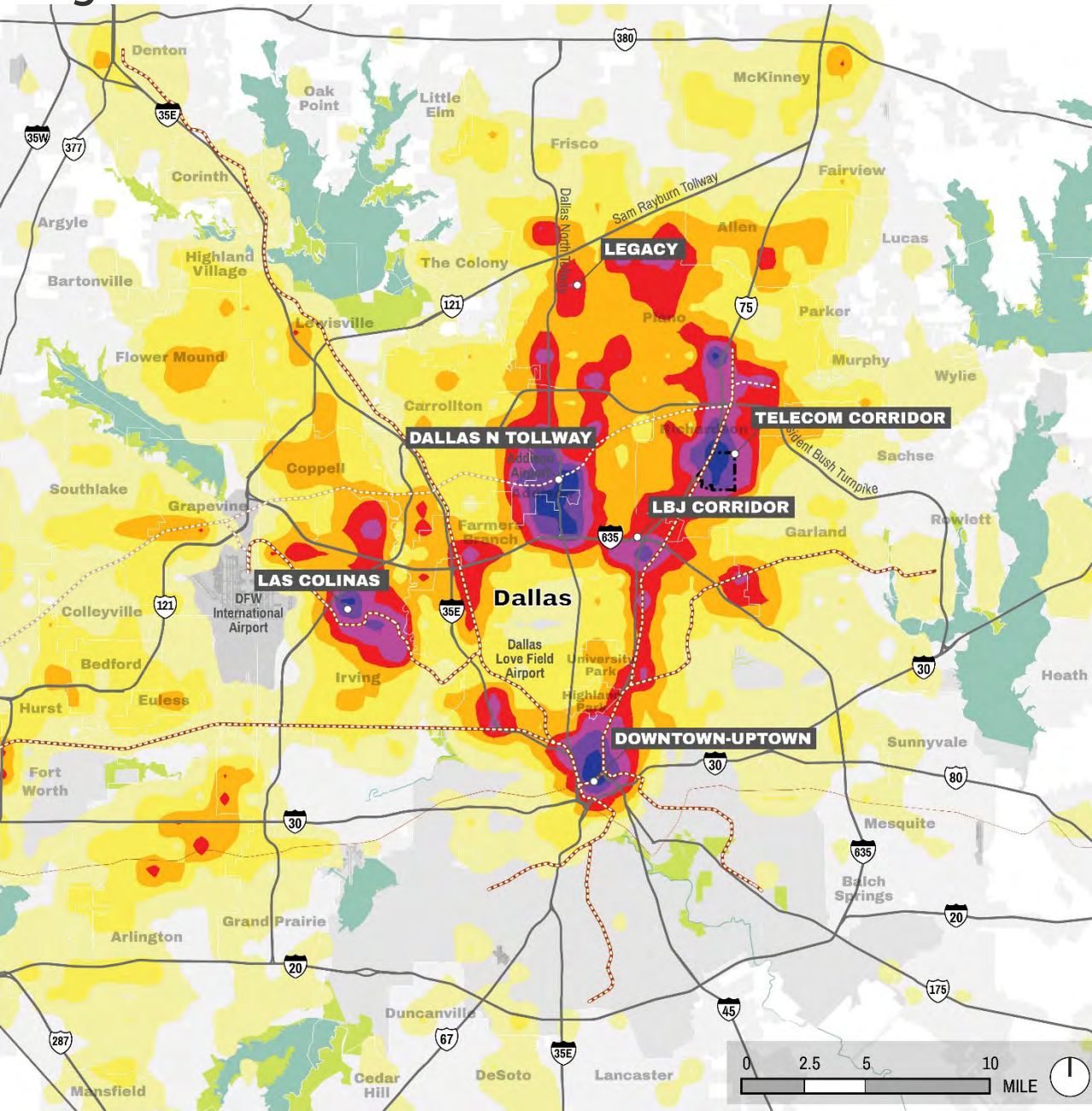
The tech story for Richardson is evolving

“If you’re really looking to innovate, are you going to choose Richardson to do that?”

“Downtown Dallas has become a strong competitor for the kind of tech companies Richardson used to get...Downtown Dallas is cool...but they can’t fit larger assets like Richardson.”

“We are looking for the next UTD student with entrepreneurial spirit. Stickiness is important. We have the operational excellence that it takes to scale the opportunities to come.”

Richardson continues to be an important tech hub in the region



High Tech Businesses

Source: EMSI, QCEW Q42017; OES 2016
(Dallas Regional Chamber)

