

# OAKLAND CORNERS

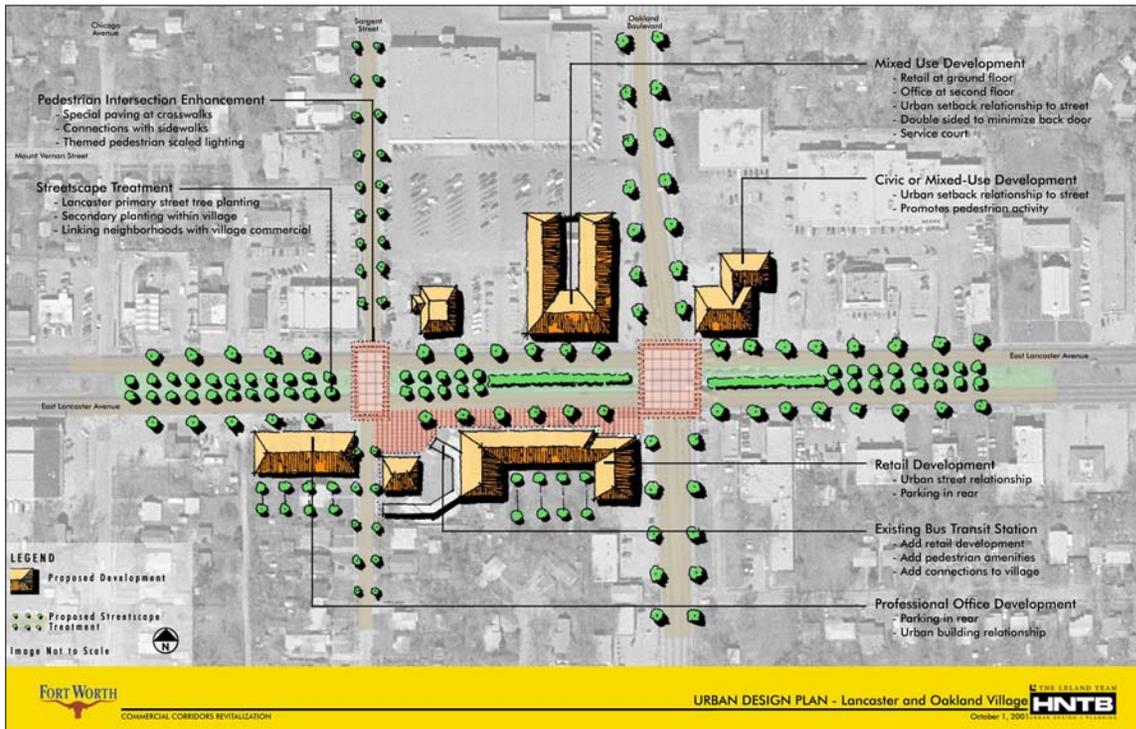
## THE VILLAGE

The village is located at the corner of East Lancaster Avenue and Oakland Boulevard. Neighborhoods near this village are particularly active and include the West and Central Meadowbrook Neighborhood Associations, and Sergeant Avenue Neighborhood Association. Professional organizations promoting business development and investment include the East Fort Worth Business Association and Southeast Fort Worth, Inc.

Land uses dominating the area include large-scale strip centers and vacant big box retail buildings. Limited new investment is evident in the Eckerd drug store and McDonalds, both located at the intersection. Challenges include the growing presence of second-tier retail establishments, suburban building types that do not promote a pedestrian environment, vacant lots, and the residual impact of heavy concentrations of homeless shelters and social service operators located on the corridor between this village and Downtown.

## URBAN DESIGN ELEMENTS AND PLAN

- Commercial and mixed-use development should have architectural features that echo and complement the Craftsman-style neighborhoods to the immediate north and south.
- Landscape and streetscape enhancements connect the urban village with the nearby neighborhoods.
- Public entities such as the T become active partners in the village's redevelopment.
- As property values increase, appropriately located structured parking replaces surface parking.
- Higher-density mixed-use development replaces surface parking lots.



