

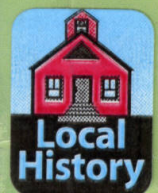
Bringing Life to the City

A Strategic Business Plan for Downtown Columbus

2002

Michael B. Coleman, Mayor

Alex Shumate, Chair Downtown Plan Task Force



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Downtown is
the region's
economic
engine.

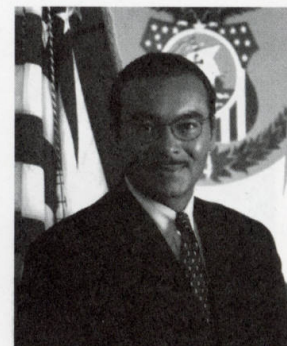
Less than 1%
of the land,
Downtown
provides 13%
of the county's
commercial
tax base.

Downtown
property
values total
\$3.6 billion.

Downtown
Columbus is
home to 18%
of the jobs in
Franklin County.



A Vision for Downtown Columbus



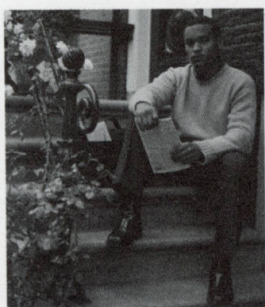
Letter from Mayor Michael B. Coleman

Downtown is everybody's neighborhood. It is the heart of our region, the core of our City. It is the place where the best of our community comes together, with towering buildings, historic architecture, an expansive riverfront, extraordinary arts, sports and entertainment venues, and more. Downtown Columbus is the business, cultural, arts, and government center of Central Ohio. In the past two years alone, it has added to its list of resources with the expansion of the Convention Center, as well as the development of COSI and the Arena District. Looking forward, the development of Spring Long Park is underway, along with the refurbishments to the Town and Main Street Bridges – more improvements to our great City, and our Downtown.

Downtown also plays a significant role in the regional economy. Although Downtown constitutes less than one percent of the land in Franklin County, it represents 13% of the commercial/industrial tax base. More than 140,000 jobs make it the largest employment center in the region. Downtown has contributed to our prosperity, and will continue to drive our overall growth and development for years to come.

Yet despite these successes, Downtown's problems are very real. While Downtown enjoys many fine venues and institutions, these assets are stranded – there is just no connectivity between destinations. Downtown also lacks a sense of place – while many attend theaters, venues and events Downtown, they don't just "go Downtown" or see Downtown as the destination. In fact, three of Downtown's four primary business lines – retail, commercial office, and housing – are in trouble save one, arts and entertainment.

Cities, not unlike successful private businesses, often need to be pushed into action to effectuate change in the absence of a true crisis. And, while Downtown Columbus is not at a crisis point, the issues before us present an opportunity for change. Clearly, something must be done to renew and revitalize our Downtown.



Office vacancy rates have reached their highest rate in recent memory, as more businesses choose suburban and other locations throughout the City. City Center Mall, a hallmark development some 15 years ago, has faltered with the demise of an anchor store and other retail tenants in the wake of increased competition and other factors. Our once proud High Street has also lost its retail character. And housing development, the lifeblood of a 24/7 Downtown, has remained static since 1980. While Columbus' arts, entertainment and cultural destinations are attracting more and more visitors, they too will require the support of a healthy, more vibrant Downtown in order to grow and prosper well into the future.

Government, however, cannot facilitate a Downtown "turnaround" by itself. The complexities of the problem require commitment, capacity and resources that stretch far beyond the public sector. Cities and Downtowns cannot be great without substantial private sector leadership. Fortunately, Columbus is home to some of the most committed and capable business leaders in the country. Not only are they talented and successful, but they also have incorporated community participation into their leadership ethic. Spurred by a strong allegiance to their City, and a recognition that Downtown is vital to the success of the region, these business leaders have joined together with government and community leaders to ignite a process that will lead to a renewed and revitalized Downtown.

This Strategic Business Plan represents a milestone in that process. It is the first step on the long road to revitalization – a journey where progress is both incremental and expensive – and, in the first stages at least, where success is measured by actions that merely stop the decline. But progress will be made, and results will be apparent, because it is necessary for the future.

A Vision for Downtown Columbus

Strategic Direction

The ultimate goal of this effort is to have a “new” Downtown by the Columbus Bicentennial in 2012. There will be so much to celebrate.

This plan, created by the Greater Columbus community in partnership with business, community and civic leaders, provides us with the roadmap for Downtown revitalization. It illustrates a vision, or how we see the Downtown of the future. It defines goals and sets standards. Most importantly, it provides us with the strategies necessary to move forward.

By identifying and crafting the tools necessary to advance our vision, this Strategic Business Plan will help us achieve our goal of 10,000 Downtown housing units over the next 10 years. It will show us how pledging to invest \$100 million in City dollars in Downtown capital projects by 2012 can result in the creation of civic assets – ranging from a new riverfront park and additional green space, to pedestrian friendly streetscapes and more – that will serve the City well for decades to come. This plan shows Columbus how to translate big visions into civic realities by detailing the investments – of both human and financial capital – and the implementation steps necessary to get things done.

The release of this plan signals a beginning, a new start. Together, government, business and civic leaders, and the Greater Columbus community, have teamed up to meet the challenges of renewing Downtown. With all of us committed to the task, I am confident that our Downtown will emerge stronger than ever, reclaiming its spot as a sparkling center of commerce and entertainment, and shining brightly as a star among American cities of the 21st century.

Michael B. Coleman

Mayor, City of Columbus



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A Vision for Downtown Columbus

Strategic Direction

The ultimate goal of this process is to create a strong, vibrant Downtown. It is based on the tenet that a vital Downtown is essential for continued growth of the City of Columbus and for the region. To produce a rich, urban texture, the City, along with its public and private sector partners, will pursue several strategies to restore and enhance Downtown – to re-energize and revitalize this essential asset. This proposed transformation is based on a number of core principles:

To become a 24/7 community, Downtown requires a markedly increased residential presence.

The development of Downtown housing is a critical component of the plan. Housing brings people; more people bring services – restaurants, shops, and entertainment opportunities – all key ingredients for a successful Downtown. While current market economics run counter to the development of significant Downtown housing, the City will use a complement of development incentives to stimulate the private market. Development incentives and low cost capital, together with other improvements and amenities, will help achieve the development target of 10,000 housing units over 10 years. This aspiration is well in line with the extraordinary estimated demand for Downtown housing. A 2000 study by the Danter Company identified potential demand for approximately 25,000 units of housing among those who work Downtown.

Downtown's vitality depends upon a continued demand for commercial office space.

As such, the City will develop a strategy to retain and attract new businesses to the Downtown office market. In addition, a range of incentives will be offered to help attract companies and generate new jobs. The goal is to reduce office vacancy rates to equal the national average over 10 years.

Downtown needs additional structured parking facilities to support commercial office and residential development.

Strategically placed, publicly built parking garages are critical not only to the existing office market but to future commercial and residential developments Downtown. Readily available and lower cost parking in suburban office developments has left Downtown at a competitive disadvantage. Similarly, Downtown housing will only succeed if parking is available and affordable. Finally, the development of structured parking may serve to eliminate some of the surface lots that could be put to a higher and better land use.

Downtown should invest in its riverfront, connecting open spaces to create signature civic assets for residents, visitors and office workers.

Columbus' expansive riverfront is an asset that many cities do not have. Enhancing the riverfront and adjacent open spaces will provide the City with important urban amenities that will be enjoyed by visitors, workers and residents – and will serve as a magnet for generations to come. The City should also seek to incorporate public art into the fabric of Downtown, which will serve to enhance the overall environment.

Pedestrian and vehicular circulation improvements are necessary for a "friendlier" Downtown.

Downtown's size is larger than most major American cities' downtowns, creating urban design and circulation challenges. Improving connectivity in Downtown should be a priority. While Downtown has many "islands" of activity – the Arena District, COSI, the Museum of Art, the historic theaters, the State Capitol and others – traveling between destinations, either by car or on foot, is often difficult or unpleasant. Changes to traffic patterns, such as restoring two-way traffic on current

"This is more than a vision. It is a plan with specific strategies that, when fully implemented, will result in a re-energized Downtown."

E. Linn Draper,
American
Electric Power

"Downtown has always been the center of our area's entertainment and commerce, as it should be. A healthy Downtown benefits us all, and makes our entire region more attractive and marketable. In addition, the existence of an energetic, urban atmosphere helps us attract the creative talent we need to sustain and grow our business...and should help create jobs and build the tax base that Columbus needs."

Leslie H. Wexner,
Limited Brands, Inc.

one-way pairs, will be pursued. Streetscape enhancements will also be proposed in order to encourage a more pedestrian-friendly environment, and create a "walking" Downtown. Transit improvements should also be explored.

Concentrating on a new neighborhood at the southern end of the Downtown core will create critical mass in the area around City Center Mall.

Adding a mixed-use development of substantial scale to this area will complement the Arena District to the north, and bring activity to an area that needs support. Creating density and activity in the neighborhood would better support City Center.

The City should build on its substantial not-for-profit and institutional structures to establish a presence in the Downtown core.

Adding an additional anchor Downtown – whether it is a branch of an academic institution, a cultural organization or a not-for-profit entity – will not only increase activity, but will also signal a new confidence and willingness to invest in this valuable community asset.

Substantially increased public capital is needed to stimulate private investment.

Downtown currently suffers from a pattern of under investment. Public spending is necessary to demonstrate to the business community that the City is committed to Downtown, and to encourage these leaders to invest in the City as well.

Additional economic development capacity is needed to move forward.

Downtown Columbus needs an economic development entity that links public sector goals with private sector leadership, expertise and capital to implement those goals. This new organization will have the ability and resources to manage complex, large-scale transactions designed to achieve the ultimate goal – to renew and restore vitality Downtown.

Contents of this Report

This plan is action oriented. Its goals are to identify the policy and development issues facing Downtown Columbus; to propose concrete, feasible recommendations; and, most importantly, to outline in detail the action steps necessary to facilitate change.

The Findings section (page 8) is diagnostic. It illustrates both the urban design and economic analysis findings, outlines Columbus' many assets and identifies the areas that can be strengthened to become more competitive.

Section Three (page 11) outlines the proposed action strategies, beginning with several development principles, or baseline recommendations, for what needs to change in order to revitalize Downtown. These tenets provide the foundation for a series of planning and development strategies that, when implemented, will transform Downtown Columbus into the vital core at the heart of the region.

