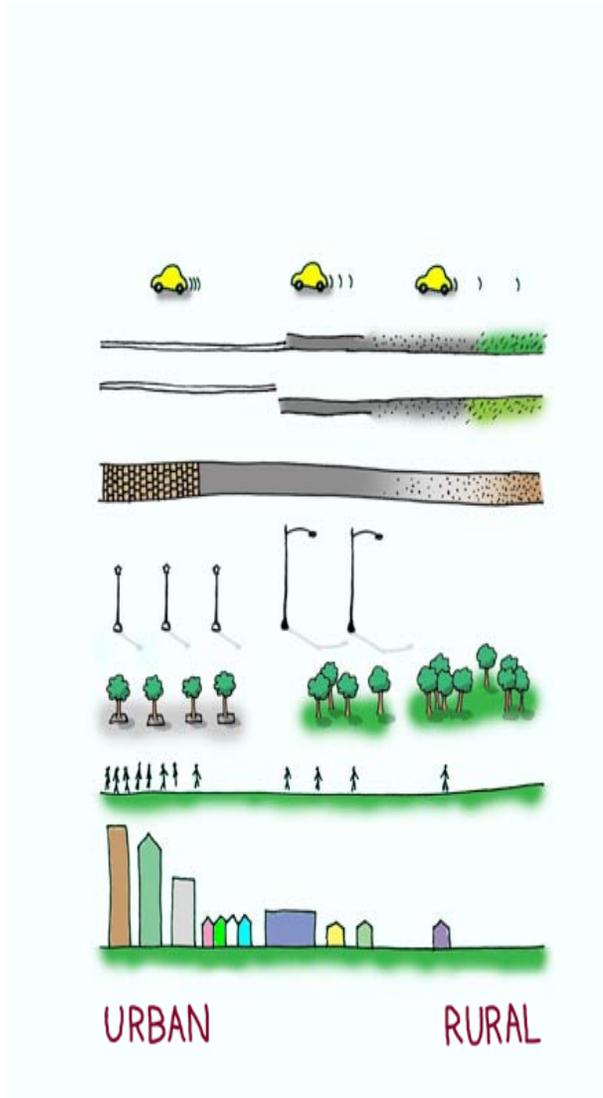


a new way of **thinking**

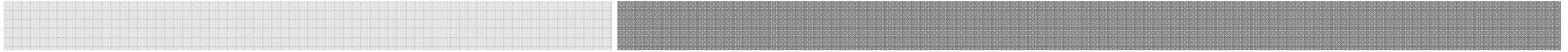


this discussion applies to all places



let's not waste a good crisis  
elements of sustainability  
integrated thought





think together  
different  
holistically  
impacts





# what impacts the **cost** of growth ?

revenue | **cost** | servicing | replacement





costs

capital cost | cost to service

impact fees reflect per unit cost in new development

replacement | maintenance not factored

environmental cost

9

IS

Infrastructure



basic **factors** impacting public facility & service costs

**use**

mixed is better

**density**

higher is better

**distance**

to employment

to retail | services



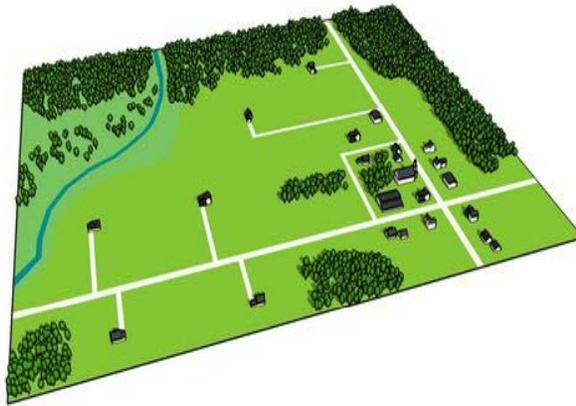
single family housing - **capital** costs

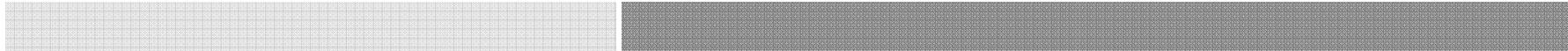
can be 2.6 X greater for **scattered** vs compact  
\$23,960 vs \$9,252 (per unit)

big costs

**education** (\$6,254) | roads (\$5,742)

can be as high as 80 % of 8 services





single family housing - annual **service** costs

|                  |                              |
|------------------|------------------------------|
| <b>education</b> | 39 % of annual service costs |
| roads            | 29 %                         |
| wastewater       | 11 %                         |
| police           | 8 %                          |



location sensitive

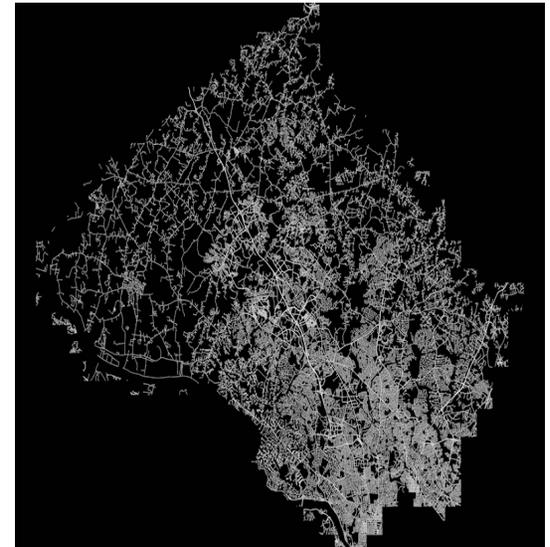
roads | water | wastewater

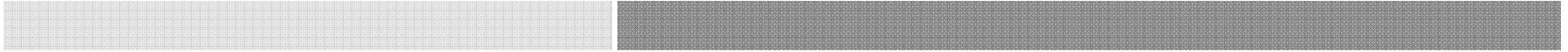
most capital intensive services

spatially oriented

most relevant services related to development **patterns**

short term gain | long term pain

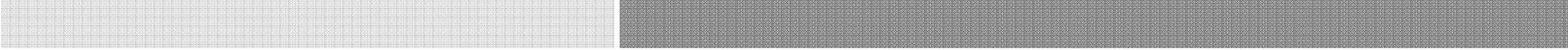




not **location** sensitive

education | police | fire | libraries  
they can locate nearby





impact of **land** use on development economics

residential dominant areas

have a lower “**revenue** | **cost ratio**”  
higher vmt to work | services

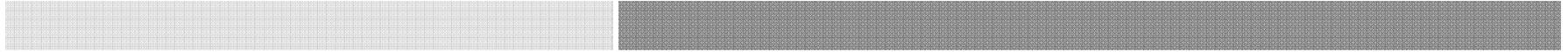
compact | mixed use development

land pattern where revenue | cost ratio is +  
less vmt

cross **subsidization**

compact | mixed use form **subsidizes** sprawl





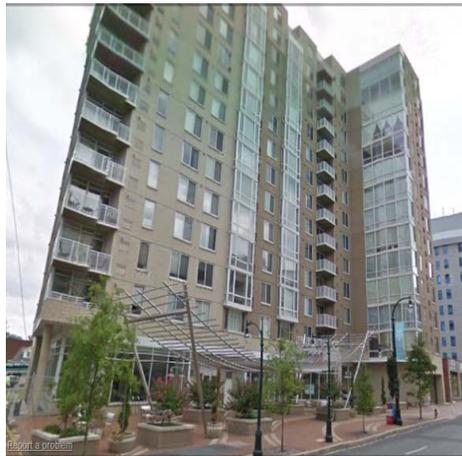
# the numbers



strategic change - infill is good



|                   | silver spring condo | woodside house  |
|-------------------|---------------------|-----------------|
| assessed value    | \$32 million        | \$810,000       |
| property tax      | \$350,000 (40 X >)  | \$ 8,743        |
| income tax -      | \$287,000 (136 X >) | \$ 2,100        |
| recordation tax - | 9 units for sale    | sold 15 yrs ago |
| sales tax         | 250 + people        | 2.56 people     |



reality of compact | dense development - MoCo

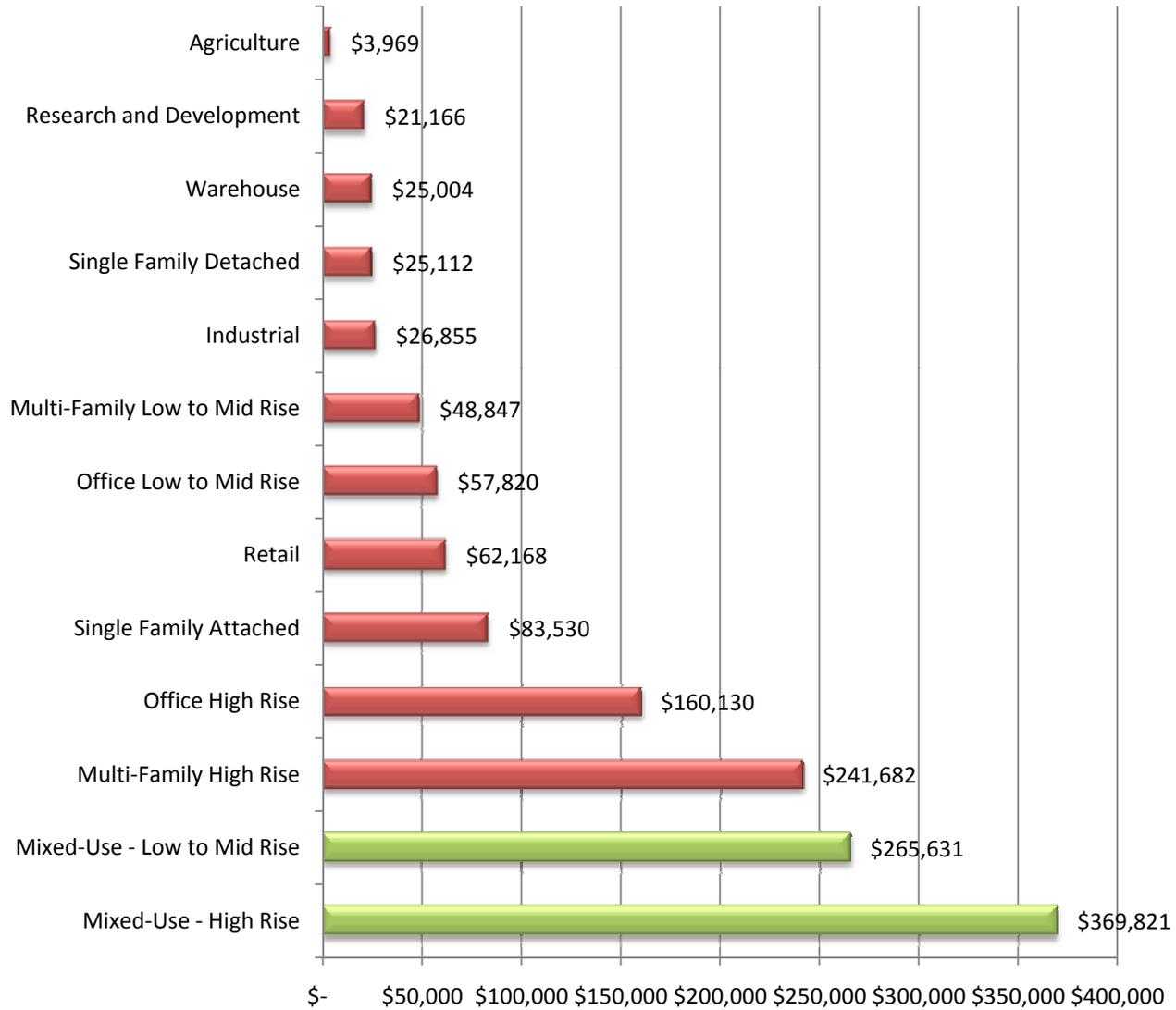
change in **assessed** value per acre  
1988 - 2008

|                    |               |
|--------------------|---------------|
| bethesda           | \$9.8 million |
| silver spring      | 4.2           |
| rest of the county | .418          |



## Average Tax Yield per Acre of Taxable Property

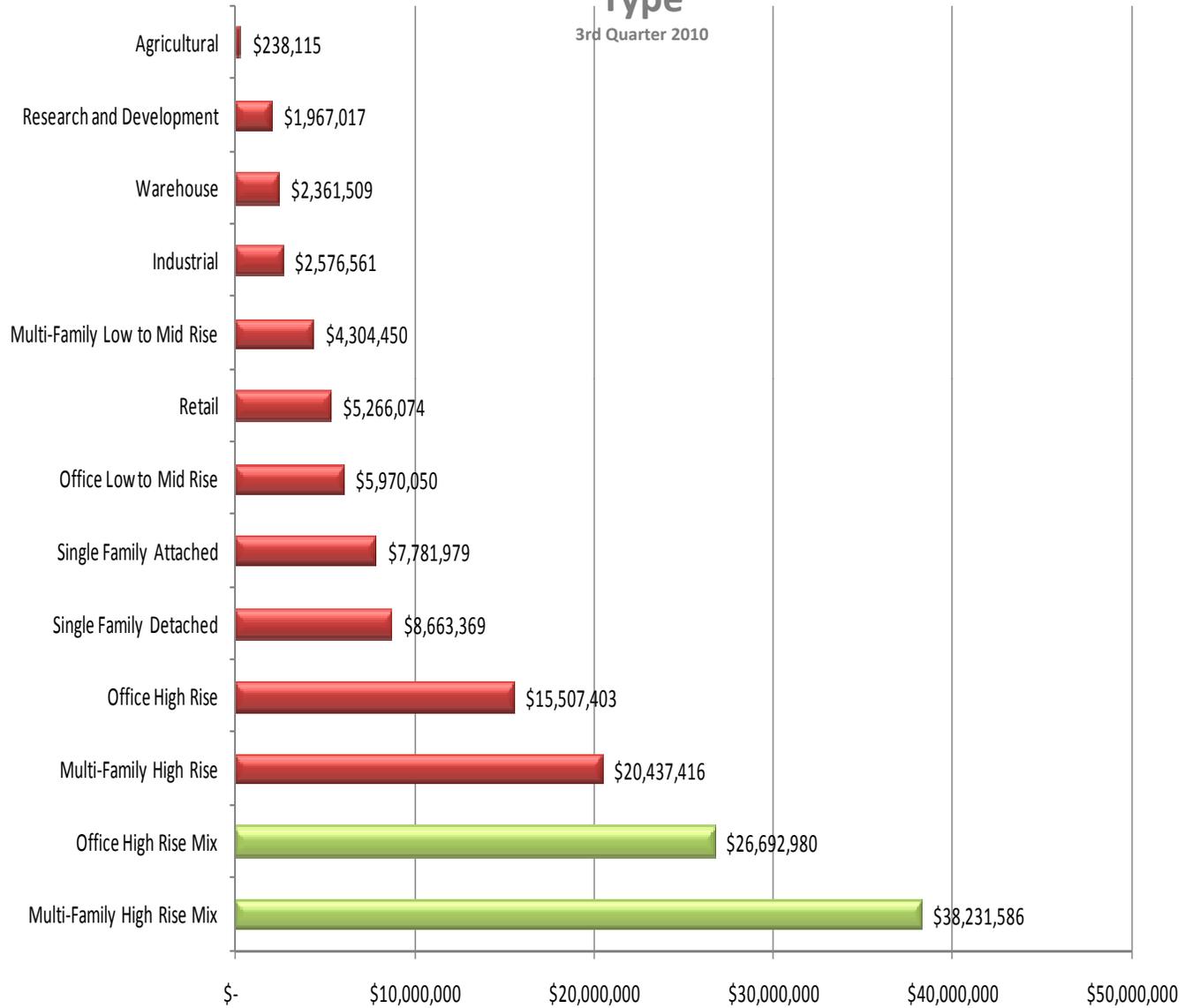
1<sup>st</sup> quarter 2011

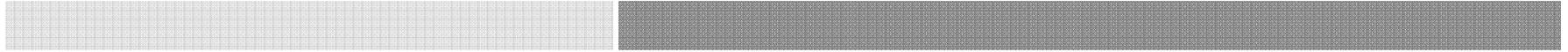


# Total Assessed Value per Acre by Land

## Type

3rd Quarter 2010



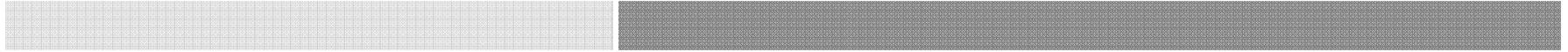


what is your **revenue** base ?

