

ECONOMIC POTENTIALS OF  
DOWNTOWN CHARLOTTESVILLE

Prepared for  
THE CITY OF CHARLOTTESVILLE

October 1973

H A M M E R, S I L E R, G E O R G E A S S O C I A T E S

WASHINGTON/ATLANTA/DENVER

1140 Connecticut Avenue, N.W.  
Washington, D. C. 20036

## FOREWORD

This report summarizes an analysis of the economic potentials of downtown Charlottesville completed by Hammer, Siler, George Associates. The report is but one portion of a comprehensive study of the downtown area of Charlottesville; other parts of the plan include a traffic and parking analysis and a design and development plan. This work was completed in accordance with our contract with the City of Charlottesville dated March 29, 1973.

The purpose of this technical report is to provide guidance to the planners work in terms of forecasts of development potentials, identification of downtown's assets and the obstacles which must be overcome, specific recommendations as to immediate action projects, and guidelines for identifying the general scale, character, and direction of growth in the downtown area.

As part of our analysis, we conducted two independent surveys: a downtown space survey, and a downtown and suburban shoppers survey. The results of both of these surveys are an integral part of our analysis of future downtown development potentials. The surveys are summarized in two appendices of this report.

In the course of our work a large number of civic and business leaders and city and county government officials in Charlottesville were interviewed. We appreciate the cooperation received from them and the many others in Charlottesville who assisted us in the course of our work.

The report is organized into six sections and two appendices. Sections I through V summarize the economic overview of the City of Charlottesville and Albermarle County and our analysis of retail, office, housing, and transient lodging potentials in downtown Charlottesville. In Section VI, the major immediate action projects are described, a phasing program and cost estimates are developed, and an implementation strategy for the entire program is presented. This body of the report is followed by appendices covering the downtown floor space survey and tabulation, and the results of the shopper survey.

Hammer, Siler, George Associates  
October 1973

## INTRODUCTION

The success of any plan rests ultimately on the feasibility and marketability of the development proposals. This market analysis, therefore, is a critical component of the Charlottesville Downtown Study. Its purpose is to identify the potential for development in those areas of economic activity appropriate for the central business district. This ensures that the specific development projects subsequently incorporated into the plan will not be too large for the forecasted market potential, nor will any significant development opportunities be overlooked. Development potentials, therefore, were identified on the basis of what could be achieved in the downtown, not on what would happen if current trends continued.

The analyses appearing in this technical report detail only those potentials for development that exist in areas of objectively measurable economic activity. It is important to note that there are other opportunities in the areas under the control of public policy, such as government offices, courts, libraries, parks and recreational facilities, which were also included in the recommended development plan.

The following table summarizes the market forecasts which are developed in detail in this report. Included in the table are only those elements of potential that are strictly market-generated.

### SUMMARY OF DOWNTOWN DEVELOPMENT POTENTIALS

	<u>1972-1980</u>	<u>1980-1990</u>	<u>1990-2000</u>	<u>Total 1972-2000</u>
Commercial Office (Sq.Ft.)	29,050	105,500	108,700	243,250
Retail (Sq.Ft.)				
Shoppers Goods	41,750	53,150	60,750	155,650
Convenience Goods	<u>7,500</u>	<u>5,600</u>	<u>5,700</u>	<u>18,800</u>
Total	49,250	58,750	66,450	174,450
Housing (Units)	180	115	130	425
Transient Lodging (Units)	165	145	110	420

In addition to the identification of development opportunities and the formulation of these opportunities into the final development plan, a detailed implementation and financing program was designed, and two key projects were identified as holding promise for early implementation and immediate impact. One was the Main Street Mall, to serve as a vehicle for upgrading existing business; the other was the Vinegar Hill area immediately west of the intersection of Main Street and Preston Avenue.

The process of completing the Charlottesville study and preparing the development plan extended over an 8-month period. Three consultant firms were retained to provide the professional and technical services necessary: Hammer, Siler, George Associates of Washington, D.C., for economics and investment analysis; Lawrence Halprin & Associates of San Francisco and New York for mall design and planning; and System Design Concepts of Washington, for traffic and parking. The technical report which follows summarizes the work of Hammer, Siler, George Associates in this process.

Section I. CHARLOTTESVILLE MARKET AREA GROWTH

## Section I. CHARLOTTESVILLE MARKET AREA GROWTH

The Character and extent of economic growth in downtown Charlottesville will depend ultimately upon two principal factors. The first is the total growth in the demand for various activities as determined by economic growth of the entire county. The second is downtown Charlottesville's ability to compete with other locations within the county for a share of this activity.

The purpose of this section of the report is to present a succinct overview of the economic base structure of the City of Charlottesville and Albemarle County and its potential impact in shaping the future development. The dominant growth parameters -- employment, households, and income -- have been analyzed and forecast in order to establish the background against which the potential for specific activities in downtown Charlottesville can be projected.

The principal economic unit considered in this analysis is the City of Charlottesville and Albemarle County. However, the economy of this primary market area is also influenced moderately by the support gained from a six county secondary trade area (Fluvanna, Greene, Louisa, Madison, Nelson and Orange counties) whose residents utilize Charlottesville for goods, services, and employment opportunities.

### Future Economic Growth

The rapid economic growth which has characterized Charlottesville during the past decade is expected to continue throughout the forecast period. During the 1972-1980 period, 6,700 new jobs will be added in the Charlottesville-Albemarle area, bringing the total employment to 47,900. By the year 2000, employment is expected to reach 66,800, an increase of 25,600 jobs, or more than 60 percent.

In the forecasts shown in Table 3, the components of employment in the finance, insurance, real estate, and other service sectors have been indicated individually because of their special relevance to downtown. It is these sectors of the economy which create the demand for office space. In the 1972-2000 period, employment in the service sectors will increase by 1,410, or 18 percent. This is a reflection of the expanding demand for financially related and other services generated by the increases in population and income.

#### Future Population, Households and Household Income

Projections of future population and households in Charlottesville and Albemarle County are based primarily on projected employment and employment participation rates. Employment opportunities are the prime determinants of population growth in the area. Migration into or out of an area will respond directly to changes in job opportunities. The rate of natural increase will reflect to some extent local economic conditions, but at any rate if local jobs are not available, out-migration will counteract the growth due to natural increase. Thus, the employment participation method provides a direct link among in-commuting, economic opportunity, and population growth. It is assumed that the net inflow of workers into Albemarle County will continue throughout the forecast period.

As shown in Table 4, the population in 1980 is expected to be 97,700 persons -- an increase of 15,600 persons, or 19 percent, over the 1972 level. By the year 2000, the population is forecast to be 142,200 persons.

The relationship between households and population, expressed in terms of the average household size, has been decreasing nationally as well as locally. The reduction in the average household size is due to several factors, including a decline in the birth rate, greater longevity, and later marriage. In Charlottesville and Albemarle County, the average household size declined from 3.30 in 1960 to 2.99 in 1970. This number is expected to decline to

2.92 in 1980 and to 2.80 by the year 2000. The population growth previously discussed combined with the decline in household size will result in an increase of 5,650 new households between 1972 and 1980 and 22,200 by the year 2000.

Past gains in total personal, per capita and average household income in the county are likely to continue in the future. Expansion of the University of Virginia and the medical school and the diversification of the economy will mean substantial increases in new, higher paying job opportunities.

Average household income in Charlottesville and Albemarle County is projected to increase from \$11,700 in 1972 to \$13,500 in 1980 and to \$18,800 in the year 2000. These income estimates, although seemingly high upon first examination, must be considered conservative in that they represent a lower annual rate of growth than experienced in the past decade.

The growth in population and income will create major new demands for goods and services which will ultimately be satisfied through the construction of new facilities. This growth provides the necessary framework for the improvement of downtown Charlottesville.



Table 1. EMPLOYMENT TRENDS, CITY OF CHARLOTTESVILLE  
AND ALBEMARLE COUNTY, 1960-1970

	<u>Number of Employees</u>		<u>Change: 1960-70</u>	
	<u>1960</u>	<u>1970</u>	<u>Number</u>	<u>Percent</u>
Goods-Producing:				
Manufacturing	5,307	8,456	3,149	59.3%
Construction	1,243	1,708	465	37.4%
Mining	-	103	103	-
Total Goods-Producing	(6,550)	(10,267)	(3,717)	(56.7%)
Services:				
Transportation, Communi- cations & Utilities	1,209	1,463	254	21.0%
Wholesale & Retail Trade	3,663	5,411	1,748	47.7%
Services	2,451	3,767	1,316	53.7%
Finance, Insurance and Real Estate	1,135	1,758	623	54.9%
Government	4,822	10,424	5,602	116.2%
Other Nonmanufacturing	95	103	8	8.4%
Total Services	(13,375)	(22,926)	(9,551)	(71.4%)
Self-Employed, Unpaid Farm Workers and Domestics	4,133	4,699	566	13.7%
Agriculture	1,650	1,044	-606	-36.7%
TOTAL EMPLOYMENT	25,708	38,936	13,228	51.5%

Source: Virginia Employment Commission

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Table 2. TRENDS IN POPULATION, HOUSEHOLDS AND AVERAGE  
HOUSEHOLD INCOME, CITY OF CHARLOTTESVILLE  
AND ALBEMARLE COUNTY, 1960-1970

	<u>1960</u>	<u>1970</u>	<u>Change: 1960-70</u>	
			<u>Number</u>	<u>Percent</u>
Population	60,396	76,660	16,264	26.9%
Household Population	57,321	72,434	15,113	26.4%
Average Household Size	3.30	2.99	-	-
Number of Households	17,380	24,188	6,808	39.2%
Average Household Income <sup>1/</sup>	\$7,990	\$10,510	\$2,520	31.5%

<sup>1/</sup> In constant 1970 dollars.

Source: U.S. Census of Population, 1960 & 1970;  
and Hammer, Siler, George Associates

Table 3. FORECAST OF EMPLOYMENT, CITY OF CHARLOTTESVILLE  
AND ALBEMARLE COUNTY, 1972-2000

	<u>Total</u> <u>Employment</u>	<u>F.I.R.E. &amp; Services</u> <sup>1/</sup> <u>Employment</u>	<u>Percent</u>
1972	41,200	7,930	18.8%
1980	47,900	9,340	19.5%
1990	57,200	12,010	21.0%
2000	66,800	15,030	22.5%

<sup>1/</sup> Category includes finance, insurance and real estate; transportation, commercial ins., and utilities; and services.

Source: Virginia Employment Commission, and Hammer, Siler, George Associates.

Table 4. FORECASTS OF POPULATION, HOUSEHOLDS AND AVERAGE HOUSEHOLD INCOME, CITY OF CHARLOTTESVILLE AND ALBEMARLE COUNTY, 1972-2000

	1972	1980	1990	2000	Change: 1972-2000	
					Number	Percent
Population	82,100	97,700	119,000	142,200	60,100	73.2%
Household Population	78,370	93,300	113,650	135,800	57,430	73.3%
Average Household Size	2.98	2.92	2.86	2.80	-	-
Number of Households	26,300	31,950	39,740	48,500	22,200	84.4%
Average Household Income	\$11,700	\$13,500	\$16,100	\$18,800	\$7,100	60.7%

Source: Hammer, Siler, George Associates

95,699

Population 1980 income = \$13,500

Section II. RETAIL DEVELOPMENT POTENTIALS

## Section II. RETAIL DEVELOPMENT POTENTIALS

The Charlottesville CBD has traditionally been the major retail trade center for Albemarle County and the six counties surrounding it. Its posture and dimensions as a shopping district are influenced to a large measure by total market area growth and development patterns. Past, present, and future sales performances are significantly influenced by competitive retail forces which have formed and expanded in the suburban sector of the market.

