
Five Points West Community

Redevelopment
Market Report

DRAFT 04-27-2012



Five Points West Community Retail Development

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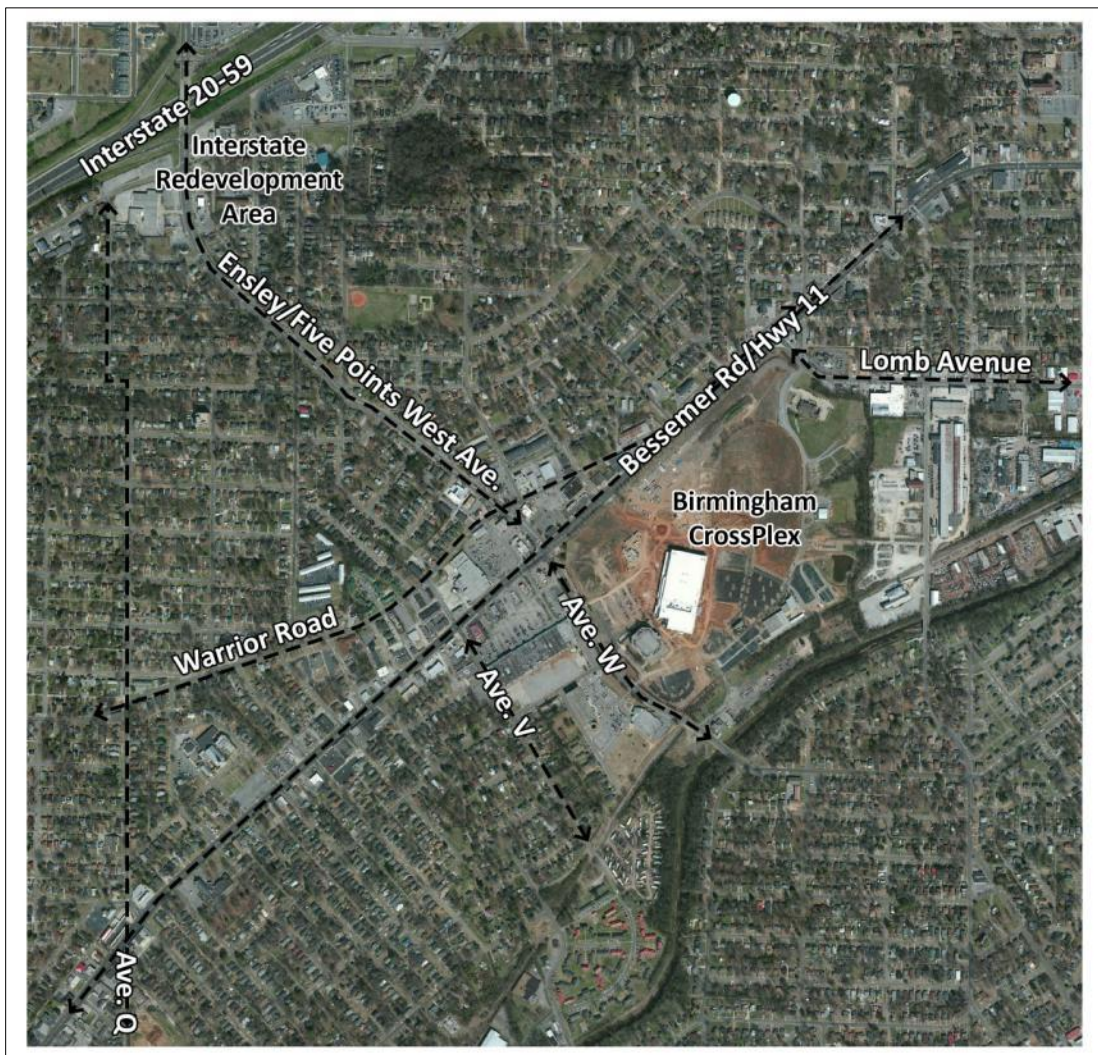
1. Five Points West Overview

The heart of the Five Points West Community includes the following areas:

- Bessemer Road between Lomb avenue and Avenue S
- Ensley-Five Points West Avenue between Bessemer Road and I-20-59
- Avenue W between Bessemer Road and Madison Avenue

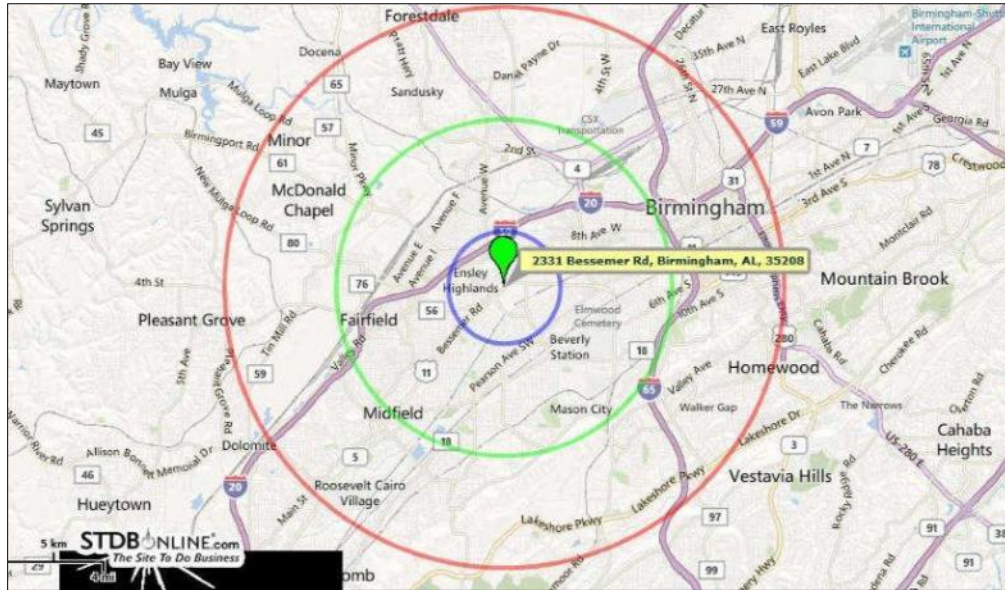
These areas are best suited for retail, convenience, and grocery anchored development within the overall Five Points West Community.

