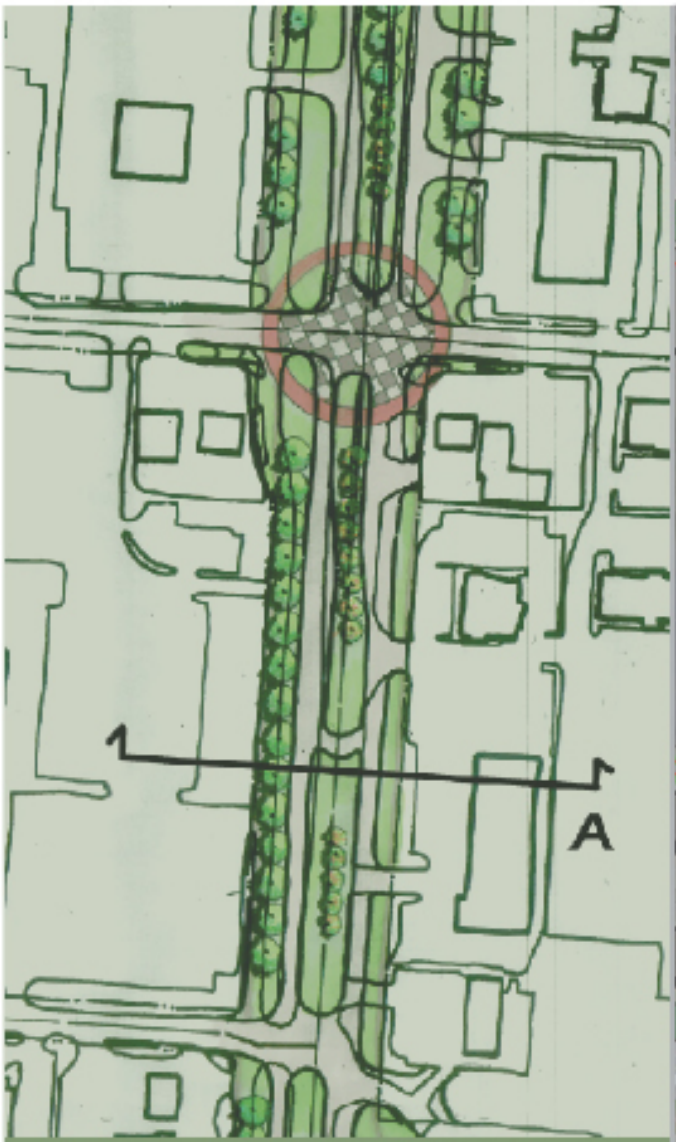


Hamilton Road Corridor / Eastland Area Revitalization Plan

bbpc ASSOCIATES

JACOBS Carter Burgess

December 2007

Study Purpose

The Hamilton Road Corridor in the Eastland Area, located between I-70 and Big Walnut Creek in the southeast quadrant of Columbus, is an aging commercial strip. Although Eastland Mall, anchoring the southern end of the study area, was recently renovated and still remains a destination for traditional regional mall shopping needs, vacancy levels throughout the corridor are on the rise, and fewer and fewer retail establishments cater to consumers' traditional shopping needs.

Encouraged by engaged neighborhood residents and business owners and prompted to capitalize on the recent and planned public and private investments, the City of Columbus embarked upon a planning process designed to generate a revitalization plan for the corridor and address the signs of disinvestment and decline.

The goal of the plan is to provide a framework for the Hamilton Road Corridor/Eastland Area to become a new center of vitality, attracting new entertainment uses, business/personal services, office, research and development, and residential and mixed-use developments while serving as an exciting public draw and destination for residents and visitors.

Project Methodology

To develop a framework for the revitalization of the Hamilton Road Corridor/Eastland Area that is market-sensitive and implementable, the City hired the consulting team of Basile Baumann Prost Cole Associates and Jacobs Carter Burgess. The consulting team examined the existing conditions of the Hamilton Road Corridor/Eastland Area - exploring the market support for new development and property owner interest in new development. Relying on input from the City, property owners, other stakeholders, local real estate brokers and businesses, the consulting team prepared a future land use plan, identified opportunities sites and redevelopment programs to catalyze redevelopment, and identified specific revitalization strategies for the corridor as a whole, including infrastructure improvements, land use changes, marketing and tenant mix enhancements, and real estate investment. The study culminates with an action plan for implementation, including design guidelines, prioritized capital investments, enhancements to marketing and business operations, and strategies to redevelop key opportunity sites based on an evaluation of preliminary financial analysis and an identification of potential funding sources.

Key Findings

Existing Conditions

- The corridor's weaknesses include high vacancy rates, deteriorating property, high levels of visual clutter from poorly coordinated signage, a poor pedestrian environment, and fragmented development marked by overabundant surface parking, and poorly accessible service roads;
- In terms of opportunities, the corridor experiences high traffic counts (approximately 25,000 vehicles per day) and is thus oriented toward providing both regional destination retail as well as more local-serving neighborhood convenience retail; and
- The presence of several large, underutilized parcels also presents opportunities for reuse and redevelopment.

Market Observations

- Evaluation of the retail, office, residential, and hospitality markets indicate opportunities for revitalization;
- The retail on the corridor serves both a local market area and a larger regional market area that comes to the corridor for Eastland Mall. Analysis of retail supply versus demand indicate opportunities to enhance retail offerings in several categories, particularly electronics and appliances, books/periodicals/music, and sporting goods;
- In the office market, the corridor has several strengths that may allow modest growth, including exceptional interstate access and competitive lease rates. However, limited regional office-based job growth, combined with competition from other areas in the Columbus metropolitan area, may impede development of large-scale projects. Medical offices to serve a growing senior population may represent a potential niche opportunity;
- The residential market poses the most significant challenges for growth – given the current national housing market downturn and credit crunch combined with a lack of amenities on the corridor to support new development. Residential growth represents a long-term opportunity that should be pursued within the context of mixed use projects where amenities to support the residents can be provided on site and in a pedestrian-friendly, easily accessible orientation; and

- The hospitality market is positioned to take advantage of significant commercial and industrial growth activity near Port Columbus Airport and Rickenbacker International Airport. The area surrounding Port Columbus International Airport is engaged in a major revitalization planning effort designed to bring significant new commercial growth to this area.

Vision

The corridor's economic, market, and physical conditions speak to the need for a new Hamilton Road Corridor/Eastland Area vision. Expressions of what the business and residential community desire to become are reflected in the following vision statement:

The corridor is a community of choice to today's residents and business owners and for future generations. This vision is created by an enhanced corridor roadway, strong businesses, vital neighborhoods, and abundant cultural and recreational opportunities.

Goals

1. The goals listed below help to form a foundation for the future of the Hamilton Road corridor. Through these goals, a general framework is established for the plan's more specific recommendations. These goals, like the recommendations/strategies that follow, are not in order of rank or priority.

    - Maintain the long-term vitality and attractiveness of the Hamilton Road corridor as a quality commercial, office/research, warehousing, residential, and mixed-use environment.

    - Promote an efficient and compatible land use pattern that establishes several community focal points in the corridor, such as the Hamilton Road/Grove Road intersection as a gateway into the expanded and improved office/research and warehousing district along Grove Road, both east and west of Hamilton Road, the community hub located at the intersection of Hamilton Road and Kimberly Parkway, with mixed commercial, office, cultural and educational uses to support area residents, and the Hamilton Road and Refugee Road intersection being the center of the corridor's regional commercial district.

    - Strengthen aesthetic quality and a sense of identity for the corridor through development design guidelines that foster harmonious site circulation, planning, architectural and landscape architectural design for

new development, and encourage aesthetic improvements at existing business locations.

- Provide for a diversity of innovative housing types (targeted predominantly to ownership markets) including creative designs that are responsive to changing population needs and compatible with surrounding neighborhoods.

2. Enhance the potential for prosperous commerce.

    - Provide for necessary commercial, services and office/research uses to meet population needs and protect prime sites from inappropriate development.

    - Ensure that the level and type of business uses are compatible with the scale and character of established neighborhoods and other adjacent land uses.

    - Continue to develop a business and residential community partnership in the corridor to carry out a comprehensive implementation strategy and undertake marketing efforts.

3. Enhance public facilities and services to maintain a high quality of life and to encourage infill development

    - Support enhancements, as necessary, to existing utility systems and leisure facilities.

    - Promote safe pedestrian access to commercial, leisure/recreation facilities and natural conservation areas from nearby neighborhoods and employment centers.

4. Provide a safe, efficient, and cost effective transportation system.

    - Ensure proposed land uses and densities along the corridor are controlled so that the flow of traffic on Hamilton Road is not disrupted.

    - Limit and properly locate points of direct access to Hamilton Road and connecting streets.

- Relocate service roads to the rear of development fronting Hamilton Road, by constructing new service roads and/or implementing shared access agreements through parking areas.

Revitalization Strategies

Revitalization strategies have been identified, including infrastructure improvements, marketing and tenant mix enhancements, real estate investment, and aesthetic enhancements.

Real estate investment revitalization strategies include:

- Target key opportunity sites for redevelopment.
- Target and consolidate redevelopment in locations ripe for retail redevelopment (such as Eastland Square).
- Assemble parcels of land in key locations by engaging its property owners
- Incorporate office space into mixed-use projects.
- Recruit government office tenants (State or City) on key opportunity sites such as Eastland Mall.
- Encourage development of senior housing affiliated with faith-based organizations.
- Continue to develop the niche hotel market.
- Employ mixed-use revitalization strategies in clustered key locations.

Marketing and tenant mix enhancement strategies include:

- Invest in cosmetic improvements such as façade and pedestrian improvements, lighting, streetscape, uniform signage etc.
- Continue to build and strengthen business association.
- Develop a recruitment strategy for both existing and new tenants, including recruitment of shoppers goods and entertainment oriented retail tenants that are unaffected by local demographic and economic conditions, medical offices, educational institutions and tenants seeking office flex space, and businesses that employ local residents.

Infrastructure improvements include:

- Assess existing traffic patterns and pursue any vehicular transportation improvements that will increase facility carrying capacity and traveling convenience, i.e., install medians, improve signal timing, relocate service roads, etc.

- Coordinate with COTA to add quality bus stops/shelters along the Hamilton Road corridor and pedestrian connections to businesses.
- Work with ODOT on I-70/Hamilton Road interchange improvements.
- Minimize or manage and calm the impacts of increase traffic and activity levels on residential streets.
- Provide adequate off-street loading and unloading space for goods with minimum disruption of through traffic.
- Create a safe, secure appealing and efficient pedestrian walkways linking commercial development, parking areas to the public sidewalk/trailways system.
- Establish a complete system of service roads and access management improvements along Hamilton Road.
- Encourage roadway projects by private developers through coordination with ODOT.
- Encourage access-related projects in coordination with other planned or programmed projects.
- Install sidewalks and trailways along the Hamilton Road corridor.
- Extend sidewalks where needed into areas beyond the Hamilton Road corridor, to provide strong connections of side streets to the corridor.
- Prepare a park plan and community center program to strengthen the character of the neighborhood and encourage the use of these features when negotiating private sector development plans.
- Incorporate safety/security design techniques for all public places.
- Develop a complete non-motorized system of walkways, pathways and bikeways within the corridor and connect with existing and planned regional trail systems.

Opportunity Sites

Four opportunity sites were selected as potential locations for redevelopment and targeted enhancements that can serve to catalyze additional revitalization throughout the corridor:

- Development of a mixed use project featuring residential, retail, and office development on the east side of Hamilton Road;
- Addition of office development behind Eastland Mall;
- Redevelopment of Eastland Square as large format regional retail; and
- Creation of an international retail-oriented market on Kimberly Parkway west of Hamilton Road

Implementation Strategies/Action Plan

The implementation strategies include regulator and land use planning actions, marketing and business operation enhancements, organizational initiatives, infrastructure investments, and financing and funding mechanisms. The strategies are prioritized as near term or longer term, and responsible agents for implementation are identified.

TABLE OF CONTENTS

LIST OF MAPS, TABLES, AND FIGURES

Introduction

1.0

1.1 Study Purpose

The Hamilton Road Corridor, an aging commercial strip in the Eastland Area, is located between I-70 and Big Walnut Creek in the southeast quadrant of Columbus is an aging commercial strip. It is surrounded by several multifamily residential neighborhoods as well as scattered office uses. Anchored to the north by an established industrial district and to the south by the regional Eastland Mall, the corridor was once a highly used commercial center. However, typical of inner ring suburban areas across the country, the Hamilton Road corridor has declined as a result of competition from new regional shopping destinations in other parts of the City. Combined with a general trend of deteriorating infrastructure, poor land utilization and property disinvestment, and a decreasing sense of coherence and connection amongst the diverse commercial establishments, the corridor is experiencing an increasing lack of relevance. Although Eastland Mall was recently renovated and still remains a destination for traditional regional mall shopping needs, vacancy levels throughout the corridor are on the rise, and fewer and fewer retail establishments cater to consumers' traditional shopping needs.

Despite the increasing vacancy levels and signs of disrepair, the corridor has experienced several recent investments – both public and private. The Eastland Mall renovations represented a several million-dollar investment by Glimcher Realty, the longstanding owners of Eastland Mall. The Holiday Inn located north of Lionmark Corporate Center installed a water park designed to draw regional visitors. In addition, the City is completing construction of a Fleet Maintenance facility north of Groves Road on the west side of Hamilton road – bringing new employment and activity to the corridor. The City is also planning transportation improvements for the corridor and has engaged transportation consultants to provide recommendations for those public investments.

Encouraged by engaged neighborhood residents and business owners and prompted to capitalize on the recent and planned public and private investments, the City of Columbus embarked upon a planning process designed to generate a revitalization plan for the corridor and address the signs of disinvestment and decline. The goal of the plan is to provide a framework for the Hamilton Road Corridor/Eastland Area to become a new center of vitality, attracting new entertainment uses, business/personal services, office, research and development, along with residential and mixed-use developments while serving as an exciting public draw and destination for residents and visitors.

To develop a framework for the revitalization of the Hamilton Road Corridor/Eastland Area that is *market-sensitive* and *implementable*, the City hired the consulting team of Basile Baumann Prost Cole Associates, Inc. and Jacobs Carter Burgess. The consulting team conducted an evaluation of existing conditions and market conditions in order to develop recommendations for the revitalization of the corridor and strategies to achieve revitalization goals. The intent is to provide an implementation-oriented strategic plan that establishes a revitalization vision for the corridor and an action plan to realize that vision.

1.2 Work Completed

To address the purpose of this study, the consulting team examined the existing conditions of the Hamilton Road Corridor/Eastland Area. Relying on input from the City, property owners, other stakeholders, local real estate brokers, and businesses, the consulting team prepared a future land use plan, identified opportunity sites and redevelopment programs to catalyze redevelopment, and identified specific revitalization strategies for the corridor as a whole, including infrastructure improvements, land use changes, marketing and tenant mix enhancements, and real estate investment. The study culminates with an action plan for implementation, including design guidelines, a development checklist, prioritized capital investments, enhancements to marketing and business operations, and strategies to redevelopment key opportunity sites based on an evaluation of preliminary financial analysis and an identification of potential funding sources.

- As part of this study, the team completed the following:
- Compiled a review of existing physical conditions and a compendium of key strengths, weaknesses, opportunities, and constraints;
- Conducted an economic and market analysis, identifying opportunities for redevelopment and revitalization from a real estate market perspective;
- Conducted interviews with 12 stakeholders, including 5 property owners
- Conducted three public meetings;
- Prepared an existing conditions and future land use plan map;
- Identified opportunity sites and programs to catalyze redevelopment;
- Identified specific revitalization strategies for the corridor as a whole, including infrastructure improvements, land use changes, marketing and tenant mix enhancements, and real estate investment; and
- Prepared an action plan for implementation, including design guidelines, prioritized capital investments, enhancements to marketing and business

operations, and strategies to redevelopment key opportunity sites based on an evaluation of preliminary financial analysis and an identification of potential funding sources.

1.3 Report Organization

This report is organized into six chapters plus an appendix and includes:

1. Existing Conditions
2. Economic and Market Analysis
3. Revitalization Strategy Recommendations
4. Revitalization Strategies
5. Future Land Use Plan and Proposed Demonstration Sites
6. Implementation Plan/Action Agenda

Existing Conditions 2.0

2.1 Introduction

This chapter addresses Hamilton Road's existing physical conditions by describing an overview of the corridor, summarizing right-of-way characteristics, block form, and architectural treatment. This is followed by a condition assessment detailing strengths, weaknesses, opportunities, and challenges. An overview of land use patterns, zoning, and transportation is also provided.

The overall general patterns of development on the Hamilton Road corridor can be characterized as a "dispersed business district" that includes:

- Low development density;
- Lack of unifying architectural and landscape theme;
- High dependence on cars for access to businesses;
- Weak pedestrian improvements and quality of the public rights-of-way;
- Low coverage of building footprints covering only 25 percent of the lot area, with many properties exceeding two acres;
- Large separation between buildings;
- Unrestricted parking; and
- Poor location of buildings, which are setback from the roadway and separated by parking and service roads.

Some communities simply just let the patterns happen. They hope for the best and react to development/redevelopment proposals on an as needed basis. Other communities, like the City of Columbus, try to anticipate and influence change so that it fits into a logical scheme. This can be successfully done by adopting and implementing the Hamilton Road Corridor/Eastland Area Revitalization Plan. This type of plan allows the City to evaluate where it is today, determine what changes are desired for the future and articulate what actions are needed to shape that future. A sound comprehensive plan helps ensure that decisions made on development and capital improvements will maintain and enhance the corridor. Most importantly, the Plan will inspire residents, business leaders, area business and neighborhood associations, and City officials and staff to help the Hamilton Road corridor achieve its potential.

2.2 Corridor Environment

Commercial corridors like Hamilton Road have been the subject of development and planning debate for decades, yet the features that characterize these areas have not changed much over the years. Today's corridors, like yesterday's strip, drags and ribbon development areas, share a number of common components. Among the existing characteristics that characterize the Hamilton Road corridor are:

- Hamilton Road Right-of-Way
- Vehicular-oriented streetscape
- Numerous, closely spaced driveways
- Fragmented frontage service roads
- High accident intersections and circulation conflicts between the service roads and Hamilton Road
- No sidewalks and bikeways
- Minimal or no transit stop improvements

Block Patterns

- Rhythmic frontage block along Hamilton Road of approximately 800 feet
- Depth of frontage block ranging from 200 feet to 800 feet
- Frontage commercial development backing up to additional commercial, multiple family residential neighborhoods or open space
- Fragmented ownership within blocks
- Parking located in the front yard facing Hamilton Road

Architectural Form

- Pad sites with nationally branded commercial uses (e.g. Olive Garden, McDonalds, Red Lobster).
- Many single-story buildings
- Non-framing buildings with limited relationship to the corridor
- Nondescript or insignificant architectural character
- Linear or monotonous building form
- Poor sign treatment

Visually, the Hamilton Road corridor lacks a sense of organizational structure. The corridor contains many national fast food and sit down food franchises, gas stations, small free standing businesses, strip retail centers, and large format retail. The pattern of development makes the corridor indistinguishable from the next. There are opportunities to improve the corridor's cohesion and connectivity consistent with the high value the City

has bestowed on the creation of meaningful people places. Such improvements would create a “sense of place” and encourage visitors traveling through the study area to visit and spend time at the new high quality establishments on the corridor - rather than simply to pass through just another “commercial strip.”

2.3 Condition Assessment

A condition assessment identifies various existing elements of the Hamilton Road corridor that are of concern or interest with respect to planning and implementing the future of the area. It is important to build upon the assets and strengths of the corridor, while mitigating or eliminating the weaknesses and transforming into opportunities as noted below:

Assets/Strengths

- Serves as a primary arterial, with an average traffic volume of approximately 25,000 vehicles per day
- Is a high visibility for area businesses
- Displays a combination of convenience and shoppers goods
- Anchored by Eastland Mall, a regional shopping destination
- Contains Class A office/flex space at Lionmark Corporate Center
- Hosts a regional entertainment destination at the Fort Rapids Holiday Inn
- Features minimal property fragmentation with multiple opportunity sites

Challenges/Weaknesses

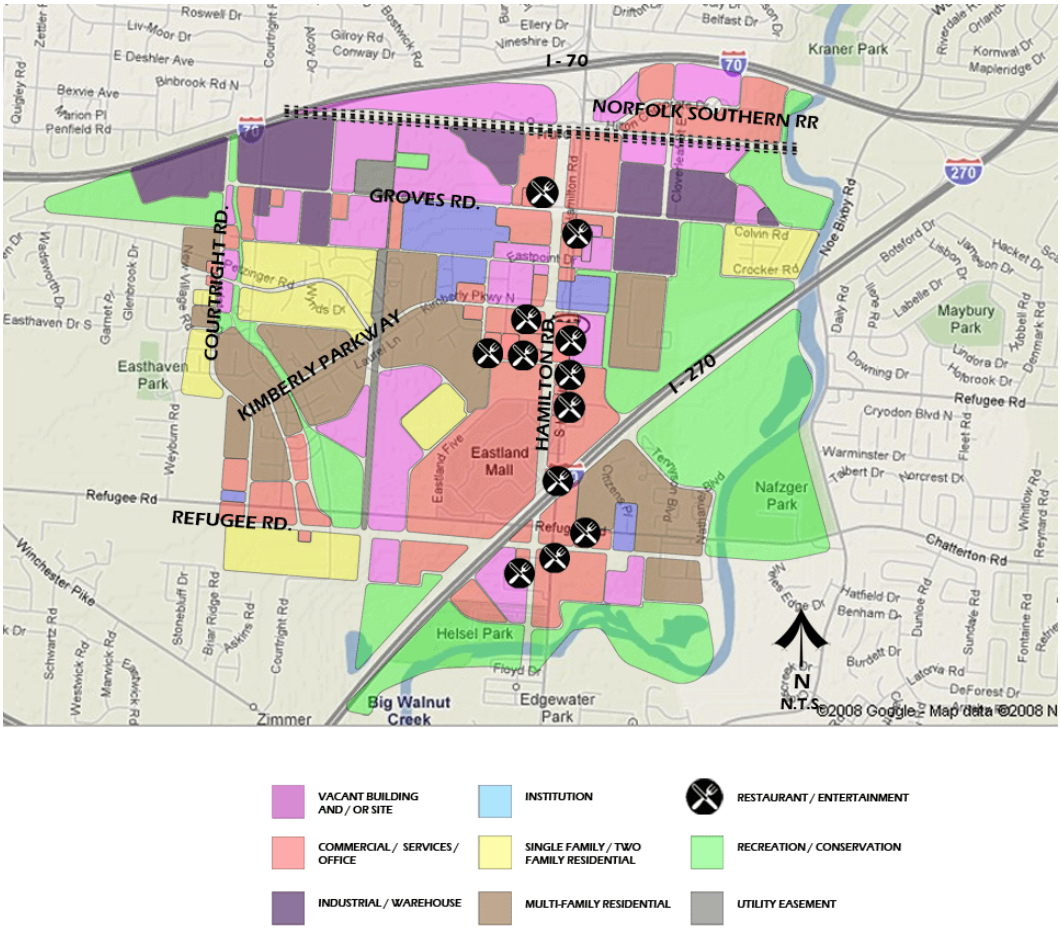
- High vacancy rates
- Deteriorating facades
- Clutter of overhead utilities/billboards/signs
- Poor pedestrian environment
- Overabundant surface parking highly visible from Hamilton Road
- Challenging circulation patterns from service roads which erode the customer ability to access businesses
- Lack of neighborhood park or facility for area residents

General Existing Land Use Patterns

A superficial first impression of the Hamilton Road corridor is that it is “more and more of the same”-beating out a steady rhythm of underutilized and/or vacant strip malls/centers, marginal retail uses, hospitality (hotels and sit-down restaurants), numerous fast food

restaurants and gas stations, self storage facilities, and previously owned vehicle sales. This is the image of the "stripped out strip." But on closer examination, it is apparent that different sections of the road have different functions. There are neighborhood convenience retail establishments that attract customers both day and night, comparison shopping goods and services for both nearby residents and larger consumer groups, and office and warehouse/industrial uses that attract workers from an immediate market area as well as the greater Columbus region.

Map 2.1: Existing Land Use



Source: BBPC, Jacobs Carter Burgess

In addition to the frontage land uses, behind the commercial frontage are large areas of two-family and multiple family residential neighborhoods, offices, warehousing/light industrial uses, and environmentally sensitive open space and parks. This project area functions as a linear city with integrated neighborhoods and employment districts that are impacted by the corridor's economic health, character and quality environment.

Approximately 775 acres of commercial, office and industrial/warehousing land is developed, planned or zoned within the project area, of which 36 percent (280 acres) is underutilized or vacant. This represents significant opportunities for redevelopment compatible with existing businesses and uses, responsive to community needs, and consistent with market forecasts and opportunities. In addition, many of the business along the corridor do not cater to a broad audience; therefore, stores and uses which meet the traditional convenience (e.g. groceries, drug stores) and shopping (e.g. apparel, electronics, home décor, books) are strongly desired.

Zoning

Zoning, the process regulating land uses and development activity, can precede development activity by many years and influence the valuation of land by increasing its economic potential. Zoning in the corridor and areas to the east and west represents a diverse mix of commercial, residential, office, industrial and warehousing districts. Zoning activity in the corridor has remained fairly static over the past several years due in part to economic conditions.

Transportation

Hamilton Road is an important north/south thoroughfare under the jurisdiction of the Ohio Department of Transportation and is designed as State Road 317. However, the City of Columbus retains jurisdiction as it is within the City limits and provides maintenance and operational services.

Hamilton Road extends from Dublin-Granville Road (north of the Port Columbus International Airport) southward through the project area and beyond past the north side of the Rickenbacker International Airport. Within the project area, Hamilton Road is a five-lane roadway, with two lanes in each direction and a dual center turn lane. Hamilton Road has been designed and functions well as a major artery. Signals are hard wired together to provide signal progression at a 45 mile per hour speed. In fact, Hamilton Road's effectiveness as an artery may have helped accelerate the decline of the retail and commercial uses along the road. Any roadway improvement plans for Hamilton Road and its service roads must consider how the road and frontage sites can be modified to provide economic stability of Hamilton Road businesses.

Traffic Volumes

Traffic volumes along Hamilton Road vary, reaching 35,700 Average Daily Traffic (ADT) in 2003 between I-70 and Kimberly Parkway, reducing to 24,400 ADT between Kimberly Parkway and I-270, In 1996, the traffic volumes south of I-270 were 21,500 ADT. These are the most current counts available at this time. In reviewing historical traffic volume data for the corridor, traffic volumes have declined or remained the same since the mid 1990s. The Hamilton Road corridor does have adequate capacity to increase volumes upward of 40,000 to 45,000 ADT, which is high and would result in a decreased level of service. More recent traffic volumes, turning movement counts and Level of Service-LOS will be obtained by the traffic consultant currently working with the City to examine Hamilton Road and intersecting streets in this same project area.

Streets that intersect Hamilton Road also carry a fair amount of traffic: I-70 had volumes of 98,700 ADT in 2003; in 1995 Grove Road carried 10,900 ADT west of Hamilton Road and 6,500 ADT east of Hamilton Road. In 1995, Kimberly Parkway west of Hamilton Road saw traffic volumes of 10,100 ADT while east of Hamilton Road had a minor volume of 4,800 ADT. This section of Kimberly Parkway, also known as Kingsland Avenue, only provides direct access to an apartment complex. Refugee Road in 1995 saw volumes of 29,400 ADT west of Hamilton Road and 34,400 ADT east of Hamilton Road.

Even though there are relatively high traffic volumes, accident data does not indicate any significant trends. However, while Hamilton Road accident rate is lower than statewide urban averages, as traffic volumes increased northward along Hamilton Road, so did the total accidents. Furthermore, in the late 1990s -when volumes on the corridor were higher than they are currently - two intersections (Kimberly Parkway/Hamilton Road and Grove Road/Hamilton Road) were ranked in the top 20 intersections with the highest levels of accidents in the City. In 1997, at the Kimberly Parkway/Hamilton Road intersection, 79 percent of the accidents were at right angles occurring during the PM Peak (3-6 PM) and NOON Peak (11-1 PM). Also in 1987, the Grove Road/Hamilton Road intersection saw a high pattern of rear end collisions (approximately 55%) occurring primarily during the PM Peak (3-6 PM)[1].

[1] The Ohio Department of Transportation has identified the intersections of Hamilton Road and Kingsland Avenue/Kimberly Parkway and Hamilton Road and Grove Road as experiencing a high crash frequency; the intersections are under study for improvements.

Public Transit

The Central Ohio Transit Authority (COTA) provides service to the Hamilton Road corridor along with service on Refugee Road, Kimberly Parkway and Courtright Road. COTA Route 89 runs along Hamilton Road extending from E Broad Street to south of US-33. Route 92 stretches from Eastland Mall to the Port Columbus International Airport along Refugee Road, Kimberly Parkway and Courtright Road and other streets northward to the Airport.

Despite the presence of public transit options, the lack of significant congestion along Hamilton Road makes automobile travel very convenient. Therefore, for those who have an automobile, public transportation is not an attractive alternative. The lack of shelters and other pedestrian conveniences is another problem that limits ridership.

Economic and Market Analysis 3.0

The following chapter presents the economic and market study of the Hamilton Road Corridor. The findings are used to identify opportunities for revitalization and strategies to achieve revitalization goals.

3.1 Demographic and Economic Profile

This section of the report presents demographic and economic profiles for the Hamilton Road Study Area and Primary Market Areas (PMA's). PMAs are defined as the areas from which the preponderance of retail sales originate.

Definition of Study Market Areas

The Hamilton Road Study Area is generally defined as the area bounded by I-70 to the north, Noe Bixby Road down to Refugee Road to the east, Big Walnut Creek to the south, and Courtright Road to the west.

As presented in Chapter 2 Existing Conditions, the Hamilton Road Study Area is a predominantly retail corridor. Retail establishments include both destination retail and convenience retail establishments. Destination retail establishments (e.g. Eastland Mall, Kohl's, etc.) are defined as stores that serve a more regional market area and offer comparative shopping goods, such as apparel, furniture, and jewelry. Convenience retail establishments are defined as stores that serve a more local area and offer daily goods and services, such as groceries, casual dining, and dry cleaning.

Given the corridor's character as a regional and local retail corridor, an understanding of two different PMA is required. This study will evaluate the demographic and economic characteristics of the PMA's for both destination retail (Shoppers Goods) and local serving retail (Convenience Goods).

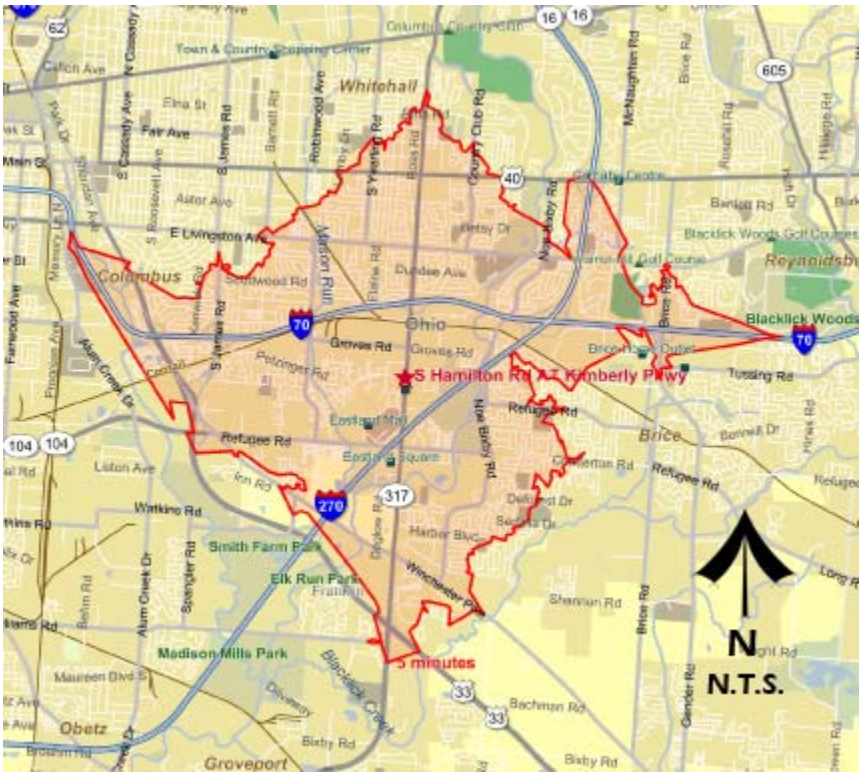
To determine the geographic extent of the PMAs for Shoppers and Convenience Goods, several factors were considered. These factors include geographic boundaries and barriers, drive times, highway access, and location of competitive shopping areas.

Convenience Goods PMA

Based on the evaluation of these market factors, the PMA for the Convenience Goods Market is defined as the area within a five minute drive time from the midpoint of the Hamilton Road Corridor. This represents a geographically smaller PMA than for

Shoppers Goods because similar establishments in close proximity to residential neighborhoods have similar products, so customers are not willing to travel long distances. This PMA excludes the competitive convenience goods shopping area on Brice Road. The PMA extends from the north beyond Carnaby Centre Road, to the south at the intersection of Hamilton Road and Route 33, to the east at Blacklick Woods, and to the west near the intersection of I-70 and E. Livingston Avenue.

Map 3.1: Convenience Goods PMA



Source: ESRI Business Information Solutions

Shoppers Goods PMA

The PMA for the Shoppers Goods Market is larger than the convenience goods PMA because customers are willing to travel longer distances to compare products and purchase desired quality merchandise than they do for Convenience Goods. It is defined as the area within a 15 minute drive time from the midpoint of the Hamilton Road Corridor, and is adjusted to exclude the competitive destinations of Easton, and Polaris. The Shoppers Goods PMA extends from the north just beyond Port Columbus International Airport, to the south at Canal Winchester, to the east at the intersection of I-70 and State Highway 158, to the west at the intersection of I-71 and Greenlawn Avenue.

Map 3.2: Shoppers Goods PMA

Source: ESRI Business Information Solutions

Demographic Profile

Population and Household Profile

As of 2006, the Study Area has a population of 7,543 residents, the Convenience Goods Market Area (CG) has a population of 59,888 residents, and the Shoppers Goods Market Area (SG) has 347,554 residents. Projected annual growth rates for both households and population are approximately 0.6 percent in the Hamilton Road Study Area, 1 percent in the CG, and 1.5 -1.6 percent for the SG [Table 3.1]. The Columbus MSA is growing faster than all other market areas aside from the SG Market Area.