## OAKLAND CORNERS

### INVESTMENT CHALLENGES

- The Lancaster corridor east of Interstate 35 has become a concentration of homeless shelters and privately-operated social service organizations. These institutions are concentrated near the gateway to the corridor, and market perceptions have been negatively influenced by the ancillary impacts associated with this type of development. Efforts to attract private investment have been hampered and the development climate has continued to decline.
- Given the distance of the Oakland Corners village from downtown, development patterns are more suburban than urban in nature. Characteristics of this form of development include large lot development, lower densities, limited pedestrian improvements, and limited mixed-use development. In order for the area to be developed into a transit-oriented village with a distinguishing character, properties will have to be acquired and rezoned in compliance with the village plans.
- While historically one of the City’s premier commercial corridors, East Lancaster Avenue has become disconnected from Downtown, with isolated pockets of quality residential neighborhoods surrounded by blighted commercial development. Beyond the village, a larger strategy for the corridor will be a regional transportation plan designed to strengthen connections between east Fort Worth, Downtown, and other parts of the City.
- The underwriting criteria of traditional lending sources often do not favor central city locations. While larger banks are subject to guidelines established in corporate offices often located elsewhere, local and regional

banks can be encouraged to participate in a variety of programs that serve to improve the financing environment for central city projects. Through the *Commercial Corridors Revitalization Strategy* effort, the City was able to engage many of these lending sources in an exchange of ideas for overcoming barriers to financing. This dialogue should be continued.

### MARKETING OPPORTUNITIES

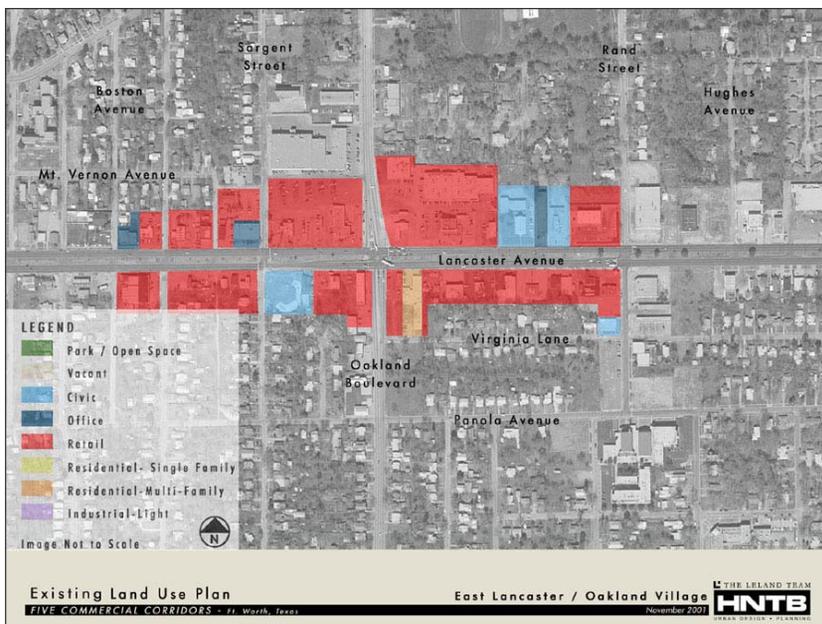
	short-term 1-5 years	long term 5-10 years
<b>Housing</b>		
Rental	■	
Ownership (Mid/Hi-rise)	■	
Senior	■	
<b>Retail</b>		
Neighborhood-Serving	■	
Destination/Entertainment	■	
Specialty		■
<b>Office</b>		
Class A/B		■
Service/Boutique	■	
Incubator Space		■
<b>Other</b>		
Hotel		■
Public	■	
Transit Station		■
Parking	■	

### Development Strategy

Upon completion, the Oakland Corners village will include a mix of housing types and neighborhood-supporting commercial uses. The village will be anchored by a grocery store, and will also include mixed-income, multi-generational housing. The scale and density of development will capitalize on excellent transportation connections, while remaining sensitive to the adjacent neighborhood fabric and architectural character.

Revitalization in this area is not only desirable, but also necessary. Time has dramatically transformed what once was a popular shopping location. Insensitive design, physical deterioration, and subsequent disinvestment has created an area that lacks character and is physically and socially disconnected from surrounding neighborhoods. The village plan should help this section of the Lancaster corridor enjoy a second generation as a neighborhood-supporting urban village, with a mix of uses that promotes economic and social activity.

