



Market Analysis and Transformation Strategy Development

Sponsored by the Fayetteville Downtown Alliance

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Introduction

For more than 35 years, the National Main Street Center has been helping communities revitalize their downtowns and commercial districts. Collectively, the movement is the leading voice for preservation-based economic development and community revitalization across the country. Made up of small towns, mid-sized communities, and urban commercial districts, **Main Street America™** represents the broad diversity that makes this country so unique. Working together, the programs that make up the Main Street America network help to breathe new life into the places people call home.



The Main Street movement grew out of a recognition that a community is only as strong as its core. In an era when many people had given up hope about the commercial and cultural viability of downtown, and when suburbs, shopping malls, and big box retailers were dominating the American landscape, this seemed like an unlikely proposition. But, the practical framework outlined by the Main Street Approach, as well as the passion of the professionals and volunteers who make up the Main Street network, helped to pave the way for the renaissance of healthy, vibrant downtowns that we're experiencing today.

The community development field has changed dramatically over the course of the past three and a half decades. In many ways, new trends in planning, development, and preservation build off principles that those in the Main Street network have long understood: that revitalization must be inclusive and representative of the community, that a place's distinctive characteristics and older and historic buildings are its greatest assets, and that fostering a strong local-business environment creates enormous rewards.

Main Street's Economic Impact

Historic Preservation = Economic Development

The cumulative success of the *Main Street Approach*® and Main Street programs on the local level has earned Main Street the reputation as one of the most powerful economic revitalization tools in the nation. The National Main Street Center conducts research to document this by annually collecting statistical information on the preservation, revitalization, and economic activities in local Main Street programs throughout the

country. These estimates are based on cumulative statistics gathered from 1980 to December 31, 2015, for all designated Main Street communities nationwide.

Cumulative Reinvestment Statistics

Dollars Reinvested: total reinvestment in physical improvements from public and private sources -

	\$65.6 billion
Number of buildings rehabilitations:	260,011
Net gain in jobs:	556,960
Net gain in businesses:	126,476
Reinvestment Ratio (i):	\$26.14: \$1

The Main Street Approach to Revitalization

The Main Street program helps communities rebuild and preserve economic vitality in their historic and older downtowns and neighborhood commercial centers. The Main Street Approach consists of three essential, tightly integrated tools:

1. **Community vision** that is informed by broad and inclusive community input *and* market understanding.
2. **Transformation Strategies** that incrementally create positive changes in the district's economy. These are implemented through simultaneous activity in four broad areas of work that, together, constitute the "**Four Points.**" In brief:
 - › **Design** encompasses improving all the physical and visual aspects of the district.
 - › **Organization** involves cultivating partnerships and resources for the district.
 - › **Promotion** is about marketing the district.
 - › **Economic Vitality** focuses on capital, incentives, and other economic and financial tools for business and property development.
3. **Impact measurement** includes monitoring quantitative and qualitative outcomes.

As part of a contract with the Fayetteville Downtown Alliance, the National Main Street Center conducted a survey of local leaders, key stakeholders, and area residents relative to opinions concerning attributes of downtown Fayetteville. In total more than 480 surveys were collected and analyzed as part of this work. Survey results were used as an "input" into the development of recommended transformation strategies for downtown Fayetteville. A full breakdown of the survey is provided as an attached appendix item. In addition, market data was collected through ESRI, a multi-national market data company. Data was collected at the .5 mile, 1 mile and 5 mile radius of downtown. Data focused on the following:

- Demographics
- Psychographics
- Sales Gap Analysis (Leakages/Surpluses)
- Consumer Spending Index
- Business Summary Data
- Market Potential Index

The analyzed results of the market data and community survey work, combined with a review of the existing business mix, knowledge of national economic trends, coupled with identification of key community assets, led to the development of five possible *Transformation Strategies* for downtown Fayetteville.