The map below illustrates the extent of Five Points West Community.



2. Potential Transit-Oriented Development (TOD) Area

In the map below, the green ring represents a three-mile radius centered on Five Points West. This makes up the Five Points West trade area.



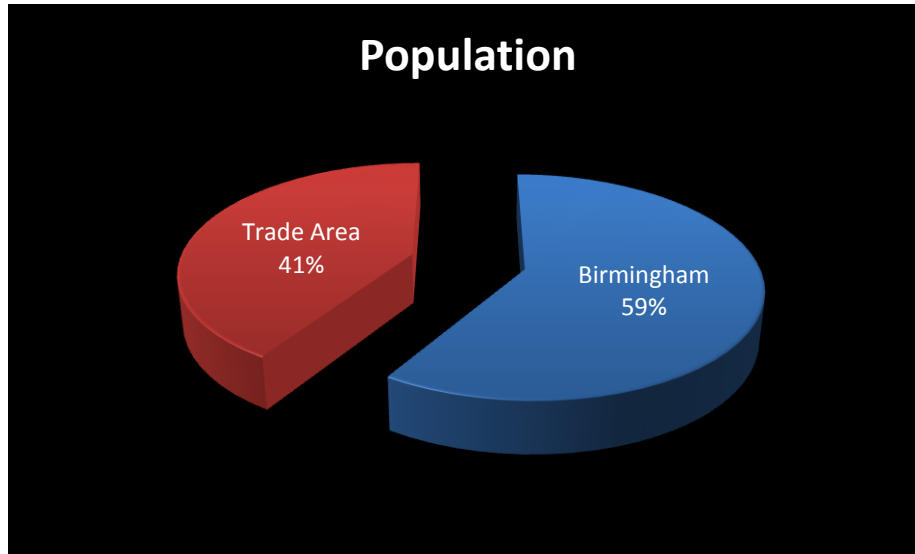
The pages that follow examine the economic and demographic characteristics of the three-mile trade area. Sources for this information are as follows:

- STDB, Esri 2010, a national consumer research organization, is the source of the Trade Area demographic information.
- U.S. Census Bureau, American Community Survey 2010 is the source of data for the United States and the City of Birmingham.

Below is a summary of key economic and demographic information as it relates to the area within a three-mile radius of Five Points West. Following the summary is a more in-depth study of demographic and economic statistics for the potential trade area. These statistics compare the trade area to the City of Birmingham and the United States in order to provide context for the statistics.

- I. Dwelling Units / Housing Units (2010)
 - 43,841 housing units
 - 2.42 housing units/acre
- II. Households (2010)
 - 34,197 households
 - 1.89 households/acre
- III. Total Population (2010)
 - 87,154 persons in three-mile area
 - 4.82 persons/acre
- IV. Current Jobs (2010)
 - 28,584 Jobs/Employees
 - 1.58 jobs/acre
 - 2,183 businesses
- V. Estimated Income Levels (2010)
 - Median household income: \$30,274
 - Average household income: \$36,784
 - Per capita income: \$14,872
- VI. Estimated Purchasing Power (2010)
 - Average consumer spending: \$35,379
 - Average consumer spending on retail goods: \$12,703
 - Average disposable income: \$31,115

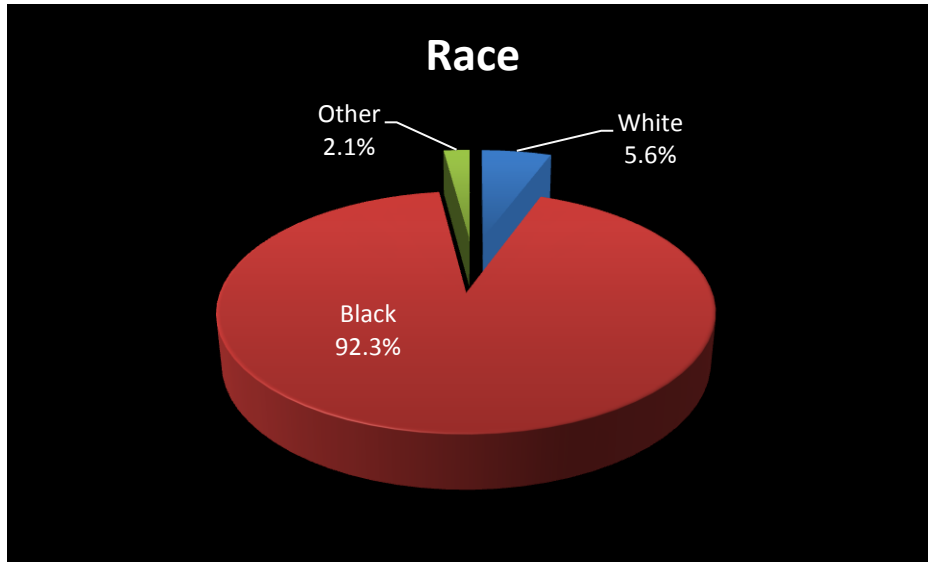
Population 2010



Source: STDB, Esri and Infogroup.U.S. Census Bureau 2010.

