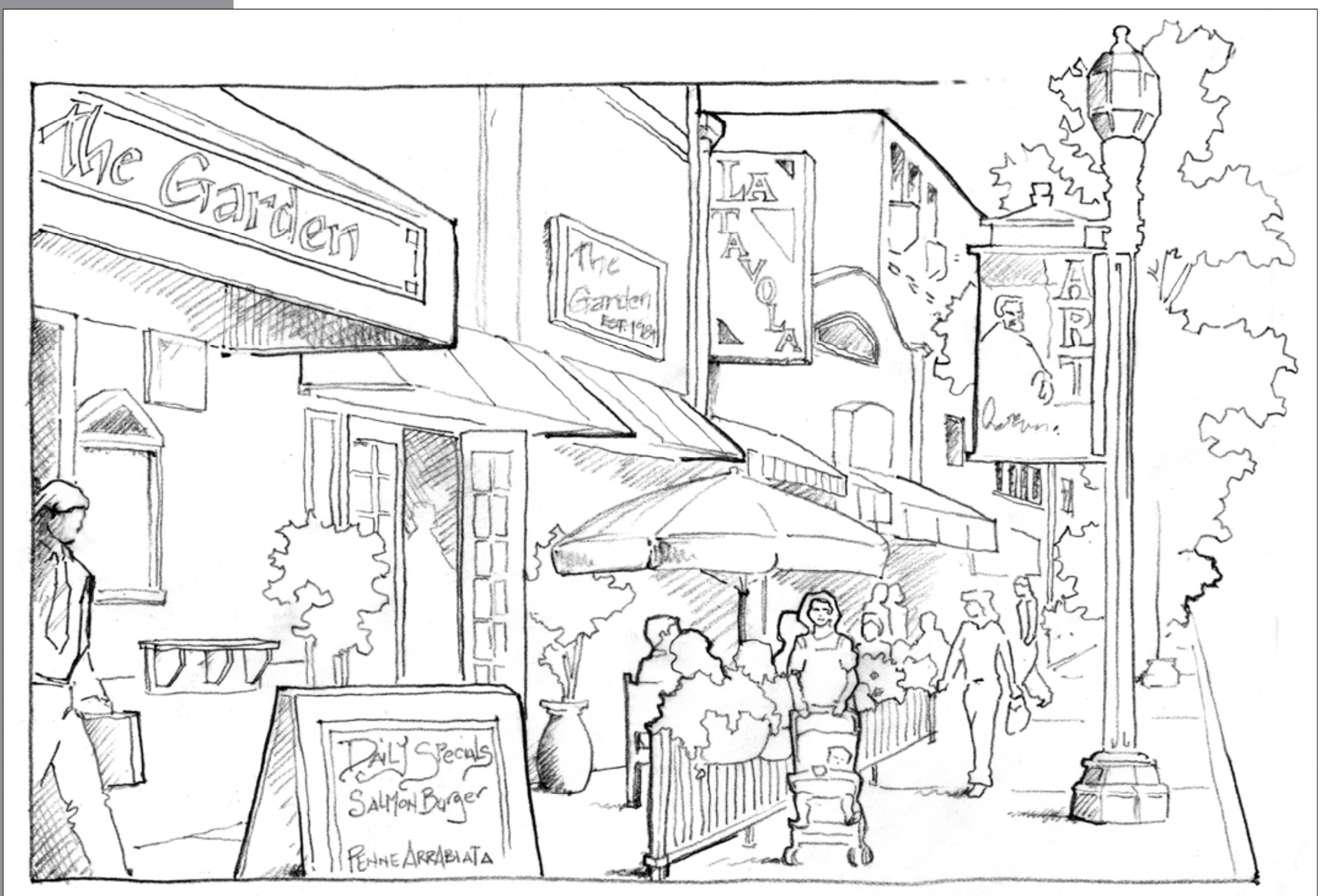
West Plains, Missouri

DOWNTOWN
REVITALIZATION &
ECONOMIC
ASSISTANCE FOR
MISSOURI

# RETAIL MARKET ANALYSIS




JULY 2009

DOWNTOWN REVITALIZATION AND ECONOMIC ASSISTANCE FOR MISSOURI
D·R·E·A·M INITIATIVE

PGAV

West Plains, Missouri

## Downtown Revitalization and Economic Assistance for Missouri (DREAM) Program Sponsors:

## Planning Consultant

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# Executive Summary

The City of West Plains (the "City") is participating in the Downtown Revitalization and Economic Assistance for Missouri (DREAM) Initiative, a three-year planning process. The DREAM planning process includes a retail market research component that defines Downtown's trade areas, analyzes demographic and employment data, and compares retail supply and demand in the context of the local retail market. This Retail Market Analysis presents the market research and proposes goals and strategies for strengthening existing retail businesses, building Downtown residential population, supporting marketing initiatives, and improving the retail business mix.

To achieve these results, the DREAM Initiative recommends Downtown West Plains employ various retail development strategies including:

1) Prepare a Downtown Residential Development Plan that includes marketing to potential residents, a streamlined process for high quality loft developments, and encouragement for the conversion of larger buildings and parcels into high quality apartment developments. This Plan should be developed in concert with the existing Building Department, Land Clearance Redevelopment Authority, and Housing Authority. Downtown West Plains Inc. can leverage these three groups to benefit from their contacts and expertise. As Downtown attracts residents, this market will demand more retail products and services. This strategy is included with other strategies on page 27.

2) Downtown West Plains, Inc. and the City Economic Development Department should target business groups whose services fit where unmet demand exists. As noted in this report on page 14, these business groups include "Grocery Stores", "Full Service Eating Places", "Specialty Food Stores", "Book, Periodical, and Music Stores", and "Office Supplies, Stationary, and Gift Stores". With proper planning, businesses serving unmet demand in these categories could be successful in Downtown West Plains. This strategy can be found on page 29.

3) Downtown West Plains, Inc. and the Greater West Plains Chamber of Commerce should hold a series of business education seminars at the Ozarks Small Business Incubator. Topics should include best business practices, understanding customer needs, building and business maintenance, and marketing. Merchants should also be made aware of areas of unmet demand as noted in this report on page 14. This strategy is on page 25.

The strategies noted above comprise the core of a sound retail enhancement plan that includes efforts for existing businesses, residents, visitors, and potential businesses. The remaining strategies found in this report support and enhance these initiatives.

# INTRODUCTION

In most cities born of traditional origins, Downtown was the center of social and commercial exchange. It is, or once was, the place to find the shops and restaurants, employment, and entertainment. The Downtown is, or once was, the pre-eminent center of social and commercial life; where the city hung its hat.

In many instances, modern development trends have diminished the function of the typical American Downtown in everyday life. Shopping habits have shifted to the big-box stores on the outskirts of town. Shopping centers and major retailers have located along highways. The mobility of the consumer has increased greatly due to increased reliance on the automobile. These auto-oriented retail centers have generally located outside of the traditional Downtown, which has resulted in a loss of commercial activity for Downtowns. Smaller businesses have struggled to maintain their traditional Downtown locations, as residents, visitors, and fellow businesses have followed retail development to the City's outskirts.

West Plains has felt the effects of these development trends, but is fortunate to have a Downtown that is still the civic and social center of the City. Downtown has local government facilities, professional offices, churches, civic institutions, shops, offices, and restaurants. West Plains is also a commercial center for the surrounding region.

Today, Downtown contains a mix of retail uses that contribute to a diverse environment. Destination-oriented retailers offering products such as clothing, furniture, jewelry and other specialty items are commonly found. People no longer shop Downtown for their general merchandise. Downtown is a destination for an experience not found at larger retailers. In addition to the retail atmosphere, services and residents also play an important part in Downtown.

This report presents information and recommended strategies for strengthening Downtown West Plains' retail base. The first part of this report focuses on the "Retail Supply" side of the retail market by considering the current inventory of retail space and existing retail businesses. This is followed by an examination of the "Retail Demand" side of the retail market, which reviews demographic trends and consumer spending patterns in the greater West Plains area. These two halves of the retail marketplace are then compared in a "Market Analysis" to identify the types of retail services that could likely be supported by existing unmet consumer demand. Finally the report will conclude with recommended "Goals and Strategies" for encouraging retail development in Downtown West Plains and attracting the retail services identified in the market analysis and recent surveys of West Plains residents.

This report provides analysis for three geographic areas. First, "Downtown West Plains" or "Downtown" is defined as the DREAM Study Boundary. Downtown's Primary Trade Area (PTA) is defined as the West Plains City limits. The Secondary Trade Area (STA) is any point within a 30-minute drive of Downtown. Exhibits showing each area are included in Appendix I.

A review of key demographic and employment data shows that Downtown's PTA, the City, has an estimated 2008 population of 11,103 people in 4,634 households. With a population of 28,491, the STA is roughly two and a half times the size of the PTA. A total of 11,290 households are located in the STA. Approximately 10,508 jobs are located throughout the PTA, with 910 of those located in Downtown West Plains at 138 establishments. Approximately 34% of Downtown employees reside within the PTA. An estimated 20% of Downtown employees commute from outside Howell County.

Information concerning the retail supply of Downtown includes a review of the DREAM Land Use, Building, and Infrastructure Survey conducted by West Plains volunteers. The survey shows that at the time of the survey Downtown had about 440,000 square feet of first-floor commercial space. About 210,000 square feet of first-floor space was used as retail or restaurant space and an additional 61,000 square feet was vacant. The 210,000 square feet of Retail/Restaurant Space generated about $10.7 million in sales annually, or about $51 per square foot. The 61,000 square feet of vacancy represents, potentially, another $3.1 million in annual sales to the City. Using the North American Industrial Classification System (NAICS), "miscellaneous retailers", "used merchandise stores" and "furniture & home furnishings" categorize most retail establishments in Downtown West Plains.

Information concerning retail demand was obtained using proprietary retail spending data from ESRI (a leading national provider of demographic information). Spending patterns of consumers residing in Downtown West Plains' Primary and Secondary Trade Areas are analyzed. Consumers residing in the PTA spend an estimated $110 million per year, and the roughly 11,300 households within the STA spend approximately $180 million per year on retail and restaurants. This expenditure data is essential for understanding the potential for retail expansion in Downtown West Plains. Household income data and disposable income profiles are also analyzed to assess retail demand within the trade areas. Information obtained from ESRI may not match the existing conditions as surveyed by PGAV.

Comparing consumer demand to actual sales, or supply, within Downtown West Plains and the trade areas provides insight to the condition of the performance of the local retail market. By analyzing this data for each retail category, unmet retail demand can be identified. This unmet demand is a prime target for either existing or new retail businesses to increase Downtown sales.

Using this methodology, unmet demand was identified in the following retail categories:

- Grocery Stores
- Specialty Food Stores
- Book, Periodical, and Music Stores
- Office Supplies, Stationery, & Gift Stores
- Full-Service Restaurants
- Special Food Services
- Drinking Places

Using assumptions about sales per square foot and data on unmet retail demand, it is possible to estimate approximately how much new retail floor area could be absorbed in Downtown West Plains. For instance, approximately 3,700 square feet of specialty food store retail space could be supported by unmet demand. An additional 22,000 square feet of retail space could be filled by a grocery store. The final step of the analysis involved matching vacant commercial space with suggested retail or restaurant categories.

The DREAM Initiative includes a Community/Consumer survey task where results from focus groups, a telephone survey, and a visitor survey were obtained. These results also help identify retail opportunities.

Two key points of the focus groups are relevant to retail development. First, many residents try to do their shopping in West Plains, but have trouble finding certain specialty or high-end items in town. Secondly, participants indicated a preference for additional clothing stores and restaurants Downtown.

The majority of phone survey respondents placed a high priority on adding "upscale or casual-style dining", "ice cream stores", and a "bookstore" to Downtown.

The visitor survey respondents placed a high priority on all types of dining options and specialty and boutique stores.

Based on the retail market data and the unique assets of Downtown West Plains, a set of retail development goals and strategies were then developed. These goals and strategies are found on page 23.

## UNDERSTANDING RETAIL TRADE AREAS

The term "Trade Area" refers to the geographic area from which a majority of a given business's customers originate. Different categories of retail businesses have different trade areas. The trade area for a convenience store or hair salon might be quite small, whereas a specialty electronics retailer or a car dealership would have a much larger trade area. To determine the trade area of a shopping center or entire retail district, an average must be used to even out differences between each type of business. The concept of trade areas is an important part of evaluating the performance of a retail district and determining the potential to expand retail activity.