A *Transformation Strategy* is a statement that guides a district's revitalization initiative and is based on a solid understanding of the district's economy and its position in the regional market. For downtown Fayetteville, the following were recommended for consideration by the Task Force and Board of Directors:

- Arts+Entertainment District Strategy
- Health and Recreation District Strategy
- Culinary District Strategy
- Technology Based Entrepreneurship District Strategy
- District Residents and Workers

Through a facilitated discussion led by the NMSC, the group decided to prioritize in the following manner:

PRIMARY STRATEGY –

ARTS+ENTERTAINMENT+CULINARY DISTRICT STRATEGY

SECONDARY STRATEGIES –

TECHNOLOGY BASED ENTREPRENEURSHIP DISTRICT STRATEGY
HEALTH AND RECREATION DISTRICT STRATEGY

Thus for the purposes of the accompanying report, the majority of commentary and prioritization of recommended activities will focus on cultivating a robust Arts+Entertainment+Culinary District Strategy.

By way of data analysis as part of inputs into the development of Transformation Strategies both the survey work and all collected data area attached as accompanying appendices.

THE “ARTS + ENTERTAINMENT + CULINARY” DISTRICT STRATEGY

Creating an “Arts + Entertainment + Culinary” district has both a daytime and distinct nighttime oriented component. For many districts, this strategy can be complementary to one or more daytime-oriented strategies.

“Arts” encompasses a very broad range of creative industry businesses, including design, performing, broadcast, and even culinary arts – film, music, dance, sculpture, painting, photography, architecture, live theatre, catering, printing, furniture making, and much more. It also encompasses many other arts-related education, production, and distribution businesses and activities. In essence, it involves all *creative industries*.

“Food” or dining clusters establish the downtown as a food hub, distinct from national chain restaurants commonly found along suburban shopping centers and strips. They offer unique eating opportunities both from a food typology and often price point, from fine dining to food trucks. They often including farmer’s markets, catering, take-out and sit-down dining, night clubs, sports bars and food production, wholesaling and distribution.

“Entertainment” focuses on things people do for fun, usually as an evening activity. As a result, this cluster typically positions downtown as a regional district. While this strategy often attracts younger singles, well-positioned downtowns position activities that overlay several customer markets. “Entertainment” is sometimes confused with an “Arts District” strategy, and most certainly involves a “culinary” component and thus the three are aligned as a business cluster strategy. As such they usually include a blend of:

- › Restaurants
- › Farmer’s Markets
- › Sporting Events
- › Drinking Establishments (Sports, Micro Breweries, Distillery, Wine Tasting Rooms)
- › Music (from small jazz club to larger, more formal performance spaces)
- › Performing arts
- › Food production
- › Museums
- › Theater (Cinema or Live)

Customers for Arts + Entertainment + Culinary districts tend to represent a broad spectrum of ages, but tend to attract those individuals with higher forms of disposable incomes. (These districts should not be considered “club” districts, which this report does not recommend for downtown Fayetteville.) “Club” districts are quite distinct (eg South Beach Miami, the Flats in Cleveland, etc) and tend to be targeted toward young couples or singles, and primarily feature bars and nightclubs.

The Arts + Entertainment + Culinary district strategy tends to be more adventurous and includes people who are interested in food, whether fine dining or unusual cuisines. It can include urbanites, suburbanites, and rural or small-town residents whose common trait is to seek out an authentic, “urban-feeling” experience.

What is for certain is that customers are looking for something decidedly different from “anywhere” USA national chains.

BENEFITS

Key benefits to an Arts + Entertainment + Culinary strategy include:

- › Longer business days with economic activity after many other traditional business districts have turned off the lights;
- › Brings people to downtown for additional reasons aside from only retail and/or work
- › Parking demand at hours complementary to retail and office demand;
- › Strategy fits well with historic buildings and can make use of some larger spaces; and
- › Can function as a complement to a daytime-oriented strategy.
- › Can function well with additional residential markets, but communication between activities and downtown residents must be a priority.

