



City of Dallas  
Office of Economic Development

**Strategic Engagement 2013**  
Goals, Objectives & Development Strategies

February 2013

# Contents

<b>Section</b>	<b>Page</b>
Introduction	3
Review of Strategic Engagement Plan (2005-2010)	5
Poised for Future Change	10
Geographic Priorities	11
Goals	14
Objective A: Grow the Economy	16
Objective B: Increase Economic Opportunities for Residents	18
Objective C: Secure Stable Revenue for City Services	20
Objective D: Help Communities Be More Sustainable	23
The Development Process in Dallas	25
Strategies and Tools	27
Development Strategy 1: Business Development	28
Development Strategy 2: Area Redevelopment	30
Development Strategy 3: Small Business	31
Development Strategy 4: Creative Media Industries	32
Development Strategy 5: Research & Information	33
Appendix: Key Assumptions	35
Appendix: Measuring Success	36
Appendix: The Dallas Economy	37

**DALLAS  
ECONOMIC  
DEVELOPMENT**

# Introduction

Traveling Man Statue & Downtown Dallas  
Credit: Brian Berzer Photography



Office of Economic Development  
Strategic Engagement 2013

## Strategic Engagement 2013

The economic development plan of the City of Dallas, entitled *Strategic Engagement*, was approved by Dallas City Council in 2005 and continues to be broadly relevant today. *Strategic Engagement* envisioned a city that captures a healthy share of regional growth while improving opportunities for its citizens and businesses.

Achieving this vision means Dallas must be:

- Strategically engaged in economic development, where government works with the business community to overcome obstacles to growth and markets itself locally, nationally and globally;
- Business-friendly by effectively leveraging its strengths in professional services, technology, logistics and as a destination of choice for entrepreneurs;
- The urban alternative in North Texas with dynamic residential and commercial markets downtown, and thriving neighborhoods throughout central Dallas that are connected by roads, rails and trails;
- Economically balanced where past neglect of Southern Dallas is overcome and the full economic potential of the entire city is realized;
- Home to great neighborhoods serving a diversity of housing needs with quality retail, transit, parks and libraries; and
- Sustainable by supporting families' and enterprises' creative and productive pursuits within the limits of its natural resources.

And driven by four key goals:

- 1) Grow the economy through expanding employment and the size of the labor force;
- 2) Increase economic opportunities for city residents leading to a lower resident unemployment rate;
- 3) Broaden and diversify the tax base to provide stable revenue for City services; and
- 4) Assist in the development of sustainable communities by demonstrating improvement in key community indicators.

Putting people and  
resources back to  
work

## Review of Strategic Engagement Plan

While the *Strategic Engagement* goals and strategies apply to the entire city of Dallas, the Office of Economic Development (OED) places special emphasis on two areas of focus:

- Expanded Downtown Dallas
- Southern Dallas

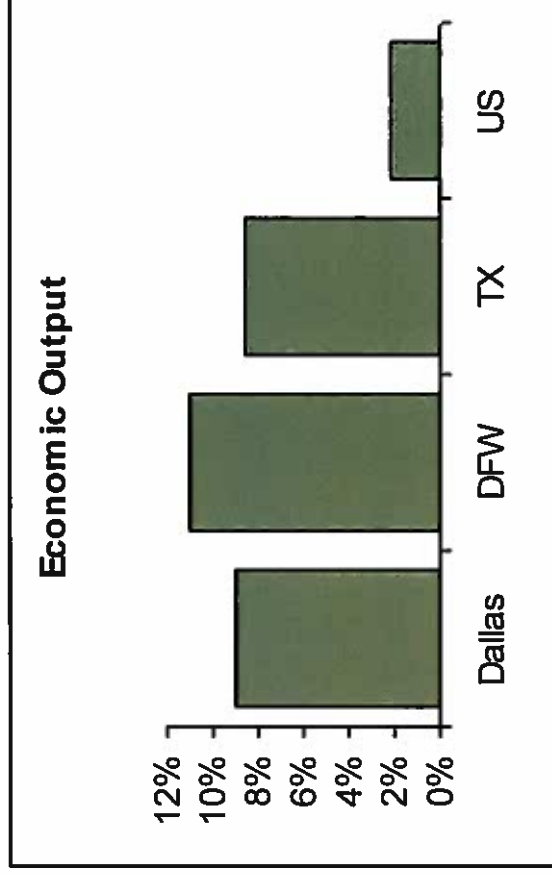
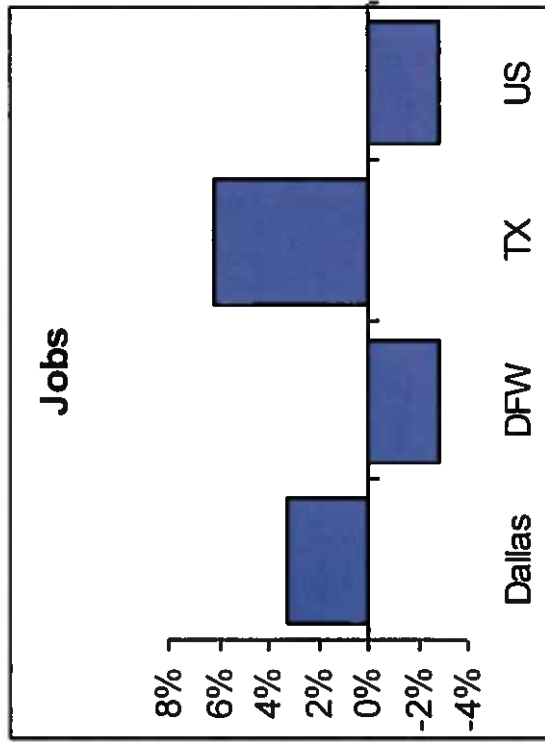
Despite a major national and global recession, Dallas has weathered the storm well and has healthy prospects going forward. The *Strategic Engagement* plan adopted in 2005 had a number of focused actions to achieve this success. These results included:

- Growth in employment and economic output that exceeded the national average;
- Targeted investments in business growth creating jobs and bringing new businesses to the city; and
- A tax base that has rebounded from recession-level lows demonstrating a resilient economic environment.

# Results of Focused Action Plan

## Economic Growth from 2006 to 2010\*:

- 6.5 million sq. ft. of commercial space added
- 14,064 jobs added
- 27,000 new housing units permitted



- Growth of people working in Dallas exceeded growth for the U.S. and DFW, but lagged Texas.
- Dallas economic output (gross product) exceeded the national rate, matched Texas and slightly trailed the region overall.

\*Data for 2011 unavailable at time of publication

# Results of Focused Action Plan

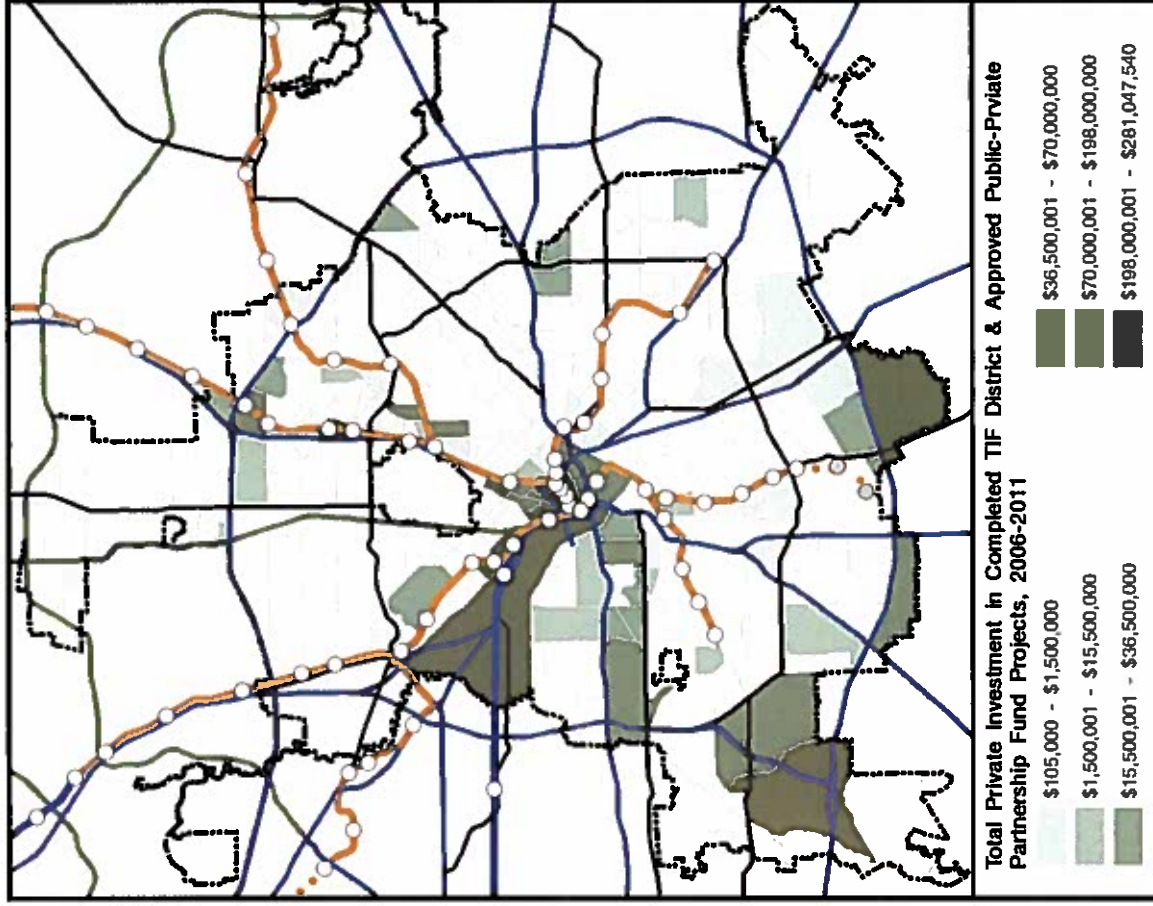
\$216.8 million in public incentives leveraged \$3.80 billion in private investment from 2006 to 2011.

