

# Charlotte, NC Comprehensive Neighborhood Improvement Program Rozzelles Ferry/West Trade Street

Market Analysis & Project Strategy Brief  
Addendum to Look Book and Report prepared by Stantec



**ROSE**  
ASSOCIATES

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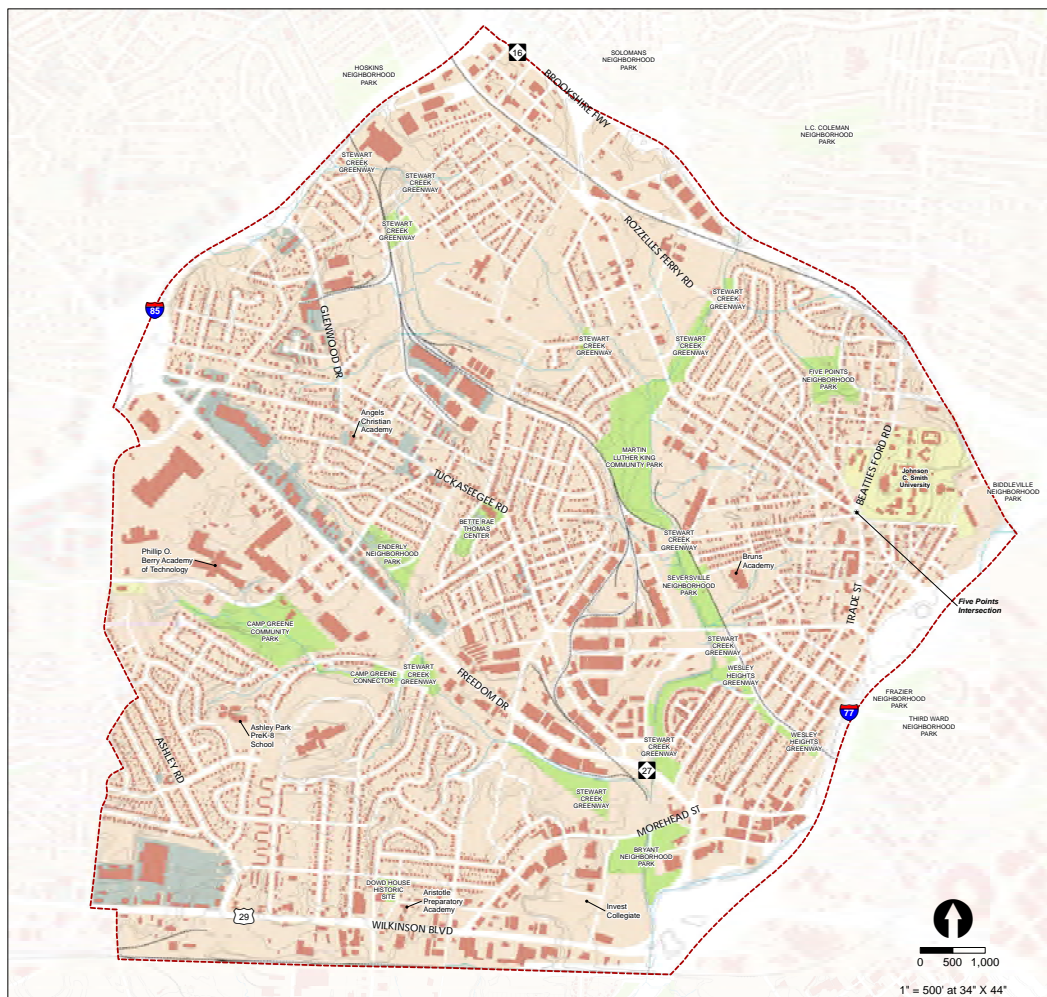
# Study Area & Context

## Study Area & Context

Rose and Associates was retained by Stantec on behalf of the city of Charlotte to evaluate the market and economic dynamics of the northwest neighborhoods surrounding West Trade Street and Rozzelles Ferry Road, as part of the Comprehensive Neighborhood Improvement Program (CNIP). The study area encompasses an area totaling approximately six square miles to include twelve Neighborhood Profile Areas (NPA) and four business corridors, including Freedom Drive, Wilkinson Boulevard, Rozzelles Ferry Road and West Trade Street. Contained in our analysis is the initial data collection area (herein after collectively referred to as the "study area"), which is the area of influence that incorporates those NPAs impacted by investment in the west-end area of the City.

## Comprehensive Neighborhood Improvement Program (CNIP)

West Trade/Rozzelles Ferry Road Neighborhood



Study Area Boundary

- Study Area Boundary
- Railroads
- College or University Property
- Parcels
- Streams
- Building Footprints
- Park Property
- Contour Lines
- Impervious Surface

A combination of methodologies is utilized in developing our findings and recommendations. The analysis and forecasting of market data, comprising demographic and population estimates together with economic and employment estimates, is both art and science. All market research analysis begins with US Census Bureau data – which has limitations as to both accuracy and timeliness. Nonetheless, the data provide a benchmark as much for a retrospective look as a prospective one. Four factors must be considered when looking exclusively at such data: 1) the role of economic drivers that are a departure from past trends; 2) growth from primary centers spilling over into outlying areas; 3) constraints due to physical barriers; and 4) availability of land physically and legally suited for development. Included is our analysis, observations and recommendations to assist in identifying projects that will contribute to the transformation of this culturally and historically rich area and help to ensure its sustainability for future generations.

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## Executive Summary

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### Executive Summary

Charlotte ranks second among the fastest-growing large cities in the United States, according to the most recent data released by the U.S. Census Bureau. The CNIP study area at Rozzelles Ferry/West Trade Street is already changing. Housing is being upgraded, streets are being improved, and Johnson C. Smith University, a historic black college, is an activist partner in changing the environment around its campus. Mecklenburg county's adaptive reuse of the old Freedom Mall is a substantial positive change, the Stewart Creek greenway and multiple parks have been established throughout the area, industrial and business enterprises are providing jobs, and business corridors are showing early signs of new vitality. This is an area of great history and great opportunity. The market is a story of reconnecting and repositioning: fitting in the missing pieces of the puzzle, completing projects, closing gaps and maximizing the existing infrastructure investment that has already been made, rather than starting over or adding any substantial inventory. There is much to celebrate and there is much to be done to ensure this area's long range success. The report can be summarized by a simple concept and five guiding principles:

#### **IF Center City is the heart of Charlotte...**

#### **The West End is its Soul**

- Preserve the historical housing stock and provide additional housing options for multiple generations.
- Celebrate the rich heritage and culture of Charlotte's African-American community through connecting historical and cultural assets, and consolidating and strengthening existing corridors.
- Connect the neighborhoods to the commercial corridors by completing infrastructure projects, completing/expanding greenway connections, opening cul-de-sacs, and expanding transportation options.
- Reposition retail and industrial developments with renovation and/or adaptive reuse for the 21st Century.
- Inspire education and entrepreneurship to create job opportunities and small local businesses, supporting economic mobility to stabilize real estate markets and providing community health and wellness.

Subsumed within these concepts are the following findings regarding the real estate market and key areas where transformation is possible:

- **Housing** - The success of housing in the study area is dependent upon two primary factors: transportation and education. Therefore, the proposed Gold Line and Trolley projects, as well as greenway and sidewalk infrastructure will have an impact on accessibility to goods and services. There are opportunities to stabilize, rehabilitate and preserve the existing single family housing stock – through public private initiatives and programs, including the expansion of historic districts. Increasing the stability of owner-occupied homes would improve property values, allow Baby Boomers and Seniors to age in place, and strengthen the commercial corridors. There are also opportunities to further diversify multifamily housing that will provide alternative choices that match the needs and wants of today’s Millennials and aging Baby Boomers. These include the redevelopment of Tarleton Hills under a Choice Neighborhood Implementation program, the adaptive reuse of the Savona Mills project, and the development of vacant parcels and redevelopment of existing properties along the Freedom Drive and Rozzelles Ferry corridors. Much of the housing gap in the short term will be filled with the housing proposed or under construction in the Bryant Park and West Trade areas. Together these will provide over 350 single family and multifamily homes to meet the gap of 700 – 1400 housing units over the next 5-10 years.
- **Retail** - There are opportunities for automotive sales and service, sports and sporting goods, clothing and grocery uses, albeit limited. There is an opportunity for a small neighborhood grocery to fill the underserved market. This is most prominent in the West Trade corridor, where no existing quality food options exist. Current demand is primarily being met by discount/convenience stores. In addition to a traditional neighborhood grocery in the Five Points area, a cluster of sports themed shops: sporting goods stores and restaurants around a central core or urban park could be considered in a location that is fitting for a regional destination. Freedom Drive is such a destination, as a thoroughfare connecting two major interstates to each other and to the Center City. Such a themed center with specialty retailers could separate and define a destination apart from the larger national discount chain stores prevalent along the Freedom Drive corridor in the past. This center could be further enhanced with a flexible hardscape which would be used for parking and/or gathering space for outdoor markets, events or entertainment. This is also an opportunity to re-create a place that connects and incorporates the history and culture of the African American community that is dominant in this area – which should be celebrated. The redevelopment and repositioning of the existing retail will reinvigorate the void of up to 300,000 – 400,000 square feet of retail, restaurant and entertainment space that could be created over the next 5-10 years.
- **Industrial** - Small to mid-size companies have the best potential for use of older properties, which provide low cost space options near the interstates and provide employment opportunities for neighborhood residents. Clusters include automotive supply and repair; distribution and light manufacturing. Some buildings may also be suitable for re-purposing for different uses such as breweries, senior housing, rental housing, small business incubation/education space and other uses. Primary candidates include the Savona Mill, Greenway Business Park and the existing buildings along lower Freedom Drive and planned Thrift St/Berry Hill roundabout. This includes the repositioning of the Goodwill facilities. Together these would provide the 100,000 – 200,000 square feet anticipated over the next 5-10 years.



Other factors to consider include transforming these areas by leveraging public projects with private investment, and activating these places with people:

- **Education** – As noted throughout the report, partnerships are key to achieving the six stated goals of the Community Investment Plan. This includes Johnson C. Smith University, Central Piedmont Community College, Charlotte Mecklenburg Schools, and a host of existing educators within the community.
- **Tourism** – Connecting the arts, cultural and entertainment assets and opportunities will create a destination and place for inviting visitors. These might include a Black History & Heritage Trail from West Trade to Rozzelles Ferry and Tuckaseegee, and Sports and entertainment connections bridging Center City and Freedom Drive. Connecting heritage, culture, sports and the arts would create synergy that could bring a small boutique hotel to JSCU and put the west side on the map as a destination for visitors.
- **Implementation** – The most productive way to encourage private investment is to reduce risk. There is an existing robust infrastructure within the study area. However, consideration should be given to providing a comprehensive package of existing tools and/or programs, as well as small area plans to understand the goals of land use for developers and investors. This, together with the “can do” attitude that is the hallmark of the region, will provide greater opportunities for public-private partnership.

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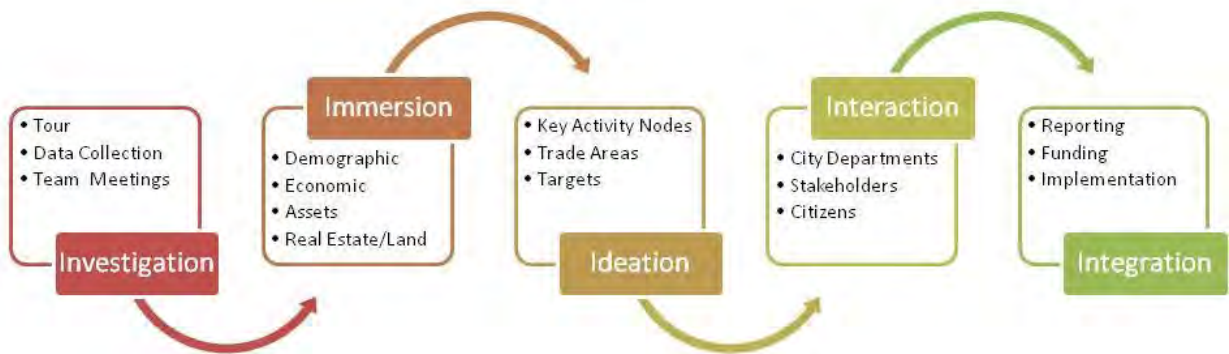
## Planning Cycle 1 – Data Immersion

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### Planning Cycle 1 – Data Immersion

We began with a look at current reality; that is, the economic, demographic and social elements that make up the community and the study area. Second, we identified the key assets and interviewed key stakeholders to determine critical economic areas for development and key themes that would provide the greatest impact for investment.

Based upon our findings during our work in Planning Cycles 1 and 2, we identified opportunities and potential projects, subject to revision during our continued work with the community and the team in Cycles 2 and 3.



#### 1.0 Data Collection & Site Tour

We reviewed a large collection of plans, reports and data provided by or compiled by the City. This included the ULI Corridor study, the West End plan, and the Estimated Development Potential around CityLynx Gold Line Phase I and II Transit Stations. Further, we collected and reviewed data from other sources including the County and Urban Institute (Quality of Life Study), the Bureau of Labor Statistics, The US Census, and the North Carolina Employment Security Commission, as well as proprietary data from ESRI.

