

**FLORIDA MAIN STREET**

**Quarterly Main Street Meeting**



**Cocoa, Florida**  
**June 23-24, 2014**

**TIPS FOR BUILDING A HEALTHIER BUSINESS MIX**

**CONTACT INFORMATION**




**GREENBERG DEVELOPMENT SERVICES**  
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**TIPS FOR BUILDING A HEALTHIER DOWNTOWN**

1. Commercial Assessment.
2. Understanding Consumer.
3. Developing a Strategic Plan.
4. Recruiting from within.
5. Funding options.
6. Business Recruitment.




**FLORIDA MANAGERS WORKSHOP**

**MORNING SESSIONS:**

- Evaluating your Downtown.
- Understanding your Market.
- Developing a Strategic Plan



## FLORIDA MANAGERS WORKSHOP

### AFTERNOON SESSIONS:

- Recruiting businesses from within.
- Financial incentives and funding for small businesses.
- Business Recruitment strategies and tips.

## DIFFICULT TIMES

### THE ECONOGAUGE

Our weekly estimate of the prevailing mood among investors and consumers



## NEW REALITY

### DEMOGRAPHIC:

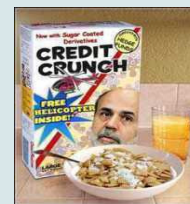
- Population shift to larger cities
- Flat growth rate
- More diverse markets
- Volatile economy
- Changing consumer trends



## NEW REALITY

### REAL ESTATE:

- Changing credit and financing
- Fewer tenants
- Declining rents
- Delayed projects
- Limited capital improvements



## NEW REALITY

### TECHNOLOGY:

- Rural high speed internet
- Web savvy customers
- Smart phone coupons
- Mass Mingling



## OPPORTUNITY FOR DOWNTOWN

- Trade area boundaries are blurring.
- More start-ups.
- New tenants as site criteria changes.
- Increased sales from multi-channel selling.
- New development through creative partnerships.

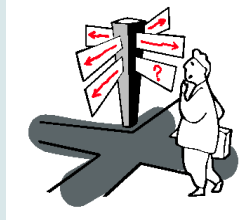


## Downtown Is More Important Than Ever

- Employment hubs and catalyst for local jobs.
  - Spaces for entrepreneurs.
  - Access to labor force.
  - Physical proximity for face-to-face meetings.
  - Convenient location.
- Retail sales are important revenue for Govt. and offset declines in Residential tax base.
- Local expenditures create multiplier effect.
- Attract younger market segments.

## TIPS FOR BUILDING A HEALTHIER DOWNTOWN

1. How Well Do You Understand the Customer.
2. Evaluating Downtown's Business Base.
3. Developing a Strategic Plan
4. Recruiting from within
5. Funding options
6. Business Recruitment

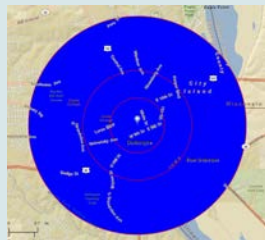


## WHO ARE THE CUSTOMERS?



## MARKET ANALYSIS

- Trade area
- Market profile
- Lifestyle segments
- Sales gaps/retail demand
- Market opportunities

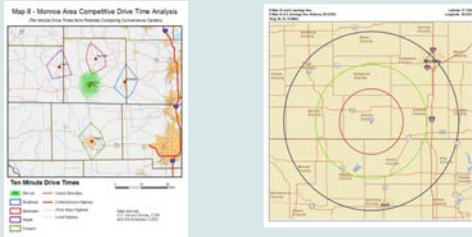


## UNDERSTAND YOUR MARKET

### Trade area defines retail opportunities



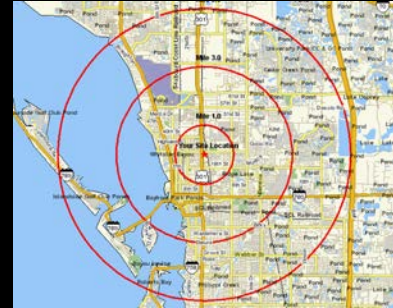
## TRADE AREAS



Helpful  
Tips

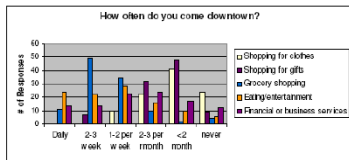
## TRADE AREA

Watch for physical barriers and historical commuting patterns



## SURVEYS TO CLARIFY BOUNDARIES

1. How often do you come Downtown?



## ZIP CODE SURVEY



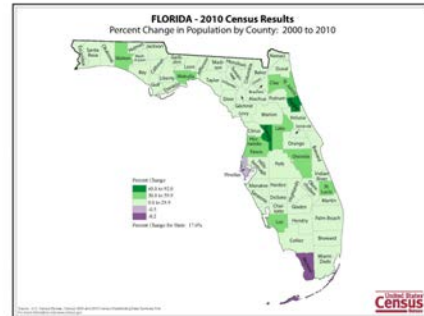
Helpful  
Tips


## TRADE AREAS


Use free report to draw boundaries

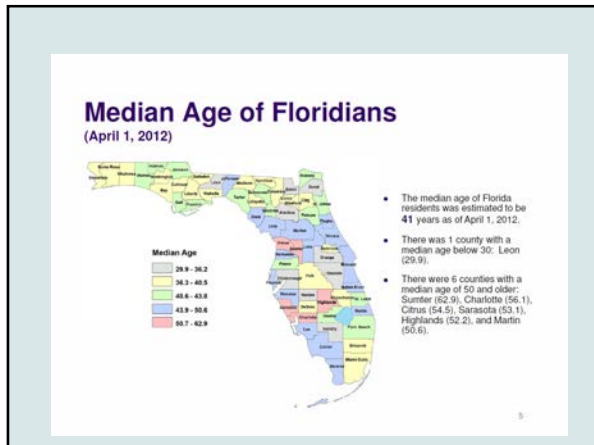


## MARKET PROFILE




	<b>MARKET PROFILE</b>
<b>DEMO &amp; ECONOMIC PROFILE</b>	<ul style="list-style-type: none"> <li>• Income</li> <li>• Age</li> <li>• Race</li> </ul>  <ul style="list-style-type: none"> <li>• Occupation</li> <li>• Wages</li> <li>• Employment</li> </ul>

	<b>MARKET TRENDS</b>
Key Demographic trends	<ul style="list-style-type: none"> <li>❑ Gen Y- 70 M people (ages 10-29)</li> <li>❑ Gray Wave -77 M people (ages 55-69)</li> <li>❑ Increasingly diverse households</li> </ul> 

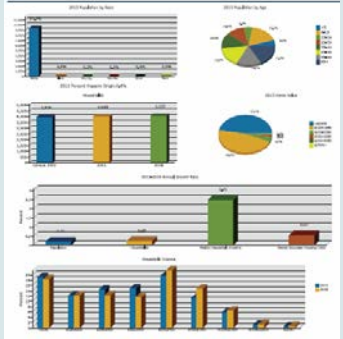


### MARKET TRENDS

- FL getting younger and more diverse.
- Workers are delaying retirement.
- More multi-generational families.
- Younger, educated prefer Cities-Downtowns.
- More jobs from immigrants.



