

Town of Addison, Texas

Economic Development Strategic Plan

Executive Summary

April 2019

Executive Summary

Provided to:

Orlando Campos

Director of Economic Development & Tourism

Town of Addison, Texas

5350 Belt Line Road

Addison, TX 75254

972.450.7034

ocampos@addisontx.gov

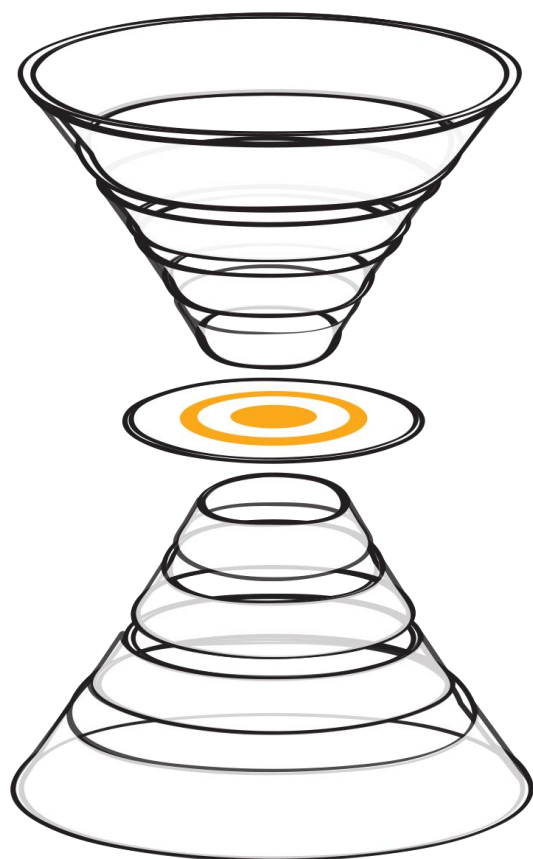
Introduction	4
Economic Development 360™ Framework	7
Key Themes from Market Assessment and On-Site Visit	10
Target Industry Summary	26
Addison Regional Positioning	28
Strategic Plan Summary	36



Introduction

Project Process

The Town of Addison adopted a community-wide economic development strategic plan in 2010, and has since completed all of the goals they set out to accomplish, including establishment of the Economic Development & Tourism Department. The community wanted to create a new plan with short-, intermediate-, and long-term goals to accomplish. Below is a summary of the steps that have been taken to complete this plan update.



PHASE 1: DISCOVER

- Project Initiation Teleconference
- On-Site Addison Introduction Meeting
- Addison Market Assessment
- On-Site Visit(s)
- Talent-Led Cluster Analysis
- Initial Report

PHASE 2: DISTILL

- Positioning for the Region
- Positioning for Target Clusters
- Vision and Goals Session
- Gap Analysis

PHASE 3: DO

- Economic Development Framework
- Strategic Placemaking Framework
- Final Presentation

Project Process

Ady Advantage collected key data on the Town of Addison from secondary research through its market assessment. This phase of the project helps the consulting team to start developing hypotheses to test while on-site and key data points to verify. Much of the data collected was similar to the types of data that site selectors will use when comparing locations related to business costs, business conditions and quality of life.

The fieldwork portion of the research included five consultants on-site for a total of nine man-days. Interviews and focus groups were conducted with over 75 individuals representing a broad spectrum of viewpoints. Stakeholders included Town of Addison employees and city government representatives, business support organizations, local employers, aviation/airport representatives, educational representatives, residents, young professionals, entrepreneurs, real estate representatives and developers.

Below is a list of all organizations included in the fieldwork:

PARTICIPATING ORGANIZATIONS			
15777 Quorum by Cortland	EarthWater	Methodist Hospital	Post Properties
Addison Strategic Plan Special Projects Committee	ESRP	Metrocrest Chamber	SBDC
American Flyers	George H. W. Bush Elementary	Metrocrest Services	Splash Media
Ameristar Jet Charter	Greater Dallas Chamber of Commerce	Metroplex Inspections	Stream Energy
Aerospace Quality Research and Development	Greenhill School	Million Air	Sunwest Real Estate
Brookhaven College	InTown Homes	Mission Companies	Town of Addison (including its Councilmen)
Carrollton-Farmers Branch ISD	Kenny's Italian Kitchen	NAI Robert Lynn	Trinity Christian Academy
Chamberlain's Steak and Chop House	Lone Star Analysis	North Dallas Chamber	UDR
Collide Village	Marriott Hotel	Pickup Now	Willmax Capital
Dallas Innovation Alliance	Martinaire Aviation	Plane Smart	



Economic Development 360™ Framework

Current Status

Founded in 1953, the Town of Addison has a long history of being forward-thinking in its economic and community development efforts, focus and initiatives. With just 4.4 square miles of land, Addison is home to about 15,500 people, 190 restaurants, 23 hotels and over 1,600 businesses. Many well-known companies have headquarters or regional offices in Addison, including Google, Mary Kay, Concentra, Softek, USAA, and many more. The Town has unique demographics in that nearly 50 percent of its residents are between the ages of 25 and 44, and its average educational attainment is much higher than comparison regions.

In recent years, there have been significant changes impacting the Addison economy, many of which are outside of its control. Some of these challenges include:

- Addison has a population of 15,500 residents who live in the region and a population of 125,000 during the day, consisting of people who commute to the Town to work. In light of the expansive growth of competition from other locales, this reality could become a greater threat if actions are not taken.
- Because of its history of growth, there is a lack of available land for development. In addition, there is little land controlled directly by the Town.
- There is an increased gravitational pull northward for businesses and talent, supported by land for development and incentives. Competing communities and developments in the region are often referred to as “the shiny new penny.”
- The Town, once considered to be the north edge of Dallas, is now becoming the center of a bigger North Dallas region. Due in part to the growth in the region, there is perceived increased traffic and congestion impacting Addison businesses, residents and commuters (despite traffic data showing a decrease of traffic on Belt Line Road).

The Town also has some very unique assets and opportunities that can be leveraged to support continued growth, such as:

- Central location within the Dallas-Fort Worth region, one of the largest and fastest-growing regions in the country
- Proximity to three airports: Addison Airport, located in the Town, and DFW and Dallas Love Field Airport
- The new DART station and line – the Cotton Belt Rail Line
- A large number of popular restaurants and high-profile events
- A concentration of high quality multifamily and rental apartments
- A community with a unique, urban neighborhood fabric not found elsewhere in the region

As a result of these dynamics, the Town of Addison has chosen to be proactive about how it applies its principles of being forward-thinking and customer-oriented to help shape the future of its Town and its role.

Economic Development 360™ Framework

THE ADDISON WAY

Based on interviews conducted as part of this research, Addison is considered business-friendly, progressive, entrepreneurial, collaborative, and innovative. This audience/customer-focused approach to decision making by the municipality and its staff is known as “The Addison Way”.

THE ECONOMIC DEVELOPMENT 360™ FRAMEWORK

The framework for this summary report is organized through an audience-focused lens. This report will explore the needs of each of the audiences collected through desk research, survey tools and on-site investigation. Themes include traditional business development topics, as well as those related to talent and placemaking.

AUDIENCE DEFINITIONS

Businesses

This category includes the existing 1,600 businesses in Addison, the 190 restaurants, and the 23 hotels. It also includes prospective businesses, especially those in Addison’s identified target industries. For purposes of this assessment, we have grouped them into two audiences which capture most of the businesses in the Town, although admittedly not every business may fit in one of these categories and some may fit in both.

- **Retail, restaurants and hospitality** – This includes businesses gaining most of their sales locally.
- **Other private-sector employers** (*office, transportation/distribution, R&D, and manufacturing sectors*) - This includes businesses gaining most of their sales from outside the local area.

People

This category includes people who live, work, and/or play in Addison. Addison has a daytime population of 125,000 people that include residents, employees and visitors. Note that each group is not mutually exclusive to one another, although the needs of each group are distinct.

- **Single-Family Housing Residents** – This includes those Addison residents who live in single-family housing.
- **Multifamily Housing Residents** - This includes those Addison residents who do not live in single-family home, such as condos, apartments, etc.
- **Addison Employees** - This includes daytime population of commuters who work in Addison.
- **Visitors**– This includes those people who attend one or more of Addison’s three big annual events and/or other tourist activities.



