

TEXAS SITE VISIT SUMMARY REPORT

Prepared for City of Palmdale
August 2017

PALMDALE HIGH SPEED RAIL STATION AREA PLAN



Executive Summary

Background



As part of the City of Palmdale's Station Area Planning effort surrounding the proposed California High-Speed Rail station, members of the city and consultant team embarked on a second fact finding and site tour to Dallas, Texas. This trip was initiated because of recommendations the City received from several entities during the first tour, which took place in November of 2016. The tour of Dallas enabled participants the opportunity to experience first-hand how the city has successfully integrated rail systems/stations into their urban environment.

In addition, the City of Dallas was an excellent case study to consider with respect to value capture strategies related to the city's park and open space system. A significant interest to include new open and park space as part of the HSR station amenities was shown by the public in a recent survey conducted in the City of Palmdale.

The following city and consultant representatives attended:

- James Ledford, Mayor of Palmdale
- James Purtee, Palmdale, City Manager
- Michael Behen, Palmdale, Transportation / Special Projects Manager
- Rob Bruce, Palmdale, Planning Manager
- Brian Kuhn, Palmdale, Senior Civil Engineer
- Roland Genick, Parsons, Project Manager
- Chester Britt, Arellano Associates, Outreach/Communications Manager



Purpose

The site visit provided an invaluable opportunity for the team to visit a variety of selected locations similar in scale to Palmdale as well as meetings with Texas' HSR organization and regional airport, developers, planners, and local and federal officials responsible for implementing successful transit-oriented development. These meetings included group discussions of the challenges, opportunities, and lessons learned through the lens of their respective projects/programs.

The site visit also provided the opportunity for the group to explore the areas surrounding selected stations by walking and connecting with other transit modes, garnering a first-hand experience of what patrons of the rail system experience in using the Dallas transit system. The combined experience of using multi-modal transportation systems throughout the trip together with the meetings and briefings provided a focused learning experience that is directly applicable to the ongoing planning work Palmdale is engaged in with CHSRA and X-Press West.

Itinerary

While the 4-day trip was brief, the itinerary was robust and much was accomplished. A detailed itinerary was prepared by the consultant team and included day-by-day detailed scheduling of transportation, meetings, tours, etc.

A comprehensive site visit guide was prepared and given to each participant including background on site visit locations, which included: connections to the rail network, demographics of the region, economic development patterns, as well as key facts of the station and surrounding areas.



The group was encouraged to take notes and photos highlighting their individual experiences. These are summarized here as part of this executive summary report and have been fully documented and archived for the city’s benefit. The following table is a high-level summary of the prepared itinerary and schedule for the site visit.

City of Palmdale High-Speed Rail Site Visits	
April 17th - April 20th, 2017	
Monday, April 17th	
Travel to Dallas/Fort Worth from Los Angeles	
Tuesday, April 18th	
Meet with Texas Central Partners	
Meet with City of Dallas staff	
Meet with City of Dallas Parks & Recreation and Klyde Warren Park staff	
Wednesday, April 19th	
Meet with DART officials	
Walking tour of TOD sites	
Meet with Catalyst Urban Development	
Thursday April 20th	
Meet with DFW officials	
Travel to Los Angeles	



Lessons Learned for Palmdale

Each of the Palmdale contingent expressed positive feedback that the trip was "constructive" to anticipate the challenges and opportunities a high-speed rail system provides. Meetings with peers from another state within a similar planning framework allowed the team to compare notes and evaluate the ongoing work being undertaken in Palmdale as part of the CHSRA and XpressWest planning process. The robust dialogue allowed for an informative discussion that will benefit Palmdale representatives for years to come. Key takeaways and lessons learned were:

- ***TOD Developments are complex***
 - They tend to require more collaboration between a variety of partners to be successful.
 - Keeping "opportunity cost" low makes them more attractive to developers.
- ***Monetize Your Assets***
 - City should focus on assets it already owns to generate funds and attract development.
 - Owning programmed open space is key to placemaking.
- ***Stay Nimble***
 - Flexibility to react in shifts of development or transportation patterns is key to success.
 - Controlling property at transit stations strengthens ability to react to changing needs.
- ***Work Together***
 - Developers are better equipped to identify TOD opportunities than cities or agencies.
 - Positive collaboration with transit providers is key to successful station plans.

Follow-up Action Items

As a follow-up to the site visit there are several actionable items that the city will focus on moving forward during completion of the station area study as well as towards full implementation. Those highlighted below are the most critical ones:

- Create potential development scenarios for sites surrounding the HSR station and communicate the scenarios to the development community.
- Identify properties and other assets currently owned by the City that can positively contribute to the development of the HSR station.
- Develop a strategy that can accommodate HSR serving the site first, XpressWest serving the site first, and both services arriving simultaneously.
- Continue to keep developers and transit agencies closely informed about the progress made on the station area plan and obtain their input to help frame potential opportunities.

Summary Notes and Photographs

The following is a summary of the notes compiled by the seven participants for each site visit and meeting. The following summary notes highlight the major take-a-ways documented by the group. The notes are also followed by a summary collage of photos taken by the group. A full cache of the raw notes and photos taken have also been provided electronically to the city for their review and use.



Dallas/Fort Worth, Texas

Transit has been supporting growth and economic development in Texas for at least a generation and continues to be a major economic engine in the area. The Dallas/Fort Worth area has seen significant improvements in public transit, most notably through the creation of a new light rail transit (LRT) system that includes 92 miles of new LRT transit and 62 stations. Through a combination of private investment and public financing strategies, the areas surrounding the stations have seen tremendous growth in jobs, housing, and overall public investment.

In addition to the implementation of the LRT stations there are other efforts underway to improve multi-modal access in the region. TEXRail is a new 27-mile commuter rail that will connect downtown Fort Worth with DFW International Airport. Texas Central is a proposed private high-speed rail connection between Houston and Dallas. The project is being planned and designed by a private consortium, which is similar to the XpressWest model. DART Cotton Belt is a new commuter rail connection that will interface with DART's Orange, Green, and Red Lines and the TEXRail line at DFW Airport.

Combined efforts have successfully created an environment that is supportive of the economic growth and the creation of Transit Oriented Development (TOD) at many of the station locations. Helped by private investments and public financing strategies such as tax increment financing (TIF) districts, TOD's have created jobs and housing for middle and lower income residents by mixing market-rate and affordable housing with amenities and new public investments in infrastructure and public transit stations.