Finally, Section Four (page 30) focuses on implementation, providing guidance on how the public and private sectors can work together to realize a more vibrant Downtown.

The Downtown Planning Process

The development of this Strategic Business Plan differed substantially from the traditional master planning exercise. Rather than focus exclusively on ideals and visions for a better Downtown, the approach was far more focused: analyze the issue, define a strategy, and develop the capacity and resources necessary for implementation.

This process also created a new paradigm of community building. Rather than have the responsibility for Downtown renewal rest wholly in either the public or the private sector, this effort was highly collaborative from the start. The very notion of embarking on a Downtown planning project arose from discussions among City, State and business leadership.

Once the import of Downtown's condition was recognized, there was immediate agreement that a comprehensive solution must be found to revitalize and preserve this important civic asset. State funding was identified and secured, a team was hired, and the Downtown planning process began. The development of this Strategic Business Plan represents an unprecedented partnership between Columbus' public and private sectors, one that cannot be matched in many other cities. The community at large also played a vital role in this effort. The result includes specific, practical and economically rational initiatives that will strengthen the entire region by strengthening the region's core.

The first phase of the work was primarily analytical; some 100 Downtown stakeholders were interviewed and countless documents were reviewed to help identify the problem and arrive at preliminary solutions. This work culminated in a preliminary report to the community at Nationwide Arena in July 2001, and has provided the basis for many of the initiatives contained in this report.

The second phase – solution development – relied heavily on guidance from business and community leaders, as well as the general public. In an effort to seek input from a wide range of voices in Columbus, two guidance groups were formed: the Downtown Columbus Advisory Committee and the Downtown Columbus Task Force.

The Advisory Committee was comprised of the City's most senior business and community representatives to provide leadership during the development of the plan and, subsequently, in the implementation phase. The Task Force, which included representatives from a wide range of businesses, institutions, and organizations throughout the City, was created to provide ongoing direction to the team on all aspects of the plan.

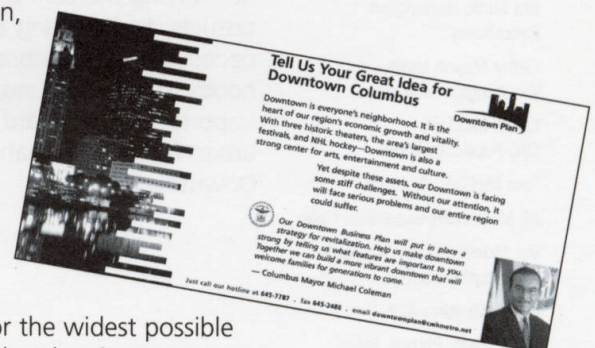
The insight gained from both the Advisory Committee and the Task Force was invaluable to the process. The momentum gained in the planning process alone was significant enough to ensure that these interested business and community leaders will carry their involvement through the implementation phase.

In addition to engaging the business and civic leadership of the City, the development of the Strategic Business Plan was a larger community effort. To ensure ongoing public participation, three open meetings were held. The first was the presentation of Phase One findings at Nationwide Arena. Two Public Workshops followed, which included presentations on the progress of the plan, and afforded participants a chance to offer their input on priority areas and projects, adding suggestions and ideas to the range of options considered.

The "Tell Us Your Great Idea" campaign also broadened the reach for community participation. Through flyers, radio announcements, a website and a television campaign, the call was made for opinions and ideas, and Columbus answered. To date, hundreds of responses have been received; many have influenced plan recommendations. Most importantly, the campaign allowed for the widest possible range of public input in the planning process.

Advisory Committee

Tanny Crane, Crane Plastics
Linn Draper, AEP
Tom Hoaglin,
Huntington Bancshares
W. G. Jurgensen,
Nationwide Insurance
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Alex Shumate, Squire,
Sanders & Dempsey
Robert Walter, Cardinal Health
Audrey Weil, CompuServe
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Limited Brands Inc.
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Findings

Downtown Columbus 2002

Task Force Members

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Jim Garrison, Burgess & Niple
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Melissa Ingwersen, Bank One
Curtiss Jewell,
Excel Management
Kyle Katz, Katz Interests
Kathy Kerr, Congresswoman
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Community College
David Mustine, AEP
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Jim Rarey, Central Ohio Bldg.
& Const. Trades Council
Todd Ritterbusch, Columbus
Leadership Technology Council

The development of this Strategic Business Plan began with an assessment of baseline conditions in Columbus. This analytical process involved an examination of many factors ranging from economic to urban design issues and more. The summary findings presented here have provided a solid foundation for the formulation of the action strategies contained in this report.

Finding One: The Physical Definition of Downtown is Bigger Than Most Large American Cities

Downtown Columbus, defined as the area bound by the interstate highways, measures approximately 1,700 acres and is much larger than most Downtowns, including Chicago's Loop, Boston, Cincinnati, and Cleveland. In fact, the combined Downtown areas of Cleveland and Cincinnati fit within the highway boundary around Columbus' Downtown.

A typical walkable area or neighborhood generally measures 150 acres; as such, Downtown Columbus can accommodate approximately 10 – 12 active, mixed-use districts. While Downtown includes several successful districts or neighborhoods, Downtown's size, along with historic land use patterns, leave a number of areas disconnected from adjacent districts, and lacking a true neighborhood identity.

Reinforcing the connections between existing districts, and creating a series of unique, pedestrian scaled, vibrant mixed-use neighborhoods in currently underutilized areas is an important step toward filling the "gaps" in the urban fabric and creating a more energized Downtown core.

Finding Two: Economic and Population Growth Patterns in the Area Have Bypassed the Downtown Core

Downtown has long been a vital employment center in the region, with government and institutional employers providing for a stable job market even during hard economic times. In recent years, however, certain industry sectors have been growing faster in suburban markets, somewhat eroding Downtown's position.

From 1990-2001, the Columbus metropolitan area saw 17% population growth and nearly 63% increase in median household income. This was mirrored by a near doubling of the rentable office space outside of Downtown. As a result, the Downtown office market now represents approximately 35% of the regional total, down from nearly 44% in 1989. Over the same period, Downtown employment as a percentage of the county total fell in several key employment sectors. In the Finance Insurance and Real Estate (FIRE) sector, Downtown employment fell by 9%, while the remainder of the county increased by 54%. Similarly, while employment in service industries increased by 30% Downtown, the remainder of the county saw growth above 65%.

The Downtown retail market has also suffered from significant suburban competition. Since 1990, four million square feet of new retail malls have been constructed, all outside of Downtown. As a result, the region has seen an increase of two square feet per person in its supply of retail space. Downtown malls such as City Center face intense competition from these newer suburban competitors, particularly when paired with the recent Jacobson's bankruptcy and the resultant vacancy.

Finding Three: The Downtown Housing Market Has Remained Stagnant for Two Decades, While Increasing in Comparable Cities

Downtown Columbus has fewer than 1,000 market rate rental housing units, and approximately 2,000 residential units total. Since 1990, this number has been almost completely stagnant. While there has been some new development activity in the last year, the pace is still far behind that of many comparable Downtowns. Cleveland for example, saw an increase of nearly 6,000 units of housing during the 1990s and Indianapolis saw an increase of approximately 8,000 units during the same period.

The lack of new housing in the Downtown area is particularly troubling in light of both the tremendous population growth that the region has enjoyed and the strong demonstrated demand for Downtown housing. The City as a whole saw 55,000 new residential building permits during the 1990s as the City's population grew by 17%. Additionally, a Danter Company survey estimates demand for approximately 25,000 units of rental and owner-occupied housing Downtown. This estimate was reinforced by the strong support voiced for housing in the public input process associated with the development of this plan. The fact that almost none of this residential growth occurred Downtown shows that the housing market at the core of the City must be an area of particular focus as we move forward.

Finding Four: The Established Traffic Network Inhibits Downtown Revitalization

There are many positive aspects to the traffic infrastructure in Downtown Columbus: an intact street grid, easy traffic flows and proximity to the highways. However, these auto-oriented characteristics often run counter to the desire for a walkable, living Downtown.

The scale of the streets – often five or six lanes in width plus sidewalks – is unfriendly to pedestrians. In addition, the preponderance of one-way street pairs not only makes navigating Downtown difficult for visiting motorists, but also unduly emphasizes getting into and out of Downtown rather than encouraging people to stay.

Fortunately, these issues can be remedied without overburdening the traffic flow, as there is excess capacity in the existing vehicular traffic infrastructure.

Task Force Members cont.

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Dan Schmidt, JDS Investments
Bill Shelby, Spectrum Properties
Rich Simpson, Bricker
& Eckler LLP
Harrison Smith, Smith & Hale
Adam Troy, Omni
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Phil Urban, Grange Insurance
Bob Vennemeyer, Design Group
Guy Worley, Franklin County
Commissioner's Office

"We have a remarkable opportunity to create new mixed-use neighborhoods around City Center and the newly-named RiverSouth area. Development like this has been very successful in the restoration of other Downtowns and has the potential to be even more so here."

Jay Schottenstein,
Schottenstein
Stores Corp.

Finding Five: Areas Adjacent to City Center Mall Present Unique Development Opportunities for Creating Critical Mass in the Downtown Core

While Downtown enjoys several vibrant neighborhoods and districts, others are unhealthy and need special attention. The area around City Center Mall is one area that requires particular focus. Concentrating development initiatives in the area running south from Capitol Square to the County complex, with the Scioto as the western boundary and approximately Third Street to the east, would generate significant energy and activity, benefiting Downtown as a whole. This proposed "RiverSouth" neighborhood is envisioned as a mixed-use district complementing development in the Arena District at the northern end of the Downtown core, and fostering connections between Downtown and the riverfront.

There are approximately 20 acres of vacant or underutilized property in RiverSouth, making a sizable project possible. Having large tracts of land available immediately adjacent to the Downtown core is uncommon in many American cities and is a bonus for Columbus. The area's proximity to the central business district and the riverfront makes it suitable for residential development – a use that will serve to benefit City Center Mall and the High Street retail corridor.

RiverSouth is also a good location for testing proposed traffic improvements such as street narrowings and one-way conversions that would make Downtown more pedestrian friendly.