<b>Helpful Tips</b>	<b>MARKET ASSESSMENT</b>																																				
Use charts and graphs to clarify data	<p style="text-align: center;"><b>2010 Demographic Profile</b></p> <table border="1"> <thead> <tr> <th>CHARACTERISTIC</th> <th>PRIMARY TRADE AREA</th> <th>SECONDARY TRADE AREA</th> <th>TERTIARY TRADE AREA</th> </tr> </thead> <tbody> <tr> <td>Population</td> <td>7,109</td> <td>30,639</td> <td>481,549</td> </tr> <tr> <td>Households</td> <td>3,026</td> <td>12,366</td> <td>190,426</td> </tr> <tr> <td>Median Household Income</td> <td>\$24,810</td> <td>\$41,877</td> <td>\$49,770</td> </tr> <tr> <td>Per Capita Income</td> <td>\$16,599</td> <td>\$19,070</td> <td>\$22,965</td> </tr> <tr> <td>Med. age</td> <td>45.7</td> <td>43.4</td> <td>36.4</td> </tr> <tr> <td>Average HH size</td> <td>2.38</td> <td>2.43</td> <td>2.48</td> </tr> <tr> <td>Owner occ housing</td> <td>57.2%</td> <td>60.2%</td> <td>58.0%</td> </tr> <tr> <td>Vacant housing ESRI estimates</td> <td>23.4%</td> <td>22.6%</td> <td>12.3%</td> </tr> </tbody> </table>	CHARACTERISTIC	PRIMARY TRADE AREA	SECONDARY TRADE AREA	TERTIARY TRADE AREA	Population	7,109	30,639	481,549	Households	3,026	12,366	190,426	Median Household Income	\$24,810	\$41,877	\$49,770	Per Capita Income	\$16,599	\$19,070	\$22,965	Med. age	45.7	43.4	36.4	Average HH size	2.38	2.43	2.48	Owner occ housing	57.2%	60.2%	58.0%	Vacant housing ESRI estimates	23.4%	22.6%	12.3%
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<b>Helpful Tips</b>	<b>MARKET ASSESSMENT</b>
Use charts and graphs to clarify data	



**Helpful Tips**

**MARKET ASSESSMENT**

Free Data Reports

Medium Household Income  
2008 Census Information  
Lenoir North Carolina

Legend

- 100,000+
- 75,000+
- 50,000+
- 25,000+
- 10,000+
- 5,000+
- 2,500+
- 1,000+
- 500+
- 250+
- 100+
- 50+
- 25+
- 10+
- 5+
- 2+
- 1+

Central Bank Assessment Service  
Central Bank Assessment, Inc. 1998  
10000+ 400000  
75000+ 400000  
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25+ 400000  
10+ 400000  
5+ 400000  
2+ 400000  
1+ 400000

**CONSUMER TRENDS**

pet products  
wild birds

**THE "FRUGAL" CONSUMER**

RECYCLE with Style  
HELP CLEAN YOUR OCEANS

**THE "GREEN" CONSUMER**

ECO FRIENDLY CUSTOM CLEANERS

**THE "LOCAL" CONSUMER**

SHOP LOCAL EAT WELL  
FARM TO TABLE

**THE "LOCAL" CONSUMER**

Uptown Shelby ASSOCIATION Shop local for better living.  
www.uptownshelby.org

JOIN US FOR SMALL BUSINESS SATURDAY. NOVEMBER 26

BAR'S OPEN  
EAT HERE or we Both GO HUNGRY  
LUNCH OR DINNER  
Wed. thru SUN.  
11:30-2:30/5:30-till

## THE "CHARITABLE" CONSUMER

**Chefs Help Japan**  
Dinner at Chef Allen's  
Sunday, April 5, 2011  
Inch, Inch & Dinner Reception

**you are helping us give**  
**WE GAVE 50,000 KIDS**  
**THEIR FIRST PAIR OF SHOES**

**Great Wines... FOR A Greater Cause...**  
**SHARE OUR WINE WITH THOSE YOU LOVE DURING THE HOLIDAYS...**  
Thank You!

**STEP UP AND SAVE 20%**  
COLLEMAN & SOLES4SOULS  
From March 15th, choose any pair of shoes you want to purchase and receive a 20% discount on the purchase of a pair of shoes. Offer good on all shoes. Excludes shoes purchased with other offers.

## CONSUMER ATTITUDE

**Surveys:**  
**Consumer Intercept**  
**Business Focus groups**  
**Interviews**

**Business #1 Customer Origins by Zip Code**

**Where do you live?**

**How often do you come Downtown?**

**How often do you come downtown?**

- Shopping for clothes
- Shopping for gifts
- Getting something
- Getting entertainment
- For work or business purposes

## LIFESTYLE TRENDS

**Legend**  
Tapestry Life-Mode Summary Occupies by County

- High Society
- Wives/Wives
- Millennials
- Edgy Aids
- Young Urban
- Children & Family
- High Income
- Charm/Power
- Family Purview
- Traditional Living
- Postmodern & Power
- American Quilt

## MARKET ASSESSMENT

**Lifestyle trends**

- Religion
- Ethnicity
- Employment
- Income
- Geography

## LIFESTYLE SEGMENTS

**More segments = more niche businesses**

**LIFESTYLE CATEGORIES**

**Primary Trade Area Lifestyle Chart**

## MARKET ASSESSMENT

**Helpful Tips**

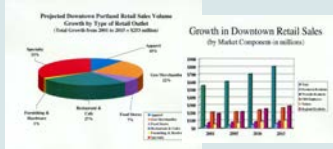
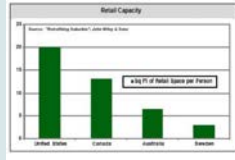
**Purchase market niche data**

**esri**  
Current Tapestry Site Map

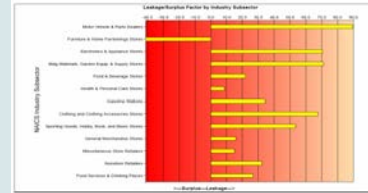
## MARKET ASSESSMENT

### RETAIL SALES

- Trends
- Comparisons
- Competition
- Sales Gaps
- Downtown Share



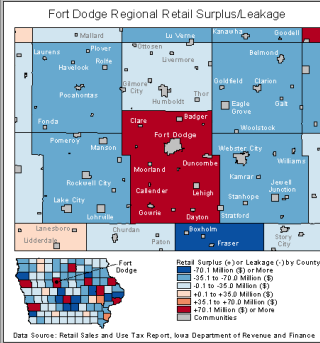
## RETAIL SALES GAP



## RETAIL SALES LEAKAGE

Areas with malls or tourist attractions have sales surplus

Rural areas have sales leakage



## SALES GAP ANALYSIS

$$\text{POTENTIAL SALE} - \text{ACTUAL SALES} = \text{SALES LEAKAGE OR (SURPLUS)}$$

- Potential sales = average HH expenditure multiplied by # of HH in trade area
- Actual Sales = Florida Dept of Revenue or Data Co.
- Sales Surplus = When actual sales are greater than potential sales.
- Sales leakage = Potential sales are greater than actual sales

## DOWNTOWN SHARE

Retail Stores	20% of PTA Outflow	10% of STA Outflow	Potential Capture	Sales per Square Foot	Calculated Capture
Selected Retail Categories Below	10,316,222	3,460,148	13,776,370		100,174
Furniture Stores	531,279	68,640	600,119	141.84	4,231
Home Furnishings Stores	369,431	55,913	445,344	187.75	2,655
Household Appliances Stores	118,198	21,387	139,585	245.44	569
Radio, Television, Electronics Stores	308,469	65,969	374,438	207.17	1,807
Computer and Software Stores	139,355	20,335	159,690	207.17	771
Camera and Photographic Equipment Stores	18,107	4,010	22,117	542.63	41
Building Material and Supply Dealers	3,818,381	509,463	4,407,844	142.38	30,358
Hardware Stores	331,930	44,837	376,767	121.08	3,112
Grocery Stores	852,294	638,056	1,490,350	371.79	4,009
Health and Personal Care Stores	(2,432,126)	324,542	247,29	247.29	
Clothing and Clothing Accessories Stores	690,841	211,476	902,317	164.60	5,482
Women's Accessory & Specialty	(405,960)	38,877		164.60	
Shoe Stores	151,703	31,317	183,021	188.81	1,152
Jewelry Stores	86,212	20,844	107,056	253.80	406
Luggage and Leather Goods Stores	16,879	2,065	18,744	198.82	94
Sporting Goods Stores	172,118	24,796	196,912	153.48	1,283
Hobby, Toys and Games Stores	126,335	17,840	154,775	146.28	1,058
Sew/Needwork/Piece Goods Stores	39,506	5,233	44,739	74.91	597
Book Stores	121,513	15,019	136,532	181.16	847
General Merchandise Stores	2,168,218	670,335	2,838,552	133.80	21,184
Florida	(7.15)	9,618	8,902	149.82	59
Gift, Novelty and Souvenir Stores	90,702	23,293	115,995	188.55	888
Foodservice and Drinking Places	2,828,692	833,015	3,362,707	201.63	16,678
Drinking Places-Alcoholic Beverages	194,462	25,069	219,531	89.07	2,493