Table 3.1: Population and Household Profile

	Population			*Households*		
	2006	2011	Annual Growth Rate	2006	2011	Annual Growth Rate
Study Area	7,543	7,755	0.60%	3,889	4,010	0.60%
Consumer Goods	59,888	62,728	0.90%	26,367	27,755	1.10%
Shoppers Goods	347,554	374,469	1.50%	141,878	153,136	1.60%
Columbus MSA	1,612,694	1,780,581	1.50%	710,253	766,482	1.60%

Source: U.S. Census, ESRI Business Information Solutions

As a percent of the MSA, the Hamilton Road Study area is very small, representing only 0.4 percent of the Columbus MSA residents.

The population and number of households in the CG is consistent with its nature as a local market area, representing only 3.7 percent of the MSA and 16 percent of the SG. The SG on the other hand, is a fairly large market, representing 20% of the households and population in the Columbus MSA [**Error! Reference source not found.**].

Age Distribution and Income

Residents in the Hamilton Road Study Area are over three years younger than their counterparts in the CG (33.6), and over five years younger than the MSA as a whole (35.3). The median age of residents in both the SG and CG market are close to the median age in the MSA (34-35). The median age for the SG and CG are anticipated to rise in the next five years by approximately 0.4 -0.5 percent annually, consistent with trends in the MSA.

Table 3.2: Age and Income Profile

	Median Age			*Median Income*		
Study Area	2006	2011	Annual Growth Rate	2006	2011	Annual Growth Rate
Study Area	29.4	31	1.10%	$34,631	$39,237	2.66%
Convenience Goods	33.6	34.8	0.40%	$42,509	$47,795	2.49%
Shoppers Goods	34.9	35.6	0.50%	$48,738	$55,942	2.96%
Columbus MSA	35.3	36.2	0.50%	$56,053	$65,774	3.47%

Source: U.S. Census, ESRI Business Information Solutions

The 2006 median incomes in the Hamilton Road Study Area are also lower in the comparable areas of interest. As presented in Table 3.2, the Hamilton Road Study Area median income is $34,631. This is almost $8,000 lower than the CG, and $14,000 lower than the SG. The Study Area is also projected to grow at a slower rate than the larger

market areas – projected to increase by only 2.66 percent annually between 2006 and 2011.

Table 3.3: Percentage of Columbus MSA

	Median Age	***Median Income***
Study Area	83.29%	61.78%
Consumer Goods	95.18%	75.84%
Shoppers Goods	98.87%	86.95%
Columbus MSA	100%	100%

Source: BBPC, ESRI Business Information Solutions

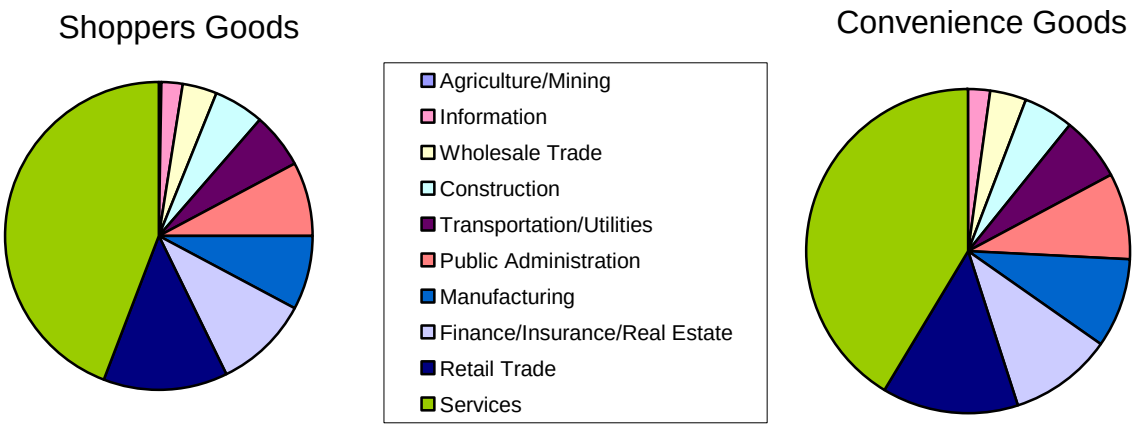
When compared to the MSA, the income disparities between the different areas of interest are also clear. The Study Area is only 62 percent of the MSA's median income of $56,053. This is compared to the CG, which is 76 percent of the MSA, and the SG, which is 87 percent of the MSA.

The difference between Hamilton Road's ages and incomes and the age and income of comparable areas of interest are indications of the study area's younger, less affluent character.

Labor Force Characteristics

In terms of economic characteristics, this study examines labor force characteristics, at-place employment, resident and retail expenditures. Figure 3.1 presents a distribution of the labor force in the Convenience Goods and Shoppers Goods Study Areas.

Figure 3.1: Labor Force Distribution



Source: U.S. Census, ESRI Business Information Solutions

The people who reside in the PMA's largely work in the service and retail trade industry. Over 40 percent of the labor force in both the CG and SG PMA are in the service industry, which includes high income industries such as health care, legal and education institutions, and also lower income professions such as automotive services, hotels and lodging, and movies and amusement. Meanwhile, approximately 13 percent are in retail trade. The service sector also includes higher income employment in professions such as finance, insurance, and real estate. Approximately 10% of residents in both CG and SG work in Finance/Insurance/Real Estate, the third largest sector. Labor Force sectors that are less well represented include agriculture/mining (0.1% CG, 0.3% SG), the information sector (2.0% CG, 2.2% SG), and wholesale trade (2.0%, 3.6%).

Given the study area's character as a retail and service oriented area, the labor force characteristics indicate a strong relationship between residents' work experience and the nature of employment opportunities on the corridor.

Economic Profile

At-Place Establishments and Employment

The following table provides a distribution of the at-place employment distribution in the Hamilton Road Study Area, and the Convenience Goods PMA, and the Shoppers Goods PMA.

Table 3.4: At-Place Employment

	Businesses		*Employees*	
	#	Percent	#	Percent
Agriculture & Mining	6	1.1%	72	1.1%
Construction	28	5.3%	192	3.1%
Manufacturing	11	2.1%	562	8.9%
Transportation	24	4.6%	185	2.9%
Communication	11	2.1%	46	0.7%
Electric, Gas, Water, Sanitary Services	0	0.0%	0	0.0%
Wholesale Trade	16	3.0%	271	4.3%
Retail Trade	176	33.5%	2,193	34.9%
Finance, Insurance, Real Estate	51	9.7%	233	3.7%
Services (Hotels, Automotive, Movies, Health, Legal, Education Institutions, Other)	185	35.2%	2,520	40.1%
Government	3	0.6%	11	0.2%
Other	14	2.7%	5	0.1%
Total	525	100.0%	6,290	100.0%

Source: ESRI Business Information Solutions

The at-place establishments and employment sectors in the Hamilton Road Study Area reflect a business and employment composition predominantly in the retail trade and services industries (69 percent of businesses, 75 percent of employees). This underscores the Hamilton Road Corridor as a predominantly retail corridor. The F.I.R.E. industry has the third largest share in the Study Area (10 percent). Aside from the retail establishments, the relatively large proportion of knowledge-based economies in the Hamilton Road Study Area (e.g. Health Care, Legal, Education, and Finance) indicates there is a solid employment base of white-collar workers. There is also a concentrated industrial district near the Hamilton Road Corridor that accounts for a relatively large Manufacturing sector (9 percent) of corridor employees.

Table 3.5: At-Place Employment in the Convenience Goods PMA

	Businesses		*Employees*	
	#	Percent	#	Percent
Agriculture & Mining	18	1.1%	194	1.1%
Construction	89	5.4%	704	4.1%
Manufacturing	49	3.0%	1251	7.3%
Transportation	52	3.2%	734	4.3%
Communication	13	0.8%	36	0.2%
Electric, Gas, Water, Sanitary Services	4	0.2%	9	0.1%
Wholesale Trade	63	3.8%	713	4.2%
Retail Trade	472	28.7%	6272	36.8%
Finance, Insurance, Real Estate	180	11.0%	867	5.1%
Services (Hotels, Automotive, Movies, Health, Legal, Education Institutions, Other)	679	41.4%	6143	36.1%
Government	9	0.5%	107	0.6%
Other	23	1.4%	7	0.0%
Totals	1642	100.0%	17037	100.0%

Source: InfoUSA, ESRI Business Information Solutions

The at-place employment sectors in the PMAs mirror their labor force composition, and underscore the area's large commercial activity [Table 3.5, Table 3.6]. The service industry constitutes 36% of employment in each area. The retail trade sector in the CG PMA is also large, enabled by its labor force but also due to its exceptional location near the junction of I-270 and I-70. The notable difference is that the SG PMA employs a higher percentage of people in government than the CG PMA. This is likely due to the SG PMA encompassing various local jurisdictions and municipalities, as well as State government functions in the downtown area.

Table 3.6: At-Place Employment in the Shoppers Goods PMA

	Businesses		*Employees*	
	#	Percent	#	Percent
Agriculture & Mining	141	1.3%	881	0.6%
Construction	780	7.1%	6584	4.6%
Manufacturing	407	3.7%	12318	8.7%
Transportation	321	2.9%	4930	3.5%
Communication	56	0.5%	221	0.2%
Electric, Gas, Water, Sanitary Services	32	0.3%	251	0.2%
Wholesale Trade	510	4.7%	5249	3.7%
Retail Trade	2,406	22.0%	34,018	24.0%
Finance, Insurance, Real Estate	1112	10.2%	6522	4.6%
Services (Hotels, Automotive, Movies, Health, Legal, Education Institutions, Other)	4,779	43.7%	51349	36.2%
Government	223	2.0%	18774	13.2%
Other	158	1.4%	847	0.6%
Total	10,925	100%	141,944	100%

Source: InfoUSA, ESRI Business Information Solutions

Resident Retail Expenditures

The annual retail expenditure by residents of the primary market area provides a measure of demand for retail goods and services. These expenditure estimates are presented in Table 3.7, and provide the amount of retail expenditures from residents who live in the Shoppers or Convenience Goods PMAs. These columns indicate that households in both PMAs spend the most on automobiles (25.1 percent CG, 28.5 percent SG), gasoline (23.1 percent CG, 24.3 percent SG), and groceries (18.7 percent CG, 14.7 percent SG) in both the CG and SG Markets. Health and Personal Care is also a high expenditure category, as are expenditures on apparel and clothing items. Categories with lower expenditures out of the total include Specialty Food (0.3% CG, 0.4% SG), Books/Periodicals/Music (0.5 percent CG, 1.1 percent SG), and Beer, Wine and Liquor (0.7 percent CG, 0.9 percent SG).

Table 3.7: Resident Retail Expenditures and Convenience Goods PMA

Industry Group	*Conv. Goods PMA*		*Shoppers Goods PMA*	
	Supply (Retail Sales)	Percent of Total (Supply)	Demand (Retail Potential)	Percent of Total (Demand)
Automobile Dealers	$697,213,907	25.1%	$692,415,193	28.5%
Grocery	$642,978,965	23.1%	$590,023,945	24.3%
Gasoline Stations	$520,590,455	18.7%	$358,505,903	14.7%
Health and Personal Care	$268,544,414	9.7%	$138,821,417	5.7%
Clothing	$136,211,556	4.9%	$131,961,623	5.4%
Building Material and Supplies Dealers	$119,058,385	4.3%	$100,409,724	4.1%
Furniture	$73,933,781	2.7%	$77,723,402	3.2%
Auto Parts, Accessories, and Tire	$62,604,495	2.3%	$54,453,791	2.2%
Electronics and Appliance	$58,774,752	2.1%	$103,399,615	4.3%
Sporting Goods/Hobby/Musical Instrument	$51,533,918	1.9%	$38,529,029	1.6%
Home Furnishings	$47,675,802	1.7%	$41,906,747	1.7%
Jewelry, Luggage, and Leather Goods	$21,191,873	0.8%	$15,499,421	0.6%
Lawn and Garden Equipment and Supplies	$19,687,985	0.7%	$10,421,092	0.4%
Beer, Wine and Liquor	$19,444,534	0.7%	$21,566,773	0.9%
Shoes	$16,473,825	0.6%	$19,508,373	0.8%
Books, Periodicals, and Music	$13,334,044	0.5%	$25,636,342	1.1%
Specialty Food	$8,889,549	0.3%	$10,602,761	0.4%
Total	$2,778,142,240	100.0%	$2,431,385,151	100.0%

Source: BBPC, ESRI Business Information Solutions

Community Tapestry Segments

Demographic and economic information presented in previous sections, such as labor force characteristics, median income, age, and spending habits, is used by ESRI to categorize neighborhoods according to a trademarked Community Tapestry classification system.[2] ESRI identifies the dominant Community Tapestry segments that characterize residents in the Hamilton Road Study Area, residents within a 1-mile radius, residents within a 3 mile radius, and the City of Columbus, in Figure 13. The four most prevalent tapestry segments are *Inner City Tenants, Enterprising Professionals, Aspiring Young Families, Young and Restless, and Simple Living*. Descriptions of these segments are presented as follows:

[2] ESRI is a subscription-based market research and analysis service.

Table 3.8: Dominant Community Tapestry Groups Breakdown 2006

Group	*Study Area*	*1 Mile Radius*	*1 to 3 Mile Radius*	*City of Columbus*
Inner City Tenants	66.2%	53.4%	-	-
Simple Living	16.6%	12.0%	-	-
Young and Restless	8.9%	-	-	6.9%
Aspiring Young Families	-	21.4%	-	9.3%
Great Expectations	-	-	16.3%	-
Rustbelt Traditions	-	-	13.1%	-
Rustbelt Restless	-	-	12.4%	-
Enterprising Professionals	-	-	-	10.6%
Other	8.3%	13.2%	58.2%	73.2%
Total	100.0%	100.0%	100.0%	100.0%

Source: ESRI Business Information Solutions

Inner City Tenants: Representing about 66% of all households in the Hamilton Road Study Area, these neighborhoods are a microcosm of urban diversity. The population is young, with a median age of 28 years and median household income of $31,000. Younger Inner City Tenants residents enjoy the nightlife at bars and clubs and going dancing.[3]

Enterprising Professionals: Young, highly educated working professionals. Single or recently married, they prefer newer neighborhoods with townhouses or apartments and would rather rent than own. Median household income is approximately $65,000. Their lifestyle reflects their youth, mobility, and growing consumer clout.[4]

Aspiring Young Families: Attracted to large, growing metropolitan areas. These residents are mainly young, start-up families, married couples, or single parents with children. Half of them are renters. The median age is 30.4 years, and median household income is $47,200. They enjoy dining out, going to the movies, and sports.[5]

Young and Restless: Change is the constant for Young and Restless residents. The population is young, with a median age of 28.9. The Young and Restless are renters. Many are college graduates; some are still enrolled in college. Median household income is about $38,000.[6]

Simple Living: The median age for this market is 40 years, although a high percentage of the population is 75 years or older. Most residents are retired seniors who live alone or in

[3] ESRI Business Solutions
[4] Id
[5] Id
[6] Id

congregate housing. The majority rent apartments in multiunit buildings. Median household income is $26,700.[7]

The tapestry profiles in the Study Area and the MSA point to a relatively young (under 35 years old), single, and mobile population. This demographic is usually attracted to vibrant downtown living, and urban amenities such as restaurants, bars, and other entertainment venues. These preferences enable the consideration of mixed-use residential and retail developments.

Discussion/Findings

The Hamilton Road Corridor is primarily a commercial corridor whose economy is dominated by retail trade and services. The local employment generally mirrors the residents' work experience, and a large number of these residents can be characterized as young, ethnically diverse, and mobile. Residents along the Corridor are younger and less affluent than residents in surrounding regions (i.e. Convenience Goods PMA, Shoppers Goods PMA, Columbus MSA). Growth prospects along the Hamilton Road Corridor—population and income—area also projected to be slower than surrounding areas. However, the existing employment profile includes a sizeable portion of knowledge-based employment (e.g. finance, health care, legal, education) that may be able to attract higher income residents.

[7] Id

3.2 Retail Market

The retail analysis evaluates the Columbus regional retail market, the character of the study area's retail inventory, and the study area's position within the larger regional context.

Definition of Market Areas (City of Columbus, Study Area)

The regional retail market is roughly defined as equivalent to the City of Columbus. The Convenience Goods PMA and the Shoppers Goods PMA are also evaluated, as is the Hamilton Road Study Area itself.

Regional Characteristics

Inventory

In 2006, the Columbus regional retail market contained 48.7 million square feet of gross leaseable area. This is approximately one-third of the space in the Chicago MSA (114 million square feet) and slightly more than Cincinnati (45.3 million square feet). The total retail inventory in the Columbus region translates into approximately 68.5 square feet per household. This is high compared to Cincinnati (55.4 square feet per household) and Chicago (33.1 square feet per household).

One of the reasons for retail's significance presence in Columbus is the existence of several major regional retail malls. There are five major retail destinations for shopping goods in the area:

1. The Mall at Tuttle Crossing (near Dublin, acting as an anchor for an economically strong area of restaurants, office complexes, and apartments and condominiums;

2. Polaris (north of I-270 along I-71 near Westerville);

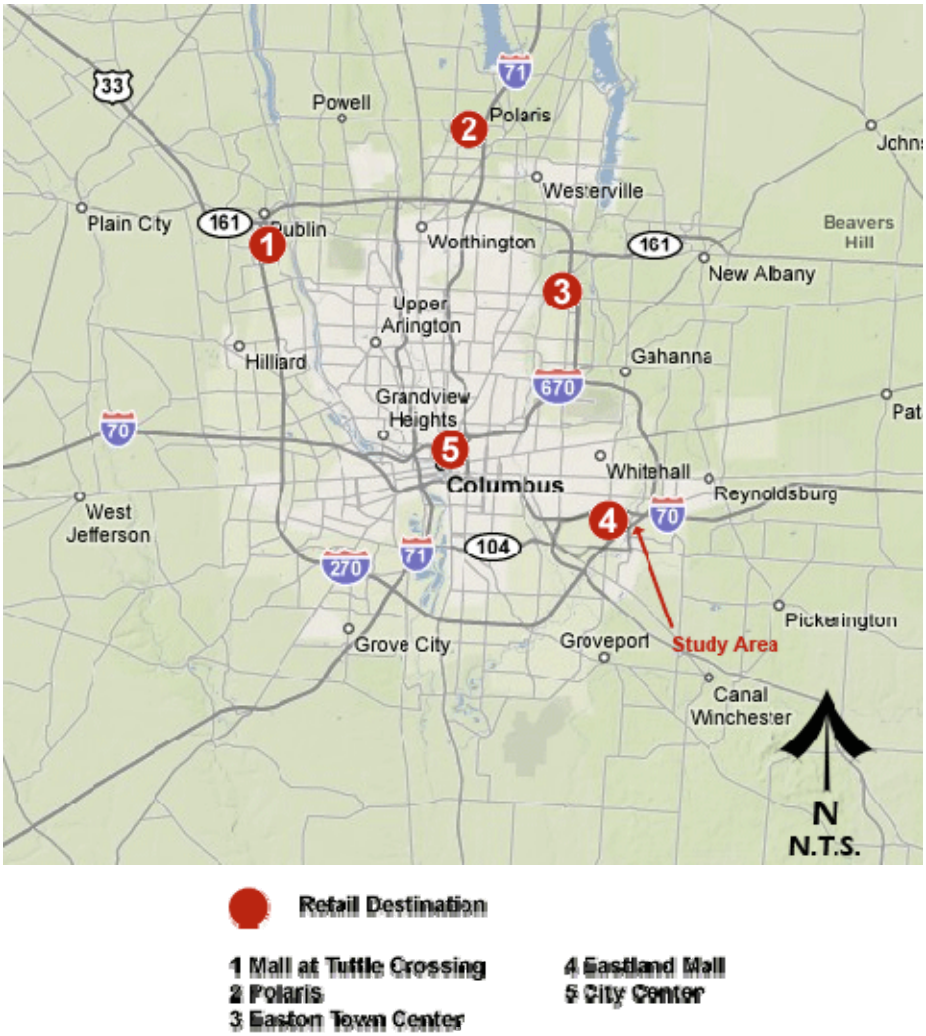
3. Easton Town Center (a mixed-use style town center at the junction of I-270, I670, and SR-161);

4. Eastland Mall (located in the Hamilton Road Study Area at the intersection of Hamilton and Refugee Road); and

5. City Center (located downtown). However, City Center is in significant decline, having lost all of its 3 anchor stores and most of its national chain stores. The

mall now has a variety of non retail uses, including meeting space. The City of Columbus, via the Capital Square Urban Redevelopment Corporation, views City Center as a redevelopment site and is actively engaged in an effort to determine new uses for the mall property.

Map 3.3: Retail Hot Spots and Destinations



Source: Google Earth, BBPC

Six major commercial corridors that run through the region also contribute significantly to the retail inventory. Establishments on these corridors sell both convenience and shoppers goods. These corridors are Hilliard-Rome (a N-S corridor running west outside I-270), Hamilton Road, Brice Road (a N-S corridor running east outside of I-270), East Main Street (an E-W corridor connecting Downtown Columbus to I-270), Morse Road (an E-W corridor in the NE of Columbus connecting I-71 and I-270, currently undergoing a

revitalization process), and East Broad Street (an E-W corridor connecting Downtown Columbus to I-270, north of E. Main Street).

Regional "Hot" Spots

The retail "hot" spots in the regional market include the areas of Powell, Dublin, Hillard, Grove City, Polaris, Westerville, New Albany, and Pinkerington [Map 3.3]. These are located on the fringe of the City of Columbus Region. Three of these areas – Polaris, Grove City, and Hilliard – are situated at the junction between two highways. Given that retail generally follows rooftops, most of these "hot spots" are located in fast-growing areas towards the suburbs beyond I-270 (six out of the eight are located north of I-70).

Rental Rates

Rental rates for new construction in the Columbus region are in line with national standards. There is a large discrepancy between lease rates for new construction and lease rates in declining or weaker markets. Rates in older buildings and weaker markets range from one-third to one-half that of rates for new construction, across all types of retail facilities. In terms of specific store types, big box stores over 80,000 SF have compressed rates between $6.00-$9.00 SF/Year, reflecting creditworthy tenants and the economies of scale from large rental space. Junior big-box stores and small spaces between 1,500 to 10,000 SF command rates ranging from $14.00-$20.00 [Table 3.9].

Table 3.9: Rental Rates by Retail Structures in Columbus Region 2006

Sub Market/Store Type	***Average Asking Rate SF/Year****
Big Boxes-New Construction (+80,000 SF)	$6.00-$9.00
Bix Boxes-Declining Areas (+80,000 SF)	$2.50-$4.50
Junior Big Boxes-New Construction (25,000-40,000 SF)	$14.00-$20.00
Junior Big Boxes-Declining Areas (25,000-40,000 SF)	$6.00-$8.00
Smaller Spaces-New Construction/Strong Markets (1,400-10,000 SF)	$20.00-$30.00
Smaller Spaces-Declining/Weaker Markets (1,400-10,000 SF)	$10.00-$14.00

Source: CBRE, BBPC

Vacancies

Vacancy rates average 14.49 percent for the overall Columbus Region. This is twice as high as the average vacancy rate in Chicago (7.69 percent), and 1.5 times as high as Cincinnati (9.44 percent).[8] This suggests there may be an overabundance of retail space in the Columbus region, as alluded to in the inventory analysis. As expected, vacancy

[8] Integra Realty Report 2007

rates are likely to be lower for new construction in growing areas, and lower in the five Shoppers Goods retail destinations.

Pipeline Development

Despite the relatively high vacancy rate, there is currently a total of 2.8 million square feet of retail space under construction in the regional market. This represents a 6 percent addition to the current inventory. Most of this construction is likely taking place in the region's "hot" spots for regional retail (see Regional "Hot Spots"). These "hot spots" tend to be suburban, towards the fringe of the region, and away from the City's center.

Given that most new retail development is taking place in the suburbs, it will most likely take the form of power centers and lifestyle centers consistent with the big-box, automobile oriented nature of suburban development. Developers will likely continue to focus on new growth areas and have less incentive to build or redevelop in infill locations. This trend presents significant challenges for places like Hamilton Road competing for new retail.

Absorption

The Columbus region's projected net annual absorption rate of retail space between 2007-2009 is 570,000 square feet.[9] This is a significant decrease from the annual net absorption between 2003-2006 of 800,000 square feet.[10] The retail market in the Columbus region is expected to slow down, a result of market saturation coinciding with slow anticipated job and resulting population growth. Assuming a target 7 percent vacancy rate, it would take 10 to 11 years to absorb existing vacant and new space.[11] This is particularly long compared with Chicago (6 years) and Cincinnati (2 years).[12] This absorption period suggests that retail vacancy rates are unlikely to decline in the near future potentially curbing development of new retail.

Study Area Evaluation

Inventory

Consistent with its character as a retail corridor, the Hamilton Road Study Area has numerous retail establishments (162). The number of convenience and shoppers goods

[9] Integra Realty Report 2007
[10] CBRE 1Q 2007
[11] Approximately 6.25 million SF needs to be absorbed at 570,000 SF per yr. (11 years to balance)
[12] Integra Realty Report 2007

establishments are fairly evenly split (72 SG stores, 90 CG stores). This reflects its orientation towards serving both local (CG) and regional (SG) areas.

The preponderance of convenience goods establishments are situated along the Corridor, while shoppers goods establishments are largely located in Eastland Mall. Eastland Mall's stature as a "Super Regional Shopping Center"[13] – according to classification by the Urban Land Institute - anchors the retail market along the Corridor. A distribution of the retail establishments is presented in Table 3.10.

Table 3.10: Study Area Retail Characteristics 2006

		Mall		***Corridor***		***Total***	
	Industry Group	#	Percent	#	Percent	#	Percent
Convenience Goods	Sporting Goods/Hobby/Musical Instrument	0	0%	1	1%	1	1%
	Building Material and Supplies Dealers	0	0%	1	1%	1	1%
	Electronics & Appliance Stores	2	3%	0	0%	2	1%
	Assorted Merchandise (large)	3	4%	3	3%	6	4%
	Book, Periodical, Music, Office Supplies	3	4%	4	4%	7	4%
	Furniture and Home Furnishings	6	8%	5	6%	11	7%
	Eating/Drinking Establishments (Sit Down)	0	0%	11	12%	11	7%
	Jewelry, Luggage, and Leather Goods	13	18%	0	0%	13	8%
	Clothing and Shoes	21	29%	3	3%	24	15%
	Subtotal	48	67%	28	31%	76	47%
Shoppers Goods	Groceries	0	0%	1	1%	1	1%
	Assorted Merchandise (Small)	0	0%	2	2%	2	1%
	Gasoline Stations	0	0%	4	4%	4	2%
	Auto Parts, Accessories, and Tire	1	1%	5	6%	6	4%
	Banks	0	0%	7	8%	7	4%
	Eating/Drinking Establishments (Fast)	7	10%	10	11%	17	10%
	Health & Personal Care	12	17%	7	8%	19	12%
	Miscellaneous	4	6%	26	29%	30	19%
	Subtotal	24	33%	62	69%	86	53%
	Total	72	100%	90	100%	162	100%

Source: BBPC, ESRI Business Information Solutions

A significant share of the shoppers goods establishments are clothing stores and jewelry/leather/luggage stores found in Eastland Mall (49 percent of SG), and dining establishments scattered along the Corridor. The clothing and jewelry/leather/luggage stores offer similar merchandise and cater to shoppers with specific interests, known as a "horizontal cluster". This presents the opportunity to conduct coordinated advertising,

[13] Urban Land Institute

market the shopping niches to a targeted regional audience who appreciate opportunities to compare similar products in a variety of stores, and recruit additional retailers offering similar products.

The preponderance of Convenience Goods establishments are fast-food dining establishments, health and personal care, and miscellaneous shops (77 percent of CG).

Rental Rates and Vacancies

Lease rates in the study area for small format retail range between $7.00 to $12.00 per square foot per year, triple net. This applies almost exclusively to smaller space establishments. This is roughly half as expensive as average rental rates in the Columbus region, represented both an indication of declining quality and an opportunity to recruit non-conventional, niche tenants.

Vacancy rates in the study area average between 15 to 20 percent. This is about twice as high as vacancy rates in the Columbus region.

Retail Sales by Source (Shoppers and Convenience Goods)

Based on discussions with Hamilton Road Study Area business owners and industry knowledge, retail sales were estimated for the retail establishments on the corridor. Given the character of the CG and SG Market Areas and the location of competitive facilities, it has been assumed that approximately 50 to 80 percent of retail sales of shoppers and convenience goods are derived from residents living within a Primary Market Area (PMA). The percentage depends on each retail category. Categories which draw people regionally due to the presence of Eastland Mall – particularly ‘Clothing’ and ‘Jewelry, Luggage, and Leather Goods’ – have a smaller PMA because a larger share of sales is derived from consumers outside the immediate area. Table 3.11 and Table 3.12 provide this distribution of sales by source.

Table 3.11: Shoppers Goods Retail Sales by Source 2006

Category	*Total*	*% of Total*	*Sales from PMA*	*% from PMA*
Automobile Dealers	$0	0%	$0	n/a
Furniture and Home Furnishings	$11,138,840	6%	$7,797,188	70%
Electronics & Appliances	$3,762,128	2%	$3,009,702	80%
Building Material and Supplies Dealers	$1,415,778	1%	$1,132,622	80%
Lawn/Garden Equipment & Supplies	$945,778	1%	$283,733	30%
Clothing	$109,020,497	62%	$54,510,249	50%
Jewelry, Luggage, and Leather Goods	$36,701,506	21%	$14,680,603	40%
Sporting Goods/ Hobby/ Musical Instruments	$945,778	1%	$756,622	80%
Books, Periodicals, and Music	$4,229,806	2%	$3,383,845	80%
Eating/Drinking Establishments (Sit Down)	$8,251,595	5%	$5,776,117	70%
Total	$176,411,705	100%	$91,330,680	52%

Source: BBPC, ULI Dollars and Cents

Retail sales by source in the Shoppers Goods Market indicate that clothing and apparel are a particularly dominant retail category, comprising over 60 percent of the Shoppers Goods retail sales in the study area for a total of $109 million annually. Jewelry, Luggage, and Leather Goods comprise approximately 20 percent of the total retail sales, and combined with the clothing category make up over 80 percent of Shoppers Goods sales. This is attributed to the retail establishments found in Eastland Mall.

Table 3.12: Convenience Goods Retail Sales by Source 2006

Category	*Total*	*% of Total Sales*	*Sales from PMA*	*% from PMA*
Auto Parts, Accessories, and Tires	$2,540,215	4%	$1,778,151	70%
Groceries	$13,465,200	20%	$12,118,680	90%
Specialty Food	$0	0%	$0	n/a
Beer, Wine, and Liquor	$0	0%	$0	n/a
Health & Personal Care	$7,522,642	11%	$6,018,113	80%
Eating & Drinking Est. (Fast Food)	$44,772,800	66%	$22,386,400	50%
Total	$68,300,857	100%	$42,301,344	62%

Source: BBPC, ULI Dollars and Cents

Eating and Drinking Establishments (fast food) represent the largest share of total retail sales in the Convenience Goods Market, comprising approximately 65 percent of total convenience goods retail sales. Notably absent are any sales in specialty food – representing an opportunity for establishing a new retail niche.

Retail Capture Rates (Shoppers and Convenience Goods)

To determine and evaluate conditions of the Hamilton Road Corridor and to establish a baseline understanding of the magnitude of the potential for retail development, market capture rates in the PMA were determined for each retail category. Market capture rates are a measure of the percentage of trade area expenditures by the PMA residents that are "captured" by Study Area retail establishments. Total sales (supply) made to residents in the PMA divided by the total expenditures (demand) made by residents of that PMA results in a percentage that is referred to as a capture rate. Those sales not captured represent the net leakage of retail purchases, the amount of expenditures residents spend outside of the corridor. Table 3.13 and Table 3.14 presents the results of the market capture rate analysis.

Table 3.13: Shoppers Goods Retail Establishments Capture Rates 2006

Category	*Retail Sales to the PMA*	*Retail Expenditure from PMA*	*Capture Rate*
Automobile Dealers	$0	$692,415,193	0.0%
Furniture and Home Furnishings	$7,797,188	$119,630,149	6.5%
Electronics & Appliances	$3,009,702	$103,399,615	2.9%
Building Material and Supplies Dealers	$1,132,622	$100,409,724	1.1%
Lawn and Garden Equipment and Supplies	$283,733	$10,421,092	2.7%
Clothing and Shoes	$54,510,249	$151,469,996	36.0%
Jewelry, Luggage, and Leather Goods	$14,680,603	$15,499,421	94.7%
Sporting Goods/Hobby/Musical Instruments	$756,622	$38,529,029	2.0%
Books, Periodicals, and Music	$3,383,845	$25,636,342	13.2%
Eating/Drinking Establishments (Sit Down)	$5,776,117	$498,836,583	1.2%
Total	$91,330,680	$1,756,247,144	5.2%

Source: BBPC, ULI Dollars and Cents

The comparison of sales to the local market area and total retail expenditure by residents in the local market area reveal that Shopping Goods establishments in the Primary Trade Area are capturing 5.2 percent of the total local market area expenditure. This capture rate is consistent with the idea that Shoppers Goods serve a regional market, and underscores the regional "pull" of Eastland Mall. Consistent with findings in the retail sales by source, the capture rate for Jewelry/Luggage/Leather Goods and Clothing and Shoes are particularly high (94.7 percent and 36 percent, respectively). This represents a competitive advantage in the area, and may enable coordinated marketing opportunities to further promote expenditures in this category.

The low capture rates in electronics and appliances, books/periodicals/music, and sporting goods represent categories where opportunity exists. While purchases in the

Shoppers Goods category are less dependable and regular than convenience goods purchases (i.e. groceries or video rentals) existing establishments in this category could capture additional retail expenditure in the PMA by adding products to their merchandise mix that the market segments in the PMA need. The strength and attractive demographics in the Shoppers Goods Market would also support an increase in total sales as well as recruitment of additional retailers in this category.

