



## **PART THREE: THE PLAN ELEMENTS**

### **SECTION EIGHT: THE ECONOMIC DEVELOPMENT PLAN**

#### **INTRODUCTION**

Part One: Assessments of this Comprehensive Plan Update establishes that the current level of commercial entitlement is necessary in order to create an Ad Valorem tax base in Westlake that will support future General Fund requirements (assuming that the Town seeks a level of service reflected by the General Fund) that is like other comparable cities, such as Highland Park, Texas. In that assertion is an inherent implication that Westlake needs to see build-out of a significant portion of the current non-residential entitlement in order to sustain the proportionately low residential assessments it now enjoys. Recent office projects such as Solana, Fidelity Investments, and others in the western portion of the Town have not built to the density levels permitted by the Planned Development ordinances. Some of these projects have only attained a .12:1 FAR in districts where .4:1 FAR is permissible. This represents approximately 25% usage of the entitlement density, and continuation of this trend would leave Westlake deficient, in terms of Ad Valorem revenue to serve the General

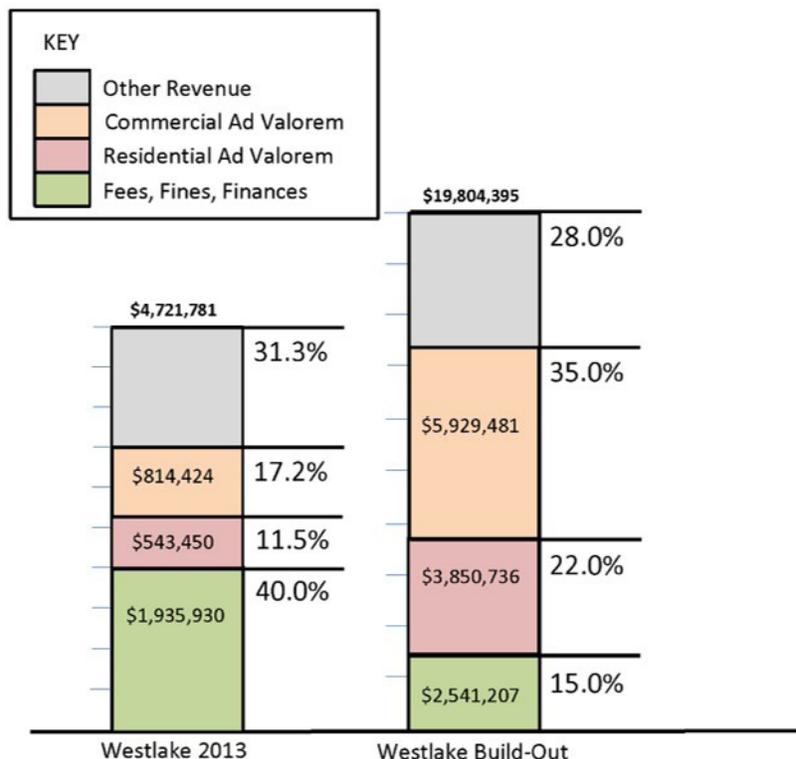


Figure 162: Westlake Ad Valorem

Fund demand at a General Fund cost per capita of \$2,900 per person. If the demand for service remains at the Highland Park level (largely a function of the similar socio-economic demographics), then Westlake will be forced to raise its currently low rate of taxation or reduce its level of service. There is far more office development embedded in the Planned Developments than retail development. For example, one PD contains approximately 12 million sf. of office and 3.0 million sf. of retail. Both office and retail development are required to provide the non-residential portion of the General Fund obligation (Commercial Ad Valorem in Figure 162).

This means that underutilization of the entitlement density will curtail attaining the proportion of non-residential Ad Valorem performance illustrated in Figure 162. The importance of attaining the Ad Valorem targets of the Comprehensive Plan is

affirmed by citizen comments flowing from Public Planning Workshops #1 and #2. These comments include:

1. Preserve the sense of balance between residential and commercial development by promoting continuity of development forms, pallet of landscaping, meaningful/ functional buffers, built area to land area ratios, and character of the street experience.
2. Preserve Westlake's distinctively low Ad Valorem tax rate on residential properties.
3. Maintain a balance between the Ad Valorem revenues of non-residential and residential development so that property taxes on residential property do not have to be disproportionately raised to accommodate the impacts of future development in and around Westlake.

Not only is it important that Westlake

attain a significant portion of non-residential square footage currently permitted (approximately 18 million sf.), but it is also important that non-residential development is of sufficient value. Therefore, one of the primary Economic Development Objectives is to achieve sufficient office value and square footage to accomplish the Ad Valorem targets of the Town.

Current entitlements also contain rights to significant retail, hospitality, and entertainment square footage. More specifically, entitlements permit approximately 3.5 million sf. of retail and 2.0 million sf of hospitality/ entertainment. Again, it is important that the Town achieve build-out of these entitlements at a level of value that will accomplish the Ad Valorem targets established within this Plan. Further, participants in the Public Planning Workshops identified quality retail as very important to them. Therefore, another Economic Development Objective of the Town is to attain the retail/ hospitality/ entertainment square footage currently entitled at a level of quality necessary to both fulfill the Ad Valorem targets and reflect the desired image of the Town.

Listed below are key citizen generated statements from Public Workshops #1 and #2 related to office and retail development:

1. Promote a visual character that communicates a high quality of building and landscape construction, both public and private.
2. Promote non-residential/ office development that hosts a significant ground plane of pedestrian features and visual amenities, instead of parking and service, and that ground planes

of neighboring projects flow together to create a more campus like setting, overall.

3. Establish development guidelines that discourage typical strip-like, suburban commercial development.
4. Create a town center/ hub.
5. Maintain Westlake's sense of separation from surrounding typical commercial and residential development.
6. Focus the commercial components of Westlake to locations along the SH 114 and SH 170 portions of the community.
7. Encourage the predominantly non-residential growth of western portions of Westlake to properly compliment the residential portions of Westlake and preserve/ enhance residential values.
8. Discourage the development of distribution facilities in Westlake and maintain a land use differentiation from land development to the west.
9. Promote and encourage compatibility between commercial development in Westlake and other commercial centers that contributes to greater economic vigor overall and prevents competition between commercial centers in the region.
10. Maximize the opportunity of the strategic importance of the SH 170/ SH 114 intersection to create a center and identity that is uniquely Westlake, which will enhance the value of Westlake, overall.
11. Maintain a balance between the Ad Valorem revenues of non-residential and residential development so that property taxes on residential property do not have to be disproportionately raised to accommodate the impacts of future development in and around Westlake.

Another important Economic Development Objective is reinforcement of, and perpetuation of, higher price point residential within the Town. Of particular interest is attracting the younger buyer segment of this market and providing other high price point housing options for those going through a life stage transition (both of these housing targets are discussed in detail in the Housing Plan).

In light of this analysis and comments flowing from Public Planning Workshops #1 and #2, there are three primary Outcome Economic Conditions that an Economic Development Plan must seek to attain. These Outcome Conditions are:

**1. Corporate Center Locations (A):** It is determined that the higher value office products are generally those developed as corporate headquarters. Most speculative office product must be accomplished within cost thresholds determined by rent capabilities and that most corporate headquarter facilities are built to higher standards, driven by corporate self-image. Much of the current office development generally viewed as having attained a “Westlake” level of quality is for corporate headquarters purposes. This is seen with Solana and Fidelity Investments.

**2. Specialty Retail Dominance (B):** Traffic driven retail tends to dominate the landscape of highway/ freeway locations. Traffic driven retail and specialty retail have important differences that relate to value. These are:

**a. Traffic Driven Retail:**

- i. Ubiquitous in Nature: Appear over and over along major traffic corridors.
- ii. Plate Dominated: Typically big box retailers.
- iii. Volume Sales: Move large volumes of product.
- iv. Price Sensitive: High volume sales are related to price. Therefore, lower prices are typical.
- v. Urgent Inventory: Typically sell hardware, groceries and/ or dry goods of a type that is tailored to drive in/ drive out demand patterns, things needed on the way home, etc.

**b. Specialty Retail:**

- i. Unique in Nature: Typically location specific because they depend on loyal patronage.
- ii. Smaller Plate: Smaller operations, often associated with an anchor.
- iii. Specialized Sales: Target specialized product sales, such as the Art of Shaving store in North Park or specialty jewelers.
- iv. High Dollar: Generally sell a more expensive product in smaller volumes.
- v. Inventory for Shopping: Inventories are geared to the shopper who is prepared to spend more time in the shopping environment.

The sales per square foot difference between the two retail types is significant. Generally box retailers

require \$200-\$300/ sf. annually, while specialty retailers can often exceed \$400/ sf. Therefore, specialty retailers tend to bring greater value from an Ad Valorem perspective, while traffic driven retailers may generate more sales tax due to their volume sales. Therefore, promoting a dominance of specialty retail is an economic development target of the Economic Development Plan.

### **3. Higher Price Point Housing (C):**

Of paramount concern to citizen participants in the Public Planning Workshops is maintenance of residential value as the Town builds out. In addition, participants want to see younger buyers present in the higher price point market select Westlake as a place to live. Finally, the older population of Westlake will face life transitions over the next few years, but they desire to continue residence in their Town. This means that other high price point housing options are needed in the housing inventory of the Town. Tactics aimed at attracting higher price point housing are presented in this Economic Development Plan, and a

Plan for spatial definition of housing sub-markets within Westlake is presented in the Housing Plan.

The interrelationship of these three outcomes requires the Economic Development Plan to be broad, spanning from office to residential initiatives. Corporate centers located within Westlake enhance the Town's desirability for executive housing and more generally preserves the contextual assets that support higher residential value and quality of life. Relocation literature reveals that quality of life is among the most important selection criteria for corporations and their executive leadership. At the same time, concentrations of wealthier residents promote an identity favorable to sustaining specialty retail/ entertainment and the proximity of specialty retail/ entertainment enhances attractiveness to higher price point markets. Therefore, it can be said that a reciprocal relationship exists between the three desired Economic Development Outcomes. It would be difficult to achieve meaningful success in one area of outcome without achieving success in the other areas.