Retail market analysis evaluates two different geographic trade areas: a Primary Trade Area (PTA) and a Secondary Trade Area (STA). For this study, the PTA is identified as the West Plains City limits. The STA is any point within a 30-minute drive of Downtown. The 30-minute drive boundary represents a catch-basin of consumers likely to make a shopping trip to Downtown. The 30-minute drive time also indicates a typical commute time for the PTA's labor pool. A map of each area is included in Appendix I and the three geographic areas of analysis are summarized below.

- Downtown West Plains (or "Downtown"): The focus of this analysis is to determine the current level of retail activity captured by Downtown West Plains and the amount, if any, of additional retail activity that could be captured by addressing areas of unmet demand. Downtown West Plains is defined as the DREAM Study Boundary, which is illustrated in Appendix A.

- Primary Trade Area: The City Limits. PGAV has classified the City of West Plains as the PTA because Downtown West Plains draws many of its shoppers from the City. This PTA classification will also show the relationship between retail activity Downtown and Citywide.

- Secondary Trade Area: PGAV has defined the STA as a 30-minute drive-time "catch-basin" around Downtown West Plains. From this area, the City attracts an estimated ninety to ninety-five percent (90%-95%) of all retail dollars.

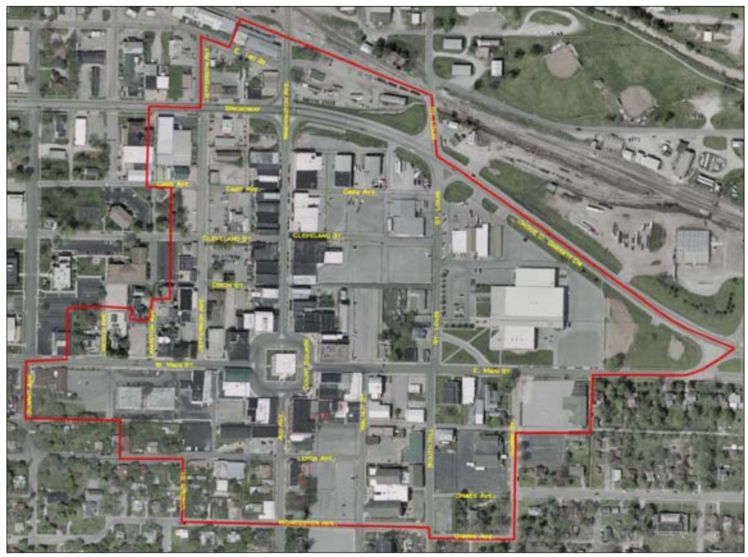
## DEMOGRAPHIC PROFILE

In order to understand the potential for retail development in Downtown West Plains, it is important to study the population and households in the respective trade areas. It is also important to know the household incomes and average annual expenditures of the households in the area. These statistics provide us with the number of consumers and an idea of the demand (the available spending dollars) for retail in each of the trade areas.

Because the national census is conducted decennially, the most current official population data is estimated based on the last census, which was conducted in 2000.

### Downtown West Plains Statistics

Figure 1: Downtown West Plains



Downtown West Plains (Figure 1; the DREAM Study Boundary) is situated roughly in the center of the City and consists of approximately 150 buildings on 20 city blocks. Before presenting data on the City as a whole, some discussion of Downtown is useful.

As of 2008, the population of Downtown was 23 people living in 10 households for an average of 2.3 people per household. The average household income was $30,665. The median age of residents was 30 years. Approximately 30% of the population were age 19 or younger; 30% between 20 and 44; and 40% were age 45 or older.

Table 1 illustrates current demographics and future demographic trends for Downtown.

Table 1: Downtown West Plains Demographic Trends

| Downtown West Plains Area Demographic Trends | | | | | |
|---|---|---|---|---|---|
| Year | 2000 | 2008 | 2013 | Percent Change 2000-2008 | Percent Change 2008-2013 |
| Total Population | 24 | 23 | 23 | -4.17% | 0.00% |
| Total Households | 11 | 10 | 10 | -9.09% | 0.00% |
| 19 and Under | 7 | 7 | 7 | -5.30% | 0.00% |
| 20-44 | 8 | 7 | 6 | -15.70% | -14.29% |
| 45 and Over | 8 | 9 | 10 | 8.70% | 11.11% |
| Median Age | 32.5 | 30.0 | 30.0 | -7.69% | 0.00% |
| Average Household Income | $21,636 | $30,665 | $39,469 | 41.73% | 28.71% |

## Primary Trade Area Statistics

As described in the previous section, the Primary Trade Area is identified as the City limits of West Plains (Shown in Figure 2).

The City of West Plains is located in South/Central Missouri about 20 miles from the Arkansas border.

As of 2008, the population of the City was 11,103 people living in 4,634 households for an average of 2.4 people per household. The average household income was $44,601 and the median age of residents was 40 years. Approximately 26% of the population were 19 or younger; 29% between 20 and 44; and 44% were age 45 or older.

Table 2 illustrates current demographics and future demographic trends for the Primary Trade Area.

Figure 2: Primary Trade Area

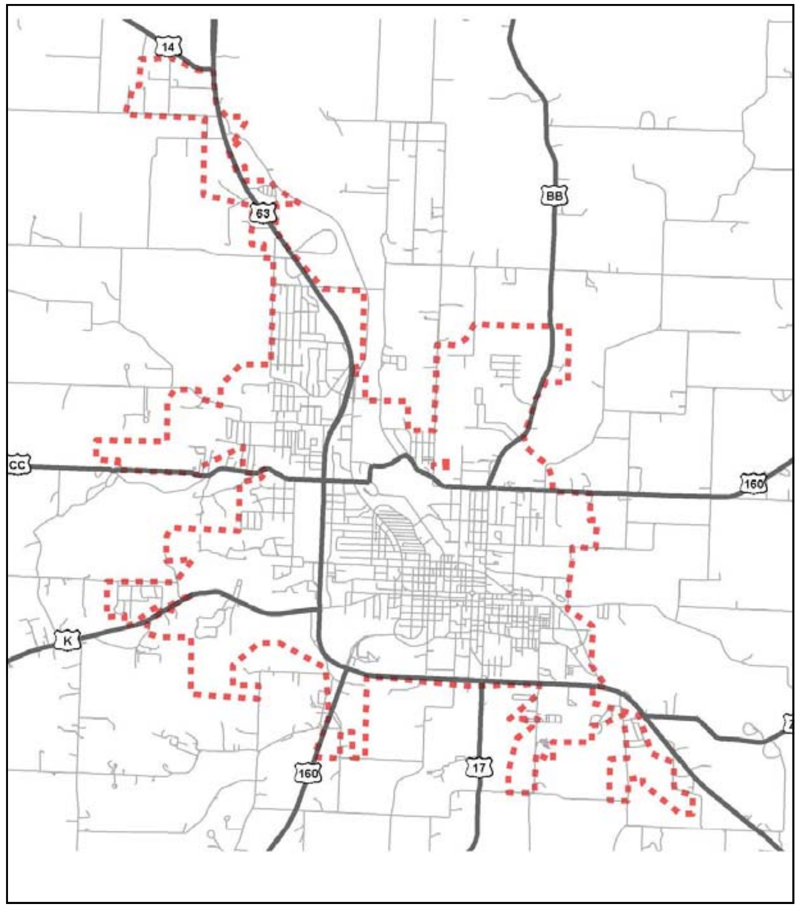



Table 2: Primary Trade Area Demographic Trends

| Primary Trade Area Demographic Trends | | | | | |
|---|---|---|---|---|---|
| Year | 2000 | 2008 | 2013 | Percent Change 2000-2008 | Percent Change 2008-2013 |
| Total Population | 10,866 | 11,103 | 11,392 | 2.18% | 2.60% |
| Total Households | 4,518 | 4,634 | 4,769 | 2.57% | 2.91% |
| 19 and Under | 3,009 | 2,920 | 2,971 | -2.96% | 1.75% |
| 20-44 | 3,422 | 3,273 | 3,183 | -4.35% | -2.75% |
| 45 and Over | 4,444 | 4,910 | 5,238 | 10.49% | 6.68% |
| Median Age | 37.7 | 40.0 | 41.2 | 6.10% | 3.00% |
| Average Household Income | $34,702 | $44,601 | $51,507 | 28.53% | 15.48% |

## Secondary Trade Area Statistics

As described in the previous section, the Secondary Trade Area is identified as an area within a 30-minute drive time of Downtown West Plains (Shown in Figure 3). The Secondary Trade Area extends into Northern Arkansas.

As of 2008, the population of the STA was 28,491 people living in 11,290 households for an average of 2.5 people per household. The average household income was $44,603. The median age was 39.8 years. About 26% of the population are age 19 or younger; 31% between 20 and 44; and 43% were 45 or older.

Table 3 illustrates current demographics and future demographic trends for the Secondary Trade Area.

Figure 3: Secondary Trade Area

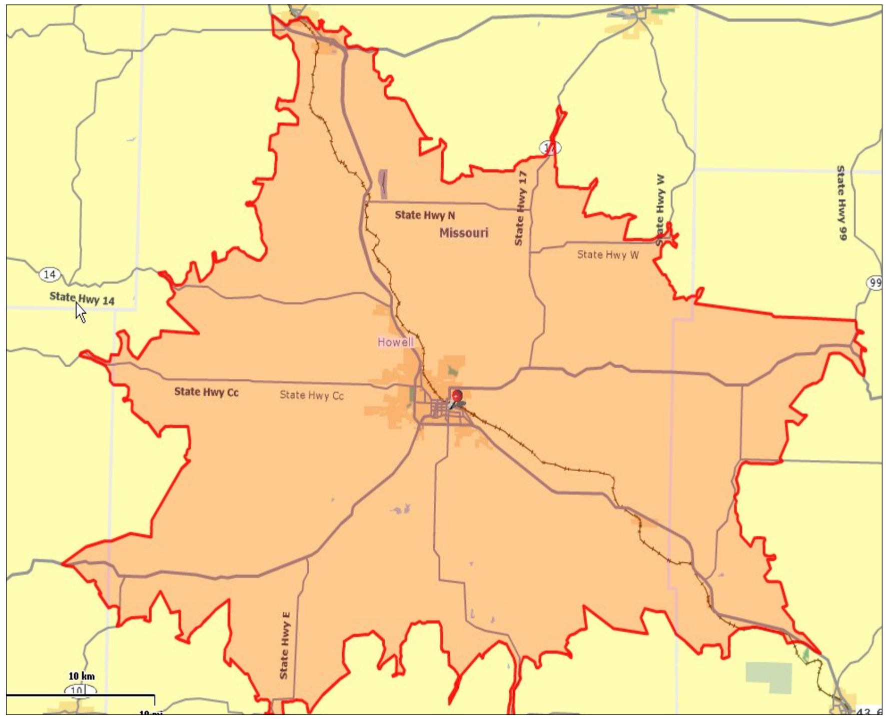



Table 3: Secondary Trade Area Demographic Trends

| Secondary Trade Area Demographic Trends | | | | | |
|---|---|---|---|---|---|
| Year | 2000 | 2008 | 2013 | Percent Change 2000-2008 | Percent Change 2008-2013 |
| Total Population | 27,150 | 28,491 | 29,555 | 4.94% | 3.60% |
| Total Households | 10,711 | 11,290 | 11,742 | 5.41% | 3.85% |
| 19 and Under | 7,846 | 7,428 | 7,566 | -5.33% | 1.82% |
| 20-44 | 8,661 | 8,764 | 8,541 | 1.19% | -2.61% |
| 45 and Over | 10,697 | 12,299 | 13,471 | 14.98% | 8.70% |
| Median Age | 37.0 | 39.8 | 41.3 | 7.57% | 3.63% |
| Average Household Income | $35,748 | $44,603 | $50,717 | 24.77% | 12.06% |

## Employment

There are approximately 10,508 jobs in the PTA, 910 (9%) of which are located in 138 establishments Downtown for an average of 6.6 jobs per establishment. The retail sector employs 183 jobs (20%) of the Downtown workforce, and 64 jobs (7%) are in the Food & Service Industry.