Table 3.14: Convenience Goods Retail Establishments Capture Rates 2006

Category	*Retail Sales to the PMA*	*Retail Expenditure from PMA*	*Capture Rate*
Auto Parts, Accessories, and Tires	$1,778,151	$8,401,835	21.2%
Groceries	$12,118,680	$94,671,465	12.8%
Specialty Food	$0	$0	0.0%
Beer, Wine, and Liquor	$0	$0	0.0%
Health & Personal Care	$6,018,113	$22,914,541	26.3%
Eating / Drinking Establishments (Fast Food)	$22,386,400	$78,113,598	28.7%
Total	$42,301,344	$208,506,069	20.3%

Source: BBPC, ULI Dollars and Cents

The capture rate for the convenience goods study area is 20.3 percent. This comparatively larger capture rate than that found in the Shoppers Goods Study Area is consistent with the idea that convenience goods service a local market. However, given that the market area for Convenience Goods is defined as a five minute drive time, this 23 percent capture rate represents an opportunity for growth in the convenience goods market that will better serve the PMA residents.

The highest capture rates are found in fast food eating and drinking establishments (28.7 percent) and health and personal care (26.3 percent). In contrast, there is a capture rate of 10 percent - or retail outflow of $85 million in groceries - a category where sales are dictated less by local buyer preferences and more by proximity and convenience. There is ample opportunity for this category to increase sales to the local market area, through a combination of marketing, improving access, improving performance in existing stores, and/or encouraging development of new stores.

Discussion/Findings (SWOC)

The major advantage of the Hamilton Road Corridor Retail Market is that it is already a well-developed area ripe for redevelopment. It is a regional north-south corridor that experiences high traffic counts, and has good infrastructure and transportation access. There is ample and free existing parking for retail properties on the corridor, which may

be attractive to retail recruitment. The low rents and operating costs for existing buildings may attract small business entrepreneurs in scattered sites.

Several of the strip malls are completely vacant, and thus present no constraints on new development opportunities. Undertaking redevelopment at these sites presents the opportunity for a higher income stream for developers/property owners.

The demographics in the Shoppers Goods Market Area are likely to be attractive to new retail development, with projected population and household growth equal to the Columbus MSA and projected incomes of $55,000 by 2011. Furthermore, the community tapestry includes market segments such as *Enterprising Professionals* and *Young and Restless* who have the disposable income and consumer clout to support new development. There are also signs of new residential and community development taking place near the corridor, bringing in new residents who can provide support for retail establishments.

While benefits include support for new development from to a built-in consumer base and low development costs, there are several drawbacks. Most importantly, the Columbus regional retail market is oversupplied with Shoppers and Convenience Goods, and competition for customers is keen. Hamilton Road has an older property stock, where many of them are near their life cycle end, and the corridor lacks high-end retail, dining options, and overall amenities/positive image to attract new customers and tenants alike. Many of these qualities can be found in most newer retail “hot spots” as mentioned earlier, which presents a challenge for tenant recruitment. Finally, while several strip malls are ripe for redevelopment, high occupancy rates in many other strip malls on the corridor provides little incentive to redevelop.

Table 3.15: Retail Strengths, Weaknesses, Opportunities, Challenges

Strengths	*Weaknesses*	*Opportunities*	*Challenges*
• Lower rents • Good Access • High Traffic Counts • New residential/ community development • Incentive to redevelop key opportunity sites (higher income stream) • Ample Parking	• Properties near life cycle end • Significant Competition (Shoppers and Convenience Goods) in proximate and/or within easy access (I-70) • Lower incomes of immediate population	• Redevelop key opportunity sites (Eastland Square) • Establish corridor "identity" • Attract unique, low-rent, non-credit tenants • Amenities/Features • Timing • Availability of development incentives, etc. • Recruit tenants that offer high value	• Attracting regional draw tenants given corridor specific weaknesses and regional oversupply • Attract customers given oversupply in PMA and SMA

Revitalization Opportunities

Given these advantages and weaknesses, taking an incremental approach to revitalize Hamilton Road retail establishments will help set the stage for more long term revitalization strategies. Additional details of retail related revitalization strategies, as well as synthesis with other strategies and required public and private sector roles and responsibilities will be presented in the Revitalization Strategy and Action Plan chapters.

Short-Term Approach

The following represents short-term retail related revitalization opportunities. The timeframe for undertaking and realizing these opportunities is considered to be one to three years.

1. Invest in cosmetic improvements such as façade and pedestrian improvements, lighting, streetscape, etc. to improve the corridor's image to potential tenants and customers alike.

2. Enhance marketing and market image of the corridor. This may require a coordinated effort among retail establishments, brokers, and public entities such as the City's Economic Development Division. Such efforts can include festivals or events that highlight the uniqueness of Hamilton Road's retail establishments. (e.g. Taste of Hamilton Road, Artwalk, etc.)

3. Target and consolidate redevelopment in locations ripe for redevelopment (such as Eastland Square). Such clustering helps to congregate retail consumers and enables them to shop for various items on one trip. This also creates "destinations" allowing for larger and more visible development. Tenants in consolidated facilities also create more financial stability and will be incentivized to improve storefronts, merchandise, etc. Clustering retail development will also contribute to a corridor "identity" that is increasingly important to shoppers who desire a shopping experience.

4. Develop a recruitment strategy for both existing and new tenants. This strategy should be realistic and flexible to attract unique low-rent, non-credit independent tenants to existing retail space varying in type and size. The strategy should look towards recruiting convenience goods tenants that cater to the PMA with low capture rates (e.g. food and beverage stores, specialty food stores, groceries). Overall tenant selection should focus on tenants who offer high value in cultivating an "identity" for the Corridor (e.g. ethnic restaurants, furniture "row") which helps cement the Corridor as a destination for shoppers. The recruitment strategy should address potential synergies between existing and new businesses along the Corridor.

Long-Term Approach

Longer term opportunities also exist in cultivating retail to attract shoppers goods and entertainment-oriented tenants to the Hamilton Road Corridor. The timeframe for undertaking and realizing these opportunities is considered to be three to five years.

1. Assemble parcels of land in key locations by engaging its property owners. Property owners may choose to sell their parcels or relinquish the development rights but retain a stake in its future appreciation. Land assembly is crucial to implementing retail consolidation, and packaging various parcels together makes it attractive for a developer to acquire and undertake new development.

2. Assuming consolidated development plans and a "destination" factor, recruit shoppers goods and entertainment oriented tenants that are unaffected by local demographic and economic conditions. The tenants may be able to draw more people from the Shoppers Goods PMA or further, areas more affluent and experiencing faster population growth. This may enable landowners' ability to raise rates and serve to enhance property values.

3. Employ mixed-use revitalization strategies in clustered key locations. A mixed use development format enables a higher capture rate for both shoppers and convenience goods because of the presence of on-site amenities. A mixed use development meets more of a shoppers' needs on-site (e.g. groceries, drugs, furniture) than scattered businesses along a corridor.

3.3 Office Market

The Office Market Analysis evaluates the performance of the Columbus regional office market, as well as the study area's existing office space.

Definition of Market Areas

The Hamilton Roads regional office market is defined as the Columbus Metropolitan Statistical Area, which consists of the City of Columbus and its suburbs. These include office clusters in Worthington, Upper Arlington, Polaris, Westerville, and Easton. The regional office market analysis is divided into an analysis of the CBD (Central Business District) and the suburban market of Columbus.

CBD Suburban Market Characteristics

Inventory

Table 3.16: Columbus Regional Office Space Inventory 2006

	Inventory (SF)	*Percent of Total*
Total	33.5 million	100%
Columbus CBD	12.7 million	37.9%
Suburban	20.8 million	62.1%
Worthington	5 million	14.9%
Upper Arlington	2.6 million	7.8%
Polaris	2 million	6.0%
Westerville	3.3 million	9.9%
Easton	2.2 million	6.6%

Source: BBPC, CBRE

The Columbus MSA Region has a total of 33.5 million square feet of office space. This is approximately equal to the Cincinnati MSA (33.1 million) and only 15 percent of the office space in the Chicago MSA (219 million square feet).[14] Approximately 60 percent of the total office space in the Columbus Region is located in the suburbs, which includes the fastest growing submarkets (see Regional "Hot" Spots). The submarkets comprise over 75 percent of the suburban office market.

[14] Integra Realty Report 2007

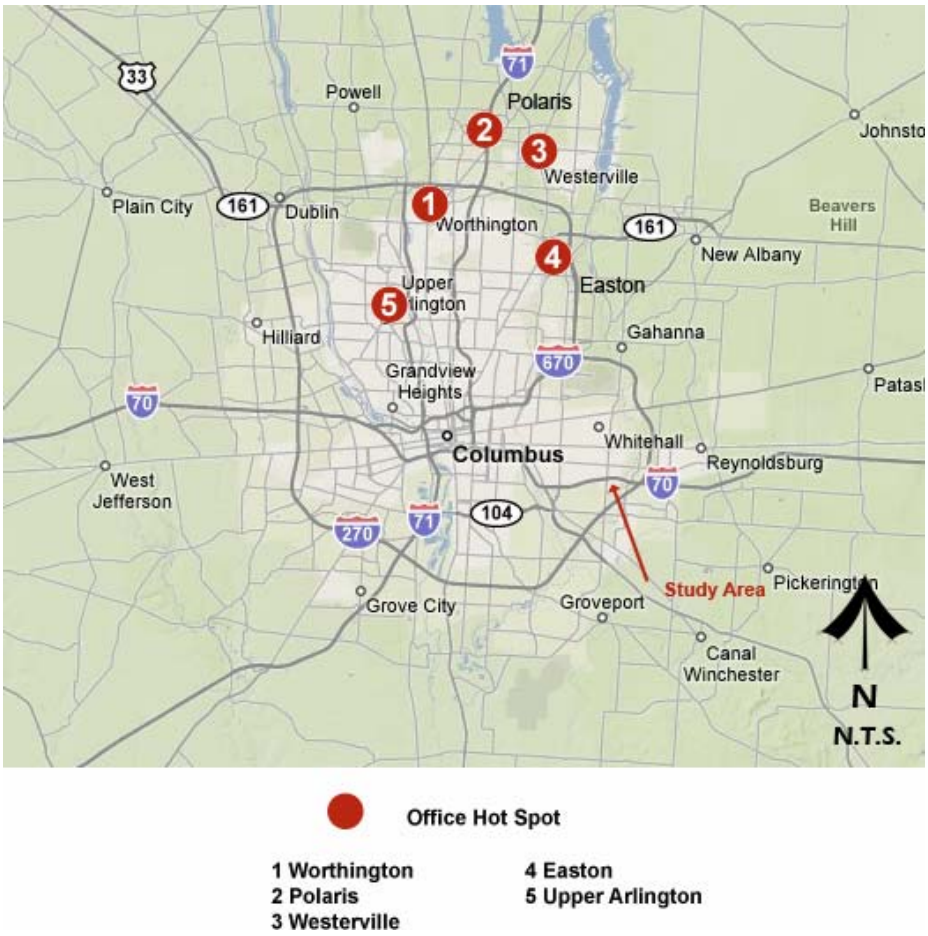
Regional "Hot" Spots

The office market "hot" spots are all located north of Columbus and in the suburban part of the Columbus MSA:

- Worthington—5 million square feet of space, 22% vacant, $17.81 average rental rate
- Polaris—2 million square feet of space, 22% vacant, $19.07 average rental rate
- Westerville—3.3 million square feet of space, 20,000 square feet under construction, 18% vacant, $16.65 average rental rate
- Easton—2.2 million square feet of space, 101,000 square feet under construction, 4.9% vacant, $21.83 average rental rate
- Upper Arlington—2.6 million square feet of space, 180,000 square feet under construction, 12% vacant, $17.87 average rental rate

The Worthington Market is the largest submarket in terms of square footage, with five million SF of office space. Performance in the submarkets closer to the CBD (Upper Arlington and Easton) appear to be strong, with the lowest vacancy rates of all the submarkets and a combined 100,000 to 180,000 square feet of space under construction.

Map 3.4: Office Hot Spots



Source: Google Earth, BBPC

Rental Rates

Table 3.17: Columbus Regional Office Space Rental Rates 2006

	Rental Rates/SF/Year (Class A)
Columbus CBD	$21.10
Suburban	$18.50
Worthington	$17.81
Upper Arlington	$17.87
Polaris	$19.07
Westerville	$16.65
Easton	$21.83

Source: BBPC, Grubb & Ellis Research 4th Quarter Columbus Update

Rents in the Columbus CBD continue to outpace office rents in the suburbs, representing a competitive advantage for suburban Class A space. Average rents for Class A office

space in 2006 were $21.10 per square foot in the CBD and $18.50 per square foot in the suburbs (Figure 25). These rents are slightly higher than Class A Office Space in the Cincinnati MSA ($19.29 CBD, $18.17 Suburbs) and lower than Chicago MSA ($36.19 CBD, $24.70 Suburbs)

The Easton submarket has the highest rates in the suburbs of $21.83 per square foot, while the suburb of Westerville has the lowest average lease rates of $16.65.

Vacancies

Average vacancy rates in 2006 for Class A, B, and C space in 2006 were 15.3 percent in the CBD and 16.7 percent in the suburbs. In a national context, this overall is slightly higher than the Chicago MSA (14 percent CBD, 16 percent Suburban) and lower than the Cincinnati MSA (15 percent CBD, 19.6 percent Suburban).[15] Vacancy averages within the five "hot" spot submarkets range from 11 to 22 percent. Rates in the relatively strong Easton submarket are significantly lower than other submarkets (1.9 percent), and this submarket is seeing a relatively large amount of office space under construction (100,000 square feet).

Table 3.18: Regional Office Space Vacancy Rates 2006

	Vacancy Rates
Columbus CBD	15.3%
Suburban	16.7%
Worthington	21.9%
Upper Arlington	11.7%
Polaris	22.0%
Westerville	18.2%
Easton	1.9%

Source: BBPC, Grubb & Ellis Research 4th Quarter Columbus Update

Sources of Market Demand (Employment Growth)

In 2006, the largest employment sectors in the Columbus regional office market were Services (26.7%), Government (16.7%), and Business Services (14.7%) [Table 3.19]. The Services and Business and Professional Services industries are also two of the fastest growing employment sectors in the region, outpacing overall growth in the regional market by 0.5 percent and 1.8 percent, respectively. Financial activities also

[15] CBRE 1Q 2007

constitute 8 percent of 2006 total employment, although its share is planned to decrease through 2011. Altogether, the Services, Business and Professional Services, and Financial Activities employment sectors constitute 50 percent of the employment in the region.

Table 3.19: Columbus Regional Sources of Market Demand

Sector	*Total Employment*	*% of Total*	*2005 - 2006 % Growth*
Services	293,700	26.7	1.2
Business Services	161,700	14.7	2.5
Financial Activities	88,000	8.0	-0.7
Government	183,700	16.7	0.6
Retail Trade	134,200	12.2	-0.6
Wholesale Trade	44,000	4.0	-1.3
Transportation	46,200	4.2	1.3
Manufacturing	96,800	8.8	-0.2
Construction	50,000	4.6	5.4
Total	1,100,000	100	0.7

Source: BBPC, Integra Realty Report 2007, Grubb & Ellis Research 4th Quarter Columbus Update

In 2007, overall employment growth in the Columbus regional office market is projected to grow 2.12 percent annually[16]. This is slightly below the projected average annual CMSA growth rate of 2.37 percent.[17]. This employment growth rate suggests that net absorption of office space in the Columbus market will likely be slower than average, and relatively little of the new construction will be speculative.

Absorption

The Columbus CBD and suburban office markets are projected to absorb 715,000 square feet of office space annually between 2006-2011, with the suburbs anticipated to capture 70 percent (509,000 square feet) of that growth annually leaving the CBD to capture 30 percent (206,000 square feet). The annual absorption rate is on par with the 2003-2006 trends which were 500,000 square feet of annual absorption in the suburban markets. The Chicago MSA is projected to absorb approximately 4 million square feet a year, and the Cincinnati MSA approximately 750,000 square feet annually[18]. The Columbus region's lower absorption rate is consistent with its smaller projected annual employment growth (252,000 employees) over the next five years than Cincinnati (252,300) and Chicago (746,400)[19.]

[16] Integra Realty Report 2007
[17] Id
[18] Id
[19] Id

Assuming a 10% target vacancy rate, it should take approximately 6-7 years to absorb existing vacant and new space across the Columbus MSA. While this is twice the national average (3.7 years), the implications this may have for future vacancy rates and new construction in Columbus will vary with the strength of the submarket (e.g. submarkets with low vacancy rates and high lease rates such as Easton will likely experience a large amount of office development).

Study Area Market Characteristics

Inventory

Table 3.20: Study Area Office Inventory 2006

Building Name	*Square Feet*
Eastland Mall (Adjacent to Food Court)	15,000
Hamilton Conference Center	75,000
Eastland Executive Square	100,000
Eastland Executive Square East	100,000
4545 Logistics Center	50,000
4300 Kimberly	100,000
4200 Kimberly	50,000
Lionmark Corporate Center	400,000
Eastland Professional	50,000
Total	940,000

Source BBPC, CBRE

The office market in the Hamilton Roads Study Area represents a small share of the City and region's inventory – approximately 940,000 square feet, which is 7.4 percent of the Columbus Central Business District and less than 5 percent of the Columbus suburbs. However, this represents a significantly large inventory relative to other land uses in the Study Area and relative to the size of the Study Area.

The landscape of the office market is characterized by small, low rise, and scattered free standing office buildings. Many of them are in scattered, aging, Class C office buildings. This office market is predominantly occupied by small-sized tenants who have minimal space requirements. With the exception of the Lionmark Corporate Center, most of the Office Space is not Class A. Four of the nine major office developments are located near the Eastland Mall (Eastland Mall-Space Adjacent to the Food Court, East Executive Square, Eastland Executive Square East, Eastland Professional), likely due to its status as a destination. Figure 29 lists major office developments on the Corridor.

Rental Rates

Average rents for Class A, B, and C office space are significantly lower than that of the CBD and the suburbs, with asking rents at $7.00 to $9.00 per square foot triple net. This is one-half to one-third of the average rates found in the CBD and suburbs. The rates reflect the older office stock and the lack of Class A office space on the corridor.

Vacancies

The Hamilton Road Corridor has an average vacancy rate of just over 20 percent, higher than the 15 percent vacancy rate in the CBD and 16.7 percent in the suburbs. This reflects the lack of other corporate tenants and quality Class A office space to accommodate them. It also reflects Hamilton Road Corridor's lack of requisite amenities – restaurants, shopping centers, etc. - to attract large tenants.

Larger, multi-tenant office space within the Hamilton Road Corridor exists in the Lionmark Corporate Center and 4300 Kimberly Lane. The Lionmark Corporate Center has averaged a vacancy rate of 28 percent in the past three to four years, and 4300 Kimberly Lane is currently 100% vacant. One of the challenges in the Lionmark Corporate Center is the presence of large floorplates that cannot be subdivided for smaller users. However, the complex is currently pursuing lease deals with non-conventional users, such as private higher education institutions, to secure a long term lease which would have a significantly positive impact on the Corridor. Owners of 4300 Kimberly Lane are debating a property auction.

Discussion/Findings (SWOC)

The advantage of the office market on the Hamilton Road Corridor resides in its locational benefits and site-specific advantages. The Corridor offers exceptional interstate access for commuting workers, with a connection to I-70. Lease rates are one-half to one-third the level found in the CBD and suburbs, with parking ample and free, which may translate into low operating costs for tenants. Flexspace is also available in the Lionmark Corporate Center. While much of the current office inventory outside of the Lionmark may not be Class A, they may represent the ideal location for small-scale tenants on the east side of town seeking lower rates and closer proximity to downtown.

Many of the conditions that give rise to the advantages of the Hamilton Road Office Market, however, may also impede its long-term value enhancement. Job growth in the Columbus region is slow, and most of the office properties on the corridor are

deteriorating, obsolete, and near their life-cycle end. The corridor also offers limited amenities to employees. Rising tenant improvement costs (approximately 30 percent increase in 2006) may dissuade landowners to improve their properties. Along with keen regional competition (e.g. Polaris, Easton, etc.), these Corridor-specific weaknesses have been an obstacle in attracting regional tenants.

Although the Hamilton Road Corridor offers interstate access, there is poor local road access. Furthermore, although small-scale tenants are attracted to its location and low rents, there are limited small suites available, as most vacancies are appropriate for large scale users. Most of the office properties tend to be scattered along the Corridor; these individual facilities are less likely to offer upgraded office amenities whose costs and capital improvements can be shared between tenants.

Table 3.21: Office Strengths, Weaknesses, Opportunities, Challenges

Weaknesses	***Challenges***	***Strengths***	***Opportunities***
• Properties near life cycle end • Scattered sites • Limited amenities for employees • Limited small suites • Available (major vacancies appropriate for large scale users) • Poor local road access	• Slower job growth (Columbus MSA) • Attracting regional draw tenants give corridor-specific weaknesses and regional competition (Polaris, Easton, etc.) • Rising tenant improvement costs (2006 – 30% increase)	• Subordinate rents • Good Interstate Access • Ideal location for small scale tenants on east side of town seeking closer proximity to downtown • Free parking • Available flex space (Lionmark)	• Attract non-conventional office users (academies, institutes, vo-tech programs, social services) that serve PMA residents • Collaborate with commercial brokers in finding tenants • Consider strategies to facilitate subdivision of large spaces for smaller tenants • Condominium conversions • Provision of more amenities

Revitalization Strategies

Given these advantages and weaknesses, the Hamilton Road office market offers unique opportunities both in the short term and long term. Additional details of office related revitalization strategies, as well as synthesis with other strategies and required public and private sector roles and responsibilities will be presented in the Revitalization Strategy and Action Plan chapters.

Short Term Approach

1. Invest in cosmetic improvements such as façade and pedestrian improvements, lighting, streetscape, etc. to improve the corridor's image to potential tenants and customers alike.

2. Facilitate subdivision of large office spaces. Given the current difficulty in attracting large tenants, subdividing large spaces will cater to the need of small scale tenants seeking lower rents in smaller spaces and likely increase occupancy rates, particularly in largely or completely vacant office buildings.

3. Enhance marketing efforts, including outreach that highlights opportunities for non-conventional uses such as medical offices, educational institutions and tenants seeking flexspace.

    a. The Hamilton Road Study Area's demographics and comparatively lower rents may be attractive to non-conventional office users that serve the Primary Market Area residents (e.g. academies, institutes, vo-tech programs, social services, etc.) The Divisions of Planning and Economic Development and brokers can work together in soliciting interest and facilitating the dialogue between property owners and end users.

    b. Recruit Medical Office tenants/medical complex. Medical office space generally has 20%-30% higher lease rates/SF than traditional office space. Office space in the Lionmark Corporate Center may also be attractive to medical tenants due to its large scale space, as well as flexspace that can be used for research and development purposes. This will likely require retrofitting the existing space to meet the medical tenants' needs.

Long Term Approach

1. Incorporate office space into mixed-use projects. Office space can be better supported in clustered sites where different uses complement each other (e.g. retail amenities for employees, office space on second floor and retail on ground floor, etc.). Mixed-use, consolidated sites are generally more visible, more accessible (benefiting from being a "destination"), and offer more on-site amenities than scattered office sites. Additional amenities will be better able to attract office users to the location.

2. Property owners of office space may also consider office condominium conversions given that the Corridor caters largely to small-scale office users who may be interested in ownership. Many small scale tenants – such as dentists, attorneys, etc – who are looking to settle long term in an area may be attracted to owning a small office rather than continuous leasing. The office market on the Corridor should be sensitive to the needs of such users and their long-term investment goals.

3.4 Residential Market

The residential apartment market analysis provides an overview of the residential market in the Columbus region and a defined study area, as well as the residential study area's position within the larger regional context.

Our analysis will focus mainly on the rental market in both the Columbus region and the Study Area for two reasons: first, the preponderance of residential uses along the Corridor is rental apartments instead of condominiums; and second the Columbus condominium market—with the exception of some recent activity in downtown Columbus—is currently witnessing little movement across the region, both in new development and resales. Combined with the recent downturn in the national housing market and the tightening of credit, condominium development is unlikely to be a significant revitalization option for the Hamilton Road Corridor.

The residential analysis classifies the apartment inventory in the Columbus region into three distinct categories:

- Luxury—Luxury Apartments are no more than five years old. The units contain amenities such as new hardwood floors, central heat/air, stainless steel or upgraded appliances, high-ceilings, high capacity washer/dryers and built-in unique architectural and design features such as bookshelves, wine racks, etc. Project amenities may include secure access, reserved parking, a swimming pool, workout facility, and conference center. Unit sizes range from 1,000 to 1,200 square feet.

- Good—Good Apartments may run between 10 to 25 years old. The premises are generally well maintained by an-site property management and owners often put capital improvements into the property and the units (e.g. landscaping, new appliances, windows, etc.). Units may have hardwood or carpeted floors and a mixture of old and new appliances (depending on capital improvements). Project amenities may include reserved parking, tennis courts or pools (older than Luxury apartments), on-site laundry, etc. Unit sizes range from 700 to 1,000 square feet.

- Average—Average Apartments are usually over 25 years old. The project may or may not have on-site property management; units may be managed by apartment owners themselves. Units may contain older floors (hardwood or

carpeted), older appliances, and ceilings no higher than nine feet, no washer/dryer hookups. Capital improvements are put into units at a slower rate or not at all. Project amenities may include free parking (not reserved), on-site laundry, and storage space. Unit sizes range from 700 to 1,000 square feet.

Definition of Study Areas

Regional Market

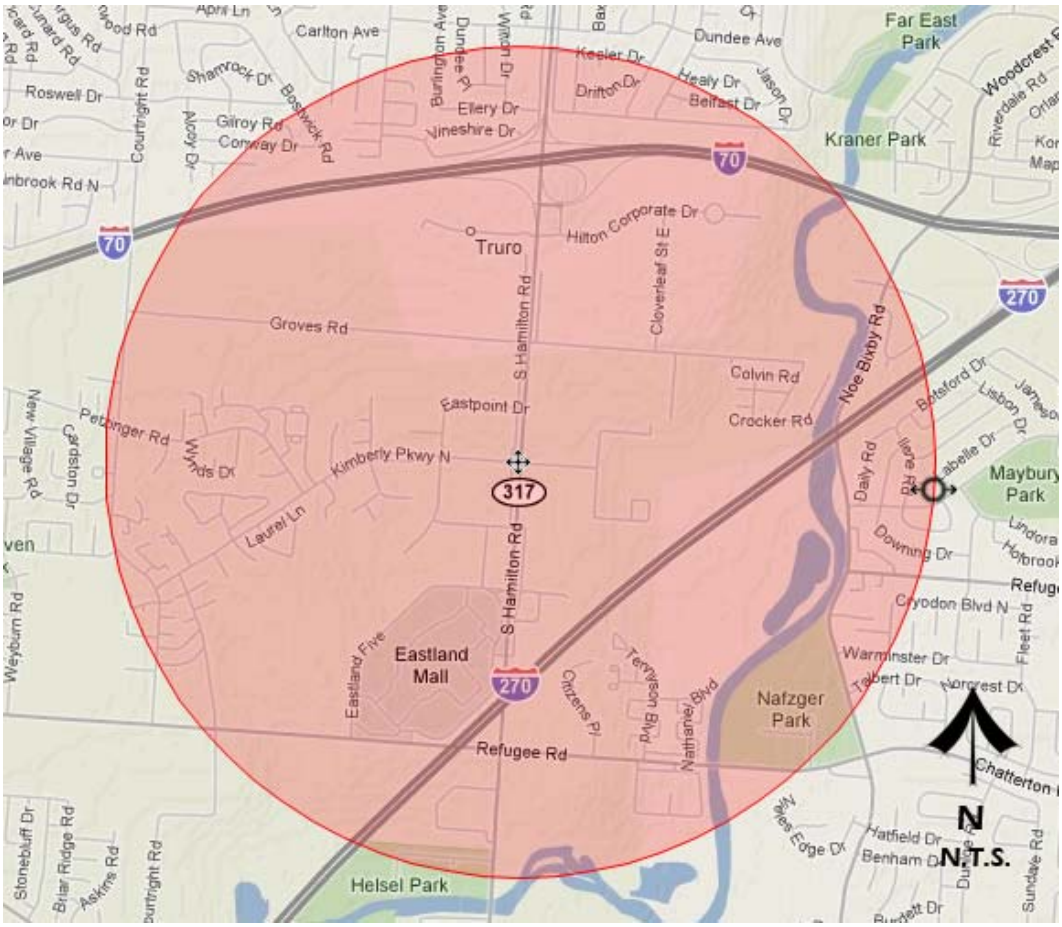
The Columbus regional residential market is defined as the Columbus MSA, which includes both the CBD and the suburbs.

Study Area

The residential market for the Study Area is defined as the 1-mile radius from the intersection of Hamilton Road and Kimberly Parkway. This 1-mile radius runs approximately a quarter-mile north of I-70, a quarter mile south of I-270 to the boundary with Whitehall, westward to Courtright Road, and stretches approximately a quarter mile east of Noe Bixby Road [Map 3.5].

The 1-mile radius covers nearly all the residential neighborhoods in the Hamilton Road Study Area as defined in Section 3.1, as well as some of the neighborhoods above I-70 that are not included in the Hamilton Road Study Area.

Map 3.5: Residential Study Area



Source: BBPC, ESRI Business Information Solutions

Study Area Regional Characteristics

Inventory

In 2006, the Columbus MSA contained a total of 119,121 rental apartment units, which is about 90,000 units less than the Detroit MSA (188,000) and about 9,000 units more than Cincinnati (110,258)[20].

The residential Study Area includes 5,404 housing units, of which 1,217 are single family detached homes (23 percent of total units) and 671 are single family attached or in a structure with only one other unit (12 percent of total units). There are 3,515 apartments in the study area, of which 1,130 are in multifamily structures with 3-4 units (21 percent of

[20] Integra Realty Report, 2007. The Detroit and Cleveland MSA are used as benchmarks for comparison for the residential component, due to more similar market conditions and absorption schedules

total units), 1,612 units in a structure with 5-20 units (30 percent) and 773 units in a structure with over 20 units (14 percent).

Table 3.22: 2000 Study Area Housing Units by Structure

	Units	*Percent of Total*
Single Family Detached	1,217	23%
Single Family Attached	671	12%
Apartments		
In 3-4 Unit Structure	1,130	21%
In 5-10 Unit Structure	1,612	30%
In 20+ Unit Structure	773	14%
Total	5,404	100%

Source: U.S. Census, BBPC

The large amount of apartments (65 percent) reflect a predominantly rental market. The quality of the housing stock in the Study Area is generally between “average” to “good”, with the vast majority classified as “average”. None can be classified as luxury.

The dominant tapestry group classifications mentioned earlier in the demographic and economic Profile - Inner City Tenants, Young and Restless, etc. - are consistent with the more transient and renter profile of the neighborhood. The housing stock generally caters to people seeking high value (average-to-good quality stock) at an affordable price.

Vacancies

The vacancy rate for the Columbus residential market in 2006 was 8.2 percent, which translated into 9,766 vacant units[21]. This is approximately one percent higher than the market in Detroit (7.17 percent), over 2 percent higher than the vacancy rate in Cleveland (6.00 percent) and 2.4 percent higher than the national average of 5.8 percent.

The higher than average vacancy rates presents challenges for the Columbus region. In efforts to attract tenants, landowners are offering significant concessions to prospective residents. Such concessions include the first month free rent, provision of new appliances, and waiver of the application fee.

Based on discussions with local brokers and property owners in the area, the quoted average vacancy rate for apartments in the study area is at least 6 percent, with a 4 percent margin of error. This translates into a vacancy rate ranging between 6 to 10 percent. This is on par with vacancy rates in the Columbus region as a whole (8.2 percent)

[21] Id

Similar to the Columbus region, there are significant concessions being offered to draw tenants in, including features such as free rent for the first month, reduced deposit, new appliances, and waiver of the application fee.[22]

Absorption

Despite the higher than average vacancy rate, the Columbus Region is projected to see a 260 percent increase in its annual absorption for new apartments over the next two years. This is attributable to the national trend of tightening credit combined with housing costs still being significantly higher than the past several years, resulting in more formerly prospective home-buyers now choosing to rent and wait to buy. The Columbus Metro Region experienced an average annual net absorption rate of 248 units between 2003-2006; absorption is expected to increase to 664 units annually between 2007-2009.[23] This is comparable to Cleveland's anticipated annual absorption (635 units) and less than half of Detroit's (1,467).[24]

Assuming a 5 percent target vacancy rate, it will take the Columbus MSA approximately 7 years to absorb existing vacant and new apartment units. The length of the absorption period and the amount of development in the 2007-2010 pipeline suggests that vacancy rates are not likely to drop appreciably over the next three years.

Rental Rates

Rental rates/SF/Month for apartments in the Columbus region are approximately $1.10 per square foot for luxury apartments, $0.70 for good apartments, and $0.66 for average apartments. Assuming apartments are between 1,000 to 1,200 square feet for luxury, and 700 to 1,000 square feet for "good" and "average", this translates into roughly into $1,100 - $1,320 per month for luxury units, $490-$700 per month for good units, and $462-$660 per month for average apartments. Rental rates are also heavily affected by location of the properties, which is higher in downtown, OSU, and near most regional retail "hot spots".

The average rental rate for an "average" quality apartment in the Study Area is $0.60 per square foot per month, which translates into approximately $600 per month for a 1,000 square foot unit. This is 10 percent lower than the regional rental rate for "average" quality apartments.

[22] Apartments.com
[23] Id
[24] Id

Table 3.23: Columbus Regional Apartment Rental Rates 2006

Property Type	*Size (SF)*	*Price ($)*	*Average Rent/SF/Month*
Luxury	1000 - 1200	$1,100 - $1,320	$1.10
Good	700 – 1000	$490 - $700	$0.70
Average	700 – 1000	$462 - $660	$0.66

Source: BBPC, Apartments.com

Pipeline Development

The Columbus region currently has 3,374 apartment units under construction between 2007-2010, which represents 2.8 percent of the total inventory. This is higher in absolute terms than the pipeline in the Cleveland MSA (2001) and less than the Detroit MSA (3800).[25] This percent under construction of total inventory is less than the national average of 3.7 percent.

There are two notable residential projects currently planned or under development in the Study Area. One is being developed by Maronda Homes, a national residential developer of new home communities. The project is located on a 39-acre tract of undeveloped land bordering the Eastland Mall to its northwest.[26] Assuming a residential zoning of 4 single family homes to an acre, the Maronda Project can potentially bring 126 new single family homes to the residential Study Area (although its development is likely to be staggered over 3-4 years).

Another notable residential project discussed in the Hamilton Road Study Area is the Fort Rapids Holiday Inn, near the intersection of Hamilton Road and I-70. There are 64 condominium units proposed, but the project is currently put on hold until market conditions improve.