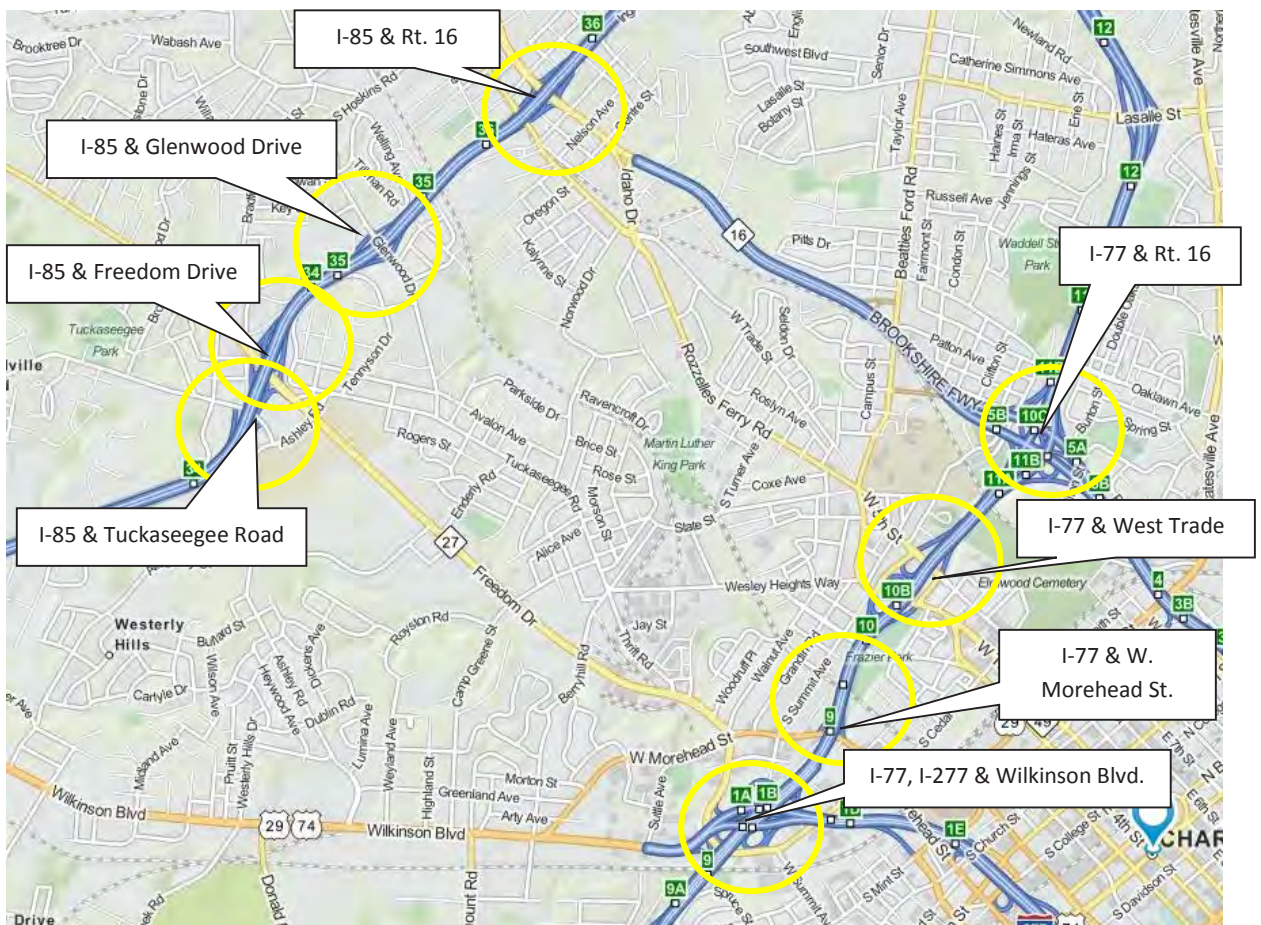
The market team conducted two tours of the study area to identify existing assets, understand the transportation network, and evaluate the current conditions of housing and commercial development. After completing a physical and photographic inventory, we set about understanding the people who live, work and pass through the study area.

Our tour revealed a variety of characteristics in the study area that present both challenges and opportunities.

### 1.1 Locational & Asset Analysis

The West Trade/Rozzelles Ferry study area is located northwest of center city (downtown) Charlotte. It is bordered by Interstates 85 and 77, and Highway 16 (Brookshire Boulevard), which provide both multiple access points and physical barriers to the study area. It includes four primary business corridors: West Trade Street, Rozzelles Ferry Road, Freedom Drive and Wilkinson Boulevard. These are auto-dominant corridors, which include regular CATS bus service. The Goldline CityLynx streetcar extensions have recently been approved by City Council which will add additional transportation options to the area, serving and connecting Johnson C. Smith University to the center city and Johnson & Wales University. The area is also in close proximity to Charlotte Douglas International Airport and its edge at Wilkinson Boulevard is a major corridor which serves the airport and related airport operations.

The three major highways that run through or along the boundaries of the study area: I-77 to the east, NC16 to the north, and I-85 to the west, include a total of eight full or partial interchanges as shown on Table 2 below. Highways present both challenges and opportunities. They may bisect neighborhoods and negatively impact attractiveness and walkability, but they also provide visibility and access to support businesses that rely on them.





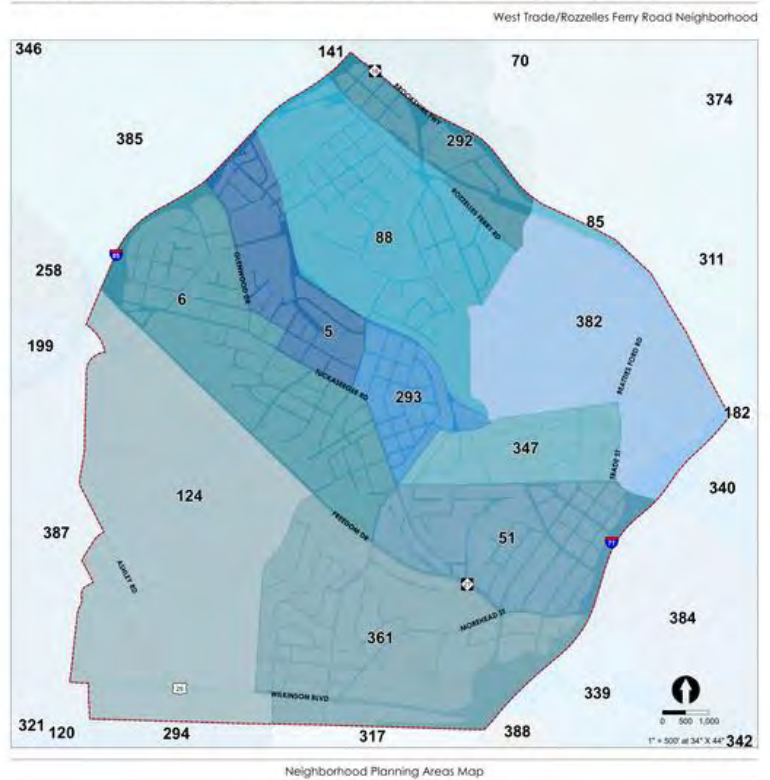
Two large anchors provide employment and economic activity in this area: Johnson C. Smith University and the Valerie C. Woodard County Social Service Offices (formerly Freedom Mall). The primary land use is low density, single family homes in well-established neighborhoods, followed by civic and institutional uses. There are 288 acres of park, greenway and open space, and 375 acres of vacant parcels ripe for future development. In addition, there are commercial/retail operations along the business corridors and a number of underutilized assets (vacant or under-developed), such as the former Kmart Center on Freedom Drive between Camp Greene and Allegheny Streets.

The study area also includes 12 Neighborhood Profile Areas (NPA) which further define the study area and are the subject of the bi-annual Quality of Life study compiled by the City and County in association with the UNCC Urban Institute. The Quality of Life study is done every two years with the 2014 edition ready for rollout in early 2015. Consequently, at the time of this study the primary source for descriptive data is the 2012 Quality of Life Study. The basic geographical unit used in the Quality of Life study is denoted as the Neighborhood Profile Area (NPA), which is most closely associated with census block data. The NPAs are not coterminous with generally accepted neighborhood boundaries; however, neighborhood names that are most closely associated with the NPAs will be used in the following sections of this report.

The NPAs that are within or influenced by the West Trade/Rozzelles Ferry Road CNIP study area are as follows:

NPA	Neighborhood
5	Enderly Park
6	Enderly Park
51	Wesley Heights
70	University Park
85	Washington Height
88	Lakewood
124	Ashley Park and W
292	Smallwood
293	Enderly Park
347	Seversville
361	Ashley Park
382	Biddleville

Comprehensive Neighborhood Improvement Program (CNIP)



## 1.2 Neighborhood Assets

The neighborhood’s assets can be grouped into five categories:

### Schools & University

- Ashley Park PreK-8 School (Project Lift school)
- Aristotle Preparatory Academy
- Westerly Hills Elementary
- Angels Christian Academy
- Character Builders Christian Academy
- Invest Collegiate
- Bruns Academy (Project Lift school)
- Herbert Spagh Middle School
- JCSU charter school (under construction)
- Harding University High
- Stewart Creek High School (proposed)
- Philip O. Berry Academy of Technology
- CPCA City View – Cosmetology
- Johnson C. Smith University

### Parks & Greenways

- Camp Green (former WW I military camp – includes Dowd Historic House)
- Bryant Park
- Enderly Neighborhood Park
- Seversville Neighborhood Park
- Martin Luther King Community Park
- Five Points Neighborhood Park
- Frazier Neighborhood Park
- Stewart Creek Greenway
- Hoskins Neighborhood Park (on periphery)

### Social & Service Organizations

- Bette Rae Thomas Center
- Mecklenburg Bar Center (under construction at Rozzelles & Zebulon)
- Neighborhood Business Services (City)
- Boys & Girls Club
- Valerie C. Woodard (County DSS)
- YMCA

### Connections & Transportation

- I-77, I-85, I-485
- Arteries - Brookshire, Rozzelles Ferry, Freedom Drive
- CityLynx Gold Line Streetcar extension
- Railroad (freight)
- CATS Bus service
- Charlotte Douglas & CSX intermodal centers

### Historic & Cultural

- Wesley Heights – Historic District
- Grand Theatre – Historic Property
- Biddle Hall (JCSU campus) – Historic Property
- George Davis House – Historic Property
- JCSU Arts Factory
- Latibah Collard Green Museum

### 1.3 Demographic & Economic Analysis

The basic element of any market-driven plan is the demographic makeup of the community, past trends and future potential growth or contraction. The City of Charlotte, where the CNIP study area is located, was compared to the region, state and the nation. This includes both Mecklenburg County and the Charlotte Metropolitan Statistical Area (MSA), which it also serves. The data in this analysis include 2010 US Census data and/or 2014 ESRI estimates which utilize national census data with local updates, North Carolina state data and other regional/local resources. Data are also compiled from the City and other state and federal sources. Also included are data from each Neighborhood Profile Area (NPA) within the study area boundaries, which together, assist in determining projects that would benefit most from CIP infrastructure investment.

A review of the demographic profile of the study and data collection areas, as compared to other geographies from the macro to micro level, revealed that the population within the study area overall is:

- Predominately African-American;
- Multigenerational, but skewing toward young millennials;
- Low in household income and educational achievement;
- High in unemployment;
- Predominantly renters;
- More reliant on public transportation than is typical for the City as a whole.

<b>NC-MSA-County-City-CNIP Comparisons (2012 Data)</b>	<b>North Carolina</b>	<b>MSA</b>	<b>Mecklenburg County</b>	<b>City of Charlotte</b>	<b>W Trade/Rozzelles Ferry</b>
Population Growth (2012–2017 annual rate)	1.21%	1.70%	1.77%	1.74%	<b>N/A</b>
Median Household Income	\$42,900	\$52,110	\$54,401	\$52,033	<b>\$28,875</b>
Median Household Income: < \$50,000	56.1%	47.6%	45.3%	47.7%	<b>76.0%</b>
Median Household Income: \$50,000 +	43.9%	52.4%	54.7%	52.3%	<b>24.0%</b>
Owner Occupied Housing	56.5%	59.3%	53.8%	50.2%	<b>40.0%</b>
Renter Occupied Housing	30.0%	31.9%	37.5%	41.1%	<b>50.4%</b>
Vacant Housing	13.5%	8.8%	8.7%	8.8%	<b>9.6%</b>
Median Age	37.5	35.5	34.0	33.3	<b>31.0</b>
<i>Sources: ESRI Comparison Report, City of Charlotte, Rose Associates.</i>					

In addition to comparison to the larger geographies and the other CNIP areas of the city, the demographic and economic data were reviewed for each NPA within the initial data collection area to provide an understanding of which neighborhoods have the highest priority with regard to housing, social and civic services. The table below provides some insight into the market findings and project recommendations.

