

Farmington, Missouri

DOWNTOWN
REVITALIZATION &
ECONOMIC
ASSISTANCE FOR
MISSOURI

RETAIL MARKET ANALYSIS



OCTOBER 2012

PGAV PLANNERS

ACKNOWLEDGMENTS



DOWNTOWN REVITALIZATION AND ECONOMIC ASSISTANCE FOR MISSOURI (DREAM) PROGRAM SPONSORS:



PLANNING CONSULTANT:



This page intentionally left blank



TABLE OF CONTENTS

| | <u>PAGE</u> |
|---|-------------|
| EXECUTIVE SUMMARY | 1 |
| INTRODUCTION | 5 |
| BACKGROUND & METHODOLOGY | 6 |
| LIMITS OF STUDY | 6 |
| TRADE AREA PROFILE | 7 |
| TRADE AREA DEFINITIONS | 7 |
| TRADE AREA DEMOGRAPHIC SNAPSHOT | 8 |
| MARKET PROFILE/DEMOGRAPHIC TRENDS..... | 9 |
| HOUSING MARKET ANALYSIS SUMMARY | 14 |
| CONSUMER SEGMENTS | 15 |
| COMMUNITY SURVEYS..... | 17 |
| BUSINESS MARKET..... | 19 |
| COMPARATIVE MARKET ANALYSIS | 19 |
| TENANT MIX & LAND USE | 20 |
| MARKET RESEARCH FINDINGS..... | 22 |
| RETAIL ANALYSIS..... | 22 |
| POTENTIAL STORE SPACE SUPPORTED | 25 |
| AVAILABLE RETAIL SPACE INVENTORY | 28 |
| DOWNTOWN FARMINGTON RETAIL GOALS | 32 |
| DOWNTOWN FARMINGTON STRATEGIES | 34 |
| IMPLEMENTATION..... | 49 |
| APPENDIX | |
| A. TRADE AREAS | |
| A-1: DOWNTOWN FARMINGTON | |
| A-2: PRIMARY TRADE AREA | |
| A-3: SECONDARY TRADE AREA | |
| B. RETAIL DEMAND & SALES (DETAILED TABLE) | |
| C. EXISTING RETAIL LOCATIONS | |
| D. FIRST FLOOR VACANCIES | |
| E. OFF STREET PARKING | |
| F. EXISTING STORE CHECKLIST | |

*Downtown Revitalization & Economic Assistance for Missouri
Retail Market Analysis Report for Farmington, Missouri*

| | <u>PAGE</u> |
|--|-------------|
| TABLES | |
| TABLE 1: 2010 DEMOGRAPHIC SNAPSHOT | 8 |
| TABLE 2: DOWNTOWN FARMINGTON | 9 |
| TABLE 3: PRIMARY TRADE AREA | 10 |
| TABLE 4: SECONDARY TRADE AREA..... | 11 |
| TABLE 5: STATE OF MISSOURI..... | 12 |
| TABLE 6: DEMOGRAPHIC COMPARISON..... | 12 |
| TABLE 7: DEMOGRAPHIC AGE COMPARISON | 13 |
| TABLE 8: DEMOGRAPHIC HOUSING UNITS COMPARISON..... | 13 |
| TABLE 9: 2010 TOTAL EMPLOYMENT..... | 19 |
| TABLE 10: FARMINGTON EMPLOYERS | 19 |
| TABLE 11: LAND USE TOTALS & SQUARE FOOTAGE | 21 |
| TABLE 12: RETAIL ESTABLISHMENTS | 22 |
| TABLE 13: EXISTING RETAIL | 23 |
| TABLE 14: CONSUMER EXPENDITURES | 24 |
| TABLE 15: HOUSEHOLD INCOME..... | 25 |
| TABLE 16: FUTURE RETAIL GROWTH | 26 |
| TABLE 17: POTENTIAL NEW RETAIL | 28 |
| TABLE 18: POTENTIAL RETAIL SPACE ALLOCATION | 31 |
| | |
| FIGURES | |
| FIGURE 1: DOWNTOWN FARMINGTON | 9 |
| FIGURE 2: PRIMARY TRADE AREA..... | 10 |
| FIGURE 3: SECONDARY TRADE AREA | 11 |
| FIGURE 4: DOWNTOWN BUSINESS PREFERENCES..... | 18 |
| FIGURE 5: RETAIL OPPORTUNITIES | 29 |

EXECUTIVE SUMMARY

Farmington is the county seat and largest community in St. Francois County, Missouri. The City is located along U.S. Highway 67, about 70 miles south of St. Louis, Missouri. Farmington has a current population of almost 20,000 people. Downtown is the center of government, being home to the St. Francois County Courthouse and Annex, city hall, police and fire departments, public library and other businesses offices.

This Retail Market Analysis reveals that Downtown could see an increase in sales if targeted businesses are added to the retail market. These projections are based on existing sales volumes, vacant floor space, and estimated leakage of retail dollars being spent outside of Downtown and the city limits. Downtown Farmington competes primarily with other retail facilities within the City. However, Downtown assets include a high traffic count, a good stock of historic buildings, and some opportunities to provide infill mixed-use development.

The Retail Market Analysis was conducted by analyzing data for three areas: The Downtown Trade Area (DTA) which is the DREAM study area; Primary Trade Area (PTA) which is the city limits; and the Secondary Trade Area (STA) which is a 25 minute drive-time from Downtown Farmington. The existing retail market, demographics, and DREAM surveys were also documented and analyzed to help define a strategy that takes into account public preferences and strengthens the retail market in Downtown Farmington.

A review of market conditions provides an idea of the possible new and existing business potential for Downtown Farmington. The DREAM Land Use, Building, and Infrastructure Survey revealed that Downtown contains about 594,000 Square feet of existing usable first-floor commercial space. This space includes:

- 12,600 square feet of restaurant space (900 square feet vacant)
- 118,500 square feet of retail space (23,400 square feet vacant)
- 218,800 square feet of office/service space (21,400 square feet vacant)
- 13,600 square feet of mixed-use space (5,900 square feet vacant)

The retail/restaurant space is generating about \$16.5 million in annual sales (sales do not include auto dealers, gasoline stations, or non-store retailers). The retail component of this space is generating \$12.1 million or about \$128 per occupied square foot. The restaurant component is generating \$4.4 million or about \$373 per occupied square foot. These are healthy averages, although the restaurant

component may be too high for a typical restaurant and this analysis considers a more conservative \$250 per occupied square foot. Using these averages, the 52,000 square feet of vacancy that can be used by a retail or restaurant use represents an additional \$6 to \$12 million in potential annual sales to the City.

The primary opportunity for retail development in Downtown Farmington is for the City to target new developers that will consider multi-story, mixed-use infill buildings on a few vacant, or soon to be vacant, lots. There are vacant storefronts, some of which are prime retail locations. However, much of the vacancies in Downtown are located in buildings that are more industrial in nature and not as easily converted into a usable retail location. Some of these properties are also candidates for redevelopment. Additionally, the City should consider encouraging service-oriented uses to locate, or relocate, to upper-floor spaces or along side streets. This activity will preserve prime, first-floor vacancies for retail use.

The retail analysis demonstrates some retail sectors that are not adequately served locally within the Secondary Trade Area. This demand and lack of local supply is prompting shoppers to leave the STA to meet their retail needs beyond the Farmington area in places such as St. Louis, Missouri and on the internet. Such unmet retail demand presents an opportunity for Downtown Farmington to capture more retail dollars.

Table 16 on Page 26 lists the retail areas for potential growth in Downtown Farmington. The retail goods and services are classified according to the North American Industry Classification System (NAICS) in industry groups. This unmet demand expressed below in dollars as an amount of additional sales and includes the following retail sectors:

- Grocery Stores: \$4.6 million
- Electronics & Appliance Stores: \$4.4 million
- Clothing Stores: \$1.3 million
- Book, Periodical, and Music Stores: \$575,000
- Jewelry, Luggage, and Leather Goods Stores: \$461,000
- Sporting Goods/Hobby/Musical Instruments Stores: \$284,000
- Used Merchandise Stores: \$173,000
- Specialty Food Stores: \$116,000

The unmet demand for retail goods and services, noted on the previous page, could generate up to \$12 million dollars in additional sales for Downtown Farmington and represents the absorption of existing space and addition of new retail space, which would total about 94,000 square feet. This amount of space is not likely to be obtained without infill construction.

Although participants in the DREAM Farmington focus groups and respondents to the telephone survey identified restaurant variety as a need, the retail analysis offers little support for this sector. There may be opportunities for an existing Farmington restaurant to add a location in Downtown Farmington, but a new establishment may find success difficult.

This Retail Market Analysis demonstrates that there are opportunities for Downtown Farmington to capture more retail sales in specific target areas. Opportunities exist to fill existing vacancies, as well as to create additional retail locations. The City should specifically target the types of businesses showing unmet retail demand and attempt to attract a developer interested in constructing multi-story, mixed-use Downtown buildings. These steps will result in an improved retail market that includes businesses to complement the broader Farmington retail market.

This page intentionally left blank.

INTRODUCTION

Downtown Farmington is located in the south/central area of the community, about a quarter of a mile south of Karsch Boulevard; the primary east/west traffic corridor through Farmington. Downtown is generally linear in layout, with Columbia and Liberty Streets providing east/west vehicular access. This situation does not provide the traditional central focus or “courthouse square”. However, the grouping of government and business offices draws a significant amount of pedestrians. Columbia Street is one-way eastbound, and Liberty Street is one-way westbound. These two streets comprise the bulk of the commercial area in Downtown and are very heavily travelled. Washington Street is the main north/south connection to Karsch Boulevard.

Downtown competes with other retail areas in Farmington, such as Maple Valley shopping area along Highway 67 and 32 and Karsch Boulevard. In order for Downtown to maintain its vibrancy and realize its potential as a retail area, it must appeal to businesses and attract an expanded retail market. DREAM seeks to increase the retail draw of Downtown and therefore the relevance of Downtown to the City as a whole.

In many instances, modern development trends have diminished the function of the typical American downtown in every day life. As consumers began to favor the use of the automobile, commercial development sought larger parcels of affordable undeveloped land further from the community’s historic core. The automobile increased the mobility of the consumer, and increasingly shopping centers with major retailers located in more scattered developments along major roadways.

Downtown Farmington is fortunate to have maintained a number of important civic and social service functions, making it a frequent destination for residents. Through the establishment of clear goals, strategies and steps for implementation, Downtown has an opportunity to reinvent itself as a significant retail destination for the area.

BACKGROUND & METHODOLOGY

This report takes a comprehensive approach to quantify the retail demand and supply for the Trade Areas in order to identify potential retail services that would be successful in Downtown. Recommendations have been developed regarding strategies to encourage appropriate retail development in Downtown Farmington. 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 and officials, and residents which provide key insights into desirable Downtown Farmington improvements and retail services. Additionally, a thorough review of future residential demand for the trade area has been conducted in the Farmington DREAM Residential Demand Analysis from September of 2011. A physical examination of the trade area and surrounding region provides insight into traffic and pedestrian trends and helps to identify the business mix and Downtown occupancy patterns.

The retail demand (spending power of the households in the trade area) is compared to the retail supply (the retail sales generated in the trade area) in order to quantify potential unmet demand in Downtown Farmington. Retail categories with unmet demand are evaluated against the DREAM Community Survey task results and other economic and physical conditions of Downtown in order to develop a retail strategy.

LIMITS OF STUDY

The Retail Market Analysis 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 current and supported through the year 2017. The analysis is meant to provide general strategic direction for developing retail in Downtown Farmington. 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. Different retail business categories can 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 an 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.

TRADE AREA DEFINITIONS

The retail market analysis 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 Farmington, the PTA is the Farmington city limits, and the STA includes any point within a particular drive-time of Downtown that represents a catch-basin of likely consumers. A map of each area is included in Appendix A and the three areas are summarized below.

- ◆ Downtown Farmington (DTA): The focus of the analysis is to determine the current level of retail activity captured by the DTA and the amount of additional retail activity that the DTA could support. Downtown Farmington is defined as the DREAM Study Boundary.
- ◆ Primary Trade Area (PTA): This study classifies the boundary of the City of Farmington as the PTA. The DTA draws the majority of its shoppers from the PTA and comparing the two trade areas helps to understand the relationship between Downtown retail activity and citywide retail activity.
- ◆ Secondary Trade Area (STA): For the STA, the study uses a 25-minute drive-time around Downtown. Most consumers in this area are likely to travel to the PTA to shop and may be shopping in the DTA. Retail recommendations will focus on how the DTA can capture more of these consumers.

The Trade Areas generally ignore municipal, county, and state boundaries. The vast majority of consumers will typically shop at the location most convenient, regardless of factors such as jurisdiction and sales tax rate.

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 appropriate 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 snapshots for 2010 for Downtown Farmington, the PTA, the STA, and the State of Missouri. The data was obtained from the 2010 United States Decennial Census. The Downtown Farmington DREAM Boundary does not coincide with a single census tract, therefore, the 2010 Census counts should not be relied upon as precise figures, but rather as estimates extrapolated from local census tracts and the City of Farmington. For purposes of comparison, the demographic tables in this report also use 2016 projections provided by a third-party supplier. These projections are derived from census data and general demographic trends for the State of Missouri.

Table 1, below, indicates the Farmington area has a significantly lower average household income than the State of Missouri. The median age in the Farmington trade areas is higher than the State median age, with Downtown Farmington being the oldest.

TABLE 1: 2010 DEMOGRAPHIC SNAPSHOT

| | Downtown Farmington | PTA | STA | State of Missouri |
|--------------------------|---------------------|----------|----------|-------------------|
| Population | 159 | 16,240 | 70,096 | 5,988,927 |
| Average Household Income | \$42,391 | \$45,902 | \$44,538 | \$59,252 |
| Housing Units | 78 | 6,172 | 29,398 | 2,712,729 |
| Owner Occupied | 43 | 3,185 | 17,459 | 1,633,610 |
| Renter Occupied | 28 | 2,435 | 8,397 | 742,001 |
| Vacant Units | 7 | 552 | 3,542 | 337,118 |
| Median Age | 41.1 | 37.5 | 38.1 | 37.8 |
| 19 and Under | 39 | 3,481 | 17,477 | 1,601,411 |
| 20-44 | 48 | 6,292 | 23,829 | 1,937,372 |
| 45 and Over | 73 | 6,467 | 28,791 | 2,450,144 |

MARKET PROFILE/DEMOGRAPHIC TRENDS

DOWNTOWN FARMINGTON (DTA)

Downtown (defined as the area within Farmington’s DREAM boundary) is roughly 96 acres and consists of about 218 buildings on over 47 city blocks (see Figure 1).