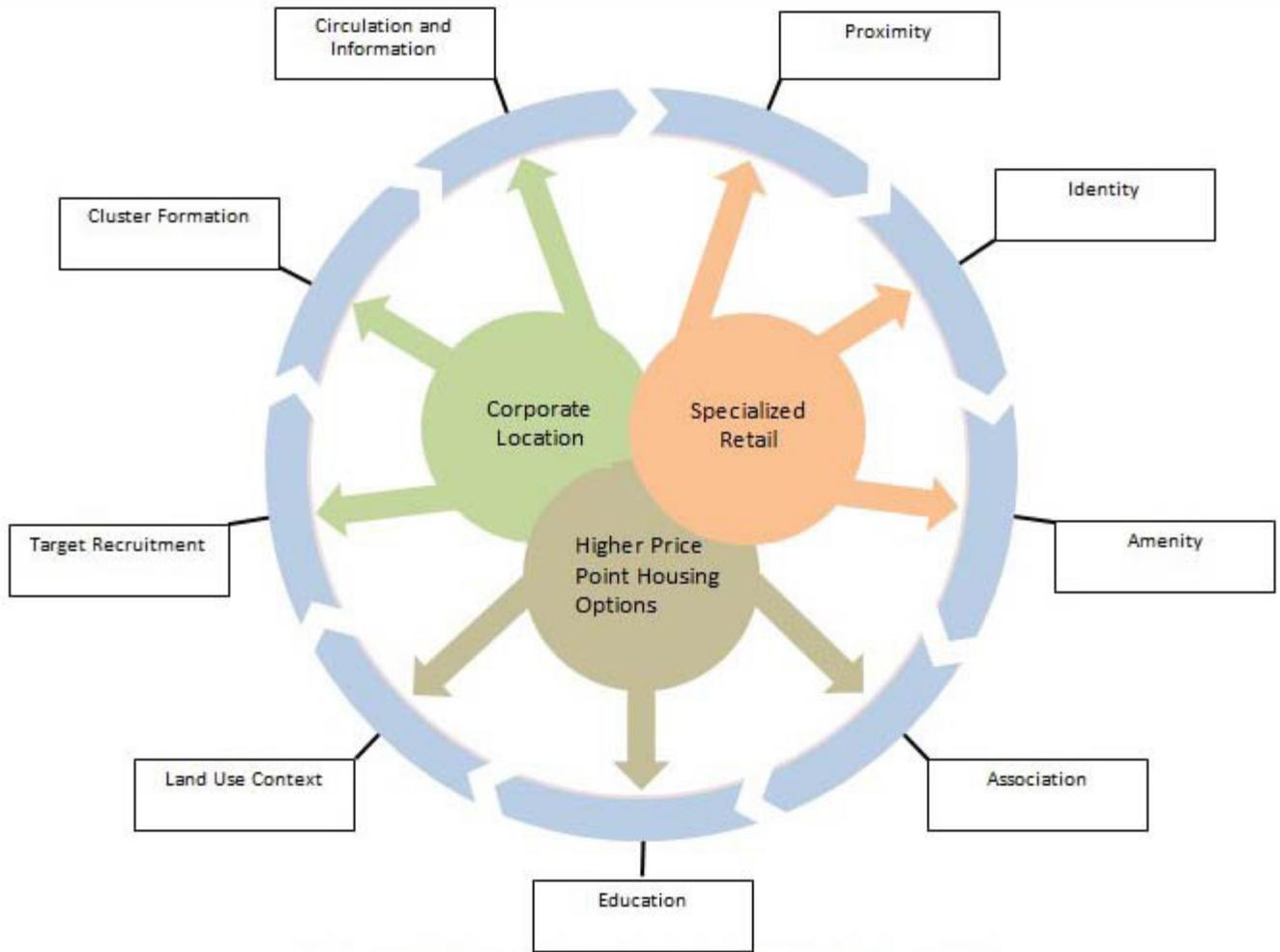


Figure 163: Circle of Economic Development

### THE CIRCLE OF ECONOMIC DEVELOPMENT

Figure 163 illustrates the inter connection between Economic Development Objectives (discussed above) and Economic Development Initiatives needed to attain those objectives. The center portion of Figure 163 shows the aforementioned Economic Development Objectives (desired Economic Development Outcomes) clustered together in a manner reflective of their interdependence. Here, Specialized Retail lies on higher price point housing, which lies on Corporate Center Location. Each of these Economic Development Objectives is associated with an Economic Development Initiative needed to realize that Outcome. There are nine Economic

Development Initiatives, over all. The Economic Development Initiatives needed to realize desired Economic Development Outcomes are broken down into particular actions that collectively constitute the initiative.

The Economic Development Plan in its totality can be described simply as a strategy for promoting corporate office location, expanding higher price point residential development, thereby attracting more specialized retail/entertainment development. Note that the forces driving a better economy come from within as well as from out. Most economic development strategies focus on attracting external investment (often through incentives) and fail to realize that

the internal viability of a town is one of the foremost selection criteria considered when relocation decisions are made. Also, an exclusively external view can overlook the organic interdependence of a town's land use functions.

As Westlake is visited with new opportunities associated with the "repositioning effect" of the SH 114 corridor and general growth of the Dallas/Fort Worth Metroplex, it must harvest such opportunities by giving direction to incoming investment that would otherwise drift to opportunistic outcomes, which generally exploit the opportunity rather than amplify it (capture opportunity and not transfer it to the larger community). Economic development must direct opportunistic investment toward more farsighted outcomes led by coordinated public and private investment in Target Recruitment, Cluster Formation, Circulation and Information Networks, Proximities, Identity, Associations, Amenity/ Recreation, Education, and Land Use Context. More specifically, Investment Initiatives include:

- **Target Recruitment:** Promoting Corporate Location through Targeted Recruitment (Strategy A-1). The notion of Targeted Recruitment is intended to set a foundation from which Cluster Formation can grow. Some Targeted Recruitment may be to import missing participants in the local business base or create a new base altogether. Targeted Recruitment will attract a corporate theme for the Town, such as that attained along the Telecom Corridor © in Richardson, Texas. Here, a few seed corporations have nurtured a corporate market identity for the City. Through such market identity, high quality corporate centers

support higher quality public assets, such as Galatyn Center. Richardson demonstrates the importance of Targeted Recruitment in the attraction of Corporate Center Location.

- **Cluster Formation:** Promoting Corporate Location through effective Cluster Formation (Strategy A-2). Working from existing business as a basis, the Strategy reaches out to align other business investment that vertically or horizontally expands the local base. Cluster Formation is more likely when the foundational corporate centers are more primary. For example, Westlake's start with Fidelity Investments could lead to other financial corporations making a home within the Town. Other potential clusters can be considered if, through target marketing, Westlake is able to establish a critical mass of corporate square footage. Financial and technological clusters tend to support higher wages, which enhances the market for higher price point homes among a younger buyer segment of the market. Therefore, the employment potential of relocating corporations is important to accomplishing other Economic Development Outcomes.
- **Circulation and Information Networks:** Promoting Corporate Location through improvement and extension of Circulation and Information Networks (Strategy A-3). Circulation infrastructure is essential to create value patterns that are supportive of the Town's preferred future land use. The Economic Analysis portion of the Assessments (Part One) has already demonstrated that existing office development and potential opportunistic development of the highway frontage (developed at typically low FARs) may not

yield sufficient Ad Valorem tax base necessary to fund a coherent economic development vision as lack of such base does not give the Town capability to assure future debt guaranteed by "Good Faith and Credit". Therefore, infrastructure is the starting place of an Economic Development Strategy. In this case, the key infrastructure is:

- **Circulation:** The Assessments portion of this Comprehensive Plan Update (Part One) reveals the potential vehicular trip generation precipitated by current non-residential entitlement and its power to dramatically change the pastoral setting of Westlake unless measures are taken to anticipate this traffic circulation need. Increased traffic that prevents convenient penetration of the commercially zoned areas could mean development of the highway edge and restrained development of the core areas. This would negatively affect value distribution needed to attract higher-end office users throughout the commercial areas. In addition, retail that is not highway traffic driven needs a fabric of circulation that supports commercial environments/ districts over simple highway frontage. Therefore, coherent circulation becomes increasingly important as Westlake builds out. The circulation system needs to do more than work (from an operational point of view), it must be special. This is addressed further in the Thoroughfare Plan.
- **Information Networks:** It is likely that targeted recruitment toward financial and/ or technical relocations would be enhanced by the availability of information infrastructure capable of accommodating large volumes of

electronic transaction or information exchange.

- **Proximities:** Promoting Retail Specialization through enhanced Proximity (Strategy B-1). Value is largely determined by proximity. This has always been the case since the beginning of human settlement whether that settlement was spiritual, military, or economic. In the spiritual city, places of greater value were located near the temple. In the military city, places of greater value were located near command centers. In the economic city, places of greater value are located near market attractors. Therefore, determination of value has much to do with proximity. In Westlake, residential values are associated with location amongst certain town assets, such as pastoral landscapes and creekways (and away from encroachments such as traffic corridors and commercial development). For this reason, the larger proportion of residential development occurs in the more umbrageous, creek associated, and rolling landscapes south of, and along, Dove Road. Similarly, proximity to traffic corridors and other high traffic zones that are easily accessible tend to be more valuable for retail. Corporate offices pursue locational determinants more like residential estates (corporate estates are like residential estates), while speculative office follows determinants more like retail/ entertainment. The desired Economic Development Outcomes must be supported by a constellation of proximities conducive to the condition's realization.
- **Identity:** Promoting Retail Specialization through enhanced Identity (Strategy B-2). Selection decisions are heavily

influenced by identity, which has market relevance. Westlake today enjoys a distinctive identity which, if preserved, will be an asset for attracting continued residential value. This identity is associated with many factors ranging from environmental to social. Identity is an aggregate image of place established by experience and fulfilled expectation of that experience.

