



OVERVIEW:

- 125 acres
- Creation of a mixed-use downtown
- Zoning:
 - “DT” Downtown District (109 acres)
 - “C-3” General Commercial (13 acres)
 - “SP1” Site Plan District with “C-3” uses (8 acres)

PHASE ONE

- Grand Opening: March 6, 1999
- Existing: 596,000 sf on 42 acres
 - Retail & Restaurant: 292,000 s.f.
 - Office: 204,000 s.f.
 - Town Hall: 78,000 s.f.
 - Post Office: 22,000 s.f.

PHASE TWO

- Residential: 117 Brownstone units

PHASE THREE

- Grand Avenue District Expansion
- Grand Opening: April 8, 2006
 - Retail & Restaurant: 175,000 s.f.
 - Office: 25,000 s.f.
 - Bookstore & Movie Theater: 100,000 s.f.
- Under Construction
 - Hotel: 200,000 s.f., 248 rooms, 5 stories (Coming 4th Quarter, 2006)
- Ultimate Potential: 2M square feet

CONCEPT: A downtown for Southlake; a 125 acre master planned development with a mixture of retail, office, restaurant, entertainment and residential uses. Town Square is the home of Town Hall, comprising Southlake's City Hall, a public library, Post Office, and regional offices and courts for Tarrant County.



LOCATION: Bordered by State Highway 114 to the north, Southlake Boulevard (F.M. 1709) to the south, and North Carroll Avenue to the west.

PROJECT SCHEDULE:

- **Phase I:** The project began construction in early 1998 on approximately 42 acres, constituting nearly 235,000 sf of office, retail, restaurant and civic uses. The grand opening was held on March 6, 1999. Another 48,000 sf of retail space was added to this phase over the next few years.
- **Phase II (Brownstones):** The Brownstones, the residential component of Southlake Town Square, will comprise 114 units, adding over 340,000 square feet to the Town Square project. This project will be constructed over three phases. The construction of phase I, with 30 units, began 4th Quarter 2004 with an estimated completion scheduled for 4th Quarter 2005. Future phases of the Brownstones, with completion to be determined, will add a combined total of up to 84 units.
- **Phase III (Grand Avenue):** The Grand Avenue Phase of Southlake Town Square will add approximately 350,000 sf to the development. Construction started 1st Quarter 2005 with a Grand Opening scheduled for 2nd Quarter 2006. This phase will include a 214,307 sf 248-room hotel with 15,000 sf of convention and meeting space, a 65,000 sf 14-screen first-run cinema, 180,000 sf of new retail and restaurant uses, and 20,000 sf of office space. Two public parks will be constructed with this phase. In addition, the developer will construct two parking facilities which will provide over 1,600 public parking spaces.



FINANCIAL ISSUES: Southlake Town Square lies within the boundaries of the 408-acre Tax Increment Reinvestment Zone No. 1 (a.k.a Tax Increment Financing TIF District). Participating entities in the TIF District include: City of Southlake, Tarrant County, Hospital District, Community College District and the Carroll I.S.D. All entities participate at 100% levels with the exception of the CISD which does not participate in TIF project plan improvements.

- **Phase I:** The Project Development Plan for Phase I provide financing as follows:
 - A 40% reimbursement of public infrastructure to include water, sewer and street improvements
 - A 100% reimbursement of public park improvements (landscaping, benches, fountains, lighting, irrigation, gazebo, etc.)
 - The costs of the Town Hall
 - Phase I improvements generated approximately \$5 million in tax revenues in 2004
- **Phase II (Brownstones):** TIF reimbursements in the Brownstone component of the project was limited to approximately \$264,000 for a perimeter commercial street. Tax revenues for this phase are projected in excess of \$1.7 million per annum.
- **Phase III (Grand Avenue):** The funding for all construction will be financed by the developer up front. The developer will privately finance and construct an additional real property tax value of over \$50 million in this phase including a resort hotel, theater, restaurants and retail, related infrastructure, and park dedication and development. Additionally, the developer will assume

upfront financial risk and clear title to park land, public right-of-way and parking garages in exchange for financial considerations. New locally based tax revenues estimated at over \$4.4 million per annum.

- **Public Infrastructure:** A 40% reimbursement of public infrastructure to include water, sewer and street improvements. A 100% reimbursement of public park improvements.
- **Public Parking Garages:** It is anticipated that two separate multi-story parking garages shall be constructed by the developer and deeded to the City of Southlake. The City will own and operate the parking garages. Funding for the public garages shall be from two sources:
 - **TIF Reimbursement:** The agreement is structured so that \$7.5 million will be paid to the developer out of real property and business / personal property taxes once one-to-one supporting values have been established “on the ground”. Delays in the timeline will result in an incremental reduction of the payment. Full payment of the debt associated with this phase is due in 2018.
 - **Chapter 380 Sales Tax Agreement:** The sales tax incentives are performance based, the developer will receive 80% of the sales taxes generated from the Grand Avenue phase of the development via a 380 Agreement. This component of the funding expires year-end 2018.

- **Community tax benefits derived through 2018 for the Grand Avenue phase are estimated as follows*:**

1% sales tax (20% retained).....	\$ 1.6 million
Crime Control Sales Tax.....	\$ 5.3 million
SPDC (Southlake Parks Development Corporation)	\$ 5.3 million
CISD Property Taxes	\$ 14.4 million
<u>Hotel / Motel Taxes</u>	<u>\$ 6.0 million</u>
TOTAL	\$ 32.6 million

**Estimations based on developer forecasts. Inclusive of all taxing entities.*

TENANTS:

Retail / Restaurants / Office: See www.southlaketownsquare.com for a complete list of national and local tenants.

City of Southlake offices:

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|------------------------|---|----------------------------|
| • Building Inspections | • Finance | • Planning / GIS |
| • City Manager | • Human Resources | • Public Safety Substation |
| • City Secretary | • Southlake Public Library | • Public Works |
| • Economic Development | • Municipal Court /
Metroport Teen Court | • Water Utilities |

Tarrant County offices:

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|----------------|------------------------|----------------------------|
| • Constable | • County Commissioner | • Public Health |
| • County Clerk | • District Clerk | • Tax Assessor / Collector |
| | • Justice of the Peace | |

CONTACTS: The following contacts are familiar with the Southlake Town Square project:

Developer

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City of Southlake

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