



May 2009

A MONTHLY BRIEFING

In this issue of *D Economy* learn about a new senior citizen residential development (page 2) and about the decrease in the city unemployment rate (page 3). Also, read about a new Office of Economic Development publication, the *Dallas Development Atlas* (page 4).

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City of Dallas

OFFICE OF ECONOMIC DEVELOPMENT

DFW Fares Well in Global Competitiveness Report

The Dallas Regional Chamber recently released a new report, *Global DFW*, that examines Dallas-Fort Worth's place among the world's economic powerhouse cities. Overall, the report ranks Dallas as the 10th most globally competitive city among twenty-one selected global business centers.

Global DFW ranks Dallas' business competitiveness on the international stage, looking at five key areas: talent, access, resources, business climate and quality of life (Table 1). These five areas and their 27 associated indicators are commonly accepted in academic and professional circles as being closely related to a region's desirability as a center of commerce.

Dallas ties at 11th place for talent, which examines the current and future capacity of the local labor force. Workers' technology skills and future capacity as measured by local Nobel Prize winners and Top 500 universities were above average.

A second key area is access, which refers to access to markets, suppliers and other related operations. Dallas places tenth on this ranking, buoyed by the area's central geography and by Dallas/Fort Worth International Airport. However, Dallas' lack of water access lowers the region's ranking.

Resources considers the business infrastructure needed to support advanced operations and innovation. Dallas ties for 10th with Houston. Although Dallas tied for an eighth place ranking for the number of local Global 500 headquarters indicator, the other three indicators were either at the state or national level, as local figures were unavailable.

Business Climate is a measure of a region's regulatory environment and cost of doing business. Dallas has a strong showing here, tied for second place.

Dallas' low office and other business costs, as well as the strengths of the U.S. political and economic systems, account for its high ranking.

Quality of Life considers health, safety and well-being. Dallas ranks 4th and 5th on cost of living and gross product per capita, respectively. Overall, DFW is in a four-way tie for 8th place.

Dallas' rankings in the five key areas are either in the middle of the pack or better, a showing that proves the city belongs in the higher echelons of global leaders. Only London, Los Angeles, Chicago and Houston have similar results.

-Sonya Smith

Table 1. *Global DFW Metro Rankings.*
Source: Dallas Regional Chamber.

City	Overall Rank	Talent	Access	Resources	Business Climate	Quality of Life
Tokyo	1	2	2	1	14	1
New York	2	1	3	3	8	12
Paris	2	5	3	2	18	4
Toronto	4	2	19	5	11	2
London	5	2	9	7	10	5
Los Angeles	6	7	5	9	4	6
Frankfurt	7	7	5	8	15	2
Amsterdam	8	6	14	13	6	8
Chicago	8	9	10	5	7	8
DFW	10	11	10	10	2	8
Houston	10	11	10	10	5	8
Singapore	12	11	8	12	1	16
Atlanta	13	14	10	15	2	12
Melbourne	14	9	20	14	12	7
Miami	14	17	15	19	8	14
Hong Kong	16	15	1	15	13	15
Seoul	17	15	7	3	15	18
Shanghai	18	17	16	17	20	20
Sao Paulo	19	17	17	20	21	19
Mumbai	20	20	18	18	19	21
Monterrey	21	21	21	21	17	17

Center City News

■ The Woodall Rodgers Park Foundation has announced that construction of the 5-acre park that will cover Woodall Rodgers Freeway between St. Paul and Pearl Streets should begin in late August (Council District 14). The Foundation has raised \$77 million to give the construction the go-ahead, although utility work has already begun. Federal stimulus funds for the project total \$16.7 million, and the Foundation plans to raise another \$20 million to \$25 million for various park amenities, such as wireless internet and water features. Construction of the deck is projected to be complete by fall 2011, and the park should be ready for public use by 2012.

SOURCE: DALLAS MORNING NEWS, MAY 1, 2009.

