Martindale- Brightwood Neighborhood Retail Market Study

July 2002

Martindale Brightwood Community Development Corporation

City of Indianapolis
Bart Peterson, Mayor

Development Concepts, Inc.

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Executive Summary

chapter 1

Purpose and Process

The purpose of the *Martindale-Brightwood Neighborhood Retail Market Study* is to: 1) provide a description of the existing retail climate in the neighborhood, 2) conduct a market analysis to illustrate the economic conditions of the study area using both conventional (demographic data and Census information) and supplemental (resident surveys and stakeholder interviews) means, and 3) recommend specific strategies for strengthening retail development in the area. The result of this four-month planning effort is a retail development strategy with physical, organizational, and implementation recommendations that are derived from an understanding of the neighborhood's needs and desires, market conditions and influences, physical conditions, and real estate market economics.

This project began in January 2002 at a Martindale-Brightwood Town Hall Meeting. At this meeting, ten neighborhood leaders volunteered to actively participate in the retail study by becoming members of a steering committee. Under the charge of guiding the consulting planning team, the steering committee met twice during the four-month time span. It is intended that members of this committee will become champions of the plan and continue their involvement with the retail redevelopment of the Martindale-Brightwood Neighborhood through the plan's implementation.

Findings

The retail currently found in the Martindale-Brightwood Neighborhood has been described as "sporadic" and "marginal quality." For the most part, existing retail establishments are so removed from one another that a retail concentration or marketable retail destination is not evident. In fact, there is very little retail that focuses on the neighborhood shopper in a concerted manner. Through the resident survey it was determined that Martindale-Brightwood residents tend to shop outside their neighborhood for most goods and services, with Linwood Square, Glendale, and Washington Square cited most often.

The *Market Overview* chapter provides a baseline socioeconomic description of the Martindale-Brightwood Neighborhood including: 1) demographic history—population profile, households, and income, 2) demographic projections, 3) consumer spending patterns, and 4) a review of the current physical condition of the neighborhood—housing and retail stock, infrastructure, overall aesthetics, etc. This overview provides the economic foundation for the strategies recommended in subsequent chapters. Market information for this neighborhood retail study was collected using a variety of techniques—demographic data and consumer spending statistics were purchased from a national database, a survey was distributed to neighborhood residents, and stakeholder interviews were conducted.

Despite the strong retail purchasing power of inner-city residents, urban neighborhoods have been typically overlooked as a desirable retail markets in favor of the suburban strip mall. Oftentimes in inner-city business districts, “looking at the numbers” does not immediately lead to an obvious retail development strategy. Retailers and developers have traditionally utilized a model of targeting areas with high household incomes and/or high traffic volumes when selecting new development sites. The Martindale-Brightwood Neighborhood does not meet the high income requirements of many retailers and its retail expenditures are relatively low; however, the area does offer a dense population, few retail competition areas in close proximity, a loyal customer base, reasonable traffic volumes, and access to major thoroughfares. With these neighborhood advantages in mind, leaders of the Martindale-Brightwood Neighborhood can capitalize on the economic development opportunities that may allow the area to attract businesses and investment with a focused development strategy. The recommendations that follow involve capitalizing on specific geographic locations and proximities to recent or impending investment to create a more compelling Martindale-Brightwood retail marketplace.

Potential Directions

The market analysis indicates that the Martindale-Brightwood Neighborhood could support improved and additional retail if it attracts and capitalizes on the spending potential of the extended trade area and appropriate strategies are implemented to encourage investment. The retail development strategies, or reconfiguration direction, introduced in this report address three specific geographic areas with opportunity for three types of concentrated retail centers.

Retail Reconfiguration Opportunity 1:
25th Street between the Monon Trail and Dr. Andrew J. Brown Avenue

This identified potential retail site has a connection to two prominent public uses—Douglass Park Golf Course and the South Monon Trail. Given this area’s proximity to these two unique amenities, this site has potential as a specialty retail center. Specialty centers do not have a traditional anchor tenant; rather, they are based on a theme or niche. A possible theme for this area could be based on recreation, complementing uses, or introduce a new type of seasonal or temporary retailing like a farmer’s market on Saturday mornings.

Retail Reconfiguration Opportunity 2:
25th Street and Keystone Avenue

Given the site’s location along a major thoroughfare and IndyGo bus routes, access to I-70, proximity to new investment and Downtown, if coordinated with the planned retail development of the Keystone Enterprise Park, the intersection of 25th Street and Keystone Avenue could support a community shopping center. A community shopping center is anchored by a junior department store, or “big box” retailer, with supporting strong specialty stores. This area’s potential as a community shopping center will draw a customer base from not only the Martindale-Brightwood Neighborhood and extended trade area, but from the Near Eastside Neighborhood and growing Downtown and near-Downtown residential neighborhoods.

Retail Reconfiguration Opportunity 3:
25th Street and Sherman Drive

Of the three target development areas, this location has three distinct advantages: 1) availability of land (approximately 31.7 acres), 2) current status as a shopping center (existing customer base), and 3) access to the Martindale-Brightwood Neighborhood as well as adjacent areas. The reconfiguration of this site could lend itself to become an improved neighborhood shopping center. According to the Urban Land Institute, typical tenants of a neighborhood shopping center are supermarkets, pharmacy/drug stores, and complementing retail to support the immediate residential population. Essentially, the future reconfiguration of the Brightwood Plaza would be as an expanded convenience center with complementing retail that meets the daily shopping needs of area residents.

Action Plan

Requiring both physical and programmatic responses and a collaborative effort among the City of Indianapolis, Martindale-Brightwood Community Development Corporation (CDC), and neighborhood leadership, the retail development strategies outlined in this report have three common elements:

- upgrade and support existing retail services
- physical improvements that encourage investment and increase retail activity
- implementation of a market-based strategy

The action plan provides a framework from which to build a work program and the initial steps to achieving a desirable outcome for each of the potential retail reconfiguration opportunities. Also included are potential approaches to establishing a retail development fund to serve as a resource, and economic development tool, to accomplish the objectives identified in this study.

NEIGHBORHOOD PROFILE

chapter 2

History


Station Street was the commercial center of the Town of Brightwood.

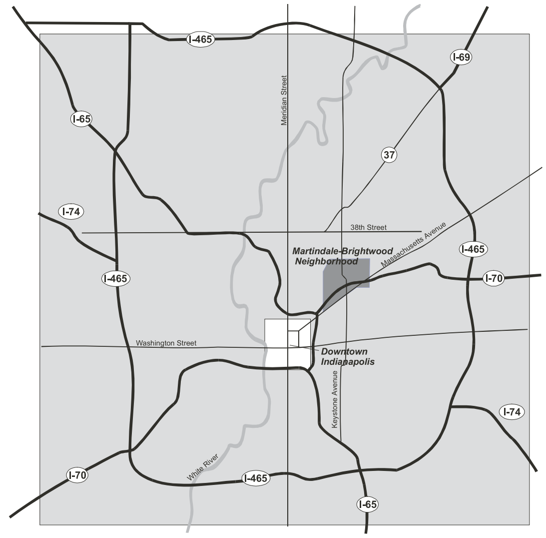
The Martindale-Brightwood Neighborhood originated as two separate communities capitalizing on local railroad lines and their peripheral industries. Settled by railroad workers, Brightwood became the railroad center of Indianapolis and was platted in 1872 and incorporated as a town in 1876. In 1897, it was annexed by the City of Indianapolis. The Town of Brightwood continued to prosper (as a result of the railroads and increased industrialization of the area into the 20th Century). Its prosperity was largely due to companies like Topp Hygienic Milk and Ice Company, Laycock Manufacturing Company, George F. Neher & Sons, and the Cleveland, Cincinnati, Chicago and St. Louis Railroads. Until the late 1960s, Station Street was the business district and commercial center of the Town of Brightwood.

To the west of Brightwood, the Martindale area, settled in 1874, became a prominent industrial hub supported by the nearby railroad lines. The industrial focus quickly transformed the area into a working class neighborhood. Martindale continued to develop as an industrial and residential area centered on Martindale Avenue, now Dr. Andrew J. Brown Avenue. Among the many businesses that operated in Martindale were William Eggles Field Lumberyard, Hoosier Sweat Collier Factory, Indianapolis Gas Works, the National Motor Vehicle Company, and the Monon Railroad yards. Railroads and heavy industry continued as the economic base for many years for both Martindale and Brightwood until the relocation of the four major railroad lines.

The mid-1900s brought much change to the Martindale-Brightwood Neighborhood. By 1944, most of the original railroad businesses had relocated, remaining railroad connections were moved, and the Brightwood railroad station was razed. The departure of the railroads, construction of the Interstates 65 and 70 in the 1960s, and the expansion of suburban Indianapolis were detrimental to the social and economic status of Martindale-Brightwood in the post-World War II era. The migration from Brightwood left a surplus of housing that was soon filled with lower income families. During the late 1800s, the Martindale-Brightwood area was comprised of a mix of African-Americans and first generation European-Americans. However, post-World War II years led to a dramatic increase in the African-American population. By 1960, the African-American population increased to 50 percent of Brightwood's total population of 5,700 and more than 90 percent by 1990. Through this period the urban fabric of the Martindale-Brightwood area remained predominantly small working class homes spotted with industry.

Context

The Martindale-Brightwood neighborhood is located on the near northeast side of Indianapolis bounded by 30th Street to the north, Sherman Drive to the east, Massachusetts Avenue to the south, and what will become the Monon Trail to the west. Interstate 70 divides the southern portion of the neighborhood from the north, but brings more than 170,000 vehicles through the neighborhood daily and offers excellent access to and from Downtown and other areas of the City. The Martindale-Brightwood Neighborhood is easily accessed from Downtown Indianapolis from Interstate 70 and 16th Street via Delaware Street. Keystone Avenue is an important north-south corridor that also connects the Martindale-Brightwood to key destinations north and south of the neighborhood.



Directly south of Martindale-Brightwood is the Near Eastside Neighborhood, a conglomeration of smaller working class neighborhoods with scattered retail and services. To the southwest of Martindale-Brightwood is the historic Old Northside, a middle-class neighborhood with rehabilitated historic homes and apartments. The King-Park Neighborhood, located directly west of Martindale-Brightwood, is comprised of larger middle and working class homes and apartments.

Land Use

The Martindale-Brightwood Neighborhood is nearly 1,088 acres in size and is largely comprised of single-family homes. Of the approximate 1,088 acres in the neighborhood, nearly 45 percent (484 acres) is residential. Other uses include industrial, institutional, parks, commercial, and vacant land. Industrial uses are scattered throughout the area but are mainly concentrated north of Bloyd Avenue between Hillside and Tacoma avenues. Commercial uses are found throughout the neighborhood but are generally located along main thoroughfares including Keystone Avenue, 25th Street, 30th Street, and Sherman Drive. North of I-70 between Keystone and Tacoma avenues, new commercial development is planned as part of Keystone Enterprise Park. Major institutional uses in the neighborhood include the Marion County Juvenile Center located on the southeast corner of 25th Street and Keystone Avenue and Opportunities Park, a facility that provides assisted living for seniors located on the corner of 28th Street and Keystone Avenue.

A number of Indianapolis city parks are found throughout the neighborhood including Douglass Park, JTV Hill, and Oscar Charleston Park (Oxford Terrace). In 1921, Douglass Park was dedicated to serve the African-American population in the Martindale neighborhood and throughout the City. Douglass Park recently renovated its facilities to offer new programs and attract more users. JTV Hill also offers many community programs and activities.

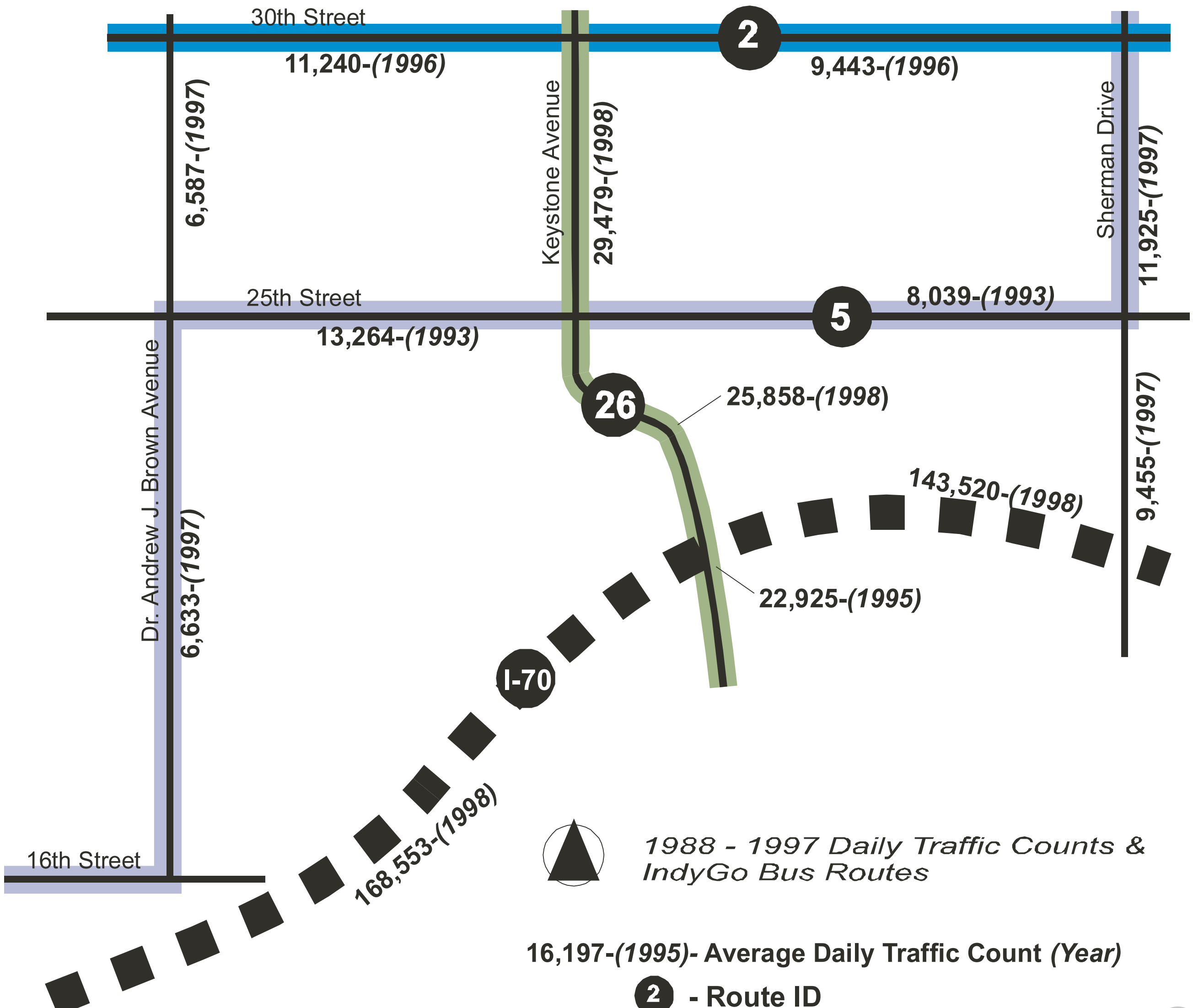
Douglass Park is the largest greenspace in the Martindale-Brightwood Neighborhood and includes a public golf course.

Historically, religion has played an important role in the Martindale-Brightwood Neighborhood. Presently, more than 80 churches and places of worship, representing various denominations, can be found in the study area. Many churches fill former retail spaces, particularly storefronts lining the Station Street business district and other retrofitted structures.

Another use found in the Martindale-Brightwood Neighborhood is Martin University. Incorporated in 1979, Martin University is a private, not-for-profit, non-denominational institution dedicated to the higher education of adult learners, low-income persons, minorities, the elderly, and prison inmates. The Martin University main campus comprises nine buildings, located two blocks west of Sherman Drive off 22nd Street. The original campus contained four buildings on North College Avenue now known as the College Avenue Campus, primarily housing community outreach efforts. Martin University offers baccalaureate and master's degrees to students with various personal circumstances, work environments, career goals, prior learning experiences, and educational needs.

