

Ogden Avenue Redevelopment Strategy

Prepared for:
Village of Clarendon Hills

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Village of Clarendon Hills Ogden Avenue Redevelopment Strategy

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1. Introduction and Executive Summary

Purpose of Study and Scope of Services

The purpose of this study is to examine the redevelopment potential of a collection of properties in the Village known as, for the purposes of this study, the Ogden Avenue Study Area. The study area is a top priority for economic development in the Village, as it is one of the few areas of the community that offers visibility and access to a major transportation route and commercial corridor. Given Clarendon Hills' limited commercial tax base, the Village is interested in maximizing the revenue generation (i.e., sales tax) from the land uses in the study area in order to supplement its existing property tax base. For this reason, we focused on an analysis of the retail redevelopment potential of the study area.

The findings of our analysis are provided in the chapters which follow, as laid out in our scope of services:

- Assessment of study area characteristics (with data collection assistance from the Village's Planning Intern)
- Evaluation of the study area's potential for tax incremental financing (TIF) district designation
- Assessment of the competitive retail market and identification of the retail development potential of the study area (including specific focus on the potential for an automobile dealership)
- Demographic analysis of a designated trade area for the study area
- Estimation of the sales potential for various store types which could be attracted to the study area
- Identification of redevelopment opportunities and strategies

A summary of our findings is provided below.

Executive Summary

The Ogden Avenue Study Area is a collection of relatively small parcels located along a heavily traveled arterial road. Regional accessibility, traffic volume, and visibility are all excellent, which should be favorable for retail development. However, the lack of a traffic signal and a major north-south route adjacent to the study area reduce its accessibility somewhat from a retail perspective, although a traffic signal could potentially be added. The primary limitation of the study area for retail development is the size and depth of parcels. Study area parcels are at most 300 feet deep, which is deep enough for small- and medium-sized retailers, but insufficient for large big box retailers and their associated parking.

A preliminary evaluation of the study area's potential for designation as a tax incremental financing (TIF) district was conducted. The results of our analysis indicate that the required conditions for the adoption of a TIF Redevelopment Plan and Project are found to be present within the study area. Based on these criteria, the properties within the study area will likely qualify for designation as a TIF Redevelopment Project Area as a "conservation area." Because

the area contains ten or more occupied housing units that are likely to be displaced, a Housing Impact Study would be required as part of the TIF designation process.

The Primary Trade Area (PTA) of the Ogden Avenue Study Area is an established, affluent, well-educated area that should be a very attractive market for retailers. With the relatively high incomes in the PTA, there is a substantial amount of sales potential present for retailers to capture. As a result, the PTA is served by several major retail clusters.

The study area is located roughly equidistant from two major shopping areas that offer a wide variety of goods and services from both chain and local retailers. As a result of this “in between” status, the Ogden Avenue Corridor as a whole (in Downers Grove and Westmont, as well as in Clarendon Hills) offers something of a hodgepodge of mostly local-serving shopping and services, with relatively few major shopping centers or retail anchors. Ogden Avenue has, however, established itself as a destination for automobile sales; nearly every automobile brand is represented along the corridor, mostly in Downers Grove and Westmont.

The study area contains a small amount of existing specialty retail and restaurants. The potential for consolidating and improving these retailers should be considered in the redevelopment strategy for the study area. However, the parcel depth and lack of other major retail development in the vicinity, combined with significant competition from other shopping areas, means that new big box stores or other major retail development of similar scale is not likely to be feasible in the study area.

Potential new retail store types that could locate in the study area were considered based on their sales tax generation potential and the presence of tenants actively seeking space in the market. The opinions and expertise of local real estate brokers also were sought. Based on this research, store types with potential in the Ogden Avenue Study Area include:

- Automobile dealership
- Furniture/home furnishings
- Arts/crafts/fabrics
- Drugstore
- Gourmet grocery store/specialty food store
- Restaurants
- Office supplies

Our assessment and broker opinions indicate that an automobile dealership would have strong potential in the study area. A new emphasis in the industry on the updating and freshening of existing dealerships may lead to the opportunity to attract one or more dealerships, provided that an appropriate site is available.

A saturation and capture analysis was performed to test the potential viability of five retail store types: a furniture/home furnishings store, a full-service restaurant, a wine/liquor store, a gourmet grocery store, and a drugstore. The analysis found that sufficient sales potential exists to support all of these potential new stores in the study area. For some store types, though, the strong existing competition in the local area means that a new store would have to be able to

differentiate itself in the market in order to compete effectively. However, potential sales support is only one component of evaluating the viability of a new store. Site and locational factors will also help determine if a new store can effectively compete with the existing competition in the marketplace and attract its fair share of shoppers.

Based on our findings, we identified several opportunities for retail redevelopment in the Ogden Avenue Study Area, which could potentially be combined within the area depending on the timing and extent of redevelopment.

- One, or possibly two, automobile dealership(s)
- New specialty retail, especially furniture/home furnishings, restaurants, wine and liquor, gourmet groceries, specialty food, and related goods
- Enhancement of the existing specialty retail in the study area, such as Sounds Deluxe and Chicago Clock Company, to more effectively create a destination that attracts shoppers
- A new drugstore to capture local convenience spending, but only if the location would not cannibalize sales from the existing chain stores in the local area (unless a different chain could be attracted)

Several strategies to facilitate and stimulate redevelopment were identified:

- Establish a TIF district in the study area
- Explore land acquisition by the Village and/or agreements with property owners to assemble a redevelopment site(s)
- Discuss redevelopment options and space needs with existing retailers in the study area to potentially re-format existing stores to attract shoppers more effectively
- Actively pursue an automobile dealership
- Market the study area and actively recruit retailers

Additional detail on these opportunities and strategies can be found in the final chapter of this report.

2. Study Area Characteristics

The Ogden Avenue Corridor Study Area is located in the Village of Clarendon Hills, Illinois. Clarendon Hills is located in the eastern portion of DuPage County and is bounded by Westmont to the north and west, Hinsdale to the east, and Willowbrook to the south. Compared to its neighboring communities, Clarendon Hills is a small community in population and size. According to the 2000 U.S. Census, the Village has a population of about 7,600 people. The Village's land area is only 1.7 square miles.

The Village is a largely residential community located near a number of amenities and shopping areas. There are numerous parks and golf courses within a short distance of the study area, including the Hinsdale Golf Course and the Oakbrook Golf & Country Club. Attractions and institutions such as Brookfield Zoo, Elmhurst College, and Benedictine University are within ten miles of the Village. Two major shopping centers, the Oakbrook Center and Yorktown Center, are within five miles of the Village. The Village has a small Central Business District (CBD) centered on a Metra commuter rail station.

Study Area Characteristics

Study Area Location

The study area is located at the northwestern edge of Clarendon Hills. The Village's CBD is located about one mile to the south. The study area also is minutes away from the downtown areas of Hinsdale, Westmont, and Downers Grove, which are all within five miles of the study area.

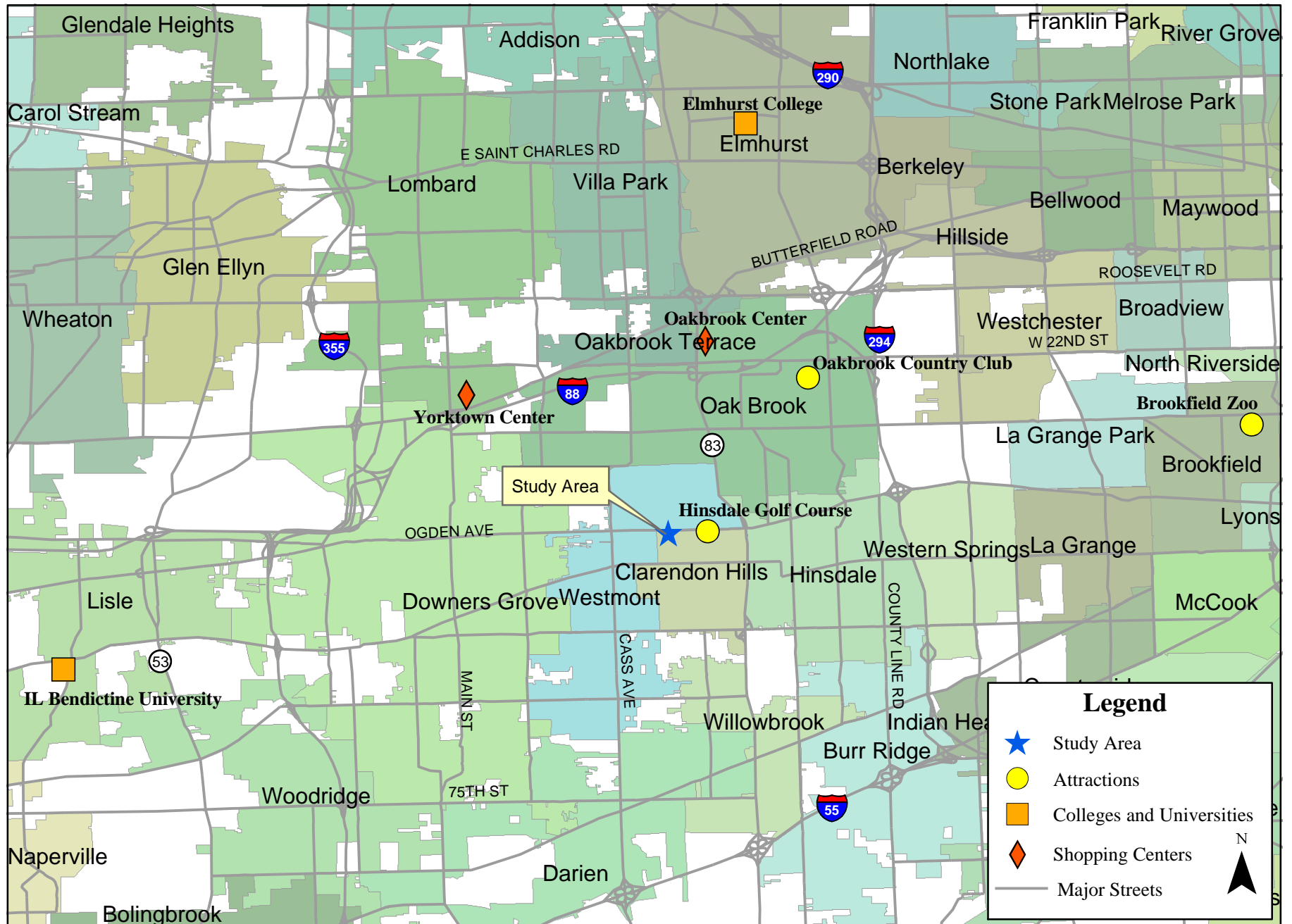
Maps 1 and 2 on the following pages identify the locations of the Village and the study area within the context of the surrounding area.

Access and Visibility

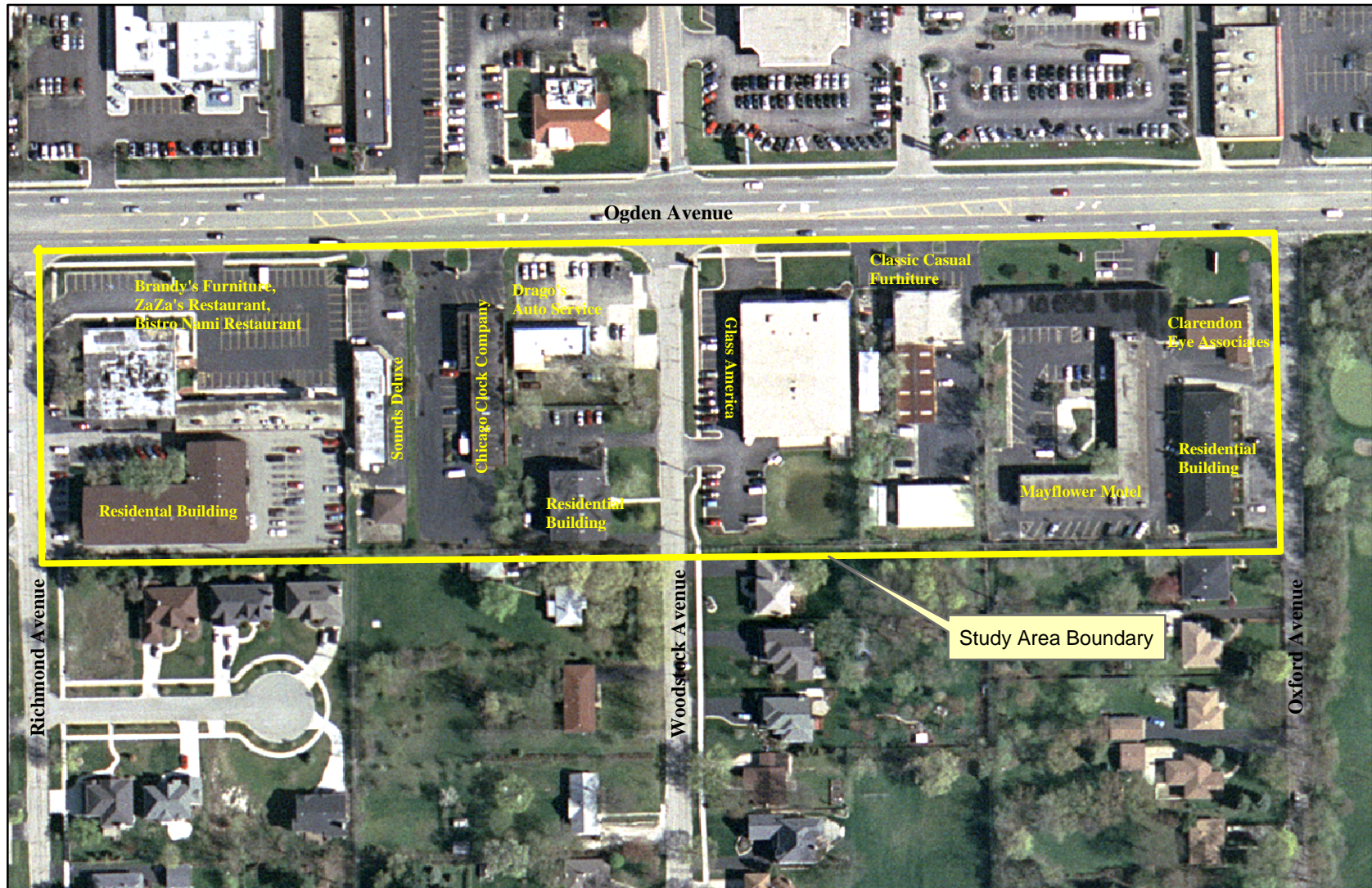
A successful retail site must be easily accessible from the surrounding area by car, as well as other forms of transportation, and should be highly visible to passing traffic. The study area has excellent vehicular access. The study area fronts on Ogden Avenue (also known as Route IL 34), a major east-west arterial road that cuts through all of DuPage County. Ogden Avenue is a major thoroughfare and provides direct access to more populous cities including Chicago and Naperville. The nearest major north-south route is Cass Avenue, which is just over a half-mile to the west. Generally speaking, the study area is much more accessible by local traffic from the east and west than from the north and south.

