

STEMMONS CORRIDOR - SOUTHWESTERN MEDICAL DISTRICT AREA PLAN



Stemmons Corridor – Southwestern Medical District Study Area.

Background

The Stemmons Corridor is one of the most important areas in the City of Dallas, encompassing more than 5,000 businesses, more than 100,000 employees, and producing about one-fourth of the taxes collected by the City of Dallas.

Within

Stemmons Corridor, the Southwestern Medical District, the World Trade Center, the Dallas Design District and the Southwestern Medical TIF District are all developing master plans for expansion to retain pre-eminence within their respective fields.

Of particular interest is the area organized as the Southwestern Medical District. It contains a considerable number of Dallas' most significant medical facilities. Together these facilities have begun developing a coordinated plan for growth and expansion. Although the medical facilities have been coordinating their plans, there are major opportunities for further economic development within the Stemmons Corridor area. The Trinity River Plan initiative also has an impact on the southern portion of Stemmons Corridor.



Continued growth in the medical industry represents the greatest opportunity for job growth in the Stemmons Corridor.

The Trinity River Plan includes recreational opportunities for pedestrians and bicyclists as well as providing mobility and access between the existing and future DART stations and Trinity River Corridor parks. The vision for the Trinity River is one that encompasses mixed use redevelopment and provides pedestrian, bicyclist and transit access that can be used to support the major employment centers within Stemmons Corridor.

Additionally, there are three future DART stations that show potential for residential and mixed-use development. However, larger transportation issues must first be addressed if the area is to grow and prosper. One transportation factor to consider is the DART connection with Dallas Love Field. This connection could potentially provide a direct line for business travelers from Love Field to the employment centers located in Stemmons Corridor. The warehouse and wholesale trade facilities of the Stemmons Industrial District are also in transition and represent opportunities for redevelopment.



A rendering of the Southwestern Medical District.



Aerial view of Love Field.



This rendering of the Southwestern Medical District shows the Life Science Research Park.

The success of Stemmons Corridor is a crucial one for the Dallas economy and forwardDallas! The plan stipulates biotechnology and medical services as two of the key targeted industries for Dallas. While the major industries in the corridor are developing master plans for expansion there is no coordinated effort between the various industries in the Stemmons Corridor. Rather, a myriad of activity is taking place at present, including:

- Southwestern Medical District has begun developing a coordinated plan for its expected future growth. UT Southwestern Medical Center, Parkland Health & Hospital System and Children's Medical Center are planning new services and, in many cases, major renovation and expansion. A major part of the expansion includes clinical care facilities as well as new research buildings.
- There is a planned, 350,000-square-foot life science research park that is expected to not only attract innovative biotech companies but also to increase research opportunities in the Southwestern Medical District.
- UT Southwestern Medical Center is one of the nation's premier research institutions. UT Southwestern consistently ranks among the top academic medical centers in the nation; has more than 2,500 research projects under way annually; offers nine advanced degrees in biotech fields; and has four active Nobel laureates, more than any other medical center in the world.
- Five of Dallas' 11 biotechnology firms are located within the Southwestern Medical District.
- Love Field is also located to the northeast of the Stemmons Corridor – Southwestern Medical District and is served by Southwest Airlines, American Airlines and Continental Express, among others. Love Field acts as the entryway to Dallas for 7 million passengers a year.
- Texas Department of Transportation has proposed to rebuild I-35E (Stemmons Freeway) from State Highway 183 to the I-30 Mixmaster as part of Project Pegasus.
- The Stemmons Corridor Business Association is involved in implementing a comprehensive land use study, which includes bringing residential communities to the Stemmons Corridor and revised zoning.

