Downtown
Revitalization &
Economic
Assistance for
Missouri

Kirksville, Missouri

Retail Market Analysis

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PGAV Planners

Downtown Revitalization and Economic Assistance for Missouri
D·R·E·A·M Initiative

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EXECUTIVE SUMMARY

The City of Kirksville is currently participating in the Downtown Revitalization and Economic Assistance for Missouri ("DREAM") Initiative, which comprises a multi-year planning process. This process includes market research to determine the retail development potential of the DREAM Study Area. The Kirksville Downtown has extensive retail potential, supported by two universities and a major hospital located adjacent to the area. These major employers create the necessary traffic to support significant retail focused on both local and regional consumers. Downtown already has a reasonable amount of retail as well as a movie theater. These are, in part, supported by the local student population, but also by local residents.

This Retail Market Analysis revealed that while Kirksville is a regional shopping destination, there is unmet retail demand both within the City and its surrounding areas. This is attributable to residents and students choosing to travel an hour and half or more to Columbia, Missouri and locations beyond to fulfill their shopping desires. If Downtown adds businesses within targeted retail sectors, it could see significant increases in sales. There projections are based on existing sales volumes, existing vacant floor space and the estimated leakage of retail dollars spent outside of Downtown and the city limits.

This Report analyzes data for three areas: The Downtown Trade Area (DTA), which is the DREAM study area; Primary Trade Area (PTA), which is the city limits of Kirksville; and the Secondary Trade Area (STA), which is a 30 minute drive time from Downtown Kirksville, in particular along the Highway 63 north-south corridor. The existing retail market, demographics, and surveys were also documented and analyzed to help define a retail strategy for Downtown.

The DTA consists of 300 acres with approximately 430,000 square feet of existing 1st Floor Commercial/Retail Space. Approximately 171,000 square feet of 1st floor space is currently used as Retail/Restaurant Space, of which eight percent is vacant (13,000). There is a total of 71,000 square feet of vacant 1st floor space (commercial, retail or restaurant). The 157,000 square feet of non vacant Retail/ Restaurant Space is generating about $10.9 million in sales annually (sales do not include automobiles, gasoline stations or non-store retailers) or about $48 per square foot. Restaurant sales taken separately, generate a total of $132 per square foot. The 71,000 square feet of first floor vacancy represents potentially another $3.4 to $9.4 million in annual sales for Downtown.

A potential opportunity is to target retail stores which can make use of the existing vacant properties in Downtown. While many stores draw customers from outside of the Primary Trade Area within a number of retail sectors, there are some sectors that are not adequately served locally within the Secondary Trade Area. This demand and lack of local supply prompts shoppers to leave the STA to meet their retail needs in places such as Columbia, Missouri. This unmet retail demand presents an opportunity for Downtown Kirksville to capture more retail dollars. To make additional street-level retail space available for retailers to meet this demand, service businesses and office uses could be moved to currently vacant second floor space and new retail buildings might be also be constructed on existing vacant lots.

The Report has concluded that there is unmet demand (the difference between retail demand and actual sales) in the Secondary Trade Area within very specific retail sectors. Based on the unmet demand in the STA and the Downtown average of $48 per square foot for retail, the Report estimates that Downtown Kirksville could support an additional 120,401 square feet of retail business. Existing Downtown retail stores could capture this unmet demand by expanding floor area and providing new products or Downtown could attract new retail businesses.

In the report, Table 18 (also below included below for reference) lists the retail areas for potential growth in Downtown Kirksville. The retail goods and services are classified according to the North American Industrial Classification System (NAICS) in industry groups.

Industry Group	Opportunity[1]	Possible Retail Area (sq.ft.) Supported[2]
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	$ 1,319,862	27,497
Specialty Food Stores (NAICS 4452)	$ 1,180,725	24,598
Health & Personal Care Stores (NAICS 446/NAICS 4461)	$ 818,575	17,054
Clothing Stores (NAICS 4481)	$ 608,514	12,677
Grocery Stores (NAICS 4451)	$ 546,793	11,392
Other Miscellaneous Store Retailers (NAICS 4539)	$ 401,969	8,374
Shoe Stores (NAICS 4482)	$ 218,928	4,561
Used Merchandise Stores (NAICS 4533)	$ 170,272	3,547
Beer, Wine, and Liquor Stores (NAICS 4453)	$ 148,367	3,091
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	$ 128,629	2,680
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	$ 123,136	2,565
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	$ 105,690	2,202
Florists (NAICS 4531)	$ 7,796	162
TOTAL	**$ 5,779,256**	**120,401**

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

[2] Based on $48 in retail sales per square foot, $132 in restaurant sales per square foot, and existing retail building inventory and activity in Downtown Kirksville.

The highest unmet demand, which Downtown Kirksville could capitalize on is in the following categories:

- Electronics & Appliance Stores—$1.3 Million
- Specialty Food Stores —$1.2 Million
- Health & Personal Care Stores —$0.8 Million
- Clothing Stores —$0.6 Million
- Grocery Stores —$0.5 Million

The unmet demand within the STA for retail goods and services could generate approximately $5.8 Million in additional sales for Kirksville. The potential to satisfy this unmet demand within Downtown would provide an important boost to the revitalization efforts there.

- The electronics & appliance stores sector is the largest retail sector that is underserved in the STA. Downtown does have the potential to attract an anchor electronics store. Locating this anchor has the potential to attract an additional $1.3 Million in retail sales for the Downtown. The addition of electronics to the retail mix would provide a geographically large draw for shoppers to Downtown.

- The second strongest area of unmet demand is for a specialty foods store. This kind of store could offer more high end food items such as health/ organic foods, prepared foods, wine and beer and high quality fresh produce. This type of store would need to offer the types of items not readily available at typical grocery stores. Another option for this type of business would be to offer grocery items in combination with a restaurant or café and/or a specialty beer and wine selection. Interestingly, there is also unmet demand for grocery stores within the STA. This further indicates that a specialty grocery store could perhaps succeed in Downtown Kirksville.

- Other retail sectors that also have significant demand include Clothing and Shoes Stores, Health and Personal Care Stores, and Other Miscellaneous Store Retailers. The demand from these sectors may be met through a collection of smaller or specialty retailers.

Focus group and survey participants' preferences reflect the categories that have been identified, in addition to desiring more dining options. It will be important for Downtown to pursue the proper mix of retail and restaurant businesses that can satisfy consumer demand and also lead to a vibrant and balanced shopping experience for Downtown Kirksville. This report demonstrates that opportunities exist to expand retail within the Downtown. The City should work with the business community, lenders, and developers to take advantage of these opportunities.

INTRODUCTION

A significant component of a successful and vital Downtown is a unique shopping experience. One way to achieve overall downtown revitalization is to encourage the restoration of Downtown's function as a destination shopping hub of the area. Kirksville should strive to provide this experience through creation of a diverse retail mix and enhancement of Downtown as a destination. The DREAM Initiative, in recognition of the importance of this component, provides this analysis and recommendations as a first step towards creating a successful Downtown retail environment.

In many instances, modern development trends have diminished the function of the typical American downtown in every day life. As neighborhood development sought affordable undeveloped land, cities expanded away from their downtown core. Shopping habits shifted as the automobile increased the mobility of the consumer, and shopping centers with major retailers located along major roadways. Though diminished in function and, perhaps, in stature, Downtown holds the potential to regain its original position as a center of the community. Through careful planning and effective implementation of the revitalization strategy Downtown Kirksville can be restored to its desired level of significance.

Downtown Kirksville, the subject area of this report, is fortunate to have maintained its viability as a potential destination. The history of the city and region is connected to Downtown Kirksville. Downtown has numerous professional offices, civic institutions, shops, offices and recreation/entertainment venues. In summary, Downtown Kirksville is still important to the city and the region and has a significant opportunity. The location of two universities and a major hospital within close proximity to Downtown provide an added catalyst for Downtown's redevelopment to a successful retail center and revenue generator for the City. Through the identification of clear goals, strategies, and a process for their implementation, Downtown can reassert its former position as a significant regional retail destination.

BACKGROUND

This report takes a comprehensive approach to quantify the retail demand and supply for the trade areas in order to identify potential retail sectors that would be successful in Downtown. It also makes recommendations on appropriate strategies for encouraging appropriate downtown retail development. The report uses concepts common in other DREAM Initiative analyses and consists generally of four parts;

1) a review of the trade area demographics and trends;
2) an analysis of the trade area business mix and site characteristics;
3) identification of potential retail sectors to target; and
4) recommendations of retail development strategies and implementation techniques to achieve goals.

As a component of other DREAM Initiative activities, surveys were conducted of business owners, City staff, residents and visitors which provide key insights into desirable downtown improvements and retail services. Additionally, a thorough review of future residential demand for the trade area has been conducted in the *Residential Demand Analysis*. A physical examination of the trade area and surrounding region provides insight into the traffic and pedestrian patterns, as well as identify the business mix and downtown occupancy.

The retail demand, or spending power of the trade area, is compared to the retail supply, or the retail sales of the area, in order to quantify potential unmet demand in Downtown Kirksville. Retail categories with unmet demand are evaluated against the community survey results and economic and physical conditions of Downtown in order to develop a retail strategy.

LIMITS OF STUDY

The Report is intended to provide a general forecast of the amount and types of retail development that could be supported in the trade area. The assumptions and projections used in the analysis are valid and likely supported through the year 2015. The analysis is meant to provide general strategic direction for developing retail in Downtown Kirksville. This study is not intended to be the sole basis for development decisions.

TRADE AREA PROFILE

The "trade area" refers to the geographic area from which a majority of customers for a given business originate. Retail businesses categories have different trade areas. The trade area for a convenience store or hair salon might be quite small, whereas a car dealership or specialty electronics retailer's trade area would be much larger. To determine the trade area of a shopping center or entire retail district, an average of the individual business trade areas must be used to balance the variations. The concept of trade areas is an important part of evaluating the performance of a retail district and determining the potential of expanding retail activity within a geographic area.

Retail market analysis often evaluates three different geographic trade areas: a Downtown Trade Area (DTA), Primary Trade Area (PTA) and a Secondary Trade Area (STA). For the purposes of this study, the DTA is Downtown Kirksville, as designated by the DREAM Study Area. The PTA is the Kirksville City limits. The STA includes any point within a 30-minute drive of Downtown. The 30-minute drive boundary presents an acceptable catch-basin of consumers likely to make a shopping trip to Downtown. A map of each area is included in Appendix A. The three areas of analysis are summarized below.

- <u>Downtown Kirksville (DTA)</u>: The focus of the analysis is to determine the current level of retail activity captured by Downtown Kirksville and the amount of additional retail activity that could be captured by Downtown. Downtown Kirksville is defined as the DREAM Study Boundary, which is illustrated in the maps of Appendix A.

- <u>Primary Trade Area (PTA)</u>: This study classifies the boundary of City of Kirksville as the PTA. Not only does Downtown Kirksville draw the majority of its shoppers from the City, but it is useful to show the relationship between Downtown retail activity and citywide retail activity.

- <u>Secondary Trade Area (STA)</u>: For the STA, the study utilizes a 30- minute drive-time "catch-basin" around Downtown Kirksville. From this area, the City attracts the vast majority of all retail dollars.

It is important to note that the Trade Areas ignore municipal, county, and state boundaries. The vast majority of consumers will typically shop at a location most convenient for them to travel to, regardless of jurisdiction.

TRADE AREA DEMOGRAPHIC SNAPSHOT

In order to understand the Trade Areas that are the focus of this study it is important to understand their demographic composition.

When evaluating the demographics of a particular place, it is helpful to use a baseline with which to compare the data. An accurate baseline for comparison of DREAM communities is data for the State of Missouri. Using the State of Missouri as a baseline provides an indication of positive or negative performance.

The following table highlights the estimated demographic for 2010 for Downtown Kirksville (DREAM Study Area), the Primary Trade Area (City limits of Kirksville), Secondary Trade Area (30 minute drive time from the center of Kirksville), and the State of Missouri. The data was obtained using ESRI forecasts and 2000 US Census data. Due to the relatively small geographical size of Downtown and the fact that the area is not a census tract, the 2010 estimates should not be relied upon as precise figures, but rather as estimates extrapolated from local census tracts and City of Kirksville. Finally, it is important to note that while revised population and household totals have been released from the 2010 US Census, the full demographic data set and extrapolated DREAM Study Area data and are not yet available from ESRI at this time. For this reason the 2010 estimates are used in this report for consistency and comparison purposes. 2010 US Census totals for the City are given in Table 3b.

The Kirksville area has a significantly lower average household income than the State of Missouri. All three areas have younger populations than the State average, which is reflective of Kirksville's status as a college town.

TABLE 1: 2010 DEMOGRAPHIC SNAPSHOT

	Downtown Kirksville	Primary Trade Area	Secondary Trade Area	State of Missouri
Population	1,268	16,973	28,294	5,984,833
Average Household Income	$16,836	$30,576	$33,631	$62,922
Housing Units	716	7,454	12,821	2,703,311
Owner Occupied	157	3,261	6,798	1,665,239
Renter Occupied	448	3,360	4,393	702,860
Vacant Units	111	833	1,630	332,507
Median Age	23.7	27.2	33.3	37.7
19 and Under	192	4,328	7,224	1,606,622
20-44	809	7,467	10,568	1,967,041
45 and Over	266	5,178	10,502	2,411,170

MARKET PROFILE/DEMOGRAPHIC TRENDS

DOWNTOWN KIRKSVILLE

Figure 1: Downtown Kirksville

Downtown (defined as the area within Kirksville's DREAM boundary) is situated roughly between A.T. Still University and Truman State University in the center of the City and consists of approximately 419 buildings on 70 city blocks (see Figure 1). Before presenting data on the City as whole, some discussion of Downtown Kirksville is useful.

Currently, 1,268 people live Downtown in 605 households; with 2.1 persons per household. The average household income is $16,836. The median age is 23.7. Approximately 15% of the population are 19 or younger; 63% of the population are between 20 and 44 years of age; 21% of the population are 45 years of age or more.

The following table illustrates, in further detail, current demographics and future demographic trends for the Downtown Trade Area:

TABLE 2: DOWNTOWN KIRKSVILLE

	2000	2010	2015	% Change '00-'10	% Change '10-'15
Population	3,511	1,268	1,265	-63.9%	-0.2%
Average Household Income	$12,549	$16,836	$18,013	34.2%	7.0%
Housing Units	713	716	715	0.4%	-0.1%
Owner Occupied	155	157	155	1.3%	-1.3%
Renter Occupied	467	448	446	-4.1%	-0.4%
Vacant Units	91	111	114	22.0%	2.7%
Median Age	19.9	23.7	23.8	19.1%	0.4%
19 and Under	1,786	192	185	-89.2%	-3.6%
20-44	1,499	809	804	-46.0%	-0.6%
45 and Over	228	266	277	16.7%	4.1%

PRIMARY TRADE AREA

According to the 2010 projections, currently, 16,973 people live in the Primary Trade Area (defined as the City limits of Kirksville) in 6,621 housing units; or 2.6 persons per household. The average household income is $30,576. The median age is 27.2. Approximately 25% of the population are 19 or younger; 45% of the population are between 20 and 44 years of age; 30% of the population are 45 years of age or more. While the projections showed a slight decrease in population, the 2010 Census numbers show an increase in population as well as housing units. The total increase in vacant units was not as high as projected.