In 2010, about 159 people lived Downtown in 71 occupied housing units, for 2.2 persons per occupied unit. The average household income was \$42,391. The median age was 41.1, with about 24% of the population being age 19 or younger, 30% between 20 and 44 years of age, and 46% age 45 years or more.

The population in Downtown has decreased over the past decade, but this trend is expected to stabilize. The number of Downtown housing units has also declined significantly since the year 2000.

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

Figure 1: Downtown Farmington



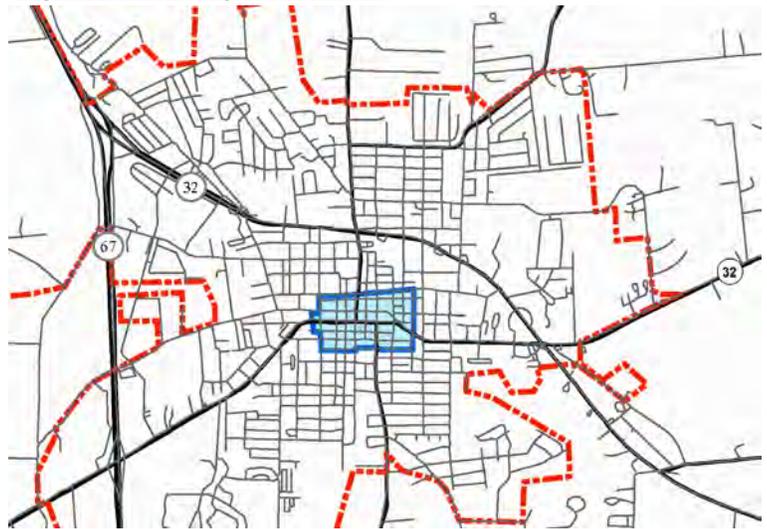
TABLE 2: DOWNTOWN FARMINGTON

| | 2000 | 2010 | 2016 | % Change '00-'10 | % Change '10-'16 |
|--------------------------|----------|----------|----------|------------------|------------------|
| Population | 204 | 159 | 173 | -22.1% | 8.8% |
| Average Household Income | \$32,236 | \$42,391 | \$47,714 | 31.5% | 12.6% |
| Housing Units | 107 | 78 | 65 | -27.1% | -16.3% |
| Owner Occupied | 55 | 43 | 37 | -21.8% | -13.1% |
| Renter Occupied | 35 | 28 | 25 | -20.0% | -12.0% |
| Vacant Units | 9 | 7 | 6 | -22.2% | -13.3% |
| Median Age | 42.9 | 41.1 | 41.6 | -4.2% | 1.2% |
| 19 and Under | 44 | 39 | 42 | -11.4% | 7.7% |
| 20-44 | 65 | 48 | 49 | -26.4% | 2.1% |
| 45 and Over | 106 | 73 | 80 | -31.2% | 9.6% |

PRIMARY TRADE AREA (PTA)

In 2010, about 16,240 people lived in the PTA (defined as the City limits of Farmington, as depicted in Figure 2) in 5,620 occupied housing units with an average of 2.9 persons per occupied unit. The average household income was \$45,902. The average household income was \$45,902. The median age is 37.5 with about 21% of the population age 19 or younger, 39% between 20 and 44 years of age, and 40% age 45 years or more.

Figure 2: Primary Trade Area



The population has grown over the past decade and is anticipated to continue to grow, although at a slower pace. Household incomes continue to grow rapidly. The table also shows growth in the number of renter occupied housing units and vacant units, with slower growth in owner occupied units. The area’s population is also aging fairly rapidly, but has seen some growth in its youngest residents since 2000.

TABLE 3: PRIMARY TRADE AREA

| | 2000 | 2010 | 2016 | % Change '00-'10 | % Change '10-'16 |
|--------------------------|----------|----------|----------|------------------|------------------|
| Population | 13,924 | 16,240 | 17,209 | 16.6% | 6.0% |
| Average Household Income | \$37,899 | \$45,902 | \$51,037 | 21.1% | 11.2% |
| Housing Units | 5,003 | 6,172 | 7,037 | 23.4% | 14.0% |
| Owner Occupied | 2,912 | 3,185 | 3,364 | 9.4% | 5.6% |
| Renter Occupied | 1,735 | 2,435 | 3,024 | 40.3% | 24.2% |
| Vacant Units | 356 | 552 | 734 | 55.1% | 33.0% |
| Median Age | 37.4 | 37.5 | 39.0 | 0.3% | 4.0% |
| 19 and Under | 3,007 | 3,481 | 3,590 | 15.8% | 3.1% |
| 20-44 | 5,759 | 6,292 | 6,314 | 9.3% | 0.3% |
| 45 and Over | 6,867 | 6,467 | 7,309 | -5.8% | 13.0% |

SECONDARY TRADE AREA (STA)

In 2010, an estimated 70,096 people lived in the STA (refer to Figure 3) in 25,856 occupied housing units for an average of about 2.7 people per occupied housing unit. The average household income was \$44,538. The median age is 38.1 with approximately 25% of the population age 19 or younger, 34% between 20 and 44 years of age, and 41% age 45 years or more.

From 2000 to 2010 there was significant growth in the STA’s population, income, and housing units. This trend is projected to continue, although at a more modest rate. The median age has seen a moderate increase and is expected to continue this trend.

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

Figure 3: Secondary Trade Area

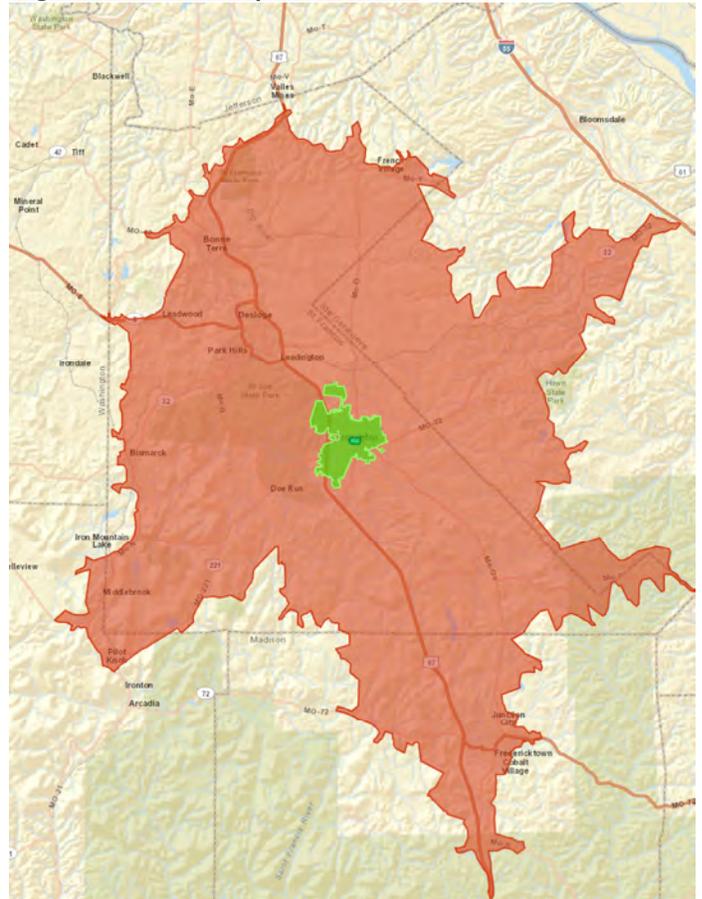


TABLE 4: SECONDARY TRADE AREA

| | 2000 | 2010 | 2016 | % Change '00-'10 | % Change '10-'16 |
|--------------------------|----------|----------|----------|------------------|------------------|
| Population | 60,497 | 70,096 | 73,194 | 15.9% | 4.4% |
| Average Household Income | \$37,736 | \$44,538 | \$49,477 | 18.0% | 11.1% |
| Housing Units | 25,244 | 29,398 | 32,301 | 16.5% | 9.9% |
| Owner Occupied | 16,343 | 17,459 | 18,174 | 6.8% | 4.1% |
| Renter Occupied | 6,294 | 8,397 | 10,080 | 33.4% | 20.0% |
| Vacant Units | 2,974 | 3,542 | 3,948 | 19.1% | 11.5% |
| Median Age | 37.1 | 38.1 | 38.7 | 2.7% | 1.6% |
| 19 and Under | 16,333 | 17,477 | 17,782 | 7.0% | 1.7% |
| 20-44 | 21,490 | 23,829 | 24,333 | 10.9% | 2.1% |
| 45 and Over | 22,673 | 28,791 | 31,079 | 27.0% | 7.9% |

STATE OF MISSOURI

As of 2010, nearly six million people live in the State of Missouri in approximately 2.7 million housing units. The average household income is \$59,252. The median age is nearly 38. About 27% of the population are 19 or younger, 32% are between the ages of 20 and 44, and 41% are age 45 years or more. Table 5, below, provides demographic information and future trends for the State of Missouri.

TABLE 5: STATE OF MISSOURI

| | 2000 | 2010 | 2016 | % Change '00-'10 | % Change '10-'16 |
|--------------------------|-----------|-----------|-----------|---------------------|---------------------|
| Population | 5,595,211 | 5,988,927 | 6,158,099 | 7.0% | 2.8% |
| Average Household Income | \$49,956 | \$59,252 | \$66,429 | 18.6% | 12.1% |
| Housing Units | 2,442,017 | 2,712,729 | 2,893,162 | 11.1% | 6.7% |
| Owner Occupied | 1,542,149 | 1,633,610 | 1,691,741 | 5.9% | 3.6% |
| Renter Occupied | 652,445 | 742,001 | 803,110 | 13.7% | 8.2% |
| Vacant Units | 247,423 | 337,118 | 410,445 | 36.3% | 21.8% |
| Median Age | 36.1 | 37.8 | 38.4 | 4.7% | 1.6% |
| 19 and Under | 1,594,172 | 1,601,411 | 1,601,424 | 0.5% | 0.0% |
| 20-44 | 1,995,800 | 1,937,372 | 1,952,597 | -2.9% | 0.8% |
| 45 and Over | 2,005,239 | 2,450,144 | 2,604,078 | 22.2% | 6.3% |

DEMOGRAPHIC COMPARISON

Table 6, below, provides a demographic comparison of the 2010 estimates and shows the Downtown experienced a significant drop in population over the past decade, while the PTA and STA have experienced a population increase about twice that of the State. People are moving to the Farmington area, but not choosing Downtown living options. Table 6 also shows that growth in household income for Downtown has outpaced that of the PTA, STA, or State. The median age of residents in Downtown Farmington declined, however, the median age remains a few years older than the State median age.

TABLE 6: DEMOGRAPHIC COMPARISON

| | Population % Change | | Average HHI % Change | | Median Age Change (in years) | |
|----------|------------------------|--------|-------------------------|--------|---------------------------------|--------|
| | 00-'10 | 10-'16 | 00-'10 | 10-'16 | 00-'10 | 10-'16 |
| Downtown | -22.1% | 8.8% | 31.5% | 12.6% | -1.8 | 0.5 |
| PTA | 16.6% | 6.0% | 21.1% | 11.2% | 0.1 | 1.5 |
| STA | 15.9% | 4.4% | 18.0% | 11.1% | 1.0 | 0.6 |
| State | 7.0% | 2.8% | 18.6% | 12.1% | 1.7 | 0.6 |

Table 7, below, gives a comparison of age demographic trends. These trends show a Downtown population that is declining in all age groups. This population decline is expect to slow and gradually begin to increase. The STA has shown strong growth, greater than the State averages, in each age cohort. This growth is also projected to stabilize and regress to a modest level.

TABLE 7: TRADE AREA AGE COMPARISON

| | 19 & Under Change | | 20-44 Change | | 45 & Over Change | |
|----------|----------------------|--------|-----------------|--------|---------------------|--------|
| | 00-'10 | 10-'16 | 00-'10 | 10-'16 | 00-'10 | 10-'16 |
| Downtown | -11.4% | 7.7% | -26.4% | 2.1% | -31.2% | 9.6% |
| PTA | 15.8% | 3.1% | 9.3% | 0.3% | -5.8% | 13.0% |
| STA | 7.0% | 1.7% | 10.9% | 2.1% | 27.0% | 7.9% |
| State | 0.5% | 0.0% | -2.9% | 0.8% | 22.2% | 6.3% |

Table 8, below, provides a comparison on housing units in the trade areas. The table shows that Downtown has experienced a significant decline in housing units while the PTA and STA have increased. Also, more occupied housing units have been renter occupied rather than owner occupied. This trend is likely a product of the continued depressed housing market and it is anticipated that the trend toward rental units will continue as the economy recovers.

TABLE 8: TRADE AREA HOUSING UNITS COMPARISON

| | Housing Units Change | Owner Occupied Change | Renter Occupied Change |
|----------|----------------------|--------------------------|---------------------------|
| | 00-'10 | 00-'10 | 00-'10 |
| Downtown | -27.1% | -21.8% | -20.0% |
| PTA | 23.4% | 9.4% | 40.3% |
| STA | 16.5% | 6.8% | 33.4% |
| State | 11.1% | 5.9% | 13.7% |

HOUSING MARKET ANALYSIS SUMMARY

For Downtown to have a healthy retail district, it is important that there are residents living within walking distance of Downtown businesses. These residents provide a regular customer base for retailers and give Downtown a 24-hour population. This continuous presence provides life on the sidewalks and keeps a watchful eye on Downtown when businesses are closed. There are a number of residents in and around Downtown. This existing residential activity and traffic through Downtown Farmington is steady and provides a good consumer base upon which Downtown businesses can draw.