In this portion of the report, recent sales trends will be documented and analyzed, the area's retailing potentials will be projected and retail sales and space demands in downtown Charlottesville will be derived. In order to focus on the trend in shoppers goods sales -- which provides the best single indicator of the downtown retail market -- retail store sales are grouped into three major types:

- 1) "Shoppers goods" stores which include general merchandise, apparel, furniture and home furnishings stores;
- 2) "Convenience goods" stores which include food stores, eating and drinking establishments, drugstores and liquor stores; and
- 3) "Other" stores which include automotive, gasoline service stations, building materials, and miscellaneous outlets.

Shoppers goods sales will be emphasized in this section because they are the most important component of downtown retail activity. Convenience goods sales are also important, but they are related more directly to other downtown activities rather than to metropolitan and regional shopping patterns.

Projections of Charlottesville and Albemarle County shoppers' goods sales potentials are developed through a methodology which is based upon the county projections of households and household expenditures, analyses of recent sales trends and current shopping patterns, and assumptions concerning sales inflow and outflow among the various market sectors previously analyzed.

The forecasts of households and income, presented earlier in this report, are used to develop future estimates of total shoppers goods expenditure potentials. The derivation of the potential available to area stores is set forth in Table 5.

The total shoppers' goods expenditure potential of Charlottesville and Albemarle County households is estimated to be \$66,456,000 in 1980, \$95,575,000 in 1990, and \$130,130,000 in the year 2000.

#### Shoppers Goods Sales Projections

The gains discussed earlier in household growth and personal income will be directly reflected in the expanding consumer expenditures for shoppers goods merchandise. Although there will always be a certain number of expenditures made in other cities and through mail order houses, we anticipate that, as shopping opportunities within Albemarle County expand and diversify, the present penetration of 85 percent will increase to 87 percent in 1980.

The level of support from the secondary trade area is steadily increasing in constant dollar sales terms. In 1972 it is estimated that shoppers goods stores in Charlottesville and Albemarle captured 30 percent of the total shoppers goods expenditure potential in the secondary trade area. The combination of the construction of a suburban interior mall shopping center and a revitalized downtown is expected to result in an increased penetration in the secondary trade area.

Included in the future shoppers' goods sales are purchases made by students at the University of Virginia. It is estimated that in 1972 the average student spent almost \$300 on shoppers' goods items in area stores.

Sales in shoppers goods stores in the Charlottesville area are estimated to increase 31 percent, or \$17,900,000, by 1980. Sales in the year 2000 are estimated at \$141,200,000. Table 6, following, summarizes the development of the sales forecasts.

#### Downtown's Future Market Position

Our study of the market and the Charlottesville CBD has highlighted a number of favorable as well as unfavorable conditions with respect to the CBD's past, present and future role and competitive posture in the retail structure of the market. The favorable factors are as follows.

1. The CBD occupies a rather central position with respect to the major population concentrations in Charlottesville and is serviced by a good system of local streets and expressway arteries.
2. Downtown's attraction as a retail center is strengthened by proximity to the myriad of other downtown functions that are patronized by the potential shoppers -- business offices, medical facilities, government agencies, and other services.
3. About 4,600 downtown employees comprise a "captive" market that no other competitive location can offer. Much of downtown's support comes from noontime and after work shopping by this important sector of the market.
4. The long-range potential for new office space development in the downtown is strong.
5. There are active urban renewal project areas adjacent to downtown. Through the use of urban renewal, new investment potentials exist, the image of the area improved, and the potential for more families living on the fringe of downtown improved.
6. Charlottesville retail sales are expected to expand significantly between 1972 and 2000, thus providing sales support for well-located, well-merchandised and well-promoted retail facilities.



7. In the past, a number of major retail centers have been developed in the suburbs. In part, they are responsible for the CBD's declining share of sales in terms of constant dollar values. However, these very same centers now form the first line of "immunity" to the CBD since future suburban developments are anticipated to attract most of their transfer business from existing suburban facilities.

On the negative side of the coin the following factors must be considered.

1. Anticipated competitive developments will be of a scale that will force the market into an overstored condition, thus making it difficult for even strong merchants to generate adequate volume levels and sufficient sales growth.
2. Historical data shows that the CBD's share of the metropolitan sales market has been steadily declining. It appears that CBD retailing has lost its "charm" as a result of the advent of more competitive retailing in the suburban sector of the market. This trend must be reversed if downtown expects to show future sales growth.
3. The downtown is restricted in competition for conventions and seminars by the lack of a new hotel facility to serve the state's convention headquarters role.
4. There is a very substantial gap in facilities and activities oriented to entertain, particularly nighttime entertainment. In essence, the downtown is "dead" after working hours.

It must be concluded that the CBD possesses a number of vulnerable characteristics that could well be further exploited by suburban competition; there is an inadequate number of parking spaces; the physical appearance of many stores and the overall commercial district is unattractive; portions of the retail frontage on Main Street are occupied by marginal operations. All of these detract from the downtown's competitive position.

In summary, a balanced appraisal of downtown retailing would show that the CBD has particular elements of strength, but that it also has obvious weaknesses. Strong, immediate actions in the downtown area could provide the CBD with the added strength and attraction that it requires to remain competitive within the total metropolitan retailing framework. On the other hand, inaction or piecemeal improvements could further erode its already declining competitive position.

#### Shoppers Goods Sales in Downtown Charlottesville

In the paragraphs which follow, forecasts are made of the development potential of retail space in downtown Charlottesville. These forecasts are considered reasonable in terms of recent trends and projections at the primary market area and downtown scales. At the same time, they do contain an opportunity assumption. This is the assumption that the major forces with interest in downtown Charlottesville -- local governments, financial institutions, merchants, professionals, and property owners -- will work together to implement the recommendations of the development plan. In essence, therefore, our projections are being made for a downtown which is physically different than it is now -- a better, more accessible, more exciting and more attractive shopping district.

The projection of downtown shoppers goods sales to 1980, contained in Table 8, is based on the assumption that, in a potentially overstored and highly competitive market, shoppers goods stores in a revitalized Charlottesville CBD can attract 20 percent of the increase in shoppers goods sales in the area expected between 1972-1980. This would result in downtown shoppers goods sales of \$20,680,000 in 1980 -- 27 percent of total shoppers goods sales in the area. By the year 2000, shoppers goods stores in a revitalized CBD are expected to increase their sales to \$30,445,000 -- an increase of 78 percent over the 1972 level.

In order to place the competitive retail framework in proper perspective, the potential impact that new retail developments may have on the CBD should be examined.

Presently, one major and one minor shopping center are in early phases of the development process and are expected to be operational between 1975 and 1980. Both will have a significant impact on both the downtown and on other existing shoppers goods nodes in the region. In order for the shoppers goods stores in these centers to operate at normal, satisfactory sales levels they will require \$24,700,000 in sales.

There was a time when it was taken for granted that new suburban development would inevitably and adversely effect downtown retail sales. Experience, nationally as well as locally, has shown the truth of this conclusion. Over a period of time, CBD sales throughout the nation have either declined or their growth rate has been substantially arrested in the face of rapidly increasing consumer expenditures in suburban centers. Once these new facilities are open, competition for the shoppers goods expenditures of the primary trade area population will be strenuous.

The two major developments noted above will alone require \$24,700,000 in additional shoppers goods sales. In addition, it is likely that certain smaller shoppers goods facilities will be built. These new facilities are well located, represent strong major tenants, and will present shopping environments generally more attractive and convenient than much existing shoppers goods space.

In contrast to these sales needs, the amount spent on shoppers goods will increase by only \$17,900,000. This leaves a deficit of \$6,800,000. In the future transfer sales to new facilities from existing retail establishments will come from suburban facilities as well as from CBD stores. Indeed, there is good cause to expect that new retail developments will

have a significantly greater impact in the suburban part of the present metropolitan retail structure. Of course, market growth in terms of both population and personal income will provide additional expenditure potential for new market area facilities. However, it is anticipated that new growth will not be sufficient to adequately support the market's expected retail development, and therefore, sales transfer volume from existing merchants to new facilities is foreseen.

#### Downtown Retail Space Demands

The sales potentials projected for a revitalized CBD will generate requirements for new space. The forecast sales levels can be translated into demands for space by evaluating the performance level of the space as indicated by dollar sales per square foot. Floor space needs for the two major retailing groups are summarized below.

#### Shoppers Goods Space Needs

Theoretically, the increased sales could: 1) be completely absorbed by existing space; 2) be totally absorbed in new space; or 3) be partially absorbed by old and new space alike. It was assumed that in order to generate increased sales, the existing establishments would have to modernize their facilities, their displays and their merchandising techniques. It is reasonable to expect that such stores would absorb about 30 percent of the increased sales volume. It is estimated that \$60 per square foot is the performance level which would make the construction of new space possible. Using this measure, shown in Table 9, there will be a potential demand for 41,750 square feet of new shoppers goods space in the Charlottesville CBD by 1980 and a total of 153,650 square feet by the year 2000.

#### Convenience Goods Space Needs

At present, sales per square foot yield for convenience goods space downtown is \$58. In future years, convenience goods outlets will be

supported by the additional downtown employees and by central area residents. If the proposed revitalization program is implemented there is reason to believe that the central area will regain some of its former stature as a place for eating, drinking and entertainment during the evening hours. Residents of potential new transient lodging facilities would help support these new restaurants, although heavy dependence on the daytime market would continue. One of the principal current needs is for enough good restaurant facilities to attract the expenditures of the many employees who currently do not eat in the downtown area.

Projections of new convenience goods space are shown in Table 14. Since performance indicators for convenience goods space are currently satisfactory, only 20 percent of the increase has been allocated to existing stores. Using \$60 per square foot as a satisfactory sales level for eating and drinking places, drugstores, and "7-11" type food stores, a demand for 7,500 square feet of new space by 1980 and for a total of 18,800 square feet by the year 2000 would be generated.

#### Total New Retail Space Needs

A total of 49,250 square feet of retail goods and services space can be added to downtown Charlottesville by 1980, with an additional 123,200 square feet possible between 1980 and 2000. These potentials can be realized, however, only if effective public and private action is taken to revitalize downtown Charlottesville.

Table 5. FORECAST OF SHOPPERS' GOODS EXPENDITURE  
POTENTIAL, CITY OF CHARLOTTESVILLE &  
ALBEMARLE COUNTY, 1972-2000

	<u>1972</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>
Number of Households	26,300	31,950	39,740	48,500
Average Household Income	\$11,700	\$13,500	\$16,100	\$18,800
Shoppers Goods Expendi- ture Potential (\$000)	\$51,480	\$66,456	\$95,575	\$130,130

Source: Hammer, Siler, George Associates

Table 6. FORECAST OF SHOPPERS' GOODS SALES, CITY  
OF CHARLOTTESVILLE AND ALBEMARLE COUNTY,  
1972-2000

	<u>1972</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>
Shoppers Goods Expendi- ture Potential (\$000)	\$51,480	\$66,456	\$95,575	\$130,130
Outflow Factor	15%	13%	12%	11%
Net Shoppers Goods Sales to Area Residents	\$43,800	\$57,820	\$84,100	\$115,800
Inflow Factor	25%	24%	21%	18%
Total Shoppers Goods Sales	\$58,200	\$76,100	\$106,500	\$141,200

Source: Hammer, Siler, George Associates

Table 7. TREND IN SHOPPERS' GOODS SALES,  
CHARLOTTESVILLE CBD, 1967-1972

	<u>1967</u>	<u>1972</u>	<u>Change: 1967-1972</u>	
			<u>Dollars</u>	<u>Percent</u>
Shoppers Goods Sales:				
City and County (\$000)	\$44,230	\$58,200	\$13,970	31.6%
Charlottesville CBD (\$000)	\$15,930	\$17,100	\$ 1,170	7.3%
CBD's Share of Shoppers Goods Sales (\$000)	36.0%	29.4%	8.4%	--

Note: in constant 1972 dollars.

