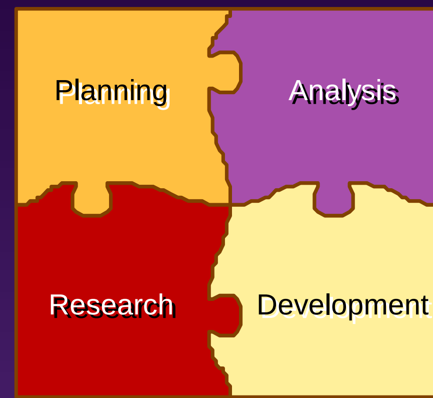
Isaac Heard, Jr. AICP

Urban Planner



Neighborhood Retail Development Process

Current Patterns of Retail Development Are Unsustainable

- Obsolete and deteriorating retail streets and shopping centers
- Overbuilding
- Traffic congestion
- Inconvenience
- Boring and ugly environment
- Poor lifestyle fit

vision

The Timing is Right for Change

- Urban lifestyles are hot
- Immigrants are opening new businesses
- Retailers are interested in cities again
- Suburban markets are saturated
- States are concerned about sprawl
- Street-front retail environments are popular
- Customers want a sense of community
- Local governments are using sophisticated finance, regulatory, and planning tools

Changing Demographics

- Fewer households with children
- Aging population + Generation Y's
- More two-income couples
- More non-traditional households
- Increased immigration
- Global consumers

The Market for New Retail Environments Is in Place, and Urban Shopping Streets Are Poised to Succeed

vision

Retail Environments Are Changing Rapidly

- Traditional shopping centers and retailers are being squeezed by:

  -- Big boxes, outlets and the Internet for VALUE

  -- “Lifestyle” oriented retail for

  THE EXPERIENCE

- Downtowns are becoming dining and entertainment centers
- Private new town centers boom
- (Faux) Shopping streets emerge

It's a New Retail World!

- Repositioning is now dominant
- Malls are de-malling
- Stand-alone centers are being torn down
- New centers are being integrated with the community
- Stimulating environments and immersive experiences dominate new construction

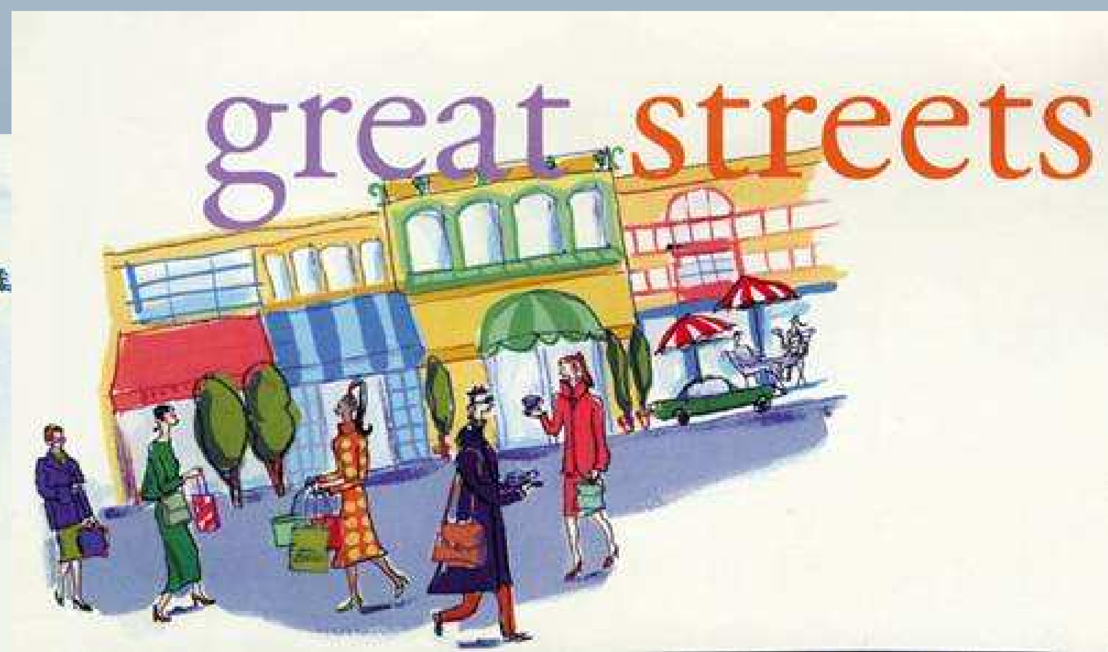
It's all about Community, Lifestyle, and Entertainment

- How people want to live
- How they see themselves
- What they like to do
- What their aspirations are
- Who they want to be

Reinventing Retail

- Open air and pedestrian-oriented
- Strong architectural and landscape amenities
- Comfortable and affordable indulgence
- Mixed use
- Entertaining features and amenities
- Multiple anchors
- Tenant narrowcasting

Placemaking **=** *Creating a Place Where People Want to Be, and Not Just to Shop!*



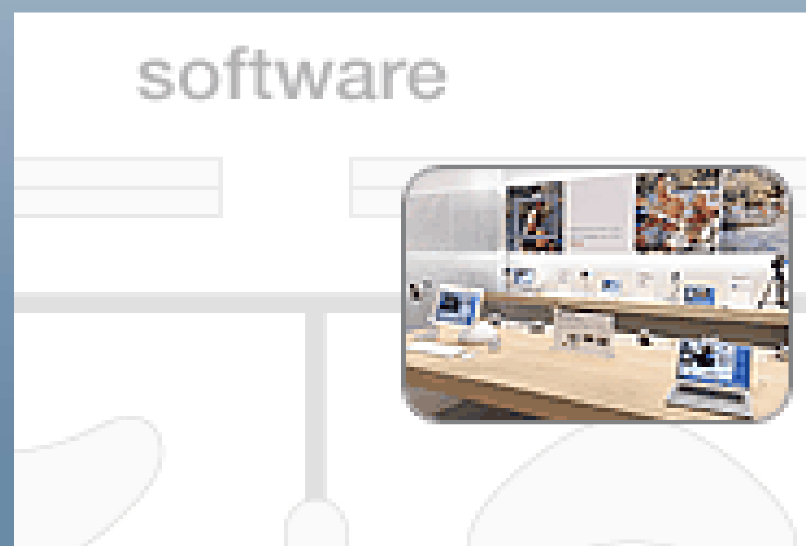
vision

Enhancing the Guest Experience

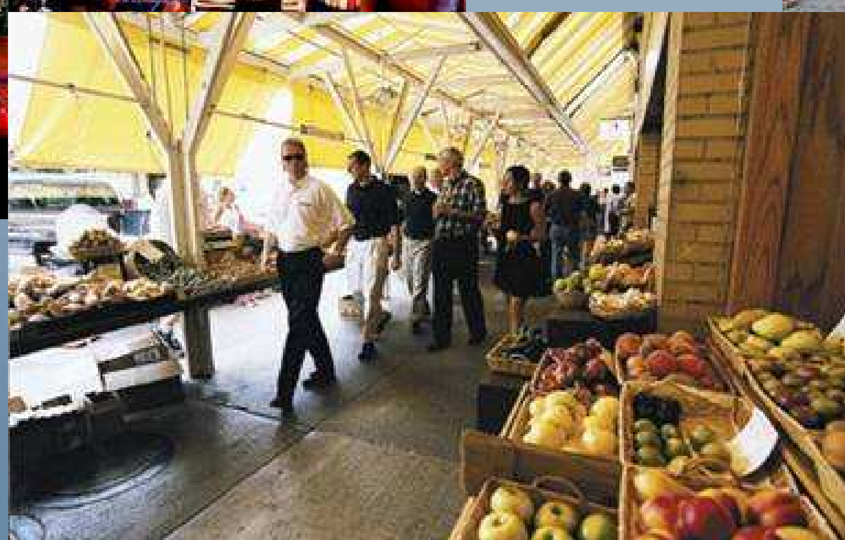
vision

Branding and Customer Relationship Management

Apple Store The Grove



Connections to Local Culture



vision

New Parking Configurations

New Environments

vision

Retail trends are happening fastest where:

- Competition is strongest
- Land values are highest
- Changing demographics are most advanced
- Traffic and pollution are worst
- Barriers to entry are greatest
- Regulations are strongest

1. Great Streets Need Great Champions

- Public or private
- Must involve all the stakeholders
- A public/private development entity
- A long-term commitment
- Develop a process for resolving conflicting agendas

vision

2. It Takes a Vision

- Enlightened public policy, BUT market based
- Get buy-in by all interest groups, BUT don't let one group hijack the process
- Serve the neighborhood first, BUT be realistic about the competition
- Create an identity for the street, BUT overcoming a negative image is even more important

Strive to be what you can be as a retail destination!

3. Think Residential

- Successful retail depends on successful residential neighborhoods

vision

Set Residential Goals

- Attract retailers' attention
- Help residents must take ownership of their streets
- Increase home ownership
- Promote mixed income housing
- Encourage mixed use: residential AND office

4. Honor the Pedestrian

- Green the street
- Don’t block retail sight lines
- Add the usual assortment of amenities
- Use white lighting: No sodium vapor!
- Set flexible design standards

vision

Set Up Design Guidelines and Development Standards

- Aesthetics
- Store Types
- Operating hours
- Building scale and materials
- Setbacks
- Signage

vision

Perhaps Most Importantly:

- ***DON'T LET TRAFFIC ENGINEERS RULE THE STREETS!***

- Adapt street width for retailing
- Two-way streets
- Other traffic calming measures

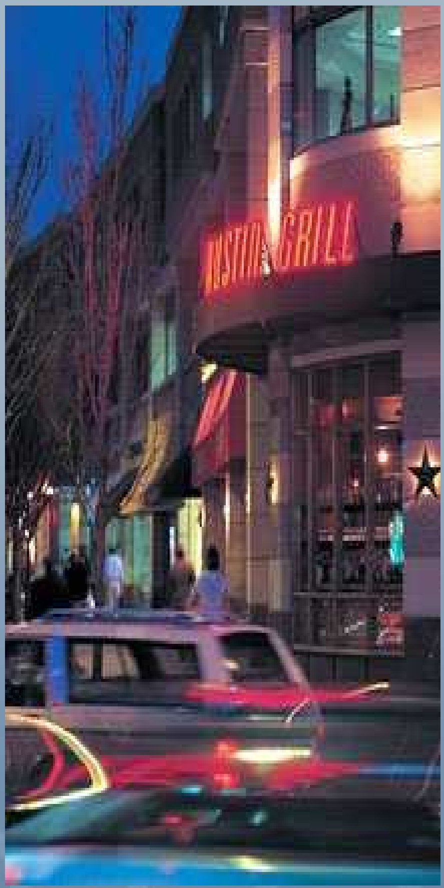
5. Parking is Power

- Most difficult amenity to provide
- Mix of on- and off-street parking
- Visible, safe, convenient, and close to the stores
- Innovative configurations
- Transit and bicycles

vision

6. Merchandise and Lease Proactively

- Retailers are the soul of the street
- Retail mix is key
- Establish a quasi-public retail leasing and management agency
- Operate the street like a shopping center



vision

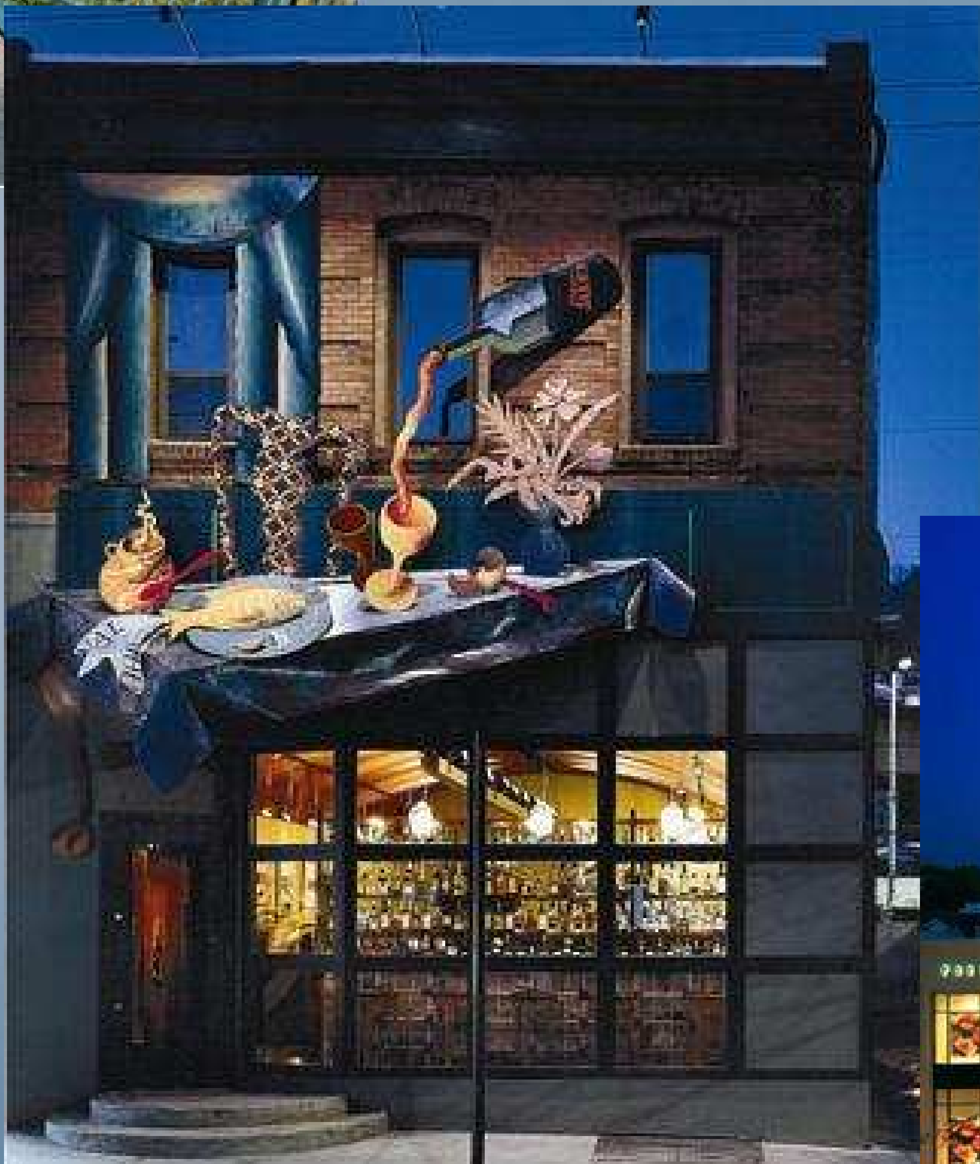
Market the Street Like a Shopping Center

