

Introduction

Welcome to the first edition of CRP Data Bytes! Once every two months, we will take a snapshot of a topic pertinent to what is going on in our region and state today. Data Byte topics will cover a wide range of social, economic, and community issues.

For this inaugural edition of Data Bytes we ask:

- Are young professionals and empty nesters really moving into downtown Columbus?
- How wealthy and educated are downtowners?
- Where do people live within downtown?
- Has there been a downtown housing bubble?
- How are foreclosures affecting downtown?
- Does downtown have the amenities to support a resident population?

Join us as we cover the demographic, housing market, and other characteristics of downtown Columbus.

Defining downtown

Downtown study area boundaries



Our definition of downtown Columbus covers the area between Nationwide Boulevard and I-670 to the north, I-71 to the east, I-70/I-71 to the south, and

Scioto River to the west. We apply this definition for ESRI¹ business data and other data sources.

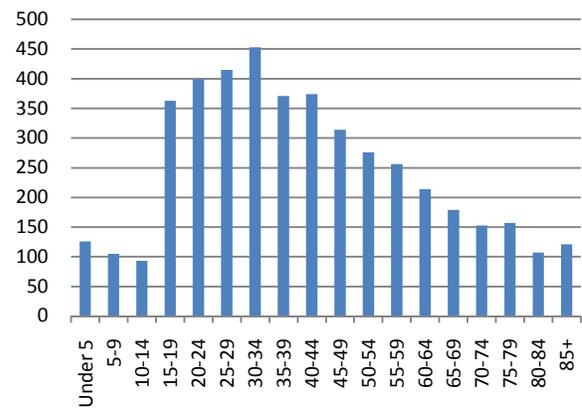
For ESRI demographic and housing data, we use six Census block groups, the smallest level of geography for which the data is available. These block groups capture a small portion of King-Lincoln and Olde Town East while excluding residential development west of Neil Avenue, such as the North Bank Park condos.

Where have all the empty nesters gone?

Age characteristics of the downtown population

Based on ESRI estimates, the downtown population in 2008 was 4,476, an increase of 22% from the 3,662 persons counted by the Census in 2000. The most populous age groups were persons in their 20s and early 30s.

Population by age, 2008



Source: ESRI 2008

A different set of age brackets reveals that college-age people (18-24) and young workers (25-34) were predominant. However, from 2000 to 2008, the number of 18-24 year olds showed a slight decrease of 2.4%, even as the number of persons in other age brackets increased. This exception to the rule may start to change with the development of new student housing at the Columbus College of Art and Design

¹ ESRI develops Geographic Information System (GIS) software and provides related services. Among these services is estimates of demographic, socioeconomic, business, and other data.

(CCAD). In fall 2009, CCAD will open Design Square Apartments as a residential option for 208 students in 56 units. This augments the existing Schottenstein Hall and its 243 students in 63 units.

Population by age, 2000 and 2008

Age	No.	% of pop.	% of pop. (county)	Change in downtown since 2000
Under 18	363	8.1%	24.1%	94.1%
18-24	723	16.1%	12.2%	-2.4%
25-34	868	19.4%	15.1%	22.6%
35-44	745	16.6%	14.6%	17.5%
45-64	1,060	23.7%	23.8%	37.7%
65+	717	16.0%	10.2%	15.3%

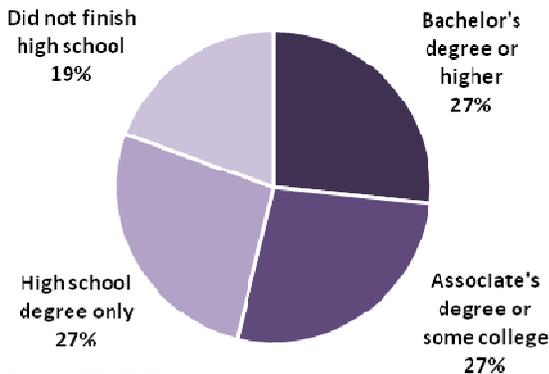
Source: ESRI 2008, Census 2000

So where are the empty nesters? The 45-64 age bracket's share of the downtown population in 2008 was the same as in Franklin County. However, the population in downtown increased by 38% from 2000. Whether the nest is empty or not, this age group is moving in. The 25-34 age bracket grew by 22% and had a larger share in downtown (19%) than in the county (15%). Seniors 65 and over were also over-represented downtown at 16% compared to 10% countywide. However, the most surprising growth may be kids. The under 18 group nearly doubled in size, although they still represent a small fraction of the downtown population.

