

## A MONTHLY BRIEFING

In this issue of *D Economy*, read about two new business relocations to downtown Dallas (page 2) and about the slight increase in the number of jobs in the city (page 3). Also, learn about the Dallas-Plano-Irving Metropolitan Division's dramatic jump in the Milken Institute's list of the Best Performing Cities of 2008 (page 4).

### Inside This Issue:

NEWS SHORTS	2
DALLAS EMPLOYMENT	3
DALLAS CLIMBS BEST PERFORMING CITIES LIST	4



City of Dallas

OFFICE OF ECONOMIC DEVELOPMENT

## Nuisance Motels Demolished for New Buildings

On Thursday, October 2, developers demolished two motels in Council District 5 that have been closed due to violation of city ordinances (Figure 1). Area residents often complained that the Sunset and Southern Comfort motels on Lancaster Road were a source of criminal activity, including drug dealing and prostitution (Figures 2 and 3).



Figure 1. DEMOLITION WORK

This past May, Dallas City Council approved an \$850,000 forgivable loan to the City Wide Community Development Corporation (CWDC) to purchase and develop the property. Motel owners agreed to sell their property directly to the CWDC.

In the motels' place, the CWDC will construct a new 30,000-square-foot building to provide much-needed rentable commercial space. The Urban League will develop a 50,000-square-foot facility designed to assist in job skills training and workforce development. For full loan forgiveness, the two organizations must begin construction within two years and complete the construction within five years.

The CWDC is a 501 (c) 3 non-profit corporation primarily concerned with development and redevelopment activity in Southeast Oak

Cliff, zip code 75216. The Urban League's vision is "to be the leading community based organization devoted to enabling all citizens to enter and enhance their position in the economic and social mainstream."



Figure 2. SUNSET MOTEL

The plans are in conjunction with the city's overall vision for development of the Lancaster Corridor and address three economic and social needs of the area:

- a shortage of modern business lease space
- a chance for improved job opportunities for area residents
- a reduction in crime



Figure 3. SOUTHERN COMFORT MOTEL

The demolition and construction of the new buildings should allow new businesses to grow in an area that previously would not have been conducive to viable commercial activity. The land is adjacent to the VA Medical Center and may be part of a future expansion in public transit.

## Center City News

- Downtown Dallas scores another corporate relocation as Clark Consulting moves its corporate office from Chicago to its existing office in Dallas at 2100 Ross Avenue (Council District 14). The Dallas office currently has 250 employees. Eleven Chicago employees will move to Dallas and Clark will hire about 65 more. Clark is a risk management and financing solutions firm and is a subsidiary of AEGON. SOURCE: DALLAS MORNING NEWS, OCTOBER 8, 2008.
- The groundbreaking ceremony for Main Street Garden was held on October 10. The park is located on the block of Main, Harwood, Commerce and St. Paul streets downtown (Council District 14). The \$17.4 million park is expected to open in a year. SOURCE: DALLAS MORNING NEWS, OCTOBER 11, 2008.
- Remix Records has opened a store in Deep Ellum at 2639 Elm Street (Council District 2). Remix's owner previously had a store in Fort Worth but found that many of his customers were from Dallas. The store's specialty is dance music and vinyl records. SOURCE: PEGASUSNEWS.COM, OCTOBER 12, 2008.
- Capital One is opening a new regional office in downtown's Plaza of the Americas in early 2009 (Council District 14). The office will start with 80 workers and 24,000 square feet, and it will have a bank branch in the retail atrium. SOURCE: DALLAS MORNING NEWS, OCTOBER 13, 2008.
- St. Kim's Development LLC plans to build a 26-unit condo development next to the former St. Andrew Kim Catholic Church at 2712 Swiss Avenue (Council District 2). The 1,000- to 2,200-square-foot condos will have views of the downtown skyline and will be within walking distance to Baylor Medical Center. Groundbreaking on the project isn't expected until late 2009. SOURCE: GLOBEST.COM, OCTOBER 18, 2008.