- STUDY AREA
- DART RAIL SYSTEM
- PROPOSED COTTON BELT & TEX RAIL
- OTHER RAIL

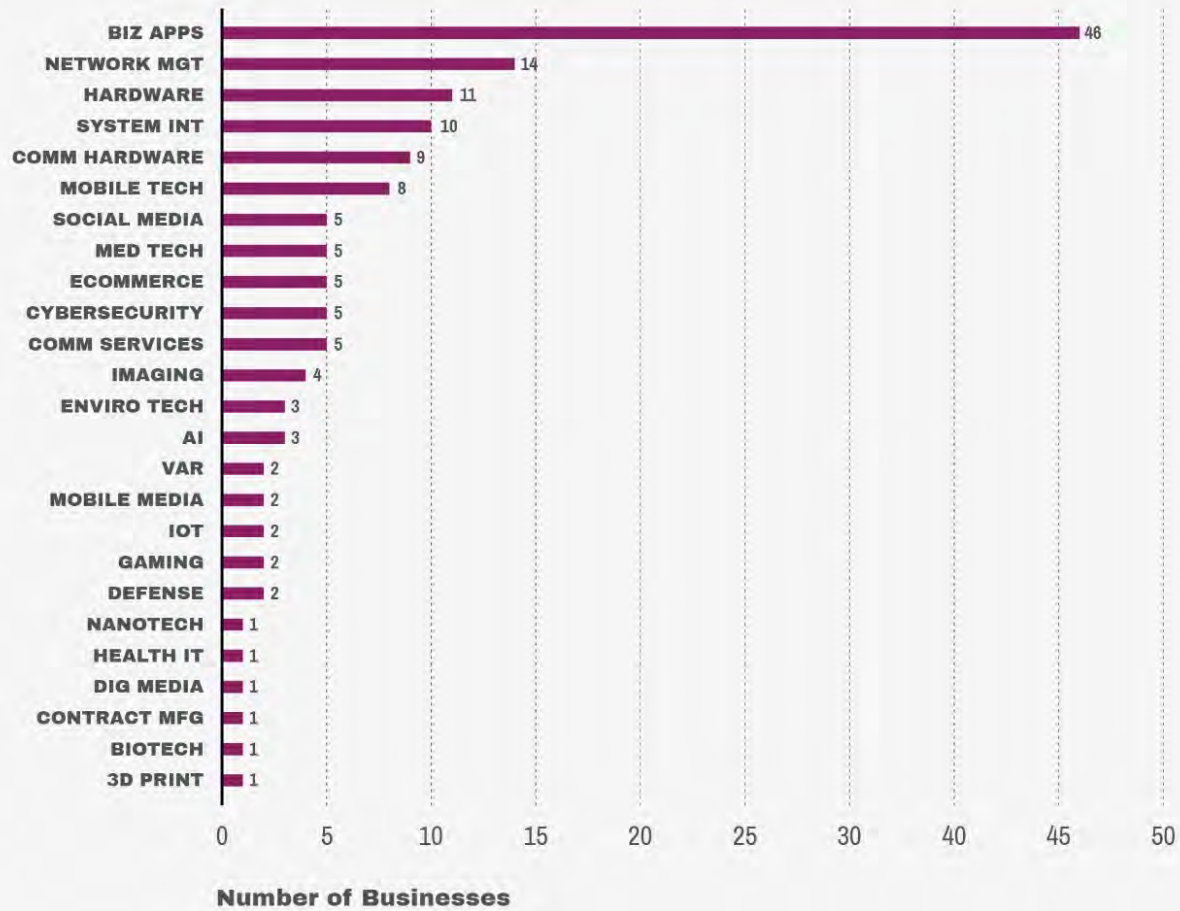
OF HIGH TECH INDUSTRY BUSINESSES



The tech sector has diversified from its telecom equipment roots

INDUSTRY CATEGORIES

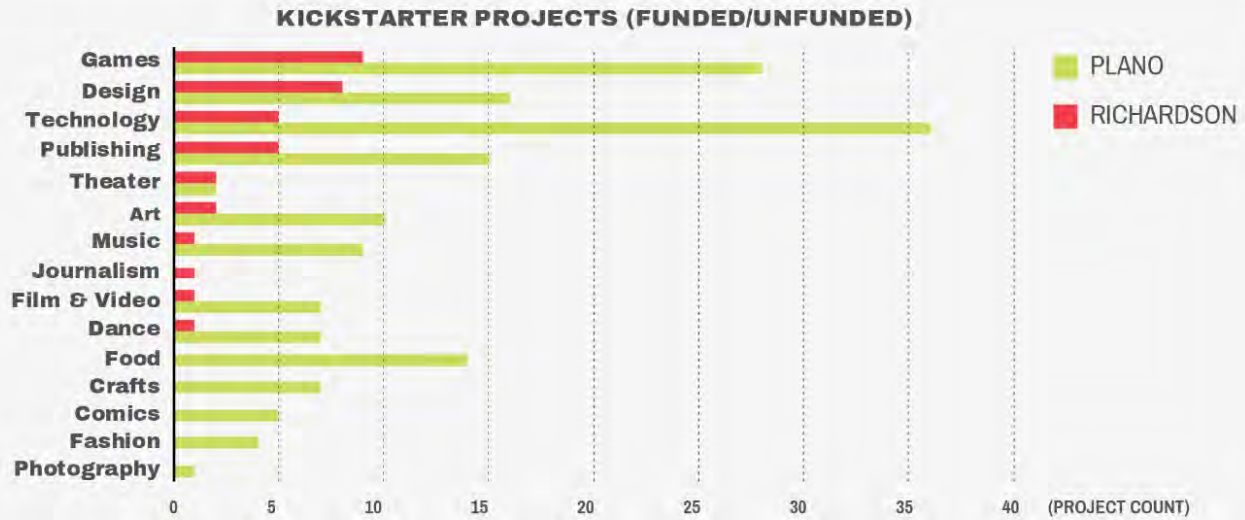
SOURCE: CRUNCHBASE DATA



Richardson does not appear to have a robust “maker” movement

ENTREPRENEURIAL ACTIVITY

SOURCE: NP ANALYSIS OF KICKSTARTER AND ETSY



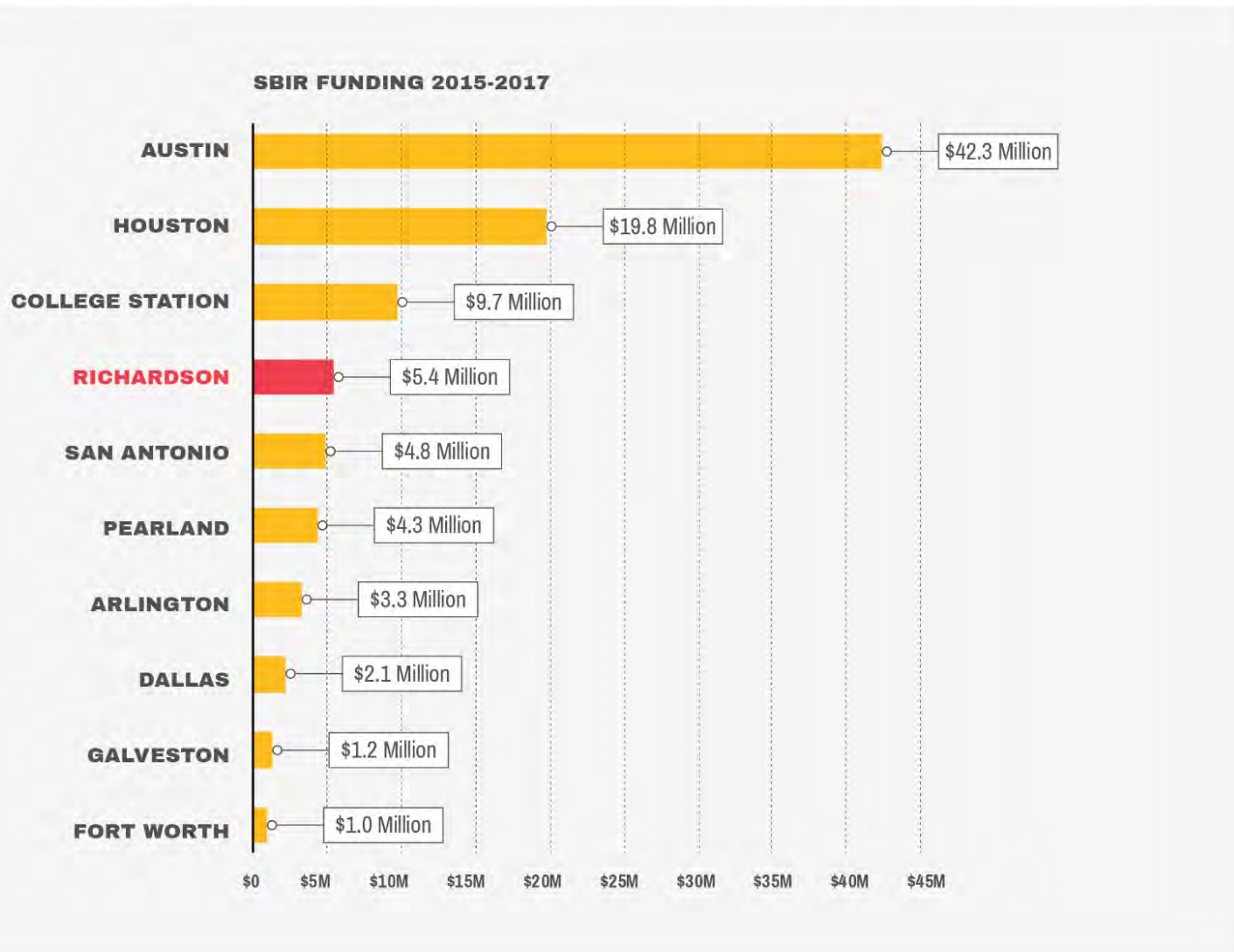