The Missouri Housing Development Commission (MHDC) conducted a Residential Demand Analysis in April 2011 that projected residential demand for Farmington, with a focus on Downtown. The resulting DREAM Residential Demand Analysis from September 2011, concluded that the housing market could absorb 119 additional market rate rental units and 48 affordable senior housing units, for a total of 167 rental units. The report also noted that there was some demand for affordable family rental units. However, family households with children are often not interested in Downtown housing units due to factors such as size, yard space, and evening activity. The analysis noted that Farmington is projected to continue to see population growth over the next few years. Along with other public and private improvements, this population trend provides an opportunity for the City to encourage new infill mixed-use development with upper-floor housing options to help meet residential demand.

Downtown Farmington has a fairly diverse housing market, where the existing stock of residential units within Downtown consists of a mix of single-family homes, apartments, and other multi-family options. Housing conditions vary widely. There are few existing opportunities for upper-floor units located in Downtown commercial buildings. Downtown Farmington has some vacant buildings that have the potential to be redeveloped for residential use.

The market rate for existing rental units is generally between \$300 to \$1000. The lower rent ranges are typical of smaller, one-bedroom units. The range for senior affordable units is generally between \$270 to \$460 and there are units that include rent subsidies. Family affordable rents range generally between \$450 to \$550. Most rental units in Farmington are demonstrating good occupancy rates; a further indication of residential demand. The price range of for-sale homes in the Downtown area is \$50,000 and \$120,000.

The benefits of increasing Downtown residential units are many and include: using vacant upper-floor space, placing underutilized land and buildings into productive use, increasing consumer activity, bolstering the local tax base, increasing population density in the core of the City, and creating ideal conditions for extended business hours and additional businesses.

The City should pursue a policy of encouraging mixed-use infill buildings that would allow not only residential growth, but commercial and retail growth as well. These two land uses create a synergistic effect for central business districts, main streets, and Downtowns, resulting in a more vibrant living space and active shopping experience. In addition to new residential development, Downtown Farmington should seek to preserve and improve its existing residential neighborhoods. The City can do this through continued code enforcement and investment in infrastructure such as streets, sidewalks, street trees, and streetlights. Prioritizing residential neighborhoods nearby Downtown for infrastructure improvements will show the City's commitment to maintaining its historic central core. This will encourage continued reinvestment by property owners in existing properties as well as new construction. Strengthening and expanding the existing residential market in and around Downtown will provide an increased consumer base for nearby retail.

CONSUMER SEGMENTS

The first step in analyzing how to increase the retail market in Downtown is to identify which consumer segments are currently patronizing Downtown businesses and which consumer segments are likely to patronize Downtown businesses in the future. Once these segments are identified, the City can work to address their needs and implement a plan that increases Downtown's ability to provide services to these segments. According to the research conducted for this report, there are four broad categories of consumers Downtown Farmington serves:

Downtown Employees

- Downtown is home to about 1,385 employees at about 172 businesses.
 - The economic impact of these employees can be roughly estimated:
If the 1,385 employees spend about \$10 weekly in Downtown, the economic impact is about \$700,000 a year.
- Demand for restaurants and food services at lunch and early evenings.
- Additional demand for convenience items and after hours shopping.
- Frequent customer reward programs and repeat business marketing efforts can be effective when targeting this segment.

Downtown Residents

- There are an estimated 159 Downtown Farmington residents.
- Buying demands of this segment can be greatly served with retailer product differentiation and improved store hours.
- This segment looks to buy convenience items and basic necessities.
- As is the case with the Downtown employees, frequent customer reward programs and repeat business marketing efforts are likely to be effective in targeting this segment.

Farmington Residents

- This segment represents larger potential customer base than the Downtown resident segment, with a total population of 16,240 citywide (PTA) according to the 2010 Census.
- They visit Downtown for a variety of reasons including conducting business, shopping, and dining.
- Although shopping and dining may not be the primary reason for Farmington residents to go to Downtown, their presence increases foot traffic and creates a more active environment.
- Residents are critical for Downtown merchants as they are most likely to have higher rates of impulse spending and a need for purchasing daily necessities due to high frequency of visits.
- Effective strategies for this segment are to inspire brand loyalty through targeted marketing and customer incentives and by providing expanded product selection for daily and weekly necessities.

Tourists - Visitors

- Visitors tend to look for unique experiences and products.
- They desire a variety of entertainment and dining options.
- This segment often needs convenience items.
- Strategies for serving this market segment include improved way-finding to Downtown and effectively developing and marketing the "Downtown Farmington brand" as a unique experience worthy of a visit.
- Downtown and its retailers have an opportunity to increase their sales by building on existing successful attractions and events.

COMMUNITY SURVEYS

In order to gather information about perceptions and desires for Downtown Farmington, the DREAM Initiative conducted focus groups in the community as well as a telephone survey of residents. Those surveyed indicated what they liked or did not like about Downtown and whether it was headed in the right or wrong direction. Participants also gave suggestions on what should be prioritized to improve Downtown and make it more appealing. Both the survey and the focus group results offer an important source of data about local consumer behavior. These tools help measure the community's desires and preferences for additional retail, restaurant, and entertainment variety.

Focus groups were conducted to gather initial information about Downtown Farmington relative to four general groups: Downtown business owners; local government, City staff, and officials; new residents; and long time residents. Summarized comments regarding retail development included:

- Participants indicated they tend to do everyday shopping in Farmington, but South St. Louis County draws them for its increased variety, clothing shops, and specialty groceries.
- Participants felt that there was a good base of Downtown businesses, but more variety was needed. They also noted a variety of restaurants in Farmington, but that more variety and outdoor seating options were needed.
- While participants felt that options in Downtown should be affordable for residents, they acknowledged that rather than compete with Wal-Mart, Downtown should work to become a destination with unique shopping, outdoor cafés, crafts, and arts.
- Participants noted that Downtown business hours are very limited and described this as a major issue.
- Parking was a concern for some participants, but many others felt that parking was adequate, just not well-known.
- Better signage, lighting, and the perception of the area not being safe were also indicated as reasons why shoppers may go elsewhere to shop.
- In addition to clothing and restaurants, participants felt that good business additions to Downtown would be a shoe store, a bookstore, a candy shop, an ice cream parlor, a gift shop, an art gallery, and a wine shop.
- Participants of one group also noted that events that build upon Farmington's proximity to the St. Genevieve wine country or a shuttle to and from the area wineries would be a good addition.
- Participants also noted they would like to see greater entertainment options.
- Some business owners felt the City should focus on marketing Downtown.

DREAM also conducted a telephone phone survey of Farmington residents. Survey findings relevant to Downtown retail development include:

- Nearly 64% of respondents answered that they visit Downtown “more than five times a month.” Another 31% visit one to five times a month. Residents most often visit Downtown for “conducting business” (69%), “government/post office” (68%), “shopping” (64%), “dining” (63%, and “special events” (53%).
- A large majority (92%) feel that retaining the historic character of Downtown Farmington is “very” or “somewhat” important.
- Downtown draws all age groups. However most respondents indicated they had lived in town for more than 20 years and over half the respondents had incomes between \$25,000 and \$75,000.
- Respondents with higher incomes, tended to view available green space less favorably and placed a higher priority on art galleries.
- Respondents with lower incomes, tended to be less likely to support a sales tax increase for Downtown redevelopment activities.
- Family or Casual dining options were a top priority for about 72% of respondents. Clothing stores, a bakery, a bookstore, fine dining, and a specialty grocery store all were indicated by more than half of respondents as a high priority, but less than 60%.

The priorities identified by these community survey tasks can help determine what retail mix will be successful and accepted in Downtown Farmington. A simple strategy for success is to capitalize and expand upon the residents who already use Downtown for shopping, dining, or business. Downtown merchants can adjust their stores or products to better meet consumer needs. Figure 4, below, identifies these priorities.

Figure 4: Downtown Business Preferences

| | Focus Groups | | Community Survey |
|-------------------------|-----------------|-------------------------|------------------|
| Entertainment Options | All Groups | Casual/Family Dining | 72% |
| Casual/Family Dining | All Groups | Clothing Stores | 59% |
| Groceries | Most Groups | Bakery | 58% |
| Fine Dining | Most Groups | Bookstore | 57% |
| Art Gallery/Shop | Most Groups | Fine Dining | 53% |
| Clothing | Half the Groups | Specialty Grocery | 52% |
| Ice Cream/Soda Fountain | Half the Groups | Museum | 47% |
| Gift Store | Half the Groups | Ice Cream/Soda Fountain | 45% |
| Shoes | Half the Groups | Arcade/Youth Attraction | 41% |
| Bicycle Shop | Half the Groups | Art Galleries/Shops | 39% |
| Bakery | Half the Groups | Lodging | 37% |
| Specialty Retail | Half the Groups | Antique Shops | 33% |
| | | Sports Bar | 17% |
| | | Bars/Nightclubs | 11% |

BUSINESS MARKET

The City of Farmington, and the surrounding area, have a fairly diverse economy that provides stability and a solid base for future economic development efforts. Table 9 illustrates the total estimated employment in 2010, for the Trade Areas.

TABLE 9: 2010 TOTAL EMPLOYMENT

| | Downtown Farmington | PTA | STA |
|------------|---------------------|--------|--------|
| Employees | 1,385 | 12,204 | 28,434 |
| Businesses | 172 | 903 | 2,554 |

The City of Farmington is a significant regional employment center, particularly in the areas of business services, medical services, manufacturing, and government. Several of the largest Farmington employers are listed in Table 10, below.

TABLE 10: FARMINGTON EMPLOYERS

| Company Name | Industry | Employment |
|---|-------------------|------------|
| Workforce Employment Solutions | Business Services | 3,500 |
| Farmington Correctional Center | Government | 750 |
| Accent Marketing Services | Business Services | 700 |
| Southeast Missouri Mental Health Center | Medical | 650 |
| Mineral Area Regional Medical Center | Medical | 550 |
| Farmington R-VII School District | Education | 510 |
| Wal-Mart Super Center | Retail | 475 |
| Parkland Health Center | Medical | 450 |
| The Glass Group | Manufacturing | 450 |
| SRG Global | Manufacturing | 370 |
| U.S. Tool Grinding | Manufacturing | 350 |
| Centene Management Corporation | Business Services | 240 |
| Lowes | Retail | 150 |
| Missouri Natural Gas Co. | Utility | 150 |
| J.C. Penny Corporation | Retail | 145 |
| City of Farmington | Government | 130 |

COMPARATIVE MARKET ANALYSIS

Businesses in Farmington have a sizeable employee base upon which to draw customers. The City is a regional hub for employment and business activity and Downtown is the core of that hub. In addition to numerous local businesses, there are several other attractions located Downtown that include:

- St. Francois County Courthouse and Annex
- Farmington City Hall (Long Memorial Hall)
- Farmington Police and Fire Stations (Public safety campus-type setting)
- Farmington SK8 Park
- United States Post Office
- Public Library
- Historic Long Park
- Historic St. Francois County Jail
- The Factory (Business center and visitor center)

Farmington has seen new growth and development in areas outside of Downtown; primarily the Maple Valley shopping area along Highway 67 and Highway 32/Karsch Boulevard. Some of the development on the outskirts of the City has been incentivized. However, the Downtown TIF District includes some areas along Karsch Boulevard. This situation, where development farther out can generate funds for Downtown redevelopment, is very advantageous for Downtown. The City of Farmington should ensure that Downtown benefits from incentivized development elsewhere in the City.

TENANT MIX & LAND USE

The Land Use, Building & Infrastructure Survey, conducted in 2009 and subsequently updated by City staff for this report, gathered information on how Downtown parcels of land are being utilized. Table 11, on the following page, identifies a total of 180 parcels on which are located about 213 primary buildings that represent approximately 594,000 square feet of first-floor space. Forty of these buildings were identified as retail and restaurant uses, representing just under 132,000 square feet of space. About 24,300 square feet of the retail and restaurant space was vacant.

Table 11 also identifies 69 office and service buildings along with 4 mixed-use structures that represent about 232,000 square feet of space of with about 27,300 square feet of vacancy. Overall, just under 52,000 square feet of Downtown space is vacant and suitable for easy conversion to retail use. The vacancy rate for retail uses is fairly high, while the vacancy rate for restaurant uses is low. With the overall retail space at almost ten times the amount of restaurant space, this situation and the low vacancy rate, may call for conversions from office and service space to restaurant space.

Table 11 also indicates the overall composition of the existing square footage in Downtown Farmington. Existing Downtown land-use is composed of about 14% residential, 0% industrial, 37% office/service, 24% public/institutional, 2% mixed-use,

less than 1% recreation, and 22% retail and restaurant. Retail and restaurant uses are critical to establishing a vibrant Downtown atmosphere. However, in Downtown Farmington, non-retail/restaurant uses account for 76% of the available space. This imbalanced situation may require the City of Farmington to review its zoning code and take aggressive action to preserve prime, first-floor spaces for retail and restaurant use. Additionally, the City could encourage the conversion of existing office/service spaces into retail and restaurant space.

TABLE 11: LAND USE TOTALS & SQUARE FOOTAGE

| Land Use | Parcels | Buildings | Building Square Footage* | Vacant Square Footage | Percentage Vacant |
|------------------------|------------|------------|--------------------------|-----------------------|-------------------|
| Residential | | | | | |
| Single-Family | 45 | 59 | 69,608 | 9,094 | 13.1% |
| Multi-Family | 7 | 9 | 12,095 | 593 | 4.9% |
| Sub-Total | 52 | 68 | 81,703 | 9,687 | 11.9% |
| Commercial | | | | | |
| Office / Service | 56 | 69 | 218,842 | 21,405 | 9.8% |
| Retail | 22 | 31 | 118,490 | 23,400 | 19.7% |
| Restaurant | 5 | 9 | 12,606 | 900 | 7.1% |
| Sub-Total | 83 | 109 | 349,938 | 45,705 | 13.1% |
| Mixed-Use | 13 | 4 | 13,581 | 5,900 | 43.4% |
| Public / Institutional | 20 | 30 | 144,236 | 3,924 | 2.7% |
| Recreation | 1 | 2 | 4,280 | 0 | 0.0% |
| Parking Lot | 5 | NA | NA | NA | NA |
| Vacant Lot | 6 | NA | NA | NA | NA |
| TOTAL | 180 | 213 | 593,738 | 65,216 | 11.0% |

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

* Building Square Footage is for 1st Floor.