## RETAIL SALE ANALYSIS

- |                       |   |
|-----------------------|---|
| POTENTIAL SALES       | <ul style="list-style-type: none"> <li>• Consumer Expenditure Survey</li> <li>• Claritas, ESRI (Data Company)</li> </ul>  |
| ACTUAL SALES          | <ul style="list-style-type: none"> <li>• Sales Marketing's Survey Of Buying Power</li> <li>• Dept. of Revenue</li> <li>• Claritas, ESRI (Data Company)</li> </ul>   |
| SALES PER SQUARE FOOT | <ul style="list-style-type: none"> <li>• ULI -Dollars and Cents of Shopping</li> </ul>  |
| "HOW TO" PUBLICATIONS | <ul style="list-style-type: none"> <li>• <a href="http://www.uwex.edu/ces/cced/dma">http://www.uwex.edu/ces/cced/dma</a></li> <li>• National Main Street Center</li> <li>• State Main Street Program</li> </ul> |



Helpful Tips

## MARKET ASSESSMENT

Purchase sales leakage reports  
Or use templates

## MARKET OPPORTUNITY

- Demand by niches clusters
- Demand by store categories
- Specific stores

## STORE CATEGORY

MARKET OPPORTUNITIES

- Home Décor
- Restaurant
- Soft goods
- Lifestyle
- Convenience
- Medical

## EXERCISE

Furniture store	Total households	10,000
	Average per HH sale	\$4,000
	County actual sales	\$30M
	Downtown share of market	30%
	Average sales per foot	\$200
	Existing amount of space	7,500 ft.

## EXERCISE

1. Potential Downtown sales:  
County hh multiplied by State's average sale per hh  
 $10,000 \times 4,000 = 40 \text{ million}$
2. Actual sales: 30 million
3. Sales Leakage =  $40 - 30 = 10M$

## EXERCISE

4. Downtown Share:  
 $10 \text{ million} \times 30\% = 3 \text{ million}$
5. Downtown Sq. Ft.:  
 $3 \text{ million} / \$200 = 15,000 \text{ ft.}$
6. 15,000- 7,500

Downtown can support additional store.

**TIPS FOR BUILDING  
A  
HEALTHIER BUSINESS MIX**

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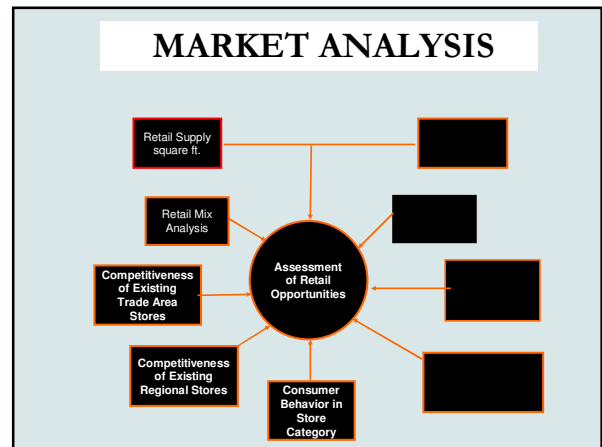
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**FLORIDA MANAGERS WORKSHOP**

**AFTERNOON SESSIONS:**

- Recruiting businesses from within.
- Financial incentives and funding for small businesses.
- Business Recruitment strategies and tips.

What is your community telling you?



## COMMON PROBLEMS

- Vacancies
- Deferred maintenance
- Sales-Rent-Value skewed
- Obsolete selling space
- Underutilized upper floors
- Skewed retail mix
- Few destination uses
- Underperforming retailers
- Inconvenient parking
- Unmotivated property owners
- Dysfunctional government

## 2. EVALUATING DOWNTOWN

- **Conditions**
  - Buildings
  - Streetscape
  - Environmental
  - Regulatory
  - Social
- **Real Estate**
  - Ownership
  - Condition
  - Opportunities
- **Business Mix**
  - Function and use
  - Location
  - Cluster
- **Business Viability**



## BUILDING FAÇADE AND CONDITIONS



## PHYSICAL CONDITIONS

Buildings:  
Facades  
Interiors



## STREETSCAPE

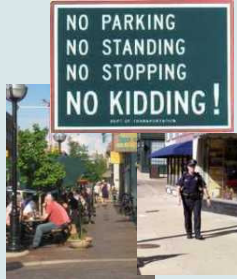


## STREETSCAPE



## COMMERCIAL ASSESSMENT

- Crime
- Homelessness
- Building code
- Zoning
- Energy efficient
- Walkability



## Walkable development focus areas



## PUBLIC ATTITUDES



## CONDITIONS ASSESSMENT

Helpful Tips

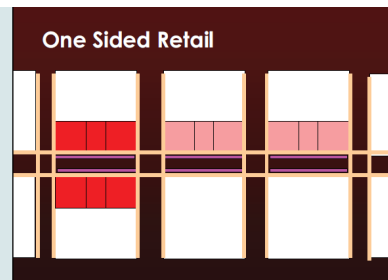
- Maps
- Parking and traffic studies
- Streetscape plans
- Engineering studies
- Consumer Intercept & Business survey
- Facade renderings
- Building inspection

## REAL ESTATE

- Availability
- Price
- Location
- Condition
- Ownership
- Opportunities



## LOCATION





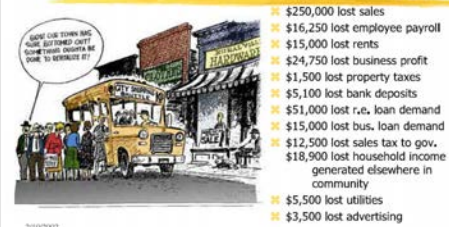
## LOCATION

### Discontinuous Retail



## CHALLENGES

### Cost of an Empty Store on Main Street



### For whom is the White Elephant Building a Problem and How is it a Problem?

City



- Property tax revenues
- Sales tax revenues
- Underutilization of infrastructure
- Public liability
- Complaints from public/other property owners
- Image of the city
- Eyesore

### For whom is the White Elephant Building a Problem and How is it a Problem?

Adjacent Property and Business Owners



- Negative impact on property values
- Negative impact on rents
- Reduced pedestrian movement
- Adverse impact of vacancy
- Sense of failure
- Broken Window syndrome
- Image of all businesses

## OPPORTUNITIES



## OPPORTUNITIES





## COMMERCIAL ASSESSMENT

- **Business Mix**
  - Types of Use
  - Function
  - Location
  - Ownership
  - Target Customer
  - Business Cluster



## TYPES AND USES



## MOST COMMON BUSINESSES BY TYPE OF USE

WITHIN .5-Miles OF TOWN

NAICS Description	Ave. Sales 1,000-2,500 pop.	Ave. Sales 50,000-100,000 pop.
Full-service restaurants	\$477,000	\$813,000
Drinking places (alcoholic beverages)	243,000	353,000
Beauty salons	132,000	286,000