Finding Six: Downtown has a Strong Arts, Entertainment and Cultural Base That Can Help Drive, and Benefit from, Downtown Revitalization

Downtown has a highly regarded arts and entertainment infrastructure, anchored by historic theaters and arts institutions like the Columbus Symphony, Opera Columbus, Ballet Met, and the Columbus Museum of Art, which bring more than two million visitors per year to Downtown.

No other place in Central Ohio offers such a unique group of attractions: professional hockey, renovated State Capitol, COSI, Public Library, Arena District, festivals, etc. These venues and festivals attract more than three million visitors per year.

While visitor traffic has increased somewhat, these organizations would greatly benefit from additional Downtown amenities and supports, including new restaurants, streetscape improvements and other reasons to come Downtown. Additionally, these major attractions will benefit from an increase in local supporting retail, restaurants, and other services.

Another boost to the overall arts environment Downtown might come from a program that includes funding art acquisitions or commissioned works as part of publicly financed development projects. While administrative and maintenance issues are often a concern with these "Percent for Arts" programs, they are used in major cities throughout the country. A similar program was also adopted by the State of Ohio in 1990.

Action Strategy: Housing

At the heart of the housing finance strategy for Downtown is an understanding that every housing development deal will be different, and that a single approach will not be sufficient. New housing development Downtown must produce a variety of housing products. There will be a mix of unit sizes and types as well as ownership and rental opportunities. Additionally, the City will make a strong commitment to devoting available subsidies and other resources to the development of affordable housing within the Downtown core. These differences among developers, housing types, and locations within Downtown will result in different needs and appropriate responses. As a result, Columbus will be best served by a strategy that allows for maximum flexibility.

At the same time, effective development will flourish in an environment that allows for maximum private sector participation and the greatest variety of development products. Surveys, workshops, and empirical analysis reveal that there is a broad range of groups who are interested in living in Downtown Columbus. In order to ensure the easiest possible access to housing incentive programs and the broadest array of end products, the programs developed must also be as clear and transparent as possible.

These two important bases, flexibility and ease-of-access, are the core principles of the Downtown Columbus housing strategy.

Principle: Actively Encourage Housing Development Downtown by Offering Development and Other Incentives

Compared with other cities in the Midwest and across the country, housing development in the heart of Downtown Columbus has been relatively stagnant. As the Danter study has noted, there is unmet demand for thousands of units of housing Downtown. All kinds of people have expressed interest in living Downtown, both through formal surveys and informal exchanges at Public Workshops and other venues. Similarly, conversations, focus groups, and other information show that there is obvious interest and capacity to develop housing within Columbus' real estate community. However, the economics of Downtown development do not currently produce a favorable environment for development.

In the most basic terms, the cost to develop a single unit of housing in Downtown Columbus is approximately \$120,000 including land, labor, and construction. The value of that unit, in terms of rental revenues, is approximately \$100,000. This leaves a gap of approximately \$20,000 per unit for Downtown housing.

The lack of housing Downtown leaves Columbus without a vital heart. Development of residential districts in the core of Downtown will provide an anchor that will strengthen Downtown, and complement the employment, cultural and entertainment activity within the region for generations to come.

Downtown housing is a critical component of the Strategic Business Plan, as it will bring vitality, 24-hour life, jobs and the type of energy that is key to a vital Downtown. A critical mass of at least 10,000 units will create a true destination, closely ringed by a series of active, exciting, and creative neighborhoods. In order to achieve these important public policy goals, the public and private sectors must embark on a strategy to finance the existing economic gap.

Element One: Real Estate Tax Abatements

One significant tool that will be used to spur the development of privately developed housing in Columbus is a program of real estate tax abatements. The foundation of this plan is the existing program that allows for an abatement of 75% of real estate taxes on improvements on land for a 10-year period. Currently, Capitol South and the Downtown Development Office facilitate interaction between developers to craft proposals that must then be approved by the Columbus City Council.

Recent experience has shown that this type of public sector intervention can stimulate the market for housing development. Capitol South has found that its work with developers to secure 75% abatements for 10 years has been very well received and has resulted in several existing and planned developments. So far, this has contributed to more than 1,500 units of housing proposed for Downtown as a whole, including nearly 200 units in the heart of Downtown. The units include affordable housing development, such as the 100 unit Commons at Grant project under construction.

About this Section

This section represents the nuts and bolts of the business plan. Each begins with a "development principle"—a broad action step, that, if followed, will contribute to a better Downtown. Following the principles are the actual strategies, the programmatic actions necessary to strengthen Downtown Columbus into the vital core at the heart of the region.

"We have to make sure that we maintain the viability of our Downtown if we are to maintain our progress as a region."

Maryellen O'Shaughnessy,
Columbus
City Council

"The Arena District has been an important component in revitalizing Downtown as a destination to live, work and play. As one of the region's largest employers, Nationwide believes a dynamic Downtown is essential in attracting and retaining a quality workforce."

W. G. Jurgensen,
Nationwide

This experience confirms both the value of public/private partnership and the measured demand for new housing Downtown. The Public Workshops held in conjunction with the development of this Strategic Business Plan also confirmed a primary finding of market studies conducted by the Danter Company: there is demand for more housing in Downtown Columbus. With some minor adjustments, the abatement program will serve as an important base on which to build an increased housing supply Downtown.

This existing program will be made much easier to access and much more effective overall through the expansion of a Community Reinvestment Area (CRA). First, the CRA designation will establish 75% tax abatement to be an as-of-right benefit automatically available to any housing development that meets a defined set of criteria. The success that has been realized with the existing program demonstrates that developers are eager to build housing Downtown. Simplifying access to this important tool will only increase its effectiveness. Rather than requiring Council permission for each individual abatement project, developers will be able to assume the abatement as a part of a project's financial analysis.

In addition, the CRA designation will increase the allowable size of the abatement to 100% of real estate taxes within targeted action areas Downtown. This will increase the total value of an already helpful program. The CRA will act as blanket permission for abatements for residential development and will remove both financial and regulatory hurdles for developers. The 100% abatement will be available for all rehabilitation projects within Downtown, and to any new construction projects within a target area. Additionally, the CRA designation will allow for the time period of the abatement to be extended for projects with significant affordable housing components.

This abatement program will be a highly effective tool to spur development Downtown, and it will allow for the flexibility necessary to create extra incentives for affordable housing or for development in more expensive areas near the core. In many places within

Downtown, land values are low enough that the 75% or 100% abatement will be sufficient on its own to make new housing development feasible. This type of development will extend the strength of existing neighborhoods on the edges of Downtown inward toward the core.

At the same time, tax incentives will be paired with a more extensive subsidy program to target investment toward the more expensive land in the center of Downtown. The combination of broad incentives for the edges of Downtown and heavily targeted incentives at the center will create a cohesive fabric of new residential construction in Downtown Columbus.

Element Two: Targeted Capital Investment

Residential tax abatements will address approximately \$10,000 of the gap between cost and value in housing in Downtown Columbus. To further narrow the gap, a Housing Equity and Investment Fund will be established. The fund, comprised of limited investment partners, will provide low cost capital for housing development projects within Downtown.

The Columbus Downtown Development Corporation (CDDC) will staff the fund; investors in the fund will serve on a separate Board of Directors. The fund will provide two important functions that the abatement program does not:

- The abatement program does not provide a financial incentive substantial enough to economically justify housing development in all Downtown locations. This is particularly true for areas immediately adjacent to the central business core where land values are significantly higher than elsewhere within the City. The fund can target dollars specifically at these areas, bridging the remaining revenue shortfalls faced by "pioneering" developers.
- As an independent investment body with an active board of advisors, the fund will have tremendous flexibility to make a variety of deals to suit the needs of individual opportunities. For example, the fund may offer a short-term "mezzanine" investment or a longer term partnering arrangement depending on the specific project.

This type of “social investor fund” would appeal to civic-minded institutions and individuals in Columbus. These institutions would not be making donations, but would instead be adding to their existing portfolio by choosing a local investment with an unusual risk-return profile. The fund would provide returns to investors, but by allowing for lower percentage returns than standard equity would require, or by agreeing to receive their return only after the developer has received a certain amount, the fund could dramatically decrease the overall cost to a developer. The fund will have the ability to invest in projects anywhere within Downtown. This new source of capital will be particularly valuable in the core of Downtown where land values are highest and in supporting projects with significant amounts of affordable housing or other elements that may present financing challenges.

The targeted amount for initial capitalization of the fund is \$10 million. This amount will be raised through direct solicitations to local corporations, institutions, and semi-public agencies or authorities. A unified investment effort by these important corporate citizens will not only provide the private sector response to match the public sector effort, but it will create a fund that will shape a lasting legacy Downtown.

Element Three: Decrease Up-Front Costs

Portions of the gap between the cost and value of Downtown housing can also be addressed through a series of smaller measures that will have a significant cumulative impact. The up-front costs borne by developers should be an area of special focus, as they represent a significant initial burden, and their cumulative value will have an immediate impact on a project's bottom line.

Two significant steps can be implemented in the near term, and will have an immediate positive impact. First, the City budget currently includes an item for public funding of 50% of the cost of street and sidewalk improvements around new residential units. This \$1.75 million line item has not been funded in the past, representing a significant underutilized opportunity. These public area improvements cost approximately \$1,500 per unit, and the public benefit is seen in improved streetscapes around new developments. The Mayor and City Council will now fund the existing budget line item, providing an important new tool for developers and a valuable new amenity for the public. Additionally the City will explore the possibility of providing funding for 100% of these public improvements in projects where special circumstances may warrant additional funding.

A second important step will be the expansion of a program to reduce water and sewer tap fees, and other fees associated with new Downtown housing development. Currently, water and sewer fees can represent as much as \$2,000 in up-front costs per unit of new housing. City code allows for an abatement based on the value of the largest existing tap on the property. This has reduced as much as 50% of the costs on some projects. The City utility department has been developing new legislation that would credit a developer for all existing taps, increasing the available abatement. While this program would apply to all areas of the City, it tends to favor Downtown areas because most existing taps are concentrated in older areas of the City.

Working with its utility department, the City will examine all water and sewer fees, permitting, and other upfront costs. Wherever possible, the City will develop an incentive package that will allow for reducing upfront costs of development through abatement and deferral of these costs.

“It is difficult to overstate the importance of a strong, vibrant Downtown to the health of a City and region. An energetic Downtown is essential for the vitality of the entire region. The history of American cities makes this all too apparent.