## Real Estate News

- Mockingbird Properties plans to build The Butler, a multifamily and mixed-use development, in the Dallas Medical District on Butler and Redfield streets (Council District 2). It will be built with a contemporary/Asian design and will have 460 luxury apartments, retail space and a parking garage. The Butler is a short walk away from Parkland Hospital and the new DART Medical District station, expected to be complete in September 2009. SOURCE: PEGASUSNEWS.COM, OCTOBER 4, 2008.
- Tire distributor Rudolph Tire has expanded its lease at 7601 Ambassador Row by 60,000 square feet to almost 87,000 (Council District 6). SOURCE: COSTAR.COM, OCTOBER 7, 2008.

## Southern Dallas News

- Golden State Mutual Life Insurance Co. publicly opened its new Dallas office in the Sunbelt National Bank building in Oak Cliff located at 4575 S. R.L. Thornton freeway (Council District 4). The building, built in 1983 but abandoned in 1987 in the midst of an economic downturn, is in the Village Fair Shopping Center. Golden State renovated the building and will allow community groups to hold meetings in the building's conference rooms. SOURCE: DALLAS MORNING NEWS, OCTOBER 15, 2008.
- Cozy Cottage Children's Boutique is a new addition to the retail offerings of the Bishop Arts District. The boutique is located in an old house at 336 W. 8<sup>th</sup> St (Council District 1). It sells children's clothing, accessories, gifts, home décor and items for new moms. SOURCE: OAK CLIFF TRIBUNE, OCTOBER 16, 2008.
- Senator Promotional Products held a grand opening ceremony for its new location at 3860 La Reunion Parkway on October 14 (Council District 3). Dart Manufacturing recently acquired Senator and moved its manufacturing operations from Greensboro, North Carolina to Dallas. The company employs 190 workers and leases 107,000 square feet. Senator is a supplier of promotional ball point pens. SOURCE: OAK CLIFF TRIBUNE, OCTOBER 23, 2008.
- The ribbon cutting for the new Trinity River Audubon Center at 6500 S. Loop 12 was held October 17 (Council District 5). The Audubon Center is the first aspect of the \$2 billion Trinity River Corridor Project to be completed. The center, located on 120 acres of what was once an illegal dumping ground in the midst of the largest urban bottomland hardwood forest in the nation, is now a place for bird watching and outdoor observation. The LEED Gold Certified building will be a teaching facility and laboratory for students. SOURCE: OAK CLIFF TRIBUNE, OCTOBER 23, 2008.
- Enrollment at the University of North Texas Dallas campus increased 18 percent for the fall semester of 2008 over last year: 2,212 total students and 959 full-time equivalents. The UNT Dallas campus can reach free-standing, four-year status when the number of full-time equivalent students equals at least 1,000. SOURCE: OAK CLIFF TRIBUNE, OCTOBER 23, 2008.
- THE Magazine, a monthly arts publication, has opened an office in the Bishops Arts District from which it will publish a Dallas edition (Council District 1). Publisher Steve Buck believes Dallas' rich art scene hasn't received the attention it deserves and that THE Magazine will fill in the gap. The publication will publicize the many arts opportunities available in North Texas. SOURCE: OAK CLIFF PEOPLE, OCTOBER 24, 2008.

# Employment

Unemployment rates grew in the City of Dallas, the metropolitan statistical area (MSA), and the state but declined at the national level. The city and MSA each had growth of 0.2 percentage points, while the state grew by 0.1 percentage points. Conversely, the nation's unemployment rate decrease from 6.1 percent in August to 6.0 percent in September, a change of 0.1 percentage points (Table 1).

The Dallas labor force decreased for the second consecutive month. September experienced a 0.5 percent decrease in the labor force over the previous month, while the number of persons unemployed in the city increased by 2.7 percent (Table 2).

The unemployment rate in the city continued to either beat or match the national unemployment rate for the eighth consecutive month. The city outperformed the national rate by a 0.2 percentage point positive gap in September. A positive gap means that the city's rate is lower than the nation's (Figure 4).

