



Turner Field Market Overview

Neighborhood-Based Recommendations

Turner Field Livable Centers Initiative
September 09, 2016

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Executive Summary

The development of the Turner Field core area by the Georgia State University (GSU)/Carter team has the potential to catalyze economic activity and investment in the four neighborhoods surrounding Turner Field – **Summerhill, Mechanicsville, Pittsburgh, and Peoplestown**. In addition to this significant development, citywide investments such as the Atlanta BeltLine can contribute over time to the changing physical and economic composition of the Turner Field Study Area, creating new sources of demand and opportunities for reinvention.

Redevelopment of these neighborhoods will not be easy or happen immediately. There are clear challenges that the LCI neighborhoods share, such as **divisive infrastructure, poor transit access and transportation connectivity, lack of neighborhood retail, large vacant properties, and weak market demand**. However, these neighborhoods also have a number of assets, such as **nearby academic institutions, valuable industrial properties, and plentiful park land and open space**.

Recommendations for future development has been informed by HR&A's commercial market analysis, community input, and urban design and development proposals for the core area prepared by Perkins + Will. Over time, there is an opportunity to **catalyze significant new development** that will allow the four neighborhoods to create new retail amenities, job opportunities, and public realm improvements in the coming years.

Market Overview

Market Overview: Demographics and Residential

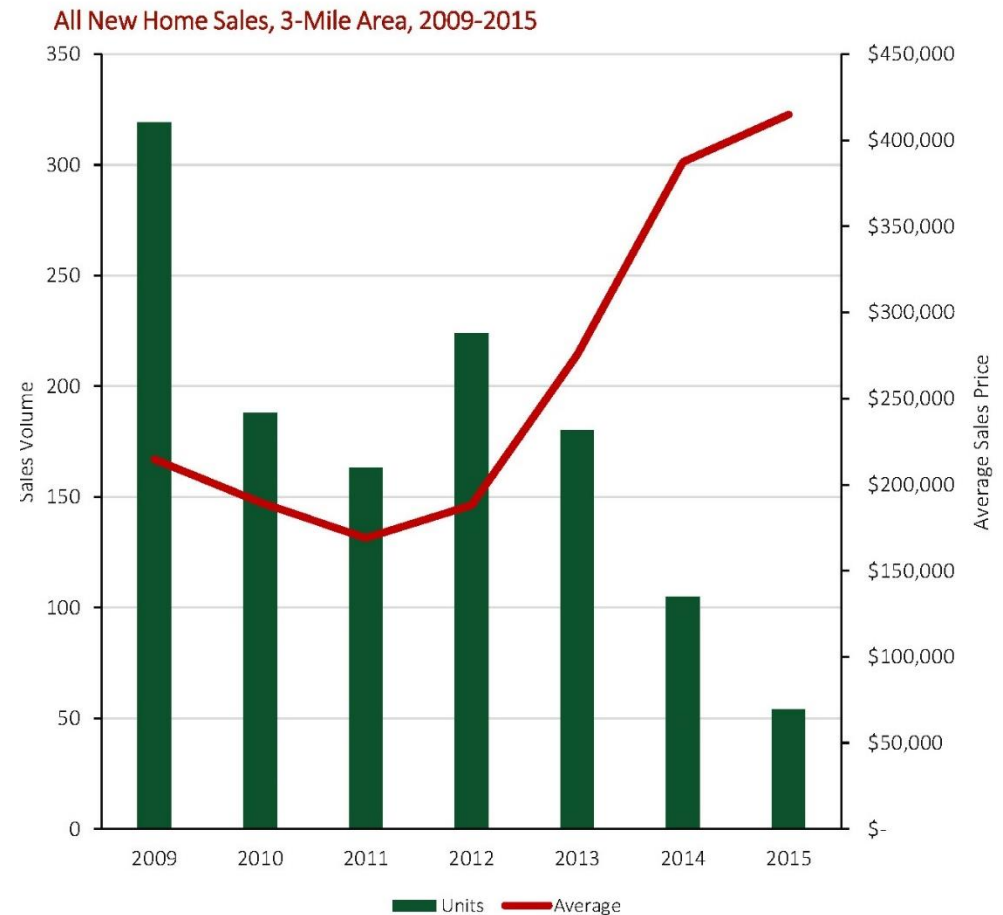
In parallel with the commercial market scan conducted by HR&A, Bleakly Advisory Group examined the demographic and residential market trends associated with the Turner Field Study Area, as well as the surrounding areas.

Demographics

- The Study Area is **younger** than the City as a whole and **predominantly African-American**.
- **Incomes are considerably lower** than the City overall, with nearly half of all households earning less than \$20,500 overall.

Residential

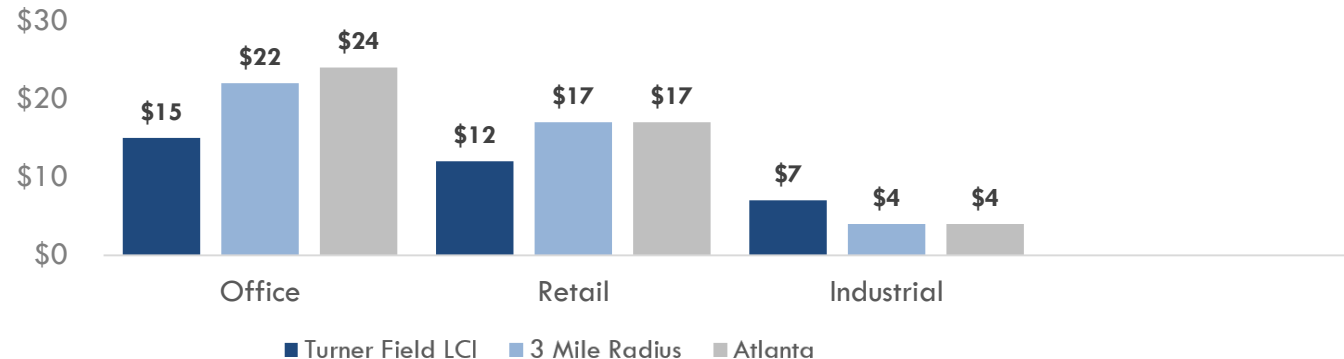
- The Study Area is comprised **mostly of renter-occupied, single-family homes of lower value** than comparable units in Atlanta as a whole.
- However, the area within a three-mile radius shows more promise, with **average sales prices increasing** over the last five years (see chart at right).



Source: Bleakly Advisory Group

Market Overview: Commercial

Existing Commercial Rents PSF by Use



Office

- There is very limited office product in the Study Area; all office buildings have been built to suit for specific tenants.
- Rents are 38% lower than the City as a whole.

Light Industrial

- Rents for light industrial buildings are slightly higher than the City as a whole, assisted by the proximity to highways and limited supply, but remains a low-value use.

