

Morse Road Market Study and Redevelopment Strategy

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City of Columbus
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Executive Summary

Morse Road is an older, five-mile long commercial corridor running from I-71 on the west to I-270 on the east. The increase in competition in the retail and residential markets throughout Columbus coupled with a decrease in investment and maintenance in the corridor has lessened the vitality of Morse Road. In late 1998, the Columbus City Council funded The Morse Road Market Study and Redevelopment Strategy to address these issues.

This report documents the analysis of physical character and market conditions, and provides a series of short and long-term recommendations for physical improvements and strategies for taking advantage of market changes and opportunities. The findings of this report will provide the context for near-term redevelopment and repositioning strategies for the entire corridor and specific opportunity sites.

The final concept for redeveloping Morse Road is based on a three-pronged approach to implementation. Both immediate and long-term actions and strategies must be considered to stabilize the area and maximize development potential and caliber in the Corridor. These three types of improvements are mutually supportive to raise the type of reinvestment, promoting a greater level of value and quality of life in the Morse Road Corridor.

- **Organization/Management/Marketing:** the primary vehicle is the immediate organization of a Business Improvement District.
- **Public Investment:** a series of immediate actions focused on improving the visual quality and character of the corridor and the creation of a beautifully landscaped commercial corridor parkway.
- **Development/Redevelopment:** the thrust of this will be to focus on the identified major opportunity sites that can serve as a catalyst for other potential development projects.

The following table outlines the study recommendations. In some cases the implementation will be dependent on activities by other parties (such as the County or private developers). The public investment recommendations have been prioritized although it is strongly recommended that priorities 2A-E be done concurrently. This will be more cost effective, less disruptive, and will provide the most dramatic improvement.

Summary of Recommendations

RECOMMENDATION	PRIORITY	TIME FRAME	COST
ORGANIZATIONAL/MARKETING/MANAGEMENT			
Create an organizational entity (potentially a Special Improvement District) to: oversee public investments and coordinate development, facilitate development of opportunity sites, coordinate marketing, and initiate public/private partnerships. Private sector leadership is key here.	1	6 months to set up	\$200,000 annual budget generated through assessment
PUBLIC INVESTMENT			
Hire an urban design/landscape consultant to do a survey, study, preliminary design and cost estimate of landscape improvements along the corridor. Final design (cost includes construction management)	1	6 months * 6 to 8 months* *(doesn't incl. time req'd to hire consultant)	\$243,000 to \$380,000 \$640,000 to \$1,134,000
Develop new zoning and design overlay standards for the area to address building setbacks, landscaping, and signage requirements.	1	6 months (should be done concurrent w/design contract above)	\$0 can be done by in-house staff with design consultant from above
Fund potential landscape enhancements where the County is preparing to widen Morse Road (from Cleveland Avenue to the Alum Creek Bridge).	1	Should be done concurrent w/County's construction	To be developed
Fill and berm swales, develop enclosed storm drainage, install curbs, and plant double tree rows, wherever possible, on both sides of Morse Road from Cleveland Avenue to I-71.	2-A	12 months (2-A through 2-E) could be done concurrently in 12 months	\$4,182,000 to \$6,391,000
Build continuous concrete sidewalks on the north and south side of the road from Cleveland Avenue to I-71.	2-B	12 months	\$486,000 to \$607,000
Install Easton style lighting from I-71 to Cleveland Ave. (Easton style lighting also should be installed as part of the Morse Rd. reconstruction from Cleveland Ave. to Alum Creek.)	2-C	12 months	\$980,000 to \$1,925,000
Build new shelters at approximately 12 key bus stops.	2-D	12 months	\$108,000 to \$132,000
Bury utilities along the corridor. Although burying utilities is costly, it has a great effect on the overall visual environment and burying utilities at the same time as other roadway improvements is more cost efficient.	2-E	12 months	\$5,000,000 to \$10,000,000
Implement other public right-of-way landscaping improvements at key locations.	3		Varies by location
Fund landscape demonstration projects with developers who are ready to move ahead with major improvements to their properties.	3	(should be pursued whenever opportunity occurs)	Varies by location
DEVELOPMENT/REDEVELOPMENT			
Market five primary opportunity sites for development or redevelopment by the private sector or by a partnership of the public and private sectors.	1		Cost included in Organizational/Marketing/Management (above)

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I. Introduction

Morse Road is an older, five-mile long commercial corridor running from I-71 on the west to I-270 on the east. It is anchored by the large regional Northland Mall developed approximately 30 years ago. The Northland area grew quickly as a retail and residential center of Columbus between 1960 and 1980. Today, Northland has a large portion of the city's commercial real estate and mid-priced housing stock. Over the years, there have been a number of changes that have affected Morse Road. New and larger retail malls have been developed or are in the planning stages (for example Polaris and the Easton Mall expansion). The nature of retail also has changed, with the introduction of big box superstores and theme malls. The increase in competition in the retail and residential markets throughout Columbus coupled with a decrease in investment and maintenance in the corridor has deteriorated the vitality of Morse Road.

The perception of increased crime in the area, an increasing number of vacancies (particularly in strip malls), and the emergence of undesirable land uses such as adult book stores and pawn shops has led to increasing concern within the community. The resident and business community, along with the city, has recognized the importance of the Morse Road area and has initiated actions, such as this study, to stabilize and revitalize the area.

In late 1998, the Columbus City Council funded The Morse Road Market Study and Redevelopment Strategy to address these issues. Over the six-month course of the study, the consultants:

- Conducted detailed field surveys and analyzed the physical character of the area.
- Held one-on-one meetings with public officials, business owners and residents in the Northland area and three public presentations for the Northland community.
- Reviewed and analyzed economic and demographic data and evaluated current market conditions.
- Defined the trade areas and analyzed the retail supply and demand accordingly.
- Examined market opportunities and constraints.
- Evaluated the market potential of physical opportunity sites within the corridor.
- Recommended physical improvements, design strategies, and a capital improvement plan.
- Recommended implementation strategies for immediate and long-term actions.

This report documents the analysis of physical character and market conditions, and provides a series of short and long-term recommendations for physical improvements and strategies for taking advantage of market changes and opportunities. The findings of this report will provide the context for near-term redevelopment and repositioning strategies for the entire corridor and specific opportunity sites. It is the goal of the Redevelopment Strategy to provide specific recommendations for Morse Road that can be generalized and applied to other auto-oriented retail corridors within the city of Columbus.

II. Analysis of Physical Character

The visual character of the area is an important factor in the economic health of a commercial district. An attractive district can help to increase the perception of economic well-being, subsequently encouraging investment and bringing in shoppers from outlying areas. As part of this study, much time was spent in the field assessing the existing physical environment and the potential for improvements.

The character of the street is defined by the wide expanse of roadway, large and inconsistent building setbacks, and signs of varying size, design quality and color. The overall impression is one of asphalt, signs, and a commercial strip of diverse character. Morse Road is not a city street, but rather a major urban arterial roadway.

The visual analysis is summarized below. The following pages contain more detailed analyses based on illustrative diagrams and photographs (see Figures 1 through 9). Some recommendations are shown on the same page as the analysis of existing conditions, with more comprehensive recommendations illustrated in Chapter IV: Recommendations.

Land Use: Although the land use is predominantly commercial, there is no significant clustering of specific commercial uses, but rather an eclectic mix with some residential, institutional, and recreational uses scattered throughout (see Figure 1).

Urban Design and Streetscape: The view from the road is dominated by billboards and sign clutter, parking lots and utility poles (see Figure 2). Development and circulation patterns vary from dense patterns of housing to large commercial development (see Figure 3). The cross section of the roadway and building frontage changes frequently along the length of Morse Road, as does the building setback and orientation. In general, however, the cross section is significantly wider than on an urban street such as High Street downtown (see Figure 4).

Parcel Typology: Parcel size and configuration greatly affects both development opportunities for a site and the ability to incorporate landscape and streetscape improvements. On Morse Road, the size and shape vary widely, ranging from linear sites with long frontage to deep sites with narrow frontage (see Figure 5).

Sidewalks: The lack of sidewalks in most of the project area causes pedestrians to use the breakdown lane (see Figure 6).

Lighting: Street lighting ranges from cobra style highway lighting at the west end to no lighting in the middle section to Easton style fixtures at the east end (see Figure 6).

Utility Lines and Bus Stops: A total of 26,000 feet of utility lines supported by over 250 poles add to the visual clutter along Morse Road. The 33 bus stops are marked only by a sign and offer no shelter or light (see Figure 7).

Signage: The large scale and wide variety of signs add to the visual clutter along the corridor (see Figure 8).

Landscape: A large drainage swale runs along the front of many of the parcels. Five basic conditions exist within and along the public right-of-way (Figures 9a and 9b illustrate the location of these conditions):

- swale with no service road
- swale with service road
- swale with deep frontage
- swale with narrow frontage
- no swale with narrow frontage or no edge

Many of these characteristics will remain unchanged over time – buildings will continue to be set back and of varying configurations and parking lots will remain in front of buildings. However, consideration was given to improving Morse Road’s appearance through landscaping and other infrastructure improvements. A landscape median helps to reduce the visual width of the right-of-way by dividing it into two separate roads. On Morse Road, however, the numerous left turn and storage lanes make development of a median impractical. The most effective way to develop a commercial parkway is to develop both sides of the road with a tree row, sidewalk and landscaping. There are significant opportunities for modifying the landscaping on very wide existing public rights-of-way on both sides of the corridor and in very wide “front yards” on existing developments. As shown on Figures 9a and 9b, there is a remarkable opportunity to create potential landscape and streetscape improvements on approximately 60 lineal acres of unused land contained within or immediately adjacent to the right-of-way. These opportunities are illustrated in Chapter IV.

III. Market Analysis

Trade Areas

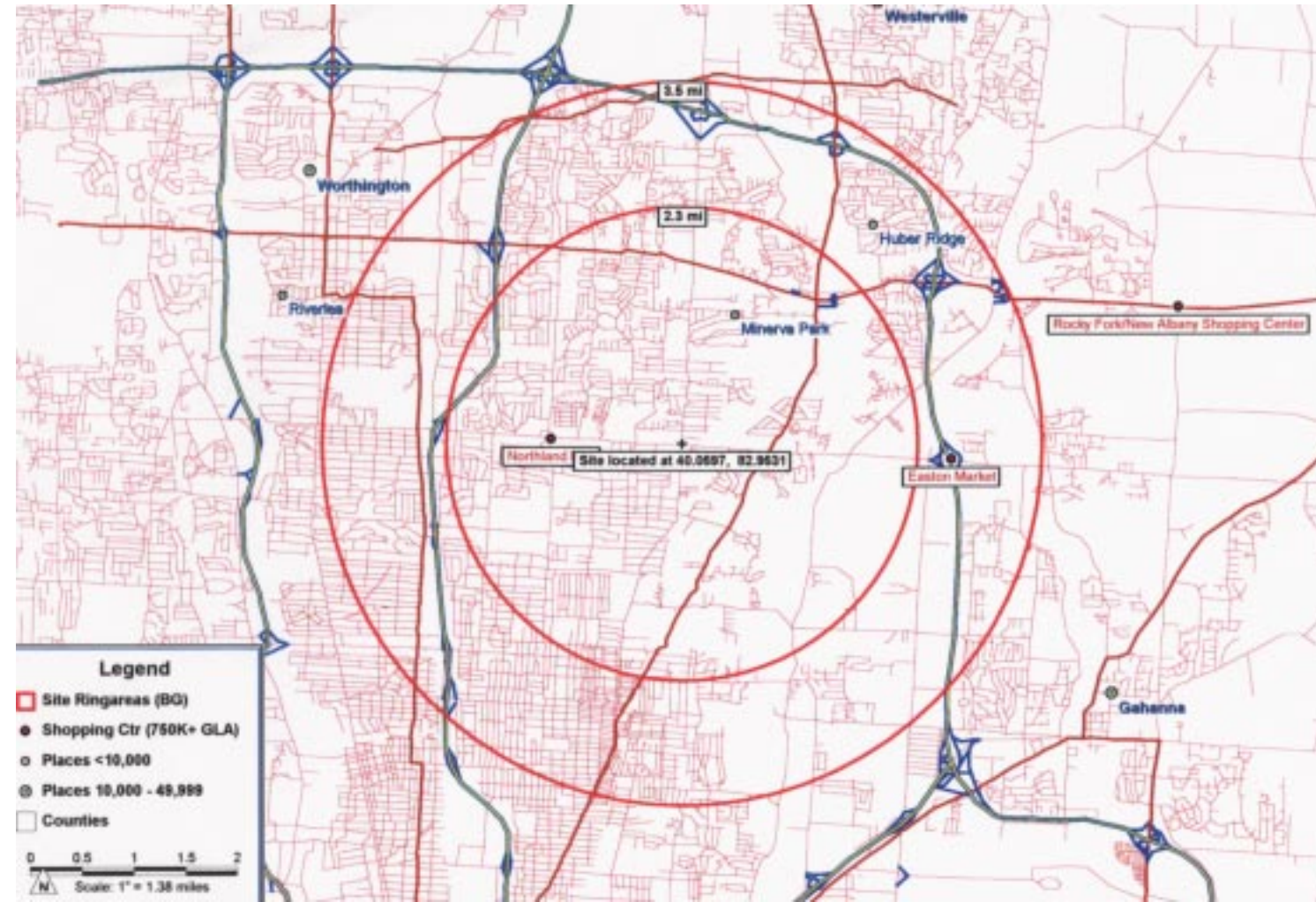
In order to identify the trade areas that have the greatest impact on Morse Road businesses, several factors were considered. Natural and psychological barriers, consumer behavior and shopping patterns (through merchant interviews), and drive times were studied. Given the location of competitive shopping centers and the ease of travelling by car in Columbus, relatively small primary and secondary trade areas were identified. The center of the trade area was determined to be the intersection of Morse Road and Cleveland Avenue. Typical consumer driving times, boundaries, and competitive retail locations were mapped, and realistic boundaries for the primary trade area were determined. The primary area was then expanded to the next natural boundaries on all sides to determine the secondary trade area. These boundaries were reviewed and confirmed with the City of Columbus Planning Office. Two concentric circles closely corresponding with these boundaries were drawn.

The trade areas are mapped on Figure 10 and are described as follows. Four major road boundaries and a 5-minute driving time define the primary trade area. A circle with radius of 2.3 miles from the Morse Road/Cleveland Avenue intersection extends west to I-71, south to Agler/Oakland Park, east to I-270, and north just past Route 161. A majority of the primary trade area is included in the city of Columbus' jurisdiction, with the residual land under the jurisdiction of the County and relevant townships. With a majority of the retail establishments along Morse Road, it was determined that most of the consumers travel between the two interstate highways (I-71 and I-270) and south of Route 161.