Key Themes from Market Assessment and On-Site Visit

Key Topics/Themes

The following report section serves as a summary of key topics/themes identified throughout the desk research and field research. Opportunities and challenges related to each topic will be identified in this report. The main themes are as follows:

Key Topics/Themes	
Doing Business	Ease of Doing Business
	Real Estate
Talent	People Growth
	Education
	Housing
Accessibility	Infrastructure
	Airport
	DART
	Walkability/Bikeability
Quality of Place	Restaurants
	Events/Night Life
	Retail/Shopping
	Parks and Community Amenities

For each topic, we have summarized the perceived relevance of that topic to the identified audiences. The perceived relevance rating is determined as follows:



Directly Relevant to Audience



Indirectly Relevant to Audience
(e.g., housing may not be directly relevant to employers, but in order for them to be able to attract talent, it is relevant)



Limited Relevance to Audience



No Relevance to Audience

Key Themes – Doing Business

EASE OF DOING BUSINESS

Current Conditions Analysis

- Addison has the benefit of being located in one of the fastest growing metro areas in the country, with a strong economic development presence and business community. This central location within the North Dallas corridor also provides a benefit of being able to pull talent from a large talent pool from all directions.
- Historically, Addison has been considered business-friendly, progressive, entrepreneurial, collaborative, innovative, etc.; however, many stakeholders noted that it is becoming more conservative, less innovative and less business-friendly. Zoning and permitting have become challenges for several projects, including hangar space at the airport, etc.
- There have been changes in local government over the past few years, which in some instances, has been a point of contention.
- Addison is home to over 1,600 businesses and it is a hub for small to mid-sized companies and entrepreneurship. Addison Treehouse provides support to local entrepreneurs and currently houses 60 entrepreneurs. It has been a successful program for Addison; however, several stakeholders feel that it has become stale and tired, and now there are several other options in the region for entrepreneurs. There also seems to be a lack of start-up capital and funding to get companies to the next level in Addison, such as Series A.
- Several businesses, entrepreneurs and young professionals noted that they would like to see more business-to-business networking opportunities.
- There is increased competition for businesses in other growing Dallas suburbs, such as Frisco and Plano, both of which have more developable land and large incentives packages. Addison is not one of the most competitive areas in the region in terms of incentives.
- The Town does not have the full economic development sales tax option like other Texas communities (due to DART contribution).

Perceived Relevance by Audience

	Businesses		People			
	Retail, Restaurants and Hospitality	Other Private-Sector Employers	Single-Family Housing Residents	Multifamily Housing Residents	Addison Employees	Visitors
Ease of Doing Business	★ ★ ★	★ ★ ★	★	★	★	☆

Key Themes – Doing Business

REAL ESTATE

Current Conditions Analysis

- The Real Estate and Rental and Leasing industry (NAICS 53) in Addison has experienced four percent growth in the past five years and is projected to continue to grow by about two percent over the next ten years.
- Addison has over 11 million square feet of office space with an average lease rate of \$24.52/SF; 2 million square feet of retail space at an average of \$19.39/SF; and 2.6 million square feet of industrial space at an average of \$7.12/SF. However, at only 4.4 square miles, the Town is nearly built out and there are very few site options. This has caused a shift of focus to redevelopment opportunities.
- The Addison Airport has some hangar space and other areas for aviation-related development.
- While several office buildings in Addison are in need of modernization and potentially redevelopment and/or conversion to other use(s), office towers along the Tollway are attractive, well-kept and continue to attract businesses. Participants in the real estate focus group noted that Addison is a great location for small clients needing 10,000 – 20,000 square feet of office space.
- Addison has a small lease cost advantage over Dallas, Frisco, and Plano; however, it is still financially limiting for entrepreneurs and small businesses. Lease terms can also be a deterrent for these types of businesses.
- In general, Dallas County tax rates tend to be high compared to the surrounding region.
- Unfavorable parking ratios were also mentioned by several stakeholders.



Samples of Office Space Available in Addison

Perceived Relevance by Audience

	Businesses		People			
	Retail, Restaurants and Hospitality	Other Private-Sector Employers	Single-Family Housing Residents	Multifamily Housing Residents	Addison Employees	Visitors
Real Estate	★ ★ ★	★ ★ ★	★	★	★	★

Key Themes - Talent

PEOPLE GROWTH

Current Conditions Analysis

- Companies in Addison have access to a large labor pool. The Dallas-Fort Worth metro area is the fourth most populous metro area in the U.S. and one of the fastest growing metro areas. The centralized location of Addison allows it to pull talent from all directions. However, its location also creates wage pressure.
- Addison has a high concentration of finance-related occupations, such as : Loan Interviewers and Clerks; Insurance Claims and Policy Processing Clerks; Insurance Appraisers; Loan Officers; Credit Authorizers; Credit Analysts; and more.
- Addison residents are a very highly-educated population. About 55 percent of residents have a four-year degree or higher, and 18.7 percent have a graduate degree or higher, compared to the U.S. average for four-year degrees (29.3 percent) and for graduate degrees (11.1 percent).
- Nearly half of Addison residents fall into the age group between 25 and 44.

Perceived Relevance by Audience

	Businesses		People			
	Retail, Restaurants and Hospitality	Other Private-Sector Employers	Single-Family Housing Residents	Multifamily Housing Residents	Addison Employees	Visitors
People Growth	★ ★ ★	★ ★ ★	★ ★	★ ★	★	★

Key Themes - Talent

EDUCATION

Current Conditions Analysis

- About 13 percent of the population in Addison falls into school age range. Students in Addison are served by Dallas Independent School District and Carrollton-Farmers Brand Independent School District. Addison has a public elementary school, George H. W. Bush Elementary and two private K-12 schools (Greenhill School and Trinity Christian Academy). There are no public high schools in the Town of Addison.
- Stakeholder input confirmed that there are negative perceptions of the public-school options in Addison, and that the private schools have a better reputation. Based on community survey responses, the quality of Addison's schools was rated 3.06 on a 5-point scale where 1 is poor and 5 is excellent, just slightly above average (3).
- Stakeholders also indicated that many children attending the private schools in Addison are from outside of Addison.
- The Dallas ISD partners with the Dallas County Community College District to create collegiate academies which allow high school students to earn college credit tuition-free.

Perceived Relevance by Audience

	Businesses		People			
	Retail, Restaurants and Hospitality	Other Private-Sector Employers	Single-Family Housing Residents	Multifamily Housing Residents	Addison Employees	Visitors
Education	★ ★ ★	★ ★ ★	★ ★ ★	★ ★ ★	★ ★	★

Key Themes - Talent

HOUSING

Current Conditions Analysis

- Addison is known for several unique neighborhoods with housing options available, such as Addison Circle and Vitruvian Park.
- The current housing make-up in Addison is 83.9 percent multi-family housing, compared to 37.1 percent in Dallas County, and just 20 percent of the population in Addison owns a home, meaning the majority of the population are renters.
- Both renting and owning in Addison are expensive relative to comparison regions. The cost of living in Addison is 26 percent higher than the U.S. average, driven mostly by the high costs of housing (74 percent higher than the U.S. average). With a median home value (\$323,600) more than \$130,000 above the Dallas MSA average, many stakeholders noted that the housing in the Town, especially single-family housing, is not accessible to younger populations and those with lower incomes. Rent costs in Addison also tend to be higher than the Dallas-Fort Worth MSA, as well as Chicago, Kansas City and Austin MSAs.
- Nearly 35 percent of residents surveyed responded that “cost of living” was what they liked least about Addison, and when asked “what is one priority that you would like the Town to focus on in the next two or three years?”, the most frequent response was affordability of housing.
- Several stakeholders also mentioned the fact that the amount of multi-family housing options does not lend itself to Addison being a family-friendly town. The high costs of the single-family housing also creates a challenge for younger populations that want to move from renting to owning.
- In the past several years citizens fought against new multi-family development, so there are mixed views on developing more multi-family housing options.
- Multiple studies have already been conducted on senior living options in Addison and it was determined that there were sufficient senior living options outside the Town of Addison; however, our primary research indicates that current residents want to stay in the Town of Addison and that there is insufficient senior living options within the Town.