**property** tax  
**income** tax

varies by county  
need to ensure the tax base can grow in the right places  
need to ensure your mix of uses generates funding



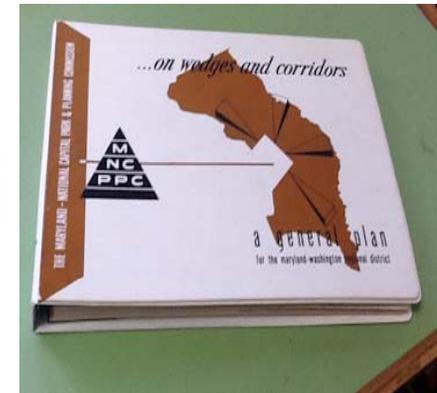
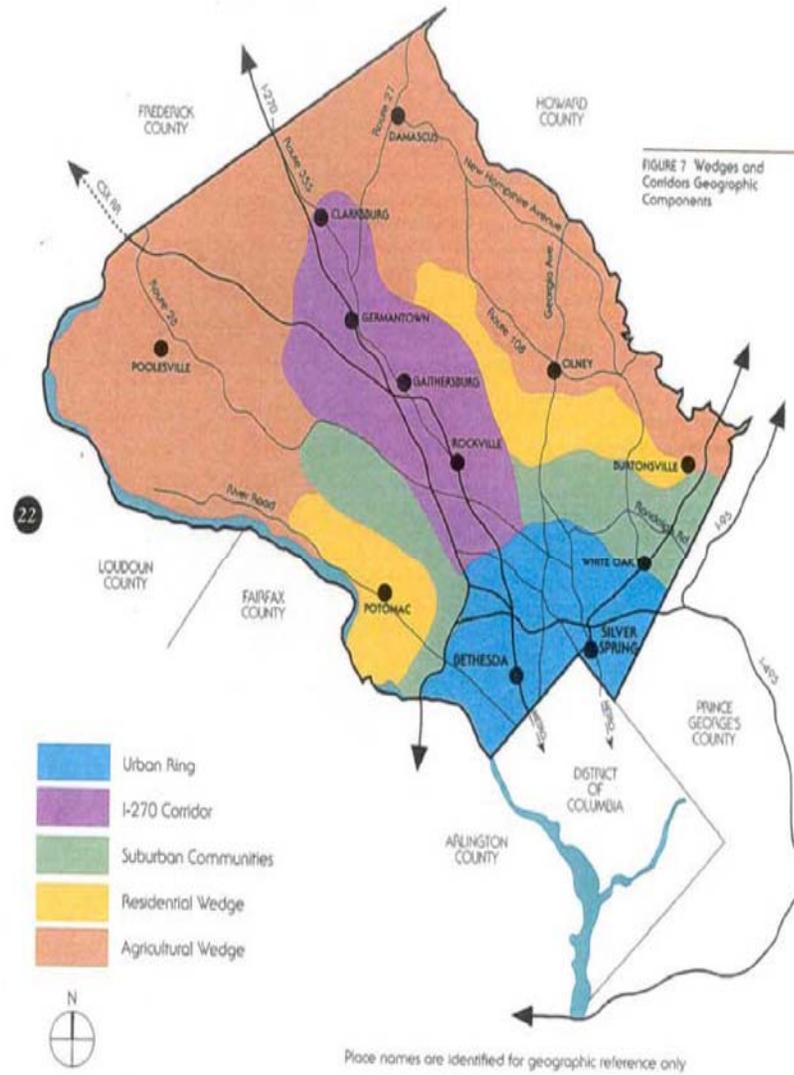