How educated and wealthy are the downtown set?

Of the 3,390 persons age 25 and over, over a quarter (26.6%) had a bachelor's degree or higher level of education, up from 23.4% in 2000 but still below the countywide rate (34.4%).

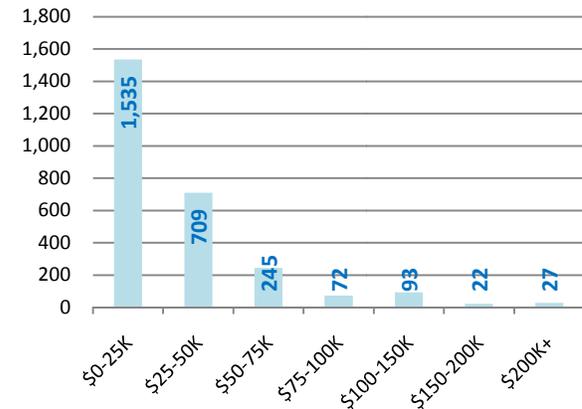
Adults 25+ years old by educational attainment, 2008



Source: ESRI 2008

Of the 2,703 households in downtown, 459 had annual incomes of \$50,000 and higher in 2008. This represented 17% of households, which falls far short of the 56% figure countywide. However, this rate is up from the 11% that were earning above \$50,000 in 2000.

Households by income, 2008



Source: ESRI 2008

While downtown lags behind Franklin County in education and income measures, changes are trending upwards, perhaps in connection with the influx of new residents.

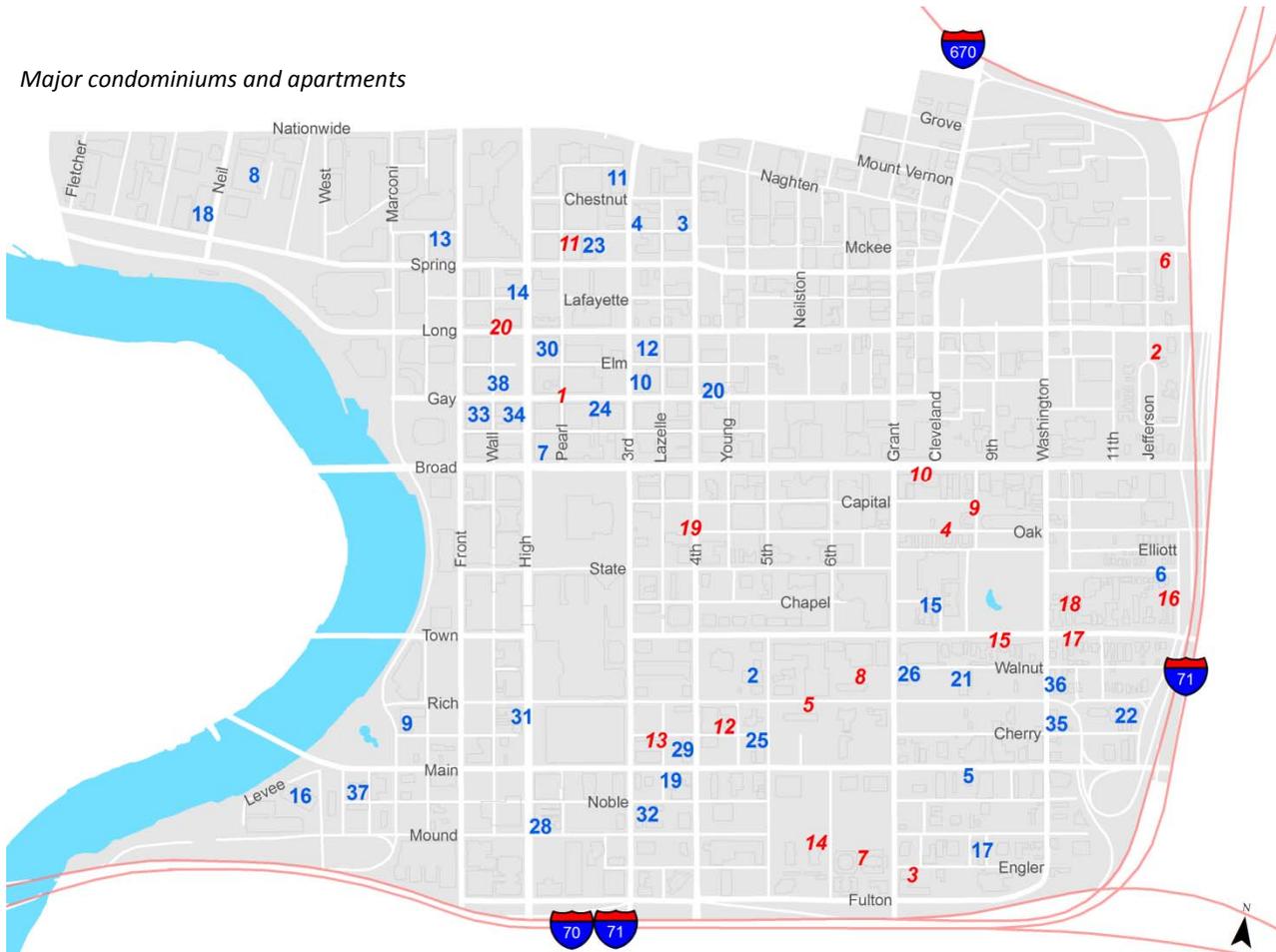
Where do downtowners live?