That is why our company has been and remains committed to building and rebuilding our Downtown. Columbus and Central Ohio simply must be engaged in these efforts.”

John F. Wolfe,
The Dispatch
Printing Company

*"Healthy Downtowns
create vibrancy.
They bring people
Downtown.
They are good
for business and
for living."*

Dr. Val Moeller,
Columbus State
Community College

**Element Four:
Increase Downtown Amenities**

In addition to efforts to reduce development costs, the gap between housing cost and value should also be addressed through projects and actions that increase the value of living Downtown. In most cities, Downtown housing rents or sells for a premium above its suburban counterparts because of the attractive features that Downtown brings. Some of these features, such as shortened commutes, exist today in Columbus.

A comprehensive package of retail, entertainment, recreation, culture, transportation, and other amenities will add tremendous value to the market for Downtown housing. The proposed Riverfront Park, a revitalized City Center Mall, pedestrian-friendly amenities and other improvements each interconnect with financial strategies to increase the qualitative and quantitative benefits of Downtown as a place to live and work in the region. These proposed projects, when paired with small-scale private sector development, will draw thousands of new residents to create the type of vibrant urban neighborhoods that will spur increased housing demand.

Next Steps

This multi-tiered strategy will allow for a comprehensive response to the problem of Columbus' lack of a vital Downtown housing market. A coordinated response that allows for the greatest possible ease of use and the widest flexibility will have a strong stimulating effect on Downtown housing demand and development. As housing development is coupled with a comprehensive amenity package, the value/cost gap will decrease and outside subsidies will no longer be necessary.

There are three key steps that will initiate this effort, and set it on a course for lasting positive impact:

- Define and codify new or expanded CRA's for residential tax abatements for Downtown neighborhoods
- Initiate the funding of public improvements and the abatement of utility tap fees
- Establish and capitalize a Downtown Housing Equity and Investment Fund as part of the Columbus Downtown Development Corporation

Bringing Life to the City



The goal of this plan is to have a new Downtown by 2012, in time for the City's Bicentennial celebration.

© 2002 Michael Van Valkenburgh Associates, Inc., Landscape Architects, P.C. Rendering by Michael McCann



The Columbus Arts Festival is one of many Downtown festivals held along the riverfront. In 2001, millions of people enjoyed these summertime activities.

View of City Hall parking lot – City Hall's Gay Street parking lot will be eliminated, extending Gay Street to the riverfront. Gay Street will convert to two-way traffic and become an important walkway to the park.



The plan calls for transforming Gay Street into an attractive, landscaped sidewalk, connecting the Riverfront Park to proposed new housing on Gay Street.

© 2002 Michael Van Valkenburgh Associates, Inc., Landscape Architects, P.C. Rendering by Michael McCann

View of Town Street looking west from High Street – the plan calls for substantial Town Street improvements including landscaping and lighting to create an attractive walkway from City Center to COSI.

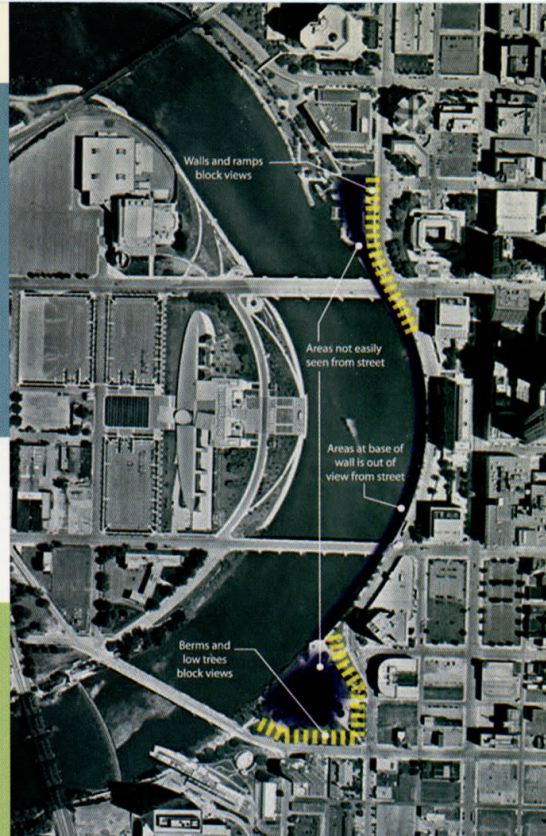


High Street Apartments—the first new housing development announced after the Downtown plan was unveiled in April 2002. The apartments will be developed by Casto Communities along High Street between Rich and Main Streets.

© Casto Communities



The Scioto River curves through Downtown Columbus, and offers the opportunity for a people-oriented Riverfront Park.



The new Riverfront Park will make existing green space more accessible to the public, and will create an anchoring amenity for Downtown.

The new Riverfront Park will feature a promenade and lower level walkway. This will allow visitors to loop through the park on foot without retracing their steps. Civic Center Drive will be narrowed to accommodate the new park.





Downtown Columbus is exceptionally large at 1,700 acres. Over 25% of the land is underutilized.



Renaissance Apartments will create 60 new market-rate apartments on the corner of Third and Mound Streets in Downtown Columbus. This new development was announced one month after the unveiling of the Downtown Plan.

© Plaza Properties



Battelle Park will be integrated into the Downtown park system with programming to attract residents, workers and visitors.

Action Strategy: Commercial Office Support

Downtown office vacancies are a result of two basic problems: Downtown offices have greater occupancy costs than their suburban competitors, and the Downtown market lacks the easy access and increased amenities offered by outlying locations. The fundamental focus of the office incentive program must be to use every tool available to attract and retain a vibrant mix of employers in the Downtown Columbus office core.

Principle: Support the Commercial Office Market with Program Incentives and Other Amenities

Throughout the City's history, Downtown Columbus has served as the core of the region's employment market. In recent years however, this trend has changed. To some extent, the geographic diversification of the office market should be viewed as a good thing. The City as a whole benefits from being able to provide potential employers with a wide variety of office locations, and it is natural for different types of industries to cluster around important links such as airports and transportation hubs.

However, the Downtown core has been losing its share of the office market to suburban competition at a significant rate. U.S. Census and business industry data show that in the key Finance, Insurance and Real Estate (FIRE) industry sector for example, Downtown has seen a 10% decrease in employment from 1990-2000, while the suburban area has seen a 50% increase. In each of the four largest employment sectors, Downtown currently represents 50% or less of the region's total employment.

In terms of supply, the suburban market has been growing at a far quicker rate than Downtown. During the economic boom period from 1990-2000, there was 4.6 times more new construction in the suburbs than Downtown, and total net absorption was 14 times higher than Downtown. In the past year, both the Downtown and suburban markets have experienced increases in vacancy. For Class A space Downtown, this rate, according to a recent CB Richard Ellis market survey, has risen to more than 28% as of the end of 2001.

The importance of Downtown as a vital and growing employment sector cannot be over emphasized. The 140,000 jobs currently located Downtown provide countless benefits in terms of income tax, property tax, and sales tax revenues that support the entire City.

In addition, the energy created by this level of employment drives the need for support services located Downtown. If the Downtown office base continues to erode, it will undercut every other effort being made toward Downtown revitalization.

Element One: Jobs Tax Incentives

There are two basic facets to the tax credit strategy for office tenants in Downtown buildings. The most basic facet is to continue aggressively marketing the existing Ohio Jobs Creation Tax Credit. This is a program that allows any company that brings employees in from out of Ohio to apply for a State credit on corporate franchise taxes based on the total payroll of the new employees. The tax credit applies to any net new jobs located within the State. The City of Columbus also extends a credit to those businesses that locate new jobs to the State within the City.

While these existing programs have been very helpful to companies across the State, it does not do anything to differentiate between companies that locate in suburban versus Downtown locations. In order to bring companies Downtown, the City will also create a program that provides a special Downtown benefit. The Columbus City Office Incentive Program will provide an incentive payment equal to one half of the amount of the City's personal income tax collected in the prior year for each new job located Downtown. This new program will be more comprehensive in that any company moving jobs into Downtown from anyplace outside of the City of Columbus would be eligible. Even jobs relocated from other areas in Ohio will qualify.

This program will create an important financial incentive for a business to locate or expand Downtown rather than in one of the outlying office markets. For the first time, the City will be extending an important financial benefit to expand the Downtown business community. Cincinnati has used a similar program as part

"It's essential that we continue finding ways to bring in more businesses, more families and more tourism dollars to the Downtown we're proud to call home."

Matt Habash,
Columbus
City Council

"We have a strong Franklin County delegation that understands the value of having a strong central City."

Rep. Joyce Beatty,
Minority Whip,
Ohio House

of a package used to attract the Cinergy Corporation, bringing more than 300 new jobs Downtown. Locally, Dublin has used similar incentives as well. Columbus will now be on equal footing with other cities in Ohio.

In addition to new and expanding businesses, this second facet of the incentive strategy will be extended to existing businesses as a tool for retaining and expanding key office tenants. Without a concerted effort at retention, Columbus is in jeopardy of losing even more office tenants. This will become a particular danger as suburban vacancy rates continue to rise, providing more options for relocation. If incentives are not extended to these tenants more of them will leave and Columbus will be left without its most significant source of revenue and energy Downtown.

Element Two: Creating Downtown Amenities

There are two parts to the gap in office occupancy costs between Downtown and outlying locations. The package of tax incentives will address the increased cost of occupancy. At the same time, an improved variety of Downtown amenities will make Downtown a more attractive place for offices, thereby increasing the value of being Downtown.

Some of these amenities already exist in great supply. For example, Downtown locations offer proximity to clients, other businesses, and City and State government agencies that cannot be matched.

The creation of more convenient parking facilities, a beautiful Riverfront Park, a more pedestrian friendly Downtown environment, increased retail and entertainment amenities, and new and vibrant urban neighborhoods will all serve to increase the value of Downtown office spaces. Every element of this Strategic Business Plan will increase the overall amenity package, and provide the Downtown office market with a competitive advantage over other areas. As the various pieces come together, Downtown will regain its prominence as the premier office market in Central Ohio.

An existing body of research supports the notion that amenities bolster existing markets while attracting new tenants and residents alike. For example, studies conducted as part of the Columbus Regional Economic Strategy for the 21st Century support the idea that a dense, connected, and highly amenitized urban environment can serve as an important tool for the recruitment of energetic new businesses into older Downtowns. Researchers found that creative and multi-faceted urban environments attract both start-up firms, and growing and creative divisions of larger firms.