Traffic and Transit Patterns

The Martindale-Brightwood Neighborhood is easily accessible from many areas of the City, via Keystone Avenue and I-70. Keystone Avenue and I-70 combined bring more than 200,000 vehicles per day through the study area. Although the traffic is concentrated along Keystone Avenue and I-70, 16th, 25th, 30th streets and Sherman Drive all provide access within the neighborhood and each move more than 10,000 vehicles a day. Also increasing neighborhood accessibility is IndyGo's extensive bus service.



Three IndyGo routes serve the Martindale-Brightwood Neighborhood. These three routes offer access for most residents in the Neighborhood and surrounding area by covering major streets.

The Martindale-Brightwood Neighborhood is not limited to bus and automobile transportation. In July 2000, Indy Greenways received $1 million to build Phases 4 and 5 of the Monon Rail-Trail called the South Monon, which will extend the trail from Fall Creek to 10th Street. The Monon Trail will continue south across Sutherland Avenue and 25th Street to a future trailhead connection at the Old Northside Soccer Fields at 16th Street bringing the total length of the Monon Trial to approximatly 10 miles. According to the 2001 Indiana Trails study, the Monon Trail brought an average of 2,545 Saturday users during the month of October 2000. Projected traffic counts for the South Monon are not yet available.

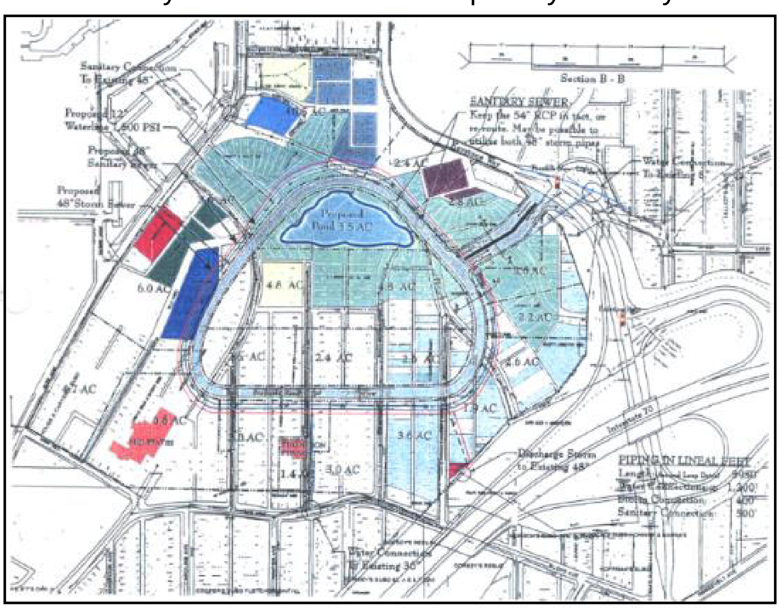
The South Monon Trail will provide a pedestrian connection from the City's northern areas to Downtown.

Rail traffic in the Martindale-Brightwood Neighborhood is limited to the Indianapolis Belt Running Track connecting the Belt Line to the former Nickel Plate line. The Indianapolis Belt Running Track runs east-west through the Martindale-Brightwood Neighborhood just north of 21st Street. The proximity of the Indianapolis Belt, I-70, and Keystone Avenue provide access for businesses that utilize both road and rail shipping modes.

Recent Investment Activity

Recent investment in the Martindale-Brightwood Neighborhood includes the Genesis Plaza located on Keystone Avenue south of 29th Street. Genesis Plaza, opened in August 2001, is a 28,400 square foot complete primary medical and social services facility. Genesis Plaza is the product of a collaborative effort among city and state government, businesses, neighborhoods, and financial leaders. Other investments include Opportunities Park, the Flower Hut, and several neighborhood restaurants.

Keystone Enterprise Park is a planned 82-acre commercial and light industrial development located at I-70 and Keystone Avenue. Developed by the City of Indianapolis and the Martindale-Brightwood Community Development Corporation (CDC), Keystone Enterprise Park is a $17 million investment and is expected to generate more than 1,000 new employment opportunities. Keystone Enterprise Park will offer industrial and commercial sites to businesses on properties that were formerly comprised of vacant and underutilized lots, abandoned structures, and aging infrastructure. With the infrastructure slated to be completed by December 2003, Keystone Enterprise Park is expected to generate new investment in the Martindale-Brightwood Neighborhood over the next five years.



Keystone Enterprise Park site plan.

Issues Impacting Development

Martindale-Brightwood Neighborhood's economic status is related to its public image. Many perceive this neighborhood to be unsafe, poor, and lacking stability, making it difficult to market to potential investors. Some of the negative perception stems from a lack of knowledge and understanding of the neighborhood's history and dynamics. However, much of the neighborhood's negative perception by the larger community is related to its physical condition.

Although many of the social implications that adversely affect the study area's image are more complex than can be outlined in this report, the issues that most directly impact development are discussed below.

- **Unkempt properties.** Unkempt properties contribute to the negative image of the neighborhood by conveying a lack of interest and community involvement. Neglected properties are prominent throughout the study area and are largely a result of absentee landlords and lack of code enforcement and funds by homeowners and businesses. Many properties do not meet health and safety codes and remain in violation because of inadequate enforcement.

- **Transient population.** Although Martindale-Brightwood enjoys a high percentage of owner-occupied homes, many residents are renters and do not have a vested interest in the area. A rental population often indicates a transient population that can often lead to neglected properties, weak social networks, and disinvestment.

- **Failing infrastructure.** Failing infrastructure conveys the impression of disinvestment in the neighborhood by the City. Infrastructure, including streets, sidewalks, and lighting, are missing, inadequate, or deteriorating in many locations of the study area. Infrastructure and physical improvements are critical to attracting new investment to the Martindale-Brightwood Neighborhood.

- **Crime.** Crime, perceived or real, inhibits investment. No single solution will decrease crime. However, community involvement, increased patrols, establishing neighborhood watch zones, and adequate streetlights are just some initiatives that may have a positive impact.

- **Number of churches.** Although providing a customer base and community service, many churches in the Martindale-Brightwood Neighborhood occupy former storefronts and properties that are better suited for retail or commercial uses. As non-profit organizations, churches do not contribute to the neighborhood tax base.

- **Fragmented ownership.** The Martindale-Brightwood Neighborhood is comprised of many small parcels of land with various owners. Fragmented ownership makes site assembly more arduous for development and has resulted in underdeveloped and underutilized land throughout the entire study area. City intervention could alleviate this issue by assembling potential key development sites or offering to assemble sites and offering them to potential investors.

- **Low-income population.** The 2001 median household income forecast for the Martindale-Brightwood Neighborhood was $22,381, well below the Indianapolis median household income of $41,009 (2000 Census). From a marketing perspective, the concentration of low-income households in the study area reduces the neighborhoods overall appeal to potential investors, specifically retailers.

Existing Retail and Service Uses

chapter 3

Martindale-Brightwood Retail

The retail currently found in the Martindale-Brightwood Neighborhood has been described as "sporadic" and "marginal quality." For the most part, existing retail establishments are so removed from one another that a retail concentration or marketable retail destination is not evident. In fact, there is very little retail that focuses on the neighborhood shopper in a concerted manner. While the existing Brightwood Plaza and the 25th Street Plaza are both commercial assets in the neighborhood, the quality of their products and services could be improved. Most of the retail space in the study area could benefit from physical improvements that would enhance the overall visual appearance of the commercial corridors.

Most retail in the Martindale-Brightwood Neighborhood is located at Brightwood Plaza and the 25th Street Plaza, however, some is also scattered along Keystone Avenue, 16th, 25th, and 30th streets. Both commercial plazas are suburban-style retail strips that have relatively high occupancy rates and contain businesses that cater to the neighborhood clientele. Brightwood Plaza, near the intersection of 25th Street and Sherman Drive, is a 42,096 square foot neighborhood shopping center anchored by Safeway, a 20,000 square foot neighborhood grocery store, and hosts the area's only full-service bank, National City Bank. East of Sherman Drive, this retail center is outside of the Martindale-Brightwood Neighborhood, however, many residents consider it to be *their* neighborhood shopping destination. Brightwood Plaza is fully leased and currently for sale, listed at $1.2 million. Other tenants of this property include Park Avenue (7,500 square feet); Indianapolis-Marion County Public Library (5,600 square feet); Sunny Wig Jewelry Shop (800 square feet); J.R. Barber and Styling Salon (800 square feet); Instant Tax Service (700 square feet); and an outlot, Ace America's Cash Express (996 square feet). Rents range from approximately $3.50 to $11.14 per square foot. It is important to note that these lease rates are not necessarily indicative of other retail properties within the study area. Many business owners own their buildings making it difficult to determine an average lease rate for the area.

The 25th Street Plaza at the northwest corner of 25th Street and Keystone Avenue is a centralized neighborhood shopping center without an obvious anchor tenant. Small businesses offering some basic goods and services to neighborhood residents occupy this approximate 4,700 square foot retail space including several beauty salons/supply, video rental, laundromat, take-out restaurant, and convenience/variety stores. 25th Street Plaza is 95% occupied, with only one noticeable vacancy and approximate lease rates range

Temporary retail sites in the Martindale-Brightwood Neighborhood are fairly common.

from \$400 to \$1200 per month. Other retail uses around the 25th Street and Keystone Avenue intersection include a liquor store, gas station, and fast food restaurant.

Infrastructure along the major thoroughfares of 25th Street, 30th Street, Keystone Avenue, and Sherman Drive serves vehicular more than pedestrian traffic. Building and site layouts for Brightwood Plaza and 25th Street Plaza encourage a customer base with access to an automobile. Brightwood Plaza is isolated from residential neighborhoods; pedestrian access to this shopping center is impeded by railroad crossings, a major street, indistinct crosswalks, unkempt surface parking lots, and deteriorating sidewalks. 25th Street Plaza has more of a relationship with adjacent residential areas in terms of proximity, but, by design, residents are not encouraged to walk to the retail center. Despite the fact that within the Martindale-Brightwood Neighborhood there exists some retail serving area residents, none of this retail has the character of a neighborhood commercial district.

Once a significant retail destination, Cash Bargain Center is now vacant.

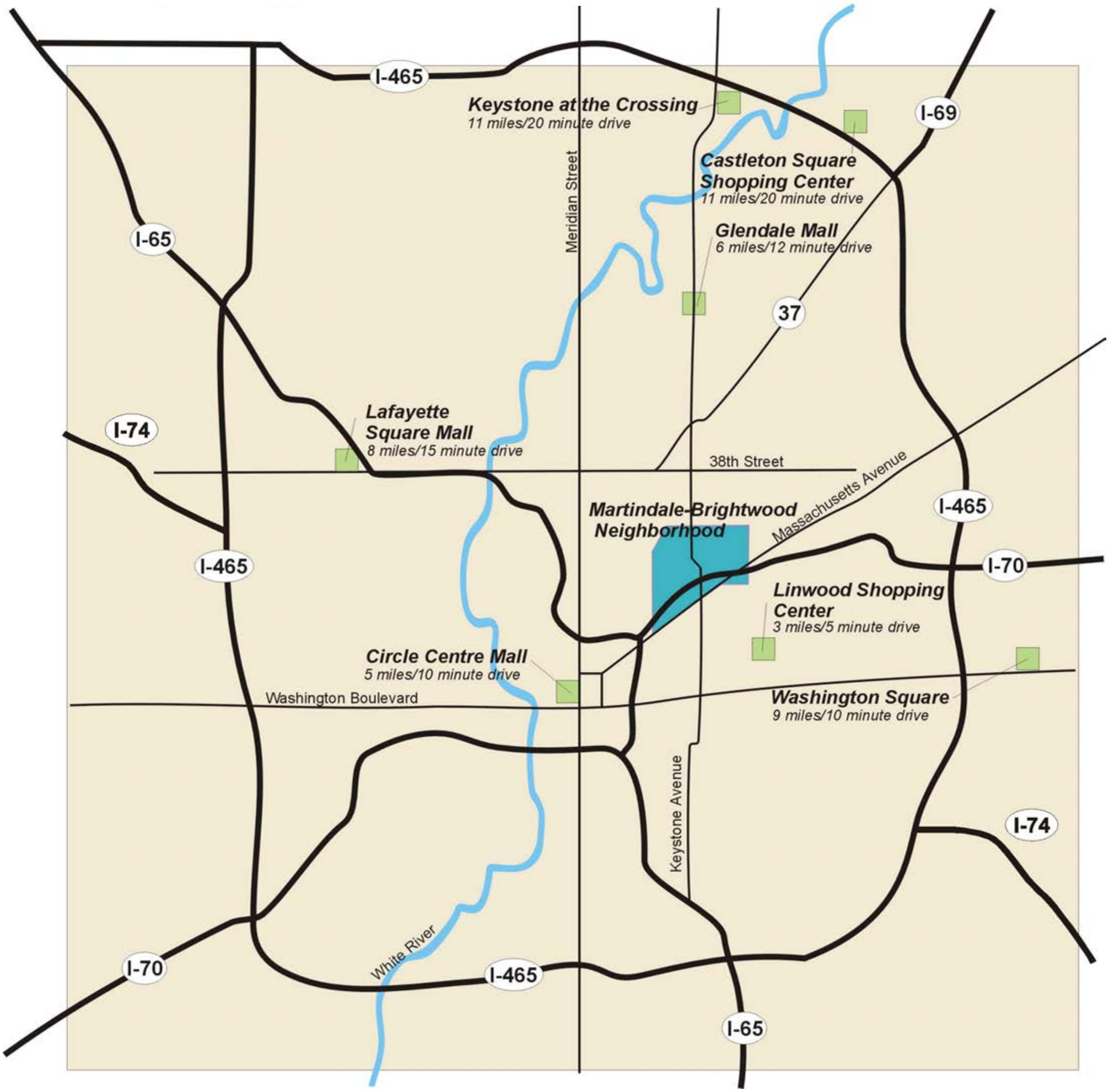
It is difficult to quantify retail space square footages in this study area. Many commercial uses are found in residential structures without clear indicators of the business name, type of business, hours of operation, etc. In addition, many former commercial buildings have been converted to other non-retail uses, such as storefront churches. The appearance, in terms of maintenance and general upkeep, of several commercial structures is such that they could be mistaken for an abandoned building or defunct business. Adjacent to and in close proximity of both Brightwood Plaza and 25th Street Plaza are several vacant lots and underutilized commercial buildings that significantly detract from the retail centers' appeal, from both an investor and customer standpoint, and often prompt and invite undesirable activity. It is assumed by many neighborhood residents that several seemingly vacant buildings are being used for illegal purposes further adding to the negative perception of this neighborhood.

There exists no definite retail anchors that have served as neighborhood institutions; however, there do exist several retail establishments and uses that could be considered a convenience or amenity to the neighborhood and also provide some economic development opportunity. To name a few, the United States Post Office, Safeway, and National City Bank on Sherman Drive; Armin Graul Hardware and Douglass Park Golf Course on Dr. Andrew J. Brown Avenue; the Flower Hut on Columbia near 16th Street; and several ethnic restaurants. From an aesthetic and physical improvement perspective, part of the equation for a new retail center may be to select strong local, existing retailers to relocate to a new retail center. This strategy could provide a core retail base for a new center, a better location for the existing business, and a more convenient shopping experience for neighborhood residents.