Figure 5 depicts the number of employed persons living in the city for the month of September as 567,951. This represents a decrease from August's level of 572,405. September is the first month since March 2008 that the number of employed persons living in the city dipped below the previous post-recession high value of 569,249 in November 2007.

Dallas payroll employment levels (jobs in Dallas that could also be held by non-residents) experienced a small increase for the month of September. Initial Office of Economic Development estimates show that payroll employment increased by 0.16 percent annualized in September to approximately 1.086 million, which follows August's revised total of more than 1.085 million. Education and Health Services led the way, adding 1,305 jobs.

**Table 1.**  
**ANNUAL UNEMPLOYMENT RATES**

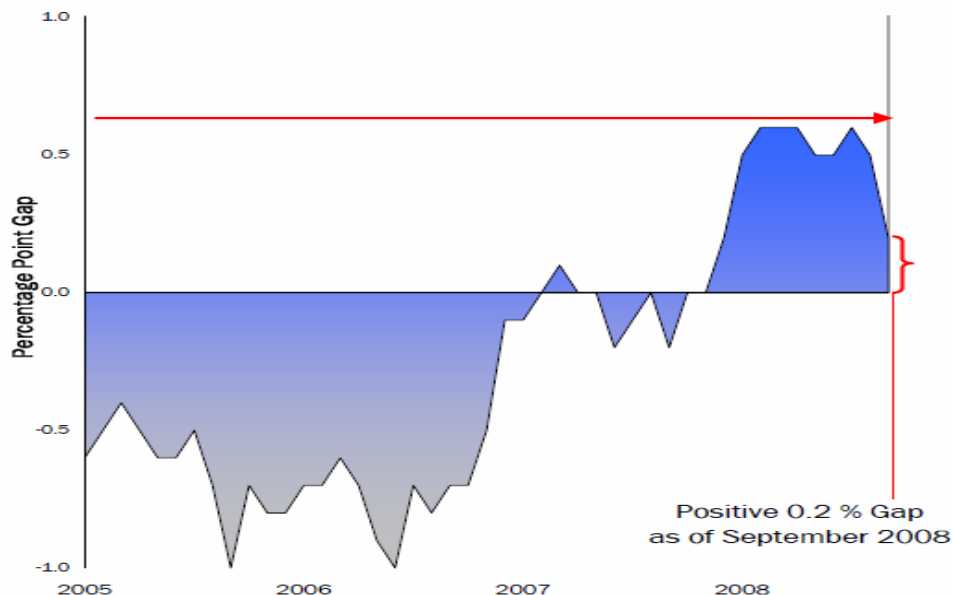
	2008 Sept	2008 August	Point Change
City of Dallas	5.8	5.6	0.2
DFW MSA	5.3	5.1	0.2
Texas	5.2	5.1	0.1
U.S.	6.0	6.1	-0.1
Largest U.S. Cities Avg.*		7.7	

**Table 2.**  
**CITY OF DALLAS LABOR FORCE (PERSONS)**

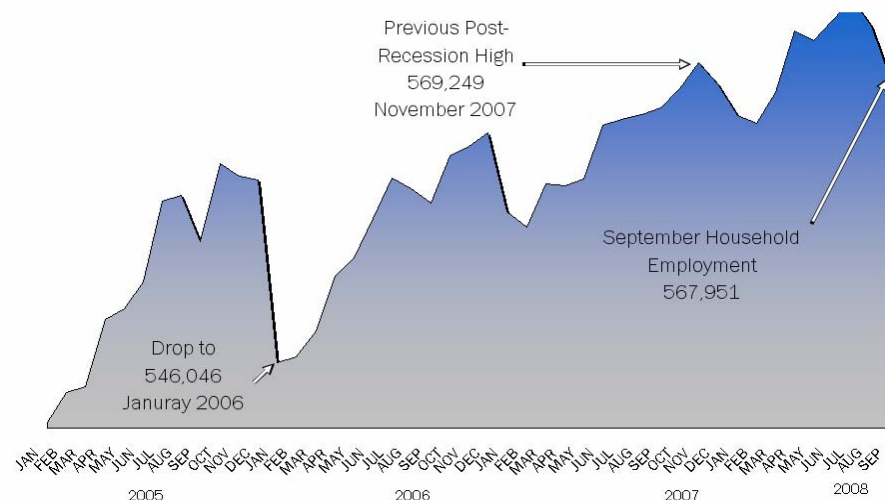
	Unem- ployed	Labor Force
2008 Sept	35,024	602,975
2008 August	34,115	606,177
Change	909	-3,202
% Change	2.7	-0.5

