

# Commercial Development Update MetroTex Forecast 2019

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**John Terrell**

Vice President Commercial Development  
Dallas Fort Worth International Airport

# Texas: #1 in Economic Climate

- CNBC – Best State For Business 2018
- Chief Executive Magazine - “Best State For Business” for 2018 14th year in a row 1<sup>st</sup> in Economic Climate
- \$1.7 Trillion Texas economy is second biggest in the US
- 100 of the 1,000 largest public and private companies in the U.S. are based in Texas
- Added 350,000 jobs in the past year, 1 in 7 jobs created in the United States in the past year was created in Texas.
- Texas handles roughly \$2 trillion worth of commodities per year with **Dallas Fort-Worth International airport** playing key roles, the Lone Star State’s ability to handle this mass influx of goods makes it the best state in the nation for infrastructure.



# Texas & DFW Metroplex: Growing as Global Economies

**TEXAS  
2018**

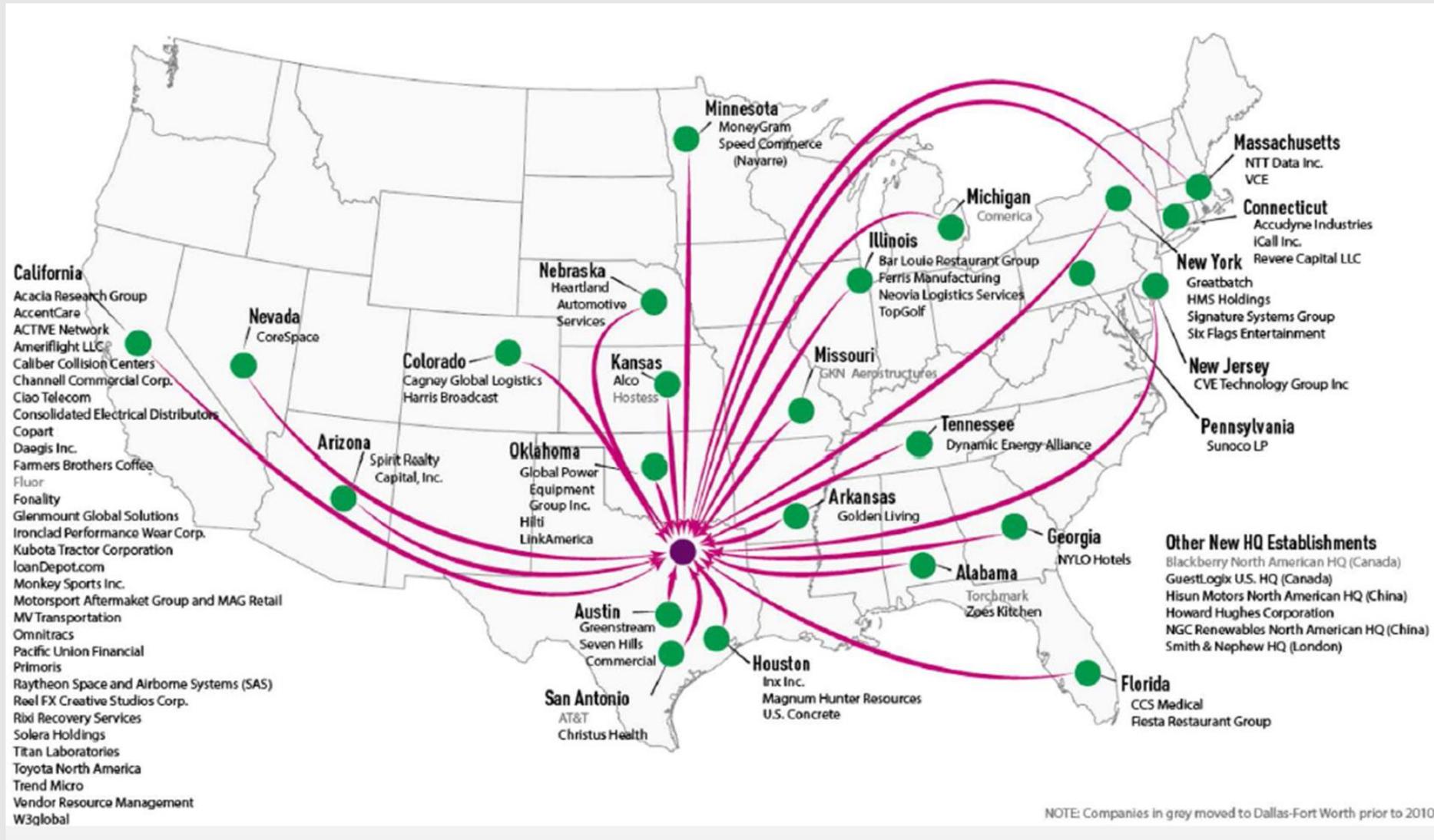
Rank	Country	GDP 2014 (US\$ trillions)
1	United States	\$17.42
2	China	\$10.38
3	Japan	\$4.62
4	Germany	\$3.86
5	United Kingdom	\$2.95
6	France	\$2.85
7	Brazil	\$2.35
8	India	\$2.05
9	Italy	\$2.15
10	Russia	\$1.86
11	Canada	\$1.79
	<b>Texas</b>	<b>\$1.65</b>
12	Australia	\$1.45
13	Korea	\$1.42
14	Spain	\$1.41
15	Mexico	\$1.28

Rank	Country	GDP 2014 (US\$ trillions)
16	Indonesia	\$0.89
17	Netherlands	\$0.87
18	Turkey	\$0.81
19	Saudi Arabia	\$0.75
20	Switzerland	\$0.71
21	Nigeria	\$0.57
22	Sweden	\$0.57
23	Poland	\$0.55
24	Argentina	\$0.54
25	Belgium	\$0.53
26	Taiwan	\$0.53
27	Norway	\$0.50
	<b>DFW Metroplex</b>	<b>\$0.45</b>
28	Austria	\$0.44
29	Iran	\$0.40
30	U.A.E	\$0.40

Source: **DALLAS BUSINESS JOURNAL**



# Headquarter Relocations to Dallas-Fort Worth 2010-2017



# DFW AIRPORT RANKINGS

- 4th in the world for flights
- 12th in the world for passengers
  - 176 domestic destinations
  - 57 international destinations
  - Global cargo network



175,100  
DAILY CUSTOMERS

1,800  
FLIGHTS PER DAY

67M  
CUSTOMERS THIS YEAR

# Going Global: Each international wide-body flight adds an estimated \$250 million annually to the DFW economy

Recent additions include:

- British Columbia: Air Canada service to Vancouver – FEB 2017
- China: AA service to Beijing – MAY 2016
- China: AA service to Shanghai - JUN 2014
- Hong Kong: AA service to Hong Kong - JUN 2014
- Korea: AA service to Seoul - MAY 2016
- Middle East: Qatar to Doha, Qatar – JUL 2014
- Middle East: Etihad Airways to Abu Dhabi, UAE – DEC 2014
- Middle East: Emirates Airline to Dubai, UAE - FEB 2012
- Japan: Japan Airlines resumed service from Tokyo - NOV 2015
- Australia: Qantas Airways to Sydney – SEP 2014
- Latin America: AA once weekly to Managua, Nicaragua, summer 2016
- Latin America: Volaris expanded to Monterrey, Mexico – JUL 2016
- Latin America: Interjet service DFW to Mexico City – MAR 2016
- Latin America: AA service to Bogota, Colombia, NOV 2013



# “Economic Engine” of the Dallas-Fort Worth Region

A large jet engine is the central focus, mounted on the wing of an airplane. The engine's fan blades are visible, and the entire scene is set against a dramatic sunset sky with orange and blue hues. In the background, a city skyline is visible, including a prominent tower.