This research highlights creative services firms (such as design, software, media, and public relations firms) as one specific employment sector that would likely be attracted by a mixed-use urban environment that provided cultural, recreational and retail opportunities. This creative segment currently represents 34,000 employees, and has been growing at a rate of approximately five percent per year. When added to existing strengths in FIRE, public employees, and other services firms, the Downtown employment sector could be dramatically revived by the City's Bicentennial. This research shows that the development of a comprehensive amenity package for Downtown Columbus will not only benefit the City's existing residents but it will also attract and benefit new ones.

Next Steps

The decline in the Downtown office market will not allow much time for the development of long-term responses. Important groundwork has begun – namely, government, business and community leaders have recognized the issues in Downtown and maintain, with a fair sense of urgency, that the development of amenities and other supports for Downtown are necessary for the future of the City. While the development of a comprehensive amenity package is a longer-term strategy, several important steps can and should be taken immediately:

- Secure final City Council and other necessary approvals to implement the full package of incentives
- Proceed with the on-going design of, and improvements to, parks, streets, and other amenities without delay

Action Strategy: Neighborhood Development

There are two initial focus areas in this effort to reestablish connections throughout Downtown. The area adjacent to the intersection of Broad and High Streets has remained active as the core of Downtown's office corridor. However, immediately to the north and south of that area, the level of activity is reduced. Downtown revitalization will only be successful when the core is reconnected to all of the active areas and districts.

Principle: Facilitate the Creation of Mixed-Use Districts and In-fill Opportunities in Underutilized Areas of Downtown

Successful Downtown environments depend on vibrant, lively, and active streets and built environments. A driver or passenger moving through Downtown should always have the feeling that there is an exciting reason to get out onto the sidewalk and move around. A pedestrian should always feel a tension between stopping and looking at shops or buildings that are right there and a desire to see what is down the block or around the corner.

This environment cannot exist where there are large stretches of underutilized and underdeveloped land that interrupt the urban experience. While people are usually willing to ignore small stretches of vacant lots or surface parking, large collections of these uses quickly deter all but the most undesirable of street level activity.

While Downtown and its adjacent neighborhoods have many successful and vibrant districts – the Short North, the Arena District, the Brewery District, and others – there are still areas of the urban fabric with significant holes. Downtown redevelopment must focus on filling these breaks in street life and activity with mixed-use neighborhoods that bring people, shops, and other activity back to the sidewalk level.

Element One: The RiverSouth Neighborhood

The section of Downtown Columbus between City Center Mall and County complex is a concrete example of this problem. This stretch of Downtown, which will be designated as RiverSouth, is now used mostly as a series of surface parking lots, which create a foreboding environment for anyone who is not in a car.

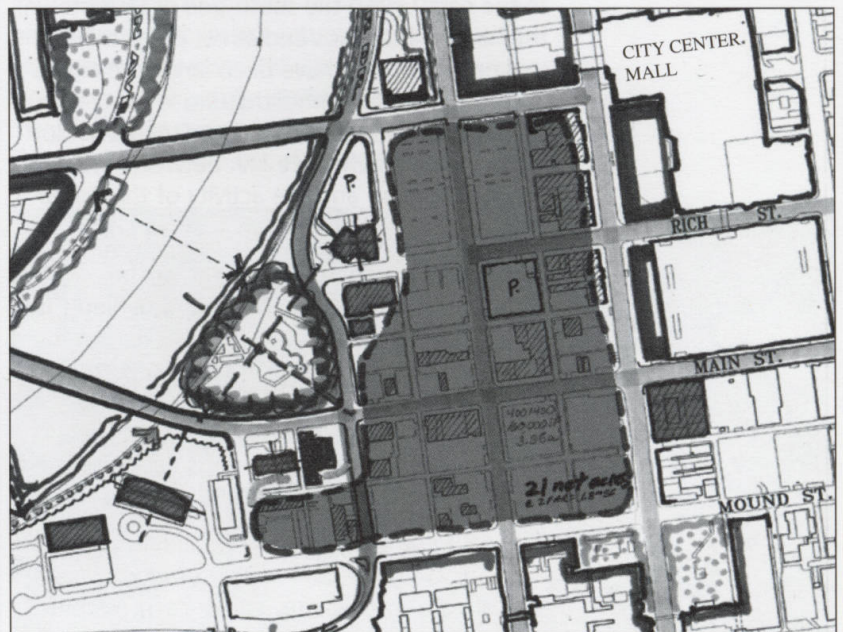
More importantly, the sudden disappearance of street life in the area around City Center Mall contributes to the recent decline in activity in

the mall, as the stores are completely removed from any direct activity to the south. Indeed, the future development of the blocks in RiverSouth is directly tied to the future health of City Center, the Lazarus Department Store, and the surrounding retail blocks. While the City has no direct control over these existing stores, it can have a profound positive impact on their future.

This area provides tremendous opportunity for change. With approximately 20 acres of potentially developable land that can accommodate a range of uses, and diversity of scale, RiverSouth could at once be developed for retail, entertainment, residential and institutional users. To initiate the exploration process for the highest and best use for the area, the City has joined together with the major property owners in the area – representatives of Lazarus, City Center Mall, and the various Schottenstein interests – to form a working group that will focus on the future of the development on these blocks.

"Downtown is a huge economic engine for our region. It is the first impression we give outsiders about who we are and what we stand for."

Dewey R. Stokes,
Franklin County
Commissioner



The plan calls for the development of a new, mixed-use neighborhood, called RiverSouth, near City Center Mall that would include housing, office and retail.

"The growth of the entire Greater Columbus region is directly linked to our Downtown. A vibrant Downtown is critical to successfully attracting new companies with high wage, high skill jobs to Greater Columbus."

Sally Jackson,
Greater Columbus
Chamber of
Commerce

The core of the strategy will be to prepare the surface parking lots and other developable land in RiverSouth for redevelopment through a Master Developer. This will allow for the coordination of phasing and a mix of uses over time, ensuring a development that is sensitive to overall market forces and community needs. These parcels could easily hold several hundred units of housing, along with local service retail and entertainment uses. This will create a critical mass of residents to provide activity, vitality and energy to the stagnant area just south of the Downtown core.

Clearly, this neighborhood has tremendous potential. It can and should be developed to accommodate a range and density of uses that together will anchor existing development south of State Street, filling a gap in the fabric of Downtown Columbus. Rather than an intermittent pattern of activity, the City will enjoy a truly urban environment in this area of Downtown.

Element Two: The Gay Street Corridor

A second key corridor for investment lies north of Broad Street along Gay Street from the river to the east. Unlike the south side of Downtown, the historic buildings and street pattern in this neighborhood have been largely retained. When this existing infrastructure is restored and adaptively reused, the Gay Street corridor will serve as an effective link between the Downtown core and the activity of the Arena District and the Short North.

On its western edge, Gay Street will be reconnected to Marconi Boulevard behind City Hall, and will serve as a key connection to the northern end of the Riverfront Park. Further to the east, the existing buildings along Gay Street are envisioned as renovated with retail at the street level and a mix of small-scale offices and residential uses on the upper floors.

There are two primary tools for aiding the reuse of buildings in the Gay Street corridor as residential conversions. First, these new residential units will be eligible for the tax abatements described in the housing section of this plan.

Second, residential conversion will be aided by a review of the various regulatory issues surrounding the adaptive reuse of existing historic structures.

Gay Street provides a unique opportunity for the creation of a residential street consisting of new and renovated property. The existing architectural character of the street, including properties such as the Buckeye Building and others, is one of the few examples of this type of architecture that remains Downtown. Additionally, Gay Street can be a vital connection to the riverfront, allowing for continuity between existing Downtown districts. Finally, the emergence of street life and residential development on Gay Street will serve as an important spur for the revitalization of the retail corridor of High Street. High Street will be restored as the key link between Downtown and the emerging 24-hour community in the Arena District and the Short North.

Next Steps

The potential for the creation of a cohesive urban fabric in Downtown Columbus is too great an opportunity to permit unnecessary delay. The RiverSouth and Gay Street neighborhoods will transform areas of Columbus from a somewhat disjointed urban experience into a true multilayered, multifaceted, mixed-use, attractive and exciting Downtown that blends seamlessly with its surrounding districts. The process of forging these important connections can proceed with several key steps:

- Formalize the working group of primary RiverSouth stakeholders to begin the collaborative process of outlining the framework for a master-developer controlled redevelopment strategy
- Analyze regulatory issues to facilitate the adaptive reuse of historic structures
- Identify a potential demonstration project that will advance the civic purpose and street life objectives for similar spaces in the area

Action Strategy: Riverfront and Open Space

The transformation of the riverfront began in the early 20th century from an industrial corridor to civic use. This project intends to further those efforts by building on the area's strengths with the introduction of new elements and the refurbishment and rethinking of existing spaces and structures to provide for a vastly improved riverfront experience. Among other things, the project will attempt to adjust scale, improve access, and provide shade and benches to make the area more inviting.

The proposed Riverfront Park has two overall goals. The first is to transform the Scioto riverfront from an underutilized public space into an engaging recreational and civic amenity for Downtown and the region. Second, the park will connect to the adjacent open spaces, such as Spring Long, Battelle and Bicentennial Parks, and foster better linkages between the riverfront and Downtown. These "green corridors" are envisioned to include substantial tree plantings and other landscape treatments along Gay Street, Broad Street and Town Street, with two additional corridors to be determined. This will enhance the pedestrian experience and create better connections between the Scioto and the State House.

Principle: Develop the Riverfront as the Anchor Amenity for all of Downtown

The creation of a signature asset and the development of a sense of place in Downtown has emerged as a priority for Columbus' new Downtown. This process has begun with the development of the Spring Long Park along the riverfront. Further transformation of the Scioto riverfront will re-energize the Civic Center Drive area, and provide an important urban amenity for all of Downtown, complementing residential and office support strategies in this plan.

The development of public open space as a civic amenity to draw visitors and residents has been used as a revitalization tool throughout urban history. In Pittsburgh, the Cultural Trust developed a park along the underutilized Allegheny riverfront as part of a similar effort, complementing residential development and cultural improvement projects. In New York City, the Battery Park City Authority created a new neighborhood with street grids and open spaces to create interest in, and bring traffic to, an area before constructing many residential and office buildings. Longer ago, Frederick Law Olmsted noted that developing Central Park would inspire the construction of stately mansions along New York City's Fifth Avenue, which also proved true.

