

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

<i>Recommended Strategy</i>	<i>Leaders</i>	<i>Years</i>
Regulatory and Planning Actions		
Approve and adopt Hamilton Road Corridor/Eastland Area Revitalization Plan <ul style="list-style-type: none"> • Submit to Development Commission and City Council for review • Adoption of Plan 	City	1-3
Adopt Zoning Changes <ul style="list-style-type: none"> • Technical review of zoning districts and regulations in the Hamilton Road Corridor project area • Adopt Regional Commercial Overlay 	City	1-3
Capital Improvement Program <ul style="list-style-type: none"> • Evaluate, prioritize and structure financing of public improvement projects 	City	1-3
Marketing and Business Operations		
Market to Broader Regional Audience <ul style="list-style-type: none"> • Promotional Events (e.g. Holiday Festivals) • Business Directory • Involve Southeast Chamber of Commerce 	Business Association, Chamber of Commerce	1-3
Target Specific Market Segments <ul style="list-style-type: none"> • 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 <ul style="list-style-type: none"> • Identify Business Needs • Create Business Toolkit • Provide Small Business Improvement Loans 	Business Association, Business Owners	1-3
Focus Store Recruitment and Retention <ul style="list-style-type: none"> • 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 <ul style="list-style-type: none"> • Special Assessment • Enhanced Maintenance and Beautification • Security • Coordinated Marketing • Business Recruitment • Requires Approval of Majority of Property Owners 	Business Association	3-5

<p>Establish Community Reinvestment Area</p> <ul style="list-style-type: none"> • 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 	<p>City, Business Association</p>	<p>3-5</p>
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Infrastructure Investments		
<p>Roadway Improvements</p> <ul style="list-style-type: none"> • Complete Traffic Engineering Study • Seek Funding • Prepare Construction Documents of Preferred Option and Construct Roadway, Service Road, Access Management Improvements 	City, ODOT, MORPC	1+
<p>Streetscape Improvements</p> <ul style="list-style-type: none"> • 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+
<p>Hamilton Road/I-70 Interchange Improvements</p> <ul style="list-style-type: none"> • Coordinate improvements to ensure improved access to the corridor and Hilton Corporate Drive 	City, ODOT	3+
<p>I-70 and I-270 Embankment Improvements</p> <ul style="list-style-type: none"> • 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+
<p>Community Center and Neighborhood Park</p> <ul style="list-style-type: none"> • Work with City's Parks and Recreation Division to Determine Need and Program • Seek Funding • Prepare Construction Plans • Construct Center and Park Improvements 	City, ODNR	3+
Financing and Funding		
<p>Tax Increment Financing</p> <ul style="list-style-type: none"> • Use of Incremental Property Tax Revenue to Pay for Public Improvements • For Qualified, Site-Specific Projects 	City	5+
<p>Tax Abatement</p> <ul style="list-style-type: none"> • Limited term for qualified projects • Real Property Tax, Business License Tax 	City	3+
<p>Other Public-Private Partnerships</p> <ul style="list-style-type: none"> • Land Acquisition and Assembly • Catalytic Infrastructure Investments 	City	3+

<p>Establish Special Improvement District</p> <ul style="list-style-type: none"> • Special Assessment • Enhanced Maintenance and Beautification • Security • Coordinated Marketing • Business Recruitment • Requires Approval of Majority of Property Owners 	<p>Business Association</p>	<p>3-5</p>
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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 is 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 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 can be a mouthpiece 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

<i>Customer Segments</i>	<i>Selected Shopping Interests</i>
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. Customers 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 neighborhoods²⁹

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. IEDC<http://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

<i>Category</i>	<i>Retail Sales to the PMA</i>	<i>Retail Expenditure from PMA</i>	<i>Capture Rate</i>
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

<i>Category</i>	<i>Retail Sales to the PMA</i>	<i>Retail Expenditure from PMA</i>	<i>Capture Rate</i>
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.

