

Kensington Livable Centers Initiative TRANSIT ORIENTED DEVELOPMENT PLAN



September 7, 2012



***DeKalb County
Board of Commissioners***

Elaine Boyer

Jeff Rader

Larry Johnson

Sharon Sutton

Lee May

Kathie Gannon

Stan Watson

Management Team

Andrew A. Baker, AICP

DeKalb County Planning & Sustainability, Associate Director

Shawanna N. Qawiy, MPA, MSCM

DeKalb County Planning & Sustainability, Project Manager

Planning Team

Adam Williamson

Tunnell-Spangler-Walsh & Associates, Project Manager

Jia Li

Tunnell-Spangler-Walsh & Associates, Project Planner

Steve Brown

Grice Consulting Group, Traffic & Transportation Planner

Melissa Mailloux

Marketek Inc, Market Analyst

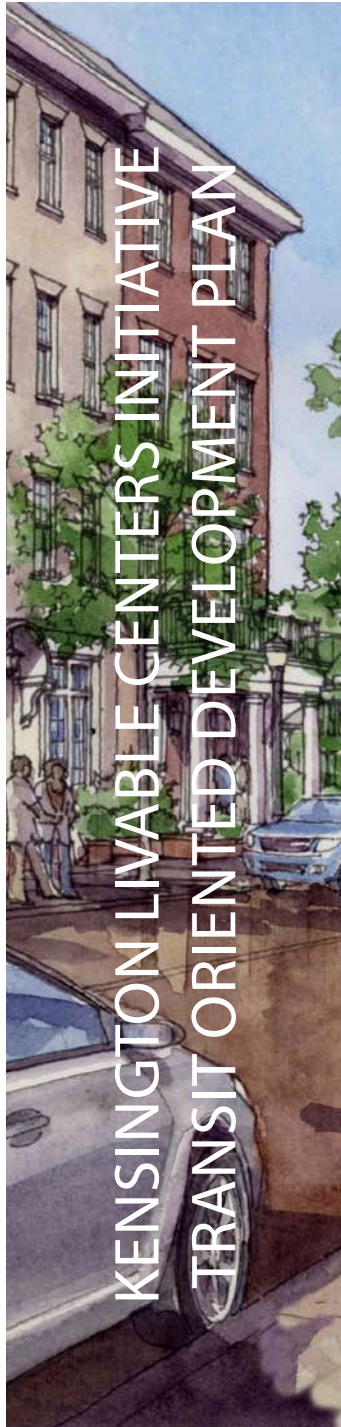
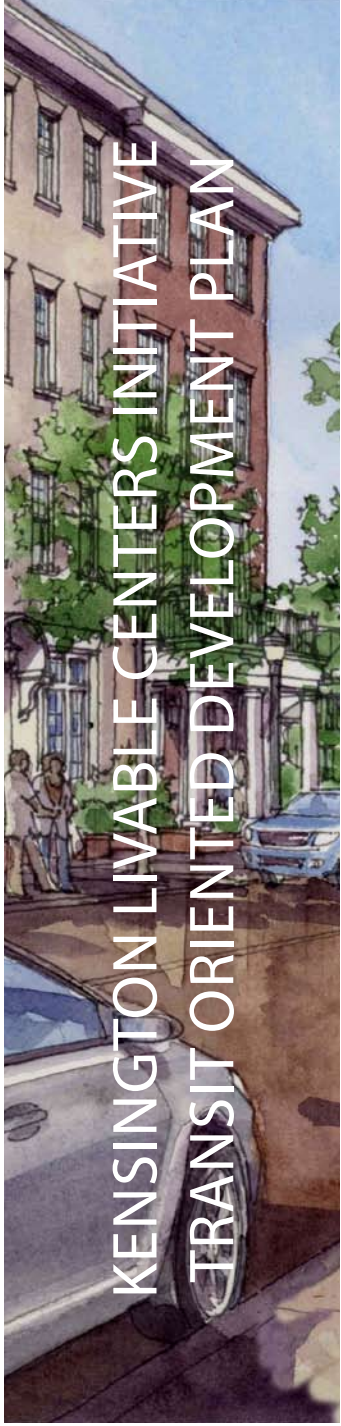


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PART I: INTRODUCTION

1.1 Overview

The Livable Centers Initiative (LCI) program is intended to promote greater livability, mobility and development alternatives in existing corridors, employment centers, and town centers. The rationale behind the program is that directing development toward areas with existing infrastructure will benefit the region and minimize sprawling land use patterns. Minimizing sprawl, in turn, will potentially reduce the amount of vehicle miles traveled and the air pollution associated with those miles. Thus, the LCI program is a vehicle whereby the Atlanta Regional Commission (ARC) can attempt to direct mixed-use and mixed-income development toward existing infrastructure by providing study and implementation dollars.

In this context, DeKalb County conducted an LCI study for this area and the surrounding area in 2002. The plan has established a long-term vision for the study area by promoting pedestrian-friendly, mixed-use development, enhancing connectivity, ensuring multiple transportation options, and supporting economic growth and a high quality of life.

Since the plan was completed in 2003, some of the action plan items have been completed, such as the Juvenile Justice Center. There are also several action items which turned out to be irrelevant due to changing situations or obstacles that could not be overcome. The purpose of this study is to prepare a comprehensive development plan for the Kensington MARTA Station and the adjacent county-owned property with sufficient specificity and strategies for further implementation of the original LCI plan created in 2002. The redevelopment sites will address both land use and transportation issues to support development that will support a multi-modal environment and optimize utilization at the existing MARTA station. The goals of this plan are those established by the LCI program as follows:

Master Plan Goals

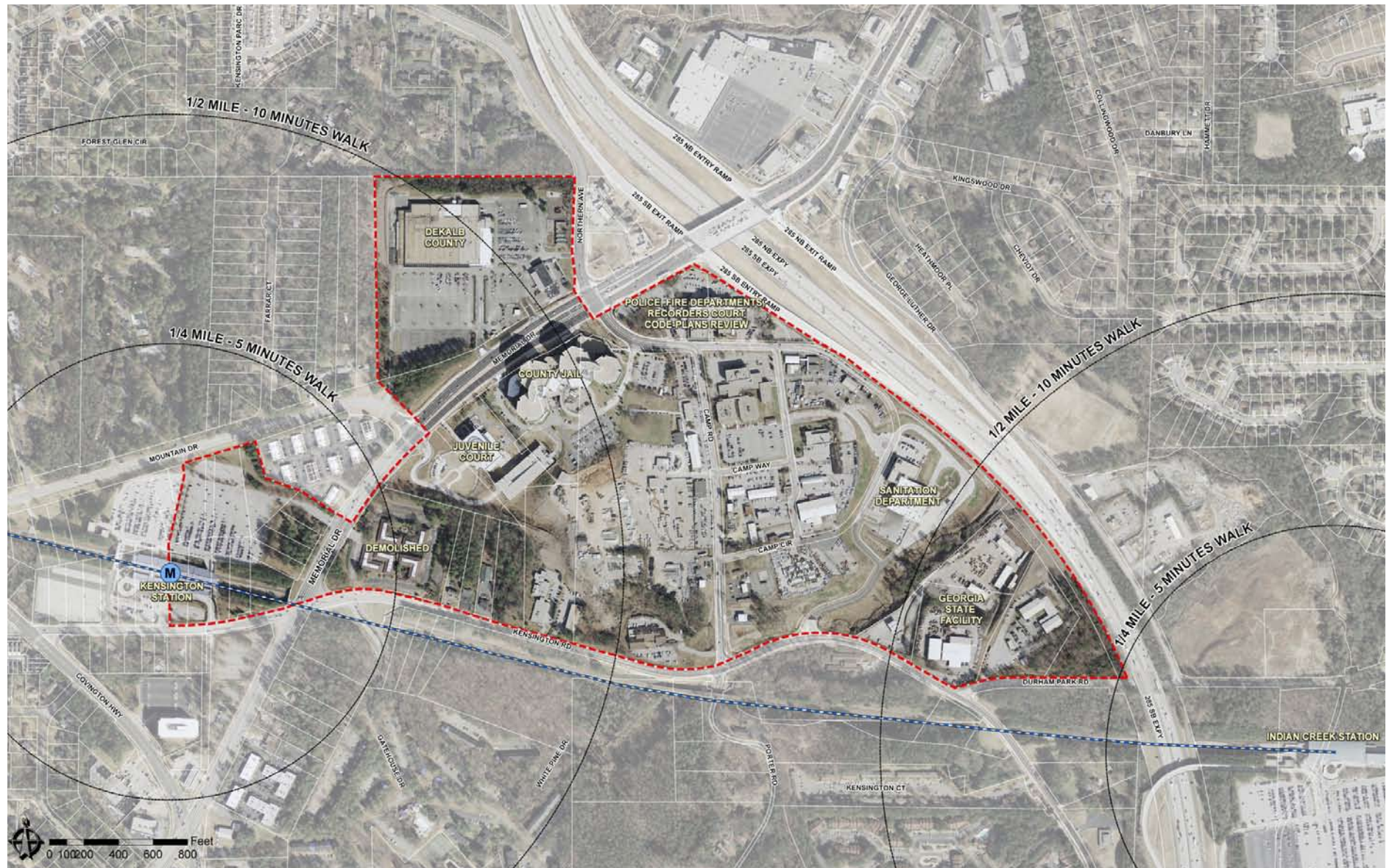
- Encourage a diversity of medium to high-density, mixed-income neighborhoods, employment, shopping and recreation choices in the study area.
- Provide access to a range of travel modes including transit, roadways, walking and biking to enable access to all uses within the study area.
- Through transportation investments, increase the desirability of redevelopment of land served by existing infrastructure in the study area
- Develop a community-based transportation investment program in the study area that will identify capital projects, which can be funded in the annual Transportation Improvement Program (TIP).

- Provide transportation infrastructure incentives for jurisdictions to take local actions to implement the resulting study goals.
- Provide for the implementation of the Regional Development Plan (RDP) policies, quality growth initiatives and Best Development Practices in the study area, both through local governments and at the regional level.
- Develop a local planning outreach process that promotes the involvement of all stakeholders particularly low income, minority and traditionally underserved populations.
- Provide planning funds for development within the study area that showcase the integration of land use policy and regulation and transportation investments with urban design tools.

Regional Context

The study area is located in DeKalb County, which is a dynamic urban county with a resident population in excess of 700,000. The study area consists of the Kensington MARTA Station, a large DeKalb County governmental core, the I-285/Memorial Drive interchange, and numerous multifamily neighborhoods. The study also looked at the area of influence within a one mile radius of the boundary.

Figure 1.1 Study Area Map



1.2 MARTA TOD Guidelines

The MARTA guidelines presents a set of Transit-Oriented Development Guidelines which have been adopted by the Metropolitan Atlanta Rapid Transit Authority. Transit-oriented development, or TOD, means development that is vibrant, pedestrian-friendly, and genuinely integrated with transit.

These Guidelines are built around four foundational principles of TOD:

- Station-area development that is compact and dense relative to its surroundings.
- A rich mix of land uses.
- A great public realm.
- A new approach to parking.

MARTA's interest in TOD reflects three over-arching strategic goals:

- To generate greater transit ridership -- a natural consequence of clustering mixed-use development around stations and along corridors.
- To promote a sustainable, affordable, and growing future for the people of Metro Atlanta.
- To generate a return on MARTA's transit investment -- through enhanced passenger revenues, greater federal support, and, where applicable, development on MARTA property.

These TOD Guidelines are meant to provide the entire community of TOD stakeholders, transit agencies, local governments, regional planners, community groups, developers, and others with a common vocabulary and frame of reference. For MARTA, these Guidelines help play three important roles in the coming years:

- as a TOD sponsor for "joint development" -- that is, for projects built on MARTA property or connected physically or functionally to MARTA stations;
- as a TOD stakeholder, for any development that occurs within the "zone of influence" of our current or future stations -- roughly a half-mile around metro or commuter rail stations and a quarter-mile around local streetcar and bus stops; and
- as a TOD advocate, for sustainable land use decisions along all of Metro Atlanta's transit corridors, whether undertaken by MARTA or by others, as our regional transit network expands into the future.



Images from Lindbergh TOD in Atlanta



PART II: EXISTING CONDITIONS

2.1 Land Use and Zoning

Existing Land Use

The primary existing land use within the study area is DeKalb County's government offices and facilities, which include several county departments, a jail, juvenile court, etc. Other uses in the study area include the Kensington MARTA station west of Memorial Drive, a Georgia State facility north of Durham Road, and a couple of businesses along Kensington Road next to the open space at the corner of Memorial Drive and Kensington Road.

Figure 2.1 below shows land ownership in the study area. Out of the 177.5 acres land in the area, 117 acres (65.9%) are owned by the county.

Future Land Use

DeKalb County's Comprehensive Development Plan has designated this area as a Town Center, which may include a variety of land uses with medium and high density. The parcel at the east corner of Memorial Drive and Kensington Road is designated as open space. Even though not shown on the map, Memorial Drive outside the study area is envisioned to be a commercial redevelopment corridor. Please refer to Figure 2.2 below.

Table 2.1: Study Area Ownership

Owner	Number of Parcels	Acres	Percentage
DeKalb County	20	117	65.9%
MARTA	12	15.8	8.9%
State of Georgia	4	16.3	9.2%
Argo Memorial Drive Associates	1	25.1	14.1%
Other	3	3.3	1.9%
Total		177.5	100%

Existing Zoning

The primary zoning in the study area is residential (R-75), with some office/institutional (O-I) and commercial (C-1 and C-2). This is not consistent with the "Town Center" character area designation. Since the land in the area is mostly owned by DeKalb County, its use is not limited by the zoning designation. However, if the County decides to put part of its land on the market for private development through a partnership, rezoning will have to be considered to facilitate healthy development patterns. A zoning map of this area is displayed in Figure 2.3

Figure 2.1 Property Ownership

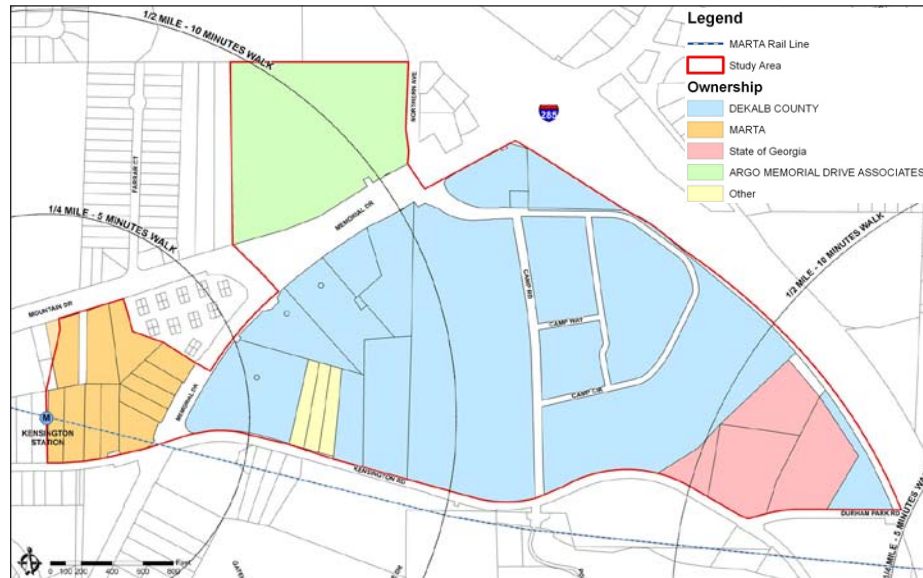


Figure 2.2 Future Land Use/Character Area

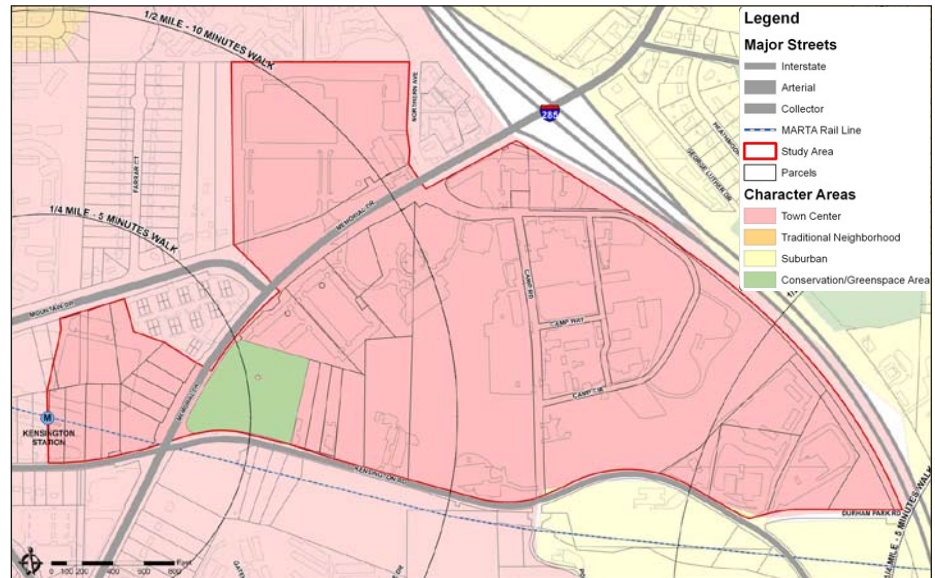


Figure 2.3 Existing Zoning

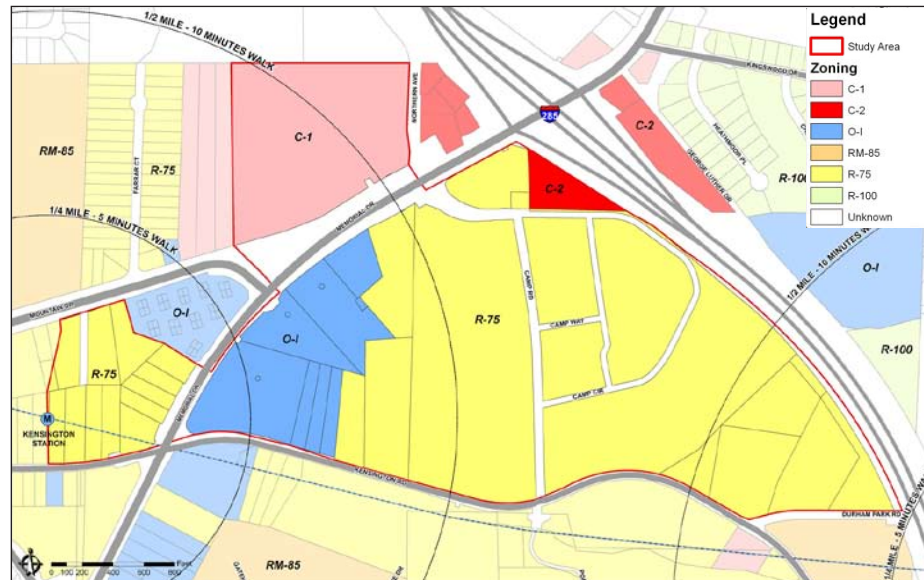
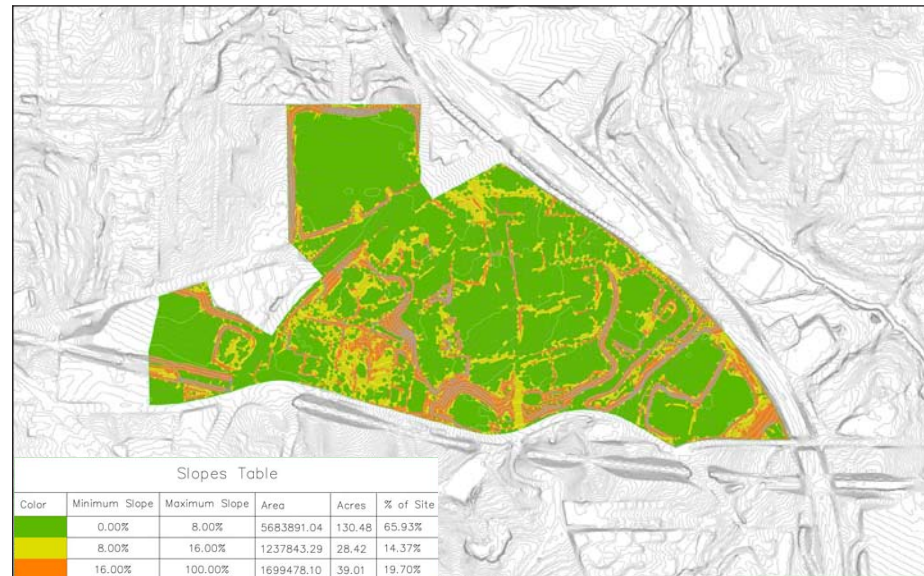


Figure 2.4 Slope Analysis



2.2 Environment

An understanding of the interplay between human and natural features is essential to planning for the future. Natural features can define if and how land should be developed, while human activities can have a profound impact on the environment.

The site generally slopes from west to north. As shown in Figure 2.4, 20% of the study area has a significant slope over 16%. A pond and stream is located east of the sanitation department building. The northern edge is greatly impacted by noise created by I-285. Directly behind the county jail is a cemetery site. There is a former landfill located on east side of Camp Road south of the cemetery and jail parking lot. The county and state currently use this site for general storage, parking facilities, gas facilities, sanitation facilities, armory, and other uses. As such, a Phase I Environmental Site Assessment should be done for all sites to assess their status prior to redevelopment.

2.3 Urban Design

Urban design is a review of the collective patterns that define a community and the design opportunities that they represent. These patterns are formed by a variety of factors, largely based on the historic path that a community has taken and the imprints it has left along the way. Building styles, sidewalk layout, the relationship of buildings to the street and their angle and direction, and the placement of railroads are all important factors. In addition, the experience a place provides is defined by an interaction of these historic features with natural elements like trees, streams, and topography. These and other features work together to define “place” and establish physical character. This section examines several features of urban design and historic resources in the study area, including: Blocks & Street Patterns, Parcel Patterns, and Building Patterns.

Block & Street Patterns

As noted earlier, block and street patterns have a significant impact on the transportation system of a community. Additionally, they can impact parcel size, which can, in turn, impact the economic resiliency of an area.

Existing Conditions

The study area does not have a coherent street and block pattern, except two blocks along Camp Road. These two blocks have an average block size of 400 feet to 700 feet in length. The remainder of the site exhibits larger blocks and dendritic systems.

Parcel Patterns

Lots are the second major element in shaping communities. Like streets and blocks, lot patterns tend to be fixed for long periods, regardless of land use. Historically speaking, lot size was also an indicator of where in the community a lot was located, with the smallest lots housing mixed-use buildings near the center of town and the largest ones being farmland located at its fringes.

Today, with the increasing scale of redevelopment economics and the large amounts of capital necessary to finance infill projects, the notion that lots at the center of a community should be small is no longer universal. Modern financial models often demand that redevelopment projects occupy an entire block and be undertaken by large developers.

Existing Conditions

The study area has large parcels with only a limited amount of owners. As shown in Figure 2.1, DeKalb County is the primary owner in the study area. It also has a long term lease with Argo Memorial Drive Associates on the large parcel north of Memorial Drive. The State of Georgia owns 16.3 combined acres, while MARTA has 15.8 acres within the study area. The remaining parcels are a small collection of other owners.

Building Patterns

The placement and massing of buildings can work together to form spaces greater than the individual buildings. These spaces have varying impacts on human psychology and the ability of places to support certain activities. For example, most people like to feel protected while walking. This is best achieved by making people feel enclosed. From a psychological point of view, a street with a height- to-width ratio of no more than one-to-three provides the necessary enclosure, with one-to-one being ideal. Therefore, to create an environment where walking is encouraged, the street should respect these ratios, particularly in a downtown environment. Enclosure also has a direct impact on driver behavior. All else being equal, buildings close to the street psychologically narrow it and result in slight decreases in vehicular speeds.

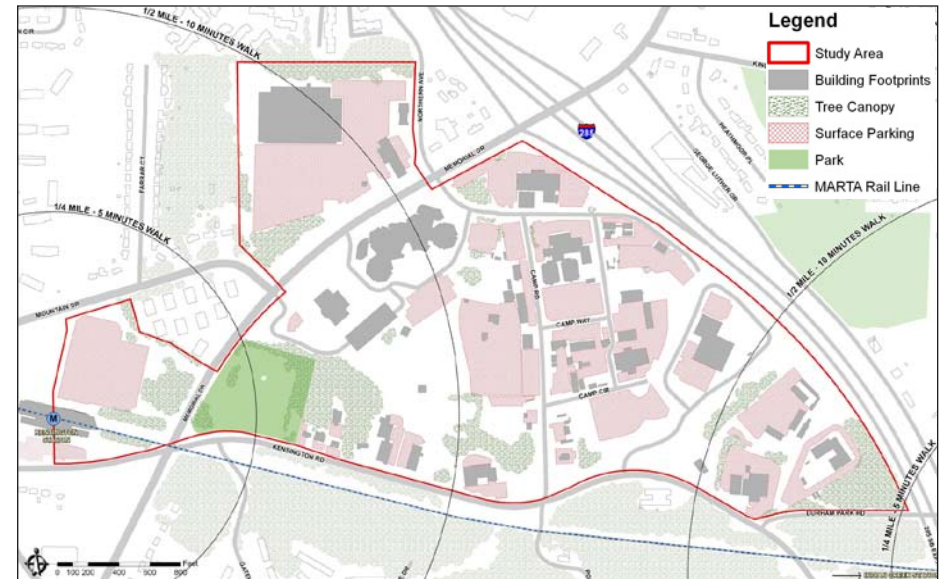
Existing Conditions

The study area exhibits poor building order, with the best-defined portion of the study area being found at the County Jail and Juvenile Court. The overall spatial patterns exhibit a negative pedestrian experience.

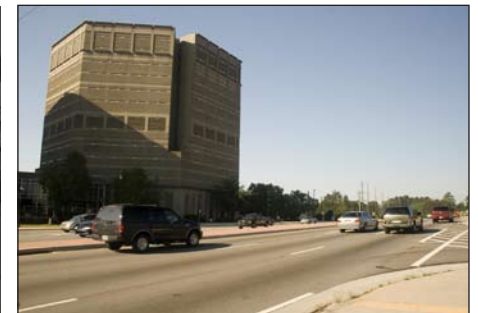
The spatial form is weak with commercial “strip development” and suburban office parks. Buildings are set back far away from the street and fronted by vast expanses of surface parking. Other areas are either vacant or underutilized. Lack of connectivity between buildings, coupled with large setbacks, causes

this area to have the feeling of a wide open space inhospitable to pedestrians and not conducive to creating a sense of place.

Figure 2.5 Urban Design Analysis



Buildings setback from Memorial Drive with a large frontal parking lot



The only building seen from the interchange is the county jail

2.3 Transportation

Roadway Access and Circulation

The existing Kensington Livable Center Initiative study area features several roadways that (1) serve internal circulation needs for existing land uses, (2) connect the LCI study area to the region, and (3) offer local collector functions. Roadways help define the LCI study area as well as serving circulation and connectivity functions. The LCI study area is defined by the following roadways which also serve to connect the area to the rest of the county and region:

- Interstate 285: the adjacent interchange with Interstate 285 at Memorial Drive provides the LCI area with significant regional connectivity.
- Memorial Drive: a six-lane regional connector designated as State Route 154. It connects the study area with Decatur and Atlanta to the east and Stone Mountain to the west.
- Kensington Road: a two lane road directly connects Kensington MARTA station and Indian Trail station through Durham Park Road.
- Mountain Drive: connector between Covington Hwy and Memorial Drive.

Other public roadways providing internal circulation for the study area include the following.

- Camp Road between Memorial Drive and Kensington Road is a north/south local road that bisects the county-owned property which comprises the majority of the LCI study area
- Camp Circle, Camp Way and Camp Drive provide access and circulation for county property

Driveway cuts along Memorial Drive that offer significant parcel access within the study area include:

- MARTA station driveway connecting the station with Memorial Drive
- Two driveways from the office complex just northeast of the station to Memorial Drive
- Driveway from Memorial Drive to the Gregory A. Adams Juvenile Justice Center
- Driveway from Memorial Drive to the DeKalb County Jail
- Two driveways from the Tax Commissioner's Office to Memorial Drive

Less significant driveway cuts are located along Mountain Drive and Kensington Road including MARTA station driveways and several residential and office access points. Future site development will bring increased traffic, requiring

consideration of access management strategies along major corridors, specifically Memorial Drive.

Existing Alternative Transportation Modes

Trails and Sidewalks

While major DeKalb County and regional trails exist and are planned in the general vicinity of the study area, none currently exist within the study area. The Stone Mountain Trail is less than a mile northwest of the study area and the planned Snapfinger Creek Trail is also less than a mile southeast of the study area (see Figure 2.6 below). In addition, sidewalks connect the study area to the City of Avondale Estates along Covington Highway.

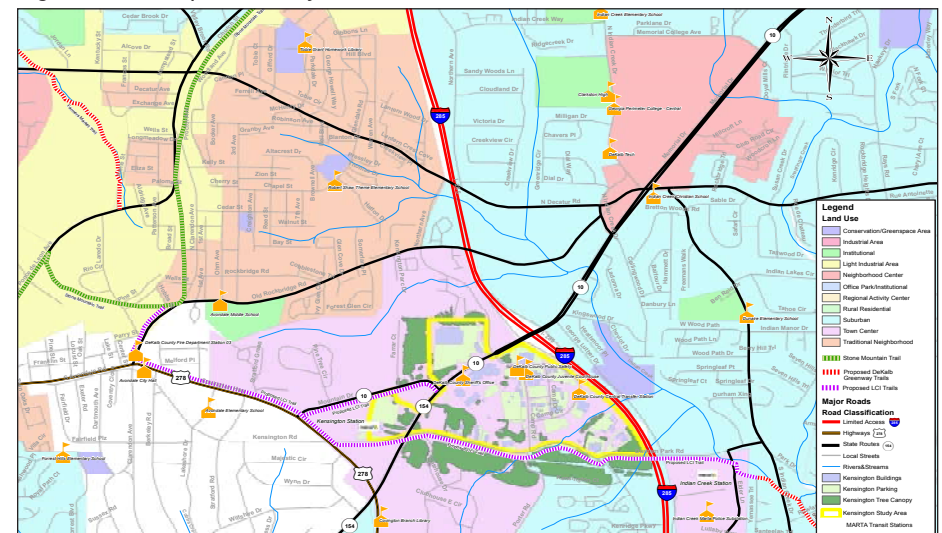
Existing sidewalks are located along all of the study area's roadways with the following exceptions:

- Mountain Drive between Farrar Court and Memorial Drive
- Kensington Road

Rail Transit

Regional rail transit is available at the Kensington MARTA station. The daily entries/boarding at the Kensington MARTA station is 6,848. Eight MARTA bus routes feed the station from nearby DeKalb County neighborhoods and businesses.

Figure 2.6 Transportation System Context



Existing Conditions

Located on about 40 acres, Kensington Station is classified by MARTA as a Commuter Town Center with a parking capacity of over 1,900 spaces. Current parking utilization runs about one-third of capacity. Land uses within a one-half mile of the station are about half residential and half commercial, industrial, or institutional. Its MARTA-assigned “walk score” is in the “car-dependent” range meaning amenities are not close enough to be comfortably accessed by pedestrian facilities.

Outside the study area at the end of the Blue Line, Indian Creek MARTA station could be accessed from the study area since it is within 1.5 miles of Kensington Station. It offers parking capacity of over 1,400 spaces.

Bus Services

As mentioned above, eight MARTA bus routes feed the Kensington Rail Station. They connect the TOD area with other activity centers in metro Atlanta such as Downtown Atlanta, Inman’s Park/Reynoldstown, Panola Road, Georgia Perimeter College, etc. Information about each route is listed in Table 2.2 below.

Among the eight bus routes, MARTA’s first bus rapid transit service, the new Q (520 and 521), offers both Express and Limited service along the congested Memorial Drive corridor, which terminates at the Kensington Station.

The Q Express runs between MARTA’s Kensington Station and a free 150-car Park-and-Ride lot at Goldsmith Road and Memorial Drive. Transit patrons are able to park and ride to work, school, shopping or restaurants that are served by the Express. The Express only stops twice along the way at North Hairston Road and again at Georgia Perimeter College. Or, you can stay on for the ride to Kensington Station with a free transfer to the train.

In addition, the Q Limited service also runs north along Memorial Drive from Kensington Station but branches off at North Hairston Road on the way to East

Table 2.2 Study area MARTA bus routes

Route #	Route Name	Avg. Daily Ridership
9	Toney Valley / Peachcrest Road	1,028
21	Memorial Drive	2,945
107	Glenwood Road	4,195
117	Rockbridge Road / Panola Road	2,954
119	Kensington / Hairston Road	1,062
121	Stone Mountain / Memorial Drive	3,835
520	Memorial Drive BRT Limited	972
521	Memorial Drive BRT Express	622

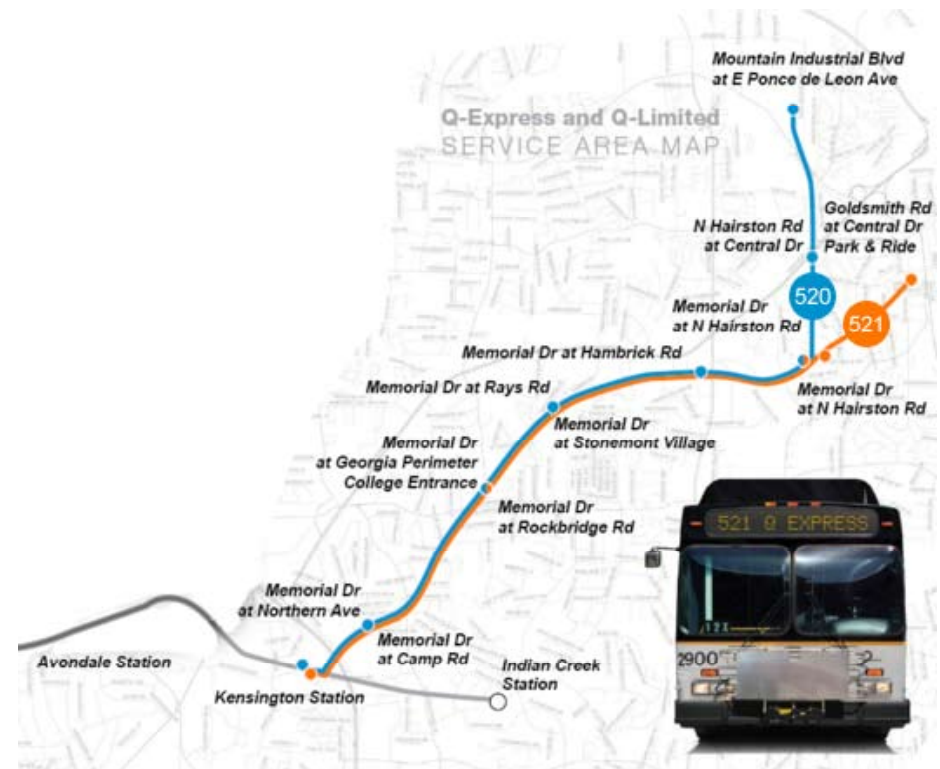
Ponce de Leon Avenue. The Q Limited service has four stops along the way in addition the same stops for the Express service.

The Q is capable of advancing past queues of traffic to be the first vehicle through the intersection when the traffic signal turns green. In addition, Q buses have the ability to hold a green traffic signal until it passes through the intersection.



MARTA bus stop on Memorial Drive

This BRT system offers many benefits to the existing users of the Kensington transit station. As the LCI study will look to enhance transit service at this location, adjacent forecasted development and transit patrons will greatly benefit from the existing BRT system.



MARTA Q Express and Q-Limited Service area map

Transportation Performance Analysis

Despite large volumes of traffic, vehicular traffic flows well within and through the study area. The major state route arterial, Memorial Drive, provides regional access and collector functions for a significant level of vehicular traffic. Table 2.3 below shows average daily traffic during 2010 for segments within the study area. Vehicle counts are high but not excessive, allowing traffic to flow unimpeded by congestion due to lack of capacity.

A history of crash frequency was collected to determine potential conflicts that should be analyzed. No fatalities were reported between 2007 and 2012 along study area roadways. The crash frequency during this period is shown in table 2.4 below. Frequency is not excessive and is generally expected for roadways carrying the reported volumes along signalized routes.

An analysis of the traffic passing the study area along Memorial Drive near the Mountain Drive intersection was conducted for the LCI study by the Atlanta Regional Commission using its current travel demand model. Table 2.5 describes the number and percentage of vehicles based on county of origin and destination at the Kensington MARTA station access point on Memorial Drive during the PM peak period.

Table 2.3 2010 Average Daily Traffic Counts (ADT)

Roadway	From	To	ADT
I-285	South of Memorial Drive	Memorial Drive	173,270
I-285	North of Memorial Drive	Memorial Drive	181,310
Memorial Drive	I-285	Mountain Drive	36,520
Memorial Drive	Mountain Drive	Kensington Road	31,290
Kensington Road	Covington Hwy	Memorial Drive	5,040
Kensington Road	Memorial Drive	Camp Road	6,630

Table 2.4 2007-2012 Crash Frequency

Roadway	Intersection	Crashes
Memorial Drive	Northern Avenue/Camp Road	113
Memorial Drive	Mountain Drive	87
Memorial Drive	Kensington Road	106
Kensington Road	Camp Road	8
Memorial Drive	Covington Hwy	125
Kensington Road	Covington Hwy	44
Mountain Drive	Covington Hwy	105

According to Table 2.5, the majority of traffic on the arterial state route in the study area originated from and was destined to locations within DeKalb County. Almost one-quarter of the traffic came from Fulton County and 14 percent from Gwinnett County. In comparison, vehicles from other counties in the region constituted a small percentage of traffic. Vehicles destined for Fulton and Gwinnett constituted approximately one-quarter of the overall traffic while only seven percent of all traffic on this link was destined for counties other than DeKalb, Fulton or Gwinnett.