ALTHOUGH WITH UTD ATEC SOME OF THESE AREAS MAY GROW DUE TO THE EXPANSION INTO DIGITAL CONTENT



Richardson is among the state's leaders in SBIR funding, indicating potential for further tech sector diversification

SMALL BUSINESS INNOVATION RESEARCH (SBIR) FUND

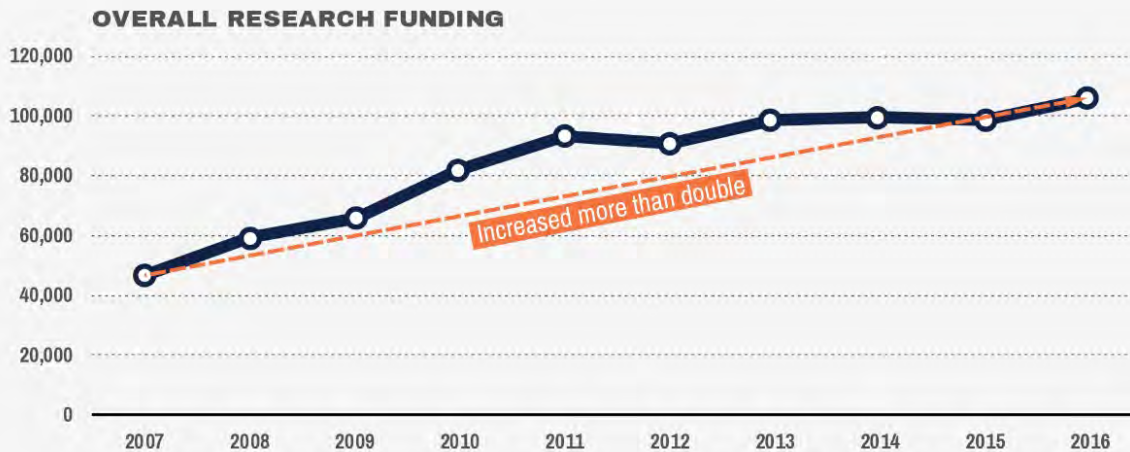
SOURCE: NP ANALYSIS



The UTD research portfolio is evolving and continued growth in life sciences creates potential for industry development