- **Amenity/ Recreation:** Promoting Retail Specialization and Housing Price Point through enhancement and enrichment of the public domain (Strategy B-3). Amenity and recreational assets are important components of the perceived quality of life that a community projects as well as the shopping environment a community promises. These are called amenities within the public domain. Where the public domain is high, the amenities are part of the general experience, allowing the visitor as well as the active participant to appreciate these offerings. General encounter with public domain amenities creates a particular perception of place that privatize or participant only amenities do not. A golf course community certainly can deliver a premium value to lots immediately adjacent to the golf facility, but other lots generally do not hold such value. In the 1980's redevelopment of the Glen Lakes Golf Course (in Dallas) for residential development followed a development plan in which amenities of the course (such as lakes) were engaged with the street, thereby making the lakes a public amenity. Just down the street, the Caruth Homeplace sought to make its amenities more exclusive and privatized them for residents only. The result was that Glen Lakes out

performed monthly lot sales consistently until Caruth Homeplace changed its approach. Commercially speaking, Highland Park Village has significantly improved the public domain quality of its shopping setting, which has, in turn, maintained the Center's attractiveness to specialty retail. While Highland Park Village started with department store anchors, such as Sanger Harris Department Store, it has no anchors today and is sustained on its amenitized shopping environment in a the right location.

- **Associations:** Promoting Higher Price Point Housing Options through enhancing community and personal Association (Strategy C-1). Associations differ from Identity because Identity is experiential while Associations are potential connection. Associations refer to the collective affiliations that make for community cohesion. This is a critical aspect of market association. Highland Park has a high degree of internal association that is one of the locational assets of living in that community and a powerful support of the high price point. The local library, pool and other cultural venues are part of this dynamic. The developers of Caruth Homeplace and Briarwood (in Dallas) discovered early in their project that community building through the creation of internal associations was important. Therefore, much attention was paid to relationship building. Similarly, the Disney Company launched comprehensive internal association initiatives at Celebration (in Florida) in order to nurture that essential social fabric that makes a recognizable place home. Westlake has many latent association potentials, but making them accessible and tangible is important.

Economic Development Objectives	Economic Development Initiatives								
	Target Recruitment	Cluster Formation	Circulation/ Information	Proximity	Identity	Amenity	Association	Education	Land Use Context
Corporate Center Location	A-1	A-2	A-3						
Specialized Retail				B-1	B-2	B-3			
Higher Price Point Housing Options							C-1	C-2	C-3

Figure 164: Economic Development Strategy Matrix

- Education:** Promoting Higher Price Point Housing Options through improvement of Education, passive and active (Strategy C-2). Many residential areas are considered more or less valuable as a result of the educational offerings available to home owners within an area. Therefore, enhancement of educational opportunities is an important component of any Economic Development Strategy aimed at preservation of, and diversification of, higher price point residential development. The citizen participants in Public Planning Workshops #1 and #2 stressed the importance of preserving and enhancing residential value and, toward that end, improving and strengthening the educational identity of Westlake and Westlake Academy. Education, however, is more than classroom facilities; it is an environment of passive and active measures intended to continually educate and raise the awareness of the Town population. Education is on-going community awareness, flowing from mentorship to better traditional schools.
- Land Use Context:** Promoting Higher Price Point Housing Options through creation of an organic association of

Land Uses (Strategy C-3). Westlake is currently on a pathway of creating two separate and autonomous land use components: one is residential and the other is commercial/ non-residential. In the end, the sentiments that lead to separation of uses will simply accomplish placement of the Town's residential fabric adjacent to intense commercial development despite open space buffers between them. Establishing that connection with the commercial fabric is undesirable; closeness to something that is undesirable becomes a reference that influences value. This means that places less close will be more valuable than places closer together. In order to mitigate this association, an organic integration of land uses is needed that engages both commercial and residential in an overall composition of form that can be viewed as a township. As a result, the commercial components have their natural place relative to residential components, and the overall is determined to be a unique, desirable, composite setting.

The above Initiatives present investment areas that are essential to realize the Economic Condition Outcomes, described

earlier in this Plan. The association of Investment Initiative with Outcome is called a Strategy. Figure 164 illustrates the linkage between Economic Outcome and Investment Initiatives.

Each Investment Initiative is associated with a particular Economic Outcome (as implied by the Circle of Economic Development in Figure 164), and each association is assigned a letter - number reference. In order to give greater insight as to the particular type of actions required to implement Strategies A-1 through C-3, the following portion of this Plan identifies particular Tactics.

Tactics are specific actions, therefore, each Tactic Statement starts with a verb indicating the type of action involved. Building on identification of the action, the Tactic Statement identifies the focus of that action and leading parties required.

## **ECONOMIC DEVELOPMENT TACTICS**

In the Tactic portion of this Economic Development Plan, each Strategy is, from this point forward, further expanded with one or more Tactics. For example, Targeted Recruitment (1), associated with Corporate Location (A) is called Strategy A-1 and the first Tactic within that strategy is identified as Tactic A-1-1. More specifically, the Economic Development Tactics by Strategy are:

### **Strategy A-1, Targeted Recruitment:**

Targeted Recruitment builds upon what a community already has. If one does not select targets in order to strengthen what exists, then a community is basically transforming their economy, not expanding it. The risk in any transformation is encountering negative cycles, which may or may not lead to positive outcomes.

In a holistic view of Targeted Recruitment, one would consider the existing set of suppliers and services and endeavor to construct a relatively complete supply chain/ production taxonomy that reveals the missing components and/ or suggest areas of concentrated effort.

Strengthening the local economy is not only served by filling holes in the compliment of associated corporate activities but also maximizing existing strengths and resources while resolving weaknesses and eliminating liabilities. This is called SWOT analysis. Such analysis should reveal Westlake's suitability to particular corporate relocations.

Key among strengths that enhance the attractiveness of Westlake for targeted recruitment is the availability of a capable workforce, management/ executive talent, and residential areas, which provide an enriched quality of life. Therefore, association of the residential portions of Westlake with its corporate components makes such assets more relevant to Corporate Location decisions.

- **Tactic A-1-1: Evaluate corporate community options that already exists within the market area and identify opportunities for corporate concentrations.**
- **Tactic A-1-2: Using the earlier described SWOT (Strengths, Weaknesses, Opportunities, and Threats) Analysis, construct a recruitment agenda that seeks to fill missing supply/production links, maximize strengths/opportunities, and mitigate/resolve weaknesses and threats. Targeted recruitment efforts should view those incentives aimed at filling any missing supply/production activity and/or improving recruitment**

conditions as investments justified by the overall multiplier effect of the Economic Development Strategy.

- **Tactic A-1-3: Set up a working council with major land owners to establish an economic incentives package that is attractive to desired corporate residents.**
- **Tactic A-1-4: Look to industrial development in Alliance and opportunities for vertical expansion of industrial clusters. Particularly investigate, research, and development needs of those clusters and form intellectual partnerships with institutions capable of enhancing research development within Westlake.**
- **Tactic A-1-5: Initiate a town sponsored corporate relocation program that facilitates school, home, and other matters for relocating executives and employees. Include important relocation brokers.**
- **Tactic A-1-6: Develop local strategies aimed at filling workforce gaps, quality of life gaps, as well as supply/ production gaps that desired corporate targets will find compelling as a relocation determinant.**

**Strategy A-2, Cluster Formation:** A study by the San Diego Association of Governments defines industrial clusters as follows:

*“An industry cluster is different from the classic definition of industry sector because it represents the entire value chain of a broadly defined industry from suppliers to end products, including supporting services and specialized infrastructure. Cluster industries are geographically concentrated and*

*inter-connected by the flow of goods and services, which is stronger than the flow linking them to the rest of the economy.”*

Building upon this definition, this Economic Development Strategy seeks to promote the formation of Corporate Clusters within Westlake. Earlier in this discussion of economic development, creation of Corporate Clusters (e.g. Richardson) enhances an area's attractiveness to Corporate Location. Therefore, the overall link between Economic Condition (Corporate Location) and Economic Development Initiative (Cluster Formation) is to promote Corporate Clusters that can establish sufficient critical mass of related corporate activity. Such Cluster Formation also makes Westlake a desirable location for professional services supporting that cluster.

As the definition above reveals, the cluster is the constellation of suppliers and services contributing to a particular product, service, or area of transactional activity. In this configuration, it is the interchange of activities among corporations that transform the cluster into an externally traded cluster. Cluster Formation is the alignment of those necessary supports to foster the emergence of that external trading interface between Westlake and markets outside Westlake. In order to nurture such Cluster Formation, Westlake must:

- a. Complete the supporting chain of inputs and services:** A complete set of interrelated suppliers and services promotes greater cooperation between cluster members, which increases confidence and communication across the transactional spectrum. Finding needed inputs in the local

economy fosters the notion of a business community (more than just a business address) and links all participants together by transaction. Such meaningful linkage develops relationships, which become another attraction for corporate relocation.

- **Tactic A-2-1: Initiate a program of on-going supply chain/production assessment that constructs and refines supply chain/production taxonomies, which are then used to target economic initiatives.**

**b. Production stability:** A highly competitive context, which is an accurate description of the corporate environment of western Dallas County and eastern Tarrant County, makes any measure of stability an attractive economic development incentive. Among the more important elements of stability is facility expansion and agility. Special agile capabilities are attractive to growing and re-defining corporations. Therefore, the capability to realign business processes and, thereby, redefine aspects of output becomes critical. Most of these needs will derive from telecommunications, management innovation, and expansion capability. This is especially true with high tech corporations where mergers and expansions are common. An example is Hosting.com in downtown Dallas. This article on Hosting.com's web page tells the story:

***“Hosting.com, a leading provider of cloud hosting and recovery services today announced the acquisition of Dallas-based Neospire, a mission critical managed hosting company. The acquisition both expands the physical footprint of Hosting.com and...”***

Corporate expansions are the often overlooked aspect of economic development. It is more likely that the initial investment response to market advantages realized in Westlake will come from existing corporate investments seeking to expand or adjust to new opportunities now emerging with the return of certain economic sectors. Therefore, expansion capability and technical assistance becomes very important. It would be a significant economic development tool to offer a Corporate Expansion Program to any incoming investment. Features of an industrial development program would include:

- **Expansion land reservation:** This is a possible mistake that other corporate areas are making because development is treated lot by lot, placing a new corporate investment immediately adjacent to a previous investment, thereby making expansion of the earlier investment more difficult. Westlake has already seen how Fidelity Investments has been able to expand and stay within the community. A coordinated sequence of sale and reserve for a period of time would allow older investment to expand in response to market expansion without having to relocate. Once relocation becomes an option, Westlake will be vulnerable to out-migration and the marketing problems it imposes.
- **Expansion and process realignment services:** Often industrial expansion takes place internally more than externally, meaning production process upgrades more than square foot expansion of the building

plate. In fact, an industry planning to expand the industrial plate could potentially save considerable capital cost if they were to upgrade production process. Support services aimed at such facilitations as finding temporary space, finding suppliers, and coordinating/ facilitating permit procedures are helpful.