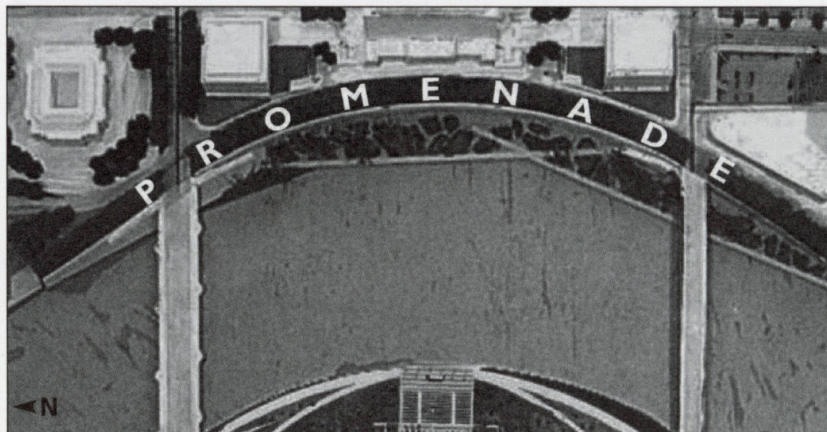
Clearly, there are many precedents that the City can draw upon where the creation of a public realm has been used as a driver for other economic development and other urban improvements.

Element One: Riverfront Promenade

The first phase of work includes the central unifying component of the project – the upper promenade. The promenade is envisioned as a 35-foot wide walkway along the eastern edge of the Scioto connecting Bicentennial Park to the south and Battelle Park to the north. The promenade will be lined with an allée of London Plane trees to provide a high, shaded canopy; benches will be added for comfort and convenience. The existing carved limestone balustrade, created as part of the river wall project in the 1920s, will also be restored. As part of this project Civic Center Drive will also be reduced to three lanes, to provide room for the promenade, and lessen actual and perceived separations between the river and Downtown. Finally, the ends of the promenade will taper in long ramps to connect the upper Civic Center Drive level to the lower, river level park.

"Completion of the West Columbus floodwall will return a vital, secure and beautiful space along the banks of the Scioto River to the public."

Deborah Pryce,
U.S. Representative



The new Riverfront Park would feature a walking promenade along the narrowed Civic Center Drive.

"Downtown Columbus is unquestionably the heart of the larger metro area. It is critically important to strengthen our urban center by making the appropriate capital investments which will benefit all citizens of Central Ohio."

Jon Peterson,
Assistant Majority
Whip, Ohio 80th
House District

Element Two: Battelle and Bicentennial Parks

The project's second phase will focus on creating connections between the promenade and the adjacent open spaces – Battelle and Bicentennial Parks – and redesigning aspects of those parks. Bicentennial Park will be regraded to connect with the promenade. In addition, the plan calls for creating an extensive grass seating area for concerts and other open-air events. The renovations will also seek to improve sight lines from the street into the park, making it safer. The orientation of the lawn will offer improved views of the river, and will be better positioned with respect to the sun.

The proposed improvements to Battelle Park also include creating connections between it and the promenade. The redesign will focus on establishing sight lines down Gay Street, through the park and to the river. As part of overall Downtown improvements, the closed portions of Gay Street will be reopened; and the street will be converted to two-way traffic. Street trees will also be added.

Element Three: Lower Level Park

The next phase of the project will focus on a lower level park on the portion of the waterfront between the Broad and Town Street bridges. This part of the project complements the formality and grandeur of the promenade with a native riparian landscape along with water features.

The lower level includes a circulation loop, allowing pedestrians to experience the park system without retracing their steps. The area will be anchored by groves of native floodplain trees near each bridge, with a more open space in the center dominated by wetland grasses and wildflowers. A new weir at the outer edge of the lower level park creates a large pool of water separate from the river; small islands with associated plantings will be located within the water pool. The weir will prevent the accumulation of river-borne debris within the lower level park and will also form a small waterfall at its junction with the river.

Each component of the lower level – the walkway, the islands, the plantings and the weir – are designed to withstand periodic flooding.

The final component of the lower level park includes a water feature that engages the river and its river wall. This feature will serve as a water source for the lower level pool, and provide a fine backdrop to the park. The current proposal calls for water falling from the top of the river wall, increasing in tiers as it falls to the river, and creating a subtle veneer that will capture and reflect light. The curve of the river will afford views of the water curtain from the promenade and several spots along the river's edge.

This water feature, created in conjunction with local artists, offers a unique opportunity to blend art and architecture with public improvement projects, a practice that should be considered in future development programs as a tool for enhancing the Downtown environment. The riverfront also offers an exceptional location for either temporary or permanent art installations, a concept that is consistent with earlier planning recommendations and should be further explored.

Next Steps

The development of a riverfront park system is a considerable undertaking for Columbus, one that will take several years and considerable funding to develop. Once completed, the park will offer an incredible civic amenity, drawing residents and visitors alike, and providing the City with a true Downtown destination worthy of Ohio's capital city.

The key steps necessary to initiate this important project include:

- Begin schematic design development for the entire park system
- Initiate the proposed traffic improvements and other modifications necessary to narrow Civic Center Drive
- Identify capital funds for the construction of the riverfront promenade
- Direct the Columbus Downtown Development Corporation to develop an operating and maintenance budget and plan for the proposed park

Action Strategy: Traffic, Parking and Transportation

Traffic Improvements

Pedestrian and vehicular transportation improvements are critical to any Downtown revitalization and are particularly important to Columbus. The development of strategically located and affordable structured parking facilities, as well as public transportation enhancements, are also part of a comprehensive strategy to make Downtown more inviting to residents and visitors alike.

Element One: Narrow the Width of Civic Center Drive

The current width of Civic Center Drive – four lanes plus parking, the high speed of traffic on the lightly used lanes, and the visitor confusion on the one-way streets, all detract from the riverfront's potential as a signature park. Reducing the width of Civic Center Drive to three lanes will serve as an important support to the park, by adding space for the promenade and making a safer and friendlier pedestrian environment along the riverfront.

Element Two: Restore Two-Way Traffic on Civic Center Drive, Front Street, Gay Street and State Street

Restoring two-way traffic flow to Civic Center Drive, along with Marconi Boulevard, Hickory Street and Second Street, is important to the riverfront park. In these instances, two-way traffic will slow vehicles without necessarily creating congestion. Two-way traffic patterns will also allow drivers more expansive views of the riverfront, adding to its civic value just as comparable exposure to building frontage from two-way streets adds to Downtown's commercial value.

Front Street is the northbound "half" of the Civic Center Drive/Front Street one-way pair, and its conversion to two-way traffic flow should complement the conversion of Civic Center Drive. Two-way operation should be restored between Livingston Avenue, just to the south of I-70 – meeting the existing two-way segment to the south – and at the north end, at Hickory Street – meeting the two-way segment to the north.

In the first phase, two-way traffic should also be restored to the one-block segment of State Street between Front Street and High Street, making its traffic flow consistent with the rest of State Street. The apparent reasons for this one-way operation, truck loading, are no longer a factor.

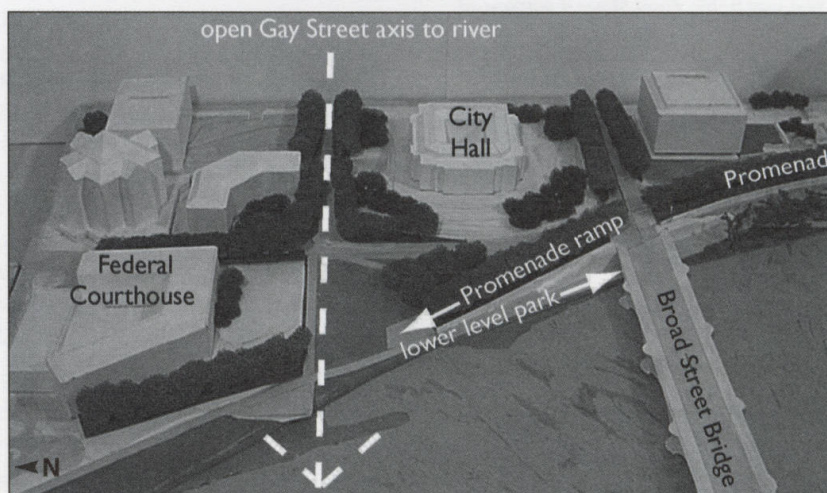
Element Three: Open Gay Street between Civic Center Drive and Front Street

The value of a signature park along the riverfront is realized only if there are attractive walking and driving routes to it. Gay Street is the most valuable east/west route to the riverfront, as it not only aligns with Battelle Park, an important part of the open space system, but also serves, along its length to the east, all major Downtown north/south streets.

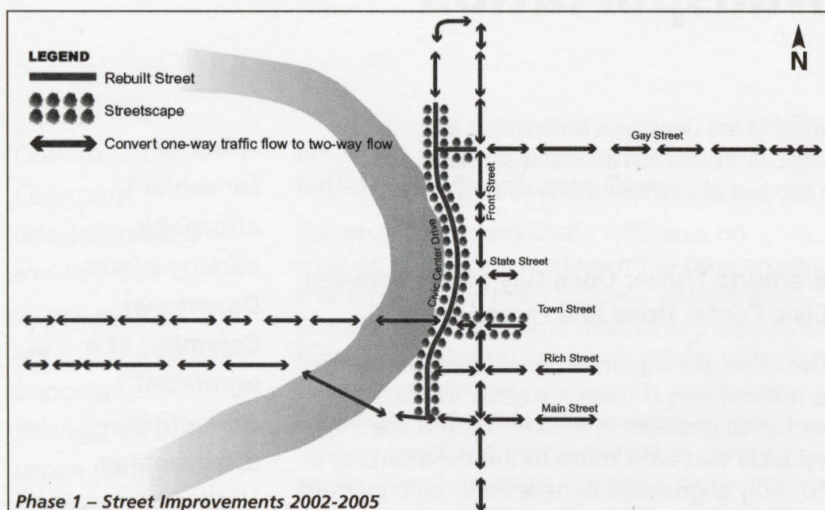
The important traffic features of a reopened Gay Street include two-way traffic service with a single lane in each direction, on-street parking, wide sidewalks, and elimination of the haphazard parking areas near Civic Center Drive. A related measure is the conversion to two-way traffic along the remainder of Gay Street, eastward to its termination at Cleveland Avenue. The newly created block of Gay Street between Civic Center Drive and Front Street should carry the full streetscape treatment, including trees, sidewalk and street lighting.