## OAKLAND CORNERS



Existing land use



Proposed land use

## ECONOMIC ANALYSIS

### Estimated Project Value

Total Office/Retail Rentable SF	80,000
Rent/SF*	\$14.00
Total Residential Rentable SF	48,000
Rent/SF*	\$12.00
Gross Income	\$1,696,000
Occupancy	90%
Effective Gross Income	\$1,526,400
Operating Costs	\$256,000
Net Operating Income	\$1,270,400
Capitalization Rate	10%
<b>Project Value – Office/Retail/Residential</b>	<b>\$12,704,000</b>
Total Housing Units	60
Sales Price/Unit	\$150,000
Gross Revenue	\$9,000,000
Less Marketing Costs	\$630,000
<b>Project Value – Ownership Housing</b>	<b>\$8,370,000</b>
<b>Total Project Value</b>	<b>\$21,074,000</b>

### Development Cost Estimate

Property Purchase (Acquisition/Demolition)	\$2,200,000
On-Site Improvements (Parking)	\$1,450,000
Building Construction Costs	\$16,400,000
Construction Contingency	\$1,600,000
Soft Costs (% of Hard Costs)	\$3,200,000
Total Project Cost	\$24,850,000
Total Project Value	\$21,074,000
<b>Project Margin/"Gap"</b>	<b>(\$3,776,000)</b>

\* Rates based on triple net lease.

## OAKLAND CORNERS

### JOB CREATION AND ECONOMIC IMPACT SUMMARY

	short-term 1-5 years
Permanent Employees	334
Annual Income/Permanent Employment	\$20,066,000
Construction Employees	448
Annual Income Construction Employment	\$4,480,000

### PUBLIC INVESTMENT LEVERAGE SUMMARY

	short-term 1-5 years
Development SF	218,000
Project Value	\$21,100,000
Project Cost	\$24,900,000
Margin/"Gap"	(\$3,800,000)
Public Investment Required	\$3,800,000
Private Investment Leveraged	\$21,100,000
Private/Public Investment Ratio	5.6

### PUBLIC INVESTMENT ESTIMATE

#### Funding/Time Period

Investment Required:	0-2 Years	3-5 Years
Streetscape Improvements*	\$1,200,000	\$1,200,000
Utility Improvements	\$50,000	\$50,000
Street/Access Improvements	\$0	\$0
Parks/Open Space	\$50,000	\$50,000

\* Include pedestrian enhancements (e.g., special paving, lighting, etc.)

### PRIVATE DEVELOPMENT PROGRAM CATALYST PROJECT

	short-term 1 - 5 years
<b>Housing</b>	
Senior	60 units
Ownership (Townhomes)	60 units
<b>Office</b>	20,000 sq. ft.
<b>Retail/Grocery Store</b>	60,000 sq. ft.
<b>Library</b>	10,000 sq. ft.
<b>Parking - Surface</b>	580 spaces

<b>COMMERCIAL CORRIDORS REINVESTMENT STRATEGIES</b>			
<b>OAKLAND CORNERS</b>			
Regulatory	Financial	Market	Physical
	<p><b>Immediate (1)</b> Establish a task force, with lender and insurance company representation, to discuss rate differentials (lending and <b>insurance redlining</b>) and provide public commitments to offset impacts on operating cashflow (1)</p>	<p><b>Immediate (1)</b> Establish specialized rapid response officer for projects involving a grocery store operator; commit funds to subsidize location of reputable grocery operators (package a deal for multiple locations) (1)</p>	
<p><b>Near Term (2)</b> Initiate education process to solicit interest in establishment of a Public Improvement District (PID) (2)  Establish a <b>land-swap</b> program with area property owners – gain public control of land in village (2)  Commit to signage and rerouting program during construction of I-30 and I-35W interchange (2)</p>	<p><b>Near Term (2)</b> Commit funds to subsidize location of a reputable grocery operator in village (2)</p>		<p><b>Near Term (2)</b> Require parking lot owners (including auto dealers) to landscape around parking lots – <b>“park in a park”</b> (tie to permit request) (2)</p>
<p><b>Long Term (3)</b> Retain the services of a code violation monitoring entity to track performance of establishments with liquor licenses; develop an <b>Intergovernmental Agreement (IGA)</b> with County placing a cap on the number of <b>liquor licenses (restrictions)</b> issued for businesses with revenues from alcohol sales above a certain threshold (3)</p>	<p><b>Long Term (3)</b> Aggressively implement <b>sales tax sharing</b> (rebate) as an incentive; Adjust state statute where necessary (3)</p>		

Key word presented in bold for reference to glossary.

