As explained throughout the planning process, the strategy for revitalization of the Hampton Road Corridor is based on redevelopment and targeted investment in key nodes, or "catalyst areas", which hold potential despite select economic and physical redevelopment challenges. These nodes are defined as highly urbanized places with a concentration of jobs, housing units, commercial uses and public spaces often featuring public transportation, pedestrian activity and a sense of place. Predominant land uses within nodes can be residential, commercial and public. Each node centers around a specific project, designed to bring an active and vital mix of uses to the Corridor in a pedestrian-friendly format. In the case of Hampton Road, each node or catalyst area occurred where the green network approached or intersected with the Corridor, offering the best integration between urban public and natural open space.

Within these relatively compact geographic areas, different land uses are found side by side or within the same structures. The mix of uses in the node are located in developments with minimal setbacks, reduced parking requirements, and taller structures, all in an effort to achieve higher densities necessary to support places with the potential to offer pedestrian activity, private investment and a sense of place. A node serves as a catalyst for public and private investment and economic activity, effectively building off the strengths of the surrounding area and connecting to adjacent neighborhoods.

Goal statements prepared for catalyst projects on the Hampton Road Corridor included:

- Address underserved market niches in DeSoto and the trade area;
- Support stabilization / diversification of the existing retail / service base;
- Provide direction for targeting / leveraging public investment;
- Advance a market-tested community vision for the Corridor over the near-term and long-term; and
- Advance a physically and economically sustainable plan.

Selection Process and Criteria

Catalysts were generally identified and evaluated based on screening criteria, with guidance from stakeholders and community leaders in the study area. While an expressed interest in an immediate development or redevelopment project influenced the prioritization of certain areas, most were selected because they presented a compelling location or market advantage for future investment. Criteria used to select catalyst areas for detailed analysis included the following:

Criteria

1. Presence of a market opportunity in the near- or long-term
2. Opportunities to strengthen and link existing districts or activity centers
3. Ability to leverage existing or planned public investment
4. Physical environment including parks and open space, public improvements
5. Potential for creating key entryways or "gateways" into development areas
6. Ownership patterns including public vs. private and multiple vs. assembled
7. Presence of unified, energetic stakeholders
8. Upward or flat trend in local investment
9. Compatibility with existing plans
10. Availability of public programs, incentives and tools for revitalization
11. Ability to create activity centers, emphasizing opportunities with multiple access modes
12. Presence of support organizations – service groups, churches, schools
13. Demonstrated community need, both perceived and quantified
14. Consistent with existing character and building on prevailing strengths

Potential nodes of investment within the Hampton Road Corridor study area were selected using various combinations of the above criteria. However, experience has proven that implementable plans must maintain a high degree of flexibility. As markets change, the physical realm must change with them. Therefore, while these nodes have been identified today as offering potential for leveraged investment, the criteria will provide the City with the tools to evaluate future projects which might occur outside these areas, and which are still consistent with the vision for the Corridor.

Once identified, sound economic and community development tenets and stakeholder input provided the framework from which potential catalyst concepts were developed.

In Jane Jacobs' book, The Death and Life of Great American Cities (1961), she warns that "land use segregation and low-density dispersal were killing off the diversity that is the basis of urban life." She goes on to say, "The essential phenomenon of cities is the mixture of activities they support and encourage." Ms. Jacobs identified four conditions which must be present for a vital city:

- All districts in a "city" must serve more than one primary function, and preferably at least three, so that there will be people on different schedules using facilities in common.
- Short blocks and distances scaled to pedestrians.
- A mixture of buildings of varying age and condition, so that there are cheap rents for enterprises just starting out, as well as the high quality space to keep successful enterprises from leaving the area.
- Dense concentrations of people to support diverse activities within a compact area. Jacobs' ideal environment was 24-hour, with urban diversity, a mix of uses, vibrant street life, and places where individuals and families could live, work, shop and play.

Following are descriptions of the catalyst projects and areas identified for Hampton Road. These descriptions are followed by an illustration of each concept, along with a preliminary economic analysis. The purpose of this work was to provide the City and other advocacy organizations with tools to "tell the story" of the Corridor and the opportunities present within it. The concept drawings address the community's and investor's need to visualize the potential of the area. The economic analysis begins to quantify the order of magnitude of any financial gap that might result from development and / or redevelopment of these or similar projects within the study area. In the case of the economic analysis, as assumptions were based on findings from the market analysis, final figures associated with actual projects will likely be different as conditions and markets change. Conclusions derived to date can best be used to understand the range and number of financing mechanisms and strategies which will be needed to deliver projects of these types to the market.

