

## MEMORANDUM

**To:** City of Denton/DCTA/NCTCOG

**From:** Scott Polikov and Brad Lonberger, Gateway Planning Group

**Re:** Downtown Denton TOD Strategy

**Date:** 8.25.16

This memorandum sets the stage and the context for a pathway to reinvent Downtown Denton's DCTA Commuter Rail Station into a true Transit-Oriented Development (TOD), while resolving conflicting and potentially unsafe rail operations at the Union Pacific Railroad (UPRR) maintenance/laydown yard. It provides suggested actions short term, medium term and long term in that regard.

### Why this initiative

Denton has undertaken significant planning the past several years for its greater downtown. A century before, UPRR and its industrial customers created a substantial industrial center on the east side of downtown. That rail corridor also once provided passenger service; and it does so again today with the initiation of A-train service by DCTA in 2011.

We were asked to facilitate a workshop in January with representatives of the City, DCTA, NCTCOG and UPRR in order to understand the options for crafting a strategy to mesh the operational, business, fiscal and community interests of the parties within the area generally bounded by E. McKinney Street to the north, E. Prairie Street to the South, Bell Avenue to the west and Exposition Street to the east.

During the January workshop, it was underscored that DCTA desires to expand its rail transit service, improve regional bus service interface with rail, anchor a true TOD downtown, and resolve its shared parking challenge with the City. The City also seeks to encourage a mixed use TOD while supporting its substantial municipal offices and operations challenged by parking shortages. UPRR seeks to continue to serve its customers in Denton while being a good neighbor in downtown as the aging industrial area evolves into a mixed use destination. NCTCOG seeks to support the TOD opportunity through potential select infrastructure



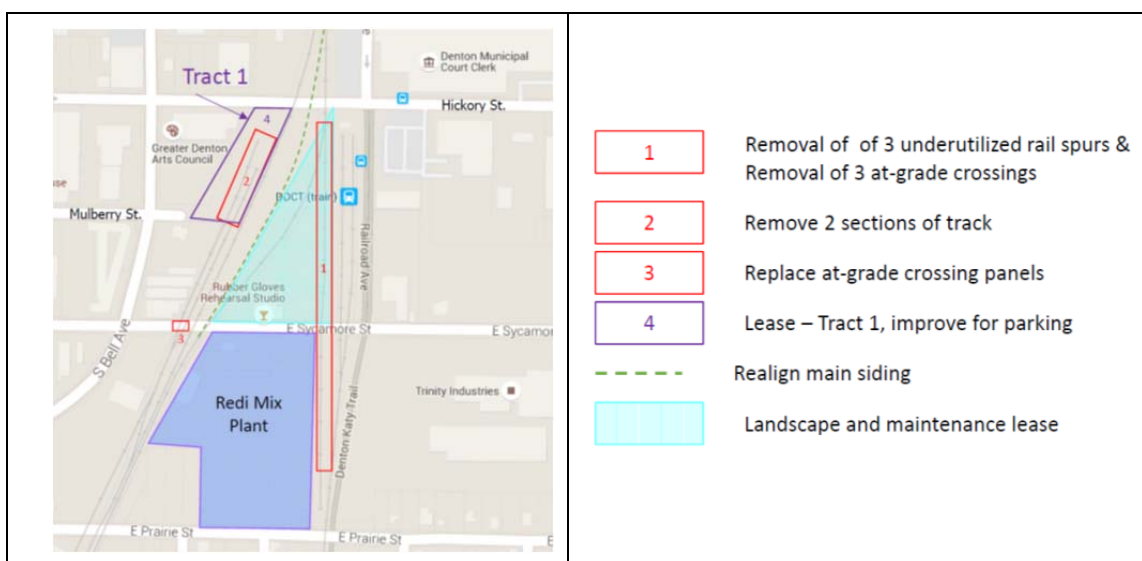
investments that integrate transportation systems and harmonize (i) the area's parking needs, (ii) bike/ped upgrades to the local streets negatively impacted by the rail operations over time, (iii) DCTA's expanding operations, (iv) UPRR's continuing need for local freight operations, and (v) overall safety needs associated with rail operations and at-grade crossings.

