

I-70 and Quaker Boulevard Site Market Analysis Study

March 17, 2023

9025 River Road, Suite 200
Indianapolis, Indiana 46240
TEL 317 547 5580
WEB www.structurepoint.com



AMERICAN
STRUCTUREPOINT
INC.

I-70 and Quaker Boulevard Site Market Analysis Report

Introduction

Rock Creek Partners, LLC., has contracted American Structurepoint to prepare a market study. The focus of this report was to review the market potential of new commercial space for the 250-acre development site located at the southeast corner of the I-70 and Quaker Boulevard, defined as the “Area of Study.” This report examined the trade area demographics, market dynamics, zoning, and existing land uses/businesses surrounding the site and in the Indianapolis, Carmel, Anderson Metropolitan Statistical Area (ICAMSA). The information in this report represents the inputs that commercial developers and site selectors use to inform business location decisions to help guide the formation of potential site layouts and a mix of different commercial uses. Commercial uses examined below were within the sub-commercial categories of office, hospitality, and retail.

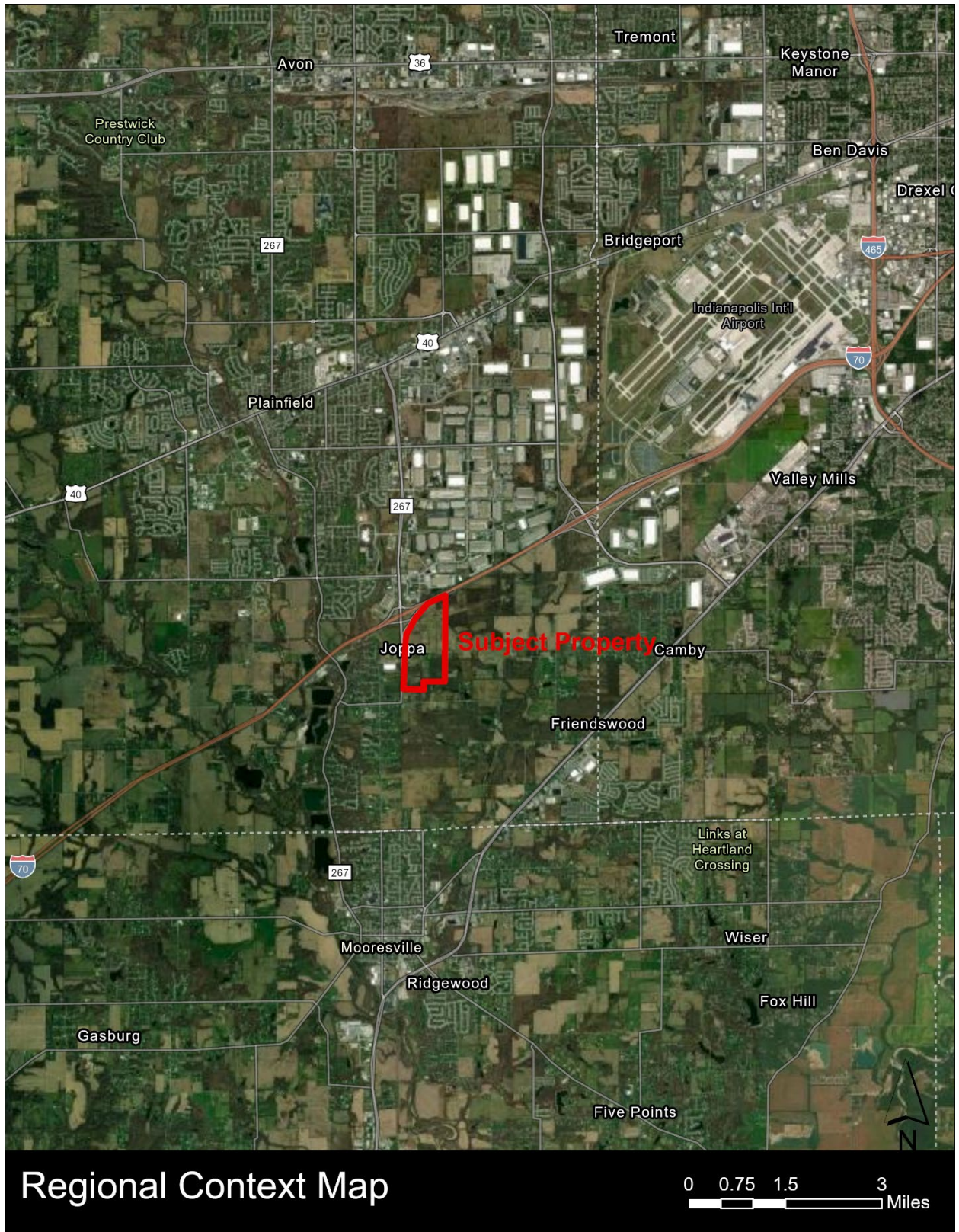
Site Specific Attributes

A general understanding of how the location fits into the regional and local context is necessary to understand the viability of various commercial markets on a property. This portion of the analysis examined high-level regional and site characteristics to identify area strengths and potential limitations regarding the site’s possible development.

Regional Context

The study area is within the corporate limits of the Town of Plainfield, IN, on the southwest side of the ICAMSA. Plainfield is located in the southeastern section of Hendricks County and portions of Washington and Guilford townships. The Town’s eastern boundary abuts the Indianapolis Airport (IND), with the primary entrance to the airport approximately three miles from the study area. The land uses surrounding the airport are a mixture of manufacturing and logistics businesses that benefit from proximity to air shipping available at IND. Most of eastern Plainfield is comprised of these industrial facilities, but land uses shifted to retail, hospitality, and residential uses heading west from the airport. Plainfield is well connected to the ICAMSA by a network of Interstates.

Figure 1, Regional Context Map



Site Location and Characteristics

The site is located at the southeast corner of I-70 and Quaker Boulevard. The land area under consideration was approximately 250 acres of undeveloped land east of the Quaker Boulevard right-of-way and south of I-70.

Surrounding Land Uses

The areas around the site are a mix of agricultural uses to the east, retail, and hospitality services to the immediate north, and residential and industrial businesses directly west of the site. Multiple residential and employment uses are located further north, south, and west of the Quaker Boulevard and I-70 intersection.

Zoning

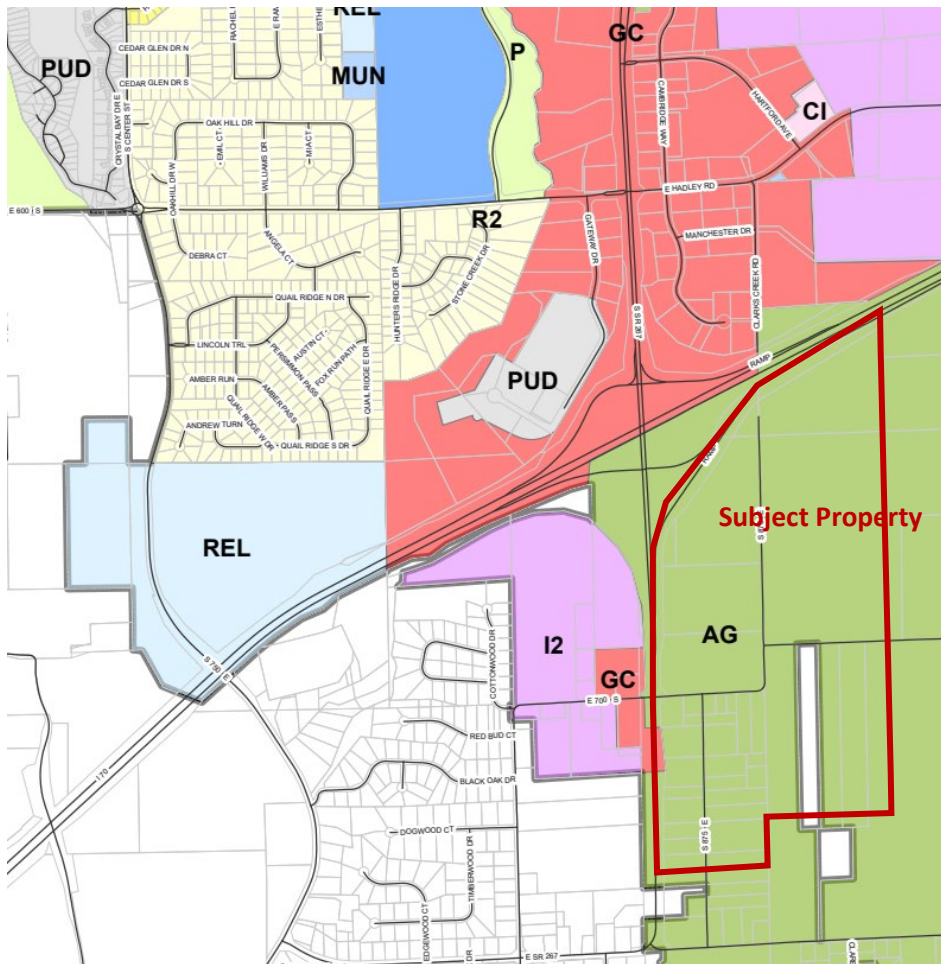
The parcels owned by Rock Creek Partners, LLC., are zoned AG Agricultural. This zoning district permits a mix of farm and crop production, single-family residential, government and quasi-government, utility, and limited commercial uses. The zoning of the properties adjacent to the site is shown in Figure 2 below:

Figure 2, Adjacent Land Uses

Direction	Zoning District
North	GC - General Commercial and PUD
East	AG - Agricultural
West	I-2 - Office/Warehouse Distribution and HB – Highway Business (This reflects recent zoning changes not yet shown on the map below)
South	AG - Agricultural

The subject site is located in an area experiencing development and change, which explains the differences in zoning districts surrounding the site. This varied zoning also demonstrates that a wide-array uses or potential zoning districts may be compatible with the properties adjacent to the site and that development options for the property may encompass a variety of markets.