Condos are clustered in the northwest and southeast quadrants of downtown. Apartments are clustered in the southeast section. On page 3 is a map and listing of major condominiums and apartments in downtown.

These 38 condo and 20 rental apartment sites are not an exhaustive list of every residential property. CRP used Franklin County Auditor and Columbus RetroMetro² to compile condo data. The Ohio Apartment Research Tool of VWB Research provided 20 apartment sites with a total of 2,321 units in downtown Columbus. This unit count is close to the 2,297 figure from the ESRI data. Additional research by CRP shows that there are more apartment buildings in downtown, but these 20 comprise most of the largest properties and represent a good barometer of the rental market.

² <http://www.columbusretrometro.com>

Major condominiums and apartments



No.	Condominiums
1	15 East Gay St*
2	199 South 5th St
3	225 North 4th St
4	232 North 3rd St
5	421 East Main St
6	617 Franklin Ave
7	8 On The Square
8	Burnham Square
9	C'est Si Bon
10	Carlyle's Watch
11	Cityview at 3rd
12	Connexions Lofts
13	Eclentions Lofts
14	Lafayette Lofts
15	Library Park South
16	Miranova
17	Mound St Office Condo
18	North Bank Park
19	Ohio Lofts
20	One Neighborhood

No.	Condominiums
21	Rich St Lofts
22	Rich St Walk
23	Sixty Spring*
24	So-Loft
25	South Central No. 1
26	Terraces On Grant
27	The Brunson
28	The Courthouse Condos
29	The Hartman
30	The Lofts At 106
31	The Lofts on High
32	The Renaissance
33	Tower Air
34	Walker Clothing Co. Building
35	Washington Ave
36	Washington-Rich Townhomes
37	Waterford Tower
38	West Gay St Condo

No.	Apartments
1	15 East Gay St*
2	38 Jefferson Ave
3	Commons at Grant
4	Grant-Oak
5	Jaycee Arms
6	Jefferson Arms
7	Market Mohawk
8	Nazareth Towers
9	North Court
10	Seneca Apartments
11	Sixty Spring Apartments*
12	Stoddart Studios
13	Stratford Chase
14	The Americana
15	Towne Gardens
16	Townley Court
17	Washington Park
18	Washington Place
19	YMCA 4th St Renovation
20	YMCA Downtown Housing

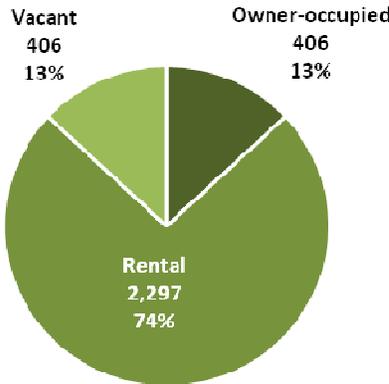
Source: Franklin County Auditor; Columbus RetroMetro; VWB Research

*Mixed condos and rentals

To rent or own? Downtown housing characteristics

Downtown housing is primarily a rental market. Of the 3,109 housing units in downtown (block groups), three-quarters are rental. The number of owner-occupied units (406) is equal to the number of vacancies.