**SOURCE: TEXAS WORKFORCE COMMISSION, U.S. BUREAU OF LABOR STATISTICS, VALUES NOT SEASONALLY ADJUSTED.**  
\* LARGEST U.S. CITIES EXCLUDING DALLAS ARE: NEW YORK, LOS ANGELES, CHICAGO, HOUSTON, PHOENIX, PHILADELPHIA, SAN ANTONIO, SAN DIEGO, SAN JOSE AND DETROIT.

**Figure 4.**  
**CITY OF DALLAS—U.S. UNEMPLOYMENT GAP**



**Figure 5.**  
**CITY OF DALLAS EMPLOYMENT**



## DALLAS CLIMBS 'BEST PERFORMING CITIES' LIST

Dallas continues to place high on rankings of local economic strength, jumping to #23 overall among the nation's largest 200 metropolitan areas for job creation and economic growth.

Compiled annually by the Milken Institute of California, a think tank dedicated to financial innovation and global economic efficiency, the *Best Performing Cities* list ranks the top 200 largest and 124 smallest Metropolitan Statistical Areas (MSAs) based on a variety of factors, including:

- Five- and one-year job growth
- Five- and one-year wages/salary growth
- Five- and one-year high technology output growth
- High technology industry specialization

The Dallas-Plano-Irving MSA improved from #59 last year to #23, reflecting a strong local tech sector and a steady local economy in the face of national economic uncertainty.

Four other Texas metropolitan areas - Austin, Fort Worth, Houston and San Antonio - were also ranked among the top 20 metros with population greater than 1 million (Figure 6). Table 3 shows the top 20 metros, the current and previous rankings, and the change from 2007 to 2008.

-Tim Glass

**Figure 6**  
**TOP 20 BEST-PERFORMING METROPOLITAN AREAS**  
**WITH POPULATIONS OVER 1 MILLION**



Table 3 Top 20 Metros Over 1 Million	2008 Rank	2007 Rank	Change 07-08
Raleigh-Cary, NC MSA	2	10	+8
Salt Lake City, UT MSA	3	18	+15
Austin-Round Rock, TX MSA	4	20	+16
Orlando-Kissimmee, FL MSA	11	5	-6
San Antonio, TX MSA	15	43	+27
Houston-Sugar Land-Baytown, TX MSA	16	32	+16
Seattle-Bellevue-Everett, WA MD	17	77	+60
Nashville-Davidson-Murfreesboro-Franklin, TN MSA	22	61	+49
Dallas-Plano-Irving, TX MD	23	59	+36
Charlotte-Gastonia-Concord, NC-SC MSA	26	23	-3
Portland-Vancouver-Beaverton, OR-WA MSA	28	38	+10
Fort Worth-Arlington, TX MD	29	60	+31
Phoenix-Mesa-Scottsdale, AZ MSA	32	4	-28
Jacksonville, FL MSA	39	39	0
Washington-Arlington-Alexandria, DC-VA-MD-WV MD	41	37	-4
Denver-Aurora, CO MSA	44	106	+62
Oklahoma City, OK MSA	50	108	+58
Riverside-San Bernardino-Ontario, CA MSA	53	3	-50
Sacramento-Arden-Arcade-Roseville, CA MSA	58	25	-33
Atlanta-Sandy Springs-Marietta, GA MSA	59	86	+27