

# Mockingbird Station

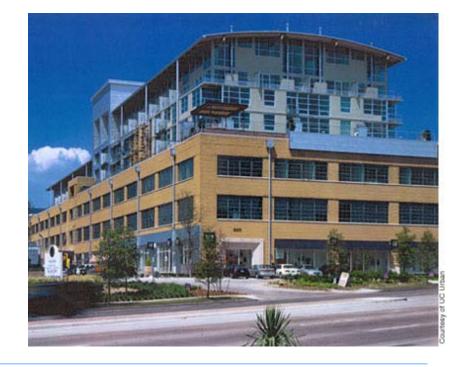
Dallas, Texas

Project Type:

Mixed-Use/Multi-Use

Case No: C032019

Year: 2002



# SUMMARY

Located four miles (6.4 kilometers) north of downtown Dallas, Mockingbird Station is an urban-chic, mixed-use village linked directly to a Dallas Area Rapid Transit (DART) light-rail station via a welcoming pedestrian bridge. The first mixed-use project in Texas specifically designed and built for a light-rail train station, it includes 211 upscale loft residences, 140,000 square feet (13,000 square meters) of office space, and 180,000 square feet (16,722 square meters) of space for retail, theaters, and restaurants.

# **FEATURES**

- Pedestrian- and transit-oriented development
- Major mixed-use activity center
- Adaptive use of existing buildings
- Urban infill
- Underground and above-ground structured parking

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# SPECIAL FEATURES

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- Urban infill
- Underground and above-ground structured parking

# **DEVELOPER**

UC Urban 7001 Preston Road, Suite 500 Dallas, Texas 75205 214-224-4600

### **DEVELOPMENT PARTNER**

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## **GENERAL CONTRACTOR**

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www.cdhenderson.com

# PROJECT ARCHITECT

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# **DESIGN ARCHITECT**

www.selzerarch.com

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Fax: 213-871-7023

# www.rtkl.com

# LANDSCAPE ARCHITECT

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#### GENERAL DESCRIPTION AND SITE

Mockingbird Station is an urban-chic, mixed-use village named after and linked to an adjacent DART station via a pedestrian bridge. It is the first mixed-use project in Texas specifically designed and built for a light-rail train station. The project includes 211 loft residences, 140,000 square feet (13,000 square meters) of office space, and 180,000 square feet (16,722 square meters) of restaurants, entertainment, and destination and convenience shopping that serve a predominantly upscale clientele.

Dallas is an example of a place where market factors, rather than supportive public policy, are leading to development next to transit. Since the opening of the DART light-rail system in 1996, *The Dallas Morning News* reports that more than \$800 million in new commercial and residential investment within walking distance of the DART line either has been constructed or is being built. This has happened without any subsidies, transit-oriented development (TOD) planning, or supportive policies by the regional planning agency, the city of Dallas, or DART along the starter line. Other than the development planned around the Cedars DART station, there has been virtually no public TOD subsidy in Dallas.

While there has been significant development next to DART stations, it has mostly been "transit adjacent" rather than transit oriented. The Mockingbird Station project, however, is an exception to the rule. Recalling trips to New York City and Paris during his youth, developer Ken Hughes consciously sought to tap into the transit system to bring the ambience and energy of otherworldly places to Dallas. "If you look at the chemistry you have in London, Paris, Mexico City, or wherever there's mass transit, you find kinetic activity created by those transit stations. A little bit of that will happen here with the trains."

Mockingbird Station is four miles (6.4 kilometers) and an eight-minute train ride north of Dallas's central business district. Strategically located at the intersection of Mockingbird Lane, a major east-west arterial, and the North Central Expressway, the project lies immediately adjacent to Mockingbird Station, the initial terminus of the 20-mile (32-kilometer) DART light-rail system. Daily light-rail ridership currently exceeds 38,000; by 2010, DART projects an average of 185,000 daily passengers since two rail extensions from Mockingbird Station provide direct service to Garland and Plano. Mockingbird Station is also a major bus transfer center.