- Esri and Infogroup estimate that there were approximately 87,154 people residing in the Trade Area in 2010. The Trade Area population comprised 41 percent of Birmingham's Total Population (212,237).
- Esri and Infogroup project that the population of the Trade Area will decline by an annual rate of -0.62 percent from 2010 to 2015. Currently, the population is 45 percent male and 55 percent female.
- Using Esri and Infogroup estimates of household composition, in 2010 there were approximately 34,197 households in the Trade Area. Assuming the same household composition, by 2015 Esri and Infogroup project there will be 33,256 households in the trade area.

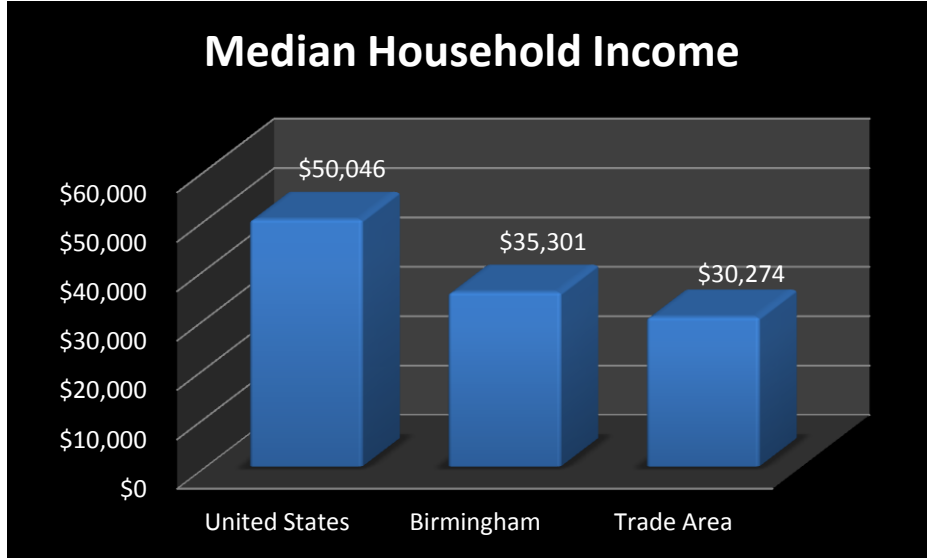
Race in the Trade Area 2010



Source: Esri and Infogroup

- According to Esri and Infogroup, in 2010 the Trade Area's population was 92.3 percent Black/African American.
- The Trade Area's population was 5.6 percent White.
- The Trade Area's population was 0.2 percent American Indian, 0.3 percent Asian, and 0.1 percent Pacific Islander.
- 0.7 percent of the Trade Area's population reported Some Other Race, and 0.8 percent of the Trade Area's population reported Two or More Races.

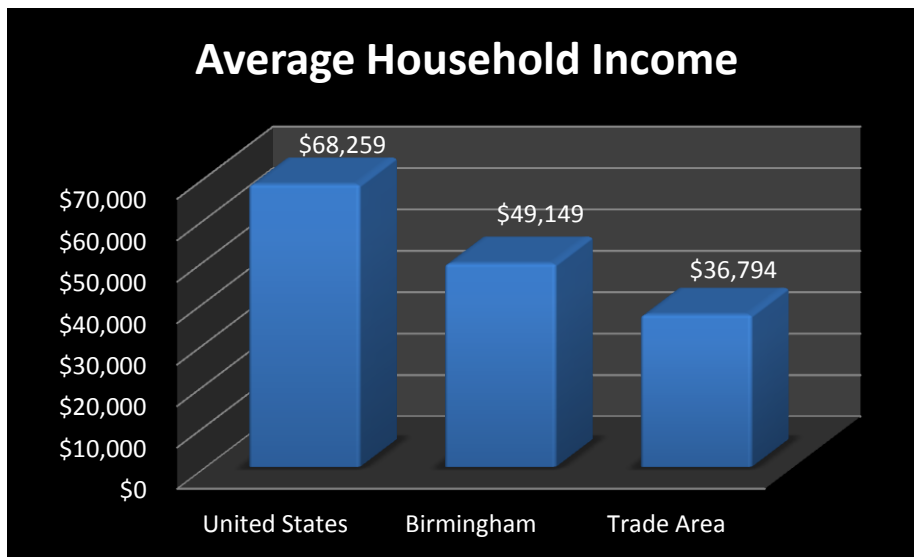
Median Household Income 2010



Source: Esri and Infogroup, U.S. Census Bureau American Community Survey 2010

- Esri and Infogroup estimate that the median household income in the Trade Area was \$30,274 in 2010, which was below the City of Birmingham median of \$35,301. Median income in both the Trade Area and the City of Birmingham was below the national average.

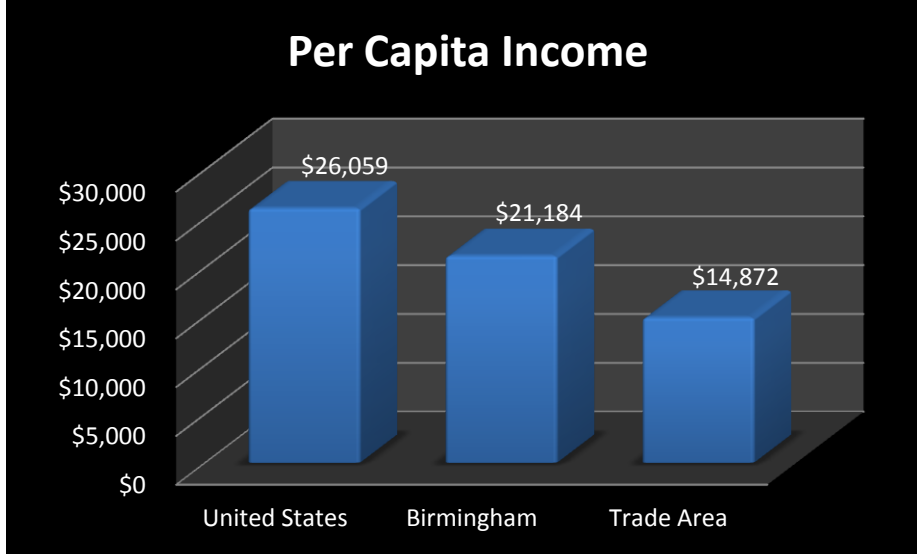
Average Household Income 2010



Source: Esri and Infogroup, U.S. Census Bureau American Community Survey 2010

- Households within the Trade Area have an average household income of \$36,794. Birmingham's average household income is \$49,149. Average household income in the United States was \$68,259 in 2010.