Annual Economic Impact  
**\$37 Billion**

Jobs Supported  
**228,000**

Annual Supported Payroll  
**\$12.5 Billion**

# DFW: Commercial Development

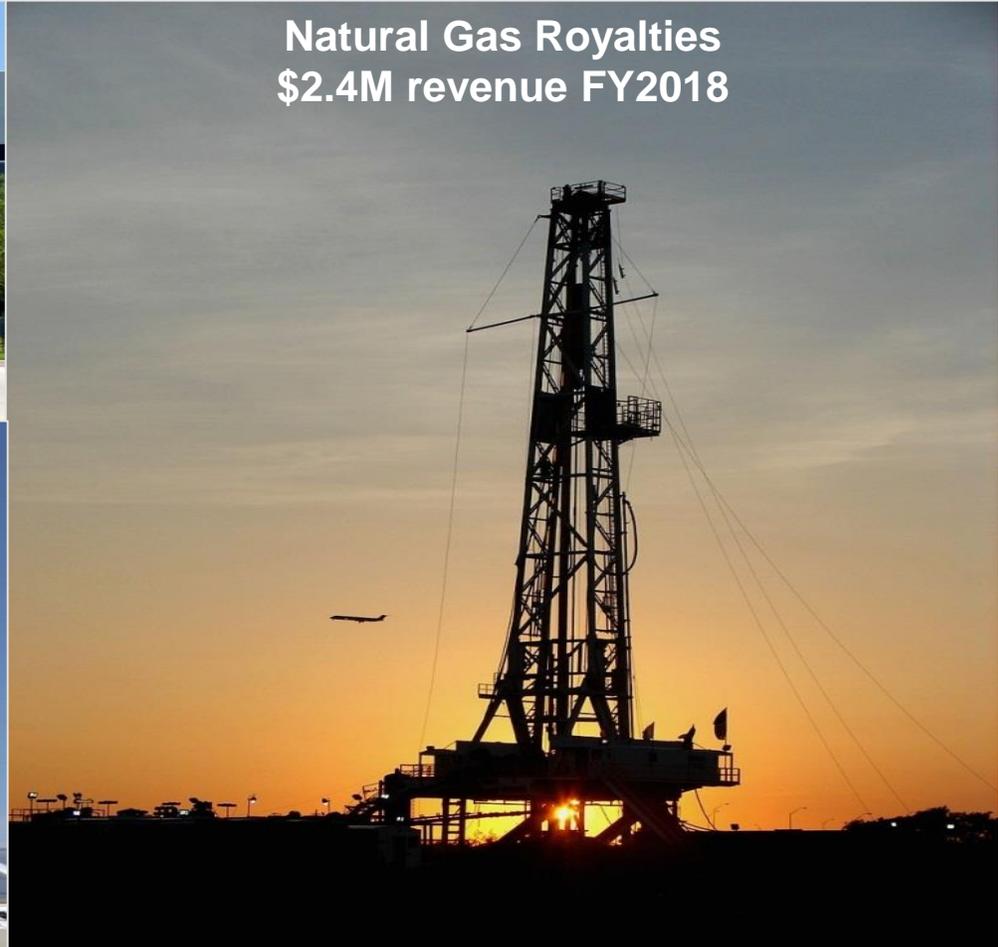
Commercial Development opportunities play a key role in DFW's future by sustaining operations and offsetting landing fees



**\$45.6M Ground Lease revenue FY2018**



**Hotel Revenues  
\$48.9M revenue FY2018**



**Natural Gas Royalties  
\$2.4M revenue FY2018**

# DFW



Developing DFW's Commercial  
Landscape for Over 40 Years.