Figure 3, Zoning Map



Source: [Town of Plainfield Website](#)

Future Land Use Plan

This study examined the Town of Plainfield’s current Comprehensive Plan’s Future Land Use Map to provide direction for potential future development types. The future land use map shows the site as light industrial/warehousing, similar to the uses near the IND. Per the Town’s Comprehensive Plan, the land use designation is intended to:

“The Light Industrial and Warehousing category is intended to accommodate low-impact manufacturing, warehousing and distribution uses, and professional offices within a campus-like setting. Uses may include material assembly, storage and distribution, low-intensity fabrication operations, and professional offices.”

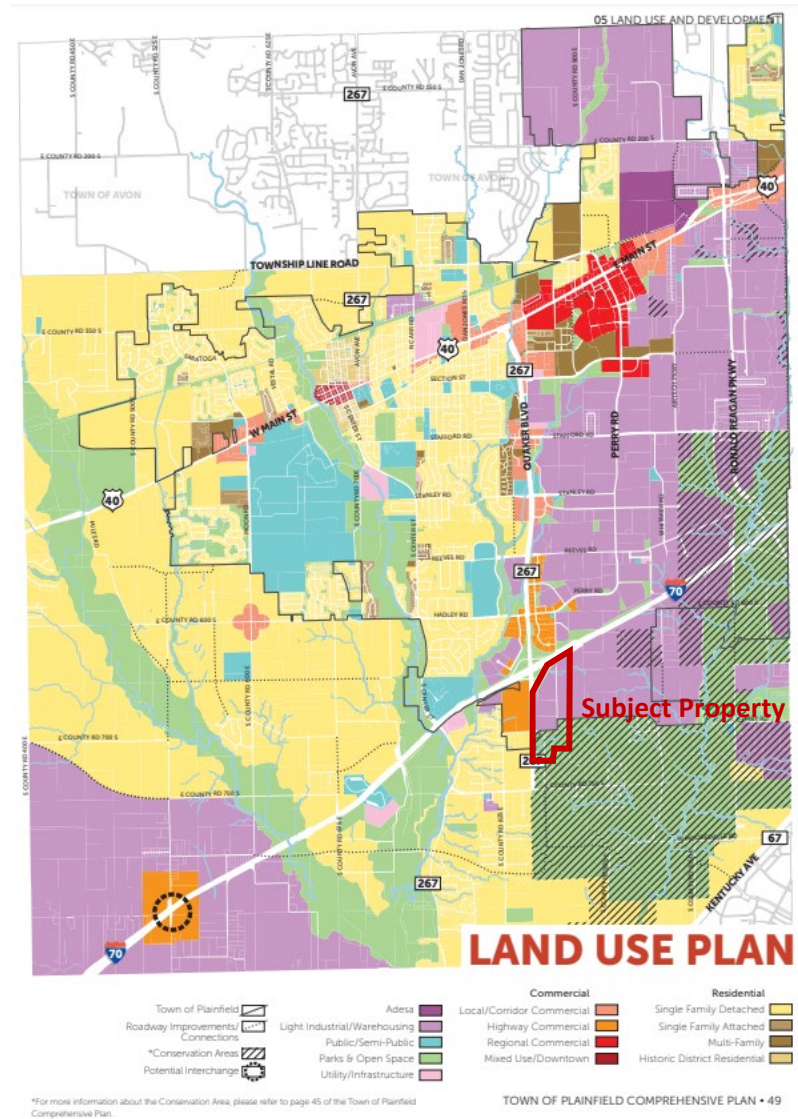
The land use designations surrounding the site are shown in Figure 4 below.

Figure 4, Future Land Use Map Designations

Direction	Zoning District
North	Highway Commercial
East	Light Industrial/Warehousing and Conservation Areas
West	Highway Commercial
South	Light Industrial/Warehousing and Conservation Areas

The Town’s current comprehensive plan indicated that this site was intended to have a similar character to the area west of the airport. However, conversations with Town officials indicated a potential desire to explore alternative land uses for the properties with frontage on Quaker Boulevard. The Town was also in the process of updating its official comprehensive planning document.

Figure 5, Future Land Use Map



Source: Town of Plainfield Website

Transportation assets

A site's connectivity and transportation network are significant factors for commercial development. The area was primarily accessible to the region through the surface street network of interstate highways and US/local roads. Alternative modes of transportation were not readily available when this report was composed.

Roadway Network and Connections

I-70 is a major interstate that connects the area and IND to the larger MSA from I-465 and continues west to the Illinois border. The site and surrounding area are primarily accessed from I-70 by the interchanges at Quaker Boulevard adjacent to the site and the IND property. Quaker Boulevard/State Route (SR) 267 was a principal arterial connecting the area to multiple regional principal arterials, such as US 40 and US 67. This road also connects the site locally to multiple minor arterials, such as Old State HWY 267 and the numerous major collectors. More importantly, this nearby interstate network and principal and minor arterials demonstrate that the site is accessible to local and regional markets for various potential uses. The site also benefits from convenient access to multiple area markets, including the resident populations of Plainfield, Mooresville, and unincorporated Hendricks County. The property may also draw the daytime population for businesses surrounding the IND and potential hospitality operations for IND travelers.

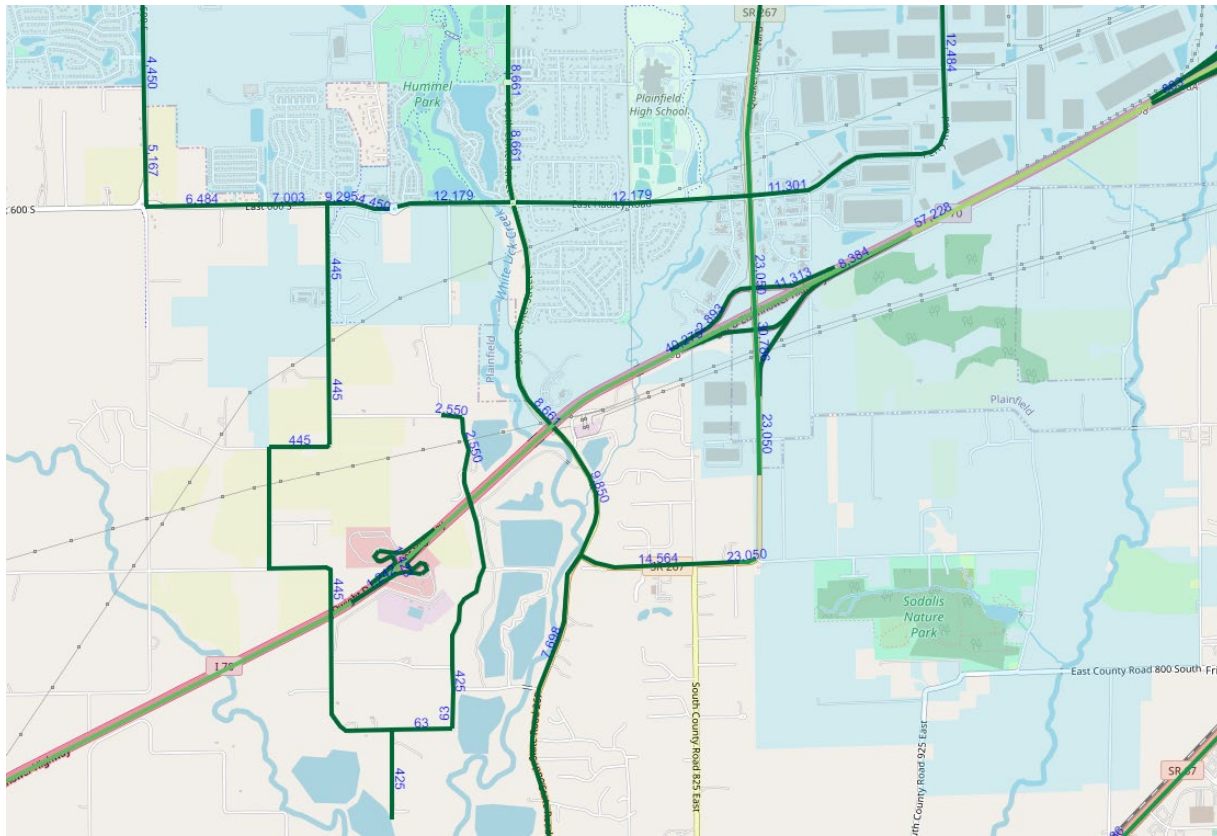
Traffic Counts

Traffic counts calculate the annual average daily traffic (AADT) generated at specific roadway segments. The highest AADT was 59,982 on I-70. An AADT of 31,557 was measured on Quaker Boulevard, immediately adjacent to the subject property, with an AADT of 27,770 north of the I-70 interchange.¹

Commercial development tends to locate on roads with high traffic counts. Observed traffic counts highlight that this subject property is situated along two high-volume traffic routes. Large volumes of vehicles are passing the site daily, a critical positive indicator for commercial development.

