

Feasibility Analysis I: Profiling the Neighborhood

Objective: The goal of this assignment is to give you some exposure to what developers and investors mean by "walking the site" in order to see whether the site is a "good" location for a particular land use or activity.

Assignment: Assume that Arizona State University (ASU-Tempe Campus) is one of the anchor tenants in Tempe similar to a tenant like Nordstrom being one of the anchors in a regional mall. Define and delineate the "neighborhood" surrounding ASU using streets, and other landmarks such as mountains, rivers, railroad tracks, etc on a map. In particular, what are the perceived boundaries of ASU (Tempe campus only)? Please discuss. As a starting point, you should obtain an ASU map showing the buildings in and around the University area. A good place to start is <http://www.asu.edu/tour/main/ggma.html> which provides a tour of the ASU campus and <http://www.asu.edu/map/> which shows all of the ASU campuses. In addition to this, an aerial map of ASU relative to its surrounding environment is provided in Appendix A. You will need to obtain other maps, pictures and aerial photos to complete this phase of the project.



Once you have delineated the boundaries of the Tempe campus of ASU, your group should walk up and down the major streets in your defined neighborhood i.e., Mill Avenue, University Drive, Apache Boulevard, etc. paying attention to the types of business establishments and where they tend to locate. Prepare a series of color coded maps for your neighborhood indicating the various types of establishments e.g. color code food & beverage places with yellow, copy places with green, and so on. It's up to you to choose the colors to use. To get you started, please visit <http://www.downtowntempe.com/>, the chamber of commerce site <http://tempeaz.usachamber.com/>, and http://en.wikipedia.org/wiki/Tempe,_Arizona.



Do a productivity analysis on the neighborhood/ major streets and avenues. The sources of data are provided as a **starting** point for your research. **Warning:** You should use more resources than those provided. Please cite your sources of data using proper citation methods. Your productivity analysis should include an analysis of each of the following attributes. Please make sure to relate how the analysis of each attribute relates to cash flow. Remember that qualitative factors are just as important as quantitative factors in generating cash flows. For example, will the light rail system increase apartment rents or make a location more valuable if it is on the path of the rail system?

Number of Students in Group: Please limit the number of students in your group to a maximum of 4 people. Each student must be responsible for at least section of the report (put their name on that part of it) and all students must be familiar with all sections of the report. Preferably, all students participate in doing all parts of the project to maximize their learning experience.

Attribute/Environment	Sources of Data (this <i>ONLY</i> a starting point)
<p>▶ Physical Environment (Physical Attributes): Among other things:</p> <ul style="list-style-type: none"> ▪ Discuss soil composition of the area and how it is related to building height and development possibilities. ▪ Does your defined neighborhood have any flood areas? Does your area have an overwhelmingly high concentration of environmental hazards? Please provide an environmental sensitivity map designating sites that have possible discharge to water, hazardous waste handlers, toxic releases, air emissions and multiple activities. ▪ Discuss the type of buildings, architecture, heights of buildings, the structural soundness (integrity) and general condition of the structures. Does the type of building(s) and type of architecture tend to differ by area? For example, does a cast-iron district exist in your neighborhood and where is it? What does the Federal Emergency Mangement Agency (FEMA) have to say about the building inventory/structures? ▪ Point out prominent buildings/landmarks in the neighborhood. Do landmark buildings tend to cluster? ▪ Discuss the availability of parking. On a map, locate all of the parking garages in the neighborhood. Do parking garages (including open area parking) tend to cluster together? ▪ Discuss whether Tempe has much room for expansion, e.g. are there many new subdivisions as in other communities of the Greater Phoenix area. What does this portend in terms of investment opportunities? 	<p>USDA Soil Surveys http://soils.usda.gov/survey/online_surveys/</p> <p>USDA AZ: Soil, Water, and Air Quality http://www.az.nrcs.usda.gov/</p> <p>Flood Control Maricopa County www.fcd.maricopa.gov/maps https://hazards.fema.gov/</p> <p>Environmental Superfund Sites http://www.azdeq.gov/environ/waste/sps/phx.html http://www.epa.gov/enviro/html/em/index.html</p> <p>Earth Fissures http://www.azgs.state.az.us/CLASEFI.htm</p> <p>Water Supply http://www.azwater.gov/dwr/</p> <p>U.S. Geology Survey¹ (includes information on earthquakes. Use section on front page titled “Science in Your Backyard” and select Arizona) http://www.usgs.gov/</p>

¹The U.S. Geological Survey provides scientific information intended to help educate the public about natural resources, natural hazards, geospatial data, and issues that affect our quality of life