Figure 2: Primary Trade Area

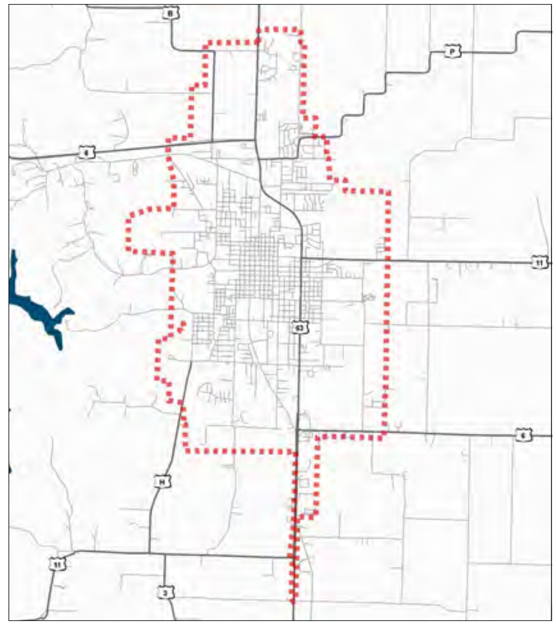

TABLE 3a: PRIMARY TRADE AREA

	2000	2010	2015	% Change '00-'10	% Change '10-'15
Population	16,937	16,973	17,042	0.2%	0.4%
Average Household Income	$23,138	$30,576	$35,698	32.1%	16.8%
Housing Units	7,253	7,454	7,519	2.8%	0.9%
Owner Occupied	3,275	3,261	3,305	-0.4%	1.3%
Renter Occupied	3,285	3,360	3,359	2.3%	0.0%
Vacant Units	693	833	855	20.2%	2.6%
Median Age	24.4	27.2	27.6	11.5%	1.5%
19 and Under	4,856	4,328	4,332	-10.9%	0.1%
20-44	7,653	7,467	7,385	-2.4%	-1.1%
45 and Over	4,428	5,178	5,328	16.9%	2.9%

TABLE 3b: PRIMARY TRADE AREA
-Population Updated with 2010 Census

	2000	2010	% Change '00-'10
Population	16,937	17,505	3.4%
Housing Units	7,253	7,434	2.5%
Vacant Units	693	720	3.9%

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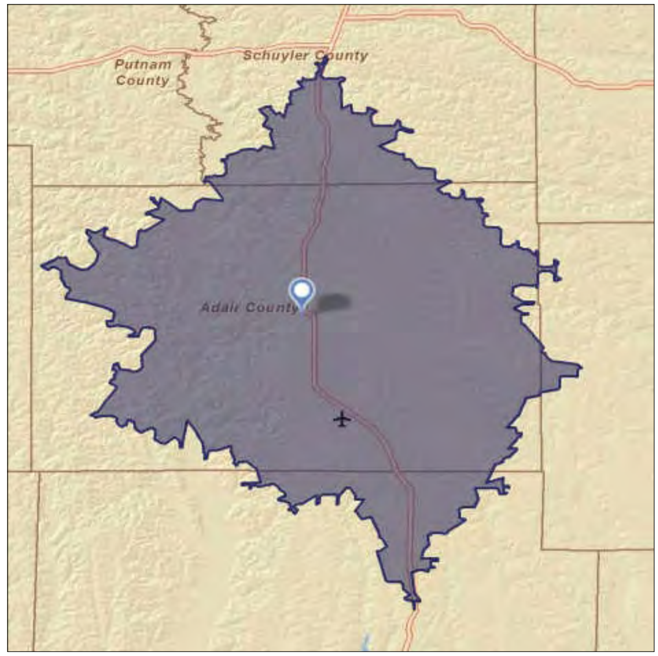
SECONDARY TRADE AREA

According to projections, a total of 28,294 people live in the Secondary Trade Area in 11,191 units. The average household income is $33,631. The median age is 33.3. Approximately 26% of the population are 19 or younger; 37% of the population are between 20 and 44 years of age; 37% of the population are 45 years of age or more.

Figure 3: Secondary Trade Area



From 200 to 2010 there was a slight increase in population, but a stronger increase in the number of housing units. A larger percentage of units were estimated to be vacant. The average household income increased substantially during this period. Finally, the STA saw its population continue to grey. The following table illustrates, in further detail, current demographics and future demographic trends for the STA.

TABLE 4: SECONDARY TRADE AREA

	2000	2010	2015	% Change '00-'10	% Change '10-'15
Population	28,166	28,294	28,367	0.5%	0.3%
Average Household Income	$26,896	$33,631	$38,529	25.0%	14.6%
Housing Units	12,394	12,821	12,967	3.4%	1.1%
Owner Occupied	6,790	6,798	6,847	0.1%	0.7%
Renter Occupied	4,243	4,393	4,403	3.5%	0.2%
Vacant Units	1,361	1,630	1,717	19.8%	5.3%
Median Age	29.6	33.3	34.5	12.5%	3.6%
19 and Under	7,882	7,224	7,201	-8.3%	-0.3%
20-44	11,157	10,568	10,362	-5.3%	-1.9%
45 and Over	9,127	10,502	10,804	15.1%	2.9%

STATE OF MISSOURI

Currently, 6.0 million people live in the State of Missouri in 2.7 million households. The average household income is $49,074. The median age is 37.9. Approximately 27% of the population are 19 or younger; 33% of the population are between 20 and 44 years of age; 40% of the population are 45 years of age or more. The table below gives a detailed demographic trend for the State of Missouri.

TABLE 5: STATE OF MISSOURI

	2000	2010	2015	% Change '00-'10	% Change '10-'15
Population	5,595,211	6,003,689	6,179,056	7.3%	2.9%
Average Household Income	$38,005	$49,074	$55,430	29.1%	13.0%
Housing Units	2,442,017	2,728,953	2,848,099	11.7%	4.4%
Owner Occupied	1,542,149	1,658,629	1,714,515	7.6%	3.4%
Renter Occupied	652,445	717,860	738,233	10.0%	2.8%
Vacant Units	247,423	352,464	395,351	42.5%	12.2%
Median Age	36.1	37.9	38.2	5.0%	0.8%
19 and Under	1,594,172	1,602,547	1,628,469	0.5%	1.6%
20-44	1,995,800	1,954,623	1,988,172	-2.1%	1.7%
45 and Over	2,005,239	2,446,519	2,562,415	22.0%	4.7%

DEMOGRAPHIC COMPARISION

Table 6 contains a demographic comparison of the 2010 estimates showing the PTA, STA and State experiencing population growth, albeit modest in some cases, while Downtown is declining. While the revised figures based on the 2010 Census are anticipated to show a much less drastic decline for Downtown, it appears Downtown is not seeing as significant a population change. However, with the recent addition of student and senior housing, these trends are likely already reversing. A notable positive trend for Downtown is the projected increase in average household income. If continued, this trend will greatly assist with the attraction of additional retail.

TABLE 6: DEMOGRAPHIC COMPARISON

	Population % Change		Average HHI % Change		Median Age (in years)	
	00-'10	10-'15	00-'10	10-'15	00-'10	10-'15
Downtown	-63.9%	-0.2%	34.2%	7.0%	3.8	0.1
PTA	0.2%	0.4%	32.1%	16.8%	2.8	0.4
STA	0.5%	0.3%	25.0%	14.6%	3.7	1.2
State	7.3%	2.9%	29.1%	13.0%	1.8	0.3

Table 7 details the general trend found in both the PTA and STA of an aging population. This is reflected to a larger extent within the Downtown area. However, as previously noted, it is likely that these trends may begin to reverse with the addition of more student housing. The 2010 Census data should further clarify the trend here.

TABLE 7: DEMOGRAPHIC AGE COMPARISON

	19 & Under Change		20-44 Change		45 & Over Change	
	00-'10	10-'15	00-'10	10-'15	00-'10	10-'15
Downtown	-89.2%	-3.6%	-46.0%	-0.6%	16.7%	4.1%
PTA	-10.9%	0.1%	-2.4%	-1.1%	16.9%	2.9%
STA	-8.3%	-0.3%	-5.3%	-1.9%	15.1%	2.9%
State	0.5%	1.6%	-2.1%	1.7%	22.0%	4.7%

Table 8 details the percentage growth in the number and type of housing units within each of the study areas. Downtown has seen a slight increase in the number of units, particularly owner occupied units. Other areas, including the State have also seen an increase in housing units; however, this trend is mainly due to the increase in renter occupied units. An increase in owner occupied housing within Downtown would potentially add stability to the retail market, particularly bolstering businesses relying on ,and catering to, repeat customers. Once available, the 2010 Census data for Downtown should be analyzed to further explore this issue.

TABLE 8: DEMOGRAPHIC HOUSING UNITS

	Housing Units Change		Owner Occupied Change		Renter Occupied Change	
	00-'10	10-'15	00-'10	10-'15	00-'10	10-'15
Downtown	0.4%	-0.1%	1.3%	-1.3%	-4.1%	-0.4%
PTA	2.8%	0.9%	-0.4%	1.3%	2.3%	0.0%
STA	3.4%	1.1%	0.1%	0.7%	3.5%	0.2%
State	11.7%	4.4%	7.6%	3.4%	10.0%	2.8%

HOUSING MARKET ANALYSIS SUMMARY

An important component of any vibrant downtown is its residential base. The community that lives Downtown serves many roles. Downtown residents add to the customer base supporting retail and service businesses. They also help Downtown appear more alive by providing life on the sidewalks and streets, and keep a watchful eye on Downtown when businesses are closed. Downtown Kirksville is in a unique position due to its large student base from Truman State University and A.T. Still University and Northeast Regional Medical Center. Kirksville has a student population of over 6,000 and the City's largest employers in the Downtown area.

The housing market in Downtown Kirksville includes a large number of rental units dedicated to student housing including small apartment buildings, single family homes and single-family homes that have been converted to multi-family units. The market rate for existing rental units is between $300 and $800 (for a one to three bedroom unit). The price range for owner-occupied housing is between $20,000 to $1.75 million.

According to Residential Analysis conducted as part of the DREAM Initiative process, in the next five years, Downtown Kirksville will have demand for an additional 145 housing units. Of the 145 total housing units, the study estimated that 82 should be market rate rental, 33 should be affordable family rental and an additional 30 units should be affordable senior rental. In addition to new residential development, Downtown Kirksville should preserve and build-upon its existing residential neighborhoods. Strengthening the neighborhoods around Downtown will provide immediate results by tapping into the existing potential housing stock and spending base.

Meeting future housing demand can take many different forms depending upon the desires of the community and development site opportunities. Potential new residential development can take place by converting upper floors of commercial buildings into loft condo style apartments, as well as, infill development in vacant lots within targeted residential development areas. The target markets for these units include students, young professionals, university staff, empty nesters/seniors, and small households.

Kirksville is in the midst of a Downtown resurgence partially fueled by residential development in the Downtown Square. Efforts should continue to utilize vacant and underutilized buildings in the Downtown area for residential development. Housing will play an important role in the downtown revitalization effort, but it will have to be accompanied by a plan that will establish Downtown as a destination in the community for a unique shopping, entertainment and dining experience.

The renaissance of many downtown areas is driven by higher energy costs coupled with job proximity. In a community the size of Kirksville, job proximity will not be a significant inducement for residency in the Downtown area. There will have to be other benefits to living in Downtown, some of which exist and others that will have to be created in order to attract a large number of residents. Benefits which improve the quality of life for residents in Downtown vis-à-vis residents outside of Downtown will create a pull for residential development. Some of these benefits will likely include a more walkable environment and the evolution of Downtown to a more vibrant place. Increasing the 24-hour population Downtown has the potential to create a thriving business and retail district, which, in turn, creates a draw for more people to become Downtown residents.

CONSUMER SEGMENTS

Downtown Kirksville cannot be "all things to all people". Rather, it should take care to address particular needs of patrons. It is helpful to identify what customer segments patronize Downtown to gain a better understanding of the different target markets Downtown serves. There are four basic categories of customers to evaluate for Kirksville:

Downtown Workers

- Downtown contains 273 businesses with a total of 3,117 employees.
- Capitalize on the large spending capacity office workers offer.
  - 3,117 x $15 weekly = nearly $2.4 million a year spent by downtown employees
- The segment has potential large demand for restaurants and food services at lunch and early evenings.
- This segment is interested in convenience and completing purchases during commute to and from work.
- Frequent shopper reward programs and repeat business marketing efforts are effective for this user segment.

Downtown Residents

- There are approximately 2,500 residents Downtown.
- With a more constant presence, this segment has comprehensive buying demands which require businesses to offer a wider range of products in order to fully meet these needs.
- Frequent shopper reward programs and repeat business marketing efforts are effective for this user segment

Local Residents

- According to the 2010 Census figures, there are 17,505 residents citywide.
- Local residents visit Downtown for a variety of reasons. Although shopping and dining may not be the primary reason for trip, frequent visits increase foot traffic Downtown.
- Due to the large number of visits this group is a lucrative merchandising opportunity, especially for impulse spending.
- Key issues for this segment will be to inspire community loyalty through effective marketing and to create Downtown as a shopping option for all needs.

Tourists - Visitors

- Segment presents the greatest potential for "new money" to Downtown.
- Segment looks for unique experiences and products.
- They have a need for convenience items that travelers require.

COMMUNITY SURVEYS

In order to gather information about perceptions and desires for Downtown Kirksville, DREAM conducted focus groups and telephone surveys. These surveys provided a wealth of information, impacting many different areas of planning. The survey and focus group results offer an important source of data about local consumer behavior. The surveys measure the community's desire for additional retail, restaurant and entertainment offerings in Downtown Kirksville. Survey findings relevant to retail development are summarized below.

Focus groups were conducted to gather initial information about Downtown Kirksville relative to four groups; Downtown Business Owners, the TIF Commission, New Residents and Students and Longtime Residents. Important results relative to retail development are as follows:

- Grocery and general merchandise shopping primarily occurs within Kirksville, but residents also visit Columbia, Missouri to satisfy unique and higher end shopping needs and for additional variety.
- Downtown Kirksville has a number of area restaurants, but lacks fine dining options and participants indicated they travel to Columbia for special occasions.
- Longer business hours for shops would be a welcome improvement.
- Students do most shopping for clothes and other goods in Columbia, Missouri or online.
- Parking at the Square is perceived as a problem and inhibits residents from visiting Downtown stores, (it was also mentioned that merchants and their employees park in front of their businesses limiting parking for customers).
- Respondents feel Downtown needs more variety in addition to its current shopping and dining establishments.
- Increasing the number of retail establishments focused towards students would benefit the students and Downtown as a whole.
- Better connecting the University and Downtown will increase the number of visits to Downtown.

Upon completion of the focus groups, DREAM developed a community phone survey based upon the results to verify perceptions of Downtown and determine community desires for Downtown. Important results relative to retail development are below:

- Residents most often visit Downtown to visit "government business/post office" (95%) and "conduct business" (77%)
- Over 45% of residents visit Downtown more than 5 times a month
- Those who visit most often are aged 18-34, the second most aged 50-64

- Local residents who visit Downtown most often have higher household incomes.
- Younger residents are more likely to shop Downtown.
- Households with an income of $50,000 to $74,999 are most likely to shop Downtown.
- Local Residents whose reason to visit Downtown is "dining " most frequently have household income of $50,000 to $74,999; those who visit the second most are in the range of $25,000 to $49,999.
- Most respondents felt there was a lack of dining and shopping options.
- Residents who visit Downtown the most desire "casual dining" and "shoe stores."
- The local residents that earn greater than $100,000 most desire "family and casual dining" and "restaurants with outdoor dining."
- Dining of all sorts is the highest priority for those aged 18-34.

When determining what retail mix is going to be most successful in Downtown, a simple strategy for success is to capitalize on the residents who already use it the most, albeit usually to conduct business. A second strategy is to build upon those who already visit Downtown to shop and dine, building upon the existing customer base. Between the community phone survey, focus groups the, and a survey of visitors to Downtown, respondents expressed an interest in the following new businesses for Downtown Kirksville:

- Causal Dining—restaurants, outdoor dining spaces, ice cream shop or soda fountain, bakery, and coffee shop
- Apparel—clothing, shoes and accessories geared towards the University population
- Fine Dining
- Specialty and Boutique Stores—Have a range of retail stores and specialty shops with a mix of products
- Bookstore—for local population and college students
- Arts/Craft Stores
- Art Galleries—attempt to showcase, highlight and attract artists and craftsmen
- Antique Stores
- Bed & Breakfasts/Lodging

Figure 4 illustrates the highest priorities for Downtown (darkest blue being the highest priority and the lightest blue the lowest priority).