Because of the tight integration between TOD opportunities and the expansion of the public transportation system the Dallas/Fort Worth region represents a similar development climate to what we are expecting for Palmdale and thus provides several successful case studies and "lessons learned" that can be applied to the Palmdale Station Area Specific Plan as the City of Palmdale moves forward in its station planning activities.

The following is a record of the visits held during the trip, organized on a day by day basis.

Tuesday April 18th

- 9:00am Texas Central Partners, LLC
Rebecca Cowle, Outreach Manager
1409 South Lamar Street, Suite 4343
Dallas, TX 75215
Office 214-736-1605
Direct 214-935-2467
Cell 972-804-2184
RCowle@texascentral.com
- 1:00pm City of Dallas
Dustin Kinsey, Community Outreach Coordinator
1500 Marilla Street
Dallas, TX 75201
Office 214-670-3302
dustin.kinsey@dallascityhall.com
- 3:00pm City of Dallas Parks and Recreation / Klyde Warren Park Staff
1500 Marilla Street
Dallas, TX 75201
Ryan O'Connor
Ryan.oconnor@dallascityhall.com



TEXAS CENTRAL PARTNERS

AMERICA'S BULLET TRAIN

Texas Central Partners, LLC (Texas Central) is a private company developing a new high-speed passenger rail system that will connect Dallas/Fort Worth and Houston. Unlike other high-speed rail projects, Texas Central is backed by private investors, not public funds. Texas Central's high-speed rail project will have a substantial and long-lasting positive impact on the state's economy. This unprecedented private investment will spur economic development, create tens of thousands of jobs and infuse billions of dollars of tax revenue into the state and local communities. Nearly 50,000 Texans, sometimes called "super-commuters," travel back and forth between Houston and Dallas/Fort Worth more than once a week. Many others make the trip very regularly. The approximately 240-mile high-speed rail line will offer a total travel time of less than 90 minutes, with convenient departures every 30 minutes during peak periods each day, and every hour during off-peak periods – with 6 hours reserved each night for system maintenance and inspection.

Texas Central has identified and analyzed potential routes that follow alongside existing rights-of-way as much as possible. Texas Central closely examined several such rights-of-way, including interstates, freight rail corridors, and power and utility corridors, all with the goal of minimizing impacts on private property. It is anticipated that stations in Dallas/Fort Worth, the Brazos Valley and Houston will provide easy access to each region's excellent highways, thoroughfares, and expansive public transit networks. Construction of this high-speed railroad will inject \$36 billion into Texas' already booming economy. In addition, the project will be a significant taxpayer to the state and in counties and school districts in communities where tracks, stations, and other infrastructure is located to ensure all communities benefit from the system on an ongoing basis. By 2040, Texas Central is expected to have paid close to \$2.5 billion in taxes to cities, counties, the state, and other taxing entities. By creating new jobs and stimulating commerce in and between North Texas and Houston, this project helps to ensure that Texas will continue to be an economic model for the country.

The example of Texas Central is of importance and relevance to the City of Palmdale since it represents one of the few privately funded HSR efforts (in addition to XpressWest) currently underway in the country. Lessons learned from this system will produce direct and tangible results for the integration of the XpressWest station into the overall Palmdale SAP.



AGENDA

Site Visit – Texas Central Partners

Date: Tuesday April 18th, 9-10:30 AM

Location: 1601 Elm St #4343, Dallas, TX 75201

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- 1 **Introductions**

 - 2 **Overview of Texas Central HSR project**

 - 3 **Regulatory requirements, stakeholder communications, and project milestones achieved to-date**

 - 4 **Texas Central collaboration with transit agencies and municipal/regional authorities**

 - 5 **Texas Central experience in integration of new transit modes into existing and planned transit systems**

 - 6 **Role of Texas Central HSR in supporting economic growth**

 - 7 **Q & A**
-

Attendees:

- Rebecca Cowle, Outreach Manager
- Travis Kelly, Vice President of External Affairs



Combined Team Field Notes Texas Central Partners (TCP)

- The project requires a NEPA review even though it is contained within the state of Texas; No state review is required.
- Lead designer for the preliminary engineering phase is ARUP, with Freese and Nichols serving as a major sub-consultant.
- Texas has seen a lot of recent population growth which has created demand for alternative transportation solutions.
- The project will use the international version of Japan's Shinkansen train as their rolling stock; this does not quite meet "Buy-America" requirements yet, but TCP is working with the manufacturer to obtain certification.
- Alignment will connect Dallas to Houston with a potential intermediate stop at A&M University.
- To the degree possible, the project is seeking to use existing ROW along existing infrastructure corridors (transmission lines, etc.). While TCP is not sharing ROW with Union Pacific (UP) it has encountered several challenges with shared ROW, particularly with respect to being able to implement an alignment that accommodates high design speeds.
- TCP has petitioned FRA to issue a "Rule of Particular Applicability" (ROPA) to address the operations of a rail system with speeds above 150 mph. TCP expects to operate at 186 mph initially and then increase operating speed to 205 mph. Additionally the ROPA is expected to define "Buy America" requirements for the project.
- 60% of the alignment is on an elevated viaduct to allow for connectivity across the alignment by private ranch owners and to simplify drainage solutions along the alignment.
- Project cost is estimated to be \$12 Billion.
 - 10,000 jobs generated during construction.
 - 1,000 permanent jobs from operations.
- Ridership forecast is 5 million by 2026, 10 million by 2050, and 14 million is considered the total potential market; Ridership could capture 30% of all trips between the cities.
- The second round of ridership estimates TCP just completed contains more detail and information on trip reasons, customer preferences, etc.
- TCP has been using Bluetooth data for counts and travel times. This has proven to be more useful and cost effective than traditional methods.
- TCP has found that communicating the travel experience of this new transportation mode is critical to its success; a key sales pitch is that the trip will save 68 minutes over a similar trip by air and 113 minutes over a trip by car.
- Service is being modeled and priced based on trip type. Riders will be more/less likely to pay for trips based on their agenda. For example, those commuting 3+ times a week may view service differently than recreational and occasional travelers.



