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CITY CENTER MARKET POTENTIAL OVERVIEW



Midtown retail

3.1 Introduction

A market assessment was conducted in 2013 to identify market conditions and programming opportunities for the City Center area of Cedar Hill. The market assessment identified the 10-year programming analysis to 2023. However, shorter term opportunities are identified as catalyst projects and longer term uses are identified as land uses depicted on the Land Use and Urban Form Concept Plan (Map 14, page 40). The 10-year market potential is important in order to take advantage of the achievable market-based implementation. This will help to transform City Center into the desired mixed-use pedestrian-oriented place and begin to develop the framework for land uses and densities supportive of passenger rail facilities. In order for this to take place, development and infrastructure investment will occur in phases.

The long-term development expectations are for the three zones to transition over time as a phased approach with new infill and infrastructure. An example for Midtown would be the transformation from a low density suburban framework into an area of higher-density development with transit uses. The conclusions of this analysis portray programmable uses consistent with the planning and development goals outlined by the City and City Center Advisory Committee (CCAC). An objective tied to the market findings is to introduce new investment to its City Center and through its related planning studies. The Midtown core area of the City Center has been used as the focal point of the trade area analysis.

The complete market assessment, including its related executive summary, data, market analysis and program analysis is provided in Appendix D.

Initial Observations for Cedar Hill's City Center

From the market study, some initial observations for Cedar Hill's City Center include:

- The City Center has had impressive developments occur over the past decade. The development of the 725,000 square-foot Uptown Village brought many attractions to the City through its carefully designed amenities that include the Village Green with a performance stage and an interactive water fountain. Midtown also had successful developments that included the newly constructed Government Center. Historic Downtown has the beginnings of a traditional Downtown square-like atmosphere with Babe's restaurant and other local restaurants and businesses along Cedar Street.

- Although the City Center has many developments over the past decade, the pattern that has evolved lacks a cohesive identity that many successful mixed-use destinations display.
- Incomes are rising and so are the groups of millennial who have chosen Cedar Hill as a place to start their adulthood. According to data compiled by The Dallas Morning News, Historic Downtown is the number one place to live in the Best Southwest area for students ages 18-24 who like the low costs and the abundance of activities. These students attend Northwood and Strayer Universities and enjoy Cedar Hill's location within the Metroplex.
- The City Center is in need of an infill development strategy that better connects/activates key areas and leverages complimentary uses through walkable streetscapes to forge a more identifiable presence.

City Center Market Position

Located in the core of Cedar Hill, the City Center has a combination of development identities. The Historic Downtown zone is characteristic of Cedar Hill's historic original settlement zone and is marked by older buildings with interesting facades near the street and is contained within the original gridded street framework. The Midtown zone is comprised of more traditional freeway-based suburban commercial development pattern, wooded open space, and the Government Center complex. The Uptown zone is primarily comprised of the Uptown Village regional shopping center that combines a new mixed-use inspired retail shopping experience with a more suburban-oriented large retail shopping center. Each zone has US 67 highway frontage, are well accessed both regionally and locally, and possess open parcels for development. The City Center is positioned within a trade area experiencing explosive growth, with over 27,000 households and nearly 16,000 jobs projected to be added within a 10-minute drive through 2035. This growth will fuel a host of new investment opportunities, with the City vision desiring a sizable portion of this new development space to occur within a mixed-use setting in the City Center.

The market study identifies market potential for Historic Downtown, Midtown and Uptown zones. The market study includes a demographic and economic profile that focuses specifically on economic drivers that fuel demand for specific land uses. It also identifies the recommended mix of land use and intensities that are necessary to support a TOD district within City Center.

3.2 Land Use Programming through 2023

The following notes retail, office, hotel, dense residential, single-family residential, civic, cultural, recreation and entertainment uses identified as the land use program for the City Center's 10-year market potential. This absorbs approximately 140+/- acres of the existing 250+/- vacant acres in City Center, with absorption concentrated in Midtown but included the entire City Center area. For each of the following program categories, the totals for new square foot or residential units are provided.

Retail

250,000 square feet retail/restaurant

A retail sales leakage analysis was performed across all retail uses for 5, 10 and 15 minute trade areas and forecasted through 2035. Identified retail categories showing opportunity include grocery, beer/wine/liquor, jewelry, luggage, leather, florists, and the full spectrum of restaurants. Based on historical sales/sf by category, the total retail area calculated through 2035 is 646,356 sf (25,854 sf/year). The ten year programming recommendation is 250,000 sf, to be applied in mixed-use settings with the exception of a neighborhood retail/grocery development. Although the trade area is larger than the City Center district, the market study forecasted that retail will continue to congregate to this area due to its existing regional draw power.