Source: Leland Consulting Group, HNTB & Interstar

Note: Village-specific strategies are to be used in combination with the standard strategies.

## OAKLAND CORNERS

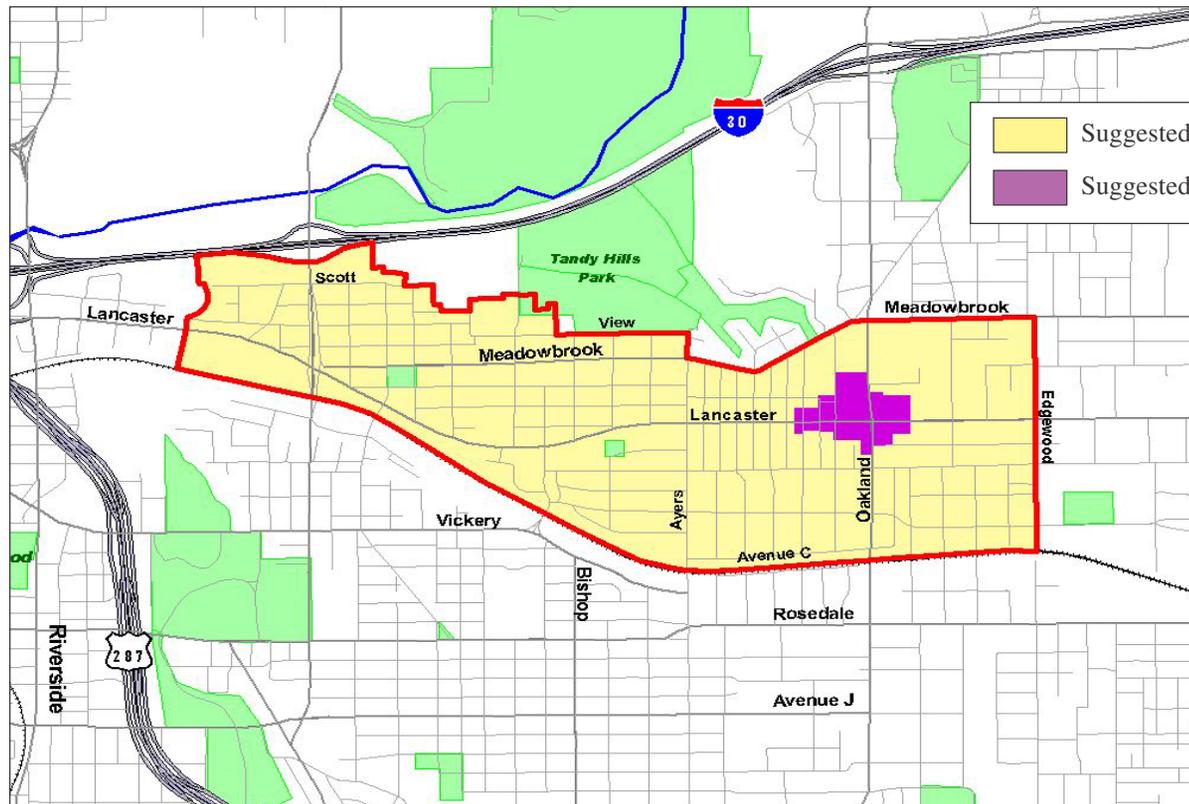


### Current Projects

- Walgreens
- Subway strip
- Rebuilding of Grandy's

### Public Funding Secured

NA



	Suggested NEZ Boundary
	Suggested Urban Village Boundary

### Neighborhoods

- Sargent Avenue
- West Meadowbrook

### Suggested NEZ

Population	6,637
Land Area	1.50 Sq. Miles
Percent in Central City	96%
Percent CDBG Eligible	85%