In addition to the excellent regional accessibility via Ogden Avenue, the study area is surrounded by highways, making the area even more accessible to communities outside of the local area. I-355 is approximately four miles west of the study area while I-88 is three miles north of the study area. I-294 is just 2.5 miles east of the study area and Route 83, the closest of all the local highways, is less than one mile away, just east of the study area.

Map 1: Study Area Context



Map 2: Ogden Avenue Study Area



The study area has excellent visibility to passing traffic. Buildings and signage have appropriate setbacks to be visible to potential patrons passing by. Its locational position along Ogden Avenue places the study area in plain view of drivers traveling east and west on Ogden.

Traffic Volume

The amount of vehicle traffic passing by a site is an important consideration for retailers. Most successful retail developments need to be visible and accessible to a significant amount of vehicular traffic. This is especially true in lower density suburban areas where most shoppers come to the site in cars from a wider area than in a more densely populated urban environment. Typically, neighborhood-level retail centers seek visibility to traffic volumes, on average, of at least 20,000 vehicles per day. Big box and other retailers who draw from a larger area will seek higher traffic counts, up to 30,000 vehicles per day or more. In comparison to these traffic figures, the Ogden Avenue Corridor has high traffic volumes. According to traffic counts obtained from the Illinois Department of Transportation (IDOT), over 36,000 vehicles per day pass by the study area along Ogden Avenue. In addition to Ogden Avenue, Route 83, which is less than one mile to the east, is another potential traffic generator for the study area. IDOT estimates that an average of over 90,000 vehicles per day travel along Route 83, just to the east of the study area.

Physical Characteristics and Layout

The Ogden Avenue Study Area is composed of two blocks along the south side of Ogden Avenue, between Oxford and Richmond Avenues. The total acreage of the entire study area is 8.7 acres. Dimensionally, each block is approximately 179,000 square feet in land area (not including street right-of-way) and has parcel depths ranging from 150 to 170 feet for corner lots to 300 feet for inside lots. The study area is mostly comprised of small retail and service uses on small lots. Each building is one to two stories in height with a floor-area-ratio (FAR) between 0.2 and 0.3, mirroring the intensity of typical suburban retail development. Individual lots for developments in the study area range from 14,000 to 60,000 square feet. The dimensional configurations of the parcels are suitable for small- to medium-sized retail facilities, but are not likely to be large enough to support larger-scale retail and the associated parking it requires.

Vehicular ingress and egress can be a challenge for the study area. The study area does not have a signalized intersection, which can make accessing the businesses in it difficult during peak hour traffic periods. The only entrance and exit points for most of the buildings in the study area are individual curb cuts along Ogden Avenue, which is a busy arterial road. However, buildings on corner lots have the benefit of additional access via residential side streets. Oxford, Woodstock, and Richmond Avenues are all additional access points for the study area's corner lot buildings.

According to Village staff, there have been discussions in the past about potentially installing a traffic signal on Ogden Avenue at Woodstock Avenue, which would provide signalized access to the study area. Although the feasibility of a signal would have to be studied, this would likely enhance the desirability of the study area as a potential location to many retailers.

Development Context

Ogden Avenue has a mix of retail, office, and residential development throughout the corridor running from Downers Grove on the west to Hinsdale on the east. Within a half-mile east and west of the study area, most development along Ogden Avenue is comprised of big box and/or large lot retail developments. This development includes retail uses such as grocery stores such as Jewel-Osco and Micro Center and auto dealerships such as Laurel Motors. Farther west on Ogden, the same trend of big box retail and large lot development exists. The retail along the portion of Ogden Avenue west of the study area consists of older commercial strips and larger auto dealerships such as Bill Kay Chevrolet. Development patterns to the east on Ogden Avenue in Hinsdale are significantly different than the west end of the study area. Development along the eastern portion of Ogden Avenue is predominantly residential mixed with small-scale office development (one- to three- story office buildings).

Development north of the study area in the Oak Brook area is dominated by major retail facilities that collectively serve as a regional shopping destination for the Western Suburbs. The area has a substantially different character from Ogden Avenue. The area is composed of corporate office centers, large regional shopping centers, and high end housing. The two regional shopping malls in the area, Oakbrook Center and Yorktown Center, feature upscale department stores, apparel and other specialty retailers, services, and restaurants. An agglomeration of more modern big box retail is located near the shopping malls on 22nd Street and Butterfield Road. These businesses include national chain businesses such as Barnes & Noble, Borders, The Container Store and Galyan's.

South of the study area, the Willowbrook/Darien area has a balanced mix of retail and residential uses. The neighborhood has more of a residential character but the main arterials in the area (63rd and 75th Streets) have neighborhood retail that serves the local population. Although its development has a different scale, type, and function than the Oak Brook area, the Willowbrook/Darien area does have a presence of more modern, larger-scale retail, particularly on 75th Street. Wal-mart, Target, Whole Foods, Best Buy, and Home Depot are examples of the big box retail that is present in this area.

Current Land Use and Business Mix

Land uses in the study area are primarily retail with some residential and service uses. Eight of the 11 buildings are retail and service uses while the remaining three buildings are multi-family residential buildings. The current business mix is comprised of retail businesses, services, and restaurants. Table 1 below shows the land use inventory.

Table 1: Ogden Avenue Study Area Land Use by Parcel		
Use	Number of Parcels	Percentage
Residential	3	27%
Retail/ Restaurant	6	55%
Service	2	18%
Total	11	100%

Source: S. B. Friedman & Company

Most of businesses along the corridor are small, stand-alone, one-story buildings. The businesses in the study area include small specialty stores, casual dining restaurants, and a motel. Table 2 shows the current business inventory of the study area.

Table 2: Ogden Avenue Study Area Business Inventory		
Business Name(s)	Use Category	Square Feet
L. Brandy's Furniture, ZaZa's Restaurant, Bistro Nami Restaurant	Retail/ Restaurant	14,476
Sounds Deluxe	Retail	4,212
Chicago Clock Company	Retail	6,179
Drago's Auto Service	Service	2,233
Glass America	Retail	15,680
Classic Casual Furniture	Retail	9,870
Mayflower Motel	Service	24,160
Clarendon Eye Associates	Retail	2,342
Total		79,152

Source: Downers Grove Township Assessor's Office and *S. B. Friedman & Company*

The residential developments in the study area are all multi-family rental housing. Each residential building has two stories and the number of units ranges from 12 to 28 units. The following table displays the building profile for each of the residential buildings in the study area:

Table 3: Ogden Avenue Study Area Residential Buildings		
Address	Use Category	Number of Units
285 Richmond Avenue	Multi-family, Rental	28
284 Woodstock Avenue	Multi-family, Rental	12
288 Oxford Avenue	Multi-family, Rental	16
Total Units		56

Source: *S. B. Friedman & Company*

According to Village staff, the Mayflower Motel currently operates as both an overnight and long-term stay facility. Some of the occupants rent rooms on a monthly basis.

Summary and Conclusions

The Ogden Avenue Study Area is a collection of relatively small parcels located along a heavily traveled arterial road. Regional accessibility, traffic volume, and visibility are all excellent, which should be favorable for retail development. However, the lack of a traffic signal and a major north-south route adjacent to the study area reduce its accessibility somewhat from a retail perspective, although a traffic signal could potentially be added. The primary limitation of the study area for retail development is the size and depth of parcels. Study area parcels are at most 300 feet deep, which is deep enough for small- and medium-sized retailers, but insufficient for large big box retailers and their associated parking.

3. TIF Reconnaissance

As a component in the redevelopment strategy for the Ogden Avenue Study Area, we conducted a preliminary evaluation, known as a reconnaissance, of the study area's potential for designation as a tax incremental financing (TIF) district. This reconnaissance is not a formal TIF eligibility study resulting in a TIF eligibility report as provided for under the TIF act. The intent of the reconnaissance is to evaluate conditions in the area with reference to the requirements of the TIF act in order to provide guidance to the Village as to the likelihood of the study area (or a sub-set of properties in the study area) qualifying as a TIF district.

Summary of Findings and Proposed RPA Boundaries

The Ogden Avenue Study Area consists of the commercial parcels fronting on Ogden Avenue between Richmond Avenue and Oxford Avenue, plus three residential parcels fronting on Richmond, Woodstock, and Oxford Avenues that are located behind some of the commercial parcels. Map 3 on the following page shows the study area boundaries. The study area contains a total of 11 tax parcels with 11 buildings (not including ancillary structures such as garages).

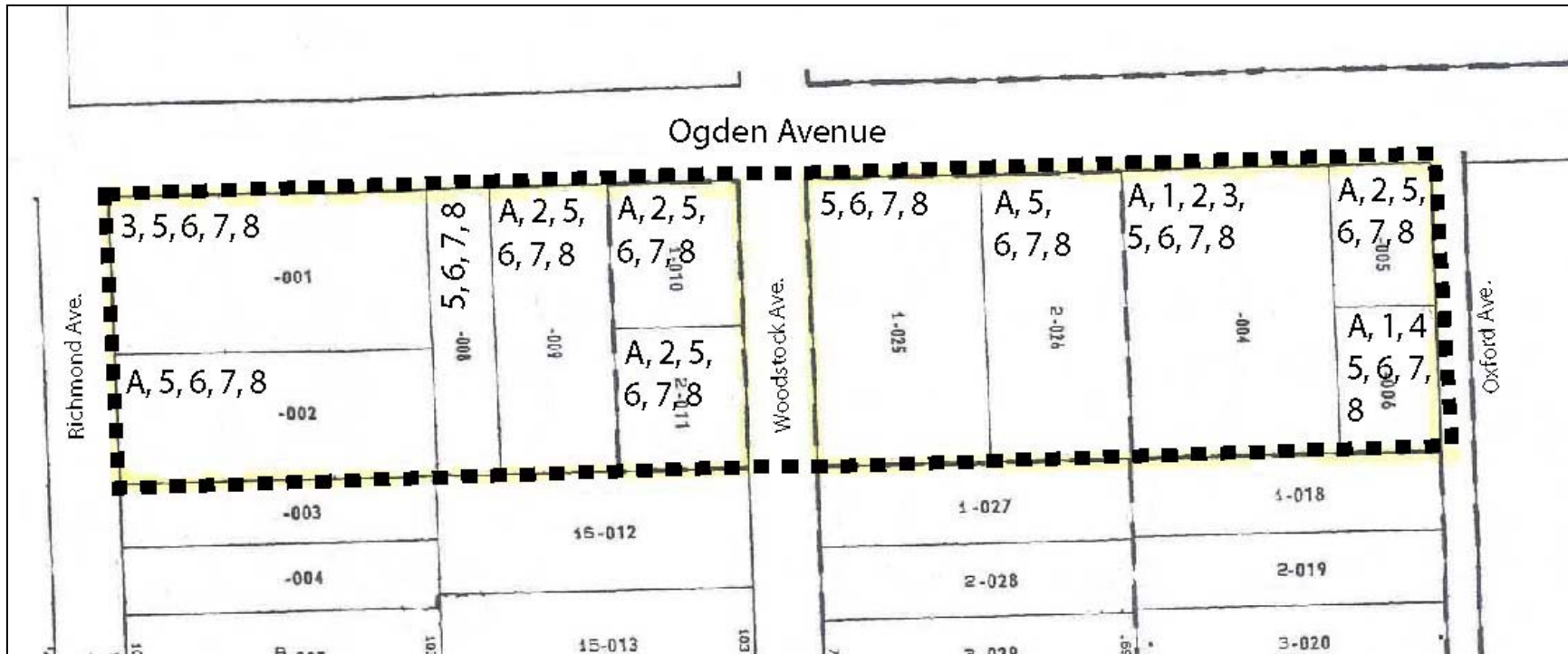
To be eligible for designation as a TIF district, one of several statutory definitions must be met. In this case, the area could be designated as a "conservation area" or as a "blighted area." To establish a "conservation area," more than 50% of the buildings in the proposed Redevelopment Project Area (RPA) must be over 35 years of age and at least three of the blighting factors defined in the Act (described in the appendix) must be found to be present to a meaningful extent and reasonably distributed. To qualify the improved property in the study area as a "blighted area" requires that a combination of five or more of the blighting factors be found to be present to a meaningful extent and reasonably distributed.

To evaluate the ability to meet the criteria set forth in the TIF Act, we conducted an exterior survey of building conditions and ancillary improvements on August 6, 2003. All properties in the study area were examined for qualification factors consistent with either "blighted area" or "conservation area" requirements of the TIF Act.

We calculated the number of TIF eligibility factors present on a parcel-by-parcel basis and an area-wide basis and analyzed the distribution of the eligibility factors within the study area. When appropriate, we calculated the presence of eligibility factors on infrastructure and ancillary properties associated with the structures. The eligibility factors were correlated to buildings using parcel maps and assessment data obtained from the Downers Grove Township Assessor's Office, property files created from field observations, and inspection and building permit records obtained from the Village. The information was then graphically plotted on a map of the study area to establish the distribution of eligibility factors, and to determine which factors were present to a meaningful extent.

Our findings are summarized by tax parcel in Map 3. A reasonable case can be made for the TIF eligibility of the entire study area as a "conservation area." Besides the "Age" prerequisite, we found that four eligibility factors are present to a major extent on an area-wide basis (as opposed to a parcel-by-parcel basis). A fifth eligibility factor, evaluated on a parcel-by-parcel basis, also

Map 3: Ogden Avenue Study Area, TIF Eligibility Factors, and Proposed RPA



Legend

■ ■ ■ ■ ■ Study Area Boundary

A = Age Prerequisite

1 = Obsolescence

2 = Deterioration

3 = Structures Below Minimum Code Standards

4 = Excessive Land Coverage

5 = Deleterious Land Use or Layout (Area-Wide Factor)

6 = Lack of Growth in EAV (Area-Wide Factor)

7 = Lack of Community Planning (Area-Wide Factor)

8 = Inadequate Utilities (Area-Wide Factor)

is present. In sum, we found five TIF eligibility factors present; for a “conservation area” a minimum of three are required. The eligibility factors are discussed in greater detail in the next section.

Based on these findings, should the Village wish to pursue the establishment of a TIF district along Ogden Avenue, the proposed RPA could consist of the entire Ogden Avenue Study Area.

Eligibility Findings for Proposed RPA

The proposed RPA consists of 11 tax parcels, which collectively contain approximately 8.7 acres of land. Under the TIF Act, an RPA must contain a minimum of 1.5 acres of land. The proposed RPA contains eight commercial buildings and three multi-family residential buildings.

Based on our physical survey of the proposed RPA and assessment records, it appears that the prerequisite requirement for designation as a “conservation area,” that half the buildings in the area must be 35 years of age or older, is satisfied. Eight of the 11 buildings (73%) in the proposed RPA are 35 years of age or older.

The results of our field survey and research have revealed that the following five eligibility factors are present to a meaningful extent and reasonably distributed:

1. Deterioration (5 of 11 parcels, or 45%)
2. Deleterious Land Use or Layout (all 11 parcels, or 100%)
3. Lack of Growth in Equalized Assessed Value (all 11 parcels, or 100%)
4. Lack of Community Planning (all 11 parcels, or 100%)
5. Inadequate Utilities (all 11 parcels, or 100%)

Map 3 shows the distribution of the Age prerequisite factor and the eligibility factors within the proposed RPA.

