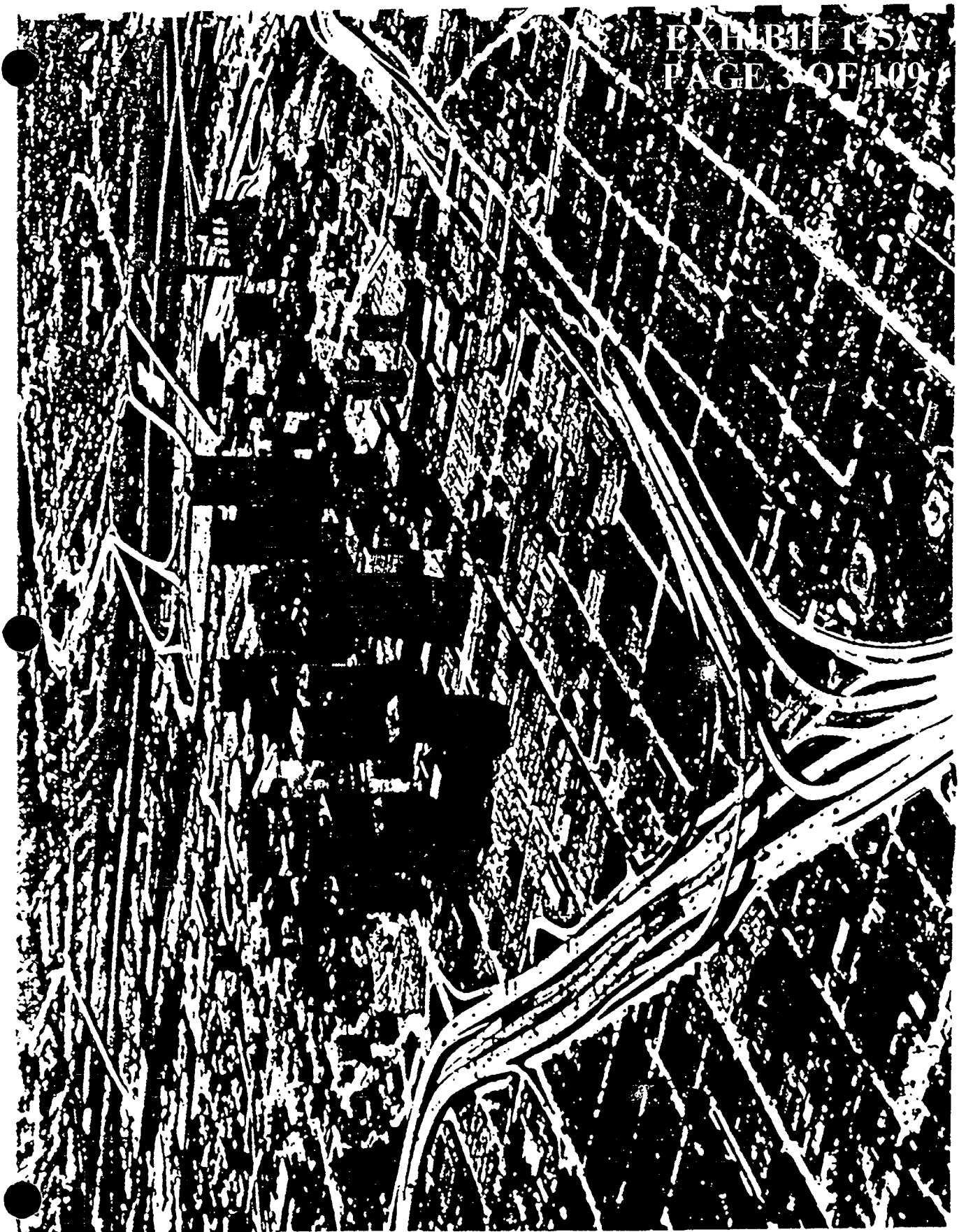


**EXHIBIT 145A
PAGE 2 OF 109**

Table of Contents ★

Executive Summary	2		
Introduction	10	Food Service, Retail, Arts Program	52
Background: Development of Concept	10	Merchandising by Area	52
		Recommended Food Service and Retail Program	57
Urban Design Context	12	Arts Programming	68
Setting	12	Electric Agora	71
Roads, Parking and Transit	13	Housing Potentials	74
Engineering Infrastructure	13		
Connections to the CBD	17	Design / Development Guidelines	78
Food Service and Retail Market Opportunities	17	Summary of District Guidelines	78
		Building Envelope Guidelines	78
District—Wide Concepts	30		
Land Use Concepts	30	Implementation	82
Thematic Organization	30	Preliminary Construction Cost Estimate	82
Merchandising Principles	31	Phasing of Open Space Improvements	84
Pedestrian and Transit Network	33	Open Space Maintenance	87
Transit and Bus	35	Management Recommendations	88
Planting	35	Leasing Considerations	98
Lighting	37		
Urban Design Plan	39		
Plan Description	39		
Paving	42		
Typical Flora Street Section	43		
Typical Entrance Corridor Section	45		
Typical Crockett Street Section	45		
The Electric Agora	46		
Parking and Circulation	49		

EXHIBIT 145A
PAGE 3 OF 109



**EXHIBIT 145A
PAGE 4 OF 109**

**Dallas Arts District
Urban Design Plan
Dallas, Texas**



Submitted to

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EXHIBIT 145A

PAGE 5 OF 109

Executive Summary

This summary presents a synopsis of the plan for the Dallas Arts District, which is detailed in this report.

with the consortium and other interested parties to build a consensus for, and understanding of, the plan.



Objectives

The formation of the Dallas Arts District Consortium comprised of district property owners, arts groups, and other interested parties, signalled the first coordinated efforts to advance the concept of an "arts district" for Dallas. The consortium wishes the district to reflect a multinational atmosphere, and contain mixed uses--arts facilities, office, retail and residential spaces, and cultural events--and feature Plora Street as a physical and visual link within the district.