Public Private Partnership Program	Total (\$M)	North (\$M)	South (\$M)
Public Investment	\$72.8	\$37.2	\$35.6
Private Investment	\$1,275.7	\$624.4	\$651.3
Jobs	10,738	8,910	1,828

PPP leverage = 17.4 to 1

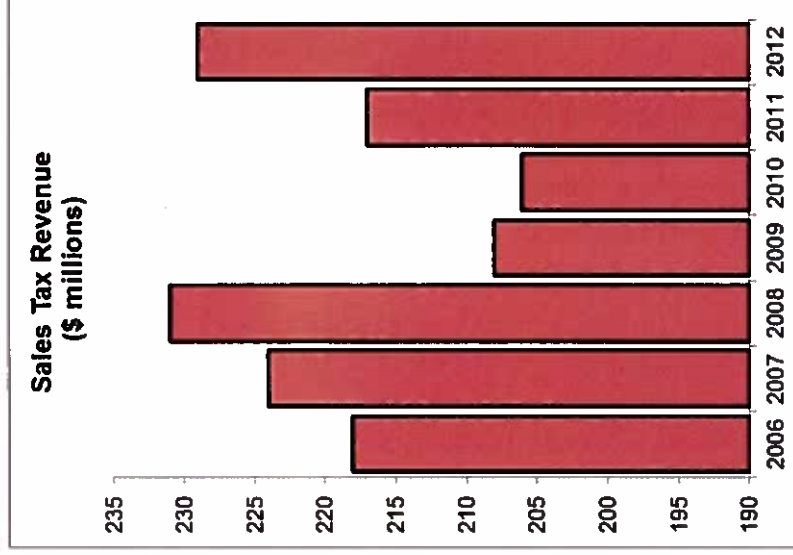
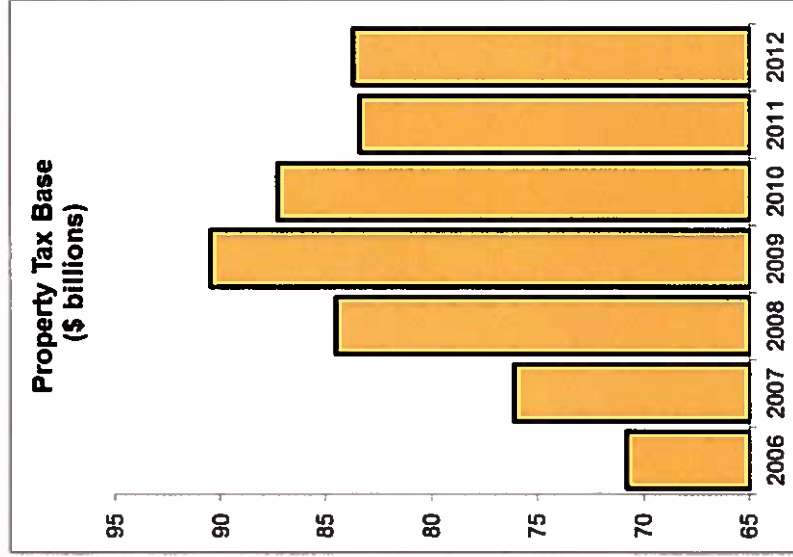
Area Redevelopment Program	Total Projects (\$M)	North Projects (\$M)	South Projects (\$M)
Public Investment	\$138.2	\$127.8	\$10.6
Private Tax Base Generated	\$2,657.9	\$2,472.2	\$185.6

TIF leverage = 19.2 to 1



## Results of Focused Action Plan\*

- The negative affects of the 2007 recession were delayed in Dallas until 2008 and 2009; and
- The property tax base has leveled since the recession, while sales tax revenue has recovered to pre-recession levels.



\*Fiscal Year Time Periods

Source: City of Dallas



# Results of Focused Action Plan: 2006-2011

## Southern Dallas

- Four new TIFs, including the citywide TOD TIF;
- Lancaster Corridor Initiative land assemblage at VA DART Station;
- 3 new water bottling plants (423 jobs);
- 3 business parks;
- 4 new/redeveloped grocery-anchored retail centers;
- \$1B capital investment from last 3 bond programs; and
- Dallas Police Department South Central Substation.

## DART Expansion

- 17 new stations;
- Green & Orange lines opened; and
- \$5.5B in transit-oriented development (TOD) construction completed, under construction and planned.

## Long-Term Catalyst Initiatives

- International Inland Port of Dallas (IIPOD);
- UNT Dallas Campus; and
- Trinity River Corridor Project.

## City of Dallas Regional Center (CDRC)

- Seven projects receiving \$120 million in investment are creating 2,400 new jobs.

## SourceLinkDallas

- Website and hotline provide small business owners and entrepreneurs with connections to 65 service providers.

## Downtown Dallas

- Main Street Garden, Belo Garden, and Klyde Warren parks completed;
- Aloft Hotel and Omni Dallas Convention Center Hotel completed, as well as Joule Hotel renovation and expansion underway;
- Winspear Opera House, Wylie Theatre, and City Performance Hall Arts District venues completed;
- Metropolitan, Mosaic Lofts, Republic Tower, Third Rail Lofts, CityWalk at Akard, 400 N Ervay, Mercantile Tower residential redevelopments completed;
- Atmos Lofts, Statler Hilton, Continental Mercantile, Elm Place and LTV Tower are all being redeveloped to include residential units;
- 1001 Ross, West End Station, One Arts Plaza, Arts Apartments, Farmers Market Way Townhomes, 2100 Downtown Townhomes new residential projects completed;
- UNT Dallas Law School under construction;
- AT&T, MoneyGram, Comerica Bank headquarters recruited, Deloitte expanded and Tenet Healthcare consolidated regional office operations, totaling 2,491 jobs; and
- Downtown Dallas 360 Plan completed.

## Dallas Film Commission

- Integration into OED completed;
- New South Side Studios providing new opportunities to house television series and movies; and
- New "Dallas" TV show and other TV shows filmed locally.

## Dallas Development Fund (NIMTC)

- Two projects receiving \$31 million in NIMTC allocation created 180 direct new jobs.



## Poised for Future Change

*Strategic Engagement* recognized that development success in Dallas comes from building on the City's strengths by specializing in the things Dallas does best. These include Dallas' urban character, its professional workforce and its trade infrastructure and assets.

Dallas continues to transform from Sunbelt boomtown to maturing central city. Going forward, the OED recognizes that the opportunity for growth in Dallas through geographic expansion is no longer possible. Growth must be accomplished by generating additional value in existing communities. As the population becomes more diverse so must the services provided. Long-term viability must rely more on startups and small business for growth and on preparing Southern Dallas for a greater role in the economy.

This vision was deliberately created and the mission is similarly clear that:

- Human capital, infrastructure investment and sustainability drive improvements in quality of life;
- Diverse populations need to be integrated into the economy; and
- Neighborhoods need reinvestment in order to stabilize.

*Strategic Engagement 2013* builds on gains made through the original *Strategic Engagement*, changing details and improving performance measures, to set the stage for the next five years of City policy.

Prospects for future economic growth are:

- Leveraging public sector funding in key Southern Dallas focus areas to stimulate private investment;
- Coordinating planning and development programs;
- Building new and upgrading existing infrastructure;
- Demolishing aging apartments to pave the way for mixed-use redevelopment;
- Growing corporate interest in Downtown, Uptown and other key office markets;
- Completing the Arts District vision with complementary private development;
- Increasing focus on quality of life and sustainability - bike plan, complete streets and the Trinity River Corridor;
- Embracing the long-term changes in housing markets that favor urban multi-family options; and
- Mirroring Texas growth projections that continue favorable economic/social trends.