Housing Impact Study

Based on the proposed RPA boundaries and the likely goals of the TIF Redevelopment Plan, a Housing Impact Study would have to be prepared as required by the TIF Law.

A Housing Impact Study is required if the Redevelopment Plan displaces ten or more occupied residential units, or if the study area contains 75 or more occupied residential units. The Housing Impact Study includes data on the number, type, occupancy, status, and race/ethnicity of occupants of housing units in the study area. The study also identifies the housing units that will be removed (if any), and details the municipality’s plans for relocation assistance for the displaced residents, the availability of replacement housing, and the type and extent of relocation assistance that will be provided.

The three multi-family residential buildings in the study area contain a total of 56 residential units, and some of the rooms at the Mayflower Motel also could be considered residential units for the purposes of the Housing Impact Study if they were occupied by long-term residents. All

of these units could potentially be displaced over the 23-year life of a TIF district in the study area. Some of these units, particularly those in the Mayflower Motel, may be occupied by low-income or very-low-income households, as defined by the U.S. Department of Housing and Urban Development (HUD). If this is the case, the TIF Law requires that the Redevelopment Plan shall provide affordable housing and relocation assistance to these households. The TIF Law also requires that the Village shall make a good faith effort to ensure that the affordable replacement housing is located in or near the study area.

Given the small size of the Village and the relative scarcity of multi-family rental housing in the community, it will likely be difficult to find suitable replacement housing near the study area. We recommend that, in the event that displacement occurs, the Village seek to partner with a government-run housing or social services agency (such as DuPage County) or a local non-profit affordable housing organization to provide housing assistance. The replacement housing may be currently existing or newly constructed housing.

The TIF Law does not set specific amounts for relocation assistance, but it does hold that such assistance must be not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Acquisition Act of 1970. This Act requires compensation for actual reasonable moving expenses, as well as the amount necessary for a displaced renter to lease or rent a comparable replacement dwelling for a period not exceeding 42 months, but not to exceed \$5,250. Persons eligible to receive this rental assistance may elect to apply the payment to a down payment on an owner-occupied unit.

Other Required Findings

In addition to the documented presence of specific qualifying eligibility factors, the area to be designated must be found to lack growth and development through private investment and to meet the so-called “but for...” test. Under this test, it must be reasonably demonstrated that development would not occur without the creation of the TIF district and the undertaking of the actions to be funded or enabled by that district.

To assess the level of growth and development through private investment, we examined the growth in equalized assessed value (EAV) in the proposed RPA. From 1997 through 2002, the compound annual growth rate of EAV for the proposed RPA was 4.1%. In comparison, the compound annual growth rate of EAV was 7.6% (or 85% greater) for the balance of the Village of Clarendon Hills over the same period of time. This shows that property values in the proposed RPA are lagging behind those in the rest of the community.

As another method to examine the scope of new investment in the study area, we examined building permit data for the past five years provided by the Village. We found that no building permits were issued over this period for properties in the proposed RPA. The only permit activity was an electrical permit for new lights at the Mayflower Motel, which had no construction dollar value.

Given that the compound annual growth of EAV over the last five years in the proposed RPA has been 85% percent lower than that in the balance of the Village, and no new building permits

have been issued in the proposed RPA in the last five years, we believe that the proposed RPA has demonstrated a lack of growth and development through private investment.

Based on our analysis to date and experience with similar projects, we believe that the proposed RPA will meet the “but for...” test. If the Village should decide to pursue TIF designation of the area the eligibility study will contain an analysis and discussion addressing this point.

The results of our analysis indicate that the required conditions for the adoption of a Redevelopment Plan and Project are found to be present within the study area. Based on these criteria, the properties within the study area will likely qualify for designation as a TIF Redevelopment Project Area as a “conservation area.”

4. Retail Potential Assessment

In this chapter, we analyze the competitive retail environment that will influence the type of development that could take place in the Ogden Avenue Study area. This assessment includes an overview of competitive stand-alone retailers in the local area, an assessment of the existing retail development in the study area and along Ogden Avenue, and a discussion of potential retailers that could locate in the study area.

Competitive Retail Environment

Through field research and discussions with local real estate brokers, we designated an area that contained stores that would be most competitive with retail development in the study area. A windshield survey was used to identify major stand-alone and anchor retailers, generally medium- to large-sized, within this area. The boundaries of competitive area were defined as 22nd Street to the north, I-294 to the east, 75th Street to the south, and I-355 to the west. We identified major clusters where retail development is located. Map 4 on the following page shows the locations of these clusters.

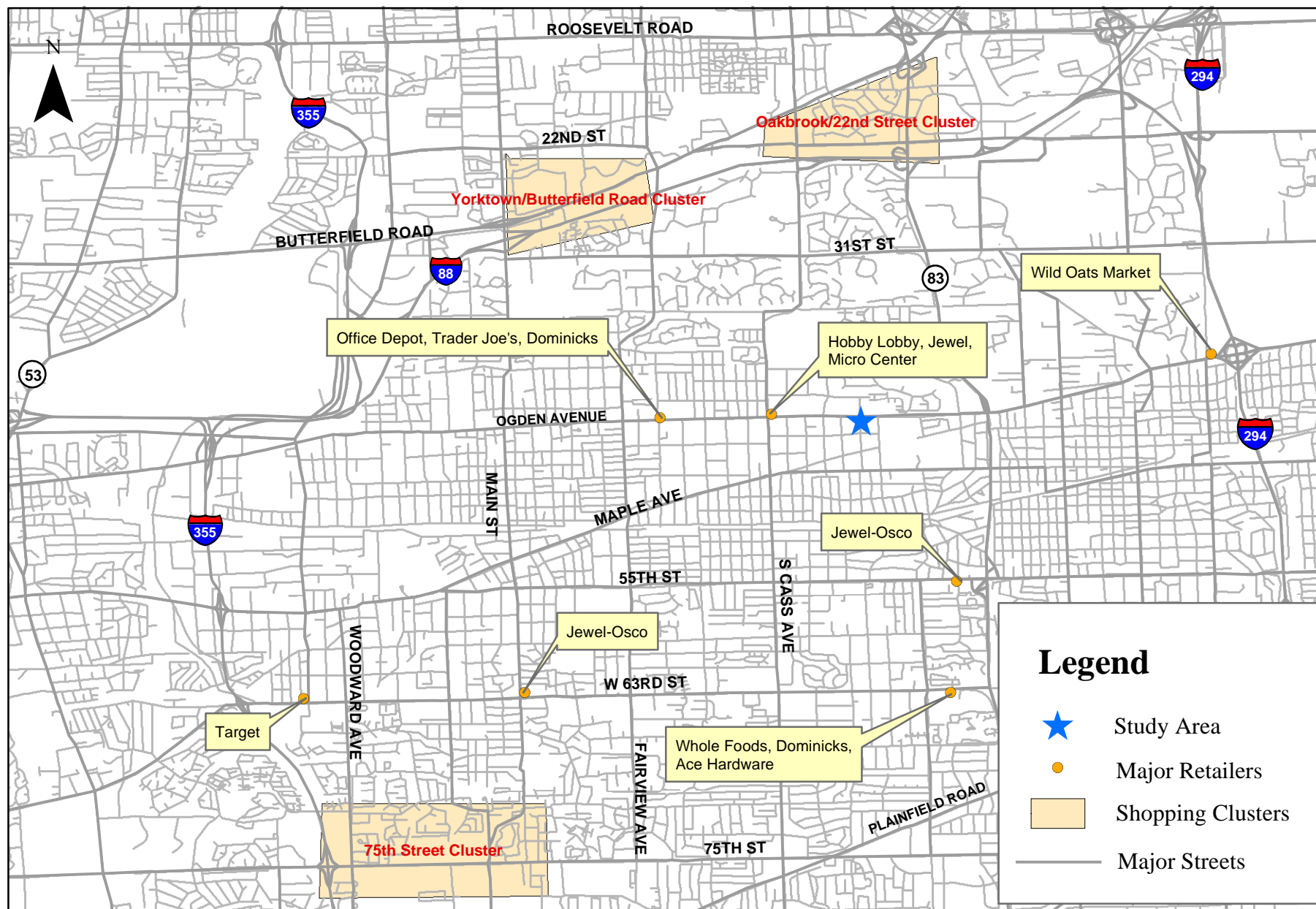
Most of the major retail development is concentrated in two general locations at the northern and southern edges of the competitive area, which we refer to as the 22nd Street/Butterfield Road Area and the 75th Street Area. The 22nd Street/Butterfield Road Area is located mostly within Oak Brook and Oakbrook Terrace, extending into the southern end of Lombard. The 75th Street Area is located in the general area where Downers Grove, Darien, and Woodridge meet. Ogden Avenue is located roughly in between these two shopping areas. Map 4 shows the locations of these areas, and Table 4 (following the map) summarizes the major retailers located in each area and elsewhere in the competitive area.

22nd Street/Butterfield Road Area

Two regional shopping centers are located in 22nd Street/Butterfield Road Area: Oakbrook Center and Yorktown Center. Both of these centers attract shoppers from a wide area, and feature major department store anchors such as Marshall Field's, Neiman Marcus, Nordstrom, Von Maur and Carson Pirie Scott, as well as numerous apparel and specialty stores such as Ann Taylor, Talbots, The Gap, Crate & Barrel, Bath & Body Works, Victoria's Secret, and The Disney Store. The customer draw of these two regional centers has spurred additional retail development in their vicinity. A number of stand-alone retailers are located on outlots on the edge of the malls or nearby, including Borders, Barnes & Noble, Walter E. Smithe Furniture, The Container Store, and Target.

Many strip centers and stand-alone retailers also are located along 22nd Street and Butterfield Road, the two major roads in the area. Many of the stores along 22nd Street serve as a discount option to the mall stores, with discount retailers including Costco, TJ Maxx, and DSW offering brand name products at low prices. The stores along Butterfield Road tend to focus on home décor, housewares, and home improvement. Home Depot, Bed Bath & Beyond, and Homemakers are examples of retailers located on Butterfield Road.

Map 4: Competitive Retail



Legend

- ★ Study Area
- Major Retailers
- Shopping Clusters
- Major Streets

Table 4
Major Retailers Identified in 22nd Street/Butterfield Road Area, Outside of Regional Malls

Oakbrook Center Cluster		22nd Street Cluster		Butterfield Road Cluster		Yorktown Center Cluster	
Name	Store Type	Name	Store Type	Name	Store Type	Name	Store Type
Barnes & Noble	Books	Cost Plus	Home Décor and Specialty	Bally's	Fitness Center	Carson Pirie Scott Furniture	Furniture
Borders	Books	Costco	Discount Department Store	Bed, Bath, & Beyond	Housewares	Jared's	Jewelry
European Furniture & Oriental Rugs	Furniture	DSW	Shoes	Best Buy	Electronics	Land's End	Clothing (Unisex)
Joseph A. Bank	Men's Clothing	Helzberg Diamonds	Jewelry	Books-A-Million	Books	Radio Shack	Electronics
Loehmann	Women's Clothing	Home Depot	Home Improvements	Circuit City	Electronics	Target	Discount Department Store
Office Max	Office Supplies	Linens-N-Things	Housewares	CompUSA	Computers		
REI	Outdoor Equipment	Marshall Field's Home	Furniture	Expo Design Center	Home Décor		
Sears	Department Store	Men's Wearhouse	Men's Clothing	Galyan's	Sporting Goods		
The Container Store	Home Décor	Mikasa	Housewares	GolfSmith	Golf Equipment		
Tweeter	Electronics	Nordstrom Rack	Women's Clothing	Home Depot	Home Improvements		
Walter E. Smith	Furniture	Old Navy	Clothing (Unisex)	Homemakers	furniture		
Workbench Furniture	Furniture	Party City	Cards/Gifts/Party Supplies	Jennifer Convertibles	furniture		
		Room & Board	Furniture	K & G	Men's Clothing		
		TJ Maxx	Department Store	Kohl's	Department Store		
		Ulta	Beauty Supply	Office Max	Office Supplies		
		Walgreen's	Drugs	PetsMart	Pet Supplies		
		Zainy Brainy	Toys	Pier 1 Imports	Home Décor		
				Rossi	furniture		
				Sports Authority	Sporting Goods		
				The Great Indoors	Home Décor		
				Toys-R-Us	Toys		
				Wickes Furniture	Furniture		

Major Retailers Identified in 75th Street Area and Elsewhere in Competitive Area

75th Street Cluster		75th Street Cluster, Continued		55th Street and 63rd Street		Route 83	
Name	Store Type	Name	Store Type	Name	Store Type	Name	Store Type
Aldi	Grocery	Pier 1 Imports	Home Décor	Ace Hardware	Hardware	DiCarlo's Wine & Liquors	Wine/Liquor
American Mattress	Bedding	Pool-O-Rama	Pool/Patio Equipment	Ace Hardware	Hardware	Fireplace Patio	Home Furnishings
Best Buy	Electronics	Sam's Club	Discount Department Store	Auto Zone	Auto Parts	K-Mart	Discount Department Store
Book Market	Books	Sears Outlet	Department Store	Dominick's	Grocery	Sofa Solutions	Furniture
Circuit City	Electronics	Sports Authority	Sporting Goods	Hancock Fabrics	Fabric	Target (Under Construction)	Discount Department Store
Cub Foods	Grocery	Sports Plex	Sporting Goods	Jewel	Grocery		
Harlem Furniture	Furniture	Stein Mart	Department Store	Jewel/ Osco	Grocery		
Home Depot	Home Improvements	TJ Maxx	Department Store	Walgreen's	Drugs		
Home Depot	Home Improvements	Toys-R-Us	Toys	Whole Foods	Gourmet Grocery		
Jewel	Grocery	Wal-Mart	Discount Department Store	Willowbrook Athletic Club	Fitness Center		
Kohl's	Department Store						
Lane Bryant	Women's Clothing						
Marshalls	Department Store						
MC Sports	Sporting Goods						
Michael's	Arts & Crafts						
Murray's Auto Parts	Auto Parts						
Office Max	Office Supplies						
Old Navy	Clothing (Unisex)						
PetsMart	Pet Supplies						

Source: *S. B. Friedman & Company*

75th Street Area

Another concentration of retail development is along 75th Street, at the southwestern edge of the competitive area. The stores in the 75th Street Area are generally targeted more at a community-level market than the regional market orientation of the stores in the 22nd Street Area. The 75th Street retail cluster has a number of discount department stores and a mix of businesses catering to family and home-related needs. Wal-mart, Target, Kohl's, and Sears Outlet are located in the 75th Street Area. Other retailers located there include Best Buy, PetSmart, and Toys 'R Us, representing retail that caters to family and home-related needs.

Ogden Avenue

Based on its position between the two major retail clusters discussed above, Ogden Avenue serves as an “in-between” market in terms of location and product. It is roughly equidistant from the two poles of major retail development that serve the needs of residents living in the competitive area. Judging by the character of its retail development, Ogden Avenue was largely developed in an earlier time period than were the 22nd Street Area and the 75th Street Area, with mostly small stand-alone retailers and smaller strip centers predominating rather than large shopping centers with major anchors.