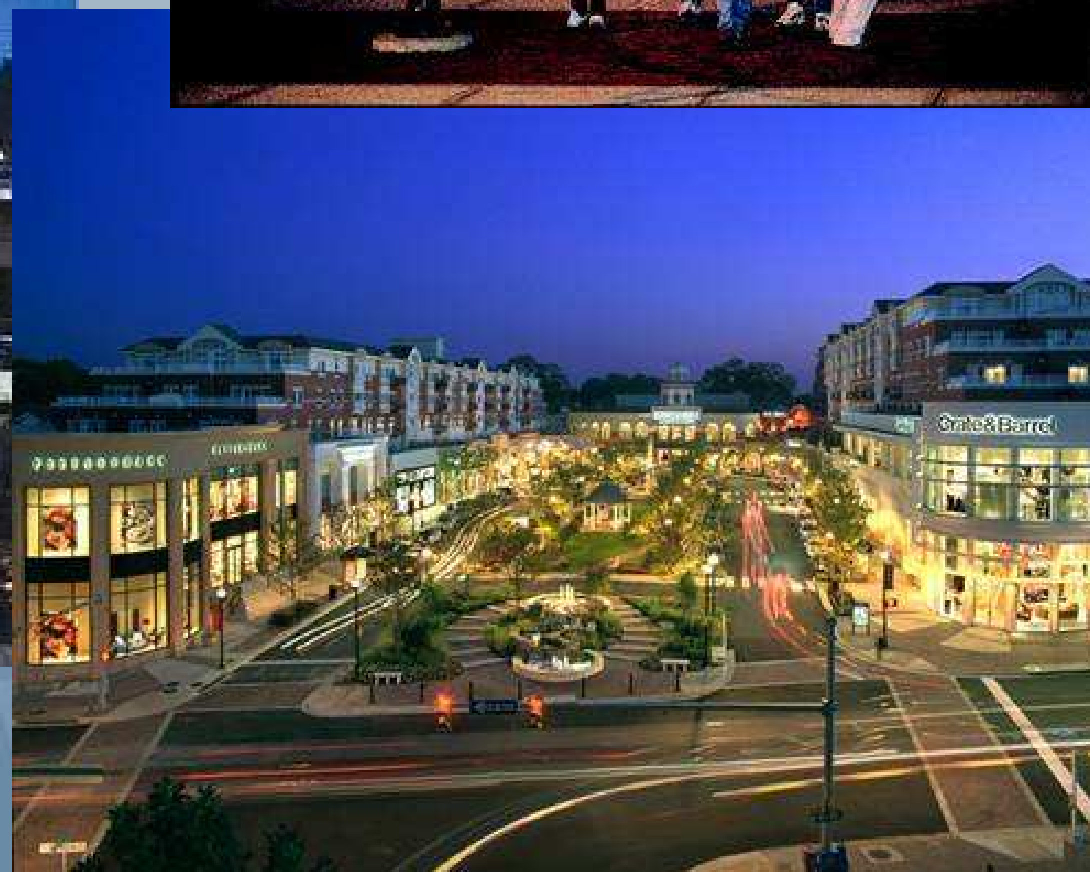
- Hire a professional to "sell" the street
- Create a leasing plan
- Realistically tailor it to the neighborhood
- Aim for the anchors first
- Initiate the plan along one or two blocks
- Provide technical (and financial?) assistance

7. Extend Day into Night

- Successful urban commercial streets require 18-hour activity
- Retail depends on multiple markets at different times of the day and evening
- Professional, educational, health, civic and cultural uses add customers
- Restaurants, theatres, cinema, and clubs draw them at night

vision





vision

8. Be Clean, Safe and Friendly

- Provide services and friendly faces on the street
- Work on social problems with city agencies
- Add extra layer of security
- Get rid of security barriers!
- Enforce flexible codes
- Check the pulse of retailers and customers regularly

vision

vision

9. Make It Happen

- Spontaneous regeneration rarely happens
- Create a public entity to plan and coordinate the rebuilding process – BID?
- Use financial, infrastructure, and regulatory tools aggressively
- Carrots first – sticks if necessary
- Eminent domain, demolition by neglect statutes, fines for lack of upkeep
- Approach local financial and civic institutions
- Leverage public money

10. Manage for Change

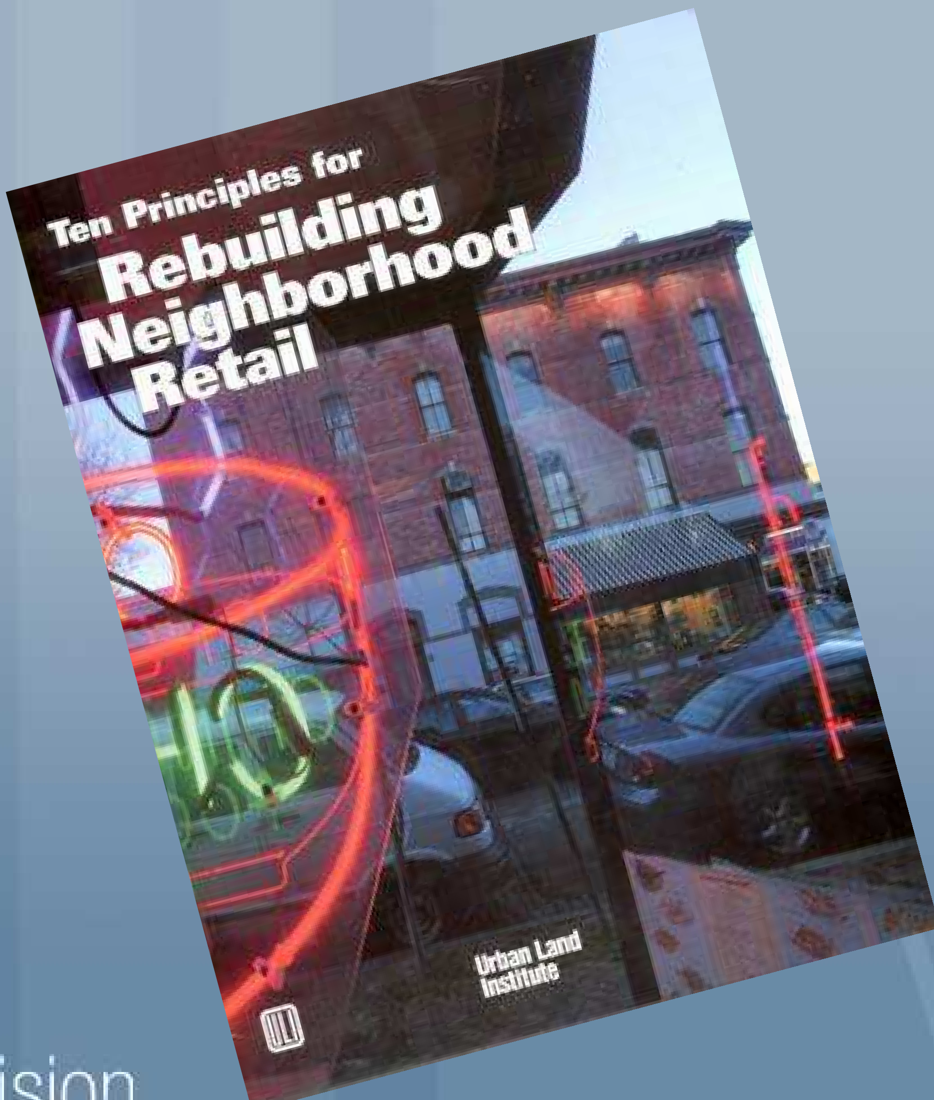
- It's a long, incremental rebuilding process
- As the neighborhood changes, the retail must change too
- Monitor trends and resolve issues quickly
- Prune the retail deadwood
- Provide a clearinghouse for neighborhood information
- Maintain strong day-to-day working relationships with the public sector
- Remember: It's a shopping center!