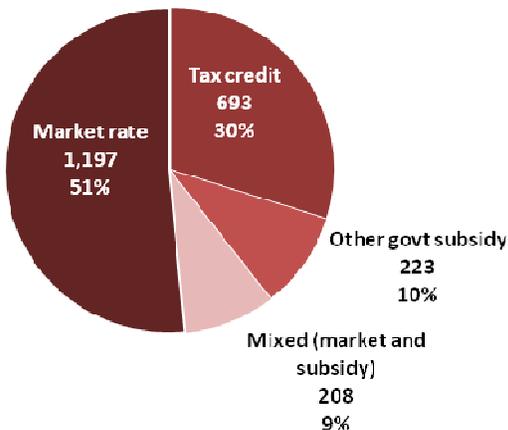
Housing units by occupancy status, 2008



Source: ESRI 2008

The share of units that are owner-occupied is just 13%, a quarter of the 52% rate in Franklin County. Recent and upcoming condominium developments should increase homeownership over time.

Downtown rental units by apartment type, 2008



Source: VWB Research

The rental market in downtown has a mix of market rate, tax credit, and other subsidized units. Units in fully market rate buildings represent over half the total units. Units in tax credit buildings, supported in part by government programs such as Low-Income Housing Tax Credits, make up 30% of the rental

market. Other subsidies such as Section 8 vouchers support apartment buildings that comprise 10% of units. Some buildings have a mix of market rate and subsidized units. They represent 9% of units.

Was there a downtown housing bubble?

The answer as to whether there was a bubble depends on which measure one uses (see below and next page). Downtown sales prices peaked in 2002³ and 2006 and have so far leveled off rather than fall off a cliff. The median sales price in 2006 was nearly 50% higher than two years before. This price fell by 17% in 2007. As of August, 2008 sales data show prices holding steady.

The number of sales and the aggregate value of building permits both reached a crescendo in 2006. Normally, it takes a couple years for a project that is permitted to be built and sold. The spike in both categories in the same year may be due to preconstruction sales, market euphoria, or some combination of both.

The building permit statistics are perhaps most striking. In 2006, the value of permits issued for residential projects downtown was over \$53 million. This is more than all other years from 2000 to 2007 combined, for which the total value is \$32 million.

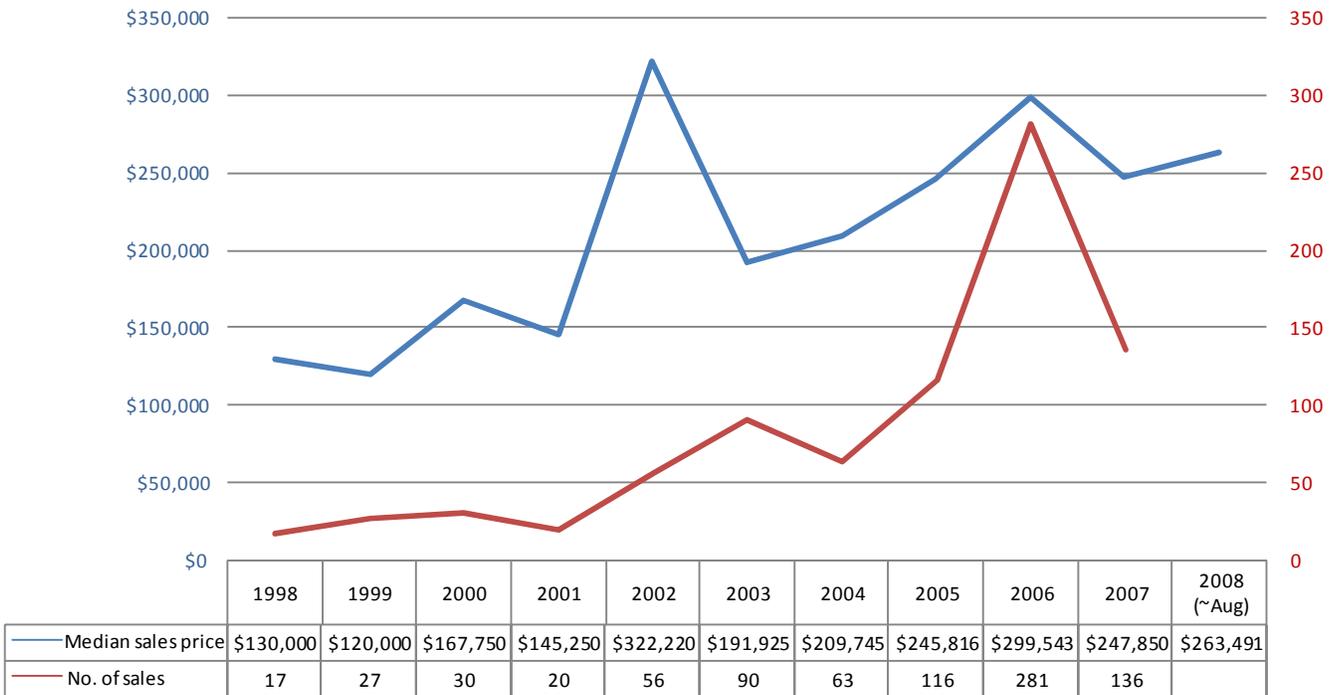
Residential building permits and total value, 2000-2007

