COLUMBUS -DEVELOPMENT DOWN TOWN Department of Development

DOWNTOWN REDEVELOPMENT MEMO:

an analysis of redevelopment potential in selected areas of downtown columbus

Columbus, Ohio Mayor Tom Moody

Department of Development Director N. Jack Huddle

July 1974

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July 15, 1974

Dear Citizens of Columbus, Ohio

The Columbus Department of Development recently issued a report entitled "An Analysis of Community Improvement Tools for Columbus, Ohio". In that report, which outlines how each improvement tool works, its benefits and controls and its impact on Columbus, we indicated that the next step would be to determine the applicability of the tools in specific areas of our community. This memo is one step in that direction; it attempts to determine redevelopment concepts made possible by these tools in three specific areas of our community.

Future analyses of the applicability of improvement tools in other areas will be prepared through the Department of Development's Housing Environment Program which was recently established as a process for professional, governmental and citizen interaction in all housing activities which affect the quality of life in Columbus neighborhoods.

This memo is presented for community review and response in an effort to determine whether the ideas reflected herein are in fact sensible and effective concepts for redevelopment.

Very truly yours,

N. JACK HUDDLE, DIRECTOR
DEPARTMENT OF DEVELOPMENT

DOWNTOWN REDEVELOPMENT MEMO: An Analysis of Redevelopment Potential in Selected Areas of Downtown Columbus

A 32 Page Addendum to the "Analysis of Community Improvement Tools for Columbus, Ohio" Report

REPORT SUMMARY

This report examines three areas in Downtown Columbus - Capitol South, Town East and High-Naghten, and assesses the appropriateness of community improvement tools to finance desired redevelopment.

CAPITOL SOUTH: Recognizing the tremendous potential for redevelopment in Capitol South and the active interest of several community leaders, the Mayor in November, 1972 created the Capitol South Task Force to recommend a course of action for the area's revitalization. On March 11, 1974, City Council adopted the recommendation of the Task Force that redevelopment be undertaken by a Community Urban Redevelopment Corporation. Such a corporation would be eligible for a 20-year abatement of real property taxes on the increased assessed value of the project area. This abatement could approach \$50 million for the primary redevelopment area. It is recommended that consideration be given to the use of the abatement for the financing of supportive public improvements.

TOWN EAST: Redevelopment of the Town East area would eliminate existing conditions of blight and deterioration, and would provide needed sites for institutional, residential and commercial development. Preliminary staff estimates have indicated that Chapter 725, Urban Renewal Debt Retirement Fund, and Chapter 1728, Community Urban Redevelopment, could be utilized as concepts to finance major portions of the proposed redevelopment.

HIGH NAGHTEN: With the construction of the Ohio Center-Nationwide Plaza complex, significant potential exists for the redevelopment of the entire High Naghten area as a New Town encompassing a wide range of residential, commercial, industrial and institutional facilities. Designation of High Naghten as a New Town would provide public identity and a comprehensive redevelopment concept for the entire area. Preliminary staff estimates have indicated that Chapters 725 and 1728 of the Ohio Revised Code could be utilized as a concept to finance major portions of the proposed development.

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Introduction





Columbus, Ohio Mayor Tom Moody Department of Development N. Jack Huddle Director

Division of Planning

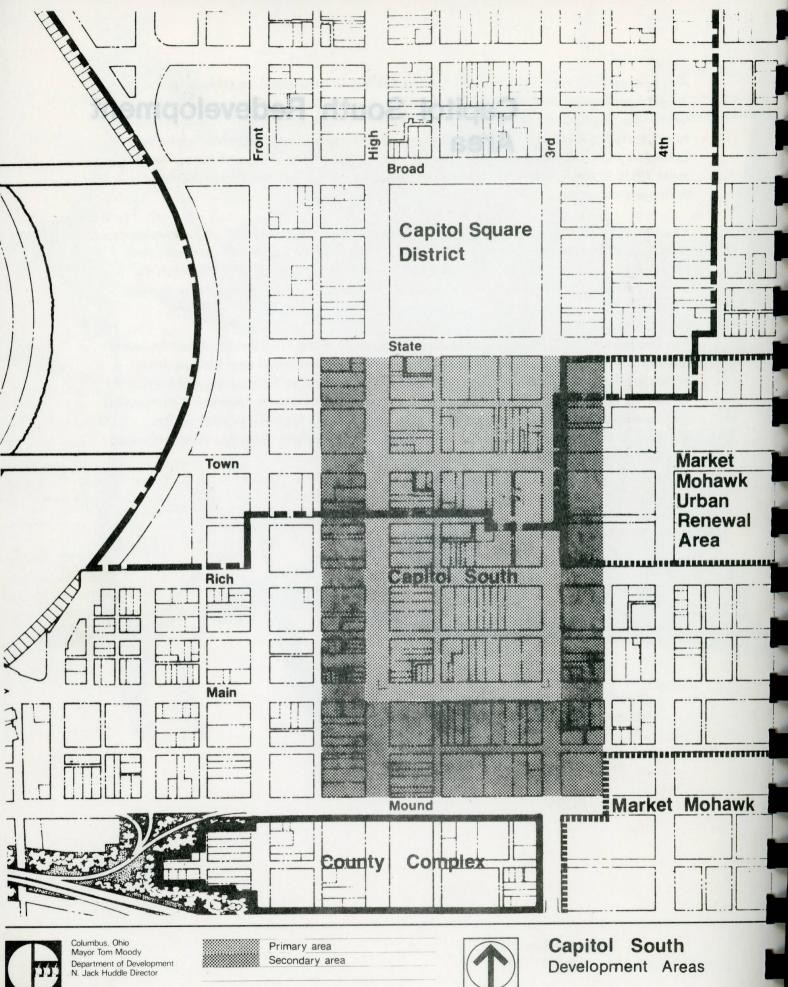


Potential Redevelopment Areas A proper setting must be provided for the testing of new ideas to stimulate the implementation of redevelopment activities in the City of Columbus. For this reason the Department of Development offers this technical report as a supplement to an earlier report entitled "An Analysis of Community Improvement Tools for Columbus, Ohio". This report analyzes the applicability of two of those improvement tools in three areas of Downtown Columbus and offers recommendations for their redevelopment.

The tools which are examined for applicability are Community Urban Redevelopment and Urban Renewal Debt Retirement. The three areas which were selected for analysis are Capital South, Town East and High-Naghten. The decision to analyze those areas was influenced by the exceptional planning efforts underway and their need and potential for redevelopment in the Downtown Area.

The Department of Development is also engaged in a Housing Environment Program to establish an ongoing process for professional, governmental and citizen interaction in the preparation and implementation of activities to improve the quality of life in Columbus neighborhoods. The Housing Environment Program is concerned with the applicability of community improvement tools on a City-wide basis. Therefore, additional analyses of these tools as they affect specific neighborhoods of Columbus will be made in context with this program.

