# 5 LAND USE & DEVELOPMENT STRATEGY

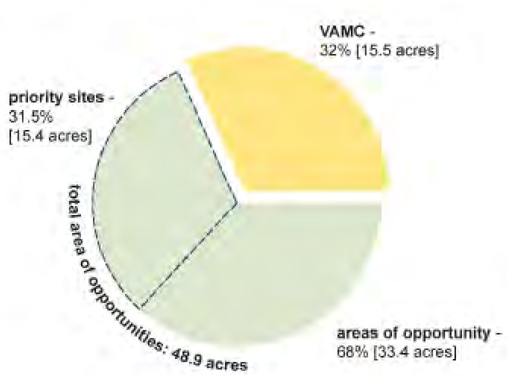
# LAND USE & DEVELOPMENT STRATEGY

Great Streets foster and enhance the economic vitality of their surroundings. Chapter 5 assesses the current and prospective relationships between the built and economic environment of Grand Center and its Great Streets. Great Street improvements and land redevelopment will be integrated and mutually dependent. Beginning with an analysis of real estate market conditions, building and land use, and aggregate employment and payroll data, a series of observations and recommendations are provided that frame an overall development strategy for the district. The information supports the Great Streets initiative, but is not a district land use master plan.

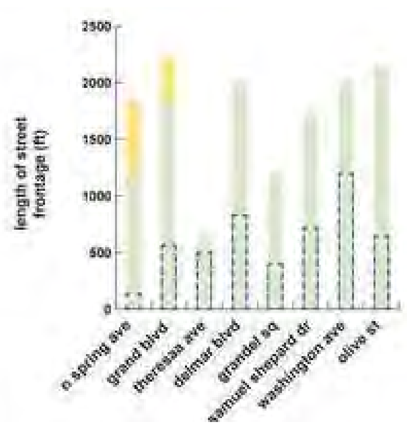
## Opportunities for Transformation

Within the almost 60 acre study area, Grand Center has almost 50 acres of vacant land/surface parking lots that represent redevelopment opportunity. Over 30% of this land (15 acres) is considered a priority site for redevelopment due to current interest or ideal positioning of the site.

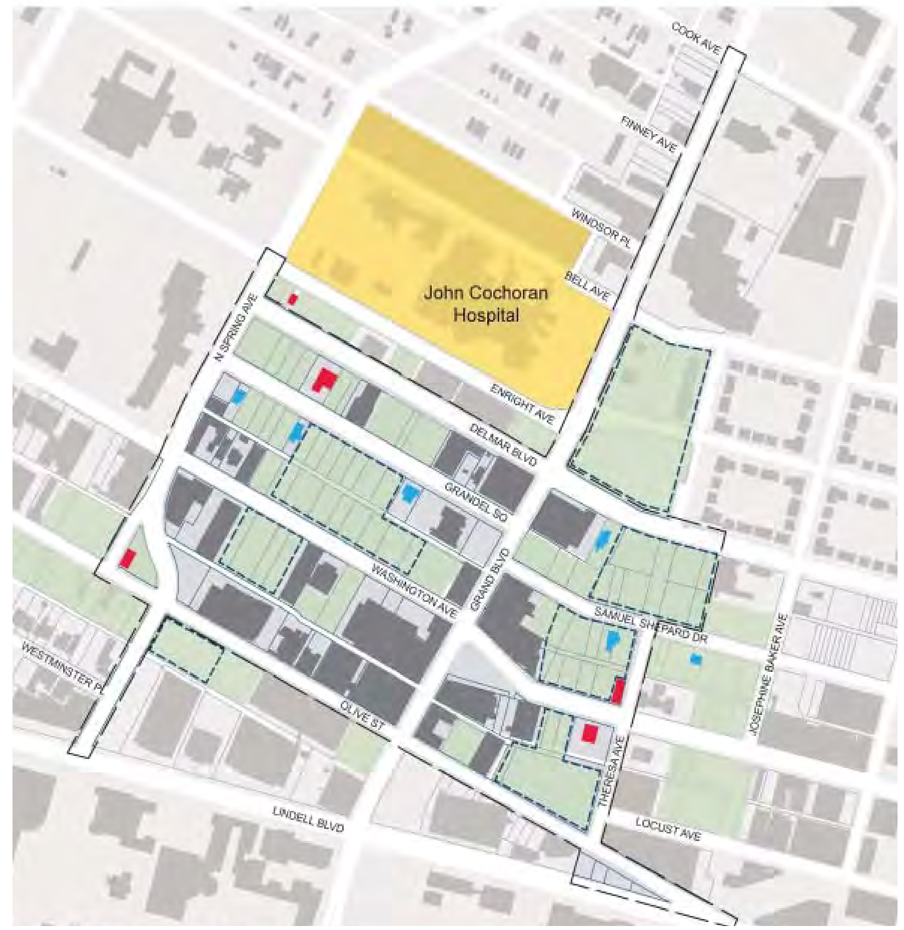
These redevelopment sites occupy the majority of street frontage on cross-streets to Grand Avenue suggesting that the type and density of this redevelopment will make a significant impact on the future function and character of the street. Washington Avenue is the cross-street that represents the greatest opportunity for transformation.




**Redevelopment area comparison**




**Potential impact for streets**




**Redevelopment opportunities map**

legend:

- study area boundary
- areas of opportunity for new buildings, parking garages, parks / open spaces, plazas, and publc artwork installations (temporary and permanent)
- priority sites
- VAMC john cochoran campus redevelopment area
- existing non-keeper buildings
- existing keeper buildings

### Background

From the 1980s, two decades passed before the psychological barrier between St. Louis University and Grand Center at Lindell Boulevard began to be breached. Some St. Louis University students, staff, faculty and visitors now move more freely across the Lindell divide for dining, entertainment, culture and even housing. But the full potential has not been realized. This increased openness and comfort has yielded an expanding pattern of infill investment in retail, dining, office and institutional facilities within Grand Center. However, other than the renovated apartment buildings along Lindell between Vandeventer and Spring, there are limited opportunities for university students and employees to live or shop north of Olive/Lindell today.

A summary of the strengths, weaknesses, opportunities and threats that explain why the full potential of Grand Center has yet to be realized is illustrated below:

## SWOT Analysis

**Strengths**
- Two major employers
- Growing residential strength in central corridor
- Regional draw from cultural, educational & hospital inst.
- Locust Business District

**Weaknesses**
- Lack of day-time population
- Limited funding sources
- Regional perceptions of the city
- Current "wasteland" impressions
- Lack of retail traffic

**Opportunities**
- 15 acres of surface parking
- Strong stakeholder collaboration
- High stakeholder aspirations
- Vision of Framework Plan and Great Streets concept

**Threats**
- Competition for funding
- Aging of cultural audience
- Competing entertainment districts
- Residential financing

# Land Use and Employment Profiles

The following section begins with a synopsis of findings from a comprehensive but generalized inventory conducted of building space-use within Grand Center. The results were aggregated for the Core Area defined by Delmar on the north, Lindell on the south, Spring on the West and Josephine Baker on the east, and by a District Perimeter Area extending to Cook Avenue on the North, the Frost Campus of Saint Louis University on the south, Vandeventer on the west and Compton Avenue on the east. This is followed by a synopsis of the survey of principal employers and uses within Grand Center. Information was sought regarding the number of employees and total payroll, amount and type of building space occupied, and parking provisions utilized. While responses were received from about 2/3 of the 60 firms and organizations surveyed, a smaller proportion yielded responses that were sufficiently complete to enable full reporting. Still, the overall results of the survey begin to provide a useful overall picture of the economic strength and character of the area's primary users and occupants. The following sections of this chapter address the current status and potential for addition of residential, office and restaurant, entertainment and retail commercial investment.

## Land Use Profile

A comprehensive inventory of building use and occupancy yielded the following estimated floor area distribution:

| | Offices | Retail, Restau-rant & Comm. Entertainment | Commercial/ Industrial/ Warehouse | Residential | Institutions & Hotel | Total (excl. SLU) |
|---|---|---|---|---|---|---|
| CORE | 550,000 sq. ft. | 330,000 | 110,000 | 650,000 | 830,000 | 2,470,000 |
| PERIMETER | 290,000 | 125,000 | 520,000 | 1,000,000 | 4,980,000 | 6,915,000 |
| TOTAL | 840,000 | 455,000 | 630,000 | 1,650,000 | 5,810,000 | 9,385,000 |

- Offices: 6 primary buildings (Humbolt, Centene, Big Bros/Big Sisters, KWMU, Nine Network & the Wool office buildings), plus 4 smaller facilities
- Restaurants: 13, plus 2 fast food; 11 new in last 5 years; new retail shopping, including motorcycles!
- Numerous commercial/industrial/warehouse facilities: range of conditions and viability; often prime space for office or retail incubation or conversion
- Residential and hotel: approximately 1,000 units, w/ 850 multifamily, 45 single family, 60 institutional, 40 hotel
- Diverse range of cultural and entertainment venues: Fox, Powell Symphony Hall, Sheldon, Metro Theater, Grandel Theater, The Pulitzer, Centene Center for the Arts, & the Krantzberg
- Array of educational and health care institutions: Cardinal Ritter HS, Loyola Academy, Grand Center Arts Academy, Clyde Miller Career Academy, plus SLU and Harris Stowe nearby; Veteran's Administration Hospital

## Employment Profile

A comprehensive employer/occupant survey yielded data on employment, payroll and occupancy:

| | Performing Arts | Museums & Galleries | Education & Training | Health Care | Total |
|---|---|---|---|---|---|
| Employees | | | | | |
| - Full time | 242 | 35 | 2,815 | 1.283 | 4,305 |
| - Part time | 1,039 | 54 | 150 | 179 | 1,422 |
| Payroll | $21,173,000 | $2,279,000 | $139,000,000 | $81,000,000 | $243,452,000 |
| Attendance, Visitors | 829,000 | 39,020 | 24,300 | 430,000 | 1,322,320 |
| Floor Area Occupied | 309,000 | 103,050 | 4,200,000 | 990,000 | 5,602,050 |

Survey results indicate an employee payroll of nearly $250,000,000. Not surprisingly the two large institutional employers flanking the district on the north, Cochran VA Hospital, and south, Saint Louis University, comprise fully 80 percent of this amount. These two employers likewise comprise over 80 percent of the floor area occupied by the responding employers and nearly 85 percent of aggregate employment.