Perceived Relevance by Audience

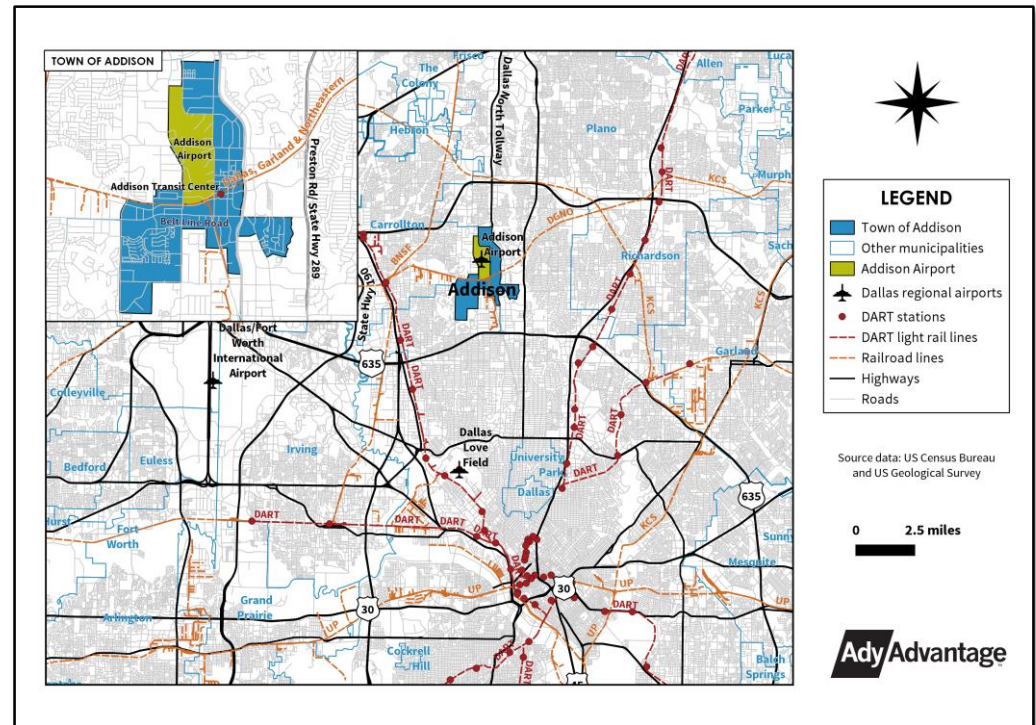
	Businesses		People			
	Retail, Restaurants and Hospitality	Other Private-Sector Employers	Single-Family Housing Residents	Multifamily Housing Residents	Addison Employees	Visitors
Housing	★ ★	★ ★	★ ★ ★	★ ★ ★	★ ★	★

Key Themes – Accessibility

INFRASTRUCTURE

Current Conditions Analysis

- Addison is in a unique location very central to the North Dallas growth corridor. The Dallas North Tollway runs through Addison, and just outside of Addison there is access to Interstate 635 TEXpress and Interstate 35E Express.
- Many stakeholders stated that the Belt Line and the Tollway areas through Addison are heavily congested with traffic and it has been getting worse. One of the points of congestion pointed out is the ingress/egress to the highways. However, per the Master Transportation Plan (MTP), vehicular traffic has actually been reduced since peak traffic in the 1990's with only limited areas that expect additional congestion in the future. Over 50 percent of community survey respondents indicated that they would like to see Addison improve its roads and transportation in the next two or three years.
- Several stakeholders mentioned that infrastructure has not kept pace with growth and that there is a lack of connectivity from centers of commerce to potential destinations within Addison.



Perceived Relevance by Audience

	Businesses		People			
	Retail, Restaurants and Hospitality	Other Private-Sector Employers	Single-Family Housing Residents	Multifamily Housing Residents	Addison Employees	Visitors
Infrastructure	★ ★ ★	★ ★ ★	★ ★ ★	★ ★ ★	★ ★ ★	★ ★ ★

Key Themes – Accessibility

AIRPORT

Current Conditions Analysis

- The Addison Airport, a general aviation airport focusing on corporate fleets, was highlighted as the region's greatest economic asset throughout the stakeholder and employer interviews and focus groups. However, many also feel that the airport is an underleveraged asset.
- Several stakeholders mentioned the idea of using the airport to attract residents and visitors to visit it by providing better restaurant and retail options, as well as hosting events at the airport.
- Construction is about to start on a 3rd fixed base operator. However, it seems to have been a challenge to get approvals on permitting for new hangar space.
- Companies and residents in Addison also have close access to the Dallas-Fort Worth International Airport, the fourth busiest airport in the U.S. and the Dallas Love Field airport, located just 12 miles outside of Addison.



Perceived Relevance by Audience

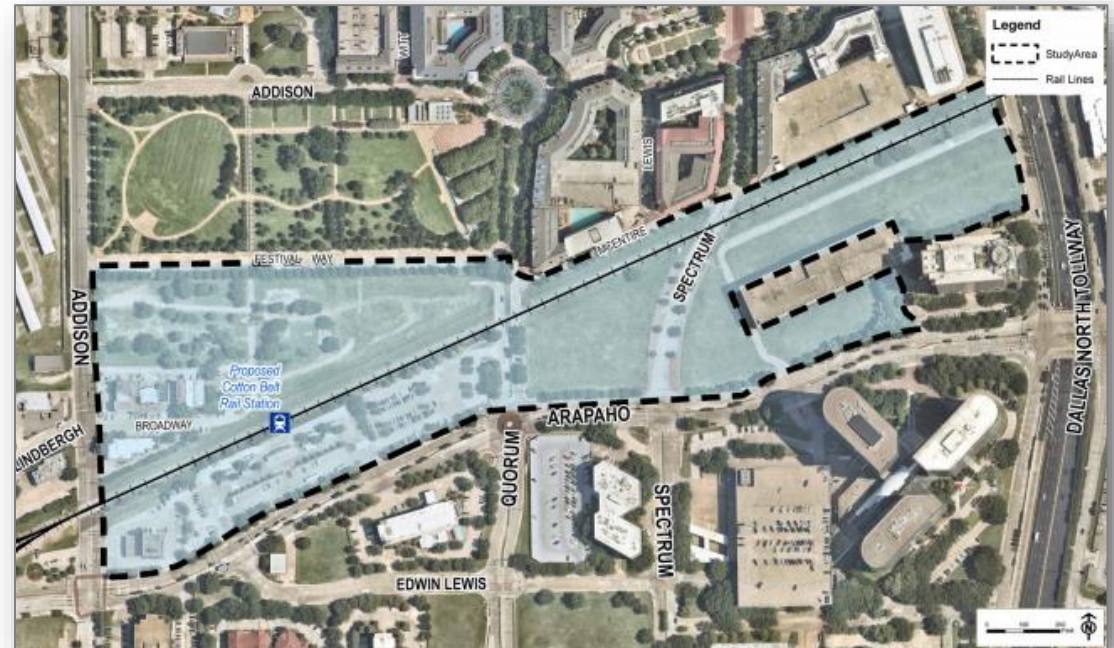
	Businesses		People			
	Retail, Restaurants and Hospitality	Other Private-Sector Employers	Single-Family Housing Residents	Multifamily Housing Residents	Addison Employees	Visitors
Airport	★ ★	★ ★ ★	★	★	★	★

Key Themes – Accessibility

DART

Current Conditions Analysis

- The Dallas, Garland and Northeastern Railroad (DGNO) runs through Addison from east to west, with a spur line to the south in the Inwood area. This line will be the home of the new Dallas Area Rapid Transit (DART) regional rail station called Addison Transit Center. The DART stop will be in the southwest corner of Addison Circle.
- Nearly all stakeholders agree that the new DART station will provide great opportunities for Addison in terms of connectivity. Several also mentioned that connecting this line to Dallas-Fort Worth can also be an opportunity.
- Several stakeholders feel that the new DART stop could be a good commute option for lower salaried or family oriented workers who cannot or choose not to live in Addison.
- The Addison Circle Special Area Study was recently completed and adopted by the City County. This plan establishes a vision/goals for the undeveloped and underdeveloped properties near Addison Circle and the future Cotton Belt rail station (see map right).