Discussion/Findings (SWOC)

The residential market in the Hamilton Road Corridor benefits from its affordability (low rents, free parking), along with good transportation access (good interstate access, well-served by public transit). Predominantly rental housing, it matches the major tapestry segments in or near the study area (e.g. Inner City Tenants, Young and Restless) that are mostly transient, many of whom are seeking value ("average" quality) at an affordable

[25] Id
[26] Franklin County Tax Assessors 2007

price. There are also signs of market support for single family detached housing, as evidenced by Maronda Homes' development plans behind Eastland Mall.

Despite these advantages, much like the weaknesses in the retail and office market the Hamilton Road Corridor offers limited amenities to residents, a characteristic which factors heavily in residential preferences. Also like the office and retail market, many of the residential properties are aging and near their life-cycle end, and nearly all of the housing stock is classified in the "average" category rather than "good". There are no luxury apartments along the Corridor.

The Corridor's niche as an affordable area, along with slow regional job growth and high vacancy rates both in the Study Area and the Columbus region, has resulted in minimal incentive for property owners to substantially invest in upgrading or redeveloping their properties. Few external improvements are being made to the residential stock, and lack of competition from new developments provides even less incentive to do so. The relatively high vacancy levels, limited amenities, and the older nature of the housing stock provides minimal market incentive to undertake new multi-family development. All of this presents a challenge for Hamilton Road's ability to broaden its appeal to the larger market.

Table 3.24: Residential-Apartments Strengths, Weaknesses, Opportunities, Challenges

Weaknesses	***Challenges***	***Strengths***	***Opportunities***
• Properties near life cycle end • Limited Amenities for residents	• Slow regional job growth • High regional vacancy levels • Minimal incentive to upgrade (Lack of competition from new developments, no external improvements) • Minimal market incentive for multi-family development (high vacancy levels, limited amenities)	• Low rents • Good Interstate Access • Public transit • Free parking	• Key opportunity sites for redevelopment • Encourage recruitment of businesses that employ local residents • Encourage mixed use development that includes on-site amenities • Development of senior housing affiliated with faith-based organizations

Revitalization Strategies

Due to the poor conditions in the national housing market and the tightening of credit access, housing market conditions will likely need to improve before Hamilton Road Corridor can see significant private investment and redevelopment. However, the residential component is crucial to the long-term revitalization of the Hamilton Road Corridor. Retail follows rooftops, and these amenities play a large role in positioning office development as well. The following recommendations will set the stage for more long-term revitalization.

New residential development along Hamilton Road should continue to be in the form of apartments targeting young, entry-level professionals as described in the Tapestry Profile. The senior housing market in the Columbus region currently is weak, much like the national housing market. However, seniors and "baby boomers" will be one of the fastest growing demographics in the next five years, and development of senior housing units over the long term will be a crucial opportunity to improve the Hamilton Road housing market.

Additional details of residential related revitalization strategies, as well as synthesis with other strategies and required public and private sector roles and responsibilities will be presented in the Revitalization Strategy and Action Plan chapters.

Approach

1. Invest in cosmetic improvements such as façade and pedestrian improvements, lighting, streetscape, etc. to improve the corridor's image to potential tenants and customers alike.

2. Promote stronger connections to adjacent districts. The Hamilton Road Corridor is currently a predominantly retail corridor with I-70 to the north and I-270 to the south. By making transitions between adjacent districts more seamless, it can promote more connectivity between residents and their environment. It may also enhance the accessibility of neighborhood destinations to attract regional shoppers, which is crucial to the viability of mixed-use developments.

3. Encourage recruitment of businesses that employ local residents.

4. Encourage development of senior housing affiliated with faith-based organizations. The potential to offer an opportunity to realize reduced housing

costs and attract more members to their immediate market area may align with the missions of these organizations.

5. Create policies to encourage residential development to developers, such as strengthening homeownership programs, tax increment financing, upgrading infrastructure, and offering financial incentives such as limited-term property tax abatement.

6. Target key opportunity sites for redevelopment. As outlined in the retail strategies, the Development Department should look into key areas to consolidate retail and residential mixed-use programs, and develop plans to channel development into these areas, which may involve rezoning for mixed use. This will support the desired on-site, mixed-use amenities, as well as new development of “good”-to-“luxury” apartments, that may widen the appeal to demographics outside the immediate PMA.

3.5 Hospitality Market

The hospitality market analysis looks at the performance in the Columbus regional lodging market, the study area's lodging inventory, and the position of the study area within the larger regional context.

Definition of Market Areas (CBD, Suburban Markets, Study Area)

The Hamilton Roads regional hospitality market is defined as the Columbus Metropolitan Statistical Area, which consists of the City of Columbus CBD as well as its suburbs. The smaller scale study area is defined as the same boundaries of the Hamilton Road Study Area described earlier in **Error! Reference source not found.**.

CBD Suburban Market Characteristics

Inventory, Occupancy Levels, ADR/RevPAR

The Columbus MSA region comprises approximately one-fifth of the total lodging industry in the State of Ohio with 24,575 rooms in approximately 170 hotels [Table 3.25]. The lodging supply runs the gamut of hotel product types, including luxury hotels, convention hotels, budget/economy facilities, all-suite/residence hotels, etc.

The ADR and occupancy rate in the Columbus hospitality market approximate that of the State of Ohio, although they are slightly higher in the Columbus market Table 3.25]. The occupancy rates in the Columbus MSA are 58.9 percent and 55 percent in the State. Both are 11 to 15 percent short of the normalized occupancy industry standard of 70 percent and less than the national average of 63 percent[27]. The Average Daily Rate (ADR) is $70-$71 for both Columbus and the State, although the revenue per occupied room (RevPAR) is nearly $6 higher in Columbus.

Table 3.25: Columbus Regional Hospitality Inventory

2005	*Occupancy*	*ADR*	*RevPAR*	*Room Supply*
Columbus MSA	58.9%	$71.45	$44.09	24,575
State of Ohio	55%	$70.34	$38.65	122,428

Source: Hotel and Leisure Advisors, 2005

[27] Integra Realty Report 2007

There were 645 hotel rooms added to the hospitality market in the Columbus MSA in 2006, representing a 2.6 percent increase from total hotel development in 2005. In terms of new development, four of the hotels represented new construction, and one represented an expansion (Holiday Inn Fort Rapids). Most of the development occurred in the suburbs, although a 125-room Residence Inn was completed downtown.

Table 3.26: New Hotel Development in Columbus Regional Market

Hotel	*# of Rooms*	*Market*
Drury Inn and Suites	180	Grove City
Candlewood Suites	122	Polaris
Residence Inn	125	Downtown
Hilton Garden Inn	158	OSU
Holiday Inn Fort Rapids Addition	60	Hamilton Road
Total	645 (2.6% Increase from 2005)	

Source: BBPC, Hotels.com

Study Area Characteristics

Inventory and Recent Updates

There are a total of 751 hotel rooms in the Hamilton Roads Study Area, representing three percent of the hotel inventory in the Columbus Region. There are a total of four hotels in the Study Area, and three of them are clustered around the Hamilton Road and Groves Road intersection. The Hamilton Road Plaza Hotel is a low rise hotel at the intersection of Hamilton Road and Groves Road, and was formerly a Howard Johnson Hotel. The Residence Inn is an extended-stay hotel operated by Marriott, and is located right next to the Hamilton Road Plaza Hotel. The Knights Inn is an economy/budget hotel located west of the Hamilton Road Plaza Hotel. The Fort Rapids Holiday Inn is a remodeled hotel with an indoor waterpark located one block northeast of the Hamilton Road Plaza hotel.

Table 3.27: Study Area Hotel Inventory 2006

Hotel	*Rooms*	*Weekday Rack Rate*
Knights Inn	106	$47.65
Fort Rapids Holiday Inn	360	$80.10
Residence Inn	80	$119 for a studio
Hamilton Road Plaza Hotel	205	$62.00
Total	751	

Source: BBPC, Columbus Convention and Visitors Bureau

Hotels in the Hamilton Road Study Area are predominantly economy and midscale. However, there have been signs of reinvestment. The Hamilton Road Plaza Hotel is in

the process of receiving new ownership (previously a Howard Johnson) and has made improvements in the façade, lobby, and anticipate making operational changes as well. Additionally, the Fort Rapids Holiday Inn attains over 80 percent occupancy in peak seasons due to its unique indoor waterpark, and in 2006 added an additional 60 rooms to its facility.

Discussion/Findings (SWOC)

The advantages of the hospitality market in the Hamilton Road Corridor – like its other property sectors – include relatively low room rates, free parking, and good interstate access to both I-70 and I-270. Being located off the highway and proximate to the downtown Columbus, it may also be appealing to corporate/business visitors as well as some leisure tourism. The hotel products in the Study Area are diversified across different lodging sectors (Extended Stay/Corporate – Residence Inn, Family – Fort Rapids Holiday Inn, Budget/Economy – Knights Inn) and are in complementary service classes rather than competing directly with one another.

However, the Hamilton Road Corridor still presents obstacles for the hospitality industry in attracting leisure and business tourism alike. The limited amenities for guests (e.g. entertainment, dining options), and older, non-revitalized quality of the surrounding environment present challenges in attracting leisure tourists. Additionally, business tourism suffers from the slow regional job growth and limited proximate professional employment. Access to individual hotels – most notably the Fort Rapid Holiday Inn – could be made more visible and improved.

However, the Hamilton Road hospitality market is seeing signs of moving in the right direction. New ownership of the Hamilton Road Plaza Hotel will spur reinvestment and provide private capital and new opportunities to improve performance and capture a larger share of the underserved market in Eastern Columbus. The Fort Rapid Holiday Inn is also riding on a national trend of facilities designed around a theme. It is anticipated that there will be 73 new hotels nationwide with waterparks created between 2005-2007, a 68 percent increase.[28]

In addition, the corridor has an opportunity to take advantage of commercial and industrial growth activity near Port Columbus Airport and Rickenbacker International Airport. The area surrounding Port Columbus International Airport is engaged in a major revitalization planning effort designed to bring significant new commercial growth to this area. Meanwhile, Rickenbacker, located eight miles south of the Hamilton Road corridor,

[28] Integra Realty Report 2007

serves over 35 million SF of downtown office, numerous industrial parks, and over 125 companies. Spurred by recently adopted tax incentives and a new City focus, this area is fast becoming the center of logistics, industrial, and commercial development in Central Ohio. As these areas continue to grow, the Hamilton Road Corridor may have the opportunity to capture new corporate demand seeking lodging and accommodations both proximate to the city's airports and convenient to downtown.

Table 3.28: Hospitality Strengths, Weaknesses, Opportunities, Challenges

Weaknesses	*Challenges*	*Strengths*	*Opportunities*
• Limited proximate professional employment • Local Access (Fort Rapids Holiday Inn) • Limited Amenities for Guests	• Slow regional job growth • Negative perceptions of surrounding environment	• Lower room rates • Good interstate access (Attractive to both business travel and tourism) • Proximate to downtown • Banquet space (Fort Rapids Holiday Inn and Hamilton Plaza Hotel) • Complementary Service Classes (Extended stay, corporate, family) • Free parking	• Attract corporate seeking downtown proximity and high value • Attract new ownership/ reinvestment given availability of private capital and opportunities to improve performance and capture underserved eastern markets • Capitalize on commercial and industrial growth activity surrounding Rickenbacker Int'l Airport

Revitalization Strategies

Given these advantages and weaknesses, taking an incremental approach to revitalize Hamilton Road lodging establishments will help set the stage for more long term revitalization strategies. Additional details of hospitality related revitalization strategies, as well as synthesis with other strategies and required public and private sector roles and responsibilities will be presented in the Revitalization Strategy and Action Plan chapters.

Incremental Approach

1. Invest in cosmetic improvements such as façade and pedestrian improvements, lighting, streetscape, etc. to improve the corridor's image to potential tenants and customers alike.

2. Attract new hotel ownership and/or reinvestment. Improvements to the former Howard Johnson Hotel are signs that new management may offer the resources and perspective to attract attention and enhance performance.

3. Continue to attract corporate users seeking downtown proximity and high value. Hamilton Road is approximately eight miles east of downtown, and the average daily rate for the Knights Inn and Hamilton Plaza Inn (rack rate $47.65, $62.00) on Hamilton Road are likely half and two-thirds the Columbus Region average, respectively. This may appeal to the budget conscious business traveler who wants to be close to downtown.

Long term Approach

1. Target the underserved hospitality market southeast of Hamilton Road. The relatively little hotel competition in the area southeast of Hamilton Road and untapped market/growth near Rickenbacker International Airport may suggest sufficient demand for additional lodging facilities, particularly Airport oriented hotels.

2. Continue to develop the niche hotel market, such as the theme based hotel at Fort Rapids Holiday Inn. New niche hotels (e.g. indoor waterparks, Nickelodeon themed hotels) are destination hotels and can attract people from beyond the Columbus region. Increased tourism can also support new retail and amenities on the Corridor.

3. Cultivate the dual markets of business and leisure tourism. The interstate access along the Hamilton Road Corridor may be attractive to business tourists, and the growing niche hotel market may be attractive to leisure tourists. In addition, strong demand in both markets offer potential weekly and year round demand for lodging. Leisure tourism tends to be high during the summer and weekends, and business tourism during the weekdays year round.

4.0 Revitalization Strategy Recommendations

The review of existing conditions and findings from the economic and market analysis identified the Hamilton Road corridor's strengths and weaknesses as well as the opportunities and challenges related to new development, corridor enhancement, and revitalization.

From a retail and business perspective the Hamilton Road corridor presents several strengths. There are many reasons for people to come to Hamilton Road to shop, seek entertainment, and engage in business activities. These strengths include the presence of a recently renovated regional shopping destination at Eastland Mall, the Holiday Inn Fort Rapids water park, several casual and family-oriented dining establishments, community-support organizations (including several churches, day care centers, and healthcare/medical complexes), and convenient highway access at I-70. In addition, there are several hotels for City tourists and corporate guests seeking value rates and proximity to the airport and downtown. A relatively significant number of low-rise office complexes present opportunities for small office users, such as dentists, doctors, attorneys, and other independent professionals.

The corridor also presents several strengths from a real estate and business recruitment perspective. Perhaps most significantly, the corridor provides convenient access to highway I-70 and high regional traffic counts. There are also several site-specific advantages, including competitive land costs, large parcels with ample space for parking, and minimal property fragmentation to facilitate redevelopment on key opportunity sites. In terms of business recruitment, existing space offers relatively low lease rates for commercial space, and there are several retail categories with low captures rates (i.e. specialty food and beverage, electronics, sporting goods, home maintenance and improvement). These characteristics offer opportunities for the corridor to develop new retail niches in categories that are currently underserved.

Despite these strengths, there are several drawbacks and challenges to achieving revitalization on the corridor. Most importantly, the Columbus regional retail market is oversupplied with Shoppers and Convenience Goods, and competition for customers is keen. Hamilton Road has an older property stock, where many are near their life cycle end, and the corridor lacks high-end retail, dining options, and overall amenities/positive image to attract new customers and tenants alike. Much of these qualities can be found in most newer retail "hot spots" as mentioned earlier, which presents a challenge for tenant recruitment. Finally, while several strip malls are ripe for redevelopment, high

occupancy rates in many other strip malls on the corridor provides little incentive to redevelop.

The office market faces similar challenges in terms of competition from other areas that offer more attractive amenities and newer Class B and Class A office space. These areas also offer more flexibility in terms of space and accommodating the needs of potential office users. In addition, slow office-based job growth throughout the region makes it even more difficult to attract new users to the corridor.

Much like the office market and retail market, the residential multifamily market faces significant challenges. New multifamily development should represent more of a long-term development goal, given the need for improved amenities on the corridor before developers and investors will consider Hamilton Road for this type of project. The national slowdown in the housing market and tightening credit market will also stymie developer interest in multifamily projects, particularly condominium development. Given the tightening credit market and general downturn in the condominium market, it is unlikely that this type of development will gain much traction in suburban locales such as Hamilton Road in the near future. The existing multifamily residential housing stock on the corridor also poses challenges. Most of this housing stock is of an “average” quality, and the relatively strong demand for this type of housing value presents little incentive for property owners to upgrade the properties.

4.1 Revitalization Vision and Goals

The diversity of the landscape along Hamilton Road, from I-70 to Big Walnut Creek, south of Refugee Road reflects the changing role that the roadway has played as the City of Columbus has grown and matured. Once a striving corridor peppered with convenience and comparison commercial uses and a destination for local and regional customers, the corridor now provides marginal commercial uses to area residents and serves as a corridor for through traffic to reach other vibrant commercial areas, secluded new subdivisions, regional highways and employment centers. Although much of the City’s development activity is occurring in new growth areas, established areas such as the Hamilton Road corridor present important infill opportunities and challenges that should not be overlooked.

Vision

The Corridor's economic, market, and physical conditions speak to the need for a new Hamilton Road Corridor/Eastland Area vision. Expressions of what the business and residential community desire to become are reflected in the following vision statement:

The corridor is a community of choice to today's residents and business owners and for future generations. That vision is created by an enhanced corridor roadway, strong businesses, vital neighborhoods, and abundant cultural and recreational opportunities.

Goals

The goals listed below help to form a foundation for the future of the Hamilton Road corridor. Through these goals, a general framework is established for the plan's more specific recommendations. These goals, like the recommendations/strategies that follow, are not in order of rank or priority.

1. Maintain the long-term vitality and attractiveness of the Hamilton Road corridor as a quality, commercial, office/research, warehousing, residential and mixed use environment.

    - Promote an efficient and compatible land use pattern that establishes several community focal points in the corridor such as; the Hamilton Road/Grove Road intersection as a gateway into the expanded and improved office/research and warehousing district along Grove Road, both east and west of Hamilton Road, the community hub located at the intersection of Hamilton Road and Kimberly Parkway, with mixed commercial, office, cultural and educational uses to support area residents, and the Hamilton Road and Refugee Road intersection being the center of the corridor's regional commercial district.

    - Strengthen aesthetic quality and a sense of identity for the corridor through development design guidelines that foster harmonious site circulation, planning, architectural and landscape architectural design for new development, and encourage aesthetic improvements at existing business locations.

    - Provide for a diversity of innovative housing types (targeted predominantly to ownership markets) including creative designs that are

responsive to changing population needs and compatible with surrounding neighborhoods.

2. Enhance the potential for prosperous commerce.

    - Provide for necessary commercial, services and office/research uses to meet population needs and protect prime sites from inappropriate development.

    - Ensure that the level and type of business uses are compatible with the scale and character of established neighborhoods and other adjacent land uses.

    - Continue to develop a business and residential community partnership in the corridor to carry out a comprehensive implementation strategy and undertake marketing efforts.

3. Enhance public facilities and services to maintain a high quality of life and to encourage infill development

    - Support enhancements, as necessary, to existing utility systems and leisure facilities.

    - Promote safe pedestrian access to commercial, leisure/recreation facilities and natural conservation areas from nearby neighborhoods and employment centers.

4. Provide a safe, efficient, and cost effective transportation system.

    - Ensure proposed land uses and densities along the corridor are controlled so that the flow of traffic on Hamilton Road is not disrupted.

    - Limit and properly locate points of direct access to Hamilton Road and connecting streets.

    - Relocate service roads to the rear of development fronting Hamilton Road, by constructing new service roads and/or implementing shared access agreements through parking areas.

    - Provide a multi-modal transportation center that safely provides for all users.

4.2 Revitalization Strategies

Given the corridor's advantages and weaknesses, vision, and goals, taking an incremental approach to revitalize Hamilton Road retail establishments will help set the stage for more long term revitalization strategies. The following short term and long term revitalization strategies have been identified as opportunities to pave the way for corridor revitalization. These opportunities include real estate development, enhancements to tenant marketing and the tenant mix, and upgrades to infrastructure.

Table 4.1: Real Estate Development Revitalization Strategies

Sector	*Approach*	*Years*
Retail	**Target and consolidate redevelopment in locations ripe for retail redevelopment (such as Eastland Square).** Such clustering helps to congregate retail consumers and enables them to shop for various items on one trip. This also creates "destinations" allowing for larger and more visible development. Tenants in consolidated facilities also create more financial stability, and will be incentivized to improve storefronts, merchandise, etc. Clustering retail development will also contribute to a corridor "identity" that is increasingly important to shoppers who desire a shopping experience.	1-3
Retail	**Assemble parcels of land in key locations by engaging its property owners**. Property owners may choose to sell their parcels, relinquish the development rights but retain a stake in its future appreciation, etc. Land assembly is crucial to implementing retail consolidation, and packaging various parcels together makes it attractive for a developer to acquire and undertake new development.	3-5
Office	**Incorporate office space into mixed-use projects.** Office space can be better supported in clustered sites where different uses complement each other (e.g. retail amenities for employees, office space on second floor and retail on ground floor, etc.). Mixed-use, consolidated sites are generally more visible, more accessible (benefiting from being a "destination"), and offer more on-site amenities than scattered office sites.	3-5
Residential	**Target key opportunity sites for redevelopment.** The Development Department should look into key areas to consolidate retail and residential mixed-use programs, and develop plans to channel development into these areas, which may involve rezoning for mixed use. This will support the desired on-site, mixed-use amenities, as well as new development of "good"-to-"luxury" apartments, that may widen the appeal to demographics outside the immediate PMA.	3-5
Residential	**Encourage development of senior housing affiliated with faith-based organizations.** The potential to offer an opportunity to realize reduced housing costs and attract more members to their immediate market area may align with the missions of these organizations.	3-5
Hospitality	**Target the underserved hospitality market southeast of Hamilton Road.** The relatively little hotel competition in the area southeast of Hamilton Road and untapped market/growth near Rickenbacker International Airport may suggest sufficient demand for additional lodging facilities, particularly Airport oriented hotels.	3-5
Hospitality	**Continue to develop the niche hotel market, such as the theme-based hotel at Fort Rapids Holiday Inn**. New niche hotels (e.g. indoor waterparks, Nickelodeon themed hotels) are destination hotels and can attract people from beyond the Columbus region. Increased tourism can also support new retail and amenities on the Corridor.	3-5
Mixed Use	**Employ mixed-use revitalization strategies in clustered key locations.** A mixed use development format enables a higher capture rate for both shoppers and convenience goods because of the presence of on-site amenities. A mixed-use development meets more of shoppers' needs on-site (e.g. groceries, drugs, furniture, etc.) than scattered businesses along a corridor.	3-5

Table 4.2: Marketing and Tenant Mix Enhancement Revitalization Strategies

Sector	*Approach*	*Years*
General	**Invest in cosmetic improvements** such as façade and pedestrian improvements, lighting, streetscape, etc. Improve the corridor's image to potential tenants, residents, and customers alike.	1-3
General	**Encourage uniform signage.** Design guidelines that promote signage of a specific character should be developed to provide parameters which will present a clean, uncluttered appearance and make it easier for customers to find stores they are looking for.	1-3
General	**Encourage façade improvements.** In cases where property enhancements are more appropriate that redevelopment, façade improvements can do a great deal to create a more attractive entranceway for customers and employees.	1-3
General	**Continue to build and strengthen business association.** A Hamilton Road Business Association should be viewed as one of the primary vehicles to carry the corridor forward in achieving revitalization goals. The association can provide important organizational, financial, and advocacy resources to advance the revitalization agenda.	1-3
Retail	**Enhance marketing and market image of the corridor.** This may require a coordinated effort among retail establishments, brokers, and public entities such as the Development Departmentt. Such efforts can include festivals or events that highlight the uniqueness of Hamilton Road's retail establishments. (e.g. Taste of Hamilton Road, Artwalk, etc.)	1-3
Retail	**Develop a recruitment strategy for both existing and new tenants.** This strategy should be realistic and flexible to attract unique low-rent, non credit independent tenants to existing retail space varying in type and size. In particular, they should look towards recruiting convenience goods tenants that cater to the PMA with low capture rates (e.g. food and beverage stores, specialty food stores, etc.). Overall tenant selection should focus on tenants who offer high value in cultivating an "identity" for the Corridor (e.g. ethnic restaurants, furniture "row", etc.) which helps cement the Corridor as a destination for shoppers. The recruitment strategy should address potential synergies between existing and new businesses along the Corridor.	1-3
Retail	**Assuming consolidated development plans and a "destination" factor**, recruit shoppers goods and entertainment oriented tenants that are unaffected by local demographic and economic conditions. The tenants may be able to draw more people from the Shoppers Goods PMA or further, areas more affluent and experiencing faster population growth. This may enable landowners' ability to raise rates and serve to enhance property values.	3-5
Office	**Facilitate subdivision of large office spaces.** Given the current difficulty in attracting large tenants, subdividing large spaces will cater to the need of small scale tenants seeking lower rents in smaller spaces and likely increase occupancy rates, particularly in largely or completely vacant office buildings.	1-3
Office	**Enhance marketing efforts,** including outreach, which highlights opportunities for non-conventional uses such as medical offices, educational institutions and tenants seeking flexspace. The Hamilton Road Study Area's demographics and comparatively lower rents may be attractive to non-conventional office users that serve the Primary Market Area residents (e.g. academies, institutes, vo-tech programs, social services, etc.)	1-3

Sector	*Approach*	*Years*
Office	**Recruit Medical Office tenants/medical complex.** Medical office space generally has 20%-30% higher lease rates/SF than traditional office space. Office space in the Lionmark Corporate Center may also be attractive to non-credit medical tenants due to its large scale space, as well as flexspace that can be used for research and development purposes. This will likely require retrofitting the existing space to meet the medical tenant needs.	
Office	**Consider office condominium conversions** given that the Corridor caters largely to small-scale office users who may be interested in ownership. Many small-scale tenants who are looking to settle long term in an area may be attracted to owning a small office rather than continuous leasing. The office market on the Corridor should be sensitive to the needs of such users and their long-term investment goals.	3-5
Residential	**Encourage recruitment of businesses that employ local residents.**	1-3
Residential	**Promote stronger connections to adjacent districts.** The Hamilton Road Corridor is currently a predominantly retail corridor with I-70 to the north and I-270 to the south. By making transitions between adjacent districts more seamless, it can promote more connectivity between residents and their environment. It may also enhance the accessibility of neighborhood destinations to attract regional shoppers, which is crucial to the viability of mixed-use developments.	3-5
Residential	**Create policies to encourage residential development to developers,** such as strengthening homeownership programs, tax increment financing, upgrading infrastructure, and offering financial incentives such as limited-term property tax abatement.	3-5
Hospitality	**Attract new hotel ownership and/or reinvestment.** Improvements to the former Howard Johnson Hotel are signs that new management may offer the resources and perspective to attract attention and enhance performance.	1-3
Hospitality	**Continue to attract corporate users seeking downtown proximity and high value.** Hamilton Road is approximately 8 miles east of downtown, and the ADR for the Knights Inn and Hamilton Plaza Inn (rack rate $47.65, $62.00) on Hamilton Road are likely half and two-thirds the Columbus Region average, respectively. This may appeal to the budget conscious business traveler who wants to be close to downtown.	1-3
Hospitality	**Cultivate the dual markets of business and leisure tourism.** The interstate access along the Hamilton Road Corridor may be attractive to business tourists, and the growing niche hotel market may be attractive to leisure tourists. In addition, strong demand in both markets offer potential weekly and year round demand for lodging. Leisure tourism tends to be high during the summer and weekends, and business tourism during the weekdays year round.	1-3

Table 4.3: Infrastructure Upgrade Revitalization Strategies

Type	*Approach*	*Years*
Roadways	**Assess existing traffic patterns and pursue any vehicular transportation improvements** that will increase facility carrying capacity and traveling convenience, i.e., install medians, improve signal timing, relocate service roads, etc. within the corridor and connect with existing and planned regional trail systems. Complete the traffic engineering study of the corridor to determine roadway and service road improvements needed to improve efficiency, safety and access to the corridor and its businesses. The improvements to the corridor should improve the balance and accommodate all motorists, pedestrians and bicyclists. As part of the study, the City should investigate connecting the pedestrian and bike facilities along Hamilton Road to existing and planned parks and open space and the regional trail systems adjacent to the corridor. Additionally, the program should reevaluate the potential of constructing an interchange at Hamilton Road and the I-270 freeway.	3-5
Transit	**Coordinate with Central Ohio Transit Authority (COTA) to add quality bus stops/shelters along the Hamilton Road corridor.** Examine COTA's boarding and unboarding ridership numbers at bus stops along the corridor to determine best location for installing bus shelters. In addition to the bus shelters, improvements should include concrete boarding areas, trash receptacles, and area lighting and paved connections to shopping centers.	1-3
Roadways	**Work with Ohio Department of Transportation (ODOT) on I-70/Hamilton Road interchange improvements.** Coordinate with ODOT to improve access to Hamilton Road and Hilton Corporate Drive. Prepare an interchange enhancement plan including landscaping and sculptured grading in the open space areas of the interchange. Additionally, prepare plans to screen/buffer the outside storage area in front of the grain silos and associated cost estimate for all enhancement and screening improvements. Work with ODOT to secure funding for this enhancement/screening project to improve this critical gateway to the Hamilton Road corridor.	1-3
Corridor Gateway	**Hamilton Road/I-70 Gateway signage.** With the high visibility of the grain silos and the need to announce/promote the Hamilton Road corridor to the passing motorists along the I-70 freeway, the Hamilton Road Business Association should work with the owners of the grain silos to explore and implement a program to paint a sign on the silos that would be visible from the freeway and commercialize the corridor on this area landmark.	1-3
Pedestrian/ Bicycle Access	**Extend sidewalks where needed into areas beyond the Hamilton Avenue corridor**, to provide strong connections of side streets to the corridor. The City should improve and construct barrier free sidewalks where missing along all local and collector streets to ensure safe and walkable access for neighborhood residents to walk to various areas in the district and Hamilton Road and its businesses.	1-5
Public Places	**Incorporate safety/security design techniques for all public places.** To ensure continued success of all parks, open space and streets in the area, any improvement plans need to incorporate lighting, defensible design and programmed events for various user groups.	1-3
Recreational Oppor-tunities	**Investigate developing a park plan and community center to strengthen the character of the neighborhood and encourage the use of these features when negotiating private sector development plans.** Neighborhood recreation centers and parks are critical to a county's quality of life, and would assets to the Hamilton Road area, as well. The Hamilton Road area civic and business associations should engage the City's Recreation and Parks Department in a combined effort to assess area recreational needs, and use that information to develop a program of action to improve recreational opportunities. Among the sites that could be considered for possible new recreational uses is the area west of Hamilton Road between Kimberly Parkway and Refugee Road.	1-3

Future Land Use Plan & Proposed Demonstration Sites

5.0

5.1 Future Land Use Plan

The Future Land Use Plan seeks to enhance the character of the Hamilton Road corridor and adjacent areas to help guide the changes in the development pattern that will take place over the next ten to fifteen years. The Future Land Use Plan strives to:

- Promote a balance of business, office/research, warehousing and residential development so that necessary services and jobs are available to serve that needs of the population.
- Establish an efficient and compatible development pattern that encourages an appropriate mix of land uses including residential, office, commercial and office/research uses.
- Enhance the long term vitality of the corridor by reinforcing its unique features and visual quality.
- Create a new mixed use center and international community market that establishes a special sense of place for community life.
- Fully utilize public facilities investments by encouraging infill development.
- Identify opportunities for future redevelopment of under utilized and vacant properties.

The Future Land Use Plan [Map 5.1] illustrates the recommended future development pattern for the Hamilton Road corridor and its adjacent areas. It provides more than an adequate supply of additional acreage for various land uses relative to market demand projections. This map will be useful as a guide for all future decisions, including rezoning and other regulatory land use decisions.

This pattern recognizes the concentration of residential neighborhoods surrounding the corridor and the need for additional housing, goods and services resulting from population growth in the larger market areas. Building upon these strengths, the plan seeks to promote a range of developments, located on redevelopment opportunity sites [Map 5.3] concentrated at key intersections and within residential neighborhoods that can

provide efficient access and contribute to the desirability of nearby neighborhoods, and thus to the long term vitality of the corridor. The Redevelopment Opportunities sites provide locations of under utilized and/or vacant sites and redevelopment potentials that are compatible with market demand and existing development.

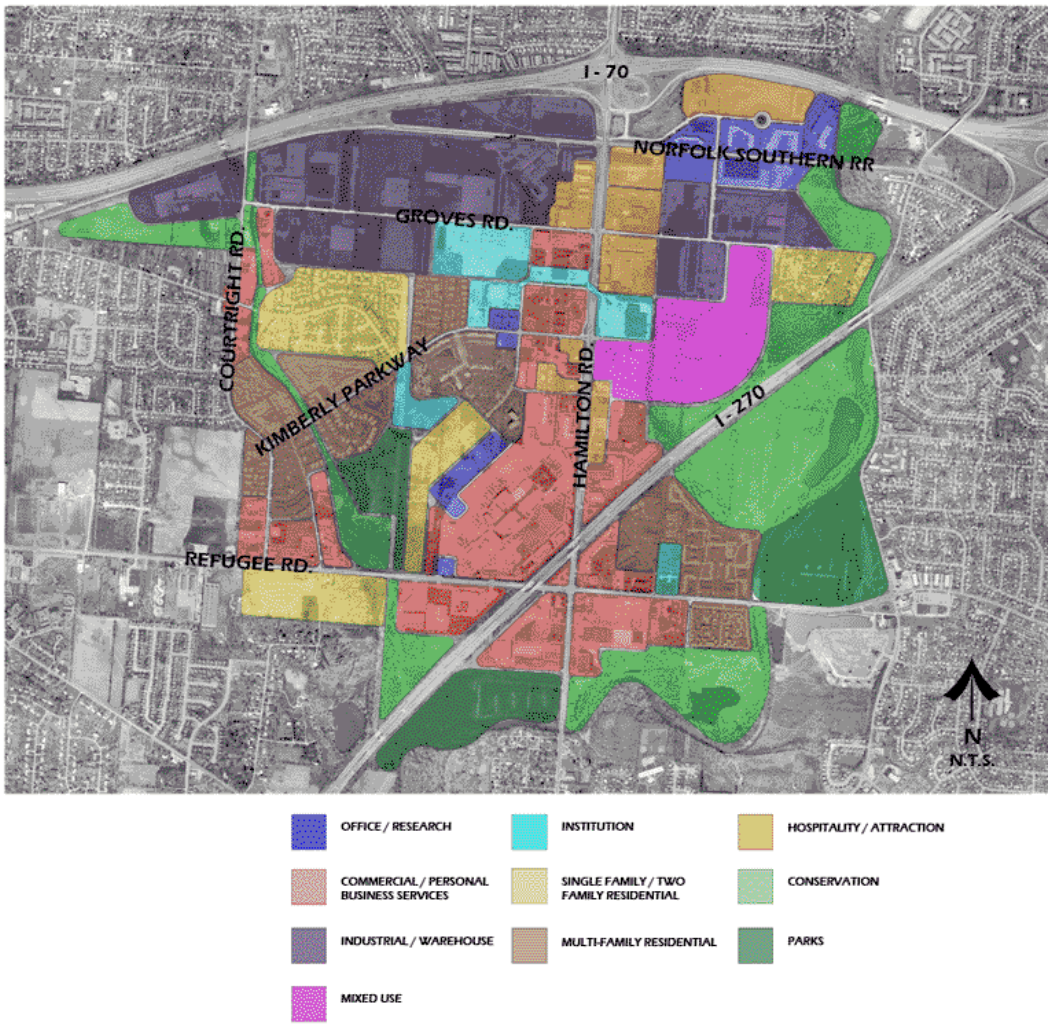
- Near the intersection of Hamilton Road and Grove Road, two redevelopment sites are shown as potential expansion areas for hospitality, which expands upon existing hotel, attraction and restaurant uses and is located near the existing and planned office/research and warehousing district along Grove Road.