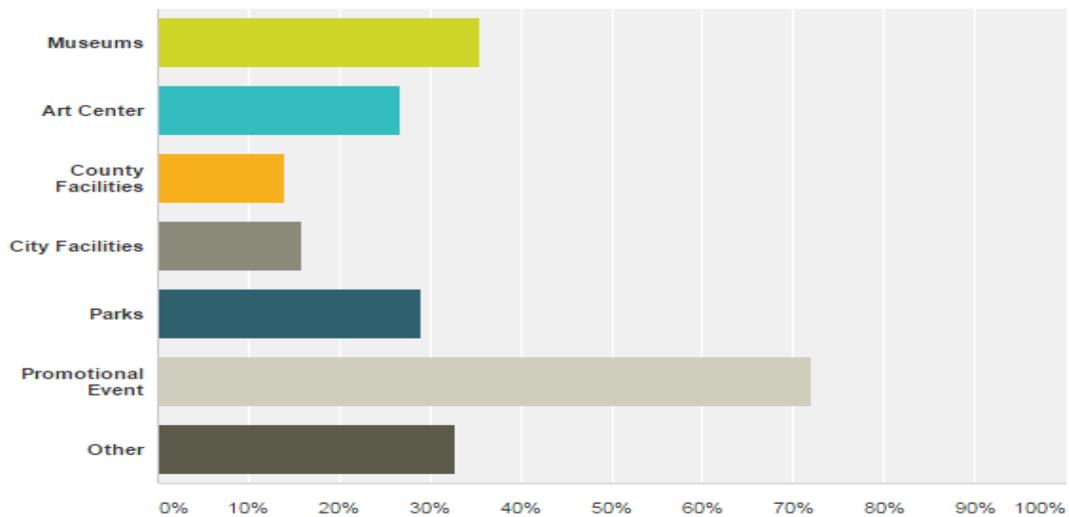


When asked what businesses in downtown Fayetteville they most commonly frequent, nearly every top response involved a culinary establishment:

Primary Responses

- Pierros
- Cameo
- Blue Moon
- Rude Awakening
- Huske
- Sareffe
- Circa
- Fried Turkey

The Airborne and Special Operations Museum along with promotional events also act as large draws and thus represent non-traditional “retail” draws to downtown as part of the Arts + Entertainment + Culinary District. This is further indicated by the survey responses to “When coming to downtown Fayetteville, what other activities bring you to downtown?”



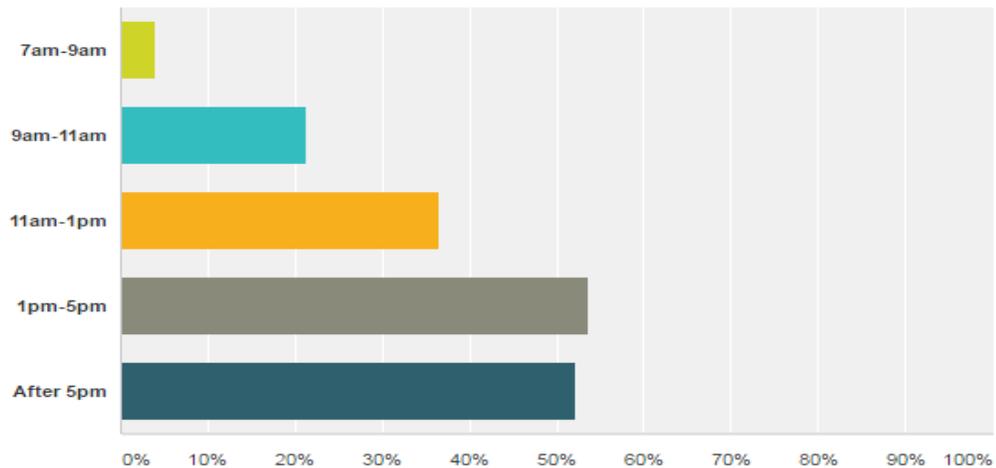
Answer Choices	Responses
▼ Museums	35.50% 229
▼ Art Center	26.82% 173
▼ County Facilities	13.95% 90
▼ City Facilities	15.81% 102
▼ Parks	28.99% 187
▼ Promotional Event	71.94% 464
▼ Other	32.87% 212
Total Respondents: 645	