Also requested have been outdoor/indoor spaces of sufficient size and versatility to accommodate various arts groups, integrating them as much as possible with the streetscape. Provision of a human scale pedestrian environment through use of planting, street furniture, building heights and setbacks, and facade design is seen as essential.

Planning Process

The plan for the Dallas Arts District has been formulated in response to the Dallas Arts District Consortium objectives, and is the result of a participatory planning/design process. At crucial decision-making points in the formulation of the plan, the Consultant Team held workshop sessions and review meetings

Urban Design Context

As one of six major land-use districts in downtown Dallas, the Dallas Arts District represents redevelopment of a significant portion of downtown. The district is a 17-block area in the northeast section of Dallas, bounded by the Woodall Rodgers Freeway, Ross Street, and St. Paul Street. The relationship of the Dallas Arts District to the rest of downtown is illustrated in the Dallas Arts District location Map, which follows.

Growth and expansion in downtown Dallas is occurring primarily on a northeast/southwest axis, indicating that eventually most of the district will be surrounded by high-rise development. This extension of a more dense urban fabric will integrate the Dallas Arts District physically and visually into the area perceived as "downtown."

Traffic and circulation issues have been resolved in initial planning stages to provide a suitable transportation framework. The need for parking spaces is estimated at 10,000 to 12,000, which will be distributed in garages throughout the district.

The plan provides for the accommodation of transit bus stops, as well as a possible underground station at Pearl Street for a proposed light rail transit system.

EXHIBIT 145A PAGE 6 OF 109

Service/vehicular access as well as driveways should be prohibited from Flora Street. An extension of public transit service will be necessary to serve the increased employment densities associated with new development in the district.

Plan for the Dallas Arts District

The design plan is based on district-wide design and land-use concepts, which include the creation of a green, pedestrian-oriented environment, and the provision of a distinctive visual image for the district.

The Flora Street urban design plan is a physical development scenario that utilizes the street as the major pedestrian corridor and unifying element for the various uses within the Dallas Arts District. The right-of-way includes two moving traffic lanes (one in each direction), two drop-off lanes, and 30' wide sidewalks. Distinctive paving patterns distinguish the three zones, and bollards separate vehicular and pedestrian traffic. Closure of Flora Street for special events or on weekends and at nighttime would extend this pedestrian orientation.

Flora Street is lined with triple rows of trees. Benches, kiosks, and sidewalk cafes are located in the pedestrian area beneath the trees. Illuminated bollards, up-and-down lighting of trees, and illumination of special features and landmark building facades create the desired ambiance while ensuring pedestrian safety.

Three zones, "Museum Crossing," "Concert Lights," and "Fountain Plaza," each associated with major attractions in the district, provide a point of reference and space for art, cultural, and entertainment activities.

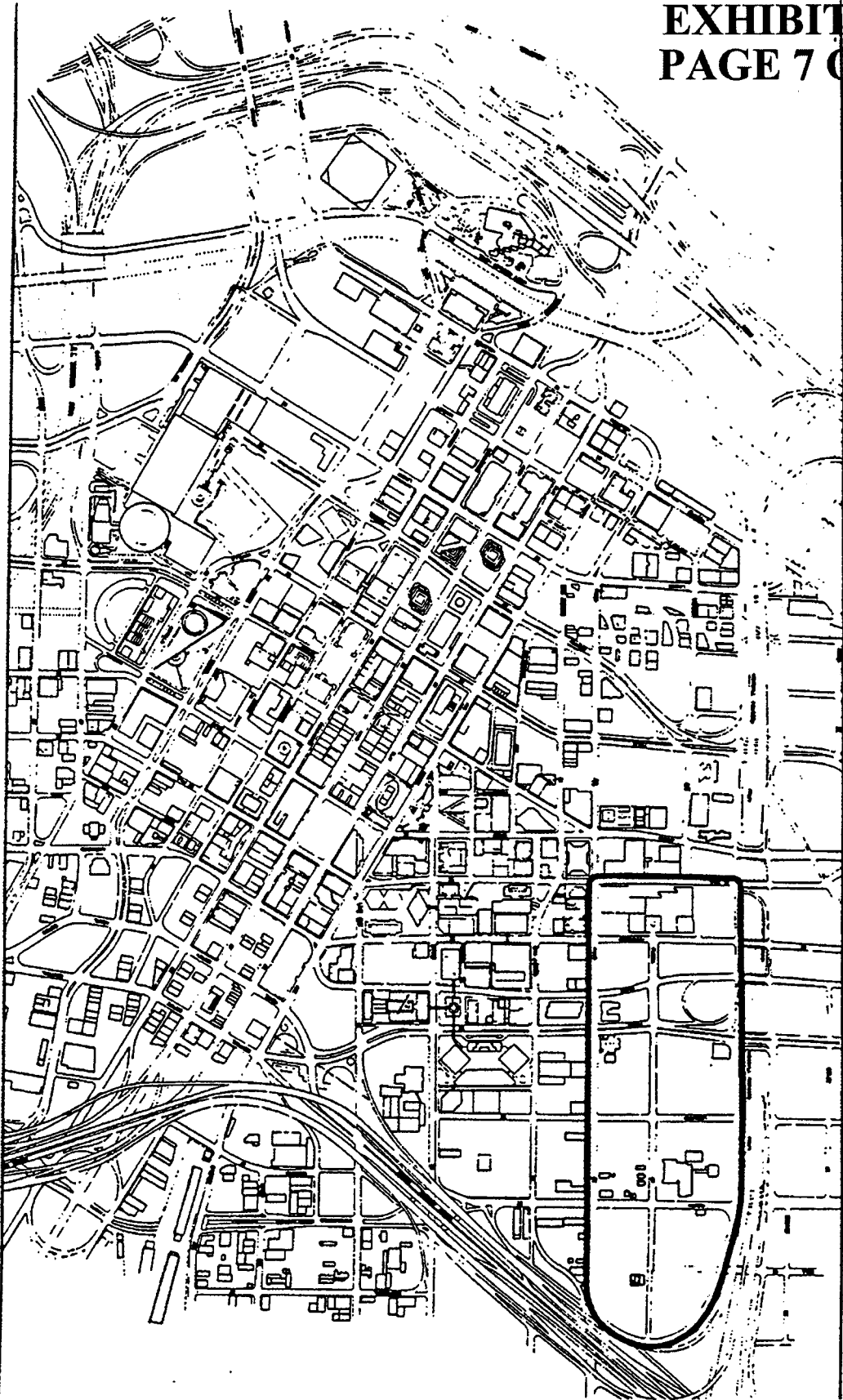
Museum Crossing is the area associated with the Museum of Art and the Harwood/Flora intersection reflects the Museum's presence by echoing the canopy trees, circular fountain, and bollards at its entry.