NPA Name	NPA	Black Population	White Population	Hispanic Population	Median Age	Median Household Income	% on Food & Nutrition Svcs	Adults w/o HS Diploma	Violent Crimes	Property Crimes
University Park	70	96.4%	1.9%	1.2%	52	\$40,000	35.9%	25.9%	1,841	13,851
Washington Heights	85	93.8%	1.7%	2.0%	27	\$27,563	54.1%	22.0%	1,452	7,873
Smallwood	292	84.0%	3.0%	2.9%	28	\$19,881	49.7%	37.9%	1,473	6,538
Biddleville	382	83.6%	7.5%	8.5%	24	\$21,159	29.8%	37.8%	1,086	4,598
Lakewood	88	82.8%	5.4%	1.9%	37	\$27,143	50.3%	35.7%	1,438	6,684
Enderly Park	5	83.9%	9.6%	2.7%	22	\$32,679	61.0%	38.3%	2,156	7,297
Enderly Park	293	91.2%	7.8%	2.1%	33	\$14,369	54.6%	37.1%	1,926	9,216
Seversville	347	83.1%	11.0%	3.7%	30	\$30,714	48.5%	9.8%	1,356	8,305
Wesley Heights	51	44.8%	49.6%	1.9%	41	\$41,375	12.0%	10.9%	578	5,367
Ashley Park	361	84.0%	11.7%	2.4%	39	\$23,686	51.8%	57.1%	3,823	15,594
Enderly Park	6	79.3%	16.3%	3.8%	27	\$21,158	54.0%	19.5%	2,747	9,219
Ashley Park & West Blvd	124	68.5%	20.8%	6.2%	45	\$29,424	40.5%	25.8%	1,935	37,922
County Average		32.0%	55.0%	12.0%	35	\$61,973	17.0%	12.0%	515	4,436

Source: Quality of Life study, 2012

Concerns and perceptions regarding crime in the study area may negatively impact the market. However, the presence of the Metro sub-station and joint efforts by City staff have demonstrated an improving trend from 2012, when the last Quality of Life Study was completed. More detailed data regarding each NPA will be released with the 2015 Quality of Life Study update:

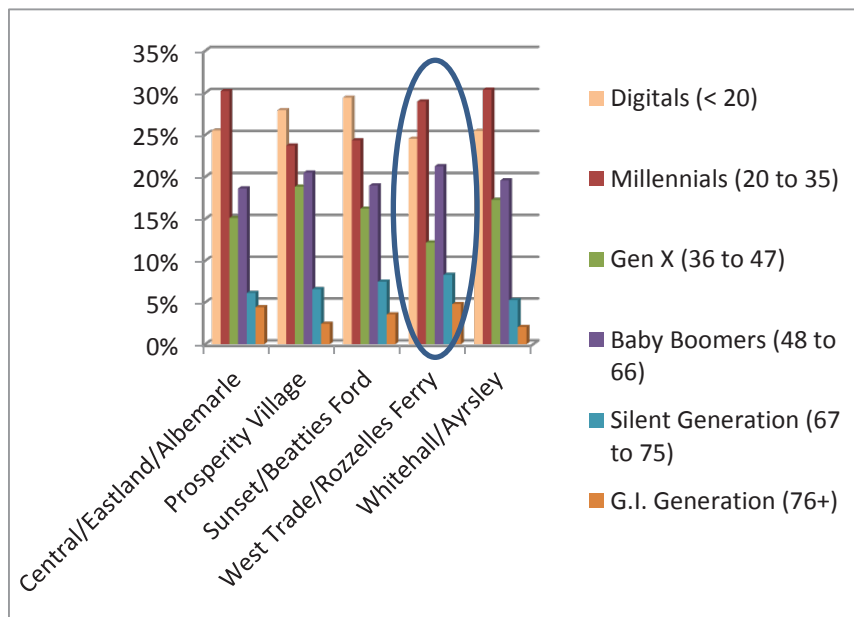
Crime Rate Trends - CMPD Reporting Area	% Change 2013 - 2014
Ashley Park	-19.2%
Bryant Park*	22.0%
Camp Greene*	18.8%
Eleanor Heights*	70.6%
Enderly Park	-2.4%
Glenwood*	10.0%
Lakewood	-6.8%
Parkview	-32.8%
Seversville	-21.8%
Smallwood/Biddleville	-17.6%
Overall Average	-1.80%
* increases attributable to Non-Violent/Property Crime (only)	

Source: CMPD



### Generational Cohort

The age distribution of the study area can best be defined by generation, which defines age, socioeconomic and lifestyle characteristics. The study area is dominated by Millennials, followed by Digitals (youth/children) and Baby Boomers, suggesting a substantial number of multi-generational households. The table below compares the five CNIP study areas:



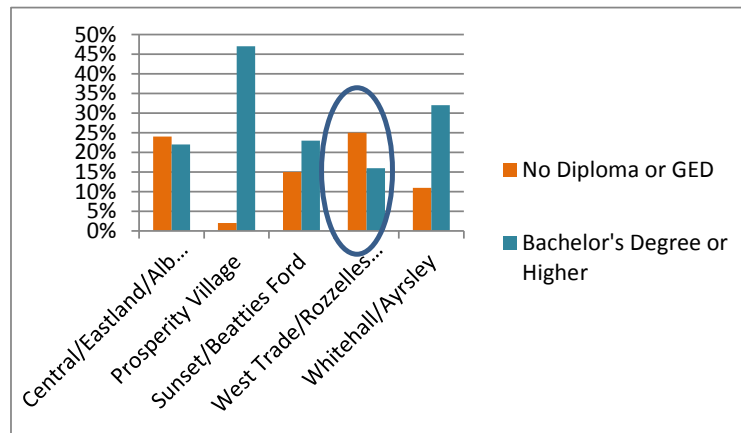
Generational Cohort Table.

Source: Charmeck Initial Data Collection Area

### Educational Attainment

The working population age 25+ by educational attainment provides insight into household income and skills of the local labor force. This is important not only for financial stability, but for attracting business and entrepreneurship as well. There is much discussion nationally around the “creative class” and the economic impacts of business and activity regardless of educational attainment. The discussion balances cultural and lifestyle amenities often described in place-making, with business and entrepreneurial activities to create and expand a direct economic impact. This debate often takes center stage in areas where there is imbalance between quality of life, occupational skills and employment opportunities. This can be addressed through partnership with local education institutions and organizations.

The statistics in the study area illustrate the challenges in this area, particularly around education. Without additional education and occupational opportunity, financial security will continue to elude a large percentage of the population and negatively impact housing and commercial real estate within the study area. The recently formed Economic Mobility Task Force will explore why the City of Charlotte ranked last among the country’s 50 largest cities when it comes to providing opportunities for the poor to lift themselves out of poverty. The work of this task force will be important as it relates to this CNIP study area.



Educational Attainment Table.

Source: Charmeck Initial Data Collection Area

This area of the City has historically been of relatively low wealth, with the working adults in blue collar jobs that at one time included significant local employment in manufacturing enterprises. The area still has some manufacturing jobs, but most of the jobs are now in distribution, warehousing and service occupations. Educational attainment is clearly one of the primary deficits for this area, with 25% of adults having no high school diploma. At the same time, the existing educational infrastructure in this part of Charlotte and Mecklenburg County is robust. The area has a University, Johnson C. Smith, and a branch of Central Piedmont Community College, a Cosmetology School. Other institutions of higher education are easily accessible including Johnson & Wales University just across I-77, other universities in the Center City and numerous branches of Central Piedmont Community College around the region.

Two Charlotte-Mecklenburg High Schools are in the study area (Philip O. Berry Academy of Technology and West Charlotte High School). Additionally, Harding, West Mecklenburg and Olympic High Schools are nearby. The area also has its complement of Elementary and Middle Schools. Some of these public schools are a part of the Project Lift program, a privately funded effort to upgrade the academic performance in the feeder schools of West Charlotte High School. This program is relatively new; therefore, results at this point are difficult to discern, although the graduation rate at West Charlotte has shown significant improvement in the past couple of years.

For years, Goodwill Industries of the Southern Piedmont has had its primary site for job training on Freedom Drive. Goodwill has recently announced that it will build a new campus further west and just out of this study area; therefore, the job training function is likely to migrate to the new site, which will continue to be accessible to the people of West Charlotte. The Urban League also has a job training site near Uptown Charlotte but easily accessible to this part of town. CPCC's Cosmetology School in the Ashley Park neighborhood has outstanding enrollment in its programs.

The educational infrastructure in this area certainly has the potential to begin improving the educational deficit. The educational traits of the population certainly impact the real estate dynamics. We look at only three of four indicators, which will be sufficient to indicate the nature of the deficit that needs to be overcome in order for the people of this area and the real estate market to prosper.

In looking at educational variables, the one that is almost universally agreed upon is that if one does not have a high school diploma or its equivalent, job opportunities and economic mobility are severely restricted. Most agree that the absolute minimum threshold for functioning in the current economy is a high school diploma.

The percentage of adults (aged 25 and above) without a high school diploma in Mecklenburg County is 12%. Ten of the twelve NPAs in our study area are above the county average. In one of the Ashley Park NPAs (361), 57.1% of the adults do not have a high school diploma. In five of the NPAs, between 35.7% and 38.3% do not have high school diplomas. The three NPAs that are closest to the county average are: Enderly Park (NPA 6) with 19.5%, Wesley Heights (NPA 51) with 10.9% and Seversville (NPA 347) with 9.8%.

In some parts of North Carolina, educational attainment data like those above are indicative of an aging population that grew up at a time when a high school diploma was not needed to do work in agriculture or in the mill. But, the age characteristics of the population in the study area do not reflect this historical trend. The people in the study area are relatively young, in many cases younger than the Mecklenburg average age, and Mecklenburg County, itself, has a younger population than most places in the United States.

The low attainment scores are reflecting something else, namely dropping out before graduating from high school. The county average dropout rate is 3.0%, and four of the twelve NPAs are very close to that average: Smallwood (NPA 292) 1.6%, University Park (NPA 70) 2.7%, Enderly Park (NPA 293) 3.0%, and Enderly Park (NPA 5) 3.3%. Six additional NPAs have a dropout rate between 5.1% and 13.5%. The two NPAs that are substantially above the county norm are Ashley Park (NPA 361) 13.5% and Wesley Heights (NPA 51) 20.0%. This last number is a surprise, and there is no ready explanation of why such a high average is occurring in the most rapidly advancing NPA in the study area. While many of the dropout rates remain high, the increased attention to improving this measure of educational attainment, that is, graduating from high school, may be successfully moving the dropout numbers more toward the county average, which is something to celebrate.

There always is a “but,” and in this case, we have a measure of the average number of students who had at least 10 unexcused absences during the most recent school year. Unexcused absences are viewed as one of the most powerful precursors to becoming a full-fledged dropout. The county average on this measure is 11.0%. None of our 12 NPAs is at or below the county average. Four of the NPAs have an average 10+ unexcused absence rate in the teens, another 7 NPAs have an average in the 20s and one Seversville (NPA 347) has 32.6% of its students with at least ten unexcused absences. This later number is also a surprise considering that Seversville is doing relatively well on the other indicators. The bottom line is that with the kind of absentee rate that is found in these data, the high schools serving this area will continue to be challenged to keep students enrolled through graduation.

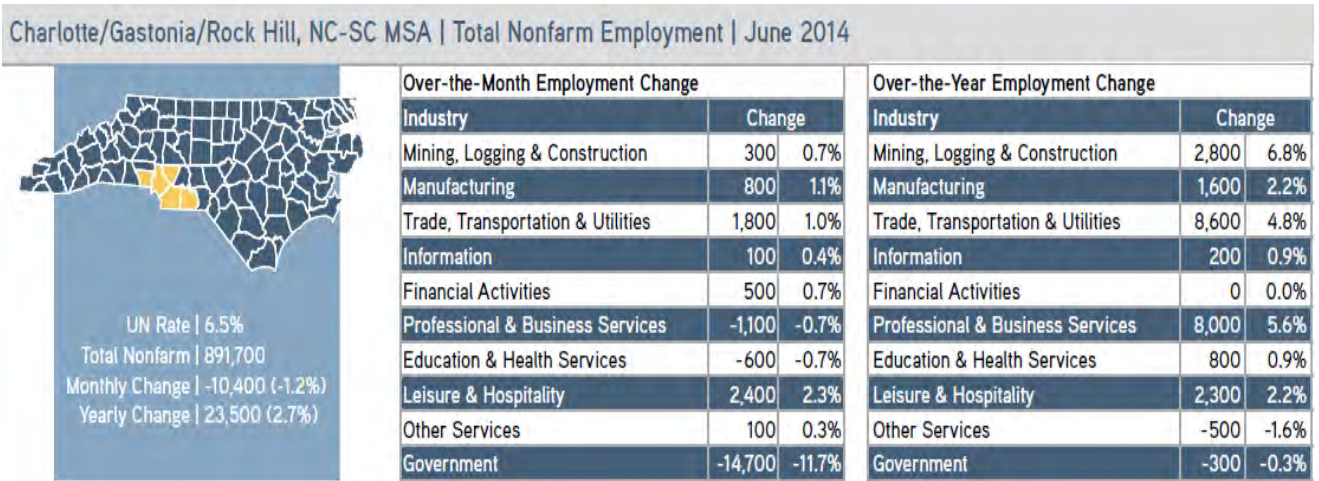
NPA Number	5	6	51	70	85	88	124	292	293	347	361	382	County Averages
NPA Name	Enderly Park	Enderly Park	Wesley Heights	University Park	Washington Heights	Lakewood	Ashley Park & W. Blvd.	Smallwood	Enderly Park	Seversville	Ashley Park	Biddleville	
Adults (25 & Older) Without High School Diploma	38.3%	19.5%	10.9%	25.9%	22.0%	35.7%	25.8%	37.9%	37.1%	9.8%	57.1%	37.8%	12.0%
Dropout Rate	3.3%	9.3%	20.0%	2.7%	5.8%	12.3%	5.1%	1.6%	3.0%	6.9%	13.5%	9.9%	3.0%
10+ Unexcused Absences (% of Students)	22.7%	25.9%	14.3%	14.9%	25.1%	18.9%	17.2%	23.8%	26.6%	32.6%	21.6%	27.0%	11.0%

Source: 2012 Charlotte-Mecklenburg Quality of Life study

This part of the City continues to suffer significant educational deficits. Data taken from one point in time, as these are, cannot indicate whether there has been improvement or failure over any period of time. However, over the next few years, comparison data for all schools will be available and will be instrumental in measuring change or the lack thereof over time. This foundational issue needs to be addressed if the goals to provide mobility for its citizens and stabilize and improve the economic performance of this area are to be achieved.