Year	New Single-Family		New Multi-Family		Alterations & Additions	
	Permits	Total \$m	Permits	Total \$m	Permits	Total \$m
2000	0	0	0	0	4	0.98
2001	1	0.14	0	0	6	0.28
2002	0	0	4	6.50	10	0.51
2003	1	0.28	0	0	5	0.69
2004	21	1.07	0	0	3	0.07
2005	0	0	2	4.80	6	15.62
2006	0	0	3	21.00	4	32.13
2007	0	0	5	3.59	18	3.49

Source: Columbus Department of Building Services

³ Not really, see sidebar next page regarding the Miranova Effect.

Housing median sales price and number of sales, 1998-2008



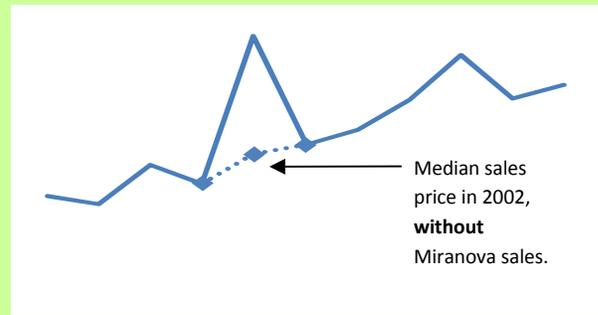
Source: Franklin County Auditor

The growth in sales volume indicates that new condo sales are the main driver for the downtown market. Downtown sales prices show peaks in 2002 and 2006. The 2002 peak is due to Miranova (see sidebar). Sales volume peaked in 2006, when three projects alone accounted for 157 units, or 56% of the 281 units sold. This figure was higher than the previous three years combined, and those years were also good years for the downtown housing market. As of August 2008, 55 units had been sold, a far slower pace than in 2007.

Despite the recent stumble in downtown housing activity, the median sales price is double what it was only a decade ago. In comparison, the median home value in Franklin County rose by 20% between 2000 and 2008 (ESRI). The change in downtown has more to do with the introduction of a new type of housing product than with the appreciation of older stock. While 2006 was the peak year, the real watershed year may have been 2002. Since then, the downtown housing market has reached a new plateau in both price and sales volume. As the market matures and more of the recently built condos are resold, it will be interesting to observe how the data changes.

The Miranova Effect

Why was there a spike in sales price in 2002? One word: Miranova. This high-end development began sales in December 2001. During 2002, it sold 28 units, half of the units sold in downtown. The luxury units therefore had a significant effect on the data, pulling the median price for that year up to \$322,220. If we factor out Miranova, the median price in 2002 drops to \$180,450, fitting a smoother trend (see chart below).

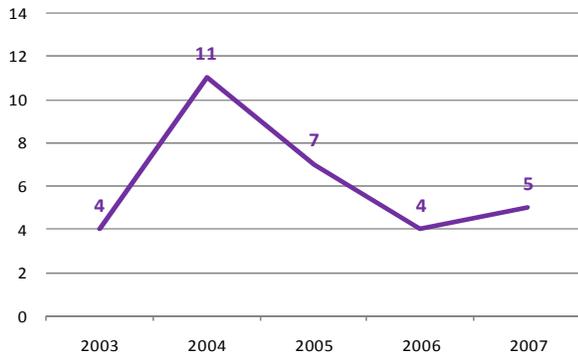


Miranova had 27 and 22 units sold respectively in 2003 and 2004, but these represented smaller proportions of the overall number of units sold downtown. Business First recently reported* that one last condo remained for sale in Miranova.