¹ [INDOT Traffic Data](#)

Figure 6, Functional Classification and Traffic Counts Map



Source: [INDOT Traffic Data](#)

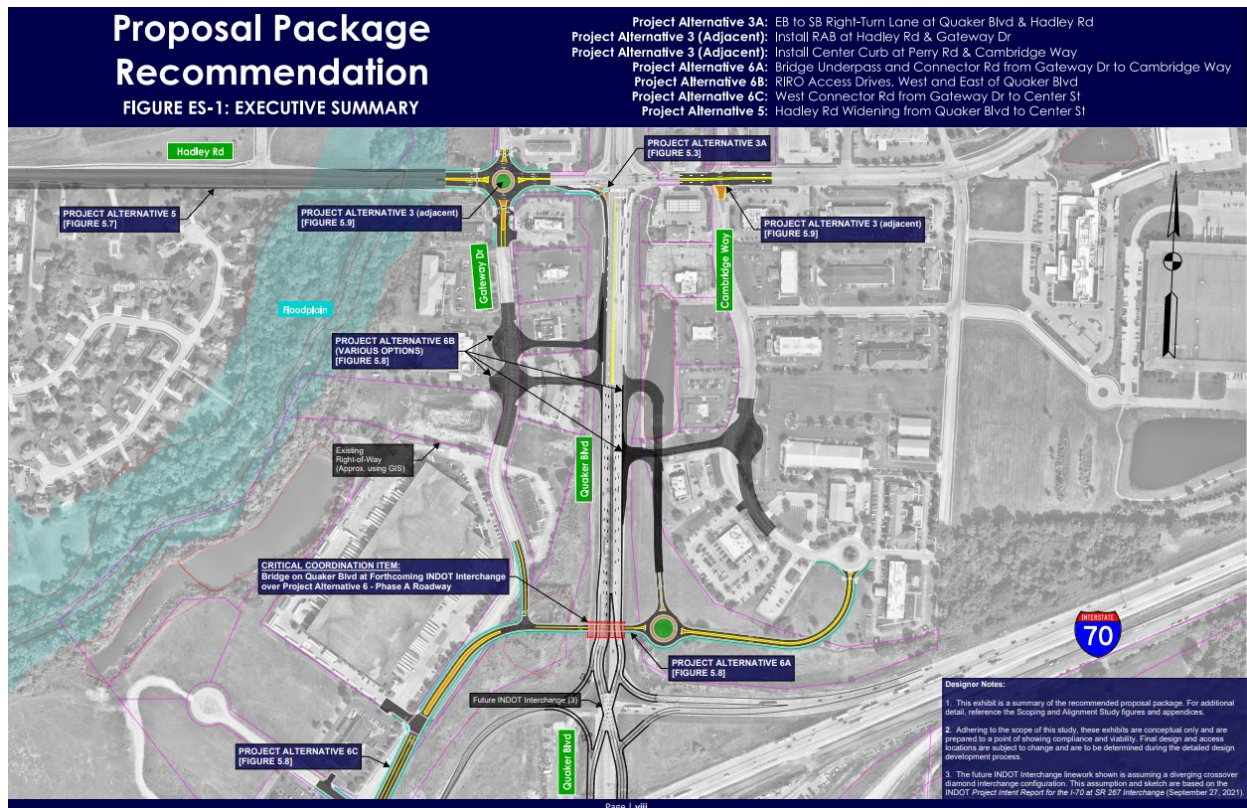
Potential Interchange Modifications

In 2022, American Structurepoint completed a Scoping and Alignment Study for the Town of Plainfield. This study examined multiple alternatives to increase connectivity and alleviate traffic congestion at the I-70/Quaker Boulevard site. The studies recommendations resulted in several alternatives for implementation that cumulatively would achieve the Town’s goals of improved mobility and access near the I-70 interchange and the Town’s Hospitality District, including (and shown in Figure 7 Below):

- Planned Project – added NBL at Quaker Boulevard & Hadley Road (2022 Construction)
- 3A – Traditional Signal and Turn Lane Improvements at Quaker Boulevard & Hadley Road
- 3 (adjacent) – Install RAB at Hadley Road & Gateway Drive
- 3 (adjacent) – Install Center Curb at Perry Road & Cambridge Way
- *6A – Bridge Underpass and Connector Road from Gateway Drive to Cambridge Way
- 6B – RIRO Access Driveives, West and East of Quaker Boulevard
- 6C – West Connector Road from Gateway Drive to Center Street
- 5 – Hadley Road Widening from Quaker Boulevard to Center Street²

² American Structurepoint

Figure 7, Scoping and Align Study Alternative Recommendation Location Map



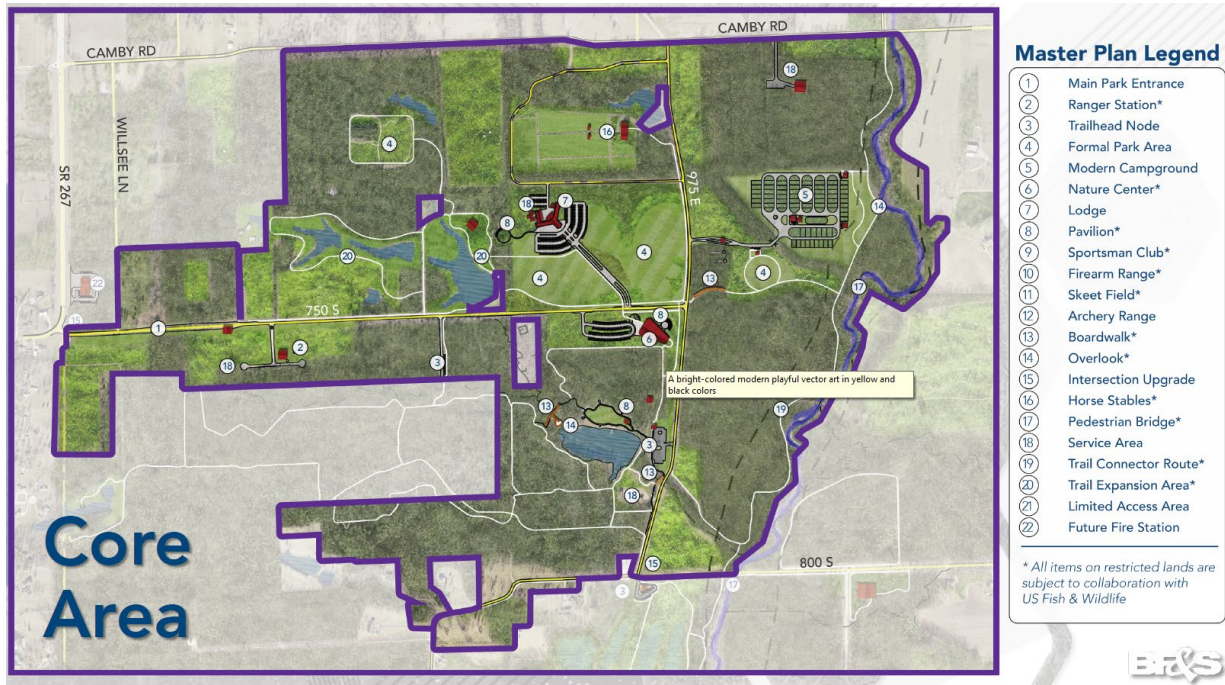
The highlighted alternatives will only help improve the connectivity of the area and the subject site, furthering the development potential of this acreage. While not one of the defined alternatives, Figure 7 also shows a future INDOT improvement to the I-70 and Quaker Boulevard Intersection. This new alignment will need to be factored into the design of future development on the subject property but will also increase the marketability of this site.

Plainfield Nature Park

The Town of Plainfield hired BF&S to develop a park master plan for a new regional Nature Park amenity south and east of the subject site. According to documents prepared by BF&S, the park will focus on access to nature and creating an economic engine for the surrounding area. The plan includes trails, campgrounds, shooting ranges, pavilions, and a lodge detailing several amenities. The proposed Nature Park would utilize County Road East 750 S east of US 267 as the main entrance. Future visitors would pass the subject property on their way to this park. Pending potential visitation numbers increase the desirability for convenience retail uses and hospitality services on the subject property.³

³ [Town of Plainfield and BF&S](#)

Figure 8, Proposed Plainfield Nature Park Amenities Map



Source: [Town of Plainfield and BF&S](#)

Site Specific Attributes Summary

This market study portion identified several positive attributes that point to the ability to attract multiple markets on this site. The site is near an existing interstate interchange, residential populations, businesses, and the region’s international airport. The site’s surrounding road network, high traffic counts, and future connectivity improvements to the road system demonstrate the viability of various uses, given that motorists are passing the site daily. Potential regional park development with access next to the site will only further the desirability of building commercial services on a portion of this property.

A few policy items must be considered to ensure that developers do not receive mixed signals about the ability to develop commercial uses on these parcels. In particular, the site’s current zoning of AG does not lend itself to various commercial uses. However, the mix of existing land services and zoning districts adjacent showcase that several potential development options would be compatible with surrounding development, pending the Town’s approval of a zoning map amendment to rezone the property. The Town’s Future Land Use Map would also need to be reconsidered to help guide the development of this site toward potential commercial development.

Market Analysis

The following sections of this study examined the potential demand for the specific commercial market subcategories of office, hospitality, and retail uses on the subject property. The report focuses on these

three subcategories, the most likely commercial uses that would consider developing the subject property not classified as industrial.

Demographic Baseline

Determining the ability to attract commercial development from any of the identified subcategories relies partially on knowing base demographic facts about the community and region. Commercial site selectors and developers will research an area’s available workforce, housing, and population growth to determine if the market’s potential meets their needs. Figure 9 below shows essential demographic and workforce information for the Town of Plainfield, Hendricks County, and the ICAMSA. The table also provides this information to identify location-specific strengths, as developers may consider more than one site to fulfill the demand observed in the larger market.

Figure 9, Key Demographics

Variable	Indianapolis-Carmel-Anderson MSA	Hendricks County	Plainfield
2022 Total Population	2,162,147	182,015	36,154
2022 Median Age	37.8	38.3	37.0
2022 Median Household Income	\$69,227	\$92,463	\$72,574
2010 Total Population	1,887,877	145,448	28,320
Percent of Population Change 2010-2022	14.5%	25.1%	27.7%
2022 Total Housing Units	903,542	68,404	13,863
2010 Total Housing Units	816,509	55,454	10,700
Percent of Housing Units Change 2010-2022	10.7%	23.4%	29.6%
2022 Housing Affordability Index	146	168	151
2022 Total Daytime Population	2,161,641	160,279	46,188

Source: ESRI, US Census Bureau, Bureau of Labor Statistics, American Structurepoint.

Income and Housing

The ability to attract new development to a site depends on multiple factors. The two most commonly reviewed are 1) the quality of income and 2) the availability and affordability of housing. The median income of Plainfield’s residents was on-par or slightly above the ICAMSA at \$72,574 and \$69,227, respectively. Extending the median income to all of Hendricks County showed an increase of \$92,463. The home affordability index (HAI) shows homes in all three markets were above 100. HAI values over 100 indicate increasing affordability, and values less than 100 indicate areas where homes are less affordable.⁴ The observed HAI for all three regions represents a strength that should be noted when working with site selectors for any identified subcategories. If you plan to bring jobs and employees to this site, you can expect their housing costs to be lower than average incomes.⁵

⁴ ESRI Community Analyst.

⁵ ESRI Community Analyst.