Source: Hammer, Siler George, Associates

Table 8. FORECAST OF SHOPPERS GOODS SALES IN  
THE CHARLOTTESVILLE CBD, 1972-2000

	<u>1972-80</u>	<u>1980-90</u>	<u>1990-2000</u>
Shoppers Goods Sales Increase (\$000) <u>1/</u>	\$17,900	\$30,400	\$34,700
CBD's Share	20.0%	15.0%	15.0%
Increase in CBD Shoppers Goods Sales (\$000)	\$ 3,580	\$ 4,560	\$ 5,205

Note: Assumes completion of the final phase of the  
mall during the 1972-80 forecast period.

1/ In constant 1972 dollars.

Source: Hammer, Siler, George Associates.

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Table 9. SHOPPERS GOODS SPACE NEEDS, CHARLOTTESVILLE  
CBD, 1972-2000 (\$000)

	<u>Shoppers Goods</u> <u>Sales Increase</u>	<u>Allocate 30% to</u> <u>Existing Stores</u> <u>Sales Increase</u>	<u>Net</u> <u>Sales to</u> <u>New Space</u>	<u>New Space</u> <u>Demand</u>
1972-80	\$ 3,580	\$1,075	\$2,505	41,750 sq.ft.
1980-90	4,560	1,370	3,190	53,150 sq.ft.
1990-2000	<u>5,205</u>	<u>1,560</u>	<u>3,645</u>	<u>60,750 sq.ft.</u>
	\$13,345	\$4,005	\$9,340	155,650 sq.ft.

Note: Assumes completion of the final phase of the mall during the 1972-80 forecast period.

1/ Based upon sales volume of \$60 per square foot.

Table 10. GENERATION OF CONVENIENCE GOODS SALES  
BY CHARLOTTESVILLE CBD EMPLOYEES, 1972-2000

	<u>1972</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>
CBD Employment	4,550	4,800	5,450	6,150
Expenditure/Employee	\$ 409	\$ 450	\$ 450	\$ 450
Convenience Goods Sales (\$000)	\$1,860	\$2,160	\$2,452	\$2,768

Note: In constant 1972 dollars

Source: Hammer, Siler, George Associates.



Table 11. FORECAST OF CONVENIENCE GOODS SALES  
CHARLOTTESVILLE CBD, 1972-2000 (\$000)

	<u>1972</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>
CBD Employees	\$1,860	\$2,160	\$2,452	\$2,768
Area Residents & Shoppers	\$2,270	\$2,535	\$2,650	\$2,767
Convenience Goods Sales Total	\$4,130	\$4,695	\$5,110	\$5,535

Note: In constant 1972 dollars

Source: Hammer, Siler, George Associates

Table 12. CONVENIENCE GOODS SPACE NEEDS  
CHARLOTTESVILLE CBD, 1972-2000

	<u>1972-80</u>	<u>1981-90</u>	<u>1991-2000</u>	<u>Total</u>
Convenience Goods Sales Increase (\$000)	\$ 565	\$ 415	\$ 425	\$1,405
Allocate 20% to Existing Stores	<u>-\$115</u>	<u>-\$80</u>	<u>-\$85</u>	<u>-\$280</u>
Net Sales to New Space	\$ 450	\$ 335	\$ 340	\$1,125
New Space Demand (sq.ft) <u>1/</u>	7,500	5,600	5,700	18,800

1/ Based on sales volume of \$60/sq.ft.

Source: Hammer, Siler, George Associates.

Table 13. SUMMARY OF NEW RETAIL SPACE POTENTIALS  
CHARLOTTESVILLE CBD, 1972-2000

	<u>1972-80</u>	<u>1981-91</u>	<u>1991-2000</u>	<u>Total</u>
	(Sq.Ft.)	(Sq.Ft.)	(Sq.Ft.)	(Sq.Ft.)
Shoppers' Goods	41,750	53,150	60,750	155,650
Convenience Goods	<u>7,500</u>	<u>5,600</u>	<u>5,700</u>	<u>18,800</u>
Total	49,250	58,750	66,450	174,450

Source: Hammer, Siler, George Associates.

Section III. OFFICE DEVELOPMENT POTENTIALS

### Section III. OFFICE DEVELOPMENT POTENTIALS

The office function is a major element in the composition of downtown Charlottesville. Not only does the concentration of office employees generate markets for other activities, but the major office buildings themselves are the landmarks of the downtown area.

The past downtown office pattern and future downtown office potential are impacted by the trend in recent years toward suburbanization of private office development. The office structures in the vicinity of the Barracks Road Shopping Center, along U.S. 29, and on Jefferson Park Avenue adjacent to the University have successfully captured a major share of the space which could have been, or had formerly been, located downtown. Both supply factors (downtown land costs, taxes, assembly problems) and demand factors (proximity to quality residential areas and transportation network carried accessibility shifts) have worked to cause this shift.

This section of the report analyzes the Charlottesville office market with particular focus on the downtown. In the long term, the strongest potential for development in downtown Charlottesville is in the office function. More than 240,000 square feet of new commercial office space can be supported in the downtown area over the planning period. In the near future, however, due to the existing oversupply of office space in the area, only 29,050 square feet of this will be in the initial phase before 1980. A summary of our findings in the office market is outlined below.

Existing Downtown Office Space. The space use survey revealed that there are presently 353,628 square feet of commercial office space in the downtown Charlottesville study area, of which 50,726 square feet, or 11 percent, is

vacant. The vast majority of the vacant office space is not considered competitive by today's standards.

Suburban Office Space. The suburban areas contain an additional 398,000 square feet of office space, 70,900 of which is vacant. This does not include medical/professional buildings or branch banks.

Development Trends. As shown in Table 14, during the 1960-72 period, over 391,300 square feet of office space (excluding suburban medical office buildings and bank branches) has been constructed in Charlottesville and Albemarle County. Only 58,357 square feet of this space, or 15 percent, was constructed in the downtown study area.

Future Office Space Potential. In the future, increased demand for office space will be generated by the economic growth of the Albemarle County area. For the purposes of this report, we have based our forecast of office space demand on the relationship of office space to service sector employment. This technique accounts both for the economic growth in the county and for the shift toward office-type employment in the economy. The amount of space required per employee is expected to increase from 85 square feet in 1972 to 87.5 square feet in the year 2000.

Future Office Space Demand. The total commercial office space demand in Charlottesville/Albemarle County, shown in Table 15, is expected to be 817,250 square feet in 1980 and 1,352,700 square feet in 2000 -- double its present level.

Downtown's Competitive Position. Forecasts of downtown office space were derived by projecting the share of total new office space demand which could be captured downtown. These forecasts, which took full consideration of present and emerging competition in suburban locations, are based on the assumption that the proposals and actions contained in the plan resulting from this study will be carried out. It should be noted that the competitive vacant space existing at the time of the survey will be absorbed over the

1972-80 forecast period. Between 1972 and 1980, downtown's share of the remaining demand is expected to be 50 percent. Downtown's share of the total office market between 1980 and 2000 is expected to be 40 percent.

Downtown Development Potentials. Under the assumptions stated above, there will be a demand for 29,050 square feet of new office space in downtown Charlottesville between 1972-80; 105,500 square feet between 1980-90; and 108,700 square feet between 1990-2000.

These forecasts are net additions to the downtown office supply. The actual amount of new space which could be supported can be greater than that indicated as the older, obsolete space is removed from the market.

Table 14. COMMERCIAL OFFICE SPACE CONSTRUCTION, BY LOCATION, CITY OF CHARLOTTESVILLE AND ALBEMARLE COUNTY, 1960-1972

City and County	<u>New Construction</u> <u>1960-1972</u>
Total	391,534 sq. ft.
Downtown	
Area	58,357 sq. ft.
Percent	14.9%
Suburban	
Area	333,177 sq. ft.
Percent	85.1%

Note: Does not include medical/professional office buildings.

Source: Hammer, Siler, George Associates based on data provided by the Building Inspection Department of the City of Charlottesville.

Table 15. FORECAST OF DEMAND FOR COMMERCIAL OFFICE SPACE, CITY OF CHARLOTTESVILLE AND ALBEMARLE COUNTY, 1972-2000

	<u>Service Employment</u> 1/	<u>Space Per Employee</u>	<u>Total Office Space</u>
1972	7,930	85.0	674,050 sq.ft. 2/
1980	9,340	87.5	817,250 sq.ft.
1990	12,010	90.0	1,080,900 sq.ft.
2000	15,030	90.0	1,352,700 sq.ft.
Change: 1972-2000			
Number	7,100	-	678,650 sq.ft.
Percent	89.5%	-	100.7%

1/ Includes finance, insurance, real estate; transportation, communication and utilities; and service employment.

2/ Includes all occupied commercial office space but excludes all free-standing branch banks and strictly medical/professional buildings.

Source: Hammer, Siler, George Associates.

Table 16. FORECAST OF DOWNTOWN CHARLOTTESVILLE OFFICE SPACE DEMAND, 1972-2000

	<u>1972-80</u>	<u>1980-90</u>	<u>1990-2000</u>	<u>Total 1972-2000</u>
Increase Office Space Demand	143,200 sq.ft.	263,650 sq.ft.	271,800 sq.ft.	678,650 sq.ft.
Less Competitive Vacant Space	<u>-85,100</u>	-	-	-
Net New Office Space Demand	58,100	263,650	271,800	593,550
Downtown Share	50%	40%	40%	
Net New Downtown Demand	29,050 sq.ft.	105,500 sq.ft.	108,700 sq.ft.	243,250 sq.ft.

Section IV. HOUSING POTENTIALS IN  
DOWNTOWN CHARLOTTESVILLE



Section IV. HOUSING POTENTIALS IN  
DOWNTOWN CHARLOTTESVILLE

New residential development should play a role in the revitalization of downtown Charlottesville. Housing, whether in the core or adjacent to the central area in the Garrett Street area, is both a generator and a beneficiary of other downtown activities. As such, it is caught in the paradox that there must be attractions in the downtown to make people want to live there while on the other hand there must be a strong indication of an increase in the "24-hour" population of the central area to stimulate a broadening and intensifying of downtown activity. This paradox can be partially solved by a strong planning input in both the downtown and Garrett Street projects and an imaginative revitalization program which will demonstrate to investors in both residential and nonresidential redevelopment that these two interrelated activities can proceed together.

In this section of the report, the potentials for housing in the downtown Charlottesville area only will be examined. Development potentials for housing in the Garrett Street area have been analyzed in a report completed for the Charlottesville Redevelopment and Housing Authority prior to this study. The emphasis will be on multi-family housing which, realistically, is the type of housing most appropriate for close-in, higher-value land. In addition, the emphasis will be only on housing constructed by private market mechanisms since the location of public and other subsidized housing is largely a matter of public policy rather than downtown market conditions. It should be stressed that the potentials identified are heavily dependent upon both the location within the downtown area and the nature and extent of

revitalization activities which will be carried out. Consequently, the market potentials identified are not automatically available to just any site at any point in time.