Source: InfoUSA

## OWNERSHIP

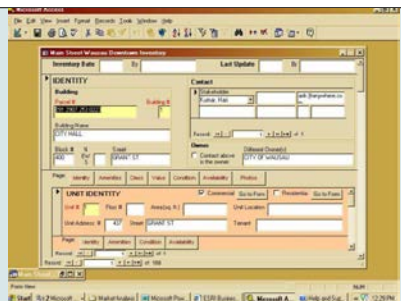
- Locally-owned
- Franchise
- Chain
- Start-up
- Immigrant merchants
- Part-time/hobby retailers



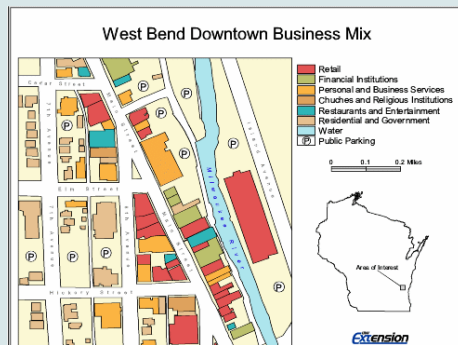
## BUSINESS INVENTORY

Helpful  
Tips

Downtown  
data base  
software



## TYPES OF USES



## TYPES OF CLUSTERS

- **TARGET MARKETS**

- Proximity
- Demographic characteristic
- Lifestyle
- Employment



- **CLUSTER**

- Compatible
- Complementary
- Competitive

## COMPETITIVE

- Jewelry
- Shoes
- Furniture
- Pawn
- Nail



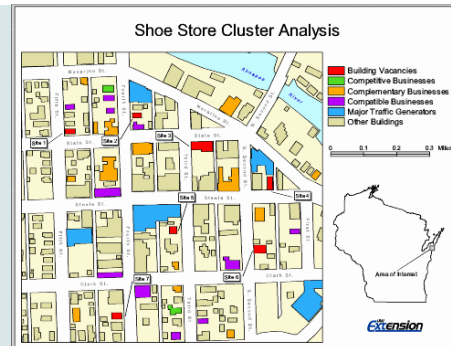
## COMPLEMENTARY

Similar customers or complementary products

- Shoppers goods
- Government/legal
- Home
- Restaurants Bars and Entertainment
- Wedding
- Lifestyle retailers

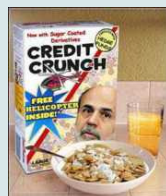


## BUSINESS CLUSTERS



## BUSINESS VIABILITY

- Operation/practices
- Ownership
- Financing
- Cash flow
- Technology
- Regulations



## WARNING SIGNS

- Rising vacancy rate
- Expenses > Cash flow
- Financing or credit issue
- Employee turnover
- Cutback in ads
- Tenant issues
- Personal problems

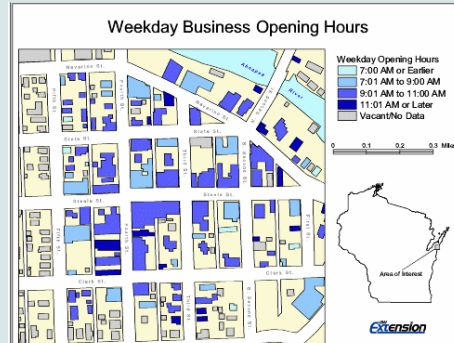


Helpful  
Tips

## BUSINESS VIABILITY

- Survey businesses to clarify issues
  - Personal interview
  - Survey monkey
  - Zoomerang
  
- Conduct audits
  - Inventory and store layout
  - Back door sales

## BUSINESS OPERATION



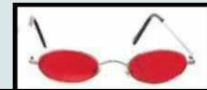
Helpful  
Tips

## BUSINESS VIABILITY

- Evaluate technology savvy
  - Website
  - Social media
  - Email newsletters and surveys
  
- Evaluate financing gaps and issues
  - Talk with Local lenders and CPA
  - Talk with Landlords

## COMMERCIAL ASSESSMENT

- Update business & property inventory and conduct interviews.
- Interview developers, store managers, lenders to identify issues.
- Hold small business meetings to identify common issues.
- Organize a “first impressions” visit.
- Prepare a map showing similar businesses by cluster, target customer and function.
- Map location of vacant and underutilized buildings and rental space.
- Summarize strengths and weaknesses





## TIPS FOR BUILDING A HEALTHIER BUSINESS MIX



## CONTACT INFORMATION



GREENBERG DEVELOPMENT SERVICES  
Planning & Economic Development  
[www.greenbergdevelopmentservices.com](http://www.greenbergdevelopmentservices.com)

Hilary Greenberg  
704.366.1541  
[hilarygreenberg@hotmail.com](mailto:hilarygreenberg@hotmail.com)



## FLORIDA MANAGERS WORKSHOP

### MORNING SESSIONS:

- Evaluating your Downtown.
- Understanding your Market.
- Developing a Strategic Plan



## FLORIDA MANAGERS WORKSHOP

### AFTERNOON SESSIONS:

- Recruiting businesses from within.
- Financial incentives and funding for small businesses.
- Business Recruitment strategies and tips.

## 3. STRATEGIC PLAN

- Set vision, goals and objectives.
- Identify niches, projects and tenants.
- Concept map.
- Build organizational capacity.
- Implementation plan.




## STRATEGIC PLAN


CHARACTERISTICS OF A GREAT DOWNTOWN




	<b>STRATEGIC PLAN</b>
<b>What makes a downtown great?</b>	<ul style="list-style-type: none"> <li>• “Sense of place” –unique, authentic</li> <li>• A hub (dining, arts, entertainment, retail)</li> <li>• Convenient, Walkable</li> <li>• Tech savvy</li> <li>• Range of Housing and Employment</li> <li>• Destination attractions</li> </ul>

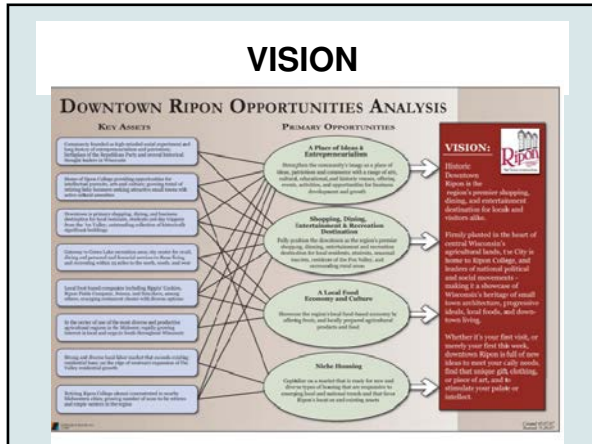
<b>COMMON MISTAKES</b>	
<ul style="list-style-type: none"> <li>• Apathetic or dysfunctional organization.</li> <li>• Misunderstands market.</li> <li>• Focus on “<i>what is missing</i>” instead of <i>what you have</i>.</li> <li>• Weak relationships with partners.</li> <li>• Focus on Silo’s rather than Dominoes.</li> </ul>	

**PUBLIC INPUT**



PUBLIC MEETINGS .....THE LAST OF THE BLOOD SPORTS  
THE OCONOR COLLECTION NO. 8

<b>LESSONS LEARNED</b>	
<ul style="list-style-type: none"> <li>• Don’t copy, rather Differentiate your downtown from competition.</li> <li>• Look at every building as a recruitment, retention or redevelopment candidate.</li> <li>• Successful business retention equals Successful business recruitment.</li> <li>• Cooperative owners plus attractive space equals successful recruitment.</li> </ul>	