It was also determined that merchants draw consumers from a larger secondary market. Therefore the secondary trade area includes the primary area but extends in all directions for 1.2 miles to make a circle of 3.5-mile radius, or an 8-minute drive across the area. This trade area extends from the Morse Road/Cleveland Avenue intersection west to High Street, south to Hudson/Mock, east to Cherry Bottom, and north past I-270. In this report, references are made to the primary trade area (0-2.3 miles), the secondary trade area (2.3-3.5 miles), and the combined trade area (0-3.5 miles).

Existing Market Conditions

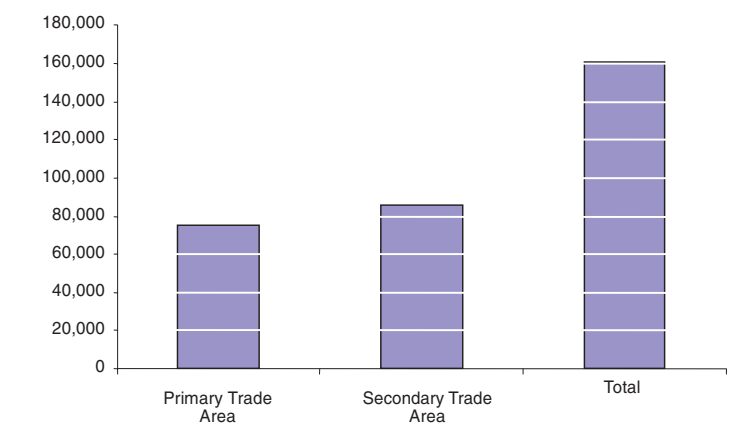
Within the context of the local and regional market, the Morse Road corridor has served as a primary retail destination for local and regional consumers for three decades. With the growth of Columbus suburbs and national retail trend away from older regional malls, an increasing amount of retail competition has entered the Columbus market in the past decade. Easton is planned to include up to four million square feet of retail space. Easton's presence within the trade area and growing importance as a regional retail center will have an increasing impact on the local market. As the aesthetics along the corridor continue to decline and new competition elsewhere increases, the relative attractiveness of the corridor decreases even more. However, the corridor's central location and proximity to this new retail activity and growth make the future of Morse Road even more critical. The area could benefit from its position between two interstate highways as well as the high-growth suburbs to the northeast and northwest. Consumer traffic along the road coupled with the existing residential consumer market helps reinforce the premium value of a Morse Road location. Within an 8-minute drive of Morse Road and Cleveland Avenue, there are 27 shopping centers totaling 4.7 million square feet of retail space. In 1998, the trade area had 1,545 retail and personal service establishments, with over 33,000 employees and \$2.3 billion in sales.



Sales and Expenditures by Trade Area 1998



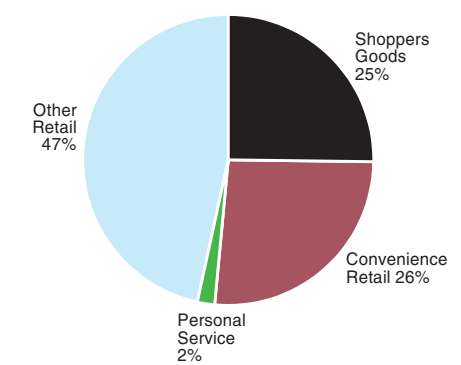
Trade Area Population 1998



The Morse Road Market

An extensive analysis of the Morse Road corridor trade area was conducted during the early stages of the project. Primary and secondary trade areas are shown above by the concentric rings. Retail sales in the area are dominated by shoppers goods and convenience retail.

Retail Sales by Store Category, Primary Trade Area 1998



Primary Trade Area Data

	Shoppers Goods	Convenience Retail	Personal Service	Other Retail	Total
Number of Stores/Businesses	369	221	156	118	864
Sales (000)	\$316,111	\$325,715	\$24,608	\$583,373	\$1,249,807
Resident Expenditures (000)	\$217,861	\$117,599	\$12,533	\$167,835	\$515,828

Stakeholder issues were identified through a series of interviews, public meetings, and previous survey results. Property owners, residents, and merchants voiced concerns about crime, aesthetics, and decline in tenant quality along the corridor. Additional frustration was noted regarding the levels of disinvestment, lack of public services, and capital improvements. The real estate community noted that the demographics and location make Morse Road a desirable location for businesses and residents. The current and future levels of development throughout northeast Columbus will make the Morse Road corridor a prime location for office development and housing.

Demographic analyses indicate that Northland is growing, with a strong, diverse population base. According to CACI Marketing Systems, the primary trade area currently has 75,000 residents, or 7% of the Franklin County population. There are over 32,000 households with an average household income of \$42,186 and a median household income of \$36,618. The population is expected to grow annually by 0.7% over the next five years, a slower rate than the 1% annual growth of Franklin County. The average income has grown by 3.6% per year since 1990 and is expected to reach \$48,153 by 2003, a growth of 2.8% per year. The combined trade area has a population of 160,800 in 67,300 households. The average income is currently \$43,267 and is expected to reach \$49,640 by 2003.

Household groups include Enterprising Young Singles (17.1%), Baby Boomers with Children (12.5%), Prosperous Older Couples (11.1%), and Newly Formed Households (9.0%), based on CACI data. These households form a strong base for retail activity and can help shape the future of retail in the Morse Road corridor.

Retail Market Evaluation

A detailed retail market evaluation was conducted considering the retail concentrations and historic status of Morse Road as a retail destination. The combined trade area saw \$2.3 billion in sales in 1998 with one-third of the primary trade area sales going to auto dealers and auto-related goods. Evident through both site surveys and data analyses, three retail market niches appear along Morse Road: automotive and auto-related retail; furniture and home-related retail; and music-related retail. Approximately 16% of the corridor's retail uses are in the furniture category, equal to 8% of the total commercial space. Tax assessment data indicate that 11.5% of the corridor's land is dedicated to auto sales and auto-related uses.

An inflow-outflow analysis revealed that there is an inflow to the primary and combined trade areas for all store types, reinforcing the historical status of Morse Road as a shopping destination. Merchants rely on consumer inflow for Shoppers Goods items, particularly in the Home Furnishings category. There is also inflow in the Other Retail category, for both Building Materials and Automotive goods. Merchants in the Personal Service and Convenience Retail categories are less reliant on an inflow of consumers entering the market and more dependent on local consumers. Overall, the store categories in the combined trade area experience inflow but are less dependent on consumer inflow than the stores in the primary trade area.

Market Opportunities and Constraints

Retail: As the new retail options in the regional market increase, the Northland/Morse Road area will become less competitive and will capture less of the inflow from outside of the trade area. The retail uses in the Morse Road corridor must reposition themselves in order to remain competitive and to continue to serve the consumer population. Given the current conditions and new retail that is in the pipeline, the Morse Road trade area will become increasingly dependent on the resident population. With a more local orientation, retailers in the corridor can capture more of the local consumer trade, limiting the outflow. This presents an opportunity for a stabilization of high quality tenants in the corridor. The corridor also has an opportunity to expand the specialty retail niches (e.g. auto, music, and furniture) that continue to attract consumers from outside the local market. With the amount of existing commercial square

footage, the corridor will maintain its predominantly commercial orientation in the near future. However, the evolving Columbus regional and local market will dictate a repositioning, with less retail emphasis, forcing alternative and complimentary uses to be considered. Crime, aesthetics, and the lack of linkages, unified development standards, and public investment must be addressed as real barriers to successful redevelopment. Opportunities for retail repositioning exist by targeting the local consumer population's needs and the sports and recreation market.

Office and Residential: The area's access to labor force, vicinity to major interstates, location along COTA bus lines, and proximity to employment growth in Easton and New Albany create significant potential for office development in the corridor. With new employment centers to the northeast of Columbus, there will be a demand for increased housing options in the Northland area. There also is a demand for empty-nester and elderly housing. Given the number of long-time Northland residents and the overall aging of the population, there is a demand for senior housing for residents 55-70 years old who want to move from their current houses to a retirement unit, but do not need assisted care. One-story, high-quality single-family homes or condominiums are a possibility. Comparable projects marketed to empty-nesters have been successful in the suburbs and elsewhere in Northeast Columbus. Morse Road would provide a good location for this product. In addition to this niche, there is an opportunity for a continued-care community with a range of housing and assistance options, along with community facilities and on-site medical services.

Public Facilities: Public facilities such as active recreation elements, parks, and an intergenerational facility should be considered. Although the Morse Road area is highly developed, the viability of redevelopment options stem from improved public facilities, integration of goals established in the Northland Plan Update, and connections between open space and developments. While parks and recreation facilities exist in the area, they have little presence on Morse Road. Opportunities exist to establish greater connections between the corridor's neighborhoods, retail establishments, and the planned Alum Creek trail system, as recommended in the Northland Plan Update. The planned connections between the Alum Creek path and a "downtown connector" trail reinforce the importance of trail networks, creating an opportunity for connections to be made to the west of Alum Creek, through the Morse Road corridor either on surface roads or separate paths. There may also be an opportunity to connect to the Olentangy River trail at the terminus of Morse Road, reinforcing the connections beyond I-71. An integrated pedestrian and bike system would serve the neighborhood's recreational needs while providing alternatives to automobile traffic through the corridor and the whole region.

IV. Recommendations

The final concept for redeveloping Morse Road is based on a three-pronged approach to implementation. Both immediate and long-term actions and strategies must be considered to stabilize the area and maximize development potential and caliber in the Corridor. These three types of improvements are mutually supportive to raise the type of reinvestment, promoting a greater level of value and quality of life in the Morse Road Corridor.

- **Organization/Management/Marketing:** the primary vehicle is the immediate organization of a Business Improvement District.
- **Public Investment:** a series of immediate actions focused on improving the visual quality and character of the corridor and the creation of a beautifully landscaped commercial corridor parkway (see Figure 11).
- **Development/Redevelopment:** the thrust of this will be to focus on the identified major opportunity sites that can serve as a catalyst for other potential development projects.

Organization/Management/Marketing

Given the existing political framework and the strength of the business and residential community in the Northland area, a public/private organizational structure to carry out and oversee the redevelopment of the corridor is recommended. This public/private partnership will provide the mechanism for implementing development standards, public intervention, and private investment in a coordinated manner.

This organization should serve as the centerpiece for the revitalization of the corridor. This group will serve as the liaison between private developers, existing property owners, and City officials to guarantee that the quality and level of desired development are being met. Near term action items for the organizational strategy are:

- Create a public/private partnership to facilitate and oversee development and investment that is responsible for coordination and oversight of public investments, private development, and implementation of development standards
- Create the organizational mechanism for ensuring high quality and effective marketing, programming, repositioning, and long-term investment

In the short term, a Northland Business Association is being created to unify the ideas and concerns of the businesses in the corridor. This effort will support the current efforts of the Northland Community Council and the City.

The local business association, the community council, and City officials may consider the evolution of this organization into a formal district with special assessment authority, such as a Special Improvement District (SID) as allowed by State statute. A SID is an organizing and financing mechanism that allows property owners and merchants to collaborate to use the City's tax collection powers to assess themselves. This special assessment is collected by the City and returned in entirety to the District for the purchase of supplemental services and capital improvements beyond those services already provided by the City. Benefits include:

- Direct and committed management/ombudsman role
- Modest assessment for operating budget toward marketing, merchandising, and programming
- Public sector matching funds for capital items

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- Facilitation of private development and public/private ventures
 - Coordination of public investments

The eventual evolution of a business association into a SID allows the area under consideration to raise funds, officially oversee development, and be linked directly to City officials through full-time staff. State of Ohio statutes require that SID assessments be made only on assessed value or front footage of abutting properties. Although this data was not available, an assessment comparable to \$.05 per square foot on existing properties would generate \$200,000 per year. With matching public funds, a \$400,000 annual budget would provide sufficient funding for three full-time staff, marketing, and additional soft costs.

With responsibilities outlined in a contractual arrangement with the City of Columbus, the staff's primary functions would be as follows:

- Coordinator/Director—General oversight and management with direct access to City officials; Responsible for direct coordination of relevant City departments and private interests. Full time with salary of \$50,000 per year plus benefits.
- Marketing Coordinator—Responsible for marketing, promotions, and special events in the corridor, including merchandising, coordination of special projects, marketing of development sites. Full-time with salary of \$40,000 plus benefits.
- Field Coordinator—Responsible for daily supervision of street-level activity in the corridor, including maintenance, code enforcement, landscaping, and overall conditions in the corridor. Full-time with salary of \$30,000 plus benefits.

With salaries and benefits at \$160,000, the additional funding will go toward marketing, events, advertising, administration, and supplies. A storefront along the corridor could be donated for office space, alleviating the cost of rent.

With an active and adequately staffed SID, a Redevelopment Authority does not need to be created immediately. There is neither significant clearance nor complicated ownership structures in this situation, making the creation of a Redevelopment Authority unnecessary. In the event that the SID structure cannot fulfill the redevelopment requirements, the creation of such an Authority is advised. The SID will facilitate development of the opportunity sites with the City acting as a catalyst for development by initiating public improvements.

Public Investment/Improvements

City and County public investments, including long-term capital investments and immediate streetscape and urban design improvements, are recommended to improve the quality of the area and the standard of development occurring there. These public investments can set the standard for matching private investment and increases in property values throughout the corridor.

The first step for the city would be to hire an urban design/landscape consultant to do a detailed study, design and cost estimate of landscape improvements along the corridor. This design work should set guidelines or standards for others to follow regarding design, landscaping, signage and graphics along the corridor.

At the same time, the city can develop new zoning and design overlay standards for the area. A goal of zoning changes should be to minimize any rezoning to commercial status to reduce the proliferation of retail, and to encourage rezoning to residential and office use. Overlay design standards should be developed in concert with the design work described above.

Recommendations for prototypical improvements are illustrated on Figures 12 and 13 and include:

- Fill and berm drainage swales, develop enclosed storm drainage, install curbs, and plant double tree rows, wherever possible, on both sides of Morse Road from Cleveland Avenue to I-71 (estimated cost: \$4,182,000 to \$6,391,000).
- Build continuous sidewalks on the north and south side of Morse Road from Cleveland Avenue to I-71. Concrete rather than asphalt sidewalks are recommended because concrete is more durable and is more aesthetically appropriate in an urban setting (estimated cost: \$486,000 to \$607,000).
- Install Easton style lighting from I-71 to Cleveland Avenue. Easton style lighting also should be installed as part of the Morse Road reconstruction from Cleveland Avenue to Alum Creek. This will result in a consistent lighting standard from I-71 to I-270 (estimated cost: \$980,000 to \$1,925,000).
- Build new shelters at approximately 12 key bus stops (estimated cost: \$108,000 to \$132,000).
- Implement other public right-of-way landscaping improvements at key locations (cost varies by location).
- Bury utilities along the corridor. Although burying utilities is costly, it has a great effect on the overall visual environment. This activity could be given a lower priority, but burying utilities at the same time as other roadway improvements is more cost efficient (estimated cost: \$5,000,000 to \$10,000,000.)