Transportation Issues

Observation and data confirm that vehicular traffic flows well within and through the study area. Roadways and signals are constructed to manage vehicular traffic. Though traffic counts are high, remaining capacity on Memorial Drive, Mountain Drive, Northern Avenue, and Kensington Road appear sufficient to accommodate additional development.

Pedestrian conflict and access management are issues to be addressed. Sidewalk facilities have been recently improved and added along Memorial Drive; however, the proliferation of driveway curb cuts along Memorial Drive prevents comfortable walkability. Additionally, the unnecessary curb cuts also cause potential vehicular conflicts that could be addressed in recommendations and implementation.

Table 2.5 Origin/Destination of Vehicles on Memorial Drive near Kensington MARTA Station, PM Peak Period

County	Origin	Destination
DeKalb	7,544 (58%)	8,697 (67%)
Fulton	3,109 (24%)	1,071 (8%)
Gwinnett	1,811 (14%)	2,320 (18%)
Cobb	245 (2%)	212 (1.6%)
Douglas	124 (1%)	100 (0.8%)
Forsyth	41 (0.3%)	24 (0.2%)
Paulding	17 (0.1%)	39 (0.3%)
Hall	13 (0.1%)	15 (0.1%)
Carroll	11 (0.1%)	11 (0.1%)
Barrow	9 (0.1%)	28 (0.2%)
Walton	8 (0.1%)	61 (0.5%)
Clayton	0 (0%)	256 (2%)
Henry	0 (0%)	33 (0.1%)
Fayette	0 (0%)	12 (0.1%)
Rockdale	0 (0%)	10 (0.1%)
Coweta	0 (0%)	8 (0.1%)
Others	74 (0.6%)	109 (0.8%)

Based on ARC travel demand model estimates



Lack of pedestrian facilities in the study area

Pedestrian access to the MARTA station from the area east of Memorial Drive is hampered by the seemingly difficult barrier created by the six-lane state route arterial. Signalized and marked crossings exist but can be daunting to the average pedestrian. Also, pedestrian access to bus stops and other facilities along Kensington Road is hampered by the lack of sidewalks.

Nearby Activity Centers

Another advantage to enhancing the trail system's connectivity is the schools/activity centers in the vicinity of the Kensington MARTA station:

- Avondale Elementary School, at the intersection of Lakeshore Drive and Covington Highway, is only 0.6 miles from the Kensington MARTA station via Kensington and Covington Highway
- The Museum School (Charter) near Willis Park is only 1.5 miles from the Kensington MARTA station via Kensington, Covington Highway, and Clarendon Ave. The school is 0.6 miles south of the Covington Highway/Clarendon intersection.
- DeKalb School for the Arts (Charter) at the intersection of Clarendon Avenue and Berkeley Road is two miles from the Kensington MARTA station via, Kensington, Covington Highway and Clarendon Ave. The school is 1.1 miles south of the Covington Highway/Clarendon intersection.
- A potential connection between the Kensington MARTA station and the Stone Mountain Trail will benefit Avondale Estates City Hall and downtown Avondale Estates located along N. Clarendon Avenue just north and just south of its intersection with North Avondale Road/Covington Highway.

Schools/activity centers in the vicinity of the Indian Creek MARTA station that could benefit from the enhanced trail facilities between Kensington and Indian Creek include:

- Dunaire Elementary School, only 1 mile north of the Indian Creek MARTA station via Elder Lane, Durham Park Road, and S. Indian Creek Drive.
- Rowland Elementary School, only 1 mile south of the Indian Creek MARTA station via Elder Lane, Redan Road, and S. Indian Creek Drive.
- The sidewalk along S. Indian Creek Drive is largely deficient but sufficient right-of-way appears to exist on the west side to upgrade to multiuse trail.
- Connection to the proposed multiuse trail just south of the Durham Park Road/S. Indian Creek Drive intersection will also significantly enhance regional trail connectivity in the vicinity of the study area.
- Another activity center that will benefit from the connection is the Georgia State University Indian Creek Recreation Area just north of the Durham Park Road/S. Indian Creek Drive intersection.

Generally, existing facilities can be enhanced at relatively low cost to accommodate and even encourage future development within land use concepts being considered for the Kensington LCI.

Conclusion

Based on data and observation, existing roadway conditions in the Kensington LCI study area are adequate to accommodate existing vehicular traffic. Sidewalk enhancements, regional trail connections, and intersection improvements would expand alternative transportation options and increase access to and subsequent ridership on MARTA's Blue Line.

2.4 Demographics and Markets

The primary objective of the market analysis is to determine potential market depth for new residential, retail and office space in the Kensington LCI TOD study area over the next ten years. A mix of commercial and residential space surrounds the area, including strip shopping centers and other auto-oriented retail along Memorial Drive and a mix of aging multifamily rental properties and single-family owner-occupied homes. Georgia Piedmont Technical College and downtown Avondale Estates are less than two miles away. Prime access points include the Memorial Drive corridor, I-285, and the Kensington and Indian Creek MARTA stations.

The market analysis reveals an existing and growing level of potential market support for residential, retail and office space in the study area. A summary of each market segment and of local demographic trends is provided below.

Market Area Demographic Trends

Marketek delineated retail and residential market areas, which are the geographic areas from which the large majority of potential retail customers and residents of new housing will emanate:

- Local Retail Market Area – 7-minute drive from the study area; Residents will visit Kensington for convenience-related goods and services as well as specialty shopping, dining and entertainment;
- Greater Retail Market Area – 12-to-15-minute drive from the study area; Will visit Kensington for destination shopping, dining and entertainment; and
- Residential Market Area – 10-mile radius from the study area; Most potential residents of study area housing will move from within this area.

Demographic and socioeconomic trends for the market areas reveal that:

- There is a substantial population base surrounding the study area. The local retail market area is home to 127,000 people, the greater retail market area to 406,000 residents and the residential market area to 933,000 residents.
- The retail market areas lost population over the 2000 to 2011 time period, but are expected to add residents by 2016. Growth in all three market areas and DeKalb is projected to be slow over the next five years.
- Median incomes in the market areas are below those of DeKalb County and the MSA. The difference is most pronounced in the local retail market area and least pronounced in the residential.
- The substantial employment base in and around the study area will be another market for new retail and residential development. Nine thousand people work in the study area and another 24,400 work within a two-mile radius.

Figure 2.7 Local and greater market area: 7 and 12-15 minute drive time areas

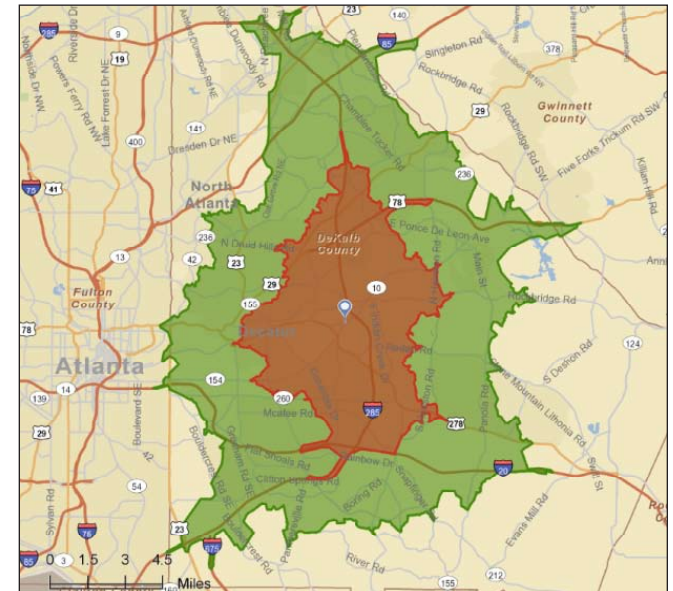


Figure 2.8 Residential market area: 10-mile radius

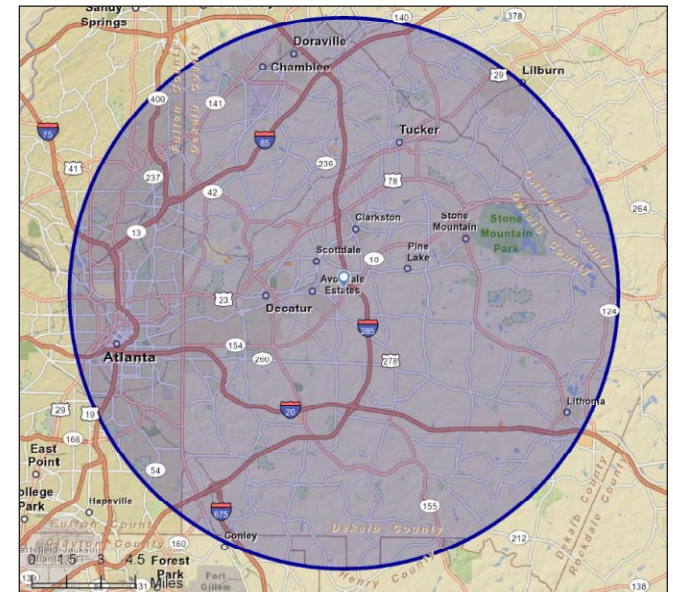


Table 2.5 Demographics

Demographic Indicator	Local Retail Market Area	Greater Retail Market Area	Residential Market Area	DeKalb County	Atlanta MSA
Population					
2011	127,135	406,199	933,247	694,013	5,321,132
2016 (forecast)	128,127	411,424	963,652	705,169	5,609,610
Avg. Ann. % Change ('00 -'11)	-0.71%	-0.36%	0.43%	0.38%	2.30%
Avg. Ann. % Change ('11 -'16)	0.16%	0.26%	0.65%	0.32%	1.08%
Average Household Size	2.52	2.49	2.37	2.50	2.68
Median Household Income	\$42,736	\$47,688	\$49,569	\$52,316	\$55,642
Median Age (Years)	34.5	34.8	33.3	34.4	35.0
Race					
Percent White Alone	26.2%	31.5%	37.0%	33.3%	55.4%
Percent Black Alone	62.0%	56.9%	49.2%	54.2%	32.3%
Percent Hispanic	4.0%	7.7%	11.5%	10.0%	10.7%

Source: 2000 and 2010 U.S. Census; ESRI Business Information Solutions

Residential Market

- The DeKalb County for-sale housing market reflects national and statewide trends, as permitting and construction has halted since 2008 and foreclosures have persisted. New home sales in DeKalb fell by 83 percent from 2005 to 2011, although prices have not been as volatile. Existing home sales prices declined by more than half, while sales volume fell by only 14 percent, reflecting the heavy impact of foreclosures. Nationally, several housing market indicators show positive movement over the last year. As of May 2012, annual housing starts nationwide were up 29 percent over the May 2011 figure.
- Apartments have generally been outperforming other real estate sectors on the national stage. In metro Atlanta, apartment occupancy rates averaged 90 percent in 2011, down from 96 percent ten years ago. Rents are stable and poised to increase. Complex and land sales have been picking up, although developer interest is primarily focused on infill versus suburban locations.
- A survey of apartment communities around the study area shows wide variation in age, rents and occupancy rates. The newest communities had the highest rents – \$820 to \$1,100 for one bedroom units and \$1,060 to \$1,280 for twos. Occupancy rates for six of the ten communities surveyed were 90 percent or above.

- More than half (56 percent) of housing within a two-mile radius of the study area is renter occupied; the study area's overall vacancy rate is 14 percent. The largest share of housing units are single-family (43 percent), followed by multifamily structures with 10 or more units (27 percent). Median age of housing is 39 years, compared to 25 in the metro area.

Retail Market

- Nationally, slowed retail sales, increasing vacancy and tightening lending markets have lowered lease rates and stalled commercial construction in many markets. However, several indicators such as retail sales, occupancy rates and absorptions point to a recovery. Retail market expansion is projected to continue at a slow pace as consumers remain cautious and spending makes incremental increases, according to the National Retail Federation.
- In metro Atlanta, job market growth and improved construction lending have encouraged some retail expansion. In the East Atlanta retail submarket, which contains the study area, supply is estimated at 8.0 million square feet of retail space in 55 centers, with a vacancy rate of 10.3 percent, the 8th lowest of 28 submarkets in the region.
- Northlake Mall, North DeKalb Mall, the Gallery at South DeKalb and the Edgewood Retail District provide 2.8 million square feet of destination retail shopping within the greater retail market area. Convenience shopping around the study area includes Kroger at Belvedere Plaza, Publix at Memorial Bend and Aldi and WalMart on Memorial Drive.
- The retail supply in close proximity to Kensington reveals private disinvestment along the Memorial Drive and Covington Highway corridors. Several aging shopping centers face large vacancies and potential obsolescence. Retail surrounding the study area is primarily suburban-style shopping plazas and free-standing stores or restaurants, including national fast food and casual dining chains.

Office Market

- Jones Lang LaSalle reports that office leasing activity in metro Atlanta has been steady during the first half of 2012, but most of this activity is the result of relocations rather than large-scale expansions. Buckhead and Midtown have seen most leasing activity, as landlords have offered deals to attract tenants to Class A space from nearby Class B space and from suburban markets. The only office space under construction in metro Atlanta is 450,000 square feet at Ponce City Market in Midtown.

- Vacancy rates in Atlanta’s suburban office markets have been pushed to record levels, and ongoing flat demand amid a weak job recovery is expected to hinder both occupancy and rental rate growth in the near future. In the 11 million-square-foot Northlake submarket, which contains the study area, Jones Lang LaSalle estimates a 17 percent vacancy rate, below the metro average of 21 percent. No new space is currently under construction or scheduled for delivery.
- In the study area, DeKalb County office space makes up a significant share of land use, including the recently-developed Juvenile Justice Center. Other office space along Memorial Drive is limited to a few older, multi-tenant buildings built in the 1970s and 80s with modest vacancies. Tenants include a mix of law offices, medical offices, financial services, bail bonds, family counseling centers, behavioral centers and hair salons.

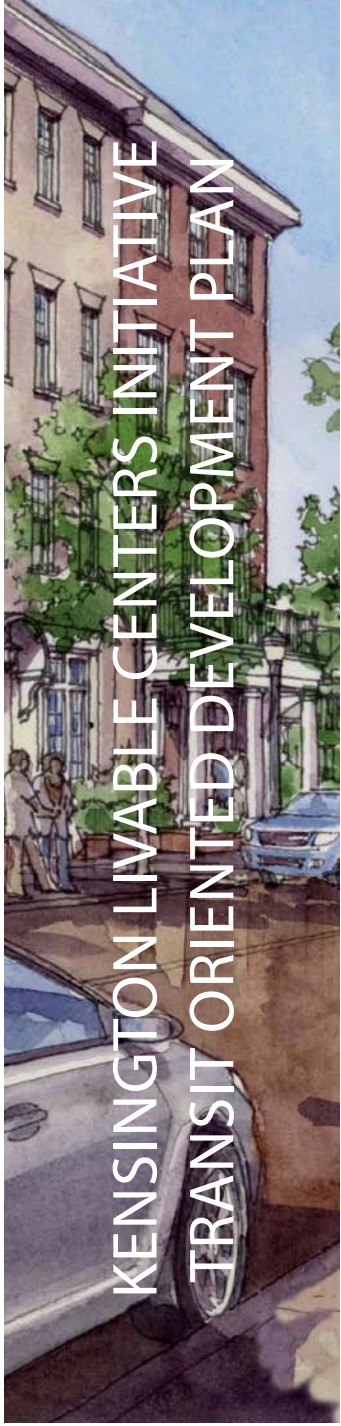
Estimated Future Development Potential

Table 2.6 estimates the potential for new residential, retail and office space in the study area based on regional and local market characteristics, competitive supply and demographics and socioeconomic trends. Ultimately, Kensington’s success at capturing demand will depend on implementing a comprehensive development program with a variety of retail, entertainment, housing and office uses. In other words, a passive or segmented approach would result in Kensington achieving only a fraction of its estimated potential. The projection for potential demand for housing in the study area assumes that development will begin as the economy stabilizes and metro Atlanta enters another period of growth.

Table 2.6 Estimated Future Development Potential

	10-Year Demand Potential	Opportunities	Constraints	Development Considerations
Residential	670 for-sale and 1,025 rental units in the study area	<ul style="list-style-type: none"> • Growing interest in living in mixed-use town centers with access to shopping, recreation, jobs and transit 	<ul style="list-style-type: none"> • Stalled national, regional and local for-sale markets 	<ul style="list-style-type: none"> • Target markets will include young professionals, empty nester and workforce housing
Retail	257,000 square feet in the study area	<ul style="list-style-type: none"> • Strong existing residential and employment base • Potential to recapture sales dollars currently leaving the market area 	<ul style="list-style-type: none"> • Slow population growth projected for retail market areas 	<ul style="list-style-type: none"> • Focus on specialty shopping, convenience goods, restaurants and entertainment/ community events
Office	4.3 million square feet in DeKalb County	<ul style="list-style-type: none"> • DeKalb County is anticipating to relocate 350,000 to 500,000 sq. ft. of office space • Georgia Piedmont Technical College may need additional office space in the future • Many access points including I-285, Memorial Drive and MARTA stations 	<ul style="list-style-type: none"> • Study area and Memorial Drive corridor is not well-established as destination for private office space users • Lack of aesthetic appeal in surrounding area may limit interest 	<ul style="list-style-type: none"> • Share of countywide office space demand captured by study area will depend on recruitment efforts • Location of large, private office space users will require a substantial and sustained recruitment effort by DeKalb County

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PART III: PUBLIC PROCESS

The public participation process for the Kensington LCI Transit Oriented Development Plan used a variety of tools. These included a stakeholder committee, online image preference survey, three public meetings/workshop, and a project website that was updated throughout the process. These tools allowed for a wide variety of stakeholders to contribute to the effort and vision.

3.1 Image Preference Survey

An online image preference survey was used to solicit initial ideas about the appropriate future character of the Kensington area. Over 110 participants ranked images of mixed-use buildings, single-family houses and townhomes, multifamily buildings, office and government buildings, parks and open space, and sustainable designs. The popularity or unpopularity of these images allowed the planning team to better understand stakeholders' vision for the future of the area.

Most of the images selected as appropriate showed places with a blend of character, permanence, and pedestrian scale. The most popular images were of vibrant public spaces and parks, mixed-use buildings, and tree lined sidewalks, and streets that were pedestrian friendly and framed with buildings. This suggested the community desires to have a pedestrian friendly area with multi-use paths, outdoor dining, open space, and a mix of uses. Those images deemed inappropriate were suburban auto-oriented places that lacked local identity.

This and the following pages show how specific images performed in the survey.



Mixed-use commercial/office buildings with character were favored by most participants



This image of modern mixed commercial/office buildings ranked poorly



This medium density residential building with character was ranked highly



Multifamily residential buildings with a modern look ranked poorly



This intimate plaza space in front of a restaurant was highly favored among survey participants



Highway commercial was mostly disliked



Safe and active public spaces between buildings and streets were mostly favored



This trail through a natural area ranked highly



Sidewalks with bioswales were highly favored



This image of high-density development ranked poorly



This multi-use trail in an urban area was highly ranked by survey participants



Participants highly favored energy efficient development techniques

3.2 Public Meetings

A series of public meetings provided opportunities for the public to not only inform themselves about the plan, but also to shape the vision for the Kensington area. Public meetings were as follows:

A Public Kick-Off Meeting was hosted at Georgia Perimeter College in Clarkston, Georgia, on Tuesday, May 8, 2012, 6:00 – 7:30 p.m. Approximately 20 people attended the meeting to learn about the planning process and to see best practices of other TOD's that may be used in the Kensington Area.

A Design Workshop/Open House was hosted at Georgia Perimeter College in Clarkston, Georgia, on Thursday, May 31, 2012, 6:00 – 9:00 p.m. This meeting reviewed the visual preference survey results and draft concept plans in a presentation. A open house concluded with opportunities for the stakeholders to review the plans and refine ideas with the team.

A Final Plan Presentation was held again at Georgia Perimeter College in Clarkston, Georgia, on Tuesday, June 26, 2012, 6:30 – 8:00 p.m. The consultant presented revised development concept plan options and transportation improvement recommendations.

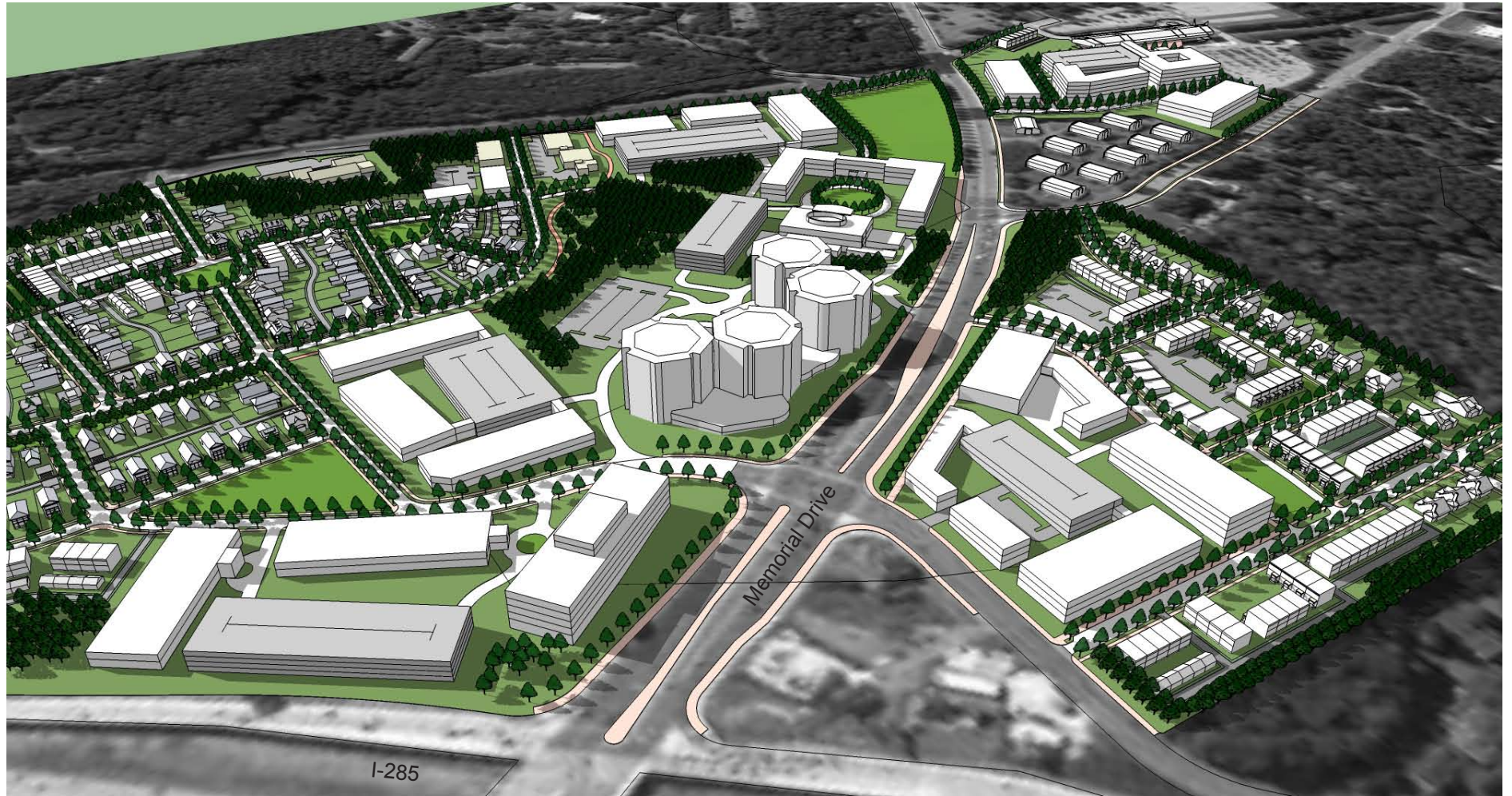
Concept plans presented at the workshop and final presentation meetings can be seen on the following pages. Overall summaries received at each meeting are briefly described as well.



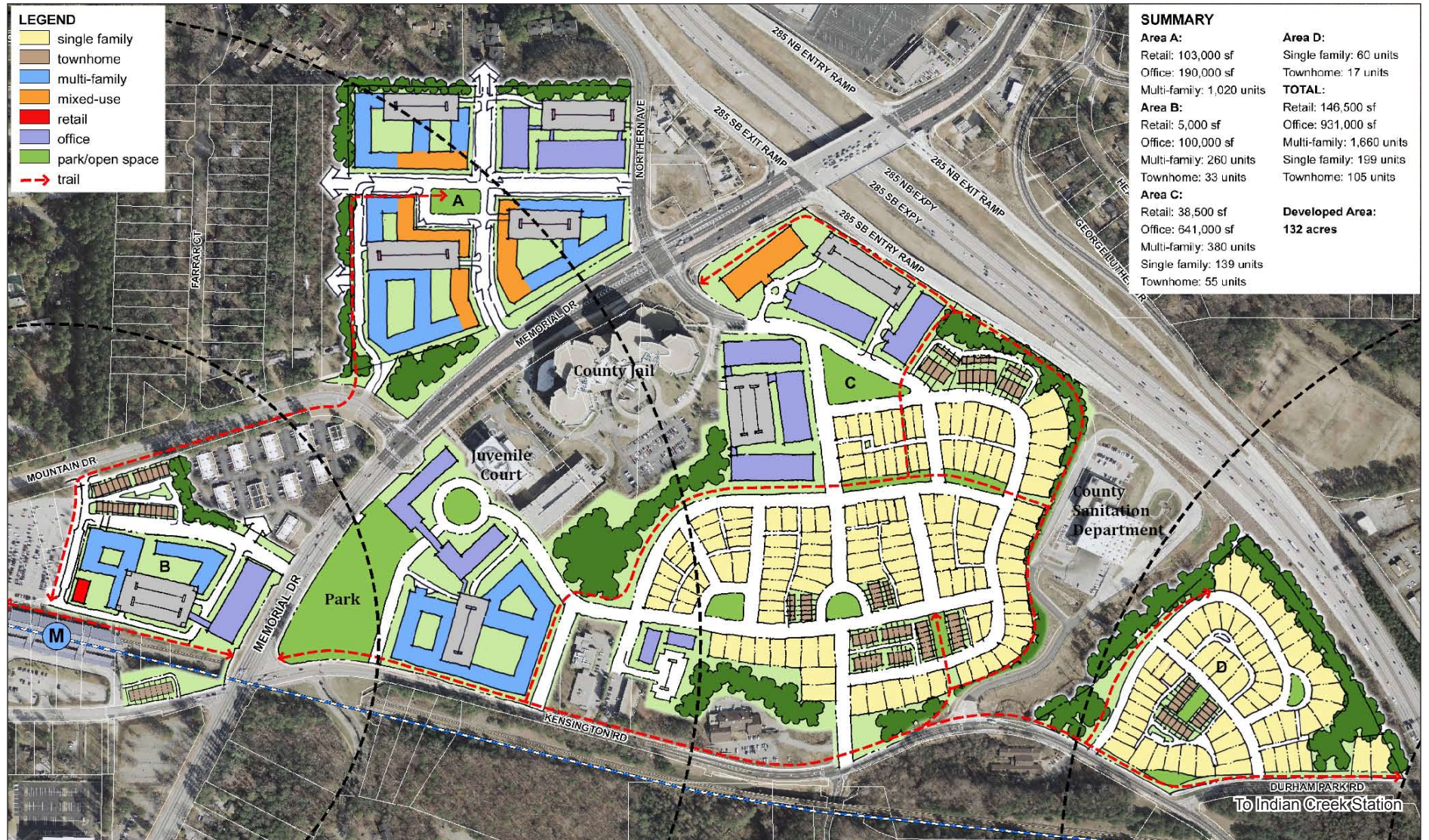
Initial Concept Plan A

This is one of two initial concept plans for the study area. The above plan has elements from the 2002 Kensington LCI plan, but also considers the current market assessment that forecasts market demand for the next ten years. The project has a mix of uses that include a government center, commercial buildings, and residential units. Green space and trails connect to the existing MARTA Stations. The plan was presented to the public on May 31, 2012 in a

Workshop/Open House format. The public preferred a government and office center with no single-family homes. A bridge over Memorial Drive to the Kensington MARTA station for pedestrians and bicyclists was a desired element mentioned by the stakeholders. A recreation center such as a YMCA is another amenity the public would like to see. The massing model to the right illustrates this concept.



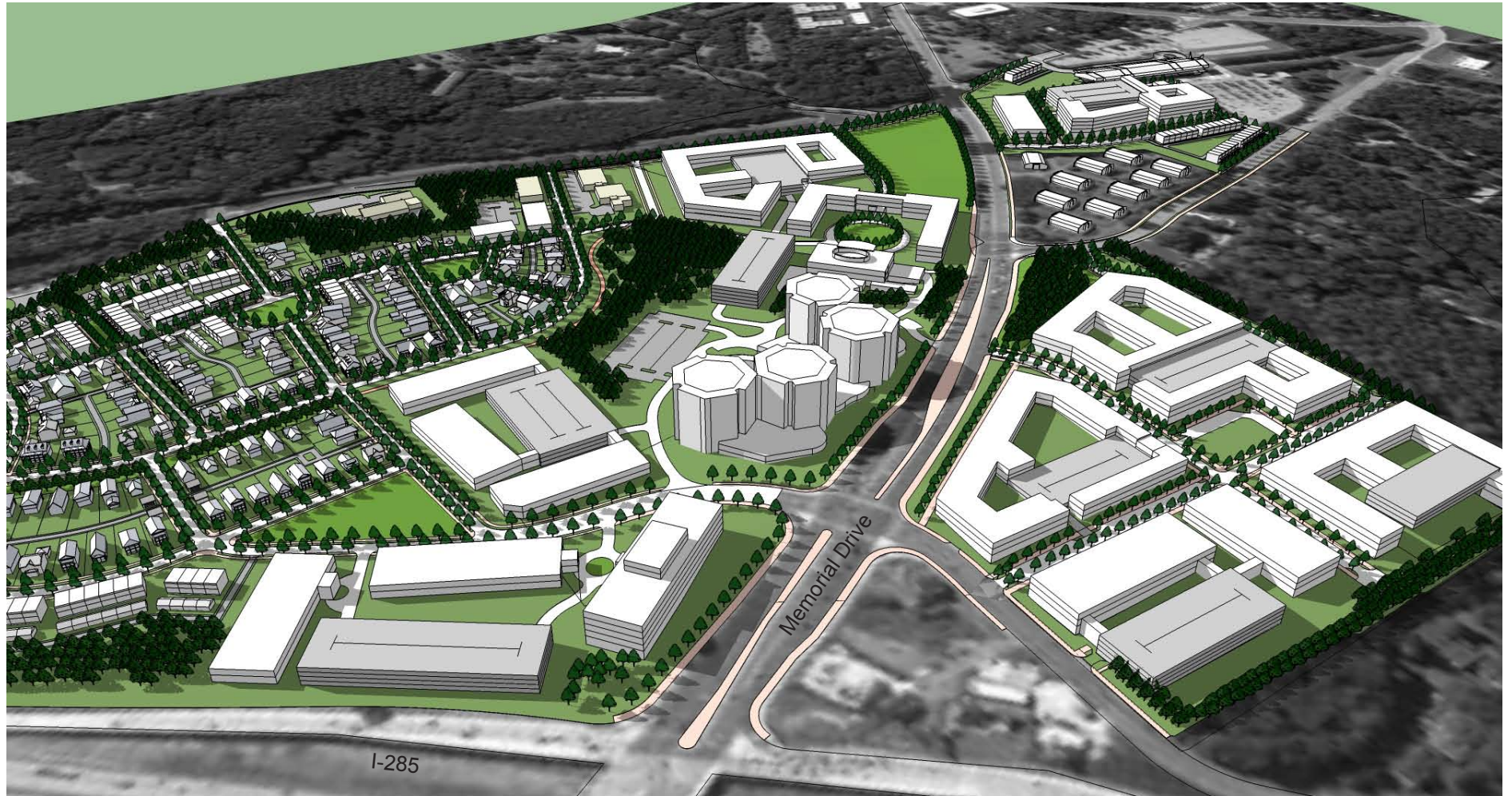
Aerial view of Concept Plan A model from I-285



Initial Concept Plan B

This plan also has elements from the 2002 Kensington LCI plan, but considers the current market assessment that forecasts market demand for the next ten years. The project has a mix of uses that include a government center, commercial buildings, and residential units. Green space and trails connect to the existing MARTA stations. The plan differs by having a denser mixed-use village in Area A. Another difference from Concept Plan A is less office space, but with

considerable more multifamily residential buildings. Area D in Concept A did not show development, however this plan shows how it could be developed. The feedback from the stakeholders were similar for both plans. The public would like to see a dense plan with more office space and no single-family residential. The massing model to the right illustrates the three dimensional effect of this plan.