healthy land use **mix**



# what have what we planned

## wedges & corridors

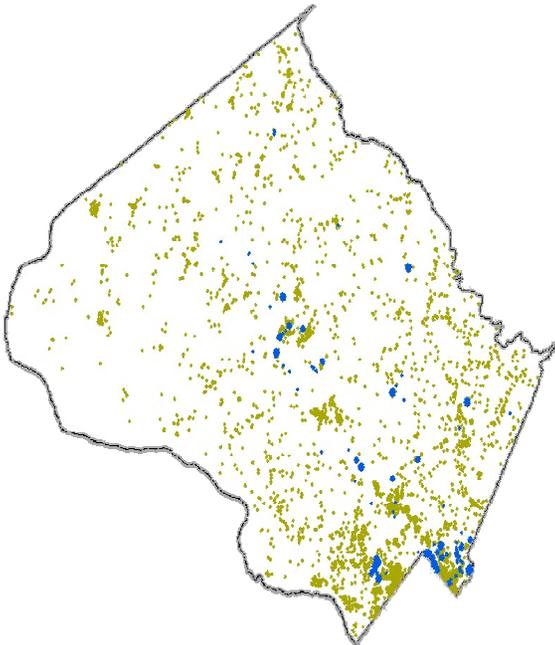


montgomery county development - 1920

water lines

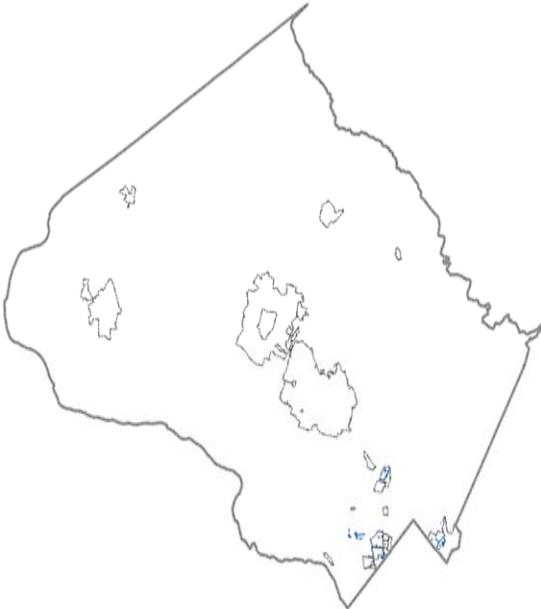


units

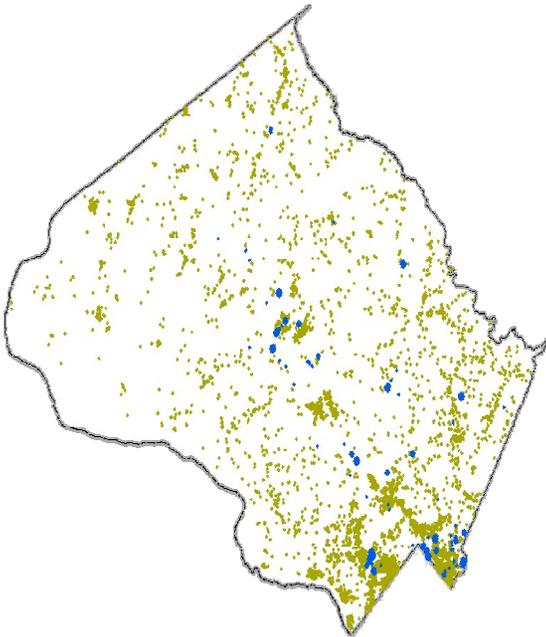


montgomery county development - 1930

water lines

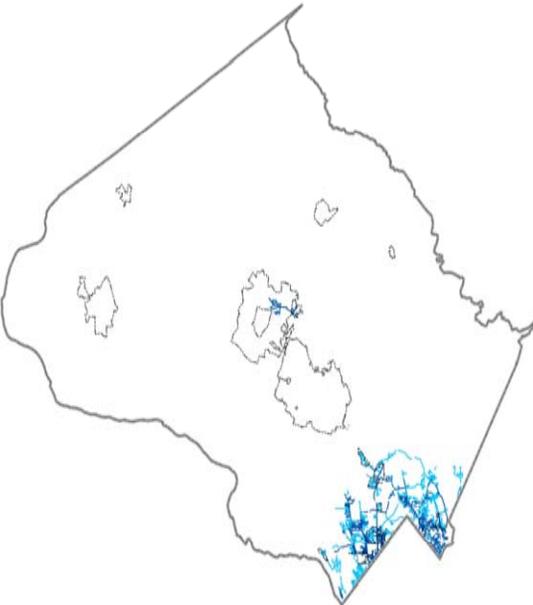


units

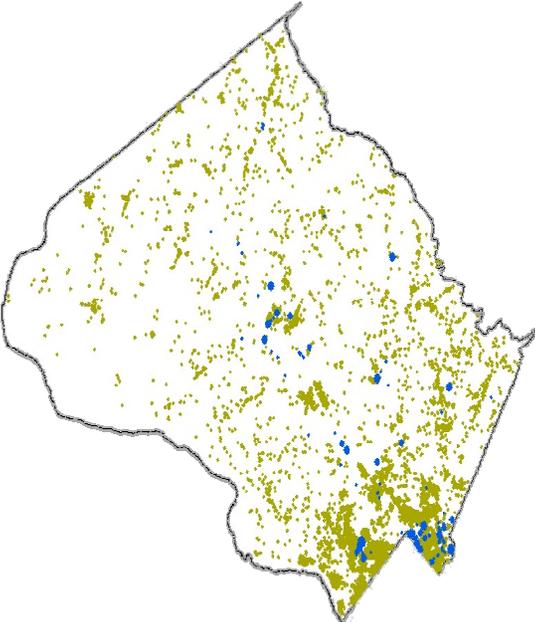


montgomery county development - 1940

water lines

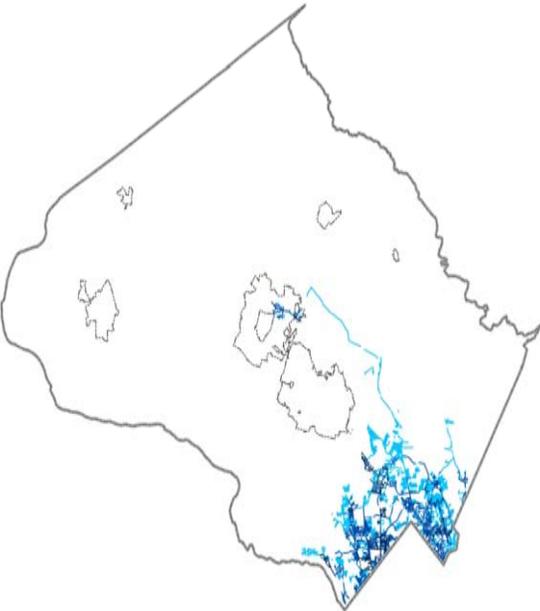


units

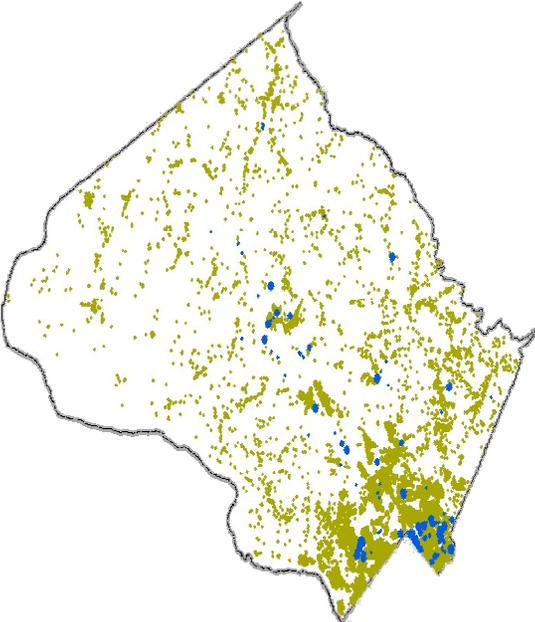


montgomery county development - 1950

water lines

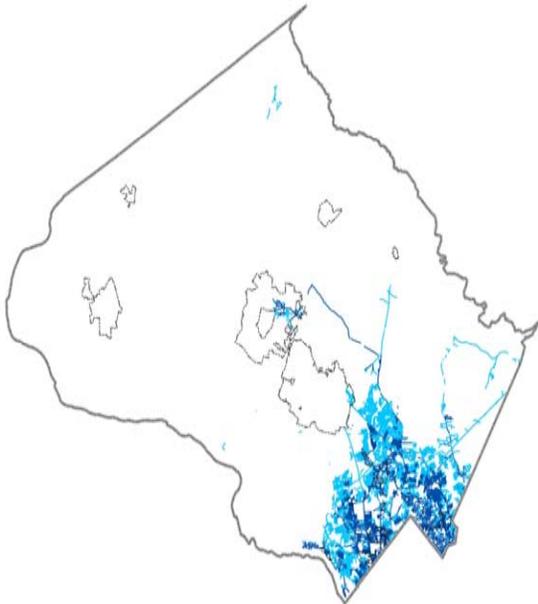


units

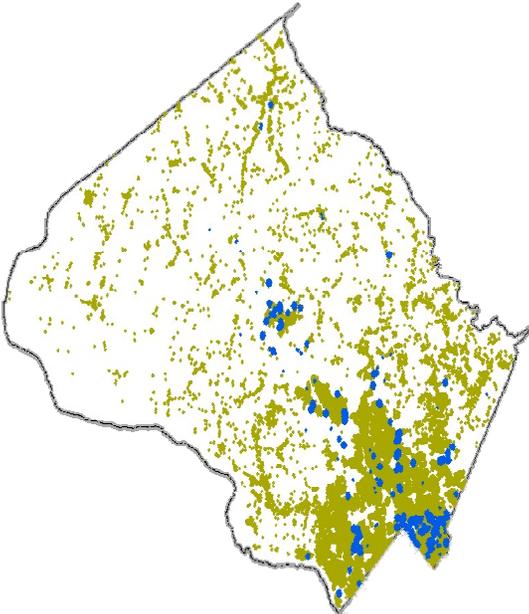


montgomery county development - 1960

water lines

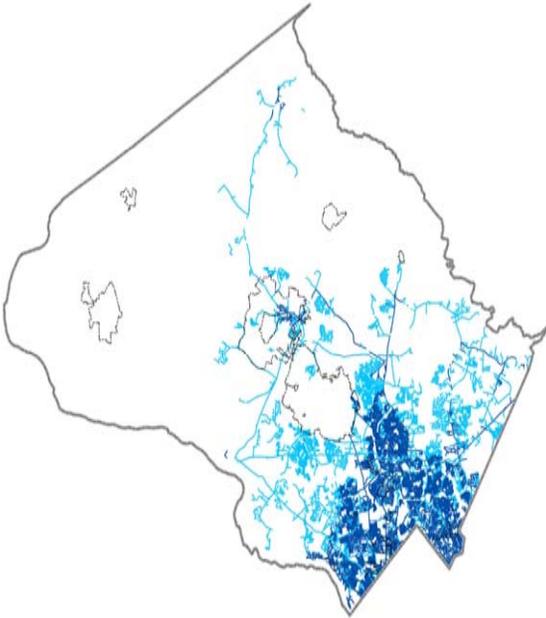


units

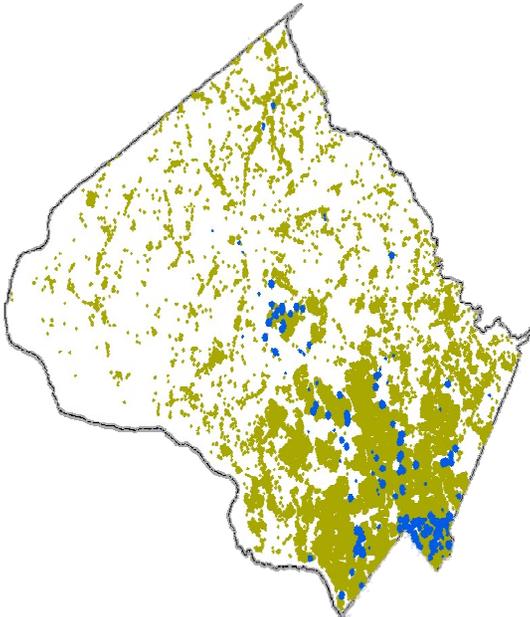


montgomery county development - 1970

water lines

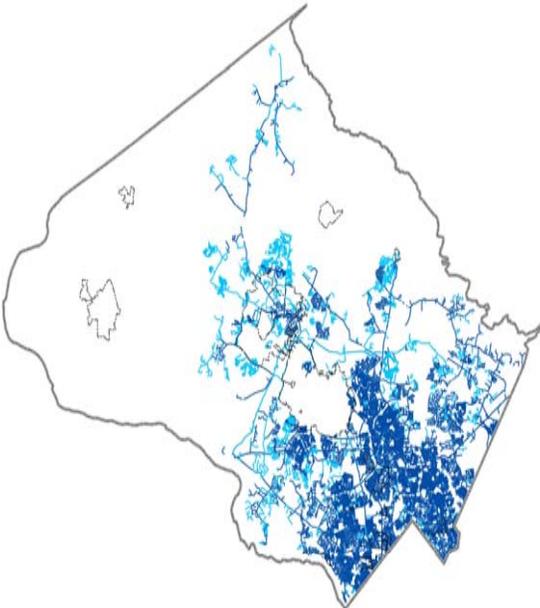


units

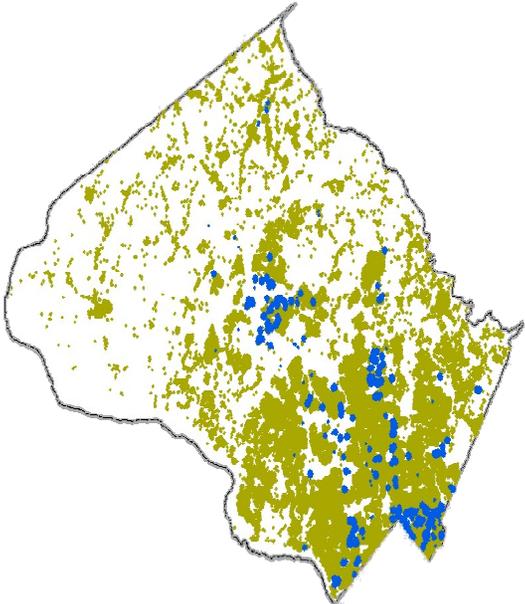


montgomery county development - 1980

water lines

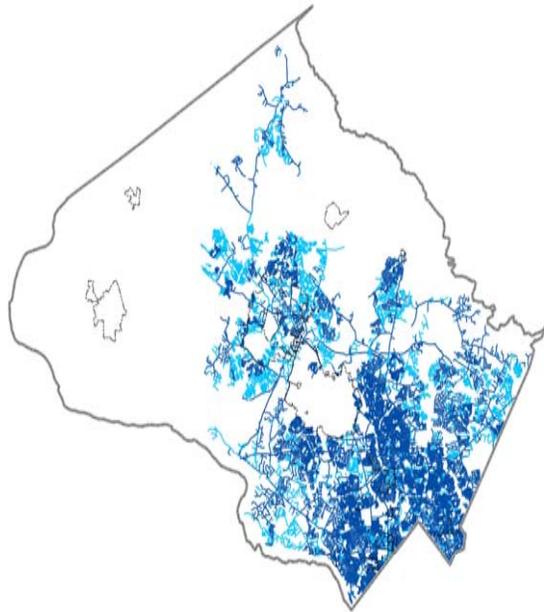


units

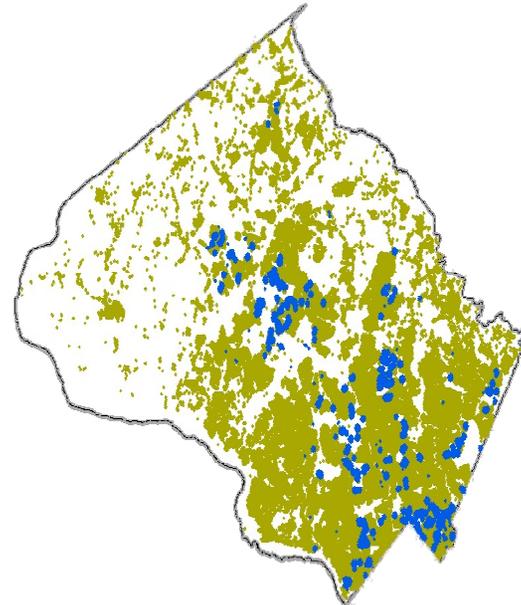


montgomery county development - 1990

water lines

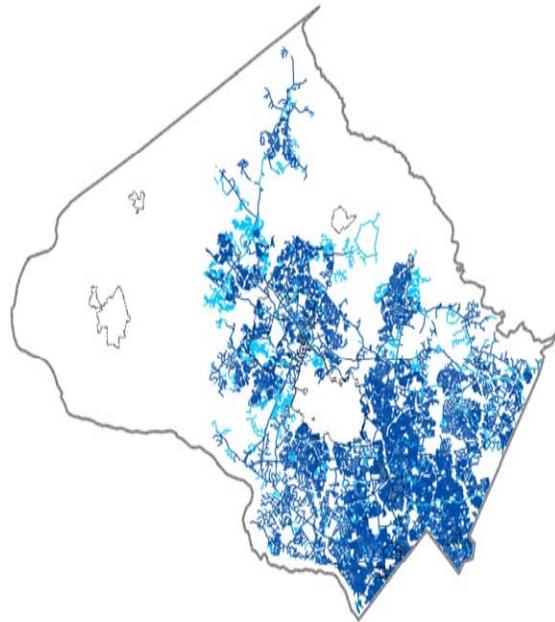


units

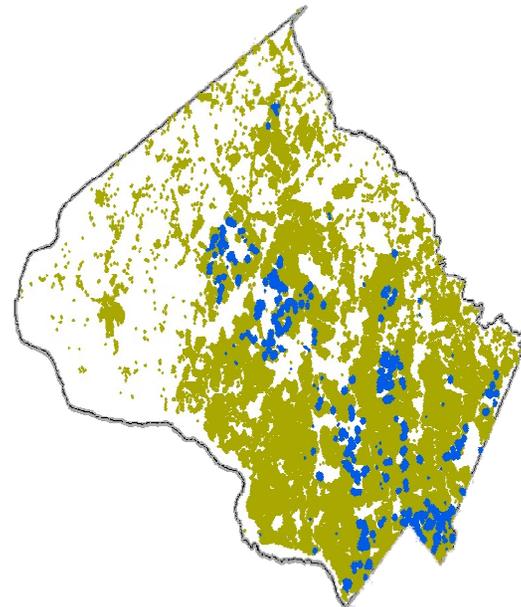


montgomery county development - 2000

water lines

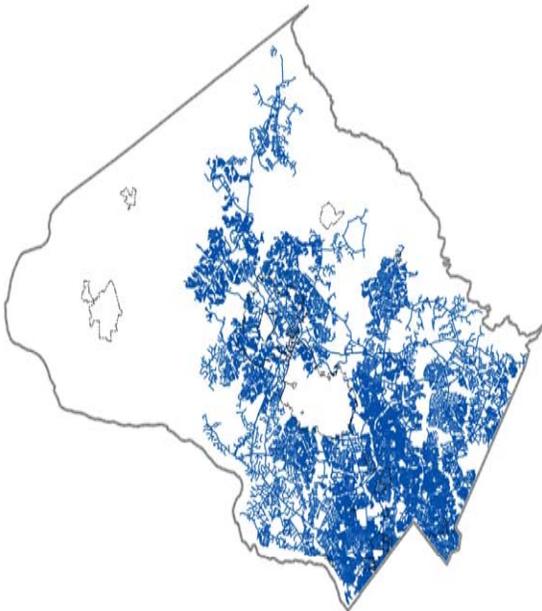


units

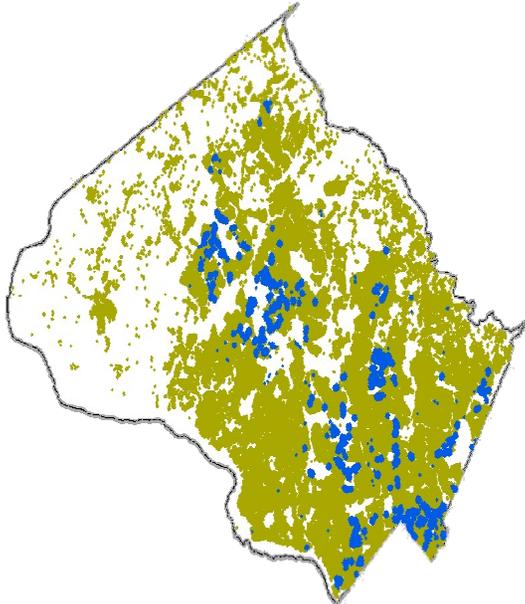


montgomery county development - 2009

water lines

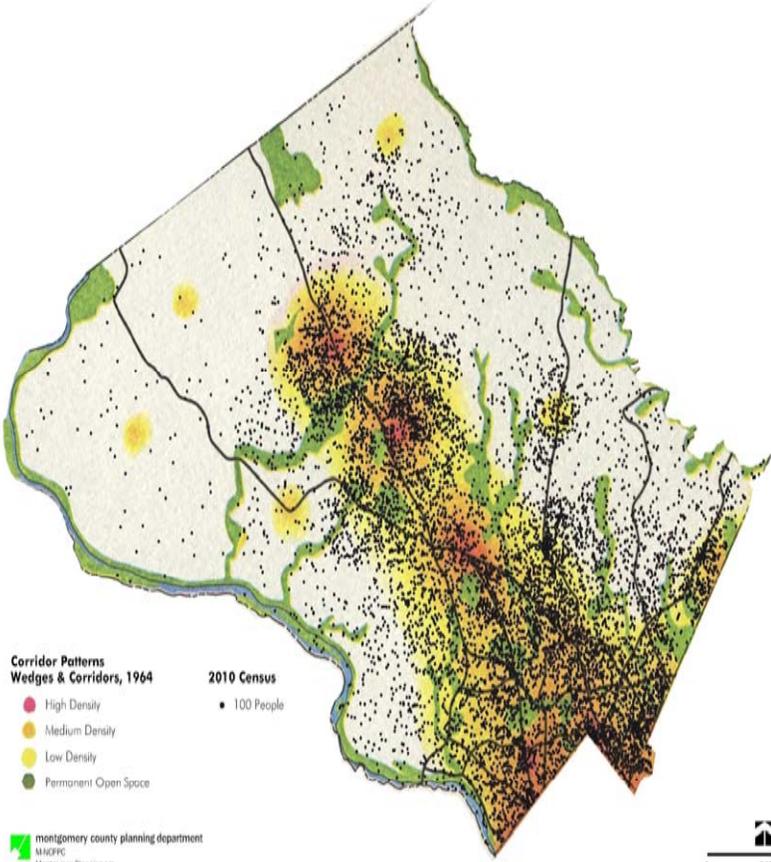


units



wedges & corridor - how has it worked out ?

### Population Distribution 2010



wedges & corridors - post WW II assumptions

population

projected 995,000 by 2000

actual

2000 - 873,346

2010 - 971,777

jobs

projected 335,000 by 2000

actual

2000 - 474,300

2010 - 506,000

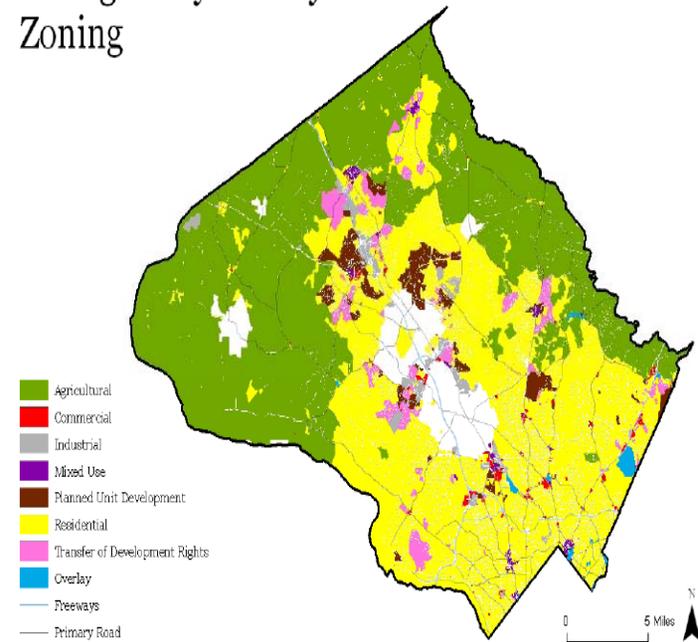
households

projected 301,515 by 2000

2000 - 323,400

2010 - 360,500

Montgomery County  
Zoning



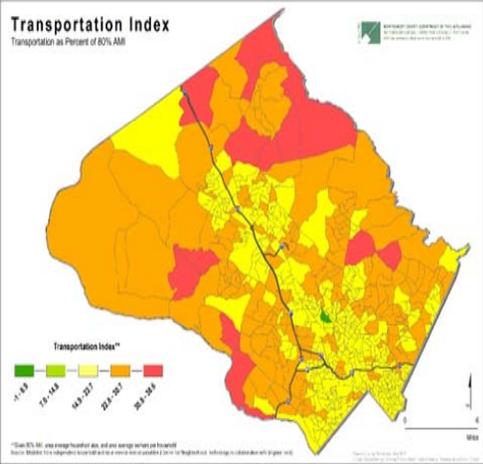
zoning has **consequences**

do you have sufficiently zoned land for **different** uses  
does your zoning meet the needs of the future market  
what is the real impact on future revenue & costs

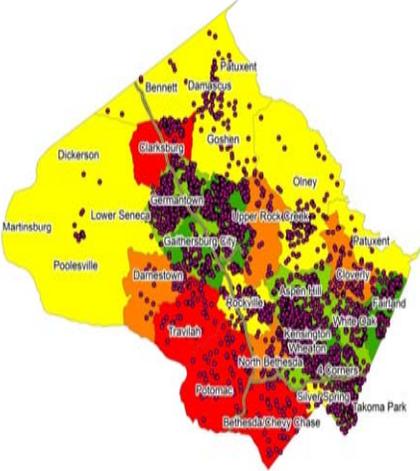


consequences of zoning

housing afford



foreclosu



pook's hill

5 yrs **nothing** can happen only hotel | motel

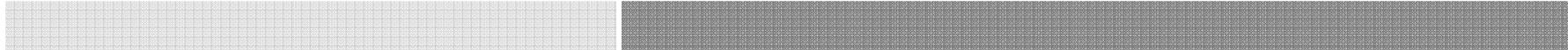
no appropriate floating zone

wants CR

three rental apartments - this is the future housing

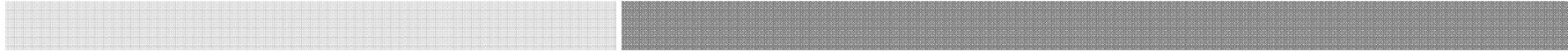
**market**





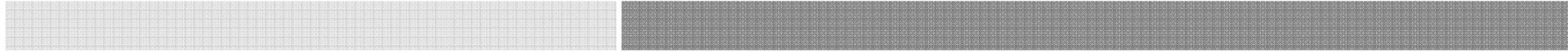
consequences of zoning | traffic expectations  
level of service - expectations | costs for mitigation





consequences of zoning | traffic expectations  
level of service - expectations | costs for mitigation





consequences of zoning | economic competitiveness

commute times



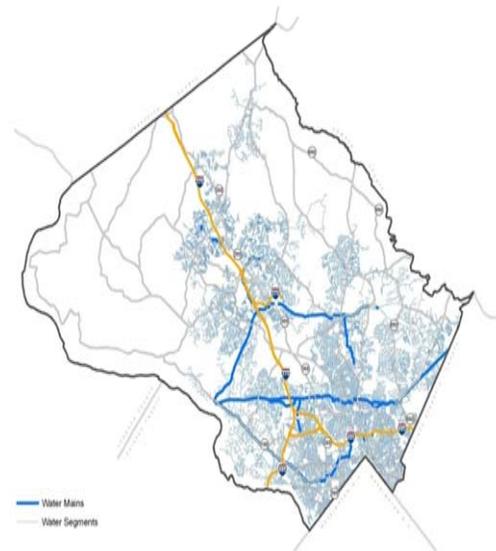
## consequences

### infrastructure costs

2025 - 50% of wssc water pipes need replacing

85% of cast iron

can we afford the infrastructure we already built ?





expensive by **design**

density too low to create **revenue** to rebuild what we have

at best we achieved 50% - 55% **yield**

65% - 70% yield is better

low density => land costs => transport costs

=> service costs => social cost

=> health cost => housing costs





are you **preparing** for the future?



# where will growth occur ?

## questions

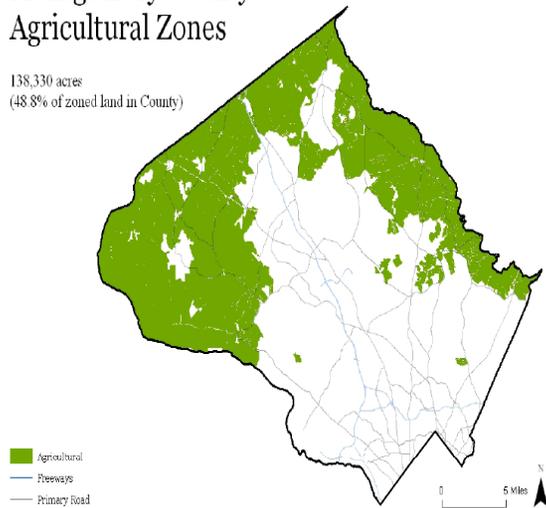
nature is not creating any more land  
how do we grow without affecting 89% of the county

ag & parks zoning = 49% of county area

single family zoning = 40 %

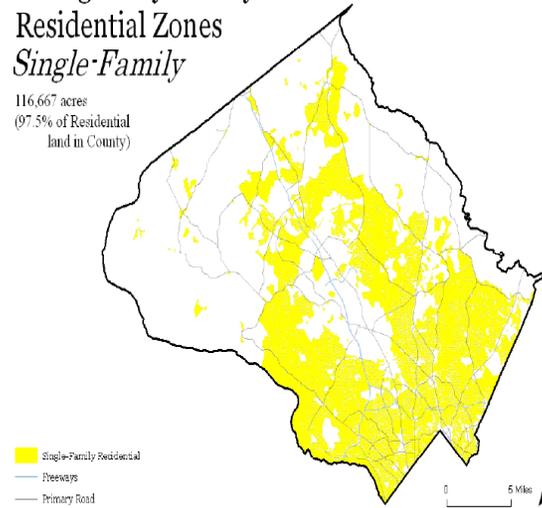
### Montgomery County Agricultural Zones

138,330 acres  
(48.8% of zoned land in County)



### Montgomery County Residential Zones *Single-Family*

116,667 acres  
(97.5% of Residential  
land in County)



# where will growth occur ?

questions

will the investment go to howard, fairfax & frederick ?  
no ag reserve | no tdr's | no blt's  
are we zoned in strategic places for investment ?

multi family - 2.5%  
2.5%

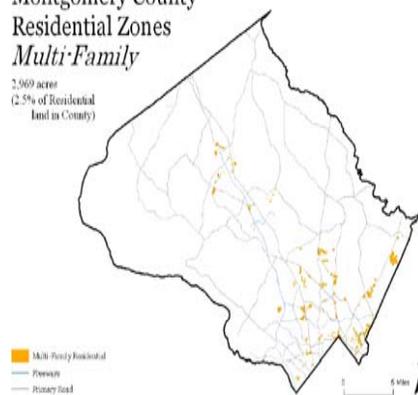
industrial - 1.8%

commercial - 0.6%

mixed use -

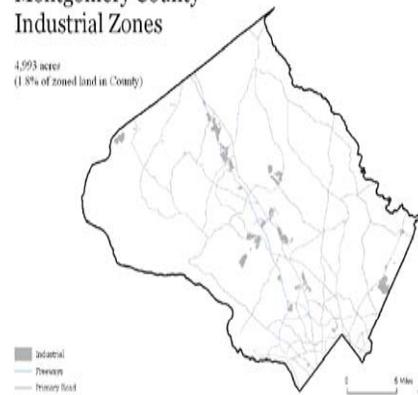
Montgomery County  
Residential Zones  
*Multi-Family*

2,969 acres  
(2.5% of Residential  
land in County)



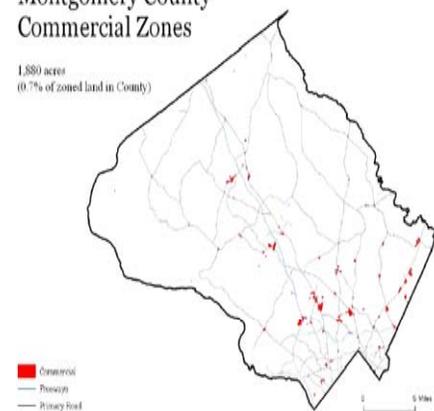
Montgomery County  
Industrial Zones

4,993 acres  
(1.8% of zoned land in County)



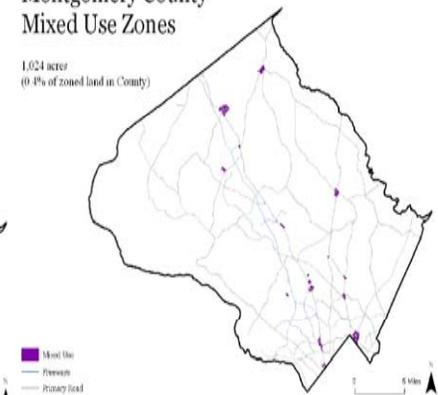
Montgomery County  
Commercial Zones

1,880 acres  
(0.7% of zoned land in County)