- At the Hamilton Road and Kimberly Parkway intersection, an international community market is recommended west of Hamilton Road and north of Kimberly Parkway to announce the diverse culture and multi-generational population that live in the neighborhood. To continue this redevelopment effort to reinforce the Hamilton Road community/neighborhood, a new mixed-use development is planned on the east side of Hamilton Road at Kingsland Avenue. This mixed-use neighborhood would include retail, office and single and/two family residential.

- In the residential neighborhoods west of Hamilton Road and south of Kimberly Parkway, a community “family” center and neighborhood park is recommended to provide further amenities and facilities for adjacent residents.

- At Hamilton Road and Refugee Road, the hub of the regional commercial district for the corridor, there are several sites that have been identified for redevelopment opportunities, including: the redevelopment of the commercial strip center into a large format regional retail site, west of Hamilton Road and south of Refugee Road; expansion of the trade center into an international bazaar on the south side of Refugee Road; and the redevelopment of vacant and under utilized parking areas west of the Eastland Mall shopping center into office/research and single family residential.

Map 5.1: Hamilton Road Corridor/Eastland Area Future Land Use



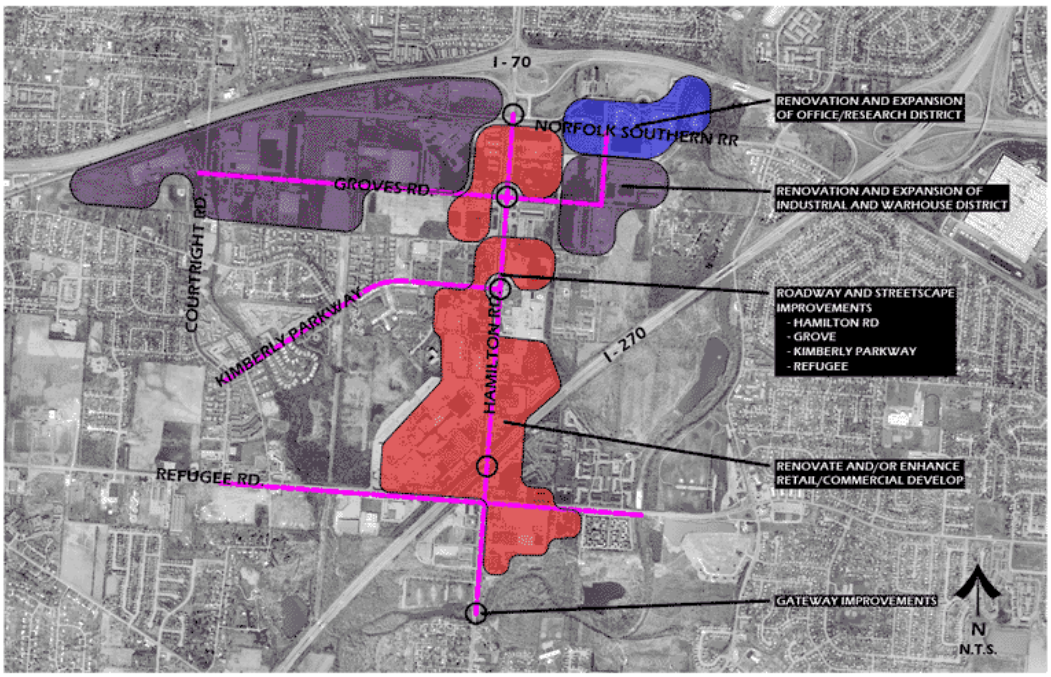
Source: BBPC, Jacobs Carter Burgess

Infill development/redevelopment in the Hamilton Road corridor will take place over the next ten to fifteen years. The pace of development will be incremental, especially with respect to commercial redevelopment, which tends to lag behind residential growth. An overriding influence will be the restricted share of market demand for commercial space that the study area is expected to capture. Another factor that may play a role in future business location decisions are variations in acquisition and development/redevelopment costs of individual sites, which in the past have acted to scatter redevelopment activity versus building business synergy and long term stability.

These market realities suggest the importance of weighing priorities within the corridor regarding how commercial development should occur in order to strengthen its market

niche. As development/redevelopment is occurring the City and the community/business partnership should be working on Early Action Strategies (see following map) to improve and enhance the corridor by working with existing business and/or property owners to renovate and expand retail/commercial, office/research and industrial/warehousing uses and upgrade and enhance the Hamilton Road, Kimberly Parkway, Groves Road and Refugee Road roadway, streetscape and gateways.

Map 5.2: Early Action Strategies



Source: BBPC, Jacobs Carter Burgess

Activities planned for this corridor are directed at capturing feasible and appropriate opportunities in the market area, primarily for retail and commercial services, entertainment and leisure activities, and for offices and flexible large floor plate office-warehouse space. The plan also supports varying density housing opportunities such as single family, two family and attached/cluster units. Such housing types could fill a growing demand by “empty nester” households and older residents who want to stay in the area, as well as first time homebuyers.

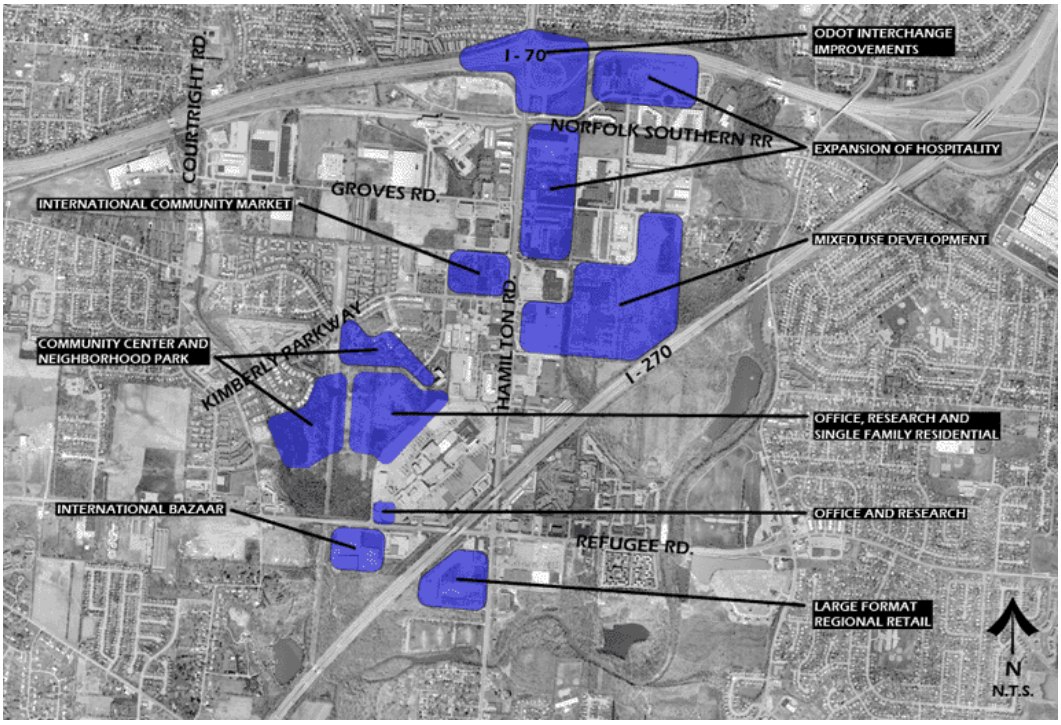
Key to the economic feasibility and long-term value of this corridor and its intersections are the mixture, densities and arrangement of land uses. Its success will be measured by the vitality it draws from multiple generations.

The Design Guidelines in the appendix establish a series of key recommendations that will supplement current zoning regulations. Any development within this corridor and its adjacent areas should comply with the new recommended standards to achieve high quality site design, architectural features, landscape and pedestrian amenities, all of which are aimed at strengthening compatibility with surround development.

5.2 Redevelopment Opportunities Sites

As noted, several redevelopment sites/areas have been recommended along the Hamilton Road corridor extending from I-70 to Big Walnut Creek, south of Refugee Road. The following four sites/areas have been included to illustrate the development potential, character and site aesthetics to further advance the plan and its objectives. Details regarding implementation are provided in the implementation plan action agenda.

Map 5.3: Proposed Opportunity Sites



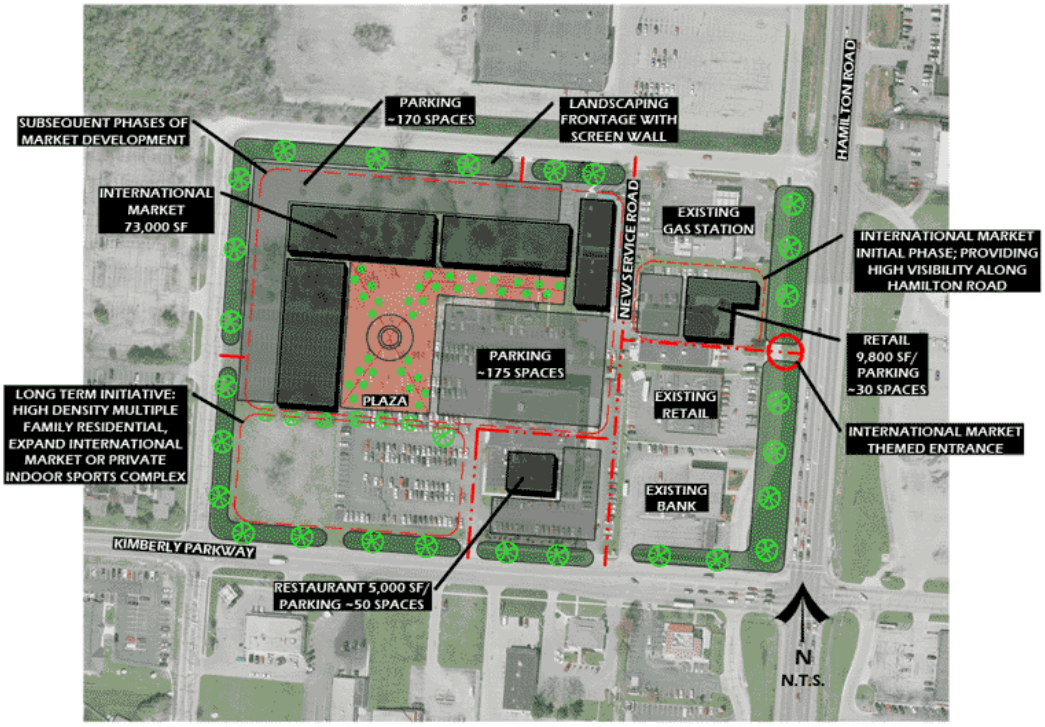
Source: BBPC, Jacobs Carter Burgess

International Community Market

This concept is located on the western side of Hamilton Road between Kimberly Parkway and Groves Road. Based on market potential for specialty food and beverage goods on the corridor, the concept is designed to cluster the growing presence of international

grocers and specialty shops in southeast Columbus and provide a centralized location for the region's residents and visitors to purchase international items.

Map 5.4: Demonstration Site—International Community Market



Source: BBPC, Jacobs Carter Burgess

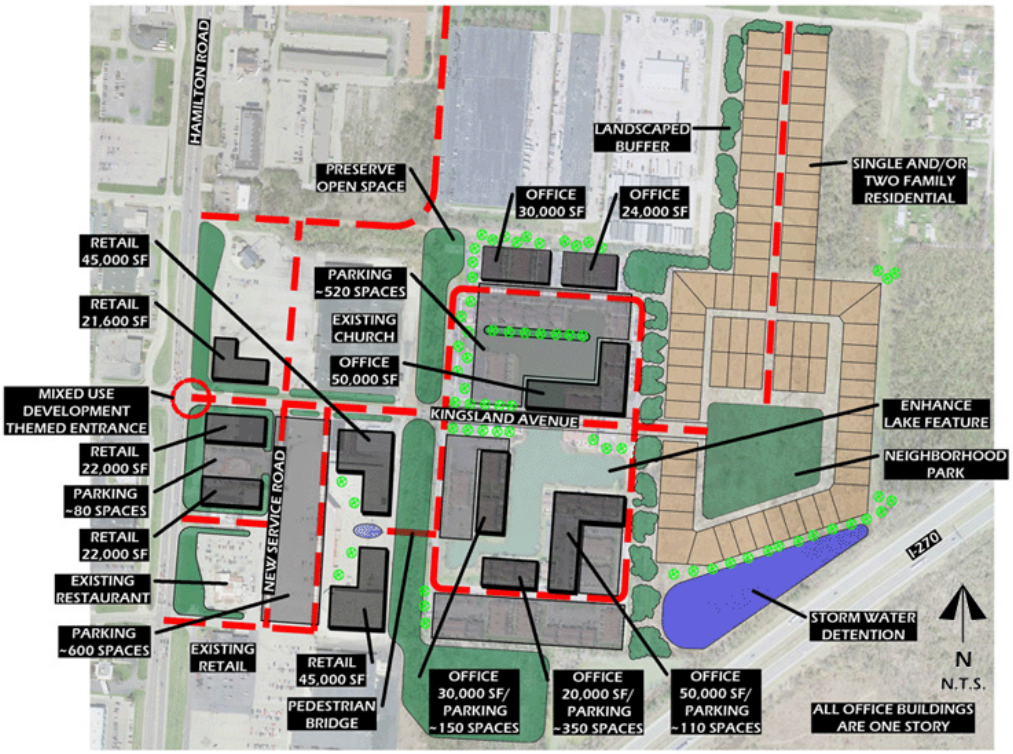
The design provides a gathering space to showcase the region's international appeal. The open air Mercado offers a spot for ethnic events surrounded by culturally diverse shops and markets. A new service road, at the rear of the existing businesses, will reroute traffic to allow a pedestrian connection along Hamilton Road. Initial phase will provide opportunities for new individual retail and restaurants to support existing businesses. Longer term development provides area for high density multiple family residential; expansion of the International Market or a private indoor sports complex for residents. The entire expansion would include lush landscaping, walkways and an overall pedestrian sociable experience.

Mixed Use Development

This opportunity builds upon the growing market preference for mixed use development that incorporates diverse land uses in a single project. The project would occur along Kingsland Avenue and Hamilton Road - offering layers of mixed use opportunities. By

providing residential, retail, and office uses in a single project, the project offers diverse amenities not currently located elsewhere on the corridor. The presence of these amenities in a compact, pedestrian-oriented project heightens market appeal, provides mutual support for each land use represented, and strengthens the potential economic and financial feasibility of the project. The concept also builds upon market demand for large format regional retailers and the need for office space designed to support small users as well as potential non-traditional users, such as medical tenants.

Map 5.5: Demonstration Site—Mixed Use Development



Source: BBPC, Jacobs Carter Burgess

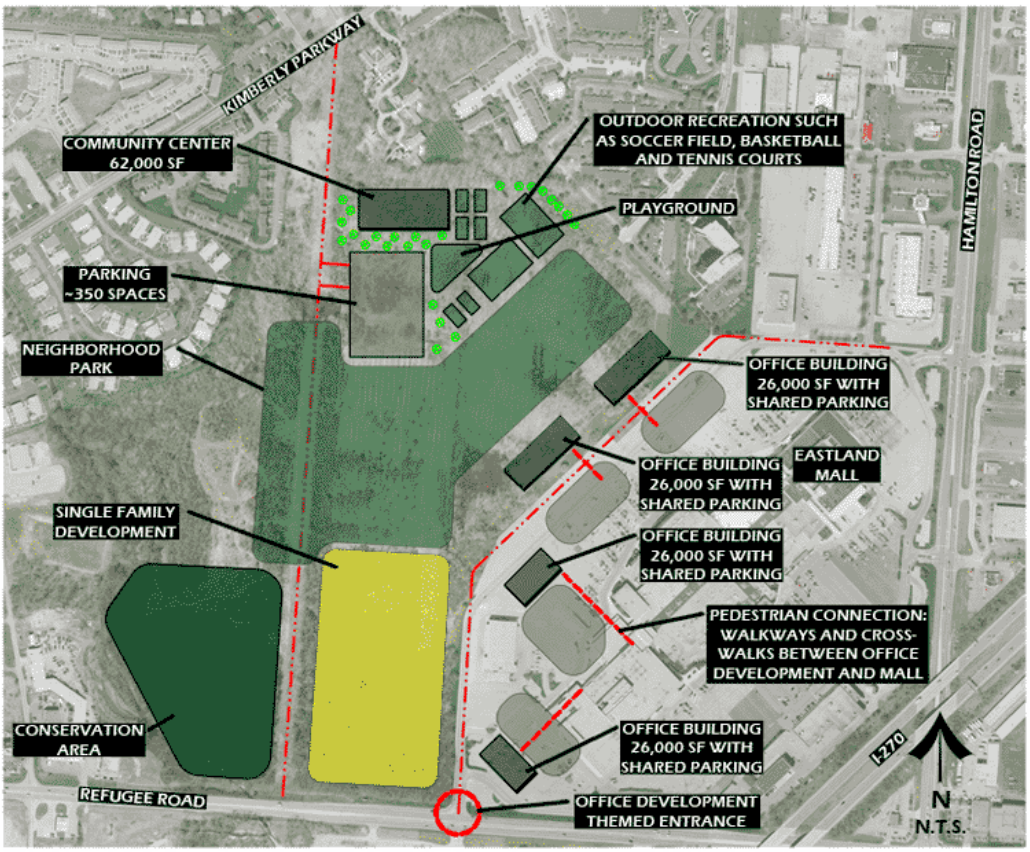
Retail space is located along the Hamilton Road frontage, supported by ample office space, followed by development of a new residential neighborhood. Retail will be focused along Hamilton Road and Kingsland Avenue with convenient and enhanced parking areas interconnected with a new service road. The major gateway is located at Hamilton Road and Kingsland Avenue. Retail/services uses in this area would front on Kingsland Avenue and Hamilton Road with articulated architectural building features to announce the entrance to the development. Office/research is planned on the deteriorating multiple family site (apartment complex) focused around an enhanced and modified lake feature to create an office park setting. Single family residential is planned

at the rear of the site centered around a new neighborhood park which is on axis to Kingsland Avenue.

Eastland Mall Office Development

Adding to the resurgence of the Eastland Mall shopping center, this development provides the area with office space that can be flexibly configured to accommodate potential large format users as well as small users seeking smaller office suites. The project builds upon the existing retail at Eastland Mall, offering future tenants a much sought after amenity—the opportunity to walk to the mall for shopping and dining.

Map 5.6: Demonstration Site—Eastland Mall Office Development



Source: BBPC, Jacobs Carter Burgess

The project includes two new office buildings located at or near the western edge of the Eastland Mall site in mall parking areas that are underutilized. In keeping with the potential linkages between the office project and the existing mall activity, office parking would be shared with the retail patrons. A major entrance/gateway to the office

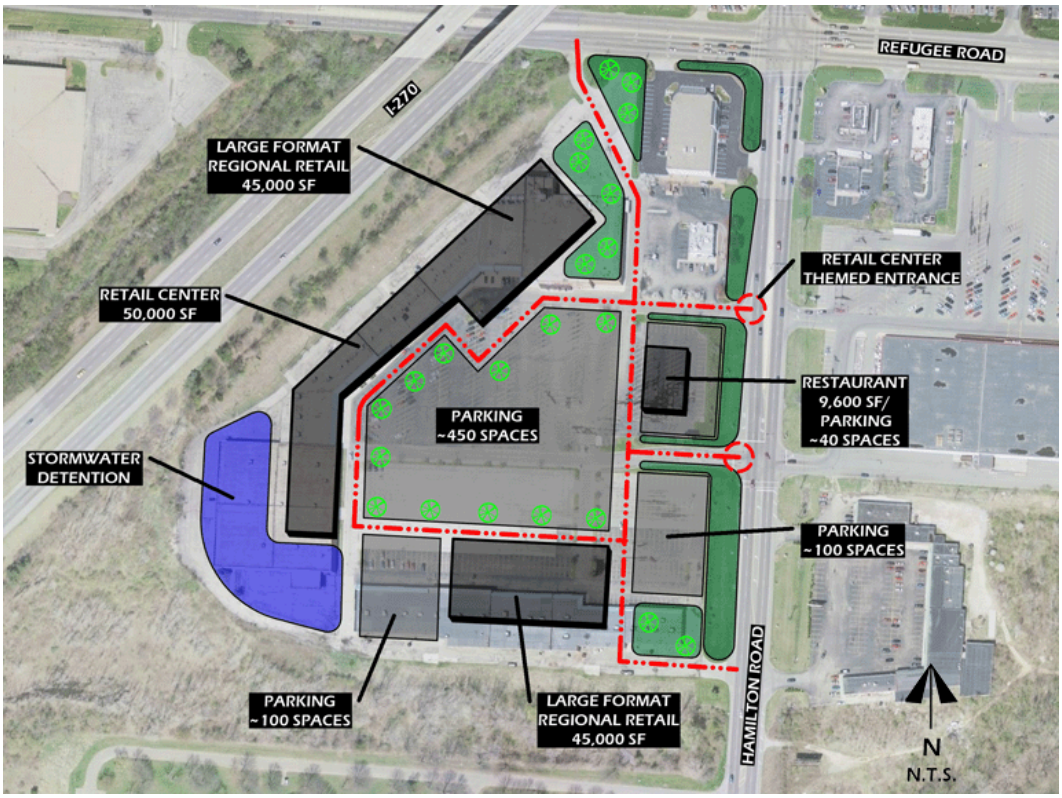
development is planned from Refugee Road, connecting to Kimberly Parkway. Landscape and streetscape improvements would be constructed along the frontage and right-of-way of Refugee Road.

This site could also provide an opportunity for a new community recreation center for the existing residential neighborhoods. The community center could have outdoor sports fields and a playground to support the residents in the area. The neighborhood park could provide plenty of recreational opportunity from bike paths to nature walks and offer the area ample green space.

Large Format Regional Retail

Located at the south end of our development area, this site builds upon the opportunity for additional large format regional retail and serves to strengthen the retail character of the southern end of the study area. With opportunity for two large stores and sufficient room for additional retail, this site complements Eastland Mall. There is also an opportunity for a restaurant pad site fronting Hamilton Road along with improved landscaping as part of an overall corridor enhancement program. Site improvements would include resurfaced and reorganized parking areas and interior drives and service roads to facilitate traffic movement through the center.

Map 5.7: Demonstration Site—Large Format Regional Retail



Source: BBPC, Jacobs Carter Burgess

6.0 Implementation Plan/Action Agenda

6.1 Introduction

The review of existing conditions and findings from the economic and market analysis identified the Hamilton Road corridor's strengths and weaknesses as well as the opportunities and challenges related to new development, corridor enhancement, and revitalization.

As presented in Chapter 4, the identification of these opportunities and challenges allowed for the formation of revitalization strategies to address real estate development and redevelopment opportunities, the need to enhance the marketing of the corridor and the tenant mix, and infrastructure improvements that will support the corridor's revitalization.

To translate the revitalization strategies into reality, an action plan detailing implementation steps is required. This chapter of the report presents the implementation strategies to realize the Hamilton Road corridor revitalization vision in an action plan form.

The chapter presents five categories of implementation strategies. The implementation strategies include regulator and land use planning actions, marketing and business operation enhancements, organizational initiatives, infrastructure investments, and financing and funding mechanisms. The strategies are prioritized as near term or longer term, and responsible agents for implementation are identified. A summary matrix of these implementation strategies, including responsible implementing "agents" and the priority level for these implementation actions is presented in Table 6.1.

Table 6.1: Summary of Implementation Plan/Action Agenda

Recommended Strategy	*Leaders*	*Years*
Regulatory and Planning Actions		
Approve and adopt Hamilton Road Corridor/Eastland Area Revitalization Plan • Submit to Development Commission and City Council for review • Adoption of Plan	City	1-3
Adopt Zoning Changes • Technical review of zoning districts and regulations in the Hamilton Road Corridor project area • Adopt Regional Commercial Overlay	City	1-3
Capital Improvement Program • Evaluate, prioritize & structure financing of public improvement projects	City	1-3
Marketing and Business Operations		
Market to Broader Regional Audience • Promotional Events (e.g. Holiday Festivals) • Business Directory • Involve Southeast Chamber of Commerce	Business Association, Chamber of Commerce	1-3
Target Specific Market Segments • Inner City Tenants, Enterprising Professionals, Aspiring Young Families, Young and Restless, and Simple Living • Differential Product Lines • Crossover Marketing Campaigns • Advertise in Strategic Locations	Business Association, Business Owners	1-3
Enhance Business Operations in Existing Stores • Identify Business Needs • Create Business Toolkit • Provide Small Business Improvement Loans	Business Association, Business Owners	1-3
Focus Store Recruitment and Retention • Highlight strengths (low retail rents, ample parking, good visibility) • Consider incentives to offset relocation costs • Establish niche (ethnic grocers, sporting goods, non-conventional office users, medical office tenants)	Business Association, Property Owners, Brokers, City	1-3
Organizational Initiatives		
Establish Special Improvement District • Special Assessment • Enhanced Maintenance and Beautification • Security • Coordinated Marketing • Business Recruitment • Requires Approval of Majority of Property Owners	Business Association	3-5
Establish Community Reinvestment Area • Provides local real-property tax incentives for eligible residential and commercial development • Up to 100% exemption of the improved real property tax valuation for up to 15 years • Remodeling or New Construction	City, Business Association	3-5

Recommended Strategy	***Leaders***	***Years***
Roadway Improvements • Complete Traffic Engineering Study • Seek Funding • Prepare Construction Documents of Preferred Option and Construct Roadway, Service Road, Access Management Improvements	City, ODOT, MORPC	1-5+
Streetscape Improvements • Landscape, Walkways, Bike Path, Crosswalks, Lighting, Entry Markers/Gateways, Bus Shelter Improvements, Etc. • Prepare Conceptual Plan and Construction Budget Based on Planned Roadway Improvement Program • Seek Funding • Prepare Construction Documents • Construct Environmentally Sensitive Streetscape Improvements	City, ODOT, MORPC	3-5+
Hamilton Road/I-70 Interchange Improvements • Coordinate improvements to ensure improved access to the corridor and Hilton Corporate Drive	City, ODOT	3-5+
I-70 and I-270 Embankment Improvements • Work with ODOT to prepare conceptual enhancement plans and budget • Obtain funding from ODOT • Prepare construction documents • Construct enhancement improvements • Determine budget and responsibility of enhancement maintenance	City, ODOT	3-5+
Community Center and Neighborhood Park • Work with City's Parks & Recreation Division to Determine Need & Program • Seek Funding • Prepare Construction Plans • Construct Center and Park Improvements	City, ODNR	3-5+
Financing and Funding		
Tax Increment Financing • Use of Incremental Property Tax Revenue to Pay for Public Improvements • For Qualified, Site-Specific Projects	City	5+
Tax Abatement • Limited term for qualified projects • Real Property Tax, Business License Tax	City	3+
Other Public-Private Partnerships • Land Acquisition and Assembly • Catalytic Infrastructure Investments	City	3+
Establish Special Improvement District • Special Assessment • Enhanced Maintenance and Beautification • Security • Coordinated Marketing • Business Recruitment • Requires Approval of Majority of Property Owners	Business Association	3-5

Following presentation of the implementation strategies, this chapter focuses on the corridor's four demonstration sites. Action plans to achieve the revitalization visions for these sites, as presented in the revitalization concepts and land use plan, conclude the implementation chapter

6.2 Regulatory and Land Use Planning Actions

As presented in the Hamilton Road Corridor Land Use Map, the revitalization plan includes several changes to the corridor's existing land use pattern, such as the introduction of mixed use development on a single site currently occupied by a retail strip mall, conversion of office uses into a community-oriented retail destination, and introduction of office uses to the Eastland Mall Complex. In some cases, these recommendations will require the introduction of modifications to the City's zoning ordinance so as to allow for and - importantly -encourage the development of the desired land use patterns. In other cases, the existing zoning may allow for the proposed future land use patterns, but design guidelines are required to provide specific parameters regarding the desired development's architecture and site orientation.

In addition to addressing site design and land use, the Hamilton Road Corridor Revitalization Strategies also call for enhancements to the corridor's streetscape – the elements of the corridor that are not tied to specific properties, such as sidewalks, signage, lighting, and the roadway itself. Design guidelines are also necessary to provide direction as to how enhancements and investments instigated by both the public sector and private sector should be carried out.

To address this need for new regulatory and land use planning guidelines to serve as parameters for changes to the corridor's built environment, model design guidelines for new development have been created. These materials are located in the report appendix.

The purpose of the primary tools for Plan implementation, such as the Zoning Ordinance and other land use regulations, are summarized below.

Zoning Map

The intent is that changes to the zoning map over time will gradually result in better implementation of the objectives in the Revitalization Plan and its Future Land Use Map. In some cases, the City may wish to initiate certain zoning changes as part of an overall

zoning map amendment. Other changes to the zoning map will be made in response to requests by landowners or developers. In those cases, City officials will need to determine if the time is proper for a change. A key point to remember is that the future land use plan is a long-range blueprint; implementation is expected, but gradually, in response to needs, conditions and availability of infrastructure.

Zoning Regulations

Zoning regulations control the intensity and arrangement of development standards on lot size or density, setbacks from property lines, building dimensions and similar minimum requirements. Various site design elements discussed in this Plan's Design Guidelines are also regulated through site plan review, which addresses landscaping, lighting, driveways, parking and circulation, access management, pedestrian systems, screening, and building architecture. Zoning can also be used to help assure performance in the protection of environmentally sensitive areas such as floodplains, wetlands and woodlands.

Development Review and Approval Process

Most land development regulations are applied when new construction is proposed. The city has a comprehensive development review process from development conceptualization to building occupancy. Once proper zoning is in place, a site plan must be approved followed by approval of building and site engineering construction plans and then permits for construction. Buildings and sites are inspected and then occupancy permits issued. Regulations are enforced through a combination of monitoring by City staff and in response to complaints.

Capital Improvement Plan (CIP) and Capital Projects

A CIP is a multi-year program that lists recommended improvements, timing, estimated costs and funding for infrastructure (e.g. streets, walkways, sewers, waterlines, drainage, streetscape) and community facilities (public buildings, parks). Capital projects should be identified and constructed in a manner that helps support and promote desired development, and to meet the needs of residents and businesses already in the corridor. The number of projects and their timing if influenced by several factors, in particular the cost, need for environmental clearance or approval by other agencies, and funds available. For example, the amount of funding available from outside sources varies as new programs become available. Funding is also influenced by the timing of

development (i.e. tax revenue), tax abatement and other changes to the anticipated tax base.

6.3 Marketing and Business Operations

As with regulatory and land use planning changes, new marketing and business operation strategies will also play a key role in repositioning Hamilton Road corridor to achieve revitalization goals. However, in contrast with regulatory and land use planning changes which require leadership and implementation by the public sector, most of the implementation strategies related to marketing and business operations will require ownership and leadership by the corridor's merchants and property owners.

One of the key components of the revitalization concepts presented in Chapter 5 is the creation of a corridor identity – to remake the corridor as a place to work, shop, live, and play. While infrastructure investments and the redevelopment of key parcels with new retail and amenities will enhance the corridor's physical image and create new reasons for people to come to Hamilton Road and provide support for the corridor's businesses, there are other actions that existing property owners, residents, and business owners can take to enliven the corridor and attract new shoppers.

Efforts to enhance marketing and business operations on the Hamilton Road corridor should be focused on achieving two overarching and interrelated objectives:

- Attract more shoppers to the corridor from the local (primary) and regional (secondary) market areas, which will

- Convince new stores and businesses to locate on the corridor so that they can take advantage of the market's potential and ultimately serve as a key component in the revitalization of the corridor.

This objective of attracting more shoppers to the corridor and recruiting new businesses can be achieved through the following types of strategies:

- Strategies designed to convey the strengths and amenities of the corridor to a broader regional audience;

- Strategies designed to target specific market segments;

- Efforts to enhance business operations within existing stores and properties; and

- Strategies designed to recruit and retain businesses.

Regional Communication

To effectively communicate the strengths of the corridor to a broad regional audience, property owners, residents, and business owners should focus on coordination of several key considerations: what? who? and how?

What is the message?

The first consideration addresses the issue of "what?"; What is the message that Hamilton Road stakeholders should communicate about the corridor to the Columbus region?

The focus of this message should be in highlighting the corridor's strengths and all the reasons why people should come to the corridor to shop, do business, and play. The review of existing conditions and the economic and market analysis identify many of these strengths, including but not limited to the following:

Reasons to Shop on Hamilton Road:

- Presence of a recently renovated regional shopping destination at Eastland Mall
- Holiday Inn Fort Rapids water park
- Several casual and family-oriented dining establishments
- Community-support organizations, including several churches, day care centers, and healthcare/medical complexes
- Easily accessible highway access from I-70

Reasons to Bring Business to Hamilton Road:

- Easily accessible highway access from I-70
- High regional traffic counts on Hamilton Road
- Competitive land costs and minimal property fragmentation to facilitate redevelopment on key opportunity sites
- Ample parking

- Low lease rates for commercial space
- Presence of several hotels offer diverse and complementary service classes and meeting space
- Proximity to downtown

The strengths of Hamilton Road should serve as the foundation for determining the key messages that the corridor stakeholders communicate to a regional audience. Coordination amongst the diverse stakeholders should be a major focus of the process of determining the message. Resident groups, business association members, and business owners should all be involved in this process so that everyone is sending the same message.

Who is sending the message, and how is it communicated?

Not only should there be coordination in establishing the key messages that should be conveyed about the corridor's strengths and potential, corridor stakeholders need to determine who will be communicating the project message and how it will be conveyed.

Once the corridor message has been established, several key groups and sets of individuals should be involved in the efforts to market the corridor to a broader regional audience. These groups include the City of Columbus, the Hamilton Road Business Association, the Columbus Chamber of Commerce, individual merchants, and resident associations.