(These improvements total \$12 to \$22 million dollars.)

It also is recommended that the city appropriate money for two other landscape projects that will provide early examples of the city's commitment to the revitalization of the area and will support and reinforce the design guidelines. Specifically, funding would be used to:

- Initiate landscape demonstration projects with developers who are ready to move ahead with major improvements to their properties or to change the use. These demonstration projects could be lead by the City or funded through a grant to the developer, and would be subject to design review based on the design guidelines developed for the area.
- Fund potential landscape enhancements where the County is preparing to widen Morse Road (from Cleveland Avenue to the Alum Creek Bridge).

There is also public sector intervention required to streamline the approval process. This adjustment to the existing development review process and inspection program will add inspection staff, dedicated to the fast-track review of Northland projects and the enhancement of the inspections program. This will help guarantee a level of service to property owners in the area and add certainty to the development process as new investors seek sites in the corridor.

The City should also consider a pilot program aimed at improving the appearance and condition of the area that can be introduced in the Morse Road Corridor and applied to neighborhoods and business districts throughout the City. The City first establishes a comprehensive and coordinated team of City services and programs. This Target Team promotes "Neighborhood Sweeps" or "Blitzes" that enhance the appearance of the community over a short period of time and promote ongoing property maintenance. City services are concentrated in the Corridor for one

week and involve public services ranging from health and social services to fire and police to public works and community development. These sweeps have proven to be successful in cities across the country with neighborhoods interested in improving their quality and attractiveness while maximizing the use of public funds.

Development/Redevelopment

Five primary opportunity sites (see Figure 14), selected based on the market study and field visits, should be marketed for development or redevelopment by the private sector or by a partnership of the public and private sectors. These keystone sites will provide a standard for quality and will set the tone for further reinvestment in the corridor. These sites present the opportunity for aesthetic improvements, extensive redevelopment, and/or infill development. They provide an opportunity for new development in an urban setting with good access and visibility to the entire Columbus market.

Following the market analysis and site visits, potential product types that are appropriate to the Northland market have been proposed. In determining these products, consideration was given to future spin-off development that will be necessitated by the extensive office, retail, and light industrial complexes being constructed at Easton and in New Albany. Conceptual diagrams of each site are shown on Figure 15.

From west to east along the corridor, the opportunity sites are:

Site A: The 9.88 acre former SunTV site at Morse Road and I-71 has prime frontage and good visibility for an office complex. The location also has good highway access. At the market FAR of 0.33, approximately 142,000 square feet of office space is possible. This site could accommodate a 5.5 floor building or two smaller buildings. This proposed space requires 475 parking spaces under the current zoning code.

Site B: The 82-acre Northland Mall site presents an opportunity for aesthetic and circulation improvements. Minor facade improvements, coordinated with overall design standards for the corridor, would greatly improve the relationship between the mall and the rest of the corridor. A longer term option would be to redevelop the site with a mix of retail, office, a range of housing options and open space.

Site C: The 18-acre Huntington Bank site may soon be available for reuse or redevelopment. This prime location at the eastern end of the Morse Road corridor would be ideal for office development that is a spin-off of Easton. The site is also central to highway access on I-71 and I-270. At the market-driven FAR of 0.33, a 259,000 square foot office complex could be built with 860 parking spaces required.

Site D: Site D is the former Nazarene Church Camp site, located on 32.5 acres between Cleveland Avenue and Westerville Road on Morse. This site's adjacency to single-family residential subdivisions, single ownership, proximity to new employment centers, and frontage and access to Morse Road make it ideal for residential development. Nearby vacant or underutilized parcels to the west could also be incorporated into this site's redevelopment. Given the current market conditions, there are several residential products that are possible on this site. A mix of products is recommended in order to balance the market supply. In all cases, the products would continue the current trend of up-scaling the Northland area.

- Single-family residential units, similar to the existing housing stock in Northland, are possible, with densities of 4 dwelling units per acre (dua) and 10,000 square foot lot sizes.
- Single-family residential, comparable to the new Waltham Place development, has potential given the current construction in the area. A higher density of 5.99 dua is required with smaller lots of 6000 square feet.

-
- Another single-family option is at greater densities, similar to the planned Northland Park. Units are planned at 8.17 dua with 4400 square foot lot sizes.
 - Multi-family residential is possible, with two existing models in the immediate market. The higher density, urban model, Easton Commons, would require densities of 40 dua, totaling 1070 units.
 - Another multi-family development model is the conventional apartment complex found throughout Columbus. This product would be new for the corridor and comparable to other new projects in Gahanna and Easton. This conventional development requires 30 dua, with a total of 800 possible units.
 - A hybrid development type that has recently been constructed in Columbus is the twin single, or side-by-side duplex. These double-units, built at 12 dua, could accommodate 195 buildings or 390 total units.
 - The demographics of the area suggest the current and future demand for assisted-living options. The Morse Road frontage, approximately 4 acres, could accommodate this type of development with 35 dua for a total of 140 units.

Site E: The 2.8 acre site located on the south side of Morse between Cleveland Avenue and Westerville Road has potential for infill multi-family residential. At densities similar to conventional apartment complexes (30 dua), a small grouping of residential buildings could hold 70 units.

Site F: This 6.7 acre vacant site on the north side of Morse Road to the west of Trundel Ave. provides an opportunity for infill office development. At a market-driven FAR of 0.33, a 96,000 square foot office complex could be developed on the site with ample space behind the building for parking.

V. Conclusion

The redevelopment efforts described above will significantly affect the quality and pace of development in the corridor. A successful redevelopment effort will help maintain and enhance the value of existing development by increasing sales prices, which in turn translate to increased value. The quality and value of new development will also increase as the conditions in the local market improve.

The redevelopment of the Morse Road corridor will not only serve as a model for other older, commercial corridors in the City, but will stabilize the community, enhance property values, and improve the overall quality of life in the Northland area. A successful redevelopment effort will help maintain and enhance the value of existing development by increasing sales prices, which in turn translate to increased value. The quality and value of new development will also increase as the conditions in the local market improve.

Historically, Special Improvement Districts (or Business Improvement Districts, as they are known in other parts of the country) have proven to raise the ambient property values by means that individual property owners would otherwise not be able to achieve. The District's joint marketing, events, enhanced security, and improved maintenance serve to improve earnings and/or reduce costs for owners and tenants in the District. The increase in the number of SIDs/BIDs also reflects the recognition that individual property values depend greatly on the quality of the surrounding environment.

Aside from the increased property values that can be expected with these improvements, there are intangible benefits as well as increased levels of development. The aesthetic quality of the environment, the number of visitors, public amenities, and overall desirability of the corridor will improve as public and private reinvestments occur.

The return on the public investment will also have a substantial impact on the community. Although the public investment in infrastructure will not directly cause private development, it will enhance development conditions, create stability and certainty for private investment, and enhance and upgrade the environment and market. Additionally, public-private partnerships will be fostered by an organized development entity.

Potential private investment in the corridor (in current dollars) is estimated as follows:

- | | |
|---|---------------|
| • Rehabilitation of Northland mall (planned) | \$70 million |
| • Rehabilitation of existing retail development
(excluding Northland Mall) at \$15/square foot | \$45 million |
| • Development of opportunity sites | N/A |
| • Office development ¹ | \$50 million |
| • Residential development ² | \$33 million |
| • Total potential private investment | \$198 million |

With an initial estimated public investment of \$12-22 million for infrastructure and a public sector contribution to match the SID assessment of \$200,000 per year³, the public investment may total \$14.5-24.5 million. These investment levels indicate that there is substantial private investment given the public investment, as ratios between 2:1 and 6:1 are not uncommon.

These values for new development or enhanced existing development account for an increase in the quality and price of housing and commercial development in the area. This “upgrade” recognizes that there is a need for an enhanced community image and that there is a niche market for potential residents that like the Morse Road access and location but prefer a larger and/or higher quality product than what is currently in the market.

Given industry standards for employment/square foot of development and local demographics, there will also be an increase in population and employment in the immediate area. Over 1600 new employees and 500 residents could be expected in the area with this level of development occurring.

Implementation of the recommendations in this report will help to create dramatic changes along Morse Road, through public investment in infrastructure and aesthetic improvements, an organizational structure to oversee future development and investment, and targeting of key development opportunities. In concert, these activities will serve as a catalyst for private investment in the numerous development opportunities existing along Morse Road.

End Notes:

¹ Assumes office development sales at \$125 p.s.f. for new products. Given the current market rates for offices in Columbus, and anticipated increases between 1999 and the time new development occurs on Morse Road, these figures are conservative.

² Assumes 4 acres of assisted living, 140 units at \$70,000 unit; single-family residential 4dua, average 1400 s.f./unit and \$175,000/unit average sales price; and multi-family 1050 average s.f./unit and \$12/s.f. annual rent.

³ \$200,000 matching funds capitalized at 8%. These figures are based on current trends and will likely be conservative for future development.

Appendix

Morse Road Market Study

**Prepared for:
City of Columbus, OH**

**Prepared by:
Basile Baumann Prost & Associates, Inc.**

July 30, 1999

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I INTRODUCTION

Basile Baumann Prost & Associates, Inc. (BBP), in conjunction with Wallace, Floyd, Associates Inc. (WFA), was retained by the City of Columbus to conduct the Morse Road Market Study and Redevelopment Strategy. The consultant team was responsible for conducting a retail evaluation, market study, and redevelopment approach, including stabilization tools, incentives, and strategies specific to Morse Road. The focus of the Morse Road Market Study and Redevelopment Strategy is to determine existing market conditions and identify market issues and opportunities. This will provide the context for near-term redevelopment and repositioning strategies for the entire corridor and specific opportunity sites. It is the goal of the Redevelopment Strategy to provide specific recommendations for Morse Road that can be generalized and applied to other auto-oriented retail corridors within the City of Columbus.

A BACKGROUND

In 1989, the Northland Plan was the first area plan to be written and adopted by City Council. In 1997, the City of Columbus Planning Office launched the Northland Plan Update process. This update covers the subjects and concerns of the original 1989 Northland Plan while addressing new issues and an expanded geographic area. As part of the community planning process, surveys were conducted and stakeholder groups were interviewed. The community and city staff determined the necessity for three new elements, one of which was the Morse Road Corridor Study and Plan. The Morse Road Corridor Study and Planning Process was undertaken in fall 1998.

The Northland area grew quickly as a commercial and residential core in the city of Columbus. With a majority of the growth occurring in two decades, between 1960 and 1980, the community has continued to grow with increases in population and property values. The Northland area includes a large portion of the City's commercial real estate and mid-priced housing stock.

In the past decade, considerable growth and development has occurred to the north and east of Northland. New retail options have created more competition in the marketplace and the deterioration of the commercial vitality of the corridor has been a concern. An increase in new housing options throughout the metropolitan area has also decreased the attractiveness of the older Northland neighborhoods. The resident and business community, along with the City, has recognized the importance of the Northland area and has initiated actions to stabilize and revitalize the area.

Since the initiation of the Northland Plan Update process, other significant changes have occurred in the Columbus market that will affect Northland. Easton, a new commercial complex within the extended planning area, has been repositioned to include a greater amount of entertainment and specialty retail, a retail "power center," and large office complex. The development will total 4-4.5 million square feet of office, 3.5-4 million square feet of retail, and 1 million square feet of hotel, recreation, entertainment, and residential when complete. A new retail complex is under construction to the north of Northland at Polaris. Both a community shopping center and large, enclosed regional mall are planned. These dramatic changes, along

with the strong economy and continued growth of the Columbus market, make the revitalization of an older commercial and residential community such as Northland particularly challenging.

B PURPOSE

The purpose of this market evaluation is to determine the existing market conditions, and to identify market issues and opportunities. As part of the Redevelopment Strategy, this report provides the context for near-term redevelopment and repositioning strategies for the entire corridor and specific opportunity sites. The entire Redevelopment Strategy will aid the city of Columbus in organizing and prioritizing public/private activities and recommendations related to revitalization efforts. This study is also aimed at providing specific recommendations for the Morse Road corridor that can be generalized and applied to other auto-oriented retail corridors within the city of Columbus.

The retail market evaluation addresses the area's retail supply and demand, quantifying the potential success and/or contraction of certain market segments within the corridor. This confirms the perception of change in the retail composition of Morse Road and provides a context for continued efforts to stabilize the corridor. An evaluation of other market segments, along with the evaluation of opportunity sites and physical constraints, provides a context for recommendations for revitalization of the corridor.

In order to complete this analysis, BBP Associates reviewed relevant background data, evaluated site conditions, conducted stakeholder interviews, collected and reviewed detailed economic and demographic data, defined primary and secondary trade areas, estimated retail supply and demand, and prepared recommendations concerning repositioning and market opportunities. Site-specific opportunities were evaluated in light of the market research in order to make recommendations for vacant and underutilized parcels within the corridor.

C REPORT ORGANIZATION

This report is organized into five sections. Following this Introduction, Section II describes the existing conditions and the findings of stakeholder interviews and previous reports. Section III contains a retail market evaluation leading up to conclusions about the near-term positioning of Morse Road retail establishments. Section IV discusses the development opportunities and constraints of the Morse Road corridor. Additional demographic and market findings are documented in the Appendix. Section V discusses implementation strategies and prioritization for short and long term actions.

II EXISTING CONDITIONS

This section of the report contains a physical description of the Morse Road study area along with definitions of the primary and secondary trade areas. It includes a land use inventory, summary results of stakeholder interviews, economic and demographic analyses, and an evaluation of the retail supply within the study area.

A MORSE ROAD TRADE AREAS

In order to identify the trade areas that have the greatest impact on Morse Road businesses, several factors were considered. Natural and psychological barriers, consumer behavior and shopping patterns (through merchant interviews), and drive times were studied. Given the location of competitive shopping centers and the ease of travelling by car in Columbus, relatively small primary and secondary trade areas were identified. The center of the trade area was determined to be the intersection of Morse Road and Cleveland Avenue. Typical consumer driving times, boundaries, and competitive retail locations were mapped, and realistic boundaries for the primary trade area were determined. The primary area was then expanded to the next natural boundaries on all sides to determine the secondary trade area. These boundaries were reviewed and confirmed with the City of Columbus Planning Office. Two concentric circles closely corresponding with these boundaries were drawn.

The trade areas are mapped on Figure 1 and are described as follows. Four major road boundaries and a 5-minute driving time define the primary trade area. A circle with radius of 2.3 miles from the Morse Road/Cleveland Avenue intersection extends west to I-71, south to Agler/Oakland Park, east to I-270, and north just past Route 161. A majority of the primary trade area is included in the city of Columbus' jurisdiction, with the residual land under the jurisdiction of the County and relevant townships. With a majority of the retail establishments along Morse Road, it was determined that most of the consumers travel between the two interstate highways (I-71 and I-270) and south of Route 161.