Population Growth

Plainfield's population increased from 28,320 in 2010 to 36,154 in 2022, an increase of 27.7 percent. This growth outpaced the ICAMSA (14.5 percent) and Hendricks County (25.1 percent). Plainfield accounts for 21.5 percent of Hendricks County's growth during this timeframe demonstrating that growth is occurring in the area and this site is in a region primed for continued development.

Population Projection

If growth in the area continues at this same pace, Plainfield's population will reach 46,155 by 2034, representing another positive indicator for the successful development of the subject property.

Workforce

The existing workforce of an area is an essential metric for all three subcategories examined by this report. Positive job growth and a large employment workforce indicate that the region can absorb additional square footage for job creation activities. Plainfield-based businesses employed 33,250 individuals in 2022 or 43.1 percent of all employees in Hendricks County, and the local daytime population was larger than its residential population. These statistics demonstrate that Plainfield is a job-creation area and shows no signs of slowing.⁶

Commuting Patterns

According to the Census's "On The Map" tool, 30,504 (91.7 percent) out of the 33,250 workers employed at Plainfield businesses in 2019 lived outside the Town's corporate limits. Figure 12 demonstrates that most commuters traveled from the northeast (Marion County/Indianapolis). These commute patterns indicate that Plainfield is a job center, and its employers attract workers from all over the ICAMSA. That also demonstrates the need for more employment centers and indicates that market demand may exist for facilities employing more residents and that most of those working in Plainfield commute from outside the area.

⁶*One the Map, US Census*

Figure 10, Inflow/Outflow Diagram

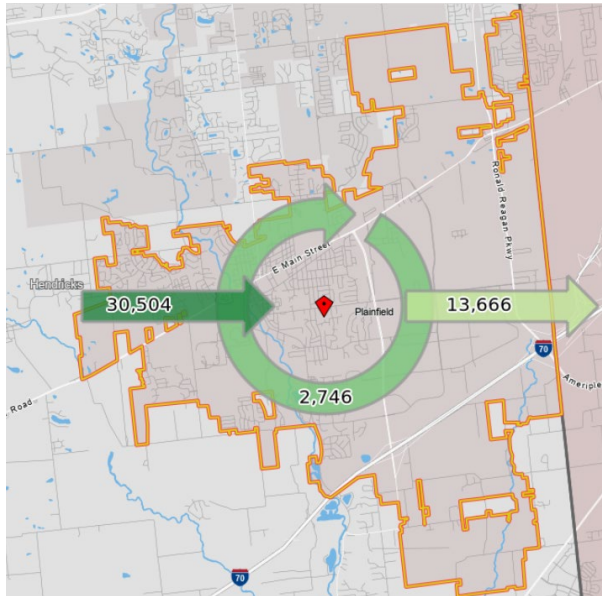
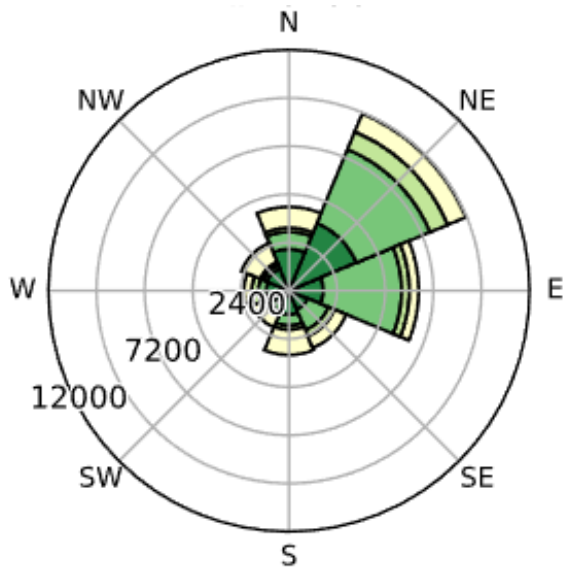


Figure 11, Commute Distance Direction Chart



Jobs Breakdown

Figure 13 below shows the percent of all Plainfield jobs organized by NAICS category and that job’s average annual income. The NAICS categories of construction, retail, accommodation/food, wholesale, and manufacturing account for 67.1 percent of all jobs based in Plainfield. For comparison, Figure 14 shows the NAICS categories in which Plainfield residents work. That figure illustrates that area residents work in a wider variety of industries and implies that a market demand exists for buildings that house businesses more in line with area residents’ professions. In particular, the health care and social assistance, educational services, and manufacturing job categories had a large percentage of locals working in these vocations but not the same percentage of jobs.

Figure 12, Commute Distance Direction Chart

NAICS Category	Percent of Jobs In Plainfield (Percent)	Median Annual Income
Agriculture, forestry, fishing, and hunting	0.0	\$34,520.84
Mining, quarrying, and oil and gas extraction	0.1	\$62,449.96
Utilities	6.1	\$91,463.56
Construction	21.4	\$63,360.83
Manufacturing	7.1	\$71,593.95
Wholesale trade	7.3	\$64,771.74
Retail trade	23.1	\$36,728.95
Transportation and warehousing	4.0	\$142,917.60
Information	0.5	\$64,825.60
Finance and insurance	1.5	\$259,510.33
Real estate and rental and leasing	1.1	\$41,228.42
Professional, scientific, and technical services	2.5	\$117,754.75
Management of companies and enterprises	0.0	\$69,607.57
Administration & support, waste management, and remediation	1.4	\$91,935.52
Educational services	2.3	\$77,483.13
Health care and social assistance	4.6	\$122,747.58
Arts, entertainment, and recreation	2.7	\$38,999.53
Accommodation and food services	8.3	\$43,778.13
Other services (excluding public administration)	2.3	\$35,176.04
Public administration	3.8	\$217,713.28
Unclassified	0.1	\$45,654.56

Figure 13, Commute Distance Direction Chart

NAICS Category	Percent of Plainfield Residents Employed in Category (Percent)
Agriculture, forestry, fishing, and hunting	0.2
Mining, quarrying, and oil and gas extraction	0.0
Utilities	1.0
Construction	4.7
Manufacturing	9.2
Wholesale trade	5.5
Retail trade	11.5
Transportation and warehousing	10.2
Information	1.2
Finance and insurance	3.6
Real estate and rental and leasing	1.4
Professional, scientific, and technical services	4.8
Management of companies and enterprises	1.3
Administration & support, waste management, and remediation	7.5
Educational services	8.2
Health care and social assistance	13.2
Arts, entertainment, and recreation	1.0
Accommodation and food services	8.4
Other services (excluding public administration)	3.1
Public administration	4.1

Market Subcategories Analysis

Office Market Analysis

The ability of any market to absorb square footage in the office market sector is highly dependent on regional market conditions. Therefore, this study looked at national and regional trends to help ascertain the direction of the office market before looking at the potential for new office space in the local market.

US Office Market Trends

The national office market continues to see pressure from multiple areas. After coming to grips with the impacts of COVID-19 and the increased prevalence of work-from-home situations, inflation and the corresponding interest rate increases from the Fed have slowed the overall office market in the second half of 2022. Continued layoffs in the technology sector also contributed to a slowdown in the number of leases signed for existing office space. Nationwide there is an expected delivery of 50 million square

feet of office space by the second quarter of 2023. All these factors suppressed rent growth and contributed to this subcategory facing many challenges.⁷

Market rents for all offices increased by \$0.36 last year, well below the rents needed to keep pace with inflationary levels when considering gas, electricity, and building materials cost. In contrast, vacancy rates increased from 0.8 percent to 12.8 percent, adding more pressure to the market. Office market experts predict negative absorption for the office market during 2023 and the beginning of 2024.

Indianapolis Office Market Trends

Demand in the ICAMSA has remained inconsistent, with many companies backing out of their sublease agreements and creating a concerning trend weighing down the entire market. Vacancies in the region remain lower than the nation's at 9.3 percent; however, in the last 12 months, the ICAMSA had negative net absorption of **-682,000** square feet, meaning that more vacancies were popping up. Newly constructed spaces were occupied by businesses vacating their existing room, and their old spaces were not being reoccupied.⁸

New construction in the market was occupied quickly, with 98 percent of all new construction occupied by November 2022. In the first quarter of 2023, there were 473,7014 square feet of new building space under construction, with 85.3 percent of this space being released.

Rent per square foot in the ICAMSA was \$21.39 to begin in 2023. That is an increase of less than \$1.00 over the last two years, limiting new construction in the office market due to inflationary concerns.⁹

Hendricks County Submarket

Plainfield is located in the Hendricks County Office Submarket. This submarket contains approximately 2.6 million square feet of total office space. Vacancy rates in this submarket are lower than the ICAMSA at 4.0 percent, which did not change much in 2022. The area posted a positive net absorption of 32,000 square feet in the previous year. Over this last year, four and five-star properties (usually the newest with the most amenities) have experienced the highest vacancy rates at 20.4 percent.¹⁰

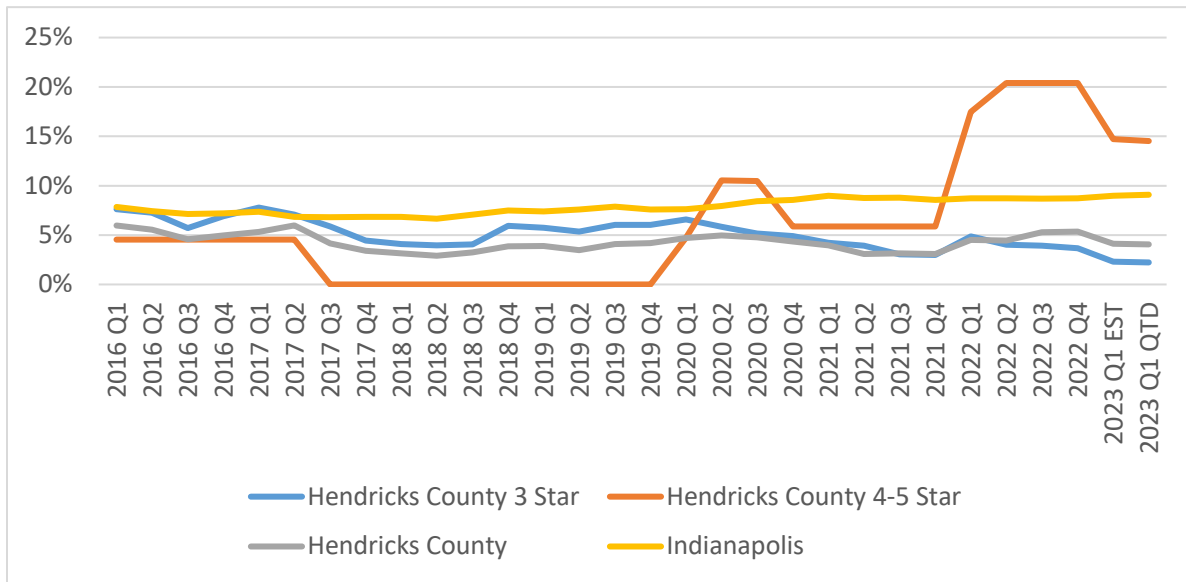
⁷ [CoStar](#)

