

The Parks of Austin Ranch

The Colony, Texas

Project Type:
Residential

Case No:
C032008

Year:
2002



SUMMARY

Multifamily rental housing being constructed as part of a master-planned new urbanist community north of Dallas, Texas. When complete, the community will include office, retail, and residential uses.

FEATURES

- Master-planned rental community
 - Pedestrian friendly
 - Preservation of natural landscape
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SPECIAL FEATURES

- Master-planned rental community
- Pedestrian friendly
- Preservation of natural landscape

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GENERAL DESCRIPTION

The Parks of Austin Ranch ("The Parks") is the first of its kind—an entirely rental, master-planned multifamily community. It is located within the expansive Austin Ranch development site, located 20 miles (32.1 kilometers) north of downtown Dallas. Austin Ranch, master planned by RTKL Associates, consists of 1,900 acres (769 hectares) of rolling landscape and will host office, retail, and residential uses. The Parks, comprising 300 acres (121 hectares) in the eastern section of the site and now in its second phase of construction, offers market-rate lofts, townhouses, and garden apartments, as well as convenience retail uses. All units are for rent and were built to meet the growing demand of young professionals who prefer to postpone homeownership.

Developer Lucy Billingsley wanted to create a community based on new urbanist principles and imbued it with amenities and personal touches. Billingsley worked with planner Peter Calthorpe and a team of designers to build The Parks as a community that not only is pedestrian friendly and contemporary, but also embraces the natural environment. When completed, The Parks will consist of 5,000 units and make use of dozens of one-, two-, and three-bedroom floor plans that can be viewed (and sometimes altered) online by prospective tenants. The first of eight phases has just been completed and contains 548 units, with rents ranging from \$735 to \$1,435 per month. Amenities include a swimming pool, a fitness center, a communal lodge, high-speed Internet access, and hike-and-bike trails. The Parks is located near several national corporate headquarters and highways, yet is buffered by old-growth trees and natural lakes. The Parks has won several awards, including the Pillars of the Industry Award for its accomplishments in Phase I.

THE SITE

Austin Ranch stands on terrain that is atypical of North Dallas. Instead of having a flat, brown landscape, the development features 100-year-old oaks that dot the green prairie hillsides, and cows graze near split-rail fences. The Los Robles Nature Preserve and the Arbor Hills Nature Preserve neighbor the site to the south and Lake Lewisville lies to the northwest. In contrast with these natural assets, low-density suburban office parks and upscale gated communities frame the nearby Dallas North Tollway and State Highway 121. The affluent city of Plano forms the northern and eastern borders. Although the site touches four different municipalities, Austin Ranch was eventually annexed in mid-1990s by the city of The Colony.

Many of the nearby corporate headquarters and office parks employ The Parks' tenants, but Austin Ranch, at buildout, will include approximately 39 million square feet of office space, which will become an employment base for some residents. Freddie Mac's HomeSteps Asset Services is the development's first business tenant. Industrial and residential square footage upon buildout will be about 7 million and 23 million, respectively.

DEVELOPMENT

The Billingsley Company was founded in 1978 by Henry and Lucy Billingsley and is involved in a broad range of real estate activities such as raw land acquisition, project development, and property management. Industrial and office interests had been the company's primary focus, until the Austin Ranch site came together. Billingsley Company assembled the land piecemeal over a 15-year period and, because of the site's natural beauty, knew that a special project would have to be designed. Lucy Billingsley envisioned a progressive, multiuse community employing the latest technologies, yet respecting the natural setting as well as pedestrians.

The 1,900 acres (769 hectares) of former farmland consists of rolling hills and numerous old-growth trees. The landscape reminded Billingsley of areas surrounding Austin, Texas, thus inspiring the name Austin Ranch. Billingsley also believes that Austin is the "heart" of Texas and wanted the community to reflect Texans' fondness for the spirit of their state capital.

Due to the numerous nearby corporations employing young professionals, there was a pent-up demand for rental units. Most of the area's existing garden apartments were older and offered few amenities. The Addison Circle project—a potential competitor located ten minutes south of Austin Ranch—comprises high-density rentals, but Billingsley wondered whether the garden apartment product (at a slightly lower density) could be reconfigured and still perform financially. Billingsley had never developed a multifamily project, but believed a different kind of apartment community could be completed using new urbanist principles.

Billingsley assembled a team of experienced professionals and developed a plan for The Parks that included exclusively rental units, convenience retail facilities, and a host of amenities and design styles rarely seen in rental properties. She incorporated basic new urbanist principles into the project: the community was to be pedestrian friendly, to respect the undeveloped land, to contain a town center, to attract a varied population, and not to be fenced off from surrounding communities. The development team aimed for moderate density—about 30 dwelling units per acre (74.1 units per hectare)—which would decrease construction costs, allowing for reasonable rents.