## Building on Initial Conversations with UPRR

During the workshop, the parties coalesced around fairly easy steps that could be taken with UPRR to remove underutilized rail spurs and sidings. Those three actions described below can provide opportunities to free up areas for new parking and public spaces as well as improved streets for walking and bicycling.

The actions that UPRR will consider short-term (and possibly at its cost) include:

1. Removing the three eastern underutilized rail spurs and the three at-grade crossings at Sycamore Street depicted below inside the red box no. 1 in order to improve automobile, pedestrian and bicycling conditions along Sycamore as well as facilitating an opportunity to reinvent the maintenance yard in the green triangle depicted below into an area for additional parking and greenspace;
2. Removing the siding tracks east of the Greater Denton Arts Council facility depicted below inside the red box no. 2 to free up the area inside the purple box no. 4 for purchase, lease or potential land swap to facilitate more parking and greenspace; and
3. Replacing the at-grade crossing panels on Sycamore Street just east of Bell Avenue to improve auto, pedestrian and bicycling conditions along that corridor.



A more costly item is the realignment of the main rail siding slightly west, between the green dashed line depicted above and the mainline, in order to create more space to reinvent the UPRR maintenance yard into an area for additional parking and greenspace in conjunction with the rail spur removals in red box no. 1. The reinvention of that area into a public space can then support the adjacent opportunity to the south for the reuse of the “Redi Mix” site into a mixed use transit-oriented development.

A follow up meeting was held in February between DCTA and the City of Denton to engage UPRR formally to take advantage of the opportunity for these early modifications to the UPRR rail infrastructure. In that meeting, Denton and DCTA agreed to enter into an MOU establishing respective responsibilities in order to move forward jointly with UPRR to facilitate the rail yard project.

Those short-term actions could then set the stage mid-term to move the UPRR maintenance/laydown yard completely out of downtown. That move could also facilitate an extension of DCTA’s transit operations to a new north termination transit station. That new potential rail transit station would provide a multimodal opportunity to marry expanded east-west bus transit operations along the 380 Corridor with rail in a location that would be a better candidate for a park-and-ride, rather than the downtown station area. The downtown station area is limited in terms of parking, hard to access and a better location for a true TOD.

Regarding both the short-term opportunities for cleanup of the maintenance yard and the longer term opportunities for complete relocation of the UPRR maintenance facility, the following next steps were agreed to by Denton and DCTA:

- Finalize an MOU between the city and transit authority;
- Secure estimates for cost to slide the main siding to the west of the maintenance yard, as well as land and construction costs to relocate the UPRR maintenance facility; and
- Explore longer term options to extend A-train service north to the US 380/Loop 288 interchange area; and
- Determine eligibility for project funding from various sources (the appendix attached to this memorandum provides an overview of the very rough estimates of costs and sources of funding for the various proposed short-, medium- and long-term studies and improvements described herein).

### Fundamental Implications of the UPRR Strategy

The opportunity to engage UPRR and secure the opportunity to transform the DCTA station area implicates additional considerations. Those include the following:

1. What is the true redevelopment potential of the area parcel by parcel?

2. What are the parking needs for the station area near term especially in context of expanding Entertainment District; and what are they long term with a complete reinvention of the area in the context of extending the A-train service north to a new multimodal park-and-ride location?
3. Where should new parking be accommodated long term relative to redevelopment potential, including structured parking?
4. What are the implications of reinventing the Downtown Denton Transit Center (DDTC) Site along with the reinvented maintenance/laydown yard relative to greater TOD potential adjacent to the rail platform if the park-and-ride function is shifted out of downtown to a new station north?
5. At a micro site level, what are the opportunities and considerations for the maintenance/laydown yard to be converted into a special public space to anchor a true TOD? [see Conway, Arkansas case study below]
6. What is entailed in order to undertake feasibility, determine costs, and identify/select the best location for a new UPRR maintenance/laydown yard in order to facilitate the opportunities delineated in Nos. 1 to 5.