As a result, the retail development along Ogden Avenue is a hodgepodge that serves a variety of different markets. West of the study area, there are a few anchor and stand-alone stores similar to those identified in the 22nd Street Area and the 75th Street Area, including Micro Center, Hobby Lobby, and Office Depot. A variety of businesses make up rest of the retail mix along this portion of Ogden Avenue, including carpet sales, furniture stores, and nurseries. Retail development is less prevalent east of the study area along Ogden Avenue than to the west. However, the major retailers we identified there target a somewhat higher end market than those on the west end of Ogden Avenue, including Wild Oats Market, Audio Consultants, and Amlings. Table 5 on the following page displays the major retailers we identified along Ogden Avenue in the competitive area.

Although the general retail present is somewhat varied, Ogden Avenue does boast a large number of automobile dealerships. Within the competitive area, the Ogden Avenue Corridor contains nearly every automobile manufacturer and brand, from both domestic and foreign manufacturers, and from mainstream brands to high-end luxury brands. Ogden Avenue serves as the “auto row” for the competitive area and other nearby communities. Map 5 and Table 6 on the following pages show the automobile dealerships along Ogden Avenue.

Existing Study Area Retailers

The Ogden Avenue Study area contains a small amount of specialty retail and restaurant development, primarily located at the west end of the study area. ZaZa's and Bistro Nami are two relatively upscale full-service restaurants serving Italian and Japanese cuisine, respectively. Sounds Deluxe is a high end audio/video retailer that has a second location in Naperville. The Chicago Clock Company offers sales and service of high-end clocks, with other locations in Orland Park, Palatine, and downtown Chicago on Michigan Avenue. In the eastern half of the

Table 5
Major Retailers Identified on Ogden Avenue

West of Route 83		East of Route 83	
Name	Store Type	Name	Store Type
Auto Zone	Auto Parts	Amlings	Flowers & Gifts
Bicycle Fitness	Bicycle Equipment	Audio Consultants	Electronics
Brady-Whyte Furniture	Furniture	Wild Oats Market	Gourmet Grocery
Brook Furniture Rental	Furniture		
Cucina Roma	Restaurant		
CVS Pharmacy	Drugs		
Dominick's	Grocery		
FIM	Pool/Patio Equipment		
Hobby Lobby	Arts & Crafts		
Jewel	Grocery		
Micro Center	Computers		
Naked Furniture	Furniture		
Office Depot	Office Supplies		
Plank Road Antiques	Antique Store		
Room by Room	Furniture		
Sears Hardware	Hardware		
Trader Joe's	Gourmet Grocery		
Walgreens	Drugs		
Wannemakers	Home & Garden		
Yonan Carpet Store	Carpet Sales		

Source: *S. B. Friedman & Company*

Map 5: Locations of Local Automobile Dealerships

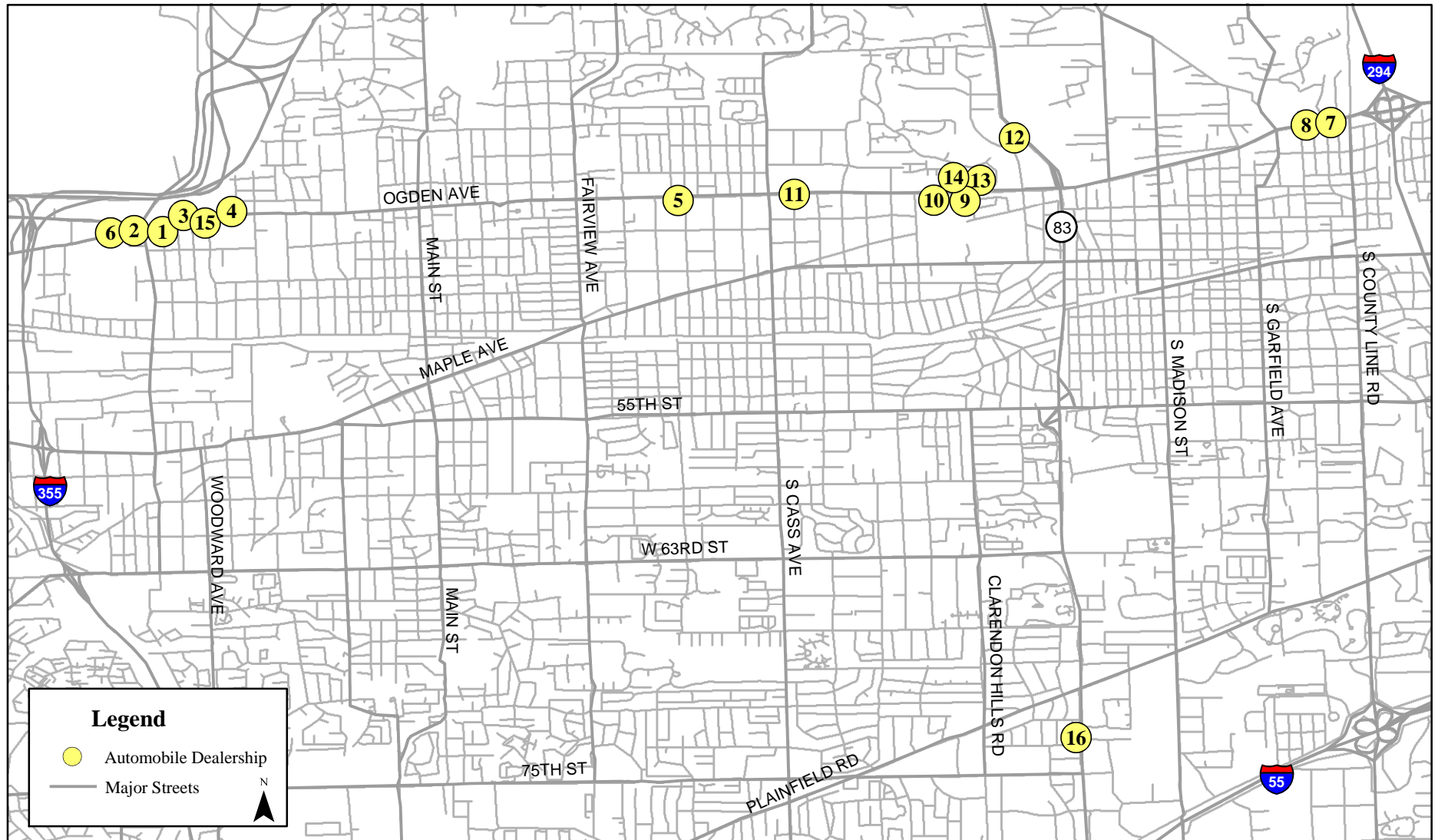


Table 6
Local Automobile Dealerships

No.	Dealer Name and Brand	Address	City	Bldg Size (SF)	Parcel Size (SF)	Floor Area Ratio (FAR)	Parcel Depth (Ft.)	Description of Access			
								Frontage	Corner Access	Traffic Light	Traffic Count (ADT)
1	Joe Madden Ford	2150 W. Ogden Ave.	Downers Grove	30,269	193,986.00	0.16	475	Fronts Ogden Ave.	Yes	Yes	Ogden: 32,100
2	Downers Grove Dodge	2311 W. Ogden Ave.	Downers Grove	15,764	261,831.00	0.06	637.5	Fronts Ogden Ave.	No	No	Ogden: 38,300
3	Bill- Kay Chrysler-Plymouth	2100 W. Ogden Ave.	Downers Grove	26,024	199,530.38	0.13	600	Fronts Ogden Ave.	Yes	Yes	Ogden: 32,100
4	Bill Stillwell Buick-Isuzu	1866 W. Ogden Ave.	Downers Grove	33,400	250,169.00	0.13	775	Fronts Ogden Ave.	No	No	Ogden: 38,300
5	Luxury Motors (Bentley & used luxury vehicles)	310 W. Ogden Ave.	Downers Grove	3,720	30,000.00	0.12	200	Fronts Ogden Ave.	Yes	No	Ogden: 36,400
6	Max Madsen Mitsubishi	2424 W. Ogden Ave.	Downers Grove	7,555	92,280.50	0.08	300	Fronts Ogden Ave.	Yes	Yes	Ogden: 38,300
7	Continental Auto Sports (Ferrari & Maserati)	420 E. Ogden Ave.	Hinsdale	10,272	30,000.00	0.34	300	Fronts Ogden Ave.	No	No	Ogden: 22,100
8	Land Rover of Hinsdale	300 E. Ogden Ave.	Hinsdale	10,044	51,497.00	0.20	300	Fronts Ogden Ave.	Yes	No	Ogden: 36,600
9	Laurel Motors, Inc. 5 (Volvo, BMW, Audi, Jaguar, Mercedes)*	430 E. Ogden Ave.	Westmont	35,275	137,188.00	0.26	550	Fronts Ogden Ave.	Yes	No	Ogden: 36,100
10	Oakbrook Toyota	550 E. Ogden Ave.	Westmont	42,213	211,266.00	0.20	575	Fronts Ogden Ave.	Yes	No	Ogden: 36,100
11	Ogden Lincoln-Mercury	100 W. Ogden Ave.	Westmont	16,268	22,830.00	0.71	150	Fronts Ogden Ave.	Yes	No	Ogden: 36,100
12	Team Chevrolet**	720 Rt. 83	Westmont	33,736	260,489.00	0.13	525	Fronts Rt. 83/ Kingery Hwy	Yes	Yes	Rt. 83: 91,500
13	McGrath Acura	400 E. Ogden Ave.	Westmont	45,411	210,629.00	0.22	800	Fronts Ogden Ave.	No	No	Ogden: 36,100
14	McGrath Lexus	470 E. Ogden Ave.	Westmont	26,647	128,093.00	0.21	525	Fronts Ogden Ave.	No	No	Ogden: 36,100
15	Pugi Hyundai, Mazda, Volkswagen	2020 Ogden Ave.	Downers Grove	19,118	122,500.00	0.16	400	Fronts Ogden Ave.	No	No	Ogden: 36,100
16	Willowbrook Ford	7301 Rt. 83	Willowbrook	42,214	271,623.00	0.16	575	Fronts Rt. 83/ Kingery Hwy	Yes	No	Rt. 83: 40,000
	Totals/Averages			24,871	154,619	0.16	480		10	4	

* Has more than one location on Ogden Avenue. Description of access is taken from location at 430 E. Ogden Avenue
** For access, the traffic light and the corner accesses the service and parts department. The service and parts department leads into the dealership.

Source: Downers Grove Township Assessor's Office, *S. B. Friedman & Company*

study area, Glass America provides auto glass, plate glass, mirrors, and similar products. Classic Casual Furniture sells outdoor and indoor furniture as well as fireplace equipment.

Although several of the retail categories represented in the study area's current retail mix, such as restaurants, furniture, and specialty retail, are appropriate and even desirable for the area, in their current configuration they do not create the "critical mass" necessary for a shopping destination. The individual stores are fairly small, and their locations mostly on separate lots, with separate parking and curb cuts onto Ogden Avenue for each, represent a fairly inefficient use of the limited land area available in the study area.

Broker Interviews

As a supplement to our analysis, we conducted interviews with principals from three real estate firms that engage in retail real estate brokerage, leasing, and development in the Chicago metro area. All three firms are based in the Oak Brook area, and the interviewees were familiar with Clarendon Hills and the Ogden Avenue Study Area.

The purpose of the interviews was to present the location and characteristics of the study area, outline the Village's objectives and the focus of our study, and seek the brokers' opinions as to the development potential of the study area and retailers that might choose to locate there.

In the interviews, the brokers identified the following as strengths of the study area:

- Strong demographics for retail development in Clarendon Hills and nearby communities
- Good traffic volume and visibility on Ogden Avenue
- Several automobile dealerships in the vicinity along Ogden Avenue, suggesting the potential for additional dealerships
- A lack of commercial land available for development in Hinsdale, suggesting that retailers looking to serve that market might choose the study area as the next best available location
- Potential for public assistance, should the Village establish a TIF district in the study area, that could help decrease land acquisition or other development costs

However, the brokers also identified a number of weaknesses of the study area that could affect its potential for retail development:

- No traffic signal to facilitate automobile access to parcels in the study area
- Parcel depth of 300 feet too shallow for big box and other large anchor retailers
- Lack of a major north-south street between Cass Avenue and Route 83 to help bring shoppers to the study area
- Study area is a "mid-block site," lacking exposure to a major intersection with two high-traffic routes
- Study area is located between two major retail concentrations, the 22nd Street/Oak Brook Center area in Oak Brook and the 75th Street area in Woodridge/Downers Grove/Darien, making competition for shoppers difficult in many retail categories

- Lack of other national chain retailers in vicinity--most national chains prefer to locate close to other national chains in certain categories to create “synergies” that attract shoppers
- High land prices in area
- Timing of parcel availability--i.e., how soon a site could be made ready and available for development (particularly if the Village were involved in the redevelopment)

Given the strengths and weaknesses of the study area, as well as the Village’s goal of attracting high-quality businesses that maximize sales tax revenues, the brokers stressed that finding the right retailer(s) would be a significant effort, involving research into the requirements of individual stores, marketing of the study area to the retail and development community, and the potential willingness of the Village to provide financial incentives or assistance to make redevelopment happen. That being said, the most likely retail types that were suggested as having potential in the study area included:

- Automobile dealership
- Furniture/home furnishings
- Arts/fabrics/crafts
- Drugstore
- Gourmet grocery store/produce market
- Sit-down restaurants
- Fast food
- Home electronics (especially high end audio/video)
- Office supplies

Overall, the general opinion of the brokers was that the Ogden Avenue Study Area has the potential to be redeveloped for high-quality retail uses, but the programming and leasing of the development would have to be carefully considered for it to be successful given the area’s physical and locational characteristics. All agreed that the study area would be appropriate for an automobile dealership, should that opportunity arise. The potential of a TIF district being established in the area was viewed as a positive, since TIF funds could potentially be used to facilitate land acquisition and/or reduce the price of land for a developer or retailer.

Potential Retailers for Study Area

Although the retail competition surrounding the Ogden Avenue Study Area is strong, the study area does offer a highly visible location along a major roadway in the heart of an affluent, established suburban area where available sites for new development are scarce. Although the physical characteristics of the study area also will influence its retail potential, its location and surrounding demographics should make it a potentially attractive site for retail development. However, retailers who would be attracted to the study area are likely to be those which are specifically seeking out a location from which they can access the local market centered on Clarendon Hills, Hinsdale, and Downers Grove.

Incorporating the input received from the broker interviews, we considered the retail store types that could potentially locate in the Ogden Avenue Study area through two approaches. The first,

given the Village's focus on revenue maximization, was an evaluation of their sales tax generation potential. The second was an identification of retailers actively searching for space in the local market. The potential for an automobile dealership also was considered.

Sales Tax Generation

One of the goals of the Village for redevelopment of the Ogden Avenue Study Area is to increase the community's commercial tax base, specifically the amount of revenue collected from sales taxes. Given this priority, we first approached the task of identifying potential retailers for the study area by considering the sales tax generation of various general retail store types. (It should be noted that perhaps the most productive of retailers from a sales tax perspective, an automobile dealership, is not considered here, but is discussed in a later section.)