# Geographic Priorities

**DALLAS  
ECONOMIC  
DEVELOPMENT**

**Southern Dallas & Downtown**  
Credit: City of Dallas Public Information Office



Office of Economic Development  
Strategic Engagement 2013

## Geographic Priority: Expanded Downtown

The *Downtown Dallas 360* plan, along with enhanced business development and small business programs, is a comprehensive strategy for building a vibrant urban core. The objective is to target activity in key focus areas – the Main Street District, Lamar Corridor, Farmers Market, Arts District and Reunion/Union Station District. By creating a network of active vibrant neighborhoods within downtown, visitor and local perceptions of the downtown will change and encourage further private investment.

Downtown Dallas is a large area and focused public investment is needed to make recognizable and sustainable changes in the area. Scattering funding throughout the entire downtown area will diminish the impact of public funding.

Implementation will focus on five transformative strategies and five geographic focus areas.

### Downtown Dallas 360 Strategies:

- Expand transit and realize TOD potential;
- Create vibrant streets and public spaces;
- Ensure great urban design;
- Diversify and grow housing; and
- Reform parking.

### Downtown Dallas 360 Focus Areas:

- Main Street (retail activation)
- Lamar Street (entertainment corridor)
- Dallas Arts District (high-end mixed use)
- Farmers Market (middle income neighborhood)
- Reunion / Union Station (multimodal transport hub and signature office)



Expanded Downtown: Downtown Dallas 360 Districts

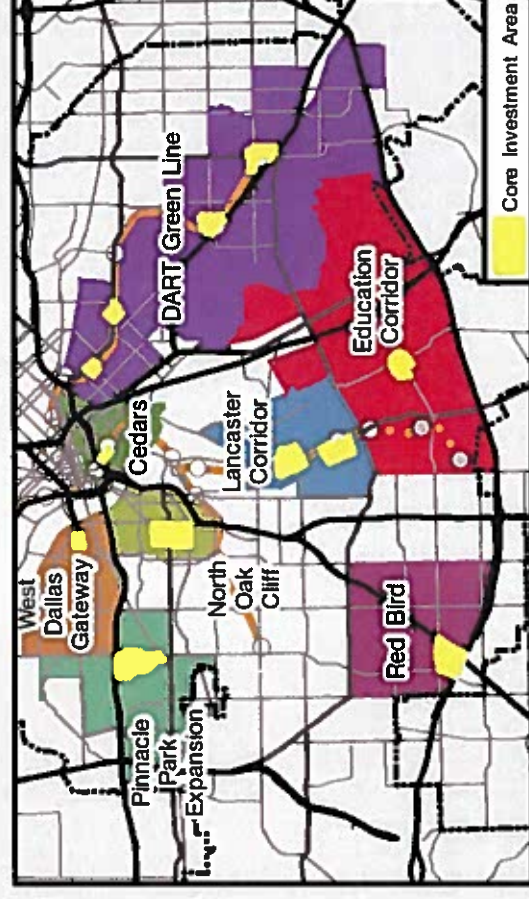
## Geographic Priority: Southern Dallas

GrowSouth began in 2011 and builds on a solid foundation of investment in Southern Dallas. It highlights the need to address Southern Dallas as a business opportunity for outside investment and organic growth. Enhanced business development strategies, including leveraging new programs such as the Dallas Development Fund's New Market Tax Credits (NMTC) and the City of Dallas Regional Center's (CDRC) EB-5 program, bring more capital investment to the market. New branding efforts and neighborhood-level development strategies helps new development integrate into existing communities. An effort to monitor changes in neighborhoods provides better tracking of progress and uncover new opportunities.

Implementation will focus on ten strategies and eight geographic focus areas.

### GrowSouth Strategies:

- Strengthen and engage neighborhoods;
- Create a culture of clean;
- Strengthen schools, strengthen communities;
- Debunk the myths and rebrand Southern Dallas;
- Create a private investment fund for Southern Dallas;
- Continue the revitalization of downtown that feeds surrounding communities;
- Implement the West Dallas Design Plan;
- Develop the Lancaster Corridor;
- Make Jefferson Blvd. a model Main Street;
- Provide key infrastructure that will develop the Education Corridor.



GrowSouth Southern Dallas Focus Areas

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# Goals

Dallas City Hall

Credit: City of Dallas Public Information Office



**City of Dallas**

Office of Economic Development  
Strategic Engagement 2013

## Goals

Dallas has six development goals that relate to the four major objectives:

- **A: Grow the Economy**
  - 1: Grow the job base by 4% in four years and 8% in eight years
  - 2: Grow the labor force by 2.5% in four years and 5% in eight years
- **B: Increase Economic Opportunities for Residents**
  - 3: Lower unemployment rate to 7% in four years and to 6.5% in eight years
- **C: Secure Stable Revenue for City Services**
  - 4: Increase the real property tax base in the Central Business District (CBD) by 4% in four years and 12% in eight years
  - 5: Increase the real property tax base in the Southern Dallas focus areas' core investment zones by 50% in four years and 100% in eight years
- **D: Help Communities Be More Sustainable**
  - 6: Establish baseline community indicator values and track improvements annually

## Objective A: Grow the Economy

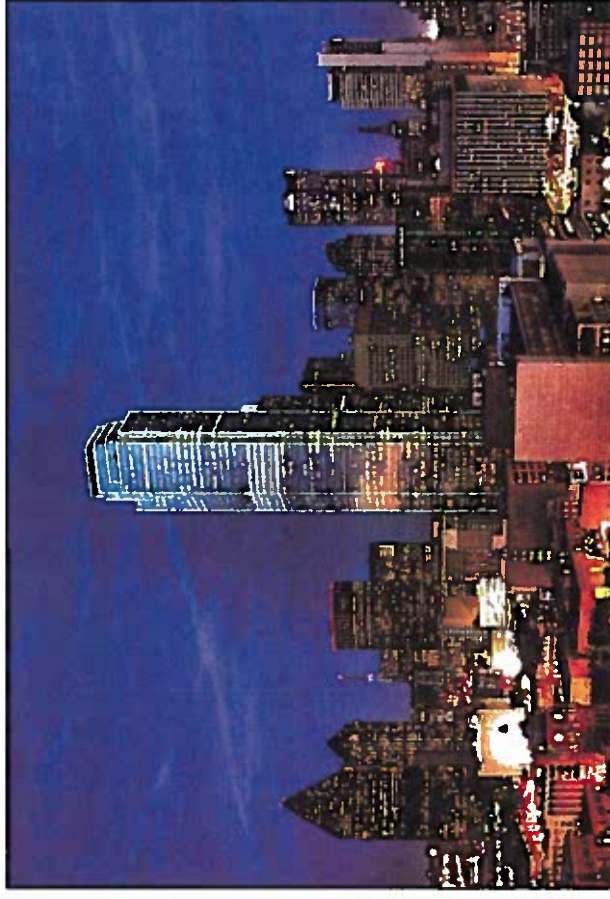
A business-friendly environment, with support of small companies and targeted business development agreements, produces a growing economy that creates jobs and attracts more business.

### Tasks

- Build SourceLinkDallas program to provide enhanced coordination of small business services
- Secure financing from multiple sources for business and development projects
- Publicize and market Dallas' advantages to investors, developers and businesses
- Facilitate business efforts to comply with regulatory and other City processes
- Maintain a competitive set of targeted business incentives to support job and tax base growth
- Provide rapid, thorough responses to requests from prospective businesses
- Provide individualized technical assistance through business assistance centers
- Explore potential efforts to increase small business recognition
- Market downtown as a corporate headquarters, business services and entrepreneurial small business destination

### Goals

1. Grow the job base 4% in four years and 8% in eight years  
2011\* base: 1,070,819
2. Grow the labor force 2.5% in four years and 5% in eight years  
2012 base: 584,307



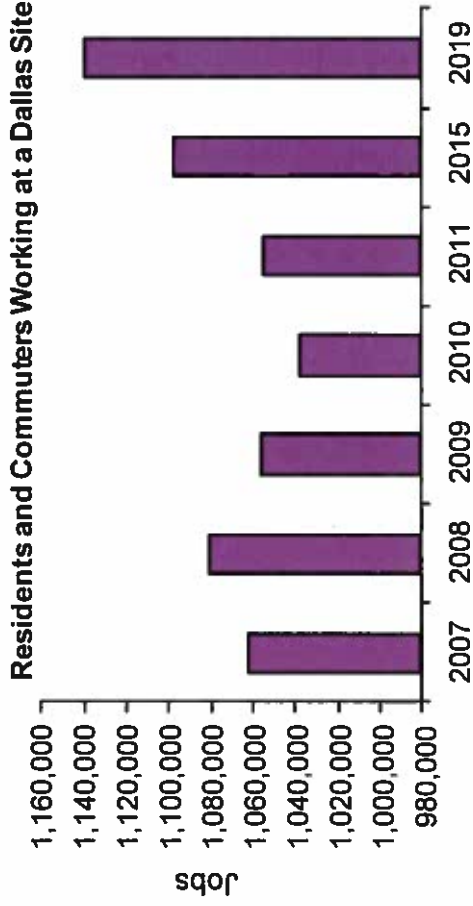
\*Data for 2012 unavailable at time of publication