Competing Retail Centers

Through the resident survey it was determined that Martindale-Brightwood residents tend to shop outside their neighborhood for most goods and services, with Linwood Square, Glendale, and Washington Square cited most often. Located along East 10th Street between Sherman Drive and Emerson Avenue, Linwood Square is approximately three miles from the Martindale-Brightwood Neighborhood. It is a 166,000 square foot suburban-style retail strip center anchored by Kroger and includes other tenants such as a video rental, laundromat, several electronics stores, several restaurants, a clothing store, and a drug store. A majority of survey respondents indicated that they travel approximately five miles

Competing Retail Centers



from their neighborhood to shop at "Glendale." "Glendale" is the term used to refer to the retail corridor along Keystone Avenue from approximately Target at 52nd Street to Wal-Mart at 71st, including Glendale Mall at 62nd Street. Glendale Mall is a regional shopping center that features L.S. Ayres, a large department store, along with several other national retailers commonly found in most regional and super regional shopping centers, a branch of the Indianapolis-Marion County Public Library, and a movie theater. Freestanding retail buildings along Keystone Avenue near Glendale Mall contain grocery stores, drug stores, fast food restaurants, gas stations, a large home improvement store, a large office supply store, and numerous other retail establishments. Washington Square is a super regional center approximately 10 miles from the Martindale-Brightwood Neighborhood anchored by L.S. Ayres, Sears, and Target. Complementing commercial centers near Washington Square at the intersection of Washington Street and Mithoefer Road include grocery stores, large specialty stores, a discount department store, and numerous fast food restaurants and gas stations. Other retail centers such as the Downtown Circle Centre Mall, Lafayette Square, Keystone at the Crossing (Fashion Mall), and Castleton Square were also mentioned, but less frequently.

Market Overview

chapter 4

Methodology

In order to assess the viability of retail development, it is necessary to understand the local conditions. This market analysis provides a baseline socioeconomic description of the Martindale-Brightwood Neighborhood including: 1) demographic history—population profile, households, and income, 2) demographic projections, 3) consumer spending patterns, and 4) a review of the current physical condition of the neighborhood—housing and retail stock, infrastructure, overall aesthetics, etc. This chapter provides an overview of the Martindale-Brightwood retail market, which will lead to the identification of types of additional retail businesses likely to meet the consumers' needs and benefit from a Martindale-Brightwood location.

Market information for this neighborhood retail study was collected using a variety of techniques. Demographic data was purchased from CACI Marketing Systems, a national database. Most information obtained from CACI includes 2000 Census data, however, in some cases only 1990 data was available. In addition to standard demographic information such as population and income statistics, consumer spending information was also purchased from CACI. Based on the Bureau of Labor Statistics' Consumer Expenditure Interview Survey, this information reports how and where residents of the Martindale-Brightwood Neighborhood spend their disposable income in comparison to national averages.

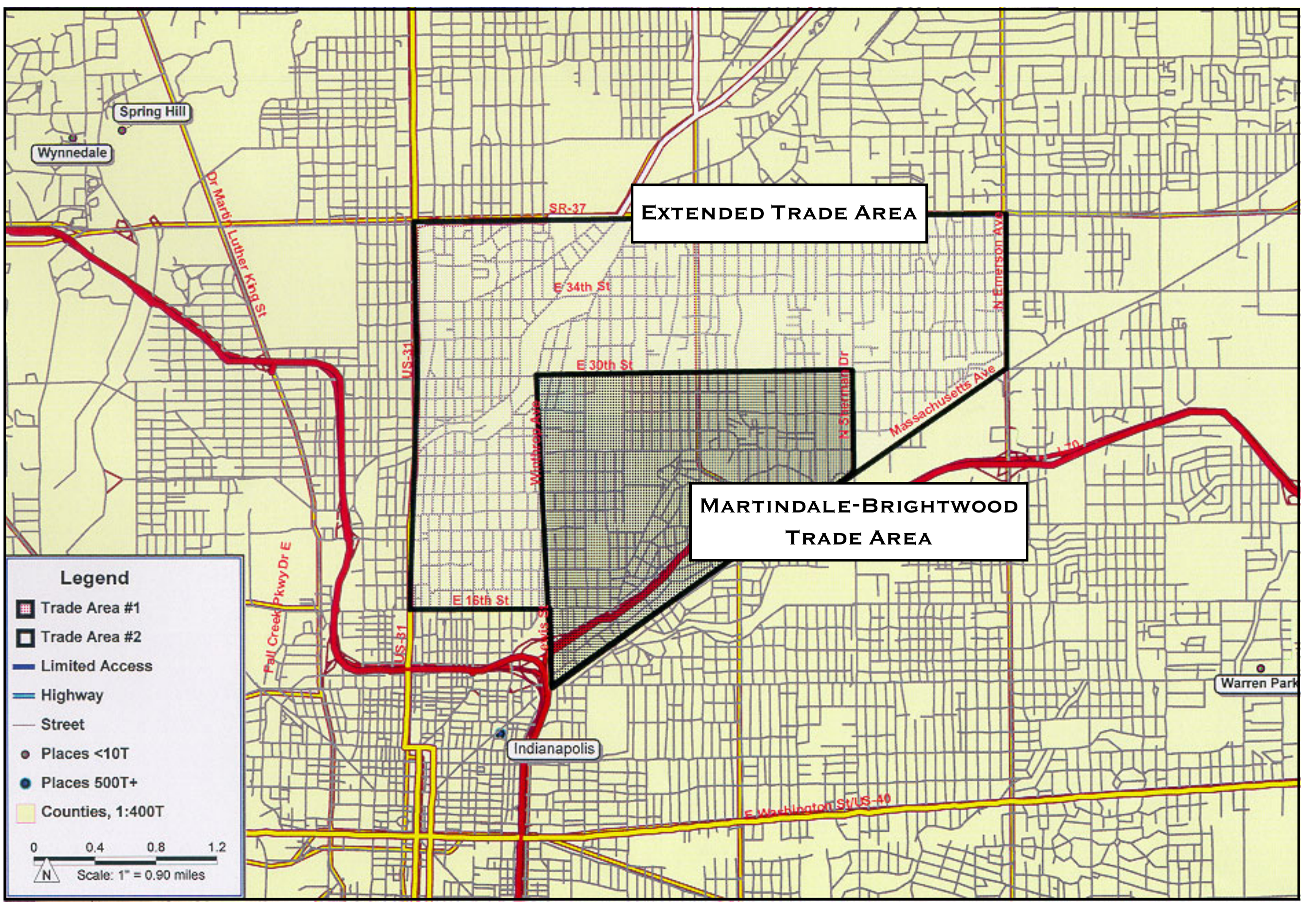
As a supplement to the CACI information, a survey was distributed to neighborhood residents to more specifically determine current spending habits and retailing needs. Stakeholder interviews were conducted to gain a sense of the community's retail desires from the perspective of neighborhood leaders, business owners, commercial property owners, developers, real estate professionals, and lending institutions. Information gained through the residential surveys and personal interviews provided critical insight into the economic and social composition of the Martindale-Brightwood Neighborhood—the type of information not available from the Census Bureau or traditional market research.

As a means of evaluating the physical conditions of the Martindale-Brightwood Neighborhood and existing retail supply and quality of goods and services offered, the project team conducted an extensive "windshield survey" of the study area. In this survey, the project team identified current retail centers or areas of concentrated commercial uses and types of goods and services offered. The team also noted vacant storefronts, commercial buildings, and land for future reference of potential redevelopment opportunities.

Trade Area Definition

Two retail trade areas were defined and profiled for the Martindale-Brightwood Neighborhood as part of this market study. A retail trade area is the geographic area that provides a customer base for selected businesses. Trade area boundaries are defined by many factors including retail center type, accessibility, physical and psychological barriers, location of competition, distance and drive time, proximity to transportation corridors, and population density. Customers residing closest to a retail site will affect it most profoundly, with customer influence decreasing gradually as the distance between place of residence and venue of commerce increases. A primary trade area is the area from which a commercial center obtains its largest share of repeat sales.

The primary and extended trade areas for this study area were selected as a result of the initial site survey and based on expected resident shopping patterns. The primary trade area is defined as the entire Martindale-Brightwood Neighborhood, bound by 30th Street to the north, Sherman Drive to the east, Massachusetts Avenue to the south, and the Monon Trail to the west. The extended trade area is bound by 38th Street to the north, Emerson Avenue to the East, Massachusetts Avenue and 16th Street to the south, and Meridian Street to the west.



Boundaries of the Martindale-Brightwood and extended trade areas.

Neighborhood Trade Area Population Characteristics

The 2000 population of the Martindale-Brightwood Neighborhood was 7,580. According to CACI Marketing Systems, this population is expected to decline at an annual rate of 1.15% between the years 2001 and 2006. Some of this population decline can be attributed to the decline in the average size of households, housing demolition, increased vacant residential structures, and a lack of new housing development. In 2000, the average size of a Martindale-Brightwood household was 2.56 persons. This number is expected to decrease to 2.43 by 2006.

Ralston Estates provides new housing opportunites for existing Martindale-Brightwood residents and attracts residents from around the City.

The median household income increased from $14,133 in 1990 to a 2001 forecast of $22,381; however, according to CACI, it is expected to decrease by 2.46% per year to $19,765 in 2006. The average household income increased from $21,402 (1990) to $27,084 (2001 forecast) and is expected to grow at a modest rate through the study's projection period of 2006.

Extended Trade Area Population Characteristics

The extended trade area represents an opportunity to enhance the Martindale-Brightwood's ability to attract potential retailers. Including this area as a potential customer base increases the population density and income level and, therefore, its marketability. The extended trade area will likely also contribute a significant number of commuters to the Martindale-Brightwood Neighborhood. Travel from this extended trade area into the neighborhood is relatively easy, given the I-70 interchange and the Keystone Avenue corridor. The ease of travel between the two trade areas will provide the Martindale-Brightwood Neighborhood with additional consumers from the extended trade area if attractive shopping opportunities are available.

Population Snapshot

	Martindale-Brightwood Neighborhood	Extended Trade Area		Martindale-Brightwood Neighborhood	Extended Trade Area
Population			**Median HH Income**		
2000 Census	7,580	35,160	1990 Census	$14,133	$17,254
2001 forecast	7,482	34,662	2001 forecast	$22,381	$24,786
2006 forecast	7,063	32,543	2006 forecast	$19,765	$22,657
Households			**Ave HH Income**		
2000 Census	2,894	13,723	1990 Census	$21,402	$23,224
2001 forecast	2,884	13,656	2001 forecast	$27,084	$30,344
2006 forecast	2,828	13,325	2006 forecast	$27,946	$32,032
Ave HH Size			**Per Capita Income**		
2000 Census	2.56	2.52	1990 Census	$7,552	$8,432
2001 forecast	2.53	2.5	2001 forecast	$10,467	$12,027
2006 forecast	2.43	2.4	2006 forecast	$11,221	$13,200
Median Age			**Race & Ethnicity (2000)**		
2000 Census	35.4	34.5	Black	93.8%	89.5%
2001 forecast	35.8	34.9	White	4.3%	8.5%
2006 forecast	37.2	36.1	Hispanic (any race)	1.3%	1.1%
			Other	0.6%	0.9%

Like the primary trade area, the population of the extended trade area is decreasing. The 2000 Census count for this area, which also includes the population of the Martindale-Brightwood Neighborhood, was 35,160. According to CACI, this population is expected to decrease at an annual rate of 1.25% between the years 2001 and 2006. The number of households is also expected to decrease from 13,723 in 2000 to 13,325 by 2006 (0.49% decrease per year).

The median household income of the extended trade area is slightly higher than that of the Martindale-Brightwood Neighborhood. In 1990, the median household income was $17,254. The CACI forecast for 2001 is $24,786 and a 1.78% annual decline to $22,657 by 2006. However, both the average household income and the per capita income are expected to increase to $32,032 and $13,200, respectively, by 2006.)

Other Trade Areas

The St. Paul AME Church is one of many places of worship in the Martindale-Brightwood Neighborhood.

It is also important to acknowledge the significant commuter traffic that passes through the Martindale-Brightwood Neighborhood on a daily basis. The neighborhood's close proximity to I-70, the prominence of Keystone Avenue as a major north-south thoroughfare, and the regular use of the east-west corridors of 25th and 30th streets, position Martindale-Brightwood as a neighborhood that can market its strong daily commuter traffic as one of its strengths. The neighborhood also hosts a large number of churches and places of worship with congregations comprised of Martindale-Brightwood residents, but mostly churchgoers from outside the immediate area. As a result, there is a high visitor population in the neighborhood on Sundays. Due to limitations and constraints of this retail study, a quantifiable analysis of this commuter traffic and visitor populations (outside of traffic counts) is not available.

ACORN

CACI uses A Classification of Residential Neighborhoods (ACORN), a system that categorizes and characterizes segments of neighborhood populations. Sixty-one lifestyle indicators, such as income, age, and occupation, are used to determine consumer behavior of residents. ACORN has nine general groups, each containing three to seven clusters for a total of 43 clusters. The clusters provide the system for predicting the shopping habits of neighborhood residents. Many retailers and commercial developers use ACORN when making location decisions for investment. The ACORN profiles for the Martindale-Brightwood Neighborhood and the extended trade area are included in the Appendix of this report.

Retail Trade Analysis

The spending potential index from CACI Marketing Systems compares the average expenditure for a product or service locally to the average amount spent for the product or service nationally. A value of 100 represents the national average. A value greater than 100 indicates higher than average spending; an index less than 100 indicates lower spending (relative to the U.S. average). For instance, an index of 120 shows that average spending by consumers in the trade area is 20% higher than the national average; an index of 85 shows that average spending in the trade area is 15% lower than the national average. This information is based on the Bureau of Labor Statistics' Consumer Expenditure Interview

MARTINDALE-BRIGHTWOOD NEIGHBORHOOD
Bounded by 30th Street (N), Sherman Drive (E), Massachusetts Avenue (S), Monon Trail (W)

	Current Total Dollars Spent*	Current Spending Potential Index**	Estimated Demand - Scenario #1				Estimated Demand - Scenario #2			
			Potential Capture Rate	Total Sales Captured	Nat'l Ave. Sales Per Sq. Ft.***	Potential Space Demand (s.f.)	Potential Capture Rate	Total Sales Captured	Nat'l Ave. Sales Per Sq. Ft.***	Potential Space Demand (s.f.)
PERSONAL PRODUCTS										
Men's Apparel	$699,098	50	20%	$139,820	$178.94	781	30%	$209,729	$197.78	1,060
Women's Apparel	$1,395,625	56	20%	$279,125	$172.99	1,614	30%	$418,688	$191.20	2,190
Children's/Infants' Apparel	$778,553	65	20%	$155,711	$145.21	1,072	30%	$233,566	$160.49	1,455
Footwear	$937,795	73	20%	$187,559	$150.14	1,249	30%	$281,339	$165.94	1,695
Watches & Jewelry	$415,371	65	20%	$83,074	$298.52	278	30%	$124,611	$329.94	378
Restaurants	$3,163,016	48	20%	$632,603	$200.66	3,153	30%	$948,905	$221.78	4,279
Books & Periodicals	$288,678	41	20%	$57,736	$177.99	324	30%	$86,603	$196.73	440
Cameras & Equipment	$139,869	37	20%	$27,974	$266.33	105	30%	$41,961	$294.37	143
Luggage	$15,175	38	20%	$3,035	$210.63	14	30%	$4,553	$232.81	20
Optical Goods	$112,978	45	20%	$22,596	$194.55	116	30%	$33,893	$215.03	158
Pets & Supplies	$301,309	35	20%	$60,262	$115.43	522	30%	$90,393	$127.59	708
Sporting Goods	$222,179	36	20%	$44,436	$145.06	306	30%	$66,654	$160.33	416
Games & Toys	$286,974	46	20%	$57,395	$130.38	440	30%	$86,092	$144.10	597
HOUSEHOLD PRODUCTS										
Groceries	$7,030,299	58	40%	$2,812,120	$311.72	9,021	50%	$3,515,150	$344.54	10,202
Alcoholic Beverages	$522,374	44	20%	$104,475	$203.60	513	30%	$156,712	$225.04	696
Home Improvement	$916,971	45	20%	$183,394	$154.61	1,186	30%	$275,091	$170.89	1,610
Major Appliances	$370,586	52	20%	$74,117	$177.28	418	30%	$111,176	$195.94	567
Television & Video Equipment	$400,960	51	20%	$80,192	$195.85	409	30%	$120,288	$216.47	556
Furniture	$744,828	48	20%	$148,966	$137.64	1,082	30%	$223,448	$152.12	1,469
Other Household Furnishings	$1,368,164	41	20%	$273,633	$136.27	2,008	30%	$410,449	$150.61	2,725
Personal Computers	$286,663	36	20%	$57,333	$137.27	418	30%	$85,999	$150.61	571
Lawn & Garden	$395,019	39	20%	$79,004	$138.27	571	30%	$118,506	$150.61	787
PERSONAL SERVICES										
Theater & Movies	$159,415	44	20%	$31,883	$57.91	551	30%	$47,825	$64.01	747
Video Rental	$86,107	49	20%	$17,221	$81.87	210	30%	$25,832	$90.49	285