These questions pose potentially daunting considerations. To overcome the inertia of “where to start,” the following steps short term, medium term and long term are suggested. The purpose of these steps is to create some institutional momentum and investment context so that catalytic momentum can be established.

### Action Steps

The following three-phased action plan is intended to harness momentum with UPRR through initial incremental improvements and elevated detailed planning to spur catalytic market momentum in TOD development. That will in turn justify eligibility for potential federal FTA capital grants for select transit infrastructure as new grant programs are inevitably announced, project support in RTC’s Mobility Transportation Plan (MTP), and land value increases to create capacity in the Downtown Tax Increment Finance Zone (TIF). That momentum then creates mid-term capacity for the eventual UPRR relocation and long term capacity for the A-train extension north.

#### **Short Term (1 year)**

1. Finalize the Denton/DCTA MOU and secure initiation of the UPRR commitments to remove unneeded rail spurs and improve crossings on Sycamore in order to secure additional parking capacity short term and to create momentum with UPRR long term, including determination of the reprogramming of the funds already earmarked for the E. Hickory Street sidewalk and quiet-zone improvements;

2. City and DCTA initiate a parcel-by-parcel buildout analysis (including landowner engagement) and resulting building-scale master plan of redevelopment potential in the context of Denton's overall Downtown Plan, assuming mid-term relocation of the UPRR maintenance facility and extension of the A-train park-and-ride service to a new north station to capture east-west transit ridership north of town;
3. In context of that landowner-engaged development analysis and master planning, initiate a comprehensive parking study of the nature of current and future demand to develop a comprehensive parking management strategy and potential parking district for the southeast quadrant of downtown; and
4. In order to secure immediate quality-of-life improvements as mixed use redevelopment accelerates in the southeast quadrant of downtown and in order to not be entirely dependent on the timing of UPRR negotiations, initiate the installation of the four quiet-zones for the railroad crossings identified by the City in the southeast quadrant of Downtown utilizing the best available technology in case those improvements need to be modified and partially abandoned with the anticipated removal of unneeded rail spurs and the shifting of track, and the eventual relocation of the UPRR maintenance/laydown yard.

These actions will likely accelerate market interest in redevelopment on Redi Mix, Trinity Industry or other key properties, especially given the market-rate activity already happening along E. Hickory Street. Such TOD development project interest or the aggregation of multiple potential adjacent projects—coupled with the initiation of the UPRR relocation planning process—could support potential eligibility for FTA capital grants for certain types of TOD infrastructure, including the relocation costs, and/or state brownfield grants for remediation of the UPRR maintenance/laydown yard or the privately held parcels depending on potential reuse.

#### ***Midterm (2 to 4 years)***

1. In the context of a parcel-by-parcel redevelopment master plan, a comprehensive parking management strategy, and assuming the land currently used as the UPRR maintenance/laydown yard can be secured, the City and DCTA should facilitate a detailed site plan of the DDTC site and the redesign of the yard into a signature destination-focused public space that could anchor significant redevelopment (as an example of the use of a reinvented brownfield area to leverage adjacent redevelopment potential, the redevelopment plan [below left] and the park plan [below right] depict a reinvention of an obsolete scrapyard site on Markham Street in Conway, Arkansas into an urban park within a redevelopment area between Downtown Conway and Hendrix College's urban campus);





2. Extend Hickory Street improvements east and initiate E. Sycamore Street improvements upon respective completion of short-term UPRR spur removals and replacement of at-grade crossing panels on Sycamore;
3. Develop an operational plan with UPRR on the relocation of the maintenance/laydown yard;
4. In the context of the relocation of the UPRR maintenance/laydown yard, develop a plan for the extension of the A-train service north, as well as initiate any needed environmental analysis and clearance;
5. Review the Tax Incremental Redevelopment Zone (TIRZ) Finance and Project Plans for downtown to determine the needs for developer reimbursements of infrastructure improvements consistent with the new detailed building-scale master plan, and modify zoning consistent with the master plan as needed; and
6. Submit request to NCTCOG for a catalytic infrastructure grant to initiate the detailed redesign and reconstruction of the maintenance yard as a signature destination public space to anchor the reinvented TOD, especially in the context of any vertical redevelopment concession strategy developed for the DDTC site or a land banking grant for a swap for the new UPRR site; as well as request NCTCOG to include the extension of the A-train service to a north station at US 380/Loop 288 as a regional multimodal transit capacity/air quality project as a future amendment to the MTP.