RESEARCH FUNDING 2007-2016

SOURCE: NP ANALYSIS



RESEARCH FUNDING HAS MORE THAN DOUBLED IN A DECADE

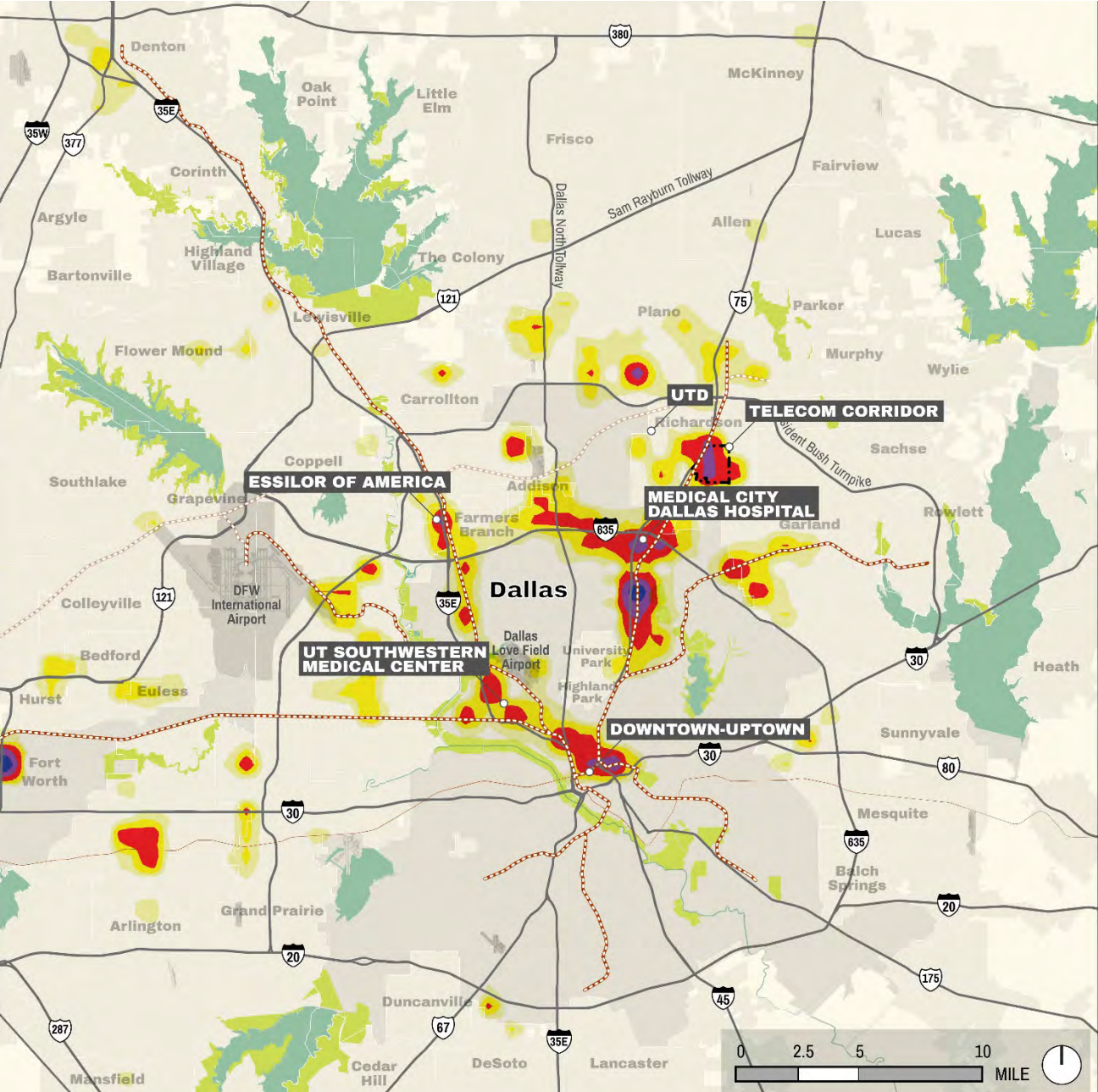
RESEARCH FUNDING BY REPRESENTATIVE CATEGORIES



WITH SOME IMPORTANT CHANGES IN THE PORTFOLIO IN THAT TIME

■ LIFE SCIENCES
■ COMPUTER SCIENCE, ELECTRONICS, COMMUNICATIONS

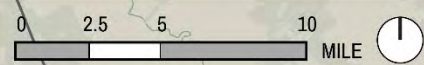
Dallas and Richardson are key locations within DFW for life sciences



Life Sciences Businesses

Source: EMSI, QCEW Q42017; OES 2016
(Dallas Regional Chamber)

- STUDY AREA
 - DART RAIL SYSTEM
 - PROPOSED COTTON BELT & TEX RAIL
 - OTHER RAIL
- # OF LIFE SCIENCES BUSINESSES
- 1 4 14

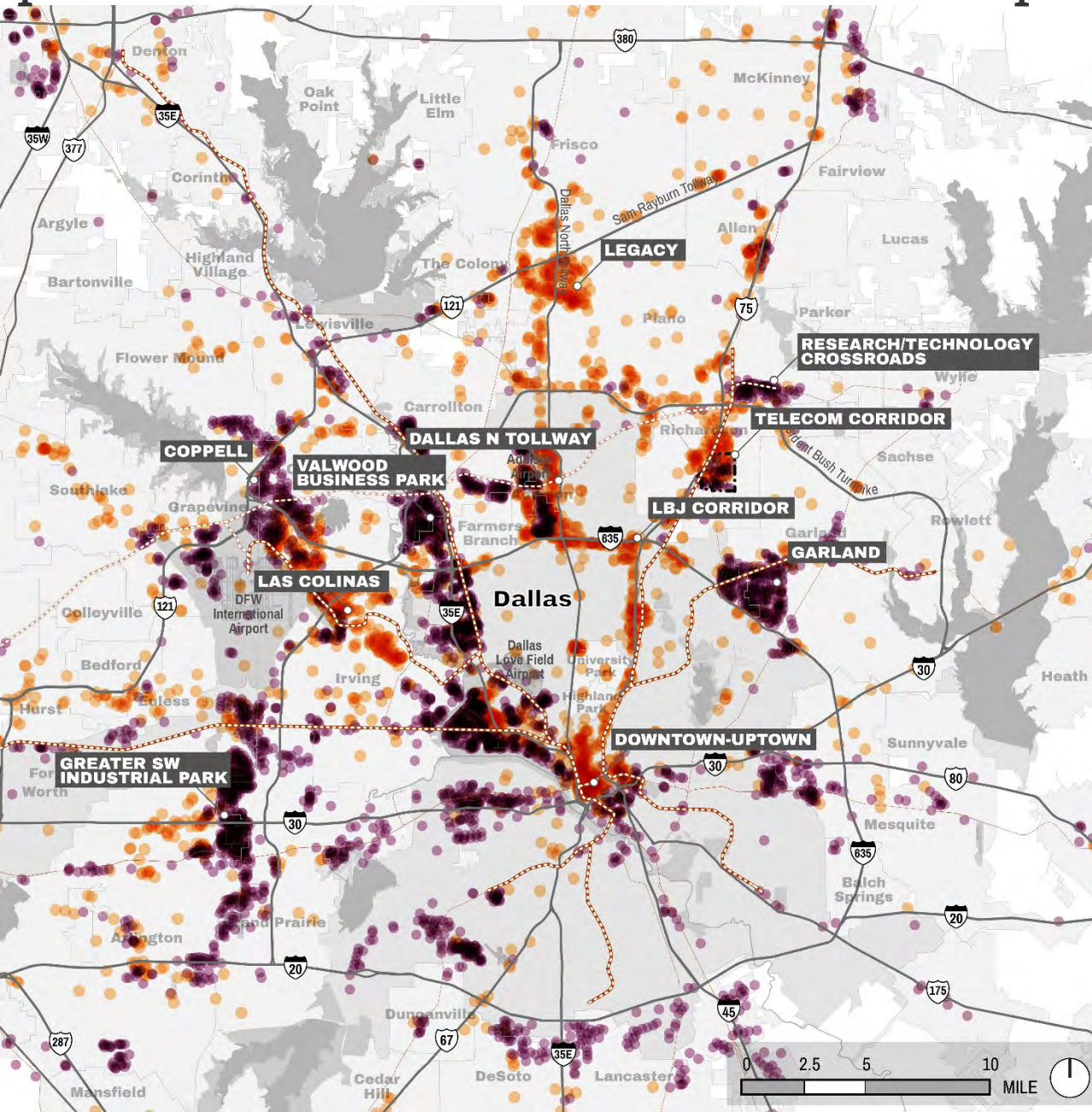


The district's space is an asset and a challenge

"The value of flex space is its cost effectiveness and it can distinguish Richardson from high growth areas like Frisco...We need to find and target those who can use it."