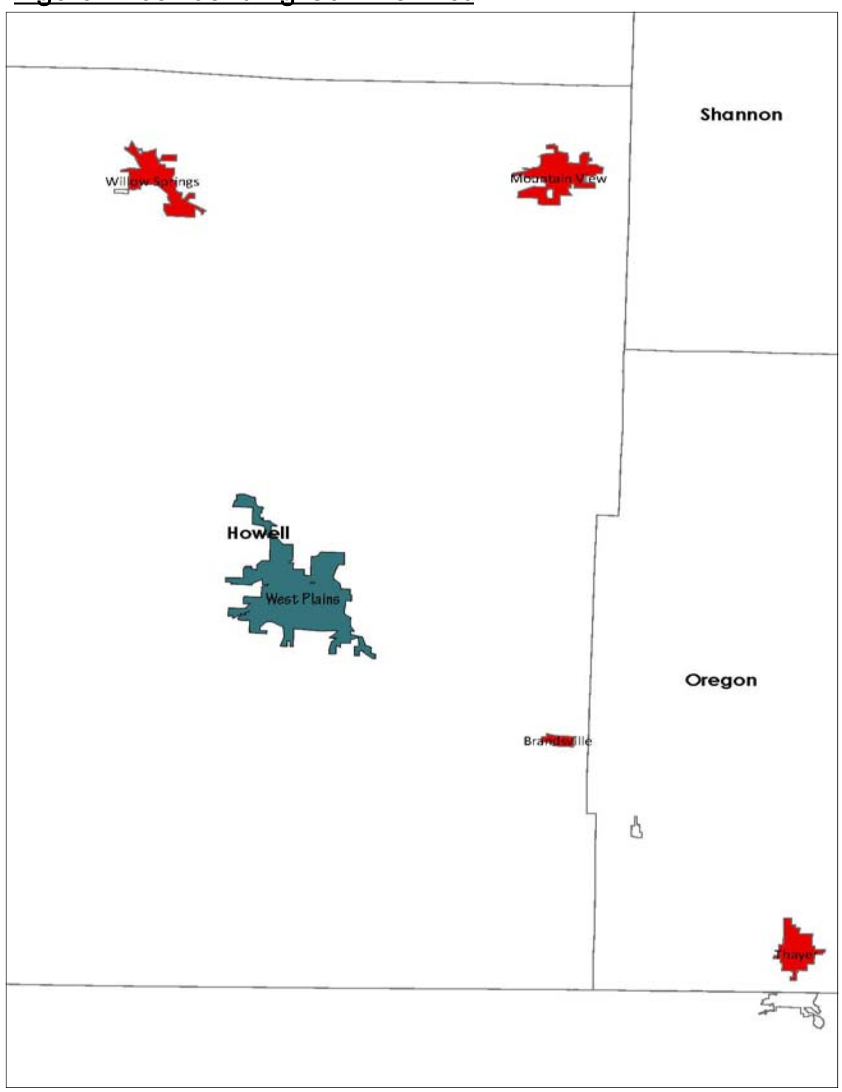
Of Downtown's 138 employer establishments, 34 are classified as retail, and food and service industry. Four of these establishments are eating and drinking places. Most of the retail jobs located in Downtown are in the miscellaneous retailer category.

In the PTA there are 2,156 retail and food and service industry jobs (21% of all jobs) at 267 establishments.

Approximately 34% of Downtown workers reside in the City and about 78% reside within Howell County. An estimated 20% of Downtown employees commute from outside Howell County.

A majority of Downtown employees commute from the surrounding area including such cities as Willow Springs, Thayer, Mountain View, and Brandsville. The location of these cities is illustrated in Figure 4.

Figure 4: Surrounding Communities



# RETAIL SUPPLY

The Downtown Trade Area consists of 75 acres with about 443,500 square feet of existing first-floor commercial/retail space. In reviewing the DREAM Land Use, Building, and Infrastructure Survey, PGAV estimates that 210,000 square feet of first-floor space is retail/restaurant use and 61,000 square feet is vacant. The 210,000 square feet of retail/restaurant space is generating about $10.7 million in sales annually or about $51* per square foot. The 61,000 square feet of vacant space represents a potential $3.1 million in additional annual sales.

Table 4, below, breaks down retail establishments in Downtown West Plains, the City, and Howell County. This information is obtained from ESRI and may not match the existing conditions as surveyed by PGAV. Most retail establishments in Downtown are categorized as "Miscellaneous Retail." A map of the retail establishments is located in Appendix E.

Table 4: Retail Establishments

| Retail Establishments | Downtown West Plains | | City of West Plains | | Howell County | |
|---|---|---|---|---|---|---|
| | Businesses | Employees | Businesses | Employees | Businesses | Employees |
| Retail Trade Summary | 34 | 183 | 267 | 2,156 | 483 | 3,434 |
| Home Improvement | 1 | 7 | 17 | 117 | 45 | 317 |
| General Merchandise Stores | 1 | 0 | 13 | 495 | 22 | 648 |
| Food Stores | 2 | 7 | 22 | 139 | 43 | 326 |
| Auto Dealers, Gas Stations, Auto Aftermarket | 5 | 45 | 50 | 306 | 91 | 499 |
| Apparel & Accessory Stores | 2 | 5 | 15 | 42 | 19 | 50 |
| Furniture & Home Furnishings | 5 | 28 | 31 | 145 | 52 | 189 |
| Eating & Drinking Places | 4 | 64 | 39 | 697 | 75 | 994 |
| Miscellaneous Retail | 14 | 27 | 80 | 215 | 136 | 411 |
| Total Businesses | 138 | | 1,059 | | 1,976 | |
| Total Employees | 910 | | 10,508 | | 16,385 | |
| Total Residential Population | 23 | | 11,103 | | 38,957 | |
| Daytime (Employee)/Nighttime (Population) Ratio | 37.92 | | 0.93 | | 0.42 | |

At various times during the Land Use, Building & Infrastructure Survey, PGAV counted the retail operations in Downtown West Plains. Because the business cycle of a Downtown is quite complex and dynamic, a sampling of the most recent retail services are listed in Table 5 on the following page and are organized according to the North American Industrial Classification System ("NAICS"). Using the NAICS system allows this "snapshot" to help compare retail activity by categories. This report recommends retail establishments to fit gaps in retail service.

Downtown West Plains' primary retail competition comes from the Southern Hills Shopping Center with big chain stores including a Super Wal-Mart, Walgreen's, Goody's, and J.C. Penney's. Other competition comes from retail that has developed along the Highway 63 bypass and business routes. Retail areas in competing towns outside the Primary Trade Area, are few as West Plains is the largest City for nearly 40 miles.

* Retail Sales do not include Automobile, gasoline or non-store retailer sales.

Table 5: Existing Retail Supply

| Industry Group | Store Name |
|---|---|
| Furniture & Home Furnishings Stores | Broadway Furniture |
| | Brown Furniture |
| Bldg Materials, Garden Equip. & Supply Stores | Reicks Water Works & Supply |
| Health & Personal Care Stores | Smitty & Co Hair Styling |
| | Illusions Salon |
| | Tangles Hair Salon |
| | The Cutting Company |
| | Parkway Beauty Academy |
| | Karen's Beauty Palor |
| | Medicine Chest |
| | Darla's Family Styling |
| Clothing and Clothing Accessories Stores | Simply Chic |
| | Kloz Klozet |
| | Chellz |
| Book, Periodical, and Music Stores | The Book Nook |
| | Ozarks Book Shop |
| | West Plains Music Store |
| Office Supplies, Stationery & Gift Stores | Normann Orr Office Supply |
| Sporting Goods, Hobby, Book, and Music Stores | West Plains Cyclery |
| Miscellaneous Store Retailers | Battery Station |
| | Chris' Frame Shop |
| | Game Stash |
| | Melinda's Hallmark |
| | Hershenson Printing |
| | Gammil's Sewing Center |
| | Towne Floral |
| | R & S Flowers |
| | Fishland |
| | Teachers Store & More |
| | I.B. Nuts & Fruit Too |
| | Bliss |
| | Meadowbrook Natural Foods |
| Used Merchandise Stores | Aid Downtown Antiques |
| | Mary Lou's Antiques & Gifts |
| | Old Time Flea Market |
| | Washington Ave Pawn |
| | Christos House Shop |
| Food Services & Drinking Places | Red Apple Grill |
| | Café 37 |
| | Window on the Square |
| | Dairy Princess |
| | Cup 'o Joe |
| | The Little Hut |
| Auto Parts, Accessories, and Tire Stores | Diamond International |
| | Dawson's Auto Sales |
| | Gary's Tire |
| | Link Motor Supply |
| | Smith Auto Parts |

## RETAIL DEMAND

The spending habits of consumers in the three trade areas are important to this analysis because they provide the basis for the determination of demand. How much each household spends on average per retail sector provides an idea of the demand for particular retail services within a given trade area. Table 6 provides per-household annual consumer expenditures for eight main categories and several sub-categories of retail expenditures.

Table 6: Household Income and Consumer Expenditures

| Retail Sector | Downtown West Plains | Secondary Trade Area |
|---|---|---|
| Average Household Income | $25,313 | $43,780 |
| Total Households | 10 | 11,290 |
| **Average Annual Household Expenditures for Select Retail Sectors** | | |
| **General Merchandise** | $692.99 | $1,239.04 |
| **Food** | $3,059.09 | $5,260.06 |
| Food at Home | $1,993.91 | $3,504.26 |
| Food Away from Home | $1,065.18 | $1,755.80 |
| **Apparel and Services** | $872.36 | $1,441.44 |
| **Household Merchandise** | $663.64 | $1,138.51 |
| Electronics | $273.28 | $422.94 |
| Household Goods | $390.36 | $715.57 |
| **Household Care** | $133.64 | $323.08 |
| **Transportation** | $1,057.64 | $2,080.16 |
| **Miscellaneous Merchandise** | $769.09 | $1,413.55 |
| Health Care | $311.63 | $594.04 |
| Miscellaneous Goods | $457.46 | $819.51 |
| **Entertainment & Recreation** | $1,149.55 | $2,105.66 |

Further analysis of Table 6 compares the total of Downtown expenditures for the selected categories ($8,398) with the STA ($15,001). Comparing each category one will only find small differences between Downtown expenditures and STA expenditures. The most notable differences indicate that, as a percentage of total expenditures, Downtown household spend 1.4% more on food and 1.3% less on transportation than STA households.

The tables on the following page depict West Plains' potential purchasing power.

Table 7-A Households by Income shows the number of households at regular income thresholds, representing the purchasing power in Downtown West Plains, the City of West Plains, and Howell County.

Table 7-B Disposable Income Profiles shows the amount of disposable income, per household, for Downtown West Plains and the STA. This table represents the volume of demand available within Downtown and the STA.

Table 7-A: Households by Income

| Households by Income Level for West Plains | | | |
|---|---|---|---|
| Income Level | Downtown | Citywide | County |
| Total Households | 10 | 4,634 | 15,624 |
| $ 0 - $14,999 | 3 | 1,006 | 3,344 |
| $ 15,000 - $24,999 | 3 | 913 | 2,984 |
| $ 25,000 - $34,999 | 2 | 667 | 2,484 |
| $ 35,000 - $49,999 | 2 | 760 | 2,750 |
| $ 50,000 - $74,999 | 1 | 732 | 2,281 |
| $ 75,000 - $99,999 | 0 | 250 | 149 |
| $ 100,000 - $149,999 | 0 | 195 | 93 |
| $ 150,000 - $199,999 | 0 | 56 | 16 |
| $ 200,000 + | 0 | 56 | 2 |

Table 7-B: Disposable Income Profiles

| Disposable Income Profile for West Plains | | |
|---|---|---|
| Income Level | Downtown West Plains | Secondary Trade Area |
| Less than $15,000 | 5 | 2,644 |
| $15,000-$24,999 | 2 | 2,392 |
| $25,000-$34,999 | 2 | 1,973 |
| $35,000-$49,999 | 1 | 2,036 |
| $50,000-$74,999 | 0 | 1,606 |
| $75,000-$99,999 | 0 | 245 |
| $100,000-$149,999 | 0 | 216 |
| $150,000-$199,999 | 0 | 76 |
| $200,000+ | 0 | 101 |
| Total | 10 | 11,290 |
| Median Disposable Income | $15,000 | $27,395 |
| Average Disposable Income | $19,167 | $36,486 |

In determining the strengths and weaknesses of Downtown West Plains' retail market, this report uses data obtained from ESRI to estimate the amount of retail demand captured by Downtown West Plains. This proprietary data provides the total amount that all households in the respective trade areas spend on retail and restaurants (demand). This figure is then compared to the amount of retail spending that actually occurs in the trade area or in Downtown West Plains (supply).

According to 2008 data provided in Table 8, all households in the STA spent an estimated $129.1 million on retail and food and drink. An estimated $180.5 million in sales took place in the STA, indicating that some households from outside the STA boundary made purchases here. The same holds true for the PTA, where resident households spent $52.5 million, but more than $110 million (excluding auto sales, gasoline sales or non-store retail transactions) was spent within the PTA.

