

**GREENBERG  
DEVELOPMENT  
SERVICES**

**VIRGINIA MAIN STREET  
ESSENTIALS**  
ECONOMIC RESTRUCTURING  
Session 3. How great is your downtown?

Workshop speaker:  
Hilary Greenberg



**HOW GREAT IS YOUR DOWNTOWN?**

**CHALLENGES FACING DOWNTOWN**

- > Vacant and deteriorating buildings
- > Obsolete selling space
- > Poor retail and service mix
- > Lack of pedestrian activity
- > Inconvenient parking and traffic flow
- > Perceived unsafe environment
- > Retail Sales-Rent-Value relationship out of line

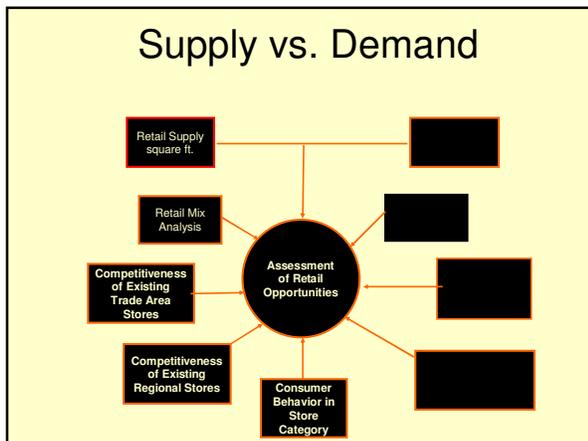
**HOW GREAT IS YOUR DOWNTOWN?**

- > Deferred marketing and advertising
- > Deferred maintenance
- > Delayed or cancelled projects particularly public-private ventures
- > Loss of investment momentum



**HOW GREAT IS YOUR DOWNTOWN?**

- > Decline in retail sales, property values, and value of ITCs
- > Increase in vacancies, foreclosures & store closings
- > Fewer expansions or recruitment prospects

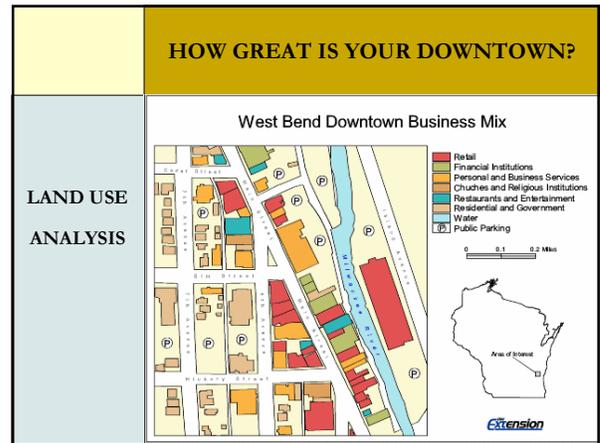
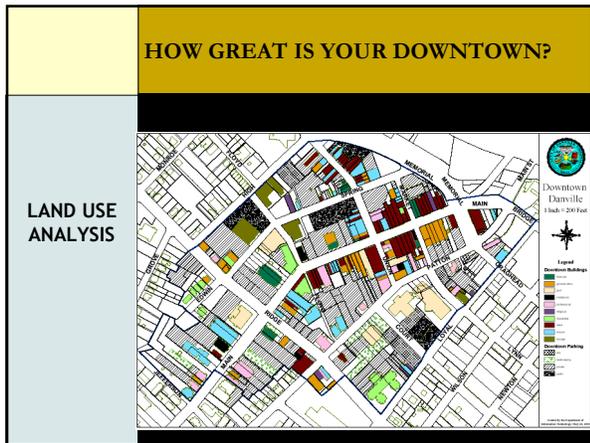


**HOW GREAT IS YOUR DOWNTOWN?**

**COMMERCIAL ASSESSMENT**

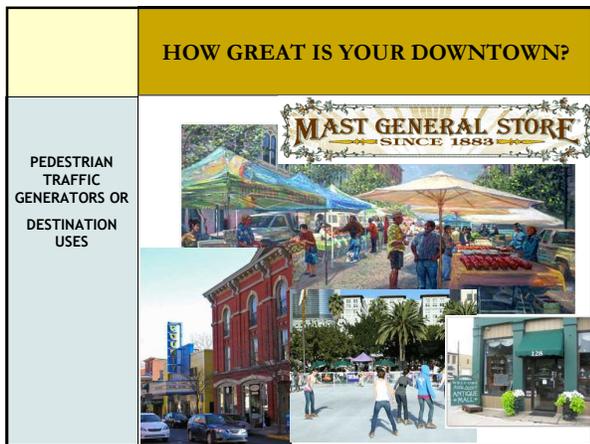
- > External Conditions
- > Business Mix
- > Real Estate
- > Business Cluster Analysis
- > Business Health