- The proposed Trinity Strand Trail follows the course of the Old Trinity River, connecting Motor Street to the Katy Trail. Funds are being sought to build this important pedestrian and bicyclist connection. The Trinity Strand Trail has been designated as a park by the City.
- Three DART light rail stations are planned in the area as part of the proposed Northwest Corridor DART alignment, which will provide transit access from Downtown Dallas to Love Field, Las Colinas and DFW International Airport.
- The Design District is the city's newly enshrined center for cool. This area is where many interior decorator showrooms are located and it's becoming a hot spot for fine art and antique galleries. The Design District is a roughly 160-acre area just west of Downtown and on the north side of the Trinity River Corridor. The area has roughly 2.5 million square feet of existing building space.
- The Dallas Market Center is the largest wholesale merchandise resource in the world and is the one location where retailers from around the globe source a wide range of products. With more than 50 markets each year attended by more than 200,000 buyers, Dallas Market Center offers an array of services geared toward helping retailers expand business and increase profits.

Map III-2.10 The Trinity Strand Trail Plan



The Trinity Strand Trail Plan shows how the trail will follow the course of the Old Trinity River.



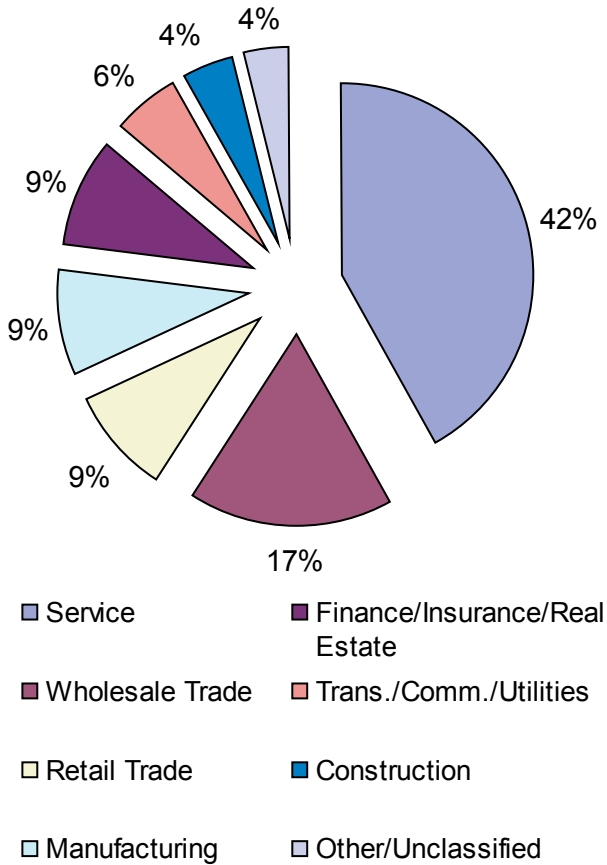
A rendering of the Design District show green boulevard treatments extending into the Downtown.



New DART stations along the Stemmons Corridor will provide transit access from Downtown Dallas to Love Field, Las Colinas and DFW International Airport.