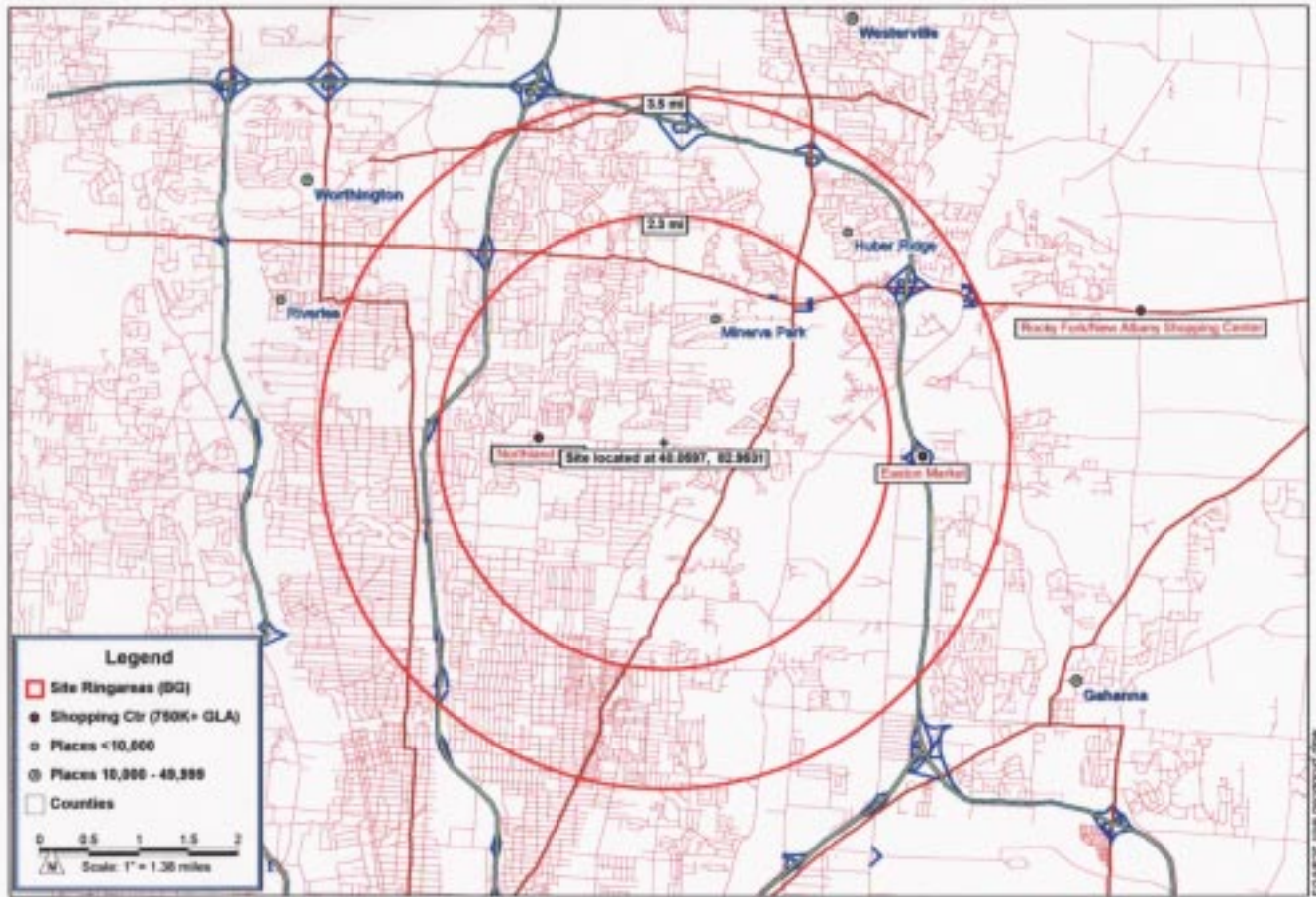
It was also determined that merchants draw consumers from a larger secondary market. Therefore the secondary trade area includes the primary area but extends in all directions for 1.2 miles to make a circle of 3.5-mile radius, or an 8-minute drive across the area. This trade area extends from the Morse/Cleveland intersection west to High Street, south to Hudson/Mock, east to Cherry Bottom, and north past I-270. In this report, references are made to the primary trade area (0-2.3 miles), the secondary trade area (2.3-3.5 miles), and the combined trade area (0-3.5 miles).

B MORSE ROAD CORRIDOR

The primary focus of this study is the Morse Road Corridor between Interstate 71 on the west and Interstate 270 on the east, as shown on Figure 2. This corridor is part of the larger Northland Planning Area of the city of Columbus. The corridor is also entirely within Franklin County, which controls development in the incorporated portions of the corridor.

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The corridor also has a critical place within the context of the Greater Columbus metropolitan region. Within the context of the local and regional market, Morse Road historically served as a primary retail destination for local and regional consumers. With the growth of Columbus suburbs and national retail trend away from older regional malls, an increasing amount of retail competition has entered the Columbus market in the past decade. Columbus City Center, Tuttle Crossing, Polaris, and Easton will continue to draw consumers away from Northland Mall and other existing businesses along Morse Road. As the aesthetics along the corridor continue to decline, the relative attractiveness of the competition increases even more.

However, the corridor's central location and proximity to this new retail activity and growth make the future of Morse Road even more critical. Morse Road could benefit from its position between the high-growth suburbs to the northeast and northwest. Consumer traffic along the road coupled with the existing residential consumer market helps reinforce the premium value of a Morse Road location.

There are an estimated 4 million square feet of development along Morse Road. Approximately 7% of the total space is currently vacant. In addition, there are one million square feet of land area dedicated to office uses, four acres of recreational space, and 107 acres or 13.8% of vacant and undeveloped land.¹ Field surveys indicated that between I-71 and Sunbury Road, 2.3 million square feet of retail space could be found, out of the total 3.7 million square feet of retail space. Approximately 22% of this retail space between I-71 and Sunbury Road is vacant compared to an overall vacancy in the corridor of 14%. The current floor-area ratio (proportion of building square footage to total site square footage) of the retail and overall corridor development was estimated. Using assessment data as a proxy for land square footage and field data as a proxy for building square footage, there are 455 acres of land for retail uses in the corridor built at a floor-area ratio of 0.19. The overall floor-area ratio for the corridor is 0.23.

The retail establishments along Morse Road can be separated into three categories: an enclosed regional mall, strip malls, and individual commercial properties. A majority of the retail space along Morse Road is comprised of regional and community shopping centers. However, in recent years, many single-family homes have been converted to small commercial operations. There are also several large automobile dealerships fronting Morse Road. Most of the commercial establishments were constructed in the 1960's and 1970's and have had modest updates.

For the past 30 years, Morse Road and the surrounding area have been a center for regional retail activity. Morse Road continues to have one of the highest retail concentrations in the city. The competitive shopping centers within the trade areas are listed in Table 1. The primary trade area has 15 shopping centers with over 2.4 million square feet of space. This includes the 986,000 square foot Northland Mall, a regional shopping mall with three anchor department stores. The secondary trade area contains 12 shopping centers with 2.3 million square feet, totaling 4.7 million square feet of retail space in 27 shopping centers within a 3.5 mile radius of the intersection of Morse Road and Cleveland Avenue.

¹ These values are estimated based on land use inventories and land area data from the Franklin County Tax Assessor's Office.

The corridor has many different types and scales of uses including big box retailers, value centers, restaurants, pawn shops, adult-oriented entertainment, government offices, and multi-family residential.

As Table 2 indicates, the primary trade area has 864 retail and personal service establishments, with \$1.5 billion in sales and over 10,000 employees in 1998. The majority of establishments in the combined trade area fall under Standard Industrial Classification (SIC) codes 56 (Apparel and Accessory), 57 (Furniture and Appliances including Electronics), 59 (Miscellaneous Retail), 58 (Eating and Drinking Places), and 55 (Automotive Dealers and Other Auto-related). A complete listing of store categories included in each SIC category is in Appendix 1. Table 3 shows the retail establishments and sales for the combined trade area. In 1998, there were 1,545 retail and personal service establishments, with over 33,000 employees and \$2.3 billion in sales.²

Evident through both site surveys and data analyses, three retail market niches appear along Morse Road: automotive and auto-related retail; furniture and home-related retail; and music-related retail. Approximately 16% of the corridor's retail uses are in the furniture category, equal to 8% of the total commercial space. Tax assessment data indicates that 11.5% of the corridor's land is dedicated to auto sales and auto-related uses.

C KEY STAKEHOLDER ISSUES

In order to understand the issues, concerns, and goals surrounding the Morse Road area, interviews were conducted with area merchants, tenants, residents, property owners, local government officials, and members of the real estate development community. On 16 March 1999, a meeting was held in the corridor to garner input concerning key issues of the community at-large. In addition, several site visits were conducted to observe traffic patterns, consumer behavior, and physical conditions in the corridor. Key issues were also derived from a 1997 survey conducted by the city of Columbus and the Northland Community Council.

1997 Survey Results: In the 1997 survey, residents and businesses expressed similar concerns. Most residents were pleased with the neighborhoods and the central location and enjoyed shopping locally. They however were concerned about the neglect of commercial areas and some homes, the presence of "cheap" development, traffic congestion, crime, and sewer problems. The residents' recommendations revolved around improved maintenance by the City, limitations on signage, and improved code enforcement. Businesses in the area that were surveyed like the Morse Road location, high traffic volume, and accessibility. They were concerned with rising crime levels, deterioration and neglect of properties, storm sewer problems/flooding, and declining value of adjacent residential properties. Suggestions for improvements centered on landscaping, code enforcement, maintenance, and capital improvements.

The recent public meeting and stakeholder interviews revealed similar results to the 1997 survey, confirming the deferral of maintenance and lack of attention to and investment in the Northland area.

² Retail employment and sales in the combined trade area do not seem proportional because employees of the Limited, Inc. corporate offices were included but do not reflect sales.

Commercial Property Owners: Commercial property owners voiced consistent concerns about real and perceived crime, poor aesthetics, and a change in demographics over the last several years in and near the Morse Road corridor. Similarly, commercial property owners and managers are concerned about safety, circulation and navigation, general aesthetics, and neglect of properties in the corridor. The property owners are concerned that the area has been poorly developed due to a lack of code enforcement and design standards. They also expressed concerns about the deferred maintenance of the roads, lighting, and water and sewer lines in the corridor. Frequent water main breaks and sewage overflows plague the corridor.

Merchants: The merchants enjoy their central location with high visibility and accessibility to a strong consumer market. Several businesses said that crime has not increased over the years and that recent negative publicity has brought a disproportionate amount of attention to the area. Merchants and property owners voiced consistent frustrations about the upkeep of the area, citing their willingness to invest in the area while the City and County do not maintain the public property. Overall, the businesses enjoy their location but express strong opinions about the lack of attention that the city officials pay to this commercial corridor.

Merchants indicated that a majority of their customers are local residents and that demographic changes and new retail competition may affect their customer base. They also believe that an increase in lower quality tenants along the corridor will continue to affect negatively the number and type of consumers and continue to harm the image along Morse Road.

Residents: Residents of the area surrounding Morse Road also see safety as a key issue. They too expressed concerns about the decline in the quality of tenants along Morse Road and the perception of decline and disinvestment. Residents are also concerned about the amount and quality of public services provided. The residents enjoy the local shopping options but feel that the businesses along Morse Road could better address the needs of the local population. Many long-time residents see an opportunity for housing for empty-nesters who wish to remain in the Northland neighborhood but who no longer wish to or are able to maintain a single-family home. The residents suggested aesthetic improvements for landscaped and paved areas, limitations on signage, and better code enforcement.

Government Officials: Government representatives are concerned about the lack of investment in the Northland area in recent years. Concerns of residents and business owners, along with the threat of losing residents and businesses to newer developments, have come to the forefront of officials' minds. They expressed their interest in reinvesting in the area and helping to revitalize and reposition Morse Road as a competitive and vibrant Columbus corridor.

Real Estate Community: Representatives from the real estate community believe that the Morse Road area is still a strong residential and retail core for Columbus. Although the retail establishments may have diminished from their historic status as regional destinations, they provide necessary goods and services for the surrounding population. The market analysis, to follow in this report, substantiates this claim. In addition, there are strong demographics, both number of households and household income, in the primary trade area for the businesses along Morse Road.

Commercial real estate developers and brokers concur that development pressures in the region will undoubtedly change the retail composition of the Northland area. With retail pressures immediately to the east at Easton, to the north at Polaris, and to the northwest at Tuttle Crossing, Northland will not serve the regional market as it once did. However, the use of Morse Road as an important east-west transportation corridor, the possibility of improved connectivity over the Olentangy River with a Morse-Bethel Connector, attractive rents, and strong demographics make Morse Road a desirable commercial location.

The community is well established and is consistent with the average demographic profile for the entire city. Residential real estate brokers show strong levels of sales in the area, with lower than average days on market and increasing housing values. The Northland area offers a range of housing prices from \$60,000 south of Morse to \$150,000 in the Forest Park area. Values vary greatly depending on location, general neighborhood upkeep, and owner investment. Residential sales and leasing agents are seeing an increase in the number of young professional singles and couples entering the market, complementing and supporting the older and established population in the Northland area. Northland, according to agents, is the only affordably priced area with proximity to Easton, New Albany, and Polaris. This prime location, along with affordably priced units, will continue to help revitalize the area.

D ECONOMIC AND DEMOGRAPHIC ANALYSIS

Tables 4, 5, and 6 detail the demographic trends and projections for the trade areas from 1990 to 2003. Franklin County information is also provided as a baseline for the trade area statistics. Information is provided on population, households, and household income. The Northland area is continuing to grow with the rest of the city but at a slower rate.

According to CACI Marketing Systems, the primary trade area currently has 75,000 residents, or 7% of the Franklin County population. There are over 32,000 households with an average household income of \$42,186 and a median household income of \$36,618. The population is expected to grow annually by 0.7% over the next five years, a slower rate than the 1% annual growth of Franklin County. The average income has grown by 3.6% per year since 1990 and is expected to reach \$48,153 by 2003, a growth of 2.8% per year. The combined trade area has a population of 160,800 in 67,300 households. The average income is currently \$43,267 and is expected to reach \$49,640 by 2003.

The 1990 Census and data from CACI Marketing Systems also provide information on the racial composition and age breakdown of the primary trade area population for 1990, 1998, and 2003. In 1990, approximately 80% of the population reported their race as White and 18.4% reported their race as Black. In 1998, the Black population had increased slightly by 4.3%. By 2003, the White population is expected to decrease to 72.3% of the total trade area population. The Black and Asian/Pacific Islander populations are expected to increase to 24.7% and 2.3% respectively. The analysis also indicates that a majority of the population is between 20 and 44 years old with a growing percentage between 45 and 74 years. Currently, approximately 45% of the population are between 20 and 44 and 25% is between 45 and 74. Projections for 2003 indicate the aging of the population, with 42.7% between 20 and 44 and 27% between 45 and 74.