City of Columbus

The City of Columbus is an important partner in marketing the corridor to a regional audience, as departments involved in the City's development can be representative of the most prominent voices for revitalization in the City, especially via the Planning Division and the Economic Development Division.

In addition to establishing the planning and regulatory framework for Hamilton Road's revitalization, the Planning Division and Neighborhood Services Division can be mouthpieces for the corridor's regional marketing efforts. One of the key avenues to follow in marketing the corridor is to promote the corridor's revitalization plan both internally – in discussions with other City Departments and representatives from the Mayor's office – but also externally – in meetings with citizen groups around the City and in strategy sessions with prospective developers and business owners. The Planning

Division's quarterly newsletter *Planning Matters,* which highlights major planning initiatives and successes, is also an important vehicle that could be used to promote the corridor's strengths and new revitalization plan.

The Economic Development Division also has a role to play in promoting the Hamilton Road corridor. Within the Division of Economic Development, the Office of Business Assistance (OBA) works closely with broader community partnerships and strategies to attract world-class business operations to Columbus. The OBA makes referrals on available sites and buildings to meet the needs of industrial, office and commercial uses. This office can aid in directing prospective developers and business owners to the Hamilton road corridor.

Hamilton Road Business Association

While the city of Columbus plays an important role in facilitating regional awareness of the Hamilton Road corridor, the Hamilton Road Business Association is perhaps the most important player in promoting the corridor to a regional audience. The association is the most closely connected to the conditions on the corridor and has the most vested interest in experiencing revitalization success. Continued strengthening of the business association should be considered one of the most important strategies to achieving corridor revitalization. The association can provide important organization, financial, and advocacy resources to advance the revitalization agenda.

The following section details strategies that the business association can pursue to promote the corridor. These include joint marketing and communication strategies with area resident neighborhood associations, organizing promotional events, and creating a business directory. Adoption of these types of programs will not only enhance regional awareness but strengthen the business association as an organizing force on the corridor.

1. Establish Consistent Outreach Efforts

   Many business associations issue regular newsletters. Business associations that have identified more substantial sources of funding maintain association websites. Both newsletters and websites are effective means of establishing consistent communication not only with members but also with a broader regional audience. Newsletters and websites are used to announce promotional events, association organization (such as governing leadership and meeting

times and locations), policy positions, advocacy campaigns, redevelopment or business development opportunities, and how to get involved in the association.

2. Coordinate with Resident Neighborhood Associations

The residential neighborhoods surrounding the Hamilton Road corridor are heavily impacted by activities on Hamilton Road. While perceptions of crime concerns and traffic congestion represent negative impacts on the residential community, the existing of retail amenities, such as Eastland Mall, generate positive impacts on the residential community. Enhancing Hamilton Road will benefit not only corridor property and business owners but also surrounding residents. Thus, opportunities for the residential and business community to work together to communicate the benefits of a Hamilton Road shopping experience should be pursued in the short term. Strategies include advertising and promotional pieces in residential association publications and newsletters and jointly sponsored festivals and public events, such as block parties catered by local restaurants.

3. Organize promotional events that introduce wider audience to the Hamilton Road corridor

Many business associations sponsor promotional events throughout the year designed to attract a broader customer base. In Norfolk, Virginia, a business association for the urban village of Ghent holds events, which include the "Greening of Ghent", (a St. Patrick's Day festival), the Stockley Gardens Art Festival in October, "Masquerade in Ghent" (a Halloween festival), and a December holiday festival. "First Fridays in Ghent" is a new event that started in June 2006. The Hamilton Road Business Association should pursue the organization of these types of events, as they represent an effective strategy for introducing Hamilton Road businesses and retailers to people who may not otherwise visit the area.

The Hamilton Road Business Association should also work with individual store owners, or groups of store owners selling related merchandise, to organize and promote events within the stores. This strategy not only introduces new costumers to the corridor but also highlights the unique character of select Hamilton Road corridor stores and merchandise.

Examples of events that could be organized by individual merchants and promoted by the business association are as follows:

- Wine tastings at stores selling wine and beverages, local restaurants, and/or other establishments
- Photography/art contests at camera shops, medical offices, and community organizations
- Used game and book sales/swaps at gaming, video, and book stores
- Home improvement demonstrations at home maintenance and décor shops
- Book readings and literary presentations

The services and merchandise that make Hamilton Road retailers unique should also be highlighted through the business association newsletter, website and/or other marketing materials.

4. Create a business directory

One of the promotional materials that the business association should produce is a business directory - providing a comprehensive listing of the corridor's businesses and retail shops grouped by category. This type of directory is an excellent source to educate the public at large about Hamilton Road's attractions. It should be made available for customers in all of the corridor's stores and businesses and distributed widely through other promotional and marketing channels.

This directory would be further enhanced through the creation of a Hamilton Road Corridor Business Directory map, which would be linked to the directory with a color coded numbering system identifying each parcel by business name and retail category. These directory maps are omnipresent in regional enclosed shopping malls, and the corridor should adopt a similar approach – posting larger versions strategically throughout the district.

Columbus Chamber of Commerce

The Columbus Chamber of Commerce should also be a resource in promoting the corridor to a regional audience. The Chamber should be introduced to the corridor – particularly its key strengths and (re)development opportunities, and the potential

incentives that could be used to attract businesses – so that its leaders can include Hamilton Road in its tours for prospective companies and developers. The Chamber can also post specific opportunity sites (property for sale) on their website as part of their site selection database.

Individual Business Owners

Apart from membership and participation in the Hamilton Road Business Association, individual business owners also have a key role to play in promoting the corridor. Specific strategies that individual business owners can employ to advance the corridor's marketing agenda include incorporating the corridor's key messages, or "brand" in individual advertising and marketing materials. Personal outreach, such as sharing the revitalization plan with customers, business associates, commercial property brokers and advertising corridor promotional events, also represents a key area of involvement for individual business owners.

Market Segment Targeting

The second type of strategy that should be considered to achieve the overarching goal of attracting more shoppers to the corridor from the regional (secondary) market area are programs and initiatives designed to target specific market segments.

Hamilton Road's customers are drawn from a variety of market segments, or categories of community members. As presented in the Demographic Profile, BBPC Associates utilized ESRI Business Information Systems to identify the segments represented in the Hamilton Road corridor's Primary Market Area, which include *Inner City Tenants, Enterprising Professionals, Aspiring Young Families, Young and Restless,* and *Simple Living*:

Table 6.2 summarizes these tapestry segments and identifies select shopping interests of these customer groups and their corresponding retail categories.

Table 6.2: Target Customer Segments & Select Shopping Interests

Customer Segments	*Selected Shopping Interests*
Ethnic and Religious Groups	Specialty food and beverage stores; book stores; specialty beauty salons; moderately priced family apparel; gift shops
Young Professionals and Couples	Trendy apparel shops for men and women; home furnishings; entertainment and recreation items; florists; jewelers; gift stores; restaurants
Young Families	Moderately priced family apparel shops; household furnishings and home maintenance stores; household furnishings and home maintenance materials
Seniors	Apparel; specialty shops; restaurants
College Students	Restaurants offering affordable entrees and take out service; moderately priced family apparel; book stores, video rental and gaming stores, and yoga studios; personal care establishments, including beauty salons

A number of retail categories and store types appeal to multiple customer segments. For example, moderately priced family apparel items appeal to ethnic and religious groups, young families, and college students. Gift shops appeal to ethnic and religious groups and young professionals and couples.

The shopping interests present two potential opportunities: opportunity to recruit specialty stores that are not present on the corridor that would appeal to the these customer segments (i.e. specialty food and beverage stores, book stores, home maintenance stores, and florists) and 2) opportunity for existing stores that match with the shopping interests of the community tapestry segments to tailor their advertising and merchandising efforts. To expand the customer base, stores should develop strategies to target these varied market segments.

Develop differential merchandise categories or product lines

To attract multiple market segments, stores should consider offering merchandise at a variety of price points. As an example, a higher end restaurant may decide to develop a lower priced take-out menu and advertise this menu in employment centers, such as the Lionmark Corporate Center and in the Fort Rapids Holiday Inn. High-end restaurants may also choose to develop a “lighter fare” category as an alternative to heavier, and pricier, entrees. By creating distinct product lines and advertising with the appropriate customer groups, stores expand their customer base. Costumers may use the take out menu on a regular basis, and they will remember the restaurant for special occasions when they are selecting a premium dining experience.

Organize promotional events targeting select customer groups

Another strategy to attract multiple market segments are promotional events designed to target market segments that may not naturally gravitate to the selected stores. As an example, Eastland Mall could organize a wine tasting or book reading event to attract young professionals. Alternatively, stores selling home furnishings could organize do-it-yourself home decor demonstrations for empty nesters, young families, and ethnic and religious groups.

Develop crossover-marketing campaigns

Creating partnerships between neighboring businesses that sell complimentary goods is another means to educate and attract new market segments. As an example, a restaurant and neighboring gift store could agree to advertise for each other in their stores. By doing so, customers that used to only come to Hamilton Road for Eastland Mall could learn about and begin frequenting the district's specialty stores. Other examples include:

- Drink/appetizer coupons to area restaurants in specialty shops
- Posters advertising a hair salon at a store selling personal care merchandise
- Registration for a photography competition sponsored by district cellular phone shops at video stores and Eastland Mall

Advertise/offer promotions in places where target groups congregate

One of the most straightforward strategies to target multiple market segments is to advertise or conduct promotional events in places where target customer groups congregate. Examples including advertising for a new family apparel shop in and around area community centers and schools and advertising lunch specials with hospitals, doctor's offices, and senior activity centers. Other community gathering locations include schools, churches/synagogues, and City facilities.

Enhance Business Operations in Existing Stores

In addition to promoting the corridor to a regional audience and targeting the corridor's specific customer segments, strategies to enhance business operations in existing stores will also serve to attract more shoppers to the corridor and revitalize the Hamilton Road corridor.

In an environment of increasing retail competition, rising rental rates, and new technology, small business owners often find little time to confront the challenges associated with these constantly changing dynamics and diminishing opportunities to realize the necessary return on their investments. These small business owners would benefit from a ready-made “toolkit” of strategies to address these challenges and either maintain their presence or enter the Hamilton Road retail market for the first time.

The Hamilton Road Business Association represents a key vehicle to organize, maintain, and offer the “toolkit” to Hamilton Road businesses.

The strategies listed below represent a selection of the education, training, and assistance strategies that could comprise an independent business owner’s “toolkit.”

Identify businesses needs

One of the first efforts that the Hamilton Road Business Association should undertake is to survey the training and assistance needs of the independent business owners. These needs may include, but are not limited, to the following examples:

- Internet usage for web-based advertising, sales, market research, and website development
- Opportunities to conduct small-scale reinvestments, expansions, and other business improvements
- Independent marketing and advertising efforts
- Product placement, inventory management, and front window displays
- Market research
- Locating buying groups
- Customer service training
- Developing/updating business plans
- Accounting and record keeping
- Compliance with local, state and federal regulations
- Personnel management and training

- Financial incentives
- Local code enforcement and public policy; and
- Identifying and capturing new markets and planning for business expansion

Provide market research

The economic and market study provides detailed information and analysis on Hamilton Road's customer base and market conditions. In order to continue to respond to changing market conditions, businesses should have access to fresh information of this nature on an ongoing basis. The reports should be packaged concisely and include information on the district's customers and potential customers, their buying power, shopping habits, and interests.

There are a number of web-based tools to access market research. ESRI Business Information Solutions My Business Analyst Online is one service that provides relatively inexpensive, concise reports for specific geographic areas. The City's Economic Development Division and/or the Hamilton Road Business Association should consider purchasing a subscription to this service in order to provide this kind of information to its members. To find out how to purchase My Business Analyst Online, or find out more about Business Analyst Online Web services, call 800-292-2224.

Provide small business improvement loans

Hamilton Road businesses may also indicate that they could use assistance in conducting small-scale improvement projects, for efforts such as façade improvements, technology upgrades, relocation, and expansion. Façade loan and grant programs are a popular example of this type of incentive. Local jurisdictions provide grants, or low or no interest loans to property owners and tenants for façade improvement investments. The investments may be structural or cosmetic, and the loans typically range between $5,000 and $50,000. In many areas, only businesses within specific districts, such as a downtown commercial district, are eligible to apply for the loan, and the loan is not approved until the applicant submits his plans for the investment to the appropriate commission or review board.

The section of the action plan addressing financing and funding strategies will provide details on existing programs within the City that offer assistance in conducting small scale improvement projects.

The Hamilton Road Business Association could also identify funding sources to provide their own grants and loans for small scale business improvement projects. Potential funding sources will be discussed in the "Organizational Initiatives" section.

Offer business operations and management workshops

Hamilton Road's independent businesses may also benefit from continuing education opportunities in business operations. Topics may include: ways to use the Internet for web-based advertising, sales, and market research; independent marketing and advertising; and product placement, inventory management, and front window displays. The business association should consider organizing training sessions covering these kinds of topics and offering the training to their members at a reduced rate.

Business Recruitment

As a complement to the efforts to attract more people from the primary and secondary market areas, efforts should be undertaken to enhance business recruitment efforts. The revitalization strategies include several recommendations to focus recruitment efforts. Potential economic niches and overarching strategies to target these niches identified in the economic and market analysis and presented in the Revitalization Strategies Chapter are as follows:

- Unique low-rent, non-credit independent tenants in retail categories with low Primary Market Area (PMA) capture rates. (i.e. food and beverage stores, specialty food stores, electronics and appliances, building material and supplies, lawn and garden equipment and supplies, sporting goods, sit-down restaurants, books, periodicals, and music).

- Shoppers goods and entertainment oriented tenants that are unaffected by local demographic and economic conditions (i.e. large format regional retailers) in retail categories with low Primary Market Area (PMA) capture rates. (i.e. food and beverage stores, specialty food stores, electronics and appliances, building material and supplies, lawn and garden equipment and supplies, sporting goods, sit-down restaurants, books, periodicals, and music).

- Small suite office users

- Non-conventional office users that serve the PMA residents (e.g. academies, institutes, vo-tech programs, social services, etc.)

- Medical Office tenants that may meet growing demand for health care and social assistance services in PMA and that may need larger spaces in properties such as Lionmark Corporate Center or new office projects.

The following section outlines potential implementation strategies to achieve enhanced business recruitment goals, particularly the recruitment of new retail establishments.

In their 2004 publication "Developing Successful Retail in Underserved Markets," ICSC and Businesses for Social Responsibility outlined a list of 11 commonly cited obstacles to opening up shop in some neighborhoods. In list of descending importance, they are:

1. Crime, or perceived crime
2. Insufficient concentration of the retailer's target customer
3. Lack of consumer purchasing power for the retailer's product
4. Potential "shrinkage" (theft, in other words)
5. Rent
6. Costs for build-out or rehabilitation
7. Site identification difficulties
8. Inadequate parking
9. High operating costs
10. Construction and development costs
11. Lack of amenities to attract employees from other neighborhoods[29]

The Hamilton Road corridor already presents several strengths that should serve as competitive advantages in addressing these potential obstacles.

In terms of crime or perceived crime, in a snapshot sample of crime reports for the Hamilton Road corridor Cruiser Districts (Zone 2, Precinct 9, Cruiser District 95 and Zone 2, Precinct 14, Cruiser District 146) as well as four other randomly selected Cruiser

---

[29] Getting Retail to Buy Into the Neighborhood: Make Sure the Numbers Tell the Right Story", *Economic Development Now*. Katie Burns. IEDChttp://www.iedconline.org/EDNow/110104/retail.html

Districts, the number and type of incidents were comparable over the same 7-day period (indicating that crime is not unique to the Corridor). However, incidents such as burglary, petty theft, vehicle theft, and vandalism certainly hinder business operations in any area. Community policing efforts should continue to be strengthened to prevent and/or mitigate impacts of these incidents and enhance real and perceived safety of the area.

One of the programs that should be highlighted and acknowledged for its work to address crime concerns is the City's Neighborhood Liaison Program. The Hamilton Road corridor falls within the responsibility of one of the City's 19 neighborhood advocates, who coordinates activities related to neighborhood strengthening and addressing crime concerns. Advocacy activities are currently beginning to focus on outreach to apartment complex property managers to address criminal activity that originates in their communities.

A special improvement district (SID) which is addressed in detail in the "Organizational Initiatives" section, can also address crime and security concerns. The SID could fund additional police patrols, private security, and/or bicycle patrols. The augmented presence of security forces has been proven in other jurisdictions to reduce the number of incidents occurring within the SID boundaries. SID staff could also run an incident "hotline" in which property owners, business owners, residents, and costumers can report incidents for compilation and presentation to the City of Columbus Police Department.

Another strength of the Hamilton Road corridor is low retail rents. As presented in the economic and market analysis, rents for space in existing shopping centers are very competitive and should be highlighted as a competitive advantage in recruiting new retailers, particular independent retailers seeking to reduce operating costs.

Ample parking, particularly in existing strip shopping malls, is another benefit for recruiting new retailers. While parking may become more of a concern if higher intensity/density redevelopment occurs, the relatively large size of many of the opportunity sites present sufficient space to accommodate the parking required by retailers. There are also opportunities for shared parking in mixed use development projects where different uses – with different peak usage times – can share the same parking spaces.

Finally, the corridor's configuration already presents relatively good visibility. Infrastructure and transportation improvements will only improve and enhance this visibility. The design guidelines presented in this action plan also include strategies to minimize disruption from signage and pad site development.

In addition to these strengths that should be highlighted as competitive advantages in recruiting new tenants, there are also several opportunities to address a select number of issues identified as potential obstacles, namely an insufficient concentration of the retailer's target customer, lack of consumer purchasing power for the retailer's product, costs for build-out and/or rehabilitation, high construction or development costs, and a lack of amenities to attract employees from other neighborhoods.

The lack of amenities may present a particular obstacle in attracting new office tenants to the corridor. However, the redevelopment and enhancement concepts should be highlighted as signs of new attractions to come. Furthermore, while there may not be as many amenities on Hamilton Road as in other parts of the City, the rents for office space represent a competitive advantage that may offset a perceived lack of ambience.

High construction, development, build-out, and/or renovation costs present another potential obstacle. While these costs are not unique to Hamilton Road, incentives can be offered on Hamilton Road corridor designed to attract new tenants or developers. Financing and funding strategies will be presented in greater detail in the following sections. However, incentives that could be considered are limited term property tax abatement for large-scale redevelopment projects or renovation projects, low-interest loans or grants for façade improvements, tax increment financing or performance grants to cover costs associated with infrastructure or construction of public parking (if needed) and other public spaces.

An insufficient concentration of target customers and a lack of consumer purchasing power are also obstacles that can be overcome. Developers and retailers both tend to look at basic demographic statistics (e.g. number of households, median income) to determine whether or not the market is suitable for their project. In neighborhoods in need of revitalization, the median income is often lower than the retailers' or developers' threshold. But despite lower median incomes, these neighborhoods in need of revitalization still often have quite a bit of buying power, simply spending a larger percentage of their income on retail goods – both convenience goods and necessities such as groceries as well as shoppers goods.

The key to recruiting new tenants despite potentially less than ideal demographic statistics is to present the results of gap or "leakage" analyses which provide nuanced details regarding unmet demand. The analysis conducted in the Chapter 3 Economic and Market Analysis on retail expenditure versus supply contains useful data which should be shared with target retailers, particularly independent retailers that may not

need to conform to standardized, corporate formulas and methodologies for determining whether a particular site or area should be considered for a new store.

Table 6.3: Convenience Goods Retail Establishment Capture Rates, 2007

Category	*Retail Sales to the PMA*	*Retail Expenditure from PMA*	*Capture Rate*
Auto Parts, Accessories, and Tires	$1,778,151	$8,401,835	21.2%
Groceries	$12,118,680	$94,671,465	12.8%
Specialty Food	$0	$0	0.0%
Beer, Wine, and Liquor	$0	$0	0.0%
Health & Personal Care	$6,018,113	$22,914,541	26.3%
Eating and Drinking Establishments (Fast Food)	$22,386,400	$78,113,598	28.7%
Total	$42,301,344	$208,506,069	20.3%

Source: BBPC, ULI Dollars and Cents

As presented in the capture rate analysis for convenience goods, there is a significant opportunity for grocery stores and specialty food stores to enter the Hamilton Road corridor market. In the groceries category, there is currently $94.7 million in retail expenditure by residents of the PMA, and the stores carrying grocery items in the study area are only capturing $12 million, or 12.8 percent, of those expenditures. Residents of the PMA are currently spending their grocery dollars in other locations within the PMA.

A list of grocery stores located within the PMA is presented below:

- African Caribbean Market
- Asian Supermarket and Gifts
- Aldi
- Basakata Market
- Mi Pais Supper Market
- Selam Market
- La Costena Market
- Central Ohio Retail Grocers
- Russian Home
- BL Groceries Inc
- Kroger (Reynoldsburg, Brice (2), Whitehall, Study Area)
- Shop N Go
- Hall-Mart Food Store
- Big R Grocery
- Madina World Market
- Smith Farm Market
- Meijer
- Sedalia Food Center

As presented in the chart, Kroger appears to be well represented in the PMA including one location within the study area. However, there are no Giant Eagles and only one grocery super center (Meijer), located in Brice. The majority of the other stores are limited service stores and ethnic grocers.

Given the current inventory of grocery stores in the PMA, there are several opportunities to capture additional expenditure on grocery items. One potential strategy may be to target a high value grocery super center for the corridor. A possible challenge to

overcome in recruiting such a retailer may be the desire these retailers have for direct interstate access and the existing broad coverage these types of retailers have in the Columbus market area. However, these types of retailers draw from a larger market area than the corridor's current 5-minute drive shed, and there is significant potential to draw from the growing market area south of the Hamilton Road study area which has not yet experienced significant development of retail and amenities.

Another potential strategy to take advantage of the opportunity to capture additional expenditure on grocery items may be to facilitate consolidation and expansion of ethnic grocers. As presented above, there are already eight ethnic grocers operating in the PMA. Consolidation of these grocers as well as other area ethnic grocers operating in one central location, such as large scale versions in "The Strip" in downtown Pittsburgh, Pike Street Market in Seattle, and Reading Terminal in Philadelphia, will highlight their presence and draw shoppers from all over the Columbus Metropolitan area.

This opportunity to create an international shopping market is presented in greater detail as a site-specific opportunity in the implementation plan for specific demonstration projects.

In summary, recruitment to the corridor of a high quality or high value grocery store that would better meet the needs of PMA residents has significant potential to draw more of the money spent on groceries by residents of the PMA. This type of information should be shared with prospects scouting southeast Columbus for possible new locations.

Table 6.4: Shoppers Goods Retail Establishment Capture Rates, 2007

Category	*Retail Sales to the PMA*	*Retail Expenditure from PMA*	*Capture Rate*
Automobile Dealers	$0	$692,415,193	0.0%
Furniture and Home Furnishings	$7,797,188	$119,630,149	6.5%
Electronics & Appliances	$3,009,702	$103,399,615	2.9%
Building Material and Supplies Dealers	$1,132,622	$100,409,724	1.1%
Lawn and Garden Equipment and Supplies	$283,733	$10,421,092	2.7%
Clothing and Shoes	$54,510,249	$151,469,996	36.0%
Jewelry, Luggage, and Leather Goods	$14,680,603	$15,499,421	94.7%
Sporting Goods/Hobby/Musical Instruments	$756,622	$38,529,029	2.0%
Books, Periodicals, and Music	$3,383,845	$25,636,342	13.2%
Eating & Drinking Establishments (Sit Down)	$5,776,117	$498,836,583	1.2%
Total	$91,330,680	$1,756,247,144	5.2%

Source: BBPC, ULI Dollars and Cents

The capture rate analysis for shoppers goods also presents several opportunities. There are opportunities to capture additional expenditure in several retail categories – furniture and home furnishings, electronics and appliances, building material and supplies, lawn and garden equipment and supplies, sporting goods, sit-down restaurants, books, periodicals, and music. Residents of the PMA for shoppers goods are currently shopping at other locations within the PMA for these types of products.

Many of the larger format retailers carrying these types of products already have locations in relatively close proximity to the Hamilton Road Corridor/Eastland Area study area. Brice and Whitehall are home to stores including Best Buy, Home Depot, and Lowe's. However, a major name sporting goods store is not located within close proximity.

Given this inventory, there may be an opportunity to recruit a major name sporting goods store. There are also opportunities to recruit smaller scale, regional or independent retailers offering products in target categories.

The corridor also includes a significant number of furniture and home furnishings stores. There may be an opportunity to take advantage of this existing cluster and market the corridor as a location to concentrate furniture and home furnishings products.

6.4 Organizational Initiatives

The marketing and business operations techniques and infrastructure investments recommended in this action plan can be facilitated by several organizational initiatives. These initiatives focus on investigation into the feasibility of creating a Special

Improvement District (SID), establishment of a Community Reinvestment Area, and establishment of a City Neighborhood Community Revitalization area.

Special Improvement Districts (SIDs)

SIDs utilize special tax assessments from defined geographic areas to pay for management services, operation, maintenance, and minor capital improvements. Business and/or property owners within these districts agree to pay higher assessments in exchange for services above and beyond those supplied by local government agencies. By paying this assessment, the owners have direct control over how and when their contributions are spent. SIDs usually provide paid staff devoted to improving the business district, and are governed by a Board of Directors.

An example of a SID operating in Columbus is the *Morse Road Special Improvement District*. This SID was created in 2006 to pay for a share of the costs associated with a 10-year service plan for the stretch of Morse between Indianola and Cleveland avenues. The district will have an annual budget of $135,000 for its first three years to provide 24 annual mowings of median and shoulder grass areas, pay for weekly litter cleanups as well as maintenance of city-planted trees. After 4 years, the annual budget will increase to $234,000 per year.[30]

Downtown Norfolk, Virginia has also adopted this strategy to accomplish revitalization goals. Managed by the Downtown Norfolk Council, the SID is a 48-block geographic area in which property owners pay for supplemental services. These services include: hospitality and security initiatives, such as a Public Safety Ambassador Program and bicycle patrols; cleaning and visual enhancements, such as the Clean Team Ambassadors (CTAs) who are responsible for the daily cleaning of sidewalks and graffiti removal; and marketing efforts, including advertising campaigns and a downtown guide.

In addition to public safety, marketing, and clean up/maintenance, SIDs provide other common services. The full range of services provided by SIDs includes the following:

- Enhanced maintenance and beautification of public spaces. SIDs often provide graffiti removal, street cleaning, flower planting, seasonal lighting, and other services to improve the cleanliness and visual appeal of downtown business districts. Local governments usually retain control over trash collection and

[30] Monday, February 27, 2006. "Property owners present Morse SID plan to council", Business First of Columbus, http://www.bizjournals.com/columbus/stories/2006/02/27/daily4.html.

general lighting. Some SIDs also offer façade improvement grants to allow merchants or property owners to improve storefronts.

- Security. Some SIDs provide enhanced patrol services to improve the safety of the business district through hiring off-duty police officers or contracting with private security companies.

- Promotions/Special Events. In many localities SIDs plan and execute festivals, late night shopping promotions, and other special events.

- Coordinated Marketing. SIDs develop marketing materials, including print and radio advertisements, press releases, postcards, brochures and signage advertising shopping and dining opportunities and special events.

- Business Recruitment and Retention. SIDs assist new merchants in locating retail space and retain existing merchants through retention visits.

- Way finding. SIDs often develop maps and business directories that may be installed as “kiosks” in business districts and distributed in paper form to customers via merchants. SIDs often help improve directional signage to business districts.

- Information Resource/Point of Contact. SIDs offer a single point of contact for merchants, residents and others to offer positive and negative feedback regarding the business district. These organizations also can disseminate information throughout the community via email updates and flyers.

- Advocacy. SIDs can offer suggestions to local government agencies on behalf of merchants regarding issues such as parking, crime, and other concerns about the health of the business district.

A local entity representing interested business and property owners should lead the efforts to organize the SID and administer it with one or two staff people. It is recommended that a study be conducted to explore the feasibility of a SID. This feasibility assessment would explore the following issues:

Identify scope of services

A SID could facilitate several of the implementation recommendations that have been presented. These include pedestrian safety initiatives, property security, marketing

programs, promotional events, streetscape improvements, streetscape maintenance, way finding and signage improvements, the creation and implementation of a business "toolkit" program, and advocacy.

- Pedestrian safety. The SID could fund additional street crossing signs beyond those provided for in the City budget.

- Property security. The SID could fund additional police patrols, private security, and/or bicycle patrols. The augmented presence of security forces has been proven in other jurisdictions to reduce the number of incidents occurring within the SID boundaries. SID staff could also run an incident "hotline" in which property owners, business owners, residents, and costumers can report incidents for compilation and presentation to the City of Columbus Police Department.

- Marketing programs and promotional events. SID funds could be used to support a wide variety of marketing initiatives – everything from small scale promotional events to larger holiday campaigns. The SID staff could be charged with developing marketing materials for the Hamilton Road corridor at large and coordinating with the media outlets, the Southeast Chamber of Commerce, resident associations, and other relevant groups. The SID staff could also make the Hamilton Road corridor business inventory.

- Streetscape Improvements and Maintenance. The SID should adopt a program to manage street clean up efforts, garbage removal, and gum removal. In order to supplement the City's streetscape program, the SID could fund minor improvements, such as new lighting, benches, street trees, and planters.

- Way finding and Signage. The SID could fund signs, banners, and map-based directories at the entryways to the Hamilton Road Corridor/Eastland Area and at key intersections.

- Business "Toolkit." The SID staff could be charged with creating the business "toolkit" presented in the Marketing and Business operations section. The staff members could conduct a merchant survey to determine their training and resource needs. They could also provide market related materials to the SID members. The SID could fund small loans for business improvements, and the SID could also fund workshops, training sessions, and other materials designed to respond to the needs and requests expressed by the merchants.

- Advocacy. The SID can play an important role in communicating the concerns of the property and business owners to the City of Columbus and Community Liaison. The SID staff could prepare informational materials, collect data, and perform other support tasks.

A key component of this assessment would be to work with the City of Columbus to delineate local government services and SID services. The services provided by SIDs should not overlap with local government services, nor should existing local government services be shifted from the general taxpaying public to the SID ratepayers. To avoid duplicity of services and shifting of services, some SIDs have drawn up agreements with their local governments to establish services the local government will continue to provide. The SID feasibility assessment should come up with a preliminary agreement on this delineation.

Identify scope of geographic coverage and rate of assessment

The service district should be drawn to encompass users most likely to benefit from services, including those businesses associated with the business district. Ideally the district will include enough businesses to spread the costs such that the total impact to ratepayers is minimal compared with the services gained. The rate of assessment should be determined by estimating an annual budget and comparing this with the revenue that would accrue from the assessment. The rate of assessment should also be analyzed for its impacts on the bottom line cost of doing business in the business district, while considering projected increased sales revenues from the SID services.

Identify potential benefits

The SID work plan should be agreed upon in order to determine the appropriate geographic coverage, establish a budget, and set assessment rates. A phased scope of work should be considered, in which small projects are addressed first and more resource intensive projects follow.

Identify and recruit ratepayers

Beneficiaries of the SIDs proposed services should be identified; these may include business owners and/or property owners. Potential ratepayers must be convinced they will benefit from the SID in order to agree to increased assessments. An organization or group of individuals must take charge in reaching out to business owners and/or property owners and conveying these benefits.

Circulate petition

Once the SID has achieved sufficient approval, the next step will be to circulate a petition to obtain approval from the required number of landowners to be affected (As required by the State of Ohio's enabling legislation allowing the formation of Service Districts by local governments). Following the petition, the City would hold a public hearing and then provide its approval for the SID.

Set up governance and administration

The final step is to set up the governing board and administration. In setting up the SID's governing structure, accountability is a key issue. SIDs should be structured in their organizational bylaws to provide processes by which ratepayers can keep service providers accountable to their needs. Some SIDs have elections among ratepayers for decision-making seats on the Board of Directors as a means of keeping the SID accountable to its users.

Ohio Community Reinvestment Areas (CRAs)

In addition to creating a SID to help fund improvements proposed for the Hamilton Road corridor, the establishment of an Ohio Community Reinvestment Area should also be considered.

Community Reinvestment Areas are areas of land in which property owners can receive tax incentives for investing in real property improvements. The Community Reinvestment Area (CRA) Program is a direct incentive tax exemption program benefiting property owners who renovate existing or construct new buildings. This program permits municipalities or counties to designate areas where investment has been discouraged as a CRA to encourage revitalization of the existing housing stock and the development of new structures. To be eligible, areas must demonstrate that the construction and renovation of housing is discouraged due to local market and economic deterioration.

Once designated as a CRA, Hamilton Road property owners who undertake construction or renovation of residential and commercial structures may apply to receive local real-property tax incentives that they may not otherwise be able to obtain. Property owners may be eligible for up to 100% exemption of the improved real property tax valuation for up to 15 years.

6.5 Infrastructure Investments

Roadway Improvements

Critical to the revitalization and enhancement of the corridor is to assess existing traffic patterns and pursue any vehicular transportation improvements that will increase facility carrying capacity and traveling convenience, i.e., install medians, improve signal timing, relocate service roads, etc. within the corridor. The traffic engineering study, which should be completed in the third quarter of 2008 will determine roadway and service road improvements needed to improve efficiency, safety and access to the corridor and its businesses. The improvements to the corridor should improve the balance and accommodate all motorists, pedestrians and bicyclists. As part of the study, the City should investigate connecting the pedestrian and bike facilities along Hamilton Road to existing and planned parks and open space and the regional trail systems adjacent to the corridor.

Two roadway and service road improvement alternatives were developed as recommendations to improve efficiency, safety and access to the corridor and its businesses.

Hamilton Road is a five-lane roadway, with two lanes in each direction and a dual center turn lane. Hamilton Road has been designed and functions very well as a major arterial. Hamilton Road's effectiveness as an arterial may have helped accelerate the decline of the retail and commercial uses along the road. Any roadway improvement plans for Hamilton Road and its service roads must consider how the road and frontage sites can be modified to provide economic stability of Hamilton Road businesses.