Capitol South Redevelopment Area



Division of Planning



I. DEVELOPMENT ANALYSIS

The Existing Environment

Residents of Columbus are well aware of the marked changes that have taken place in the area south of Capitol Square during the last 20 years. With few exceptions, the trend has been deterioration. Major stores and offices have moved out or closed down, and surface parking is rapidly becoming the principle land use in the area. In addition, many buildings which remain are unused above the ground level, and are obsolete. New development has completely avoided the area and portions of High Street are in danger of becoming a major eyesore and center of blight within the core of the city.

Development Potential

New office construction has taken place adjacent to Capitol South on Broad Street and in the Market-Mohawk area. This trend developed due to the economic incentive of urban renewal in Market-Mohawk, and the desirable physical environment, land assembly opportunities and the emerging concentration of like facilities on Broad Street. While these areas currently offer superior development sites, Capitol South contains several inducements or advantages which have not gone unnoticed by community leaders. Capitol South is within the core of the Downtown Area offering superior location for downtown type activities. In addition, the Union-Lazarus retail complex offers outstanding retailing activity which would relate well to any type of redevelopment. Highway access to this complex and the entire area is good, and creates no major problems relative to improvement of the site.

Planning Activities

Recognizing the tremendous potential for redevelopment in Capitol South and the active interest of several community leaders, the Mayor in November, 1972 created the Capitol South Task Force to recommend a course of action for the area's revitalization. The Task Force undoubtedly possesses a number of the community's most capable leaders, particularly relative to development problems and opportunities offered by the Capitol South project. This citizen contribution to the rejuvenation effort cannot be underestimated.

The research and analysis undertaken by the Capitol South Task Force is best summarized in a report submitted to the Mayor during February, 1974. Some conclusions have been submitted relative to project feasibility, public-private cooperation, property acquisition, and a development concept. Many of the conclusions were reached through the assistance of the Rouse Corporation, a major national developer. While the findings of Mr. James Rouse and the Task Force regarding redevelopment were quite positive, considerable additional work is required relative to project design, property acquisition, and public involvement, as these findings were preliminary and conceptual in nature.

On March 11, 1974, the Task Force submitted to City Council its recommendation for the creation of a Community Urban Redevelopment Corporation to finance the desired redevelopment of Capitol South. City Council unanimously adopted the recommendation of the Task Force and encouraged

the formation of a suitable Community Urban Redevelopment Corporation under the provisions of Chapter 1728 of the Ohio Revised Code. On July 5, 1974, the Capitol South Community Urban Redevelopment Corporation was formed for the development of the area.

Development Proposals

It was the initial thinking of the Task Force that a retail complex would be the most appropriate development for the area immediately south of the Capitol. The location of Lazarus, the continuing decline of downtown retail, and the abundance of office development in other areas pointed to the need and potential for retail development. The research of the Rouse organization confirmed these findings of the Task Force and provided the following conclusions:

- 1. Downtown Columbus is a growth area with considerable additional development potential.
- Downtown retailing is not keeping pace with other development and is already becoming a negative factor.
- A market analysis of the entire Columbus metropolitan area revealed that a market does exist for additional retail facilities at the center of the region, Downtown Columbus.
- 4. The Capitol South area offers an outstanding development site and is perhaps unique in the country for its retail potential due to the core area location adjacent to Lazarus.
- 5. The development project should be phased. Initial designs for the first phase have included the area bounded by State and Rich and High and Third Streets.
- 6. In addition to retail facilities, elements considered for the project include an office building, hotel, and parking facilities. These additional elements in the project (except parking) are not of prime importance to feasibility. However, the degree of success for the development will depend on expanding the scope of the project as much as possible. Therefore, land assembly is a major factor to the ultimate success of the project.
- 7. An additional retail anchor store (Lazarus-Sears type) should be included in the project. In addition, a walkway connection to Lazarus would be essential.
- 8. The Ohio Theatre area should be enhanced, as a concentration of cultural facilities.
- 9. The Rouse Company feels that the Capitol South project has great potential, and Rouse would be interested in overall planning of the area and developing its retail portions.
- 10. Redevelopment should be accomplished by a Community Urban Redevelopment Corporation as provided in Chapter 1728 of the Ohio Revised Code. Specifics of this legislation are discussed in Chapter One of the Analysis of Community Improvement Tools Report.

The results of the Rouse study were revealed in December, 1973. Additional planning activities are taking place this year. These project proposals, which are being developed by the Capitol South Community Urban Redevelopment Corporation, are in a preliminary stage at the present time. Close contact with the principles involved must be maintained by the City in order to ensure an orderly and acceptable development process.

Proposed Financing

In the January, 1974 Progress Report to Mayor Tom Moody, the Capitol South Task Force indicated that "the key to successful redevelopment of the Capitol South area is assembly of a significant tract of land in the area's core where the ownership is now fragmented". The Progress Report defines the core as a three-block area bounded by High, State, Third and Main Streets. The core encompasses 15.7 acres, excluding the Ohio Theatre site, and 76 parcels under the ownership of 60 different individuals and organizations. The Progress Report further indicates that "the site would have great appeal to outside developers if assurance of land assembly can be demonstrated; however, no developer has the resources to risk substantial involvement without such assurance". In short, redevelopment of the area, as proposed by the Capitol South Task Force, will not take place without City assistance in land assembly. Such assistance could be provided without the use of existing tax revenues. This would be accomplished by the use of funds generated by the use of Community Urban Redevelopment legislation.

In January, 1973, Karlsberger and Associates, a local architectural firm, compiled data on the proposed redevelopment of Capitol South which indicated that the value of the core area, after redevelopment, would exceed \$200 million. Recent articles in local newspapers have set the redevelopment value at \$250 million. These estimates compare with an existing value of nearly \$18 million. Therefore, redevelopment of Capitol South, as proposed by the Task Force, would increase the project area tax base by as much as \$232 million! This increase would generate nearly \$3.8 million in yearly tax revenues after redevelopment. Assuming that redevelopment would be completed within 10 years, \$38 million in increased tax revenues would be generated during the last 10 years of the abatement period. Coupled with the increased revenues which would accrue during construction, it could be assumed that over \$50 million in increased tax revenues would be generated during the entire abatement period. It should be noted, however, that these calculations are based entirely on the existing estimates of redevelopment value.