Retail

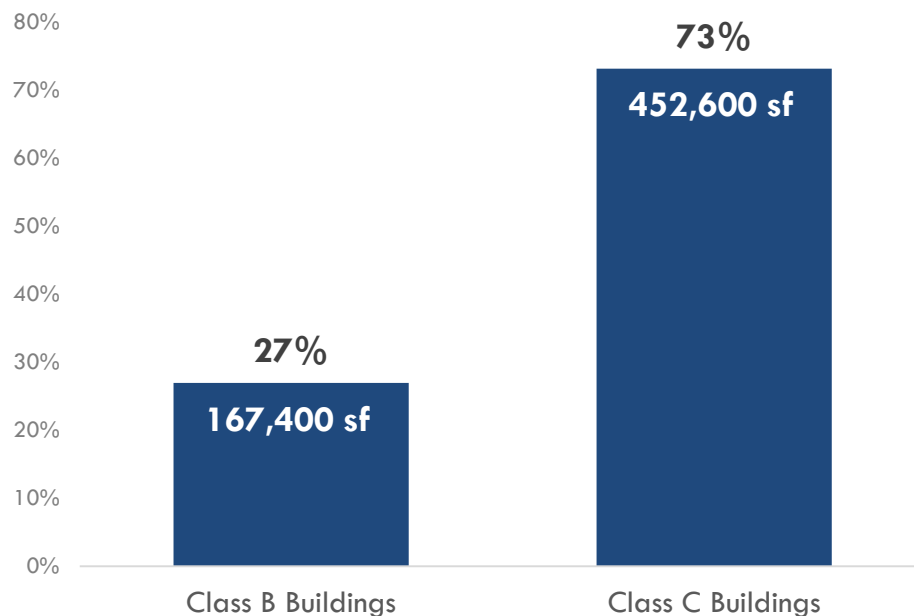
- The Study Area currently exhibits very little unmet retail demand, with only sporting goods/hobby, books/music, and clothing categories offering enough unmet demand to justify presence of new stores (i.e., one to two stores totaling 27,000 SF assuming a complete capture of unmet demand within the Study Area).

Source: CoStar; HR&A Advisors

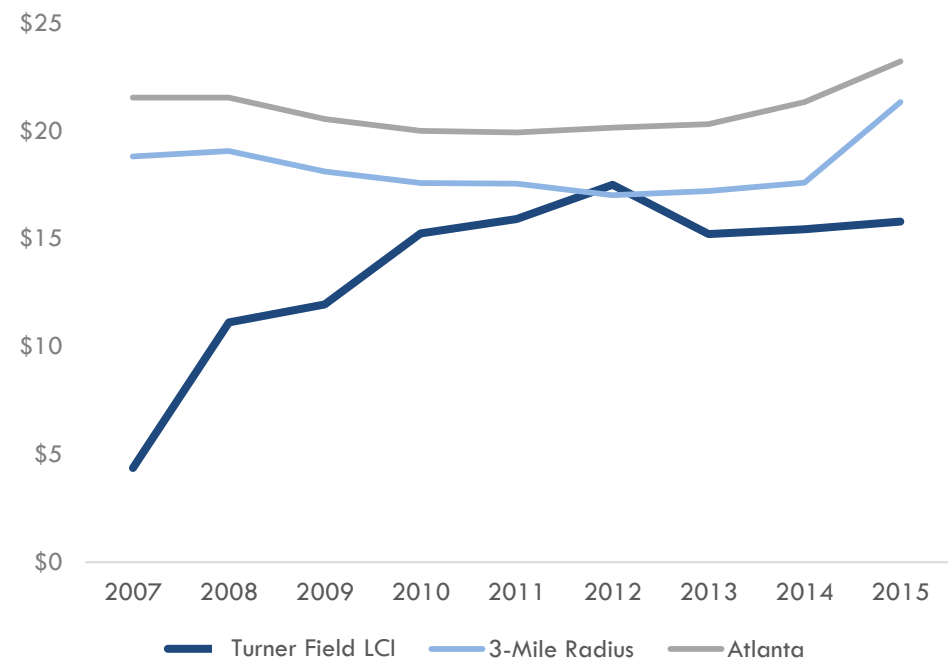
Market Overview: Office

The Study Area contains approximately 620,000 SF of office stock, which represents **less than 1% of Atlanta's office stock overall** and about 1.4% of office product within a three-mile radius of Turner Field. Existing office properties include single-story medical facilities and repurposed older warehouses. **The Study Area's office stock is all Class B and C**, meaning it is generally older and does not have the types of finishes and amenities that command premium rents. Since the recession, rents have increased and stabilized closer to the City average overall.