# Objective A: Grow the Economy

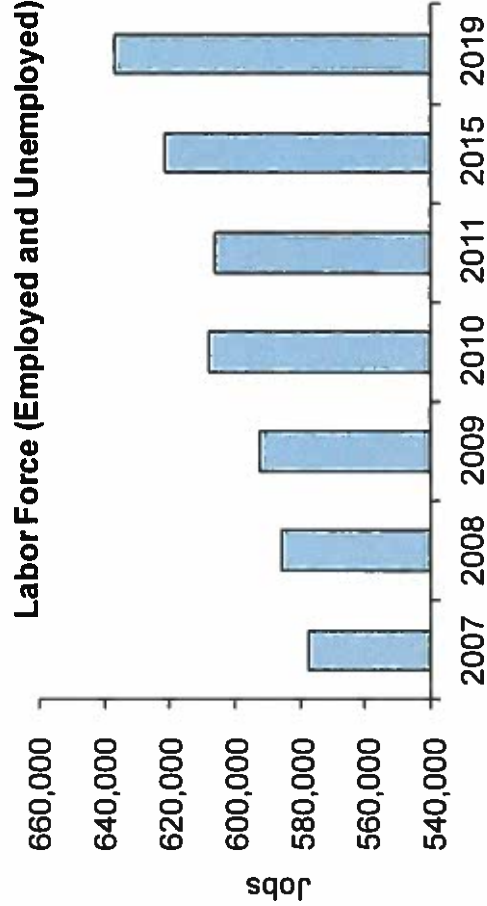
## Goal 1: Jobs

- This measure reflects the level of business activity in Dallas and includes residents and commuters who work at a Dallas business site. Business attraction, expansion and retention will help improve this indicator;
- It supports economic growth objective;
- Set a four-year goal of 4% and an eight-year goal of 8%; and
- This would absorb at least 30M square feet of vacant commercial space.



## Goal 2: Labor Force

- This indicator represents the number of Dallas residents who are active in the labor market (either employed or unemployed.) Increasing workforce preparedness and attracting new, qualified residents improves this measure. Growing the job base (employment) creates opportunities and can entice inactive workers into the labor market;
- It supports economic growth and economic opportunities objective (is a link between the two); and
- Set a four-year goal of 2.5% growth and an eight-year goal of 5%.



## Objective B: Increase Economic Opportunities for Residents

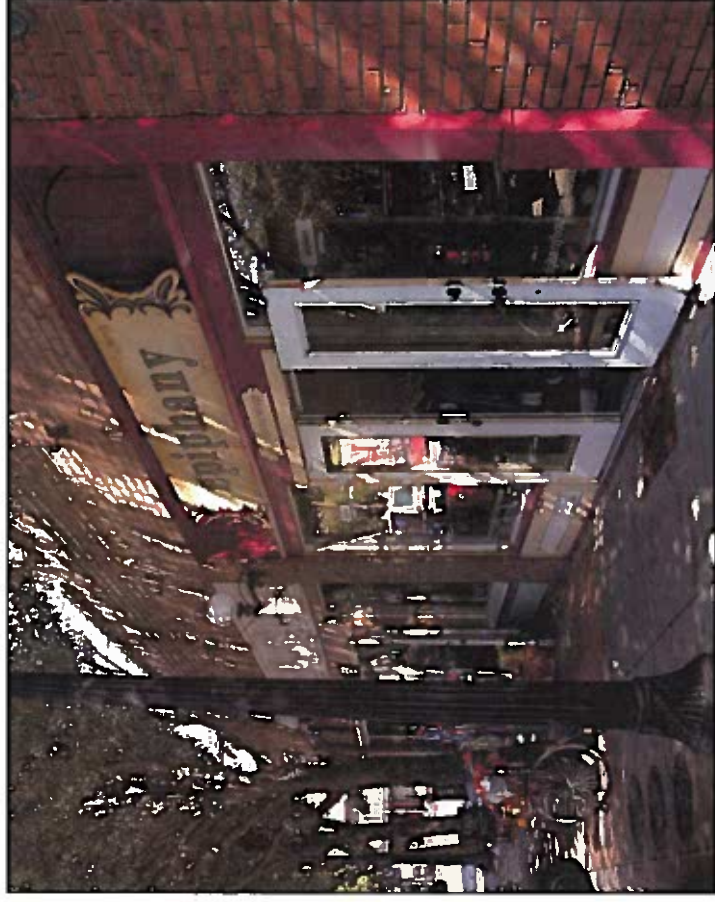
Economic opportunities attract new residents, businesses and entrepreneurs. Residents' access to quality jobs is necessary for a vibrant city with a strong future.

### Tasks

- Understand the needs of the business/development communities and promote policies to reduce barriers to business success
- Facilitate conversion of obsolete office space to residential and hospitality uses, including Downtown office towers and neighborhood retail
- Maintain and administer incentives and regulations to keep Downtown competitive in the site selection process
- Identify and administer programs to increase street-level occupancy Downtown
- Evaluate opportunities to improve the jobs/housing balance in the city and increase access to goods and services through entrepreneurial and home-based business districts near transit and other commercial centers
- Identify and implement tasks to diversify Dallas' industry base through targeted industry promotion and business development

### Goal

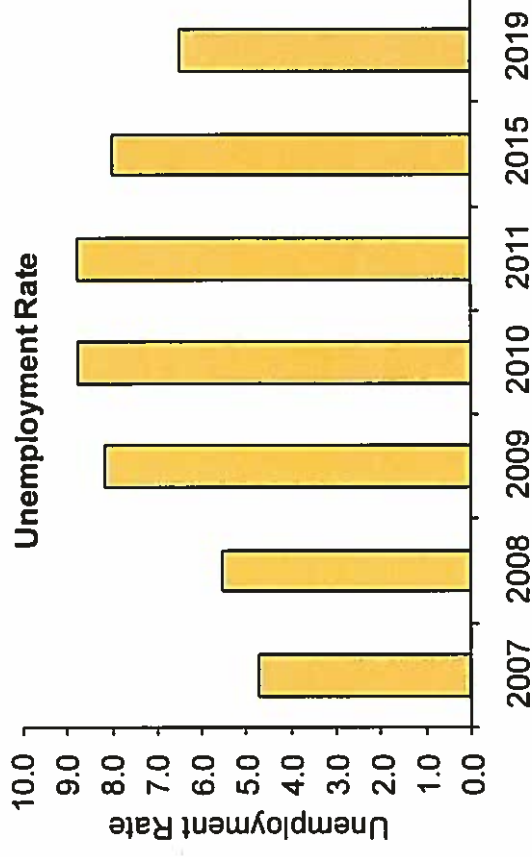
3. Lower unemployment rate to 7% in four years and to 6.5% in eight years  
2012 base: 7.5%



## Objective B: Increase Economic Opportunities for Residents

### Goal 3: Unemployment Rate

- This indicator represents the fraction of Dallas residents that are in the labor force who are **actively looking for work** but have been **unable to find it**. This indicator can be improved through **better education, workforce preparedness and business development activities**;
- It supports the increasing economic opportunities objective; and
- Set a **four-year goal of 7%** and an eight-year goal of **6.5%**.



## Objective C: Secure Stable Revenue for City Services

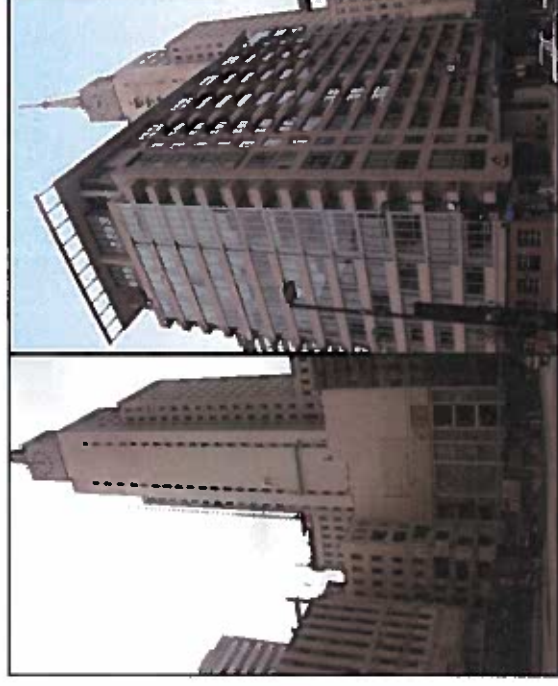
Dallas no longer relies on annexation to grow and develop. Revenue growth, which must come from infill redevelopment, repositioning of under-utilized areas, and public and private infrastructure improvements, creates lasting returns and supports increasing quality of life.