MARKET RESEARCH FINDINGS

RETAIL ANALYSIS

A review of market conditions provides an idea of the possible new and existing business potential for Downtown Farmington. As noted, Downtown contains about 594,000 Square feet of existing first-floor commercial space that includes:

- 12,600 square feet of restaurant space (900 square feet vacant)
- 118,500 square feet of retail space (23,400 square feet vacant)
- 218,800 square feet of office/service space (21,400 square feet vacant)
- 13,600 square feet of mixed-use space (5,900 square feet vacant)

The retail/restaurant space is generating about \$16.5 million in annual sales (sales do not include auto dealers, gasoline stations, or non-store retailers). The retail component of this space is generating \$12.1 million or about \$128 per occupied square foot. The restaurant component is generating \$4.4 million or about \$373 per occupied square foot. These are healthy averages, although the restaurant component may be too high for a typical restaurant and this analysis considers a more conservative \$250 per occupied square foot. Using these averages, the 52,000 square feet of vacancy that can be used by a retail or restaurant use represents an additional \$6 to \$12 million in potential annual sales to the City.

TABLE 12: RETAIL ESTABLISHMENTS

| | Downtown Farmington | | Primary Trade Area | | Secondary Trade Area | |
|---|---------------------|-----------|--------------------|-----------|----------------------|-----------|
| | Businesses | Employees | Businesses | Employees | Businesses | Employees |
| Retail (Pedestrian-Generating Businesses) Trade Summary | 22 | 0 | 136 | 2,006 | 414 | 4,424 |
| TOTALS: | 36 | 369 | 199 | 3,300 | 537 | 6,422 |
| Furniture & Home Furnishings Stores | 1 | 6 | 6 | 74 | 22 | 147 |
| Electronics & Appliance Stores | 1 | 3 | 7 | 29 | 14 | 70 |
| Bldg. Materials & Garden Equipment & Supplies | 2 | 14 | 13 | 420 | 43 | 644 |
| Food & Beverage Stores | 2 | 62 | 10 | 187 | 65 | 742 |
| Health & Personal Care Stores | 3 | 58 | 23 | 209 | 39 | 301 |
| Clothing & Clothing Accessories Stores | 1 | 3 | 9 | 48 | 19 | 191 |
| Sporting Good, Hobby, Book & Music Stores | 2 | 6 | 12 | 42 | 26 | 172 |
| General Merchandise Stores | 1 | 13 | 7 | 625 | 21 | 1,158 |
| Miscellaneous Store Retailers | 7 | 45 | 28 | 207 | 71 | 321 |
| Arts, Entertainment & Recreation | 4 | 30 | 15 | 112 | 45 | 253 |
| Accommodation | 1 | 1 | 8 | 177 | 21 | 247 |
| Food Services & Drinking Places | 11 | 128 | 61 | 1,170 | 151 | 2,176 |
| Total Businesses (including non-retail) | 172 | | 903 | | 2,554 | |
| Total Employees (including non-retail) | 1,385 | | 12,204 | | 28,434 | |
| Total Residential Population | 159 | | 16,240 | | 70,096 | |
| Employee/Population | 8.71 | | 0.75 | | 0.41 | |

Table 12, on page 22, provides a breakdown of some of the retail establishments in Downtown Farmington, the PTA, and the STA. Table 13, below, provides a specific sampling of some of the main Downtown businesses. The retail services listed in tables 12 and 13 are organized according to the NAICS to allow for comparison of retail activity by sectors or categories. Recommendations can then be developed to address any gaps in retail service. Due to differences in allocating businesses to various categories, these tables may not match completely. The tables also are meant to provide indicative information of business types and not a thorough listing of every Downtown business in these categories.

TABLE 13: EXISTING RETAIL

| NAICS Industry Group | Store Name |
|---|----------------------------------|
| Furniture & Home Furnishings Stores | Crossroads Custom Framing |
| Electronics & Appliance Stores | Wade's Sales & Service |
| Building Materials, Garden Equip. & Supply | Plummer's Do it Express Hardware |
| | 214 Liquor |
| Food & Beverage Store | Farmington Meat |
| | Earth Mother Foods |
| | Classic Chrome |
| Sporting Good, Hobby & Book Stores | Trans Am Cyclery |
| | Botaniques on the Square |
| Clothing & Clothing Accessories Stores | Ophelia |
| Jewelry, Luggage, & Leather Goods Stores | Krekler Jewelry |
| | Music Makers |
| Book, Periodical & Music | Oasis Christian Books |
| Office Supplies, Stationery, & Gift Stores | Minuteman Printing |
| | Boozlee's Gas Station |
| | Butterfly Florist |
| | Jennie Annie's |
| Miscellaneous Store Retailers | The Shed |
| | Red Rooster Craft & Supply |
| | Casey's General Store |
| | The Factory |
| Used Merchandise Stores | Farmington Pawn & Gift |
| | Jackson Corner Vintiques |
| | Hunt's Dairy Bar |
| | Cuzzin's |
| Food Services & Drinking Places | McPhali's Pizzeria & Pub |
| | Bauhaus Kaffee |
| | 12 West Bar & Grill |
| | Krak & Jaks |

The spending habits of consumers in the trade areas form the basis for the determination of retail demand. Estimating average household spending per retail sector provides insight into the demand for particular retail services within a given trade area. Table 14, below, provides annual household consumer expenditures for seven main categories and several sub-categories of retail expenditures.

TABLE 14: CONSUMER EXPENDITURES

| | Downtown Farmington | Primary Trade Area | Secondary Trade Area |
|--|------------------------|-----------------------|-------------------------|
| Average Household Income | \$42,391 | \$45,902 | \$44,538 |
| Average Annual Household Expenditures for Selected Retail Sectors | | | |
| Food | \$4,846 | \$5,214 | \$5,108 |
| Food at Home | \$2,866 | \$3,072 | \$3,030 |
| Food Away from Home | \$1,981 | \$2,142 | \$2,078 |
| Apparel and Services | \$1,007 | \$1,088 | \$1,044 |
| Household Merchandise | \$1,004 | \$1,093 | \$1,059 |
| Electronics | \$241 | \$263 | \$250 |
| Household Goods | \$763 | \$829 | \$809 |
| Household Care | \$232 | \$254 | \$266 |
| Transportation | \$2,524 | \$2,715 | \$2,746 |
| Health & Personal Care | \$743 | \$797 | \$804 |
| Health Care | \$492 | \$526 | \$540 |
| Personal Care Products | \$251 | \$271 | \$263 |
| Entertainment & Recreation | \$2,534 | \$2,741 | \$2,705 |
| Total for selected sectors | \$12,890 | \$13,901 | \$13,733 |

The largest portion of expenditures are spent on food (at home and away from home), transportation, entertainment and recreation. Residents in the trade areas spend between 16% and 17% of total expenditures (and about 40% of all food expenditures) on food away from the home. The PTA has the largest average household income of the trade areas, and Downtown has the lowest. Additionally, Downtown spends a lower amount than the PTA in every category. Downtown also spends a lower amount than the STA in every category.

Table 15, below, suggests Farmington’s potential purchasing power by providing the number of households at regular income thresholds. Determining the retail sectors that have unmet demand, and that will appeal to residents of the PTA and STA, will help Downtown capture and retain locally spent retail dollars. Targeting the residents of these households with marketing efforts is an important marketing activity to expand the Downtown retail base.

TABLE 15: HOUSEHOLD INCOME

| Income Level | Downtown Farmington | Primary Trade Area | Secondary Trade Area |
|------------------------|---------------------|--------------------|----------------------|
| Less than \$ 15,000 | 19 | 1,161 | 5,284 |
| \$ 15,000 - \$24,999 | 11 | 939 | 4,374 |
| \$ 25,000 - \$34,999 | 9 | 764 | 3,292 |
| \$ 35,000 - \$49,999 | 10 | 880 | 4,440 |
| \$ 50,000 - \$74,999 | 12 | 964 | 4,517 |
| \$ 75,000 - \$99,999 | 5 | 463 | 2,171 |
| \$ 100,000 - \$149,999 | 4 | 371 | 1,472 |
| \$ 150,000 - \$199,999 | 1 | 71 | 242 |
| \$ 200,000 + | 1 | 65 | 212 |
| Total | 72 | 5,678 | 26,004 |

POTENTIAL STORE SPACE SUPPORTED

The City of Farmington has a healthy trade area and the demand of the residents in the STA is primarily met by businesses in the STA or PTA. The STA draws sales into the area, but there are a few retail sectors that are not adequately served within the STA. This demand and lack of local supply is prompting shoppers to leave the STA to meet their retail needs; or to shop online. Unmet demand presents an opportunity for Downtown Farmington to capture more retail dollars and expand its retail base.

Table 16, on page 26, shows the unmet demand (the difference between retail demand and actual sales) for the retail categories demonstrating the greatest opportunity for Downtown. The Analysis considers the total unmet retail demand within the STA and the average retail sales per square foot (\$128) and the average restaurant sales per square foot (\$250). This information indicates that Downtown Farmington could support an estimated 94,000 square feet of retail/restaurant space. Existing retailers could capture this unmet demand by expanding their floor area and adding new products, or the City could work to attract new retailers.

TABLE 16: FUTURE RETAIL GROWTH

| Industry Group | Opportunity ¹ | Possible Retail Area (sq.ft.) Supported ² |
|---|--------------------------|--|
| Grocery Stores (NAICS 4451) | \$ 4,616,461 | 36,199 |
| Electronics & Appliance Stores (NAICS 443/NAICS 4431) | \$ 4,363,697 | 34,217 |
| Clothing Stores (NAICS 4481) | \$ 1,346,304 | 10,557 |
| Book, Periodical, and Music Stores (NAICS 4512) | \$ 575,348 | 4,511 |
| Jewelry, Luggage, and Leather Goods Stores (NAICS 4483) | \$ 460,574 | 3,612 |
| Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511) | \$ 284,459 | 2,231 |
| Used Merchandise Stores (NAICS 4533) | \$ 173,287 | 1,359 |
| Specialty Food Stores (NAICS 4452) | \$ 115,959 | 909 |
| TOTAL | \$ 11,936,089 | 93,595 |

¹ Indicates unmet consumer demand within the Secondary Trade Area.

² Based on \$128 in retail sales per square foot, \$250 in restaurant sales per square foot, and existing retail building inventory and activity in Downtown Farmington.

Table 16 also shows that there is more possible retail space needed (94,000 square feet) than there is current vacant space available that is easily converted to retail (52,000 square feet from Table 11 on page 21). The 42,000 square foot shortage of space may indicate that Downtown Farmington should develop added retail space and encourage office and service uses to relocate to upper-floors and side streets; reserving prime first-floor spaces for retail.

Conclusions that are drawn from Table 16, include:

- In both the focus groups and the community telephone survey, respondents identified restaurants as one of the most desired new businesses. However, the Retail Market Analysis shows little unmet demand for this category. This suggests that the restaurant in the STA are serving the PTA’s needs. There may be opportunities for existing Farmington restaurants to expand or relocate into a Downtown location. However, a new restaurant may find entering the Farmington market difficult.
- The retail sector of “Grocery Stores” is demonstrating the largest unmet demand. The retail gap in this sector may indicate an opportunity to open a Downtown grocery store or specialty foods store/café to capture some of this market. Locating a grocery store in Downtown has the potential to attract an additional \$4.6 million in sales. A grocery store would provide a wide draw for customers and would be an asset in the attraction of other retail nearby.

- The retail sector of “Electronics & Appliance Stores” is demonstrating significant unmet demand as well. These products could be combined with, or added to, furniture stores. A large electronics or appliance store can be a very successful Downtown anchor. Stores of this type usually include a showroom that can decrease their sales per square foot. However, stores such as mobile phone stores, can occupy a small location and generate a sizeable amount of sales.
- “Clothing Stores” are demonstrating nearly one-fourth the demand of grocery stores and electronics and appliance stores. This type of store can be located within existing vacant spaces. These stores should include boutique-style shops that appeal to pedestrians with their variety and accessories.
- Stores selling products in the categories of “Books, Periodicals, and Music”, “Jewelry, Luggage, and Leather Goods”, “Sporting Goods/Hobbies/Musical Instruments”, “Used Merchandise”, and “Specialty Foods” are demonstrating smaller amounts of unmet demand, but may still be candidates for attraction to, or expansion in, Downtown.
- Existing stores that sell miscellaneous products in a format such as a specialty shop can help satisfy some of the unmet demand by adding square footage or adjusting product lines. Developing a critical mass of these types of shops will encourage greater pedestrian activity and will complement existing attractions, dining, entertainment, and lodging options.

As Downtown Farmington seeks to add new retail stores, the impact on existing businesses should be considered. Adjustments to the business mix can have long-lasting ramifications. Additionally, the City should closely monitor the amount of public and institutional uses in Downtown. An imbalance of non-revenue generating land-uses can erode the Downtown tax base and lessen its relevance to the rest of the City. Finding an appropriate balance will create more of a shopping destination in Downtown Farmington. Identifying the available space in Downtown Farmington is the next step to attracting viable retailers.

AVAILABLE RETAIL SPACE INVENTORY

The vacant properties identified in Downtown Farmington are shown on Table 17, below, and on the 1st Floor Vacancy Map in Appendix D. Several Downtown Farmington buildings have some vacancies and there are a few that are completely vacant. There are also a few vacant lots, or buildings that are slated for demolition, that are under consideration for infill development. Much of the prime, first-floor retail space is occupied. There are a few vacancies that would be able to accommodate a restaurant use, but most of the available spaces are less than 3,000 square feet, making them more suitable for a boutique-type retail store than a restaurant.

In matching the vacant storefronts with the types of businesses demonstrating unmet retail demand, this report considers the size, geographic location, condition, and proximity of the vacancy to similar businesses. Table 17 also lists the retail suggestions for each vacant space that might work for Downtown Farmington, while Figure 5 on page 29 illustrates this information in graphic form.