The Parks is the first significant development within the Austin Ranch site and its success will enhance Austin Ranch's

future. Two- and three-story townhomes and lofts as well as retail space are being constructed in Phase II. Phase III will consist of 457 housing units featuring urban residential modules designed by Peter Calthorpe, including villas, townhouses, granny flats, and lofts. A town center is planned for Phase IV, when the population has reached a serviceable level. Additional retail and residential uses will follow in subsequent phases.

PLANNING AND DESIGN

To help implement her vision for The Parks, Billingsley collaborated with Peter Calthorpe, a leading figure in new urbanism. Billingsley and Calthorpe agreed that they wanted The Parks to defy the conventional suburban master-planned community model that had been proliferating not only in North Dallas but also throughout the country. Calthorpe created the master plan for the 300-acre (121-hectare) site and produced a pedestrian-scaled community, where basic consumer and social needs can be met without getting into a car.

Billingsley, Calthorpe, and Lucilo Pena, Billingsley's president of development, went one step further and decided to save as many of the old-growth trees and as much of the natural landscape as possible. It proved a challenge, but has added immeasurable visual appeal to the project. In addition to being ecologically sound, landscape preservation has provided nearly all units with green space or water feature views. Scholar's Park, for example, offers green space within Phase II and the designers retained the naturally occurring berms. Flowing water, illuminated through use of a fiber-optic cable, mimetically frames the undulating grassy "bumps" and empties into a small koy pond. Benches, streetlights, and a sidewalk inlaid with granite slabs engraved with humorous and inspiring quotes form the exterior border of the park and enliven views from the balconies.

The Parks' numerous vistas and paseos are enhanced by a deliberate lack of fencing. Billingsley and her team wanted to encourage visual connections as well as community connections, or in Billingsley's words, to "build an apartment complex without the 'complex.'" Austin Ranch's entrance portals are subdued and welcoming, and unlike many of the surrounding residential developments, the site is not surrounded by high masonry walls or wrought-iron fencing. Instead, woods, outcroppings, and fields provide natural boundaries and help to distinguish Austin Ranch from its competition.

Public art is an important feature, too. Billingsley chose works by a variety of artists and installed them throughout the grounds. A freestanding street clock from Amsterdam stands in a square in Phase I, a life-sized chess set will be built in Phase II, and at the center of Austin Ranch three large steel mesh horses by Connecticut artist Peter Busby appear to gaze at passersby.

The project's common interior spaces and model units are decorated with Billingsley's personal touches. Rather than stocking rooms open to the public with mass-produced, everyday furnishings, Billingsley and Pena chose warm, earth-tone materials that reflect Texan culture and mixed them with one-of-a-kind objects that Billingsley bought on trips to Europe and Asia. Billingsley's attention to detail draws visitors in and the furnishings complement the spacious and light-filled interiors.

The Parks' wide sidewalks and narrow streets accommodate pedestrians, although accomplishing this was difficult. The development team had to work diligently with city engineers to modify many of the existing development codes and standards. Because of the site's suburban location, street widths, setbacks, and curb-cut regulations were much greater than what was envisioned. Complicating this situation was the fact that the entire plan for the project was met with suspicion by residents of surrounding communities, who feared that such a large rental project would offset property values. However, Billingsley received all approvals after the site was annexed by The Colony, and even some of the once-skeptical jurisdictions have asked her to look into what can be accomplished in their communities.

Billingsley constructed a four-lane divided road and underpass as a contribution to The Colony's public infrastructure. The company also contributed a significant amount of parkland to the city and has created a private nature reserve adjacent to The Parks.

The exteriors feature traditional southwestern colors and materials, such as stone and brick, although a different team of architects will design each phase in order to avoid strict homogeneity. Calthorpe designed a template of six modules that will be executed in various ways during development of Phase II and will accommodate 25 to 30 different floor plans for the rental units. Using this "kit of parts," Billingsley and her team sought to design and implement a functional garden apartment product in a completely different context.

FINANCING, MARKETING, AND MANAGEMENT

Initially, lenders were wary of such innovations, but Billingsley divided the project into large phases and was able to convince them of the value of her vision. The development team believed that if the project not only could fill a need in the market, but also could exceed existing expectations, it would be a success. Phase I has proved a success: two months after completion, 99 percent of the units were leased and it now maintains a 96 percent occupancy rate.

Billingsley Company has had to do relatively little marketing for The Parks as most tenants hear of the project through word of mouth and newspaper articles. The one-year lease and applications process are standard and pets are allowed for a fee. Billingsley Company manages the property and admits that overseeing multifamily units with

many amenities has been a challenge, but it is learning as it goes. Since each unit is equipped with high-speed Internet access, residents can interact with the management office and concierge services through the Austin Ranch Web site.

