



Citizens Energy Group ARI Strategy

**BUILDING THE  
NEIGHBORHOOD STORY  
&  
DEFINING THE MARKET**

TWIN AIRE NEIGHBORHOOD  
COALITION - COMMUNITY MEETING

JUNE 19 2017





# Rebranding the site to Pleasant Run Crossing

- Rebranding site creates a new identity focused on redeveloping property and enhancing quality of life
- Pleasant Run is a unifying geographic feature of the area

## Phase 1 EDA ARI Partners

### Neighborhood and Market Plan :

- SB Friedman Development Advisors
- Purdue University Extension Community
- AECOM
- Rundell Ernstberger Associates





# DEFINE THE NEIGHBORHOOD –



# The Opportunity: Unlocking the Potential



Source: Google Earth; ESRI; OpenIndy; SB Friedman, USGS

## Pleasant Run Crossing:

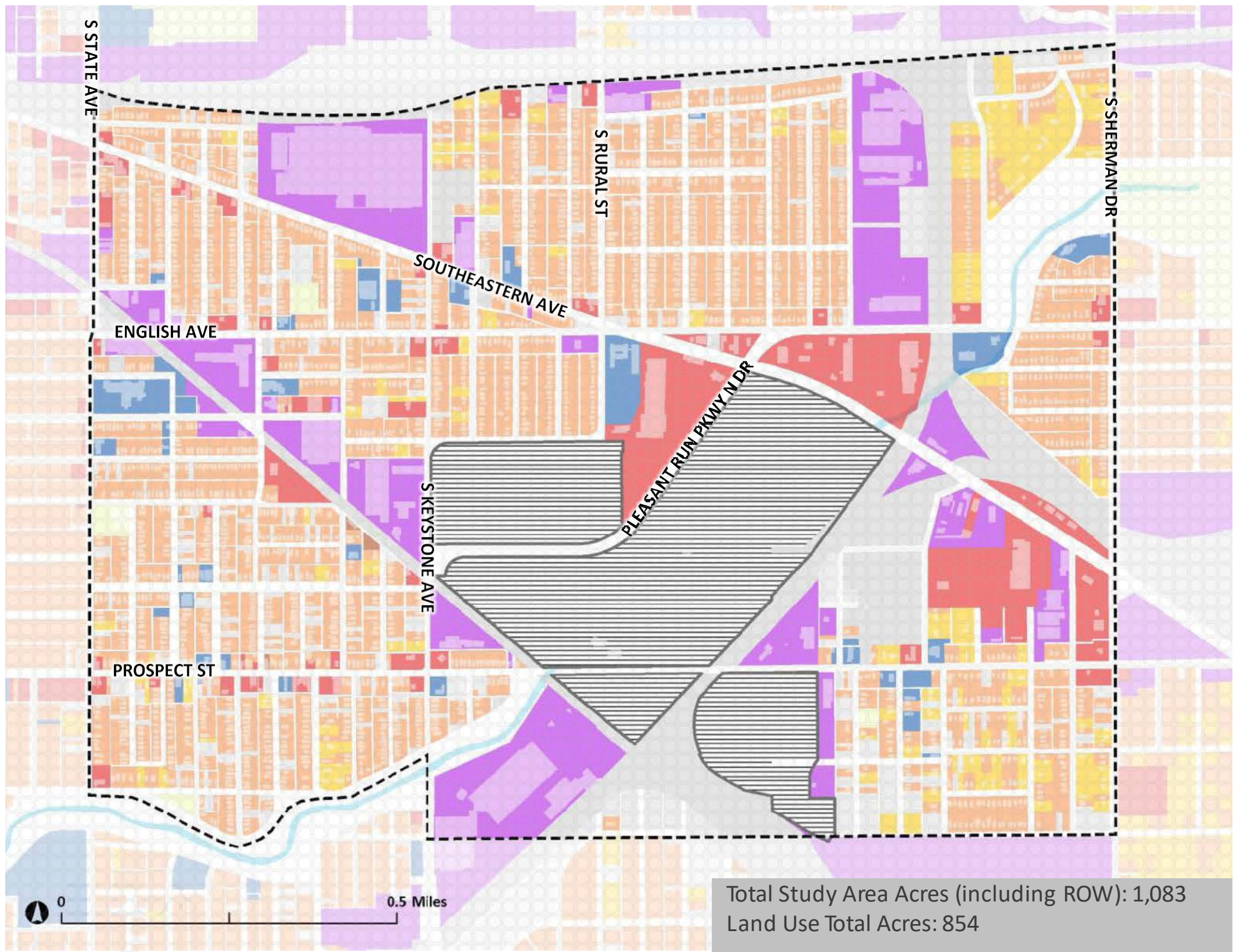
- 140-acre former Citizens Energy coke and manufactured gas plant site, located on the City's southeast side
- Located at the union of multiple neighborhoods:
  - WE CAN – West and East of Churchman Avenue Neighbors
  - SECO – Southeast Community Organization
  - Norwood Place
  - Twin Aire
  - Christian Park
- Pleasant Run Crossing runs between neighborhoods.
- Since 2000, this area has experienced a period of transition, experiencing both population and employment declines

## Redevelopment of site is an opportunity to:

- Attract modern industrial and commercial uses
- Maximize the creation of good-paying jobs for neighborhood and Citywide residents
- Improve the overall quality of life on the southeast side

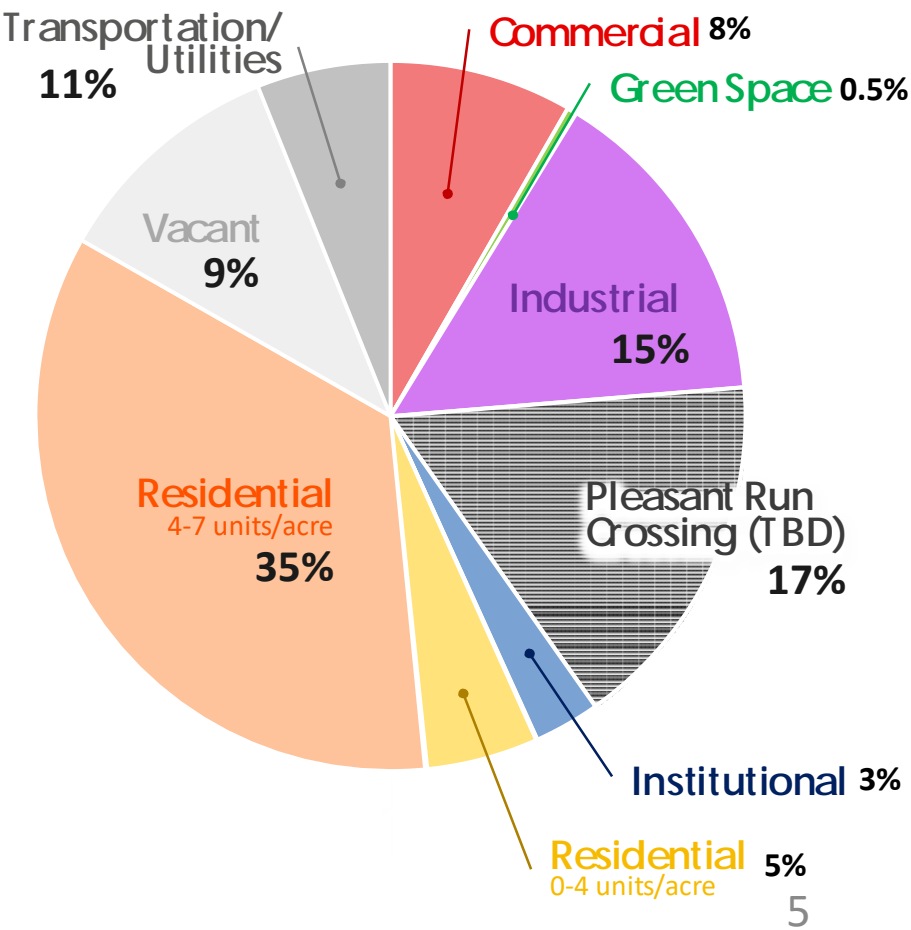


# Redevelopment of Pleasant Run Crossing can significantly transform Study Area land use patterns



- Primary commercial corridors are located along Southeastern Ave with a smaller retail cluster along Prospect Street.
- Industrial primarily clustered along the railroad track.
- The Pleasant Run Crossing Site comprises 17% of the Study Area – therefore redevelopment would have a transformative effect.

STUDY AREA LAND USE BY ACREAGE (2014)