**Employment and Economic Base**

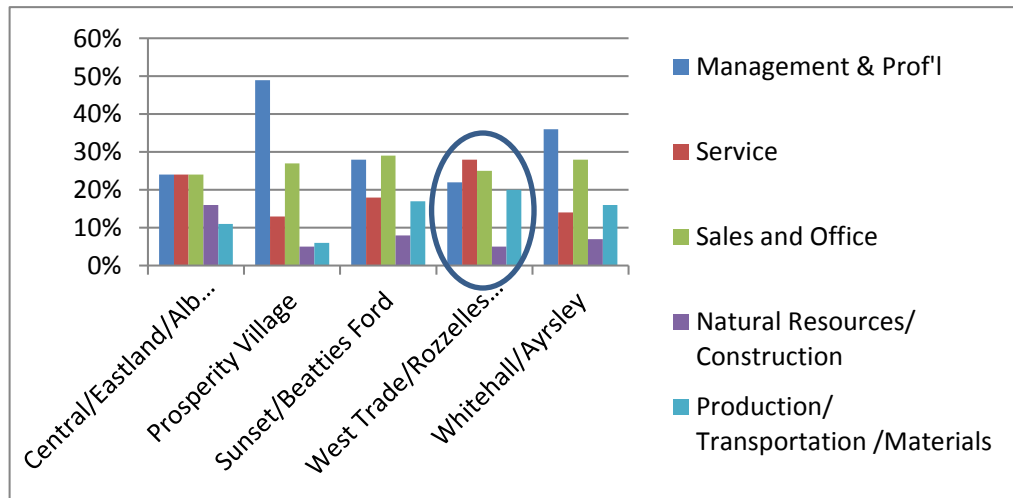
The Charlotte MSA has recovered substantially based upon employment and population growth over the past three years. Aside from the sector of the economy – defined by traditional Standard Industry Classification (SIC) or the more recent North American Industrial Classification (NAICS) – the size or stage of each company is a factor when determining employment growth and its relationship to real estate. The overall labor market is improving largely due to startups and small businesses growing and company relocations. However, according to data from the Edward E. Lowe Foundation, the number of larger business establishments from 2012-2013 in Mecklenburg County has shrunk, suggesting the growth of small business in the region. The challenge is to assess both employment and unemployment, as many workers in the unemployment figures may be no longer seeking a job. Below is snapshot of the regional labor market including employment by industry sectors:



Source: North Carolina Employment Security Commission



A review of the economic data reveals that the majority of workers are employed in the service and sales sectors. Most notable is the 20.3% unemployment reported within this area as compared to other areas of the city and the region.



Employment Sector Table

Source: Charneck Initial Data Collection Tables

Economic Base Analysis is used to understand what drives a regional or local economy and determines real estate demand. The underlying theme suggests that jobs drive demand for real estate: in other words, for every job that is created, a multiplier effect increases overall employment, thus increasing both population and income within an area benefiting from such job growth. The corresponding growth (or decline) in jobs, population and income correspond to demand, and stability, for various uses of real estate. There are two types of jobs: those which export their goods and services outside the community (basic employment), and those which service the local community (service or non-basic employment). Therefore, companies seeking to locate in the area with basic jobs are the goal of most economic development officials. These companies occupy both **office** and **industrial** space and are the catalysts for subsequent growth in **housing** and **retail**. Other factors such as education and income also influence workforce development, housing and consumer expenditures, which supports retail and other commercial uses.

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#### 1.4 Economic Base and Real Estate Markets

Successful economic development strategies result in job growth. Job growth creates demand for real estate. These are the result of business recruitment efforts, together with the product availability that is attracting companies to Charlotte.

The region's employment location quotient, or percentage of US employment ratios that exceed base industry standards, identifies which sectors contribute the greatest local job and economic growth. Those with quotients greater than 1.00 demonstrate higher than US averages and thus contribute to the local economic base. Sector employment is reported at the State, Metro area and County level.

North Carolina and Mecklenburg County were reviewed and compared. The top-ranked economic driver for the state is Management of Companies and Enterprises (NAICS 55), followed closely by Manufacturing (NAICS 31-33). For Mecklenburg County, Management of Companies and Enterprises is also the strongest driver, followed by Finance and Insurance (NAICS 52) and Information (NAICS 51), the next most dominant industries, which drive office demand.

However, other sectors do not correlate closely with the state. Manufacturing is not a primary driver at the county level; however, transportation and warehousing does create demand for warehouse and distribution space serving a growing logistics sector, influenced by the Charlotte Douglas International Airport and adjacent multi-modal facilities south of the airport. When reviewing the more detailed subsectors, the influence of local industries becomes even more apparent: Data Processing, Air Transportation, and Broadcasting emerge as the drivers in Mecklenburg County's economy, rather than the state's traditional industries relating to textiles and furniture. The dominate sector fueling employment within the study area is Transportation and Warehousing – evidenced by the number of industrial properties within the CNIP.

The table below compares the key industries and subsectors that drive the County’s economic base:

<b>Location Quotients – Economic Base</b>	<b>North Carolina</b>	<b>Mecklenburg County</b>
<b>Primary Industry (2013)</b>		
NAICS 55 - Management of Companies	1.28	2.60
NAICS 52 - Finance & Insurance	0.92	2.03
NAICS 51 - Information	0.89	1.56
NAICS 48-49 - Transportation & Warehousing	0.87	1.44
NAICS 71 - Arts, Entertainment, & Recreation	1.01	1.40
NAICS 56 - Administrative & Waste Services	1.12	1.36
NAICS 42 - Wholesale Trade	1.04	1.32
NAICS 53 - Real Estate Rental & Leasing	0.86	1.17
NAICS 54 - Professional & Technical Services	0.84	1.10
<b>Sub-Sector (2013)</b>		
NAICS 518 - Data Processing & Related Services	1.42	5.44
NAICS 481 - Air Transportation	0.97	4.73
NAICS 515 - Broadcasting, except Internet	0.91	2.93
NAICS 522 - Credit intermediation & Related Activities	1.10	2.62
NAICS 551 - Management of Companies & Enterprises	1.28	2.60
<i>Source: Bureau of Labor Statistics; Rose &amp; Associates SE, Inc.</i>		

**Real Estate Demand Dynamics**

**The market potential for real estate relies upon a number of factors, including but not limited to: regional economic cycles, a business friendly regulatory environment, workforce dynamics (wage, education and job training), and central places (i.e. colleges, hospitals or large employers) that are demand generators for complementary uses. The successful recruitment of businesses generally results in demand in the form of either office or industrial space. Providing competitive labor, capital, operating costs, materials and qualified locations will ensure continued job growth in these sectors. Such demand drives employment and subsequently demand for housing and commercial uses that serve residents and employees such as retail, food, entertainment and recreation. In turn, the impacts of improved fiscal performance provide opportunities for economic mobility.**

### 1.5 Land Use Demand – Office

#### Existing Supply & Pricing

The West Trade/Rozzelles Ferry study area is located within the North office submarket of the Charlotte region, which includes the suburban communities of Huntersville, Cornelius, and Davidson. Although this is a large area geographically, it is relatively small in terms of the quantity of developed space. It must also be kept in mind that inclusion of the northern suburbs, with their recently constructed general and medical office complexes, produces a more favorable statistical profile than would be exhibited by the study area alone. The following chart illustrates the North submarket historical office snapshot driving future forecast trends:

North Market - Historical Office Market Analysis					
Period	2010	2011	2012	2013	2014 YTD
Number of Buildings	57	57	57	56	58
Total Inventory (Sq. Ft.)	2,355,583	2,355,583	2,355,583	2,355,583	2,334,399
Completions	0	0	0	0	0
Net Absorption	110,981	8,578	90,372	28,849	(45,289)
Submarket Capture Rate (% of Total Market)	10.9%	4.0%	6.8%	2.2%	-12.4%
Total Vacant (Sq. Ft.)	452,858	444,280	353,908	315,059	360,348
Vacancy Rate	19.2%	18.9%	15.0%	13.8%	15.4%
Class A	20.6%	19.9%	15.4%	14.4%	16.3%
Class B	13.8%	14.4%	13.3%	11.5%	11.8%
Class C	N/A	0.0%	0.0%	0.0%	0.0%
Average Rent	\$19.83	\$19.99	\$19.88	\$20.39	\$20.44
Class A	\$20.15	\$20.22	\$20.19	\$20.62	\$20.65
Class B	\$18.64	\$19.06	\$18.70	\$19.47	\$19.58
Class C	N/A	\$0.00	\$0.00	\$0.00	\$0.00
Sq. Ft. Under Construction	0	0	0	0	0
Sq. Ft. Proposed	1,146,164	1,146,164	1,021,164	946,164	594,224

*Source: The KARNES Report 2nd Quarter 2014, Rose & Associates*

Five new office buildings totaling approximately 594,224 square feet are proposed to be constructed within the suburban areas of the North submarket. None of them are located within the study area or near enough to provide jobs to study area residents. The study area is also heavily influenced by the adjacent Center City or Central Business District (CBD) submarket. However, as it is located just outside of the inner beltway of I-277 which creates a barrier and separates it from the Center City. The Greenway Business Park on Rozzelles Ferry Road provides parcels for both office and industrial development. With the construction of the Mecklenburg Bar Association office building, it will add 23,000 square feet of office space to the study area. Also notable is the proposed building adjacent to Mosaic Village, which contemplates 60,000 additional square feet of office space.



A review of inventory during the first quarter of 2015 in the study area revealed the following office space opportunities, totaling 179,485 square feet:

Office Availabilities - West Trade/Rozzelles Ferry CNIP					
Address	Available Sq. Ft.	Asking Sale Price	Asking Sale Price/Sq. Ft.	Asking Lease Rate/ Sq. Ft.	Terms
Charlotte School of Law 2145 Suttle Ave.	100,000	\$17,500,000	\$175.00	\$22.00	Full Svc
2801 Crisman Street	60,000	\$1,500,000	\$25.00	NA	
Colony Park West 2303 W. Morehead Street	4,548	\$500,000 - \$550,000	\$109.94 - \$120.93	\$12.00 - \$14.00	Mod Gross
2211 W. Morehead Street	3,225	NA	NA	\$10.00 - \$12.00	Full Svc
1230 W. Morehead Street Suites 110 & 112	3,207	\$359,000	\$111.94	NA	
Greenway Business Center 2730 Rozzelles Ferry Road	2,874	NA	NA	\$15.00	NNN
1230 W. Morehead St,reet Unit 308	2,003	\$330,495	\$165.00	\$18.00	Mod Gross
Colony Park West 2301 W. Morehead St.	1,828	\$180,972	\$99.00	\$10.00	Mod Gross
1230 W. Morehead Street Unit 114	1,800	\$209,900	\$116.61	NA	
<b>Total Sq. Ft. Available</b>	<b>179,485</b>				

*Source: Charlotte SiteIndex, 11-18-2014*

The largest block of office space is the former Charlotte School of Law building on Suttle Avenue, located between Morehead Street and Wilkinson Boulevard. This building has been recently purchased by Mecklenburg County to house a variety of departments, including social services operations. It was noted by the local real estate professionals that buyers/tenants were reluctant to locate here given its relative isolation and disconnect with surrounding assets such as the greenway, restaurants and other amenities. This could be remedied by providing this gateway to the west side with some limited public realm improvements, greenway connections and way-finding signage to continue to build the momentum recently seen in the Morehead Street corridor.

**Office Absorption**

The following chart compares recent conditions in the North office submarket with those of other Charlotte submarkets, including the downtown, or Center City. The North and Downtown office markets experienced negative net absorption in both Class A (new) and Class B space over the first half of 2014.

