Fulton, Missouri

DOWNTOWN
REVITALIZATION &
ECONOMIC
ASSISTANCE FOR
MISSOURI

RETAIL MARKET ANALYSIS

JUNE 2013

PGAV PLANNERS

ACKNOWLEDGMENTS

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TABLE OF CONTENTS

TABLES AND FIGURES

EXECUTIVE SUMMARY

The retail market in Downtown Fulton is struggling, in part, due to the lack of 'browsing shopping' oriented retail stores, but also because other retail business in the city are meeting most of the community's retail demands. With the lack of Downtown market-rate housing to help generate demand, and the strong supply provided by businesses elsewhere in the city, successful Downtown merchants are few. The Retail Market Analysis has identified some opportunities for Downtown to meet unmet retail demand. With additional support programs, aesthetic enhancements, and an increased residential component, Downtown can strengthen its retail base and become more relevant as a shopping destination.

The projections in the Retail Market Analysis are based on existing sales volumes, existing vacant floor space, and estimated leakage of retail dollars being spent outside of Downtown. Due to the relative close proximity of Fulton to Columbia and Jefferson City, the community experiences a significant amount of leakage. Furthermore, as of the publication of this report, the local, state and national economy is recovering from a recession and retail markets tend to be overbuilt in certain aspects.

Downtown Fulton has many assets upon which to build, including brick streets, the proximity of the colleges, the Callaway County Courthouse, good highway access, the Fulton Theatre, unique architecture, and several established restaurants. Although these assets exist, the mix of uses in Downtown remains strongly towards service and office users. With the opportunities identified by the Retail Market Analysis as a guide, local support and investment is needed as a catalyst to energize the retail market and develop a more vibrant Downtown.

The Retail Market Analysis was conducted by analyzing data for three geographic areas: The Downtown Trade Area (DTA) which is the DREAM study area; The Primary Trade Area (PTA) or the entire City of Fulton; and the Secondary Trade Area (STA) which is defined as an area within a modified 25-minute drive time from Downtown Fulton. The existing retail market, demographics, and surveys were also analyzed to help determine strategies to strengthen the Downtown Fulton retail market.

The Retail Analysis identified a total of about 477,000 square feet of first-floor commercial space in Downtown Fulton. This space included the following:

- 22,000 square feet of restaurant (none vacant)
- 79,000 square feet of retail (13,000 vacant)
- 182,000 square feet of office/service (26,000 vacant)

- 24,000 square feet of mixed-use (1,000 vacant)
- 73,000 square feet of public/institutional (none vacant)

Of the total occupied square footage, there is approximately 120,000 square feet of restaurant, retail, or mixed-use space that is generating sales taxes. Including the existing vacant space and residential uses, about 70% of Downtown commercial space does not generate sales tax.

At the time of the Retail Analysis, the existing occupied retail space was generating about $53 per square foot and the existing restaurants were generating about $32 per square foot. Based on this data, if Downtown Fulton could fill the 42,000 square feet of first floor vacancy with sales-generating uses, it could mean an increase of $1.3 to $2.4 million in additional annual sales for the City.

Comparing sales data to demand data provides a measure of the performance of the Downtown retail sector and identifies unmet retail demand. This unmet demand can be compared to specific categories of retail products. Using this methodology, unmet demand was evaluated to identify potential retail sectors of opportunity. Downtown leaders could create economic development polices to attract new stores offering these types of products, and/or to encourage existing merchants to include these products in their stores.

The retail analysis indicates that the amount of unmet retail demand in the secondary trade area could support an additional 1.8 million square feet of retail/restaurant space. While this number is not likely to be attained, as consumers will continue to shop and eat in Columbia and Jefferson City, it demonstrates that demand potential exists for Downtown Fulton to capture.

Table 16 of the report, and on the following page, lists unmet demand (the difference between retail demand and actual sales) by retail category. The goods and services are classified according to the North American Industry Classification System (NAICS). The retail categories are listed in descending order of the greatest unmet demand, and therefore opportunity. These types of stores represent an opportunity for Downtown to strengthen its retail sector by adding new stores, or expanding existing locations, in these categories. Some categories, such as groceries and building supplies are not likely to locate to Downtown due to space considerations; however, Downtown should pursue the unmet retail demand in categories such as restaurants, clothing, and other smaller boutique and specialty stores that cater to specific niche markets and can fit in the available vacant and underutilized retail spaces in Downtown.

TABLE 16: FUTURE RETAIL GROWTH

Industry Group	Opportunity[1]	Possible Retail Area (sq.ft.) Supported[2]
Grocery Stores (NAICS 4451)	$ 17,492,280	327,247
Limited-Service Eating Places (NAICS 7222)	$ 11,822,191	372,255
Full-Service Restaurants (NAICS 7221)	$ 7,812,466	245,997
Building Material and Supplies Dealers (NAICS 4441)	$ 7,768,116	145,327
General Merchandise Stores (NAICS 452)	$ 6,782,852	126,894
Health & Personal Care Stores (NAICS 446/NAICS 4461)	$ 6,587,731	123,244
Clothing and Clothing Accessories Stores (NAICS 448)	$ 5,724,088	107,087
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	$ 5,505,458	102,997
Furniture & Home Furnishings Stores (NAICS 442)	$ 4,537,401	84,886
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	$ 1,995,727	37,336
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	$ 1,552,049	29,036
Book, Periodical, and Music Stores (NAICS 4512)	$ 1,516,507	28,371
Drinking Places - Alcoholic Beverages (NAICS 7224)	$ 727,606	22,911
TOTAL	**$ 79,824,472**	**1,753,588**

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

[2] Based on $53 in retail sales per square foot, $32 in restaurant sales per square foot, and existing retail building inventory and activity in Downtown Fulton.

Other key recommendations from this report that would assist Downtown businesses in satisfying this retail demand include:

- **Improve retail operations and customer service** in Downtown Fulton. Downtown has the beginnings of a healthy and diverse mix of attractions and businesses. However, it is critical that existing businesses are visitor and customer-oriented. It is important that businesses in Downtown Fulton work together to provide visitors with a positive experience. Cross-promotional efforts and knowledgeable clerks can keep visitors in town longer, with the potential to spend more money that all Downtown businesses can tap into. Retailers could also modify or expand their product offerings to address the needs of visitors, taking into account both basic and higher needs. Collaborative advertising, attractive displays, and coordinating themes will help create a positive shopping experience which visitors will seek to repeat. The Brick District Association, working with the Chamber and Tourism Board, should strengthen ties with the owners and operators of Downtown entertainment, events, shops, and restaurants to help cultivate an atmosphere that improves the visitor's experience. The BDA should provide customer service seminars and keep businesses informed regarding upcoming events. These seminars should maintain a Downtown focus.

- Encourage **expanded business hours** in Downtown. Merchants offer the visitor very little to do in the evenings and have limited hours on the weekends. By only having

9am to 5pm hours during the week, a business is catering to local and unemployed residents. Weekend hours are critical to capture tourism dollars. Downtown can develop a monthly evening shopping promotion by coordinating several stores that would be of interest to visitors. This type of promotion would be most effective during the Christmas shopping season, but may also be an attractive activity for summer months when combined with other events. Such a promotion could lead to merchants developing an evening customer base. The BDA can also encourage merchants to provide a notepad for visitors to let the store owner know that they tried to visit them but the store was closed. Effective use of social networking tools such as Facebook and Twitter can also help inform a shop owner of missed connections with customers. These mechanisms can help identify the time and number of customers they are missing.

- The City should invest in infrastructure including aesthetic streetscape improvements such as sidewalks, lighting, benches, and landscaping. Some major improvements include better pedestrian connections to Westminster College, public green space, and improved landscaping and streetscapes. These investments will improve Downtown by encouraging and assuring visitors, existing businesses, and potential private investors that Downtown is important to the City.

- The City should also develop incentive mechanisms for the development of Downtown retail stores. Downtown is at a competitive disadvantage with other locations in Fulton that have received incentives. A variety of tools to assist new businesses to rehabilitate their buildings and defray start-up costs will encourage rebuilding of the commercial core of the City. The use of a façade improvement grant or revolving loan fund and a business incubator could aid in the attraction of additional small businesses to Downtown.

- The Brick District Association should continue to develop regular special events for Downtown. These events do not need to be complicated or involve vast amounts of volunteer hours; rather, the BDA should focus on regular events such as sidewalk sales, ladies night, or the Saturday morning farmer's market. The BD has already begun this process over the past year, with success.

INTRODUCTION

A significant component of a successful and vital downtown is a vibrant shopping area. In many instances, modern development trends have diminished the function of the typical American downtown. As neighborhood development sought affordable undeveloped land, cities expanded away from their downtown core. Shopping habits shifted as automobiles increased consumer mobility and shopping centers with major retailers located along major roadways. Smaller businesses have struggled to maintain their traditional downtown locations as residents, visitors, and fellow businesses have followed large retail development to the city's outskirts.

One way to achieve overall downtown revitalization is to encourage the restoration of downtown's function as a destination shopping hub of the region. An emphasis on unique retail stores and developing a positive pedestrian and shopping experience allows downtown to compete with higher volume sales areas in the community. The DREAM Initiative provides the important retail analysis and initial strategies to create a successful downtown retail environment. Although the primary focus of DREAM is downtown retail, some recommendations may include other uses and may integrate with and complement other DREAM tasks, such as the *Residential Demand Analysis*.

While the City of Fulton is fortunate to have developed and maintained its commercial relevance to the region, Downtown Fulton, the subject of this report, is suffering. The history of the City and region is integral to Downtown and provides a colorful heritage that is not being capitalized upon. There are several Downtown attractions such as the Fulton Theatre and proximity of Westminster College. These aspects, when combined with the business and governmental activity of the county seat, city hall, city library, and post office, should provide Downtown Fulton businesses with adequate pedestrian traffic. The issues for Downtown Fulton stem from too many public service agencies, low-quality retailers, and one-way streets. The City of Fulton will need to heavily encourage private investment, and lead the way by making public improvements, in order to successfully revitalize Downtown.

METHODOLOGY

The Retail Market Analysis takes a comprehensive approach to quantify the retail demand and supply for the trade areas. The Analysis then identifies types of retail services that could likely be supported by existing unmet demand and provides recommendations on appropriate strategies for encouraging Downtown retail development. The report uses concepts common in other DREAM Initiative analyses and consists generally of four parts:

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

As a component of other DREAM Initiative activities, surveys have been conducted of business owners, City staff and officials, residents, and visitors which provide key insights into desired Downtown improvements and businesses. Additionally, the Missouri Housing Development Commission conducted an analysis of future residential demand for the City of Fulton in the DREAM *Residential Demand Analysis*. A physical examination of the trade area and surrounding region provides insight into traffic and pedestrian patterns and Downtown's business mix.

To determine unmet retail demand, the retail demand (or spending power) of the trade area, is compared to the available retail supply (or retail sales) of the trade area. Unmet demand is identified in retail categories where demand exceeds supply, and these categories are evaluated against information obtained through community survey results. The real estate and inventory data of the trade area is then used to develop recommendations regarding the attraction of specific types of retail, as well as potential Downtown store locations.

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 retail analysis are valid and likely supported through the year 2016. The analysis is meant to provide a general strategic direction for developing retail in Downtown Fulton, but is not intended to be the sole basis for development or business decisions.

TRADE AREA PROFILE

TRADE AREA DEFINITIONS

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

The DREAM Retail Market Analysis evaluates the Downtown Trade Area (DTA or "Downtown Fulton"), the Primary Trade Area (PTA), and the Secondary Trade Area (STA). The DTA is identified as the DREAM Study Area, the PTA extends to the Fulton City limit, and the STA is any point within a modified 25-minute drive of Downtown Fulton. The 25 -minute drive boundary represents a catch-basin of consumers likely to make a shopping trip to Downtown Fulton instead of another market (mainly Jefferson City and Columbia), as well as a typical commute time for the PTA's labor pool. A map of each area is included in Appendix A and the three areas of analysis are summarized below.

- Downtown Fulton (DTA): The focus of this report and the overall DREAM Initiative is the DTA. The retail analysis determines the level of retail activity captured by Downtown Fulton and the amount of additional retail activity that could be obtained with effective strategy implementation. Downtown Fulton is defined as the DREAM Study Area Boundary.

- Primary Trade Area (PTA): The PTA is the City of Fulton. PGAV defines the corporate boundary of the City as the PTA because Downtown Fulton draws many of its shoppers from the City. This classification will also show the relationship between retail activity Downtown and Citywide.

- Secondary Trade Area (STA): PGAV defines the STA as a modified 25-minute drive time "catch-basin" around Downtown Fulton.

It is important to note that the retail draw of a trade area usually ignores municipal, county, and state boundaries. Typically, modern consumers will shop at the most convenient location, regardless of jurisdiction.

TRADE AREA DEMOGRAPHIC SNAPSHOT

In order to understand the trade areas that are the focus of this analysis, 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 Fulton, the PTA, STA, and the State of Missouri. The data was obtained using data from the 2010 US Decennial Census. Due to the relatively small geographical size of Downtown and the fact that the area is not a census tract, the 2010 amounts should not be relied upon as precise figures, but rather as estimates extrapolated from local census tracts and City of Fulton information. For purposes of comparison, the demographic tables in this report also utilize 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 indicates the Fulton area has a significantly lower average household income than the State of Missouri. All three Trade Areas have younger populations than the State average with Downtown and the PTA having lower levels of home ownership.

TABLE 1: 2010 DEMOGRAPHIC SNAPSHOT

	Downtown Fulton	Primary Trade Area	Secondary Trade Area	State of Missouri
Population	91	12,790	37,548	5,988,927
Average Household Income	$33,803	$46,953	$53,304	59,252
Housing Units	67	4,602	15,463	2,712,729
Owner Occupied	16	2,159	9,908	1,633,610
Renter Occupied	36	1,926	3,771	742,001
Vacant Units	15	517	1,784	337,118
Median Age	24.8	31.5	37.0	38
19 and Under	21	3,077	9,875	1,601,411
20-44	45	5,422	12,739	1,937,372
45 and Over	26	4,291	14,935	2,450,144

MARKET PROFILE / DEMOGRAPHIC TRENDS

Each Trade Area is reviewed in the context of how its demographics have changed over recent time periods to estimate trend activity.

DOWNTOWN TRADE AREA (DTA)

The DTA for Fulton (Figure 1; the DREAM Study Boundary) is situated roughly in the center of the City and consists of about 137 buildings on 24 blocks.

As of 2010, the population of the DTA was 91 people, living in 67 housing units, for an average of 1.4 people per household. The average household income was $33,803, and the median age of residents was 24.8 years. Approximately 23% of the population were age 19 or younger; 49% between 20 and 44; and 29% were age 45 or older.