## Residential Development Profile

### Central Corridor: Primary Market Context

The portion of the St. Louis region's "central corridor" that extends from Downtown to the campus of Washington University at Skinker Boulevard comprises the principal market context for Grand Center. This section of the Central Corridor consists of three principal sub-sectors – Downtown St. Louis on the east and the Central West End on the west. In between is Mid-town with Grand Center as its focus.

### Downtown

Downtown St. Louis realized dramatic growth of its housing inventory, beginning in the late 1990s and accelerating well into the 2000s. However, in keeping with the bursting of the national housing bubble in 2008-09, housing production declined dramatically there as well as throughout the regional market.

**Downtown Housing Inventory**

| | |
|---|---|
| By Type | |
| Market Rate Rental | 4144 – 47% |
| Below Market Rate Rental | 1820 – 21% |
| Sale/Owner Occupied | 2781 – 32% |
| | 8745 |
| By When Opened | |
| Before 1990 | 2863 – 33% |
| 1990 – 1999 | 658 - 7% |
| 2000 – Present | 5224 – 60% |
| | 8745 units |

Housing production downtown prior to 1990 consisted primarily of then newly constructed projects (ex. O'Fallon Place, Mansion House, Columbus Square). This was followed by a mix of new construction and rehabilitation in the 1990s (ex. Murphy Park Townhomes, Art Loft Building). Growth has been most all rehabilitation and adaptive reuse throughout the 2000s to the present (ex. Edison Bros Condos, Lucas Lofts, Louderman Building, Park Pacific). With the notable exception of a portion of Columbus Square, multifamily ownership housing did not enter the downtown inventory until 2000 when it expanded rapidly until the bubble burst in 2008. More recently, and in keeping with regional trends, there has been action in a strengthened rental housing sector. This includes the highly successful Park Pacific (230 units) and The Laurel (205 units), both of which opened in 2011 and are now above 80% occupancy. Today, more than 14,000 people live within greater downtown St. Louis, a gain of over 9000 or 225% since 2000.

### Central West End

No comprehensive inventory of multifamily housing, similar to that which is maintained by the Partnership for Downtown St. Louis, is available for the balance of the central corridor. There are numerous projects and buildings that date back as much as 100 years dispersed throughout the area. Highlights of the inventory gains since 1950s are summarized as follows:

| | | |
|---|---|---|
| **Market Rate Rental** | | |
| Parc Frontenac | 1958 | 202 units |
| Montclair on Park | 1958 | 201 |
| Monticello Apartments | 1980 | 70 |
| Sherwood Court | 1981 | 66 |
| Convent Gardens | 1986/2012 (1925) | 84 |
| Clara Court | 1989 (1913/57) | 129 |
| McCormack House - Forest Park | 2001 | 55 units |
| Metro Lofts | 2003 | 170 |
| SoHo Square Apartments | 2006 (1951) | 180 |
| West End Apartments | 2009 (1985) | 40 |
| York House | 2011 (1922) | 33 |
| | | 1230 units |
| **Below Market Rate Rental** | | |
| McCormack House – Forest Park | 2001 | 34 units |
| West End Apartments | 2009 (1985) | 40 |
| | | 74 units |
| **For Sale / Owner-Occupied** | | |
| Gaslight Square homes | 2002 | 47 units |
| 4200 Laclede (former Luyties) | 2002 (1915) | 18 |
| Metropolis DeBaliveier Place (conversion) | 2004 (various) | 400 |
| Park East Tower | 2007 | 89 |
| 4545 Lindell | 2007 | 31 |
| Park East Lofts | 2008 | 52 |
| Private Residences at the Chase Pk. Plaza | 2009 | 87 |
| | | 924 units |
| | | 2228 units |

The preceding highlights the strong shift to ownership housing in the Central West End which ground to a halt with the housing industry crash and national recession in the later years of the decade.

## Mid Town & Grand Center

| | | MR | BMR | Sale | Total |
|---|---|---|---|---|---|
| Lucas Heights Village | 1981 | 192 | - | - | 192 |
| Drake Plaza | 1990 | - | 85 | - | 85 |
| University Plaza | 1996 (1920) | 56 | 31 | - | 87 |
| McCormack House – CWE (Olive) | 1999 | 72 | - | - | 72 |
| Continental | 2002 (1929) | 95 | 12 | - | 107 |
| 6 North (Sarah) | 2004 | 45 | 35 | - | 80 |
| Grand View Tower Apartments | 2004/07 | 170 | 130 | - | 300 |
| Renaissance Place | 2004/08 | 101 | 271 | - | 372 |
| University Heights | 2005 (1920) | 244 | - | - | 244 |
| Lindell Apartments (fire) | 2009/13 | 197 | - | - | 197 |
| P W Shoe Lofts | 2009 | 33 | - | - | 33 |
| Leonard (4166 Lindell) | 2010 (1920) | 34 | - | - | 34 |
| Metro Artists' Lofts | 2012 | 72 | - | - | 72 |
| | | 1311 | 564 | - | 1875 |

## Current Pipeline of Anticipated Projects

Today, there is a sizable pipeline of rental multifamily residential projects planned or underway in the "central corridor." Most are to be located to the east in downtown and the Central West End. In the short term, additions to the housing inventory within Grand Center are likely to be relatively modest and consist of rental multifamily units targeting St. Louis University students and moderate-income staff, along with striving young creative and arts participants. The recent success of the 72 unit Metro Artists' Lofts demonstrates this potential. As confidence increases, investors and lenders will support larger increments of housing addressing the needs of higher-income households. Successful residential additions in downtown and the Central West End will likewise pave the way for more challenging projects in Grand Center.

Expanded residential patronage is definitely required in order to broaden and deepen support for a larger retail and dining inventory. Additional residential development will likewise be demanded in tandem with employment growth within the district, especially from an expanding inventory of office-based businesses and institutions. Residential development in the district will be interdependent with the Great Streets improvements, requiring the urban environmental upgrade and supporting the goals of populating the district.

| | | MR | BMR | Sale | Total |
|---|---|---|---|---|---|
| **Downtown** | | | | | |
| Roberts Tower | 2014 (2010) | 132 | - | - | 132 |
| Arcade Building Artists' Lofts | 2014 (1919) | 69 | 185 | - | 254 |
| Pinza 50, Senior Apartments | 2013 ( ? ) | | 149 | - | 149 |
| Chemical/Alexa Building | ? ( ? ) | 120 | - | - | 120 |
| Millennium Center Apartments | 2014 (1962) | 102 | - | - | 102 |
| Lacassian Lofts | ? (1916) | 27 | - | - | 27 |
| | | **450** | **334** | **-** | **784** |
| **Central West End** | | | | | |
| City Walk (Mills, w/Whole Foods) | 2014 | 160 | - | - | 160 |
| Aventura (Manchester, FPSE) | 2015 | 204 | - | - | 204 |
| West End Terrace, Addition | 2015 | 80 | | | 80 |
| Cortona at Forest Park | 2014 | 278 | - | - | 278 |
| Parc Frontenac II | 2015 | ? | - | - | ? |
| Heart Association Lot | 2015 | ? | - | - | ? |
| | | **722** | **-** | **-** | **722** |
| **Midtown / Grand Center** | | | | | |
| Laclede Lofts (u.c.) | 2014 (1946) | 50 | - | - | 50 |
| North Sarah Apartments, Phase 2 | 2014 | - | 103 | - | 103 |
| Missouri Theater Building | | 70 | | | |
| | | 149 | 103 | | 252 |
| **Total "Pipeline"** | | **1321** | **437** | | **1758** |

## Recent Regional and Submarket Apartment Research

Two recent market condition assessments highlight the comparative strength of the central corridor in the City of St. Louis. Colliers International addresses the broader Central West End as a distinct regional sub-market, with the balance of the city comprising another sub-market. Its 1st Quarter 2013 report indicates the Central West End had the region's highest average rent at $1,151 per month or $1.34/ square foot. Current occupancy stands at 94.3%. With no new supply on tap in the short run, and anticipated demand for 98 units, occupancy is predicted to climb to 95% by the end of 2013.

The 2013 Apartment Market Report St. Louis from MPF Research indicates "St. Louis City claims metro's only conventional projects. Of the nine projects completed in 2012, only two were conventional properties (versus "affordable" or below market rate), and both completed in the City of St. Louis. The 72-unit Metropolitan Artists Lofts (in Grand Center) completed in the fourth quarter, and The Laurel (in downtown), a 205 unit project, completed in 1st quarter". In the report's Submarket Overview, the Central West End/Forest Park submarket ranked high (1st, measures cited – occupancy, annual occupancy change, monthly rent, quarterly rent change, annual rent change, quarterly revenue change, and annual revenue change.

A third market report from Marcus and Millichap fails to distinguish the Central West End, downtown or mid-town from the balance of the city, instead dividing it into north and south city submarkets as two out of 10 regional submarkets.