Charlotte Office Inventory, Average Rent, Vacancy & Net Absorption by Submarket and Class												
Submarket	Class A				Class B				Class C			
	Inventory	Avg. Rent	Vacancy	Net Abs.	Inventory	Avg. Rent	Vacancy	Net Abs.	Inventory	Avg. Rent	Vacancy	Net Abs.
Ballantyne/South	5,988,340	\$23.62	15.3%	(57,050)	659,784	\$19.21	21.9%	(7,832)	0	\$0.00	0.0%	0
Cotswold	136,448	\$23.40	8.7%	0	84,199	\$18.84	17.0%	2,494	0	\$0.00	0.0%	0
CrownPoint/Matthews	798,574	\$17.79	19.7%	15,403	307,324	\$13.74	27.2%	(10,764)	0	\$0.00	0.0%	0
<b>Downtown</b>	<b>13,368,099</b>	<b>\$28.53</b>	<b>11.4%</b>	<b>(37,541)</b>	<b>3,416,190</b>	<b>\$23.25</b>	<b>15.6%</b>	<b>(117,369)</b>	<b>190,072</b>	<b>\$19.88</b>	<b>10.7%</b>	<b>8,188</b>
East	42,300	\$19.50	0.0%	0	875,488	\$14.69	22.8%	(41,093)	240,310	\$11.80	34.4%	0
I-77 Southeast	6,622,728	\$17.79	18.2%	(41,962)	1,178,289	\$13.83	27.5%	452	0	\$0.00	0.0%	0
Midtown	2,283,548	\$25.67	4.0%	2,276	1,118,727	\$20.29	14.9%	12,932	143,076	\$21.36	5.4%	2,483
<b>North</b>	<b>1,871,241</b>	<b>\$20.65</b>	<b>16.3%</b>	<b>(3,385)</b>	<b>463,158</b>	<b>\$19.58</b>	<b>11.8%</b>	<b>(5,880)</b>	<b>0</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>0</b>
Northeast	3,199,181	\$18.20	18.1%	143,996	1,916,287	\$18.75	6.7%	218,709	27,324	\$0.00	0.0%	0
Park Road	58,927	\$22.92	0.0%	7,348	668,476	\$16.39	29.5%	18,654	0	\$0.00	0.0%	0
SouthPark	3,530,460	\$25.30	9.6%	(6,026)	718,874	\$20.53	19.7%	10,853	0	\$0.00	0.0%	0
<b>Totals</b>	<b>37,899,846</b>	<b>\$23.88</b>	<b>13.5%</b>	<b>23,059</b>	<b>11,406,796</b>	<b>\$19.59</b>	<b>17.4%</b>	<b>81,156</b>	<b>600,782</b>	<b>\$17.22</b>	<b>18.4</b>	<b>10,671</b>

Source: The KARNES Report 2nd Quarter 2014, Rose & Associates

Historic absorption in the submarket has been negative, as this asset class continues to recover from the recession and gain momentum. There is an average historical capture rate of 2.3% within the submarket and a more than ten-year supply of office space in the study area, based upon current demand estimates. This is dominated by the former Charlotte School of Law and Crisman Street buildings, whereas the majority of remaining available spaces are small offices located in and around W. Morehead St. While there is excellent access into the study area, there are limited locations with highway visibility, a campus environment and a job ready educated workforce needed to drive office demand in the study area.

Annual Office Demand Estimate		
Mecklenburg County New Basic Employees (per year)	2013	9,618
Economic Base Multiplier		1.88
New Total Employees		18,082
Average Submarket Capture Rate		2.3%
Estimated Capture in CNIP		1%
New Total Employees in CNIP (per year)		181
Average # Office Employees	39.0%	71
Average Office Space per Employee (S.F.)		150
<b>CNIP New Office Space Demand (S.F.)</b>		<b>10,578</b>
CNIP Current Office Supply		179,485
CNIP Office Gap		-168,907

Note: the balance of space demand is in other sectors including industrial, retail, education, government and other uses.

**The greatest prospect for the revitalization in the study area is the repositioning of the former Charlotte Law School building which will eliminate the large gap and will add up to 400 employees to this area. Completing its connection to surrounding parcels, as well as construction of the proposed office building at Mosaic Village, and development of low-impact, cost effective space (existing and new) within of smaller footprints at the Greenway Business Park will provide opportunities for up to 50,000- 100,000 square feet of future office to meet or exceed demand in the study area over the next 5-10 years.**

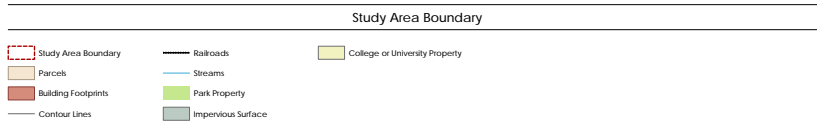
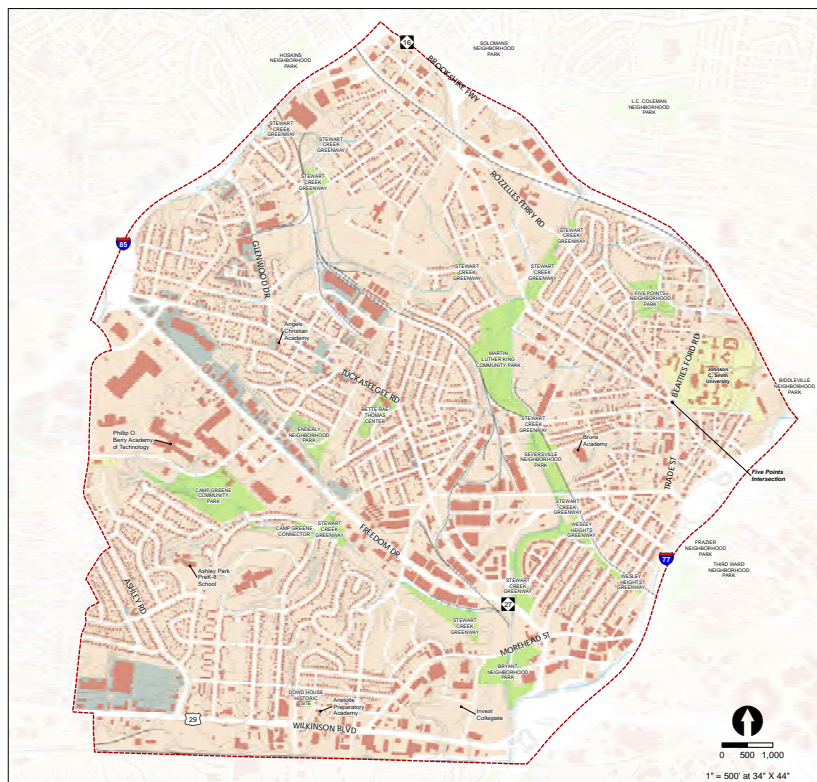
## 1.6 Land Use Demand – Industrial

### Existing Supply & Pricing

The Rozzelles Ferry/West Trade study area includes a substantial inventory of industrial buildings and vacant land zoned for industrial uses. While a specific industrial building inventory and assessment was not included in our scope of work, this should be considered to determine building obsolescence and those appropriate for adaptive re-use. In addition, the environmental history and status of these properties is currently unknown.

### Comprehensive Neighborhood Improvement Program (CNIP)

West Trade/Rozzelles Ferry Road Neighborhood



The study area is located within the Northwest industrial submarket. This submarket aligns more closely with the study area boundaries, but extends further south into the area surrounding Charlotte Douglas International Airport. The Northwest industrial submarket is the third largest of the Charlotte market areas. The chart below focuses on the Northwest submarket history with respect to inventory, vacancy and pricing.

Northwest - Historical Industrial Market Analysis					
Warehouse	2010	2011	2012	2013	2014 YTD
Number of Buildings	39	39	39	39	44
Total Inventory (Sq. Ft.)	5,449,765	5,449,765	5,449,765	5,449,765	5,713,265
Completions	0	0	0	0	0
Net Absorption	33,446	(77,465)	252,097	197,664	81,736
Submarket Capture Rate (% of Total Market)	7.5%	-21.2%	28.5%	8.8%	24.9%
Total Vacant (Sq. Ft.)	713,621	791,086	538,989	341,325	458,564
Vacancy Rate	13.1%	14.5%	9.9%	6.3%	8.0%
Average Rent	\$3.43	\$3.31	\$3.31	\$3.38	\$3.37
Sq. Ft. Under Construction	-	-	-	-	-
Sq. Ft. Proposed	305,081	305,081	305,081	305,081	305,081
Flex	2010	2011	2012	2013	2014 YTD
Number of Buildings	7	7	7	7	7
Total Inventory (Sq. Ft.)	203,925	203,925	203,925	203,925	203,925
Completions	0	0	0	0	0
Net Absorption	14,685	(18,631)	1,780	9,879	(10,678)
Submarket Capture Rate (% of Total Market)	11.2%	-55.2%	1.2%	24.1%	-8.7%
Total Vacant (Sq. Ft.)	30,456	49,087	47,307	37,428	48,106
Vacancy Rate	14.9%	24.1%	23.2%	18.4%	23.6%
Average Rent	\$8.10	\$7.37	\$6.84	\$7.62	\$7.67
Sq. Ft. Under Construction	-	-	-	-	-
Sq. Ft. Proposed	-	-	-	-	-

*Source: The KARNES Report 2nd Quarter 2014, Rose & Associates*

Many of the existing industrial properties in the Rozzelles Ferry/West Trade study area are older structures which are home to small to mid-size companies or are vacant and potential candidates for redevelopment. Proposed projects in the Northwest submarket are near the study area, but closer to the airport, where major development activity is more likely to take place adjacent to intermodal facilities south of the airfield. There is currently over 300,000 square feet of industrial space proposed in the vicinity of the airport; in the City Tech Park on Alleghany Street and the West Pointe Business Park on West Pointe Drive, both having direct access to the interstates and airport. To the north, the 386,000 square foot former Chemway Industrial Park, located just off Rozzelles Ferry Road near the CSX rail facilities, recently sold for \$11 million dollars. This is largely attributed to the substantial CSX facilities which connect to the intermodal facilities at the airport. There are also two recycling operations within the study area (Caraustar adjacent to Savona Mills and GreenTek on Hovis Rd.) whose facilities are expanding in their existing locations.



A review of inventory in the study area revealed the following industrial space opportunities, totaling 22,340 square feet:

Industrial Availabilities - West Trade/Rozzelles Ferry CNIP				
Address	Available Sq. Ft.	Asking Sale Price	Asking Sale Price/Sq. Ft.	Asking Lease Rate/ Sq. Ft. (NNN)
1859 Lindbergh Street	11,200	NA	NA	\$5.50
1210 Alleghany Street	8,440	\$695,000	\$82.35	\$8.32
2815 Rozzelles Ferry Road	2,700	NA	NA	\$1.01
<b>Total Sq. Ft. Available</b>	<b>22,340</b>			

Source: Charlotte SiteIndex, 11-18-2014

It is noteworthy to mention that despite the large inventory of space within the submarket, over 200,000 square feet of available space lies just adjacent to the study area in and around the airport or on the west side of I-85, there is high occupancy and limited availability actively on the market within the CNIP study area. The most notable project is the Savona Mill, a redevelopment opportunity for adaptive reuse that includes proposed arts, breweries and other uses.

**Industrial Absorption**

The following chart compares recent conditions in the Northwest submarket with those in other Charlotte submarkets. Net absorption, while not negative, has been very low, and average rents are the lowest of all the submarkets.

Charlotte Industrial Inventory, Average Rent, Vacancy & Net Absorption by Submarket												
Submarket	Warehouse				Flex				Totals			
	Inventory	Avg. Rent	Vacancy	Net Abs.	Inventory	Avg. Rent	Vacancy	Net Abs.	Inventory	Avg. Rent	Vacancy	Net Abs.
Central	3,710,496	\$4.07	5.9%	(12,363)	373,291	\$10.24	9.8%	0	4,083,787	\$4.63	6.3%	(12,363)
CrownPoint/Matthews	332,122	\$6.13	5.3%	0	906,838	\$8.33	17.5%	3,007	1,238,960	\$7.74	14.2%	3,007
East	0	\$0.00	0.0%	0	299,534	\$11.44	22.7%	1,250	299,534	\$11.44	22.7%	1,250
North	7,960,105	\$4.50	6.0%	(52,529)	2,171,563	\$10.09	7.1%	116,508	10,131,668	\$5.70	6.2%	63,979
Northeast	853,852	\$3.68	21.0%	0	364,705	\$8.82	26.7%	37,871	1,218,557	\$5.22	22.7%	37,871
<b>Northwest</b>	<b>5,713,265</b>	<b>\$3.37</b>	<b>8.0%</b>	<b>1,466</b>	<b>203,925</b>	<b>\$7.67</b>	<b>23.6%</b>	<b>826</b>	<b>5,917,190</b>	<b>\$3.52</b>	<b>8.6%</b>	<b>2,292</b>
Southeast	0	\$0.00	0.0%	0	168,119	\$12.25	9.6%	(1,212)	168,119	\$12.25	9.6%	(1,212)
Southwest	15,995,480	\$4.45	6.9%	28,979	6,222,681	\$8.11	21.1%	(79,726)	22,218,161	\$5.47	10.9%	(50,747)
<b>Totals</b>	<b>34,565,320</b>	<b>\$4.29</b>	<b>7.1%</b>	<b>(34,447)</b>	<b>10,710,656</b>	<b>\$8.78</b>	<b>17.6%</b>	<b>78,524</b>	<b>45,275,976</b>	<b>\$5.35</b>	<b>9.6%</b>	<b>44,077</b>

Source: The KARNES Report 2nd Quarter 2014, Rose & Associates

With a historical average capture rate of 9.7% the importance of industrial uses is evident in this area given its locational characteristics and potential availability of workforce in the sectors that support this use. There are two factors driving industrial uses within the study area; first is the transition of industrial uses, including outside storage, and its impact on the neighborhoods that are immediately adjacent to them. Second, no information was made available concerning the extent to which environmental contamination may impact reuse or redevelopment of existing industrial properties in the study area. With an unemployment rate recently reported at 20.3% for the West Trade/Rozzelles Ferry residents, these existing industrial areas may be a good fit for small to mid-size companies seeking to control costs and find low skill workers. This includes repositioning of industrial buildings along the lower Freedom Drive corridor, and adding low-impact flex space to complement the existing office space at the Greenway Business Park.