DISTRICT AREA PLAN

Chart III-2.1 Stemmons Corridor-Southwestern Medical District Employment

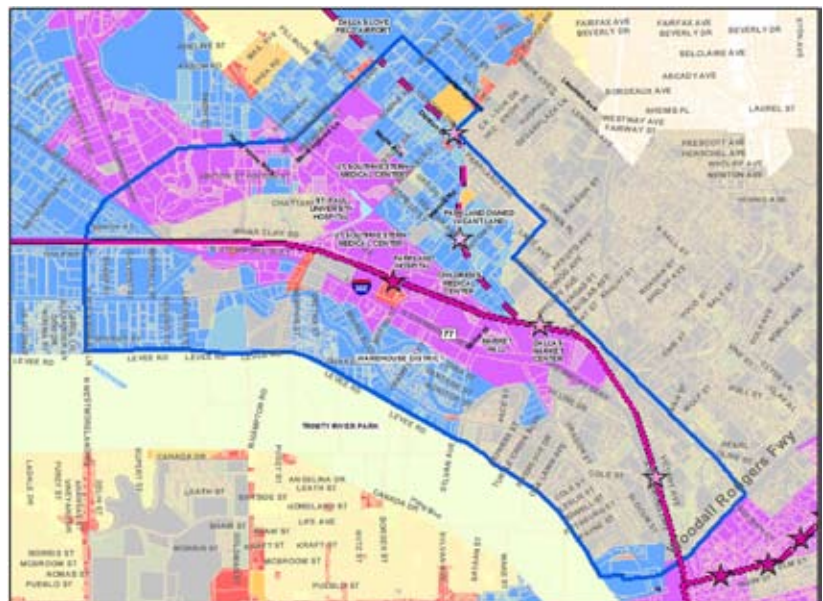


Current employment breakdown within the Stemmons Corridor-Southwestern Medical District.

The focus of the Stemmons Corridor – Southwestern Medical District Master Plan is to bring together all the key players in the Stemmons Corridor to develop a scenario-based planning process. The scenario-based planning process is a tool that can be used to model several potential futures which incorporate all the initiatives occurring within Stemmons Corridor. For example, scenario planning can help to answer the following questions:

- How will Stemmons Corridor grow over the next five, 10 and 20 years if all the projects have reasonable success?
- Are there any synergies that are created by the major facilities' growth? For example, medical centers typically generate nearby medical office developments. Are there places and accommodation for this type of potential activity?
- What will be the role of housing in Stemmons Corridor, and what types of housing will be necessary to meet demands? Further, what amenities will be needed to complement a growing residential population?
- What public facility needs will the development require to facilitate the use of Stemmons Corridor? For example, are there major improvements in sewer, water, drainage, energy or Internet capacity that will need to be addressed?
- Finally, can a coordinated vision be developed from the scenarios that will foster cooperation, deal with predictable problems and result in a thriving district that is becoming one of the premier medical research, technology and design centers in the country?

Map III-2.1 | Current Zoning Map of the Stemmons Corridor - Southwestern Medical District



Current zoning map of the Stemmons Corridor-Southwestern Medical District.

Proposed Growth Forecasts

The Stemmons Corridor is expected to grow substantially over the next few decades. However, this expectation is not evident by looking at current zoning or policy. North Central Texas Council of Governments (NCTCOG) makes a forecast based on the “trend” of recent actions, including the current policy. ForwardDallas! is based on a land use model that includes all the initiatives in the Policy Plan, including this master plan. For perspective, the study area in the year 2000 contained 89,200 employees and 3,500 households. NCTCOG forecasts approximately 22,000 new jobs for the area, which is about 5 percent of Dallas’ overall growth. The NCTCOG estimates that an additional 9,000 households will locate here in the future.

In contrast, forwardDallas! forecasts approximately 56,000 new jobs, which is about 10 percent of Dallas’ overall employment growth and anticipates that an additional 22,000 households will locate in the Stemmons Corridor-Southwestern Medical District. The purpose of this Area Plan is to develop a strategic plan of action to develop according to the forwardDallas! growth targets.

Current Conditions

Zoning and Land Use

The land uses around the Stemmons Corridor are predominantly institutional and warehousing with industrial zoning. The warehouse uses are declining and offer potential for redevelopment. To accommodate this change, there have been several zoning changes over the last few years to provide for residential and mixed-use developments in this area. The land uses along the Stemmons Corridor are primarily related to wholesale trade and hospitality and are located in high density mixed-use MU-3 zoning. There is also a large PD that encompasses the southeastern section of the area. The land uses along the Old Trinity River are primarily warehousing and wholesale trade. Plans are under way to create opportunities for residential, mixed-use and retail development along Stemmons and the Old Trinity River. The stable and high-income neighborhoods of Oak Lawn and Highland Park are to the east within a mile of the Southwestern Medical District.