Concert Lights is the area related to the Concert Hall, "The Arbor," and the section of Flora Street up to the Fairmount intersection. The Arbor, a park at Flora Street on the Santurrio de Guadalupe site, features a lawn, water garden, and rows of trees, and with Crockett Street (which is tree-lined), provides a formal entry for the Concert Hall. The Electric Agora, an electronic information board, is part of an arcade that runs along the periphery of The Arbor along Flora Street.

The Electric Agora presents a range of display devices, from backlit photos and posters and a message signband to state-of-the-art video technology introducing events and participatory activities.

With unique capabilities, the Electric Agora holds opportunities for corporate and public support of components such as The Event Horizon, Dallas Adventurer, World-wide Cities Spotlight, The World Board, In Texas Now: The Opinion Poll, immediate interactive communication, and artistic display.

EXHIBIT 145A
PAGE 7 OF 109



Dallas Arts District
Location Map

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EXHIBIT 145A PAGE 8 OF 109

Fountain Plaza forms the terminus for the Dallas Arts District at the Flora/Routh intersection and includes the area south of Fairmount Street. A large fountain, reminiscent of Grand Army Plaza Fountain in New York, is the focal point of the area, with a horseshoe of trees and a single vehicular lane defining the perimeter of the site.

Additional aspects of the plan have been formulated to reinforce the district's pedestrian orientation. Many of the new developments feature through-building connections and/or arcades to facilitate weather-protected pedestrian movement, and two of the planned buildings will connect to the proposed extensions of the pedestrian skywalk system. A below-grade concourse at the intersection of Pearl and Flora Streets, as recommended in a study by De Shazo, et al., Traffic Engineers, will enable pedestrians to cross the street without confronting traffic and could serve as a transit stop in a future transit system.

Market and Program

The Dallas Central Business District shows unprecedented office development. Northward expansion suggests in excess of 2.8 million square feet for the Dallas Arts District site through 1986, with one or two hotels, a new facility for the Dallas Museum of Art and a new Dallas Concert Hall.

From years 1987 - 2000 the addition of close to 10 million square feet of office space, a third hotel, and possible residential development has been projected. Current development projects occur independently on the Flora Street spine.

Major retail frontage and presence should be on Flora Street. Mutual interests would suggest an integrated development plan with projects directly across Flora Street, to advance a compatible, actively integrated streetscape.

A 15% - 20% commercial arts and related uses allocation (is recommended) in the retail program.

The site is an appropriate setting for retail and food service growth, based on area population increases, real growth in income levels, and continued influx of downtown employment. Demand projections for food service and retail follow:

<u>Food Service</u>	1986	58,000 sf
	1987-2000	<u>149,000 sf</u>
		207,000 sf
<u>Retail</u>	1986	55,000 sf
	1987-2000	<u>239,000 sf</u>
		294,000 sf

The Consultant Team has established the potential for a specialty center, focused on the arts and anchored by a mini-department store and craft collection.

An entertainment complex presents opera, legitimate theatre, dance and chamber music performances, as well as "cinplex" theatres for film showings.

A second or third visual arts facility would enhance the concentration of artistic activities, incorporating D-Art, the Craft Guild of Dallas, or the Dallas County

EXHIBIT 145A
PAGE 9 OF 109

Historical Society. By location and integration, they become adjuncts to commercial development.

The Dallas Arts District offers the physical frame and amenities for residential development. Proposed are living spaces for arts-in-residence and studios for the teacher/instructor. Strategies incorporating the City of Dallas, area financial institutions, and private development entities should be considered.

The Dallas Arts District can capitalize on a growing downtown renaissance. New urban market segments can be created with targeted marketing and retailing with clear identity, well designed physical frame and features, critical mass and directed merchandising. Zoning by retail use, maximizing the advantage of Flora Street frontage, and incorporating destination uses, together with cohesive design criteria and integrated promotion, projects a clearly defined public image and increases the district's drawing power.

The retailing of art requires a special approach. In addition to "one-of-a-kind" merchandise and personal service, retailers must feature popular art forms including crafts, small-scale art pieces, prints, posters, photography and quality reproductions of original work.

Incorporating local artistic talent recognizes the Dallas Art District's goal of community outreach and takes advantage of a special opportunity in Dallas for creating new retailing concepts. Art appreciation is

spreading in popularity from individual collectors to corporate sponsors and from the sophisticated to the uninitiated.

Design Guidelines

To ensure that the Dallas Arts District retains its pedestrian orientation, and that the development occurring over time maintains a sensitivity to an arts district theme, design and development guidelines have been formulated.

The development guidelines address building heights and setbacks, and present standards which should be adopted for part of the formal building review process. Design guidelines are presented to assist developers and designers with choices in building materials, facade treatments, entry and streetcape treatments.