- The photo simulations were used to showcase alignments.
- The urban areas are currently strong supporters with some opposition from rural areas, particularly from ranch owners whose lands will be crossed.
- TCP has eminent domain powers but is currently negotiating all ROW acquisition for fair market value and would prefer not to use eminent domain powers.
- TCP is currently purchasing numerous ROW "options" since alignment has not yet fully been determined.
- The station area in Dallas is owned by one of the board members of TCP.
- Working Group formed to work directly with the city to look at all development opportunities.
 - The city's design studio is studying how the station will fit into the city and how it connects to the existing transportation systems and pedestrian connections
- Revenue for the system is expected to come from several different sources:
 - Farebox
 - Station Services
 - Advertising at Stations
- Financing is set up with approximately 1/3 equity and 2/3 debt financing.
- TCP is expecting to complete the design as a "Design-Build" project.
- Earliest groundbreaking would be 2018, with earliest opening in 2023. Construction will not begin until funding is in place.
- TCP's experience with Dallas and Houston has been somewhat different. Dallas is more proactive and welcoming while Houston has been a bit more hesitant. Thus, the station location selected in both cities is much more favorable for Dallas.
- Southern Dallas is experiencing rejuvenation due to better accessibility. The addition of high-speed rail is anticipated to speed up that process.
- TCP has found that a proactive approach has been key to their success.
 - Negotiated an MOU with FRA and TexDOT
 - Hired a capable environmental firm
 - Engaged all stakeholders with public meetings; "folks need to be heard" mentality
 - Had great success with "Open House" style meeting formats
 - 31 Open House meetings completed to date and 750+ outreach/speaking engagements



AGENDA

Site Visit – City of Dallas

Date: Tuesday April 18th, 1-2:30 PM

Location: Dallas City Hall, Team Room, 1500 Marilla Street, 4DN, Dallas, TX 75201

1 Introductions

2 Overview of Transit Infrastructure Programs and the Region's Role

3 Incentives and Supportive Public Policies

- Policies in place to encourage development at the station area
- Role of local government and existing regulatory framework
- Transit supporting policies on funding
- Lessons learned

4 TOD and Economic Development:

- City's role with local jurisdictions on TOD planning and implementation
- Impacts from current development climate
- TOD role in funding transit infrastructure

5 Q&A

Attendees:

- Majed Al-Ghafry, Assistant City Manager
- Mark Duebner, High Speed Rail Project Director
- Rick Galceran, Director of Mobility & Street Services
- Tanya Brooks, Assistant Director of Mobility & Street Services



Combined Team Field Notes City of Dallas

- The City of Dallas has a Cooperative Agreement with Texas Central Partners to bring HSR service to the City of Dallas.
- Still in exploration mode and working to figure out property acquisition and station locations. City of Dallas is not entirely satisfied with the station location identified by TCP and would likely have selected a different location if it had been leading the planning effort.
- The City urged that selection of station locations should be made based on optimizing connectivity and integration much rather than simply be decided based on available ROW.
- The City is coordinating with Texas Central, but is still trying to determine what constitutes an adequate investment into the station area.
- Business travel is a key component of planning.
- The city understands the commercial district in downtown to be the main destination for any HSR service rather than the airport.
- The City is very interested in the new development potential at the station area.
 - Growing economic development is of outmost interest for the city.
 - City's goal is to best monetize on the assets already owned.
 - Creating a meaningful synergy between all transportation modes is the city's most important role.
- While Texas Central Partners is looking solely at connecting Houston and Dallas, the city is interested in extending the line further to connect to Fort Worth.
- The City of Dallas sees their role as a mediator between the independent transit planning efforts being conducted in the region.
- They like the station to be integrated into the city fabric and part of a mixed-use development.
- The City recognizes that transit needs to be easy and convenient to switch modes if they are to achieve a true multi-modal system. Connections are very important.
- The City focused on station 'components' since TCP is focused more on location and footprint.
- Dallas staff noted that HSR is beyond the general population's understanding since it is different than what people have experienced. It is not like other traditional rail and transportation types that are currently in use.
- DART is a separate agency that has 13 member cities. Their interest is in connecting their system regionally.
- From the city's perspective, DART has focused on rail, to the detriment of the bus system; DART has been slow to change.
- TEXRail intends to connect to DFW Airport.



- Texas Central will bring HSR connectivity to the city; HSR is seen as a catalyst for retaining and attracting businesses.
- Cottonbelt is a new CRT line that will connect to DFW from the east.
- The City feels that it is important to avoid the same mistakes that were made during the highway planning and initial transit planning times that are considered less successful in hindsight.
- TexDOT has specific freeway intersection rules.
- As opposed to the more technical driven discussion for past planning efforts, the City is now interested in having a philosophical approach to what it wants to accomplish with respect to connectivity.
- Average property acquisition cost in the City of Dallas is between six and eight million per acre.
- The City has hired Perkins + Will to develop a station zone assessment.
- It was suggested that the City of Palmdale consider partnering with SCAG to leverage regional political influence.
- SCAG could also be of assistance to fund planning efforts related to the station area.
- The City of Palmdale was encouraged to carefully evaluate parking requirements, particularly in view of changing individual transportation with the impacts from Uber and Lyft.
- Understanding who uses the station is critically important to inform the design of the station; planning must sync with this to be successful.
- Will the station just accelerate the development pattern around the station or fundamentally change it?
- Palmdale should develop a scenario that is best for the city and use that vision as leverage to achieve the results they want. Will need to understand what others will need from the city to understand it's position of power.
- Need strong MOU agreements to protect concessions that inevitably will happen along the way.
- The City is considering whether giving land away or agreeing to a maintenance facility has a lasting, positive economic benefit to the city; in their experience, this may not have a good financial return.

HR&A / City of Dallas Parks and Recreation / Klyde Warren Park



HR&A has completed innovative work with the City of Dallas that particularly focuses on value capture strategies related to the city's park and open space system that identifies the economic benefits of the park system, quantifies the economic rationale for future investment and recommends best practices. The findings of this work confirm that the Dallas parks return \$1.2 billion to the local economy every year, which is a 15:1 return on public investment.

One of the notable results of the public survey that was conducted as part of the overall outreach process for the Palmdale HSR SAP project indicated that there was a significant desire to include new open and park space as part of the amenities provided with the HSR Station. Recognizing that there is inherent value to creating new park and trail space and experiencing that there are processes to capture that value will be a valuable "lesson learned" for the City of Palmdale and provide good examples for policies that might be implemented as part of the Palmdale Transit Area Specific Plan.