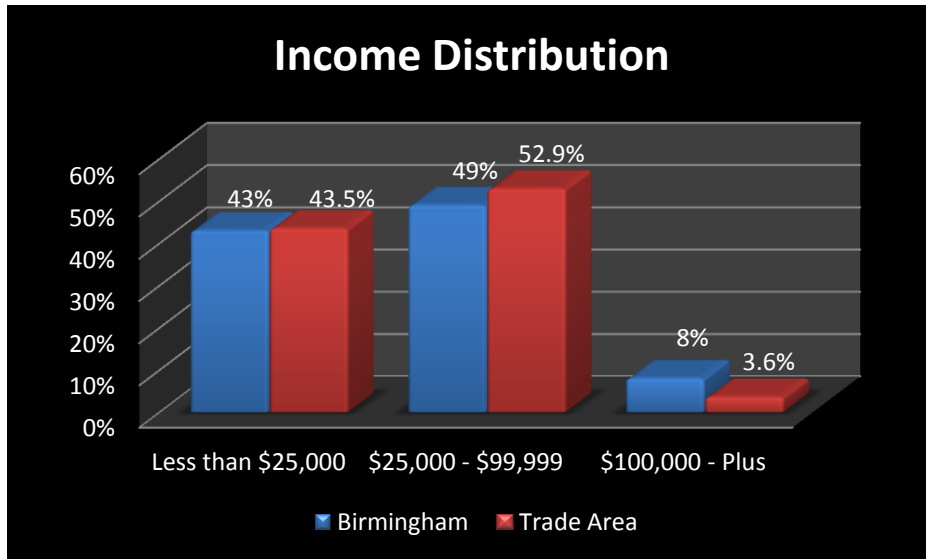
Per Capita Income 2010



Source: Esri and Infogroup, U.S. Census Bureau American Community Survey

- The Trade Area's 2010 per capita income of \$14,872 was below the Birmingham per capita income of \$21,184. The average household in the Trade Area contained 2.46 people, and the average household size in Birmingham was estimated to be 2.21 people.

Income Distribution 2010



Source: Esri and Infogroup, U.S. Census Bureau American Community Survey 2010

- Most of the households (52.9%) in the Trade Area earn between \$25,000 and \$99,999. The Trade Area has a lower share of its households (43.5%) in the lower income bracket (earning less than \$25,000 per year).

2010 Retail Market Place Profile

Below is an overview of the existing business and retail environment called the Retail Market Place Profile. In the chart, supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars.

The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area.

The Retail Gap represents the difference between Retail Potential and Retail Sales. ESRI uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity.

Retail Market Place Profile - 2010					
Five Points West Community					
Summary Demographics					
2010 Population		87,154			
2010 Households		34,197			
2010 Median Disposable Income		\$25,660			
2010 Per Capita Income		\$14,872			
Industry Summary	Demand	Supply	Retail Gap	Surplus / Leakage	Number of
	(Retail Potential)	(Retail Sales)	(Demand - Supply)	Factor	Businesses
Total Retail Trade and Food & Drink (NAICS 44-45, 722)	\$478,905,975	\$684,950,420	-\$206,044,445	-17.7	435
Total Retail Trade (NAICS 44-45)	\$407,206,504	\$642,369,436	-\$235,162,932	-22.4	349
Total Food & Drink (NAICS 722)	\$71,699,471	\$42,580,984	\$29,118,487	25.5	86
Industry Group	Demand	Supply	Retail Gap	Surplus / Leakage	Number of
	(Retail Potential)	(Retail Sales)	Retail Gap	Factor	Businesses
Motor Vehicle & Parts Dealers (NAICS 441)	\$93,974,235	\$183,777,653	-\$89,803,418	-32.3	57
Automobile Dealers (NAICS 4411)	\$81,543,657	\$170,300,199	-\$88,756,542	-35.2	32
Other Motor Vehicle Dealers (NAICS 4412)	\$5,812,784	\$553,727	\$5,259,057	82.6	2
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	\$6,617,794	\$12,923,727	-\$6,305,933	-32.3	23
Furniture & Home Furnishings Stores (NAICS 442)	\$12,008,550	\$10,004,536	\$2,004,014	9.1	12
Furniture Stores (NAICS 4421)	\$8,612,694	\$7,937,108	\$675,586	4.1	6
Home Furnishings Stores (NAICS 4422)	\$3,395,856	\$2,067,428	\$1,328,428	24.3	6
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$10,272,386	\$2,980,110	\$7,292,276	55.0	10