vision

New Public Private Partnerships

- **Financial incentives**
  - **-- TIF**
  - **-- Tax credits and abatements**
  - **-- Parking and infrastructure**
- **Leveraging cultural, sports and civic facilities**
- **Business Improvement Districts**

Ten Principles



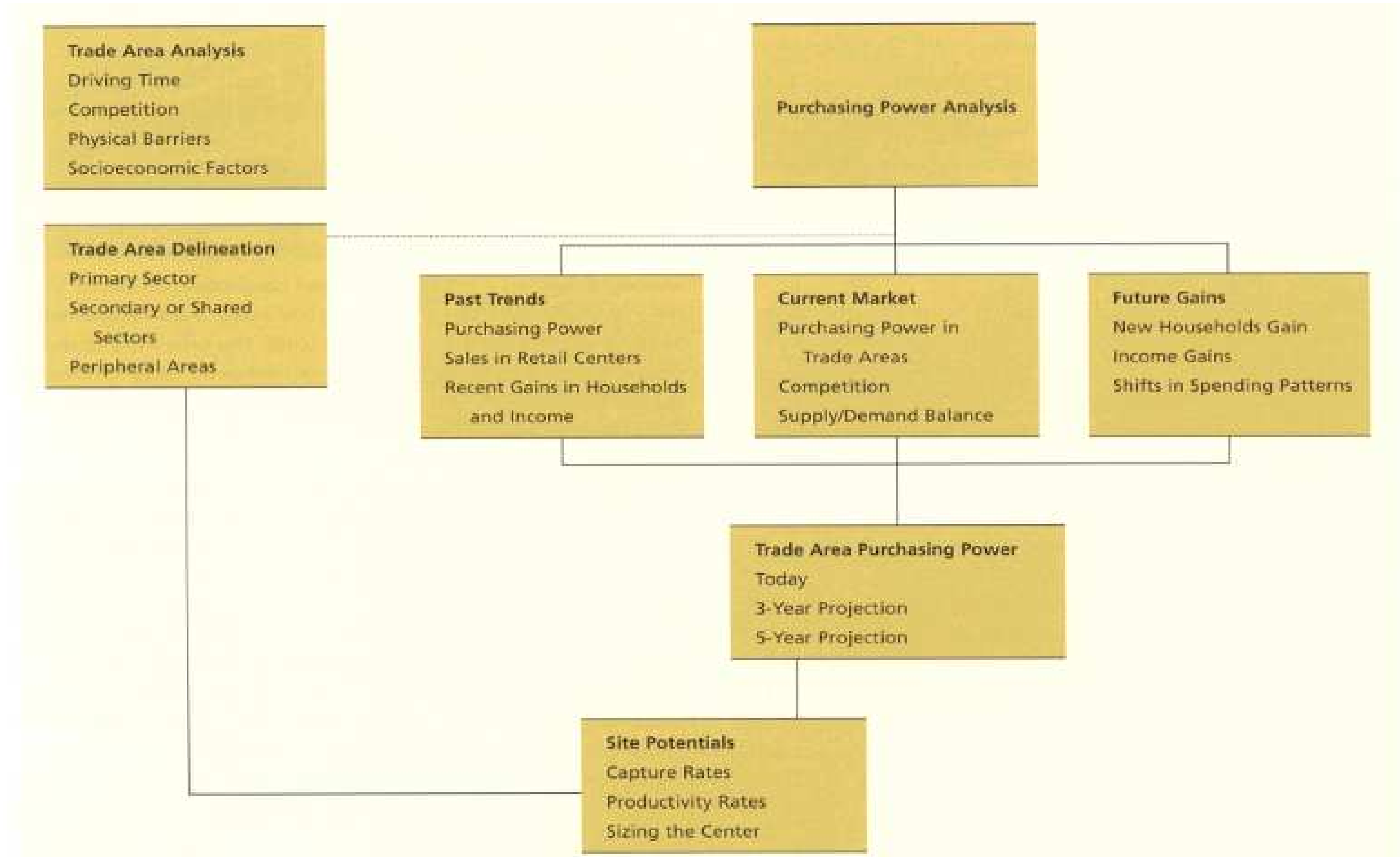
- Great streets need great champions
- It takes a vision
- Think residential
- Honor the pedestrian
- Parking is power
- Merchandise and lease proactively
- Be clean, safe and friendly
- Extend day into night
- Make it happen
- Manage for change

vision

Shopping Center Feasibility Study Components

- Market analysis
- Financial analysis
- Site selection
- Commitments from key tenants
- A leasing plan
- Financial considerations
- Zoning, subdivision, environmental & traffic impact, and other public approvals

Sales Potential for a Retail Center: Analytical Process



vision

General Guidelines for a Primary Trade Area

Type of Center	Minimum Population Support Required	Radius	Driving Time
Super Regional	300,000 or more	12 miles	30 minutes
Regional	150,000 or more	8 miles	20 minutes
Community	40,000–150,000	3-5 miles	10-20 minutes
Neighborhood	3,000–40,000	1½ miles	5-10 minutes

Note: This table provides only general guidelines, which must be modified according to the characteristics of the specific shopping center being considered.

vision

Table II

Corporations with Net Income

Source: Almanac of Business and Industrial Financial Ratios

GROCERY STORES

MONEY AMOUNTS AND SIZE OF ASSETS IN THOUSANDS OF DOLLARS

Item Description for Accounting Period 7/97 Through 6/98		Total	Zero Assets	Under 100	100 to 250	251 to 500	501 to 1,000	1,001 to 5,000	5,001 to 10,000	10,001 to 25,000	25,001 to 50,000	50,001 to 100,000	100,001 to 250,000	250,001 and over
Number of Enterprises	1	27447	1584	9379	7927	3580	2314	2089	262	144	•	•	24	41
Revenues ($ in Thousands)														
Net Sales	2	288346743	2851518	4680321	8516073	5908624	9880502	20131260	9693249	10020225	•	•	13535872	180453612
Portfolio Income	3	710947	6458	691	6217	22305	21792	39059	10544	55289	•	•	48993	425659
Other Revenues	4	5415332	57046	122758	116992	47546	92905	206229	147833	188769	•	•	145376	3974707
Total Revenues	5	294473022	2915022	4803770	8639282	5978475	9995199	20376548	9851626	10264283	•	•	13730241	184853978
Average Total Revenues	6	10729	1840	512	1090	1670	4319	9754	37602	71280	•	•	572093	4508634
Operating Costs/Operating Income (%)														
Cost of Operations	7	75.5	69.3	77.0	78.8	80.4	76.9	78.0	79.3	78.3	•	•	77.1	74.0
Salaries and Wages	8	10.2	11.6	5.3	6.3	6.0	8.8	8.3	8.8	9.4	•	•	10.2	11.2
Taxes Paid	9	1.5	2.0	1.4	2.1	1.4	1.4	1.2	1.4	1.3	•	•	1.4	1.5
Interest Paid	10	0.8	0.5	0.2	0.2	0.5	0.3	0.5	0.4	0.6	•	•	0.6	1.0
Depreciation, Depletion, Amortization	11	1.8	1.1	0.8	1.1	0.9	0.9	1.1	1.0	1.3	•	•	1.7	2.1
Pensions and Other Benefits	12	1.7	2.7	0.3	0.2	0.3	0.4	0.6	1.1	0.9	•	•	1.3	2.2
Other	13	7.9	11.0	11.2	7.5	7.4	8.6	8.6	7.4	8.4	•	•	7.3	7.7
Officers Compensation	14	0.5	0.6	3.4	2.7	1.9	1.4	1.0	0.7	0.6	•	•	0.2	0.1
Operating Margin	15	0.3	1.2	0.5	1.2	1.3	1.5	0.7	•	•	•	•	0.2	0.2
Oper. Margin Before Officers Compensation	16	0.7	1.8	3.9	3.8	3.2	2.8	1.7	0.7	•	•	•	0.4	0.3
Selected Average Balance Sheet ($ in Thousands)														
Net Receivables	17	234	•	2	6	11	24	141	370	945	•	•	8952	124449
Inventories	18	644	•	19	60	103	217	519	1882	3133	•	•	27105	303469
Net Property, Plant and Equipment	19	1424	•	12	42	113	182	685	2577	5414	•	•	73431	748886
Total Assets	20	3161	•	53	162	364	703	1905	6818	14311	•	•	156341	1589238