- **Tactic A-2-2: Initiate a Corporate Expansion Program that would assure spatial opportunity for plate expansion and deliver technical assistance for process upgrading. Expansion requires a spatial infrastructure available to any new investment that remains available for a period of time and the latter requires an information infrastructure that encourages industrial process upgrades where beneficial to overall economic success and facilitates such investment. Such a program could help find temporary or relocation space within the community.**
- **Tactic A-2-3: Initiate an incubator business program that allows emerging corporations to stay within Westlake.**
- **Tactic A-2-4: Create a public marketplace that serves the marketing of related corporate activities as a means of supporting growth (e.g. Infomart)**

**c. Predictability of input availability:** To maintain viability in one end of a supply chain, one must maintain viability in the other end of the supply chain. This is one of the economic benefits of true cluster formation. The State of Texas is littered with fading industries, which are located within a community because of a single local factor (such as tax incentives). These industries became

dependent on the supply of other inputs to the production process from sources outside the local area making them vulnerable to economic shifts. Therefore, when these supply inputs became difficult to acquire, the industry diminished but employees stayed and local unemployment went up. Therefore, any Economic Development Initiatives targeted to one end of the supply chain must be accompanied by Economic Development Initiatives aimed at the other end of the production chain.

- **Tactic A-2-5: Execute initiatives that seek to firm and stabilize key production inputs and services, particularly those which support corporate aggregation. Such initiatives include terminal facilities and supply chain connections. In order to do this, supply coordination needs to be part of the development infrastructure.**
- d. Increase market access:** Increasing the export production capability of any location can be influenced by its logistic advantage or the extent to which local logistics make market connection stronger and/or less expensive to access. In this regard, Westlake has several pathways that can be exploited to strengthen its logistic position.

Distribution capability is a key logistic asset. An extensive logistic network exists in Alliance. Rather than view Alliance as a separate industrial development area, Westlake should view them as assets that improves logistic capabilities from Westlake. Therefore, Westlake has strategic accessibility to one of the premier logistic assets of the Metroplex. In order to accomplish this, discussions should

be initiated with Hillwood to make these connections more tangible and marketable.

- **Tactic A-2-6: Execute agreements with Hillwood to set an operational framework over its proximity to the Alliance logistic platform.**

**Strategy A-3, Circulation and Information:**

Infrastructure is the primary determinant by which land development (conversion of raw land into building ready lots/ tracts) selects. Therefore, the focus of infrastructure is to serve sufficient land availability with sufficient infrastructure capacity, which predisposes selection of that targeted land for development of building ready lots/tracts. The importance of land development to this tactic cannot be under represented because only through land development will sufficient demand for infrastructure services be aggregated in a serviceable configuration that justifies the large capital investment required. Key among infrastructure elements are:

- a. **Circulation Roadways:** Roads are the primary locational reference within the Town's physical structure. Therefore, roadways are the first consideration in any tactical path toward the emergence of development centers.

In Westlake, roadways are needed to disengage commercial traffic from other ordinary residential traffic. Growth of the Town, region, and commercial centers along SH 114 will place a great burden upon existing roadways, which are now undersized to accommodate ordinary traffic without causing operational disruptions. Further, commercial development of the Town is potentially constrained by

a lack of street capacity. Therefore, town, neighborhood, and regional traffic routes that will determine the relationship of future residential and commercial development are needed.

**The biggest mistake Westlake can make is to view streets as a means of passing traffic through town.**

Pass-through functions do not support transaction because they are weak determinants of proximity. Instead, the street system must be viewed as an opportunity to transform Westlake, through movement, into transactional settings by having points of arrival within the Town, such as town center destinations. In this way, traffic comes to Westlake instead of passing through it.

Streets are the determinant of time, distance, convenience, and capability for exchange. These important aspects of connection are the substance of logistics. Therefore, it is necessary to have streets that allow travel time to key destinations to be shortened and Westlake viewed as a welcome relief in an otherwise congested region. Shortening commute times from work to residence is a great advantage that Westlake can offer its corporate citizens. To this end alternative mode connections, such as trails, are important components of the circulation network.

- **Tactic A-3-1: Create a street network that serves an appropriate land area for corporate land development with street capacity that brings corporate movement to and from the corporate area without excessive comingling of residential or retail traffic, yet connects the corporate area to the Town in**

such a way that corporate estates are viewed as compatible with residential estates in that both share a common estate setting.

- **Tactic A-3-2: Assure that corporate locations are connected to the town trail system.**
- **Tactic A-3-3: Locate Corporate Centers on the Town Arterial component of the Thoroughfare System, thereby confirming their closer association with the Town over association with the region.**
- **Tactic A-3-4: Implement a street design that visually affirms the estate identity (over commercial identity) of corporate center locations.**

**b. Information Networks:** The foundation of an information infrastructure consists of telecommunications and networks intended to provide the corporate resident of Westlake with a unique reach and scope. The challenge is to depart from the model where by the demand for costly optical fiber and digital switching systems must be shown before investment can be made and put such facilities in place as a locational attractor. Early placement of the system assures its embeddedness in the vision of Westlake's future. In addition, Westlake can manage the network in such a way as to allow creation of an information platform upon which data sharing is possible (where beneficial to the Corporate Cluster). Telecommunications connectivity has been credited as a primary reason for Richardson's success, according to an article in Business Week which states:

*"A robust telecommunications infrastructure is the one absolute among technoplexes," Desch emphasizes. "With more than 65% of the world's people still waiting to make their first telephone call, telecommunications access is a remarkably powerful, yet scarce, commodity. It provides the instant access required to operate and grow in the world of advanced technology. We take this for granted in Richardson."*

- **Tactic A-3-5: Form partnerships with optics utilities to construct primary telecommunication system elements that will be available to land development for corporate center locations. These include fiber optic lines and switching hubs.**
- **Tactic A-3-6: Provide a research and information platform that is managed in according to continued input from corporate sponsors. The platform permits important data sharing, information disseminations, and corporate visibility.**

**Strategy B-1, Proximity:** Proximity can be better defined as one of three types: Place, Adjacency, and/or Purpose. Place is often referenced by such terms as rural, exurban, suburban, urban, core, etc. Adjacency is referenced by such terms as access, exposure, physical association/connection, etc. Finally, Purpose is often referenced by such terms as hub, harbor, river, rail head, freeway crossroads, intermodal, airport, etc. Most of these associations and the subsequent determination of place for one type of investment over another are defined by roadways.

In the case of Westlake, proximity is particularly important as without redefinition, the dominant proximity will be SH 114. The situation in Westlake is different than Southlake where the close association of 1179 functions as a backer road for SH 114, thereby allowing freeway oriented development to turn inward to Southlake instead of outward to SH 114 (with the back end of such projects facing the City). It is the intention of the Thoroughfare Plan to address this potential pattern with the creation of a Town Arterial Road System that performs like a freeway backer road. Through such a spatial arrangement, the dominance of SH 114 as the most beneficial proximity for retail development is mitigated and other retail locations/ orientations are possible. Failure to overcome the power of SH 114 will accentuate the presence of SH 114 within the fabric of Westlake and bring influence of its economic importance into the fabric of the Town, which seeks to set apart from such direct attachment.

The economic importance of reorganizing the patterns of proximity is to redefine value distribution, which, at present, is highest along the freeway frontage, and create a more distributed pattern that brings sufficient value to property off of SH 114 to merit emergence of a town hub and retail opportunities that are not attached to the freeway but to the Town.

- **Tactic B-1-1: Expand the economically desirable frontage locations through creation of a street network that provides a second tier of development value away from SH 114. This second tier of value opportunity should be sufficiently connected to regional flows that it can support specialized retail and commercial hub activities.**

- **Tactic B-1-2: Through the points of differentiation established as a result of roadway patterns, support the resulting pattern of value distribution that increases toward high points of interchange and lessens in between, thereby allowing a range of integrated investment and supporting nodal development over strip development. Such support should include target recruitment for location at value high points so that the value opportunities they represent are maximized, thereby supporting better investment at points in between. Value highpoints include the town hub, and regional commercial intersections along the Town Arterial System.**

**Strategy B-2, Identity:** Identity is a powerful retail determinant and is generally conveyed through appearance, quality, and activities. To this end, Westlake must consider the importance of its freeway visibility as the window through which the appearance of Westlake will be appraised. Specifically the aspects of Identity are:

- a. **Appearance:** While development at Solana is distinctive, it is different than development of the monuments at Westlake Parkway, and both of those are different than the proposed development at Entrada. As a result, a clear image of the “appearance of Westlake” is not established. However, the large amount of undeveloped land still available promises that establishing an overarching continuity to Westlake’s appearance is still possible.
- **Tactic B-2-1: Establish design guidelines and standards for public and private development along SH 114 and within other retail portions of Westlake that will**

**establish a distinctive visual continuity for the Town.**

**b. Quality:** Not only is the appearance of development important, but the perceived quality of development is, as well. Use of stucco requires continued maintenance while unit masonry is more enduring. Much of the commercial frontage along SH 114 relies upon stucco as a veneer material. Therefore, large scale use of it in Westlake can hinder Westlake from establishing a distinction from neighboring cities (as stressed in the Public Planning Workshops). Quality flows from materials and construction technology. Therefore, Westlake should attain higher levels of material use and building technology that will assure those making significant investment in Westlake that such investment will not be depreciated by poorer construction quality.

- **Tactic B-2-2: Establish standards of construction quality in the use of materials and construction technology that will result in a visibly recognizable level of quality distinction for the Town.**

**c. Activities:** Southlake Town Center has been successful in programming the center's public space, which establishes a special identity. Activities can be ceremonial, festive, and civic or they can be associated with powerful activity icons, such as a particular commercial anchor. Fairview Town Center has managed to attract Macy's and other high-end stores, which impart a special identity to it. To have identity, an Economic Development Program must seek to create activity venues, both public and private, that can be supported by programming and will, in turn, attract such concentrations of

event and venue that a clear identity emerges. It is important that the activity spaces created are located in places that will be viewed as appropriate for the activity. For example, Southlake's Town Square is not facing the freeway but facing the more local street, which is more organically attached to the life of the City. The Park, Open Space and Trails Plan identifies places where Urban/Mini Parks can be located, which could be special places for identifying activities. Activities are an essential part of identity. Aggregation of activities defines venues, and aggregation of venues defines events. Activities draw from the local region; venues draw from inter-county region; events draw from the state, even nation. Therefore, market penetration is enhanced by the management of activities.