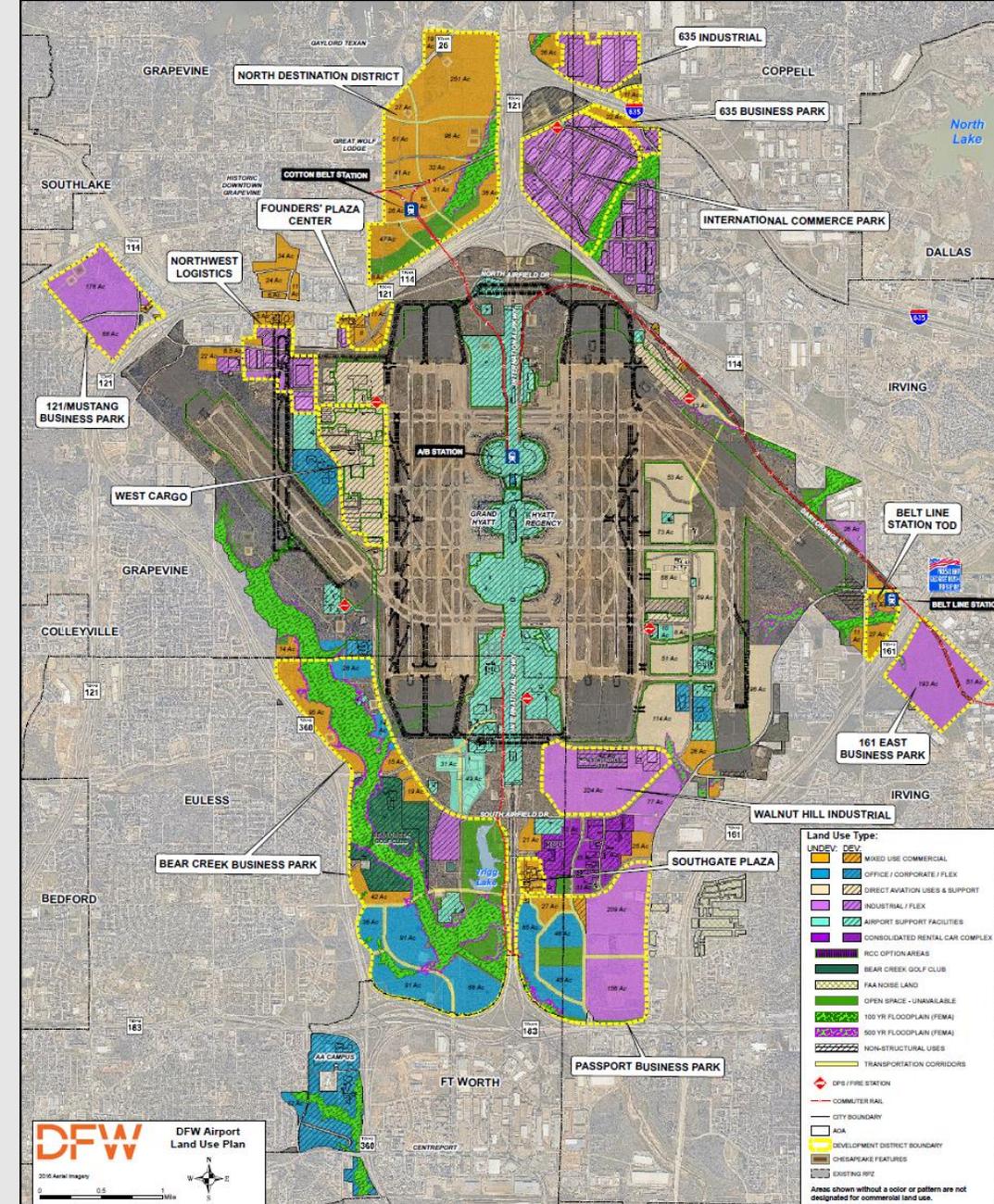
# DFW Land Use Plan

DFW's Land Use Plan provides a framework and development strategy for the commercial uses of Airport property

- The Land Use Plan is updated every five years and refreshed as needed
- This market-based plan was developed in a collaborative process with input from Owner Cities, Host Cities, DFW stakeholders, external stakeholders, and the Airlines

## Development Types

- Cargo
- Warehouse
- Distribution
- Office
- Mixed Use
- Retail
- Hospitality
- Industrial



# Commercial Development

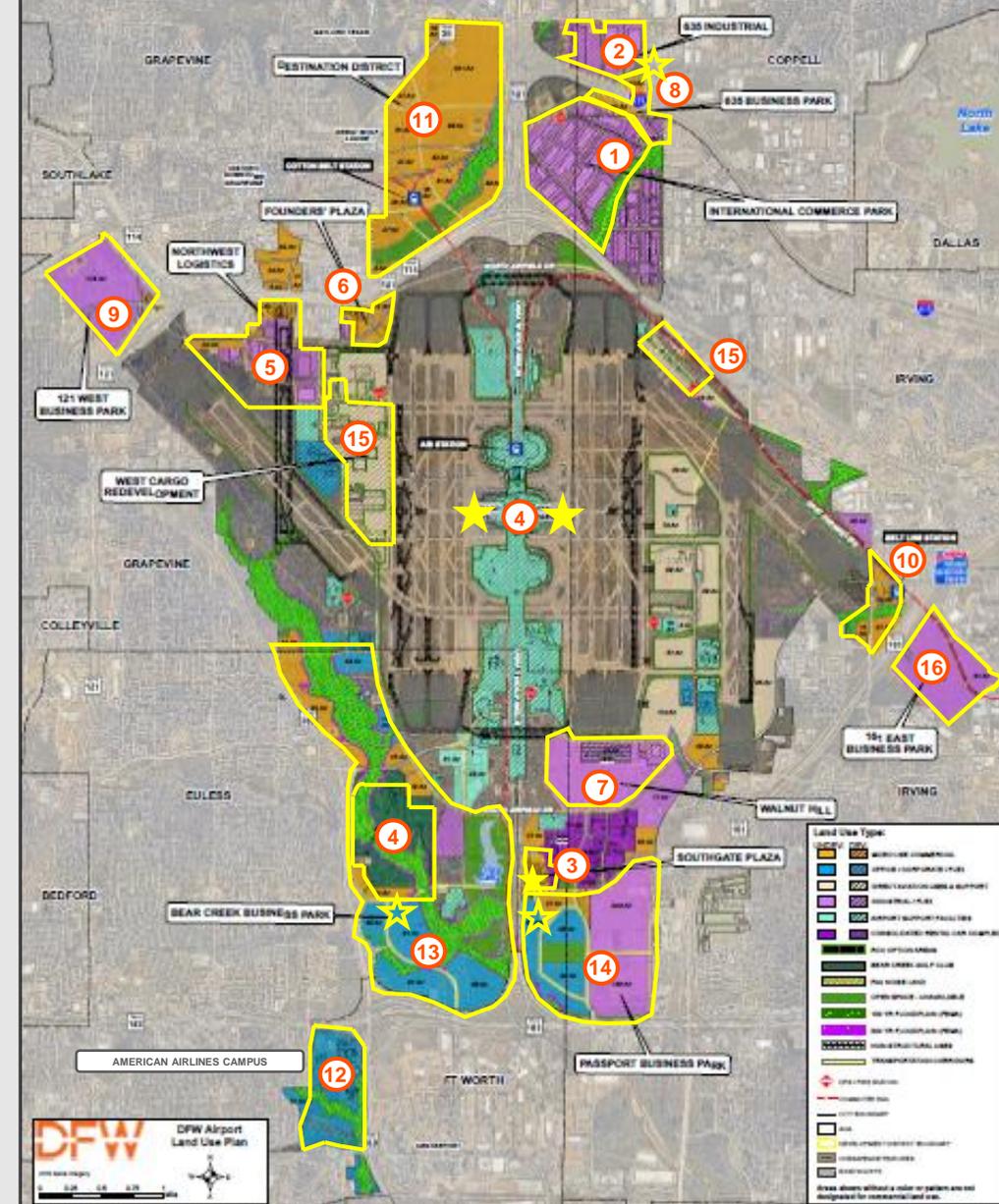
## Overview

- Over 2,400 acres developed
- Over 24M sf of buildings
- Built at 3<sup>rd</sup> party expense