Over the 1960-1970 decade, the number of households in Charlottesville and Albemarle County increased by 6,808. The need to accommodate this household growth, to provide a vacancy level which will allow a normal functioning of the real estate market, and to replace housing units lost during the decade resulted in a production of 9,546 new units between 1960 and 1970.

There will be three components which will determine the future demand for housing in the Charlottesville area: 1) the anticipated growth in the number of households; 2) the estimated need for replacement of housing units that will be lost; and 3) increases in the vacancy reserve necessary to allow for efficient daily housing market operations. A summary of forecast housing demands, discussed below, is contained in Table 19.

1. Increases in the number of households will create the demand for 5,650 new units between 1972 and 1980; 7,790 units between 1980 and 1990; and 8,760 units between 1990 and 2000.
2. For purposes of this analysis, two types of housing losses can be defined as a basis for estimating Charlottesville's replacement needs. One type includes the losses of standard units, most of which would be demolished by fire or other "acts of God" or by public works actions. The other would include substandard units whose replacement would be largely a matter of direct policy to eliminate them from the stock. (Some substandard units, of course, would also be lost for the same "normal" reasons as those in the standard categories or through neglect and abandonment.) Between 1960 and 1970, 2,210 housing units -- 12 percent of the 1960 supply -- were lost. In 1970, 35 percent of the housing in Charlottesville and Albemarle County was 30 years old or more. We estimate that between 1972 and 1980, approximately 9 percent of the 1972 supply, or 2,460 units, will have to be replaced. During the 1972-2000 period, a total of 8,935 housing units will have to be replaced.

3. At any particular time, there must be a working inventory of vacant units of various price, tenure, density, location and other characteristics adequate to facilitate the self-adjusting market process through which people find new or secondhand housing within their means. The vacancy inventory functions within the market as a barometer and a balance. The dropping vacancy acts as a signal that supply additions are required; the converse is also true. The vacant stock serves also as a cushion for demand changes that can be quite rapid compared to the length of time required for new production. The overall vacancy rate in 1970 was 6.9 percent.

In order to maintain a vacancy reserve of 5 percent, the average rate required for normal market functioning, it will be necessary to have a total of 1,210 additional units between 1972 and 2000.

4. In summary, there will be an estimated total demand for 8,110 new housing units in Charlottesville and Albemarle County between 1972 and 1980; 11,435 units between 1980 and 1990; and 12,800 units between 1990 and 2000.

The principal attraction of a downtown location in a normal housing market is the proximity to places of employment; or in the case of the elderly, proximity to retail, service, and medical facilities. The traditional downtown market for apartments includes young singles and couples, middle-aged couples whose children have left the home, and any others without children whether they are married or single. The immediate downtown Charlottesville area, however, does not contain a single satisfactory apartment project.

A quantification of the total downtown demand is difficult at this point since the scope and nature of revitalization which ultimately takes place will be a major determinant of future demand. However, some guidelines are in order. It is obvious that the major thrust of apartment development in the city will continue to be either near the University or in suburban areas along arterial routes where sites can be easily and cheaply assembled. However, it is equally clear that there is a demand for downtown housing if it can be provided.

There are currently 4,550 employees in the downtown Charlottesville study area. We conservatively estimate that 2 percent of these employees would be interested in living in housing located in the downtown area. This would represent a current pent-up demand for 90 units. We estimate that there is an additional pent-up demand for 40 units from other sources -- the elderly, the retired, faculty members and students. In addition, downtown should capture 0.5 percent, or 50 units, of the 1972 to 1980 demand. In summary, there is a total demand for 180 units between 1972 and 1980. As downtown's image is improved, this percentage will increase. We estimate that there will be a demand for 115 units between 1980 and 1990 and 130 units between 1990 and 2000.

Table 17. ADDITIONS AND LOSSES IN THE NUMBER OF HOUSING UNITS, CITY OF CHARLOTTESVILLE AND ALBEMARLE COUNTY, 1960-1970

	<u>City of Charlottesville And Albemarle County</u>
Occupied, 1960	17,380
Plus Vacancies	+ <u>1,276</u>
Total Supply, 1960	18,656
Changes, 1960-70:	
Additions	+ 9,546
Less Losses	- <u>2,210</u>
Net Additions	7,336
Total Supply 1970	25,992
Less Vacancies	- <u>1,804</u>
Occupied, 1970	24,188
Recapitulation:	
Total Supply, 1960	18,656
Increase in Occupied	+ 6,808
Increases in Vacancies	+ <u>528</u>
Total Supply, 1970	25,992

Source: U.S. Census of Housing, 1960 and 1970; and Hammer, Siler, George Associates.

Section V. TRANSIENT LODGING DEVELOPMENT POTENTIALS

Table 18. FORECAST OF HOUSING DEMANDS, CITY OF CHARLOTTESVILLE AND ALBEMARLE COUNTY, 1972-2000

	<u>1972-80</u>	<u>1980-90</u>	<u>1990-2000</u>	<u>Total 1972-2000</u>
Household Growth	5,650	7,790	8,760	22,200
Loss, replacement	2,460	3,075	3,400	8,935
Vacancy Reserve Increase	-	570	640	1,210
Total New Housing Units	8,110	11,435	12,800	32,345

Source: Hammer, Siler, George Associates.

Table 19. PROJECTION OF DEMAND FOR NEW HOUSING UNITS, DOWNTOWN CHARLOTTESVILLE, 1972-2000

	<u>1972-80</u>	<u>1980-90</u>	<u>1990-2000</u>	<u>Total 1972-2000</u>
Total New Housing Demand	8,110	11,435	12,800	32,345
New Downtown Units	180	115	130	425
Percent of Total	2.2%	1.0%	1.0%	1.3%

Source: Hammer, Siler, George Associates.

## Section V. TRANSIENT LODGING DEVELOPMENT POTENTIALS

This section of the report will describe the current hotel motel-market in the Charlottesville area and focus on specific development potentials in the downtown area.

In 1972 there were 15 competitive hotel and motel facilities with 1,166 rooms in the Charlottesville market area. The overall average daily occupancy level of competitive accommodations averaged 75 percent in 1972. Our analysis of the Charlottesville area transient accommodations market focuses on three separate components of demand: the commercial component -- businessmen, salesmen or government employees traveling on assignment; the group component -- travelers attending professional, business or education conferences; and the tourist component -- vacation or recreation travelers.

In 1972, the room demand generated by the tourist sector accounted for 55 percent of total room demand, while commercial business travelers accounted for 40 percent. The conference and group business sector accounted for 5 percent of the total demand.

There are several factors which indicate a continued steady growth in the demand for new transient lodging facilities. Employment growth in the Charlottesville area is expected to continue at a steady rate. Steadily rising expenditures on tourism and recreation, and the Bicentennial celebration should bolster the tourist sector. The expansion of the University of Virginia should also increase demand. New transient facilities with large banquet and meeting rooms will further enhance the convention and group business potentials available to the Charlottesville market which previously could not be accommodated.



1. Historically, the growth in transient lodging demand generated by the commercial sector exhibits a very close correlation with employment levels. Future levels of commercial demand, shown in Table 21, are forecast in accordance with this established relationship. Average daily commercial lodging demand is expected to increase from 350 rooms daily in 1972 to 410 rooms in 1980 and 590 in the year 2000.
2. The continuing growth in both the number of and the membership in business and professional groups and national, regional and state associations; courses by the J.A.G. School and University conducted seminars -- combined with facilities either under construction or planned -- is expected to result in an average daily demand for 95 rooms in 1980. This represents an increase of 50 rooms over the 1972 demand. By the year 2000, demand from the convention and group business sector is expected to reach 140 rooms daily.
3. Increased incomes, greater leisure and vacation time, broader educational achievement, a highly mobile population, and the interstate highway system have brought about tremendous growth in national and state travel industries. In addition, the American Bicentennial celebration in Virginia and the prominence of basketball in the Southeast will have an expansive input on the tourist component of the market. Average daily demand is expected to increase from 480 rooms in 1972 to 697 rooms in 1980 and to 1,117 in the year 2000.
4. In summary, average daily demand for transient lodging accommodation is expected to increase from the 1972 level of 875 rooms per night to 1,202 in 1980, an increase of about 330 rooms. By the year 2000, the average daily demand for rooms is expected to reach 1,847 rooms per night. These increases in average daily demand, by market sector, are shown in Table 25.

Assuming an average occupancy rate of 70 percent, the increase in average daily demand should support 470 new rooms between 1972 and 1980; 485 rooms between 1980 and 1990; and 435 rooms between 1990 and 2000. A summary of supportable new rooms in the Charlottesville area is contained in Table 26.

It is estimated that downtown Charlottesville can capture 35 percent, or 165 new rooms, between 1972 and 1980; 30 percent, or 145 rooms, between 1980 and 1990; and 25 percent, or 110 new rooms, between 1990 and 2000.

Table 20. AVERAGE DAILY DEMAND FOR TRANSIENT ACCOMMODATIONS, BY SECTOR, CITY OF CHARLOTTESVILLE & ALBEMARLE COUNTY, 1972-2000

	Average Daily Demand	
	Rooms	Percent
Tourist	480	55%
Commercial	350	40%
Group	45	5%
TOTAL	875	100%
Competitive Rooms Available	1,166	
Average Daily Occupancy	75%	

Source: Hammer, Siler, George Associates

Table 21. PROJECTED COMMERCIAL DEMAND FOR ROOMS, CITY OF CHARLOTTESVILLE AND ALBEMARLE COUNTY, 1972-2000

<u>Year</u>	<u>Employment</u>	<u>Room Demand</u> <u>Per 1,000 Employees</u>	<u>Average Daily</u> <u>Room Demand</u>
1972	41,200	8.5	350
1980	47,900	8.6	410
1990	57,200	8.7	500
2000	66,800	8.8	590

Source: Hammer, Siler, George Associates

Table 22. PROJECTED DEMAND FOR ROOMS FROM THE CONFERENCE/CONVENTION SECTOR, CHARLOTTESVILLE AND ALBEMARLE COUNTY, 1972-2000

<u>Year</u>	<u>Average Daily</u> <u>Demand</u>
1972	45
1980	95
1990	125
2000	140

Source: Hammer, Siler, George, Associates.

Table 23. PROJECTED TOURIST DEMAND FOR ROOMS, CITY OF CHARLOTTESVILLE & ALBEMARLE COUNTY, 1972-2000

<u>Year</u>	<u>Visitors at Monticello</u>	<u>Room Demand Per 1,000 Visitors</u>	<u>Average Daily Room Demand</u>
1972	476,290	1.01	480
1980	696,700	1.00	697
1990	906,800	1.00	907
2000	1,116,700	1.00	1,117

Source: Hammer, Siler, George Associates

Table 24. SUMMARY OF POTENTIAL DEMAND FOR TRANSIENT ACCOMMODATIONS, BY MARKET SOURCE, CITY OF CHARLOTTESVILLE AND ALBEMARLE COUNTY, 1972-2000

<u>Year</u>	<u>Average Daily Demand</u>			
	<u>Tourist</u>	<u>Commercial</u>	<u>Group 1/</u>	<u>Total</u>
1972	480	350	45	875
1980	697	410	95	1,202
1990	907	500	125	1,542
2000	1,117	590	140	1,847
1972 -- 2000 Change	637	240	95	972

1/ Based on the assumption that a facility(s) will be operational to handle group business.

Source: Hammer, Siler, George Associates.