The project is in the vicinity of Southern Methodist University, featuring the new Meadows Art Museum and the 32,000-seat Gerald J. Ford Stadium, and is linked to the campus via dedicated shuttle service. These and other attractions are expected to draw people from around the region to the area. The development is also located near the Katy (hike and bike) Trail and White Rock Lake, two regional recreational resources, and lies directly across from Highland Park, Dallas's most prestigious neighborhood.

### DEVELOPMENT AND DESIGN

Development began in 1997, when UC Urban bought a seven-acre (2.8-hectare) property with an abandoned Western Electric building on Mockingbird Lane. The three-story brick-and-concrete structure, built in 1947 as a telephone assembly plant, was filled with junk and covered in grease, but set in a prime location next to the planned Mockingbird light-rail station.

In 1998, the developer purchased the Guaranty Federal Bank building and parking structure, an office tower next to the Western Electric building, adding three acres (1.2 hectares) and giving the proposed project direct access to the freeway to complement the light-rail access. Critical to the project's success, purchase of this site enabled the construction of 1,150 underground parking spaces for future residents, workers, and customers. It also made it possible to convert part of the existing six-story office parking garage into a 35,000-square-foot (3,251-square-meter) retail space for the Virgin Records Megastore. The office building was subsequently renovated and expanded to 140,000 square feet (13,000 square meters). Below the office tower and adjacent to the parking structure are retailers including Abercrombie and Fitch and Ann Taylor Loft, restaurants, and cafés.

At the northwest corner of the site is the eight-screen Angelika Film Center and Café, which features independently produced films and includes below-grade parking and can be directly accessed via the pedestrian bridge that connects the development with light-rail and bus service. A grand staircase links the theater to shops, offices, and lofts.

The Western Electric warehouse was renovated and four stories were added to construct 200,000 square feet (18,580 square meters) of loft apartments. Most of the 50-year-old brick walls have been exposed and the large jalousie windows were retained. The building is topped with a distinctive arched roof recalling the bowstring trusses of the original building—a design touch frequently employed in 19th-century railroad terminals. The rooftop houses a garden and a 25-meter Olympic standard pool. The ground level has 45,000 square feet (4,180 square meters) of retail space including Gap and Urban Outfitters.

#### **PLANNING**

Historically, the city of Dallas has made no changes to its plans or zoning codes to promote or allow TOD, although DART reports that municipal planning staff are now developing a transit overlay district.

Both land parcels were already zoned for mixed-use development, so there were no zoning obstacles to overcome. Development densities are higher than those of the surrounding area, but are below the maximums allowed. No other TOD projects are located nearby. (The single-use apartment building located on the other side of the station was developed before the light rail was built.)

One area of concern is a current lack of adequate public infrastructure and pedestrian amenities, which have been built in a piecemeal fashion. For example, sidewalks are undersized, discontinuous, and immediately adjacent to traffic. To design the infrastructure, the city selected an architect without first issuing a request for proposals (RFP) and subsequently exhausted the project budget without obtaining adequate designs.

Although Hughes has urged the city to allocate more funds to design high-quality infrastructure worthy of the upscale development, the issue remains unresolved. In the future, developers may be able to obtain funding for pedestrian improvements from the North Central Texas Council of Governments (NCTCOG), which recently established a Sustainable Development Fund of \$22 million to pay for improvements.

Most coordination with the public sector has revolved around designing and building the pedestrian bridge linking the development directly to the light rail, requiring the developer to work "hand in glove" with DART. As the light rail was already operational prior to the project kickoff, there was no opportunity to change the location of the station, which sits in a deep below-grade trench and was designed to incorporate a future pedestrian bridge to the west. During construction of the bridge (by the developer), workers had to take care to cover and protect overhead wires and could work only in three-hour shifts so as not to disrupt light-rail service. Despite the high construction costs and the potential for increased transit ridership, no subsidies were provided by DART or the city for the bridge.