Open Space Improvement Costs

Public improvement costs for the Dallas Arts District have been divided into three areas representing the major categories of recommended improvements:

Flora Street and Special Features	\$18,768,300
Entry Corridors (Trees, lighting and graphics)	1,909,400
Perimeter Streets (Trees only)	350,600
	<u>\$21,028,300</u>

Because the estimates are based on the conceptual design, they are preliminary and must be confirmed or revised as more detailed design progresses. Detailed estimates, which are in 1982 prices, are presented in the final report.

EXHIBIT 145A PAGE 10 OF 109

Phasing of Open Space Improvements

Improvements to Flora Street and cross streets should coincide with adjacent development of private parcels and cultural facilities. Each phase can occur independently, although realization of the Dallas Arts District plan is dependent upon completion of all phases.

Phase I includes improvements to Harwood Street, which provides access to the Museum of Art. Phase II completes the construction of Flora Street from the Museum parcel. Phase III improvements extend from Pearl Street to Fairmount Street and would occur with the construction of the Concert Hall and parking garage around 1986. Phase IV completes the Flora Street improvements to Routh Street, including Fountain Plaza.

Open Space Maintenance

The ongoing success of the Dallas Arts District will be dependent in part on high quality, efficient maintenance of the public open spaces. The anticipated need for maintenance in the district surpasses the capacities of existing manpower and resources, so alternative methods and a secure long term funding source are essential.

Delineation of responsibilities for maintenance and security should be made by the district management organization, following a detailed maintenance plan. Estimates of maintenance costs should include both repair and regularly scheduled functions.

Management Recommendations

A concerted marketing and public relations effort will reinforce a cohesive district identity, amplifying the arts focus of a broad-based commercial program. This effort must first establish goals and objectives, undertake market research, develop activities and uses for public areas, and evaluate advertising possibilities.

A Dallas Arts District governing authority, including representatives of developers, owners, art institutions and retail associations, should charter a management organization to establish a public relations philosophy, promote merchandising activities, develop cooperative programs with other urban "neighborhoods" and institute an ongoing publicity program with regional and national focus. Although this report should not preclude the further consideration of management options, the Consultant Team recommends a management contract approach. The Dallas Arts District governing authority should be empowered to hire an outside professional team. Budget and fee are then raised by individual "memberships" or "shares" assessed by governing authority participants themselves. Initial staff efforts through the year 1986 require three to four persons, two on a part-time basis, and a beginning annual budget of \$350,000.

As part of its promotional and public relations tasks, the typical management team oversees public space programming: scheduling events, solicitation activities and sponsorship,

**EXHIBIT 145A
PAGE 11 OF 109**

maintaining an inventory of available spaces and use procedures, serving as the ally of local arts and performing entities.

Public space programming also serves to improve media recognition and coverage, increase commercial activity, and contribute to the success of a new arts and entertainment focus in the City of Dallas.

Leasing Strategy

The commercial leasing team should be skilled in the language of the restaurateur and shopkeeper. A merchandising plan, which reflects market voids and addresses the public's needs and desires, establishes leasing goals and aids in pre-marketing to prospective merchants. The leasing team should understand the synergistic benefits to specific use adjacencies, and responsibly guide prospects to the right decision.

This process may involve assistance with the tenants internal financing and operational considerations to prove the viability of the location and financial soundness of the lease. Tenant allowance and other forms of developer/owner participation such as loans and syndication, are useful tools for attracting the most desirable tenants and filling key locations. Often this initial investment in construction of the store will yield higher rents and more successful tenants in the long-term.

**EXHIBIT 145A
PAGE 12 OF 109**

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EXHIBIT 145A

PAGE 19 OF 109

- development. The existing water mains will need to be enlarged to ensure adequate pressure and volume for water usage and fire protection within the district.
- 2 Sanitary Sewer System - The existing sanitary sewer system is not adequate for any proposed development within the district. Larger diameter sewer lines must be installed to replace the existing system. A new trunk main outfall is also required to intercept the wastewater and transport flow out of the area.
- 3 Storm Water Sewer - For the most part, storm water sewer trunk lines appear adequate in the district. Supplemental storm sewers may be necessary by adding a 42-inch relief system in Pearl Street and a 39-inch relief system in Leonard Street. Possible construction constraints are located at the intersection of Pearl Street and Flora Street and in the northwest section of the district. In these areas, existing storm water sewers may be required to be relocated for construction of an underground pedestrian walkway and underground parking garage.
- 4 Dallas Power and Light - Existing service to the district area is by overhead power lines. A new system of underground power conduit will be required to serve future development. Possible construction constraints may develop when existing streets are abandoned. Existing underground conduit passes through the district for downtown service. When a street is abandoned, DP&L retains easement rights until a new route for the conduit is provided, and the developer pays for relocation costs.
- 5 Southwestern Bell Telephone - Development in the Dallas Arts District will require a major telephone conduit undertaking. Service to the district area will require extensive conduit reinforcement under Ross Avenue. Conduit will then branch off from the Ross Avenue conduit to provide the required telephone service in the district.
- 6 Lone Star Gas - The existing gas system is inadequate for any development in the district area and requires a major system reinforcement with larger diameter feeder lines. In the event Crockett Street is abandoned from Flora Street to Woodall Rodgers Freeway, the regulator station at Crockett Street and Flora Street must be relocated.
- 7 Cable Television - Cable television conduit in the district area does not exist except for one line currently being installed to service the museum. Cable television conduit has been installed by using existing DP&L duct and manholes. No future development is planned for the area at this time.
- This preliminary analysis recommends that a master study of all utilities be conducted for the Dallas Arts District area. A master study will locate all existing utilities and determine the required sizes and alignment of all future utilities. Routing of all existing and future pipelines and conduit should be analyzed to coordinate with proposed underground parking garages for the district.