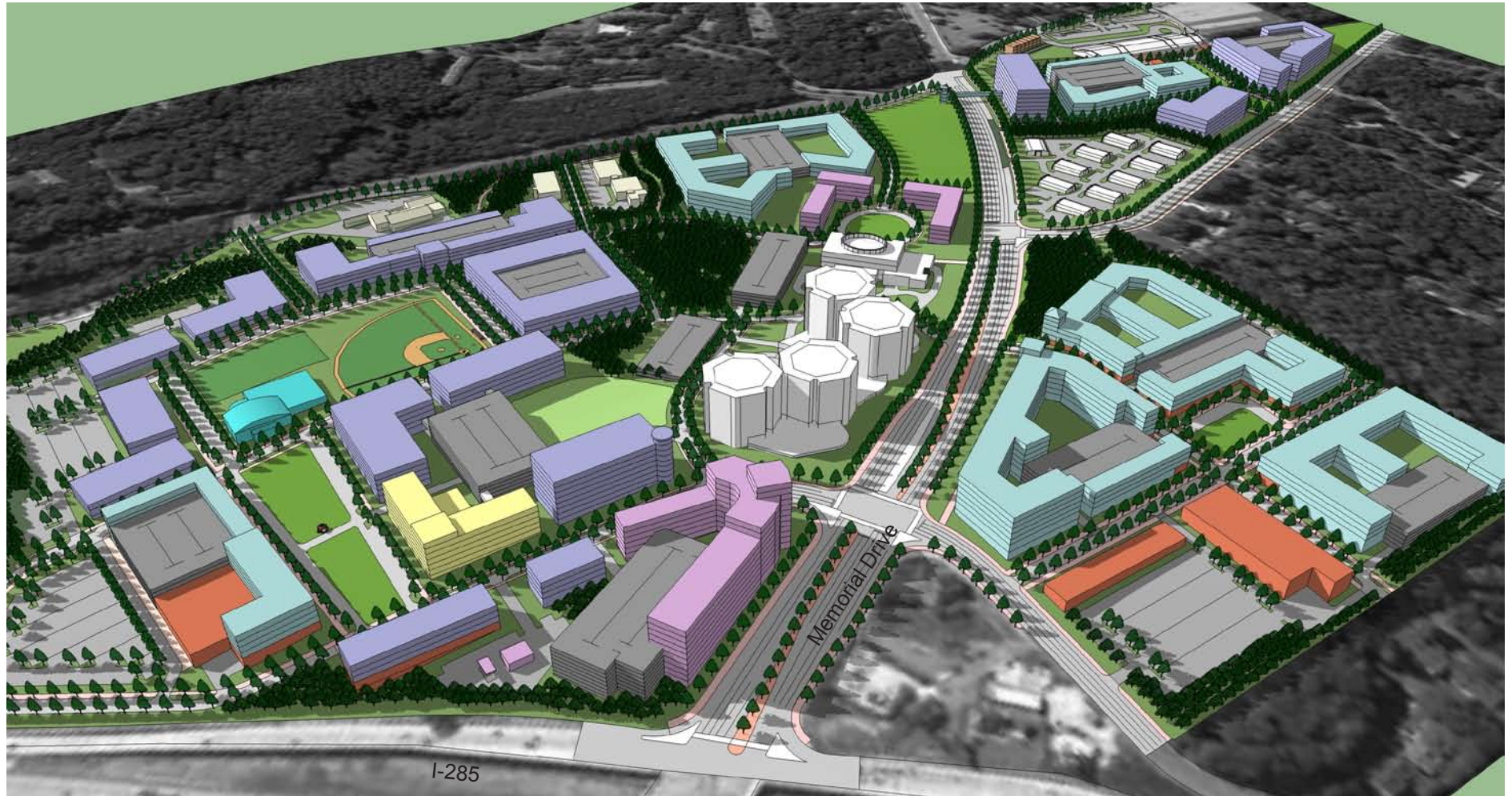
Aerial view of Concept Plan B model from I-285



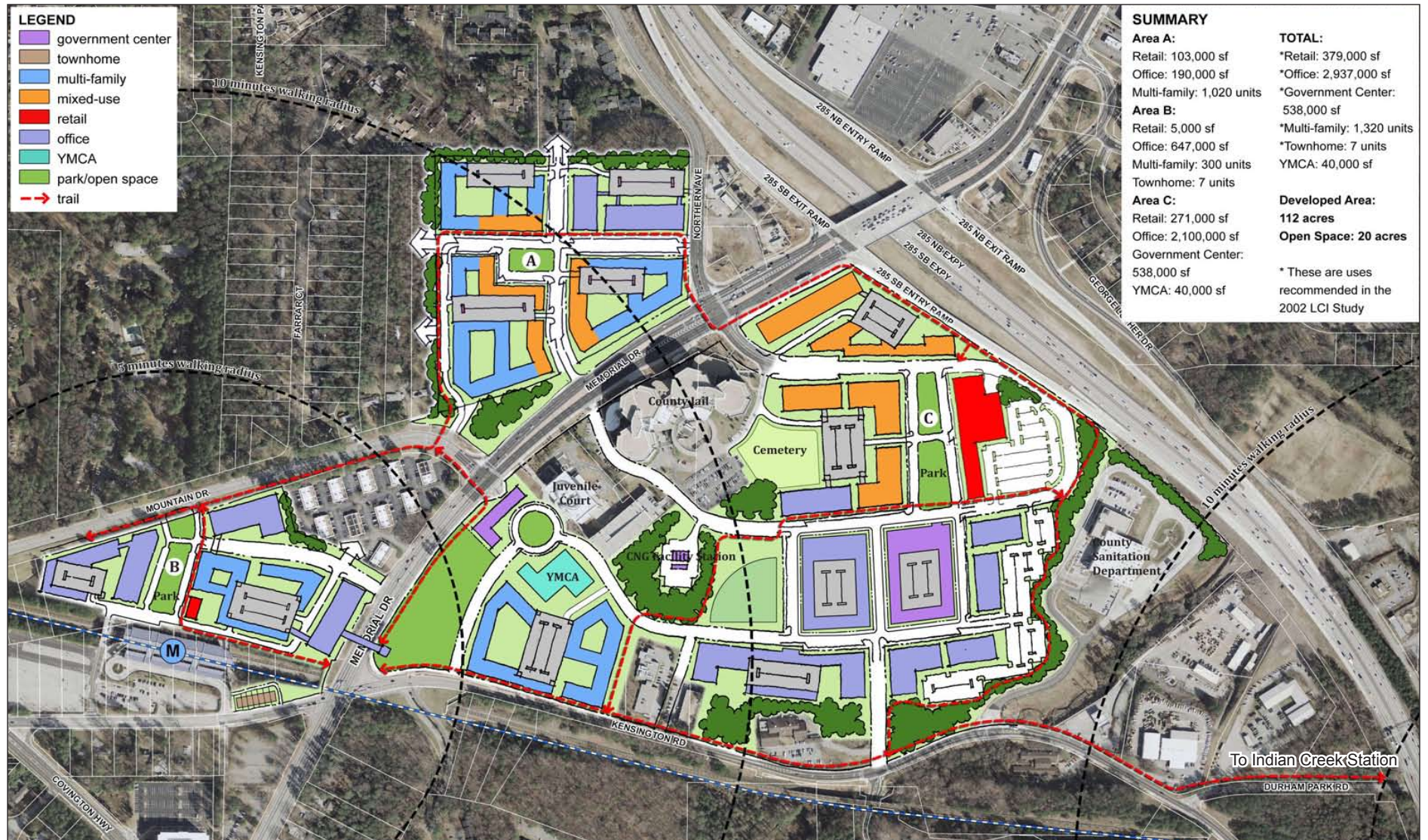
Final Presentation Plan A

The team created two additional concepts based on feedback from the stakeholders at the workshop. The plan above has a mix of uses that includes a government center, offices, retail, multifamily, and recreation center, such as a YMCA. A significant central green space provides a gathering spot anchored by the recreation center and Government Center. An additional large green space behind the center has play fields surrounded by office buildings. Green

space and trails connect to the existing MARTA Stations, including a pedestrian bridge at the Memorial Drive and Kensington Road intersection. The plan has a well defined grid and block system that provides flexibility for development. The plan was presented to the public on June 26, 2012 during the Final Presentation. The stakeholders preferred less multifamily development, but wanted taller office buildings around the county jail and Kensington Station. The massing model to the right illustrates this plan.



Aerial view of Concept Plan A model from I-285



Final Presentation Plan B

The Plan has a similar grid and block system to Concept Plan A. The differences include the location of the recreation center and play field. The Government Center becomes the anchor of a large green space with a grocery store and other retail buildings. The number of multifamily units was reduced dramatically in this concept. The CNG facility was relocated to the area behind the Juvenile Court. The land that is primarily state owned next to the Sanitation

Department was not shown with development. The feedback from the stakeholders was similar to that for Plan A. The public would like to see a plan with less multifamily development, but more office space. The massing model to the right illustrates this plan.



Aerial view of Concept Plan B model from I-285

3.3 Publicity

Another primary source of information during the planning process was the project web site. The web site included information about the plan, related documents and maps, public meeting dates, meeting presentations with agenda, project management team, and visual preference survey.

Additionally, public meeting announcements were distributed by electronic mailing lists including One DeKalb. Posters advertising upcoming meetings were in public places. Many sources such as the Stone Mountain-Redan Patch, Geor-

gia Slate, and Avondale Estates web page were used to announce the meetings to the public.

Kensington LCI TOD Plan
Sponsored by DeKalb County Planning & Sustainability Department

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Welcome
Posted on [April 12, 2012](#)

The Kensington Livable Centers Initiative (LCI) Transit Oriented Development (TOD) Plan, sponsored by [DeKalb County Planning & Sustainability Department](#) and the [Atlanta Regional Commission](#), will result in a comprehensive development plan for the study area that builds on the LCI Plan created in 2002 for the area. The new plan will address both land use and transportation issues to support development that will support a multi-modal environment and optimize utilization at the existing MARTA station.

The study area consists of the Kensington MARTA Station, a large DeKalb County governmental core, the I-285/Memorial Drive interchange, numerous multifamily neighborhoods, and a one-mile radius of the study area boundary.

DeKalb County selected [TSW, Grice & Associates](#), and [Marketek](#) to lead the planning effort that will include public involvement, a detailed market assessment, concept plan development, and implementation plan.

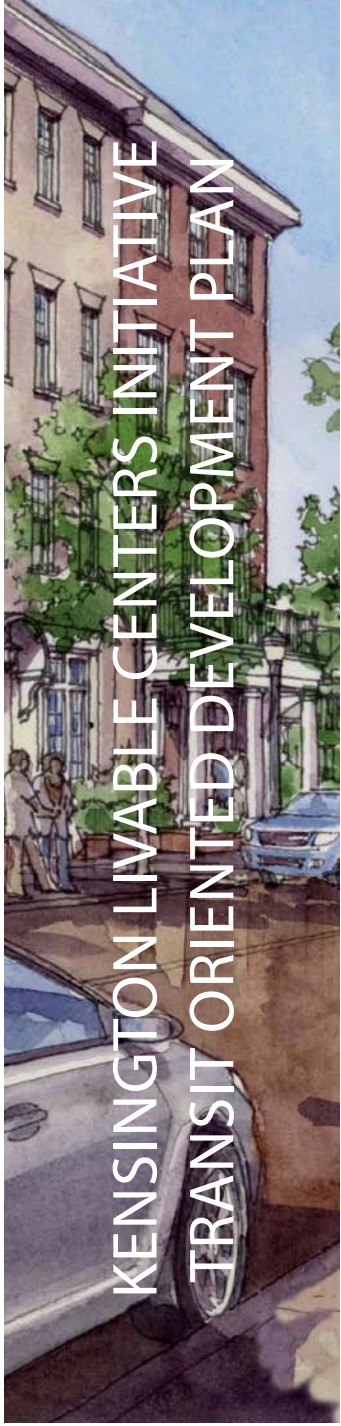
We hope that you will sign-up to receive e-mail alerts of new posts by following this blog

FOLLOW BLOG VIA E-MAIL
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The project web page kept the public aware of the entire planning process



PART IV: RECOMMENDATIONS

4.1 Overview of Recommendations

This section contains recommendations for the Kensington LCI Transit Oriented Development Plan that will proactively shape the future character of the area and provide short and long-range actions to achieve the community's vision. Two types of recommendations are provided: Policies and Projects. Projects are followed by a project number that corresponds to Section 5.1: Action Plan.

Policies are general guidelines that provide direction to the implementation of the plan's vision. They often support recommended projects and should serve as the basis for future actions on the part of decision-makers.

Recommendations are based on a synthesis of the existing conditions assessment and community input, coupled with sound planning principles. They offer a visionary yet achievable blueprint for sustainable growth that will benefit the Kensington area for decades.

4.2 Land Use and Zoning Recommendations

Land Use and Zoning Policies

Strive to achieve the land uses shown in the Framework Plan

The Framework Plan shown in Figure 4.1 reflects the general aspirations for how the study area and beyond should develop over the next 25 years. Central to this vision is office space for DeKalb County Government and attracting other office users such as medical, biotech, and more.

Strive to achieve the concepts of the Final Visioning Plan

The Visioning Plan shown in Figure 4.2 reflects general community aspirations for how the study area should be redeveloped. Central to this vision is guiding development and redevelopment toward pedestrian-friendly, mixed-use patterns, with an emphasis on attracting significant amounts of office space. The plan's goal is that people of different incomes, ages, and lifestyles will be able to live, work, and play in the area, with all the necessary supporting services within a short walk, bike ride, or transit trip from their homes. The plan is intended to serve as a blueprint for the area's transformation, although actual projects will vary based on economics and review during the entitlement process.

Promote the redevelopment or rehabilitation of aging multifamily residential units within a mile of the study area

As the study area redevelops, aging multifamily units should be redeveloped or rehabbed to improve the surrounding area's quality of life.

Land Use and Zoning Projects

Create an overlay or form-based zoning code to facilitate redevelopment (O-1)

DeKalb County is in the process of revising its current zoning code. The 2002 LCI recommended an overlay that would leave the base zoning unchanged, but create additional standards. This has worked in other areas of DeKalb County for mixed-use developments.

Another strategy is to establish a form based zoning code for the Kensington character area designated by the Comprehensive Plan. This would ensure that the proper regulatory framework is in place to support the redevelopment envisioned by the plan. Either strategy should be in place to attract future development.

Catalytic Projects

Within the Kensington LCI TOD area, there are several catalytic projects that are key to the redevelopment of the area. DeKalb County and MARTA should spearhead the marketing and promotion of these projects so as to attract redevelopment activities in the entire area. These catalytic projects are as follows and are described in detail in the phasing plan in Section 5.1.

Develop a Government Center

This should consolidate existing facilities that are scattered throughout the study area and elsewhere in DeKalb County into a single campus. It will create a signature government center image for the area.

Redevelop the Kensington MARTA Station area into a mixed-use center

DeKalb County and MARTA should strive to achieve a mixed-use redevelopment on the MARTA owned land around the station. The mix of uses should be residential and commercial to achieve the standards outlined in the TOD guidelines.

Develop a new recreation center for community activities and events

A YMCA is highly favored by the plan participants, which is a great civic facility. It can include meeting rooms, sports facilities, play fields, a theatre, and classrooms.

Figure 4.1 Kensington TOD Framework Plan

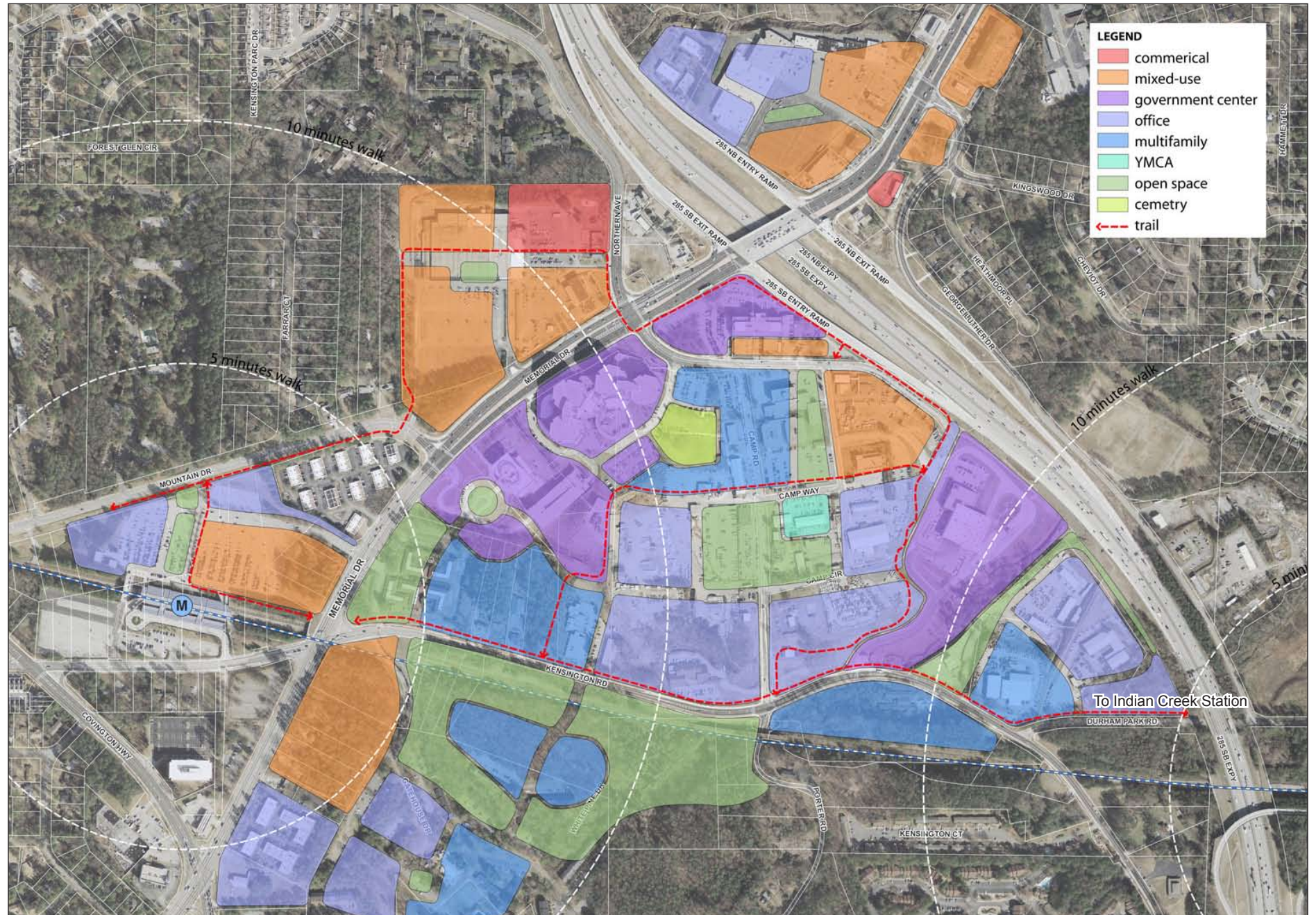


Figure 4.3 Kensington TOD Visioning Models

Kensington TOD Visioning Plan

The final plan was created from a culmination of three public meetings and dialogue with stakeholders such as DeKalb County, MARTA, and Avondale Estates. The overall plan has incorporated the recommendations of the MARTA TOD guidelines and the Master Plan goals. There are four primary areas within the study area. Each area is distinct, based on land use, transportation, environment, and location.

Area A consists mainly of mixed-use buildings, which have multifamily residential units above retail. The mixed-use buildings range from four to six stories with courtyards and parking decks. The street system forms a grid that creates four blocks which allow for future connections via stubbed roads to adjacent properties. The public realm is created by having wide sidewalks for outdoor dining and an event lawn or green. One block is planned for only retail; this could have a grocery store as an anchor with liner buildings to conceal the surface parking.



Aerial View of Memorial Drive from east

Area B is comprised of the area surrounding the Kensington MARTA Station that currently is primarily parking lots controlled by MARTA. The plan proposes mostly office buildings to take advantage of the close proximity to the station. The office building fronting Memorial Drive has a bridge that creates a safe route for pedestrians and bicyclist to access the station. The station is a great asset for recruiting potential office developers. A large multifamily building and a few townhouses are proposed to create activity when the offices are closed at night. A small, service-oriented retail space such as a restaurant and dry cleaner is proposed to cater to the office and residential users in the area. A large green space is planned to accommodate outdoor events to improve the livability of the area.

Area C is the largest of the four areas and is primarily owned by DeKalb County, which makes this site favorable for redevelopment. The main proposed use in this area is office. The signature government center is the catalytic project that is essential for the area to redevelop. This twelve story building would serve as a gateway into the area. Another important elements is the area's central green, surrounded by a mix of office, retail, multifamily, hotel, and a recre-



Aerial View of the entire study area from northwest

ation center, which could be a YMCA. The YMCA and adjacent athletic fields is another catalytic project that will transform the area. An extensive multi-use trail system connects the blocks and provides access to the Kensington and Indian Creek MARTA stations. A large park is proposed at the intersection of Memorial Drive and Kensington Road. An access point for the proposed pedestrian bridge over Memorial Drive is located in the park and connects to the office buildings proposed on the MARTA site. Creative bridge design could establish a gateway to the area from the south.

Area D is controlled by different state agencies, which makes the site less favorable for redevelopment. It is located within one half mile of the Indian Creek MARTA Station and $\frac{3}{4}$ of a mile from the Kensington MARTA Station. The visioning plan recommends a multifamily residential building facing Kensington Road and office closer to Interstate 285. The buildings in this area should be a maximum of four stories. Open space should be preserved next to the existing stream to protect it from environmental pollution. Another option is not to redevelop this site and keep the existing uses.



Aerial View of Memorial Drive from east



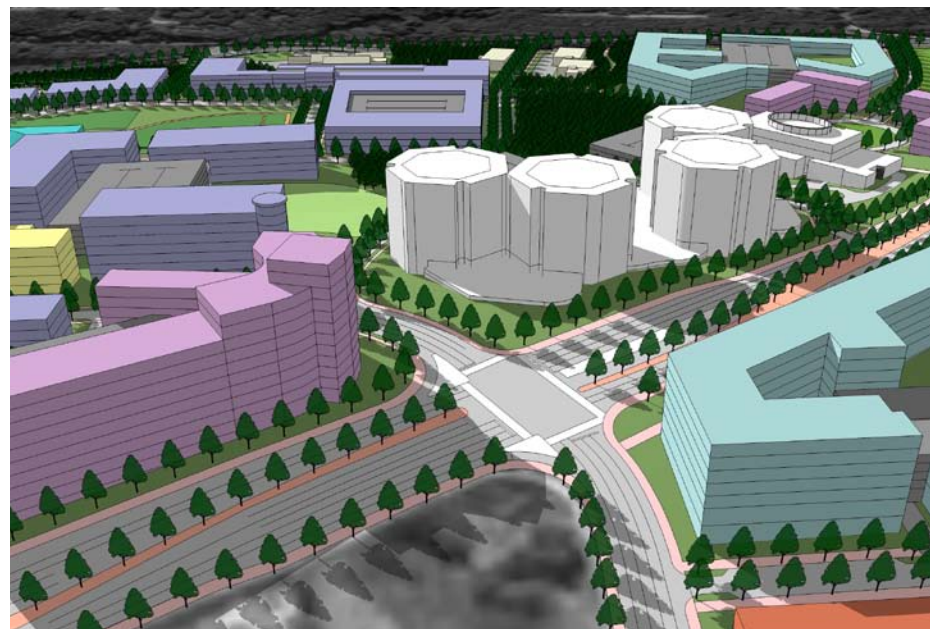
Aerial View of central green from I-285



Aerial View of Memorial Drive from west



Aerial View of Kensington MARTA station from west



Aerial View of Memorial Drive at I-285 south bound exit

4.3 Environmental Recommendations

Environmental Policies

Promote environmentally sound development patterns

Compact, mixed-use, and walkable places minimize the need to drive, and thereby lower air pollution and improve public health.

Encourage environmental assessment and suitability study for the old landfill behind the County Jail

Considerations should be given to the suitability and the approach of redeveloping the landfill area.

Incorporate bioswales along streets in new developments and proposed streetscape projects

Bioswales are landscaped areas that allow water to filter into the soil.

Install labels on storm drains to make people aware of impacts on streams

Help make people think twice before pouring chemicals into storm drains.

Incorporate sustainable development practices

New public and private buildings should strive to meet an established standard for sustainability, such as LEED (Leadership in Environmental and Energy Design).

Reduce the environmental impacts of parking

Parking consumes a large amount of land, contributes to heat in the summer, and increases water runoff. Structured parking decks can free up land for other uses, including open space.

Encourage the use of permeable paving

Permeable paving is appropriate for parking and pedestrian hardscape surfaces, where it allows water to percolate into the soil rather than contributing to runoff and flooding.

Encourage the use of renewable energy

Renewable energy helps increase energy independence and reduces environmental impacts. Local renewable energy can be generated by homes and businesses on-site with solar cells, small wind turbines, or by other means. It can help reduce the demand on the utility grid or return energy to the grid.

Minimize exterior light pollution

There are many steps that can reduce light pollution at little cost, including best management practices and technologies.

Support local food production

Even if they produce only a small portion of a household's food, community gardens and related programs make a difference long-term by changing society's thoughts about food production.

Encourage green roofs

Green roofs reduce urban heating and stormwater runoff. They are highly encouraged in new development.

Encourage tree planting on private property and government property, in both existing and new development

Property owners and DeKalb County are encouraged to plant trees to ensure the long-term preservation of the tree canopy.



Labels near storm drains remind people about impacts of dumping on streams



Permeable paving materials and stormwater drainage practices can be incorporated into parking lots



Community gardens can utilize vacant or underutilized parcels and help provide local food

Encourage xeriscaping and native species in all landscape design projects

This will reduce the amount of potable water used for irrigation and allow landscaping to remain green, even during droughts.

4.4 Urban Design Recommendations

As public and private investment occur in the study area, attention to design will be critical to creating a place with a strong identity and lasting value. Central to this will be building on the area’s history, while recognizing that its future must incorporate timeless place-making principles from the best town and city centers across the region and the nation.

Urban Design Policies

Require good urban design standards in most areas

Basic elements of urbanism should be required for all new developments. These include:

- Buildings built close to the street.
- Buildings face the sidewalks with doors, windows, and active uses.
- Areas between the building and the street should be used for pedestrian purposes, such as outdoor dining, merchandise display, plazas, or landscaping.
- Parking to the side or rear of the building.
- Pedestrian scaled signs.

- Do not build gated communities surrounded by fencing, or private streets that do not connect to surrounding streets.

These should be incorporated into the proposed overlay or form-based code.

Support architectural standards that allow a variety of styles, but require good design

Overall, buildings should not be restricted to one particular architectural style. For all development, quality materials should be encouraged. Facades faced in brick, stone, and similar materials are preferred for commercial and mixed-use sites, while a greater range is appropriate for residential projects.

Incorporate art, monuments, and memorials in public spaces

The installation of a variety of art projects in proposed streetscape projects and open spaces would enliven them and provide interest. Partnerships with local artist groups are encouraged, such as the Georgia Perimeter College school of art.

Incorporate Crime Prevention through Environmental Design (CPTED) Principles

Design can support or discourage crime. Techniques that minimize opportunities for crime and support policing should be incorporated into new projects. Please see pages 43-44 for details.

Develop the area adjacent to the County Jail along Memorial Drive at appropriate scale to make it less massive

Big scale or taller buildings can be designed next to the jail to make it appear less intrusive.



Buildings should face the sidewalks with doors, windows, and active uses



Pedestrian scaled signs are important elements of good urban design



Parks and open spaces should be incorporated with redevelopment

Preserve the existing cemetery and appropriately organize redevelopment around it

Preserving the cemetery contributes to historic preservation and good urban design.

Encourage the relocation of overhead utilities to underground wherever feasible

The county should work closely with utility companies to relocate utilities with streetscape improvements. Large scale developments should consider relocating existing and burying new utilities.

Urban Design Projects**Create an overlay or form-based zoning code to facilitate development (O-1)**

To ensure that the proper regulatory framework is in place to support the redevelopment envisioned by this plan, an overlay or form-based zoning code must be in place. Although government uses are not bounded by zoning regulations. The County should ensure that the government center development follows the same design standard as the zoning code specifies.

Uniform sign program (O-2)

The program is to develop consistent design for directional signage, GDOT signs, and county signs within the study area.

Gateway features

Install signs and gateway features at key locations, including:

- Memorial Drive on both sides of I-285 (O-3)
- Memorial Drive at Kensington Road (O-4)
- Memorial Drive at Camp Street (O-5)

Signs could be sponsored by local businesses in the study area, while gateway features could include public art, landscaping, urban forests or other items that reinforce the area's identity. The pedestrian bridge proposed to cross Memorial Drive to the MARTA Station is an opportunity to create a gateway element.

Create a park at the northeast corner of Memorial Drive and Kensington Road intersection (O-6)

This park will serve the Kensington TOD area and the broader communities by providing public gathering place for people of all ages. It will also stimulate development in the surrounding area. A pedestrian bridge should be constructed at the west corner of the park to provide safe pedestrian and bike access to the Kensington MARTA station. See *Figure 4.2 Kensington TOD Visioning Plan* for reference.

Crime Prevention through Environmental Design

The following summarizes elements of crime prevention through environmental design (CPTED) principles. It was compiled using information from wikipedia.com accessed on May 20, 2010.

CPTED is a multi-disciplinary approach to deterring criminal behavior through design. Its strategies rely upon the ability to influence offender decisions that precede criminal acts. Research into criminal behavior shows that the decision to offend or not to offend is more influenced by cues to the perceived risk of being caught than by cues to reward or ease of entry. Consistent with this research, CPTED strategies emphasize enhancing the perceived risk of detection and apprehension.

Natural Surveillance

Natural surveillance increases the threat of apprehension by taking steps to increase the perception that people can be seen. Natural surveillance occurs by designing the placement of physical features, activities and people in such a way as to maximize visibility and foster positive social interaction among legitimate users of private and public space. Potential offenders feel increased scrutiny and limitations on their escape routes.

- *Place windows overlooking sidewalks and parking lots.*
- *Leave window shades open.*
- *Use passing vehicular traffic as a surveillance asset.*
- *Create landscape designs that provide surveillance, especially in proximity to designated points of entry and opportunistic points of entry.*
- *Use the shortest, least sight-limiting fence appropriate for the situation.*
- *Use transparent weather vestibules at building entrances.*
- *When designing lighting, avoid poorly placed lights that create blind-spots for potential observers and miss critical areas. Ensure potential problem areas are well-lit: pathways, stairs, entrances/exits, parking areas, ATMs, phone kiosks, mailboxes, bus stops, children's play areas, recreation areas, pools, laundry rooms, storage areas, dumpster and recycling areas, etc.*
- *Avoid too-bright security lighting that creates blinding glare and/or deep shadows, hindering the view for potential observers. Eyes adapt to night lighting and have trouble adjusting to severe lighting disparities. Using lower intensity lights often requires more fixtures.*
- *Use shielded or cut-off luminaires to control glare.*

- Place lighting along pathways and other pedestrian-use areas at proper heights for lighting the faces of the people in the space (and to identify the faces of potential attackers).

Natural surveillance measures can be complemented by mechanical and organizational measures. For example, closed-circuit cameras can be added where window surveillance is unavailable.

Natural Access Control

Natural access control limits the opportunity for crime by taking steps to clearly differentiate between public space and private space. By selectively placing entrances and exits, fencing, lighting and landscape to limit access or control flow, natural access control occurs.

- Use a single, clearly identifiable, point of entry
- Use structures to divert persons to reception areas
- Incorporate maze entrances in public restrooms. This avoids the isolation that is produced by an anteroom or double door entry system
- Use low, thorny bushes beneath ground level windows.
- Eliminate design features that provide access to roofs or upper levels
- In the front yard, use waist-level, picket-type fencing along residential property lines to control access, encourage surveillance.
- Use a locking gate between front and backyards.
- Use shoulder-level, open-type fencing along lateral residential property lines between side yards and extending to between back yards. They should be sufficiently unencumbered with landscaping to promote social interaction between neighbors.
- Use substantial, high, closed fencing (for example, masonry) between backyards and alleys.

Natural access control is used to complement mechanical and operational access control measures, such as target hardening.

Natural Territorial Reinforcement

Territorial reinforcement promotes social control through increased definition of space and improved proprietary concern. An environment designed to clearly delineate private space does two things. First, it creates a sense of ownership. Owners have a vested interest and are more likely to challenge intruders or report them to the police. Second, the sense of owned space creates an environment where “strangers” or “intruders” stand out and are more easily identified. By using buildings, fences, pavement, signs, lighting and

landscape to express ownership and define public, semi-public and private space, natural territorial reinforcement occurs. Additionally, these objectives can be achieved by assignment of space to designated users in previously unassigned locations.

- Maintained premises and landscaping such that it communicates an alert and active presence occupying the space.
- Provide trees in residential areas. Research results indicate that, contrary to traditional views within the law enforcement community, outdoor residential spaces with more trees are seen as significantly more attractive, safer, and more likely to be used than similar spaces without trees.
- Restrict private activities to defined private areas.
- Display security system signage at access points.
- Avoid cyclone fencing and razor-wire fence topping, as it communicates the absence of a physical presence and a reduced risk of being detected.
- Placing amenities such as seating or refreshments in common areas in a commercial or institutional setting helps to attract larger numbers of desired users.
- Scheduling activities in common areas increases proper use, attracts more people and increases the perception that these areas are controlled.

Territorial reinforcement measures make the normal user feel safe and make the potential offender aware of a substantial risk of apprehension or scrutiny.

Maintenance

Maintenance is an expression of ownership of property. Deterioration indicates less control by the intended users of a site and indicates a greater tolerance of disorder. The Broken Windows Theory is a valuable tool in understanding the importance of maintenance in deterring crime. Broken Windows theory proponents support a zero tolerance approach to property maintenance, observing that the presence of a broken window will entice vandals to break more windows in the vicinity. The sooner broken windows are fixed, the less likely it is that such vandalism will occur in the future.

4.5 Transportation Recommendations

As it transforms, the study area should continue to provide a range of transportation options. In addition to driving, the area should encourage bicycling, walking, and transit use. Smooth and speedy traffic flow should be provided along major arterials and collectors, but local streets should be more focused on responding to adjacent land uses and development patterns, rather than simply moving as many vehicles as possible in the shortest amount of time.

Transportation Policies

Create a balanced transportation system that does not promote one form of travel at the expense of another

Although the study area has been improved in terms of pedestrian and transit facilities, it is still largely auto-oriented in many areas. As the area grows, it must do so in a way that expands non-vehicular facilities and ensures that travel types are balanced with the land use vision. Transit should be emphasized by implementing projects that improve pedestrian and bicycle facilities to provide safe connections to the MARTA station.

Develop pedestrian-scale blocks in new development

A system of small blocks is essential to encourage walking and provide multiple routes. To ensure this, new developments should be divided into blocks having a maximum face of 600 feet and maximum perimeter of 2,400 feet, unless environmental features make this unachievable.

Utilize a “complete street” approach for new streets and streets under redesign



A balanced transportation system incorporate pedestrians and bicycles



Example of a complete street



These two adjacent businesses incorporate inter-parcel access (courtesy www.bing.com)

A “complete street” is designed to consider the array of potential travel modes and how each mode would use the street, with a balance between motorized and non-motorized modes.

Create new streets and inter-parcel connections

As the area grows, new interconnected streets must be created to provide more routes for drivers, bicyclists, and pedestrians. In addition, where new streets are not feasible, connections between adjacent properties should be provided so people can drive, walk, or bicycle between them without going onto adjacent roads.

Require streets in new developments to connect to adjacent developments

Where developments abut land likely to develop or redevelop in the next ten years, street stubs should be built to the property line so that those streets can one day be extended onto the adjoining property. When possible, the adjoining property owner should be made aware of the desired future inter-parcel connection. Where a new development adjoins an existing street stub, it should connect to it.

Minimize dead-end streets

Other than stub streets designed to one day connect to adjacent sites, cul-de-sacs and dead-end streets should be minimized to provide pedestrian connectivity and support multi modal travel.

Continue to support access management along new and existing collector and arterial roads

Access management ensures smooth traffic flow, reduces pedestrian-vehicle conflicts, and reduces conflicts between on-street bicyclists and drivers. Techniques can include shared driveways, inter-parcel access, alleys, and side street access.

Promote shared parking arrangements wherever possible to decrease the number of under used parking spaces

Different land uses have parking needs at different times of the day and week. Allowing shared parking can make more efficient use of land and keep parking lots from sitting empty.

Maximize on-street parking except on state highways

On-street parking can buffer pedestrians from moving cars, calm traffic, and support adjacent land uses, especially retail.

Vehicular Transportation Projects

The vehicular transportation projects below strive to reduce existing vehicular system deficiencies and ensure that new growth does not overwhelm the study area's roadway infrastructure. An asterisk (*) indicates projects from previous LCI studies.

Reconfigure Camp Road/Camp Circle (T-1)

As shown in Figure 5.1, reconfigure Camp Road and Camp Circle to facilitate redevelopment in the government center area. Proposed sections of these streets and their locations can be seen on pages 47-49.

Reconfigure the DeKalb County jail driveway at Memorial Drive into a public street (T-2)

The street framework plan shows the existing jail driveway to be reconfigured and incorporated as part of a grid network. See proposed street section ST-54-24 on page 49.

Reconfigure Mountain Drive from Memorial Drive to Covington Highway (T-3)

Mountain Drive serves as the primary point of access to the Kensington MARTA Station. A planted median should be added for a pedestrian and bicycle refuge area. Also, a streetscape project should include street trees in a 12-foot-wide planting strip or bioswale, street lighting, 6-foot-wide sidewalks, and a 12-foot wide multi-use trail. Mountain Drive's right-of-way varies with an approximate width of 150 feet, which would allow all construction to be within the existing right-of-way. A future connection to the Stone Mountain trail using Covington Highway should be explored. See section on page 50.

Construct streets as shown in the street network plan (T-4)

Figure 4.3 on page 47 shows where new streets should be created with redevelopment or public improvements. Existing streets such as Camp Road close to Kensington Road, should maintain their currently alignment. However, most streets should be realigned to attract future development. The following pages show proposed street sections for each type of street shown in the Street Network Plan.

Pedestrian and Bicycle Policies

The focus for pedestrian and bicycle infrastructure is to provide safe, accessible, and connected facilities. Primary considerations for pedestrian and bicyclist safety are traffic speed, traffic volumes, design, and separation.