Source: Addison Circle Special Area Study, 2018

Perceived Relevance by Audience

	Businesses		People			
	Retail, Restaurants and Hospitality	Other Private-Sector Employers	Single-Family Housing Residents	Multifamily Housing Residents	Addison Employees	Visitors
DART	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★

Key Themes – Accessibility

WALKABILITY AND BIKEABILITY

Current Conditions Analysis

- According to Walk Score, Addison's walkability is a 50 on an index of 100. This is higher than comparison metro areas of Dallas (46), Kansas City (34), and Austin (40), but is lower than Chicago (78). The Walk Score exceeds 70 in some locations within Addison, providing a far greater walkable environment; however, a score of “70” is at the lower scale of a truly walkable neighborhood.
- There are several areas in Addison that are very walkable, such as Addison Circle; however, many stakeholders stated that there is a lack of connectivity between business, entertainment and residential areas within Addison, and that these places are not accessible via walking or biking. In addition to lack of pedestrian infrastructure, areas of town provide an auto-dominated physical form, including the presence of front-loaded parking and strip centers, which does not support a pedestrian friendly environment.
- Several stakeholders also discussed safety as a concern when walking or biking in Addison, especially near the Tollway bridge and the Belt Line.
- There is a lack of sidewalks in some areas of the Town, which further decreases walkability.
- Regarding bikeability, there are bike routes throughout Addison, but stakeholders are interested in seeing more bike trail options around the Town, so they can avoid using major roadways for biking. As referenced above, there is a question as to whether biking is not utilized/demanded by residents due to the lack of appropriate infrastructure, or whether such infrastructure is not a priority investment due to limited demand, at present.

Perceived Relevance by Audience

	Businesses		People			
	Retail, Restaurants and Hospitality	Other Private-Sector Employers	Single-Family Housing Residents	Multifamily Housing Residents	Addison Employees	Visitors
Walkability and Bikeability	★ ★	★ ★	★ ★ ★	★ ★ ★	★ ★ ★	★ ★ ★

Key Themes – Quality of Place

RESTAURANTS

Current Conditions Analysis

- Addison currently has about 190 restaurants and is well-known for "Restaurant Row". When asked what word or phrase comes to mind when you think about Addison, majority of respondents, including residents and non-residents, said "restaurants".
- Half of all respondents on the community survey responded that Addison's restaurants was what they like most about Addison, and only 14 percent of respondents indicated that this was something that they would like to see Addison improve over the next two to three years.
- From on-site research with stakeholders, it is evident that there is now more competition for restaurants with Frisco and Plano, and Addison has experienced a lack of new, unique restaurants over the past few years. Feedback suggested that Addison restaurants are no longer competitive.

Perceived Relevance by Audience

	Businesses		People			
	Retail, Restaurants and Hospitality	Other Private-Sector Employers	Single-Family Housing Residents	Multifamily Housing Residents	Addison Employees	Visitors
Restaurants	★ ★ ★	★ ★	★ ★ ★	★ ★ ★	★ ★ ★	★ ★ ★



Source: Addison Magazine and Town of Addison Website

Addison Dining Guide

There are 180+ reasons Addison is known as the restaurant capital of the U.S.

All Cuisine (239)	Barbecue(5)	Eolectic(6)	Mexican/South American(26)	Steak(5)
American(54)	Breakfast/Coffee(13)	Fast Food(7)	Pub/Grill/Venue(28)	Vegan(2)
Asian(26)	Catering(6)	International(11)	Seafood(6)	
Bakery/Dessert(5)	Deli/Cafe(17)	Italian/Pizza(18)		

Key Themes – Quality of Place

EVENTS/NIGHT LIFE

Current Conditions Analysis

- According to respondents of the community survey, nearly 50 percent said that Addison's special events was what they liked most about the Town. About 70 percent of non-residents said that this is what they liked most about Addison.
- Addison is well-known for its big three annual events – KaboomTown® (July), Oktoberfest (October), and Taste Addison (May), all of which have been very successful in drawing in visitors; however, some stakeholders expressed that Addison has not added new events/recreation in several years.
- A recurring theme during interviews was a lack of smaller scale and more frequent events. This is accentuated by the desire to better retain a portion of the daytime working population to remain in addition after work hours.
- There are 23 hotels in Addison, including 3 full-service hotels. The current hotels tend to cater more to business needs rather than attracting visitors as a destination.
- In 1975, residents voted to allow the sale of liquor by drink, which led to the high growth of restaurants in the region, but not necessarily high growth of bars, as the Town's zoning does not allow bars. Many stakeholders mentioned the lack of bars, live music and night life after 10:00 pm.

Perceived Relevance by Audience

	Businesses		People			
	Retail, Restaurants and Hospitality	Other Private-Sector Employers	Single-Family Housing Residents	Multifamily Housing Residents	Addison Employees	Visitors
Events/Night Life	★ ★ ★	★ ★	★ ★ ★	★ ★ ★	★ ★ ★	★ ★ ★

Addison's Big Three Events



Source: AddisonKaboomTown.com



Source: Addison Magazine



Key Themes – Quality of Place

RETAIL/SHOPPING

Current Conditions Analysis

- The Belt Line Road (West of Tollway) area is largely a retail/commercial corridor, replete with medium and big box stores, pad-style standalone restaurants, and numerous strip centers. However, at a national level, the nature of retail is changing significantly. Store footprints are shrinking dramatically while numerous national chains have either already gone defunct, or are at risk of doing so in the months and years ahead.
- Evolution of what had been retail-only land uses has begun in the area described above, particularly with the on-going construction of Addison Grove, a mixed-use development with a significant residential component.
- The Village on the Parkway Concept (East of Tollway) provides a range of retail and restaurant options, and stakeholders see this as an opportunity.
- When asked what they would like to see Addison improve in the next two or three years, 42 percent of survey respondents said its shopping and retail options. This was less important to non-residents. Many feel that there are limited shopping options in town.
- As mentioned previously, there is a lack of connectivity from centers of commerce to potential destinations within Addison.



Source: Tour Texas

Perceived Relevance by Audience

	Businesses		People			
	Retail, Restaurants and Hospitality	Other Private-Sector Employers	Single-Family Housing Residents	Multifamily Housing Residents	Addison Employees	Visitors
Retail/Shopping	★★★★	★★★	★★★★	★★★★	★★★★	★★★★

Key Themes – Quality of Place

PARKS AND COMMUNITY AMENITIES

Current Conditions Analysis

- According to the AARP Livability Index, on average, Addison has 2.2 parks per half-mile area, which is higher than the metro areas of Dallas (1.3), Kansas City (1.1) and Austin (0.8), but lower than Chicago (3.2).
- Community members seem to be satisfied with the quality and availability of parks in Addison. On a five-point scale, respondents to the community survey rated the *quality* of parks and recreation venues at a 3.92 and the *availability* of parks and recreation venues a 3.87. They also rated the quality of air, water and green spaces a 3.76 out of 5.
- About 25 percent of survey respondents, though, indicated that they would like to see Addison improve its "parks and recreational opportunities" over the next two or three years.
- Addison also has an Athletic Club with about 3,500 members. Facilities include swimming pools, a gymnasium, a indoor track, tennis and racquetball courts, and other fitness amenities. The Athletic Club is only available to Addison residents.



Source: Town of Addison

Perceived Relevance by Audience

	Businesses		People			
	Retail, Restaurants and Hospitality	Other Private-Sector Employers	Single-Family Housing Residents	Multifamily Housing Residents	Addison Employees	Visitors
Parks	★ ★	★ ★	★ ★ ★	★ ★ ★	★ ★ ★	★ ★ ★

Summary by Audience

The following serves as a summary of the perceived relevance by audience and by topic. This was used as a framework to understand the impact of various strategies on Addison's key audiences, as Ady Advantage developed the economic development strategic plan.

		Businesses			People				
		Retail, Restaurants and Hospitality	Other Private-Sector Employers	Avg. Importance	Single-Family Housing Residents	Non-Single-Family Housing Residents	Addison Employees	Visitors	Avg Importance
Doing Business	Ease of Doing Business	3	3	3	1	1	1	0	0.75
	Real Estate	3	3	3	1	1	1	0	0.75
Talent	People Growth	3	3	3	2	2	1	1	1.5
	Education	3	3	3	3	3	2	0	2
	Housing	2	2	2	3	3	2	0	2
Accessibility	Infrastructure	3	3	3	3	3	3	3	3
	Airport	2	3	2.5	1	1	1	1	1
	DART	3	3	3	3	3	3	3	3
	Walkability/Bikeability	3	2	2.5	3	3	3	3	3
Quality of Place	Restaurants	3	2	2.5	3	3	3	3	3
	Events/Night Life	3	2	2.5	3	3	3	3	3
	Retail/Shopping	3	2	2.5	3	3	3	3	3
	Parks	2	2	2	3	3	3	3	3



Target Industry Summary

Target Industry Summary

ON-SITE WORK SESSION SUMMARY

Based on the analysis of NAICS code and SOC code data as well as key findings from the on-site visit, Ady Advantage recommends the following industries as targets for Addison to focus on for business recruitment/attraction and retention activities. Each target industry will have a specific strategy, as well as a set of key competitive advantages of the Town/region.