Figure 1: Downtown Fulton

Table 2 illustrates current demographics and future demographic trends for the DTA.

TABLE 2: DOWNTOWN FULTON

	2000	2010	2016	% Change '00-'10	% Change '10-'16
Population	90	91	87	1.1%	-4.4%
Average Household Income	$34,169	$33,803	$37,170	-1.1%	10.0%
Housing Units	67	67	67	0.0%	0.0%
Owner Occupied	23	16	13	-30.4%	-18.3%
Renter Occupied	30	36	40	20.0%	12.0%
Vacant Units	12	15	17	25.0%	15.0%
Median Age	24.3	24.8	24.8	2.1%	0.0%
19 and Under	17	21	20	23.5%	-4.8%
20-44	51	45	44	-12.1%	-2.2%
45 and Over	19	26	24	38.2%	-7.7%

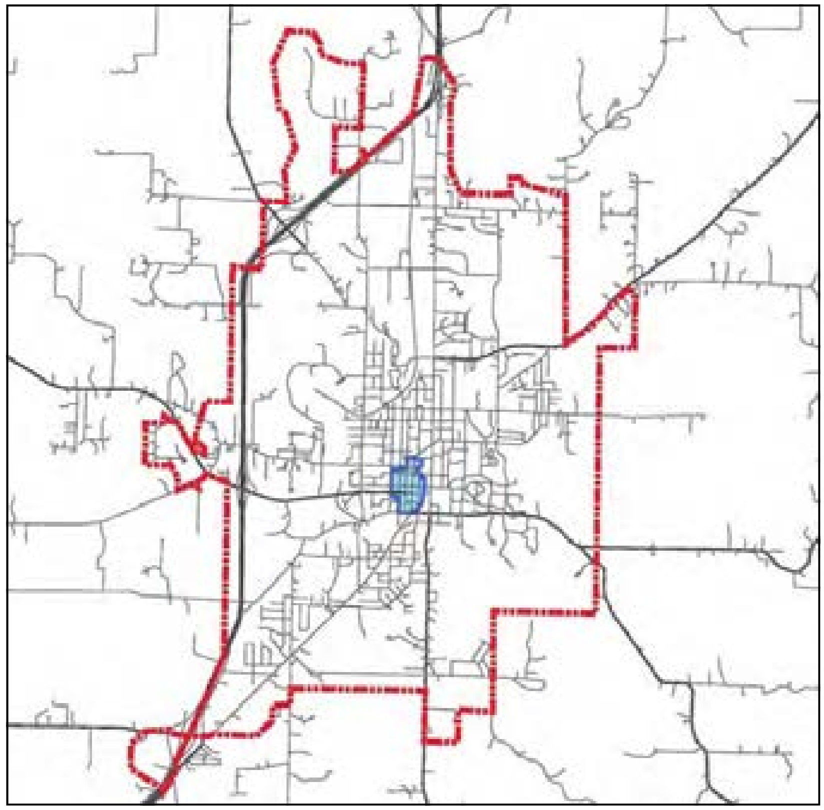
PRIMARY TRADE AREA (PTA)

The PTA is identified as that area within the City limits of Fulton (Shown in Figure 2).

As of 2010, the population of the PTA was 12,790 people, living in 4,602 housing units, for an average of 2.8 people per unit. The average household income was $46,953, and the median age of residents was 31.5 years. About 24% of the population were 19 or younger; 42% between 20 and 44; and 34% were age 45 or older.

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

Figure 2: Primary Trade Area



City of Fulton

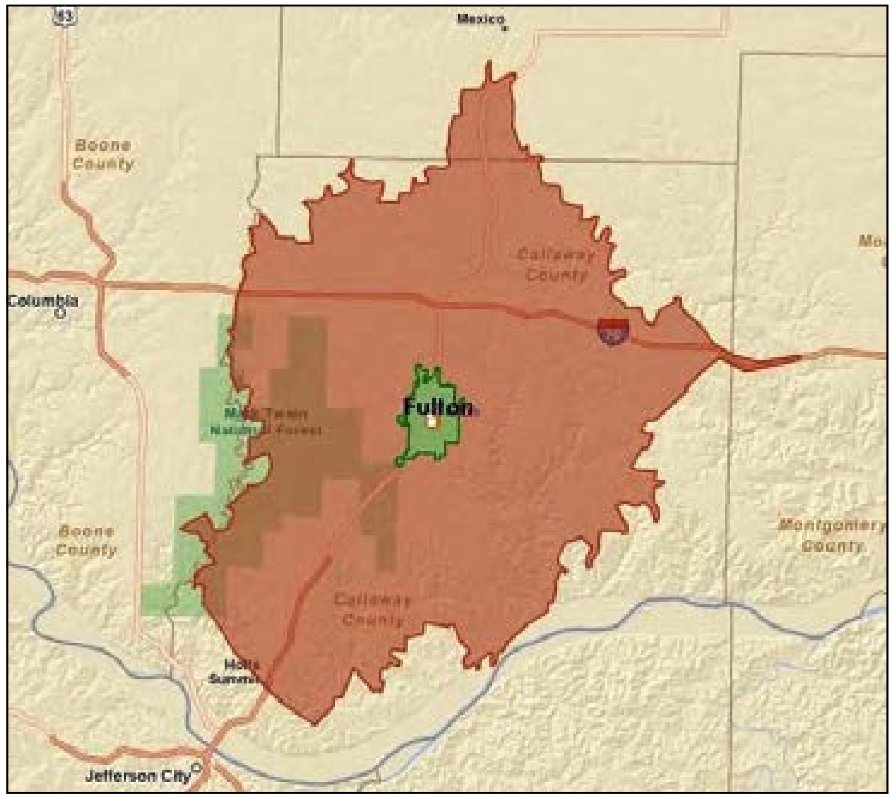
TABLE 3: PRIMARY TRADE AREA

	2000	2010	2016	% Change '00-'10	% Change '10-'16
Population	12,128	12,790	13,184	5.5%	3.1%
Average Household Income	$41,865	$46,953	$53,433	12.2%	13.8%
Housing Units	4,131	4,602	4,917	11.4%	6.8%
Owner Occupied	2,089	2,159	2,202	3.4%	2.0%
Renter Occupied	1,611	1,926	2,152	19.6%	11.7%
Vacant Units	431	517	579	20.0%	12.0%
Median Age	33.0	31.5	32.5	-4.5%	3.2%
19 and Under	2,955	3,077	3,115	4.1%	1.2%
20-44	4,905	5,422	5,385	10.5%	-0.7%
45 and Over	3,741	4,291	4,682	14.7%	9.1%

Secondary Trade Area (STA)

The STA is identified as the area within a modified 25-minute drive time of Downtown Fulton (As shown in Figure 3). This area was modified to exclude the Jefferson City and Columbia primary market areas.

Figure 3: Secondary Trade Area



As of 2010, the population of the STA was 37,520 people, living in 15,482 households, for an average of 2.4 people per household. The average household income was $48,056, and the median age of residents was 36.4 years. About 26% of the population were age 19 or younger; 34% between 20 and 44; and 40% were age 45 or older.

Table 4 illustrates current demographics and future demographic trends for the STA.

TABLE 4: SECONDARY TRADE AREA

	2000	2010	2016	% Change '00-'10	% Change '10-'16
Population	34,747	37,548	38,652	8.1%	2.9%
Average Household Income	$45,638	$53,304	$60,230	16.8%	13.0%
Housing Units	13,628	15,463	16,712	13.5%	8.1%
Owner Occupied	9,173	9,908	10,384	8.0%	4.8%
Renter Occupied	3,008	3,771	4,345	25.4%	15.2%
Vacant Units	1,465	1,784	2,017	21.8%	13.1%
Median Age	34.6	37.0	39	6.9%	4.2%
19 and Under	9,938	9,875	9,902	-0.6%	0.3%
20-44	13,502	12,739	12,831	-5.7%	0.7%
45 and Over	11,307	14,935	15,919	32.1%	6.6%

State of Missouri

As of 2010, the population of Missouri was just under 6 million people, living in about 2.7 million households, for an average of 2.2 people per household. The average household income was $59,252, and the median age of residents was 37.8 years. About 27% of the population were age 19 or younger; 32% between 20 and 44; and 41% were age 45 or older.

Table 5 illustrates current demographics 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

Tables 6, 7, and 8 illustrate the rates of change of base demographic information for the trade areas and the State of Missouri. This comparison shows a decline is expected for the Downtown population and larger decrease in the number of households. The average household income for Downtown is predicted to increase less than the State average, while the PTA and STA will increase slightly more than the State average.

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	1.1%	-4.4%	-1.1%	10.0%	0.5	0.0
PTA	5.5%	3.1%	12.2%	13.8%	-1.5	1.0
STA	8.1%	2.9%	16.8%	13.0%	2.4	1.5
State	7.0%	2.8%	18.6%	12.1%	1.7	0.6

TABLE 7: DEMOGRAPHIC AGE COMPARISON

	Change		Change		Change	
	00-'10	10-'16	00-'10	10-'16	00-'10	10-'16
Downtown	23.5%	-4.8%	-12.1%	-2.2%	38.2%	-7.7%
PTA	4.1%	1.2%	10.5%	-0.7%	14.7%	9.1%
STA	-0.6%	0.3%	-5.7%	0.7%	32.1%	6.6%
State	0.5%	0.0%	-2.9%	0.8%	22.2%	6.3%

TABLE 8: DEMOGRAPHIC HOUSING UNITS COMPARISON

	Housing Units Change	Owner Occupied Change	Renter Occupied Change
	00-'10	00-'10	00-'10
Downtown	0.0%	-30.4%	20.0%
PTA	11.4%	3.4%	19.6%
STA	13.5%	8.0%	25.4%
State	11.1%	5.9%	13.7%

The Primary and Secondary Trade Areas' population growth rates, are forecasted to grow at a healthy rate, while the overall population will age.

HOUSING MARKET ANALYSIS SUMMARY

Residents are an important component of a vibrant downtown and add to the customer base by supporting nearby retail and service businesses. They give downtown a twenty-four hour people presence providing life on the sidewalks and streets, as well as keeping a watchful eye on downtown when businesses are closed.

The Missouri Housing Development Commission (MHDC) conducted a Residential Demand Analysis in the Spring of 2010 for the City of Fulton that projected residential demand for the area, with a focus on Downtown. The Residential Demand Analysis concluded that Downtown Fulton could support an additional 40 market rate rental housing units. The upward trend in student enrollment at the colleges means any increase demand for off-campus housing could be served by new residential units in Downtown.

Housing in the DREAM study area, for the most part, is limited to small, upper floor apartments, apartment buildings, and some single family homes near around the Westminster campus. While some of the apartments suffer from deferred maintenance, a majority of the properties within the Study Area and surrounding Downtown are in good condition.

The Residential Demand Analysis found new single family home listings ranging from around $15,000 to as high as $800,000. The market rate for existing rental units was between $350 to $1,100 depending on size, condition, and amenities.

A survey of some of the existing market rate and affordable housing developments in Fulton indicates most have good occupancy, and in some cases waiting lists. The opportunity exists to serve some of the excess demand in housing in Downtown. Strengthening the existing residential market in and around Downtown will provide immediate results for businesses that can tap into this consumer base.

CONSUMER SEGMENTS

Specific strategies will meet the needs of specific consumers. To help identify existing consumer segments and gain a better understanding of their needs, four categories of consumers of Downtown services are reviewed:

Downtown Employees

- Downtown is home to about 1,289 employees and 108 businesses.
- This segment's potential retail spending can be estimated as follows:
  1,289 x $15 weekly = about $1,005,000 annually.
- Typically have a large demand for restaurants and food services at lunch and early evenings.
- Additional large demand for convenience items and shopping during work commute to and from Downtown.
- Frequent shopper reward programs and repeat business marketing efforts are effective for this user segment.

Downtown Residents

- There are 91 residents in Downtown Fulton.
- The comprehensive buying demands of this segment can be greatly served with retailer product differentiation and improved store hours.
- Frequent shopper reward programs and repeat business marketing efforts are effective for this segment.

Local Residents / Students

- Larger segment than Downtown Residents, with the PTA population of 12,790, plus student enrollment of several thousand.
- Local residents use Downtown for many reasons, including conducting business with government offices, the post office, or businesses, dining, and shopping.
- Although shopping and dining is often not the primary reason for residents to

go to Downtown it serves an important purpose and increases foot traffic.

- This segment is a lucrative merchandising opportunity, especially for impulse spending, due to the frequent number of visits.
- An effective strategy for this segment is to appeal to community loyalty through "shopping local" campaigns.

Tourists - Visitors

- Visitors tend to look for unique experiences and products.
- This segment has a greater demand for entertainment options, as well as a need for convenience items that travelers require.
- For Downtown Fulton, a large portion of this segment is related to visitors of Westminster College and the Churchill Museum. An effective strategy will capitalize on these visitors and encourage the exploration of Downtown.
- This segment is also very dependent upon lodging operators as an information source. Effective strategies for this segment will involve local lodging options.

COMMUNITY SURVEYS

The DREAM Community/Consumer Survey task conducted for Fulton included focus groups, a telephone survey, and a visitor survey. The results of this task provide important planning information for other DREAM tasks and are a source of data regarding local consumer behavior. The survey results offer insight into the community's desire for additional retail, restaurant, and entertainment services and help to uncover other issues relevant to retail development in Downtown Fulton. Participants said they wanted to see the following types of retailers in Downtown: restaurants, clothing stores, bookstores, antique shops, specialty shops, convenience/grocery store, and an arcade or other attraction for youth. A complete list of those businesses and services desired may be found in these reports, as well as the Strategic Plan document.

With additional comparison of each survey instrument, an overall picture of commonly desired businesses for Downtown Fulton emerges. However, the expressed desires of survey respondents are not tied to actual unmet retail demand; rather, they are a reflection of community and visitor opinions. With the added support of the unmet retail demand analysis, these types of businesses become effective targets for attraction that demonstrate demand and community acceptance.

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BUSINESS MARKET

The City of Fulton and the surrounding area have a diverse local economy providing stability and a solid base for future economic development. Economic development efforts should continue to be an important part of Fulton's urban growth strategy. Table 9 illustrates the total employment in 2010 for the Trade Areas.

