

AT THE CROSSROADS

OF DALLAS-FORT WORTH

RE-DEVELOPMENT OPPORTUNITIES FOR
★ A POST-COWBOYS TEXAS STADIUM ★



Presented to:
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Research Symposium

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Work began the moment the Cowboys selected Arlington for their new stadium (Summer 2004).

The three property ownership groups began to plan for "Life After Cowboys."

The goal? Leverage the Cowboys era benefits and create an urban place of world-class distinction.

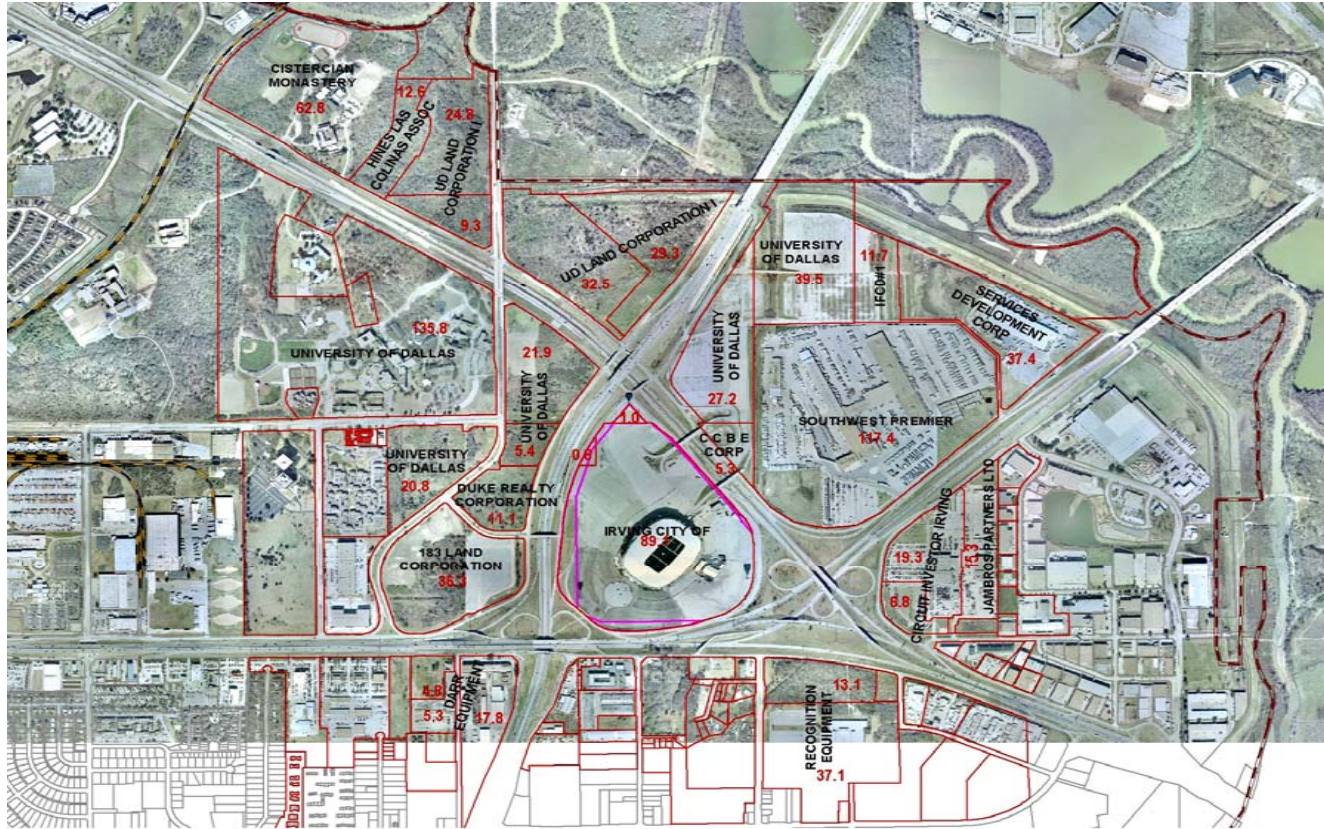
The preliminary work:

- *Create a range of planning scenarios and development "visions" to be taken to the marketplace*
- *Investigate the opportunities behind collaborative planning among the three primary property owners*
- *Leverage this opportunity to create a new legacy for the community and region at large*
- *Preliminary branding/positioning to pique market interest*

- *CONSIDER: This "collaboration" includes a Government Agency, a private Educational Institution and Private Enterprise...*



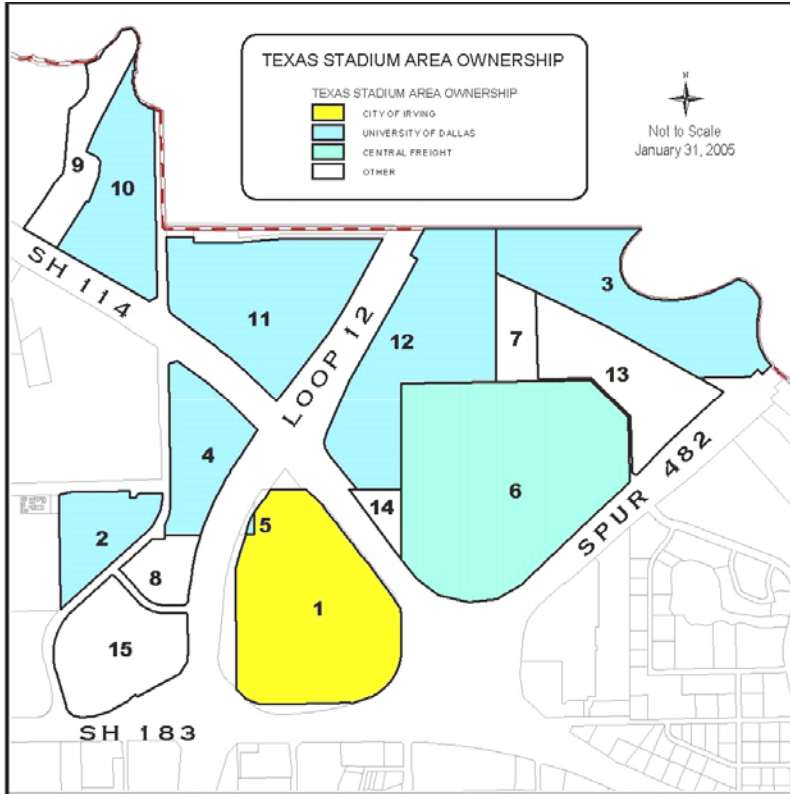
Land Ownership



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Land Ownership



Net Acreage Summary for Participating Landowners

Owner	Parcel	Acreage
City of Irving	1	80.3
Southwest Premier Properties	6	117.4
University of Dallas	2	20.8
	3	56.5
	4	27.3
	5	0.3
	10	37.3
	11	61.8
	12	66.7
		<hr/>
		270.7
Total Developable Acreage		468.4

Sources: City of Irving Traffic/Public Works Department

NOTE: Texas Stadium property reflects proposed TxDOT Right-of-Way takes for interchange improvements. None of the other properties reflect proposed Right-of-Way.

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Land Planning Exercises

- RTKL retained to assist in developing at least 3 plausible scenarios
 - Key physical assets inventoried
 - Transportation infrastructure initiatives documented
 - Developable acreage identified
 - Planning policies and critical decisions id'd and addressed
 - Three conceptual landplans developed and tested



Scale Comparisons



- Downtown Dallas
- *The site could easily accommodate the core of downtown Dallas from Griffin Street to St. Paul*