CACI Marketing Systems identifies major consumer classifications in their ACORN Consumer Classification System.³ According to CACI, there are four predominant consumer groups in the Morse Road trade area.

- **Enterprising Young Singles (17.1%):** Young, mobile, and well-educated, this group has an active lifestyle. The group is interested in active leisure pastimes and dining out. This group also has a high percentage of renters and a median household income that is above the national average.
- **Baby Boomers with Children (12.5%):** This family-oriented group is comprised of dual-income families that own single-family homes. They enjoy passive leisure-time recreation. The group has an above-average median household income and is comprised of a majority of individuals with some post-secondary schooling.
- **Prosperous Older Couples (11.1%):** This consumer group enjoys a suburban lifestyle and home-oriented activities. Retirement is prevalent, but not dominant in these older, established neighborhoods.
- **Newly Formed Households (9.0%):** These young householders have moderate incomes and an active lifestyle. Their neighborhoods offer more affordable housing and may be in transition with a mix of older households, single parents, and single-person households.

Additional economic and demographic factors, obtained from CACI Marketing Systems, are detailed in the appendix.

³ Based on ACORN (A Classification of Residential Neighborhoods) Consumer Classification System, CACI Copyright 1999

III RETAIL MARKET EVALUATION

An in-depth retail market evaluation for the Morse Road area was conducted, considering the concentration of retail within the corridor and the historic status of Morse Road as a regional retail destination. Other market segments, including public facilities, office, and residential, were explored for development potential within the corridor and are discussed in Section IV.

Retail supply by store category and retail demand based on household expenditures by store category and merchandise category were analyzed. An inflow/outflow analysis was conducted comparing the expenditures and sales by store category in the primary and combined trade areas. Further analysis compared the sales in the primary trade area to expenditures in the combined trade area to evaluate consumer shopping patterns. A comparative analysis of consumer expenditures by merchandise type and store type was also conducted to evaluate the nature of purchases at various store types.

A RETAIL SUPPLY

Retail supply information was gathered from CACI Marketing Systems and primary research and site visits to the Morse Road corridor. Competitive shopping centers within the primary and secondary trade areas are summarized in Table 1. Stores within the trade areas were grouped by two-digit Standard Industrial Classification (SIC) codes into four standard categories: Shoppers Goods, Convenience Retail, Personal Services, and Other Retail. Tables 2 and 3 summarize the number of establishments, employees and sales for 1998 for the primary and combined trade areas.

The primary trade area experienced \$1.5 billion in retail and personal service sales in 1998 with 864 businesses and over 10,000 employees. Automotive dealers and auto-related goods comprised one-third of these sales. The combined trade area saw \$2.3 billion in sales over the same period, with 33,000 employees in 1545 establishments.

The retail supply in the area is comprised of a wide variety of merchandise types with three dominant categories. Automotive and auto-related goods, music-related goods (including instruction), and furniture and home-related goods

B RETAIL DEMAND

Retail demand data was calculated in two different ways. To gather trade area data that was consistent with the retail supply data, retail sales data for the MSA from the 1992 Economic Census, Census of Retail Trade was used. The percent of household income spent by store type was calculated. Table 7 shows the results of these calculations. These percentages were then used as proxies for retail expenditures by store type (or SIC code) within the trade area. As Tables 8 and 9 indicate, the total expenditures by store category were calculated for the primary and combined trade areas.

An additional indicator of retail demand was calculated using data from CACI Marketing Systems. 1998 household expenditures by merchandise category, summarized in Tables 10 and

11, indicate annual purchases of goods, regardless of store type. These expenditures, when compared to expenditures by store category, can indicate purchasing patterns. For instance, a higher level of expenditures on apparel (by merchandise category) than of expenditures at apparel stores indicates that consumers are purchasing apparel at locations that do not sell apparel exclusively. The analysis indicates that apparel, food, and building materials are being purchased at stores other than those indicated in those SIC categories. The results of this analysis are presented in Table 12. The presence of stores like Target, Kohl's, Value City, and Meijer in the trade area may account for these results.

C INFLOW/OUTFLOW ANALYSIS

The retail supply, indicated by 1998 retail sales, and the retail demand, indicated by expenditures by store category, were compared in an inflow/outflow analysis (Tables 13-15). The expenditures were then adjusted by localized capture rates for each store category. These capture rates indicate the percent of purchases made by the resident population of the trade area. For analysis of the primary and combined trade areas, a factor of 70% was used for Shoppers Goods and 90% was used for Convenience Retail, Personal Services, and Other Retail. These factors indicate that the majority of expenditures are in the same trade area where people live.

Adjusted inflow/outflow values were calculated, as shown in Tables 13 and 14. The analysis indicates that there is an inflow to the primary and combined trade areas for all store types. This reinforces the historical status of the Morse Road/Northland area as a regional shopping destination. The analysis shows that merchants rely on consumer inflow for Shoppers Goods items, particularly in the Home Furnishings category (57). There is also inflow in the Other Retail category, for both Building Materials (52) and Automotive (55) goods. As expected, merchants in the Personal Service (72) and Convenience Retail (54, 58) categories are less reliant on consumers entering the market and more dependent on local consumers. Overall, the store categories in the combined trade area experience inflow but are less dependent on consumer inflow than the stores in the primary trade area.

Table 15 shows additional analysis of sales compared to expenditures. The sales in the primary trade area were compared to the expenditures of the combined trade area, to estimate the shopping patterns of consumers specifically along Morse Road. Using adjustment factors ranging from 50% to 80%, the expenditures by residents of the combined trade area were determined. The data analysis reveals the type of businesses in the Morse Road area (with primary area sales as a proxy) that are most dependent on consumers from outside of the combined trade areas. The analysis shows that General Merchandise (53), Apparel (56), Home Furnishings (57), Building Materials (52%), and Automotive (55) stores in the primary trade area have at least 50% net inflow of consumers from outside of the combined trade area.

IV MARKET OPPORTUNITIES AND CONSTRAINTS

This section of the report contains a discussion of the market opportunities that exist for near-term development within the Morse Road area. Beginning with a market evaluation and discussion of non-market factors, this section looks at the opportunities and constraints of retail repositioning and the development of public facilities, office space, and residential units within the corridor. The potential for market diversification in light of increased regional retail competition and future corridor-retail contraction is examined for five opportunity sites in the corridor.

A MARKET FACTORS

During the past three decades, Morse Road has served as a major retail corridor for the city of Columbus and the entire central Ohio region. This is still evident with the nine major shopping centers and regional shopping mall along Morse Road and the 17 other shopping centers with over 4.7 million square feet in the 3.5-mile radius trade area. There is a mix of store types in the trade area, with apparel and accessory stores concentrated in Northland Mall, furniture stores, miscellaneous retail, restaurants, and automotive-related retail. Land use inventories revealed concentrations of auto-related merchants (including dealerships), furniture/home stores, and music-related goods.

The type of retail along Morse Road calls for “destination” shopping for large purchases such as cars and furniture. These purchases are similar because they are not made frequently, are often large and require a car or delivery, and are not impulse purchases. This market condition is consistent with the results of interviews with merchants that showed more purposeful shopping than impulse shopping.

As the new retail options in the regional market increase, the Northland/Morse Road area will become less competitive and will capture less of the inflow from outside of the trade area. However, with a more local orientation, retailers in the corridor can capture more of the local consumer trade, limiting the outflow. Consumers within the trade area, when presented with more retail options, may choose to go to other destinations if the Morse Road corridor is not refocused to serve local needs. This presents an opportunity for a stabilization of high quality tenants in the corridor. Until this opportunity is explored, property owners, faced with vacancies, will continue to rent at lower lease rates, attracting less desirable tenants that do not serve the needs of the local community.

The retail uses in the Morse Road corridor must reposition themselves in order to remain competitive and to continue to serve the consumer population. Given the current conditions and new retail that is in the pipeline, the Morse Road trade area will become increasingly dependent on the resident population. Retail and related services must address the needs of the existing population, while addressing the reality that the number of regional shoppers doing impulse shopping in the corridor will continue to diminish. The merchants along Morse Road must also find new avenues by which to capture the consumer traffic that is currently coming through the corridor to reach other retail destinations and new neighborhoods. By improving the navigability of the corridor as well as the linkages between commercial centers, a greater capture rate can be

achieved. The corridor also has an opportunity to expand the specialty retail niches (e.g. auto, music, and furniture) that continue to attract consumers from outside the local market.

With the amount of existing commercial square footage, the corridor will maintain its predominantly commercial orientation in the near future. However, the evolving Columbus regional and local market will dictate a repositioning, with less retail emphasis, forcing alternative and complimentary uses to be considered. Vacant and underutilized properties will need to be considered for uses other than retail, considering the amount of retail already in the corridor and the current levels of dependence on outside populations for sales.

At the same time, Morse Road remains a central, highly traveled transportation corridor through the City, with prime real estate frontage. With the emergence of Easton near I-270 to the east, existing merchants stand to benefit from the increase in consumer traffic travelling to Easton along Morse Road. Other uses could benefit from a Morse Road address that has good highway accessibility, existing connections to both established and emerging retail markets, and access to a strong resident and employment population.

B OTHER FACTORS

Other factors, not directly related to the market, must be taken into consideration in order to assess the future viability of the Morse Road corridor. The aesthetics of the corridor is an important determinant of the future success of the corridor in relation to the competition. Morse Road can capitalize on the features that differentiate it from other new retail centers in Columbus. It is an established community shopping area with a stable and active resident and business community. The Northland area also benefits from the presence of the Northland Mall at the community's center.

However, the corridor needs to claim an identity and maintain unifying themes to define the sense of place. This is currently a barrier to redevelopment and revitalization because of the multi-jurisdictional nature of the corridor and the lack of uniform zoning regulations, enforcement, and development standards. The corridor can separate itself from the other retail centers by improving the mix of uses and expanding the specialty retail niches in the corridor. The public facilities and services can also be diversified, while complementing and supporting the existing retail uses. Underutilized and/or vacant sites provide an opportunity for new development and improved connections between uses throughout the corridor. These linkages between uses need to be clarified both for drivers and pedestrians, making the corridor a pleasant area in which to shop, live, and work.

Another significant issue that must be addressed is the general maintenance and investment in the corridor. Perceived and real safety concerns must also be addressed for the redevelopment potential of the corridor to be met. Crime must be addressed as a serious barrier to the revitalization of the corridor. Community policing and cooperative efforts between area merchants and residents should be explored to mitigate the crime in the corridor. Working groups with residents, businesses, police, and city/county officials must be established in order to determine the real versus perceived issues and mitigation techniques.

C RETAIL REPOSITIONING

The market conditions in the immediate trade area, along with competition in the region, will result in the reorientation of retail square footage in the corridor and repositioning of existing uses toward a community orientation. The retail strength of the area should not be underestimated as pointed out in a 1998 report by CB Richard Ellis that lists the Northland Regional Mall as the retail strength of the north/northeast quadrant with sales of \$297/s.f.⁴ The area also benefits from its strong position in the northeast quadrant (includes Easton, New Albany, Westerville and Gahanna) of Columbus where land values are pushing \$10/s.f.⁵

There are over 4 million square feet of commercial uses along Morse Road, including the 986,000 square foot Northland Mall. The twenty-year success of the mall makes it a community landmark that can evolve to satisfy the community's needs throughout the next decade. As discussed earlier, there will continue to be a move away from the older regional shopping centers (Northland, Eastland, Westland) to the new, destination shopping centers at Easton, Tuttle Crossing, and Polaris. This market reality will shape the future of Northland Mall, creating an opportunity for it to be repositioned to better serve the retail needs of the local consumer market and other potential markets. Recently, a \$70 million upgrade and renovation plan was unveiled for the Northland Mall to better position it in the regional market.

Existing retail shopping centers along Morse have already begun to evolve to serve the changing market needs. In fall 1998, a shopping center redeveloper purchased Morse Center (231,000 s.f.) and Northtown Center (145,000 s.f.) with the goal of stabilizing tenants and making cosmetic and structural improvements to the buildings. With almost half of the square footage in these centers currently vacant, the developer believes that they can attract high-quality tenants and market-rate rents with safety, circulation, and aesthetic improvements.

There is also a retail opportunity to serve the existing population. The demographic analysis and CACI's lifestyle categories indicate a majority of established older residents as well as up-and-coming young professionals. Consumer spending behavior of these groups may reveal untapped market opportunities for the corridor, such as leisure time activities and sports and recreational uses. In addition, an expansion of public facilities and recreational amenities may present opportunities for joint marketing and programming of retail and recreational amenities.

D OFFICE

The office market in Columbus remains strong with low vacancies and high absorption rates. Overall, demand remains high in the metropolitan area while vacancies remain low. Downtown office vacancies hovered around 5% in 1998. The northeast submarket contains approximately 10% of the region's Class A space and 3% of the Class B space. The suburban northeast area, including Morse Road, had a low vacancy rate of 2.5% for Class A space in 1998. Welsh Companies estimated net absorption of 362,000 s.f. for the northeast submarket⁶. Class B space had a vacancy of 6.4% with 76,000 s.f. net absorption. Office lease rates for suburban space are up 2.6% to \$19.87/s.f.⁷

⁴ CB Richard Ellis "Market Overview, Columbus OH," fall 1998.

⁵ Ibid.

⁶ Welsh Companies, "Columbus Market Update 1998."

⁷ CB Richard Ellis "Market Overview, Columbus OH," fall 1998.

New office development is occurring at the Easton complex to the east of the study area. Over 4 million square feet of office development is planned with current vacancies at Easton Oval at 3%. The site has a floor-area ratio (the proportion of building square footage to total square footage of the site) of 0.33 with building floors between 20-30,000 square feet. The developer quoted \$350,000/acre for the land planned for office in the Easton complex. Duke Realty Investments recently acquired the 2 Easton Oval property, totaling 1.2 million square feet of office for Duke at Easton's build-out. This acquisition has set a new benchmark for the Class A multi-tenant market with prices peaking at \$150 per square foot. Other suburban complexes have sold at \$129 per square foot.

Also in the northeast, New Albany has an emerging office market, with over 640,000 square feet of build-to-suit office space being constructed. Duke Realty Investments has announced plans to develop a minimum of 1.4 million square feet at the Business Campus of New Albany. Duke plans to develop these Class A office projects on 103 acres spread out into three sections of the campus. The density for the suburban setting is similar to Easton with an average floor-area ratio (FAR) of 0.33.

Other Columbus office developments offer insight into the market. A typical Duke building with 3-5 stories and 35,000 square foot floorplates is constructed on a site large enough to eventually accommodate a twin building. This alleviates the fears that a growing business might have regarding a second relocation if it outgrows the first building. Another market trend is the conversion of 1970's Class B multi-tenant space to back-office or flex space in areas with good bus service and a higher unemployment rate. An existing building south of the airport in the Eastland area is being converted to accommodate back-office use and to capture employees in the tight market (2.2% unemployment).