## Observations on the Condominium Market

It is widely recognized that the market for condominium apartments and townhomes has been moribund since the housing crash. Values declined dramatically, sales withered, and production ceased beginning in 2008, and remains largely unchanged today. Sales of units in selected built projects persisted and have now been largely sold out, usually following incremental price reductions (ex. 4545 Lindell, The Private Residences at the Chase Park Plaza). Turnover in condo units overall is slow today and prices remain depressed. In the Downtown submarket, an array of projects launched as condominiums were either canceled, transitioned wholly or in part to rental occupancy, reduced in size, or remain unfinished and unoccupied (ex. Motor Lofts, The Arcade, The Laurel, Ely Walker Lofts, The Alexa, The Ventana, Leather Trades Lofts, Park Pacific, Skyhouse, et al.) There is every reason to believe it will be several more years before this market eases back into effective operation in the Central Corridor, including Grand Center.

## Zimmerman Volk Associates (ZVA) Market Projections for Grand Center

Zimmerman Volk Associates was retained by Grand Center in 2007 to evaluate then current residential market conditions. Based on this research, ZVA was charged with providing projections for residential absorption in Grand Center over the decade to follow. ZVA issued its report in February 2008 based largely on field inventory, demographic data and other research assembled in the previous year. In August 2009, ZVA provided a follow-up review and affirmation of its earlier findings and recommendations. A brief synopsis is as follows: Given the wisdom of hindsight, the obvious problem with this projection model is that it was based on conditions comprising the major housing "bubble" that prevailed at the national, regional and local neighborhood levels. The bubble was comprised of inflated levels of production, pricing and number of transactions of primarily ownership housing. After a dramatic period of decline that lasted almost 5-years beginning in late 2007, sales of used homes, production of new homes and prices have finally begun to rise from their new low bases. In the meantime, there has emerged a strong landlord's market for rental

**Annual Market Potential**

| Housing Type | Household Demand # | % | Annual Unit Capture Rate - % | Absorption |
|---|---|---|---|---|
| Multi-Family For Rent | 970 | 36.2 | 5-10% | 48-97 units |
| Multi-Family For Sale | 950 | 35.4 | 5-10 | 47-95 |
| Attached Single-Family, For Sale | 760 | 28.4 | 5-10 | 38-76 |
| | 2,680 | 100.0% | | 133-268/year |

housing that is currently spurring new rental housing production. This is evident in a growing pipeline of new and rehabilitated rental housing products in the central corridor and its primary submarkets as documented earlier. However, the recovery of this segment of the housing market is yet to stimulate new life in the urban ownership, for-sale housing market. There have been no proposals to date for the creation of condominium apartments or attached single-family homes, whether new or rehabilitated. All new projects are being planned for rental occupancy (although some are being seen as having potential for later conversion to condominiums should favorable market conditions return).

### Housing Development Scenario for Grand Center

In consideration of the preceding inventory and trend information, and viewing the ZVA projections in light of current circumstances, the following housing development scenario is offered. It seeks to present a realistic set of expectations and guidelines for housing development planning and investment.

Ten-Year Residential Absorption – Grand Center, 2015 – 2024

| Units / Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Rental Multi-family | 50 | 50 | 60 | 60 | 80 | 80 | 80 | 70 | 60 | 60 | 650 |
| For Sale Multi-family | - | - | 20 | 20 | 30 | 40 | 40 | 50 | 50 | 50 | 300 |
| Total / Year | 50 | 50 | 80 | 80 | 110 | 120 | 120 | 120 | 110 | 110 | 950 |

Realizing that any actual development program will occur in less neat aggregations than those conceptually outlined above, as part of mixed-use projects (along with office, institutional and parking facilities) and at a wide range of project densities, it is challenging to estimate a corresponding allocation of land absorption. However, if an urban residential density averaging 30 units per acre is assumed, a total of 30 to 35 acres of land for housing sites would be required (including associated parking) – equal in scale to two to three of the larger city blocks comprising the Grand Center District today.

## Office Development Profile

### Existing Office Base in Grand Center

There is a tendency not to think of Grand Center as an office location. This is due in part because the major office buildings from the pre-World War II era, when Grand Center contained a high proportion of the region's medical offices, have long since wound down from this function or been converted to other uses – The University Club Tower, which houses the University Plaza apartments today, and the Missouri Theater Building, soon to be rehabilitated for new rental apartments. Also, offices in Grand Center are often overlooked because of the high profile of the district's cultural and entertainment venues along with the presence of two giant institutional complexes on its north and south flanks – The Cochran VA Hospital and the Frost Campus of St. Louis University.

Six primary office facilities totaling some 275,000 square feet of dedicated and fully occupied office floor area are located in the core of the district: the Humbolt, Nine Network, KWMU/UMSL, Big Brothers Big Sisters/Krantzberg, Centene Center for the Arts, and Wool Center/SLU buildings. These average 46,000 square feet. In addition, there are nearly 20 smaller buildings that appear to be occupied primarily by office uses, including those occupied by the Rodemeyer Christal firm, Laborers Union, Urban League, Fortitude Foundation, ATT (portion of larger structure), and St. Louis Enterprise Center. These buildings together comprise an estimated 235,000 square feet of office space, or about 12,000 each. Adding these two groups of office facilities together comprises about a half million square feet of active office space with an estimated 1500 persons employed there. In addition, there is a substantial number of less obvious office uses and users dispersed throughout the district, and others that are pending completion of announced renovations or additions (ex. future offices of KDHX, 88.1 FM at 3520 Olive). Given the scale, diversity and uniqueness of the office-based businesses and institutions in Grand Center, there is good reason to believe this is a solid base upon which to build additional distinctive office facilities.

On the other hand, it is unlikely anyone will build a speculative or general office building in Grand Center,in the manner they might in Clayton, downtown or another traditional office center. Rather, future office users are likely to be specialized firms interested in rehabilitating or adaptively reusing existing space. There will also be cases of firms or organizations desirous of creating new office facilities that meet their specialized space and location needs and to emphasize their own unique identities. Prime examples of such facilities are those recently built by Nine Network and KWMU/UMSL. The space inventory suggests there are substantial additional opportunities for office upgrades or adaptive reuse of obsolete commercial/industrial buildings for offices, both upper story and ground level (estimated to be several hundred thousand square feet). There is likewise sufficient vacant and underused land to accommodate an array of new office facilities.

### Planning for Additional Office Occupancy

Optimum development of Grand Center would include growth in office employment in tandem with residents. Both groups can provide committed patrons for retail shopping, entertainment and dining, as well as for cultural and arts institutions. Both groups also benefit from the presence of adjacent large institutional uses – Cochran VA Hospital and St. Louis University, as well as nearby Harris Stowe University. Local residents are attracted to work in local offices, and vice versa – office employees are prime candidates to rent or buy apartments in the district. Office-based businesses will tend to focus on serving the needs of the large institutional employers and their employees, while relishing their association with the major arts, cultural and institutional anchors that characterize the area. Certain office uses and users have the additional advantage of helping to make effective and efficient use of, and hence contribute revenue to support, costly garage parking facilities. Office employees need parking during the day and are gone when the parking needs of residents and entertainment and cultural venues are peaking in the evening.

It is recommended that planning for further development of Grand Center provide for creation of a total of 500,000 square feet of additional office space. An estimated 200,000 would result from the reuse of existing building space dispersed throughout the district, with the balance being in new facilities. Assuming an average floor area ratio of about 1.5 (1.5 sq. ft. of office space per sq. ft. of site area), the additional new office space would require approximately 4.5 acres of site area – equal to about ½ of the area of a typical large Grand Center city block.

## Dining, Entertainment and Retail Development Profile

Grand Center has seen a significant expansion of its restaurant and bar establishments over the past five years. Building on a few well established institutions like Best Steak House, Vito's and Jazz at the Bistro for evening fare, as well as Sunrise Chinese, the choices now include KOTA's Grill, Dooley's, City Diner, Nadoz at the Coronado, Sweetie Pies, Triumph Grill, Café Praxtos, Fieldhouse, Urban Chestnut, Flying Cow Yogurt & Plush. In addition, there are limited availability venues in the Fox Theater, Griffin Restaurant, and Powell Symphony Hall, Met Bar. This rather dramatic up-tick in dining offerings affords a base for a growing dining, entertainment and retail sector in Grand Center.

When it comes to non-restaurant retail establishments, current choices in Grand Center are few. These include: American Automotive and Nuelle Automotive in the car repair and maintenance category, Salon Edge for hair care, Epiphany Boutique for gifts and furnishings, and Moto Europa for high-end motorcycles. Overlapping the world of museums and retailing are commercial galleries like Greenberg Van Doren, Bruno David, Portfolio, Shearburn and Horizon.

The preceding establishments are estimated to occupy approximately 135,000 square feet floor area, the great majority of which is at ground, street level. Restaurants occupy about 85,000 sq. ft. of this area (15 restaurants averaging 5,600 sq. ft. each) and other firms actively providing retail goods or services occupy about 50,000 sq. ft. (9 establishments averaging 5800 sq. ft. each). Vacant or obviously underutilized street front floor area deemed appropriate for restaurants or retail occupancy totals an estimated additional 60,000 sq. ft. There are of course extensive opportunities for new retail and restaurants to be developed on the ground floor of future parking garages, and office, residential and mixed-use buildings.

Over the last 5 years, the restaurant inventory has increased from 4 operations in about 21,000 sq. ft. to 15 operations in 85,000 sq. ft., a 63,000 square foot or 300 percent increase in occupied floor area. Bars and restaurants are typically the advance guard for commercial revitalization of historic and "Main Street" business districts. Grand Center is now well on its way in this regard. However, the addition of significant amounts of retail shopping and services, other than standard 'big box' merchandisers who would be inappropriate in this location, presents a much greater challenge – one that requires a proven, reliable base of relatively affluent, daytime patronage.