Table 8: Retail Demand & Sales

| Industry Group | Secondary Trade Area (STA) | | PrimaryTrade Area (PTA) | | Downtown |
|---|---|---|---|---|---|
| | Retail Demand | Retail Sales | Retail Demand | Retail Sales | Retail Sales |
| Total Food & Drink | $24,925,022 | $29,162,161 | $10,954,460 | $26,355,618 | $2,381,138 |
| Total Retail Trade | $104,199,414 | $151,398,820 | $41,554,952 | $83,682,591 | $8,373,772 |
| Total Retail Trade and Food & Drink | $129,124,436 | $180,557,981 | $52,509,412 | $110,038,209 | $10,754,910 |

Of the $110 million spent in the PTA, Downtown captured approximately 10% of expenditures ($10.7 million), which also represents approximately 20% of City-household retail demand. Much of the remaining retail demand may still be spent within the City limits, but may be spent elsewhere, such as at the Southern Hills Shopping Center. Table 8 summarizes the retail demand and sales for each trade area, and Appendix B provides a detailed table with these figures broken down by retail categories.

## RETAIL MARKET ANALYSIS

The fact that retail spending within the City is greater than the retail demand of the City's households indicates that the City draws shoppers from the surrounding region.

### Unmet Demand

While the City draws shoppers from outside the City limits, there are still retail services for which shoppers leave the STA. The fact that some shoppers leave the STA for certain types of retail services indicates there is a demand for goods that cannot be met in either trade area. Understanding this unmet demand reveals an opportunity for Downtown West Plains to capture more retail spending and add to the pull of West Plains' retail sector.

In Table 9 unmet demand (the difference between retail demand and actual sales) is listed for the retail categories having the greatest opportunity. Given the total unmet retail demand within the Secondary Trade Area and the average sales per square foot ($51) in Downtown West Plains, PGAV estimates that Downtown could support an additional 34,000 square feet of retail. This could be accomplished by capturing unmet demand in the specified retail sectors. Additionally, existing retailers could capture this unmet demand by expanding floor area, or new retailers could enter the marketplace.

Average sales per square foot is calculated using an estimate of gross retail sales. This number differs from the DREAM Financial Assistance Review because automobile purchases are not included in financial mechanism calculations. Automobiles are taxed where they are registered, not where they are sold. For retail activity analysis, they can be included.

Table 9: Retail Opportunities

| Industry Group | Opportunity[1] | Possible Retail Area (sq.ft.) Supported[2] |
|---|---|---|
| Grocery Store | $ 1,163,019 | 22,800 |
| Specialty Food Store | $ 188,303 | 3,700 |
| Book, Periodical, and Music Stores | $ 7,878 | 200 |
| Office Supplies, Stationery & Gift Stores | $ 88,753 | 1,700 |
| Full-Service Restaurants[3] | $ 189,157 | 1,900 |
| Special Food Services | $ 17,682 | 300 |
| Drinking Places | $ 157,367 | 3,100 |
| **TOTAL** | **$ 1,812,159** | **33,700** |

[1] Indicates unmet consumer demand within the Secondary Trade Area.

[2] Based on $51 in sales per square foot in Downtown West Plains, based on existing retail inventory and activity.

[3] Based on $100 per square foot in Restaurants Sales

## Available Retail Space Inventory

In reviewing the results of the DREAM Land Use, Building, and Infrastructure Survey task as conducted by West Plains volunteers, PGAV noted the following vacancies:

Table 10: Vacancies

| ID | Address | Available Sq.Ft. |
|---|---|---|
| 1 | 108 Washington Ave | 1,500 |
| 2 | 110 Washington Ave | 1,050 |
| 3 | 2 Luster Arcade | 1,600 |
| 4 | 109 Aid Ave Rear | 6,700 |
| 5 | 210-212 Washington Ave | 16,000 |
| 6 | 408 Washington Ave | 14,000 |
| 7 | 104 Worcester | 1,600 |
| 8 | 111 St. Louis St | 1,300 |
| 9 | 40 & 41 Court Square | 1,500 |
| 10 | #13 Court Square | 1,900 |
| 11 | 201 W. Main St | 1,500 |
| 12 | 10 Court Square | 4,000 |
| 13 | 301 Washington Ave | 2,076 |
| 14 | 312 E. Main St | 3,000 |
| 15 | 202 Aid Avenue | 3,600 |
| TOTAL | | 61,326 |

The above-listed locations are depicted on the First-Floor Vacancy map in Appendix D. The total available vacant square footage in Downtown West Plains is more than the amount of additional, supportable retail square footage as described on the previous page. Taking into consideration the retail opportunities described above, the size of each vacant space, and the location of each in Downtown West Plains, potential retail spaces can be matched with suggested retail services.

In addition, PGAV accounted for proximity to other land uses and major activity centers such as the West Plains Civic Center and Missouri State University when suggesting retail uses for vacancies. Other considerations on retail placement centered on the idea of clustering drinking and entertainment places on the Luster Arcade.

Table 11 below presents the parcel ID key, address, available square footage, and potential retail use.

Table 11: Potential Retail

| ID | Address | Available Sq.Ft. | Potential Retail |
|---|---|---|---|
| 1 | 108 Washington Ave | 1,500 | Specialty Food Store |
| 2 | 110 Washington Ave | 1,050 | Specialty Retail - Gift Stores |
| 3 | 2 Luster Arcade | 1,600 | Drinking Places/Entertainment |
| 4 | 109 Aid Ave Rear | 6,700 | Open Space |
| 5 | 210-212 Washington Ave | 16,000 | Grocery Store |
| 6 | 408 Washington Ave | 14,000 | Ozarks Small Business Incubator |
| 7 | 104 Worcester | 1,600 | Service |
| 8 | 111 St. Louis St | 1,300 | Book, Periodical, and Music Stores |
| 9 | 40 & 41 Court Square | 1,500 | Museum |
| 10 | #13 Court Square | 1,900 | Drinking Places/Entertainment |
| 11 | 201 W. Main St | 1,500 | Service |
| 12 | 10 Court Square | 4,000 | Specialty Dining/Full Service Restaurant |
| 13 | 301 Washington Ave | 2,076 | Specialty Dining/Full Service Restaurant |
| 14 | 312 E. Main St | 3,000 | Specialty Food Store |
| 15 | 202 Aid Avenue | 3,600 | Boutique Hotel/Special Food Services |
| TOTAL | | 61,326 | |

Figure 5 on Page 17 illustrates these potential retail uses in their geographic locations.

# Figure 5
# Retail Opportunity

Downtown Study Area
City of West Plains, Missouri


## Legend

- Book, Periodical, and Music Stores/Residential
- Boutique Hotel/Special Food Services
- Drinking Places/Entertainment
- Grocery Store
- Museum
- Open Space
- Ozarks Small Business Incubator
- Service
- Service/Residential
- Speciality Food Store
- Specialty Dining/Full Service Restaurant
- Specialty Dining/Full Service Restaurant/Res
- Specialty Food Store
- Specialty Retail - Gift Stores
- Study Area

1st Floor Vacancy and Land Use were identified during the Land Use, Building & Infrastructure Survey conducted by West Plains in 2006

The Retail Opportunity labels correlate with Table 11: Retail Opportunities

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The recommendations listed in Table 11 and displayed in Figure 5 are based upon the analysis of unmet retail demand Table 9 (Retail Opportunities) on page 14. The total amount of available space and potential retail suggested in Table 11 of 61,326 square feet is more than the total supportable square footage in Table 9 of 33,700 square feet. This means that the City and Downtown leadership should consider ways to increase Downtown retail demand and find innovative uses for the remaining vacant spaces that will complement retail, such as increasing the Downtown residential population. Additionally the City may want to consider demolishing some dilapidated structures and aggressively developing parkland which will enhance the Downtown living experience.

Table 12, below, shows how the current vacant space could be allocated and compares that allocation to supportable retail floor area.

Table 12: Vacancy Allocation

| Industry Group | Opportunity[1] | Allocated Vacant Space | Possible Retail Area (sq.ft.) Supported[1] |
|---|---|---|---|
| Grocery Store | $ 1,163,019 | 16,000 | 22,800 |
| Specialty Food Store | $ 188,303 | 4,500 | 3,700 |
| Book, Periodical, and Music Stores | $ 7,878 | 1,300 | 200 |
| Office Supplies, Stationery & Gift Stores | $ 88,753 | 1,050 | 1,700 |
| Full-Service Restaurants[2] | $ 189,157 | 6,076 | 1,900 |
| Boutique Hotel/ Special Food Services | $ 17,682 | 3,600 | 300 |
| Drinking Places | $ 157,367 | 3,500 | 3,100 |
| **TOTAL** | **$ 1,812,159** | **36,026** | **33,700** |

[1] Based on $51 in sales per square foot in Downtown West Plains, based on existing retail inventory and activity.

[2] Based on $100 per square foot in Restaurant Sales

A sizeable portion of the vacant space allocation is recommended for a Grocery Store (44%), since a large majority of the total unmet demand lies in this category. The establishment one or two Specialty Food Stores (perhaps a bakery), an Office Supply, Stationary, or Gift Store, another couple of Restaurants, and a couple of Drinking Places should easily meet most of the remaining unmet demand. Overall, existing Downtown buildings should be able to capture all of the current unmet retail or restaurant demand.

The recommended vacant space allocation also includes a degree of public and non-retail space, these opportunities are outlined in Table 13.

It is important to include public and non-retail spaces in these recommendations because a vibrant Downtown requires a daytime population that will frequent its restaurants and shops. Attracting recreation and other users, especially those associated with the Ozarks Small Business Incubator, to Downtown West Plains will increase the daytime population and potential retail customers. These areas are identified in Figure 5 on Page 17.

Table 13: Public & Non-Retail Vacancy Allocation

| Industry Group | Allocated Vacant Space |
|---|---|
| Open Space | 6,700 |
| Service | 3,100 |
| Ozarks Small Business Incubator | 14,000 |
| Museum | 1,500 |
| **TOTAL** | **25,300** |

The open space suggested in Table 13 is currently a large single-story, warehouse-type structure on Leyda Avenue. This parcel upon which this parcel is located could be the beginning of a Downtown park.

The service uses suggested are noted due to their distance from the Courthouse Square or some inadequacy for a retail use.

The Ozarks Small Business Incubator is not expected to have a significant retail component and therefore is not consider by this Retail Market Analysis.

## Focus Groups, Phone, and Visitor Survey Highlights

The DREAM Community/Consumer Survey task included conducting focus groups, a phone survey, and a visitor survey. Findings relevant to retail development are summarized below. These results offer another important source of data about local consumer behavior and measures the desire for additional retail, restaurant, and entertainment offerings in Downtown West Plains.

Focus Groups Overview:

- Downtown should focus on independently owned specialty shops and restaurants. Residents feel that West Plains should continue to strive for unique experiences for its Downtown customers.
- Apparel businesses (men's), shoe stores, and accessory stores would be welcome additions to Downtown.
- The community would like to see a grocery store (potentially organic), a meat shop, farmer's market, bakery, and additional restaurants.
- The community would welcome an art gallery, art stores, bookstore, jewelry and specialty store.
- The Ozark Small Business incubator is important to residents and business owners to assist new small businesses in the Downtown area.