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Scale Comparisons



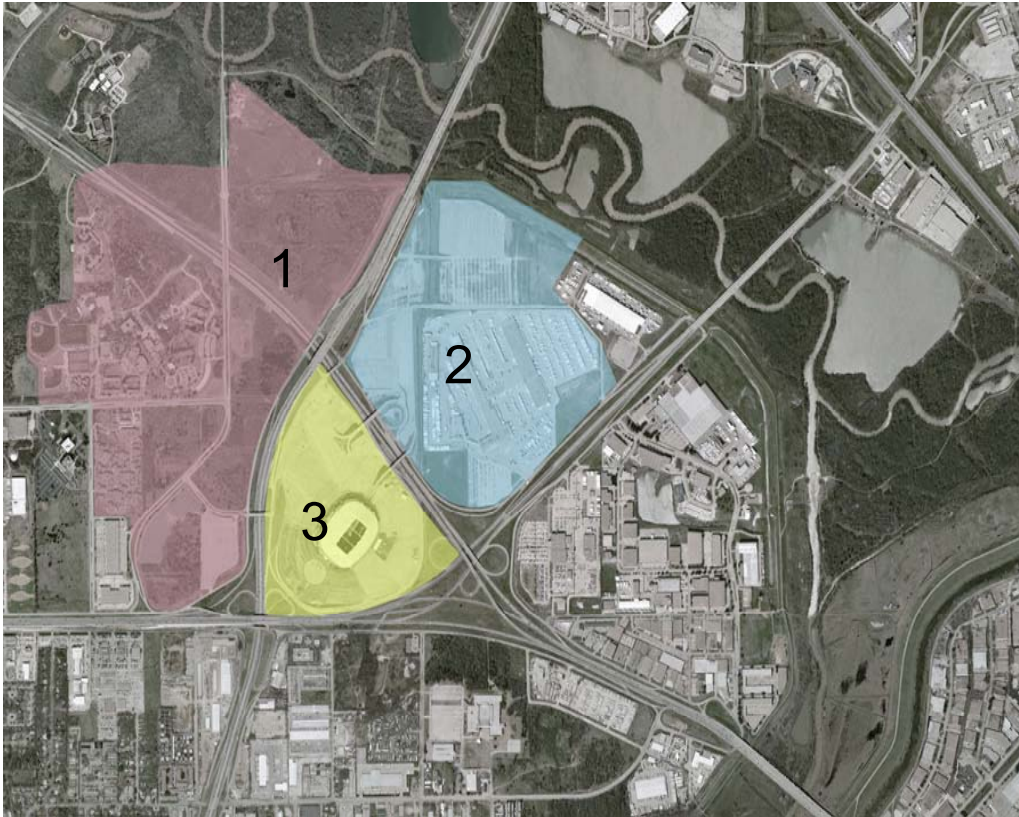
- Uptown Dallas
- *The planning area could also fit the core of the Uptown district*

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Planning Districts



1. University of Dallas
Strategic place-making opportunities
Portion of site in consideration for GWBPL
2. Central Freight Property
The large and central property
3. City of Irving
Existing "brand" and identity

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Proposed Presidential Library Site