E RESIDENTIAL

A strong market, along with the availability of relatively large parcels of developable land that have potential to connect into the existing infrastructure, presents the opportunity for residential development. An active sales and rental market along with proximity to emerging markets presents an infill opportunity along Morse Road. Large employment nodes are emerging at Easton and in New Albany, creating an opportunity for creative housing options.

Interviews with residential real estate agents revealed a strong sales and rental market around Morse Road. Agents explained that prices of existing older homes (circa 1950) have been steadily increasing with a median sales price around \$88,000 and below average days on market. As one travels north from Oakland Park to SR 161, values continue to increase. Residents of the area benefit from the central location, low City tax rate, and good quality housing stock. The moderately priced single-family housing stock, along with City programs to encourage homeownership, have helped to attract first time homeowners and established families to the area.

Two new single-family subdivisions are currently being developed by MI Homes in the Northland area. Waltham Place, north of Morse Road on Cleveland Avenue, has single-family

homes, in the 1200-1600 square foot range (3-4 bedrooms) for \$120-160,000. There are both ranches and two-story homes. There are 400-500 lots that are approximately 6,000 square feet, equaling 7.2 dwelling units per net acre. The sites are pre-sold to the end-users prior to construction. Northland Park subdivision, north of Morse Road at Northtowne, has 120 sites, ranging in price from the mid-\$90's to \$115,000. These homes are 1100-1800 square feet on 4,400 square foot lots. There is a standard theme with design characteristics of townhouses or rowhouses, with ten feet between units. These units are smaller than a typical new-build in Columbus and are also more dense than other MI developments at 10 dwelling units per net acre.

Multi-family complexes in the Northland area vary greatly in rental rates and amenities. Appendix 2 details the existing multi-family complexes in the Northland area. A majority of the complexes in the area have more than 250 units and are 20-30 years old. These complexes offer a variety of floor plans but with few renovations; they command lower contract rents, ranging from \$325 to \$875 including utilities (well below \$1 per square foot) for one-, two-, and three-bedroom units. Older homes in single-family subdivisions command \$600-\$1000 in rent.

New apartment complexes have been built to the east of the corridor near Easton. These complexes offer new facilities and larger units, ranging in size from 750-1460 s.f. Bradford at Easton offers 324 one to three bedroom garden apartments and townhouses between Morse, Sunbury, and Stelzer Roads. The two-year old project is 94% occupied and commands contract rents between \$.69 and \$.75 per square foot, utilities not included. Another new residential development, Easton Commons, is a multi-family rental complex, currently being constructed at urban densities. The 750-unit complex is planned for 53 dwelling units per acre with eight buildings at an estimated FAR of 1.5. The buildings are planned for three to four stories with garage and interior courtyard parking. The unit sizes range from 600 s.f. for a studio to 1500 s.f. for three bedrooms. Contract rents are expected to be greater than \$1 per square foot.

Given the number of long-time Northland residents and the overall aging of the population, there is a demand for senior housing for residents 55-70 years old who want to move from their current houses to a retirement unit, but do not need assisted care. One-story, high-quality single-family homes or condominiums are a possibility. Comparable projects marketed to empty-nesters have been successful in the suburbs and elsewhere in northeast Columbus. Morse Road would provide a good location for this product. In addition to this niche, there is an opportunity for a continued-care community with a range of housing and assistance options, along with community facilities and on-site medical services.

F PUBLIC FACILITIES

There is currently an opportunity for an improvement to recreational amenities and public spaces in the Northland area. The existing mini-golf and go-kart facility has not been maintained and does not serve the needs of the local community in its present state. Updated recreational amenities, including skate parks, walking and bike trails linked to the larger community, driving ranges, virtual sports, and mountain climbing centers are possibilities that should be considered for the area. These structured recreational uses also provide an opportunity for retail to be combined with the recreation element.

The Northland Plan Update includes several opportunities for public facilities that can be explored in the Morse Road corridor. Although the Morse Road area is highly developed, the viability of redevelopment options stem from improved public facilities, integration of goals established in the Northland Plan Update, and connections between open space and developments. While parks and recreational facilities exist in the area, they currently have little presence on Morse Road. Opportunities exist to establish greater connections between the corridor's neighborhoods, retail establishments, and the planned Alum Creek trail system, as recommended in the Northland Plan Update. The planned connections between the Alum Creek path and a "downtown connector" trail reinforce the importance of trail networks, creating an opportunity for connections to be made to the west of Alum Creek, through the Morse Road corridor either on surface roads or separate paths. There may also be an opportunity to connect to the Olentangy River trail at the terminus of Morse Road, reinforcing the connections beyond I-71. An integrated pedestrian and bike system would serve the neighborhood's recreational needs while providing alternatives to automobile traffic through the corridor and the whole region.

In addition to the community recreation centers in the area, there are several neighborhood parks. An additional park is needed south of Morse Road to satisfy the one-half mile service requirement of neighborhood parks.

As explored in the Northland Area Plan Update, recreational facilities for intergenerational use have been successfully modeled in Columbus and are being considered for the Northland area. In addition, COSI (Central Ohio Science and Industry learning museum) is piloting programs between children and retirees that may also be a model for opportunities in the northeast section of Columbus. Morse Road location would not only be central to the resident population but would have easy access to the entire Northland area and would utilize currently underdeveloped land within the corridor. The demographic makeup of Northland also makes this area a desirable location for a second intergenerational facility.

Another segment of uses that bridges the public facilities and office category is the institutional use. Recently, Hondros College and Franklin University announced that they are collaborating to open a 47,000 square foot learning center off of Sunbury Road and SR 161 in northeast Columbus. The demographics of the area were attractive to Hondros and Franklin because there are many adults with some college training and business development in New Albany and Easton is booming.

G OPPORTUNITY SITES

Five primary opportunity sites have been identified in the corridor. These sites present the opportunity for aesthetic improvements, extensive redevelopment, and/or infill development. Following the market analysis and site visits, potential product types that are appropriate to the Northland market have been proposed. In determining these products, consideration was given to future spin-off development that will be necessitated by the extensive office, retail, and light industrial complexes being constructed at Easton and in New Albany. A map of the corridor with the opportunity sites can be found in Map X.

From west to east along the corridor, the opportunity sites are:

Site A: The 9.88 acre former SunTV site at Morse Road and I-71 has prime frontage and good visibility for an office complex. The location also has good highway access. At the market FAR of 0.33, approximately 142,000 square feet of office space is possible. This site could accommodate a 5.5 floor building or two smaller buildings. This proposed space requires 475 parking spaces under the current zoning code.

Site B: The 82-acre Northland Mall site presents an opportunity for aesthetic and circulation improvements. Minor façade improvements, coordinated with overall design standards for the corridor, would greatly improve the relationship between the mall and the rest of the corridor.

Site C: The 18-acre Huntington Bank site will soon be available for reuse or redevelopment. This prime location at the eastern end of the Morse Road corridor would be ideal for office development that is a spin-off of Easton. The site is also central to highway access on I-71 and I-270. At the market-driven FAR of 0.33, a 259,000 square foot office complex could be built with 860 parking spaces required.

Site D: Site D is the former Nazarene Church Camp site, located on 32.5 acres between Cleveland Avenue and Westerville Road on Morse. This site's adjacency to single-family residential subdivisions, single ownership, proximity to new employment centers, and frontage and access to Morse Road make it ideal for residential development. Nearby vacant or underutilized parcels to the west could also be incorporated into this site's redevelopment. Given the current market conditions, there are several residential products that are possible on this site. A mix of products is recommended in order to balance the market supply. In all cases, the products would continue the current trend of up-scaling the Northland area.

- Single-family residential units, similar to the existing housing stock in Northland, are possible, with densities of 4 dwelling units per acre (dua) and 10,000 square foot lot sizes.
- Single-family residential, comparable to the new Waltham Place development, has potential given the current construction in the area. A higher density of 5.99 dua is required with smaller lots of 6000 square feet.
- Another single-family option is at greater densities, similar to the planned Northland Park. Units are planned at 8.17 dua with 4400 square foot lot sizes.
- Multi-family residential is possible, with two existing models in the immediate market. The higher density, urban model, Easton Commons, would require densities of 40 dua, totaling 1070 units.
- Another multi-family development model is the conventional apartment complex found throughout Columbus. This product would be new for the corridor and comparable to other new projects in Gahanna and Easton. This conventional development requires 30 dua, with a total of 800 possible units.
- A hybrid development type that has recently been constructed in Columbus is the twin single, or side-by-side duplex. These double-units, built at 12 dua, could accommodate 195 buildings or 390 total units.
- The demographics of the area suggest the current and future demand for assisted-living options. The Morse Road frontage, approximately 4 acres, could accommodate this type of development with 35 dua for a total of 140 units.

Site E: The 2.8 acre site located on the south side of Morse between Cleveland Avenue and Westerville Road has potential for infill multi-family residential. At densities similar to conventional apartment complexes (30 du/a), a small grouping of residential buildings could hold 70 units.

Site F: This 6.7 acre vacant site on the north side of Morse Road to the west of Trundel Ave. provides an opportunity for infill office development. At a market-driven FAR of 0.33, a 96,000 square foot office complex could be developed on the site with ample space behind the building for parking.

V IMPLEMENTATION STRATEGIES

Implementation strategies comprise a three-pronged approach for immediate and long-term actions associated with the redevelopment of the Morse Road Corridor. Based on meetings with public representatives, business interests, and other members of the community, these strategies were determined to be the most effective means of stabilizing, redeveloping, and sparking reinvestment for the long-term in the corridor.

The three strategic areas are organizational strategies, public investments, and the development and redevelopment of opportunity sites. Both immediate and long-term actions and strategies must be considered to stabilize the area and maximize development potential and quality in the corridor. These three types of improvements are mutually supportive to raise the quality and type of reinvestment, promoting a greater level of value and quality of life in the Morse Road Corridor.

A ORGANIZATIONAL STRATEGIES

Given the existing political framework and the strength of the business and residential community in the Northland area, a public/private organizational structure to carry out and oversee the redevelopment of the corridor is recommended. This public/private partnership will provide the mechanism for implementing development standards, public intervention, and private investment in a coordinated manner.

This organization should serve as the centerpiece for the revitalization of the corridor. This group will serve as the liaison between private developers, existing property owners, and City officials to guarantee that the quality and level of desired development are being met. Near term action items for the organizational strategy are:

- Create a public/private partnership to facilitate and oversee development and investment that is responsible for coordination and oversight of public investments, private development, and implementation of development standards
- Create the organizational mechanism for ensuring high quality and effective marketing, programming, repositioning, and long-term investment

In the short term term, a Northland Business Association is being created to unify the ideas and concerns of the businesses in the corridor. This effort will support the current efforts of the Northland Community Council and the City.

The local business association, the community council, and City officials may consider the evolution of this organization into a formal district with special assessment authority, such as a Special Improvement District (SID) as allowed by State statute. A SID is an organizing and financing mechanism that allows property owners and merchants to collaborate to use the City's tax collection powers to assess themselves. This special assessment is collected by the City and returned in entirety to the District for the purchase of supplemental services and capital improvements beyond those services already provided by the City. Benefits include:

- Direct and committed management/ombudsman role
- Modest assessment for operating budget toward marketing, merchandising, and programming
- Public sector matching funds for capital items
- Facilitation of private development and public/private ventures
- Coordination of public investments

The eventual evolution of a business association into a SID allows the area under consideration to raise funds, officially oversee development, and be linked directly to City officials through full-time staff. State of Ohio statutes require that SID assessments be made only on assessed value or front footage of abutting properties. Although this data was not available, an assessment comparable to \$.05 per square foot on existing properties would generate \$200,000 per year. With matching public funds, a \$400,000 annual budget would provide sufficient funding for three full-time staff, marketing, and additional soft costs.

With responsibilities outlined in a contractual arrangement with the City of Columbus, the staff's primary functions would be as follows:

- Coordinator/Director—General oversight and management with direct access to City officials; Responsible for direct coordination of relevant City departments and private interests. Full time with salary of \$50,000 per year plus benefits.
- Marketing Coordinator—Responsible for marketing, promotions, and special events in the corridor, including merchandising, coordination of special projects, marketing of development sites. Full-time with salary of \$40,000 plus benefits.
- Field Coordinator—Responsible for daily supervision of street-level activity in the corridor, including maintenance, code enforcement, landscaping, and overall conditions in the corridor. Full-time with salary of \$30,000 plus benefits.

With salaries and benefits at \$160,000, the additional funding will go toward marketing, events, advertising, administration, and supplies. A storefront along the corridor could be donated for office space, alleviating the cost of rent.

With an active and adequately staffed SID, a Redevelopment Authority does not need to be created immediately. There is neither significant clearance nor complicated ownership structures in this situation, making the creation of a Redevelopment Authority unnecessary. In the event that the SID structure cannot fulfill the redevelopment requirements, the creation of such an Authority is advised. The SID will facilitate development of the opportunity sites with the City acting as a catalyst for development by initiating public improvements.

B PUBLIC INVESTMENT AND INTERVENTION

A series of public investments and policy recommendations outline the role of the public sector in the future success of the revitalization of the corridor.

City and County public investments, including long-term capital investments and immediate streetscape and urban design improvements, are recommended to improve the quality of the area and the standard of development occurring there. These public investments can set the standard for matching private investment and increases in property values throughout the corridor. These

improvements include road beautification, underground utilities, improved parks and open space, enhanced street lighting, and attention to water, sewer, and drainage issues.

There is also public sector intervention required to streamline the approval process. This adjustment to the existing development review process and inspection program will add inspection staff, dedicated to the fast-track review of Northland projects and the enhancement of the inspections program. This will help guarantee a level of service to property owners in the area and add certainty to the development process as new investors seek sites in the corridor.

The City should also consider a pilot program that can be introduced in the Morse Road Corridor and applied to neighborhoods and business districts throughout the City. The City first establishes a comprehensive and coordinated team of City services and programs. This Target Team promotes “Neighborhood Sweeps” or “Blitzes” that enhance the appearance of the community over a short period of time and promote ongoing property maintenance. City services are concentrated in the Corridor for one week and involve public services ranging from health and social services to fire and police to public works and community development. These sweeps have proven to be successful in cities across the country with neighborhoods interested in improving their quality and attractiveness while maximizing the use of public funds.

C DEVELOPMENT OF OPPORTUNITY SITES

The opportunity sites, outlined previously, should be marketed for development or redevelopment by the private sector or by a partnership of the public and private sectors. These keystone sites will provide a standard for quality and will set the tone for further reinvestment in the corridor.