Based on the findings of the 2002 edition of *Dollars and Cents of Shopping Centers*, a survey of a national sample of shopping centers by the Urban Land Institute, we compiled a list of the most productive retail store types in community shopping centers in terms of sales, which relates directly to sales tax generation. We ranked the store types by sales per square foot and total annual sales; the top ten store types in each category are shown in Table 7 below.

Table 7: Top Ten Retail Store Types in Sales Productivity							
Ranked by Total Annual Sales*				Ranked by Sales Per Sq. Ft.			
Rank	Store Type	Annual Sales	Median SF	Rank	Store Type	Median Sales PSF	Median SF
1	Supermarket	\$18,114,547	48,775	1	Service Station	\$1,228	2,600
2	Discount Department Store	\$11,091,639	65,631	2	Hamburgers/ Fast Food	\$539	3,270
3	Office Supplies	\$5,915,280	24,144	3	Specialty Food	\$500	3,140
4	Junior Department Store	\$4,596,323	28,875	4	Aromatherapy Store	\$489	2,170
5	Drugstore/Pharmacy	\$4,455,770	12,150	5	Newspaper/ Magazines	\$486	615
6	Home Improvements**	\$3,483,558	15,250	6	Jewelry	\$453	1,200
7	Service Station	\$3,192,280	2,600	7	Seafood/ Fish and Chips	\$438	2,006
8	Hamburgers/ Fast Food	\$1,763,053	3,270	8	Coffee/ Tea	\$431	1,349
9	Specialty Food	\$1,569,937	3,140	9	Supermarket	\$371	48,775
10	Toys	\$1,524,250	7,000	10	Drugstore/ Pharmacy	\$367	12,150

* Based on median store size and median sales per sq. ft.

** Most national chain home improvement stores are 100,000+ square feet; the median square footage figure reported here is low due to the inclusion of small local stores that are not the typical store format being developed today

Source: *Dollars and Cents of Shopping Centers: 2002*, S. B. Friedman & Company

The table shows that the most productive store types in terms of total sales are stores which typically have a large amount of square footage and are major shopping destinations, such as supermarkets, discount department stores (Target, Wal-mart, Kohl's), office supplies stores, drugstores, and home improvement stores (Home Depot, Lowe's). The median store sizes and

sales figures reported in Table 7 include both national chains and local retailers, which is why the square footages and total annual sales for some categories, such as home improvements, seem low. The most productive store types are stores which are often smaller in terms of square footage, but sell in high volumes, sell higher priced goods, or both. Such stores include service stations, specialty food stores, newsstands, jewelry stores, or fast food (such as hamburgers). Both supermarkets and drugstores, which were highly ranked in terms of total sales, also managed to make the top ten in terms of sales per square foot.

The top 25 store types in both categories are shown in the appendix. Some of the store types, while highly productive in terms of sales, are not likely to locate in the Ogden Avenue Study Area. For example, the hardware and home improvements market is dominated by very large chain retailers such as Home Depot, Lowe's, and Menard's, whose stores are well in excess of 100,000 square feet, plus associated parking. The study area does not have the site capacity to physically accommodate a retailer of this size. Other retailers, such as an ice cream parlor or sunglasses store, are small shops that would prefer to locate in a large shopping center or a downtown area with other tenants rather than seek out a stand-alone location or a cluster with only a few other retailers.

Based on our evaluation of the lists contained in the appendix, we have identified a number of retail store types that could potentially locate in the Ogden Avenue Study Area, either as a stand-alone store or in a small cluster of a few other retailers, and that are among the most productive in terms of sales tax generation. The store types, along with their rank in terms of total annual sales, are:

- Supermarket (1st)
- Office supplies (3rd)
- Drugstore (5th)
- Specialty food (9th)
- Restaurant with liquor (11th)
- Sporting goods (15th)
- Bath shop/linens (16th)
- Fabric store (21st)
- Furniture (23rd)
- Wine/liquor (24th)

Although sales tax generation should not be the only factor by which to measure potential retailers for the Ogden Avenue Study Area, our analysis indicates that there are a variety of store types that should provide a significant boost to the Village's commercial tax base. Many of these store types were mentioned as potential retailers for the study area in our broker interviews.

Retailers Actively Seeking Space

Using the retail store types identified in the previous section as a guide, we consulted an industry database of retailers who are currently actively seeking space in order to assess the type and number of retailers who might potentially seek to establish a store in the Ogden Avenue Study Area. *S. B. Friedman & Company* subscribes to a national database of retail tenants which is

searchable by state (i.e., tenants seeking space in Illinois), store category, and amount of space desired (square footage). Although the store categories in the database do not match exactly with the categories from *Dollars and Cents of Shopping Centers* used above, we searched in several major categories in order to identify potential retailer prospects. The results are summarized in Table 8 below.

Table 8: Tenants Actively Seeking Space, by Retail Category				
Retail Category	No. of Stores	Low Sq. Ft.	High Sq. Ft.	Examples
Arts/Crafts/Fabrics	3	2,500	20,000	Pearl, The Art Store
Bed/Bath/Linens	3	6,000	10,000	Interior Alternative, Linen Barn
Electronics	7	1,500	12,000	Audio Express, Helix Camera/Video
Home Furnishings	28	2,500	70,000	Workbench, Country Curtains
Housewares	1	7,000	8,000	Pottery Barn Kids
Specialty	6	2,000	25,000	Sur La Table, Home Economist
Sporting Goods	9	4,200	45,000	The North Face, Golf Galaxy

Source: Retail TenantSearch, S. B. Friedman & Company

Although our findings do not guarantee that any of these retailers would locate in the Ogden Avenue Study Area, and there may be more retailers actively seeking space than listed in the database, the results do show that there are a significant number of retailers in a number of different categories that may be suitable for the study area. Most of these categories are among the more productive in terms of sales tax generation.

Automobile Dealership Potential

Because of the high price of vehicles and substantial volume of sales, an automobile dealership is the most productive type of retailer in terms of sales tax generation. Given the Village's goal of commercial tax base maximization and the status of Ogden Avenue as a local "auto row" where many automobile dealerships already have clustered, an automobile dealership is probably an optimal use for the study area. For this reason, we examined the potential of an automobile dealership locating in the study area.

A luxury automobile dealership previously expressed interest in locating in the Ogden Avenue Study Area, but ultimately chose a location on Ogden Avenue in Downers Grove. This suggests that the marketplace considers the study area to be a viable location for a dealership. Our interviews with local real estate brokers (discussed further in a later section) also indicate that the study area holds strong potential for such a use.

Two of the brokers we interviewed noted that many of the major automobile manufacturers currently are making concerted efforts to update and refresh their dealerships. Franchisees are being encouraged to improve and/or expand their facilities as necessary, and even to consider new facilities that may have more advantageous locations. One broker noted that a number of franchise agreements are coming up for renewal in the near future, and also that by typical standards many of the dealerships located along Ogden Avenue are under-sized.

All of this suggests that there could potentially be significant shifts in ownership and location among the local dealerships in the near future as the results of the freshening/expansion campaign play out. The Ogden Avenue Study Area could benefit from these shifts, and possibly attract an automobile dealership. However, an appropriate site must be available that meets the dealership's requirements.

We reviewed the locational and physical characteristics of 16 automobile dealerships in the neighboring communities of Westmont, Downers Grove, Hinsdale, and Willowbrook (refer back to Table 6 and Map 5 for the locations and characteristics of the dealerships). All of the dealerships front major roads, with most of them fronting Ogden Avenue. The average lot size of the 16 dealerships is approximately 155,000 square feet. Half of the dealerships have lot sizes less than 180,000 square feet, which is the size of one block in the study area. Dealerships carrying high-end luxury vehicles tend to have smaller parcel sizes than the more mainstream brands. The average parcel depth for the 16 dealerships is 480 feet. Only one-third of the dealerships (five of 16) have parcel depths of 300 feet or less.

Based on our broker interviews, the minimum parcel size for a new automobile dealership is about two acres, with a maximum of about ten acres. The most common parcel size is generally three to five acres. Although parcel sizes for domestic brands in the past have been larger than foreign or specialty brands, the brokers noted that some domestic brands are considering encouraging smaller dealerships. A 300-foot parcel depth, which is the depth of the Ogden Avenue Study Area, was considered by the brokers to be a suitable depth for a new dealership. Given that very few of the existing dealerships along Ogden Avenue have shallower parcel depths, it seems that 300 feet could be the minimum that is typically accepted. The luxury auto dealerships tend to have shallower parcel depths than the more mainstream brands. This suggests that the study area's dimensions are more favorable for luxury dealerships than for the more mainstream brands, which tend to have larger dealership facilities.

Access was considered as another factor in the potential for attracting an automobile dealership. We evaluated two factors, corner access and traffic signalization, to determine the ease of access for different dealerships. Ten of the 16 dealerships have corner access, meaning they have more than one access point into their establishments making ingress and egress potentially easier. Only one-fourth of the dealerships have an access point with a traffic signal. This suggests that signalized access is less significant than other factors, such as visibility and traffic volume, in locating a dealership. Our broker interviews confirmed this observation.

Overall, the Ogden Avenue Study Area appears to have strong potential for an automobile dealership. Numerous dealerships already are present along Ogden Avenue, making the study area a logical consideration for a dealership location. Although the site dimensions of the study area may not be large enough for a more mainstream brand, they appear to be sufficient for a smaller dealership selling a luxury brand. Visibility and traffic volume, which are valued by all retailers, are excellent in the study area. Access is adequate, including the potential for corner access, and the lack of a traffic signal does not seem to be a significant factor for this use. Finally, potential shifts in the industry suggest that some existing dealers could be seeking new sites in the near future. The Ogden Avenue Study area may have the opportunity in this shifting business environment to attract an automobile dealership.

Summary and Conclusions

The Ogden Avenue Study Area is located roughly equidistant from two major shopping areas that offer a wide variety of goods and services from both chain and local retailers. As a result of this “in between” status, the Ogden Avenue Corridor as a whole (in Downers Grove and Westmont, as well as in Clarendon Hills) offers something of a hodgepodge of mostly local-serving shopping and services, with relatively few major shopping centers or retail anchors. Ogden Avenue has, however, established itself as a destination for automobile sales; nearly every automobile brand is represented along the corridor, mostly in Downers Grove and Westmont.

The Ogden Avenue Study Area contains a small amount of existing specialty retail and restaurants. The potential for consolidating and improving these retailers should be considered in the redevelopment strategy for the study area. However, the parcel depth and lack of other major retail development in the vicinity, combined with significant competition from other shopping areas, means that new big box stores or other major retail development of similar scale is not likely to be feasible in the study area.

Potential new retail store types that could locate in the study area were considered based on their sales tax generation potential and the presence of tenants actively seeking space in the market. The opinions and expertise of local real estate brokers also were sought. Based on this research, store types with potential in the Ogden Avenue Study Area include:

- Automobile dealership
- Furniture/home furnishings
- Arts/crafts/fabrics
- Drugstore
- Gourmet grocery store/specialty food store
- Restaurants
- Office supplies

The sales potential of several of these store types in the study area will be tested in the next chapter.

Our assessment and broker opinions indicate that an automobile dealership would have strong potential in the study area. A new emphasis in the industry on the updating and freshening of existing dealerships may lead to the opportunity to attract one or more dealerships, provided that an appropriate site is available.

5. Demographic Analysis and Retail Sales Potential

In order to estimate the likely demand for retail uses in the Ogden Avenue Study Area, we first delineated primary and secondary trade areas for retail development located in the study area. We then obtained estimates and projections of retail spending and other demographic characteristics. Using these data in conjunction with our assessment of competitive retail development in the area and the findings of our interviews with retail brokers and developers, we performed a saturation and capture analysis, which projects the sales potential of selected store types.

Trade Area Analysis

The primary trade area (PTA) of a retailer is generally defined as the geographic region from which the store will draw the majority of its sales. The proportion of a retailer's sales that come from the PTA can depend on the type of retailer; grocery and drug stores, which draw their sales mostly from nearby neighborhoods, would typically draw about 80% of their sales from the PTA. For larger ticket items that are shopped for less frequently, the proportion drawn from the PTA can be less, as more shoppers come from a greater distance to shop at the store. The secondary trade area (STA) is a larger area that, based on geographic proximity, transportation routes, or other factors, is likely to generate additional sales. The sales not accounted for by the PTA come from residents of the STA, commuters, tourists, and others passing through the area.

Definition

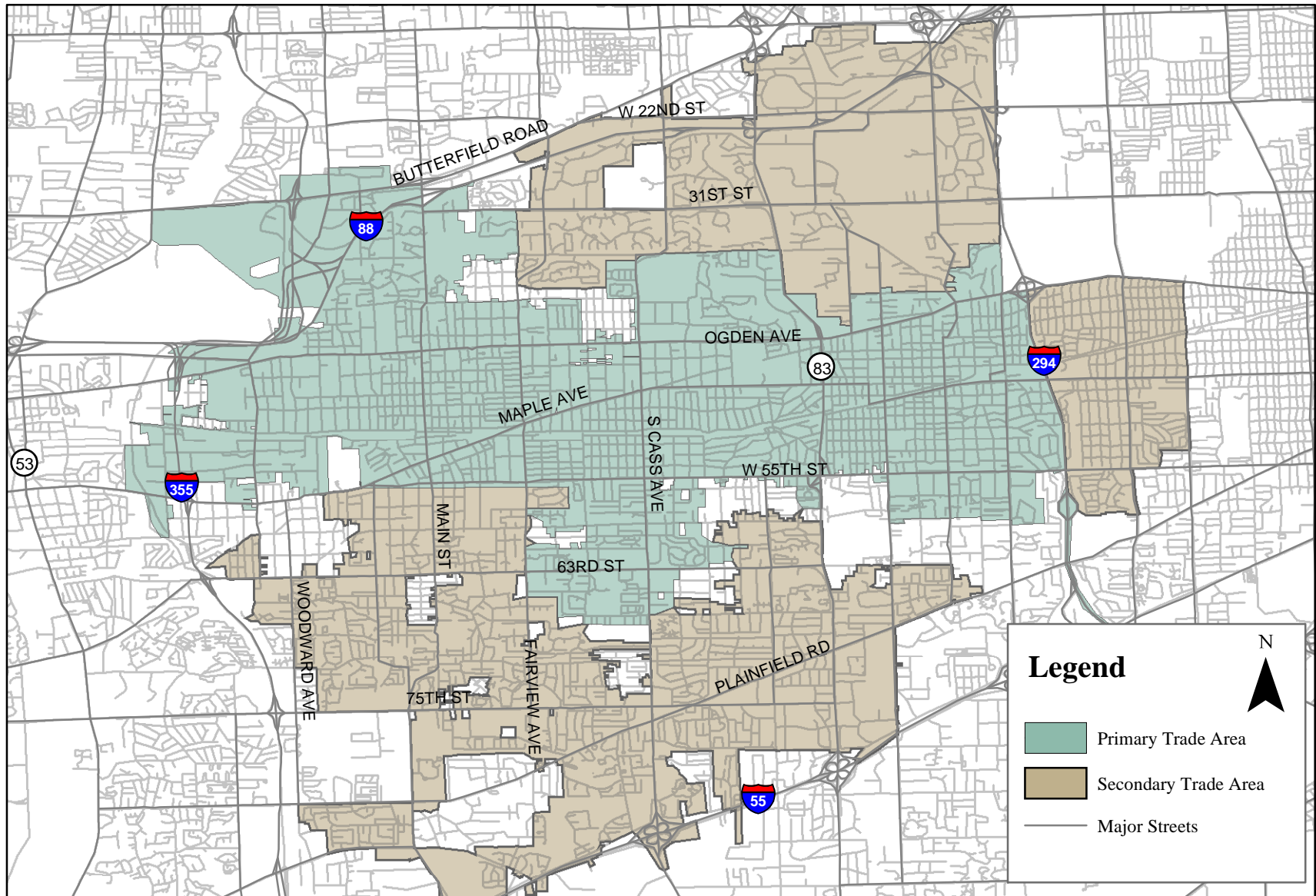
We defined the PTA of the Ogden Avenue Study Area as consisting of Clarendon Hills and three adjacent communities that also contain a significant amount of frontage along Ogden Avenue: Hinsdale, Westmont, and Downers Grove. The entire populations of Clarendon Hills, Hinsdale, and Westmont were included in the PTA. For Downers Grove, we determined that only the northern half of the community (roughly estimated) should be included in the PTA, since this is the portion of the community that surrounds and is closest to Ogden Avenue, and its residents would be more likely to shop along Ogden Avenue in Clarendon Hills.