** Source: CACI Marketing Systems*

*** Spending potential index measures the amount spent for a product compared to the national average of 100. For example, an index of 105 indicates spending patterns are 5% greater than the national average.*

**** Source: Urban Land Institute*

EXTENDED TRADE AREA
Bounded by 38th Street (N), Emerson Avenue (E), Massachusetts Avenue & 16th Street (S), Meridian Street (W)

	Current Total Dollars Spent*	Current Spending Potential Index**	Estimated Demand - Scenario #1				Estimated Demand - Scenario #2			
			Potential Capture Rate	Total Sales Captured	Nat'l Ave. Sales Per Sq. Ft.***	Potential Space Demand (s.f.)	Potential Capture Rate	Total Sales Captured	Nat'l Ave. Sales Per Sq. Ft.***	Potential Space Demand (s.f.)
PERSONAL PRODUCTS										
Men's Apparel	$3,760,032	56	10%	$376,003	$178.94	2,101	20%	$752,006	$197.78	3,802
Women's Apparel	$7,407,525	62	10%	$740,753	$172.99	4,282	20%	$1,481,505	$191.20	7,748
Children's/Infants' Apparel	$4,018,930	72	10%	$401,893	$145.21	2,768	20%	$803,786	$160.49	5,008
Footwear	$4,800,466	78	10%	$480,047	$150.14	3,197	20%	$960,093	$165.94	5,786
Watches & Jewelry	$2,177,179	72	10%	$217,718	$298.52	729	20%	$435,436	$329.94	1,320
Restaurants	$17,031,059	54	10%	$1,703,106	$200.66	8,488	20%	$3,406,212	$221.78	15,359
Books & Periodicals	$1,570,872	47	10%	$157,087	$177.99	883	20%	$314,174	$196.73	1,597
Cameras & Equipment	$782,745	44	10%	$78,275	$266.33	294	20%	$156,549	$294.37	532
Luggage	$85,283	45	10%	$8,528	$210.63	40	20%	$17,057	$232.81	73
Optical Goods	$597,521	50	10%	$59,752	$194.55	307	20%	$119,504	$215.03	556
Pets & Supplies	$1,654,936	40	10%	$165,494	$115.43	1,434	20%	$330,987	$127.59	2,594
Sporting Goods	$1,233,584	43	10%	$123,358	$145.06	850	20%	$246,717	$160.33	1,539
Games & Toys	$1,548,241	52	10%	$154,824	$130.38	1,187	20%	$309,648	$144.10	2,149
HOUSEHOLD PRODUCTS										
Groceries	$36,389,312	63	10%	$3,638,931	$311.72	11,674	20%	$7,277,862	$344.54	21,123
Alcoholic Beverages	$2,883,455	51	10%	$288,346	$203.60	1,416	20%	$576,691	$225.04	2,563
Home Improvement	$4,820,373	50	10%	$482,037	$154.61	3,118	20%	$964,075	$170.89	5,641
Major Appliances	$1,912,525	56	10%	$191,253	$177.28	1,079	20%	$382,505	$195.94	1,952
Television & Video Equipment	$2,119,119	57	10%	$211,912	$195.85	1,082	20%	$423,824	$216.47	1,958
Furniture	$3,967,564	53	10%	$396,756	$137.64	2,883	20%	$793,513	$152.12	5,216
Other Household Furnishings	$7,506,067	47	10%	$750,607	$136.27	5,508	20%	$1,501,213	$150.61	9,968
Personal Computers	$1,628,239	43	10%	$162,824	$137.27	1,186	20%	$325,648	$150.61	2,162
Lawn & Garden	$2,102,230	44	10%	$210,223	$138.27	1,520	20%	$420,446	$150.61	2,792
PERSONAL SERVICES										
Theater & Movies	$887,354	51	10%	$88,735	$57.91	1,532	20%	$177,471	$64.01	2,773
Video Rental	$465,064	56	10%	$46,506	$81.87	568	20%	$93,013	$90.49	1,028

** Source: CACI Marketing Systems*
*** Spending potential index measures the amount spent for a product compared to the national average of 100. For example, an index of 105 indicates spending patterns are 5% greater than the national average.*
**** Source: Urban Land Institute*

Survey. Spending patterns are differentiated by socioeconomic characteristics and geography; they are updated to current prices using the Consumer Price Index. The tables on pages 20 and 21 show the spending potential of the Martindale-Brightwood Neighborhood and extended trade area.

The Martindale-Brightwood Neighborhood spends $7 million annually on groceries, $3.1 million per year at restaurants, $1.3 million per year on household furnishings, and $1.3 million on women's apparel. Current spending levels indicate the amount of retail space that could potentially be supported by the representative trade area. For instance, the $7 million spent on groceries by the residents of the Martindale-Brightwood Neighborhood supports approximately 9,000 to 10,000 square feet of grocery retail space. The Safeway at Brightwood Plaza is a 20,000 square foot store. Using the current market conditions of the immediate study area only, current spending is not supporting the existing neighborhood grocery store. However, it is important to consider the spending potential of the extended trade area. The extended trade area spends approximately $36.3 million annually on groceries. At a conservative estimate, this spending can support roughly 11,600 to 21,100 square feet of retail space. Current spending supports the existing store.

Each trade area has been analyzed with regard to the amount of potential spending the study area may be able to capture. Two capture rates were utilized for each market area. As the market expands, the capture rate is expected to diminish because more retail options are available to consumers. As such, the analysis of the Martindale-Brightwood trade area utilizes a capture rate of 20% to 30% for all retail types with the exception of groceries which has a capture rate of 40% to 50%. The extended trade area utilizes a capture rate of 10% to 20%.

Within the scope of this study, it was not possible to determine the current capture rates of existing retail and service providers. As such, the capture rates used for the spending potential analysis are benchmark estimates, which can provide some indication of demand levels for specific types of services.

Using the capture rate estimates and national average sales per square foot for a number of product and service categories, a determination regarding the potential demand for retail services can be projected. This demand is measured by the amount of space (in square feet) that can be supported in the area. For example, the total demand for retail space in the Martindale-Brightwood trade area is 26,364 square feet using a conservative (20%) capture rate estimate. The extended trade area, which includes the Martindale-Brightwood Neighborhood, has a total demand of 93,148 square feet (assuming a 10% capture rate).

The Martindale-Brightwood Neighborhood hosts a number of liquor stores; survey respondents indicated that additional liquor stores are not desired.

Resident Survey Results

A survey was distributed at the Martindale-Brightwood Town Hall meeting in January 2002. Meeting attendees were asked to complete and return the surveys. Neighborhood association presidents and community leaders were asked to disseminate the remainder of the surveys throughout the community. This survey was an attempt to gather information on the spending habits and the retail likes/dislikes of neighborhood residents. It was also a means for gathering neighborhood economic and social information in order to validate or challenge the demographic profile presented by CACI. Nine hundred surveys were distributed in a two-month period; 89 were returned and tabulated. This approximate 10% return rate is adequate; however, it is important to note that this is only 10% of the surveys distributed, not 10% of the neighborhood population. The survey results reflect approximately 1% of the Martindale-Brightwood Neighborhood's retail preferences and shopping habits.

Forty-two percent of survey respondents currently live in the Brightwood area, 24% in Oakhill, and 15% in Ralston Hovey. The remainder of the respondents identified Hillside, Oxford Terrace, or "other" as their neighborhood. One and two person households are most common among survey participants at 29% and 31%, respectively; 21% of respondents live in three person households. Approximately 76% own their homes and 81% own a motor vehicle.

Half of survey participants indicated that they work in "other" areas of the City or are unemployed, approximately 10% are employed in the Martindale-Brightwood Neighborhood, and less than 10% work downtown or in suburban Indianapolis. When asked the question, "Where do you currently work?", 27% of survey respondents indicated that they are retired. Yet, when asked the question, "What is your occupation?", 43% indicated that they are retired. Since very few people answered the second question with "unemployed," an assumption can be made that many unemployed residents identified their occupation to be retired. Twenty percent classified their occupation as professional, with smaller percentages working in labor, clerical, technical, service, or sales positions.

Thirty-six percent of survey respondents reported an annual household income of $30,000 or more; 47% reported an annual income of $20,000 or less. Most respondents tended to be over the age of 49, with 32% over the age of 69. Ninety-five percent was African-American; 73% was female.

Located near the intersection of 25th Street and Keystone Avenue, 25th Street Plaza is one of two concentrated retail centers in the study area.

Survey respondents identified the Linwood Shopping Center (approximately three miles from the Martindale-Brightwood Neighborhood), Glendale (approximately five miles), Lafayette Square (approximately eight miles), and Washington Square (approximately 10 miles) as retail centers where they primarily shop for a variety of goods and services (groceries, clothing, hardware, bank). Within the Martindale-Brightwood Neighborhood, respondents tend to patronize the Safeway at Brightwood Plaza, the Double 8 at Sherman and 30th Street, Armin Graul on Dr. Andrew J. Brown Avenue, and many of the businesses (hair care, dry cleaners, Church's Chicken) near the intersection of Keystone Avenue and 25th Street. Many of these businesses are located in the 25th Street Plaza. Generally, survey respondents indicated that most Martindale-Brightwood retail establishments do not meet the neighborhood residents' daily shopping needs, do not keep premises clean and well-maintained, and do not have a positive impact on nearby residences; however, adequate parking is usually available.

Convenience stores are common throughout the study area.

In terms of money spent on food away from home (restaurants, take-out, etc.), 61% of respondent households spend less than $50 per week. Thirty-one percent spends $50 to $100 per week and 8% spend more than $100 per week. An overwhelming majority of respondents indicated that they do not purchase most goods or services in the Martindale-Brightwood Neighborhood and there is a need for additional commercial services—grocery and convenience stores, drug store/pharmacy, fast food and sit-down restaurants, bakery/coffee shops, dry cleaners/laundry, hardware/paint/supplies, video rental, and bank/ATM. The types of additional retail or services listed as undesirable by survey participants include liquor stores, pawn shops, check cashing facilities, and convenience stores.

Stakeholder Interviews

Early in the information gathering stage of this planning process, the project team interviewed several key stakeholders in the Martindale-Brightwood Neighborhood representing neighborhood leaders, business owners, commercial property owners, developers, real estate professionals, and lending institutions. When asked about the neighborhood's retail climate, stakeholder interviewees generally indicated that some Martindale-Brightwood businesses are destinations, drawing a customer base from within the immediate area as well as citywide. Neighborhood customers tend to be loyal and would support a new retail establishment, as long as it was a retailer providing quality goods and services. The core of the Martindale-Brightwood population is comprised of hardworking residents that have a strong sense of unity and a growing sense of community—there is a desire to see the area's conditions improve.

Issues and concerns revealed in these stakeholder interviews pertained to the quality and quantity of existing Martindale-Brightwood retail establishments. Interviewees felt that they do not offer basic goods and services demanded by the community. Businesses that are located in the neighborhood tend to offer marginal quality goods and are so scattered that a clear, defined retail center is not evident and no retail anchors exist. The physical condition of many neighborhood commercial buildings, and the aesthetics of the neighborhood itself, is not inviting to potential customers. For instance, signs indicating the business name and hours of operation, in many cases, are not current or are misleading. New investors are deterred by the neighborhood's "blight," which includes an abundance of buildings in disrepair, abandoned buildings, unkempt vacant lots, deteriorating infrastructure, lack of City services and obvious code violations, and the negative perception attached to the Martindale-Brightwood Neighborhood. It was also mentioned that a significant percentage of the neighborhood's population is transient and it is difficult for area minority business owners to obtain loans for capital improvements, regardless of income and credit.

Retail needs of the neighborhood include *quality* basic goods and services (i.e. groceries, gas, prescriptions, banking, fast food and moderately priced sit-down restaurants), specifically serving the needs of an elderly population. New retail establishments should be strategically designed and located to serve both pedestrian and vehicular customer traffic. Outside of the retailing needs, Martindale-Brightwood community stakeholders indicated that new residents and new housing opportunities to attract middle-class homeowners are essential in order to bring in some of the desired retail. The neighborhood is also in need of organizational development and guidance, "a professional with expertise, financing, vision, and a plan" to help the community to focus on redevelopment opportunities and help set and attain tangible goals.

As the stakeholders acknowledged the concerns and retail needs of the Martindale-Brightwood Neighborhood, they also referred to the key opportunities presented by this community. Because this neighborhood and adjacent neighborhoods have a dense population and few retail options, there is a current market and a loyal customer base for the desired basic retail and services. The expansion of the Monon Trail on the west side of the study area connecting to Downtown creates a new pedestrian thoroughfare in the neighborhood and a new recreational opportunity. The abundance of churches in the area brings in a significant visitor population each Sunday; this population could be considered a part of the potential customer base. Stakeholders most often proclaimed Martindale-Brightwood's proximity to I-70 and the impending construction of the Keystone Enterprise Park as the neighborhood's most important opportunity for redevelopment, more specifically opportunity to attract potential retailers.

Neighborhood Capacity Building

Throughout the planning process, the project team looked for opportunities to facilitate the Martindale-Brightwood Neighborhood leadership's understanding of the study area's retail climate and strategies to influence it in a positive manner. These opportunities developed into two "capacity building" exercises—*Thinking like a retailer* and *Thinking like a developer*—conducted during Steering Committee meetings.

Thinking like a retailer . . .

The first exercise, *Thinking like a retailer*, attempted to educate Steering Committee members on the ways national retailers typically select sites for new store locations. There are seven basic concepts that retailers generally find to be determinants of successful projects:

1. **Retail follows residential**

   The natural development of a retail center follows the development of sufficient residences to support the businesses in the center. When retail space is added to an existing neighborhood, it must offer goods that are desired by nearby residents in quantities that satisfy local demand. As the population in a neighborhood declines and/or household median income declines, retail space vacancies occur because there is no longer sufficient demand to support the space. As additional housing is built, new residents will bring increased demand for retail businesses—the development community will view the positive demographic changes favorably thus making the area a more desirable place to locate a store or restaurant.

2. **Everyone wants the corner location**

   "Location, location, location" is the first rule of real estate—a good location does not guarantee success but a poor location can cause failure. Retail business location specialists all seek the few signalized intersections in a commercial corridor; location is superior for safety and visibility, signal acts like a billboard.

3. **Critical mass is crucial**

   Except for a few stores, like Meijer or Super Kmart, that offer "one-stop shopping," retail businesses are more successful when located in an area that contains 10 to 15 additional stores. Concentrations of similar businesses create powerful draws for customers wanting to explore all options before purchasing or making a last minute decision based on a quick assessment of shopping options.

4. **Everyone wants to be third**

   The most difficult lease for any retail development is the first tenant. When a retail development involves a new construction project, the first tenant must be a "credit tenant" proving to financiers that the contemplated project will be strong enough to pay rent for a sustained period thus reducing the risk to the development's investors. A credit tenant has both a history of paying rent and a business concept that consistently attracts a large number of customers. Once this strong tenant is found, the project developers use that tenant to attract more businesses that appeal to the same customers. As each additional business commits to the retail center, new tenants become interested in the location and it becomes easier to lease the retail space.

5. **National owners are inflexible**
   National chain store executives manage a complicated network of locations by setting performance standards and measuring each location against those standards. When a location fails to meet standards, it is closed and the money supporting that location is reassigned to a location that has the potential to meet the designated standards. National chains cannot be flexible about their expectations or wait for the development of a market because their systems rely on supplying a certain volume of sales.

6. **To be successful, independent owners need support**
   The United States Department of Labor statistics report that four out of five independent retail businesses fail before their fifth anniversary. Large national chains have cost advantages in buying, rental rates, financing, employee development, and advertising. However, independent retailers can still compete by being more closely attuned to local (niche) markets.