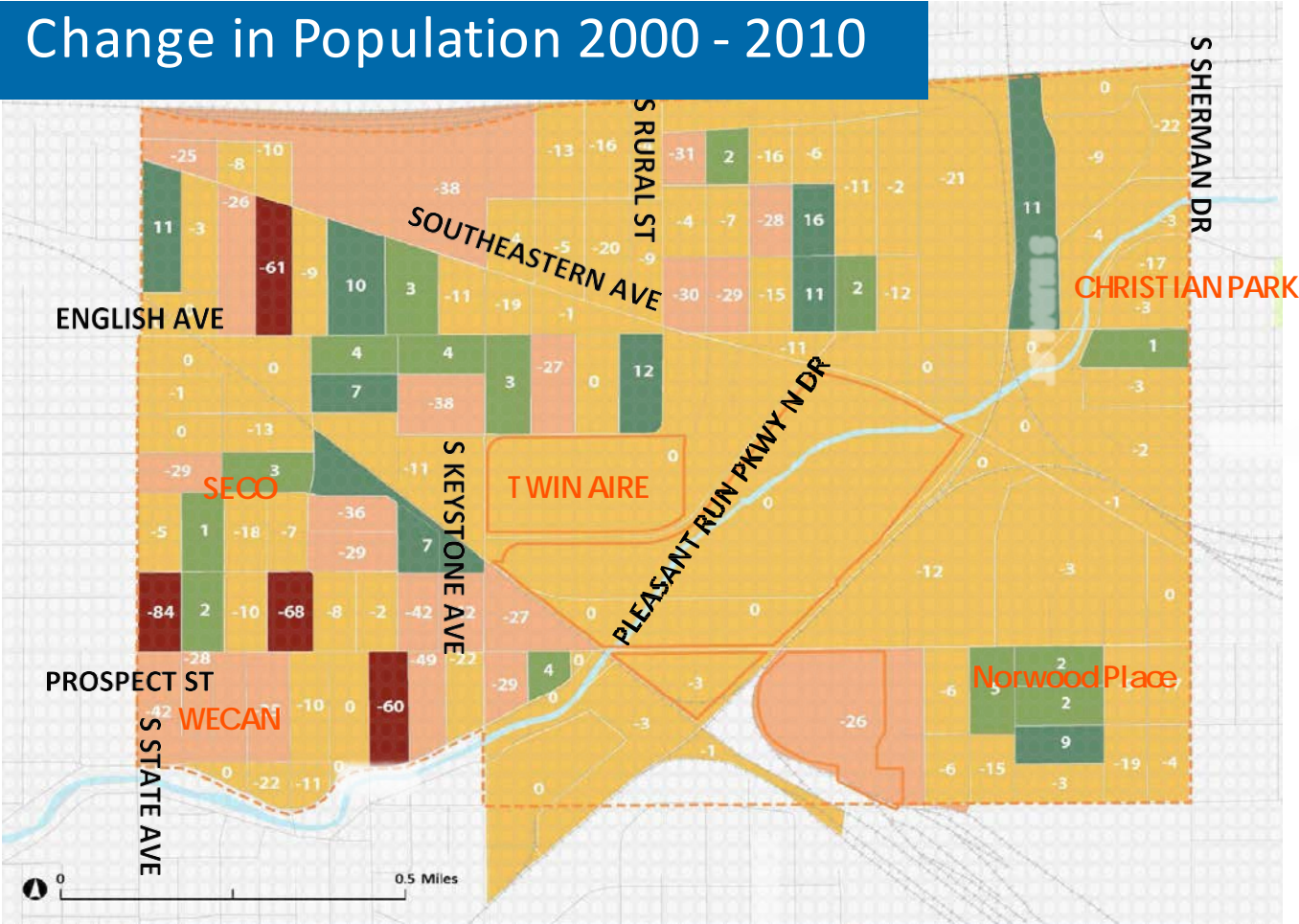


Source: ESRI; OpenIndy; SB Friedman; USGS



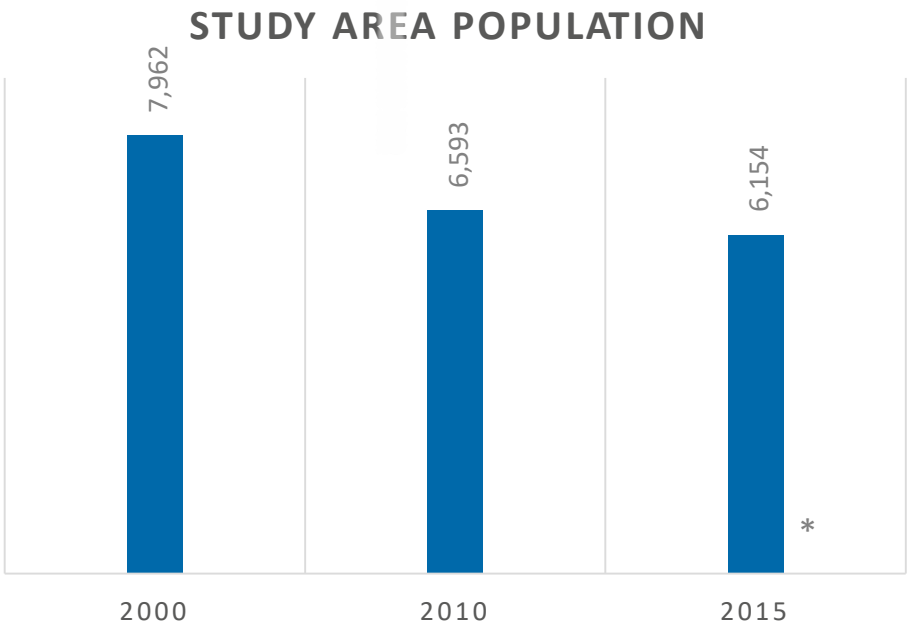
# Since 2000, Study Area population has declined, but Hispanic/Latino population has increased

Change in Population 2000 - 2010



6,593

Total 2010 Population

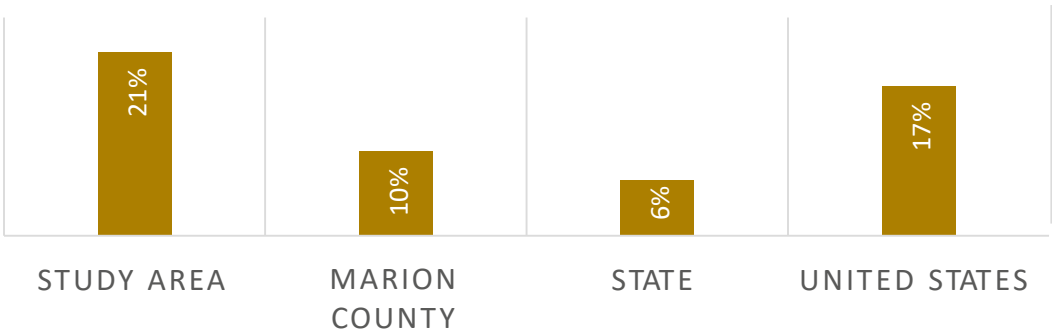


\*ACS 5-year data based on a sampling of the population. Margin of error is roughly +/-34%.

POPULATION CHANGE



PERCENT OF POPULATION THAT IS HISPANIC/LATINO, STUDY AREA 2015



Source: US Census Bureau

CHANGE IN PERCENT HISPANIC/LATINO, STUDY AREA 2000 - 2015

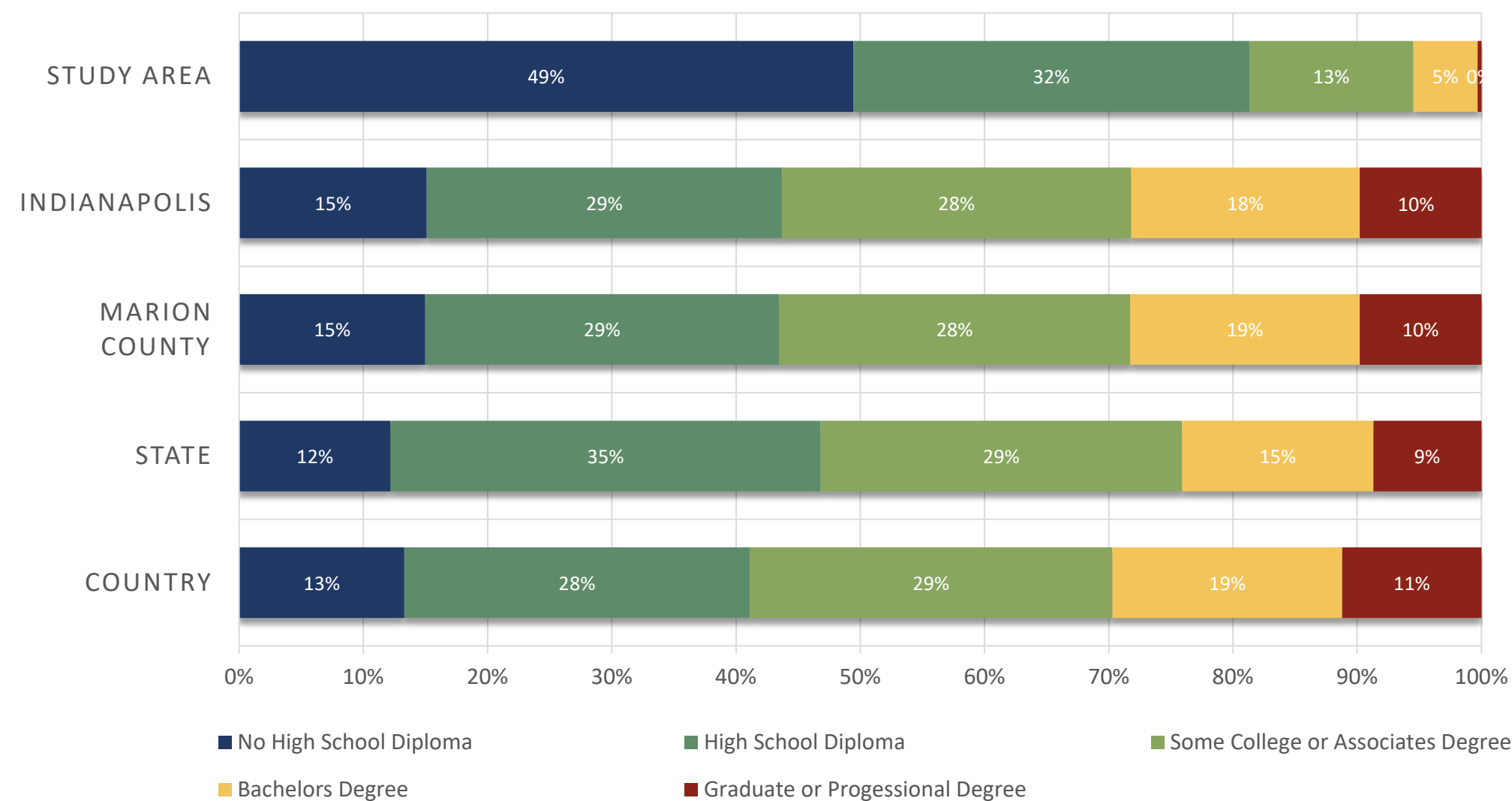


Source: OpenIndy; ESRI; SB Friedman; US Census Bureau; USGS



# Workforce development strategy will be critical to enhancing residential access to new job opportunities

EDUCATIONAL ATTAINMENT OF POPULATION 25 YEARS AND OLDER, 2015



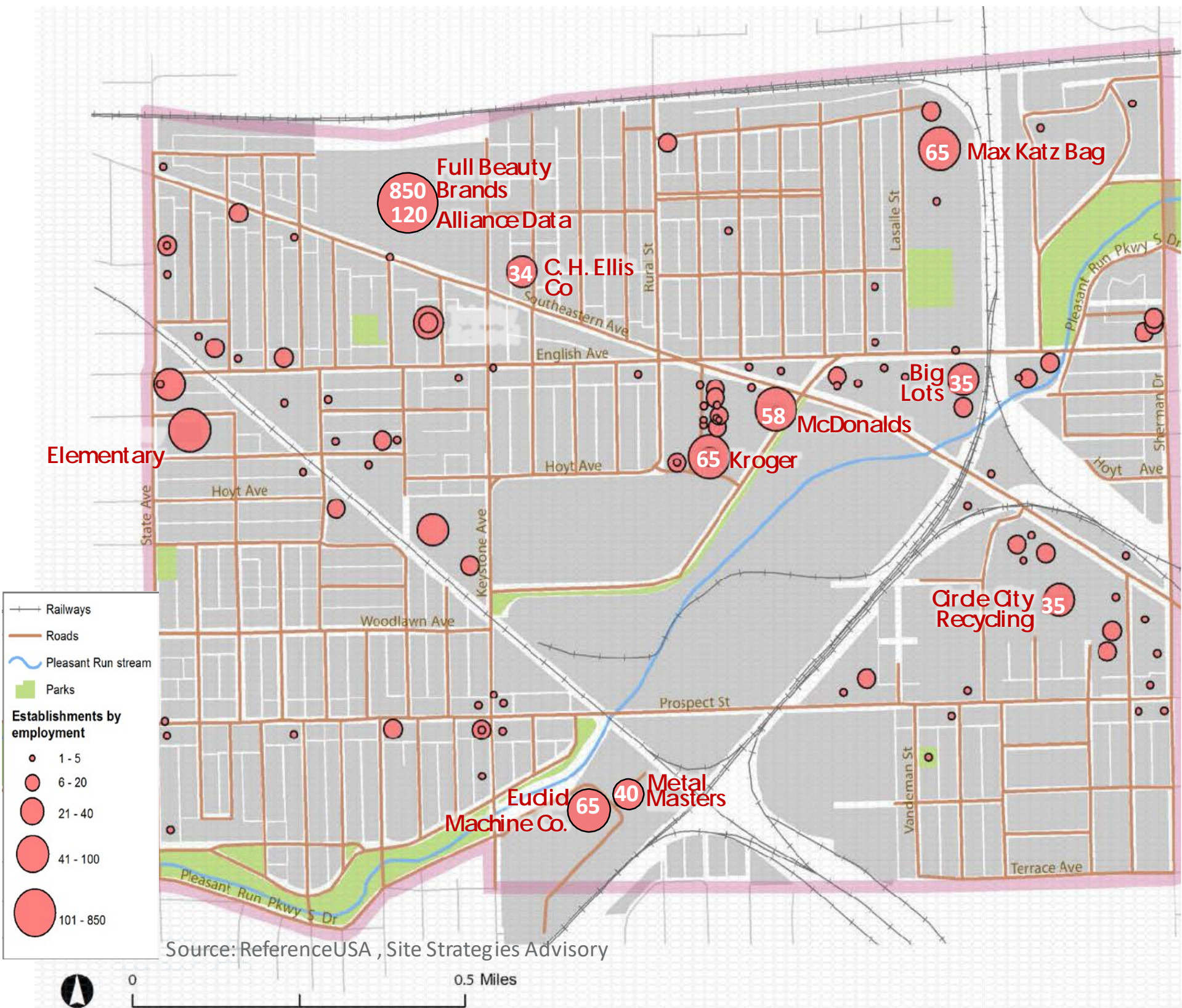
- Significantly higher proportion of adults without a high school degree compared to Marion County, the State and Country.
- Nearly half of the study area population aged 25 or older do not hold a high school degree.
- Only 18% of the population over 25 has some level of higher education.
- **Workforce development strategies and local hiring policies will be necessary to ensure that study area residents benefit from new jobs associated with the redevelopment**