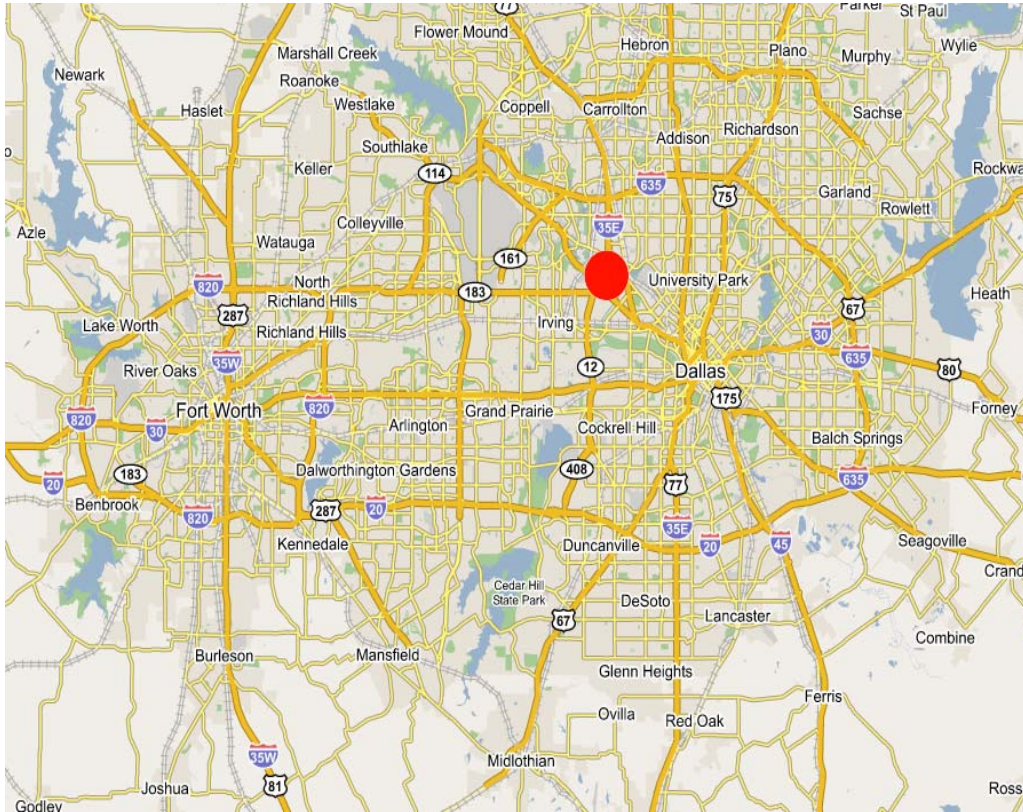
- 1 of 3 sites on shortlist
 - Other contenders:
 - SMU (Dallas)
 - Baylor (Waco)
- 300+acre site
 - Largest under consideration
 - Jointly owned by UD (Irving) and City of Dallas
- DC Presentations Nov 16-17
 - Decision WAS anticipated by Q1 2006

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Key Question: What about Site Access?



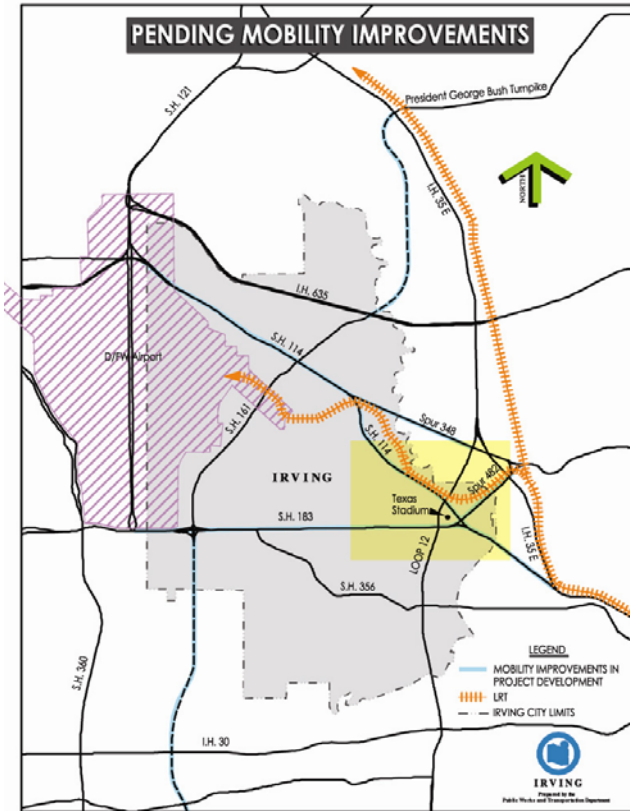
- Mobility improvements
- Infrastructure commitments
- Traffic Volumes

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Mobility Improvements



- Roadways: Improvements are in the planning phase to SH 114, SH 183, Spur 482, in addition to the extension of the George Bush Turnpike to connect with SH 161.
- Light Rail: the Northwest Corridor extension of DART towards DFW Airport is in the final planning phase.
- *All planned work will positively impact the Study Area.*

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DART EXPANSION ON TRACK

Dallas Area Rapid Transit begins work this month on a \$2.5 billion rail construction program that will virtually double the agency's existing system. DART will build 45 miles of track for new lines to the southeast, northwest, Rowlett and Irving/DFW Airport by 2013. Several more miles of rail in downtown Dallas and South Oak Cliff will be built in later years. Stations and their expected opening dates:

- Northwest/Southeast connector
- Irving extension
- Blue line
- Red line
- Trinity Railway Express



SOURCE: DART

Northwest Dallas



Southeast Dallas



Irving/DFW Airport Line*



DEFERRED STATIONS: Loop 12; South Las Colinas.
 OTHER LINE SECTIONS: Downtown Garland to Rowlett — Dec. 2002; Second downtown Dallas line — Aug. 2014; South Oak Cliff extension — Oct. 2018.

*Dates and route subject to final board approval.

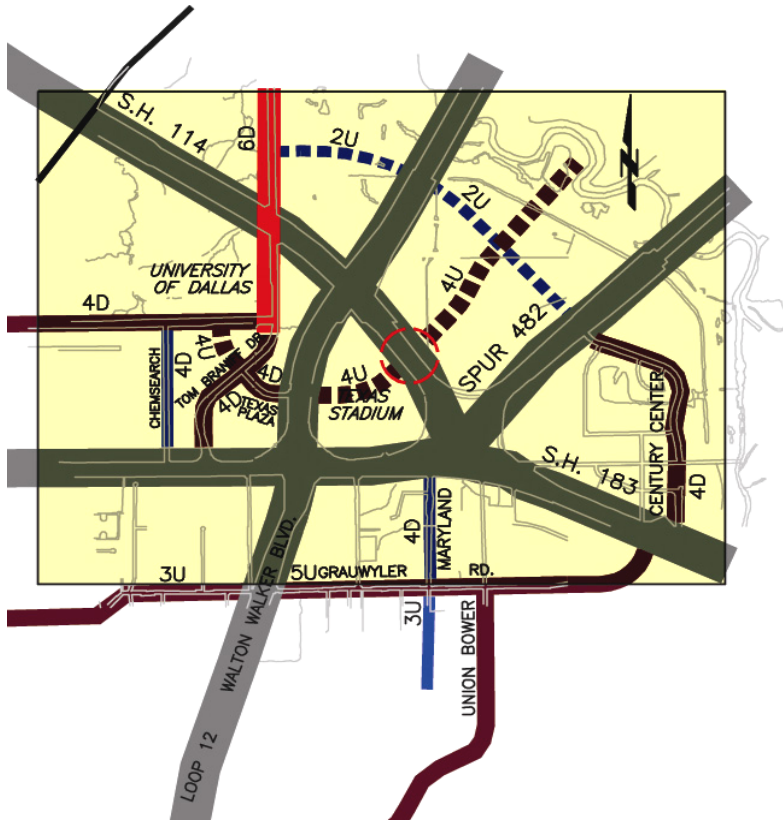
DEAN HOLLINGSWORTH/Staff Artist

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Infrastructure Improvements



- Adjustments to the vertical profile of SH 183 to facilitate future connections between parcels;
- Consensus in support of one enhanced bridge over SH 183 instead of two smaller bridges;
- Consensus in support of the extension of Grauwlyer Road and Century Century Blvd. through the study area towards Loop 12 and beyond, improving overall accessibility
- Consensus on the preferred DART Light Rail alignment through the study area.

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Traffic Volumes

FREEWAY INTERCHANGE	Sum of Entering and Exiting Volumes					
	1998 - 24 hr		2003 - 24 hr		2008 - 24 hr Estimated	
	Volume	Viewings	Volume	Viewings	Volume	Viewings
IH 635/US 75	n/a	n/a	953,000	596,000	1,045,000	653,000
IH 635/IH 35	851,000	532,000	833,000	521,000	914,000	571,000
Texas Stadium Interchange	645,000	403,000	732,000	458,000	803,000	502,000
IH 45/IH 30	606,000	379,000	706,000	441,000	774,000	484,000
Woodall Rogers/IH 35	614,000	384,000	669,000	418,000	734,000	459,000
IH 30/IH 35	680,000	425,000	623,000	389,000	683,000	427,000
IH 30/IH 635	n/a	n/a	620,000	388,000	680,000	425,000
Woodall Rogers/US 75	442,000	276,000	609,000	381,000	668,000	418,000
IH 30/Loop 12	451,000	282,000	492,000	308,000	540,000	338,000
IH 20/US 67	n/a	n/a	474,000	296,000	520,000	325,000
IH 35/IH 20	n/a	n/a	439,000	274,000	482,000	301,000
SH183/SH 161	337,000	211,000	409,000	256,000	449,000	281,000
Spur 408/IH 20	n/a	n/a	356,000	223,000	391,000	244,000