From the bridge, elevators and escalators carry passengers to the below-ground passenger-loading platform. The transit station, which includes a newsstand and a coffee shop, essentially serves as the "front door" to the development. According to Hughes, "The proximity of the DART station and growing ridership made the Mockingbird Station project attractive and doable, and we're not doing it halfway." Thus, the landscaped pedestrian bridge connects to other pedestrian amenities within the site, including several gardens and a public courtyard with a waterfall. Throughout the project are extensive landscaping, streetscaping, and use of native materials such as Austin stone.

# FINANCING

With the exception of federal contributions toward local infrastructure, the development has been 100 percent privately financed. Before breaking ground, Hughes spent \$20,000 on architectural drawings to sell the project to the city. Since then, he has connected his project to a regional hike/bike trail, and spent over \$600,000 for improvements to public sidewalks and landscaping. On behalf of the developer, the city successfully applied to have privately provided pedestrian improvements along Mockingbird Lane counted as a local match for state funding (a Statewide Transportation Enhancement Program grant), although only some of the improvements could be counted owing to the narrow definition of "public zone" (in the view of the developer).

Project funding has been provided by the State of Michigan Employee Pension Fund, which picked the investment specifically to study the benefits of TOD. Although the development represents a new investment product for the fund, the developer reports that no notable hurdles were encountered that can be attributed to transit's proximity or to the mixed-use buildings.

At Mockingbird Station, retail space currently rents for \$40 per square foot (\$430 per square meter), about \$15 more per square foot than average Dallas retail rents. Urban Outfitters, for instance, was beating its early sales projections even during peak construction, when customers had to dodge trucks and heavy equipment. According to store manager Travis Serpa, "We have people calling for directions from as far away as Denton. And the theater, restaurants, and bars . . . make this a happening place." Residential rents are \$1.52 per square foot (\$16 per square meter), whereas comparable neighboring apartments rent for \$1.25 per square foot (\$13 per square meter).

It is worth noting that the city of Dallas has achieved a high level of development around its transit stations largely because they are well located and because of the strength of its economy. Whether TOD can have a long-term impact on the shape of the Metroplex without supportive public policies, however, warrants close attention. Whereas Dallas has adopted a wait-and-see approach to TOD, however, a sea change has occurred in the suburban communities of Richardson, Plano, Garland, Farmers Branch, and Irving, all of which are adopting proactive station area planning. These and other jurisdictions are seeking to transform station areas from exclusive park-and-ride facilities to multipurpose destinations.

The developer estimates that he had to build \$6 million worth of excess (structured) parking for the project. While the

city allowed the developer to build only 1,600 spaces (2,200 were required; 1,400 have been built thus far) by granting a mixed-use parking reduction credit, it refused to reduce parking further to reflect transit's proximity. The developer estimates that he may have needed to provide only 1,300 spaces, acknowledging that some tenants may have resisted the lower figure.

Anecdotal evidence suggests that future ridership will be strong as current and prospective tenants continue to indicate that having transit nearby attracts them to the development. Says Hughes, "Once people see how closely we are identified with DART's Mockingbird Station, they see the potential for taking the train instead of driving. I take people over to Mockingbird Station and show them the BMWs and Volvos parked there; these people are using mass transit because they like it."

At the same time, Hughes continues to lobby the city for better auto access into and out of the site despite anticipated high transit ridership. According to Hughes, more such access should be provided to improve local traffic circulation, which is currently deficient in spite of the fact that he has built less densely than the zoning allowed.

### **EXPERIENCE GAINED**

- This is a pioneering project for Dallas, and will set an important precedent for other TODs in the Dallas Metroplex.
- The retail portion of the project is not dependent on transit to succeed; rather, access is an additional benefit. The transit location appears to be a benefit for the residential component. It is too early to estimate any impacts on transit ridership. Transit is part of the project's image, as the station and project share the same name.