In a memorandum to the Capitol South Task Force members, dated April 2, 1974, Lawrence Fisher, consulting attorney to the Task Force, indicated that "several Councilmen and other individuals involved in advancing this project have indicated a strong preference that a local (Urban Redevelopment) Corporation retain the ownership of the land. Moreover, they have suggested strongly that thecorporation be designed so that it can eventually support local charities". Mr. Fisher further indicates that officials of the Rouse organization, which is a potential redeveloper for retail facilities, have indicated their complete agreement with the concept of having the developer lease the land from a local, charitable corporation on a long-term basis. It would appear from this statement that Mr. Fisher and the members of the Capitol South Task Force assume that this activity could result in excess revenues which would be distributed to local charities. It should be noted, however, that the length and amount of tax abatement are negotiable and, as such, can be tailored and/or amended at a later date to the specific needs of the redevelopment.

II. STAFF RECOMMENDATIONS

Development Proposal

A review of the preliminary redevelopment proposal for Capitol South has disclosed the following considerations:

- 1. Due to the location of this project and the type of retail redevelopment proposed, the positive impact of Capitol South cannot be understated. A regionally-oriented retail complex with appropriate amenities could provide the excitement and vitality which critics point to as the major deficiency of Downtown Columbus. The core location would make attractive stores, shops, restaurants, and community activities immediately available to thousands of workers and shoppers.
- 2. The Ohio Theatre, U.S. Post Office, and the Presbyterian Church are on the National Register of historical sites and should be preserved. Provision for expansion of the Ohio Theatre should be included within the immediate area.
- 3. The complex should be considered as a center for certain types of community entertainment, events which might relate to the activity that takes place at the Ohio Theatre.
- 4. The Task Force recommendation that above grade parking not be located adjacent to Capitol Square should be adopted.
- 5. Provision for parking facilities, in terms of amount and location, must be considered carefully. Parking requirements and restrictions which would affect this area are now under consideration by the City.
- 6. Mr. Ponte's proposal for an underground connection to the State House should be carried out and the entire area should be connected by a separate pedestrian walkway system. Other proposals of Mr. Ponte, including the High Street Transitway, should be included in project development.
- 7. The implications of this project relative to capital improvements and utilities have yet to be fully developed. As preliminary planning evolves, attention to community improvements will be required by the developer and the City working together. These improvements should be a primary consideration in determining tax abatement allowances.
- 8. The affect of shadows on Capitol Square caused by any tall buildings planned for areas immediately south of the Capitol should be considered. Attention must be given to the quality of the environment to be developed and it's relationship to Capitol Square.
- 9. Development of residential units on the site should be considered and encouraged with the provision of an adequate environment and support services.
 - 10. Convention facilities in the Capitol South should be limited in order to avoid potential conflict with Ohio Center.
 - 11. Provision for hotel facilities should be considered in relation to other proposed hotel developments such as Ohio Center, Nationwide, and Christopher Inn.
 - 12. Capitol Square Commission must review plans for the Capitol South project since a considerable portion of the project is within the Commission's jurisdiction. It is recommended that plans be submitted in preliminary stages to allow for adequate review and response by the Commission.

Development of Adjacent Areas

Initial proposals call for development of the area bounded by State, Rich, High and Third Streets. The area is only a portion of the Capitol South district designated by the Mayor. However, regardless of the exact boundaries of the initial project, adjacent areas will most certainly be affected. In fact, it will be important to ensure that the impact of the early stages of the Capitol South project is pursued. Particular attention should be focused on the Main Street area, and the area between High Street and Civic Center Drive. With the development of the County Complex. the Riverfront park, and Capitol South, the Main and Front Street areas could become pockets of blight if private and public development in Capitol South is not pushed to its full potential.

Development Process

The report of the Capital South Task Force includes recommendations for the next steps to be pursued. Action is already taking place on a number of areas through the efforts of the Task Force and its staff, Department of Development, City Attorney's Office, and the Rouse Company. Seed money is being raised by the Task Force in order to continue and expand preliminary planning by the Capitol South Community Urban Redevelopment Corporation. Close coordination among all the parties involved must be maintained. Particular attention should be applied to the operation of the Community Urban Redevelopment Corporation. Reference is made in the Analysis of Community Improvement Tools Report to the detailed steps to be followed in gaining approval of the development proposals.

Financing Proposal

The concept of forming a local Community Urban Redevelopment Corporation, which would eventually support local charities with excess revenues, must be considered in relation to the need for capital improvements in Capital South. Numerous capital improvement proposals have been made by Vincent Ponte, Planning Consultant to the City, which affect the redevelopment of Capitol South. These capital improvement proposals include:

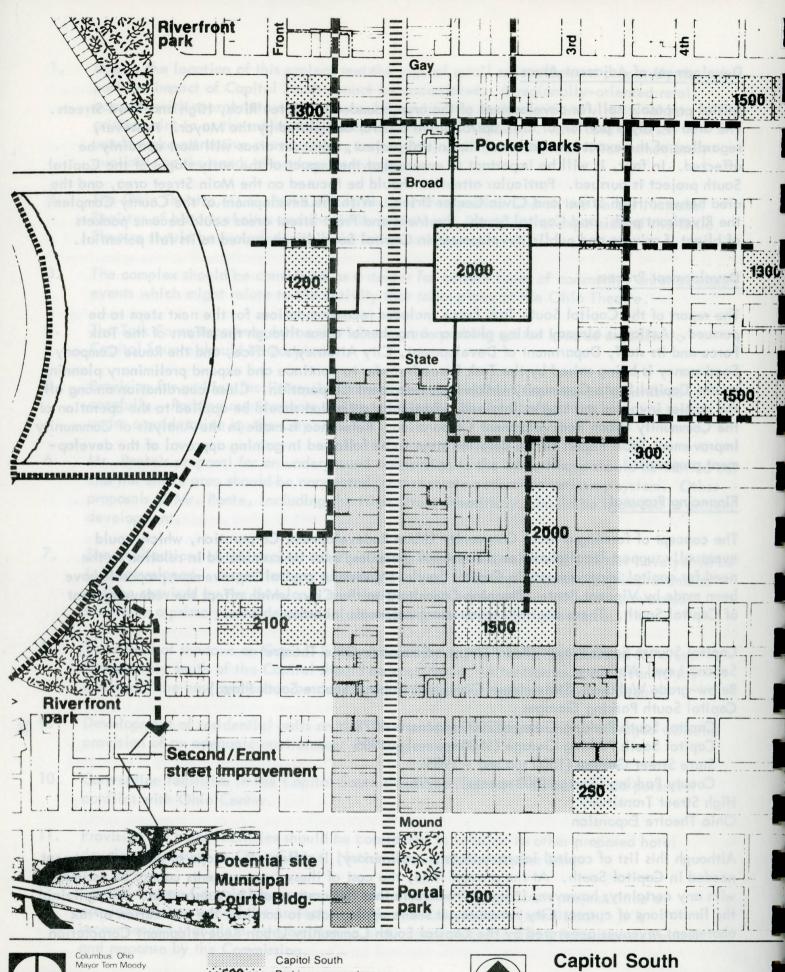
Capitol Square South Plaza (Pearl Street adjacent to Ohio Theatre) Second Level Walkways Below-grade Walkway (State House Garage to Capitol Square South Plaza) Capitol South Parking Garages Capitol South Parking Garage (2000 spaces) - 1978