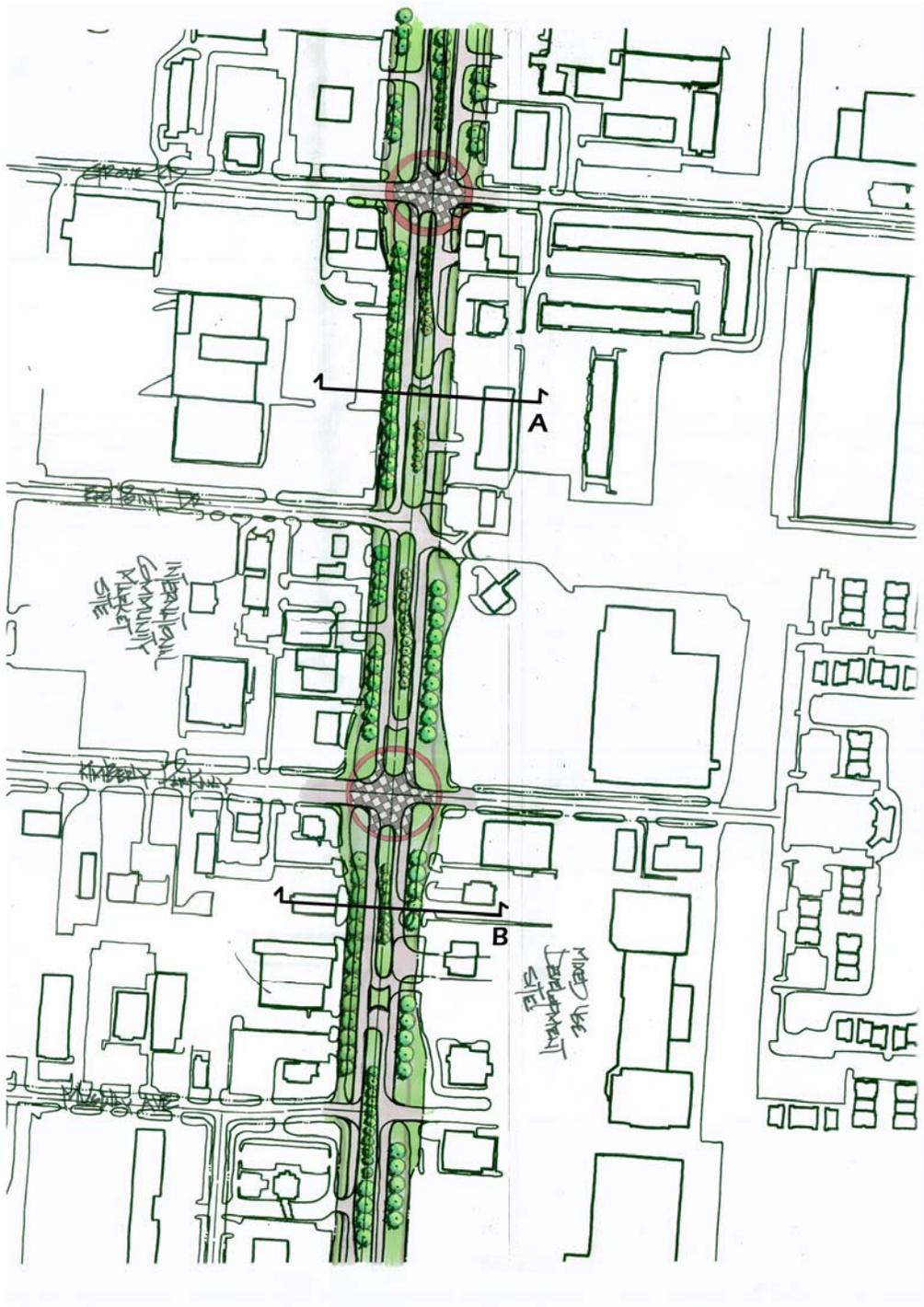
Median Corridor Option

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.