	<b>STRATEGIC PLAN</b>
<b>Vision statements</b>	<ul style="list-style-type: none"> <li>• Center for community gathering</li> <li>• Center for government, legal and office employment</li> <li>• Center for destination eating and lifestyle retail</li> <li>• Center for convenience, service and neighborhood service uses</li> </ul>




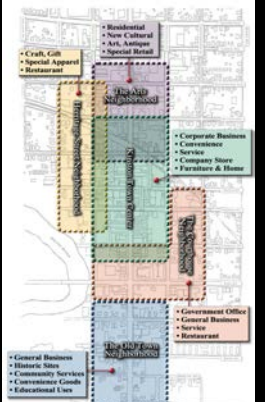
STRATEGIC PLAN	
<p>Define desired market niches</p>	<ul style="list-style-type: none"> <li><b>Eating and drinking</b> <ul style="list-style-type: none"> <li>Regional restaurants</li> <li>Contemporary café</li> <li>Franchise snack, drink and take-out</li> <li>Music clubs</li> <li>Book store-cafe</li> </ul> </li> <li><b>Lifestyle retail uses</b> <ul style="list-style-type: none"> <li>Personal care</li> <li>Active Lifestyle</li> <li>Hobby, art, Craft</li> <li>Home and garden</li> </ul> </li> </ul> 

STRATEGIC PLAN	
<p>Destination or Catalyst projects</p>	<ul style="list-style-type: none"> <li>Housing</li> <li>High tech</li> <li>Medical</li> <li>Farmers market</li> <li>Entertainment</li> <li>Cultural</li> </ul>  

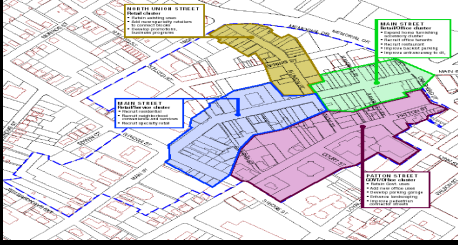
STRATEGIC PLAN	
<p>Destination or Catalyst projects</p>	

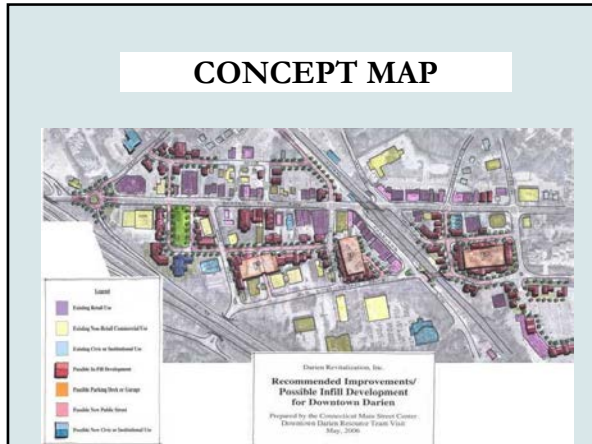
TENANT LIST	
<p>Activity lifestyle</p> <ul style="list-style-type: none"> <li>Bicycle, Skateboard</li> <li>Wild Bird</li> <li>Outdoor</li> <li>Paint/Pottery</li> <li>Bead</li> <li>Yoga</li> <li>Scrapbook</li> <li>Farmers' market</li> </ul>	

### CONCEPT MAPS

### CONCEPT MAPS

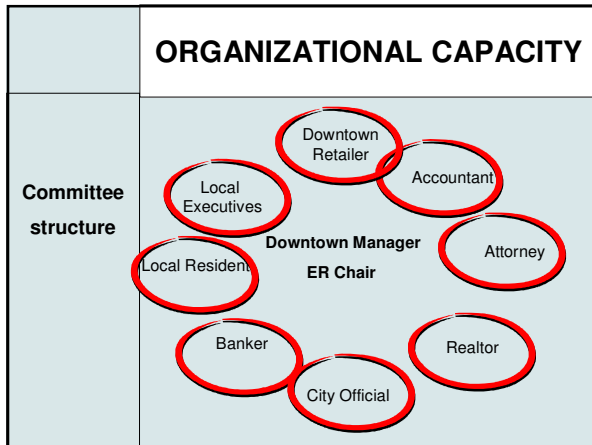




## BUILD ORGANIZATIONAL CAPACITY

**ER COMMITTEE**

- Identify market opportunities
- Encourages the reuse of vacant & underutilized property
- Develop financial tools and incentives
- Helps existing businesses to expand
- Recruit new uses



## ORGANIZATIONAL CAPACITY

**VOLUNTEERS WANTED:**

- positive and cheerful
- passionate about community
- networking skill

## ORGANIZATIONAL CAPACITY

**VOLUNTEERS TO AVOID:**

- The Latecomer
- The Early leaver
- The Broken record
- The Gossiper
- The Know-It-All
- The Doubter
- The Pet project

## ORGANIZATIONAL CAPACITY

**RELATIONSHIPS WITH OTHERS:**

- Property and Business owners
- Development community (Financial, realtor, Design, contractor, Developer)
- Merchant Association
- Govt. agencies, local Chamber of Commerce
- Educational and religious organizations, non-profits.
- Other Main Street Committees

**Helpful Tips**

## BUILD RELATIONSHIPS

**Business Owner Agreement**

- Marketing Program
- Types of assistance desired

**Property Owner Agreement**

- Desired tenant
- Assistance
- Leasing Plan

Network with Real estate community

**Helpful Tips**

## BUILD RELATIONSHIPS

**CARROTS**

- \$\$
- Public Recognition
- Tax Credit
- Technical or financial assistance
- Option
- CID
- Purchase

**STICKS**

- Peer pressure
- Zoning, Building code, local Historic District
- Maintenance Ordinances
- Financial disincentives
- Eminent Domain

**Helpful Tips**

## BUILD RELATIONSHIPS

- Review and Update vision and niche concepts.
- Revise work plan to volunteers and priorities.
- Reengage with “stakeholders” to renew relationships.

## REALISTIC WORK PLAN

- Goals
- Priorities
- Time line
- Partnerships
- Resources
- Commitment



	WORK PLAN
Work plan	<ul style="list-style-type: none"> <li>• <b>Business Retention Program</b> <ul style="list-style-type: none"> <li>– Promotion and Image</li> <li>– Business Skill</li> <li>– Financing</li> </ul> </li> <li>• <b>Business Recruitment Program</b> <ul style="list-style-type: none"> <li>– Referrals and general leads</li> <li>– Specific tenant recruitment</li> </ul> </li> <li>• <b>Property Redevelopment Program</b> <ul style="list-style-type: none"> <li>– Acquisition</li> <li>– Financing</li> <li>– Partnerships</li> </ul> </li> </ul>

## REALISTIC WORK PLAN Year one

**Basic Understanding:**

- Evaluate current economic condition
- Develop relationships with area business leaders
- Evaluate existing businesses
- Determine overall market position and areas of growth and opportunities.



## REALISTIC WORK PLAN Year two

### Strategic Planning

- Develop financial incentives
- Develop business retention program
- Marketing/branding downtown
- Passive recruitment (responding to business inquiries)

The table is titled "Implementation Strategy Board" and is organized into four columns: "Strategic Plan", "Year One", "Year Two", and "Year Three". The rows are color-coded: green for "Strategic Plan", orange for "Year One", green for "Year Two", and blue for "Year Three". Each cell contains a list of specific implementation tasks and their status.

## REALISTIC WORK PLAN Year three

### Implementation

- Public improvements
- Marketing plan
- Active recruitment
- CID

The table is titled "Implementation Strategy Board" and is organized into four columns: "Strategic Plan", "Year One", "Year Two", and "Year Three". The rows are color-coded: green for "Strategic Plan", orange for "Year One", green for "Year Two", and blue for "Year Three". Each cell contains a list of specific implementation tasks and their status.



