

ULI Advisory Panels Impact Assessment: Retail

A ULI Advisory Services Program Report



 Urban Land
Institute

 Foundation

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About the Urban Land Institute

THE URBAN LAND INSTITUTE is a global, member-driven organization comprising more than 45,000 real estate and urban development professionals dedicated to advancing the Institute's mission of providing leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

ULI's interdisciplinary membership represents all aspects of the industry, including developers, property owners, investors, architects, urban planners, public officials, real estate brokers, appraisers, attorneys, engineers, financiers, and academics. Established in 1936, the Institute has a presence in the Americas, Europe, and Asia Pacific regions, with members in 80 countries.

The extraordinary impact that ULI makes on land use decision making is based on its members sharing expertise on a variety of factors affecting the built

environment, including urbanization, demographic and population changes, new economic drivers, technology advancements, and environmental concerns.

Peer-to-peer learning is achieved through the knowledge shared by members at thousands of convenings each year that reinforce ULI's position as a global authority on land use and real estate. In 2018 alone, more than 2,200 events were held in about 330 cities around the world.

Drawing on the work of its members, the Institute recognizes and shares best practices in urban design and development for the benefit of communities around the globe.

More information is available at uli.org. Follow ULI on Twitter, Facebook, LinkedIn, and Instagram.

About ULI Advisory Services

THE GOAL OF THE ULI ADVISORY SERVICES

program is to bring the finest expertise in the real estate field to bear on complex land use planning and development projects, programs, and policies.

Since 1947, this program has assembled well over 700 ULI-member teams to help sponsors find creative, practical solutions for issues such as downtown redevelopment, land management strategies, evaluation of development potential, growth management, community revitalization, brownfield redevelopment, military base reuse, provision of low-cost and affordable housing, and asset management strategies, among other matters. A wide variety of public, private, and nonprofit organizations have contracted for ULI's advisory services.

Each panel team is composed of highly qualified professionals who volunteer their time to ULI. They are chosen for their knowledge of the panel topic and are screened to ensure their objectivity. ULI's interdisciplinary panel teams provide a holistic look at development problems. A respected ULI member who has previous panel experience chairs each panel.

The agenda for a five-day panel assignment is intensive. It includes an in-depth briefing day composed of a tour of the site and meetings

with sponsor representatives, a day of hour-long interviews of typically 50 to 100 key community representatives, and two days of formulating recommendations. Long nights of discussion precede the panel's conclusions. On the final day on site, the panel makes an oral presentation of its findings and conclusions to the sponsor. A written report is prepared and published.

Because the sponsoring entities are responsible for significant preparation before the panel's visit, including sending extensive briefing materials to each member and arranging for the panel to meet with key local community members and stakeholders in the project under consideration, participants in ULI's five-day panel assignments are able to make accurate assessments of a sponsor's issues and to provide recommendations in a compressed amount of time.

A major strength of the program is ULI's unique ability to draw on the knowledge and expertise of its members, including land developers and owners, public officials, academics, representatives of financial institutions, and others. In fulfillment of the mission of the Urban Land Institute, this Advisory Services program report is intended to provide objective advice that will promote the responsible use of land to enhance the environment.

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“Having served on various ULI Advisory Service panels, I am grateful to ULI and the membership of ULI for offering their services to the communities seeking ULI’s expertise, involvement, and suggestions. Concurrently, I applaud the communities for having the openness and curiosity to invite strangers into their neighborhoods to help them think, plan, and innovate for the future. Cities and towns throughout the world, whether large or small, urban or rural, have challenges that always need to be met. ULI and TREND have formed a working relationship to tackle these issues in communities underserved by retail operations across our country. For healthy communities to exist, they need healthy retail. ULI and TREND are laying the groundwork for this type of future success, which will then help bring about the evolution of other groups to take action and commit to our neighborhoods.”

John Bucksbaum | CEO | Bucksbaum Properties



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Executive Summary

For more than 70 years, ULI members have delivered change in cities large and small through Advisory Services. ULI's Advisory Services panels bring together a cross section of experts, including developers, planners, financiers, market analysts, economists, architects, designers, and public officials, to provide practical solutions and objective advice on the development and redevelopment of specific study areas.

At the invitation of a local host, ULI panel members spend a week in a study area, attending briefings, touring the site and surrounding areas, interviewing a diverse group of stakeholders, and engaging in meaningful discussions. The panel presents a summary of its findings and recommendations during the final day on site. A complete written report then provides each community with the foundation necessary to achieve real, tangible, and transformative results.

This report shares the stories of eight ULI Advisory Services panels held across the United States between 1981 and 2018. The challenges presented range from the rehabilitation and redevelopment of Detroit's Eastern Market, the largest historic public market in the country, to the revitalization of Speedway, Indiana, home of the world-famous Indianapolis Motor Speedway. What the panels have in common is a set of community stakeholders who were looking to resolve certain land use challenges that had eluded all local efforts at a solution—specifically, challenges related to retail, restaurant, entertainment, and other types of nonresidential development.

Chicago TREND is a social enterprise initially funded by the John D. and Catherine T. MacArthur Foundation and the Chicago Community Trust. Its mission is to catalyze strategic retail development that will strengthen

neighborhoods and drive transformative change. With the generous support of the ULI Bucksbaum Chair for Retail, TREND recently reviewed a diverse set of ULI Advisory Services panel reports and extracted the lessons they offer for successful retail development. Across the set of panels profiled, several themes emerge, from both the panels' initial recommendations and the implementation activities spurred by those recommendations.



Lessons Learned

First, a mutually reinforcing mix of land uses is critical to the long-term success of retail and other commercial establishments. With a variety of uses (residential, retail, recreation, office, etc.), a development can best attract a critical mass of consumers and ultimately serve as a consumer destination. For larger-scale projects, flexibility in the design of spaces and their subsequent uses and/or a multiphase approach can enable the necessary adaptation to changing market demand over time. (A number of communities visited by ULI panels found themselves facing the Great Recession in 2007 and having to adapt or scale back plans accordingly.)

Second, retail development is increasingly being viewed through the lens of placemaking, a theme captured in several of the ULI panels. Consumer demand has shifted over time to value well-designed lifestyle and boulevard-style shopping with vibrant community gathering spots, opportunities for recreation and entertainment, and strong physical connectivity to surrounding areas. Having a distinctive or unique sense of place is appealing to consumers and will drive foot traffic accordingly.

Third, the most successful redevelopment projects often build upon a community's existing strengths (industries and markets, environmental features, consumer mix, etc.). More than one community noted the ULI panel's unique ability to capture the flavor of the community and incorporate it in the panel's recommendations. In retail development, existing consumer markets and nearby well-established shopping areas or tenants, for example, can be leveraged to attract new consumer dollars.

Fourth, public/private collaborations, though they can be complicated and time consuming, are often necessary to accomplish successful, high-impact projects. The right leadership, at the right time, can bring a redevelopment project to fruition, whereas fragmented governance or a lack of private-sector involvement can delay or even derail a project.

Finally, retail amenities will never be enough on their own to change the trajectory of a neighborhood (i.e., who stays, who leaves, who moves in). They can, however, serve an important purpose in drawing in new visitors, changing perceptions about the community, and creating demand for housing, amenities, and other services as more people experience and enjoy the area firsthand.

The communities in the profiled panels all benefited from the expertise of ULI's members and the credibility that its Advisory Services panels provide. In some cases, the panel's recommendations have been closely followed and implemented, leading to significant change and revitalization. In others, communities are working toward implementation, using the panel's recommendations as a guide for redevelopment and further planning activities. In still others, communities have encountered political, economic, or site-specific challenges that have slowed development or steered it in unanticipated directions.

Although the recommendations of ULI panels vary across these communities, what is clear is that each of the panels provides an unbiased, expert-driven, and well-informed perspective from which a community can build toward a more prosperous future.

Links to the individual panel reports are available at americas.uli.org/programs/advisory-services.



WIKIMEDIA COMMONS

In this age of e-commerce, bricks-and-mortar retail development—whether downtown, suburban strip, or small town—has endured.



WIKIMEDIA COMMONS





Eastern Market

Detroit's Eastern Market is the largest historic public market in the United States, home to 250 independent vendors and merchants who process and sell food wholesale and retail. Its vibrant Saturday market is a destination for more than 45,000 visitors each week. Without the recommendations of a ULI Advisory Services panel in 2004—and subsequent funding from the Kresge Foundation and others enabling the implementation of those recommendations—Eastern Market would not have experienced the growth and success that have resulted from its rehabilitation and redevelopment.

DETROIT, MICHIGAN

December 5–10, 2004

History

By the time of the ULI Advisory Services panel in late 2004, Eastern Market had been recognized as a food distribution district for southeast Michigan for more than a hundred years. Its farmers market, held each Saturday, was a cherished gathering place for people of all ages, ethnicities, and incomes. Over time, Eastern Market's activities had expanded beyond food retail to include wholesalers, mixed retail, and wholesale business uses, and even nontraditional housing and loft apartments. Like many historic landmarks, however, it was showing signs of its age and needed significant refurbishment.

Eastern Market itself and the larger Eastern Market District—the surrounding 230 acres (including 50 acres of vacant and city-owned property)—drew the attention of local leadership as an area that was especially ripe for redevelopment. At the time, substantial redevelopment activity was occurring adjacent to the district, in downtown Detroit, including the construction of five loft housing projects that created nearly 500 housing units, two stadiums (the 65,500-seat Ford Field and the 43,500-seat Comerica Park), and a number of cultural and entertainment venues. Interested stakeholders believed this recent wave of nearby investment—and more on the horizon—suggested that market forces might soon bring change to the district, and they wanted to ensure that change would be strategic and well managed and would benefit the community.

At the invitation of the Greater Downtown Partnership and the Eastern Market Advancement Coalition, the ULI panel convened in Detroit to explore how Eastern



The Historic Shed 2 at Eastern Market is an iconic structure easily recognized by Detroiters and visitors alike.

Market could be redeveloped to become a more significant consumer destination and how the surrounding district could be redeveloped to become a “third hub of economic activity,” on par with the city’s downtown and waterfront areas. The dual goals were to create economic opportunity for area residents while preserving the history and authenticity of Eastern Market. The panel analyzed existing uses, programming, and operations; evaluated the strengths and challenges related to access and the physical environment; and explored the potential for new land uses. The panel also reviewed the numerous planning studies undertaken for Eastern Market since 1996, seeking to work within the consensus already achieved in these plans.

Panel Recommendations

The panel’s strategy was to establish Eastern Market as a destination and develop a set of complementary and reinforcing uses in the community surrounding this historic landmark, all under a new management plan. Of particular importance was preserving the history of the site, given many residents’ nostalgia and affection for its past. The panel was asked to ensure that the historic market sheds on nine acres of the site be maintained and that any new land uses be integrated with existing industrial activity. In addition, the strategy needed to benefit area residents by creating jobs and offering any requisite training.

The panel found the existing strengths of the Eastern Market to be substantial and the opportunities for successful redevelopment of the district very real. Its market analysis suggested that new residents in the surrounding area, as well as new downtown entertainment and attractions, would create a critical mass of potential new customers for Eastern Market. Additional visitors could be drawn from the more than 130,000 employees of downtown businesses, a customer base that was then only partially served by the market.

The panel's market analysis identified the opportunity to attract more potential visitors through greater visibility and physical connectivity with adjoining neighborhoods. The district was already well served by the region's highway system, and a planned landscaped pedestrian and bicycle pathway, the Dequindre Cut, would connect the site to Detroit's Tri-Centennial State Park and Riverwalk. Most of the surrounding streets included sidewalks for pedestrians and bicycles, providing accessibility for residents in a three-mile radius of the district.

Recommendations to enhance physical access to and within the district included the establishment of three gateways to provide entry to the Eastern Market area, the installation of a beacon or iconic vertical element at the Shed Square Area entrance, and the addition of wayfinding graphics throughout the district. Connectivity improvements suggested by the panel included the creation of a pedestrian plaza across Interstate 375 with added green space linked to the Dequindre Cut, improvements to traffic flow and parking, and a shuttle bus with service to the downtown area. The panel also

suggested renovating Eastern Market's parking garage to incorporate retail at the ground level, a strategy popular in other cities to enliven the streetscape and provide visual interest while creating a heightened sense of safety.