Shared parking can minimize the amount of land dedicated to surface parking lots

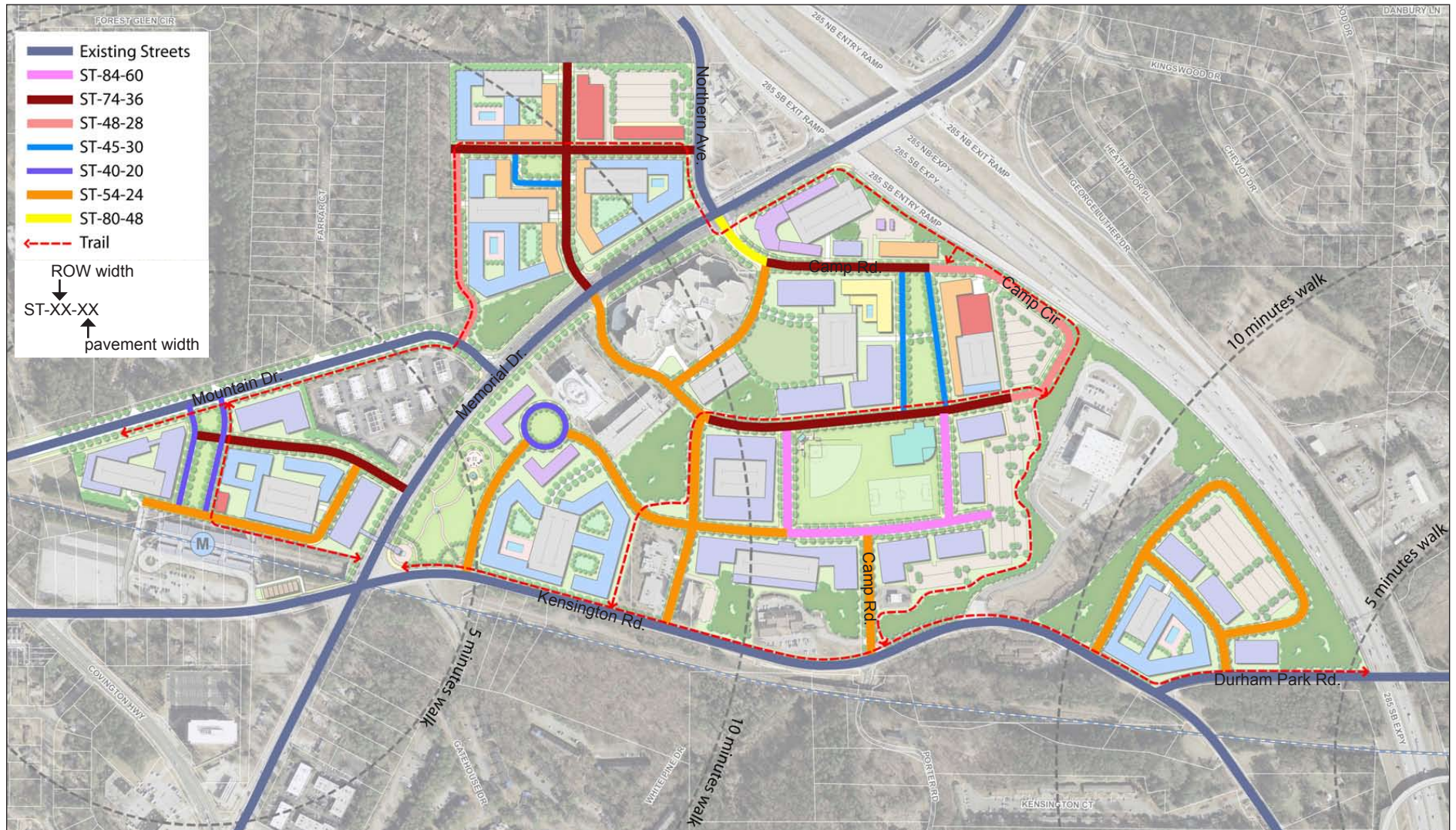


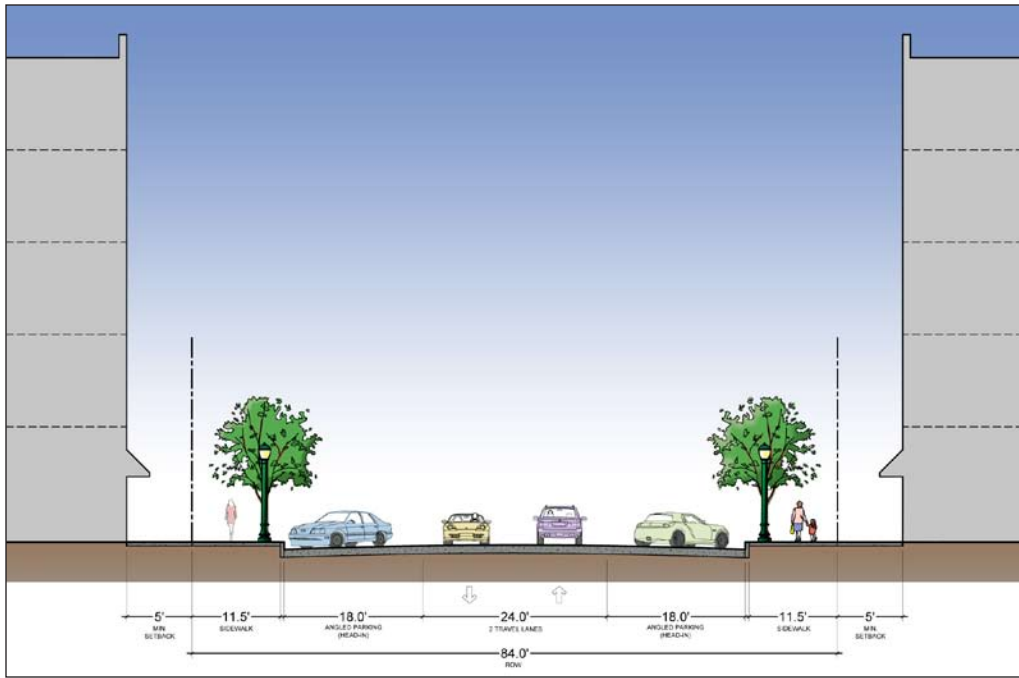
On-street parking separates pedestrians from vehicular traffic so as to improve safety



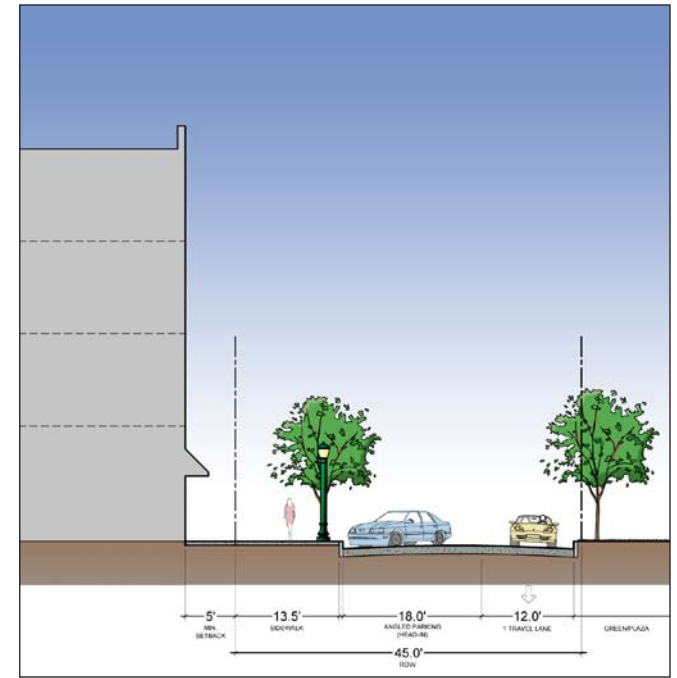
Potential character of sidewalks for new streets in the area

Figure 4.3 Street Network Plan

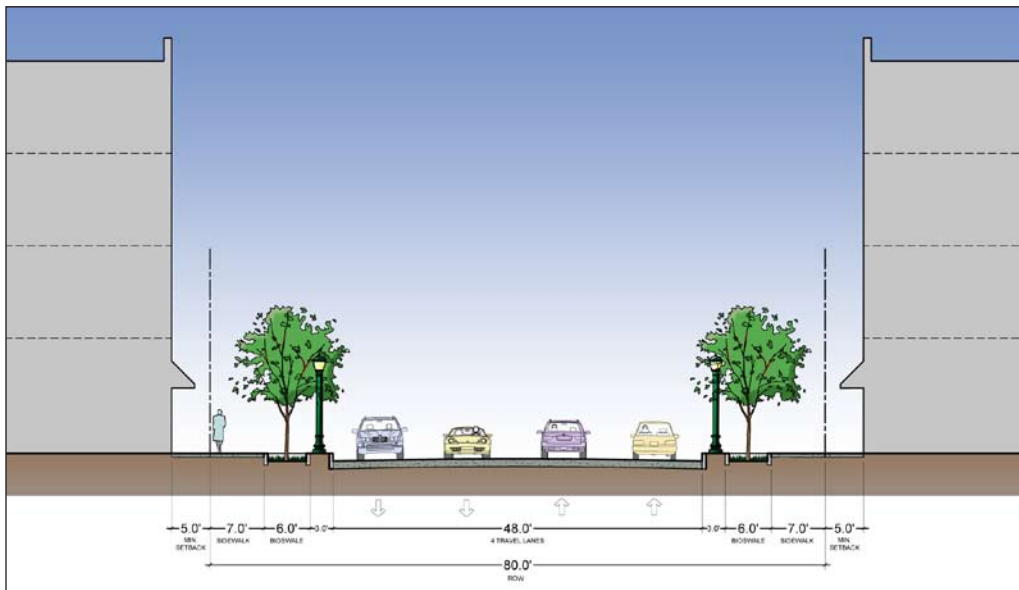




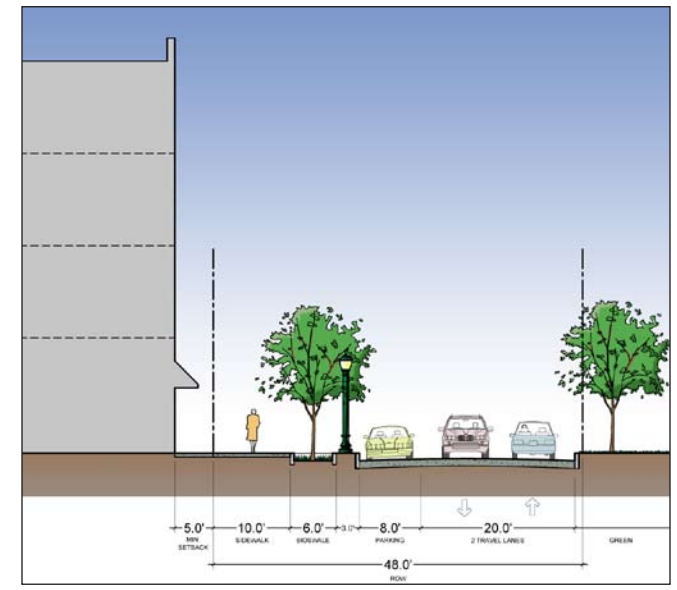
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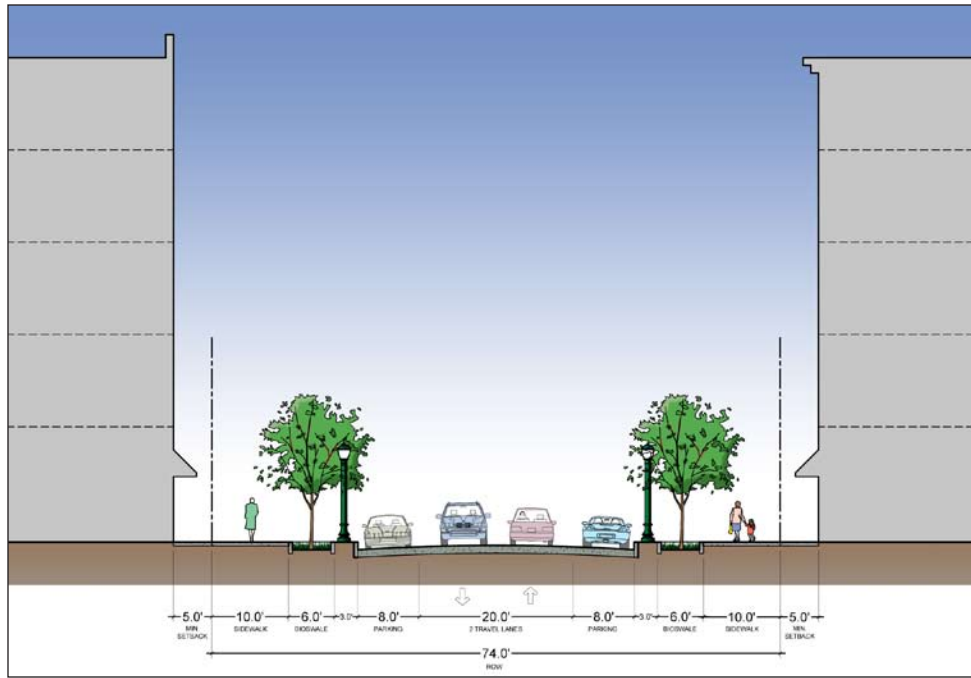
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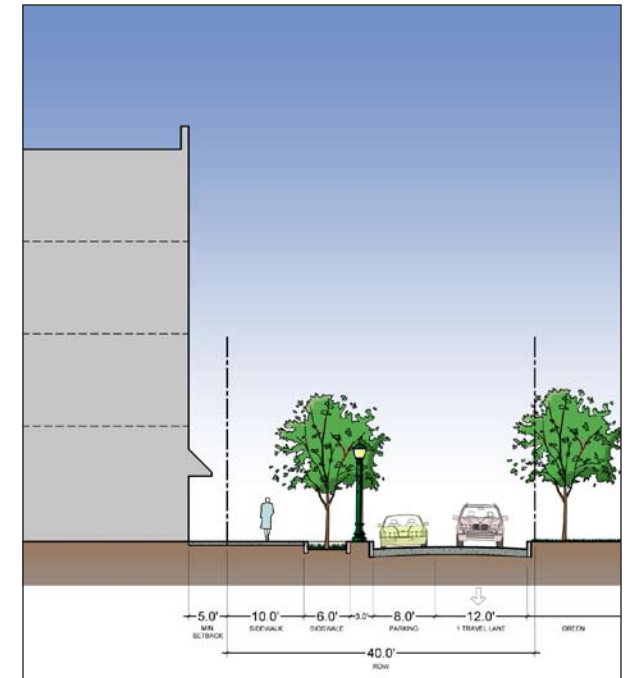
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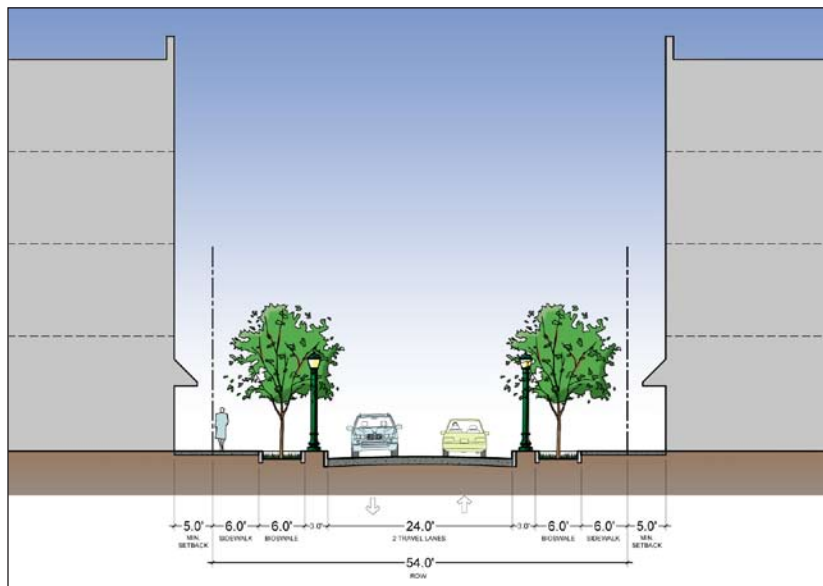
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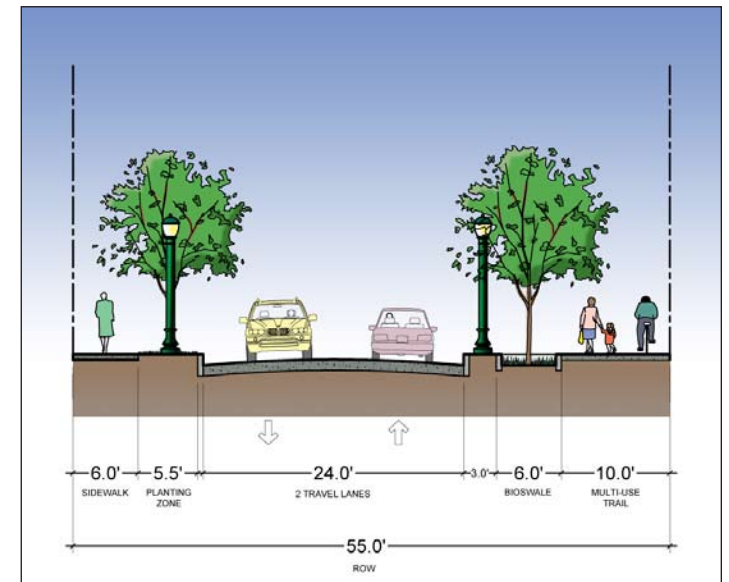
ST-74-36



ST-40-20



ST-54-24



Kensington Road/Durham Park Road Section with multi-use trail

As noted in the Federal Highway Administration (FHWA) Pedestrian Facilities User Guide, “Speeding has serious consequences when a pedestrian is involved. A pedestrian hit at 40 mph has an 85 percent chance of being killed; at 30 mph, the likelihood goes down to 45 percent, while at 20 mph, the fatality rate is only 5 percent. Faster speeds increase the likelihood of a pedestrian being hit. At higher speeds, motorists are less likely to see a pedestrian, and are even less likely to be able to stop in time to avoid hitting one.”

The following recommendations strive to improve pedestrian and bicycle safety in the area.

Require developments to install or upgrade adjacent sidewalks

As development and redevelopment occurs, developers should be required to upgrade the adjacent sidewalks as follows:

- State Routes: Minimum 5-foot landscape zone with breakaway trees; minimum 6 foot sidewalk
- Other Routes: Minimum 5-foot landscape zone with canopy trees; minimum 6 foot sidewalk

Adjacent to commercial uses, wider sidewalks are encouraged for outdoor dining or retail displays

The provision of sidewalks alone is not enough to create a place where people want to walk. Use of areas adjacent to the sidewalk for merchandise displays or outdoor dining can activate the sidewalk and make walking more enjoyable and safe.

Design new buildings to support walking with basic urban design elements

In addition to outdoor displays and dining, the design of buildings can greatly impact the walkability of an area. Where walking is desired, buildings should front the street with doors, windows, stoops, interesting architecture, and active uses.

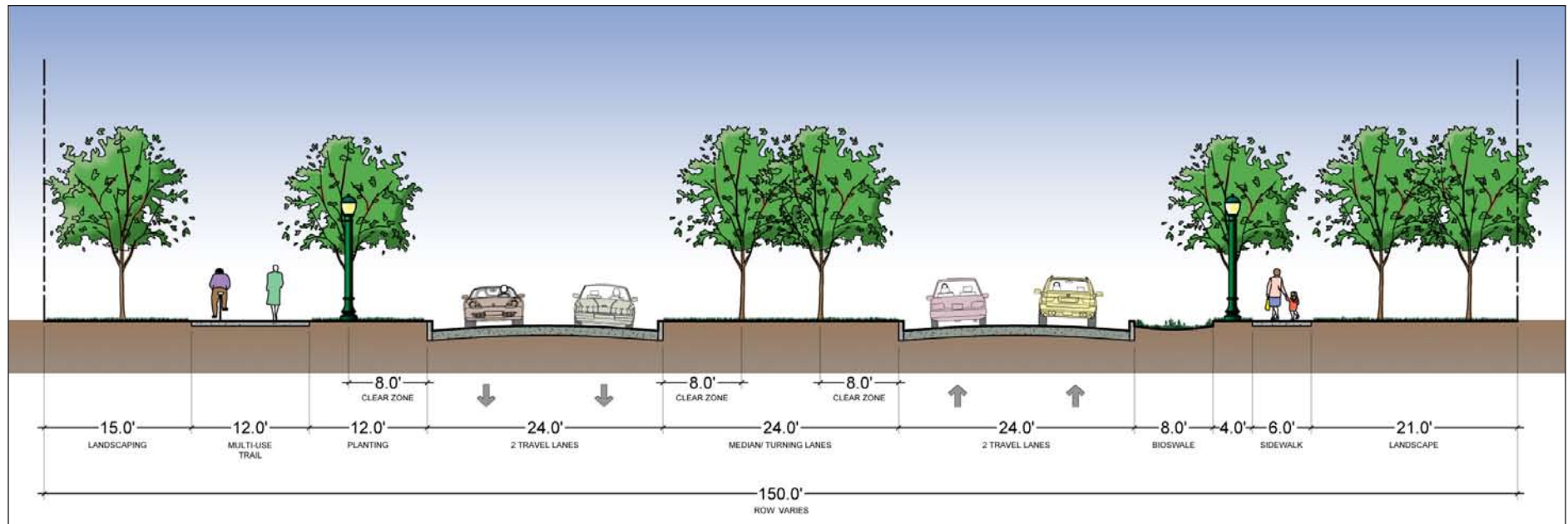
Provide clear and direct pedestrian access to buildings from sidewalks and trails

People choosing to walk should have safe, convenient, and direct routes to building doors from sidewalks and trails.

Provide accessible pedestrian facilities

All new facilities must be designed to comply with the Americans with Disabilities Act (ADA).

Encourage new development to incorporate bicycle facilities



Proposed Mountain Drive design will convert it to a parkway with a median, multi-use trail, and bioswale on one side

Large new developments should include trails or bike lanes connecting to nearby existing or proposed bicycle facilities.

Encourage businesses and public buildings to make bicycle parking available

Bicycle racks, lockers, or covered parking areas can encourage cycling.

Pedestrian and Bicycle Projects

The following is a list of new projects recommended through this study. Together, these projects are intended to make a complete pedestrian/bicycle network.

If permissible, all new sidewalks should be set back from the curb with a landscaped buffer at least five feet. The need for lighting and the location of trees should be examined in conjunction with sidewalk design. With the addition of sidewalks, some locations may need additional improvements such as marked crosswalks and crossing signs.

Memorial Drive Sidewalk and Landscape Improvements (T-5)

This is a GDOT route with recent pedestrian and vehicular upgrades. This project keeps the current lane configuration, however it would change the sidewalk

and pedestrian lighting layout to create a context sensitive design. See section below for details.

Memorial Drive/Kensington Road pedestrian and bicycle bridge (T-6)

A pedestrian and bicycle bridge should be built over Memorial Drive to provide a safe way for users to cross Memorial Drive to the MARTA station.

Kensington Road/Durham Park Road multi-use trail (T-7)

This multi-use trail would connect the Kensington MARTA Station to the Indian Creek MARTA Station. This project may be able to be implemented within the existing road right of way. See section on page 49 for reference.

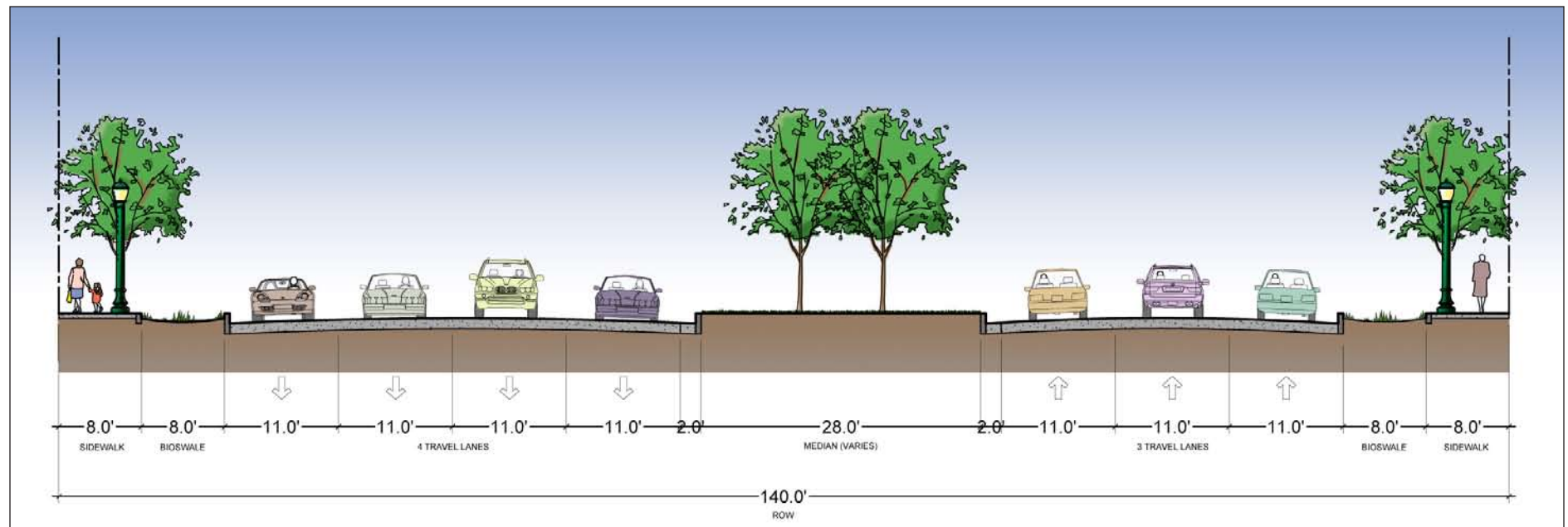
Study area multi-use trail loop (T-8)

This should occur in association with development or street construction outlined in the street network plan on page 47. The loop trail connects the proposed developments to the proposed green space and MARTA stations.

Transit Policies

Ensure that new development on MARTA site is phased so that parking can be provided as redevelopment occurs.

Encourage MARTA to enhance the Kensington MARTA station with



Improvements to Memorial Drive should include bioswales on both sides, to serve as buffers between vehicular and pedestrian traffic

sidewalk improvement, security camera system, landscaping, and bike racks.

Transit Projects

Install bike racks at the Kensington MARTA rail station (T-9)

Sidewalk improvement at the Kensington MARTA rail station (T-10)

Enhancing walkway between station and the communities surrounding the station in five directions.

Security camera system enhancement at the Kensington MARTA rail station (T-11)

Site improvement at the Kensington MARTA rail station (T-12), which includes:

- New Raised Platform with Seating and Signage for Patron waiting areas
- Redo Landscaping around station and waiting/standing areas
- Increase pedestrian scale lighting



4.6 Economic Development Recommendations

With the development of a clear, community-supported vision for the Kensington LCI TOD study area, the next steps will involve communicating this vision and the opportunities available in Kensington to developers, investors and consumers. Two of Kensington’s most significant assets are the assemblage of land owned or controlled by DeKalb County and the commitment the County is making in the area, including the potential relocation of a substantial amount of its office space to Kensington.

From a market perspective, there is a growing interest nationally and locally in mixed-use town center developments as places to shop, live and work. The substantial population base in the surrounding area, over 127,000 people in a seven-minute drive, and the large number of local employees, almost 9,000 within the study area, form strong markets for future commercial and residential development there.

During the LCI visioning process, stakeholders identified a strong desire to attract a substantial amount of new, private office space to the study area along with shopping, dining and community services. This section shares strategies for developer recruitment and office attraction at Kensington, as well as for general marketing and image enhancement in the area.

Economic Development Policies

Housing Link

A critical strategy in support of commercial and office space vitality in the study area is to encourage the addition of housing units. Housing is an important component of the vision for Kensington and residential development can serve as a crucial catalyst for retail expansion. New residents will bolster demand for additional shops, services, convenience goods and restaurants. A true mix of uses that will encourage activity within the area at all times of day is one aspect that will attract developers to the site, and the availability of nearby high-quality housing is a factor businesses will consider in locating office space. The residential market analysis identifies significant opportunities for the area and specific target markets for new housing. Housing should be encouraged and promoted as a key component to development projects in Kensington.

Office Attraction

For Kensington to achieve the level of office space development envisioned in the LCI plan, it will require a substantial and sustained recruitment effort focused on capturing both office space users within the Atlanta region looking to expand or relocate and on those considering entering the Atlanta area for the first time.

As the ease of sharing information has accelerated, so have potential locations a company may be considering in the site selection process. Competition may come from within the Atlanta region or from cities across the globe. To attract large office space users to the study area, economic development professionals should be involved throughout the site location process, from getting on the radar of companies, site selectors and brokers, to demonstrating the ability to meet the prospective company’s needs, to finalizing the location process.

A brief list of factors that make a community competitive in attracting large scale office users is provided in Table 4.1 below:

Table 4.1: Office Space Location Decision Factors

Business Costs	What are general costs of doing business in the community related to real estate, transportation and accessibility, utilities, taxes and fees, etc.?
Living Environment	What housing options are available for managers and employees? What other amenities does the community offer – parks, schools, access to transit, town center/downtown, etc.?
Business Climate	Does the community support new development? How are current businesses faring?
Taxes	What property taxes, income taxes and other taxes are in place at the State and local levels? Are there any tax incentives for locating/ developing there?
Research & Innovation	What local institutions or assets may be available to promote business innovation?
Workforce	Does the labor force have the appropriate skills for meeting employer needs? What workforce training opportunities exist?
Infrastructure & Utilities	Will infrastructure and utilities in place meet needs of the company? What are utility costs?
Real Estate	What sites or buildings are available and what are the features and costs associated with them?
Green Initiatives	Does the community promote green concepts or other environmental initiatives?
Incentives	In addition to tax incentives, what other incentives are available, such as hiring assistance, fast track permitting, support from a chamber of commerce, etc.?
Professional Presentation	Has the community communicated itself in a professional manner both in person and through prepared documents? Does the community demonstrate support for and understanding of the business and its needs?

Source: Austin Consulting; Marketek, Inc.

An initial step for promoting Kensington as a desirable place to do business will include gathering appropriate information regarding the above items and preparing a brief marketing piece communicating the area's assets to brokers, site selection companies and other potential recruitment leads. Other activities will include developing and maintaining a broker network, responding to site selection Requests for Information (RFIs), hosting site visits, preparing additional collateral material to present during site visits and following up with leads.

As office space recruitment efforts at Kensington are underway, one option to improve competitiveness is to hold a mock site visit, in which a site selection company is invited to the area as if it were scouting it for a client, in order to evaluate Kensington's and DeKalb's location assets and recruitment techniques, then providing feedback for improvement to the County.

Developer Recruitment

Following the market analysis and the LCI visioning process, the next step for redevelopment in the study area will be attracting a developer (or developers) to the site for creation of a mixed-use TOD. With all of the land in the study area under public control (either by the County or MARTA), DeKalb County has identified the desire to form a public private partnership to develop land there. Based on the experience of developers who have successfully worked with public entities for transit-station related projects, the following are identified as key success factors and as factors that will create interest in a project among the development community:

- Land assemblage around a transit facility;
- Strong, community-supported vision for the area;
- Zoning in place to support the vision;
- Mix of uses, including both residential and employment components that will encourage activity within the area throughout the day;
- Market opportunities, including support for convenience retail (i.e., grocery store) to generate customer traffic;
- Strong leadership from the public partner and a commitment to seeing the area thrive;
- Flexibility in government participation to ensure an agreement that meets both public and private goals; and
- Transparency throughout the negotiation and development process.

Kensington already meets several of these factors, including land ownership, market opportunity, strong leadership and commitment to the area and, with

completion of the LCI process, a community-supported vision with zoning in place to support it.

Next steps for developing a public private partnership will include:

- Identification of other public partners. While DeKalb County owns the majority of land in the study area, the transit station, which should be incorporated in the TOD, is owned by MARTA. Given that MARTA has an established joint development policy and office, it will likely be an important partner for DeKalb. MARTA's interest in engaging in the development process, especially in light of the TOD plans for the area, should be explored as an initial step.
- Outline developer expectations. Prior to recruiting a developer for the site, the County should determine what specific outcomes they expect from the development. MARTA, for example, requires that some share of housing units within a development be workforce housing and offers increased density (within local zoning regulations) and reduced parking (by working with local governments) as financial incentives.
- Identify available incentives. One of the biggest incentives the County has to offer in the Kensington area is land. Owning the land can allow the County to offer reduced lease rates or sales prices to developers to entice them to the study area. Typically, government partners prefer to retain land ownership but offer developers long term leases, potentially at initial reduced rates that then adjust upward. This structure allows the government sponsor an ongoing revenue stream not possible with land sales. A financial analysis of the proposed development should be completed to determine what level of public participation will be necessary to attract developers and maintain a fair rate of return on the project for both investors/developers and the County and its taxpayers.

In addition to lower land costs, other incentives that may be considered include participation in infrastructure and parking development and reduced parking requirements. Relocation of DeKalb County office space may be another incentive for a prospective Kensington developer, as it would guarantee activity at the site and bring in a captive market for restaurants and retailers.

- Prepare a Request for Qualifications (RFQ) or Request for Proposals (RFP) to release to developers. The RFQ or RFP should provide background information regarding the study area, the vision and the market opportunities there. It should set out desired developer expectations and incentives available, but also allow flexibility. Many developers prefer an RFQ process in which they share qualifications, references, resources and sample projects but create a detailed development plan only if selected.

- Working with the selected private developer partner, identify funding sources for the project. In addition to private equity and debt, additional funding sources may include (but are not limited to):
 - Tax Allocation District funds for infrastructure development. In addition to using TAD funds in the long term, DeKalb may use TAD to achieve short-term goals outlined in the LCI, such as development of greenspace and pedestrian facilities that may make the area more attractive to developers.
 - Federal Transit Administration. The FTA offers a variety of funding programs, including assistance with station improvements, site preparation and pedestrian facilities within close proximity to the transit station. FTA funds may also be used for facilities farther away if they are connected with the station (i.e., walkways or other trails leading to it). If MARTA is involved, it may apply for FTA funding on behalf of the partnership.
 - New Market Tax Credits (NTMC) available through the U.S. Treasury Department. NMTCs provide investors with a tax credit to generate capital for a real estate projects in low income communities.
 - U.S. HUD programs to support development of supportive housing for seniors and disabled persons (Section 202 and Section 811 programs, respectively). These programs involve income restrictions for potential tenants.
 - U.S. HUD program providing insurance for loans for multifamily development in revitalization areas (Section 220). This program does not include income limits for prospective residents.
 - Historic Preservation Tax Incentives are frequent components of financing structures for TODs, however, given the nature/age of development in the Kensington study area, would not be available for use here.

Marketing and Image Enhancement

To successfully and continually attract developers, retailers, businesses, residents and shoppers, the Kensington area must establish itself as a unique, mixed-use district offering a vibrant atmosphere where people can live, work and play. As redevelopment begins, new community infrastructure such as trails, parks and other open space should be publicized. Public events or festivals are another opportunity to invite surrounding residents to come check out what is happening in the area and show that new investment is occurring in Kensington.

Public relations activities to promote the area include generating positive press in local and regional media outlets and creating an ongoing buzz about the success of the transformation occurring there. As development in Kensington

proceeds, create a brand or identity that reflects the image of the area and communicates what it wants to be. With this brand as a foundation, a design concept for marketing, gateway features and wayfinding and other signage should be developed.

A Kensington web site devoted to promoting its businesses and residential developments, attracting shoppers and recruiting investors should also be established. Updating the site regularly to advertise community events and other activities will keep shoppers and residents apprised of what is new in the area.

Encouraging Redevelopment Using Tax Allocation District Funds

DeKalb County has already established a Tax Allocation District (TAD) for Kensington/Memorial Drive that includes the LCI Study Area and for Belvedere Plaza, located along Memorial Drive two miles west of the Study Area. Georgia's Redevelopment Powers Law allows for significant flexibility in terms of the types of projects in which TAD funds may be used, including infrastructure improvements, transportation improvements, capital and soft costs of development, residential development and greenspace/open space maintenance and development. TAD funds may be used to improve an area in order to attract new private development, or to provide direct support to new private development, often as part of a public private partnership.

In Kensington, TAD funds may be used for a variety of project listed in the LCI plan and others associated with private development that are not specifically identified. As expressed by DeKalb County, the long-term goal for redevelopment in the Study Area is to engage in a public private partnership with a developer for creation of a revitalized mixed-use district. Initiating this partnership will take time, however, as development partner(s) must be selected, a financing plan structured and an agreement executed. In the short-term, there is potential to use TAD funds to complete smaller projects identified by the LCI that are not contingent on a private developer, such as sidewalk and streetscaping improvements along Memorial Drive, pedestrian and bike trails and greenspace development. Such projects would not only create greater visual appeal and immediately enhance the area for local residents and employees, but also indicate to the development community that improvements are underway in Kensington.

Ultimately, long-term use of TAD funds is likely to be part of a formal agreement between DeKalb County and a private developer. Like with other economic development incentives the County may offer (such as reduced land costs), an internal financial analysis should precede development of an incentive package using TAD funds. This analysis should seek to determine what level of incentives will bring developers to the table by giving them a solid return on

investments made in Kensington but also guard the County's interests by preventing unnecessary subsidies.

TAD funds may be used for a wide variety of tasks related to mixed-use development in the Study Area over the long-term. These may include, but are not limited to, development of public parking, public plazas, roadways and sidewalks, mixed-income housing, open space, greenspace and community facilities, such as the baseball fields identified in the LCI plan. The flexibility associated with the use of these funds will enable the County to assist private development partners with specific aspects of the plan where other funding sources are not sufficient to cover development costs.

The Georgia Redevelopment Powers Law: Policy Guide to the Evaluation and Use of Tax Allocation Districts identified strategies for structuring public private partnerships to ensure that private interests do not profit excessively off taxpayers and make investments as planned. These include:

- Requiring up-front private sector investment first, with reimbursement for infrastructure or other agreed-upon investments, rather than the having the public sector implement the project or pay for it up front.
- Equity kickers that require private developers to give the public participants a subordinated equity position in return for participation in development.
- Pre-negotiated specific benefits, such as mixed-income housing or job creation, with regular reporting of progress towards these goals. There may also be contractual provisions requiring a company to repay some or all of the subsidy if it fails to fulfill its outlined responsibilities.¹

DeKalb County may want to consider structuring any public private partnerships with such measures to ensure responsible use of TAD funds as they contract with private developers for Study Area revitalization over the long-term.

Economic Development Projects

Office space user recruitment (O-7)

- Gather marketing data regarding Kensington's (and DeKalb County's) suitability as an office space location (including factors such as those identified in Table 4.1) and prepare a brief marketing piece communicating the area's assets.
- Identify office targets including expanding or relocating local office space users, brokers and site selection companies. Develop a schedule for com-

1 . Bourdeaux, Carolyn and John Matthews. Georgia's Redevelopment Powers Law: A Policy Guide to the Evaluation and Use of Tax Allocation Districts. Research Atlanta, Inc. and the Georgia State University Andrew Young School of Policy Studies, 2004, p. 19.

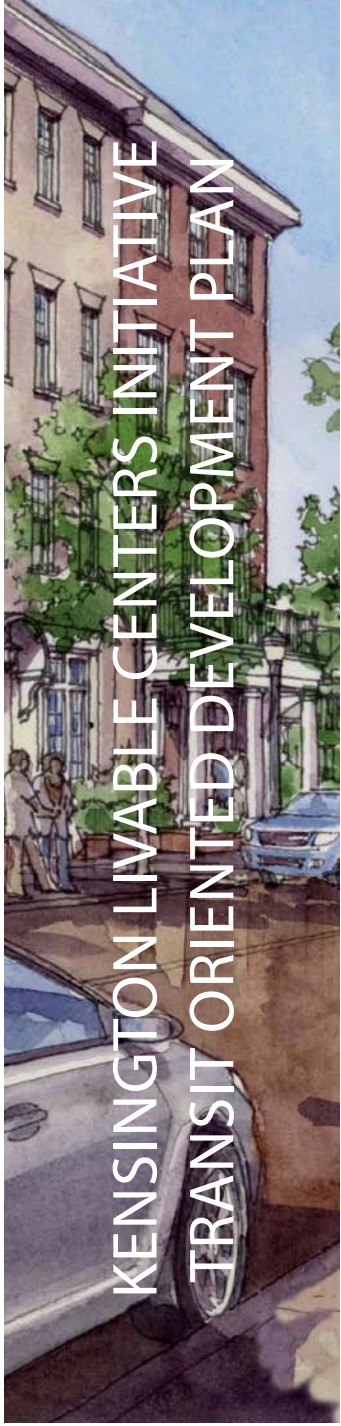
munication, including presentation of marketing material and ongoing information to keep the prospects informed about new development in the Study Area and business development initiatives and opportunities.

