



Silverlake Station – City Council Work Session

CONFIDENTIAL AND PROPRIETARY



7/24/2024



DEFUNCT DEVELOPMENT

- A previous developer proposed ~200,000 sf of retail and 144 units of multifamily on the property. This plan was Approved by the City of Wylie and a development permit was issued in March of 2019. Crestline provided financing to a developer who was unable to execute upon the approved plan and ultimately defaulted on his obligations after beginning earth moving activity.
- The site currently consists of ~30 foot tall piles of dirt left behind from the prior developer.
- Crestline and the City of Wylie are aligned to identify a working plan for the site to provide the City of Wylie attractive, high quality development generating additional ad valorem tax revenue, which allows Crestline to maximize the value of an underperforming asset.



BACKGROUND

- Crestline foreclosed on Daydra Management after they were unable to advance the development as contemplated.
- Upon foreclosure of the property, Crestline solicited feedback on the existing “The District” plan from brokers and other professionals active in this submarket.
- City Staff - Met with City staff to understand the entitlements and flaws in Daydra’s plan to formulate a strategy for development of the property. An initial request was to include a fence around the property which was completed.
- Wylie EDC - Met with the Wylie EDC to better understand the players in this market for commercial development and the retail tenants that are active in this submarket.
- Crestline hired engineering, zoning, and architecture consultants to formulate a plan based on feedback from City staff, the EDC, and the marketplace.
- **The plan was intended to be immediately actionable and supply the marketplace with leasable square footage for which there is significant demand.**





“The District” Zoning

- **Current zoning includes 144 units of multi-family.**
- Approximately 200,000 sf of retail space stretching to the back of the property.
- A parking garage in the southeast corner of the site with minimal walkability to the retail square footage it serves.
- No logical connection to the back of the property that would suggest viability of any commercial other than the frontage.

Market Feedback

- **Multifamily:** 144 units of multi-family is smaller than what is typically developed successfully. Certain economies of scale are operationally reached at 250-400 units also benefitting the Commercial.
- **Commercial:** Retail is not viable in the back section of the property as originally planned by the developer. Feedback has suggested retail will be leasable along the frontage of SH 78; however, attracting higher quality tenants to the site requires additional density which would be created by the residential development. Market feedback suggests the site is best suited for pad users versus large anchor or shadow tenants.

BROKER FEEDBACK

- While there might be a frontage road play in which a retailer will see value in situating on Hwy 78 at the subject tract, landing mid-block (when there's other land closer to primary retail drivers in the submarket) is non-traditional for core retail occupants.
- SH 78 has 30,000 vehicles per day. By comparison, Watters Creek has 300,000 vehicle trips per day.
- This tract is not optimal for retail users the way other tracts are in this submarket.
- **CONCLUSIONS: Mid block retail is unlikely to attract and retain larger anchor / shadow retail tenants. The following are sites in the vicinity that are optimal for this kind of development.**





* the highlighted area represents a more viable location for larger scale retail.



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Key Impacts

Marketable Land Use

- No other land use is likely to be developed over the next couple of decades.

Tax Revenue

- A Multi-Family developer has projected this project to be \$52MM in value on 11 acres or \$4.7MM in ad valorem taxable value per acre of developed land. Typical big box retailers yield around \$800,000-\$1MM in taxable value per acre.

Access to SH 78

- The site is situated such that all traffic loads onto SH 78 without disrupting local community streets.

Support for Frontage Retail

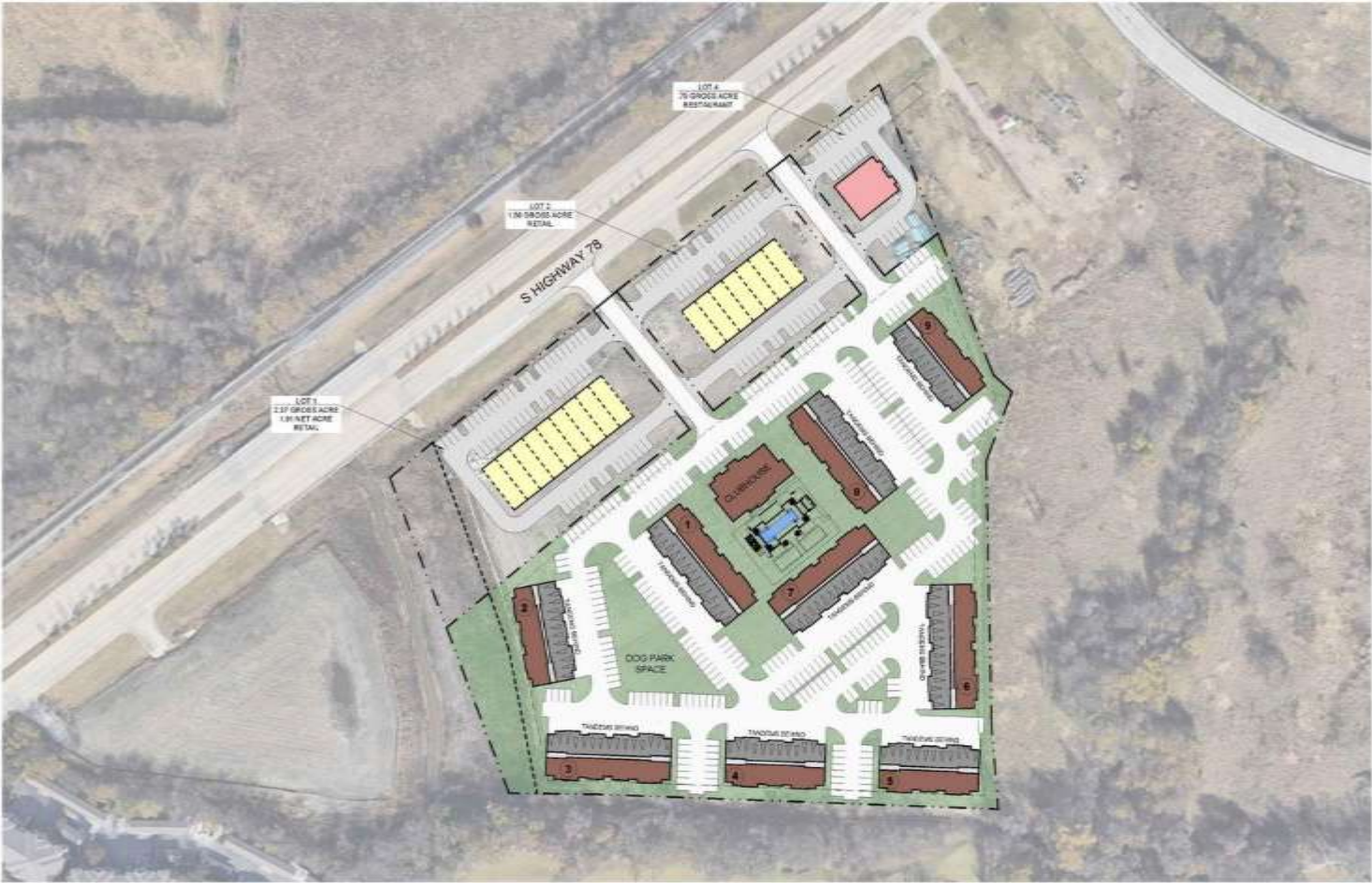
- Multi-family development will situate consumers behind proposed frontage retail. This is attractive for retail tenants and the consumer base will cause these businesses to thrive.