1. Former SunTV site at Morse Road and I-71 has prime frontage and good visibility for an office complex
2. Northland Mall site presents an opportunity for repositioning and aesthetic and circulation improvements
3. Huntington Bank site will soon be available for reuse or redevelopment as an office development spun off of Easton
4. Former Nazarene Church Camp site, adjacent to single-family residential subdivisions, single ownership and proximate to new employment centers, and frontage and access to Morse Road make it ideal for residential development
5. 2.8 acre site located on the south side of Morse between Cleveland Avenue and Westerville Road has potential for infill multi-family residential

D SOCIOECONOMIC IMPACTS

The redevelopment of the Morse Road corridor will not only serve as a model for other older, commercial corridors in the City, but will stabilize the community, enhance property values, and improve the overall quality of life in the Northland area. A successful redevelopment effort will help maintain and enhance the value of existing development by increasing sales prices, which in turn translate to increased value. The quality and value of new development will also increase as the conditions in the local market improve.

Historically, Special Improvement Districts (or Business Improvement Districts, as they are known in other parts of the country) have proven to raise the ambient property values by means that individual property owners would otherwise not be able to achieve. The District’s joint marketing, events, enhanced security, and improved maintenance serve to improve earnings and/or reduce costs for owners and tenants in the District. The increase in the number of SIDs/BIDs also reflects the recognition that individual property values depend greatly on the quality of the surrounding environment.

Aside from the increased property values that can be expected with these improvements, there are intangible benefits that will be derived as well as increased levels of development. The aesthetic quality of the environment, the number of visitors, public amenities, and overall desirability of the corridor will improve as public and private reinvestments occur.

The return on the public investment will also have a substantial impact on the community. Although the public investment in infrastructure will not directly cause private development, it will enhance development conditions, create stability and certainty for private investment, and enhance and upgrade the environment and market. Additionally, public-private partnerships will be fostered by an organized development entity.

Potential private investment in the corridor (in current dollars) is estimated as follows:

- | | |
|---|---------------|
| • Rehabilitation of Northland mall (planned) | \$70 million |
| • Rehabilitation of existing retail development
(excluding Northland Mall) at \$15/square foot | \$45 million |
| • Development of opportunity sites | |
| • Office development ⁸ | \$50 million |
| • Residential development ⁹ | \$33 million |
| • Total potential private investment | \$198 million |

With an initial estimated public investment of \$12-22 million for infrastructure and a public sector contribution to match the SID assessment of \$200,000 per year¹⁰, the public investment may total \$14.5-24.5 million. These investment levels indicate that there is substantial private investment given the public investment, as ratios between 2:1 and 6:1 are not uncommon.

These values for new development or enhanced existing development account for an increase in the quality and price of housing and commercial development in the area. This “upgrade” recognizes that there is a need for an enhanced community image and that there is a niche market for potential residents that like the Morse Road access and location but prefer a larger and/or higher quality product than what is currently in the market.

⁸ Assumes office development sales at \$125 p.s.f. for new products. Given the current market rates for offices in Columbus, and anticipated increases between 1999 and the time new development occurs on Morse Road, these figures are conservative.

⁹ Assumes 4 acres of assisted living, 140 units at \$70,000 unit; single-family residential 4dua, average 1400 s.f./unit and \$175,000/unit average sales price; and multi-family 1050 average s.f./unit and \$12/s.f. annual rent.

¹⁰ \$200,000 matching funds capitalized at 8%. These figures are based on current trends and will likely be conservative for future development.

Given industry standards and local demographics, there will also be an increase in population and employment in the immediate area. Over 1600 new employees and 500 residents could be expected in the area with this level of development occurring.

Tables

Table 2
Retail Sales
by Selected Store Category
Primary Trade Area (0-2.3 Miles)

Morse and Cleveland

Total Businesses:	2,185
Total Daytime Business Population:	31,749
Total Sales, All Businesses primary trade area (\$000):	\$3,020,977
Sales per business MSA, 1992	\$1,538,000
Sales per business, primary trade area	\$1,447,000
Sales per employee, MSA, 1992	\$98,000
Sales per employee, primary trade area	\$122,470

SIC Code	Store Category	Businesses	Employees	Sales (\$000)
	Total Retail and Personal Services, MSA, 1992	8,957	129,996	\$12,517,994
	Total Retail and Personal Services	864	10,205	\$1,504,413
	Shoppers Goods	369	2,789	\$570,717
53	General Merchandise Stores	24	4,119	\$254,606
56	Apparel and Accessory Stores	89	879	\$60,792
57	Home Furniture, Furnishings and Equipment Stores	91	725	\$131,536
59	Miscellaneous Retail	189	1,185	\$123,783
	Convenience Retail	221	4,752	\$325,715
54	Food Stores	48	1,647	\$221,758
58	Eating and Drinking Places	173	3,105	\$103,957
72	Personal Services	156	685	\$24,608
	Other Retail	118	1,979	\$583,373
52	Building materials, Hrdwr, Garden Supply & Mobile Home Dealrs	28	410	\$69,287
55	Automotive Dealers and Gasoline Service Stations	90	1,569	\$514,086

1/ Unless noted, all information is for 1998.

Source: Business data provided by American Business Information Inc., Omaha NE Copyright 1997, all rights reserved, CACI 1998/2003 forecasts; Basile Baumann Prost & Associates, Inc., Economic Census 1992

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Table 3
Retail Sales
by Selected Store Category
Combined Trade Area (0-3.5 miles)

Morse and Cleveland

Total Businesses:	4,563
Total Daytime Business Population:	69,084
Total Sales, All Categories (\$000):	\$6,748,086
Sales per business MSA, 1992	\$1,538,000
Sales per business, primary and secondary trade area	\$1,507,000
Sales per employee, MSA, 1992	\$98,000
Sales per employee, primary and secondary trade area	\$69,860

SIC

Code	Store Category	Businesses	Employees	Sales (\$000)
	Total Retail and Personal Services, MSA 1992	8,957	129,996	\$12,517,994
	Total Retail and Personal Services	1545	33,326	\$2,328,255
	Shoppers Goods	618	20,814	\$909,697
53	General Merchandise Stores	26	4,212	\$265,082
56	Apparel and Accessory Stores 2/	120	11,922	\$85,099
57	Home Furniture, Furnishings and Equipment Stores	165	1,565	\$303,643
59	Miscellaneous Retail	307	3,115	\$255,873
	Convenience Retail	411	8,251	\$539,521
54	Food Stores	104	2,696	\$354,088
58	Eating and Drinking Places	307	5,555	\$185,433
72	Personal Services	293	1,247	\$45,120
	Other Retail	223	3,014	\$833,917
52	Building materials, Hrdwr, Garden Supply & Mobile Home Dealsr	72	785	\$151,961
55	Automotive Dealers and Gasoline Service Stations	151	2,229	\$681,956

1/ Unless noted, all information is for 1998.

2/ Employment data for this category appears to capture employees of The Limited, Inc. corporate offices.

Source: Business data provided by American Business Information Inc., Omaha NE Copyright 1997, all rights reserved, CACI 1998/2003 forecasts; Basile Baumann Prost & Associates, Inc.

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Table 4
Population Trends
Franklin County, Primary, Secondary, and Combined Trade Areas
1990, 1998, 2003

Population			
Area	1990	1998	2003
Franklin County	961,437	1,041,654	1,094,789
Primary Trade Area	70,879	74,989	77,456
Secondary Trade Area	82,985	85,811	87,968
Combined Trade Area	153,864	160,800	165,424

Annual Percent Change				
Area	1990-1998		1998-2003	
	#	%	#	%
Franklin County	10,027	1.0%	10,627	1.0%
Primary Trade Area	514	0.7%	493	0.7%
Secondary Trade Area	353	0.4%	431	0.5%
Combined Trade Area	867	0.6%	925	0.6%

Source: CACI 1998/2003 forecasts; Ohio Department of Development, Office of Strategic Research; Basile Baumann Prost & Associates, Inc.

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Table 5
Household Population Trends
Franklin County, Primary, Secondary, and Combined Trade Areas
1990, 1998, 2003

Households			
Area	1990	1998	2003
Franklin County	378,723	410,103	431,022
Primary Trade Area	30,168	32,556	34,029
Secondary Trade Area	32,912	34,769	36,095
Combined Trade Area	63,080	67,325	70,124

Annual Percent Change				
Area	1990-1998		1998-2003	
	#	%	#	%
Franklin County	3,922	1.0%	4,184	1.0%
Primary Trade Area	299	1.0%	295	0.9%
Secondary Trade Area	232	0.7%	265	0.8%
Combined Trade Area	531	0.8%	560	0.8%

Source: CACI 1998/2003 forecasts; Ohio Department of Development, Office of Strategic Research; Basile Baumann Prost & Associates, Inc.

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Table 6
Primary and Combined Trade Areas
Household Income Distribution
1990, 1998, 2003

Primary Trade Area	1990		1998		2003	
Distribution						
< \$15,000	6,223	20.6%	4,287	13.2%	3,469	10.2%
\$15,000 - \$24,999	6,573	21.7%	5,186	15.9%	4,510	13.3%
\$25,000 - \$34,999	6,018	19.9%	5,756	17.7%	5,461	16.0%
\$35,000 - \$49,999	6,042	20.0%	7,630	23.4%	7,741	22.7%
\$50,000 - \$74,999	4,075	13.5%	6,037	18.5%	7,443	21.9%
\$75,000 - \$99,999	984	3.2%	2,457	7.5%	3,192	9.4%
\$100,000 - \$149,999	294	1.0%	1,021	3.1%	1,886	5.5%
\$150,000+	70	0.2%	182	0.6%	327	1.0%
Median Household Income	\$28,742			\$36,618		\$41,492
Average Household Income	\$32,666			\$42,186		\$48,153
Combined Trade Areas	1990		1998		2003	
Distribution						
< \$15,000	12,584	19.9%	8,709	12.9%	7,095	10.1%
\$15,000 - \$24,999	12,964	20.5%	10,096	15.0%	8,703	12.4%
\$25,000 - \$34,999	12,253	19.4%	11,489	17.1%	10,709	15.3%
\$35,000 - \$49,999	13,311	21.0%	15,396	22.9%	15,503	22.1%
\$50,000 - \$74,999	9,289	14.7%	13,815	20.5%	16,190	23.1%
\$75,000 - \$99,999	1,942	3.1%	5,232	7.8%	7,220	10.3%
\$100,000 - \$149,999	801	1.3%	2,138	3.2%	3,904	5.6%
\$150,000+	172	0.3%	451	0.7%	802	1.1%
Median Household Income	\$29,853			\$37,715		\$42,617
Average Household Income	\$33,588			\$43,342		\$49,488
Franklin County Median Inome 1/		\$31,590		\$43,267		\$52,640

1/ Based on Ohio Department of Development, Office of Strategic Research 1989 and 1993 data.

* Income represents the preceding year, expressed in current dollars.

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Source: CACI; Basile Baumann Prost & Associates, Inc., Ohio Department of Development Office of Strategic Research.

Table 7
Columbus MSA, Total Demand by Selected Store Category

<u>Assumptions</u>	
Median HH income	48,532
Households, MSA	\$663,746
Gross HH Income, MSA	\$32,212,920,872

SIC Code	Store Category	1992 total sales (\$000)	% HH income to sales by store type
	Total Retail and Personal Services	\$12,517,994	38.9%
	Shoppers Goods	\$5,109,866	15.9%
53	General Merchandise Stores	\$1,750,111	5.4%
56	Apparel and Accessory Stores	\$507,181	1.6%
57	Home Furniture, Furnishings and Equipment Stores	\$524,910	1.6%
59	Miscellaneous Retail	\$2,327,664	7.2%
	Convenience Retail	\$3,177,661	9.9%
54	Food Stores	\$1,882,587	5.8%
58	Eating and Drinking Places	\$1,295,074	4.0%
72	Personal Services	\$293,947	0.9%
	Other Retail	\$3,936,520	12.2%
52	Building materials, Hrdwr, Garden Supply & Mobile Home Deals	\$528,282	1.6%
55	Automotive Dealers and Gasoline Service Stations	\$3,408,238	10.6%

Source: Economic Census 1992, Columbus MSA

Table 8
Retail Demand
by Selected Store Category
Primary Trade Area
1998

Morse & Cleveland

Demographic Summary		1998
Population		74,989
Households		32,556
Median Household Income		\$36,618
Average Household Income		\$42,186

SIC Code	Store Type	% of income 1/	Annual	Total Expenditures
			Expenditures by HH	(000)
	Total Retail and Personal Services	39%	\$15,844	\$515,827
	Shoppers Goods	16%	\$6,692	\$217,861
53	General Merchandise	5%	\$2,292	\$74,617
56	Apparel and Accessories	2%	\$664	\$21,624
57	Home Furniture, Furnishings and Equipment	2%	\$687	\$22,380
59	Miscellaneous Retail	7%	\$3,048	\$99,241
	Convenience Retail	10%	\$3,612	\$117,599
54	Food Stores	6%	\$2,465	\$80,265
58	Eating and Drinking Places	4%	\$1,696	\$55,216
72	Personal Services	1%	\$385	\$12,533
	Other Retail	12%	\$5,155	\$167,835
52	Building materials, Hrdwr, Garden Supply & Mobile Home Deals	2%	\$692	\$22,523
55	Automotive Dealers, aftermarket, and Gasoline Service Stations	11%	\$4,463	\$145,311

1/ Based on % of income per store category for Columbus MSA

Source: 1992 Economic Census, Columbus, OH; Basile Baumann Prost & Associates, Inc.

Table 9
Retail Demand
by Selected Store Category
Combined Trade Area
1998

Morse & Cleveland

Demographic Summary		1998
Population		160,800
Households		67,325
Median Household Income		\$37,715
Average Household Income		\$43,342

SIC Code	Store Type	% of income 1/	Annual Expenditures by HH	Total Expenditures (000)
Total Retail and Personal Services		39%	\$16,843	\$1,133,940
Shoppers Goods		16%	\$6,875	\$462,876
53	General Merchandise	5%	\$2,355	\$158,533
56	Apparel and Accessories	2%	\$682	\$45,943
57	Home Furniture, Furnishings and Equipment	2%	\$706	\$47,549
59	Miscellaneous Retail	7%	\$3,132	\$210,851
Convenience Retail		10%	\$4,275	\$287,848
54	Food Stores	6%	\$2,533	\$170,534
58	Eating and Drinking Places	4%	\$1,743	\$117,314
72	Personal Services	1%	\$396	\$26,627
Other Retail		12%	\$5,297	\$356,589
52	Building materials, Hrdwr, Garden Supply & Mobile Home Dealrs	2%	\$711	\$47,854
55	Automotive Dealers, aftermarket, and Gasoline Service Stations	11%	\$4,586	\$308,734

1/ Based on % of income per store category for Columbus MSA

Source: Economic Census, 1992, Columbus OH; Basile Baumann Prost & Associates, Inc.

