



Approval of an Interlocal Agreement with the City of Garland Related to a Master Ground Lease for Implementation of a Transit-Oriented Development at the Lake Ray Hubbard Transit Center

Committee-of-the-Whole
Development Subsection Committee
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Today's Consideration

Approval of an Interlocal Agreement (ILA) with the City of Garland Related to a Master Ground Lease for Implementation of a Transit-Oriented Development (TOD) at the Lake Ray Hubbard Transit Center (TC)

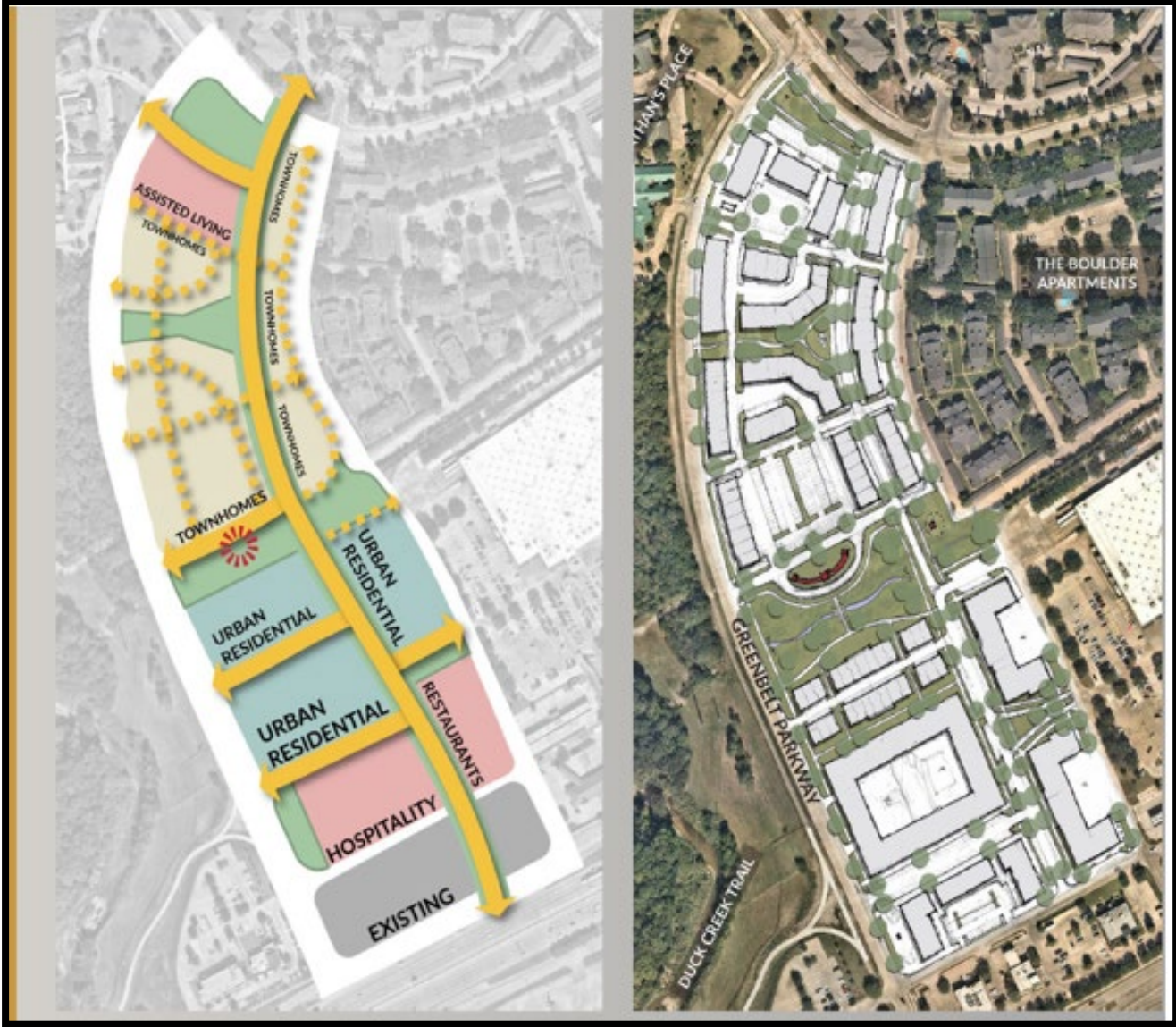
Background

- 2021: DART and Garland entered into a MOU committing to collaborate for the creation of TOD
- Garland began planning a 27-acre TOD around Lake Ray Hubbard TC
 - 13 acres DART-owned; 14 acres owned by Lofts iThirty
 - Approx. 108,000 people reside in the 3-mile area around the Transit Center; employment rate of 96%
- 2022: Entire site was re-zoned for TOD
- 2023: Anthem Development began construction on the 14 acres owned by Lofts iThirty
 - 340 units, Class A multifamily
 - Ground floor is retail ready
- Lake Ray Hubbard Transit Center has 657 parking spaces; current usage is around 57/day

Lake Ray Hubbard Transit Center TOD Site



Garland's TOD Concept



Lofts iThirty – under construction



Lake Ray Hubbard TC TOD ILA

- Follows Template TOD ILA developed by outside counsel at Board's request to accelerate TOD projects by allowing the service area city to conduct the solicitation and negotiate a 2-party development agreement
- Board approved Template TOD ILAs with Town of Addison (Addison Center TOD) and City of Richardson (Arapaho Station TOD) in 2021
- ILA sets principal terms for a ground lease of DART's property to Garland; Garland will then sublease to the selected developer
 - 49-year initial term, two 25-year extension terms
 - Rent at Fair Market Value (FMV), as determined through appraisal process; reappraised every 10 years
 - Compliance with FTA requirements
 - No disruption to DART transit operations
- Garland must conduct the RFP process (with DART's participation) and negotiate the final form of the ground lease with DART within 2 years
- Selected proposal must comply with DART TOD Policy & Guidelines

Recommendation

Approval of a resolution authorizing the President & CEO or her designee to:

1. Execute an ILA with the City of Garland Related to a Master Ground Lease for Implementation of a Transit-Oriented Development (TOD) at the Lake Ray Hubbard Transit Center; and
2. Execute the Master Ground Lease upon its completion, approval by the Federal Transit Administration (FTA), and legal review for consistency with the ILA and the DART TOD Policy.



DART

let's go.



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