TABLE 9: 2010 TOTAL EMPLOYMENT

	Downtown Fulton	Primary Trade Area	Secondary Trade Area
Employees	1,289	8,906	14,592
Businesses	108	569	1,225

The primary and secondary trade areas have a strong mix of employers, particularly concentrated in the government, education, and services industries. The largest employers in the City are listed in Table 10:

TABLE 10: FULTON EMPLOYERS

Company Name	Industry	Employment
Fulton State Hospital	Government / Health Care	1049
Ameren-Callaway Nuclear Plat	Utilities	795
Dollar General Distribution Center	Distribution	690
Fulton Public Schools	Education	450
Fulton Reception & Diagnostic Center	Government	429
Wal-Mart Super Center	Retail	240
Missouri School for the Deaf	Education	230
William Woods University	Education	225
North Callaway R-1 School Districrt	Education	220
County of Callaway	Government	177
Westminster College	Education	170
City of Fulton	Government	168
Ovid Bell Press	Publishing	160
South Callaway School District	Education	150
Callaway Community Hospital	Health Care	145
AZZ / Central Electric Mfg.	Manufacturing	136
RHI Refractories	Manufacturing	133
Kingdom Projects	Recycling / Packaging	120
The Callaway Bank	Financial	110
OCCI, Inc.	Manufacturing	85
Backer's Potato Chip Co.	Manufacturing	70
Doolittle Trailer	Manufacturing	70
Danuser Machine Co.	Manufacturing	67
Gastineau Log Homes	Manufacturing	50

COMPARATIVE MARKET ANALYSIS

Downtown Fulton competes for retail customers in a very competitive local market that includes Jefferson City and Columbia. The retail stores along the Highway 54 business route, include a variety of chain stores and general merchandisers. These businesses include national retailers such as Wal-Mart and Sutherlands.

Downtown competes with all of these retailers to attract consumers. Large retail areas offer the auto-oriented shopping experience which has defined the modern American retail development: high volume of goods and merchandise, easy access, high visibility, and excessive parking. However, these same retail environments have a general lack of architectural character, lack of pedestrian environments, lack of social experiences and limited personal service. Downtown Fulton can provide all of these amenities.

TABLE 11: LAND USE TOTALS & SQUARE FOOTAGE

Land Use	Parcels	Buildings	Building Square Footage*	Vacant Square Footage	Percentage Vacant
Residential					
Single-Family	7	9	13,559	1,574	11.6%
Multi-Family	2	3	2,747	338	12.3%
Sub-Total	**9**	**12**	**16,306**	**1,912**	**11.7%**
Commercial					
Office / Service	68	76	181,629	26,000	14.3%
Retail	25	27	79,428	12,900	16.2%
Restaurant	8	10	21,996	0	0.0%
Sub-Total	**101**	**113**	**283,053**	**38,900**	**13.7%**
Mixed-Use	9	5	23,580	1,180	5.0%
Public / Institutional	10	14	72,752	0	0.0%
Recreation	1	0	NA	NA	NA
Parking Lot	13	NA	NA	NA	NA
Vacant Lot	3	NA	NA	NA	NA
TOTAL	**146**	**144**	**395,691**	**41,992**	**10.6%**

* Building Square Footage assumes that 80% of the building footprint is usable.
* Building Square Footage is for 1st Floor.

TENANT MIX & LAND USE

Table 11 above, illustrates information collected during the DREAM Land Use, Building, and Infrastructure Survey task. The Land Use, Building, and Infrastructure Survey was conducted in 2008, and updated to reflect changes. Table 11 illustrates that there are 144 buildings located on 146 parcels in the DREAM Study Area, representing a total of about 396,000 square feet of first-floor space with about 42,000 square feet of vacancy, including around 1,900 square feet of residential vacancy. The existing mix of this square footage, as determined by the most recent land use, is about 4% residential, 18% public/ institutional, 46% office/service, 20% retail, 6% restaurant, and 6% mixed-use. These numbers represent a baseline as Fulton attempts to adjust the Downtown business mix. There is no correct mix for successful downtowns, but one characteristic of a healthy downtown is a mix of retail businesses, entertainment, and services that encourage pedestrian, or "browsing-shopping", types of activity—all supported by residential uses in close proximity.

The subject of this analysis is the restaurant/retail sector; represented by 37 buildings with about 100,000 square feet of first-floor space. Of this space, about 13,000 square feet is vacant and accounts for about 31% of the entire amount of Downtown vacancies. The 76 office / service buildings represent about 182,000 square feet of first-floor space with 26,000 vacant. This vacant space provides the opportunity for an easy conversion into retail use. The City and Brick District Association should continue to encourage desirable traffic-generating businesses. The total vacancy of about 42,000 square feet of first-floor commercial building space, is of immediate concern to attract new retail to Downtown. In addition, many retail spaces are vastly underutilized and/or not open on a regular business. It would be productive to encourage the conversion of non-retail space to retail use as existing vacancies are absorbed.

The public/institutional buildings are a result of Fulton being the center of local and regional government and includes large structures such as the Callaway County Courthouse. Still, 18% of Downtown ground floor space is in use for public/institutional purposes. This also means that these buildings are likely not generating tax revenues as the agencies that occupy them are likely tax-exempt. This category also includes various social service offices and organizations. As feasible, the City and the Brick District Association should encourage some of these users to move off Court Street or to available second– and third-story spaces. The more retail and restaurant users on the first-floor, the more vibrant Downtown will be.

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MARKET RESEARCH FINDINGS

RETAIL ANALYSIS

A review of the DTA provides an idea of possible new and existing business potential. The DTA consists of a total of about 477,000 square feet of first-floor commercial space in Downtown Fulton. This space included the following:

- 22,000 square feet of restaurant (none vacant)
- 79,000 square feet of retail (13,000 vacant)
- 182,000 square feet of office/service (26,000 vacant)
- 24,000 square feet of mixed-use (1,000 vacant)
- 73,000 square feet of public/institutional (none vacant)

Of the total occupied square footage, there is approximately 120,000 square feet of restaurant, retail, or mixed-use space that is generating sales taxes. Including the existing vacant space and residential uses, about 70% of Downtown commercial space does not generate sales tax.

The existing occupied retail space was generating about $53 per square foot and the existing restaurants were generating about $32 per square foot. Based on this data, if Downtown Fulton could fill the 42,000 square feet of first floor vacancy with sales-generating uses, it could mean an increase of $1.3 to $2.4 million in additional annual sales for the City.

TABLE 12: RETAIL ESTABLISHMENTS

	Downtown Fulton		**Primary Trade Area**		**Secondary Trade Area**	
	Businesses	Employees	Businesses	Employees	Businesses	Employees
Retail (Pedestrian-Generating Businesses) Trade Summary	15	67	78	1,369	167	2,230
TOTALS:	24	188	111	1,932	230	2,963
Furniture & Home Furnishings Stores	0	0	1	5	4	19
Electronics & Appliance Stores	0	0	4	11	7	18
Bldg. Materials & Garden Equipment & Supplies	1	4	9	74	19	109
Food & Beverage Stores	2	13	14	186	30	312
Health & Personal Care Stores	1	15	6	67	8	77
Clothing & Clothing Accessories Stores	1	1	5	20	10	39
Sporting Good, Hobby, Book & Music Stores	1	1	3	17	13	67
General Merchandise Stores	1	4	5	867	11	1,059
Miscellaneous Store Retailers	6	17	16	43	26	76
Arts, Entertainment & Recreation	2	29	9	103	24	190
Accommodation	1	1	6	38	15	98
Food Services & Drinking Places	8	103	33	501	63	899
Total Businesses (including non-retail)	108		569		1,225	
Total Employees (including non-retail)	1,289		8,906		14,592	
Total Residential Population	91		12,790		37,548	
Employee/Population	14.16		0.70		0.39	

Table 12 represents a summary of existing retail establishments in the DTA, PTA, and STA, based on a third-party analysis. Table 13 below, describes retail locations observed by PGAV PLANNERS. Information obtained through third-party sales and business data and observed conditions may differ somewhat. The retail services listed in these tables are organized according to the North American Industry Classification System (NAICS). Using NAICS allows the report to compare retail activity by category and recommend specific retail uses to fit gaps in retail service. An illustration showing existing retail establishments is located in Appendix C.

TABLE 13: EXISTING RETAIL

NAICS Industry Group	Store Name
Furniture & Home Furnishings Stores	Brady's Glass & Paint
	Kester's Wall Art
General Merchandise Stores	Family Dollar
Health & Personal Care Stores	Saults Drug Store
	Red Cross Pharmacy
Food & Beverage Stores	The Market Liquor Store
Clothing & Clothing Accessories Stores	Adorable Grooms
	Clothes Cupboard
	Divine Shoes and Accessories
Automotive	Hoover's
	Fulton Auto
	Par Five Enterprises
Books , Periodicals & Music Stores	Well Read Bookstore
Office Supplies, Stationery, & Gift Stores	Center Court
	RCW Gifts of New England
	UPS Store
Florists	McIntyre's Florist
Miscellaneous Store Retailers	Smockingbirds
	Treasure Hunt Lane
	Unique Designs Florist
	Yours, Mine & Ours
Used Merchandise Stores	Lost & Found
	Yvvonne Consignment
	Something Old Something New
	Cornerstone Antiques
Food Services & Drinking Places	Subway
	Mom's Corner Café
	Tif's Ugly Mug
	China Palace
	Dominos Pizza
	Mike & Laura's Lounge
	Bek's
	Killabrew's Pub
	Post Office Bar & Grill

Spending habits of the 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 shows household annual consumer expenditures for seven main categories and several sub-categories of retail expenditures.

TABLE 14: CONSUMER EXPENDITURES

	Downtown Fulton	Primary Trade Area	Secondary Trade Area
Average Household Income	$33,803	$46,953	$53,304
Average Annual Household Expenditures for Selected Retail Sectors			
Food	**$3,837**	**$5,356**	**$5,991**
Food at Home	$2,277	$3,147	$3,497
Food Away from Home	$1,560	$2,209	$2,494
Apparel and Services	**$811**	**$1,140**	**$1,140**
Household Merchandise	**$767**	**$1,103**	**$1,271**
Electronics	$190	$269	$307
Household Goods	$577	$834	$965
Household Care	**$151**	**$233**	**$300**
Transportation	**$1,900**	**$2,668**	**$3,120**
Health & Personal Care	**$558**	**$784**	**$895**
Health Care	$364	$512	$582
Personal Care Products	$194	$272	$312
Entertainment & Recreation	**$1,942**	**$2,761**	**$3,156**
Total for Selected Sectors	**$9,964**	**$14,044**	**$15,872**

The STA has the highest Average Household Income and spends the most total dollars on selected retail activities. Of these selected categories, the trade areas spend about 11% of income on food, with 40% of food expenditures on food away from home. The STA spends the highest dollar amount on food. The trade areas spend about 2% of income on apparel, 2% on household merchandise, 2% on health & personal care, and 6% on entertainment and recreation. The DTA spends less total dollars than the PTA or STA on all categories. The trade areas spend about 1% of average household income on household care and 6% on transportation.

Table 15, depicts Fulton's potential purchasing power by illustrating the number of households at regular income thresholds. The STA has the highest percentage (21%) of households with a household income over $75,000. The DTA has 8% of households with income over $75,000, and the highest percentage (37%) of households with household income of less than $15,000.

TABLE 15: HOUSEHOLD INCOME

Income Level	Downtown Fulton	Primary Trade Area	Secondary Trade Area
Less than $ 15,000	18	793	1,912
$ 15,000 - $24,999	8	688	1,886
$ 25,000 - $34,999	6	530	1,733
$ 35,000 - $49,999	4	605	2,314
$ 50,000 - $74,999	9	826	2,990
$ 75,000 - $99,999	2	342	1,417
$ 100,000 - $149,999	2	238	1,098
$ 150,000 - $199,999	0	32	213
$ 200,000 +	0	53	159
Total	49	4,107	13,722

Determining retail sectors with unmet demand and targeting households with more disposable income will not only help Downtown retain retail sales, but also to attract businesses that can meet demand in the PTA and STA.

POTENTIAL STORE SPACE SUPPORTED

While Fulton draws shoppers from outside the City limits, many shoppers leave the STA to purchase retail goods. Due to the relative proximity of Columbia and Jefferson City, Missouri, every single retail category and subcategory has a demand that is not being met by retailers in the STA. While shopping patterns can be difficult to change, it is clear that there is significant room for growth in Fulton. In conversations with the Kingdom of Callaway Chamber of Commerce and the City, staff noted that when the price of gasoline goes up, retail sales (and consequently sales taxes collected) increase. With the price of gas being significantly higher than the previous decade, this presents an opportunity for Downtown retailers to increase their market share and for the establishment of more retailers.

Table 16, lists unmet demand (the difference between retail demand and actual sales) by retail category. The retail categories demonstrating the greatest unmet demand, and therefore opportunity, are listed in the table. This table, and a more detailed table in Appendix B, lists unmet demand (the difference between retail demand and actual sales) by retail category. The goods and services are classified according to the North American Industry Classification System (NAICS). The retail categories demonstrating the greatest unmet demand, and therefore opportunity, are listed below. These types of stores represent an opportunity for Downtown to strengthen its retail sector by adding new stores, or expanding existing locations, in these categories. Some categories, such as groceries and building supplies are not likely to locate to Downtown due to space considerations; however, Downtown should pursue the unmet retail demand in categories such as restaurants, clothing, and other smaller boutique and specialty stores that cater to specific niche markets and can fit in the available vacant and underutilized retail spaces in Downtown.

TABLE 16: FUTURE RETAIL GROWTH

Industry Group	Opportunity[1]	Possible Retail Area (sq.ft.) Supported[2]
Grocery Stores (NAICS 4451)	$ 17,492,280	327,247
Limited-Service Eating Places (NAICS 7222)	$ 11,822,191	372,255
Full-Service Restaurants (NAICS 7221)	$ 7,812,466	245,997
Building Material and Supplies Dealers (NAICS 4441)	$ 7,768,116	145,327
General Merchandise Stores (NAICS 452)	$ 6,782,852	126,894
Health & Personal Care Stores (NAICS 446/NAICS 4461)	$ 6,587,731	123,244
Clothing and Clothing Accessories Stores (NAICS 448)	$ 5,724,088	107,087
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	$ 5,505,458	102,997
Furniture & Home Furnishings Stores (NAICS 442)	$ 4,537,401	84,886
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	$ 1,995,727	37,336
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	$ 1,552,049	29,036
Book, Periodical, and Music Stores (NAICS 4512)	$ 1,516,507	28,371
Drinking Places - Alcoholic Beverages (NAICS 7224)	$ 727,606	22,911
TOTAL	**$ 79,824,472**	**1,753,588**

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

[2] Based on $53 in retail sales per square foot, $32 in restaurant sales per square foot, and existing retail building inventory and activity in Downtown Fulton.

Existing retailers can capture unmet demand by expanding floor area and new products, or the City can attract new Downtown retailers. Existing Downtown retailers can also expand or adjust their product lines to accommodate some of the unmet demand. As retail demand increases, the City should encourage office and service uses to relocate to upper floor and side street locations, preserving prime ground floor spaces for retail uses.