### Tasks

- Promote Southern Dallas business parks to relocating and expanding companies
- Facilitate the conversion of outdated industrial parks to higher and better uses
- Promote housing, office and retail development around DART light rail stations
- Support planning and infrastructure assessments of the central city
- Understand and respond to Dallas' current and emerging economic strengths, weaknesses, opportunities and threats
- Promote investment in Southern Dallas focus areas
- Promote Downtown conversions and other investments that increase building values, improve office markets, and build upon Downtown's assets

### Goals

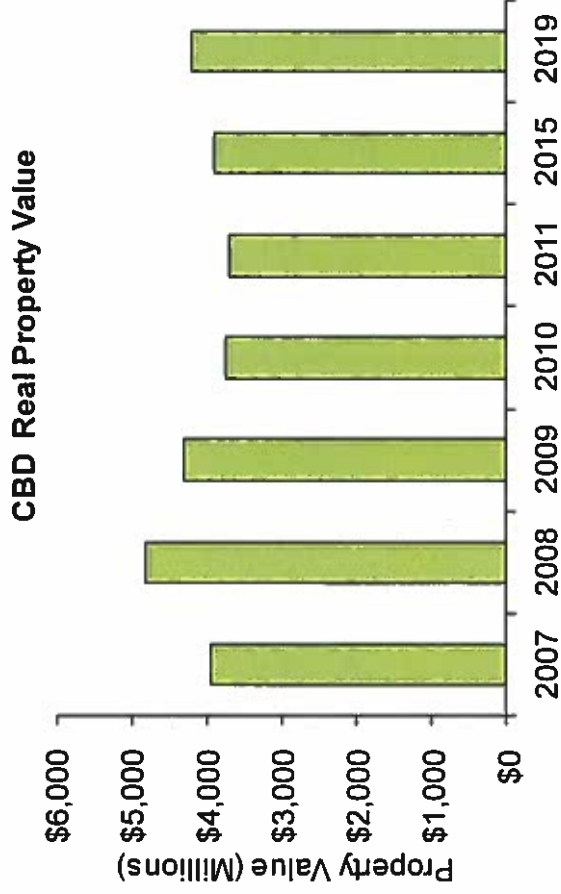
4. Increase the real property tax base in the CBD by 4% in four years and 12% in eight years  
2012 base: \$3.08 billion
5. Increase the real property tax base in the Southern Dallas focus areas' core investment zones by 50% in four years and 100% in eight years  
2012 base: \$239.3 million



## Objective C: Secure Stable Revenue for City Services

### Goal 4: Downtown Tax Base

- This indicator measures the **real property values inside the CBD**. It can be improved through lowering office vacancy rates and building new commercial, mixed-use and residential developments;
- It supports the stable revenue objective; and
- Set a **four-year goal of 4%** and an **eight-year goal of 12%**.

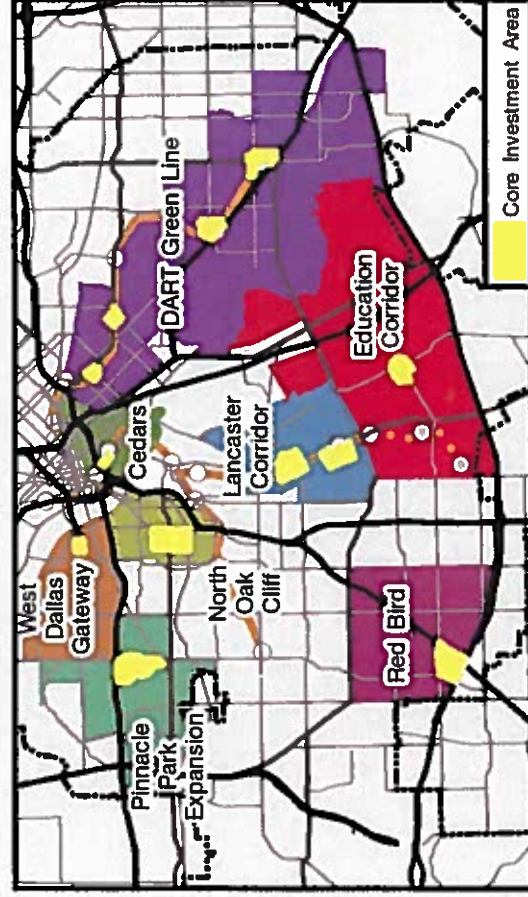
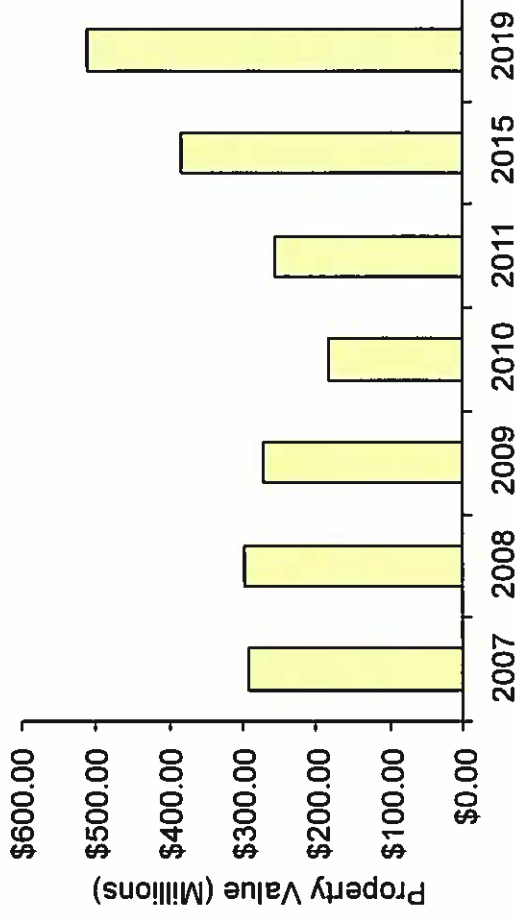


# Objective C: Secure Stable Revenue for City Services

## Goal 5: Tax Base for Key Project Areas

- This indicator measures the real property values in the Southern Dallas focus areas' core investment zones (defined as project sites plus surrounding blocks). This indicator can be improved by delivering quality development, by providing adequate connectivity infrastructure into the surrounding neighborhoods, by maintaining a high level of neighborhood services - particularly public safety and code compliance - and by applying quality urban design standards;
- It supports the stable revenue objective; and
- Set a four-year goal of 50% and an eight-year goal of 100%.

Real Property Value Inside Key Project Areas



## Objective D: Help Communities Be More Sustainable

The health of the city of Dallas can only be measured by the collective strength of its neighborhoods. Neighborhood investment is the City's most important business retention program in order to maintain strong, diverse and desirable communities.

### Tasks

- Recruit retail options into underserved areas
- Facilitate the redevelopment of problematic multi-family complexes into mixed-income housing
- Work to secure infrastructure to better connect neighborhoods to nearby commercial centers
- Support developments that improve job/housing imbalance and access to services
- Promote development, transportation and infrastructure projects that improve connectivity between districts within Downtown and to surrounding neighborhoods

### Goal

6. Establish baseline community indicator values and track improvements annually\*:
  - Increase Household Commitment;
  - Increase Household Resilience; and
  - Improve Neighborhood Assets.



\*Detailed measures located in Appendix.

## Objective D: Help Communities Be More Sustainable

### Goal 6: Sustainable Communities

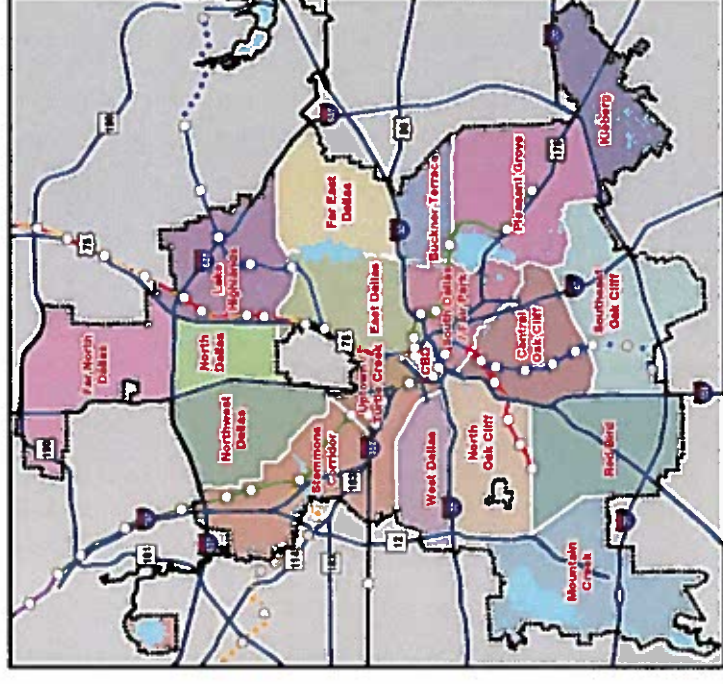
- Success of the city depends on success in the neighborhoods;
- Dallas should systematically track improvements in neighborhood conditions with a set of indicators that tap the many dimensions of sustainability;
- Supports the sustainable communities objective which is the starting point for long-term municipal success. While not all are under the immediate influence of the City's economic development policies, indicators of these development enablers will be collected annually to influence development policy decision makers; and
- Choose a small set of indicators\*:
  - **Measures of commitment:** How invested are households in their community: private residential investment, local school attendance, household growth, household mobility, home sales prices, rental rates, vacancy rates;
  - **Measures of resilience:** How easily can households respond to hardships: education levels, income levels, social capital; and
  - **Measures of amenities:** How marketable are neighborhoods: school performance, crime levels, parks/trails, retail, physical structure (walkability).