In addition to these recommendations to improve visibility and connectivity, the panel made operational recommendations focused on expanding Eastern Market's customer base and ensuring repeat customers. It suggested expanding the market's operating hours so that it was not a Saturday-only destination, providing the opportunity to capture weekday visitors from among the downtown workforce, as well as winterization of Shed 3, enabling market activities to take place year-round. It also noted a need to reestablish a farmer-dominant market, as resellers had grown to dominate the activities. Safety, again, was an issue identified by the panel: it recommended the addition of more convenient parking and consistent trash control to create a safer and more welcoming environment for visitors.

Marketing and events, too, were seen as valuable tools for attracting more visitors. The panel recommended hiring an events manager to expand the variety and timing of event offerings. Their advice included using signage and graphics to promote public awareness of the market, with an emphasis on the freshness and integrity of products, to differentiate it from other local retail food sources.

The panel saw the best use of land in the district as the expansion of existing land uses. The Eastern Market Action Plan it proposed would create four use areas,

or zoning districts, that built upon the current land uses while maintaining the scale and historical feel of the site, upgrading existing assets, generating jobs, and increasing both demand and numbers of visitors in order to achieve a critical mass of activity. Hotel, office, and large-scale housing development were not recommended.

The panel recognized the Shed Square area's importance as the "front door" of the district and its dominant retail focus. This area included the farmers market, event space, and proposed expanded pedestrian plaza. The panel advised Eastern Market to make physical improvements to these spaces, such as the winterization of Shed 3 and the restoration of other historic market sheds, a first priority among the redevelopment activities.

The existing mixed-use area served both a retail and a wholesale function. It was also home to relatively affordable loft housing and live/work spaces located above ground-floor uses that included retail, entertainment, and restaurants. The panel urged Eastern Market to retain this area's distinct "funk factor" as it expands its use. The panel recommended moving larger warehouses and heavy industrial activities to other areas of the district, in order to maintain a smaller-scale design, and redirecting truck traffic to the wider streets in the Warehousing and Processing Business Park area.

That area supported larger-scale food distribution and processing activities that provided jobs and a robust tax base. The panel thought that the wholesale use of this area was important and suggested that the district



Although supplemented by restaurants and entertainment uses, retail and wholesale agricultural products are still the primary commodities of Eastern Market.

work to attract new businesses to capture the growing specialty foods market. It also envisioned this area as a potential location for an education and training center for food-related businesses, given the proximity of a church and charter school.

The panel suggested that the largest concentration of new housing be located outside the study area to the east. This new residential area, which sparked lively discussion among the panel members, was envisioned as a single-family and multifamily development with parks and open spaces. At the time, the panel believed that market conditions for housing were limited, given competition from substantial residential development

in the downtown area, but suggested that as the revitalization of the Eastern Market District began to be implemented, demand for housing would grow. The panel recommended that a land assemblage plan be undertaken immediately.

The panel emphasized that the redevelopment of the district should benefit local residents and recommended that the district incorporate job-training programs in the food and hospitality industries. It envisioned this work occurring through a commercial kitchen or food-related incubator, a mentoring program, a culinary institute, and/or an alliance with Michigan State University for an extension program. This work would

both support area residents and increase and diversify activities compatible with the Market.

Finally, to guarantee responsible development of the district and create revenue for needed improvements, the panel recommended creating a new governance structure. It proposed establishing a nonprofit management group to oversee day-to-day operations and serve as a single governing entity to initiate, approve, and enforce an agreed-upon Eastern Market Action Plan for the district. The panel also suggested the formation of a business improvement district to levy a self-imposed tax that would fund security, housekeeping, parking, signage, and transportation, among other core services.

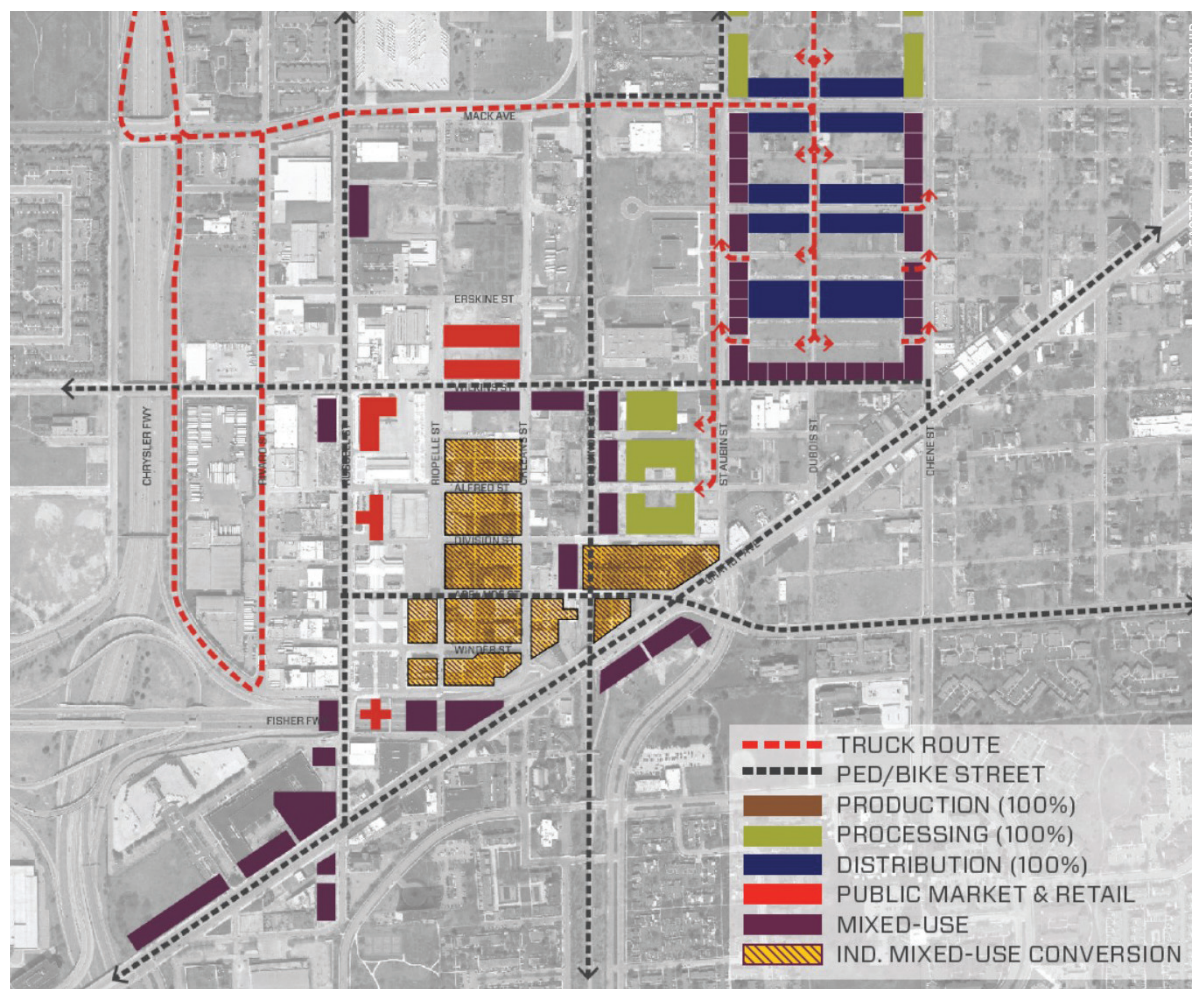
Impact Assessment

In the 15 years since the ULI panel, Eastern Market has flourished and attendance has increased, with more than 2 million people now shopping and buying food there each year. As recommended by the panel, several historic market sheds have been rehabilitated and winterized, allowing for year-round market hours, and a welcome center was established in Shed 5. In addition to its longstanding Saturday market, Eastern Market is also open for business on Tuesdays and hosts a seasonal Sunday street market for art, jewelry, and antiques, as well as seasonal night markets. Events such as Zumba and yoga classes, cooking classes, food truck rallies, and tailgating for Detroit Lions games have also been successful in increasing the number of visitors.

Perhaps most critical, ownership of the market was transferred in 2016 from the city to a public/private partnership, the Eastern Market Corporation. This was done at the urging of the ULI panel and made possible in large part by a \$1 million grant from the Kresge Foundation for renovating several market sheds that stipulated the transfer of ownership as a condition of receiving funding. Under a single governing entity, Eastern Market has been able to operate more effectively and engage in more strategic decision-making.

Other recommendations by the ULI panel that have been implemented include a pedestrian plaza across I-375 and a pathway connecting Eastern Market to the Dequindre Cut, new parking lots (though the old parking garage has not been improved and remains a safety issue), and food entrepreneurship programs provided through a partnership between Eastern Market and FoodLab Detroit called Kitchen Connect.

As Eastern Market continues to consider its potential for expansion, leaders have put forth a 2025 strategy to continue its legacy of nourishing Detroit. Consistent with the 2004 ULI panel recommendations, the strategy focuses on authenticity, connectivity, and diverse growth.



Eastern Market continues to revitalize, innovate, and plan for the future.



SALEM, OREGON

June 25–30, 2006

Boise Cascade Site

Faced with the relocation of a major industrial facility out of its central business district, Salem recognized a unique opportunity to redefine a large portion of its riverfront, reinvigorate its downtown, and create new amenities for its residents. The 2006 ULI Advisory Services panel's vision of a mixed-use development would prove immensely challenging to implement in the face of complex site-related and regulatory constraints, compounded by the impending recession.

History

Located in the heart of the Willamette Valley and alongside the Willamette River, Salem is the state's capital and second-largest city. The river, in particular, has long been a defining piece of Salem's history and character, recalling an era of heavy industry that leveraged the waterway as both a power source and a means of transportation.

By the mid-2000s, Salem was—as it largely remains—on the cusp of change, transitioning from an industrial to a service economy. Many of the city's traditional industries had moved to more inland locations, and the river's main draw had become its adjacent parklands, of which the city government was a steward. This presented the potential to reinvent Salem's riverfront as a regional amenity, contributing to the city's economic vitality and providing expanded opportunities for gathering and recreation.

Since 1862, Boise Cascade, a manufacturer of paper products, had occupied a 324-acre site on the Willamette River that was cut into two parcels by the Willamette Slough. A 13-acre parcel was directly adjacent to Salem's downtown and home to a concentration of large industrial buildings used for packing and distribution. A 311-acre parcel was undeveloped and flood-prone land on Minto Island, the remainder of which was a park and bird sanctuary maintained by the city.

Like many of its large, industrial peers, Boise Cascade had expressed interest in relocating its facilities (and jobs) to another site within the city. A ULI Advisory



Historic view of the Boise Cascade Mill in downtown Salem.

Services panel was convened at the request of the city, the Strategic Economic Development Corporation (SEDCOR), and Boise Cascade to explore the possibility of the firm's relocation and the subsequent redevelopment of the riverfront parcels to enhance downtown Salem's economy.

Local stakeholders brought a complex array of goals to the table for the panel to consider and attempt to integrate. Salem's leadership expressed interest in redevelopment that would retain and grow jobs, expand land uses with the strongest market appeal, create open space or parks, and generate overall value for residents. Boise Cascade hoped to create sufficient land value to make a move either revenue-neutral or profitable and to generate greater operational efficiencies in a new location. While giving consideration to both parties' goals, the panel explored different land uses,

the value of different redevelopment scenarios, potential reuse of the existing industrial building complex, remedies for flooding and other environmental issues, and potential governance for the proposed redevelopment project.

Panel Recommendations

The panel thought Salem had a favorable economic climate overall but that certain obstacles loomed in front of potential redevelopment scenarios. The city had a diversified and growing economy characterized by steady population growth, expanding industrial employment, and a growing education sector. With its natural resources and recreational opportunities, Salem offered a high quality of life and attracted many families. However, the panel noted that area household incomes were 5 percent lower than the statewide average and 16 percent lower than the average in nearby Portland. Some retail establishments in Salem's downtown area were struggling, the result of not being able to attract a broad base of customers outside of daytime hours.

The panel thought that in this context, the Boise Cascade site had unique redevelopment potential due to its prime downtown location, adjacent to Riverfront Park, the Salem Conference Center, Willamette University, the Oregon State Capitol, and Salem Center Mall. It provided an opportunity to develop a mix of quality places and destination attractions that would target a more diverse population, turning around Salem's reputation as a "sleepy town" while fostering growth

in the numbers of young residents (particularly entrepreneurs and those employed in the technology sectors), older couples, and retirees. Salem's charming, historic downtown offered an appealing location for new development, and the right mix of retail and commercial development and other amenities could attract these types of residents. The panel identified a number of specific market opportunities on which new development in downtown Salem could capitalize.