Table 25. POTENTIAL FOR NEW TRANSIENT LODGING ACCOMMODATIONS, CITY OF CHARLOTTESVILLE AND ALBEMARLE COUNTY, 1972-2000

	<u>Increase In</u> <u>Average</u> <u>Daily Demand</u>	<u>Occupancy</u> <u>Rate</u>	<u>Supportable</u> <u>New Rooms</u>
1972-1980	327	70%	470
1980-1990	340	70%	485
1990-2000	<u>305</u>	70%	<u>435</u>
Total	972	70%	1,390

Source: Hammer, Siler, George Associates.

Table 26. PROJECTION OF DEMAND FOR TRANSIENT LODGING IN DOWNTOWN CHARLOTTESVILLE, 1972-2000

	<u>Supportable</u> <u>New Rooms</u>	<u>Downtown</u> <u>Share</u>	<u>Downtown</u> <u>Rooms</u>
1972-1980	470	35%	165
1980-1990	485	30%	145
1990-2000	<u>435</u>	25%	<u>110</u>
Total	1,390	30%	420

Source: Hammer, Siler, George Associates.

## Section VI. AN ACTION PLAN FOR DOWNTOWN CHARLOTTESVILLE

The previous sections of this report have demonstrated the demand for new activities in downtown Charlottesville. It has been pointed out that in order to realize these potentials, new facilities must be provided. If the city is unwilling to make improvements in the downtown service structure and private investors are unwilling to build new offices, stores, hotels, and housing, the increased demand for space will be accommodated in outlying areas or in inappropriate locations within the downtown area.

In planning the revitalization of Downtown Charlottesville, the consultant team sought not only to develop an overall scheme for that area but also to design plan components that would allow for realistically staged implementation -- the Downtown Charlottesville Action Program. In the Action Program, ninety-seven discrete construction projects, each linked to a pedestrian circulation network and supported by a system of streets and parking facilities, are recommended. The scope of the work planned for projects is realistic, allowing each to be accomplished within a specific time. The division of the plan into specific projects will also allow private resources to be more easily concentrated on a particular development scheme. It is assumed that these public improvements will be carried out, for without them the market potentials cannot be achieved and the private investment will not materialize.

In this section of the report, the major action projects are described, a phasing program and cost estimates for all projects are developed, and an implementation strategy for the entire program is presented.

## Development Projects

The main emphasis of the downtown revitalization plan and Action Program is on new development to take place over the next 12 years, that is, the present time to 1985. The five principal public and private investment projects contained in the Action Program are described in detail in the paragraphs following. In each case the approximate timing of the project is indicated by phases which have been selected to correspond with the market forecasts.

### Main Street Mall

The first priority of the downtown Charlottesville Action Program is to be the renewal of Main Street between Sixth Street and the intersection of Preston Avenue and Main Street. This section currently constitutes the main activity center of the central business district. It is therefore the logical starting point for a comprehensive program of downtown revitalization; its comparative strength should provide the impetus for additional development throughout the central city area.

The expectation implicit in the creation of a mall is that people will use the downtown area if the downtown is a pleasant place to be; that the commercial activity of the downtown will be substantially enhanced by an environment that is visually attractive, clean, safe, and auto-free. The traffic and parking changes are of prime importance to the proposal. It is necessary to clear Main Street for pedestrian use while rerouting traffic in a way that permits free circulation through the central city. The traffic and parking program must also provide maximum ease of access to the mall itself, since uncongested streets and adequate parking are essential for attracting shoppers. Construction activities must be carefully scheduled to avoid undue inconvenience, particularly during daily and seasonal periods of peak business activity. The detailed design for the mall is currently underway, and construction could begin in early 1974. During Phase I of the development plan, 1974-1975, the central mall area -- the section of Main Street between Sixth Street and Preston -- is to be completed. Main Street will be

resurfaced with appropriate paving materials, and landscaping added. New street furniture, kiosks, and lighting will be supplied. Design focal points will be developed at various points along the street. The overall effect will be to create an environment that will be attractive to pedestrian shoppers during both daytime and evening hours.

The downtown property owners who will benefit most directly from the mall should bear the cost of developing the common facilities, possibly through a special assessment district. The renovation of individual establishments -- new facades, expansions, and new construction -- will be the responsibility of the respective owner. The market forecasts developed for the central city show that increased retail sales should be more than adequate to permit this new investment.

Concurrent to the construction of the mall, and later in Phases II and III, side streets will be closed between Jefferson and Water Streets and treated similarly to Main Street. These streets will tie the new city parking garage, the proposed Monticello Hilton Hotel, the historic district, and the Water Street parking lots to the mall.

#### Vinegar Hill Plaza

At the western terminus of the mall, a multi-level plaza, including terraces, water elements and landscaping is scheduled to be constructed during Phase I. The construction of this plaza, is expected to effectively increase the immediate development potential of Vinegar Hill by directly tying it into the mall pedestrian system and providing an amenity unequalled in the city.

#### "C & O" Plaza

A second plaza at the east end of the mall is scheduled to be constructed during Phase III, 1981-1985. This plaza, which will link City Hall to a renovated "C & O" Railroad Station, will be multi-level and include appropriate water elements and landscaping. This eastern terminus is planned to include additional retail facilities, open-air farmer's and crafts markets, and will involve renovating of the existing street and ramp system.



## Vinegar Hill

This multi-use project, identified early in the study process as being of major impact in the first phases of development, will occupy the Vinegar Hill area bounded by McIntire Ridge Road, Preston Avenue, and Main Street. Its location in the transportation system, proximity to the mall and ownership all contribute to the probability of rapid and important development.

Since the total square foot area is relatively large, the projected schematic plans have been designed in a manner that will permit phased development in four stages.

This combination of development opportunities and location led the design team to select this multi-use project, along with the construction of the Main Street Mall, as one of the two projects to be explored in greater detail. Together, these two projects are expected to provide the impetus that will sustain investment interest in the downtown during the later phases of revitalization.

The major features of the Vinegar Hill block proposal include:

Office Building I. A five or six story, 30,000 square foot structure is proposed to front on the new Vinegar Hill Plaza and Space on the two lower levels of this building could be used for a financial institution. The remainder of the building would provide general office space.

Motor Inn. A 150-room motor inn is proposed along the southern boundary of the site. Vehicular access will be from McIntire Road/Main Street. The inn will also tie in to the new plaza so that visitors will be able to proceed directly from parking to the inn to the mall. Included in the inn will be a conference center with the capability to seat 300 people.

This facility, badly needed if Charlottesville is to compete for the tourist and convention market, will also bring new life into the downtown area. Main Street is now essentially deserted after business

hours, but the addition of the motor inn with a restaurant opening to the proposed plaza will bring evening activity and stimulate more intense use of the retail facilities along the renovated Main Street Mall.

Both the office building and the motor inn are proposed for construction in Phase II, 1976 to 1980.

Office Building II. This component of the project is scheduled for construction in Phase III of the downtown plan. It will be built adjacent to the first office building and the motor inn. Although presently conceived of as a 60,000 square foot building, the number of stories, square feet per floor, and shape will be determined by the precise demand factors that arise. While this second office structure is realistically programmed for a later phase of development, it could be developed much earlier if a simple major tenant, such as an insurance headquarters, were to be attracted to the project.

Office Building III. Conceived of as a second 60,000 square foot office tower, this final component of the Vinegar Hill complex is scheduled for construction between 1986 and 1990.

Retail Space. The natural slope from the southwest corner of the site downward towards the northwest corner permits both above-ground and below grade retail space to be located adjacent to and in the office structure. Shoppers using the newly designed Main Street Mall would proceed across the Vinegar Hill Plaza, a landscaped extension of the mall, into the Vinegar Hill development site. Access to retail space located in the lower levels of the motor inn and office towers will be provided via terraced levels on the plaza. Stairs and escalators will provide access to the retail and parking levels on the western and northern sides.

#### Vinegar Hill Project Investment Feasibility

The above described Vinegar Hill project has the very important role of providing the initial, new development momentum to the downtown. Thus, to assure that the project ultimately proposed would be economically sound

in terms of market support for the facilities and investment feasibility of constructing and operating them, the project was subjected to detailed pro forma testing. The detailed pro forma analysis of the project is shown in Table 27 following. The project, not including cash flow from a third office structure to be constructed after 1985, will generate a net operating profit before debt service, depreciation and income taxes of \$640,970 annually.

Table 27. PRO FORMA ANALYSIS OF VINEGAR HILL  
CHARLOTTESVILLE, VA.

Development Costs

Office Building I	30,000 sq. ft.	X \$24/sq.ft.	\$ 720,000
Office Building II	60,000 sq. ft.	X \$24/sq. ft.	\$ 1,440,000
Motor Inn	150 units	X \$16,000 each	\$ 2,400,000
Parking	200 @ grade	X \$500 each	\$ 100,000
	200 deck	X \$3000 each	\$ 600,000
Land Cost (\$2.50/sq. ft.)			<u>\$ 589,500</u>
Total Development Cost			\$ 5,849,500

Operating Statement

Revenues:

Office Space I	25,500 sq. ft.	X \$6.00	\$ 153,000
Office Space II	44,000 sq. ft.	X \$6.00	\$ 264,000
Retail Space	7,000 sq. ft.	X \$5.00	\$ 35,000
Motor Hotel			\$ 372,500
Parking	200 spaces	X \$250	<u>\$ 50,000</u>
Total Revenues			\$ 874,500
Less 5% Vacancy Allowance \$20,850			
Total Revenues Less Vacancy			\$ 853,650

Expenses:

Office Space	66,025 sq. ft.	X \$1.60	\$105,640
Retail Space	7,000 sq. ft.	X .40	\$ 2,800
Parking	400 spaces	X\$50.00	<u>\$ 20,000</u>
			\$128,440
Taxes (\$1.44/\$100)			<u>\$ 84,240</u>
			\$212,680

Net Operating Profit before Debt Service, Depreciation & Income Taxes		\$ 640,970
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Note: Does not include Office Building III.

Source: Hammer, Siler, George Associates.

## Jackson Park Office Complex

The block bounded by High, Fourth, Hoffman and Third Streets presently contains Beth Israel Temple and parking lots in an attractively landscaped setting. The plan proposes the development of 24,000 square feet of general office space along the Fourth Street edge of the block. The space would be provided in townhouse structures which would preserve and compliment the architectural style and scale of the historic district. The project is scheduled for construction during Phase IV.

### Phasing and Costs

It is anticipated that the five major action projects described above will be but a small portion of the total investment activity that will take place in downtown Charlottesville in the future. These projects should serve as catalysts, providing the vitality that will generate many other projects throughout the downtown area and other adjacent portions of the city.

### Phasing

The components of the Action Program have been distributed over five phases -- Phases I comprising the period through 1975, Phase II from 1976 to 1980, Phase III from 1981 to 1985, Phase IV, 1986 to 1990 and Phase V the remainder through 1995. The activities assigned to each of the five phases were selected on the basis of practicality -- the time and effort needed for actually accomplishing a given project -- and the logical sequence of making improvements -- the proper timing of those projects that are prerequisites for others.

Those projects identified for Phase I, therefore, involve the only disruption of present activities -- the rerouting of Main Street traffic. For some of these projects, development interest has already been expressed; for others, implementation devices can be identified and quickly put into effect. Included in Phase I are the major public investments, such as the mall, the Vinegar Hill Plaza, and side-street pedestrian ways.

The Phase II activities are those for which some interest has been shown, but without the impact of the mall, the precise financing and other details that require some time to work out. Although suggested implementation techniques are available for most of these features, it is unlikely they could actually be started before the target date for the completion of Phase I. In some cases, Phase II projects are expansions and extensions of Phase I activities. Included in Phase II are the motor inn and office building on Vinegar Hill.