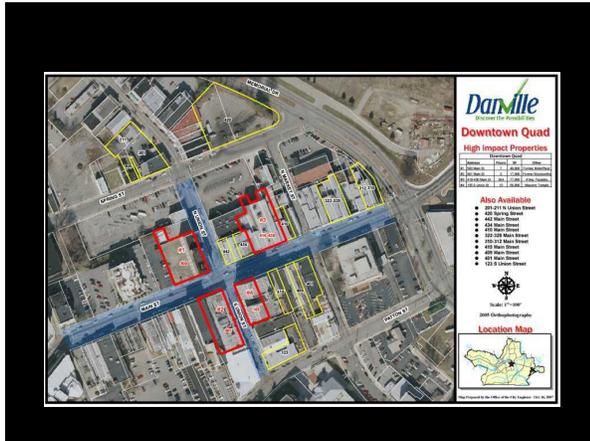
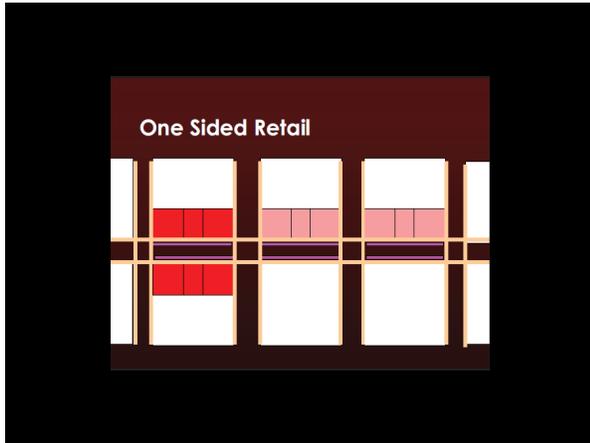


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|                                | <b>HOW GREAT IS YOUR DOWNTOWN?</b>   |
| <b>SOURCES FOR INFORMATION</b> | <ul style="list-style-type: none"> <li>&gt; Maps</li> <li>&gt; Parking and traffic studies</li> <li>&gt; Streetscape plans</li> <li>&gt; Engineering studies</li> <li>&gt; Consumer Intercept &amp; Business survey</li> <li>&gt; Façade renderings</li> <li>&gt; Building inspection</li> </ul> |

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|                              | <b>HOW GREAT IS YOUR DOWNTOWN?</b>   |
| <b>BUSINESS MIX ANALYSIS</b> | <ul style="list-style-type: none"> <li>&gt; Employment Center</li> <li>&gt; Pedestrian generator</li> <li>&gt; Destination</li> <li>&gt; Vacancy or Functional Vacancy</li> <li>&gt; Impulse or Convenience</li> </ul> |



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|                    | <b>HOW GREAT IS YOUR DOWNTOWN?</b>   |
| <b>REAL ESTATE</b> | <ul style="list-style-type: none"> <li>&gt; LOCATION</li> <li>&gt; OWNERSHIP             <ul style="list-style-type: none"> <li>- Absentee</li> <li>- Owner/tenant</li> </ul> </li> <li>&gt; TENANTS             <ul style="list-style-type: none"> <li>- Locally-owned</li> <li>- franchise</li> <li>- chain</li> <li>- Start-up</li> <li>- immigrant merchants</li> <li>- Part-time retailers</li> </ul> </li> <li>&gt; CONDITION</li> </ul> |



| HOW GREAT IS YOUR DOWNTOWN? |  |
|-----------------------------|--|
| BUSINESS CLUSTER ANALYSIS   | <ul style="list-style-type: none"> <li>➤ TARGET MARKETS               <ul style="list-style-type: none"> <li>➤ Income</li> <li>➤ Age</li> <li>➤ Lifestyle</li> </ul> </li> <li>➤ FUNCTION               <ul style="list-style-type: none"> <li>➤ Compatible</li> <li>➤ Complementary</li> <li>➤ Competitive</li> </ul> </li> </ul> |

| HOW GREAT IS YOUR DOWNTOWN? |  |
|-----------------------------|--|
| TARGET CUSTOMERS            | <ul style="list-style-type: none"> <li>▪ COMMUTERS</li> <li>▪ RESIDENTS/NEIGHBORS</li> <li>▪ EMPLOYEES</li> <li>▪ TOURISTS AND DAY-TRIPPERS</li> <li>▪ ENTERTAINMENT SEEKERS</li> <li>▪ TREASURE HUNTERS</li> <li>▪ HOBBYISTS</li> <li>▪ MIDDLE-INCOME</li> <li>▪ RETIREES</li> <li>▪ BUDGET SHOPPERS</li> <li>▪ IMPULSE SHOPPERS</li> </ul> |