# Development Strategy

## Diversify Uses

A stated long-term goal of Grand Center has been to further diversify land uses. This is critical to populating sidewalks and underpinning the effective use of an expanded parking infrastructure. Also, it is clear that well-lit and used sidewalks are key to addressing the security concerns of patrons. Wider, well-appointed sidewalks with effective street furniture, lighting, and landscaping encourage and anchor retail uses and restaurants and their patrons. As pedestrian use of sidewalks increases, the area's desirability as a residential, employment and cultural and entertainment center will grow dramatically.

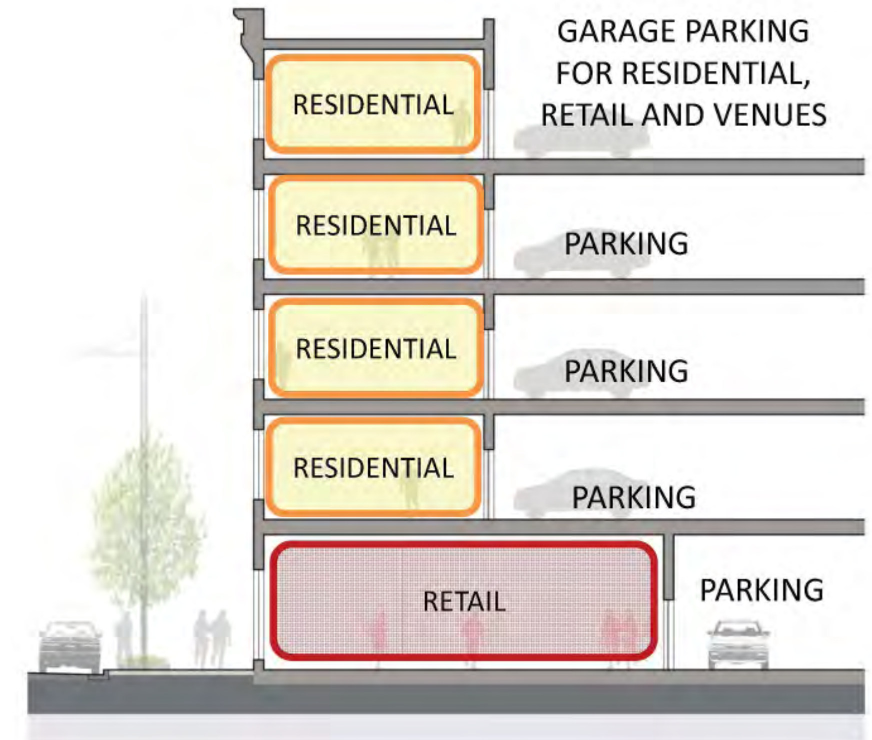
A further opportunity lies in the ability of the district to attract increased daytime pedestrian traffic from the two largest institutions in the area: St. Louis University on the south and the Veterans Administration Medical Center on the north. These institutions have 24/7 operations and attract employees, visitors and students from throughout the region. This constituency represents a major economic opportunity for the district. Attractive restaurant offerings coupled with improved north-south pedestrian connections will encourage these groups to take advantage of the area's many amenities throughout the day. Desirable residential options nearby will be sought by employees and office facilities will be in demand by allied firms and non-profit organizations. Altogether, these groups will widen and diversify patronage for shopping, dining and entertainment.

The proposed Great Streets plan will facilitate these linkages and yield a pedestrian environment that attracts both daytime and evening patrons.

## Parking Infrastructure

The Design Team prepared a conceptual capacity study of the potential for redevelopment of currently vacant land, including implications for expanded parking strategies. Initial analysis indicates a potential for 4,200 cars in structured parking, displacing 1,500 surface spaces for a net gain of 2,111 spaces. While diversity of use will yield greater effectiveness of daytime use of the parking facilities, this net increase in capacity will accommodate both existing and future increases in parking demand. The Veterans' Administration Hospital parking system has not been included in these numbers. However, it is assumed the VA parking lots on the east side of Grand, between Delmar and Bell, will be redeveloped eventually for other uses.

The overall future supply and pattern of on-street parking will be influenced by several incremental but planned changes. On-street




**Typical Mixed Use Building with Residential Wrap**

parking to be removed from Grand will be more than offset by increased on-street parking on Grandel. Initial district-wide analysis indicates an increase from 529 to 554 on street parking spaces, although there will be some further reductions from several new curb cuts, drop-off zones, and larger accessible parking spaces.

In Grand Center, a prime opportunity lies with the fifteen acres of surface parking currently located to the east and the west sides of the district core. The long-term land use plan, supported by the Grand Center Framework Plan, calls for the redevelopment of these large surface lots with multi-story, mixed-use "wrap" development that surrounds, or "wraps", interior parking structures. The street fronts would have ground level retail shopping, entertainment and dining with offices and/or residential uses above.

A key to the success of all sectors and uses in Grand Center will be a well-managed inventory of commonly accessible parking facilities. Ideally, this inventory will be comprised primarily of garages strategically sited to serve multiple uses and facilities 24/7, rather than being sequestered to meet the needs of selected users or sources of patronage. An ad hoc system of dedicated parking for individual buildings or uses, as is routine in most suburban, automobile-centric locations, would require far more parking spaces to meet the collective needs of the area. Such an approach would also inhibit pedestrian movement between uses leading to reduced pedestrian comfort and safety.

There are numerous examples of revitalized traditional business districts that demonstrate this principal in action. An especially good case is downtown Greenville, South Carolina. Effective public infrastructure has been key to success over a three-decade period of revitalization and expansion. First came major city investment in streetscape improvements along with a system of public parking lots. As new commercial investment arrived, the public lots became public garages and the streetscape system was extended further along Main Street and onto side streets. The need for private, off-street parking for individual buildings and uses was minimized, enabling continuous building frontage on the street and encouraging pedestrian traffic. While bars and restaurants along with infill office buildings dominated initial investment in the downtown, determined planning and recruitment efforts have yielded expansion of retail shopping opportunities. New and expanded public and private cultural institutions and open pace have added to the district's commercial attraction as well as to bolstering civic pride.

## Land Use and Development Potential

While a series of major entertainment and cultural venues is at the heart of Grand Center today, few such additional institutions are anticipated. Rather, new and rehab infill development will likely consist of a variety of types housing, for rent and sale, unique office facilities for an array of business and institutional users, and expanded options for shopping and dining. The preceding portions of this section delineate these market opportunities. Like many such revitalized traditional business districts, successful restaurants and bars will lead to expansion of retail shopping and services.

The variety and extent of future development has the potential to radically transform the environment of Grand Center at street level and create a distinctive urban place. The Christner team foresees attracting nearly 1000 new residential units over a 10-year period, doubling the current housing inventory. Similarly, there is potential to increase the inventory of office uses from some 800,000 sq. ft. today to about 1.3 million sq. ft. over the next decade. An estimated 200,000 sq. ft. of new office space could result from renovation and adaptive reuse of existing commercial/industrial buildings with 300,000 sq. ft. being in new structures. There is likewise the physical capacity to accommodate a significant proportion of future office and residential development configured to create a consistent street frontage that screens new mid-block parking garages. New residential and office facilities would accommodate expanded retail shopping, entertainment and dining at ground level.

It is important to stress that the land use pattern in Grand Center will evolve over time, and the purpose of the capacity study was not to offer a development master plan. Rather, it is intended to provide an analytical and conceptual frame of reference from which to anticipate the development mix and densities that are possible and likely in the district. Specific land use or site plans have not been developed or vetted with area leadership or property owners.

## Implementation

With the renovation of the Sun Theater and the Missouri Theater Building, the last vacant major or landmark buildings will have been redeployed. This is a critical juncture in the revitalization of Grand Center. As a result, a high proportion of future investment will be in new construction, including the creation of structured parking to allow a transition away from the large surface lots that dominate the area today. This will need to occur one project at a time so as not to displace too much parking at one time. The Great Streets plan offers an anticipated parking density distribution to guide future development, along with recommended site entry and egress points.

Implementation of the Great Streets plan will occur in response to market cycles as well as in relation to available public and private funding of specific development projects. The cost model suggests potential segmentation of the district into manageable packages, and provides unit costing for further analysis of alternative packaging strategies.

The Great Streets plan presents a vision of a public realm that will encourage, and depend on, a gradual overall increase in the density of Grand Center. Together with the anchor institutions and established cultural and performance venues, expanded residential, office employment and retail, dining and entertainment components will create a district that is economically sustainable as a desirable place to visit, live and work. The Great Streets of Grand Center will both frame and guide public and private investment required to build this special place in St. Louis.