# Development Districts

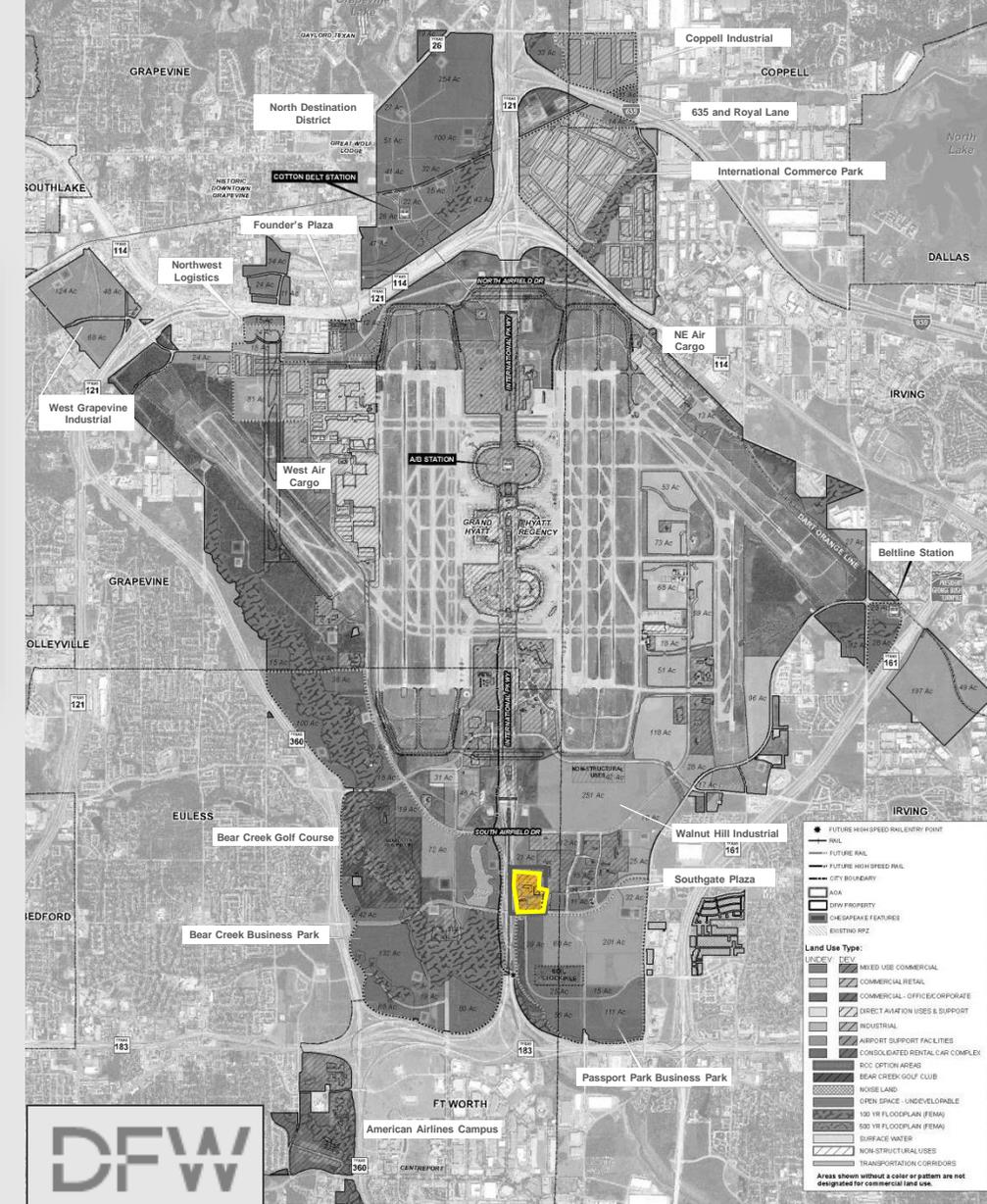
- ① INTERNATIONAL COMMERCE PARK
- ② 635 INDUSTRIAL
- ③ SOUTHGATE PLAZA
- ④ HOSPITALITY/ RECREATION
- ⑤ NORTHWEST LOGISTICS
- ⑥ FOUNDERS' PLAZA
- ⑦ WALNUT HILL INDUSTRIAL
- ⑧ 635 BUSINESS PARK
- ⑨ 121 WEST BUSINESS PARK
- ⑩ BELTLINE TOD
- ⑪ DESTINATION DISTRICT
- ⑫ AMERICAN AIRLINES CAMPUS
- ⑬ BEAR CREEK BUSINESS PARK
- ⑭ PASSPORT BUSINESS PARK
- ⑮ WEST/NORTHEAST AIR CARGO
- ⑯ 161 EAST BUSINESS PARK



# Southgate Plaza



- 32 acre mixed-use development
- PFIC owned 137-room Hyatt Place
- Home to 154,000 sq/ft DFW Airport Headquarters building



# Southgate Plaza

Hospitality

137 Rooms

Opened January 2016

*“Official Best Airport Hotel in the State of Texas”*

*June 6, 2017 – Quality Service Marketing*

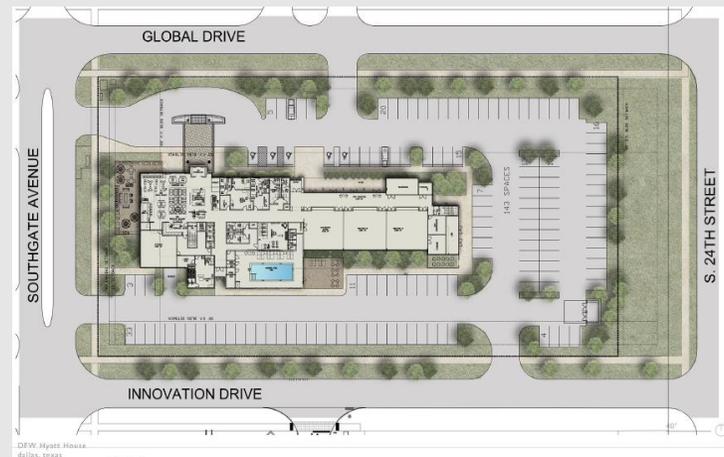
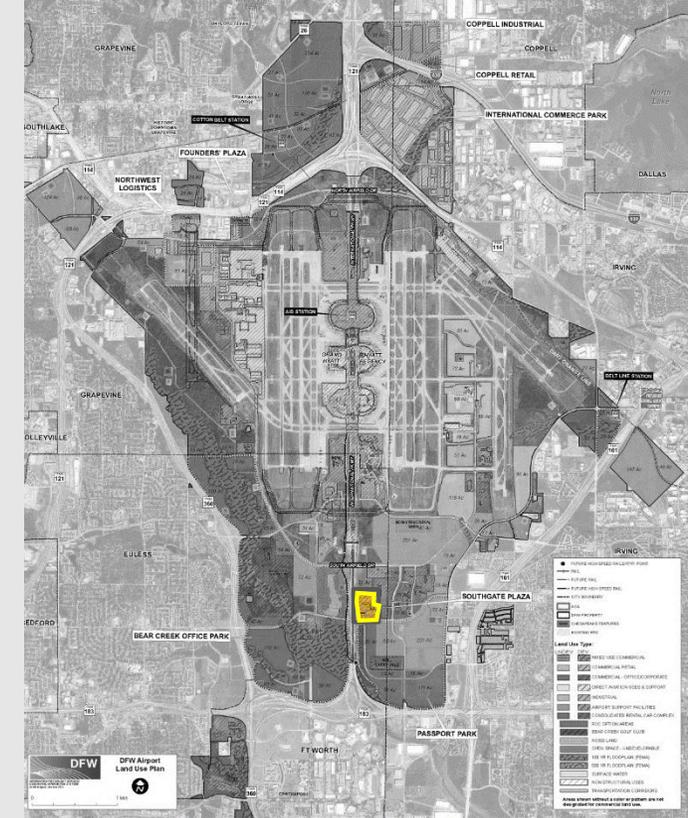