AGENDA

Site Visit – HR&A Advisors/City of Dallas Parks and Recreation/Klyde Warren Park

Date: Tuesday April 18th, 3-4:00 PM

Location: Dallas City Hall, Team Room, 1500 Marilla Street, 4DN, Dallas, TX 75201

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- 1 **Introductions**

 - 2 **Overview of the Economic Development Study on City of Dallas Parks**

 - 3 **Value capture strategies related to the parks and open space systems**

 - 4 **Potential economic benefits of the park system and rationale for future investment**

 - 5 **Q & A**
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Attendees:

- Ryan O'Connor, Dallas Parks and Recreation
- Peter Bratt, Dallas Parks and Recreation
- Tara Green, Klyde Warren Park
- Aaron Abelson, HR&A Advisors



Combined Team Field Notes

HR&A Advisors/City of Dallas Parks and Recreation/Klyde Warren Park

- One of the initial triggers to create a parks masterplan was Dallas' loss to Chicago for Boeing's headquarters.
- The parks masterplan is an important tool to justify/accommodate the influx of additional residents into the downtown area.
- During a City-Funded study, HR&A found that programmed parks create significantly more value than passive parks or peaceful open space.
- Klyde Warren Park was one of the first parks within the city that attempted to put that finding to beneficial use. Specific and noticeable experience with Klyde Warren Park were:
 - It is a high-energy park; it's image in the city is based on the activities that are going on in it.
 - It is run by a non-profit 501c3 corporation.
 - The organization currently organizes about 1,300 events in the park.
 - It was projected to generate 100,000 visitors a year but has seen about 1,000,000 over the last year.
 - The non-profit organization has a \$4.2 million operating budget for the park.
- The park cost about \$112 million to build and \$55 million of the original construction budget was raised from private donations.
- Supporters of the park purposely raised more money than was needed for initial park construction.
- A strong, initial philanthropic effort contributed to the funding, development, and ongoing maintenance of the park.
- Having a specific organization to run and operate the park has helped tremendously. The City of Dallas would have been unable to manage and maintain the park as it is currently operating.
- Klyde Warren Park was inspired / modelled after parks like Bryant Park in Manhattan and Millennium Park in Chicago.
- No parking facilities are owned by the park. Instead they share space with nearby development. They have lots of parking issues. People park at nearby Dallas Museum of the Arts and other nearby development.
- Klyde Warren Park provides free Wi-Fi. They have found that the biggest use is Netflix – demonstrating people still want to do their own thing, but they want to do it in a public space. Wi-Fi has become a way to track attendance.
- Park peaks were Friday / Saturday/ Sunday – which would be expected.
- They have agreements with food truck vendors where the park can capture 12% of the gross monthly revenue. The service is so popular and does so well that they require a 1 year commitment and have a waiting list.



- Land values surrounding the park have increased from \$80 to \$500 per square foot since the creation of the park.
- Adjacent development creates lots of 'eyes' on the park and its operations, leading to a safer feel; 70% female demographic indicates people do feel safe.
- The City has set up a Public Improvement District (PID) that raises 2.5 cents / \$100 of property value; the PID benefits parks, the arts district, and operations.
- To be successful, it is critical to find coalitions that can "gel" around the idea of a new park; it is beneficial to have a private citizen be the champion for a park investment to create the sense that it is being done for the good of the city.
- Klyde Warren park had several investors who put in private money to get the project started.
- The park is constructed over an existing freeway, which had previously divided/cut the downtown/uptown areas. It covers eight lanes that are configured in two separate tunnels.
- The city learned that critical design elements contribute to the success of the park:
 - Shade, water, and music are crucial features that attract visitors.
 - Walkability and people's recognition of the value of walking has helped the success of the park.
 - The trolley is free and stops adjacent to the park and close to LRT.
 - Focusing the park on families has been a big part of its success.
 - Understanding when the park is most likely to be used (as far as time-of-day, time-of-week, temperature range, etc.) has helped significantly in adjusting its programming.
 - Family, Health/Wellness, and Music are the focus of park programming.
- Lessons learned: could have used more restrooms; provide electrical connections in the right places; planting issues; need to have time for the lawn to rest.