7. **Sometimes Things Get Done for Irrational Reasons**
   Retailing is full of ultimately successful projects that violated basic retailing concepts. This irrationality provides the excitement and creativity that differentiates retailing from other commercial developments.

Thinking like a retailer . . .

Regardless of the development site, retailers find the following basic concepts often determine the success of projects:

1. Retail follows residential
2. Everyone wants the corner location
3. Critical mass is crucial
4. Everyone wants to be third
5. National owners are inflexible
6. To be successful, independent owners need support
7. Sometimes things get done for irrational reasons

Source: Bridget Lane, Business Districts Inc.

Thinking like a developer . . .

Since the location of many retail centers is at the discretion of developers, not necessarily individual retailers, the second exercise, *Thinking like a developer*, focused on the site, market, and physical considerations that are factored into a developer's decision making process. Site considerations include size, configuration, location (accessibility, visibility), topography, soil condition, environmental, preparation costs, adjacent development, and zoning. A developer typically conducts a market analysis based on the demographics of a primary and secondary trade area, retail competition (distance, tenants, condition, performance), and market niches (voids, emerging, synergies). Assuming the market analysis is favorable, a developer will then determine the financial feasibility of the project which includes assessing land and development costs, projected lease rates, projected land sales, potential tenant commitments, and operational issues. The final consideration is design—site plan and architectural style. The site plan includes elements such as the building plan, parking, curb cuts and circulation, landscaping, outlots, signage, and buffering.

Retail Development Strategies

chapter 5

Neighborhood Purchasing Power

Despite the strong retail purchasing power of inner-city residents, urban neighborhoods have been typically overlooked as desirable retail markets in favor of the suburban strip mall. Oftentimes in inner-city business districts, "looking at the numbers" does not immediately lead to an obvious retail development strategy. Retailers and developers have traditionally utilized a model of targeting areas with high household incomes and/or high traffic volumes when selecting new development sites. The Martindale-Brightwood Neighborhood does not meet the high income requirements of many retailers; however, the area does offer a dense population, reasonable traffic volumes, and access to major thoroughfares. With these neighborhood advantages in mind, leaders of the Martindale-Brightwood Neighborhood can capitalize on the economic development opportunities that may allow the area to attract businesses and investment with a focused development strategy. The recommendations that follow involve capitalizing on specific geographic locations and proximities to recent or impending investment to create a more compelling Martindale-Brightwood retail marketplace.

One of the best ways to create an attractive retail climate is to focus on residential growth and create a positive neighborhood image. During the *Thinking like a retailer* capacity building exercise, it was emphasized that "retail follows residential." The Martindale-Brightwood Neighborhood has a dense residential population. More than 7,500 people reside within approximately 2.6 square miles. However, this population is expected to decrease throughout the next five years, which is viewed negatively by potential retail investors and becomes a difficult stigma to overcome. By offering new housing opportunities and making the area desirable for new residents, specifically potential homeowners, the neighborhood's density can be maintained. Fortunately, as the price of Downtown housing continues to increase, adjacent neighborhoods will benefit from those seeking more affordable, but still near-Downtown residences. Neighborhoods in close proximity to Martindale-Brightwood, such as the Old Northside, Cottage Home, and Windsor Park have already benefited from this type of interest and investment.

While the information presented in *Chapter 4, Market Overview* indicates that the spending power of Martindale-Brightwood residents barely supports the existing retail base in the neighborhood, it is important to consider the spending potential of the extended trade area, the neighborhood's position along major thoroughfares, access to commuter traffic, and the impending investment of the Keystone Enterprise Park development. The market data used in this report was retrieved from a national database, based on the 1990 and 2000 Census and national retailing standards. The resident survey results were evaluated as supplemental information tailored to address specific retail needs and concerns of the Martindale-Brightwood Neighborhood. Yet, this information understates the potential of the market and may not be entirely indicative of the neighborhood's economic conditions. For instance, neither of the data collection methods quantifies the commuter traffic or the Sunday visitor (churchgoers)

Martindale-Brightwood Neighborhood

Retail Market Study

Potential Redevelopment Directions

population. The potential retail site reconfigurations presented in this chapter attempt to address not only the current demographic and economic conditions of the Martindale-Brightwood Neighborhood, but also consider these factors (commuter traffic and visitor population) that are not necessarily reflected in a conventional analysis of the market numbers.

Potential Redevelopment Directions

The map on page 28 introduces several potential redevelopment directions, specifically addressing retail, for the Martindale-Brightwood Neighborhood. Three sites, labeled on the map, are identified as potential reconfigured retail areas. Also included are potential directions for non-retail areas within the neighborhood. The areas shaded in yellow indicate residential reinforcement and infill potential. To make this area attractive to developers and retailers, the residential (i.e. customer) base must be strong. By improving the living conditions and introducing new housing options, the area becomes more attractive to potential residents and, therefore, more attractive to commercial investors—retail follows residential. The areas shaded in green designate greenspace. Douglass Park Golf Course and Oscar Charleston Park are distinct amenities in the neighborhood. As the City of Indianapolis is improving these public spaces, there may be opportunity to expand their services and induce some economic development activity. The area south of 25th Street, between the Monon Trail and Dr. Andrew J. Brown (indicated in pink on the map) is an aging industrial area mixed with vacant and deteriorating residential structures. Residential reinforcement or redevelopment of this area is not likely given the possible environmental implications. However, this area could be retained as an economic development site if aesthetic and environmental improvements are made and the industrial uses are buffered from adjacent (non-industrial) uses. The area defined by dark blue, south of the industrial area, provides a connection, via 16th Street, to Downtown and emerging neighborhoods like the Old Northside and enjoys direct access to the Monon Trail. Given these characteristics, this area is a candidate for potential residential infill and business development.

The most significant future investment in the Martindale-Brightwood Neighborhood is the planned Keystone Enterprise Park, an 82-acre commercial and light industrial development near the I-70/Keystone Avenue interchange (shaded in light blue). This $17 million investment by the City will take place over the next five years and is expected to introduce more than 1,000 new jobs to the area. Plans for this development include 11 acres of retail to serve the needs of the tenants of the park. Access to this planned retail will be from Keystone Avenue, and it will be visible from I-70. Likely retail candidates may include a gas station, convenience store, and sit-down and fast food restaurants. The area highlighted in orange is a potential redevelopment area to complement the activity of the Keystone Enterprise Park. The redevelopment area currently includes commercial, industrial, institutional, and residential uses that could benefit from physical and functional improvements.

The remainder of this chapter reviews the three potential reconfigured retail areas in greater detail, describes their current conditions and opportunities, identifies potential barriers, and outlines support activities and next steps.

Retail Configuration Opportunity 1: 25th Street between the Monon Trail and Dr. Andrew J. Brown Avenue

As a western gateway into the Martindale-Brightwood Neighborhood, the area along 25th Street between the Monon Trail and Dr. Andrew J. Brown Avenue features a mix of uses—industrial, commercial, and industrial. There is some retail activity near the intersection of 25th and Dr. Andrew J. Brown—most notably a new restaurant on the

An eastern gateway into the Martindale-Brightwood Neighborhood along 25th Street.

An example of recent retail investment in the Martindale-Brightwood Neightborhood.

southwest corner of the intersection and Armin Graul Hardware Store across from Douglass Park Golf Course. Approximately 251,000 square feet, or 5.7 acres, along 25th Street could be available for retail development. This potential linear site includes the north and south sides of 25th Street between the Monon Trail and Dr. Andrew J. Brown Avenue.

This identified potential retail site has a connection to two prominent public uses—Douglass Park Golf Course and the South Monon Trail. Given this area's proximity to these two unique amenities, this site has potential as a specialty retail center. Specialty centers do not have a traditional anchor tenant; rather, they are based on a theme or niche. A possible theme for this area could be based on recreation, complementing uses, or introduce a new type of seasonal or temporary retailing like a farmer's market on Saturday mornings.

Armin Graul Hardware Store is a part of a 25th Street reconfiguration opportunity.

In order to prepare this site for potential retail development, several support measures need to occur. Throughout the Martindale-Brightwood Neighborhood code enforcement is an issue and concern; the 25th Street gateway is no exception. In order for this area to become a site attractive to investors, the physical appearance of the area must be improved. This includes a beautification and streetscaping program as well as an environmental clean-up. Abandoned or underutilized former industrial uses and properties should be removed to enhance the gateway into the neighborhood and allow for the positioning and reconfiguration of retail space. Owners of businesses within this area should be invited to take part in economic development programs designed to assist them with their business plans and capacity building, including how they could capitalize on a niche market and form synergenistic relationships with other proximate retailers. For instance, Armin Graul Hardware Store could expand its merchandise selection beyond hardware to include a lawn and garden center. By expanding their merchandise selection, owners of the hardware store would also be providing a new retail option to the neighborhood, expanding their customer base, and securing a position in the marketplace as a niche retailer.

Underutilized buildings at the intersection of 25th Street and Dr. Andrew J. Brown Avenue provide opportunity for retail redevelopment.

Potential barriers or impediments to the development of this site as a retail center include several incompatible uses (e.g. industrial sites), relatively low traffic counts along 25th Street (8,000 vehicles per day) and Dr. Andrew J. Brown Avenue (6,500 vehicles per day), and the negative image and perception that plagues the entire Martindale-Brightwood Neighborhood. As a means of addressing the image and perception concern, a concerted neighborhood beautification effort is a task that can be initiated immediately at little to no cost, through neighborhood, business, and church volunteers. This type of activity will demonstrate the community's desire and sincere commitment to neighborhood retail revitalization. Retail development in this area will be dependent upon the timing of the South Monon Trail expansion along with public improvements to the Douglass Park Golf Course, potential expansion of this facility, and the development of the youth driving range at a site just west of the Monon Trail (outside the study area boundaries) in the area known as “the bulge.”

Retail Reconfiguration Opportunity 2:
25th Street and Keystone Avenue

The intersection of 25th Street and Keystone Avenue is the geographic center of the Martindale-Brightwood Neighborhood. This intersection also hosts the greatest retail concentration and the greatest amount of traffic in the neighborhood along Keystone Avenue (25,800 to 29,400 vehicles per day) and 25th Street (13,264 vehicles per day). The 25th Street Plaza is located at the northwest corner of the intersection. This small retail strip center offers basic goods and services to area residents. Approximately 365,000 square feet, or 8.4 acres, could be available for retail reconfiguration near this important intersection, including the 25th Street Plaza, its surface parking lot, adjacent buildings, the Church’s Chicken lot at the northeast corner, and the entire block bound by 25th Street, Keystone Avenue, 24th Street, and Hillside Avenue.

This potential retail opportunity at 25th Street and Keystone Avenue, is adjacent to Keystone Enterprise Park.

As part of the Keystone Enterprise Park development, 11 acres fronting Keystone Avenue are planned for a retail center. Although it is assumed that this retail will service the tenants of the industrial park and the daytime workforce population, residents of the Martindale-Brightwood Neighborhood will also benefit from this commercial development. Planned retail includes a gas station, convenience store, and fast food and sit-down restaurants. A potential retail development site at the southwest intersection of 25th Street and Keystone Avenue, adjacent to the Keystone Enterprise Park, will capitalize on the development and investment occurring with the industrial park and the area’s proximity to and visibility from Interstate 70. A new retail center at this intersection should complement, not compete with, existing and planned retail in the immediate area and the Brightwood Plaza area.

Potential retail opportunity at 25th Street and Keystone Avenue.


Retail reconfiguration of this area could include the 25th Street Plaza.

Given the site’s location along a major thoroughfare and IndyGo bus routes, access to I-70, proximity to new investment and Downtown, if coordinated with the planned retail development of the Keystone Enterprise Park, the intersection of 25th Street and Keystone Avenue could support a community shopping center. A community shopping center is anchored by a junior department store with supporting strong specialty stores. The typical size of a community shopping center is 150,000 square feet drawing from a population base of 40,000 to 150,000 within a 10 to 20 minute drive. A "big box" retailer could be introduced at this site depending on lot sizes and land availability. Taking into consideration accessibility to and from I-70, this area's potential as a community shopping center will draw a customer base from not only the Martindale-Brightwood Neighborhood and extended trade area, but from the Near Eastside Neighborhood and growing Downtown and near-Downtown residential neighborhoods.

One potential barrier to the retail reconfiguration of this site is the limited availability of land. The lots on the northside of 25th Street are shallow, not conducive to much more than strip development similar in design to the 25th Street Plaza. Another potential impediment to the likelihood of retail development is the Marion County Juvenile Center at the southeast corner of the intersection. This institutional use adversely effects this location in two significant ways: 1) physically, in that the land occupied by the facility is not available for retail redevelopment, and 2) perceptually, in that the presence—especially at such a high-profile intersection—of this facility further perpetuates the negative image of the Martindale-Brightwood Neighborhood.

Potential retail opportunity at 25th Street and Keystone Avenue.

As with many areas of the Martindale-Brightwood Neighborhood, this site could benefit from stricter code enforcement by the City, a neighborhood beautification and streetscaping initiative, and economic development programming for small business owners. Starting points in the reconfiguration of this site for retail development consist of determining property ownership, exploration of the Keystone Enterprise Park relationship and potential synergies, coordination with the 25th and Sherman plans (i.e. Brightwood Plaza), and creation of an aggressive redevelopment strategy to market the site and recruit desirable tenants. The relationship between the retail development of the 25th and Keystone site and the 25th and Sherman site is significant and should be carefully considered to ensure a positive and healthy mix of retail is achieved.

Retail Reconfiguration Opportunity 3:
25th Street and Sherman Drive

The area near the intersection of 25th Street and Sherman Drive is most notably the location of the Brightwood Plaza. For more than 35 years, Brightwood Plaza has been a neighborhood shopping center for residents of Martindale-Brightwood and adjacent neighborhoods. Approximately 1.3 million square feet, or 31.7 acres, could be available for development or redevelopment near this intersection. This potential retail site includes the entire Brightwood Plaza, outlots, surface parking lots, the vacant lot north of the Plaza, vacant buildings on the northwest corner of 25th Street and Sherman Drive (including Cash Bargain Center), and several vacant or underutilized commercial structures along Sherman Drive, south of 25th Street.

Brightwood Plaza is already known as a retail center throughout the study area; however, its current physical appearance and quality of goods and services make it an undesirable shopping destination for some Martindale-Brightwood Neighborhood residents. It was revealed during the interview and survey process that Safeway, in

This outlot of Brightwood Plaza demonstrates potential for retail reconfiguration.

particular, was not a neighborhood asset because of its perceived tendency to sell low quality goods at inflated prices. The commercial properties along Sherman Drive between the railroad crossing and 25th Street are unkempt and littered with debris. In order to market this site to a potential investor, Brightwood Plaza and its environs should be cosmetically improved.

Potential retail opportunity at 25th Street and Sherman Drive.

Of the three target development areas, this location has three distinct advantages: 1) availability of land (approximately 31.7 acres), 2) current status as a shopping center (existing customer base), and 3) access to the Martindale-Brightwood Neighborhood as well as adjacent areas. This commercial center offers important uses such as a grocery store, full-service bank, and Indianapolis-Marion County Public Library that should be retained and incorporated into the redeveloped or reconfigured retail site. The reconfiguration of this site could lend itself to become a neighborhood shopping center. According to the Urban Land Institute, typical tenants of a neighborhood shopping center are supermarkets, pharmacy/drug stores, and complementing retail to support the immediate residential population. Neighborhood shopping centers average in size at approximately 50,000 square feet, but can range from 30,000 to 100,000 square feet (three to ten acres). These types of retail centers usually require a population base of 3,000 to 40,000 within a five to ten minute drive. As revealed through the market analysis, the extended trade spends $36.3 million annually on groceries. In the survey, residents indicated a need for a grocery store and pharmacy more than any other type of retail. A neighborhood shopping center anchored by a supermarket and pharmacy would meet the retail desires of Martindale-Brightwood community. Essentially, the future reconfiguration of the Brightwood Plaza would be as an expanded convenience center with complementing retail that meets the daily shopping needs of area residents.