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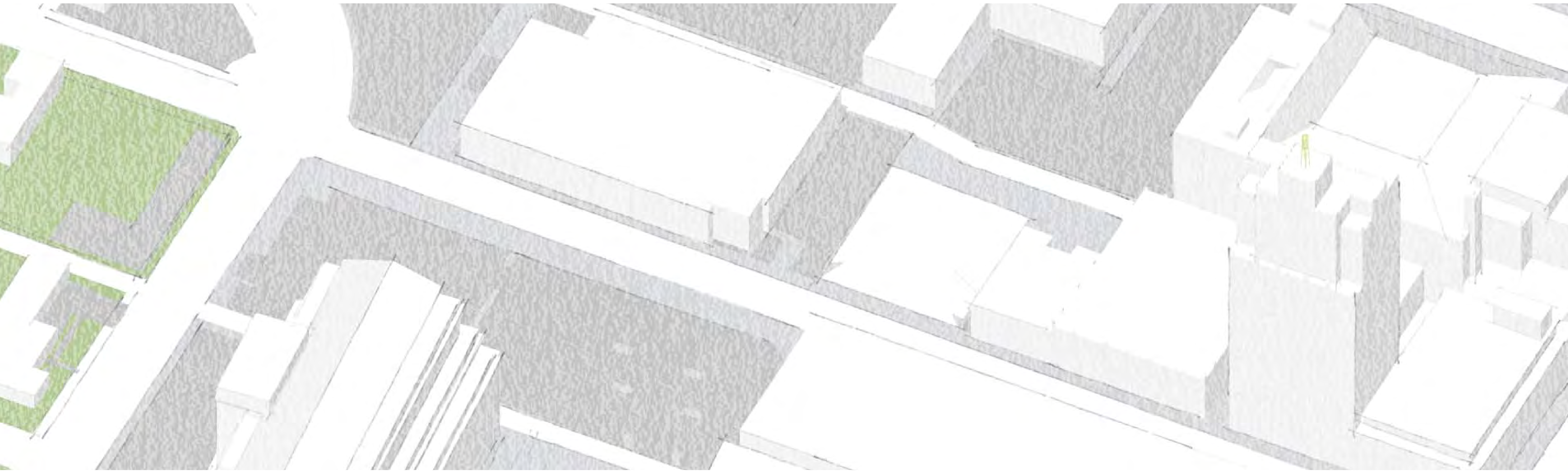


# 5 LAND USE & DEVELOPMENT STRATEGY

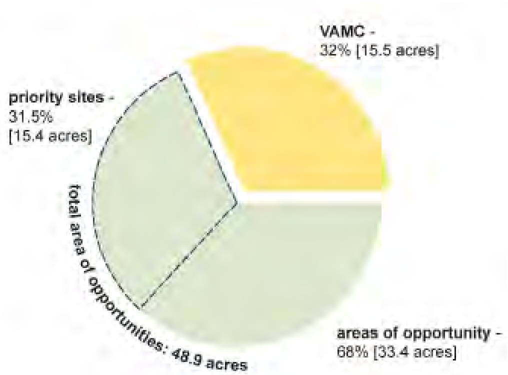
# LAND USE & DEVELOPMENT STRATEGY

Great Streets foster and enhance the economic vitality of their surroundings. Chapter 5 assesses the current and prospective relationships between the built and economic environment of Grand Center and its Great Streets. Great Street improvements and land redevelopment will be integrated and mutually dependent. Beginning with an analysis of real estate market conditions, building and land use, and aggregate employment and payroll data, a series of observations and recommendations are provided that frame an overall development strategy for the district. The information supports the Great Streets initiative, but is not a district land use master plan.

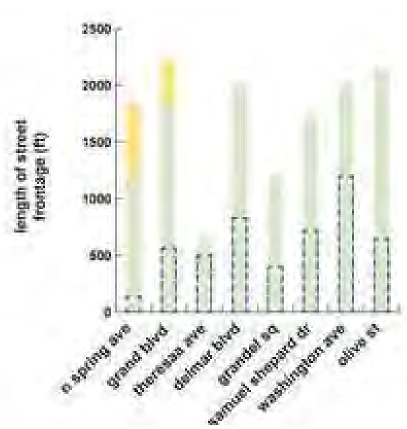
## Opportunities for Transformation

Within the almost 60 acre study area, Grand Center has almost 50 acres of vacant land/surface parking lots that represent redevelopment opportunity. Over 30% of this land (15 acres) is considered a priority site for redevelopment due to current interest or ideal positioning of the site.

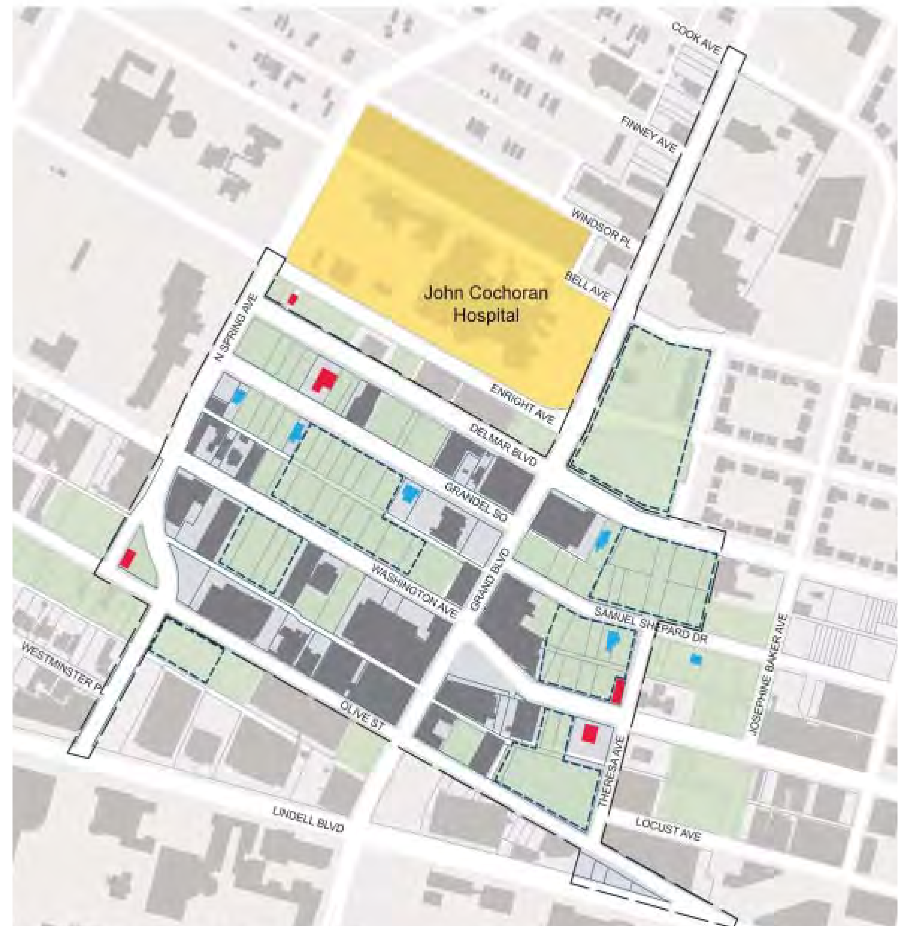
These redevelopment sites occupy the majority of street frontage on cross-streets to Grand Avenue suggesting that the type and density of this redevelopment will make a significant impact on the future function and character of the street. Washington Avenue is the cross-street that represents the greatest opportunity for transformation.



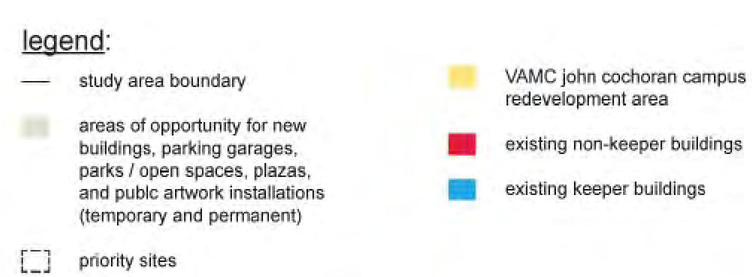

**Redevelopment area comparison**




**Potential impact for streets**




**Redevelopment opportunities map**




### Background

From the 1980s, two decades passed before the psychological barrier between St. Louis University and Grand Center at Lindell Boulevard began to be breached. Some St. Louis University students, staff, faculty and visitors now move more freely across the Lindell divide for dining, entertainment, culture and even housing. But the full potential has not been realized. This increased openness and comfort has yielded an expanding pattern of infill investment in retail, dining, office and institutional facilities within Grand Center. However, other than the renovated apartment buildings along Lindell between Vandeventer and Spring, there are limited opportunities for university students and employees to live or shop north of Olive/Lindell today.

A summary of the strengths, weaknesses, opportunities and threats that explain why the full potential of Grand Center has yet to be realized is illustrated below:

### SWOT Analysis

**Strengths**
- Two major employers
- Growing residential strength in central corridor
- Regional draw from cultural, educational & hospital inst.
- Locust Business District

**Weaknesses**
- Lack of day-time population
- Limited funding sources
- Regional perceptions of the city
- Current "wasteland" impressions
- Lack of retail traffic

**Opportunities**
- 15 acres of surface parking
- Strong stakeholder collaboration
- High stakeholder aspirations
- Vision of Framework Plan and Great Streets concept

**Threats**
- Competition for funding
- Aging of cultural audience
- Competing entertainment districts
- Residential financing

# Land Use and Employment Profiles

The following section begins with a synopsis of findings from a comprehensive but generalized inventory conducted of building space-use within Grand Center. The results were aggregated for the Core Area defined by Delmar on the north, Lindell on the south, Spring on the West and Josephine Baker on the east, and by a District Perimeter Area extending to Cook Avenue on the North, the Frost Campus of Saint Louis University on the south, Vandeventer on the west and Compton Avenue on the east. This is followed by a synopsis of the survey of principal employers and uses within Grand Center. Information was sought regarding the number of employees and total payroll, amount and type of building space occupied, and parking provisions utilized. While responses were received from about 2/3 of the 60 firms and organizations surveyed, a smaller proportion yielded responses that were sufficiently complete to enable full reporting. Still, the overall results of the survey begin to provide a useful overall picture of the economic strength and character of the area's primary users and occupants. The following sections of this chapter address the current status and potential for addition of residential, office and restaurant, entertainment and retail commercial investment.