Office

108,400 square feet office space

The trade area is expected to attract 15,862 employees, of which 5,171 are forecasted to be white collar (based on current employment percentages). This represents 1,137,620 sf when applying a spatial factor of 220 sf/employee. As the trade area is much larger than the City Center area, assuming existing vacancy will need to be filled to a 90% level for the market to be viewed stabilized, and applying a 10% capture rate, the market study is forecasting demand for 108,400 sf of new office space through 2035 (10,840 sf/year since 2010). Should a strong urban place be created that is amenitized by restaurants, ease of parking, and strong open space identity, the City Center may absorb a much larger portion of the overall potential office demand.

Hotel

120 key limited service hotel

Again, the trade area is expected to attract 15,862 employees by 2035. Based on historic absorption, this would accommodate 249 new hotel rooms. As the trade area is larger than the study area, the market study is forecasting 120 hotel rooms which may be built over the next 10 years in one limited service hotel development. Demand for conference meeting facilities should be analyzed and, if viable, the anticipated hotel sizing may double. It is likely such a hotel use would not occur until a later development phase to allow time for demand to build.

Urban Residential

1,100 apartment, loft and senior living residences

When considering the percentage of renter-occupied housing, occupancy rate, and the absorption of existing vacancy to a 90% level for the market to view this area as being stabilized for new construction, the trade area is expected to attract an additional 1,938 renter households by 2035 (77/year since 2010). As the trade area is larger than the study area, and prior visioning has held the City Center to become the destination for more dense uses to occur, the market study is forecasting 1,000-1,100 apartment/loft units may be developed over the next 10 years in 3 to 4 phases (50% of total demand), including 150+/- units of senior living. It is recommended that these developments occur within urban streetscape-focused building formats.

Single-Family Residential

150 single-family detached and townhome residences

When considering the percentage of owner-occupied housing, owner household occupancy rates, and the absorption of a portion of existing vacancy in owner-occupied housing to stabilize the market, the trade area is expected to attract an additional 5,946 households by 2035 (237/year since 2010). As the trade area is larger than the study area, and the City Center is anticipated to hold a more dense land use pattern than single-family detached, the market study is recommending 150 single-family homes (6% of demand) in both attached and detached formats.

Civic, Cultural, Recreation and Entertainment Uses

In addition to market-based uses, it is anticipated that there will be additional development demand for civic uses (library, performing arts, education, etc.), cultural uses (museums, religious facilities, etc.), recreational uses (active and passive open spaces including urban sports facilities), and entertainment uses (primarily special events facilities). The amount of such uses will be somewhat determined through stakeholder input and physical planning.

3.3

Full Build-Out Programming

Full build-out for the Development Plan is based upon Chapter Four: Land Use and Urban Form Concept. While the full build-out programming can identify approximate acreages per land use category, predicting exact market conditions and development activities beyond 10-years can be unclear. Mixed-use developments associated with TODs allow flexibility in programming, site designs and market conditions. With this, Table 01 is a full-build-out programming based on the Land Use and Urban Form Concept and is a long-term strategy. These are land use assumptions, but flexibility in implementation will likely be necessary.

Full Build-Out Programming		
Land Use	Approximate Acreage	Percentage
Urban Center	62.2 ac	7.7%
Urban General - Uptown and Midtown	231.9 ac	28.8%
Urban General - Historic Downtown	106.6 ac	13.2%
Urban Neighborhood	42.0 ac	5.2%
Historic Downtown Neighborhood	86.9 ac	10.8%
Public/Civic	9.5 ac	1.2%
Greenway/Open Space/Park	82.4 ac	10.2%
Right-of-Way	184.1 ac	22.8%
Total	805.5 ac	