The southern half of Downers Grove was considered to be part of the STA, since residents there are more likely to shop in other areas for many items before traveling to the Ogden Avenue Study Area. Along with southern Downers Grove, the rest of the STA was defined as consisting of the following communities: Oak Brook, Western Springs, Willowbrook, and Darien.

We based our definition of the trade areas on travel distance, the opinions of the brokers and developers interviewed, and the “next ring” of competitive retail development--i.e., where other stores “intercept” shoppers who might otherwise travel to the Ogden Avenue Study Area.

The boundaries of both trade areas are shown in Map 6 on the following page.

Map 6: Primary and Secondary Trade Areas



Demographics

We obtained demographic information for the PTA and STA from Claritas, a national data provider. This information is shown in Table 9, on the following page.

The 2002 population of the PTA was estimated at 74,132. Population growth between 1990 and 2000 was approximately 4.3%, a fairly modest growth rate over ten years. Similar growth is projected between 2002 and 2007--2.2% over five years, indicating that the communities in the PTA are generally mature, built-out communities with little or no available land for new residential development. The total number of households in the PTA in 2002 was estimated at 28,532. Almost 68% of these households were families.

The median household income in the PTA in 2002 was estimated at \$84,681. Increases in median income significantly outpaced inflation between 1989 and 2002, registering a compound annual growth rate of 4.6%. The median age of PTA residents 38.6 years suggests that these increases may well continue as workers approach their peak earning years (generally 45 to 54 years of age).

Almost 41% of PTA residents over age 25 have a Bachelors degree or higher--a high overall level of educational attainment (the proportion of the U.S. population is about 25%). This correlates to the occupational statistics, which show that over 76% of the employed population over 16 years of age work in managerial and professional or technical, sales, and administrative support capacities.

Overall, the PTA is an established, affluent, well-educated area. Although the population of the area is essentially stable, with little new growth projected, the area's high incomes, high education levels, and white collar occupational profile should be very attractive to retailers.

Saturation and Capture Analysis

Guided by the potential store types identified in the previous chapter, we tested the viability of five retail store types for the Ogden Avenue Study Area: a furniture/home furnishings store, a full-service restaurant with liquor, a wine and liquor store, a grocery store, and a drugstore. We tested these store types because they could function as stand-alone stores or would serve as anchors or key tenants in a multi-tenant shopping center, and because reliable consumer expenditure data is available for each. The viability of anchors and key tenants is a good indication of the overall attractiveness (and thus, leasing potential) of a shopping center to other supporting retailers that occupy the inline store spaces.

Methodology

A saturation and capture analysis estimates the feasibility of a new store of a selected type in relationship to the competitive environment of its trade area. The new hypothetical store is arrayed among the identified stores that would compete for consumer spending in the trade area. Each establishment included in the analysis is assigned a "competitiveness percentage," reflecting that store's potential to intercept shoppers from the hypothetical store (which is

Table 9
Trade Area Demographics

	Primary Trade Area		Secondary Trade Area	
Population				
2007	75,770		79,330	
2002	74,132		77,932	
2000	73,678		77,581	
1990	70,611		75,177	
% Change 2002-07	2.2%		1.8%	
% Change 1990-2000	4.3%		3.2%	
Households				
2007	29,371		31,020	
2002	28,532		30,083	
2000	28,269		29,778	
1990	27,173		27,906	
% Change 2002-07	2.9%		3.1%	
% Change 1990-2000	4.0%		6.7%	
Average Household Size, 2002	2.54		2.57	
% Family Housholds, 2002	67.7%		72.9%	
Median Household Income				
2002	\$84,681		\$98,525	
1989 (Census)	\$47,484		\$60,298	
% Change	78.3%		63.4%	
% of Households Earning \$75,000+ in 2002	67.7%		72.9%	
Per Capita Income				
2002	\$44,032		\$59,147	
1989 (Census)	\$23,623		\$31,011	
% Change	86.4%		90.7%	
Population by Age, 2002				
Under 5 Years	5,077	6.8%	4,175	5.4%
5 to 9 Years	5,384	7.3%	5,050	6.5%
10 to 14 Years	5,527	7.5%	5,652	7.3%
15 to 19 Years	4,370	5.9%	4,853	6.2%
20 to 24 Years	3,636	4.9%	3,081	4.0%
25 to 34 Years	8,959	12.1%	7,450	9.6%
35 to 44 Years	12,409	16.7%	11,757	15.1%
45 to 54 Years	11,618	15.7%	13,969	17.9%
55 to 59 Years	3,998	5.4%	6,049	7.8%
60 to 64 Years	2,736	3.7%	4,368	5.6%
65 to 74 Years	4,344	5.9%	6,348	8.1%
75 to 84 Years	4,091	5.5%	4,017	5.2%
85 Years and Over	1,985	2.7%	1,163	1.5%
Total	74,132	100.0%	77,932	100.0%
Median Age	38.6		42.7	
Educational Attainment of Persons 25+ (2002)				
Graduate/Professional	7,482	14.9%	9,426	17.3%
Bachelors	13,017	26.0%	14,805	27.2%
Associate	3,112	6.2%	2,977	5.5%
Some College, No Degree	10,679	21.3%	11,485	21.1%
High School Diploma	10,394	20.7%	11,296	20.8%
No High School Diploma	5,455	10.9%	4,365	8.0%
Total	50,138	100.0%	54,356	100.0%
Employment by Occupation of Persons 16+ (2002)				
Managerial and Professional	15,538	40.0%	19,145	45.9%
Technical, Sales, and Administration Support	14,176	36.5%	15,558	37.3%
Service	3,440	8.9%	2,275	5.5%
Farming, Forestry, and Fishing	128	0.3%	78	0.2%
Precision Products, Craft, and Repair	3,058	7.9%	2,549	6.1%
Operators, Fabricators, and Laborers	2,505	6.4%	2,117	5.1%
Total	38,843	100.0%	41,723	100.0%

Note: Claritas figures were adjusted to put half of Downers Grove in the Secondary Trade Area

Source: Claritas and *S. B. Friedman & Company*

assigned a 100% competitiveness value). When multiplied by the total estimated square footage of a store, the competitiveness percentage yields an estimate of the total square footage of a given category of retail that would directly compete with the hypothetical store for consumer dollars. The square footage of the hypothetical store divided by the total competitive square footage equals the “market share” of spending that the proposed store can be expected to attract. The “market share” is multiplied by the total consumer spending in the trade area for the retail category in question to estimate the sales that the store could capture if it achieved its fair share of the market based upon its size.

To estimate the feasibility of a particular type of retail establishment, we then compared the hypothetical establishment’s fair share of trade area sales to a target sales per square foot value from *Dollars & Cents of Shopping Centers* data collected by the Urban Land Institute. As a target, we used the median sales per square foot of surveyed retailers for stores of each type. This comparison allowed us to estimate the square footage of the proposed store that would be supportable by the PTA at the target sales levels. When the entire square footage of a proposed store is not supported by the PTA, additional sales support must be drawn from the STA.

Total sales potential for the target retail uses was estimated using data obtained from Claritas for the trade area. These data are based on the Bureau of Labor Statistics Consumer Expenditure Survey, trade area population, and income. Establishments of the same type that we deemed competitive with the Ogden Avenue Study Area were plotted. In order to analyze the commercial potential of a full-service restaurant, an additional calculation was required because of the broad nature of the “Eating Places” expenditure category reported by Claritas. Using data from the 1997 Economic Census, we derived the proportion of expenditures at food service establishments in DuPage County that occurred at full-service restaurants (as opposed to fast food, take-out, and catering businesses). We then applied this proportion to the “Eating Places” expenditure category of Claritas data to reach an estimate of restaurant spending.

Analysis Results

The results of the saturation and capture analysis are summarized for each store type in the table below. Detailed tables showing the analysis are included in the appendix.

Table 10: Summary of Saturation and Capture Analysis					
Retail Store Type	Proposed Square Feet	Primary Trade Area (PTA) Potential Sales	SF of Proposed Store Supported by PTA at Target Sales	Proposed Store- % of Potential Sales Drawn from PTA	% of Sales Needed from STA to Achieve Target Sales
Furniture Store	10,000	\$3,329,104	6,936	69%	31%
Full-Service Restaurant	5,000	\$969,988	3,288	66%	34%
Wine/Liquor Store	4,000	\$3,271,169	6,267	100%	0%
Gourmet Grocery Store	25,000	\$11,654,951	18,098	72%	28%
Drugstore	14,000	\$8,835,625	16,515	100%	0%

Source: S. B. Friedman & Company

It should be noted that the analysis does not account for any new competitive developments that may be constructed, or any additional population growth that may occur in the trade area. These factors could impact the sales potential of retail development in the Ogden Avenue Study Area.

A general guideline for proposed stores is that they should usually draw about 80% of their sales from the Primary Trade Area. However, this amount can differ depending on the specific store type. Stores that provide convenience-oriented and everyday goods and services, such as a grocery store or a drugstore, would be expected to meet the 80% threshold. A gourmet or specialty grocery store, which offers items that are not widely available, can potentially draw a smaller proportion from the PTA since it can attract customers from a larger area. Other types of stores that sell larger ticket items and goods that are shopped for less frequently, such as furniture, would normally draw a smaller portion of their sales from the PTA. Restaurants also can draw less of their sales from the PTA if they manage to attract a broad “following” or serve as a destination to which diners will travel from a further distance.

The results of the analysis shown in Table 10 are discussed in the summary sections for each retail store type below.

Furniture/Home Furnishings. We tested the viability of a 10,000-square-foot furniture/home furnishings store, which is roughly the average between the median size of smaller local retailers and larger chain stores. We identified 41 stores that could compete with a new store in the study area. Most of the competitive stores are located in or around Oakbrook Center and Yorktown Center, the two regional malls north of the study area. Several furniture stores also are located in Hinsdale and Dowers Grove.

The analysis results show that sufficient sales potential exists to support a new furniture/home furnishings store of 10,000 square feet. The new store would draw about 70% of its sales from the PTA, which should be more than enough for a retailer that draws customers from a larger area.

Restaurant. Our analysis tested the viability of a 5,000-square-foot full-service restaurant with liquor. Trade areas for restaurants tend to be larger than those for neighborhood-level retailers, because consumers tend to base their choice of restaurant on multiple factors such as type of cuisine, price range, atmosphere, and food quality. They will frequently travel longer distances, bypassing multiple restaurant options, to reach a specific dining destination. To account for this pattern, our saturation and capture analysis included 112 competing restaurants grouped into competitive clusters by community. Competitive percentages were assigned to each of these clusters, rather than to individual restaurants.

Our analysis indicates that sufficient sales potential exists to support additional restaurant space in the Ogden Avenue Study Area. At the target sales level, consumer spending in the PTA alone should support approximately 3,288 square feet of new restaurant space, with the remaining space supported by spending from the STA. The new restaurant would draw approximately 66% of its sales from the PTA and 34% from the STA.

Wine/Liquor Store. We tested the viability of a 4,000-square-foot wine/liquor store, which is the median size for the store type. Although several competitive wine/liquor stores were identified in area, additional competition will also come from local grocery stores, such as Jewel-Osco, Dominick's, Trader Joe's. An assumed square footage devoted to wine/liquor sales was used for the grocery stores and incorporated into the analysis.

Our analysis indicates that sufficient sales potential exists solely within the PTA for a new wine/liquor store. According to the analysis, it would not be necessary for the store to capture sales from the STA to be viable. Approximately 6,267 square feet of space could be supported by sales from the PTA.

Grocery Store. Our analysis tested the viability of a 25,000-square-foot grocery store--a size that is suitable for a specialty/gourmet grocer or produce market, rather than a traditional supermarket. The actual store size could be smaller. A number of competing stores of this type were identified in the surrounding area, including Trader Joe's on Ogden Avenue in Downers Grove, Wild Oats Market at I-294 and Ogden Avenue in Hinsdale, and Whole Foods on 63rd Street in Willowbrook. Several traditional grocery stores, represented mostly by Jewel-Osco and Dominick's, also would compete with a new store in the study area.

The analysis indicates that, with certain caveats, sufficient sales potential may exist in the PTA to feasibly support a gourmet grocery store in the study area. According to the analysis, the new store would draw approximately 69% of its sales from the PTA, which is below the roughly 80% that is typical for a grocery store. However, the analysis does indicate that approximately 18,098 square feet of space could be supported by sales drawn from the PTA, which could be sufficient for a smaller gourmet grocery store. Competition is strong--traditional grocery stores are found throughout the trade area, and there are several competing gourmet grocery stores already present in the market, located to the west, east, and southeast of the study area. This would make it more difficult for a new store to draw sales from the STA. A new store would likely have to position itself effectively, through marketing and other means, to attract customers who are used to shopping at the existing stores. Two new entrants to the Chicago market--Marsh Supermarkets from Indianapolis and Market Foods from Arkansas--are reportedly seeking sites in the metro area. One of these chains could be a candidate for the study area.

Drugstore. The analysis tested the viability of a 14,000-square-foot drug store, which is the typical size of a Walgreen's store. Other drugstore chains may have different store sizes. The trade area is currently served by four Walgreen's, although the closest is located in Hinsdale. A CVS Pharmacy and a stand-alone Osco Drug also serve the trade area, located in Downers Grove.

Our analysis indicates that sufficient sales potential exists solely within the PTA for a new drugstore. According to the analysis, it would not be necessary for the store to capture sales from the STA to be viable. Approximately 16,515 square feet of space could be supported by sales from the PTA. However, a different chain may have to be recruited, given the proximity of the existing Walgreen's and CVS stores, unless one of these companies determines that a new store in the study area would not cannibalize sales from its existing stores (or that a location there would prevent its competition from capturing sales from its existing stores).