Study Area Office Class



Office Rent

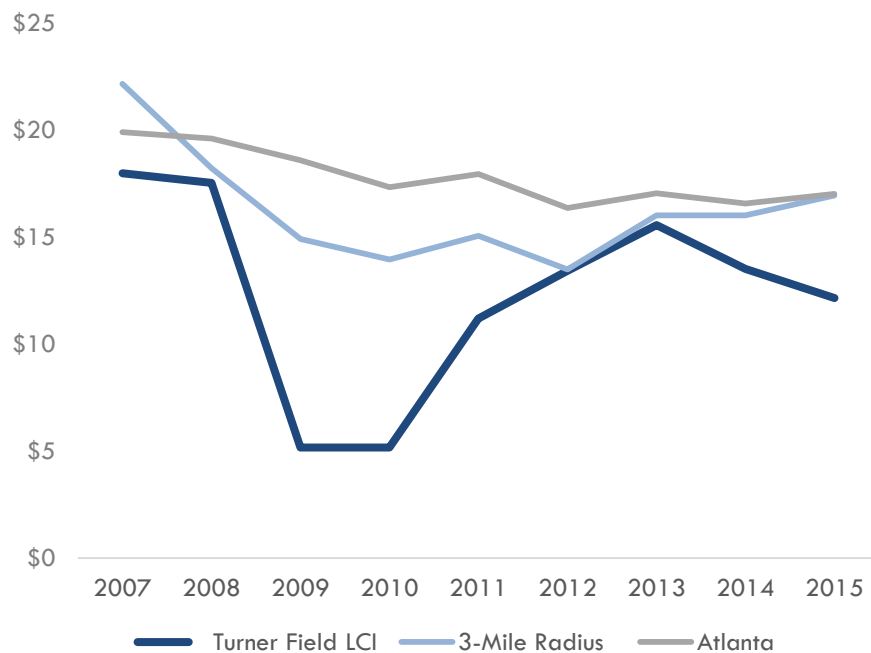


Source: CoStar; HR&A Advisors

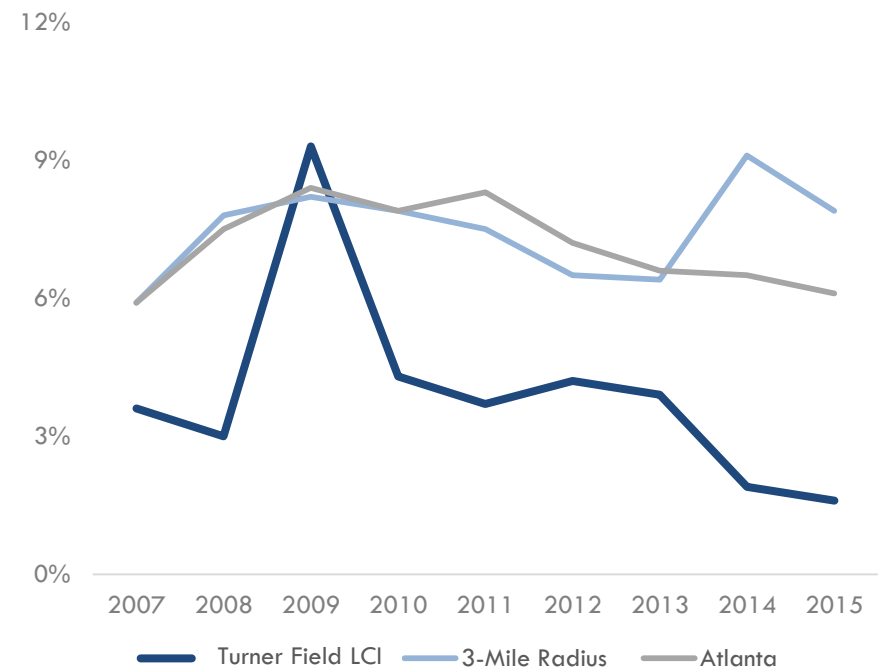
Market Overview: Retail

The Study Area has approximately 325,000 SF of retail which represents **less than 1% of Atlanta's overall retail space** and about 3% of retail product within a three-mile radius of Turner Field. Only two new retail properties have been delivered since 2000, together totaling 13,600 SF. Vacancy within the Study Area has been erratic, but is lower than elsewhere due to low space availability. Despite relatively low vacancy, **low rents make new retail development unlikely in the absence of substantial residential or visitor population growth.**

Retail Rent



Retail Vacancy

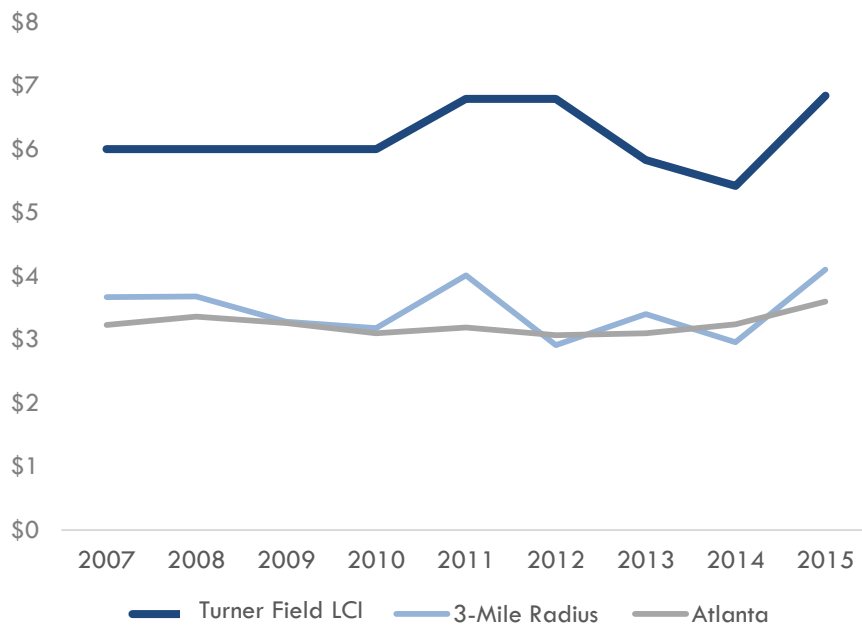


Source: CoStar; HR&A Advisors

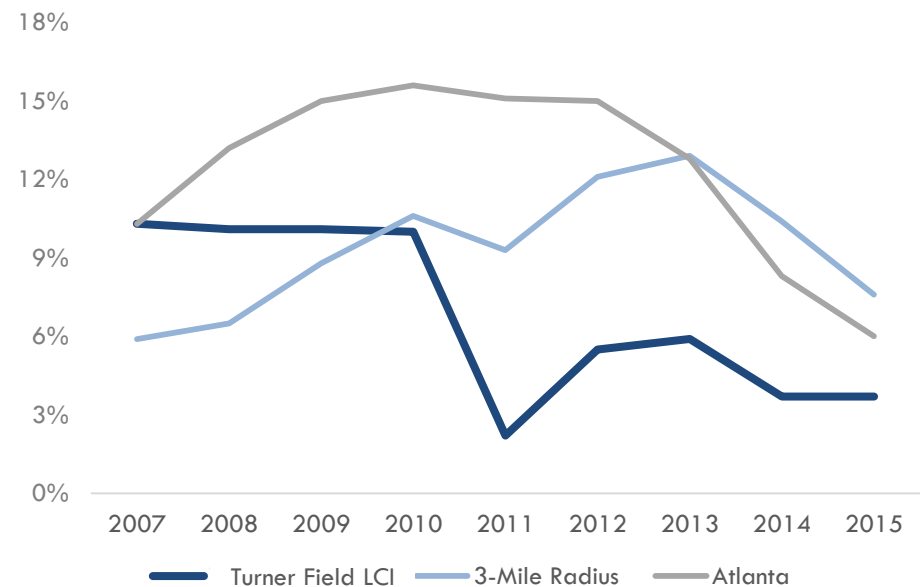
Market Overview: Industrial

Light industrial space is an important component of the Study Area's commercial landscape. Despite the fact that 90% of industrial properties within the Study Area are Class C, **the properties are in high demand**, likely due to good highway accessibility and limited supply. Rents for industrial properties around Turner Field have remained consistently higher than in other geographies for at least a decade. At a little under 4%, light industrial vacancy is lower near Turner Field than in the three-mile radius or the city as a whole, though vacancy across all geographies has been trending downward in recent years, partly **due to e-commerce-driven leasing activity**.