TABLE 17: POTENTIAL NEW RETAIL

| ID | Address | Available Sq.Ft. | Potential Retail |
|----|--------------------------|------------------|--|
| 1 | 218 W. Liberty Street | 1,950 | Electronics and Appliance Store |
| 2 | 200 W. Columbia Street | 1,400 | Specialty Food Store |
| 3 | 210 W. Harrison Street | 875 | Book, Periodical, and Music Stores |
| 4 | 200 W. 1st Street | 5,750 | Grocery Store |
| 5 | 20 W. Liberty Street | 3,950 | Grocery Store |
| 6 | 3 N. Jefferson Street | 4,500 | Clothing Store |
| 7 | 111 S. Washington Street | 1,050 | Electronics and Appliance Store |
| 8 | 140 N. Washington Street | 900 | Consignment Shop |
| 9 | 26 E. Columbia Street | 3,200 | Jewelry Luggage and Leather Goods Store |
| 10 | 28 E. Columbia Street | 2,300 | Clothing Store |
| 11 | 8 E. Harrison Street | 4,250 | Electronics and Appliance Store |
| 12 | 105 E. Columbia Street | 900 | Specialty Food Store |
| 13 | 109 E. Columbia Street | 1,180 | Clothing Store |
| 14 | 117 E. Columbia Street | 1,400 | Book, Periodical, and Music Stores |
| 15 | 117 B E. Columbia Street | 3,100 | Book, Periodical, and Music Stores |
| 16 | 119 E. Columbia Street | 2,100 | Deli/Grocery Items |
| 17 | 205 E. Liberty Street | 1,700 | Electronics and Appliance Store |
| 18 | 201 E. Liberty Street | 3,800 | Electronics and Appliance Store |
| 19 | 219 E. Liberty Street | 1,600 | Clothing Store |
| 20 | 223 E. Liberty Street | 2,700 | Grocery Store |
| 21 | 305 E. Liberty Street | 2,000 | Sporting Goods, Hobbies, Musical Instruments |
| 22 | 305 E. Liberty Street | <u>1,000</u> | Consignment Shop |

TOTAL: 51,605

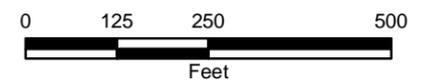
Figure 5 Potential New Retail

Retail Market Analysis
City of Farmington, Missouri



Legend

-  DREAM Boundary
-  Book, Periodical, and Music Stores
-  Clothing Store
-  Consignment Shop
-  Deli/Grocery Items
-  Electronics and Appliance Store
-  Grocery Store
-  Jewelry Luggage and Leather Goods Store
-  Specialty Food Store
-  Sporting Goods, Hobbies, Musical Instruments



September 2012



Table 18, below, compares the retail categories demonstrating unmet demand with the suggested retail allocations of vacant space. This proposed mix of businesses represents one possible solution that existing Downtown Farmington space could be occupied. This space does not account for the possible retail area that could be absorbed by the expansion of existing retailers, nor does it consider the construction of infill buildings or the impact of relocating non-retail uses to upper floors.

TABLE 18: POTENTIAL RETAIL SPACE ALLOCATION

| Industry Group | Opportunity ¹ | Possible Retail Area (sq.ft.) Supported ¹ | Suggested Allocated Vacant Space | Remaining Possible Retail Area |
|---|--------------------------|---|--|--------------------------------------|
| Grocery Stores (NAICS 4451) | \$4,616,461 | 36,199 | 12,750 | 23,449 |
| Electronics & Appliance Stores (NAICS 443/NAICS 4431) | \$4,363,697 | 34,217 | 14,500 | 19,717 |
| Clothing Stores (NAICS 4481) | \$1,346,304 | 10,557 | 2,300 | 8,257 |
| Book, Periodical, and Music Stores (NAICS 4512) | \$575,348 | 4,511 | 9,580 | -5,069 |
| Jewelry, Luggage, and Leather Goods Stores (NAICS 4483) | \$460,574 | 3,612 | 3,200 | 412 |
| Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511) | \$284,459 | 2,231 | 2,000 | 231 |
| Used Merchandise Stores (NAICS 4533) | \$173,287 | 1,359 | 5,375 | -4,016 |
| Specialty Food Stores (NAICS 4452) | \$115,959 | 909 | 1,900 | -991 |
| TOTAL: | \$11,936,089 | 93,595 | 51,605 | 41,990 |

¹ From Table 17.

Additionally, several of the available first-floor spaces are not ideally suited to retail operations. Some of the vacancies are located in buildings that are more industrial in nature or are located along side streets with less traffic. The City of Farmington should work to develop quality building locations that front Columbia and Liberty Streets and should reserve these locations for retail.

DOWNTOWN FARMINGTON 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 16 and the Community Surveys. The focus of business attraction efforts should be in drawing an appropriate mix of retail uses. Integrating this program with specific marketing and promotion strategies could allow for the City to fill the existing vacant first floor space and generate excitement with residents and customers. The City should also track available storefronts and the overall mix of land-uses in Downtown.

- CREATE A DOWNTOWN ECONOMIC DEVELOPMENT COMMITTEE

Currently, economic development services are provided by the City of Farmington. A Downtown Economic Development Committee should be formed under the umbrella of the Downtown Development Association and with the assistance of the City. This Committee will help to include Downtown interests in the prospect handling process and provide City Staff with a resource to compile information regarding Downtown. The Committee should have an active interest in addressing Downtown's retail market and be responsible for business and retail development. The group will be in charge of identifying the appropriate retail mix and information to attract new retailers. The committee should focus on filling Downtown vacancies with retail stores and pursuing a long term goal of creating the right retail mix and becoming more selective in its recruitment as the retail market continues to grow. The City should be an involved party to this committee and may need to provide guidance to get the Committee started.

- ENCOURAGE THE DEVELOPMENT OF SPACES BETTER SUITED TO RETAIL USES

Some of the available properties in Downtown Farmington are not appealing to retail uses or are located away from the main traffic areas. Additionally, there are several buildings in Downtown Farmington occupied by governmental or institutional uses. This practice takes revenue generating retail properties off the market and can erode the City's tax base. The City should seek infill development and rehabilitation of existing buildings on Columbia and Liberty Streets and preserve this space for retail uses only.

- DEVELOP EXISTING BUSINESS SUPPORT PROGRAMS

The DDA, City, and Chamber should help existing businesses succeed and grow, mainly through improving business operations. Programs 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.

The DDA should work to 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.

- CULTIVATE LOCAL ENTREPRENEURS

As Downtown works to keep first-floor locations occupied, efforts should also be made to identify and cultivate new retailers from within the community. The DDA, City and Chamber should consider entrepreneurial training programs such as Operation Jumpstart (www.operationjumpstart.biz). Informational events and meetings with local bankers and potential investors can help expose potential new start-ups. The City should also review its business licensing procedures to ensure there are no obstacles to entrepreneurs.

- COLLECTIVELY MARKET DOWNTOWN RETAILERS

Marketing efforts should primarily target the regions residents and visitors. Farmington is located in proximity to several wineries and recreational attractions. A cooperative advertising campaign should be pursued on behalf of Downtown retailers. Merchants should promote their products, hours of operation, and special promotions. Cooperative advertising, in which the DDA advertises all Downtown stores, is a cost-effective strategy to convey the vibrant atmosphere of Downtown to existing visitors of regional attractions. Local newspapers and magazines, websites, radio, television ads and flyers should be used and the DDA should consider retaining a professional advertising service to ensure the broadest and most effective coverage.

DOWNTOWN FARMINGTON STRATEGIES

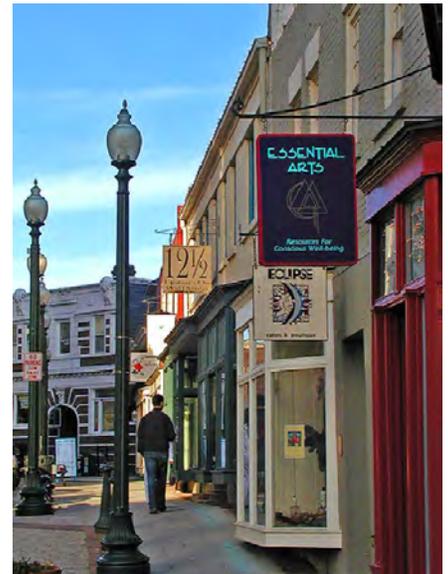
Achieving Downtown’s retail goals can be obtained by implementing several key strategies. These strategies must be realistic and based on an understanding of Downtown Farmington’s current retail market, its primary customers, and the spending potential of key customer segments identified earlier in this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

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 Farmington 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. These small places 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 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.

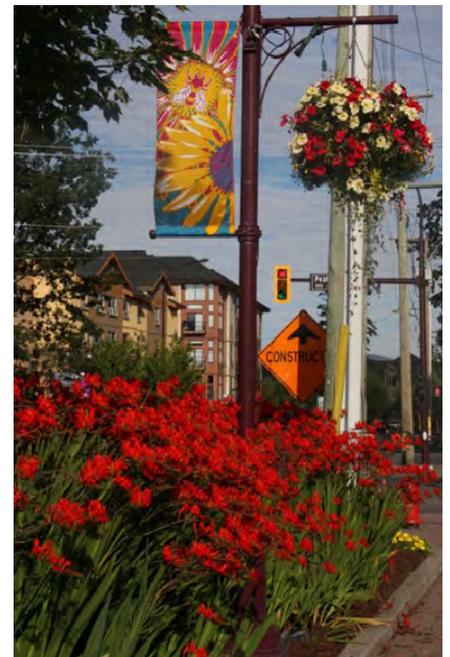
Older downtowns, by their very natures, are walkable. They evolved during a period when high density and pedestrians were commonplace. Downtowns can continue to provide an environment where walking can be enjoyable and a practical means of getting around. Great streetscapes become an



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, lighting, public art, and buildings that are 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 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.
- 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 must be available to support businesses and residents. Parking lots are key elements in meeting these needs and should not only provide parking spaces, but be aesthetically pleasing and safe. Planting buffers should be provided at the edges of parking lots to screen the parking. Landscaped islands should be included throughout the lot to improve aesthetics and minimize storm water run-off. A clear and well lit pedestrian pathway and signage that identifies public parking should also be provided.



Establishing parking zones can help 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.
- Be safe.

DOWNTOWN ENVIRONMENT & APPEARANCE

Downtown Farmington'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 and revitalization plans.



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 Farmington. New public sector mechanisms such as a Community Improvement District (CID) may be needed to leverage funding programs or obtain 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 Farmington's priorities:

- Continued façade restoration and rehabilitation. The City must work to encourage rehabilitation of Downtown buildings. Some properties have recently been demolished and the City should seek to prevent this, instead encouraging rehabilitation and reuse.
- The City should develop an incentive program that can be used by private property owners to improve the public façades of their buildings. The existing TIF does not allow this. Incentive programs should also recognize the need for improvement to the side and rear of buildings, some of which have attractive faces and entryways. One advantage of building incentives is that they can be granted with conditions, providing an opportunity to ensure improvements are implemented on the entire building and lot.
- Encourage appropriate infill construction that adds retail space. Opportunities, may arise in coming years as vacant spaces are filled and demand for additional retail and restaurant space grows. Retail or restaurant uses should be the priority for ground-floor uses in all new buildings and infill construction in Downtown should generally complement existing buildings.
- Support code enforcement and plan review efforts. The City's code enforcement efforts should be continued and strengthened to ensure that 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 resources.

The City should focus on maintaining goods and services that are currently provided within Downtown Farmington. Downtown will 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 16 on page 26.

A proactive business retention, expansion and recruitment campaign, should be driven by the City. This City-wide campaign should include existing business within Downtown and should encourage stores located elsewhere in the City that are looking to relocate or expand.

Such a 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 commercial vacancies within Downtown Farmington. There are many vacant spaces that are not necessarily good retail locations, so it is important that the City and DDA work to preserve the prime Downtown spaces for retail and restaurant uses. Tools that should be used by the City and DDA, include:

- An available building list that includes an exterior photo, space dimensions, rental rates, contact information, and building amenities. Listings should also suggest the type of business for which the available space is best suited. This listing should also be available online and appropriate buildings submitted to websites such as www.locationone.com.



*Downtown Revitalization & Economic Assistance for Missouri
Retail Market Analysis Report for Farmington, Missouri*

- A listing of target businesses to contact. This listing should be limited to retail, restaurants, or unique services for Downtown Farmington.
- A list of local bankers, and real estate agents should also be developed to ensure potential investors have up-to-date information about Downtown.
- A description of any available incentives (e.g. grants, forgivable loans) for tenant improvements, business assistance programs, and rent subsidies.
- Profiles of successful projects implemented by public/private partnerships and testimonials from successful businesses in Downtown.
- Involvement of property owners and the DDA as part of the 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.

A Business Retention, Expansion, and Recruitment campaign should also foster the existing entrepreneurial spirit within Farmington. Small businesses are the core of many local economies and generate significant job growth and revenue. Downtown locations are, by nature, more attractive and economical to a small-business startup than they are to a chain store or big box store. Through a partnership of the City, DDA, and the Chamber, a program such as www.operationjumpstart.biz should be considered to assist Farmington's local entrepreneurs. By identifying potential new business startups, the DDA can work to promote Downtown locations and the City and Chamber can help connect aspiring business owners with financial and technical resources. The DDA can also provide seminars to help entrepreneurs write effective business plans that financial partners will want to read, as well as to explore strategies to help existing small businesses compete with big box stores and internet sales.



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 a downtown demonstrates an overabundance of service oriented uses. These service oriented businesses are important to the local economy, but may take up valuable sales tax revenue-generating retail space. The City and DDA should focus efforts on creating a continuous retail loop in Downtown Farmington with ground floor space largely dedicated to retail establishments. Pedestrian friendly loops of this type should be about one-quarter mile in length or a five to ten minute walk.

Anchors are large, well-known attractions that draw many customers. Anchors are usually retail or restaurant establishments, but they can vary from a single store or establishment, collection of establishments, or an institution. Pedestrian 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
- (And to a smaller extent) Restaurants

To draw customers to Downtown, the DDA should work to identify existing anchors, encourage the establishment of new anchors, and develop promotions around Downtown Farmington's anchors. The City should also consider the locations of these important retail stores when planning public construction projects.