It's also important to understand that an Arts + Entertainment + Culinary district transformation strategy requires later store hours and often reflects a more robust evening hours state of activity in downtown. This is not currently a strong suit for downtown Fayetteville, and thus a number of recommendations relative to this strategy will reflect a need to move beyond a standard day time set of retail hours. This is also important due to the changing nature of consumer shopping habits. According to a data compiled by the Simmons Market Research Bureau, the highest percent of retail shopping is done between the hours of 2 pm and 4pm on any given Saturday or Sunday, when you can find 11.6 percent of Americans out shopping. The second highest amount of traffic occurs during the weekend lunch rush from noon to 2 pm. More shoppers are likely to stay out late shopping on week-nights, though, with 2.3 percent making purchases between 8 p.m. and 10 p.m. Monday through Thursday.

This is consistent with local survey results, which showed that more than 50% shop after 5 pm, with little shopping occurring before noon:

What time of day do you most often do you shopping? (Select all that apply)

Answered: 645 Skipped: 0

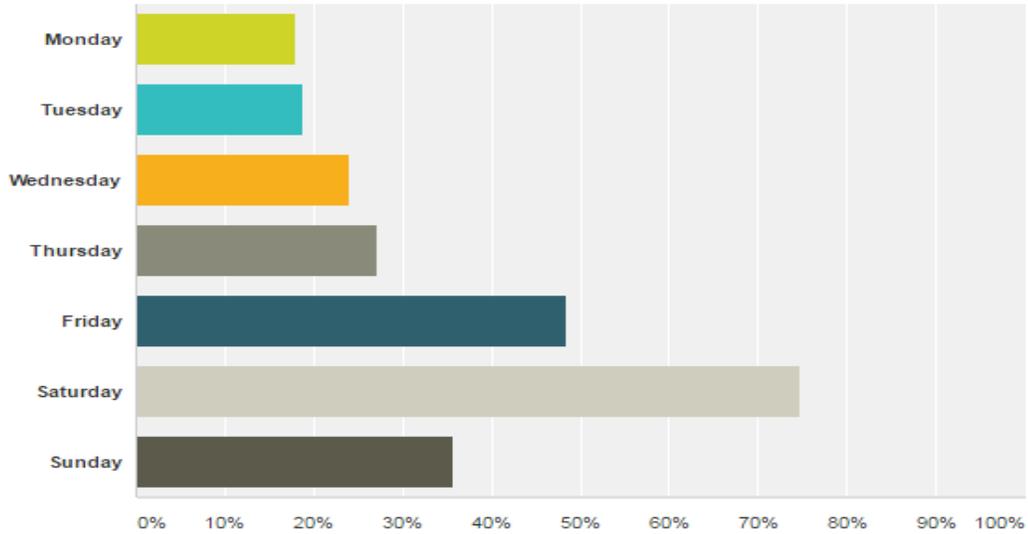


Answer Choices	Responses
7am-9am	3.88% 25
9am-11am	21.24% 137
11am-1pm	36.43% 235
1pm-5pm	53.64% 346
After 5pm	52.09% 336
Total Respondents: 645	

Furthermore, it is consistent with what survey respondents indicated were the most prevalent shopping days of the week with Thursday through Sunday showing the highest shopping responses:

What day of the week do you most often do your shopping (Select all that apply)

Answered: 645 Skipped: 0



Answer Choices	Responses
Monday	17.98% 116
Tuesday	18.76% 121
Wednesday	24.03% 155
Thursday	27.13% 175
Friday	48.53% 313
Saturday	74.73% 482
Sunday	35.66% 230
Total Respondents: 645	

Important to community engagement was discovering what types of businesses consumers would be most interested in frequenting and seeing in downtown Fayetteville. The responses align and complement the Arts + Entertainment + Culinary transformation strategy.