- **Tactic B-2-3: Promote the creation of public activity spaces within the public domain and in private development where a concentration of commercial activities are planned and organize the programmed use of such spaces for public events (civic, festive, seasonal, and celebratory). The programmed function should be on-going and a programming director should be appointed.**
- **Tactic B-2-4: Target recruit key high-end anchors to be activity components, especially in conjunction with activity spaces. Entertainment clusters are also desirable in these locations. The influence of identity on the economic desirability of the Town for other uses justifies incentivization of activity anchors.**

**Strategy B-3, Amenity:** The level of amenity one encounters in the conducting of

retail/ shopping activities promotes longer duration of stay within the shopping environment, which supports higher levels of retail specialization. Amenity can manifest as Micro-Climate Creation, Entertainment, or Pedestrian Comfort. More specifically:

**a. Micro-Climate Creation:** Any measure that mitigates temperature and protects from rain, snow, etc. produces a micro-climate condition. It is mechanically easy to attain micro-climate conditions within a closed building, but such provision is not viewed as special nor does it create any particular sense of amenity. However, creative use of solar orientation, wind exposure, plant selection, and mechanical assistance can create favorable micro-climate conditions in the public domain. These are considered amenities that give the location particular memorability. Power parasols can provide both canopy and a power source for creation of micro-climate conditions, for example.

- **Tactic B-3-1: Create standards for commercial centers that produce micro-climate conditions in the public spaces and within the public domain. Such micro-climate settings should be associated with locations of concentrated activity that support the collective shopping environment, such as power parasols or green wall systems.**

**b. Entertainment:** Use of the public domain as an entertainment space transforms the normal notion of pass-through/ pass-by function of a street into a place of focal importance. Many cities sponsor programs that support public entertainment in the public space.



Figure 165: Example Micro-Climate Conditions

- **Tactic B-3-2: Establish a cooperative program with local business that supports entertainment within the public domain. This function should be part of the duties of Program Director for Public Space described in Tactic B-2-3.**

**c. Pedestrian Comfort:** Pedestrian comfort is absolutely necessary for pedestrian participation. Pedestrian comfort includes the normal provision of furniture, lighting, and information systems but also includes eradication of the vertical subdivisions of the public space that confine pedestrian use. For this reason, the Dallas Arts District has transformed Flora Street by creating a continuous ground plane that is uninterrupted by curbs. The ground plane stretches from building front to building front. The traffic paths are demarked with bollards that provide pedestrian safety without diminishing the sense of pedestrian space. Traffic tables at intersections are also effective as they slow traffic and provide a constant ground plane elevation for the pedestrian.

- **Tactic B-3-3: Establish standards and guidelines that promote a pedestrian friendly ground plane throughout the commercial areas of Westlake. Such standards should address furniture, hardware, lighting, information systems, landscaping, paving, and continuity of the ground plane.**

**Strategy C-1, Association:** Association in residential environments is a powerful selection criterion within the higher-end residential market, as discussed earlier in this section. Therefore, any economic development plan that aims at preservation of price point and broadening market options at the desired price point must consider the power of Associations. Association is conveyed through Community Identity, Shared Activities, and Organizational Affiliations.

- a. Community Identity:** The establishment of a community association with a

quality of life that is promoted through media and experience.

- **Tactic C-1-1: Initiate a Community Image Campaign through print media that projects the identity of Westlake into the market place. Also, promote articles and other coverage of Westlake and its special qualities.**

- b. Shared Activities:** The Organization of community activity experiences that are social, recreational, and/ or educational.

- **Tactic C-1-2: Establish community based activities that are organized by the Town (as a function of its recreational program) and/ or membership organizations working in conjunction with the Town. These activities should be educational to support the educational context (presented below) and recreational to promote athletic relationships. Activities may also be organized around special interest, such as water conservation, etc.**

- c. Organizational Affiliations:** The creation of community membership organizations that promote and often host shared activities.

- **Tactic C-1-3: Promote and nurture the establishment of community membership organizations open to all community members that support and host community activities as well as promote interrelationship between members. One of the responsibilities of such organizations could be to support the mentorship program discussed below.**

**Strategy C-2, Education:** The citizen

participants in the Public Planning Workshops expressed a passion to further establish Westlake as an education center. Education is a powerful determinant in selecting location of residential investment, especially at higher price points. Therefore, pursuit of this interest will greatly benefit Westlake's Economic Development Objectives. However, education is not simply about classrooms. In order for Westlake to be a center of education it must support educational venues that are not limited to school facilities. Education as a community distinction means that mechanisms intended for the beneficial transfer of information exists throughout the community life.

“Information Transfer” is “the process of transferring skills, knowledge, technologies, methods/ procedures, cultural mores, etc...”, while the general view is that such transfer occurs among members of a family, school, or universities and other institutions. It is important to also include the broader fabric of the community. In many ways, Information Transfer is fundamental to the emergence of economic diversity because it nurtures an environment of innovation necessary to support any movement toward higher paying jobs and, thereby, increased local spending in an ever wider set of commercial and housing options. Some types of information are more dependent on a robust set of networks through which information transfer can happen. Generally, the more knowledge base sought, the more indispensable information transfer becomes. Information Transfer is the vehicle through which change can be addressed and occur more naturally. Peter Drucker, social ecologist, refers to meaningful change as, “change that creates a new dimension of performance.” Information Transfer

becomes this vehicle because it is best suited to transforming invention into innovation. Invention is the idea while innovation is the application. Therefore, without Information Transfer it is unlikely that great and sustained innovation or cultural/ artistic achievement can occur. In addition, Information Transfer brings participants into an arena of knowledge also populated by mentors and institutions making broad networks of communication possible and allowing invention to find application. Below are the stages in the Transfer of Information that should be reinforced by an Economic Development Strategy. These stages include:

**a. Active Dissemination and School**

**Support:** Invention has to be recognized, and the search for invention has to be on-going. Therefore, the network of communication must be more than just a school facility; it must be able to reach out and engage people. This requires inclusion of many network partners who exchange and impart information within numerous venues. An open community, from an information point of view, is where civic activities, some business activities, observations, and information can be accessed. This becomes an on-line public library for use by the community and curated in conjunction with the Town's educational resources. Tutoring and other school supported activities can occur through such an exchange. This would make Westlake truly focused on facilitating academic excellence beyond the walls of the classroom.

- **Tactic C-2-1: Create a Community Education Platform that facilitates information transfer through greater collaboration among participants. The platform should be hosted by the**

**Town. Benefits of being a platform participant include the access to shared information, mentors, nature interpretation, and observation stations with educational experiences that can be viewed. The platform can also allow viewing of books and/ or materials specifically related to school curriculum. The platform should have public and membership only segments.**

**b. Passive presence and information**

**ambiance:** A community that takes on the challenge of holistic education must consider all the opportunities that lie within the fabric of daily experience. The walk to school along trails can provide opportunities for interpretation (historic and natural interpretation). The Town, with its many natural resources, becomes a type of “Discovery Center”.

- **Tactic C-2-2: Identify opportunities in the normal activity patterns of the community to present interpretative information and discovery opportunities.**

**c. Mentoring:**

A living community is a social organ in which members of that community support and facilitate the education and improvement of others. Mentoring is a time tested means of such support. Mentoring as a tangible effort of the community which extends the embrace of community and promotes security. The Town could have visiting mentors, like a writer or a poet, available to conduct sessions in the Academy and public places, much like a Mentor Laureate Program.

- **Tactic C-2-3: Assure the evolutionary development of various community members by establishing a formal mentoring program within the Community. Mentorship should be**

**aimed at introducing other members of the community to new opportunities to grow and assess pathways for the future.**

- d. Education Facilities:** Westlake has been visionary by the establishment of the Westlake Academy and attracting Deloitte University. However, there are other educational venue opportunities for private or church based schools to emerge. All such institutions look for campus locations and should be pursued in a manner similar to Corporate Locations.

- **Tactic C-2-3: Establish a school location program in which the Town considers land and other incentives to attract educational institutions of excellence to the community. All schools locating within Westlake should participate in its educational community efforts (as presented above).**

**Strategy C-3, Land Use Context:** Continuing down the present land use path (as set up by the current zoning patterns), the Town will evolve into two isolated land use districts: one is a residential district lying off the edge of the other, a commercial district. To avoid such community dismemberment and loss of “town-ness”, Westlake must strive for more integrated and meaningful land use relationships. These land use relationships will generally follow three types, as follows:

- a. Organic Relationship:** A town is an organic entity with living components that interact. In order for the Town to be comprehended as a place, it must have recognizable features that define its phenotype as “town”. It must have a hub, an edge, high places, and low places. It must be a composition of

meaningful differentiations that come together as a whole.

- **Tactic C-3-1: Establish and enforce a Land Use Plan that moves the Town toward organic relationships. Further articulate this Land Use Plan with visual demarcations that make its component parts comprehensible. Where current zoning is incompatible with such organic integration, incentivize implementation of the relationships through permitting the exportation and importation of square footage from one area to another. Such transfer of square footage would allow low FAR performance on campus sites without necessitating the loss of development rights, overall.**

**b. Sequential Relationship:** In addition to attaining the features of a Town, it is also important that they occur in appropriate sequential relationships so that the integrity of land use districts is protected from encroachment. Interdependence expressed as positive coexistence reinforces the notion of town and integrates the pastoral with the urban. This concept is rooted in our idyllic notions of human settlement set against natural/pristine landscapes, as seen in 18th century paintings from the Hudson River School and by such painters as Thomas Cole. Sequence is essential to viability and livability.