Information Source - TXDOT 1998 and 2003 Dallas District Traffic Count Map

Vehicle Occupancy - 1.25 Average

Calculate total "sets of eyeballs" assuming 50% of total entering and exiting; each vehicle enters and exits)



NCTCOG Growth Estimate to Irving in 2030

Population

	2000	2005	2010	2015	2020	2025	2030	Total
Increment	196,632	207,639	213,977	217,223	218,476	223,382	225,714	18,075
			6,338	3,246	1,253	4,906	2,332	

Households

	2000	2005	2010	2015	2020	2025	2030	Total
Increment	79,743	84,511	87,639	89,831	90,403	92,582	93,477	8,966
			3,128	2,192	572	2,179	895	

Employment

	2000	2005	2010	2015	2020	2025	2030	Total
Increment	165,435	194,103	219,495	247,148	267,633	276,676	276,941	82,838
			25,392	27,653	20,485	9,043	265	

*NCTCOG estimate adjusted from 2000 Census count. Does not include group quarters.

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"Fair Share" from Growth Estimate

"Fair Share" allocation to Texas Stadium District from Estimated Total Irving Growth

Population	Percent	25.00%	Employment	Percent	12.50%			
		4,519			10,355			
Housing units	Type	SF	MF			Tot Acres	Valuation	
	Percent	20%	80%			Val/Unit		
2,242		448	1,793			\$ 200,000 SF	\$	89,660,000
	SF alloc	2400	900			\$ 100,000 MF	\$	179,320,000
	SF total	1,075,920	1,613,880				\$	268,980,000
	Coverage	30%	100%					
	Total area	3,586,400	1,613,880					
	Total acres	82	37			119		
	Units/Acre	5.45	48.42					
Commercial	Type	Office	Retail	Restaurant	Hotel	Flex/Tech	Total	Valuation
	Percent	65%	10%	5%	10%	10%	100%	
10,355		6,731	1,035	518	1,035	1,035	Val/SF	
	SF alloc	250	400	200	800	200	\$ 125	
	SF total	1,682,647	414,190	103,548	828,380	207,095	3,235,859	\$ 404,482,422
	Coverage	30%	20%	20%	50%	20%		
	Total area	5,608,823	2,070,950	517,738	1,656,760	1,035,475		
	Total acres	129	48	12	38	24	250	
	Units	11	2	19	3	1		
Total Acres of Land Estimated to be Needed for Demand to 2030						369	\$ 673,462,422	

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Key Question: What about the Stadium?



1. Stadium demolition and site redevelopment
2. Stadium re-use with site infill development
3. Stadium re-definition through site redevelopment

Cost roughly the same...

Is there true “iconic value” and, if so, how much and to whom?

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Stadium Demolition Cost & Options

Building Area 1,178,331 SF
Site Area 93 Acres

				Remove Total Facility	Remove Stadium only, leave roof
Preliminary Cost Estimate Evaluation	Quantity	Units	Unit cost	TOTAL	TOTAL
General Conditions					
	Subtotal			\$ 882,807.12	\$ 946,658.21
Environmental Assessments					
	Subtotal			\$ 18,000.00	\$ 18,000.00
Items of Work for Implosive Demolition:					
	Subtotal			\$ 5,220,995.80	\$ 5,697,496.50
Items of Work for Site Demolition:					
				\$ 1,268,520.00	\$ 1,268,520.00
				\$ 7,390,322.92	\$ 7,930,674.71
Other items					
	Subcontractor's bond	none			none
	General liability		0.72	\$ 848,398.32	\$ 848,398.32
	Builder's Risk insurance		0.29	\$ 341,715.99	\$ 341,715.99
	5% Overhead & Fee			\$ 429,021.86	\$ 456,039.45
	Sub-total			\$ 1,619,136.17	\$ 1,646,153.76
	General Contractor's Bond		1.58	\$ 1,861,762.98	\$ 1,861,762.98
	Total			\$ 10,871,222	\$ 11,438,591