DFW

# Hyatt House DFW - Hotel Development

## Southgate Plaza

- Hyatt House Hotel - 125-room extended-stay
- Full Restaurant
- Expanded Meeting Space
- Construction begins Spring 2019
- Opening Late Spring 2020



# Hospitality

## Hotels

### Hyatt Regency DFW

Adjacent to  
Terminal C  
800 Rooms



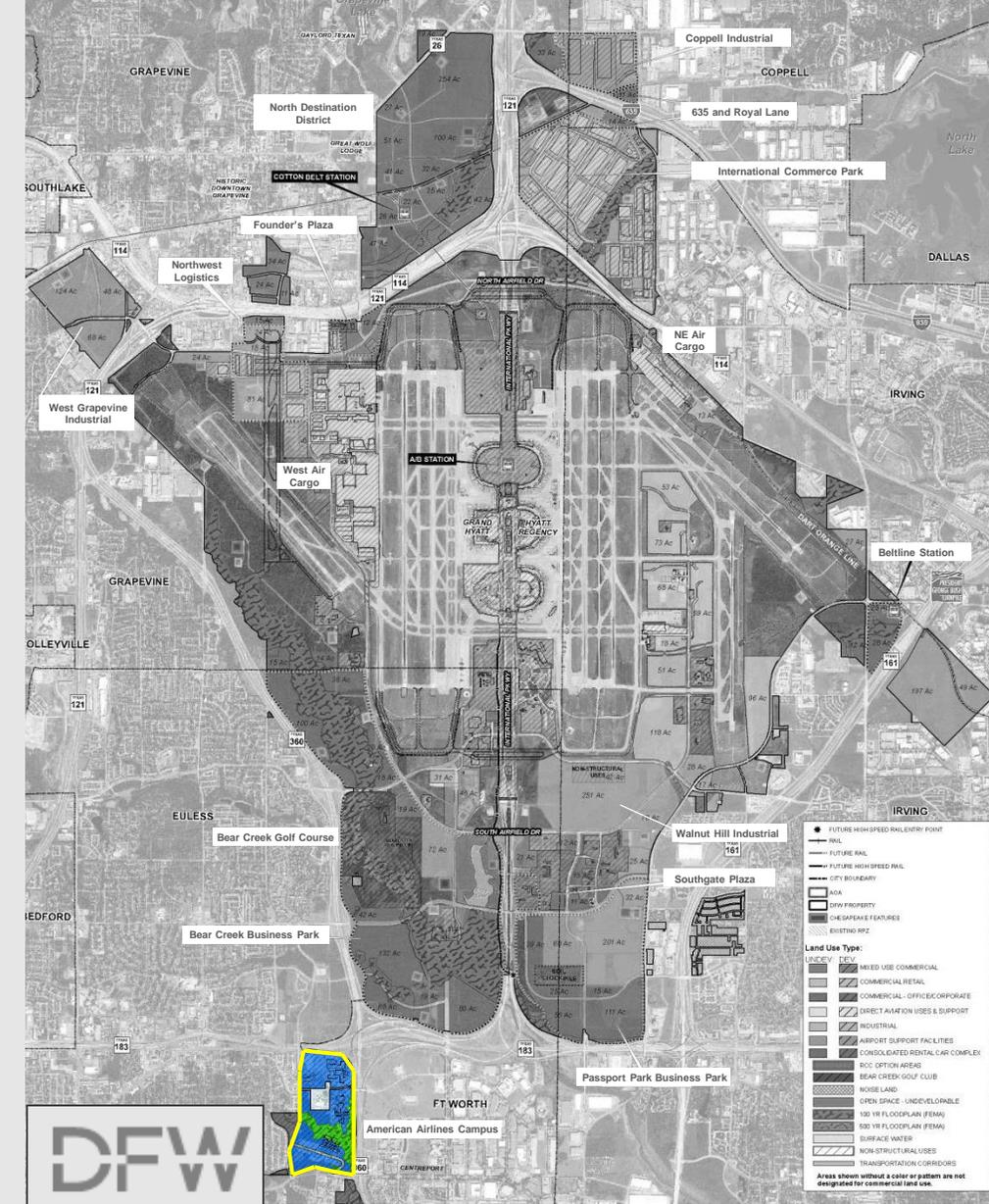
### Grand Hyatt DFW

Inside International  
Terminal D  
298 Rooms

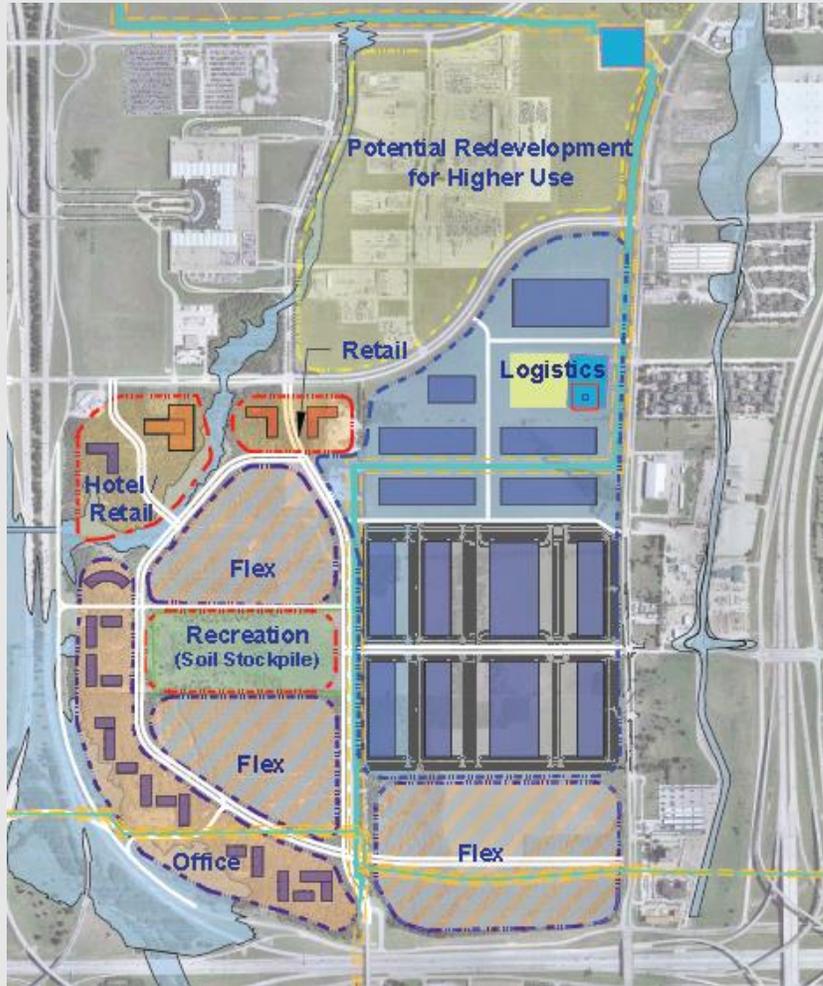
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# American Airlines Campus