Catalyst Project 1

The first catalyst project was named the Town Square Plan. It is located at the corner of Hampton Road and Pleasant Run Road and anchored by City Hall and the DeSoto Recreation Center and Library. This civic complex is currently situated in a conventional strip-center retail format, with a field of surface parking located in the front of buildings. The intent of the Town Square Plan is to capitalize on this significant land assemblage by redeveloping the parking lot with a combination of retail, neighborhood services, and diverse housing products organized around a new integrated public town square and clock tower. Parking for the complex could be contained in a three-story garage on the interior of these uses. Key concept characteristics include:

- Civic "destination" with support retail / restaurant / service space
- Targeted primarily to convenience- and neighborhood-serving uses (community)
- Emphasis on street frontage and pedestrian connections to integrated uses
- Introduction of diverse housing products (residential over retail, lofts)
- Emphasis on strong on-site civic amenities (City Hall, Recreation Center, plaza)

CITY OF DESOTO
HAMPTON ROAD CORRIDOR REVITALIZATION STRATEGY
CATALYST PROJECT ECONOMIC ANALYSIS: PLEASANT RUN "TOWN SQUARE"

Development Program				***Assumption Factors***	
	Units/Spaces	*Square Feet*			
Retail/Office*		30,246			
Residential (Rental)	186	207,281		900	SF/Unit
Residential (For-Sale)	33	66,000		2,000	SF/Unit
Gross Floor Area		303,527			
Project Land Area		435,600		10.0	Acres
Floor Area Ratio		0.7			
Surface Parking	152	49,400		325	SF/Space
Structured Parking	455	147,940		325	SF/Space
* *Includes live/work space.*					
Estimated Project Value (Stabilized Yr)					
Total Retail/Office Rentable SF		27,221		90%	Bldg. Efficiency Ratio
Rent/SF*		$22.00			
Total Residential Rentable SF		165,825		80%	Bldg. Efficiency Ratio
Rent/SF		$13.20		$1.10	Monthly Rent/SF
Total Parking Spaces (Structured)		455			
Rent/Space		$0		$50	Monthly Income/Space
Gross Income		$2,787,758			
Occupancy		95%			
Effective Gross Income		$2,648,370			
Operating Costs		$665,076		$2.80	$/SF (Wtd. Avg. All Uses)
Net Operating Income		$1,983,295			
Capitalization Rate		9%			
Project Value -- Office/Retail/Rental Hsg		***$22,036,607***			
Total Housing Units		33			
Sales Price/Unit		$225,000			
Gross Revenue		$7,425,000			
Less Marketing Costs		($519,750)		7%	% of Sales
Net Sale Proceeds		$6,905,250			
Project Value -- For-Sale Housing		***$6,905,250***			
Total Project Value			***$28,941,857***		
* *Office and retail lease rates based on triple net lease; tenant pays portion of taxes, insurance and utilities.*					
Development Cost Estimate					
Property Purchase (Acquisition/Demolition)		$2,178,000		$5.00	$/SF
On-Site Improvements (Surface Parking)		$380,000		$2,500	$/Space
On-Site Improvements (Structured Parking)		$4,552,000		$10,000	$/Space
Site Development		$435,600		$1.00	$/SF
Building Construction (Hard Costs)		$18,861,775		$62	$/SF (Wtd. Avg. All Uses)
Construction Contingency		$2,422,937		10%	% of Construction Costs
Soft Costs (% of Hard Costs)		$2,907,525		12%	% of Hard Costs
Developer Profit		$3,173,784		10%	% of Total Costs
Development Economic Summary					
Total Project Cost			***$34,911,621***	***$115.02***	***$/SF***
Total Project Value			***$28,941,857***		
Project Margin/"Gap"			***($5,969,764)***		
% Project Margin/"Gap"			***-17%***		
Potential Contributions to "Gap":					
Land Contribution		$2,178,000		100%	of Total Land Cost
Parking Garage Contribution		$2,276,000		50%	of Total Construction Cost
Supportable TIF (10 Years)		$1,600,000		$0.6850	City Share of Property Tax
Sales Tax Sharing (10 Years)		$378,075		50%	% of 1% Local Sales Tax
Special Improvement District (10 Years)		$290,496			
Streamlined Development Approvals (6 mos)		$76,230			
Total Contributions to "Gap"			***$6,798,801***		