Activities in Phases III through V fall largely within the private sector's area of responsibility. Many of these projects are admittedly a bit more ambitious and difficult to implement. The total proposed redevelopment of the Vinegar Hill area, for example, may seem to be a far fetched idea today, but the successful completion of Phases I and II developments would radically alter competitive market conditions and the environmental milieu for downtown Charlottesville to the point where major development of this type would be inevitable.

#### Cost and Responsibility for the Development Program

The cost of all items in the action program have been estimated and are indicated in the accompanying table according to the phase, the responsibility for the expenditure, and the distribution between acquisition and construction costs. It should be noted that cost estimates for projects still in the conceptual stage should be considered guidelines at best. Acquisition costs are, for the most part, derived from present appraisals of the property. Construction costs have been estimated from preliminary designs by Lawrence Halprin & Associates (for landscaping and buildings) and System Design Concepts (for parking and street improvements). The "private responsibility" costs include the construction of new stores, office space, other buildings as previously suggested, and selected urban beautification projects. These are costs that will be borne by individual developers and entrepreneurs in response to the

public framework established for implementation; they should not be construed as funds that would need to be raised by either the city or other sponsors of the project, or by anyone else other than the persons benefiting from the development. The "public responsibility" costs include construction of the mall and plazas, to be "shared" with the private sector, and all major urban beautification projects.

The total Action Program is estimated to cost \$26,200,085, of which a maximum of \$6,060,675 would be in direct public expenditures. These expenditures are to be staged in realistic increments. The total Phase I program will cost \$4,343,500. A maximum of \$3,246,000 would be in direct public expenditures, the exact amount to be determined by the implementation structure utilized. The responsibilities of the public sector in Phase I include the costs of creating the Main Street Mall, the Vinegar Hill plaza, and the side street pedestrian ways. The private sector would share the development costs of these improvements. The public sector would also be responsible for the provision of an interim parking lot at the site of the A & P on Market Street.

The responsibilities of both the public and private sectors, as well as the costs involved in the total Action Program, are detailed in Table 28, following.

Table 28. SUMMARY OF COST OF THE CENTRAL BUSINESS DISTRICT ACTION PROGRAM, BY PHASE, CHARLOTTEVILLE CBD, 1974-1995

	Public Responsibility		Private Responsibility		Total Cost
	Acquisition	Construction	Acquisition	Construction	
Phase I (1974-75)	\$267,250	\$2,978,750	\$180,000	\$917,500	\$4,343,500
Phase II (1976-80)	23,600	434,480	621,500	6,258,000	7,337,580
Phase III (1981085)	--	1,769,630	330,500	4,392,975	6,493,105
Phase IV (1986-90)	--	1,035,825	616,750	3,815,825	5,468,400
Phase V (1991-95)	--	--	475,750	2,081,750	2,557,500
Total	\$290,850	\$6,218,685	\$2,224,500	\$17,466,050	\$26,200,085

Source: Hammer, Siler, George Associates.





No.	Project Use	Public Responsibility		Private Responsibility		Total Cost
		Acquisition	Construction	Acquisition	Construction	
	5th St. Ped. Way		\$ 41,250			\$ 41,250
17.	Ped. Way	\$ 23,600	41,250	--	--	64,850
18.	Midway Hill Park	--	12,000	--	--	12,000
19.	Parrott St. Ped. Way	--	21,875	--	--	21,875
20.	5th St. Ped. Way	N/A	15,000	--	--	15,000
21.	Midway Planting	--	16,000	--	--	16,000
22.	Regional Library 4/	187,500	356,250	--	--	1,543,750 4/
42.	Jefferson St. Ped. Way	--	103,125	--	--	103,125
47.	2nd. St. Planting	--	33,000	--	--	33,000
49.	High St. Planting	--	21,600	--	--	21,600
50.	Market St. Planting	--	17,500	--	--	17,500
69.	McGuffey Park	--	92,800	--	--	92,800
86.	VNB Planting	--	--	--	--	--
87.	Paramount Planting	--	--	\$ 40,625	\$ 40,625	40,625
88.	Standard Drug Planting	--	--	9,375	9,375	9,375
89.	Citizens Bank Planting	--	--	28,125	28,125	28,125
23.	Vinegar Hill Office	--	--	43,750	43,750	43,750
24.	Vinegar Hill Motor Inn	--	--	790,000	790,000	790,000
25.	Vinegar Hill Conf. Center	--	--	2,504,000	2,504,000	3,621,500
26.	McGuffey Housing	--	--	110,000	110,000	110,000
27.	Water St. Parking Deck	--	--	1,875,000	1,875,000	2,019,000
29.	Pedestrian Link	--	--	525,000	525,000	525,000
30.	Central Place	--	--	18,000	18,000	18,000
92.	Pedestrian Link	--	--	260,000	286,000	546,000
	Traffic System Improvements	--	--	--	28,125	28,125
	Phase II Total	\$ 23,600	\$ 434,480	\$ 621,500	\$ 6,258,000	\$ 7,337,580
			\$ 458,080			\$ 19,080

Phase II (1976-198 )

No.	Project Use	Public Responsibility		Private Responsibility		Total Cost
		Acquisition	Construction	Acquisition	Construction	
31.	6th St. Ped Way	--	\$ 25,000	--	--	\$ 25,000
36.	2nd St. Ped. Way	--	41,250	--	--	41,250
39.	Parrott St. Open Space	--	10,000	--	--	10,000
40.	C&O Plaza	--	650,000	--	--	650,000
41.	Armory Rec. Center	--	262,500	--	--	262,500
43.	Water St. Ped. Way	--	20,000	--	--	20,000
44.	Water St. Ped. Way	--	20,000	--	--	20,000
45.	Market St. Ped. Way	--	20,000	--	--	20,000
46.	Ridge St. Planting	--	20,000	--	--	20,000
48.	2nd. St. Planting	--	31,500	--	--	31,500
50.	Market Planting	--	56,500	--	--	56,500
51.	Water Planting	--	143,400	--	--	143,400
52.	South Planting	--	210,600	--	--	210,600
53.	City Hall Planting	--	12,600	--	--	12,600
55.	Market St.	--	20,000	--	--	20,000
64.	Jefferson St. Bridge Ped. Way	--	50,000	--	--	50,000
54.	5th St. Open Space	--	--	--	\$ 28,750	28,750
57.	Water St. Pkg. Deck	--	--	--	620,000	620,000
58.	Midway Housing	--	--	--	1,410,000	1,592,000
59.	Vinegar Hill Office	--	--	--	1,580,000	1,728,500
60.	Retail	--	--	--	330,000	330,000
61.	Central Place Planting	--	--	--	33,750	33,750
62.	Planting	--	--	--	63,625	63,625
78.	C&O Plaza Retail	--	--	3/	195,200	195,200
79.	C&O Plaza Parking	--	--	N/A	31,650	31,650
93.	Pedestrian Link	--	--	3/	15,625	15,625
94.	Pedestrian Link	--	--	3/	40,625	40,625
95.	Pedestrian Link	--	--	--	43,750	43,750
	Traffic System Improvements	--	176,380	--	--	176,380
	Phase III Total	--	\$1,769,630	\$330,500	\$4,392,975	\$6,493,105

No.	Project Use	Public Responsibility			Private Responsibility			Total Crst
		Acquisition	Construction	Total	Acquisition	Construction	Total	
Phase IV, (1986-1990)								
63.	7th St. Ped. Way	--	\$ 41,250	\$ 41,250	--	--	--	\$ 41,250
65.	Armory Pkg. Deck	--	275,200	275,200	--	--	--	275,200
66.	Parrot St. Open Space	--	16,250	16,250	--	--	--	16,250
67.	Parrot St. Bridge	--	20,000	20,000	--	--	--	20,000
68.	Market St. Tunnel	--	20,000	20,000	--	--	--	20,000
70.	2nd St. Planting	N/A	60,000	60,000	--	--	--	60,000
71.	U. of Va. Link & Planting	--	600,000	600,000	--	--	--	600,000
84.	City Hall Planting	--	3,125	3,125	--	--	--	3,125
72.	Vinegar Hill Office	--	--	--	--	--	--	\$1,728,500
73.	Vinegar Hill Housing	--	--	--	--	--	--	1,081,000
74.	Vinegar Hill Tunnel	--	--	--	--	--	--	20,000
77.	5th St. Open Space	--	--	--	--	--	--	50,000
80.	Water St. Parking Deck	--	--	--	--	--	--	240,000
81.	Main St. Retail	--	--	--	--	--	--	330,000
83.	4th St. Office	--	--	--	--	--	--	553,750
85.	Wilholt Planting	--	--	--	--	--	--	680,200
90.	Fish Market Planting	--	--	--	--	--	--	11,500
91.	Richmond Times Planting	--	--	--	--	--	--	61,375
	Phase IV Total	--	\$1,035,825	\$1,035,825	\$616,750	\$3,815,825	\$4,432,575	\$5,468,100

Phase V, (1991-1995)								
56.	King Warehouse-Retail	--	--	--	\$136,800	\$ 108,000	\$ 244,800	\$ 244,800
75.	Warehouse-Retail	--	--	--	N/A	60,000	60,000	60,000
76.	Warehouse Bridge Retail	--	--	--	--	20,000	20,000	20,000
82.	Retail	--	--	--	115,200	318,750	433,950	433,950
96.	Main St. Office	--	--	--	223,750	1,200,000	1,423,750	1,423,750
97.	Housing Above Retail	--	--	--	--	375,000	375,000	375,000
	Phase V Total	--	--	--	\$475,750	\$2,081,750	\$2,557,500	\$2,557,500
	GRAND TOTAL	\$290,850	\$6,218,685	\$6,509,535	\$2,224,500	\$17,435,450	\$19,659,950	\$26,169,885

- 1/ Does not include the cost of utility relocation which, as understood, will be handled by the city.
- 2/ Included in Project 10.
- 3/ Not included in the summation because the project is separately funded.
- 4/ Not included in the summation because the project will be funded from other sources.

Note: Assumes that the city will donate any alley within a project area.

Source: Hammer, Siler, George Associates based on construction costs provided by Lawrence Halprin & Associates (landscaping and buildings) and System Design Concepts (traffic).

## Implementation

The implementation of the Action Program will depend upon the cooperation of many individuals and groups in the Charlottesville area. Both the public and the private sectors have responsibilities, but each will depend upon the actions of the other for success. Consequently, commitment and cooperation are essential components of implementation.

### Main Street Mall

The mall is the most critical component of the Action Program, and it is most important that it be implemented first, for two reasons. First, development of the mall will require an extensive rearrangement of the downtown street system, establishing circulation patterns that define the framework within which new development will take place. It is clearly desirable that these basic changes be made early. Second, and perhaps most important, implementation of the mall involved a major commitment and a demonstration of confidence by the existing merchants and landowners. If new investments are to be attracted to downtown Charlottesville, this show of local support is a necessary first step.

Implementation of the mall consists of three elements: 1) the closing of Main Street and associated side streets; 2) the paving, landscaping, lighting, and other "public" improvements constituting the mall and the pedestrian ways and 3) the new private construction and improvements made to facades and interiors by individual merchants and developers.