Traffic volumes along Hamilton Road varies, reaching 35,700 Average Daily Traffic (ADT) in 2003 between I-70 to Kimberly Parkway, reducing to 24,400 ADT between Kimberly Parkway to I-270 and 21,500 ADT in 1996 south of I-270. The past traffic volumes indicate that the roadway has the capacity to remain as a 5-lane arterial. On a urban artery, a typical travel lane has the capacity to carry 10,000 to 12,000 ADT, which indicates that Hamilton Road has the capacity to serve volumes upward of 40,000 to 48,000 ADT. With that understanding, two alternative conceptual roadway configurations and streetscape improvement plans have been developed for consideration, the Sustainable Corridor Option and the Hamilton Road Median Option. The City's Traffic Engineering Consultant will be conducting a detailed traffic assessment of this project area and further develop roadway improvement recommendations based upon these

conceptual schemes and the market, economic development and land use recommendations contained in this document.

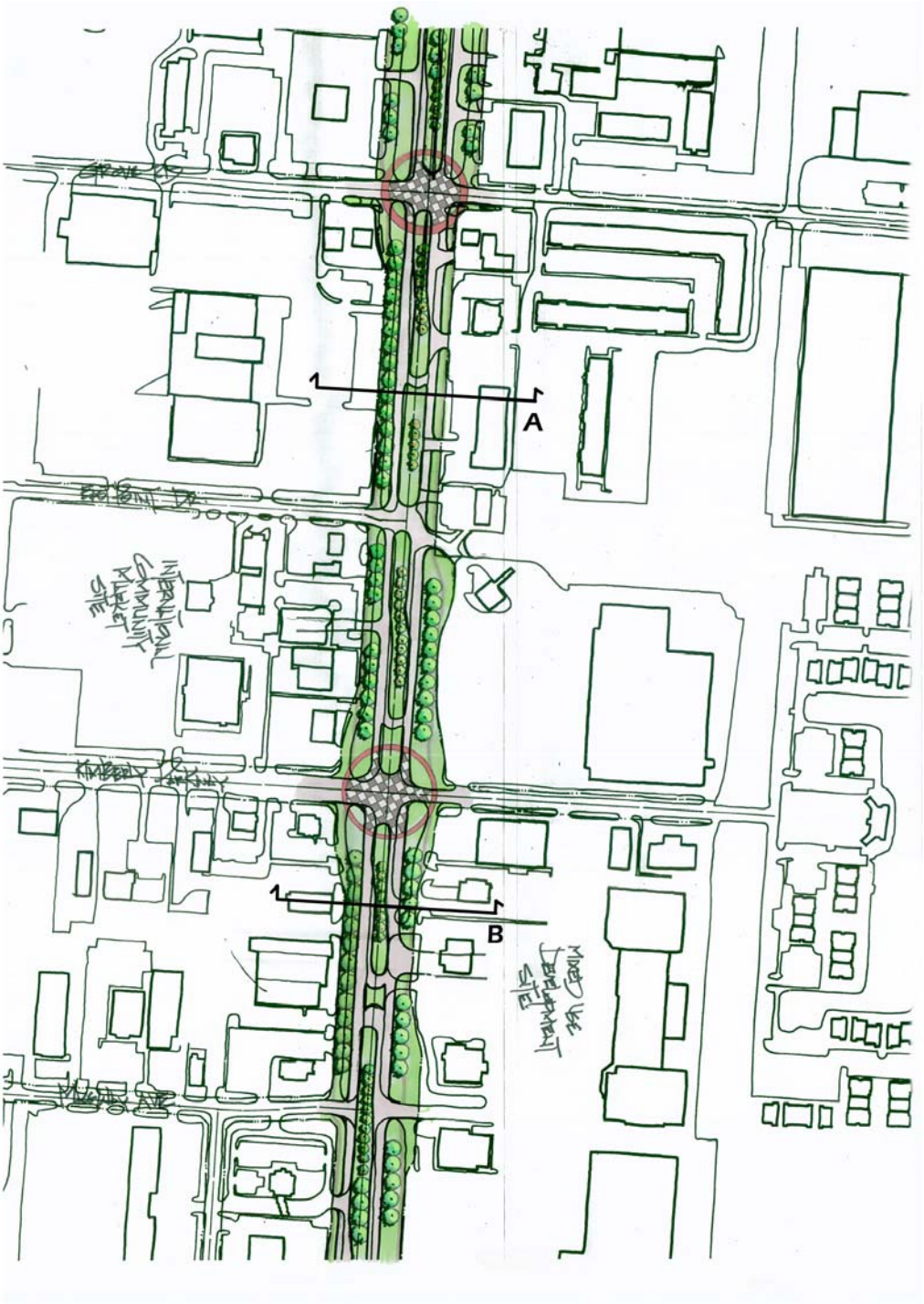
Median Corridor Option

With the new median approach, the existing service roads adjacent to Hamilton Road would be relocated to behind the satellite buildings. Hamilton Road would be reconstructed with a sixty-foot median with two travel lanes in each direction with indirect left turn lanes at critical intersections and access drives to adjacent shopping centers.

A median will soften the corridor and breaks up the existing hard-surfaced area and improves the image of the corridor. The planting of a lush landscaped space of ornamental and deciduous canopy trees and lawn panels will soften the corridor. Majestic deciduous canopy trees placed in uniform rows along the road frontage provides shade for pedestrians walking or riding bikes on the ten-foot wide sidewalk throughout the day. Also within the median will be street lighting for safe traveling through the corridor. There will also be pedestrian lighting along the ten-foot wide sidewalks and store fronts to invite walkers and bikers to experience the entire district. In addition, at the higher volume areas, new bus shelters will be incorporated within the corridor providing a cleaner safer alternative mode of transportation for residents and visitors.

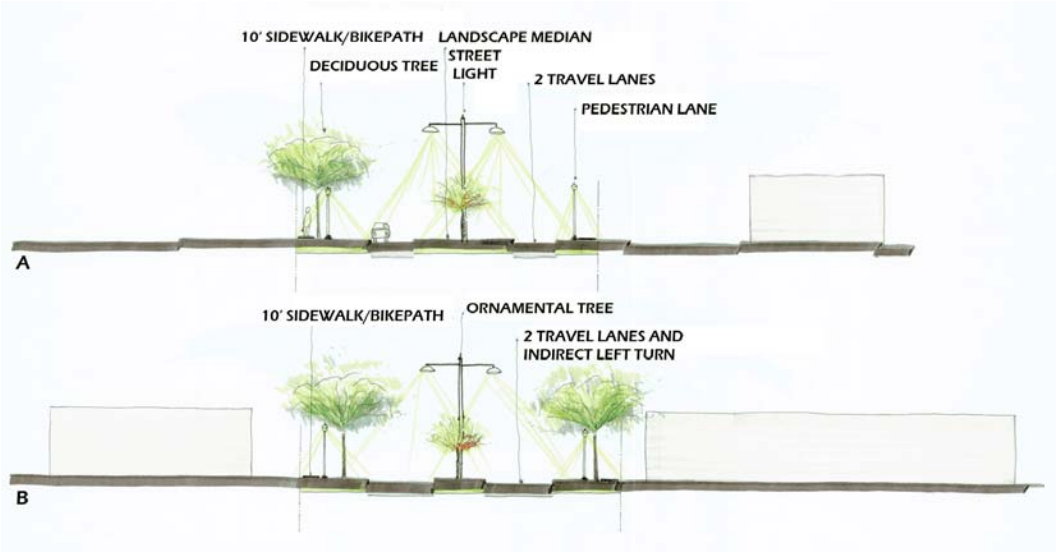
At major intersections along the corridor there will be gateway improvements to signify that you are now within the district; decorative roadway paving, crosswalks with stone surface treatment, ornamental plantings and sculptured gateway signs. An Order of Magnitude cost estimate for this roadway and streetscape option is approximately $750,000 per one hundred linear feet. This conceptual, pre-schematic estimate does not include above ground or underground utility improvements, traffic and pedestrian signal improvements or bus shelters.

Figure 6.1: Median Corridor Improvements



Source: BBPC, Jacobs Carter Burgess

Figure 6.2: Median Corridor Streetscape Enhancements



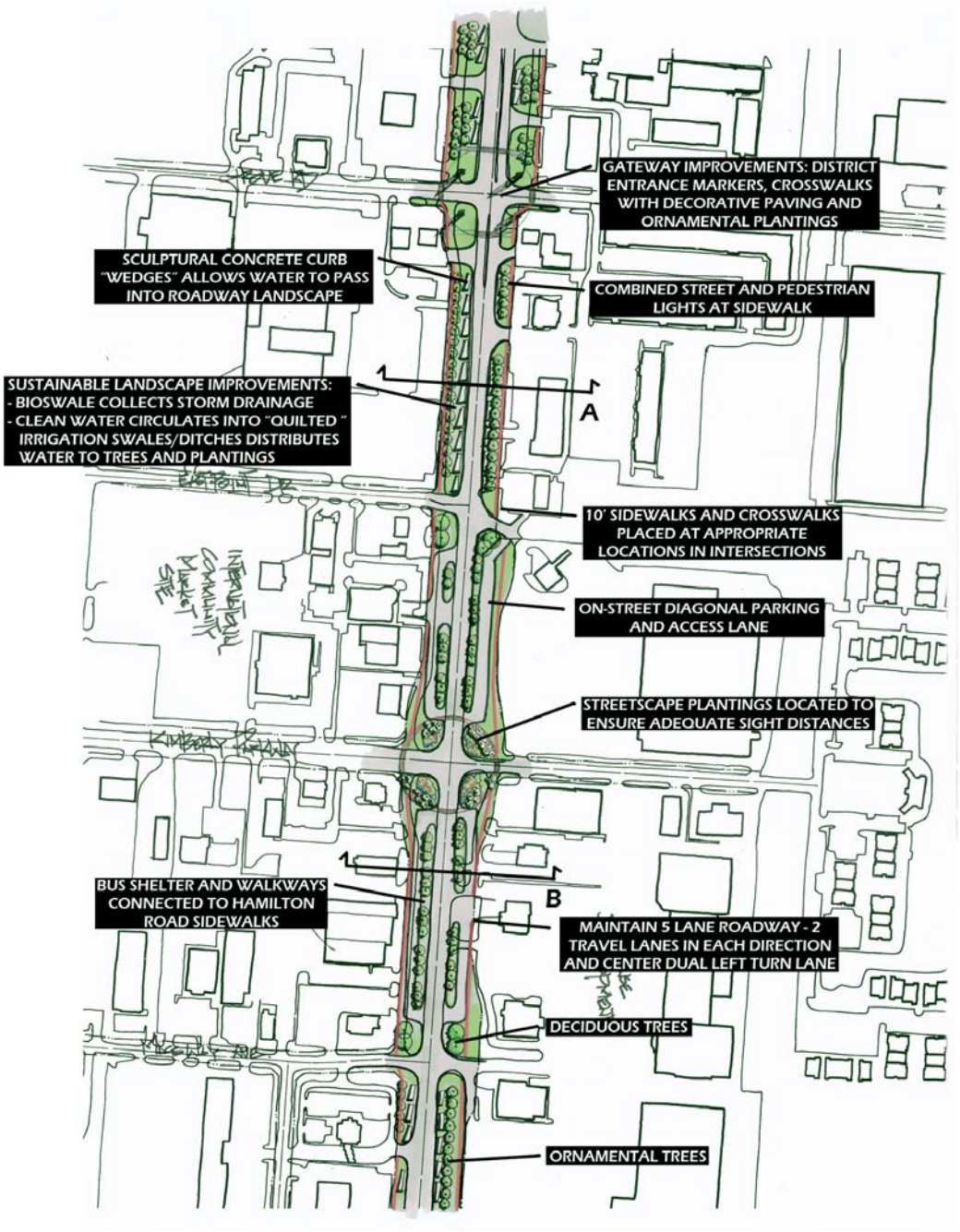
Source: BBPC, Jacobs Carter Burgess

Sustainable Corridor Option

This scheme proposes maintaining the five-lane arterial with the relocation of the services roads to the rear of satellite buildings fronting Hamilton Road. The relocation of the service roads need to be further evaluated as to exact location and configuration, and determine should the service roads be developed as a dedicated streets and/or just travel lanes through parking areas with shared access between properties. Removing the service roads from the Hamilton Road right-of-way, opens up Hamilton Road for a more pedestrian friendly environment and reduces traffic and turning conflicts between service roads and the roadways. For the businesses setback farther from Hamilton Road, the new service roads will bring passing cars closer to their storefronts. This option also suggests adding on-street parking in locations of the previous service roads adjacent to Hamilton Road. This happens at opportune points where it will benefit a group of satellite buildings, centered both north and south of Kimberly Parkway. The on-street parking areas would be separated from the Hamilton Road roadway by a raised island, with angled parking and a one-way access lane.

This concept takes a sustainable approach with a roadside bio-swale that collects storm drainage and distributes water to trees and plantings through a natural watering system. Along the roadway edge, sculptural concrete “wedges” allows water to pass into the roadway landscaping into a bio-swale. This helps soften the effect of storm drainage on the existing storm water system and requires no irrigation of the plantings.

Figure 6.3: Sustainable Corridor Improvements

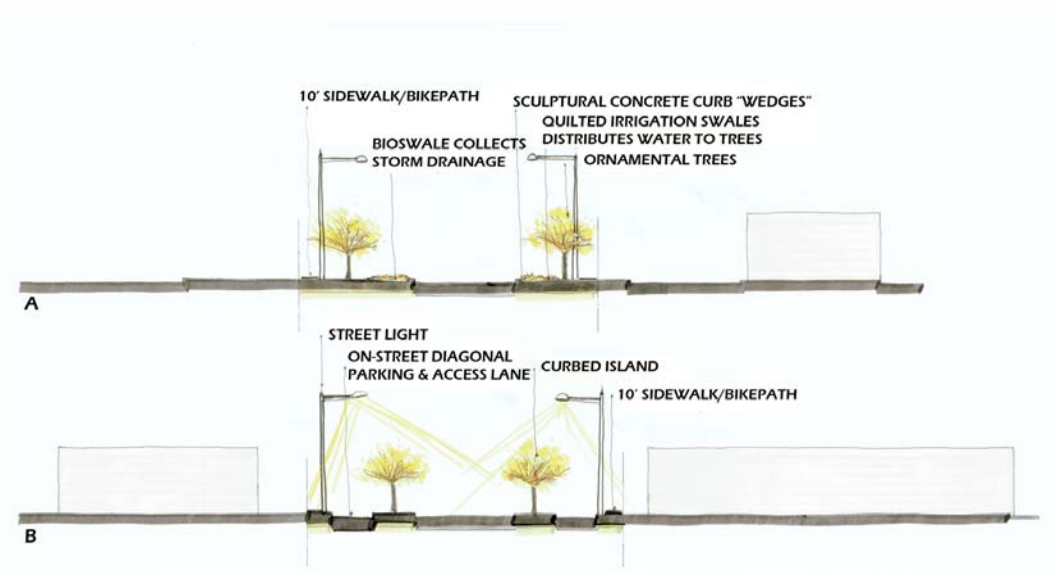


Source: BBPC, Jacobs Carter Burgess

This plan also brings a large amount of color to the corridor with decorative ornamental trees as well as streetscape plantings on native grasses. Incorporate that with combined street and pedestrian lighting and ten foot wide sidewalks, crosswalks, gateway improvements and bus shelters connected to the sidewalks you have a pleasant and safe

environment day or night. At major intersections along the corridor there will be gateway improvements to signify that you are now within the district; decorative roadway paving, crosswalks with stone surface treatment and sculptured gateway markers. An Order of Magnitude cost estimate for this roadway and streetscape option is approximately $590,000 per one hundred linear feet. This conceptual, pre-schematic estimate does not include above ground or underground utility improvements, traffic and pedestrian signal improvements or bus shelters.

Figure 6.4: Sustainable Corridor Streetscape Enhancements



Source: BBPC, Jacobs Carter Burgess

It should be noted that the Median and Sustainable Corridor options represent any two of what could be several, viable options. The more in-depth and detailed traffic study being undertaken by the City's Transportation Division may identify additional alternatives that still achieve the economic development goals set forth in this study.

Figure 6.5: Illustrative Bioswale Design

Source: BBPC, Jacobs Carter Burgess

I-270 Interchange Improvements

One of the road network improvements most frequently proposed by developers, commercial brokers, property owners, and residents to achieve revitalization goals is construction of a new I-270 interchange near to the Hamilton Road and Refugee Road intersection. An interchange at this location would greatly improve access to existing businesses and enhance the marketability of underutilized sites for new retail located at the southern end of the study area.

The economic and fiscal impact of such an interchange – in terms of the potential to recruit new businesses and retail looking for interstate access and visibility – would be great. As presented in the Demonstration Sites section, the large format regional retail concept proposed for Eastland Plaza located on the southwestern side of the Hamilton Road and Refugee Road intersection includes 130,000 square feet of retail. This potential to recruit large format regional retailers to this site, as well as several others located adjacent to this intersection, would greatly increase with a new I-270 interchange. If a new interchange brought the equivalent of two new large format regional retail centers to the corridor – equivalent to approximately 260,000 square feet of new retail development, economic and fiscal impacts would include the following:

- 520 new retail jobs;

- $312,000 in annual City income tax;
- $3.86 million in annual County property tax revenue;
- $910,000 in annual County sales tax revenue;
- $693,000 in annual state income tax;
- $5 million in state sales tax; and
- $227,500 in revenue for the COTA system.[31]

Interchange improvements and enhancements are recommended for area visitors, residents and employees to access the corridor and its neighboring business and residential districts. The Business Association, along with the City and Mid-Ohio Regional Planning Commission should work with Ohio Department of Transportation (ODOT) to develop plans and secure funding for I-70/Hamilton Road interchange improvements. These improvements would improve access to Hamilton Road, Hilton Corporate Drive and Groves Road. As part of the plan, motorists need to visualize an enhanced interchange including landscaping and sculptured grading in the open space areas of the interchange. Coordination with ODOT is critical to secure funding and begin preparing plans for this improvement/enhancement/screening project to improve the gateway to the Hamilton Road corridor.

Bus Stop/Transit Facilities

The Hamilton Road Business Association is recommended to coordinate with Central Ohio Transit Authority (COTA) to add quality bus stops/shelters along the Hamilton Road corridor. The Association needs to examine COTA's boarding and unboarding ridership numbers at bus stops along the corridor to determine best location for installing bus shelters. In addition to the bus shelters, improvements should include concrete boarding areas, trash receptacles, and area lighting. These transit facilities improvements would increase ridership and potentially bring more customers to the corridor's businesses. The Association should also discuss with COTA its service hours, routes, transfer points and number of buses in service in this area. Any improvements to COTA's bus program would also improve accessibility and usability of the bus system and increase number of shoppers to this corridor.

---

[31] Economic and fiscal impact analysis includes following assumptions: City income tax rate of 2%, County property tax rate of $91.34/$1,000, County sales tax rate of 1%, State income tax rate of 4.457% for salaries between $20,001 and $40,000, State sales tax rate of 5.5%, COTA tax rate of 0.25% of gross sales, average retail sales/SF of $350, average of 2 retail jobs/1,000 SF, 8% cap rate for retail centers, $13/SF average net operating income for retail centers

Hamilton Road Gateway

Providing motorists traveling along Hamilton Road with a visual marking of place is recommended, such as a gateway sign announcing entry into the Hamilton Road corridor. A visual landmark of the district is the grain silos, which are west of Hamilton Road and fronts the I-70 freeway. The visibility of the grain silos provides a canvas to announce/promote the Hamilton Road corridor[32].

Community Center & Neighborhood Park

A new neighborhood recreation center and park is an amenity that improves the quality of life for a city's neighborhoods and its residents. The Hamilton Road Business Association should work with the City's Parks and Recreation Division to investigate the developing a community center and park on possible sites, west of Hamilton Road between Kimberly Parkway and Refugee Road. Once needs have been assessed, a conceptual plan should be created for the building of park facilities. This plan could be used in negotiating private sector developments in this area that incorporates desired features/amenities into the development plans.

6.6 Financing and Funding

Financing and funding of many of the recommended actions are often critical to their implementation. Oftentimes, public-private partnerships are necessary to realize development goals. The creation of a Special Improvement District (SID) for the Hamilton Road Corridor is one proposed vehicle for the private sector (property and business owners) to share a portion of the improvement costs with the City. This section presents other examples of public-private partnerships that may be appropriate to facilitate implementation of desired revitalization plans for the Hamilton Road Corridor/Eastland Area. Specifically, this section proposes a streamlined development process, tax increment financing, limited-term partial tax abatement, catalytic infrastructure investments, and public land acquisition as financing and funding strategies designed to achieve revitalization in the Hamilton Road Corridor/Eastland Area.

---

[32] The silos' owner's representative, Mr. Milan Hansen, can be reached at 4260 Groves Road, Columbus, Ohio 43232 or (800) 274-0386. Mr. Hansen has expressed a willingness to work with the Hamilton Road Business Association and will explore signage opportunities on the silo properties.

Tax Increment Financing

In Ohio, the governing body of any municipality, township, or county may adopt tax increment financing (TIF) as a means to pay for a portion of private development costs that serve a public purpose. Private improvements may include the construction, expansion, and demolition of buildings, remediation, or other forms of site development. Residential projects are generally not eligible for TIF unless located within a blighted area of an impacted city. The justification for creation of TIF districts is that public investment leverages private investment in blighted and distressed areas that may not receive private investment without public assistance.

TIF operates under the assumption that property values increase as improvements to the land and structures are made. TIF establishes a base year property value (a property's assessed value in a given year) and then allocates the tax revenue from any incremental increase in the property value to fund select project costs. The local jurisdiction uses this expectation of increased tax revenue to pay for capital projects, often using the TIF proceeds to fund payment of debt service on general obligation bonds.

In addition, TIF can be a proactive strategy for planning and committing to capital improvements. Without this allocation of funds, it may prove difficult to come up with revitalization area improvement plans that have a realistic implementation strategy.

Finally, TIF is advantageous in that it can become a source of stability and provide a level of certainty for developers. When developers know that their project is eligible for TIF and they can demonstrate the public benefits as well as pass the "But For" test, they may be more willing to take on risk than they would without public support for their project.

The final section on the Demonstration Sites will present recommendations for application of tax increment financing to specific development projects.

Tax Abatement Programs

Another financing and funding strategy that many jurisdictions have adopted is defined-term tax abatement for qualified projects. This type of incentive reduces the near-term annual costs and thus increases net operating income. By providing this incentive, jurisdictions forego a short-term increase in tax revenue yet may achieve a project which may not otherwise be developed and thus realize the benefits resulting from the new development (i.e. new jobs, business license tax revenue, property tax revenue, meals tax revenue, multiplier effects of new jobs and residents).

Tax abatement programs also address the disincentive associated with making improvements and/or renovations to aging strip malls or other deteriorating properties. By offering limited term tax abatement, property owners will avoid higher property taxes resulting from increased assessments on recently renovated or improved properties.

Taxes most commonly considered for abatement include real property tax, sales tax, hotel tax, meals tax, and personal property (i.e. equipment) tax.

Real Property Tax Abatement

This type of tax abatement reduces real property taxes. As an example, Fairfax County, Virginia offers a revitalized structures tax abatement program. This program provides fixed-period partial tax exemption on property value increase resulting from renovation and the replacement of aging buildings. Eligible properties are 1) commercial and industrial in designated revitalization districts aged 25+ years 2) multi-family properties countywide aged 20+ years. The rehabilitation must generate a 25% minimum market value increase. There is no square footage increase limitation.

Other Public-Private Partnerships

There are other types of public-private partnerships that may be appropriate to facilitate realization of the revitalization plans for the Hamilton Road Corridor/Eastland area opportunity sites. This includes land acquisition, catalytic infrastructure investments, and business assistance loans and grants.

To achieve the revitalization visions established for the opportunity sites, it may be necessary for the public sector to become involved in the land assembly and acquisition process – particularly in the cases where assembly of multiple properties is required. With assembly complete, developers may find the sites much more attractive. The developers will have avoided the costs and legal fees associated with acquiring property from multiple owners.

Catalytic infrastructure investments may also be an appropriate strategy to assist in the financing and funding of revitalization projects. Rather than establishing a TIF district to pay for a portion of the development costs associated with public elements of a new project, the City may choose to pay for select improvements through the Capital Improvement Program or other budgetary allocation. Such improvements would likely be directly tied to a specific project, such as construction of a new internal road network, public parking, or extension/upgrading of site utilities.

6.7 Implementation of Demonstration Sites

As presented in the Revitalization Strategies Section on demonstration redevelopment projects, four projects on four different sites have been conceptualized as prototypes and catalysts for redevelopment and revitalization on the Hamilton Road corridor:

1. International Marketplace
2. Regional Retail
3. Mixed Use
4. Eastland Mall Office Expansion

To identify potential strategies for implementation of the demonstration projects, an evaluation of their possible financial feasibility was conducted. For reasonableness, the consulting team only evaluated the individual parcels that involved a change in use. Appendix B details the properties, their assessed and market values (the assessed value is 35% of the market value), the most recent property tax, and its percentage of market value. Based on a review, several issues and elements of financial feasibility have been evaluated and addressed.

Land Acquisition Costs

The major barrier to redevelopment on the study sites is the financial cost of obtaining the real estate, which, because the properties are already developed, have a much higher market value than an undeveloped parcel. In a micro-market, as long as a developer has a choice between a developed and undeveloped lot, the developer will almost always choose the greenfield, because the acquisition cost is less. To illustrate, a review of the vacant land near the study site reveals an average cost per acre of $147,000[33]. This compares unfavorably with average price per acre of the sites identified for redevelopment at $479,000 per acre[34].

To overcome this barrier, the current owners of the properties would have to take the initiative in the development process (thereby removing the need to acquire the property), or the city would likely have to provide financial compensation to fill the gap between the acquisition cost that the project will support and the market value of the property.

---

[33] Appendix B
[34] ibid

Site, Hard, and Soft Costs

The site and hard costs are averages and were derived from the 2008 edition of RSMeans Square Foot Costs:

Cost	***Per Square Foot of Construction***
Site work	$2
Demolition	$4
Int'l Marketplace	$62
Retail	$75
Office	$100

The costs for the professional fees, liability insurance, utilities, and permitting were estimated[35].

Financing

A hypothetical mortgage amortized over 20 years at 6.5% was used. Given the current lending environment, these are common industry averages for commercial mortgages. It should be noted that any change to either the amortization period or interest rate would greatly affect the financial feasibility of the project.

Market Rents

Market rents were established after reviewing data from CoStar, Colliers, and the Dollars and Cents of Shopping Centers. The estimated averages for similar developments in the Columbus, Ohio region are:

Site	***Annual Rent per Square Foot***
International Marketplace	$15
Retail	$16
Office	$18

Results of Financial Feasibility Evaluations

Hypothetical pro-formas were developed to determine the possible financial feasibility of the redevelopment scenarios (driven largely by the acquisition costs). These pro-formas are located in the appendix[36]. This analysis results in two major conclusions:

[35] Industry averages indicate that total soft costs range between 20% and 30% of the total project budget.

[36] The office buildings on Eastland Mall have not been analyzed financially, because their proposed site is a parking lot and greenfields, and the landowners are such that if there were sufficient market for additional office space, it is likely that they would develop their land accordingly.

Density, while usually more expensive to construct and more complicated to build, is one of the more cost-effective types of development in terms of revenue generation. This is why, in city centers where land is the most expensive, there is the densest development. Along the same lines, the mixed-use development is the only one of the three analyzed that does not require any form of financial assistance, assuming that the fair market values of the existing developments are 2.9 times the assessed value.

To overcome the barrier of high land acquisition costs, the landowners should be encouraged to take the development lead. Potential tools to encourage this are not financial contributions, but rather a combination of zoning, a vacancy tax, and enhancing city outreach to the landowner (see Tools for Encouraging Redevelopment below).

International Marketplace

The bulk of the property needed for a proposed International Marketplace contains a 97,000 square foot Class C office building. Once occupied by the Department of Motor Vehicle and later several government agencies, the building is now vacant, and has been since the agencies relocated to space closer to the downtown a few years ago. Moreover, there is a $6 million mortgage on the property, as well as a lien indicating that the building is no longer being maintained. The building is currently for sale for $4.5 million, or $46.28 per square foot. Given the building's size, which is believed to be functionally obsolete, the economic value of this building is therefore $0. Nevertheless, the pro-forma assumes that 5% of the market value of the existing structure can be supported. If an appraisal of the property supported the value at the estimated market value, the remainder of the value would have to be supplemented by a public contribution. Assuming the project were fully developed and leased, the estimated NOI (net operating income) would generate a current value of $7.3 million, which would translate to $172,000 in annual property tax revenue[37.]

The transformation of this property will depend heavily on 1) the value as determined by an appraisal and 2) the zoning, as a downgrade in zoning from what is currently built will most certainly require a public purchase of the property.

Large Format Regional Retail

The bulk of site for the proposed Regional Retail is currently home to a deeply discounted shopping center. In order for a regional retailer to locate to this site, the existing center

[37] Assuming the tax rate is 2.3261%, as it currently is for the properties that comprise the International Marketplace and Mixed Use.

would have to be demolished and a new structure built. Without public assistance, it is unlikely that this project would be financially feasible unless the developer were permitted to buy less land (thereby reducing the acquisition costs), build more density, or if the current owner became an equity partner in the development. Assuming the project were fully developed and leased, the estimated NOI would generate a current value of $14.8 million, which would translate to $345,000 in annual property tax revenue[38]. This pro-forma assumes 30,000 square feet of structure to be demolished.

Mixed Use

The proposed site for this development consists of a fire-damaged apartment complex and an aging strip mall. Although the land acquisition costs are high, the proposed density with market-rate uses (retail and office) generates enough cash flow to be able to support a hypothetical mortgage sufficient to construct the development. Assuming the property were fully developed and leased, the project would generate an estimated NOI of $4 million, which translates to $922,000 in annual property revenue[39]. This pro-forma assumes 40,000 square feet of structure to be demolished.

Eastland Mall Office Expansion

The proposed office buildings located on the grounds of Eastland Mall and along the edge of the property owned by Maronda Homes of Ohio are currently a parking lot and undeveloped, respectively. It is therefore assumed that with permissive zoning the right opportunity, both owners would develop their properties in accordance with the highest and best use that the zoning would allow. If the project were fully developed and leased, it would generate an estimated NOI of $1.2 million, which translates to $273,000 in annual property tax revenue[40].

For analysis purposes, the necessary land acreage required was estimated using Franklin County's public GIS information41. The value of the property was derived using the averages for vacant land in the area.

Tools for Encouraging Redevelopment—Zoning

As long as real estate developers have a choice between improved and unimproved land on which to build, they will almost always chose the unimproved property, as it is cheaper. The number of vacant properties in the vicinity of the study area that are

[38] ibid
[39] ibid
[40] ibid
[41] http://www.co.franklin.oh.us/commissioners/development/zoning/zoning.cfm

currently for sale represent advantageous development sites, as they represent significantly cheaper acquisition costs (than the four demonstration sites). However, if the unimproved land in the area is removed from the development pool, then developers would have a greater incentive to develop greyfields. To make these unimproved parcels less desirable, the City could downzone them, leaving the four sites with an inherent development advantage.

The City of Columbus' Urban Growth Corporation (UGC) was created to focus on the redevelopment of challenged sites within the existing central city neighborhoods. Through their public-private partnerships, they encourage development in Columbus' central city. The UGC is a recommended source to provide assistance on the redevelopment of the Hamilton Road Corridor.

Implications of Implementation and Prioritization of City Focus

The analysis of the corridor's four demonstration sites also highlights several considerations and recommendations for prioritization of City focus.

International Marketplace

Development of this parcel in any manner relies heavily upon the ability to overcome the existing office building. Any downgrade in zoning would result in the property owner never redeveloping the property, because the prospective uses, density, and subsequent rental income would never match the current possibilities of the building (which could be perfect for the right tenant). In order to develop this parcel into an International Marketplace, therefore, it is likely that the City would have to take the lead via a development corporation, such as the UGC, by purchasing the property, rezoning it, and demolishing the office building.

Due to the acquisition cost, property ownership, and need for rezoning, this development is likely complex and would take a significant amount of time to complete, from inception to completion.

Despite these challenges, the benefits to redeveloping this site include providing a location for a concentration of specialty grocers, which will likely become a destination site in the region, due to its unique character. This, along with the significant public investment, will likely have positive effects on the surrounding parcels and be a catalyst for further revitalization along the corridor.

Regional Retail

Regional retailers are generally sound credit risk. Again, the acquisition costs contribute to the need for city investment; however, the construction of “big box” stores are standard and relatively timely to construct.

Mixed Use

Mixed use developments are generally complicated to construct. They often require zoning changes or waivers, which can be time consuming, as well as a supportive lender. In addition, such projects are often phased (which is not shown in the financial analysis). This project could take years to come to fruition; hence, the tax benefits, while substantial, may be a long-term realization.

Despite these challenges, this project represents the greatest potential for future property tax revenue. Completion of a mixed use project in such a central location on the corridor could serve as a major catalyst for additional reinvestment, bringing significant new residential growth, employment growth, and retail revitalization.

Eastland Mall Office Expansion

The ownership and current zoning of the properties hinder the development on this site. The portion owned by Maronda Homes of Ohio was likely purchased, and currently zoned for, a residential subdivision. Depending upon the level of permits already granted to Maronda, any change in zoning to a use outside their current use is not likely.

The proposed development located on the site of the parking lot owned by the mall also presents many challenges. While it is understood that Eastland Mall may be interested in office development on the northern portion of their property, one of the most significant challenges may be identifying sufficient parking to accommodate office and shopping mall users and employees, particularly if the parking ratios would be governed by City ordinance. Furthermore, development of this site does not address the areas of blight in the vicinity.

Nevertheless, development of new office space on the Eastland Mall property is a financially advantageous project that represents the addition of property revenue to the City. New office space would also provide additional customer support for Eastland Mall.

Given the varied challenges and benefits of the four demonstration projects, the following matrix has been prepared to identify relative strengths and provide direction for City prioritization.

Development	City Contribution	Estimated Time to Completion	Complexity	Potential Tax Benefits	Revitalization Catalyst
International Marketplace	High	Medium	High (due to acquisition)	Low	High
Regional Retail	Medium	Low	Low	Medium	Medium
Mixed Use	None	High	High	High	High
Eastland Mall	None	Low	Medium	Medium	Low

Summary Conclusions

What can the property owners do?

There is a need for property owners to take stewardship of their property. Owners inherently provide a portion of the equity in redevelopment, so their cooperation will mitigate the need for public financing. The most common method of encouraging owners to take leadership is for the city to embark on an outreach program, such as sponsoring a trip to the International Council of Shopping Centers' annual convention in order to take advantage of networking. The Hamilton Road Business Association is one entity that is poised to provide the necessary leadership and organizational skills to unite the area businesses.

What can the City do?

The most important course of action for the city is to embark on an infrastructure improvement course. A significant investment is a public commitment, and inspires confidence in the private sector, which will spur them to invest in the Corridor.