Telephone Survey Overview:

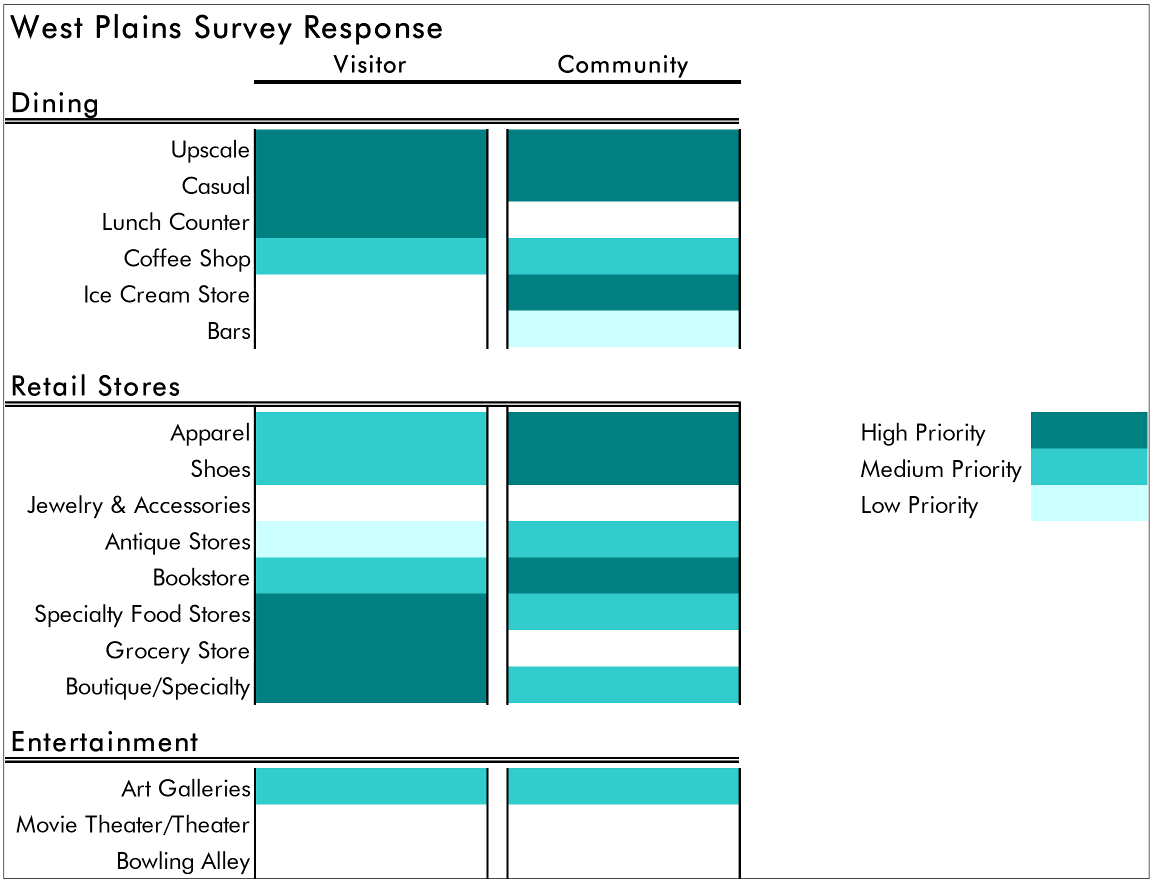
- More than 45% of residents in West Plains visit Downtown more than five times a month.
- Another 35% visit Downtown one to five times a month. A majority (22%) of these visits are to conduct business.
- Approximately 17% of all visits are centered around shopping while another 22% are focused on dining.

Visitor Survey Overview:

- Top reasons for visiting Downtown include shopping and dining.
- More than 45% of visitors are between the ages of 35 and 49. Another 31% are between the ages of 50 and 64.
- Visitors would like to see additional businesses, such as Restaurants, Book Stores, Clothing Stores, a Movie Theater, Specialty Stores, and a Coffee Shop.

Figure 6 illustrates visitor and community (phone) survey responses for various categories of new retail, restaurant and entertainment businesses in Downtown (white spaces indicate that the category was not identified as a priority by that group).

Figure 6: Retail Priorities




West Plains residents placed varying degrees of importance on several categories within the retail sector. The highest priority from the visitors and community phone survey was upscale and causal dining. Visitors to West Plains indicated that they would also be interested in specialty food stores, a grocery store and boutiques. The community indicated that attracting an ice cream shop, clothing and shoe stores and a bookstore should be a top priority.

In summary, visitors and phone survey respondents were both very much interested in a wider variety of retail establishments, with extended business hours and an environment that focuses on the customer and their experience.

## Key Consumer Segments

All aspects of a retail development program should consider the needs and desires of the customers, either existing or prospective. Several groups of consumers for Downtown West Plains businesses should be given special attention because they represent the most likely consumers and represent significant purchasing power.

Downtown Workers

- Most viable consumer segment with more than 910 employees and 138 businesses
- A key issue is understanding the potential spending capacity of office workers
- An estimate of this potential: 910 workers x $25 estimated weekly spending = $1.2 million in annual retail sales

Local Residents

- Local residents visit Downtown for a variety of reasons
- Key issues for this segment will be to inspire community loyalty through effective marketing and to create Downtown as a shopping option

Out-of-Town Visitors

- Some of these travelers are overnight visitors while others are day-trippers
- Hotels are currently located in the Primary Trade Area (City Limits), not Downtown
- This segment can be quite lucrative based on expectation of increased patronage and their potential for expendable income

# Downtown West Plains Goals & Strategies

The purpose of the DREAM retail market analysis is to establish a retail development strategy for Downtown West Plains based on market realities. By understanding both how much residents spend in the various retail categories and how much of this spending is captured Downtown, local leaders can better focus retail development efforts. This analysis will also help potential retailers understand their likelihood of success in Downtown West Plains.

There are opportunities for both existing and potential new retail businesses to attract more spending to Downtown West Plains. A coordinated retail development strategy should be employed that will complement Downtown West Plains' existing assets (the presence of government and service employees, a healthy occupancy rate and several long-established retailers with loyal customers, etc.), and reflect other unique local characteristics.

Because of West Plains' active Downtown core and community support, some of the recommended strategies are ongoing efforts that can be strengthened or reaffirmed to local business owners and customers. Other strategies will present new ideas that will require discussion and additional planning. Some of the strategies are long-term projects that will not be realized immediately while others are short-term. Public and private sectors will need to partner to create an environment in which retail can thrive. This means municipal officials, staff, and private business and property owners need to cooperate in creative ways for the good of Downtown West Plains.

## Goals

The retail development strategy for Downtown West Plains is presented within the framework of four general goals:

1. Strengthen Existing Retail Businesses
2. Build Downtown Residential Population
3. Support Marketing Initiatives
4. Improve the Retail Business Mix

## STRATEGIES

Strategies to achieve the noted goals are described in detail in the following pages. These strategies are realistic and based on an understanding of Downtown West Plains' current retail market, its primary customers, and the spending potential of the key customer segments identified earlier in this analysis. The goals and their respective strategies are listed below.

### Strengthen Existing Retail Businesses

The owners of existing businesses in Downtown West Plains have made major investments in the community. All businesses can improve their profitability and draw more customers, which will benefit Downtown collectively.

Many of Downtown West Plains' businesses are small family-owned businesses and would likely benefit from assistance in learning more effective ways to increase sales and profit. Despite the prevalence of highway-oriented "big box" chain retailers and strip centers in today's retail world, independent Downtown retailers have certain advantages. Downtown merchants and community leaders need to understand the psychology behind the consumer appeal of the local "Mom & Pop" store as opposed to the "Big Box" experience.

Big Boxes offer a homogenous shopping experience that emphasizes the efficient purchase of necessities. Everything from the perception of parking availability to the availability of snacks is designed to meet the customer's every need and to keep them in the store. These factors allow Big Boxes to operate as stand-alone locations on the outskirts of town.

Unique local shops thrive when they can work together and become a destination as a group. City leadership needs to understand that the consumer will have to perceive the entire area as safe, clean, and friendly. Local shop owners need to understand that they will have to embrace visitors and make them feel comfortable. The consumer going to the local shop is there for the experience of the shop, not the efficiency of buying everyday items.

Some general ways that unique local shops can capitalize on their strengths include:

- Carry unique or higher-end items that can't be found elsewhere
- Learn to attract the dissatisfied customers from the larger retailers
- Offer expert, personalized assistance and extraordinary customer service
- Consider shopping amenities such as gift wrapping, free shipping, convenient return and exchange policies, recommendations to other local shops and restaurants, and special orders
- Work smarter by using technology and eliminating wasteful overhead
- Regularly strive to improve the customer satisfaction experience through a review in the context of a first-time visitor
- Advertise your unique qualities and services

- Individual retailers should implement a parking plan that requires employees to park away from the storefront, freeing up the most convenient on-street parking for customers

Downtown West Plains merchants receive support from the City, Downtown West Plains, Inc., and the Chamber of Commerce. But the Downtown merchants must be made aware of their strengths and how to use them. The following retail strategies should be developed for Downtown, but will require cooperation from individual businesses.

- Downtown business owner education.

  The Greater West Plains Chamber of Commerce should cooperate with Downtown West Plains, Inc. and include Missouri State University's Small Business & Technology Development Center to develop a business owner education seminars dealing with topics such as e-mail and web-based marketing, finding and retaining customers, tracking customer spending patterns, understanding customer needs, methods of increasing customer traffic, building and business maintenance, sales and profitability. Meetings should be held at the Ozarks Small Business Incubator and have a focus on Downtown retail businesses, but any local business could benefit.

  Information concerning retail opportunities as shown in Table 9 on page 14 should also be shared and Downtown merchants encouraged to adapt and expand their product lines to fulfill unmet demand.

- Capitalize on Downtown's existing daytime population.

  As of 2008, there were 910 jobs in Downtown West Plains. Downtown businesses should consider adapting to appeal to the needs of this market.

  Employees and visitors to the Howell County Courthouse and other offices provide a ready source of potential customers for retailers and restaurants. Business owners should consider how they can attract those who may occasionally come Downtown for business to extend their trip to include a meal or shopping.

  Some methods such as extending business hours, can be very appealing to this busy population and attract a customer before or after work or school. Business referral programs and promotions targeting Downtown employees could help to draw them back for longer visits. Restaurants that provide take-out, delivery, or special lunch promotions will appeal to the worker with limited time.

  Small merchants can find it very difficult to stay open into evening hours, but having a critical mass of businesses open for shopping is vital for a vibrant, active Downtown. When there are shops open for browsing in the evening, the experience of dining Downtown becomes a different experience than eating at a more highway-oriented business. Likewise, having more dining options and increased restaurant traffic will provide an incentive to retailers to stay open late.

A solution in many communities is to have one coordinated evening a week during which a group of businesses stay open late, such as Thursdays till 8:00 PM or Fridays till 9:00 PM. This can be advertised as part of Downtown promotions or shared advertizing among the retailers. Another coordinated evening or Saturday afternoon promotion may be a once-a-month event during which stores are open and a smaller-scale special event is planned to create a festive atmosphere.

- Enhance Downtown aesthetics.

Downtown West Plains' historic architectural character and physical layout is the key to its draw as a unique retail environment. Protecting and improving the quality of the built environment must be a major component of the DREAM Initiative.

The public and private sectors must continue their partnership to preserve and enhance an environment in which retail can thrive. This will require various means of cooperation among elected and appointed municipal officials, City staff, and private business and property owners to maximize the impact of their individual efforts. New public sector mechanisms such as a Community Improvement District may be needed to spur additional streetscape improvements and infrastructure projects. Public sector activity should be aimed at inducing private investment that adheres to building design guidelines.

Downtown has numerous public parking lots that are not clearly marked as such. All parking lots should be subject to a minimum paved surface requirement and landscaping requirements. With the public lots as the example, private lots should be improved through code enforcement or with an incentive program.

Several impressive façade restoration projects have been completed on West Plains' Downtown Square. The City and Downtown West Plains, Inc. must continue to encourage restoration of key buildings through methods such as improved inspections and building processes, matching grants or loans, and access to technical assistance for architectural design.

The City's code enforcement efforts should be continued and strengthened to ensure that West Plains' Downtown buildings and sites are properly maintained. Building code issues in the context of historic building rehabilitation can be difficult, as property owners can view code compliance as a costly impediment to renovation. Downtown West Plains, Inc. can also assist the City with building or property maintenance issues by working with property owners before the City takes formal enforcement action. By requiring City review of building plans prior to any major remodeling or new construction in the Downtown area, the City could protect Downtown's historic character and appearance, an important community asset.

Improvements to the public and the private aspects of Downtown will encourage residents to be active in Downtown. Incoming residents and visitors will be more likely to utilize Downtown businesses as a retail option if they see vibrant and thriving businesses among well-maintained City improvements.

## Build Downtown Residential Population

As noted in the DREAM Residential Demand Analysis, the residential market in West Plains is fairly stable, although the housing units need better maintenance. West Plain's leaders should build on the stability of the residential market by firm and fair enforcement of the appropriate City codes, design guidelines, and nuisance ordinances. The City should take an active role in encouraging its residents to participate in assistance programs such as the recent Missouri Home Repair Opportunity (HeRO) funding program.

These efforts will address existing housing, and Downtown should implement the following strategy to be prepared for new residential development.

- Attract new Downtown residents.

  The City has had success with private property owners restoring buildings throughout the Square and utilizing the upper floors for residential. These success stories should be promoted to new developers as examples of private, high quality, upper floor residential units. The processes for rehabilitation of high-quality loft dwellings should also be as streamlined as possible without compromising City codes.

  Opportunities for larger quality developments near Downtown should also be identified and encouraged. Likely there is not a location to put a large housing development directly on the Square, but near Downtown to the north are opportunities to obtain larger buildings that may be converted into apartments by a reputable developer.

  These aspects can fit into a Downtown Residential Development Plan with the goal of increasing the density of Downtown's population. As more people choose to live Downtown, there will be more demand for nearby retail services.

## Support Marketing Initiatives

Downtown West Plains, Inc. should continue involvement with local groups such as the Ozark Heritage Welcome Center to increase Downtown's marketing to regional visitors. Downtown merchants should be supported as they attempt to capture more of the market of visitors already in the City. The DREAM Initiative Marketing Plan task addresses some of these aspects, but there are important retail considerations to be found in the following strategies.