## 5. FUNDING FOR SMALL BUSINESSES



## SMALL BUSINESS FUNDING

- TRADITIONAL SOURCES OF FUNDING
- ALTERNATIVE FINANCING
- MAIN STREET PRODUCTS
- NEW IDEAS



## TRADITIONAL SOURCES OF FUNDING

- **SELF FINANCED**
  - Home equity
  - 401-k
  - Vehicles
  - 2<sup>nd</sup> job
- **CREDIT CARDS**
- **FRIENDS OR FAMILY**



## TRADITIONAL SOURCES OF FUNDING

- **SBA LOAN PRODUCTS**
  - SBA 7-a
  - 504
  - NC-CAP
  - Micro loan
- **SPECIALTY LOANS**
  - Equipment
  - Merchant
  - Franchise
- **ANGEL INVESTORS**



## ALTERNATIVE FUNDING

- **FACTORING**
- **MERCHANT CASH ADVANCES**
- **EQUIPMENT LOANS**
- **ANGEL INVESTORS**



## MAIN STREET PRODUCTS

- **GRANTS**
  - FL Preservation grant
  - Acquisition/renovation
  - Facades or Signs
  - Upper-stories
  - Marketing/ad campaign
  - Relocation, Rent
  - Energy
- **LOANS**
  - Local banks-Revolving
  - USDA
  - Non-profits (Slow money, EDC, Conservation Fund or foundations)





## FUNDING OPPORTUNITIES

### • TAX CREDITS/TAX ABATEMENTS

- TIF, Property tax abatements
- Historic tax credit
- New market tax credit
- Low income tax credit
- HUB zone
- Enterprise Zone



## OTHER IDEAS

### • COMMUNITY CAPITAL CAMPAIGN

- Greer, SC
- Burlington, IA

### • BUSINESS COMPETITIONS

- Kankakee Enterprise U
- Salina, KS

### • POP-UP PROGRAM

- Marion, VA
- Elkhart, IN

### • CROWDFUNDING



ENTREPRENEURS BOOT CAMP  
& BUSINESS PLAN COMPETITION

## CROWDFUNDING



- Organized begging using social media.
- Uses social networks to solicit donations for causes, organizations, business ventures, creative ideas.
- Can supplement family and friends contributions.

## CROWDFUNDING

### Three types of US crowdfunding

- Donations/Reward
- Interest-free loans
- Equity (ownership shares)

Only the first two are available to non-wealthy donors/investors (98% of the population)



## CROWDFUNDING

- Many internet platforms. Biggest ones are:

#### - Reward based:

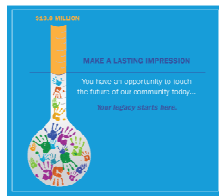
Kickstarter, Indiegogo, Peerbackers, Rocket Hub Startsomegood, Credibles and Foodstart

#### - Debt based:

SoMoLend, Funding Circle, Endurance Lender

#### - Equity based:

MicroVentures, Circle Up, Crowdfunder



## FUNDING OPPORTUNITIES

### Reward based

#### • KICKSTARTER

- Creative, products
- 60 days
- all or nothing funding
- Funding grows as project nears goal
- Limited categories
- 5% fee + 3% transaction
- Video

#### INDIEGOGO

- Flexible, individuals and causes, businesses
- 60 days
- Flexible, or all or nothing
- Fee varies: 4%-9% + 3% transaction fee
- No limits on categories



## CROWD-FUNDED Reward based projects

- Street improvements
- New or expanded businesses
- Redevelopment



## CROWD-FUNDED Reward based projects

- One Spark festival Jacksonville FL



## FUNDING OPPORTUNITIES Reward based

### CREDIBLES

- Customers prepay for food and receive "edible reward" card.
- Restaurant gets upfront funds.
- 5% fee includes 1% that goes back to slow money.
- Business sets reward.

### FOODSTART

- Small expansion projects to start-up capital
- Flexible funding
- Provides reward card that donors can use for food
- 4% fee plus 3% transaction fee
- Video

## CROWDFUNDING Debt based lending

- Called Social lending, P2P lending.
- Members borrow and lend money among themselves at better rates than credit cards or traditional loans.
- More institutional investors are getting involved.
- Some charge interest, others don't.

## CROWDFUNDING Equity based lending

- 2012 Federal JOBS Act
- Florida bill was delayed
- Will allow small unaccredited investors to put capital in a business via on-line platform.
- Up to \$2K per investor
- Example: Matchcapital Ventures incubator project
- Could lower cost of raising equity
- Shows market support that can be used to secure other loans
- Investors would have stake in business

## RECOMMENDATIONS

- Make sure to assess funding needs of your businesses.
- Tweak existing and incorporate new tools into your "Financial Assistance Tool kit".
- Use crowd-funding to test market support.





## FLORIDA MANAGERS WORKSHOP

### AFTERNOON SESSIONS:

- Recruiting businesses from within.
- Financial incentives and funding for small businesses.
- Business recruitment strategies and tips.

## DIFFICULT TIMES FOR SMALL BUSINESS

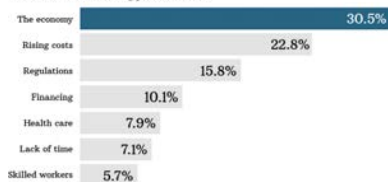
### THE ECONOGAUGE

Our weekly estimate of the prevailing mood among investors and consumers



## ISSUES FACING SMALL BUSINESSES

Small businesses' biggest concern



## RISING EXPENSES

- Permits and fees
- Rent
- Insurance costs
- Shipping
- Energy costs
- Cost of goods
- Health Care



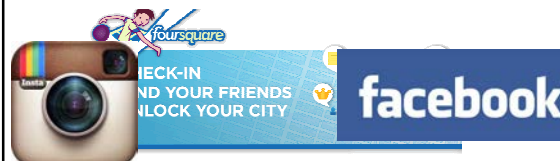
## CHANGING REGULATIONS

- **Federal**
  - Health care
  - ADA
- **State**
  - Building code
  - Sales tax
- **Local**
  - Signage
  - Parking



## CHANGING TECHNOLOGY

- Digital Divide is widening.
- Rise of mobile phone sales and apps.
- Rise in internet coupons.
- Changing social medium: instagram, pinterest, foursquare, Google plus, Twitter).



## FINANCING CONSTRAINTS



- Less available funding from home equity.
- Friends and family have less to give.
- Credit card terms and rates have changed.
- Loan underwriting criteria has changed.