Source: US Census Bureau





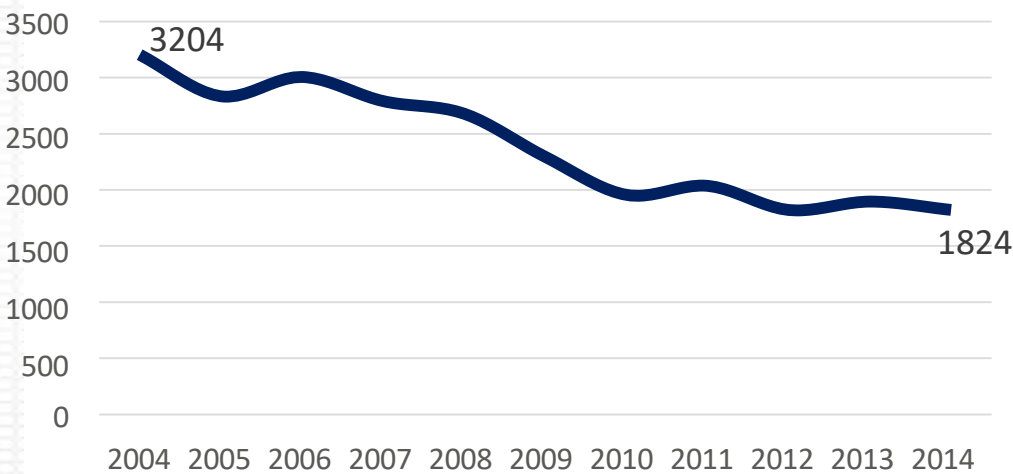
# Jobs within the Study Area have decreased since 2000 but redevelopment of Pleasant Run Crossing provides an opportunity to reverse trends



1,824

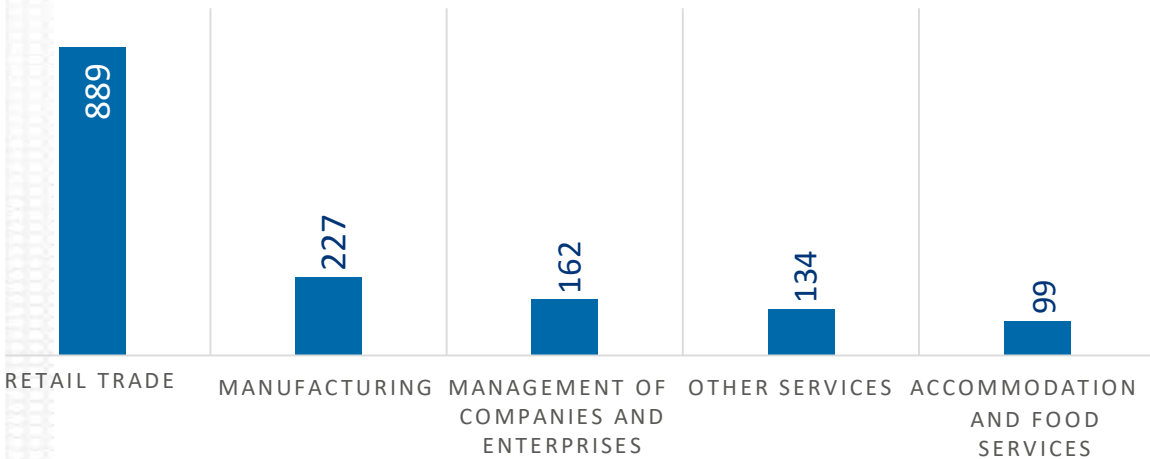
Total 2014 Jobs\*

STUDY AREA TOTAL JOBS\*, 2004 – 2014  
CAGR: -5.5%



\*Primary Job: An individual's highest paying job – excludes independent contractors (self employed)

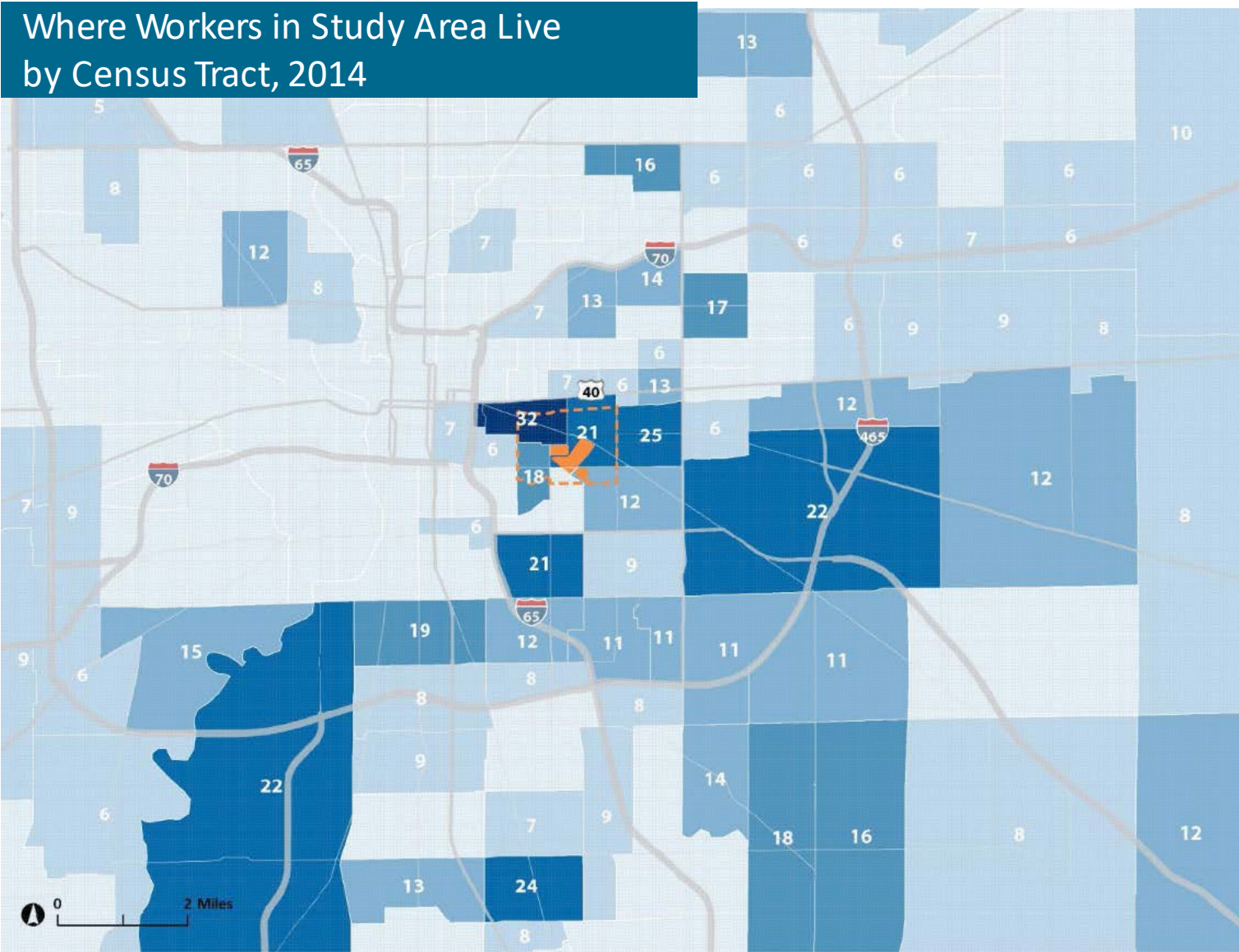
TOP 5 SECTORS IN STUDY AREA (2014)



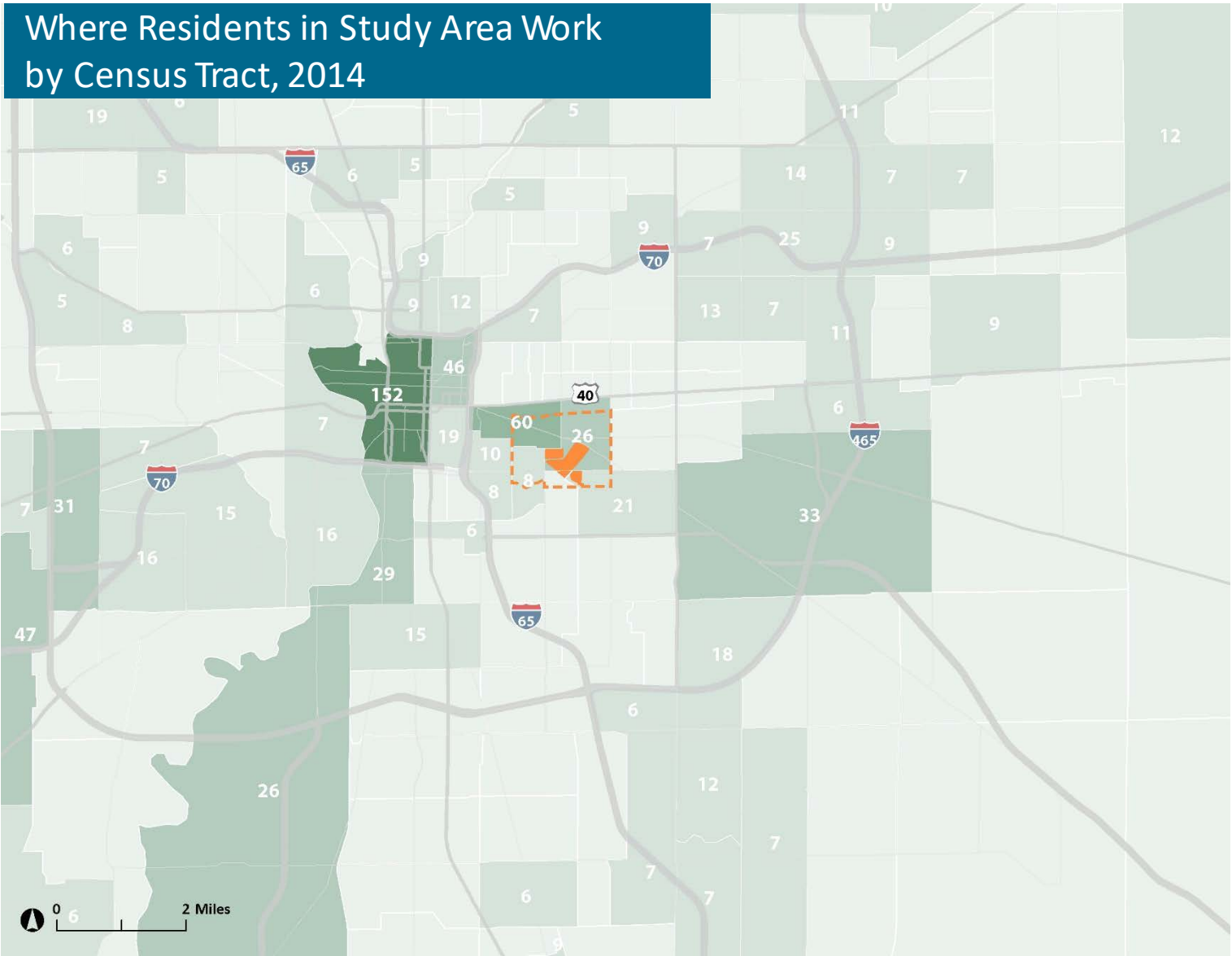
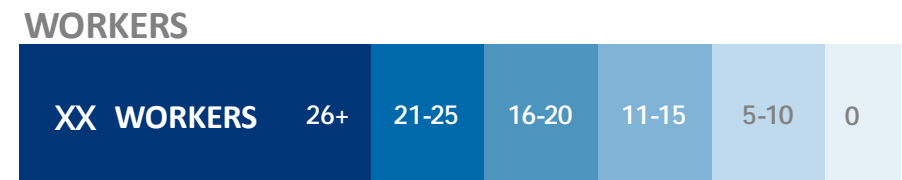
Source: LEHD OnTheMap



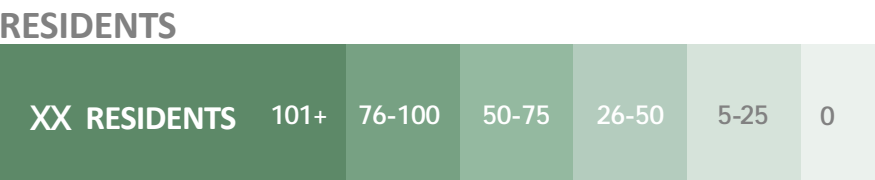
# Less than 3% of residents live and work in the Study Area



Many workers live in neighborhoods located throughout the City’s southeast side including: Near Eastside, Near Southeast, University Heights, North Perry, Sunshine Gardens, Beach Grove, Southeast, and Raymond Park.