Site plan of the South Block Apartments at Pringle Square.

Salem's downtown had a stable and improving retail and mall presence with several new stores, and the vacancy rate had declined from 27 percent to 7 percent between 2001 and 2006. But the downtown area had a very limited supply of zoned sites available for new retail development, and there was a specific lack of riverfront restaurants and shops. In addition, there were no grocery stores to serve downtown employees and contribute to attracting new residents.

Salem's housing stock was composed largely of affordable, single-family homes. Although multifamily homes made up a large part of the rental stock, construction of new units was not economically feasible given how low market rents were at the time. Emerging residential demand from older adults and young professionals suggested a potential market for condominiums in downtown. Although several riverfront condominium projects had come to the market at prices high enough to make new construction viable, there had not yet been enough activity to fully demonstrate demand.

The panel identified possible demand for several other types of uses in the downtown area. Growth in activities related to the new Salem Convention Center suggested the need for additional hotel capacity, and the panel found a significant need for parking, with many downtown garages at capacity due to demand from employees, daytime shoppers, and users of Riverfront Park. Office space demand, however, had fluctuated with government activities, and increased suburban construction had eroded the downtown market. Both market factors made speculative construction undesirable.

Despite the risks and uncertainties inherent in undertaking a large-scale redevelopment scenario, the panel was confident that developing the Boise Cascade properties was a compelling opportunity that warranted an "all in" effort by the city and Boise Cascade. From an economic development perspective, relocating Boise Cascade to a new, more efficient

facility would retain 100 jobs within the community. From a market-based perspective, the right combination of commercial and residential uses could generate sufficient value to cover the costs of redevelopment. Finally, the panel believed that the site's catalytic potential and ability to make significant contributions to the economic vitality of the city presented a rare opportunity that should be given thoughtful consideration and priority.

The panel ultimately proposed redevelopment of the Boise Cascade site with a mix of condominiums, office space, retail, restaurants—including some with a direct link to the Willamette River, a hotel, and parking. The panel thought that no single use could absorb the full development capacity of the site, and that the proposed mix of uses would help to reinvigorate downtown Salem in a way that would attract a diverse array of residents and a substantial customer base.

The panel members agreed that the Boise Cascade site offered particular potential for retail development, given its connectivity to the Willamette River, Riverfront Park, and downtown. Additional retail would attract new customers to downtown Salem, with its distinctive riverfront views and lively community gathering places, made possible by means of a proposed extension of the main commercial thoroughfare, South State Street, and the addition of two pedestrian pathways. The panel also thought that the proposed new development would complement, rather than compete with, existing retail.

Restaurants—both casual and high-end—were recommended as the best use for riverfront parcels, representing an estimated 5,000 to 20,000 square feet of supportable space. Through interviews with local stakeholders, the panel also identified the need for a downtown grocery store. It calculated that demand from downtown employees and new residents could support a specialty grocery store of between 30,000 and 50,000 square feet. Adaptive use of the South Warehouse on the Boise Cascade site could house a 40,000-square-foot grocery store, as well as parking for 125 cars, making it an ideal location for that use. The panel envisioned additional retail space throughout the site for personal services such as a dry cleaner, a daycare facility, and a health club.

Though condominiums were a largely untested market in downtown Salem, the panel thought a mix of condominium types, such as lofts, flats, and two-level townhouses, priced at both the middle and high ends, would attract a range of new residents to the site. It estimated that demand could support sales of 50 to 75 units per year. The panel was most excited about the potential for housing on the South State Street parcel (originally a parking lot for Boise Cascade trucks), where new residential units would offer city, park, or waterfront views and benefit from multiple adjacent parks.

Although the majority of development was envisioned around retail, restaurant, and residential use, the panel also identified several smaller, more speculative uses for the Boise Cascade site. The panel thought that retrofitting the existing mill buildings for creative-style office space, given the buildings' high ceilings and

large windows, would create a particular asset for attracting technology firms and other tenants (such as a bank or education consortium) looking for nontraditional office space. Live/work units could also appeal to entrepreneurs, artists, and home-based businesses.

Overall, it was believed that market demand might support 75,000 to 125,000 square feet of new office space. The panel also noted the potential for future development of a riverfront hotel with 150 to 200 rooms, expecting that market demand associated with the Salem Conference Center would increase over time.

Finally, the panel made several recommendations related to transportation. It proposed that the Station Square parcel be used for a future commuter rail station (given planned rail service from Portland to Eugene), with shuttle bus service to other downtown locations and a dedicated taxi stand. The station would bring new commuters and visitors, increasing demand for retail and commercial development—especially for shops and cafés—along a proposed linear pedestrian plaza connecting different parts of the site. The panel thought one of the strengths of the Boise Cascade site was its capacity for offering easy access to the square with adequate parking. The panel recommended that nonretail parking be revenue-generating in order to help support the associated construction costs and maintenance.

The panel emphasized the need for phasing the proposed redevelopment plan in five parcels: Civic Center West, South Warehouse and Paper Factory, Old Mill Building, Station Square, and South State Street. They

estimated that this parcel-by-parcel approach would require five to ten years to complete. Given the time frame, the panel thought that creating a mix of uses on each of the parcels would maximize flexibility and allow the project to adapt to evolving market demand.

Panel members agreed that the first step toward development was to rezone Boise Cascade's riverfront parcels, as well as two adjacent city-owned parcels, to allow for mixed-use development. This step would eliminate uncertainty, making the parcels more appealing to developers, and immediately increase land value, since mixed-use land typically commands a price that is four to six times that of land zoned solely for industrial use. In response to these actions by the city, Boise Cascade would agree to relocate within the city limits.

The panel recommended that the project be managed by a public/private partnership between Salem and Boise Cascade. A memorandum of understanding would establish a rezoning plan and facilitate the transfer of the Minto Island parcel by Boise Cascade and the subsequent agreed-upon improvements by the city, including the establishment of an urban park and the construction of a footbridge to connect the park to downtown. Finally, the panel suggested that a new urban renewal district be created, to remain in effect for 15 to 20 years, in order to provide financial stability. The panel recommended that the terms for the district stipulate the selection of the developer as a joint decision between Boise Cascade and the city.



The empty shell of the old mill in 2015. It would soon become a thriving mixed-use development, using Pringle Creek and its proximity to downtown as amenities to lure the creative class to the old industrial site.

Impact Assessment

In 2007, Boise Cascade closed its facility in downtown Salem. The years that followed brought a number of unanticipated challenges to developing the site, including the discovery of archaeological features, the high cost of electrical power, the then-current poor site access, and restrictions related to the site's proximity to a railway and a state waterway. These issues proved costly to address, and they limited the feasible uses for the site compared with what the ULI panel had envisioned. The recession compounded these challenges and further limited the options for redevelopment.

In early 2014, a developer purchased the site and explored various redevelopment scenarios. It found retail interest to be lacking due to both local market demographics (low median household income, in particular) and the availability of more appealing commercial parcels elsewhere in the Salem area.

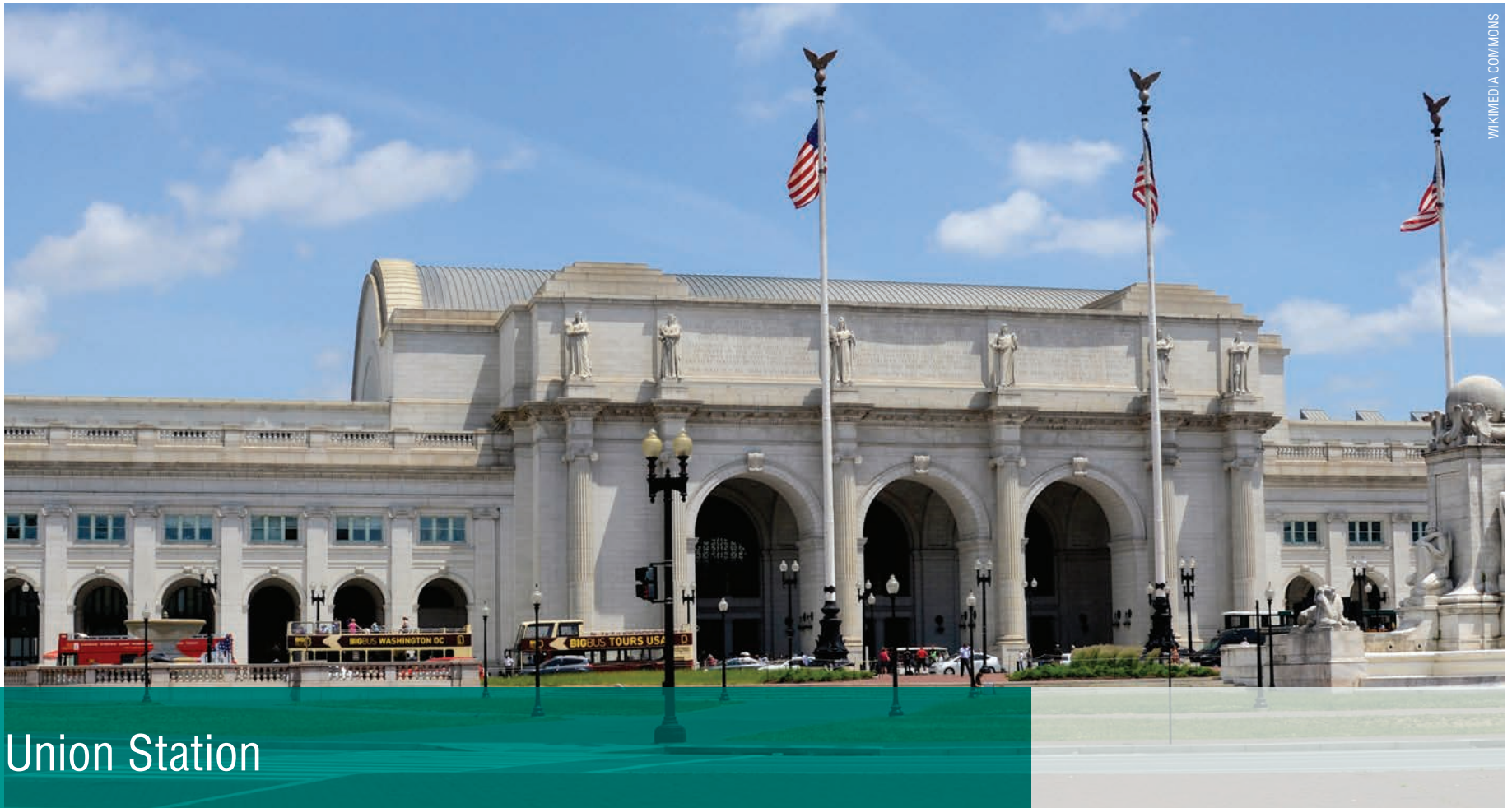
The still-poor site access was also a deterrent for retailers, particularly when considering use as a food market or restaurants, as suggested by the ULI panel. The developer proposed a multifamily housing development, but the project met political barriers and plans were scrapped. The planned rail service from Portland to Eugene never came to fruition, though it is still under study by the Oregon Department of Transportation.

Ultimately, a mixed-use building with 163 residential units, 15,000 square feet of retail space, and two levels of parking was constructed on the south portion of the site, on top of an old paper mill structure. The new development, Pringle Square Apartments, opened in 2015 and commands some of the highest rents in the Salem market. In addition, a 24,000-square-foot, build-to-suit office building was constructed for a local company on the north portion of the Boise Cascade site.

The city purchased 3.8 acres on the northwest portion of the site to create an addition to Riverfront Park and built the \$10 million Minto Island Pedestrian and Bicycle Bridge to link the park with the island; it was completed in 2017.

Multiple portions of the Boise Cascade site remain undeveloped. Although preliminary work has been done for a creek-side esplanade linking Pringle Square Apartments to Riverfront Park, regulatory restrictions and missing railroad crossings have prevented the project's completion. A northern portion of the site is owned by a developer and operator of skilled nursing facilities that is working toward development of a 38,000-square-foot post-acute medical rehabilitation center. There are no plans for redevelopment on the southwest portion of the site, an area that sits partially in the floodplain and also suffers from access issues.