Public private partnership (O-8)

- Identify other public partners. Specifically, ascertain MARTA's interest in engaging in the development process around the Kensington station.
- Outline developer expectations for any joint development and identify anticipated appropriate levels and types of public incentives to be offered by DeKalb County and/or MARTA .
- Prepare an RFP or RFQ to release to developers. Select a potential development partner based on pre-established criteria and begin development of financing structure and agreement negotiation.

Other

- Public relations campaign communicating successful new development and activities in Kensington area (O-9).
- Create a brand identity reflecting the image of the area to serve as a basis for marketing, gateway features, wayfinding and other signage (O-2 through O-5).
- Develop a web site devoted to promoting businesses and residential development in Kensington (O-10).



PART V: IMPLEMENTATION

5.1 Action Plan

The action plan summarizes recommendations related to the future build-out of the study area and the public improvements necessary to support quality development.

Phasing Plan

Table 5.1 identifies an overall sequence of redevelopment in the Kensington LCI TOD area. As shown in Figure 5.1 Phasing Plan, DeKalb County should work with MARTA to redevelop the Kensington Station area to kick off the TOD development. It is also important for DeKalb County to consolidate most of its government office uses scattered around the site into a signature government building and create a new image for the area. Next phase will be redeveloping the area south of the new government center into mixed office, residential, commercial uses with a central green as an amenity. The next steps should be improving the areas along Memorial Drive, which would transform the area north of Memorial Drive and the area at the intersection of Memorial Drive and Kensington Road. The rest of the phases will include developing the recreation center, adding more offices to create more jobs and provide more residential units to facilitate job-housing balance.

The order of the phasing plan can be adjusted based on changes of market conditions in the future, so as to achieve the best result.

In terms of gross number, the potential build-out scenario for the entire area would result in approximately 640,000 square feet of government center space not including the existing jail and juvenile court, 2.7 million square feet of office, 267,050 square feet of retail, 2,100 units of residential development, along with a hotel, a recreation center, and 25 acres of major green space.

Implementation Projects

To facilitate and incentivize redevelopment of the Kensington MARTA TOD area, DeKalb County should spearhead a public improvement project in the area. Table 5.2 and 5.3 identify the key public improvement projects for this area. Recommended transportation projects include reconfiguration of Mountain Drive, streetscape improvements along Memorial Drive, a multi-use trail along Kensington and Durham Park road and throughout the TOD area, along with new streets that will define blocks for redevelopment. For new streets, the implementation should follow the phasing plan shown in Figure 5.1. Other projects recommended for the area include zoning changes, unified sign program and gateway improvements.

Table 5.1 Potential Build-Out Scenario by Phase

Phase/Area	Site Area (acre)	Office SF	Gov. SF	Retail SF	Other SF	Res. Units	Green Space (ac)	Total Parking Provided***
I: Kensington MARTA Station Mixed Uses	12.6	888,000	-	4,750	-	267	1.0	2,076
II: Signature Government Building and Mixed-Use	6.7	96,600	480,000	19,600	-	-	-	1,758
III: Central Park and Surrounding Mixed Uses	19.8	627,400	-	87,700	200,300 (280 rm hotel)	140	5.0	2,723
IV: Memorial Drive North Mixed Uses	21.3	-	-	155,000	-	1,000	0.4	2,400
V: Memorial Drive/Kensington Road Park and Mixed Uses	15.9	-	160,000	-	-	420	4.7	1,176**
VI: Recreation Center	7.1	-	-	-	40,000	-	5.8	120
VII: Office Park East	9.3	223,000	-	-	-	-	-	600
VIII: Office Park West	8.4	738,000	-	-	-	-	-	2,232
IX: Residential/Office Mixed-Use	19.5	144,100	-	-	-	280	8.2	948
TOTAL	120.6	2,717,100	640,000	267,050	240,300	2,107	25.1	14,033

* Residential Units in Phase III area includes 7 townhome units.

** Parking for Phase V is partially provided by the parking deck next to the jail and cemetery in phase II

***The following table shows parking ratio standards used:

	Office/ Government	Retail	Residential	Other
Phase I MARTA station area	2/1,000 sf	4/1,000 sf	1 per unit	-
All other areas	3/1,000 sf	4/1,000 sf	1.5 per unit	3/1,000 sf or 1 per hotel rm

Figure 5.1 Phasing Plan

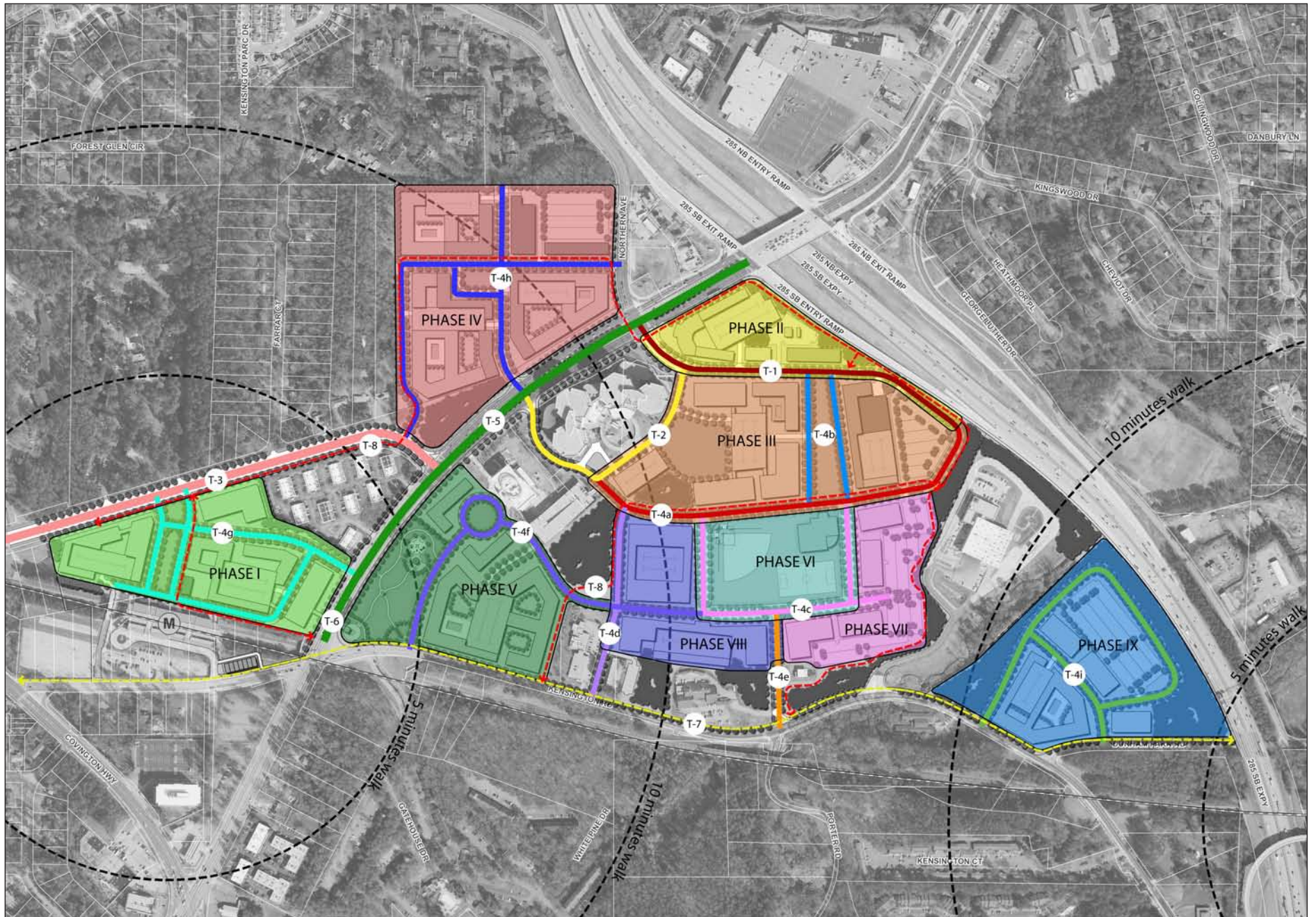


Table 5.2 Transportation Projects

ID	Description	Type of Improvement	Eng. Year	Eng. Costs	ROW Year	ROW Costs	Length of Project (ft)	Cost per Linear Ft	Const. Year	Const. Costs	Total Project Costs	Responsible Party	Funding Source	Local Source & Match Amount	
Vehicular															
T-1	Reconfigure Camp Road/ Camp Circle	Reconstruction improvement	2013	\$380,000	N/A	-	1650	\$280	2014	\$462,000	\$842,000	DeKalb	HOST / SPLOST	100%	\$842,000
T-2	Convert County jail driveway into a public street	Reconstruction improvement	2013	\$290,000	N/A	-	1250	\$200	2014	\$250,000	\$540,000	DeKalb	HOST / SPLOST	100%	\$540,000
T-3	Reconfigure Mountain Drive from Memorial Drive to Covington Hwy	Reconstruction improvement	2013	\$400,000	2014	\$400,000	2400	\$280	2015	\$672,000	\$1,472,000	DeKalb / GDOT	SPLOST / Safety / LCI	10%	\$147,200
T-4	Create grid street network														
T-4a	New Street a	New street	2014	\$120,000	N/A	-	2000	\$200	2016	\$400,000	\$520,000	DeKalb / Pvt.	HOST / SPLOST / LCI	20%	\$104,000
T-4b	New Street b	New street	2014	\$120,000	N/A	-	1300	\$200	2016	\$260,000	\$380,000	DeKalb / Pvt.	HOST / SPLOST / LCI	20%	\$76,000
T-4c	New Street c	New street	2014	\$120,000	N/A	-	1825	\$200	2016	\$365,000	\$485,000	DeKalb / Pvt.	HOST / SPLOST / LCI	20%	\$97,000
T-4d	New Street d	New street	2014	\$120,000	N/A	-	975	\$200	2016	\$195,000	\$315,000	DeKalb / Pvt.	HOST / SPLOST / LCI	20%	\$63,000
T-4e	New Street e	New street	2014	\$80,000	N/A	-	575	\$200	2016	\$115,000	\$195,000	DeKalb / Pvt.	HOST / SPLOST / LCI	20%	\$39,000
T-4f	New Street f	New street	2014	\$210,000	N/A	-	2250	\$200	2016	\$450,000	\$660,000	DeKalb / Pvt.	HOST / SPLOST / LCI	20%	\$132,000
T-4g	New Street g	New street	2014	\$380,000	N/A	-	3300	\$200	2016	\$660,000	\$1,040,000	DeKalb / Pvt.	HOST / SPLOST / LCI	20%	\$208,000
T-4h	New Street h	New street	2015	\$300,000	N/A	-	3275	\$200	2017	\$655,000	\$955,000	DeKalb / Pvt.	HOST / SPLOST / LCI	20%	\$191,000
T-4i	New Street i	New street	2015	\$280,000	N/A	-	2650	\$200	2017	\$530,000	\$810,000	DeKalb / Pvt.	HOST / SPLOST / LCI	20%	\$162,000
Pedestrian and Bicycle															
T-5	Memorial Drive from Kensington Road to I-285	Sidewalk and Landscape Improvement	2013	\$150,000	2014	\$400,000	2800	\$130	2015	\$364,000	\$914,000	DeKalb / GDOT	TE / Safety / SPLOST / LCI	10%	\$91,400
T-6	Memorial Drive/Kensington Road pedestrian and bicycle bridge	Pedestrian and Bicycle bridge	2013	\$350,000	2014	\$50,000	200	\$7,500	2015	\$1,500,000	\$1,900,000	DeKalb / GDOT	TE / Safety / SPLOST / LCI	10%	\$190,000
T-7	Kensington Road/Durham Park Road multi-use trail, from Covington Hwy to I-285	Multi-use trail	2013	\$300,000	2014	\$300,000	5860	\$130	2015	\$761,800	\$1,361,800	DeKalb / GDOT	TE / Safety / SPLOST / LCI	10%	\$136,180
T-8	Multi-use trail loop within the study area	Multi-use trail	2013	\$480,000	2014	\$200,000	9625	\$130	2015	\$1,251,250	\$1,931,250	DeKalb	TE / Safety / SPLOST / LCI	10%	\$193,125

ID	Description	Type of Improvement	Eng. Year	Eng. Costs	ROW Year	ROW Costs	Length of Project (ft)	Cost per Linear Ft	Const. Year	Const. Costs	Total Project Costs	Responsible Party	Funding Source	Local Source & Match Amount	
Transit															
T-9	Bike Rack at Kensington MARTA station	Bike	2013	\$3,500	N/A	N/A	N/A	N/A	2013	\$8,500	\$12,000	DeKalb / MARTA	TE / MARTA	10%	\$1,200
T-10	Kensington MARTA station walkway improvement	Pedestrian	2013	\$48,000	N/A	N/A	1250	\$85	2014	\$106,250	\$154,250	DeKalb / MARTA	HOST / MARTA	10%	\$15,425
T-11	Kensington MARTA station Security camera system enhancement	Security	2013	\$24,000	N/A	N/A	N/A	N/A	2014	\$120,000	\$144,000	DeKalb / MARTA	HOST / MARTA	10%	\$14,400
T-12	Kensington MARTA station site improvement	Station Improvement	2013	\$22,800	N/A	N/A	N/A	N/A	2014	\$110,000	\$132,800	DeKalb / MARTA	HOST / MARTA	10%	\$13,280
	TOTAL			\$4,178,300		\$1,350,000				\$9,235,800	\$14,764,100				\$3,256,210

Table 5.3 Other Projects

ID	Description	Cost	Starting Year	Responsible Party	Funding Source
O-1	Overlay or form-based zoning code	Staff time	2013	DeKalb County	County
O-2	Uniform sign program	TBD	2015	DeKalb County	County
O-3	Gateway at Memorial Drive on both sides of I-285	\$8,000	2014	DeKalb County	County
O-4	Gateway at Memorial Drive and Kensington Road intersection	\$5,000	2014	DeKalb County	County
O-5	Gateway at Memorial Drive and Camp Street intersection	\$5,000	2015	DeKalb County	County
O-6	Create a park at the northeast corner of Memorial Drive and Kensington Road intersection (includes pedestrian bridge)	TBD	2014	DeKalb County	County
O-7	Office space user recruitment	NA	2013	DeKalb County	County
O-8	Public private partnership	NA	2013	DeKalb County/MARTA/Private	DeKalb County/MARTA/Private
O-9	Public relations campaign communicating successful new development and activities	Staff time	2014	DeKalb County	County
O-10	Develop a website devoted to promoting businesses and residential development	Staff time	2013	DeKalb County	County

All cost estimates are in 2012 dollars

GDOT: Georgia Department of Transportation

LCI: Livable Centers Initiative

SPLOST: Special Purpose Local Option Sales Tax

TE: Federal Transportation Enhancement

Pvt.: Private

Organizing for Implementation

Implementing a successful redevelopment, marketing and economic revitalization program is a complex task involving a variety of public and private players and community entities. A critical element of redevelopment in the study area will be actively managing the investor recruitment and marketing processes to ensure that Kensington fulfills its development potential. Given that development will likely occur in several phases, managing recruitment and development will be an ongoing task. Successful business development programs for small and large communities alike have the following key organizational elements in common:

- A clear delivery system for ongoing public relations, target marketing and sales.
- Active collaboration between public and private stakeholders, including local government, developers, established businesses, lenders, regulators, residents, Chambers of Commerce and others.
- The capacity to follow-through on work plans. The most creative recruitment efforts will not succeed without continuous follow-through and systematic adjustments to the market and business targets, which are in constant motion.

Considerations for managing the development, recruitment and marketing processes for Kensington include:

- Identify lead DeKalb County department(s) for economic development and marketing tasks. While redevelopment will require collaboration between several DeKalb County departments and other agencies, likely including MARTA, a lead or leads should be identified as primarily responsible for organizing developer/business recruitment and marketing and managing the development process for the County. Partner organizations/ departments and their anticipated roles should also be clearly established.

Evaluate local organizational capacity to manage the pre-development process, including development of finance structures and developer solicitation and negotiation. If desired, DeKalb County may choose to contract with an outside consultant to manage and advise regarding remaining pre-development tasks.

- A joint development agreement for public private partnership between DeKalb County, a developer and, potentially, MARTA should set forth expectations of both the public and private partners. Meetings at scheduled intervals and communication throughout the development process are key to successful management. While timeframes should be clearly established,

flexibility during the pre-development and development processes will help overcome any unexpected changes in conditions or other problems.

- For business recruitment efforts, including recruitment of large office space users, a protocol and central point of contact for marketing to business, broker and developer targets and responding to inquiries should be developed. This protocol should include a plan for initial contact and sharing of marketing collateral and for follow-up outreach, which may include activities such as guided site visits or simply ongoing communication of new opportunities and recent successes in the Study Area.
- Monitor and measure progress in Kensington. Identify specific benchmarks about which to report. Publicize progress to business, developer, broker and investor prospects and to the general public. Develop and widely distribute regular reports on the status of benchmarks, such as an annual report summarizing accomplishments. This is a valuable activity for sharing information with partners and investors, for building public confidence and for gauging overall progress. Sample progress indicators appear in Table 5.4.

Overall, ongoing communication, flexibility and strong leadership will be essential for managing the development, recruitment and general marketing processes. Sharing initial development and business successes within the Study Area with the development community, brokers add potential new customers/residents will fuel interest in Kensington and in turn help it attract new investors and consumers.

5.4 Sample Business Development Benchmarks

Public Investment	<ul style="list-style-type: none"> • Value of capital improvements, new buildings • Increased tax revenue
Private Investment	<ul style="list-style-type: none"> • Value of business and property investment
Business Mix	<ul style="list-style-type: none"> • Number and distribution of new businesses
Real Estate	<ul style="list-style-type: none"> • Retail square footage (developed and leased) • Housing units • Office space square footage • Community facilities • Occupancies • Lease rates
Economic Vitality	<ul style="list-style-type: none"> • New full and part time jobs • Customer counts • Retail sales growth • Parking spaces
Promotion/Marketing	<ul style="list-style-type: none"> • Customer counts – events, new visitors • Sales impacts



APPENDIX: MARKET ANALYSIS

Residential & Commercial Market Analysis

For the Kensington LCI TOD Plan

July 2012



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1. Framework

Marketek, Inc. was retained by Tunnell-Spangler-Walsh and Associates to prepare a market analysis for the Kensington LCI TOD Plan being conducted on behalf of DeKalb County. The primary objective of the market analysis is to determine the potential market depth for new residential, retail and office space in the TOD Study Area and to determine how this potential could be most realistically achieved. The following tasks were performed as part of this effort:

- **Study Area Overview:** The Study Area's current position in the marketplace was assessed in terms of the quality and level of existing supply and in how it relates to competitive markets.
- **Demographic and Economic Profile:** Analysis of demographic and economic trends in and around the Study Area, as well as larger geographic areas from which customers and new residents are likely to emanate.
- **Market Analysis:** Analysis of the competitive supply of residential, retail and office uses. Estimates of potential market support for new or rehabbed residential, retail and office development, phased over a 10-year period.
- **Economic Development & Housing Recommendations:** Based on community input and findings of the market analysis, redevelopment considerations for residential, retail and office uses are provided, including housing opportunities, retail positioning/market niches, developer/business attraction and other economic development considerations.

Methodology

While redevelopment activity throughout the Study Area will be phased over time and build out will likely extend beyond ten years, the market analysis is focused on the 2012-2022 timeframe, a realistic period for demand projections. The results of this study are based on:

- Site visits conducted by Marketek, Inc.
- Analysis of secondary data including the U.S. Census, the Atlanta Regional Commission, ESRI Business Information Solutions, building permit data, and others;
- Input from local residents and property owners, public officials and real estate professionals;
- Statistical estimates of potential supportable space;
- Business inventory and mapping of key shopping centers; and
- The professional and technical expertise of Marketek, Inc.

Study Area

The Kensington LCI TOD Study Area (shown in Map 1 below) includes approximately 237 acres of land in DeKalb County. It is roughly bounded by I-285 to the northeast, Memorial Drive to the northwest and Kensington and Durham Park Roads to the south. The Study Area also includes the Kensington MARTA Station and the DeKalb County Tax Commissioner's central office north of Memorial Drive.

The majority of land uses in the Study Area are DeKalb County offices and other civic uses, including the DeKalb County Jail and the recently-constructed Juvenile Justice Center. The County owns most of the land in the Study Area, with the exception of the MARTA station and the parcel across Memorial Drive, on which it holds a long term lease.

A mix of commercial and residential space surrounds the area, including strip shopping centers and other auto-oriented retail along Memorial Drive and a mix of aging multifamily rental properties and single-family owner-occupied homes. Georgia Piedmont Technical College and downtown Avondale Estates are less than two miles away. Prime Study Area access points include the Memorial Drive corridor, I-285 and the Kensington and Indian Creek MARTA stations.



Map 1. Kensington LCI TOD Study Area

2. Target Market Profile

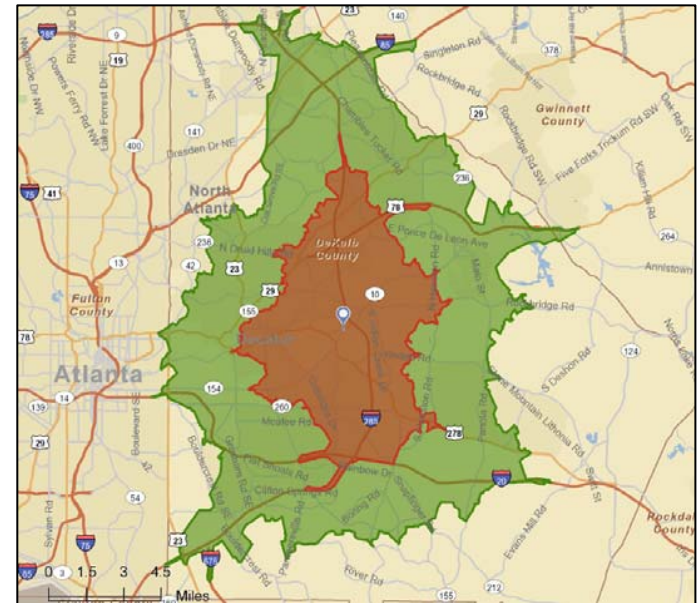
Primary target markets for new residential, retail, service and entertainment uses in the Study Area include existing and future local residents and employees. This section provides an in-depth look at these markets, which provide the greatest potential opportunity for a dependable source of year-round sales and of potential buyers of newly-developed housing.

Resident Markets

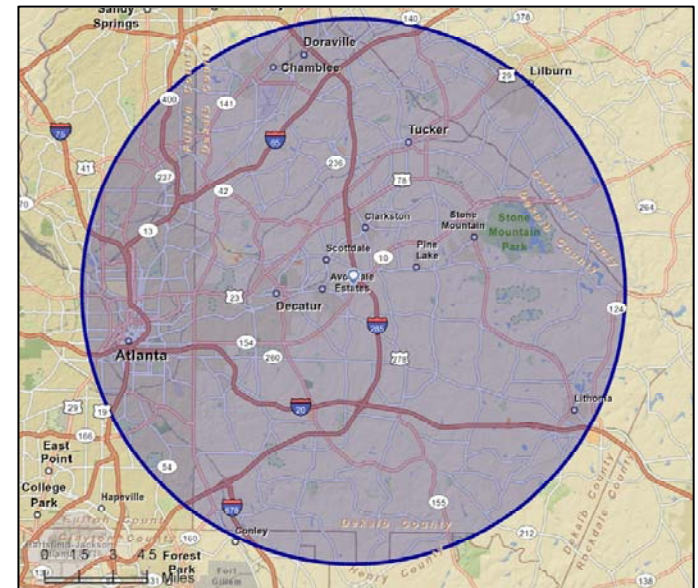
Marketek delineated Retail and Residential Market Areas, which are the geographic areas from which the large majority of potential retail customers and residents of new housing will emanate. They are based on drive time estimates, geographic and man-made boundaries and the location of existing competitive supply.

The Kensington LCI TOD Study Area's market areas include:

- **Local Retail Market Area:** Approximately a seven-minute drive from the intersection of Memorial and Mountain Drives. Residents will visit the Study Area for convenience-related goods and services (such as groceries, dry cleaning, etc.), as well as for specialty shopping, dining and entertainment. Shown in red on Map 2 on following page.
- **Greater Retail Market Area:** Approximately a twelve-to-fifteen-minute drive from the intersection of Memorial and Mountain Drives. Residents will visit the Study Area for destination shopping, dining and entertainment. Shown in green on Map 2.
- **Residential Market Area:** Ten-mile radius from the intersection of Memorial and Mountain Drives. Majority of new Study Area residents will move from within this area. Shown in blue on Map 3 on following page.



Map 2. Local & Greater Retail Market Areas – 7 & 12 Minute



Map 3. Residential Market Area – 10 Mile Radius

Demographic trends are analyzed for the 2000 to 2016 time period and comparisons to DeKalb County and the Atlanta Metropolitan Statistical Area are made where appropriate. Figure 1 provides several major demographic and economic indicators with more detailed information available in Appendix A.

- Over the last decade, population and household growth in DeKalb County was slow. From 2000 to 2010, the County added only 26,028 persons – a 3.9 percent increase and the lowest growth rate for any county in the 20-county metro Atlanta area. The local and greater retail market areas showed a population loss from 2000 to 2010, although the greater retail market area gained about 1,800 households due to a decline in household sizes (from an average of 2.63 to 2.49 persons).
- The residential market area, a larger geography than the retail market areas, added about 42,000 residents since 2000 for an average annual growth rate of 0.4 percent. By comparison, the Atlanta Metropolitan Statistical Area (MSA) grew at an average annual rate of 2.3 percent from 2000 to 2011.
- Population and household growth is projected to increase in both the retail and residential market areas over the next five years. The greater retail market area is expected to add 5,225 persons and the residential market area to add 30,405 persons. In all market areas, household growth rates will likely outpace population growth rates as household sizes continue to fall.
- Median household incomes in the market areas range from \$42,736 in the local retail market area to \$49,569 in the residential market area. All are below the MSA median of \$55,642. Households with incomes above \$75,000 make up over a quarter of greater retail area households (28.6 percent) and nearly a third of residential market area households (31.3 percent).
- Age trends are similar across the market areas, DeKalb County and metro Atlanta. Median ages range from 33.3 years in the residential market area to 35.0 years in the MSA. In each geography, seniors (age 65 and up) constitute between 8-10 percent of the population and children (under age 20) make up 25-29 percent.

Nationally, aging baby boomers are projected to fuel increases in the senior population over the next few decades. Strong growth in the metro Atlanta senior population is also expected. According to the Atlanta Regional Commission (ARC), DeKalb County's 55 plus population is anticipated to increase by 118 percent from 2005 to 2030, which translates to an additional 138,060 residents over the age of 55. As DeKalb's older adult population grows, the town center atmosphere envisioned for the Kensington Study Area is likely to be an increasingly attractive location for seniors and retirees.

- African Americans make up the majority of the population in the local and greater retail market areas (62.0 percent and 56.9 percent, respectively) and about half (49.2 percent) of the residential market area. The proportion of white persons ranges from 26.2 percent in the local retail market area to 37.0 percent in the residential market area. Hispanic residents make up from 4.0 percent of the local retail market area to 11.5 percent of the residential market area.

Figure 1. Demographic Snapshot: Retail & Residential Market Areas, DeKalb County and Atlanta MSA

Demographic Indicator	Local Retail Market Area	Greater Retail Market Area	Residential Market Area	DeKalb County	Atlanta MSA
Population					
2011	127,135	406,199	933,247	694,013	5,321,132
2016 (forecast)	128,127	411,424	963,652	705,169	5,609,610
Avg. Ann. % Change ('00 -'11)	-0.71%	-0.36%	0.43%	0.38%	2.30%
Avg. Ann. % Change ('11 -'16)	0.16%	0.26%	0.65%	0.32%	1.08%
Households					
2011	48,867	158,909	376,873	272,658	1,956,690
2016 (forecast)	49,848	162,555	394,703	280,291	2,066,892
Avg. Ann. % Change ('00 -'11)	-0.25%	0.11%	0.95%	0.85%	2.35%
Avg. Ann. % Change ('11 -'16)	0.40%	0.46%	0.95%	0.56%	1.13%
Average Household Size	2.52	2.49	2.37	2.50	2.68
Median Household Income	\$42,736	\$47,688	\$49,569	\$52,316	\$55,642
Median Age (Years)	34.5	34.8	33.3	34.4	35.0
Race					
Percent White Alone	26.2%	31.5%	37.0%	33.3%	55.4%
Percent Black Alone	62.0%	56.9%	49.2%	54.2%	32.3%
Percent Hispanic	4.0%	7.7%	11.5%	10.0%	10.7%
Educational Attainment					
No High School Degree	13.5%	12.4%	13.4%	12.1%	12.6%
High School Degree	49.1%	46%	40.3%	42.3%	46.1%
Associate Degree	6.8%	6.8%	6.2%	6.7%	6.8%
Four Year Degree or More	30.6%	35.3%	40.1%	38.9%	34.5%

Source: 2000 and 2010 U.S. Census; ESRI Business Information Solutions

Market Segmentation Data

Recognizing that people who share the same demographic characteristics may have widely divergent interests and shopping preferences, Community Tapestry data (developed by ESRI Business Information Solutions) categorizes neighborhoods throughout the

nation into 65 consumer groups or market segments. Neighborhoods are defined by census blocks and are analyzed by a variety of demographic and socioeconomic characteristics and other determinants of consumer behavior.

Figure 2 shows the top community Tapestry market segments in the Kensington market areas. While the characteristics of each vary, households tend to be a mix of young families (whose spending reflects family needs – purchases for babies/children, home improvement and gardening and big-ticket home items) and singles or childless couples (predominately young professionals and retirees). Appendix B provides detailed descriptions of each market segment.

Figure 2. Top Ten Tapestry Market Segments: Kensington Market Areas, 2011

Market Segment	% of Local Retail Market Area	% of Greater Retail Market Area	% of Residential Market Area
Metropolitans	16.3%	10.8%	6.6%
Inner City Tenants	15.2%	6.9%	4.0%
Milk and Cookies	11.1%	11.5%	9.1%
Metro City Edge	10.2%	6.1%	
Family Foundations	9.6%	8.5%	4.6%
Aspiring Young Families	7.4%	9.6%	6.7%
Young and Restless	6.7%	8.4%	6.0%
Retirement Communities	3.3%		
Enterprising Professionals	3.2%	3.8%	4.1%
Metro Renters	2.5%	3.7%	17.2%
Up and Coming Families			4.8%
Laptops and Lattes			3.9%
Cozy and Comfortable		3.5%	

Source: ESRI Business Information Solutions

Employee Market

Market research conducted by the Business Owners and Managers Association of America demonstrates that office workers (as one segment of the workforce) spend between 10 and 15 percent of their expendable income in and near their places of work.

A survey by the International Council of Shopping Centers found that downtown workers spent an average of \$130 per week during lunch and after work. This survey further revealed that:

- The majority of workers (76 percent) prefer to walk to lunch, up to three blocks.
- Top items purchased were cards, stationery, gifts, drugstore items, books and magazines.
- Workers also buy office supplies, jewelry, apparel, accessories, housewares and arts/crafts items, but with less frequency.

An estimated 136 businesses with 8,939 employees operate within the Study Area. The vast majority of jobs are in the government sector (93.7 percent), as would be expected given the area’s high concentration of DeKalb County offices and other civic uses. Of the 562 non-government jobs, most are in the services sector (376 jobs or 4.2 percent of the total).

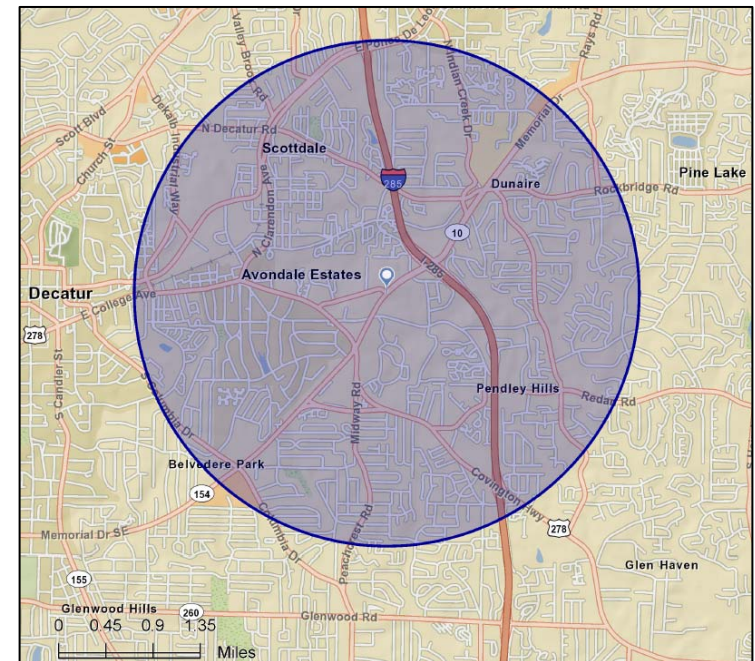
Within two miles of the Study Area, there are an additional 1,391 businesses and 24,448 jobs (Figure 3 and Map 4). The government sector still makes up the majority of jobs in the two-mile area, with 56.1 percent of total employment. Other top industries include services with 7,004 jobs (21.0 percent) and retail trade with nearly 5,000 jobs (15.0 percent).

Figure 3. Employment by Industry: Study Area and 2-Mile Radii, 2012

Industry	Study Area		2-Mile Radius	
	#	%	#	%
Agriculture & Mining	12	0.1%	134	0.4%
Construction	15	0.2%	711	2.1%
Manufacturing	0	0.0%	553	1.7%
Transportation	0	0.0%	147	0.4%
Communication	1	0.0%	50	0.1%
Utilities	0	0.0%	1	0.0%
Wholesale Trade	6	0.1%	265	0.8%
Retail Trade	47	0.5%	4,999	15.0%
Finance/Insurance/Real Estate	98	1.1%	690	2.1%
Services	376	4.2%	7,004	21.0%
Government	8,377	93.7%	18,726	56.1%
Other	7	0.1%	107	0.3%
Total Employment	8,939	100.0%	33,387	100.0%
Total Businesses	136		1,527	

Note: Distance is from the intersection of Memorial Drive and Mountain Drive.

Source: ESRI Business Information Solutions



Map 4. 2-Mile Radius from Study Area

3. Residential Market Analysis

Here we provide an overview of the existing housing market, along with a statistical demand analysis to estimate potential market depth for for-sale and rental housing in the Study Area. Target markets for new housing are also identified.

Market Overview

Economic uncertainty, job losses, an oversupply of residential real estate and foreclosures continue to plague the housing market nationally and in metro Atlanta. In the U.S., new housing starts bottomed out at half a million in 2009, compared to an average of almost 2 million starts per year prior to the recession. As of May 2012, the Census Bureau estimated a seasonally adjusted annual average of 708,000 housing starts nationwide, with the largest share (52 percent) in the south. This represents a 29 percent increase over the May 2011 national annual average and a 40 percent increase over the May 2011 annual average for the south.¹

In metro Atlanta, several factors have coalesced to depress rents, sales prices and sales volumes. From 1995 to 2005, the Atlanta MSA led the nation in terms of square footage of new home construction. This construction boom leaves the metro area with an estimated 150,000 vacant, developed lots (i.e., lots that are served by varying levels of infrastructure but no homes are built). Meanwhile, risky lending practices, unemployment and a short foreclosure process statewide have further increased oversupply as foreclosed homes are made available.

As of May 2012, RealtyTrac reported that Georgia had the highest foreclosure rate in the nation at 1 in 300 and the fourth highest number of foreclosures at 13,649. These numbers represent a 30 percent increase since May 2011. In May 2012, DeKalb County had the third highest number of foreclosures in the ten-county metro Atlanta area with 1,303. It ranked seventh in terms of foreclosure rate, with 1 in 234 homes receiving default notices, being scheduled for auction or being repossessed. Highest foreclosure rates in the metro were in Douglas and Henry Counties (1 in 122 and 1 in 157, respectively).²

Nationally, monthly foreclosure activity decreased on a year-over-year basis since November 2010, but the pipeline remains clogged in many markets by a glut of already foreclosed properties that have not sold or were improperly filed. Also, banks are “sitting on” a substantial inventory of foreclosures in fear of flooding the market. While foreclosures during 2012 will continue to adversely affect the housing market, the April 2012 S&P/Case-Shiller home price indices showed a slight increase (1.3 percent) over the previous month. On an annual basis, however, sales prices fell 2.2 percent, which is a slower rate of decline than March’s 2.9 percent annual decrease. Of

¹ U.S. Census Bureau and U.S. Department of Housing and Urban Development, *New Residential Construction in May 2012*, released June 19, 2012; U.S. Census Bureau, *New Residential Construction Historical Data*.