OED has divided the city into 19 large communities that are logical socio-economic divisions. These divisions can be the basis for collecting and reporting sustainability indicators.

Why these geographies?

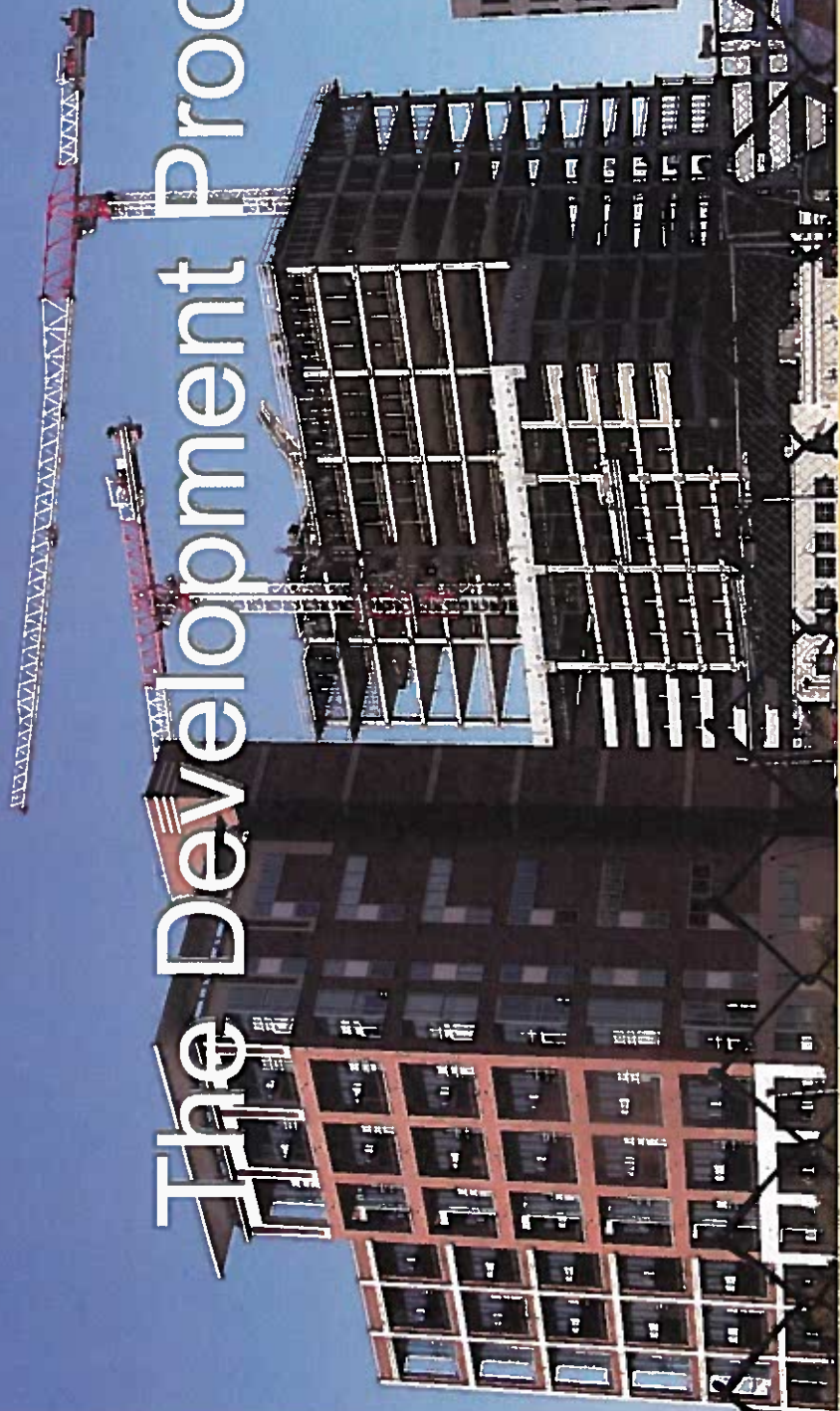
1. They are large enough to combine the many statistical reporting layers: school attendance zones, Census tracts, ZIP codes;
2. They are small enough to permit evaluation of city policies; and
3. Many Dallas residents identify with the places they represent.

\*See the appendix for the indicators.

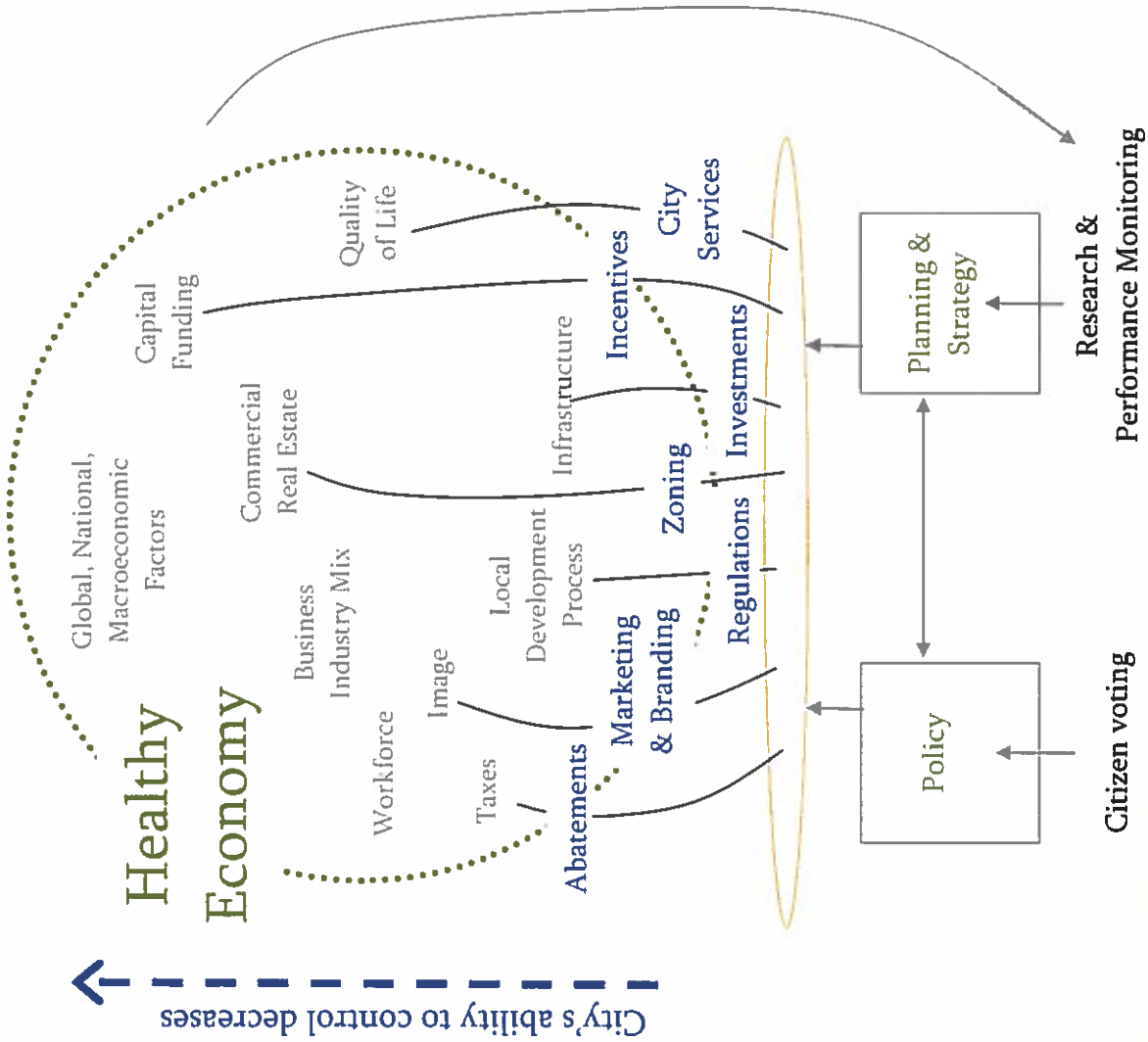




# The Development Process



# The Development Process in Dallas



The Office of Economic Development policies and strategy inform incentive decisions.

Tools to induce development include: marketing and branding, regulations, zoning, investments, tax abatements, incentives and City services.

These tools affect development differently as the City's ability to control external influences varies. In a healthy economy, all of these factors contribute to development.

We continuously monitor our effectiveness, adjusting our strategy according to macroeconomic changes and development needs.

