

# **CRESCENT SPRINGS, KENTUCKY GATEWAY STUDY AREA MARKET ANALYSIS**

**OBSERVATIONS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**PRESENTED BY**

**MARKET METRICS LLC**

**IN CONJUNCTION WITH THE**



**DECEMBER 14, 2009**



# CRESCENT SPRINGS, KENTUCKY GATEWAY STUDY AREA MARKET ANALYSIS

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- **The Study Area is Essentially Fully Developed**
- **The Primary Study Area Exhibits Several Generations of Growth and Development Influenced Most Recently by the Growth and Development of the Immediate Area and the Buttermilk Pike Interchange with I-71/75**



# CRESCENT SPRINGS, KENTUCKY GATEWAY STUDY AREA MARKET ANALYSIS

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- **Multiple Generations of Development Have Resulted in a Mix of Land Uses That Have Combined to Sub-optimize the Potential of the Study Area**
- **All of the Existing Uses Do Not Represent the Highest and Best Use(s) of the Land in the Marketplace As It Exists Today**



# CRESCENT SPRINGS, KENTUCKY GATEWAY STUDY AREA MARKET ANALYSIS

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- **Land Uses Can be Viewed In a Hierarchy of Increasing Values**
- **The Location Attributes of Land Directly Influence the Determination of Highest and Best Use(s)**
- **Generally, Freestanding Retail Uses Are at the Top of the Hierarchy and Industrial Uses Are At the Bottom**



# CRESCENT SPRINGS, KENTUCKY GATEWAY STUDY AREA MARKET ANALYSIS

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**The Four Basic Land Use Groups Are:**

**Retail – Consumer Goods and Services**

**Commercial – Offices and Institutions**

**Residential - Single and Multi-family**

**Industrial – Small Shops to Heavy Industries**



# CRESCENT SPRINGS, KENTUCKY GATEWAY STUDY AREA MARKET ANALYSIS

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## **The Four Tests of Highest & Best Use Are:**

- **Legally Permissible**
- **Physically Possible**
- **Financially Feasible**
- **Maximum Profitability**



# CRESCENT SPRINGS, KENTUCKY GATEWAY STUDY AREA MARKET ANALYSIS

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- Residential and Industrial Uses in the Primary Study Area Appear to Fail the Test of “Maximum Profitability” in the Current Marketplace
- However, All but a Couple of Properties Are Occupied for The Various Uses for Which They Were Built or Conversions to More Intense Uses
- As a Result, Redevelopment Will Not Occur in the Immediate Future Because It Cannot Be Accomplished and Pass the Test of “Financial Feasibility”



# CRESCENT SPRINGS, KENTUCKY GATEWAY STUDY AREA MARKET ANALYSIS

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- The Future Evolution of the Primary Study Area Will Likely Reduce or Eliminate Residential and Industrial Uses Unless Other Overarching Issues Preclude Redevelopment
- Highway Service Retail Uses Will Likely Dominate the Buttermilk Pike frontage of the Study Area for the Foreseeable Future
- Supporting Commercial Uses Will Likely Continue to Take Place on the Interior Parcels



# CRESCENT SPRINGS, KENTUCKY GATEWAY STUDY AREA MARKET ANALYSIS

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## **A Definition of Some Terms:**

- **Location Surpluses or Deficits**
  - **Sources of All Consumer Needs and Wants Are Available**
    - **In Over-abundance (Surpluses)**
    - **Not Convenient (Deficits)**
  
- **Market Surpluses or Deficits**
  - **Sources of Some Consumer Needs and Wants Are Too Available or Not Available at All**
    - **In Excess of Local Market Demand (Surpluses)**
    - **Not Available in the Local Market At All (Deficits)**



# RETAIL LAND USES

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- **All Retail Opportunities Are Shown in Terms of Potential Jobs to Meet the Unmet Market Demand in the Defined Geographies**
  - **Five Underserved Categories Appear to Represent Location Deficits in Crescent Springs and in the Five-minutes Drive-time Area**
  - **All Other Retail Categories Exhibit Market Balances or Location Surpluses**