Overarching Strategy:		
<ul style="list-style-type: none"> • Regional Offices and Headquarters – All of the industries below are recommended target industries for Addison. Focus within each of these industries should be on those operations that are regional offices/headquarters for companies in these industries. In cases where a company is looking for a Texas presence or a Southwest US operation, Addison can make a solid business case for locating in the Town. This will be explored further in the positioning section of this report. • Airport-Related Industries – There is land available at the airport that could support a new business. Many of the target industries below could focus on airport or aerospace-related services and support. 		
Target Industry	Examples of NAICS Codes of Focus	Comments
Information Technology	<ul style="list-style-type: none"> • Software Publishers (NAICS 511210) • Data Processing, Hosting, and Related Services (NAICS 518210) • Internet Publishing and Broadcasting and Web Search Portals (NAICS 519130) • Custom Computer Programming Services (NAICS 541511) • Computer Systems Design Services (NAICS 541512) 	This is a high-growth industry that already has a strong presence in Addison and the greater region. Addison has the talent to support this industry. The Dallas-Fort Worth region also offers several educational institutions with strong computer engineering/science programs.
Specialized Financial Services	<ul style="list-style-type: none"> • Credit Card Issuing (NAICS 522210) • International Trade Financing (NAICS 522293) • Financial Transactions Processing, Reserve, and Clearinghouse Activities (NAICS 522320) • Portfolio Management (NAICS 523920) • Claims Adjusting (NAICS 524291) 	Addison has a significantly high concentration in nearly every type of industry within finance and insurance. Many of these industries are projected to grow at a national level and Addison has the talent to support these operations.
Engineering and R&D Services	<ul style="list-style-type: none"> • Engineering Services (NAICS 541330) • Research and Development in Nanotechnology (NAICS 541713) • Other Scientific and Technical Consulting Services (NAICS 541690) 	Although these industries currently have a smaller concentration in Addison, however, they provide high-growth opportunities that could be taken advantage of by Addison. The Dallas-Fort Worth region offers several educational institutions with strong engineering programs. This may also provide opportunities for the airport.
Consulting Services	<ul style="list-style-type: none"> • Administrative Management and General Management Consulting Services (NAICS 541611) • Human Resources Consulting Services (NAICS 541612) • Marketing Consulting Services (NAICS 541613) • Process, Physical Distribution, and Logistics Consulting Services (NAICS 541614) 	As there are already a high number of business service related industries in Addison and the Dallas metro area, consulting services centered around helping these business grow could be a good fit for Addison. The talent for this industry exists in Addison and these industries are projected to grow at a national level.
Creative Services	<ul style="list-style-type: none"> • Advertising Agencies (NAICS 541810) • Public Relations Agencies (NAICS 541820) • Advertising Material Distribution Services (NAICS 541870) • Marketing Research and Public Opinion Polling (NAICS 541910) 	Addison has a history of being known as a creative community, which makes it a good home for a concentration of creative-related services. These industries have seen growth at a regional level, and are projected to continue to grow in the U.S.



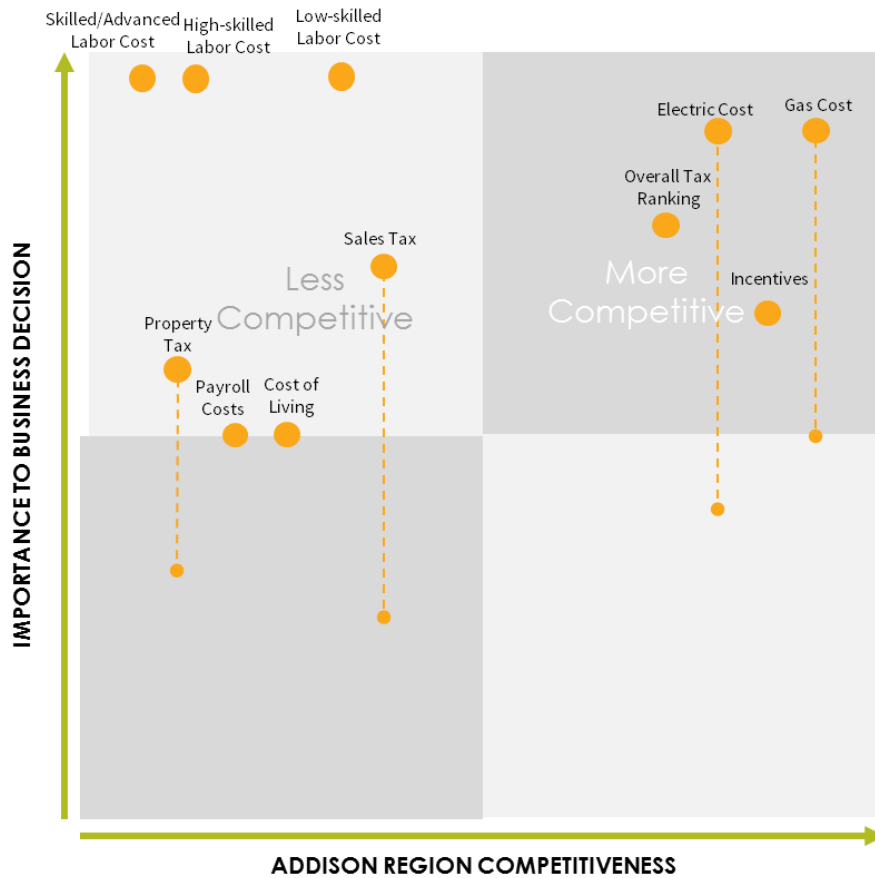
Addison Regional Positioning

Addison Regional Positioning

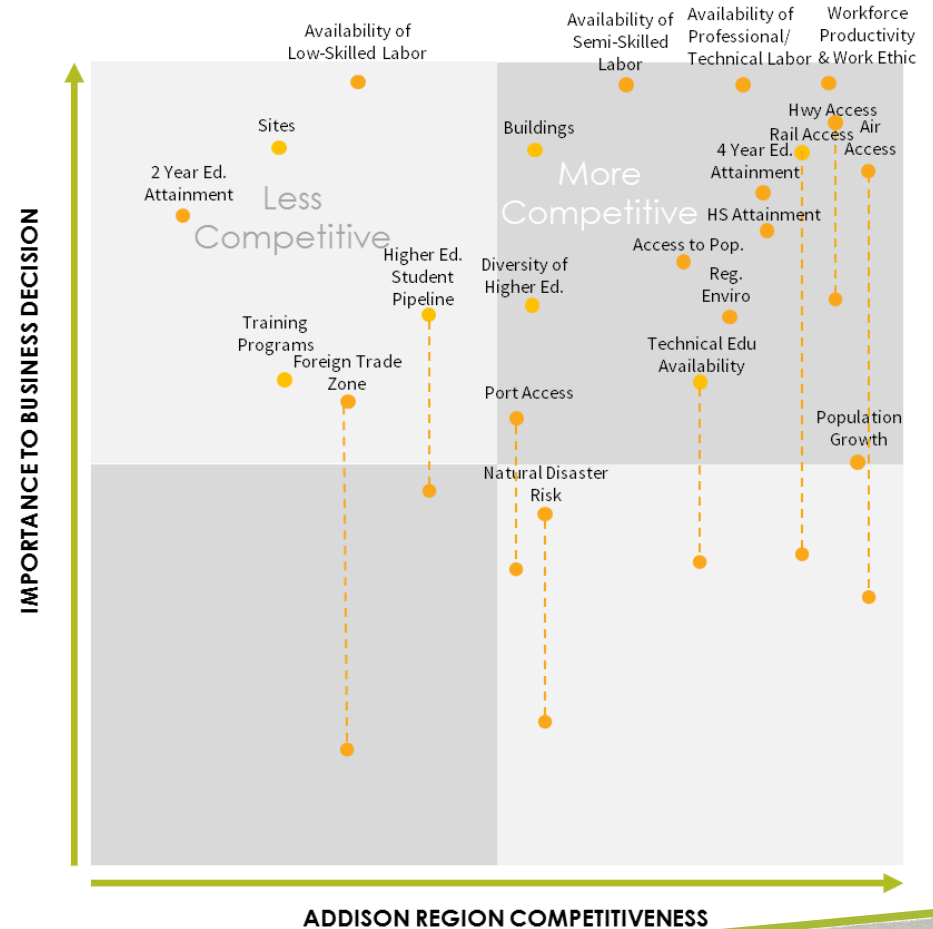
ASSET MAPS

The asset maps below and the positioning points on the following pages serve as a summary of Addison's competitive positioning for economic development projects. The full report contains Addison's positioning for each recommended target industry.