### ***Long Term (4+ years)***

1. Upon securing a FONSI for the relocation and extension project for the UPRR corridor, initiate final engineering design or a design/build;
2. In conjunction with street access and safety improvements, revise the bus transit plan to interface with revised A-train operations and downtown TOD; and
3. Initiate capital investment of any long term additional parking, including potential structured parking within context of comprehensive parking management study and detailed master plan for the southeast quadrant as compared to any additional initiated redevelopment associated with the master plan.

The details of these short, medium and long term actions are subject to modification depending on the timing of the availability of the UPRR controlled properties, the availability of funding sources and the potential for catalyzed private development. The point is that short-term momentum created by UPRR remediation and the initiation of the quiet zone improvements, coupled with market-sensitive planning at the building-scale for a reinvented destination anchored by the A-Train Station, will create community and regional buy-in for sustained investments necessary to reinvent the TOD area from an obsolete rail-served industrial area into a mixed use extension of downtown.



## APPENDIX - Downtown Denton Station TOD Cost Estimates (July 2016)

#	Items	Cost	Time Frame
<b>1: Rail Modifications</b>			
1	Quiet Zones (4 crossings)	\$550,000	Short
2	Replace 2 west at-grade crossing pads on Sycamore	N/A	Short
3	Union Pacific yard relocation cost	\$2,000,000	mid
4	Removal of 3 east spurs & crossings next to DCTA Rail	\$60,000	short
5	Re-alignment of existing spur to be closer to mainline	\$1,000,000	Long
<b>Sub-Total 1</b>		<b>\$3,610,000</b>	
<b>2: Land and Parking</b>			
6	Property Acquisition (slightly more than 1 acre, Triangle property)	\$366,000	Long
7	Demolition and construction additional parking (1 acre with 100 spaces) – Triangle property)	\$750,000	Long
8	Property Acquisition (less than 1 acre, Tract 1 UPRR owned)	\$50,400	Long
9	Demolition and construction for additional parking (less than 1 acre, 80 spaces) – Tract 1 UPRR owned)	\$500,000	mid
<b>Sub-Total 2</b>		<b>\$1,666,400</b>	
<b>3: Pedestrian and Streetscape Improvements</b>			
10	Sidewalk Enhancements/RR Equipment Relocation	\$700,000	mid
11	Additional Sidewalk Improvements (0.25 miles on Sycamore)	\$120,000	mid
<b>Sub-Total 3</b>		<b>\$820,000</b>	
<b>4: Planning</b>			
12	Updated Downtown Building Scale Master Plan (S.E. Quadrant)	\$150,000	short
13	Parking Management Plan	\$70,000	short
<b>Sub-Total 4</b>		<b>\$220,000</b>	
<b>Total Cost</b>		<b>\$6,316,400</b>	

### Item Footnotes

- 3 Assumes property acquisition included in cost
- 5 Estimate provided by UPRR
- 6 & 8 Price estimated at 10% above DCAD appraised 2016 total value
- 7 & 9 Surface parking estimated at \$5,000 per space plus landscaping and design
- 13 Assumes full parking plan separate from Master Plan. Parking data collection included in cost of approximately \$10,000

### Funding Partners

Items 1, 10, and 11 have designated funding in place from the City of Denton. It is anticipated that Union Pacific will fund and construct item 2. All other items need funding to be determined by DCTA, NCTCOG, The City of Denton and Union Pacific. Opportunities to leverage various types of funding sources between each agency for items most appropriate will be explored.