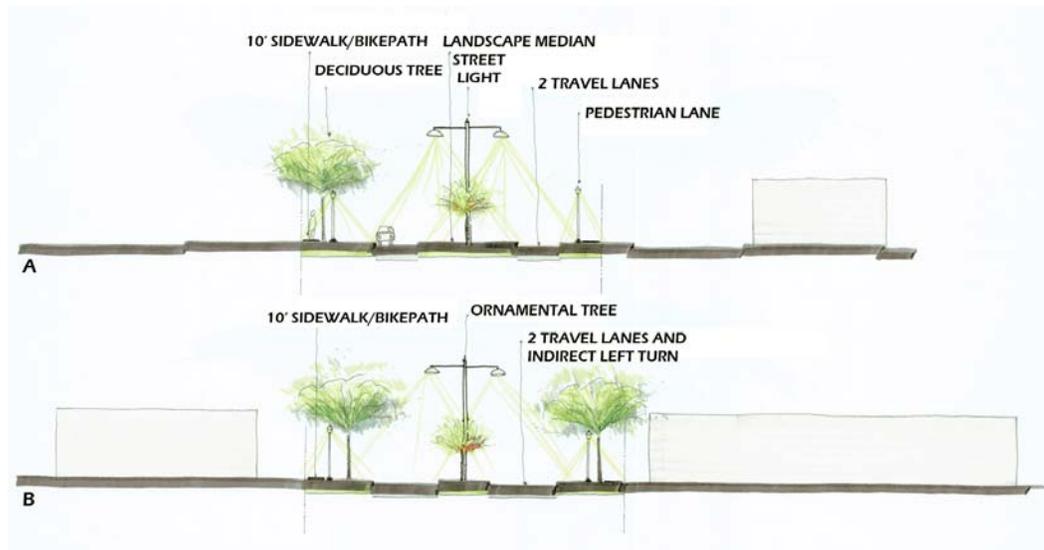
At major intersections along the corridor there will be gateway improvements to signify that you are now within the district; decorative roadway paving, crosswalks with stone surface treatment, ornamental plantings and sculptured gateway signs. An Order of Magnitude cost estimate for this roadway and 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