GENERAL BUSINESS COSTS ASSET MAP



GENERAL CONDITIONS ASSET MAP

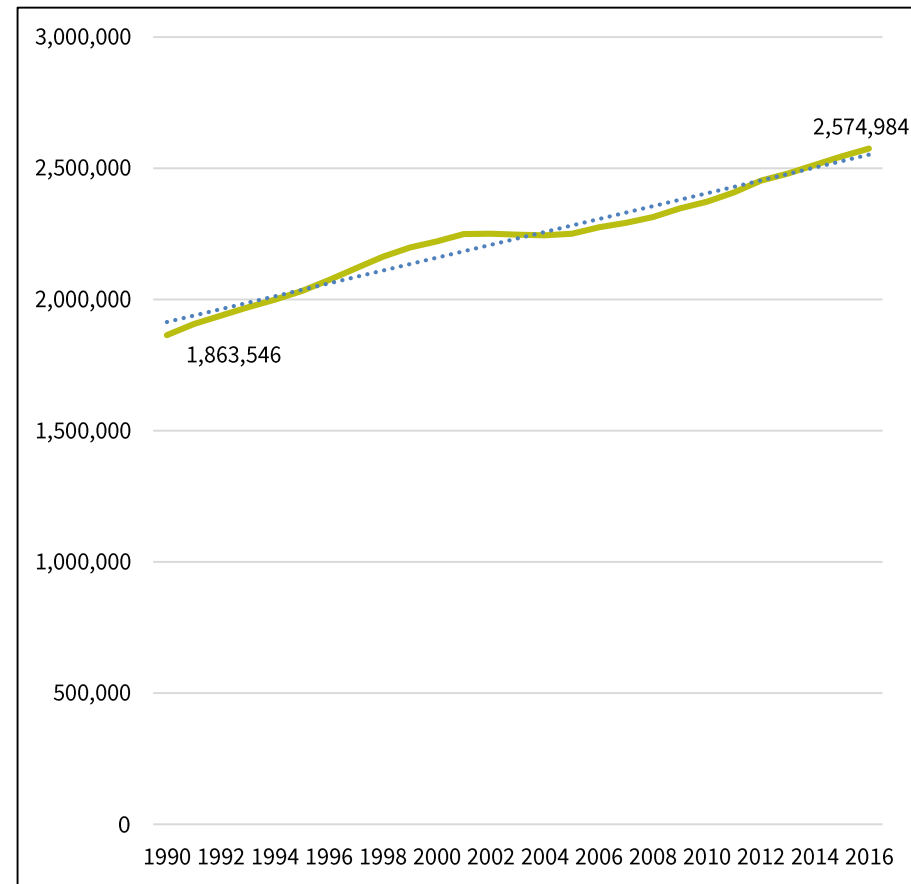


Note: Dotted lines down represent the variability of each factor depending on the industry.

Addison Regional Positioning

Addison, Texas offers the following competitive advantages for businesses:

- **Strong business climate in Texas and Dallas-Fort Worth Metro Area**
 - **Texas Rankings**
 - #1 Best State for Business (Chief Executive Magazine, 2018)
 - #1 Best State for Economic Climate (Forbes, 2017)
 - #1 Best State for Business Climate (Business Facilities Magazine, 2017)
 - #1 State for Workforce (CNBC America's Top States for Business 2018)
 - #1 State for Infrastructure (CNBC America's Top States for Business 2018)
 - #1 State for Job Growth for Past Five Years (US Chamber Foundation, Enterprising States 2017)
 - #2 Best State for Business (Forbes, 2017)
 - #2 Best State for Growth Prospects (Forbes, 2017)
 - #3 Best State for Business Costs (Forbes, 2017)
 - #4 Best State Rank (CNBC America's Top States for Business, 2018)
 - #4 Best State for Innovation (CompTIA, 2017)
 - #6 Best State for Tech Job Creation in the Past Five Years (CompTIA, 2017)
 - #8 Best State Economy (U.S. News & World Report, 2018)
 - **Dallas-Fort Worth Rankings**
 - Dallas metro area has experienced employment growth second only to New York City since 2016, with more than 109,400 people (3.0%) from 2017 to 2018.
 - #1 Metro Area for Talent Attraction (EMSI, 2017)
 - #2 Top Metros of 2016 (Site Selection Magazine, 2016)
 - #4 Financially Stable Metro (Goldman Sachs, 2018)
 - #10 Best Places for Businesses and Careers (Forbes, 2017)
 - #10 Cities Where a Paycheck Stretches the Furthest (Forbes, 2017)



Growth of Dallas County since 1990. Source: U.S. Census Bureau, 2017

Addison Regional Positioning

Addison, Texas offers the following competitive advantages for businesses:

- **Array of Business Incentives Available at the State and Local Level**

- **Texas Incentives**

- **Texas Enterprise Fund (TEF):** Awards “deal-closing” grants to companies considering a new project for which one Texas site is competing with other out-of-state sites.
 - **Event Trust Funds:** Comprised of three separate funds—the Events Trust Fund, Major Events Reimbursement Program, and Motor Sports Racing Trust Fund—targeted at attracting various types of events to the State of Texas.
 - **Product Development and Small Business Incubator Fund:** Offers long-term, asset-backed loans to near-bankable businesses commercializing new or improved products and small businesses or entities which foster growth of small businesses.
 - **Capital Access Program (CAP):** Partnership between the State of Texas and selected non-profit lenders to increase access to financing for small and medium-sized businesses and non-profits which face barriers to accessing capital or fall outside of guidelines of conventional lending.
 - **Jobs 4 Texas (J4T):** An innovative program designed to increase small businesses' access to capital and enable private entrepreneurs to make market-driven decisions to grow jobs.
 - **BCL of Texas:** Promotes business and community development and provides business capital and commercial real estate loans throughout Texas.
 - **LiftFund:** Provides credit and service to small businesses that do not have access to loans from commercial sources, and to provide leadership and service to the micro-lending field on a national level.
 - **Skills Development Fund:** Texas' premier job-training program providing local customized training opportunities for Texas businesses and workers to increase skill levels and wages of the Texas workforce.

- **Addison Incentives**

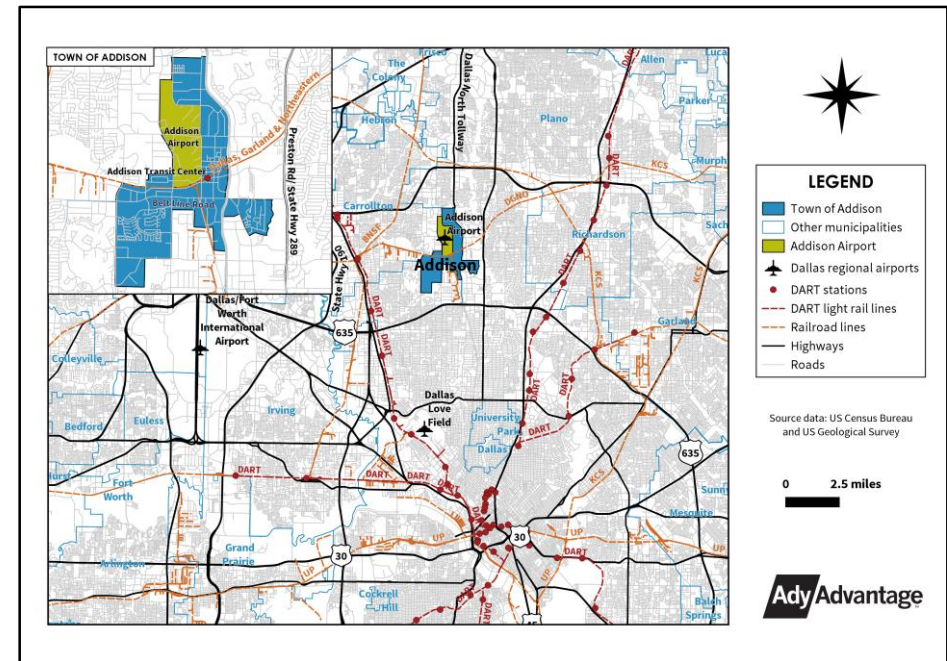
- Fast track permitting
 - Site selection assistance
 - Chapter 380 Grants
 - Employment recruitment assistance