Summary and Conclusions

The Primary Trade Area of the Ogden Avenue Study Area is an established, affluent, well-educated area that should be a very attractive market for retailers. With the relatively high incomes in the PTA, there is a substantial amount of sales potential present for retailers to capture. As a result, the PTA is served by several major retail clusters.

A saturation and capture analysis was performed to test the potential viability of five retail store types: a furniture/home furnishings store, a full-service restaurant, a wine/liquor store, a gourmet grocery store, and a drugstore. The analysis found that sufficient sales potential exists to support all of these potential new stores in the study area, although for some store types the strong existing competition in the local area means that a new store would have to be able to differentiate itself in the market in order to compete effectively. However, potential sales support is only one component of evaluating the viability of a new store. Site and locational factors will also help determine if a new store can effectively compete with the existing competition in the marketplace and attract its fair share of shoppers.

6. Opportunities and Strategies

In this chapter we identify redevelopment opportunities for the Ogden Avenue Study Area, based on our research and analysis findings. Several opportunities are identified, which could potentially be combined within the study area depending on the timing and extent of redevelopment activity. We then outline strategies for realizing these opportunities.

Opportunities

- **Automobile Dealership(s).** All of our findings point to the study area as a strong potential location for an automobile dealership. According to one broker, the possibility exists to attract two dealerships, depending on the amount of land available and the specific requirements of the dealerships. The minimum parcel size needed for a dealer would be at least two acres, so at least half of one of the study area blocks would have to be available for redevelopment to attract one dealership. Two dealerships would require more land, probably at least one full block of the study area or more.
- **Specialty Retail.** Our findings indicate that the strongest potential for retail development in the study area would be for specialty retail, particularly furniture/home furnishings, restaurants, wine and liquor, gourmet groceries, specialty food, and related goods. These store types seek out affluent areas where households spend significant amounts on home décor and accessories, fine food and drink, and dining out/entertainment. The study area offers a highly visible and accessible location that easily serves Clarendon Hills, Hinsdale, Oak Brook, Downers Grove, and other communities where many households fit the above profile. Although competition for the spending of these households is strong, the right mix of stores and specific retailers in the study area could tap this market niche effectively.
- **Enhance Existing Retailers.** A small amount of specialty retail already exists in the study area. Two upscale restaurants, two furniture stores, and two specialty retailers (a high-end audio/video store and a clock store) are present, but their current configuration does not create an upscale shopping environment or promote the “critical mass” needed to establish a shopping destination. For example, the Sounds Deluxe and Chicago Clock Company stores are not very “shopper-friendly”--most people driving by would not know that both stores offer high-end products. Redevelopment of the study area could potentially serve to re-format these existing retailers into a setting that enhances their collective drawing power. It may be possible to consolidate the stores into a multi-tenant development with shared parking and fewer curb cuts, potentially freeing up land area for additional development. Adding a traffic signal at Ogden and Woodstock Avenues would improve vehicular access to the stores.
- **Convenience Retail.** We tested the sales potential of a new drugstore in the study area. This store would serve a local market, mostly households living within a mile or two, as well as drive-by traffic on Ogden Avenue. The analysis results show that sufficient sales potential exists to support a new drugstore, but the possibility of attracting one to the study area will depend on the determination of the major chains that dominate the

Chicago-area market if a new store would cannibalize sales from one of their existing stores.

Our findings show that the Ogden Avenue Study Area would not be a potential location for typical big box retailers or other large-format retail development, due to insufficient parcel size and depth to accommodate such large stores and the associated parking. Assembling a site that would be large enough would involve most of the study area land, plus most or all of the residential parcels on Woodstock and Oxford Avenues. However, even if such major redevelopment were undertaken to prepare a site, the potential for attracting a big box retailer would still not be certain. The study area's location between two major concentrations of big box and related retail development (the 22nd Street/Butterfield Road Area and the 75th Street Area) means that its natural trade area is already split between two strong competitors. Many big box retailers already have stores in one or both of those locations, making the study area a less attractive location.

Because of the study area's "in-between" location, there is a lack of national chain retailers in the vicinity. This means that there are few opportunities for "synergy" between a new big box retailer and other national chains, which is often an important factor in retail location decisions. Many national chains have other chains that they prefer to locate next to, or "co-tenant" with, to create a shopping destination for their typical customer profile.

The physical and locational characteristics of the study area also are not favorable for attracting a big box retailer, even if a sufficient site could be assembled. The site would still be a "mid-block" site, with a lack of a major north-south traffic route adjacent to it, limiting regional access and traffic flow to the site. The site is really only accessible from east to west, on Ogden Avenue, with no direct access for traffic coming from the north or south. The lack of a traffic signal providing access to the study area also would likely be a negative factor for a potential big box retailer, although that could be addressed if it were feasible to add a traffic signal at Ogden and Woodstock Avenues.

Strategies

Our findings show that a redeveloped Ogden Avenue Study Area could potentially attract an automobile dealership and/or specialty retail development. Several strategies the Village could use to facilitate and stimulate such redevelopment are discussed below.

- **Tax Increment Financing (TIF).** Our reconnaissance shows that the study area would likely qualify as a TIF district, and we recommend that the Village pursue TIF designation. TIF designation provides increased ability for the Village to condemn land for redevelopment purposes, and also provides a source of funding for normal land acquisition, infrastructure improvements, and developer incentives.
- **Explore Land Acquisition and/or Agreements with Property Owners.** Whether through purchase or condemnation (subsequent to establishment of a TIF district), the Village should explore the feasibility of acquiring land in the study area in order to assemble a redevelopment site. The Village also could explore the possibility of

facilitating agreements between study area property owners and a potential developer to encourage redevelopment without actually acquiring land. The ability to deliver a development-ready site in a reasonable time frame when an opportunity presents itself will be a key factor in attracting an automobile dealership or other retailers. The Mayflower Motel would be a priority property for potential acquisition, given its prominence in the study area and parcel size, but other parcels will likely be needed to assemble a workable redevelopment site.

- **Discuss Redevelopment Options and Space Needs with Existing Retailers.** As discussed above, there are several existing retailers in the study area that target a specialty market niche and could potentially be part of a retail redevelopment project in the study area. The Village should meet with these retailers to discuss their future plans, space requirements, and potential willingness to participate in a redevelopment project. If some or all of the retailers are interested in pursuing redevelopment, it may be advisable at some point to engage a physical planning firm to prepare a conceptual site plan for the study area showing how new stores could be developed on the available land with shared parking, redesigned vehicular access, etc. A multi-tenant shopping center with shared parking facilities would likely be more effective in creating a specialty shopping destination, and could potentially free up land for additional retail development. A conceptual site plan would be needed to test this possibility.

We recommend that, if the Village wishes to actively pursue redevelopment of the Ogden Avenue Study Area, a priority be placed on acquiring control of the necessary properties (whether through condemnation or purchase), or at minimum reaching agreements with property owners to contribute their land to a joint public-private effort. The potential for adding a traffic signal at Ogden and Woodstock Avenues also should be explored. Assuming that site control is achieved or can be reasonably expected to be achieved, further strategies available to the Village are:

- **Actively Pursue an Automobile Dealership.** The coming shifts in the automobile dealership industry conveyed to us by the brokers present an opportunity for Clarendon Hills to attract a dealership, perhaps two. The ability to deliver a site within a reasonable time frame will be important; the brokers indicated that dealers will want to move quickly, and it is likely that other communities will compete to capture any dealers who are considering new locations. The presence of a TIF district in the study area may also be important, since TIF funds could be used to write down land acquisition costs for a dealership or provide other public assistance to offset high land prices in the area.

One of the brokerage firms we interviewed has an internal group that specializes in brokerage and advisory services for automobile dealerships, and has clients currently looking for sites in the Chicago area. The Village could potentially approach this firm after assembling a site, or explore the possibilities of a public-private partnership with one of its dealer clients to acquire land and develop a facility in the study area.

- **Market the Study Area and Actively Recruit Retailers.** Given the amount of retail competition in the local area and the study area's specific physical and locational

characteristics, it may take a determined effort to attract high-quality retailers that would be successful and meet the Village's goals for the area. If there are limited staff resources, in terms of time and/or expertise, the Village potentially could engage a consultant or a broker in an advisory role to market the study area to potential developers and users, and recruit specific retailers or store types. Some of the activities of the consultant could be:

- Preparation of marketing materials (both site-specific and general community image and public relations)
- Marketing of the study area to brokerage and retailer communities
- Representation at conferences and organizations of potential retailers, such as the International Council of Shopping Centers (ICSC), restaurant groups, etc.
- Targeted solicitation of developers/retailers through RFQs or RFPs

It is important that this be a consulting or advisory relationship (i.e., fee-for-service) rather than a commission-based brokerage relationship, in order to encourage many brokers to bring developers/retailers to Clarendon Hills. The relationship should be structured in order to encourage many brokers to use their many contacts and connections rather than creating an exclusive relationship that in any way competes with the brokers.

7. Appendix

Appendix contents:

1. TIF Eligibility Factors for Improved Areas
2. Top 25 Retail Store Types Ranked by Total Annual Sales and Sales Per Square Foot
3. Saturation and Capture Analysis Tables

Appendix 1: TIF Eligibility Factors for Improved Areas

Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration including but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

Illegal use of individual structures. The use of structures in violation of the applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

Lack of ventilation, light or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site.

Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

Environmental clean-up. The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

Lack of growth in equalized assessed value. The total equalized assessed value of the proposed redevelopment project area has declined for three of the last five calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for three of the last five calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three of the last five calendar years prior to the year in which the redevelopment project area is designated.

As explained, "blighted areas" must have a combination of five (5) or more of these eligibility factors and "conservation areas" must have a minimum of 50% of the total structures within the area aged 35 years or older, plus a combination of three (3) or more additional eligibility factors.

Clarendon Hills - Ogden Avenue**Appendix Table 2A****Community-Level Retail Tenants Ranked by Total Annual Sales**

Rank	Tenant Category	Median Size (SF)	Median Sales (PSF)	Median Ann. Sales
1	Supermarket	48,775	\$371.39	\$18,114,547
2	Discount Department Store	65,631	\$169.00	\$11,091,639
3	Office Supplies	24,144	\$245.00	\$5,915,280
4	Junior Department Store	28,875	\$159.18	\$4,596,323
5	Drugstore/Pharmacy	12,150	\$366.73	\$4,455,770
6	Home Improvements	15,250	\$228.43	\$3,483,558
7	Service Station	2,600	\$1,227.80	\$3,192,280
8	Hamburgers	3,270	\$539.16	\$1,763,053
9	Specialty Food	3,140	\$499.98	\$1,569,937
10	Toys	7,000	\$217.75	\$1,524,250
11	Restaurant with Liquor	5,124	\$295.03	\$1,511,734
12	Hardware	9,000	\$166.59	\$1,499,310
13	Cinema- General	24,517	\$60.57	\$1,484,995
14	Jeans Shop	7,232	\$181.78	\$1,314,633
15	Sporting Goods	6,008	\$212.47	\$1,276,520
16	Bath Shop/Linens	9,770	\$127.71	\$1,247,727
17	Family Wear	6,000	\$206.69	\$1,240,140
18	Athletic Footwear	4,613	\$266.64	\$1,230,010
19	China and Glassware	6,249	\$195.63	\$1,222,492
20	Variety Store	11,200	\$105.14	\$1,177,568
21	Fabric Store	11,955	\$95.84	\$1,145,767
22	Aromatherapy Store	2,170	\$489.00	\$1,061,130
23	Furniture	4,809	\$215.26	\$1,035,185
24	Liquor/Wine	4,000	\$253.52	\$1,014,080
25	Photocopy	3,223	\$307.56	\$991,266

Source: *Dollars and Cents of Shopping Centers: 2002*

Clarendon Hills - Ogden Avenue**Appendix Table 2B****Community-Level Retail Tenants Ranked by Sales Per Square Foot**

Rank	Tenant Category	Median Sales (PSF)	Median Size (SF)	Median Ann. Sales
1	Service Station	\$1,227.80	2,600	\$3,192,280
2	Hamburgers	\$539.16	3,270	\$1,763,053
3	Specialty Food	\$499.98	3,140	\$1,569,937
4	Aromatherapy Store	\$489.00	2,170	\$1,061,130
5	Newspaper/ Magazines	\$486.16	615	\$298,988
6	Jewelry	\$452.97	1,200	\$543,564
7	Seafood/ Fish and Chips	\$438.17	2,006	\$878,969
8	Coffee/ Tea	\$430.79	1,349	\$581,136
9	Supermarket	\$371.39	48,775	\$18,114,547
10	Drugstore/Pharmacy	\$366.73	12,150	\$4,455,770
11	Hat Shop/ Millinery	\$337.08	628	\$211,686
12	Tobacco	\$335.41	1,100	\$368,951
13	Chicken/ Turkey	\$319.21	2,645	\$844,310
14	Cosmetics/Beauty Supplies	\$319.20	1,527	\$487,418
15	Computer/Computer Software	\$309.67	2,859	\$885,347
16	Photocopy	\$307.56	3,223	\$991,266
17	Sunglasses	\$301.60	1,126	\$339,602
18	Electronics- General	\$296.60	2,340	\$694,044
19	Restaurant with Liquor	\$295.03	5,124	\$1,511,734
20	Delicatessen	\$291.89	1,399	\$408,354
21	Audio/ Video	\$290.39	2,800	\$813,092
22	Cameras	\$289.26	1,501	\$434,179
23	Ice Cream Parlor	\$286.34	1,163	\$333,013
24	Convenience Market	\$283.92	2,478	\$703,554
25	Film Processing	\$279.45	1,200	\$335,340

Source: *Dollars and Cents of Shopping Centers: 2002*

Clarendon Hills - Ogden Avenue

Appendix Table 3A: Saturation/Capture Analysis for Furniture and Other Home Furnishings