It is important to note that although there is huge unmet demand ($80 million in the top categories alone), Downtown does not have sufficient vacant or underutilized spaces and/or vacant lots to accommodate the 1,750,000 square feet of potential retail. This also reinforces the need for the City and the Brick District Association to begin actively developing additional retail spaces and moving service uses to adjacent areas and upper floors to make room for retailers able to meet this unmet demand.

The community survey conclusions support restaurant demand as the top priority for Downtown business attraction and expansion. The unmet demand analysis confirms this need. The City may wish to encourage the relocation of local restaurants to unique Downtown and start-up restaurants to locate in Downtown. An expansion of the restaurant market will generate more shopping activity for all retail sectors.

Clothing Stores were also mentioned in the community surveys and can be combined with jewelry, luggage, leather goods, and shoes. This combination store suggests boutique style shops that can easily occupy existing vacant buildings. A concentration of such shops could develop into an attraction that increases retail demand and provides other Downtown businesses with increased activity.

AVAILABLE RETAIL SPACE INVENTORY

The DREAM Land Use, Building, and Infrastructure Survey task conducted in 2008, identified 1st floor vacancies. PGAV PLANNERS updated the vacancy inventory in in preparation of the Retail Market Analysis. Table 17 shows existing 1st floor vacancies. Existing vacancies are also illustrated on the map in Appendix D.

TABLE 17: POTENTIAL NEW RETAIL

ID	Address	Available Sq.Ft.
1	111 W. 5th Street	1,750
2	503 Nichols Street	1,550
3	607 Court Street	5,500
4	8 W. 6th Street	700
5	531 Court Street	2,200
6	527 Court Street	2,000
7	18 W. 5th Street	1,150
8	16 W. 5th Street	2,050
9	10 W. 5th Street	1,000
10	413 Court Street	2,300
11	610 Court Street	2,800
12	528 Court Street	4,000
13	526 Court Street	2,200
14	518 Court Street	1,400
15	518 Market Street	1,850
16	310 Market Street	1,100
17	212 Market Street	1,000
18	201 E. 5th Street	3,300
19	201 E. 5th Street	1,050
Total		**38,900**

These ground floor vacancies represent the retail opportunity for Downtown Fulton with a total of 38,900 square feet. These are all rather small vacancies that represent the opportunity for attracting boutique, clothing, and other specialty stores. Downtown Fulton should initially focus on filling current vacancies, including residential vacancies. As Downtown business and residential density increases, the City can encourage the relocation of services and professional offices to upper floor spaces and along side street to make more prime retail space available.

DOWNTOWN FULTON RETAIL GOALS

- ENHANCE THE DOWNTOWN ENVIRONMENT

The City must work to foster Downtown revitalization efforts by investing in public infrastructure, such as streetscape improvements and public spaces. The importance that the City of Fulton officials and staff pay to Downtown revitalization provides an example for local and regional residents, as well as prospective developers and private investors. Public investment in Downtown sends a compelling message that encourages private building improvements. Other encouragements, such as improved building code and maintenance enforcement, building development incentives, and enhanced local contractor relationships will also be required to stimulate Downtown's private building rehabilitations.

- ENCOURAGE TARGETED RETAIL USES

Encourage targeted retail uses and appropriate pedestrian generating activities on the ground floor of all mixed-use and commercial buildings. The Brick District Association (BDA) should develop a list of targeted retail uses based on the DREAM findings (Retail Market Analysis and the Community Surveys). Developing a Downtown Business Development Package will help in drawing the appropriate mix of retail uses. Integrating this program with specific marketing and promotion strategies could allow for BDA to fill the existing vacant first floor space and generate excitement with residents and customers.

- CREATE A DOWNTOWN BUSINESS DEVELOPMENT PACKAGE

BDA should lead the effort in recruiting new businesses to the area with support from the Chamber of Commerce, Fulton Area Development Corporation (FADC), and the City. BDA should utilize the existing retail market information provided in this report as well as demographic information to develop the package. The Business Development Package should be professionally designed and should include:

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

The Business Development Program should also help existing businesses succeed and grow, mainly through improving business operations and promotions.

- DEVELOP A DOWNTOWN DIRECTORY

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

- VERIFY & UPDATE COMMERCIAL VACANCIES & STORE MIX

  Track the vacancies and store mix in Downtown. Actively market vacancies and try to fill with stores from the targeted retail list. Working towards the recommended store mix to create a vibrant retail destination, BDA should continue to update the retail and vacancy maps and retail sector lists.

- ENCOURAGE UPPER-FLOOR RESIDENTIAL DEVELOPMENT

  The City needs to encourage upper-floor residential uses in Downtown to help develop the consumer retail market. Encouragement for property owners can be provided by assistance with building improvements and marketing to prospective residents. The City's role in building and zoning code implementation are also a key to residential development. As Downtown living amenities and additional streetscape features are implemented, home tours can be established to showcase new residential spaces. Additionally, the City can develop appropriate information to help attract residential developers that may have interest in larger projects. These activities are critical to increase retail demand and activity for Downtown Fulton.

- STRENGTHEN AND IMPROVE THE QUALITY OF EXISTING BUSINESSES

  The BDA and the Chamber should initiate programs and strategies involving business promotions, marketing, events, and education seminars to enhance the profitability of Downtown merchants. Some of Downtown's retailers have been in business for many years and could benefit from fresh ideas, information regarding the changing retail landscape, and a support structure with which to discuss their issues and needs. A merchant education program should address issues of marketing, customer service, business and building maintenance, retail opportunities, trends, etc. General business issues such as financing, accounting, hours of operation, and store display and design should be provided as well as more detailed assistance. Attention to existing businesses concerns through a formal program is a low cost way to build loyalty, goodwill, and a dynamic business core.

- INCREASE MARKETING & COLLECTIVELY MARKET DOWNTOWN RETAILERS

  These promotional efforts should primarily target residents and the region. A cooperative advertising campaign should be used for Downtown retailers using potential CID funds. Utilize brochures that highlight the positive features of locating retail businesses in Downtown. These brochures should be distributed to residents and visitors and inform the public about existing stores, new stores, hours of operations and special events. Collective marketing is a cost effective approach to convey the image of Downtown and increases awareness. Use of local newspapers and magazines, websites, radio, television ads, and flyers should effectively promote Downtown Fulton.

- DEVELOP MORE SPECIAL EVENTS

  The historic setting of Downtown Fulton provides a draw for various events and festivals throughout the area. These activities provide opportunities for businesses to capitalize on existing visitor markets such as attendees to the Hit The Bricks fair. BDA cannot overlook the chance to introduce these existing visitors to the Downtown retailers.

  Additional festivals that pull visitors from the region and include Downtown shopping oriented activities should be developed and/or further strengthened when more retailers are present in Downtown. BDA should consider forming a committee to encourage Downtown events and festivals. It is important to understand that some events will require time to organize and may not appeal to all existing visitors. Music and food are always attractive elements to add to any event. An event with alcohol should include food vendors and occur earlier in the evening. Other events can include sidewalk sales, monthly evening shopping nights, storefront display contests and others focused on shopping in Downtown Fulton.

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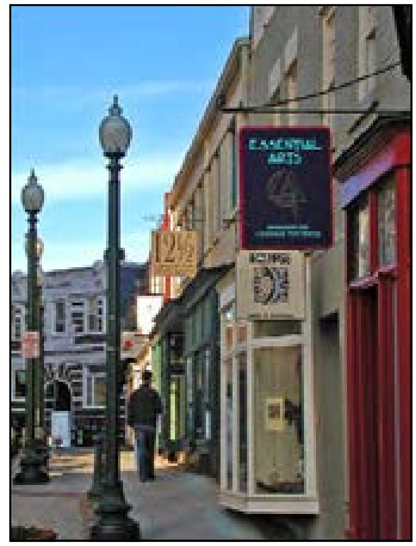
DOWNTOWN FULTON STRATEGIES


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

Re-energizing Downtown is a difficult, lengthy, and complicated process. Traditional downtowns have struggled to keep up with dramatic changes in consumer lifestyles, spending patterns, merchandising techniques, technology, and competition for retail and restaurant spending. To achieve long-term success, Downtown stakeholders must understand these changes and embrace new approaches to retail development.

GREAT STREETS EQUAL GREAT DOWNTOWNS

Great neighborhoods and downtowns succeed because of the places and features within them. It is these small places that define a downtown and reveal the richness and depth of its social life. The best downtowns emerge when communities are guided first and foremost by a vision of what they want to see in their downtown. Every neighborhood has the capacity to evolve into a destination. This happens when local people feel a sense of ownership, which extends beyond property lines to include private and public partnerships. These partnerships, supported by diverse 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 population density and pedestrians were commonplace. Downtowns can continue to provide an environment where walking can be an enjoyable and practical means of getting around. Great streetscapes become an integral part of the community and provide the means for a 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 elements such as sidewalks, buffers, street trees and other landscaping, benches, fountains, wayfinding signage, lighting, and buildings that are visually interesting and well maintained.

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

- Sidewalks that are continuous and wide enough to include pedestrian-friendly streetscape elements.
- Short crosswalk distances that provide safe walking environments.
- Downtown Fulton has concerns regarding accessibility, primarily due to the brick streets. The brick streets provide an outstanding setting for Downtown and should be maintained, however ADA accessible crosswalks and increased maintenance to keep the bricks smooth and level are required.
- Symbols related to Downtown's heritage and brand.
- Seamless streetscapes and gathering plazas with lighting, banners, planters, street trees, benches, public art, 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 cafes, benches, and street trees.
- High quality amenities such as public art and other public amenities such as restrooms.

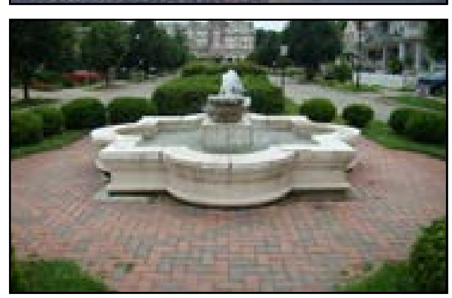
- Safety for pedestrians with lighting, crosswalks, accessible ramps, bike racks, and landscape buffers.
- User friendly and appealing streetscape features and appropriate directional signage.
- Transit friendly and convenient integration of cyclists, public transportation, trolleys and automobiles.
- Bicycle friendly areas with bicycle racks that coordinate with other site furnishings, directional and regulatory signage that identifies bike routes, wayfinding signage, and dedicated bicycle lanes.
- Continuous on-street parking and enforced vehicular speed regulations.
- Streetscape element maintenance as a top priority.

Public Spaces and Plazas

Public spaces and plazas are another important component to successful downtown destinations. Many public areas can suffer from lack of funding, maintenance, and planning. Public space revitalization, similar to properly maintained facades and streetscapes, have a direct impact on a Downtown's economic, environmental, social, and cultural image. Public spaces and plazas 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. Public spaces and plazas should:

- Be easily accessible and visible from the street.
- Preserve and maintain trees and landscaping that provide shade, color, and natural edges.
- Be a flexible, pedestrian-friendly, area that can serve multiple purposes and accommodate activity space for special events.

- Incorporate adjustable seating that complements traditional park benches.
- Be a top priority where the City enforces cleanliness and maintenance standards.



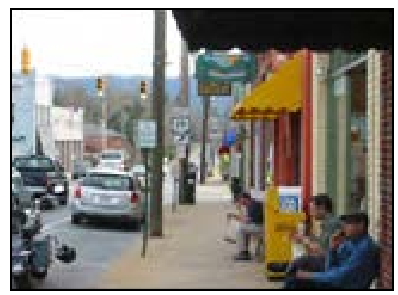
- Contain regulatory park signage and be policed by appropriate city staff.
- Always be safe.

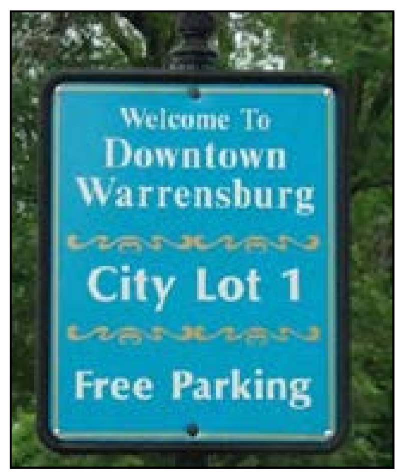
Downtown Environment & Appearance

Downtown's 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 is critical for Downtown revitalization and retail enhancement. The public and private sectors must work together to preserve and enhance an environment in which retail can thrive. This will require various means of continuing cooperation between BDA, the Chamber of Commerce, FADC, and City of Fulton staff, as well as other private business and property owners.

To date, some Downtown improvements have occurred but most are utilitarian and have not inspired many private property owners to invest in their buildings. New public investments, coupled with new financing mechanisms such as a Community Improvement District (CID) or Tax Increment Financing (TIF) District, will likely be required to energize the Downtown area. 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 Fulton's priorities:

- Streetscape and Infrastructure improvements. The City needs to take the first step and implement streetscape and infrastructure improvements that include aesthetic elements to set the tone and atmosphere for a vibrant Downtown. These improvements have been illustrated in the DREAM Initiative and the City should weave them into all future projects. As the City demonstrates its commitment to Downtown, private property owners will be encouraged to invest.
- 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. The City should also implement a proactive inspection procedure,





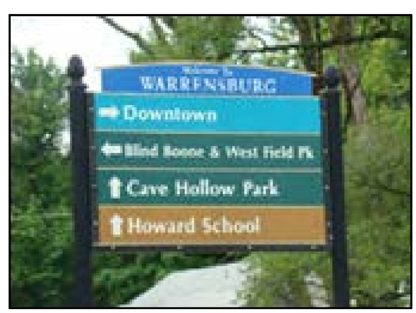
particularly for residential properties. Such a program should be keyed to the change of occupancy and include the issuance, and enforcement, of occupancy permits.

- Façade restoration and rehabilitation. BDA and the City must work to encourage rehabilitation of Downtown buildings according to some design guidelines. Assistance with façade improvements through various funding sources, should be explored. An advantage of building rehabilitation incentives is that they can be granted with conditions, providing an opportunity to ensure improvements are implemented on the entire building and lot. Additionally, BDA and the Chamber can hold property owner and contractor seminars to help inform the private sector regarding the City's expectations concerning building design and maintenance standards. These entities are better able to promote the changes required for the City to initiate that will reinvigorate Downtown Fulton.