- Grocery
- Restaurants/Bars/Entertainment
- Art Gallery
- “Boutiques”
- Apparel
- Local

Current downtown Fayetteville assets and activities that support and serve as critical anchor points for the Arts + Entertainment + Culinary district transformation strategy include the following:



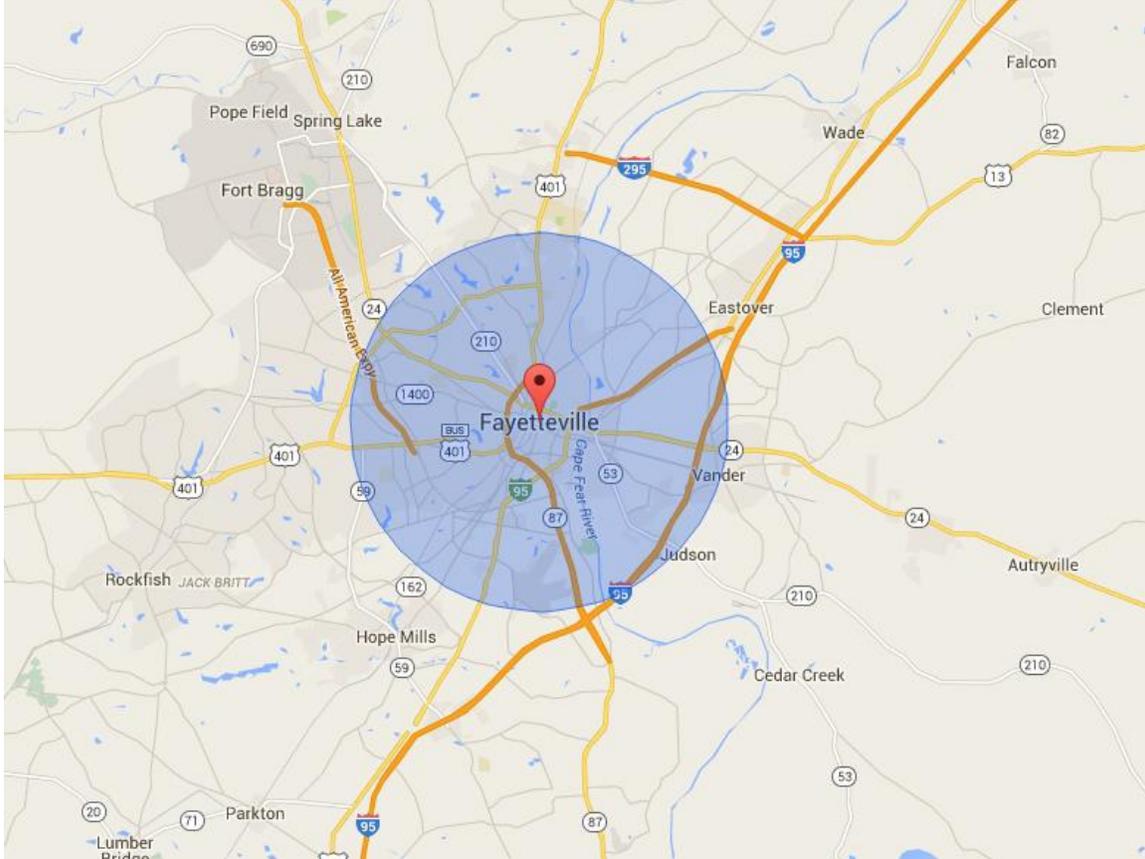
- Airborne and Special Operations Museum
- Farmer's Market
- Baseball Stadium (Proposed Downtown Location)
- Promotional Events at Festival Park
- Arts Council and Gallery Space
- Collection of Restaurants and Cafes
- Culinary Incubator (Proposed)
- Cameo Art House Theater

MARKET DATA

There are a number of indicators that point to leakage and spending gaps with the Arts + Entertainment + Culinary marketplace within the downtown Fayetteville trade area. These indicators suggest opportunities through increases in supporting retail, activities, and design infrastructure that spending as a portion of income can increase, and more overall category spending can be recaptured and even enhanced through trade area increases.