Known throughout the community as a retail center, Brightwood Plaza could be reconfigured to offer a higher quality of goods and services to Martindale-Brightwood (and surrounding area) residents.

Brightwood Plaza, in its current state, is a neighborhood shopping center. In order to make the Plaza and surrounding areas attractive to investors and customers, several support activities should take place. The City and neighborhood should address code violations such as unkempt properties, abandoned vehicles, signage, littering, and illegal dumping. Infrastructure improvements are also necessary—sidewalks, streets, streetscaping, and limited curb cuts. Economic development programming should also be initiated, providing assistance to business owners in close proximity of this identified site that are interested in becoming a part of the redevelopment or reconfiguration process. Programming could include small business development, incubators, and/or capacity building.

The vacant Cash Bargain Center offers a retail redevelopment opportunity.

Potential barriers to the reconfiguration of this site are the several incompatible uses (e.g. liquor store, auto repair), relatively low traffic counts along Sherman Drive (9,000 to 11,000 cars per day), and the area's negative image and perception based on current conditions. As a first step to combating the image and perception concern, Martindale-Brightwood could establish a neighborhood beautification initiative, involving residents, businesses, and property owners. This type of activity would create a vested interest among several entities in the area and convey to the development community that the Martindale-Brightwood Neighborhood is committed to attracting quality new investment. Subsequent action steps should include contacting property owners regarding future plans, conducting a more detailed market survey, initiating preliminary project improvements (e.g. neighborhood beautification), determining financial feasibility of potential development projects, and improving the areas adjacent to the retail reconfiguration site.

Site	Retail Opportunity	Support Activities	Next Steps
1	Specialty Center ▪ absence of a traditional anchor ▪ often based on a "theme" ▪ niche retail	▪ code enforcement ▪ environmental clean-up ▪ neighborhood beautification ▪ economic development programming	▪ Monon Trail timing ▪ existing business improvements ▪ public improvements ▪ site planning ▪ land availability
2	Community Shopping Center ▪ typical tenants—junior department store, strong specialty stores (furniture, hardware, garden) ▪ typical size—150,000 sq/ft (100,000-450,000 sq/ft); 10-30 acres ▪ minimum population—40,000-150,000 within 10-20 minute drive	▪ code enforcement ▪ neighborhood beautification ▪ streetscaping ▪ economic development programming	▪ property ownership ▪ explore Keystone Enterprise Park relationship ▪ explore options with City ▪ site planning ▪ coordinate with 25th and Sherman plan ▪ redevelopment strategy
3	Neighborhood Shopping Center ▪ typical tenants—supermarket, pharmacy/drug store ▪ typical size—50,000 sq/ft (30,000-100,000 sq/ft); 3-10 acres ▪ minimum population—3,000-40,000 within 5-10 minute drive ▪ convenience goods and services that meet the daily needs of immediate population	▪ code enforcement ▪ neighborhood beautification ▪ streetscaping ▪ economic development programming	▪ contact property/ business owners regarding future plans ▪ market survey ▪ preliminary project improvements ▪ financial feasibility ▪ contextual improvements

Action Plan for Implementation

chapter 6

Direction Towards Reconfiguration

Existing businesses in the study area address some retail needs of Martindale-Brightwood residents. However, through the planning process it was revealed that the current level of retail services is not sufficient for the neighborhood. Survey results indicate the need and desire for all types of retail, specifically a grocery store, pharmacy, fast food and sit-down restaurants, and a bank, to either replace or complement existing commercial services.

The market analysis indicates that this type of basic retail services could be supported if new retail attracts and capitalizes on the spending potential of the extended trade area and appropriate strategies are implemented to encourage investment. The retail development strategies presented in *Chapter 5* have three common elements:

- upgrade and support existing basic retail services
- physical improvements that encourage investment and increase retail activity
- implementation of a market-based strategy

These three elements require both physical and programmatic responses and a collaborative effort among the City of Indianapolis, Martindale-Brightwood Community Development Corporation (CDC), and neighborhood leadership. Intended to attract both retail investors and customers, strategies for each of the targeted retail reconfiguration sites are outlined in the pages that follow.

Retail Configuration Opportunity 1:
25^{th} Street between the Monon Trail and Dr. Andrew J. Brown Avenue

Building on the existing and future recreational amenities in the area, this site is recommended as a potential specialty retail center and gateway to a 25^{th} Street commercial corridor. Douglass Park Golf Course and the South Monon Trail attract visitors from outside the immediate Martindale-Brightwood Neighborhood and can provide an additional customer base for specialized (or niche) retail, beyond basic goods and services. To begin the pre-development phase, new and existing retailers along 25^{th} Street between the Monon Trail and Dr. Andrew J. Brown Avenue should be encouraged to participate in a small business development work program created to provide technical assistance relating to business growth objectives, new business start-ups, business planning assistance, and application of grant monies such as a Community Development Block Grant (CDBG).

As an inaugural “demonstration project,” the owners of the Armin Graul Hardware Store could be approached to pioneer a business enhancement program that could potentially allow this important community resource to expand its merchandise line to include complementing retail such as a garden center. A garden center would also fit into the specialty retail center’s “theme-ing” of recreation and outdoor activities as well as respond to the extended trade area's $7.5 million in annual expenditures on household furnishings. Action steps in this "demonstration project" should first include soliciting the business owner's interest in exploring growth opportunities, contracting with a business technical assistance firm to create and establish a prototype, develop a business plan for growth, and work with financing institutions and public entities to fund and implement the plan.

First steps:

1. Outline potential business assistance program
2. Initiate contact with potential business clients
3. Determine budget and sources of funds
4. Contract with retail advisor–assist neighborhood and businesses
5. Initiate business assistance program

The potential retail sites just east of the Monon Trail should be developed in concert with the expansion of the south trail. A preliminary land use plan should be prepared based on the completion of the South Monon Trail expansion. Vacant and underutilized parcels fronting 25th Street should be identified and owners should be contacted regarding their future plans. As new business development opportunities are identified, neighborhood leaders should work with property owners and the City to encourage desired development objectives.

Retail Configuration Opportunity 2: 25th Street and Keystone Avenue

With development of the Keystone Enterprise Park comes the opportunity to expand investment in the Martindale-Brightwood Neighborhood, introducing new commercial uses that will be mutually beneficial to both industrial park tenants and area residents. The site between 24th and 25th streets (west of Keystone) demonstrates strong potential for upgrading neighborhood commercial services by catering to the Martindale-Brightwood, Downtown, and near-Downtown markets. Currently, 11 acres of retail is included in the plan for the Keystone Enterprise Park. In order to feasibly make this site a community shopping center, the amount of land dedicated to retail development needs to be increased to a minimum of 20, but ideally 30 acres. The first step in exploring the likelihood of expanded retail near this site is to contact the development team to determine the commercial development possibilities. It is critical that the neighborhood leadership work closely with the City and the industrial park developer to ensure a coordinated plan for development. It is also critical to consider the relationship between this site and the site at 25th Street and Sherman Drive (Brightwood Plaza). New retail adjacent to the industrial park should enhance 25th Street as a retail corridor and thus enhance Brightwood Plaza and its environs as a neighborhood shopping destination.

First steps:

1. Validate big box potential
2. Discuss opportunity with City developer
3. Develop appropriate site plan
4. Identify tenant mix
5. Market retail site

If the allotted acreage for retail is increased from 11 to 20 or 30 acres, "big box" development becomes a possibility. Given the development of Keystone Enterprise Park, access to and from Downtown via I-70 and the Keystone interchange, and the high traffic counts along the interstate and Keystone Avenue, it is likely that a big box retailer could be interested in this site. Big box retailers often anchor community shopping centers and offer a single product line, large quantities, and low prices (e.g. Meijer, Wal-Mart, Costco).

A preliminary retail site plan should be created that introduces the industrial park to the 25th Street corridor and explains how this expansion could potentially enhance several retail sites along 25th Street. Potential retail sites in the Martindale-Brightwood Neighborhood will not sell themselves, neighborhood leaders will have to aggressively market the area and seek retailers and developers willing to enter into a seemingly challenging endeavor. This retail marketing program should be a formalized, proactive, concerted effort lead by the neighborhood and the CDC.

Retail Configuration Opportunity 3:
25th Street and Sherman Drive

The intersection of 25th Street and Sherman Drive has long been a shopping destination in the Martindale-Brightwood Neighborhood, particularly because of the market draw created by the now vacant Cash Bargain Center and Brightwood Plaza. Due to the current "for sale" status of Brightwood Plaza, the future ownership and reconfiguration opportunity of this retail center should be a priority agenda item for the neighborhood and the CDC. Of the three projects outlined in this report, this project is most time-sensitive. With that in mind, the CDC should establish a work program immediately. Components of this work program should be designed to influence the future of the Plaza and its environs in a positive manner.

The first component should be the creation of a strategic plan outline to use as a discussion piece with the property owner and public entities, while providing a foundation for setting short and long term redevelopment goals. The intersection of 25th and Sherman offers more for retail redevelopment than just Brightwood Plaza—outlots and adjacent properties must also be taken into account and targeted for reconfiguration. These targeted properties should be considered and planned as an entire potential redevelopment area, not solely individual lots. In order to make this area more attractive to potential investors, the outline and work program should also investigate available incentives and public technical assistance.

Upon creation of a strategic plan outline, the CDC should meet with City representatives to determine possible short and long term directions and how to influence this site's reconfiguration. With assistance from the City, the CDC should explore the potential of "redevelopment area" designation. This designation allows for the City and the neighborhood to work together to accomplish specific redevelopment objectives. Elimination of abandoned buildings, rehabilitation of deteriorating properties, and infrastructure improvements should be top priorities.

In tandem with the development of the work program, the CDC should also meet with the current owners of Brightwood Plaza, before completion of the sale, to determine the property's status. The CDC should convey its intentions to improve the retail condition of the Martindale-Brightwood Neighborhood with a focus on Brightwood Plaza and its environs. The CDC should propose a potential partnership with the current and/or future owner of the shopping center and explore the possibility of actively recruiting the future owner in an effort to assure a partnership. As the work program components are addressed, it is likely that one of two scenarios will present itself determining a retail course of action: 1) redevelopment of properties surrounding the Brightwood Plaza as a potential mixed-use center or 2) area redevelopment and Brightwood Plaza revitalization lead by a partnership between the property owner and the Martindale-Brightwood CDC.

First steps:

1. Meet with property owners
2. Prioritize neighborhood improvements, targeted properties
3. Define partnership with Brightwood Plaza existing/future owners
4. Finalize work program–identify funding source
5. Implement

Consideration should be given to establishing a retail development fund to serve as a resource to accomplish the objectives identified in this study. It is likely that this economic development tool would be capitalized from several funding sources over a multi-year period. The fund could be used to assist with two primary objectives. The first fund objective should assist with strategic property acquisition. Properties that demonstrate retail potential and that are available for purchase should be targeted by the fund. The fund should be used conservatively, where opportunity exists to leverage additional private investment in the neighborhood. The second fund objective should involve small business assistance. Both retail configuration opportunities 1 & 3 would benefit from a resource that is targeted to promising small business tenants. Careful consideration should be given to the development of an effective small business assistance program while protecting the fund's principle.

It is also recommended that the fund be capitalized at a minimum amount of $500,000 over a five-year period. A business plan for the fund should be developed that can be shared with local, state, and national funding sources. The neighborhood should give consideration to raising an initial amount (10%) to match outside sources.

APPENDIX

chapter 7

Martindale-Brightwood Neighborhood
RESIDENT SURVEY

The Greater Citizen's Coalition of Martindale-Brightwood, the Martindale-Brightwood Community Development Corporation, and the City of Indianapolis are in the process of analyzing commercial development opportunities in the Martindale-Brightwood Neighborhood. Neighborhood boundaries are 30th Street, Sherman Drive, Massachusetts Avenue, and the Monon Trail (see map at right). The following survey will assist the community in determining what commercial and retail uses are most needed or desired in the neighborhood. Your insights and opinions are important and appreciated. **All responses will be kept confidential.** Thank you for your assistance with this important initiative.

Please return this survey by **March 22** to your neighborhood association president or send to:

Development Concepts, Inc.
200 S. Meridian Street, Suite 410
Indianapolis, IN 46225

Fax: 262-9355

Martindale-Brightwood Neighborhood

1. In which neighborhood do you currently live?
   - ❑ Brightwood ❑ Oakhill ❑ Hillside ❑ Oxford Terrace
   - ❑ Ralston Hovey ❑ Other _______________

2. Where do you currently work?
   - ❑ Downtown ❑ Martindale-Brightwood Neighborhood ❑ Suburban Indianapolis
   - ❑ Outside Marion County ❑ Retired/do not work outside the home ❑ Other (please specify) _______________

3. What is your occupation?
   - ❑ Executive/management ❑ Professional ❑ Technical ❑ Sales
   - ❑ Clerical ❑ Operator/laborer ❑ Service ❑ Retired/do not work outside the home

4. How many people, including yourself, live in your household? __________

5. Do you own or rent your current residence? ❑ Own ❑ Rent

6. Do you own a motor vehicle? ❑ Yes ❑ No

7. How much do you estimate that your household spends on food away from home (restaurants, take-out, etc.) per week?

❑ Less than $50 ❑ $50-$100 ❑ More than $100

8. Where do you primarily shop for the following goods and services? Please indicate stores and locations, i.e. Sears, Washington Square.

	Store(s)	Location
Groceries	______________	______________
Medicine	______________	______________
Clothing	______________	______________
Shoes	______________	______________
Hardware	______________	______________
Books	______________	______________
Furniture	______________	______________
Electronics	______________	______________
Auto Supplies	______________	______________
Hair Care	______________	______________
Video Rental	______________	______________
Bank	______________	______________

9. At which stores within the Martindale-Brightwood Neighborhood do you shop?

Store & Location	Times per month
______________	________
______________	________
______________	________
______________	________

10. How well do you think the commercial establishments in the Martindale-Brightwood Neighborhood do the following?

	Very Well	Well	Average	Poor	Very Poor
Meet your daily shopping needs?	❑	❑	❑	❑	❑
Keep premises clean and well maintained?	❑	❑	❑	❑	❑
Provide adequate customer parking?	❑	❑	❑	❑	❑
Have a positive impact on nearby residences?	❑	❑	❑	❑	❑

11. Please answer both parts of this question. 1) Within the past 30 days, how often did you visit the following places within the Martindale-Brightwood Neighborhood? 2) How much need do you have for additional commercial services in the Martindale-Brightwood Neighborhood?

	Part 1 How Often in Last 30 Days Did You Visit *Check One of these three*			**Part 2** Is There Additional Need? *Check one of these two*	
	Under 5 times	6-15 times	16+ times	No, there is no additional need for this	Yes, there is an additional need for this
A. Fast food restaurants	❑	❑	❑	❑	❑
B. Sit down restaurants	❑	❑	❑	❑	❑
C. Take-out/delivery food	❑	❑	❑	❑	❑
D. Bakery/coffee shop	❑	❑	❑	❑	❑
E. Grocery store	❑	❑	❑	❑	❑
F. Convenience store	❑	❑	❑	❑	❑
G. Printing/office supplies	❑	❑	❑	❑	❑
H. Dry cleaner/laundry	❑	❑	❑	❑	❑
I. Flower/card shop	❑	❑	❑	❑	❑
J. Clothing store	❑	❑	❑	❑	❑
K. Drug store/pharmacy	❑	❑	❑	❑	❑
L. Book store	❑	❑	❑	❑	❑
M. Electronics	❑	❑	❑	❑	❑
N. Hair care/barber	❑	❑	❑	❑	❑
O. Hardware/supplies/paint	❑	❑	❑	❑	❑
P. Video rental	❑	❑	❑	❑	❑
Q. Bank/ATM	❑	❑	❑	❑	❑
R. Other ______________________	❑	❑	❑	❑	❑
S. Other ______________________	❑	❑	❑	❑	❑
T. Other ______________________	❑	❑	❑	❑	❑

12. Which of the places on the above list do you typically walk to from your home?

____

13. What types of stores or uses would you not like to see in the Martindale-Brightwood Neighborhood?

____

14. What is your current annual household income?

❑ Less than $20,000 ❑ $20,000 to $29,999 ❑ $30,000 to $39,999 ❑ $40,000 to $49,999
❑ $50,000 to $59,999 ❑ $60,000 to $69,999 ❑ $70,000 to $79,999 ❑ $80,000 to $89,999
❑ $90,000 to $99,999 ❑ $100,000+

15. What is your age? ___________

16. What is your race? ___________

17. What is your sex? ❑ Male ❑ Female

Thank you for your participation in this survey. Individual results will be kept confidential. For more information, please call Development Concepts, Inc. at 262-9347.