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 declining vitality of downtown businesses. Parking is intended to serve user needs; and 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 calming and slowing traffic while providing a buffer for pedestrian activity. Adequate parking must be available to support area businesses. Parking lots are key elements in meeting user needs and should not only provide parking spaces, but be aesthetically pleasing and safe for pedestrians. Planting buffers at the edges of parking lots can help screen



the parking and provide some shade. Landscaped islands should be included throughout the lot, improving not only aesthetics but minimizing storm water run-off. A clear and well lit pathway should be provided for pedestrians as well as identifying signage. Often ample parking is provided, however it is not known to patrons because of the lack of signage. Additionally, 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 designated parking lots.

Retail Location & Mix

Location and the appropriate mix of retail is a key to retail success. A well developed mix of uses throughout Downtown will generate foot traffic and a solid 24-hour population. Too often the main retail strip in downtowns include uses that are mostly service oriented. Service oriented businesses take up valuable sales-generating retail space. Downtown Fulton has a large amount of professional office and services uses that cause an imbalance and conflict with the retail sector.

The City should review its zoning regulations to better regulate social service offices, non-retail business offices, and questionable uses, such as first floor residential. All of these uses can be allowed Downtown, and may even create a positive factor in the retail mix, but should not occupy prime, ground floor retail space that can generate sales and other tax revenue.

BDA and the City should focus efforts on creating continuous retail loops with ground floor space dedicated to retail establishments. These pedestrian-friendly loops should be approximately one-quarter of a mile in length or a five minute walk. Major activity centers or anchors should be no further apart than 300' - 500' if possible. This is a distance in which pedestrians feel comfortable walking and wayfinding identification signage can further encourage pedestrian exploration of Downtown.

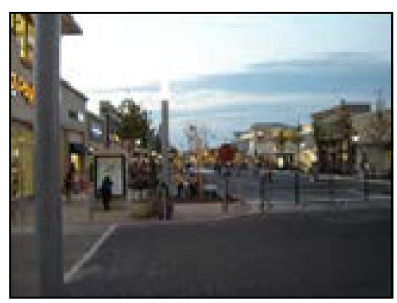
An anchor business is typically a larger, well-know store that draws many customers, but it can also be a single establishment, collection of establishments, or a large attraction. Retail loops should have an anchor located at the beginning and end of the street, if possible.

BUSINESS RECRUITMENT, EXPANSION & RETENTION

To address retail goals involving attracting new businesses, and retaining existing businesses, a formal business recruitment, expansion and retention program is among the most cost-effective initiatives that a community can implement. Programs designed to assist businesses with relocation to Downtown, expansion, and building improvements can stimulate increased levels of private investment. Efforts should be made to familiarize businesses with local, regional, and state incentive programs and technical resources.

In the case of Fulton, it is critical to begin to rebuild density by focusing initially on business recruitment. For a downtown area, business recruitment should focus primarily on retail operations, with a secondary goal of attracting shopping-pedestrian activity generators whether retail or non-retail. Downtown Fulton has vacant spaces to accommodate smaller businesses, however some of these properties will likely require some rehabilitation to be attractive to new stores.

BDA should launch a retail recruitment campaign using the DREAM information for baseline data. The City and BDA should monitor and track all commercial vacancies within Downtown. Other information and tools that should be developed, include:



- An available building list that includes exterior photos, rental rates, dimensions, amenities, and contact information. This list should suggest the types of businesses for which the space is best suited.
- An inventory of any available development sites should also be developed. Appropriate site information can be included in national search databases such as www.locationone.com.

- A listing of target businesses should be prepared. The targets should be limited to retail, restaurants, or unique services that will create pedestrian activity and complement existing businesses. The recruitment campaign should focus on business categories that are demonstrating unmet demand, but should consider others as well.
- A listing of local bankers, real estate agents, and appropriate City or regional development staff.
- Brief descriptions and contact information of available local incentives as they are developed.

Once Downtown has added enough retail to develop momentum regarding sales revenues, an expansion and retention effort can ensue. This aspect of the campaign should include visits and follow-up calls regarding retailers' issues. BDA can work with the Chamber to provide low-cost workshops designed to improve the customer service skills of Downtown merchants. These workshops are also an opportunity to encourage businesses to expand or enhance the quality of their stores and broaden the variety of the products and services they offer.

Encourage Downtown Living

A 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 retail market by creating additional demand for products and services. Downtown residents also ensure that an area has activity, even when businesses are closed for the day.

There is great potential to increase residential development through apartments, condos, or lofts on upper floors throughout Downtown Fulton, although some of this space appears to be poorly maintained. The City and BDA will need to work together to address several items to encourage residential growth in Downtown Fulton, including:

- The City should explore mixed-use zoning in Downtown that encourages building owners to put upper floor space into productive use, increasing the buildings value and Downtown's residential base.
- As property values increase, the City and BDA should develop incentive programs to help owners, such as a Community Improvement District (CID) or Tax Increment Financing (TIF) District as previously mentioned. These programs will assist owners in rehabilitating their buildings.
- Once quality rehabilitation has begun, BDA can help Downtown owners develop marketing programs for Downtown living and organizing promotions and events such as loft tours. Residential markets should include students, and faculty from area colleges, employees of the large companies in the City, and retirees.

ATTRACTING CUSTOMERS

For individual Downtown businesses, attracting customers is also an integral component of retail success. Downtown has established a pool of existing customers but needs to continue to reach out to new customers. Businesses should make special efforts to use existing customers as a source of referrals. Creating a base of repeat customers is vital to retailer success. Creating special promotions targeting Downtown employees and area residents is an easy way to reward repeat customers while bringing them back Downtown for longer visits on evenings and weekends.

Businesses should also fully utilize important tools such as internet business listing sites, blogging and social networking. More and more consumers begin their shopping trips in the comfort of their own living room or on their mobile phones. Smart business owners know this and are changing the way they issue discounts, coupons, and other promotions. BDA and the Chamber can help Fulton merchants remain competitive by understanding and communicating the benefits

of current technology. Seminars and newsletter articles can help educate the business owners. BDA can launch a simple, low-cost effort that includes a visitation process with a laptop computer to review each Downtown merchants online information. It is particularly important that BDA staff are knowledgeable enough in these areas to help the merchants.

While some visitors to the City stop and shop in Downtown Fulton, not all visitors do. Increasing the ability of Downtown to capture visitors from other attractions in the City is integral to the success of Downtown. Marketing and events can help with this effort, but providing additional wayfinding, signage, and a sense of activity is critical.

Directions from the schools will encourage visitors that there is more to see in Downtown. Additionally, the wayfinding signage and gateway features as proposed in the DREAM Streetscape Design Concept Plan will encourage visitors to explore. Proximity signs for other activity centers located near parking areas will assist many pedestrians. Downtown business guides and retailer/restaurant profiles should be made available on-line, at welcome centers, hotels, and other shops and restaurants.

To develop pedestrian activity, businesses must consider extending business hours. Small merchants can find it very difficult to stay open into evening hours, but having a critical mass of stores open for business can transform a Downtown into an active shopping area. Seventy percent (70%) of all sales tend to occur after 5:30 p.m. and on weekends. Adjusting store hours to respond to the change in America's lifestyle will help boost sales and create a new shopping experience. Increasing the number of casual and fine dining options will provide retailers a broader customer market, usually in the evening hours. Many communities have developed a regular shopping event 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).

Retail Presentation & Operations

The appearance of retail operations is essential to the success of the business. That appearance begins at the sidewalk and continues to the storefront, entrances, and windows. Downtown merchants must appear interesting and inviting to the pedestrian on the sidewalk. Planters flanking the doorway or window boxes add color and life to the street. Pedestrians may be stopped by a plant, bench or signage, attracting them to the window display. Grabbing the attention of the customer is the first step in bringing them into the shop. Keep the appearance of the sidewalk and storefront neat and clean. The store should also be clearly identified with signage.

The overall appearance of the building is critical. The storefront entrance should be recessed from the sidewalk for emphasis to provide a bit of shelter and remove the open door from the path of pedestrians on the sidewalk. The entrance should be maintained in compliance with the American's with Disabilities Act Accessibility Guidelines. The door should provide a view into the building as well as a sense of openness. The upper, side, and rear façades also provide opportunities for second entrances, signage, display windows, or outdoor café seating and should be as inviting and appealing as the main entry.

After evaluating the curb appeal and storefront of each business, window displays must be considered. Shoppers learn everything about a store at the window as they act as a store's billboard to announce the brand and character of the products within. A positive tone should be set by the windows. Great window displays will help lure customers into the store. If a pedestrian stops in front of a store window, they are one step closer to entering the shop. Corner storefronts are significant, they help keep pedestrians moving and may motivate pedestrians to cross the street. When these windows are vacant they discourage pedestrians from crossing to the next corner. BDA should encourage property owners to allow the placement of rotating displays from other stores, information on upcoming festivals, or local artwork in the windows of their vacant buildings.

Display Windows

Window displays must get the attention of the pedestrian. Building elements are likely to catch the eye of the motorist, while the window is the connection between the stores goods and the pedestrian. Effective window displays use:

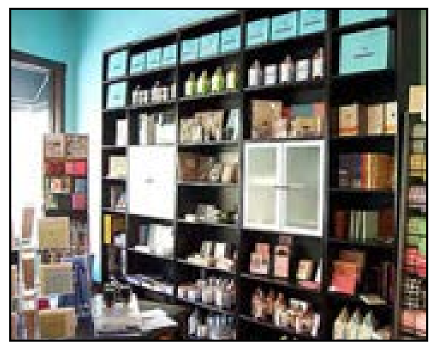
- Themes: Window displays should establish a theme and integrate props. They can follow the general items in the store or a specific set of items. Themes such as sports, children's stories, romance, nature, patriotism, or storytelling should be considered.
- Simple Repetitive Objects: Repeating objects creates a strong message. They do not need to be expensive to be successful. Simple objects such as cut out hearts, gloves, lampshades, balloons or handwritten notes can create dynamic and rhythmic displays.
- Found Objects: These objects can be window frames or wine barrels that reinforce the window statement.
- Flexible Backdrops: They can be textured or fabric panels reflecting the products displayed, highlighting the season or the interior that beyond the windows.
- Window Graphics: Graphic statements can define a function or add interest to the merchandise.
- Night Lighting: Once window displays have been created they should be lighted. When lighted they add life to the evening streetscape and act as a 24 hour billboard. People leaving nearby businesses with later uses, such as restaurants, theaters and drinking establishments will be compelled to return.
- Varied Window Displays: Displays should be rotated on a regular basis, such as every four to six weeks.

Signage and Branding

Individual business owners must decide on the brand that defines their store and their image in customers' minds. These decisions will determine the direction for store logos, signage, and interior design. Colors and font type used should reflect the brand and merchandise. Brand logos should be used consistently on merchandise, hang tags, business cards, and printed advertisements. Shopping bags are walking advertisements that reinforce the store's style and should always include the shop logo.

It is important that the store brand is well matched to customers and other store aspects. A fancy, frilly logo for a store selling outdoor sporting goods sends conflicting signals to the consumer. Similarly, if the market segment a store is trying to reach is upper scale, plain brown paper bags in which to send products home is probably not a good match.

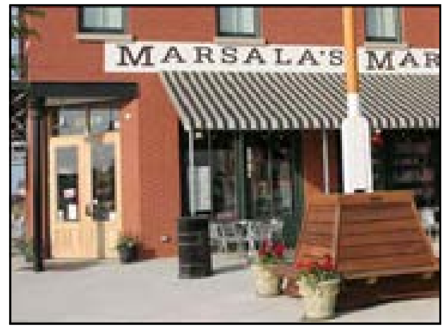
Interiors

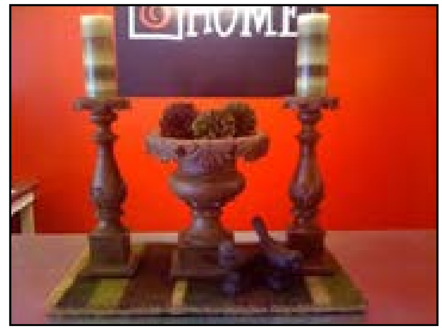


Retail establishments should have flexible features so the store can reinvent itself when necessary. Successful interior layouts have several common denominators, including:

- 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.
- First Fixture: The first fixture should be well inside the entrance and is often a feature display which tells a story about a specific theme or product. These displays can be seasonal or a specialty product line.
- Music: Music should be played that matches the store image and brand. This simple step will bring an empty store to life and puts customers at ease.
- Secondary Displays: These displays encourage the customer to keep moving through the store. This is accomplished by the placement of a variety of minor merchandise groups throughout the store. The height and shape of these displays should vary and interrupt long runs of repeating products on walls.

- Floor Space: The area from the floor to about 18" up is not "shop-able" and is best used for storage.
- Visible Back Wall: Making the back wall visible and interesting from the front of the store, will draw customers through the length of the store. This can be as easy as using paint or unusual fixtures. Place sale or clearance merchandise in the back to make customers walk past other items to get there.
- Grouping Merchandise: Techniques for grouping the merchandise can help shoppers make decisions faster and potentially buy more merchandise.
  - By Color: Group all red items together, blue items together, etc. This method is often used for seasonal displays.
  - By Product Combination: These items provide irresistible opportunities for customers to purchase combined products with a similar theme. Group clothing with coordinating accessories or staff favorites.
  - Fabrication Type: All glass should be kept with the glass, wood with wood, pewter with pewter, and pottery with pottery.
- Impulse Items: These are inexpensive items, often located by the cash register, and are generally offered as add-on sales.





Customers need the opportunity to learn about merchandise, special products, and obtain samples in a comfortable space. A pleasant greeting and an intuitive store layout with well lit displays will encourage customers to browse. Counters and back rooms that are visible to the customer should be clean and clutter free, as they are an indication of the stores internal operations.

A Downtown map and business directory should be located at each register to 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:

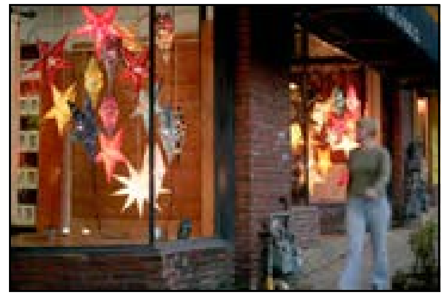
- Signage should reflect the brand.
- Entrance and windows must be appealing.
- Merchandise must be useful or unique.
- Focal points and product placement must be able to keep their interest.

Branding Downtown

Although Fulton is the largest City for many miles, Downtown competes with other areas in the City for consumers. It is important that Downtown develop its own identity within the City and make a compelling case for City-wide residents and visitors to come and visit. For Downtown Fulton, "The Brick District" is this identity and fits within Fulton's overall branding effort and marketing campaign.