Potential revitalization strategies and tools to advance this concept include:

- Tax Increment Financing (TIF)
- Land Write-Down
- EDA Funding – "hard" and "soft" costs
- Improvement District
- Additional Land Assembly / Swap
- Local Loan Pool
- Public Subordination
- Credit Tenant Financing Program

Catalyst Project 2

The second project, deemed the "Central Park" concept, is essentially at the midpoint between two intersections. It involves using existing open space in the area of Heath Creek and Spinner Road along the Corridor for a public park surrounded by a townhome product. The concept spills over the Corridor with additional live-work units including a range of attached and detached ownership products facing Hampton Road and

City of DeSoto
Hampton Road Corridor Redevelopment Plan
Catalyst Project Economic Analysis: "Central Park"

Development Program				***Assumption Factors***	
	Units/Spaces	*Square Feet*			
Retail/Service		0			
Residential (Rental)	0	0		900	SF/Unit
Residential (For-Sale)*	136	280,960		2,070	SF/Unit
Gross Floor Area		280,960			
Project Land Area		609,840		14.0	Acres
Floor Area Ratio		0.5			
Surface Parking	0	0		325	SF/Space
Structured Parking	0	0		325	SF/Space
** Includes live/work space.*					
Estimated Project Value (Stabilized Yr)					
Total Retail/Office Rentable SF		0		90%	Bldg. Efficiency Ratio
Rent/SF*		$22.00			
Total Residential Rentable SF		0		80%	Bldg. Efficiency Ratio
Rent/SF		$13.20		$1.10	Monthly Rent/SF
Total Parking Spaces (Structured)		0			
Rent/Space		$0		$50	Monthly Income/Space
Gross Income		$0			
Occupancy		95%			
Effective Gross Income		$0			
Operating Costs		$0		$0.00	$/SF (Wtd. Avg. All Uses)
Net Operating Income		$0			
Capitalization Rate		9%			
Project Value -- Office/Retail/Rental Hsg		***$0***			
Total Housing Units		136			
Sales Price/Unit		$225,000			
Gross Revenue		$30,600,000			
Less Marketing Costs		($2,142,000)		7%	% of Sales
Net Sale Proceeds		$28,458,000			
Project Value -- For-Sale Housing		***$28,458,000***			
Total Project Value			***$28,458,000***		
** Office and retail lease rates based on triple net lease; tenant pays portion of taxes, insurance and utilities.*					
Development Cost Estimate					
Property Purchase (Acquisition/Demolition)		$1,524,600		$2.50	$/SF
On-Site Improvements (Surface Parking)		$0		$2,500	$/Space
On-Site Improvements (Structured Parking)		$0		$10,000	$/Space
Site Development		$609,840		$1.00	$/SF
Building Construction (Hard Costs)		$19,105,280		$68	$/SF (Wtd. Avg. All Uses)
Construction Contingency		$1,971,512		10%	% of Construction Costs
Soft Costs (% of Hard Costs)		$2,365,814		12%	% of Hard Costs
Developer Profit		$2,557,705		10%	% of Total Costs
Total Project Cost			***$28,134,751***	***$100.14***	***$/SF***
Total Project Value			***$28,458,000***		
Project Margin/"Gap"			***$323,249***		
% Project Margin/"Gap"			***1%***		
Potential Contributions to "Gap":					
Land Contribution		$0		0%	of Total Land Cost
Parking Garage Contribution		$0		50%	of Total Construction Cost
Supportable TIF (10 Years)		$1,600,000		$0.6850	City Share of Property Tax
Sales Tax Sharing (10 Years)		$0		50%	% of 1% Local Sales Tax
Special Improvement District (10 Years)		$306,000			
Streamlined Development Approvals (6 mos)		$53,361			
Total Contributions to "Gap"			***$1,959,361***		

Source: RTKL and Leland Consulting Group.

providing for a transition into the existing neighborhood. Key concept characteristics include:

- Emphasis on strong on-site natural amenities ("Central Park," trails, creekfront)
- Use of natural amenities to create premiums for adjacent real estate including green and water features
- Highlight on street frontage and pedestrian connections among integrated housing products
- Introductions of housing density (townhomes)

Potential revitalization strategies and tools to advance this concept include:

- Land Assembly / Swap
- Land Write-Down
- State / Federal Grants / Funds
- Improvement District

Catalyst Project 3

The third plan entitled "Belt Line Village" would be located at the southernmost intersection of Hampton and Belt Line Roads. This corner has historic significance as the location where the first residents of DeSoto settled. This concept assembles under-performing properties, including land vacated by the City when City Hall was relocated. The plan concept retains the existing fire station and ties into the amenities of the nearby floodplain with a series of restaurants, retail, neighborhood services, and a diversity of housing types. Key concept characteristics include:

- Historic "destination" with support retail / service space
- Uses targeted primarily to convenience- and neighborhood-serving tenants (community)
- Emphasis on connections to adjacent uses
- Introduction of diverse housing products (residential over retail, lofts, townhomes)
- Potential partnership with other public entities including the school district

Potential revitalization strategies and tools to advance this concept include:

- Main Street Program for marketing and promotion
- Tax Increment Financing (TIF)
- EDA Funding – "hard" and "soft" costs
- Improvement District

- Land Assembly / Swap

City of DeSoto

Hampton Road Corridor Redevelopment Plan

Catalyst Project Economic Analysis: Belt Line "Main Street"

				Assumption Factors	
Development Program					
	Units/Spaces	*Square Feet*			
Retail/Office*		66,076			
Residential (Rental)	151	165,722		900	SF/Unit
Residential (For-Sale)	212	436,340		2,000	SF/Unit
Gross Floor Area		668,138			
Project Land Area		1,306,800		30.0	Acres
Floor Area Ratio		0.5			
Surface Parking	288	93,600		325	SF/Space
Structured Parking	116	37,700		325	SF/Space
* *Includes live/work space.*					
Estimated Project Value (Stabilized Yr)					
Total Retail/Office Rentable SF		59,468		90%	Bldg. Efficiency Ratio
Rent/SF*		$20.00			
Total Residential Rentable SF		132,578		80%	Bldg. Efficiency Ratio
Rent/SF		$13.20		$1.10	Monthly Rent/SF
Total Parking Spaces (Structured)		116			
Rent/Space		$0		$50	Monthly Income/Space
Gross Income		$2,939,392			
Occupancy		95%			
Effective Gross Income		$2,792,423			
Operating Costs		$556,315		$2.40	$/SF (Wtd. Avg. All Uses)
Net Operating Income		$2,236,108			
Capitalization Rate		9%			
Project Value -- Office/Retail/Rental Hsg		***$24,845,639***			
Total Housing Units		212			
Sales Price/Unit		$225,000			
Gross Revenue		$47,700,000			
Less Marketing Costs		($3,339,000)		7%	% of Sales
Net Sale Proceeds		$44,361,000			
Project Value -- For-Sale Housing		***$44,361,000***			
Total Project Value			***$69,206,639***		
* *Office and retail lease rates based on triple net lease; tenant pays portion of taxes, insurance and utilities.*					
Development Cost Estimate					
Property Purchase (Acquisition/Demolition)		$2,613,600		$2.00	$/SF
On-Site Improvements (Surface Parking)		$720,000		$2,500	$/Space
On-Site Improvements (Structured Parking)		$1,160,000		$10,000	$/Space
Site Development		$1,306,800		$1.00	$/SF
Building Construction (Hard Costs)		$50,176,496		$75	$/SF (Wtd. Avg. All Uses)
Construction Contingency		$5,336,330		10%	% of Construction Costs
Soft Costs (% of Hard Costs)		$6,403,595		12%	% of Hard Costs
Developer Profit		$6,771,682		10%	% of Total Costs
Development Economic Summary					
Total Project Cost			***$74,488,503***		
Total Project Value			***$69,206,639***		
Project Margin/"Gap"			***($5,281,864)***		
% Project Margin/"Gap"			***-7%***		
Potential Contributions to "Gap":					
Land Contribution		$1,306,800		50%	of Total Land Cost
Parking Garage Contribution		$580,000		50%	of Total Construction Cost
Supportable TIF (10 Years)		$3,800,000		$0.6850	City Share of Property Tax
Sales Tax Sharing (10 Years)		$825,950		50%	% of 1% Local Sales Tax
Special Improvement District (10 Years)		$694,076			
Streamlined Development Approvals (6 mos)		$91,476			
Total Contributions to "Gap"			***$7,298,302***		

Source: RTKL and Leland Consulting Group.