"We provide space for small business America."

Richardson has a lot of competition but is one of the few places with both industrial and office space

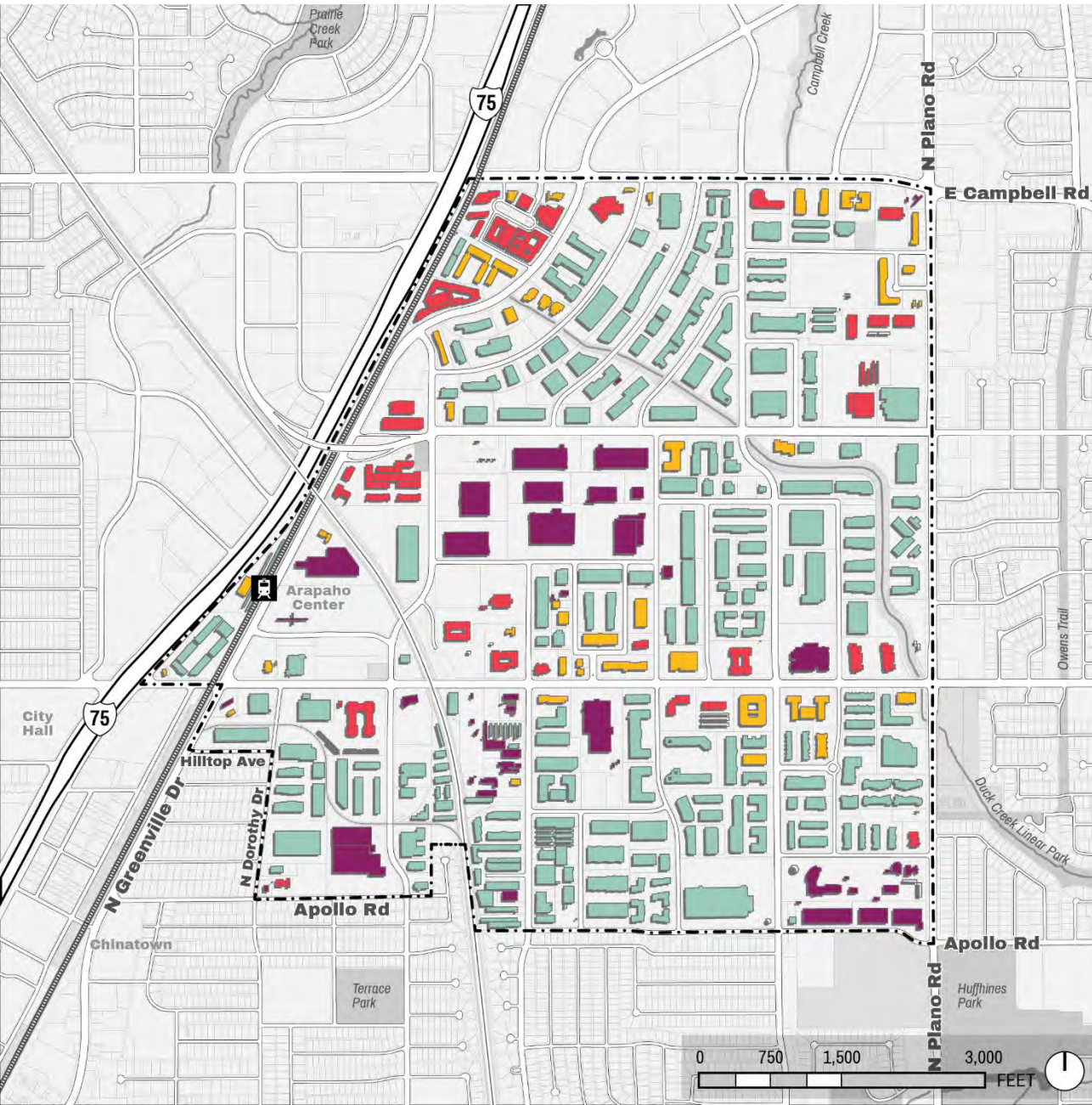


Office and Industrial Clusters

Source: Dallas Business Journal, DRC Research, 2017
(Dallas Regional Chamber)

- STUDY AREA
- DART RAIL SYSTEM
- PROPOSED COTTON BELT & TEX RAIL
- OTHER RAIL
- MAJOR INDUSTRIAL BUILDING / PARK
- MAJOR OFFICE BUILDING / PARK