An important consideration in utilizing this brand is to remember that Downtown Fulton cannot be all things to all people. BDA, with the support of the Chamber and City, should begin hosting meetings to focus on the use of this brand with Downtown businesses for collective advertising campaign. Just as a large shopping center collectively promotes and markets its stores, Downtown needs to work cooperatively for this effort as well. Additionally, other marketing tools will support the brand such as slogans and logos. Future public improvements can also reinforce the ideas of the brand. As the City completes the DREAM Marketing Plan task, ideas for further use of the Downtown brand may be suggested.

The promotion of Downtown Fulton attractions, businesses, and events is a major dimension of Downtown development. BDA should spearhead the effort to promote the area as a whole. Staging Downtown events, festivals, parades, concerts and other special events, will bring more people Downtown and expose them to what Downtown has to offer.



It is important that existing shoppers and visitors are aware of other current stores, restaurants, as well as new businesses located in Downtown. Overall marketing should be increased for Downtown and its retailers. Promotional activities should target residents, the Secondary Trade Area, and the region. Making the public aware of the wide range of activities is the first step in marketing Downtown.

A business directory of Downtown establishments should be distributed to residents and visitors, and be available in existing retail establishments and new stores. All marketing brochures should be available at Downtown establishments, the Chamber, City Hall, and nearby hotels. Local store and restaurant owners and employees should refer their customers to visit other shops Downtown. This can also be accomplished by distributing the business directory at check-out lines and waiting areas.

Shared advertising, such as newspaper ads promoting multiple businesses, is beneficial for Downtown businesses for several reasons. This collective advertising, whether print or electronic media, helps build an image of Downtown as a place with multiple shopping opportunities and reinforces the chosen brand. It can also make advertising more affordable and allow smaller businesses to use advertising media they might not otherwise be able to afford. Downtown cross-promotion efforts can include businesses located elsewhere, especially those that draw visitors from a wider area.

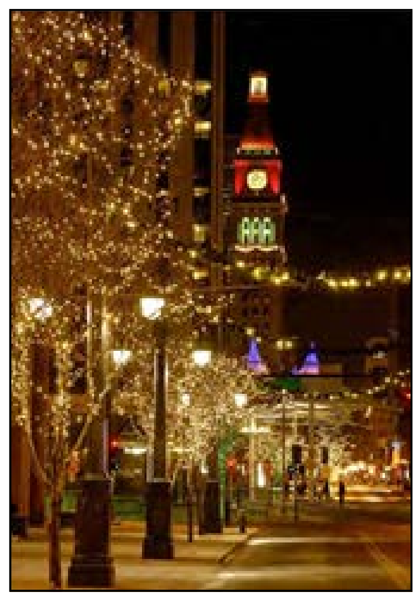
The long-term success of Downtown redevelopment efforts will depend in part on the quality of marketing and promotional activities as well as the ability of the Downtown leadership to appeal to specific customer segments. Creating a mix of businesses that provide for a variety of experiences allows Downtown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

EVENTS

BDA should work with the Chamber and other event committees to strengthen existing events held in Downtown Fulton. A broad-based Downtown Events Committee should be established to help expand on existing efforts. Events should have a wide appeal and support the chosen brand for Downtown. Some standard events might include:

- A monthly Farmer's Market
- Evening Shopping Nights
- Sidewalk Sales
- A Downtown Business Expo
- A Chili / BBQ Cook off or some other themed food tasting festival
- Art Shows
- Craft Festivals
- A regular (monthly) concert series
- Fulton Theater events

During these events Downtown Fulton retailers should coordinate their hours and develop promotions to get people into their stores. These are perfect opportunities to raise the awareness of their individual store, although it is important to understand that event goers may not purchase items the day of the event. Events create a festive and exciting atmosphere focused around Downtown and visitors will often return to shop at a later date.



IMPLEMENTATION

- ENERGIZING DOWNTOWN.

  The support of Downtown Fulton businesses is critical. The growth on the outskirts of the City has caused residents and businesses to neglect Downtown as a viable business center. However the infrastructure, buildings, and existing businesses provide a base upon which to build. The City will need to support the reemergence of Downtown as a business center by encouraging the Brick District Association, existing businesses, events, and attractions. The businesses in Downtown will need to stand together to insist upon this support. The Chamber should also support and work with the BDA, regardless of how many Downtown businesses are members of the Chamber. As Downtown grows more businesses, the opportunity for the Chamber to obtain members will also grow.

  BDA and the Chamber can initiate customer service workshops and participate in the business recruitment, expansion, and retention efforts. Existing Downtown retailers also form the core of the branding and collective advertising program that BDA will need to initiate. The City should lead efforts to develop programs and private investment incentives, although the initial focus should be on improvements to the public infrastructure and atmosphere in Downtown. The City will also need to address all zoning and regulatory issues to remove obstacles and encourage Downtown businesses and residents.

- DEVELOP SIGNATURE DOWNTOWN EVENTS.

  With several attractions, such as the Fulton Theatre, the Historical Museum, and the City Library, there are numerous event venues available for Downtown events. BDA should form an Events Committee and choose and focus on building two or three events into major draws for Downtown. Local businesses should provide sponsorships to launch the events, particularly in the case of a business expo. Events such as a cook off, themed tasting event, or craft show could have some fees from the entrants, but will likely require initial underwriting and sponsorships. Any new event will require extensive promotion and likely need more than one year to determine success.

- IMPROVE THE QUALITY OF DOWNTOWN BUSINESSES.

  As Downtown Fulton revitalizes, it is important to improve the quality of stores and support existing businesses. BDA can undertake several activities such as events, promotions, advertising, seminars, and retail store reviews to encourage quality stores. A sample store checklist for a store review program is found in Appendix F. Downtown businesses need BDA to be their champion.

The City can assist by demonstrating its committee to Downtown by improving the atmosphere with public infrastructure projects and by reviewing its zoning and correcting regulations that have allowed situations such as the tattoo shop, adult store and the overabundance of social service organizations in prime, ground-floor retail spaces.

The Chamber should assist BDA and the City by encouraging its business members to support Downtown businesses and events. All aspects of Fulton: residents; City government; and businesses not located Downtown, need to accept Downtown as the core and image of the City. With a better focus on Downtown, the businesses and attractions in Downtown will prosper.

- PROMOTE DOWNTOWN ACCOMPLISHMENTS.

Downtown Fulton will need to promote its successes to the rest of the City and the region. Positive press releases should be written and distributed, and a Downtown newsletter developed. At this critical point in time, no small success can be overlooked. Downtown needs to regain its relevance to the City, residents, visitors, and region. The Events Committee of BDA can also provide this function once events are established. Changing peoples' perception requires a frequent and consistent message that will need to be managed by BDA staff and encouraged by the businesses, Chamber, and City.

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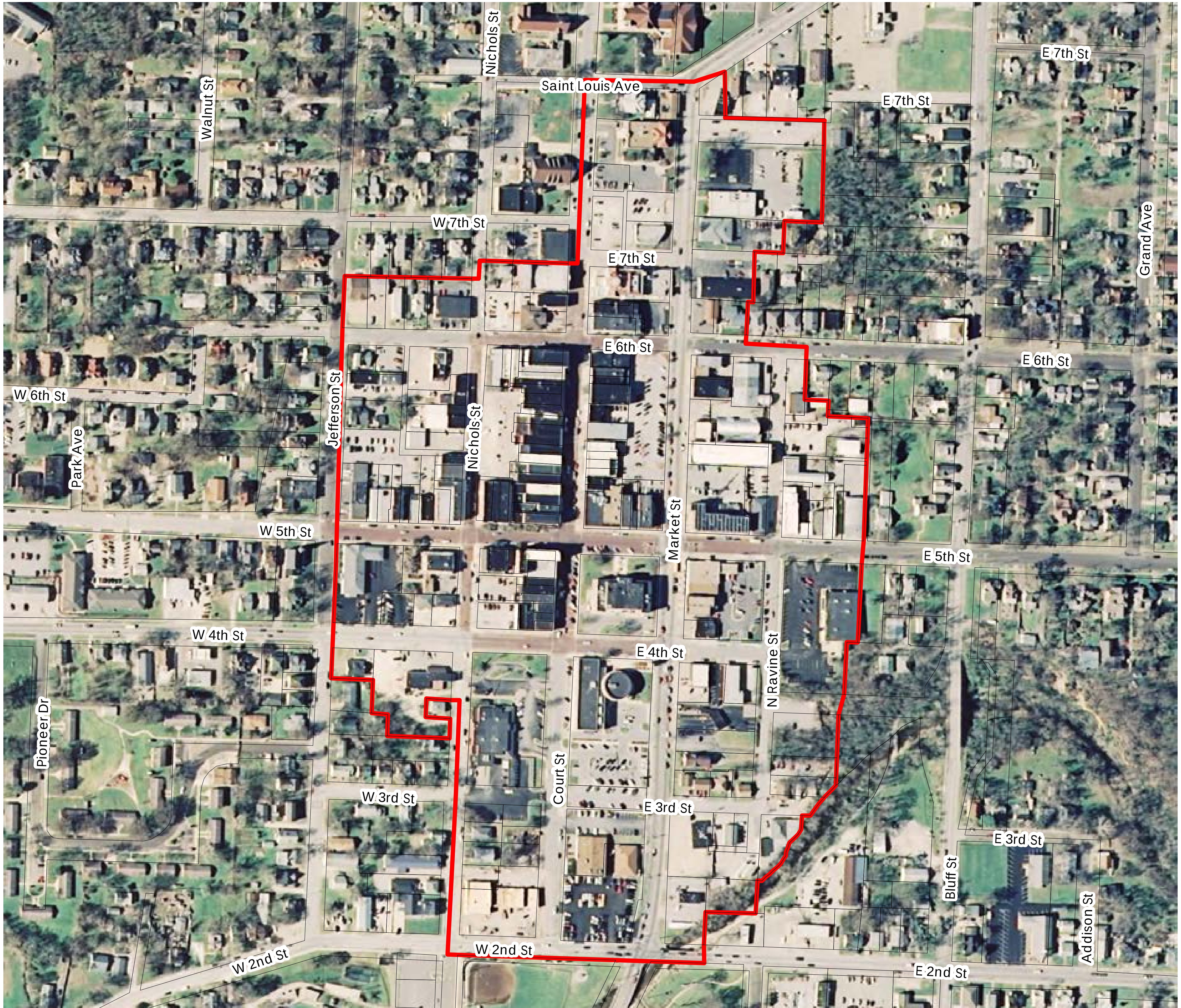
APPENDIX

Appendix A-1
Downtown Fulton

Retail Market Analysis
City of Fulton, Missouri



Legend

DREAM Boundary

0 125 250 500
Feet

N

June 2013

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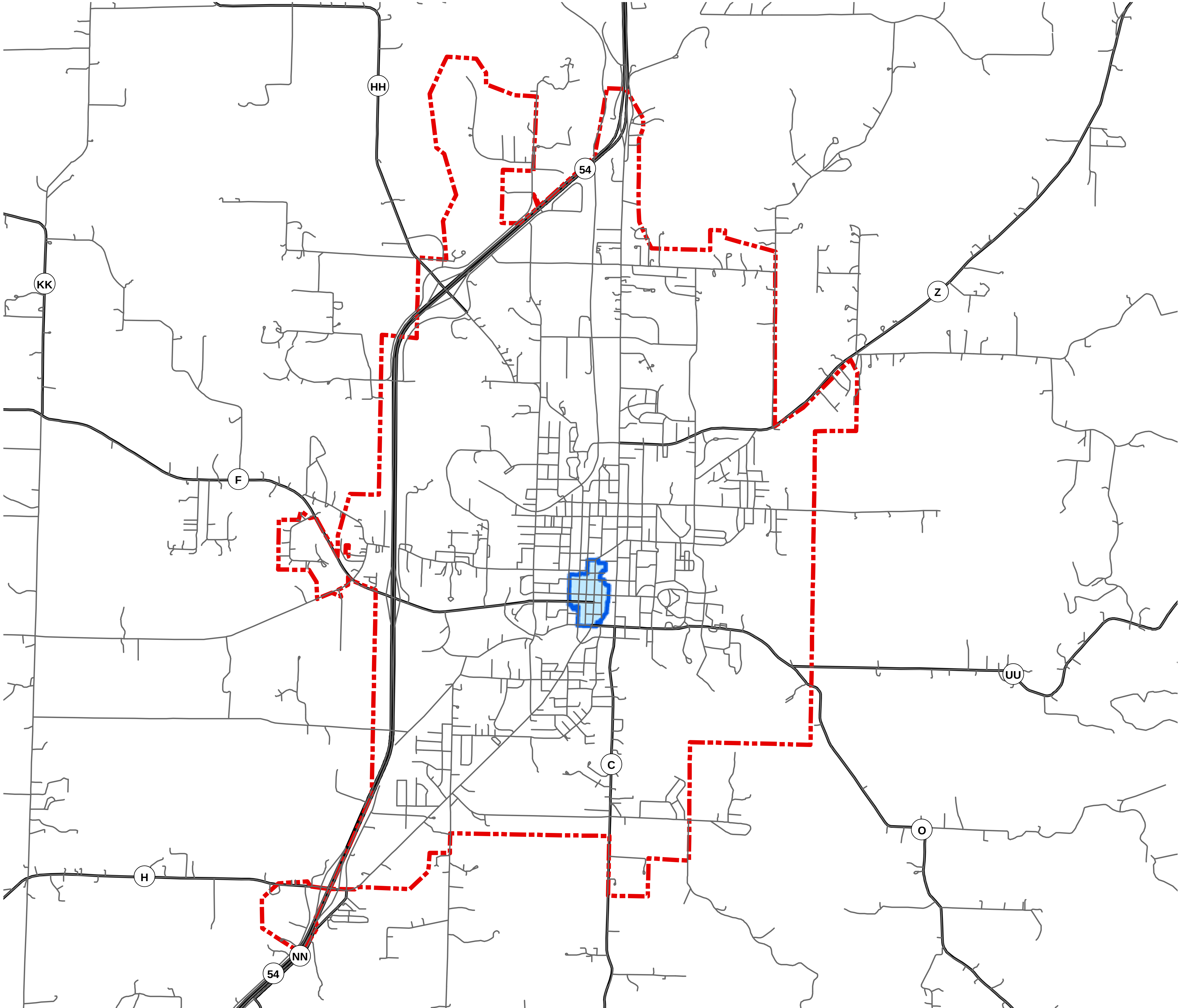
Appendix A-2
Primary Trade Area