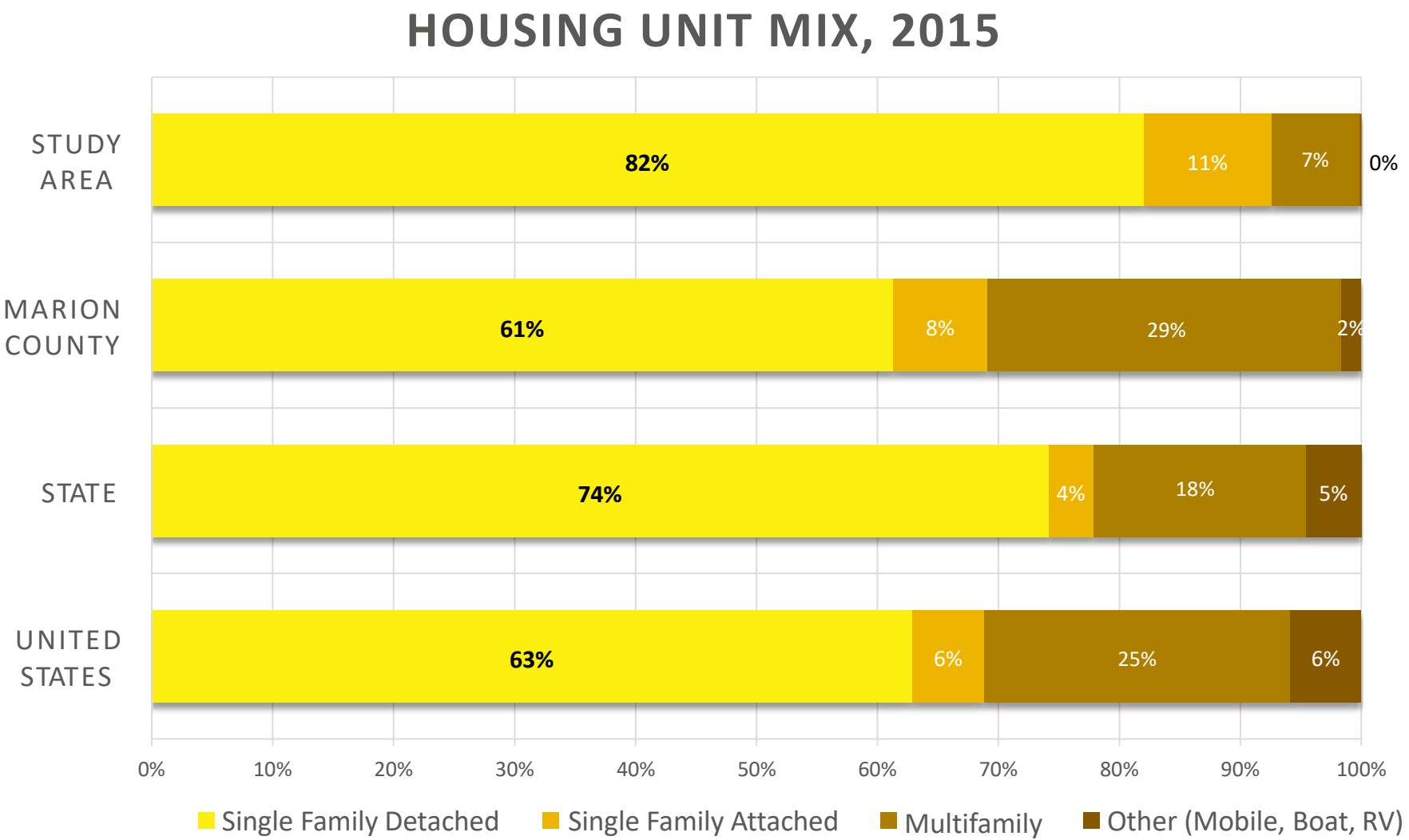
- Residents travel throughout the region for employment opportunities including:
- Downtown
  - The area around Indianapolis International airport
  - Concentrations of logistics and industrial jobs along the I-465 corridor (especially near Raymond Park and both the I-70 and Harding Street junctions)



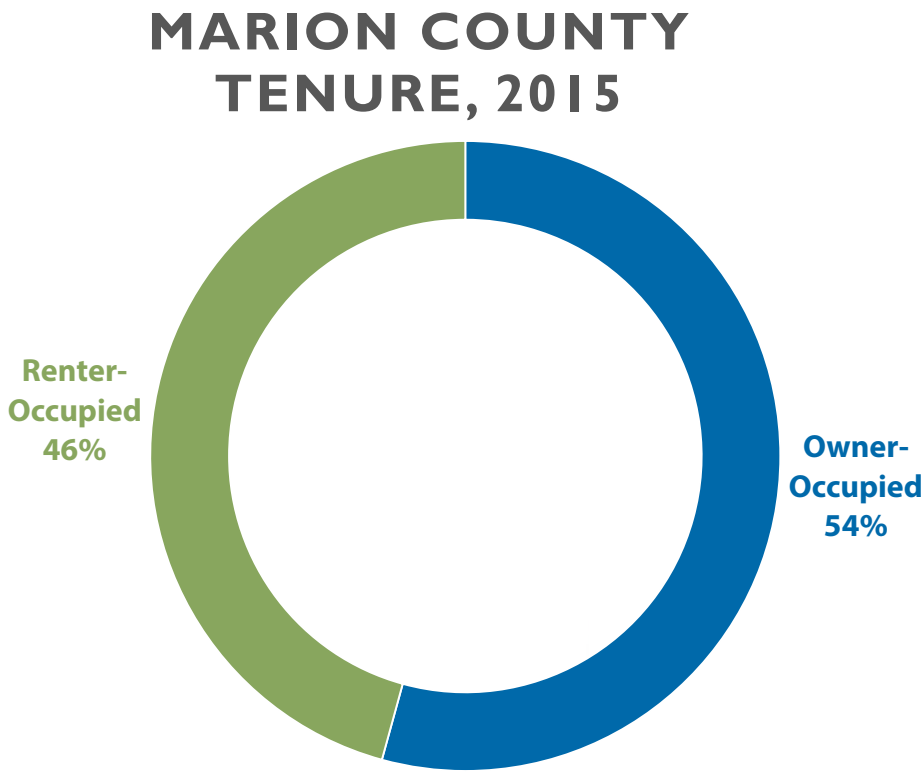
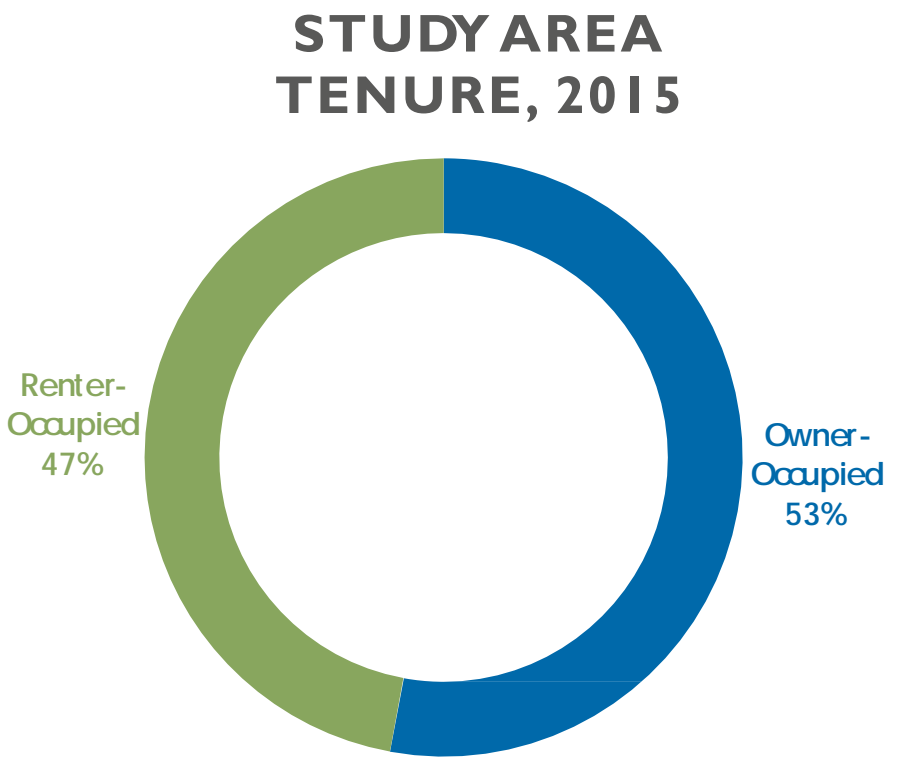
Source: OpenIndy; ESRI; LEHD OnTheMap; SB Friedman; USGS