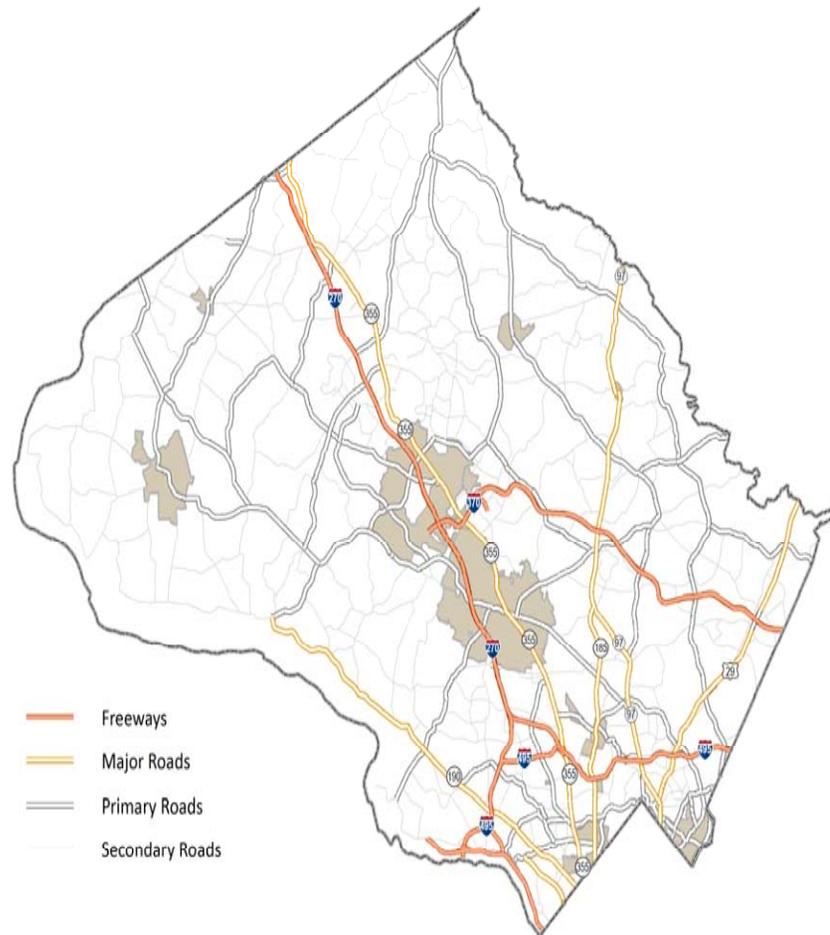


Montgomery County  
Mixed Use Zones

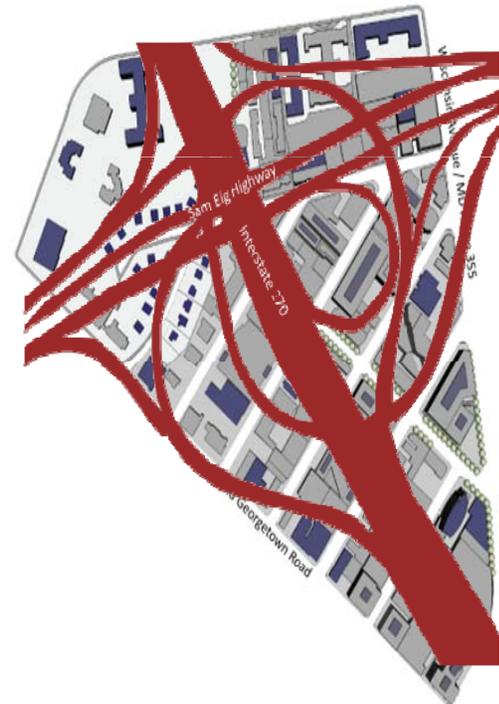
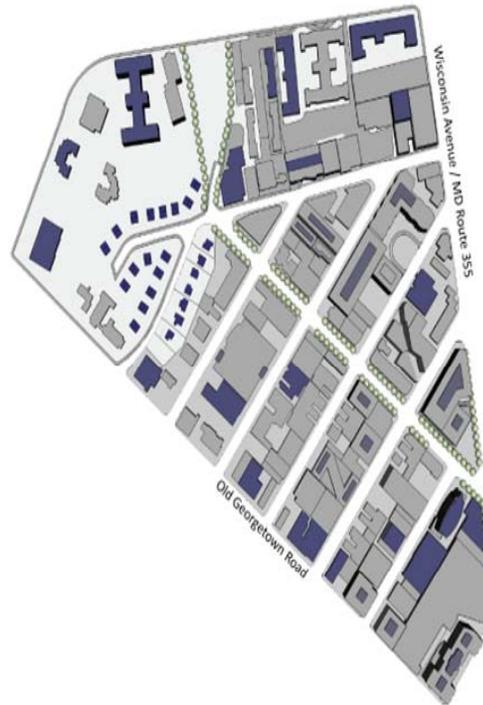
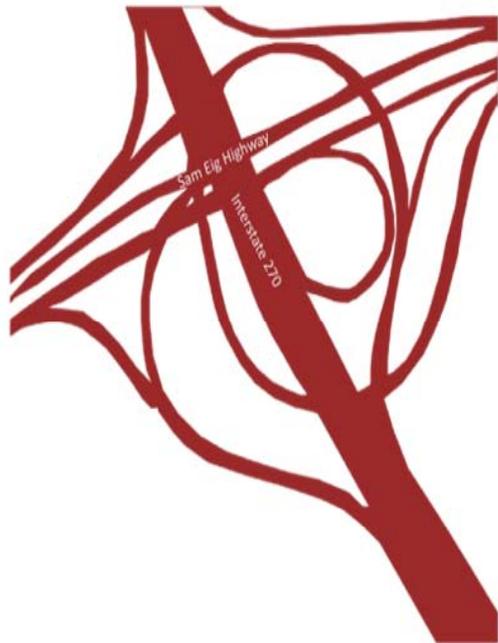
1,024 acres  
(0.4% of zoned land in County)



arterials are a challenge



our national flower is a cloverleaf

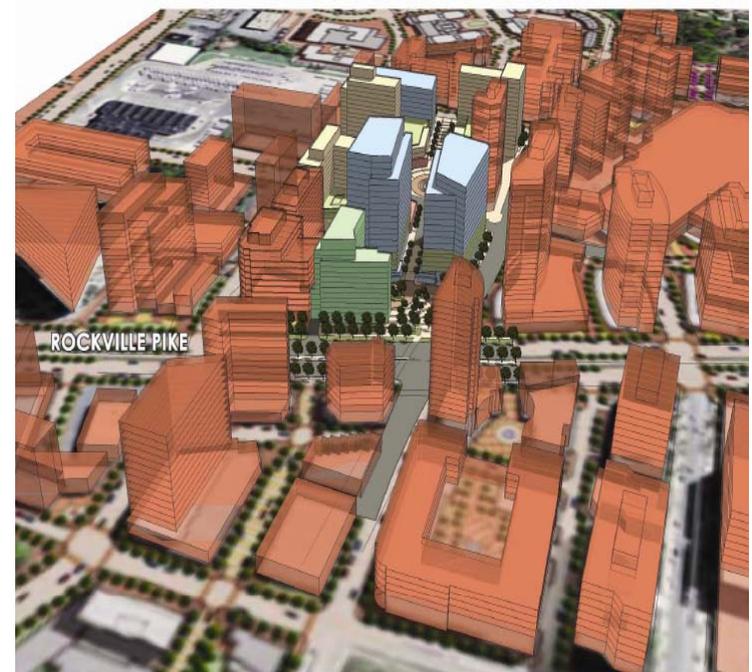
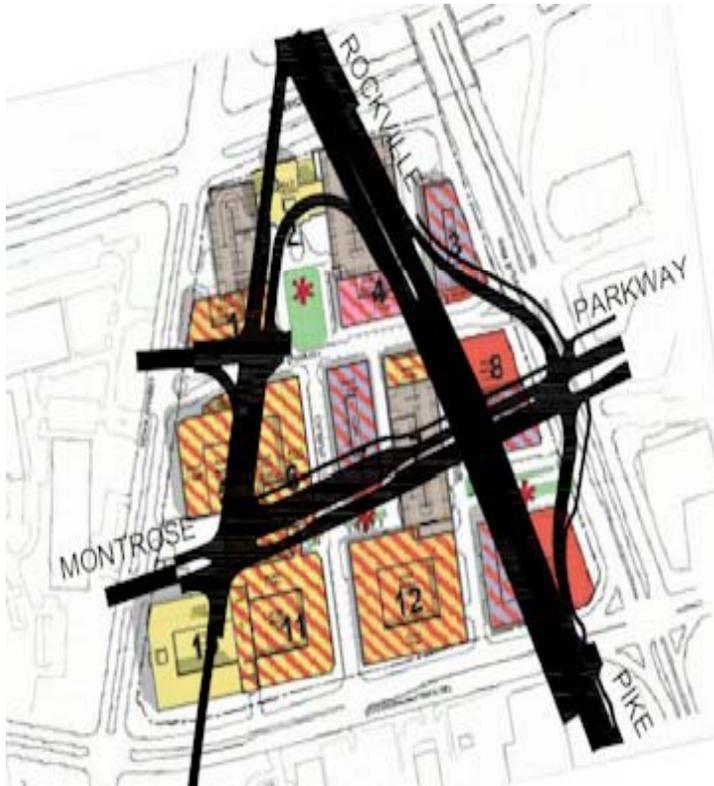


I-270 / sam eig interchange

woodmont triangle

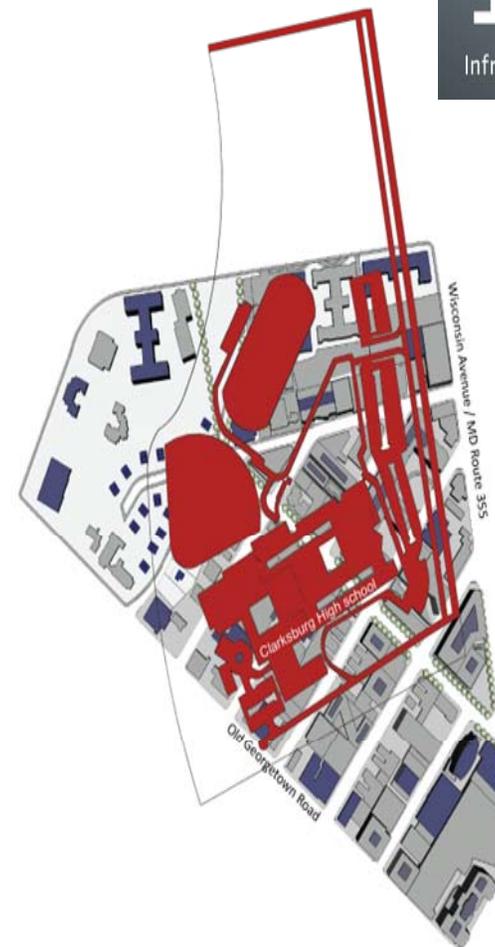
## opportunity cost

rationalize infrastructure  
it's about **yield**



schools

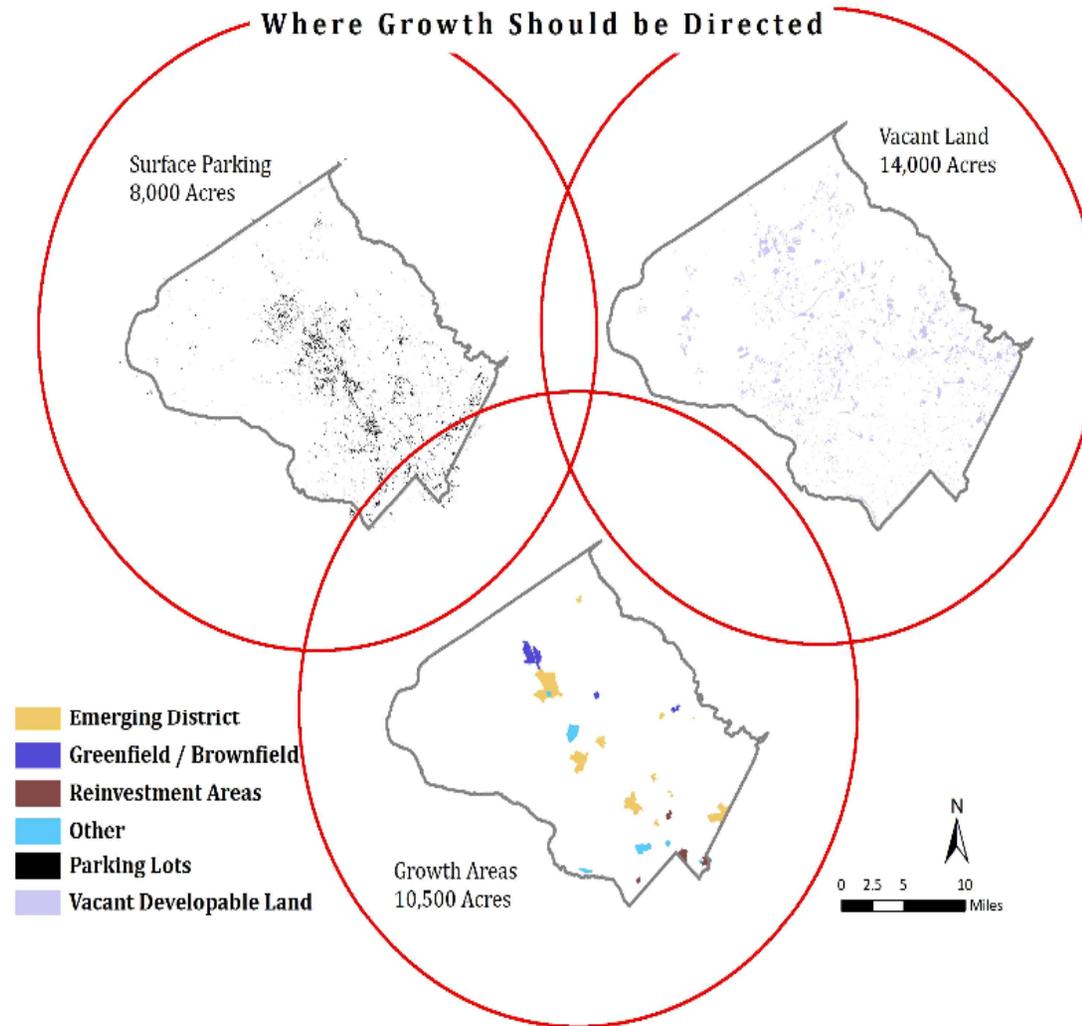
no child shall walk to school act  
min lot size for schools  
multi storey



Clarksburg High School  
overlaid on The Woodmont Triangle in Bethesda.



mine your serviced land - make it more sustainable





strategic **recycling** - white flint  
161 acres of surface parking  
81 acres to be open space ?



white flint

\$4.9 billion net over 30 years > tyson's



White Flint Sector Plan

MRCPPC

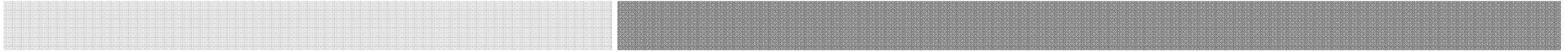
|   |                      |   |                |
|---|----------------------|---|----------------|
| 2 | Cl<br>Culture        | 6 | Er<br>Energy   |
| 3 | HI<br>Health         | 8 | Mt<br>Material |
| 5 | Ev<br>Environment    |   |                |
| 1 | Ec<br>Economy        |   |                |
| 4 | Fd<br>Food           |   |                |
| 9 | Is<br>Infrastructure |   |                |





who are we doing this for ?





demographics

big **changes**  
more to come

change

population **shift**

yrs

49.3 % white  
17.0% hispanic  
  
16.6 % african american  
13.9 % asian / pacific islander  
0.00001 % canadian

drop of 7.8 %  
+ 64.4 % over 10  
  
+ 23.4%  
+ 37.5 %

7  
Kn  
Knowledge

1  
Ec  
Economy

2  
C1  
Culture

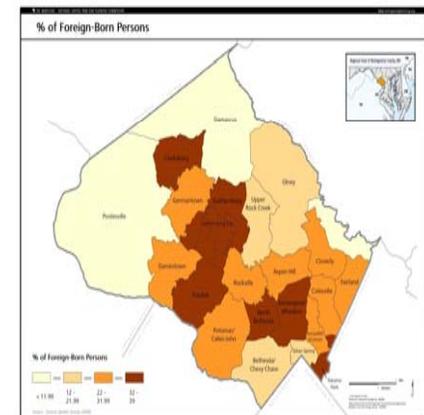
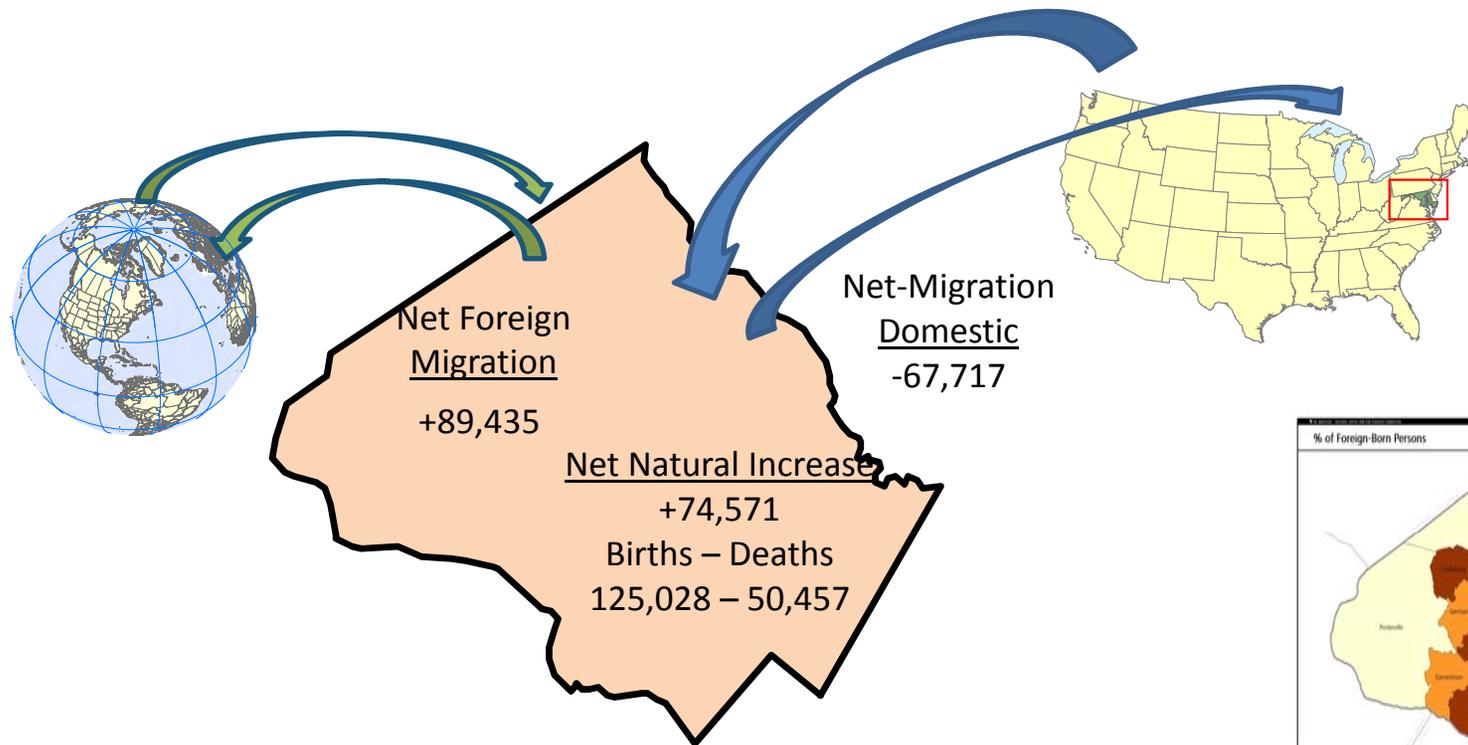
6  
Er  
Energy