Though unforeseen challenges resulted in new realities on the site and an amended vision for it, Salem benefited from the expertise and visionary capacity of the ULI Advisory Services panel. Once home to heavy industry, the Boise Cascade site now houses new residents, commercial activity, and offices, and offers enhanced recreational amenities with the expanded Riverfront Park and its connection to Minto Island.



Union Station

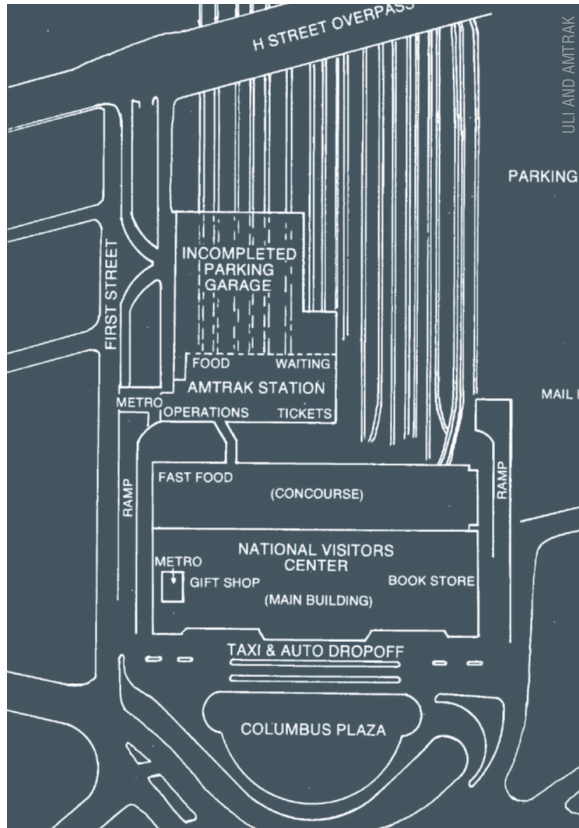
The 1980 ULI Advisory Services panel in Washington, D.C., was integral to the transformation of Union Station, a winner of a ULI Award for Excellence. A Beaux-Arts treasure and historic landmark, the station had fallen into disrepair and its future use was uncertain. The ULI panel weighed in on the viability of retail redevelopment and provided an outline for a future public/private partnership that ultimately led to the creation of a highly successful retail destination that attracts more than 100,000 visitors a day.

WASHINGTON, D.C.

June 1–6, 1980

History

Designed by Daniel Burnham and built in 1908, Union Station has evolved to maintain its relevance as a transportation hub. The original building consisted of 349,000 square feet, including an 85,500-square-foot grand concourse. Several decades later, the building had fallen into financial and physical disrepair, and demolition was averted only through Congressional intervention and declaration of the station as a national historic structure in 1967.



This 1980 site sketch from the Advisory Services panel report underscores the building's character as a functional transportation facility, not its potential as a landmark entertainment and retail center.

As a result, Union Station saw the opening of the National Visitor Center in the main building and concourse areas in 1976; a railroad passenger terminal constructed behind the main building, which was managed and used by the Washington Terminal Company, jointly owned by Amtrak and by Chessie System Inc., a precursor to CSX Corporation; and the partial—but unfinished—construction of a 4,000-space parking facility and a roadway circulation system. A complex arrangement divided landownership between the U.S. Department of Interior and the Washington Terminal Company.

Then in 1976, Congress passed legislation authorizing a \$2.5 billion investment in high-speed, high-frequency rail service along the northeast corridor. Amtrak anticipated a 35 percent increase in passenger traffic through the Union Station terminal over the next 10 years. Given the capacity limitations of the recently completed passenger terminal behind Union Station, the U.S. Department of Transportation recommended in 1978 that the Union Station concourse area be converted back to a rail passenger station.

At the time of the ULI panel, legislation related to Union Station was pending in both chambers of Congress. The House legislation supported the continued use of the main building as a visitor center, with the concourse areas repurposed as a space for concessions and a rail passenger terminal. The Senate legislation envisioned a much smaller visitor center, extensive concession space, and rail and intercity bus passenger terminals. Neither body saw commercial activity as a major use of the Union Station complex, though the consensus among outside parties was that some of the building space should be used for retail.

Indeed, beyond the immediate demand by travelers, outside parties thought that the surrounding area had sufficient demand to support new retail redevelopment. With the right mix and configuration of consumer-oriented uses, Union Station could capture market share from office and government workers due to its proximity to various government office buildings, including the U.S. Capitol, the Supreme Court, and the Department of Labor. A convention center and 200-room hotel were planned for the area directly south of Union Station, so there was also the potential to serve as a destination for visitors to Washington, D.C., thereby meeting demand for a visitor center, specialty retail, and visitor services. Finally, to the east, a small residential area was home to some shopping, but new specialty retail would likely not compete with the more traditional goods offered at neighborhood shops, and residents would benefit from additional employment opportunities.

Panel Recommendations

The ULI panel, convened with sponsorship by Amtrak, was tasked with determining whether viable commercial space could be developed within the Union Station complex and, if so, identifying what types of commercial development would be best and the steps required to realize such development. The panel found itself working within an intricate combination of ownership interests, jurisdictional elements, management responsibilities, operating agreements, legal entities, and political interests. It also faced challenges in determining how to preserve the historic Union Station structure and its valuable architectural features.

In assessing the potential for commercial redevelopment, the panel identified financial and regulatory development incentives, such as public infrastructure support and coordination with zoning and development laws; considered constraints affecting physical development of the Union Station complex (such as space and air rights); identified the most appealing mix of development, including retail opportunities; suggested a conceptual development plan and architectural design; and set forth implementation strategies and recommended private and public roles, with a focus on the specific roles of Congress, Amtrak, and the U.S. departments of Interior and Transportation.

Given the deterioration of the building and its array of uses, the panel strongly believed that a major effort was needed to move Union Station in a new direction. The panel determined that in the existing building and under the existing management structure, commercial activity was not viable. The panel pointed out that the fragmented division of authority and responsibility for space management, spread across various government agencies, had limited the capabilities for real estate development and management.

The panel therefore recommended that Union Station be returned to its primary use as a transportation terminal. Panel members thought that the rail terminal behind the main building was too far from the front of the station, so the panel suggested the demolition of this terminal, the extension of the railroad tracks to the concourse, and the creation of a 45,000-square-foot rail terminal within the concourse. The panel envisioned



In 1980, the grand concourse was seen by the ULI panel as an untapped opportunity for retaining both dramatic ground-floor public space and efficient mezzanine-level leasable space for retail and food.

ancillary services located on the upper floors of the building. It also recommended that the parking deck be used for intracity buses and tour or charter buses but did not suggest the construction of an intercity bus terminal, due to space constraints and little evidence of demand for a bus-rail interchange.

With this revamped focus for Union Station, the panel thought adequate space—and market demand—existed for a stimulating mix of revenue-producing uses, including retail, restaurant, entertainment, and informational activities to enhance the visitor experience. The panel estimated that there would be sufficient demand for 100,000 to 150,000 square feet of commercial development, provided adequate parking was made available.

It identified a robust customer base composed of travelers using Amtrak commuter lines, the Metroliner, and long-haul trains, and riders using the Metro system (18,000 trips per day); the 70,000 office employees within walking distance of the station; the D.C. metropolitan area population of more than 3 million; and the 14 to 16 million annual visitors to Washington, who would be attracted to Union Station by its visitor information functions and commercial activity.

The redevelopment plan set forth by the panel envisioned a 30,000-square-foot visitor center on the ground level, to be integrated with the existing visitor center's two movie theaters, bookstore, and related activities. The panel thought the existing leases did not adequately reflect market rates or terms and recommended that those agreements be updated

accordingly. It thought the visitor center should be improved to create a more notable and stronger experience and that staff and services should be added to better support visitors. Travelers could also benefit from new convenience and service retail facilities.

The panel recommended the development of specialty restaurants, noting the need for both fast food venues to serve travelers' needs and high-end establishments for the visitor and office markets. The panel thought that specialty retail shops, perhaps reflecting national arts, crafts, and products, and seasonal promotional activities would also be successful. Finally, the panel identified a need for services for foreign visitors, such as currency exchange and tour information.

In addition, the panel identified ancillary commercial facilities as possibilities for revenue generation. It noted that Union Station's lower levels were underused and suggested their use for a rental car facility or for valet or employee parking. Other ideas set forth by the panel included leasing office space for administrative functions and restoring the upper floors of the station as a dormitory for train crews.

The panel did not recommend that major changes be made to the exterior of the building; rather, it focused on the maintenance and repair of the existing structures with sensitivity to their historical elements and architectural features. Finally, panel members agreed that construction over the railroad tracks was not viable at that point in time, but that air rights should be developed in case land costs were to increase.

The panel examined governance issues and concluded that absent major, fundamental changes in control, any redevelopment solution was unlikely to succeed. It suggested that the existing management structure would be unable to take timely, rational action that would lead to completed objectives, owing to the players' contradictory goals, territorial differences, limited experience in real estate development, and fragmented responsibilities.

The panel recommended the appointment of a single authority to work with a single, private-sector master developer. Private-sector expertise was deemed critical to successful redevelopment, because the panel thought the redevelopment process would proceed best if one entity held the full authority to complete and manage the development, including the tenant mix and lease agreements, the layout and design of tenant facilities, interior building operations, the selection and management of a design firm and contractors, and promotion and marketing. The panel recommended that Congress provide funds for the costs of preservation, to include restoration of the building and construction of adequate parking.

The panel examined possible lead entities to represent government interests and was unable to identify a single entity with all of the required skills and knowledge. A prior report had advised against management by the Departments of Interior or Transportation and suggested instead the Army Corps of Engineers or General Services Administration. However, the panel questioned the long-term interests of both these organizations. It also suggested that the National Park Service was incompatible because of its emphasis

on the delivery of free services. The panel ultimately thought Amtrak was the most promising management entity, given that it had an interest in both the functionality and viability of Union Station and that it had indicated its interest in developing staff capabilities to oversee commercial activities.

Impact Assessment

The ULI panel proved to be a critical turning point in ensuring the future of Union Station as both a rail station and a retail destination. In 1981 the station's ceiling partially collapsed, and the National Park Service closed the building to the public. In light of the urgency deriving from this unfortunate turn of events and the increased visibility brought by the ULI panel, Congress ultimately passed the Redevelopment Act of 1981.

The ULI panel had shown that retail use of Union Station was feasible, and that a public/private partnership was necessary to successfully envision what redevelopment should look like. The Redevelopment Act of 1981 transferred control of Union Station from the Department of the Interior to the Department of Transportation and stipulated that it could lease parts of the building to private-sector owners. The Act also paved the way for the establishment of the Union Station Redevelopment Corporation in 1983 to represent the best interests of the facility. Finally, the Act allocated \$8 million to repair the building's roof, \$40 million to complete the parking garage, and \$1 million to fund a study on needed repairs and the feasibility of use as a retail complex.

Union Station reopened in September 1988. The redevelopment included a variety of retail, including apparel, shoes, accessories, jewelry, and Americana-themed merchandise, as well as other specialty shops. Perhaps to the surprise of many, the retail component was hugely successful, attracting a large customer population of local and regional residents. The station also featured eateries, from fast-food to high-end formal dining. It began hosting special events, concerts, and other activities. As envisioned by the ULI panel, an Amtrak terminal was built behind the original concourse, and traveler amenities (such as rental car facilities and sightseeing buses) were added. Perhaps most important, Union Station's notable architectural elements and history were carefully preserved.

Since then, the use of Union Station has evolved. The movie theater closed in 2009 and was replaced with an expanded food court and a drugstore. Today, Union Station remains a retail destination and features nearly 200 shops and over 50 restaurants. It is Amtrak's second-busiest rail station, with annual ridership just under 5 million passengers. The facility connects the MARC (Maryland) and VRE (Virginia) commuter rail services, the Washington Metro subway, intercity bus lines, and local Metrobus buses. Union Station is visited by more than 40 million people per year, making it the most visited place in D.C.