Estimated numbers are based on 2005 values. Future values should be projected based on market trends in construction

Source: Magill Architects

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Stadium Re-Use with Site Infill Development



Strategic Planning
for the **Texas Stadium Area**

SCHEME
MIXED-USE VILLAGE

AERIAL VIEW OF RECREATION
AND PARK

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Stadium Demolition and Redevelopment



Strategic Planning
for the *Texas Stadium Area*

SCHEME
URBAN RESORT

AERIAL VIEW OF CONVENTION
CENTER AND HOTEL



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Stadium Re-Definition through Site Redevelopment



Strategic Planning
for the *Texas Stadium Area*

SCHEME
ECO-COMMUNITY
RENDER

AERIAL VIEW OF THE
SUSTAINABLE CORE

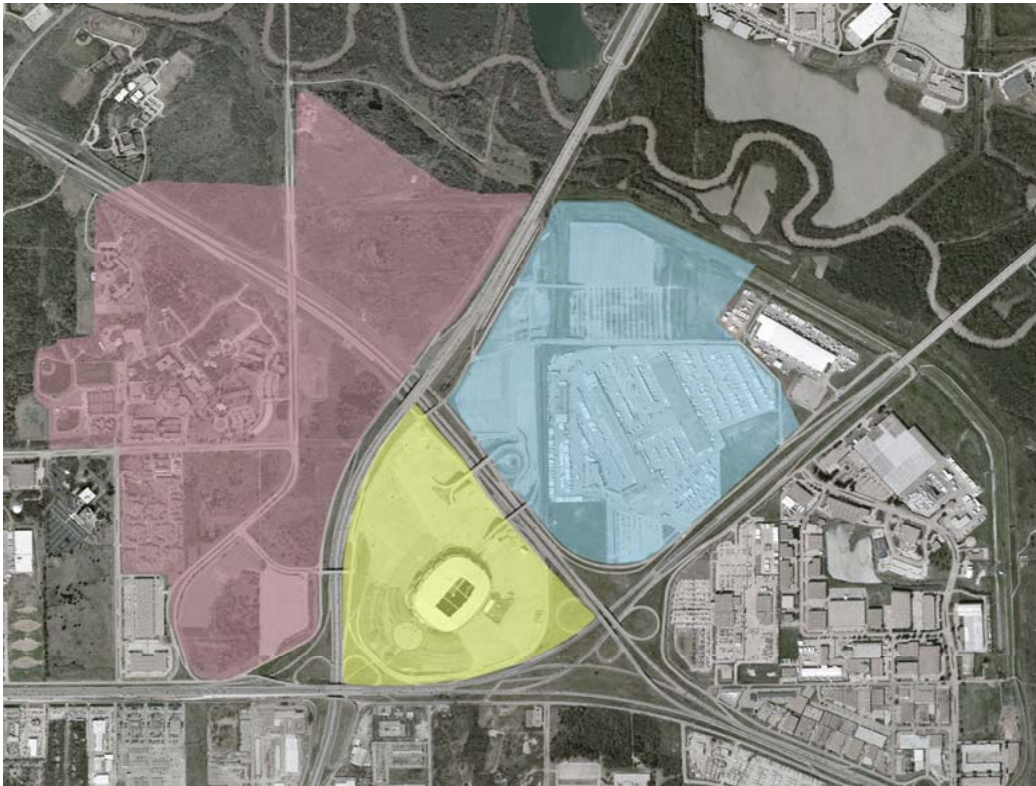
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Three Planning Themes



1. *"Urban Resort "*
2. *"Mixed-Use Village"*
3. *"Eco-Community"*

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Strategic Planning for the Texas Stadium Area



SCHEME URBAN RESORT PLAN

- An urban resort at the core of the Metroplex with access to shop, restaurants and outdoor activity.
- Buildings are multi-use by design.
- Outdoor life is promoted and encouraged.
- Waterfront parks and accessibility.
- An active urban park with playing fields, pools, trails.....
- Ponte Vecchio : a possible model for a bridge over Highway 114 ?