² Couret, Jacques, “Georgia No. 1, Atlanta No. 2 in May Foreclosures,” *Atlanta Business Chronicle*, June 14, 2012; RealtyTrac, *U.S. Foreclosure Trends and Foreclosure Market Statistics*, www.realtytrac.com/trendcenter/trend.html.

the 20 major metropolitan areas studied, Atlanta showed the largest sales price decline from April 2011 to April 2012 at 17.0 percent, although sales prices were up 2.3 percent since March 2012.

On the rental side, apartment rents and occupancies fell during the recession, although the market has not been hit as hard as for-sale. A 2011 report by the National Multi Housing Council reports that rental apartment development activity has increased in most areas, and apartments are generally performing better than other real estate sectors nationally. According to Databank, Inc., in metro Atlanta, apartment occupancy rates averaged 90 percent in 2011, down from 96 percent ten years ago. Rental rates are stable and poised to increase; and complex and land sales are picking up.

Housing Supply

Figure 4 summarizes the characteristics of the existing housing supply within a 2-mile radius of the Study Area and in the Residential Market Area, DeKalb County and Atlanta MSA.

- *Tenure:* Around the Study Area, the majority of homes are renter occupied (55 percent) compared to the residential market area and DeKalb County, where the majority are owner occupied (53 percent and 57 percent, respectively). In each of these geographies, renters make up a larger share of households than they do throughout the metro (34 percent).
- *Vacancy:* Residential vacancy rates range from 11 percent in the MSA and DeKalb County to 14 percent in the 2-mile radius surrounding the Study Area. With the exception of the MSA, vacancy rates in all areas more than doubled since 2000.
- *Home Values:* Estimated median home values in the residential market area, DeKalb County and metro Atlanta are close, ranging from \$135,851 in the county to \$145,533 in the MSA. Median home value in the area surrounding the Study Area is lower at \$113,143.
- *Rental Rates:* Median contract rent is highest in the residential market area at \$758 per month and lowest surrounding the Study Area at \$645 per month.
- *Structure Type:* Detached single family housing constitutes the largest share of housing in each geography, from 43 percent of housing surrounding the Study Area to 67 percent of housing throughout the MSA. Apartments with 10 or more units follow, making up a quarter of units near the Study Area and in the residential market area, one-fifth of units in the DeKalb County and 14 percent of units in the metro area.
- *Age of Housing:* Housing in the 2-mile radius surrounding the Study Area tends to be older than that in the residential market area and DeKalb County. Median year built for housing in these geographies ranges from 1973 near the Study Area to 1979 in DeKalb County. Housing throughout the metro area is newer, with 44 percent built since 1990 and a median year built of 1987.
- *Building Permits:* Another indicator of the local housing market is the number of residential building permits issued. Housing permits issued in DeKalb County reveal a significant decline over the last decade. The number of permits issued grew from 3,646 in 1990 to a

peak of 7,575 in 2001. From 2001 to 2008 there was a steady decline, with a drastic drop to 282 in 2009. Over the past two years, permit numbers have increased slightly to 547 in 2011.

Please see Appendix C for more detailed data regarding the existing housing stock and local building permit trends.

Figure 4. Summary Characteristics of Existing Housing: 2-Mile Radius, Residential Market Area, DeKalb County and Atlanta MSA

Housing Characteristic	2-Mile Radius	Residential Market Area	DeKalb County	Atlanta MSA
Occupied Units (2010)	16,759	373,630	271,809	1,937,225
Owner occupied	44%	53%	57%	66%
Renter occupied	56%	47%	43%	34%
Vacancy Rate (2010)	14%	13%	11%	11%
Median Owner Occupied Unit Value (2010)	\$113,143	\$140,403	\$135,851	\$145,533
Median Contract Rent (2005-2009)	\$645	\$758	\$749	\$733
Units in Structure (2005-2009)				
Single Family Detached	43%	50%	57%	67%
Single Family Attached	6%	6%	6%	5%
2-4 Units	8%	7%	6%	5%
5-9 Units	16%	10%	11%	6%
10+ Units	27%	26%	19%	14%
Other (mobile home, boat, RV, etc.)	0%	1%	1%	3%
Median Year Structure Built (2005-2009)	1973	1976	1979	1987

Source: 2010 U.S. Census; 2005-2009 American Community Survey; ESRI Business Information Solutions

For-Sale Supply

Home sales in DeKalb County and several zip codes surrounding the Study Area are provided in Figure 5. As shown, new home sales in all areas fell drastically from 2005 to 2011. In DeKalb County, they fell by 83 percent and in the Decatur zip code containing the Study Area they fell from 161 in 2005 to zero in 2011. Other smaller zip codes had low numbers of new home sales in the mid-2000s and only one to three in 2011. Median new home sales prices fell from a recent high of \$240,995 in 2007 to \$199,990 in 2011, which is above the 2005 median of \$180,785. Thus, while numbers of new sales have declined, prices have remained somewhat steadier.

In contrast, existing home sales prices in DeKalb and several of its zip codes have seen a rapid decline, having been heavily impacted by a large number of foreclosures. The median resale price in DeKalb fell by 57 percent from 2005 to 2011; with the exception of

Avondale Estates, median resale price fell by over 70 percent in each zip code. While foreclosures brought resale prices down, the kept sales numbers from falling as drastically as new sales – the number of resales countywide fell by 14 percent from 2005 to 2011 countywide.

Interviews with local real estate professionals echo building permit data and sales histories – construction and market activity have slowed significantly throughout the county and many sales now involve foreclosures. Few communities are actively building, although some builders are selling new units after acquiring vacant foreclosed lots or built homes. Little to no speculative building is underway.

Marketek surveyed selected higher-density residential for-sale projects in close proximity of the Study Area (Figure 6). For the four townhome communities surveyed, absorptions ranged from 0.5 to 1.0 unit per month with sales prices from \$95 to \$125 per square foot. All units were three bedroom townhomes ranging in size from about 1,700 to 2,100 square feet.

Figure 5. Home Sales History by 2-Year Intervals: DeKalb County and Zip Codes Surrounding the Study Area, 2005 to 2011

	2005	2007	2009	2011	'09-'11 % Change
New Home Sales					
DeKalb County					
Units Sold	3,433	2,482	860	591	-31%
Median Price	\$180,785	\$240,995	\$212,730	\$199,990	-6%
30032 Zip Code (Decatur)					
Units Sold	161	78	27	0	
Median Price	\$249,500	\$187,600	\$155,500		
30002 Zip Code (Avondale Estates)					
Units Sold	17	12	3	2	-33%
Median Price	\$260,900	\$474,950	\$315,000	\$325,000	3%
30079 Zip Code (Scottsdale)					
Units Sold	13	17	1	1	0%
Median Price	\$360,000	\$287,000	\$252,400	\$280,625	11%
30021 Zip Code (Clarkston)					
Units Sold	35	0	0	1	
Median Price	\$157,865			\$230,000	
30083 Zip Code (Stone Mountain)					
Units Sold	46	115	46	3	-93%
Median Price	\$177,400	\$155,000	\$99,000	\$51,500	-48%

Existing Home Sales					
DeKalb County					
Units Sold	10,227	9,325	8,716	8,815	1%
Median Price	\$165,000	\$160,000	\$87,525	\$70,900	-19%
30032 Zip Code (Decatur)					
Units Sold	554	684	822	579	-30%
Median Price	\$105,000	\$95,000	\$30,000	\$27,000	-10%
30002 Zip Code (Avondale Estates)					
Units Sold	139	85	77	81	5%
Median Price	\$237,900	\$260,000	\$235,000	\$184,900	-21%
30079 Zip Code (Scottsdale)					
Units Sold	62	41	51	28	-45%
Median Price	\$165,000	\$169,900	\$45,000	\$40,750	-9%
30021 Zip Code (Clarkston)					
Units Sold	121	104	72	152	111%
Median Price	\$144,500	\$115,006	\$82,050	\$32,000	-61%
30083 Zip Code (Stone Mountain)					
Units Sold	650	605	661	586	-11%
Median Price	\$120,150	\$110,900	\$42,000	\$34,100	-19%

Source: Atlanta Journal Constitution Atlanta Home Sales Report

Figure 6. Summary of Selected For-Sale Communities, Kensington Competitive Area, Summer 2012

Development Year Opened, Location, Unit Type	Total Units	Unit Price Range		Unit Size Range		Price/SF	Sales	
		From	To	From	To		Total	/Mo
Berkeley Village (2008) Covington Hwy & Emeril Dr Townhomes	apx. 30	\$163,000	\$274,900	1,772	1,783	\$123	21	0.6
	Three bedroom, 3.5 bath townhomes. Listings now range from \$171,900 to \$174,900.							
Kensington Trace (2005) Kensington Rd & Convington Hwy Townhomes	17	\$249,900	\$269,900	1,678	1,728	\$153	17	0.7
	Three bedroom, three bath townhomes. Since initial sales ended in 2007, three resales with prices from \$170,000 (a foreclosure in 2012) to \$238,900 in 2008. No listings are currently being marketed.							
Kensington Walk (2001) Kensington Rd & Covington Hwy Townhomes	12	\$239,000	\$276,100	1,982	2,148	\$125	12	0.5
	Three bedroom, three bath townhomes. Since initial sales ended in late 2003, three resales with prices from \$175,000 (in 2011) to \$265,000 (in 2007). One unit is currently on the market with an asking price of \$189,900.							
North Village (2006) Memorial Dr & North Village Dr Townhomes	apx. 50	\$145,000	\$194,800	1,786	1,786	\$95	38	1.0
	Three bedroom, three bath townhomes. Builder foreclosure in 2011, with list prices for remaining units from \$80,000 to \$89,900.							

Source: Marketek, Inc.; DeKalb County Tax Assessment Data

Rental Apartment Supply

While still well below historic averages, multifamily rental starts in metro Atlanta are above last year's levels, with an estimated 2,000 rental units set to open in 2012, according to Marcus & Millichap's Second Quarter 2012 Apartment Market Report. Limited supply growth and strong demand are expected to push vacancy rates down to 7.1 percent and increase asking rents, especially in the high-demand submarkets of Buckhead, Midtown and Perimeter. Despite strong occupancy rates in some suburban counties, developer interest is currently focused primarily on infill locations in Atlanta. According to CB Richard Ellis, developers are opting for intown sites

because of higher rents and to avoid the need for rezoning or other approvals which are often more difficult to secure in suburban locations.

As of the second quarter of 2012, Marcus & Millichap estimate rental apartment vacancy in the Decatur/Avondale submarket at 9.1 percent, the ninth highest of the ten submarkets they track, with an average rent of \$745. Looking at vacancy rates by county based on Databank, Inc.'s quarterly apartment market survey, the vacancy rate in DeKalb is estimated at 12 percent, the fifth highest in the twelve areas surveyed. Lowest vacancies (6 to 8 percent) are in north Fulton, Rockdale and Henry Counties.

Marketek surveyed several apartment communities located near the Study Area (results are provided in Appendix C). Occupancy rates ranged from the mid-80s to mid-90s, with the exception of one community that was approximately 60 percent occupied. Half of the communities surveyed had occupancy rates in the 90s. Floorplans varied – all of the ten communities surveyed offered two bedroom units, nine offered one bedrooms or studios, six offered three bedroom units and only one offered any four bedroom units.

Starting rental rates for one bedroom homes range from \$495 to \$1,076 per month (or \$0.65 to \$1.45 per square foot). Most are clustered in between \$550 and \$850. Two bedroom unit starting monthly rents range from \$545 to \$1,144 (or \$0.55 to \$1.00 per square foot), but most are from \$600 to \$830. Highest rents are in Jackson Square and at Archstone Decatur Crossing, the only properties surveyed that were built since 2000. Both have high occupancy rates – 93 percent at Jackson Square and 97 percent at Archstone.

Six of the ten communities surveyed were offering specials, including free or reduced first month's rent, free covered parking or monthly rent reductions of \$100 to \$125 off market rate rents.

Typical amenities include balconies, cable and internet readiness, fitness centers, playgrounds, laundry facilities and washer/dryer connections. Several communities also offer garages or other covered parking.

Housing Demand

A statistical demand analysis was performed for the residential market area to estimate the potential market depth for for-sale and rental product in the Study Area. Even though the analysis uses finite numbers, the end result (i.e., potential market support) should be interpreted as an approximation of market depth that is balanced with the characteristics of the competitive supply.

The two main sources of annual potential demand for housing are new household growth and turnover. New household growth is traditionally used to project market expansion and is based on projected household growth rates for the residential market area. The owner and renter analyses use the average annual increase in households beginning with the estimated household base in 2012 and the projected 2012-2022 annual number of new households.

In both the owner and the renter demand analysis, the more quantitatively significant source of potential demand, turnover, has as a base the estimated number of owner or renter occupied units currently existing within the residential market area. Projected owner and renter occupied households are qualified or segmented by turnover rates (from the American Community Survey), as well as by income

and household size. It is assumed that a majority of prospective households will have one to three persons. In terms of income, the bulk of potential homebuyers will likely have annual incomes of \$50,000 or higher, while prospective renters will have annual incomes between \$25,000 and \$60,000.

Households that will potentially be owners or renters are qualified by income, household size and Tapestry market segmentation data. Recognizing that estimated potential demand will depend on housing preferences of new and existing market area households, Tapestry data is used to narrow demand estimates to include households that would be most attracted to new housing developed in a town center atmosphere. For example, the appeal of residential development in the town center will vary depending on a household's characteristics or preference/lifestyle choice. A large family, for instance, may prefer a house with a big yard as opposed to a loft-style condominium in a mixed-use setting.

Estimated Potential Demand

Over the next ten years, 1,915 residential market area households will be potential buyers of newly developed or rehabilitated market rate housing annually. An estimated 5,128 households in the residential market area are potential renters at market rate rental projects annually (see Appendix B for demand calculations).

Based on an evaluation of the surrounding housing market, the competitive supply, the attributes of the Study Area and Marketek's experience in facilitation of residential development, we estimate that during the first ten years of development, approximately 670 for-sale and 1,026 rental units could be absorbed in the Study Area (see Appendix B). In other words, the Study Area has the potential to capture 3.5 percent of for-sale market demand and 2.0 percent of rental market demand over a ten year period. Combined, there is demand for 1,696 housing units in the Kensington LCI TOD Study Area, 40 percent ownership and 60 percent rental.

The projection for potential demand for housing in the Study Area assumes that development will begin as the economy stabilizes and Atlanta enters another period of growth. These projections also assume there will exist marketable rental and for-sale housing product and that an aggressive marketing program for new housing will be underway. The recommended housing types would include primarily newly constructed apartments, condominiums and townhouses, with a small share of small-lot single-family detached homes.

Figure 7 summarizes potential demand estimates and potential achievable rents and home prices. While there may be some demand for higher-priced units, it is our opinion that as prices rise above these levels, demand will thin out, especially as the housing market is recovering. Following recovery, higher sales prices may be achievable. Given the instability of home values over recent years and the unpredictability of the pace of market recovery, future home sales should be reviewed prior to housing development to best determine potential achievable price points in the Study Area.

Figure 7. Summary of Potential New Residential Units in Kensington LCI TOD Study Area

	10-Year Market Area Potential Demand	Study Area Capture	10-Year Study Area Potential Demand	Potential Market Rate Price Points/Rents
For-Sale Product	19,151 Units	3.5%	670 units	Condos: \$135,000 to \$175,000 Townhomes: \$165,000 to \$195,000 Single-Family Detached: \$155,000 to \$205,000
Rental Product	51,283 Units	2.0%	1,026 Units	1 bd: \$750 to \$950 2 bd: \$900 to \$1,250 3 bd: \$1,050 to \$1,400

Target Markets for New Development

Early residents of newly developed housing in the Study Area are likely to be relatively mobile, well-educated, active and somewhat adventuresome. While young professionals and empty nesters remain a primary market segment for mixed-use town center housing, the demand for this type of housing development is growing. Shorter commutes, lower maintenance and immediate access to a variety of uses are part of the explanation. However, a significant factor is the growing desire of people to be connected to their community and to reside in an area that blends, work, recreation and living. Figure 8 provides a general summary of primary target markets for residential development in the Study Area. Prospective residents will primarily include young people, singles and couples with few or no children and empty nesters who are couples or single persons with grown children. Employees working in or near the Study Area should be an initial target market for new housing. The Study Area should offer housing affordable to a mix of incomes, including all members of the existing and future local workforce.

Figure 8. Target Markets for New Housing in the Kensington LCI TOD Study Area

For-Sale Housing			
Market Segment	Entry-Level Professionals	Empty Nesters/Retirees	Workforce Housing
Age	25 to 35	55+	30 to 50
Household Size	1 to 2 persons, few w/ children	1 to 2 persons	Varies
Income	\$35,000-\$60,000	\$50,000 and/or available equity	\$50,000+
Approximate Price Point	\$100,000-\$175,000	\$125,000+	\$150,000+
Motivations/Preferences	Access to work/entertainment/ retail /recreation/ town center Tired of rentals/first time buyer Investment and resale important Seek vibrant, mixed-use setting Intown lifestyle w/o intown price Relatively mobile	Possibly close to children Access to work/town center/ public transit/pedestrian trails Proximity to cultural activities Less maintenance, more security Move-over, move-down buyer Highly settled Value over investment	Access to work/schools/parks/ public transit/family/friends Larger units for bigger families Relatively settled Investment important
Market Segment	Higher-Level Professionals		
Age	30 to 50		
Household Size	1 to 2 persons, some w/ children		
Income	\$60,000+		
Approximate Price Point	\$150,000+		
Motivations/Preferences	Access to work/town center/ pedestrian trails/retail Move-up or move-over buyer Seek vibrant, mixed-use setting Value authenticity/community Investment/resale important Relatively mobile		
Rental Housing			
Market Segment	Entry-Level Professionals	Empty Nesters/Retirees	Workforce Housing
Age	25 to 35	55+	20 to 60
Household Size	1 to 2 persons, few with children	1 to 2 persons	Varies
Income	\$30,000-\$45,000	\$40,000 and/or available equity	Below \$50,000
Approximate Price Point	\$700+ Alone/\$1,000+ Roommate	\$900-\$1,250	Below \$1,000
Motivations/Preferences	Access to work/entertainment/ retail/recreation/town center Seek vibrant, mixed-use setting Highly Mobile	Possibly close to children Access to work/town center/ public transit/pedestrian trails Proximity to cultural activities Less maintenance, more security Seeking intown lifestyle Relatively settled	Access to work/public transit/ family/friends Not ready for homeownership May require larger units for kids Relatively mobile

Source: Marketek, Inc.

4. Retail Market Analysis

The supply and demand analysis estimates the amount of potential new retail space that can be supported in the Kensington LCI TOD Study Area now and over the next ten years by merchandise type.

Market Overview

Nationally, slowed retail sales, increasing vacancy and tightening lending markets have lowered lease rates and stalled commercial construction in many markets. Several indicators, however, point to a recovery. After being down by \$45 billion, retail sales have almost returned to pre-recession levels and are anticipated to grow over this year and next. Nationwide, occupancy rates are recovering (estimated at 7.1 percent) and positive absorption has continued, although retail market expansion is projected to continue at a slow pace as consumers remain cautious and spending makes incremental increases, according to the National Retail Federation.

As retailers took advantage of lower rental rates and other deals, leasing activity has increased. First tier properties have seen the strongest recovery, with some demand for space spilling over to second tier centers. Third tier properties and unanchored strip centers face the most challenges in filling vacancies and stabilizing rents. While discount retailers remain strong and luxury retailers are strengthening, the middle market segment has been slower to respond.

In metro Atlanta, job market growth and improved construction lending have encouraged some retail expansion. According to Marcus & Millichap's Second Quarter 2012 Retail Market Overview, approximately 900,000 square feet of new retail space is expected to be completed in the metro in 2012, up from 530,000 in 2011. Marcus & Millichap estimate Atlanta's retail vacancy rate at 11.8 percent, down from 2011, although some suburban locations have seen vacancies rise. For the first time since the end of 2010, metro-wide retail rents have increased (to an average of \$14 per square foot rent).

Retail Supply

In its *Atlanta Retail Space Guide*, Dorey Publishing and Information Services classifies the Study Area as falling in the "East Atlanta" retail submarket, which contained 8.0 million square feet of retail space in 55 centers as of 2011. Vacant space was estimated at 821,796 square feet with a rate of 10.3 percent, up slightly from 10.1 percent five years ago. Of the 28 metro Atlanta submarkets Dorey tracks, East Atlanta has the eighth lowest vacancy rates and is lower than all suburban submarkets with the exception of Coweta County, Henry County and Stone Mountain.

East Atlanta's average rental rate is estimated at \$13.88 per square foot, in the bottom third when compared to other metro Atlanta submarkets, but up from the 2009 average of \$11.47 per square foot. Lease rates in the adjacent Stone Mountain submarket are slightly lower at \$11.78 per square foot.

Dorey reports no new retail space currently under construction in the submarket.

Destination Shopping Supply

The destination shopping supply in the greater retail market area includes several enclosed shopping malls and big box retail centers:

- *Northlake Mall:* At Briarcliff and Lavista Roads, about 6 miles north of the Study Area. Anchors are JCPenney, Sears, Macy's and Kohl's. Approximately 962,000 square feet of retail space and 90 stores and restaurants. Surrounding Northlake Mall are several big box retail centers with tenants that include Target, Toys R Us, Michael's and Party City.
- *North DeKalb Mall:* At North Druid Hills Road and Lawrenceville Highway, about 5 miles northwest of the Study Area. Anchors are Macy's, Burlington Coat Factory, Marshall's, Ross and AMC 16 Theaters. Approximately 628,000 square feet of retail space and 65 stores and restaurants.
- *Gallery at South DeKalb:* At I-285 and Candler Road, about 7 miles from south of the Study Area. Retail anchors include Macy's and Big 12 Cinemas, but there is also a heavy concentration of office space users, among them a DeKalb County tag office. Approximately 700,000 square feet of space and over 100 stores, restaurants or offices.
- The *Edgewood Retail District* near DeKalb and Moreland Avenues is at the western edge of the greater retail market area and offers approximately 500,000 square feet of retail and restaurant space. Anchors include Target, Lowe's, Best Buy, Ross, Petco, Barnes and Noble and Kroger.

The Mall at Stonecrest falls outside of the greater retail market area boundary but does draw shoppers from the Kensington area and is competition for existing and new commercial space there.

Convenience Shopping Supply

The retail supply in close proximity to the Kensington area reveals private disinvestment along the Memorial Drive and Covington Highway corridors, as several aging shopping centers face large vacancies and potential obsolescence. Retail surrounding the Study Area is primarily suburban-style shopping plazas and free-standing stores or restaurants, including national fast food and casual dining chains. Nearby grocery stores include Kroger at Belvedere Plaza, Publix at Memorial Bend and a free-standing Aldi on Memorial Drive. The WalMart Supercenter on Memorial Drive at Columbia Drive also sells groceries.

Local shopping centers are summarized below on the following page. Vacancy rates in several centers is low (between zero and five percent), while others include large amounts of empty space, with vacancy rates from 19 to 28 percent. At Covington Place, a vacant anchor and several smaller vacancies mean that over half the center is not being used.

Tenants typically include a mix of groceries, restaurants, discount apparel stores, personal services such as hair salons, nail salons and barbershops and financial services such as tax prep, check cashing and loans. In addition to the centers listed, there are also a few plazas along Memorial Drive and Covington Highway that are either majority vacant or have transitioned out of retail and are now being used as churches.

Figure 9. Summary of Selected Shopping Centers in the Kensington Competitive Area, Summer 2012

Retail Center Location	Gross Leasable Area (SF)	Vacancy		Year Built	Number of Stores
		Space (SF)	Rate		
Pendley Hills Center Covington Hwy at Redan Rd	67,724	2,000	3%	1978	13
	Tenants include GA Dept of Labor, United Dollar, Kingston Meat Market, Coin-Op Laundry, restaurants, personal services and financial services.				
Covington Place 4060 Covington Hwy	121,691	~70,000	~58%	1986	9
	Tenants include Rent A Center, Family Dollar, a dive shop, a Chinese food restaurant, personal services and financial services. Large anchor vacancy and several smaller vacancies.				
4570 Memorial Drive 4570 Memorial Drive	152,147	~30,000	~20%	1970	16
	Anchored by D&K Suit City. Other tenants include Family Dollar, a second suit outlet store, restaurants, personal services and financial services. Asking rent is \$8/SF.				
Stonemont Village 5203-5291 Memorial Drive	120,000	23,257	19%	1978	17
	Anchored by Save-A-Lot. Other tenants include Family Dollar, CitiTrends, Shoe Time, Simply Fashion, restaurants, hair salons and financial services.				
Memorial Bend 5203 Memorial Drive	182,748	~5,000	~3%	1960	22
	Anchored by Publix and Ross (opening soon). Other tenants include Rainbow Shops, Dollar Tree, Payless Shoes, restaurants, apparel stores, hair/nail salons and financial services.				
Shops at Lantern Ridge 3500 N Decatur Rd	21,252	6,000	28%	2006	7
	Tenants include an Italian restaurant, food mart, coffee shop, gift shop, tax prep, cleaners and a hair salon. Asking lease rate of \$20/SF.				
4065 Memorial Drive 4065 Memorial Drive	~20,000	0	0%	N/A	8
	Tenants include This Is It BBQ, Wing House, Subway, hair salon and financial services.				
Belvedere Plaza 3435 Memorial Drive	368,065	19,390	5%	\$1,956	17
	Anchored by Kroger. Additional tenants include CW Price, Dollar Tree, Rainbow Shops, Value Village, Shoe Land and other retailers and personal and professional services.				

Source: Marketek, Inc.; Dorey's Atlanta Retail Space Guide

Retail Demand

Marketek estimated potential demand for additional retail, restaurant and service space in the Kensington LCI TOD Study Area based on existing and future resident spending. In each case, spending potential by merchandise type is converted to square feet of store space using sales per square foot standards taken from the Urban Land Institute's Dollars and Cents of Shopping Centers.

Existing Retail Demand

"Existing demand" is demand for retail goods by current market area households that is now being met outside of the market area. Existing demand is found by comparing retail supply (i.e., actual retail sales) with retail demand (i.e., the expected amount spent by market area residents based on consumer expenditure patterns). When demand outweighs supply, a leakage occurs, indicating that consumers are spending outside of the market area for retail goods or services. While consumers will always do a certain amount of shopping away from home, this comparison provides a reasonable indication of the availability of goods in the local market.

Figure 10 shows the existing retail supply and demand balance for the local and greater retail market areas by store type. Sales leakages are occurring in nine of ten store categories, reflecting the fact that residents are leaving the area to shop, possibly heading to the Mall at Stonecrest or commercial hubs in Atlanta, depending on in what part of the market area they live. The most significant sales dollars lost are in general merchandise (i.e., department stores) (\$133.2 million) and restaurants (\$111.6 million). Converting sales leakage to square feet of store space (based on sales per square foot standards) translates to support for 616,803 square feet of general merchandise space and 424,216 square feet of restaurants.

Figure 10. Retail Supply and Demand Balance: Greater Retail Market Area, 2011

Merchandise Category	Demand/ Spending Potential	Supply/ Retail Sales	Leakage (or Surplus)	Target Sales (\$/SF)*	Potential Space
Grocery	\$651,779,366	\$629,112,759	\$22,666,607	\$390	58,120
Health & Personal Care	\$150,499,945	\$162,816,495	(\$12,316,550)		
Apparel	\$171,020,834	\$127,666,873	\$43,353,961	\$209	207,435
Home Furnishings	\$89,747,844	\$63,228,168	\$26,519,676	\$140	189,426
Electronics & Appliances	\$136,420,312	\$73,492,356	\$62,927,956	\$199	316,221
Home Improvement & Gardening	\$140,494,414	\$80,278,373	\$60,216,041	\$140	430,115
Sporting Goods, Books & Music	\$40,733,732	\$26,120,863	\$14,612,869	\$216	67,652
General Merchandise	\$601,606,698	\$468,377,210	\$133,229,488	\$216	616,803
Miscellaneous Specialty Retail	\$50,385,391	\$46,446,781	\$3,938,610	\$216	18,234
Restaurants	\$655,092,871	\$543,524,186	\$111,568,685	\$263	424,216
Total Leakage					\$466,717,344
Estimated Supportable Sq. Ft.					2,328,222

* Target sales are based on the Urban Land Institute, "Dollars and Cents of Shopping Centers."

Source: ESRI BIS (adjusted based on 2010 Census data); Marketek, Inc.; Urban Land Institute

Combining the sales leakage for all categories totals \$466.7 million in sales outside of the market area, or about 2.3 million square feet of store space. While this figure is substantial, it is important to note that given the density of development in DeKalb and Fulton Counties, the market area is not isolated from other retail centers and a certain amount of “out-shopping” is expected.

Future Retail Demand

The second source of resident demand is “future demand,” or demand based on projected household growth and spending patterns in the market areas over the next ten years. Potential retail sales are found by applying expenditure potential³ by type of merchandise to market area population figures and are divided among five merchandise categories: *shoppers’ goods, convenience goods, restaurant, entertainment and personal services*.⁴ Based on standards sales per square foot of store space, potential sales are converted to supportable space.

Potential sales and supportable retail space for the Local and Greater Retail Market Areas over the next ten years were calculated by merchandise type (see Appendix D). In 2012, total retail sales of \$1,763 million would support 8.2 million square feet of store space. By 2017, market area growth has the potential to support an additional 193,369 square feet of store space, with another 206,741 square feet through 2022, for a total of 400,110 million square feet of potential new retail space over ten years. It is important to note that invariably some level of potential expenditures by residents will occur outside of the retail market areas – including online – if desirable goods and services are not available.

The share of this demand that the Kensington LCI TOD Study Area can ultimately capture depends on its success at implementing a comprehensive development program with a wide variety of retail, entertainment, housing and office uses and on its ability to establish a robust business recruitment system. In other words, a passive or segmented approach would result in Kensington achieving only a fraction of its estimated potential.

Kensington Study Area Retail Potential

Based on the assumption that a comprehensive business development program is underway, Marketek estimates that over the next ten years, the Kensington LCI TOD Study Area has the potential to capture 19 percent of new market area demand (or 76,000 square feet of commercial space) and 8 percent of existing market area demand (180,850 square feet). Combined, these form potential for 256,850 square feet of retail space in the Study Area over ten years. Figure 11 summarizes this potential demand by merchandise category, as described below:

- Convenience Goods & Services: Study Area capture of 40-45 percent of new local retail market area demand translates to potential support for 25,350 square feet of additional convenience goods stores space and 8,316 square feet of personal services. This figure includes grocery demand that will be generated by residents of new Study Area housing. This level of demand would be enough to accommodate a small market or specialty grocer, and is likely to be augmented by Study Area employee spending.

³ Consumer spending is estimated from the Bureau of Labor Statistics’ Consumer Expenditure Surveys. The CEX surveys have been used for over a century to provide data to study consumer spending and its effect on gross domestic product.

⁴ Please refer to Appendix D for examples of store types within each retail category.

- **Shoppers' Goods:** Potential Study Area capture of 8 percent of existing and 15-17 percent of new retail market area demand, or 169,000 square feet of store space for apparel, home goods and miscellaneous retail.⁵
- **Restaurants & Entertainment:** A vibrant, mixed-use atmosphere in the Study Area is likely to make it a top destination for dining. Potential capture of 15-17 percent of new and 8 percent of existing retail market area demand over the next ten years would result in 54,100 square feet of restaurant and entertainment space.

Figure 7. Summary of Potential Supportable Retail Space: Kensington LCI TOD Study Area, 2012-2022

Merchandise/Service Category	Existing Unmet Demand		New Supportable Retail Space in Study Area				Total New Supportable Space in Study Area
	2012		2017		2022		
	Capture	Sq Ft	Capture	Sq Ft	Capture	Sq Ft	
Local Retail Market Area							
Convenience Goods							
Grocery	8%	4,650	40%	7,054	45%	10,559	22,263
Health & Personal Care			40%	1,235	45%	1,849	3,085
Subtotal	8%	4,650	40%	8,290	45%	12,408	25,348
Personal Services			40%	3,331	45%	4,986	8,316
Greater Retail Market Area							
Shoppers' Goods							
Apparel	8%	16,595	12%	2,952	14%	3,523	23,070
Home Furnishings	8%	27,803	12%	2,903	14%	3,465	34,171
Home Improvement	8%	47,058	12%	3,016	14%	3,599	53,673
Misc. Specialty Retail	8%	50,803	12%	3,386	14%	4,041	58,229
Subtotal	8%	142,259	12%	12,257	14%	14,628	169,143
Restaurants	8%	33,937	15%	6,850	17%	7,941	48,728
Entertainment			15%	2,477	17%	2,872	5,349
Total	8%	180,846	17%	33,204	21%	42,834	256,884

Note: Because demand for Convenience Goods and Personal Service businesses is derived primarily from nearby residents, captures are based predominately on Local Retail Market Area demand. Grocery demand includes potential spending by residents of new Study Area housing.

Source: ESRI; Urban Land Institute; Marketek, Inc.

⁵ To put demand estimates into context, Appendix D shows the average size of several types of businesses that may be appropriate in downtown. In addition to the median size of all businesses within a particular category, the median size of national, local chain and independent retailers is also shown.

Estimates of potential new retail space in the Study Area should be considered conservative based on the fact that expenditures of a key market – employees – fall outside the model.

Target Business Mix

Successful business districts offer a balance and mix of uses including shopping, restaurants, entertainment, services, community activities and civic space. The Study Area already includes many of these uses, although at present there is little located in the historic downtown. As redevelopment occurs, major target markets will be new and existing local residents, market area shoppers and local employees. Key market niches will include:

- Specialty shopping;
- Restaurants;
- Convenience shopping and services; and
- Entertainment opportunities and community events.

Listed below is a sample business mix showing types of retailers, restaurants and services that fall within these market niches.

Figure 12. Target Business Mix for the Kensington LCI TOD Study Area

Merchandise	Apparel for men, women, teens & children (casual, trendy) Shoes Home décor Kitchen & tabletop items Bed/bath/linens Home furnishings	Books/music/DVDs Gifts/cards/stationery Pet supplies & grooming Unique children's toys & games Consignment apparel Lawn & garden accessories
Restaurants	Outdoor dining/cafés Fast casual dining Deli/sandwich shop Food trucks/carts Ice cream/yogurt/smoothies	Brewpub Healthy/natural food Casual dining Ethnic cuisines
Convenience	Neighborhood grocery Bakery	Coffee shop
Arts & Entertainment	Art gallery/studio Festivals/community events Recreation activities/sports fields	Community center with variety of lessons, activities, etc.
Services	Consumer services (dry cleaning, alterations, hair salon) Day care	Professional services (banking, insurance, real estate, legal) Copy center

Source: Marketek, Inc.

5. Office Market Overview

This section provides an overview of office space supply trends in metro Atlanta and in DeKalb County, along with a summary of potential for new office space development in the Study Area.

Supply Overview

The metro Atlanta office market ended the second quarter of 2012 with a vacancy rate of 21.1 percent, down slightly from 22.9 percent at the close of 2011. While Jones Lang LaSalle reports that leasing activity has been steady during the first half of 2012, most of this activity is the result of relocations rather than large-scale expansions. Buckhead and Midtown have seen the most leasing activity, as landlords have offered deals to attract tenants to Class A space from nearby Class B space and from suburban markets. Average rental rates ended the quarter at \$20.07 per square foot, up slightly from the second quarter 2011 rate of \$19.22 per square foot. Currently there is 450,000 square feet of office product under construction in metro Atlanta, all located at the Ponce City Market in Midtown.⁶

Vacancy rates in Atlanta's suburban office markets have been pushed to record levels, and ongoing flat demand amid a weak job recovery is expected to hinder both occupancy and rental rate growth in the near future. The Kensington area falls in the Northlake submarket, which includes downtown Decatur, the Northlake area and Stone Mountain. According to Jones Lang LaSalle, as of the first quarter of 2012, the submarket contained 11.0 million square feet of office space with a 17.1 percent vacancy rate and average asking rent of \$17.88. Recently, Georgia Perimeter College leased 25,000 square feet of space for administrative offices. Other tenants reportedly in the market for new space include the Emory Orthopaedics and Spine Center and DeKalb Technical College. No new space is currently under construction or scheduled for delivery in the market area.

Overall, the metro Atlanta office market clearly continues to favor tenants, which is reflected in a high number of large transactions. However, with little new construction on the horizon, concessions have eased and leasing terms are beginning to tighten in both intown and suburban markets.

DeKalb County office space makes up the majority of the Study Area, which is home to a county tag office (in a former shopping plaza on which the County holds a long-term lease), the Juvenile Justice Center, Sheriff's offices and several other County offices.

Other office space along Memorial Drive near I-285 is limited to a few older, multi-tenant buildings built in the 1970s and 80s with modest vacancies. Park Plaza and Kensington Office Park, both on Memorial Drive, have a tenant mix that include law offices, medical offices, financial services, bail bonds, family counseling centers, behavioral centers and hair salons. The Georgia Department of Labor occupies space at the Kensington Office Park and also at Pendleton Hills Shopping Center.