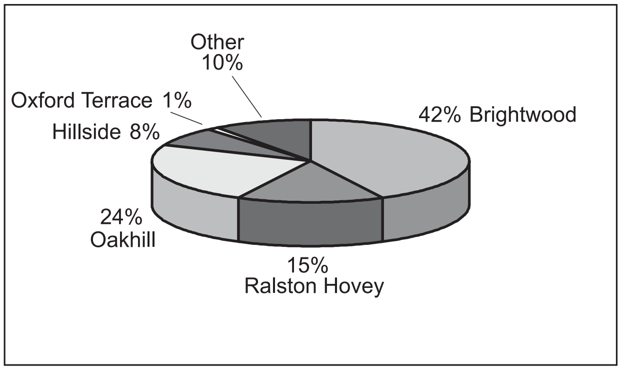
Martindale-Brightwood Neighborhood

RESIDENT SURVEY

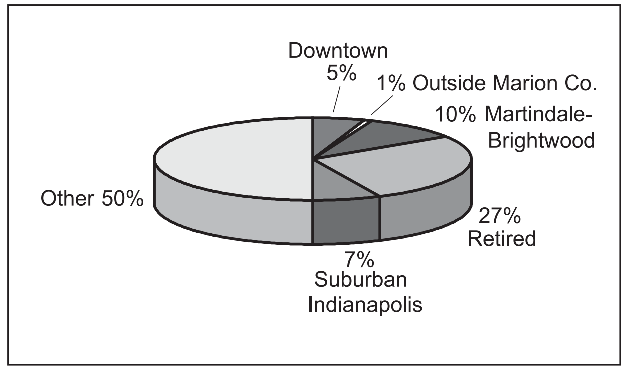
~RESULTS~

89 returned surveys

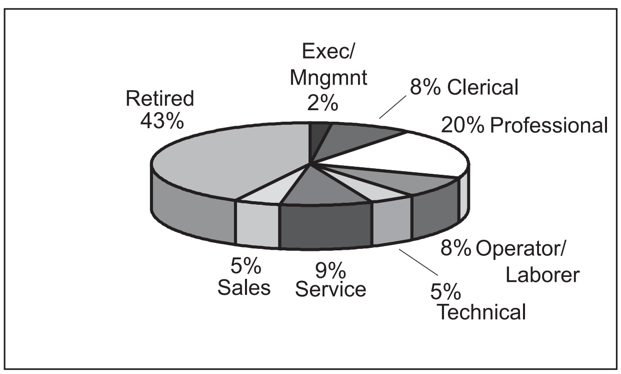
1. In which neighborhood do you currently live?



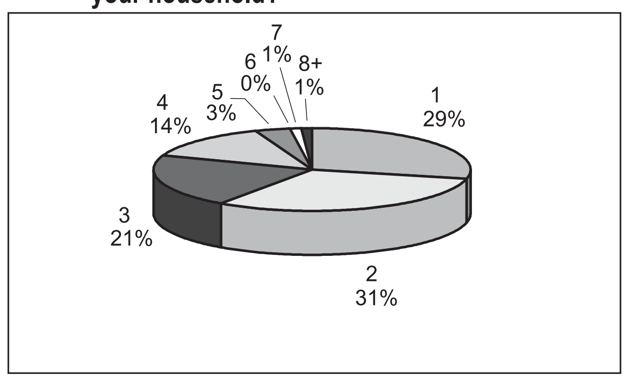
2. Where do you currently work?



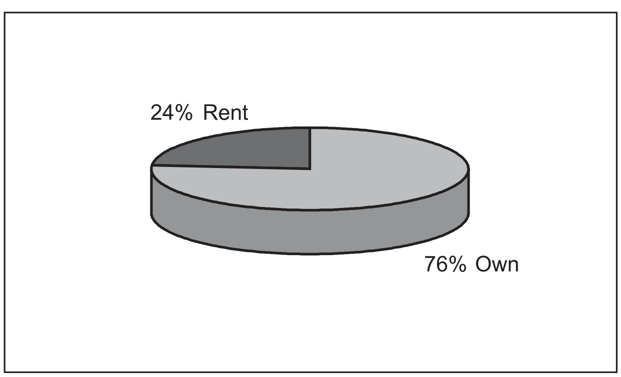
3. What is your occupation?



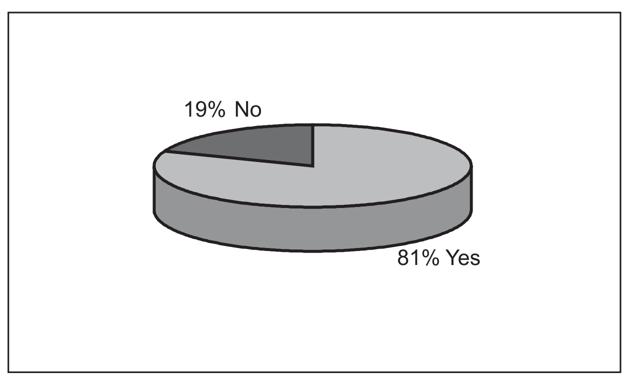
4. How many people, including yourself, live in your household?



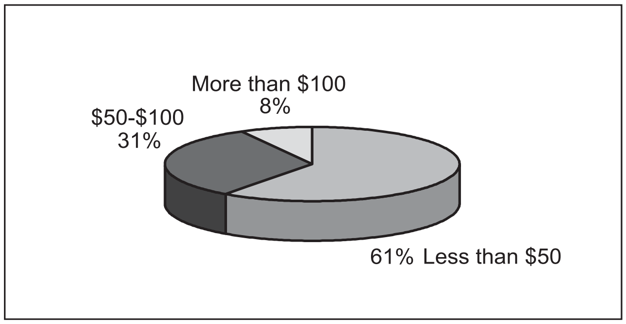
5. Do you own or rent your current residence?



6. Do you own a motor vehicle?



7. How much do you estimate that your household spends on food away from home (restaurants, take-out, etc.) per week?



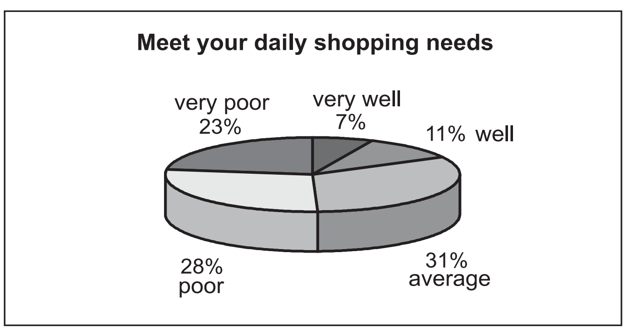
8. Where do you primarily shop for the following goods and services? Please indicate stores and locations, i.e. Sears, Washington Square.

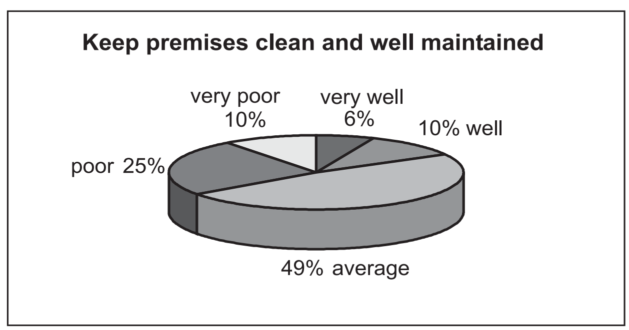
Linwood Shopping Center
Washington Square
Lafayette Square
Glendale

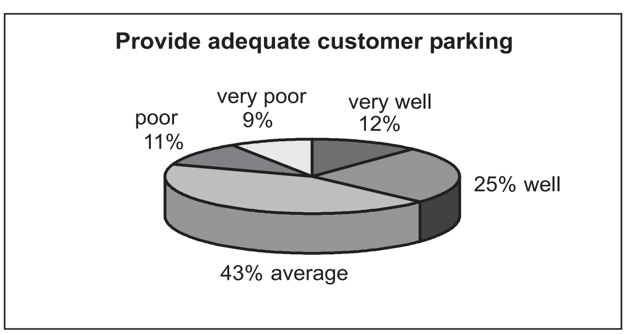
9. At which stores within the Martindale-Brightwood Neighborhood do you shop?

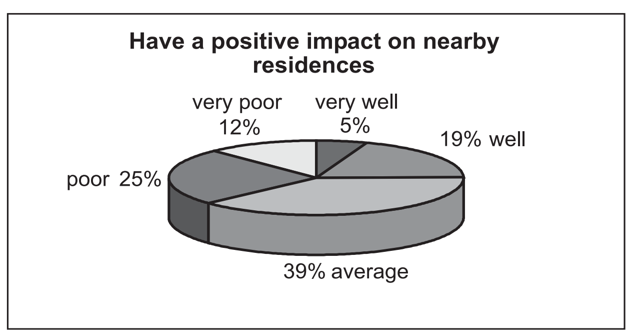
Safeway
Double 8 – Sherman
Kroger – 4435 E. 10th
Armin Graul
Mary's Soul Food
Joe's Fish Market
Hair care – 25th Street
Mini-mart – 25th Street
Beauty supply – 25th Street
7-11 – 29th & Sherman
Cash Bargain Center
Crosby Beauty Supply – 25th
Bar-B-Q & Fish – E. 25th
Dry cleaner – 25th Street
Amoco – 25th & Keystone
Church's Chicken – 25th Street

10. How well do you think the commercial establishments in the Martindale-Brightwood Neighborhgood do the following?

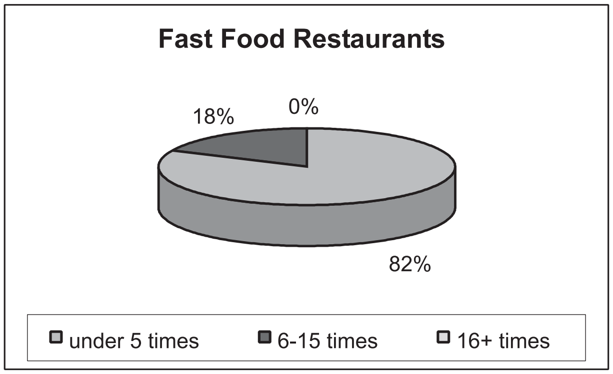


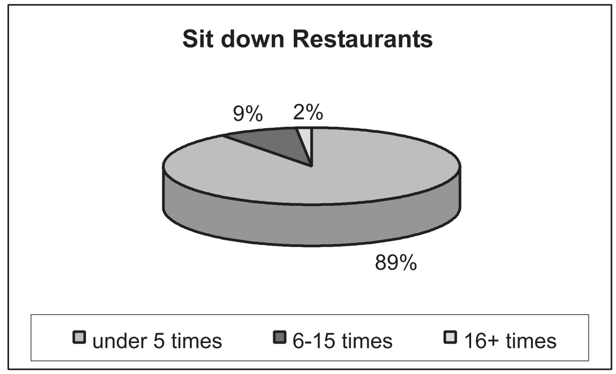


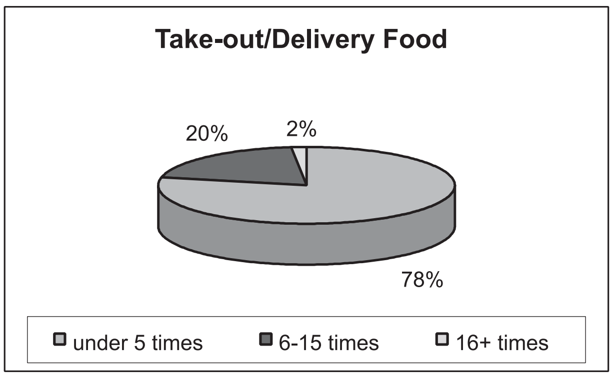


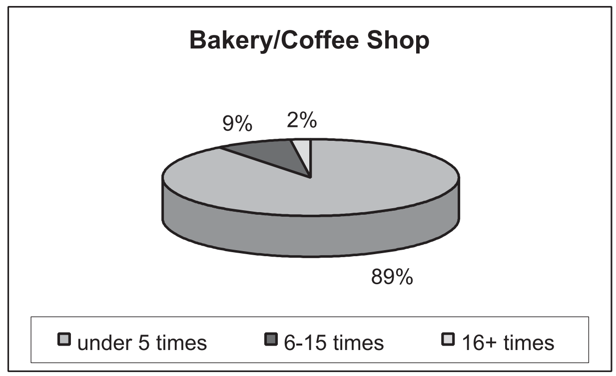


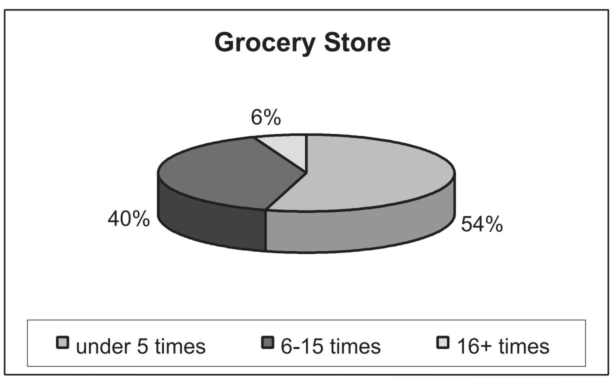
11. Please answer both parts of this question. 1) Within the past 30 days, how often did you visit the following places within the Martindale-Brightwood Neighborhood? 2) How much need do you have for additional commercial services in the Martindale-Brightwood Neighborhood?