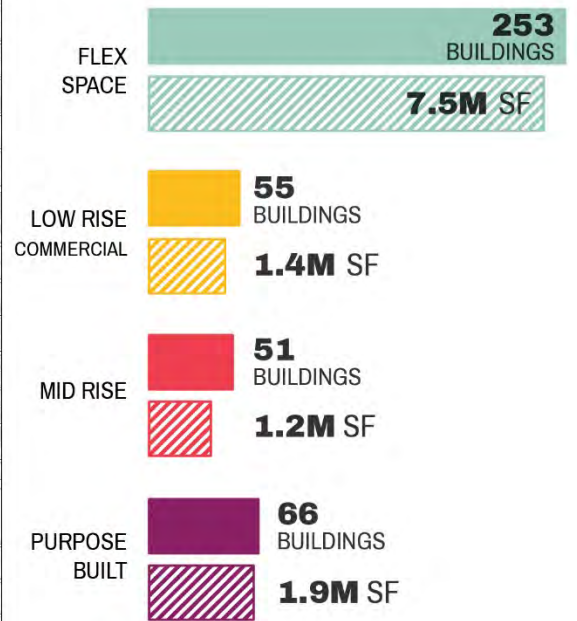
Flex space is the dominant typology



Building Typologies

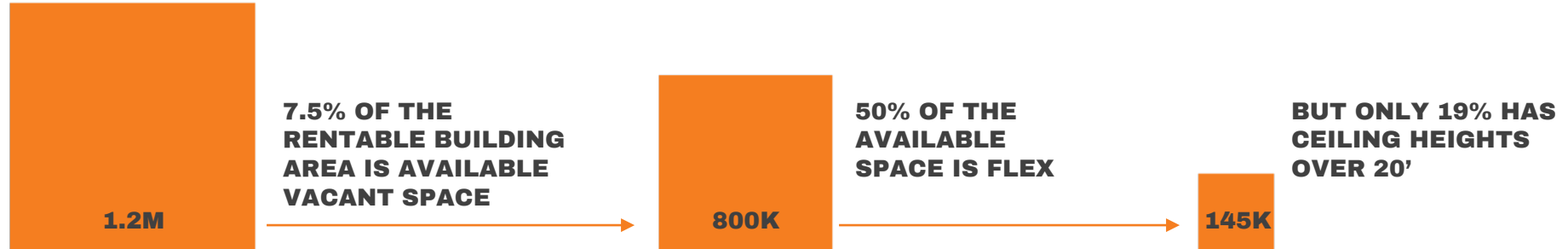
Source: Interface Studio Field Survey, 2018

STUDY AREA



58% of the building stock is FLEX SPACE, which amounts to 7.5 million sf or 61% of the total building area

Most of the available buildings are flex, but they are over 30 years old and few have ceiling heights over 20'



Existing flex space is outdated and not easy to replace

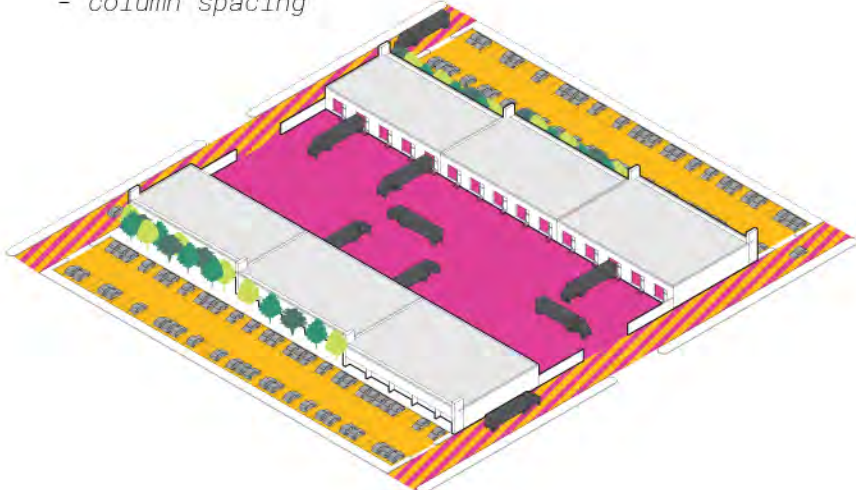
What can you do given the costs and rents? 1 for 1 replacement probably doesn't work.

1. FLEX SPACE

1B REAR LOADING

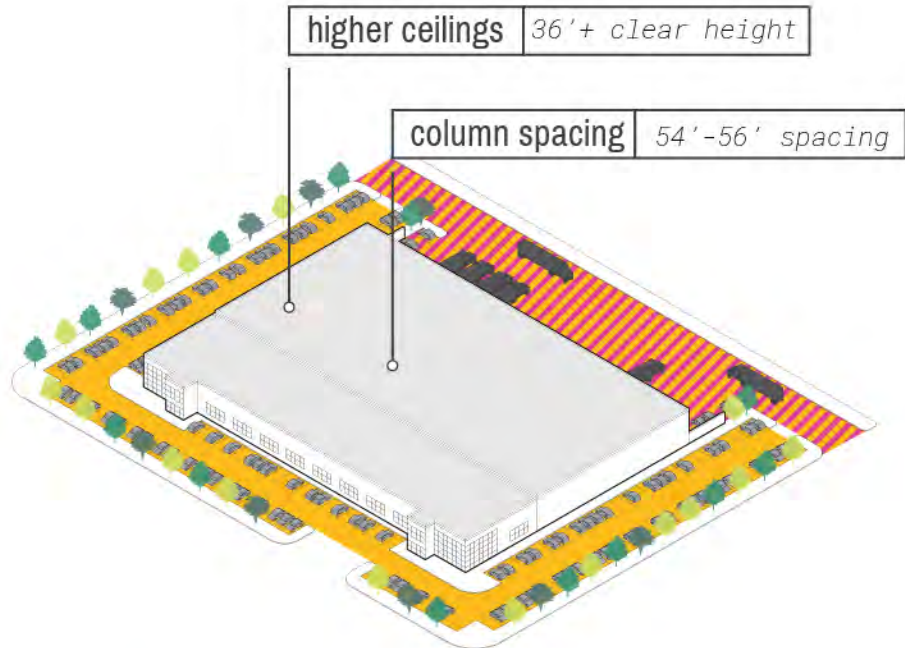
CHALLENGES

- high land costs
- low market rents
- insufficient power capacity
- low ceilings
- column spacing



- LOADING
- PARKING
- SHARED LOADING/PARKING

1C MODERN FLEX



- LOADING
- PARKING
- SHARED LOADING/PARKING

Creating a place with a district that has many different personalities and opportunities

“We need a place where new ideas can be born.”

“...the area needs improvement to attract people long-term...lighting, streets, median, sidewalks...”

“Make the area a place where people do not mind coming to work. They can get there easily, feel safe and comfortable, and take pride at saying ‘I work in Richardson.’”