	Trend	Vision
New Jobs	22,000	56,000
New Households	9,000	22,000

Demographics

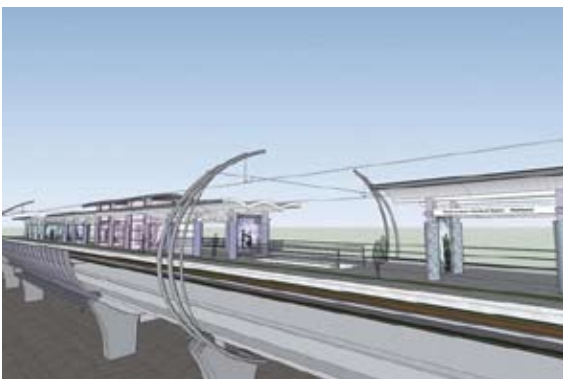
- The population has grown 50 percent since 1990 with Hispanics constituting 50 percent of the total population.
- 62 percent of households are renters and the median household income is below the city’s median, and the poverty rate is high at 16 percent.
- The average commute time to work of residents increased from 20 to 25 minutes since 1990. This implies that few of the local residents can find jobs in the area and many who have jobs in the area don’t live in the area.
- Total Businesses: 5,043 (7.9 percent of all businesses in Dallas County)
- Daytime Population: 149,000
- Resident Population: 7,900

Stemmons Corridor Today

- **Total Businesses: 5,043**
(7.9 percent of all businesses in Dallas County)
- **Total Employees: 170,000**
(10.9 percent of all employees in Dallas County)
- **Tax Base: Almost 19 percent**



The Hilton Anatole is among the major hotels located within the Stemmons Corridor.



This rendering shows the Southwestern Medical District Parkland DART station.

Key Facilities

The Stemmons Corridor – Southwestern Medical District area is one of the region’s major employment centers with UT Southwestern Medical Center, Parkland Memorial Hospital and Children’s Medical Center serving as the backbone of Dallas’ main medical district. This area also forms the basis of an emerging biotechnology development center. The Dallas Market Center and Infomart along the Stemmons Corridor are a major focus of Dallas’ wholesale trade business. Parkland is also in the process of developing a master plan for future expansion, adding to the growing medical industry.

Key medical facilities include UT Southwestern Medical Center and University Hospitals, Children’s Medical Center, Parkland Memorial Hospital, Texas Woman’s University School of Nursing and Texas Scottish Rite Hospital for Children.

Dallas is a major national meeting center and hotels are a big business in Dallas. Each year visitors to the Dallas area spend more than \$9 billion, which in turn helps to employ more than 120,000 residents. The Stemmons Corridor plays an important role in this effort. More than 40 hotels and almost a third of the hotel rooms in the city of Dallas are located along the Stemmons Corridor. Of particular importance is the Market Center area, which hosts two of the major hotels along the Corridor, the Hilton Anatole and the Renaissance Dallas, along with several other branded properties from the Marriott, Hilton and Sheraton hotel chains. Each year several “market” type events held in this area generate the economic equivalent to a Texas-OU game.

Infrastructure

The Stemmons Corridor is in close proximity to Dallas Love Field, the central business district, Interstate 35 and three future DART stations.

Harry Hines Boulevard, Motor Street, Oak Lawn, Inwood and many other streets are key arterials within the district but have traffic and pedestrian crossing problems that need to be addressed. It’s likely that a complete redesign of Motor Street will be necessary to make it more compatible with surrounding land uses. Oak Lawn Pass Project is under way, enabling access from the North Dallas Tollway to Maple Avenue between I-35 Stemmons and Maple on Oak Lawn.

Major improvement to pedestrian access is necessary in Stemmons Corridor.