4  
Fd  
Food



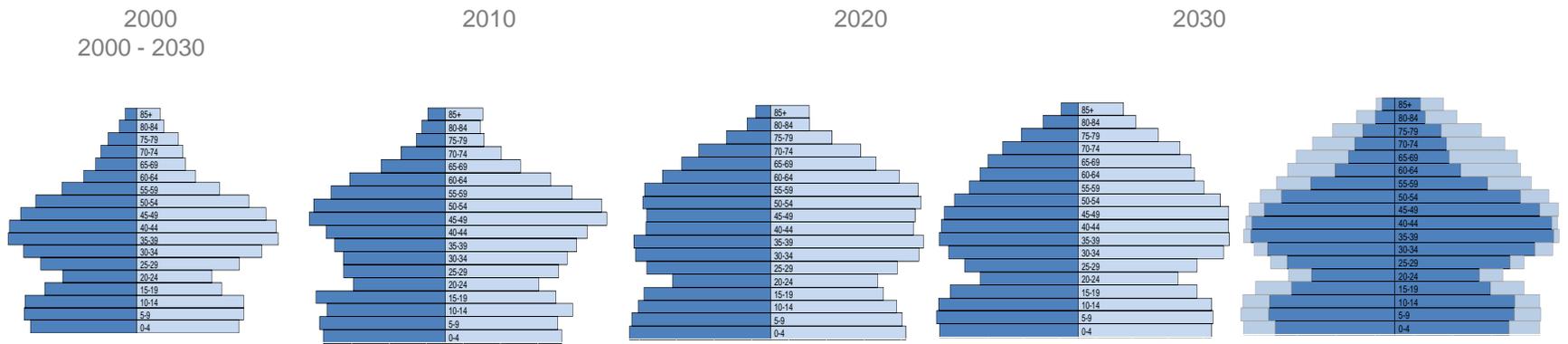
reasons for growth - 2000 to 2009

international migration  
natural increase - hispanic



# demographics

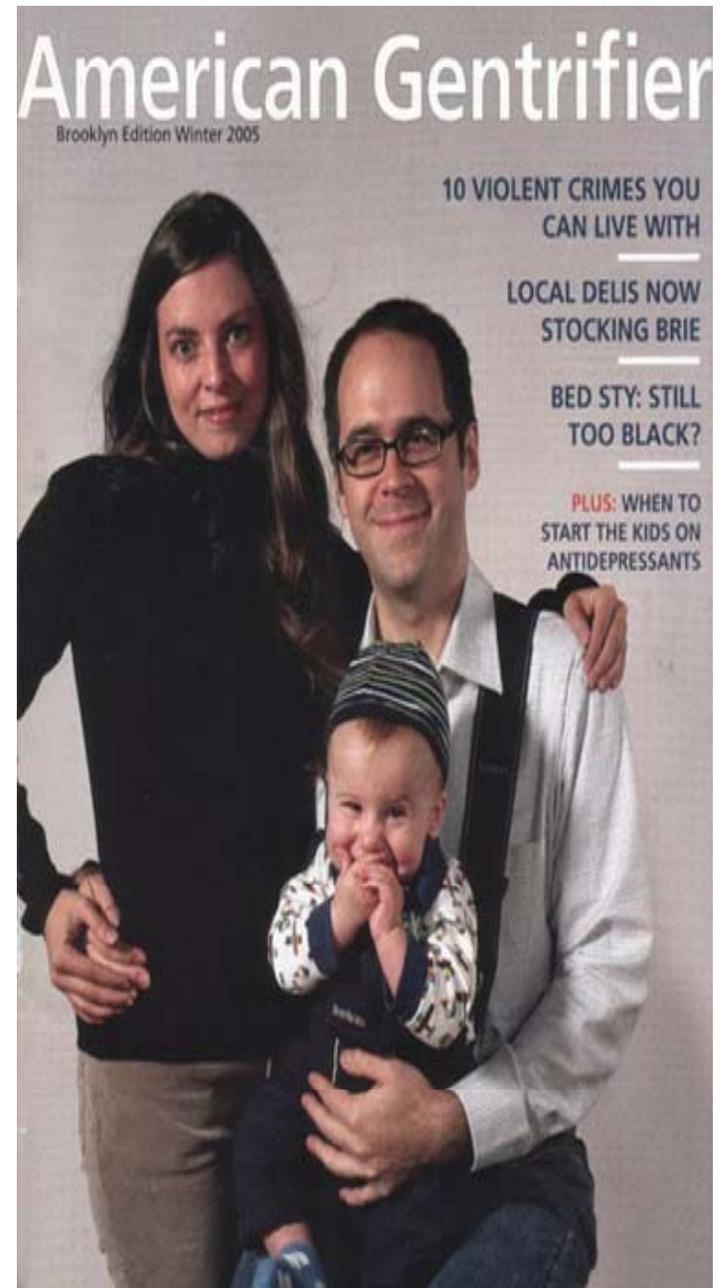
79% **increase** in senior population by 2030



working age adults to seniors

38% drop in 25 yrs

|       | 2005 | 2010 | 2030 |
|-------|------|------|------|
| ratio | 5.5  | 5.2  | 3.4  |



our future residents are not engaged

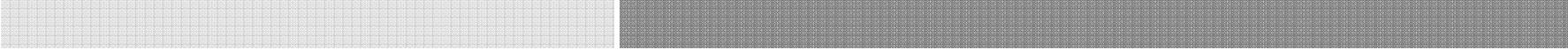




check your basement

gen x & y - 30%+ increase in adult **children** at home  
36% of adult children in MoCo live at home





gen y

longer to **buy** - avg age = 34 yrs

looking to **rent**

longer to marry - age 25 - 34 - 50% never married

longer to a **career**

longer to have **kids**

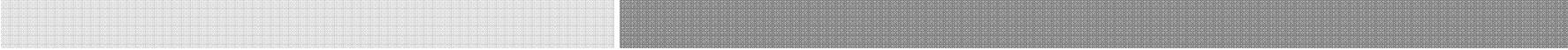
looking for **mobility**

greater unemployment - 30%

looking for **smaller** units

looking for **compact** lifestyle





impact on attracting new people

providing places where people want to live

| average age   | 1987 | 2005 | % change  |
|---------------|------|------|-----------|
| bethesda      | 43.4 | 38.1 | -12.1 % * |
| silver spring | 45.8 | 35.5 | -22.5 % * |
| county        | 35.3 | 36.9 | + 4.5 %   |

\*cbd areas





## demand

< ¼ of US households are married with 2.5 kids

fastest growth

singles

future = married - no kids

family growth - hispanics

minorities including seniors





## demand

immigrants attracted to 1<sup>st</sup> ring burbs - impacts unit size  
family size

whites - 2.6 people

minority - 3.2 people

gen y attracted to urban settings



demographic shift fits the future growth pattern

81 % of new units will be multi unit  
singles  
gen x & y  
immigration





the perfect **storm**

fewer working **age** adults to seniors  
increasing **infrastructure** costs  
increasing social **services**  
low **density** landscape  
**mobility** challenges  
few areas to **grow**  
**affordability**





where do you go next ?

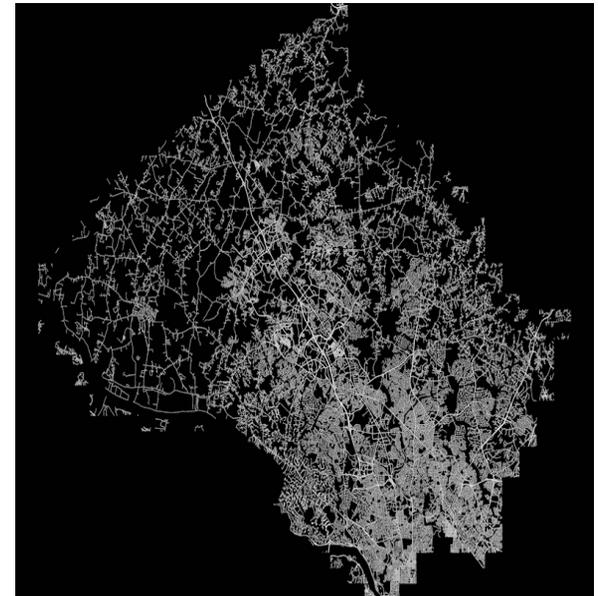
nodes | corridors | infill



## jobs to housing ratio

predicted a 1 - 1 ratio indicating one working adult  
we are at 1 - 1.5 countywide - not bad

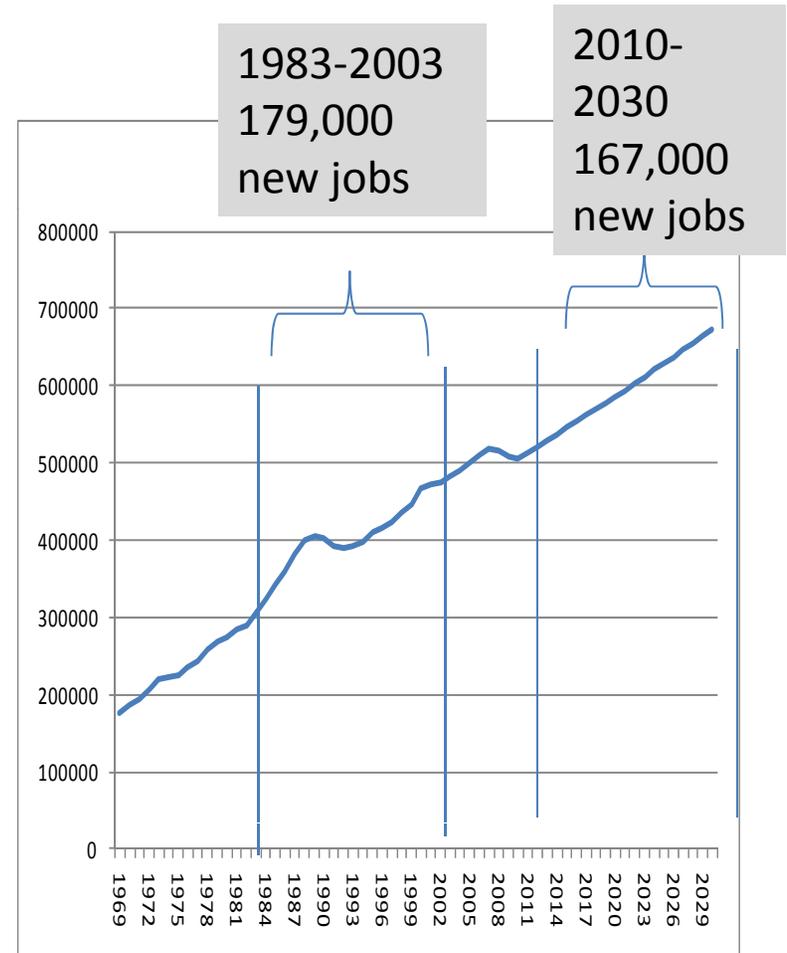
lack of connectivity  
high vmt's within the county



# future job growth

forecast - jobs

jobs - 506,000 to 673,000 by 2030



new non - res space needed for growth ?

use multipliers to convert jobs to determine

new square footage needed

|                     | office     | retail    |           |
|---------------------|------------|-----------|-----------|
| industrial          |            |           |           |
| new jobs            | 116,860    | 15,907    | 12,868    |
| multiplier ft2      | 225 ft2    | 400 ft2   | 450       |
| <u>ft2</u>          |            |           |           |
| required floor area | 26,293,500 | 6,362,800 | 5,790,000 |



land needed for new jobs

additional acres needed by land type

|        | total       |
|--------|-------------|
| area 1 | 51          |
| area 2 | 534         |
| area 3 | <u>668</u>  |
| county | 1,253 acres |

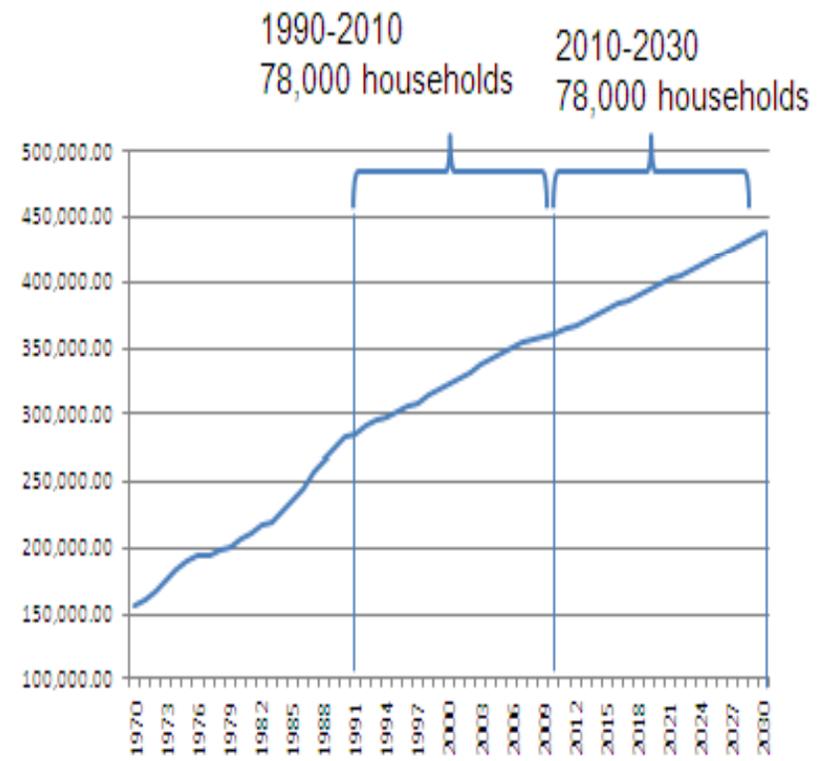


## future housing growth

current forecast - **households**

360,500 to 438,000 by 2030

77,500 new households - 21.5% increase



## future housing growth

projected mix & land needed for household types

|        | number of<br>units |              | number of<br>acres* |
|--------|--------------------|--------------|---------------------|
|        | <u>single</u>      | <u>multi</u> |                     |
| area 1 | 429                | 12,440       | 379                 |
| area 2 | 4,350              | 37,263       | 2,579               |
| area 3 | 10,226             | 12,792       | 6,672               |
| total  | 14,576 units       | 62,495 units | 9,630               |