# The Study Area comprises predominately single family detached housing units, although many are renter-occupied



Source: US Census Bureau





# Housing vacancy has declined since 2010, suggesting a strengthening of neighborhoods

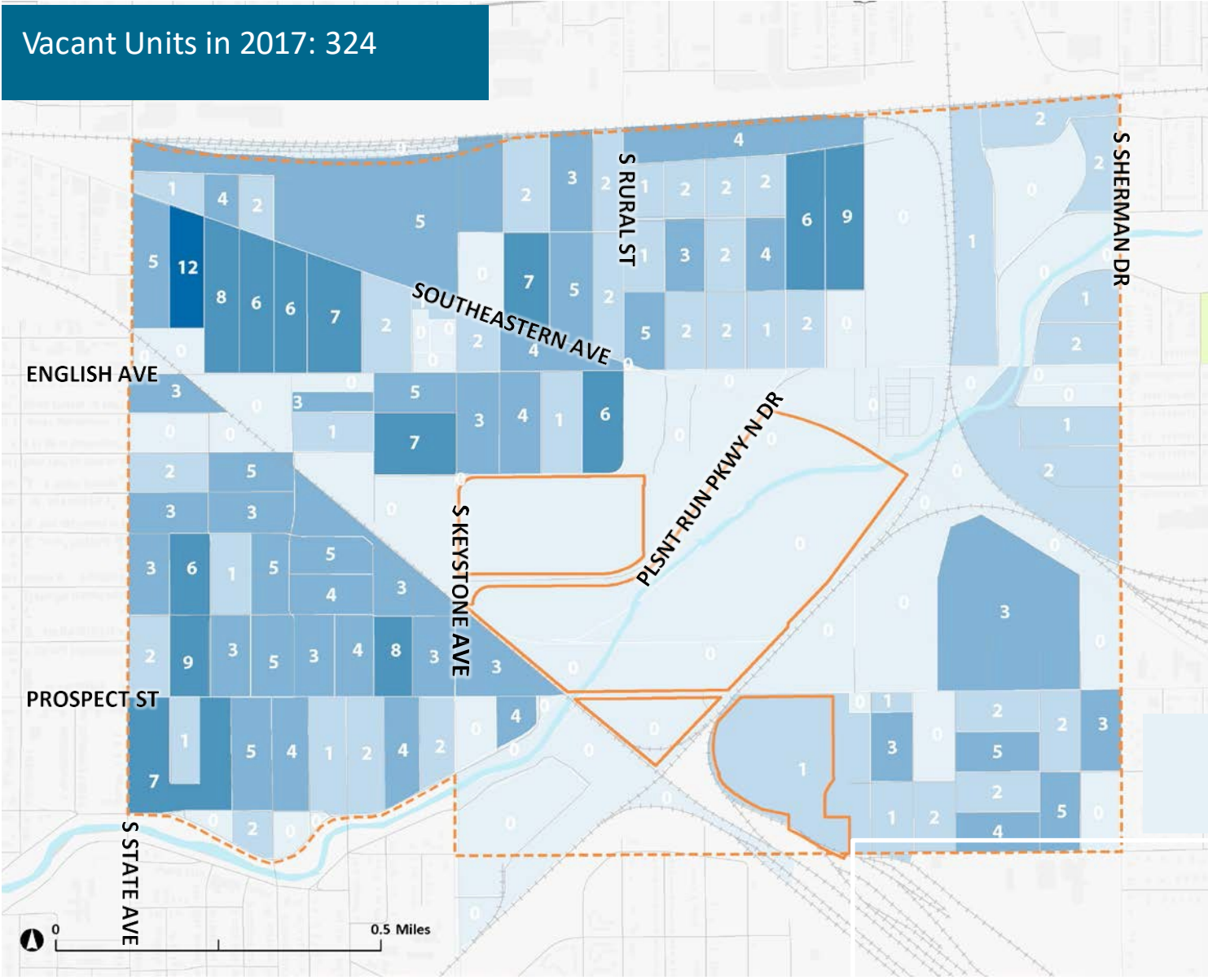
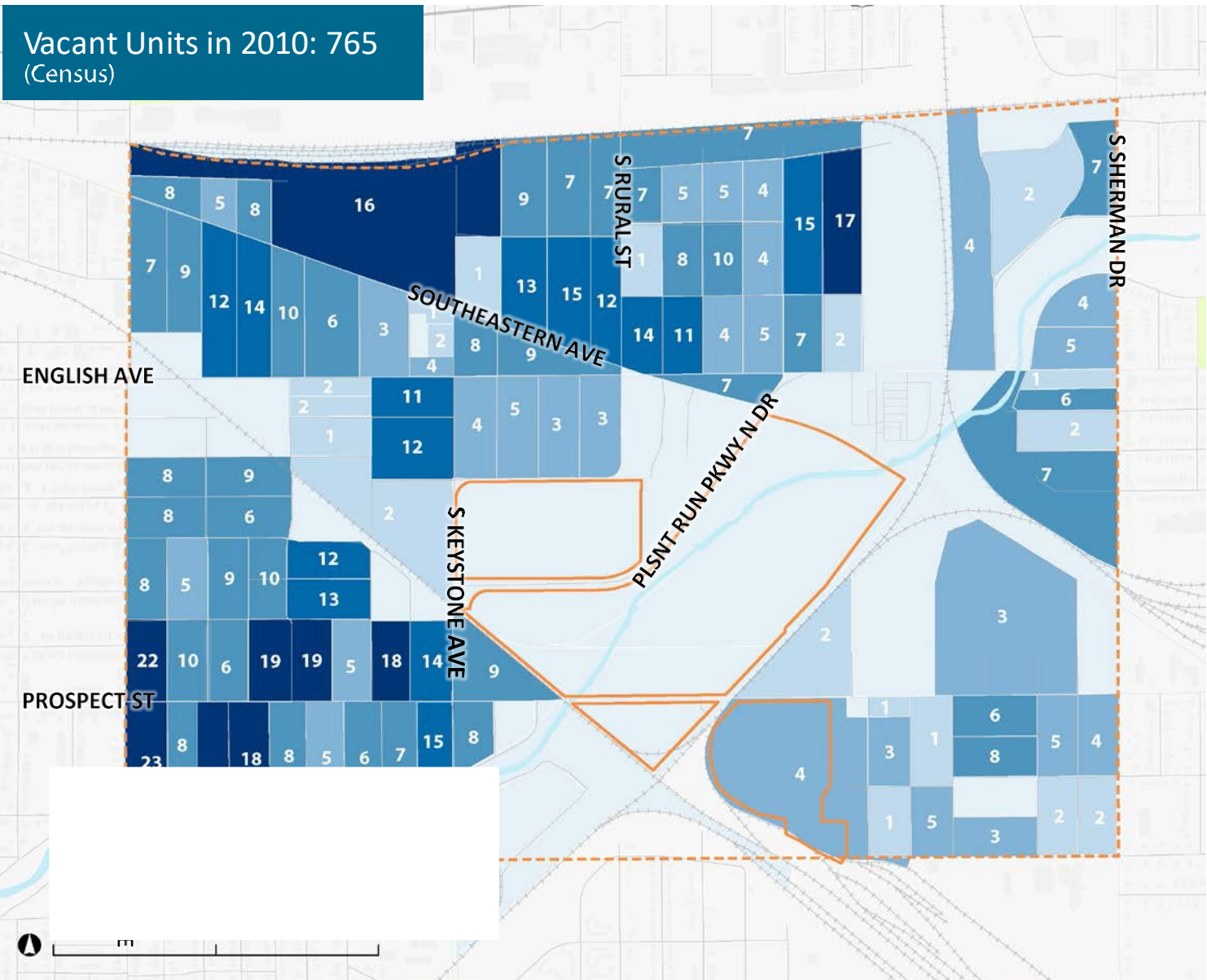
- Despite overall population declines, vacancy appears to be declining since 2010.
- Population declines reported by census in 2015 could be related to inaccuracies in census sampling techniques
- Based on water consumption data provided by Citizens Energy Group, there are approximately 325 vacant units, less than half as many as there were in 2010.

Water Consumption Data

### VACANT UNITS



Source: OpenIndy; ESRI; SB Friedman; US Census Bureau; USGS; Citizens Energy Group





# Community Identity: An Overview



- The “Community Identity” aspect of the study attempts to capture the essential ingredients that make the study area a unique place to live, work, play and come together as residents.
- This requires using the findings from the analysis of secondary data to guide a hands-on approach in the neighborhood.
- In other words, **we try and put a ‘finger on the pulse’** of the study area to determine **what makes these five neighborhoods tick** and how they may or may not identify collectively as a community.



# Community Identity: Lifestyle Factors

- For all residents in the study area, there are some common factors that are valued and contribute to the community's identity
  - ▶ Existing gathering places
  - ▶ Proximity of desired destinations
  - ▶ Opportunities for Recreation
  - ▶ New 'neighborhoods' (e.g. "English and Sherman")





# Community Identity: Migration – The “Push and Pull Factors”

Every community’s identity starts with its people. The choices they make, related to whether they choose to stay in the community or locate elsewhere are driven by “push factors” that lead people to depart or the “pull factors” that lead people to choose to live in the community.

## Push Factors for Out-migration

Data suggests that Caucasians and African-Americans are the primary groups that have experienced a net loss in population. Motivating factors for their decision include:

### **Social capital**

Lack of bonding and bridging social capital

### **Financial capital**

Perceived lack of economic opportunity

Lack of tangible and intangible “investment” in the neighborhood given high rates of renting and lack of opportunity

### **Built capital**

Available housing stock is depleted, dilapidated and old  
Walkability and physical continuity between neighborhoods is constrained

### **Human capital**

Access to education is fractured across options not in the neighborhood

### **Political capital**

Lack of civic engagement  
Information asymmetries between decision makers and general population

### **Cultural capital**

Demographic shifts changing the face of the neighborhoods

## Pull factors for In-migration

Data suggests that Hispanics are virtually the only in-migrants and are recognizing available assets and turning these assets into capital to invest towards a more vibrant future and community, such as:

### **Social capital**

Common places of origin

Available help amongst friends and neighbors sustain their businesses

### **Financial capital**

Small business and entrepreneurship driven by Hispanic in-migrants

### **Built capital**

Clayton & LaSalle Park

Affordable housing with opportunity to add value

### **Human capital**

Access to education for their children at ‘good’ schools

### **Cultural capital**

Common places for shopping, recreation and worship



# Redevelopment Strategies

## **JOBS**

- Maximize the creation of good-paying jobs for neighborhood and Citywide residents through redevelopment of Pleasant Run Crossing
- Develop education and training opportunities in the neighborhood to help residents acquire and strengthen their skills to participate in the evolving neighborhood economy and to help create a more vibrant community

## **INFRASTRUCTURE AND URBAN DESIGN**

- Investments in infrastructure need to reintegrate the Site into the urban fabric and enhance resident's safe, efficient, and affordable access to employment, retail, housing and recreation
- Conduct a thoroughfare and traffic engineering study to determine unsafe and hazardous crash prone locations e.g. Southeastern Ave., Pleasant Run Parkway and English Ave.
- Engage experts to develop workable urban design guidelines and solutions (street treatment, linear green spaces gateways, etc.) to enhance the character of the neighborhoods



# Redevelopment Strategies

## HOUSING

- Investments in new residences need to include affordable and mixed income housing development to address the factors of demand for single and multi-family housing at a variety of price ranges that are accessible to current and new residents
- Policies and incentives need to be put into place that will countervail the negative externalities associated with gentrification

## COMMUNITY IDENTITY AND OUTREACH

- The neighborhood needs to identify, strengthen and/or develop a variety of “nodes” to serve as gathering points, places of commerce and landmarks that will create and promote a discernable neighborhood identity (or identities)
- Decisions and investments should address the need for community input and ensure dissemination of reliable information using effective, culturally sensitive strategies
- Diversify efforts to foster community input across enclaved populations, including recent arrivals, by building the capacity for civic engagement.
- Opportunities abound for law enforcement and residents to continue to strengthen ties. Police are making efforts with the Hispanic community, all residents and law enforcement need to create and maintain ties that foster continuity and constant dialogue