Union Station's story does not end here. Although the Advisory Services panel recognized the importance of air rights above the station, it almost certainly could not have envisioned the development planned for 2020

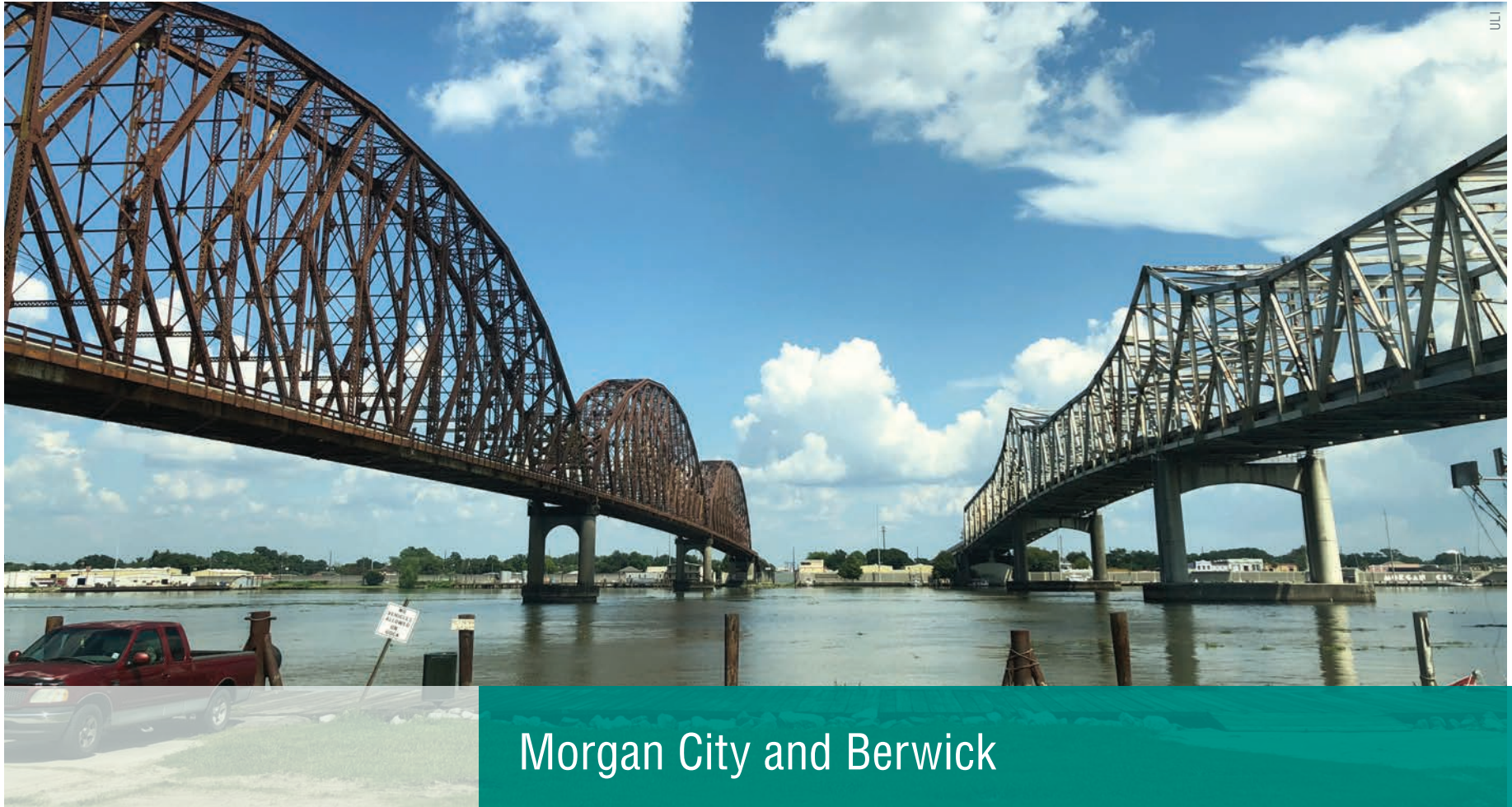


The ULI panel showed that retail use of Union Station was feasible, and that a public/private partnership was necessary to bring about what redevelopment should look like. While the interior leasable space has, at times, struggled in the constantly changing retail market, new development north of the station (NOMA and Burnham Place) owes much to the decisions made in response to the ULI panel.

and beyond. Following a \$10 million purchase of the air rights in 2002, a master plan was unveiled in 2012 for Burnham Place: a 3 million-square-foot development sitting atop an improved multimodal station.

Initial projections for the development envision 1.5 million square feet of office space, more than 1,300 residential units, 500 hotel rooms, 100,000 square feet of retail, and an elevated greenway with direct connections into the surrounding NoMa (north of Massachusetts Avenue) neighborhood (which has flourished since the opening of a Metro station there in 2004). In addition, Union Station will become a

renovated and reconfigured Amtrak station facility with triple the current passenger capacity. When complete, this vision will ensure that Union Station evokes an even greater sense of place, with its rich history integrated with the burgeoning NoMa neighborhood and improved amenities for residents provided through an even greater mix of uses.



Morgan City and Berwick

LOUISIANA

September 16–21, 2018

The ULI panel in Morgan City and Berwick, which convened in 2018, is one of the most recently completed, and community members are eager to begin implementation of the panel's recommendations. Within just a few months of the panel's visit, they jumped in and began advancing initiatives to support economic diversification in an area that has long been defined by the Atchafalaya River and the surrounding waterways, swamps, and bayous.

History

Located on Louisiana's Cajun Coast, the communities of Morgan City and Berwick are about an hour and a half west of New Orleans. Morgan City, the larger of the two, was home to just over 12,000 residents as of 2017. Berwick, which sits directly across from Morgan City on the banks of the Atchafalaya River, is less than half that size, with about 4,900 residents. The area is a gateway to the Atchafalaya Basin, the country's largest river swamp, an 800,000-acre ecosystem home to countless fish and wildlife species.

Economic activity in Morgan City and Berwick is inextricably linked with their location on the river and their proximity to the Gulf of Mexico. The area's economy has historically focused on logging and commercial fishing, particularly shrimping. Beginning in the 1950s and 1960s, offshore petroleum, oil, and oilfield service companies thrived in the two communities, but transitions within the oil industry, as well as falling oil prices, have created economic challenges in recent years. Job losses stemming from the relocation of oilfield service firms caused Morgan City and Berwick's unemployment rate to peak at 9.4 percent in 2016. The area's population has declined as jobs have disappeared.

St. Mary Excel, a resident-led economic growth organization serving St. Mary Parish, where Morgan City and Berwick are located, invited ULI Advisory Services to the two communities in 2018. The panel's

assignment was to identify ways to increase the populations of Morgan City and Berwick through job creation in a more diverse set of industries and through investments to improve the local quality of life. The panel looked at potential opportunities for economic development, with a focus on reactivation of the waterfront areas, public/private partnerships, and necessary infrastructure enhancements, including roads and intermodal transportation.

Panel Recommendations

The panel made a number of recommendations, with the first—improving the visitor experience—stemming from panel members' firsthand experiences visiting the Cajun Coast. St. Mary Parish attracts \$58 million in tourism dollars annually. It drew more than 3 million tourists and business travelers in 2014 alone (54 percent from Louisiana and 10 percent from bordering states). To effectively support the area's messaging and attract more visitors, the panel recommended establishing a distinct Tri-City brand for the communities of Morgan City, Berwick, and Patterson and adding wayfinding features within the area along U.S. Route 90 and throughout the Cajun Coast.

Improvement of the tourist facilities in Morgan City and Berwick would increase the area's appeal as a recreational destination and encourage visitors to extend the duration of their stays. Given Berwick's existing strengths, the panel suggested a particular

focus on tourist services, recreation, and other activities and events in that community. A primary recommendation was investment in an upgraded visitor's center with an interpretive boardwalk that connects to the Atchafalaya Basin. Completion of the Morgan City bike and pedestrian path would link the riverfront areas of Morgan City and Berwick to Lake Palourde and provide a more prominent physical connection between the two communities. Finally, to broaden the area's tourist base, the panel recommended the expansion of services and facilities such as campgrounds and marinas with boat rentals and outfitters, and the development of a more robust local event calendar.

To complement Berwick's focus on tourist activities, the panel thought Morgan City should concentrate on establishing its downtown shopping district as the area's retail and commercial hub. Having declined in parallel with the local population, the city's modest retail sector was providing residents with limited options and was no longer a major asset to the community's quality of life. The panel thought there was an opportunity for the city to reestablish itself as central to the Cajun Coast as well as to capture more spending from tourists and pass-through populations. They identified a particular need for specialty retail, as the existing commodity and daily needs retail already met resident demand. Additional retail development was not recommended in Berwick, due to its lower population density.



The urban areas of Morgan City and Berwick that were the focus of the Advisory Services panel.

The panel believed that new retail and commercial development in Morgan City should focus on the area near Lawrence Park, a gathering area that includes a central square and fountain. This area, with its inviting environment and ability to capture existing foot traffic,

would be an ideal central business area for specialty retail shops and restaurants. With a mix of smaller-scale, unique, local businesses, the park area could support a critical mass of retail and attract local residents while also serving as a destination for tourists.

The panel also recommended that connections from the Lawrence Park area be made to nearby Front Street and the Atchafalaya riverfront. Front Street was home to a number of businesses and restaurants but had become a less inviting place and in need of more consumer appeal. The panel noted that storefronts were partially obscured, had poor window displays, or lacked windows altogether. In addition, the seawall was visually imposing, blocking the view to the riverfront and posing an obstacle to creating an active and vibrant retail environment. Especially at night, inactive use of space—a lack of outward-facing displays and open retailers for pedestrians to interact with—broke the flow of traffic on Front Street. The panel recommended

improvements to the aesthetics of Front Street and its businesses, and suggested adding residential units above the storefronts where appropriate, to create more active uses and foster a more appealing environment so as to draw people back to the downtown area.

To support new and growing businesses in both Morgan City and Berwick, an expansion of economic development services was proposed. Because most new jobs are created by existing businesses, the panel suggested a focus on the retention of existing firms. Recommended activities included the establishment of a new business retention group, with a membership of local elected leaders, economic development agencies, and employers, and a monthly or quarterly convening of economic development organizations and public officials to foster coordination and collaboration.



A panoramic view of Front Street shows a tableau of engaging and human-scale commercial buildings that will accommodate a mix of smaller-scale, distinctive, local businesses and second-floor residential space. Together they will attract local residents as well as tourists.

The panel also suggested the implementation of a “no poaching” policy across communities, though this is difficult in practice and only a few areas have been successful at implementing it (the Denver Compact is often cited as an exception). Additional economic development services to support local businesses that the panel recommended included a one-stop shop or other resource for individuals who want to develop a property or start a business, business start-up or acceleration grants for small businesses that open and/or reinvest, and an online database of available commercial and industrial space.

Aside from the retail environment, the panel also considered how to best support the communities’ goal of economic diversification. Panel members believed the best way to leverage the area’s assets would be to grow its industrial sector, particularly related to renewable energy, and to establish a maritime support hub. As a starting point, the panel recommended that a consistent depth be established for the Atchafalaya River to allow for the transport of cargo. Additional opportunities within the maritime sector included the establishment of a seafood co-op and a focus on the development of industries that repair and refurbish marine equipment.

The panel evaluated the area’s housing market to determine the local capacity to support the households that would be attracted by new job opportunities and an improved quality of life. They found that the mix of housing in Morgan City and Berwick was 75 percent



The dichotomy of retail in Morgan City: active (top) versus inactive.

single-family homes, with some mobile homes and a limited number of two- to four-unit multifamily buildings. A lack of apartment complexes—no new projects had been built in the preceding 30 years—has meant that young professionals and other renters often choose to live in adjacent communities despite working in Morgan City, where much of the area’s employment is centered. Long-term contract workers were also known to rely on hotels.

The panel therefore identified opportunities for infill development to satisfy unmet demand for multifamily rental housing. In addition, a site near Lake Palourde was flagged as a potential location for a higher-end single-family housing development. Finally, to improve the existing housing stock, the panel suggested that the two communities enforce code violations more rigorously and require residents to renovate existing residential structures where necessary.

The panel applauded Morgan City and Berwick for their efforts to address environmental resilience. A project was underway to construct a 20-foot-high seawall along the Atchafalaya River and a 10-foot-high levee, and the panel recommended that the communities work to achieve certification by the Federal Emergency Management Administration (FEMA) for these structures. Projected future water levels will inundate the land surrounding Lake Palourde, so to protect the cores of both communities these efforts should continue. Additional work to preserve existing natural

areas, especially those adjacent to bodies of water, would further support resilience to flooding. The panel also recommended that land swaps or transfers of development rights be used to incentivize development away from threatened areas.