EXPERIENCE GAINED

The entire process was a learning experience for Billingsley, as she had never before developed a multifamily project. As with any project, she sought advice from industry leaders and assembled a seasoned development team. Billingsley and her team saw a need in the rental market and sought to fill it, yet went beyond what could ordinarily be accomplished. Instead of cutting down, paving over, and maintaining the status quo, they worked at making a place that would appreciate with age and stand far above the competition. They believe that market studies merely show what is out there rather than what consumer needs could be satisfied.

Most of the newer rental projects in the area were built at much higher densities and therefore commanded higher returns per acre. The Parks at Austin Ranch was an experiment to determine if a medium-density garden apartment product type could be built within a different context and still perform financially. Billingsley and her team are perhaps one of the only development firms in the country to have accomplished this.

Billingsley stood firm in what she wanted to accomplish. Changing the development codes was a challenge, as was dealing with some of the concerns from surrounding communities. In the end, the project received its approvals and has won numerous accolades and positive recognition from once-doubtful parties.

When designing a multifamily project, always respect residents and anticipate their needs. For example, the designers were careful not to put the pool near the leasing office, so residents could relax without interruptions from prospective tenants coming and going. In addition, each apartment has an attractive view—no one is stuck looking at brick walls or trash bins. Although it is difficult and costly, Billingsley recommends saving as many of the natural tree lines and old-growth trees as possible, as the visual and environmental benefits are immeasurable.

PROJECT DATA			
LAND USE INFORMATION (Phase I)			
Site area (acres/hectares): 24.4/9.87 Percentage complete: 100 Floor/area ratio: 0.68 Residential units: 548			
GROSS BUILDING AREA			
Use	Size (Square Feet / Square Meters)		
Residential	714,630/66,389		
Other	8,710/809		
Total GBA	723,340/67,198		
LAND USE PLAN			
Use	Acres / Hectares	Percentage of Site	
Buildings	2.1/0.84	8.4	
Streets/surface parking	7.7/3.1	31.5	
Landscaping/open space	14.6/5.9	59.8	
Total	24.4/2.2	100.0	
RESIDENTIAL INFORMATION			
Unit Type	Size (Square Feet / Square Meters)	Number of Units Built / Leased	Range of Monthly Initial Rents
One-bedroom/one-bathroom	607-1,045/56.3-97	333/319	\$735-1,040
Two-bedroom/two-bathroom	1,082-1,177/100.5-109.3	191/178	\$1,345
Three-bedroom/two-bathroom	1,348/125.2	24/21	\$1,305-1,435
Total	—	548/518	—
DEVELOPMENT COST INFORMATION			
Site Acquisition Cost: \$5,206,000			
Site Improvement Costs Excavation/grading: \$519,998 Sewer/water/drainage: \$591,983 Paving/curbs/sidewalks: \$1,080,425 Landscaping/irrigation: \$923,040 Street landscaping: \$54,400 Total: \$3,169,846			
Construction Costs: \$28,297,303			
Soft Costs Architecture/engineering: \$575,992 Marketing: \$51,000 Legal/accounting: \$65,000 Taxes/insurance: \$18,166 Title fees: \$114,524 Construction interest and fees: \$2,672,700 Total: \$11,503,277			
Total Development Cost: \$39,800,580			
DEVELOPMENT SCHEDULE			
Site purchased: October 1984 Construction started: May 1999 Sales/leasing started: January 2000 Phase I completed: June 2001			

DIRECTIONS

From Dallas/Fort Worth International Airport: Exit the airport on North Belt Line Road. Travel on I-635 east for approximately ten miles. Take the Dallas North Tollway heading north at exit 22C. Exit at Parker Road. Turn left onto West Park Road. Turn right onto Midway Road. Turn left onto Windhaven Parkway to leasing office.

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Garden-style apartments include dormer windows that bring natural light into the interiors. These apartments front a shared sidewalk and face identical units. Benches, landscaping, and brick paving add to the communal space.



The parks include several community amenities, such as this swing that overlooks Lake Connell and sits under one of the many old-growth trees.



A clock purchased in Amsterdam serves as a landmark for a pedestrian walkway.



Designers used natural materials and southwestern colors for most of the buildings at The parks.



public art is an important feature throughout Austin Ranch. Steel-sculpted horses by artist peter Busby stand at the center of the site.



The parks' nature-inspired swimming pool includes a rock garden, a waterfall, a playground, and grills. Its sitting away from roads ensures privacy, while the landscaping enhances views from the units.



Site plan for The parks at Austin Ranch.