■ D Magazine will be moving its offices downtown to 750 N. St. Paul in September (Council District 14). The magazine and its related publications will move into 23,000 square feet of St. Paul Place, and it will have exterior signage on the building. About 113 people work for the magazine and its newspapers.

SOURCE: DALLAS MORNING NEWS, MAY 4, 2009 AND DALLAS BUSINESS JOURNAL, MAY 5, 2009.

■ Frozen yogurt chain Red Mango is relocating its headquarters from Sherman Oaks, California to its current franchising office at 2811 McKinney Avenue in Dallas (Council District 14). About 12 California employees will begin moving in July. Red Mango plans to open its first Dallas store in August, with plans for 30 or 40 to open in North Texas in the next five to six years. Red Mango cites Dallas' embracing of franchising and its central logistical advantages as reasons for the move.

SOURCE: DALLAS BUSINESS JOURNAL, MAY 8, 2009

■ The developer of the Aloft hotel, located at 1033 Young Street downtown, is betting that a future Dallas convention center hotel will positively affect his hotel nearby (Council District 2). Until the new convention center hotel is completed in a few years, Aloft will be closest hotel to the convention center once it opens in September. The 193-room hotel is being crafted from the long vacant Santa Fe Freight Terminal warehouse, which was built in 1924. The \$41 million project is receiving approximately \$4.3 million in tax increment financing funds. The developer and other downtown boosters are hoping that the Aloft hotel along with the convention center hotel will bring shops, restaurants and pedestrians to the area that now largely consists of parking lots and government buildings.

SOURCE: DALLAS MORNING NEWS, MAY 27, 2009.

Real Estate News

■ Concorde Career College will open a 45,630-square-foot campus in the Northpointe Medical Arts building at 12606 Greenville Avenue later this year (Council District 11). The campus will initially offer classes in medical and dental assisting and insurance coding and billing, with enrollment expected to reach 700 in three years. Employment at the campus will be 40 to 50 people. Concorde also has a smaller campus in Arlington. SOURCE: DALLAS BUSINESS JOURNAL, MAY 8, 2009.

■ McCarthy Building Companies is moving its headquarters from Addison to Dallas in the Coit Central Tower (Council District 11). McCarthy will lease 15,000 square feet in the building to house 41 employees, and it will have get signage facing North Central Expressway on the new building. SOURCE: PEGASUSNEWS.COM, MAY 15, 2009.

■ The new Heights at Park Lane apartment tower across North Central Expressway from NorthPark Center is about 40 percent leased after being open only a few months (Council District 13). The 325-unit apartment complex consists of three buildings with 20, 15 and 4 stories. With its views of the city and walking distance to the Park Lane DART Station, NorthPark and the retail behemoth that will be the Park Lane development upon completion, the Heights at Park Lane is a unique product for Dallas. Its location half way between downtown and the LBJ Freeway can draw renters from a large market area.

SOURCE: DALLAS MORNING NEWS, MAY 22, 2009.

Southern Dallas News

■ Groundbreaking was held on May 5 for a new senior citizen residential development located at 3326 Mingo Street (Council District 7). Carpenter's Point has 150-units, and it fulfills a need for affordable rental housing for seniors in the area. It will have on-site supportive services such as health screenings and counseling. SOURCE: CITY OF DALLAS.

■ Espumoso Café has opened in the Bishop Arts District (Council District 1). Spanish for frothy or foaming, Espumoso Café is a coffee shop that also offers smoothies, ice cream, pastries and nutritional products. The owners also plan to display local artwork in the café. SOURCE: OAK CLIFF PEOPLE, MAY 7, 2009.

Employment

The unemployment rate decreased considerably for the region and nation in April 2009. For the city, the unemployment rate fell from 7.3 percent to 6.8 percent, a drop of 0.5 percentage points. The state declined by 0.3 percentage points to reach 6.4 percent. While both the MSA and the nation fell by 0.4 percentage point to settle at 6.6 percent and 8.6 percent respectively. (Table 2).

Dallas continued its trend of either beating or matching the national unemployment rate for the fifteenth consecutive month. In April, the city outperformed the nation by a 1.8 percentage point positive gap (Figure 1).