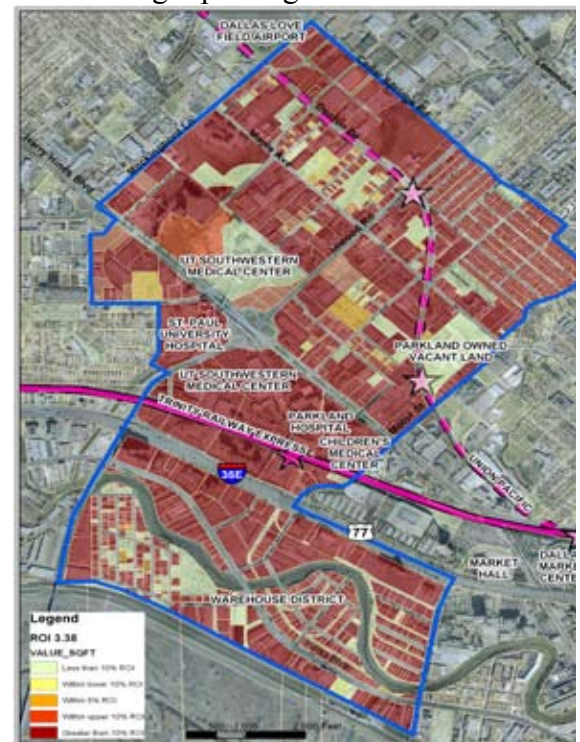
Sewer, water, wastewater, drainage and flood protection needs to be addressed over the long term. With the projected housing and job growth in the district, providing suitable infrastructure is essential.

Redevelopment Analysis

The redevelopment of a site depends on whether the project will result in a positive rate of return that is consistent with investor objectives. One method used to assess the feasibility of a potential redevelopment project is to find the “feasibility point”—that is, finding the point at which the cost of acquisition (price per acre) will still result in a positive rate of return for a specific development under the proper regulatory framework. To find the feasibility point in the Stemmons Corridor-Southwestern Medical District area, a hypothetical development of a mixed-use 5-story building with retail and office uses on the ground floor was used. One critical factor used to test the feasibility of the development included applying both the current Dallas parking requirements, and parking requirements from another city’s mixed-use district more typical in transit and pedestrian-friendly areas. Using Dallas’ standards, the “tipping point” was \$150,000 per acre. In other words, a developer must be able to purchase the land at \$150,000 or less to make the mixed-use project financially feasible. In this case, no properties were redevelopable, as almost all properties in Dallas have a higher value than this, even the most derelict buildings. However, when the mixed-use parking standards were applied it changed the feasibility point to \$380,000 per acre (total value—building and land). This means that a developer can purchase the land for up to \$380,000 and still realize a positive rate of return on the investment. Using this acquisition price as the “feasibility point,” many more acres in the study area were feasible for redevelopment. It is clear that the new parking standards proposed in forwardDallas! should be examined as part of a coordinated plan for Stemmons Corridor.

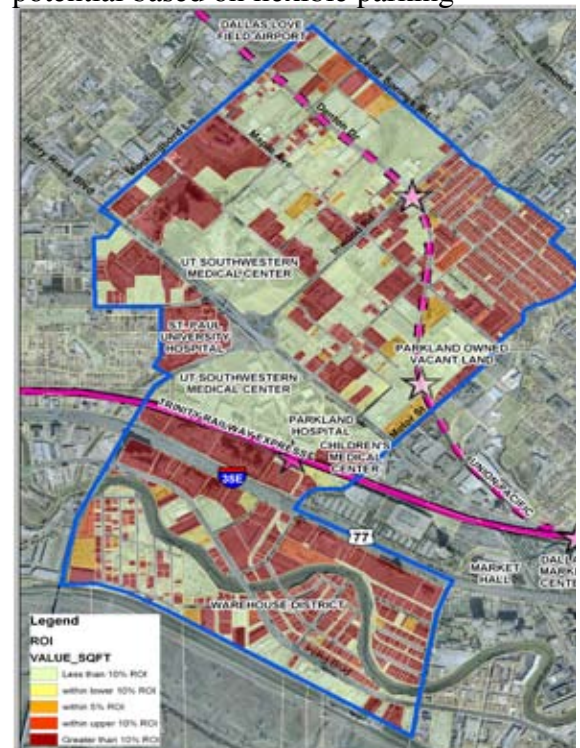
A market analysis and test of the redevelopment potential of a variety of building types including multistory, mixed-use office/retail and housing/office, as well as single-use buildings should be conducted as part of the small Area Plan. Based on this analysis the final zoning should specifically permit the feasible development types, as well as the development standards that lead to it.