Table 5-15 **Tenants Most Frequently Found in U.S. Community Shopping Centers**

Tenant Classification	Rank	Average Number of Stores	Median GLA (Square Feet)	Median Sales Volume per Square Foot of GLA	Median Total Rent per Square Foot of GLA
General Merchandise					
Discount department store	3	0.5	80,477	$157.15	$ 4.42
Food					
Supermarket	4	0.5	45,946	374.85	6.83
Food Service					
Restaurant with liquor	1	0.6	4,953	232.37	13.63
Sandwich shop	14	0.3	1,275	265.17	15.94
Pizza	17	0.3	1,600	205.16	14.16
Clothing and Accessories					
Women's specialty	18	0.3	2,725	178.17	14.00
Women's ready-to-wear	2	0.6	4,000	139.60	12.07
Shoes					
Family shoes	7	0.4	3,432	176.20	13.00
Home Furnishings					
Furniture	15	0.3	4,860	192.00	10.40
Gifts/Specialty					
Cards and gifts	8	0.4	3,824	151.00	11.04
Jewelry					
Jewelry	12	0.3	1,355	361.22	17.99
Drugs					
Drugstore/pharmacy	11	0.3	10,935	319.29	7.97
Other Retail					
Eyeglasses—optician	20	0.3	1,523	257.04	16.86
Cosmetics/beauty supplies	19	0.3	1,649	254.05	13.98
Personal Services					
Women's hair salon	13	0.3	1,344	151.15	12.68
Dry cleaner	9	0.4	1,680	124.88	15.22
Unisex hair	6	0.4	1,287	192.75	15.70
Nail salon	16	0.3	1,078	76.24	12.85
Financial					
Banks	10	0.3	2,955		14.88
Offices (Other than Financial)					
Medical and dental	5	0.4	1,789	265.77	12.50

Source: Dollars & Cents of Shopping Centers, ULI

Table 6-15 Tenants Most Frequently Found in U.S. Neighborhood Shopping Centers

Tenant Classification	Rank	Average Number of Stores	Median GLA (Square Feet)	Median Sales Volume per Square Foot of GLA	Median Total Rent per Square Foot of GLA
Food					
Supermarket	1	0.5	31,500	$339.55	$ 6.53
Food Service					
Restaurant without liquor	15	0.2	3,075	186.00	12.00
Restaurant with liquor	3	0.4	3,381	228.12	13.50
Sandwich shop	16	0.2	1,300	231.74	13.82
Pizza	5	0.3	1,500	147.37	12.05
Chinese fast food	12	0.2	1,500	105.82	11.85
Clothing and Accessories					
Women's specialty	18	0.2	1,509	299.79	15.79
Women's ready-to-wear	17	0.2	2,750	293.18	13.92
Gifts/Specialty					
Cards and gifts	19	0.2	2,480	164.77	12.92
Liquor					
Liquor/wine	20	0.1	2,362	246.92	11.00
Drugs					
Drugstore/pharmacy	6	0.3	9,100	305.46	7.60
Personal Services					
Women's hair salon	4	0.4	1,200	132.97	11.74
Dry cleaner	2	0.4	1,500	134.23	13.66
Unisex hair	8	0.2	1,306	159.88	13.69
Videotape rentals	9	0.2	3,675	88.60	11.15
Nail salon	14	0.2	1,048	71.54	12.87
Financial					
Banks	11	0.2	3,015		15.00
Finance company	10	0.2	1,414		10.25
Insurance	13	0.2	1,000		10.50
Offices (Other than Financial)					
Medical and dental	7	0.3	1,607		12.09

Source: Dollars & Cents of Shopping Centers, ULI

Types of Capital Used to Fill the "Gap"

- **<u>Debt money</u> - loans with set repayment schedules for principle and interest**
  - **conventional lenders (banks, etc.)**
  - **public sources (governments)**
  - **private sources (foundations, NGO's, etc.)**
- **<u>Equity money</u> - investments in exchange for part ownership**
- **<u>Intervention money</u> - contributed public or private funds that result in no ownership share and may not need to be repaid**

Uses of Public Intervention Money

- Reduce the costs and/or cash required
- Increase income
- Reduce expenses
- Reduce the financing costs
- Improve the economic and investment environment
- Improve the informational environment

Issues of Retail Market Demand Analysis

- Area demand evaluation, or economic base analysis (identifies underlying economic and demographic structure of the area)
- Direct consumer research on shopper attitudes, preferences and spending habits
- Analysis of competitive alignment of the market
- Trade area definition & evaluation (focuses the other three measures on a particular location and forecasts sales performance)

Annual Household Consumer Expenditures by Income

Table 2. Income before taxes: Average annual expenditures and characteristics, Consumer Expenditure Survey, 2000

Item	Complete reporting of income[1]									
	Total complete reporting	Less than $5,000	$5,000 to $9,999	$10,000 to $14,999	$15,000 to $19,999	$20,000 to $29,999	$30,000 to $39,999	$40,000 to $49,999	$50,000 to $69,999	$70,000 and over
Number of consumer units (in thousands)	81,454	3,627	7,183	8,037	6,677	12,039	9,477	7,653	11,337	15,424
Consumer unit characteristics:										
Income before taxes[2]	$44,649	$1,980	$7,638	$12,316	$17,319	$24,527	$34,422	$44,201	$58,561	$112,586
Income after taxes[2]	41,532	1,942	7,192	12,245	17,070	23,666	32,720	41,498	54,432	102,578
Age of reference person	48.1	42.0	54.6	55.0	53.3	49.2	46.3	44.7	44.3	45.2
Average annual expenditures	$40,238	$17,946	$15,703	$21,199	$24,331	$29,852	$35,609	$42,323	$49,245	$75,964
Food	5,435	2,627	2,462	2,984	3,743	4,507	5,118	6,228	6,557	8,665
Food at home	3,154	1,603	1,723	2,108	2,556	2,921	2,996	3,552	3,605	4,483
Cereals and bakery products	474	214	260	312	383	449	460	510	542	679
Cereals and cereal products	163	76	100	106	131	176	159	177	183	213
Bakery products	312	138	160	206	251	273	301	333	359	466
Meats, poultry, fish, and eggs	817	437	451	581	695	800	803	938	898	1,095
Beef	243	124	125	175	217	230	244	278	268	329
Pork	171	100	113	126	159	181	169	193	188	202
Other meats	104	60	52	79	82	105	106	122	121	133
Poultry	150	76	85	105	115	145	151	174	160	206
Fish and seafood	114	54	50	66	87	103	90	134	128	184
Eggs	36	23	25	30	35	35	45	37	34	41

Annual Household Consumer Expenditures by Age of HH Head

Table 3. Age of reference person: Average annual expenditures and characteristics, Consumer Expenditure Survey, 2000