Service and entertainment businesses should be considered as an important component of the Downtown retail mix, but after a wide range of shopping and dining establishments have been developed. Services and other non-retail uses like entertainment venues, provide important customers for Downtown businesses.



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. Downtown Farmington has limited potential to increase residential development through apartments, condos or lofts on the upper floors throughout Downtown. However, there are some opportunities to develop multi-story, mixed-use infill buildings that can include upper-floor residential units. These opportunities are discussed and illustrated in the Farmington DREAM Building Design Guidelines report from June 2012. The City should pursue this type of infill development.



ENHANCING THE PURCHASING EXPERIENCE

Unique shops thrive when they can work together to create a critical mass of stores that draw customers. Consumers want a downtown that is safe, clean, friendly, and offers plenty of variety. The consumer chooses the downtown shop for the experience, not for the efficiency of buying everyday items. Downtown Farmington must convey an image and comfort level that welcomes shoppers, diners, and visitors and is built around a unique shopping experience. Downtown merchants can develop this unique experience through retail methods and improvements that include:

- Extending store business hours.
- Carry more unique or higher-end items that can't be found elsewhere.
- Offer expert, personalized, assistance and extraordinary customer service.
- Provide shopper service amenities like gift wrapping, free shipping, convenient return and exchange policies, recommendations to other Downtown shops and restaurants, and special orders.



- Use the internet and social networking to efficiently promote the store and eliminate overhead costs.
- Require employees to utilize off-street parking, reserving on-street spaces for customers. Collaborate with other store owners to extend this concept throughout Downtown Farmington.

ATTRACTING CUSTOMERS

Attracting customers is an integral component of retail success. Downtown has an overall established pool of customers and needs to continuously reach-out to new customers. Businesses should use existing customers as a source of referrals to create a base of repeat customers. By creating special promotions that target Downtown employees and local residents, a merchant can build loyalty throughout Farmington. Cultivating this customer base will help a retailer develop a reliable source of business. However, a truly outstanding merchant that understands the local customer base and also seeks to capture the City's existing visitors as customers should enjoy greater success in Downtown Farmington.

The City and DDA can help provide a focus on marketing to help Downtown develop vibrant activity centers. Downtown business guides and retailer/restaurant profiles should be made available on-line, at welcome centers, hotels and other shops and restaurants. As noted, another strategy to increase customer traffic is to extend business hours. Adjusting store hours to respond to changing consumer trends, can help boost sales and create a new experience. Many communities have adopted is a weekly or monthly event oriented around shopping, by 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). Events can be scheduled that provide a boost to a regular shopping event. For example, live music can be added to Downtown. During large City events, Downtown retailers should coordinate their hours to help serve the increased numbers of City visitors.



MARKETING

The promotion of downtown attractions, businesses, and events is a major component of downtown retail 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 Downtown businesses. The marketing strategy for Downtown Farmington should provide a mix of events, advertising, and promotions that reflect different aspects of the region, including history, cultural heritage, nearby recreational opportunities, and the unique Downtown experience. These components should be efficiently shared through various media with visitors to the City and region.

Shared advertising (e.g. newspaper ads promoting multiple businesses) can be very beneficial for Downtown businesses. Whether print or electronic media, shared ads promoting numerous businesses help build an image of Downtown as a place with multiple shopping opportunities and can make advertising more affordable for smaller businesses. Cross-promotion efforts between Downtown businesses and other City attractions should be encouraged. The DDA should also work to promote Downtown Farmington to Arcadia Valley recreational areas and nearby Missouri wineries.

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.



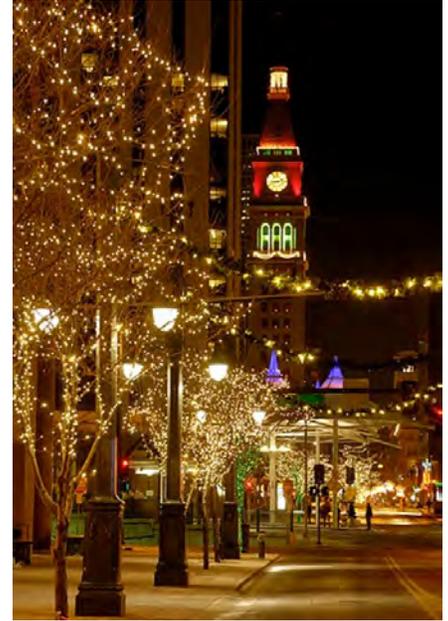
RETAIL PRESENTATION & OPERATIONS

The appearance of a retail store is essential to its success. A store's appearance begins at the sidewalk and includes the storefront, entrance, and windows. Stores must appear interesting and inviting at the sidewalk. Simple additions of planters or window boxes that flank the entrance to the store 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 pedestrian path. The entrance should be ADA compliant. The door should provide a view into the building as well as a sense of openness. Rear entrances may also provide opportunities to welcome a customer and should be as inviting and appealing as the main entry.

Shoppers learn everything about a store from the storefront windows. Display windows act as the store's billboard. 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 opportunities and help keep pedestrians moving. The appearance of a corner shop can encourage a pedestrian to cross the street and walk past an entirely new block of stores.

When display windows are vacant, they discourage pedestrians, particularly vacant corner locations. The DDA should work with property owners to prevent vacant windows in Downtown Farmington.



WINDOW "HOW-TO'S"

Window displays must grab the attention of the pedestrian so they will be drawn into the store. Displays should incorporate graphic elements that highlight the store's merchandise. Window displays must also be rotated occasionally to keep the pedestrian interested. The following points describe techniques for window displays:

- **Develop Themes.** Displays should follow a theme and integrate props. Themes can include the items in the store or a specific set of items such as sports, children's stories, romance, nature, patriotism, or storytelling.
- **Use Simple Repetitive Objects.** Repeating objects creates a strong message. Objects do not need to be expensive to be a successful display. Simple objects such as cut out hearts, gloves, lampshades, or balloons can create dynamic displays. Used and repurposed objects such as window frames or wine barrels can also be used to reinforce the display.
- **Consider Flexible Backdrops.** Backdrops 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.
- **Allow for Lighting.** Lighted window displays add life to the evening streetscape. People leaving nearby businesses with later uses, such as restaurants, theaters, and drinking establishments may be compelled to visit later. However, window lighting should not impose on upper-story residents.

SIGNAGE AND BRANDING

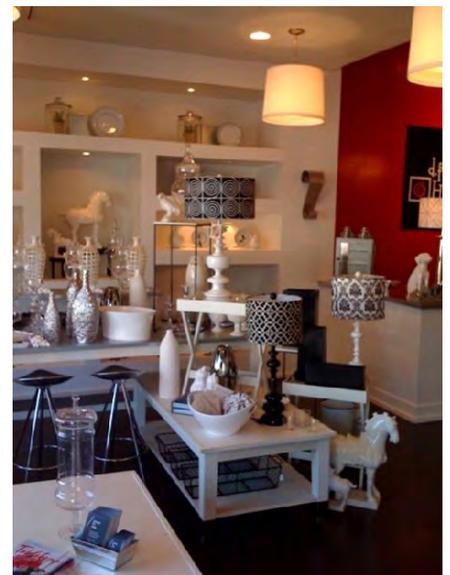
Business owners must decide on their brand to help define their store and how they hope to be perceived. This decision will determine the store logo, signage, design, colors, and font types; all of which should coordinate and support the brand. Logos should be used consistently on merchandise, business cards, and advertisements. Shopping bags are walking advertisements that reinforce the brand.



INTERIORS

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

- **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. Feature displays should be visible from this entry area.
- **First Fixture.** The first fixture should be well inside the entrance and is often a feature display with a specific theme or product.
- **Music.** Music should be played that matches the store brand. This simple step will bring an empty store to life and helps to make customers feel at ease.
- **Secondary Displays.** These displays encourage customer movement in and around the store. 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 helps to draw customers. This can be as easy as using paint or unusual fixtures. Place sale or clearance merchandise in the back to encourage customers to walk past other items.
- **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. Some methods include:
 - ⇒ **By Color.** Group all red items together, blue items together, etc. This is often used for seasonal items.



- ⇒ Product Combination. These items provide 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 inexpensive add-ons to the primary purchase.

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 the demographic and economic trends driving Farmington's retail market. The implementation of these goals and strategies will be included in the DREAM Downtown Strategic Plan and will include integration with other aspects of Downtown such as organizational review, funding sources, design concepts, and marketing.

Key steps for achieving the goals in this Retail Market Analysis include:

- Implement other key DREAM recommendations, such as those found in the Organizational Structure Review, Building Design Guidelines, Streetscape Revitalization Plan, and Financial Assistance Review. The recommendations found in these reports are critical to lay the foundation for the retail recommendations in this analysis.
- Downtown Farmington has a significant amount of vacant space that was not traditionally retail space. Additionally, there are some vacant lots or buildings that are beyond repair that the City intends to demolish. These factors will limit the amount of traditional retail space and the City should seek developers that will create infill construction that consists of multi-story, mixed-use buildings with retail uses on the first-floor. This step is important to upgrade the quality and the amount of retail space and uses in Downtown Farmington. The City should also encourage non-retail uses to relocate to side street or upper-floors; preserving prime, first-floor locations for retailers and restaurants.
- The City should work with the DDA to form a Downtown Economic Development Committee that will include the DDA in the business retention and attraction process. This committee should focus on meeting unmet retail demand for Downtown by recruiting and encouraging businesses that offer products in the sectors identified in this report.
- The City should develop a Downtown business incentive. The existing TIF District is not approved to provide incentives to private property owners and therefore cannot be used to fund a tool such as a business development loan program. The City should consider a mechanism such as a Community Improvement District to help attract businesses to Downtown and to help existing businesses in Downtown to expand.
- Continue with public improvements with a focus on the safety of the pedestrian. Downtown Farmington is heavily travelled along Columbia and Liberty Streets and it is important that pedestrians can easily and safely cross these streets.
- Collectively and effectively market Downtown businesses.

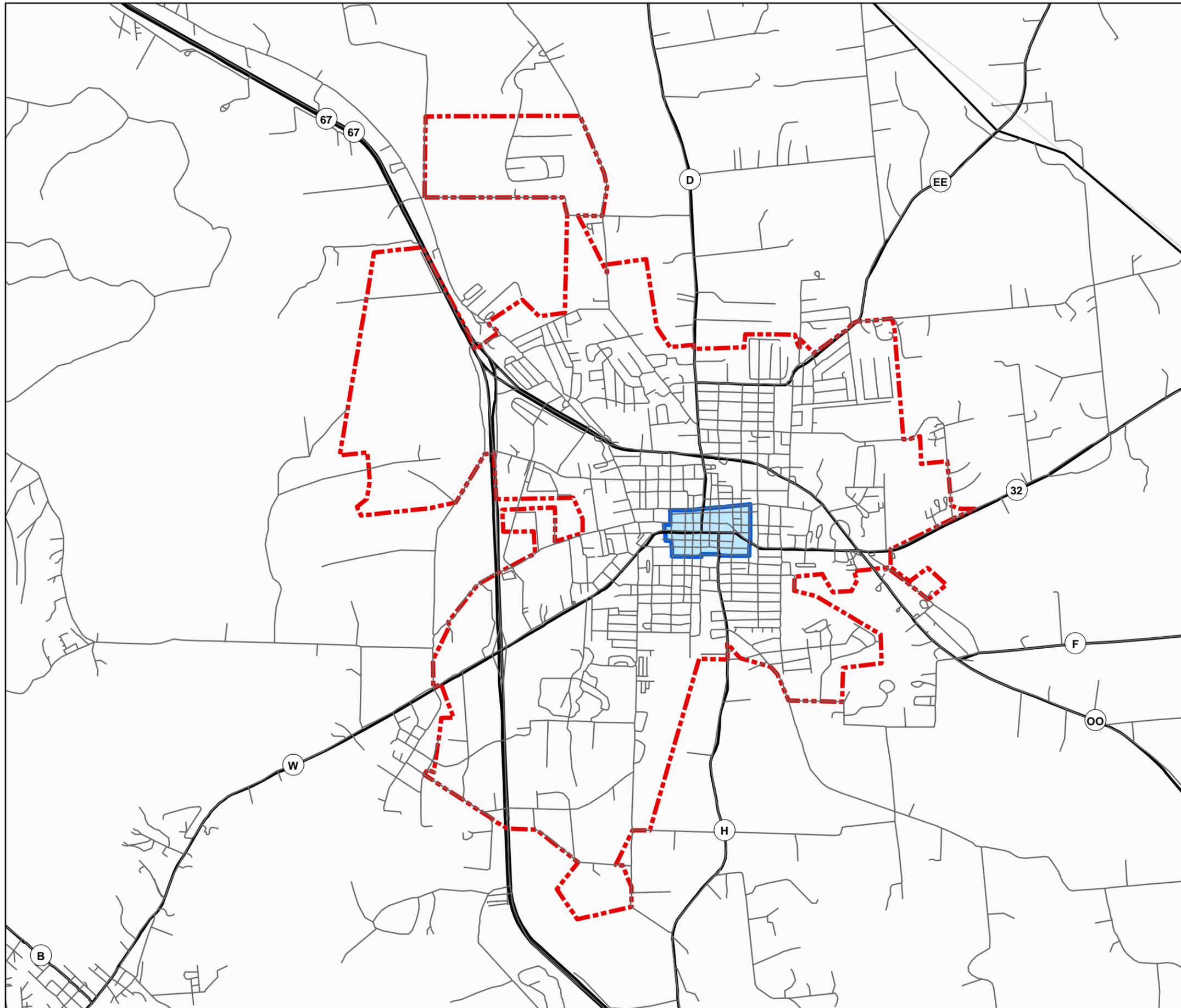
This page intentionally left blank.