Light Industrial Rent



Light Industrial Vacancy

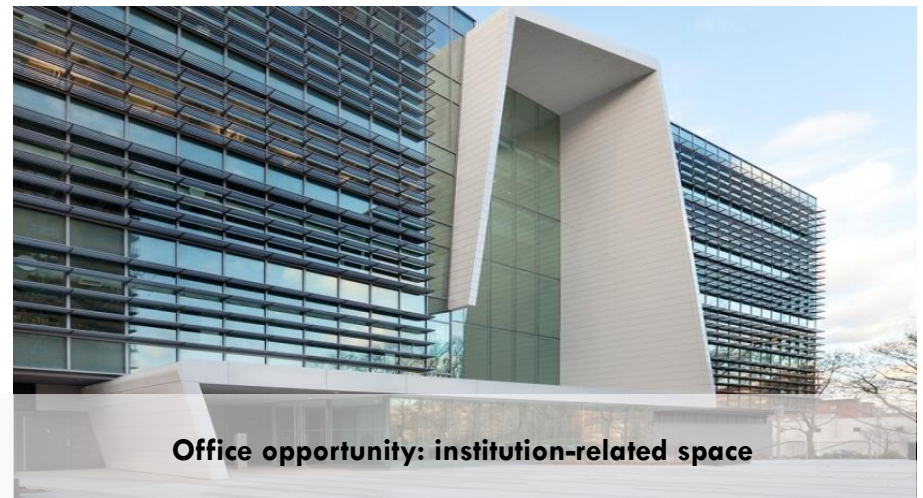
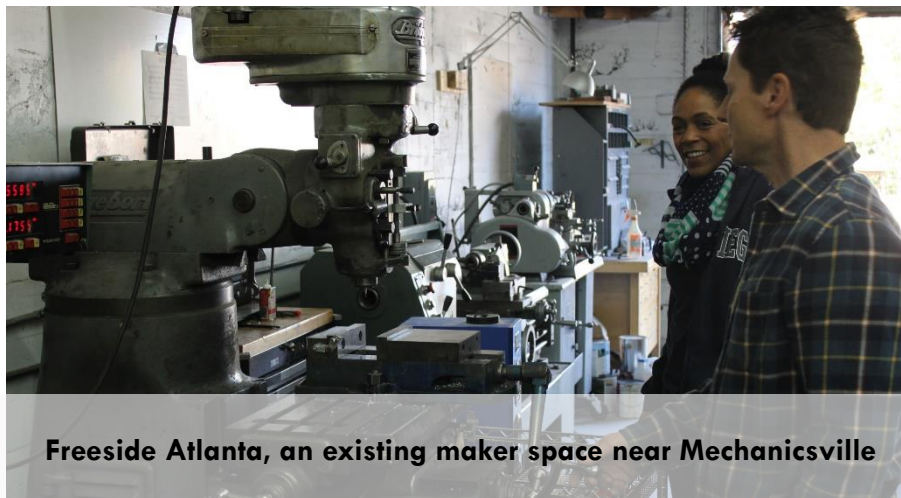


Source: CoStar; HR&A Advisors

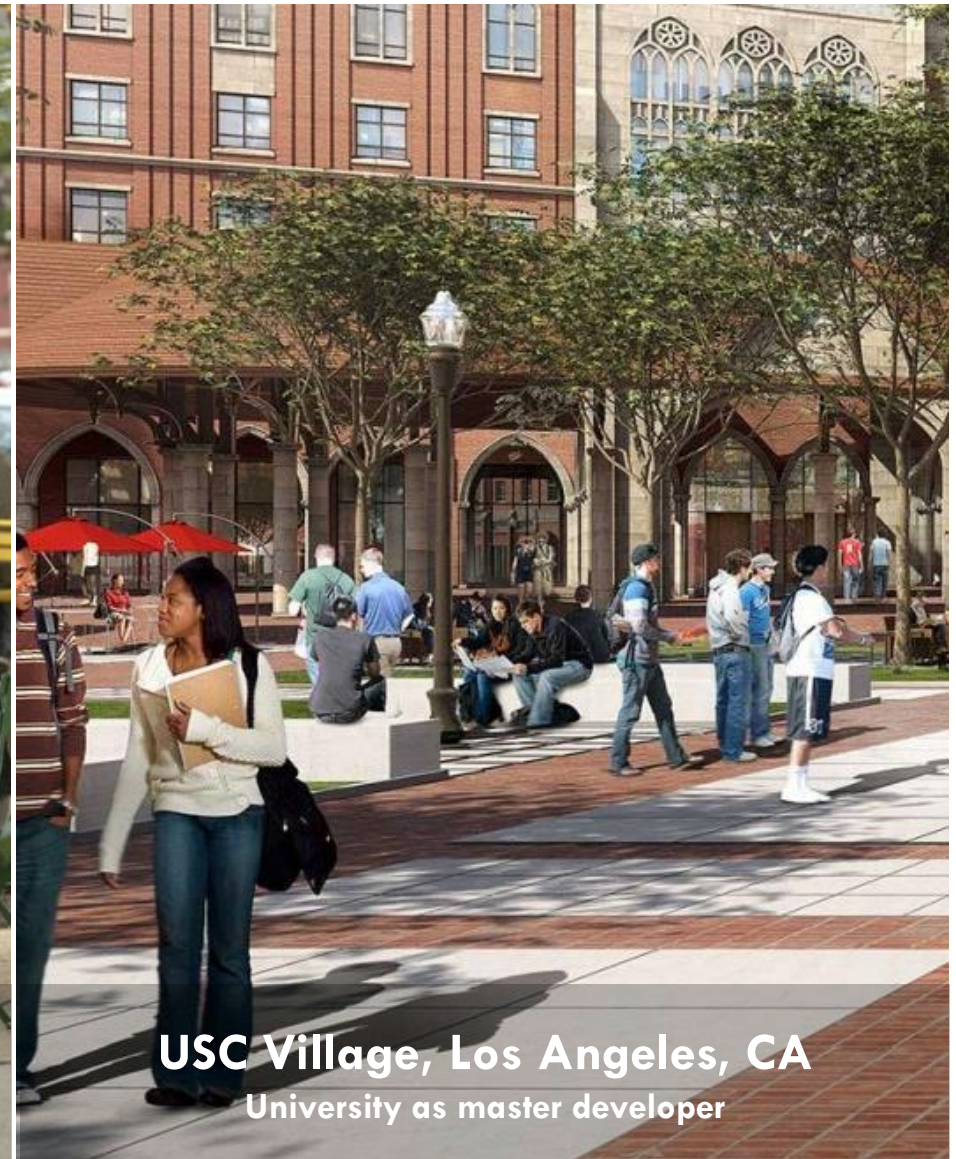
Leveraging the Study Area's proximity to Downtown, the redevelopment of Turner Field could increase demand for office, retail, and industrial spaces.

The past is not prologue. The Turner Field LCI Study Area is ripe for wholesale reinvention, in partnership with community residents. Despite limited new development over the past 10 years, commercial spaces are largely occupied, which presents an opportunity to create new product that accommodates growth and provides amenities for new and old residents.