Bldg Materials, Garden Equip. & Supply Stores (NAICS 444)	\$13,770,923	\$6,724,600	\$7,046,323	34.4	19
Building Material and Supplies Dealers (NAICS 4441)	\$13,064,017	\$6,333,590	\$6,730,427	34.7	16
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$706,906	\$391,010	\$315,896	28.8	3
Food & Beverage Stores (NAICS 445)	\$53,439,253	\$80,987,505	-\$27,548,252	-20.5	71
Grocery Stores (NAICS 4451)	\$50,112,451	\$75,360,794	-\$25,248,343	-20.1	51
Specialty Food Stores (NAICS 4452)	\$978,367	\$1,258,809	-\$280,442	-12.5	8
Beer, Wine, and Liquor Stores (NAICS 4453)	\$2,348,435	\$4,367,902	-\$2,019,467	-30.1	12
Health & Personal Care Stores (NAICS 446/NAICS 4461)	\$14,179,396	\$15,516,239	-\$1,336,843	-4.5	24
Gasoline Stations (NAICS 447/NAICS 4471)	\$75,814,303	\$148,337,456	-\$72,523,153	-32.4	53
Clothing and Clothing Accessories Stores (NAICS 448)	\$18,552,709	\$8,646,936	\$9,905,773	36.4	33
Clothing Stores (NAICS 4481)	\$14,678,102	\$6,086,999	\$8,591,103	41.4	27
Shoe Stores (NAICS 4482)	\$2,013,607	\$2,406,812	-\$393,205	-8.9	5
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$1,861,000	\$153,125	\$1,707,875	84.8	1
Sporting Goods, Hobby, Book, and Music Stores (NAICS 451)	\$5,339,740	\$1,660,123	\$3,679,617	52.6	11
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	\$2,738,115	\$847,869	\$1,890,246	52.7	9
Book, Periodical, and Music Stores (NAICS 4512)	\$2,601,625	\$812,254	\$1,789,371	52.4	2
General Merchandise Stores (NAICS 452)	\$84,039,066	\$45,209,879	\$38,829,187	30.0	22
Department Stores Excluding Leased Depts. (NAICS 4521)	\$28,291,625	\$7,056,788	\$21,234,837	60.1	10
Other General Merchandise Stores (NAICS 4529)	\$55,747,441	\$38,153,091	\$17,594,350	18.7	12
Miscellaneous Store Retailers (NAICS 453)	\$6,668,267	\$7,175,218	-\$506,951	-3.7	33
Florists (NAICS 4531)	\$613,803	\$1,162,493	-\$548,690	-30.9	11
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	\$3,469,013	\$2,347,883	\$1,121,130	19.3	7
Used Merchandise Stores (NAICS 4533)	\$776,127	\$2,347,349	-\$1,571,222	-50.3	6
Other Miscellaneous Store Retailers (NAICS 4539)	\$1,809,324	\$1,317,493	\$491,831	15.7	9
Nonstore Retailers (NAICS 454)	\$19,147,676	\$131,349,181	-\$112,201,505	-74.6	4
Electronic Shopping and Mail-Order Houses (NAICS 4541)	\$11,109,884	\$127,481,454	-\$116,371,570	-84.0	1
Vending Machine Operators (NAICS 4542)	\$5,298,494	\$3,514,347	\$1,784,147	20.2	2
Direct Selling Establishments (NAICS 4543)	\$2,739,298	\$353,380	\$2,385,918	77.1	1
Food Services & Drinking Places (NAICS 722)	\$71,699,471	\$42,580,984	\$29,118,487	25.5	86
Full-Service Restaurants (NAICS 7221)	\$29,996,315	\$12,503,642	\$17,492,673	41.2	40
Limited-Service Eating Places (NAICS 7222)	\$32,844,107	\$24,303,066	\$8,541,041	14.9	30
Special Food Services (NAICS 7223)	\$7,276,917	\$2,519,801	\$4,757,116	48.6	5
Drinking Places - Alcoholic Beverages (NAICS 7224)	\$1,582,132	\$3,254,475	-\$1,672,343	-34.6	11

Source: STDB, Esri, Infogroup.

2015 Retail Market Place Forecast

Below is an overview of the projected future business and retail environment called the Retail Market Place Forecast. As in the Market Place Profile above, the source of this information is STDB, Esri, and Infogroup. The same definitions of Supply, Demand, Leakage/Surplus Factor, and Retail Gap that apply to the Retail Market Place Profile also apply to the Retail Market Place Forecast.

Retail Market Place Forecast - 2015					
Five Points West Community					
Summary Demographics					
2015 Population		84,499			
2015 Households		33,256			
2015 Per Capita Income		\$15,390			
Industry Summary	Demand	Supply	Retail Gap	Surplus / Leakage	Number of
	(Retail Potential)	(Retail Sales)	(Demand - Supply)	Factor	Businesses
Total Retail Trade and Food & Drink (NAICS 44-45, 722)	\$478,499,290	\$755,806,765	-\$277,307,475	-22.5	435
Total Retail Trade (NAICS 44-45)	\$406,568,447	\$707,577,208	-\$301,008,760	-27.0	349
Total Food & Drink (NAICS 722)	\$71,930,843	\$48,229,557	\$23,701,286	19.7	86
Industry Group	Demand	Supply	Retail Gap	Surplus / Leakage	Number of
	(Retail Potential)	(Retail Sales)	Retail Gap	Factor	Businesses
Motor Vehicle & Parts Dealers (NAICS 441)	\$95,017,965	\$209,493,435	-\$114,475,470	-37.6	58
Automobile Dealers (NAICS 4411)	\$82,708,565	\$194,085,169	-\$111,376,604	-40.2	32
Other Motor Vehicle Dealers (NAICS 4412)	\$6,089,593	\$631,886	\$5,457,707	81.2	2
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	\$6,219,807	\$14,776,380	-\$8,556,573	-40.8	23
Furniture & Home Furnishings Stores (NAICS 442)	\$13,564,052	\$12,047,861	\$1,516,191	5.9	12
Furniture Stores (NAICS 4421)	\$9,609,271	\$9,593,574	\$15,698	0.1	6
Home Furnishings Stores (NAICS 4422)	\$3,954,781	\$2,454,287	\$1,500,494	23.4	6
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$11,688,416	\$3,539,043	\$8,149,373	53.5	10
Bldg Materials, Garden Equip. & Supply Stores (NAICS 444)	\$14,758,985	\$7,802,355	\$6,956,629	30.8	19
Building Material and Supplies Dealers (NAICS 4441)	\$13,861,261	\$7,347,807	\$6,513,454	30.7	16
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$897,724	\$454,549	\$443,175	32.8	3