acres

\*assuming current rates of land consumption - differs by area



type of future residential - projection

single housing

19 % of the new units

consume 70 % of the land needed for housing

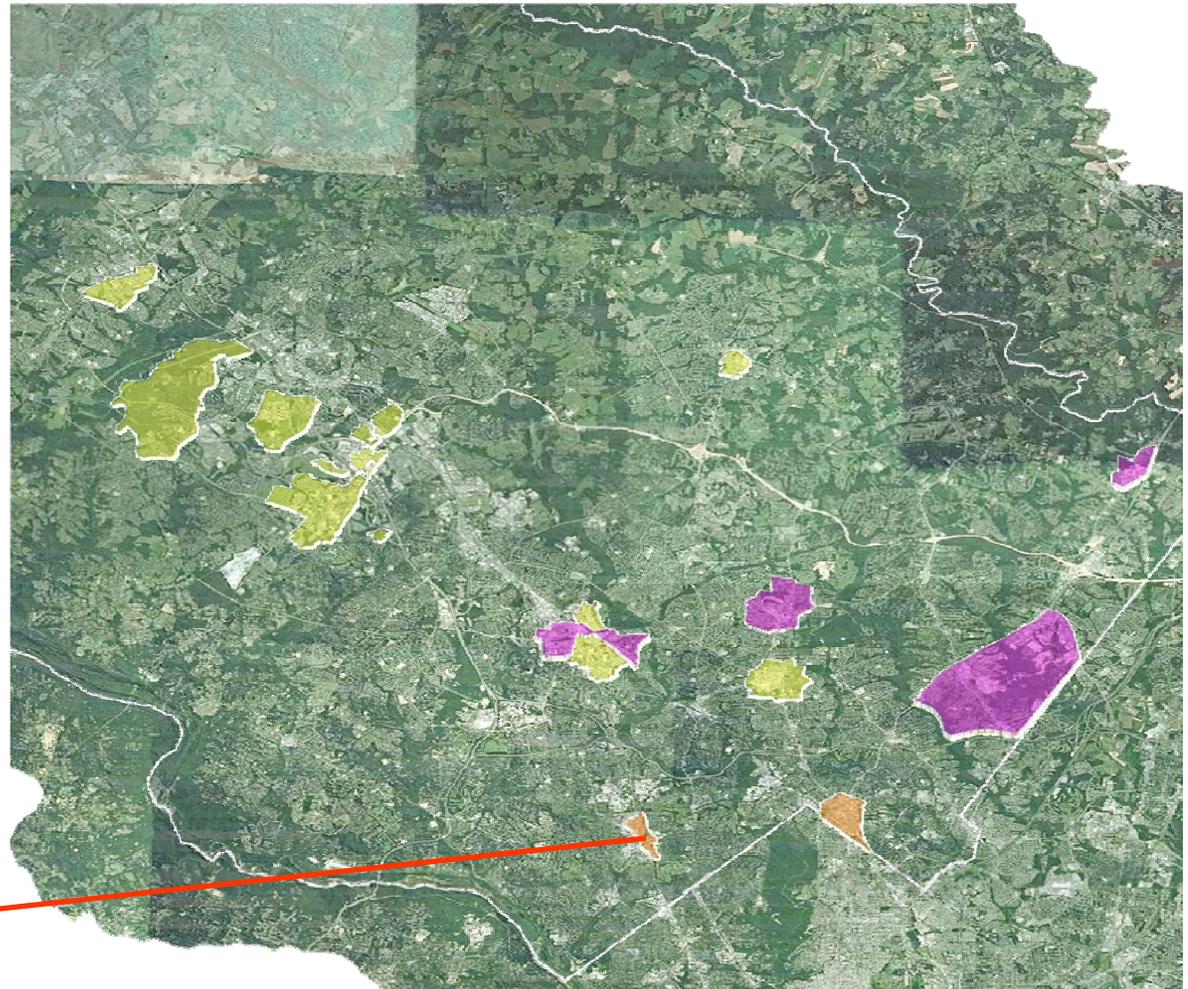
81 % of new units will be multi family

we don't have the land at current consumption rates



# infill opportunities

will need to look at infill



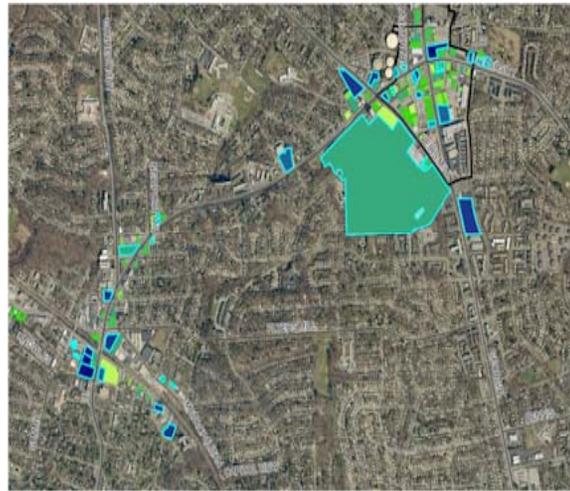
infill options

under utilized shopping areas

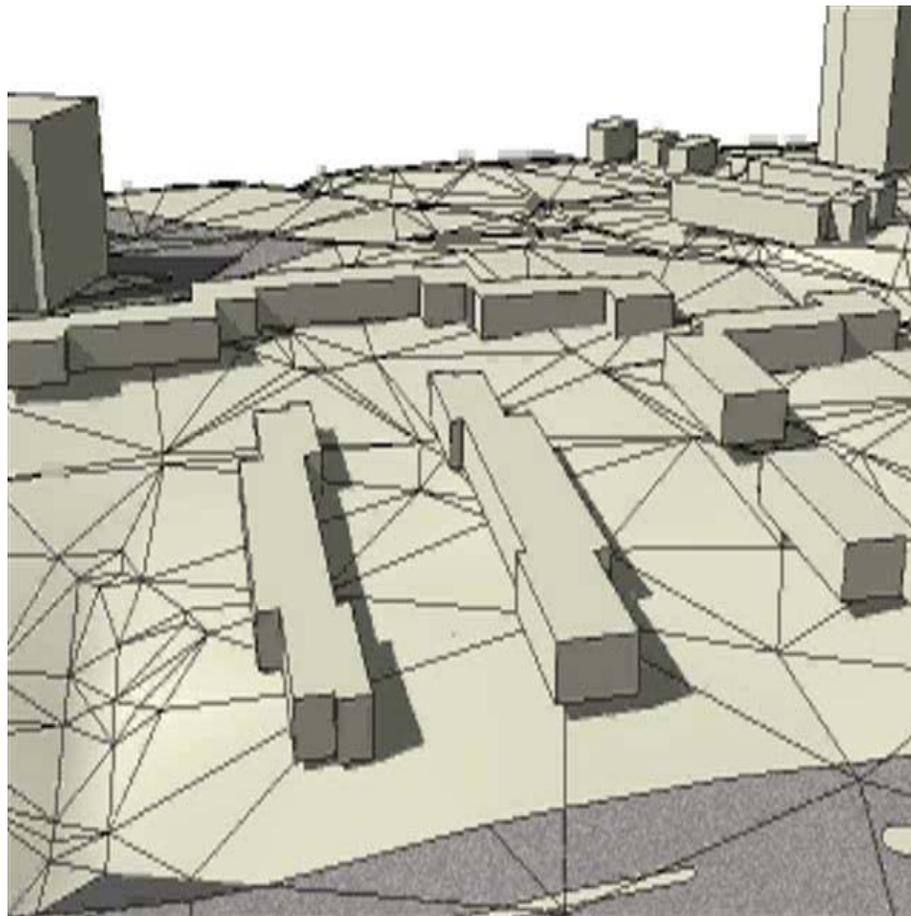
rockville pike

silver spring

wheaton

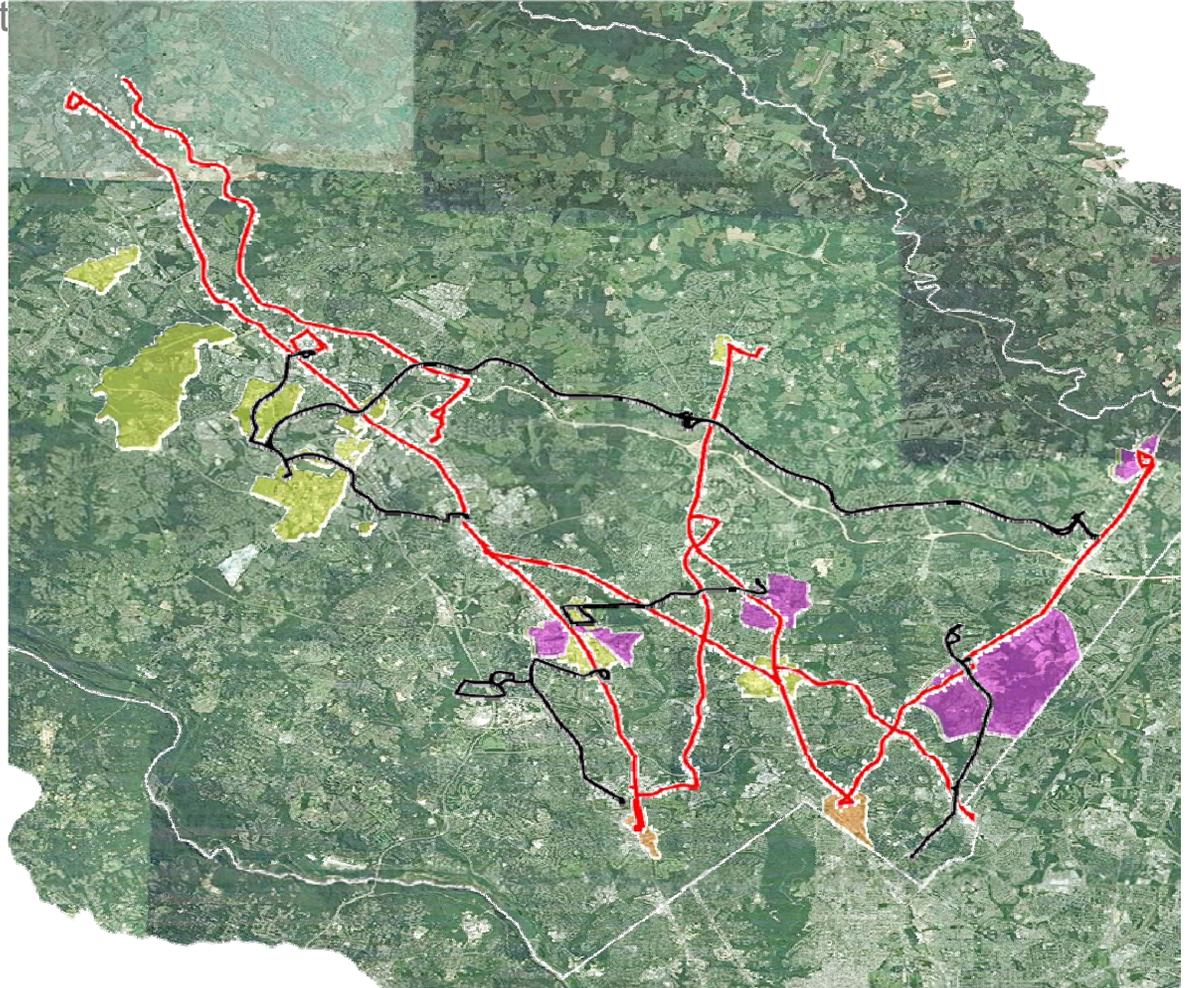


we can do it - **strategic** infill



connecting the dots

need to connect what we built



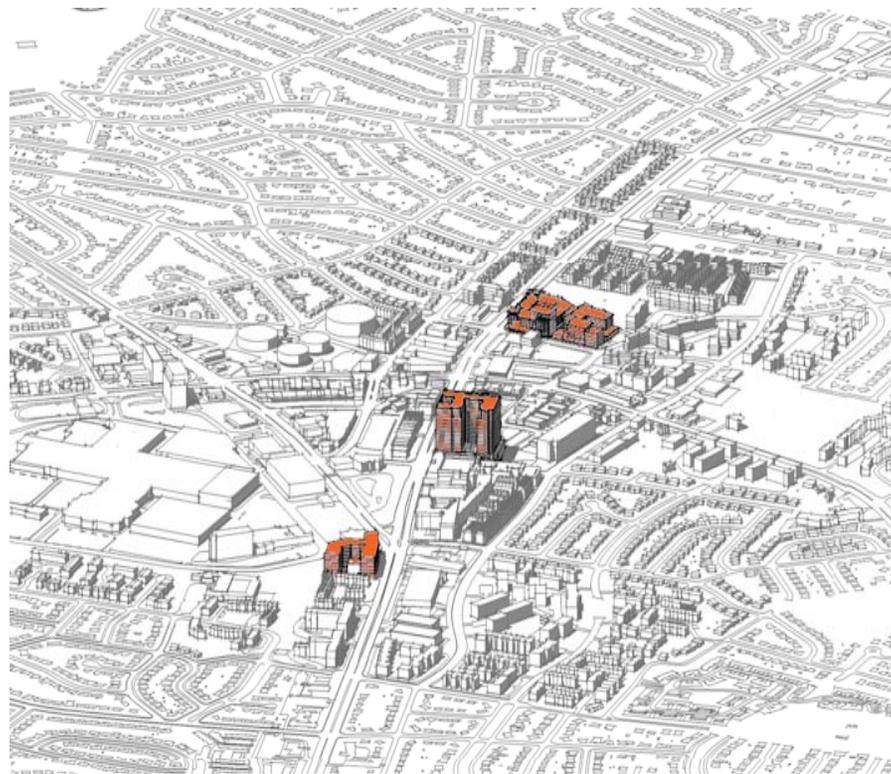
we are **transit corridor** planning

purple line  
brt  
metro stations



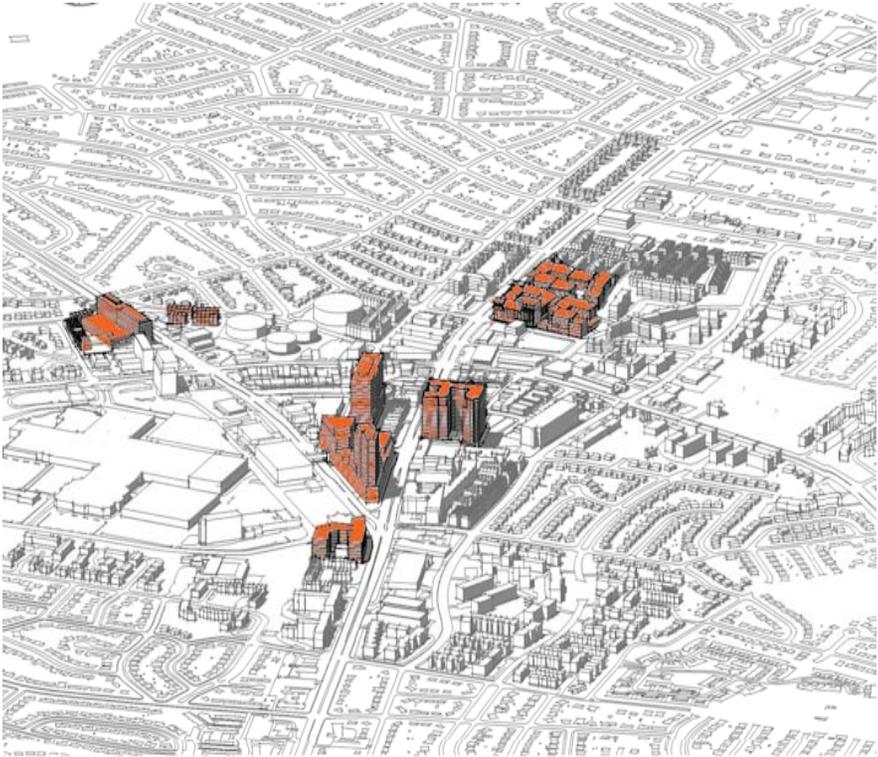
wheaton

high density infill  
county owned land  
diversity



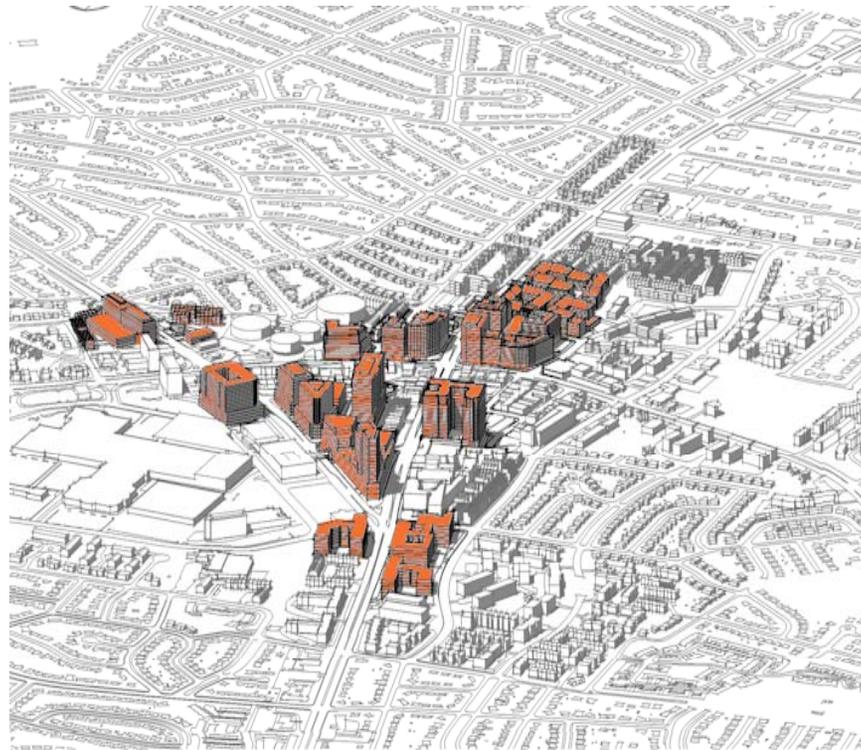
wheaton

high density infill  
county owned land  
diversity



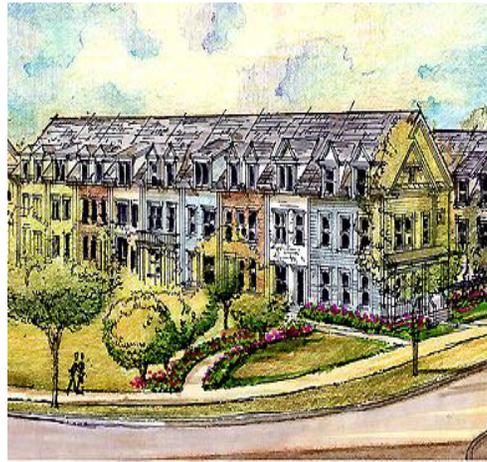
wheaton

high density infill  
county owned land



people are afraid of change

chelsea school







think like retailers





minority **owned** business growth - 02 - 07

change in minority owned businesses

|              | <u># of businesses</u> | <u>% change</u> |
|--------------|------------------------|-----------------|
| non minority | +6,710                 | 10%             |
| asian        | +3,168                 | 41%             |
| hispanic     | +4,168                 | 56%             |
| black        | +2,931                 | 26%             |
| total        | 16,977                 | 17%             |



high percentage of job growth - minority owned business

jobs in minority owned businesses

|              | <u># of jobs</u> | <u>% change</u> |
|--------------|------------------|-----------------|
| asian        | +7,865           | 34%             |
| hispanic     | +6,066           | 49%             |
| black        | +5,662           | 33%             |
|              | 19,593           | minority total  |
| non minority | +28,434          | 7%              |



perceptions

profitability  
distance  
parking



job growth

### THREE FACTORS ARE ASSOCIATED WITH INNER CITY RETAIL JOB GROWTH

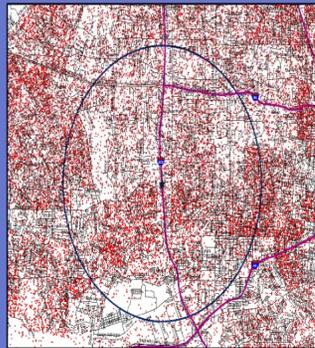
| <u>Factor</u>                                     | <u>Top 25 Inner Cities<br/>in Retail Job Growth</u> | <u>Bottom 25 Inner Cities<br/>in Retail Job Growth</u> |
|---|---|--|
| Average IC<br>population growth<br>(1992 – 2002)  | 6.7%  | -4.2%  |
| Average<br>population density<br>(2003)           | 11,600<br>people per<br>square mile                 | 7,020<br>people per<br>square mile                     |
| Average MSA<br>retail job growth<br>(1992 – 2003) | 32%   | 21%  |



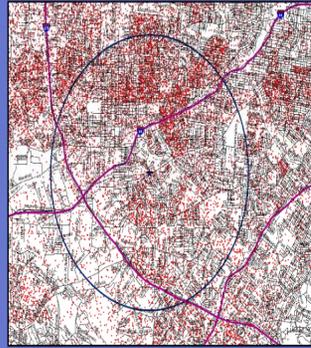
## Delmar & Kingshighway Demographics

The area surrounding Delmar & Kingshighway has a high concentration of households earning more than \$100,000

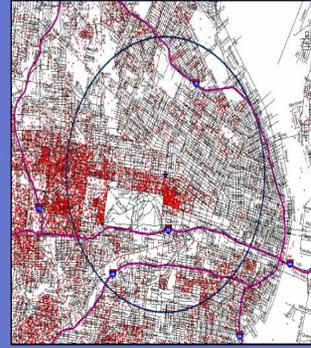
(Radius: 3.5 miles)



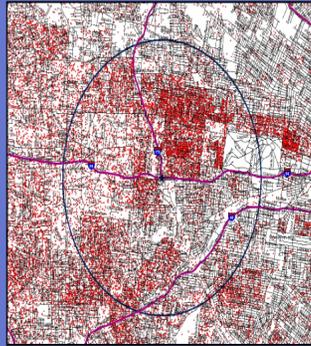
Chesterfield Mall -- 9,082



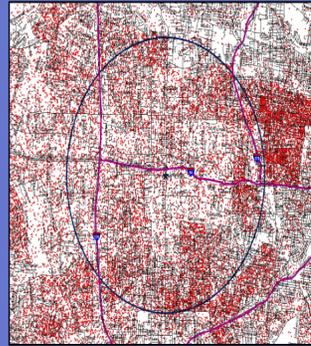
Crestwood Plaza -- 7,900



Subject Site (Delmar & Kingshighway) -- 5,845



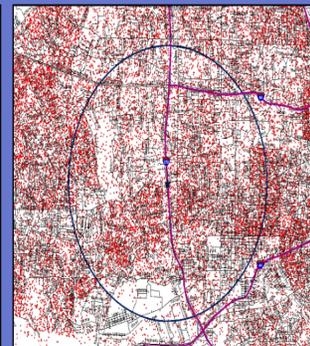
Galleria -- 12,229



Plaza Frontenac -- 11,297



South County Mall -- 5,754



West County Mall -- 10,161





## demographics count to retailers

- household size
- household income
- family member age
- young professionals
- ethnicity – preferences
- single parent households