- Review and ensure that marketing materials for Citywide visitors are effective and leave positive impressions.

  Visitors to Citywide attractions such as the University, Civic Center, Ozark Heritage Welcome Center, Speedway, Campground, Hotels, and Ozark Medical Center should see information telling them that Downtown is a compelling place to go visit. These attractions should serve as place to distribute calendars or discount cards.

  The Ozark Heritage Welcome Center is located between the Downtown and the highway and is likely the first stop a visitor makes on the way into West Plains. It is imperative that promotional pieces for Downtown West Plains be provided. The marketing pieces need to be current. This is the opportunity for the Downtown to hook a visitor and outdated information will leave a very poor impression. The Welcome Center will likely not maintain this information. Downtown West Plains, Inc. will have to ensure Downtown is represented properly by changing out old material and producing new pieces when required.

- Help Downtown businesses improve visibility, particularly to University students and existing Downtown visitors.

  Adjacent to Downtown, Missouri State University's West Plains Campus has a current enrollment of approximately 1,700 students. There are only 60 living units on campus and only another 56 more in the University's long-range plans. Downtown is located between the University and the West Plains Civic Center, the location of many College athletic events. This geography provides the Downtown merchants an opportunity to attract students, faculty, alumni, and visitors as they travel from Campus to athletic events at the Civic Center.

  Currently there are only 24 residents in 11 households in Downtown. The proximity of the existing and future University housing means that a sizeable retail market is located just outside Downtown, all at the same address. Understanding the needs of the students can be done very efficiently through regular surveys in cooperation with the Student Affairs Office. These initiatives should be undertaken by Downtown West Plains, Inc. Marketing campaigns developed for College students, faculty, and staff can build important loyalty to Downtown's merchants.

- Cooperatively cross-market Downtown merchants.

  Some businesses draw customers from a wider geographic area than others. Those shops and restaurants that draw from farther away represent an opportunity for West Plains to capture more retail spending. Whether through flyers, coupons, email, or just casual word-of-mouth recommendations, store and restaurant employees should encourage their customers to visit other Downtown shops. Some customers will not be aware of the other opportunities to shop or dine Downtown. For this reason, Downtown business directories should always be on hand at check-out counters and waiting areas in businesses.

Shared advertising (e.g. newspaper ads promoting multiple businesses) can be beneficial for Downtown businesses for several reasons. Whether print or electronic media, shared ads promoting multiple businesses help build an image of Downtown as a place with multiple shopping opportunities, leading to multiple-store shopping visits. It can also make advertising more affordable and allow smaller businesses to use advertising media they would not otherwise use.

## Improve the Retail Business Mix

As indicated in the data analysis component of this report, there are opportunities to attract additional Downtown businesses that can address unmet retail demand. In order for West Plains to capture more retail spending, these additional retail businesses should be encouraged and sought. While Downtown has many existing retailers, more than enough vacant first-floor space is available to address unmet retail demand. Retail or restaurant uses are usually the primary target for filling first-floor vacant spaces, but retail-complementary uses or services might also be target components. The following strategies address these issues.

- **Develop an Economic Development Plan to attract specific businesses in categories where unmet demand exists for that retail type.**

  The City should target "Grocery Stores", "Full Service Eating Places", and "Specialty Food Stores" for attraction to Downtown. While these types of retail services demonstrate the greatest opportunity to meet unmet demand, other services of note include "Book, Periodical, and Music Stores" and "Office Supplies, Stationary, and Gift Stores". These potential uses should be carefully planned and considered for their effects on existing Downtown businesses. The City's Economic Development Department should focus efforts for Downtown on these services.

- **Create a Retail Recruitment Team.**

  Downtown West Plains, Inc. can assist the West Plains Economic Development Department by leading an effort to form a retail recruitment team. This team will consider the specific retail types to be attracted and improve the search network for appropriate businesses looking to relocate, expand, or start-up in Downtown. A potential source for the team to mine can be successful businesses in nearby towns that may be interested in an additional location. Tools that should be used by the recruitment team include:

  - A listing of the available vacant buildings in Downtown West Plains, including exterior photos, dimensions, listed rental rates, contact information, and building amenities. Listings should suggest the type of businesses for which the available space is best suited.

- A listing of local bankers, real estate agents, and representatives to ensure up-to-date property listings and to communicate accurate promotional information about Downtown.
- A brief description of any available incentives (e.g. grants, forgivable loans) for tenant improvements, and rent subsidies.
- Profiles of successful projects implemented by public/private partnerships and testimonials from successful newer businesses Downtown.
- A vacant storefront window filler package to include "retail opportunity" signs or promotions of successful businesses.

- Target other uses that complement Downtown's existing retail businesses.

In addition to filling gaps of specific unmet retail supply, a recruitment campaign should also highlight businesses that will complement existing retailers. With more space available than current unmet demand, there is room for entertainment uses, open space, and parkland to be developed that will be pleasing to shoppers during their visit.

There are also available buildings in which service businesses that support some retail activity could be housed. For instance, there are a few home furnishing showrooms Downtown. Local contractors, upholsterers, woodcrafters, landscapers, and interior decorators would complement these establishments and help build regional perceptions of West Plains as a destination for furniture and home décor. Real-estate, finance, or insurance offices may also be of benefit to this retail cluster.

Office and service uses are an important part of the Downtown business mix, but having too much office space or non-retail uses in first-floor units can inhibit foot traffic, restrict growth of sales tax revenue, and make it difficult for retailers to draw evening or weekend customers. The existing Downtown West Plains business mix is relatively healthy and the unmet retail demand does not exceed available space. Likely some non-retail uses could be attracted without causing an imbalance in the business mix. Care should be taken though to encourage first-floor retail, develop new retail locations, and to regularly review the retail market to see if unmet demand has increased.

## CONCLUSIONS

The retail market for Downtown West Plains has both opportunities and challenges. One of Downtown's greatest opportunities lies in developing its image as a pleasant, historic, shopping experience with convenient parking. The critical mass of existing businesses and institutions located Downtown combined with West Plains' central location in the region provides a steady influx of customers.

Occupancy rates for Downtown West Plains are stable. However, the Downtown vacant first-floor space currently exceeds the potential retail opportunity. Downtown must develop ways to increase its retail demand by both increasing its population, and attracting more shoppers. The relative stability of West Plains' economy demonstrates that the retail sector in Downtown West Plains can continue to play an important role in the City's thriving market.

Capitalizing on the existing consumer base and growing the retail market will be challenging, yet possible. Downtown has a wealth of built infrastructure that enhances the pedestrian environment, as well as buildings with architectural and historical character. These characteristics, generally referred to as "new urbanism" or "lifestyle centers" are currently a major development trend in new shopping center designs all across the country. West Plains should promote Downtown as an "experience" and a shopping and dining destination.

In order to develop this "experience" merchants will require encouragement and education. Outstanding customer service, convenient services and hours, and a clean and safe shopping environment are critical. These Downtown business changes, combined with a Downtown Residential Development Plan, a targeted economic development effort, and increased marketing initiatives will establish Downtown West Plains as a pleasant shopping experience.

# APPENDIX

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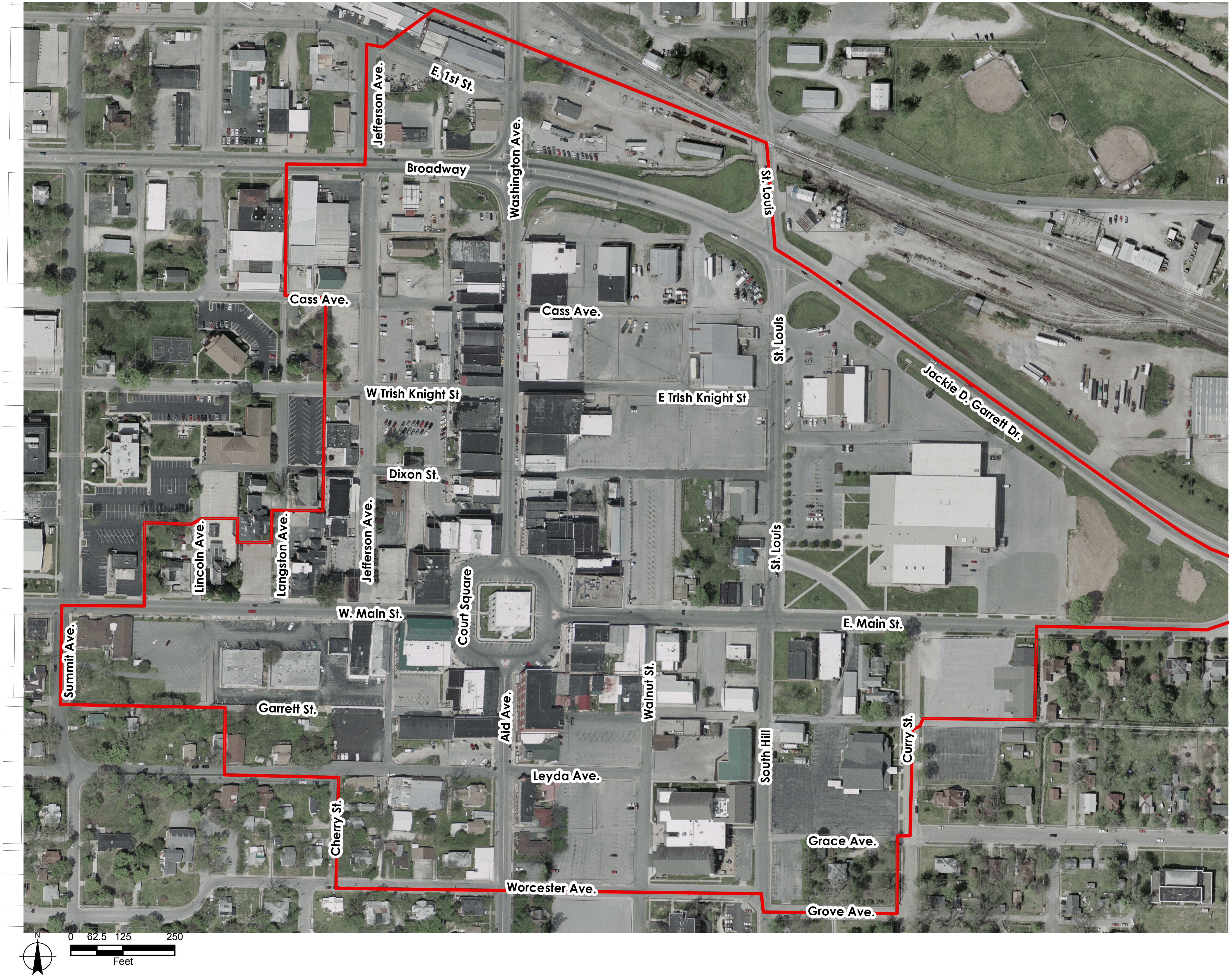
# Appendix A-1
# Downtown West Plains