## Land Use Profile

A comprehensive inventory of building use and occupancy yielded the following estimated floor area distribution:

| | Offices | Retail, Restaurant & Comm. Entertainment | Commercial/ Industrial/ Warehouse | Residential | Institutions & Hotel | Total (excl. SLU) |
|---|---|---|---|---|---|---|
| CORE | 550,000 sq. ft. | 330,000 | 110,000 | 650,000 | 830,000 | 2,470,000 |
| PERIMETER | 290,000 | 125,000 | 520,000 | 1,000,000 | 4,980,000 | 6,915,000 |
| TOTAL | 840,000 | 455,000 | 630,000 | 1,650,000 | 5,810,000 | 9,385,000 |

- Offices: 6 primary buildings (Humbolt, Centene, Big Bros/Big Sisters, KWMU, Nine Network & the Wool office buildings), plus 4 smaller facilities
- Restaurants: 13, plus 2 fast food; 11 new in last 5 years; new retail shopping, including motorcycles!
- Numerous commercial/industrial/warehouse facilities: range of conditions and viability; often prime space for office or retail incubation or conversion
- Residential and hotel: approximately 1,000 units, w/ 850 multifamily, 45 single family, 60 institutional, 40 hotel
- Diverse range of cultural and entertainment venues: Fox, Powell Symphony Hall, Sheldon, Metro Theater, Grandel Theater, The Pulitzer, Centene Center for the Arts, & the Krantzberg
- Array of educational and health care institutions: Cardinal Ritter HS, Loyola Academy, Grand Center Arts Academy, Clyde Miller Career Academy, plus SLU and Harris Stowe nearby; Veteran's Administration Hospital

## Employment Profile

A comprehensive employer/occupant survey yielded data on employment, payroll and occupancy:

| | Performing Arts | Museums & Galleries | Education & Training | Health Care | Total |
|---|---|---|---|---|---|
| Employees | | | | | |
| - Full time | 242 | 35 | 2,815 | 1.283 | 4,305 |
| - Part time | 1,039 | 54 | 150 | 179 | 1,422 |
| Payroll | $21,173,000 | $2,279,000 | $139,000,000 | $81,000,000 | $243,452,000 |
| Attendance, Visitors | 829,000 | 39,020 | 24,300 | 430,000 | 1,322,320 |
| Floor Area Occupied | 309,000 | 103,050 | 4,200,000 | 990,000 | 5,602,050 |

Survey results indicate an employee payroll of nearly $250,000,000. Not surprisingly the two large institutional employers flanking the district on the north, Cochran VA Hospital, and south, Saint Louis University, comprise fully 80 percent of this amount. These two employers likewise comprise over 80 percent of the floor area occupied by the responding employers and nearly 85 percent of aggregate employment.

## Residential Development Profile

### Central Corridor: Primary Market Context

The portion of the St. Louis region's "central corridor" that extends from Downtown to the campus of Washington University at Skinker Boulevard comprises the principal market context for Grand Center. This section of the Central Corridor consists of three principal sub-sectors – Downtown St. Louis on the east and the Central West End on the west. In between is Mid-town with Grand Center as its focus.

### Downtown

Downtown St. Louis realized dramatic growth of its housing inventory, beginning in the late 1990s and accelerating well into the 2000s. However, in keeping with the bursting of the national housing bubble in 2008-09, housing production declined dramatically there as well as throughout the regional market.

| Downtown Housing Inventory | |
|---|---|
| By Type | |
| Market Rate Rental | 4144 – 47% |
| Below Market Rate Rental | 1820 – 21% |
| Sale/Owner Occupied | 2781 – 32% |
| | 8745 |
| By When Opened | |
| Before 1990 | 2863 – 33% |
| 1990 – 1999 | 658 - 7% |
| 2000 – Present | 5224 – 60% |
| | 8745 units |

Housing production downtown prior to 1990 consisted primarily of then newly constructed projects (ex. O'Fallon Place, Mansion House, Columbus Square). This was followed by a mix of new construction and rehabilitation in the 1990s (ex. Murphy Park Townhomes, Art Loft Building). Growth has been most all rehabilitation and adaptive reuse throughout the 2000s to the present (ex. Edison Bros Condos, Lucas Lofts, Louderman Building, Park Pacific). With the notable exception of a portion of Columbus Square, multifamily ownership housing did not enter the downtown inventory until 2000 when it expanded rapidly until the bubble burst in 2008. More recently, and in keeping with regional trends, there has been action in a strengthened rental housing sector. This includes the highly successful Park Pacific (230 units) and The Laurel (205 units), both of which opened in 2011 and are now above 80% occupancy. Today, more than 14,000 people live within greater downtown St. Louis, a gain of over 9000 or 225% since 2000.

### Central West End

No comprehensive inventory of multifamily housing, similar to that which is maintained by the Partnership for Downtown St. Louis, is available for the balance of the central corridor. There are numerous projects and buildings that date back as much as 100 years dispersed throughout the area. Highlights of the inventory gains since 1950s are summarized as follows:

| | | |
|---|---|---|
| **Market Rate Rental** | | |
| Parc Frontenac | 1958 | 202 units |
| Montclair on Park | 1958 | 201 |
| Monticello Apartments | 1980 | 70 |
| Sherwood Court | 1981 | 66 |
| Convent Gardens | 1986/2012 (1925) | 84 |
| Clara Court | 1989 (1913/57) | 129 |
| McCormack House - Forest Park | 2001 | 55 units |
| Metro Lofts | 2003 | 170 |
| SoHo Square Apartments | 2006 (1951) | 180 |
| West End Apartments | 2009 (1985) | 40 |
| York House | 2011 (1922) | 33 |
| | | 1230 units |
| **Below Market Rate Rental** | | |
| McCormack House – Forest Park | 2001 | 34 units |
| West End Apartments | 2009 (1985) | 40 |
| | | 74 units |
| **For Sale / Owner-Occupied** | | |
| Gaslight Square homes | 2002 | 47 units |
| 4200 Laclede (former Luyties) | 2002 (1915) | 18 |
| Metropolis DeBaliveier Place (conversion) | 2004 (various) | 400 |
| Park East Tower | 2007 | 89 |
| 4545 Lindell | 2007 | 31 |
| Park East Lofts | 2008 | 52 |
| Private Residences at the Chase Pk. Plaza | 2009 | 87 |
| | | 924 units |
| | | 2228 units |

The preceding highlights the strong shift to ownership housing in the Central West End which ground to a halt with the housing industry crash and national recession in the later years of the decade.

## Mid Town & Grand Center

| | | MR | BMR | Sale | Total |
|---|---|---|---|---|---|
| Lucas Heights Village | 1981 | 192 | - | - | 192 |
| Drake Plaza | 1990 | - | 85 | - | 85 |
| University Plaza | 1996 (1920) | 56 | 31 | - | 87 |
| McCormack House – CWE (Olive) | 1999 | 72 | - | - | 72 |
| Continental | 2002 (1929) | 95 | 12 | - | 107 |
| 6 North (Sarah) | 2004 | 45 | 35 | - | 80 |
| Grand View Tower Apartments | 2004/07 | 170 | 130 | - | 300 |
| Renaissance Place | 2004/08 | 101 | 271 | - | 372 |
| University Heights | 2005 (1920) | 244 | - | - | 244 |
| Lindell Apartments (fire) | 2009/13 | 197 | - | - | 197 |
| P W Shoe Lofts | 2009 | 33 | - | - | 33 |
| Leonard (4166 Lindell) | 2010 (1920) | 34 | - | - | 34 |
| Metro Artists' Lofts | 2012 | 72 | - | - | 72 |
| | | 1311 | 564 | - | 1875 |

## Current Pipeline of Anticipated Projects

Today, there is a sizable pipeline of rental multifamily residential projects planned or underway in the "central corridor." Most are to be located to the east in downtown and the Central West End. In the short term, additions to the housing inventory within Grand Center are likely to be relatively modest and consist of rental multifamily units targeting St. Louis University students and moderate-income staff, along with striving young creative and arts participants. The recent success of the 72 unit Metro Artists' Lofts demonstrates this potential. As confidence increases, investors and lenders will support larger increments of housing addressing the needs of higher-income households. Successful residential additions in downtown and the Central West End will likewise pave the way for more challenging projects in Grand Center.

Expanded residential patronage is definitely required in order to broaden and deepen support for a larger retail and dining inventory. Additional residential development will likewise be demanded in tandem with employment growth within the district, especially from an expanding inventory of office-based businesses and institutions. Residential development in the district will be interdependent with the Great Streets improvements, requiring the urban environmental upgrade and supporting the goals of populating the district.

| | | MR | BMR | Sale | Total |
|---|---|---|---|---|---|
| **Downtown** | | | | | |
| Roberts Tower | 2014 (2010) | 132 | - | - | 132 |
| Arcade Building Artists' Lofts | 2014 (1919) | 69 | 185 | - | 254 |
| Pinza 50, Senior Apartments | 2013 ( ? ) | | 149 | - | 149 |
| Chemical/Alexa Building | ? ( ? ) | 120 | - | - | 120 |
| Millennium Center Apartments | 2014 (1962) | 102 | - | - | 102 |
| Lacassian Lofts | ? (1916) | 27 | - | - | 27 |
| | | **450** | **334** | - | **784** |
| **Central West End** | | | | | |
| City Walk (Mills, w/Whole Foods) | 2014 | 160 | - | - | 160 |
| Aventura (Manchester, FPSE) | 2015 | 204 | - | - | 204 |
| West End Terrace, Addition | 2015 | 80 | | | 80 |
| Cortona at Forest Park | 2014 | 278 | - | - | 278 |
| Parc Frontenac II | 2015 | ? | - | - | ? |
| Heart Association Lot | 2015 | ? | - | - | ? |
| | | **722** | - | - | **722** |
| **Midtown / Grand Center** | | | | | |
| Laclede Lofts (u.c.) | 2014 (1946) | 50 | - | - | 50 |
| North Sarah Apartments, Phase 2 | 2014 | - | 103 | - | 103 |
| Missouri Theater Building | | 70 | | | |
| | | 149 | 103 | | 252 |
| **Total "Pipeline"** | | **1321** | **437** | | **1758** |

## Recent Regional and Submarket Apartment Research

Two recent market condition assessments highlight the comparative strength of the central corridor in the City of St. Louis. Colliers International addresses the broader Central West End as a distinct regional sub-market, with the balance of the city comprising another sub-market. Its 1st Quarter 2013 report indicates the Central West End had the region's highest average rent at $1,151 per month or $1.34/ square foot. Current occupancy stands at 94.3%. With no new supply on tap in the short run, and anticipated demand for 98 units, occupancy is predicted to climb to 95% by the end of 2013.