Figure 4: Downtown Businesses Preferences

DOWNTOWN BUSINESSES PREFERENCES

	Focus Groups		Community Phone Survey		Visitor Survey
Clothing Stores	Most Groups	Casual/Family Dining	64%	Clothing Stores	38%
Shoe Store	Most Groups	Clothing Stores	51%	Family Restaurants	30%
Boutique/Specialty	Most Groups	Ice Cream/Soda Fountain	53%	Ice Cream/Soda Fountain	27%
Casual/Family Dining	Some Groups	Bakery	49%	Fine Dining	26%
Fine Dining	Some Groups	Outdoor dining	48%	More Retail Shops	21%
Ice Cream/Soda Fountain	Some Groups	Fine Dining	44%	Shoe Store	8%
Bookstore	Some Groups	Shoe Store	37%	Grocery Store	8%
Stores for College Students	Some Groups	Lodging	37%	Art Galleries & Shops	7%
Arts/Crafts Store	Some Groups	Craft Stores	36%	Sporting Goods Store	7%
Antiques	Some Groups	Art Galleries & Shops	36%	Bed & Breakfast/Lodging	5%

BUSINESS MARKET

While there are jobs in other sectors, over half of all jobs in Downtown, the PTA, and the STA are in the service sector. Of these, over half are education or healthcare subsector jobs. Approximately 20 percent of jobs in the Kirksville STA are within the retail sector. This leaves very few jobs in other sectors including manufacturing and agriculture. A total of 83 percent of the jobs in the STA are found within the Kirksville municipal limits. These jobs are disproportionately located within Downtown. Downtown has a much higher employment to population ration than either the PTA or the STA. All of these statistics indicate that Downtown has a very strong employment base, primarily based on the major healthcare providers and the universities located in and around Downtown. Table 9 illustrates the total estimated employment in 2010 for the Trade Areas.

TABLE 9: 2010 TOTAL EMPLOYMENT

	Downtown Kirksville	Primary Trade Area	Secondary Trade Area
Employees	3,117	9,915	11,890
Businesses	273	875	1,176

COMPARATIVE MARKET ANALYSIS

While there are a significant number of stores in the STA, most of the shopping occurs in the PTA. Like many downtown areas, Kirksville's was the major shopping area for the community. Over time, more businesses have located north and south of Downtown along Highway 63. Today, some goods are purchased even further away from Kirksville. A larger number of respondents in the focus groups stated that they visit Columbia, Missouri on a regular basis due to the large number of stores which include a better variety of clothing and shoes stores. A large number of residents in the surrounding towns visit the Kirksville area to shop, making Kirksville a regional shopping destination. However, based on surveys of residents and visitors, a significant number of purchases are made in Columbia, Missouri due to the lack of variety within the STA.

Columbia is more than an hour and a half drive from Kirksville. In addition, there are no major regional shopping centers in North Central Missouri. This fact, in addition to the number of students in Kirksville creates the potential for the PTA to become more of a regional shopping destination than it is currently. Due to relatively easy highway access, central location, available vacant space, and its proximity to the universities, Downtown Kirksville is fairly well positioned to capture some of this market. However well positioned, Downtown has a number of obstacles to overcome in order to capture additional retail market. Focus Group participants identified several issues with Downtown retailers including lack of selection, inconvenient store hours, parking concerns, and not catering to students.

TABLE 10: KIRKSVILLE EMPLOYERS

Company Name	Industry	Employees (rounded)
Truman State University	Liberal Arts & Sciences University	800
Northeast Regional Health Systems	Health Care / Hospital	700
A.T. Still University of Health Sciences	Medical Education College	450
Adair Foods (Kraft Foods)	Packaged Meat Products	400
Wal-Mart Super-Center	Retail - General Merchandise	400
Kirksville R-III Public School District	K-12, Technical & Adult Education	400
Maritz Research	Market Research	300
Preferred Family Health Care	Mental Health / Substance Abuse	300
Hollister, Inc.	Medical Device manufacturing	250
Sodexho	Truman Campus Food Service	200
Hy-Vee Food and Drug	Grocery, Drug Store, Floral Shop	200
Twin Pines Adult Care Center	Long Term Health Care Facility	150
City of Kirksville	Municipal Government	150
Ortech Company	Automobile Parts Manufacturing	150
Northeast Missouri Health Council Inc.	Health Care / Hospital	150
Kirksville Manor Care Center	Skilled Nursing Facility	100
Home Depot	Home Improvement Products	100
Wire Rope of America	Wire Cable Manufacturing	50
Commercial Envelope manufacturing Co.	Envelope Manufacturing	50

Feedback from survey participants indicated the largest group of visitors to Downtown are those who work Downtown. Many others within the Kirksville community find it difficult to shop Downtown due to the typical weekday business hours (9 AM to 5 PM) and well as limited weekend hours. They also felt that parking and limited signage (especially signage directing visitors where to park) were issues that needed to be addressed before Downtown would increase its retail sales. Finally, residents expressed an interested in improving the general beautification of Downtown and its building façades.

TENANT MIX & LAND USE

During the Land Use, Building and Infrastructure Survey (conducted in 2008 subsequently updated by City staff in 2011), 58 retail and restaurant establishments in Downtown Kirksville were identified. Of the retail and restaurant establishments, several have vacancies. The land use survey identified 85 office/service properties, with an average vacancy rate of over 20 percent. The recent update of properties currently vacant in Downtown showed that there is approximately 71,000 square feet of vacant first floor commercial space available in Downtown. The relatively high vacancy rates for commercial properties within Downtown, coupled with the presence of major employers and a captive student population represents a potential opportunity for Downtown Kirksville to become a more vibrant and revenue-generating area for the City. Table 11 more fully details the current first floor land use totals in Downtown, including vacant square feet.

TABLE 11: LAND USE TOTALS & SQUARE FOOTAGE

Land Use	Parcels	Buildings	Building Square Footage*	Vacant Square Footage	Percentage Vacant
Residential					
Single-Family	87	89	100,888	1,725	1.7%
Multi-Family	110	133	205,184	1,375	0.7%
Sub-Total	**197**	**222**	**306,072**	**3100**	**1.0%**
Commercial					
Office / Service	85	88	260,436	57,753	22.2%
Retail	38	41	120,474	2,920	2.4%
Restaurant	20	21	50,293	10,398	20.7%
Sub-Total	**143**	**150**	**431,203**	**71,071**	**16.5%**
Industrial	3	15	12,479	0	0.0%
Public / Institutional	61	68	644,586	0	0.0%
Recreation	11	NA	NA	NA	NA
Parking Lot	52	NA	NA	NA	NA
Vacant Lot	25	NA	NA	NA	NA
TOTAL	**492**	**455**	**1,394,340**	**74,171**	**5.3%**

* Building Square Footage assumes that 80% of the building footprint is usable.

* Building Square Footage is for 1st Floor.

Market Research Findings

RETAIL ANALYSIS

Reviewing the current retail establishments and available space within Downtown provides an idea of the possible new and existing business potential for the area. The Downtown Trade Area consists of 300 acres with approximately 430,000 square feet of existing 1st Floor Commercial/Retail Space. In reviewing the recently updated DREAM Land Use, Building, and Infrastructure Survey results, PGAV PLANNERS has determined that approximately 171,000 square feet of 1st floor space is currently used as Retail/Restaurant Space, of which eight percent is vacant (13,000). There is a total of 71,000 square feet of vacant 1st floor space (commercial, retail or restaurant). The 157,000 square feet of nonvacant Retail/Restaurant Space is generating about $10.9 million in annual sales (sales do not include automobiles, gasoline stations or non-store retailers) or about $69 per square foot. Retail space taken alone generates about $48 per square foot. Restaurant sales also taken separately, generate a total of $132 per square foot. The 71,000 square feet of first floor vacancy represents potentially another $3.4 to 9.4 million in annual sales for Downtown.

Table 12 gives the breakdown of retail establishments in the Kirksville Downtown Trade Area, the Primary Trade Area and the Secondary Trade Area. The bulk of retail establishments in Downtown Kirksville are categorized as Miscellaneous Store Retailers. A map of retail establishments is located in Appendix C.

TABLE 12: RETAIL ESTABLISHMENTS

	Downtown Kirksville		Primary Trade Area		Secondary Trade Area	
	Businesses	Employees	Businesses	Employees	Businesses	Employees
Retail (Pedestrian-Generating Businesses) Trade Summary	57	505	190	2,357	246	2,734
TOTALS:	57	279	184	2,215	234	2,593
Furniture & Home Furnishings Stores	1	10	6	43	9	54
Electronics & Appliance Stores	4	8	12	56	14	60
Bldg. Materials & Garden Equipment & Supplies	1	14	8	126	15	174
Food & Beverage Stores	2	14	14	279	21	361
Health & Personal Care Stores	2	3	13	57	14	66
Clothing & Clothing Accessories Stores	7	26	13	52	13	53
Sporting Good, Hobby, Book & Music Stores	5	4	11	50	13	53
General Merchandise Stores	1	1	7	400	8	428
Miscellaneous Store Retailers	13	39	27	117	34	142
Arts, Entertainment & Recreation	3	22	12	176	17	195
Accommodation	0	0	8	96	11	119
Food Services & Drinking Places	18	138	53	763	65	888
Total Businesses (including non-retail)	273		875		1,176	
Total Employees (including non-retail)	3,117		9,915		11,890	
Total Residential Population	1,268		16,973		28,294	
Employee/Population	2.46		0.58		0.42	

Existing retailers are listed in Table 13, organized according to the North American Industrial Classification System ("NAICS").

TABLE 13: EXISTING RETAIL

Sporting Goods & Hobby Stores	Russet's Extreme Sports
Book, Periodical, and Music Stores	House of Jesus
	Vintage Book Shoppe
	Patty's Inc. University Book Store
	Circle M Music
	Edna Campbell's Book Store
	Ton's Record Store
Office Supplies, Stationery, and Gift Stores	TJ's Office
Miscellaneous Retail	Westport Package Liquor
	Dover Barbershop
	Wooden Nickel
	Downtown Cinema 8
	Manhattan Photography
	Liquor Store
	Homestead
	Too Tall's 2
	Taylor's Flowers
	Cook's Jewelry
	Tranquil Seasons
	Missouri Scrubs
	Hidden Treasures
	Rylon's Electronics
	Tots 2 Teens
	Garden Collier Jewelry
	Dukumm Inn
	King's Appliance
	Beard's Gallery
	Shell Station
	Kum & Go
	Welcome Home Emporium
	Ice House Gas Station
	Kirlin's Hallmark
	Rinehart News & Collectables
	Adair County Foster Care Store
	Mission Helping Hands
	Bridal & Formal Shoppe
Used Merchandise Stores	Lawson's Hill Antique Mall
	Memories Antiques & Ambrosia
Food Services & Drinking Places	Aqua Dome
	My Bar
	Il Spazio
	Hooka
	Ryan's Sports Bar & Grill
	Paglias Pizza
	Wooden Nickel Banquet
	Chen's Place
	China Palace
	Uptown Café
	Greek Corner Gyro
Auto Parts, Accessories, and Tire Stores	Custom Chrome

Using the NAICS system allows the comparison of retail activity by "sectors" or categories, so that the retail uses and establishments may be identified to fill any gaps in retail service.

The spending habits of the consumers in the three study areas are of great concern to this analysis because their spending habits provide the basis for the determination of demand. In short, determining 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 14 provides per household annual consumer expenditures for eight main categories and several sub-categories of retail expenditures.

TABLE 14: CONSUMER EXPENDITURES

	Downtown Kirksville	Primary Trade Area	Secondary Trade Area
Average Household Income	$16,836	$30,576	$33,631
Average Annual Household Expenditures for Selected Retail Sectors			
Food	**$4,134**	**$5,169**	**$5,283**
Food at Home	$2,326	$2,988	$3,111
Food Away from Home	$1,808	$2,181	$2,172
Apparel and Services	**$970**	**$1,137**	**$1,108**
Household Merchandise	**$1,385**	**$1,771**	**$1,810**
Electronics	$806	$981	$988
Household Goods	$580	$790	$822
Household Care	**$629**	**$1,234**	**$1,327**
Transportation	**$2,043**	**$2,608**	**$2,779**
Health & Personal Care	**$477**	**$706**	**$791**
Health Care	$270	$441	$520
Personal Care Products	$207	$265	$271
Entertainment & Recreation	**$874**	**$1,249**	**$1,353**
Total for selected sectors	**$10,514**	**$13,874**	**$14,451**

The subsequent tables depict Kirksville's potential purchasing power. Table 15 illustrates the numbers of households at regular income thresholds.

TABLE 15: HOUSEHOLD INCOME

Income Level	Downtown Kirksville	Primary Trade Area	Secondary Trade Area
Less than $ 15,000	264	1,767	2,516
$ 15,000 - $24,999	119	1,088	1,805
$ 25,000 - $34,999	39	756	1,434
$ 35,000 - $49,999	60	975	1,876
$ 50,000 - $74,999	46	932	1,754
$ 75,000 - $99,999	38	608	975
$ 100,000 - $149,999	20	309	538
$ 150,000 - $199,999	13	81	136
$ 200,000 +	6	100	152
Total	605	6,616	11,186

Table 16 further elaborates this idea by showing the amount of disposable income, per household, for Downtown Kirksville and the STA. This table presents the reader with an idea of the volume of demand available within Downtown and the surrounding areas.

TABLE 16: DISPOSABLE INCOME

Income Level	Downtown Kirksville	Primary Trade Area	Secondary Trade Area
Less than $15,000	287	1,986	2,886
$15,000-$24,999	114	1,198	2,076
$25,000-$34,999	54	954	1,835
$35,000-$49,999	49	902	1,696
$50,000-$74,999	58	1,051	1,815
$75,000-$99,999	15	235	402
$100,000-$149,999	20	185	317
$150,000-$199,999	3	47	70
$200,000+	3	58	89
Total	**603**	**6,616**	**11,186**
Median Disposable Income	$15,826	$25,969	$27,711
Average Disposable Income	$28,487	$36,925	$37,800

In determining the strengths and weaknesses of Downtown Kirksville's retail market, this report uses data obtained from ESRI (a national, proprietary data service) to estimate the amount of retail demand captured by Downtown Kirksville. This proprietary data allows the user to understand the total amount that all households in the respective trade areas spend on retail and restaurants (referred to as "demand").

This figure is then compared to the amount of retail spending that actually occurs in the trade area or in Downtown Kirksville.

Table 17 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. According to 2011 data provided in Table 17, all households in the STA spent an estimated $116.9 million on retail and food and drink (excluding auto sales, gasoline sales or non-store retail transactions). An estimated $152.1 million in sales took place in the STA, indicating that a large number households from outside the STA boundary made purchases there. The same holds true for the PTA, where resident households spent $67.3 million, but nearly $130.8 million was spent within the PTA.

TABLE 17: RETAIL DEMAND & SALES

Industry Group	Secondary Trade Area Demand	STA Total Retail Sales	PrimaryTrade Area Retail Demand	PTA Total Retail Sales	Downtown Total Sales
Total Food & Drink	$27,732,079	$39,833,161	$16,759,102	$35,574,711	$5,252,625
Total Retail Trade	$89,160,525	$112,315,079	$50,584,064	$95,183,025	$5,650,899
Total Retail Trade and Food & Drink	$116,892,604	$152,148,240	$67,343,166	$130,757,736	$10,903,524

Of the $130.8 million spent in the City limits, Downtown captured approximately 8% percent of expenditures ($10.9 million), which represents approximately 16% of City retail demand. The remaining retail demand is still spent within the City limits, but at locations primarily north and south of Downtown along Highway 63. The fact that retail spending within the City is much greater than the retail demand of City's households indicates that the City draws shoppers from the surrounding region.

POTENTIAL STORE SPACE SUPPORTED

While, on the whole, 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 demand for goods that cannot be met in either trade area. Understanding this unmet demand may reveal an opportunity for Downtown Kirksville to capture more retail spending and add to the already significant "gravitational pull" of Kirksville's retail sector.

In Table 18 unmet demand (the difference between retail demand and actual sales) is listed for eight retail categories. Given the total unmet retail demand within the Secondary Trade Area and the average retail sales per square foot in Downtown Kirksville of $48 per square foot, PGAV PLANNERS estimates that Downtown Kirksville could support an additional 120,000 square feet of retail by capturing the STA's unmet demand in certain specific retail sectors. Existing retailers could capture this unmet demand by expanding floor area, or new retailers could enter the marketplace. Increased retail should be focused in vacant first floor spaces of buildings. Maximizing the use of first floor space contributes significantly the shopping experience by increasing the vibrancy of Downtown.