Attribute/Environment	Sources of Data (this <i>ONLY</i> a starting point)
<p>▶ Use Environment (Linkages and Clustering among Business Establishments):</p> <ul style="list-style-type: none"> ▪ Discuss which establishments tend to cluster together e.g. cheap eat food places on University Avenue. Observe any incongruous land uses as well. Please discuss your findings of business establishment groupings by major streets. Include a color coded map (see page 1 of this handout) and prepare a compatibility matrix showing which types of business establishments are compatible or incompatible with one another in the ASU neighborhood. Discuss the compatibility matrix. Note: I have provided a very general compatibility matrix in Appendix B. I want a more detailed compatibility matrix for your ASU defined neighborhood. ▪ Discuss which business establishments are complementary to ASU (the anchor tenant/dominant use). Which business types are incompatible with ASU? Are there any other anchors or mini-anchor tenants in the "neighborhood" (co-dominant use)? If so, are these anchor/mini anchor tenants complementary to ASU? What are the ancilliary uses and subordinate uses that support the dominant/co-dominant uses in the ASU area? Please discuss. Prepare a situs map (see Appendix C) showing ASU, the neighborhood that encompasses ASU, and the various one way/two way linkages to other related establishments. Please discuss this situs map. ▪ Locate and discuss the transportation corridors including any proposed light rail system and bus stops e.g. how accessible is your neighborhood in terms of transportation (various). Please include transportation maps. Discuss both positive and negative externalities including value/rent implications. Does transportation (e.g. airport and flight patterns) limit the potential feasibility of the site? One such example is that the flight pattern of airlines might influence building height restrictions. ▪ Discuss the demographics of the neighborhood and be sure to include a table(s) of the salient ones. Are there any establishments that don't exist but should according to the neighborhood demographics? 	<p>Tempe Establishments http://www.downtowntempe.com/ http://www.gpec.org/</p> <p>Valley Metro Light Rail System http://www.valleymetro.org/rail/</p> <p>Maps (some maps show business establishments like yahoo maps. For example you can print a map of all of the restaurants in the Tempe area, a map of all the parking garages in the Tempe area, etc) http://maps.google.com/ http://maps.yahoo.com/ http://nationalatlas.gov/</p> <p>Aerial view: http://www.teraserver.com/search/zip_search.asp</p> <p>Demographics (registration is free or there is none for these sites): http://www.easidemographics.com/ http://www.demographicsguru.com/ http://www.trulia.com/city/AZ/Tempe/</p> <p>News on the Valley: http://www.eastvalleytribune.com/ (see especially news stories on the keywords FAA high rise downtown Tempe)</p>

Attribute/Environment	Data Sources (starting point <i>ONLY</i>)
<p>▶ Economic Environment:</p> <ul style="list-style-type: none"> ▪ Discuss what the rents, listing and sale prices are for commercial, retail, apartments, and single family homes in the neighborhood. Is this a high-class neighborhood relative to other neighborhoods based on your analysis of rents? ▪ Show and discuss where the major office, business and industrial parks in Tempe are located. Discuss any new residential and/or commercial projects that are in the planning stage or have been recently built in the neighborhood as well as major business expansion and relocations in Tempe. ▪ Provide and analyze information on property taxes, parking expenses (per hour charges) in the area, and the income of residents by zip code and/or census tract(s) in your neighborhood. Be sure to include a map showing the zip codes in the neighborhood. Also include a map of the census tracts that make up your neighborhood. Delineate the average income per tract or zip code on this map. 	<p>R.E. Market/Neighborhoods http://azrealestate.wordpress.com/tag/tempe/ http://www.elliottpollack.com/ http://www.aznb.com/</p> <p>Rents, Price, and Cost http://www.zillow.com/ http://www.loopnet.com/ http://www.ccimnet.com/ http://www.weknowurban.com/ http://www.realestatejournal.com/toolkit/constructioncosts/ http://www.costar.com (see me for access)</p> <p>Business development http://www.tempe.gov/business/ http://www.gpec.org/</p> <p>Property Tax http://www.tempe.gov/business/zoning/tempe_enterprise_zone_area_map.htm http://www.gpec.org/</p>
<p>▶ Social/Psychological Environment (Dynamic Attributes):</p> <ul style="list-style-type: none"> ▪ Discuss the social status of different streets and subareas. Also the perception of certain streets and subareas i.e., safety, gay vs. straight, ethnic enclaves, social life-Generation X hangouts vs. yuppies vs. bohemians, etc. ▪ Obtain crime statistics and discuss how crime in your neighborhood compares to other neighborhoods. 	<p>Claritas's (http://www.claritas.com) You Are Where You Live (go to Free Stuff) provides DNA (demographic neighborhood attributes) including profiles of social status groups that comprise any given neighborhood. Use the default, PRIZM NE. An alternative source is ESRI's community tapestry².</p> <p>Crime: http://www.asu.edu/dps/police/ http://www.tempe.gov/cau/</p>