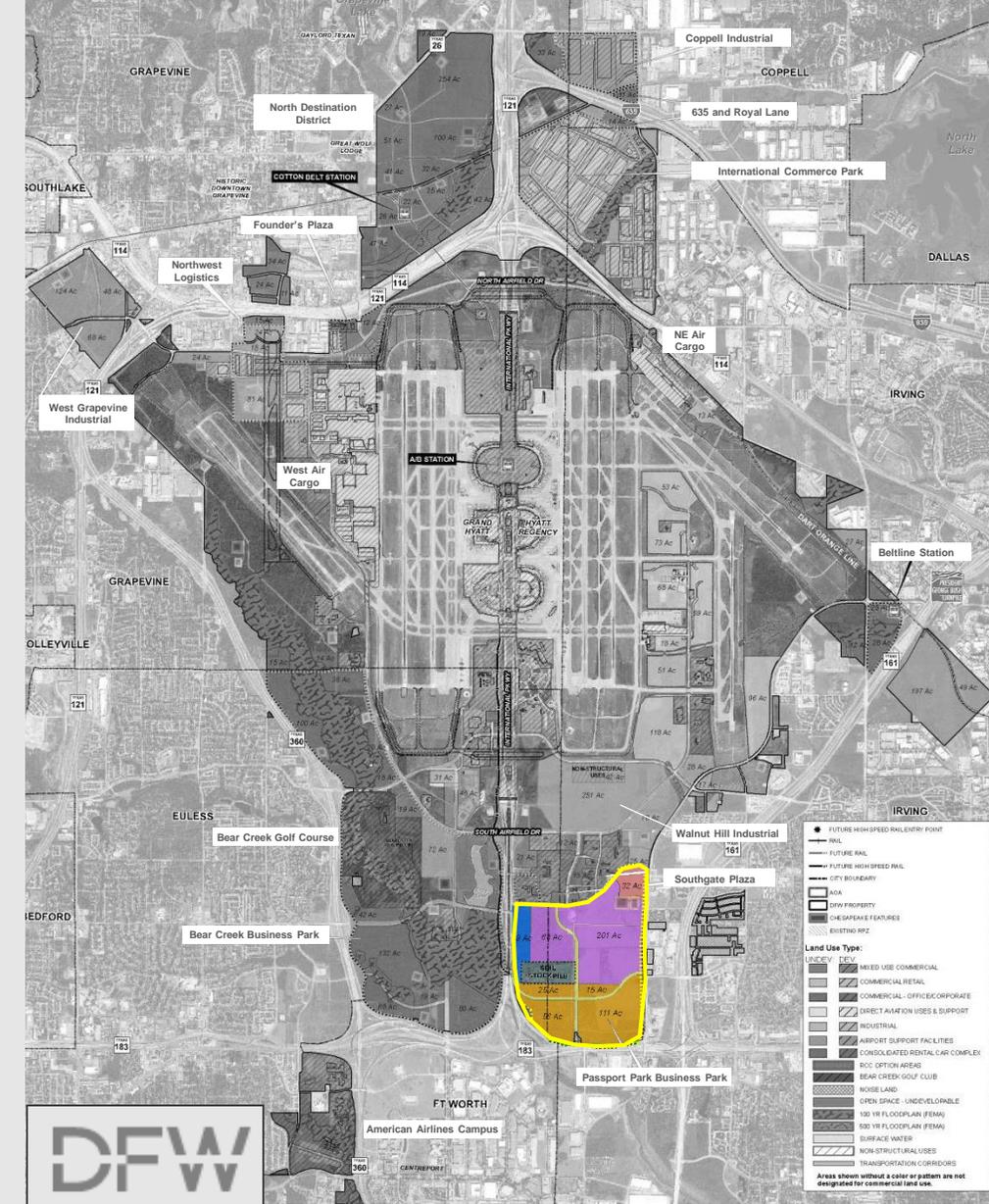
- Approximately 268 acres
- AA Campus will house approximately 5,000 employees
- Maintains AA's Headquarters in Fort Worth



# Passport Business Park



- Approximately 600 acres
- East 350 Acres
  - 17 facilities
  - 6M +/-Msf
  - Industrial
- West 250 Acres
  - Corporate Campus
  - Medical Research
  - Retail/Restaurants
  - Hospitality





Passport Park:  
A **Mixed-Use** Master Plan Positioned for Growth.