Retail Market Analysis
City of Fulton, Missouri



Legend

DREAM Boundary
Primary Trade Area

0 1,625 3,250 6,500
Feet

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June 2013

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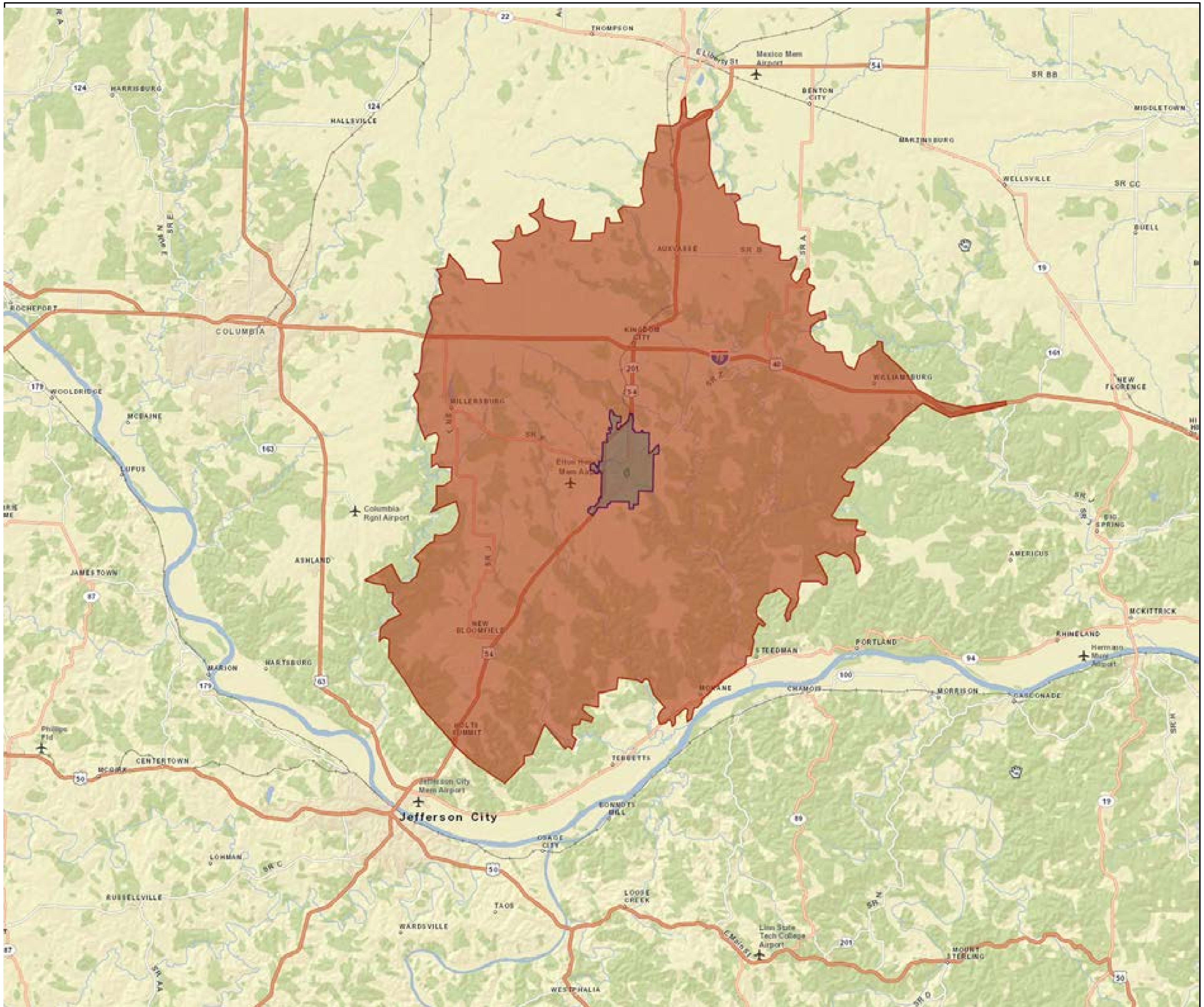
Appendix A-3
Secondary Trade Area

Retail Market Analysis
City of Fulton, Missouri



Legend

Secondary Trade Area

June 2013

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Appendix B

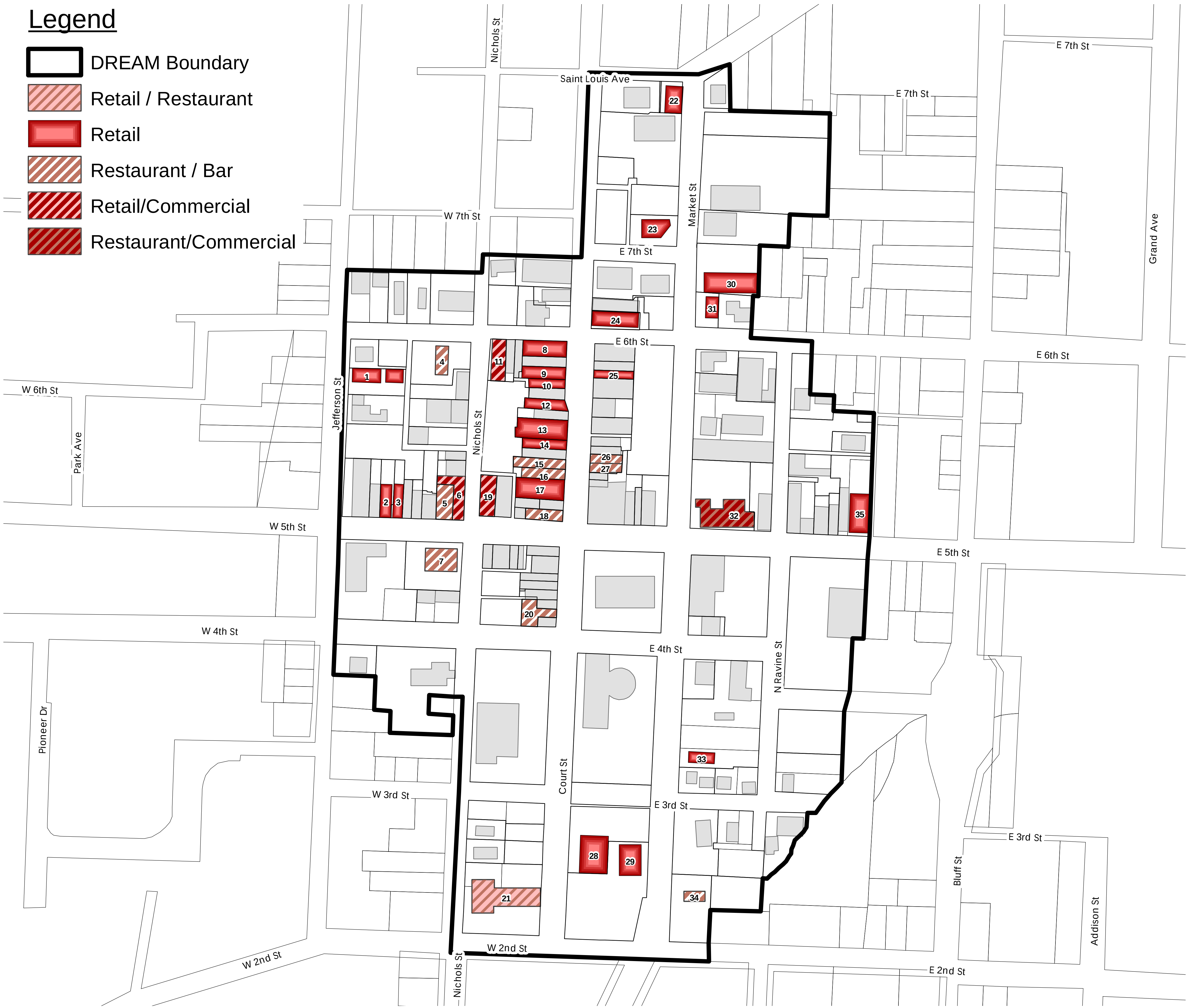
Downtown Fulton DREAM Study Area
Retail Demand & Sales

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]	**$157,775,353**	**180**	**$74,508,021**	**$ 83,267,332**	**1,829,378**	**4,202**	**$41,097,397**	**99**	**$47,178,372**	**$4,254,664**	**25**	**1,013**	**11.13**
Total Retail Trade (NAICS 44-45)	**$121,787,894**	**123**	**$59,773,346**	**$ 62,014,548**	**1,160,174**	**3,244**	**$31,535,465**	**66**	**$40,197,938**	**$3,556,108**	**25**	**1,096**	**12.05**
Total Food & Drink (NAICS 722)	**$35,987,458**	**57**	**$14,734,674**	**$ 21,252,784**	**669,204**	**958**	**$9,561,932**	**33**	**$6,980,434**	**$698,556**	**7**	**729**	**8.01**
Furniture & Home Furnishings Stores (NAICS 442)	$5,899,526	6	$1,362,125	$ 4,537,401	84,886	157	$1,497,127	2	$483,367	$0	0	0	0.00
Furniture Stores (NAICS 4421)	$4,466,115	3	$784,775	$ 3,681,340	68,871	119	$1,121,517	1	$242,804	$0	0	0	0.00
Home Furnishings Stores (NAICS 4422)	$1,433,412	3	$577,350	$ 856,062	16,015	38	$375,610	1	$240,563	$0	0	0	0.00
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	$6,268,797	8	$763,339	$ 5,505,458	102,997	167	$1,625,683	4	$406,749	$0	0	0	0.00
Bldg Materials, Garden Equip. & Supply Stores (NAICS 444)	$9,916,493	15	$2,148,377	$ 7,768,116	145,327	264	$2,428,874	7	$1,605,945	$90,986	1	345	3.79
Building Material and Supplies Dealers (NAICS 4441)	$8,695,684	10	$1,829,869	$ 6,865,815	128,446	232	$2,143,602	7	$1,605,945	$90,986	1	393	4.32
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	$1,220,809	5	$318,508	$ 902,301	16,880	33	$285,272	0	$0	$0	0	0	0.00
Food & Beverage Stores (NAICS 445)	$33,526,798	18	$15,721,388	$ 17,805,410	333,105	893	$8,824,534	6	$9,347,466	$116,873	1	131	1.44
Grocery Stores (NAICS 4451)	$32,550,018	11	$15,057,738	$ 17,492,280	327,247	867	$8,562,050	3	$9,043,894	$0	0	0	0.00
Specialty Food Stores (NAICS 4452)	$684,298	5	$371,584	$ 312,714	5,850	18	$183,881	1	$39,102	$0	0	0	0.00
Beer, Wine, and Liquor Stores (NAICS 4453)	$292,482	3	$292,067	$ 415	8	8	$78,603	2	$264,470	$116,873	1	15,004	164.88
Health & Personal Care Stores (NAICS 446/NAICS 4461)	$10,125,463	9	$3,537,732	$ 6,587,731	123,244	270	$2,609,005	7	$2,900,077	$1,109,067	2	4,113	45.19
Clothing and Clothing Accessories Stores (NAICS 448)	$7,500,764	16	$1,776,676	$ 5,724,088	107,087	200	$2,012,095	10	$1,161,630	$346,668	3	1,735	19.07
Clothing Stores (NAICS 4481)	$5,225,794	11	$1,222,701	$ 4,003,093	74,890	139	$1,401,935	6	$682,954	$59,087	1	425	4.67
Shoe Stores (NAICS 4482)	$794,527	2	$147,035	$ 647,492	12,113	21	$213,032	2	$147,035	$43,318	1	2,047	22.50
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	$1,480,443	4	$406,941	$ 1,073,502	20,083	39	$397,128	2	$331,641	$244,262	1	6,195	68.08
Sporting Goods, Hobby, Book, and Music Stores (NAICS 451)	$3,948,161	14	$879,605	$ 3,068,556	57,407	105	$1,069,604	4	$248,089	$0	0	0	0.00
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	$2,329,669	13	$777,620	$ 1,552,049	29,036	62	$606,184	4	$248,089	$0	0	0	0.00
Book, Periodical, and Music Stores (NAICS 4512)	$1,618,492	1	$101,985	$ 1,516,507	28,371	43	$463,420	0	$0	$0	0	0	0.00
General Merchandise Stores (NAICS 452)	$39,090,941	5	$32,308,089	$ 6,782,852	126,894	1,041	$10,063,987	4	$23,247,649	$1,534,566	1	1,474	16.20
Department Stores Excluding Leased Depts. (NAICS 4521)	$27,572,243	1	$23,648,927	$ 3,923,316	73,398	734	$7,110,227	1	$17,691,599	$0	0	0	0.00
Other General Merchandise Stores (NAICS 4529)	$11,518,698	4	$8,659,162	$ 2,859,536	53,496	307	$2,953,760	3	$5,556,050	$1,534,566	1	5,002	54.97
Miscellaneous Store Retailers (NAICS 453)	$5,510,950	33	$1,276,015	$ 4,234,935	79,228	147	$1,404,556	22	$796,966	$357,947	11	2,439	26.80
Florists (NAICS 4531)	$359,890	2	$119,289	$ 240,601	4,501	10	$86,044	1	$89,467	$65,895	1	6,875	75.55
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	$2,394,570	9	$398,843	$ 1,995,727	37,336	64	$612,252	4	$182,150	$107,327	2	1,683	18.49
Used Merchandise Stores (NAICS 4533)	$860,510	15	$320,826	$ 539,684	10,096	23	$231,106	12	$231,411	$121,014	6	5,280	58.03
Other Miscellaneous Store Retailers (NAICS 4539)	$1,895,979	7	$437,057	$ 1,458,922	27,294	50	$475,154	5	$293,938	$63,712	1	1,262	13.87
Food Services & Drinking Places (NAICS 722)	$35,987,458	57	$14,734,674	$ 21,252,784	669,204	958	$9,561,932	33	$6,980,434	$698,556	7	729	8.01
Full-Service Restaurants (NAICS 7221)	$12,226,693	27	$4,414,227	$ 7,812,466	245,997	326	$3,277,137	18	$2,428,507	$554,223	5	1,702	18.70
Limited-Service Eating Places (NAICS 7222)	$20,916,091	19	$9,093,900	$ 11,822,191	372,255	557	$5,497,849	11	$4,269,080	$79,693	0	143	1.57
Special Food Services (NAICS 7223)	$1,654,081	3	$763,560	$ 890,521	28,041	44	$425,143	1	$124,872	$0	0	0	0.00
Drinking Places - Alcoholic Beverages (NAICS 7224)	$1,190,593	8	$462,987	$ 727,606	22,911	32	$361,803	3	$157,975	$64,640	1	2,039	22.40