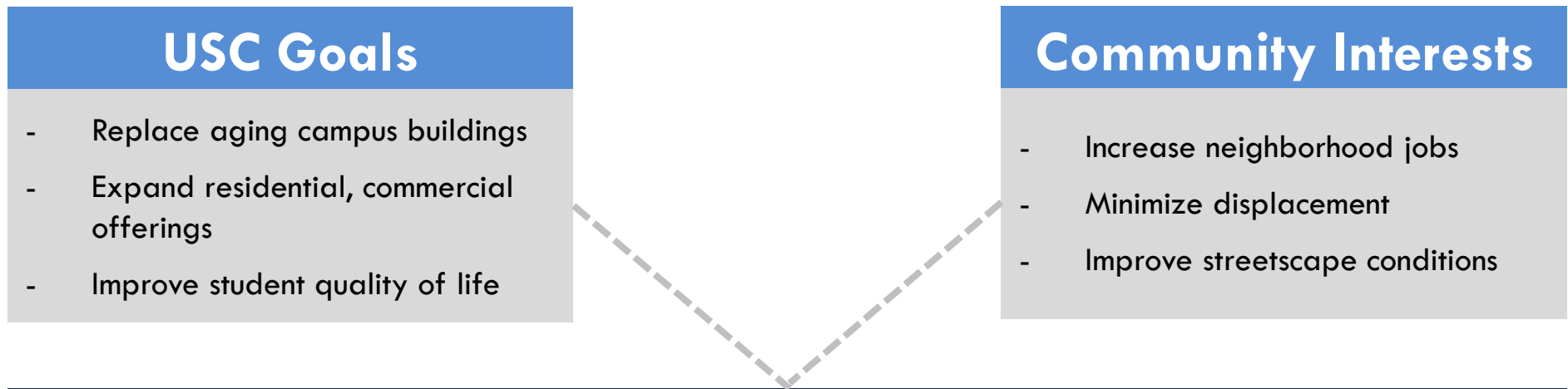
The introduction of Georgia State creates potential to increase built density and add new households and jobs, which will in turn support other development, such as new retail uses. In the longer-term, with Georgia State's increased presence, the area could become more appealing for commercial tenants looking for locational advantage, but in need of lower cost space compared to Downtown. Spaces catering toward the "maker" economy may fit well with existing building uses and new residential populations targeted by the redevelopment.



Large academic institutions have catalyzed reinvestment in cities with economic impacts felt across surrounding neighborhoods.

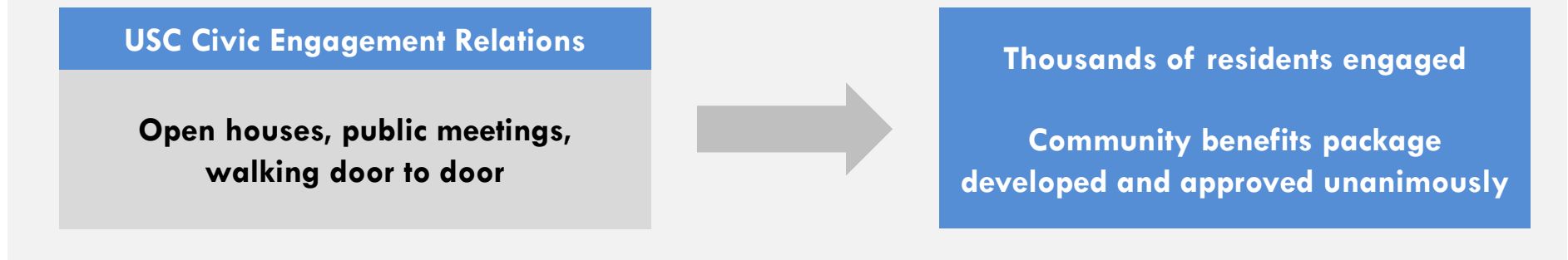


The University of Southern California (USC) proposed an unprecedented expansion of residential/commercial uses to revitalize the Jefferson Blvd corridor.



City Approvals + Community Engagement Process

Over a series of meetings, USC staff, civic and community leaders, and local residents worked with university and city officials to develop the community benefits package.



Through robust civic engagement, community concerns about the plan were addressed, and the resulting benefits package is expected to bring jobs and vibrancy to the area.

Program

Academic Uses

- 2.5M SF academic use
- ~2M SF faculty and student housing

Community Benefits

- 350K SF **retail/commercial uses** including restaurants, grocery store, farmer's markets
- Open space and programming
- \$20M contribution towards **affordable housing**
- Tenants' rights **legal clinic** on campus
- **Job training and placement**
- **Business assistance**
- **Business relocation** assistance
- **12K jobs** (8K permanent)



Philadelphia's University City neighborhood demonstrates how universities and communities can collaborate to revitalize a community.

Revitalization Strategies

Economic Growth & Business Development

The University provided subsidies to attract new businesses, including shops, restaurants, a grocery store; and a movie theater. The University also led a consortium to create a **special-services district** to provide extra security and garbage collection.

Quality Schools

The University of Pennsylvania helped to create the innovative Penn Alexander School — a **public pre-K through eighth grade** school for 500 students, which has consistently ranked in the district's top 10 schools.

Housing Improvements

The University initiative **bought and renovated houses** to return to the market and provided **mortgage incentives to faculty and staff** to buy and improve homes in the neighborhood.

“Clean and Safe” Environment

The University partnered with utility providers, unions, and block associations to **light 1,200 neighborhood porches and build parks** throughout University City.



Both University City and University Village demonstrate the amenities that can benefit neighborhood residents in an institution-driven economic revitalization effort.



New SF of local retail for every new student room

55 sf

36 sf

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Challenges and Opportunities

Neighborhood Summary

Changes created by the impending Turner Field redevelopment will take shape differently across each of the neighborhoods within the Study Area. HR&A's high-level assessment of each neighborhood's challenges are noted below, coupled with recommendations for future development opportunities. These recommendations have been informed by HR&A's commercial market overview as well as comments received during the community visioning and engagement process, including feedback from the developer's forum and broker interviews.

Summerhill

- **Challenges:** Dated commercial buildings; vacant or underutilized land.
- **Recommendations:** Develop institution-oriented office and retail space in town center-style developments to capture local spending. Leverage proximity to Turner Field core area development. Strengthen east-west connections between Turner Field and Grant Park/Zoo Atlanta.

Mechanicsville

- **Challenges:** Divisive train/rail infrastructure; large vacant or underutilized land.
- **Recommendations:** Develop neighborhood-serving and student-oriented retail that capitalizes on the presence of nearby academic institutions. Reposition industrial parcels to host new maker and food spaces.

Peoplestown

- **Challenges:** Fragmented neighborhood fabric and lack of walkability due to large parking lots surrounding industrial properties.
- **Recommendations:** Reposition valuable industrial properties as an economic catalyst that leverages BeltLine and nearby redevelopment projects. Activate park space through programming, retail, and urban agriculture.

Pittsburgh

- **Challenges:** Fragmented neighborhood fabric and lack of walkability due to large parking lots surrounding industrial properties.
- **Recommendations:** Reconfigure large parking lots to make a more walkable neighborhood; use valuable industrial properties as an economic catalyst, strengthen dense, walkable grid.

The Turner Field LCI project aims to generate community-driven, holistic solutions for the area's challenges.