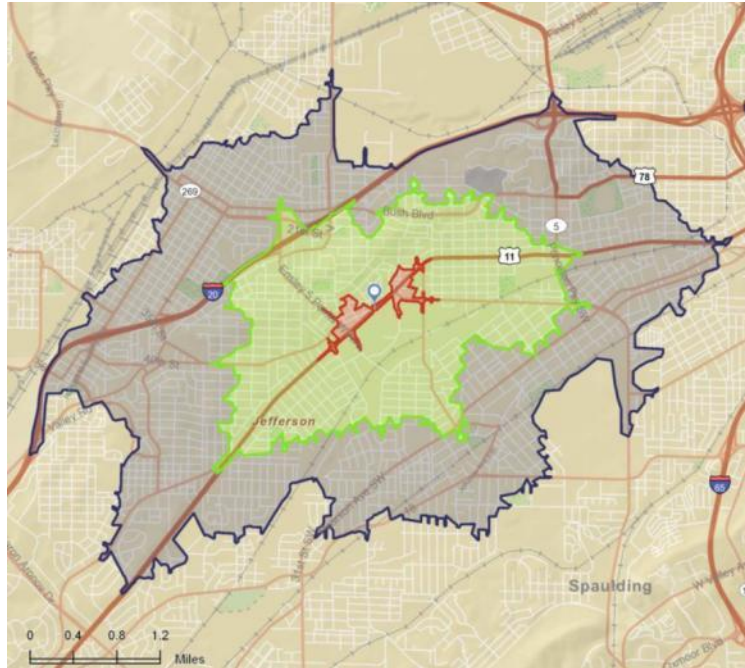
Food & Beverage Stores (NAICS 445)	\$61,849,667	\$94,773,522	-\$32,923,855	-21.0	71
Grocery Stores (NAICS 4451)	\$58,799,843	\$88,802,746	-\$30,002,902	-20.3	51
Specialty Food Stores (NAICS 4452)	\$1,196,553	\$1,439,116	-\$242,563	-9.2	8
Beer, Wine, and Liquor Stores (NAICS 4453)	\$1,853,271	\$4,531,661	-\$2,678,390	-41.9	12
Health & Personal Care Stores (NAICS 446/NAICS 4461)	\$12,492,020	\$15,082,153	-\$2,590,134	-9.4	24
Gasoline Stations (NAICS 447/NAICS 4471)	\$82,292,135	\$173,408,447	-\$91,116,311	-35.6	53
Clothing and Clothing Accessories Stores (NAICS 448)	\$17,103,626	\$9,244,447	\$7,859,179	29.8	33
Clothing Stores (NAICS 4481)	\$13,727,346	\$6,636,489	\$7,090,857	34.8	27
Shoe Stores (NAICS 4482)	\$1,756,790	\$2,450,676	-\$693,885	-16.5	5
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$1,619,490	\$157,283	\$1,462,208	82.3	1
Sporting Goods, Hobby, Book, and Music Stores (NAICS 451)	\$4,860,899	\$1,725,107	\$3,135,792	47.6	10
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	\$1,888,333	\$756,864	\$1,131,469	42.8	9
Book, Periodical, and Music Stores (NAICS 4512)	\$2,972,566	\$968,244	\$2,004,323	50.9	2
General Merchandise Stores (NAICS 452)	\$70,150,636	\$46,614,573	\$23,536,063	20.2	22
Department Stores Excluding Leased Depts. (NAICS 4521)	\$29,285,665	\$8,097,364	\$21,188,301	56.7	10
Other General Merchandise Stores (NAICS 4529)	\$40,864,971	\$38,517,209	\$2,347,761	3.0	12
Miscellaneous Store Retailers (NAICS 453)	\$6,548,697	\$7,794,633	-\$1,245,937	-8.7	33
Florists (NAICS 4531)	\$722,635	\$1,375,427	-\$652,792	-31.1	11
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	\$3,393,558	\$2,727,231	\$666,327	10.9	7
Used Merchandise Stores (NAICS 4533)	\$628,930	\$2,304,344	-\$1,675,414	-57.1	6
Other Miscellaneous Store Retailers (NAICS 4539)	\$1,803,573	\$1,387,631	\$415,942	13.0	9
Nonstore Retailers (NAICS 454)	\$16,241,349	\$126,051,630	-\$109,810,281	-77.2	4
Electronic Shopping and Mail-Order Houses (NAICS 4541)	\$8,351,444	\$121,486,584	-\$113,135,139	-87.1	1
Vending Machine Operators (NAICS 4542)	\$5,251,578	\$4,195,645	\$1,055,934	11.2	2
Direct Selling Establishments (NAICS 4543)	\$2,638,326	\$369,402	\$2,268,925	75.4	1
Food Services & Drinking Places (NAICS 722)	\$71,930,843	\$48,229,557	\$23,701,286	19.7	86
Full-Service Restaurants (NAICS 7221)	\$30,614,469	\$14,434,326	\$16,180,144	35.9	40
Limited-Service Eating Places (NAICS 7222)	\$33,077,776	\$27,757,249	\$5,320,528	8.7	30
Special Food Services (NAICS 7223)	\$7,073,258	\$2,869,014	\$4,204,243	42.3	5
Drinking Places - Alcoholic Beverages (NAICS 7224)	\$1,165,340	\$3,168,969	-\$2,003,629	-46.2	11

Source: STDB, Esri, Infogroup.