Item	All consumer units	Under 25	25-34	35-44	45-54	55-64	65 and over	65-74	75 and over
Number of consumer units (in thousands)	109,367	8,306	18,887	23,983	21,874	14,161	22,155	11,538	10,617
Consumer unit characteristics:									
Income before taxes [1]	$44,649	$19,744	$45,498	$56,500	$58,889	$48,108	$25,220	$29,349	$20,563
Income after taxes [1]	41,532	18,813	42,665	52,626	54,149	44,109	23,890	27,553	19,759
Age of reference person	48.2	21.3	29.8	39.5	49.4	59.1	75.0	69.4	81.2
Average annual expenditures	$38,045	$22,543	$38,945	$45,149	$46,160	$39,340	$26,533	$30,782	$21,908
Food	5,158	3,213	5,260	6,092	6,295	5,168	3,652	4,178	3,077
Food at home	3,021	1,643	2,951	3,484	3,657	3,071	2,448	2,760	2,106
Cereals and bakery products	453	238	429	531	560	441	376	414	334
Cereals and cereal products	156	90	167	190	180	140	123	133	112
Bakery products	297	148	263	341	380	301	253	281	222
Meats, poultry, fish, and eggs	795	437	770	918	970	832	626	727	515
Beef	238	135	239	270	296	243	182	217	144
Pork	167	89	155	186	198	186	143	168	116
Other meats	101	55	98	120	121	99	79	86	70
Poultry	145	86	145	178	169	146	108	130	84
Fish and seafood	110	52	102	126	146	115	84	95	73
Eggs	34	21	30	37	40	43	30	32	28

Annual Household Consumer Expenditures by HH Composition

Table 5. Composition of consumer unit: Average annual expenditures and characteristics, Consumer Expenditure Survey, 2000

Item	Husband and wife consumer units							One parent, at least one child under 18	Single person and other consumer units
	Total husband and wife consumer units	Husband and wife only	Husband and wife with children				Other husband and wife consumer units		
			Total husband and wife with children	Oldest child under 6	Oldest child 6 to 17	Oldest child 18 or over			
Number of consumer units (in thousands)	56,287	22,805	28,777	5,291	15,396	8,090	4,705	6,132	46,948
Consumer unit characteristics:									
Income before taxes [1]	$60,588	$53,232	$66,913	$62,928	$69,472	$64,725	$56,796	$25,095	$28,969
Income after taxes [1]	56,280	48,874	62,455	58,764	64,738	60,604	53,606	24,498	26,879
Age of reference person	48.2	56.7	41.5	32.2	39.6	51.2	47.9	36.6	49.6
Average annual expenditures	$48,619	$42,196	$53,586	$50,756	$54,170	$54,550	$49,646	$28,923	$26,524
Food	6,575	5,575	7,251	5,817	7,508	7,858	7,506	4,255	3,557
Food at home	3,892	3,155	4,357	3,659	4,458	4,724	4,815	2,647	2,010
Cereals and bakery products	590	456	680	542	702	749	723	388	295
Cereals and cereal products	203	149	240	186	256	251	255	153	100
Bakery products	387	307	440	356	445	497	468	234	196
Meats, poultry, fish, and eggs	1,018	846	1,113	819	1,155	1,271	1,333	754	529
Beef	307	251	335	245	345	391	432	223	156
Pork	213	189	226	151	236	268	249	159	112
Other meats	129	100	148	108	153	170	166	91	67
Poultry	183	143	207	171	210	230	241	153	98
Fish and seafood	144	126	153	109	168	156	185	93	71
Eggs	43	37	44	33	44	56	59	33	25

vision

Annual Household Consumer Expenditures by Region of Residence

Table 8. Region of residence: Average annual expenditures and characteristics, Consumer Expenditure Survey, 2000

Item	All consumer units	Northeast	Midwest	South	West
Number of consumer units (in thousands)	109,367	20,994	25,717	38,245	24,410
Consumer unit characteristics:					
Income before taxes [1]	$44,649	$47,439	$44,377	$41,984	$46,670
Income after taxes [1]	41,532	44,456	40,711	39,468	43,088
Age of reference person	48.2	49.5	48.4	48.3	46.6
Average annual expenditures	$38,045	$38,902	$39,213	$34,707	$41,328
Food	5,158	5,377	5,255	4,724	5,554
Food at home	3,021	3,202	2,933	2,823	3,269
Cereals and bakery products	453	491	444	422	480
Cereals and cereal products	156	164	152	148	167
Bakery products	297	326	292	274	313
Meats, poultry, fish, and eggs	795	883	721	779	821
Beef	238	248	226	230	255
Pork	167	162	160	176	164
Other meats	101	116	103	94	94
Poultry	145	174	125	142	146
Fish and seafood	110	149	78	100	124
Eggs	34	35	28	36	38

Consumer Expenditure Survey Reference Units

- Age of Head of HH
- Composition of HH
- Education of Head of HH
- Housing tenure, type of area & race of Head of HH
- HH Income before taxes
- # of earners in HH
- Occupation of Head of HH
- Origin of Head of HH (white, black, Hispanic)
- Region of residence
- Size of HH

http://www.bls.gov/cex/home.htm

Consumer Demographic Thresholds Neighborhood Shopping Center

- Minimum Population Support Required = 3,000 – 40,000
- Trade Area Radius = 1 – 3 miles
- Income Spent on “Food Eaten at Home” = $11,100,000 (2004 $)