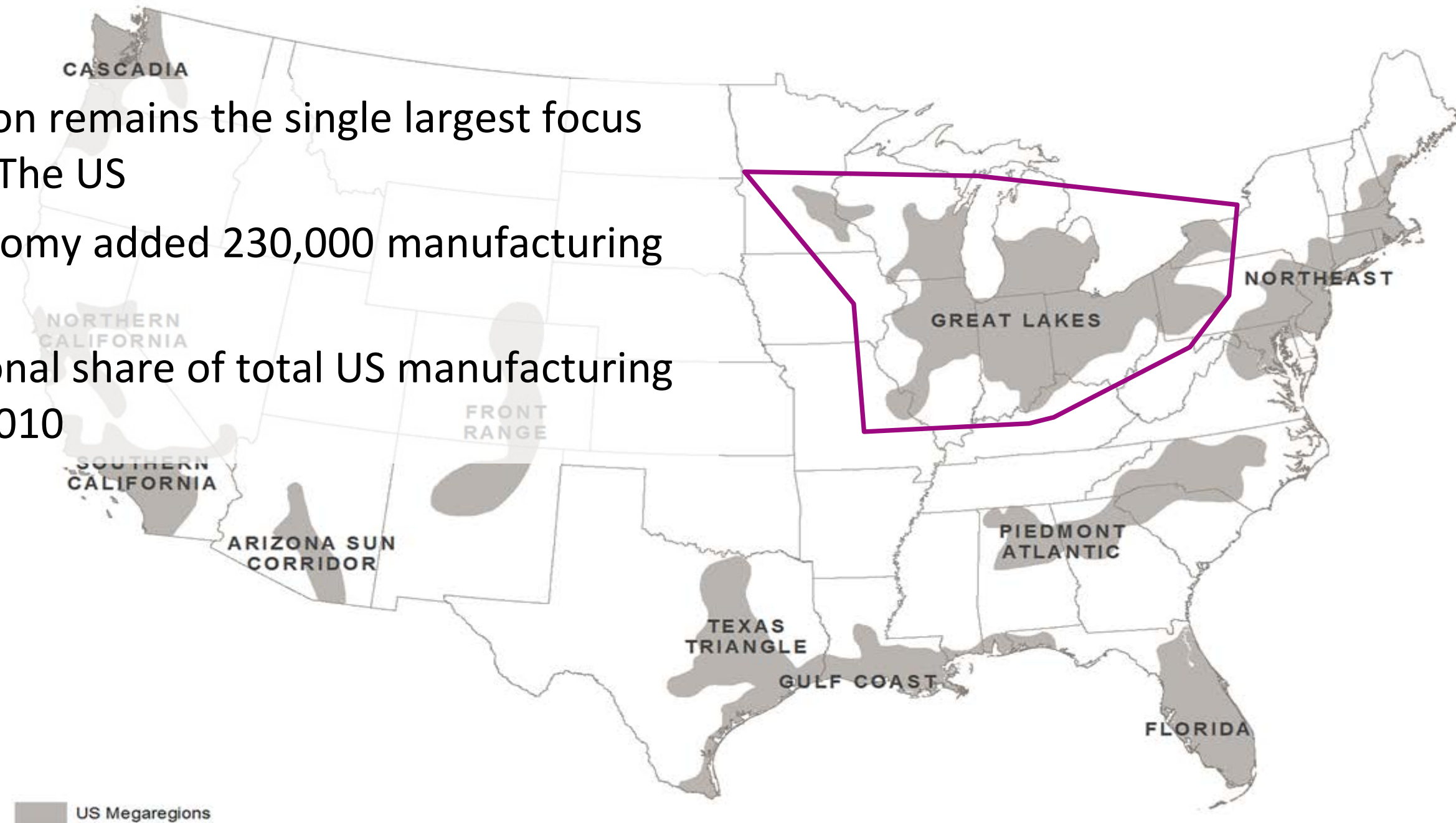


# DEFINE THE MARKET – ECONOMIC, WORKFORCE, AND REAL ESTATE ANALYSIS



# Regional Context

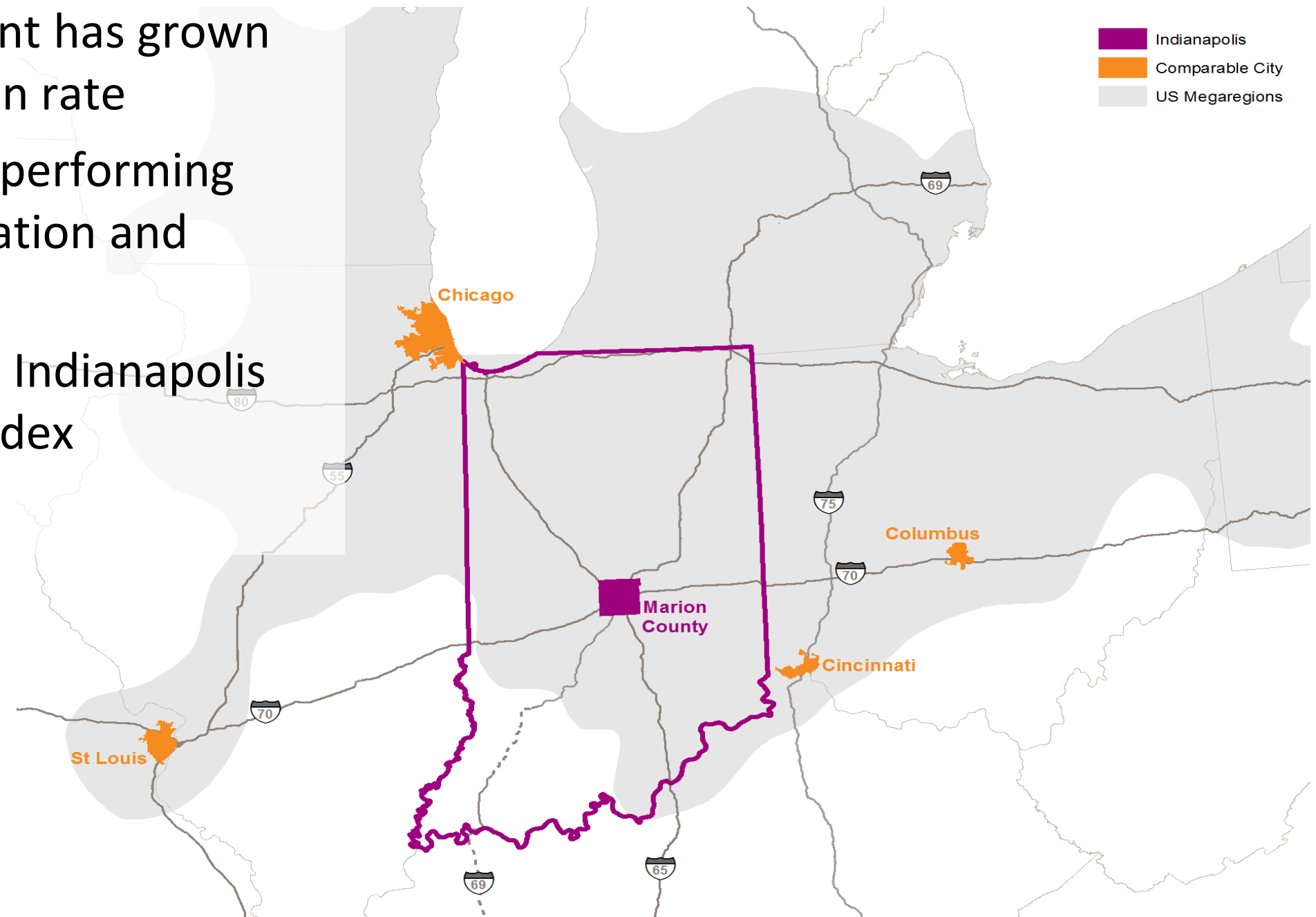
- The Great Lakes Region remains the single largest focus for manufacturing in The US
- The Great Lakes economy added 230,000 manufacturing jobs since 2010
- The Great Lakes regional share of total US manufacturing has increased since 2010





# Regional Framework – Indiana

- Indiana manufacturing employment has grown at 1.5 times the Great Lakes Region rate
- Greater Indianapolis is one of top performing Great Lakes Metro Areas in population and economic growth
- Across the top 40 US metro areas, Indianapolis has the 5th lowest cost of living index

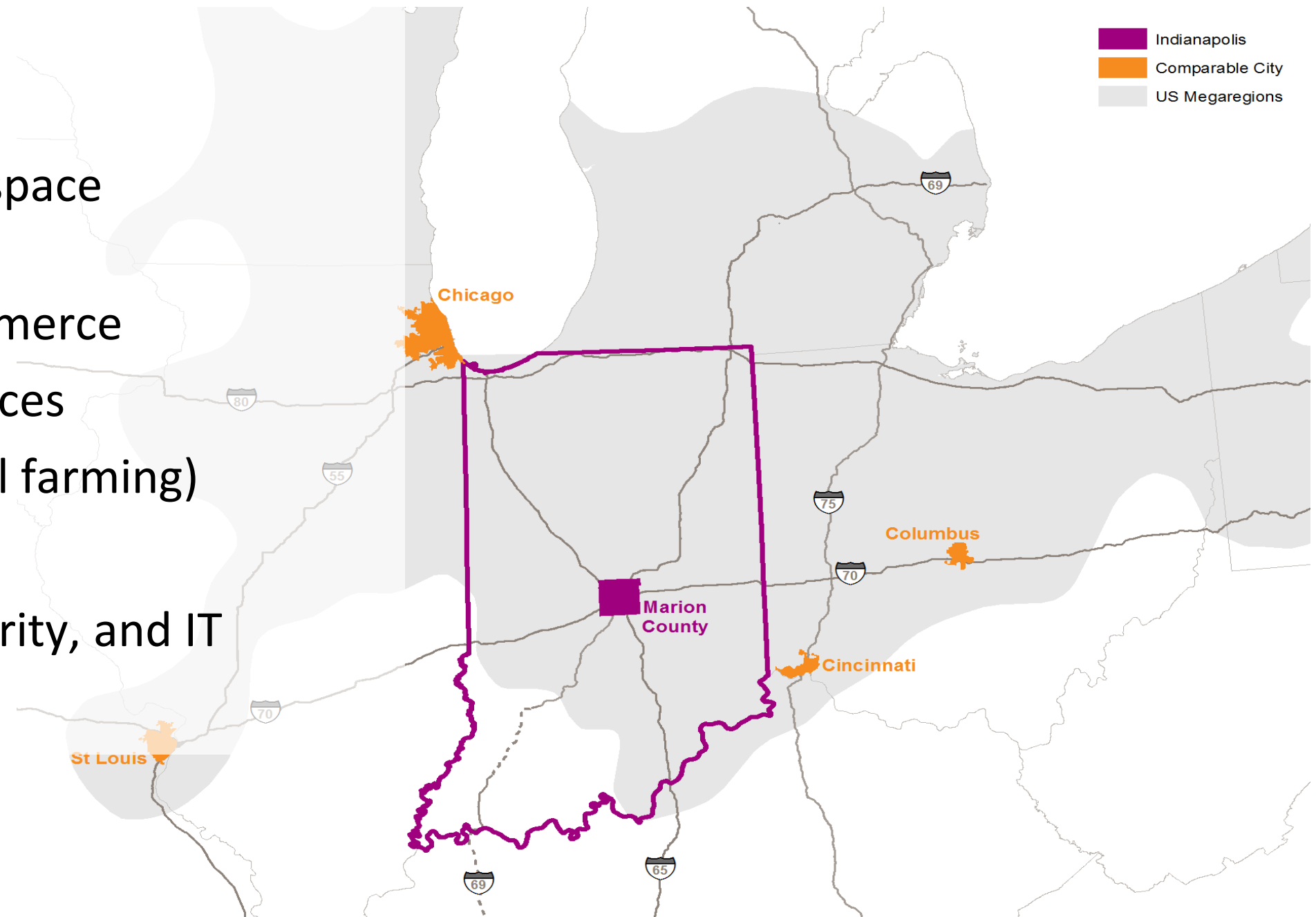




# Central Indiana Framework

## Sectors Strong In Central Indiana:

- Pharmaceuticals
- Motorsports, Automotive & Aerospace Manufacturing
- Distribution / Logistics and E Commerce
- Pharmaceuticals and medical devices
- Food processing (organics, vertical farming)
- Insurance
- Data centers, software, cybersecurity, and IT
- Apparel manufacturing