About half the study area is within a 10-minute walk of the station



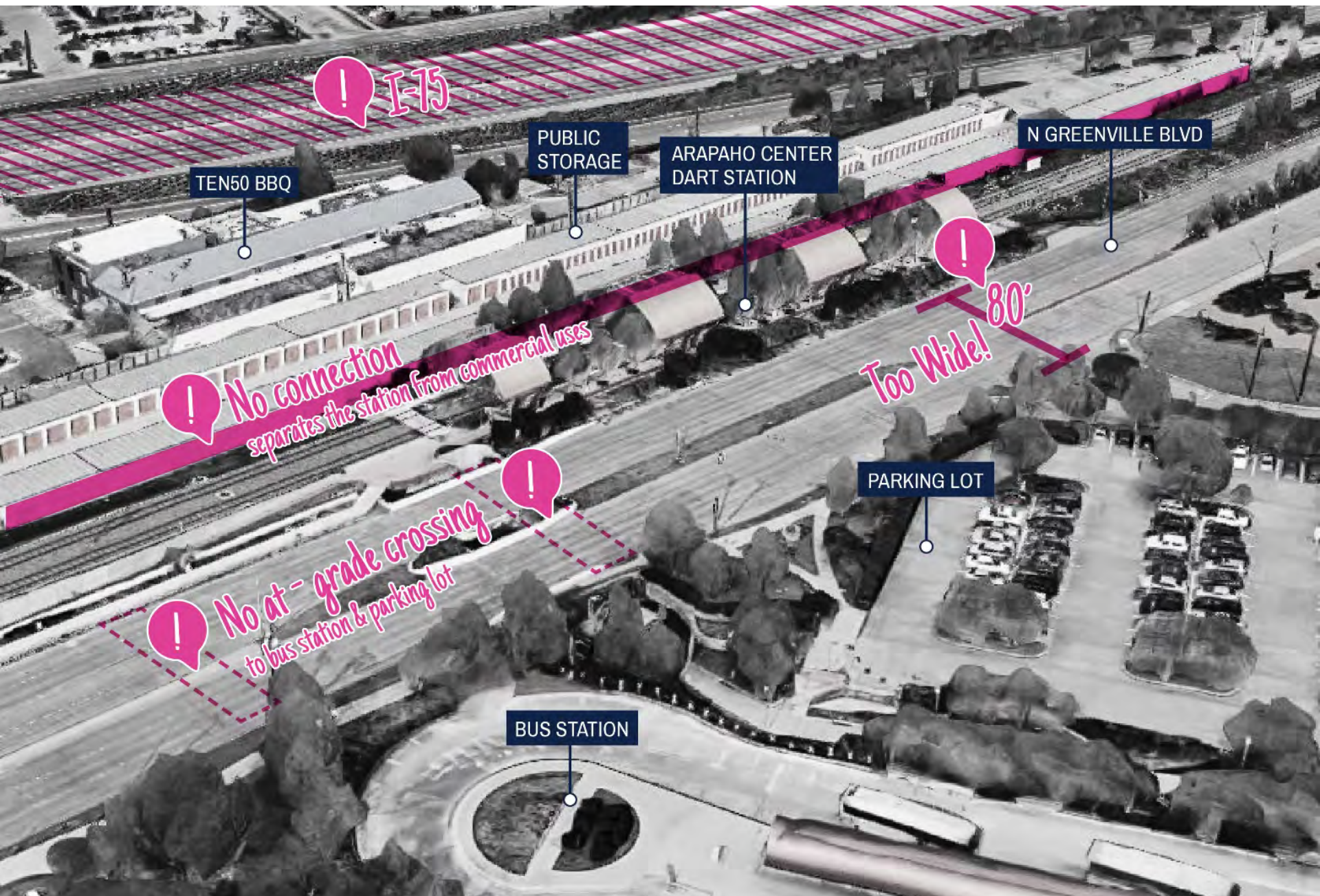
Walkshed

Source: Big Red Dog

-  STUDY AREA
-  DART RAIL SYSTEM
-  OTHER RAIL
-  5-MIN WALK
-  10-MIN WALK



Getting to and from the station is a challenge



! I-75

TEN50 BBQ

PUBLIC STORAGE

ARAPAHO CENTER DART STATION

N GREENVILLE BLVD

! No connection separates the station from commercial uses

! Too Wide! 80'