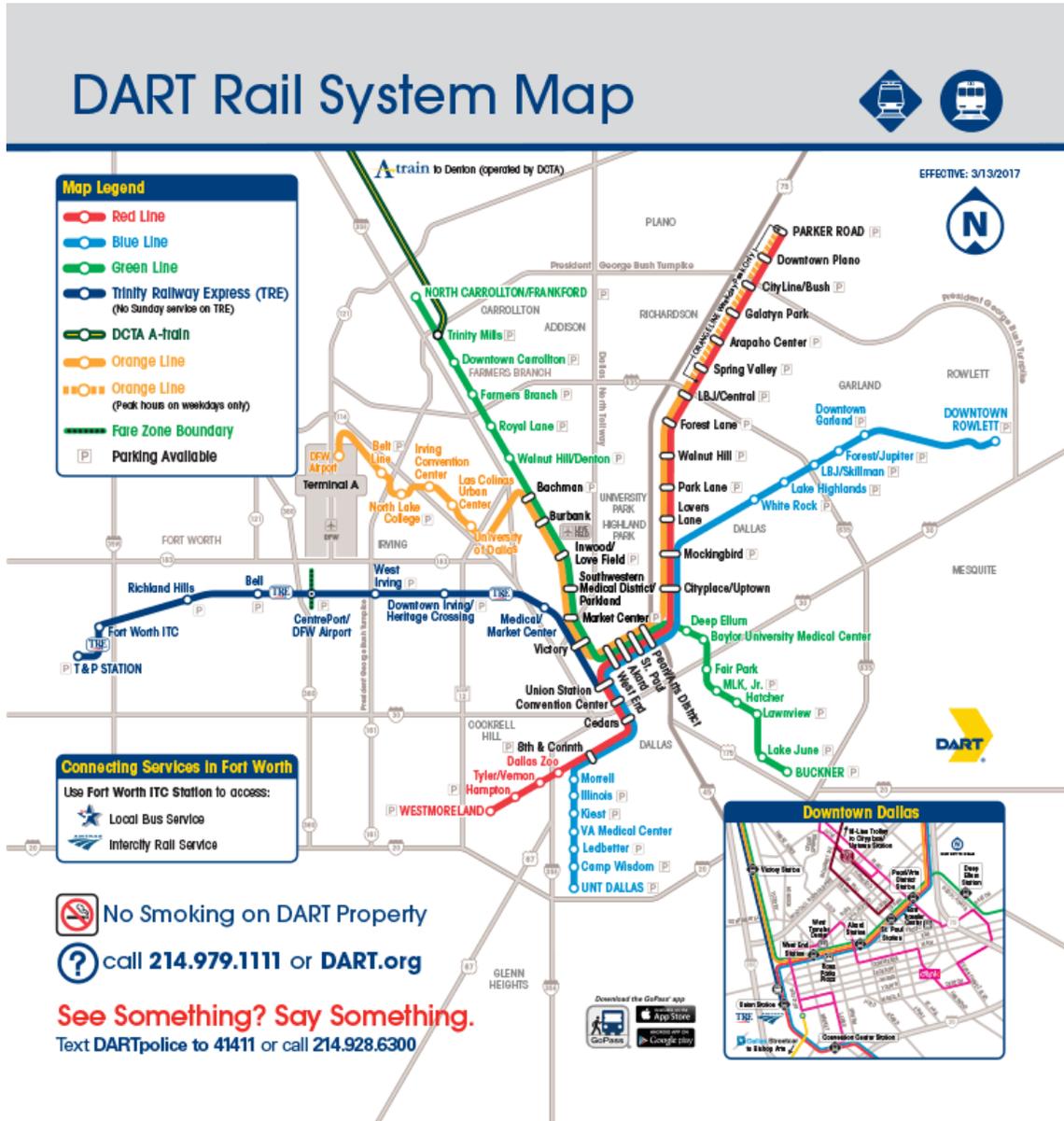


Wednesday April 19th

- 11:00am DART
Brittney Farr, Local and Regional Relations Manager
1401 Pacific Avenue
Dallas, TX 75202
Office 214-749-2870
BFarr@dart.org
- 2:30 pm Walking Tour of Mockingbird Station
- 4:00pm Catalyst Urban Development
Paris Rutherford, Principal
7001 Preston Road, Fifth Floor
Dallas, TX 75205
Office 214-446-3915
Direct 214-796-6063
paris@catalysturban.com

Dallas Area Rapid Transit (DART)

DART is a regional transit agency that operates buses, light rail, commuter rail, and high-occupancy vehicle lanes in Dallas and 12 of its suburbs. The extensive network of DART Light Rail, Trinity Railway Express (TRE) commuter rail, bus routes, and paratransit services moves more than 220,000 passengers per day across a 700-square-mile service area.





Opened in 1996, the DART light rail system did more than improve mobility; it transformed the real estate environment.

Through its years of creating and managing successful light rail systems in its 13 member cities, DART has learned valuable lessons about what is needed for successful transit-oriented development. Several TOD projects have been constructed locally and continue to increase in property value over time. As development interest in TOD increases over time, existing rail corridors and future rail expansion offer exciting new opportunities for a variety of TOD projects. By 2018, DART envisions even more expansion identified in its 2030 Transit System Plan.

While Palmdale currently does not have a “fixed guideway” transit system it will be valuable to understand the benefits that organic growth of a transit system will generate for an operator and a city that experiences it. The DART system, starting with the Red Line in 2002, is a representative example of a mature transit system that started with a single line and has grown into systems that serve the city as a whole. This is particularly relevant for the City of Palmdale in that it provides a “lesson learned” as to how an initially minimal system can aid and feed the future expansion of a full-fledged transit service.

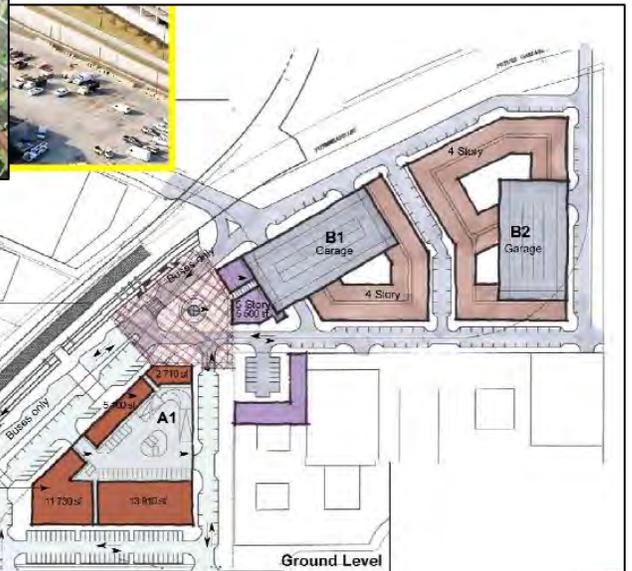
Transit-Oriented Development Along DART Rail: 1994-2015