**EXHIBIT 145A
PAGE 15 OF 109**

- 10 Strive to create a human scale in the district through the use of landscaping, water displays, sculpture and street furniture, setbacks, plazas, and building siting and facade design.
- 11 Create distinct edges for the district (i.e., Ross Ave.) yet allow for distinctive gateways and entries into the districts.
- 12 Assure that building siting and site planning is sensitive to micro-climatic conditions, especially the impact of the sun, shadows, and wind.
- 13 Encourage designs that enable the arts to utilize space outside of the buildings as well as indoors. The arts should be as much a part of the streetscape as possible and mix with the users and other activities.

In conjunction with the workshop sessions, the Consultant Team made presentations to the Dallas Institute of Humanities and Culture, city staff, the Park and Recreation Board, and the City Plan Commission as well as a public presentation held at the Dallas Museum of Art. These presentations provided a forum for progress reports and input from these groups and individuals. In addition, twenty-nine Dallas cultural organizations responded to an Arts District questionnaire prepared by Karen Erxleben of the Dallas Department of Health and Human Services.

EXHIBIT 145A
PAGE 16 OF 109

Urban Design Context

Planning for the Dallas Arts District has and will continue to occur within the stated objectives for the district, yet within the framework of existing physical conditions/constraints. The following section examines setting; roads, parking, and transit; engineering infrastructure, connections to the CBD, and food service and retail market opportunities to comprise a framework of "givens" from which all planning must proceed.

Setting

The Dallas Arts District comprises one of six major land-use districts in Dallas, and therefore represents redevelopment of a significant portion of the downtown area. The Core contains most of the CBD's high-rise office buildings, shops, and hotels. Other districts are West End, Civic Center, Reunion, and Farmer's Market.

As of January 1, 1982, the CBD had 28.0 million square feet of public and private office space, 2.0 million square feet of retail space, ten hotels with 4700 rooms, and a 252-unit apartment building.¹

¹ Draft report, The CBD Concept Plan, City of Dallas, January 1982.



EXHIBIT 145A PAGE 17 OF 109

The site of the Dallas Arts District currently includes a mixture of land uses that fall below the development density of the CBD core area. Existing uses include the Dallas Museum of Art (under construction), Lome Star Cadillac dealership, Belo Mansion (home of the Dallas Legal Education Society), the Arts Magnet School, the Cathedral Santurrio de Guadalupe, and numerous at-grade parking lots. The Flora Street right-of-way is three lanes, with one lane for moving traffic.

Roads, Parking and Transit

Traffic and circulation patterns will form a framework for development in the district which must be considered early in the planning process. The following recommendations are based on the Final Report, "Dallas Arts District Parking Garage Feasibility Study" (Deshazo, Starek and Tang, Inc., and Consultants, June, 1982), which presents options for roads, parking, and transit in the Dallas Arts District.

Projected need for parking spaces is 10,000 to 12,000, distributed in garages throughout the district. Options for service loading include: (1) individual loading facilities with on-site access; (2) combined loading facilities with shared access between adjacent developments; and (3) construction of a below grade service spine, which is the option recommended by Deshazo et al. However, implementation of this last option is seen as unlikely, due to a number of constraints, including the required depth of planting beds for trees along Flora Street.

Flora Street should be free of driveways, and adjacent tracts of land should share vehicular access.

The projected employment density makes a high level of transit service essential. The CBD route structure of the Dallas Transit Service should be extensively modified to serve the district, and the Hop-a-Bus program extended into the district. A below grade station to accommodate the selected future transit system is planned beneath Pearl between Flora and Ross.

Deshazo et al. estimate 330 taxi trips per day generated by activity during peak times.

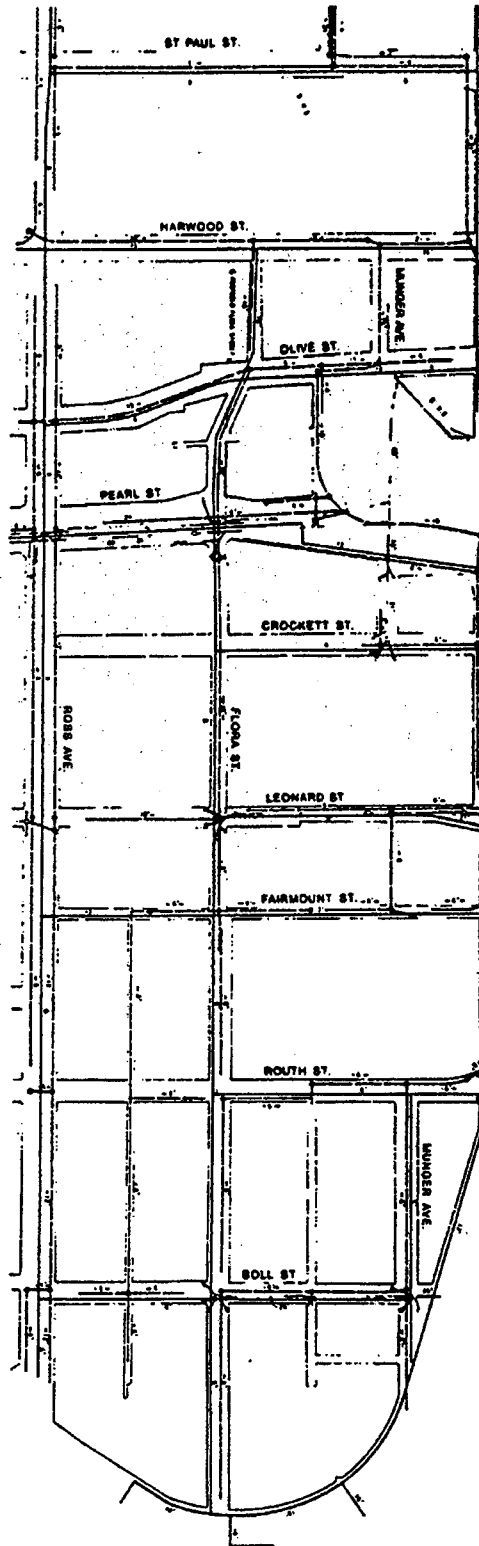
Accommodation of taxi queuing should occur off Flora Street whenever possible, associated with major entries to hotels and cultural facilities. During off-peak hours, queuing could occur on low volume cross streets.