The **Livable Centers Initiative** program aims to create implementable, community-based plans that have the potential to catalyze game-changing redevelopment activity that promotes growth, healthy places, multimodal transit access, environmental responsibility, and a better quality of life for all. Neighborhood-based development plans have the potential to be catalyzed and potentially fast-tracked by the pending redevelopment of **Turner Field** by **Carter and Georgia State University**. Residents and stakeholders in the LCI neighborhoods have identified the following development priorities and public realm improvements:

Retail Amenities

Grocery Stores
Local Retail
Restaurants

Mixed-Use Development

Transportation Access

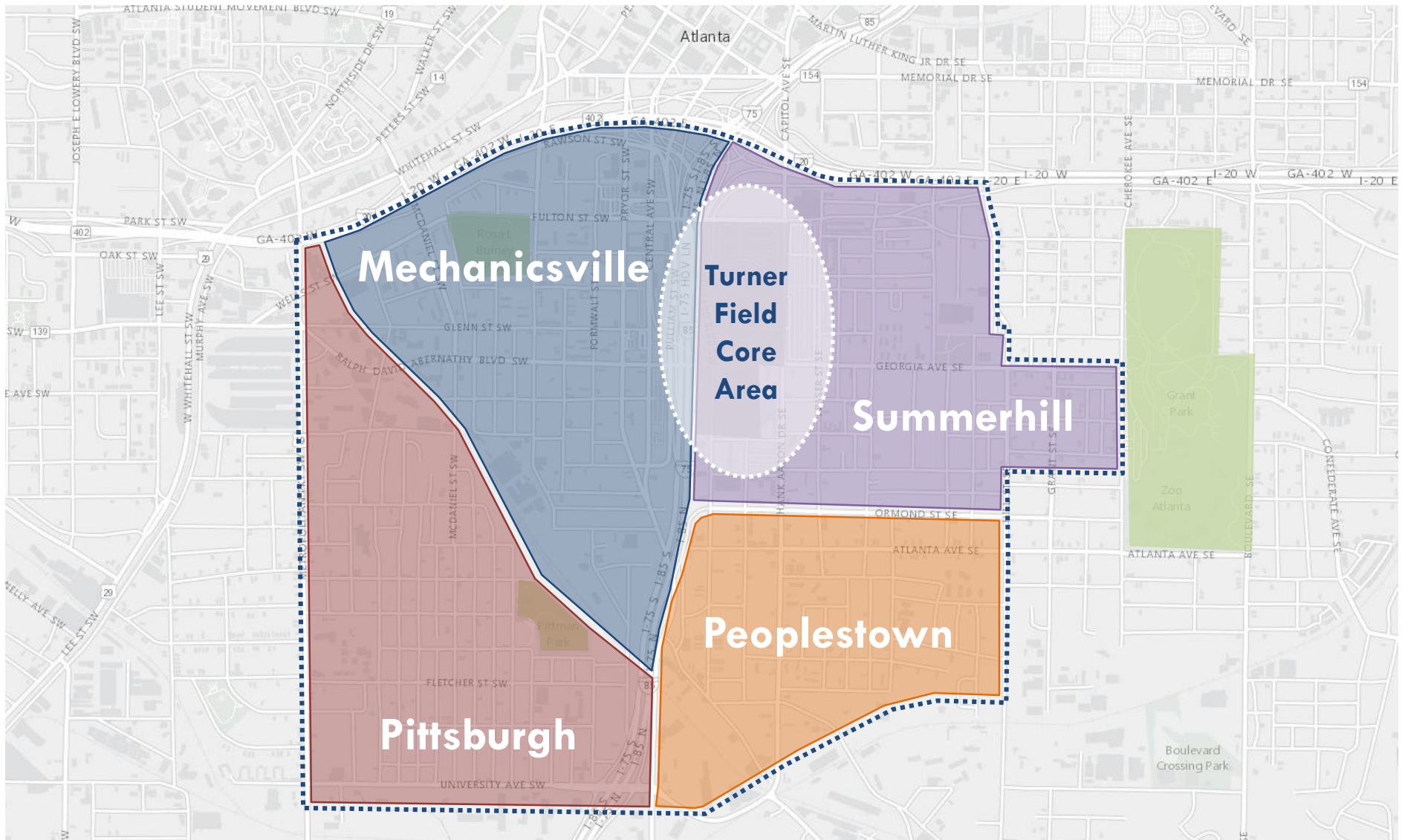
Improved Transit
Safe Streets

Open Space

New Parks
Playfields



The four neighborhoods surrounding Turner Field have unique challenges and assets.



Local residents and stakeholders have identified key challenges that impact the communities in the Turner Field LCI area.



“We want brighter lighting for the I-75/85 and Ralph David Abernathy underpass to make pedestrians safer in the Stadium neighborhoods.”



“I want a grocery store! A real one!”



“[We want] a monorail like Sandy Springs or at least a shuttle to go around the neighborhoods.”



“[We want] green space with great family features; i.e. playgrounds, workout stations, etc.”

Despite the strong residential base in Summerhill, the neighborhood still has a large amount of vacant land, sparse retail options, and limited office product.



Despite its adjacency to Turner Field, the intersection of Georgia Avenue and Fraser Street reflects a common example of **dated commercial development**. Residents desire better. However, analyzing spending profiles compared to existing demand within retail categories shows very little existing unmet demand (<27,000 SF total) that could support new retail. Additionally, rents are low, at \$12 PSF, compared to \$17 throughout the City.

Even near some of the newer, denser housing developments, there are a number of **vacant, unused parcels of land**, fragmenting the neighborhood fabric. However, the availability of land provides room for growth.



In addition to its proximity to Turner Field, Summerhill has a number of assets that can be leveraged for future development.



Living Walls mural in Summerhill

A number of buildings in Summerhill have hosted a mural program through a recent effort led by the **Living Walls arts organization**. Other cities have utilized arts initiatives such as these as a low-cost way of enhancing the aesthetics of the urban environment, promoting local culture, and attracting investment.



Phoenix II Park

Summerhill has approximately 12 acres of **park land and open space**. These public spaces have the potential to support neighborhood festivals and other programmed activities.

Mechanicsville is surrounded and divided by infrastructure, and has a great deal of vacant land.

View from Fortress Avenue



Train tracks and a railyard bookend the southwestern boundary of Mechanicsville, breaking connections with the area's neighbors and creating a barren built environment.

As is common for many historically industrial areas, there are **several large, undeveloped parcels of land** in the neighborhood that have yet to attract investment.

View from Windsor Street



Industrial properties are both a challenge and an asset for Pittsburgh and Peoplestown.



In the southern edge of both neighborhoods and along the Norfolk Southern train tracks, there are **valuable industrial properties** throughout both neighborhoods. However, these buildings' **large parking lots hinder walkability** and **fragment the neighborhoods in which they reside.**

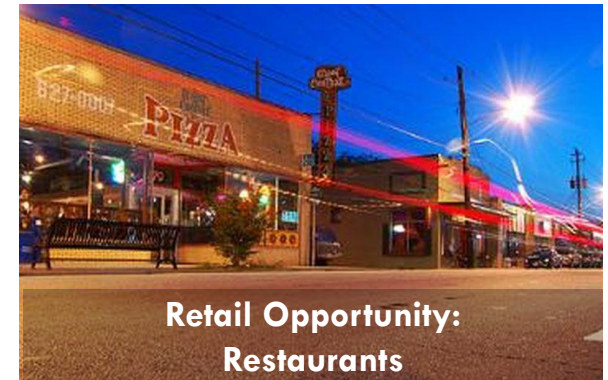


These industrial properties are in high demand regionally, and support **higher rents** locally, partially due to the limited supply (\$7 PSF compared to \$4 PSF throughout the rest of the City). So, while a challenge for both neighborhoods, these industrial properties are **an asset that can be leveraged to attract new businesses, sales activity, and jobs.** As an example, the properties could be repositioned to host **maker spaces or culinary incubators**, which would accommodate demand from students and young workers in Atlanta.