2002 Sales Potential in PTA: \$59,760,750		Assumed Competitor Size (Neighborhood):		4,300			
2002 Sales Potential in STA: \$73,581,250		Assumed Competitor Size (Community):		15,000			
<u>Grocery Stores</u>	<u>Location</u>	<u>Number of Stores</u>	<u>Approx. Sq. Ft.</u>	<u>% Competitive</u>	<u>Competitive Sq. Ft.</u>	<u>Competitive Share of PTA</u>	<u>Captured Sales</u>
Proposed Furniture Store	Ogden Avenue, Clarendon Hills	1	10,000	100%	10,000	6%	\$ 3,329,104
Ogden Avenue Furniture	Clarendon Hills	2	8,600	100%	8,600	5%	\$ 2,863,030
Other Furniture	Clarendon Hills	1	4,300	100%	4,300	2%	\$ 1,431,515
Ogden Avenue Furniture	Hinsdale	1	4,300	75%	3,225	2%	\$ 1,073,636
Other Furniture	Hinsdale	5	21,500	75%	16,125	9%	\$ 5,368,181
Ogden Avenue Furniture	Westmont	0	-	50%	-	0%	\$ -
Other Furniture	Westmont	2	8,600	50%	4,300	2%	\$ 1,431,515
Ogden Avenue Furniture	Downers Grove	2	8,600	60%	5,160	3%	\$ 1,717,818
Other Furniture	Downers Grove	9	38,700	60%	23,220	13%	\$ 7,730,180
All Furniture	Oak Brook	8	120,000	30%	36,000	20%	\$ 11,984,775
All Furniture	Western Springs	1	4,300	30%	1,290	1%	\$ 429,454
All Furniture	Willowbrook and Darien	1	4,300	30%	1,290	1%	\$ 429,454
All Furniture	Lombard	8	120,000	30%	36,000	20%	\$ 11,984,775
Allowance for Unidentified/Out of Area Shopping		n/a	30,000	100%	30,000	17%	\$ 9,987,313
Total		41	383,200		179,510	100%	\$ 59,760,750
<u>Summary of Sales Potential</u>		<u>Proposed Store Sales Capture</u>					
Target Sales PSF (premium, all stores):	\$ 480				% of Market Area	Captured Sales	% of Total Sales
Total SF Supportable by PTA at Target/Premium Sales:	124,502			PTA Capture:	6%	\$ 3,329,104	69%
Total Competitive Sq. Ft. Including New Store:	179,510			Needed STA Capture:	2%	\$ 1,470,896	31%
Surplus/(Deficit) of SF at Target/Premium Sales:	55,008			Total:		\$ 4,800,000	100%
Sq. Ft. of Proposed Store Supported by PTA at Premium Sales:	6,936						
Sales Potential Per SF within PTA at Proposed Size:	\$ 333			Sales Target PSF:	\$ 480		
Sales Needed from STA to Achieve Premium Sales:	\$ 1,470,896			Total Proposed SF:	10,000		

Source: Claritas, Urban Land Institute, Yahoo! Yellow Pages, and *S. B. Friedman & Company*

Clarendon Hills - Ogden Avenue

Appendix Table 3B: Saturation/Capture Analysis for Full-Service Restaurant

2002 Sales Potential in PTA*: \$72,749,115		Assumed Restaurant Size (SF):		5,000			
2002 Sales Potential in STMA*: \$81,547,485							
<u>Full-Service Restaurants</u>	<u>Location</u>	<u>Number of Restaurants</u>	<u>Approx. Sq. Ft.</u>	<u>% Competitive</u>	<u>Competitive Sq. Ft.</u>	<u>Competitive Share of PTA</u>	<u>Captured Sales</u>
Proposed Restaurant	Ogden Avenue, Clarendon Hills	1	5,000	100%	5,000	1%	\$ 969,988
Ogden Ave. Restaurants	Clarendon Hills	2	10,000	100%	10,000	3%	\$ 1,939,976
Other Restaurants	Clarendon Hills	3	15,000	100%	15,000	4%	\$ 2,909,965
Ogden Ave. Restaurants	Hinsdale	0	-	100%	-	0%	\$ -
Other Restaurants	Hinsdale	7	35,000	90%	31,500	8%	\$ 6,110,926
Ogden Ave. Restaurants	Westmont	7	35,000	100%	35,000	9%	\$ 6,789,917
Other Restaurants	Westmont	24	120,000	70%	84,000	22%	\$ 16,295,802
Ogden Ave. Restaurants	Downers Grove	6	30,000	80%	24,000	6%	\$ 4,655,943
Other Restaurants	Downers Grove	30	150,000	50%	75,000	20%	\$ 14,549,823
All Restaurants	Oak Brook	18	90,000	50%	45,000	12%	\$ 8,729,894
All Restaurants	Western Springs	2	10,000	25%	2,500	1%	\$ 484,994
All Restaurants	Willowbrook and Darien	12	60,000	30%	18,000	5%	\$ 3,491,957
Allowance for Unidentified/Out of Area Restaurants	n/a		30,000	100%	30,000	8%	\$ 5,819,929
Total		112	590,000		375,000	100%	\$ 72,749,115
<u>Summary of Sales Potential</u>			<u>Proposed Store Sales Capture</u>				
Target Sales PSF (median, all stores, with liquor):	\$ 295				<u>% of Market Area</u>	<u>Captured Sales</u>	<u>% of Total Sales</u>
Total SF Supportable by PTA at Target/Median Sales:	246,607			PTA Capture:	1%	\$ 969,988	66%
Total Competitive Sq. Ft. Including New Store:	375,000			Needed STA Capture:	1%	\$ 505,012	34%
Surplus/(Deficit) of SF at Target/Median Sales:	128,393			Total:		\$ 1,475,000	100%
Sq. Ft. of Proposed Store Supported by PTA at Median Sales:	3,288						
Sales Potential Per SF within PTA at Proposed Size:	\$ 194						
Sales Needed from STA to Achieve Median Sales:	\$ 505,012			Sales Target PSF:	\$ 295		
				Total Proposed SF:	5,000		

* Full-service restaurant sales are estimated at 54.3% of all restaurant sales (does not include fast food, etc.)

Source: Claritas, Urban Land Institute, Yahoo! Yellow Pages, Economic Census of Illinois (1997), and *S. B. Friedman & Company*

Clarendon Hills - Ogden Avenue

Appendix Table 3C: Saturation/Capture Analysis for Wine and Liquor Store

2002 Sales Potential in PTA: \$30,171,750							
2002 Sales Potential in STA: \$34,617,250							
Grocery Stores	Location	Distance to Site (Miles)	Approx. Sq. Ft.*	% Competitive	Competitive Sq. Ft.	Competitive Share of PTA	Captured Sales
Proposed Wine/Liquor Store	Ogden Avenue, Clarendon Hills	n/a	4,000	100%	4,000	11%	\$ 3,271,169
Wally's Discount Liquors	310 W. Ogden Ave, Westmont	1.1	2,862	100%	2,862	8%	\$ 2,340,521
Fairview Wine & Spirits	5016 Fairview Ave, Downers Grove	1.8	2,862	100%	2,862	8%	\$ 2,340,521
Sav-Way Liquors	3821 York Road, Oak Brook	1.9	2,862	50%	1,431	4%	\$ 1,170,261
Prestige Liquor Mart	739 Ogden Ave, Downers Grove	2	4,067	100%	4,067	11%	\$ 3,325,961
Richway Spirits	2210 Midwest Rd # 217, Oak Brook	2.5	2,862	30%	859	2%	\$ 702,156
Prestige Liquors	6249 S. Cass Ave, Westmont	2.5	4,067	75%	3,050	8%	\$ 2,494,471
Downers Grove Wine Shop	5121 Main St, Downers Grove	2.6	2,862	75%	2,147	6%	\$ 1,755,391
Spirits Liquors	17w604 14th Street, Oakbrook Terrace	3.2	2,862	20%	572	2%	\$ 468,104
United Liquors	6218 Main Street, Downers Grove	3.3	2,862	50%	1,431	4%	\$ 1,170,261
Di Carlos Armanetti	6920 Route 83, Willowbrook	3.4	4,067	20%	813	2%	\$ 665,192
Jewel-Osco	4 E. Ogden Ave, Westmont	0.6	2,000	75%	1,500	4%	\$ 1,226,688
Dominick's	42 Ogden Ave, Downers Grove	1.1	2,000	75%	1,500	4%	\$ 1,226,688
Trader Joe's	122 Ogden Ave, Downers Grove	1.2	2,000	50%	1,000	3%	\$ 817,792
Jewel-Osco	303 Holmes Ave, Clarendon Hills	1.6	2,000	100%	2,000	5%	\$ 1,635,585
Dominick's	6300 Kingery Hwy, Willowbrook	2.4	2,000	15%	300	1%	\$ 245,338
Whole Foods Market	201 63rd Street, Willowbrook	2.5	2,000	25%	500	1%	\$ 408,896
Allowance for Unidentified/Out of Area Shopping		n/a	6,000	100%	6,000	16%	\$ 4,906,754
Total			54,235		36,894	100%	\$ 30,171,750
Summary of Sales Potential				Proposed Store Sales Capture			
Target Sales PSF (premium, all stores):	\$ 522				% of Market Area	Captured Sales	% of Total Sales
Total SF Supportable by PTA at Target/Premium Sales:	57,800			PTA Capture:	11%	\$ 3,271,169	100%
Total Competitive Sq. Ft. Including New Store:	36,894			Needed STA Capture:	0%	\$ -	0%
Surplus/(Deficit) of SF at Target/Premium Sales:	(20,906)			Total:		\$ 3,271,169	100%
Sq. Ft. of Proposed Store Supported by PTA at Premium Sales:	6,267						
Sales Potential Per SF within PTA at Proposed Size:	\$ 818			Sales Target PSF:	\$	522	
Sales Needed from STA to Achieve Premium Sales:	\$ -			Total Proposed SF:		4,000	

* For grocery stores, square feet is amount assumed to be devoted to wine/liquor sales

Source: Claritas, Urban Land Institute, Yahoo! Yellow Pages, and S. B. Friedman & Company

Clarendon Hills - Ogden Avenue

Appendix Table 3D: Saturation/Capture Analysis for Grocery Store

2002 Sales Potential in PTA*: \$159,292,884							
2002 Sales Potential in STA*: \$175,467,014							
Grocery Stores	Location	Distance to Site (Miles)	Approx. Sq. Ft.	% Competitive	Competitive Sq. Ft.	Competitive Share of PTA	Captured Sales
Proposed Grocery Store	Ogden Avenue, Clarendon Hills	n/a	25,000	100%	25,000	7%	\$ 11,654,951
Jewel-Osco	4 E. Odgen Ave, Westmont	0.6	60,000	100%	60,000	18%	\$ 27,971,884
Hunan Market	673 N. Cass Ave, Westmont	0.6	17,000	50%	8,500	2%	\$ 3,962,684
Diho Market	665 Pasquinelli Dr, Westmont	0.6	17,000	75%	12,750	4%	\$ 5,944,025
Nature's Best Foods	257 N. Cass Ave, Westmont	0.8	28,000	75%	21,000	6%	\$ 9,790,159
Dominick's	42 Ogden Ave, Downers Grove	1.1	72,385	100%	72,385	21%	\$ 33,745,747
Trader Joe's	122 Ogden Ave, Downers Grove	1.2	13,000	50%	6,500	2%	\$ 3,030,287
Jewel-Osco	303 Holmes Ave, Clarendon Hills	1.6	60,000	75%	45,000	13%	\$ 20,978,913
Kramer Foods	16 Grant Sq, Hinsdale	1.7	17,000	15%	2,550	1%	\$ 1,188,805
Hinsdale Fruit Store	26 W. 1st St, Hinsdale	1.8	5,000	10%	500	0%	\$ 233,099
Jewel	1148 Ogden Ave, Downers Grove	2.4	60,000	50%	30,000	9%	\$ 13,985,942
Wild Oats Market	500 E Ogden, Hinsdale	2.4	30,000	25%	7,500	2%	\$ 3,496,485
Dominick's	6300 Kingery Hwy, Willowbrook	2.4	60,500	25%	15,125	4%	\$ 7,051,246
Chuck's Gourmet Market	933 Curtiss St #1, Downers Grove	2.5	17,000	25%	4,250	1%	\$ 1,981,342
Whole Foods Market	201 63rd Street, Willowbrook	2.5	42,500	25%	10,625	3%	\$ 4,953,354
Jewel-Osco	6215 Main St, Downers Grove	3.3	60,000	25%	15,000	4%	\$ 6,992,971
Allowance for Unidentified/Out of Area Shopping	n/a	n/a	5,000	100%	5,000	1%	\$ 2,330,990
Total			589,385		341,685	100%	\$ 159,292,884
<u>Summary of Sales Potential</u>			<u>Proposed Store Sales Capture</u>				
Target Sales PSF (premium, all stores):	\$ 644				% of Market Area	Captured Sales	% of Total Sales
Total SF Supportable by PTA at Target/Premium Sales:	247,349			PTA Capture:	7%	\$ 11,654,951	72%
Total Competitive Sq. Ft. Including New Store:	341,685			Needed STA Capture:	3%	\$ 4,445,049	28%
Surplus/(Deficit) of SF at Target/Premium Sales:	94,336			Total:		\$ 16,100,000	100%
Sq. Ft. of Proposed Store Supported by PTA at Premium Sales:	18,098						
Sales Potential Per SF within PTA at Proposed Size:	\$ 466			Sales Target PSF:	\$	644	
Sales Needed from STA to Achieve Premium Sales:	\$ 4,445,049			Total Proposed SF:		25,000	

* Grocery store sales are estimated at 94.0% of all sales in the Claritas Grocery Stores category (does not include convenience stores)

Source: Claritas, Urban Land Institute, Yahoo! Yellow Pages, Economic Census of Illinois (1997), and *S. B. Friedman & Company*

Clarendon Hills - Ogden Avenue

Appendix Table 3E: Saturation/Capture Analysis for Drugstore

2002 Sales Potential in PTA: \$53,013,750							
2002 Sales Potential in STA: \$60,833,250							
<u>Grocery Stores</u>	<u>Location</u>	<u>Distance to Site (Miles)</u>	<u>Approx. Sq. Ft.</u>	<u>% Competitive</u>	<u>Competitive Sq. Ft.</u>	<u>Competitive Share of PTA</u>	<u>Captured Sales</u>
Proposed Drug Store	Ogden Avenue, Clarendon Hills	n/a	14,000	100%	14,000	17%	\$ 8,835,625
CVS Pharmacy	400 Ogden Ave, Downers Grove	1.6	11,500	100%	11,500	14%	\$ 7,257,835
Walgreens	15 Grant Sq, Hinsdale	1.6	13,500	100%	13,500	16%	\$ 8,520,067
Walgreens	1000 Ogden Ave, Downers Grove	2.3	13,500	100%	13,500	16%	\$ 8,520,067
Osco Drug (Stand-Alone Store)	1124 Ogden Ave, Downers Grove	2.4	13,400	100%	13,400	16%	\$ 8,456,955
Walgreens	2205 W. 22nd St, Oak Brook	2.5	13,500	10%	1,350	2%	\$ 852,007
Walgreens	8 W. 63rd Street, Westmont	2.5	13,500	50%	6,750	8%	\$ 4,260,033
Allowance for Unidentified/Out of Area Shopping		n/a	10,000	100%	10,000	12%	\$ 6,311,161
Total			102,900		84,000	100%	\$ 53,013,750
<u>Summary of Sales Potential</u>			<u>Proposed Store Sales Capture</u>				
Target Sales PSF (premium, national chains):	\$	535			% of Market Area	Captured Sales	% of Total Sales
Total SF Supportable by PTA at Target/Premium Sales:		99,091		PTA Capture:	17%	\$ 8,835,625	100%
Total Competitive Sq. Ft. Including New Store:		84,000		Needed STA Capture:	0%	\$ -	0%
Surplus/(Deficit) of SF at Target/Premium Sales:		(15,091)		Total:		\$ 8,835,625	100%
Sq. Ft. of Proposed Store Supported by PTA at Premium Sales:		16,515					
Sales Potential Per SF within PTA at Proposed Size:	\$	631		Sales Target PSF:	\$	535	
Sales Needed from STA to Achieve Premium Sales:	\$	-		Total Proposed SF:		14,000	

Source: Claritas, Urban Land Institute, Yahoo! Yellow Pages, and *S. B. Friedman & Company*