"A lack of convenient, affordable parking places Downtown Columbus at a significant competitive disadvantage. Until we intervene and eliminate or mitigate this disadvantage, we should expect office occupancy and housing development to languish."

John Rosenberger,
Capitol South
Community Urban
Redevelopment
Corporation

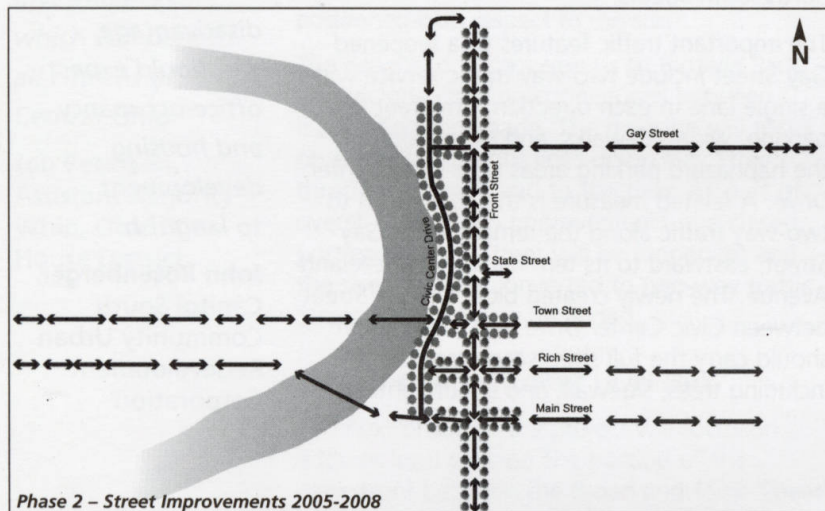


Gay Street would be rebuilt and converted to two-way from Front Street down to the river, providing better access to the new Riverfront Park.



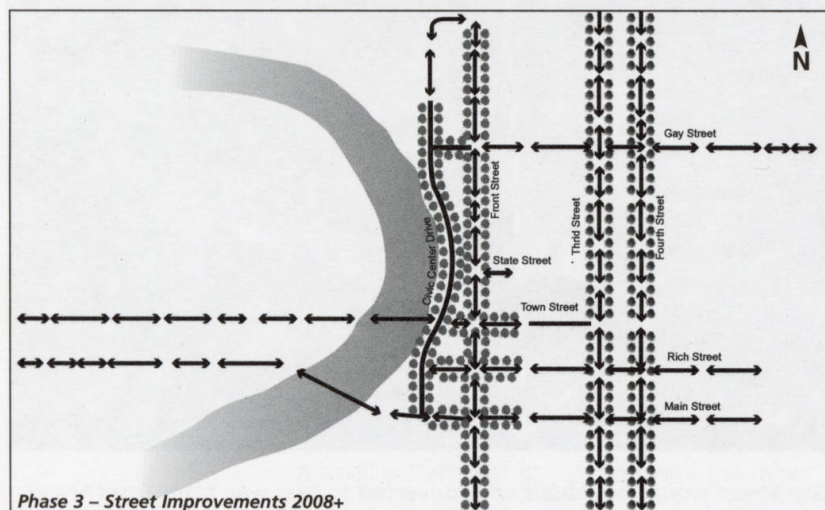
Phase 1 - Street Improvements 2002-2005

The plan calls for narrowing of Civic Center Drive, reconnecting Gay Street to the river, and beginning the conversion of Gay, Front, State, Town, Rich, and Main Streets to two-way traffic. Civic Center Drive is landscaped.



Phase 2 - Street Improvements 2005-2008

The plan calls for rebuilding Town Street and extending Gay, Rich and Main Streets to two-way traffic. Front Street is landscaped.



Phase 3 - Street Improvements 2008+

The plan calls for converting Third and Fourth Streets to two-way traffic and adding landscaping.

Element Four: Develop the Town Street "Streetscape"

Town Street is an important east/west connector to a riverfront park because of its continuity over the Town Street Bridge, as a route to COSI, and to the east, a direct route to City Center Mall. As a first-phase transportation improvement, this street should be fully streetscaped. Major components of this treatment include sidewalks, curb "buildouts" to reduce the apparent width of the street and to shield parking, street lighting and street trees. The treatment should extend between Civic Center Drive and High Street, thereby providing an attractive pedestrian way from the mall to the riverfront.

Element Five: Restore Two-Way Traffic to Portions of Town Street and Main Street

Restoring two-way traffic on Main Street, from its interchange with the Interstate to Third Street, along with its westbound counterpart on Town Street, and on Rich Street from Civic Center Drive to Third Street will improve the accessibility to the waterfront, to institutions along the waterfront, like COSI, and set the proper framework for the redevelopment of the seven block area bounded by Civic Center Drive, High Street, Town Street and Mound Street.

Principle: Enhance the Accessibility of Downtown Streets for Vehicles and Pedestrians

The first phase of proposed traffic improvements are key to a critical element of the Downtown strategic plan: reclaiming the riverfront for a signature park, and getting there – walking or driving – from Downtown's centers of activity. Toward this end, emphasis is placed on converting Columbus' one-way streets to two-way traffic, and narrowing Civic Center Drive to allow for the development of a riverfront promenade. Other proposed improvements include opening Gay Street to improve riverfront access and view corridors, as well as adding streetscape amenities on Town Street.

The rationale for one-way streets stems from a time when cities felt the need to “compete” with the suburbs, by providing quick, convenient vehicular access into and out of downtowns. Planners and downtown advocates nationwide now see the advantages of balancing the need for efficient vehicular circulation with the need to make the Downtown environment friendlier for pedestrians, visitors and residents, who are there to enjoy Downtown’s assets rather than speed back to their homes at the end of the day.

Streetscape improvements also provide for a more pedestrian-friendly environment Downtown. Potential streetscape treatments include: widening the sidewalks to create a “promenade” and allow for a double allée of trees, seating areas, and a redesign of existing bus stops and shelters. Other elements, such as pavers, kiosks and signage can be developed simultaneously to ensure a welcoming environment. Sidewalk widening has been used in many downtown revitalization initiatives, including 17th Street in Denver, State Street in Chicago, 3rd Street in Santa Monica and others.

The plan proposes these enhancements in a number of areas. Other projects, such as the proposed Broad Street median, are also being considered.

Next Steps

These improvements represent a suggested first phase – one that will provide a solid foundation for subsequent traffic improvements. Additional work, such as the conversion of Third and Fourth Streets to two-way traffic, continuing with streetscape improvements, and expanding two-way street conversions throughout the Downtown core will continue to add value to Downtown streets by making them more accessible and attractive.

Principle: Construct Additional Parking Garages to Support New and Existing Downtown Development Projects

Parking is an issue with profound implications on a number of related issues that are being addressed by this plan. Currently, parking costs as much as \$150 per month per space. This presents an important increased cost of doing business in a Downtown location. Additionally, lack of available spaces in parts of Downtown gives offices and businesses in those areas a locational disadvantage. Finally, a large percentage of the existing parking supply is found on surface parking lots. These lots represent an inefficient use of land that further hinders new development and creates pockets of inactivity that further hinder the economic success and urban environment of everything around them.

In the most basic sense, parking should be a tool for development. Parking provides access to jobs, homes, shopping, culture, entertainment and other activities. Construction of new parking garages Downtown will focus on ways to use this resource to further the goals of the overall Downtown Plan.

Element One: Develop First Phase of Parking

The first facet of the parking strategy will be to address existing shortages of available parking. Needs assessments conducted by Capitol South have identified one quadrant northeast of Broad and High Streets and one quadrant northwest of Broad and High Streets as potential new locations for structured parking facilities. Of course, the market for parking facilities may well shift, and locations for new structured parking will be geared toward providing the best response to market demand.

The first zone to be addressed is likely to be northeast of Broad and High and will focus on serving the newer office buildings in this area, which suffer from a severe lack of convenient parking. Several of these building owners have indicated a willingness to commit immediately to long-term rental of any new spaces.

“For this City to be a great 21st century City, it has to have a great 21st century Downtown.”

**Carl Kohrt,
Battelle**

"We have an administration that has made Downtown development a priority. We have business leaders who are on board to pledge their collective support."

Dan Schmidt
JDS Companies

To the northwest of Broad and High, a potential new structure would be geared more toward general municipal parking use. The market area is comprised of many smaller companies that would be less likely to commit to long-term agreements for numerous spaces. However, it is also possible that a shift in local market forces could create a strategic opportunity elsewhere Downtown that would change parking priorities.

In both cases, Capitol South, an entity with a proven track record in this area, will administer the development of these structures. Additionally, the development of new garages will provide an ideal opportunity for the implementation of a consolidated Downtown "parking pass" with a single payment mechanism for the City's 5,000 metered spaces, for Capitol South's 7,000 spaces, and for participating privately owned facilities.

Element Two: Serve Growing Market Opportunities

The second element of the parking strategy will focus on the longer term opportunity to use structured parking facilities as a way to serve the growth of new residential and mixed-use neighborhoods south of Broad Street to the east and west of High Street. This will be particularly important as a new neighborhood is developed on the surface parking lots of the RiverSouth district. New structured lots will easily offset the loss of the existing spaces.

Next Steps

The need for new structured parking facilities is pressing, and developing new parking is a key component of this Downtown Plan. Assuming there are no significant shifts in market demand, existing parking demand to the north and east of Broad and High will be the first target area, with an additional structure to follow within two years. A total of three or four new structures will be developed within the next 10 years.

- Identify location and develop first garage
- Determine the technical and market feasibility of the implementation of the Downtown "parking pass"
- Monitor market development northwest of Broad and High as a potential second garage location

Principle: Support Public Transit Improvements Downtown

Because Downtown is exceptionally large and destinations are widely scattered, public transit can provide the necessary linkages to move people quickly and conveniently within Downtown, and out to adjacent residential neighborhoods.