## 4. BUSINESS RETENTION

- Image and Place-making
- Sales performance
- Business performance
- Financing



## BUSINESS RETENTION

### IMAGE CAMPAIGN

- Facades
- Windows
- Signage
- Lighting
- Safety
- Cleanliness
- Parking



## IMAGE CAMPAIGN



## IMAGE CAMPAIGNS

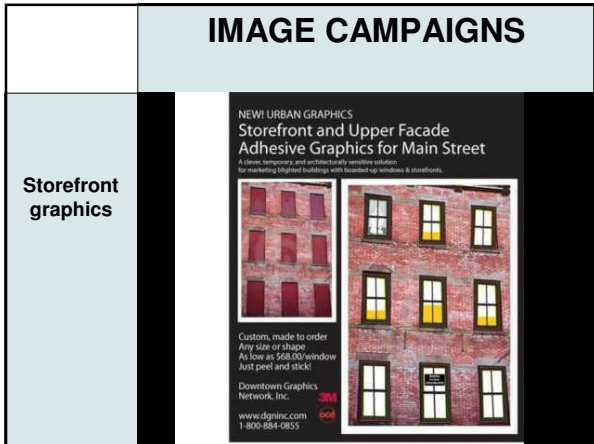


## IMAGE CAMPAIGN



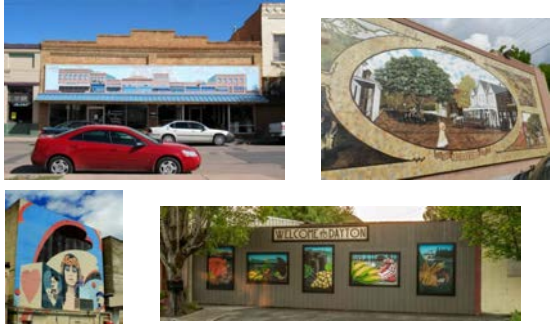
Downtown Graphics Network



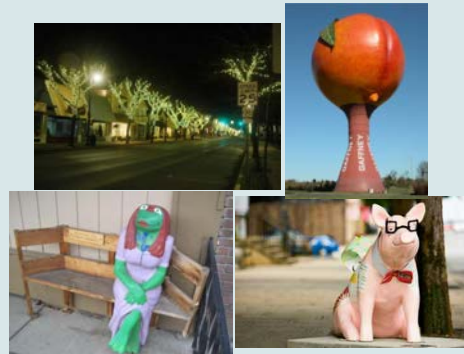




## Murals

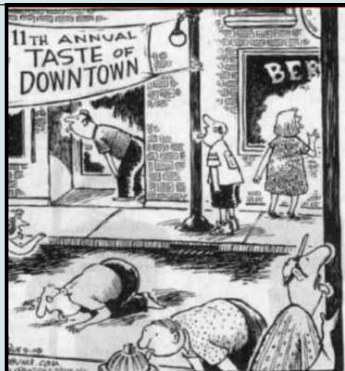


## IMAGE CAMPAIGN



## BUSINESS RETENTION

Event should be memorable



## IMAGE CAMPAIGN



## IMAGE CAMPAIGN Products

- Directory
- Web site
- Image Campaigns



## BUSINESS RETENTION

### INCREASE SALES:

- Retail sales promotion
- Targeted events
- Improved merchandising



## PROMOTION:

- Focus community attention on the commercial aspects of Downtown
- Need to connect potential customers with interesting goods and services
- Should RING registers

## RETAIL SALES

Seasonal



## Summer Santa Bucks

Washington, MO



Washington, MO

- \$5.00 Off Coupon good toward a \$25 purchase
- Maximum 20% discount



All of your relatives have just arrived for a visit on the same weekend...



Aunt Mabel's arrived with her get tank on empty...

in a hold fire and car trouble...no problem!  
(A.D. Savel, Brooks Chevrolet, Bob Carter's, Car Auto Supply, Her's Treasures, Best Auto Supply, Lewis and Woodard, Lewis Ford, Joe Mackay, Nappa Auto Parts, Northern Tire, Nugget Motors, PK Quik, Johnson's Repair, Tyler's Body Shop)

Granny wants to update her insurance, check on her finances and get some legal advice...no problem!

(A. D. Davis Insurance, Callison Insurance, Kelly Agency, Abacus Management, Don S. Stahl Accounting, R.L.L.'s Tax and Accounting Service, Russell & Dejongh, Wopstark & King)

and you don't have a bedroom left and need a place to stay...no problem!

(Colebrook Country Club, Colebrook House Motel, Diamond Peaks Motel, Nidish View, Northern Comfort Motel, Mohawk Cabins, Monahock Bed & Breakfast, Rooms With a View)

Sis wants advice on furniture and carpet samples...no problem!

(Colebrook Floor Care, Colebrook Carpet Center, Dittler's Furniture, Ger's Furniture & Building, Hibbard's Capboard Antiques, Lightfoot's, S. Dickerson's Country Furniture)

Julie needs to copy his term paper, get some film developed and wash his sleeping bag...no problem!

(Colebrook Office Supply, News & Sentinal Copy Center, Callan Photo Center, Ric-Aid, The Wash Tub)

Uncle Ernie needs some cash and some heavy equipment for his excavating company...no problem!

(Citizen's Bank, First Colebrook Bank, Eddie Nash and Sons)

It's all right here in

**COLEBROOK**

Convenience • Service • Price

Center of the Great North Woods

This ad sponsored by the C2004 Main Street Program with your funds for local retail promotion.

© columns by 7" equals 35 column inches

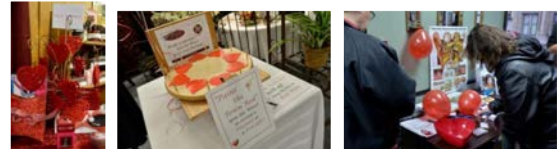
Helpful Tips

## RETAIL SALES

Use events to target key markets or clusters



## National Event Focus Paint the Town Red ~ Service Sector



- Health Screenings
- Free Protein Smoothies
- Recipe books
- Acupuncture
- Physical Therapy
- Medical
- Dentist



## RETAIL SALES

- In-store activities



## RETAIL SALES

- Click and brick
- Social media
- Cross merchandising



## IMPROVE BUSINESS SKILL

- Business Resources
- Training
- Consultants



## BUSINESS RESOURCES

- Resource Guides
- Web sites
- Demographic Report
- Webinars



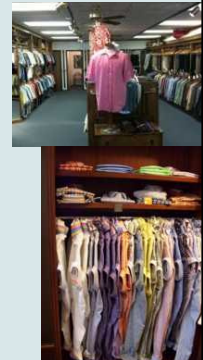
## TRAINING SERVICES

- Conferences
- SBA webinars
- Community College Classes
- Counseling



## ON-SITE COUNSELING

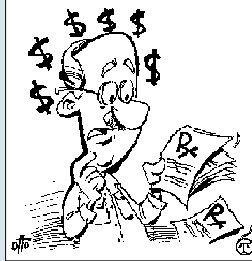
- Main Street Staff
- Consultants
- SBDC
- Trade Associations
- Local Businesses





## BUSINESS RECRUITMENT

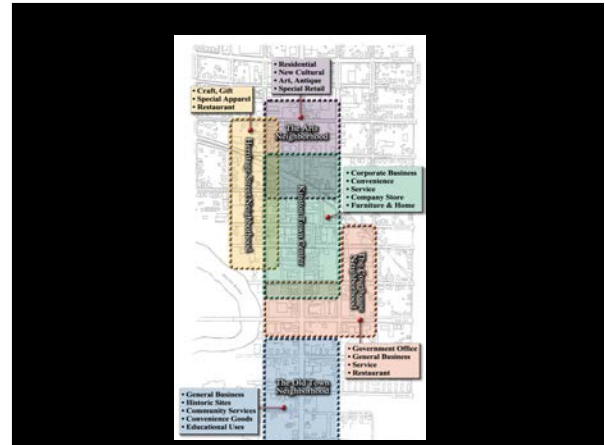
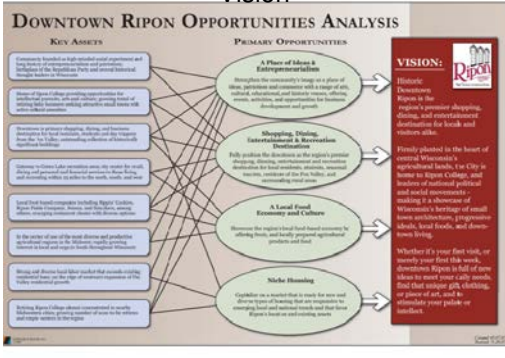
- Leasing Plan
- Organization
- Incentives
- Marketing products
- Prospecting, referrals and the "Pitch"



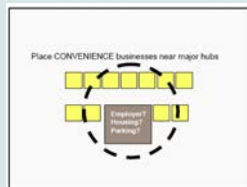
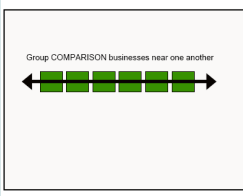
## BUSINESS RECRUITMENT: Keys to Success

- Successful business retention = Successful recruitment.
- Cooperative owners + attractive space = successful recruitment
- Business mix must differentiate Downtown from competition.
- Every building is on-going recruitment, retention or redevelopment candidate.
- Building site must match prospect's criteria.