Map III-2.12 Redevelopment potential based on rigid parking



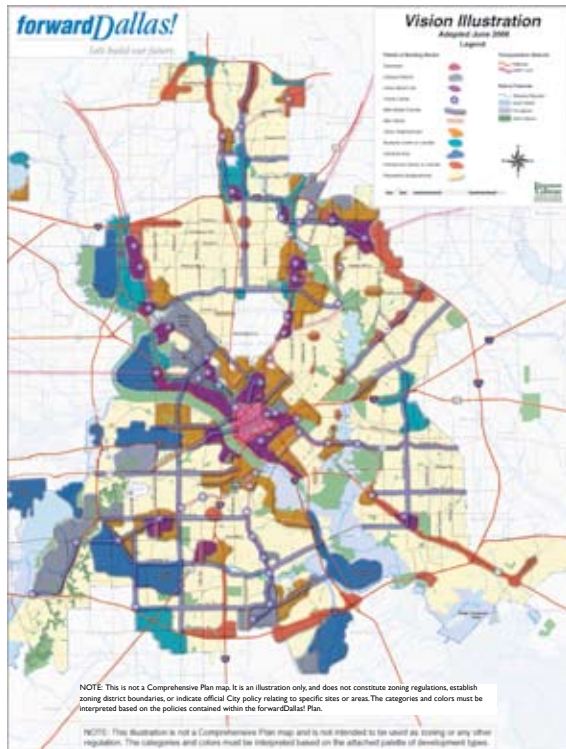
This map shows redevelopment potential based on the area’s rigid parking standards.

Map III-2.13 Redevelopment potential based on flexible parking



This map shows redevelopment potential based on a flexible parking standard approach.

Map III-2.14 Vision Illustration



The forward Dallas! Vision Illustration Map designates the Stemmons Corridor–Southwestern Medical District as a Campus District.

Map III-2.15 Inset of the Campus District



A close-up of the Campus District designation with the purple circles indicating DART transit stations.

The forwardDallas! Vision has designated the Stemmons Corridor-Southwestern Medical District area as a Campus District. This designation indicates that the area is dominated by a few institutional uses, should have a master plan to encourage the synergistic development of surrounding uses and ensure that the public facility needs are met. The Vision and Plan, in summary, contain the following relevant policies.

Campus District is a Special Mixed-Use Typology

A Campus District describes areas where a healthy balance of housing, jobs and shopping will exist in close proximity enabling citizens to live, work, shop and play in the same neighborhood. Alternative modes of transportation such as transit, bicycling and walking will be a high priority in these areas although the automobile will still play an important role. Campus Districts should have slower moving traffic and automobile trips will tend to be shorter.

The Campus District typology is intended to represent areas focused around major master planned educational, institutional or business facilities outside Downtown that provide jobs for large numbers of uniquely skilled people. The University of North Texas (UNT) campus area was the impetus for creating this typology, although other examples exist such as the Southwestern Medical District, the Baylor Medical Center, the Veterans Administration Hospital area and Pinnacle Park.

Specific Goals for the Area

The Stemmons Corridor – Southwestern Medical District area is one of Dallas’ best areas for economic development. The medical sector of the economy is one of the premier sectors in the economic development strategy. In addition to the thousands of new employees who will locate here, the goal is to develop this Campus District into a full-service area, with a full complement of uses. In addition to the medical, design, office and continuing manufacturing uses, the following are envisioned in locating and prospering within the Campus District:

- Associated medical technology office uses
- Design and other uses
- Services for employees and residents, such as restaurants, shops and entertainment
- Housing and retail in the Campus District, including affordable rental and upscale condominium units
- Educational facilities with a focus on the medical sector and residences

- Lodging for out-of-area business visitors, patients, conference attendees and students of the educational facilities
- Other amenities such as wider sidewalks between tree-lined streets, a pedestrian-friendly environment, shopping and entertainment districts, parks, trails and open space

Key Uses Should be Permitted Under Clear and Objective Standards

One of the primary objectives should be that desired uses will be permitted under regulations that are clear and objective and that allow issuance of permits with a predictable outcome. This means that the zoning uses, development standards and design standards could be administered at a ministerial level (e.g. by appointed officials without the need for public hearings). Also zoning should be sensitive to market realities, permitting sufficient density to allow developments that will meet financial standards of development profitability, while also conforming to the district and community goals.