Table 10
Retail Demand
 by Selected Merchandise Category
 Primary Trade Area
 1998

Morse & Cleveland

Demographic Summary	1998
Population	74,989
Households	32,556
Median Household Income	\$36,618

Merchandise Category	Annual HH Expenditures	Total (000)
Total Retail and Personal Services	\$11,830	\$247,944
Shoppers Goods	\$4,590	\$70,237
General Merchandise	n/a 1/	n/a
Apparel and Accessories	\$1,326	\$34,288
Home Furniture, Furnishings and Equipment	\$905	\$18,755
Miscellaneous Retail	\$2,359	\$17,194
Convenience Retail	\$4,481	\$133,106
Food Stores	\$3,373	\$102,500
Eating and Drinking Places	\$1,108	\$30,606
Personal Services	\$327	\$8,281
Other Retail	\$2,759	\$44,601
Building materials, Hrdwr, Garden Supply & Mobile Home Deals	\$2,138	\$33,314
Automotive Dealers, aftermarket, and Gasoline Service Stations	\$621	\$11,287

1/ General Merchandise expenditures are not separated out, but part of Total Shoppers Goods

Source: Business data provided by American Business Information Inc., Omaha NE Copyright 1997, all rights reserved, CACI 1998/2003 forecasts; Basile Baumann Prost & Associates, Inc.
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Table 11
Retail Demand
by Merchandise Category
Combined Trade Area
1998

Morse & Cleveland

Demographic Summary	1998
Population	160,800
Households	67,325
Median Household Income	\$37,715

Merchandise Category	Annual HH Expenditures	Total (000)
Total Retail and Personal Services	\$7,421	\$240,372
Shoppers Goods	\$4,637	\$146,931
General Merchandise	n/a 1/	n/a
Apparel and Accessories	\$1,346	\$72,113
Home Furniture, Furnishings and Equipment	\$915	\$39,070
Miscellaneous Retail	\$2,376	\$35,748
Convenience Retail	\$4,516	\$277,997
Food Stores	\$3,406	\$214,747
Eating and Drinking Places	\$1,110	\$63,250
Personal Services	\$337	\$17,745
Other Retail	\$2,784	\$93,441
Building materials, Hrdwr, Garden Supply & Mobile Home Deals	\$2,157	\$69,950
Automotive Dealers, Auto aftermarket, and Gasoline Service Stations	\$627	\$23,491

1/ General Merchandise expenditures are not separated out, but part of Total Shoppers Goods

Source: Business data provided by American Business Information Inc., Omaha NE Copyright 1997, all rights reserved, CACI 1998/2003 forecasts;
 Basile Baumann Prost & Associates, Inc.
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Table 12
Comparison of Expenditures by Merchandise and Store Type
1998

Primary Trade Area

Merchandise Category		Expenditures by Merchandise Type	Expenditures by Store Type	Difference
Total Retail and Personal Services		\$247,944	\$515,827	\$267,883
Shoppers Goods		\$70,237	\$217,861	\$147,624
53	General Merchandise	n/a 1/	\$74,617	n/a
56	Apparel and Accessories	\$34,288	\$21,624	(\$12,664)
57	Home Furniture, Furnishings and Equipment	\$18,755	\$22,380	\$3,625
59	Miscellaneous Retail	n/a 2/	\$99,241	n/a
Convenience Retail		\$133,106	\$117,599	(\$15,507)
54	Food Stores	\$102,500	\$80,265	(\$22,235)
58	Eating and Drinking Places	\$30,606	\$55,216	\$24,610
72	Personal Services	\$8,281	\$12,533	\$4,252
Other Retail		\$44,601	\$167,835	\$123,234
52	Building materials, Hrdwr, Garden Supply & Mobile Home Deals	\$33,314	\$22,523	(\$10,791)
55	Automotive Dealers, aftermarket, and Gasoline Service Stations	n/a 3/	\$145,311	n/a

Combined Primary and Secondary Trade Area

Merchandise Category		Expenditures by Merchandise Type	Expenditures by Store Type	Difference
Total Retail and Personal Services		\$536,114	\$1,133,940	\$597,826
Shoppers Goods		\$146,931	\$462,876	\$315,945
53	General Merchandise	n/a 1/	\$158,533	n/a
56	Apparel and Accessories	\$72,113	\$45,943	(\$26,170)
57	Home Furniture, Furnishings and Equipment	\$39,070	\$47,549	\$8,479
59	Miscellaneous Retail	n/a 2/	\$210,851	n/a
Convenience Retail		\$277,997	\$287,848	\$9,851
54	Food Stores	\$214,747	\$170,534	(\$44,213)
58	Eating and Drinking Places	\$63,250	\$117,314	\$54,064
72	Personal Services	\$17,745	\$26,627	\$8,882
Other Retail		\$93,441	\$356,589	\$263,148
52	Building materials, Hrdwr, Garden Supply & Mobile Home Deals	\$69,950	\$47,854	(\$22,096)
55	Automotive Dealers, aftermarket, and Gasoline Service Stations	n/a 3/	\$308,734	n/a

1/ General Merchandise expenditures are not separated out, but part of Total Shoppers Goods

2/ Expenditures by Merchandise Type for Miscellaneous Retail do not reflect on line items in the category.

3/ Expenditure by Merchandise Type for Automotive do not reflect car purchases.

Source: BBP Associates, based on 1992 Economic Census, Columbus MSA, and CACI

Table 13
Inflow-Outflow Analysis (Adjusted)
Primary Trade Area
1998

Morse & Cleveland

SIC Code	Store Type	Total Sales (\$000)	Total Expenditures (\$000)	% Exp. by Residents in Trade Area	Expenditures by Source		Adjusted Net Inflow	Adjusted % Net Inflow
					Residents	Market		
	Shoppers Goods	\$570,717	\$217,861	0.7	\$152,502	\$65,358	\$418,215	73%
53	General Merchandise 1/	\$254,606	\$74,617	0.7	\$52,232	\$22,385	\$202,374	79%
56	Apparel and Accessories	\$60,792	\$21,624	0.7	\$15,137	\$6,487	\$45,655	75%
57	Home Furniture, Furnishings and Equipment	\$131,536	\$22,380	0.7	\$15,666	\$6,714	\$115,870	88%
59	Miscellaneous Retail	\$123,783	\$99,241	0.7	\$69,468	\$29,772	\$54,315	44%
	Convenience Retail	\$325,715	\$117,599	0.9	\$105,839	\$11,760	\$219,876	68%
54	Food Stores	\$221,758	\$80,265	0.9	\$72,238	\$8,026	\$149,520	67%
58	Eating and Drinking Places	\$103,957	\$55,216	0.9	\$49,694	\$5,522	\$54,263	52%
72	Personal Services	\$24,608	\$12,533	0.9	\$11,279	\$1,253	\$13,329	54%
	Other Retail	\$583,373	\$167,835	0.9	\$151,051	\$16,783	\$432,322	74%
52	Building materials, Hrdwr, Garden Supply & Mobile Home Deals	\$69,287	\$22,523	0.9	\$20,271	\$2,252	\$49,016	71%
55	Automotive Dealers, aftermarket, and Gasoline Service Stations	\$514,086	\$145,311	0.9	\$130,780	\$14,531	\$383,306	75%

Source: Economic Census 1992, Columbus MSA; Business data provided by American Business Information Inc., Omaha NE Copyright 1997, all rights reserved, CACI 1998/2003 forecasts; Basile Baumann Prost & Associates, Inc.

Table 14
Inflow-Outflow Analysis (Adjusted)
Combined Trade Area
1998

Morse & Cleveland

SIC Code	Store Type	Total Sales (\$000)	Total Expenditures (\$000)	% Exp. by Residents in Trade Area	Expenditures by Source		Adjusted Net Inflow	Adjusted % Net Inflow
					Expenditures by Residents	Expenditures by Market		
	Shoppers Goods	\$909,697	\$462,876	0.7	324,013	\$138,863	\$585,684	64%
53	General Merchandise	\$265,082	\$158,533	0.7	110,973	\$47,560	\$154,109	58%
56	Apparel and Accessories	\$85,099	\$45,943	0.7	32,160	\$13,783	\$52,939	62%
57	Home Furniture, Furnishings and Equipment	\$303,643	\$47,549	0.7	33,284	\$14,265	\$270,359	89%
59	Miscellaneous Retail	\$255,873	\$210,851	0.7	147,596	\$63,255	\$108,277	42%
	Convenience Retail	\$539,521	\$287,848	0.9	259,063	\$28,785	\$280,458	52%
54	Food Stores	\$354,088	\$170,534	0.9	153,480	\$17,053	\$200,608	57%
58	Eating and Drinking Places	\$185,433	\$117,314	0.9	105,583	\$11,731	\$79,850	43%
72	Personal Services	\$45,120	\$26,627	0.9	23,964	\$2,663	\$21,156	47%
	Other Retail	\$833,917	\$356,589	0.9	320,930	\$35,659	\$512,987	62%
52	Building materials, Hrdwr, Garden Supply & Mobile Home Deals	\$151,961	\$47,854	0.9	43,069	\$4,785	\$108,892	72%
55	Automotive Dealers, aftermarket, and Gasoline Service Stations	\$681,956	\$308,734	0.9	277,861	\$30,873	\$404,095	59%

Source: Economic Census 1992, Columbus MSA; Business data provided by American Business Information Inc., Omaha NE Copyright 1997, all rights reserved, CACI 1998/2003 forecasts; Basile Baumann Prost & Associates, Inc.

Table 15
Inflow-Outflow Analysis (Adjusted)
 Primary Sales compared to Combined Trade Area Expenditures
 1998

Morse & Cleveland

SIC Code	Store Type	Combined Trade Area Expenditures		% Net Inflow/(Outflow)	% Exp. by Residents in Trade Area	Expenditures by Source		Adjusted Net Inflow	Adjusted % Net Inflow	
		Total Primary Area Sales (\$000)	Area Expenditures (\$000)			Net Inflow/(Outflow)	Expenditures by Residents			Expenditures by Market
	Total	\$1,504,413	\$1,133,940	\$370,473	25%					
	Shoppers Goods	\$570,717	\$462,876	\$107,841	19%		\$256,801	\$206,075	\$313,916	55%
53	General Merchandise 1/	\$254,606	\$158,533	\$96,073	38%	0.6	\$95,120	\$63,413	\$159,486	63%
56	Apparel and Accessories	\$60,792	\$45,943	\$14,849	24%	0.5	\$22,971	\$22,971	\$37,821	62%
57	Home Furniture, Furnishings and Equipment	\$131,536	\$47,549	\$83,987	64%	0.7	\$33,284	\$14,265	\$98,252	75%
59	Miscellaneous Retail	\$123,783	\$210,851	(\$87,068)	-70%	0.5	\$105,425	\$105,425	\$18,358	15%
	Convenience Retail	\$325,715	\$287,848	\$37,867	12%	0.7	\$206,815	\$81,032	\$118,900	37%
54	Food Stores	\$221,758	\$170,534	\$51,224	23%	0.8	\$136,427	\$34,107	\$85,331	38%
58	Eating and Drinking Places	\$103,957	\$117,314	(\$13,357)	-13%	0.6	\$70,388	\$46,926	\$33,569	32%
72	Personal Services	\$24,608	\$26,627	(\$2,019)	-8%	0.7	\$18,639	\$7,988	\$5,969	24%
	Other Retail	\$583,373	\$356,589	\$226,784	39%	0.7	\$249,612	\$106,977	\$333,761	57%
52	Building materials, Hrdwr, Garden Supply & Mobile Home Deals	\$69,287	\$47,854	\$21,433	31%	0.7	\$33,498	\$14,356	\$35,789	52%
55	Automotive Dealers, aftermarket, and Gasoline Service Stations	\$514,086	\$308,734	\$205,352	40%	0.7	\$216,114	\$92,620	\$297,972	58%

Source: Economic Census 1992, Columbus MSA; Business data provided by American Business Information Inc., Omaha NE Copyright 1997, all rights reserved, CACI 1998/2003 forecasts; Basile Baumann Prost & Associates, Inc.

Appendices

Appendix 1
Standard Industrial Classification Codes by Major Group
Store

SIC Code	Type
Shoppers Goods	
53	General Merchandise Department Stores Variety Stores Miscellaneous General Merchandise
56	Apparel and Accessories Apparel Shoes Accessories
57	Home Furniture, Furnishings and Equipment, Electronics Furniture Floor Coverings Drapery and Upholstery Miscellaneous Musical Instruments Appliances Consumer Electronics Computers and Software Records and Tapes
59	Miscellaneous Retail Books & Periodicals Cameras & Equipment Film Processing Luggage Optical Goods Pets & Supplies Sporting Goods Toys & Hobbies
Convenience Retail	
54	Food Stores Groceries Alcoholic beverages
58	Eating and Drinking Places
Personal Services	
72	Personal Services Beauty shop Barber Dry cleaning
Other Retail	
52	Building materials, Hardware, Garden Supply & Mobile Home Dealers
55	Automotive Dealers, Automotive aftermarket, and Gasoline Service Stations

Source: 1989 Standard Industrial Classifications, U.S. Department of Commerce

Appendix 2
Comparable Multi-Family Complexes 1/

Complex Name	Year Built	# of units	location	1BR		2 BR		3BR	
				s.f.	rent	s.f.	rent	s.f.	rent
Tall Oaks Apartments	1971	160	south of Morse	700	\$375	825	\$415	1200	\$535
Carlin Manor	1966	278	north of Morse	657	\$410	1000	\$495	1048	\$550
Northland Square		101	north of Morse near Cleveland	670	\$364	960	\$457		
Morse Creek Commons	1980		south of Morse near Cleveland		\$379				
Northpointe Apartments	1967		Morse near RR		\$349				
Parliament Ridge	1968		south of Morse btw Karl and Cleveland		\$335				
Old Nantucket Apartments			south of Morse btw Karl and Cleveland		\$325				
Woods of Northland	1967		south of Morse btw Karl and Cleveland		\$329				
Northland View	1979		north of Morse btw Karl and Cleveland		\$414				
Candletree Apartments	1975		Tamarack Circle		\$315				
Forest Park Village		376		726	\$499	1190	\$585	1328.5	\$875
Northland Arms			I-270 and I-71	640	\$415	875	\$493		
Brookeville		424	Sharon Court	590	\$454	793.5	\$590	1100	\$775
Wake Robin Apartments		296		650	\$450	950	\$540	1200	\$654
Wyandotte Village		162		600	\$408	1049	\$540		
Bradford at Easton	new	324	Easton	750	\$560	1093	\$720	1459	\$1,020
Chestnut Hill	new		Morse near Hamilton		\$645		\$775		
Summit New Albany	new	201		968	\$660	1209	\$995	1425	\$1,100
Average				695	\$427	994	\$600	1252	\$787

1/ Comparables are based on information from SpringStreet.com and Rent.net, and were located based on proximity to the intersection of Morse and Cleveland.