⁸ [CoStar](#)

⁹ [CoStar](#)

¹⁰ [CoStar](#)

Figure 14, Hendricks County Office Submarket Vacancy Rates



New office space in this submarket has followed a similar trend of constructing approximately 13,000 to 15,000 square feet of new building space per year, or 45,000, during the last three years. Rent per square foot in this part of the ICAMSA has increased to \$20.55 or 2.1 percent over the past year.¹¹

What This Means for the Subject Property

National and regional trends point toward the office market being soft for the next year and a half minimally. Economic trends across the country, with continued inflation and a potential recession, will impact the ability of the smaller Hendricks County submarket to find tenants and builders. The ICAMSA market is in a similar situation with a negative net absorption of new and existing office space over the last year. Most of the new office space was being constructed as “build-to-suit” for regional employers, with 85.3 percent of all new construction pre-leased. However, the regional net absorption shows that other companies are not occupying this recently vacated space. The Hendricks County submarket has bucked some of these trends in the last year, albeit in a modest fashion. Positive net absorption and consistent construction of 15,000 square feet per year indicate little room for growth.

Employment data and commute trends for Plainfield show that a market for new office space may be needed, especially in the healthcare and social services NAICS categories. However, as demonstrated by the regional market and local market construction and absorption rates, these would likely need build-to-suit projects pre-leased by existing residents/business owners looking to work closer to home. The most likely need would be medical office space to support the expanding population in this part of the ICAMSA.

Considering the size of the subject property, constructing office space will likely not be a substantial portion of the entire 250 acres. Even if developers completed every square foot of new building space that the market can absorb on this site, at 15,000 square feet per year, it would take five years to construct one 75,000-square-foot office building. Depending on the construction type, multiple one-

¹¹ CoStar

story buildings may be spread on a six to seven-acre site, including off-street parking. Alternatively, the development may be one three-story tall building with a 25,000 square-foot footprint constructed on a 4-acre site, including off-street parking. This report would not recommend that office become the dominant land use for future development of the subject site.

Hospitality Market

The site's proximity to the IND entrance and existing interchange on I-70 may benefit additional hotel room occupancy, similar to the uses observed on the north side of the Quaker Boulevard exit.

US Hospitality Market

Economists are projecting a decline in hospitality activity through 2023 but an increased revenue per room available (Revpar). The increase in revenue is due to inflation and the average cost of booking a hotel room. The hotel industry is still in recovery from the COVID-19 pandemic. However, the work-from-home business model has allowed leisure travelers to take long weekends. While leisure travel is expected to increase, work-from-home arrangements have reduced the need for mid-week corporate hotel nights. Due to reduced corporate business travel and lower office occupancy, Downtown properties continue to struggle.¹²

The number of new hotel rooms under development nationwide has dropped from 212,000 before the pandemic to 160,000 nationally. A reduction in room availability was also noted across the US, with a decrease of 51 hotels out of 63,426 total.¹³

ICAMSA Hospitality Market

The Indianapolis hospitality market had a 60.8 percent occupancy rate for hotel rooms for the 12 months preceding the first quarter of 2023. Revpar for this market was climbing for the past years at a very fast pace at 30.5 percent due to recent inflation trends and increases in regional activity.¹⁴

The Indianapolis market contains approximately 36,000 hotel rooms, with 20 percent comprising luxury or upscale brands. That represents a higher percentage when compared to the national average. At the end of 2022, there were 1,600 rooms under construction, which caps a three-year market expansion of 2,000 rooms in the previous three years. These trends show a demand for more hospitality space within the region.¹⁵

Indianapolis Submarket

This site is within the CoStar-defined Indianapolis Airport/Speedway submarket. The occupancy rate for this submarket was 61.9 percent and slightly outperformed the region's average. Revpar for the market increased by 23.2 percent, showcasing the inflationary need to increase room rates noted for the national and regional markets.¹⁶

There were 6,556 rooms in this submarket at the end of 2022. Of this total, there were 174 luxury rooms, 4,020 upscale and upper midscale rooms, and 2,362 midscale/economy rooms. At the end of 2022, there were 560 rooms in construction, the most significant addition in this submarket in over a

¹² [CoStar](#)

¹³ [CoStar](#)

¹⁴ [CoStar](#)

¹⁵ [CoStar](#)

¹⁶ [CoStar](#)

decade.¹⁷ This activity follows the addition of 200 new rooms in the area over the past three years. However, 157 rooms were demolished in this same timeframe, and the submarket had modest gains until now.

What this means for the Subject Property

The increase in hotel room construction and continued strong occupancy rates indicate room for growth in this submarket. Multiple factors contribute to this site's ability to house hospitality businesses, such as its convenient access to the IND, location on I-70 with near-direct access to the interstate, and close proximity to nearby businesses. The Town's plans to create a new park/attraction directly south and east of this subject site also increase the viability of hospitality uses on the property, which may capture spillover effects from this increase in area visitors. Multiple hotels have already taken advantage of these assets, as evidenced by their presence at the I-70 and Quaker Boulevard interchange.

The number of rooms in each hotel model varies greatly. Upscale hotels averaged 331 rooms per building, and economy brands were at 75.¹⁸ The following inventory of hotels near the subject property was performed to help identify hospitality models not prevalent in the area:

Luxury

- There were no luxury brands noted in the immediate area

Upscale

- Embassy Suites and event center
- Holiday Inn
- Hyatt Place

Midscale

- La Quinta
- Springhill Suites
- Two Hampton Inns
- Hilton Garden Inn
- Wingate by Windham
- Baymont by Wyndham
- Country Inn and Suites
- Woodspring Suites

Economy

- Extended Stay
- Clarion Point
- Holiday Inn Express
- Staybridge Suites
- Best Western

¹⁷ [CoStar](#)

¹⁸ [Statista](#)

- Comfort Inn and suites

Most of these hotels are located directly north of the site, with another node of a similar business near the I-70/AmeriPLEX Parkway and I-465 and Sam Jones Parkway interchanges. Only one of these facilities (Embassy Suites) had an event center.

Given the number of economy/extended stay and midscale brands already in the market, the best opportunity for hospitality growth is in the luxury and upscale markets. However, luxury brands (Conrad, J.W. by Marriott, Ritz Carlton) are generally located in central business districts. The real business opportunity is for more upscale rooms. Adding more event space in the form of large meeting rooms to cater to local businesses may be possible, given the proximity to the IND entrance. Upscale hotels, including surface parking, have a footprint of four to five acres. A meeting space with only surface parking would occupy an additional 2.0 acres. Midscale brands develop between one-and-a-half to two-acre sites, including surface parking.

Adding one upscale brand to the area would increase the total room supply by approximately 300 rooms and occupy 4.5 acres of the 250 available for development on the subject site. A midscale addition would add about 100 rooms and occupy 1.5 acres of the site. The observed steady occupancy rates and favorable local market conditions imply that the local market has the capacity for one to two hotel brands in the upper to midscale market segments. The amount of land utilized for these facilities may be reduced by constructing a parking garage; however, construction and land costs may render this concept unfeasible. The market can also increase its meeting room space, given that only one facility is nearby.

Another item to consider is the intention of the “lodge” proposed in the Plainfield Nature Park. If the intent is to have overnight accommodations and event space, this will reduce the viability of new hospitality uses in this submarket and the study area.

Retail Market

A retail market’s foundation is different from the other subcategories described above. This commercial subcategory relies more on convenience and proximity to residential and daytime populations. The subject property and its surrounding population trends, commuter patterns, daytime population, and regional assets revealed two distinct trade areas. The primary and extended retail trade areas as described below to account for local regular customers and patrons that may shop in the area for more specific goods and services.