Downtown Study Area
City of West Plains, Missouri




Legend

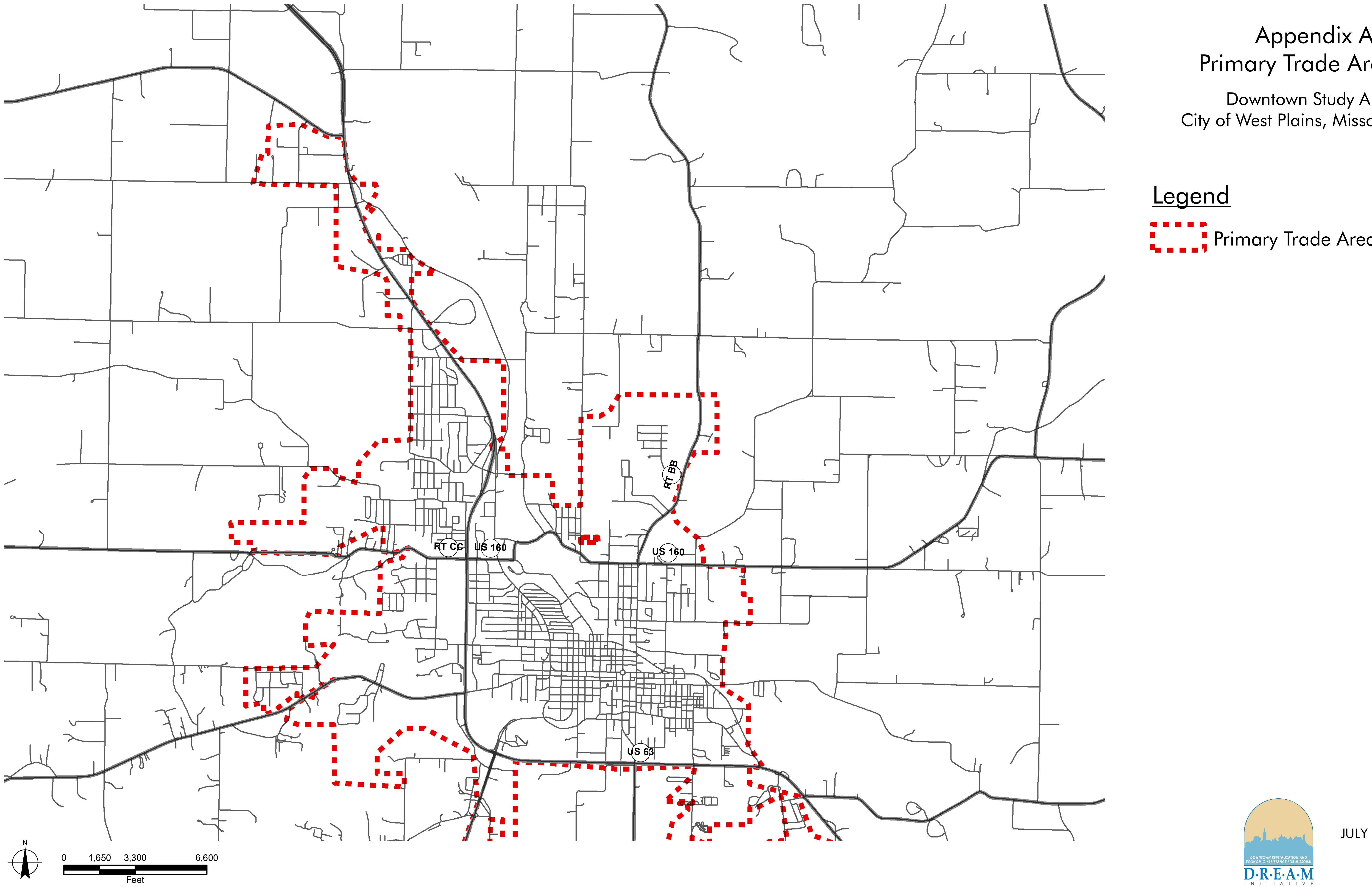
Study Area

JULY 2009

DOWNTOWN REVITALIZATION AND ECONOMIC ASSISTANCE FOR MISSOURI
D·R·E·A·M
INITIATIVE

# Appendix A-2
# Primary Trade Area

Downtown Study Area
City of West Plains, Missouri

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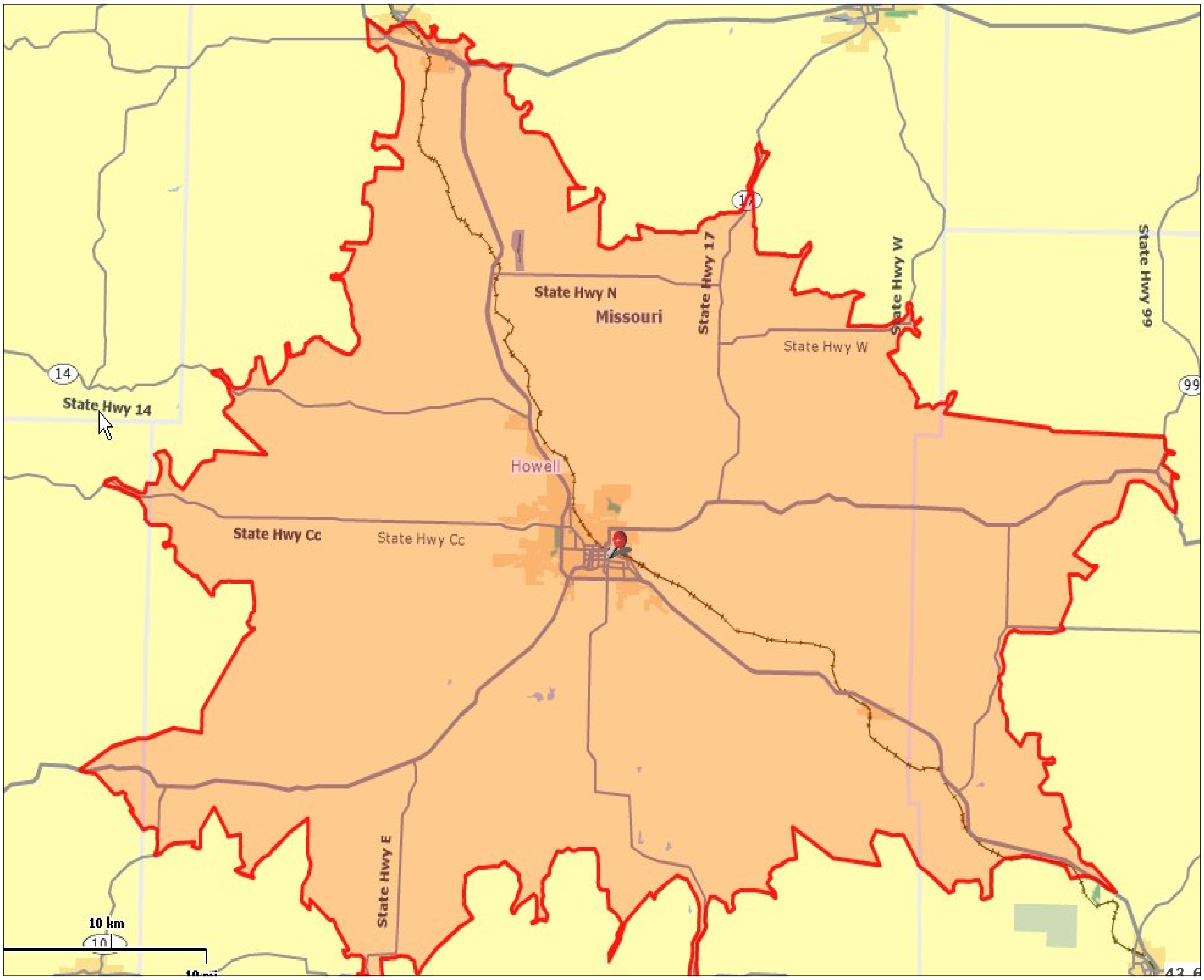
Appendix A-3
Secondary Trade Area Illustration



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Appendix B
Retail Demand & Sales
West Plains, Missouri

| Industry Group | Secondary Trade Area Demand | STA Businesses | STA Total Retail Sales | STA Gap | STA Per Capita Demand | PrimaryTrade Area Retail Demand | Primary Trade Area Businesses | Total Retail Dollars Spent in the Primary Trade Area | Downtown Area Total Amount Spent | Downtown Businesses |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Retail Trade and Food & Drink (NAICS 44-45, 722) | **$129,124,436** | **280** | **$180,557,981** | **$ (51,433,545)** | **4,556** | **$52,509,412** | **207** | **$110,038,209** | **$10,754,910** | **15** |
| Total Retail Trade (NAICS 44-45) | **$104,199,414** | **224** | **$151,395,820** | **$ (47,196,406)** | **3,676** | **$41,554,952** | **171** | **$83,682,591** | **$8,373,772** | **13** |
| Total Food & Drink (NAICS 722) | **$24,925,022** | **56** | **$29,162,161** | **$ (4,237,139)** | **879** | **$10,954,460** | **36** | **$26,355,618** | **$2,381,138** | **2** |
| Furniture & Home Furnishings Stores (NAICS 442) | $5,033,859 | 18 | $10,286,190 | $ (5,252,331) | 178 | $2,133,277 | 17 | $8,596,954 | $1,780,086 | 0 |
| Furniture Stores (NAICS 4421) | $2,691,659 | 10 | $6,613,715 | $ (3,922,056) | 95 | $1,151,183 | 9 | $4,889,115 | $945,662 | 0 |
| Home Furnishings Stores (NAICS 4422) | $2,342,200 | 8 | $3,672,475 | $ (1,330,275) | 83 | $982,094 | 8 | $3,707,839 | $834,424 | 0 |
| Electronics & Appliance Stores (NAICS 443/NAICS 4431) | $4,297,666 | 19 | $5,129,781 | $ (832,115) | 152 | $2,078,600 | 13 | $3,635,954 | $325,971 | 1 |
| Bldg Materials, Garden Equip. & Supply Stores (NAICS 444) | $6,586,601 | 26 | $10,720,416 | $ (4,133,815) | 232 | $2,366,466 | 17 | $5,216,853 | $436,882 | 1 |
| Building Material and Supplies Dealers (NAICS 4441) | $5,972,383 | 18 | $7,344,294 | $ (1,371,911) | 211 | $2,162,260 | 15 | $5,043,685 | $387,228 | 0 |
| Lawn and Garden Equipment and Supplies Stores (NAICS 4442) | $614,218 | 8 | $3,376,122 | $ (2,761,904) | 22 | $204,206 | 2 | $173,168 | $49,654 | 1 |
| Food & Beverage Stores (NAICS 445) | $15,759,676 | 25 | $15,253,896 | $ 505,780 | 556 | $6,178,820 | 13 | $10,063,035 | $407,128 | 1 |
| Grocery Stores (NAICS 4451) | $14,624,931 | 17 | $13,461,912 | $ 1,163,019 | 516 | $5,748,476 | 8 | $9,593,704 | $254,478 | 1 |
| Specialty Food Stores (NAICS 4452) | $319,493 | 2 | $131,190 | $ 188,303 | 11 | $126,787 | 2 | $116,432 | $18,548 | 0 |
| Beer, Wine, and Liquor Stores (NAICS 4453) | $815,252 | 6 | $1,660,794 | $ (845,542) | 29 | $303,557 | 3 | $352,899 | $134,102 | 0 |
| Health & Personal Care Stores (NAICS 446/NAICS 4461) | $3,594,235 | 19 | $14,009,141 | $ (10,414,906) | 127 | $1,381,274 | 14 | $4,394,530 | $845,846 | 1 |
| Clothing and Clothing Accessories Stores (NAICS 448) | $3,549,048 | 22 | $5,839,839 | $ (2,290,791) | 125 | $1,400,537 | 20 | $2,687,368 | $499,042 | 2 |
| Clothing Stores (NAICS 4481) | $2,776,930 | 15 | $4,135,233 | $ (1,358,303) | 98 | $1,069,712 | 13 | $2,093,594 | $443,000 | 1 |
| Shoe Stores (NAICS 4482) | $466,058 | 2 | $728,245 | $ (262,187) | 16 | $172,364 | 2 | $226,708 | $0 | 0 |
| Jewelry, Luggage, and Leather Goods Stores (NAICS 4483) | $306,060 | 5 | $976,361 | $ (670,301) | 11 | $158,461 | 5 | $367,066 | $56,042 | 1 |
| Sporting Goods, Hobby, Book, and Music Stores (NAICS 451) | $1,048,397 | 26 | $4,784,898 | $ (3,736,501) | 37 | $454,750 | 20 | $1,334,577 | $605,890 | 2 |
| Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511) | $600,292 | 22 | $4,344,671 | $ (3,744,379) | 21 | $233,684 | 18 | $1,171,725 | $576,563 | 2 |
| Book, Periodical, and Music Stores (NAICS 4512) | $448,105 | 4 | $440,227 | $ 7,878 | 16 | $221,066 | 2 | $162,852 | $29,327 | 0 |
| General Merchandise Stores (NAICS 452) | $61,206,856 | 15 | $74,766,963 | $ (13,560,107) | 2,159 | $24,333,924 | 12 | $43,701,232 | $2,636,477 | 1 |
| Department Stores Excluding Leased Depts. (NAICS 4521) | $22,445,946 | 8 | $28,900,669 | $ (6,454,723) | 792 | $8,867,107 | 6 | $22,775,756 | $26,388 | 1 |
| Other General Merchandise Stores (NAICS 4529) | $38,760,910 | 7 | $45,866,294 | $ (7,105,384) | 1,368 | $15,466,817 | 6 | $20,925,476 | $2,610,089 | 0 |
| Miscellaneous Store Retailers (NAICS 453) | $3,123,076 | 54 | $10,604,696 | $ (7,481,620) | 110 | $1,227,304 | 45 | $4,052,088 | $836,450 | 4 |
| Florists (NAICS 4531) | $319,197 | 7 | $847,180 | $ (527,983) | 11 | $100,451 | 6 | $457,926 | $129,376 | 1 |
| Office Supplies, Stationery, and Gift Stores (NAICS 4532) | $869,257 | 10 | $780,504 | $ 88,753 | 31 | $355,224 | 10 | $647,256 | $169,723 | 1 |
| Used Merchandise Stores (NAICS 4533) | $379,131 | 20 | $1,528,740 | $ (1,149,609) | 13 | $162,512 | 15 | $626,386 | $168,171 | 2 |
| Other Miscellaneous Store Retailers (NAICS 4539) | $1,555,491 | 17 | $7,448,272 | $ (5,892,781) | 55 | $609,117 | 14 | $2,320,520 | $369,180 | 0 |
| Food Services & Drinking Places (NAICS 722) | $24,925,022 | 56 | $29,162,161 | $ (4,237,139) | 879 | $10,954,460 | 36 | $26,355,618 | $2,381,138 | 2 |
| Full-Service Restaurants (NAICS 7221) | $11,749,575 | 2 | $11,560,418 | $ 189,157 | 415 | $5,367,644 | 24 | $8,646,406 | $1,018,063 | 0 |
| Limited-Service Eating Places (NAICS 7222) | $12,727,029 | 51 | $17,328,274 | $ (4,601,245) | 449 | $5,385,863 | 11 | $17,654,407 | $1,333,646 | 0 |
| Special Food Services (NAICS 7223) | $17,682 | 0 | $0 | $ 17,682 | 1 | $0 | 0 | $0 | $0 | 1 |
| Drinking Places - Alcoholic Beverages (NAICS 7224) | $430,736 | 3 | $273,469 | $ 157,267 | 15 | $200,953 | 1 | $54,805 | $29,429 | 1 |