# PROJECT DATA

# LAND USE INFORMATION

Site area (acres/hectares): 10/4 Total dwelling units: 211

Net residential density (dwelling units per acre/hectare): 38.3/95.9

Office floor/area ratio: 4.125 Total parking spaces: 1,418

GROSS BUILDING AREA
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Use	Gross Area (Square Feet/Square Meters)	
Residential	240,000/22,296	
Office	140,000/13,000	
Retail	180,000/17,186	

#### LAND USE PLAN

Use	Acres/Hectares	Percentage of Site	
Mixed uses	6/2.4	60	
Recreation/amenities	0.6/0.24	6	
Roads/parking	3.4/1.4	34	
Total	10/4	100	

#### RESIDENTIAL UNIT INFORMATION

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Unit Type	Floor Area (Square Feet/ Square Meters)	Number Built	Current Rental Price (Per Square Foot/ Per Square Meter)	
Studio	766/71	10	\$1.39/14.95	
1 bedroom/1 bathroom	931/86	148	\$1.60/17.20	
1 bedroom/1.5 bathrooms	1,090	32	\$1.87/20.10	
2 bedrooms/2 bathrooms	1,388	16	\$1.92/20.65	
2 bedrooms/2.5 bathrooms	2,240	4	\$2.59/27.85	

### RETAIL INFORMATION

Tenant	Area (Square Feet/Square Meters)	
Virgin Records Megastore	35,000/3,251	
Other Retail	145,000/13,470	
Total	180,000/16,722	

### **DEVELOPMENT COST INFORMATION**

Site acquisition cost: \$20,300,000 Construction cost: \$104,600,000

Lofts and residential garage: \$23,074,000 Garage, theater, and related retail: \$21,900,000

Virgin Records retail space and garage modifications: \$2,500,000

Office building addition and modification: \$52,063,000

Soft costs: \$20,200,000 Total: \$145,100,000

# DEVELOPMENT SCHEDULE

Site purchased: March 1997 Planning started: March 1997

Sales/leasing started: September 1997 Construction started: September 1999 Sales/leasing completed: June 2002

## **DIRECTIONS**

From Dallas/Fort Worth International Airport: Exit the airport, taking TX-183 east toward Dallas. TX-183 east becomes I-35E south/US-77 south. Take the I-45/US-75 exit toward Houston. Merge onto Woodall Rodgers Freeway (TX-366 west). Merge onto US-75 north via the exit on the left toward Sherman. Take exit 3 toward Mockingbird Lane/University Boulevard. Stay straight to go onto North Central Expressway/US-75 north. Turn right onto east Mockingbird Lane.

Driving time: 26 minutes in nonpeak traffic.

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This Development Case Study is intended as a resource for subscribers in improving the quality of future projects. Data contained herein were made available by the project's development team and constitute a report on, not an endorsement of, the project by ULI-the Urban Land Institute.

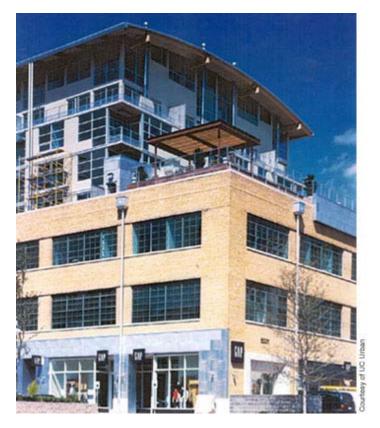
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The loft building is topped with a distinctive arched roof recalling the bowstring trusses of the original building and houses a pool and a garden.



Angelika Film Center and Caf? is an eight-screen independent movie theater. RTKL designed a wood-latticed shade structure at the theater's entrance using steel trusses salvaged from elsewhere on the site.



Aerial view of Mockingbird Station from the north.