Primary Trade Area

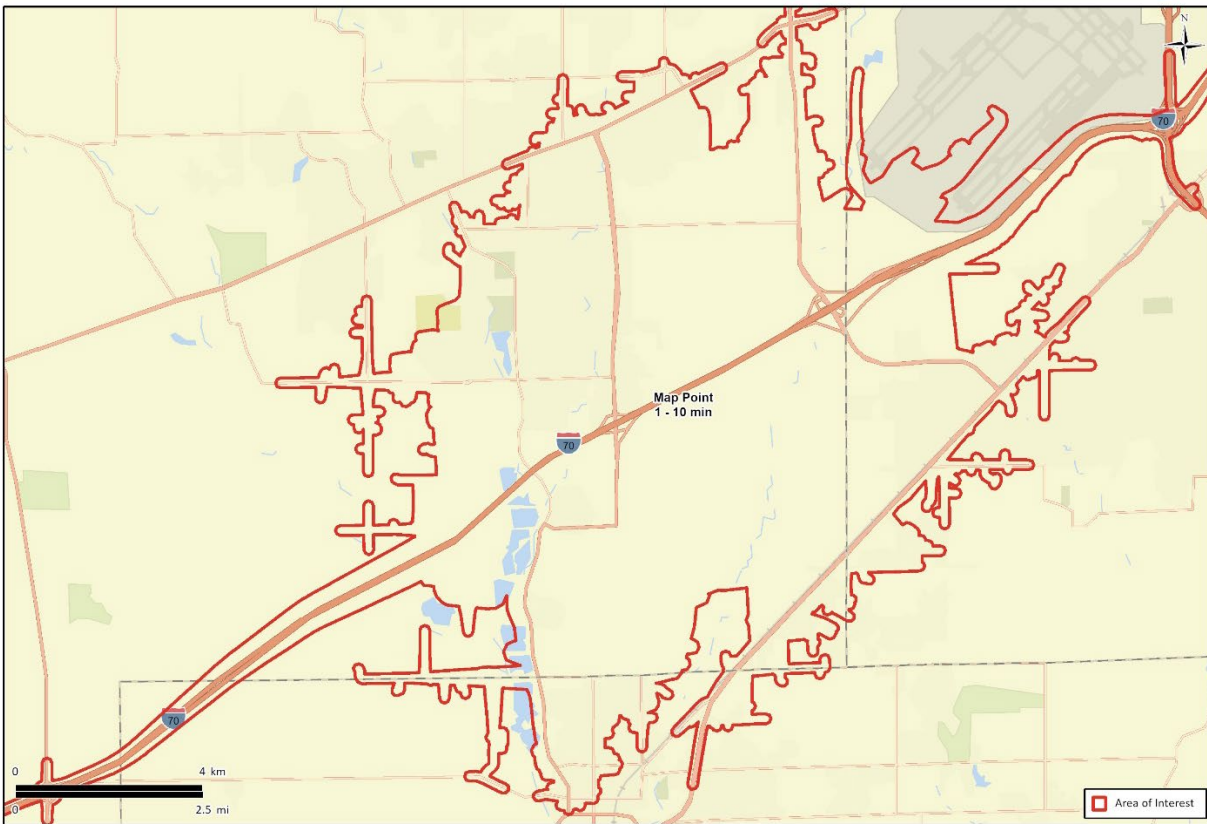
The primary trade area studied encompassed a 10-minute drive from the subject property, which captures the majority of residential populations and businesses near the subject property. This drive time also accounts for the fact the residential populations near the northern end of the site will likely shop at established businesses on the US 40 corridor. Typical shoppers in the primary trade area may shop at these businesses two to four times a week for most retail/food purchases. The following important demographic data points were observed within a 10-minute drive of the site in 2022.

Figure 15, Primary Trade Key Statistics

Variable	10-Minute Drive
Total population	4,335
Total employees	13,777
Median disposable income	\$66,884

Source: ESRI, US Census Bureau, and Bureau of Labor Statistics

Figure 16, 10-Minute Drive Time Map



Data Sources: <https://claritas.esri.com/Spotlight/About/and/line/and/line/>
 Copyright: © 2006-2019 Teri Tom
 Base Map Sources: Esri, HERE, Garmin, Swirec, GeoTechnologies, Inc, MLL, NASA, USGS, EPA, NPS, USDA Powered by Esri
 Disclaimer: Scale bar is for reference only

Source: Claritas, Inc.

Extended Trade Area

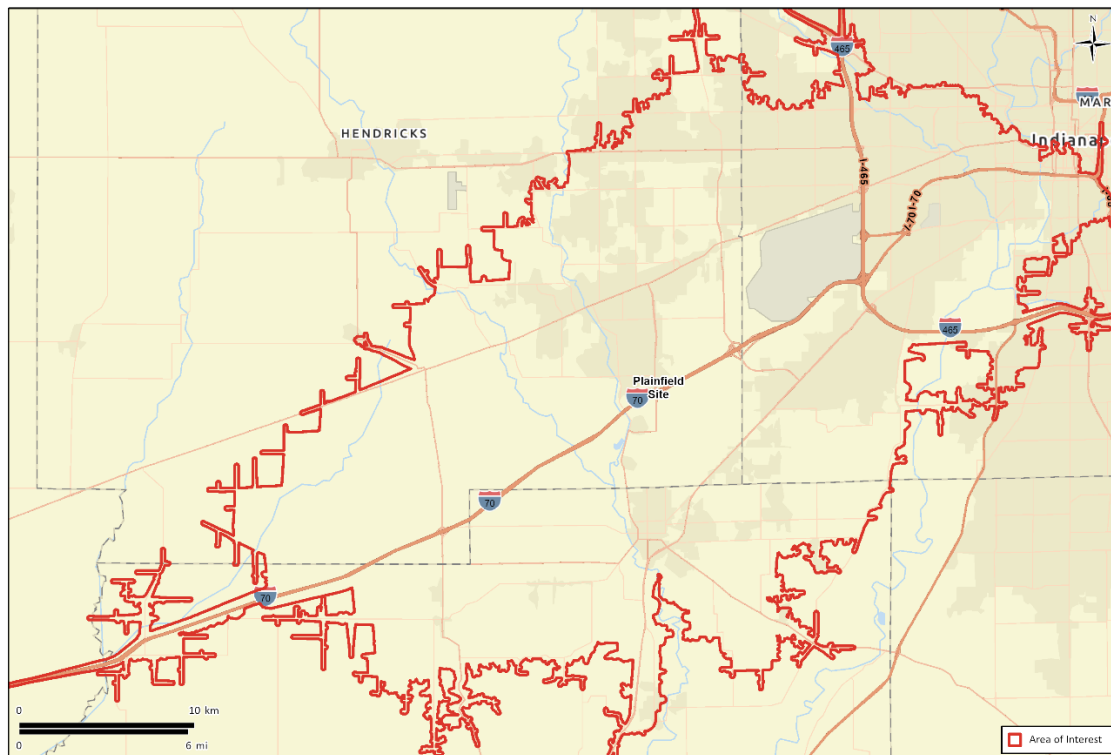
The extended trade area around the property was extended to a 20-minute drive to take advantage of the site's regional access, employment centers, location and potential attractions, and commuter patterns. The extended trade area boundary captured regional shoppers who may shop in the area once or twice a month for specialty items or services. Due to this site's access to the interstate network, a large portion of the western ICAMSA is within this trade area. It reaches as far east as downtown Indianapolis and Speedway, west to the Hendricks County line, north to the I-465 and 74 interchange, and south to Johnson County.

Figure 17, Extended Retail Trade Area Key Demographics

Variable	20-Minute Drive
Total population	335,836
Total employees	247,976
Median disposable income	\$47,006

Source: ESRI, US Census Bureau, and Bureau of Labor Statistics

Figure 18, Extend Retail Trade Area 20-Minute Drive Map



Data sources: <https://claritas.uspopyright.com/200right/about/undefined/undefined>
Copyright © 2022-2023 Claritas
Enterprise Solutions, Esri, HERE, Garmin, SwireCloud, METI/NASA, USGS, EPA, NPS, USDA Powered by Esri
Disclaimer: Scale bar is for reference only.

Source: Claritas, Inc.

Retail Gap Analysis

With the geographic boundaries of the trade areas identified, the next step was to examine the trade area's market potential utilizing a retail gap analysis. A retail gap analysis shows how much money is spent locally compared to how much money "should" be paid based on the local population's income and grouped by the North American Industry Classification System (NAICS). A retail gap analysis helps to:

- Uncover unmet demand and possible opportunities;
- Understand the strengths and weaknesses of the local market area; and
- Measure the difference between actual and potential retail sales.

"Leakage" and "surplus" are the two categories used in a retail gap analysis.

- Leakage in a local market means that people living in the trade area are spending money outside of that trade area. A leakage indicates the amount of additional disposable income that could be captured in the trade area but is being lost or "leaking" to competing shopping districts outside of the identified location.
- A local market surplus implies more money was spent at local businesses than the trade area's population "should be" spending. A surplus can have multiple meanings:
 1. Too many companies exist in the trade area without enough disposable income to support them; or
 2. The trade area attracts spending from additional shoppers beyond the residents' spending power.

Primary Trade Area Retail Gap Analysis

The 10-minute drive Primary Trade Area analysis revealed an overall retail market surplus of **-761,600,748**. There were two observed underserved markets in the other motor vehicle dealers (boats, recreational vehicles, and motorcycles) and special food services. The rest of the data revealed large surpluses for all top-level NAICS categories.¹⁹ These surpluses were due to competing commercial shopping areas north of the I-70 and Quaker Boulevard interchange, along US 40, and near downtown Plainfield, providing similar goods and services in the primary trade area.

¹⁹ Retail Market Power® Opportunity Gap by Retail Store Types 2022; Claritas

Figure 19, Primary Retail Trade Area Gap Analysis

NAICS Category	Opportunity Gap/Surplus (\$)
Total retail trade area	-761,600,748
Motor vehicle and parts dealers (NAICS 441)	-44,630,014
Other motor vehicle dealers (NAICS 4412)	4,441,620
Furniture and home furnishings stores (NAICS 442)	-5,228,172
Electronics and appliance stores (NAICS 443)	-6,053,295
Building material and garden equipment and supplies dealers (NAICS 444)	-10,841,569
Food and beverage stores (NAICS 445)	-23,836,500
Health and personal care stores (NAICS 446)	-16,585,097
Gasoline stations (NAICS 447)	-35,134,564
Clothing and clothing accessories stores (NAICS 448)	-5,607,173
Sporting goods, hobbies, musical instruments, and bookstores (NAICS 451)	-3,921,841
General merchandise stores (NAICS 452)	-85,492,745
Miscellaneous store retailers (NAICS 453)	-6,293,525
Food services and drinking places (NAICS 722)	-42,510,062
Special food services (NAICS 7223)	3,117,898
Drinking places (alcoholic beverages) (NAICS 7224)	1,049,372
Restaurants and other eating places (NAICS 7225)	-46,677,332
Full-service restaurants (NAICS 722511)	-23,489,771
Limited-service restaurants (NAICS 722513)	-21,916,008
Cafeterias, grill buffets, and buffets (NAICS 722514)	-343,716
Snack and non-alcoholic beverage bars (NAICS 722515)	-927,836

Extended Trade Area Retail Gap Analysis

The site's extended trade area revealed a total surplus of **-\$1,435,700,965** in total retail trade. However, substantial leakages were identified in the extended trade area, which varied from the primary retail trade area. The largest leakage (\$80,636,814) was in the clothing and accessories category. The second largest leakage observed was in the gasoline stations (\$53,792,846), third-largest was health and personal care (\$39,821,492).²⁰ Significant additional leakages were noted in the building material and garden equipment and supplies dealers, sporting goods, hobby, musical instrument, bookstore, and miscellaneous retailers NAICS categories.