The 2013 Apartment Market Report St. Louis from MPF Research indicates "St. Louis City claims metro's only conventional projects. Of the nine projects completed in 2012, only two were conventional properties (versus "affordable" or below market rate), and both completed in the City of St. Louis. The 72-unit Metropolitan Artists Lofts (in Grand Center) completed in the fourth quarter, and The Laurel (in downtown), a 205 unit project, completed in 1st quarter". In the report's Submarket Overview, the Central West End/Forest Park submarket ranked high (1st, measures cited – occupancy, annual occupancy change, monthly rent, quarterly rent change, annual rent change, quarterly revenue change, and annual revenue change.

A third market report from Marcus and Millichap fails to distinguish the Central West End, downtown or mid-town from the balance of the city, instead dividing it into north and south city submarkets as two out of 10 regional submarkets.

## Observations on the Condominium Market

It is widely recognized that the market for condominium apartments and townhomes has been moribund since the housing crash. Values declined dramatically, sales withered, and production ceased beginning in 2008, and remains largely unchanged today. Sales of units in selected built projects persisted and have now been largely sold out, usually following incremental price reductions (ex. 4545 Lindell, The Private Residences at the Chase Park Plaza). Turnover in condo units overall is slow today and prices remain depressed. In the Downtown submarket, an array of projects launched as condominiums were either canceled, transitioned wholly or in part to rental occupancy, reduced in size, or remain unfinished and unoccupied (ex. Motor Lofts, The Arcade, The Laurel, Ely Walker Lofts, The Alexa, The Ventana, Leather Trades Lofts, Park Pacific, Skyhouse, et al.) There is every reason to believe it will be several more years before this market eases back into effective operation in the Central Corridor, including Grand Center.

## Zimmerman Volk Associates (ZVA) Market Projections for Grand Center

Zimmerman Volk Associates was retained by Grand Center in 2007 to evaluate then current residential market conditions. Based on this research, ZVA was charged with providing projections for residential absorption in Grand Center over the decade to follow. ZVA issued its report in February 2008 based largely on field inventory, demographic data and other research assembled in the previous year. In August 2009, ZVA provided a follow-up review and affirmation of its earlier findings and recommendations. A brief synopsis is as follows: Given the wisdom of hindsight, the obvious problem with this projection model is that it was based on conditions comprising the major housing "bubble" that prevailed at the national, regional and local neighborhood levels. The bubble was comprised of inflated levels of production, pricing and number of transactions of primarily ownership housing. After a dramatic period of decline that lasted almost 5-years beginning in late 2007, sales of used homes, production of new homes and prices have finally begun to rise from their new low bases. In the meantime, there has emerged a strong landlord's market for rental

**Annual Market Potential**

| Housing Type | Household Demand # | % | Annual Unit Capture Rate - % | Absorption |
|---|---|---|---|---|
| Multi-Family For Rent | 970 | 36.2 | 5-10% | 48-97 units |
| Multi-Family For Sale | 950 | 35.4 | 5-10 | 47-95 |
| Attached Single-Family, For Sale | 760 | 28.4 | 5-10 | 38-76 |
| | 2,680 | 100.0% | | 133-268/year |

housing that is currently spurring new rental housing production. This is evident in a growing pipeline of new and rehabilitated rental housing products in the central corridor and its primary submarkets as documented earlier. However, the recovery of this segment of the housing market is yet to stimulate new life in the urban ownership, for-sale housing market. There have been no proposals to date for the creation of condominium apartments or attached single-family homes, whether new or rehabilitated. All new projects are being planned for rental occupancy (although some are being seen as having potential for later conversion to condominiums should favorable market conditions return).

### Housing Development Scenario for Grand Center

In consideration of the preceding inventory and trend information, and viewing the ZVA projections in light of current circumstances, the following housing development scenario is offered. It seeks to present a realistic set of expectations and guidelines for housing development planning and investment.

Ten-Year Residential Absorption – Grand Center, 2015 – 2024

| Units / Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Rental Multi-family | 50 | 50 | 60 | 60 | 80 | 80 | 80 | 70 | 60 | 60 | 650 |
| For Sale Multi-family | - | - | 20 | 20 | 30 | 40 | 40 | 50 | 50 | 50 | 300 |
| Total / Year | 50 | 50 | 80 | 80 | 110 | 120 | 120 | 120 | 110 | 110 | 950 |

Realizing that any actual development program will occur in less neat aggregations than those conceptually outlined above, as part of mixed-use projects (along with office, institutional and parking facilities) and at a wide range of project densities, it is challenging to estimate a corresponding allocation of land absorption. However, if an urban residential density averaging 30 units per acre is assumed, a total of 30 to 35 acres of land for housing sites would be required (including associated parking) – equal in scale to two to three of the larger city blocks comprising the Grand Center District today.

## Office Development Profile

### Existing Office Base in Grand Center

There is a tendency not to think of Grand Center as an office location. This is due in part because the major office buildings from the pre-World War II era, when Grand Center contained a high proportion of the region's medical offices, have long since wound down from this function or been converted to other uses – The University Club Tower, which houses the University Plaza apartments today, and the Missouri Theater Building, soon to be rehabilitated for new rental apartments. Also, offices in Grand Center are often overlooked because of the high profile of the district's cultural and entertainment venues along with the presence of two giant institutional complexes on its north and south flanks – The Cochran VA Hospital and the Frost Campus of St. Louis University.

Six primary office facilities totaling some 275,000 square feet of dedicated and fully occupied office floor area are located in the core of the district: the Humbolt, Nine Network, KWMU/UMSL, Big Brothers Big Sisters/Krantzberg, Centene Center for the Arts, and Wool Center/SLU buildings. These average 46,000 square feet. In addition, there are nearly 20 smaller buildings that appear to be occupied primarily by office uses, including those occupied by the Rodemeyer Christal firm, Laborers Union, Urban League, Fortitude Foundation, ATT (portion of larger structure), and St. Louis Enterprise Center. These buildings together comprise an estimated 235,000 square feet of office space, or about 12,000 each. Adding these two groups of office facilities together comprises about a half million square feet of active office space with an estimated 1500 persons employed there. In addition, there is a substantial number of less obvious office uses and users dispersed throughout the district, and others that are pending completion of announced renovations or additions (ex. future offices of KDHX, 88.1 FM at 3520 Olive). Given the scale, diversity and uniqueness of the office-based businesses and institutions in Grand Center, there is good reason to believe this is a solid base upon which to build additional distinctive office facilities.

On the other hand, it is unlikely anyone will build a speculative or general office building in Grand Center,in the manner they might in Clayton, downtown or another traditional office center. Rather, future office users are likely to be specialized firms interested in rehabilitating or adaptively reusing existing space. There will also be cases of firms or organizations desirous of creating new office facilities that meet their specialized space and location needs and to emphasize their own unique identities. Prime examples of such facilities are those recently built by Nine Network and KWMU/UMSL. The space inventory suggests there are substantial additional opportunities for office upgrades or adaptive reuse of obsolete commercial/industrial buildings for offices, both upper story and ground level (estimated to be several hundred thousand square feet). There is likewise sufficient vacant and underused land to accommodate an array of new office facilities.

### Planning for Additional Office Occupancy

Optimum development of Grand Center would include growth in office employment in tandem with residents. Both groups can provide committed patrons for retail shopping, entertainment and dining, as well as for cultural and arts institutions. Both groups also benefit from the presence of adjacent large institutional uses – Cochran VA Hospital and St. Louis University, as well as nearby Harris Stowe University. Local residents are attracted to work in local offices, and vice versa – office employees are prime candidates to rent or buy apartments in the district. Office-based businesses will tend to focus on serving the needs of the large institutional employers and their employees, while relishing their association with the major arts, cultural and institutional anchors that characterize the area. Certain office uses and users have the additional advantage of helping to make effective and efficient use of, and hence contribute revenue to support, costly garage parking facilities. Office employees need parking during the day and are gone when the parking needs of residents and entertainment and cultural venues are peaking in the evening.

It is recommended that planning for further development of Grand Center provide for creation of a total of 500,000 square feet of additional office space. An estimated 200,000 would result from the reuse of existing building space dispersed throughout the district, with the balance being in new facilities. Assuming an average floor area ratio of about 1.5 (1.5 sq. ft. of office space per sq. ft. of site area), the additional new office space would require approximately 4.5 acres of site area – equal to about ½ of the area of a typical large Grand Center city block.

## Dining, Entertainment and Retail Development Profile

Grand Center has seen a significant expansion of its restaurant and bar establishments over the past five years. Building on a few well established institutions like Best Steak House, Vito's and Jazz at the Bistro for evening fare, as well as Sunrise Chinese, the choices now include KOTA's Grill, Dooley's, City Diner, Nadoz at the Coronado, Sweetie Pies, Triumph Grill, Café Praxtos, Fieldhouse, Urban Chestnut, Flying Cow Yogurt & Plush. In addition, there are limited availability venues in the Fox Theater, Griffin Restaurant, and Powell Symphony Hall, Met Bar. This rather dramatic up-tick in dining offerings affords a base for a growing dining, entertainment and retail sector in Grand Center.

When it comes to non-restaurant retail establishments, current choices in Grand Center are few. These include: American Automotive and Nuelle Automotive in the car repair and maintenance category, Salon Edge for hair care, Epiphany Boutique for gifts and furnishings, and Moto Europa for high-end motorcycles. Overlapping the world of museums and retailing are commercial galleries like Greenberg Van Doren, Bruno David, Portfolio, Shearburn and Horizon.

The preceding establishments are estimated to occupy approximately 135,000 square feet floor area, the great majority of which is at ground, street level. Restaurants occupy about 85,000 sq. ft. of this area (15 restaurants averaging 5,600 sq. ft. each) and other firms actively providing retail goods or services occupy about 50,000 sq. ft. (9 establishments averaging 5800 sq. ft. each). Vacant or obviously underutilized street front floor area deemed appropriate for restaurants or retail occupancy totals an estimated additional 60,000 sq. ft. There are of course extensive opportunities for new retail and restaurants to be developed on the ground floor of future parking garages, and office, residential and mixed-use buildings.

Over the last 5 years, the restaurant inventory has increased from 4 operations in about 21,000 sq. ft. to 15 operations in 85,000 sq. ft., a 63,000 square foot or 300 percent increase in occupied floor area. Bars and restaurants are typically the advance guard for commercial revitalization of historic and "Main Street" business districts. Grand Center is now well on its way in this regard. However, the addition of significant amounts of retail shopping and services, other than standard 'big box' merchandisers who would be inappropriate in this location, presents a much greater challenge – one that requires a proven, reliable base of relatively affluent, daytime patronage.

# Development Strategy

## Diversify Uses

A stated long-term goal of Grand Center has been to further diversify land uses. This is critical to populating sidewalks and underpinning the effective use of an expanded parking infrastructure. Also, it is clear that well-lit and used sidewalks are key to addressing the security concerns of patrons. Wider, well-appointed sidewalks with effective street furniture, lighting, and landscaping encourage and anchor retail uses and restaurants and their patrons. As pedestrian use of sidewalks increases, the area's desirability as a residential, employment and cultural and entertainment center will grow dramatically.

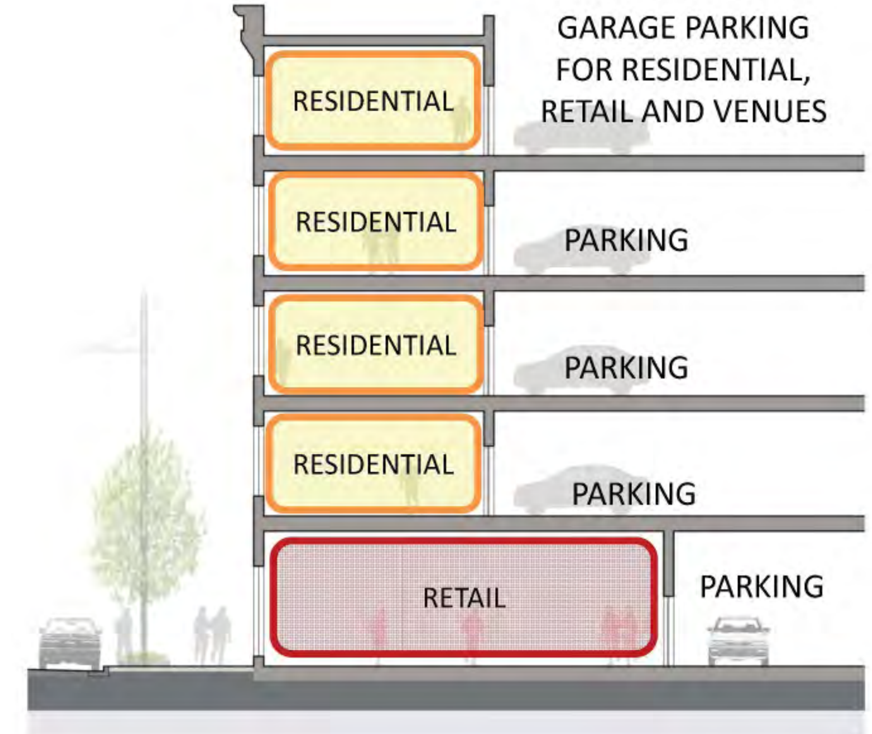
A further opportunity lies in the ability of the district to attract increased daytime pedestrian traffic from the two largest institutions in the area: St. Louis University on the south and the Veterans Administration Medical Center on the north. These institutions have 24/7 operations and attract employees, visitors and students from throughout the region. This constituency represents a major economic opportunity for the district. Attractive restaurant offerings coupled with improved north-south pedestrian connections will encourage these groups to take advantage of the area's many amenities throughout the day. Desirable residential options nearby will be sought by employees and office facilities will be in demand by allied firms and non-profit organizations. Altogether, these groups will widen and diversify patronage for shopping, dining and entertainment.

The proposed Great Streets plan will facilitate these linkages and yield a pedestrian environment that attracts both daytime and evening patrons.

## Parking Infrastructure

The Design Team prepared a conceptual capacity study of the potential for redevelopment of currently vacant land, including implications for expanded parking strategies. Initial analysis indicates a potential for 4,200 cars in structured parking, displacing 1,500 surface spaces for a net gain of 2,111 spaces. While diversity of use will yield greater effectiveness of daytime use of the parking facilities, this net increase in capacity will accommodate both existing and future increases in parking demand. The Veterans' Administration Hospital parking system has not been included in these numbers. However, it is assumed the VA parking lots on the east side of Grand, between Delmar and Bell, will be redeveloped eventually for other uses.

The overall future supply and pattern of on-street parking will be influenced by several incremental but planned changes. On-street parking to be removed from Grand will be more than offset by increased on-street parking on Grandel. Initial district-wide analysis indicates an increase from 529 to 554 on street parking spaces, although there will be some further reductions from several new curb cuts, drop-off zones, and larger accessible parking spaces.




**Typical Mixed Use Building with Residential Wrap**

In Grand Center, a prime opportunity lies with the fifteen acres of surface parking currently located to the east and the west sides of the district core. The long-term land use plan, supported by the Grand Center Framework Plan, calls for the redevelopment of these large surface lots with multi-story, mixed-use "wrap" development that surrounds, or "wraps", interior parking structures. The street fronts would have ground level retail shopping, entertainment and dining with offices and/or residential uses above.

A key to the success of all sectors and uses in Grand Center will be a well-managed inventory of commonly accessible parking facilities. Ideally, this inventory will be comprised primarily of garages strategically sited to serve multiple uses and facilities 24/7, rather than being sequestered to meet the needs of selected users or sources of patronage. An ad hoc system of dedicated parking for individual buildings or uses, as is routine in most suburban, automobile-centric locations, would require far more parking spaces to meet the collective needs of the area. Such an approach would also inhibit pedestrian movement between uses leading to reduced pedestrian comfort and safety.

There are numerous examples of revitalized traditional business districts that demonstrate this principal in action. An especially good case is downtown Greenville, South Carolina. Effective public infrastructure has been key to success over a three-decade period of revitalization and expansion. First came major city investment in streetscape improvements along with a system of public parking lots. As new commercial investment arrived, the public lots became public garages and the streetscape system was extended further along Main Street and onto side streets. The need for private, off-street parking for individual buildings and uses was minimized, enabling continuous building frontage on the street and encouraging pedestrian traffic. While bars and restaurants along with infill office buildings dominated initial investment in the downtown, determined planning and recruitment efforts have yielded expansion of retail shopping opportunities. New and expanded public and private cultural institutions and open pace have added to the district's commercial attraction as well as to bolstering civic pride.

## Land Use and Development Potential

While a series of major entertainment and cultural venues is at the heart of Grand Center today, few such additional institutions are anticipated. Rather, new and rehab infill development will likely consist of a variety of types housing, for rent and sale, unique office facilities for an array of business and institutional users, and expanded options for shopping and dining. The preceding portions of this section delineate these market opportunities. Like many such revitalized traditional business districts, successful restaurants and bars will lead to expansion of retail shopping and services.

The variety and extent of future development has the potential to radically transform the environment of Grand Center at street level and create a distinctive urban place. The Christner team foresees attracting nearly 1000 new residential units over a 10-year period, doubling the current housing inventory. Similarly, there is potential to increase the inventory of office uses from some 800,000 sq. ft. today to about 1.3 million sq. ft. over the next decade. An estimated 200,000 sq. ft. of new office space could result from renovation and adaptive reuse of existing commercial/industrial buildings with 300,000 sq. ft. being in new structures. There is likewise the physical capacity to accommodate a significant proportion of future office and residential development configured to create a consistent street frontage that screens new mid-block parking garages. New residential and office facilities would accommodate expanded retail shopping, entertainment and dining at ground level.

It is important to stress that the land use pattern in Grand Center will evolve over time, and the purpose of the capacity study was not to offer a development master plan. Rather, it is intended to provide an analytical and conceptual frame of reference from which to anticipate the development mix and densities that are possible and likely in the district. Specific land use or site plans have not been developed or vetted with area leadership or property owners.

## Implementation

With the renovation of the Sun Theater and the Missouri Theater Building, the last vacant major or landmark buildings will have been redeployed. This is a critical juncture in the revitalization of Grand Center. As a result, a high proportion of future investment will be in new construction, including the creation of structured parking to allow a transition away from the large surface lots that dominate the area today. This will need to occur one project at a time so as not to displace too much parking at one time. The Great Streets plan offers an anticipated parking density distribution to guide future development, along with recommended site entry and egress points.

Implementation of the Great Streets plan will occur in response to market cycles as well as in relation to available public and private funding of specific development projects. The cost model suggests potential segmentation of the district into manageable packages, and provides unit costing for further analysis of alternative packaging strategies.

The Great Streets plan presents a vision of a public realm that will encourage, and depend on, a gradual overall increase in the density of Grand Center. Together with the anchor institutions and established cultural and performance venues, expanded residential, office employment and retail, dining and entertainment components will create a district that is economically sustainable as a desirable place to visit, live and work. The Great Streets of Grand Center will both frame and guide public and private investment required to build this special place in St. Louis.

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