Capitol South Parking Garage (1500 spaces) - 1985 State Street Garage (1500 spaces) - 1985

County Parking Garage (500 spaces) - 1976

High Street Transitway Ohio Theatre Expansion

Although this list of capital improvements is preliminary, it reflects the scope of public investment needed in Capitol South. At the present time, the cost of these improvements cannot be estimated with any certainty; however, it is safe to assume that the costs would be substantial. Recognizing the limitations of current City revenues, it seems appropriate to consider the utilization of tax abatement revenues generated by the Capitol South Community Urban Redevelopment Corporation





Department of Development N. Jack Huddle Director

Division of Planning



Parking garages/spaces High street transitway Second level walkway Below grade walkway Bikeway



Capitol South Proposed Projects

for public improvements. As indicated earlier, an estimated \$50 million in tax payments could be abated in the core redevelopment area of Capitol South. Therefore, the City should give serious consideration to requiring the Community Urban Redevelopment Corporation to devote an appropriate tax abatement to the development of necessary supportive capital improvements.

III. PROJECT ADVANTAGES*

The Capitol South Area is ideally located for retail development with access to major retailers, existing parking garages, one-way streets and transit service.

Area redevelopment would eliminate present conditions of blight and deterioration and would create favorable conditions for the development of adjacent areas.

Redevelopment has the full support of the Capitol South Task Force which has involved major property owners, community leaders, and appropriate governmental agencies in the initial planning process.

A major national developer has expressed a strong interest in participating in the redevelopment of the area.

IV. PROJECT DISADVANTAGES*

Effective redevelopment of Capitol South will require the development of substantial capital improvements of substantial expense, whose revenue sources are yet to be identified.

Redevelopment of Capitol South will cause considerable displacement of existing businesses and the Capitol South Community Urban Redevelopment Corporation will be required to make substantial relocation payments.

V. IMPLICATIONS*

Although property tax revenues from the project area will not increase during the potential abatement period, redevelopment will create a substantial increase in the assessed value and tax revenues from Capitol South following the abatement period.

The legal and financial mechanism for City land acquisition activities must be established.

Redevelopment of Capitol South would have a positive affect upon the image of Downtown Columbus as a center of vitality serving a variety of community needs.

^{*} General discussion concerning the use of Community Urban Redevelopment legislation is contained in the Analysis of Community Improvement Tools Report.

VI. NEXT STEPS*

- 1. Preparation of detailed development proposal by the Capitol South Community Urban Redevelopment Corporation.
- 2. Filing of application and proposed financial agreement to Mayor for project approval, land acquisition assistance and tax abatement.
- 3. City review of application.
- 4. Submission of Mayor's Recommendations to City Council.
- 5. City Council public hearing and action on project proposal.
- 6. Implementation of redevelopment activities.

^{*} General discussion concerning the use of Community Urban Redevelopment legislation is contained in the Analysis of Community Improvement Tools Report.

Town East Redevelopment Area

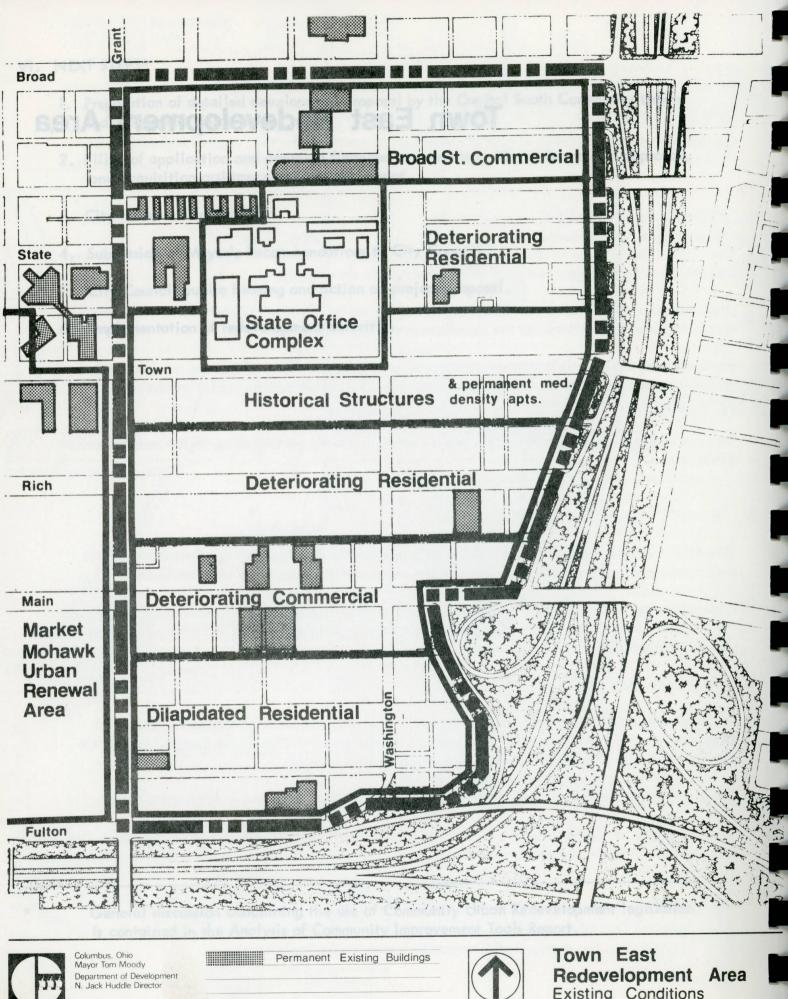


Redevelopment Area
Existing Conditions



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Existing Conditions

I. DEVELOPMENT ANALYSIS

The Existing Environment

Town East is a neighborhood which has recently gained identity through the construction of expressways on the east and south and the redevelopment of the Market-Mohawk Urban Renewal Area on the west.

Historically, the area was part of a larger residential neighborhood of predominantly single family homes, several ranking among the finest in the City.

The main library and the former State Institute for the Deaf and Dumb occupy a ten acre site of Town Street and Grant Avenue.

The main library has experienced severe site problems in remodeling and expansion in attempting to meet current and projected public use of its facilities, while the State Department of Health has made interim improvements on the obsolete historical structure while waiting to move into new quarters in the State Office Tower.