<b>Annual Industrial Demand Estimate</b>		
Mecklenburg County New Basic Employees (per year)	2013	9,618
Economic Base Multiplier		1.88
New Total Employees		18,082
Average Submarket Capture Rate		9.7%
Estimated Capture in CNIP		1%
New Total Employees in CNIP (per year)		181
Average # Industrial Employees	12.0%	22
Average Industrial Space per Employee (S.F.)		896
<b>CNIP New Industrial Space Demand (S.F.)</b>		<b>19,442</b>
CNIP Current Industrial Supply		22,340
CNIP Industrial Gap		-2,898
Note: the balance of space demand is in other sectors including retail, office, education, government and other uses.		

**Small to mid-size companies have the best potential for use of older properties, which provide low cost space options near the interstates and provide employment opportunities for neighborhood residents. Clusters include automotive supply and repair; distribution and light manufacturing. Some buildings may also be suitable for re-purposing for different uses such as breweries, senior housing, rental housing, small business incubation/education space and other uses. Primary candidates include the Savona Mill, Greenway Business Park and the existing buildings along the lower Freedom Drive and planned Thrift St/Berry Hill roundabout. This includes the repositioning of the Goodwill facilities. Together these would provide the 100,000 – 200,000 square feet anticipated over the next 5-10 years.**

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### 1.7 Land Use Demand - Retail

The demand dynamics for retail differ from office/industrial uses, as demand comes not only primarily from job growth, but also from disposable income. The demographic benchmarks for retail include population and households, but most importantly disposable income to spend on goods/services. Consumer Expenditures outline the average dollars spent in any given category for those items on an annual basis. Within each **trade area** there are a number of components that determine which retail operators might find adequate demand for their goods/services or retail sales potential.

#### Trade Areas

Unlike geographic areas – such as census block or other boundaries, trade areas identify the market potential for goods and services within a specific distance to the consumer. These assist in determining threshold demographics such as population, income, workers, education and other factors required to support various sectors. The primary method for determining a trade area for data collection and real estate survey has become commonly defined as a prescribed distance radius around a specific intersection/location. This is predominately used to analyze threshold population and consumer dollars for retail uses. The secondary method, becoming more common with urbanization and growing traffic volumes, is the drive-time analysis. Drive time analysis evaluates the dynamics in a more urban environment where traffic congestion can impact the time versus mileage traveled to determine customer trade areas. In other words, consumers may choose locations based upon destination in time versus miles, depending on time of day and traffic status. Commuting patterns determine the ability for a company to attract both consumers and employees.

**Convenience oriented goods/services** contemplate those goods/services that are local and convenience oriented for those living and/or working in the immediate area such as within 1-5 miles or a 5-10 minute drive time. **Destination oriented goods/services** contemplate a trade area that provides employment opportunities and goods/services on a more regional level. This would include destination-oriented goods/services such as specialty retail, major goods, entertainment/recreation venues and employment centers. This would attract those within the local area as well as those from outside the area, with distances in excess of 5-7 miles or drive times in excess of 15+ minutes.

Since trade areas are based upon site specific locations, these are based upon their accessibility, traffic volumes and likelihood to attract customers from either the local or more regional trade area. The following intersections were reviewed and considered as both convenience and destination oriented locations: Freedom Drive at Ashley Road (Valerie C Woodard County offices, the former Freedom Mall site) and West Trade at Rozzelles Ferry (JCSU/Mosiac). When considering the impact of these central places, these trade areas assist to identify the dynamics of consumer behavior and retail demand potential for major industry group segments.

The accessibility of Freedom Drive off both Interstates 77 and 85 and its high traffic volumes suggests this location serves as a regional, destination location. Automobile traffic along Freedom Drive boasts over 32,000 cars per day coming to or passing through the study area according to current NCDOT estimates. Conversely, the dynamics of the Five Points intersection at West Trade at Rozzelles Ferry demonstrates lower traffic volumes (20, 000 cars per day) which service JCSU, the surrounding neighborhoods and local commuting traffic, suggesting a more convenience oriented location. The map below offers a view of these trade areas:



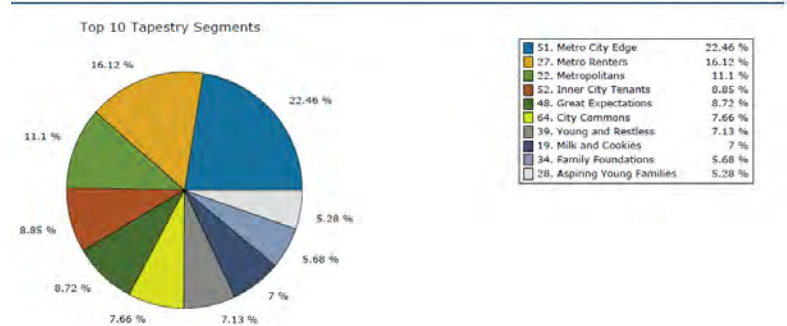
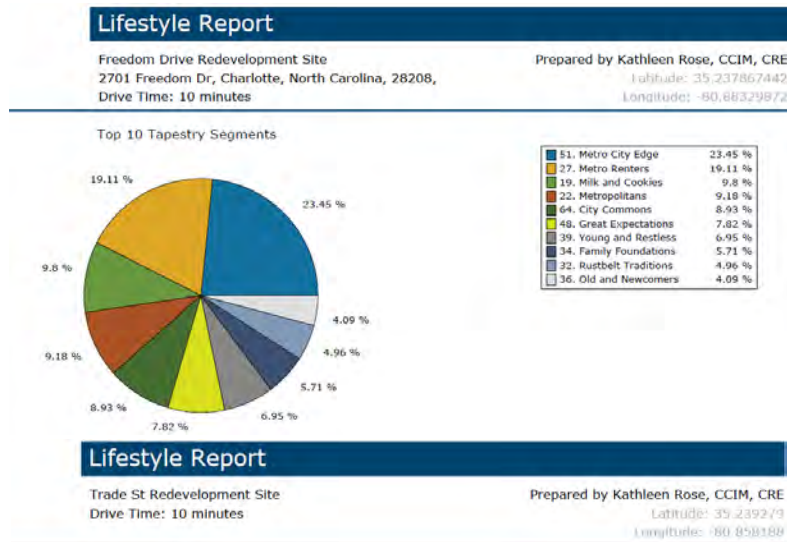
While demand is determined by per capita and household income, supply is defined not only by square feet available, but the actual dollar expenditures within each category for a given trade area. The retail potential includes either negative values (surplus) which suggest oversupply (or in some instances or a market where customers are drawn in from outside the area), or positive values (leakage) which indicate areas of opportunity for additional retail within a given trade area. Where there is a retail gap in select categories, the potential income must meet the thresholds of per square foot sales (as found in samplings from Dollars & Cents of Shopping Centers, an annual trade publication which surveys U.S. retailers) based upon each categories average size.

According to a recent report from Price Waterhouse Coopers (PwC), the divergence in two types of consumers is driving changes in the retail landscape, says Steven Barr, U.S. retail and consumer sector leader at PwC. Americans earning more than \$50,000 are spending more money and focusing less on discounts, but there are fewer of them. Meanwhile, those earning less than \$50,000 are scrimping more and demanding promotions. Other pressures facing retailers include the persistent post-crisis demand for discounts, the rise of fast-fashion brands and the need to integrate online and in-store shopping. The U.S. Department of Agriculture (USDA) defines a low-access community as one in which at least 500 people or 33% of the census tract's population live more than one mile from a supermarket or large grocery store. According to a ULI report on Retail in Underserved Communities, "when a community desires better quality rather than more stores, it is an underserved market". In addition to an expanded array of stores, often lacking are expanded services from convenience oriented categories such as health care, dry cleaners, beauty salons, banking and other neighborhood conveniences.

### Targeted Buyer Segments

Determining the depth of the market based on household income and expenditure projections is limiting. Therefore, geo-demographic segmentation, or **lifestyle** clustering, helps us understand that demographic variables exist not only region to region but by neighborhoods and in sub-communities within each neighborhood as well. This type of modeling is based on the premise that people tend to gravitate towards communities/neighborhoods of relative homogeneity. Factors that go into clustering include age, income, education, ethnicity, occupation, housing type and family status. Tapestry Segmentation™ identifies those households with a preference for living in rural areas versus urban neighborhoods.

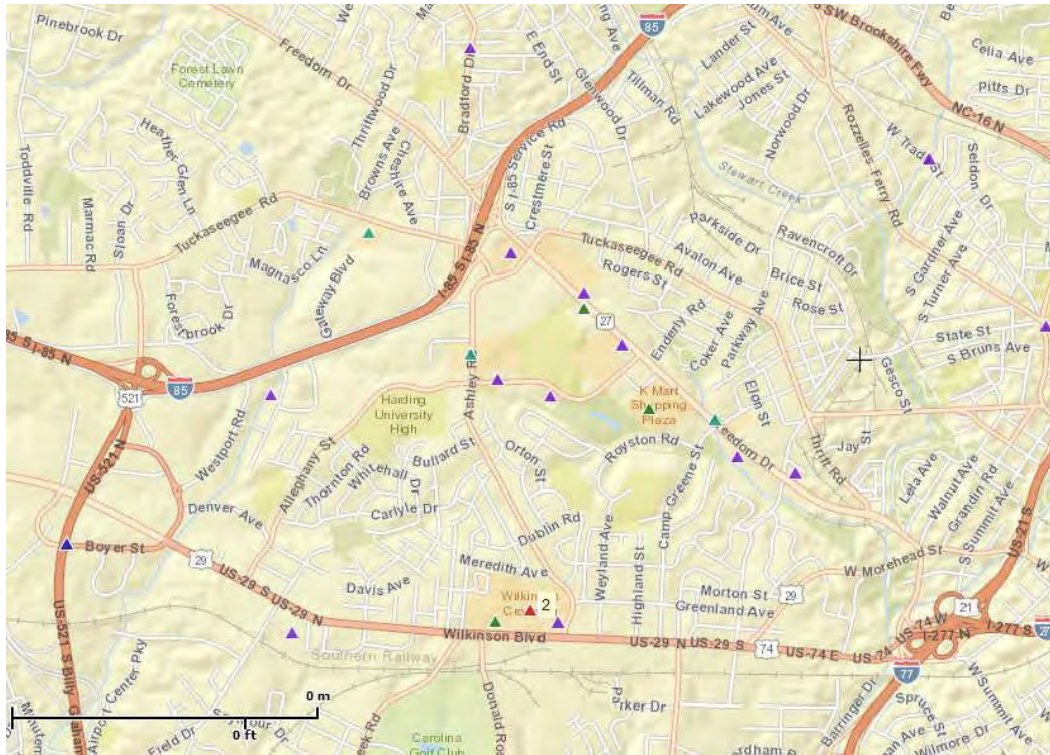
Of 65 total potential segments, two segments dominate the landscape within the study area. These include Metro City Edge and Metro Renters. While the demographic, socioeconomic and housing lifestyles mirror those found in our profile, each have different buying characteristics and consumer behavior that create demand for shopping, recreation and entertainment preferences. In Metro City Edge neighborhoods, Grandparents are caregivers in 4% of these households. These residents must spend their money wisely to ensure the welfare of their children. They watch TV, go to movies and professional sports events. They enjoy music and urban/contemporary hit radio. Metro Renters are young, educated singles and these neighborhoods are characterized by urban multi-family housing. They rent but buy home décor and furniture. They are actively involved in clubs, sports, movies and eating out. They are engaged in technology and listen to music and radio.