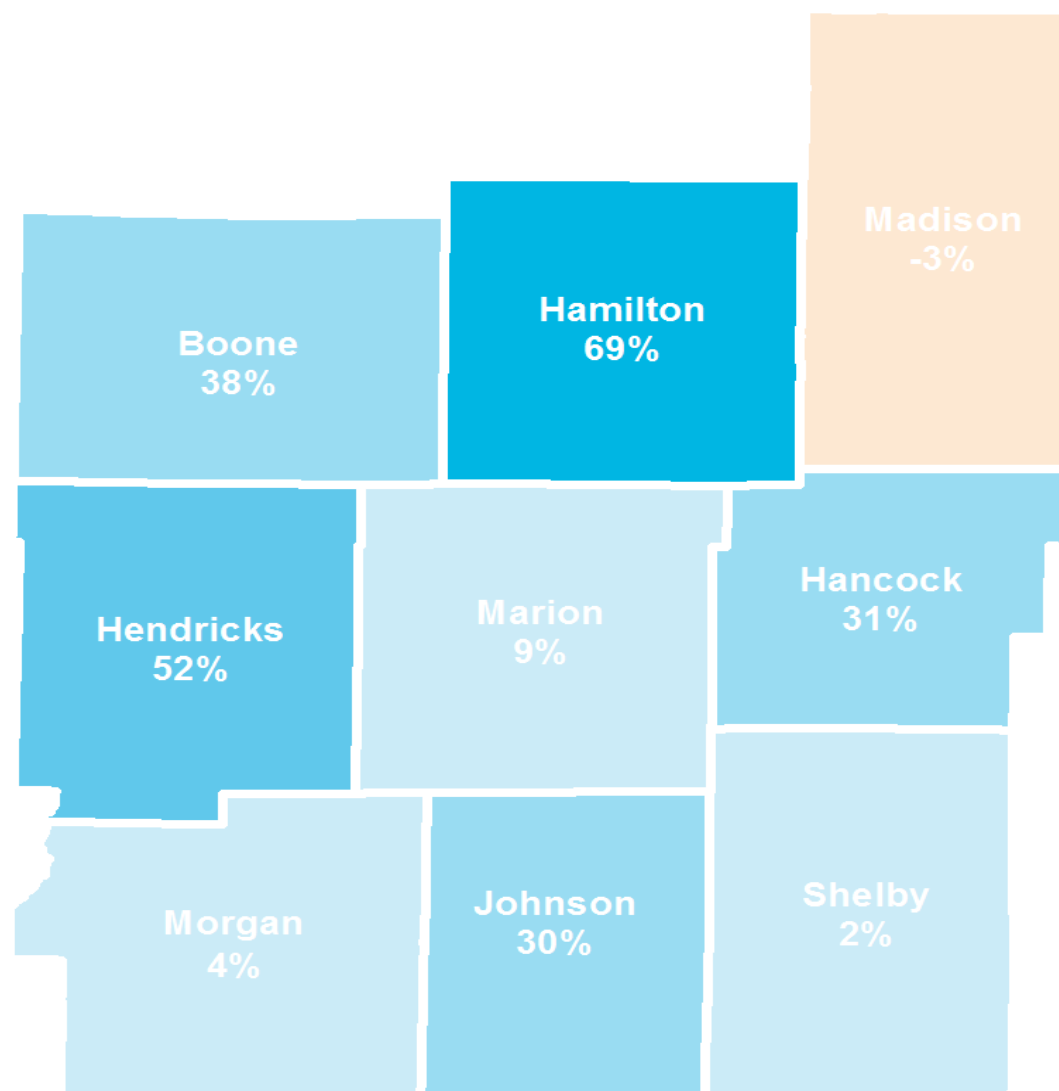




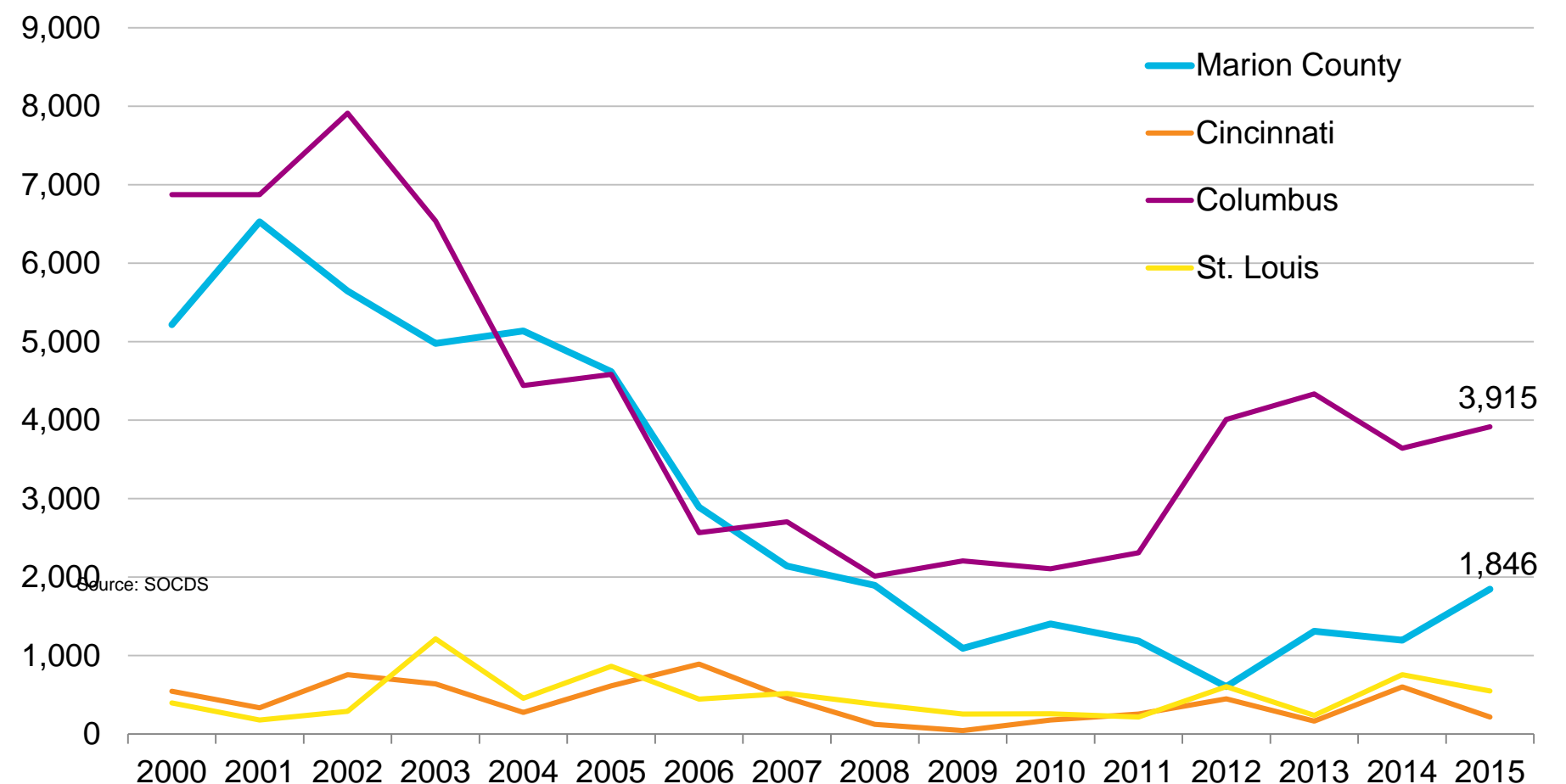
# Central Indiana Framework

- Regional population growth has tended to concentrate in counties surrounding Marion
- Marion County has seen a recent increase in housing permits, especially multifamily

Population Growth by County Since 2000 (% change)



Annual Housing Permits Issued

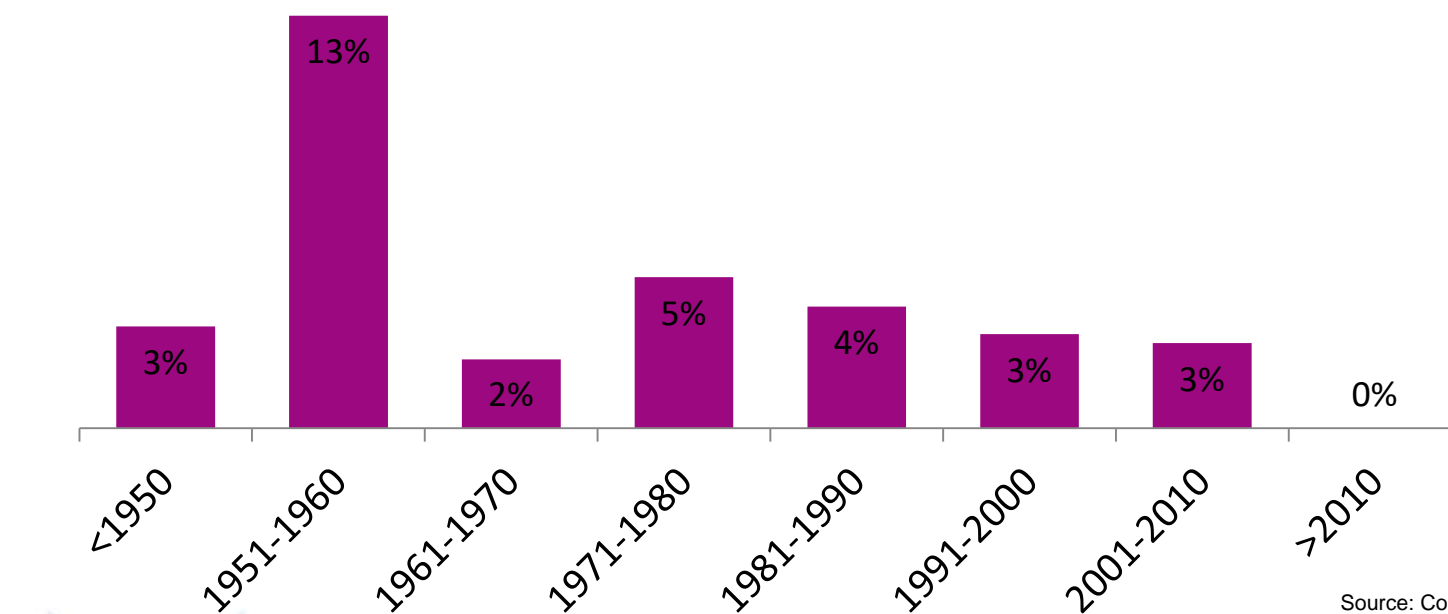




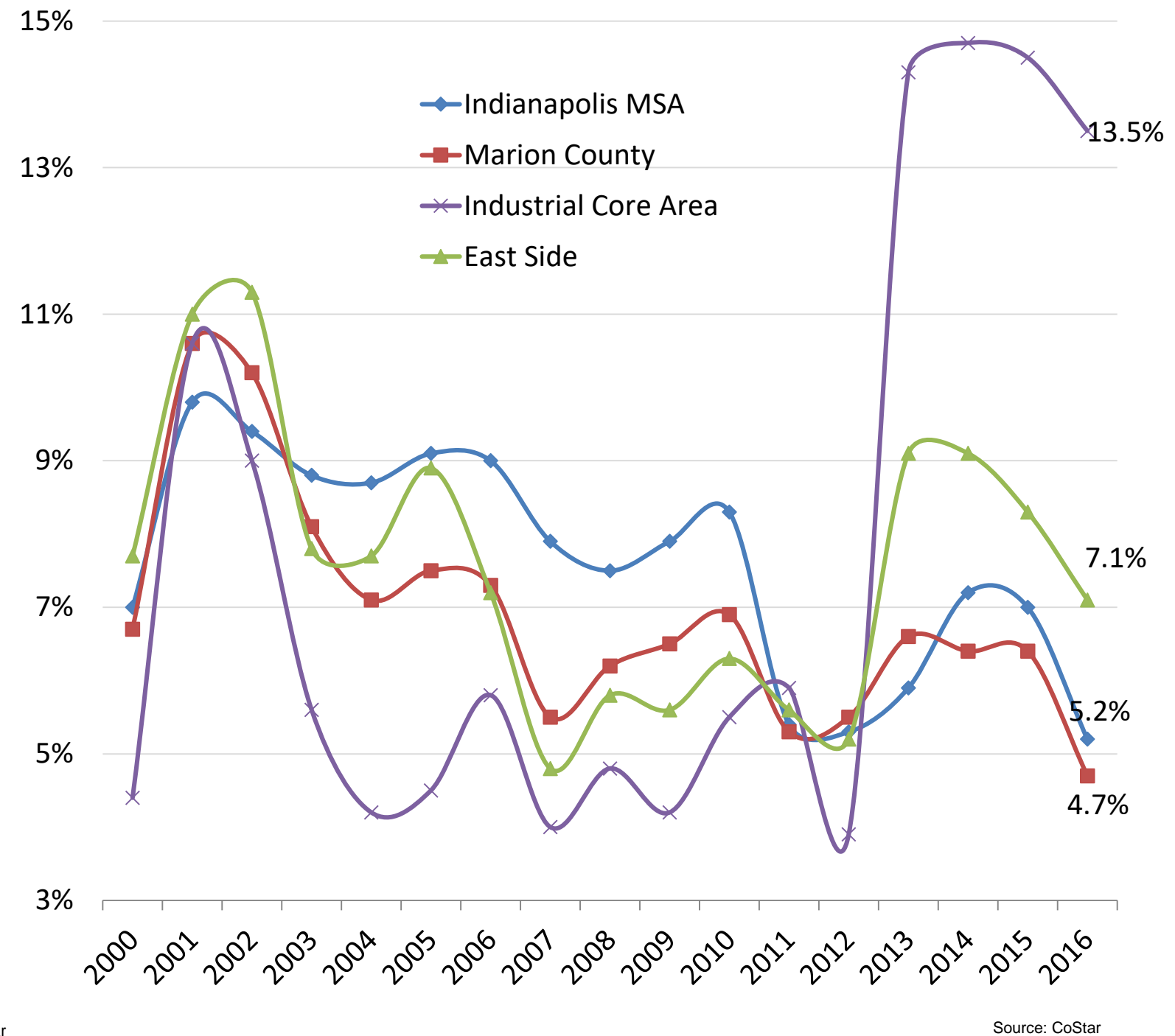
# Regional Framework – Industrial Real Estate

- Regional Industrial Real Estate demand has remained positive through the recession
- Marion County and the East Side were greatly affected by plant closures (Ford / Navistar)
- 170,000 sf is vacant within the Neighborhood Boundary while another 110,000 sf is under-utilized or abandoned per our survey of the Neighborhood.