3. Potential Grocery Store/Convenience Retail in Five Points West Trade Area

A focus of new retail development within the Five Points West trade area will be stores and convenience retail. An analysis of economic and demographic information related to specific drive-time polygons around the trade area provides helpful background for potential restaurant, entertainment, and convenience retail development.

Below is a map of 1, 3, and 5 minute drive times surrounding the Five Points West trade area.



Below is a summary of economic and demographic information as it relates to 1, 3, and 5-minute drive-time polygons surrounding the Five Points West trade area.

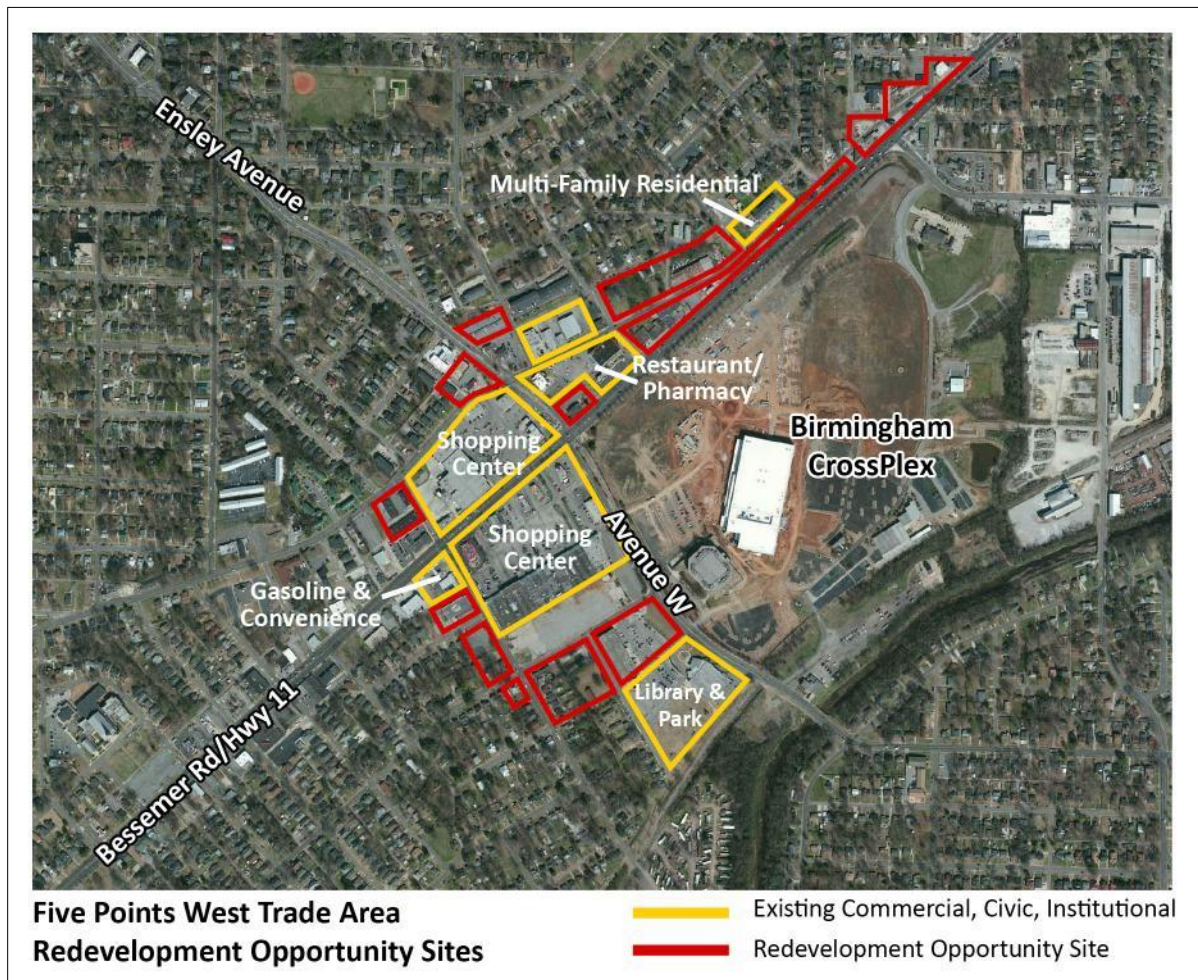
	1-Minute Drive Time	3-Minute Drive Time	5-Minute Drive Time
Population	304	15,785	48,340
Households	126	5,916	18,258
Median Household Income	\$28,753	\$30,942	\$30,610
Average Household Income	\$36,151	\$36,749	\$37,325
Per Capita Income	\$13,425	\$13,969	\$14,584
Total Jobs/Employees	240	2,984	13,445
Total Businesses	41	418	1,213