### Existing Retail Supply & Pricing

The subject site is located in the Northwest submarket. The majority of retail space in the West Trade/Rozzelles Ferry CNIP is currently scattered along the Freedom Drive corridor. The map below shows retail centers by type within the study area, showing the area serviced by Neighborhood Grocery and smaller Retail Service Centers:



- ▲ **Big Box Ctr**
- ▲ **Discount/Power/Outlet Ctr**
- ▲ **Entertainment/Comm Ctr**
- ▲ **Fashion/Restaurant Row**
- ▲ **LifeStyle/Reg/SupReg Mall**
- ▲ **Neighborhood Grocery Ctr**
- ▲ **Retail Service Ctr**

Despite the relatively low vacancy rates in this submarket, the vacancy rate within the study area is 22.5% dominated by the vacant Kmart and big box center on Freedom Drive. There is a total inventory of over 768,000 square feet of retail space within a mile and a half of the study area.

Retail by Submarket									
Submarket	No. Bldgs	Inventory	Completions	Net Abs.	Vacant Sq. Ft.	Vacancy %	Avg. Rent	UC SF	Proposed Sq. Ft.
Cabarrus County	57	7,552,407	0	(26,529)	341,767	4.5%	\$16.37	40,601	3,084,838
<b>Downtown</b>	<b>19</b>	<b>913,463</b>	<b>0</b>	<b>(21,180)</b>	<b>105,616</b>	<b>11.6%</b>	<b>\$30.53</b>	<b>0</b>	<b>0</b>
East	61	6,242,351	0	(2,162)	873,351	14.0%	\$16.46	70,600	880,908
Gaston County	48	5,589,953	0	(45,961)	389,083	7.0%	\$15.05	0	99,800
Inner Southeast	68	5,932,676	15,438	(139,831)	493,508	8.3%	\$23.22	85,375	304,755
Iredell County	47	4,208,104	59,084	(9,052)	441,239	10.5%	\$15.86	0	<b>395,138</b>
Lincoln County	18	1,173,728	0	21,381	177,945	15.2%	\$12.48	0	152,000
North	38	2,533,315	0	5,413	162,207	6.4%	\$21.73	58,423	133,200
Northeast	52	4,842,090	10,600	(8,976)	652,093	13.5%	\$17.64	0	420,297
<b>Northwest</b>	<b>30</b>	<b>3,784,960</b>	<b>0</b>	<b>(6,228)</b>	<b>317,604</b>	<b>8.4%</b>	<b>\$16.80</b>	<b>0</b>	<b>194,000</b>
Outer Southeast	54	7,450,585	66,445	(4,821)	417,497	5.6%	\$26.35	0	427,500
Southwest	23	1,735,568	0	24,198	114,012	6.6%	\$23.61	538,888	545,739
Union County	44	3,585,874	19,800	9,756	386,045	10.8%	\$17.32	65,000	1,662,179
York County	65	5,403,396	0	12,262	344,904	6.4%	\$17.88	0	699,549
<b>Totals</b>	<b>624</b>	<b>60,948,470</b>	<b>171,367</b>	<b>(191,730)</b>	<b>5,216,871</b>	<b>8.6%</b>	<b>\$19.15</b>	<b>858,887</b>	<b>8,999,903</b>
<b>Mecklenburg</b>	<b>345</b>	<b>33,435,008</b>	<b>92,483</b>	<b>(153,587)</b>	<b>3,135,888</b>	<b>9.4%</b>	<b>\$21.07</b>	<b>753,286</b>	<b>2,906,399</b>

Source: The KARNES Report 2nd Quarter 2014, Rose & Associates

A review of available space in the study area revealed the following retail opportunities, totaling 173,111 square feet of available space, the most dominant being the former Kmart space. Another notable space not apparent in the availability is the former A & P grocery store on West Trade, across from Mosaic Village:

Retail Availabilities - West Trade/Rozzelles Ferry CNIP				
Address	Available Sq. Ft.	Asking Sale Price	Asking Sale Price/Sq. Ft.	Asking Lease Rate/ Sq. Ft. (NNN)
Kmart Plaza 2615-2701 Freedom Drive	82,315	NA	NA	\$5.00
City View Shopping Center 1516 Alleghany Street	47,722	NA	NA	\$6.00 - \$14.00
Shops at Freedom 2901-3053 Freedom Drive	14,297	NA	NA	\$8.50 - \$15.00
Westerly Hills Plaza 3400 Wilkinson Blvd.	4,958	NA	NA	\$10.00 - \$13.00
3701 Freedom Drive	4,771	\$400,000	\$83.84	NA
Pridemore Shopping Center 1610 Ashley Road (BiLo)	4,500	NA	NA	\$14.00 - \$16.00
3022 Freedom Drive	4,158	NA	NA	\$16.00 - \$18.00
3210 Wilkinson Blvd.	4,000	NA	NA	\$18.00
2815 Rozzelles Ferry Road	2,700	NA	NA	\$1.01
2753 Rozzelles Ferry Road	1,890	NA	NA	\$11.11
3101 Freedom Drive	1,800	NA	NA	\$16.67
<b>Total Sq. Ft. Available</b>	<b>173,111</b>			

Source: Charlotte SiteIndex, 11-18-2014

### Retail Absorption

There has been little absorption of retail space in the study area within the past few years, with few proposed projects. And yet, the historical average capture rate is 20.4% within the northwest submarket, the strongest of the property types (compared to office and industrial). However, it is worth noting that West Morehead in the FreeMoreWest area includes a growing list of eating and drinking places. As residential and office space continues to be built and absorbed, this will only strengthen this dynamic.

Northwest - Historical Retail Market Analysis					
	2010	2011	2012	2013	2014 YTD
Number of Buildings	30	30	30	30	30
Total Inventory (Sq. Ft.)	3,784,960	3,784,960	3,784,960	3,784,960	3,784,960
Completions	20,000	0	0	0	0
Net Absorption	(63,216)	(12,513)	111,148	48,446	(6,228)
Submarket Capture Rate (% of Total Market)	61.5%	-2.0%	29.9%	9.8%	3.2%
Total Vacant (Sq. Ft.)	458,457	470,970	359,822	311,376	317,604
Vacancy Rate	12.1%	12.4%	9.5%	8.2%	8.4%
Community Center	21.7%	26.1%	13.8%	13.8%	14.4%
Neighborhood Center	22.3%	21.3%	22.3%	19.6%	20.5%
Power Center	6.4%	4.5%	2.2%	2.0%	1.3%
Regional Center	0.0%	0.0%	0.0%	0.0%	0.0%
Specialty Center	16.3%	16.4%	11.6%	3.3%	2.6%
Average Rent	\$16.03	\$16.14	\$17.06	\$16.79	\$16.80
Community Center	\$6.62	\$7.46	\$9.33	\$9.18	\$9.18
Neighborhood Center	\$16.17	\$15.78	\$15.17	\$14.64	\$14.64
Power Center	\$25.68	\$25.68	\$25.68	\$25.68	\$25.50
Regional Center	N/A	N/A	N/A	N/A	N/A
Specialty Center	\$13.21	\$13.07	\$12.89	\$12.93	\$13.54
Sq. Ft. Under Construction	0	0	0	0	0
Sq. Ft. Proposed	559,000	559,000	559,000	559,000	194,000

Source: The KARNES Report 2nd Quarter 2014, Rose & Associates

The two dominant categories that show fairly consistent gaps in each of the trade areas defined include grocery and sporting goods/hobby/musical instrument stores. Other sectors include automotive and electronic shopping and non-store retailers (online shopping), which could be a factor in the thrift and non-traditional retail categories as seen along the Freedom Drive corridor. The opportunity along Freedom Drive is to create a destination oriented urban mixed use project that will take advantage of this major corridor and gateway into the Center City. With exceptional views and its connection to the sports related assets makes this an exciting opportunity for a sports-themed entertainment center, that incorporates retail, restaurants and an urban park – that can be a parking lot, hardscape park with basketball courts or an urban market – similar to that seen in other southern cities.

With the negative gaps within the trade areas and substantial space supply, there are a few opportunities for additional retail space in the study area. This is not so much about filling a gap for existing demand, but re-creating it by repositioning vacant and obsolete space and in some cases, consolidating the retail supply within the study area. The failed Freedom Mall has been converted to County offices (the Valerie C. Woodard Center) and three major centers, including the former Kmart and A&P stores, are vacant. These centers catered to automobile traffic and now offer expansive level parking lots and underutilized land that are conducive to redevelopment.

<b>Annual Retail Space Demand Estimate - Mecklenburg County</b>		
Mecklenburg County New Basic Employees (per year)	2013	9,618
Economic Base Multiplier		1.88
New Total Employees		18,082
Average Submarket Capture Rate		20.4%
Estimated Capture in CNIP		11%
New Total Employees in CNIP (per year)		1,989
Average # Retail Employees	11.5%	228
Average Retail Space per Employee (S.F.)		324
<b>CNIP New Retail Space Demand (S.F.)</b>		<b>73,788</b>
CNIP Current Retail Supply		173,111
CNIP Retail Gap		-99,323

<b>Retail Gap Opportunities for CNIP - West Trade Street Trade Area</b>				
Retail Industry Group	NAICS #	Convenience: 5 minute drive	NAICS #	Destination: 10 minute drive
Automobile Dealers	4411	\$21,783,023	4412	\$6,546,636
Grocery Stores	4451	\$19,326,008	4451	\$83,025,981
Beer, Wine & Liquor	4453	\$1,131,702	4453	(\$6,856,005)
Clothing Stores	4481	\$5,847,291	4481	(\$55,713,631)
Sporting Goods, Hobby	4511	\$2,742,890	4511	\$3,245,396
General Merchandise Stores	4529	\$35,356,594	4529	\$59,597,009

Source: Rose Associates, STDB/ESRI - 2014 Retail Profile

<b>Retail Gap Opportunities for CNIP - Freedom Drive Trade Area</b>				
Retail Industry Group	NAICS #	Destination: 10 minute drive	NAICS #	Destination: 20 minute drive
Automobile Dealers	4411	\$43,960,324	4411	(\$967,514,353)
Other Motor Vehicle	4412	\$4,806,971	4412	(\$7,753,227)
Lawn & Garden Equip/Supply	4442	\$2,276,572	4442	\$14,291,741
Grocery Stores	4451	\$56,320,546	4451	\$239,337,003
Sporting Goods, Hobby	4511	\$3,846,539	4511	(\$74,174,388)
General Merchandise Stores	4529	\$65,766,977	4529	\$364,286,743
Used Merchandise Stores	4533	(\$3,457,314)	4533	\$7,437,922

Source: Rose Associates, STDB/ESRI - 2014 Retail Profile

There are opportunities for automotive, sports, clothing and grocery uses, albeit limited. There is an opportunity for a small neighborhood grocery to fill the underserved market. This is most prominent in the West Trade corridor, where no quality fresh food options currently exist. Current demand is being met by discount/convenience stores. In addition to a traditional neighborhood grocery in the Five Points area, a cluster of sports themed shops with restaurants around a town center or urban park could be considered on Freedom Drive, fitting for a regional destination. Freedom Drive is a major destination thoroughfare connecting two major interstates to each other and to the Center City. Such a themed center with specialty retailers could separate and define a destination apart from the larger national chain stores prevalent along the Freedom Drive corridor in the past. This could be further enhanced with a flexible hardscape which would be used for parking and/or gathering space for outdoor markets, events or entertainment. This is also an opportunity to re-create a place that connects and incorporates the history and culture of the African American community that is dominant in this area – which should be celebrated. The redevelopment and repositioning of the existing retail throughout the study area will reinvigorate the void of up to 300,000 – 400,000 square feet of retail, restaurant and entertainment space that could be created over the next 5-10 years.



### 1.8 Land Use Demand - Housing

There is a consistent pattern of housing in this study area. The housing stock is relatively old. Some of it has architectural and/or historic significance. The housing in this area is primarily composed of single family, detached homes. Rentals are common, and while the vacancy rate is higher than the county average, most of the NPAs are fairly close to that average. The values of the housing stock vary significantly; however, the rental rates occur within a fairly narrow range and, with one exception, are all below the county average.

To understand the character of the housing stock in the West Trade/ Rozzelles Ferry Road study area, data from the 2012 Charlotte-Mecklenburg Quality of Life study will serve as the base for the descriptive analysis. This roughly divides this study area into five zones: The Ashley Park and West Boulevard NPAs (124 and 361) are the southernmost part of the study area and are found between Wilkinson Boulevard and Freedom Drive; NPAs 51, 347, and 382 are the easternmost part of the area and are most impacted by being near Uptown Charlotte and Johnson C. Smith University; Enderly Park is a large neighborhood that makes up most of three NPAs (5, 6, and 293); NPAs 88 and 292 are generally found between Brookshire Highway and Tuckaseegee Road and are bordered on the northerly side by I-85; and, University Park and Washington Heights are located between Brookshire Highway and Beatties Ford Road.

