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Southern Dallas County: Living the Dream

By Steve Triolet

Thanks to an ideal geographic location and excellent transportation infrastructure, Cedar Hill, Desoto, Duncanville and Lancaster together known as Southern Dallas County, are among the newest cities in DFW that stand to benefit excessively from current logistic trends which are being driven by global trade.

Due to the proximity to major interstates, the Union Pacific Intermodal and the new Dallas Logistics Hub, a 6,000-acre logistics hub being developed by The Allen Group, these cities have opportunities available that may have dreamed about 20 years ago, but never thought would actually come to fruition – and certainly not this quickly.

Each city is hustling to prepare for the quick growth they are beginning to see with new industrial, housing, retail and office space.

City Growth

Between 1990 and 2004, the population in Southern Dallas County, also known as “SoDoCo,” grew by nearly 28% - a healthy growth rate among suburban areas nationwide. From a population of 108,385 people in 1990, the area has grown to over 148,919. That population growth is expected to increase as the wave of new development continues to gain momentum.

Experts say that when the Dallas Logistics Hub is fully complete in the next 30 to 40 years, it is expected to employ about 30,000 workers in as much as 60 million square feet of distribution, manufacturing, office and retail facilities. About 65 percent of the land will be set aside for industrial and distribution space, with offices and other commercial development on the rest.

The hub is expected to create a property tax base of \$2.5billion. Company officials predict that the direct economic impact of construction and employment at the facility through 2035 will be \$68.8 billion.

Development and Construction

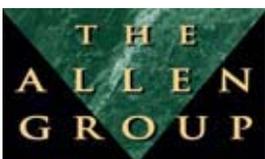
To support the global trade demands of new ports off of Mexico that will drive traffic through North Texas, there are a number of large industrial projects underway and that have just been completed. As mentioned above, The Allen Group has broken ground on the Dallas Logistics Hub which is a 6,000-acre development that is almost equally located in Dallas, Lancaster, Wilmer and Hutchins.

Duke Realty Corp. has had some early success with their phase one project adjacent to the Union Pacific Intermodal in Hutchins. Proctor & Gamble signed a short-term lease for the new 626,100 sq.ft. property. Also, underway from Duke is the 872,000 sq. ft. Unilever built-to-suit project which should be completed in late 2007. First, Industrial, Courtland Development, and Industrial Works Investment Fund all have large projects under way, all of which are currently scheduled for completion in late 2007.

In the planning stages, there are currently 19 industrial projects totaling more than 8.7 million sq. ft. of space on the horizon.

And with industrial growth of this size, the retail and office markets are not lagging behind. Each of the Southern Dallas Counties are preparing for this growth by revitalizing or creating a more active downtown for their cities, which has historically been lacking. Plans are set to develop mixed-use areas in order to remain economically healthy and to retain young professionals which some suburbs are dramatically losing.

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One example is Desoto where they are currently developing a town square in hope to drive more growth within the city, improve its image, and increase involvement with residents in their town. Cedar Hill will bring to market the 800,000 square foot Uptown Village at Cedar Hill that will include two department stores and room for more than 80-shops and restaurants, which is set to open March 2008. This is the biggest retail project in the southern sector has seen in about 30 years. On the

residential front, the Southern Dallas County are has had over 1,000 annual closing of new homes.

With all roads leading to Southern Dallas County, only opportunities lie ahead for the area to be the home of the new “it” industry in North Texas –the “it” being global logistics. Many believe Southern Dallas County could become the largest economic engines in the region, generating billions of dollars in investment and tens of thousands of new jobs.