

Developers: TCC Campus a plus for area

BY ALESHIA HOWE

June 22, 2009

Tarrant County College's Trinity River Campus will undoubtedly make the short list of the most debated public projects in Fort Worth's recent history. But when it comes to the project's mark on the river, local real estate professionals say like it or not, TCC has helped to move riverfront development along the Trinity River closer to its overall goal.

Tension has continued to build on the banks of the Trinity River as TCC's 132,000-square-foot building just north of downtown Fort Worth has seen its construction costs nearly double since 2004. But, the many battles over the project that have ensued between taxpayers and the college can't outweigh the progress that will accompany the college's presence on the river, said Kyle Poulson, a broker at Fort Worth's NAI Huff Partners.

"Private money would have never done what they did," said Poulson, who has been a critic of the project. "What they did was so far out of bounds, but when it comes to the real estate, it won't hurt anything. In fact, what the college has done, what [developers have] done, all of that is positive development for the river and it's creating a kind of energy there."

The TCC campus is at the back door of the long-awaited Trinity River Vision development – an 800-acre mixed-use development and flood control project slated for north Fort Worth that involves rerouting the Trinity River in the area. The rechanneling of the Trinity will create two islands and a 33-acre lake to the north of downtown Fort Worth.

A long history of debate

In 2004, TCC estimated the planned Downtown campus would cost \$135 million, not including items like furnishings. By 2006, construction costs had risen to \$179.7 million and were causing a stir among tax payers. The next year, the cost estimates had soared to near \$300 million. At the time, the campus had a sunken plaza design slated and plans to cross the river with a bridge on the levee and place classroom buildings on both the north and south banks of the river. Meanwhile, the college spent months trying to gain

approval from the Army Corps of Engineers for the levee plans.

About a year ago, TCC shocked many when leaders announced the purchase of the RadioShack headquarters for \$238 million and subsequently scrapped the plan to build on the north side of the river, leaving the future of its 132,000-square-foot building mid-way

through construction along the south bank of the river in question. After months of debate over what to do with the bluff site, which has to be used for nursing and TCC's Allied Health programs, the TCC board last month approved a final budget of \$203 million for the building, which is currently 55 percent complete, according to Dr. David Wells, vice chancellor for operations at TCC, and is set to be completed in spring 2011.

TCC has since renamed the RadioShack campus the Trinity River Campus and has yet to announce plans for the remaining land the college owns on the north side of the river.

Public versus private development

The projected \$203 million to finish the TCC bluff building might sound inflated to anyone in the real estate world – and that's because it would be to a private developer said, Ben Loughry, managing partner of Integra Realty Resources in Fort Worth. But because the project is public, there are many more steps to be taken for the project to take shape, he said, making the two types of project incomparable.

Loughry also said since the TCC building will be self-occupied, no space will be added to the existing downtown Fort Worth market – another plus in today's real estate climate.

“I think some of the discussion in the papers is how the development is interacting with the adjacent properties, but it just doesn't seem realistic that the development will impact other river developments in a negative way,” Loughry said. “It will probably be a first-class building and developers, when looking at the area, will know there's a quality they have to meet with higher construction and land costs, but they won't be comparing to TCC's to figure those costs at all. That has really been exhibited by Tom Struhs' project.”

Struhs, developer of the 35-acre riverfront Trinity Bluff project just around the bend from TCC's building, has built several private projects including Lincoln at Trinity Bluff, Pecan Place and Villa de Leon – all upscale residential projects. Villa de Leon is slated for completion on Aug. 6.

Struhs also is currently completing underground utilities and dirt preparation for a hotel, which is set to begin construction in July.

“I think TCC will be good for river development as a whole,” Struhs said. “You want a really good picture of what the...campus of TCC will look like when it's finished, come to Villa de Leon and take a look at it from our deck. If we can put aside all of the apparent problems of the campus and look at what we're going to be blessed with when it's all finished, in the end people will look back and say it's a wonderful place and not remember all of the heartache during its birthing.”

And if there is one place that is familiar with the growing pains of riverfront development, it's the San Antonio River Authority, which is charged with overseeing the sprawling San Antonio Riverwalk development. According to Suzanne Scott, general manager at the San Antonio River Authority, her city's Convention and Visitors Bureau serves as an anchor to river traffic – an important aspect to successfully integrated riverfront development.

“You will always have developments along the river that will set the standard for what other developments will look like, so it's important that the quality is there,” she said. “... Our developers have been very sensitive to how they have developed and interacted with the river. Your river is quite a bit larger than ours, but the idea is the same. The river has to be part of the experience and you have to have that base of people there to build on.”

J.D. Granger, executive director of the Trinity River Vision Authority, said TCC will help to serve as that population base.

“In the long term, once the levee comes down, that area has enormous potential and come this fall, once 3,500 students are hitting that area, some of the issues will start to fade away and developers will see it as a viable place to build that already has a great start for high-density, mixed-use development – and TCC is certainly helping make that vision a reality.”