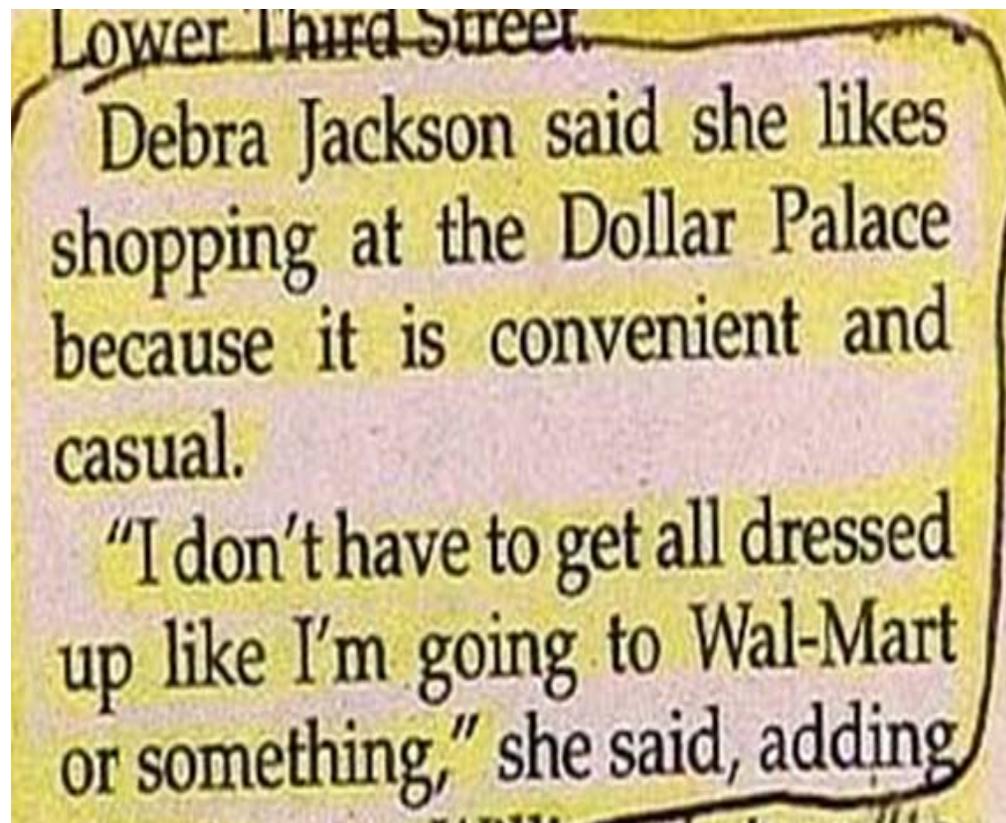
buying patterns are changing?

family dollar - 2009

opened 300 stores this year - close 80 to

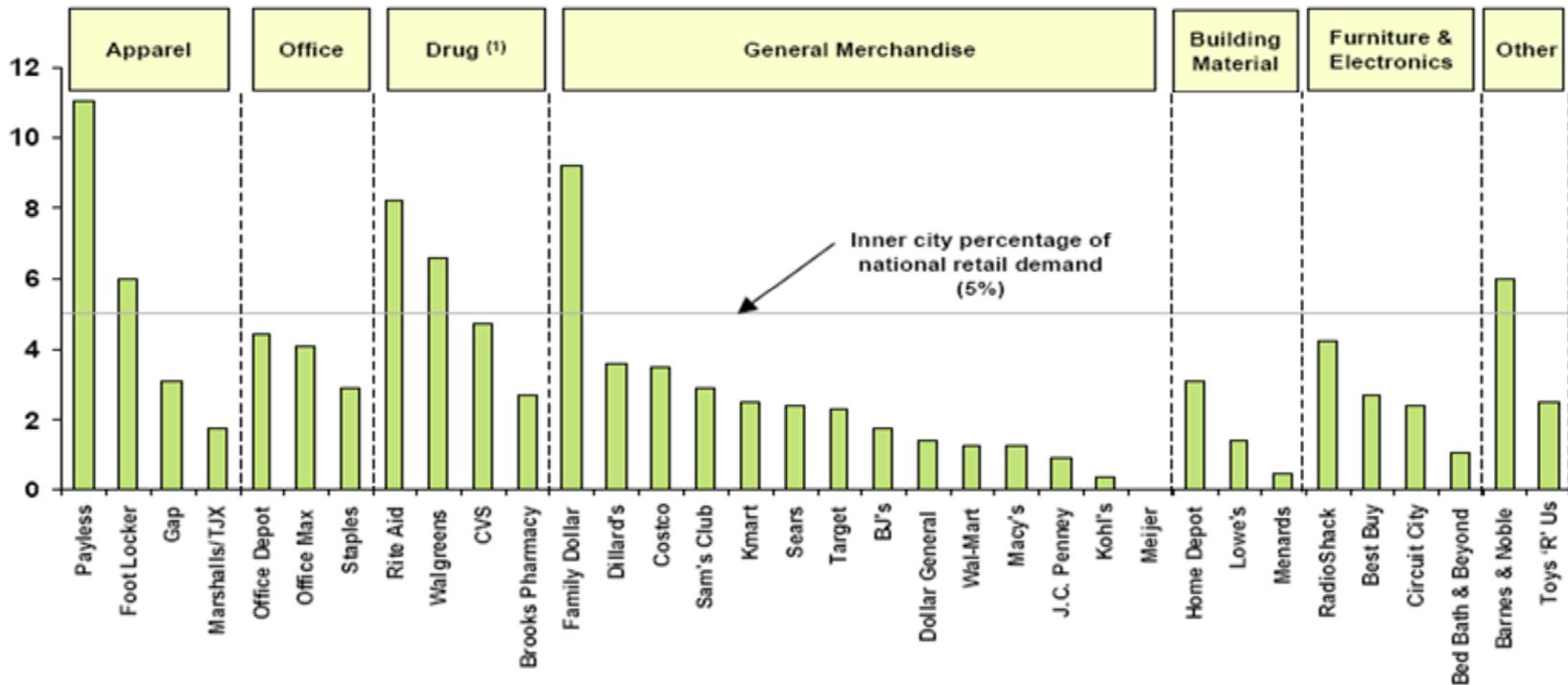
100

renovated 600 - 800 stores



## THE PENETRATION OF THE LARGEST RETAILERS VARIES MARKEDLY IN INNER CITIES (II)

% of stores in IC, 2006



# THE PENETRATION OF THE LARGEST RETAILERS VARIES MARKEDLY IN INNER CITIES (I)

% of stores in IC, 2006





costs

> per ft<sup>2</sup> per transaction due to  
increased security  
lower average purchase value  
liability insurance

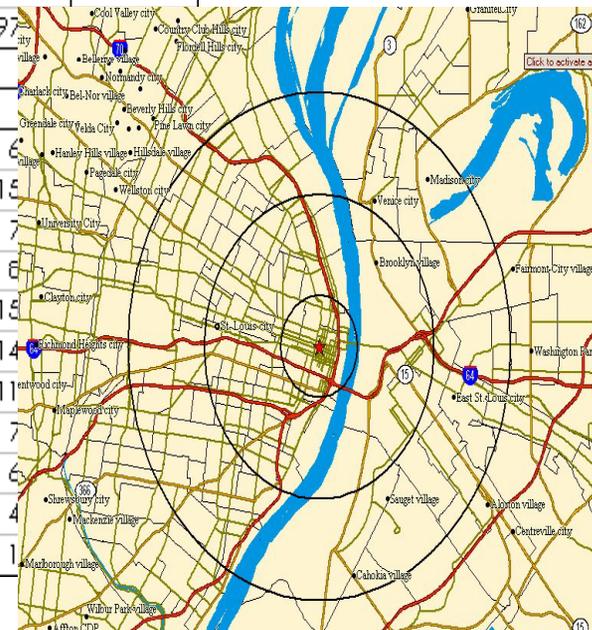
smaller floor size help  
one stop shopping



## DEMOGRAPHIC SUMMARY

### 1201 WASHINGTON AVE

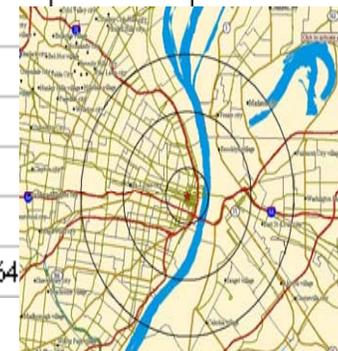
|   | 1 MILES: | 3 MILES: | 5 MILES: | 5 MINUTES: | 10 MINUTES: | 15 MINUTES: |
|---|----------|----------|----------|------------|-------------|-------------|
| TOTAL POPULATION                              | 7,945    | 86,337   | 257,751  | 54,029     | 350,978     | 739,898     |
| TOTAL HOUSEHOLDS                              | 4,327    | 34,781   | 105,914  | 22,202     | 144,320     | 305,878     |
| FEMALE POPULATION                             | 4,282    | 46,226   | 137,302  | 28,767     | 185,739     | 394,514     |
| MALE POPULATION                               | 3,663    | 40,111   | 120,449  | 25,262     | 165,239     | 345,384     |
| <b>RACE AND ETHNICITY</b>                     |          |          |          |            |             |             |
| AMERICAN INDIAN, ESKIMO, ALEUT                | 0.40%    | 0.30%    | 0.30%    | 0.30%      | 0.30%       | 0.20%       |
| ASIAN, AND HAWAIIAN OR OTHER PACIFIC ISLANDER | 1.00%    | 1.00%    | 2.10%    | 1.00%      | 2.20%       | 1.70%       |
| BLACK   | 74.90%   | 72.20%   | 64.70%   | 68.70%     | 56.90%      | 45.40%      |
| WHITE   | 21.60%   | 24.40%   | 30.20%   | 28.00%     | 37.80%      | 50.30%      |
| OTHER   | 0.70%    | 0.60%    | 0.90%    | 0.60%      | 1.00%       | 0.80%       |
| TWO OR MORE RACES                             | 1.40%    | 1.40%    | 1.80%    | 1.50%      | 1.90%       | 1.60%       |
| HISPANIC ETHNICITY                            | 1.40%    | 1.70%    | 2.10%    | 1.60%      | 2.30%       | 1.90%       |
| NOT OF HISPANIC ETHNICITY                     | 98.60%   | 98.30%   | 97.90%   | 98.40%     | 97.70%      | 98.10%      |
| <b>AGE:</b>                                   |          |          |          |            |             |             |
| MEDIAN AGE                                    | 34.3     | 30.2     | 32.3     | 29.7       |             |             |
| AGE 0 - 4                                     | 8.10%    | 8.00%    | 7.30%    | 7.90%      |             |             |
| AGE 5 - 14                                    | 14.90%   | 17.20%   | 16.20%   | 16.30%     | 15.10%      |             |
| AGE 15 - 19                                   | 5.30%    | 8.10%    | 7.50%    | 8.60%      | 7.70%       |             |
| AGE 20 - 24                                   | 7.60%    | 8.80%    | 7.90%    | 9.90%      | 8.60%       |             |
| AGE 25 - 34                                   | 14.90%   | 14.50%   | 14.90%   | 14.90%     | 15.10%      |             |
| AGE 35 - 44                                   | 13.40%   | 14.00%   | 14.60%   | 13.80%     | 14.10%      |             |
| AGE 45 - 54                                   | 12.00%   | 11.20%   | 11.60%   | 10.90%     | 11.10%      |             |
| AGE 55 - 64                                   | 7.50%    | 6.50%    | 7.10%    | 6.30%      | 7.10%       |             |
| AGE 65 - 74                                   | 7.50%    | 5.80%    | 6.50%    | 5.70%      | 6.50%       |             |
| AGE 75 - 84                                   | 6.10%    | 4.10%    | 4.50%    | 4.10%      | 4.90%       |             |
| AGE 85 +                                      | 2.70%    | 1.80%    | 1.90%    | 1.70%      | 1.90%       |             |



## CONSUMER EXPENDITURE COMPARISON REPORT

### 1201 WASHINGTON AVE

|                                     | 1 MILES:   | 3 MILES:   | 5 MILES:   | 5 MINUTES: | 10 MINUTES: | 15 MINUTES: |
|-------------------------------------|------------|------------|------------|------------|-------------|-------------|
| TOTAL HOUSEHOLDS                    | 4,545      | 34,725     | 104,166    | 22,151     | 141,099     | 298,700     |
| MEDIAN HOUSEHOLD INCOME             | \$18,976   | \$21,451   | \$25,330   | \$20,664   | \$27,785    | \$34,697    |
| TOTAL AVERAGE HOUSEHOLD EXPENDITURE | \$32,794   | \$33,535   | \$35,582   | \$33,150   | \$37,176    | \$41,652    |
| AIRLINE FARES                       | \$211.02   | \$215.56   | \$229.10   | \$212.90   | \$242.95    | \$277.93    |
| ALCOHOLIC BEVERAGES                 | \$352.30   | \$352.77   | \$373.25   | \$350.22   | \$392.80    | \$443.32    |
| ALIMONY AND CHILD SUPPORT           | \$160.72   | \$162.87   | \$173.55   | \$160.98   | \$184.14    | \$211.41    |
| APPAREL                             | \$1,452.04 | \$1,484.21 | \$1,568.39 | \$1,467.76 | \$1,637.06  | \$1,827.45  |
| APPAREL SERVICES AND ACCESSORIES    | \$214.31   | \$222.12   | \$236.08   | \$218.89   | \$250.40    | \$286.66    |
| AUDIO EQUIPMENT                     | \$56.29    | \$57.13    | \$60.47    | \$56.53    | \$62.86     | \$69.77     |
| BABYSITTING AND ELDERLY CARE        | \$243.23   | \$255.38   | \$270.64   | \$250.77   | \$285.93    | \$324.96    |
| BOOKS                               | \$41.39    | \$41.77    | \$44.27    | \$41.39    | \$46.32     | \$51.94     |
| BOOKS AND SUPPLIES                  | \$100.95   | \$100.83   | \$104.45   | \$100.32   | \$110.02    | \$123.79    |
| BOYS APPAREL                        | \$76.71    | \$80.57    | \$85.23    | \$79.13    | \$88.52     | \$98.10     |
| CELLULAR PHONE SERVICE              | \$184.93   | \$183.72   | \$192.72   | \$182.66   | \$198.46    |             |
| CIGARETTES                          | \$251.19   | \$249.66   | \$262.23   | \$248.03   | \$266.99    |             |
| COMPUTER HARDWARE                   | \$215.44   | \$222.70   | \$237.24   | \$219.99   | \$250.25    |             |
| COMPUTER INFORMATION SERVICES       | \$23.56    | \$23.30    | \$24.47    | \$23.18    | \$25.68     |             |
| COMPUTER SOFTWARE                   | \$30.98    | \$31.99    | \$34.08    | \$31.60    | \$35.94     |             |
| CONTRIBUTIONS                       | \$1,122.52 | \$1,149.77 | \$1,236.24 | \$1,133.01 | \$1,325.64  |             |