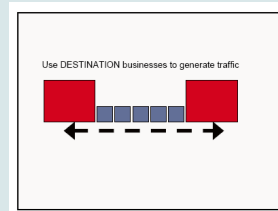
## LEASING PLAN Vision



## LEASING PLAN



## LEASING PLAN



## LEASING PLAN



## LEASING PLAN TENANT LIST

- Existing clusters
- Surveys
- Gap analysis
- Consumer Trends
- Space constraints



## TENANT LIST

### Activity lifestyle

- Exercise
- Bicycle
- Wild Bird
- Outdoor
- Paint
- Pottery
- Bead
- Yoga
- Farmers' market



## CATALYST PROJECTS

- Cultural centers
- Museum



## HOUSING, HOTELS AND B&B



## CATALYST PROJECT

- Restaurants
- Brew pubs and Distillery
- Movie Theater
- Wellness Centers
- Farmers' Markets





## FOOD



Helpful  
Tips

## FARMERS' MARKET FOOD INCUBATORS

- Food stamps and credit cards
- Use Market to spin off new stores
- Add entertainment and dining



## CATALYST PROJECTS Incubator



## KITCHEN INCUBATOR



Helpful  
Tips

## RETAIL INCUBATORS

- Master Lease
- Ad budget
- Consignment & leased floor area or departments
- Full-time employee



## RETAIL INCUBATOR Shared space



## RETAIL INCUBATOR Pop-ups



Helpful  
Tips

## CATALYSTS Temporary

3D  
places



Helpful  
Tips

## ORGANIZATION

- Volunteer vs. Staff effort
- Task force vs. committee
- Relationships to realtors and owners
- Priorities



Helpful  
Tips

## ORGANIZATION : Property owner agreement

- Goals for building
- Desired tenant
- Agreement with Broker
- Marketing Program
- Type of assistance required

## ORGANIZATION: Referral system

- Meet with key individuals in the business, real estate, financial and govt. sectors to develop referral process.
- Distribute information gathered through network regularly via email, facebook.
- Include civic groups and businesses

## BUSINESS RECRUITMENT: Financial incentives

- CDBG
- Tax Credits
- TIF and Tax Abatement
- Revolving Loans
- Façade program
- Utility: deposit, free month
- Community Initiated Development



## BUSINESS RECRUITMENT: Marketing products

- Brochure and Fact sheets
- Website
- Signage
- Open house tours



## BUSINESS RECRUITMENT: Marketing products

- Market studies/plans
- Fact sheets
- Signs
- Banners
- Billboard



## MARKETING MATERIAL

- Why locate Downtown?
- Market opportunities
- Site opportunities
- Incentives
- Testimonials from businesses



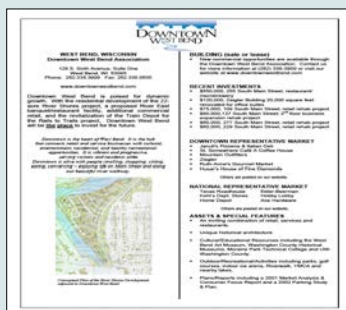
## FACT SHEETS



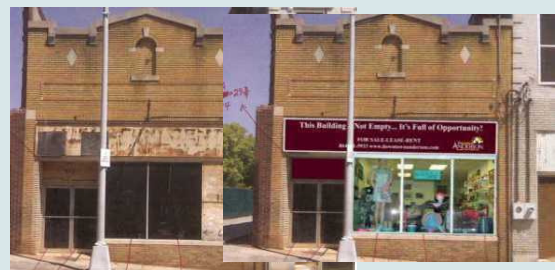
WI Main Street

## MARKETING MATERIAL

source: Wisconsin Main Street



## BUSINESS RECRUITMENT: Signs



Downtown Graphics Network

## Signs



© 2010 Downtown Graphics Network, Inc.  
Unauthorized use or duplication, in whole or in part,  
is a violation of copyright law.  
1-800-884-0855

## Signs



© 2010 Downtown Graphics Network, Inc.  
Unauthorized use or duplication, in whole or in part,  
is a violation of copyright law.  
1-800-884-0855

## FINDING PROSPECTS

- Downtown Business
- Local Business
- Start-up businesses
- Regional expansion
- Chain/Franchises



## FINDING PROSPECTS: Local businesses

- Realtors
- Referrals from businesses, civic leaders or residents
- Website
- Field work



## FINDING PROSPECTS: Start-ups

- Word of mouth
- Trade shows
- Schools
- City
- Residents
- SBDC
- Lender



## FINDING PROSPECTS: Chain or franchise

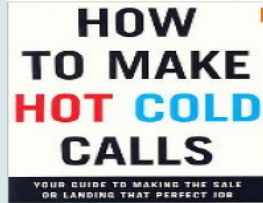
- Trade shows (ICSC)
- Brokers
- Leasing Services
- (Buxton, Lease Trac)





## CONTACT THE PROSPECT

- Direct mail
- Brokers
- Web-site
- Referral
- Site visits



Helpful  
Tips

## THE PITCH

- Practice on other Main Street Towns
- Do a recon visit
- Encourage prospect to meet with local businesses or lenders
- Always ask for a referral
- Continue contact through newsletter, emails etc.

Helpful  
Tips

## THE PITCH

- Ask residents to help find targeted prospects
- Ask sales reps for help
- Work with realtors and brokers
- Media coverage

Helpful  
Tips

## SIGNING THE LEASE

- Tenant upfit allowance
- Facade or sign
- Review of proposed uses
- Hours of operation
- Participation in Business Mix events
- Employee parking

## KEY TO SUCCESS

- Vision can't be copied
- Recruitment takes time
- Must set high standards
- Requires collaboration
- Focus on rebuilding from within.
- Focus on projects that create the "domino" effect.





	<b>EXAMPLE</b>
Restaurant/ brew pub	<ol style="list-style-type: none"> <li>1. <b>Appoint a team/committee</b></li> <li>2. <b>Do your homework</b> <ul style="list-style-type: none"> <li>• Market demand</li> <li>• Identify possible sites and cost to upfit</li> <li>• Secure Owner/realtor support</li> </ul> </li> <li>3. <b>Create Incentives</b> <ul style="list-style-type: none"> <li>• Pre-recruitment inspection</li> <li>• Establish a facade grant</li> <li>• Restaurant equipment loan</li> <li>• LLC to invest in restaurant</li> </ul> </li> </ol>

	<b>EXAMPLE</b>
RESTAURANTS	<ol style="list-style-type: none"> <li>4. <b>Establish a Referral Network</b> <ul style="list-style-type: none"> <li>• Mall Manager</li> <li>• SBDC-Chamber-EDC</li> <li>• Local Realtors</li> <li>• Major employers, churches and residents</li> </ul> </li> <li>5. <b>Find Prospect</b> <ul style="list-style-type: none"> <li>• Advertise in paper and trade newsletter</li> <li>• Contact State culinary schools</li> <li>• Ask local residents or other restaurant owners</li> <li>• Field trips</li> </ul> </li> </ol>

	<b>EXAMPLE</b>
	<ol style="list-style-type: none"> <li>6. <b>Contact Prospect</b> <ul style="list-style-type: none"> <li>• Tag team of local residents</li> <li>• Local investment team</li> </ul> </li> <li>7. <b>Follow up</b> <ul style="list-style-type: none"> <li>▪ Food truck</li> <li>▪ Pop-up space</li> </ul> </li> </ol>