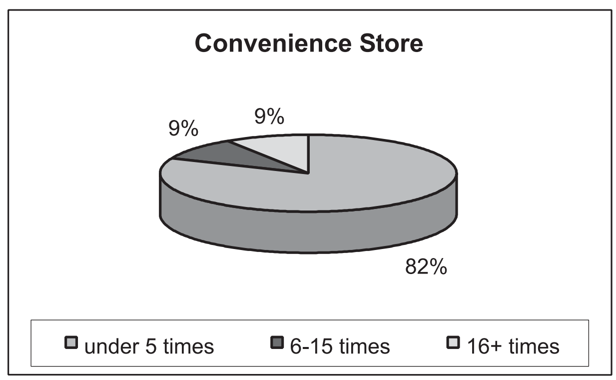


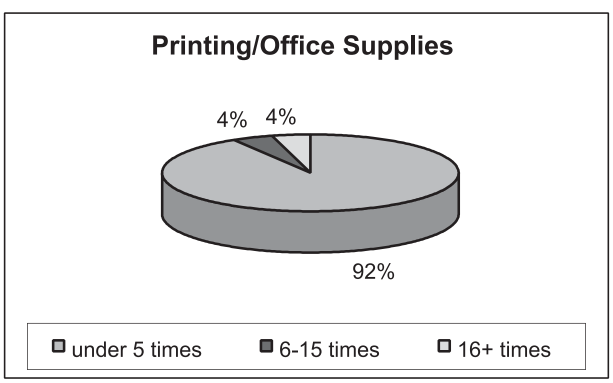


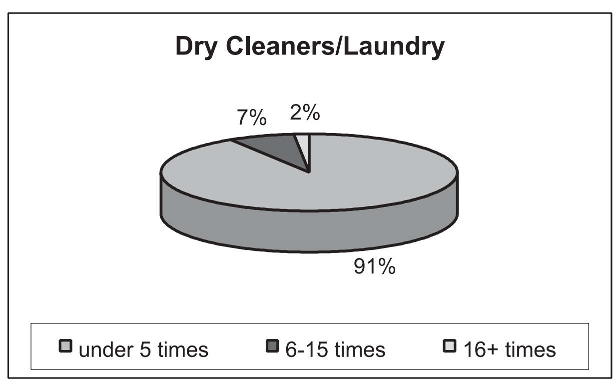


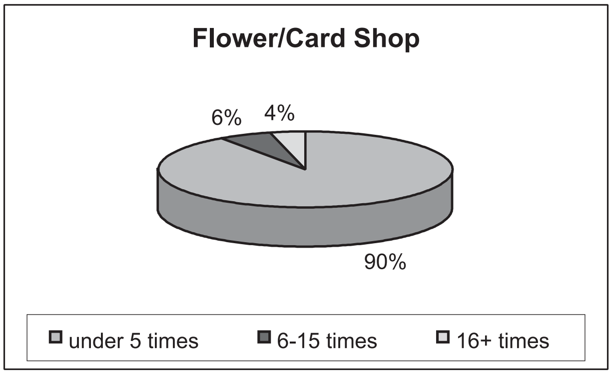


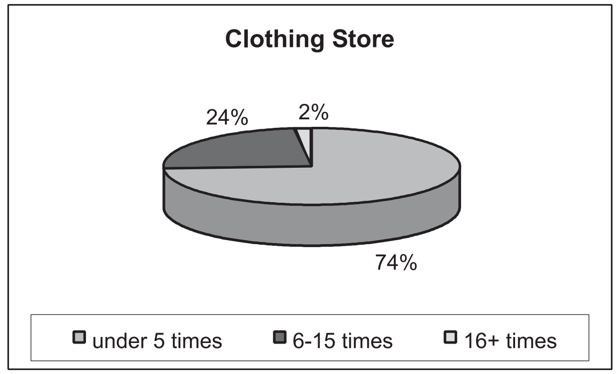


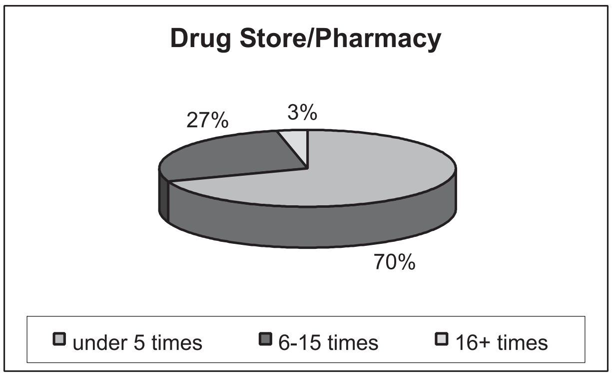


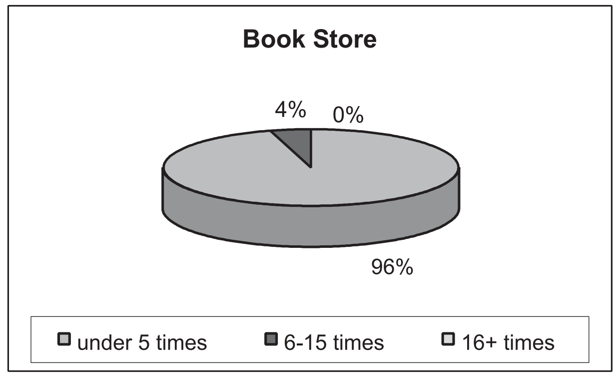


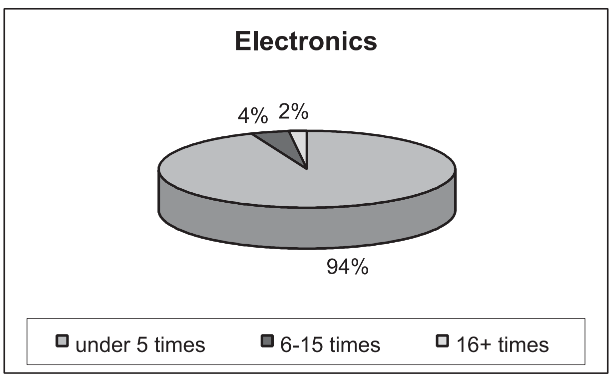


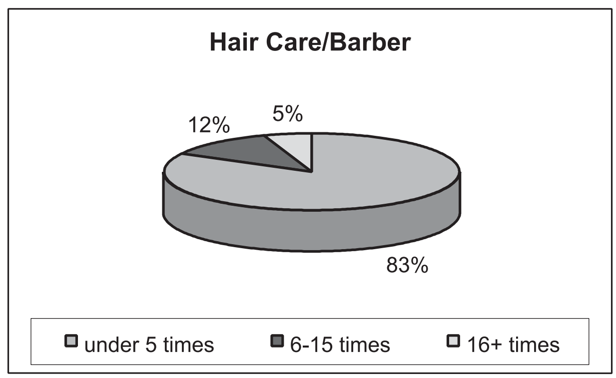

Flower/Card Shop
6%
4%
90%
under 5 times
6-15 times
16+ times

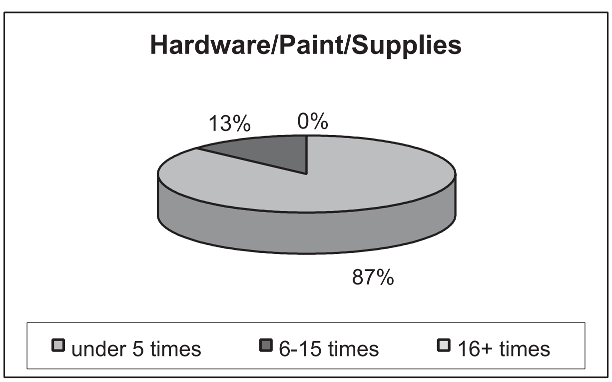

Clothing Store
24%
2%
74%
under 5 times
6-15 times
16+ times

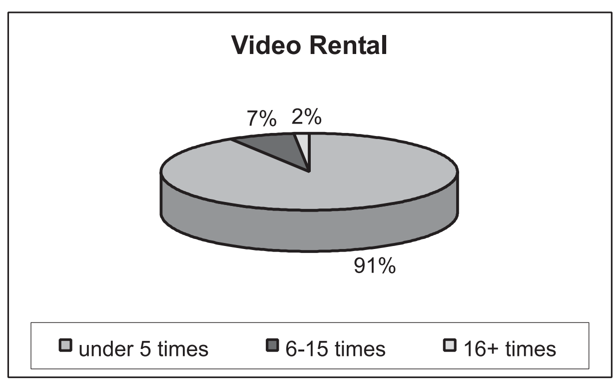

Drug Store/Pharmacy
27%
3%
70%
under 5 times
6-15 times
16+ times

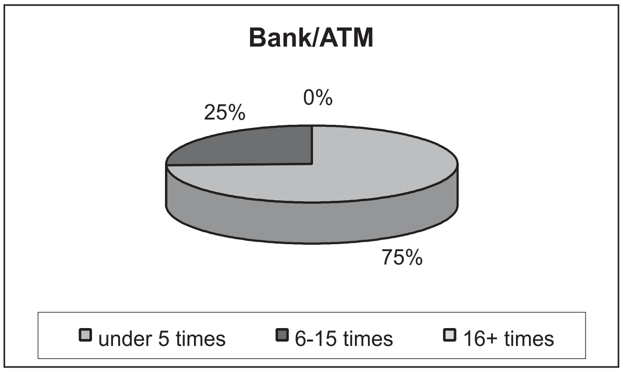

Book Store
4%
0%
96%
under 5 times
6-15 times
16+ times


Electronics
4%
2%
94%
under 5 times
6-15 times
16+ times

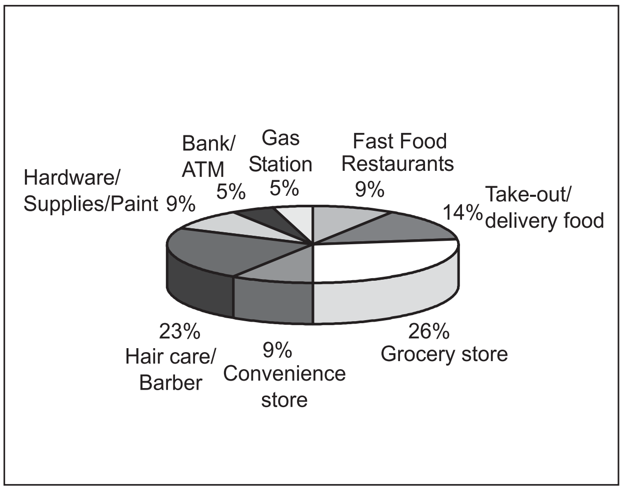

Hair Care/Barber
12%
5%
83%
under 5 times
6-15 times
16+ times


Hardware/Paint/Supplies
13%
0%
87%
under 5 times
6-15 times
16+ times


Video Rental
7%
2%
91%
under 5 times
6-15 times
16+ times



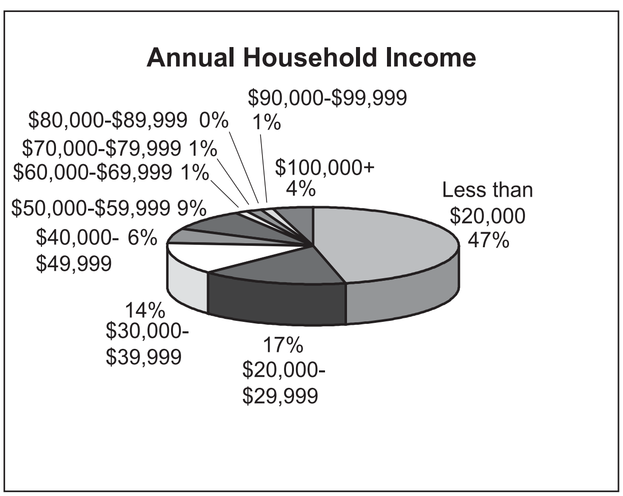
12. **Which of the places on the above list do you typically walk to from your home?**

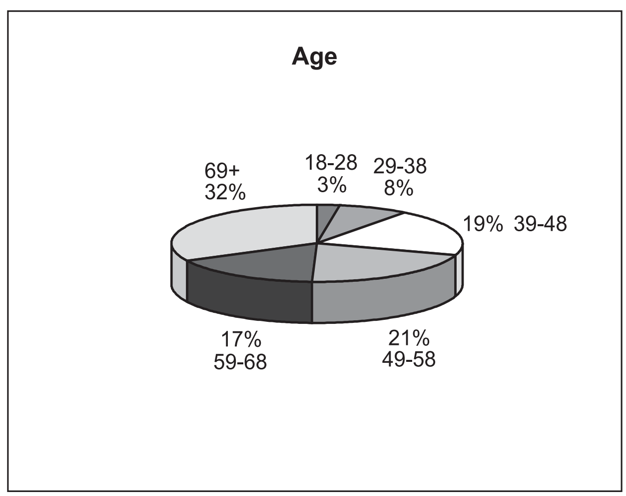


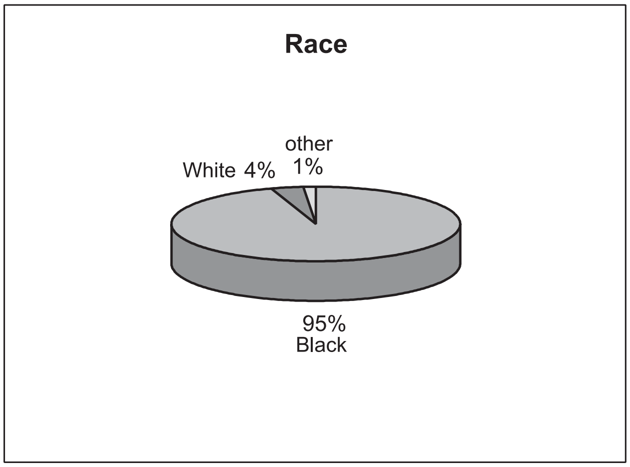
13. **What types of stores or uses would you not like to see in the Martindale-Brightwood Neighborhood?**

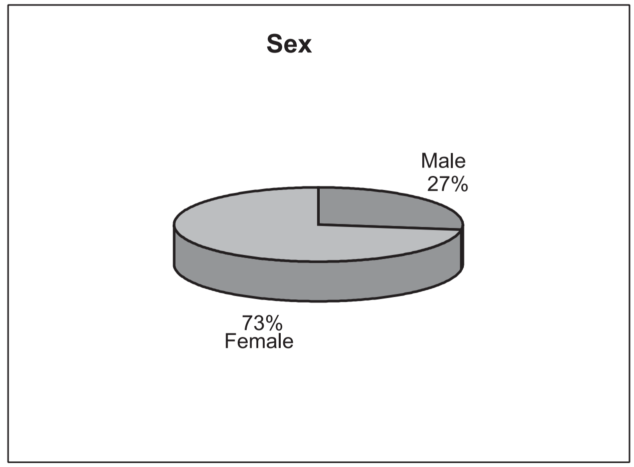
liquor stores
pawn shops
check cashing
convenience stores

DEMOGRAPHICS






Race
other
1%
White 4%
95%
Black


Sex
Male
27%
73%
Female

ACORN Groups

CACI Marketing Systems uses A Classification of Residential Neighborhoods (ACORN) as a means of characterizing segments of neighborhood populations. Sixty-one lifestyle characteristics, such as income, age, and occupation, are used to determine the consumer behavior of residents. ACORN has nine general groups. Each group contains three to seven clusters for a total of 43 clusters. Clusters provide a categorization system for predicting the purchasing habits of neighborhood residents. Many retailers and commercial developers use the ACORN system when making location decisions for retail investment.

In examining specific consumer group categories in the Martindale-Brightwood Neighborhood, nearly 73% falls under the heading “Downtown Residents.” Within this heading, approximately 49% is in the cluster “Hard Times” with 17.4% described as “Urban Working Families” and 5.8% classified as “Distressed Neighborhoods.” These groups are also represented in the extended trade area, although at a lesser amount (57.4% “Downtown Residents”). The remaining approximate 27% of the Martindale-Brightwood population is classified as “City Dwellers – Working Class Families.” From CACI, clusters are defined as follows:

- **Hard Times** (49.3% of neighborhood population). This is a population of extremes—the very young and the elderly. Many are single-parent or multi-generational, shared households. More than half work part-time, mainly in the service industry. A 50-50 mix of renters and owners live in either single-family or multi-unit dwellings. Home value is low. Economic reality limits the purchasing power of this population. Most household income is spent on life’s basics, like rent and groceries. This category tends to splurge on lottery tickets and cable television. Although these consumers tend to watch more television than average, they have one of the lowest consumption rates for video rentals. Leisure time is spent listening to music and reading soap opera and tabloid magazines.

- **Working Class Families** (27.3% of neighborhood population). This is a small, middle-income market. Despite chronic high unemployment, the employment rate is above average for women and just below average for men. Most work in service or government jobs. This population is found living in urban neighborhoods with single-unit, owner-occupied homes prominent. Consistent with their urban lifestyle, few families own cars, but when a car is purchased, it tends to be a luxury model. Most expenditures include televisions and clothing.

- **Urban Working Families** (17.4% of neighborhood population). This is a family market with a high percentage of single-parent households. Economic necessity forces a significant number of adult children to live at home. Employment is well above average, but unemployment and poverty rates are double the United States average. This category tends to rent their homes, consisting of townhouses and small, multi-unit buildings. Urban Working Families have more discretionary income than the other Downtown markets. Consumer expenditures include lottery tickets, take-out food, hair and skin care products, cable television, baby products, and children’s clothing.

- **Distressed Neighborhoods** (5.8% of neighborhood population). In this segment, single-parent households out-number all other household types. Single-person households are second. Overall, the population is very young. Found in urban, large metropolitan areas with a large percentage of the housing multi-unit buildings, most homes are rental. Homeless shelters, street locations, and juvenile homes are found in these neighborhoods. This population tends to use public transportation. Consumer purchases include children’s and women’s apparel, baby products, vitamins, and athletic shoes; consumer splurges are made on fast food, cable television, and lottery tickets. Leisure time is spent watching television, listening to music, and reading magazines.