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

Appendix C-1
Retail Locations

Retail Market Analysis
City of Fulton, Missouri



ID	Retail Location
1	Brady's Glass and Paint
2	Kester's Wall Art
3	Adorable Grooms
4	Dominos Pizza
5	Killabrew's Pub
6	Clothes Cupboard
7	Post Office Bar & Grill
8	Cornerstone Antiques
9	Smockingbirds
10	Gidley's
11	Lost & Found
12	Center Court
13	Jinx Books / RCW Gifts of New England
14	Treasure Hunt Lane
15-16	Bek's
17	Sault's Drug Store
18	Mom's Corner Café
19	Hoovars
20	Mike & Laura's Lounge
21	The Market Liquor Store / Arri's Pizza & Pub
22	McIntyre's Florist
23	Something Old Something New
24	Red Cross Pharmacy
25	Yvonne Consignment
26-27	China Place
28	Family Dollar
29	Par Five Enterprises
30	Unique Designs Florist
31	UPS Store
32	Tifs Ugly Mug
33	Yours Mine & Ours
34	Subway
35	Fulton Auto

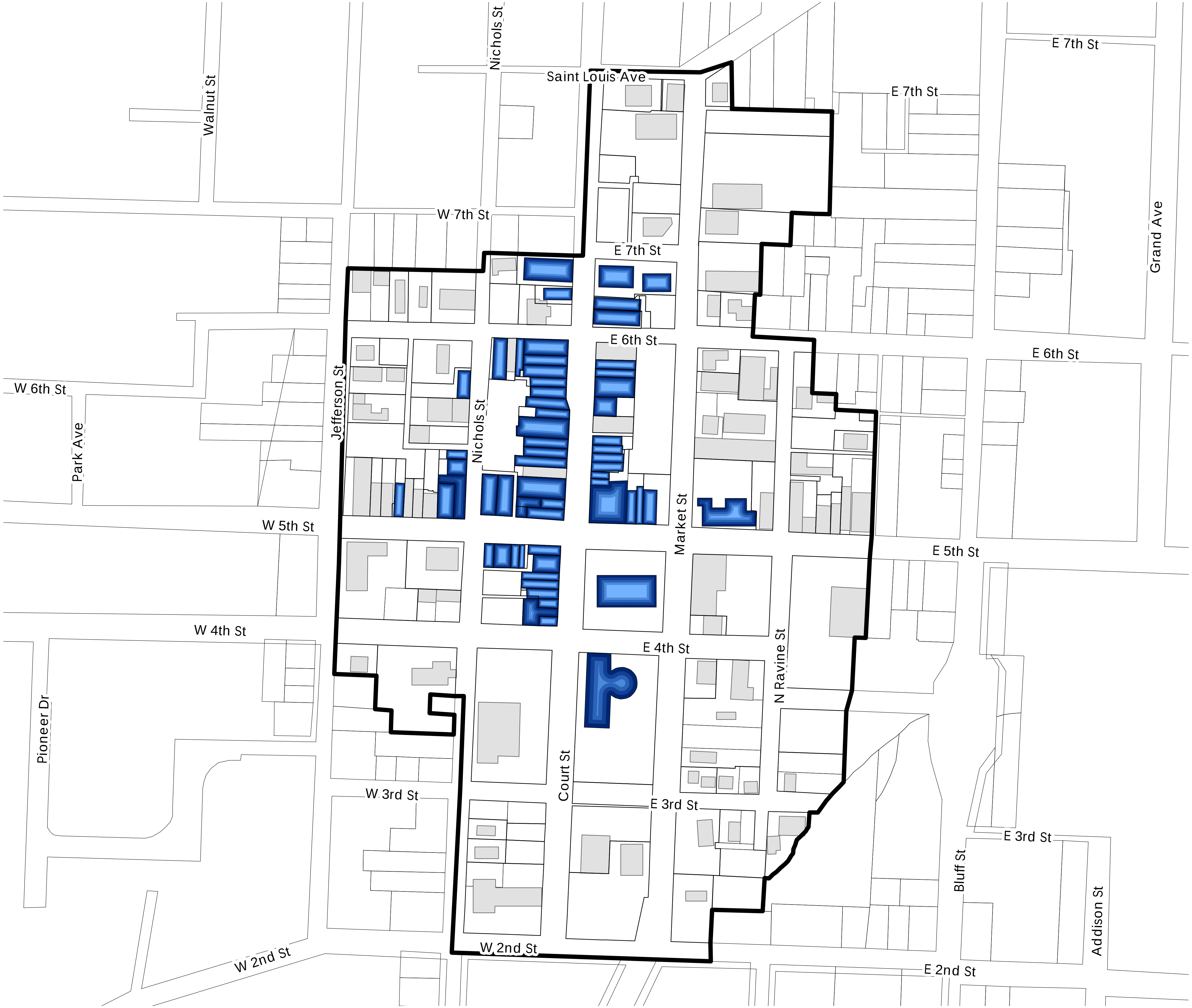
0 125 250 500
Feet

N

June 2013

Appendix C-2
Multi-Story Buildings

Retail Market Analysis
City of Fulton, Missouri



Legend

DREAM Boundary

Multi-Story Buildings

0 125 250 500
Feet

June 2013

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Appendix D
1st Floor Vacancies

Retail Market Analysis
City of Fulton, Missouri

ID	Address	Available Sq.Ft.
1	111 W. 5th Street	1,750
2	503 Nichols Street	1,550
3	607 Court Street	5,500
4	8 W. 6th Street	700
5	531 Court Street	2,200
6	527 Court Street	2,000
7	18 W. 5th Street	1,150
8	16 W. 5th Street	2,050
9	10 W. 5th Street	1,000
10	413 Court Street	2,300
11	610 Court Street	2,800
12	528 Court Street	4,000
13	526 Court Street	2,200
14	518 Court Street	1,400
15	518 Market Street	1,850
16	310 Market Street	1,100
17	212 Market Street	1,000
18	201 E. 5th Street	3,300
19	201 E. 5th Street	1,050

0 125 250 500
Feet
N

June 2013

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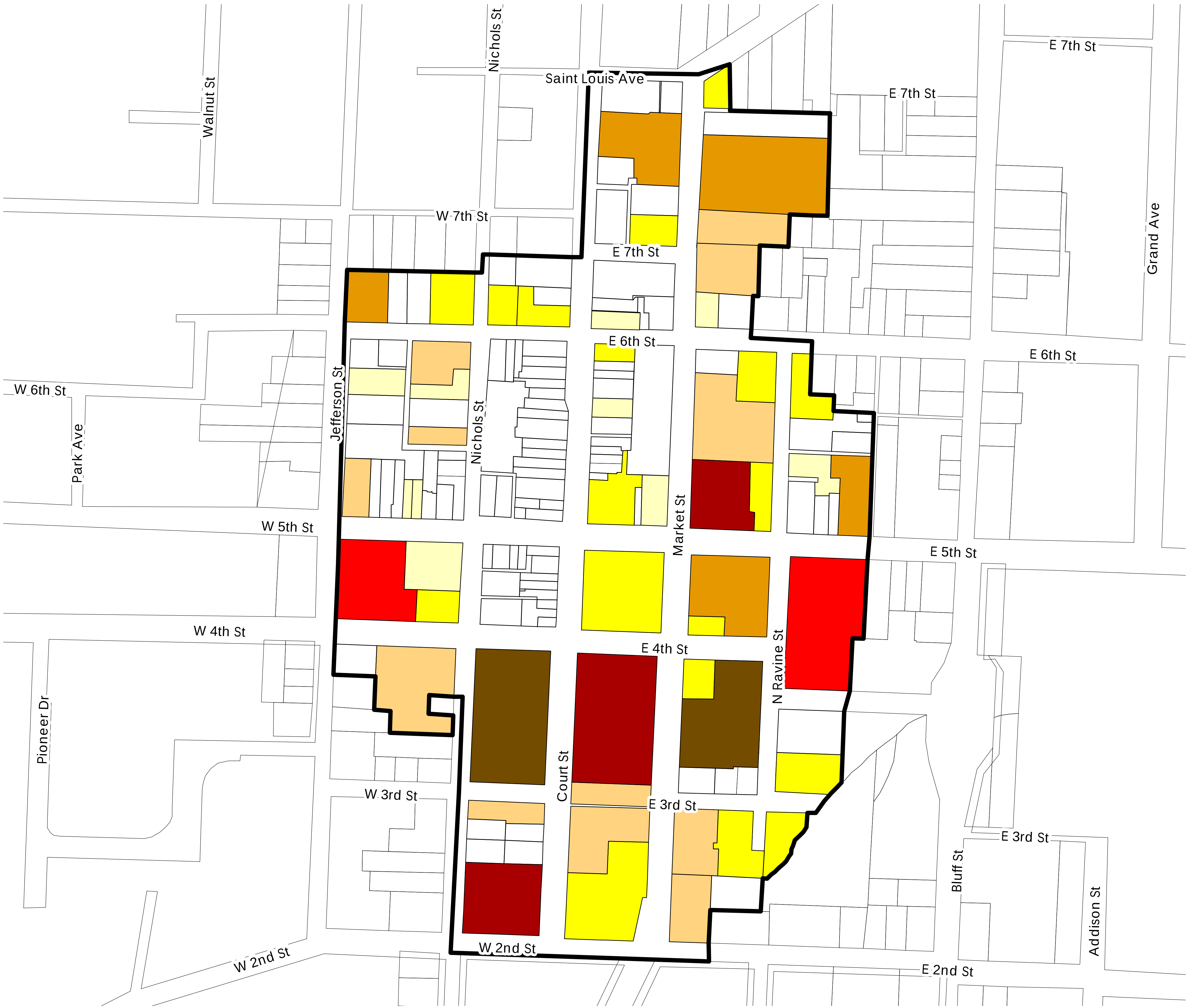
Appendix E
Off Street Parking

Retail Market Analysis
City of Fulton, Missouri



Legend

- DREAM Boundary
- 1-5 Spaces
- 6-10 Spaces
- 11-20 Spaces
- 21-30 Spaces
- 31-40 Spaces
- 41-50 Spaces
- 51-60 Spaces

0 125 250 500
Feet

N

June 2013

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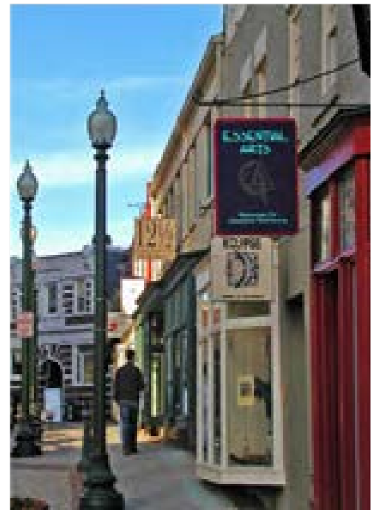
Existing Store Checklist

Exterior

Storefront:



- Check overall condition. Are repairs needed?

☐ **Yes**

☐ **No**

☐ **Renovation/ Remodel Preferred**

Description

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- Is new paint needed?

☐ **Yes**

☐ **No**

- Does the paint match the store brand and logo?

☐ **Yes**

☐ **No**

Description

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- Is the storefront generally clean?

☐ **Yes**

☐ **No**

Description

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

☐ **Yes**

☐ **No**

Description

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Existing Store Checklist

Storefront:

- Are there hazards in front of the storefront?

☐ Yes

☐ No

Description

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- Is the sidewalk clean and level?

☐ Yes

☐ No

Description

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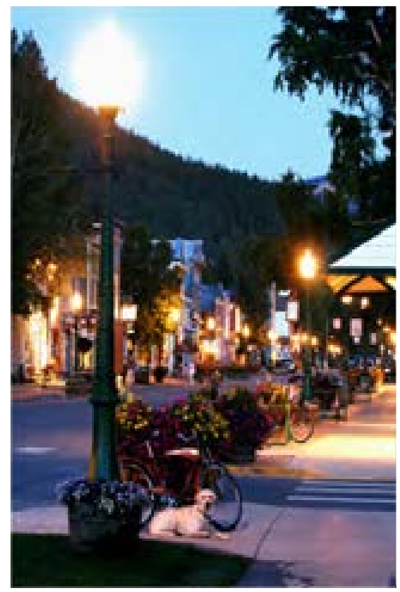

Exterior Signage:

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

☐ Yes

☐ No

Description

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

☐ Yes

☐ No

Description

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D·R·E·A·M

Existing Store Checklist

Exterior Signage:

- Do wall signs obstruct the architecture?

☐ **Yes**
☐ **No**

Description

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- Is the signage maintained in good condition?

☐ **Yes**
☐ **No**

Description

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- Does the signage complement the building and area?

☐ **Yes**
☐ **No**

Description

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- Are the exterior signs lighted (at night)?

☐ **Yes**
☐ **No**

Description

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D·R·E·A·M

Existing Store Checklist

Display Windows:

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

Description

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- 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

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

☐ **Yes**

☐ **No**

Description

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- Are the window displays lit at night?

☐ **Yes**

☐ **No**

D·R·E·A·M

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

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Ceiling:

- Is the finish in good condition (stained/missing tiles/peeling paint)?

☐ **Yes**
☐ **No**

Description

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- Are the HVAC vents clean?

☐ **Yes**
☐ **No**

D·R·E·A·M

Existing Store Checklist

Ceiling:

- Are there any distracting issues?

☐ Yes

☐ No

Description

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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

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- Are there adjustable lights to create focal points?

☐ Yes

☐ No

Description

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Existing Store Checklist

Interior Colors:

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

☐ **Yes**

☐ **No**

Description

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

☐ **Yes**

☐ **No**

Description

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- Are the paint colors consistent from fixture to fixture?

☐ **Yes**

☐ **No**

Description

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Circulation:

- Does the foot traffic flow smoothly?

☐ **Yes**

☐ **No**

Description

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D·R·E·A·M

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

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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

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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

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Merchandising:

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

  ☐ **Yes**

  ☐ **No**

D·R·E·A·M

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

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

  ☐ **Yes**

  ☐ **No**

  Description

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Cleanliness:

- Is the store clean and free of dust?

  ☐ **Yes**

  ☐ **No**

  Description

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- Are boxes cleared and out of sight?

  ☐ **Yes**

  ☐ **No**

- Are the views into off-limit areas blocked?

  ☐ **Yes**

  ☐ **No**

D·R·E·A·M

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**

D·R·E·A·M

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

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- Is the staff educated about the merchandise?

☐ **Yes**

☐ **No**

Description

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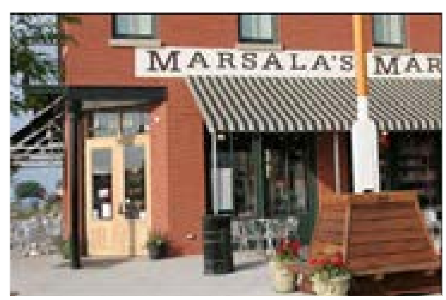

- Does the staff suggest other downtown shops to the customers?

☐ **Yes**

☐ **No**

Description

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Other Comments:

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