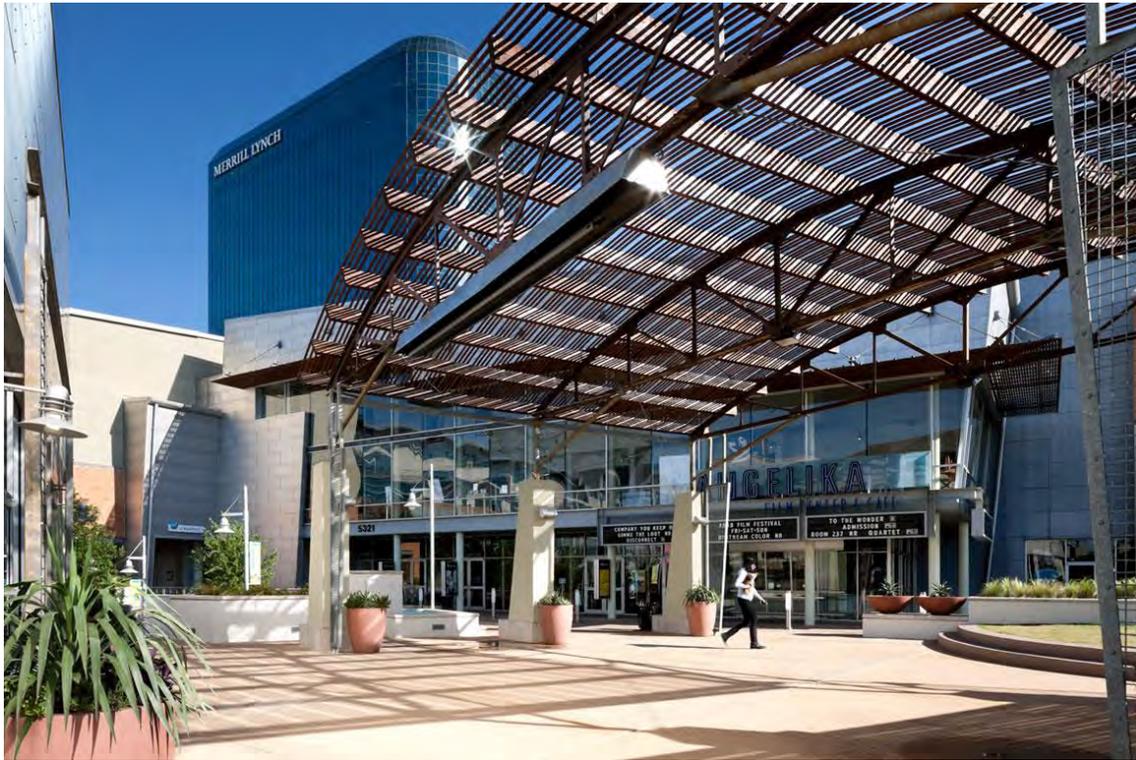
Downtown Dallas was the first to benefit from the Southwest’s first light rail system. Lofts and luxury apartments began to sprout where formerly underutilized buildings had stood. The revitalization continues as new restaurants, retail, hotels, and arts venues take their place in a newly vibrant downtown. Beginning with the 2001 opening of the Mockingbird Station mixed-use development, adjacent to its namesake station, DART sparked imaginations for alternative development scenarios and firmly established DART Rail as a leading agency that embraces TOD as a meaningful way to deliver alternate housing products. Artfully mixing new with old, transit with cars and pedestrians, and residences with restaurants and shops, the compact micro-neighborhood epitomizes New Urbanism and remains its standard bearer in the region.

Since then, the viability of TOD – once considered risky and novel here – has become conventional wisdom and development up and down the DART Rail lines has thrived. Nearly \$8 billion in new projects, and millions more in renewal of existing properties, is clustered near stations. In addition to helping set off a building boom, DART has created a more livable region by linking employment, medical, educational, recreational, and entertainment destinations throughout the DART service area.

Mockingbird Station – Dallas, TX

- Texas’ first transit-oriented development.
- Retail, entertainment, residential, and office uses within urban streetscape.
- Major point of activity within North Texas.
- Over \$120 million completed development.







AGENDA

Site Visit – Dallas Area Rapid Transit (DART)

Date: Wednesday April 19th, 11-2:00 PM

Location: DART Headquarters 1401 Pacific Avenue, Dallas, TX 75202

1 **Introductions**

2 **DART**

- DART collaboration with City of Dallas
- Lessons learned of DART experience in integrating with new transit modes
- DART role with local jurisdictions on TOD planning and implementation
- Funding strategies and TIF Districts

3 **Mockingbird Station Walking Tour**

4 **Q & A**

Attendees:

- Brittney Farr, Local and Regional Relations Manager
- Gary Thomas, President & CEO
- Tim McKay, Executive Vice President of Growth and Regional Development
- Robert Strauss, Vice President, Real Property and Transit Development



Combined Team Field Notes Dallas Area Rapid Transit (DART)

- DART serves a roughly 700-square mile area and has obtained 250 miles of underutilized existing railroad ROW. That ROW currently serves as the backbone for DART's system.
- The agency provides approximately 67 million annual trips.
- A \$0.01 sales tax established in 1983 funds major programs; some federal funding is also received (recently received \$1 billion in federal funds from FTA).
- DART is a state agency that is formed of the 13 cities it serves. It is governed by a board that has 15 members which are appointed in accordance with their population.
- DART is delivering on a 20-year financial plan that is matched up with a 20-year operations plan and is updated annually; DART is also currently working on the 2040 systems plan, which will shape the next build-out for the system.
- Achieves a 20% fare box recovery.
- Both the Dallas area and the Fort Worth area are rapidly growing and are seeing increasing needs for alternative transportation options.
- DART is expected to stay relevant and open to new modes of mobility, including those offered by new commuter and high-speed rail services currently being contemplated in the region.
- DART has historically obtained NEPA clearance for all projects regardless of where the funding was coming from.
- While DART has primarily been a design-bid-build agency, it has recently embraced design-build and CM/GC as a preferred delivery method for major programs.
- DART has moved away from low bids to cost/benefit/value consideration for proposal evaluations.
- DART's experience has been that a well-executed planning effort and fast construction progress are the two things that impress federal agencies.
- The major project DART is currently looking at is a second alignment through the downtown area, which will alleviate pressure on the current single track alignment; a tunnel system may be possible.
- Branding is a key component of DART's success, particularly in overcoming the somewhat negative connotation of bus service. DART has been successful with lines that are branded such as the "D-Link" and the "Love-Link" that are recognizable services and not thought of as a traditional bus service.
- TOD's were not originally thought of as a part of the transit build-out. Developers were the first to see the opportunity.
- DART has recently implemented a street car alignment serving a new arts district. It is run on a \$1.2 million operating budget.