Design Guidelines

Parts of the Stemmons Corridor – Southwestern Medical District may need easy-to-use, effective and objective standards that can be processed quickly. Drafting a new set of design standards specific to the district is an excellent vehicle to adopt effective standards. Capital improvements should be developed and a financing plan should be put in place. Given the importance of the Stemmons Corridor – Southwestern Medical District area to the regional economy, many different sources of financing should be investigated, including locally generated funds such as tax increment financing districts, Dallas capital improvements funds, regional funds such as DART capital improvements and state and federal funds, focusing on economic and transportation developments.



Infomart Dallas acts as a huge draw to the district.



The Victory developments set the tone for higher density mixed-use development in the area.



Theresa O'Donnell, City of Dallas Director of Development Services, speaks to the Stemmons Corridor Business Association about forwardDallas!

Interviewees should include:

- The development community
- Medical facilities staff
- Property owners
- Neighbors
- Market Center
- Design Center
- Aviation
- Hospitality
- Municipal service providers

The summary of those results should be included in a report and presented to all project stakeholders.

Description of Process and Products from Proposals/Contracts

It is anticipated that Dallas Planning Staff and a specialist consultant team will be used to develop the master plan for the Stemmons Corridor – Southwestern Medical District area. The process should remain focused and expeditious and the development of a pragmatic plan should be completed within a period of a year or less. The process for achieving this goal would include the following steps:

Stakeholder Interviews

At the beginning of the planning project the staff (or consultants or both) should have a clear understanding of the issues in the area. After a list of interviewees is developed, interviews should be conducted with key stakeholders to assess their opinions on opportunities. Additionally these interviews can bring to light constraints in the area and may reveal points of broad consensus regarding potential area development. The interviews should also serve to fine-tune the economic development and infrastructure needs assessment included in this scope.

Develop a Scenario Modeling Process

A scenario modeling process should be developed, using the basic methods that were used to create scenarios for forwardDallas! An initial scenario should be developed to model the future plans of all the relevant stakeholders, including the addition of assumptions regarding synergistic development commonly seen in other similar areas. An analysis of the impacts and needs using this scenario should also be conducted.

Workshop

The workshop for the Stemmons Corridor-Southwestern Medical District should be centered on examining current planning and future expansion plans for the district as a whole. The scenario that includes all current and anticipated plans and projects should be used as a departure point for developing a clear picture of what each facility is envisioning for its future.

One main issue is that all the planning is done internally by each facility without sharing plans with neighboring stakeholders. The goal of this workshop should be to incorporate all existing plans into a united vision for the district.

Workshop participants use a set of scaled land use “game pieces” representing different building types that appear to be economically viable on their particular site. The “game board” should consist of an aerial photo of the site overlaid with development constraints such as wetlands and major utilities; planned transportation infrastructure and proposed new streets and trails; and significant civic and cultural facilities. After examining and discussing the “base case” scenario, participants can develop their own “best case” scenario, and attempt to develop a future that meets the city’s and the area’s vision.

Scenario Development, Analysis and Conclusion

Using the maps created through workshop process, consultants or staff can begin to identify common themes and directions for the area. Ultimately these themes should be combined to form alternative scenarios for the Stemmons Corridor – Southwestern Medical District area. During the analysis, scenarios should be examined to determine important information, such as areas of change and stability, rough costs of implementation, overall land use patterns and transportation impacts or benefits.