Engineering Infrastructure

A preliminary analysis was conducted on the existing utilities in the Dallas Arts District area. The seven major utilities in this area that require special consideration are presented in the existing Utilities Map. A detailed investigation is necessary, before any development is initiated, to determine exact depth and location of each utility. The following utilities are listed with a general description and anticipated constraints to the Dallas Arts District development:

- 1 Water System - The current water system is adequate for the existing development in the district. However, significant improvements must be made for the anticipated future

EXHIBIT 145A
PAGE 18 OF 109



WOODGALL ROGERS FIRM

- Water ———
- Sanitary Sewer - - - - -
- Storm Sewer - - - - -
- Horseshoe Drain = = = = =



Existing Utilities

EXHIBIT 145A
PAGE 19 OF 109

development. The existing water mains will need to be enlarged to ensure adequate pressure and volume for water usage and fire protection within the district.

2 Sanitary Sewer System - The existing sanitary sewer system is not adequate for any proposed development within the district. Larger diameter sewer lines must be installed to replace the existing system. A new trunk main outfall is also required to intercept the wastewater and transport flow out of the area.

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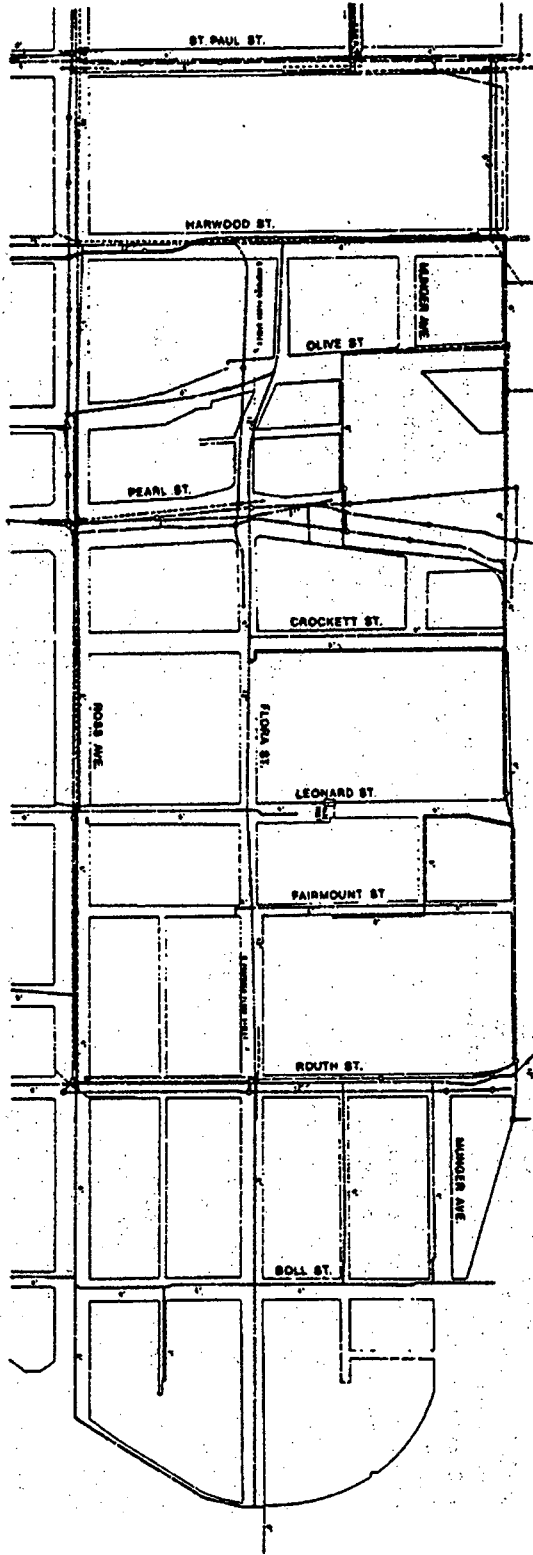
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EXHIBIT 145A
PAGE 20 OF 109



- TV Cable ————
- Telephone ————
- Electrical ————
- Gas ————



Existing Utilities

EXHIBIT 145A

PAGE 21 OF 109

Connections to the CBD

Development of the Dallas Arts District will be complemented and enhanced by concomitant growth in downtown Dallas.

A 1982 study by the City of Dallas indicated that as of January 1982, 11 new office buildings containing 9.3 million square feet were under construction, and six buildings with 1.0 million square feet were being renovated for offices. Millions of square feet of additional office space were in various stages of planning as were two hotels, several residential projects, and a major retail center. Public building projects included the Dallas Museum of Art, the new Central Research Library, the Majestic Theater renovation, additions to the Convention Center and Farmer's Market, and plans for the new Concert Hall.

Prior CBD plans noted that the Core tended to expand along a northeast/southwest axis. Currently, the Core is expanding most rapidly at its northeast end. In fact, the district will soon be surrounded by high-rise development. Northward development pressures are such that the areas north of Woodall Rodgers Freeway and Oak Lawn are experiencing significant commercial development. To a lesser extent, the Core is also expanding to the east, south, southwest, and northwest.²

The continuing development of the Core in this northeast direction will create a more closely knit urban fabric, carrying the densities from the Core to other downtown areas. The extension of this density will help diminish the perception of geographically separate

"districts" in downtown, encouraging pedestrian movement through the downtown on a greater scale than currently exists. This movement of people, as well as the increased numbers of workers associated with the new development, will be a source of vitality for the district, as the district will provide vitality to the rest of the downtown area.