²<http://www.esribis.com/reports/ziplookup.html>

Attribute/Environment	Sources of Data (this <i>ONLY</i> a starting point)
<p>▶ Institutional Environment (Legal Attributes):</p> <ul style="list-style-type: none"> ▪ Discuss the zoning and land use regulations for the ASU neighborhood. Please be sure to include a zoning map of the neighborhood. ▪ Discuss the building regulations/ restrictions including floor area ratios (FAR), height limitations, etc. ▪ Discuss any historic preservation and implications, if any, for limiting or constraining development 	<p>City of Tempe http://www.tempe.gov/ http://www.tempe.gov/tdsi/ http://www.tempe.gov/historicpres/</p>
<p>▶ Succession (In addition to Productivity Analysis):</p> <ul style="list-style-type: none"> ▪ Are there any areas in the neighborhood where succession is occurring? If so, where are these areas located (discuss and provide a map including the streets involved)? What is the nature of the succession of land uses/business establishments? Succession is defined as any major change in the use of an existing building/structure or land parcel. This includes all land use changes within a particular land use category (such as changing a regional shopping mall to a factory outlet mall) in addition to changes between major land uses (such as converting a residence into a cottage industry i.e. dental office). 	<p>For redevelopment projects in Tempe and other news on revitalization: http://www.azcentral.com/community/tempe/</p> <p>Historical perspective of Tempe: http://www.arizonan.com/tempe/index.html</p>

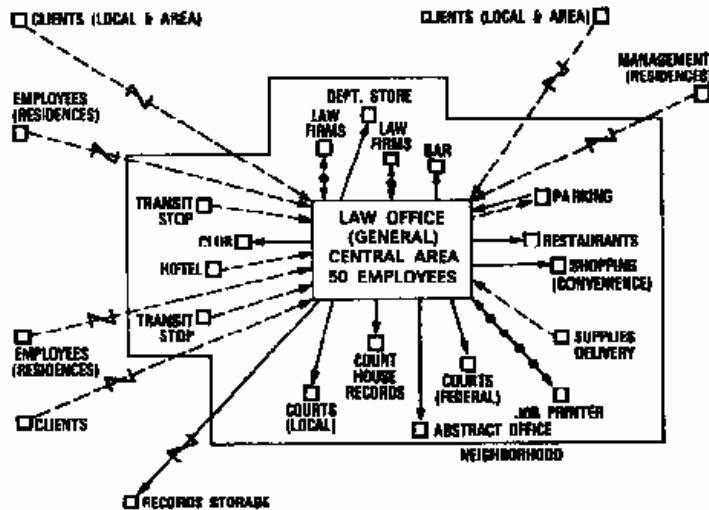
Appendix A



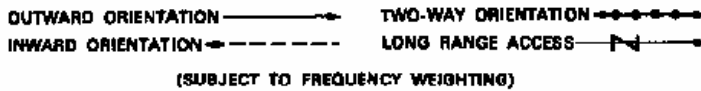
Source: <http://personal.rleeheath.com/tempe/target8.html>

Appendix C: Situs Map

MAP D. Situs Pattern of Large Law Office Use



SITE ACCESSIBILITY ORIENTATIONS BY RELATIVE TIME DISTANCES



SITE ENVIRONMENT ELEMENTS OF NEIGHBORHOOD

- | | |
|---|--|
| <p>1. Use Environment:
 Court access
 Records access
 Private club availability
 Interfirm relations
 Employee services
 Bond house availability
 Client and witness housing facilities (hotel etc.)</p> <p>2. Economic Environment:
 Lease terms and flexibility
 Property tax level and assessment policy
 Expansion potential
 Number of competitors</p> <p>3. Social Psychological Environment:
 Building address status</p> | <p>"Street" status
 Clientele type
 Informal contacts with court, lawyers and businessmen</p> <p>4. Physical Environment:
 Modernity of building equipment, facilities design and services
 Building and neighborhood maintenance
 Modernity of adjacent structures</p> <p>5. Institutional Environment:
 Court calendar policies
 District attorney policies
 Local bar organization policies
 Courthouse development and location policy</p> |
|---|--|