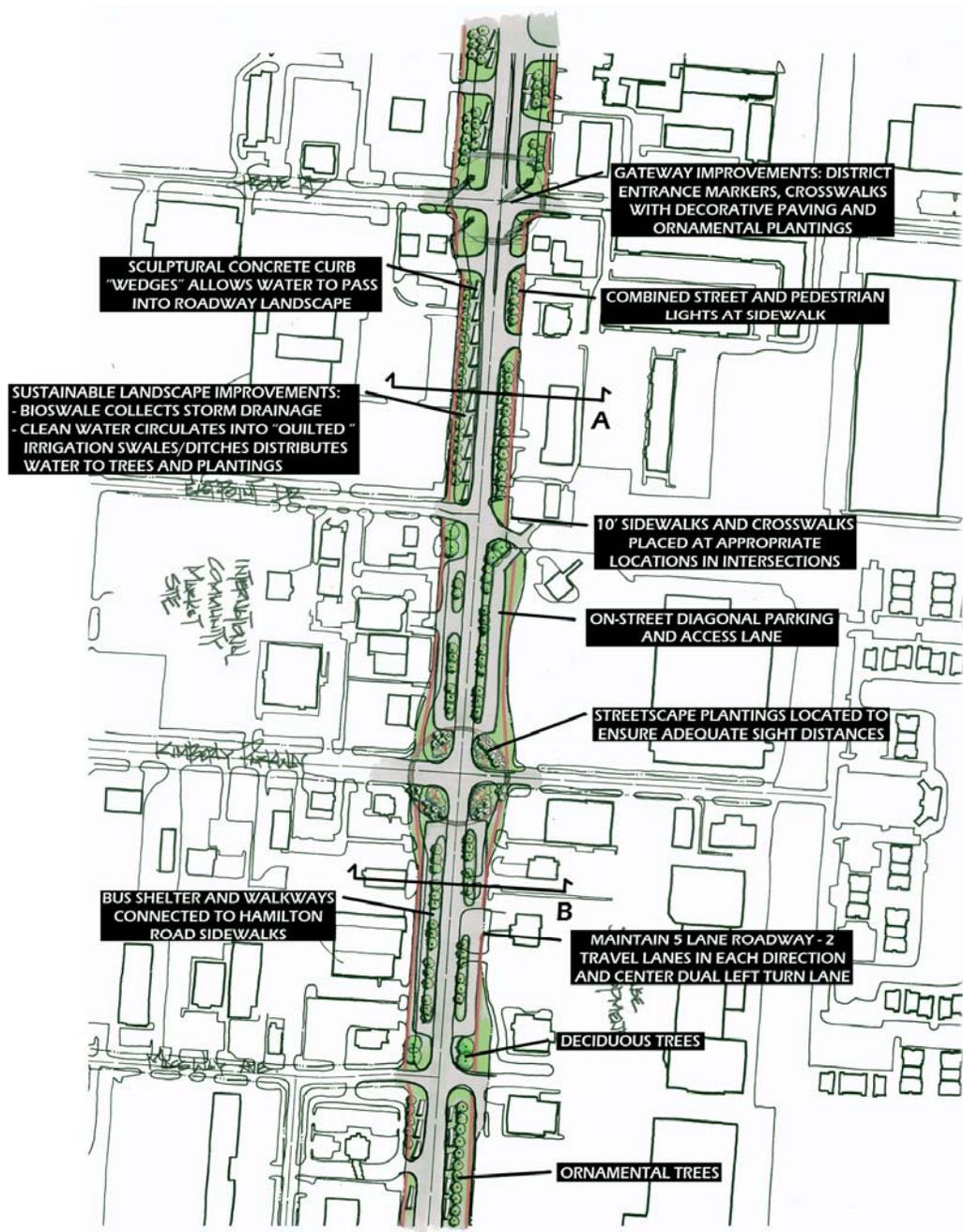
Source: BBPC, Jacobs Carter Burgess

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

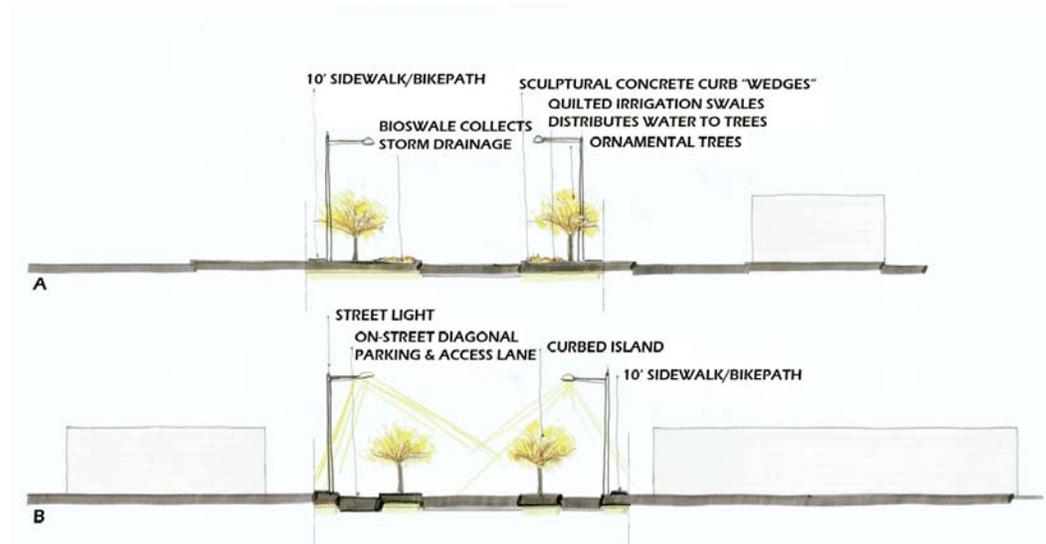


Source: BBPC, Jacobs Carter Burgess

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 corridor³².

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 \$147,000³³. This compares unfavorably with average price per acre of the sites identified for redevelopment at \$479,000 per acre³⁴.

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 RSMMeans 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 estimated³⁵.

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 appendix³⁶. 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 revenue³⁷.

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 revenue³⁸. 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 revenue³⁹. 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 revenue⁴⁰.

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.