- For all TODs that DART has developed, partnerships have been very important. The fact that DART can bring funding to a project has made them a valuable partner.
- DART sees themselves generally as a catalyst for development opportunities – they use their assets along with others in the development community.
- DART has 93 miles of light rail and every \$1 spent on the system triggers \$3 in investment in surrounding development in an area experiencing a population increase of 100,000 per year.
- Parking requirements and needs surrounding a transit station are keys to success.
- All stations have a common art and design criteria plus unique character to make the stations more memorable and less likely to be vandalized.
- Security includes an extensive camera network.
- DART feels that the city has the overall responsibility to plan and orchestrate overall multimodal integration; it sees itself much more as a transit delivery agency. It recommends that the City of Palmdale should set up and lead meetings to bring together:
 - CHSRA
 - XpressWest
 - Union Pacific
 - City of Palmdale
- DART recommends that the best way to coordinate with UP is to meet with them at their headquarters in Omaha. DART's experience in coordinating with UP has been that it is important to find a way to support their vision for the project, to establish common ground to be accomplished, and to illustrate to UP what they can gain from a specific solution.
- City of Palmdale should utilize their relationships with FRA to engage closer with UP.
- DART is currently implementing a new technology that will allow you to plan a point-to-point trip utilizing modes across all platforms, which will include DART, other transit modes, UBER, Lyft, and other non-traditional providers.
- DART feels it has always been successful with partners when it could leverage its assets.
- DART recommends to look at stated parking requirements and build only what is needed.
- As an agency, DART feels that it is important to buy as much property available surrounding a transit station to be able to utilize it for future uses. Recommends City of Palmdale consider purchasing as much property as possible, to control agencies that need access and control the city's vision.
- When acquiring property, DART typically acquires the whole parcel next to a transit use to avoid arguing with property owners. This allows them to have parcels next to the rail that can later lend themselves to TOD.
- Suggest flex space to allow ground floor residential space that can be converted later to retail when it pencils out.
- Successful TOD and particularly its retail components need residential units to support it.
- DART indicated that they have been good at doing what they say they are going to do, which helps them garner public support



AGENDA

Site Visit – Catalyst Urban Development

Date: Wednesday, April 19th, 4-5:00 PM

Location: Catalyst Urban Development Offices, 7001 Preston Road, Fifth Floor, Dallas, Texas 75205

1 Introductions

2 TOD Development

- Overview of station area and Transit Oriented Development projects
- Future development opportunities
- Supportive public policies
- Lessons learned

3 Q & A

Attendees:

- Paris Rutherford, Principal, Catalyst Development



Combined Team Field Notes Catalyst Urban Development

- Catalyst Development (CD) currently has \$450 million of projects under development.
 - A lot of it is mixed-use
 - Most of that development is horizontal, with very little vertical
 - Fundamentals of planning need to be done right
- CD's experience is that TOD deals tend to get complicated; if a developer owns the property deals tend to be easier as opposed to when the property is leased.
- CD sees itself as an enabler of developments that have been envisioned and planned by others. To that degree, it is important that:
 - Important underlying legal and development issues are resolved prior to engaging the developer
 - City completes a pro-forma analysis to demonstrate that desired densities are financially achievable
 - Upfront economic development planning is completed; it will pay in the long run
- Paseo Colorado in Pasadena, CA is a good example for a feasible financial model. The "Wedding Cake" type scenario of that development and how it has been structured financially thus, could be a model for Palmdale.
- The tighter the transit is integrated into the development, the better.
- HSR will be easier to combine with retail and some office. Likely not supportive of housing.
- Formal RFPs create a lot of "opportunity cost" for developers; two stage RFQ/RFP with reduced cost to respond are preferred and will create a higher level of response.
- Cities can do a lot to make themselves attractive to developers and then select them based on their qualifications.
- Transit agencies should stay away from a role as a master developer to avoid potential conflicts of interest.
- CD recommends that the City of Palmdale evaluates recent station development efforts completed by Magic Johnson's real estate group and assess whether they are suitable for the Palmdale HSR station area.
- Gaining momentum, sustaining it, and communicating it to stakeholders and the public is important during the early stages of any development.
- Mentioned the Tower City Development by Forest City as a good mixed use.
- Questions on how the ownership works can make the development more complex – for instance, leased land is more difficult to get financing. Air rights are super complex.
- Focus on Place is the most important – not modality and functionality. How it looks, quality of life issues, and convenience are important.
- Often there is a need to have a service side and a market side.



- Parking drives development cost to a large degree. Often requirements of financing agencies and investors are the limiting factors much rather than city requirements.
- The usage of parking near stations by commuters can affect the development if placed strategically to encourage short walks and commercial activity.
- Secured vs. open parking can be an issue.
- Organization of parking and accessibility of it for adjacent residences is critically important. Ideally residents can access their units on the same level that their parking is located.
- Providing speed ramps that allow a resident to get directly to higher levels can help address some problems created by having shared parking garages – it isn't convenient to have to circulate through the visitor parking to get to your level.
- Also, important to provide "portals" that accommodate the ability to get to an adjacent use.
- Compartmentalizing a garage to provide a "home" feel and lobbies that relate to your use helps make the development feel more personal and inviting.
- Developers like contentious issues resolved before they are brought in. Consider the developer an implementation agent, and do your homework first. Wandering into unknowns can irritate a developer and upset their ability to finance the development. Need to be up front about the risks.
- Don't use a developer to solve funding challenges. Solve those challenges first.
- Pursuit cost (the cost for a developer to secure a project) in California is too high. Scares many developers away. Businesses can't afford to spend lots of money with a high risk of not getting the client.
- Having creative partners is important to dealing with all the challenges.
- Dallas has used community action grants / sustainable program grants.
- City of Palmdale should look at FTA and HUD for grant opportunities that could assist in acquiring property.
- Good station placement is a big issue.
- Don't allow stations to be surrounded by small parcels that would be hard to assemble.



Thursday April 20th

- 9:00am Dallas/Fort Worth International Airport
 AHQ Committee Room 2
 2400 Aviation Drive
 DFW Airport, TX 75261
- Khaled Naja, Executive Vice President
 Office 972-973-5205
 Knaja@dfwairport.com
- Val Martinez, Community Relations Specialist
 Office 972-973-5385
 Vmartinez1@dfwairport.com
- 2:30pm Arrive/check in at Dallas/Fort Worth International Airport
- 4:15pm Depart United Airlines Flight 5739
- 5:56pm Arrive Los Angeles International Airport

Dallas/Fort Worth International Airport



Dallas/Fort Worth International Airport (DFW) is the primary international airport serving the Dallas–Fort Worth area. It is the largest hub for American Airlines, which is headquartered near the airport. Dallas/Fort Worth International Airport is the nation’s fourth busiest airport and the region’s biggest economic engine. It is the highest capacity airport in the world.