The highest demand for retail industry groups are as follows:

- Electronics & Appliance Stores—$1.3 Million
- Specialty Food Stores —$1.2 Million
- Health & Personal Care Stores —$0.8 Million
- Clothing Stores —$0.6 Million
- Grocery Stores —$0.5 Million

These totals and other sectors with less demand than these are further described in Table 18. Electronics & Appliance Stores is the largest retail sector that is underserved in the STA. Downtown does have the potential to attract an anchor electronics store. Locating this anchor has the potential to attract an additional $1.3 Million in retail sales for the Downtown. The addition of electronics to the retail mix would provide a wide draw for shoppers to Downtown.

TABLE 18: FUTURE RETAIL GROWTH

Industry Group	Opportunity[1]	Possible Retail Area (sq.ft.) Supported[2]
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	$ 1,319,862	27,497
Specialty Food Stores (NAICS 4452)	$ 1,180,725	24,598
Health & Personal Care Stores (NAICS 446/NAICS 4461)	$ 818,575	17,054
Clothing Stores (NAICS 4481)	$ 608,514	12,677
Grocery Stores (NAICS 4451)	$ 546,793	11,392
Other Miscellaneous Store Retailers (NAICS 4539)	$ 401,969	8,374
Shoe Stores (NAICS 4482)	$ 218,928	4,561
Used Merchandise Stores (NAICS 4533)	$ 170,272	3,547
Beer, Wine, and Liquor Stores (NAICS 4453)	$ 148,367	3,091
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	$ 128,629	2,680
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	$ 123,136	2,565
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	$ 105,690	2,202
Florists (NAICS 4531)	$ 7,796	162
TOTAL	**$ 5,779,256**	**120,401**

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

[2] Based on $48 in retail sales per square foot, $132 in restaurant sales per square foot, and existing retail building inventory and activity in Downtown Kirksville.

The second strongest area of unmet demand is for a Specialty Foods Store. This kind of store could offer more high end food items such as health/organic foods, prepared foods, wine and beer and high quality fresh produce. This type of store would need to offer the types of items not readily available at typical grocery stores.

DRAFT

Another option for this type of business would be to offer grocery items in combination with a restaurant or café and/or a specialty beer and wine selection. Interestingly, there is also unmet demand for grocery stores within the STA. This further indicates that a specialty grocery store could succeed in Downtown Kirksville.

Other retail sectors that have significant demand include clothing and shoes stores, health and personal care stores, and other miscellaneous store retailers. The demand from these sectors may be met through a collection of smaller or specialty retailers.

The focus group and survey participants' preferences reflect the categories that have been identified, in addition to desiring more dining options. It will be important for Downtown to pursue the proper mix of retail and restaurant businesses that can satisfy consumer demand and also lead to a vibrant and balanced shopping experience for Downtown Kirksville.

AVAILABLE RETAIL SPACE INVENTORY

The next step after identifying unmet demand in Downtown is to consider the vacancies and opportunities that already existing. During the Land Use, Building and Infrastructure Survey task, as subsequently updated by City staff, PGAV PLANNERS noted the vacancies identified in Table 19. Matching these vacancies to the proper new businesses or expansions of existing businesses is key to the revitalization of Downtown.

The vacant locations identified in Table 19 are depicted on the First-Floor Vacancy Map in Appendix D. The total available vacant square footage (112,148) in Downtown Kirksville is less than the amount of additional, supportable retail square footage (120,401) as described in Table 18.

Taking into consideration the retail opportunities described above, the size of each vacant space, and the location of each in Downtown Kirksville, potential retail spaces can be matched with suggested retail services. Table 20 gives

TABLE 19: 1ST FLOOR VACANCY

ID	Address	1st Floor Vacant Square Footage
1	315 N Main Street	6,700
2	315 N Main Street	6,700
3	119 N Main Street	4,218
4	301 W Washington Street	12,500
5	110 S Main Street	3,897
6	312 W McPherson Street	1,768
7	112 S Main Street	1,266
8	114 S Main Street	1,500
9	403 N Elson Street	1,971
10	310 N Main Street	2,360
11	301 N Elson Street	3,475
12	201 N Elson Street	12,160
13	215 N Elson Street	6,571
14	215 W Washington Street	4,927
15	211 W Washington Street	1,626
16	211 W Washington Street	1,800
17	102 S Elson Street	4,070
18	404 S Elson Street	3,211
19	310 N Elson Street	7,800
20	311 N Franklin Street	2,800
21	301 N Franklin Street	2,300
22	121 W Washington Street	1,339
23	115 W Washington Street	2,300
24	200 S Franklin Street	1,669
25	214 N Franklin Street	2,000
26	107 Marion Street	1,700
27	108 E Washington Street	763
28	301 S Franklin Street	1,000
29	116 E Jefferson Street	3,000
30	302 N Marion Street	400
31	214 N Marion Street	1,370
32	216 S High Street	2,987
	Total	112,148

one possible scenario for assigning potential retail uses to actual locations with current vacancies. This scenario is primarily for illustrative purposes. Actual business allocations will obviously depend upon business owner, working with the City.
A significant portion of the recommended vacant space allocation is recommended for Specialty Food Stores and an Electronics & Appliance Store, since much of the total

TABLE 20: POTENTIAL NEW RETAIL

ID	Address	Available Sq.Ft.	Potential Retail
1	315 N Main Street	6,700	Full-Service Restaurant
2	315 N Main Street	6,700	Health & Personal Care Store
3	119 N Main Street	4,218	Full-Service Restaurant
4	301 W Washington Street	12,500	Specialty Foods Store
5	110 S Main Street	3,897	Shoe Store
6	312 W McPherson Street	1,768	Other Miscellaneous Store Retailers
7	112 S Main Street	1,266	Other Miscellaneous Store Retailers
8	114 S Main Street	1,500	Other Miscellaneous Store Retailers
9	403 N Elson Street	1,971	Other Miscellaneous Store Retailers
10	310 N Main Street	2,360	Beer, Wine & Liquor Store
11	301 N Elson Street	3,475	Health & Personal Care Store
12	201 N Elson Street	12,160	Electronics & Applicance Store
13	215 N Elson Street	6,571	Clothing Store
14	215 W Washington Street	4,927	Restaurant
15	211 W Washington Street	1,626	Other Miscellaneous Store Retailers
16	211 W Washington Street	1,800	Other Miscellaneous Store Retailers
17	102 S Elson Street	4,070	Sporting Goods/Hobby/Musical Instruments
18	404 S Elson Street	3,211	Lawn & Garden Equipment & Supplies
19	310 N Elson Street	7,800	Clothing Store
20	311 N Franklin Street	2,800	Used Merchandise Store
21	301 N Franklin Street	2,300	Shoe Store
22	121 W Washington Street	1,339	Other Miscellaneous Store Retailers
23	115 W Washington Street	2,300	Other Miscellaneous Store Retailers
24	200 S Franklin Street	1,669	Other Miscellaneous Store Retailers
25	214 N Franklin Street	2,000	Restaurant
26	107 Marion Street	1,700	Full-Service Restaurant
27	108 E Washington Street	763	Other Miscellaneous Store Retailers
28	301 S Franklin Street	1,000	Jewelry, Luggage & Leather Goods
29	116 E Jefferson Street	3,000	Specialty Foods Store
30	302 N Marion Street	400	Other Miscellaneous Store Retailers
31	214 N Marion Street	1,370	Used Merchandise Store
32	216 S High Street	2,987	Full-Service Restaurant
	TOTAL	112,148	

unmet demand lies in these categories. In addition, due to the feedback received from focus group and survey participants, more space was allocated to Other Miscellaneous Store Retailers and to restaurants. The recommended "allocated" of floor area by retail sector in Table 21 assumes that Downtown retailers or restaurants would not be able to capture all of the unmet demand but a significant percentage of the demand. Though challenging, a comprehensive retail development program for Downtown Kirksville can make Downtown a more vibrant and competitive retail district capable of capturing a greater share of total STA retail and restaurant expenditures.
The recommended first floor vacant space allocation does not anticipate a large percentage of office use. However, a vibrant Downtown requires a daytime population

TABLE 21: POTENTIAL RETAIL SPACE ALLOCATION

Industry Group	Opportunity[1]	Possible Retail Area (sq.ft.) Supported[1]	Suggested Allocated Vacant Space	Remaining Possible Retail Area
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	$1,319,862	27,497	12,160	15,337
Specialty Food Stores (NAICS 4452)	$1,180,725	24,598	15,500	9,098
Health & Personal Care Stores (NAICS 446/NAICS 4461)	$818,575	17,054	10,175	6,879
Clothing Stores (NAICS 4481)	$608,514	12,677	14,371	-1,694
Grocery Stores (NAICS 4451)	$546,793	11,392	0	11,392
Other Miscellaneous Store Retailers (NAICS 4539)	$401,969	8,374	16,402	-8,028
Shoe Stores (NAICS 4482)	$218,928	4,561	6,197	-1,636
Used Merchandise Stores (NAICS 4533)	$170,272	3,547	4,170	-623
Beer, Wine, and Liquor Stores (NAICS 4453)	$148,367	3,091	2,360	731
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	$128,629	2,680	1,000	1,680
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	$123,136	2,565	4,070	-1,505
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	$105,690	2,202	3,211	-1,009
Florists (NAICS 4531)	$7,796	162	0	162
TOTAL	**$5,779,256**	**120,401**	**89,616**	**30,785**

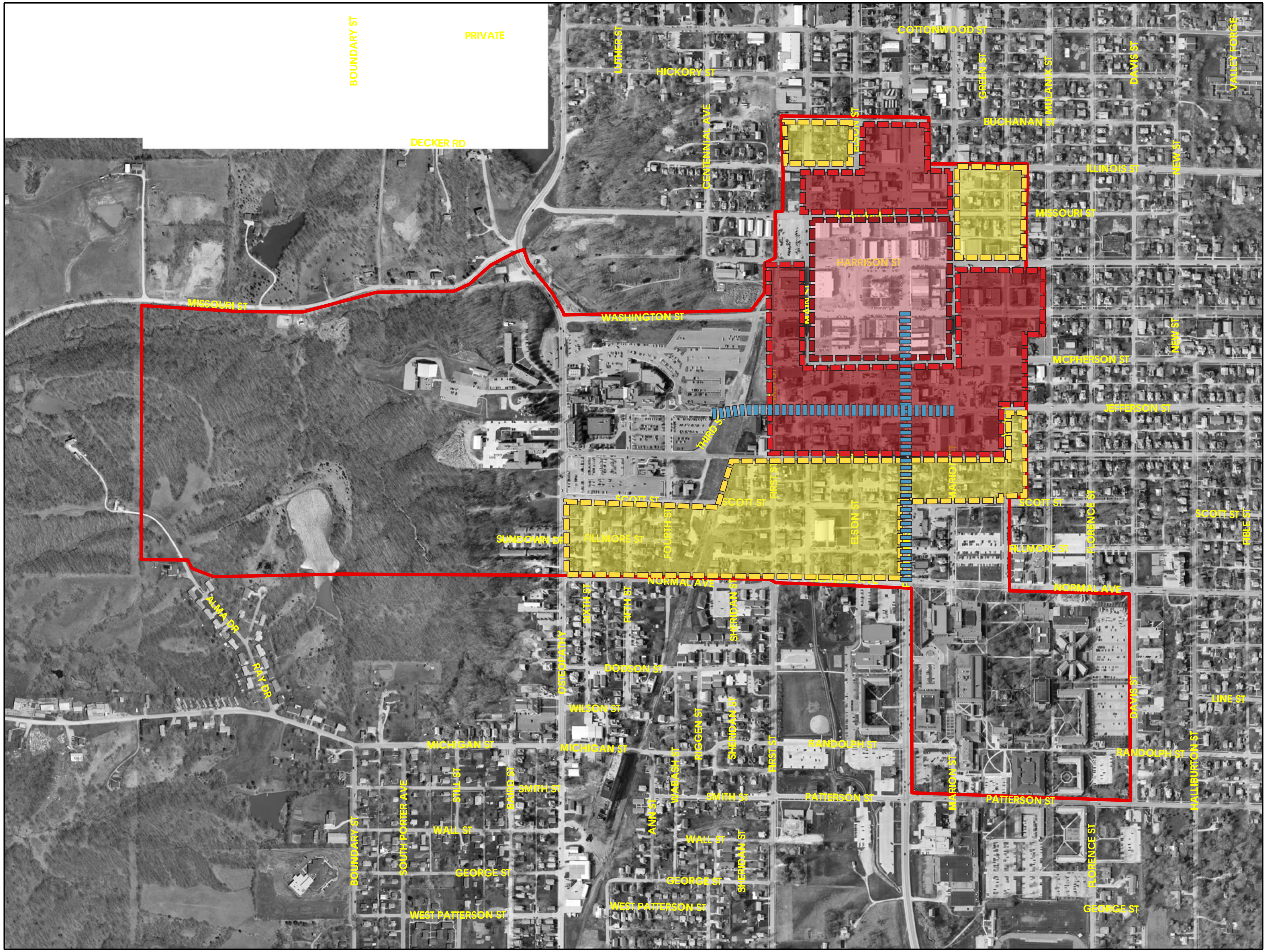
[1] From Table 18.

that will frequent its restaurants and shops. Attracting office users to Downtown Kirksville would naturally increase the daytime population and bring more customers Downtown. Office uses should be encouraged for second floor spaces and above. These floors are typically underutilized. Their use as office and commercial service space reserves important street-level space for retail, while contributing to the employment base (and thus base of potential consumers) within Downtown.

Figure 5 on the following page details the overall retail concept for Downtown Kirksville. This concept plan, further detailed in the Strategic Plan for Downtown envisions two districts. The area immediately around the square is envisioned as a business development district. The areas further from the square and adjacent to the universities are envisioned as a retail and entertainment district. A primary focus of the plan is connecting students to Downtown from the universities via Jefferson Street and Franklin Street. By better connecting students and local residents to Downtown, new and expanded retail will be possible for Downtown.

Figure 5: Concept Map

Downtown Study Area
City of Kirksville, Missouri



Legend

- Downtown
- Neighborhood Preservation Area
- Retail & Entertainment District
- Business Development District
- Student Connection Corridor

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May 2012

D·R·E·A·M INITIATIVE

PGAV PLANNERS

Downtown Kirksville Retail Goals

- **Encourage Targeted Retail uses**

  Downtown stakeholders should encourage targeted retail uses and appropriate pedestrian generating activities on the ground floor of all mixed-use and commercial buildings. The City should develop a list of targeted retail uses based on Table 18 and the Community Surveys. Developing a Downtown Business Development Package will help in drawing the appropriate mix of retail uses. Integrating this program with specific marketing and promotion strategies will help fill the existing vacant first floor space and generate excitement with residents and customers.

- **Create a Downtown Business Development Package**

  The City, supported by the Chamber of Commerce, should lead the effort in recruiting new businesses to the area. The City should utilize the existing retail market information provided in this report as well as demographic information to develop the package.

  The Business Development Package should be professionally designed and include:

  - Goals for attracting targeted retail stores and filling vacant first floor spaces.
  - Financial incentives available to assist start-up of new businesses.
  - Diagram of the City's business permitting process.
  - List of property owners and vacant first floor spaces.
  - List of existing businesses in Downtown Kirksville.

- **Business Retention & Expansion**

  The City, KDIC and Chamber should help existing businesses succeed and grow, mainly through improving business operations. The program should educate and inform retail business owners about product differentiation, product presentation, window displays, and importance of hours and days of operation, and how service and quality of product differentiate them from big box or franchise stores.

- DEVELOP SEMINARS FOR EXISTING BUSINESSES

  The Downtown should develop a merchant education program to address issues of marketing, customer service, business and building maintenance, retail opportunities, and trends. General business issues such as marketing, customer service, store hours and store display and design should be covered as well as opportunities for more detailed assistance. Clusters of similar Downtown businesses such as restaurants should be brought together to present specific topics.

- ENCOURAGE EXISTING RETAIL EXPANSION

  Within the three trade areas there is demand that is not met in electronics and appliance stores, clothing stores, specialty food stores, and health and personal care stores. Existing businesses should consider expanding their inventory, introducing new inventory and expanding their current space to capture additional retail dollars.