While Town Street has remained virtually intact due to the very fine quality of its historical residences and the construction of several well designed apartment structures in the early twenties, the remaining streets in the neighborhood have been severely blighted by deterioration and have been the targets of businesses and adjacent institutions for new sites and growing needs for surface parking.

Development Potential

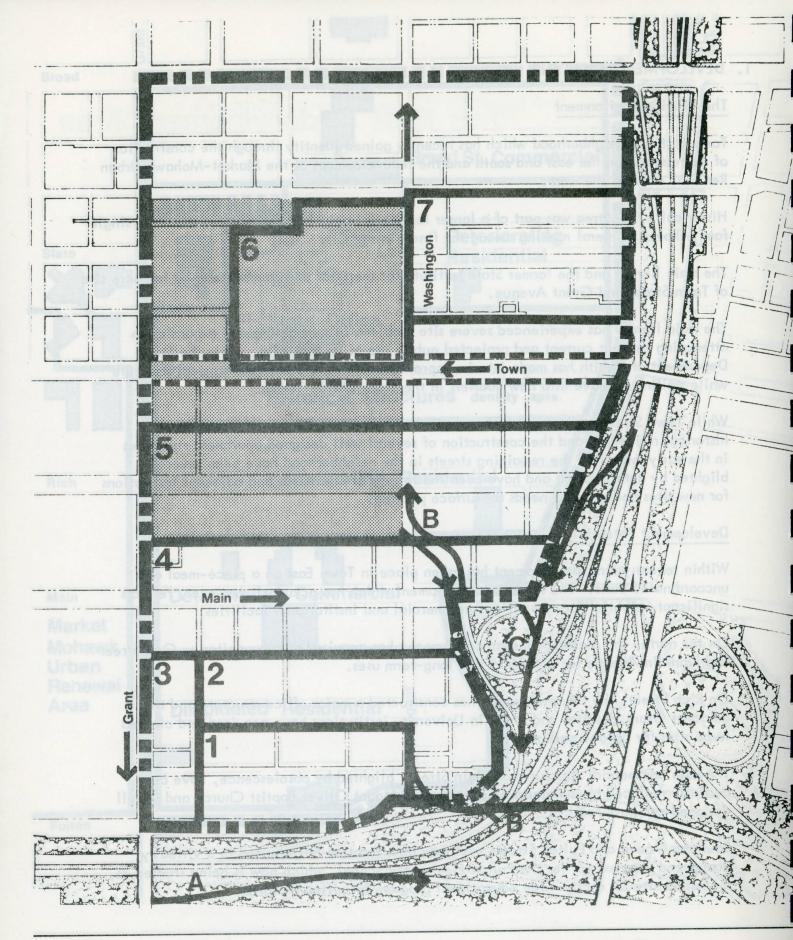
Within recent years, development has taken place in Town East on a piece-meal and uncoordinated basis. The scope of development which has occurred, however, reflects significant potential for new office, commercial and institutional facilities.

On the north, the Motorists Insurance Company has acquired numerous sites on Oak Street and Franklin Avenue for both short and long-term uses.

On Rich Street, the teamsters union has constructed a major office structure and the adjacent Grant Hospital and Franklin University institutions have acquired and cleared large sites for surface parking.

The strip commercial structures on Main Street, blighted by obsolescence, have been partially replaced by a major auto agency, the Mount Olivet Baptist Church and a well designed car wash facility.

South on Mound and Fulton Streets, extreme deterioration has resulted in a virtually abandoned area except for the Fulton Elementary School, which now is being studied as a possible site for a city-wide educational program for gifted children.





Columbus, Ohio Mayor Tom Moody Department of Development N. Jack Huddle Director

Division of Planning





Town East Redevelopment Area Development Concept The redevelopment needs of the interested institutions of the neighborhood, which include Grant Hospital, Franklin University and the Main Library, will be adequately supported by their available development budgets either as separate institutions or as members of a consortium in a possible non-profit corporation. Currently, several private redevelopers are active in the area and interested in redevelopment activities.

Planning Activities

As indicated in the preceding paragraphs, redevelopment in the neighborhood has resulted from individual corporate actions with no particular reference or evaluation in planning to the emerging neighborhood and its environment.

With large tracts remaining to be redeveloped and short-term uses such as surface parking on existing major tracts, the need for an acceptable form of community input into a planning process is increasingly evident if optimum land use potentials are to be achieved.

II. STAFF RECOMMENDATIONS

Development Proposal

As indicated on the accompanying map, seven redevelopment areas have been identified for the Town East Area. The boundaries and potential major land uses for each of these areas are as follows:

- Area 1: Boundary Fulton Street to Mound Street between Washington Avenue and alley east of Grant Avenue.

 Land Use Gifted child center by Columbus Board of Education
- Area 2: Boundary Mound Street to Noble Alley between 1-71 Freeway ramp and alley east of Grant Avenue.

 Land Use High-density residential for the elderly
- Area 3: Boundary Fulton Street to alley south of Main Street between Grant Avenue and alley to the east.

 Land Use Office/Commercial
- Area 4: Boundary Properties fronting on Main Street from Grant Avenue to 1-71.

 Land Use Commercial
- Area 5: Boundary Cherry Alley to Walnut Alley from Grant Avenue to Lester Drive.

 Land Use Residential/Institutional
- Area 6: Boundary Existing State Office Complex

 Land Use Institutional/Residential/Commercial/Office
- Area 7: Boundary Alley south of Franklin Avenue to Oak Street between Washington Avenue and Lester Drive
 Land Use Residential/Office/Commercial

Financing Proposal

The wide range of redevelopment conditions existing in the Town East neighborhood requires a tailoring of the City's role to the needs of each redevelopment area.

- Area 1: The City's role could be limited to a coordinating activity with the Board of Education performing all the required developer functions including acquisition and clearance of the site through its own eminent domain authority.
- Area 2: Due to the large number of individual property owners, acquisition and clearance of an assembled site would ideally be an activity of the City using the Urban Renewal Debt Retirement Bonds provided for in Chapter 725 of the Ohio Revised Code.

In this role, the City would also negotiate the sale of the cleared property and coordinate development related activities such as capital improvements and planning matters.

- Area 3: This area could be developed as a phased activity with Area 2 utilizing Urban Renewal Debt Retirement Bonds. Redevelopment with offices compatible with the existing Architects' office and those constructed in the adjacent Market-Mohawk project would be appropriate.
- Area 4: This area, which is centered on numerous obsolete or dilapidated Main Street properties, could also make use of Chapter 725 retirement bonds on phased acquisition, clearance by the City of the scattered site and negotiated redevelopment by the designated redeveloper.
- Area 5: Developed as a medium density residential and institutional project, the City's role could again be one of assembly of numerous individual parcels, clearance and negotiated sale through the use of Chapter 725 retirement bonds.
- Area 6: This State of Ohio property being singly owned could be acquired, cleared and redeveloped by an institutional non-profit corporation for institutional purposes with the City performing a coordinating, planning role. The institutional purposes in this case could be Library, Franklin University and Grant Hospital expansions.
- Area 7: The major redevelopment properties in this area are owned by insurance companies. The City's role would be to determine whether tax incentives through Chapter 1728 of the Revised Code were needed to encourage redevelopment and to coordinate the redevelopment activities.