| HOW GREAT IS YOUR DOWNTOWN? |  |
|-----------------------------|--|
| BUSINESS CLUSTER ANALYSIS   | <p>COMPATIBLE CLUSTERS</p> <ul style="list-style-type: none"> <li>➤ HOME and HEARTH- Furnishing, Antiques, Design, Appliance, Products</li> <li>➤ LIFESTYLE SPECIALTY - Gift, Jewelry, Wedding, Outdoor, Pets, Hobbies, Spas</li> <li>➤ FOOD-Restaurant, Take out, Grocery</li> <li>➤ ENTERTAINMENT-Cultural uses, Live Performances, Recreation, Public gathering</li> <li>➤ CONVENIENCE -Personal Service, Pharmacy, Hardware</li> <li>➤ BUSINESS -Professional, Medical, Service, General office</li> </ul> |

**HOW GREAT IS YOUR DOWNTOWN?**

**BUSINESS CLUSTER ANALYSIS**

**COMPLEMENTARY:**



**BUSINESSES THAT TARGET SIMILAR CUSTOMERS OR CARRY PRODUCTS THAT COMPLEMENT**

**HOW GREAT IS YOUR DOWNTOWN?**

**BUSINESS CLUSTER ANALYSIS**

**COMPLEMENTARY:**

- DSTG (apparel, jewelry, shoe)
- Antique mall
- Government/legal
- Home accessories/furniture
- Restaurant/entertainment
- Professional or business services
- Automotive
- Hobby
- Fashion



**HOW GREAT IS YOUR DOWNTOWN?**

**BUSINESS CLUSTER ANALYSIS**

**COMPETITIVE:**

Businesses that compete on price or product.



**HOW GREAT IS YOUR DOWNTOWN?**

**BUSINESS CLUSTER ANALYSIS**

**COMPETITIVE:**

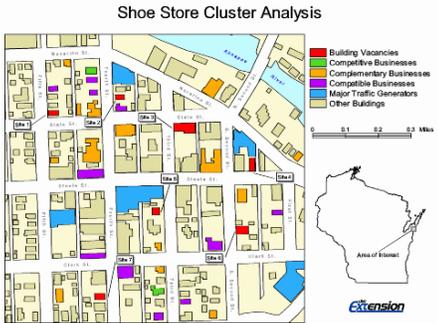
- Automotive
- Jewelry
- Discount
- Convenience
- Furniture



**HOW GREAT IS YOUR DOWNTOWN?**

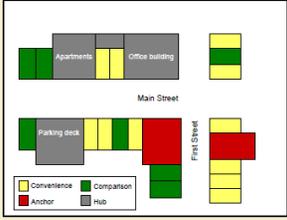
**TIP: USE GIS MAPPING SYSTEM TO SHOW RELATIONSHIPS**

**Shoe Store Cluster Analysis**

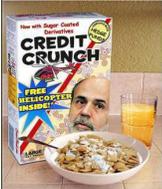


**HOW GREAT IS YOUR DOWNTOWN?**

**BUSINESS CLUSTER ANALYSIS**



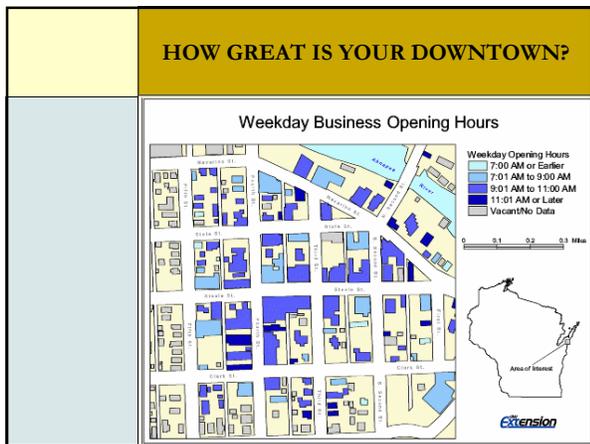
Map by Clue Group

| HOW GREAT IS YOUR DOWNTOWN?      |   |
|----------------------------------|---|
| Health of Businesses in District | <ul style="list-style-type: none"> <li>➤ Financing</li> <li>➤ Internal controls</li> <li>➤ Merchandising</li> <li>➤ Marketing</li> <li>➤ Service</li> </ul>  |

| HOW GREAT IS YOUR DOWNTOWN? |  |
|-----------------------------|--|
| WARNING SIGNS               | <ul style="list-style-type: none"> <li>➤ Rising vacancy rate</li> <li>➤ Expenses &gt; Cash flow</li> <li>➤ Financing or credit issue</li> <li>➤ Employee turnover</li> <li>➤ Cutback in ads</li> <li>➤ Tenant issues</li> <li>➤ Personal problems</li> </ul>  |