Recommendations

Summerhill is ripe for wholesale reinvention with the future Georgia State University/Carter development of the Turner Field core area.

The GSU/Carter-led redevelopment of Turner Field is a powerful opportunity to transform Summerhill. The institution's presence will generate new demand for retail and office space. However, It is important that the community's needs are met, such as the addition of locally-serving retail, grocery stores, and open space, which can be situated in town center-style developments.



Summerhill is bounded to the west by Turner Field, as well as **Grant Park and Zoo Atlanta**. These assets draw a number of visitors to the area, providing an opportunity to capture consumer spending to support restaurants and retail by strengthening the **Georgia Avenue corridor**.



Mechanicsville can leverage the commercial demand driven by nearby institutions, its dense housing stock, and resident population.

The confluence of many academic institutions is a significant source of demand, made even greater by the introduction of the GSU/Carter-led development. Like Summerhill, Mechanicsville could capture this demand with **new office and retail development** that builds off the presence of so many academic institutions. In the long term, this could include the repositioning of the industrial corridor — 15 active properties with little to no vacancy along the train tracks that bisect the neighborhood from I-20 to I-85 — to include maker and food spaces.



Mechanicsville supports some clusters of multifamily housing such as **Parkside** and new office developments, like **The Railyard**. The presence of such uses may be a signal that there is increasing demand for retail.



Pittsburgh has a great deal of active industrial buildings and sites that could be repositioned to improve the neighborhood.

Pittsburgh has a number of highly-demanded, active industrial buildings to the north that can be redesigned to create a more walkable, active neighborhood by **reconfiguring large parking lots, adding denser development, and diversifying uses**. The industrial properties are an opportunity to attract tenants and reduce local unemployment levels. Moreover, plans are being made to redevelop **352 University Avenue** to the south, owned by the Annie E. Casey Foundation, into an **economic catalyst** that will bring quality jobs to the area by growing **light industrial, maker space, and tech tenants**.

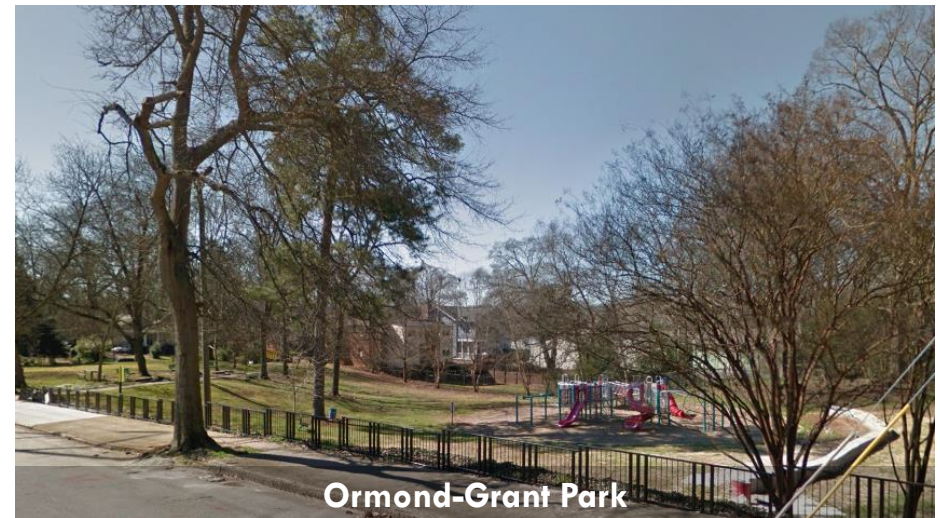
Pittsburgh already has a **tight, dense street grid**. Blocks are, on average, approximately 210' x 520' feet. (By comparison, a block in Manhattan is approximately 260' x 900'.) Pittsburgh's street grid is a sound foundation for **walkable urban development and stronger retail corridors**.



The parks of Peoplestown have the potential to better serve the community and attract investment.

While Peoplestown has some smaller mom-and-pop shops, there is generally little commercial activity in the area. However, its parks, such as DH Stanton Park and Ormond-Grant Park, are significant open spaces that may be **activated through programming**. The communities around Turner Field have expressed the desire for **gardens and urban agriculture**, which these parks may be able to support.

As nearby redevelopments along the BeltLine, such as 352 University, take shape, the southern end of Peoplestown may be able to grow jobs in its industrial corridor.



The Atlanta BeltLine will have a significant positive effect on the southern neighborhoods in the Turner Field LCI area.

The **Atlanta Beltline**, a 33-mile linear park, complete with multimodal transit options, is a significant project that will link Atlanta's many neighborhoods and its transportation systems.