- **Tactic C-3-2: Establish sequence by several measures. First move important transitional spaces into the public domain via acquisition, easement, or dedication (such as the central open space as shown on the Park, Open Space and Trail Plan). Second, incentivize density and building form transitions from areas of higher**



Figure 166: Hudson River School Paintings

**commercial intensity to areas of residential use.**

- c. Functional Mass Relationship:** For land use integrity to truly exist, it is important that areas of distinct land use type attain sufficient mass that they constitute discrete areas. The current zoning patterns of Westlake show some residential zoning in places that are established to attain a commercial mass, making the residential, so located, vulnerable to encroachment because it will not have sufficient mass. The same is true for some commercially zoned areas that will not have sufficient mass to set themselves apart from the surrounding residential areas, making the commercial use an encroachment.
- **Tactic C-3-3: Incentivize the rezoning of isolated tracts that are inconsistent**

TACTIC ALLOCATION											
Tactics	Initiative Types										
	Physical Project (Public)	Physical Project	Private Leadership	Private Leadership	Ordinance	District Designation	Policy/ Plan	Public Program/ Org.	Private Program/ Org.	Joint Program/ Org.	Incentive/ Agreement
TACTIC A-1-1: Corporate Assessment			X				X	X			
TACTIC A-1-2: Recruitment Agenda			X					X			
TACTIC A-1-3: Corporate Incentives			X					X			X
TACTIC A-1-4: Alliance Leverage			X					X			
TACTIC A-1-5: Relocation Program				X						X	X
TACTIC A-1-6: Fill Input Gaps			X							X	X
TACTIC A-2-1: Supply/ Product Assess				X						X	
TACTIC A-2-2: Corp. Expand Program							X			X	
TACTIC A-2-3: Incubator Business				X				X		X	
TACTIC A-2-4: Public marketplace	X										
TACTIC A-2-5: Stabilize Inputs							X	X			X
TACTIC A-2-6: Alliance Connection				X					X		
TACTIC A-3-1: Street/Land Develop.	X	X	X								
TACTIC A-3-2: Corp. Locate on Trail	X	X	X			X					
TACTIC A-3-3: Corp. on Town Artery	X	X	X			X					
TACTIC A-3-4: Street Estate identity	X	X	X			X	X				
TACTIC A-3-5: Optic Utilities	X	X	X			X		X			
TACTIC A-3-6: Information Platform			X							X	
TACTIC B-1-1: Expand Frontage	X	X	X			X	X				
TACTIC B-1-2: Value Distribution							X				
TACTIC B-2-1: 114 Design Standards			X		X						X
TACTIC B-2-2: Const. Qual. Standard			X		X						X
TACTIC B-2-3: Pub. Activity Space			X		X		X				X
TACTIC B-2-4: Activity Anchors				X						X	X
TACTIC B-3-1: Comm. Micro-climate			X				X				X
TACTIC B-3-2: Pub. Entertainment			X					X			
TACTIC B-3-3: Ped. Ground Plane	X	X	X				X				
TACTIC C-1-1: Image Campaign			X							X	
TACTIC C-1-2: Comm. Activities			X				X	X			
TACTIC C-1-3: Membership Orgs.			X				X	X			
TACTIC C-2-1: Education platform			X				X	X			
TACTIC C-2-2: Education Discovery	X	X	X				X	X			X
TACTIC C-2-3: School Location Prog.				X			X			X	X
TACTIC C-3-1: Land Use Plan			X				X	X			
TACTIC C-3-2: Land Use Sequence			X				X	X			
TACTIC C-3-3: Rezone Isolated Tract				X			X				

Figure 167: Tactic Allocation

**with surrounding use areas and/ or the exportation/exchange of development rights with other tracts.**

## TACTIC APPLICATION

Figure 167 allocates the 35 Tactics, discussed above, among 11 Initiative Types. Initiative Types give greater understanding to the earlier term “initiatives”. The Initiative Types are:

- **Physical Project (Public):** Certain physical projects will be constructed by public means and management, such as streets. Public projects are prioritized through the Town's Capital Improvement Program, thereby exposing the financial allocations required for such projects to public scrutiny and due process. Public projects are fundamental to any economic development plan.
- **Physical Project (Private):** It is the intent of any public investment to leverage private investment and private projects that complete the framework created through public projects. Private projects are physical improvements constructed by private means and methods.
- **Public Leadership:** Certain types of Initiatives require public leadership. Typically these Initiatives are common to many segments of the business community and serve common interests of that community. In these cases, the public leadership assures openness, joint participation, and participation of minority members of the community. However, the broad view of public leadership can move slower and more deliberately than private leadership.
- **Private Leadership:** As stated above, certain Initiatives are more time sensitive and focused toward urgency in a context of change. In these cases, private leadership can be more agile and responsive to the time pressures confronting investment. Therefore, private leadership has a strategic importance to any economic development strategy.
- **Ordinance:** Certain initiatives are conducted under the enablement of ordinance that ties the economic activity to the general police powers of the municipality. This association is critical when public dollars are involved and where particular processes/ standards/enforcements, intended to protect public investment, are applied. Ordinances can range from zoning measures to overlays to district designations (e.g. Tax Increment Financing).
- **District:** Generally set up by ordinance, there are many applicable districts used in economic development. These range from Tax Increment Financing Districts, to Public Improvement Districts, to Business Improvement Districts, Municipal Management Districts, etc.
- **Policy:** Adopted plans and position papers become policy documents that are used to guide the discretionary decision processes of Council as well as the ministerial decision processes of Commission and Staff. Therefore, some of the Economic Development Initiatives are supported by policy.
- **Public Program/Organization:** In order to establish a broad vehicle in which many participants (public and private) can come together around a common

mission, the launching of a program managed by an organization with oversight responsibilities is required. Some of these programs will be public and led by the public. Public organizations typically serve the purpose of review and coordination among many parties and make public leadership possible. Also, some public organizations are recommending bodies that surface critical issues and gather public input for final decisions made by elected officials. Finally, public organizations can have important influence on the allocation of public (or publically managed) money.

- **Private Program/Organization:** Private Organizations are typically management vehicles that provide a venue in which private decision makers can be brought together for the purpose of making collective decisions where common interests are served.
- **Joint Program/Organization:** A joint program/organization is one established through agreement between public and private parties or intergovernmental parties and is usually set up through agreement built around points of common interest. Unlike public organizations that are usually advisory or ministerial, or private organizations that are established to coordinate private decision making, joint organizations are established to represent the needs of participating parties when addressing issues of common interest.
- **Contract/Agreement:** All public/private partnerships will require some form of contract/agreement. Also, such instruments are necessary where cooperative roles must operate in

concert toward a common vision. Agreements include organizational agreements, performance agreements, responsibilities agreement, and/or partnership agreements.

Figure 167 reveals how the above described Initiative Types relate to the 36 Tactics described earlier. It is clear that public leadership is the dominant component of the Strategy, but the organizational structures through which such leadership is exercised is evenly split between public programs/organizations and joint programs/organizations. This illustrates the extent to which this Strategy Plan cannot be executed without joint participation of private business, training institutions, and other governmental interests.

This Economic Development Plan started with the presentation of nine Economic Development Initiatives, aimed at strengthening or creating three Economic Conditions, critical to attaining Economic Outcomes identified by the resident participants in the Public Planning Workshops. These nine Economic Initiatives have been further expanded into 36 Economic Tactics that describe actions that range from physical, to organizational, to programmatic. Finally, these 36 Tactics have been allocated according to type of activity and appropriate leadership as well as physical focus of their effect. Implementation generally addresses funding, administration, and legal vehicles as portrayed in Figure 168.

## SPECIAL CONSIDERATIONS

### **Office-anchored mixed-use development as economic development driver:**

Mixed-use developments have begun to function as economic development

	Private	Public	Public/ Private
Funding Sources	<ul style="list-style-type: none"> <li>• Contributions of business &amp; Industry</li> <li>• Individual Endowment</li> <li>• Fees and Assessments</li> <li>• Appreciation</li> <li>• Loans</li> </ul>	<ul style="list-style-type: none"> <li>• Capture of Ad Valorem Appreciation</li> <li>• Special Assessment</li> <li>• Venue and Special Taxes</li> <li>• Obligation and Revenue Bonds</li> <li>• Fees and Assessments</li> <li>• Operational Funds</li> </ul>	<ul style="list-style-type: none"> <li>• Grants</li> <li>• Abatements</li> <li>• Contributions to Equity</li> <li>• Reimbursement</li> </ul>
Administration	<ul style="list-style-type: none"> <li>• Non-profit Corp.</li> <li>• Interest and/ or Purpose Related Committees, Task Forces, and Organizations</li> </ul>	<ul style="list-style-type: none"> <li>• Agencies/Offices</li> <li>• Commissions</li> <li>• Appointed Committees</li> </ul>	<ul style="list-style-type: none"> <li>• Joint Councils, Boards, Task Forces</li> </ul>
Legal Vehicles	<ul style="list-style-type: none"> <li>• Contracts</li> <li>• Agreements</li> </ul>	<ul style="list-style-type: none"> <li>• Ordinance</li> <li>• Resolution</li> <li>• Policy</li> </ul>	<ul style="list-style-type: none"> <li>• Council approved contacts and agreements</li> <li>• License Agreements</li> </ul>

Figure 168: Implementation Vehicles

catalysts as high-quality employers seek more animated, lifestyle-driven locations in which to locate, primarily to attract talent in an increasingly competitive labor market. Westlake has the potential to incorporate a variety of land uses in a mixed-use environment, including office, for-sale housing, and retail. Mixed-use developments that are driven by office use can be found throughout the metropolitan area and are finding that a core office component has brought accretive benefits to complementary uses such as retail and residential. Legacy Town Center is a 150-acre mixed-use infill town center within a 3,000-acre existing suburban office park. A major employer, Electronic Data Systems, sought to attract employees by creating a town center near the office where they can live, shop, eat, relax, and run errands during lunch. Likewise, after leaving Richardson, Hewlett Packard opened an office at Legacy Town Center because the location and design were attractive for employees, further driving demand for executive-level housing. Trammel Crow Company and One Liberty Properties have developed, among others, the corporate headquarters for Pizza Hut and Yum Restaurants Intl. and are currently building a 225,000-square-foot office building for MedAssets. In addition, Toyota is in the process of relocating its North American headquarters to Legacy after consideration of other locations around the Metroplex. The success of office-anchored mixed-use development at Legacy Town Center has led Trammel Crow to announce plans to develop a 13-story, 341,000 square foot office tower and potentially a second 7-story building.