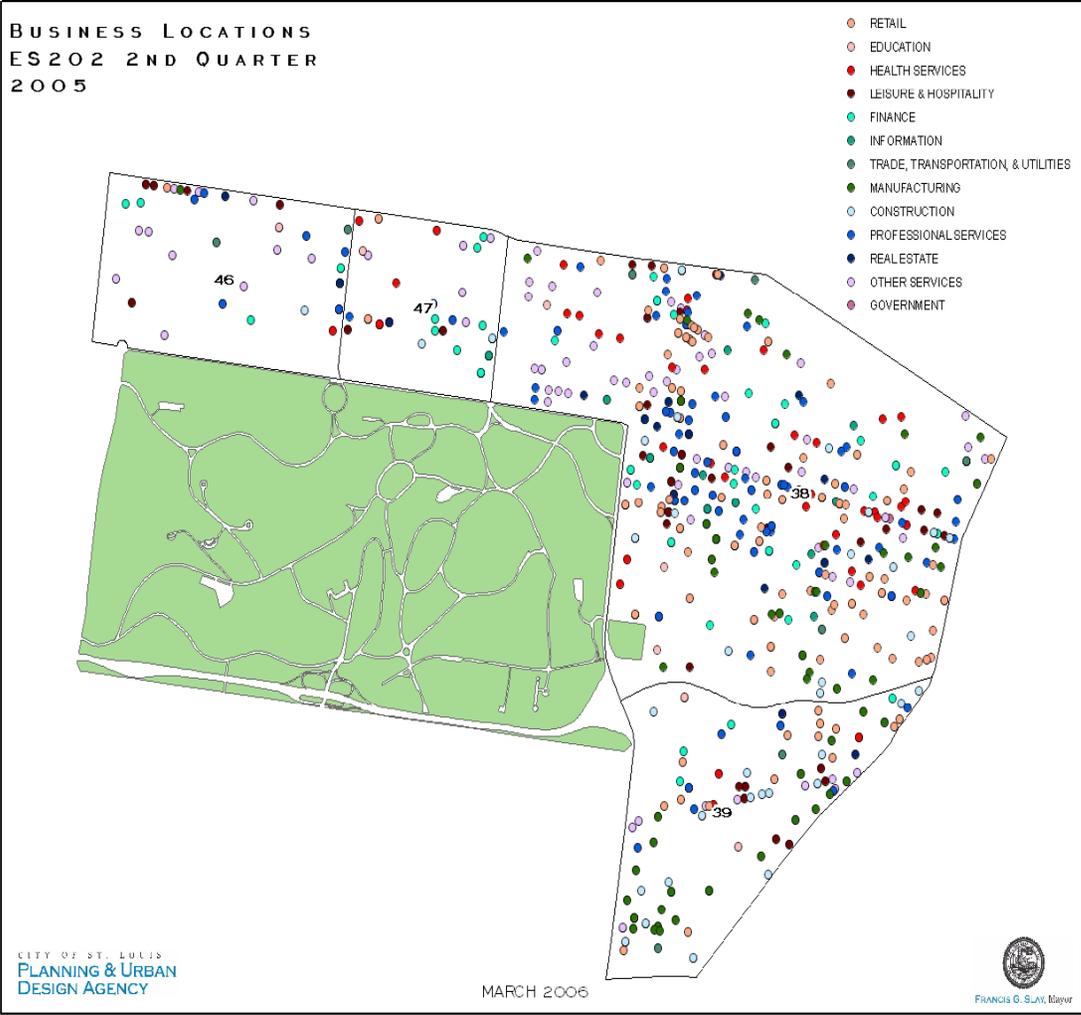


## critical factors in comparing locations

| WALGREENS LOCATIONS & COMPARISONS   |                |                     |                    |                    |                         |                             |                                     |                           |
|-------------------------------------|----------------|---------------------|--------------------|--------------------|-------------------------|-----------------------------|-------------------------------------|---------------------------|
|                                     | MLK &<br>GRAND | 6TH &<br>WASHINGTON | LINDELL &<br>BOYLE | GRAND &<br>GRAVOIS | BROADWAY &<br>GASCONADE | SOUTHWEST &<br>KINGSHIGHWAY | KINGSHIGHWAY<br>& NATURAL<br>BRIDGE | KINGSHIGHWAY<br>& ARSENAL |
| TOTAL POPULATION                    | 331,085        | 243,021             | 369,587            | 335,447            | 280,193                 | 416,517                     | 327,147                             | 404,686                   |
| POPULATION DENSITY (POP/SQ MI)      | 4,215.50       | 3,094.20            | 4,960.40           | 4,271.10           | 3,567.50                | 5,303.30                    | 4,165.40                            | 5,152.40                  |
| TOTAL HOUSEHOLDS                    | 135,232        | 98,663              | 162,555            | 147,019            | 120,950                 | 180,400                     | 132,524                             | 176,646                   |
| <b>POPULATION BY GENDER:</b>        |                |                     |                    |                    |                         |                             |                                     |                           |
| MALE                                | 154,705        | 113,451             | 162,739            | 156,625            | 132,946                 | 195,998                     | 150,334                             | 190,635                   |
| FEMALE                              | 176,380        | 129,570             | 206,848            | 178,822            | 147,247                 | 220,519                     | 176,813                             | 213,631                   |
| <b>POPULATION BY RACE/ETHNICITY</b> |                |                     |                    |                    |                         |                             |                                     |                           |
| WHITE                               | 109,254        | 69,636              | 165,040            | 207,004            | 176,416                 | 233,160                     | 67,750                              | 243,617                   |
| BLACK                               | 205,480        | 161,237             | 204,603            | 109,613            | 85,710                  | 160,432                     | 227,630                             | 136,106                   |
| AMERICAN INDIAN OR ALASKA NATIVE    | 649            | 661                 | 977                | 990                | 674                     | 1,062                       | 665                                 | 1,063                     |
| ASIAN                               | 6,674          | 4,649               | 6,576              | 7,975              | 6,533                   | 10,162                      | 4,225                               | 10,269                    |
| SOME OTHER RACE                     | 2,530          | 2,160               | 2,965              | 3,066              | 2,796                   | 3,466                       | 1,557                               | 3,504                     |
| TWO OR MORE RACES                   | 6,099          | 4,239               | 7,403              | 6,601              | 5,664                   | 6,174                       | 5,119                               | 6,067                     |
| <b>POPULATION BY AGE</b>            |                |                     |                    |                    |                         |                             |                                     |                           |
| MEDIAN AGE:                         |                | 32                  | 33                 | 34.2               | 33.9                    | 34.1                        | 32.7                                | 34.3                      |
| 0 TO 4                              | 22,594         | 17,996              | 25,767             | 22,271             | 19,364                  | 26,736                      | 21,762                              | 25,702                    |
| 5 TO 14                             | 51,629         | 40,355              | 57,431             | 46,220             | 39,605                  | 57,156                      | 51,165                              | 54,241                    |
| 15 TO 19                            | 26,646         | 16,607              | 29,549             | 22,269             | 16,676                  | 29,512                      | 26,677                              | 26,397                    |
| 20 TO 24                            | 27,609         | 16,994              | 32,007             | 25,771             | 21,175                  | 33,146                      | 27,367                              | 32,450                    |
| 25 TO 34                            | 49,975         | 35,561              | 61,300             | 55,357             | 45,916                  | 67,136                      | 46,729                              | 65,596                    |
| 35 TO 44                            | 46,165         | 35,325              | 56,524             | 52,764             | 44,366                  | 64,125                      | 47,069                              | 62,653                    |
| 45 TO 54                            | 36,337         | 26,076              | 46,456             | 40,336             | 33,241                  | 49,979                      | 39,699                              | 46,908                    |
| 55 TO 64                            | 23,785         | 17,054              | 26,501             | 23,475             | 19,237                  | 29,664                      | 25,240                              | 26,666                    |
| 65 TO 74                            | 21,062         | 15,661              | 24,635             | 21,601             | 16,006                  | 27,506                      | 21,275                              | 26,740                    |
| 75 TO 84                            | 14,609         | 10,630              | 17,974             | 17,655             | 14,423                  | 22,016                      | 14,359                              | 21,646                    |
| 85+                                 | 6,054          | 4,542               | 7,441              | 7,465              | 5,962                   | 9,515                       | 5,565                               | 9,464                     |
| <b>HOUSEHOLDS BY INCOME</b>         |                |                     |                    |                    |                         |                             |                                     |                           |
| AVERAGE HHLD INCOME                 | \$36,545       | \$34,117            | \$41,575           | \$40,534           | \$39,519                | \$44,321                    | \$41,530                            | \$44,601                  |
| MEDIAN HHLD INCOME                  | \$25,166       | \$23,531            | \$26,479           | \$30,263           | \$30,052                | \$31,139                    | \$27,667                            | \$31,799                  |
| PER CAPITA INCOME                   | \$14,927       | \$13,654            | \$17,347           | \$17,765           | \$17,059                | \$19,196                    | \$16,623                            | \$19,557                  |



find the gaps



## critical factors in comparing locations

| STORE NAME                  | TARGET   | TRADER JOES  | WALGREEN'S  | WHOLE FOODS  | WILD OATS   |
|-----------------------------|--|--|---|--|---|
| ADDRESS                     | 1000 NICOLLET MALL   | 600 S SHARROCK AVE   | 200 WILHOT ROAD   | 694 NEW BRITAIN AVE  | 3376 MITCHELL LANE  |
| CITY                        | MINNEAPOLIS  | MONROVE  | DEERFIELD   | HARTFORD   | BOULDER   |
| STATE                       | MIN  | CA   | IL  | CT   | CO  |
| ZIP CODE                    | 55402  | 91016  | 60018   | 6106   | 80301   |
| PHONE NUMBER                | 612.304.6073   | 626.599.3700   | 647.940.2800  | 860.953.3559   | 303.440.5220  |
| EMAIL                       | <a href="http://WWW.TARGET.COM">WWW.TARGET.COM</a>   | <a href="http://WWW.TRADERJOES.COM">WWW.TRADERJOES.COM</a>                           | <a href="http://WWW.WALGREENS.COM">WWW.WALGREENS.COM</a>  | <a href="http://WWW.WHOLEFOODSMARKET.COM">WWW.WHOLEFOODSMARKET.COM</a> | <a href="mailto:INFO@WILD OATS.COM">INFO@WILD OATS.COM</a>                    |
| STORES                      | 1148   | 190  | 3908  | 142  | 101   |
| SQUARE FOOTAGE              | 125000-175,000   | 8000-10000   | 14560   | 29000  | 25,000-30,000   |
| RETAIL CLASSIFICATION       | DISCOUNT STORES  | SUPERMARKETS   | DRUG STORES   | SUPERMARKETS   | SUPERMARKETS  |
| LOCATIONS CONSIDERED        | ENCLOSED REGIONAL MALL,<br>POWER CENTER, COMMUNITY<br>STRIP, DOWNTOWN/CBD,<br>FREESTANDING | POWER CENTER, COMMUNITY/<br>NEIGHBORHOOD STRIP, PAD<br>SITE/OUT PARCEL, FREESTANDING | POWER CENTER, COMMUNITY/<br>NEIGHBORHOOD STRIP,<br>DOWNTOWN/CBD, PAD<br>SITE/OUT PARCEL, FREESTANDING | COMMUNITY/NEIGHBORHOOD<br>STRIP, DOWNTOWN/CBD,<br>FREESTANDING         | POWER CENTER, COMMUNITY/<br>NEIGHBORHOOD STRIP,<br>DOWNTOWN/CBD, FREESTANDING |
| PERCENT IN MALLS            | 20-39  | 60-79  | 20-39   | 00-100   | 60-79   |
| CONTINENTS                  | ALL CONSIDERED   | ALL CONSIDERED   | GROCERY   | UPSCALE  | FASHION, ENTERTAINMENT, UPSCALE   |
| NEW UNITS PLANNED Q3        | 94   |  | 475   |  | 10-13   |
| NEW UNITS PLANNED Q4        |  |  | 100   |  | 20  |
| NEW UNITS PLANNED Q5        |  |  | 100   |  | 25  |
| PREFERRED LEASE             |  | 10 YR WITH THREE 5 YR OPTIONS  | 25 YR WITH 10 5 YR OPTIONS/<br>PREFERS TO OWN   | 10 YR WITH 5 YR OPTION/<br>ALSO PURCHASE LOCATION                      | 15 YR (3 5 YEAR OPTIONS)  |
| MIN. FRONTAGE (FEET)        |  | 60   | 200   |  | 150   |
| SPECIAL REQUIREMENTS 1      |  | 65 SHARED PARKING SPACES   | 50 CARS   |  | 23 FT CEILINGS  |
| SPECIAL REQUIREMENTS 2      |  |  | 70000 SQ FT LOT   |  | 5 PARKING SPACES PER 1,000 SQ FEET  |
| SPECIAL REQUIREMENTS 3      |  |  | SIGNALIZED CORNERS/FREESTANDING   |  |   |
| POPULATION DENSITY TARGETED |  | 90,000   | 18,000  | 130,000  | 100,000   |
| RADIUS                      | 5  | 5  | 1   | 3  | 3 MILES   |



## EDUCATION

### 1201 WASHINGTON AVE

#### EDUCATIONAL ATTAINMENT:

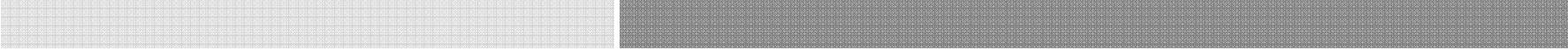
|                           | 1 MILES: | 3 MILES: | 5 MILES: | 5 MINUTES: | 10 MINUTES: | 15 MINUTES: |
|---------------------------|----------|----------|----------|------------|-------------|-------------|
| TOTAL POPULATION AGE 25 + | 5,087    | 49,948   | 157,468  | 30,992     | 216,477     | 473,394     |
| GRADE K - 9               | 8.90%    | 8.70%    | 8.80%    | 8.70%      | 7.90%       | 6.70%       |
| GRADE 9 - 11, NO DIPLOMA  | 19.80%   | 22.00%   | 21.50%   | 21.40%     | 19.90%      | 16.00%      |
| HIGH SCHOOL GRADUATE      | 25.80%   | 26.80%   | 27.40%   | 26.30%     | 26.70%      | 27.00%      |
| ASSOCIATES DEGREE         | 5.10%    | 4.00%    | 4.10%    | 4.30%      | 4.20%       | 4.70%       |
| BACHELOR'S DEGREE         | 9.50%    | 10.40%   | 9.50%    | 11.10%     | 11.50%      | 13.80%      |
| GRADUATE DEGREE           | 6.50%    | 6.50%    | 7.00%    | 7.10%      | 8.30%       | 9.60%       |
| SOME COLLEGE, NO DEGREE   | 23.60%   | 19.50%   | 20.00%   | 19.00%     | 20.00%      | 21.20%      |
| NO SCHOOLING COMPLETED    | 0.90%    | 2.20%    | 1.70%    | 2.20%      | 1.50%       | 1.10%       |
| PUBLIC SCHOOL ENROLLMENT  | 90.50%   | 78.10%   | 79.80%   | 73.20%     | 74.00%      | 72.60%      |
| PRIVATE SCHOOL ENROLLMENT | 9.50%    | 21.90%   | 20.20%   | 26.80%     | 26.00%      | 27.40%      |

DEMOGRAPHICS NOW



alfa romeo's should be the cornerstone of any development strategy

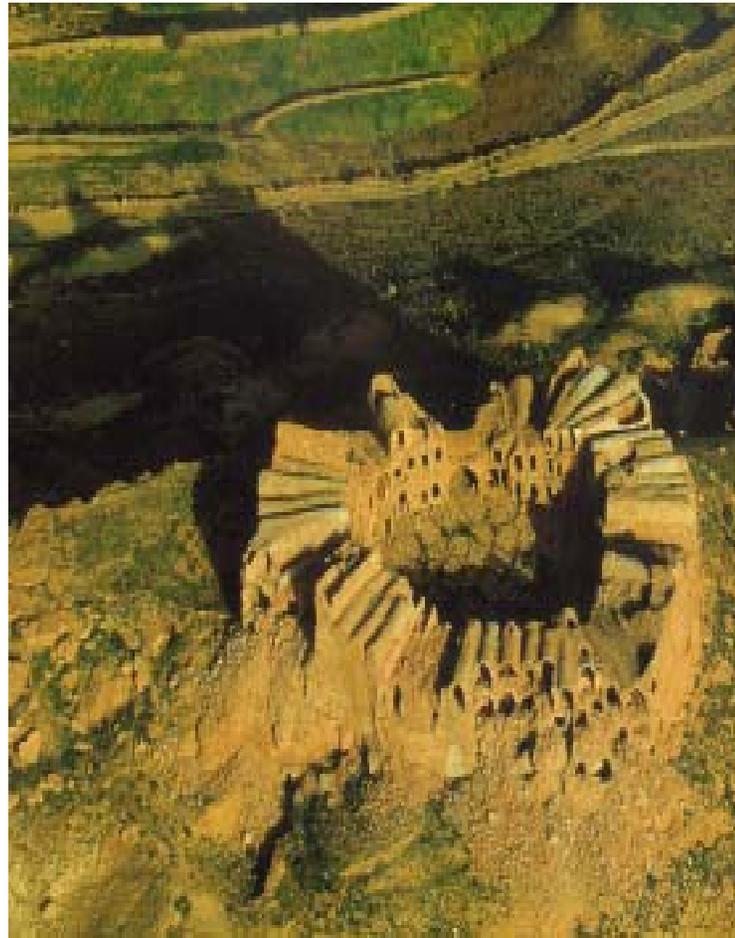




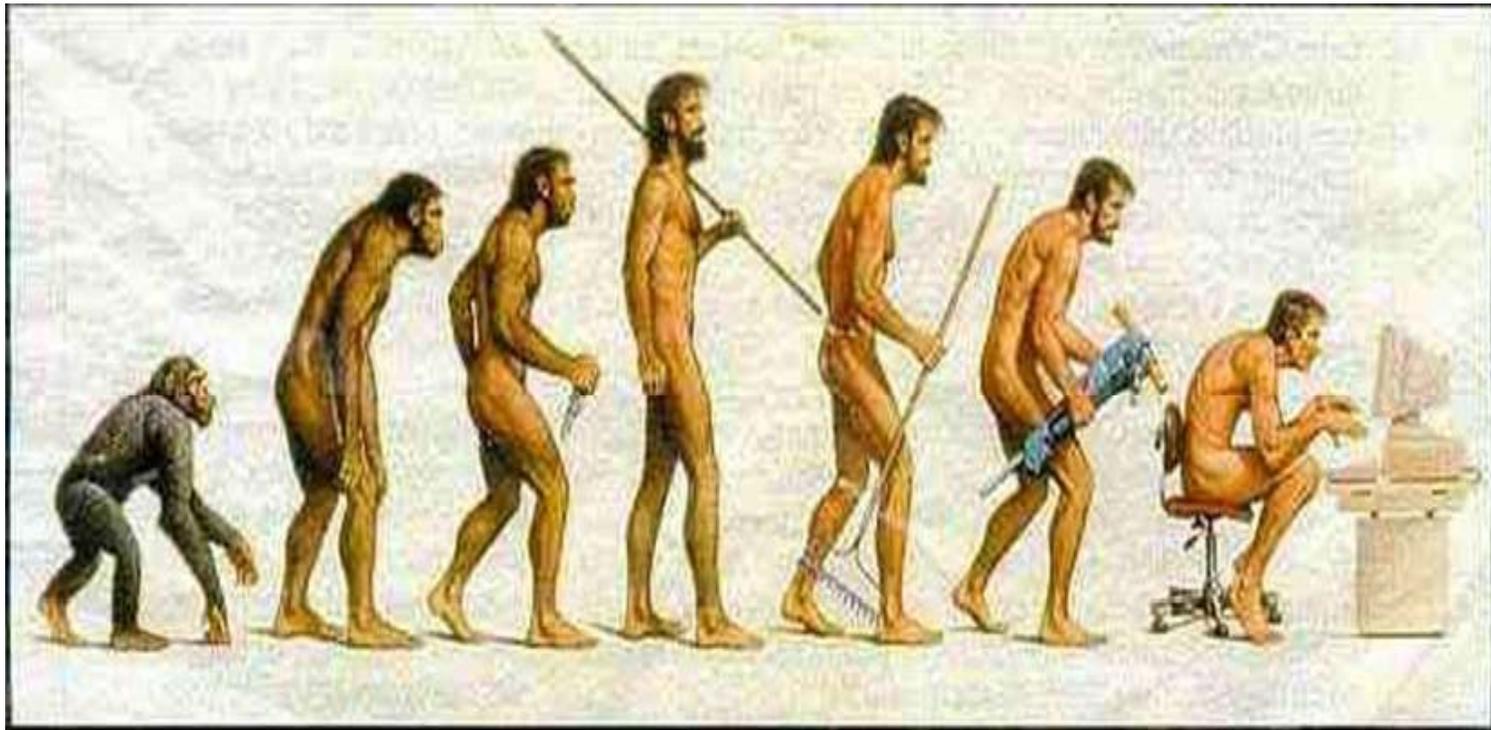
stuff to remember



there is nothing new in the word urban



your world evolves



suburbs  
spring

rockville

bethesda

silver





## rental market

strongest in 10 yrs

1 % drop in owners = 1 million new renters

studios & 1 bdrm generally lead

gen y (77.4 million) > baby boomers (76.2)

prime renters

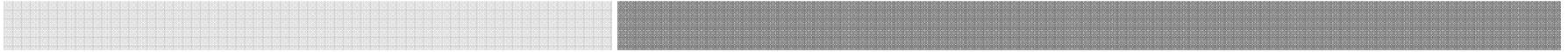
|      | home ownership<br>rate | rental rate |
|------|------------------------|-------------|
| 2010 | 66.4 %                 | 33.6 %      |
| 2015 | 64.0 %                 | 36.0 %      |



density | height

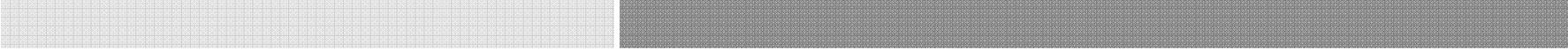
how tall are these buildings ?





social cost of wasteful growth patterns

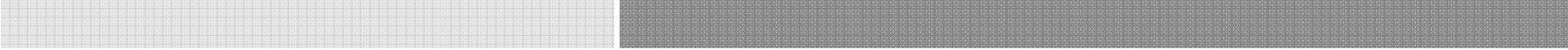




## environment

USA largest irrigated crop is cultivated grass = 32 million acres  
2<sup>nd</sup> largest is corn = 10 million acres  
lawn mowers get less mileage than a hummer  
1/3 of water consumption is watering grass





rethink traffic measure modeling

measure people throughput, not vehicle throughput