Due to the nascent retail in downtown Fayetteville, a 5 mile radius target was used to delineate trade area. **It is noted that Fort Bragg falls outside of that radius. As such a**

special calculation was added in to reflect potential impact of Fort Bragg spending on key targeted retail, such as restaurants. Given the nature of military spending primarily being internally driven on base, only a conservative 5% recapture rate was used relative to potential spend.



In looking at Household Budget Expenditures, the area of Entertainment and Recreation has more than \$95 million in annual expenditures. This represents a large market opportunity for downtown Fayetteville. In addition, with a Spending Index of only 73 (on a scale of 100, with 100 representing the national average) there is a defined gap in what Fayetteville consumers spend within this category versus the U.S. average, suggesting an opportunity to increase spending in this area if there are options and opportunities for more spending in this category. This is consistent with the findings in Food Away from Home (Restaurants), which when combined with Entertainment and Recreation, make up 9.2% of consumer spending within the district trade area.

Household Budget Expenditures (Consumer Spending)	Spending Potential Index	Average Amount Spent	Total	Percent
Total Expenditures	74	\$53,254.97	\$2,089,139,199	100.0%
Food	75	\$6,397.05	\$250,949,695	12.0%
Food at Home	76	\$3,966.50	\$155,601,942	7.4%
Food Away from Home	74	\$2,430.54	\$95,347,753	4.6%
Alcoholic Beverages	73	\$408.39	\$16,020,672	0.8%
Housing	75	\$16,039.84	\$629,226,737	30.1%
Shelter	74	\$12,135.28	\$476,054,936	22.8%
Utilities, Fuel and Public Services	77	\$3,904.56	\$153,171,801	7.3%
Household Operations	72	\$1,321.62	\$51,845,667	2.5%
Housekeeping Supplies	75	\$542.36	\$21,276,141	1.0%
Household Furnishings and Equipment	74	\$1,365.78	\$53,578,189	2.6%
Apparel and Services	75	\$1,727.84	\$67,781,582	3.2%
Transportation	76	\$7,999.01	\$313,793,041	15.0%
Travel	70	\$1,364.25	\$53,518,112	2.6%
Health Care	75	\$3,544.03	\$139,028,614	6.7%
Entertainment and Recreation	73	\$2,430.59	\$95,349,424	4.6%
Personal Care Products & Services	74	\$577.27	\$22,645,767	1.1%
Education	71	\$1,076.10	\$42,214,273	2.0%
Smoking Products	85	\$394.95	\$15,493,370	0.7%
Miscellaneous (1)	75	\$876.71	\$34,392,321	1.6%
Support Payments/Cash Contribution/Gifts in Kind	73	\$1,824.32	\$71,566,195	3.4%
Life/Other Insurance	72	\$332.30	\$13,035,832	0.6%
Pensions and Social Security	71	\$5,032.59	\$197,423,565	9.4%

Product/Consumer Behavior	Expected Number of Adults/HHs	Percent of Adults/HHs	MPI
Entertainment (Adults)			
Attended a movie in last 6 months	41,170	58.6%	97
Went to live theater in last 12 months	7,789	11.1%	88
Went to a bar/night club in last 12 months	11,606	16.5%	97
Dined out in last 12 months	29,753	42.3%	94
Gambled at a casino in last 12 months	9,475	13.5%	92
Visited a theme park in last 12 months	11,348	16.2%	90
Viewed movie (video-on-demand) in last 30 days	11,060	15.7%	101
Viewed TV show (video-on-demand) in last 30 days	8,302	11.8%	96
Watched any pay-per-view TV in last 12 months	8,627	12.3%	94
Downloaded a movie over the Internet in last 30 days	4,743	6.8%	102
Downloaded any individual song in last 6 months	13,081	18.6%	91
Watched a movie online in the last 30 days	8,524	12.1%	89
Watched a TV program online in last 30 days	8,643	12.3%	92
Played a video/electronic game (console) in last 12 months	8,008	11.4%	100
Played a video/electronic game (portable) in last 12 months	3,175	4.5%	101