| HOW GREAT IS YOUR DOWNTOWN? |  |
|-----------------------------|--|
| Warning signs               | <ul style="list-style-type: none"> <li>➤ Significant increase in receivables</li> <li>➤ A rapidly increasing inventory</li> <li>➤ A drop in sales or difficulty in maintaining market share</li> <li>➤ Difficulty in obtaining credit or working capital</li> <li>➤ Inability to pay vendors in a timely manner</li> <li>➤ Routinely accessing available credit to finance current operations</li> <li>➤ Changes in supplier's terms and availability</li> </ul> |

| HOW GREAT IS YOUR DOWNTOWN?          |  |
|--------------------------------------|--|
| Tools to evaluate health of District | <ul style="list-style-type: none"> <li>➤ Mystery shopper</li> <li>➤ Consumer surveys</li> <li>➤ Intercept surveys</li> <li>➤ Business surveys</li> <li>➤ Focus groups</li> </ul> |

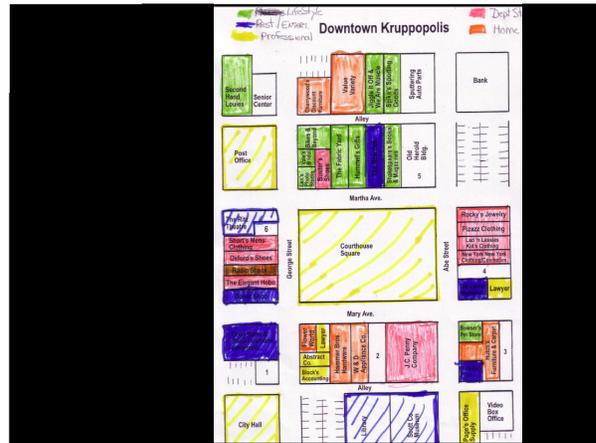


| HOW GOOD IS YOUR DOWNTOWN?    |   |
|-------------------------------|---|
| MATURE PROGRAM RECOMMENDATION | <p><b>BUSINESS ENVIRONMENT:</b></p> <ul style="list-style-type: none"> <li>➤ Update business &amp; property inventory</li> <li>➤ Interview developers and store managers</li> <li>➤ Reevaluate conditions and prioritize projects</li> <li>➤ Organize a "first impressions" visit with another community</li> </ul>  <p><b>BUSINESS CLUSTERS:</b></p> <ul style="list-style-type: none"> <li>➤ Update cluster map showing similar businesses</li> <li>➤ Identify location of vacant uses</li> <li>➤ Identify sites for emerging market niche clusters</li> </ul> |

|                               | HOW GOOD IS YOUR DOWNTOWN?   |
|-------------------------------|--|
| MATURE PROGRAM RECOMMENDATION | <p><b>BUSINESS CLIMATE AND BUSINESS OPERATIONS:</b></p> <ul style="list-style-type: none"> <li>➤ Conduct in-store interviews</li> <li>➤ Encourage businesses to reassess balance sheet not just P&amp;L</li> <li>➤ Establish a support network of SCORE, SBA and Lenders to assess issues</li> <li>➤ Hold regular forums to identify common small business issues</li> </ul> |

|   | HOW GOOD IS YOUR DOWNTOWN?   |
|---|--|
| DOWNTOWN KRUPPOPOLIS<br><br>COMMERCIAL ASSESSMENT | <p><b>Assets:</b></p> <ul style="list-style-type: none"> <li>➤ Good retail mix</li> <li>➤ Several key business clusters</li> <li>➤ Courthouse square</li> <li>➤ Large downtown workforce</li> <li>➤ Downtown housing</li> <li>➤ County seat</li> <li>➤ Several major employers in or near</li> </ul> |

|                       | HOW GOOD IS YOUR DOWNTOWN?  |
|-----------------------|---|
| COMMERCIAL ASSESSMENT | <p><b>BUSINESS CLUSTERS</b></p> <p>Complementary:</p> <p>DSTG – (10 stores incl. 1 dept store)</p> <p>Home - ( 5 stores incl. 2 furn)</p> <p>RED - ( 5 restaurants, 3 cultural anchors)</p> <p>Lifestyle - (8 stores)</p> <p>Prof/service – ( 5 businesses, incl. 3 anchor)</p> <p>Convenience: Video, bakery, pizza, variety</p> <p>Competitive: Furniture</p> |



|                       | HOW GOOD IS YOUR DOWNTOWN?   |
|-----------------------|--|
| COMMERCIAL ASSESSMENT | <p><b>Liabilities or issues:</b></p> <ul style="list-style-type: none"> <li>➤ Courthouse square – parking issues, office tenant encroachment, fragmentation of street.</li> <li>➤ Poor directional signage</li> <li>➤ Several large vacancies</li> <li>➤ No ITC</li> <li>➤ Deferred maintenance</li> <li>➤ Merchant issues: hours, employee parking, cohesiveness</li> </ul> |