APPENDIX



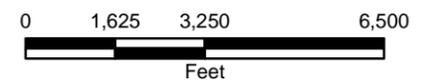
Appendix A-2 Primary Trade Area

Retail Market Analysis
City of Farmington, Missouri



Legend

-  DREAM Boundary
-  Primary Trade Area



September 2012

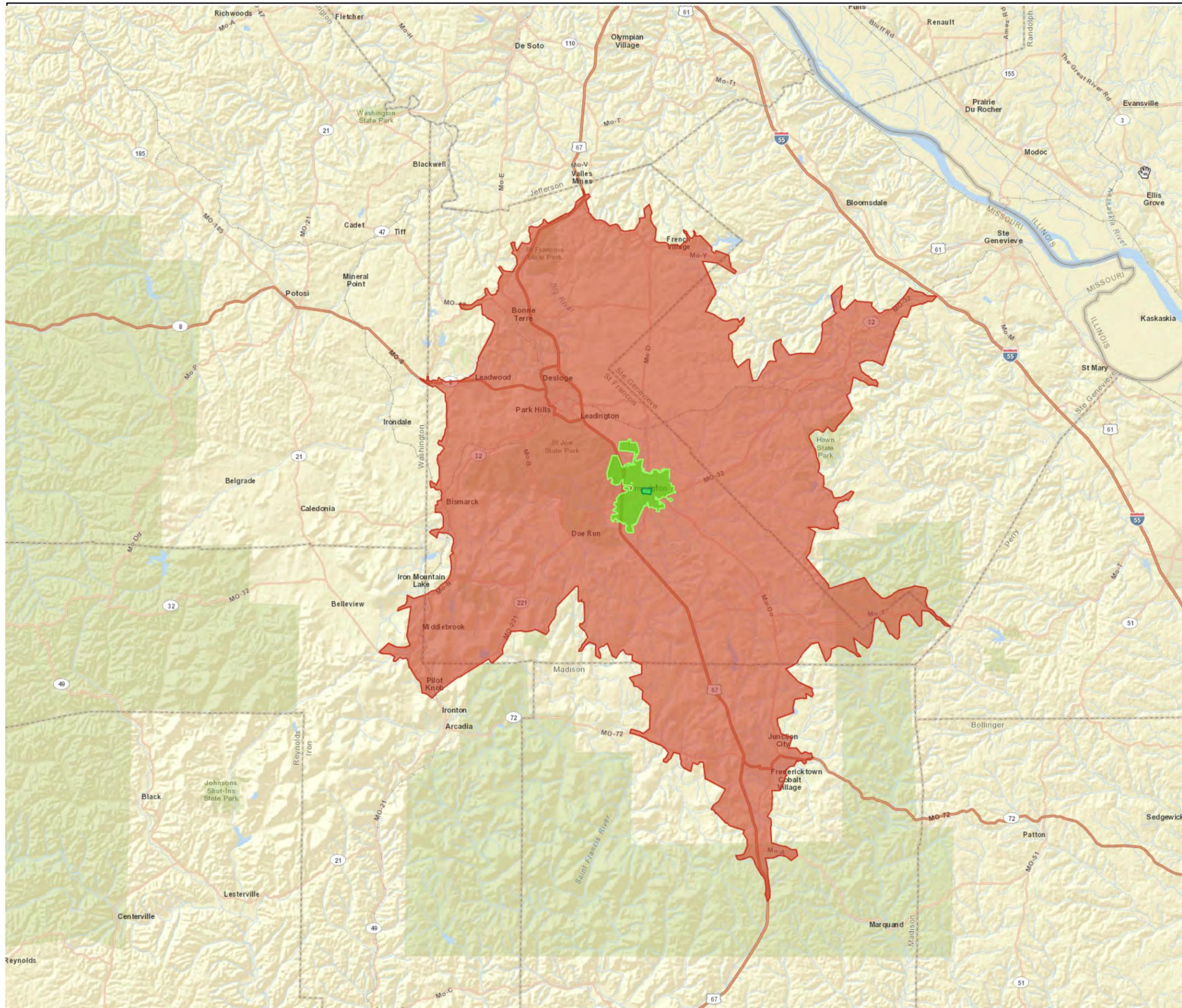


Appendix A-3 Secondary Trade Area

Retail Market Analysis
City of Farmington, Missouri

Legend

 Secondary Trade Area



September 2012



Appendix B

Downtown Farmington DREAM Study Area
Retail Demand & Sales

| 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 ² | Downtown Businesses ² | Downtown Trade Area Capture | Downtown Pull-factor |
|--|-----------------------------|----------------|------------------------|------------------------|--------------------------|-----------------------|---------------------|-----------------|-------------------------|--|----------------------------------|-----------------------------|----------------------|
| Total Retail Trade and Food & Drink (NAICS 44-45, 722) ¹ | \$266,601,375 | 479 | \$358,214,923 | \$ (91,613,548) | (588,656) | 3,803 | \$62,155,358 | 171 | \$164,886,998 | \$16,497,694 | 33 | 4,338 | 27.28 |
| Total Retail Trade (NAICS 44-45) | \$206,209,760 | 317 | \$264,054,971 | \$ (57,845,211) | (453,583) | 2,942 | \$47,698,595 | 112 | \$117,692,184 | \$12,126,781 | 24 | 4,122 | 25.93 |
| Total Food & Drink (NAICS 722) | \$60,391,615 | 163 | \$94,159,952 | \$ (33,768,337) | (135,073) | 862 | \$14,456,763 | 59 | \$47,194,814 | \$4,370,913 | 9 | 5,073 | 31.91 |
| Furniture & Home Furnishings Stores (NAICS 442) | \$11,227,051 | 24 | \$14,484,052 | \$ (3,257,001) | (25,539) | 160 | \$2,685,199 | 7 | \$5,738,185 | \$272,089 | 1 | 1,699 | 10.68 |
| Furniture Stores (NAICS 4421) | \$6,895,263 | 11 | \$6,914,589 | \$ (19,326) | (152) | 98 | \$1,605,212 | 2 | \$3,545,033 | \$124,007 | 0 | 1,261 | 7.93 |
| Home Furnishings Stores (NAICS 4422) | \$4,331,788 | 13 | \$7,569,463 | \$ (3,237,675) | (25,388) | 62 | \$1,079,987 | 5 | \$2,193,152 | \$148,082 | 1 | 2,396 | 15.07 |
| Electronics & Appliance Stores (NAICS 443/NAICS 4431) | \$7,498,911 | 19 | \$3,135,214 | \$ 4,363,697 | 34,217 | 107 | \$1,670,637 | 10 | \$1,953,599 | \$207,431 | 2 | 1,939 | 12.19 |
| Bldg Materials, Garden Equip. & Supply Stores (NAICS 444) | \$16,130,493 | 39 | \$28,058,987 | \$ (11,928,494) | (93,535) | 230 | \$3,768,342 | 9 | \$19,018,843 | \$496,154 | 1 | 2,156 | 13.56 |
| Building Material and Supplies Dealers (NAICS 4441) | \$13,286,840 | 30 | \$23,751,826 | \$ (10,464,986) | (82,059) | 190 | \$3,053,713 | 9 | \$19,018,843 | \$496,154 | 1 | 2,618 | 16.46 |
| Lawn and Garden Equipment and Supplies Stores (NAICS 4442) | \$2,843,653 | 10 | \$4,307,161 | \$ (1,463,508) | (11,476) | 41 | \$714,629 | 0 | \$0 | \$0 | 0 | 0 | 0.00 |
| Food & Beverage Stores (NAICS 445) | \$56,629,850 | 48 | \$52,314,425 | \$ 4,315,425 | 33,839 | 808 | \$12,668,624 | 10 | \$20,265,515 | \$7,151,554 | 1 | 8,852 | 55.67 |
| Grocery Stores (NAICS 4451) | \$54,389,894 | 37 | \$49,773,433 | \$ 4,616,461 | 36,199 | 776 | \$12,144,041 | 6 | \$19,053,779 | \$7,006,528 | 1 | 9,030 | 56.79 |
| Specialty Food Stores (NAICS 4452) | \$375,096 | 4 | \$259,137 | \$ 115,959 | 909 | 5 | \$48,709 | 1 | \$20,303 | \$0 | 0 | 0 | 0.00 |
| Beer, Wine, and Liquor Stores (NAICS 4453) | \$1,864,860 | 7 | \$2,281,855 | \$ (416,995) | (3,270) | 27 | \$475,874 | 3 | \$1,191,433 | \$145,025 | 0 | 5,451 | 34.28 |
| Health & Personal Care Stores (NAICS 446/NAICS 4461) | \$16,166,043 | 37 | \$24,042,842 | \$ (7,876,799) | (61,765) | 231 | \$3,764,887 | 22 | \$18,075,481 | \$1,053,655 | 3 | 4,569 | 28.73 |
| Clothing and Clothing Accessories Stores (NAICS 448) | \$6,561,140 | 24 | \$8,429,317 | \$ (1,868,177) | (14,649) | 94 | \$1,348,494 | 12 | \$3,052,837 | \$350,475 | 3 | 3,744 | 23.55 |
| Clothing Stores (NAICS 4481) | \$3,962,915 | 12 | \$2,616,611 | \$ 1,346,304 | 10,557 | 57 | \$837,628 | 7 | \$2,012,640 | \$199,939 | 2 | 3,537 | 22.24 |
| Shoe Stores (NAICS 4482) | \$1,385,362 | 4 | \$5,060,417 | \$ (3,675,055) | (28,817) | 20 | \$244,364 | 2 | \$574,322 | \$0 | 0 | 0 | 0.00 |
| Jewelry, Luggage, and Leather Goods Stores (NAICS 4483) | \$1,212,863 | 8 | \$752,289 | \$ 460,574 | 3,612 | 17 | \$266,502 | 3 | \$465,875 | \$150,536 | 1 | 8,700 | 54.72 |
| Sporting Goods, Hobby, Book, and Music Stores (NAICS 451) | \$2,412,581 | 24 | \$1,552,775 | \$ 859,806 | 6,742 | 34 | \$614,202 | 12 | \$938,874 | \$251,446 | 3 | 7,306 | 45.95 |
| Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511) | \$1,555,772 | 22 | \$1,271,313 | \$ 284,459 | 2,231 | 22 | \$393,241 | 11 | \$708,626 | \$55,564 | 2 | 2,503 | 15.75 |
| Book, Periodical, and Music Stores (NAICS 4512) | \$856,809 | 2 | \$281,461 | \$ 575,348 | 4,511 | 12 | \$220,961 | 1 | \$230,248 | \$195,883 | 1 | 16,025 | 100.79 |
| General Merchandise Stores (NAICS 452) | \$81,660,121 | 20 | \$123,671,873 | \$ (42,011,752) | (329,428) | 1,165 | \$19,244,740 | 7 | \$44,419,925 | \$1,241,465 | 0 | 1,066 | 6.70 |
| Department Stores Excluding Leased Depts. (NAICS 4521) | \$52,366,699 | 6 | \$75,032,991 | \$ (22,666,292) | (177,734) | 747 | \$12,508,153 | 3 | \$31,732,645 | \$0 | 0 | 0 | 0.00 |
| Other General Merchandise Stores (NAICS 4529) | \$29,293,421 | 14 | \$48,638,882 | \$ (19,345,461) | (151,694) | 418 | \$6,736,587 | 4 | \$12,687,280 | \$1,241,465 | 0 | 2,971 | 18.68 |
| Miscellaneous Store Retailers (NAICS 453) | \$7,923,568 | 82 | \$8,365,487 | \$ (441,919) | (3,465) | 113 | \$1,933,470 | 23 | \$4,228,925 | \$1,102,513 | 9 | 9,753 | 61.34 |
| Florists (NAICS 4531) | \$533,043 | 15 | \$679,615 | \$ (146,572) | (1,149) | 8 | \$99,157 | 4 | \$234,485 | \$151,710 | 2 | 19,950 | 125.47 |
| Office Supplies, Stationery, and Gift Stores (NAICS 4532) | \$3,336,333 | 13 | \$3,530,107 | \$ (193,774) | (1,519) | 48 | \$858,706 | 4 | \$2,296,811 | \$58,797 | 1 | 1,235 | 7.77 |
| Used Merchandise Stores (NAICS 4533) | \$1,151,894 | 28 | \$978,607 | \$ 173,287 | 1,359 | 16 | \$242,469 | 7 | \$572,908 | \$343,552 | 3 | 20,906 | 131.48 |
| Other Miscellaneous Store Retailers (NAICS 4539) | \$2,902,299 | 26 | \$3,177,158 | \$ (274,859) | (2,155) | 41 | \$733,138 | 8 | \$1,124,721 | \$548,454 | 3 | 13,246 | 83.31 |
| Food Services & Drinking Places (NAICS 722) | \$60,391,615 | 163 | \$94,159,952 | \$ (33,768,337) | (135,073) | 862 | \$14,456,763 | 59 | \$47,194,814 | \$4,370,913 | 9 | 5,073 | 31.91 |
| Full-Service Restaurants (NAICS 7221) | \$22,455,925 | 85 | \$33,454,105 | \$ (10,998,180) | (43,993) | 320 | \$5,276,217 | 26 | \$14,440,125 | \$1,528,710 | 4 | 4,772 | 30.01 |
| Limited-Service Eating Places (NAICS 7222) | \$32,028,187 | 53 | \$53,562,172 | \$ (21,533,985) | (86,136) | 457 | \$7,937,409 | 27 | \$30,955,909 | \$1,923,545 | 3 | 4,210 | 26.48 |
| Special Food Services (NAICS 7223) | \$4,425,129 | 11 | \$4,752,267 | \$ (327,138) | (1,309) | 63 | \$866,689 | 4 | \$667,823 | \$149,209 | 1 | 0 | 0.00 |
| Drinking Places - Alcoholic Beverages (NAICS 7224) | \$1,482,375 | 14 | \$2,391,408 | \$ (909,033) | (3,636) | 21 | \$376,448 | 2 | \$1,130,957 | \$769,448 | 1 | 36,384 | 228.83 |

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

Appendix C Existing Retail Locations

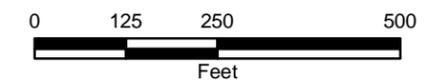
Retail Market Analysis
City of Farmington, Missouri