Product/Consumer Behavior	Expected Number of Adults	Percent	MPI
Went to family restaurant/steak house in last 6 mo	53,194	75.7%	100

Went to family restaurant/steak house 4+ times/mo	20,966	29.8%	104
Spent at family rest/steak hse last 6 months: <\$31	6,308	9.0%	125
Spent at family rest/steak hse last 6 months: \$31-50	6,097	8.7%	102
Spent at family rest/steak hse last 6 months: \$51-100	10,573	15.0%	100
Spent at family rest/steak hse last 6 months: \$101-200	7,625	10.9%	89
Spent at family rest/steak hse last 6 months: \$201-300	4,367	6.2%	105
Spent at family rest/steak hse last 6 months: \$301+	4,299	6.1%	83
Family restaurant/steak house last 6 months: breakfast	8,966	12.8%	102
Family restaurant/steak house last 6 months: lunch	13,358	19.0%	98
Family restaurant/steak house last 6 months: dinner	33,104	47.1%	99
Family restaurant/steak house last 6 months: snack	1,189	1.7%	96
Family restaurant/steak house last 6 months: weekday	22,316	31.8%	100
Family restaurant/steak house last 6 months: weekend	29,384	41.8%	99
Fam rest/steak hse/6 months: Applebee`s	18,460	26.3%	106
Fam rest/steak hse/6 months: Bob Evans Farms	3,341	4.8%	128
Fam rest/steak hse/6 months: Buffalo Wild Wings	5,656	8.1%	105
Fam rest/steak hse/6 months: California Pizza Kitchen	1,545	2.2%	68
Fam rest/steak hse/6 months: Carrabba`s Italian Grill	1,882	2.7%	87
Fam rest/steak hse/6 months: The Cheesecake Factory	3,480	5.0%	73
Fam rest/steak hse/6 months: Chili`s Grill & Bar	7,891	11.2%	92
Fam rest/steak hse/6 months: CiCi`s Pizza	3,956	5.6%	127
Fam rest/steak hse/6 months: Cracker Barrel	7,464	10.6%	109
Fam rest/steak hse/6 months: Denny`s	6,764	9.6%	101
Fam rest/steak hse/6 months: Golden Corral	7,314	10.4%	121
Fam rest/steak hse/6 months: IHOP	8,192	11.7%	100
Fam rest/steak hse/6 months: Logan`s Roadhouse	3,163	4.5%	126
Fam rest/steak hse/6 months: LongHorn Steakhouse	2,983	4.2%	99
Fam rest/steak hse/6 months: Old Country Buffet	1,546	2.2%	105
Fam rest/steak hse/6 months: Olive Garden	12,077	17.2%	98
Fam rest/steak hse/6 months: Outback Steakhouse	6,496	9.2%	93
Fam rest/steak hse/6 months: Red Lobster	9,795	13.9%	110
Fam rest/steak hse/6 months: Red Robin	3,635	5.2%	87
Fam rest/steak hse/6 months: Ruby Tuesday	4,977	7.1%	103
Fam rest/steak hse/6 months: Texas Roadhouse	5,522	7.9%	106
Fam rest/steak hse/6 months: T.G.I. Friday`s	5,390	7.7%	96
Fam rest/steak hse/6 months: Waffle House	5,017	7.1%	131
Went to fast food/drive-in restaurant in last 6 mo	64,017	91.1%	101
Went to fast food/drive-in restaurant 9+ times/mo	29,935	42.6%	105
Spent at fast food/drive-in last 6 months: <\$11	3,169	4.5%	103
Spent at fast food/drive-in last 6 months: \$11-\$20	5,935	8.4%	110
Spent at fast food/drive-in last 6 months: \$21-\$40	9,244	13.2%	109
Spent at fast food/drive-in last 6 months: \$41-\$50	5,673	8.1%	107
Spent at fast food/drive-in last 6 months: \$51-\$100	11,374	16.2%	98
Spent at fast food/drive-in last 6 months: \$101-\$200	8,061	11.5%	96
Spent at fast food/drive-in last 6 months: \$201+	7,843	11.2%	92