Maintaining a strong reputation for taking proactive measures to foster environmental resilience is essential in creating the stability that attracts real estate investors. The panel therefore encouraged Morgan City and Berwick to highlight the area’s FEMA-certified flood protection projects in its branding and marketing materials in order to encourage residential, business, and commercial investment.

Finally, the panel suggested establishing an integrated redevelopment authority or corporation (public or nonprofit) to support the implementation of its recommendations. It identified an array of possible funding sources, including tax increment financing (TIF), environmental impact bonds, industrial revenue bonds, historical preservation income tax credits, rural development programs of the U.S. Department of Agriculture, the EB-5 Immigrant Investor Program, and New Markets Tax Credits. The use of Opportunity Zones, state designations that provide investors with tax advantages if they offer capital for projects and/or businesses that revitalize disinvested areas, might also be useful if structured appropriately and marketed successfully to potential investors.

Impact Assessment

Stakeholders in Morgan City and Berwick applauded the ULI panel’s multidisciplinary expertise and thought the interviews that the panel conducted captured the priorities of community members. With renewed energy, St. Mary Excel immediately published a summary of the panel’s findings in the local newspaper and hosted a public forum. The organization also established 10 working groups to advance the implementation of the recommendations set forth by the panel, several of which got underway rapidly.

Since the panel, Main Street businesses in Morgan City have become active in electronic media promotion and are increasingly working collaboratively. The downtown area has been established as an Opportunity Zone, and the area’s regional planning agency plans to facilitate a training session to share information on how to leverage this designation. A request for qualifications has been put out for the development of the Lake Palourde area, with a concept that includes a restaurant. Community groups in Morgan City and Berwick are also working to secure funding for the Morgan City bike and pedestrian path and an extension of the Visitor Center boardwalk into the Atchafalaya Basin.

As St. Mary Excel looks to the future, the ULI panel has provided credibility for a new strategic road map for revitalizing the communities of Morgan City and Berwick. Its vision is that of a thriving, economically diverse, and amenity-rich area on the Cajun Coast that is an attractive place to live, work, and play.



Montbello

The implementation of a Kresge Foundation FreshLo Initiative grant helped leaders in Montbello consider how they could both bring together the community and fill a need for new food and retail options. A 2018 ULI Advisory Services panel prepared several scenarios for a potential site in the community, each of which incorporated a “cultural hub” and improved access to fresh food. Armed with funding from a significant new implementation grant and the panel’s recommendations, the community is now poised to make the project a reality.

DENVER, COLORADO

March 11–16, 2018

History

Located in far northeast Denver, Montbello is a small but growing community of nearly 8,900 households. With a small-town feel, it prides itself on diversity and is home to many multigenerational households and young people. Montbello also serves as an important employment center for the metropolitan region, with a heavy presence of manufacturing and wholesaling, a legacy of the old Stapleton Airport located to its west.

Due to recent rapid population growth throughout the region, Montbello finds itself on the cusp of change. Over the past two decades, as Denver gained more than 130,000 residents Montbello's demographics shifted, too: the community has a growing Latino population that now claims a larger share of the total (61 percent) than its former predominantly African American population (24 percent).

As Denver and Montbello continue to change, residents have expressed concerns about affordability and the community's ability to maintain its diversity. There is also a desire to take advantage of and participate in the economic growth that the region is experiencing. With the right retail and commercial investments, stakeholders thought the community's economy could be strengthened while preserving its character and connecting with emerging regional opportunities.

One area of opportunity identified by the Montbello Organizing Community (MOC) was the creation of a location that can be a community gathering place while also filling a need for food and retail options. The MOC received a grant from the Kresge Founda-

tion's FreshLo Initiative to support the development of a cultural hub to serve the community, provide opportunities for arts and cultural enrichment, and create a space for a fresh food market. The first program of its kind, the FreshLo Initiative seeks to strengthen low-income communities by integrating creative placemaking and food-oriented development.

In early 2018, a ULI Advisory Services panel was tasked with evaluating a 1.4-acre park-and-ride site of the Denver–Boulder–Aurora Regional Transportation District (RTD) to determine the feasibility of implementing a FreshLo project. The scope of the evaluation included the resources required for the development, the barriers to implementation, the project timeline, the development management structure, and projected health outcomes. Ultimately, the panel presented three potential scenarios for the RTD site, each of which incorporated a cultural hub with improved access to fresh food.

Panel Recommendations

The panel started with a market analysis, confirming the feasibility of and demand for a cultural hub with a fresh food market. At the time, only 40 percent of residents' food and beverage purchases occurred in Montbello, and the panel identified an opportunity to recapture about 20 percent of that leakage. Although there is limited room to build new residential units in Montbello itself, the potential for tens of thousands of new households in the broader northeast Denver area—the last remaining option for greenfield development in the region—is anticipated to generate significant additional consumer demand.

Given these market factors, the panel determined that the community could support a 15,000-square-foot fresh food market. To be successful, the market would need to offer a culturally relevant and unique mix of products, including both perishable and nonperishable items. It would also need to capture demand from the more than 14,000 nearby local employees by offering prepared food, with an emphasis on breakfast and lunch items.



The Kresge Fresh Lo initiative contemplates a fresh food market and supporting integrated creative placemaking and food-oriented retail for the Montbello neighborhood.

The Family Tree Food Market was identified by the MOC as a prospective anchor tenant, given its focus on locally sourced fresh food and its commitment to providing nutritional education and health data monitoring. The panel agreed that a local entrepreneur should be identified to operate the fresh food market and that the Family Tree Food Market be considered along with other qualified grocers in a selection process.

In addition to better access by residents to high-quality fresh food, the panel identified several best practices for the physical design and programming of the cultural hub and fresh food market. First, it noted that efforts should be made to foster physical connectivity between the site and the rest of the community and encourage active transportation and walkability. The landscape has multiple surrounding physical barriers—Interstate 70, an industrial park, and a fenced-off wildlife refuge, for example—that prevent visitors from easily accessing the community in general and the proposed FreshLo development site specifically.

The panel recommended taking actions to improve connections both within the community and outward to the surrounding area, including widening sidewalks, installing wayfinding, and adding public art; implementing a greenway plan or “walkable loop”; and improving multimodal access to the train station.

Second, the panel recommended that permanent affordable housing be created near transit to protect against displacement of local residents by future development. Third, the panel encouraged efforts to more proactively and deliberately share information

about available local resources (including those related to fresh food, meeting spaces, and health care) across diverse groups. Interviews had revealed that Latino and African American stakeholders thought certain resources were not well communicated to each of their communities, revealing opportunities for greater collaboration.

With guidance from the Kresge Foundation, the Colorado Health Foundation, and the MOC, the panel proposed three scenarios, all of which incorporated four components: access to healthy food, establishment of culture and arts activities, opportunities for physical activity, and collection of community input leading to development that would be affordable and inclusive, and would mitigate displacement. The scenarios all also involved acquisition or rental of the RTD site to create the cultural hub and fresh food market.



The 1.38-acre RTD site is located on the west side of Montbello, just off Peoria Avenue and adjacent to the new Montbello open space park.

The first scenario was a single, 30,000-square-foot structure to house both the fresh food market and an array of community, cultural, and arts activities. With flexible indoor and outdoor space to accommodate a variety of programming, the development would include an adjacent park. Despite its ability to meet the requirements of the cultural hub, the panel was of the opinion that this scenario might not fit all of the goals of the FreshLo plan. The size of the building and its combination of disparate uses would raise both the cost and the level of risk of the development; in particular, moving forward with a multistory building might lead to decreased efficiency as uses and/or programs change.

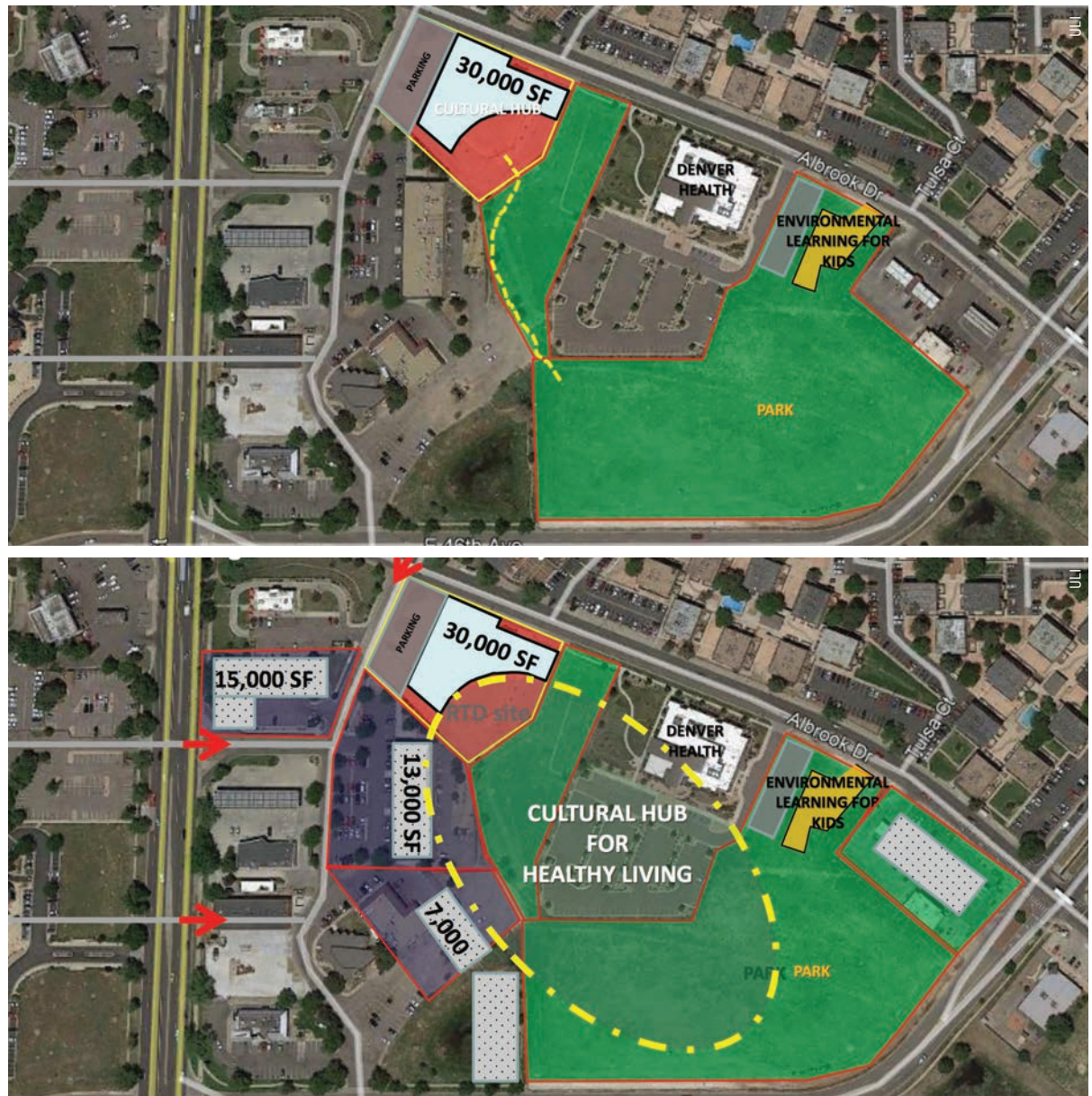
The second scenario put forth by the panel focused on the assembly of the land parcels adjacent to the RTD site to create a town center with a cultural hub as its focal point. A three-phase development would involve (1) developing the RTD site as the fresh food market and selected cultural hub elements; (2) acquiring adjacent parcels and developing them for the remainder of the cultural hub activities, improving visibility and connectivity; and (3) creating a long-term master plan for an adjacent, high-quality commercial district to complement the other components of the scenario and strengthen the overall sense of place.

The third scenario primarily focused on enhancing community connectivity—through implementation of the “walkable loop” concept—and integration. The RTD site would be developed into the fresh food market and selected components of the cultural hub. Then, the remaining programming—and additional

unofficial community gathering spots such as a farm stand, café, or meeting space—would be integrated on underdeveloped, well-located sites throughout Montbello. These new nodes of activity would be linked by wide, well-marked paths, as well as bikeshare stations and connections to greenways (including the Natural Wildlife Reserve), resulting in improved walkability and access. The panel thought this scenario would best achieve the FreshLo Initiative’s bigger-picture goals for community health, walkability, and connectivity, while also diversifying the physical investments and types of outreach to the community.