Office-driven mixed-use development has been an increasingly popular format in the North Texas region. State Farm Insurance will anchor CityLine, a 1.5

million square-foot mixed-use transit development in Richardson, which will incorporate office buildings, apartments, hotels, medical facilities and retail space. Large corporate headquarters can, in many cases, attract tenants and catalyze further development. On the other hand, office properties that fail to provide an attractive, vibrant environment for its users risk losing its tenants to more competitive developments. Case in point: Raytheon, a major aerospace technology firm, has recently announced its plans to relocate from an older office campus to a new state-of-the-art 490,000 square feet building at CityLine.

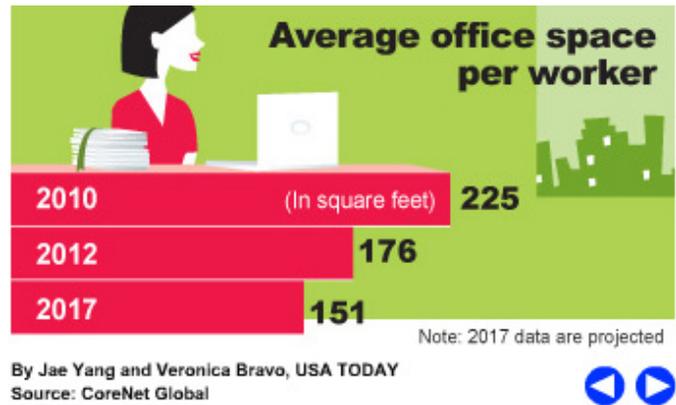
**There are many benefits of mixed-use development to employers and office users.**

The key benefit of mixed-use development is creating spaces that can be used throughout the day and evening for a variety of purposes, including the enjoyment of residents, visitors, and employees. Mixed-use development allows for “Third Places”, those informal non-work/non-residential places where members of the community see each other and interact. Streets, shops, parks and restaurants are also where spontaneous interactions occur with members of the community. They are random, unplanned meetings, and they allow people to exchange information, build relationships, and create social fabric. These social benefits add value to the land and buildings that are the foundation to creating great places. Mixed-use development allows people to walk or bike to their day-to-day destinations instead of needing to drive everywhere. This “live-work-play” element differentiates mixed-use from multi-use.

Broad demographic and societal trends are shaping the future of the office sector.

Employers are choosing to lease less space per employee, from 250 square feet per employee 10 years ago to less than 200 square feet today. Technological progress, too, is changing the way we work with dramatic effects on the office sector. It is now possible to work nearly anytime, anywhere thanks to laptops, smart phones, WiFi, teleconferencing, and more. Employers are accepting, and even encouraging, office sharing and telecommuting. The once solid division between work and personal life is eroding. Gone are the days of driving from the residential suburbs in one part of town to office parks in another. New types of real estate, such as co-working spaces and live-work lofts, have emerged to take advantage of this movement. From WiFi on airplanes to electrical outlets on commuter trains, infrastructure is also evolving to meet the demands of this change in behavior.

Perhaps most adapted to this type of working environment are the Millennials, those under the age of 34. For many companies, attracting and retaining Millennials is challenging. Millennials demonstrate a higher preference for urban locations than did their parents and grandparents. 62% indicate they prefer to live in mixed-use communities where they can be close to shops, restaurants and offices. PlaceMakers, a North American urban planning and design firm, believes that “the new workforce no longer wants to be located in single-use office parks... they want to be located in dynamic mixed-use urban settings where they can mix and mingle, have multiple destinations to eat lunch or have dinner, live nearby, and have the choice to access everything through a pleasant walk and maybe a convenient transit trip.” Millennials are 1.7 times more likely to choose to live



in a city than the youngest Generation X's, and twice as likely to choose to live in a city than older Generation X's and Baby Boomers. This generation is the most diverse and well-educated in history, and they want to work in a place that is exciting and different. Through current housing choices and survey responses, they demonstrate an inclination towards urban locations (not necessarily traditional “downtowns” but rather locations that offer a high level of convenience).

Economic development entities around the nation are beginning to catch onto the realities of hiring in the 21st century. The old assumption that residents follow jobs is simply no longer true. Today it's the exact opposite; knowledge-based employers actively seek to gain a presence in markets where young talent already exists. The modern economy is undoubtedly based on knowledge and information, and knowledge is the driver of productivity and economic growth. Tech, information, and science-based firms seek out young talent, and wherever well-paid workers are, retail and restaurants will inevitably follow. The Marketing Store, a Chicago marketing firm, is one of the many headquarters relocating from suburban Chicago to the Loop to access a better talent pool. The executive vice president of the firm remarks that “as our industry

becomes more digitized, the talent is not in the suburbs, it's downtown." Technology companies in Austin, Texas, including Google and Facebook, have also traded the suburban office park for downtown or suburban mixed-use developments.

**Westlake is opportune for office-driven mixed-use development.** The Dallas-Fort Worth MSA is expected to add an average of over 100,000 jobs annually over the near- and medium-term future. In particular, office employment growth will drive development fundamentals in the SH 114 Corridor due to its concentration of large office users and corporate headquarters. Growth in office employment will also lend support to any efforts to draw a major office user to Westlake. This growth, combined with robust employment in Northeast Tarrant County through 2020 and beyond, will create demand for walkable, office-driven mixed-use development.

Despite the high concentration of employment in and near Westlake, few employees in the area live close to their place of work. Over 80% of people employed within a five-mile radius of Westlake live outside the area. The low proportion of people who live and work in the area demonstrates a structural mismatch between the jobs and housing stock in the area.

Office-driven mixed-use development in Westlake can be market competitive in the region and be a catalyst that could draw other high-quality employers to Westlake, further driving demand for high-end housing alternatives. Strong market fundamentals combined with changing consumer preferences indicate a need for a walkable, dynamic lifestyle option in Westlake. Employers of choice are forgoing suburban office parks for vibrant

lifestyle-driven mixed-use centers that are attractive to young talent. Developers in North Texas have recognized these trends and have, accordingly, begun to offer mixed-use projects with increasing sophistication. Mixed-use, office-driven projects in Westlake could benefit nearby residential neighborhoods by enhancing community identity and broadening choices in housing and neighborhood amenities. In addition, creating a catalytic project (or projects) could help revitalize other properties, such as the Solana Office Park (former IBM offices).

### **Solana Re-Use**

Finding a suitable tenant for the Solana campus will need to employ the Targeted Recruiting Strategy, recommended above, primarily because of the buildings' unusual floor plate sizes that were built custom to the previous occupant's (IBM) specific needs. The buildings are approximately 120 feet wide by 240 feet long, which is much larger than the typical speculative office building that generally offers a lease depth of around 40 feet from the public corridor. These buildings were not designed for multiple tenants but rather a single user, and no exit strategy was planned for once the main tenant vacated the building.

The Solana buildings will require another special user, and the adaptation needs of the buildings will vary greatly depending upon the user. Outside of a single-tenant office user that can utilize an entire floor, or floors, an appropriate and potentially high-value user for Westlake would be an education-focused tenant. Those users would likely require less adaptation to the building and could make use of large amounts of space. Furthermore, as discussed in the next section, an education anchor, specifically focused

### Typical Multi-Tenant/ Speculative Designs

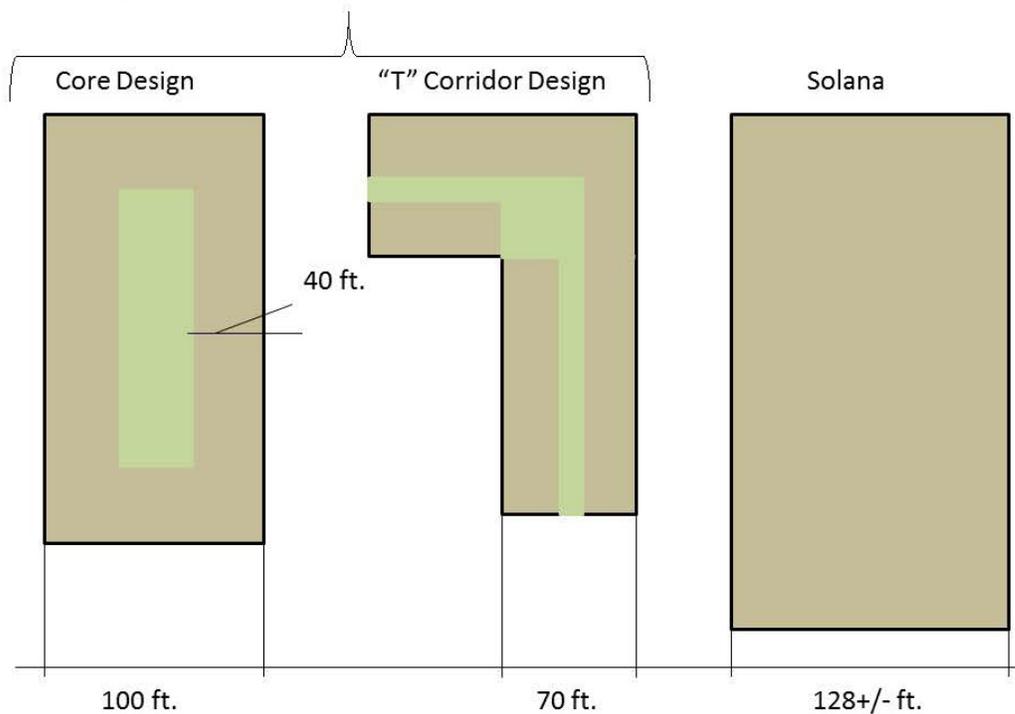


Figure 169: Typical Office Designs vs. Solana Office Design

on higher education, could be a catalyst for other office users seeking locations close to academic research institutions or producers of talent. Large corporate campuses have been converted to education uses in many markets. Most recently, Lone Star College's University Park campus in Houston, adapted Compaq's regional headquarters campus. Existing buildings were converted to education uses, and interstitial spaces throughout the campus are planned to be redeveloped into mixed-use developments accommodating residential, retail, and hospitality. Highland Mall, a failed 1.2 million square foot mall in Austin, Texas, was recently purchased by Austin Community College (ACC) and is being converted to education uses. Like Lone Star College, ACC will ultimately develop the mall's surrounding parking lot to add residential, retail, and student services to

enhance, animate, and elevate the value of the surrounding area.