Rank Ordered Tenants for Neighborhood Shopping Centers

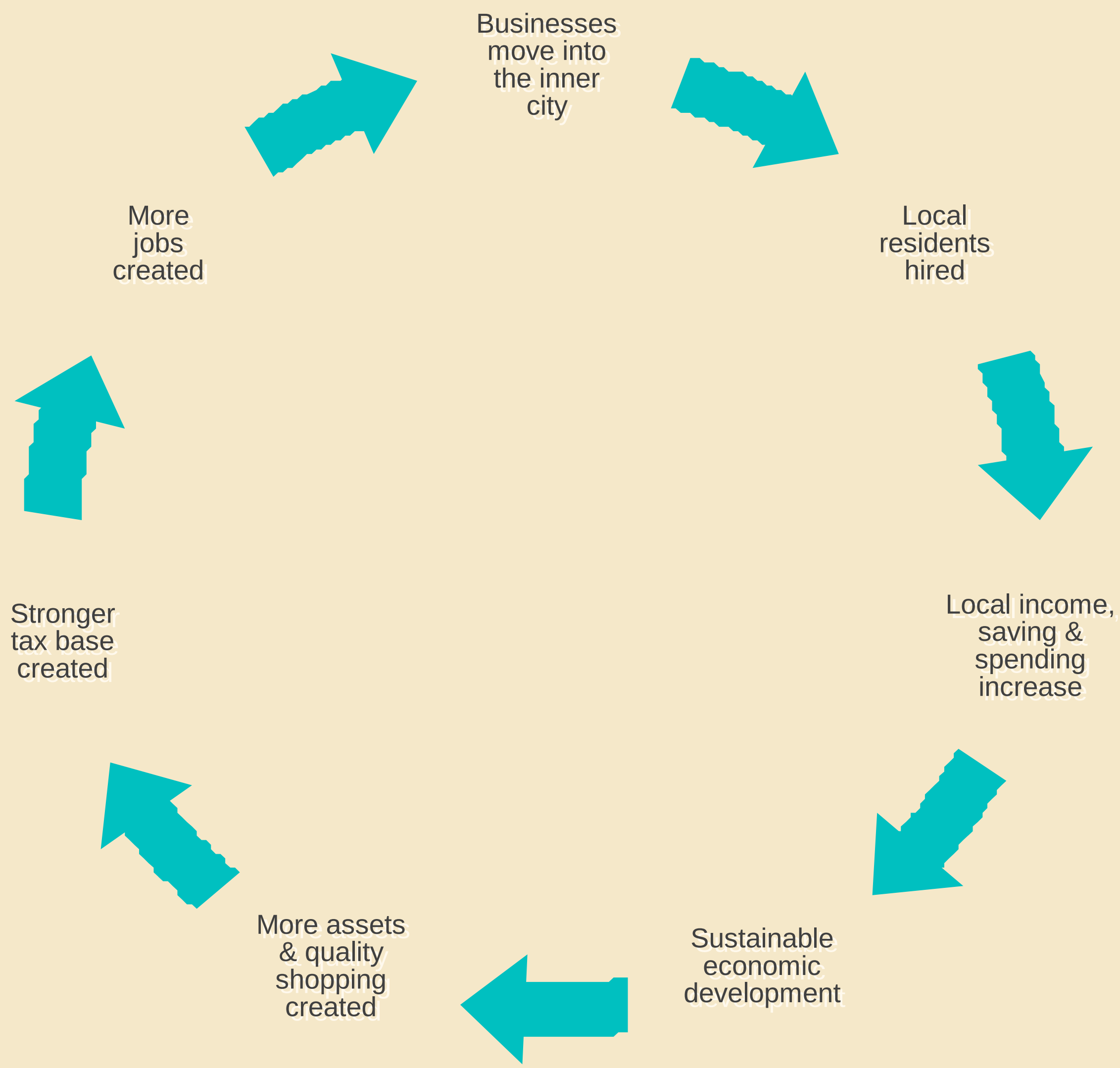
	/---------------	Medians	-------------\
Tenants	**SF in GLA**	**Sales/SF**	**Rent/SF**
Supermarket	31,500	$ 339.55	$ 6.53
Dry Cleaners	1,500	$ 134.23	$ 13.66
Restaurant (w/liquor)	3,381	$ 228.12	$ 13.50
Woman's Hair Salon	1,200	$ 132.07	$ 11.74
Pizza	1,500	$ 147.37	$ 12.05
Drugstore	9,100	$ 305.46	$ 7.60
Medical/Dental Office	1,607		$ 12.09
Unisex Hair Salon	1,306	$ 159.88	$ 13.69
Videotape Rentals	3,675	$ 88.60	$ 11.15
Finance Company	1,414		$ 10.25

vision

The Untapped Consumer Markets in Inner City Neighborhoods

- Despite the huge retail purchasing power of their residents, many inner city neighborhoods suffer from significant “out-shopping” - they have too little retail to meet the demand, and tap the buying power of their own residents.
- Therefore, the challenge ahead is to create a “virtuous cycle of retail” in inner city areas - to promote business growth, jobs and savings.

The Virtuous Cycle of Retail



General Impacts of Inner City Business Development

- Expanding employment
- Improved consumer services
- Stimulating new business markets
- Catalyzing real estate rehabilitation
- Creating role models and community leaders

A Goal For Inner City Retail Revitalization

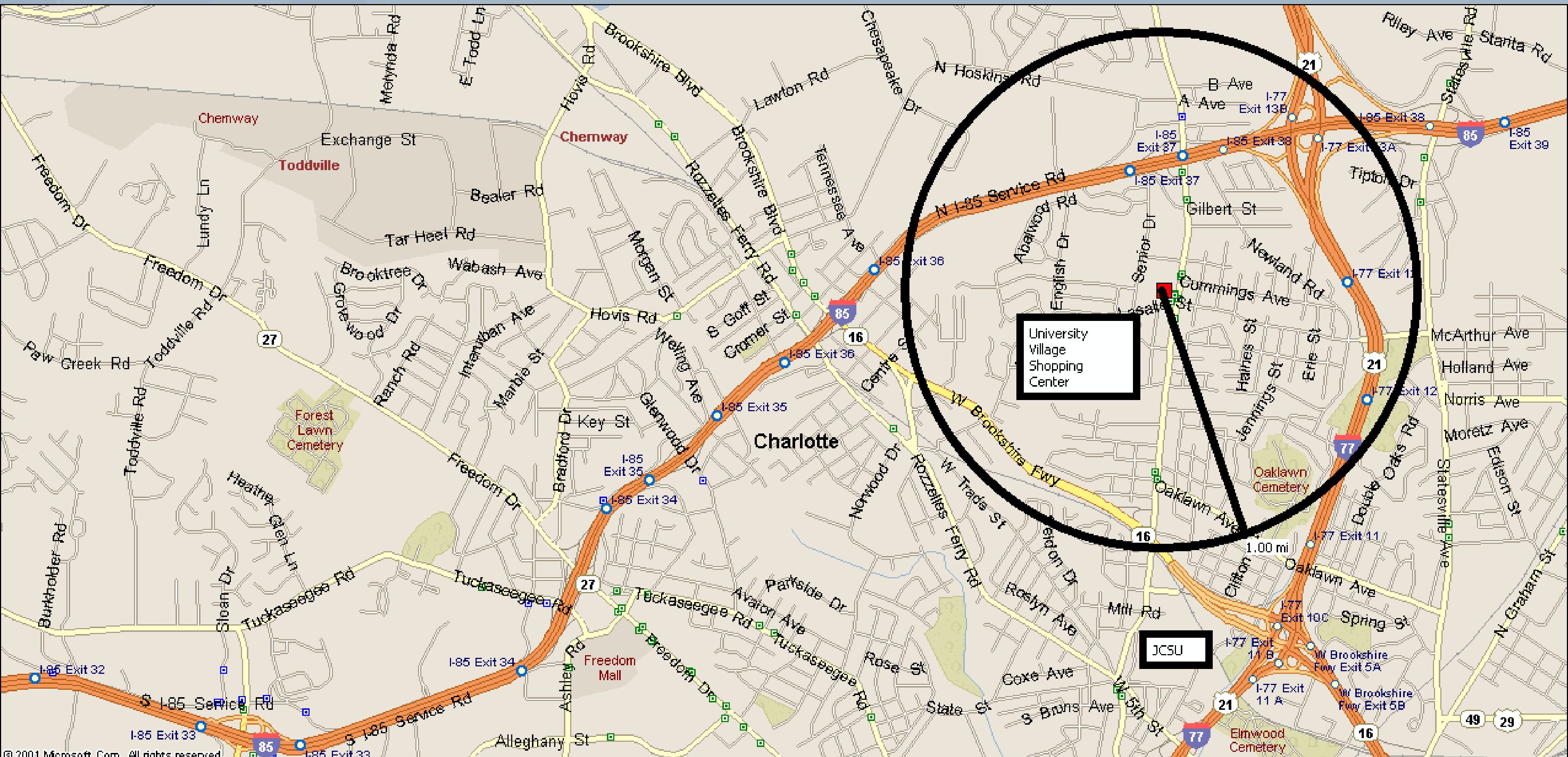
- The goal is not to generate a consumption binge by those who most need to build more assets and get ahead.
- Nor is it to divert buying power away from the businesses outside the cities.
- The goal is net gain created by
  - businesses move into inner city neighborhoods
  - hiring local residents--> raising local incomes
  - higher incomes allow both more saving & more spending
  - more hiring raises income and consumer demand