Modeling can be employed to measure the various scenarios, given varied economic and demographic assumptions against the objective evaluation criteria. The robust components of the scenarios need to be identified. If there is one scenario that overwhelmingly meets the criteria set forth by the goals and evaluation benchmarks, it can be moved forward as the preferred scenario. More likely a scenario will be crafted from parts of two or three scenarios. The scenario format can be refined to ensure an outcome that will have consensus and is well-supported by the public.



As part of a public workshop process for the area, participants could examine current planning and future expansion plans for each of the facilities within the district.

Vision and Plan

The following products are anticipated to be developed and adopted as a result of this process:

Recommended Zoning

Recommendations for changes to existing zoning regulations and their locations can be used to realize the goals of the vision. These recommendations could come in the form of both memorandum and a map depicting the suggested changes, if any.

- Draft amendments to regulations such as zoning
- Expected developments—build-out forecast

Shared Parking Demand Analysis

An analysis of the demand for shared parking in the area can be used to pinpoint potential areas where agreements could be enacted for shared parking and more efficient use of land.

Urban Design

Draft urban design standards could be created to attract the types of development envisioned to create a quality district.

Market Feasibility

This task would include: developing an area forecast for the Area Plan, determining the jobs and housing increase that is expected, and determining the building types necessary to accommodate those increases. Additionally this task will require return on investment (ROI) analyses using market rate assumptions.

Transportation Design

- a. Transit Feasibility Study
Work with DART to develop a review of current transit service and maximization of future rail stations.
- b. Transportation Improvement Study
This element would detail the transportation improvement needs of the area, and an approximate timeline as to when the facilities would be needed.
- c. Future Street and Trail Plan
Identify the location of street improvements and where additional street and trail connections can be used to achieve the plan.
- d. Context Sensitive Design – thoroughfare plan amendments
Context sensitive design, or “livable street design” can be utilized to match street design to the expected adjacent land uses. The project should identify where the current thoroughfare plan must be amended and where investments will be necessary.

Utility Needs

Review the following issues to determine if service levels will be able to accommodate the envisioned development.

- Sewer
- Water
- Drainage and flood protection
- Police, fire, public safety review
- Schools
- Parks and trails
- Environmental sustainability

Strategic Infrastructure Investments

- Capital Improvement Program
- The project will require a review of the City's 5-year Capital Improvement Program, and inclusion of relevant projects.
- Funding plan
- Identify a proposed capital improvements budget and funding methods, including tax increment financing, local improvement districts, regional, state and federal funds, as well as private sources of developing the funds for improvements. In addition, the project should analyze the likely effect of plan implementation on tax increment income.
- Economic Development Program
- Determine the best way to leverage public investment dollars and to develop methods for stimulating the job market. The program should also identify key private investments and target specific industries to jump-start the plan.



Planning for future infrastructure is important for the success of the Stemmons Corridor.

CONCLUSION

Map III-2.16 The Stemmons Corridor - Southwestern Medical District Concept Plan



The Stemmons Corridor – Southwestern Medical District Concept Plan will capitalize on the potential of the site to create a world-class center.

The plan envisioned for the Stemmons Corridor – Southwestern Medical District area is not one that involves delving into the major facility plans that are already being developed—those plans are taken as a given. However, the opportunities for Dallas are numerous to use this momentum to generate synergistic land uses and create additional higher paying jobs.

The success of the Stemmons Corridor – Southwestern Medical District area will likely place strains on the city's infrastructure if additional infrastructure elements are not provided for. Dallas cannot afford to be caught unprepared by this success. This plan will allow the needed facilities to be in place and well-funded in anticipation of this success.

In addition, the Stemmons Corridor – Southwestern Medical District has great potential to become a world-class center that offers more than just jobs, products and services, but an area that becomes a true civic treasure and destination point. With the development of housing in the DART station areas and the Trinity River area, amenities such as parks, entertainment and shopping are necessary to complement those who visit, work and live in the area. A creative use of overlooked amenities such as the Trinity River and Meanders area can offer a high quality of life, a place that people seek out as a place to live and work, one that makes the most of the tremendous potential of this area.



Night view of Downtown Dallas from the Stemmons Corridor.