- INCREASE AVAILABLE RETAIL SPACE

  Where possible, property owners should increase available retail space in existing buildings through the reconstruction of internal common walls in order to expand building footprints. Where feasible the City should encourage the relocation of non-retail uses from the first floor to the second floor. The City should develop a low-interest loan program to promote this type of rehabilitation.

- INCREASE MARKETING & COLLECTIVELY MARKET DOWNTOWN RETAILERS

  Promotional efforts should primarily target residents and the region. Using funds generated by the establishment of a Community Improvement District or other source of funding, a cooperative advertising campaign should be pursued on behalf of Downtown retailers. Retailers should utilize brochures that highlight the positive features of locating retail businesses in Downtown. These brochures should be distributed to residents and visitors and inform the public about existing stores, new stores, hours of operations and special events. Collective marketing is a cost-effective approach to convey the image of Downtown and increases awareness of events and attractions. Local newspapers and magazines, websites, radio, television ads and flyers should be used to effectively promote Downtown Kirksville. Downtown Kirksville should consider retaining professional advertising service to ensure the broadest and most effective coverage using CID funds.

- DEVELOP A DOWNTOWN DIRECTORY

  Develop a directory or brochure detailing the retailers and restaurants. Detailing the type of merchandise and eateries offered by Downtown stores will allow visitors and residents to fully experience Downtown. The directory should also include information on public transportation and parking.

- CREATE SHOPPING ORIENTED DOWNTOWN EVENTS

  Create events such as sidewalk sales, monthly evening shopping nights, storefront display contests, etc. that are focused on shopping in Downtown. Shopping oriented events help to promote Downtown as a retail shopping destination experience.

- VERIFY & UPDATE COMMERCIAL VACANCIES & STORE MIX

  It is important to track the vacancies and store mix in Downtown. The City and Chamber should actively market vacancies and try to fill them with stores from the targeted retail list. The goal is to work towards the recommended store mix to create a vibrant retail destination. The City should continue to update the retail and vacancy maps and retail sector lists.

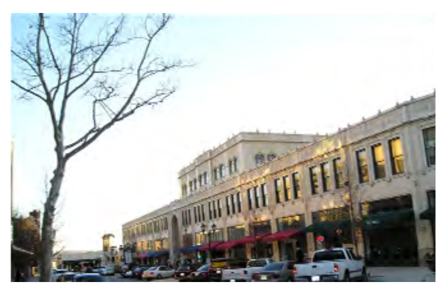
Downtown Kirksville Strategies

Achieving Downtown's retail goals can be obtained by implementing several key strategies. These strategies must be realistic and based on an understanding of Downtown Kirksville's current retail market, its primary customers, and the spending potential of key customer segments identified earlier in this analysis. Implementing these strategies will work in concert with other objectives identified through the DREAM Initiative to create a vibrant Downtown Kirksville.

Re-energizing downtown retail can be a difficult, lengthy and complicated process. Traditional downtowns have changed dramatically in the past decades due to changes in lifestyles, consumer spending patterns, merchandising, and heightened competition for retail and restaurant spending. To achieve long-term success Downtown stakeholders must understand these changes and be willing to embrace new approaches to retail development.

Great Streets Equal Great Downtowns

Great neighborhoods and downtowns succeed because of the places and features within them. It is these small places that define a downtown and reveal the richness and depth of its social life. The best downtowns emerge when communities are guided first and foremost by a vision of what they want to see in their downtown. Every neighborhood has the capacity to evolve into a great downtown and destination. This happens when local people feel a sense of ownership, which extends beyond property lines to include private and public partnerships. These partnerships and public involvement have the ability to lift a place from a collection of buildings and spaces to a true community.



Older downtowns by their very natures are walkable. They evolved during a period when high density and pedestrians were commonplace. Downtowns can continue to provide an environment where walking can be enjoyable and a practical means of getting around. Great streetscapes become an integral part of the community and provide the means for significant pedestrian presence, which is necessary for a successful retail environment. Downtown should maintain a pedestrian-oriented focus that is conducive to walking between destinations, stores and restaurants. Pedestrian-oriented environments include sidewalks, buffers, street trees, benches, fountains, wayfinding signage, lighting, public art, buildings that are visually interesting and well maintained.

Downtowns should have mixed land uses and extensive pedestrian amenities. Downtowns should have people of all ages moving throughout the district and should have unique identifiable areas such as outdoor seating, water features, and public art. To create great streetscapes that are comfortable and safe and still provide a high quality pedestrian environment, streetscapes should include:

- sidewalks that are continuous and wide enough to include pedestrian-friendly streetscape elements;
- short crosswalk distances that provide safe walking environments;
- symbols that are related to downtown's heritage;
- seamless streetscapes with lighting and banners, planters and street trees, benches and other site furnishings;
- seasonal lighting that helps to create a festive and inviting environment;
- borders that offer a variety and stimulate interest in adjacent areas through the use of flower beds, sidewalk seating and cafes, benches and street trees;
- high quality amenities such as public art, streetscape elements and public amenities such as restrooms;
- safety for pedestrians with lighting, crosswalks, accessible ramps, bike racks, landscape and buffers, etc;

- user friendly and appealing streetscape features and appropriate directional signage;
- transit friendly and convenient integration of cyclists, public transportation, trolleys and automobiles;
- bicycle friendly areas with bicycle racks that coordinate with other site furnishings; directional and regulatory signage that identifies bike routes; wayfinding signage; and, where feasible, dedicated bicycle lanes;
- continuous on street parking and enforced slower vehicular speeds; and
- streetscape maintenance.

Parking

There are special issues associated with parking in downtown areas where large numbers of people converge to work, shop, and visit. The lack of parking is frequently cited as a reason for the declining vitality of some downtown businesses. It is important to recognize that parking is intended to serve user needs. In that regard it should be visible, convenient and accessible.

Providing continuous on street parking is a key component in supporting businesses in downtowns, especially central business districts. On-street parking is an efficient means for allowing multiple users to reach several destinations. On-street parking provides a variety of benefits that include among others calming and slowing traffic while providing a buffer for pedestrian traffic.

Adequate parking spaces must be available to support area businesses. Parking lots are key elements in meeting these user needs and they should not only provide parking spaces, but be aesthetically pleasing and safe. Providing planting buffers at the edges of parking lots to screen the parking. Landscaped islands should be included through out the lot, improving not only aesthetics but minimizing the storm water run-off. A clear and well lit pathway should be provided for

pedestrians as well as signage that identifies public parking lots.

Establishing parking zones in Downtown is a way to ensure there is plentiful customer parking. This can be accomplished by signage that designates parking for customers. Employees and employers should not park in front of the retail establishments in Downtown. Rather, where possible, they should park in the rear of their establishments or at parking lots designated for employee parking.

Public Spaces

Public spaces are another component to successful downtown destinations. Many public areas suffer from lack of funding, maintenance and planning. Public space revitalization, similar to properly maintained facades and streetscapes, have a direct impact on downtown's economic, environmental, social, and cultural image. Public spaces offer a fundamental amenity to complement businesses and residents and provide a gathering area, meeting place or a place for citizens and visitors to relax. Downtown public spaces should:

- Be easily accessible and visible from the street
- Preserve and maintain trees and landscaping that provide shade color and natural edges.
- Create a pedestrian-friendly amenity area and activity space for special events. Public spaces should be flexible to accommodate a variety of multi-purpose events.
- Introduce flexible, moveable seating to complement traditional park benches.
- Enforce cleanliness and maintenance standards.
- Provide regulatory park signage and the authority to enforce regulations.
- Public areas should be safe.

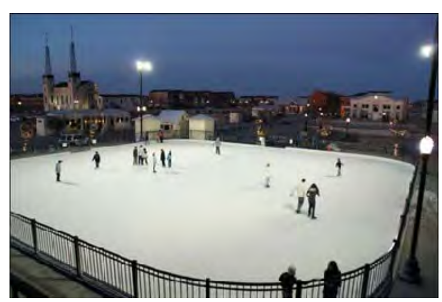
DRAFT

DOWNTOWN ENVIRONMENT & APPEARANCE

Downtown Kirksville's 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 retail development strategy, just as retail will be a major piece of Kirksville's overall Downtown revitalization plan.

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 creative cooperation amongst City staff, and private business and property owners to maximize the impact in Downtown Kirksville. New public sector mechanisms such as a Community Improvement District (CID) may be needed to leverage funding programs or other funds for streetscape, open space and infrastructure improvements. Public sector activity should be aimed at inducing private investment in buildings and sites as part of a comprehensive physical revitalization program. The following items should be Kirksville's priorities:

- Continued façade restoration and rehabilitation. The City must work to encourage rehabilitation of Downtown buildings.
- Incentive programs should also recognize the need for improvement to the side and rear of buildings, some of which have attractive façades. One advantage of building renovation incentives is that they can be granted with conditions, providing an opportunity to ensure improvements are implemented on the entire building and lot.



- Encourage redevelopment and new construction that adds retail space. Redevelopment opportunities, may arise in coming years as vacant spaces are filled and demand for additional retail and restaurant space grows. As a matter of zoning policy, retail or restaurant uses should be the priority for ground-floor uses in all new buildings. Further, new buildings should generally respect the traditional scale and appearance of

Downtown buildings.

- Support code enforcement and plan review efforts. The City's code enforcement efforts should be continued and strengthened to ensure that Kirksville's Downtown buildings and sites are properly maintained.

Business Retention, Expansion & Recruitment

A formal business retention, expansion and recruitment program is among the most cost-effective initiatives that a community can undertake and implement. Programs designed to assist businesses with expansion, relocation and building improvements can stimulate increased levels of private investment. Efforts should be made to familiarize businesses with local, regional, and state regulations and guidelines, as well as, business assistance and technical resources.

The City should focus on maintaining goods and services that are currently provided within Downtown Kirksville. Downtown will also need to attract additional retailers to create a vibrant retail destination. Retail and restaurant locations should be given priority for existing vacant spaces and new construction. The targeted retail establishments were identified in Table 18.

A proactive business retention, expansion and recruitment campaign, should be driven by the City, KDIC and Chamber of Commerce. This campaign should also include existing business within Downtown. The retail recruitment team should encourage specific retail types especially those that are looking to relocate, expand, businesses interested in an additional site and attracting new businesses.

The retail campaign should also take into consideration the needs of the residents and visitors. In addition to identifying new retail uses the campaign should monitor and track all commercial vacancies within Downtown Kirksville. The campaign should also market itself to the community, surrounding regions and potential businesses.

Tools that should be used by the recruitment team include:

- Available Building List including an exterior photo, space dimensions, rental rates, contact information, and building amenities. Listings should also suggest the type of businesses for which the available space is best suited.
- Listing of target businesses to contact. The targets should be limited to retail, restaurants or unique services that would drive traffic and complement the existing business mix. A list of local bankers, real estate agents, and representatives from the nearest small business development center should also be developed to ensure they have up-to-date property listings and promotional information about Downtown.
- 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 businesses in Downtown.
- Involvement of property owners as part of the solution and development of a strategy that incentivizes the right mix of retail products and amenities.
- Filling vacant storefront windows with paintings, sculpture, or other works of art by local artists.




This campaign should also foster the existing entrepreneurial spirit within the community. Small businesses are the core of the local economy, generating jobs and revenue for the community. Many aspiring business owners are not connected with financial resources, therefore providing technical support and loan opportunities can make a difference. This can be accomplished through business plan review and funding opportunities, as well as, creating a seminar program for local entrepreneurs. Surveying the local businesses to see what topic would best serve the community is another activity that is frequently a benefit for local entrepreneurs.

The City should work with local organizations to connect business owners with existing incentives.

Some simple strategies to compete with big box stores include:

- Look for voids in the mass merchandisers inventory
- Adjust merchandise selection to sell different brands
- Consider upscale merchandise
- Sell singles instead of multi-pack merchandise
- Focus advertising on competitive advantages
- Emphasize expert technical advice and personalized service

This campaign will help direct the City of Kirksville, KDIC and Chamber of Commerce in guiding Downtown Kirksville with the assistance necessary to create a retail destination.

Retail Location & Mix

Location and the appropriate mix of retail is a key to retail success. A well developed mix of uses throughout Downtown will generate foot traffic and a solid 24-hour population.

Too often the main retail strip in downtowns include uses that are mostly service oriented. These service oriented businesses take up valuable sales-generating retail space. Downtown should focus its efforts on creating a continuous retail loop with ground floor space largely dedicated to retail establishments. Pedestrian friendly loops of this type should be approximately one-quarter of a mile in length or a five minute walk.

Anchors are large, well-know attractions that usually draw customers. Usually anchors refer to retail establishments that attract customers, but can also be a single store or establishment, collection of establishments, or a institution. Retail loops should have an anchor located at the beginning and end of the street. Anchors generally include the following types of retail uses:

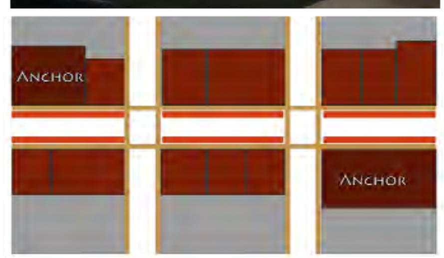
- Movie Theatres
- Farmer's Markets

- Grocery Stores
- Furniture Stores

To draw customers to Downtown, anchors should be identified, improved and promoted. Developing an anchor has the potential to serve as a year-round draw bringing in large numbers of visitors to the Downtown area.

When developing the correct retail mix, service and entertainment locations need to be included. Retail includes both shopping and dining attractions. A wide range of retail stores should include upscale clothing to kitchen gadget store. A wide selection of eating establishments from independent coffee shops to full service restaurants. Service uses are also an integral part of successful downtowns, which include medical, legal services and healthcare. Entertainment venues also help to create a successful retail mix. Live music, street festivals, movie theatres and art galleries are included in this category. Creating the appropriate variety of retail will allow Downtown to become a true shopping and entertainment destination.

Promote use of Upper Floor Space



Strong residential presence is a key component to a prosperous downtown. Downtown residents enjoy close proximity to entertainment venues, restaurants, and shopping. These residents have the ability to expand the market by creating additional demand for products and services. Downtown residents also ensure that an area has activity, even when businesses close. There is clear potential to increase residential development through apartments, condos or lofts on the upper floors throughout Downtown. While most upper floor spaces are currently vacant, the City should promote these areas for residential and office space. The City should also provide information regarding projects in other communities who have been successful in enhancing the Downtown residential base.

Enhancing the Purchasing Experience

Unique local shops thrive when they can work together to create a critical mass and become a destination as a group. Consumers want a downtown that is safe, clean, and friendly. The consumer going to the local shop is there for the experience of the shop, not the efficiency of buying everyday items.

To effectively compete with local strip commercial centers and big box retailers, Downtown Kirksville must continue to convey an image and comfort level that welcomes shoppers, diners and casual visitors as well as creating a unique shopping experience.

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

- Extend store business hours.
- Carry the unique or higher-end items that can't be found elsewhere.
- Attract dissatisfied customers from the larger retailers.
- Offer expert, personalized assistance and extraordinary customer service.
- Consider shopping amenities like gift wrapping, free shipping, convenient return and exchange policies, recommendations to other area shops and restaurants, and special orders.
- Work smarter by using technology and eliminating wasteful overhead.
- Think like first-time customers walking into a store, ask, "What can I improve?"
- 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.

Attracting Customers

Attracting customers is also an integral component of retail success. Downtown has established a pool of existing customers and needs to continue to reach out to new customers. Businesses should make special efforts to use existing customers as a source of referrals. Creating a base of repeat customers is vital to any retailers success. To maintain customers and attract new customers retailers need to provide a unique experience. This can largely be accomplished by providing:

- Expert friendly customer assistance
- Unique merchandise
- Interesting environment not found elsewhere

Creating special promotions targeting Downtown employees and residents is an easy way to reward repeat customers while bringing them back Downtown for longer visits on evenings and weekends.

While some visitors stop and shop in Downtown Kirksville, not all visitors do. Increasing the capture rate of visitors is integral to the success of Downtown. This can be accomplished by a focus on marketing, signage, wayfinding and a sense of activity. Providing standardized "you are here" maps at kiosks and establishments will help visitors navigate their way around Downtown. Downtown business guides and retailer/restaurant profiles should be made available on-line, at welcome centers, hotels and other shops and restaurants.