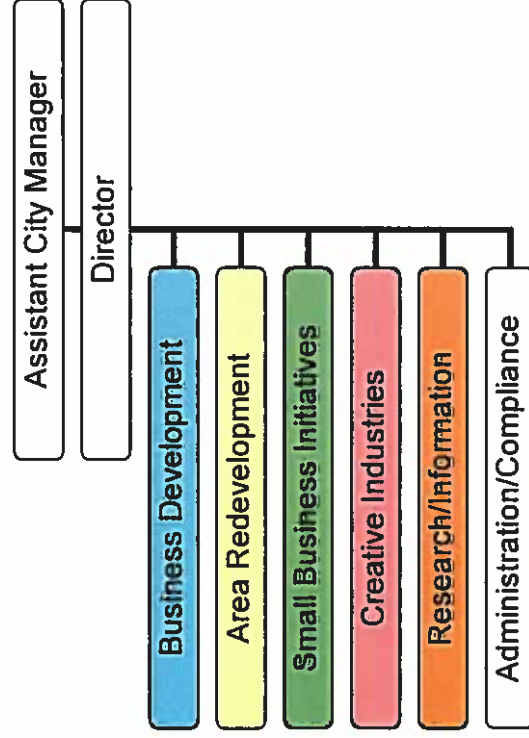
See Appendix for macroeconomic and development assumptions

# Strategies and Tools

The OED strategy for achieving the six development goals targets for all types of business and real estate opportunities. OED staff works collaboratively while organized into divisions by strategic function.

- **Business Development** is home to the attraction, retention, expansion and marketing programs aimed at larger businesses with special focus on Downtown, Southern Dallas and on international recruitment;
- **Area Redevelopment** operates special taxing districts, including Tax Increment Financing, Public Improvement Districts and Municipal Management Districts;
- **Small Business Initiatives** include the City's SourceLinkDallas small business entrepreneurship program and management of the City's eight Business Assistance Centers (BACs);
- **Creative Media Industries** coordinate with the Dallas Film Commission; and
- **Research & Information** includes strategic planning, economic forecasting and demographic research to support the office.

## Organized by Strategic Function



## Tools

- Tax Abatements
- Chapter 380 Loans & Grants
- Tax Increment Financing (TIF) Districts
- Public Improvement Districts (PIDs)
- Municipal Management Districts (MMDs)
- New Market Tax Credits (NMTC)
- City of Dallas Regional Center - EB-5 (CDRC)
- Historic Tax Credits
- HUD Section 108 & Low Income Housing Tax Credits (LIHTC) - managed by Department of Housing & Community Development
- General Obligation Bond Program
- State and Federal Initiatives

## Strategy 1: Business Development

The Business Development function promotes Dallas' central location, international airport, low cost of living and business-friendly environment for companies and individuals looking to relocate to or expand operations in Dallas. The programs below are designed to provide assistance to businesses and new developments on a negotiated case-by-case basis.

Building connections to Dallas from the world's new centers of economic growth will help to sustain Dallas' competitive advantage over the coming decades by attracting talent and capital to the city. Welcoming foreign businesses and leaders to Dallas will help to build the city's brand.

### Tools:

#### Tax Abatements & Chapter 380 Grants

- Abatements forgive part or all of real and business personal property tax obligations for a period of time in exchange for additional capital investment, employment growth or a combination of the two; and
- Grants from the Public / Private Partnership Fund offset eligible costs of expansion or relocation projects.

#### General Obligation Bond Program

- Voter-authorized propositions for flexible funds to be used for capital infrastructure projects that complement new or expanding business facilities.

#### Dallas Development Fund (DDF)

- New Market Tax Credits (NMTC) allocations administered by the DDF provide equity for business expansions, real estate projects and other job-creating activities.

#### City of Dallas Regional Center (CDRC)

- Program recruits foreign investors to provide low-cost capital to real estate projects in targeted redevelopment areas as part of federal EB-5 program; and
- The OED recommends projects to the CDRC that are independently analyzed by CDRC staff.



## Strategy 1: Business Development

Dallas' leading industries can be the focus of proactive business development:

- Business Expansion and Retention (BEAR) program works to strengthen local industry clusters and improve networks; and
- Business recruitment works to enhance existing Dallas strengths by adding expanding and relocating companies to the Dallas economy.

### Targeted Industries:

#### Services

- Company Headquarters & Operations
- IT Services
- Logistics
- Media (Creative & Media)
- Telecommunications

#### Manufacturing

- Building Design, Construction, Furnishings
- Food Manufacturing
- Instruments (Wireless & Medical)

#### Assembly & Distribution

- Transportation Equipment
- Aviation

In addition to targeted business development, Dallas' "Eds and Meds," the educational and medical communities, are research and employment anchors for new neighborhoods and business clusters. These opportunities are best leveraged through real estate developments in the surrounding communities.

## Strategy 2: Area Redevelopment

Geographically targeted efforts to enhance real estate opportunities for developers lead to population and income growth, new retail opportunities and higher-quality development outcomes. Subsidies:

- Help catalyze growth in challenging neighborhoods; and
- Give leverage for the City to encourage walkable, dense neighborhoods in rapidly redeveloping areas.

Deployment of the special taxing districts around DART light rail stations for transit-oriented development (TOD) is a priority, particularly in Southern Dallas. In Downtown Dallas, three TIFs and the Downtown Improvement District work to increase residential units through new construction and the conversion of obsolete office and hotel buildings into apartments and condominiums.

### Tools:

#### Tax Increment Financing Districts

- Sixteen active TIF districts exist in Dallas, promoting targeted redevelopment in a manner consistent with city-wide policy goals.

#### Public Improvement Districts

- Ten PIDs are active in Dallas, using self-taxing mechanisms to raise funds for a variety of enhanced services and capital projects.

#### Municipal Management Districts

- Three active MMDs, created by State of Texas and authorized by the City of Dallas, provide a quasi-governmental mechanism for issuing bond debt for capital projects and self-taxing mechanisms for services.

#### City of Dallas Regional Center (CDRC)

- Program recruits foreign investors to provide low-cost capital to supplement TIF financing in targeted redevelopment areas as part of federal EB-5 program; and
- The OED recommends projects to the CDRC that are independently analyzed by CDRC staff.



## Strategy 3: Small Business

Small businesses create most net new jobs and are the only reliable source of high growth industries in the future.

- Entrepreneurship support is a necessity to provide economic opportunities for all citizens; and
- A strong small business and startup environment is a precondition for fully capitalizing on new trends in technology and the business process.

A healthy small business sector creates a vibrant and dynamic environment for all businesses and citizens.

### Tools:

#### SourceLinkDallas

- OED has adopted and is implementing the SourceLink program, a franchised interactive business resource website and resource center that links small business/entrepreneurs with service providers;
- Benefits for Small Business: gathers information, researches available resources, directs business owners to appropriate organizations and follows up to assure service and satisfaction; and
- Benefits for Service Providers: educates small business and entrepreneurs on network services, identifies gaps in services, increases funding for providers, and gives a measurement of economic impact.

#### Business Assistance Centers

- Eight centers located throughout the city provide one-on-one assistance to small business owners, typically with fewer than five employees, and aimed at low-to-moderate income individuals.

#### Southern Dallas Development Corporation (SDDC)

- Non-profit small business lender partnered with OED to leverage private debt and equity, promote access to capital, facilitate job creation and foster economic development through loan programs.

#### South Dallas / Fair Park Trust Fund

- Loan and grant program providing capital to businesses and non-profit organizations in the South Dallas / Fair Park neighborhood to catalyze economic development and create positive social impact.



## Strategy 4: Creative Media Industries

Creative media industries produce content shared by various media platforms. Significant cross-pollination between sectors means a diverse talent pool and a changing technological landscape where a synergistic approach yields higher benefits. Defined as industries that have their origin in:

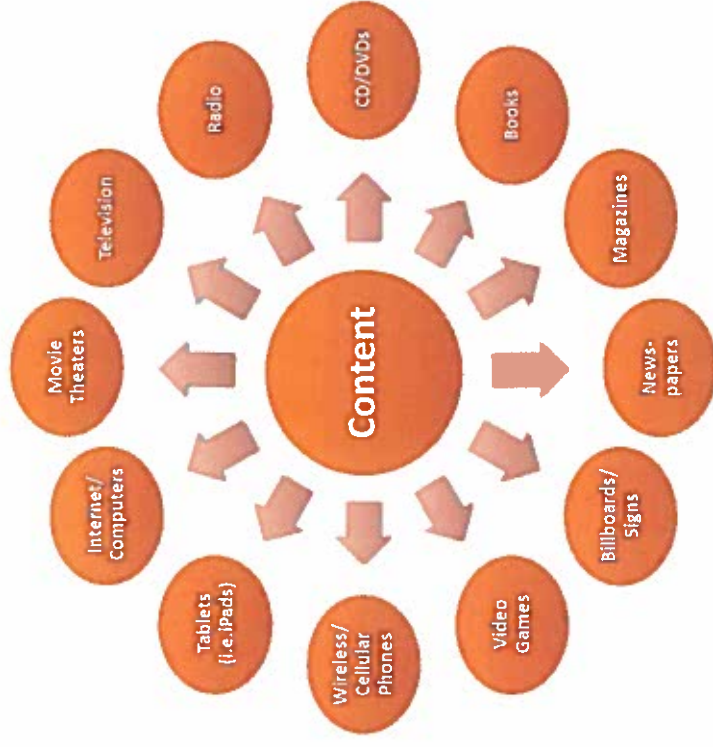
- Individual creativity, skill and talent;
- Potential for wealth and job creation; and
- Generation and exploration of intellectual property, through content creation.