Addison Regional Positioning

Addison, Texas offers the following competitive advantages for businesses:

- **Transportation Infrastructure**

- **Highways:** Addison is well connected regionally, located on the North Dallas Tollway about 15 miles from downtown Dallas. Nearby interstate access expanding access across the US includes I-635, which circles Dallas; I-35, which extends from Minnesota in the north to the Mexican border in the south; and US Highway 75, which extends from the Canadian border in the north to Dallas in the south. The North Dallas Tollway extends from Downtown Dallas north to Celina.
- Within 500 miles of the Town of Addison, companies are able to reach over 49 million people, 15.5% of the total US Population.
- **Rail:** The Dallas, Garland and Northeastern Railroad (DGNO) runs through Addison from east to west, with a spur line to the south in the Inwood area. This line will be the home of the new Cotton Belt Rail Line regional rail station called Addison Transit Center. Three class I railroads can be accessed in the Dallas-Fort Worth metro area: Burlington Northern Santa Fe (BNSF), Kansas City Southern (KCS), and Union Pacific (UP). UP operates the Dallas Intermodal Terminal southeast of the downtown area.
- **Air:** The Town of Addison owns a public airport, with a 7,200 foot runway and rental hangars serving many corporate clients. Located twenty miles away, the Dallas-Fort Worth International Airport, fourth busiest airport in the world, offers non-stop flights to 57 international airports and 176 other destinations across the US. Regional Airport, Dallas Love Field, located 12 miles away from Addison, has three runways and serves as the corporate headquarters of Southwest Airlines.
- **International Entry:** The Addison Airport is one of the 29 custom ports of entry in the state of Texas, while Dallas/Fort Worth International Airport hosts the largest regional intermodal facility, followed by the Fort Worth Alliance.



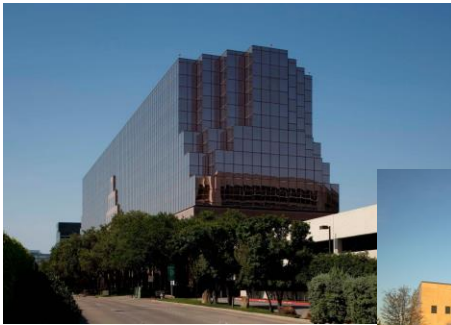
Mapped by Ady Advantage, 2018

Addison Regional Positioning

Addison, Texas offers the following competitive advantages for businesses:

- **Addison Real Estate**

- **Building availability:** 11 million square feet of office space available in Addison with an average lease rate of \$24.52/SF; 2 million square feet of retail space at an average of \$19.39/SF; and 2.6 million square feet of industrial space at an average of \$7.12/SF.
- The Addison Airport also has hangar space available. Enclosed hangar space rental varies between \$540 (40x32) and \$1,660 (60x40), depending on the size.



Addison Regional Positioning

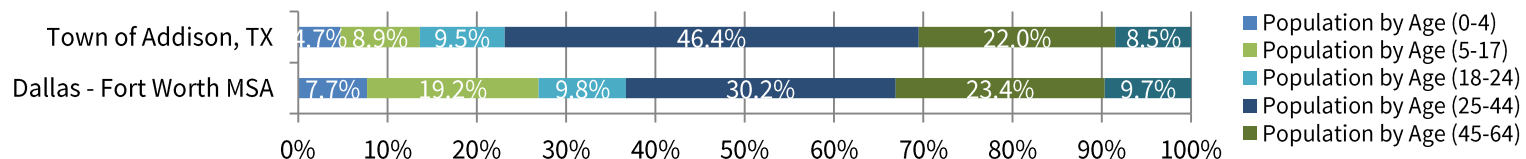
Addison, Texas offers the following competitive advantages for businesses:

- **Recognition of the region as a knowledge capital of the world**
 - In a study conducted by the Brookings Institute, among 19 mid-sized population centers, Dallas metro area ranked 2nd in terms of population, 3rd in nominal GDP in 2015, 5th in annual average real GDP growth from 2000 to 2015, and 6th in annual average real GDP growth per worker from 2000 to 2015. These Knowledge Capitals of the world are highly productive innovation centers located in the US and Europe and characterized by having high concentrations of talent and elite research universities.
- **Access to a skilled regional workforce** – With its centralized location within the Dallas-Fort Worth Metro area, companies in Addison can pull talent from all directions.
 - **4-year degree talent pipeline in the surrounding region**
 - **Universities based out of Dallas metro area. Some prominent ones include:**
 - **The University of Texas - Arlington:** 46,000 student enrollment, over 33,000 undergraduates and 13,000 postgraduates
 - **University of North Dallas – Denton:** 38,000 student enrollment, over 31,000 undergraduates and almost 7,000 postgraduates
 - **The University of Texas - Dallas:** 27,000 student enrollment, over 18,000 undergraduates and 9,000 postgraduates
 - **Richland College:** 18,000 student enrollment
 - **Brookhaven College:** 13,000 student enrollment
 - **Southern Methodist University (SMU):** 12,000 student enrollment
 - **North Lake College:** 11,000 student enrollment
 - The Addison region has higher 4-year degree and graduate educational attainment than the US average and all of the surrounding states.

Educational Attainment	Town of Addison, TX	TX	OK	AR	LA	United States
4-Year Degree	56.1%	27.1%	23.8%	20.6%	22.1%	29.3%
Graduate Degree	18.7%	9.2%	7.9%	7.1%	7.4%	11.1%

Source: U.S. Census Bureau, 2016

- Nearly 50 percent of Addison's population falls between the ages of 25 and 44.



Addison Regional Positioning

Addison, Texas offers the following competitive advantages for businesses:

- **Quality of life**

- **Central location:** Proximity to Dallas downtown (20 minutes), as well as Irving (20 minutes), Arlington (30 miles) and Fort Worth (40 miles).
- **Local amenities and attractions:**
 - More than 180 restaurants within 4 square miles, all less than a 5-minute drive from anywhere in town.
 - More than 200 stores in the Town.
 - Village on the Parkway entertainment district, featuring retail, dining, and entertainment.
 - Events almost monthly, including Addison's Big Three Events - Taste Addison, KaboomTown®, and Oktoberfest.
 - Athletic Club with about 3,500 members. Facilities include swimming pools, a gymnasium, an indoor track, tennis and racquetball courts, and other fitness amenities. The Athletic Club is only available to Addison residents.
- **New DART Station:** The Dallas, Garland and Northeastern Railroad (DGNO), also known as the Cotton Belt Rail Line runs through Addison from east to west, with a spur line to the south in the Inwood area. This line will be the home of the new Dallas Area Rapid Transit (DART) regional rail station called Addison Transit Center. The DART stop will be in the southwest corner of Addison Circle.
- **Housing:** Addison's housing make-up is 83.9 percent multi-family housing, and it has several unique neighborhoods, such as Addison Circle and Vitruvian Park.



Source: Addison Magazine and Town of Addison Website



Source: AddisonKaboomTown.com



Source: Tour Texas



Strategic Plan Summary

Strategic Plan Summary

ON-SITE WORK SESSION SUMMARY

Ady Advantage held an on-site goals and visioning work session on October 22, 2018. The session included a project status update, an overview of Ady Advantage's Economic Development 360 Framework, a visioning activity and a goal-setting activity. Participants (listed below) used the key themes developed from the desk research and on-site research to determine an economic development vision for the Town of Addison.