Implementing the vision for redevelopment would require strong governance, and the panel thought a public/private development structure would be most effective. The absence of interest from a purely private development team seemed to indicate that such a structure was not feasible in Montbello. Likewise, no public efforts to date had brought the development to fruition. The panel suggested that the MOC leadership establish a nonprofit special-purpose entity to own, develop, and operate the redevelopment project. An alternative would be to expand the responsibilities of this governing body—in the near or long term—by establishing a related nonprofit community development corporation, with a larger scope of work, including affordable housing, arts programs, job training, and other projects.

The panel noted the need for a complex capital stack raised over multiple phases, including public dollars (government grants, bonds, TIF districts, business improvement districts), private dollars (traditional bank lending), philanthropic support, and specialized



The two alternative development schemes for Montbello include a 30,000-square-foot cultural hub on the RTD site.

economic and community development funding (New Markets Tax Credits, crowdfunding, and so on). One structure the panel suggested was the engagement of one or more nonprofit or for-profit operating partners as an early source of equity as well as expertise to operate various components of the project. Finally, the panel recommended that existing public-sector funding be leveraged for program elements, to the extent possible. For example, government-funded parks, cultural activities, transportation, and public works projects could benefit and enhance the cultural hub.

Impact Assessment

The Montbello ULI panel was one of four hosted in 2018 in partnership with the Colorado Health Foundation's Healthy Places Initiative, a four-year effort to help communities in the state become healthier by creating opportunities for residents to increase physical activity. Following each panel, the recommendations were reviewed by the communities and, with the help of a consultant, the communities were eligible to apply for up to \$1 million from the Colorado Health Foundation for implementation funding. Montbello received a three-year, \$1 million implementation grant from the Colorado Health Foundation to design and execute improvements to the community's built environment.

With this funding and a focus on the implementation of the FreshLo plan, the MOC continues to be a strong advocate for the community and its needs for fresh food. Through the Family Tree Food Market, it hosts a seasonal pop-up market on Saturdays at the RTD site. New funding from the Get Grounded Foundation



The ULI panel recommended a pedestrian network anchored by the RTD cultural hub site and several well-located parcels (circled in red) that have great potential as walkable nodes, to strengthen the connections created by the walkable loop. These developments can also become “third places”—unofficial community gathering spots serving as dispersed versions of the cultural hub.

is supporting the FreshLo Farms for Kids project, which teaches children about farming at an urban farm located at the United Church of Montbello.

Despite this progress, demand still exists in the community for more and better fresh food options. The MOC recently conducted a survey of 1,500 households which reaffirmed the need for a grocery store in Montbello. Unfortunately, efforts to attract a major grocery store chain have been unsuccessful: every retailer approached by the community has declined, in part due to the area's increasingly out-of-date reputation linking it to crime and poverty.

The MOC is moving forward with plans for a permanent fresh food market serving Montbello residents. In December 2018, it placed a bid on property where it plans to build a grocery store, and Family Tree Food Market has verbally committed to be the operator. With these plans underway and with funding from the Colorado Health Foundation, the community is well positioned to bring to life the recommendations of the ULI panel in building a fresh food market and community spaces, fostering arts and cultural enrichment, and creating opportunities for health and recreation.



Southwest Center Mall

DALLAS, TEXAS

June 14–19, 2009

When confronted with the challenge of reviving a declining regional mall in southern Dallas in 2009, ULI Advisory Services panel members were applauded for having the foresight to think big. They envisioned opportunities for redevelopment of the site as a vibrant destination for working, living, recreation, entertainment, and shopping. More than a decade later, in 2017, the Reimagine RedBird project was named the Best Redevelopment or Renovation by *D* magazine, and the mall is making a “triumphant return” as a thriving mixed-use development.

History

Built in 1975, Red Bird Mall was the first regional mall in southern Dallas. Set on 96 acres located about 11 miles south of downtown Dallas, it was a typical center-style mall featuring 1.1 million square feet of retail space—a combination of large anchor tenants and surrounding in-line stores—and parking. The mall's success was short-lived; almost immediately after its opening, its consumer base began to weaken due to competition from the opening of new retail space nearby.

New ownership in 2001 brought the mall some improvements, in particular a renovated food court and a new name, the Southwest Center Mall. However, it continued to face ongoing challenges associated with ever-increasing retail competition.



In 2008, the Southwest Center Mall was typical of center-oriented, 1970s-era, covered malls in large urban areas—acres of surface parking, adjacent to large interstates, with pad sites completely disconnected from the main shopping space and a high-speed ring road with limited access from major arterial roads.

At the time of the ULI Advisory Services panel in 2009, these challenges included bankruptcy and the departure of all but three anchor tenants, changes in the ownership of in-line retail due to bankruptcy and foreclosure, a vacancy rate exceeding 50 percent, low consumer traffic, and dated and deteriorating buildings. Efforts by Dallas to recruit a developer to revive the mall had failed, in large part due to its fragmented ownership (30-plus owners), the expense associated with renovation, over-retailing in the area, and the absence of a TIF district to help support the infrastructure costs necessary for redevelopment.

Dallas invited the ULI panel to formulate a plan to revitalize the Southwest Center Mall. It asked the panel to explore reuse alternatives for the anchor store buildings, study the feasibility of mixed uses, and consider the integration of public spaces to contribute to a sense of place. The panel was also tasked with formulating an implementation plan, including consideration of the role of public/private partnerships, funding, timing, and staging.

Panel Recommendations

Market research conducted by the panel indicated that the retail market of southern Dallas lagged behind that of north Dallas. Southern Dallas had lower population density, median household income, and purchasing power. Nonetheless, ample retail demand existed. Within the trade area surrounding Southwest Center Mall lived a population of 145,000 (which had been

growing by 11.4 percent historically and was projected to continue growing at 8.3 percent annually), with a median household income of \$45,000.

The challenge for Southwest Center Mall was identified not as demand, but rather as an oversupply of retail. Newer shopping centers, including a traditional mall, an open-air lifestyle center, and big box shopping were operating in the area, and one or possibly two new outlet malls were coming on line. Some gaps in supply existed, including a mid-market grocery store or moderately priced natural food concept, and entertainment such as movie theaters.

In addition to these retail supply challenges, the Southwest Center Mall faced site-specific challenges. Its momentum was, quite simply, in the wrong direction: the growing strength of competing shopping centers and malls and the exit of several anchor tenants (in some cases, directly to these competing locations) had triggered a downward trajectory. The mall's dated appearance, run-down condition, and poor freeway access compounded these issues.

The panel thought that, with the right investments and improvements to the mall site, a meaningful and successful place could be created. Although the size of the trade area and competition were insufficient to support the mall in its current form, a mix of uses with a definitively local flavor could establish the site as the heart and soul of southern Dallas: a unique, diverse gathering spot.



The panel suggested a complete rethink of the mall site, including creation of a public lawn that would act as a central organizing feature and a new entryway to the mall.

The vision set forth by the panel was a mixed-use, town center-style development. At the center, a development with up to 725,000 square feet of new retail, including a grocery store, and cultural facilities such as a multiplex, restaurants, and convenience-oriented businesses would attract retail demand. To create a village-like feel in the surrounding site, other land uses were recommended, such as office space, senior housing, education, and recreation and community meeting places. A new central outdoor space could attract residents and offer a variety of seasonal uses related to recreation, art, entertainment, and play.

New connections to the surrounding neighborhoods and commercial streets, as well as improved transit, pedestrian, and bike access, would also support the long-term success of the mall site. Specifically, the panel advocated for improved highway access and a new connection to the rail station located three miles to the north, by an extension of rail service or by bus linkages. Reconfiguration of the streets to a more traditional pattern—to the extent possible, given the mall's current configuration and ownership—and the creation of boulevard landscaping, bike lanes, and

sidewalks would create a more enjoyable visitor experience. Finally, the panel believed that the mall would benefit from a new name, with associated wayfinding and signage.

The panel stressed that the window for redevelopment was small, and the timing was urgent. The mall needed to retain its remaining three anchor tenants and take action before they moved elsewhere, or else it would lose any competitive advantage.

The panel identified several immediate steps to begin implementation. The critical starting point would be to establish community consensus on the vision through a series of “small area plans,” with the Southwest Center Mall at the center of one. The panel recommended that these plans include associated zoning recommendations. The panel also urged the city to establish a TIF district that included the mall, the nearby Dallas Executive Airport, and surrounding housing areas, and to work to assemble the mall site. To do so, the city would need to purchase (or acquire through eminent domain) the two vacant anchor tenant buildings. Completion of these steps would prepare the city to search for a master developer.

The panel recommended that leadership for the project be provided by a public/private partnership. It thought the overbuilding of retail in south Dallas had produced a market that was not strong enough to support a solely private investment for revitalization. Thus, the city was encouraged to use the request for proposals process to select a qualified master developer. The

panel also encouraged the city to actively market and recruit a developer at the national level, to ensure that the right type of expertise would be available and a strong development team could be put in place.

The recommended first phase of redevelopment activities would begin with the demolition of the west end of the mall. Remaining tenants in this portion could relocate and consolidate on the east end. Construction of a new open-air collection of buildings (comprising office over retail) and structured parking would give the mall a fresh look and allow for flexible, future growth.

Impact Assessment

Despite the urgency expressed by the ULI panel, redeveloping the Southwest Center Mall site has taken much longer than anticipated, in large part due to the fragmented ownership of the site. A private equity investor began purchasing portions of the site in 2015 and gradually assembled a 78-acre parcel for redevelopment.

Under the “Reimagine RedBird” initiative, the project now includes plans for a \$160 million mixed-use development not unlike what was envisioned by the ULI panel: new office space, residential development, and recreation surrounding a portion of the original mall structure and its existing retailers. A ground-breaking celebration for phase one of the project was held in March 2019.

Plans for the new RedBird call for an urban street grid and pedestrian walkways connecting more than 300,000 square feet of office space, a hotel and conference center, 300 luxury apartments, and a one-acre indoor/outdoor public space for community events, concerts, and a farmers market. Already, a business innovation hub and a college have opened facilities on the site, and a family adventure park has signed a lease.



Consistent with ULI recommendations, the mall redevelopment provides an open one-acre lawn/open space for community gatherings and events. The lawn concept creates a unique community environment for the shopping experience. Connectivity and a variety of spaces and functions allow the melding of landscaping and architecture.

When complete, RedBird will boast 400,000 square feet of retail, including both shopping and dining. A third of the original mall structure (about 100,000 square feet) will be demolished, and existing retailers will be consolidated. A grocery store is planned, and about 250,000 square feet of new retail will be located at the front of the site. That new retail includes a coffee shop, a sports clothing store, and a bank.

Dallas has provided financial support for the site's redevelopment. In 2018, it allocated \$22 million to RedBird through a mix of bonds and public/private partnership loans, to fund infrastructure improvements and construction, including new highway on- and off-ramps and streetscape changes to create an urban street grid. The RedBird redevelopment is also receiving \$15.6 million from a TIF district that encompasses the mall.

With its ambitious vision, the ULI Advisory Services panel set the stage for transformative redevelopment of the mall, which is now being brought to life by an equally visionary development team. Residents in southern Dallas are poised to have a new, vibrant destination in which to work, live, shop, stay, and play.



Speedway

INDIANA

May 12–15, 2008

Speedway, Indiana, home to the world-famous Indianapolis Motor Speedway (IMS), has long been a popular destination, attracting more than a million motor sports fans per year. The ULI Advisory Services panel's recommendations in 2008 for redevelopment of the land adjacent to the IMS would prove to be a valuable guide for the town's economic development officials. Today, Speedway's Main Street is a vibrant, thriving entertainment and retail corridor, and a growing motor sports industry is strengthening the town's economy.

History

Located just five miles west of Indianapolis, the town of Speedway, is home to the world-famous Indianapolis Motor Speedway, also known to fans as the Brickyard. The IMS, which opened in 1909 as an automotive testing facility, has a rich history as a venue for cutting-edge motor sports. Today, with a spectator capacity of 400,000, it is the world's largest sporting venue. It also boasts a complex of buildings in addition to the track: administration and service buildings, the Brickyard Crossing Golf Resort and Inn, the IMS Speedway Hall of Fame Museum, and various parking areas. The combined facilities are a boon for the local economy, creating more than \$890 million in annual economic impact for Indianapolis—more than the Super Bowl creates for its host city each year.