# Appendix C
# Retail Locations

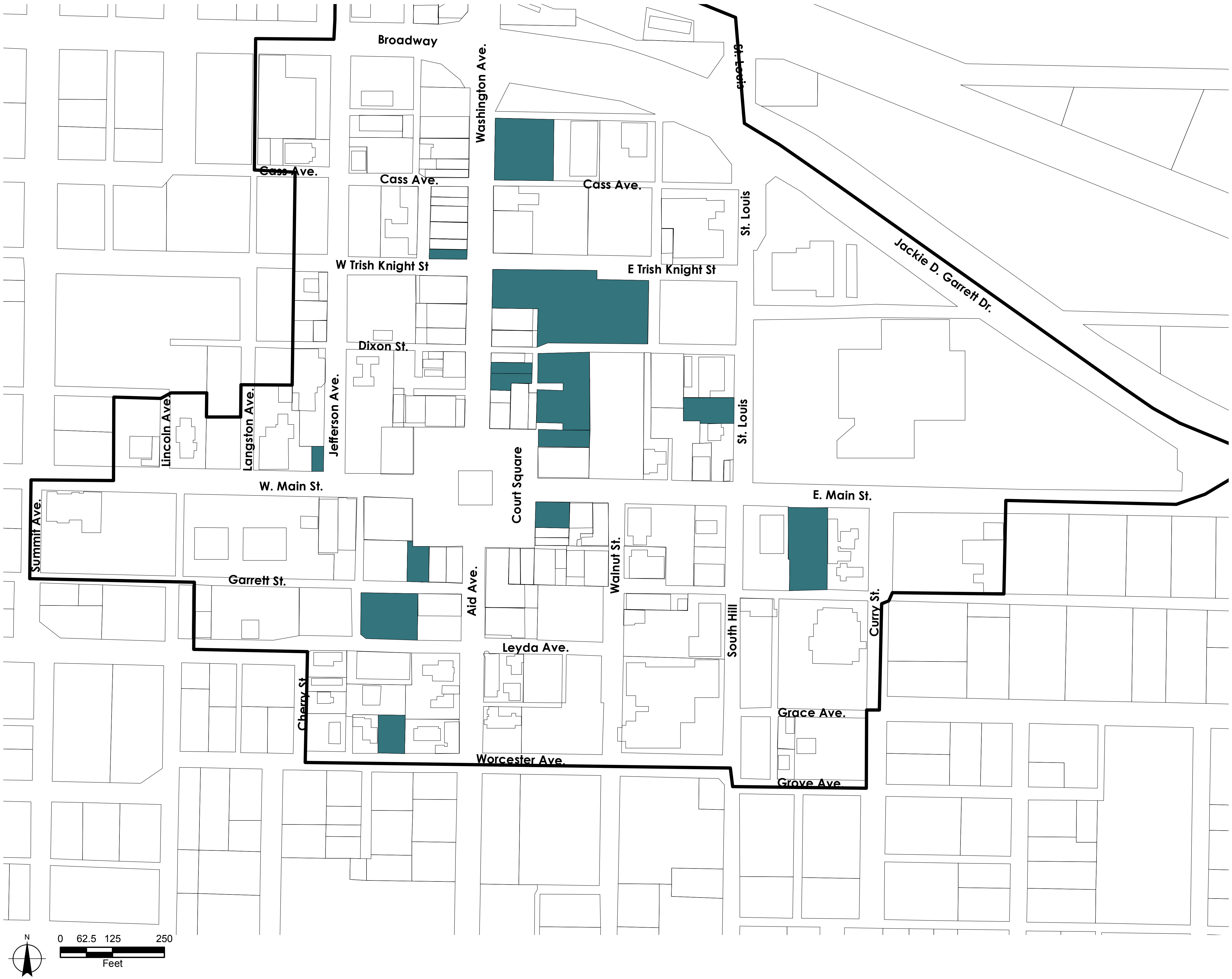
## Downtown Study Area
## City of West Plains, Missouri


| ID | Retail Name |
|---|---|
| 1 | Diamond International |
| 2 | The Dairy Princess |
| 3 | The Little Hut |
| 4 | Towne Floral |
| 5 | N/A |
| 6 | N/A |
| 7 | Gary's Tire |
| 8 | Chellz |
| 9 | Fishland |
| 10 | Illusions Salon, Bliss & Cup 'o Joe |
| 11 | The Book Nook |
| 12 | Butler Floor to Ceiling Showroom |
| 13 | N/A |
| 14 | N/A |
| 15 | Battery Station |
| 16 | R & S Flowers & Teachers Store & More |
| 17 | Link Motor Supply |
| 18 | Smith Auto Parts |
| 19 | Christos House Shop |
| 20 | N/A |
| 21 | Simply Chic |
| 22 | N/A |
| 23 | Game Stash |
| 24 | Washington Ave. Pawn & Parkway Beauty Academy |
| 25 | N/A |
| 26 | Red Apple Grill, I.B. Nuts & Fruit Too & Karen's Beauty Parlor |
| 27 | N/A |
| 28 | Medicine Chest |
| 29 | Norman Orr Office Supplies |
| 30 | Dawson's Auto Sales |
| 31 | Hershenson Printing |
| 32 | Towne Floral |
| 33 | Darla's Family Styling |
| 34 | N/A |
| 35 | Meadowbrook Natural Foods |
| 36 | Reicks Water Works & Supply |
| 37 | Smitty & Co Hair Styling |
| 38 | Mary Lou's Antiques |
| 39 | Brown Furniture |
| 40 | Old Time Flea Market |
| 41 | Gammil's Sewing Center |
| 42 | Window on the Square |
| 43 | Chris' Frame Shop |
| 44 | Melinda's Hallmark |
| 45 | West Plains Music & Kloz Klozet |
| 46 | Tangles Hair Salon |
| 47 | West Plains Cyclery & Cafe 37 |

JULY 2009

# Appendix D
# 1st Floor Vacancy

Downtown Study Area
City of West Plains, Missouri




Legend

1st Floor Vacancy

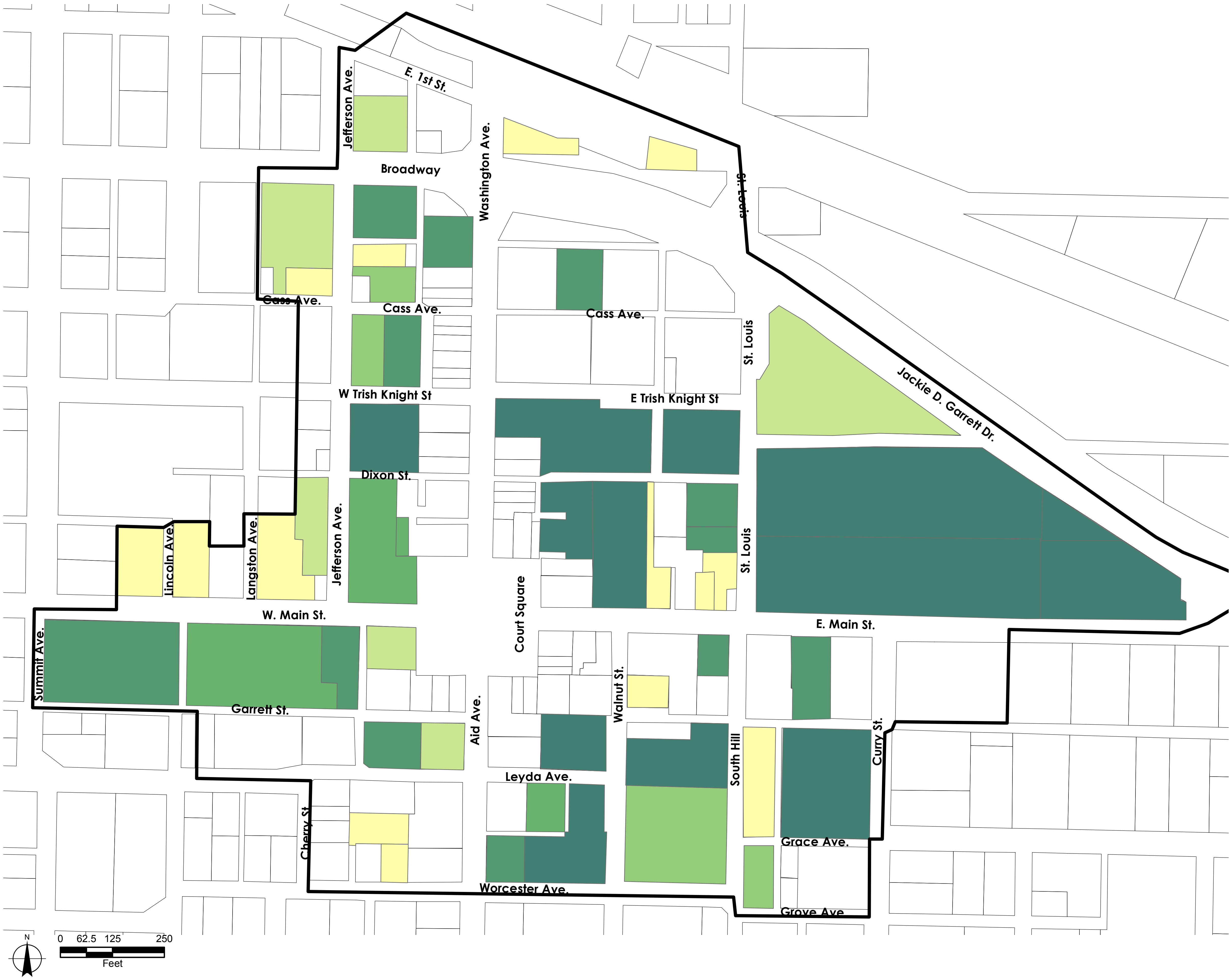
Study Area

JULY 2009

D·R·E·A·M
INITIATIVE

# Appendix E
# Parking Inventory

Downtown Study Area
City of West Plains, Missouri




## Legend

- 1-5 Spaces
- 6-10 Spaces
- 11-20 Spaces
- 21-30 Spaces
- 41-50 Spaces
- More than 50 Spaces
- Study Area

JULY 2009

# APPENDIX F

## Table References

TABLE 1: DOWNTOWN TRADE AREA DEMOGRAPHIC TRENDS
MISSOURI ECONOMIC RESEARCH & INFORMATION CENTER

TABLE 2: PRIMARY TRADE AREA DEMOGRAPHIC TRENDS
MISSOURI ECONOMIC RESEARCH & INFORMATION CENTER

TABLE 3: SECONDARY TRADE AREA DEMOGRAPHIC TRENDS
MISSOURI ECONOMIC RESEARCH & INFORMATION CENTER

TABLE 4: RETAIL ESTABLISHMENTS
ESRI

TABLE 5: EXISTING RETAIL SUPPLY
LAND USE SURVEY—PGAV

TABLE 6: AVERAGE ANNUAL CONSUMER EXPENDITURES PER HOUSEHOLD
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TABLE 7: HOUSEHOLD & DISPOAABLE INCOME
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ESRI & PGAV

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PGAV

# APPENDIX G

Detailed Market Data—Table of Contents

*The following tables are provided in electronic format.*