Another strategy to increase customer traffic is to extend business hours. Small merchants can find it very difficult to stay open into evening hours, but having a critical mass of businesses open for shopping can transform a Downtown into a vibrant, active area. Adjusting store hours to respond to the change in America's lifestyle will help boost sales and create a new shopping experience. Increasing the number of causal and fine dining options will provide retailers a broader customer market, usually in the evening hours.

One option that many communities have adopted is a weekly or monthly event oriented around shopping. Identifying one coordinated evening a week during which retailers and restaurants stay open late and offer specials (e.g. Thursdays till 8:00 PM or Fridays till 9:00 PM) is a great way to attract people to Downtown.

Event scheduling can also be extended to perhaps a first Friday or second Saturday; times when area businesses will be more likely to attract regional customers. During these events retailers should coordinate their hours. These are perfect opportunities to provide live music and sidewalk sales. These types of activities will create a festive and exciting atmosphere focused around Downtown. It is important to make the public aware of these special events through all types of marketing.

Marketing

The promotion of downtown attractions, businesses, and events is a major dimension of downtown development. These promotions are generally spearheaded by downtown organizations who recognize the necessity of reacquainting long-time residents and introducing newer residents and visitors to Downtown. Staging Downtown events, festivals, parades, concerts and other special events, will bring more people Downtown and expose them to what Downtown has to offer. The marketing and promotions strategy for Downtown should provide a mix of events and promotions that reflect different aspects of the region, including history, nearby natural amenities, cultural heritage and the quality of goods and services.

The City should continue to utilize brochures that highlight the positive features of locating retail business in Downtown Kirksville. Brochures that specifically highlight and illustrate the benefits of locating in Downtown should be developed. These brochures should include demographics, retail opportunities and recommended uses targeted at specific locations within Downtown.

It is important that existing shoppers and visitors become aware of existing stores, restaurants and new businesses located in Downtown. A Downtown Directory about Downtown's business establishments should be distributed to residents and visitors, and placed in existing retail establishments and new stores. These brochures should be available at all Downtown establishments, visitor information centers and nearby hotels.

Overall marketing should be increased for Downtown and its retailers. These promotional activities should target residents, the secondary trade area and the overall region. Making the public aware of the wide range of activities and destination is the first step in marketing Downtown. Local store and restaurant owners and employees should refer their customers to visit other shops Downtown. This can also be accomplished by locating current downtown directories at check-out and waiting areas.

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 numerous businesses help build an image of Downtown as a place with multiple shopping opportunities. It can also make advertising more affordable and allow smaller businesses to use advertising media they might not otherwise use. Downtown cross-promotion efforts could be expanded to include businesses located elsewhere in Kirksville, especially those businesses that might draw customers or visitors from a wider geographic area.

The long-term success of Downtown redevelopment efforts will depend in part on the quality of marketing and promotional activities, as well as, the ability of the Downtown leadership to appeal to specific customer segments identified earlier in this document. Creating a mix of businesses that provide for a variety of experiences allows Downtown to become marketable to residents and visitors of many incomes and lifestyles.

Retail Presentation & Operations

The appearance of a retail operation is essential to the success of that business. A store's appearance begins at the sidewalk and continues to the storefront, entrances and windows. Stores must appear interesting and inviting at the sidewalk.

Simple additions of planters that flank the doorway or window boxes, add color and life to the street. Pedestrians may be stopped by a plant, bench or signage, attracting them to the window display. Grabbing the attention of the customer is the first step in bringing them into the shop. Keep the appearance of the sidewalk and storefront neat and clean. The store should also be clearly identified with signage and be as inviting as possible.

The overall appearance of the storefront is also critical. The entrance door should be recessed from the sidewalk to emphasize the entry, provide shelter and remove the open door from the path of pedestrians on the sidewalk. The entrance should also be ADA compliant. The door should provide a view into the building as well as a sense of openness. The front entrance is not the only opportunity, rear entrances may also provide viable entrances to retail and restaurant establishments. Rear entrances should be as inviting and appealing as the main entry.

After evaluating the curb appeal and storefront of each business the window displays must be considered. Shoppers learn everything about a store at the window. They act as a store's billboard that announces the brand and character of the product within. A positive tone should be set by the windows. Great window displays will help lure customers into the store. If a pedestrian stops in front of a store window, they are one step closer to entering the shop.

Corner storefronts are significant, they help keep pedestrians moving and their appearance encourages pedestrians to cross the street. When these windows are vacant they discourage pedestrians from crossing to the next corner. If there are vacant corner storefronts The City should encourage rotating displays from other stores, or inserting information on upcoming festivals and local artwork.

Window's How To

Window displays must grab the attention of the pedestrian so they will be drawn in. The following points describe possible alternatives for window displays:

- Develop Themes. Window displays should establish a theme and integrate props. They can follow the general items in the store or a specific set of items. Themes such as sports, children's stories, romance, nature, patriotism, storytelling etc, should be considered.
- Simple Repetitive Objects. Repeating objects creates a strong message. They do not need to be expensive to be successful. Simple objects such as cut out hearts, gloves. Lampshades, balloons or handwritten notes can create dynamic and rhythmic displays.

- Found Objects. These objects can be window frames or wine barrels that help reinforce the window statement.
- Flexible Backdrops. They can be textured or fabric panels reflecting the products displayed, highlighting the season or the richness of the interior that is found beyond the windows.

- Window Graphics. Graphic statements can define a function or add interest to the merchandise.

- Night Lighting. Once window displays have been created they should be lighted. When lighted they add life to the evening streetscape and act as a 24 hour billboard. People leaving nearby businesses with later uses, such as restaurants, theaters and drinking establishments will be compelled to return to your store. However, window lighting should not impose on upper story residents

- Change Window Displays. Displays should be rotated every four to six weeks.

Signage + Branding

When establishing business goals, owners must decide on their "brand" or define the store and how they hope to be perceived by customers. These decisions will determine the direction for store logos, signage and interior design. Colors and font type used should reflect the brand and merchandise. Brand logos should be used consistently on merchandise, hang tags, business cards and printed advertisements. Shopping bags are walking advertisements that reinforce your style and should always include your shop logo.

Interiors

Retail establishments should have flexible features so the store can reinvent itself when necessary. Interior layouts have several common denominators:

- Feature Displays. Once a customer has entered the interior of the shop, there should be an open area to adjust to their surroundings and make decisions.
- First Fixture. The first fixture should be well inside the entrance and is often a feature display which tells a story about a specific theme or product. These displays can be seasonal or a specialty product line.

- Music. Music should be played that matches the store image. This simple step will bring an empty store to life.
- Secondary Displays. These displays keep the customer moving, and successful displays encourages movement. This is accomplished by placing a variety of minor merchandise groups throughout the space. The height and shape of these displays should vary and interrupt long runs of repeating products on walls.
- Floor Space. The area 18" from the floor is not "shop-able" and is best used for storage.

- Make the Back Wall Visible. Making the back wall visible and interesting all the way from the front of the store to draw customers back. This can be as easy as using paint or unusual fixtures. Place sale or clearance merchandise in the back to make customers walk past other items to get to there.

- Grouping Merchandise. Techniques for grouping the merchandise can help shoppers make their decisions faster and therefore buy more merchandise while they are in the store.
- By Color. Group all red items together, blue items together etc. This method is often used for seasonal displays.

- Product Combination. These items provide irresistible opportunities for customers to purchase combined products with a similar theme. Group clothing with coordinating accessories or "Staff Favorites."
- Fabrication Type. All glass should be kept with the glass, wood with wood, pewter with pewter and pottery with pottery.
- Impulse Items. These are often located by the register and are generally offered as add-ons. They are often inexpensive pick-up items.

Give customers the opportunity to learn about merchandise, provide customers information about special products and offer samples. All retailers should keep counters clean and clutter free. Showcases and display cases should be well-lit.

A downtown map and business directory should be located at each register. This will encourage shoppers to visit neighboring stores and help visitors navigate downtown. The store should be viewed from the customers viewpoint and these following concepts should be kept in mind.

- Signage should reflect the brand.
- Entrance and windows must be appealing.
- Merchandise must be useful or unique.
- Focal points and product placement must be able to keep their interest.

The combined attention a store's image receives from the street, its signage, storefront, window displays, entrances and interior, and to customer service all work harmoniously to create a positive experience. This experience will remain with the visitor long after they leave the store and entice them to return as loyal customers.

IMPLEMENTATION

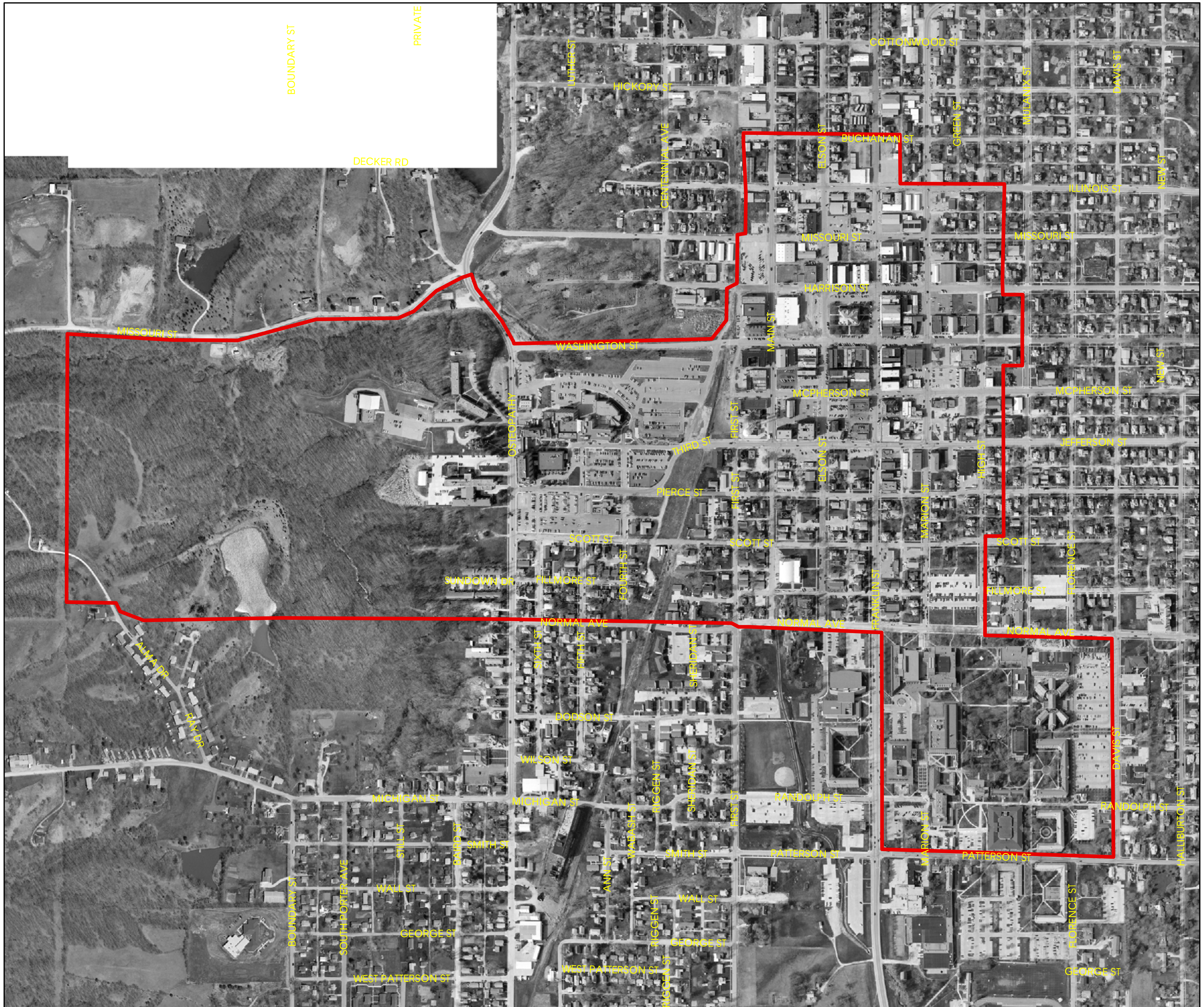
This Retail Market Analysis Report has identified a wide range of goals and strategies, based upon an analysis of demographic and economic trends driving Kirksville's retail market. The implementation of these goals and strategies is further detailed in the forthcoming Strategic Plan for Downtown. This plan provides a cohesive structure not only for improving the retail environment Downtown, but also for the other areas of improvement as identified throughout the DREAM Initiative process. Some of those include the following:

- Effectively tying Downtown to universities and surrounding residential neighborhoods, focusing on Jefferson Street and Franklin Street
- Emphasize retail and entertainment in the area around the square and emphasize business development in areas further from the square and adjacent to the universities
- Moving non-retail office uses to upper floors to make room for street-level retail and restaurants
- Collectively and effectively marketing Downtown retail businesses
- Increasing pedestrian activity throughout Downtown though improved infrastructure and additional retail
- Overall decreasing the vacancy rates throughout Downtown by business recruitment, focusing on retail sectors with unmet demand

Appendix

Appendix A-1
Downtown Kirksville

Retail Market Analysis
City of Kirksville, Missouri



Legend

Downtown

0 300 600 1,200
Feet

N

May 2012

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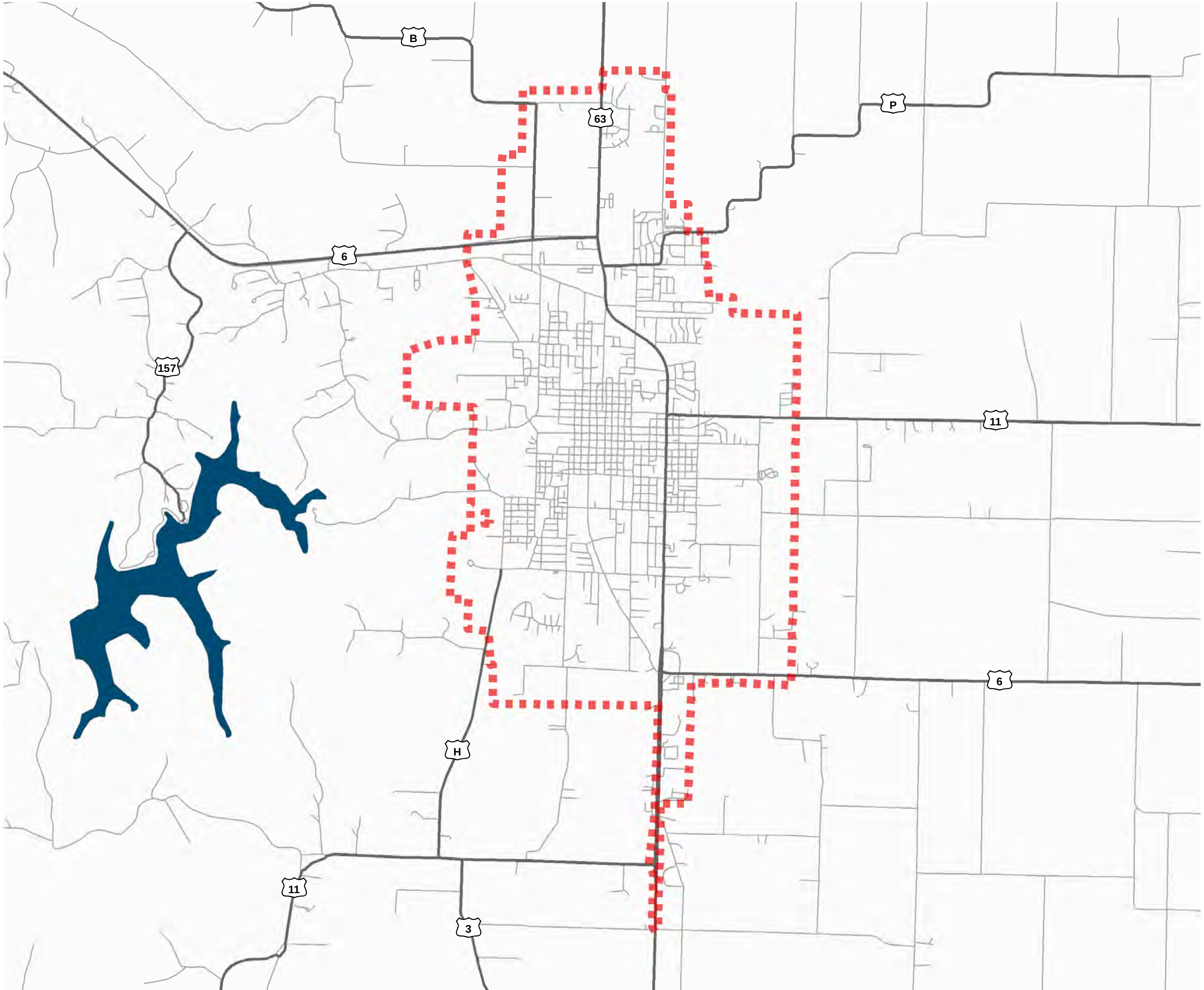
Appendix A-2
Primary Trade Area