Recognizing its central role in motor sports racing, Speedway wanted to create a more distinctive sense of place and to strengthen the area's position as a year-round destination for motor sports racing enthusiasts and automobile-based industries.

Motor sports are a significant economic driver across the Indianapolis area, accounting for more than 400 related companies and 9,000 full-time employees. Speedway is the locus of the region's automotive manufacturing sector, including employers such as Allison Transmission and Indy Racing League. New firms are attracted by the town's highly skilled workforce, including the recent arrival of an innovative bicycle component manufacturer.

Although the region maintains a strong position in the motor sports industry, Speedway faces increasing competition from other areas, including Charlotte, Atlanta, and Las Vegas in the United States as well as from the United Kingdom, China, Bahrain, and Qatar. In addition to top-tier industry, these competing areas also had attractions such as new racing venues, research and design capabilities, and other specialized services, and visitor amenities such as interactive museums and exhibits and a supporting hospitality industry. In comparison, Speedway offered visitors only limited amenities, following broad-based job losses in manufacturing during the 1970s and 1980s that eroded its Main Street retail.

Recognizing its central role in motor sports racing, Speedway wanted to create a more distinctive and unique sense of place and to strengthen the area's position as a year-round destination for motor sports racing enthusiasts and automobile-based industries. A particular area of interest for future development was the Speed Zone, 400 acres of industrial brownfields adjacent to the IMS. With leadership by the Speedway

Redevelopment Commission, a master plan for the area was developed in 2007, a master developer was selected and retained, and the opportunity arose to move redevelopment forward to realize Speedway's vision.

In 2008, at the request of the Speed Zone's master developers, Mansur Real Estate Services and Greenstreet Ltd., a ULI panel was convened. The panel was asked to identify strategies for implementation of the Speed Zone master plan, including financing sources, themed or destination retail development and its integration with other diverse uses, and sustainable energy solutions. The goals of the panel included ensuring that the Speed Zone addresses the needs of the Speedway community, creating an appealing destination experience for visitors and generating and locally capturing additional revenue from visitors to the IMS.

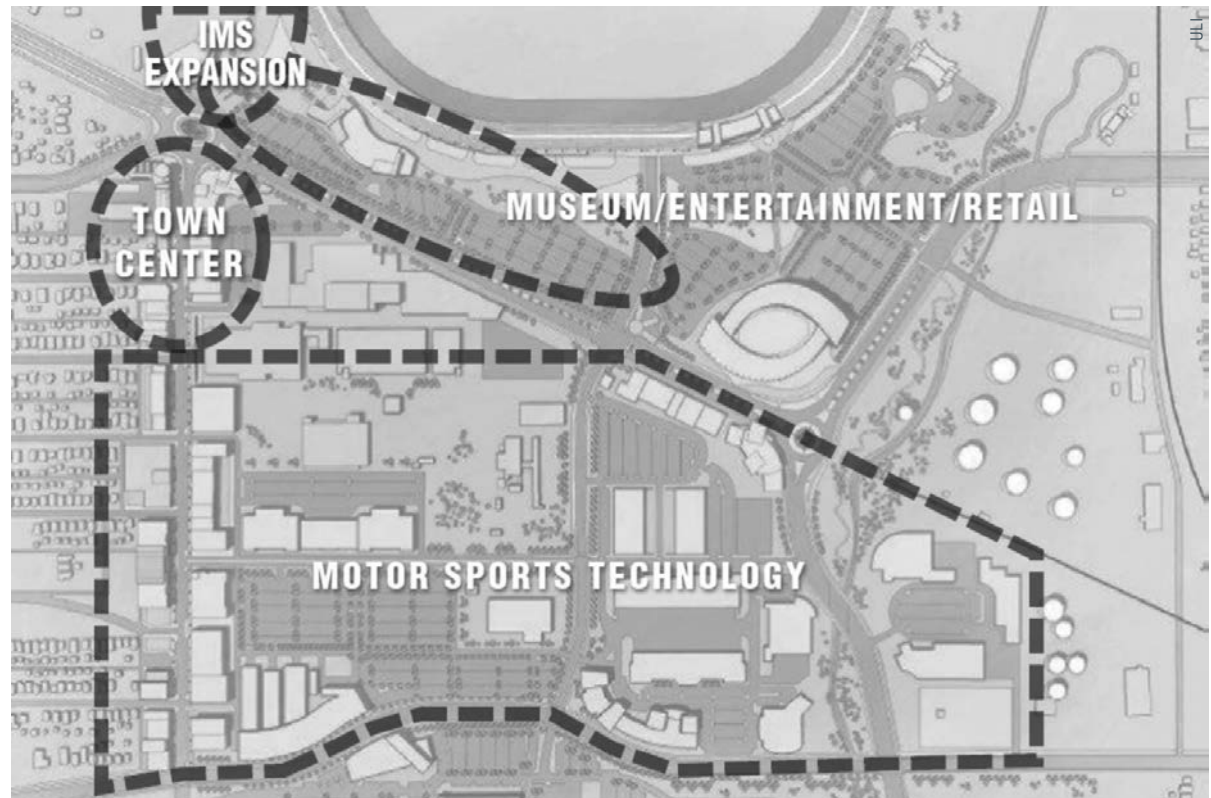
Panel Recommendations

Panel members thought there was an opportunity for Speedway to capture more of the motor sports market—in terms of both industry and tourism—and that the IMS was a valuable asset that could be further leveraged for growth. The panel agreed with the master plan and recommended that a mixed-use development within the Speed Zone should include a commercial corridor along Speedway's historic Main Street, facilities for research and development and advanced education in motor sports, improved traffic and accessibility for pedestrians, housing, and public amenities that include artistic and cultural dimensions.

A market analysis completed before the ULI panel suggested that Speedway could support up to 500,000 square feet of new destination retail and that adequate demand existed for motor sports–related office space. In its supplemental analysis, the panel identified local consumer demand that could sustain new retail development, given local household incomes well above the metropolitan average and the relative lack of retail on the western side of Indianapolis. The panel also identified strong demand from tourists and visitors. The Speed Zone could attract a share of the more than 1 million annual visitors to the Brickyard, the 22 million annual visitors to Indianapolis (partially resulting from a strong conventions market), and the 30 million IndyCar fans nationwide.

The panel divided the Speed Zone site into four districts and offered recommendations for the redevelopment of each, with specific strategies for retail and entertainment development, sustainable development, and financing.

The Motor Sports Technology district, which made up the majority of the study area’s acreage, could be used to attract motor sports businesses through educational facilities affiliated with local colleges and universities, a national testing center, industrial flex space for research and development activities, and racing team headquarter facilities for U.S.-based IndyCar and Formula One race teams. The panel thought this district had the potential to draw some of the region’s existing 400 motor sports companies, as well as motor sports companies from outside of Indiana.



The panel recommended organizing the development into four districts that would address multiple opportunities for the individual segments of Speedway’s distinctive markets.

The IMS Expansion district would make improvements to the visitor experience immediately outside of the IMS track in order to capture more per capita spending by sports enthusiasts. The panel recommended creating indoor and outdoor gathering areas, event and media spaces, and a landscaped gateway to the IMS.

The Museum, Entertainment, and Retail district would be a well-designed and entertaining location to draw in a variety of audiences, including motor sports

enthusiasts, tourists visiting the Indianapolis area, and local customers from the underserved western half of the region. The panel recommended that this district include motor sports–related cultural activities such as one or more new museum experiences and the IMS Hall of Fame Museum, to be relocated from the track’s infield. Given the growing consumer interest in interactive experiences, the panel suggested that the track be made accessible for tours and other experiences. Other uses identified by the panel included

conference space, a mid-priced hotel, entertainment venues, dining, and themed national retail tenants offering “lifestyle goods” (antique car parts and racing accessories, for example).

Finally, the Town Center district would feature a traditional Main Street design with a tenant mix of restaurants and specialty stores, as well as a year-round public market. This district would primarily serve Speedway residents and local employees, creating a central gathering space and a focal point for the town that both connects with the other envisioned districts and maintains the historical design of the city (art deco buildings and the use of brick in reference to the Brickyard brand, for example). The Town Center would have three areas: a family-oriented center with a small 20,000-square-foot grocery store, local or regional food and drink options, and a pharmacy.

As the request of the sponsors, the panel looked at several opportunities for sustainable development. Although it found evidence that green building could result in tangible benefits (lower maintenance costs, rent premiums, and faster leasing rates, for example), it noted that the low cost of purchasing electricity in Indiana would make it more difficult to achieve returns. The panel suggested conducting an in-depth analysis to develop requirements, guidelines, and incentives for sustainable development on the site.

The panel thought that Speedway should provide leadership for the redevelopment project, with the IMS as a full and active partner working with the Speedway Redevelopment Commission and the state. The panel

recommended the creation of a business improvement district, to share the costs of the streetscapes, marketing, and other services between Speedway and the selected developer. It also identified a number of other potential funding sources, including general obligation and special revenue bonds, user fees, state tax incentives, federal funding (e.g., through the Economic Development Administration, the Community Development Block Grants program, and the Small Business Administration), and philanthropic dollars, perhaps through the creation of a foundation or the use of community investment tax credits.

Impact Assessment

In the decade since the ULI panel, Speedway has transformed Main Street into a thriving entertainment and retail corridor and has seen more than \$375 million in new development citywide. Town officials credit the ULI Advisory Services panel's recommendations as being instrumental in the subsequent development of Speedway's first economic development strategy, which identified the creation of the Speed Zone and the revitalization of Main Street as priorities.

In 2009, following the recommendations of the ULI panel, Speedway made \$6.7 million in road, sidewalk, and utility improvements on Main Street and began acquiring and remediating land for redevelopment. To fund these improvements, it created a TIF district encompassing nearly all of the redevelopment area.

The Town Center district (as defined by the ULI panel) focused on Speedway's historic Main Street, an area that now has a flourishing restaurant scene with more than a dozen establishments that attract both regional and local customers. Other redevelopment highlights include the \$36 million Wilshaw apartment and hotel project on Main Street, the first residential project in downtown Speedway. Construction began in the fall of 2018 on 90 residential units and a 126-room hotel, as well as about 8,000 feet square feet of retail space and a 250-space parking garage.

The ULI panel's vision for the IMS Expansion district was also largely realized. A new primary entryway to the track was constructed at the IMS's Gate 1 and opened in 2016. It includes a landscaped gathering area and space for media activity. A roundabout was also constructed in 2014 to improve access to the track from 16th Street and Crawfordsville Road.

In addition to providing more amenities for racing fans and tourists, Speedway has been quite successful in attracting firms in the motor sports industry. In 2012, the Dallara IndyCar Factory opened an engineering center, where the company produces and assembles the IndyCar. Dallara's facility also houses racing simulators, an interactive zone with information on the manufacturing process, and event space. The United States Auto Club committed to \$2.1 million of investment in its Speedway facility, including conversion of a portion of the building for coworking space for the racing industry. In March 2019, Allison Transmission announced plans to build a multimillion-dollar vehicle testing facility in Speedway. Expected to open in 2020,



The ULI panel's vision for the Speedway has been largely realized. The additional planning and design work represented in this graphic continues to use the panel's recommendations as a cornerstone.

this 60,000-square-foot facility will be located directly south of the IMS.

Further bolstering its status as a center for motor sports racing, Speedway has welcomed new race teams, including Sarah Fisher Hartman Racing and Juncos Racing, an American-Argentine racing team. Speedway officials have expressed interest in attracting additional race teams to the 16th Street corridor, with an emphasis on those that have an entertainment component, such as an attached museum or the display and sale of race memorabilia.

Speedway updated the town's economic development strategic plan in early 2019 and, as redevelopment nears completion on Main Street, plans to shift its focus to the revitalization of the 300-acre Crawfordsville Road area. This area along a high-visibility corridor includes land available for commercial, community, and neighborhood shopping, as well as residential development. The plan also calls for efforts to establish Speedway more firmly as a hub for innovation, given its assets in autonomous vehicle testing. Other future redevelopment plans—as recommended by the ULI panel—include fundraising to support the construction of a larger building for the IMS Speedway Hall of Fame Museum.



BUCKSBAUM PROPERTIES



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