A strong creative workforce is critical to diverse economic activities, builds a stronger quality of life for the city's residents and visitors.

Tools:

Dallas Film Commission

- Assists production of TV shows, commercials, feature films, video games, advertisements and digital imaging in the Dallas-Fort Worth area; and
- Offers incentives in the form of grants and tax rebates to secure projects and firms in order to create jobs and build creativity and cultural innovation.





## Strategy 5: Research & Information

Broad policy decisions and daily choices about strategy must be made using the best information available. Socioeconomic, demographic and spatial data are the foundations of economic development activities.

- Original research provides unique insights into local, regional and national trends allowing Dallas to capitalize earlier and quicker on new opportunities; and
- Fiscal and economic impact analysis leads to informed decisions, protecting the investments made in economic development by the city's citizens and business community.

In-house research and information provides strategic planning and on-demand information services to OED and City management to create the best economic development policy outcomes.

### Tools:

#### Research & Analysis

- Fiscal and economic impact modeling, GIS-based spatial analysis, and in-depth company, market and industry research are the foundations of strategy development and decision-making.

#### Publications

- Scheduled publications including the *Economic Profile*, *D Economy* newsletter, and the *Economic Review* provide the informational basis for all of the City's economic development marketing, recruitment and retention efforts.

#### Website

- The OED's online presence is the point of first contact for many economic development opportunities; and
- The Research & Information team leads the development and maintenance of the web site and coordinates its use across the entire department.



# Appendix

## Appendix: Key Assumptions

This plan assumes the following economic and emerging competitive landscape over the next four years:

Recession recovery begins, but affect of credit deleveraging and real estate bubbles lingers. Real household wealth declined but the construction, real estate and finance industries are less overextended. Higher household savings rates and tighter credit going forward means slower growth and excess capacity in many industries. Federal government overextension and deficit difficulties create problematic choices between stimulating a weak economy and maintaining faith in the government's credit-worthiness. Higher interest and tax rates are likely. Federal expenditure reductions to state / local governments and business will slow many local economies.

Energy will return as a key economic factor. Inadequate investment in energy infrastructure, depletion of major proven reserves and global growth may mean relatively tight margins in oil markets. Volatility in oil prices tied to the global business cycle can heavily influence investment and location choices throughout the economy.

Low cost is relative in a global economy. Dallas competes with both global (e.g. Frankfurt or San Francisco) and low cost centers (e.g. San Antonio or Guangzhou) for business opportunities. The synergy of added value and lower costs supports business success.

Innovation and entrepreneurship drive economic growth. Entrepreneurs turn a city's scientific and cultural creativity into economic value. Newly formed firms grow faster because of their contemporary business practices and deeper new technology integration.

Location and infrastructure differentiates cities. The ability for businesses to access markets and residents to access basic services is key to location decisions. Cities must continually maintain and upgrade neighborhood, regional and even inter-city infrastructure to more efficiently move people, goods and information.

Cities need new sources of development vision and leadership. Local governments must shape a development vision assisting businesses' core market focus. Corporations lean to global competition and shareholder expectations instead of civic engagement.

Successful cities accommodate and promote upward mobility. Strong education and workforce development opportunities are tantamount for citizen's middle-class aspirations. Global cities display high talent development across all levels.

Development is a collaborative process. City vitality comes from the resiliency of and interactions between business, cultural, technological and civic organizations and institutions.

Natural resource constraints hinder growth and prosperity. Air and water quality, as well as power and water supply support development and require long-term planning or growth's negative side effects can hinder further progress. Land use, construction and transportation decisions can lower health and safety costs.

Safety, housing and education are keys to sustainable communities. Brick and mortar development projects depend on resilient surrounding community support of functioning markets. Investor's perceptions change with measurable improvement in underserved market conditions .

# Appendix: Measuring Success

Collected for each of the nineteen Sustainable Community Areas:

## Measures of Commitment

1. Population – are people staying or leaving? (US Census American Community Survey)
2. Households – are new households being added? (US Census American Community Survey)
3. Percentage of School Age Children – are families with children living in the neighborhood? (US Census American Community Survey)
4. Local Public School Attendance – are children enrolled in local schools? (Texas Education Agency)
5. Private residential investment – are people investing in the neighborhood? (City of Dallas Building Permits)
6. Real Property Values - are properties appreciating and attracting investment? (Dallas Central Appraisal District)

## Measures of Resilience

7. Percentage of College Educated Residents – is the workforce attractive to business? (US Census American Community Survey)
8. Public High School Graduation Rate – are the local high schools graduating local residents? (Texas Education Agency)
9. Per Capita Income – are area residents earning enough to sustain local business? (US Census American Community Survey)
10. Registered Neighborhood Organizations Per 1,000 Residents – are local citizens organized and able to speak with a unified voice at City Hall? (City of Dallas Strategic Customer Services)

11. Home Sale Prices – how are home prices changing with the neighborhood? (Multiple Listings Service data via UT-Dallas)

## Measures of Amenities

12. Property Crimes per 1,000 Residents – are properties safe? Does the neighborhood look clean and safe? (Dallas Police Department)
13. Violent Crimes per 1,000 Residents – are people safe in their homes and out in the neighborhood? (Dallas Police Department)
14. Retail Vibrancy (Occupied Retail Space per 1,000 Residents) – is the area underserved by retail opportunities? (CoStar)
15. School Performance (TEA School Performance) – are the local schools an attractive asset providing quality education to students? (Texas Education Agency)
16. Unemployment Rate - are residents able to find and keep employment? (US Census American Community Survey)



## Appendix: The Dallas Economy

### Jobs:

- The COD employment estimate for 2010 was 1,038,000;
- The city can recover back to the 2008 high level of 1,080,000 in four years (an increase of 42,000 jobs) and grow to 1,124,000 in eight years (an increase of 86,000 jobs) with a robust business development effort;
- Dallas has a favorable industry mix with continued growth expected from transportation, business services, health care and information; and
- Other industries are not expected to contribute much to achieving the goal: finance, government, potentially hospitality (may be offset by Omni Hotel and Arts District).

### Labor Force:

- Dallas' preliminary 2012 labor force stands at 582,497 (the high prior to the recession was 599,816);
- The city can recover by adding 2.5% to the previous high level increases it by 15,000 to 615,000. By adding 5% it increases up to 630K;
- This is a very long-term indicator, which depends on children maturing into the workforce or adults migrating to Dallas;
- The city reaching this goal depends on improving the workforce preparedness of Dallas' children and successfully creating new middle-income neighborhoods in Downtown and on sites where dilapidated multi-family was razed before the recession; and
- Based on Dallas population projections from the Texas Water Development Board, Dallas can expect the labor force to grow by a compound annual rate of about 0.5% so this goal exceeds the expected trend.

### Unemployment Rate:

- Dallas' preliminary 2012 unemployment rate stands at 7.3%;
- Strategies that lower the existing unemployed have a greater impact than strategies that attract new employed residents. Lowering the unemployment rate by 1 percentage point means:
  - 6,070 fewer unemployed individuals; and
  - 72,000 new employed residents (new to the city).
- Economists are stating the "new normal" National unemployment rate should come down to about 6.7 to 7.5;
- Look for city of Dallas rate just below that at 6.2% - 6.7% with DFW at 5.5% - 6.3%;
- While city of Dallas' industry mix is more favorable to recovery, city labor force (occupational mix) is not suited to fill positions. Many Dallas residents are not suited to the jobs that have been created in the recovery. The suburbs' easy access to Dallas employment centers helps their residents compete for Dallas jobs.



## Appendix: The Dallas Economy

### Downtown Tax Base:

- Real tax base was **\$3.8B** in 2010;
- Downtown real tax base has ranged between **\$1.9** and **\$4.8 billion** over the last twenty years. It is very cyclical. The trend over the last two business cycles, however, has been generally upward;
- 4% growth comes from \$150 million in new tax base;
- 12% growth comes from \$450 million in new tax base;
- **Average annual growth** in the 1990s was only 0.11%, but has accelerated to 1.65% in the 2000s; and
- Continued reinvestment in amenities, conversion of obsolete space and new construction, particularly middle income housing, will push downtown toward a self sustaining level of private investment.

### Tax Base of Key Project Areas:

- The project areas have a combined current tax base of \$187 million. That tax base has increased by 23% since 2004.
- This excludes reappraisal of the Canyon property, which would change the increase to 40%;
- A 50% increase (\$94 million) in four years is a reasonable, but ambitious increase for these areas. The 100% increase is also achievable given the scope of the proposed projects – value would double to \$374 million; and
- **Most increases** will come from new construction.