**CITY OF CRESCENT SPRINGS AND DRIVE-TIMES RETAIL JOBS POTENTIAL**

<b>City of Crescent Springs and Drive-time Areas</b>	<b>Crescent Springs</b>	<b>5-Minutes</b>	<b>10-Minutes</b>	<b>15-Minutes</b>	<b>20-Minutes</b>
<b>Number of Households in the Defined Market</b>	<b>1,724</b>	<b>7,620</b>	<b>36,854</b>	<b>104,531</b>	<b>206,236</b>
<b>Business Summary Major Industry: Retail Jobs Potential</b>	<b>#</b>	<b>#</b>	<b>#</b>	<b>#</b>	<b>#</b>
Auto Dealers and Gas Stations (10)	40	94	N/A	N/A	N/A
Bars	N/A	N/A	N/A	N/A	N/A
Building Materials Hardware and Garden	N/A	N/A	N/A	N/A	N/A
Catalog and Direct Sales	N/A	N/A	N/A	N/A	N/A
Clothing Stores (8)	10	42	N/A	N/A	N/A
Convenience Stores	N/A	N/A	N/A	N/A	N/A
Drug Stores	N/A	N/A	N/A	N/A	N/A
Electronics and Computer Stores (10)	N/A	19	N/A	N/A	N/A
Food Markets	N/A	N/A	N/A	N/A	N/A
Furniture Stores	N/A	N/A	N/A	N/A	N/A
General Merchandise Stores (40)	52	125	N/A	N/A	N/A
Home Furnishings	N/A	N/A	N/A	N/A	N/A
Liquor Stores	N/A	N/A	N/A	N/A	N/A
Music Stores	N/A	N/A	N/A	N/A	N/A
Other Food Service	N/A	N/A	N/A	N/A	N/A
Other Food Stores	N/A	N/A	N/A	N/A	N/A
Restaurants	N/A	N/A	N/A	N/A	N/A
Specialty Stores (5)	7	11	N/A	N/A	N/A
Overall Market Capture	N/A	N/A	N/A	N/A	N/A



# RETAIL LAND USES

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## ● **Auto Dealers and Gas Stations Includes:**

- **New and/or Used Motor Vehicle Dealers**
- **Auto and Home Supply Stores**
- **Boat, RV, and Motorcycle Dealers**
- **Gas Stations**



# RETAIL LAND USES

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## ○ **Clothing Stores Includes:**

- **Men's and Boys' Clothing**
- **Women's Clothing**
- **Women's Accessory & Specialty Stores**
- **Children's and Infants' Wear**
- **Family Clothing Stores**
- **Shoe Stores**
- **Miscellaneous Apparel Stores**



# RETAIL LAND USES

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- **Electronics and Computer Stores Includes:**
  - **Radio, Television, and Consumer Electronics Stores**
  - **Computer and Computer Software Stores**
  - **Record and Prerecorded Tape Stores**



# RETAIL LAND USES

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- ◎ **General Merchandise Stores Includes:**
  - **Department Stores**
  - **Variety Stores**
  - **Miscellaneous General Merchandise Stores**



# RETAIL LAND USES

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## ○ Specialty Stores Includes:

- **Sporting Goods and Bicycle Stores**
- **Book Stores**
- **Stationery Stores**
- **Jewelry Stores**
- **Hobby, Toy, and Game Shops**
- **Gift, Novelty, and Souvenir Shops**
- **Luggage and Leather Goods Stores**
- **Sewing, Needlework, and Piece Goods Stores**
- **Florists**
- **Tobacco Stores and Stands**
- **News Dealers and Newsstands**
- **Optical Goods Stores**



**CITY OF CRESCENT SPRINGS AND DRIVE-TIMES RETAIL SPACE POTENTIAL**

<b>City of Crescent Springs and Drive-time Areas</b>	<b>Crescent Springs</b>	<b>5-Minutes</b>	<b>10-Minutes</b>	<b>15-Minutes</b>	<b>20-Minutes</b>
<b>Number of Households in the Defined Market</b>	<b>1,724</b>	<b>7,620</b>	<b>36,854</b>	<b>104,531</b>	<b>206,236</b>
<b>Business Summary Major Industry: Retail Space Potential</b>	<b>SQ. FT.</b>	<b>SQ. FT.</b>	<b>SQ. FT.</b>	<b>SQ. FT.</b>	<b>SQ. FT.</b>
Auto Dealers and Gas Stations ((2-3/000 S.F)/3)	4.5-7,000 S.F.	10.5-16,000 S.F.	N/A	N/A	N/A
Bars	N/A	N/A	N/A	N/A	N/A
Building Materials Hardware and Garden	N/A	N/A	N/A	N/A	N/A
Catalog and Direct Sales	N/A	N/A	N/A	N/A	N/A
Clothing Stores ((1-2/000 S.F.)/1.5)	3.5-7,000 S.F.	14-28,000 S.F.	N/A	N/A	N/A
Convenience Stores	N/A	N/A	N/A	N/A	N/A
Drug Stores	N/A	N/A	N/A	N/A	N/A
Electronics and Computer Stores (1-2/000 S.F.)/1.5)	N/A	6.5-13,000 S.F.	N/A	N/A	N/A
Food Markets	N/A	N/A	N/A	N/A	N/A
Furniture Stores	N/A	N/A	N/A	N/A	N/A
General Merchandise Stores ((1-2/000)/1.5))	17.5-35,000 S.F.	42-84,000 S.F.	N/A	N/A	N/A
Home Furnishings	N/A	N/A	N/A	N/A	N/A
Liquor Stores	N/A	N/A	N/A	N/A	N/A
Music Stores	N/A	N/A	N/A	N/A	N/A
Other Food Service	N/A	N/A	N/A	N/A	N/A
Other Food Stores	N/A	N/A	N/A	N/A	N/A
Restaurants	N/A	N/A	N/A	N/A	N/A
Specialty Stores (1-2/000 S.F.)	3.5-7,000 S.F.	5.5-11,000 S.F.	N/A	N/A	N/A
Overall Market Capture	N/A	N/A	N/A	N/A	N/A



# COMMERCIAL LAND USES

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- **Service Business Opportunities Are Shown In Terms of Potential Jobs to Meet all Unmet Demand in the Defined Geographies**
  - **All Opportunities Are Not Equal – Some Hold More Potential for Jobs and Space**
  - **Some Categories Offer Opportunities for Multiple Lines of Business**



**CITY OF CRESCENT SPRINGS AND DRIVE-TIMES SERVICES JOBS POTENTIAL**

<b>City of Crescent Springs and Drive-time Areas</b>	<b>Crescent Springs</b>	<b>5-Minutes</b>	<b>10-Minutes</b>	<b>15-Minutes</b>	<b>20-Minutes</b>
<b>Number of Households in the Defined Market</b>	<b>1,684</b>	<b>7,620</b>	<b>36,854</b>	<b>104,531</b>	<b>206,236</b>
<b>Business Summary Major Industry: Number of Potential Jobs</b>	<b>#</b>	<b>#</b>	<b>#</b>	<b>#</b>	<b>#</b>
Advertising (13)	N/A	26	N/A	N/A	N/A
Auto Repair/Services (5)	13	48	N/A	N/A	N/A
Beauty & Barber Shops (3)	N/A	N/A	N/A	N/A	N/A
Child Care Services (11)	N/A	N/A	N/A	N/A	N/A
Colleges & Universities	N/A	N/A	N/A	N/A	N/A
Computer Services (14)	N/A	N/A	N/A	N/A	N/A
Dry Cleaning & Laundry (8)	N/A	11	N/A	N/A	N/A
Entertainment & Recreation Services (10)	N/A	N/A	N/A	N/A	N/A
Health & Medical Services (8)	33	111	N/A	N/A	N/A
Hospitals	149*	340*	N/A	N/A	N/A
Hotels & Lodging (16)	N/A	N/A	N/A	N/A	N/A
Legal Services (5)	N/A	N/A	N/A	N/A	N/A
Membership Organizations	N/A	N/A	N/A	N/A	N/A
Miscellaneous Repair Services (4)	N/A	4	N/A	N/A	N/A
Motion Pictures (7)	N/A	N/A	N/A	N/A	N/A
Museums & Zoos	N/A	N/A	N/A	N/A	N/A
Other Business Services (9)	27	66	N/A	N/A	N/A
Other Personal Service (4)	N/A	7	N/A	N/A	N/A
Primary & Secondary Education	N/A	N/A	N/A	N/A	N/A
Professional Services (9)	N/A	N/A	N/A	N/A	N/A
Social Services (14)	39	77	N/A	N/A	N/A
<b>Total Services</b>	N/A	N/A	N/A	N/A	N/A

Consumer Services



Office Based Services





# COMMERCIAL LAND USES

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- **Consumer and Business Services Offer Multiple Opportunities for Growth**
  - **The Nine Identified Categories of Opportunities in the Five-minutes Drive-time Area Represent Location Deficits**
  - **Market Balances or Location Surpluses Were Exhibited by All Other Categories of Services Within the Defined Geographies**



# COMMERCIAL LAND USES

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- **Auto Repair/Services Includes:**
  - **Car, Truck, Utility Trailer and RV Rental**
  - **Auto Body and Upholstery Repair**
  - **Tire Shops**
  - **Exhaust System Shops**
  - **Auto Glass Repair**
  - **Auto Transmission Repair**
  - **General Mechanical Repair Shops**
  - **Car Washes**
  - **Commercial Auto Parking**



# COMMERCIAL LAND USES

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- **Health and Medical Services Includes:**
  - **Offices and Clinics of Doctors (MD's and DO's), Dentists, Chiropractors, Optometrists, Podiatrists, and Other Practitioners**
  - **Intermediate and Skilled Nursing Care Facilities**
  - **Medical and Dental Laboratories**
  - **Home Health Care Services**
  - **Kidney Dialysis Centers**
  - **Specialty Outpatient Facilities**



# COMMERCIAL LAND USES

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## ○ **Miscellaneous Repair Services Includes:**

- **Radio and Television Repair Shops**
- **Refrigeration and Air-Conditioning Service and Repair**
- **Electrical and Electronic Repair Shops**
- **Clock, Watch, and Jewelry Repair**
- **Re-upholstery and Furniture Repair**
- **Welding Shops**



# COMMERCIAL LAND USES

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## ○ **Other Business Services Includes:**

- **Credit Reporting, Adjustment, and Collection Services**
- **Photocopying & Duplicating Services**
- **Commercial Art & Graphic Design**
- **Photofinishing Laboratories**
- **Secretarial & Court Reporting Services**
- **Disinfecting & Pest Control Services**
- **Building Cleaning & Maintenance Services**
- **Medical Equipment Rental**
- **Other Equipment Rental & Leasing**
- **Employment and “Help” Staff Agencies**
- **Detective, Guard, and Armored Car Services**
- **Security Systems Services**



# COMMERCIAL LAND USES

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## ● **Other Personal Services Includes:**

- **Photographic & Portrait Studios**
- **Shoe & Leather Repair Shops**
- **Funeral Service and Crematories**
- **Tax Return Preparation Services**



# COMMERCIAL LAND USES

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## ● **Social Services Includes:**

- **Individual and Family Social Services**
- **Job Training and Vocational Rehabilitation**
- **Residential Care**



**CITY OF CRESCENT SPRINGS AND DRIVE-TIMES SERVICES SPACE POTENTIAL**

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<b>Number of Households in the Defined Market</b>	<b>1,684</b>	<b>7,620</b>	<b>36,854</b>	<b>104,531</b>	<b>206,236</b>
<b>Business Summary Major Industry: Service Business Space Potential</b>	<b>SQ. FT.</b>	<b>SQ. FT.</b>	<b>SQ. FT.</b>	<b>SQ. FT.</b>	<b>SQ. FT.</b>
Advertising (3-6/000 S.F.)	N/A	4-9,000 S.F.	N/A	N/A	N/A
Auto Repair/Services (1-2/000 S.F.)	6.5-13,000 S.F.	24-48,000 S.F.	N/A	N/A	N/A
Beauty & Barber Shops (5+/000 S.F.)	N/A	N/A	N/A	N/A	N/A
Child Care Services (1-2/000 S.F.)	N/A	N/A	N/A	N/A	N/A
Colleges & Universities	N/A	N/A	N/A	N/A	N/A
Computer Services (2-5/000 S.F.)	N/A	N/A	N/A	N/A	N/A
Dry Cleaning & Laundry (1-2/000 S.F.)	N/A	5.5-11,000 S.F.	N/A	N/A	N/A
Entertainment & Recreation Services (1-2/000 S.F.)	N/A	N/A	N/A	N/A	N/A
Health & Medical Services (3-6/000 S.F.)	5.5-11,000 S.F.	18.5-37,000 S.F.	N/A	N/A	N/A
Hospitals	NOT DEFINED	NOT DEFINED	N/A	N/A	N/A
Hotels & Lodging	N/A	N/A	N/A	N/A	N/A
Legal Services (3-6/000 S.F.)	N/A	N/A	N/A	N/A	N/A
Membership Organizations	N/A	N/A	N/A	N/A	N/A
Miscellaneous Repair Services (1-2/000 S.F.)	N/A	2-4,000 S.F.	N/A	N/A	N/A
Motion Pictures	N/A	N/A	N/A	N/A	N/A
Museums & Zoos	N/A	N/A	N/A	N/A	N/A
Other Business Services (3-6/000 S.F.)	4.5-9,000 S.F.	11-22,000 S.F.	N/A	N/A	N/A
Other Personal Service (<1/000 S.F.)	N/A	7,000+ S.F.	N/A	N/A	N/A
Primary & Secondary Education	N/A	N/A	N/A	N/A	N/A
Professional Services (3-6/000 S.F.)	N/A	N/A	N/A	N/A	N/A
Social Services (3-6/000 S.F.)	6.5-13,000 S.F.	13-26,000 S.F.	N/A	N/A	N/A
<b>Total Services</b>	N/A	N/A	N/A	N/A	N/A

Consumer Services



Office Based Services





# RESIDENTIAL LAND USES

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- **Residential Land Uses Are A Vestige of Prior Generations of Development**
- **Residential Land Uses Will Likely Disappear From the Primary Study Area As Existing Dwelling Units Reach the Ends of Their Economic Lives and/or Homes Are Purchased, Demolished and the Lots Combined to Form Redevelopment Parcels for Retail or Commercial Land Uses**



# INDUSTRIAL LAND USES

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- **The Industrial Uses in the Gateway Study Area, for the Most Part, Are Vestiges of Prior Generations of Development**
- **Industrial Uses Have Been Regarded as Buffers to Railroad Rights-of-Way and Historically Have Been Rail Customers**
- **Many Industrial Buildings Are Not Reusable Do To Physical and Environmental Issues**



# INDUSTRIAL LAND USES

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- **Some Small Industrial Uses Will Continue To Be a Part of the Study Area in the Future**
- **Traffic Constraints Off-site Will Cause Some Low Employment Density Industrial and/or Warehouse Uses to Remain or Expand Although Industrial Uses Would Not Represent the Highest and Best Use of the Land Were It Not for This Constraint**



# OVERARCHING ISSUES

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- **Market and Feasibility Are Two Separate Analyses – The Presence of a Market Does Not Mean It Is Feasible for Development**

**Redevelopment Is Particularly Complicated by the Costs of Acquisition and Demolition Before Redevelopment Can Take Place – Feasibility Questions and Issues**



# OVERARCHING ISSUES

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- **The Street Grid in the Study Area Is A Vestige of Development Prior to the Completion of I-71/75 and It No Longer Provides Efficient Access to Parcels Within the Study Area - It Actually Detracts From Access to the Study Area via Arterial Surface Streets**
- **Off-site Traffic Constraints May Permanently Impair Some Parcels Within the Primary Study Area Thus Precluding These Parcels From Ever Reaching Their Highest and Best Use(s) in the Marketplace or Reaching Their Maximum Profitability**



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- ① **Don't Ask the Public Sector To Do What the Private Sector Will Not – The Public Sector Can Help Facilitate, But It Cannot Be a Substitute for the Private Sector**
  - ② **The Private Sector Will Have To Demand More from the Study Area In Order to Promote Coordinated Redevelopment in the Future**
  - ③ **Implementation Takes Time, People, and Money!**