The responsibility for implementation of the mall should be borne by the city -- although the expenditure would be shared by the private sector. The creation of the mall itself is expected to cost \$1.5 million, not including the plaza at Vinegar Hill or side street pedestrian ways. The city's share of this cost -- determined by the implementation mechanism selected -- would be borne by the city's general revenues or federal

revenue-sharing funds. In the private sector, the costs should logically be borne by the merchants and property owners who would most benefit from the mall. Under existing Virginia legislation (Chapter 7, Article 2, Assessments for Local Improvements) the governing body of the City of Charlottesville may impose taxes or assessments upon abutting property owners for the construction of permanent amenities. However, that portion assessed against the abutting property owners shall not exceed one half of the total cost.

Individuals will be responsible for improving their own establishments and for constructing new retail facilities along the mall. While no firm implementation schedule or program is included for these individual contributions, the market analysis has demonstrated the viability of the Charlottesville retail core, and the expected increase in sales should permit and encourage additional investment in the mall area.

Appendix A. DOWNTOWN CHARLOTTESVILLE SPACE SURVEY



Appendix A. DOWNTOWN CHARLOTTESVILLE SPACE SURVEY

In order to establish the scale of development and economic activity in the downtown Charlottesville area, a survey of all building space within the study area was conducted. The study area includes the 47 blocks within the area defined by High Street on the north, 9th Street N.E. on the east, the C&O Railroad tracks on the south, and Ridge-McIntire Avenue on the west.

The majority of the major retail, office and government activities occur within this core area. In summary, it is the area which covers the principal and most intensively developed downtown functions.

With the exception of residential units, all building space within the study area was surveyed. Although the current survey was conducted in April of 1973, every effort has been made to relate the current data back to the data developed in the 1968 Commercial Area Study for the purpose of comparison and the identification of trends.

The survey consisted of several steps. First, all parcels were numbered and space survey forms drawn up for each. Second, the uses on each parcel were identified by physical inspection by University of Virginia architecture students under the supervision of a Hammer, Siler, George Associates' staff member. Third, the floor space for each building was calculated from Sanborn maps, with adjustments being made if the physical inspection had revealed a recent change in the shape or size of the structure. Finally, the data was taken off the parcel sheets and assembled in the tables contained in this appendix. The data from the tables have been used in several places in the market analysis and serve primarily as the basis from which floor space projections have been made.

The Space Use Survey

The space use survey revealed that there were a total of 1,705,801 square feet of nonresidential building space in the Central Business District study area. At the time, 1,526,271 square feet were occupied and 179,530 square feet were vacant. A summary of nonresidential space in the study area in 1973 is shown by type of use in Table A-1.

Table A-1. SUMMARY OF NONRESIDENTIAL SPACE USE  
IN DOWNTOWN CHARLOTTESVILLE, 1973

	<u>Square Feet</u>	<u>Percent</u>
Retail Trade	720,219	42.2%
Office	302,822	17.8
Government	212,100	12.4
Semi-Public	41,480	2.5
Retail Services	78,887	4.6
Transportation, Communications and Utilities	13,995	0.8
Wholesaling and Manufacturing	<u>156,768</u>	<u>9.2</u>
Total Occupied Space	1,526,271	89.5%
Vacant Space	<u>179,530</u>	<u>10.5</u>
Total Space	1,705,801	100.0%

Source: Hammer, Siler, George Associates  
Space Use Survey, April, 1973. -

The most significant space use in the study area is retail trade which accounts for 42.2 percent of all space. It is traditional that retail trade is the principal function of a downtown area. Historically, the reason for the development of a downtown was the need for a central place to conduct the region's business, principally trade. It has been only in recent years or in much larger central cities, that other functions, particularly office space, have overshadowed retail development.

The traditional commercial office space users are the next most significant group, accounting for almost 18 percent of total downtown nonresidential space. All other functions plan an important role in the downtown area, including the smallest category, transportation, communication and utilities, which accounts for 13,795 square feet of space. The principal functions are more specifically discussed in the following paragraphs.

#### Retail Space

Downtown Charlottesville maintains a preeminent role as the major retail trade complex in a seven county area. A total of 720,219 square feet of occupied retail space serves the residents of Charlottesville and Albemarle County as well as a percentage of the residents of Fluvanna, Greene, Louisa, Madison, Nelson and Orange counties. The distribution of this space among various categories of retail stores is shown in Table A-2 on the following page.

Shoppers Goods. Shoppers goods space is the largest component of total retail activity in the Downtown Charlottesville area. Shoppers goods items are those for which the consumer shops frequently, often requiring a sizeable expenditure, and for which the consumer is more likely to make a long trip to find a particular item. Consequently, shoppers goods stores tend to cluster into major centers to cater to the customers' desires for comparison shopping. It is shoppers goods stores that are the mainstay and prime indicator of the strength of the regional-serving shopping districts.

The dominance of shoppers goods is evident in the table -- almost 70 percent of the occupied retail space in the downtown study area is in this category. The principal shoppers goods stores are the two department stores; Miller and Rhoads and Leggett's, and several high-volume apparel and furniture stores.

Table A-2. RETAIL SPACE IN DOWNTOWN  
CHARLOTTESVILLE, 1973

<u>Shoppers Goods:</u>	<u>Total Study Area</u>	
	<u>Square Feet</u>	<u>Percent</u>
Department Stores	79,034	10.7%
Variety Stores	66,898	9.1
Other General Merchandise	750	0.1
Apparel		
Men's	41,636	5.6
Women's	72,447	9.8
Other 1/	35,270	4.8
Furniture and Home Furnishings	56,734	7.7
Household Appliance	29,760	4.0
Music Stores	5,325	.7
Subtotal	(387,854)	(52.5%)
Other Shoppers Goods:		
Jewelry Stores	13,870	1.9%
Book, Stationary	5,690	0.8%
Sporting Goods	6,000	0.7
Florists	8,320	1.1
Hardware	34,732	4.7
Tire, Battery & Accessories	50,673	6.9
Subtotal	(119,285)	(16.1%)
Shoppers Goods Total	507,139	68.6%
<u>Convenience Goods:</u>		
Food	24,874	3.4%
Drug	16,861	2.3
Eating & Drinking	24,736	3.3
Liquor Stores	4,800	0.6
Convenience Goods Total	71,271	9.6%
<u>Other Retail:</u>		
Automotive Dealer	50,673	6.9%
Auto Repair, Rental Service	48,007	6.5
Gasoline Stations	4,440	0.6
Hardware & Building Materials	1,669	0.2
Miscellaneous Retail	37,020	5.0
Other Retail Total	141,809	(19.2%)
Total Occupied Retail	720,219	97.4%
Vacant Retail Space	19,192	( 2.65%)
Total Retail Space	739,411	100.0 %

Convenience Goods. Convenience goods are those items that the shopper buys frequently. Brands and prices vary little among stores and the consumer prefers to sacrifice any advantage of comparison shopping for the convenience of having the store nearby. Establishments in this category include food stores, drug stores, restaurants, and liquor stores. These uses account for less than ten percent of the retail space use in the Charlottesville CBD. Their role is purely a support function for the downtown workers, visitors, and close-in residents. With the possible exception of restaurants, they do not in themselves generate traffic in the CBD.

Other Retail. Other retail uses include automotive repairs and services, office supplies and business machine dealers, and other establishments that do not exhibit the characteristics of either shoppers or convenience goods. In the downtown area of Charlottesville these uses account for a relatively large share, 19.2 percent, of the retail space. This is due principally to the large amount of space occupied by the automotive components.

The automotive component of retail sales is broken into three categories: car sales, repair, and service stations. These uses account for almost 14 percent of all retail space in the downtown area, an amount greater than convenience goods space. The principal activity in this category is new and used car sales.

Vacant Retail Space. The space use survey identified 19,192 square feet of vacant space in structures suitable for retail development. To be considered vacant retail, the space must be located on the ground floor with direct street access. This is less than three percent of all retail space in the CBD area -- a healthy low vacancy rate considering the age of many of the downtown structures. The survey did include a number of structures which were vacant at the time due to clearance activities for the new Main Street parking

structure. It does not appear that the vacancies are created by major weaknesses in the market.

Office Space

There are currently almost 303,000 square feet of occupied office space in downtown Charlottesville. Most of this space houses traditional office functions such as lawyers, insurance, real estate and other professional uses. Although many of these establishments are located in first-floor, retail-type structures or residential units, they are considered as a part of the total office market. Table A-3 shows the profile of office tenants in the downtown area.

Table A-3. PRIVATE OFFICE USE IN DOWN-TOWN CHARLOTTESVILLE, 1973

	<u>Total Study Area</u>	
	<u>Square Feet</u>	<u>Percent</u>
FIRE:		
Finance	137,886	40.1%
Insurance	20,021	5.8
Real Estate	<u>19,632</u>	<u>5.7</u>
Subtotal	(177,539)	(41.6%)
Legal Services	43,312	12.6%
Business Services	17,821	5.2
Medical and Health Services	14,663	4.3
Other Professional Services	<u>26,855</u>	<u>7.8</u>
Subtotal	(102,651)	(29.9%)
Associations	8,637	2.5%
Transportation, Communication and Utilities	<u>13,995</u>	<u>4.1</u>
Subtotal	(22,632)	(6.6%)
Total Occupied Space	302,822	88.1%
Vacant Office Space	<u>40,726</u>	<u>11.9</u>
Total Office Space	343,548	100.0%

Source: Space Use Survey by Hammer, Siler, George Associates.

The importance of the local and regional serving lawyers, banks, insurance and real estate brokers and developers is clear. These uses constitute the majority of the current office demand and their growth is related directly to the level of business activity in Charlottesville and Albermarle County. The most significant single category is the financial, which accounts for over 40 percent of all office space. There are 137,886 square feet occupied by banks, savings and loan, stock brokers, and financial institutions in downtown Charlottesville. The next largest category in general occupancy space is legal services, occupying 43,312 square feet. The heavy concentration of these activities underscores both downtown Charlottesville's role as the business center for the entire county and its relationship to the University.

Vacant Office Space. The relatively high percentage of vacant office space indicated in Table A-3 -- 40,721 square feet or 11.9 percent of all office space located downtown, primarily results from classifying loft space above stores as vacant office space since in most cases the space had been used for offices at one time in the past. Clearly, such space is unsuitable for the efficient functioning of business and is not competitive on today's market. Due to the age and condition of many of the older buildings and the inclusion of the loft space, the vacancy rate is not considered to be an indication of a weak downtown office market.

#### Retail Services Space

Retail services include hotels, motels, recreation and amusement facilities, laundries, photographic studios, repair services, and beauty and barber shops. They do not occupy a great amount of space in the downtown area but they are extremely important in creating the level and variety of activity which gives the downtown a distinct advantage over outlying locations. A strong service complex can be an inducement to major employers to locate in the downtown area. The distribution of

of service space by category is shown in Table A-4, below.

Table A-4. RETAIL SERVICES SPACE IN  
DOWNTOWN CHARLOTTESVILLE

	<u>Total Study Area</u>	
	<u>Square Feet</u>	<u>Percent</u>
Hotels, Motels <u>1/</u>	7,911	10.0%
Personal Services	68,351	86.7
Repair Services	<u>2,625</u>	<u>3.3</u>
Total	78,887	100.0%

1/ Does not include space above the first floor.

Source: Space Use Survey by Hammer, Siler, George Associates.

#### Public and Semi-Public Space

Government and institutional uses constitute 15 percent of the space in the CBD area. These uses play an important role in the economic structure of downtown Charlottesville. Primarily, and perhaps most important, is the demand for other activities generated by these institutions. The employees in these offices shop downtown and use the other consumer services which are available. Secondly, the City Hall and County Office Buildings serve as strong landmarks which aid in the definition of Charlottesville's central business district.