In 2014, the airport opened a light-rail station for DART on the ground level of Terminal A. In addition, TEXRail (a 27-mile commuter rail project being developed by the Fort Worth Transportation Authority) is scheduled to begin boarding passengers in late 2018. The initial section of TEXRail will extend from downtown Fort Worth to the northern entrance of Dallas/Fort Worth International Airport, ending at Terminal B of the Airport. The DART station and the TEX Rail station will be connected by a walkway, making it possible for riders to easily transfer between the transit systems.

The connection to DFW via public transit is of importance to the City of Palmdale with respect to evaluating the increase in attractiveness of an airport that is connected via public transportation. “Lessons Learned” from DFW with respect to timing, branding, and customized service will be of relevance.



AGENDA

Site Visit – Dallas/Fort Worth International Airport

Date: Thursday, April 20th, 9-11:30 AM

Location: 2400 Aviation Drive, DFW Airport, TX 75261, AHQ Committee Room 2

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- 1 **Introductions/Role of public transit access to DFW**
Khaled Naja, EVP Infrastructure & Development

 - 2 **Role of DART Orange Line and future regional transit connections**
Karen Kavanagh, VP, Planning

 - 3 **Collaboration between DFW, DART, and Fort Worth Transportation Authority**
Nate Smith, VP, DCC

 - 4 **Fostering ongoing and future public transit development opportunities**
John Brookby, AVP, Commercial Development

 - 5 **Closing Remarks/Q & A** - Karen Kavanagh, Vice President, Planning
-

Attendees:

- Karen Kavanagh, Vice President, Planning
- John Brookby, Assistant Vice President, Commercial Development
- Nate Smith, Vice President, Design, Code & Construction



Combined Team Field Notes Dallas/Fort Worth International Airport

- DFW opened as an airport in 1974.
 - It contains 18,000 acres of land
 - Has 7 runways and 5 terminals
 - 6,600 acres of developable land (cargo, hotels, golf courses, industrial, office, retail)
 - Can accommodate 4 parallel simultaneous landings
 - Creates \$37 billion of economic impact/year
 - Creates an \$11.5 billion payroll
 - Supports 228,000 jobs
 - Highest capacity airport in the world
- DFW enplaned passengers (passengers boarding at a specific location) break down in 30% origin and destination and 70% transfers.
- DFW is currently connected to transit via the Orange Line and a shuttle service to Centerpoint station; Rail network is growing at the airport.
- Ridership coming in on the Orange Line is about a 50/50 split between passengers and employees; roughly 1,000/day.
- TRE has a shuttle to the station with 500 passengers/day. Majority of these are employees
- An important aspect of the rail operation is that it provides seamless travel due to level boarding and distance from the terminal.
- Making this connection 30 years after the airport opened required coordination with their tenants, modifying leases and significant construction to create grade separations.
- There were many challenges to align as to avoid cargo and employee movements, even aligning under the plane taxi ways. This resulted in a short walk from the terminal to the station, which is at grade.
- TEXRail will come into the airport as a mirror image of the DART Orange Line with service expected to start December 2018.
- Cotton Belt corridor would be the third station at the airport property.
- Initial projections of the rail use were 2,000 passengers/day. Revised projections were 1,000 passengers/day and those expectations are being met.
- DFW is looking at a significant amount of opportunity for development in the northern part of the airport.
- The downside to rail is that it reduces the need for passenger parking, which is a significant income generator and the unions associated with the rail service require additional amenities such as break rooms and restrooms.
- While parking continues to be a big revenue generator, parking for employees is currently cost neutral for the airport.



- DFW has seen an increase in competitiveness from transit access and is currently updating the parking within the terminal to stay competitive.
- Governed by a board that is made up of members from all the Cities that own property the airport is located on. Both Dallas and Fort/Worth have strong mayors that are presented on the board of DFW.
- The airport is the main reason north Texas is attractive for corporate relocations
- Logistics and the airport itself for supportive uses are the greatest benefactors of development in excess land surrounding the airport.
- In addition to those uses, DFW is looking to develop additional parcels. Current prospects are for a significant Amazon distribution center as well as several car dealerships.
- The airport cautioned to always protect the core business of operating the airport when evaluating opportunities for the development of surplus land.
- Need to think about how to operate a station when done developing it. This includes who controls security; who does policing; who controls cameras; who cleans and maintains...etc. Sometimes duplicate facilities are required.
- DFW owns station – DART is the operator. DFW operates like a city with their own security and fire department. They handle their own permitting and planning activities as well.
- They use a construction manager at risk delivery method for construction projects. TEXRail uses traditional design/bid/build.
- Terminus stations have unique requirements such as: break rooms; bathrooms; bus transfers; kiss and ride facilities.
- DFW shares tax revenue with “host” and “owner” cities. Dallas and Fort Worth are owner cities and get 2/3 of the revenue. The cities where DFW resides are host cities and get 1/3 of the revenue.
- DFW is not allowed to have true/permanent residential uses – however, they can have hotels.
- DFW operates under a land use plan, specifically developed for the airport property.
- Industrial/logistics/distribution are predominant uses.
- DFW is the master developer for the airport property and believes it is important to protect your ability to do your own zoning.
- DFW has a Public Facility Investment Corporation at the airport to control revenue.
- When developing a new airport, the establishment of an appropriate governance body is the most important step.
- Engaging in the development of property surrounding the airport must be done in full compliance with FAA regulations and must be consistently evaluated against “revenue diversion” rules.
- DFW has found that leverage will only help you to get people to the table, but not enable you to force decisions.



Combined Team Field Notes

General Observations-Walking tours and travel to and from sites

- On the Orange Line from the airport, we talked to one individual who indicated there were reliability problems with the train. That day the Orange Line was not making the full route, but stopped at an intermediate point and required a transfer. Curiously, during our stay, the streetcar also wasn't working when we first got to it, and the trolley also was not taking its full route.
- Reliability is an important part of the user experience.
- Dallas has an extensive highway system. Many/most of the station areas had good arterial or freeway access. This may allow for calmer streets near the station.
- Even at Mockingbird Station, we didn't see all the uses one would expect to ensure true car-free / walking and transit only living experience – though it is possible we didn't see all the nearby facilities.
- We had to “uber” a ride on multiple occasions to cover the first / last mile of a trip
- Innovative treatments like the park built over the freeway are cool ways to build back in person level connectivity – but can be expensive.
- Dallas – like Southern California, still loves their cars. We saw several traffic jams on the freeways.