The proposed pedestrian skywalk system will reinforce the connections between the district and the Core by providing weather protected pedestrian access to the Crow and Lone Star properties. Vehicles using the Woodall Rodgers Freeway entrance ramps near Routh and Pearl Street, and exit ramps at Olive Street, will be driving through the district, affording it high visibility and a direct link to the rest of downtown.

Food Service and Retail Market Opportunities

Market development in the Dallas Arts District will occur in the context of existing market considerations in the Dallas area. The following section presents an examination of current market factors in Dallas, as well as projected food service and retail market demand generated within the district.

The Dallas Arts District and Dallas Central Business District Growth

Dallas office development is proceeding at rates of record growth, with over 3.3 million square feet of added construction for completion in 1982 in the Central Business District. The Central Business District will

² Draft report, The CBD Concept Plan, City of Dallas, January 1982.

EXHIBIT 145A PAGE 22 OF 109

continue to foster a high proportion of Dallas office development, with over 4.5 million square feet in 1983 and over 10 million square feet of major projects planned or announced but not yet into construction.

The designated Dallas Arts District can anticipate a number of benefits in this unprecedented growth. Current building has extended the CBD core northward, so that the district, at the new boundary of development, is an inducement to continued northward expansion.

Projected development potentials for the site just exceed 2.8 million square feet of offices through 1986, one, possibly two hotels, a new facility for the Dallas Museum of Art scheduled to open in 1983, and an anticipated Concert Hall. The economic climate and local office absorption rates, in conjunction with the planned Concert Hall, are determinate factors in the Dallas Arts District development forecast. Radical slowing in office absorption could also stall up to .7 million square feet or 25% in office development and both hotels through 1986.

Planned development for the district through 1987-2000 includes 10 million square feet of office space, a third hotel, and the possibility of residential development; (Average FAR of 8:1 for full site.) A conservative forecast would cut 40% from the planned components, or an unrealized 4 million square feet from anticipated office development. (Average FAR of 4.8:1 for full site).

In addition to the new arts and cultural facilities, the Dallas Arts District is home to the Arts Magnet High School, Cathedral Santurio de Guadalupe and St. Paul Methodist Church, the Belo Mansion home of the Dallas Legal Education Center, and miscellaneous ownership interests. Within the new urban context of foreseeable CBD expansion, these organizations will be fundamental to a diversity in community interests and activities. Included within goals for the Dallas Arts District are residential components totaling at least 650 units, an untested but achievable goal in the special district setting of workplace, cultural opportunity, retail services and convenience, carefully landscaped environment and active night-life with prospects for dining, entertainment, and hotel trade.

Food Service and Retail

On the whole, Dallas offers a growth market. Population projections range from increases of 2% to 4% a year, with concomitant increases in office employment, including FIRRES (Finance, Insurance, Real Estate, Services) employment. Dallas City Planning estimates the CBD to capture 30% of this increased working population. SMSA Dallas income levels are in the top quarter of the nation's metropolitan areas, with a real growth in income levels based on shifts into professional employment.

Current growth in food service, excepting fast food, has been lower than national averages, which may have a historical basis in fewer eating/drinking establishments in regions with "dry" regulations. The Restaurant Growth

EXHIBIT 145A

PAGE 23 OF 109

<u>Completed in 1981/New Buildings</u>	
1	Cullen-Frost Bank Drive-In Facility
2	Skyway Tower at Southland Center
<u>Completed in 1981/Renovated Buildings</u>	
3	Adolphus Hotel
4	712 Commerce Building
5	1700 Commerce Place
6	Dallas County Administration Building
7	Dallas County Services Building
8	311 Market Street Building
9	1900 Pacific and Tower Petroleum Buildings
10	YMCA Metropolitan Center
<u>Completed in 1981/Other Improvements</u>	
11	Carpenter Plaza
12	Farmers Market
13	Heritage Way Park and Bridges
14	Market Street
<u>Under Construction/New Buildings</u>	
15	Americas Tower
16	ARCO Tower
17	Bryan Place
18	Central Library
19	Convention Center Expansion
20	Criminal Justice Center
21	Dallas Museum of Art
22	Employers Insurance of Texas
23	First City Center
24	Olympia and York Tower
25	Pacific Place
26	St. Paul Tower
27	San Jacinto Tower
28	Southwestern Bell Office Complex
29	Thanksgiving Tower
<u>Under Construction/Renovated Buildings</u>	
30	Adolphus Tower
31	Magnolia Building
32	Majestic Theater
33	Renaissance Place
34	SPC Building
35	Zorina Building
<u>Planned 1982 Starts/New Buildings</u>	
38	Campeau Development
39	Dallas Centre
40	First City Bank Drive-In Facility
41	First National Bank Drive-In Facility
42	Lincoln Plaza
43	Main Center
44	Trammell Crow West End Development
<u>Planned 1982 Starts/Renovated Buildings</u>	
45	Delahunty Gallery
46	501 Elm Building
47	Interstate Trinity
48	1122 Jackson
49	The Market
50	Neiman-Marcus
51	White Swan Coffee Roaster
52	Wilson Building
<u>Planned 1982 Starts/Other Improvements</u>	
53	Bullington Plaza
54	Farmers Market
<u>Planned After 1982/New Buildings</u>	
55	Arts District
56	Cadillac Fairview Development
57	Dallas Concert Hall
58	Dallas Times Herald Expansion
59	1212 Main
60	Reunion Development
61	Southland Center
62	Trammell Crow Office Building
63	Trammell Crow Office Building
64	Trammell Crow Residential Towers
<u>Planned After 1982/Renovated Building</u>	
65	Terminal Annex
<u>Planned After 1982/Other Improvements</u>	
66	Akard/Pacific Pedestrianway Link
67	Farmers Market
68	Old City Park
69	Open Space
70	School District Properties

MAP CREDIT:

CBD Association, Chamber of Commerce
Henry S. Miller Company

EXHIBIT 145A
PAGE 24 OF 109

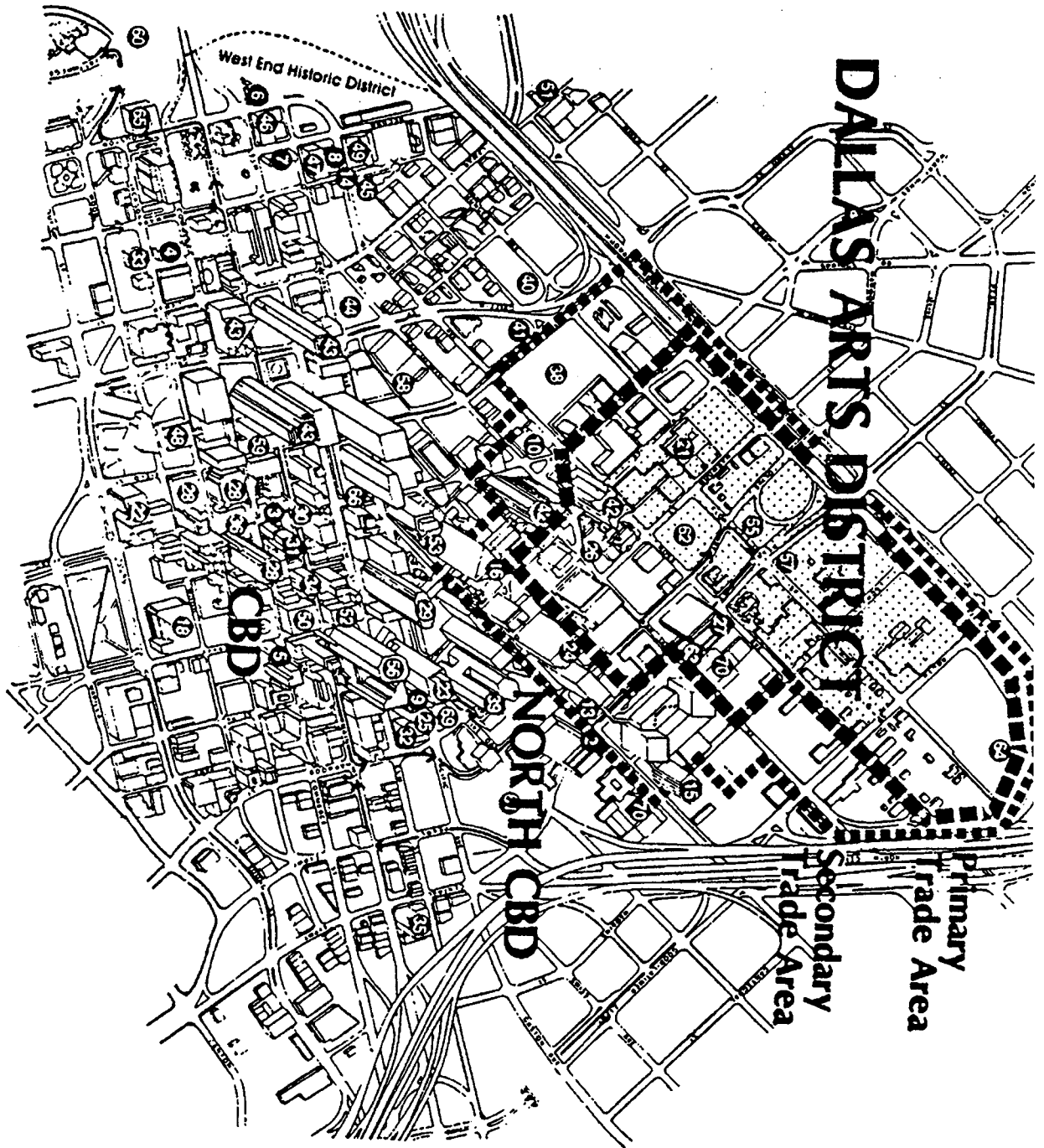


EXHIBIT 145A PAGE 25 OF 109

Index of Restaurant Business cites a high level of restaurant dining activity, a strong 40-45% above national average, but view existing operations as capable of absorbing 15% greater volume.

Food Service Demand

Total food service demand is based primarily on the lunch time food service requirements of the anticipated office populations (detailed projections in Appendix).

Food Service Market Segments

	1986	1987-2000
Office Population	79%	82%
Visitors	9%	9%
Hotels	6%	5%
Cultural/Arts Facilities	6%	3%
Residential	---	1%

The following tables represent the potential "capture rate" of existing, under construction and projected office towers within a three block (Primary area) to four block (Secondary area) walk from the Dallas Arts District.

Conservative capture rates are used, depending on site visibility, distance from the site. The Dallas Arts District's success in drawing from surrounding office buildings will depend on how food service operations meet the market demands in decor, price points, menu, service (fast food or business lunch), and quality of food.

A strong demand forecast is both an asset and an obligation. An underized investment in food service and convenience facilities would not fulfill the district's full potential within the marketplace. Should the market's needs be met, the commercial operators and the developer prosper in the following ways:

- The full destination impact will support the public identity associated with the individual office complex and the Dallas Arts District as a whole.
- Exploit a significant capture of the market's disposable income, fully complementing existing food service by filling voids in the current market area.
- Variety in menu, price, decor and entertainment will activate the area as an updated alternative to the standard food service operations in downtown Dallas.

Food Service Categories

Within the overall development context of the district and its Trade Area, the Consultant Team projects a total of 58,000 square feet of food service facilities for 1986, with an additional 149,000 square feet for 1987-2000, and a grand total of 207,000 square feet. Based on preference profiles, these facilities should be programmed in the following categories and percentages:

- Fast Food: 34% a combination of individual, strategically placed facilities and themed, international food fair type operations, able to handle large volumes of traffic with a limited time for lunch.