Downtown Study Area
City of Kirksville, Missouri



Legend

Primary Trade Area

0 2,050 4,100 8,200
Feet

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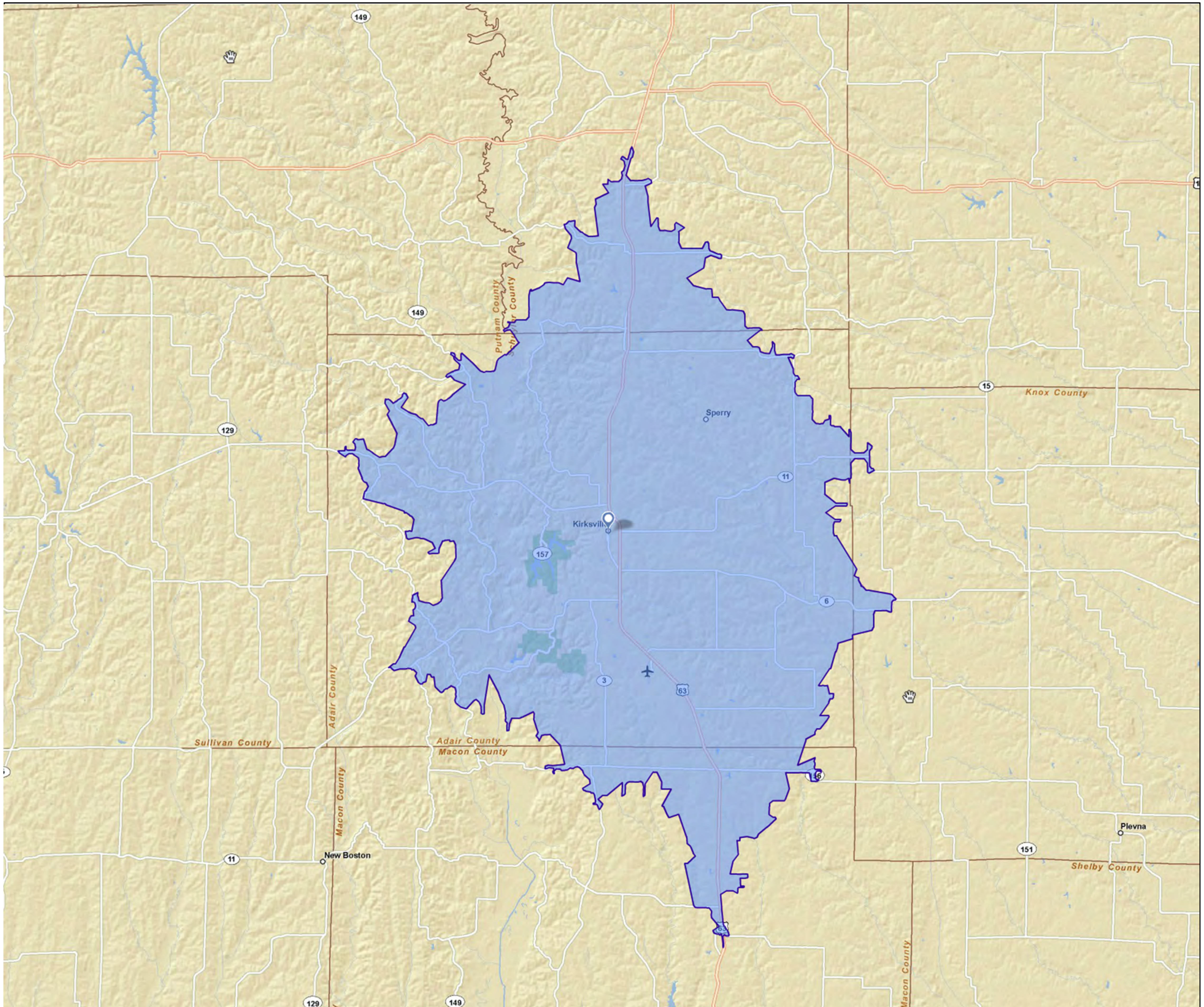
Appendix A-3
Secondary Trade Area

Downtown Study Area
City of Kirksville, Missouri



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Secondary Trade Area

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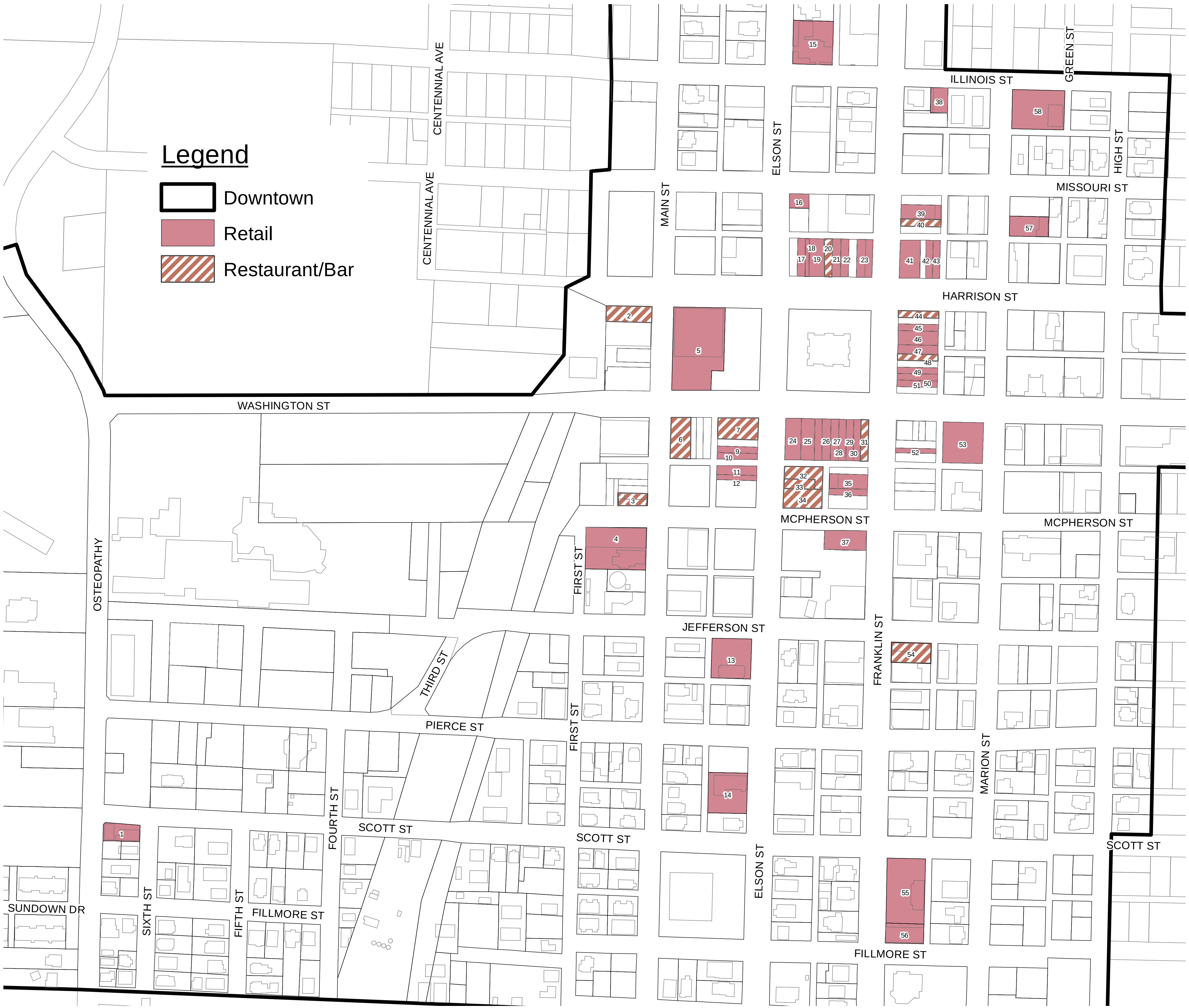
Industry Group	Secondary Trade Area Demand	STA Businesses	STA Total Retail Sales	STA Gap	Potential Square Footage	STA Per Capita Demand	City Retail Demand	City Businesses	City Total Retail Sales	Downtown Total Retail Sales	Downtown Businesses	Downtown Trade Area Capture	Downtown Pull-factor
Total Retail Trade and Food & Drink (NAICS 44-45, 722) [1]	**$116,892,604**	**187**	**$152,148,240**	**$ (35,255,636)**	**(573,588)**	**4,131**	**$67,343,166**	**145**	**$130,757,736**	**$10,903,524**	**49**	**2,639**	**2.08**
Total Retail Trade (NAICS 44-45)	**$89,160,525**	**123**	**$112,315,079**	**$ (23,154,554)**	**(481,677)**	**3,151**	**$50,584,064**	**95**	**$95,183,025**	**$5,650,899**	**33**	**1,793**	**1.41**
Total Food & Drink (NAICS 722)	**$27,732,079**	**64**	**$39,833,161**	**$ (12,101,082)**	**(91,911)**	**980**	**$16,759,102**	**50**	**$35,574,711**	**$5,252,625**	**16**	**5,359**	**4.23**
Furniture & Home Furnishings Stores (NAICS 442)	$3,908,433	9	$4,821,547	$ (913,114)	(18,995)	138	$2,386,443	6	$3,963,278	$1,071,162	1	7,754	6.12
Furniture Stores (NAICS 4421)	$2,728,165	4	$3,273,273	$ (545,108)	(11,340)	96	$1,675,279	4	$2,959,768	$1,071,162	1	11,109	8.76
Home Furnishings Stores (NAICS 4422)	$1,180,268	5	$1,548,274	$ (368,006)	(7,656)	42	$711,164	2	$1,003,510	$0	0	0	0.00
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	$4,356,614	13	$3,036,752	$ 1,319,862	27,457	154	$2,665,580	10	$2,670,155	$431,034	2	2,799	2.21
Bldg Materials, Garden Equip. & Supply Stores (NAICS 444)	$6,243,186	14	$17,496,938	$ (11,253,752)	(234,109)	221	$3,316,440	7	$13,177,568	$381,249	1	1,728	1.36
Building Material and Supplies Dealers (NAICS 4441)	$5,795,238	11	$17,154,680	$ (11,359,442)	(236,307)	205	$3,110,626	7	$13,177,568	$381,249	1	1,861	1.47
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	$447,948	3	$342,258	$ 105,690	2,199	16	$205,814	0	$0	$0	0	0	0.00
Food & Beverage Stores (NAICS 445)	$30,776,100	10	$28,900,215	$ 1,875,885	39,023	1,088	$16,754,200	5	$22,346,897	$254,878	1	234	0.18
Grocery Stores (NAICS 4451)	$28,879,627	8	$28,332,834	$ 546,793	11,375	1,021	$15,699,347	3	$21,826,798	$0	0	0	0.00
Specialty Food Stores (NAICS 4452)	$1,180,725	0	$0	$ 1,180,725	24,562	42	$612,138	0	$0	$0	0	0	0.00
Beer, Wine, and Liquor Stores (NAICS 4453)	$715,748	2	$567,381	$ 148,367	3,086	25	$442,715	2	$520,099	$254,878	1	10,075	7.95
Health & Personal Care Stores (NAICS 446/NAICS 4461)	$5,628,093	10	$4,809,518	$ 818,575	17,029	199	$3,246,165	9	$4,130,287	$245,691	2	1,235	0.97
Clothing and Clothing Accessories Stores (NAICS 448)	$3,528,341	13	$2,572,270	$ 956,071	19,889	125	$2,131,498	13	$2,539,522	$1,286,791	7	10,319	8.14
Clothing Stores (NAICS 4481)	$2,094,759	8	$1,486,245	$ 608,514	12,659	74	$1,213,478	8	$1,459,049	$633,711	4	8,560	6.75
Shoe Stores (NAICS 4482)	$613,231	2	$394,303	$ 218,928	4,554	22	$389,756	2	$388,751	$0	0	0	0.00
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	$820,351	3	$691,722	$ 128,629	2,676	29	$528,264	3	$691,722	$653,080	3	22,525	17.76
Sporting Goods, Hobby, Book, and Music Stores (NAICS 451)	$2,181,622	14	$2,192,877	$ (11,255)	(234)	77	$1,397,913	12	$2,118,643	$387,060	5	5,020	3.96
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	$518,772	9	$395,636	$ 123,136	2,562	18	$276,732	7	$340,656	$49,589	2	2,705	2.13
Book, Periodical, and Music Stores (NAICS 4512)	$1,662,850	5	$1,797,241	$ (134,391)	(2,796)	59	$1,121,181	5	$1,777,987	$337,471	3	5,742	4.53
General Merchandise Stores (NAICS 452)	$28,954,943	8	$45,157,902	$ (16,202,959)	(337,065)	1,023	$16,730,287	7	$41,489,272	$669,317	1	654	0.52
Department Stores Excluding Leased Depts. (NAICS 4521)	$21,220,854	3	$33,475,600	$ (12,254,746)	(254,932)	750	$12,595,344	3	$31,197,657	$0	0	0	0.00
Other General Merchandise Stores (NAICS 4529)	$7,734,089	5	$11,682,302	$ (3,948,213)	(82,134)	273	$4,134,943	4	$10,291,615	$669,317	1	2,449	1.93
Miscellaneous Store Retailers (NAICS 453)	$3,583,193	32	$3,327,060	$ 256,133	5,328	127	$1,955,538	26	$2,747,403	$923,717	13	7,294	5.75
Florists (NAICS 4531)	$211,051	4	$203,255	$ 7,796	162	7	$84,678	3	$179,941	$104,247	2	13,976	11.02
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	$1,535,573	7	$1,859,477	$ (323,904)	(6,738)	54	$964,389	7	$1,572,314	$161,413	2	2,974	2.35
Used Merchandise Stores (NAICS 4533)	$379,850	9	$209,578	$ 170,272	3,542	13	$94,533	6	$143,377	$76,397	4	5,691	4.49
Other Miscellaneous Store Retailers (NAICS 4539)	$1,456,719	12	$1,054,750	$ 401,969	8,362	51	$811,938	10	$851,771	$581,660	5	11,298	8.91
Food Services & Drinking Places (NAICS 722)	$27,732,079	64	$39,833,161	$ (12,101,082)	(91,911)	980	$16,759,102	50	$35,574,711	$5,252,625	16	5,359	4.23
Full-Service Restaurants (NAICS 7221)	$9,009,813	34	$11,945,195	$ (2,935,382)	(22,295)	318	$5,098,123	24	$9,872,565	$3,073,745	8	9,653	7.61
Limited-Service Eating Places (NAICS 7222)	$15,504,889	21	$24,310,417	$ (8,805,528)	(66,880)	548	$9,857,885	19	$22,400,253	$1,192,171	4	2,176	1.72
Special Food Services (NAICS 7223)	$2,254,551	2	$2,301,275	$ (46,724)	(355)	80	$1,242,216	2	$2,227,770	$0	0	0	0.00
Drinking Places - Alcoholic Beverages (NAICS 7224)	$962,826	7	$1,276,274	$ (313,448)	(2,381)	34	$560,878	5	$1,074,123	$986,709	4	28,996	22.87

[1] Totals in these categories do not include Auto Sales, Gas Sales, or Non Store Retailers