*Ball, Brian R. (2008, Dec. 5). Miranova down to its final condo. Business First of Columbus. <http://www.bizjournals.com/columbus/stories/2008/12/08/newscolu mn1.html>

Whether or not there was a bubble, downtown has not been heavily affected by foreclosures. This may indicate that downtown has less loan activity relative to other Columbus neighborhoods, which in turn may be due to characteristics such as the predominance of rental housing. Another factor may be that the for-sale market now caters more to higher-income buyers.

Foreclosure filings in downtown, 2003-2007



Source: Daily Reporter

The downtown resident’s wish list: a grocery store and more parks, please

Among the basic convenience retail and services for residents, downtown contains plenty of restaurants, delis, and cafes (111) and physicians’ offices (72). Many of these businesses serve other populations besides residents, such as workers or visitors.

Businesses in downtown, 2008

Business type	Count
Supermarkets and groceries	1*
Convenience stores	0
Pharmacies	5
Restaurants and cafes	111
Bars and clubs	18
Physicians’ offices	72
Dentists’ offices	12
Child care services	10

Source: ESRI 2008

*See sidebar next page

As for the most basic retail amenities, the data shows that there are no convenience stores and just one

supermarket/grocery. Even then, a little fieldwork shows that there actually are no groceries in downtown (see sidebar next page).

Downtown has over 30 acres of park space within its confines, and more acreage across and along the Scioto River. However, the heart of downtown is generally devoid of parks. Public green spaces exist at the State House and college campuses such as CCAD and Columbus State Community College. A small dog park at the intersection of Spring and 4th Streets was recently finished.

Downtown parks



No.	Park	Acres
1	Lower Scioto Park*	19.2
2	Topiary Garden/Deaf School Park	9.2
3	North Bank Park	9.0
4	Westbank Walkway	6.0
5	Bicentennial Park	4.7
6	Battelle Riverfront Park	4.1
7	Alexander Park	2.5
8	McFerson Commons	2.2
9	Genoa Park	2.1
10	Dorrian Commons**	1.4
11	Sensenbrenner Park	0.9
12	Thurber Park	0.5
13	Richter Park	0.3

Source: Columbus Recreation and Parks Department

*Most of Lower Scioto Park lies outside of downtown

**MORPC was the source for Dorrian Commons data

About CRP

Community Research Partners is a unique nonprofit research center that provides leaders with data to improve communities and lives in Ohio. CRP works in a wide range of fields, including human services, education, health, housing, employment, safety, poverty, community development, and race and diversity.

CRP is a partnership of the City of Columbus, United Way of Central Ohio, the John Glenn School of Public Affairs at The Ohio State University, and the Franklin County Commissioners. For more information regarding this document or other CRP services, you can:

- Give us a call at (614) 224-5917
- E-mail info@communityresearchpartners.org
- Check out our web sites:
<http://www.communityresearchpartners.org> or
<http://www.datasourcecolumbus.org>

VOTE! Choose your topic for Data Byte No. 2

CRP will release Data Byte No. 2 in late February. The topic? You decide. Your choices are:

- 10,000 or 35,000? Can we get a **better estimate of the Somali population** in Central Ohio? What about the rest of Ohio?
- Not just an urban problem: What is **the foreclosure situation in the suburbs**?
- Do carryout stores get a bad rap? Is there a **relationship between** the presence of **liquor permits** in an area and its **socioeconomics**?
- Columbus has over 220,000 users on Facebook. Are we as **savvy on social media** as we think we are? How can we measure this across cities?
- Write-in vote

Visit <http://www.databyte2.questionpro.com> to vote.
Thanks!

The mystery of the downtown grocery store

ESRI data shows that there is one business downtown in the supermarkets and groceries category. As this was bound to raise questions, we looked at the data in greater detail. The business is called FM Food & Music – music, in a grocery store?

The address was listed as 80 S. 4th Street. Since this is only a few blocks from the CRP office, we took a walk there to check out FM Food & Music. The space was empty, a relatively small storefront, with a “For Lease” sign in the window. While there are multiple supermarkets less than 1 mile outside its boundaries, downtown itself still has none.