The number of Dallas residents employed reversed the recent downward trend, growing to 548,537 (Figure 2). Despite the increase, employment continues to be lower than the July 2008 high value of 574,118.

For the first time in 2009, Dallas is experiencing an increasing labor force occurring in the same month as a decrease in the number of persons unemployed. The labor force increased by 2,033 persons, while the number of unemployed people decreased by 2,472. This change in recent events could point to improving economic activity in the city (Table 3).

Despite this positive news, jobs in the Dallas city limits remained constant. Initial Office of Economic Development estimates show payroll employment at approximately 1.057 million for the month of April, which is similar to the previous month. Leisure and Hospitality had the largest job growth (2,153 jobs), while Professional and Business Services experienced the largest decrease in jobs, with a total of 1,766.

-Moses Pologne

Table 2.
ANNUAL UNEMPLOYMENT RATES

	2009 Apr	2009 Mar	Point Change
City of Dallas	6.8	7.3	-0.5
DFW MSA	6.6	7.0	-0.4
Texas	6.4	6.7	-0.3
U.S.	8.6	9.0	-0.4
Largest U.S. Cities Avg.*		10.7	

Table 3.
CITY OF DALLAS LABOR FORCE (PERSONS)

	Unem- ployed	Labor Force
2009 Apr	40,305	588,842
2009 Mar	42,777	586,809
Change	-2,472	2,033
% Change	-5.8	0.3

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 1.
CITY OF DALLAS—U.S. UNEMPLOYMENT GAP

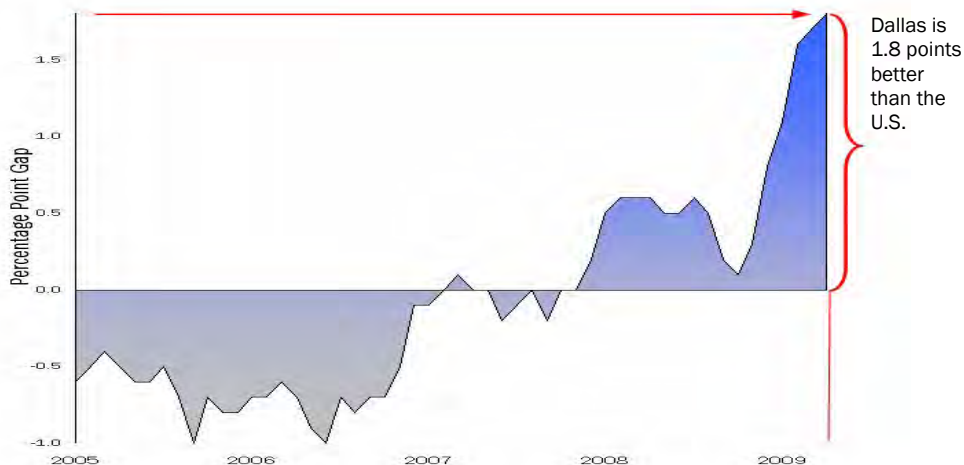
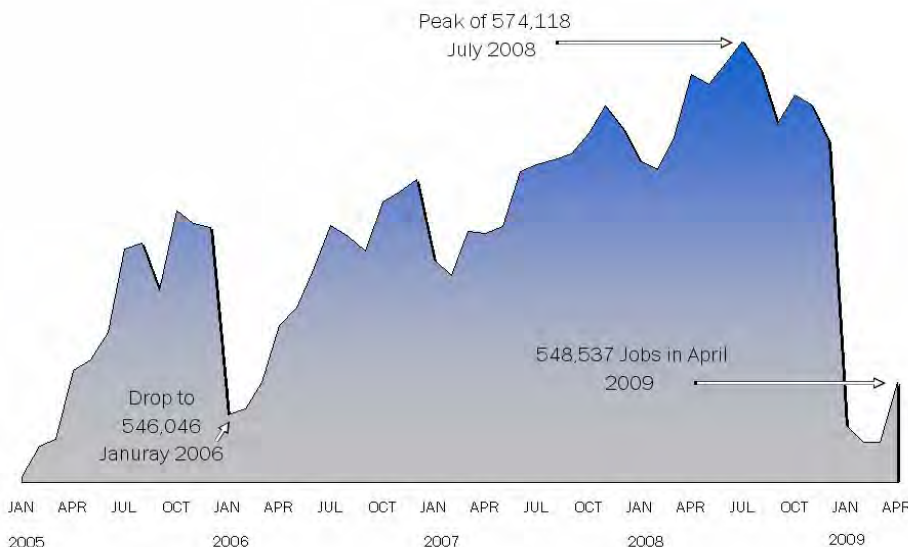