Community Organization for Redevelopment Guidance

Identification of a neighborhood boundary and an officially designated task force having a publicly stated set of objectives and redevelopment guidelines is one possible form of effective redevelopment influence on the area. The Capitol South Task Force has had success in planning and implementing redevelopment activities to date in their designated area.

However, it is possible that in the Town East neighborhood the wider range of contemplated land uses would require a more formal and restrictive organizational form to achieve the desired results. A commission with organization similar to that of the Capitol Square Commission with specific delegated recommending powers in all redevelopment proposals could perhaps respond more effectively to complex alternatives over the lengthy periods required in redevelopment activities.

For the problems of institutional expansion where common public service relationships exist, such as Franklin University and the Main Library, a non-profit corporation capable of receiving and expending funds could be an additional supporting form of community organization vital to successful redevelopment.

III. PROJECT ADVANTAGES*

Implementation of selected forms of civic and development activities in the Town East area as immediate priorities will strongly support ongoing existing and proposed activities in the entire downtown area and will promote economic and social stability for the area.

Redevelopment of the Town East area could provide Grant Hospital, Columbus Library and Franklin University with needed sites for expansion within a revitalized neighborhood.

IV. PROJECT DISADVANTAGES*

Redevelopment of Town East would result in substantial displacement of existing residents.

V. IMPLICATIONS*

Town East redevelopment must be carefully phased with the development of other downtown areas. In this regard, recognition must be given to the development and timing of completing facilities in the downtown.

Although property tax revenues from the project area will not increase during the abatement period, redevelopment will create a <u>substantial increase</u> in the assessed value and tax revenues from Town East following the abatement period.

The future of Town East without implementation of the proposed civic and development activities will obviously extend a period of instability in the social and economic life of the area.

Application of community improvement tools in the Town East area such as tax incentive will require some further analysis and modeling to respond adequately to unique development requirements.

The development of the Town East area will in its total form have a major impact on the shape and quality of the downtown community. This impact will include greater improved institutional service quality, increased commercial services and a major increase in the permanent residential downtown community.

VI. NEXT STEPS*

- 1. Formation of an accepted community organization.
- 2. Preparation of detailed development proposal by the community organization with assistance and leadership from the City.

ment period, redevelopment will create a substantial increase in the assessed value and

^{*} General discussion concerning the use of Community Urban Redevelopment and Urban Renewal Debt Retirement Fund legislation is contained in the Analysis of Community Improvement Tools Report.

High-Naghten Redevelopment Area





Columbus, Ohio Mayor Tom Moody Department of Development N. Jack Huddle Director

Division of Planning

Deteriorated and/or obsolete areas:

- A Industrial
- **B** Penal institution
- C Warehouse & Industrial
- D Industrial, Commercial & Residential
- E Commercial & Industrial



High-Naghten New Town Existing Conditions

I. DEVELOPMENT ANALYSIS

The Existing Environment

The past twenty years has been a period of decline for the rail oriented businesses of the High Naghten area which from 1890 to 1950 had been the warehousing-distribution heart of Columbus. Changes in technology related to wholesaling, manufacturing and distribution of hard goods were not economically accommodated in the structure and site design of many of the area's businesses and resulted in the inefficiencies that required relocation to more modern plants in outlying areas of the City. As a result, the High Naghten area is presently characterized by large areas of industrial, commercial and residential deterioration and obsolescence. Despite this widespread deterioration, the presence of Nationwide has served as a major anchor in the High Naghten area.

Redevelopment Activities

Despite the existence of deterioration throughout the High Naghten area, some small-scale redevelopment has occurred in recent years. A gradual attrition of vacant and obsolete structures has permitted some businesses to assemble sites that provide the essential amenities of customer parking and truck service facilities. Other businesses have taken the opportunity to gain a convenient downtown location and have built modern plants on the available assemblages of vacant or dilapidated properties.

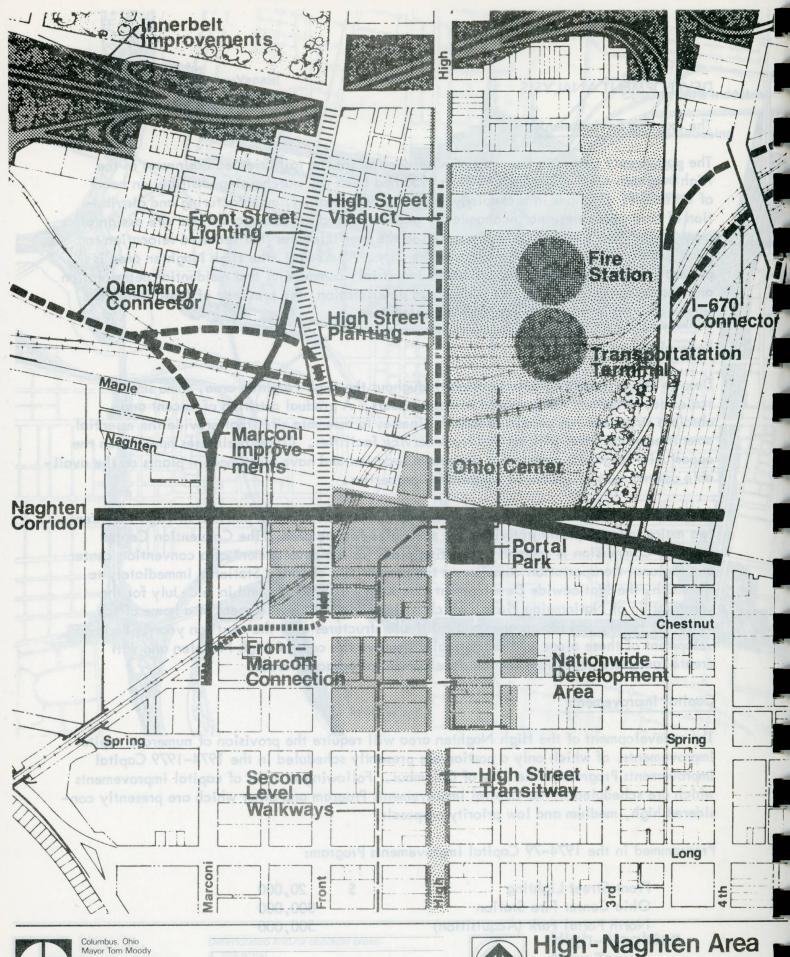
In addition to the present piece-meal redevelopment occurring in portions of High Naghten, two major redevelopment activities are scheduled for the area. The Convention Center Building Commission is currently preparing plans for the development of a convention center and regional transportation complex on the present site of Union Station. Immediately to the south, the Nationwide Development Company will break ground in mid-July for the construction of Nationwide Plaza, which will include the development of a home office building, hotel, parking garages and multi-use structures over the next ten years. Redevelopment of these areas will dramatically improve the core of High Naghten and will create favorable conditions for the development of adjacent areas.