Industrial Vacancy by Year of Construction



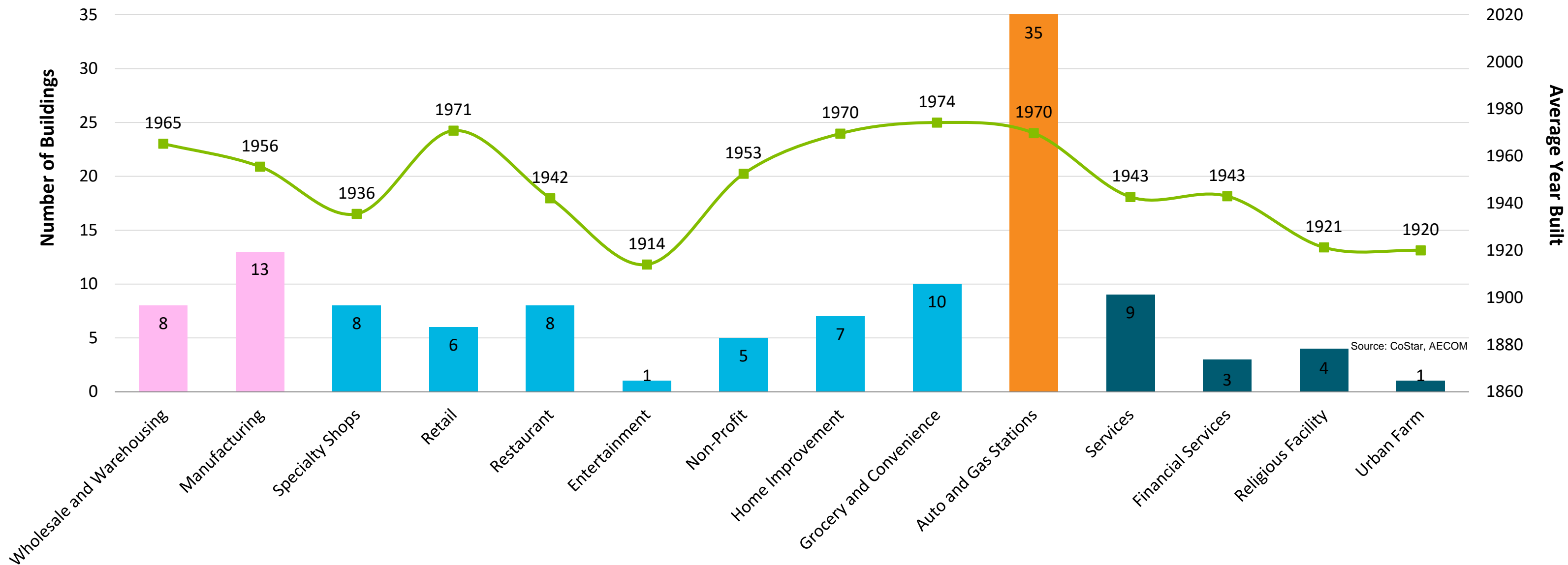
Industrial & Flex Vacancy by Year and Market Area





# Neighborhood Retail Context

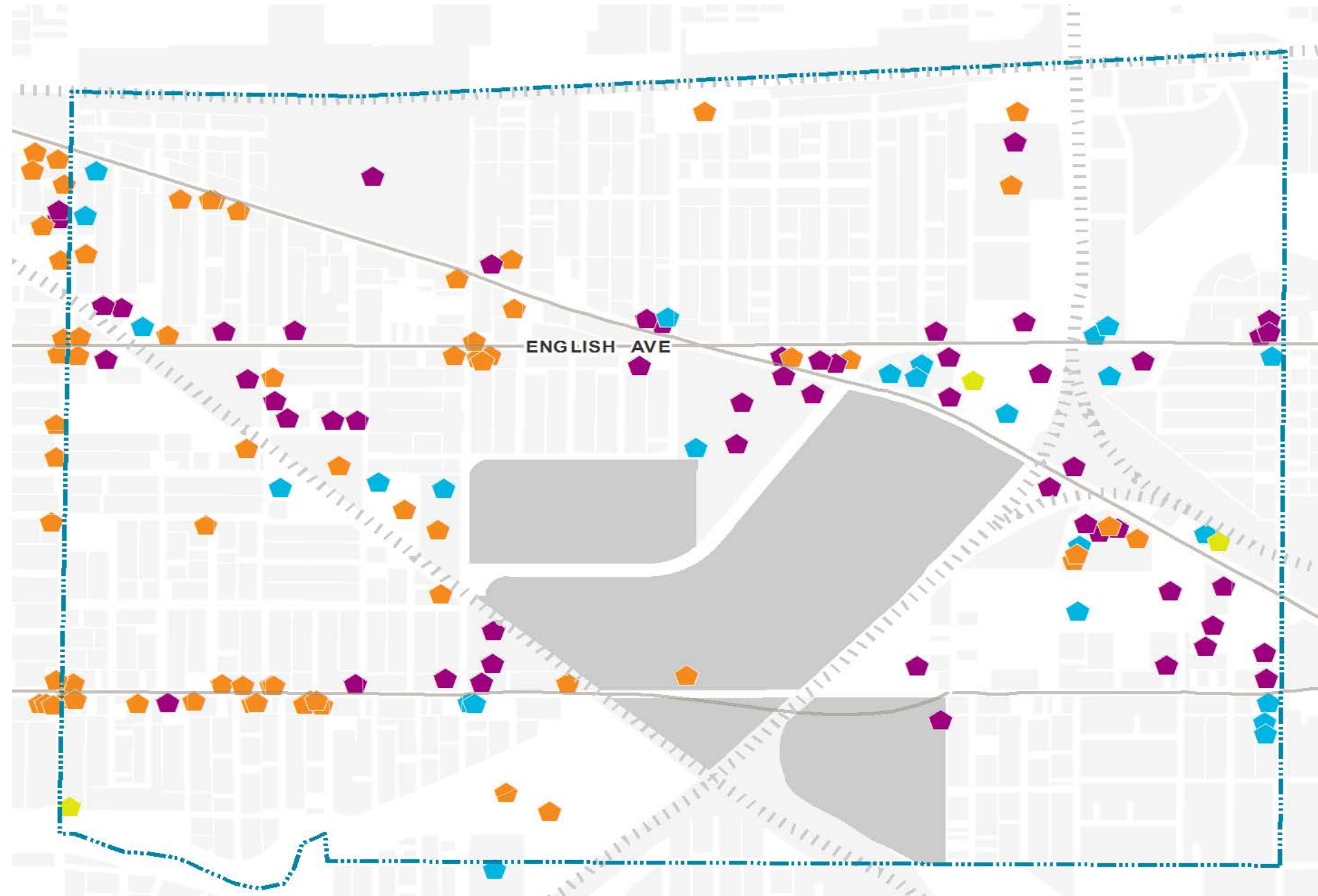
- Gas stations & auto account for about 40% of retail tenants
- Neighborhood inventory is old; no segment averaging less than 40 years old
- The number of Neighborhood commercial building transactions has more than tripled since 2010





# Neighborhood Retail Context

## Neighborhood Commercial & Industrial Building Age

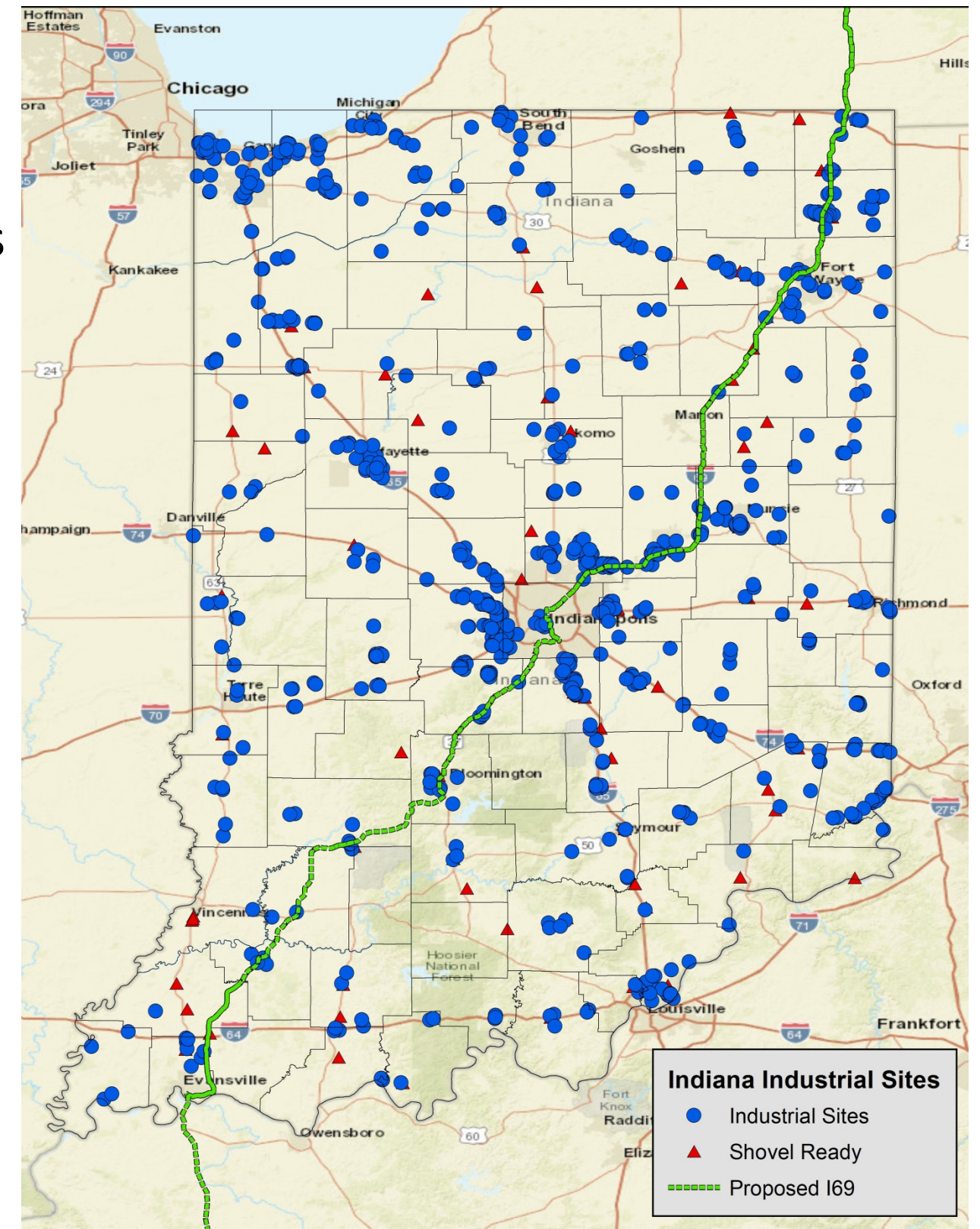


- 60,000 sf of vacant (or abandoned) retail space and 280,000 sf of vacant (or abandoned) industrial space in the Neighborhood.
- Vacant, under-utilized or abandoned buildings are on average smaller (<5,000 sf) & older (<1940).



# City and Site Opportunities

- There are 56,000 residents within 2 miles of Pleasant Run Crossing, which is the 2<sup>nd</sup> largest population across 989 industrial sites (96,000 acres) in Indiana
- Pleasant Run Crossing is 1 of 100 industrial sites across Indiana larger than 100 acres within 2 miles of an interstate interchange.
- There are more than 500 available industrial sites located further than 2 miles from an interstate.
- About 1,100 acres of land identified for industrial development in Marion County remains



# City and Site Opportunities

- Constrained job and income growth on the East Side is linked to a lack of shovel-ready development land across Marion County.
- While there are questions about the capacity of infrastructure serving the Pleasant Run Crossing site, other vacant farm land in Marion County has no infrastructure in place.
- Within the 465 loop, the Pleasant Run Crossing site is one of the largest contiguous parcels remaining
- While Pleasant Run Crossing is not “shovel ready”, it is in a similar position as other old industrial sites (Ford, Navistar, etc.),
- **Pleasant Run Crossing represents a strategic opportunity for Indianapolis.**



# Emerging Findings

## Sector Opportunities for Pleasant Run Crossing

- Retail – Restaurants & neighborhood services; justice center influence
- Manufacturing – Food processing, hardware, pharmaceuticals, and electrical equipment
- Logistics, trucking, warehousing, last-mile distribution, and storage
- Technology – Data centers, data processing, and hosting services
- Health Care – Doctors' offices, diagnostic labs, hospital / outpatient care, senior centers

## Workforce Development

- With more than 56,000 residents within 2 miles, Pleasant Run Crossing has the 2nd largest available population and potential workforce among almost 1,000 industrial sites available for investment in Indiana.

# PHASE 2– ARI STRATEGY



# Next Steps:

## Scope

- Redevelopment Master Plan – 2 Options
  - Option #1: With the CJC
  - Option #2: Without the CJC
- Neighborhood Revitalization Plan – L.O.V.E. Committees
- Infrastructure Plan
- Microplanning Areas #1 & #2

## Schedule

- Design Workshop – July 10th – 13th
  - Community “Open Mic” Opportunity: Monday, July 10th
- Update on Phase 2 presented to community - August T.A.N.C. Meeting
- Final plans and reports – November 30th, 2017