# Passport Business Park Development - East



SEP 18, 2018

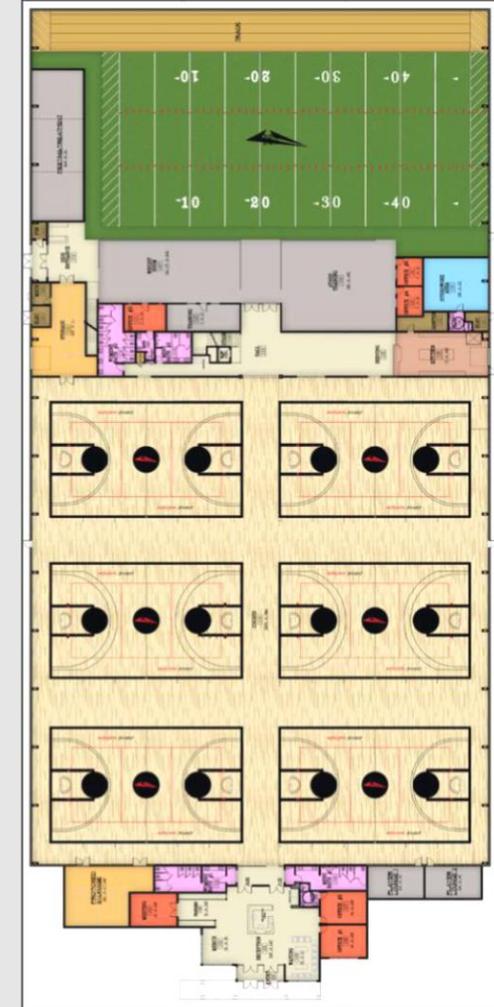
# Passport Business Park

Drive Nation Sports Complex

Opened October 26, 2017

DFW Airport at Southgate Plaza

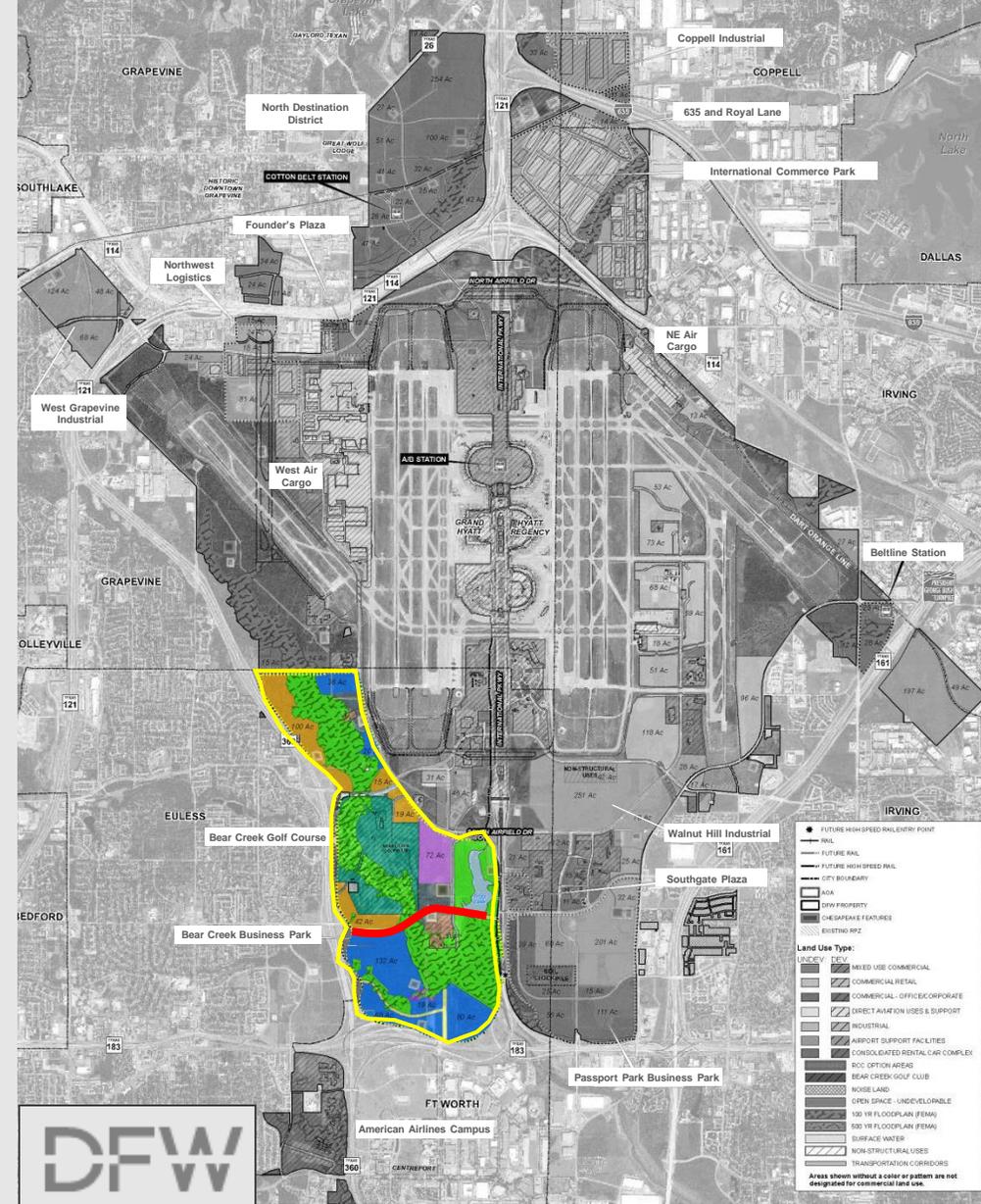
- \$10.4M
- 16.2-acre development
- 93,000 sq/ft campus
- 50-yard training turf
- 10,000 sq/ft weight room
- 1,800 sq/ft full-service kitchen
- Six basketball / 12 volleyball courts
- Two outdoor fields planned
- Sports performance training
- Player lounges
- Concessions