Capital Improvements

The redevelopment of the High Naghten area will require the provision of numerous capital improvements, of which only a portion are presently scheduled in the 1974-1979 Capital Improvements Program of the City of Columbus. Following is a list of capital improvements which are scheduled in the Capital Improvements Program and other which are presently considered high, medium and low priority proposals:

Programmed in the 1974–79 Capital Improvements Program:

Front Street Lighting	\$ 20,000
Ohio Center Fire Station	800,000
North Portal Park (Acquisition)	500,000





Columbus, Ohio Mayor Tom Moody Department of Development N. Jack Huddle Director

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Public and Semi-Public Improvement Proposals

High Priority Proposals:

High Street Viaduct
Naghten Corridor (West Street to Fifth Street)
1-670 Connector
North Portal Park (Construction)
Front-Marconi Connection (at Chestnut Street)

Medium Priority Proposals:

Innerbelt Improvements (Harrison Street to Fourth Street)

Marconi Improvements (North of Chestnut Street)

Walkway Connectors (Nationwide to Convention Center and Nationwide to GSA

Building)

Low Priority Proposals:

High Street Landscaping (Swan Street to Spring Street) Naghten Corridor Landscaping (West Street to Fifth Street) Olentangy Connector

Notes:

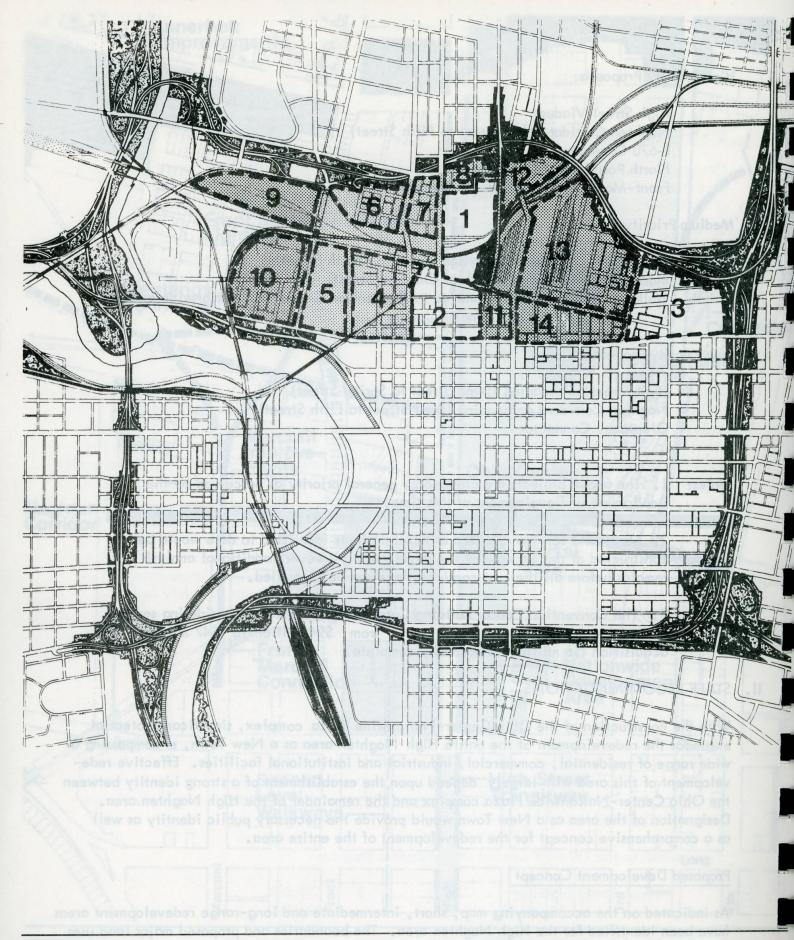
- 1. The above projects are grouped by general priority as perceived by the Department of Development at this time.
- 2. Major site service oriented utilities projects identified to date would be constructed at the expense of the developer. However, additional analysis remains before all the cost considerations can be identified.
- 3. The Convention Center Building Commission is currently considering several alternative design schemes which vary from \$24 million to \$47 million. Site acquisition (\$6 million) is basically complete.

II. STAFF RECOMMENDATIONS

With the construction of the Ohio Center-Nationwide Plaza complex, significant potential exists for the redevelopment of the entire High Naghten area as a New Town, encompassing a wide range of residential, commercial, industrial and institutional facilities. Effective redevelopment of this area will largely depend upon the establishment of a strong identity between the Ohio Center-Nationwide Plaza complex and the remainder of the High Naghten area. Designation of the area as a New Town would provide the necessary public identity as well as a comprehensive concept for the redevelopment of the entire area.

Proposed Development Concept

As indicated on the accompanying map, short, intermediate and long-range redevelopment areas have been identified for the High Naghten area. The boundaries and proposed major land uses for each of these areas are as follows:





Columbus, Ohio Mayor Tom Moody Department of Development N. Jack Huddle Director

Division of Planning

1-3	short range	
4-8	intermediate range	
9-14	long range	



High - Naghten New Town Proposed Redevelopment Areas

Short-range Redevelopment Areas:

- Area 1: Boundary Naghten Street to Swan Street (approximately) between High Street and Third Street.

 Land Use Ohio Center Complex
- Area 2: Boundary Spring Street to Maple and Naghten Streets between Front Street and Third Street.