⁶ From Jones Lang LaSalle and Grub & Ellis.

Office Demand

Accurately forecasting demand for leasable office space is difficult at best, especially so in an office market where speculative building has halted and in an area where small-scale product and small tenants predominate. The proceeding methodology uses forward-looking demand projections, based on estimates of employment growth, to forecast potential demand for office over the next ten years. However, given the current slow pace of economic recovery, employment gains in the short term are likely to be low compared with long-term growth rate projections.

Based on the Atlanta Regional Commission's PLAN 2040 job growth forecasts for DeKalb County, potential future demand for office space in DeKalb County is estimated at 4.3 million square feet over ten years, as shown in Figure 13. While some demand will also be generated by turnover of existing office space, this is likely to be negligible considering the high vacancy in the market at present.

The degree to which the Study Area will be able to capture office space demand generated in DeKalb County will depend largely on the success of creating an attractive, mixed-use town center atmosphere. Recruiting large-scale office users will involve a sustained effort to promote the Kensington area as an ideal location for office space in the Atlanta region. The final section of this report addresses office recruitment and the factors that drive site selection.

Along with recruiting new office users, DeKalb County has identified the desire to relocate 350,000 to 500,000 square feet of its office space to the Study Area, which has the potential to jump start development there by providing a guaranteed tenant. Georgia Piedmont Technical College is another prospective tenant of the Kensington area and should be consulted regarding opportunities to locate offices, and potentially classroom space, in the Study Area.

Figure 13. Potential Annual Demand for Office Space: DeKalb County, 2012-2022

Employment Category	10-Year Employment Change (1)	Office Space User Ratio (2)	Office Space Users (2)	Sq. Ft. Per Employee	10-Year Demand (Sq. Ft.)
Construction	1,762	10%	176	215	37,883
Manufacturing	50	10%	5	215	1,075
Transpo., Comm., Utilities	2,723	20%	545	215	117,089
Wholesale Trade	2,560	10%	256	215	55,040
Retail Trade	1,989	5%	99	215	21,382
Finance, Insurance, Real Estate	8,478	80%	6,782	215	1,458,216
Services	29,670	40%	11,868	215	2,551,620
Government	2,433	25%	608	215	130,774
TOTAL	49,665			215	4,373,079

(1) 2010-2020 annual net change in employment from Atlanta Regional Commission Employment Forecasts (prepared February 2011).

(2) Based on standards developed by the Urban Land Institute.

Sources: Marketek, Inc.; Atlanta Regional Commission; Urban Land Institute

6. Next Steps for Economic Development

With development of a clear, community-supported vision for the Kensington LCI TOD Study Area, the next steps will involve communicating this vision and the opportunities available in Kensington to developers, investors and consumers. Two of Kensington's most significant assets are the assemblage of land owned or controlled by DeKalb County and the commitment the County is making in the area, including the potential relocation of a substantial amount of its office space to Kensington.

From a market perspective, there is a growing interest nationally and locally in mixed-use town center developments as places to shop, live and work. The substantial population base in the surrounding area, over 127,000 people in a seven-minute drive, and the large number of local employees, almost 9,000 within the Study Area, form strong markets for future commercial and residential development there.

During the LCI visioning process, stakeholders identified a strong desire to attract a substantial amount of new, private office space to the Study Area along with shopping, dining and community services. This section shares strategies for developer recruitment and office attraction at Kensington, as well as for general marketing and image enhancement in the area.

Housing Link

A critical strategy in support of commercial and office space vitality in the Study Area is to encourage the addition of housing units. Housing is an important component of the vision for Kensington and residential development can serve as a crucial catalyst for retail expansion. New residents will bolster demand for additional shops, services, convenience goods and restaurants. A true mix of uses that will encourage activity within the area at all times of day is one aspect that will attract developers to the site, and the availability of nearby high-quality housing is a factor businesses will consider in locating office space. The residential market analysis identifies significant opportunity for the area and specific target markets for new housing. Housing should be encouraged and promoted as a key component to development projects in Kensington.

Office Attraction

For Kensington to achieve the level of office space development envisioned in the LCI plan will require a substantial and sustained recruitment effort focused on capturing both office space users within the Atlanta region looking to expand or relocate and on those considering entering the Atlanta area for the first time.

As the ease of sharing information has accelerated, so have potential locations a company may be considering in the site selection process. Competition may come from within the Atlanta region or from cities across the globe. To attract large office space users to the Study Area, economic development professionals should be involved throughout the site location process, from getting on the radar of companies, site selectors and brokers, to demonstrating the ability to meet the prospective company's needs, to finalizing the location process.

A brief list of factors that make a community competitive in attracting large scale office users is provided below:

Figure 14. Office Space Location Decision Factors

Business Costs	What are general costs of doing business in the community related to real estate, transportation and accessibility, utilities, taxes and fees, etc.?
Living Environment	What housing options are available for managers and employees? What other amenities does the community offer – parks, schools, access to transit, town center/downtown, etc.?
Business Climate	Does the community support new development? How are current businesses faring?
Taxes	What property taxes, income taxes and other taxes are in place at the State and local levels? Are there any tax incentives for locating/ developing there?
Research & Innovation	What local institutions or assets may be available to promote business innovation?
Workforce	Does the labor force have the appropriate skills for meeting employer needs? What workforce training opportunities exist?
Infrastructure & Utilities	Will infrastructure and utilities in place meet needs of the company? What are utility costs?
Real Estate	What sites or buildings are available and what are the features and costs associated with them?
Green Initiatives	Does the community promote green concepts or other environmental initiatives?
Incentives	In addition to tax incentives, what other incentives are available, such as hiring assistance, fast track permitting, support from a chamber of commerce, etc.?
Professional Presentation	Has the community communicated itself in a professional manner both in person and through prepared documents? Does the community demonstrate support for and understanding of the business and its needs?

Source: Austin Consulting; Marketek, Inc.

An initial step for promoting Kensington as a desirable place to do business will include gathering appropriate information regarding the above items and preparing a brief marketing piece communicating the area's assets to brokers, site selection companies and other potential recruitment leads. Other activities will include developing and maintaining a broker network, responding to site selection Requests for Information (RFIs), hosting site visits, preparing additional collateral material to present during site visits and following up with leads.

As office space recruitment efforts at Kensington are underway, one option to improve competitiveness is to hold a mock site visit, in which a site selection company is invited to the area as if it were scouting it for a client, in order to evaluate Kensington's and DeKalb's location assets and recruitment techniques, then providing feedback for improvement to the County.

Developer Recruitment

Following the market analysis and the LCI visioning process, the next step for redevelopment in the Study Area will be attracting a developer (or developers) to the site for creation of a mixed-use TOD. With all of the land in the Study Area under public control (either by the County or MARTA), DeKalb County has identified the desire to form a public private partnership to develop land there. Based on the experience of developers who have successfully partnered with public entities for transit-station related projects, the following are identified as key success factors and as factors that will create interest in a project amongst the development community:

- Land assemblage around a transit facility;
- Strong, community-supported vision for the area;
- Zoning in place to support the vision;
- Mix of uses, including both residential and employment components that will encourage activity within the area throughout the day;
- Market opportunities, including support for convenience retail (i.e., grocery store) to generate customer traffic;
- Strong leadership from the public partner and a commitment to seeing the area thrive;
- Flexibility in government participation to ensure an agreement that meets both public and private goals; and
- Transparency throughout the negotiation and development process.

Kensington already meets several of these factors, including land ownership, market opportunity, strong leadership and commitment to the area and, with completion of the LCI process, a community-supported vision with zoning in place to support it.

Next steps for developing a public private partnership will include:

- Identification of other public partners. While DeKalb County owns the majority of land in the Study Area, the transit station, which should be incorporated in the TOD, is owned by MARTA. Given that MARTA has an established joint development policy and office, it will likely be an important partner for DeKalb. MARTA's interest in engaging in the development process, especially in light of the TOD plans for the area, should be explored as an initial step.

- Outline developer expectations. Prior to recruiting a developer for the site, the County should determine what specific outcomes they expect from the development. MARTA, for example, requires that some share of housing units within a development be workforce housing and offers increased density (within local zoning regulations) and reduced parking (by working with local governments) as financial incentives.
- Identify available incentives. One of the biggest incentives the County has to offer in the Kensington area is land. Owning the land can allow the County to offer reduced lease rates or sales prices to developers to entice them to the Study Area. Typically, government partners prefer to retain land ownership but offer developers long term leases, potentially at initial reduced rates that then adjust upward. This structure allows the government sponsor with an ongoing revenue stream not possible with land sales. A financial analysis of the proposed development should be completed to determine what level of public participation will be necessary to attract developers and maintain a fair rate of return on the project for both investors/developers and the County and its taxpayers.

In addition to lower land costs, other incentives that may be considered include participation in infrastructure and parking development and reduced parking requirements. Relocation of DeKalb County office space may be another incentive for a prospective Kensington developer, as it would guarantee activity at the site and bring in a captive market for restaurants and retailers.

- Prepare a Request for Qualifications (RFQ) or Request for Proposals (RFP) to release to developers. The RFQ or RFP should provide background information regarding the Study Area, the vision and the market opportunities there. It should set out desired developer expectations and incentives available, but also allow flexibility. Many developers prefer an RFQ process in which they share qualifications, references, resources and sample projects but create a detailed development plan only if selected.
- Working with the selected private developer partner, identify funding sources for the project. In addition to private equity and debt, additional funding sources may include (but are not limited to):
 - Tax Allocation District funds for infrastructure development. In addition to using TAD funds in the long term, DeKalb may use TAD to achieve short-term goals outlined in the LCI, such as development of greenspace and pedestrian facilities that may make the area more attractive to developers.
 - Federal Transit Administration. The FTA offers a variety of funding programs, including assistance with station improvements, site preparation and pedestrian facilities within close proximity to the transit station. FTA funds may also be used for facilities further away if they are connected with the station (i.e. walkways or other trails leading to it). If MARTA is involved, it may apply for FTA funding on behalf of the partnership.
 - New Market Tax Credits (NTMC) available through the U.S. Treasury Department. NMTCs provide investors with a tax credit to generate capital for a real estate projects in low income communities.

- U.S. HUD programs to support development of supportive housing for seniors and disabled persons (Section 202 and Section 811 programs, respectively). These programs involve income restrictions for potential tenants.
- U.S. HUD program providing insurance for loans for multifamily development in revitalization areas (Section 220). This program does not include income limits for prospective residents.
- Historic Preservation Tax Incentives are frequent components of financing structures for TODs, however, given the nature/age of development in the Kensington Study Area, would not be available for use here.

Marketing & Image Enhancement

To successfully and continually attract developers, retailers, businesses, residents and shoppers, the Kensington area must establish itself as a unique, mixed-use district offering a vibrant atmosphere where people can live, work and play. As redevelopment begins, new community infrastructure such as trails, parks and other open space should be publicized. Public events or festivals are another opportunity to invite surrounding residents to come check out what is happening in the area and show that new investment is occurring in Kensington.

Public relations activities to promote the area include generating positive press in local and regional media outlets and creating an ongoing buzz about the success of the transformation occurring there. As development in Kensington proceeds, create a brand or identity that reflects the image of the area and communicates what it wants to be. With this brand as a foundation, a design concept for marketing, gateway features and wayfinding and other signage should be developed.

A Kensington website devoted to promoting its businesses and residential developments, attracting shoppers and recruiting investors should also be established. Updating the site regularly to advertise community events and other activities will keep shoppers and residents apprised of what is new in the area.

Encouraging Redevelopment Using Tax Allocation District Funds

DeKalb County has already established a Tax Allocation District (TAD) for Kensington/Memorial Drive that includes the LCI Study Area and for Belvedere Plaza, located along Memorial Drive two miles west of the Study Area. Georgia's Redevelopment Powers Law allows for significant flexibility in terms of the types of projects in which TAD funds may be used, including infrastructure improvements, transportation improvements, capital and soft costs of development, residential development and greenspace/open space maintenance and development. TAD funds may be used to improve an area in order to attract new private development, or to provide direct support to new private development, often as part of a public private partnership.

In Kensington, TAD funds may be used for a variety of project listed in the LCI plan and others associated with private development that are not specifically identified. As expressed by DeKalb County, the long-term goal for redevelopment in the Study Area is to engage in a

public private partnership with a developer for creation of a revitalized mixed-use district. Initiating this partnership will take time, however, as development partner(s) must be selected, a financing plan structured and an agreement executed. In the short-term, there is potential to use TAD funds to complete smaller projects identified by the LCI that are not contingent on a private developer, such as sidewalk and streetscaping improvements along Memorial Drive, pedestrian and bike trails and greenspace development. Such projects would not only create greater visual appeal and immediately enhance the area for local residents and employees, but also indicate to the development community that improvements are underway in Kensington.

Ultimately, long-term use of TAD funds is likely to be part of a formal agreement between DeKalb County and a private developer. Like with other economic development incentives the County may offer (such as reduced land costs), an internal financial analysis should precede development of an incentive package using TAD funds. This analysis should seek to determine what level of incentives will bring developers to the table by giving them a solid return on investments made in Kensington but also guard the County's interests by preventing unnecessary subsidies.

TAD funds may be used for a wide variety of tasks related to mixed-use development in the Study Area over the long-term. These may include, but are not limited to, development of public parking, public plazas, roadways and sidewalks, mixed-income housing, open space, greenspace and community facilities, such as the baseball fields identified in the LCI plan. The flexibility associated with the use of these funds will enable the County to assist private development partners with specific aspects of the plan where other funding sources are not sufficient to cover development costs.

The *Georgia Redevelopment Powers Law: Policy Guide to the Evaluation and Use of Tax Allocation Districts* identified strategies for structuring public private partnerships to ensure that private interests do not profit excessively off taxpayers and make investments as planned. These include:

- Requiring up-front private sector investment first, with reimbursement for infrastructure or other agreed-upon investments, rather than the having the public sector implement the project or pay for it up front.
- Equity kickers that require private developers to give the public participants a subordinated equity position in return for participation in development.
- Pre-negotiated specific benefits, such as mixed-income housing or job creation, with regular reporting of progress towards these goals. There may also be contractual provisions requiring a company to repay some or all of the subsidy if it fails to fulfill its outlined responsibilities.⁷⁷

DeKalb County may want to consider structuring any public private partnerships with such measures to ensure responsible use of TAD funds as they contract with private developers for Study Area revitalization over the long-term.

⁷⁷ Bourdeaux, Carolyn and John Matthews. *Georgia's Redevelopment Powers Law: A Policy Guide to the Evaluation and Use of Tax Allocation Districts*. Research Atlanta, Inc. and the Georgia State University Andrew Young School of Policy Studies, 2004, p. 19.

Organization for Implementation

Implementing a successful redevelopment, marketing and economic revitalization program is a complex task involving a variety of public and private players and community entities. A critical element of redevelopment in the Study Area will be actively managing the investor recruitment and marketing processes to ensure that Kensington fulfills its promises to the public. Given that development will likely occur in several phases, managing recruitment and development will be an ongoing task. Successful business development programs for small and large communities alike have the following key *organizational* elements in common:

- A clear delivery system for ongoing public relations, target marketing and sales.
- Active collaboration between public and private stakeholders, including local government, developers, established businesses, lenders, regulators, residents, Chambers of Commerce and others.
- The capacity to follow-through on work plans. The most creative recruitment efforts will not succeed without continuous follow-through and systematic adjustments to the market and business targets, which are in constant motion.

Considerations for managing the development, recruitment and marketing processes for Kensington include:

- Identify lead DeKalb County department(s) for economic development and marketing tasks. While redevelopment will require collaboration between several DeKalb County departments and other agencies, possibly including MARTA, a lead or leads should be identified as primarily responsible for organizing developer/business recruitment and marketing and managing the development process.

Evaluate local organizational capacity to manage the pre-development process, including development of finance structures and developer solicitation and negotiation. If desired, DeKalb County may choose to contract with an outside consultant to manage and advise regarding remaining pre-development tasks.

- A joint development agreement for public private partnership between DeKalb County, a developer and, potentially, MARTA should include set forth expectations of both the public and private partners. Meetings at scheduled intervals and communication throughout the development process are key to successful management. While timeframes should be clearly established, flexibility during the pre-development and development processes will help overcome unexpected changes in conditions or other problems.
- For business recruitment efforts, including recruitment of large office space users, a protocol and central point of contact for marketing to business, broker and developer targets and responding to inquiries should be developed. This protocol should include a plan for initial contact and sharing of marketing collateral and for follow-up outreach, which may include activities such as guided site visits or simply ongoing communication of new opportunities and recent successes in the Study Area.

- Monitor and measure progress in Kensington. Identify specific benchmarks on which to report. Publicize progress to business, developer, broker and investor prospects and to the general public. Develop and widely distribute regular reports on the status of benchmarks, such as an annual report summarizing accomplishments. This is a valuable activity for sharing information with partners and investors, for building public confidence and for gauging overall progress. Sample progress indicators appear on the following page.

Overall, ongoing communication, flexibility and leadership will be essential for managing the development, recruitment and general marketing processes. Sharing initial development and business successes within the Study Area with the development community, brokers and potential new customers and residents will fuel interest in Kensington and help it attract new investors and consumers.

Figure 15. Sample Business Development Benchmarks

Public Investment	<ul style="list-style-type: none"> • Value of capital improvements, new buildings • Increased tax revenue
Private Investment	<ul style="list-style-type: none"> • Value of business and property investment
Business Mix	<ul style="list-style-type: none"> • Number and distribution of new businesses
Real Estate	<ul style="list-style-type: none"> • Retail square footage (developed and leased) • Housing units • Office space square footage • Community facilities • Occupancies • Lease rates
Economic Vitality	<ul style="list-style-type: none"> • New full and part time jobs • Customer counts • Retail sales growth • Parking spaces
Promotion/Marketing	<ul style="list-style-type: none"> • Customer counts – events, new visitors • Sales impacts

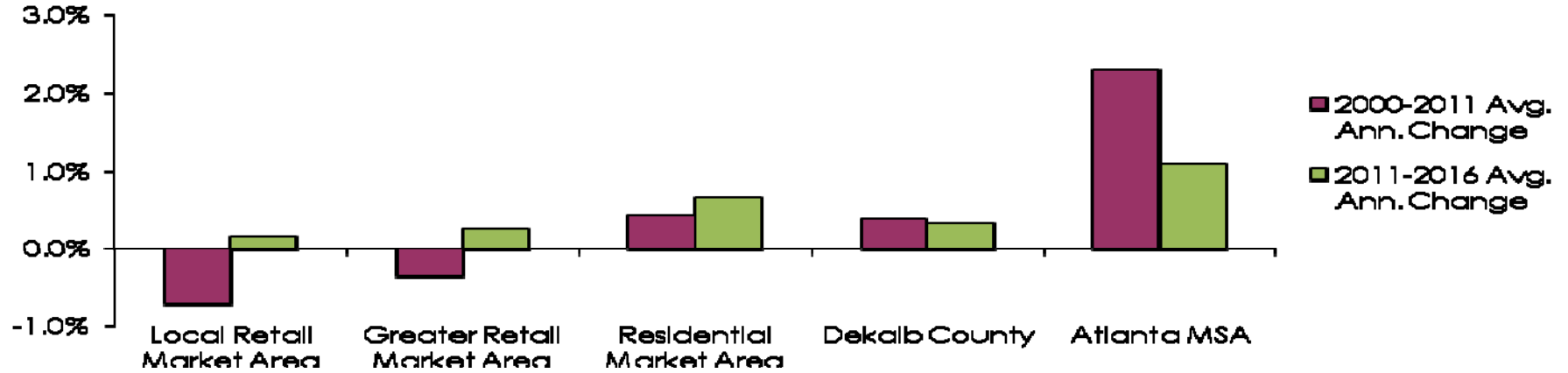
Appendix A: Demographic Profile

Population and Household Growth:

Kensington Retail & Residential Market Areas, DeKalb County and Atlanta MSA, 2000-2016

Geographic Area	2000	Avg. Ann. Change 2000-2011		Avg. Ann. Change 2011-2016			
		2011	Number	Percent	2016 (Forecast)	Number	Percent
Local Retail Market Area							
Population	137,975	127,135	-985	-0.71%	128,127	198	0.16%
Households	50,268	48,867	-127	-0.25%	49,848	196	0.40%
Avg. Household Size	2.66	2.52	-0.013		2.49	-0.006	
Greater Retail Market Area							
Population	423,163	406,199	-1,542	-0.36%	411,424	1,045	0.26%
Households	157,079	158,909	166	0.11%	162,555	729	0.46%
Avg. Household Size	2.63	2.49	-0.013		2.47	-0.004	
Residential Market Area							
Population	891,517	933,247	3,794	0.43%	963,652	6,081	0.65%
Households	341,244	376,873	3,239	0.95%	394,703	3,566	0.95%
Avg. Household Size	2.50	2.37	-0.012		2.34	-0.006	
DeKalb County							
Population	665,865	694,013	2,559	0.38%	705,169	2,231	0.32%
Households	249,339	272,658	2,120	0.85%	280,291	1,527	0.56%
Avg. Household Size	2.62	2.50	-0.011		2.47	-0.006	
Atlanta MSA							
Population	4,247,981	5,321,132	97,559	2.30%	5,609,610	57,696	1.08%
Households	1,554,154	1,956,690	36,594	2.35%	2,066,892	22,040	1.13%
Avg. Household Size	2.68	2.68	0.000		2.67	-0.002	

Average Annual Population Growth Rates, 2000-2016



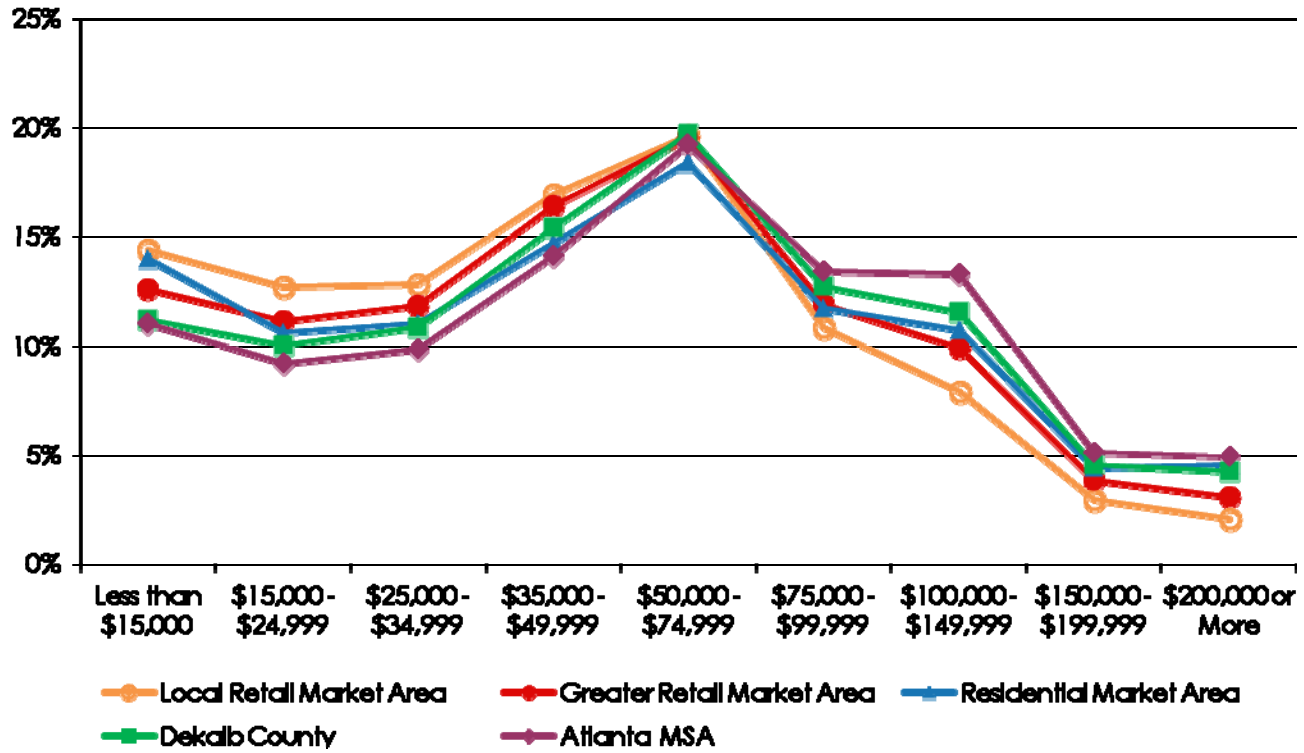
Source: 2000 and 2010 U.S. Census, ESRI Business Information Solutions

Household Income Distribution:

Kensington Retail & Residential Market Areas, DeKalb County and Atlanta MSA, 2011

Income	Local Retail Market Area	Greater Retail Market Area	Residential Market Area	DeKalb County	Atlanta MSA
Less than \$15,000	14.4%	12.6%	14.0%	11.2%	11.0%
\$15,000 - \$24,999	12.7%	11.1%	10.6%	10.0%	9.2%
\$25,000 - \$34,999	12.8%	11.8%	11.0%	10.8%	9.8%
\$35,000 - \$49,999	16.9%	16.4%	14.7%	15.4%	14.1%
\$50,000 - \$74,999	19.6%	19.5%	18.4%	19.7%	19.2%
\$75,000 - \$99,999	10.8%	11.9%	11.7%	12.7%	13.4%
\$100,000 - \$149,999	7.9%	9.9%	10.7%	11.5%	13.3%
\$150,000 - \$199,999	2.9%	3.8%	4.4%	4.5%	5.1%
\$200,000 or More	2.0%	3.0%	4.5%	4.2%	4.9%
Total	48,867	158,909	376,873	272,658	1,956,690
Median Household Income	\$42,736	\$47,688	\$49,569	\$52,316	\$55,642

Household Income Distribution, 2011



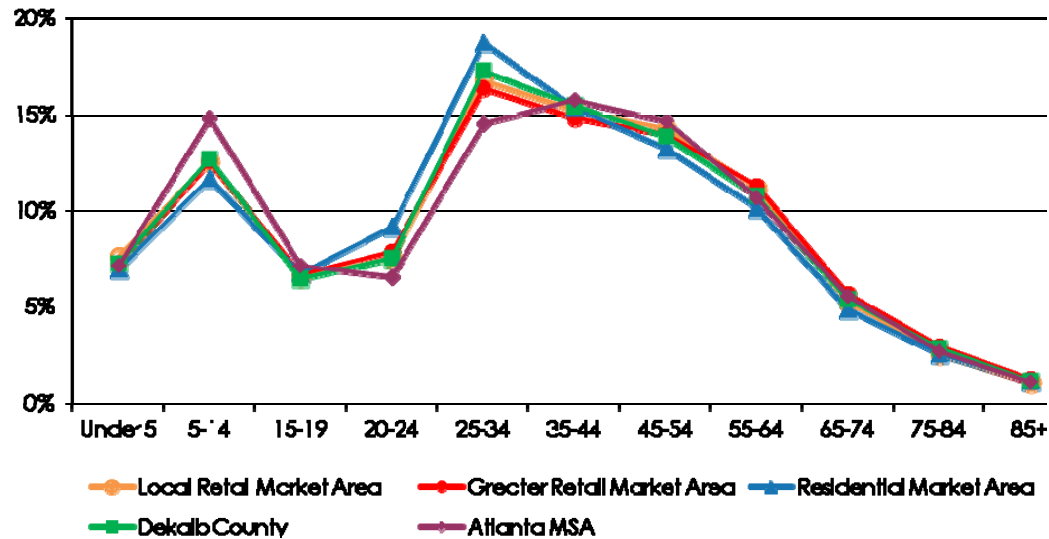
Source: ESRI BIS

Age Distribution of the Population:

Kensington Retail & Residential Market Areas, DeKalb County and Atlanta MSA, 2011

Age	Local Retail Market Area	Greater Retail Market Area	Residential Market Area	DeKalb County	Atlanta MSA
Under 5	7.6%	7.2%	6.9%	7.2%	7.1%
5-14	12.5%	12.5%	11.6%	12.6%	14.8%
15-19	6.5%	6.6%	6.7%	6.4%	7.1%
20-24	7.5%	7.8%	9.1%	7.5%	6.5%
25-34	16.7%	16.3%	18.7%	17.2%	14.5%
35-44	15.2%	14.8%	15.3%	15.4%	15.7%
45-54	14.2%	13.9%	13.2%	13.8%	14.6%
55-64	11.1%	11.2%	10.1%	10.7%	10.6%
65-74	5.2%	5.6%	4.8%	5.3%	5.5%
75-84	2.5%	2.9%	2.5%	2.8%	2.6%
85+	1.0%	1.2%	1.1%	1.1%	1.0%
Total	127,135	406,199	933,247	694,013	5,321,132
Median Age	34.5	34.8	33.3	34.4	35.0

Age Distribution of the Population, 2011



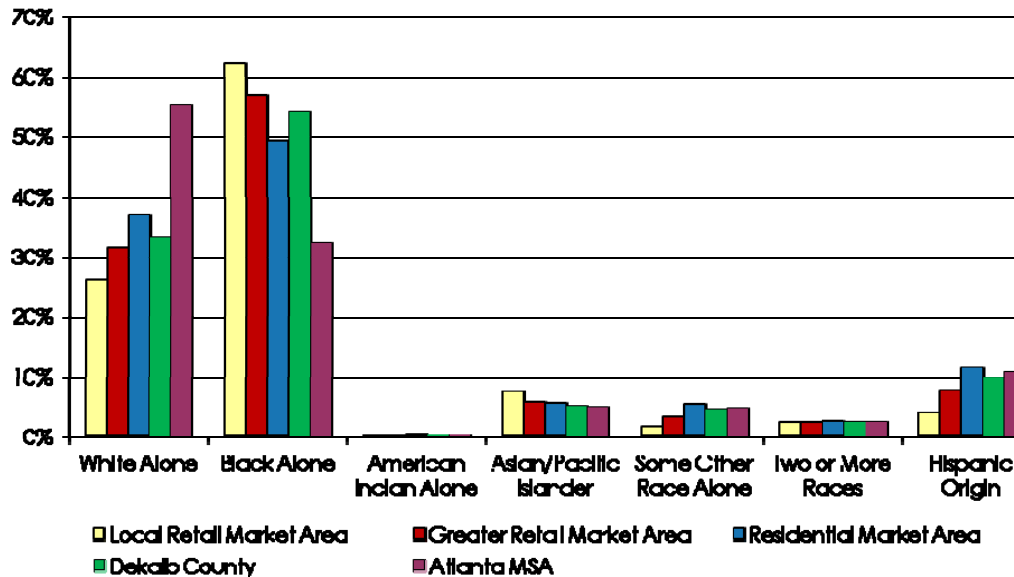
Source: ESRI BIS

Racial and Ethnic Composition of the Population:

Kensington Retail & Residential Market Areas, DeKalb County and Atlanta MSA, 2011

Race / Ethnicity	Local Retail Market Area	Greater Retail Market Area	Residential Market Area	DeKalb County	Atlanta MSA
White Alone	26.2%	31.5%	37.0%	33.3%	55.4%
Black Alone	62.0%	56.9%	49.2%	54.2%	32.3%
American Indian Alone	0.3%	0.3%	0.4%	0.4%	0.3%
Asian/Pacific Islander	7.5%	5.7%	5.5%	5.1%	4.9%
Some Other Race Alone	1.6%	3.3%	5.4%	4.6%	4.7%
Two or More Races	2.4%	2.3%	2.5%	2.4%	2.4%
Hispanic Origin	4.0%	7.7%	11.5%	10.0%	10.7%
Total	127,135	406,199	933,247	694,013	5,321,132

Racial & Ethnic Composition, 2011



Source: ESRI BIS

Appendix B: Tapestry Market Segments

Aspiring Young Families

Demographic

Most of the residents in these neighborhoods are young, startup families, married couples with or without children, and single parents. The average family size of 3.1 people matches the US average. Approximately two-thirds of the households are families, 27 percent are single person, and 9 percent are shared. Annual population growth is 1.13 percent, higher than the US figure. The median age is 31.1 years; nearly 20 percent of the residents are in their 20s. Typical of younger populations, *Aspiring Young Families* residents are more ethnically diverse than the total US population.

Socioeconomic

The median household income is \$46,275; wages provide the primary source of income. Approximately 60 percent of employed residents work in professional, management, sales, or office/administrative support positions. Overall, 87 percent of residents aged 25 years and older have graduated from high school, 58 percent have attended college, and 24 percent hold a bachelor's or graduate degree.

Residential

In large, growing southern and western metropolitan areas, the highest concentrations of these neighborhoods are found in California, Florida, and Texas. Twenty percent are located in the Midwest. Tenure is nearly even; 51 percent of the households rent; 47 percent own their homes. Residents live in moderately priced apartments, single-family houses, and startup townhouses. Most of the housing was built after 1969. The average gross rent is comparable to the US average.

Preferences

Focused on family and home, residents of *Aspiring Young Families* communities spend most of their discretionary income for baby and children's products, toys, home furnishings, cameras, and video game systems. They go online to look for jobs, play games, and buy personal preference items such as music and computer equipment.

These residents would probably go to a theme park while on vacation. They play video games, watch TV, eat out, and go to the movies. They also play basketball and go bowling and biking. They listen to urban stations and professional basketball games on the radio and watch sports, news, entertainment, and courtroom shows on TV. They eat out at family restaurants such as Chili's or IHOP and go to Jack in the Box or Sonic for fast food.

Cozy and Comfortable

Demographic

Cozy and Comfortable residents are middle-aged married couples who are comfortably settled in their single-family homes in older neighborhoods. The median age of 41.7 years is four years older than the US median of 37.2 years. Most residents are married without children or married couples with school-aged or adult children. With 8.7 million people, this is a relatively large segment that is growing moderately by 0.48 percent annually since 2000. Most of these residents are white.

Socioeconomic

Although the labor force is older, they are in no hurry to retire. Employed residents work in professional, managerial, and service occupations in a variety of industry sectors. Occupation distributions are similar to US values. The median household income is \$59,287. Income for 80 percent of the households is earned from wages and salaries. Forty-six percent of households receive investment income.

Residential

Cozy and Comfortable neighborhoods are located in suburban areas, primarily in the Midwest, Northeast, and South. Many residents are still living in the homes in which they raised their children. Single-family structures make up 88 percent of the household inventory. Sixty-two percent of the housing units were built before 1970. Home ownership is at 84 percent.

Preferences

Cozy and Comfortable residents prefer to own certificates of deposit and consult a financial planner. They typically hold a second mortgage, a new car loan, a home equity line of credit, and a universal life insurance policy. Home improvement and remodeling projects are important to them. Although they will contract for some work, they attempt many projects, especially painting and lawn care. Depending on the season, they play golf or ice skate for exercise. They attend ice hockey games, watch science fiction movies on DVD, and take domestic vacations. They eat at family restaurants such as Friendly's, Bob Evans Farms, and Big Boy.

Going online isn't a priority, so they own older home computers. Television is very important; many households own four or more sets so they won't miss any of their favorite shows. They watch sports, particularly football, and news programs. Reading the Sunday newspaper is part of the routine for many.

Enterprising Professionals

Demographic

Young, educated, single, married, working professionals, residents of *Enterprising Professionals* neighborhoods have a median age of 32.8 years. Forty-three percent of the households are singles who live alone or share housing with roommates, and 43 percent are married couple families. With an annual household growth of 1.95 percent per year since 2000, the households in this segment comprise approximately 2 percent of total US households. The diversity of the population is similar to that of the United States. Most of the residents are white; however, 12.4 percent are Asian.

Socioeconomic

Median household income is \$63,837. Ninety percent of the households earn income from wages and salaries; 39 percent receive income from investments. This is an educated group: approximately half of the population aged 25 years and older hold a bachelor's or graduate degree; more than three in four have attended college. These working professionals are employed in various jobs, especially in management, finance, computer, sales, and office/administrative support.

Residential

Enterprising Professionals residents move frequently to find growth opportunities and better jobs, especially in cities such as Chicago, Atlanta, and Seattle. Forty-six percent of the households are located in the South, 29 percent are in the West, and 20 percent are in the Midwest. They prefer to own instead of rent in newer neighborhoods of townhouses or apartments. For those who rent, the average gross rent is 36 percent higher than the US average.

Preferences

They are young and mobile with growing consumer clout. Those who rent hold renter's insurance policies. They rely on cell phones and e-mail to stay in touch. They go online to download videos and music, track their investments, and shop for items, including personal computers and software. They own laptops, video game systems, and digital camcorders.

They love to travel abroad and in the United States often. They play video games, visit theme parks, jog, and swim. They read computer, science, and technology magazines and listen to alternative, public-all-talk, and sports radio. They eat out at Cheesecake Factory and Chili's Grill and Bar. They shop for groceries at stores such as Publix and Albertson's.

Family Foundations

Demographic

Family is the cornerstone of life in these neighborhoods that are a mix of married couples, single parents, grandparents, and young and adult children. The average family size is 3.3. The median age is 39.1 years, slightly older than the US median; 7 in 10 are aged 45 or older. Diversity is low; 84 percent of the population is black.

Socioeconomic

The median household income is \$38,460. Some workers are retiring. More than 20 percent of the employed residents work for the government. Approximately one-third of the households are on Social Security or public assistance. Although education attainment levels are below the US level, a slightly higher proportion of residents aged 25 or older have graduated from high school.