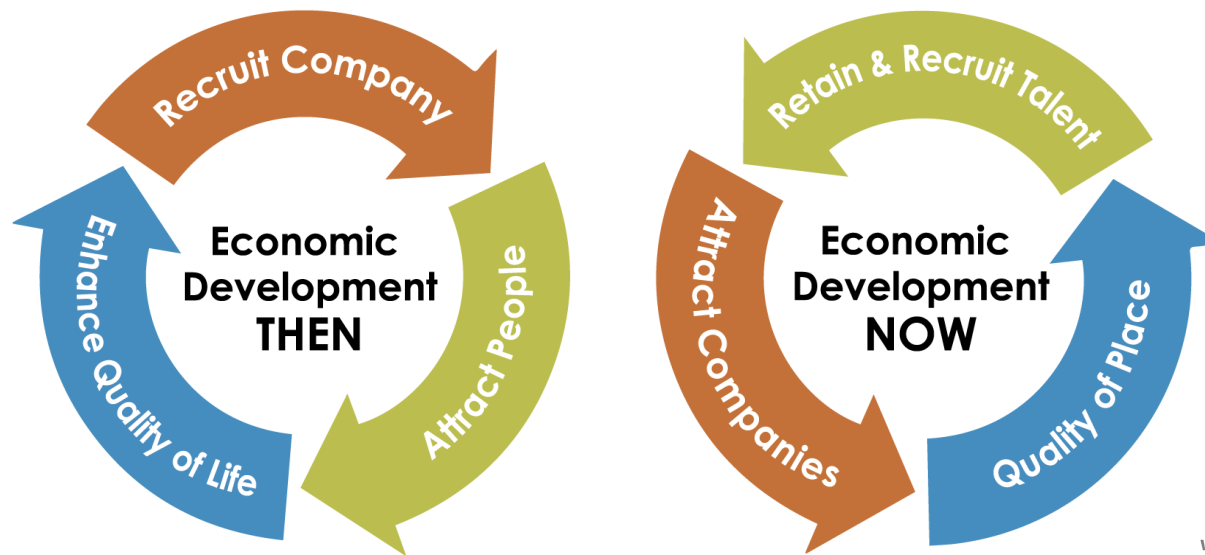
NAME	TITLE
Joe Chow	Mayor
Paul Walden	Mayor Pro Tempore
Tom Braun	Deputy Mayor Pro Tempore
Ivan Hughes	Council Member
Lori Ward	Council Member
Marlin Willesen	Council Member
Guillermo Quintanilla	Council Member
Wes Pierson	City Manager
Ashley Mitchell	Deputy City Manager
Orlando Campos	Director of Economic Development and Tourism
Wilson Kerr	Economic Development Manager
Dave Collins*	Special Project Committee Member
Ron Holly*	Special Project Committee Member

*Observer

Strategic Plan Summary

CONTEXT FOR UPDATED VISION

The world of economic development and the competitive sphere in which the Town of Addison plays in are changing. Specifically, it is changing from a world where talent moves to where the employers are to one where the employers move to where they can attract and retain talent. This major shift change is diagrammed in the graphic below.



© 2019 Ady Advantage
www.AdyAdvantage.com

Accordingly, we have updated the Addison vision to reflect this change, as well as to better meet the need of Addison's customers, which include not only its businesses, but also its residents, its employees and its visitors. The updated vision is people-focused, not just business-focused and it recognizes the symbiotic relationship of both of these groups. Both need to be thriving in order for the other to do so. Addison has long been known as business-friendly, progressive, entrepreneurial, collaborative, and innovative; and this updated vision will build on and enhance these qualities.

Strategic Plan Summary

PLACE-BASED ECONOMIC DEVELOPMENT

While traditional economic development tools such as incentives, a friendly business climate and the provision of utilities and infrastructure are still an important part of the equation, the role of “place” and “connectivity” has become an essential component of retaining, growing and attracting companies of all sizes. Over the last 20 years, significant data, in addition to growing anecdotal evidence, clearly demonstrates the Economic Development benefits of investing in walkable, mixed-use environments that provide a range of uses all within walking distance. To accomplish these ends, there must be an effort on placemaking, which integrates facets of town planning and urban design, transportation and infrastructure, mobility and public policy.

RELEVANCE TO THIS PLAN

This update to the city’s Economic Development Plan establishes placemaking as a key tool to align and link the Town’s core economic development functions with planning and infrastructure functions. It should be noted that a number of in-depth planning efforts and studies are currently underway within the Town, or recently completed (including but not limited to the Inwood Road Corridor Special Area Study; Master Transportation Plan; Addison Circle Special Area Study; Parks, Recreation and Open Space Master Plan; Belt Line 1.5 Beautification Master Plan). The intent of this report is not to replace those more focused efforts, but to provide a bridge between the Town’s land use, planning and transportation efforts and the its economic development policies.

The goals and strategies contained herein build upon the Town’s recent and ongoing plans, while offering insight as to how to create a scenario where “the whole becomes greater than the sum of its parts.” As such, recommendations are focused on issues such as increased connectivity between existing and future nodes of activity, in addition to efforts to provide more street life and activity to enhance public space and walkability throughout the Town. Finally, recommendations consider the continued evolution of both the Town and the region in terms of how land use and zoning might be considered from an economic development standpoint, in recognition of the Town’s current Comprehensive Plan and other efforts.

ADY INSIGHTS

What is Placemaking?

Placemaking in its most basic form “is the process of creating quality places that people want to live, work, play, and learn in.” (Congress for the New Urbanism (CNU), 2014). The elements of a quality place include safety, connectedness, conduciveness to authentic experiences, accessibility to all people and modes of transportation, comfortability, sociability, encouraging social interaction, and facilitating civic engagement.

Strategic Plan Summary

Addison is the vibrant, active and growing hub of north Texas where both people and businesses thrive.



Goal 1: Promote Addison as a place of choice for **talent** to live, work, and play in the Dallas Fort-Worth region.

Goal 2: Maintain a **business climate** that differentiates Addison and supports the needs of its existing and new corporate audiences in Addison's recommended target industries.

Goal 3: Promote Addison's key assets and points of difference to its **target industries**.

Goal 4: Leverage Addison's **quality of place** to support its "people" audiences (residents, employees, visitors).

Strategic Plan Summary

UPDATED VISION AND GOALS

Addison is the vibrant, active and growing hub of North Texas where both people and businesses thrive.

GOALS AND STRATEGIES TO SUPPORT THE UPDATED VISION

The following goals were determined from the on-site goals and visioning work session. The bullet points under each represent strategies to achieve these goals.

GOAL 1: Promote Addison as a place of choice for talent looking to live, work and/or play in the Dallas-Fort Worth region.

- Create a unified brand, messaging and marketing tools that can be used not only by the Town of Addison, but also by its employers to help retain and attract talent to Addison.
- Strategically identify and pursue the types of talent that would align with Addison's vision, as well as the needs of existing employers.
- Address talent attraction and development issues using standard, as well as unique and non-traditional programs and incentives. This may include different strategies for corporate businesses versus commercial/retail/service businesses.

GOAL 2: Maintain a business climate that differentiates Addison and supports the needs of its existing and new corporate audiences in Addison's recommended target industries.

- Continually monitor needs of existing businesses and prioritize/address issues as appropriate.
- Ensure Addison's policies support the types of attraction and expansion projects that align with Addison's target industries.
- Maintain and grow the entrepreneurship ecosystem within Addison through gaining knowledge about the needs of this business audience.
- Create awareness about current business resources provided by the Town of Addison, as well as partner organizations. This will allow Addison to become a one-stop shop for economic development and business needs.

Strategic Plan Summary

GOALS AND STRATEGIES TO SUPPORT THE UPDATED VISION (CONTINUED)

The following goals were determined from the on-site goals and visioning work session. The bullet points under each represent strategies to achieve these goals.

GOAL 3: Promote Addison's key assets and points of difference to its target industries.

- Ensure Addison's brand and messaging resonate with its "business" audiences and marketing materials include the information needed for these companies to make growth decisions.
- Conduct outreach to companies within Addison's target industries through researching, planning and executing relationship marketing strategies with decision makers in each industry.
- Help build capacity among Addison's internal stakeholders and partners to enable them to help facilitate and reinforce Addison's brand and messaging.

GOAL 4: Leverage Addison's quality of place to support its "people" audiences (residents, employees, visitors).

- Elevate the focus for the next generation of neighborhood developments needed to attract and retain Addison's target audiences, including the positioning of Addison as a whole as North Dallas County's "new downtown".
- Enhance walkability and connectivity within Addison, including maximizing economic development potential from the recently funded Cotton Belt rail line, to create more synergies for all audiences between and among different neighborhoods and districts.
- In consideration of future rail service at the DART/Cotton Belt station, capitalize on Addison's geography with a focus on intra-regional connectivity and the opportunity to become a hub of regional mobility within the Dallas-Fort Worth market.
- Continually monitor and be responsive to the needs of residents and employees.
- Retain and grow Addison's existing base of commercial and retail businesses to continually enhance Addison's quality of place.

Thank You!