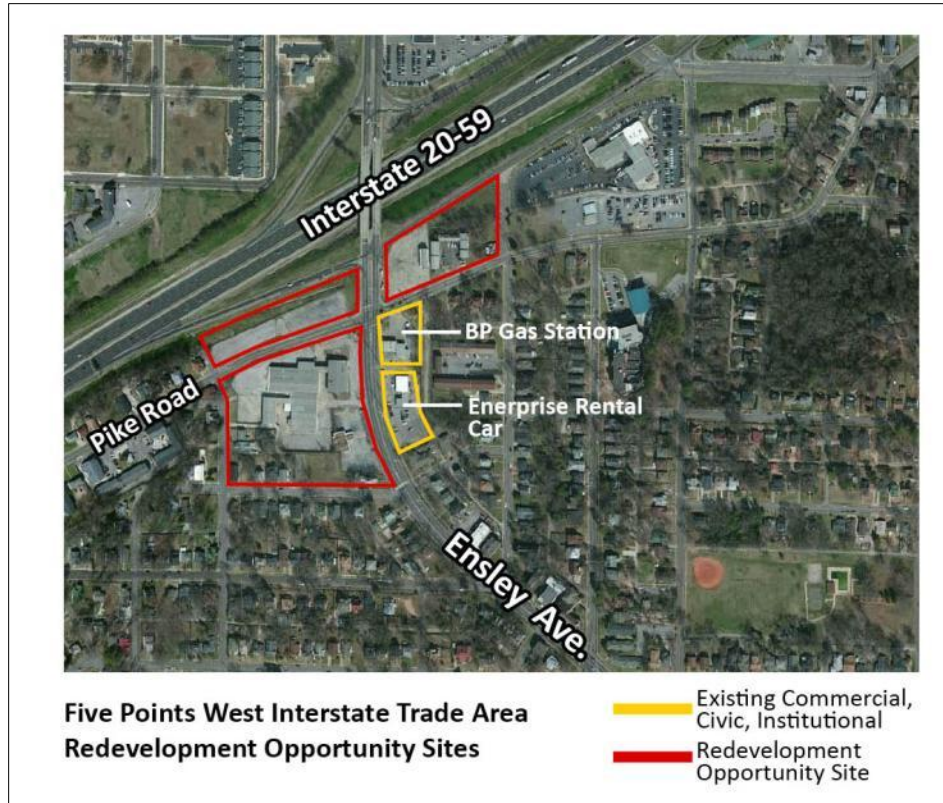
Source: STDB, Esri, Infogroup

4. Trade Area Redevelopment Opportunity Sites

The planning team identified several large “opportunity sites” across the trade area that could support significant redevelopment. Located along existing or proposed transit routes, these vacant or underutilized light-industrial, residential, and commercial areas offer the Five Points West Trade Area a unique opportunity to build vibrant, contemporary, transit-oriented neighborhood, main streets, and commercial centers. Of varying densities, these new developments would incorporate the best qualities of existing, historic neighborhoods. Housing and commercial market analysis suggests that sufficient demand will exist to assure the success of redevelopment on these sites. The results of the market analysis shaped the recommendations for each of these sites, which collectively would bring the Five Points West Trade Area broadened housing choices, expanded retail offerings, increased sales tax revenues, and new jobs.

Below are maps of the Five Points West Trade Area and the Interstate Trade Area with existing retail, residential, civic, and institutional space highlighted in yellow and redevelopment opportunity sites highlighted in red.





In the pages that follow, BLOC has identified several sites within Five Points West Trade Area that are ripe for retail, commercial, housing, and mixed-use development. Each site is identified by its cross-streets and a photograph of the existing conditions at the site.

Office Building
Bessemer Road



Marino's Grocery
Bessemer Road



Bessemer Road Streetscape



Avenue V
Potential Redevelopment Opportunity Site



Avenue V Streetscape



47th Street & Avenue V Intersection
Potential Redevelopment Opportunity Site



Court V
Potential Redevelopment Opportunity Site



Avenue W
Potential Redevelopment Opportunity Site



Avenue W
Potential Redevelopment Opportunity Site



Avenue W Streetscape



Bessemer Road Streetscape



Bessemer Road
Potential Redevelopment Opportunity Site



Bessemer Road
Potential Redevelopment Opportunity Site



Bessemer Road
Potential Redevelopment Opportunity Site



Bessemer Road
Potential Redevelopment Opportunity Site



Bessemer Road
Potential Redevelopment Opportunity Site



Bessemer Road
Potential Redevelopment Opportunity Site



Bessemer Road & Avenue V
Potential Redevelopment Opportunity Site



Warrior Road Streetscape
Potential Redevelopment Opportunity



Warrior Road Streetscape



Warrior Road
Potential Redevelopment Opportunity Site



Warrior Road
Potential New Redevelopment Site



31st Street
Potential Redevelopment Opportunity Site



Apartments on Ensley Avenue & Avenue S
Potential Redevelopment Site



Ensley/Five Points West Avenue Streetscape



Ensley/Five Points West Avenue & 26th Street
Potential Redevelopment Opportunity Site



Ensley/Five Points West Avenue Streetscape
Potential Redevelopment Opportunity Site



Pike Road & Ensley/Five Points West Avenue
Potential Redevelopment Site



5. Summary of Findings

A retail market analysis prepared by BLOC Global for the City of Birmingham's Five Points West trade area concluded that by 2015:

- Residents will approximately \$478,499,290 in retail potential.
- Given the target market, the retail in the Five Points West area along Bessemer Road and Five Points West avenue has the potential to be pedestrian friendly and incorporated into a mixed-use environment.
- Retail has the potential to serve both local customers and serve as a regional destination.
- The amount of retail developed on a regional level will largely depend on a stable housing and population environment in the five points west trade area.
- There are two supermarkets and two drug stores in the five points west trade area. A CVS, Rite Aid Drug Store and a Winn Dixie and Marino's Grocery are all located on Bessemer road. There is considerable building vacancy in this location. In terms of general merchandise there is a family Dollar also in the same shopping center with CVS and Winn Dixie.
- Near term retail development prospects are available at this location. Neighborhood and regional serving retail Bldg Materials & Garden Equipment, Home Furnishing Stores, Electronic and Appliance Stores, Clothing Stores, Sporting Goods, Hobby, Book and Music Stores, General Merchandise Stores and Food Services and Drinking places offer the best opportunity for this location.