Legend

-  DREAM Boundary
-  Retail
-  Restaurant / Bar
-  Commercial / Retail Mixed



| ID | Retail Location |
|-------|---------------------------------------|
| 1 | Butterfield's Florist |
| 2 | Wade's Sales & Service |
| 3-4 | The Factory |
| 5 | Trans Am Cyclery |
| 6 | 214 Liquor |
| 7 | McPhali's Pizzeria & Pub |
| 8 | Bauhaus Kaffee |
| 9 | Ophelia |
| 10 | Oasis Christian Books |
| 11 | Farmington Meat |
| 12 | Botaniques on the Square |
| 13-14 | 12 West Bar & Grill |
| 15-18 | Farmington Pawn & Gift / Music Makers |
| 19 | Jennie Annie's |
| 20 | Classic Chrome |
| 21 | Jackson Corner Vintiques |
| 22 | Plumbers Do it Express Hardware |
| 23 | Krak & Jaks |
| 24 | Minuteman Printing |
| 25 | The Shed / Unique Image |
| 26 | Crossroads Custom Framing |
| 27-28 | Red Rooster Craft & Supplies |
| 29 | Casey's General Store |
| 30 | Krekeler Jewelry |
| 31 | Earth Mother Foods |
| 32 | Boozlee's Gas Station |
| 33 | Cuzzins |
| 34 | Hunt's Dairy Bar |



September 2012

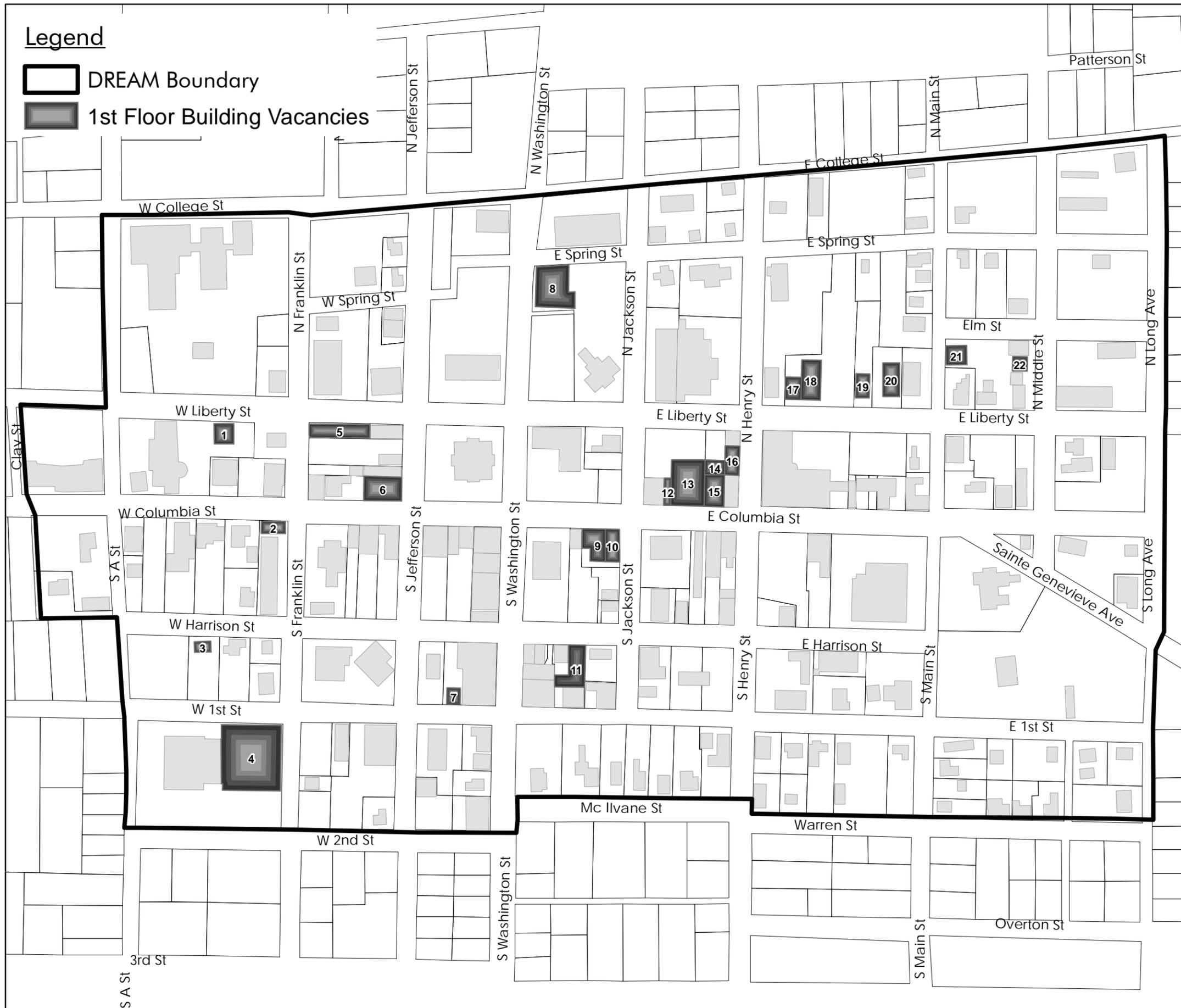


Appendix D 1st Floor Vacancies

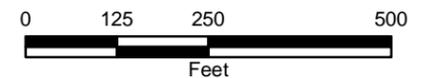
Retail Market Analysis
City of Farmington, Missouri

Legend

-  DREAM Boundary
-  1st Floor Building Vacancies



| ID | Address | Available Sq.Ft. |
|----|--------------------------|------------------|
| 1 | 218 W. Liberty Street | 1,950 |
| 2 | 200 W. Columbia Street | 1,400 |
| 3 | 210 W. Harrison Street | 875 |
| 4 | 200 W. 1st Street | 5,750 |
| 5 | 20 W. Liberty Street | 3,950 |
| 6 | 3 N. Jefferson Street | 4,500 |
| 7 | 111 S. Washington Street | 1,050 |
| 8 | 140 N. Washington Street | 900 |
| 9 | 26 E. Columbia Street | 3,200 |
| 10 | 28 E. Columbia Street | 2,300 |
| 11 | 8 E. Harrison Street | 4,250 |
| 12 | 105 E. Columbia Street | 900 |
| 13 | 109 E. Columbia Street | 1,180 |
| 14 | 117 E. Columbia Street | 1,400 |
| 15 | 117 B E. Columbia Street | 3,100 |
| 16 | 119 E. Columbia Street | 2,100 |
| 17 | 205 E. Liberty Street | 1,700 |
| 18 | 201 E. Liberty Street | 3,800 |
| 19 | 219 E. Liberty Street | 1,600 |
| 20 | 223 E. Liberty Street | 2,700 |
| 21 | 305 E. Liberty Street | 2,000 |
| 22 | 305 E. Liberty Street | 1,000 |



September 2012



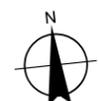
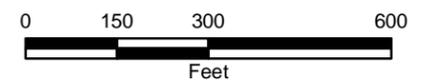
Appendix E Off Street Parking

Retail Market Analysis
City of Farmington, Missouri



Legend

-  DREAM Boundary
-  1-5
-  6-10
-  11-20
-  21-30
-  31-40
-  41-50
-  51-60
-  71-80
-  91-100



September 2012



Existing Store Checklist

Exterior

Storefront:

- Check overall condition. Are repairs needed?

- Yes
- No
- Renovation/ Remodel Preferred

Description

- Is new paint needed?

- Yes
- No

- Does the paint match the store brand and logo?

- Yes
- No

Description

- Is the storefront generally clean?

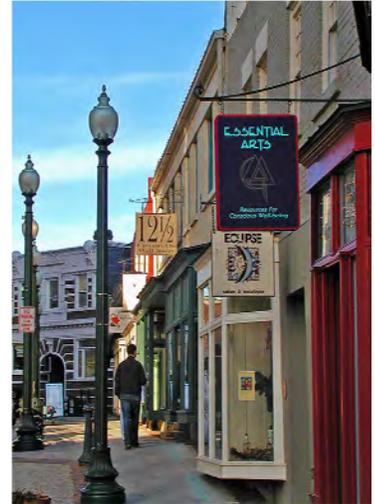
- Yes
- No

Description

- Are planters or window boxes placed to frame the entry?

- Yes
- No

Description



Existing Store Checklist

Storefront:

- Are there hazards in front of the storefront?

- Yes
- No

Description

- Is the sidewalk clean and level?

- Yes
- No

Description

Exterior Signage:

- Does signage occur at eye level (for the Pedestrian)?

- Yes
- No

Description

- Does signage occur at car level (for the Driver)?

- Yes
- No

Description



Existing Store Checklist

Exterior Signage:

- Do wall signs obstruct the architecture?

- Yes
- No

Description

- Is the signage maintained in good condition?

- Yes
- No

Description

- Does the signage complement the building and area?

- Yes
- No

Description

- Are the exterior signs lighted (at night)?

- Yes
- No

Description



Existing Store Checklist

Display Windows:

- What is the condition of the props and goods?
Are they faded?

Description



- Are window displays rotated every 4-6 weeks?

- Yes
- No

- Do the displays effectively represent the store brand?

- Yes
- No



- Do displays include the best or most popular products?

- Yes
- No

Display Description



- If it is a corner shop window, do the window displays encourage the pedestrian to cross the street to your block?

- Yes
- No

Description



- Are the window displays lit at night?

- Yes
- No

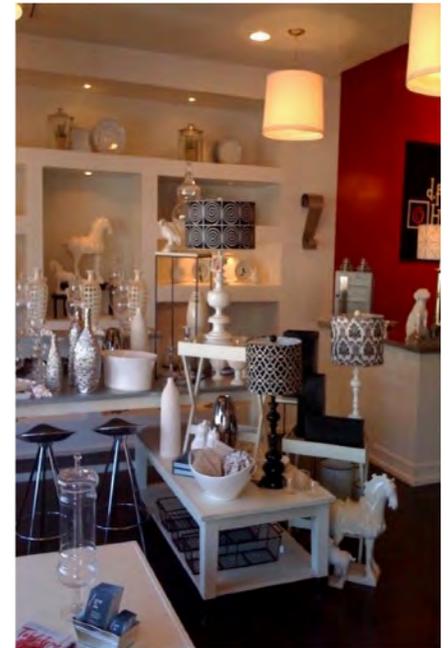
Existing Store Checklist

Interior

Flooring:

- Is the floor worn, hazardous, or slippery?
 - Yes
 - No
- Is the floor clean?
 - Yes
 - No
- Is there a 5-10' area without store fixtures at the entry ?
 - Yes
 - No
- Is there a walk-off area to clean shoes?
 - Yes
 - No

Flooring Description



Ceiling:

- Is the finish in good condition (stained/missing tiles/peeling paint)?
 - Yes
 - No

Description

- Are the HVAC vents clean?
 - Yes
 - No

Existing Store Checklist

Ceiling:

- Are there any distracting issues?

Yes

No

Description



Lighting:

- Is the lighting adequate to show the merchandise?

Yes

No

- Is the bulb type appropriate (fluorescent/incandescent)?

Yes

No

- Are the bulbs the same type?

Yes

No

- Does the lighting design match the rest of the interior style?

Yes

No

Lighting Description



- Are there adjustable lights to create focal points?

Yes

No

Description



Existing Store Checklist

Interior Colors:

- Are the interior finishes (painting/wall coverings/paneling, etc.) in good condition?

Yes

No

Description

- Are the paint and finish colors consistent with the store brand and logo?

Yes

No

Description

- Are the paint colors consistent from fixture to fixture?

Yes

No

Description

Circulation:

- Does the foot traffic flow smoothly?

Yes

No

Description



Existing Store Checklist

Circulation:

- Is the intended path clear to customers?
 Yes
 No
- Are "off-limit" areas clear to the customers?
 Yes
 No
- Are there slow pockets of merchandise that receive little attention?
 Yes
 No

Customer Flow Description



Cash Wrap/Register:

- Is the cash wrap area in good condition?
 Yes
 No
- If there is a showcase, is the lighting adequate?
 Yes
 No
- Is it easy for customers to locate where to cash out?
 Yes
 No
- Is the floor area clear to assure ease of purchasing?
 Yes
 No
- Is the counter top clutter-free?
 Yes
 No
- Is the location appropriate? (It should not occupy prime real estate)
 Yes
 No



Existing Store Checklist

Cash Wrap/Register:

- Are the views of the shop and exits open enough for security?

Yes

No

- Is there a fixture nearby for impulse purchases?

Yes

No

Description



Fixtures & Equipment:

- Does the fixture style match the store brand or logo?

Yes

No

- Is there a range of heights and sizes to keep the eye moving?

Yes

No

- Is the un-shoppable high area (72") used for display?

Yes

No

- Is the un-shoppable low area (18") un-stocked and/or used for storage?

Yes

No

Description



Merchandising:

- Are the products restocked or re-arranged consistently to make the store feel full?

Yes

No

Existing Store Checklist

Merchandising:

- Are displays grouped by color, material or product brand?

- Yes
- No

- Does the product inventory match the internet site?

- Yes
- No

Description

- Is there a feature fixture near the entry that tells the story of the store brand and product style?

- Yes
- No

Description

Cleanliness:

- Is the store clean and free of dust?

- Yes
- No

Description

- Are boxes cleared and out of sight?

- Yes
- No

- Are the views into off-limit areas blocked?

- Yes
- No



Existing Store Checklist

Cleanliness:

- Are product signs and price-tags professional, consistent in type, and not hand-made?

Yes

No

Description



Comfort:

- Is the shop a comfortable temperature?

Yes

No

- Are entry doors easy to open and close?

Yes

No

- Are displays and fixtures stable?

Yes

No

- Is music incorporated to make the store feel occupied?

Yes

No

- Does the music reflect the store brand?

Yes

No



Dressing Rooms:

- Is there a bench, wall hook, and mirror?

Yes

No

- Are the doors secure and is privacy addressed?

Yes

No

- Are non-selected items returned to stock quickly?

Yes

No



Existing Store Checklist

Dressing Rooms:

- Are the dressing rooms clean?
 Yes
 No
- Are the rooms placed to discourage shoplifting?
 Yes
 No



Staff:

- Is the staff helpful and cheerful?
 Yes
 No

Description



- Is the staff educated about the merchandise?
 Yes
 No

Description



- Does the staff suggest other downtown shops to the customers?
 Yes
 No

Description



Other Comments:
