



The East Central City Consortium, Inc. Socio-Economic and Real Estate Market Analysis

DRAFT REPORT: CONFIDENTIAL NOT FOR DISTRIBUTION

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The East Central City Consortium Inc.
And
The City of Columbia

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TABLE OF CONTENTS

I.	Purpose.....	1
II.	Scope of Analysis	1
III.	Executive Summary	3
IV.	Transportation – Clusters 1 - 4	6
	Identification of Corridors	6
	Traffic Volume Analysis.....	7
	DOT Plans	13
	Summary and Conclusion	14
V.	Cluster 1	17
	Cluster Map.....	19
	Identification	19
	Development Trends – Overview	19
	Development Trends – Commercial.....	20
	Development Trends – Residential	22
	Development Trends – Institutional.....	26
	Areas of Opportunity	27
	Development Trends – Summary and Conclusion.....	28
	Demographic Analysis – Population and Household Trends	30
	Demographic Analysis – Education and Employment Trends.....	33
	Demographic Analysis – Property Values and Income Trends	35
	Demographic Analysis – Summary and Conclusion	38
	Catalyst Sites – Selection Criteria.....	39

	Catalyst Sites – Site Identification	40
	Catalyst Sites – Overall Ranking.....	47
	Catalyst Sites – Summary and Conclusion	48
	Summary and Conclusion for Cluster 1	50
VI.	Cluster 2	51
	Cluster Map.....	52
	Identification.....	53
	Development Trends – Overview	53
	Development Trends – Commercial.....	54
	Development Trends – Residential	57
	Development Trends – Institutional.....	59
	Areas of Opportunity	61
	Development Trends – Summary and Conclusion.....	62
	Demographic Analysis – Population and Household Trends	64
	Demographic Analysis – Education and Employment Trends.....	67
	Demographic Analysis – Property Values and Income Trends	69
	Demographic Analysis – Summary and Conclusion	72
	Catalyst Sites – Selection Criteria.....	73
	Catalyst Sites – Site Identification.....	74
	Catalyst Sites – Overall Ranking.....	78
	Catalyst Sites – Summary and Conclusion	79
	Summary and Conclusion for Cluster 2	80
VII.	Cluster 3	81
	Cluster Map.....	82
	Identification.....	84

	Development Trends – Overview	84
	Development Trends – Commercial.....	84
	Development Trends – Residential	86
	Development Trends – Institutional.....	88
	Areas of Opportunity	88
	Development Trends – Summary and Conclusion.....	89
	Demographic Analysis – Population and Household Trends	91
	Demographic Analysis – Education and Employment Trends.....	94
	Demographic Analysis – Property Values and Income Trends	96
	Demographic Analysis – Summary and Conclusion	98
	Catalyst Sites – Selection Criteria.....	99
	Catalyst Sites – Site Identification.....	100
	Catalyst Sites – Overall Ranking.....	106
	Catalyst Sites – Summary and Conclusion	108
	Summary and Conclusion for Cluster 3	110
VIII.	Cluster 4	109
	Cluster Map.....	110
	Identification.....	111
	Development Trends – Overview	111
	Development Trends – Commercial.....	112
	Development Trends – Residential	115
	Development Trends – Institutional.....	119
	Areas of Opportunity	122
	Development Trends – Summary and Conclusion.....	123
	Demographic Analysis – Population and Household Trends	125
	Demographic Analysis – Education and Employment Trends.....	128

	Demographic Analysis – Property Values and Income Trends	130
	Demographic Analysis – Summary and Conclusion	132
	Catalyst Sites – Selection Criteria	134
	Catalyst Sites – Site Identification	135
	Catalyst Sites – Overall Ranking	141
	Catalyst Sites – Summary and Conclusion	142
	Summary and Conclusion for Cluster 4	144
IX.	Cluster 5	145
	Cluster Map	146
	Identification	147
	Transportation Analysis	147
	Development Trends – Overview	151
	Development Trends – Commercial	152
	Development Trends – Residential	154
	Development Trends – Institutional	156
	Areas of Opportunity	157
	Development Trends – Summary and Conclusion	158
	Demographic Analysis – Population and Household Trends	160
	Demographic Analysis – Education and Employment Trends	164
	Demographic Analysis – Property Values and Income Trends	165
	Demographic Analysis – Summary and Conclusion	170
	Catalyst Sites – Selection Criteria	170
	Catalyst Sites – Site Identification	171
	Catalyst Sites – Overall Ranking	176
	Catalyst Sites – Summary and Conclusion	176
	Summary and Conclusion for Cluster 5	178

PURPOSE

The purpose of the forthcoming analysis is to assist the East Central City Consortium, Inc. in analyzing socio-economic and real estate market trends in each of the identified clusters, which may impact the potential for redevelopment and revitalization of those areas. Both the positive and negative influences affecting each cluster are to be considered in the analysis for the purpose of identifying opportunities to enhance declining areas and to capitalize on positive trends.

SCOPE OF ANALYSIS

The scope of this assignment includes an analysis of the socio-economic factors and real estate market trends within each cluster that impact the potential for revitalization. In addition, an analysis of primary traffic corridors and the volume of vehicular traffic along them will be necessary. The socio-economic factors to be analyzed include:

- population growth rates,
- age groupings of the existing population,
- income levels by household and per capita,
- education attainment levels, and
- housing trends.

The real estate factors to be analyzed include:

- a general description of the existing residential and commercial real estate in each cluster,
- a general description of historical growth/development trends,
- a brief analysis of supply and demand in the current economic climate,
- identification of factors or areas that represent barriers to revitalization,
- identification of factors or areas that represent “piggy back” opportunities to spur additional growth, and

- projections for future growth patterns.

The analysis of vehicular corridors will include:

- identification of the primary and secondary traffic corridors,
- a traffic volume analysis along primary corridors,
- a description of scheduled or proposed SCDOT road improvements, and
- the projected impact of current corridor locations and traffic volumes.

The impetus of the preceding analysis will culminate in the identification of potential catalyst sites within each cluster, which could be utilized to spur revitalization and future private development. The East Central City Consortium, Inc. is committed to enhancing the existing residential housing and providing, or encouraging the private development of, additional housing opportunities in each of the clusters. While many of the potential catalyst sites may provide an opportunity for mixed-use developments, such as commercial and residential uses, the selection of potential catalyst sites will be oriented toward those sites providing maximum positive impact for the surrounding residential areas within each cluster.

Four of the five identified clusters share numerous primary traffic arteries and will be impacted by proposed South Carolina Department of Transportation road improvements. As a result, the following narrative will begin with an analysis of transportation routes and traffic volumes for Clusters 1 – 4. An analysis of the transportation arteries impacting Cluster 5 will be completed within the section dedicated to Cluster 5. An executive summary of our findings has been included immediately following this section.

EXECUTIVE SUMMARY

Cluster 1

The identified market area is nestled between the central business district of Columbia, Five Points and the Forest Acres area. The transportation routes throughout the area are adequate to serve the current traffic volumes. The analysis of real estate market trends revealed some portions of this cluster are experiencing a market-based revitalization, while other portions have suffered a continuous and steep decline over several decades. The socio-economic influences of this cluster suggest the existing population base is unable to generate a market-based revitalization. The local population does not have the financial means to reverse the current decline of portions of Cluster 1 without extensive assistance from a variety of sources. Our analysis and inspections revealed five catalyst sites with potential for redevelopment to spur the long-term revitalization of this cluster.

Cluster 2

The identified market area is adjacent to the Forest Acres area and benefits from the long-term investments of two institutions, i.e., Providence Hospital and Benedict College. The transportation routes throughout the area are adequate to serve the current traffic volumes. The analysis of real estate market trends revealed portions of this cluster have managed to maintain good-quality housing, while other portions have suffered a continuous decline over several decades. In particular, the commercial development along Two Notch Road on the northern end of the corridor adversely impacts the adjacent residential neighborhoods. The socio-economic influences of this cluster suggest the existing population base is unable to generate a market-based revitalization without assistance; however, the demographics also suggest the residents of this cluster do have the financial means and stability to capitalize on a rehabilitation effort relatively quickly. Our analysis and inspections revealed two catalyst sites with potential for redevelopment to spur the long-term revitalization of this cluster.

Cluster 3

The identified market area is adjacent to the central business district of Columbia. The transportation routes throughout the area are adequate to serve the current traffic volumes. The analysis of real estate market trends revealed portions of this cluster have managed to maintain good-quality housing, while other portions have suffered a continuous decline over several decades. In particular, the commercial development along Two Notch Road on the northern end of the corridor adversely impacts the adjacent residential neighborhoods. The socio-economic influences of this cluster suggest the existing population base is unable to generate a market-based revitalization without assistance; however, the demographics also suggest the residents of this cluster do have the financial means and stability to capitalize on a rehabilitation effort relatively quickly. Our analysis and inspections revealed five catalyst sites with potential for redevelopment to spur the long-term revitalization of this cluster.

Cluster 4

The identified market area is nestled between the central business district of Columbia to the west, the campus of Palmetto Richland Memorial to the north, and the Forest Acres area to the east. The transportation routes throughout the area are adequate to serve the current traffic volumes. The analysis of real estate market trends revealed some portions of this cluster are experiencing a market-based revitalization, while other portions have suffered a continuous and steep decline over several decades. The socio-economic influences of this cluster suggest the existing population base is unable to maintain a market-based revitalization, without assistance from a variety of sources. Our analysis and inspections revealed five catalyst sites with potential for redevelopment to spur the long-term revitalization of this cluster.

Cluster 5

The identified market area is nestled between the central business district of Columbia and the entertainment and retail district of Five Points. Cluster 5 also

has proximity to the University of South Carolina campus, Sarge Frye Field and Williams Brice Stadium. The transportation routes throughout the area are adequate to serve the current traffic volumes. The analysis of real estate market trends revealed some portions of this cluster are experiencing a market-based revitalization, while other portions have suffered a continuous and steep decline over several decades. The socio-economic influences of this cluster suggest the existing population base is unable to generate a market-based revitalization without assistance; however, the demographics also suggest the residents of this cluster do have the financial means and stability to capitalize on a rehabilitation effort relatively quickly. Our analysis and inspections revealed five catalyst sites with potential for redevelopment to spur the long-term revitalization of this cluster.

TRANSPORTATION – CLUSTERS 1 - 4

Primary Corridors

Many of the primary traffic arteries extending through Clusters 1 - 4 impact and serve more than one cluster. As a result, these arteries will be analyzed together, instead of within each cluster analysis. The primary arteries include:

- Two Notch Road (US 1),
- Taylor Street /Forest Drive (SC 12),
- Harden Street
- Farrow Road (SC 555),
- Beltline Boulevard (SC 16),
- Gervais Street (US 1/378/176), and
- Millwood Avenue (US 76/378).

In addition, there are numerous secondary roads providing access throughout all four clusters. Many secondary roads are connector routes that carry traffic flow from residential areas to the primary corridors, while the remainder represent lightly traveled residential streets. Some of the connector routes servicing these areas include:

- Pavilion Street- Cluster 1
- Green Street – Cluster 1
- Santee Avenue – Cluster 1
- Heidt Street – Clusters 1 & 4
- Oak Street – Clusters 1 & 4
- Pinehurst Road – Cluster 2
- School House Road – Cluster 2
- Harrison Road – Cluster 2
- Barhamville Road – Clusters 3 & 4
- Chestnut Street/Slighs Avenue – Clusters 3 & 4

- Hampton Street – Cluster 4
- Laurel Street – Cluster 4
- Read Street – Cluster 4
- Elmwood Avenue – Cluster 4

Traffic Volume Analysis

Each of the primary arteries are divided into stations by the South Carolina Department of Transportation for the purpose of tracking the traffic volumes along portions of each corridor. The historical traffic counts for the relevant stations are illustrated in the following chart.

HISTORICAL TRAFFIC COUNTS								
Station	2002	2001	2000	1999	1998	1997	1996	1995
102	27,800	26,400	28,300	28,400	27,800	N/A	N/A	N/A
103	17,600	16,900	17,700	16,400	15,900	16,600	16,400	17,600
110	16,700	N/A						
112	10,000	N/A						
114	15,700	N/A						
153	19,400	18,700	20,300	21,000	20,400	19,900	20,000	18,800
207	17,400	16,900	18,400	18,600	19,200	21,200	20,700	19,600
209	18,900	19,100	20,200	20,100	18,700	20,300	21,800	21,200
225	26,300	26,300	24,500	24,900	26,000	26,300	25,200	26,900
275	22,300	23,400	23,300	24,800	24,000	24,200	21,900	22,800
473	25,000	22,800	23,800	24,500	25,400	32,000	29,500	28,900

Source: South Carolina Department of Transportation

A map illustrating the primary traffic corridors and the corresponding station numbers follows.



The volume of vehicular traffic on the identified primary arteries is substantial. For most stations, the traffic volume has fluctuated over the past eight years. A detailed analysis of each corridor follows.

Two Notch Road Corridor – Impacts Clusters 2, 3 & 4

Stations 103, 110 and 112 represent the Two Notch Road corridor between Taylor Street (SC 12) to the south and Beltline Boulevard (SC 16) to the north. More specifically, Station 112 extends between Taylor Street (SC 12) to School House Road, representing the southern portion of this corridor. Station 103 extends between School House Road and Covenant Road, representing the central portion of the corridor. Station 110 extends between Covenant Road and Beltline Boulevard, representing the northern portion of the corridor. As noted in the preceding chart, traffic volumes in Stations 110 and 112 are only available for the year 2002, as they were recently established. As a result, historical trends for those stations are not available.

The data clearly indicates traffic volume diminishes along this thoroughfare on the southern end. The heaviest traffic occurs in the central portion between School House and Covenant Roads. The majority of this increased traffic

volume is likely attributable to the proximity of four schools accessed by secondary roads within that stretch of Two Notch Road. Station 103 reported average daily traffic volumes ranging from a low of 15,900 to a high of 17,700 vehicles per day between 1995 and 2002. Despite the minor fluctuations over time, the traffic volume along this route appears to be mostly consistent. The very similar traffic count along the northern end of the corridor suggests that the majority of traffic along Two Notch is occurring in the central and northern ends.

Between Taylor Street and Two Notch Road, traffic volumes diminish by 43% to 10,000 vehicles per day. The decrease in traffic volume in the southern portion of the corridor is likely attributable to two causes. First, there are numerous secondary connector roads providing alternative access to employment centers to the east and west, which diverts potential traffic. Second, there are few existing developments along the southern portion of the corridor that consistently draw vehicular traffic, such as retail or entertainment centers. As will be discussed in detail in forthcoming sections of this report, Benedict College has recently completed the construction of a business incubator and is currently constructing an athletic complex. Both developments are located on the southern end of the Two Notch Road corridor and are likely to draw more vehicular traffic to the area over time.

SC 12 Corridor (Taylor Street/Forest Drive) – Impacts Clusters 1, 2 & 4

Stations 207 and 209 comprise the Taylor Street/Forest Drive (SC 12) corridor between Bull Street and Beltline Boulevard. Although the area between Devonshire Drive and Beltline Boulevard is east of the identified clusters, the reported traffic volumes accurately reflect the counts relevant to the identified clusters. Furthermore, this corridor was not segmented more accurately to reflect the boundaries of the project clusters.

As illustrated in the preceding chart, traffic volumes within both stations have fluctuated similarly to that of Two Notch Road. Station 207 represents the

western portion of the corridor, extending between Bull Street and Two Notch Road. Station 209 represents the eastern portion, extending between Two Notch Road and Beltline Boulevard. The reported traffic counts are slightly higher on the eastern end, which is due to the apparent draw of the retail and restaurant development surrounding Richland Mall. Yet, despite the obvious attraction of the mall on the eastern end, the traffic counts on the western end of the corridor indicate similar volume. Taylor Street/Forest Drive (SC 12) connects the Forest Acres area to the east of Clusters 1, 2 and 4 with the central business district of Columbia to the west of Clusters 1, 2 and 4. The relatively stable traffic volumes along both ends of the corridor over time indicate this corridor will significantly impact the development potential of the area. The location of Clusters 1, 2 and 4 between Forest Acres and the central business district will result in long-term demand for both commercial and residential development. Furthermore, the utility of Forest Drive as a connector route between the primary employment center of the central business district and the dense population of Forest Acres will enhance the long-term viability for both residential and commercial revitalization.

Harden Street – Impacts Clusters 1 & 4

Stations 275 and 473 represent the Harden Street corridor between Blossom Street to the south and Colonial Drive (SR 73) to the north. Station 473 extends between Blossom and Taylor Streets (SC 12) on the southern end of the corridor. Station 275 extends between Taylor Street (SC 12) and Colonial Drive (SR 73) on the northern end of the corridor.

Traffic volumes are nearly equally heavy on both ends of this artery and are significant in comparison to the other identified primary arteries in the area. Between 1995 and 2002, Station 473 reported traffic volumes ranging from a low of 22,800 vehicles per day in 2001 to a high of 32,000 vehicles per day in 1997. A review of the historical counts for this station indicate generally declining traffic

volumes over time; however, the average annual daily traffic count over the past eight years has remained relatively strong at 26,488 vehicles per day.

Between 1995 and 2002, Station 275 reported traffic volumes ranging from a low of 21,900 vehicles per day in 1996 to a high of 24,800 vehicles per day in 1999. Between 1995 and 1999, traffic volume generally increased each year. After 1999, traffic volume began to decline to a recent low of 22,300 vehicles per day in 2002. Yet, despite these fluctuations, the average annual daily traffic count for Station 275 remained relatively high at 23,338 vehicles per day.

The Harden Street corridor provides access to I-277 on its northern end and connects with other primary arteries to the south, such as Colonial Drive/Farrow Road/Beltline Boulevard, Taylor Street (SC 12), Gervais Street (US 1/176/378), Devine Street (US 21/76), and Rosewood Drive. These connections to other heavily traveled primary arteries allow for excellent flow of traffic to employment and residential districts surrounding Clusters 1 & 4. In addition, these connections ensure continued heavy traffic flow through the general area, which will positively impact the demand for residential and commercial development.

Farrow Road (SC 555) and Beltline Boulevard (SC 16) – Impacts Cluster 3

Station 225 represents the Farrow Road (SC 555) and Beltline Boulevard (SC 16) corridor between Colonial Drive (SR 73) to the west and Two Notch Road (US 1) to the east. This corridor has averaged an annual daily traffic count of 25,800 vehicles per day over the past eight years. The range in reported traffic counts has been relatively tight over the preceding eight years, with a low of 24,500 vehicles per day in 2000 and a high of 26,900 vehicles per day in 1995. Between 2000 and 2001, traffic volume increased by 1,800 vehicles per day, or 7.3%, and remained level between 2001 and 2002.

The Farrow Road (SC 555) and Beltline Boulevard (SC 16) corridor connects two heavily traveled primary arteries within the identified study area, i.e., Harden

Street to the west and Two Notch Road (US 1) to the east. Since this artery provides an important connection between two other primary arteries, the volume of vehicular traffic along this corridor is unlikely to decrease significantly over time.

Gervais Street (US 1/176/378) - Impacts Clusters 1 & 4

Station 102 represents the Gervais Street (US 1/176/378) corridor between Harden Street to the west and Millwood Avenue (US 76/378) to the east. The traffic volume along this corridor has been tracked since 1998 and indicates the heaviest traffic volume within the identified study area. In 2002, the annual average daily traffic count was reported to be 27,800 vehicles per day. Between 1998 and 2002, the counts have fluctuated between a low of 26,400 vehicles per day in 2001 and a high of 28,400 vehicles per day in 1999. This corridor connects with the Millwood Avenue corridor and is impacted by the traffic volumes along that thoroughfare.

Millwood Avenue (US 76/378) - Impacts Cluster 1

Stations 114 and 153 represent the Millwood Avenue (US 76/378) corridor between Taylor Street/Forest Drive (SC 12) to the north and Devine Street (US 21/76) to the southeast. Station 114 extends along the Millwood Avenue (US 76/378) corridor between Taylor Street/Forest Drive (SC 12) to the north and Gervais Street (US 1/176/378) to the south, and comprises the northern end of this corridor. Station 153 extends along Millwood Avenue (US 76/376) between Gervais Street (US 1/176/378) and Devine Street (US 21/76), and comprises the southern end of this corridor.

Station 114 was created in 2002, so historical information is not available. In 2002, the annual average daily traffic count was reported to be 15,700 vehicles per day between Taylor Street/Forest Drive (SC 12) and Gervais Street (US 1/176/378).

Station 153 has been tracked since 1995. Traffic counts along this portion of the Millwood Avenue corridor have fluctuated similarly to those on portions of Two Notch Road, but have remained mostly stable. Traffic counts have ranged from a low of 18,700 vehicles per day in 2001 to a high of 21,000 vehicles per day in 1999. The average annual daily traffic count has averaged 19,813 vehicles per day. The traffic counts on the southern portion of this corridor are clearly heavier than those on the northern portion; however, the northern corridor extends between two heavily traveled thoroughfares, which will likely result in stable counts over the long-term.

Millwood Avenue (US 76/378) connects with Two Notch Road (US 1) just north of Cluster 1, and connects with Garners Ferry Road (US 378) just southeast of Cluster 1. Both arteries are heavily traveled routes extending through and beyond the city limits of Columbia. In addition, Millwood Avenue (US 76/378) intersects with Gervais Street (US 1/176/378), which provides direct access to the central business district of Columbia and extends into West Columbia and nearby Lexington County. These outlets and connections along Millwood Avenue indicate heavy traffic volumes will likely be maintained for the foreseeable future.

South Carolina Department of Transportation (SCDOT) Plans

To our knowledge, the only primary corridor identified within this analysis that will be impacted by SCDOT improvements within the next five years is the Two Notch Road corridor between Taylor Street (SC 12) and Beltline Boulevard (SC 16). Mr. Mark C. Lester, P.E., Program Development Engineer for the SCDOT provided information regarding those proposed improvements, which include:

- The proposed widening of the existing traffic lanes from ten feet to twelve feet.

- Additional painted center turn lanes without raised medians will be installed along the entire corridor, with the possible exception of the stretch between Victory Street and Beltline Boulevard.
- Sidewalks and landscaping will be installed along the entire corridor on both sides of the road.
- Brick paved crosswalks to be installed in various locations. The cost of the crosswalks will be incurred by the City of Columbia.

According to Mr. Lester, the site acquisitions have been completed, and the construction is scheduled to begin within the next twelve months. The improvements will require an approximate two-year construction period. Mr. Lester indicated that the City of Columbia has also requested the placement of utility lines underground. Mr. Lester confirmed the SCDOT is prepared to include this project in the overall improvement plan; however, the City of Columbia will be responsible for the overall cost. Placing the utility lines underground is not expected to extend the construction period. Finally, Mr. Lester indicated that Benedict College plans to extend Read Street to the site on which they plan to build the Benedict College Health and Wellness Center. The extension of Read Street will be privately held and maintained by Benedict College.

Summary and Conclusion – Clusters 1 - 4

The existing transportation routes extending throughout Clusters 1 – 4 are adequate to service current traffic volumes and could accommodate moderate increases in traffic flow over time. The connections between primary and secondary arteries are numerous and appear to be well placed to provide access to the surrounding residential development.

While the design of the road system is functional and efficient to promote smooth traffic flow, the quality and condition of existing roads are poor to fair overall. Most of the primary arteries have been reasonably well-maintained in terms of

striping and pavement; however, many of the secondary connector routes and residential streets are in inferior condition. The condition of those roads has adversely impacted their use for vehicles and pedestrians to varying extents. The most common problems include:

- a lack of sidewalks and crosswalks to promote safe pedestrian traffic,
- a lack of striping along some streets,
- a lack of municipal underground drainage; or existing drainage that has not been maintained or is insufficient to accommodate excess storm water runoff,
- insufficient maintenance of existing paving and sidewalks,
- no enforcement of codes prohibiting landscaping or fence obstructions into existing sidewalks and the view of motorists,
- insufficient width to permit safe street parking without obstructing traffic,
- poorly lighted streets, and
- missing street or directional signs in some areas.

Furthermore, the primary arteries are not pedestrian friendly and little effort has been made to provide the pedestrian friendly amenities required to improve them. In addition to the improvements listed above, lower speed limits in areas bordered primarily by residential development would be beneficial.

The proposed improvements planned for the Two Notch Road corridor are expected to positively impact the areas surrounding that corridor. Many of those proposed improvements would also benefit the remaining primary arteries impacting Clusters 1 – 4. The long-term potential for revitalization in Clusters 1 – 4 will require a commitment by the City of Columbia and the SCDOT to improve transportation routes and amenities throughout the area.

CLUSTER 1

East Central City Consortium, Inc. Cluster 1



IDENTIFICATION OF CLUSTER 1

Cluster 1 is comprised of the area located between Harden and Pavilion Streets to the west/southwest, Taylor Street/Forest Drive (SC 12) to the north, Manning and King Streets to the east, and Santee Avenue to the south/southeast. This cluster is bisected by Gervais Street and Millwood Avenue. Please refer to the preceding maps for a visual representation of the cluster boundaries as described above.

DEVELOPMENT TRENDS – CLUSTER 1

Overview

Cluster 1 is divided into nearly equal quarters by the intersection of Gervais Street and Millwood Avenue. While the development within each quarter of this cluster is similar in many respects, each area is influenced by slightly different variables. As a result, the need and potential for revitalization varies significantly within each quarter. The impact of commercial, residential and institutional development will be addressed for each quarter of this cluster.

Cluster 1 is serviced by four of the seven primary arteries previously identified within this report, i.e., Gervais Street, Millwood Avenue, Harden Street and Taylor Street/Forest Drive. This cluster is also serviced by several secondary roads that act as connector routes between the primary arteries and residential areas, i.e., Pavilion Street, Green Street, Santee Avenue, Heidt Street and Oak Street. Heidt Street and Oak Street also extend into Cluster 4.

The existing development along all four primary arteries is very similar in that it is oriented towards general commercial development with a limited amount of residential uses fronting these thoroughfares. The majority of residential properties along these arteries have been converted to alternative commercial uses. The remaining residential development within each quarter of this cluster is centered between commercial uses fronting the primary arteries.

The existing commercial, residential and institutional development within this cluster exhibits a wide disparity in condition and utility. While many of the existing residential neighborhoods have clearly declined over the past 20 years, a resurgence of interest and new development in other areas indicates continuing untapped demand for good quality housing in a variety of forms.

Commercial Development

As previously noted, the majority of existing commercial development is located along the primary traffic arteries; however, there is also a limited amount of low-intensity commercial uses interspersed throughout many of the residential neighborhoods. These low-intensity commercial uses tend to be located within one or two blocks of the nearest primary traffic artery.

The northeast and northwest quarters of Cluster 1 contain the highest density of commercial development. The higher percentage of commercial development in this area is attributable to the demand for commercial sites along Taylor Street/Forest Drive and Gervais Street. Much of the commercial development in this area is comprised of a variety of retail uses, including a shopping center and free-standing retail structures, professional offices, numerous automotive service facilities, fast food restaurants, and financial service centers. Along Gervais Street and Millwood Avenue, the existing commercial development is similar in character, but less dense overall.

The existing commercial development along all four primary arteries is comprised primarily of structures built over 20 years ago. Most structures have been converted for alternative uses; however, very few have been renovated or adequately maintained. Despite the fact that there is minimal vacancy within the existing commercial structures on all four corridors, the dated and worn appearance of most buildings gives the impression of commercial districts in decline. In fact, there has been very little new commercial development over the past 10 years. The newest commercial developments include a medical office

building on Gervais Street and a KFC restaurant on Taylor Street, both of which were built more than five years ago.

While the traffic volumes along all four primary arteries provide sufficient exposure to attract and support most types of general commercial development, the exposure along those corridors has not yet translated into significant demand for vacant sites and/or new development. The resistance to new development by potential investors is attributable to a variety of factors; the most important being a recognition that traffic volumes alone will not always spur revitalization of an area in a perceived decline.

Other factors include the competition provided by on-going new development in other more desirable areas and the proliferation of vacant and dilapidated buildings along these corridors. As previously noted, there are a number of commercial buildings along all four corridors which are nearing the end of their economic lives, but have not yet been demolished to allow for alternative development. Many of these dilapidated and/or vacant buildings represent a deterrent for new development because they adversely impact the aesthetic image of the area. In addition, vacant and dilapidated structures tend to attract loitering, litter and vandalism.

Despite the overall image of decline along the primary corridors, there are factors that positively influence the potential for commercial redevelopment. In addition to consistently strong traffic volumes, Cluster 1 is located in proximity to the central business district of Columbia, the Five Points area, three universities, three hospitals and a regional mall. Cluster 1 is also surrounded by a dense, stable and relatively wealthy population base. The impact of these various factors would be overwhelmingly positive for Cluster 1, if incorporated into a redevelopment effort for this area.

Residential Development

The quality of existing residential development within Cluster 1 varies widely among the four quarters of this cluster. A description of the existing housing in each quarter follows.

The northwest quarter of Cluster 1 is area bound by Taylor Street to the north, Millwood Avenue to the east, Gervais Street to the south and Harden Street to the west. The current supply of housing is comprised primarily of single-family dwellings, many of which appear to be owner-occupied. Also located within this area are a number of duplexes and apartment units containing three to ten units. The multi-family development within this quarter is minimal and mostly low-density, which has positively impacted the surrounding single-family development. The quality and size of single-family dwellings ranges considerably; however, the overall impression of the residential development is one of clear compatibility.

Based on our research, single-family residences in this area generally range in size from a low of 1,000 to a high of 3,500 square feet. The majority of houses in this area were built more than 60 years ago; however, our inspection of this area revealed recent construction of single-family housing. The continual construction of residential housing in this quarter is an indication of stable demand. Furthermore, the occupancy rate among existing dwelling units suggests demand for residential housing as well.

This portion of Cluster 1 is currently experiencing a revitalization spurred by unmitigated market conditions. The proximity of and redevelopment efforts by Allen University has spurred some of the revitalization. In addition, the insulated character of the neighborhood and compatibility of the existing housing has provided opportunities for property owners and investors to pursue improvements in a protected environment. Although the total revitalization of this area is likely to occur at a relatively slow pace in comparison to other residential districts, the

variables influencing the conditions in this neighborhood are strong enough to propel and promote the current positive trend over the long-term.

The northeast quarter of Cluster 1 is the area bound by Forest Drive to the north, Manning Street to the east, Gervais Street to the south and Millwood Avenue to the west. The existing housing within this quarter is comprised of high- and low-density multi-family developments and numerous single-family dwellings. The most influential residential development within this quarter is the Gonzales Gardens apartment community. This high-density multi-family development houses the majority of the population base within this quarter. Gonzales Gardens was constructed in the 1950's by the Columbia Housing Authority. Despite obvious and concerted efforts by the Columbia Housing Authority to maintain and manage the property, the building and site improvements that comprise the Gonzales Gardens development have reached the end of their economic lives. The development has a dated and worn appearance, which negatively impacts the surrounding residential development. Furthermore, it appears that the existing development is no longer functional or efficient for its intended use, i.e., to provide quality housing for low-income families. Finally, the density of population housed within Gonzales Gardens taxes the amenities of the surrounding neighborhood.

The slow decline of Gonzales Gardens has resulted in a decrease in demand for the surrounding single-family and low-density multi-family housing. The decrease in demand for these properties has resulted in a decline of the physical conditions of many dwellings, and diminishing property values. Our inspection of this area revealed many existing dwellings are no longer habitable and require immediate demolition. Most other dwellings require substantial renovation. One positive sign within this area is the recent proliferation of relatively new, good quality housing on the southern end of this quarter. These houses represent a dormant demand for housing in this neighborhood that could be capitalized upon, if the proper catalyst is developed. In fact, the probability for rehabilitation of

residential development within this portion of Cluster 1 is quite high; however, it is also closely tied to the future of Gonzales Gardens.

In its current condition, Gonzales Gardens represents a barrier to revitalization in this area. There are three obvious solutions to this problem. First, the existing improvements comprising Gonzales Gardens could be demolished and redeveloped into an attractive, functional, medium-density multi-family housing community that is compatible with the surrounding low-density residential development. This option would slowly spur the revitalization of the surrounding area over time and ensure that this quarter remains primarily residential in character. Second, Gonzales Gardens could be demolished to allow for alternative development of the site. The most likely user would be Providence Hospital, which is located directly across Forest Drive. If the site were redeveloped by Providence Hospital for medically related usage, some of the surrounding residential housing would be lost through attrition; however, the majority of single-family and low-density multi-family development would remain and benefit over time. Finally, the third option would involve a joint redevelopment of this site between the Columbia Housing Authority and other institutions within this cluster, such as Providence Hospital, Benedict College and/or Allen University.

The southeast quarter of Cluster 1 is the triangular area bound by Gervais Street to the north, Millwood Avenue to the west and south and King Street to the east. The existing residential development in this quarter is primarily comprised of single-family dwellings with a few low-density multi-family properties. The residential development within this quarter has declined similarly to that of the northeast quarter. Although the residential development is surrounded by commercial development fronting the primary arteries, the commercial development is no more or less intrusive on this quarter than any other. There are no large land users or developments that significantly impact this area either positively or negatively; however, this quarter is adjacent to a well-maintained

neighborhood of mostly single-family dwellings. The population within the adjacent neighborhood is comprised of middle- to upper-income families. The proximity of the adjacent neighborhood and the stability of property values within that neighborhood will positively influence a redevelopment effort within this quarter of Cluster 1. In fact, there have been two recent residential developments in this area. A low-density multi-family complex was recently constructed on the west side of the quarter, which is attractive and appears to have generated significant demand among tenants. On the eastern side of the neighborhood, several new single-family residences have been constructed on lots fronting Zeigler Street. Both developments indicate demand for good quality housing in this area.

The southwestern quarter of Cluster 1 is the area bound by Gervais Street to the north, Harden and Pavilion Streets to the west, Millwood Avenue to the east and Santee Avenue to the south/southeast. The existing residential development in this quarter is primarily comprised of single-family dwellings with a few low-density multi-family properties. Although the residential development is surrounded by general commercial development, it does not appear to be adversely impacted by the adjacent commercial uses. The residential development west of Heidt Street has been reasonably well-maintained over the years. The majority of homes are between 1,000 and 3,500 square feet in size and were built between 30 and 60 years ago. Although some are no longer habitable and require demolition, most require only minimal renovation to enhance the overall appeal of the area. The western side of this quarter has been positively impacted by the nearby Five Points retail and entertainment district and the location of Martin Luther King Park on its southern end.

Conversely, the residential development east of Heidt Street has declined significantly over the past several decades. In fact, this area contains the highest density of uninhabitable dwellings in need of demolition. Many are vacant and dilapidated. Others are hazardous structures that remain occupied. This area

has declined to the extent that it cannot be rehabilitated without extensive demolition of numerous existing properties, significant renovations to remaining properties and the installation and enhancement of neighborhood amenities. The rehabilitation of the eastern portion of this quadrant will require a long-term plan incorporating both opportunities for immediate relief, considerable investment of resources by the participants of ECCC, Inc. and incentives to attract private investment in the future. Furthermore, the rehabilitation of this area will be required to maintain the current prosperity of the western half of this quarter. The condition and decline of the properties east of Heidt Street has already begun to negatively impact the western half of the quarter. If this trend remains unchecked, it will likely result in the future decline of the southern half of this cluster. While this portion of Cluster 1 has clearly suffered the most significant decline, it provides a considerable opportunity for long-term enhancement of the housing in this area.

Institutional Development

There are a number of non-residential developments within Cluster 1 that influence the surrounding residential and commercial development, such as Allen University, Waverly Elementary School, Blessed Martin Hall school, Lyon Street Elementary School and Martin Luther King Park.

Allen University is located on the southeast corner of Taylor and Harden Streets, and comprises a large portion of the northwest quarter of Cluster 1. It was founded in 1870 by the African Methodist Episcopal Church (AME). This Christian oriented liberal arts institution offers baccalaureate degrees in Biology, Business Administration, Chemistry, Education, English, Mathematics, Music, Religion and Social Science. The university currently employs 70 full-time faculty and staff, 3 part-time staff members, and serves 550 registered students.

Allen University is a member of the East Central City Consortium, Inc. and is committed to the revitalization of the neighborhoods surrounding its campus.

According to a report in The State newspaper on May 17, 2003, Allen University received a \$200,000 grant from the U.S. Department of Housing and Urban Development to create a technology center in a building adjacent to the campus. The former two-story house located at the corner of Pine and Washington Streets has been refurbished and will be used to promote computer literacy in the local community. The influence of Allen University on Cluster 1 will continue to be overwhelmingly positive in the northwestern quarter of this cluster.

Lyon Street Elementary School is located on the northeastern quarter of this cluster and is adjacent to St. Anne's Park, which is owned and operated by the City of Columbia. Both developments provide services and amenities to the surrounding residential population and enhance the neighborhood. The Blessed Martin Hall School and Waverly Elementary are located in the northwestern quarter of Cluster 1 in proximity to Allen University.

Martin Luther King Junior Park is also owned and operated by the City of Columbia. This municipal park is located in the southwestern quarter of Cluster 1, adjacent to the Five Points area. The park amenities include ball fields for a variety of sports, walking trails and a staffed, community center designed for multi-purpose use. The park hosts organized sports, community gatherings, and occasionally, a farmers market.

Our research revealed nine separate churches, and/or facilities with religious affiliations, located throughout Cluster 1.

Areas of Opportunity

As previously noted, there are two areas within Cluster 1 that require immediate attention to allow for the successful revitalization of the remainder of the cluster. Both the Gonzales Gardens Apartments and the existing development between Heidt Street and Millwood Avenue south of Gervais Street represent barriers to revitalization. The rehabilitation of these areas will result in dramatic

enhancements for the surrounding residential properties, which would eventually attract increased private development. If these areas are not addressed within a revitalization plan, their continued decline will preclude the rehabilitation of any other portion of Cluster 1.

Summary and Conclusion – Development Trends

The potential for revitalization of both residential and commercial development within Cluster 1 is reasonably high. Cluster 1 benefits from the access and exposure provided by four, heavily traveled primary arteries, i.e., Gervais Street, Harden Street, Taylor Street/Forest Drive and Millwood Avenue. Furthermore, Cluster 1 is strategically located between a major employment center to the west (Columbia CBD), an entertainment/retail district to the southwest (Five Points), and a dense, stable and relatively wealthy population base to the east (Forest Acres). Cluster 1 is also in proximity to three hospitals, three universities and a regional mall. The employees, students, patients and customers of those various entities provide significant demand for commercial uses that serve their needs and good-quality housing.

Portions of Cluster 1 are currently experiencing a market-based revitalization, while others have consistently declined over time to the detriment of the surrounding areas. Our research indicates there are approximately 1,240 individual parcels within Cluster 1. Of the existing structures, 190 require immediate demolition because they are either uninhabitable, or the cost to rehabilitate exceeds any potential value to be generated. Another 27 buildings require either immediate demolition or substantial rehabilitation. A total of 385 parcels contain buildings and site improvements in need of minor cosmetic renovation.

The long-term success of any revitalization effort will require a layered approach to be implemented concurrently by ECCC members and residents. For example, in addition to the aggressive enforcement of current building and use codes by

the City of Columbia, many of the Cluster 1 neighborhoods would benefit from the implementation of typical covenants, conditions and restrictions of a property owners association. In addition, a redevelopment plan for Cluster 1 should ensure consistent zoning classifications are applied to facilitate private investors/developers as they begin to participate in the revitalization. A zoning overlay district or the implementation of more uniform zoning classifications would benefit the residential districts.

DEMOGRAPHIC ANALYSIS – CLUSTER 1

In order to determine what types of development may be best suited for Cluster 1, an analysis of the general demographics of the area is necessary. We have researched and reviewed various statistics regarding the population, age groupings, income levels, education levels, and housing trends. The analysis and resulting conclusions are discussed in detail in the following paragraphs, and are based upon information obtained directly from the U.S. Census Bureau, the Central Midlands Council of Governments and Claritas, Inc.

Population and Household Trends

In 2000, the total population within the market area was reported to be 3,082 persons, which represented a decrease of 11.64% from the 3,488 reported in the 1990 U.S. Census. Between 2000 and 2008, the overall population is projected to decrease consistently each year to a low of 2,841 in 2008. The overall decrease in population will be 7.82%. Historical and projected population trends for the identified market area are summarized in the following chart.

POPULATION TRENDS

2008 Projection	2,841
2003 Estimate	2,990
2000 Census	3,082
1990 Census	3,488
<hr/>	
1990 – 2000 Total Growth	-11.64%
Annual Average	-1.16%

Source: U.S. Bureau of Census and Claritas, Inc.

The number of households in this area has also declined over the past 13 years. In fact, the decline in number of households has occurred at nearly the same rate as the population. Historical household trends are summarized in the following chart.

HOUSEHOLD TRENDS

2008 Projection	1,194
2003 Estimate	1,229
2000 Census	1,249
1990 Census	1,419
<hr/>	
1990 – 2000 Total Growth	-11.98%
Annual Average	-1.20%

Source: U.S. Bureau of Census and Claritas, Inc.

Between 1990 and 2000, the total number of households decreased by 170 or 11.98%. By 2008, the total number of households is expected to decrease by another 55 households, or 4.40%.

The consistent and relatively significant decreases in both population and number of households between 1990 and 2000 reflect the decline of many residential areas within this cluster overall. As the quality of available housing and neighborhood amenities has decreased, the demand for existing residential structures in Cluster 1 has decreased accordingly. The recent development of new single-family and low-density multi-family housing in portions of Cluster 1 suggests latent demand for good-quality housing. Furthermore, the market driven revitalization of the northwest quarter of Cluster 1 also suggests untapped demand for housing. The measurement of population and household statistics within Cluster 1 does not reflect the pending influence of expanding neighborhoods nearby. The potential revitalization of housing in Cluster 1 is likely to incur considerable infiltration into Cluster 1 from surrounding neighborhoods over time.

The potential stability of a population base can also be measured by the percentage of housing units that are owner-occupied versus renter-occupied. A higher percentage of owner-occupied housing units is usually indicative of a stable population base, while a higher percentage of renter-occupied housing

units tends to indicate a more transient population base. Occupancy in housing units within the market area is summarized in the following chart.

OCCUPIED HOUSING UNITS

2000 Total Occupied Housing Units	1,249
Owner Occupied	21.46%
Renter Occupied	78.54%
<hr/>	
Average # Persons Per HH	2.28

Source: U.S. Bureau of Census and Claritas, Inc.

Within Cluster 1, the percentage of renter-occupied housing units is significant at 78.54% of all housing units, indicating the existing population base is relatively transient and more likely to fluctuate over time. The transient nature of the local population has directly and adversely impacted the population growth rate over the past decade, and is likely to impact future growth rates as well. Normally, a high percentage of renter-occupants would be found in an area in which a significant number of the existing housing units are comprised of multi-family developments. Interestingly, there are very few multi-family residential developments within the identified market area. In fact, the vast majority of housing units are single-family residences. It is noted that Gonzales Gardens is a high-density, multi-family complex and the number of tenants within this development may have skewed the data somewhat; however, the quality and condition of a significant portion of the single-family residences located throughout the eastern and southern quarters would suggest they are primarily rental properties as well. As a result, the indicated data is considered a reasonable reflection of housing occupancy within Cluster 1.

Of the total households within the market area, only 14.65% are occupied by a married couple with or without children. Another 56.13% is occupied by a single female head of household, with or without children. Of the total households, 24.10% are occupied by a single mother or female with children. Typically,

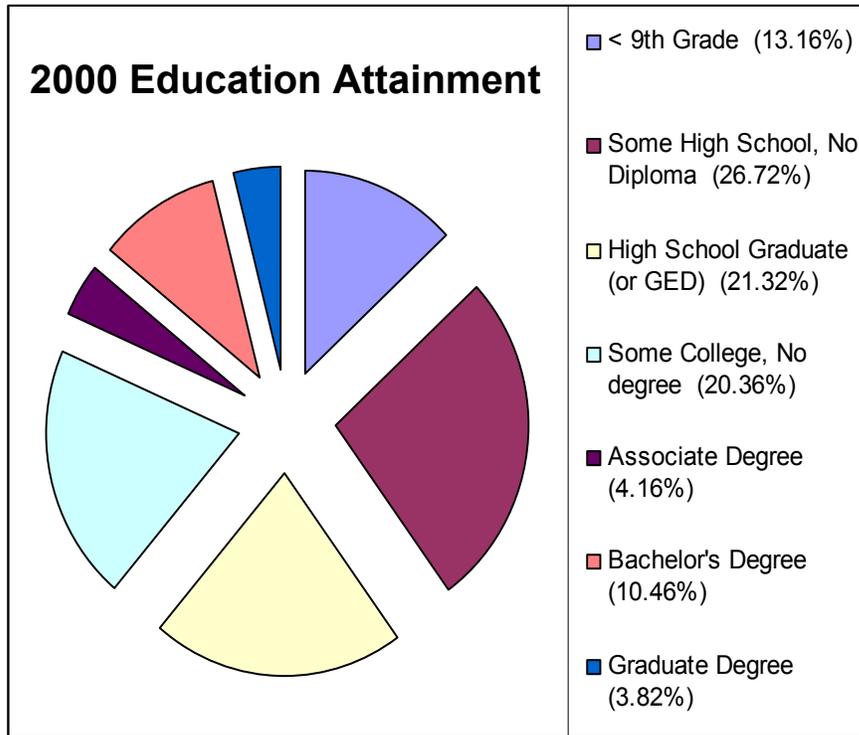
single mothers with children are one of the population groups least likely to own their own homes. Most often, this is due to financial limitations. The fact that over 24% of the current households in this market are comprised of single mothers with children has clearly impacted the percentage of owner-occupied housing units.

Other destabilizing factors include the low number of family-occupied households, the percentage of households with two people or less, and the low percentage of households with children under the age of 18. In particular, households occupied by a family of more than two people, and which contains children under the age of 18 are likely to be more stable and less transient. Within the identified market area, only 50.44% of the total households are classified as family households, compared to the 49.56% classified as non-family. A substantial 39.95% of all households are occupied by one person and another 25.30% of all households are occupied by two people. Households containing two people or less comprise 65.25% of all households in this market. Only 33.38% of all households have children under the age of 18 in residence, while 66.70% of households reported no children under the age of 18.

Within Cluster 1, a total of 63.04% of the population are between the ages of 18 and 64, indicating that the majority of the existing population base represents the eligible workforce in this area. A total of 25.97% of the population is under the age of 17, and the remaining 11.04% of the population is 65 years or older. The median age is 30.73 years, and the average age is 34.21 years.

Education and Employment Related Statistics

The level of education attained by a population will directly impact the quality of employment, income level, and standard of living that can be achieved by the population.



In Cluster 1, 39.88% of the current population over the age of 25 years has not earned a high school diploma or GED. A total of 60.12% of the population has a high school diploma or GED. Of the total

population, 20.36% has attended college courses, but did not earn a degree of any kind. A total of 18.44% has earned a college degree, i.e., Associates, Bachelor's, Master's or Doctorate degree.

The percentage of population without a high school diploma or GED is considerable and has adversely impacted the household income and per capita income levels achieved within Cluster 1; however, it is interesting to note that a significant percentage of adults have earned a college degree. It is unusual to find a significant concentration of both college graduates and high school drop-outs in an identified market area. These statistics clearly reveal the positive impact and opportunities provided by the proximity of three universities, i.e., Allen University, Benedict College and the University of South Carolina.

Within Cluster 1, the population over the age of 16 that were reported to be unemployed was 10.60%. Another 48.44% of the population over the age of 16 was not in the labor force. That group includes retired individuals and students.

The percentage of unemployed in this area is higher than the statewide and national averages and nearly twice as high as the rates reported for Richland and Lexington Counties, individually.

A total of 51.96% of the households reportedly have between one and two vehicles. A substantial 48.68% of the reported households do not have a vehicle of any kind. As a result, 34.57% either rely on public transportation or walk to work. The remaining employed population relied on other methods of transportation such as car pooling or riding a bicycle. The limitation of transportation opportunities also limits employment opportunities. It is noted that the statistics provided for this category total more than 100%, which likely reflects respondents providing more than one answer to this portion of the Census form.

Property Values and Household Income Trends

There are a reported 1,399 housing units within Cluster 1 and 1,249 households, indicating an overall occupancy rate of 89.28% for all housing types. Of the total housing units, 47.10% represent single-family residential properties. The remaining 52.90% represent multi-family properties with two or more attached units. Nearly 94% of all existing housing units were built before 1980. Owner-occupied property values are summarized in the following chart.

OWNER-OCCUPIED PROPERTY VALUES

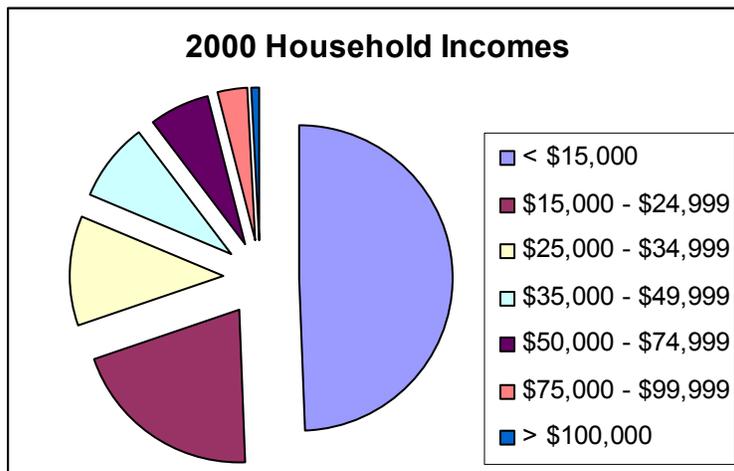
Under \$20,000	0.00%
\$20,000 - \$59,999	32.26%
\$60,000 – \$79,999	40.14%
\$80,000 - \$99,999	11.83%
\$100,000 - \$149,999	5.38%
\$150,000 - \$199,999	5.02%
\$200,000 +	5.38%

Median Property Value	\$68,850
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Source: U.S. Bureau of Census and Claritas, Inc.

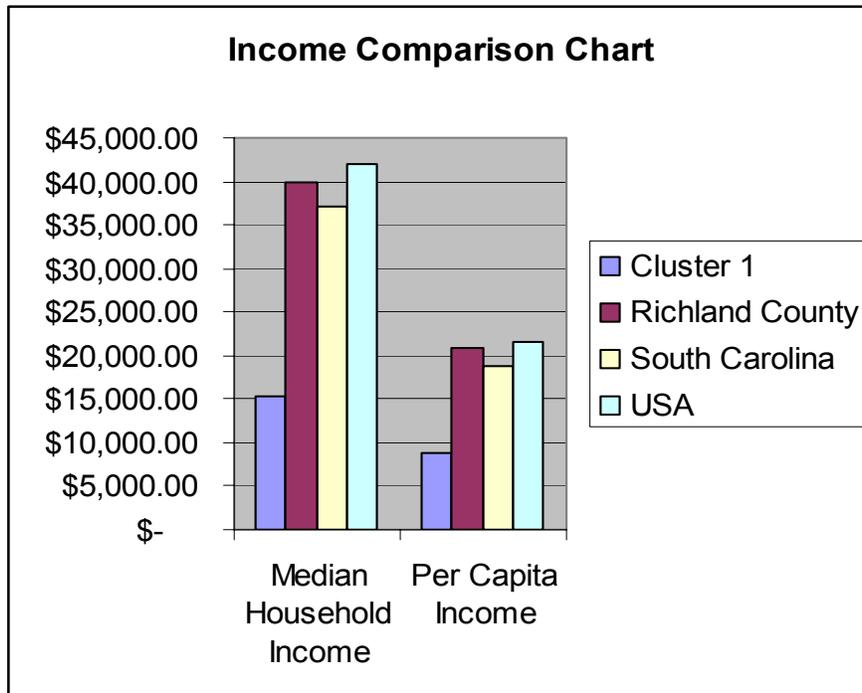
Although the 2000 Census indicates there are no owner-occupied properties with a value under \$20,000, research in the Richland County Assessor's Office revealed numerous residential properties with values under \$20,000. While many of them may represent rental properties, some are likely to be owner-occupied.

According to the U.S. Census Bureau, only 26.21% of the households within the market reported a household income between \$25,000 and \$74,999 in 2000. Another 3.91% of households reported incomes over \$75,000, while the vast majority of households (69.79%) reported incomes under \$25,000. Of the household incomes under \$25,000, 49.55% reported household income levels under \$15,000. The range of household income levels is illustrated in the following chart.



These statistics indicate a large portion of the population base is poverty-stricken. In 2000, 40.39% of the population within Cluster 1 generated incomes below the poverty level. Only 59.61% of the population generated incomes over the poverty level. The largest percentage of population below the poverty level was comprised of female householders, with or without children. The largest percentage of population above the poverty level was comprised of married couples, with or without children.

The income levels in Cluster 1 are compared to income levels reported for Richland County, the state, and the nation in the following chart.



The average household income in Cluster 1 in 2000 was reported to be \$21,512. The median household income was reported to be \$15,221. The per capita income was reported to be \$8,756.

As noted in the preceding chart, median household and per capita income levels in Cluster 1 are substantially lower than those reported for Richland County, the state and the nation. The below average income levels generated in Cluster 1 impacts not only the quality of life for residents, but the potential for revitalization of the area. While the below average income levels generated by residents will not preclude revitalization, it will require a revitalization plan that includes a variety of housing opportunities within a broad range of pricing options to serve the needs of both the existing population base and the future influx of new residents.

Summary and Conclusion – Demographic Analysis

Cluster 1 has been adversely impacted by several factors including:

- a transient population base which has resulted in fluctuating population and household statistics;
- a large percentage of population without a high school diploma or GED;
- a large percentage of households earning less than \$25,000 per year;
- a large percentage of unemployed adults; and
- a large percentage of population dependent on public transportation.

The socio-economic influences of this cluster suggest the existing population base is unable to generate a market-based revitalization. The local population does not have the financial means to reverse the current decline of portions of Cluster 1 without extensive assistance from a variety of sources.

CATALYST SITES – CLUSTER 1

The purpose of the preceding analysis is to identify the positive and negative real estate market trends and socio-economic factors that impact the potential for revitalization of each cluster. In light of those variables, potential catalyst sites must be identified within each cluster, which could be utilized to spur revitalization and future private development. The potential catalyst sites within Cluster 1 are identified and described in the following paragraphs.

Selection Criteria

As noted previously, the East Central City Consortium, Inc. is committed to enhancing the existing residential housing and providing, or encouraging the private development of, additional housing opportunities in each of the clusters. While many of the potential catalyst sites may provide an opportunity for mixed-use developments, such as commercial and residential uses, the selection of potential catalyst sites will be oriented toward those sites providing maximum positive impact for the surrounding residential areas within each cluster.

In that regard, the selection criteria for a potential catalyst site included:

- primary and secondary access routes;
- compatibility of surrounding development;
- impact to existing development;
- potential for successful redevelopment; and
- long-term impact to neighborhood.

A potential catalyst site does not require direct access or visibility from a primary artery; however, adequate access is necessary. In addition, the type of access provided impacts the type of catalyst development to be considered.

Any potential catalyst development must be compatible with the surrounding development to ensure its future success. For example, proposed housing options must address the existing architectural elements of the surrounding neighborhood that create its unique character. Capitalizing on those traits will enhance the aesthetics of existing structures and ensure the acceptance and support of the neighborhood residents. In addition to design, the quality and density of housing must be compatible.

In selecting potential catalyst sites, the impact to existing structures must be minimized. The demolition of some structures is unavoidable; however, the demolition of meaningful structures within the neighborhood, such as churches and/or historic properties, should be avoided when possible. Every attempt should be made to incorporate those structures within a proposed redevelopment plan, as long as they do not hinder the potential success of the plan.

In selecting a catalyst site, the potential for both the success of a redevelopment effort on an individual site and the impact to the surrounding neighborhood must be considered. A catalyst redevelopment plan must accomplish more than simply replacing existing sub-standard structures or fill holes in the existing development. The success of a catalyst redevelopment requires a broader impact to the neighborhood at large. As a result, sites and potential developments are selected that have the highest potential to capitalize on current positive trends, enhance the surrounding area, and attract future private development.

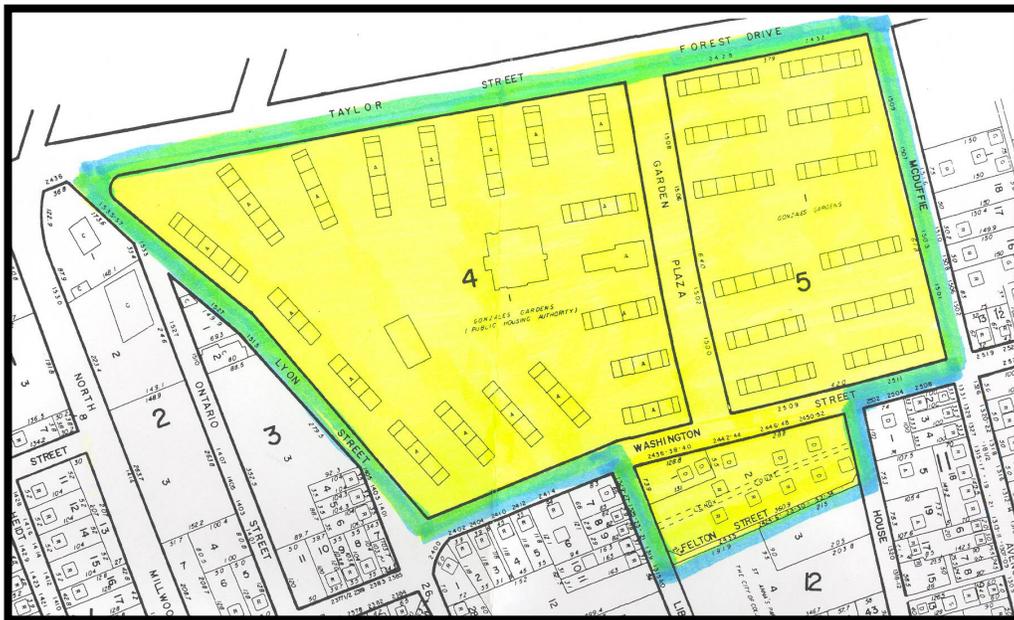
Identification of potential sites

Within Cluster 1, five potential catalyst sites have been identified and will be described in the following paragraphs. At the conclusion of this analysis, the catalyst sites will be compared and ranked. A map indicating the location of the potential catalyst sites has been included on the following page.



Catalyst Site #1

This site is comprised primarily of the Gonzales Gardens Apartments site and an adjacent site. The Gonzales Gardens site is bound by Forest Drive, Lyon Street, McDuffie Avenue, and Washington Street. The adjacent parcel is bound by Washington Street, House Street, Liberty Hill Avenue, and Felton Street. Catalyst Site 1 is illustrated on the following map.

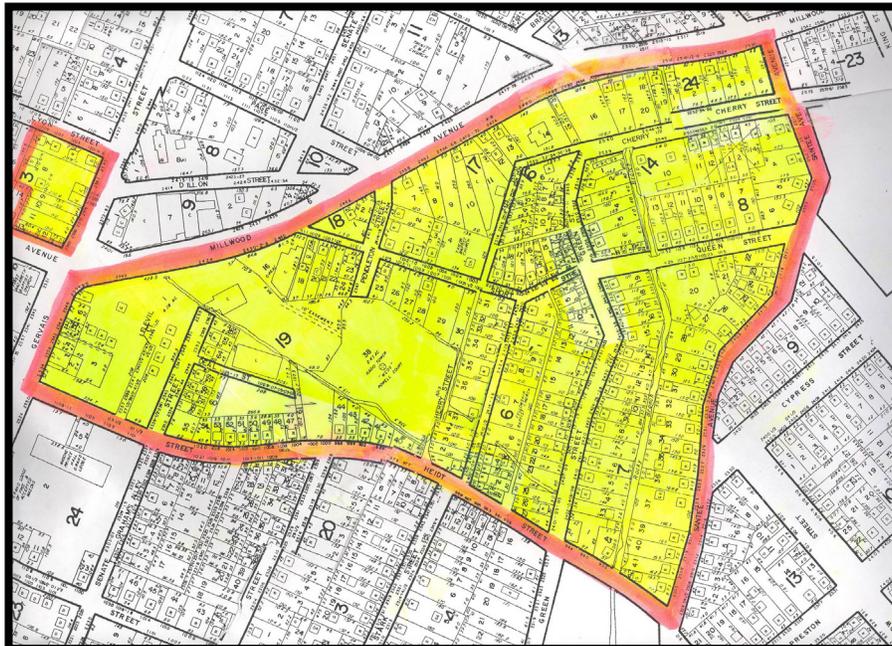


The total land area within this catalyst site is estimated to be roughly 16.5 – 18 acres. This site includes four separate tax parcels. The physical attributes of this site include its frontage on one primary artery, five secondary streets and two entrance drives/alleys. The site is mostly level and at the grade of each road. This site has proximity to Providence Hospital, which is located directly across Forest Drive. It also has proximity to Benedict College and Allen University, and is adjacent to St. Anne's Park.

The development of this site would allow for the demolition of numerous unsightly buildings that have reached the end of their economic lives. Another attractive feature of this site is the opportunity to create a mixed-use development utilizing commercial and residential structures.

Catalyst Site #2

This site is comprised of the area bound by Gervais Street to the north, Millwood Avenue to the east, Santee Avenue to the southeast and Heidt Street to the west. Catalyst Site 2 is depicted on the following map.



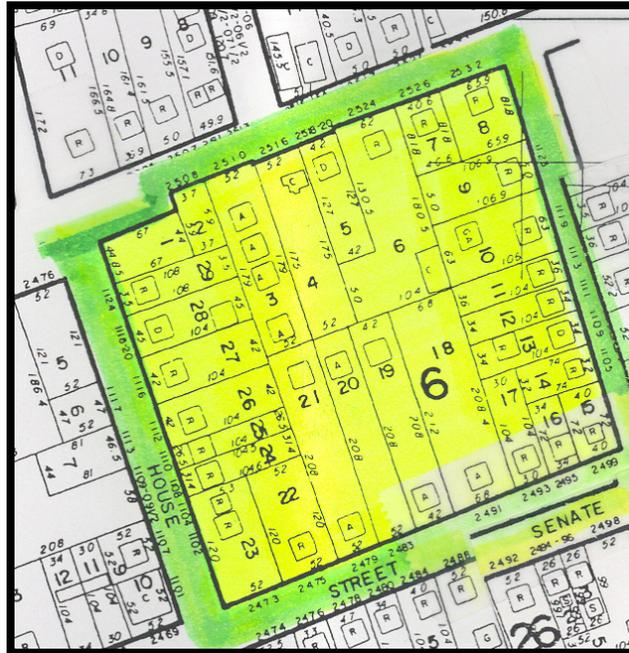
The total land area within this catalyst site is estimated to be roughly 25 – 30 acres. This site includes 190 separate tax parcels. The physical attributes of this site include its frontage on two primary arteries and two secondary connector streets. In addition, there are seven residential streets and numerous alleys extending through the area. The topography of this site is gently rolling. This site has proximity to Martin Luther King Junior Park and the Five Points area.

As noted in the preceding description of development trends, the existing housing in this area has suffered a consistent and steep decline. The negative impact of the on-going decline is extending into the surrounding areas, and must be addressed immediately. Of the 190 structures requiring immediate demolition within Cluster 1, the vast majority are located within the boundaries of this catalyst site.

The development of this site would allow for the demolition of numerous unsightly buildings that have reached the end of their economic lives. In addition, the redevelopment of this site will provide the opportunity to create a mixed-use development utilizing commercial and residential structures. The portions of Gervais Street and Millwood Avenue extending along this catalyst site have few viable commercial structures. As a result, the Gervais Street and Millwood Avenue corridors could be redeveloped with any number of compatible commercial uses. In particular, commercial uses designed to serve the surrounding population base would generate the highest probability of success. The interior of the site could be rehabilitated by demolishing numerous structures and creating both in-fill single-family housing on scattered lots and alternative low-density multi-family housing on larger tracts, such as cluster housing, patio homes, town homes or apartments.

Catalyst Site #3

This site is comprised of the area bound by Gervais Street to the north, House Street to the west, Senate Street to the south, and Tree Street to the east. Catalyst Site 3 is depicted on the following map.



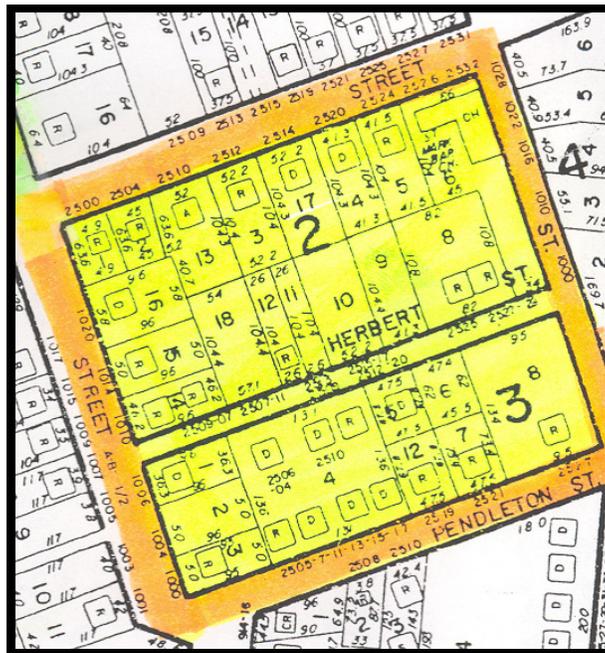
The total land area within this catalyst site is estimated to be roughly 3.5 – 4.0 acres. This site includes 29 separate tax parcels. The physical attributes of this site include its frontage on one primary artery and three secondary streets and a gently sloping to rolling topography. This site is in proximity to a densely populated and relatively wealthy neighborhood comprised primarily of large single-family residences.

Much of this catalyst site is already vacant. Many of the existing residential structures on the site are dilapidated and provide substandard housing for residents. The development of this site would allow for the demolition of substandard housing and replacement with new housing compatible with the surrounding neighborhood. Although this site has frontage on the heavily traveled Gervais Street, this portion of the Gervais Street corridor is primarily

residential in character. This catalyst site represents an opportunity to renew existing housing and enhance the property values of surrounding housing. While the potential for a mixed-use development exists, the real estate trends in this area suggest the commercial component of a mixed-use development should be minimal. The most successful mixed-use development would include a variety of housing options, such as single-family housing along Senate, House and Tree Streets with a limited amount of town homes, cluster or patio homes fronting Gervais Street.

Catalyst Site #4

This site is comprised of the area bound by Senate Street to the north, Tree Street to the west, Pendleton Street to the south, and Zeigler Street to the east. Catalyst Site 4 is depicted on the following map.



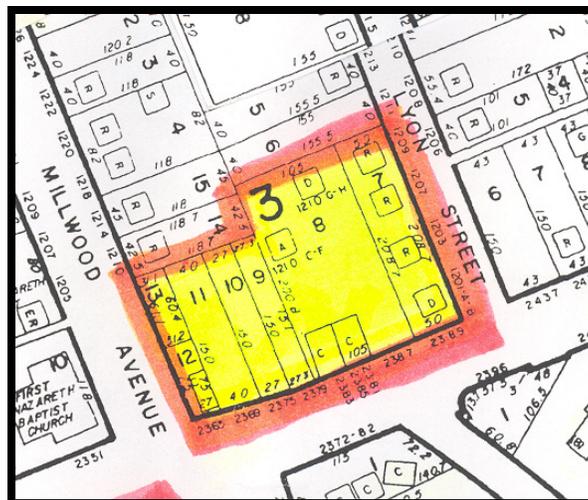
The total land area within this catalyst site is estimated to be roughly 3.5 – 3.75 acres. This site includes 26 separate tax parcels. The physical attributes of this site include its frontage on four secondary streets and a gently sloping to rolling topography. This site is in proximity to a densely populated and relatively

wealthy neighborhood comprised primarily of large single-family residences. This site is adjacent to Catalyst Site 3 and could be developed in conjunction with that site for maximum benefit.

Much of this catalyst site is already vacant. Most of the existing residential structures on the site are dilapidated and provide substandard housing for residents. The development of this site would allow for the demolition of substandard housing and replacement with new housing compatible with the surrounding neighborhood. A commercial use of this site would not be feasible; however, a mixed-use residential development could be successful. The primary consideration in any redevelopment of this site should be to capitalize on the new housing recently constructed along Zeigler Street, in terms of quality, style and price levels. While a low-density multi-family use may be incorporated into this site, the potential for revitalization using this catalyst site will be tied closely to compatibility with surrounding housing. A high-density multi-family development would hinder the rehabilitation of this area and is not recommended.

Catalyst Site #5

This site is comprised of the area bound by Millwood Avenue to the west, Gervais Street to the south, and Lyon Street to the east. Catalyst Site 5 is depicted on the following map.



The total land area within this catalyst site is estimated to be roughly 1.0 – 1.5 acres. This site includes seven separate tax parcels. The physical attributes of this site include its frontage on two primary arteries and one secondary street. Its topography is level to gently sloping. This site is located at the corner of a heavily traveled intersection that marks the transition between the primarily commercial portion of the Gervais Street corridor and the primarily residential portion of Gervais Street.

Much of this catalyst site is already vacant, and the existing structures provide marginal utility to the site. This site provides an opportunity to develop a commercial use compatible with and benefiting the surrounding residential development. The development of this site could also be accomplished in conjunction with the mixed-use redevelopment of Catalyst Site 2, which is located diagonally across the Gervais and Millwood intersection from Catalyst Site 5.

Overall Ranking

The sites identified for potential acquisition and redevelopment are summarized in the following chart.

	Site #1	Site #2	Site #3	Site #4	Site #5
Size/Acres	16.5 - 18	25 – 30	3.5 – 4.0	3.5 – 3.75	1.0 – 1.5
# of Parcels to Acquire	4	190	29	26	7
Physical Attributes	Good	Good	Good	Good	Good
Residential Potential	Good	Good	Good	Good	Poor
Commercial Potential	Good	Limited	Limited	Poor	Good
Mixed-Use Potential	Good	Good	Limited	Limited	Poor
Overall Impact Potential	Good	Good	Good	Good	Average
Development Timing (Yrs.)	1 – 3	Long-term	1 - 3	1 – 3	1 – 3
Overall Rank	1st	2nd	4th	3rd	5th

Summary and Conclusion – Catalyst Sites

As previously noted, Cluster 1 is naturally divided into four distinct quarters that are influenced by different variables. As a result, a single catalyst site may impact only a portion of Cluster 1, while having no impact on an adjacent portion of the cluster. The catalyst sites were selected based on a variety of characteristics that suggest the redevelopment of each site would positively impact the surrounding portion of Cluster 1 over the long-term and spur future revitalization.

Site #1 clearly has the most potential to impact the character of the surrounding residential housing. It would allow for a mixed-use development incorporating commercial and residential uses that would be compatible with the adjacent hospital on the north side and the predominantly single-family neighborhoods on the east, west and south sides. Simply demolishing the Gonzales Gardens Apartments and the various other structures on this site will begin the process of rehabilitation in this area. Although a large percentage of residents may be displaced, it is important to note that the future revitalization of this portion of Cluster 1 precludes the redevelopment of another high-density multi-family development.

Site #2 will require a long-term, comprehensive redevelopment plan that must include:

- extensive demolition of sub-standard structures;
- the creation and/or enforcement of maintenance and design standards via municipal codes or neighborhood associations;
- uniformity of zoning requirements (potentially an overlay district); and
- improvement of neighborhood amenities, such as streets, common areas, lighting and infrastructure.

While a mixed-use development utilizing commercial and residential development is feasible, the focus of any rehabilitation plan in this catalyst site must be on the existing and proposed residential structures. Once the problems of the surrounding residential neighborhood are addressed, a natural revitalization is likely to occur among the properties fronting Millwood Avenue and Gervais Street.

Sites #3 and 4 are comprised of two adjacent city blocks of existing housing in varying states of decline. A redevelopment plan for these sites should be oriented toward single-family housing, with a limited amount of alternative low-density housing such as cluster homes, town homes or patio homes. The potential for commercial development of these sites is severely limited.

Site 5 has been included because it can be used to expand the redevelopment potential of the commercial components of Site 1. This site provides an opportunity to construct a commercial use compatible with the surrounding development. While this site may be the easiest to redevelop, the potential impact to the overall neighborhood is the lowest. The redevelopment of this site will have a more substantial impact, if accomplished in conjunction with Site 1.

SUMMARY AND CONCLUSION – CLUSTER 1

The identified market area is nestled between the central business district of Columbia, Five Points and the Forest Acres area. The transportation routes throughout the area are adequate to serve the current traffic volumes. The analysis of real estate market trends revealed some portions of this cluster are experiencing a market-based revitalization, while other portions have suffered a continuous and steep decline over several decades. The socio-economic influences of this cluster suggest the existing population base is unable to generate a market-based revitalization. The local population does not have the financial means to reverse the current decline of portions of Cluster 1 without extensive assistance from a variety of sources. Our analysis and inspections revealed five catalyst sites with potential for redevelopment to spur the long-term revitalization of this cluster.

CLUSTER 2

East Central City Consortium, Inc. Cluster 2



IDENTIFICATION OF CLUSTER 2

Cluster 2 is comprised of the area located between Forest Drive (SC 12) to the south, Two Notch Road (US 1) to the west, Covenant Road to the north, and numerous secondary streets to the east, including Devonshire Drive, St. Julian Place, Byrnes Drive, Harrison Road, Pinehurst Road, Midland Drive and Dubard Drive. Please refer to the preceding maps for a visual representation of the cluster boundaries as described above.

DEVELOPMENT TRENDS – CLUSTER 2

Overview

The existing development within Cluster 2 has generally occurred in pockets. For example, the development within the southwestern portion of this cluster is primarily associated with Providence Hospital and includes the hospital campus, numerous medical office buildings and elderly care facilities. The development on the southeast portion of the cluster incorporates a portion of the Middleburg Office Park and adjacent office buildings. On the north side of Providence Hospital is a very large tract of land on which Benedict College plans to construct The Leroy T. Walker Health and Wellness Center. A more detailed description of the amenities of this development will be included in the following paragraphs. The existing development within the central and northern portions of Cluster 2 is primarily comprised of single-family housing, with a minimal amount of multi-family housing interspersed throughout. Finally, the general commercial development within this cluster is located almost exclusively along the Two Notch Road corridor. The clear distinction between the various sections of this cluster and those varying uses has a positive impact on the existing development, and will aid in the rehabilitation of portions of the cluster.

Cluster 2 is serviced by two of the seven primary arteries previously identified within this report, i.e., Two Notch Road and Forest Drive. This cluster is also serviced by several secondary roads that act as connector routes between the

primary arteries and residential areas, i.e., Pinehurst Road, School House Road, and Harrison Road.

The existing commercial, residential and institutional development within this cluster is mostly compatible. While some of the existing structures have clearly declined over the past 20 years, the residents of this cluster have managed to maintain the integrity and appeal of most areas. Demand for both housing and commercial uses is apparent.

Commercial Development

As previously noted, the majority of existing general commercial development is located along Two Notch Road. There are also pockets of commercial development surrounding Providence Hospital and the Middleburg Office Park on the southern end of the neighborhood. The character of development in these areas is slightly different, so each will be discussed separately in the following paragraphs.

The commercial development surrounding Providence Hospital is comprised primarily of medical office or medically related uses, such as physician's offices, a pharmacy and elderly care facilities. The development surrounding the Middleburg Office Park is comprised of a mixture of medical and professional office facilities. Also located along Forest Drive are a limited amount of typical general commercial uses such as a fast food restaurant, a gas station, small retail centers, and a CVS drugstore.

New development along the Forest Drive corridor has been severely limited over the past decade. A CVS drugstore was constructed in the late 1990's and represents the only new commercial development on Forest Drive between Two Notch Road and Devonshire Drive over the past ten years. However, it is also noted that this area has been nearly 100% built up for decades. As a result, there have been few sites available for new development. The existing

commercial structures in this area have been reasonably well-maintained and are functional for their intended uses.

A limited amount of new development has occurred in recent years in the Middleburg Office Park, which has experienced an increase in demand for both existing office buildings and the remaining inventory of vacant lots. Within the past six years, at least one building has been substantially renovated and four new office buildings have been constructed. In addition, an assisted living facility was also constructed within this park.

The existing commercial development along the east side of Two Notch Road on the southern end between Providence Hospital and the proposed Leroy T. Walker Health and Wellness Center is comprised of automotive service facilities that are incompatible with the adjacent hospital campus and the new Benedict College wellness center. These facilities do not enhance the surrounding area and are approaching the end of their economic lives. The development along the east side of Two Notch Road north of the proposed Leroy T. Walker Health and Wellness Center is comprised of a variety of uses including, small offices, retail buildings, former single-family residences converted to commercial use, a restaurant, several automotive service garages, warehouses, a nightclub, a motel and a gas station. The vast majority of these structures were built over 30 years ago. Many have been converted for alternative uses; however, very few have been renovated or adequately maintained. Despite the fact that there is minimal vacancy within these structures, the dated and worn appearance of most buildings gives the impression of a commercial district in decline.

Other than the recent development undertaken by Benedict College, there has been no new development or substantial renovation of any structure along Two Notch Road between the Taylor Street/Forest Drive corridor and McFadden Street in over 15 years. The only exception is Anthony's Dairy Bar, which is located at the corner of Two Notch Road and Chestnut Street. The owner of this

property has upgraded the exterior of the building and the site improvements in recent years, which has resulted in a unique commercial property that is used to serve the surrounding residential population.

While the traffic volumes along Two Notch Road provide sufficient exposure to attract and support most types of general commercial development, the exposure along this corridor has not yet translated into significant demand for vacant sites and/or new development. The resistance to new development by potential investors is attributable to a variety of factors; the most important being a recognition that traffic volumes alone will not always spur revitalization of an area in a perceived decline.

Other factors include the competition provided by on-going new development in other more desirable areas and the proliferation of vacant and dilapidated buildings along Two Notch Road between Taylor Street/Forest Drive and McFadden Street. Many of these dilapidated and/or vacant buildings represent a deterrent for new development because they adversely impact the aesthetic image of the area. In addition, vacant and dilapidated structures tend to attract loitering, litter and vandalism.

Despite the overall image of decline along Two Notch Road, there are factors that positively influence the potential for commercial redevelopment. In addition to consistently strong traffic volumes, Cluster 2 is located in proximity to the central business district of Columbia, Forest Acres, three universities, three hospitals and a regional mall. Cluster 2 is also surrounded by a dense and stable population base with relatively high above average income levels. The impact of these various factors would be overwhelmingly positive for Cluster 2, if incorporated into a redevelopment effort for this area.

Any redevelopment along the Two Notch Road corridor must be compatible with the surrounding residential development in order to succeed over the long term.

Despite the fact that a commercial development fronting Two Notch Road will benefit from the substantial exposure to vehicular traffic, any commercial development along this particular stretch of the corridor must be oriented toward providing services and support to the surrounding population base in order to meet the test of compatibility and feasibility within the neighborhood. In other words, national or regional retailers would be less successful in a location along this corridor than a business with ties to the community. An excellent example is the success of Anthony's Dairy Bar, as compared to the recently closed Burger King located on Two Notch Road at Beltline Boulevard. While national and regional chain restaurants and retailers may feasibly operate in this area, they must provide products and services suited specifically to this community in order to survive.

Residential Development

The quality of existing residential development within Cluster 2 is fairly consistent in terms of overall design or architectural style, size and quality. The comparability of housing throughout the cluster will simplify the revitalization process.

The current supply of housing is comprised primarily of single-family dwellings, many of which appear to be owner-occupied. Also located within this area are a number of duplexes and apartment units containing three to ten units. The multi-family development within this quarter is minimal and mostly low-density, which has positively impacted the surrounding single-family development. The quality and size of single-family dwellings ranges considerably; however, the overall impression of the residential development is one of clear compatibility.

Based on our research, single-family residences in this area generally range in size from a low of 1,000 to a high of 2,500 square feet. The majority of houses in this area were built 40 - 50 years ago; however, our inspection of this area revealed recent construction of single-family housing on the northern end. The

continual construction of residential housing in this area is an indication of stable demand. Furthermore, the occupancy rate among existing dwelling units suggests demand for residential housing as well.

The single-family residences between Edgewood Avenue and Harrison Road represent the smallest houses in this area, and these homes appear to be in inferior condition overall, as compared to the single-family housing north of Harrison Road. The majority of low- and medium-density multi-family communities are concentrated between Edgewood Avenue and Harrison Road as well. Much of the multi-family housing in this area has been poorly maintained and is not compatible with the surrounding single-family development either in style, design or quality. As a result, the existing multi-family development has adversely impacted the single-family housing in the immediate vicinity. This area appears to be in decline.

The single-family housing located north of Harrison Road is in good condition overall. Most structures and yards appear to be well-maintained. There are a few low-density multi-family properties in this portion of Cluster 2; however, they represent a minimal amount of the total housing in this area. The existing multi-family housing is similar in style, design and quality as the surrounding single-family housing, which has resulted in a compatible mix of residential uses. The continued in-fill of new residential construction on the few remaining vacant lots within this area suggests continuing demand for housing in these neighborhoods. This area is basically stable. Although some structures require renovation, the area north of Harrison Road is not experiencing a decline. It is important to note that the slow decline of the residential development between Edgewood Avenue and Harrison Road will eventually impact the property values north of Harrison Road.

Institutional Development

There are several non-residential developments in Cluster 2 that positively impact the remainder of the cluster. The most notable include the Providence Hospital and Heart Institute on the southern end of this cluster, the proposed Leroy T. Walker Health and Wellness Center, which is being developed by Benedict College, and Pinehurst Park, located in the center of the cluster.

Providence Hospital and Heart Institute was established in 1938. Upon completion of the most recent expansion, the hospital will have 320 licensed beds and employ approximately 1,500 doctors, nurses, specialists and staff. The Heart Institute opened in 1974 and is equipped with six catheterization labs, four surgical suites and electrophysiology labs. The hospital also services a variety of specialties including: critical care, endoscopy, emergency care, general surgery, imaging services, maternity, ophthalmology, outpatient surgery, respiratory care and rehabilitation therapy. The hospital also has a Sleep Lab, which diagnoses and treats patients suffering from sleep apnea syndrome, narcolepsy, parasomnisa, REM behavior disorders, nocturnal seizures and other sleep disorders.

Benedict College was founded in 1870 under the auspices of the American Baptist Home Mission Society and was chartered as a liberal arts college by the South Carolina legislature on November 2, 1894. Degree programs are offered in Accounting, Business Administration, Economics/Finance, Education, Health/Physical Education/Recreation, Social Work, Fine Arts, English and Foreign Languages, Social Sciences and Criminal Justice, Biology and Physical Sciences, and Mathematics and Computer Science. Altogether, Benedict College offers 25 majors or degree programs for students. The college currently employs 484 full-time faculty and staff, 60 contract employees and serves 3,009 registered students.

Benedict College is currently implementing a \$42 million campus improvement plan, which includes several land acquisitions, the construction of an athletic complex, the construction of three residence halls, a parking garage and a campus center/dining hall, in addition to the renovation of several campus buildings. The proposed Leroy T. Walker Health and Wellness Center, which is currently under construction, and the Business Development Center, which was recently completed, are both located on Two Notch Road along the southern portion of the corridor. Both developments by Benedict College are expected to have a positive and long-term impact on the surrounding area.

The proposed Leroy T. Walker Health and Wellness Center will be developed in three phases over a five-year period. Only a portion of the initial stages of Phase 1 have been completed. The development of this site will be a long-term effort; therefore, the primary impact to this neighborhood will occur near the end of Phase III. The development plans include a 10,000-seat football stadium, softball and soccer fields, tennis courts, walking trails, and a natatorium, most of which will be available for public use. In addition, a portion of the site fronting Two Notch Road has been allocated for commercial development including a small, specialty retail center and a prospective hotel. The plans also include a limited amount of residential housing that will most likely be multi-family. The total cost of development is projected at \$30.5 million.

The Business Development Center is technically located in Cluster 4, but will positively impact the potential revitalization of Cluster 2. The center is essentially a 12,500 square foot business incubator that will provide various support services for new businesses in the area. Benedict College will sponsor seminars and workshops for small businesses to be held in the new facility. In addition, the business center is designed to house a variety of new business in leasable office space for up to two years. Suites can be configured in 500 and 1,200 square foot units. Up to 15 small businesses can be accommodated. The center will provide reception services, mail and communications services, and business

counseling for all tenants. The facility contains a breakroom/lounge, computer room, classrooms, and conference/meeting rooms that can be used by all tenants.

Benedict College is also actively pursuing other sites located in the immediate vicinity of the Business Development Center, including a few older warehouses and a vacant lot. The college hopes to redevelop the vacant site with a full-service restaurant. The warehouses will be used for storage and potential workshop space over the short-term. The warehouses will eventually be demolished in favor of new development compatible with student needs.

Pinehurst Park is located at the corner of School House Road and Pinehurst Road, near the center of Cluster 2. The park amenities include ball fields for a variety of sports, and a staffed, community center designed for multi-purpose use. The park hosts organized sports, community service courses and community gatherings.

Also located within Cluster 2 are St. Mark Baptist Church, the Columbia Christian Fellowship Church, and Watkins Elementary School.

Areas of Opportunity

Some of the existing commercial development fronting Two Notch Road on the east side between Chestnut Street to the south and Harrison Road to the north is incompatible with the surrounding residential development. In particular, the motel, package store and nightclub located between School House Road and Hughes Street represent barriers to revitalization. Both the dilapidated condition of these structures and their current uses will adversely impact any attempt to revitalize the surrounding area.

In addition, the residential development adjacent to the remaining commercial uses along Two Notch Road have not been adequately buffered from those

properties. The installation of an adequate buffer zone between these uses will enhance the appeal of both property types.

Summary and Conclusion – Development Trends

The potential for revitalization of both residential and commercial development within Cluster 2 is reasonably high. Cluster 2 benefits from the access and exposure provided by two, heavily traveled primary arteries, i.e., Forest Drive and Two Notch Road. Furthermore, Cluster 2 is strategically located between a major employment center to the west (Columbia CBD), and a dense, stable and relatively wealthy population base to the east (Forest Acres). Cluster 2 is also in proximity to three hospitals, three universities and a regional mall. The employees, students, patients and customers of those various entities provide significant demand for commercial uses that serve their needs and good-quality housing.

The majority of housing in Cluster 2 is stable. In the northern section, new construction continues on the few remaining vacant lots; however, much of the housing between Edgewood Avenue and Harrison Road is suffering a decline. Some of the on-going decline is the result of incompatible multi-family developments within this area. In addition, incompatible commercial uses along Two Notch Road have adversely impacted the probability of a market-driving revitalization.

Our research indicates there are approximately 882 individual parcels within Cluster 2. Of the existing structures, 43 require immediate demolition because they are either uninhabitable, or the cost to rehabilitate exceeds any potential value to be generated. Another 28 buildings require either immediate demolition or substantial rehabilitation. A total of 231 parcels contain buildings and site improvements in need of minor cosmetic renovation.

The long-term success of any revitalization effort will require a layered approach to be implemented concurrently by ECCC members and residents. For example, in addition to the aggressive enforcement of current building and use codes by the City of Columbia, many of the Cluster 2 neighborhoods would benefit from the implementation of typical covenants, conditions and restrictions of a property owners association. In addition, a redevelopment plan for Cluster 2 should ensure consistent zoning classifications are applied to facilitate private investors/developers as they begin to participate in the revitalization. A zoning overlay district or the implementation of more uniform zoning classifications would benefit the residential districts.

DEMOGRAPHIC ANALYSIS – CLUSTER 2

In order to determine what types of development may be best suited for Cluster 2, an analysis of the general demographics of the area is necessary. We have researched and reviewed various statistics regarding the population, age groupings, income levels, education levels, and housing trends. The analysis and resulting conclusions are discussed in detail in the following paragraphs, and are based upon information obtained directly from the U.S. Census Bureau, the Central Midlands Council of Governments and Claritas, Inc.

Population and Household Trends

In 2000, the total population within the market area was reported to be 2,222 persons, which represented a marginal decrease of 3.19% from the 2,295 reported in the 1990 U.S. Census. Between 2000 and 2008, the overall population is projected to decrease consistently each year to a low of 2,065 in 2008. The overall decrease in population totals 7.07%. Historical and projected population trends for the identified market area are summarized in the following chart.

POPULATION TRENDS

2008 Projection	2,065
2003 Estimate	2,162
2000 Census	2,222
1990 Census	2,295
<hr/>	
1990 – 2000 Total Growth	-3.18%
Annual Average	-0.32%

Source: U.S. Bureau of Census and Claritas, Inc.

Conversely, the number of households in this area increased between 1990 and 2000. In fact, the increase in number of households has occurred at nearly the same pace as the decrease in population. Historical household trends are summarized in the following chart.

HOUSEHOLD TRENDS

2008 Projection	849
2003 Estimate	854
2000 Census	856
1990 Census	805
<hr/>	
1990 – 2000 Total Growth	6.34%
Annual Average	0.63%

Source: U.S. Bureau of Census and Claritas, Inc.

Between 1990 and 2000, the total number of households increased by 51 or 6.34%. However, between 2000 and 2008 the number of households is expected to decrease by seven households, or 0.82%.

The minimal decrease in population over the past decade, combined with similar increases in number of households reflects overall stability within Cluster 2. While some residential areas have suffered a moderate decline, the overall quality of available housing and neighborhood amenities is sufficient to maintain the population base. The inspection of this cluster did not reveal a significant amount of recent residential construction; however, the area is nearly 100% built-up. Since the quality of existing residential properties is reasonably high, the opportunity to construct new housing in this cluster has been limited. As a result, the lack of new construction does not reflect negatively on the demand for housing in this area.

The potential stability of a population base can also be measured by the percentage of housing units that are owner-occupied versus renter-occupied. A higher percentage of owner-occupied housing units is usually indicative of a stable population base, while a higher percentage of renter-occupied housing units tends to indicate a more transient population base. Occupancy in housing units within the market area is summarized in the following chart.

OCCUPIED HOUSING UNITS

2000 Total Occupied Housing Units	1,249
Owner Occupied	49.42%
Renter Occupied	50.58%
<hr/>	
Average # Persons Per HH	2.18

Source: U.S. Bureau of Census and Claritas, Inc.

Within Cluster 2, the percentage of owner- versus renter-occupied housing units is nearly equal, which supports the previous indications of a stable population base. It is noted that there are few multi-family properties within Cluster 2, which has bolstered the percentage of renter-occupied housing units; however, these statistics also suggest most single-family residences in this area are owner-occupied. The current quality and condition of single-family housing in Cluster 2 is directly attributable to the percentage of owner-occupancy. Owner-occupied housing units tend to be maintained to a higher degree than rental units.

Of the total households within the market area, 24.18% are occupied by a married couple with or without children. Another 54.91% are occupied by a single female head of household, with or without children. Of the total households, only 14.95% are occupied by a single mother or female with children. Typically, single mothers with children are one of the population groups least likely to own their own homes. Most often, this is due to financial limitations. The fact that less than 15% of the current households in this market are comprised of single mothers with children has clearly impacted the percentage of owner-occupied housing units.

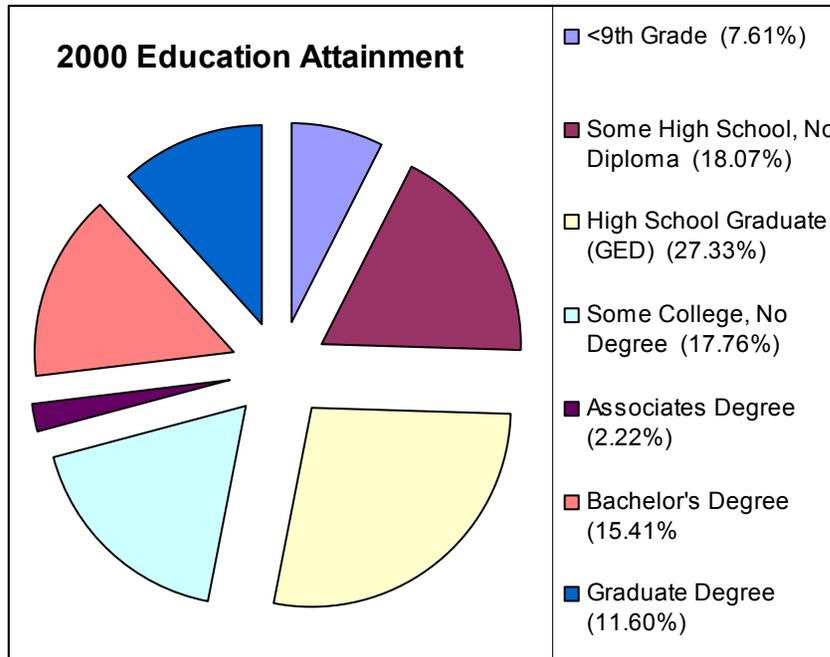
Other destabilizing factors include a low number of family-occupied households, a low percentage of households with two people or less, and a low percentage of households with children under the age of 18. In particular, households occupied by a family of more than two people, and which contains children under the age of 18 are likely to be more stable and less transient. Within the identified market

area, the percentage of family versus non-family households was nearly evenly split. A total of 50.93% of households were classified as family households, compared to the 49.18% classified as non-family. A substantial 41.94% of all households are occupied by one person and another 28.97% of all households are occupied by two people. Households containing two people or less comprise 70.91% of all households in this market. Only 25.82% of all households have children under the age of 18 in residence, while 74.31% of households reported no children under the age of 18. These statistics would suggest a more transient population base; however, age related factors appear to have stabilized this population.

Within Cluster 1, a total of 51.24% of the population are between the ages of 18 and 64, indicating that the majority of the existing population base represents the eligible workforce in this area. A total of 18.73% of the population is under the age of 17, and the remaining 30.03% of the population is 65 years or older. The median age is 44.72 years, and the average age is 46.27 years. A population base with a significant percentage of elderly residents and/or one with a median age over 40 years tends to be less transient and more stable. An older population typically has a higher frequency of home ownership.

Education and Employment Related Statistics

The level of education attained by a population will directly impact the quality of employment, income level, and standard of living that can be achieved by the population.



In Cluster 2, 25.68% of the current population over the age of 25 years has not earned a high school diploma or GED. The remaining 74.32% of the population has a high school diploma or GED. Of the total

population, 17.76% have attended college courses, but did not obtain a degree of any kind. Another 29.23% has earned a college degree, i.e., Associates, Bachelor's, Master's or Doctorate degree.

The percentage of population without a high school diploma or GED is considerable and has adversely impacted the household income and per capita income levels achieved within Cluster 2; however, it is interesting to note that a higher percentage of adults have earned a college degree than those who have not earned a high school diploma. This statistic suggests the base population within Cluster 2 has a significant earning potential that will enable residents to assist in the revitalization process.

Within Cluster 2, the population over the age of 16 that were reported to be unemployed was 24.43%. Another 32.13% of the population over the age of 16 was not in the labor force. That group includes retired individuals and students. The percentage of unemployed in this area is substantially higher than Richland and Lexington Counties, the state and the nation. The reported unemployment rate appears to be skewed by the number of elderly residents who do not

maintain full-time employment, but are also not retired. This data is not considered a realistic reflection of unemployment in Cluster 2.

A total of 67.05% of the households reportedly have between one and two vehicles. Only 22.90% of the reported households do not have a vehicle of any kind. As a result, 10.44% either rely on public transportation or walk to work. The remaining employed population relied on other methods of transportation such as car pooling or riding a bicycle. These statistics indicate the local population is not limited in terms of transportation, which enhances employment opportunities.

Property Values and Household Income Trends

There are a reported 950 housing units within Cluster 2 and 856 households, indicating an overall occupancy rate of 90.11% for all housing types. Of the total housing units, 52.32% represent single-family residential properties. The remaining 47.68% represent multi-family properties with two or more attached units. Nearly 84% of all existing housing units were built before 1980. Owner-occupied property values are summarized in the following chart.

OWNER-OCCUPIED PROPERTY VALUES

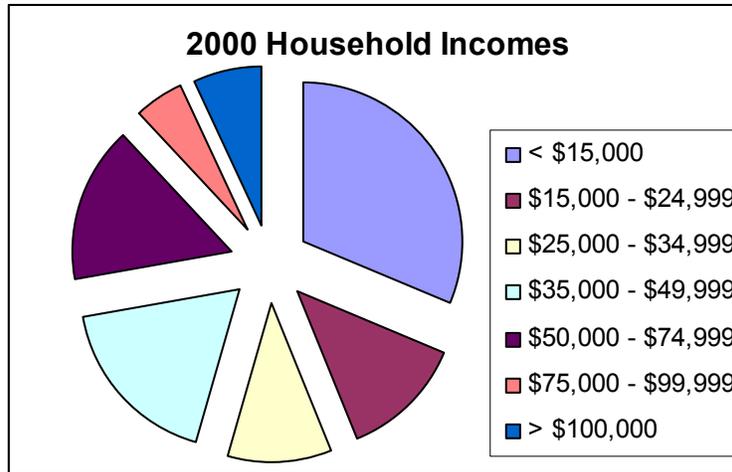
Under \$20,000	7.60%
\$20,000 - \$59,999	13.83%
\$60,000 – \$79,999	27.42%
\$80,000 - \$99,999	21.89%
\$100,000 - \$149,999	19.82%
\$150,000 - \$199,999	7.14%
\$200,000 +	2.30%

Median Property Value	\$81,146
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Source: U.S. Bureau of Census and Claritas, Inc.

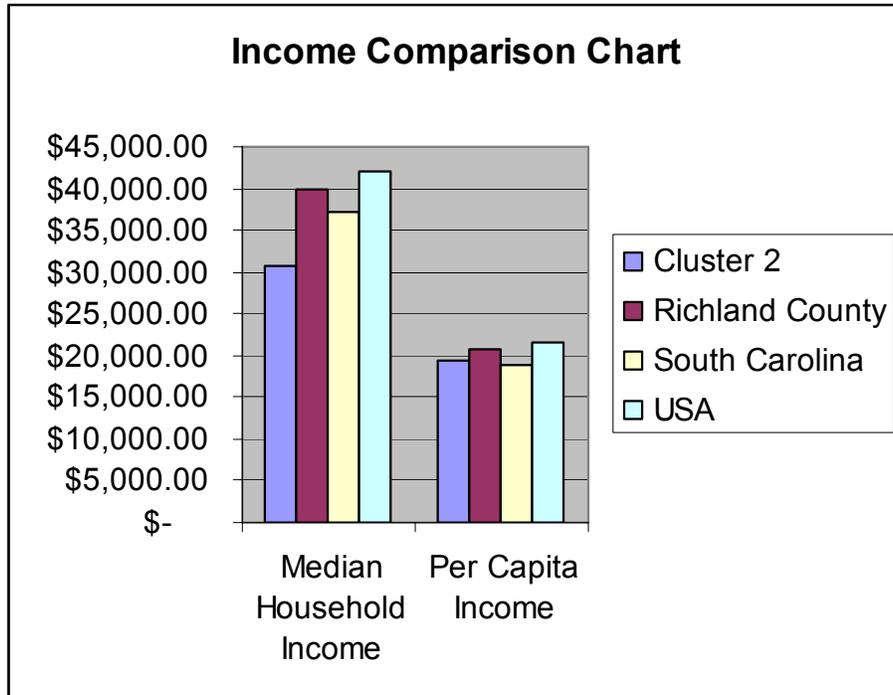
According to the U.S. Census Bureau, 44.06% of the households within Cluster 2 reported a household income between \$25,000 and \$74,999 in 2000. Another

12.01% of households reported incomes over \$75,000, while the remaining households (43.94%) reported incomes under \$25,000. Of the household incomes under \$25,000, 31.35% reported household income levels under \$15,000. The range of household income levels is illustrated in the following chart.



These statistics indicate a large portion of the population base is poverty-stricken. In 2000, 35.83% of the population within Cluster 2 generated incomes below the poverty level. Only 64.17% of the population generated incomes over the poverty level. The largest percentage of population below the poverty level was comprised of female householders, with or without children. The largest percentage of population above the poverty level was comprised of married couples, with or without children.

The reported income levels for Cluster 2 are compared to income levels reported for Richland County, the state, and the nation in the following chart.



The average household income in Cluster 2 in 2000 was reported to be \$46,969. The median household income was reported to be \$30,707. The per capita income was reported to be \$19,458.

As noted in the preceding chart, the median household income level reported in Cluster 2 is slightly below the levels reported for Richland County, the state and the nation. Yet, the per capita income levels in Cluster 2 compare favorably to those reported for Richland County, the state and the nation. These statistics indicate most residents of Cluster 2 are maintaining an average standard of living as compared to the greater Columbia area overall. Yet, not all residents have fared as well, as illustrated by the significant percentage of population living under the poverty level. The income earning potential of current residents is sufficient to maintain portions of the residential development within Cluster 2; however, those residents struggling financially will be unable to contribute to the long-term maintenance of the neighborhood without assistance from a variety of sources. As many properties continue to decline, the residents of this cluster would be unable to spur a market-driven revitalization. The rehabilitation of

portions of this cluster will require a revitalization plan that includes a variety of housing opportunities within a broad range of pricing options to serve the needs of both the existing population base and the future influx of new residents.

Summary and Conclusion – Demographic Analysis

Cluster 2 has been positively impacted by several factors including:

- a mostly stable population base which has resulted in relatively consistent population and household statistics;
- a large percentage of population with a college degree;
- a large percentage of owner-occupied households;
- a mature population base with a large percentage of elderly;
- a relatively small percentage of population dependent on public transportation.

Cluster 2 has been negatively impacted by the following factors:

- a large percentage of population without a high school diploma or GED;
- a significant percentage of households earning less than \$25,000 per year; and,
- a large percentage of unemployed adults.

The socio-economic influences of this Cluster suggest the existing population base is unable to generate a market-based revitalization. Furthermore, the local population does not have the financial means to reverse the current decline of portions of Cluster 1 without assistance. Yet, the demographics of this cluster suggest local residents are in a position to capitalize on a revitalization plan. A minimal investment from ECCC would be required to generate a substantial revitalization within this cluster.

CATALYST SITES – CLUSTER 2

The purpose of the preceding analysis is to identify the positive and negative real estate market trends and socio-economic factors that impact the potential for revitalization of each cluster. In light of those variables, potential catalyst sites must be identified within each cluster, which could be utilized to spur revitalization and future private development. The potential catalyst sites within Cluster 2 are identified and described in the following paragraphs.

Selection Criteria

As noted previously, the East Central City Consortium, Inc. is committed to enhancing the existing residential housing and providing, or encouraging the private development of, additional housing opportunities in each of the clusters. While many of the potential catalyst sites may provide an opportunity for mixed-use developments, such as commercial and residential uses, the selection of potential catalyst sites will be oriented toward those sites providing maximum positive impact for the surrounding residential areas within each cluster.

In that regard, the selection criteria for a potential catalyst site included:

- primary and secondary access routes;
- compatibility of surrounding development;
- impact to existing development;
- potential for successful redevelopment; and
- long-term impact to neighborhood.

A potential catalyst site does not require direct access or visibility from a primary artery; however, adequate access is necessary. In addition, the type of access provided impacts the type of catalyst development to be considered.

Any potential catalyst development must be compatible with the surrounding development to ensure its future success. For example, proposed housing

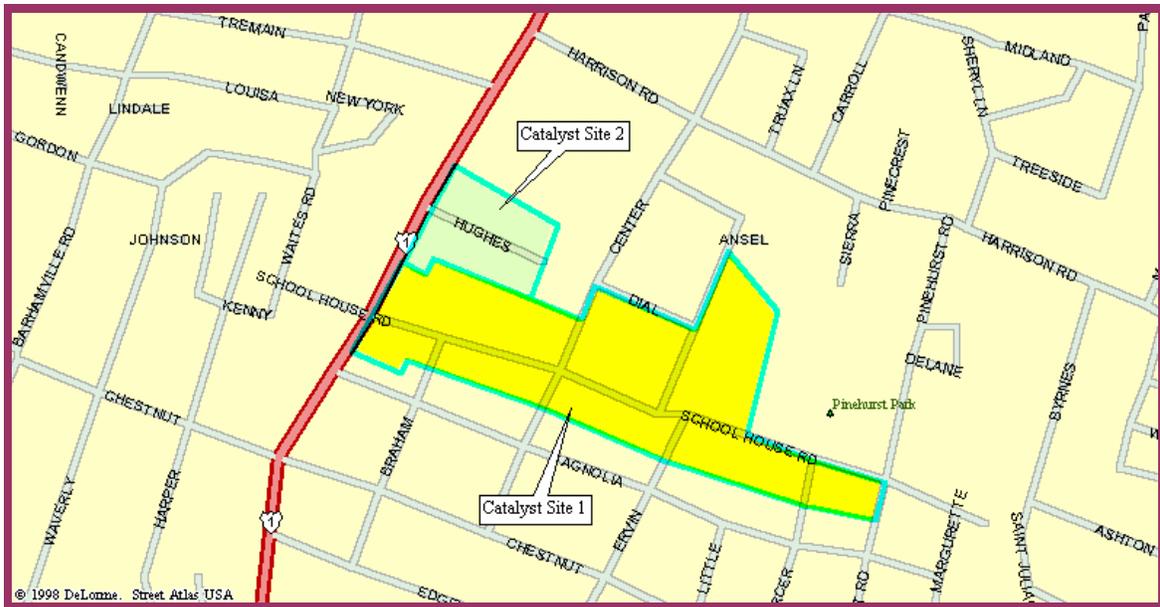
options must address the existing architectural elements of the surrounding neighborhood that create its unique character. Capitalizing on those traits will enhance the aesthetics of existing structures and ensure the acceptance and support of the neighborhood residents. In addition to design, the quality and density of housing must be compatible.

In selecting potential catalyst sites, the impact to existing structures must be minimized. The demolition of some structures is unavoidable; however, the demolition of meaningful structures within the neighborhood, such as churches and/or historic properties, should be avoided when possible. Every attempt should be made to incorporate those structures within a proposed redevelopment plan, as long as they do not hinder the potential success of the plan.

In selecting a catalyst site, the potential for both the success of a redevelopment effort on an individual site and the impact to the surrounding neighborhood must be considered. A catalyst redevelopment plan must accomplish more than simply replacing existing sub-standard structures or fill holes in the existing development. The success of a catalyst redevelopment requires a broader impact to the neighborhood at large. As a result, sites and potential developments are selected that have the highest potential to capitalize on current positive trends, enhance the surrounding area, and attract future private development.

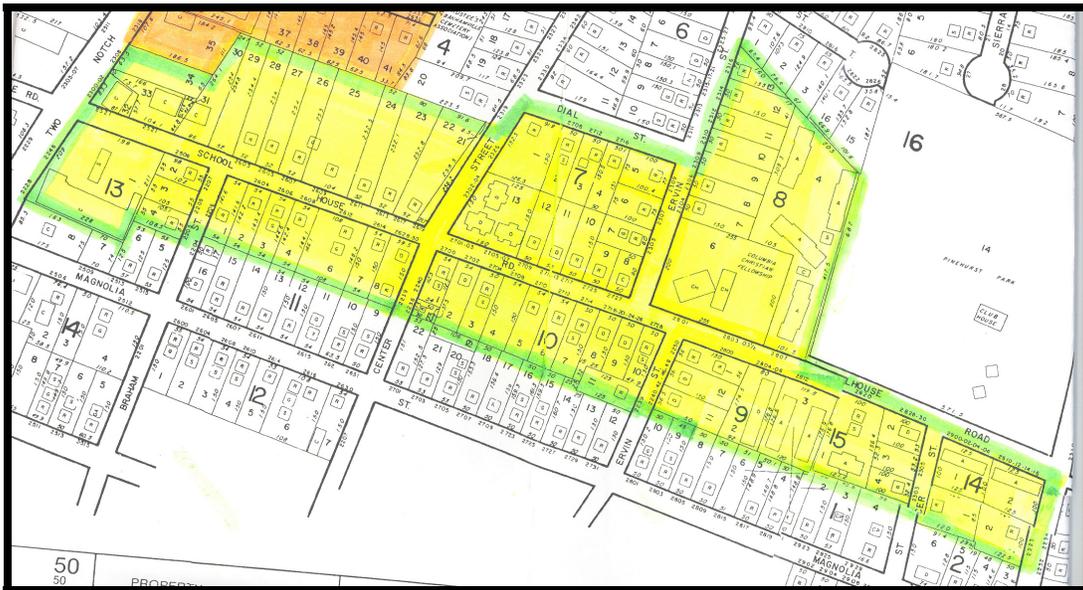
Identification of potential sites

Within Cluster 2, two potential catalyst sites have been identified and will be described in the following paragraphs. At the conclusion of this analysis, the catalyst sites will be compared and ranked. A map indicating the location of the potential catalyst sites has been included on the following page.



Catalyst Site #1

This site is comprised of the School House Road corridor between Two Notch Road to the west and Pinehurst Street to the east. Catalyst Site 1 is depicted on the following map in green and yellow.



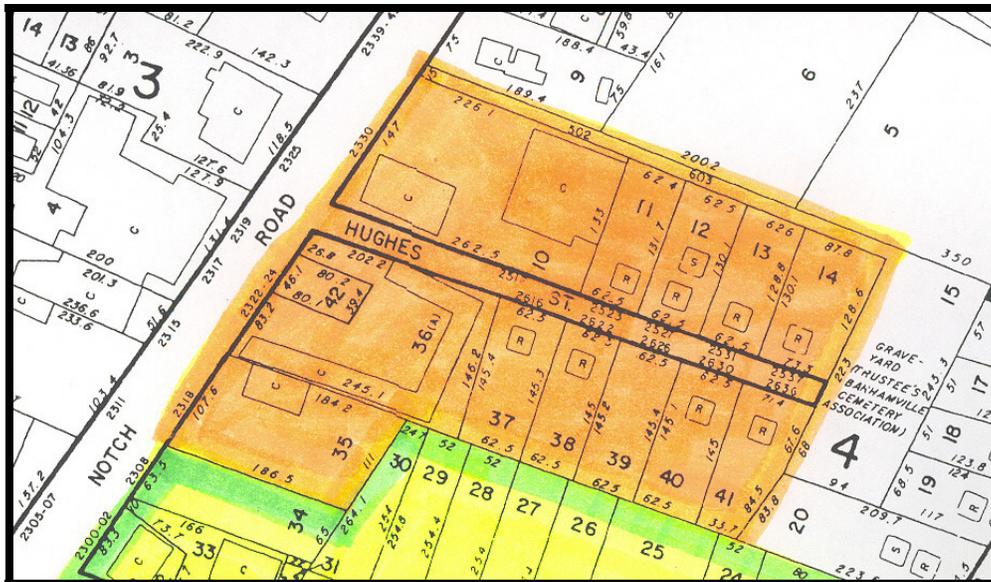
The total land area within this catalyst site is estimated to be roughly 17.5 – 20.0 acres. This site includes 67 separate tax parcels. The physical attributes of this

site include its frontage on one primary artery, two connector streets and four residential streets. The site is mostly level and at the grade of each road. This site is directly across the street from Pinehurst Park and within walking distance of the proposed Leroy T. Walker Health and Wellness Center, and the Benedict College Business Development Center, which was recently completed.

This site has primarily been developed with single-family residences, duplexes and apartment buildings. These structures have fallen into disrepair and are not compatible with the predominantly single-family character of the surrounding neighborhood. The rehabilitation of this site should be focused on single-family or low-density multi-family housing. This site is also suitable for housing for the elderly.

Catalyst Site #2

This site is comprised of the sites fronting Hughes Road and is bound by Two Notch Road to the west. Hughes Road is a lightly traveled residential street that extends between Two Notch Road to the west and terminates at Brahamville Cemetery to the east. Catalyst Site 5 is depicted in orange on the following map.



The total land area within this catalyst site is estimated to be roughly 3.5 – 4.0 acres. This site includes 13 separate tax parcels. The physical attributes of this site include its frontage on one primary artery and one residential street. The topography of this site is gently sloping. This site is within walking distance of Pinehurst Park, the proposed Leroy T. Walker Health and Wellness Center, and the Benedict College Business Development Center, which was recently completed.

This site has been developed with commercial buildings at Two Notch Road and a collection of single-family residences along Hughes Road. The commercial buildings are not compatible with the adjacent residential development, and a buffer between them has not been maintained. These commercial buildings reflect poorly on the surrounding residential housing. The remaining housing within this area exhibits obvious signs of physical decline and many require demolition or substantial renovation.

This site has been physically separated from the surrounding residential development along School House Road and Center Street by the Brahamville Cemetery and the fact that Hughes Street does not connect with any other residential street. As a result, any revitalization that occurs in the adjacent neighborhood will not impact the residential development on Hughes Street. The redevelopment of the Hughes Street corridor provides several opportunities. First, the demolition of several unsightly commercial buildings that have previously represented a barrier to new development can be accomplished. The commercial development fronting Two Notch Road within this catalyst site includes an old motel, a package store and a nightclub. These uses are not compatible with a revitalization of the nearby residential development on either side of Two Notch Road, but in particular within Cluster 2. Second, Catalyst Site 5 provides an opportunity to provide alternative housing within Cluster 2 that will not detract from the predominantly single-family character of the area. Such alternatives would include town homes, patio homes, or medium density

apartments. By placing the higher density housing along Hughes Road, the single-family residential development to the east is insulated by compatible uses and is not subjected to the higher traffic volumes normally associated with high-density developments.

Overall Ranking

The sites identified for potential acquisition and redevelopment are summarized in the following chart.

	Site #1	Site #2
Size/Acres	17.5 – 20	3.5 – 4.0
# of Parcels to Acquire	67	13
Physical Attributes	Good	Good
Residential Potential	Good	Poor
Commercial Potential	Poor	Limited
Mixed-Use Potential	Good	Good
Overall Impact Potential	Good	Average
Development Timing (Yrs.)	1 – 3	1 – 3
Overall Rank	1st	2nd

Summary and Conclusion – Catalyst Sites

As previously noted, the central portion of Cluster 2 requires the most attention in terms of rehabilitation efforts. As a result, the selected catalyst sites are clustered near the center of this area. The catalyst sites were selected based on a variety of characteristics that suggest the redevelopment of each site would positively impact the surrounding portion of Cluster 2 over the long-term and spur future revitalization.

Sites #1 borders Pinehurst Park and extends west to Two Notch Road. The location adjacent to the park is desirable within this neighborhood and would provide an enhancement to a catalyst development. This site is currently

developed with residential housing that is not compatible with the surrounding single-family character of the neighborhood. Furthermore, many of the existing properties are in advanced stages of physical decline. This site represents the primary entry into the surrounding residential neighborhood. The commercial structures fronting Two Notch Road are not compatible with the adjacent residential development and have acted as a barrier to revitalization. In addition, much of the housing along this portion of the School House Road corridor is in need of demolition or substantial renovation. The redevelopment of this portion of School House Road would provide an immediate enhancement to the remainder of the neighborhood, as long-term redevelopment occurs.

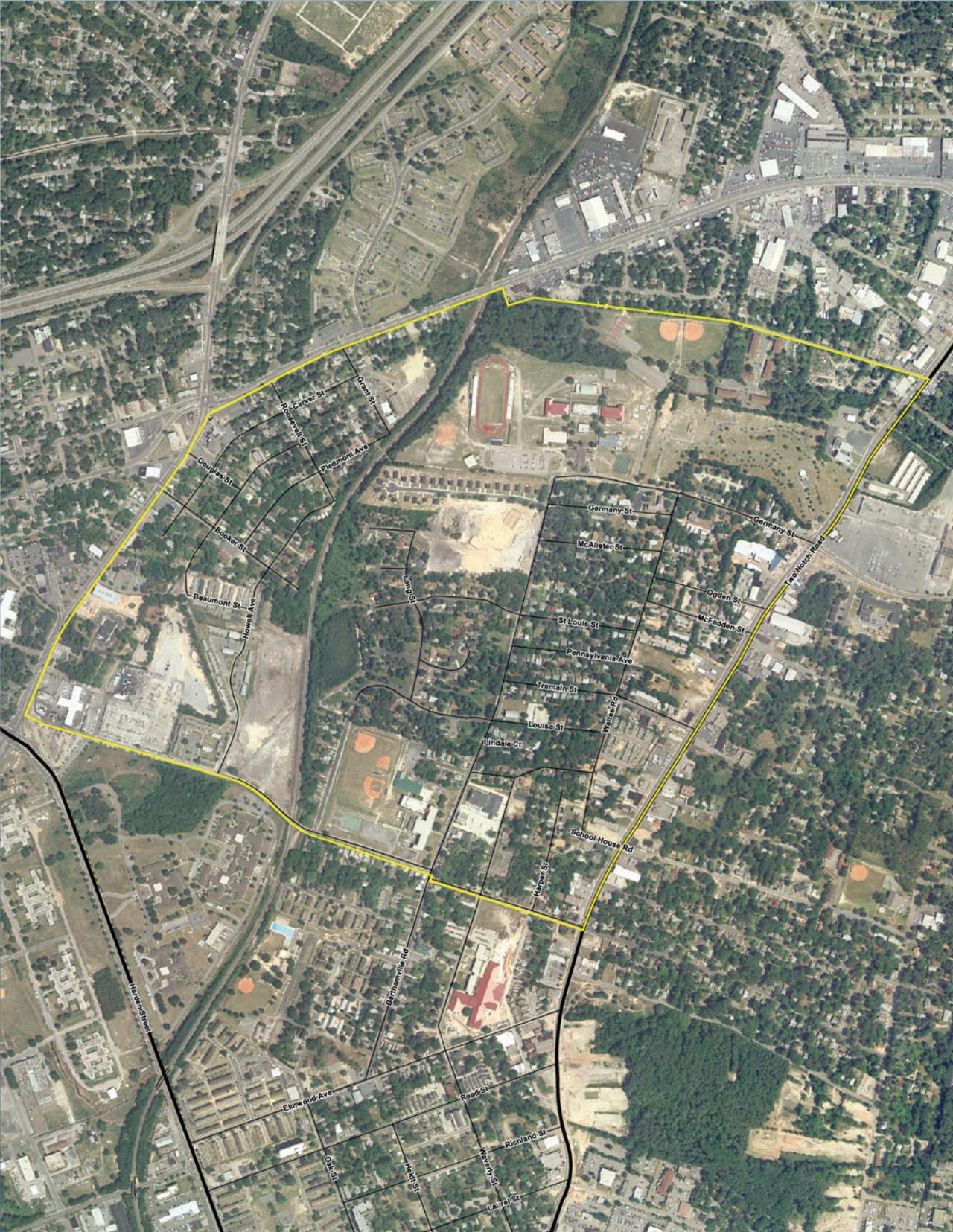
Site #2 has been separated from the remainder of the neighborhood by natural barriers. Without a separate redevelopment effort focused specifically along Hughes Street, the commercial and residential development is unlikely to revitalize. In fact, until the commercial development within this catalyst site is demolished, any revitalization effort on either side of Two Notch Road will be hampered. The existing commercial structures and uses are incompatible with the rehabilitation of Cluster 2. In addition, the insulated character of the Hughes Street corridor will permit the placement of higher density housing into Cluster 2, without adversely impacting the surrounding area.

SUMMARY AND CONCLUSION – CLUSTER 2

The identified market area is adjacent to the Forest Acres area and benefits from the long-term investments of two institutions, i.e., Providence Hospital and Benedict College. The transportation routes throughout the area are adequate to serve the current traffic volumes. The analysis of real estate market trends revealed portions of this cluster have managed to maintain good-quality housing, while other portions have suffered a continuous decline over several decades. In particular, the commercial development along Two Notch Road on the northern end of the corridor adversely impacts the adjacent residential neighborhoods. The socio-economic influences of this cluster suggest the existing population base is unable to generate a market-based revitalization without assistance; however, the demographics also suggest the residents of this cluster do have the financial means and stability to capitalize on a rehabilitation effort relatively quickly. Our analysis and inspections revealed two catalyst sites with potential for redevelopment to spur the long-term revitalization of this cluster.

CLUSTER 3

East Central City Consortium, Inc. Cluster 3



IDENTIFICATION OF CLUSTER 3

Cluster 3 is comprised of the area located between Slighs Avenue/Chestnut Street to the south, Farrow Road/Beltline Boulevard to the northwest Carnegie Street to the northeast, and Two Notch Road to the east. Please refer to the preceding maps for a visual representation of the cluster boundaries as described above.

DEVELOPMENT TRENDS – CLUSTER 3

Overview

Cluster 3 is essentially divided into two sections by an elevated railroad line. While the uses in both sections are very similar, the development on the west side of the rail line is not directly influenced by the development on the east side of the rail line. As a result, the development on both sides of this rail line will be addressed separately in the forthcoming analysis. At the conclusion of the market and socio-demographic analyses, catalyst sites in both sections will be selected and analyzed.

Cluster 3 is serviced by three of the seven primary arteries previously identified within this report, i.e., Farrow Road, Beltline Boulevard, and Two Notch Road. This cluster is also serviced by two secondary roads that act as connector routes between the primary arteries and residential areas, i.e., Barhamville Road and Chestnut Street/Slighs Avenue.

The existing residential and institutional development within this cluster is mostly compatible and complementary; however, the existing commercial development detracts from much of the adjacent residential housing and has adversely impacted those areas. Demand for housing remains strong in this cluster; however, the demand for commercial uses has declined over the past two decades.

Commercial Development

The majority of existing general commercial development is located along the Two Notch Road, Beltline Boulevard and Farrow Road corridors. The existing commercial development along the west side of Two Notch Road between Chestnut and Carnegie Streets is primarily comprised of a mix of uses including automotive service garages, retail/warehouses, an elderly housing community, small office buildings, a group home, a gas station, and a night club.

The existing commercial development along the south side of Beltline Boulevard between the rail line and Farrow Road includes a small retail center, numerous retail buildings, and automotive service garages. Interspersed throughout this commercial development are a number of older, single-family residences. Although some have been converted to commercial use, most remain residential. Just east of the rail line, there are several automobile dealerships for new and used vehicles. This portion of Beltline Boulevard is commonly known as a “motor mile” in the Columbia market.

The existing commercial development along the east side of Farrow Road between Harden Street and Beltline Boulevard is similar to that along Beltline Boulevard, but also includes two new medical office buildings. In addition, three new medically related facilities have been built on a small cul-de-sac on the southern end of Farrow Road at Adams Grove Road. The impetus of this relatively new medical office construction is Palmetto Richland Memorial Hospital, which is located just north of Cluster 3 on Harden Street Extension.

There are numerous vacant and dilapidated buildings along all three corridors. The vast majority of existing commercial structures were built over 30 years ago. Many have been converted for alternative uses; however, very few have been renovated or adequately maintained. The dated and worn appearance of most buildings gives the impression of a commercial district in decline.

There has been relatively little new commercial development along any of the three primary arteries in recent years. Other than the proliferation of medical office buildings in proximity to Palmetto Richland Memorial Hospital, most commercial activity has been oriented toward renovation of a few buildings for alternative use.

While the traffic volumes along all three primary arteries provide sufficient exposure to attract and support most types of general commercial development, this exposure has not yet translated into significant demand for vacant sites and/or new development. The resistance to new development by potential investors is attributable to a variety of factors; the most important being a recognition that traffic volumes alone will not always spur revitalization of an area in a perceived decline.

Other factors include the competition provided by on-going new development in other more desirable areas and the proliferation of vacant and dilapidated buildings. Many of these dilapidated and/or vacant buildings represent a deterrent for new development because they adversely impact the aesthetic image of the area. In addition, vacant and dilapidated structures tend to attract loitering, litter and vandalism.

Another problem is the increasing number of commercial uses that are incompatible with the surrounding residential development, such as night clubs and adult entertainment facilities. Most of the existing commercial development has not been required to maintain suitable setback and buffering from adjacent residential areas. As a result, the lack of setback and buffering has adversely impacted both residential and commercial uses.

Despite the overall image of decline along the primary arteries, there are factors that positively influence the potential for commercial redevelopment. In addition to consistently strong traffic volumes, Cluster 3 is located in proximity to the

central business district of Columbia, three universities, three hospitals and a regional mall.

Any future commercial redevelopment along the Two Notch Road, Beltline Boulevard and Farrow Road corridors must be compatible with the surrounding residential development in order to succeed over the long term. Despite the fact that a commercial development fronting these arteries will benefit from the substantial exposure to vehicular traffic, any commercial development along this particular stretch of the corridor must be oriented toward providing services and support to the surrounding population base in order to meet the test of compatibility and feasibility within the neighborhood.

Residential Development

The quality of existing residential development within Cluster 3 varies significantly in terms of overall design or architectural style, size and quality. While pockets of existing residential development have been well maintained, other areas have suffered a decline over the past 20 years. Not surprisingly, the residential properties experiencing the worst decline tend to be adjacent to incompatible commercial development. As previously noted, Cluster 3 is naturally divided by an elevated railroad line. The housing on each side of the rail line will be addressed separately in the following paragraphs.

On the west side of Cluster 3, the existing residential housing includes a mix of single-family and high-density multi-family properties. On southern end, there are two large apartment complexes. The Palmetto Terrace Apartments are several years old and require substantial renovation, but do not adversely impact the surrounding area. The smaller apartments to the north are in poor condition and are not compatible with the adjacent single-family neighborhood. The remaining residential development on the northern portion of this side of Cluster 3 is predominantly single-family residences, many of which appear to be owner-occupied.

These houses generally range in size from a low of 800 to a high of 1,500 square feet. The majority were built 30 - 50 years ago and are in need of renovation. These homes tend to be ranch style houses on relatively small lots. Although the housing north of Booker Street appears to be in a declining state, it is clearly compatible. Our research and inspections revealed no new construction of housing in this area for many years. Despite the declining condition of most houses in this area, demand appears high, as few vacancies were noted.

On the eastern side of Cluster 3, the existing housing includes a mixture of older single-family residences, new single-family subdivisions and low-density multi-family apartments. Most of the older single-family housing is clustered in the central portion of this area between Louisa Street to the south and Germany Street to the north; and between the elevated rail line to the west and Waites Road to the east. The existing residential development on the western end of this identified area is stable in has been well maintained by residents. These houses tend to be consistent in design, quality and condition. They range in size between 1,000 to 1,800 square feet and were built approximately 35 years ago.

To the east, the existing residential properties begin to decline in physical condition of the structures, the site improvements and landscaping. While the average size and age of these homes are similar to those on the western end, they have simply not been maintained to the same degree.

The majority of the low-density multi-family housing on the eastern end of this portion of Cluster 3 is older, and in poor condition. The design, quality and condition of these properties have adversely impacted the adjacent single-family neighborhoods, as they are clearly not compatible. In fact, many of these multi-family properties have reached the end of their economic lives and should be demolished. In addition, the single-family residential development east of Waites Street and along Carnegie Street is in poor condition and represents a barrier to rehabilitation of the remaining area. A successful redevelopment plan for Cluster

3 must address the severe decline of this housing and its impact on the surrounding area.

In light of the apparent demand for residential housing in Cluster 3, the potential for successful revitalization is relatively high. The success of two new subdivisions in the central and northern portions of this cluster suggests reasonable opportunity for rehabilitation of other areas.

Institutional Development

There are several non-residential developments within Cluster 3, which have positively impacted the area over time. They include: the new City of Columbia Driving Range, the T.S. Martin Park, the E.B. Sessions Park, C.A. Johnson Preparatory Academy, the W.A. Perry Middle School and the new Watkins-Nance Elementary School. The former Sara Nance Elementary School has been converted into a neighborhood cultural and community center for the arts. In addition, there are nine churches in this cluster. Also located nearby is the Palmetto Richland Memorial Hospital, which enhances the existing development in Cluster 3 and is clearly driving demand for medically related development on the southwestern end of the cluster.

Areas of Opportunity

As previously noted, the majority of existing commercial structures and uses along the primary arteries, in particular Two Notch Road, are not compatible with the adjacent residential development and are likely to hinder potential revitalization efforts if not addressed within a comprehensive redevelopment plan. In addition, setback and buffer zones should be extended and enforced between commercial and residential development to protect the integrity of both uses.

Along Carnegie Street are a number of residential and commercial uses that diminish the surrounding residential development and provide a barrier to new

development. Most of these properties are located on the north side of Carnegie Street, outside the boundaries of Cluster 3. A successful plan to rehabilitate Cluster 3 must address the impact of these areas outside the cluster zone.

The adult entertainment facility located at the corner of Carnegie Street and Two Notch Road is incompatible with a revitalization of the adjacent residential district. While this use may be permitted on Two Notch Road, its location in this area will hinder attempts to rehabilitate the Carnegie Street corridor.

Summary and Conclusion – Development Trends

The potential for revitalization of both residential and commercial development within Cluster 3 is reasonably high. Cluster 3 benefits from the access and exposure provided by three, heavily traveled primary arteries, i.e., Farrow Road, Beltline Boulevard, and Two Notch Road. Furthermore, Cluster 3 is located in proximity to a major employment center to the west (Columbia CBD). Cluster 3 is also in proximity to three hospitals, three universities and a regional mall. The employees, students, patients and customers of those various entities provide significant demand for commercial uses that serve their needs and good-quality housing.

The majority of housing in Cluster 3 is stable. In the central and northern sections, there has been some new construction; however, most older homes have not been renovated. The result is the appearance of slow decline in most areas. The existence of inferior quality multi-family housing throughout the cluster has also adversely impacted the adjacent single-family development.

Our research indicates there are approximately 931 individual parcels within Cluster 3. Of the existing structures, 73 require immediate demolition because they are either uninhabitable, or the cost to rehabilitate exceeds any potential value to be generated. Another 30 buildings require either immediate demolition

or substantial rehabilitation. A total of 195 parcels contain buildings and site improvements in need of minor cosmetic renovation.

The long-term success of any revitalization effort will require a layered approach to be implemented concurrently by ECCC members and residents. For example, in addition to the aggressive enforcement of current building and use codes by the City of Columbia, many of the Cluster 3 neighborhoods would benefit from the implementation of typical covenants, conditions and restrictions of a property owners association. In addition, a redevelopment plan for Cluster 3 should ensure consistent zoning classifications are applied to facilitate private investors/developers as they begin to participate in the revitalization. A zoning overlay district or the implementation of more uniform zoning classifications would benefit the residential districts.

DEMOGRAPHIC ANALYSIS – CLUSTER 3

In order to determine what types of development may be best suited for Cluster 3, an analysis of the general demographics of the area is necessary. We have researched and reviewed various statistics regarding the population, age groupings, income levels, education levels, and housing trends. The analysis and resulting conclusions are discussed in detail in the following paragraphs, and are based upon information obtained directly from the U.S. Census Bureau, the Central Midlands Council of Governments and Claritas, Inc.

Population and Household Trends

In 2000, the total population within the market area was reported to be 2,311 persons, which represented a decrease of 27.71% from the 3,197 reported in the 1990 U.S. Census. Between 2000 and 2008, the overall population is projected to decrease consistently each year to a low of 1,924 in 2008. The overall decrease in population will be 16.75%. Historical and projected population trends for the identified market area are summarized in the following chart.

POPULATION TRENDS

2008 Projection	1,924
2003 Estimate	2,158
2000 Census	2,311
1990 Census	3,197

1990 – 2000 Total Growth	-27.71%
Annual Average	-2.77%

Source: U.S. Bureau of Census and Claritas, Inc.

The number of households in this area has also declined over the past 13 years. In fact, the decline in number of households has occurred at nearly the same rate as the population. Historical household trends are summarized in the following chart.

HOUSEHOLD TRENDS

2008 Projection	832
2003 Estimate	892
2000 Census	930
1990 Census	1,086
<hr/>	
1990 – 2000 Total Growth	-14.36%
Annual Average	-1.44%

Source: U.S. Bureau of Census and Claritas, Inc.

Between 1990 and 2000, the total number of households decreased by 156 or 14.36%. By 2008, the total number of households is expected to decrease by another 98 households, or 10.54%.

The consistent and relatively significant decreases in both population and number of households between 1990 and 2000 suggests a decline in demand for housing in this area. However, the former Jagger's Terrace Apartments were demolished in the late 1990's. The loss of this high-density, multi-family property may have skewed the census data to reflect a more significant loss in population and households. New single-family housing has been constructed in the T.S. Martin and Jagger's Plaza subdivisions, which probably has not been included in these census figures. The exclusion of those households would also skew future projections somewhat. Despite these considerations, the total population and number of households in Cluster 3 are declining. As the quality and condition of the available housing and neighborhood amenities have decreased over time, the demand for housing has decreased accordingly.

The potential stability of a population base can also be measured by the percentage of housing units that are owner-occupied versus renter-occupied. A higher percentage of owner-occupied housing units is usually indicative of a stable population base, while a higher percentage of renter-occupied housing

units tends to indicate a more transient population base. Occupancy in housing units within the market area is summarized in the following chart.

OCCUPIED HOUSING UNITS

2000 Total Occupied Housing Units	930
Owner Occupied	31.08%
Renter Occupied	69.82%
<hr/>	
Average # Persons Per HH	2.48

Source: U.S. Bureau of Census and Claritas, Inc.

Within Cluster 3, the percentage of renter-occupied housing units is significant at 69.82% of all housing units, indicating the existing population base is relatively transient and more likely to fluctuate over time. The transient nature of the local population has directly and adversely impacted the population growth rate over the past decade, and is likely to impact future growth rates as well. Normally, a high percentage of renter-occupants would be found in an area in which a significant number of the existing housing units are comprised of multi-family developments. This is clearly the case in Cluster 3. Despite the demolition of Jagger's Terrace Apartments, there are numerous multi-family properties scattered throughout Cluster 3. These properties vary in size and density. In addition, the quality and condition of a significant portion of the single-family residences located throughout the cluster suggest many are rental properties as well.

Of the total households within the market area, only 19.47% are occupied by a married couple with or without children. Another 60.32% is occupied by a single female head of household, with or without children. Of the total households, 28.60% are occupied by a single mother or female with children. Typically, single mothers with children are one of the population groups least likely to own their own homes. Most often, this is due to financial limitations. The fact that over 28% of the current households in this market are comprised of single

females with children has clearly impacted the percentage of owner-occupied housing units.

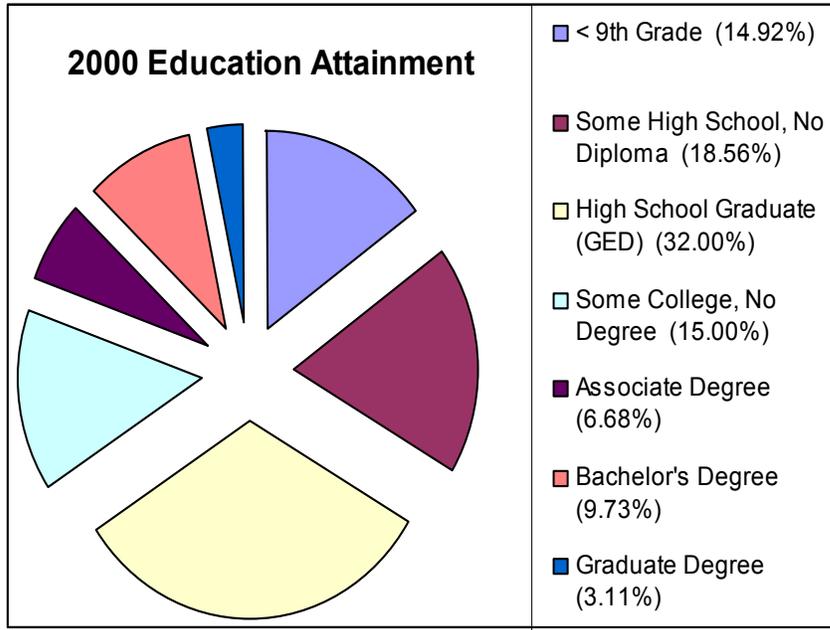
Other potentially destabilizing factors include a low number of family-occupied households, a high percentage of households with two people or less, and a low percentage of households with children under the age of 18. In particular, households occupied by a family of more than two people, and which contains children under the age of 18 are likely to be more stable and less transient.

Within the identified market area, 62.47% of the total households are classified as family households, compared to the 37.53% classified as non-family. These percentages would normally indicate stability; however, a substantial 32.37% of all households are occupied by one person and another 27.74% of all households are occupied by two people. Households containing two people or less comprise 60.11% of all households in this market. Only 38.72% of all households have children under the age of 18 in residence, while 61.28% of households reported no children under the age of 18. These statistics appear to provide a mixed message regarding population and household stability.

Within Cluster 3, a total of 57.46% of the population are between the ages of 18 and 64, indicating that the majority of the existing population base represents the eligible workforce in this area. A total of 26.74% of the population is under the age of 17, and the remaining 15.71% of the population is 65 years or older. The median age is 36.22 years, and the average age is 37.20 years.

Education and Employment Related Statistics

The level of education attained by a population will directly impact the quality of employment, income level, and standard of living that can be achieved by the population.



In Cluster 3, 39.88% of the current population over the age of 25 years has not earned a high school diploma or GED. A total of 66.52% of the population has a high school diploma or GED.

Another 15.00% of the population has attended college courses, but did not attain a degree of any kind. A total of 16.52% has earned a college degree, i.e., Associates, Bachelor's, Master's or Doctorate degree. The percentage of population without a high school diploma or GED is considerable and has adversely impacted the household income and per capita income levels achieved within Cluster 3.

Within Cluster 3, the population over the age of 16 that were reported to be unemployed was 7.60%. Another 44.10% of the population over the age of 16 was not in the labor force. That group includes retired individuals and students. The percentage of unemployed in this area is only slightly higher than county, state and national averages.

A total of 55.81% of the households reportedly have between one and two vehicles. Nearly one-third of all households (32.80%) do not have a vehicle of any kind. As a result, 22.10% either rely on public transportation or walk to work. The remaining employed population relied on other methods of transportation such as car pooling or riding a bicycle. The limitation of transportation opportunities also limits employment opportunities. It is noted that the statistics

provided for this category total more than 100%, which likely reflects respondents providing more than one answer to this portion of the Census form.

Property Values and Household Income Trends

There are a reported 1,074 housing units within Cluster 3 and 930 households, indicating an overall occupancy rate of 86.59% for all housing types. Of the total housing units, 51.30% represent single-family residential properties. The remaining 48.70% represent multi-family properties with two or more attached units. Nearly 84% of all existing housing units were built before 1980. Owner-occupied property values are summarized in the following chart.

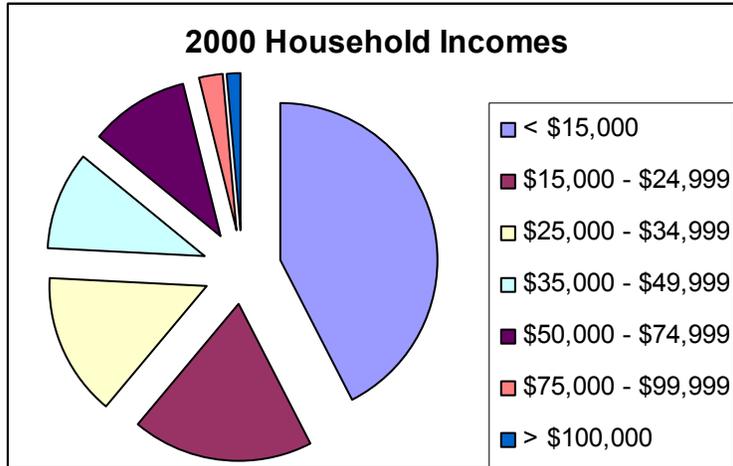
OWNER-OCCUPIED PROPERTY VALUES

Under \$20,000	6.16%
\$20,000 - \$59,999	36.99%
\$60,000 – \$79,999	15.75%
\$80,000 - \$99,999	25.68%
\$100,000 - \$149,999	8.22%
\$150,000 - \$199,999	7.53%
\$200,000 +	0.00%

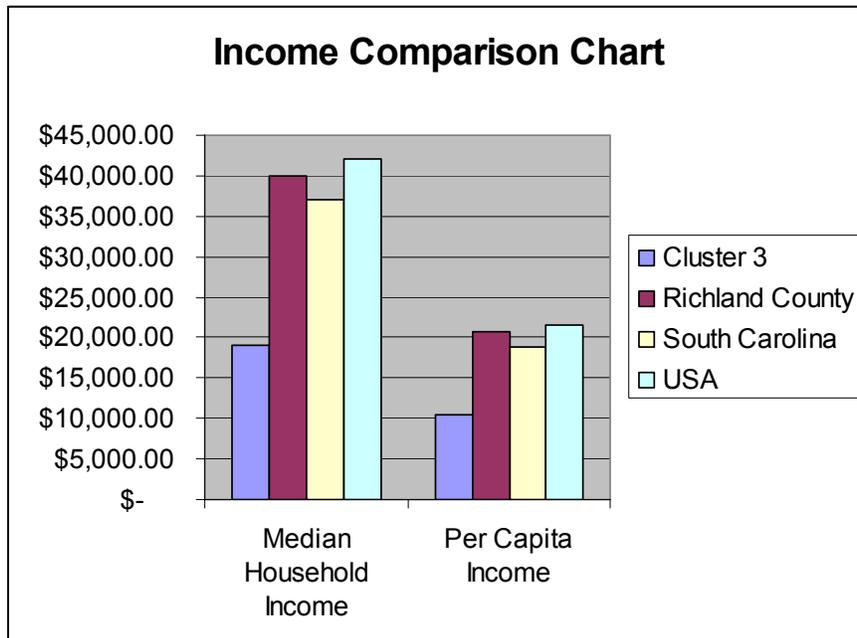
Median Property Value	\$68,936
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Source: U.S. Bureau of Census and Claritas, Inc.

According to the U.S. Census Bureau, only 35.12% of the households within the market reported a household income between \$25,000 and \$74,999 in 2000. Another 3.97% of households reported incomes over \$75,000, while the vast majority of households (61.03%) reported incomes under \$25,000. Of the household incomes under \$25,000, 42.61% reported household income levels under \$15,000. The range of household income levels is illustrated in the following chart.



These statistics indicate a large portion of the population base is poverty-stricken. In 2000, 37.30% of the population within Cluster 3 generated incomes below the poverty level. Only 62.70% of the population generated incomes over the poverty level. The largest percentage of population below the poverty level was comprised of female householders, with or without children. The largest percentage of population above the poverty level was comprised of married couples, with or without children. The reported income levels for Cluster 3 are compared to income levels reported for Richland County, the state, and the nation in the following chart.



The average household income in Cluster 1 in 2000 was reported to be \$25,540. The median household income was reported to be \$19,046. The per capita income was reported to be \$10,411.

As noted in the preceding chart, median household and per capita income levels in Cluster 3 are substantially lower than those reported for Richland County, the state and the nation. The below average income levels generated in Cluster 3 impacts not only the quality of life for residents, but the potential for revitalization of the area. While the below average income levels generated by residents will not preclude revitalization, it will require a revitalization plan that includes a variety of housing opportunities within a broad range of pricing options to serve the needs of both the existing population base and the future influx of new residents.

Summary and Conclusion – Demographic Analysis

Cluster 3 has been adversely impacted by several factors including:

- a transient population base which has resulted in fluctuating population and household statistics;
- a large percentage of population without a high school diploma or GED;
- a large percentage of households earning less than \$25,000 per year; and
- a large percentage of population dependent on public transportation.

The socio-economic influences of this Cluster suggest the existing population base is unable to generate a market-based revitalization. The local population does not have the financial means to reverse the current decline of portions of Cluster 3 without extensive assistance from a variety of sources.

CATALYST SITES – CLUSTER 3

The purpose of the preceding analysis is to identify the positive and negative real estate market trends and socio-economic factors that impact the potential for revitalization of each cluster. In light of those variables, potential catalyst sites must be identified within each cluster, which could be utilized to spur revitalization and future private development. The potential catalyst sites within Cluster 3 are identified and described in the following paragraphs.

Selection Criteria

As noted previously, the East Central City Consortium, Inc. is committed to enhancing the existing residential housing and providing, or encouraging the private development of, additional housing opportunities in each of the clusters. While many of the potential catalyst sites may provide an opportunity for mixed-use developments, such as commercial and residential uses, the selection of potential catalyst sites will be oriented toward those sites providing maximum positive impact for the surrounding residential areas within each cluster.

In that regard, the selection criteria for a potential catalyst site included:

- primary and secondary access routes;
- compatibility of surrounding development;
- impact to existing development;
- potential for successful redevelopment; and
- long-term impact to neighborhood.

A potential catalyst site does not require direct access or visibility from a primary artery; however, adequate access is necessary. In addition, the type of access provided impacts the type of catalyst development to be considered.

Any potential catalyst development must be compatible with the surrounding development to ensure its future success. For example, proposed housing

options must address the existing architectural elements of the surrounding neighborhood that create its unique character. Capitalizing on those traits will enhance the aesthetics of existing structures and ensure the acceptance and support of the neighborhood residents. In addition to design, the quality and density of housing must be compatible.

In selecting potential catalyst sites, the impact to existing structures must be minimized. The demolition of some structures is unavoidable; however, the demolition of meaningful structures within the neighborhood, such as churches and/or historic properties, should be avoided when possible. Every attempt should be made to incorporate those structures within a proposed redevelopment plan, as long as they do not hinder the potential success of the plan.

In selecting a catalyst site, the potential for both the success of a redevelopment effort on an individual site and the impact to the surrounding neighborhood must be considered. A catalyst redevelopment plan must accomplish more than simply replacing existing sub-standard structures or fill holes in the existing development. The success of a catalyst redevelopment requires a broader impact to the neighborhood at large. As a result, sites and potential developments are selected that have the highest potential to capitalize on current positive trends, enhance the surrounding area, and attract future private development.

Identification of potential sites

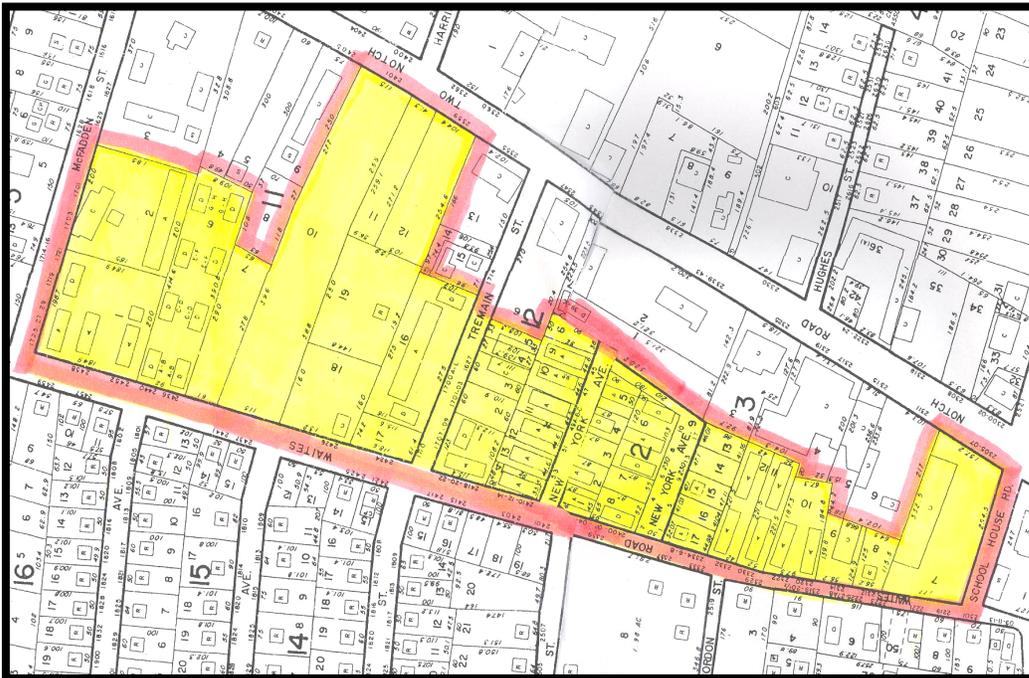
Within Cluster 3, five potential catalyst sites have been identified and will be described in the following paragraphs. At the conclusion of this analysis, the catalyst sites will be compared and ranked. A map indicating the location of the potential catalyst sites has been included on the following page.

The total land area within this catalyst site is estimated to be roughly 5.0 – 5.5 acres. This site includes 11 separate tax parcels. The physical attributes of this site include its frontage on two residential streets. The site has a gently sloping topography.

The site is currently developed with several dilapidated single-family residences, a auto salvage storage lots and a small mobile home park. The development of this site would allow for the demolition of numerous unsightly buildings that have reached the end of their economic lives. The most feasible use of this site would be residential. Although it has proximity to Two Notch Road, this site is not suitable for commercial development.

Catalyst Site #2

This site is comprised of numerous lots on the west side of Two Notch Road and the east side of Waites Street. It is bound to the north by Tremain Street and to the south by School House Road. Catalyst Site 2 is depicted on the following map.



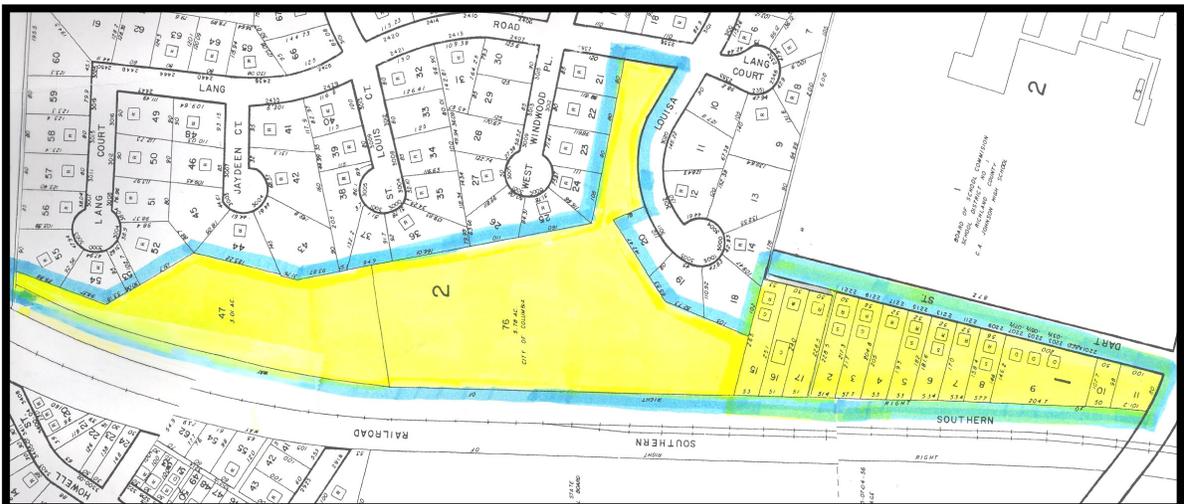
The total land area within this catalyst site is estimated to be roughly 15 – 18 acres. This site includes 40 separate tax parcels. The physical attributes of this site include its frontage on one primary arteries and four residential streets. The topography of this site is mostly level.

As noted in the preceding description of development trends, the existing housing in this area has suffered a consistent and steep decline. The negative impact of the on-going decline is extending into the surrounding areas, and must be addressed immediately. Of the 73 structures requiring immediate demolition within Cluster 3, the vast majority are located within the boundaries of this catalyst site.

The development of this site would allow for the demolition of numerous unsightly buildings that have reached the end of their economic lives. In addition, the redevelopment of this site will provide the opportunity to create a mixed-use development utilizing commercial and residential structures.

Catalyst Site #3

This site is comprised of the area on the east side of the elevated rail line and along Dart Street, west of C.A. Johnson Preparatory Academy. Catalyst Site 3 is depicted on the following map.

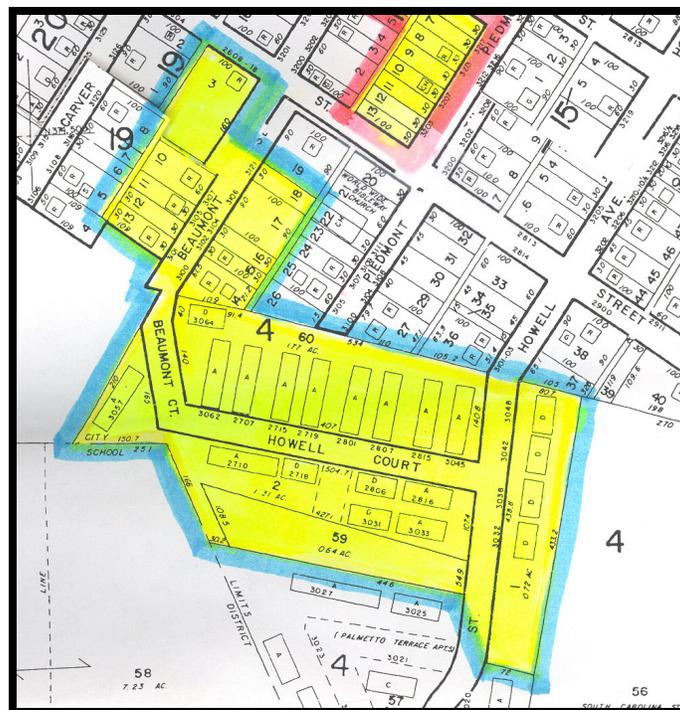


The total land area within this catalyst site is estimated to be roughly 12 – 13 acres. This site includes 15 separate tax parcels. The physical attributes of this site include its frontage on two residential streets and a mostly level topography.

Much of this catalyst site is already vacant. The developed portion of this site along Dart Street contains several residential structures which are in dilapidated condition. The northern portion of the site is vacant and only accessible from a residential neighborhood. The insulated character of this site makes it ideal for a mixed use development including single-family housing and a potential park or community area.

Catalyst Site #4

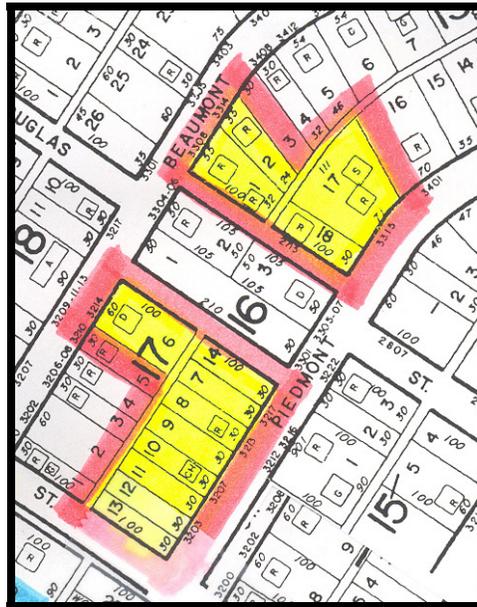
This site is comprised of the area on both sides of Howell Street just north of the Palmetto Terrace Apartments and south of Booker Street. Catalyst Site 4 is depicted in blue and yellow on the following map.



The total land area within this catalyst site is estimated to be roughly 4.0 – 4.5 acres. This site includes 14 separate tax parcels. The physical attributes of this site include its frontage on three residential streets and a gently sloping topography. This site is currently developed with a multi-family apartment complex that is in poor condition. The design, quality and condition of this complex is inferior to that of the surrounding neighborhood. The redevelopment of this site with a more complementary single-family or low-density multi-family property would significantly enhance the adjacent neighborhood.

Catalyst Site #5

This site is comprised of the lots surrounding the E.B. Sessions Park on Beaumont, Douglas and Piedmont Streets. Catalyst Site 5 is depicted on the following map.



The total land area within this catalyst site is estimated to be roughly 2.0 – 2.5 acres. This site includes 18 separate tax parcels. The physical attributes of this site include its frontage on two residential streets and a sloping topography. These lots are adjacent to a relatively new and attractive city park. Many lots are vacant and the few existing structures are in poor condition. The potential

development of this site should be focused on single-family residential development that is compatible with the surrounding neighborhood.

Overall Ranking

The sites identified for potential acquisition and redevelopment are summarized in the following chart.

	Site #1	Site #2	Site #3	Site #4	Site #5
Size/Acres	5.0 – 5.5	15 – 18	12 – 13	4.0 – 5.0	2.0 – 2.5
# of Parcels to Acquire	11	40	15	14	18
Physical Attributes	Good	Good	Good	Good	Good
Residential Potential	Good	Good	Good	Good	Poor
Commercial Potential	Poor	Good	Poor	Poor	Poor
Mixed-Use Potential	Poor	Good	Good	Poor	Poor
Overall Impact Potential	Good	Good	Good	Good	Average
Development Timing	1 – 3	1 – 3	1 - 3	1 – 3	1 – 3
Overall Rank	4th	1st	5th	2nd	3rd

Summary and Conclusion – Catalyst Sites

As previously noted, Cluster 3 is naturally divided into two halves by an elevated rail line. As a result, a single catalyst site may impact only a portion of Cluster 3, while having no impact on an adjacent portion of the cluster. The catalyst sites were selected based on a variety of characteristics that suggest the redevelopment of each site would positively impact the surrounding portion of Cluster 3 over the long-term and spur future revitalization.

Site #1 consists of a blighted area that has been adversely impacted by the surrounding commercial development. A clean up of the surrounding commercial uses and the demolition of the existing structures on this site would benefit the area significantly.

Site #2 clearly has the most potential to impact the character of the surrounding residential housing and the commercial development along Two Notch Road. This parcel has the potential to be developed with a mixed-use that could incorporate both residential and commercial development. It would also allow for the demolition of numerous unsightly multi-family structures that have reached the end of their economic lives.

Site #3 comprises the residential housing along a dead-end street and a large tract of vacant land sandwiched between an attractive single-family residential district and the elevated rail line. The development of this site could incorporate both new single-family housing along Dart Street and potentially a neighborhood park or common area on the vacant parcel. Although the redevelopment of this site is likely to enhance the properties in the immediate vicinity, it will have a minimal impact on the remainder of Cluster 3.

Site 4 is currently improved with a old, multi-family housing community. These buildings have reached the end of their economic lives and are a detriment to the adjacent single-family neighborhood. This site could be redeveloped with more complementary low-density multi-family housing or single-family housing.

Site 5 comprises the lots surrounding the E.B. Sessions Park. This new and attractive park would enhance the potential to revitalize the surrounding lots, and bolster the image of this neighborhood. Although the redevelopment of this site would have slightly less impact on the west side of Cluster 3 than the redevelopment of Site 4, the immediate development of Site 5 would spur the initial stages of revitalization while the longer term redevelopment of Site 4 begins.

SUMMARY AND CONCLUSION – CLUSTER 3

The identified market area is adjacent to the central business district of Columbia. The transportation routes throughout the area are adequate to serve the current traffic volumes. The analysis of real estate market trends revealed portions of this cluster have managed to maintain good-quality housing, while other portions have suffered a continuous decline over several decades. In particular, the commercial development along Two Notch Road on the northern end of the corridor adversely impacts the adjacent residential neighborhoods. The socio-economic influences of this cluster suggest the existing population base is unable to generate a market-based revitalization without assistance; however, the demographics also suggest the residents of this cluster do have the financial means and stability to capitalize on a rehabilitation effort relatively quickly. Our analysis and inspections revealed five catalyst sites with potential for redevelopment to spur the long-term revitalization of this cluster.

CLUSTER 4

East Central City Consortium, Inc. Cluster 4



IDENTIFICATION OF CLUSTER 4

Cluster 4 is comprised of the area located between Taylor Street (SC 12) to the south, Two Notch Road (US 1) to the east, Slighs Avenue/Chestnut Street to the south and Harden Street to the west. Please refer to the preceding maps for a visual representation of the cluster boundaries as described above.

DEVELOPMENT TRENDS – CLUSTER 4

Overview

The existing development within Cluster 4 has generally occurred in pockets. For example, the development within the southwestern portion of this cluster is primarily associated with Benedict College and includes the college campus, numerous dormitory and administrative buildings. The development on the northwest corner of Cluster 4 is also occupied by a large institutional user, i.e., The Tucker Dowdy Garner Nursing Care Center. The existing general commercial development is clustered along the eastern portion of Taylor Street and Two Notch Road. The central portions of the cluster are predominantly residential in character. While the quality, design and use of the existing housing varies, the majority of uses are compatible. The clear distinction between the various sections of this cluster and those varying uses has a positive impact on the existing development, and will aid in the rehabilitation of portions of the cluster.

Cluster 4 is serviced by three of the seven primary arteries previously identified within this report, i.e., Harden Street, Two Notch Road and Forest Drive. This cluster is also serviced by several secondary roads that act as connector routes between the primary arteries and residential areas, i.e., Oak Street, Heidt Street, Barhamville Road and Chestnut Street/Slighs Avenue.

The existing commercial, residential and institutional development within this cluster is mostly compatible. While some of the existing structures have clearly

declined over the past 20 years, the residents of this cluster have managed to maintain the integrity and appeal of most areas. Demand for both housing and commercial uses is apparent.

Commercial Development

As previously noted, the majority of existing general commercial development is located along the eastern end of Taylor Street and the Two Notch Road corridor. The majority of development on Taylor Street between Harden Street and Two Notch Road consists of the Benedict College campus. In fact, the campus extends from Harden Street to just beyond Oak Street. As a result, only a few parcels of commercially developed uses exist. These facilities include a KFC fast food restaurant, which was built in 1997, a bank branch and a gas station. Other commercial development is located on the south side of Taylor Street, but is located within Cluster 1. The development on the south side of Taylor Street mirrors that of the north side, with Allen University encompassing the majority of existing uses on the western end and general commercial uses on the eastern end including a grocery store anchored shopping center, a retail building and a vacant fast food restaurant. The development on the north and south sides of Taylor Street is similar and compatible.

New development along the Taylor Street corridor has been severely limited over the past decade. A KFC restaurant was constructed in 1997 and a former residence was converted for administrative use by Benedict College. Otherwise, there has been very little new construction. However, it is also noted that this area has been nearly 100% built up for decades. As a result, there have been few sites available for new development. The existing commercial structures in this area have been reasonably well-maintained and are functional for their intended uses.

Providence Hospital is located on the east side of Two Notch Road at Taylor Street/Forest Drive within Cluster 2, and significantly impacts the southern end of this corridor. The commercial development surrounding Providence Hospital is comprised primarily of medical office or medically related uses, such as physician's offices, a pharmacy and elderly care facilities. The existing commercial development along the west side of Two Notch Road on the southern end between Taylor Street and Chestnut Street is comprised of a mix of uses that are incompatible with the adjacent residential and hospital development. These uses include several automotive service garages, a self-service car wash, a handful of retail/warehouses, an old motel converted to multi-family use and a small retail center. There are also several vacant and dilapidated buildings along this corridor.

The vast majority of these structures were built over 30 years ago. Many have been converted for alternative uses; however, very few have been renovated or adequately maintained. Despite the fact that there is minimal vacancy within these structures, the dated and worn appearance of most buildings gives the impression of a commercial district in decline.

Other than recent developments undertaken by Providence Hospital and Benedict College, there has been no new development or substantial renovation of any structure along Two Notch Road between the Taylor Street/Forest Drive corridor and Chestnut Street in over 20 years. The only exception is Anthony's Dairy Bar, which is located at the corner of Two Notch Road and Chestnut Street within Cluster 2. The owner of this property has upgraded the exterior of the building and the site improvements in recent years, which has resulted in a unique commercial property that is used to serve the surrounding residential population.

Providence Hospital recently constructed an addition to the main hospital building and built a parking garage within the past five years. Benedict College plans to

build the Leroy T. Walker Health and Wellness Center and recently completed construction of a business incubator. Both sites are located on Two Notch Road at Read Street. A more detailed description of these developments and their impact on the surrounding neighborhood will be included in the Institution section of this analysis.

While the traffic volumes along Two Notch Road provide sufficient exposure to attract and support most types of general commercial development, the exposure along this corridor has not yet translated into significant demand for vacant sites and/or new development. The resistance to new development by potential investors is attributable to a variety of factors; the most important being a recognition that traffic volumes alone will not always spur revitalization of an area in a perceived decline.

Other factors include the competition provided by on-going new development in other more desirable areas and the proliferation of vacant and dilapidated buildings along Two Notch Road between Taylor Street/Forest Drive and Chestnut Street. Many of these dilapidated and/or vacant buildings represent a deterrent for new development because they adversely impact the aesthetic image of the area. In addition, vacant and dilapidated structures tend to attract loitering, litter and vandalism.

Despite the overall image of decline along Two Notch Road, there are factors that positively influence the potential for commercial redevelopment. In addition to consistently strong traffic volumes, Cluster 4 is located in proximity to the central business district of Columbia, Forest Acres, three universities, three hospitals and a regional mall.

Any redevelopment along the Two Notch Road corridor must be compatible with the surrounding residential development in order to succeed over the long term. Despite the fact that a commercial development fronting Two Notch Road will

benefit from the substantial exposure to vehicular traffic, any commercial development along this particular stretch of the corridor must be oriented toward providing services and support to the surrounding population base in order to meet the test of compatibility and feasibility within the neighborhood. In other words, national or regional retailers would be less successful in a location along this corridor than a business with ties to the community. An excellent example is the success of Anthony's Dairy Bar, as compared to the recently closed Burger King located on Two Notch Road at Beltline Boulevard. While national and regional chain restaurants and retailers may feasibly operate in this area, they must provide products and services suited specifically to this community in order to survive.

Residential Development

The quality of existing residential development within Cluster 4 varies significantly in terms of overall design or architectural style, size and quality. The diversity of housing throughout the cluster suggests mixed-use and varying densities of housing could be successful if incorporated into a future redevelopment plan for this area.

The current supply of housing is generally divided into two types. In the central and eastern portions of the cluster, the existing housing is comprised primarily of single-family dwellings, many of which appear to be owner-occupied. The number of multi-family developments within this area is limited and tends to be low-density, which has positively impacted the remaining area. The overall impression of this residential district is one of clear compatibility. On the western and northwestern portions of the cluster, the residential development has historically been comprised of high-density, multi-family developments, most of which were owned and operated by the Columbia Housing Authority. Due to the obvious disparity between these areas, they will be described and analyzed separately in the forthcoming paragraphs.

In the central and eastern portions of Cluster 4, single-family residences generally range in size from a low of 1,000 to a high of 2,500 square feet. The majority of houses in this area were built 30 - 50 years ago; however, our inspection of this area revealed recent construction of single-family housing and very attractive multi-family housing. Most of the newer single-family houses are ranch style homes on relatively large lots. The new construction has adopted many architectural elements of the neighborhood and reflects an attempt to maintain continuity of the existing neighborhood character. The new Madison Paradise Garden Apartments were recently constructed on Read Street. These apartments are similar to a patio home development and are attractively designed. Both Phases I and II have been well received by the local residents and appear to be fully occupied. The continued construction of residential housing in this area is an indication of consistent and stable demand. Furthermore, the occupancy rate among existing dwelling units in this area suggests demand for residential housing as well. It also indicates a market-driven revitalization is underway.

On the western and northwestern ends of Cluster 4, the housing has historically included a mixture of single-family residences and high-density, multi-family apartments. As previously noted, the majority of multi-family properties are owned and operated by the Columbia Housing Authority. Much of the multi-family housing in this area has been poorly maintained and is not compatible with the surrounding single-family development either in style, design or quality. As a result, the existing multi-family development has adversely impacted the single-family housing in the immediate vicinity.

Recently, the Columbia Housing Authority demolished one of the largest multi-family facilities in this area, i.e., the former Saxon Homes Apartments. The demolition of this property left an approximate 20-acre tract of vacant land available for redevelopment that stretched from Read Street on the southern end to Chestnut Street on the northern end. The Columbia Housing Authority plans

to redevelop the former Saxon Homes site with mixed residential and commercial uses. The redevelopment plan will move forward in phases and will include rezoning of various sections of the tract.

Phase I encompasses the western portion of this tract and extends between Read Street and Drew Park. This phase will include mixed residential and commercial uses, including housing for the elderly. Phases II and III will include a mixture of rental and owner-occupied cluster housing. Altogether 257 residential units are planned. Of that total, 63.8% will be allocated to rental properties, and the remaining 36.2% will be available for sale to owner-occupants. Elderly housing will comprise 3.9% of the planned residential units. The redevelopment of this area will include an effort by the City of Columbia to upgrade Drew Park and the creation of community open space on a large lot bound by Matthew Street, Oak Street, Elmwood Avenue and Barhamville Road.

In addition, the redevelopment includes the relocation of Drew Park and the construction of the proposed Drew Park Wellness Center. The center will be a 40,000 square foot multi-use facility designed to promote and enhance physical fitness. The proposed amenities include a 25-meter indoor swimming pool with deck area, a gymnasium, a running track, cardio/weights/stretching area, meeting rooms, a multi-purpose room, training kitchen, staff offices, community offices, and locker rooms. Construction of this facility is expected to begin by year-end 2003, and should be completed by early 2004.

The impact of this redevelopment should be overwhelmingly positive. This redevelopment will capitalize on the market-driven revitalization occurring in the eastern portion of Cluster 4 and is likely to generate further market-driven rehabilitation in the adjacent areas to the north and northeast. In fact, the future impact of this redevelopment plan is likely to extend northward into Cluster 3. The redevelopment of the former Saxon Homes site is currently underway and will likely require a minimum of three to five years to complete.

The only remaining high-density apartment property in this area is the Allen-Benedict Apartments, located at the corner of Laurel and Harden Streets. Allen-Benedict appears to have been constructed in the 1950's by the Columbia Housing Authority. Despite obvious and concerted efforts by the Columbia Housing Authority to maintain and manage the property, the building and site improvements that comprise the development have reached the end of their economic lives. The development has a dated and worn appearance, which negatively impacts the surrounding residential development. Furthermore, it appears that the existing development is no longer functional or efficient for its intended use, i.e., to provide quality housing for low-income families. Finally, the density of population housed within the development taxes the amenities of the surrounding neighborhood.

Over time, the decline of the Allen-Benedict Apartments will adversely impact the revitalization of the adjacent single-family development to the east and is likely to hinder the successful redevelopment of the adjacent Saxon Homes site to the north. In its current condition, Allen-Benedict Apartments represents a barrier to revitalization in this area. There are two obvious solutions to this problem. First, the existing improvements comprising Allen-Benedict Apartments could be demolished and redeveloped into an attractive, functional, medium-density multi-family housing community that is compatible with the surrounding low-density residential development. This option would slowly spur the revitalization of the surrounding area over time and ensure that this area remains primarily residential in character. Second, Allen-Benedict Apartments could be demolished to allow for alternative development of the site. The most likely user would be Benedict College, which is located directly across Laurel Street.

In light of the apparent demand for residential housing in Cluster 4, the potential for successful revitalization is quite high. The recent new construction and rehabilitation of many existing residential properties in the central and eastern portions of this cluster suggest only a moderate investment is required to

stimulate further market-driven revitalization. If the proposed redevelopment plan of the former Saxon Homes property is completed as planned, the investment and effort required of ECCC will be minimal.

Institutional Development

There are two non-residential developments within Cluster 4, which have positively impacted the area over time. They are Benedict College and Providence Hospital and Heart Institute. Although the hospital is technically located in Cluster 2, its proximity enhances Cluster 4, so it will be included in this analysis.

By far, the activities of Benedict College have produced the most beneficial impact to Cluster 4 of all other entities and development plans published thus far. Benedict College was founded in 1870 under the auspices of the American Baptist Home Mission Society and was chartered as a liberal arts college by the South Carolina legislature on November 2, 1894. Degree programs are offered in Accounting, Business Administration, Economics/Finance, Education, Health/Physical Education/Recreation, Social Work, Fine Arts, English and Foreign Languages, Social Sciences and Criminal Justice, Biology and Physical Sciences, and Mathematics and Computer Science. Altogether, Benedict College offers 25 majors or degree programs for students. The college currently employs 484 full-time faculty and staff, another 60 contract employees and serves 3,009 registered students.

Benedict College is currently implementing a \$42 million campus improvement plan, which includes several land acquisitions, the construction of an athletic complex, the construction of three residence halls, a parking garage and a campus center/dining hall, in addition to the renovation of several campus buildings. The proposed Leroy T. Walker Health and Wellness Center, and the Business Development Center, which was recently completed, are both located on Two Notch Road along the southern portion of the corridor within the identified

market area. Both developments by Benedict College are expected to have a positive and long-term impact on the general area.

The proposed Leroy T. Walker Health and Wellness Center site is technically located in Cluster 2 at the intersection of Two Notch Road and Read Street, but will directly influence the development within Cluster 4. The center will be developed in three phases over a five-year period. The development plans include a 10,000-seat football stadium, softball and soccer fields, tennis courts, walking trails, and a natatorium, most of which will be available for public use. In addition, a portion of the site fronting Two Notch Road has been allocated for commercial development including a small, specialty retail center and a prospective hotel. The plans also include a limited amount of residential housing that will most likely be multi-family. The total cost of development is projected at \$30.5 million.

The Business Development Center is also located at the corner of Two Notch Road and Read Street within Cluster 4 and is essentially a 12,500 square foot business incubator that will provide various support services for new businesses in the area. Benedict College will sponsor seminars and workshops for small businesses to be held in the new facility. In addition, the business center is designed to house a variety of new businesses in leasable office space for up to two years. Suites can be configured in 500 and 1,200 square foot units. Up to 15 small businesses can be accommodated. The center will provide reception services, mail and communications services, and business counseling for all tenants. The facility contains a breakroom/lounge, computer room, classrooms, and conference/meeting rooms that can be used by all tenants.

Benedict College is also actively pursuing other sites located in the immediate vicinity of the Business Development Center, including a few older warehouses and a vacant lot. The college hopes to redevelop the vacant site with a full-service restaurant. The warehouses will be used for storage and potential

workshop space over the short-term. The warehouses will eventually be demolished in favor of new development compatible with student needs.

Benedict College has also been responsible for some of the on-going residential re-development along Laurel and Read Streets via the Benedict College Community Redevelopment Project. Recently, the college completed construction of a small park containing tennis courts and playground areas.

Providence Hospital and Heart Institute was established in 1938. Upon completion of the most recent expansion, the hospital will have 320 licensed beds and employ approximately 1,500 doctors, nurses, specialists and staff. The Heart Institute opened in 1974 and is equipped with six catheterization labs, four surgical suites and electrophysiology labs. The hospital also services a variety of specialties including: critical care, endoscopy, emergency care, general surgery, imaging services, maternity, ophthalmology, outpatient surgery, respiratory care and rehabilitation therapy. The hospital also has a Sleep Lab, which diagnoses and treats patients suffering from sleep apnea syndrome, narcolepsy, parasomnisa, REM behavior disorders, nocturnal seizures and other sleep disorders.

Other institutional developments impacting Cluster 4 include the Tucker Dowdy Gardner Nursing Care Center, the Celia Saxon Health Center, the Carver-Lyon Elementary School and Drew Park. In addition, our physical inspection of this cluster revealed it contains eight separate churches.

The Tucker Dowdy Gardner Nursing Care Center is of particular interest because it encompasses a large tract of land located on the eastern quadrant of Harden Street at Slighs Avenue. In July of 2003, *The State* newspaper reported that the State Mental Health Department might close the existing facilities located on its 319 acre property and place the land on the market for sale and potential redevelopment. The entire mental health campus stretches from Bull Street to

Harden Street and between Calhoun to Colonial Drive. Portions of the campus extend to the north side of Colonial Drive and the east side of Harden Street, i.e., the nursing care center property. The entire campus could be available for sale and redevelopment as early as 2005. If the plans to sell and redevelopment this site are realized, the entire northwest corner of Cluster 4 may be completely altered.

Yet, it is important to note that the plans to sell and redevelop this site have not been confirmed. Any redevelopment of the site would likely take many years, resulting in the earliest possible redevelopment occurring between 2008 - 2010. Furthermore, in light of the proximity of Palmetto Richland Memorial Hospital and the demand for medical office space in this area, the future use of this site will probably be medically related. As a result, the future redevelopment of this portion of Cluster 4 should not impact revitalization efforts either in the short or long-term.

Areas of Opportunity

As previously noted, the majority of existing commercial structures and use along Two Notch Road are not compatible with the adjacent residential development and are likely to hinder potential revitalization efforts if not addressed within a comprehensive redevelopment plan.

In addition, the Allen-Benedict Apartments represent a barrier to revitalization and will also likely hinder the future redevelopment of the former Saxon Homes site. While these housing units may provide a short-term housing solution to future residents of the redeveloped Saxon Homes property, this high-density multi-family property must be removed from this portion of Cluster 4 to ensure the viability of future rehabilitation of this area.

Summary and Conclusion – Development Trends

The potential for revitalization of both residential and commercial development within Cluster 4 is reasonably high. Cluster 4 benefits from the access and exposure provided by three, heavily traveled primary arteries, i.e., Harden Street, Taylor Street, and Two Notch Road. Furthermore, Cluster 4 is strategically located between a major employment center to the west (Columbia CBD), and a dense, stable and relatively wealthy population base to the east (Forest Acres). Cluster 4 is also in proximity to three hospitals, three universities and a regional mall. The employees, students, patients and customers of those various entities provide significant demand for commercial uses that serve their needs and good-quality housing.

The majority of housing in Cluster 4 is stable. In the central and eastern sections, there has been a substantial amount of new construction and rehabilitation of older homes. In the western and northwestern sections, a large high-density multi-family property has been demolished and the property owner plans to redevelop the tract with a variety of new residential development with a limited amount of commercial along Harden Street. The majority of the remaining troubled areas include an older, high-density multi-family development on the west side and incompatible commercial uses along Two Notch Road.

Our research indicates there are approximately 425 individual parcels within Cluster 4. Of the existing structures, 49 require immediate demolition because they are either uninhabitable, or the cost to rehabilitate exceeds any potential value to be generated. Another 15 buildings require either immediate demolition or substantial rehabilitation. A total of 68 parcels contain buildings and site improvements in need of minor cosmetic renovation.

The long-term success of any revitalization effort will require a layered approach to be implemented concurrently by ECCC members and residents. For example, in addition to the aggressive enforcement of current building and use codes by

the City of Columbia, many of the Cluster 4 neighborhoods would benefit from the implementation of typical covenants, conditions and restrictions of a property owners association. In addition, a redevelopment plan for Cluster 4 should ensure consistent zoning classifications are applied to facilitate private investors/developers as they begin to participate in the revitalization. A zoning overlay district or the implementation of more uniform zoning classifications would benefit the residential districts.

DEMOGRAPHIC ANALYSIS – CLUSTER 4

In order to determine what types of development may be best suited for Cluster 4, an analysis of the general demographics of the area is necessary. We have researched and reviewed various statistics regarding the population, age groupings, income levels, education levels, and housing trends. The analysis and resulting conclusions are discussed in detail in the following paragraphs, and are based upon information obtained directly from the U.S. Census Bureau, the Central Midlands Council of Governments and Claritas, Inc.

Population and Household Trends

In 2000, the total population within the market area was reported to be 4,645 persons, which represented a decrease of 4.40% from the 4,859 reported in the 1990 U.S. Census. Between 2000 and 2008, the overall population is projected to decrease consistently each year to a low of 4,174 in 2008. The overall decrease in population will be 10.14%. Historical and projected population trends for the identified market area are summarized in the following chart.

POPULATION TRENDS

2008 Projection	4,174
2003 Estimate	4,460
2000 Census	4,645
1990 Census	4,859
<hr/>	
1990 – 2000 Total Growth	-4.40%
Annual Average	-0.44%

Source: U.S. Bureau of Census and Claritas, Inc.

The number of households in this area has also declined over the past 13 years. In fact, the decline in number of households has occurred at nearly the same rate as the population. Historical household trends are summarized in the following chart.

HOUSEHOLD TRENDS

2008 Projection	1,030
2003 Estimate	1,119
2000 Census	1,174
1990 Census	1,406
<hr/>	
1990 – 2000 Total Growth	-16.50%
Annual Average	-1.65%

Source: U.S. Bureau of Census and Claritas, Inc.

Between 1990 and 2000, the total number of households decreased by 232 or 16.50%. By 2008, the total number of households is expected to decrease by another 144 households, or 12.27%.

The consistent and relatively significant decreases in both population and number of households between 1990 and 2000 suggests a decline in demand for housing in this area. However, the former Saxon Homes Apartments were demolished in the late 1990's. The loss of this high-density, multi-family property may have skewed the census data to reflect a more significant loss in population and households. New single-family and low-density multi-family housing is planned for the former Saxon Homes site. The proposed redevelopment of the site has not been included in the projected figures. Despite these considerations, the total population and number of households in Cluster 4 are declining. As the quality and condition of the available housing and neighborhood amenities have decreased over time, the demand for housing has decreased accordingly.

The potential stability of a population base can also be measured by the percentage of housing units that are owner-occupied versus renter-occupied. A higher percentage of owner-occupied housing units is usually indicative of a stable population base, while a higher percentage of renter-occupied housing units tends to indicate a more transient population base. Occupancy in housing units within the market area is summarized in the following chart.

OCCUPIED HOUSING UNITS

2000 Total Occupied Housing Units	1,174
Owner Occupied	10.99%
Renter Occupied	89.01%
<hr/>	
Average # Persons Per HH	2.19

Source: U.S. Bureau of Census and Claritas, Inc.

Within Cluster 4, the percentage of renter-occupied housing units is significant at 89.01% of all housing units, indicating the existing population base is relatively transient and more likely to fluctuate over time. The transient nature of the local population has directly and adversely impacted the population growth rate over the past decade, and is likely to impact future growth rates as well. Normally, a high percentage of renter-occupants would be found in an area in which a significant number of the existing housing units are comprised of multi-family developments. This is clearly the case in Cluster 4. Despite the demolition of Saxon Homes Apartments, there are numerous multi-family properties scattered throughout Cluster 4. These properties vary in size and density. In addition, the quality and condition of a significant portion of the single-family residences located throughout the cluster suggest many are rental properties as well.

Of the total households within the market area, only 9.03% are occupied by a married couple with or without children. Another 69.60% is occupied by a single female head of household, with or without children. Of the total households, 32.37% are occupied by a single mother or female with children. Typically, single mothers with children are one of the population groups least likely to own their own homes. Most often, this is due to financial limitations. The fact that over 32% of the current households in this market are comprised of single females with children has clearly impacted the percentage of owner-occupied housing units.

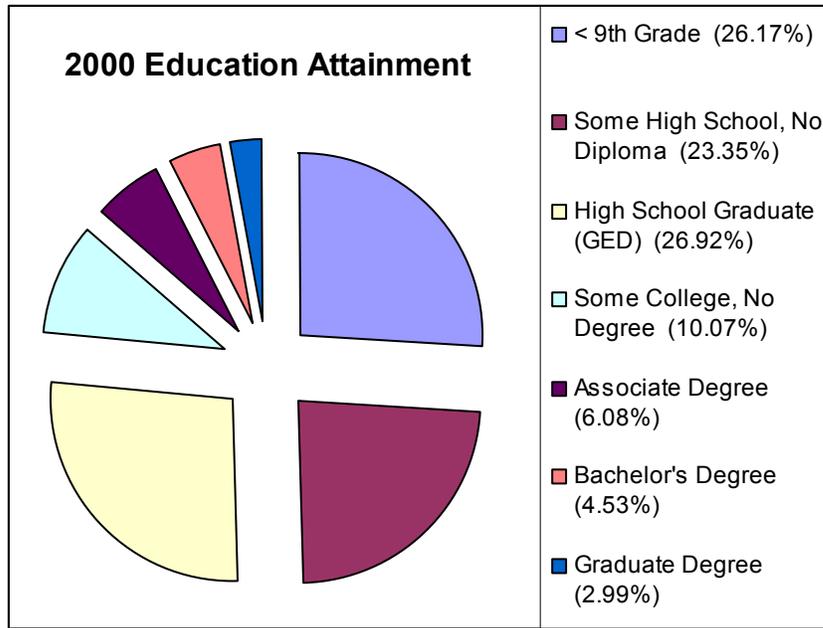
Other potentially destabilizing factors include a low number of family-occupied households, a high percentage of households with two people or less, and a low percentage of households with children under the age of 18. In particular, households occupied by a family of more than two people, and which contains children under the age of 18 are likely to be more stable and less transient.

Within the identified market area, only 52.21% of the total households are classified as family households, compared to the 47.79% classified as non-family. A substantial 44.55% of all households are occupied by one person and another 20.87% of all households are occupied by two people. Households containing two people or less comprise 65.42% of all households in this market. Only 38.84% of all households have children under the age of 18 in residence, while 61.16% of households reported no children under the age of 18.

Within Cluster 4, a total of 66.79% of the population are between the ages of 18 and 64, indicating that the majority of the existing population base represents the eligible workforce in this area. A total of 19.16% of the population is under the age of 17, and the remaining 14.03% of the population is 65 years or older. The median age is 22.75 years, and the average age is 32.71 years. Younger populations tend to be more transient than older populations.

Education and Employment Related Statistics

The level of education attained by a population will directly impact the quality of employment, income level, and standard of living that can be achieved by the population.



In Cluster 4, 49.52% of the current population over the age of 25 years has not earned a high school diploma or GED. A total of 50.48% of the population has a high school diploma or GED.

Another 10.07% of the population has attended college courses, but did not attain a degree of any kind. Only 13.60% has earned a college degree, i.e., Associates, Bachelor's, Master's or Doctorate degree. The percentage of population without a high school diploma or GED is considerable and has adversely impacted the household income and per capita income levels achieved within Cluster 4.

Within Cluster 4, the population over the age of 16 that was reported to be unemployed was 12.85%. Another 55.08% of the population over the age of 16 was not in the labor force. That group includes retired individuals and students. The percentage of unemployed in this area is nearly twice as high as local, state and national averages.

A total of 37.05% of the households reportedly have between one and two vehicles. A substantial 61.84% of the reported households do not have a vehicle of any kind. As a result, 35.38% either rely on public transportation or walk to work. The remaining employed population relied on other methods of transportation such as car pooling or riding a bicycle. The limitation of transportation opportunities also limits employment opportunities. It is noted that

the statistics provided for this category total more than 100%, which likely reflects respondents providing more than one answer to this portion of the Census form.

Property Values and Household Income Trends

There are a reported 1,355 housing units within Cluster 4 and 1,030 households, indicating an overall occupancy rate of 76.01% for all housing types. Of the total housing units, 21.25% represent single-family residential properties. The remaining 78.75% represent multi-family properties with two or more attached units. Nearly 89% of all existing housing units were built before 1980. Owner-occupied property values are summarized in the following chart.

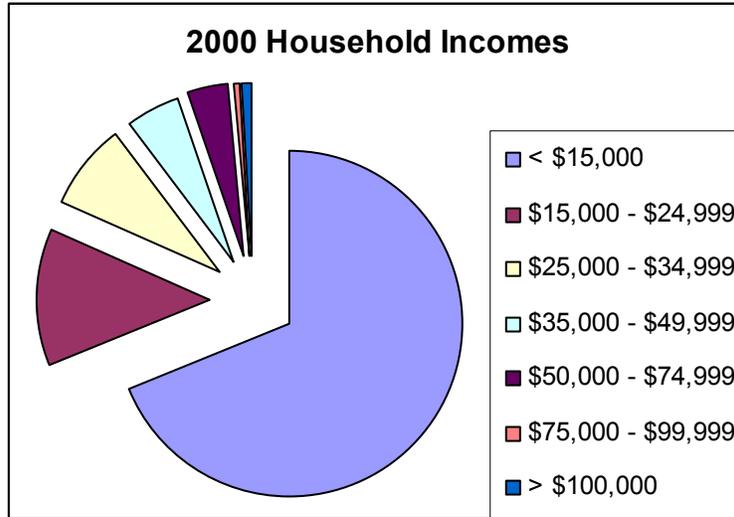
OWNER-OCCUPIED PROPERTY VALUES

Under \$20,000	10.32%
\$20,000 - \$59,999	30.16%
\$60,000 – \$79,999	26.98%
\$80,000 - \$99,999	8.73%
\$100,000 - \$149,999	3.97%
\$150,000 - \$199,999	13.49%
\$200,000 +	0.00%

Median Property Value	\$67,143
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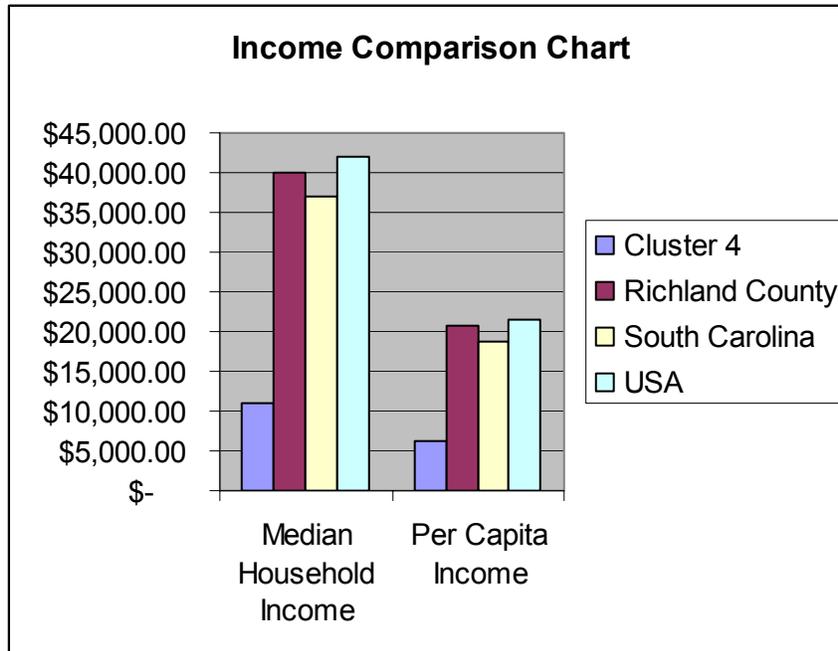
Source: U.S. Bureau of Census and Claritas, Inc.

According to the U.S. Census Bureau, only 17.01% of the households within the market reported a household income between \$25,000 and \$74,999 in 2000. Another 1.27% of households reported incomes over \$75,000, while the vast majority of households (81.69%) reported incomes under \$25,000. Of the household incomes under \$25,000, 68.91% reported household income levels under \$15,000. The range of household income levels is illustrated in the following chart.



These statistics indicate a large portion of the population base is poverty-stricken. In 2000, 54.50% of the population within Cluster 4 generated incomes below the poverty level. Only 45.50% of the population generated incomes over the poverty level. The largest percentage of population below the poverty level was comprised of female householders, with or without children. Surprisingly, the largest percentage of population above the poverty level was also comprised of female householders, with or without children.

The reported income levels for Cluster 4 are compared to income levels reported for Richland County, the state, and the nation in the following chart.



The average household income in Cluster 4 in 2000 was reported to be \$16,411. The median household income was reported to be \$10,880. The per capita income was reported to be \$6,164.

As noted in the preceding chart, median household and per capita income levels in Cluster 4 are less than half of those reported for Richland County, the state and the nation. The below average income levels generated in Cluster 4 impacts not only the quality of life for residents, but the potential for revitalization of the area. While the below average income levels generated by residents will not preclude revitalization, it will require a revitalization plan that includes a variety of housing opportunities within a broad range of pricing options to serve the needs of both the existing population base and the future influx of new residents.

Summary and Conclusion – Demographic Analysis

Cluster 4 has been adversely impacted by several factors including:

- a transient population base which has resulted in fluctuating population and household statistics;
- a large percentage of population without a high school diploma or GED;
- a large percentage of households earning less than \$25,000 per year;
- a large percentage of unemployed adults; and
- a large percentage of population dependent on public transportation.

The socio-economic influences of this cluster suggest the existing population base is unable to generate a market-based revitalization. The local population does not have the financial means to reverse the current decline of portions of Cluster 4 without extensive assistance from a variety of sources.

CATALYST SITES – CLUSTER 4

The purpose of the preceding analysis is to identify the positive and negative real estate market trends and socio-economic factors that impact the potential for revitalization of each cluster. In light of those variables, potential catalyst sites must be identified within each cluster, which could be utilized to spur revitalization and future private development. The potential catalyst sites within Cluster 4 are identified and described in the following paragraphs.

Selection Criteria

As noted previously, the East Central City Consortium, Inc. is committed to enhancing the existing residential housing and providing, or encouraging the private development of, additional housing opportunities in each of the clusters. While many of the potential catalyst sites may provide an opportunity for mixed-use developments, such as commercial and residential uses, the selection of potential catalyst sites will be oriented toward those sites providing maximum positive impact for the surrounding residential areas within each cluster.

In that regard, the selection criteria for a potential catalyst site included:

- primary and secondary access routes;
- compatibility of surrounding development;
- impact to existing development;
- potential for successful redevelopment; and
- long-term impact to neighborhood.

A potential catalyst site does not require direct access or visibility from a primary artery; however, adequate access is necessary. In addition, the type of access provided impacts the type of catalyst development to be considered.

Any potential catalyst development must be compatible with the surrounding development to ensure its future success. For example, proposed housing

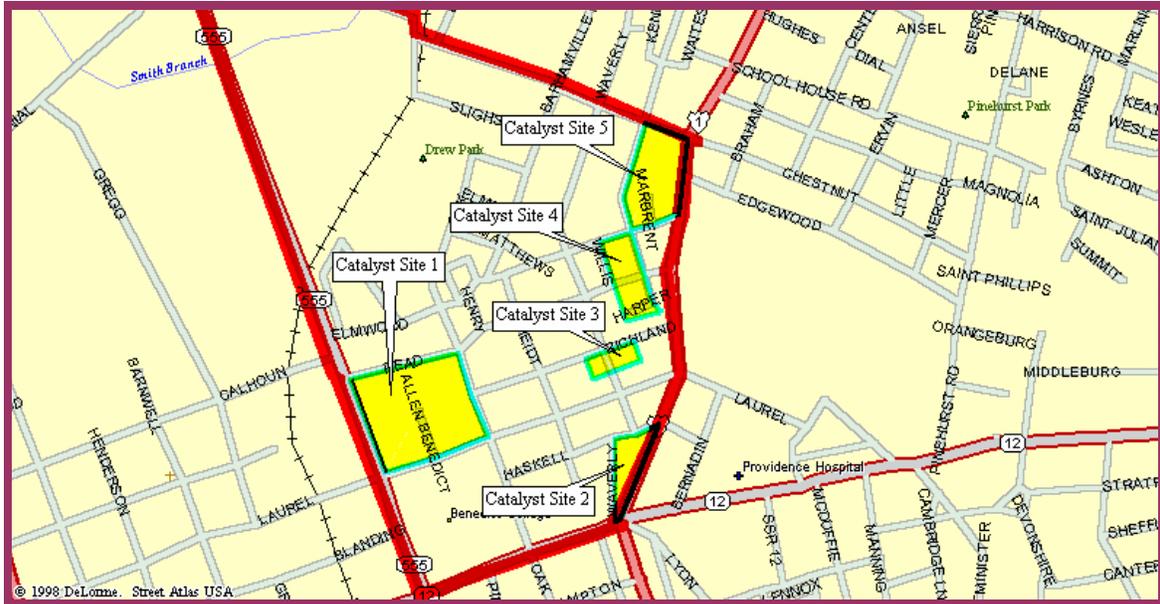
options must address the existing architectural elements of the surrounding neighborhood that create its unique character. Capitalizing on those traits will enhance the aesthetics of existing structures and ensure the acceptance and support of the neighborhood residents. In addition to design, the quality and density of housing must be compatible.

In selecting potential catalyst sites, the impact to existing structures must be minimized. The demolition of some structures is unavoidable; however, the demolition of meaningful structures within the neighborhood, such as churches and/or historic properties, should be avoided when possible. Every attempt should be made to incorporate those structures within a proposed redevelopment plan, as long as they do not hinder the potential success of the plan.

In selecting a catalyst site, the potential for both the success of a redevelopment effort on an individual site and the impact to the surrounding neighborhood must be considered. A catalyst redevelopment plan must accomplish more than simply replacing existing sub-standard structures or fill holes in the existing development. The success of a catalyst redevelopment requires a broader impact to the neighborhood at large. As a result, sites and potential developments are selected that have the highest potential to capitalize on current positive trends, enhance the surrounding area, and attract future private development.

Identification of potential sites

Within Cluster 4, five potential catalyst sites have been identified and will be described in the following paragraphs. At the conclusion of this analysis, the catalyst sites will be compared and ranked. A map indicating the location of the potential catalyst sites has been included on the following page.



Catalyst Site #1

This site is comprised of the Allen-Benedict Apartment site. This city block is bound by Harden, Laurel, Oak and Read Streets. Catalyst Site 1 is illustrated on the following map.

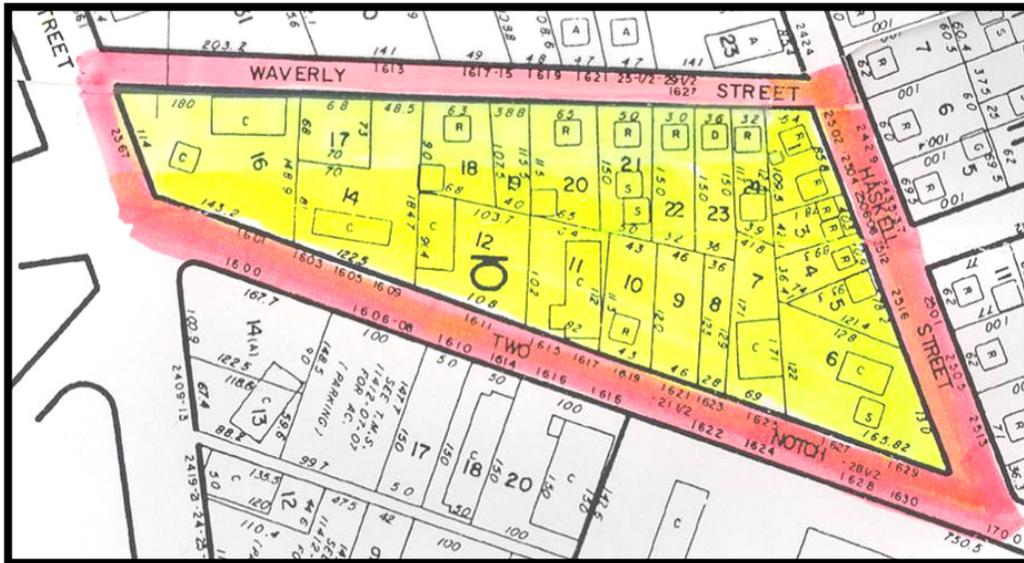


The total land area within this catalyst site is estimated to be roughly 14 – 14.5 acres. This site includes one tax parcel. The physical attributes of this site include its frontage on one primary artery, and one secondary street and two residential streets. The site has a gently sloping topography. This site has proximity to Benedict College, the Columbia Central Business District and Providence Hospital. It is also within walking distance of Drew Park.

The development of this site would allow for the demolition of numerous unsightly buildings that have reached the end of their economic lives. Another attractive feature of this site is the opportunity to create a mixed-use development utilizing commercial and residential structures.

Catalyst Site #2

This site is comprised of the area bound by Two Notch Road to the east, Taylor Street to the south, Waverly Street to the west and Haskell Street to the north. Catalyst Site 2 is depicted on the following map.



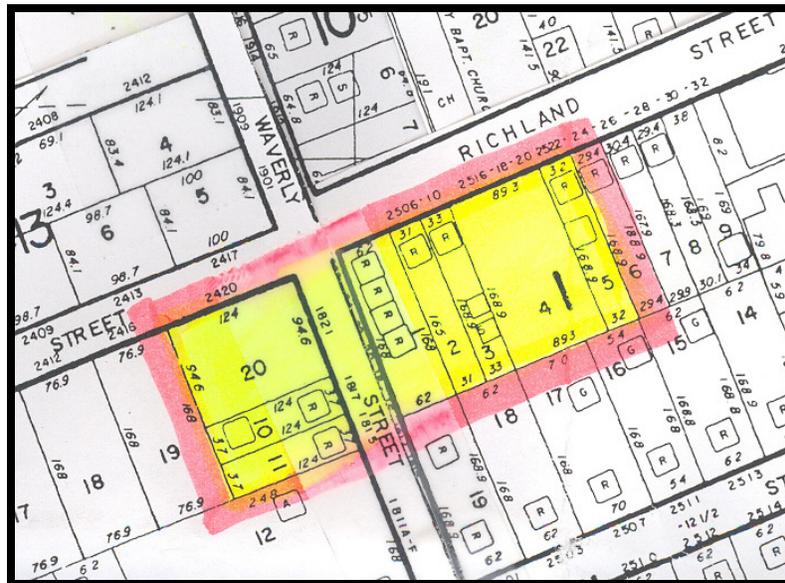
The total land area within this catalyst site is estimated to be roughly 3.5 – 4.0 acres. This site includes 21 separate tax parcels. The physical attributes of this site include its frontage on two primary arteries and two residential streets. The

topography of this site is mostly level. This site is sandwiched between Benedict College to the west and Providence Hospital to the east.

The development of this site would allow for the demolition of numerous unsightly buildings that have reached the end of their economic lives. In addition, the redevelopment of this site will provide the opportunity to create a mixed-use development utilizing commercial and residential structures. It would also provide a more comprehensive buffer between the commercial corridors of Taylor Street and Two Notch Road and the adjacent college campus and residential neighborhood.

Catalyst Site #3

This site is comprised of the area on both sides of Waverly Street and on the south side of Richland Street. Catalyst Site 3 is depicted on the following map.

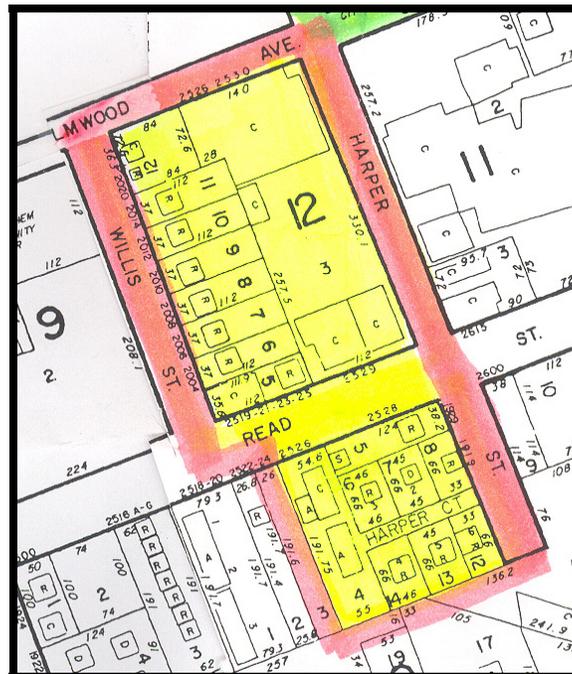


The total land area within this catalyst site is estimated to be roughly 1.0 – 2.0 acres. This site includes eight separate tax parcels. The physical attributes of this site include its frontage on two residential streets and a mostly level topography. This site is currently developed with older single-family residences

and duplexes in advanced stages of physical deterioration. The site is surrounded by areas that have been experiencing a market-based revitalization, including new single-family and low-density multi-family residential construction. In addition, much of this catalyst site is already vacant. The development of this site would allow for the demolition of substandard housing and replacement with new housing compatible with the surrounding neighborhood. The most feasible use of this site would be development with single-family housing.

Catalyst Site #4

This site is comprised of the area bound by Elmwood Avenue, Willis Street, Harper Street and Read Street. In addition, this site includes an area south of Read Street along Harper Street extension and Harper Court. Catalyst Site 4 is depicted on the following map.



The total land area within this catalyst site is estimated to be roughly 2.0 – 3.0 acres. This site includes 17 separate tax parcels. The physical attributes of this site include its frontage on four residential streets and a mostly level topography.

The total land area within this catalyst site is estimated to be roughly 6.0 – 7.0 acres. This site includes 18 separate tax parcels, and is currently improved with a multi-tenant retail building, Tires Unlimited, Midlands Tire City, a former hotel converted to apartments, a church and several single-and multi-family residences.

The physical attributes of this site include its frontage on one primary artery, one connector street and two residential streets. It has a level to gently sloping topography. This site is in proximity to the proposed Leroy T. Walker Health and Wellness Center, Providence Hospital, and Benedict College. This site has frontage on and visibility from the heavy traffic volumes along Two Notch Road. It will also have direct access from four streets, which is suitable for any commercial development. In addition, the development of this site would allow for the demolition of numerous unsightly buildings. Another attractive feature of this site is the option to divide it in half, and create a mixed-use development.

Overall Ranking

The sites identified for potential acquisition and redevelopment are summarized in the following chart.

	Site #1	Site #2	Site #3	Site #4	Site #5
Size/Acres	14 – 14.5	3.5 – 4.0	1.0 – 2.0	2.0 – 3.0	6.0 – 7.0
# of Parcels to Acquire	1	21	8	17	18
Physical Attributes	Good	Good	Good	Good	Good
Residential Potential	Good	Good	Good	Good	Limited
Commercial Potential	Good	Good	Poor	Poor	Good
Mixed-Use Potential	Good	Good	Poor	Poor	Good
Overall Impact Potential	Good	Good	Good	Good	Good
Development Timing	1 – 5	1 - 3	1 - 3	1 – 3	1 – 3
Overall Rank	1st	3rd	5th	4th	2nd

Summary and Conclusion – Catalyst Sites

The catalyst sites were selected based on a variety of characteristics that suggest the redevelopment of each site would positively impact the surrounding portion of Cluster 4 over the long-term and spur future revitalization.

Site #1 clearly has the most potential to impact the character of the surrounding residential housing. It would allow for a mixed-use development incorporating commercial and residential uses that would be compatible with the adjacent college on the south side and the proposed redevelopment of the former Saxon Homes site on the north side. Simply demolishing the Allen-Benedict Apartments will begin the process of rehabilitation in this area. Although a large percentage of residents may be displaced, it is important to note that the future revitalization of this portion of Cluster 4 precludes the redevelopment of another high-density multi-family development.

Site 2 is essentially the entire corner of a heavily traveled intersection. This corner represents the only buffer between that intersection and the adjacent dormitory housing of the college campus and surrounding single-family residential development. In addition, this site is sandwiched between Benedict College and Providence Hospital. Both entities could utilize this site for a more positive impact on Cluster 4. The structures currently in place on this site are either in dilapidated condition or incompatible with the adjacent uses. As a result, demolition of these structures will enhance the revitalization efforts in nearby areas.

Sites #3 and 4 are comprised of smaller areas currently developed with dilapidated housing or commercial structures that detract from the revitalization efforts in areas surrounding them. Both were selected for the opportunity to demolish existing substandard housing and the potential to capitalize on the recent construction of new single-family and low-density multi-family housing. Neither site would be suitable for commercial uses.

Site 5 is currently improved with a multi-tenant retail building, Tires Unlimited, Midlands Tire City, a former hotel converted to apartments, a church and several single-and multi-family residences. None of these uses enhance the surrounding residential or commercial development. In fact, many of them represent a barrier to future revitalization of Clusters 2 and 4. The physical attributes of this site suggest a mixed-use development including commercial and residential uses. The redevelopment of this site will likely have a substantial impact on both the surrounding commercial and residential development within Clusters 2, 3 and 4.

SUMMARY AND CONCLUSION – CLUSTER 4

The identified market area is nestled between the central business district of Columbia to the west, the campus of Palmetto Richland Memorial to the north, and the Forest Acres area to the east. The transportation routes throughout the area are adequate to serve the current traffic volumes. The analysis of real estate market trends revealed some portions of this cluster are experiencing a market-based revitalization, while other portions have suffered a continuous and steep decline over several decades. The socio-economic influences of this cluster suggest the existing population base is unable to maintain a market-based revitalization, without assistance from a variety of sources. Our analysis and inspections revealed five catalyst sites with potential for redevelopment to spur the long-term revitalization of this cluster.

CLUSTER 5

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IDENTIFICATION OF CLUSTER 5

Cluster 5 is comprised of the area located between Royster Street to the northwest, Superior Street/Holt Drive to the north, Adeline Drive to the southeast and Mitchell Street/Commerce Drive to the south. This cluster is bisected by numerous residential streets including Kingswood Drive, Howe Street, Edisto Avenue, Wiley Street, and Bay Street. Please refer to the preceding maps for a visual representation of the cluster boundaries as described above.

TRANSPORTATION – CLUSTER 5

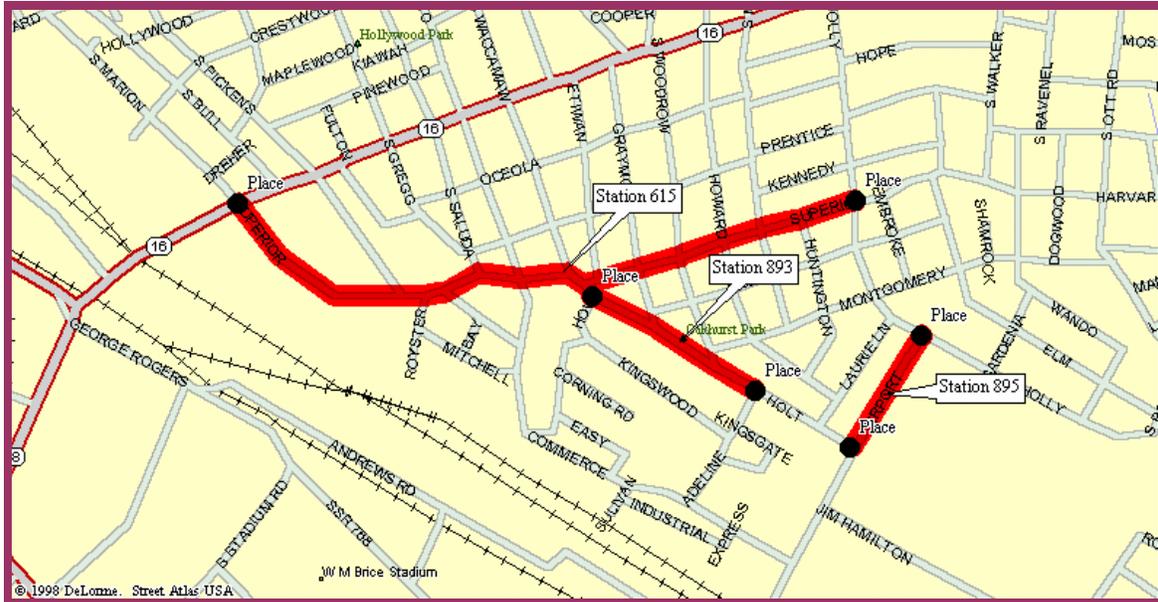
Cluster 5 is not directly impacted by any primary arteries. The nearest primary artery is Rosewood Drive. As previously noted, many streets are divided into stations by the South Carolina Department of Transportation for the purpose of tracking the traffic volumes along portions of each corridor. Within Cluster 5, only Superior Street and Holt Drive have been divided into stations. The historical traffic counts for those corridors are illustrated in the following chart. In addition, the historical traffic counts on Airport Boulevard will also be included, because much of the traffic along this thoroughfare travels through Cluster 5.

HISTORICAL TRAFFIC COUNTS

Station	2002	2001	2000	1999	1998	1997	1996	1995
615	250	250	225	200	275	200	225	225
893	2,100	1,900	2,000	2000	N/A	N/A	N/A	N/A
895	1,150	950	1,050	950	N/A	N/A	N/A	N/A

Source: South Carolina Department of Transportation

A map illustrating the primary traffic corridors and the corresponding station numbers follows.



The volume of vehicular traffic on the identified streets is minimal and reflects their intended purpose as residential arteries. The traffic volume has remained mostly stable for all three stations over the past eight years. A detailed analysis of each station follows.

Superior Street

Station 615 represents the Superior Street corridor between Rosewood Drive (SC 16) to the northwest and Holly Street to the northeast. Between 1995 and 2002, the traffic volumes on this corridor have fluctuated between 225 to 250 cars. The traffic flow along this street is clearly associated with the residential housing in this area.

Holt Drive

Station 893 represents the Holt Drive corridor between Howe Street and Adeline Drive. Holt Drive also connects with Superior Street to the west. Between 1999 and 2002, the traffic volumes on this corridor have fluctuated between 2,000 to 2,100 cars. The traffic flow along this street is clearly associated with the residential housing in this area, but also appears to carry some of the traffic for the nearby Columbia Owens Downtown Airport.

Airport Boulevard

Station 895 represents the Airport Boulevard corridor between Holt Drive and Holly Street. Between 1999 and 2002, the traffic volumes on this corridor have fluctuated between 950 to 1,150 cars. The traffic flow along this street is clearly associated with the residential housing in this area, but also appears to carry some of the traffic for the nearby Columbia Owens Downtown Airport. The connection between Holt Drive and Airport Boulevard appears to confirm that the higher traffic volumes along Holt Drive are related to the nearby airport.

Proposed Spine Road

In August of 2002, the Columbia Housing Authority completed the Columbia Owens Master Plan for economic development and infrastructure improvements along the railroad corridor extending between Rosewood Drive to the west of Cluster 5 and Airport Boulevard, located just east of Cluster 5. The purpose of the Spine Road would be to channel truck traffic generated by the commercial properties on Commerce Drive and Mitchell Street away from residential areas and to improve drainage throughout the southern portion of Cluster 5.

The initial plan proposed a road extending from Superior Street and cutting directly through a portion of the existing development within Cluster 5. The placement of the Spine Road in this area would further segment a mix of commercial and residential uses. As a result, it is an undesirable alternative.

The alternate plan proposed a road from Superior Street and extending along Mitchell Street and Commerce Drive. This alignment utilizes the existing rights-of-way and provides a more natural barrier between the surrounding commercial and residential development. Furthermore, it would allow for a more useful redevelopment opportunity for the nearby properties. This alternative route would enhance the potential to revitalize this area.

Summary and Conclusion - Transportation

There are no primary traffic arteries impacting Cluster 5. The nearest primary artery is Rosewood Drive. Cluster 5 is serviced by two connector routes including Superior Street and Holt Drive. Both carry relatively light volumes of traffic. Despite the proximity of Columbia Owens Downtown Airport, the traffic volumes along these arteries reflect the predominantly residential character of the surrounding area. The traffic associated with the airport does not adversely impact the residential portions of the cluster.

DEVELOPMENT TRENDS – CLUSTER 5

The existing development within Cluster 5 is comprised of a mostly incompatible mix of uses. The most influential development in this area is the Columbia Owens Downtown Airport, which was built in 1929. As the city expanded and the demand for housing increased, residential development slowly enveloped the airport. The surrounding area has transitioned into a residential community. Yet, a significant portion of the neighborhood remains commercially oriented. The commercial uses are comprised primarily of warehouse and light industrial structures. Most were built between 30 and 50 years ago.

Unfortunately, the mix of residential housing with warehouse/industrial uses has adversely impacted the area. The infiltration of residential housing into what was originally a commercial area has not been controlled in a manner that would protect either use. The result is that the lack of adequate setbacks and buffer zones between the warehouse/industrial and residential development has impacted the aesthetic image of the area.

While the mix of uses in this neighborhood clearly clashes, the potential for rehabilitation of a significant portion of the existing housing and revitalization of the area overall is reasonably high. Although some of the existing residential housing has declined over the past 25 years, the residents of this cluster have managed to maintain the integrity and appeal of many areas. Demand for housing appears relatively strong. Demand for warehouse/industrial uses fluctuates. As a result of the more limited demand for warehouse/industrial uses in this area, the potential success of a long-term revitalization plan for the residential housing increases; however, it is important to note that the existing warehouse/industrial uses are unlikely to relocate to other more compatible areas. The Columbia Owens Downtown Airport will always act as a draw for commercial entities in need of local air service. Therefore, the long-term

rehabilitation of Cluster 5 will require a plan that incorporates a compatible use of both residential and commercial development.

Commercial Development

As previously noted, the majority of existing general commercial development is oriented toward warehouses and light industrial uses. Most commercial structures are clustered along Commerce Drive, Edisto Avenue and Airport Boulevard. A few commercial buildings are interspersed among the residential housing along the western end of the neighborhood; however, the housing in the central and northeastern portions of the neighborhood is mostly insulated from the commercial structures.

The impetus for the development of commercial structures within Cluster 5 stems from the Columbia Owens Downtown Airport. The airport was established in 1929 when the Curtiss Wright Hangar was constructed at what eventually became known as Owens Field. The hangar was used for a variety of purposes over the ensuing decades and is now listed on the national register for historic structures. Owens Field hosted the first passenger and airmail service between Charlotte, Columbia, Camden and Augusta in 1932 when Eastern Air Transport began making regularly scheduled flights. Delta Airlines began using the airport for similar services in 1934.

Today, the airport encompasses 182 acres and has a 4,999 foot runway that serves an average of 153 flights per day. Of that total, 53% are classified as general local traffic. Another 39% are transient traffic, 6% represent air taxi service and another 2% are military flights. The airport operates 108 aircraft and has 94 hangars.

The Columbia Owens Downtown Airport is owned and operated by Richland County. In July of 2003, the airport received a \$414,000 grant from the FAA's Airport Improvement Program to aid in a total renovation of the facility. The

renovations are expected to be complete in the fall of 2004. The project will include the construction of 36 additional T-hangars, nine corporate box hangars, a new arrival corridor and a new terminal building. The on-going renovation of the airport will positively impact the remainder of Cluster 5. Although traffic volumes may increase slightly as the capacity of the airport increases, the impact to the surrounding residential base will be minimal.

In spite of the fact that the renovations to the airport will enhance the aesthetic image of the area, the increased volume of traffic at the airport is not expected to translate into increased demand for the existing warehouse/industrial buildings in this area. There are a number of reasons for this, such as:

- a limited number of businesses which require proximity to a small airport;
- more desirable areas for these uses in proximity to Columbia Metropolitan Airport; and
- the diminished age, quality and condition of the existing structures.

Many of the existing structures are functionally obsolete and would not be suitable for most warehouse or light industrial users. As a result, an increasing number of these buildings are becoming vacant. Dilapidated and/or vacant buildings represent a deterrent for new development because they adversely impact the aesthetic image of the area. In addition, vacant and dilapidated structures tend to attract loitering, litter and vandalism. Over time, most of these buildings will be demolished in favor of residential development, despite the impetus of the nearby airport. The limited demand for these structures is illustrated by the lack of new commercial construction over the past two decades. While commercial development will remain in this area over the long-term, the transition of this area into a predominantly residential district will continue.

Residential Development

The quality of existing residential development within Cluster 5 is relatively diverse in terms of overall design or architectural style, size and quality. Not surprisingly, the residential housing that has experienced the most pronounced decline is that housing adjacent to the existing warehouse/industrial uses. For example, the residential development on the northwestern corner of Cluster 5 is comprised of relatively small single-family residences and duplexes that were constructed over 50 years ago. These houses tend to be in very poor condition. Not only do many represent sub-standard housing, but several are hazardous and require immediate demolition.

There are a number of commercial/industrial uses interspersed throughout the residential development in the northwest portion of Cluster 5, which has attributed to its overall decline. In particular, the location of the former UniTech Services Group, Inc. facility in this area diminished demand and property values for nearby housing. This facility housed a nuclear laundry operation in which clothing tainted by low levels of radiation were treated and cleaned. In early May 2003, Unitech Services Group, Inc. moved their operations to a more suitable area and vacated their building. According to reports in *The State* newspaper, the facility will be demolished and the site will be decontaminated with the oversight of the South Carolina Department of Health and Environmental Control. The decontamination of this site will require approximately one year.

The stigma associated with the 30-year operation of an adjacent nuclear laundry facility is substantial for homeowners in this neighborhood. The relocation of the nuclear laundry operation will enhance the potential revitalization of the northwest portion of this cluster; however, the long-term success of any revitalization plan will require three things:

- the complete removal of any contaminated structures and soil on the former Unitech site;

- an aggressive marketing campaign to educate potential investors and homeowners about the site cleanup to reverse the stigma of contamination; and
- the incorporation of this site as one of the catalyst sites for redevelopment.

While private investors may balk at redeveloping a formerly contaminated site, the ECCC is in a unique position to rehabilitate this site as a neighborhood amenity such as a community park or community center. Such a redevelopment would generate demand for new residential construction in the immediate area and offset the long-term impact of contamination stigma.

Conversely, the residential development on the northern and eastern ends of Cluster 5 has remained mostly insulated from the adverse influences of nearby warehouse and light industrial uses. Cluster 5 is bordered on the northeast side by an attractive and well-maintained neighborhood of predominantly single-family residences. The adjacent neighborhood has positively impacted the northern and eastern portions of Cluster 5. Our inspections revealed that the existing housing in this area is in reasonably good condition. While some require minor renovations, very few qualified for demolition. Property owners in these areas have managed to maintain the quality, condition and neighborhood integrity of this housing.

The residential structures in this portion of Cluster 5 are primarily comprised of single-family residences containing between 1,000 to 1,800 square feet. Most were constructed between 30 and 50 years ago; however, the housing in the new Graymont subdivision was developed within the past five years. This small cluster development is comprised of bungalow-style homes surrounding a cul-de-sac. The perimeter of this development is fenced with wooden privacy fencing, creating the feel of a smaller, more intimate neighborhood among a much larger residential area. The lots within the Graymont subdivision were developed very quickly and the sell out period required to attract homeowners was surprisingly

short, which indicates pent-up demand for good quality housing in this area. This demand bodes well for future revitalization efforts.

Within the central portion of Cluster 5 is a small area of homes that have suffered a decline over the past two decades. In particular, the residential development along East Street and Corning Street has declined more quickly than the surrounding housing. Most building structures, site improvements and yards require extensive renovation or demolition. The on-going trend of renovation along Howe Street has not resulted in a similar trend along these two streets. The delay in revitalization may be the result of proximity to warehouse and industrial development along Commerce Street. Some of the housing in this area abuts the commercial development. The houses in this area are smaller than those in the northern and northeastern portions of Cluster 5, ranging in size between 800 and 1,200 square feet, and most were built more than 40 years ago.

In addition to the decline of the existing housing, both Easy and Corning Streets are in need of significant municipal improvements including the maintenance and upgrading of road pavement and lighting, and the installation of sidewalks and underground drainage. While the aggressive implementation of code enforcement may provide some minimal improvement, the residential development along Easy and Corning Streets will likely require a more comprehensive, long-term plan for rehabilitation.

Institutional Development

There are few non-residential developments in Cluster 5 that positively impact the remainder of the cluster. Our inspection revealed one small city park on Howe Street, three churches and the nearby Owens Field Skate Park. The city park located on Howe Street is a small, gated park containing playground equipment designed for young children. The Owens Field Skate Park is located adjacent to the airport on Jim Hamilton Boulevard, just east of Cluster 5. This

68-acre park was jointly developed by the City of Columbia, Richland County and YMCA. The park contains nine soccer fields, baseball fields, a roller hockey rink, an inline skating area, restrooms and a walking trail. The skating/skateboard area features ramps and quarterpipes. The Owens Field Skate Park is within walking distance of all housing in Cluster 5.

The only other potential development that will likely impact Cluster 5 over the long-term is the proposed redevelopment of the former Hendley Homes site, which is adjacent to Cluster 5 on the northwest corner. This 20-acre site was formerly improved with a 300-unit apartment complex owned and operated by the Columbia Housing Authority. The site has frontage on Rosewood Drive and Superior Street. Any new development on this site will represent the primary gateway into the Cluster 5 neighborhoods. As a result, the redevelopment of the former Hendley Homes site will have a substantial impact on the revitalization efforts of Cluster 5, particularly in the northwest corner. Although the redevelopment plans are not completed, the initial stages suggest the plan will contain a mixture of commercial uses along Rosewood Drive and a variety of residential housing options throughout the interior of the site.

Areas of Opportunity

As previously noted, one of the most adverse features of Cluster 5 is the incompatibility of existing uses and the lack of sufficient buffering between them. Both the enforcement of current codes for buffers and landscaping would immediately enhance this area.

The demolition and subsequent clean-up of the former nuclear laundry site will eventually encourage future development; however, the initial stages of rehabilitation on the northwest corner of Cluster 5 will be hindered until the clean up process is complete. The future rehabilitation of this area is dependent upon the successful clean up of this site and the mitigation of resulting stigma to the area.

The final barrier to revitalization in Cluster 5 will be the surrounding residential and commercial development outside the boundaries of the cluster. Many of the dilapidated residential and commercial structures along the west side of Royster Street, south side of Mitchell Street and north side of Superior Street are dilapidated and reflect poorly on the property within the cluster boundaries. If the condition and incompatibility of these properties are not addressed in conjunction with those within Cluster 5, they will act as a barrier to total rehabilitation of the area.

Summary and Conclusion – Development Trends

The potential for revitalization of the residential development within Cluster 5 is reasonably high. The long-term viability of commercial development is limited. There are no primary arteries providing direct access into Cluster 5, which is normally required to attract commercial development and/or revitalization. The existing commercial development will likely diminish in influence over time. Cluster 5 is strategically located in proximity to a major employment center to the north (Columbia CBD), and a dense and stable population base to the northeast. Cluster 5 also has proximity to the retail and entertainment district of Five Points, the campus of the University of South Carolina, Sarge Frye Field, and Williams Brice Stadium.

The majority of housing in Cluster 5 is stable. In the northern portion, recent new construction has been well received by homeowners and indicates continuing demand for good quality housing. The residential development on the northwest side and south-central section has suffered a steep decline over the past 20 years. The on-going decline is the result of incompatible warehouse/industrial uses within this area.

Our research indicates there are approximately 206 individual parcels within Cluster 5. Of the existing structures, 20 require immediate demolition because they are either uninhabitable, or the cost to rehabilitate exceeds any potential

value to be generated. Another 5 buildings require either immediate demolition or substantial rehabilitation. A total of 68 parcels contain buildings and site improvements in need of minor cosmetic renovation.

The long-term success of any revitalization effort will require a layered approach to be implemented concurrently by ECCC members and residents. For example, in addition to the aggressive enforcement of current building and use codes by the City of Columbia, much of Cluster 5 would benefit from the implementation of typical covenants, conditions and restrictions of a property owners association. In addition, a redevelopment plan for Cluster 5 should ensure consistent zoning classifications are applied to facilitate private investors/developers as they begin to participate in the revitalization. A zoning overlay district or the implementation of more uniform zoning classifications would benefit the residential districts.

DEMOGRAPHIC ANALYSIS – CLUSTER 5

In order to determine what types of development may be best suited for Cluster 5, an analysis of the general demographics of the area is necessary. We have researched and reviewed various statistics regarding the population, age groupings, income levels, education levels, and housing trends. The analysis and resulting conclusions are discussed in detail in the following paragraphs, and are based upon information obtained directly from the U.S. Census Bureau, the Central Midlands Council of Governments and Claritas, Inc.

Population and Household Trends

In 2000, the total population within the market area was reported to be 281 persons, which represented a decrease of 28.32% from the 392 reported in the 1990 U.S. Census. Between 2000 and 2008, the overall population is projected to decrease consistently each year to a low of 230 in 2008. The overall decrease in population will be 18.15%. Historical and projected population trends for the identified market area are summarized in the following chart.

POPULATION TRENDS

2008 Projection	230
2003 Estimate	257
2000 Census	281
1990 Census	392

1990 – 2000 Total Growth	-28.32%
Annual Average	-2.83%

Source: U.S. Bureau of Census and Claritas, Inc.

The number of households in this area has also declined over the past 13 years. In fact, the decline in number of households has occurred at nearly the same rate

as the population. Historical household trends are summarized in the following chart.

HOUSEHOLD TRENDS

2008 Projection	101
2003 Estimate	108
2000 Census	115
1990 Census	156

1990 – 2000 Total Growth	-26.28%
Annual Average	-2.63%

Source: U.S. Bureau of Census and Claritas, Inc.

Between 1990 and 2000, the total number of households decreased by 41 or 26.28%. By 2008, the total number of households is expected to decrease by another 14 households, or 12.17%.

The consistent and relatively significant decreases in both population and number of households between 1990 and 2000 reflect the decline of most residential areas within this cluster overall. As the quality of available housing and neighborhood amenities has decreased, the demand for housing in Cluster 5 has decreased accordingly. Yet, the recent development of new single-family residences in the Graymont subdivision suggests latent demand for good-quality housing. Furthermore, the market driven revitalization of the northwest quarter of Cluster 5 also suggests untapped demand for housing. Furthermore, the measurement of population and household statistics within Cluster 5 does not reflect the pending influence of expanding neighborhoods nearby. The potential revitalization of housing in Cluster 5 is likely to incur considerable infiltration into Cluster 5 from surrounding neighborhoods over time.

The potential stability of a population base can also be measured by the percentage of housing units that are owner-occupied versus renter-occupied. A higher percentage of owner-occupied housing units is usually indicative of a stable population base, while a higher percentage of renter-occupied housing units tends to indicate a more transient population base. Occupancy in housing units within the market area is summarized in the following chart.

OCCUPIED HOUSING UNITS

2000 Total Occupied Housing Units	115
Owner Occupied	40.87%
Renter Occupied	58.26%

Average # Persons Per HH	2.45
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Source: U.S. Bureau of Census and Claritas, Inc.

Within Cluster 5, the percentage of renter-occupied housing units is significant at 58.26% of all housing units, indicating the existing population base is relatively transient and more likely to fluctuate over time. The transient nature of the local population has directly and adversely impacted the population growth rate over the past decade, and is likely to impact future growth rates as well. Normally, a high percentage of renter-occupants would be found in an area in which a significant number of the existing housing units are comprised of multi-family developments. Interestingly, there are very few multi-family residential developments within the identified market area. In fact, the vast majority of housing units are single-family residences. The quality and condition of most single-family residences in Cluster 5 suggests they are primarily rental properties.

Of the total households within the market area, only 23.48% are occupied by a married couple with or without children. Another 55.66% is occupied by a single

female head of household, with or without children. Of the total households, 29.57% are occupied by a single mother or female with children. Typically, single mothers with children are one of the population groups least likely to own their own homes. Most often, this is due to financial limitations. The fact that over 29% of the current households in this market are comprised of single mothers with children has clearly impacted the percentage of owner-occupied housing units.

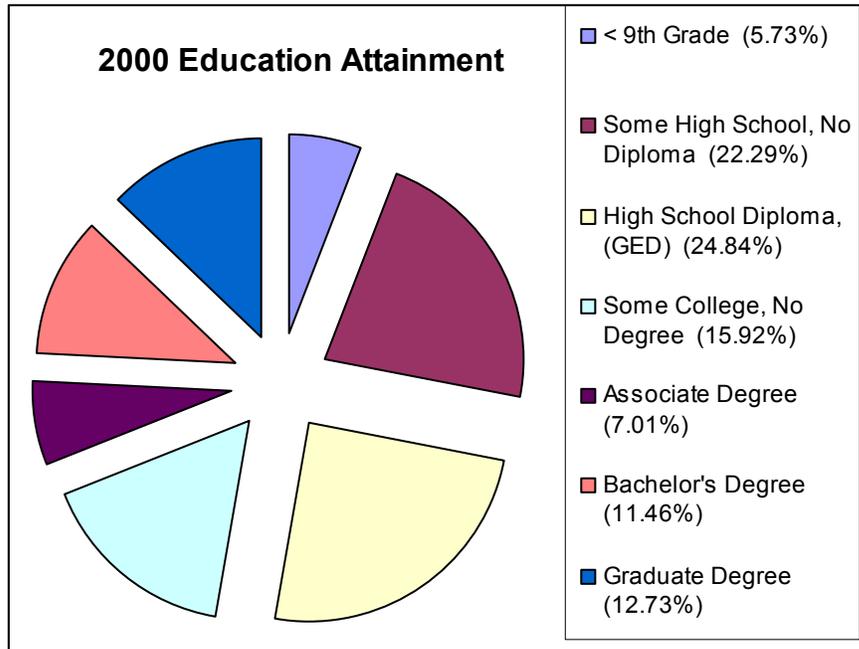
Other potentially destabilizing factors include a low number of family-occupied households, a high percentage of households with two people or less, and a low percentage of households with children under the age of 18. In particular, households occupied by a family of more than two people, and which contains children under the age of 18 are likely to be more stable and less transient.

Within the identified market area, 61.71% of the total households are classified as family households, compared to the 37.39% classified as non-family. A substantial 29.57% of all households are occupied by one person and another 29.57% of all households are occupied by two people. Households containing two people or less comprise 59.14% of all households in this market. A substantial 58.26% of all households have children under the age of 18 in residence, while only 41.74% of households reported no children under the age of 18. Despite declining population and households in Cluster 5, these statistics suggest some stabilizing factors within this area.

Within Cluster 5, a total of 56.94% of the population are between the ages of 18 and 64, indicating that the majority of the existing population base represents the eligible workforce in this area. A total of 33.45% of the population is under the age of 17, and the remaining 9.61% of the population is 65 years or older. The median age is 28.83 years, and the average age is 31.30 years.

Education and Employment Related Statistics

The level of education attained by a population will directly impact the quality of employment, income level, and standard of living that can be achieved by the population.



In Cluster 5, 28.02% of the current population over the age of 25 years has not earned a high school diploma or GED. A total of 71.98% of the population has a high school diploma or GED.

Another 15.92% of the population has attended college courses, but did not attain a degree of any kind. A significant 31.20% has earned a college degree, i.e., Associates, Bachelor's, Master's or Doctorate degree.

The percentage of population without a high school diploma or GED is considerable and has adversely impacted the household income and per capita income levels achieved within Cluster 5; however, it is interesting to note that a slightly higher percentage of adults have earned a college degree. This statistic reflects positively on the potential of the local population to increase their quality of life.

Within Cluster 5, the population over the age of 16 that was reported to be unemployed was 4.37%. Another 27.32% of the population over the age of 16

was not in the labor force. That group includes retired individuals and students. The percentage of unemployed in this area is slightly lower than the local, state and national averages.

A total of 66.08% of the households reportedly have between one and two vehicles. Only 24.35% of the reported households do not have a vehicle of any kind. As a result, only a minimal 4.80% either rely on public transportation or walk to work. The remaining employed population relied on other methods of transportation such as car pooling or riding a bicycle. The availability of transportation opportunities has enhanced employment opportunities in this area. It is noted that the statistics provided for this category total more than 100%, which likely reflects respondents providing more than one answer to this portion of the Census form.

Property Values and Household Income Trends

There are a reported 168 housing units within Cluster 5 and 115 households, indicating an overall occupancy rate of 68.45% for all housing types. Cluster 5 has the lowest occupancy rate of all five clusters. Of the total housing units, 54.17% represent single-family residential properties. The remaining 45.83% represent multi-family properties with two or more attached units. Nearly 93% of all existing housing units were built before 1980. Owner-occupied property values are summarized in the following chart.

OWNER-OCCUPIED PROPERTY VALUES

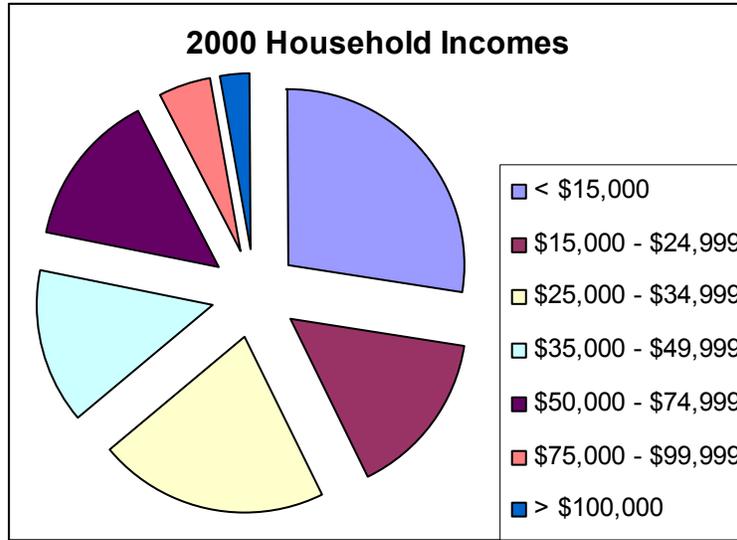
Under \$20,000	0.00%
\$20,000 - \$59,999	28.57%
\$60,000 – \$79,999	9.52%
\$80,000 - \$99,999	50.00%
\$100,000 - \$149,999	11.90%
\$150,000 - \$199,999	0.00%
\$200,000 +	0.00%

Median Property Value	\$68,850
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Source: U.S. Bureau of Census and Claritas, Inc.

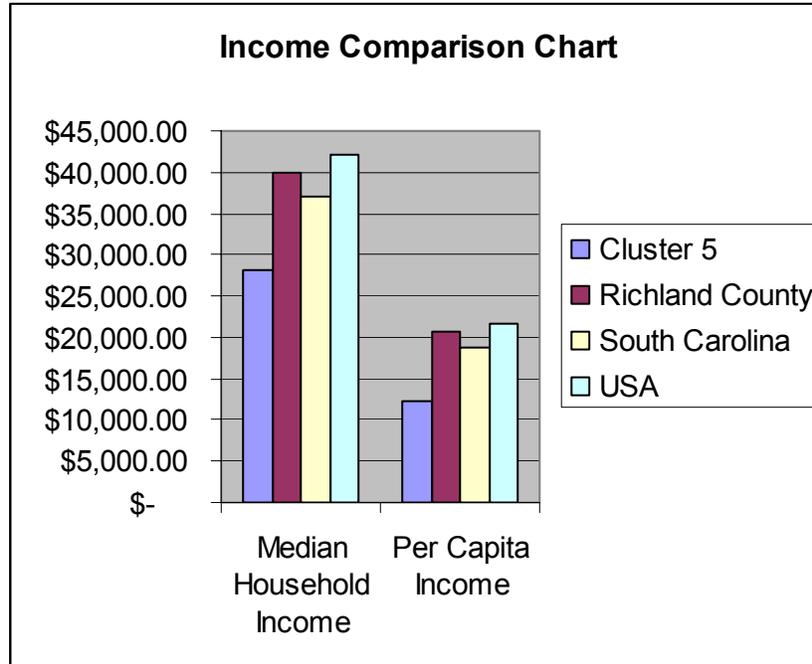
Although the 2000 Census indicates there are no owner-occupied properties with a value under \$20,000, research in the Richland County Assessor’s Office revealed numerous residential properties with values under \$20,000. While many of them may represent rental properties, some are likely to be owner-occupied. It is significant that half of all owner-occupied homes in Cluster 5 have property values ranging from \$80,000 to \$100,000. This statistics indicates both demand for housing in that price range and the financial ability of residents to acquire those properties.

According to the U.S. Census Bureau, nearly half (49.53%) of the households within the market reported a household income between \$25,000 and \$74,999 in 2000. Another 6.66% of households reported incomes over \$75,000, while another 42.86% reported incomes under \$25,000. Of the household incomes under \$25,000, 27.62% reported household income levels under \$15,000. The range of household income levels is illustrated in the following chart.



These statistics indicate a significant percentage of the population base is poverty-stricken. In 2000, 22.85% of the population within Cluster 5 generated incomes below the poverty level. Only 77.15% of the population generated incomes over the poverty level. The largest percentage of population below the poverty level was comprised of single adults (male or female) with children. The largest percentage of population above the poverty level was comprised of married couples, with or without children. While the percentage of population below the poverty level in Cluster 5 is the lowest of all five clusters, it is still large enough to adversely impact the ability of this population to generate a market-based revitalization.

The reported income levels for Cluster 5 are compared to income levels reported for Richland County, the state, and the nation in the following chart.



The average household income in Cluster 5 in 2000 was reported to be \$32,962. The median household income was reported to be \$28,261. The per capita income was reported to be \$12,335.

As noted in the preceding chart, median household and per capita income levels in Cluster 5 are slightly lower than those reported for Richland County, the state and the nation. These income levels impact not only the quality of life for residents, but the potential for revitalization of the area. While the slightly below average income levels generated by residents will not preclude revitalization, it will require a revitalization plan that includes a variety of housing opportunities within a broad range of pricing options to serve the needs of both the existing population base and the future influx of new residents.

Summary and Conclusion – Demographic Analysis

Cluster 5 has been positively impacted by several factors including:

- a large percentage of population with a college degree;

- a large percentage of owner-occupied households;
- a large percentage of households earning between \$25,000 and \$75,000;
- a very low percentage of unemployed adults; and
- relatively high values for most residential properties.

Cluster 5 has been adversely impacted by the following factors:

- a transient population base which has resulted in fluctuating population and household statistics;
- a significant percentage of population without a high school diploma or GED; and
- a large percentage of households earning less than \$25,000 per year.

The socio-economic influences of this cluster suggest the existing population base is unable to generate a market-based revitalization. Furthermore, the local population does not have the financial means to reverse the current decline of portions of Cluster 5 without assistance. Yet, the demographics of this cluster suggest local residents are in a position to capitalize on a revitalization plan. A minimal investment from ECCC would be required to generate a substantial revitalization within this cluster.

CATALYST SITES – CLUSTER 5

The purpose of the preceding analysis is to identify the positive and negative real estate market trends and socio-economic factors that impact the potential for revitalization of each cluster. In light of those variables, potential catalyst sites must be identified within each cluster, which could be utilized to spur revitalization and future private development. The potential catalyst sites within Cluster 1 are identified and described in the following paragraphs.

Selection Criteria

As noted previously, the East Central City Consortium, Inc. is committed to enhancing the existing residential housing and providing, or encouraging the private development of, additional housing opportunities in each of the clusters. While many of the potential catalyst sites may provide an opportunity for mixed-use developments, such as commercial and residential uses, the selection of potential catalyst sites will be oriented toward those sites providing maximum positive impact for the surrounding residential areas within each cluster.

In that regard, the selection criteria for a potential catalyst site included:

- primary and secondary access routes;
- compatibility of surrounding development;
- impact to existing development;
- potential for successful redevelopment; and
- long-term impact to neighborhood.

A potential catalyst site does not require direct access or visibility from a primary artery; however, adequate access is necessary. In addition, the type of access provided impacts the type of catalyst development to be considered.

Any potential catalyst development must be compatible with the surrounding development to ensure its future success. For example, proposed housing

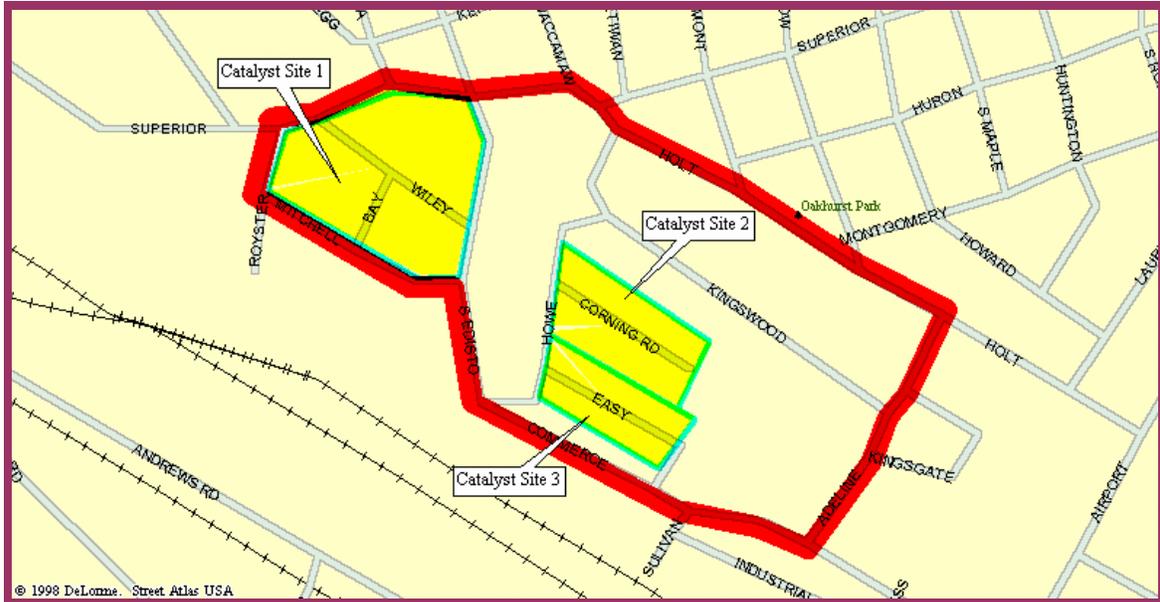
options must address the existing architectural elements of the surrounding neighborhood that create its unique character. Capitalizing on those traits will enhance the aesthetics of existing structures and ensure the acceptance and support of the neighborhood residents. In addition to design, the quality and density of housing must be compatible.

In selecting potential catalyst sites, the impact to existing structures must be minimized. The demolition of some structures is unavoidable; however, the demolition of meaningful structures within the neighborhood, such as churches and/or historic properties, should be avoided when possible. Every attempt should be made to incorporate those structures within a proposed redevelopment plan, as long as they do not hinder the potential success of the plan.

In selecting a catalyst site, the potential for both the success of a redevelopment effort on an individual site and the impact to the surrounding neighborhood must be considered. A catalyst redevelopment plan must accomplish more than simply replacing existing sub-standard structures or fill holes in the existing development. The success of a catalyst redevelopment requires a broader impact to the neighborhood at large. As a result, sites and potential developments are selected that have the highest potential to capitalize on current positive trends, enhance the surrounding area, and attract future private development.

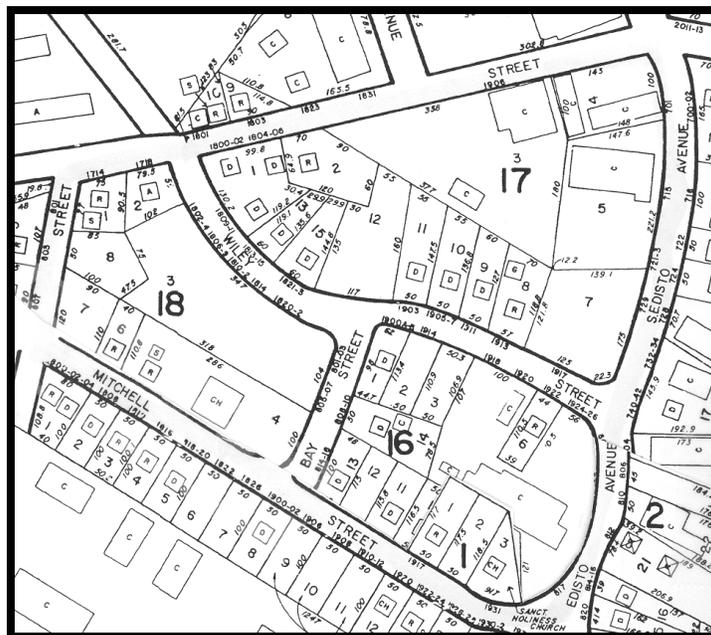
Identification of potential sites

Within Cluster 5, three potential catalyst sites have been identified and will be described in the following paragraphs. At the conclusion of this analysis, the catalyst sites will be compared and ranked. A map indicating the location of the potential catalyst sites has been included on the following page.



Catalyst Site #1

This site is comprised of the area bound by Superior Street to the north, Royster Street to the west, Mitchell Street to the south and Edisto Avenue to the east. This site is bisected by Wiley and Bay Streets. Catalyst Site 1 is depicted on the following map.



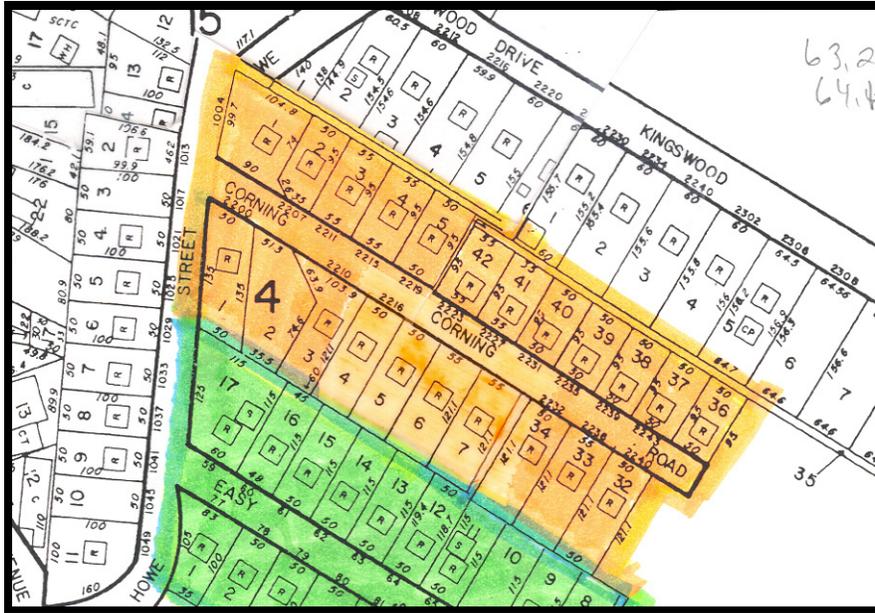
The total land area within this catalyst site is estimated to be roughly 7.5 – 9.0 acres. This site includes 32 separate tax parcels. The physical attributes of this site include its frontage on two connector streets and four residential streets. The site has a gently sloping topography. It has proximity to the Five Points area, the Columbia Central Business District and Williams Brice Stadium.

The majority of this site is currently developed with single-family and duplex residential buildings. All but one of these residential buildings are in poor condition overall. In addition, there are three churches, two warehouses and one dilapidated commercial structure. This site includes the facility formerly occupied by Unitech Services Group, Inc., which was operated as a nuclear laundry.

The development of this site would allow for the demolition of numerous unsightly buildings that have reached the end of their economic lives. The site could be redeveloped with a mixture of residential uses including single-family, cluster housing, town homes and low-density apartments. Although a portion of this site will be adjacent to commercial development, a mixed-use redevelopment plan containing commercial structures would be less suitable and would not serve to substantially revitalize this portion of Cluster 5 over the long term. Any redevelopment of this catalyst site should capitalize on and be compatible with the proposed redevelopment plan for the former Hendley Homes Apartment site. The former Hendley Homes site is adjacent to this catalyst, and has frontage on Rosewood Drive.

Catalyst Site #2

This site is comprised of the lots on both sides of Corning Street. Corning Street is a dead-end, residential street, which is accessed via Howe Street. Corning Street is approximately 600 feet long and serves only those properties that have frontage on it. Catalyst Site 2 is depicted in orange on the following map.

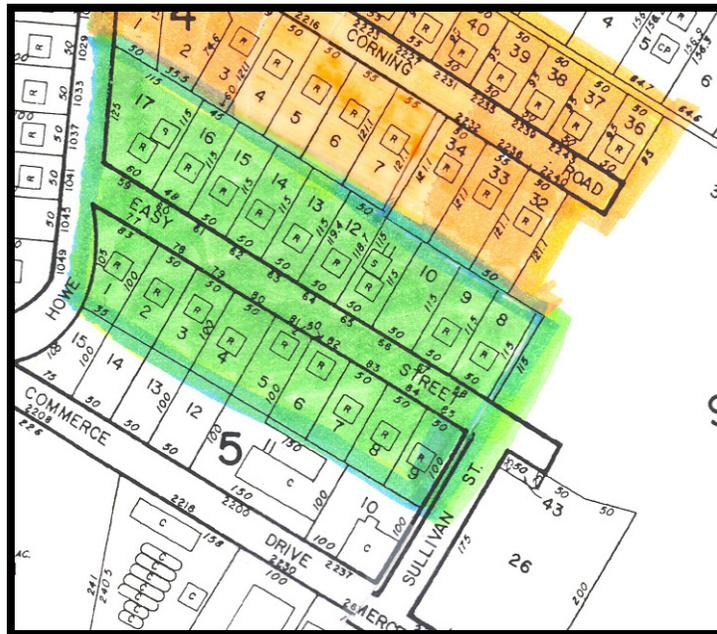


The total land area within this catalyst site is estimated to be roughly 2.5 – 3.0 acres. This site includes 22 separate tax parcels. The physical attributes of this site include its frontage on only one residential street and a mostly level topography. It has proximity to the Five Points area, the Columbia Central Business District and Williams Brice Stadium.

This street has been developed with a series of single-family and duplex residential properties. All of these structures require substantial renovation. In addition, the municipal amenities, including street condition, utility infrastructure and lighting is poor. The landscaping for these properties has been minimally maintained and the existing fencing is unsightly. Since this street terminates on one end and can only be accessed via another residential street on which many homes have been recently renovated, Corning Street has the unique potential to be completed rehabilitated. Potential uses include housing similar to the Graymont subdivision, town homes, patio homes, or new single-family residential development. The rehabilitation of housing on this street would have a substantial and positive impact on the surrounding residential development. Furthermore, this street could be redeveloped in conjunction with Catalyst Site 3.

Catalyst Site #3

This site is comprised of the lots on both sides of Easy Street. Easy Street connects with Howe Street on the northwestern end and Sullivan Street on its southeastern end. Easy Street is approximately 600 feet long and primarily serves only those properties that have frontage on it. Catalyst Site 3 is depicted in green on the following map.



The total land area within this catalyst site is estimated to be roughly 2.5 – 3.0 acres. This site includes 19 separate tax parcels. The physical attributes of this site include its frontage on only one residential street and a mostly level topography. It has proximity to the Five Points area, the Columbia Central Business District and Williams Brice Stadium.

This street has been developed with a series of single-family and duplex residential properties. All of these structures require substantial renovation. In addition, the municipal amenities, including street condition, utility infrastructure and lighting is poor. The landscaping for these properties has been minimally maintained and the existing fencing is unsightly. Since this street is primarily

accessed via another residential street on which many homes have been recently renovated, Easy Street has the unique potential to be completed rehabilitated. The rehabilitation of this street may require terminating access from Easy Street to Sullivan Street. Potential uses include housing similar to the Graymont subdivision, town homes, patio homes, or new single-family residential development. The rehabilitation of housing on this street would have a substantial and positive impact on the surrounding residential development. Furthermore, this street could be redeveloped in conjunction with Catalyst Site 2.

Overall Ranking

The sites identified for potential acquisition and redevelopment are summarized in the following chart.

	Site #1	Site #2	Site #3
Size/Acres	7.5 – 9.0	2.5 – 3.0	2.5 – 3.0
# of Parcels to Acquire	32	22	19
Physical Attributes	Good	Good	Good
Residential Potential	Good	Good	Good
Commercial Potential	Limited	Poor	Poor
Mixed-Use Potential	Average	Poor	Poor
Overall Impact Potential	Good	Good	Good
Development Timing	1 – 3	1 – 3	1 - 3
Overall Rank	1st	2nd	3rd

Summary and Conclusion – Catalyst Sites

The catalyst sites were selected based on a variety of characteristics that suggest the redevelopment of each site would positively impact the surrounding portion of Cluster 5 over the long-term and spur future revitalization.

Site #1 clearly has the most potential to impact the character of the surrounding residential housing. It would allow for a mixed-use development incorporating a variety of residential uses that would be compatible with the predominantly

single-family housing to the east. Simply demolishing many of the dilapidated buildings on this site will begin the process of rehabilitation in this area.

Sites #2 and 3 offer similar opportunities to create a unique cluster of new housing that could be compatible with the surrounding single-family neighborhood, but which incorporates a slightly higher density. In addition, the redevelopment of these streets will remove many dilapidated buildings, thereby enhancing and capitalizing the revitalized areas on Superior and Howe Streets. These two streets should be redeveloped together with compatible residential uses. However, it is important to note that simply redeveloping one street will not result in the long-term redevelopment of the adjacent street. A joint redevelopment plan is necessary to accomplish the successful rehabilitation of both streets.

SUMMARY AND CONCLUSION – CLUSTER 5

The identified market area is nestled between the central business district of Columbia and the entertainment and retail district of Five Points. Cluster 5 also has proximity to the University of South Carolina campus, Sarge Frye Field and Williams Brice Stadium. The transportation routes throughout the area are adequate to serve the current traffic volumes. The analysis of real estate market trends revealed some portions of this cluster are experiencing a market-based revitalization, while other portions have suffered a continuous and steep decline over several decades. The socio-economic influences of this cluster suggest the existing population base is unable to generate a market-based revitalization without assistance; however, the demographics also suggest the residents of this cluster do have the financial means and stability to capitalize on a rehabilitation effort relatively quickly. Our analysis and inspections revealed five catalyst sites with potential for redevelopment to spur the long-term revitalization of this cluster.