Appendix C-1
Retail Locations

Downtown Study Area
City of Kirksville, Missouri



ID	Retail Location
1	Westport Package Liquor
2	Aqua Dome
3	My Bar
4	Dover Barbershop / Tons Record Store
5	Downtown Cinema 8
6	Il Spazio
7	Hooka
9	TJ's Office
10	TJ's Office
11	Wooden Nickle
12	Wooden Nickle
13	Liquor Store
15	Homestead
16	Too Tall's Two
17	Taylor's Flowers
18	Cook's Jewelry
19	Lawson's Hill Antique Mall
20	Ryan's Sports Bar & Grill
21	Missouri Scrubs
22	Tranquil Seasons
23	Hidden Tresures
24	Rylos Electronics / Ben Gray Law Office
25	Tots 2 Teens / Jim's Gems / Steve's Garden Deli
26	Garden Collier Jewelry
27	Garden Collier Jewelry
28	House of Jesus Book Store
29	Edna Campbell's Book Store
30	Edna Campbell's Book Store
31	Paglia's Pazza & Paul's Pipe
32	Dukum Inn
33	Dukum Inn / Journal Building / Larry Platz Barber Shop
34	Wooden Nickle Banquet
35	Rhinehart News & Collectables
36	Adair County Foster Care Store
37	Princess Emporium / Machines
38	Custom Chrome
39	Circle M Music
40	Chen's Place, Vintage Book Shoppe
41	Memories Antiques & Ambrosia
42	Mission Helping Hands
43	Mission Helping Hands
44	China Palace
45	Bridal & Formal Shoppe
46	King's Appliances
47	King's Appliances
48	Uptown Café
49	Welcome Home Emporium
50	Kirlin's Hallmark
51	Kirlin's Hallmark
52	Russet Extreme Sports
53	Beards Gallery
54	Greek Corner Gyro's
55	Kum & Go
56	Patty's Inc. University Book Store
57	Shell Station
58	Ice House Gas Station

0 140 280 560
Feet

N

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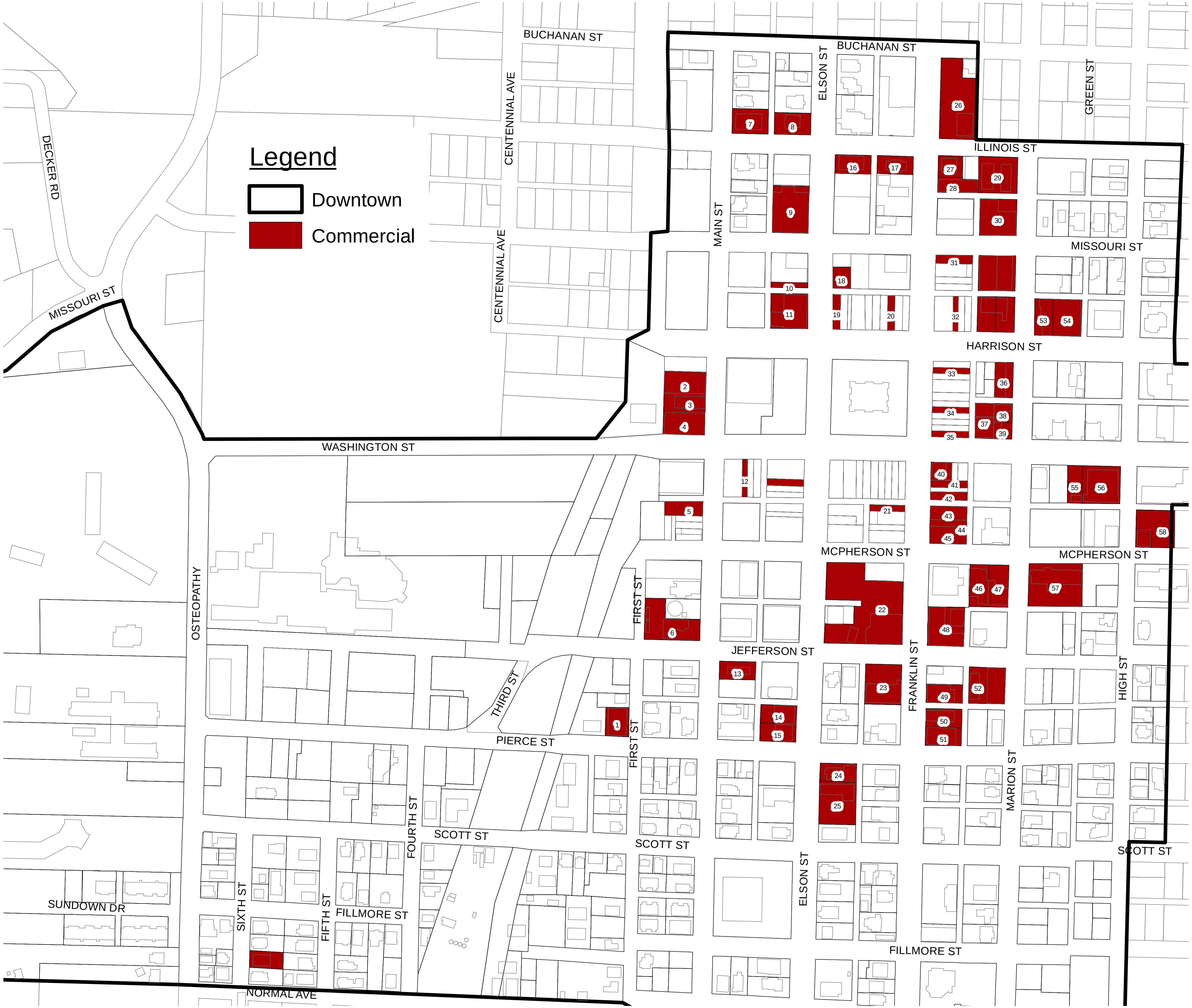
Appendix C-2
Commercial & Service Locations

Downtown Study Area
City of Kirksville, Missouri



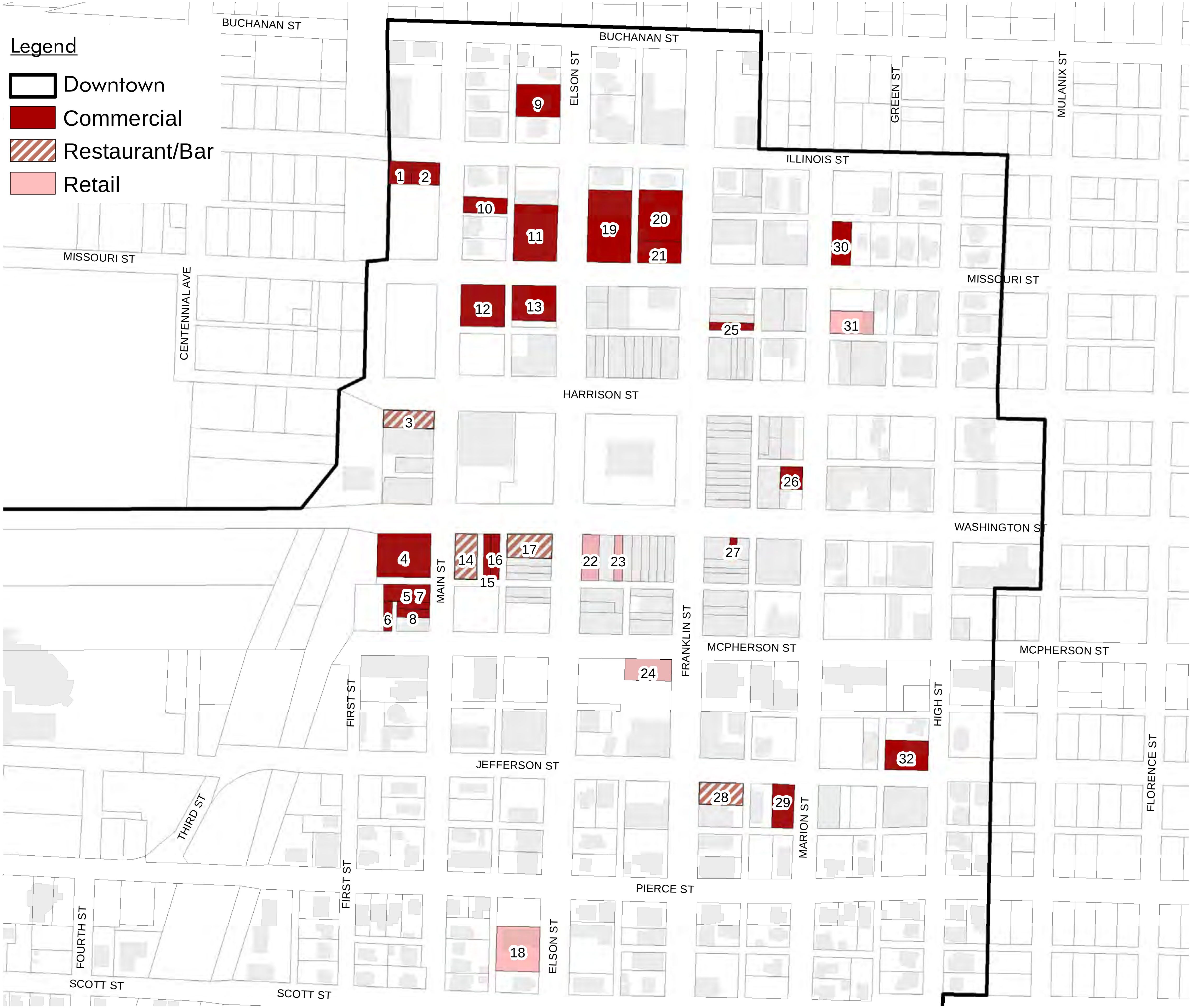
ID	Commercial Location
1	Storage
2	Mini Mau
3	CPA
4	Razor's Edge / Life Insurance
5	Bill's Barber Shop
6	Northeast Missouri Dental Clinic
7	Cable One
8	Attorney
9	Hair Design / Outreach Mission
10	Community Action Agency
11	Midwest Bank
12	Vacant
13	American Home Patient
14	Attorney
15	CPA
16	Farr Accounting
17	Attorney
18	Dentist / Attorney
19	Attorney
20	Shelter Insurance
21	Financial Planners of Missouri
22	Bank of Kirksville
23	Reflections Vision
24	Chiropractic
25	CPA
26	Jackson Law Firm
27	Spencer Brothers / Shelby House
28	Osteopathic
29	Storage
30	Body Shop
31	Noel's Studio
32	Johnson Accounting
33	New Vision
34	Hair Academy
35	Hair Palace
36	Kirksville Brakes & Muffler
37	State Farm
38	Dance Studio / Dr. Office
39	Dance Studio / Dr. Office
40	Adair County Title
41	Page's Hair & Tanning
42	Attorney
43	Angle Island Arcade
44	Pickett Abstract
45	Kirksville Arts
46	Kirksville Daily Express
47	Prudential
48	Attorney
49	Why Not Tat2
50	Sparks Cleaners
51	Red Cross
52	Donaldson's
53	Storage
54	Medical Center
55	AT&T
56	AT&T
57	US Bank
59	Body Therapy

0 150 300 600
Feet

May 2012

Appendix D
1st Floor Vacancy

Downtown Study Area
City of Kirksville, Missouri



ID	Address	1st Floor Vacant Square Footage
1	315 N Main Street	6700
2	315 N Main Street	6700
3	119 N Main Street	4218
4	301 W Washington Street	12500
5	110 S Main Street	3897
6	312 W McPherson Street	1768
7	112 S Main Street	1266
8	114 S Main Street	1500
9	403 N Elson Street	1971
10	310 N Main Street	2360
11	301 N Elson Street	3475
12	201 N Elson Street	12160
13	215 N Elson Street	6571
14	215 W Washington Street	4927
15	211 W Washington Street	1626
16	211 W Washington Street	1800
17	102 S Elson Street	4070
18	404 S Elson Street	3211
19	310 N Elson Street	7800
20	311 N Franklin Street	2800
21	301 N Franklin Street	2300
22	121 W Washington Street	1339
23	115 W Washington Street	2300
24	200 S Franklin Street	1669
25	214 N Franklin Street	2000
26	107 Marion Street	1700
27	108 E Washington Street	763
28	301 S Franklin Street	1000
29	116 E Jefferson Street	3000
30	302 N Marion Street	400
31	214 N Marion Street	1370
32	216 S High Street	2987

0 125 250 500
Feet

N

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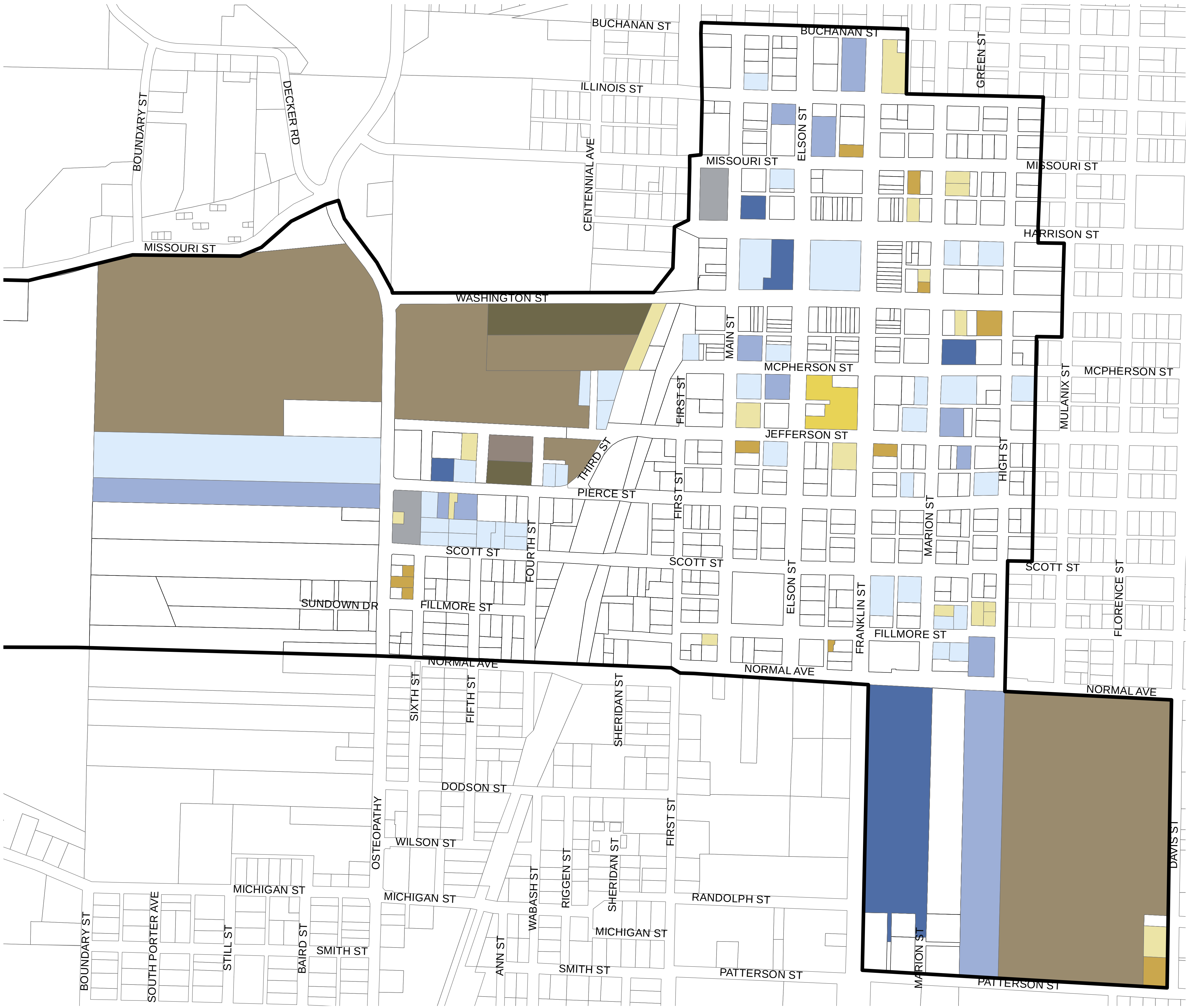
Appendix E
Available Parking

Downtown Study Area
City of Kirksville, Missouri



Legend

Downtown

Parking Spaces

- 1-5
- 6-10
- 11-20
- 21-30
- 31-40
- 41-50
- 51-60
- 61-70
- 71-80
- 100 +

0 230 460 920
Feet

N

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