Impact on Schools

- For a similar Multi-Family developments in this area, 4 children for every 100 units were enrolled in the Wylie ISD. The national average for this type of multi-family development is 14 children per 100 units. It is anticipated that the impact on the school district will be minimal relative to the tax base generated for Wylie ISD.

INITIAL ZONING PLAN

• This is the plan that was tabled at City Council and ultimately denied at the June 11th City Council Meeting.



SITE DATA			
SITE LOCATION			
WYLIE, TX			
STRUCTURE			
3 STORY GARDEN APARTMENTS			
SITE DENSITY			
GROSS SITE AREA	46.11.59 GROSS ACRES		
TOTAL UNITS	250		
PROPOSED DENSITY	4F-21 STUN/GROSS AC		
UNIT MIX			
TYPE OF UNIT	# OF UNITS	TOTAL %	
ONE BEDROOM	135	54%	
TWO BEDROOM	115	46%	
TOTAL	250	100%	
NUMBER OF BEDS			
ONE BED SF AVG	805		
TWO BED SF AVG	1190		
TOTAL UNIT SF AVG	992		
MINIMUM PARKING REQUIRED			
TYPE OF UNIT	SPACES/UNIT	TOTAL	
ONE BEDROOM	2	270	
TWO BEDROOM	2	230	
TOTAL		500	
PARKING PROVIDED			
SURFACE		315	
TANDEMS	(135 TOTAL) 42 COUNTED		
GARAGES		123	
TOTAL	2 SP/UN	500	
COMMERCIAL			
LOT 1 RETAIL SF	18,500		
REQ. PARKING	1/400 SP/SF	46 SP	
PARKING PROVIDED		80 SP	
LOT 3 RETAIL SF	14,400		
REQ. PARKING	1/400 SP/SF	36 SP	
PARKING PROVIDED		51 SP	
LOT 4 RESTAURANT SF	4,950		
REQ. PARKING	1/150 SP/SF	33 SP	
PARKING PROVIDED		28 SP	

NOTE
THIS PLAN IS CONCEPTUAL IN NATURE
AND MAY HAVE BEEN PRODUCED
WITHOUT THE USE OF A SURVEY, OR
CONTACT WITH THE CITY OR COUNTY.



WYLIE
WYLIE, TX
01.10.2023

#23055

2ND ITERATION

- This plan was prepared by a different architect in May after our rezoning request was tabled.
- This plan was prepared in response to comments from the City Council regarding a more connected development.



COMMERCIAL USAGE

- City Concern: City desires to have a large commercial presence on the site with concurrency for development.
- Response: The proposed site plan does not eliminate commercial usage but matches it to demand drivers as informed by commercial developers and the Wylie EDC. Construction on the retail needs be tenant driven to ensure quality tenants and long-term viability of the project. We have been unable to find a commercial developer willing to take on concurrency (speculative building) as a means to bridge this gap.
- Discussion Point: Crestline willing to field interest from any prospective tenants Council or EDC have in place.

MULTIFAMILY USAGE

- Concerns: Multifamily would stimulate more crowding in schools. If residential development is permitted developers will return to Council requesting more density.
- Response: Recent developments have not seen increased school enrollment. Council has the power to mandate an end to any additional school density.
- Discussion Point: Address any other concerns Council may have regarding the multifamily development.

ADDITIONAL DISCUSSION POINTS

- Adjacent Sites: Is there a creative solution to address the lack of development on adjacent sites.
 - Southwest Site: The site to the southwest (also previously owned by Daydra) has not seen development as the developer filed for bankruptcy.
 - Northeast Site: The site to the northwest is currently underdeveloped and zoned by right as multifamily. Discuss options around how we can be flexible to find a solution for this site.
- Future Development: Crestline is looking to be flexible around the development; however, we need collaboration from Council to find a feasible and actionable development plan to avoid having a long term, undeveloped site at the front door of the City of Wylie.