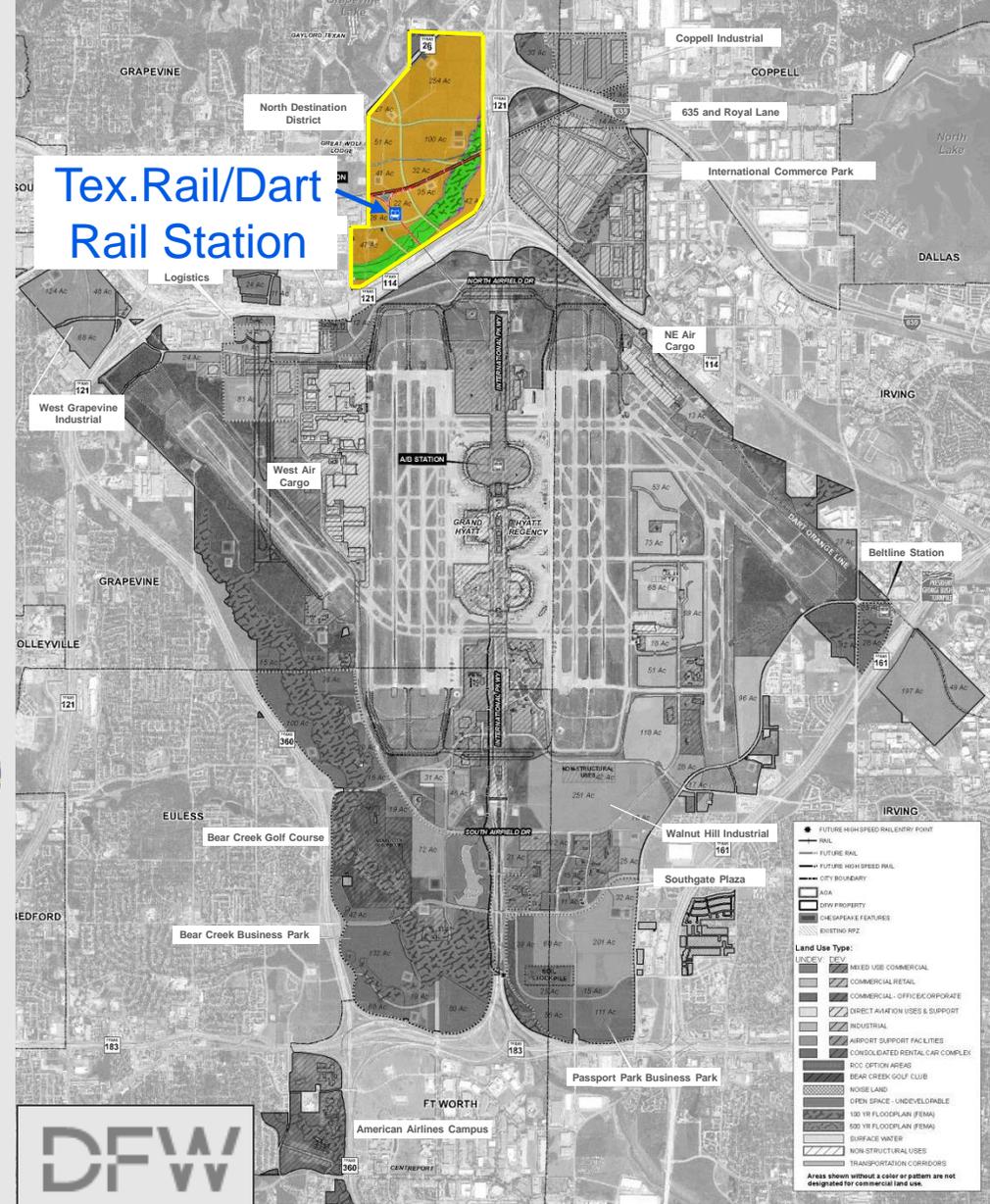
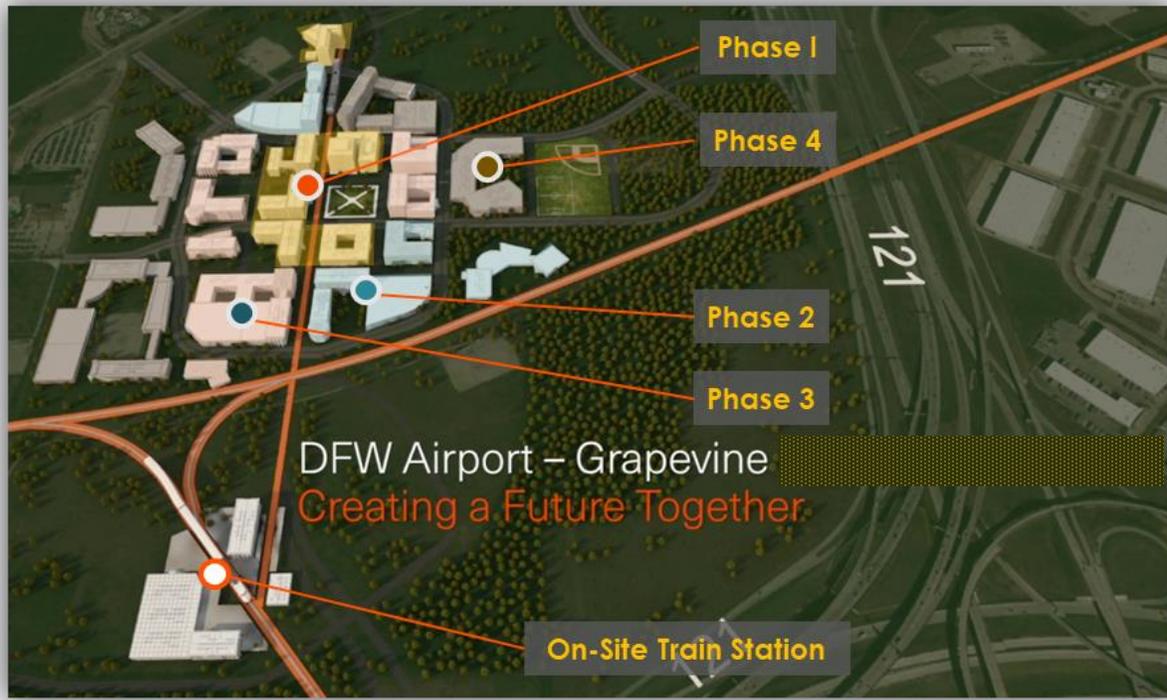
# Bear Creek Business Park



- Approximately 1,700 gross acres
- Phase I – 321 net acres
  - Office - 27 acres
  - Hotel/Retail – 37 acres
  - Office/Flex - 257 acres
  - East-West Connector



# North Destination District



- Negotiating with City of Grapevine
- 936 +/- gross acres
- TexRail Station

Transform DFW Airport from a “facilitator” to a “driver” of regional tourism



DFW Airport – Grapevine Site & Amazon HQ2:  
Creating a Future Together

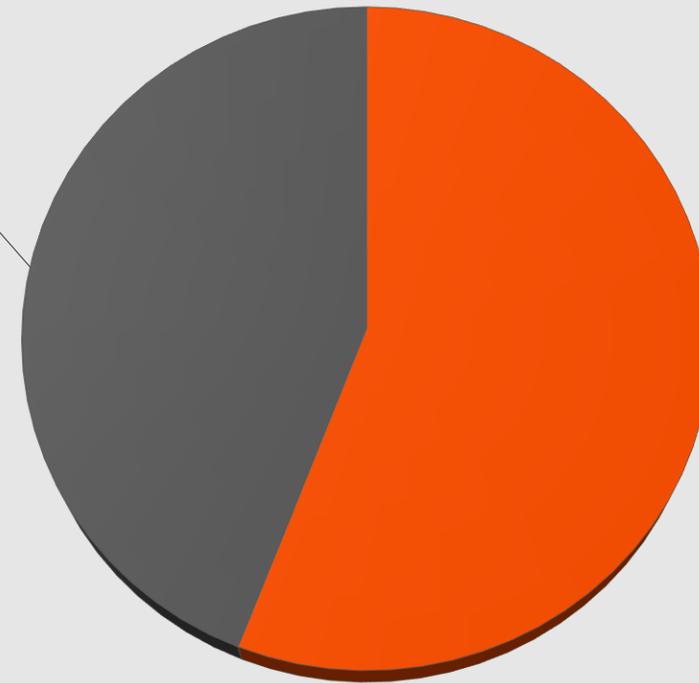
# Cargo and logistics matter to DFW Airport and North Texas

## Annual DFW Airport Economic Impact

(total economic impact = US\$37 billion)



Other airport activity **44.1%**



Cargo activity  
**55.1%**

Source: The Perryman Group, Catalyst!! The Role of Dallas/Fort Worth International Airport in the North Central Texas Regional Economy, September 2015

# Cargo business priorities

- Position DFW as the preeminent gateway connecting Asia and Latin America
- Protect DFW's position in its largest markets – China / Hong Kong / Taiwan
- Strengthen DFW's position in the Mexico/US trans-border market
- Develop and grow the perishables and e-commerce sectors
- Develop cargo facilities and infrastructure for the future
- Better serve our cargo community



DFW  
DFW



DFW Cargo: Redefining Logistics.

# Thank You