Figure 2.
CITY OF DALLAS EMPLOYMENT



NEW DEVELOPMENT ATLAS TELLS DALLAS' STORY

The Office of Economic Development (OED) recently completed the first five sections of the ten-section *Dallas Development Atlas*, which provides historical trends and descriptions of how the City of Dallas has changed and grown over the years. It puts different aspects of the city's changes into an historical perspective so that the present as well as the future might be better understood. The *Atlas* mainly uses Census data and takes a more strategic, long-term look than other OED publications.

The first five sections cover population, transportation, land use, housing and economic activity. *Population* explores demographic trends and comes to a few conclusions: Dallas' population growth since 1980 has been driven by Hispanic residents; unlike the U.S., our median household size continues to grow; and population growth will necessitate greater density.

The transportation infrastructure of Dallas and DFW are investigated in the transportation section of the *Atlas*. Dallas has a complex intermodal transportation system that provides multiple options for passengers and freight, which is especially important to the region's economy given the city's central geographic location in the U.S. The section reports that the city's transportation system is growing and adapting as Dallas changes, with new light rail lines and toll roads adding to the regional transportation network.

Land Use looks at changes in property values, development patterns, land use and the built environment over the last 25 years. The patterns show that development activity is transitioning from what remains of the city's undeveloped land at the city boundaries to redevelopment efforts in fast-growing neighborhoods. Major catalyst projects such as the Lake Highlands Town Center are defining this development trend. It also finds that in real terms, total real estate values have recovered from the slowdown of the mid-1990s and are surpassing the peaks of the 1980s. One notable change since 2000 is that residential properties now surpass commercial properties' share of the total tax base.

The housing section of the *Development Atlas* explores changes in Dallas residents' housing patterns over the past 25 years. The data show that the housing mix has remained consistent from 1990 to 2000, with 52 percent of housing units classified as multifamily and 45 percent classified as detached single family homes. Most new home growth has occurred at the northern and southern boundaries, and multifamily growth has been primarily infill and redevelopment of urban

neighborhoods (especially Uptown, Oak Lawn and downtown). Nearly half of residents living in single family homes have lived in their homes for more than a decade (Figure 3). It also finds that that southern Dallas lags behind northern Dallas in home price growth, with Oak Cliff the notable exception.

The fifth section looks at the Dallas economy and how public and private activities are transforming neighborhoods and business districts. The section determines that Dallas is a major corporate center with a diverse economy that remains strong in the face of economic adversity.

The remaining five sections of the *Atlas* will be released through the end of the year. The whole *Atlas* will be updated after 2010 Census data is released. To read the new *Dallas Development Atlas*, go to http://www.dallas-ecodev.org/data_atlas.html.

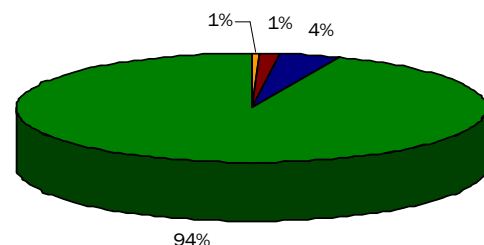
Figure 3.
City of Dallas Owner-Occupied and Renter-Occupied Housing Tenure



Owner-Occupied



Renter-Occupied



Source: U.S. Census, 2000.