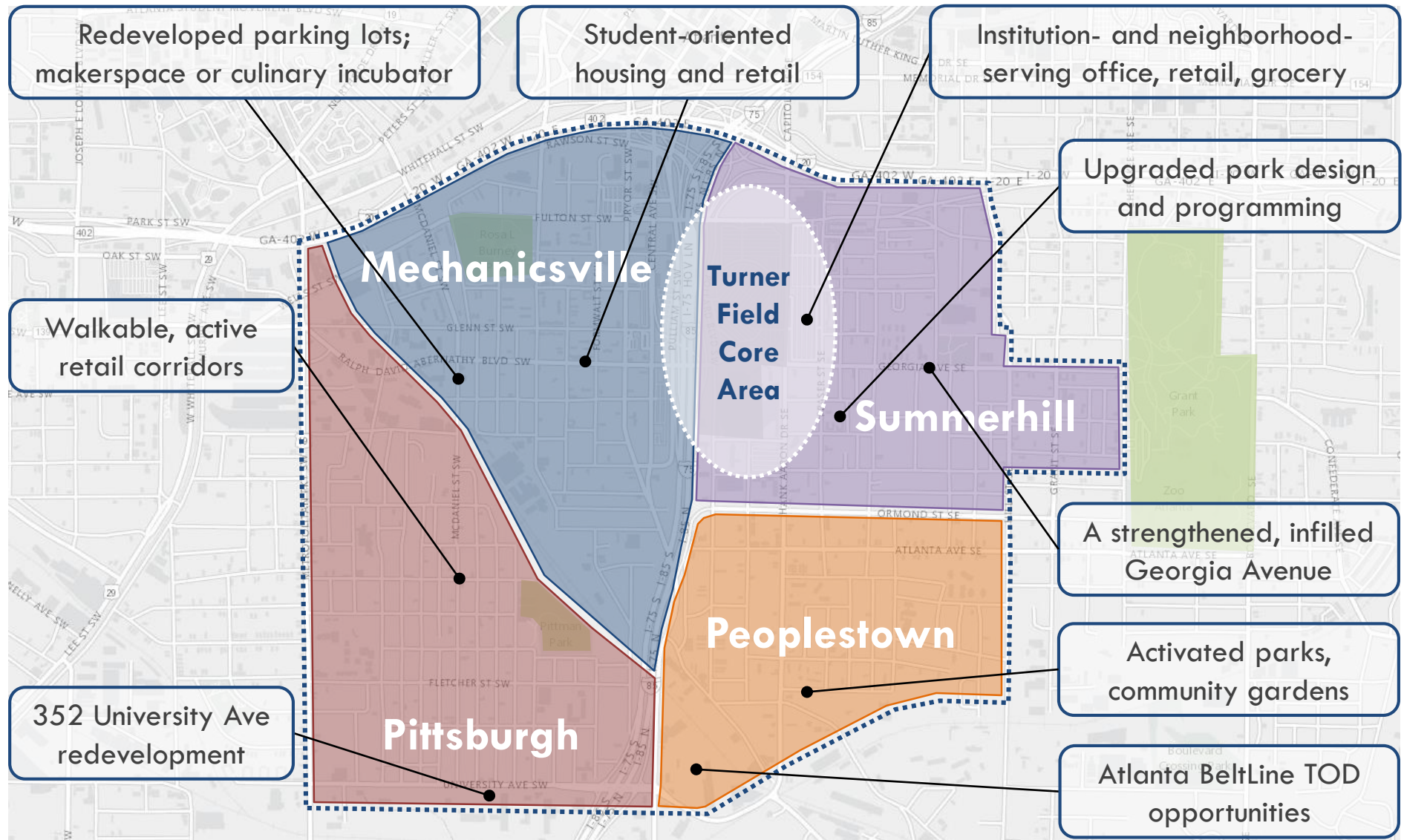
The southern portion of the BeltLine, when complete, will touch the southern bounds of Pittsburgh and Peoplestown. In addition to this significant public realm improvement, the BeltLine will have a **tour bus route (shown in red)** that will bring **additional visitors to the area**. This influx of people may be able to support **additional commercial development** in the area.

Plans are also underway to redevelop **Murphy Crossing**, a site along the BeltLine just west of Pittsburgh, into a mixed-use complex. Construction of Murphy Crossing and the BeltLine's southern portion should be complete by 2023.



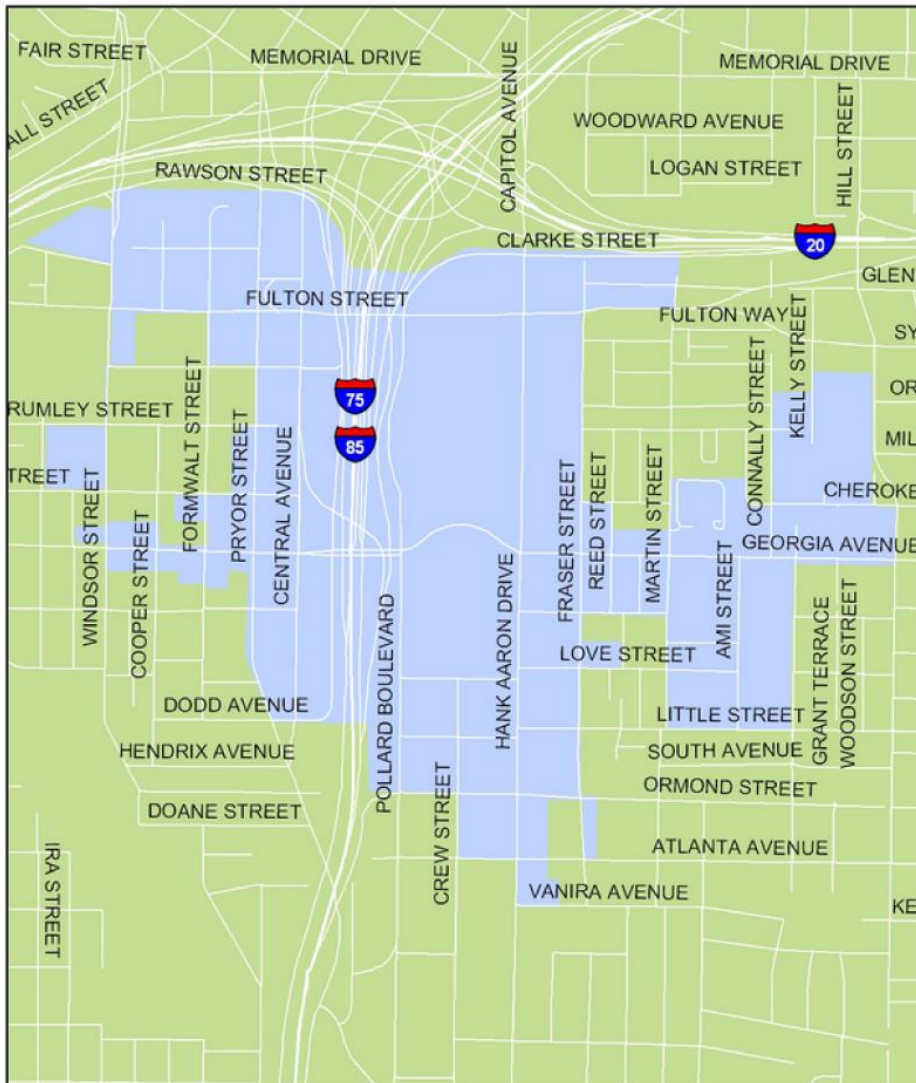
Some of the properties surrounding the BeltLine have the potential to be redeveloped as **mixed-use or industrial properties that can be positioned as transit-oriented developments**.

The four neighborhoods surrounding Turner Field each have their own challenges and assets.



Atlanta's Tax Allocation Districts (TADs) are able to provide incentives to developers in areas targeted for reinvestment.

Stadium Area TAD



Within the TAD program, redevelopment costs are supported through the pledge of future or the expenditure of actual incremental increases in property taxes generated by new development. Two TADs are relevant to the Study Area, the BeltLine and Stadium Area TADs. In particular, the Stadium Area TAD **may soon be able to generate revenue from the GSU/Carter-led development.** Once the program from this development is more fully understood, bonds may be issued on an ongoing basis for projects relative to the projected revenue or increment that will be generated by this development.

Next Steps

- 1** Continue to engage the community and GSU/Carter to advance a community-driven vision for the Turner Field Core Area.
- 2** Identify and advance development proposals that reflect the needs and unique characteristics of the LCI neighborhoods.
- 3** Prioritize public realm improvements that will set the stage for future development and attract investment.
- 4** Establish key, first-mover development sites including publicly-owned/controlled sites and issue developer RFPs.
- 5** Leverage potential revenue sources, such as the Stadium Neighborhoods TAD, as a way to finance development and public realm improvements.



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