Other potential uses for the buildings would be "creative" office tenants, which would require significant adaptation of the buildings to produce marketable, attractive product. Creative office space is lacking in the DFW marketplace, and some of the highest caliber employers, particularly high tech companies, are seeking innovative spaces to both attract and retain the best talent. By delivering differentiated creative office space, Westlake would enhance its portfolio of offerings and be able to accommodate a variety of office users that would enhance its capability to cluster target industries more effectively.

The buildings could also be adapted to senior living facilities or medical/wellness

uses. By carving out a courtyard in the center of the building, the floor plate could be shrunk to a level that accommodates senior living units while also allowing substantial light penetration. This would address the need to accommodate Westlake residents seeking to age in place that perhaps need a higher level of care. Furthermore, a wellness-oriented tenant or specialized medicine providers could occupy the buildings and make Westlake a premier destination for wellness and specialized medicine.

A summary of potential users is shown in Figure 170, along with a graphic in Figure 171 that suggests the tradeoffs between the risks and catalyzing effects of each proposed land uses. Adaptive re-use costs need to be better understood to gauge feasibility of residential, medical, and multi-tenant office uses, as the cost of such an effort might be more than market office rents can absorb. The following

factors should also be considered when considering potential users:

- **Predictability:** The Comprehensive Plan and resolution of future land use conflicts move in direction supportive of proposed use.
- **Financing:** City's role in securing financing for project could be critical (pledging public improvements that serves as equity to new owner) and serve to mitigate developer risk, thus making the project more attractive.
- **Market:** growth in high income and workforce populations substantiate demand generators for most uses.

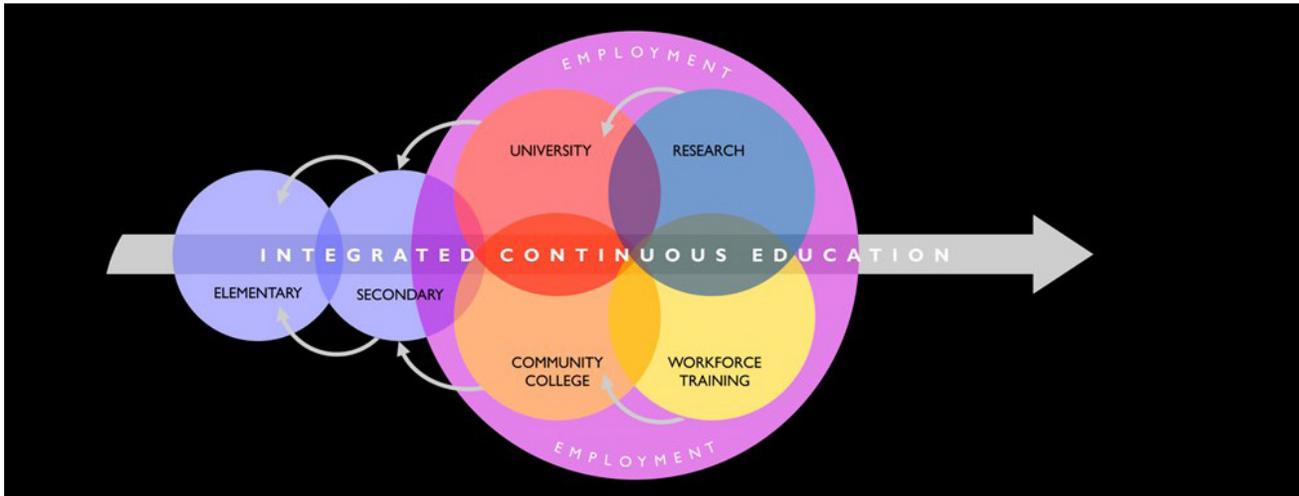
User	Description	Economic Development Potential	Examples	Primary Outcome Economic Conditions Addressed
Single-Tenant Office	Find Tenant that can utilize an entire floor or floors	Enhances area occupancy, provides stability, and contributes to	IBM (former tenant)	<ul style="list-style-type: none"> <li>• Corporate location</li> <li>• Housing</li> <li>• Retail</li> </ul>
Multi-Tenant Office	Adapt building to accommodate multiple tenants, particularly tenants seeking “creative office” space.	<ul style="list-style-type: none"> <li>• Highest caliber employers seeking innovative spaces</li> <li>• Having flexible office programs that can absorb a variety of office programs enhances clustering capabilities</li> </ul>		<ul style="list-style-type: none"> <li>• Corporate location</li> <li>• Housing</li> <li>• Retail</li> </ul>
Senior Living	Courtyard cut-out produces “donut” that accommodates multiple types of residential uses	Addresses need to accommodate Westlake residents seeking to age in place	<ul style="list-style-type: none"> <li>• Continuing Care Retirement Community</li> <li>• Classic Residence by Hyatt</li> </ul>	<ul style="list-style-type: none"> <li>• Housing</li> </ul>
Education	Convert building to education use which can effectively utilize large floorplates and additional FAR availability	New education model that is collaborative with industry – catalyzes demand for additional high-quality corporate entities	Highland Mall – Austin Community College	<ul style="list-style-type: none"> <li>• Corporate location</li> <li>• Housing</li> </ul>
Medical	<ul style="list-style-type: none"> <li>• Center for Wellness</li> <li>• Specialized Medicine Facility</li> </ul>	Become premier destination for specialized medicine or wellness programs	<ul style="list-style-type: none"> <li>• Cooper Fitness Center – Craig Ranch (McKinney)</li> <li>• Aspire Health Spinal – Central Epy &amp; Meadow Road (Dallas)</li> </ul>	<ul style="list-style-type: none"> <li>• Housing</li> </ul>

Figure 170: Potential Users at Solana



Figure 171: Risk and Catalyzing Potential of Potential Users at Solana

**Integrative education is an alternative model to conventional education delivery and career preparation.**



Colleges would like the property's room for growth and FAR, and would like large floor plates.

Figure 172: Integrated Continuous Education

Some of the interstitial open spaces of Solana could be utilized in a more productive way, depending upon the primary user. Like the Lone Star College and ACC models, densifying underutilized land around the buildings could create synergies among uses. If the existing buildings are not developed as office, the current commercial elements should be managed by the hotel or by entities associated with an education user or residential owner and serve as amenities to either user. The campus building arrangement needs to be investigated as it does not really compartmentalize well. The hotel works as a component dependent on the IBM office use but not well as a stand-alone facility. Therefore, the ground plane needs to be redesigned so that uses have more independent ingress/ egress while sharing common pedestrian space.

**Education as an Economic Development**

**Driver:** To meet the growing demands of the region's key employment sectors, strengthen Westlake's market position as a corporate headquarters location, and attract the highest quality employers, Westlake could not only broaden its appeal through mixed-use development, it could also enhance its local production of individuals prepared for the knowledge economy. Cities that have high-achieving K-12 schools, in addition to excellent higher education campuses, are a premium for knowledge workers because they want their children to have access to the finest education. A new multi-layered knowledge center, where lifelong learning and the application of knowledge are its foundation, could be a draw for knowledge workers and generate enormous value for Westlake and the region. As noted in the discussion above regarding Solana's re-use, education is a strong potential user given the ease with which the floor plates can accommodate such users.

**A new model of “K-J” (kindergarten through jobs)** is needed that fully integrates each level of education, developed in the collaboration of pre-collegiate, university, and research institutions, and integrally linked to the growth sectors in DFW’s economy that will ultimately benefit from an educated workforce and the infusion of new knowledge through a robust research infrastructure. A strongly coordinated educational system can ultimately encourage technology transfer and entrepreneurial innovation.

To deliver a model of education integrated with a dynamic urban economy will require a strong interdisciplinary effort, collaborative across the multiple disciplines that comprise the region’s economic development. It will also demand coordinated engagement among private and public sectors, academic and commercial ventures, and economic and urban development planning.

American education today is typically segmented into a linear sequence of steps mainly related to one another through the expectations each has for the students provided to it by its predecessor, expectations often that are unmet. For example, post-secondary institutions are disappointed in the level of preparedness of their incoming students and industry laments the lack of a well-prepared workforce. Attempts at remedying these problems have been made through loose connections among individual institutions: universities recommend curricula for pre-collegiate education; community colleges establish articulation agreements with universities; industry funds training programs; research universities produce spin-offs to industry. More rarely, institutions

and businesses interact through joint programs and activities, and more rarely still, they share functions, personnel, and facilities. These are all steps in the right direction toward better integration of education, but they still reflect the “silos” that characterize such institutions, and, for the most part, have not accomplished the organic assimilation of knowledge production and cultural and economic achievement that will come with being fully embedded in a Knowledge Cluster.

In a Knowledge Cluster, each institution (Westlake Academy, future private institutions, other charter schools, university) could have productive and appropriate engagements with all of the others, in both traditional and non-traditional ways. Private industry is ultimately the outlet for academic research. Private research and development ventures will engage in a collaborative relationship with the university’s research functions and, much like the relationship between Stanford University and Silicon Valley, it will foster the commercialization of the university’s research work product. There could be a range of private venues, from start-up friendly incubators with direct links between entrepreneurs and university researchers, to sophisticated laboratory and office facilities for the scaling-up, and distribution of, primary research knowledge. All of these links would redefine the traditional town-grown relationship by fully connecting the various sectors of the community into a fully functioning whole.

In a world accustomed to stand-alone college campuses and corporate parks sequestered in their separate landscapes, the idea of a fully integrative system requires a different way of thinking about education, commerce, industry, and

“place”. Examples of such places exist in the world, although most of them have evolved over time as institutions and businesses adapt to urban conditions where they have had to engage with their urban context.

Businesses in the new economy will locate wherever there is an abundance of qualified knowledge workers. Qualified knowledge workers are highly mobile, choosing to live where they can have the best life. More and more, this has meant that the young, educated workforce has sought to locate in vibrant mixed-use urban centers, and business has been quick to follow. Technology industry businesses in particular have increasingly sought urban settings for start-up and developed business location, indicating a trend towards better access to talent and more meaningful dialogues, as discussed above regarding Westlake's opportunity to deliver dynamic mixed-use settings to help propel economic development efforts.