NPA Number	5	6	51	70	85	88	124	292	293	347	361	382	County Averages
NPA Name	Enderly Park	Enderly Park	Wesley Heights	University Park	Washington Heights	Lakewood	Ashley Park & W. Blvd.	Smallwood	Enderly Park	Seversville	Ashley Park	Biddleville	
Average SF of Housing Stock	1,099	1,128	1,700	1,193	1,073	1,031	1,082	1,033	1,115	1,304	1,082	1,097	2,028
% Owner-Occupied SF Units	26.4%	36.3%	52.6%	67.0%	30.3%	53.8%	46.9%	30.4%	39.1%	46.2%	36.4%	38.3%	60.0%
% SF Houses for Rent	60.7%	54.2%	27.5%	34.0%	58.8%	44.5%	39.8%	41.0%	52.7%	36.8%	58.0%	53.1%	19.0%
% SF Houses Vacant	34.1%	21.8%	15.0%	6.4%	13.1%	13.5%	15.1%	12.7%	24.9%	13.8%	13.8%	15.1%	9.0%
Average Property Value	\$64,945	\$71,001	\$198,859	\$45,376	\$43,687	\$68,124	\$73,792	\$72,257	\$73,638	\$130,549	\$76,565	\$93,111	\$196,906
Median Monthly Gross Rent	\$648	\$764	\$760	\$1,048	\$720	\$623	\$755	\$580	\$784	\$648	\$574	\$586	\$948

Source: 2012 Charlotte-Mecklenburg Quality of Life study

This study area is, for the most part, homogeneous. However, a few of the NPAs consistently do better on the measures being used here than the others. The clear outlier is Wesley Heights (NPA 51). On the other end of the spectrum, the Enderly Park neighborhood, which makes up most of three NPAs (5, 6, and 361), appears to have the most needs.



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### **Age of Housing Stock**

Most of the units were built immediately after World War II, as part of the post war housing boom to house returning veterans and the growing families (the baby boom). Historic Camp Greene is evidence of this period, and the Quality of Life data support this conclusion.

- The average age of the housing in 3 of the 12 NPAS is in the 1940s.
- Six of the NPAs have an average age in the 1950s.
- Two of the NPAs have an average age in the 1960s.
- The Smallwood NPA (292) has an average age of 1978.

### **Size of Single Family Housing Units**

The single family units are small. The Quality of Life Study provides the following data to illustrate this point:

- The average square footage for 6 of the 12 NPAs is between 1,000 and 1,100.
- Four of the NPAs have an average square footage of between 1,100 and 1,200.
- The Seversville NPA(347) has an average square footage of 1,304.
- The Wesley Heights NPA (5) has an average square footage of 1,700.
- The average for all of Mecklenburg County is 2,028 square feet.

### **Owner-Occupied, Rental and Vacant Housing Units**

The percentage of the single family housing that is owner occupied is quite low compared to the county average. For the county as a whole, 60% of the single family units are occupied by the owner of the property. The percentage of owner occupied units in eleven of the twelve NPAS in this study area is below the county average. The only NPA (75) above the county average is University Park (67%). The percentage of single family houses that are for rent is 19% for the county. None of the NPAS are anywhere close to this number with one having 60.7% of its single family units for rent. The county average for vacant units is 9.0%, and all of the NPAs, except University Park, in the study area are higher than the county average.

### **Housing Values**

The Quality of Life study provides two data points that will be used to describe the value of the housing stock. One of these is the median gross rent and the other one in the appraised residential property values. The appraisal data are from the revaluation that has since been ruled inadequate, and the county is in the process of review. However, the corrective revaluation has not been completed; therefore, the most recent data available come from the earlier revaluation. While some values are likely to be changed in the redo, the ranges across the 12 NPAs in the subject study area are unlikely to have significant changes.

In terms of residential property values, seven of the twelve NPAs are between \$64,945 and \$76,565 per unit of housing. The five NPA outliers are Biddleville (382) at \$93,111, Seversville (347) at \$130,549, Wesley Heights (51) at \$198,859, Washington Heights (85) at \$43,687, and University Park (70) at \$45,376. The county average on this indicator is \$196,906.



The median gross monthly rent for the single family housing units ranges from \$574 per month (NPA 361 – Ashley Park) to \$1,048 per month (NPA 70 – University Park). Four of the NPAs have a median gross rent in the \$574 to \$599 range, three in the \$600 to \$700 range, and five above \$700. Noell Consulting completed an Affordable Housing Needs Study for the planned Gold Line Stations in July of 2014. The findings for the entire station corridor suggest limited additional demand for housing for the western stations which lie within the study area.

<b>Affordable Housing Unit Demand Gold Line Corridor Stations</b>			
Type	Current	2020	2035
Owner*	1,583	2,250	2,700
Renter	200	200	200
*Affordable at 60% AMI level and below			
Source: Noell Consulting Group, <i>Estimated Affordable Housing Needs Around the Existing and Planned Gold Line Stations</i> , July 2014			

**Type of Housing**

Almost all of the housing stock in this study area is single family, detached. The primary exception is new multifamily and single family housing that has recently been built or is under construction in the vicinity of the intersection of Freedom Drive and Morehead Street. This has expanded housing options in this area at market rates. Given the demographic and lifestyle data, additional apartments for rent and condominiums/townhomes for sale should be considered. This includes both retirement and workforce housing that will cater to Baby Boomers and Millennials alike. Features and amenities for multi-generational families would provide for many of the West end area residents to age in place, as single family homes are sold, renovated and restored in the historic neighborhoods.

There are areas where additional housing will add diversity to the housing stock through development or redevelopment. This would include HUD’s Choice program, providing for both market rate and affordable housing options, and local partners such as the Charlotte Housing Authority and Charlotte Housing Partnership which have strong track records for providing such housing within the city in other areas. Elderly housing, allowing Baby Boomers and Seniors to age in place should also be considered. Much of the housing in the study area meets the requirements for being affordable to multiple income groups. Some specific recommendations might include:

- Wesley Heights is currently the only neighborhood in this study area that has been designated as a historical district. Other neighborhoods might pursue this designation to bring more control to the development and redevelopment process and to take advantage of any tax benefits that may accrue to these districts. It also enhances the reputation of those places that are designated as historical districts. Biddleville is a clear possibility for historical district designation. Seversville and parts of Enderly Park might also be considered. Lastly, Lakewood and University Park, one of the few black neighborhoods in the United States to be designated by the Federal Housing Administration for support after World War II, would also be a strong candidates for designation.

- As noted, the homes are aging and while the appearance of much of the housing stock is good considering its age and its use as rental properties, repairs and renovations are needed in many of the units. Continued Code Enforcement and programs such as a revolving loan fund might encourage owners to be more responsive in maintaining their housing units.
- Consider adaptive reuse of older large industrial/mill buildings in and around lower Freedom Drive, Tuckaseegee and Thrift Roads for development of low income elderly housing and connect to greenways, shopping and transportation services.
- Continue to facilitate, support and partner in HUD Choice (formerly Hope VI) mixed income, mixed type housing developments, particularly in and around JCSU and on Freedom Drive, specifically on the former K-Mart site, as part of a revitalization plan for a mixed-use urban development. Many available sites along Freedom Drive and Morehead offer spectacular views of the Center City, which would add value to the neighborhoods.

**The success of housing in the study area is dependent upon two primary factors: transportation and education. Therefore, the proposed Gold Line and Trolley projects, as well as greenway and sidewalk infrastructure will have an impact on accessibility to goods and services. There are opportunities to stabilize, rehabilitate and preserve the existing single family housing stock – largely through public private initiatives and programs, including the expansion of historic districts. Increasing the stability of owner-occupied homes would improve property values, allow Baby Boomers and Seniors to age in place, and strengthen the commercial corridors. There are also opportunities to further diversify multifamily housing to match the needs and wants of today’s Millennials and aging Baby Boomers. These include the redevelopment of Tarleton Hills under a Choice Neighborhood Implementation program, the adaptive reuse of the Savona Mills project and development of vacant parcels or redevelopment of existing property along the Freedom Drive and Rozzelles Ferry corridors. Much of the housing gap will be filled with the housing proposed or under construction in the Bryant Park and West Trade areas. Together these will provide over 350 homes in the area to meet the gap of 700 – 1400 housing units over the next 5-10 years.**

# Planning Cycle 2 – General Framework

## 2.1 Land Use – Planning Framework

A review of the current land uses provides insight into the strengths of the West Trade/Rozzelles Ferry study area. The predominant use is single family detached homes, while industrial and vacant properties offering development potential also dominate the landscape. Open space and recreation areas are abundant, but should be better connected to residents and other amenities or assets. Retail is the strongest asset class, though much of the existing inventory is obsolete and in need of revitalization/redevelopment. Taken together, this combination of uses has the potential to foster strong neighborhoods with ample recreation, community services and home ownership opportunities. It is important to note here that existing land use should not be confused with adopted land use, which takes into consideration underutilized land assets.

West Trade/Rozzelles Ferry				
Existing Land Use	Total Parcel Acreage	% of Total	Total Building Sq Ft	% of Total
Civic/Institutional	284.17	11.2%	2,288,641	13.6%
Horizontal Mixed Use Non-Residential	63.83	2.5%	710,704	4.2%
Industrial	91.61	3.6%	904,334	5.4%
Multi-Family	85.09	3.4%	1,587,023	9.5%
Office	53.45	2.1%	813,413	4.9%
Open Space/Recreation	263.49	10.4%	35,030	0.2%
Parking	1.55	0.1%	0	0.0%
Retail	197.60	7.8%	1,700,216	10.1%
Single Family - Attached	109.47	4.3%	870,960	5.2%
Single Family - Detached	754.37	29.7%	4,732,701	28.2%
Transportation	8.46	0.3%	31,401	0.2%
Utility	64.98	2.6%	11,392	0.1%
<b>NET Vacant</b>	375.80	14.8%	62,059	0.4%
Vertical Mixed Use	0.25	0.0%	4,673	0.0%
Warehouse/Distribution	182.94	7.2%	3,015,932	18.0%
<b>Totals</b>	<b>2,537.06</b>	<b>100%</b>	<b>16,768,479</b>	<b>100%</b>

Source: City of Charlotte

## 2.2 Issues and Opportunities

The West Trade/Rozzelles Ferry study area points to opportunities for revitalization and redevelopment. To invest in meaningful projects that will create momentum and implement transformational change, a vision, plan and investment will need to be corroborated and agreed upon by the city leaders, community stakeholders and property owners. Our analysis focuses on CIP projects based on the following goals: improved connectivity to strengthen commercial corridors, increased educational and employment opportunities to strengthen housing, and entrepreneurial and small business opportunities to improve private investment.

The identified assets, issues and opportunities must be linked together to weave a tapestry that considers the unique characteristics of the study area, bound together by the threads of infrastructure investment.

<p><b>Issues:</b></p> <ul style="list-style-type: none"> <li>• Goodwill Relocation</li> <li>• Vacant Land/Underutilized Property</li> <li>• Low education attainment</li> <li>• Housing Choices</li> <li>• Environmental-Industrial</li> <li>• Gentrification</li> <li>• Barriers             <ul style="list-style-type: none"> <li>– Physical (interstates)</li> <li>– Social (education/job skills)</li> </ul> </li> </ul>	<p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>• Industrial – adaptive reuse</li> <li>• Housing – expansion of choice</li> <li>• Education &amp; Small Business</li> <li>• Historical/Cultural connections</li> <li>• Sports/Entertainment connections</li> <li>• Transportation/Mobility connections</li> <li>• Clustering to create synergy</li> <li>• Reposition West Trade Street corridor</li> <li>• Reposition Freedom Drive corridor</li> <li>• Expand success of Wesley Heights</li> <li>• Expand success of West Morehead</li> </ul>
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**2.3 Key Themes**



Based upon review of the data, five key themes have emerged for redevelopment and project planning:

1. Education – connecting these assets physically and through program partnerships would improve local workforce training and employment opportunities for residents within the study area. The resulting economic impact would contribute to more stable housing and strengthen economic mobility to support retail. Key assets include Johnson C. Smith University and Central Piedmont Community College.
2. Connectivity – connecting the various modes of transportation and interconnectivity between assets, including greenways and parks, with the center city will improve linkages and assist in improving economic performance.

3. Arts & Culture – integrating (what remains of) the African American cultural assets of the study area into a retail, entertainment and tourism strategy will drive demand, improve occupancy and create additional tax base to contribute to the economic stability and mobility of the area.
4. E-economy – as part of an education strategy, programs to assist with small business and entrepreneurship will enable more local residents to either find a job or create their own through entrepreneurship. This also includes creating opportunities, such as façade improvement grants and other tools to assist growing new local businesses.
5. Multi-generational – addressing the multi-generational needs of the local families includes a housing strategy that allows for older populations to age in place, and opportunities to add more diversity of housing stock that could impact densities, which would also strengthen the retail sector.

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## Planning Cycle 3 – Inviting Success

- Development Impact Analysis
- Community Investment Strategy

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### 3.1 Economic Mobility: Healthy E-Conomy = Healthy Community (Quality of Life)

A key component of community health and wellness is economic opportunity. This is the result of the economic multiplier of three key factors: education, opportunity, and financial security. People with financial security contribute to, and support, their community. Education and occupational opportunity are two main drivers to increase the chances for financial security. E-Conomy refers to opportunities for both residents and businesses in providing education, job training or entrepreneurial support for creative and inspired individuals to create their own occupation or small business.

The West End contains valuable resources, both physically and structurally with untapped educational and partnership opportunities that can be leveraged to raise the level of attained education, create entrepreneurial experiences and support the financial health for the people in this community.