The semi-public uses in downtown include the headquarters of civic associations, political groups, religious institutions, charitable organizations, labor unions and business associations. A downtown location is essential to those organizations requiring frequent interpersonal contact between board members, officers and volunteers who work downtown.

Table A-5 below summarizes the distribution of space among the public and semi-public categories.



Table A-5. PUBLIC AND SEMI-PUBLIC SPACE  
IN DOWNTOWN CHARLOTTESVILLE

	<u>Total Study Area</u>	
	<u>Square Feet</u>	<u>Percent</u>
Federal Government	135,830	53.6%
State Government	38,444	15.2
Local Government	<u>37,826</u>	<u>14.9</u>
Subtotal	(212,100)	(88.7%)
Nonprofit Organization	34,028	13.4%
Educational, Libraries and Museums	<u>7,452</u>	<u>2.9</u>
Subtotal	(41,480)	(16.3%)
Total	253,580	100.0%

Source: Space Use Survey by Hammer, Siler,  
George Associates.

#### Industrial Space

Wholesaling, warehousing, manufacturing, transportation, communications and utilities are the remaining components of the nonresidential space use in downtown Charlottesville. Many of the firms in these categories are located in the fringes of downtown or along the railroad tracks and as such do not functionally relate to other downtown activities. Others are very strongly related to downtown functions and in fact require a downtown location because of the necessary interaction with the principal functions. The most significant of these firms which do play a major role in the downtown economy are the newspaper offices of the Daily Progress, the Michie Company, (moving to Barracks Road) the WINA and WELK radio studios, company offices, and the wholesaling activities which service the downtown stores and offices.

Industrial type space use is summarized below in Table A-6.

Table A-6. INDUSTRIAL TYPE SPACE IN  
DOWNTOWN CHARLOTTESVILLE

	Total Study Area	
	Square Feet	Percent
Wholesaling	41,860	24.5%
Manufacturing	114,908	67.3%
Subtotal	(156,768)	(91.8%)
TCU		
Transportation	6,832	4.0%
Communication	7,163	4.2
Utilities	-	-
Subtotal	(13,995)	(8.2%)
Total	170,763	100.0%

Source: Space Use Survey by Hammer, Siler,  
George Associates.

Vacant Space

There are 119,612 square feet of vacant space in the downtown area in addition to the vacant office and retail space previously discussed. The largest component of this additional vacant space is "vacant inaccessible" which consists basically of loft space which is inaccessible without alteration of the present first floor use. The majority of this space is located over retail stores.

Table A-7 below indicates vacant space in downtown Charlottesville by type.

Table A-7. VACANT SPACE IN DOWNTOWN  
CHARLOTTESVILLE

	Total Study Area	
	Square Feet	Percent
Vacant - Retail	19,192	10.7%
Vacant - Office	40,726	22.7
Vacant - Other Uses	30,111	16.7
Vacant - Inaccessible	89,501	49.9
Total	179,530	100.0%

Source: Space Use Survey by Hammer, Siler,  
George Associates.

CHARLOTTESVILLE CBD SPACE INVENTORY

1. Fill in: Block # \_\_\_\_\_ Parcel # \_\_\_\_\_ Office Bldg? Yes \_\_\_\_\_ No \_\_\_\_\_  
 Address: \_\_\_\_\_

2. First Floor Uses:

<u>Name of Occupant/Type of Use</u>	<u>Code</u>	<u>Floor Area</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

3. Other Floor(s):

<u>Basement (Ac, Inac)*</u>	_____	_____
_____	_____	_____
_____	_____	_____
<u>2nd (Ac, Inac)*</u>	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

\* Indicate whether basement/floor is accessible (Ac) or inaccessible (Inac) from the sidewalk via a separate entrance.

If the building is not accurately shown on the Sanborn Map, draw the correct building outline on the map. Use space below or on back for sketches, figures, etc.

Appendix B. CHARLOTTESVILLE SHOPPERS SURVEY

## Appendix B. CHARLOTTESVILLE SHOPPERS SURVEY

A primary input into our study of downtown Charlottesville is a city-wide survey of shoppers which was conducted during the last week end of April, 1973. The survey was used to define the primary and secondary trading areas for Charlottesville, to highlight particular strengths and weaknesses of the downtown area, and to determine the competitive position of downtown vis-a-vis the existing and proposed major suburban shopping centers.

Interviewers were stationed at three Central Business District locations, at three locations in the Barrack's Roads Shopping Center, and at Sears, "the Corner", and K Mart. Shoppers were interviewed at these locations during the prime daylight shopping hours. Interviews were conducted on both a Friday and a Saturday. A total of 811 interviews were conducted, 179 of which were in the downtown area.

### Trade Area

The primary trade area which is served by downtown Charlottesville retail complex and from which continuous support can be expected has been defined as the City of Charlottesville and Albemarle County. This definition, primarily based upon the survey, also included consideration of the following:

- 1) The accessibility factor with respect to reaching the downtown location and competitive suburban shopping centers within the general region;
- 2) Proximity of population concentrations to the downtown Charlottesville area;
- 3) Newspaper circulation patterns; and
- 4) The existing and emerging competitive conditions in the local market as well as in the regional market.

The shoppers survey indicates that 85 percent of all shoppers reside within Albemarle County. An additional 10.4 percent of the shoppers

originate from six counties surrounding Charlottesville -- Fluvanna, Greene, Louisa, Madison, Nelson and Orange. This area has been designated as the secondary trade area. The remaining 4.5 percent reside either in other counties in Virginia or in other states.

Table B-1 below summarizes the place of residence of the shoppers surveyed throughout the City of Charlottesville as a percentage of the total number of shoppers in each location.

Table B-1. SHOPPERS IN THE CITY OF CHARLOTTESVILLE  
PLACE OF RESIDENCE, 1973

	<u>Central Business District</u>	<u>Total All Locations</u>
City of Charlottesville	75.1%	73.6%
Albemarle	<u>13.9</u>	<u>11.5</u>
Subtotal	(89.0%)	(85.1%)
Fluvanna	2.0%	3.1%
Greene	0.9	1.4
Louisa	3.2	3.0
Madison	0.4	0.8
Nelson	0.8	1.1
Orange	0.8	1.0
All other	<u>2.9</u>	<u>4.5</u>
Subtotal	(11.0%)	(14.9%)
Total	100.0%	100.0%

Source: Hammer, Siler, George Associates  
Shoppers Survey, April, 1973

In the CBD area, the largest component of shoppers, 89 percent, reside within Albemarle County. Only 10.6 percent are from the secondary trade area. This means that less than 15 percent of the non-Charlottesville and Albemarle County residents who come to Charlottesville to shop are shopping downtown. The suburban stores are

attracting over 85 percent of the inflow into Charlottesville. The greatest percentage of these people are attracted to the Barracks Road Shopping Center and K Mart.

Student Shoppers. One objective of the survey was to help determine the student input on the Charlottesville retail market. As shown in Table B-2 below, 20.4 percent of all the shoppers surveyed were University of Virginia students. The greatest number of students were shopping at "the corner", where they represented almost 50 percent of all the shoppers. In the CBD, the students represented 6.5 percent of all the shoppers -- as contrasted with Barracks Road, where they represented over 26 percent of the shoppers.

Table B-2. UNIVERSITY STUDENTS AS A PERCENT OF ALL SHOPPERS, BY LOCATION, CHARLOTTESVILLE, 1973

	<u>Number Of Students</u>	<u>Percent Of Shoppers</u>
CBD	11	6.5%
Barracks Road	55	26.1
"The Corner"	55	49.5
Sears	22	16.4
K Mart	<u>13</u>	<u>9.2</u>
Total	156	20.4%

Source: Hammer, Siler, George Associates  
Shoppers Survey, April, 1973

Transportation. In all survey locations, over 86 percent of the shoppers utilized their automobiles as the mode of transportation to the shopping locations and 4.3 percent used public transportation. However, in the CBD, only 75.4 percent used autos while 8.2 percent -- almost double the average -- used the bus. This is an extreme contrast with Barracks Road Shopping Center, where only 3.6 percent of the shoppers came by bus.

The mode of transportation used for access to each survey location is indicated in Table B-3 below.

Table B-3. MODE OF TRANSPORTATION, BY SHOPPING AREA, CHARLOTTESVILLE, 1973

	<u>Central Business District</u>	<u>Barracks Road S.C.</u>	<u>Sears</u>	<u>"The Corner"</u>	<u>K Mart</u>	<u>Total All Locations</u>
Auto	75.4%	85.5%	83.1%	53.9%	93.4%	80.1%
Taxi	2.2	0.9	1.5	-	1.2	1.2
Bus	8.2	3.6	2.2	1.8	4.2	4.3
Walk	13.1	7.3	12.5	36.3	1.2	12.2
Other	1.1	2.7	0.7	8.0	-	2.2
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Hammer, Siler, George Associates  
Shoppers Survey, April, 1973

Race. Of all the shoppers surveyed, 76.6 percent were white and 23.4 percent were black. The racial mixture is fairly uniform with the exception of Barracks Road, where more than 88 percent of the shoppers were white. In the Charlottesville CBD, 71.6 percent were white and 28.4 were black.

The percentage distribution of shoppers, by race, is indicated in Table B-4.

Table B-4. PERCENTAGE DISTRIBUTION OF SHOPPERS BY RACE, CHARLOTTESVILLE, 1973

	<u>Central Business District</u>	<u>Barracks Road, S.C.</u>	<u>Sears</u>	<u>"The Corner"</u>	<u>K Mart</u>	<u>Total All Location</u>
White	71.6%	84.3%	75.0%	88.5%	64.8%	76.6%
Black	28.4	15.7	25.0	11.5	35.2	23.4
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Hammer, Siler, George Associates  
Shoppers Survey, April, 1973.



F S  
 1 2 3 4 5  
 M F  
 W B

CHARLOTTESVILLE SHOPPERS INTERVIEW

Hello, I'm \_\_\_\_\_, we are making a survey of shoppers in Charlottesville; would you please answer a few simple questions, it will take less than a minute. Thank you.

-----  
 Have you been interviewed already today? (If yes, thank the person and go on to another.)

1. What is your zip code? \_\_\_\_\_ (Nearest corner \_\_\_\_\_ & \_\_\_\_\_)  
 Is that in Charlottesville? Yes \_\_\_\_\_ No \_\_\_\_\_  
 If not, where? \_\_\_\_\_

2. Are you a student at the University of Virginia? Yes \_\_\_\_\_ No \_\_\_\_\_

3. What is your primary reason for being here today?  
 Shop \_\_\_\_\_ Personal Business \_\_\_\_\_ Other \_\_\_\_\_  
 Work \_\_\_\_\_ Business (but not employed here) \_\_\_\_\_

4. How did you get (downtown/here) today?  
 Auto \_\_\_\_\_ Taxi \_\_\_\_\_ Bus \_\_\_\_\_ Walk \_\_\_\_\_ Other \_\_\_\_\_

5. Where do you usually shop for:

	<u>Your</u> <u>Clothing</u>	<u>Your</u> <u>Children's</u> <u>Clothing</u>	<u>Furniture</u>	<u>Radio, T.V. &amp;</u> <u>Appliances</u>
Downtown Charlottesville	_____	_____	_____	_____
Barracks Road Shop Ctr.	_____	_____	_____	_____
K Mart	_____	_____	_____	_____
Sears	_____	_____	_____	_____
The "Corner"	_____	_____	_____	_____
Other Charlottesville Stores	_____	_____	_____	_____
Other Large Cities	_____	_____	_____	_____