vision

Charlotte, NC

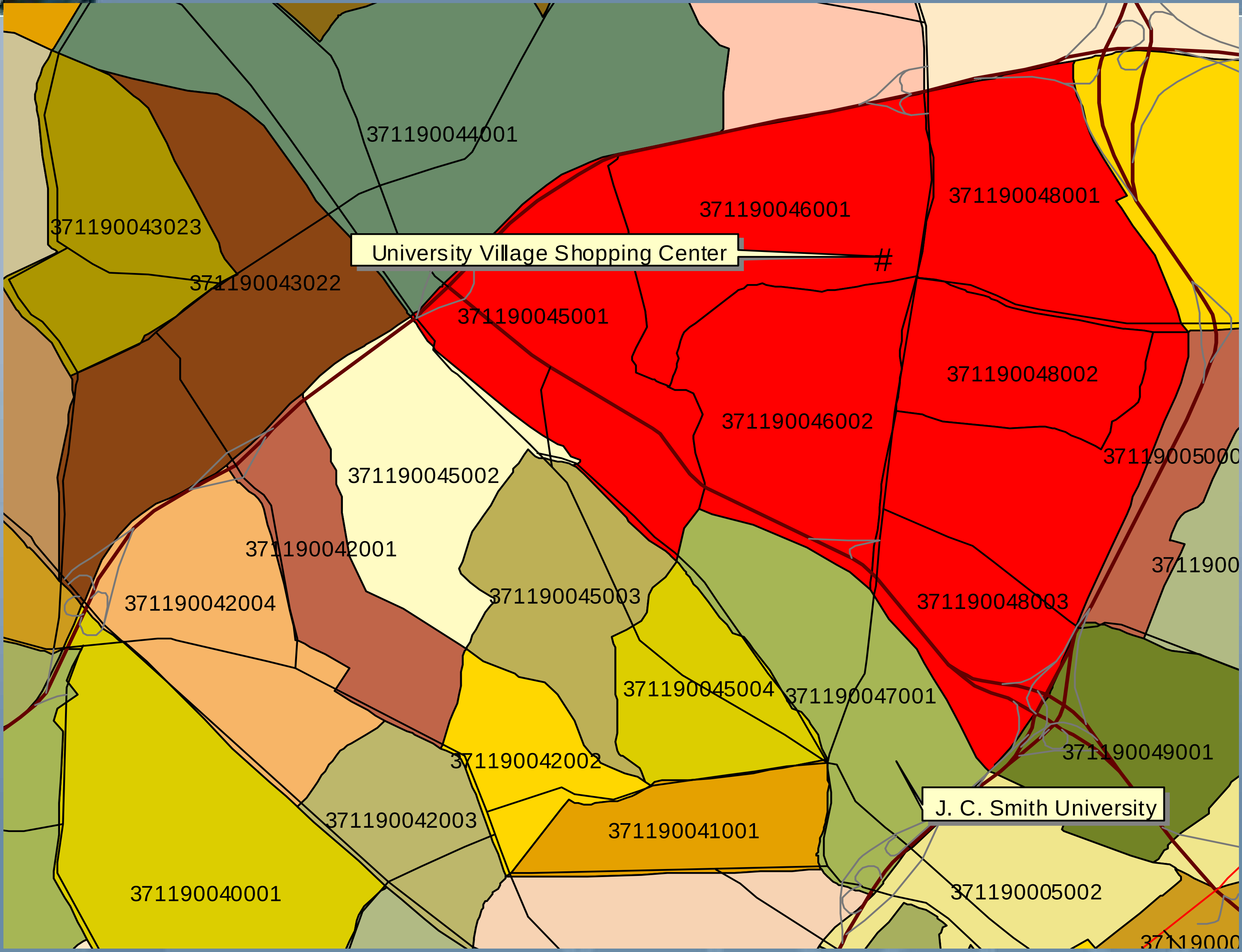
Beatties Ford Road Corridor

NW Corridor – Charlotte, NC



vision

NW Corridor – Charlotte, NC



vision

POTENTIAL EXPENDITURES IN SHOPPING CENTER PRIMARY MARKET

EXPENDITURE CATEGORY	CENSUS TRACTS / BLOCK GROUP DESIGNATIONS 45/01	46/01	46/02	48/01	48/02	48/03	TOTALS
GROCERIES	$1,130,610	$2,002,800	$2,235,550	$1,711,630	$1,570,320	$1,406,930	$10,057,840
FAST FOOD RESTAURANTS	$214,520	$430,010	$393,420	$335,340	$293,700	$296,140	$1,963,130
SIT DOWN RESTAURANTS	$181,840	$379,010	$337,420	$289,710	$258,620	$259,050	$1,705,650
DRUG STORES	$142,100	$383,290	$308,480	$246,760	$264,490	$238,510	$1,583,630
HARDWARE STORES	$5,610	$21,980	$12,930	$10,800	$12,520	$11,460	$75,300
RADIO/TV/MUSIC STORES	$48,180	$132,320	$91,230	$82,650	$74,180	$82,100	$510,660
BEAUTICIAN SHOPS	$53,900	$128,300	$118,230	$97,100	$100,680	$90,820	$589,030
BARBER SHOPS	$29,600	$56,520	$58,050	$46,620	$42,290	$40,580	$273,660
BOOKSTORES & NEWSTANDS	$19,880	$99,750	$34,990	$40,670	$44,250	$54,150	$293,690
DENTIST OFFICE	$8,380	$51,240	$17,380	$6,050	$21,270	$19,680	$124,000
PHYSICIAN OFFICE	$60,080	$144,120	$118,960	$108,980	$107,850	$99,990	$639,980
	$1,894,700	$3,829,340	$3,726,640	$2,976,310	$2,790,170	$2,599,410	$17,816,570
							$17,816,570

University Village Shopping Center

- To earn a 7% share in this 55,000 SF center, the CDC
  - undertook a detailed (segmented) market analysis
  - recruited NationsBank CDC as an equity partner (15% for $292,000)
  - sponsored an application to the City for a 15 year, 4%, $900,000 loan
  - arranged for NationsBank construction financing and Wachovia Bank permanent financing
  - secured a 7 year, 6%, $200,000 PRI from Seedco

Impacts of the Project

- Eliminated an existing 25,000 SF blighted structure
- Introduced 140 new jobs into the area
- Generated $30,000/year in property tax revenues (was $10,000/year)
- Served as a catalyst for other private development & redevelopment
- Worked in conjunction with City-funded street, sidewalk, storm sewer, and service center projects in the area


FASHION VIEW
Barber Shop
SUBWAY
FOOD LION


All Our Fruits
Our Gold Li
99


GOLD LIO
GUARANTE


FRESH
PRODUCE


from
2
3
4
5
6
7
Energizer

Awards Won By University Village Shopping Center

1997 John J. Gunther Blue Ribbon in Community Development

(HUD Best Practices Award)

1996 National League of Cities Partnership Award

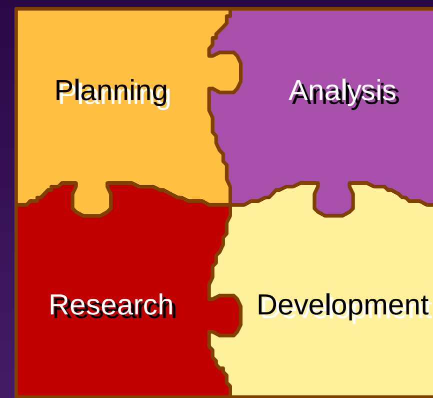
Reference Sources

- **Bureau of Labor Statistics, Consumer Expenditure Survey (http://www.bls.gov/cex/home.htm)**
- **"The Almanac of Business & Industrial Financial Ratios", Prentice Hall**
- **"Dollar & Cents of Shopping Centers", Urban Land Institute**
- **"Shopping Center Development Handbook", Urban Land Institute**
- **"Real Estate Market Analysis: A Case Study Approach", Urban Land Institute**

vision

Isaac Heard, Jr. AICP

Urban Planner



vision

Thank you for your attention