Table 01: Full Build-Out Programming for City Center

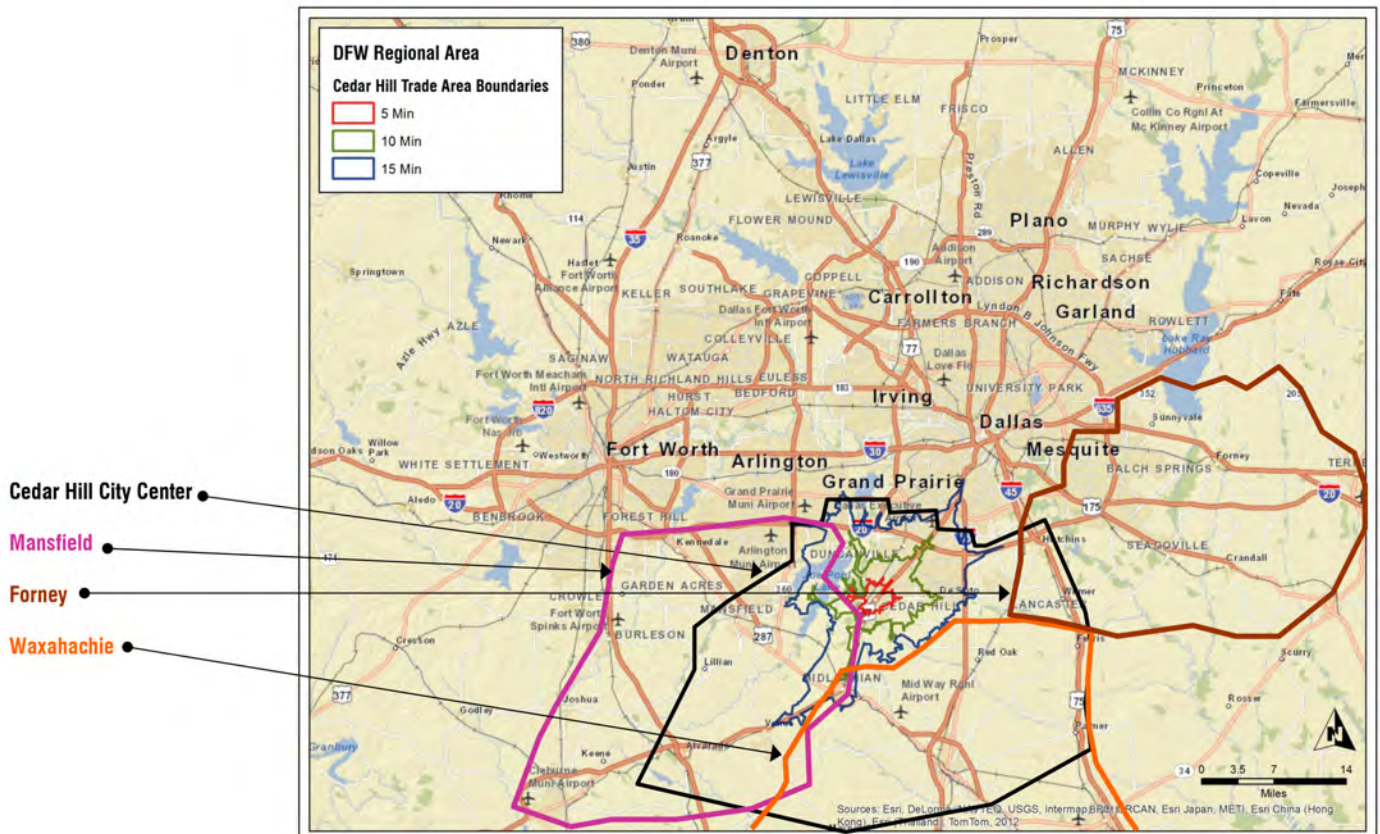
3.4 Summary

Larger societal trends show the upcoming millennial generation prefers to live and work in authentic urban communities that promote a unique identity and offer a range of daytime and nighttime uses centered on creative and dynamic experiences. Cedar Hill's existing visioning statements for the City Center area, together with the area's projected growth and related market potential may combine to allow for a regionally unique mixed-use destination.

been achieved in several locations within the Town of Addison, another North Texas community that shares Belt Line Road access. These include sites along Belt Line Road in which new retail and townhomes have been developed in greyfield contexts, at Vitruvian Park in which older building stock was removed for new mixed-use construction and open space, and at Addison Circle in which greenfield areas were developed into a town center context. This will help strengthen the local Cedar Hill market, reduce vacancy rates, and increase regional demand for related programming products.

Development Format

The redevelopment and reinvestment envisioned for the City Center will require new greenfield development (development on vacant land), greyfield redevelopment (development on lands that were previously developed or a redevelopment scenario) and potential repositioning of existing assets. It will likely require the culling of existing older building stock for new retail and commercial uses, as well as the construction of new, desirable housing units in strategic locations centered on the concept of place-making and memorable urban design. Such development activity and formatting has



Map 11: Trade Areas. Source: Catalyst Group