²⁰ Retail Market Power® Opportunity Gap by Retail Store Types 2022, Claritas

Figure 20, Extended Trade Area Retail Gap Analysis

NAICS Category	Opportunity Gap/Surplus (\$)
Total retail trade, including food and drink (NAICS 44, 45, and 722)	-1,435,700,965
Motor vehicle and parts dealers (NAICS 441)	-281,315,020
Other motor vehicle dealers (NAICS 4412)	31,210,336
Furniture and home furnishings stores (NAICS 442)	-12,159,448
Electronics and appliance stores (NAICS 443)	7,386,885
Building material and garden equipment and supplies dealers (NAICS 444)	33,250,208
Food and beverage stores (NAICS 445)	7,093,425
Grocery stores (NAICS 4451)	-6,527,869
Specialty food stores (NAICS 4452)	8,889,424
Beer, wine, and liquor stores (NAICS 4453)	4,731,870
Health and personal care stores (NAICS 446)	39,821,492
Gasoline stations (NAICS 447)	53,792,846
Clothing and clothing accessories stores (NAICS 448)	80,636,814
Sporting goods, hobbies, musical instruments, and bookstores (NAICS 451)	30,739,722
General merchandise stores (NAICS 452)	-112,234,488
Miscellaneous store retailers (NAICS 453)	29,410,189
Food services and drinking places (NAICS 722)	-53,388,484
Special food services (NAICS 7223)	-5,870,954
Drinking places (alcoholic beverages) (NAICS 7224)	1,819,562
Restaurants and other eating places (NAICS 7225)	-49,337,091
Full-service restaurants (NAICS 722511)	-27,090,275
Limited-service restaurants (NAICS 722513)	-30,251,506

What this Analysis Tells Us

In terms of providing direction for business attraction efforts to the subject property, this analysis helps identify the types of retail businesses most likely to succeed. The primary trade area revealed a surplus of approximately \$-761,600,748. Individual NAICS categories showed only a few leakages in the other motor vehicle dealers and special food services categories.

Certain companies, usually the exceptions to the rule, can rely on larger customer trade areas, such as motor vehicle dealerships, general merchandise stores, and niche specialty restaurants. However, most business categories that revealed surpluses in the primary trade area are not likely to rely on shoppers who visit their businesses only once or twice a month.

The extended trade area gap analysis estimated a surplus of \$-1,435,700,965. However, there were leakages shown in the following categories:

- Other motor vehicle dealers
- Electronics and appliance stores
- Building material and garden equipment and supplies dealers
- Specialty food stores
- Beer, wine, and liquor stores
- Health and personal care stores

- Gasoline stations
- Clothing and clothing accessories stores
- Sporting goods, hobbies, musical instruments, and bookstores
- Miscellaneous store retailers

NAICS Retail Gap Category Focus

Some of the business models above did not show large enough leakages in extended trade areas to warrant a more detailed examination. Those categories were as follows:

- Electronics and appliance stores
- Specialty food stores
- Beer, wine, and liquor stores

Gasoline stations had a considerable leakage of \$53,792,846. Although this use was not considered in this analysis, gasoline stations could fulfill a need that is lacking on the south side of the I-70/Quaker Boulevard interchange.

Extended Area NAICS Category Gaps

Given the gap analysis results and site suitability considerations, this report narrowed the focus of our analysis further to the following business categories determined to be the most needed on the subject property:

- Clothing and clothing accessory stores
- Health and personal care stores
- Sporting goods, hobbies, musical instruments, and bookstore
- Building material and garden equipment and supplies dealers
- Miscellaneous store retailers

This site's future development will likely need to rely on retailers that attract populations from the extended trade area. Considering the rapid residential growth in the area (noted earlier), depending on shoppers outside of the 10-minute drive may not be the case forever. Still, initial and long-term success will rely on ensuring that shoppers from the 20-minute drive and beyond patronize businesses on the site.

The following section summarizes the larger leakages noted in the extended trade area to help ascertain the amount of retail space needed on the subject property.

Clothing and Clothing Accessory Stores

Clothing and clothing accessory stores revealed the most considerable leakage (\$80,636,814) in the extended trade area. The average sales per square foot for these types of stores varies widely depending on their place in the market and product offerings, from \$300 per square foot (Old Navy, TJ Maxx, and Ross Dress for Less) to \$600 (Brooks Brothers, Lulu Lemon, and Joseph A. Bank). Given the stated need to attract brands that lure shoppers from outside the immediate area, the mid-range of \$450 was used to remain conservative. This average sales per square foot equate to 179,192 square foot market demand for this NAICS category. Since this leakage relies primarily on non-primary trade area requirements, the actual need is probably lower than the raw number suggests.

Health and Personal Care Stores

The gap analysis revealed a leakage of \$39,821,492 in the extended trade area. These stores often include pharmacies, health and beauty products, and various staple grocery items. The average annual sales per square foot for merchants in this market segment is \$548.²¹ The observed extended trade area leakage could support 72,666 square feet of new store space. Since the retailers in the category focus on neighborhood locations with a 15,000-square-foot footprint, filling all the demand from the extended trade area is unlikely. However, the data revealed in this study indicates enough need for other health and personal care stores, especially considering travelers staying in the area due to proximity to the airport.

Sporting Goods, Hobby, Musical Instrument, And Book Stores

This analysis observed a leakage of \$30,739,722 in the extended trade area. Sporting goods and hobby shops have average sales of between \$180 and \$202 per square foot.²² Conservatively, that would mean that the extended trade area may accommodate 152,176 square feet of sporting goods space. The average Dick's Sporting Goods store is between 35,000 and 45,000 square feet, Cabela's average store footprint is 82,000 square feet, and a Bass Pro Shop can range from 100,000 to 250,000 square feet. It is unlikely that more than one sporting goods store would be located within the same development due to retailer-preferred occupancy restrictions. So the other stores would (if demand still exists) need to be a mix of music and hobby stores, such as Hobby Lobby, which averages approximately 55,000 square feet.

Building Material and Garden Equipment and Supplies Dealers

Building material and garden supply stores like Lowe's, Home Depot, and Menards generally have large footprints. However, smaller footprint stores similar to Tractor Supply Company and Harbor Freight have recently entered the market. The observed leakage of \$33,250,208 from the extended trade area equals approximately 55,000 square feet of capacity for this category based on an average of \$604 of sales per square foot. While this is not enough demand for a large footprint retailer that averages 100,000 square feet, smaller format stores typically range from 15,000 to 16,500 square feet.

Miscellaneous Store Retailers

Miscellaneous store retailers represent a combined category of florists, pet shops, pet supplies stores, and other niche markets. These business models tend to earn approximately \$310 per square foot.²³ The observed leakage of \$29,410,189 equated to a potential square foot demand of 94,871 square feet.

Food Services and Drinking Places (in particular restaurants)

Food services and drinking places are a top-level category encompassing various business models, from coffee shops to sit-down restaurants. The primary trade area indicated a surplus of (**\$-42,510,062**) for these types of businesses. The extended trade area revealed a similar surplus of (**\$-53,388,484**). While these numbers look like there is no room for new brands to enter this market, surpluses of this size may also mean that area around the site is an importer of restaurant-goers. Sit-down restaurants might feed off these anchor uses if the site should develop with other ancillary uses, such as hotels and offices.

²¹ Smallbusiness.chron

²² [New Mark Merril](http://NewMarkMerril)

²³ Petbusiness.com

Daytime Population

Another factor contributing to the viability of retail development is the 30,504 individuals driving into the area for work. Employees spend an average of \$3,000 per year on transportation (gas) and convenience items (lunch and household goods) where they work.²⁴ The many workers and travelers coming to the area add another potential \$91,512,000 in potential sales, which is all surplus spending. While equating these numbers to likely retail space demand is challenging, this group represents an essential portion of the local consumer market. Also, it should be considered as supporting the amount of physical space the subject property may support. These customers also value convenience and easy access to these stores. This group will most likely spend money on prepared foods, health and beauty products, and small grocery items.

Plainfield Nature Park

Another factor to consider was the planned Plainfield Nature Park facility south and east of the subject property. This facility may increase the demand for food and convenience-related uses, supporting new restaurant space.

Food Establishment Recommendations

The site could accommodate up to four restaurants ranging from 3,500 square feet to 6,000 square feet in 2023, depending on the amount of tourism and the daytime population that comes to the area. Therefore, to maximize the success of this category, the site's development should focus on brands that are unique to the mid-west to ensure they capture the extended trade area shoppers that can find more typical restaurants closer to where they reside.

Existing Market Demand Estimate

Examination of the retail trade area gaps in the primary and extended trade areas revealed which retail categories may have room for additional business types for the subject property. The below analysis utilized the leakage numbers observed in the extended trade area only since the primary trade area showed little need for additional square footage.

Figure 21, Total Square Footage Demand Based on Extended Area Retail Gap Analysis

Business Category	Predicted Square Feet
Clothing and Clothing Accessory Stores	179,192
Health and Personal Care Stores	72,666
Sporting Goods, Hobby, Musical Instrument, And Book Stores	152,176
Building Material and Garden Equipment and Supplies Dealers	55,000
Miscellaneous Store Retailers	94,871
Food Services and Drinking Places (in particular restaurants)	20,000
Total Estimate Square Feet Demand	573,905

However, it should be noted that all of these potential new retail establishments would be relying almost exclusively on extended trade area consumers, workers, and tourists, given the surpluses

²⁴ <https://www.prnewswire.com/news-releases/american-workers-spend-an-average-of-3000-a-year-on-coffee-and-lunch-at-work-according-to-accounting-principals-workonomix-survey-138318264.html>

observed in the primary trade area. To account for this reliance on shoppers that reside more than 10 minutes from the site, we have reduced the square footage amount needed, except for restaurants, by 25 percent. As shown in Figure 23, accounting for the extended trade area, only leakage reduced the total square footage demand to 435,429.