Where should the City focus its efforts?

The City should carefully evaluate the variables associated with development along the Hamilton Road corridor and establish priorities for desired outcomes (removing blight, increasing property revenue, etc.). One of the first steps the City should consider is opening a dialogue with the property owners of the largest parcels; notably, the large vacant office building on the International Market Site as well as the site of S&S Shopping Centers. The City should also consider hiring a certified appraiser to appraise all four sites to determine the true market value of the properties, in order to assess the financial feasibility of the proposed redevelopment. Lastly, they should become active participants in the International Council of Shopping Centers and begin forming connections and relationships with business owners and retailers.

The following approach and "first steps" are recommended relative to the specific demonstration sites.

Regional Retail

Should the current tenant not renew their lease, the potential negative perception of a large vacancy would likely be enormous. The City should take proactive steps to insure that this site is stabilized, either by extending the current tenant's lease short-term, or by aiding the property owner in securing a new tenant. In conjunction, aesthetic improvements on this site will increase the positive public perception and help inspire confidence in the private market.

Mixed Use

The City should then assess the properties in the site of the proposed Mixed Use development. Because this type of project would likely be phased, they can begin assessing owner interest in redevelopment, as well as that of outside developers. The fire damaged portion of the apartment complex should be either repaired or removed, as the appearance of blight and neglect often spurs a self-fulfilling prophecy.

International Marketplace

The vacant office building, which is a very public display of neglect, should be resolved. As it is currently on the market, the City should address the fact that it could theoretically be purchased and leased, in which it would not be possible to change its land use. This may represent an opportunity for the City to possibly take the initiative and purchase the

property. A public commitment will be positively received by the private development community.

Eastland Mall Office Expansion

As this site does not address the blight along the corridor, it is not necessarily a priority for City-initiated and facilitated development. Because this site involves a zoning change as well as subdivision, the development of this site is a more long-term option. The City should keep in mind, however, that the portion of the property owned by Maronda Homes is zoned residential, and if they have secured the necessary permits to construct a subdivision on the property, the office building would not be able to be built.

Appendix A—Design Guidelines

A successful development depends on setting, amenities and economic market. The physical appearance of the site, architecture and landscape is also critical to the success of the Hamilton Road Corridor. Achieving a healthy and vibrant image is the goal of these guidelines. They advocate a strong and consistent corridor design vision for the Hamilton Road Corridor. To ensure that the recommendations of the guidelines are achievable, these guidelines are intended to be functionally compatible with and a supplement to the City of Columbus' regulations. Because ultimate buildout may not occur for a number of years, the intent of the guidelines is to maintain flexibility and responsiveness to market conditions over time while still providing the vision and ground rules necessary for a successful development style that would span the years.

The purpose of these Hamilton Road Design Guidelines is to: improve the overall quality of development in the Hamilton Road Corridor, extending from I-70 to Big Walnut Creek; ensure the compatibility of the Hamilton Road development with surrounding land uses; and enhance pedestrian safety and walkability and vehicular movement and access within and through the Corridor.

Applicability

These Design Guidelines would be applied to all new development within the Hamilton Road Corridor that involves either a rezoning or Council variance.

Site Planning—Building Location, Orientation, and Blocks

Principles

- Emphasize pedestrian-orientation in site planning using appropriately-scaled blocks, building placement and interconnectivity.
- Develop an efficient pattern of buildings and open spaces to concentrate activities, rather than dispersing them in a manner that requires greater automobile dependency.
- Locate and orient buildings to complement the orientation of adjacent development.

- Coordinate all infrastructure and utility design and location with utility providers to balance function and desired aesthetic character of the plan with efficient maintenance of the utilities.

Mixed Use Commercial

- Coordinate and comprehensively plan the location of buildings to provide order and compatibility, avoiding jumbled or confusing development patterns.
- Incorporate bike storage facilities (racks, lockers, etc.) as appropriate features.
- Locate buildings so that their primary orientation complements adjacent development.
- Orient buildings to frame pedestrian corridors and access drives, parking areas, open spaces and on-site amenities.
- Discourage long, “barracks-like” strip commercial configurations.

Conventional Commercial

- Locate “gate post” satellite (pad site) buildings at street intersections designed to anchor the corner.
- Locate in-line retail buildings to create and frame plazas and courtyards.
- Orient freestanding satellite pad site building storefronts towards the street or plaza and courtyards.
- Link plazas and courtyards to pedestrian sidewalks and walkways.
- Do not “wall-off” commercial sites from surrounding land uses.
- Provide connectivity between the in-line retail site and adjacent land uses.
- Segment large parking lots into smaller courts enclosed and framed by trees to minimize the perceived scale of the total parking area.
- Locate loading docks, trash enclosures and services areas out-of-view from roadways, sidewalks, open space amenities, and residential uses/zones.

- Provide separate parking areas for delivery trucks and service vehicles located away from parking lots and walkways.

- Incorporate bike storage facilities (racks, lockers, etc.) as appropriate features.

Multiple Family and Single Family Residential Attached

- Organize buildings to create meaningful and usable open space areas.

- Do not encircle multiple family and single-family attached projects with parking stalls and drive aisles. Parking lots should be located in individual pods or small, defined parking courts.

- Vary multiple family residential building setbacks to promote streetscape variety.

- Compose buildings of simple yet varied planes to assure compatibility and promote variety in overall building forms.

Single Family Residential Detached

- Locate single-family detached units to create streetscape variety and visual interest. Discourage subdivisions of seemingly identical units sited with no variation on long, uninterrupted streets.

- Site single family detached units to mitigate garage impacts along the street by varying their locations and orientations. Garages should be located behind the house, or if facing a street, do not exceed 40% of the width of the house façade, and recessed at least three feet from the front elevation.

- Stagger the location of single-family units and garages relative to the street to create different building patterns.

- Minimize building setbacks from streets as densities increases, while maintaining privacy.

- Consider different setbacks to reflect different product types within the neighborhood.

- Connect residential neighborhoods to commercial centers with sidewalks and open space areas.

Streets, Transit, Pedestrian and Parking

Principles

- Provide safe, interconnected and efficient circulation systems throughout the Hamilton Road Corridor
- Maximize opportunities for a strong balanced network of transportation systems for vehicles, pedestrians and bicyclists
- Create a hierarchy of street types and scales designed to increase neighborhood and corridor identity, responding to traffic volumes and pedestrian activity
- Sensitively locate off-street parking internally to the sides or rear of buildings. Avoid locating off-street parking lots between the streets and building frontage consistent with the standards of the proposed Regional Commercial Overlay.

Streets

- Establish Grove Road, Kimberly Parkway and Refugee Road intersections at Hamilton Road as gateways to the Hamilton Road corridor and its districts.
- Provide roadway improvements to Hamilton Road including safe pedestrian crossings, from the neighborhoods to the commercial districts along Hamilton Road.
- Consider a range of traffic calming measures for slowing traffic in residential areas.

Transit

- Provide direct pedestrian access to transit stops along Hamilton Road. Transit planning should be done in coordination with Central Ohio transportation Authority (COTA).
- Provide transit shelters with lighting, bicycle racks and trash receptacles throughout the Hamilton Road corridor, where appropriate and in conjunction with COTA.

Pedestrian

- Create opportunities for pedestrian gathering places throughout the corridor using ample sidewalks and plaza areas connected to walkways.

- Provide wide, ample walkways (10 foot wide) attached to the curb where on-street parking is present and detached sidewalks with appropriate streetscape and lawn panels where on-street is NOT present.

- Use curb-extensions or bulb-outs, along with decorative paving to indicate pedestrian crossing/activity and to slow traffic.

- Where appropriate, coordinate traffic and pedestrian signals for walking speed.

- To avoid conflicts with pedestrians, bicycle facilities are encouraged as on-street facilities (bike lanes and bike routes) primarily on Kimberly Parkway and neighborhood local streets.

- Provide consistent, easy to read, identifiable directional signs. Include signs that indicate routes to recreational, cultural and educational facilities.

- Provide appropriate street furnishings for pedestrians and street trees that are friendly to pedestrians.

[Note: Recommendations for sidewalk and bike facilities will be addressed in detail in the Hamilton Road Traffic Study and reflect the recommendations of the City's Pedestrian Thoroughfare Plan and Bicentennial Bikeways Plan.]

Parking

- Configure conventional commercial developments that accommodate large anchor tenants to promote convenient parking and vehicular access, as well as parking lot visibility.

- Locate small shops along the street or drive edge, with minimum setbacks. Anchor tenant buildings such as large format retail and supermarkets, however, may not be held as strictly to this guideline because they often require visible surface parking for patrons' major shopping trips.

- Parking lots should be well-landscaped and pedestrian-friendly; adding character to the streetscene. Buildings and parking areas should be set back a sufficient

distance from the perimeter and interior streets to create distinct landscape buffers.

- Divide surface parking areas that accommodate more than 100 vehicles into a series of small, connected lots defined by tree rows and strong pedestrian links from parking areas to destinations.

- Stagger building setbacks, above minimum standards if necessary, to enhance visual interest along the streetscene.

- Do not wrap the perimeters of the developments with parking lots.

- Provide identifiable walkways around the perimeter and through surface parking areas designed to connect buildings.

Building Architecture

Principals

- Create a consistent architectural theme for all buildings within the development. Also create building masses and roof forms that reflect the architectural style of the development.

- Break down larger-scaled buildings into a series of smaller, pedestrian-oriented components.

- Articulate facades to reduce the massive scale of large commercial/service/office buildings.

- Incorporate architectural features that create visual interest and easily identifiable entrances.

Building Massing and Roof Form

- Design all buildings within the development, including satellite (pad site) buildings and fast food establishments, to reflect a consistent architectural style.

- Locate higher-intensity satellite building masses at corners designed to “announce” entrance into the development.

- Locate higher-intensity building masses towards the center of building complex. Transition building height outward and down to adjacent developments.
- Punctuate large building masses with towers designed as landmark icons.
- Segment buildings with a distinguishable base, middle and cap.
- Reduce building mass. Use the following techniques to diminish the size and scale of buildings:
    - Building step backs
    - Variation of pitched roof forms and heights
    - Emphasis and variation of building color and texture
- Create roof forms that contribute to the unified appearance of the development.
- Use a consistent roof pitch for all buildings within the development, designed to unite the entire complex.
- Avoid continuous roof planes. Pitched roof planes exceeding 60 linear feet shall incorporate articulated roof elements that may include cross gables, roof monitors, vertical tower elements, and roof dormers.
- Terminate the top of pitched-roofed buildings with a distinctive cap. Design roof caps using the following techniques:
    - Support pitched roof eave overhangs with corbels of brackets
    - Sheath pitched roofs with a roofing material that is complementary to the architectural style of the building
    - Discourage radical roof pitches that create overly prominent or out-of-character buildings
- Terminate the top of flat-roofed buildings with a distinctive cap. Design roof caps using the following techniques:
    - Terminate the top of flat roofs with a distinctive cornice and parapet wall

    - Distinguish the cornice from the building façade, with the corbel forward from the front plane of the building face to articulate the cornice
    - Top roof parapet walls with a distinctive cap or coping

- Create pedestrian interest at storefront elevations. Use the following elements to provide storefront elevation variety and visual interest:
    - Arcades
    - Awnings
    - Bulkheads
    - Canopies
    - Storefront display windows
    - Transom windows

- Design storefronts, based upon the following guidelines:
    - Minimum storefront height: 12 feet
    - Minimum storefront transparency: 60 percent
    - Minimum bulkhead height: 18 inches
    - Maximum bulkhead height: 36 inches

- Create visual rhythms with structural bays that divide storefronts into a series of repetitive components. Storefronts should be segmented with vertically repeating columns/piers.

- Promote four-sided architecture. Use similar storefront elements on side and rear building elevations that are visible from public view.

- Locate building entrances to be clearly identifiable. Use the following techniques to distinguish building entrances:

- Use towers and articulated corner elements to distinguish building entries.
- Recess entrances into building facades sheltering patrons from the elements.
- Define building entrances with an awning or canopy.
- Provide a transom window above the doorway to accentuate the building entrance.

Grocery Stores and Food Establishments

- Design grocery stores to reflect the architectural style of the development.
- Provide covered entrances and arcades designed to shelter patrons from the elements.
- Provide tower and other elements that function as orientation features and landmark icons.
- Use pitched roof forms to project a neighborly image.
- Break-up pitched roof forms with plane breaks and roof dormers that segment large roof areas into smaller components.
- Divide grocery store storefront windows with mullions and muntins to create a series of individual windows.
- Design grocery store storefront windows based upon the following guidelines:
    - Minimum storefront height: 16 feet
    - Minimum percentage of front storefront window area: 30 percent
- Design food establishments that reflect the architectural style of the development and use building materials and colors that are consistent with the development's architectural style.

- Use a consistent sign type, style, materials, and illumination source as those used within the development.

Large Format Retail

- Design large format retail buildings to reflect the architectural style and use consistent building materials and colors of the entire development.

- Encourage elements such as entrance pavilions to break-up large format architecture.

- Encourage covered arcades as single-story transitional elements to larger-scaled building masses.

- Articulate large format building facades by accentuating structural piers. Recommended frequency shall be 30 to 40 feet.

- Punctuate building corners with material changes.

- Encourage material changes to create a distinctive base, middle and top.

- Encourage raised planters and landscaping to screen building façade.

- Encourage window openings and awnings to articulate blank façades.

- Design large format retail facades based upon the following guidelines:

    - Minimum storefront height: 16 feet

    - Minimum percentage of storefront window area: 25 percent

    - If flat roofs are utilized, terminate the top with a substantial cornice element.

- Design large format accessory structures (i.e. gas station canopy) to reflect the architectural style of the large format retail building.

Screen Walls and Trash Enclosures

- Create decorative loading area screen walls that complement the building architecture.
- Soften screen walls with landscaping.
- Design trash enclosure screen walls to complement adjacent building architecture in terms of materials, texture and color.
- Locate trash facilities near building service entrances and easily accessible by service vehicles.

Road Edge

The road edge is the land between the road edge and the right-of-way line. Street trees, lawn panels, pedestrian lights, utilities, road signs, walkways, transit shelters, paved surfaces and street furniture are located in this zone, and various arrangements of these components are possible.

Pedestrian Routes

The walkway is a critical component in the design of public right-of-way. It defines the main pedestrian thoroughfare that is vital for accessing the adjacent buildings and lands and for traveling along the corridor. Recommendations include:

- Provide barrier free sidewalks along both sides of all roads.
- Provide an effective sidewalk width of at least 10 feet to allow for the simultaneous passage of a pedestrian and bicycle.
- Separate the sidewalk from vehicle lanes by street trees, lawn panels, pedestrian lights, signs, transit shelters, etc., to enhance the sense of security for pedestrians and to improve splash protection.
- Apply international standards for surface treatments as cues for visually impaired pedestrians.

Road Edge Landscape

The combination of landscape elements can have the greatest effect on the environment for pedestrians and other road corridor users. These landscape elements include street trees, shrubs, grasses, grass, and paved surfaces. Recommendations include:

- When selecting trees, shrubs and other vegetation, consider their tolerance to road salt, subsoil limitations, heat, drought, strong winds and shade.

- Select species that are native to our region over non-native species of equal suitability.

- Select street trees, shrubs and other landscape materials that integrate with the character of the landscape and buildings.

- Select deciduous trees when planning along walkways, as they provide shade in the summer and allow sunlight to penetrate in the winter.

- Consider the height and spread of trees and shrubs and their roots, at maturity, in relation to aboveground and belowground infrastructure.

- Select a diversity of trees and shrubs that are easy to transplant, quick to establish and easy to maintain. Select species that are resistant to diseases and insects, have a long life cycle, produce few seeds, flowers and fruits and have a root system which is non-invasive.

- Plant shrubs, tall grasses or wildflowers where street trees are not possible due to right-of-way, space, height or operational limitations.

- Plant deciduous street trees between the road edge and walkway to enclose and shade the pedestrian space. Plant trees 4 feet from the road edge at a minimum. Plant street trees approximately 25 to 30 feet apart to provide a continuous canopy along the corridor.

- Enhance the success of road edge landscaping through proper installation, soil preparation and long-term care.

Transit Stops and Shelters

Transit stops have the potential to be centers of activity along the corridor. Space needs to be dedicated for transit stops, shelters and related furniture, and improvements need to meet the standards established by the Central Ohio Transit Authority. Recommendations include:

- Construct concrete pads at all transit stops where space is available. Erect shelters on the pads when budget and ridership permits.

- Locate shelters in between the walkway and road edge to maximize passenger convenience.

- Ensure a clear hard surface area of 5 to 7 feet wide in front of a shelter to permit safe exit by passengers, including wheelchair users.

- Design transit stop loading areas 5 to 7 feet wide and long enough to serve both the front and rear doors of the transit vehicles using the route.

- Locate transit stops as close to intersections as possible, and coordinate their location with neighborhood sidewalks and corridor walkways.

- Add benches and other roadside furniture such as refuse containers, bike racks, and newspaper boxes at bus stops, as appropriate.

- Work with COTA on selecting the type of shelters that will be used along the corridor. The shelters should have transparent sides at eye level for maximum visibility to and from the interior, so that transit users can see approaching buses and for personal safety reasons.

Furniture, Amenities and Public Art

- Street furniture such as benches, bicycle racks, newspaper boxes, waste receptacles, and planter boxes can make the corridor more comfortable and convenient, and can add variety to the streetscape.

- Enhance the urban design quality of the corridor by adding quality street furniture, sign posts, light and signal poles, etc.

- In the corridor, cluster the roadside furniture and amenities in-line between the walkway and the right-of-way line to separate pedestrians from vehicles traveling on the roadway.

- Encourage the location of public art (including sculptures, wall murals, decorative screen walls) within or adjacent to the right-of-way to enhance the streetscape. [Note: Art proposed for placement in the public Right-of-Way or on city property must be approved by the Columbus Art Commission.]

Pedestrian Crosswalks

- Crosswalks are generally painted at signalized intersections in most areas of the City. In the corridor, crosswalk materials and patterns can be an important unifying feature.

- Crosswalk pavement should contrast with the adjacent street pavement through color and texture. Drivers need to know where to stop or look for pedestrians and pedestrians need to know where they can rely on crossing the street safely.

- Even if the crosswalk is distinguished in term of color and texture, it is still necessary to install “stop bars” using paint or vinyl-street marking material as determined by Ohio Department of Transportation.

- Paint lines on road are the most inexpensive solution and are the most visible marking.

- Unit pavers and brick pavers should be used with caution. They are expensive, the contrast between pavers and road surface may not be sufficient and painted stop bars are a necessary minimum. Stamped concrete is not an appropriate alternative.

[Note: Standards of the City’s Transportation Division may supercede these guidelines.]

Lighting

- Roadway lighting is used to light both the roadway and the walkway. This ensures safe nighttime driving, cycling and pedestrian crossing and creates a safe and secure environment for pedestrians.

- Pedestrian lighting consists of fixtures less than 14 feet high. Pedestrian-scaled light post and luminaries play a vital role in developing a unique character of the corridor. Pedestrian lights placed on the road edge illuminate the sidewalk and provide a feeling of security at night. Pedestrian lights can be designed to accommodate banners, signs, flower baskets electrical outlets and festival lighting.

- Space pedestrian lights 60-115 feet apart to provide a pleasing effect and to ensure room for street trees. Closer spacing can also cause uncomfortable glare.

- Street lights play an important role in the quality and safety of roadways, especially at night. Street lights consist of fixtures that are 20-25 feet high, depending on style, location, number of luminaries and wattage. Spacing would range from 100 to 150 feet apart.

- Encourage merchants to light up their windows in the evening to contribute to corridor illumination and make the road more secure and animated.

[Note: Standards of the City's Electricity Division may supercede these guidelines.]

Appendix B—Demonstration Sites Financial Analysis

Table 8.1: Vacant Land for Sale Near Study Site

Address	Zone	Asking Sale Price	Acres	Price per Acre
4250 Groves Road	Industrial	$455,400	7.59	$60,000
Hilton Lane & Cloverleaf	Commercial	$3,898,650	16.59	$235,000
Meridian Road & New Village Rd	AR-1 Multifamily	$200,000	3.8	$52,632
Winchester Gardens & Alum Creek Drive	Commercial	$852,390	9.4	$90,680
Groves Road near I 270	Industrial	$760,380	16.53	$46,000
Brice & Refugee Road	Commercial	$289,000	0.83	$348,193
Gender & Refugee Road	Commercial	$275,000	0.69	$398,551
3131 Refugee Rd	Commercial	$995,000	26.3	$37,833
3300 Petzinger	Industrial	$150,000	3	$50,000
Average	$146,543			
Geomean	$97,721			
Median	$60,000			

Source: BBPC, Loopnet[42]

[42] Note the differences in price per acre between land zoned commercial and industrial. Without strict zoning limits, it is possible for a developer to buy an industrial zoned parcel at a less expensive price and apply for a zoning change. If the change is granted, the developer is able to save dramatically on acquisition costs; thus, placing the development of greyfield properties at a further disadvantage.

Table 8.2: Acquisition Parcels

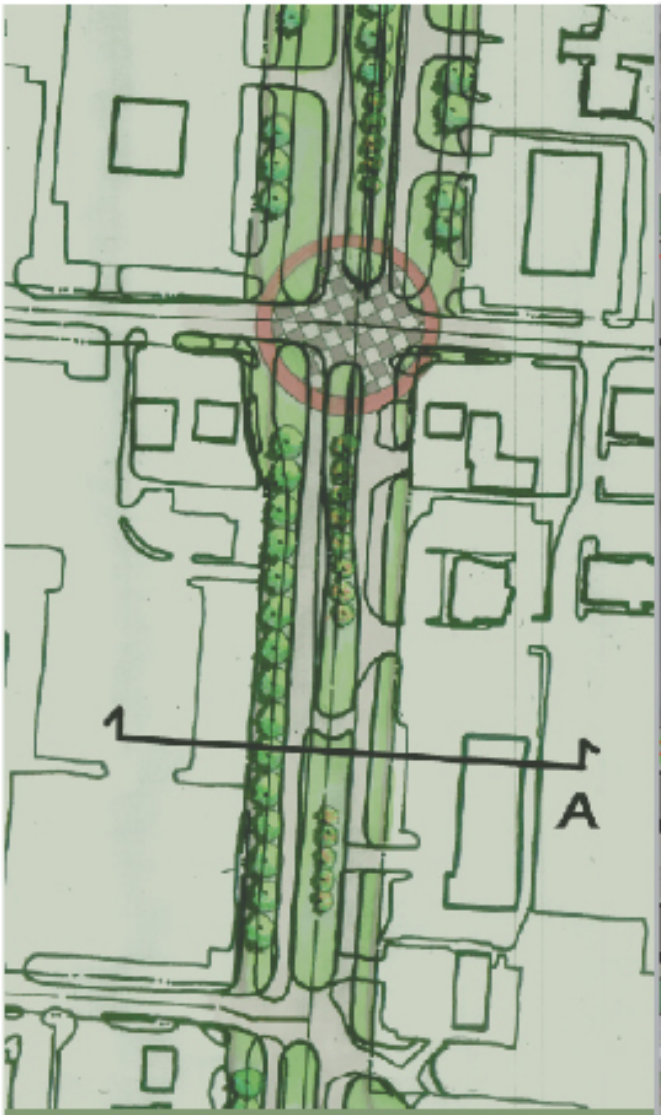
	Appraised			Market @ 35%				Value per Acre				% of Market Value
Address	Land	nprovements	Total	Land	Improvements	Total	Acreage	Appraised	Market	Annual Tax		
Regional Retail												
2885 S HAMILTON RD	104,550	178,960	283,510	298,714	511,314	810,029	1.02	277,951	794,146	16,297		2.0119%
3131 HAMILTON RD	136,540	204,720	341,260	390,114	584,914	975,029	5.01	68,116	194,616	19,616		2.0119%
4200 S HAMILTON RD	454,690	700,320	1,155,010	1,299,114	2,000,914	3,300,029	14.91	77,465	221,330	66,392		2.0119%
4200 S HAMILTON RD	23,700	0	23,700	67,714	0	67,714	7.77	3,050	8,715	1,362		2.0119%
Subtotal	719,480	1,084,000	1,803,480	2,055,657	3,097,143	5,152,800				103,667		
International Marketplace												
E KIMBERLY PW	34,300	0	34,300	98,000	0	98,000	1.25	27,440	78,400	2,280		2.3261%
4300 KIMBERLY PRKY	190,610	1,559,390	1,750,000	544,600	4,455,400	5,000,000	3.00	583,333	1,666,667	116,303		2.3261%
HAMILTON RD	21,000	0	21,000	60,000	0	60,000	0.42	50,000	142,857	1,396		2.3261%
4323 EASTPOINT DR	18,830	170,170	189,000	53,800	486,200	540,000	0.38	497,368	1,421,053	12,561		2.3261%
EASTPOINT DR	21,000	0	21,000	60,000	0	60,000	1.61	13,043	37,267	2,945		4.9080%
HAMILTON RD	38,850	0	38,850	111,000	0	111,000	1.03	37,718	107,767	2,582		2.3261%
Subtotal	324,590	1,729,560	2,054,150	927,400	4,941,600	5,869,000				138,066		
Mixed Use												
2600 S HAMILTON RD	151,550	156,450	308,000	433,000	447,000	880,000	1.37	224,818	642,336	20,469		2.3261%
2550 S HAMILTON RD	69,480	78,400	147,880	198,514	224,000	422,514	0.68	217,471	621,345	9,828		2.3261%
2560 592S HAMILTON RD	411,740	848,260	1,260,000	1,176,400	2,423,600	3,600,000	8.31	151,625	433,213	83,739		2.3261%
2596 S HAMILTON RD	79,350	235,660	315,010	226,714	673,314	900,029	1.60	196,881	562,518	20,935		2.3261%
2400 SHORE BL	396,660	2,333,350	2,730,010	1,133,314	6,666,714	7,800,029	31.48	86,722	247,777	181,434		2.3261%
Subtotal	1,108,780	3,652,120	4,760,900	3,167,943	10,434,629	13,602,571				316,405		2.3261%
Average								167,533	478,667			

Source: BBPC

Table 8.3: Construction Estimates and Pro-Formas

	International Market Place				Regional Retail				Mixed Use				Eastland Mall			
		SF Office				SF Office			204,000	SF Office			87,000	SF Office		
	73,000	SF Retail			130,000	SF Retail			112,000	SF Retail				SF Retail		
	334,976	Land SF			1,176,120	Land SF			1,892,246	Land SF			1,331,792	Land SF		
	0.22	FAR			0.11	FAR			0.17	FAR			0.07	FAR		
	Assessed	Market			Assessed	Market			Assessed	Market			Assessed	Market		
Land	$324,590	$927,400			$719,480	$2,055,657			$1,108,780	$3,167,943			$1,568,129	$4,480,367		
Building	$1,729,560	$4,941,600			$1,084,000	$3,097,143			$3,652,120	$10,434,629			$0	$0		
Total	$2,054,150	$5,869,000			$1,803,480	$5,152,800			$4,760,900	$13,602,571			$1,568,129	$4,480,367		
		Total Amount	PSF			Total Amount	PSF			Total Amount	PSF			Total Amount	PSF	
Acquisition																
Land	100%	$927,400	$12.70		100%	$2,055,657	$15.81		100%	$3,167,943	$10.03		100%	$4,480,367	$51.50	
Building	5%	$247,080	$3.38		10%	$309,714	$2.38		100%	$10,434,629	$33.02		100%	$0	$0.00	
State Transfer Tax	0.10%	$1,174	$0.02			$2,365	$0.02			$13,603	$0.04			$4,480	$0.05	
Local Transfer Tax	0.20%	$2,349	$0.03			$4,731	$0.04			$27,205	$0.09			$8,961	$0.10	
Title Report		$5,000	$0.07			$5,000	$0.04			$5,000	$0.02			$5,000	$0.06	
Title Insurance		$25,000	$0.34			$25,000	$0.19			$25,000	$0.08			$25,000	$0.29	
Acquisition - Subtotal		$1,208,003	$16.55			$2,402,468	$18.48			$13,673,379	$43.27			$4,523,808	$52.00	
Hard Costs																
Site Work	$ 2	$146,000			$ 2	$260,000			$ 2	$224,000			$ 2	$0		
Demolition	$ 4	$388,960	$5.33		$ 4	$120,000	$0.10		$ 4	$160,000	$0.51		$ 4	$160,000	$1.84	
City Contribution		($534,960)				$0										
Building - Common Areas	$ -	$100,000	$0.00		$ -	$0	$0.00		$ -	$0	$0.00		$ -	$0	$0.00	
Building - Retail	$ 62.00	$4,526,000	$62.00		$ 75.00	$9,750,000	$75.00		$ 75.00	$8,400,000	$26.58		$ 75.00	$0	$0.00	
Building - Office	$ -	$0	$0.00		$ -	$0	$0.00		$ 100.00	$11,200,000	$35.44		$ 100.00	$0	$0.00	
Furniture/Fixtures		$0	$0.00			$0	$0.00			$0	$0.00			$0	$0.00	
Contingency	5.00%	$231,300	$3.17			$0	$0.00			$0	$0.00			$0	$0.00	
Hard Costs - Subtotal		$4,857,300	$70.50			$10,130,000	$75.10			$19,984,000	$62.53			$160,000	$1.84	
Soft Costs - Professional Fees																
Architecture - Design	4.00%	$181,040	$2.48		4.00%	$390,000	$3.00		4.00%	$784,000	$2.48		4.00%	$0	$0.00	
Civil Engineering	2.00%	$90,520	$1.24		2.00%	$195,000	$1.50		2.00%	$392,000	$1.24		2.00%	$0	$0.00	
Appraisal		$5,000	$0.07			$5,000	$0.04			$5,000	$0.02			$5,000	$0.06	
Phase I Environmental		$5,000	$0.07			$5,000	$0.04			$5,000	$0.02			$5,000	$0.06	
Accounting	10%	$7,300	$0.10			$13,000	$0.10			$31,600	$0.10			$0	$0.00	
Legal	12%	$8,760	$0.12			$15,600	$0.12			$37,920	$0.12			$0	$0.00	
Sales & Marketing	15%	$10,950	$0.15			$19,500	$0.15			$47,400	$0.15			$0	$0.00	
Development Overhead @	2.00%	$97,146	$1.33		2.00%	$202,600	$1.56		2.00%	$399,680	$1.26		2.00%	$3,200	$0.04	
Contingency	7.00%	$28,400	$0.39		7.00%	$59,199	$0.46		7.00%	$119,182	$0.38		7.00%	$924	$0.01	
Professional Fees - Subtotal		$434,116	$5.95			$904,899	$6.96			$1,821,782	$5.77			$14,124	$0.16	
Soft Costs - Financial Transaction Costs																
Application Fee		$5,000	$0.07			$5,000	$0.04			$5,000	$0.02			$5,000	$0.06	
Construction Loan - Points	2.00	$132,446	$1.81		2.00	$268,021	$2.06		2.00	$706,612	$2.24		2.00	$97,183	$1.12	
Permanent Loan - Points	2.00	$132,446	$1.81		2.00	$268,021	$2.06		2.00	$706,612	$2.24		2.00	$97,183	$1.12	
Contingency	5.00%	$21,706	$0.30		5.00%	$45,245	$0.35		5.00%	$91,089	$0.29		5.00%	$706	$0.01	
Transaction Costs - Subtotal		$291,598	$3.99			$586,287	$4.51			$1,509,313	$4.78			$200,072	$2.30	
Soft Costs - Carrying Costs																
	Months				Months				Months				Months			
Interest During Construction	18	$645,675	$8.84		18	$1,306,602	$10.05		18	$3,444,734	$10.90		18	$473,766	$5.45	
Interest During Lease-up	4	$143,483	$1.97		4	$290,356	$2.23		4	$765,497	$2.42		4	$105,281	$1.21	
Liability Insurance		$7,000	$0.10			$7,000	$0.05			$7,000	$0.02			$7,000	$0.08	
Permits/Bonds	0.40%	$19,429	$0.27		0.40%	$40,520	$0.31		0.40%	$79,936	$0.25		0.40%	$640	$0.01	
Builder's Risk Insurance		$35,000	$0.48			$65,000	$0.50			$150,000	$0.47			$150,000	$1.72	
Utilities During Construction		$35,000	$0.48			$65,000	$0.50			$150,000	$0.47			$150,000	$1.72	
Taxes During Construction		$207,099	$2.84			$155,500	$1.20			$474,608	$1.50			$0	$0.00	
Carrying Costs - Subtotal		$1,092,687	$14.97			$1,929,979	$14.85			$5,071,775	$16.05			$886,688	$10.19	
Development Fee @	5.00%	$394,185	$5.40		5.00%	$797,682	$6.14		5.00%	$2,103,012	$6.66		5.00%	$289,235	$3.32	
Total Project Cost		**$8,277,890**	$117.35			**$16,751,314**	$126.04			**$44,163,262**	$139.05			**$6,073,926**	$69.82	
Financing																
Construction/Permenant:																
Principle	80%	$6,622,312			80%	$13,401,051			80%	$35,330,610			80%	$4,859,141		
Equity	20%	$1,655,578			20%	$3,350,263			20%	$8,832,652			20%	$1,214,785		
Rate	6.50%				6.50%				6.50%				6.50%			
Amortization	20				20				20				20			
Annual Debt Service		$601,017				$1,216,231				$3,206,479				$440,998		
Income																
Int' Marketplace	$ 15	$1,095,000														
Office									$ 18	$3,672,000			$ 18	$1,566,000		
Retail					$ 16	$2,080,000			$ 16	$1,792,000			$ -	$0		
Vacancy	10%	$109,500			5%	$104,000			10%	$179,200			10%	$0		
Net Rental Income		$985,500				$1,976,000				$5,284,800				$1,566,000		
Expenses																
G&A		$98,550				$197,600				$528,480				$156,600		
Maintenance		$98,550				$197,600				$528,480				$156,600		
CAM		$49,275				$98,800				$264,240				$78,300		
Total		$246,375				$494,000				$1,321,200				$391,500		
NOI		$739,125				$1,482,000				$3,963,600				$1,174,500		
DSCR		1.23				1.22				1.24				2.66		
Total City Contribution		$5,229,480				$2,787,429				$0				$0		
Cap Rate/Market Value	10%	$7,391,250				$14,820,000				$39,636,000				$11,745,000		
New Tax Estimate		$171,926				$344,723				$921,961				$273,197		

Source: BBPC, RSMeans, 2007



Hamilton Road Corridor / Eastland Area Revitalization Plan