! No at-grade crossing to bus station & parking lot

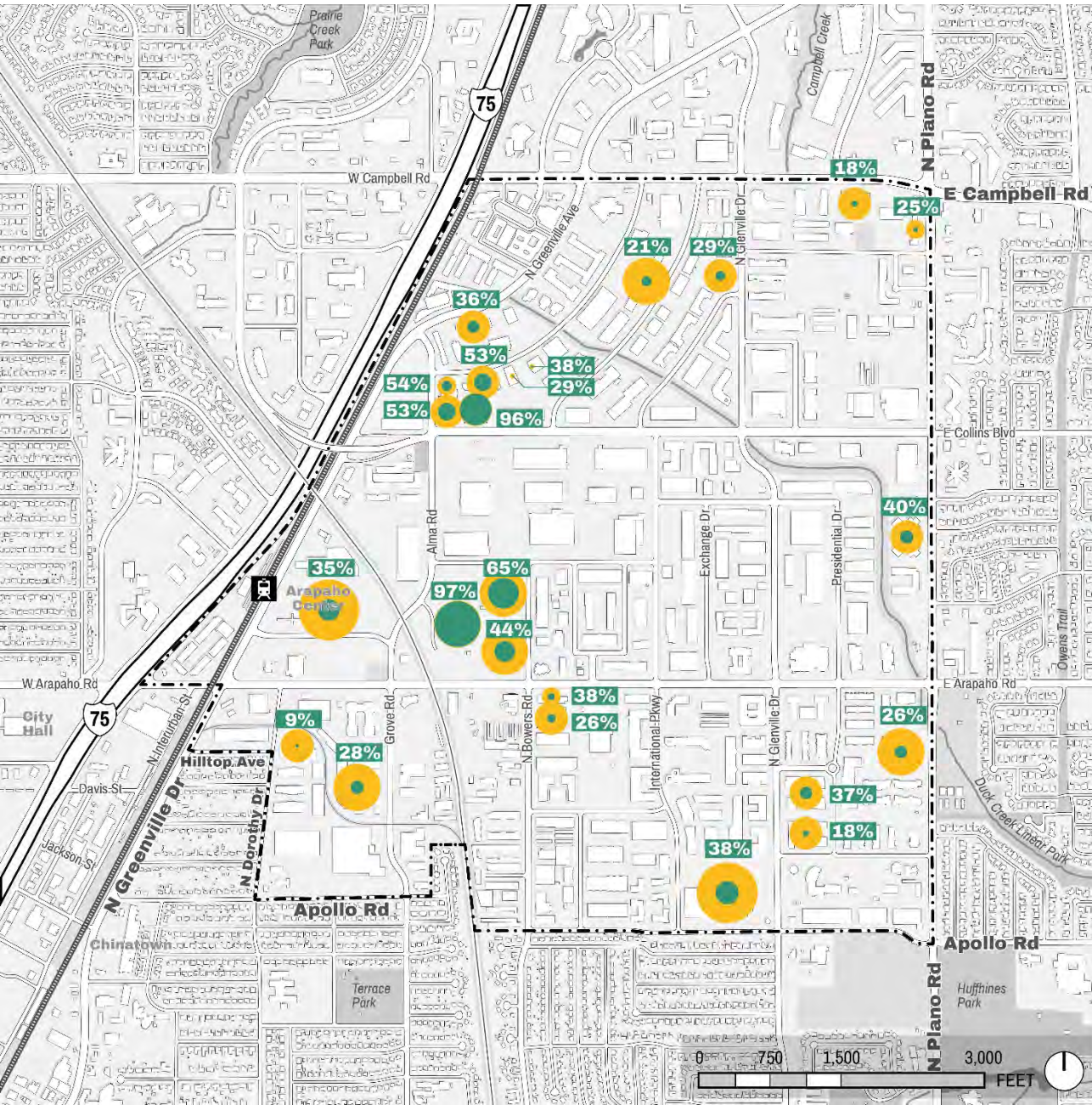
PARKING LOT

BUS STATION

We could get farther by bicycling but this requires more bike infrastructure to encourage more people to ride than just the die-hard cyclists willing to mix with car traffic.



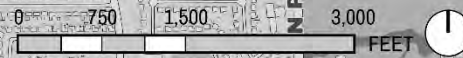
Many existing parking lots are not full during working hours



Parking Utilization

Source: Big Red Dog

- STUDY AREA
 - DART RAIL SYSTEM
 - OTHER RAIL
- AVAILABLE PARKING SPACE CAPACITY
- 21-50
 - 51-100
 - 101-250
 - 251-500
 - 501-1,129
- PARKING SPACE UTILIZATION
- %



But the bigger issue is that the combination of the wide streets...



...underutilized parking lots



ANY
TIME
→

...and for-lease signs
make the area FEEL
much emptier than it
actually is.

FOR LEASE
2,000- 8,000 SF
**RICHARDSON TECH
VILLAGE**
972-456-9900



Everything from building treatments to landscaping to signage to the quality of the infrastructure shapes the perceptions of existing and potential businesses.



A few takeaways



This area remains a major job center for business of all shapes and sizes. There has always been and continues to be innovation here. The opportunity is to create a modern-day version of an innovation district here.



Existing businesses today are more diverse than the past including everything from imaging to hardware and software-based business applications. A changing research portfolio at UTD could provide opportunities to support life science businesses.



The DART station is an opportunity to inject some activity and bring additional services that support existing business and attract new ones. We will need to ensure strong connections to the rest of the district.



The 1,200 acre area is not one-size-fits-all. It has many personalities and we'll need to create strategies specific to each area.

GREENVUE



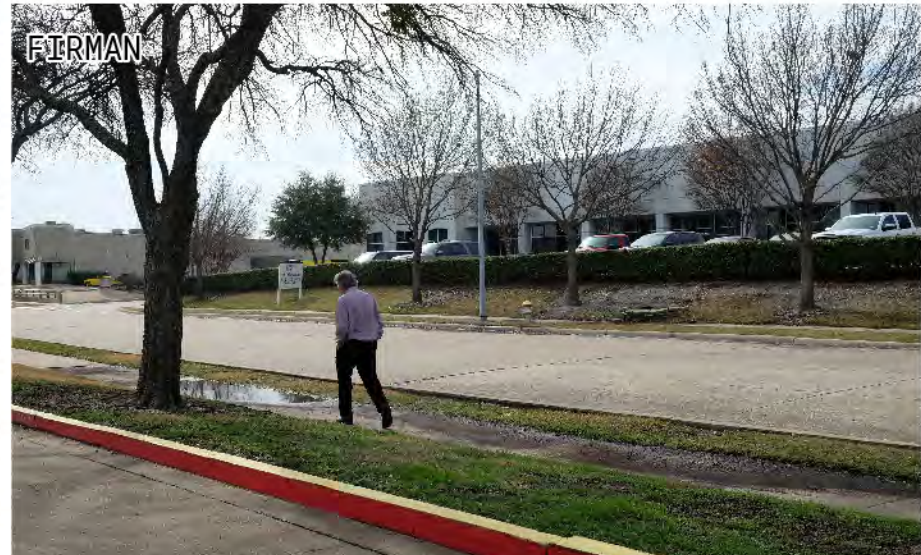
ALPHA



COMMERCE



FIRMAN



The building stock is aging and there is little financial incentive to replace a one-story building with a one-story building. But, it provides extremely valuable space for cost-sensitive businesses and businesses looking to scale up.



A few takeaways

- > This area remains a major job center for business of all shapes and sizes. There has always been and continues to be innovation here. The opportunity is to create a modern-day version of an innovation district here.
- > Existing businesses today are more diverse than the past including everything from imaging to hardware and software-based business applications. A changing research portfolio at UTD could provide opportunities to support life science businesses.
- > The DART station is an opportunity to inject some activity and bring additional services that support existing business and attract new ones. We will need to ensure strong connections to the rest of the district.
- > The 1,200 acre area is not one-size-fits-all. It has many personalities and we'll need to create strategies specific to each area.
- > The building stock is aging and there is little financial incentive to replace a one-story building with a one-story building. But, it provides extremely valuable space for cost-sensitive businesses and businesses looking to scale up.

What's next



May 22 | Pop up at Associa

May 23 | Open house at 800 Campbell

May 24 | Pop ups at Arapaho Center Station
and Aprima

June 6 | Pop up at Polytronix

June 30 | Survey closes

July | Focus groups