Twenty percent of Downtown commuters rely on public transportation, according to a study by the Mid-Ohio Regional Planning Commission (MORPC). These people arrive Downtown by bus, and need some form of transportation within Downtown for trips during the day. Add to this a growing number of conventioners and visitors – and hopefully soon, residents – and the need for a low cost, convenient transportation solution becomes apparent.

Downtown light rail may provide such a solution. Clean, electrically-powered light rail cars with state-of-the-art, no-wait service will help alleviate bus congestion along High Street and assist with traffic management as streets are converted from one to two way. A demonstration project could substantiate the viability of this important investment. For example, the initial phase could run from The Ohio State University campus to the Brewery District. Smaller buses could circulate from east to west, bringing more passengers to the rail line.

Such a project will position transit to serve the need of getting around Downtown, rather than focus on quick entrances and exits. It would also provide streetscape and other amenities as rail stops would be landscaped and well lit. Federal funds might also support infrastructure improvements along High Street.

Since a demonstration project or a fully developed light rail line may take some time to develop and implement, another interim option may be a shuttle service between key Downtown destinations. These shuttles have been successful in many U.S. cities.

Proposed Light Rail

The Central Ohio Transit Authority (COTA) is currently developing a \$27 million multi-modal transit terminal and administrative offices north of Nationwide Boulevard, spanning the active CSX freight rail tracks between Front and High Streets. The terminal will serve as a hub for a proposed Downtown rail line, as well as smaller bus circulators, larger buses, taxis, and potentially, intercity rail.

Groundbreaking for the project is anticipated in 2004, with completion scheduled for 2005. Designed to support the vision of a pedestrian-friendly, easy-to-navigate Downtown, the plans also call for pedestrian walkways and bicycle connections to Arena District area facilities.

Plans for a light rail line are also moving forward. In early 2002 the Federal Transit Administration (FTA) gave a "recommended rating" to a COTA/MORPC proposal that included the development of a 13 mile rail line, the first of eight for Franklin County. Built Downtown, the first leg of this new rail line could be an important element of the revitalization effort, and demonstrate the promise of light rail. The FTA rating is a significant move forward, allowing preliminary engineering to begin and clearing the way for federal capital funding in the future. The precise timetable will depend on when the COTA Board of Trustees can develop a successful ballot issue for public matching funds.

Next Steps

Neither the City nor the Columbus Downtown Development Corporation have jurisdiction over the funding or implementation of transit improvements Downtown. However, the benefits of the proposed projects are clear. The City is supportive of these efforts and intends to work with COTA and other parties to ensure project implementation and to coordinate, to the greatest extent practicable, other Downtown development projects so as not to interfere with proposed transportation improvements.

"Our recent surveys show that rail is a very important component of expanding and enhancing our Downtown."

Ron Barnes,
COTA

Implementation

"This plan is very focused on implementation — not only did we analyze the issues and determine ways to address them, we developed action steps to solve them."

Alex Shumate,
Downtown Advisory
Task Force, Chair

Revitalizing Downtown

Implementation must remain a focal point in order to meet the challenges of Downtown renewal. A process has been developed that has, in some ways, redefined the interactions among government, business and civic leaders. Common goals have also been identified. The culmination of this remarkable effort must now be geared toward collective action.

Realizing change in Downtown Columbus will require commitment, capital and capacity. Commitment is evidenced by the extraordinary amounts of time, talent and resources that so many have contributed to this endeavor. While this show of strength was integral to igniting the process, the ongoing commitment of public and private partners in this effort is necessary to ensure progress.

Capital, is of course, more complex. The City of Columbus has allocated funds to begin several of the multi-phased Downtown projects described in this plan. Additional public investment has also been pledged for Downtown projects over the next decade. It is the goal of this plan to leverage limited public capital with private investments to the greatest extent possible.

Discrete development projects can, with some effort, be successfully executed once capital is secured. However, to effectuate a Downtown revitalization initiative of considerable scale, ongoing capacity becomes critical. The public development function in Columbus is not transitory. Rather, it requires a specialized development entity with a tightly focused agenda that can act on behalf of the City to help achieve Downtown renewal goals. Creating a new development corporation is critical to moving this plan forward.

Capital Program

The City of Columbus has allocated \$10 million in funds for first year projects. This money is targeted toward a mix of projects that will have an immediate impact while laying the foundation for future success. These projects will include beginning the construction of a new structured parking facility, the creation of a pedestrian promenade on Civic Center Drive along with the finalization of the design for the Riverfront Park, and initial funding for new housing and cultural development projects.

The City has also pledged \$100 million for Downtown projects between 2002 and the City's Bicentennial in 2012. Given the current environment of fiscal austerity, this long-term commitment will be funded through a prudent strategy that focuses on preparing for economic opportunity. These funds will come from a combination of City capital dollars and City-issued bonds in cases where clear new revenue streams can be identified to repay the bonds without imperiling the City's financial health.

Columbus Downtown Development Corporation

Mission

The overall mission of the new Columbus Downtown Development Corporation (CDDC) is to facilitate priority development projects and programs Downtown. This entity will be responsible for implementing those ideas put forth in this Strategic Business Plan; modifying the plan as necessary in response to changes in circumstance, need, and policy leadership over time; and broadening and maintaining support for the plan. In short, the CDDC is charged with developing, managing, creating, and implementing those projects and programs that will result in a re-energized, revitalized Downtown. Moreover, the CDDC will forge public-private partnerships so that scarce public dollars will leverage private sector investments.

Adding another entity in a City with departments and organizations with similar aims may seem unnecessary. However, tough challenges require comprehensive, focused solutions. The CDDC is designed to complement the efforts of the Downtown Development Office and Capitol South, providing additional capacity that will help the City realize its vision for Downtown.

The CDDC, a private, not-for-profit corporation operating as "Agent" for the City, can bring to bear private sector expertise and practices while serving the public good. In addition, it has a very specific focus and set of goals, while other organizations have a wider customer base to serve. The CDDC's staff will also have different backgrounds and skill sets from the current professional staffs that serve the City and related agencies. Finally, the CDDC's Board of Directors is comprised of Columbus' most accomplished business and community leaders, many of whom are both new to the City, as well as to public involvement. Having the commitment, experience, resources and muscle of the business community is what differentiates this effort from prior plans, and what will contribute to its success.

Governance and Structure

The CDDC is a private, 501(c)(3) not-for-profit corporation, governed by a 15-member Board of Directors. The Mayor of Columbus appoints

seven members, with confirmation of Columbus City Council. The Franklin County Board of Commissioners appoints one member; the remainder are appointed at the board's discretion and may vary in number. The Chair of the initial Board is Dr. E. Linn Draper, President and Chief Executive Officer of AEP, who will serve until December 31, 2004. Future Chairs will serve for two-year terms, and Directors will serve staggered two- and three-year terms.

A President and Chief Executive Officer (CEO), reporting to the Board of Directors, is responsible for leading the corporation's programmatic and real estate development efforts, in addition to overseeing daily projects and activities. A national search is currently underway for that professional with the vision and experience necessary to effectively utilize the resources of the corporation for the benefit of the City. It is anticipated that the CEO will take office in the fall. In the interest of maintaining momentum, the Board may seek interim leadership for the CDDC.

Additional CDDC employees will include a project manager and administrative support. A complete staffing plan will be developed once the CEO is in place and operations are underway. The CDDC will share space in the Downtown Development Resource Center, currently occupied by Capitol South, the Capitol Crossroads SID and the Downtown Development Office. The CDDC's efforts will complement the work of existing Downtown organizations.

Function

The CDDC will implement Downtown development and related improvement projects. Specifically, its portfolio will include many of the projects presented in earlier sections of the report: launching and staffing the proposed Housing Equity and Investment Fund; implementing the riverfront and open space plan; facilitating private development in RiverSouth, Downtown's new neighborhood; overseeing and managing parking, traffic and transportation improvements; and managing additional development projects as necessary.

"The Columbus Foundation is making a leadership commitment to the CDDC because our Downtown is crucial to the economic vitality, image, and quality of life of our community as a whole. The time to act, and to act with vision, vigor, and a heightened sense of urgency, is now."

Douglas F. Kridler,
The Columbus
Foundation

Housing Equity and Investment Fund

Overview

The package of tax abatements and other incentives described in this plan will create new opportunities for development and rehabilitation of housing units in Downtown Columbus. In many cases, these incentives will be sufficient to bridge the existing gap between the cost and value of new housing. However, in cases where the gap is larger than average, an investment-based strategy will be used to supplement the incentive package. This will be particularly important in locations adjacent to the core of Downtown, where asking prices for land are highest.

The Housing Equity and Investment Fund (HEIF) will be a subsidiary corporation within the CDDC. The fund will focus on building a portfolio of investments in Downtown residential and mixed-use projects. In particular, the fund will use its investments to target ways to be the last piece of financing for a project that is close to resolution. As such, these investments could take the form of a short-term "mezzanine" loan or a longer-term equity position depending on the specifics on the project. In any case, the fund will seek to invest its money at a lower or longer-term return than other financing. The fund will not be making grants, but will instead be comprised of investors who are willing to be patient in seeking their returns, and who are interested in making investments for the specific purpose of creating a better environment in Downtown Columbus.

"Our Downtown can emerge stronger than ever, reclaiming its place as a sparkling center of commerce and entertainment, shining brightly among American cities of the 21st century."

Michael B. Coleman,
Mayor, City
of Columbus

Process

The fund will seek investors from Columbus' businesses and institutions. The initial goal is for the fund to be capitalized with \$10 million, and to achieve long-term sustainability through its own investment returns. While the fund will be housed within the CDDC, the fund will have a separate board of advisors comprised of investors in the fund. In order to allow for flexibility and speed in investment decisions, the fund's board will have the ability to approve investments independently from the CDDC board.

The fund's investment manager will work directly with individual developers to determine the specifics of any potential development deal. The investment manager will make decisions on potential investments based on the following investment criteria:

- Is the potential project within the core Downtown investment area?
- Does the project substantially contribute to Downtown neighborhood creation goals established in this plan?
- Does the developer have the capacity to execute the development being planned?
- Has the developer explored and utilized an array of other financing opportunities?
- Does the project present a reasonable likelihood of providing a return to the fund?

Initial Investment Targets

The initial investment targets for the fund will be new residential and mixed-use projects within the RiverSouth and Gay Street redevelopment zones as described within the plan. Projects within these zones will be evaluated based on the criteria established above, along with specific facets of the proposed development.