Figure 22, Total Square Footage Demand Based on Extended Area Retail Gap Analysis Reduced by 25 percent

Business Category	Predicted Square Feet	Predicted Square Feet Reduced by 25 Percent to Account for Extended Trade Area Only Leakage
Clothing and Clothing Accessory Stores	179,192	134,394
Health and Personal Care Stores	72,666	54,500
Sporting Goods, Hobby, Musical Instrument, And Book Stores	152,176	114,132
Building Material and Garden Equipment and Supplies Dealers	55,000	41,250
Miscellaneous Store Retailers	94,871	71,153
Food Services and Drinking Places (in particular restaurants)	20,000	20,000
Total Estimate Square Feet Demand	573,905	435,429

Planning for the Future

E-Commerce Effect

The reduced estimate above accounts for the reliance on regional shoppers but does not reflect the ongoing and changing dynamic effects of e-commerce. As of the third quarter of 2022, e-commerce comprised approximately 14.8 percent of the total retail market.²⁵ Figure 25 below incorporates this reduction of 14.8 percent, except for restaurant space. The total predicted retail space needed to fulfill demand in the extended trade area was, therefore, reduced further to 370,985 square feet.

Figure 23, Estimated Quarter US Retail E-Commerce Sales as a Percent of Total Quarter Retail Sales, Third Quarter 2022

²⁵ www.bls.gov

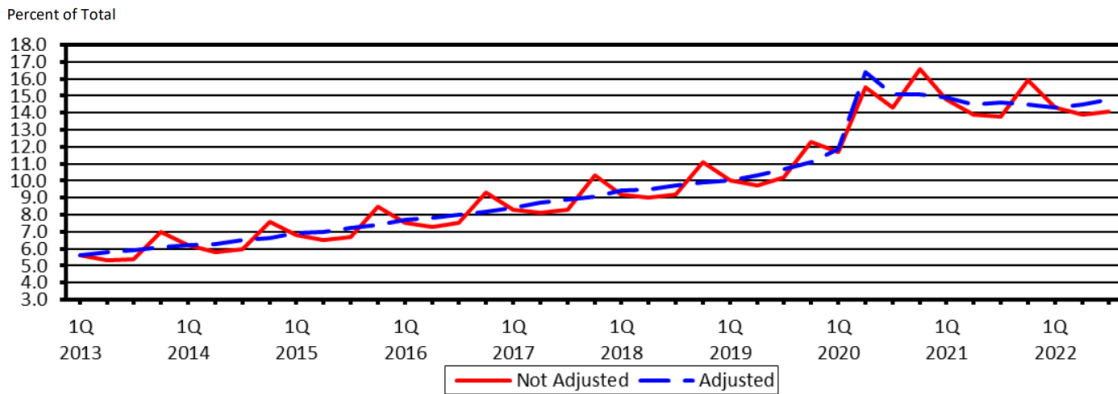


Figure 24, Total Retail Square Feet Demand with E-Commerce Reduction

Business Category	Predicted Square Feet	Predicted Square Feet Reduced by 25 Percent to Account for Extended Trade Area Only Leakage	Predicted Square Feet Reduced by 14.8 Percent E-Commerce
Clothing and Clothing Accessory Stores	179,192	134,394	114,504
Health and Personal Care Stores	72,666	54,500	46,434
Sporting Goods, Hobby, Musical Instrument, And Book Stores	152,176	114,132	97,240
Building Material and Garden Equipment and Supplies Dealers	55,000	41,250	35,145
Miscellaneous Store Retailers	94,871	71,153	60,623
Food Services and Drinking Places (in particular restaurants)	20,000	20,000	20,000
Total Estimate Square Feet Demand	573,905	435,429	370,985

Entertainment Uses

Entertainment business models are changing widely based on the format and types of activities offered. A portion of the potential square footage identified above should include these identified uses to help create a unique shopping environment catering to regional residents. Residents in the 20-minute drive spent an average of \$607 per year on entertainment-related uses, equating to \$203,852,452 in additional spending. Given the increasing share of the retail market share moving to e-commerce, entertainment uses should be considered a vital part of any commercial development on the subject property's tenant mix.

Retail Subcategory Summary

This analysis indicates that extended trade areas may support a substantial amount of retail. However, this study cautions that supporting this amount of retail would rely heavily on customers traveling longer than usual distances, workers, and visitors. The tenant mix must be unique to attract shoppers from further away. The built environment must be exciting and create an experience that retail goers cannot find at competing shopping malls/strip center developments.

The 370,985 square feet of predicted demand only represents potential building square footage. In order to provide a more accurate picture of the amount of total land areas needed, including off-street parking, landscape areas, and retention/detention facilities, this study examined some comparable

shopping centers in the region to help identify the amount of land needed to develop a facility that can accommodate the estimated demand.

Perry Marketplace

Perry marketplace is a regional shopping center on E. Main Street in Plainfield, IN. This commercial development is an open-air mall anchored by similar tenants described above, such as Burlington Coat Factory, Dick's Sporting Goods, and AMC Movie Theater. Multiple smaller retail spaces and supporting restaurants are integrated into the development. A Courtyard by Marriott was also present in this shopping center. The total building square footage or gross leasable area (GLA) was 223,311 square feet. All off-street parking facilities were in surface parking lots, and the entire mall was constructed on a total site area of 22.02 acres.

The Fashion Mall at Keystone

Representing a different product type is the Fashion Mall at Keystone. This mall was enclosed with Saks Fifth Avenue, Crate & Barrel, the Apple Store, Nordstrom, and Landmark Theatres as anchor tenants. Multiple upscale brands and restaurants are located within the indoor multi-tenant space, and several restaurants were constructed in outlots with shared parking facilities. This shopping center is another example of a regional attraction incorporating a mix of retail, restaurant, and entertainment uses similar to those NAICS categories that revealed leakages in the extended trade area. The total GLA for this mall was 716,555 square feet, built on a total land area of 47.40 acres.

Retail Subcategory Developable Land Area Estimates

These two examples show the range of potential land development sites. Perry Marketplace had a smaller footprint than the predicted retail demand, and The Fashion Mall at Keystone had more commercial space available. Each facility's total acres varied in size to accommodate the different amounts of GLA. Therefore, the amount of land dedicated to retail on the subject sits will likely be between 25 and 35 acres.

Changes to the Shopping District Environment

Approximately 25 years ago, an online bookstore named Amazon started in Jeff Bezos' garage, the proliferation of discount goods via "big-box" stores began to disrupt the way consumers priced goods, and the overall rise of the internet predicted the need for a new type of commodity - the "experience." Fast forward to 2023, and the experience economy has arrived. While attributed to the millennial generation, this phenomenon has roots in the prevalence of technology. Long work days, the integration of social media as a primary source of interaction, and the ability to click a button and have a good arrive at your door all play a role in current trends. Shoppers don't need to go to physical stores to obtain goods and services; however, the desire to have an experience has driven some of the new and popular trends such as:

- Craft breweries/tasting rooms
- Axe throwing clubs
- Escape rooms
- Food trucks and niche dining experiences
- Food halls
- Indoor skydiving facilities

“There are only three reasons a consumer visits a store or a shopping center to purchase goods or services. They come either because of convenience, value, or experience. In the “Age of Amazon,” convenience is no longer enough. This leaves us with value or experience.”

-Garrick Brown, Vice President, Retail Intelligence Cushman Wakefield.²⁶

²⁶ Source, *Cushman Wakefield - The Great Retail Reinvention Experience Matters*.

Figure 25, Total Retail Square Feet Demand with E-Commerce Reduction



Image Source, Cushman Wakefield

All Commercial Submarkets Summary

The 250-acre subject property's strategic location off a major interstate, near regional destinations (IND and proposed Nature Park), and proximity to continued residential development represents a unique opportunity in the ICAMSA regional market. Examination of local and regional market trends showed the weakest demand was for new office space at 75,000 square feet over five years. This space is likely limited to multiple small medical offices or potential offices built to house local businesses or co-working spaces.

Hospitality space in the form of hotels and hotel rooms has shown activity in the area, and the site's proximity to the IND also creates demand for new rooms. The large employment centers and proposed Nature Park south and east of the property could also stimulate demand for more large-room meeting space, depending on the proposed lodge space's intent. Based on recent growth, the subject property could sustain adding one to two new hotels with 400 rooms. To compete in the local market, these will need to be upscale offerings that provide an overnight experience not prevalent in the area.

The observed demand with the most market potential is the retail subcategory. This study indicates that the subject site's extended trade area may support a maximum of the potential for 370,985 concentrated in the following categories:

- Clothing and clothing accessories
- Health and personal care
- Sporting goods, hobbies, musical instruments, and bookstores
- Building material and garden equipment and supplies dealers
- Miscellaneous store retailers
- Food services and drinking places (in particular restaurants).

Since the primary trade area indicated surpluses in all these categories, this demand would rely on attracting shoppers, visitors, and travelers from outside the primary trade area, pending further residential development in Hendricks County. Therefore, the physical shopping environment and types of tenants will need to be unique, cater to nearby regional assets, the proposed Nature Park, and attract retailers/restaurants that are not prevalent in the area or ICAMSA.

The proposed site is large enough to incorporate a mix of the three examined subcategories. Blending all three use types' unique physical environments would also incentivize visitors and regional shoppers to visit the site. Figure 26 below illustrates how much of the total 250 acres. These combined uses would occupy based on the demand amounts estimated by this study.

Figure 26, Total Commercial Square Feet Demand with E-Commerce

Commercial Submarket Category	Total Demand for Building Space	Total Acres of Land Area Needed
Office	45,000 to 75,000 square feet	3 to 7
Hotel and Large Meeting Room Space	100 to 450 rooms	2 to 8
Retail Space	250,000 to 371,000 square feet	25 to 35
Total Commercial Development	N/A	30 to 50

Based on this study, the maximum land area needed for all three commercial market subcategories would be 30 to 50 acres out of the subject property's 250 total acres. The balance of the Area of Study, east and south of the recommended commercial development, should consist of advanced logistics, manufacturing, and other light industrial uses ("I2"). See Exhibit A for an example layout for these uses. Care should be taken to implement design features to soften the transition from Commercial to I2 development, such as landscaping/screening elements and enhanced architectural features.