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Strategic Planning for the Texas Stadium Area

SCHEME MIXED-USE VILLAGE

- A new neighborhood and town center with retail, residential and leisure opportunities.
- Buildings are multi-use by design.
- New zoning with low-density, medium density and high density housing.
- Pedestrians are welcome!
- Nature is integrated into the urban fabric.
- Two-theme park: Recreation and the Arts. Embedded with river-walk, sculpture plaza, terrain seating, pool, playing fields, etc.

IRVING, TEXAS

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Strategic Planning for the Texas Stadium Area

SCHEME ECO-COMMUNITY PLAN



- Sustainable principles guide the overall strategy.
- Buildings are integrated with nature and their site.
- Potential for an “off-the-grid” approach to energy.
- Multilayered communal areas for :
 - gardens
 - parking
 - playing
 - recycling
- Sustainable approaches are integral to site and building design.
- Residential development within “pocket parks”

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Where we've been

- Market validation – July 2005-May 2006
 - *Provided broad market exposure to experienced, well-capitalized developers, investors and lenders as well as full service brokerage firms*
 - *Presented development concepts in formal Plan Analysis sessions of the Fall Meeting of the Urban Land Institute in Los Angeles*
 - *Solicited feedback from local community*
- Integration of related analyses – June 2006
 - *Seek legal advice on most desirable legal and development management options among current owners*
 - *Integrate results of Convention Center analysis, Comprehensive Plan program and Transit-Oriented Development studies*



Stadium Status

- Cowboys' Lease Resolution and "Peaceful Surrender"
 - Definitive global agreement on all key deal points
 - Roof gets painted
 - Uncontested "Brimer Bill" election providing for taxes on admissions and parking
 - Passed by 87-13% margin
 - Estimated to provide between \$10-\$15M in net tax proceeds
 - Irving will not make stadium available for NFL, college and high school tournament football games and other major events
 - Stadium available for up to two additional seasons if necessary due to construction or other delays



Where we're going

- Discussions regarding Alternative Disposition or Development Options with Select Group of:
 - Investment Bankers
 - Commercial Brokers
 - Real Estate Developers
- Expressions of interest from several major "developers of interest"
- Proposals under "active consideration"

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Developer Proposal Deal Structure

- Three owners appraise their land at current value and provide option to developer to purchase at appraisal plus preferred return at time of ultimate sale plus a percentage of profits
- Developer pays an upfront option fee, advances all costs for planning, engineering, legal during pre-development period
- Developer provides all additional equity and debt for project build-out



Next steps

- Three owners will jointly evaluate development proposals
- If one superior, enter into formal negotiations (2-3 months)
- Pursue deal to conclusion (3-6 months)



Representation Issues

- Fee-based (not commission-based) advisor may be needed to represent joint interests during the negotiations
- Each owner will be individually represented by staff and outside counsel or advisors



Sale at this time not prudent

- All parties (developers, brokers, bankers) agree it will be worth 2-4x current value once light rail in place and interchanges completed (2012)
- Wait for five years and potentially triple or quadruple value
- Hold the land unless better ROI presents



Land bank/joint venture strategy more productive

- If a large run-up in value, the upside is shared, not lost
- Assuming a profitable development, the overall return to the owners will be higher
- Character and quality of development could be more satisfactory because urgency to develop is not as great



In conclusion...

- Combined properties well-located, well-served and will only become more attractive
- Ownership “gets it” – they understand the opportunity and are proactive in addressing it
- Momentum from the development community
- Didn’t happen accidentally
- Entire community has made this happen



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REDEVELOPMENT

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