Residential

These small urban communities are located in large metropolitan areas, primarily in the South and Midwest. Because these residents tend to stay put, very little household growth has occurred since 2000. Sixty-eight percent own their homes. Most of their houses are single-family, built before 1970.

Preferences

Active in their communities, *Family Foundations* residents attend church, serve on church boards, help with fund-raising projects, and participate in civic activities. They spend money on their families and home maintenance projects. Careful consumers, they watch their budgets. They eat at home, shop at discount stores such as Marshalls and T.J. Maxx, and take advantage of savings at Sam's Club.

They're big TV fans; they watch courtroom shows, sports, and news programs. Viewership rates are very high; cable subscriptions are near the US level. Many households own multiple sets so they won't miss anything. They listen to gospel, urban, and jazz radio and read newspapers, *Entertainment Weekly*, and general editorial and newsmagazines. Basketball is a favorite sport; they play, attend professional games, watch games on TV, and listen to games on the radio.

Inner City Tenants

Demographic

Inner City Tenants residents are a microcosm of urban diversity; their population is represented primarily by white, black, and Hispanic cultures. Three in ten residents are Hispanic. This multicultural market is younger than average, with a median age of 28.8 years. The household composition also reflects their youth. Household types are mixed; 34 percent are singles, 28 percent are married-couple families, 21 percent are single parents, and 10 percent share housing. Turnover is high in these neighborhoods because many are enrolled in nearby colleges and work part-time. These neighborhoods are also a stepping-stone for recent immigrants, with an annual population growth of 0.6 percent.

Socioeconomic

The median household income is \$30,873. Because few own their homes, most of their net worth comes from savings. Eighty-three percent earn income from wages and salaries; 7 percent receive public assistance. Forty-five percent of the population aged 25 and older has attended college; 5 percent hold a graduate or professional degree. Earning a college degree is at the forefront of their goals, so many work part- and full-time to fund their college education. Approximately half of the employed residents work in white-collar occupations. This market has twice the national level of residents who work in the accommodation/food services industry.

Residential

These neighborhoods are located primarily in the South and West. Most *Inner City Tenants* residents rent economical apartments in mid- or high-rise buildings. One-fifth of the housing is owner-occupied. Most of the housing units were built in the 1960s, 1970s, and 1980s. For their average commute to work of 25 minutes, many residents drive their vehicle or depend on other modes of transportation. Seventeen percent of the households do not own a vehicle.

Preferences

With their busy lifestyle, *Inner City Tenants* residents frequently eat at fast-food restaurants and shop for groceries at nearby stores such as Albertson's. They prefer easy-to-prepare frozen and canned foods. Internet access at home is not typical in this market, but those who have no access at home will surf the Internet at school or at the library. Playing games and checking e-mail are typical online activities. Households have recently bought video game systems and baby items such as food, products, furniture, and equipment. They prefer to shop at Target and Walgreens.

They go to the movies and professional football and basketball games, play football and basketball, and go bowling. They read magazines, particularly news and *Entertainment Weekly*, and listen to urban or contemporary hits radio. Some enjoy the nightlife, visiting bars and going dancing at nightclubs.

Laptops and Lattes

Demographic

With no home ownership or child-rearing responsibilities, residents of *Laptops and Lattes* neighborhoods enjoy single life in the big city. Most households are singles who live alone or with a roommate. The average household size remains constant at 1.8. Although this segment is slowly increasing, it is maturing and diversifying more quickly. The median age is 37.6 years. Although most of the population is white, Asians represent 10.4 percent of the total population.

Socioeconomic

This segment is affluent; the median household income of \$84,612 supports these residents. *Laptops and Lattes* residents are highly educated. More than 70 percent of residents aged 25 years and older hold a bachelor's or graduate degree; approximately 90 percent have attended college. The percentage enrolled in college or graduate school is more than three times the national level. Two-thirds of the employed residents work in professional or management positions, especially in the scientific, technical, finance, insurance, educational services, health care, and information industry sectors. More than half receive investment income; 19 percent earn self-employment income.

Residential

Laptops and Lattes residents prefer to live in major metropolitan areas such as New York City, Los Angeles, San Francisco, Boston, and Chicago. They are more likely to rent than own their homes; home ownership is at 39 percent. The majority of housing is apartments in multiunit buildings, especially those with 20 or more units. These neighborhoods are older and virtually untouched by urban renewal. Although 38 percent of the housing units were built before 1940, they are not inexpensive. The average gross rent is 85 percent higher than the US level, third highest of the Tapestry segments. Thirty percent do not own a vehicle.

Preferences

Cosmopolitan, connected, and politically liberal, *Laptops and Lattes* residents rely on their web-enabled cell phones instead of laptops to communicate. After the college segments, this is the top market to own an iPod and laptop or notebook computer. They go online to check e-mail, trade and track investments, review the latest news, arrange travel, and shop on sites such as amazon.com, ebay.com, and barnesandnoble.com. They also order items by phone. These residents travel, especially abroad, and enjoy a variety of vacations, such as backpacking, hiking, and beach trips. They stay at upscale hotels and rent cars when on vacation. A typical resident owns renter's insurance policies and uses dry cleaning services frequently.

Laptops and Lattes residents go to the movies, the theater, dance performances, rock concerts, museums, bars, nightclubs, baseball and football games, and professional basketball games. They watch foreign films or movie classics on DVD and news and music channels on cable TV. *Saturday Night Live* is a favorite program. They eat out frequently and take adult education classes. They shop at Target for essentials and luxuries at high-end department and home stores.

Residents exercise regularly at a health club and practice yoga, go downhill skiing, play tennis, jog, and bike. When they listen to the radio, they have a strong preference for classical music and all-news programs. They also listen to public radio and contribute to PBS.

They read two or more daily newspapers; a variety of books such as history, biographies, and self-help; and travel, epicurean, airline, fashion, finance, and business magazines. They tend to buy organic and low fat/high fiber food. They eat nutrition/energy bars and take vitamins regularly. They get involved in community activities, write to elected officials, write articles that are published, and participate in environmental groups.

Metro City Edge

Demographic

Married couples, single parents, and multigenerational families are the household types found in *Metro City Edge* neighborhoods. Grandparents are caregivers in 4 percent of these households, twice the US rate. The median age of this segment is 30.8 years because of the children, including adult children who still live at home. The average family size of 3.5 is slightly higher than the US average. Seventy-two percent of the residents are black; 17.3 percent are white; and 4 percent are American Indian—four times the US level.

Socioeconomic

The median household income for this segment is \$29,269. Although 78 percent of households derive income from wages and salaries, 9 percent receive public assistance and 9 percent receive Supplemental Security Income. Nearly half of employed residents work in service industries. One in ten residents aged 25 years or older have a bachelor's or graduate degree; four in ten have attended college.

Residential

Metro City Edge residents live in older suburban neighborhoods of large metropolitan cities, primarily in the Midwest and South. Sixty-eight percent live in single-family homes; 14 percent live in buildings with two to four units. The home ownership rate is 49 percent. Although home prices are relatively inexpensive, many families are young, unsettled, and still renting. Seventy percent of the housing units were built before 1970.

Preferences

Metro City Edge residents must spend their money wisely to ensure the welfare of their children. They tend to shop for groceries at Piggly Wiggly, Kroger, and Aldi but will go to superstores and wholesalers for bulk purchases of household and children's items. Some will have their vehicles serviced at auto parts chains. They eat at fast-food or family-style restaurants such as Old Country Buffet or Ryan's.

They watch sitcoms, movies, news programs, courtroom shows, and sports such as pro wrestling on TV. Accessing the Internet at home isn't important. They go to the movies and professional football games and play basketball. They read music and baby magazines and listen to urban and contemporary hit radio.

Metro Renters

Demographic

Young, educated singles, residents of *Metro Renters* neighborhoods are just beginning their professional careers in some of the largest US cities such as New York, Chicago, and Los Angeles. Residents will sometimes share housing with a roommate to help defray the cost of their high rent. Households are either single person or shared. The median age of 32.1 years is younger than the US median of 37 years. Approximately 30 percent are in their 20s; 14 percent are in their early 30s. This younger population is also more diverse than the US population; 11.5 percent of the residents are Asian.

Socioeconomic

The median household income is \$48,211. Approximately 60 percent of employed residents work in professional and management occupations, most in the service industry sector. One of Tapestry Segmentation's most educated markets, more than one in four *Metro Renters* residents aged 25 years or older holds a graduate degree; one in three has earned a bachelor's degree. More than 80 percent of these residents have attended college; 17 percent are still enrolled in undergraduate or graduate school.

Residential

Metro Renters neighborhoods are found in the largest metropolitan centers across the United States, with the highest concentrations in California, New York, and Illinois. Approximately 90 percent of the housing is apartments; 37 percent in high-rise buildings.

Preferences

Because they rent, "home and hearth" products are low priority, although they will buy new furniture from stores such as Crate & Barrel or Pier One Imports. Most of them have renter's insurance. They buy clothes and other merchandise from traditional stores or online from favorites such as Banana Republic, Gap, Nordstrom, amazon.com, and barnesandnoble.com. They take their clothes to dry cleaners.

Active *Metro Renters* residents work out regularly at clubs, play tennis and volleyball, practice yoga, ski, and jog. They take advantage of their urban milieu; they go dancing, visit museums, attend classical or rock concerts, go to karaoke nights and the movies, and eat out. Painting and drawing are favorite hobbies. Residents enjoy traveling domestically and overseas and drinking domestic and imported beer and wine. They read two or more daily newspapers; history books; and airline, fashion, epicurean, travel, and business/finance magazines. They listen to alternative, jazz, classical music, all-news, and public radio. They seldom watch TV; most households own only one set so they can watch movies and news programs. They rent foreign and classic films on DVD.

They go online frequently to look for jobs, make travel arrangements, download music, research real estate, watch videos, and shop. Many buy their PCs online; they prefer laptops, although many also own PDAs. Politically, these neighborhoods are liberal.

Metropolitans

Demographic

Residents of *Metropolitans* communities prefer to live in older city neighborhoods. Approximately half of these households are singles who live alone or with others; 40 percent are married-couple families. One in four of the residents is aged 20–34 years; the median age is 37 years. Diversity is low; most of the population is white.

Socioeconomic

Half of the residents who are employed work in professional or managerial positions. More than 75 percent of the population aged 25 years and older have attended college or completed a degree program. Thirty percent have earned a bachelor's degree, and 23 percent hold a graduate degree. The median household income is \$53,486. Nearly half of the households earn extra income from interest, dividends, and rental properties.

Residential

Distributed throughout the country, residents of *Metropolitans* neighborhoods live in an eclectic mix of single-family homes and multiunit buildings. Sixty percent of the housing units were built before 1960. These neighborhoods change slowly; since 2000, the annual household growth is 0.28 percent. The home ownership rate is 59 percent.

Preferences

Metropolitans residents are no different from other owners of older homes who incur costs for maintenance and remodeling. They will contract for lawn maintenance and professional housecleaning services. Many will own or lease a station wagon. Planning for the future, residents own shares in investment funds, contribute to IRA savings accounts, and hold large life insurance policies.

These residents pursue an active, urbane lifestyle. They travel frequently for business and pleasure. They listen to jazz, classical, public, and alternative music radio. They go to rock concerts, watch foreign films on DVD, read women's fashion magazines, and play a musical instrument. They also practice yoga and go kayaking, hiking/backpacking, and water and snow skiing.

Active members of their communities, *Metropolitans* residents join civic clubs, volunteer for environmental causes, address public meetings, and work for a political party or candidate. They also belong to business clubs and contribute to PBS. They prefer to own and use a laptop computer, preferably an Apple. They go online daily to download music and buy books, airline tickets, CDs, and clothes.

Milk and Cookies

Demographic

Upscale living on a family allowance, *Milk and Cookies* represents young, affluent married couples who are starting their families or already have young children. The median age of 34.1 years represents the presence of kids; nearly half of the households include children. One in four householders is between the ages of 45 and 54. The population diversity is comparable to that of the United States, and the proportions of the population by race approximate the US distributions with slightly above-average ratios of black and Hispanic residents.

Socioeconomic

Ninety percent of *Milk and Cookies* households earn income from wages. The median household income is \$57,170. Fifty-eight percent have attended college; more than 20 percent hold bachelor's or graduate degrees.

Residential

Milk and Cookies residents prefer single-family homes in suburban neighborhoods of cities, largely in the South, particularly in Texas. Smaller concentrations of households are located in the West and Midwest. Housing units are generally 20–30 years old. Given the concentration of dual-income families, 71 percent of households have at least two vehicles. A family with two or more workers, more than one child, and two or more vehicles is the norm for these neighborhoods.

Preferences

As *Milk and Cookies* residents settle into their family-oriented lifestyle, they focus on family and the future. They are properly insured, carrying life and accidental death and dismemberment policies. They use a credit union, have overdraft protection, and usually have a new car loan. Although they may still own a motorcycle or small car, they prefer larger vehicles. When they move, they rent a U-Haul and move their own belongings. Many households own a dog. The presence of children in *Milk and Cookies* households drives their large purchases of baby and children's products including baby food, baby equipment, clothes, shoes, medicine, vitamins, board games, bicycles, toys, video games, and children's DVDs. Most households own one of the latest video game systems and a large-screen TV.

To save time in their busy lives, they frequently buy prepared dinners from the grocery store and fast food. They play video games, go bowling, and visit theme parks such as Six Flags and Sea World. They watch professional football and basketball games. Favorite cable channels include Cartoon Network, Discovery Channel, National Geographic Channel, and BET. They also work on their lawns, tackle interior painting projects, or do minor maintenance on their vehicles.

Retirement Communities

Demographic

Most of the households in *Retirement Communities* neighborhoods are single seniors who live alone; a fourth is married couples with no children living at home. This older market has a median age of 50.3 years. One-third of the residents and 44 percent of householders are aged 65 years or older. Twenty-three percent of the population and 31 percent of householders are aged 75 years or older. Most of the residents are white.

Socioeconomic

The median household income for *Retirement Communities* is \$46,251, slightly below the US median. Nearly half of the households earn income from interest, dividends, and rental properties; 45 percent receive Social Security benefits; and 26 percent receive retirement income. Most of those still working are employed in white-collar occupations. *Retirement Communities* residents are an educated group: 14 percent of the residents aged 25 years and older hold a graduate degree, 35 percent have a bachelor's degree, and more than 60 percent have attended college.

Residential

Retirement Communities neighborhoods are found mostly in cities scattered across the United States. Most housing was built after 1959. Congregate housing with meals and other services included in the rent is a feature of these neighborhoods. Fifty-seven percent of the households live in multiunit buildings; however, 34 percent of the housing is single-family structures, and 8 percent is townhouses. The home ownership rate is 53 percent.

Preferences

With more time to spend on leisure activities and hobbies, residents play musical instruments, paint or draw, work crosswords, play bingo, or attend adult education classes. They also visit museums, attend the theater, go dancing, practice yoga, go canoeing, and play golf. They will travel to gamble in Atlantic City or to visit Disney World. They attend sports events such as golf tournaments, tennis matches, and baseball games. They spend time with their grandchildren and spoil them with toys. Politically active, these residents are "joiners" and belong to civic clubs and charitable organizations. They own stocks and bank online. They prefer to own or lease a domestic vehicle.

These residents describe themselves as moderate or frequent viewers of daytime and primetime TV. They watch news programs and baseball games, tennis matches, and golf tournaments. Cable channel favorites are Bravo, truTV, ESPN news, and Travel Channel. They listen to classical and public radio. Avid readers, they regularly read daily newspapers.

Up and Coming Families

Demographic

With an annual household growth rate of 4.56 percent, *Up and Coming Families* represents Tapestry Segmentation's second highest household growth market. A mix of Generation Xers and Baby Boomers with a median age of 32.6 years, this segment is the youngest of Tapestry Segmentation's affluent family markets. Residents of these neighborhoods are young, affluent families with younger children. Eighty percent of the households are families. Most of the residents are white; however, diversity is increasing as the segment grows.

Socioeconomic

Beginning their careers, residents of *Up and Coming Families* are earning above-average incomes. The median household income is \$69,522, higher than the national median. Nearly two-thirds of the residents aged 25 years and older have attended college; more than one in five holds a bachelor's degree. Ninety-one percent of households earn income from wages and salaries. Although half of the households have children, they also have working parents.

Residential

In the suburban outskirts of midsized metropolitan areas with populations higher than 250,000, approximately half of *Up and Coming Families* neighborhoods are concentrated in the South, the other half in the West and Midwest. Most residents live in new single-family housing; more than half the housing units were built in the last 10 years. Home ownership is at 80 percent.

Preferences

Family and home dictate the products these residents buy. Many are beginning or expanding their families, so baby equipment, children's clothing, and toys are essential purchases. Because many are first-time homeowners, basic household furniture and lawn fertilizer, weed control, and insecticide products are important. Car loans and mortgage payments are major household budget items. They are most likely to own or lease an SUV or a minivan. They eat out at family restaurants, especially on the weekends, and buy fast food at the drive-through or for takeout.

They play softball, take the kids to the zoo, and visit theme parks (generally Sea World or Disney World) where they make good use of their digital camera or camcorder. They rent comedy, family, and action/adventure DVDs. Cable station favorites include Country Music Channel, ESPN news, The Learning Channel, and the Disney Channel. They listen to country, soft rock, and contemporary hit radio.

Young and Restless

Demographic

Change is the constant for *Young and Restless* households. This young, on-the-go population has a median age of 28.9 years. Approximately two-thirds of them are younger than 35. Fifty-eight percent of these households are either single person or shared. Neighborhoods are diverse. Fifty-six percent of the residents are white; however, an above-average representation of blacks, Hispanics, and Asians also live in these neighborhoods.

Socioeconomic

The median household income is \$39,765. Although the median household income is below the US median; only 23 percent of these residents have children, giving them more disposable income than segments with similar income levels. They are educated; 36 percent aged 25 years or older hold a bachelor's or graduate degree; 69 percent have attended college. These ethnically diverse folks are very career-oriented. Most employed residents have professional, sales, service, or office/administration support jobs.

Residential

These neighborhoods are in metropolitan areas in the South, West, and Midwest; the highest concentration is in Texas. Ranked fifth of the Tapestry segments for renters, 85 percent rent apartments in multiunit buildings. Most of the housing was built in the 1970s and 1980s. They don't mind moving for better jobs; 85 percent have moved in the last five years.

Preferences

These young, single professionals are pursuing their careers and living a busy lifestyle. They are technologically savvy and take advantage of the convenience provided by many products and services. They go online to communicate with friends and family, shop, bank, and look for jobs.

They read magazines to stay current on the latest lifestyle and entertainment trends and are just as likely to read a music magazine as a business publication. They go online for the latest news and sports. Television viewing is average. Radio is a good way to reach them; they listen to urban and contemporary hit music.

Seeing movies at theaters and on DVD is a major source of entertainment. They also enjoy going to bars or nightclubs. Their busy schedule also includes working out at the gym and playing various sports. Domestic vehicles have a slight edge in this market.

Appendix C: Residential Market Analysis Tables

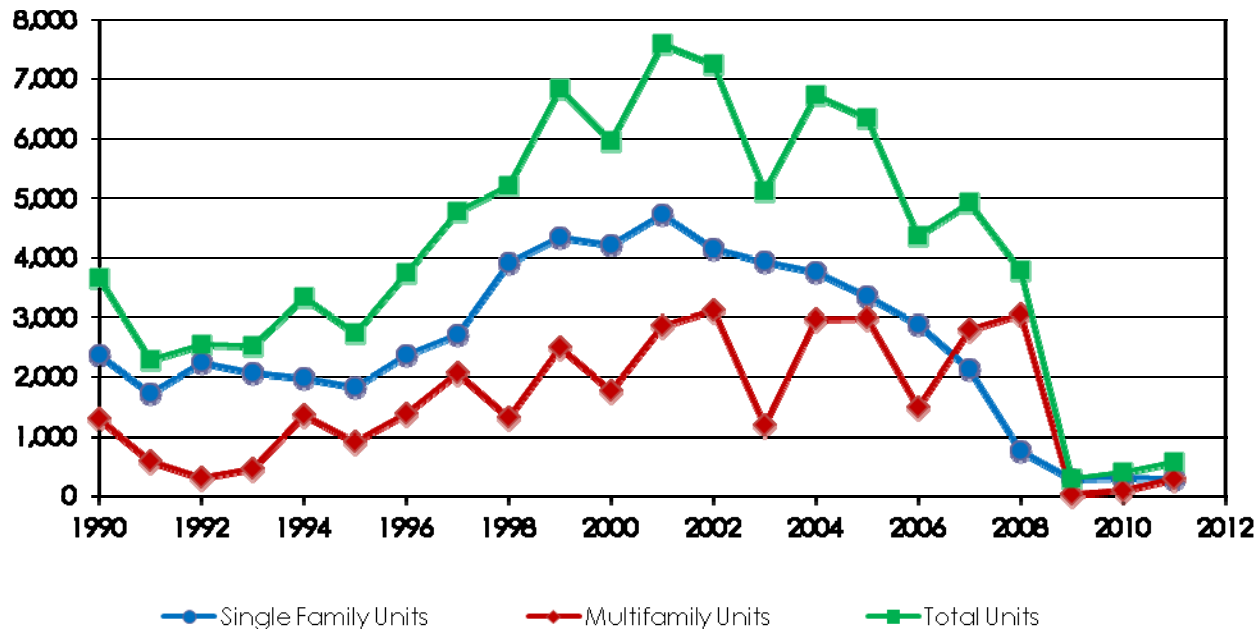
Existing Housing: 2-Mile Radius, Residential Market Area, DeKalb County and Atlanta MSA

Housing Characteristic	2-Mile Radius	Residential Market Area	DeKalb County	Atlanta MSA
Occupied Units (2010)	16,759	373,630	271,809	1,937,225
Owner occupied	45%	53%	57%	66%
Renter occupied	56%	47%	43%	34%
Vacancy Rate (2010)	14%	13%	11%	11%
Owner Occupied Unit Value (2010)				
Under \$100,000	36%	26%	25%	26%
\$100,000 to \$149,999	38%	28%	31%	26%
\$150,000 to \$199,999	13%	15%	15%	18%
\$200,000 to \$249,999	7%	9%	10%	11%
\$250,000 to \$299,999	3%	5%	6%	6%
\$300,000 to \$399,999	3%	7%	7%	6%
\$400,000 or more	1%	10%	7%	7%
Median Owner Occupied Unit Value (2010)	\$113,143	\$140,403	\$135,851	\$145,533
Contract Rent (2005-2009)				
Less than \$400	5%	9%	6%	9%
\$400 to \$599	32%	16%	17%	17%
\$600 to \$799	43%	32%	35%	33%
\$800 to \$999	12%	21%	22%	21%
\$1,000 to \$1,249	5%	11%	11%	10%
\$1,250 or more	3%	9%	6%	6%
No cash rent	1%	3%	3%	4%
Median Contract Rent (2005-2009)	\$645	\$758	\$749	\$733
Units in Structure (2005-2009)				
Single Family Detached	43%	50%	57%	67%
Single Family Attached	6%	6%	6%	5%
2-4 Units	9%	7%	6%	4%
5-9 Units	16%	10%	11%	6%
10+ Units	27%	27%	19%	14%
Other (mobile home, boat, RV, etc.)	0%	1%	1%	3%

Year Structure Built (2005-2009)				
Built since 2000	9%	16%	15%	22%
Built 1990 to 1999	8%	14%	15%	23%
Built 1980 to 1989	19%	17%	19%	20%
Built 1970 to 1979	23%	15%	18%	14%
Built 1960 to 1969	19%	14%	16%	9%
Built prior to 1960	23%	25%	19%	13%
Median Year Structure Built	1973	1976	1979	1987

Source: 2010 U.S. Census; 2005-2009 American Community Survey; ESRI Business Information Solutions

Residential Building Permits Issued: DeKalb County, 1990-2011



Summary Characteristics of Rental Apartment Communities: Kensington Competitive Area, Summer 2012

Community/ Unit Size	Market Rate Rent		Square Feet		Rent/ Sq. Ft.	Occ Rate	Struc- ture Type	Year Open- ed	Amenities										
	Low	High	Low	High					B/P	CA	C	I	FC	BC	PL	P	L	WD	WDC
Avondale Station	212 Units					96%	Flats; 2 Stories	1953		X	X	X				X	X		X
One bedroom	\$650	\$730	850	850	\$0.81														
Two bedroom	\$699	\$820	1,075	1,100	\$0.70														
Clifton Glen	565 Units					59%	Flats; 2 Stories	1978	X		X		X		X	X	X		X
One bedroom	\$499	\$499	750	750	\$0.67														
Two bedroom	\$599	\$599	1,200	1,200	\$0.50														
Three bedroom	\$699	\$699	1,500	1,500	\$0.47														
Four bedroom	\$900	\$900	1,700	1,700	\$0.53														
Oak Creek	430 Units					92%	Flats; 3 Stories	1971	X		X	X		X		X	X		
Studio	\$527	\$527	505	505	\$1.04														
One bedroom	\$530	\$530	705	705	\$0.75														
Two bedroom	\$599	\$676	880	1,012	\$0.67														
Jackson Square	380 Units					93%	Flats; 3 Stories	2002	X		X	X	X	X		X	X		X
One bedroom	\$819	\$821	756	912	\$0.98														
Two bedroom	\$1,144	\$1,144	1,071	1,224	\$1.00														
Three bedroom	\$1,519	\$1,519	1,688	1,688	\$0.90														
Brittany Place	216 Units					83%	Flats; 3 Stories	1969	X	X	X	X				X	X		
One bedroom	\$560	\$595	850	1,000	\$0.62														
Two bedroom	\$670	\$899	1,040	1,040	\$0.75														
Archstone Decatur	180 Units					97%	Flats; 3 Stories	2001	X	X	X	X	X	X		X	X		X
One bedroom	\$1,076	\$1,115	595	911	\$1.45														
Two bedroom	\$1,066	\$1,279	1,100	1,266	\$0.99														
Three bedroom	\$1,475	\$1,475	1,384	1,384	\$1.07														

Summary Characteristics of Rental Apartment Communities: Kensington Competitive Area, Summer 2012 (continued)

Community/ Unit Size	Market Rate		Square Feet		Rent/ Sq. Ft.	Occ Rate	Struc- ture Type	Year Open- ed	Amenities										
	Rent		Low	High					B/P	CA	C	I	FC	BC	PL	P	L	WD	WDC
	Low	High																	
Kenridge	326 Units					87%	Flats; 2 Stories	1980 (apx.)	X	X	X		X		X	X	X		X
One bedroom	\$635	\$635	700	700	\$0.91														
Two bedroom	\$685	\$725	927	930	\$0.76														
Polo Club	244 Units					82%	Flats; 2 Stories	1985	X		X	X				X	X		X
Two bedroom	\$629	\$680	1,024	1,094	\$0.62														
Three bedroom	\$825	\$825	1,300	1,300	\$0.63														
N Decatur Gardens	50 units					96%	Flats; Town- Homes;	1980 (apx.)			X	X				X	X		X
One bedroom	\$725	\$725	700	700	\$1.04														
Two bedroom	\$825	\$825	1,010	1,040	\$0.80														
Three bedroom	\$925	\$925	1,150	1,150	\$0.80														
Southern Pines	404 units					90%	Flats; 3 Stories	1973	X		X		X		X	X	X		X
One bedroom	\$495	\$495	745	745	\$0.65														
Two bedroom	\$545	\$605	1,075	1,075	\$0.55														
Three bedroom	\$675	\$695	1,200	1,200	\$0.56														

B/P: Balcony/Patio
CA: Controlled Access
C: Cable ready

I: High speed internet ready
FC: Fitness Center
BC: Business Center

PL: Playground or Picnic Area
P: Pool
L: Laundry room

WD: Washer/dryer in unit
WDC: Washer/dryer conn.

Source: Marketek, Inc.

Ten-Year Potential Demand for For-Sale Units:

Kensington Residential Market Area

New Household Demand		Demand from Turnover	
Annual New Households (1)	3,566	Total Households (1)	376,873
Owner Propensity (2)	66%	Owner Propensity (2)	53%
Number	2,354	Number	199,743
Income Qualified (3)	53%	Turnover Rate (6)	7%
Number	1,238	Number	13,982
Household Size Qualified (4)	73%	Income Qualified (3)	48%
Number	900	Number	6,725
Target Market Adjustment (5)	15%	Household Size Qualified (4)	80%
Number	135	Number	5,353
		Target Market Adjustment (5)	30%
		Number	1,606
Adjustment Factor (7)			10%
Total Annual Potential Market Demand			1,915

1. ESRI BIS.

2. Estimated proportion of owner households in MSA and market area in 2012 from ESRI BIS.

3. Estimated proportion of households in the MSA and market area with annual incomes of \$50,000 or more.

4. Estimated proportion of households in the MSA and market area with 1 to 3 persons.

5. Based on Tapestry data, estimated proportion of MSA and market area households to whom the proposed type of housing would appeal.

6. Estimated proportion of owner households in DeKalb County that turnover within a 12-month period, based on the American Community Survey.

7. Adjustment factor to take into account households that fall outside of this model.

Sources: Marketek, Inc.; 2010 U.S. Census; American Community Survey; ESRI BIS

Ten-Year Potential Demand for Rental Units:

Kensington Residential Market Area

New Household Demand		Demand from Turnover	
Annual New Households (1)	3,566	Total Households (1)	376,873
Renter Propensity (2)	34%	Renter Propensity (2)	47%
Number	1,212	Number	177,130
Income Qualified (3)	32%	Turnover Rate (6)	33%
Number	383	Number	58,453
Household Size Qualified (4)	73%	Income Qualified (3)	33%
Number	279	Number	19,348
Target Market Adjustment (5)	15%	Household Size Qualified (4)	80%
Number	42	Number	15,401
		Target Market Adjustment (5)	30%
		Number	4,620
Adjustment Factor (7)			10%
Total Annual Potential Market Demand			5,128

1. ESRI BIS.

2. Estimated proportion of renter households in MSA and market area in 2012 from ESRI BIS.

3. Estimated proportion of households in the MSA and market area with annual incomes from \$25,000-\$60,000.

4. Estimated proportion of households in the MSA and market area with 1 to 3 persons.

5. Based on Tapestry data, estimated proportion of MSA and market area households to whom the proposed type of housing would appeal.

6. Estimated proportion of renter households in DeKalb County that turnover within a 12-month period, based on the American Community Survey.

7. Adjustment factor to take into account households that fall outside of this model.

Source: Marketek, Inc.; 2010 U.S. Census; American Community Survey; ESRI BIS

**Potential Supportable For-Sale and Rental Product:
Kensington TOD LCI Study Area Capture over Ten Years**

Year	For-Sale Units ¹			Rental Units ²			Total Potential Supportable Units
	Potential Demand	Study Area Capture		Potential Demand	Study Area Capture		
	Units	Rate	Units	Units	Rate	Units	
Year 1	1,915	3.0%	57	5,128	1.5%	77	134
Year 2	1,915	3.0%	57	5,128	1.5%	77	134
Year 3	1,915	3.0%	57	5,128	1.5%	77	134
Year 4	1,915	3.5%	67	5,128	2.0%	103	170
Year 5	1,915	3.5%	67	5,128	2.0%	103	170
Year 6	1,915	3.5%	67	5,128	2.0%	103	170
Year 7	1,915	3.5%	67	5,128	2.0%	103	170
Year 8	1,915	4.0%	77	5,128	2.5%	128	205
Year 9	1,915	4.0%	77	5,128	2.5%	128	205
Year 10	1,915	4.0%	77	5,128	2.5%	128	205
Total	19,151	3.5%	670	51,283	2.0%	1,026	1,696

1. As shown in "Ten-Year Potential Demand for For-Sale Units."

2. As shown in "Ten-Year Potential Demand for Rental Units."

Source: Marketek, Inc.

Appendix D: Retail Market Analysis Tables

Summary of Merchandise and Service Categories

Merchandise/Service Category	Types of Goods/Services
Apparel	Women's Apparel, Men's Apparel, Children's, Footwear, Watches, Jewelry
Home Furnishings	Furniture, Floor Coverings, Major and Small Appliances, Household Textiles, Floor Coverings, PC Software and Hardware, Housewares, Dinnerware, Telephones
Home Improvement	Maintenance and Remodeling Materials, Lawn & Garden
Misc. Specialty Retail	Pet Care, Books & Periodicals, Sporting Equipment, Toys & Hobbies, Video Cassettes & Games, TV/VCR/Cameras, Audio Equipment, Luggage, Eyeglasses
Groceries	Food at Home, Nonalcoholic Beverages at Home, Alcoholic Beverages, Smoking Products
Restaurants	Food Away From Home, Alcoholic Beverages
Entertainment	Admission to Movie/Theater/Opera/Ballet, Recreational Lessons, Participation in Clubs
Personal Services	Shoe Repair, Video Rental, Laundry & Dry Cleaning, Alterations, Clothing Rental, Storage, Watch & Jewelry Repair, Photo Processing & Supplies, Child Care

Retail Expenditure Potential:

Local & Greater Retail Market Areas, 2012-2022

Merchandise or Service Category	Spending per Hhold	Target Sales* (\$/SF)	2012 Retail Potential		2017 Retail Potential		2022 Retail Potential	
			Sales (in mill)	Space (SF)	Sales (in mill)	Space (SF)	Sales (in mill)	Space (SF)
Local Retail Market Area								
Grocery	\$4,895	\$390	\$239.2	613,380	\$246.1	631,016	\$255.2	654,481
Health & Personal Care	\$802	\$365	\$39.2	107,428	\$40.3	110,517	\$41.8	114,627
Convenience Goods			\$278.4	720,809	\$286.4	741,533	\$297.1	769,107
Personal Services	\$895	\$151	\$43.7	289,611	\$45.0	297,938	\$46.7	309,017
Greater Retail Market Area								
Apparel	\$1,410	\$209	\$224.1	1,072,202	\$229.2	1,096,803	\$234.5	1,121,968
Home Furnishings	\$1,321	\$199	\$209.8	1,054,493	\$214.7	1,078,687	\$219.6	1,103,437
Home Improvement	\$965	\$140	\$153.3	1,095,312	\$156.9	1,120,443	\$160.5	1,146,150
Misc. Specialty Retail	\$1,671	\$216	\$265.6	1,229,679	\$271.7	1,257,892	\$277.9	1,286,753
Shoppers' Goods			\$852.9	4,451,686	\$872.5	4,553,825	\$892.5	4,658,308
Restaurants	\$3,294	\$263	\$523.4	1,990,263	\$535.4	2,035,927	\$547.7	2,082,639
Entertainment	\$408	\$90	\$64.8	719,752	\$66.3	736,266	\$67.8	753,159
Total			\$1,763.3	8,172,120	\$1,805.6	8,365,489	\$1,851.7	8,572,230
Five Year Net Gain					\$42.3	193,369	\$46.1	206,741

* Target sales are based on the Urban Land Institute, "Dollars and Cents of Shopping Centers."

Sources: ESRI BIS; Urban Land Institute; Marketek, Inc.

Typical Sizes of Selected Businesses

Merchandise or Service Category	Median	National	Local Chain	Independent
Specialty Retail				
Art Gallery	1,802	~	1,802	1,907
Arts/Crafts Supplies	8,928	20,957	~	3,070
Beauty Supplies	1,807	1,634	2,450	1,829
Bike Shop	3,440	~	~	2,596
Bookstore	10,093	23,000	9,990	2,740
Cameras	2,000	2,000	~	~
Children's Wear	3,913	4,879	3,054	2,105
Family Shoe Store	4,000	4,113	5,100	2,460
Gift/Cards	4,200	4,900	3,780	1,653
Hardware	13,200	13,900	~	~
Home Accessories	7,595	10,215	5,365	2,462
Jewelry	1,500	1,610	1,968	1,200
Luggage	2,500	2,499	~	~
Men's Clothing Store	3,500	4,319	3,065	2,750
Pet Supplies	7,995	17,600	3,201	3,200
Music	4,464	6,178	~	2,017
Sporting Goods	8,465	22,000	4,980	2,995
Toys	7,855	12,000	~	3,344
Women's Clothing Store	4,400	4,503	3,960	2,145
Convenience				
Drugstore/Pharmacy	10,920	10,860	16,668	4,977
Supermarket	50,420	49,071	51,495	23,300
Bakery	1,990	4,000	~	1,700
Gourmet Grocery	18,000	~	~	~
Wine/Liquor	3,440	~	6,237	2,920
Personal Services				
Day Spa	2,875	~	2,563	3,060
Women's Hair Salon	1,400	1,450	1,250	1,361
Nail Salon	1,200	~	1,200	1,200
Picture Framing	1,600	1,703	~	1,588
Health Club	10,249	9,548	5,508	10,249
Mail/Packaging/Photocopying	1,278	1,240	~	1,236
Tailor/Alteration	950	~	900	1,035
Movie Rental	6,000	6,333	4,240	4,733
Shoe Repair	855	~	~	795
Drycleaners	1,800	~	1,800	1,649

Day Care	4,000	~	~	3,901
Laundry	2,114	~	2,150	1,955
Restaurants				
Restaurant with Liquor	5,204	6,669	5,600	3,362
Restaurant without Liquor	3,581	6,500	3,025	2,625
Bar/Cocktail Lounge	3,821	~	~	3,821
Ice Cream Parlor	1,137	1,144	1,137	1,116
Coffee/Tea	1,578	1,650	1,624	1,400

Source: Urban Land Institute, "Dollars and Cents of Shopping Centers"