 Land Use Nationwide Plaza
- Area 3: Boundary Spring Street, Cleveland Avenue and 1–71

 Land Use Columbus Technical Institute

Intermediate-range Redevelopment Areas:

- Area 4: Boundary Spring Street to Maple Street between West Street and Front Street

 Land Use Residential/Commercial Complex
- Area 5: Boundary Spring Street to Maple Street between Neil Avenue and West Street

 Land Use Residential/Commercial Complex
- Area 6: Boundary Railroad right-of-way, 1-71 and Front Street
 Land Use Light Industrial Park
- Area 7: Boundary Railroad right-of-way to I-71 between Front Street and High Street

 Land Use Residential/Commercial
- Area 8: Boundary Swan Street to 1-71 between High Street and Third Street

 Land Use Service/Commercial

Long-range Redevelopment Areas:

- Area 9: Boundary Railroad right-of-way, Service Street and Neil Avenue

 Land Use Light Industry
- Area 10: Boundary Spring Street, Railroad right-of-way and Neil Avenue

 Land Use Heavy Industry
- Area 11: Boundary Spring Street to Naghten Street between Third Street and Fourth

 Street
 Land Use Commercial/Office
- Area 12: Boundary Third Street, 1-71 and Railroad right-of-way

 Land Use Warehousing

- Area 13: Boundary Naghten Street to 1-71 between Fourth Street and Cleveland Avenue Land Use Industrial Park
- Area 14: Boundary Spring Street to Naghten Street between Fourth Street and Cleveland

 Avenue

 Land Use Light Industrial Park

Community Organization for Redevelopment Guidance

The formation of a citizen participation organization that responds to all of the facets of activity in the High Naghten area, including major institutional, commercial and industrial groups, is a prerequisite to effective redevelopment. This organizational form could initially be an ad-hoc task force and develop as and where needed into a permanent commission group.

Financing Proposal

The wide range of redevelopment conditions in the High Naghten area requires a tailoring of the City's role to the specific needs of each redevelopment area.

Short-range Redevelopment Areas:

Areas 1 Effective redevelopment of the High Naghten area will largely depend upon the success& 2: ful development of Nationwide Plaza and the Ohio Center, and the provision of needed
capital improvements. The construction of Nationwide Plaza will begin in mid-July.
However, plans for financing the Ohio Center and related capital improvements have
not, as yet, been finalized. Recognizing the substantial public expense involved in
financing these facilities, consideration should be given to the use of Community
Urban Redevelopment as a method of financing related capital improvements.

With the development of the Nationwide Plaza and the Ohio Center site, many related capital improvements are required. At the present time, the Nationwide Corporation proposes to develop during the next ten years an office building, hotel, parking garages and multi-use structures valued at over \$132 million. These facilities will generate increased tax revenues which, with the use of Community Urban Redevelopment, could be directed to the financing of the related capital improvements.

In order to utilize Community Urban Redevelopment, the Nationwide Development Company would have to form a Community Urban Redevelopment Corporation. Once this corporation has been formed, they would apply to the City for tax abatement on the increased valuation. It would then be possible for Nationwide to make payments, equal to those it would have normally made to the County Auditor, for the development of related capital improvements. In effect, the use of Community Urban Redevelopment would "cost" Nationwide no more than they would normally pay in property taxes and would allow them to insure the provision of certain related and necessary public capital improvements which are not currently scheduled.

Area 3: The State of Ohio is responsible for the financing and development of the Columbus Technical Institute within this entire area.

Intermediate-range Redevelopment Areas:

- Area 4: This area could possibly be developed as a residential-commercial complex with the utilization of either Chapter 725 of 1728 of the Ohio Revised Code.
- Area 5: Site of the present Ohio Penitentiary, effective redevelopment of this area will depend upon the substantial reduction of acquisition and demolition costs. In this regard, it is questionable whether the tax abatement provisions of Chapters 725 and 1728 will be sufficient alone to offset the high costs of site preparation.
- Area 6: This area could possibly be developed for light industrial uses with the utilization of either Chapter 725 or 1728 of the Ohio Revised Code. Light industrial redevelopment compatible to recent developments in the area would be most appropriate.
- Area 7: This area, which contains a large number of individual property owners, could also make possible use of Chapter 725 Retirement Bonds for city acquisition and clearance of the site and negotiated residential and commercial redevelopment by a designated developer. Chapter 1728 of the Ohio Revised Code could be utilized with substantial city land acquisition assistance.
- Area 8: This area could possibly be developed as a commercial service center utilizing Urban Renewal Debt Retirement Bonds as provided in Chapter 725 of the Ohio Revised Code. In this role, the City would be responsible for the selection of a committed developer as well as land acquisition, clearance, relocation and public improvement activities.

Chapter 1728, Community Urban Redevelopment, could also be utilized to support the development of a commercial service center; however, it is very likely that substantial city land acquisition assistance would be necessary.

Long-range Redevelopment Areas:

Areas 9 The development of these areas would occur as the last phase of the High Naghten thru 14: Area redevelopment. Consequently, judgments regarding the utilization of either Chapter 725 or 1728 would more appropriately be made at a later date when the extent of redevelopment can be projected with more certainty.

III. PROJECT ADVANTAGES*

Financing of public improvements through revenue generated by tax "abatements" on private developments.

The elimination of blight and obsolescence in areas adjacent to the major Nationwide and Ohio Center redevelopment areas through land assemblage for redevelopment using Chapter 725 and 1728 of the Ohio Revised Code, when appropriate.

Continuity in planning and programming provided through the designation of the entire area as a local New Town.

IV. PROJECT DISADVANTAGES*

Redevelopment of High Naghten will cause substantial displacement of businesses. For the most part, however, these businesses are located in structures that are obsolete in regard to their original purpose and design.

V. IMPLICATIONS*

The status of payments to be made by the proposed Community Urban Redevelopment Corporation for area improvements in lieu of normal real estate taxes must be resolved in regard to their eligibility as a deductible business expense.

The feasibility of utilizing the provisions of Chapters 725 and 1728 of the Ohio Revised Code, for financing redevelopment in areas adjacent to the Ohio Center - Nationwide Plaza complex must be evaluated at such time as developers offer specific proposals. In this regard, initial staff estimates have indicated that the feasibility of utilizing these tools in these areas will be determined largely by the value of proposed redevelopment.

Phasing of development activities in the High Naghten New Town area will require careful coordination with major redevelopment in the total downtown community in each categorical growth area.

The development of the High Naghten New Town area will, because of its major physical proportions and inclusion of new and large scale activities such as the Ohio Center and Nationwide Plaza, play a pre-eminent role in downtown redevelopment.

VI. NEXT STEPS*

- Designation of special areas as blighted and proposed for redevelopment in the near future.
- 2. Formation of Community Urban Redevelopment Corporation(s).
- 3. Designation of New Town area and formulation of appropriate community organizations.
- 4. Preparation of detailed development proposals.

^{*} General discussion concerning the use of Community Urban Redevelopment and Urban Renewal Debt Retirement Fund legislation is contained in the Analysis of Community Improvement Tools Report.

Report Prepared by:

City of Columbus
Department of Development

Bruce E. Miller Planning Assistant Administrator

Stephen R. McClary Development Project Assistant

John Muskoff Development Project Coordinator

Tully A. Ross Development Planner

Gloria M. Snider Development Project Coordinator

James R. Wahl Development Planner