Went to fine dining restaurant last month	7,096	10.1%	87
Went to fine dining restaurant 3+ times last month	1,889	2.7%	83
Spent at fine dining rest in last 6 months: <\$51	1,730	2.5%	124
Spent at fine dining rest in last 6 months: \$51-\$100	2,515	3.6%	96

Spent at fine dining rest in last 6 months: \$101-\$200	2,182	3.1%	86
Spent at fine dining rest in last 6 months: \$201+	2,113	3.0%	72

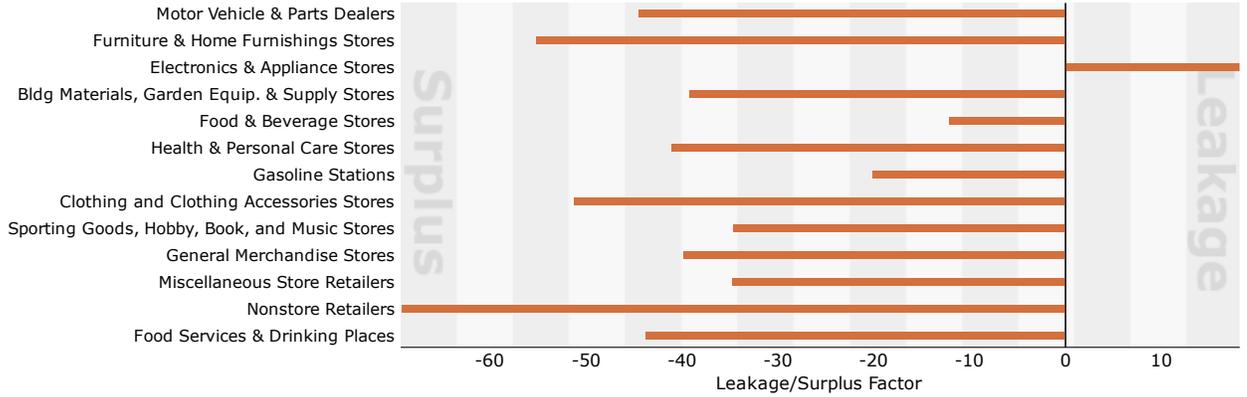
Data for all businesses in area	0.5 miles	1 mile	5 miles
Total Businesses:	691	1,199	6,622
Total Employees:	8,632	15,224	82,697
Total Residential Population:	1,066	3,570	91,109
Employee/Residential Population Ratio:	8.1:1	4.26:1	0.91:1
Total Sales	\$1,053,012	\$2,283,113	\$13,984,234

by NAICS Codes	Busin	Sales	Emp	Busin	Sales	Emp	Busin	Sales	Emp
* Busin = Businesses, Sales = Sales, Emp = Employees									
Agriculture, Forestry, Fishing & Hunting	0	\$0	0	0	\$365	2	2	\$1,459	23
Mining	1	\$4,116	4	1	\$4,307	4	3	\$11,200	10
Utilities	1	\$14,607	14	2	\$21,339	117	11	\$185,634	684
Construction	31	\$63,549	240	67	\$143,573	596	469	\$923,574	3,321
Manufacturing	12	\$21,491	77	31	\$252,015	495	138	#####	3,883
Wholesale Trade	25	\$322,868	209	55	\$747,302	507	214	#####	1,753
Retail Trade	71	\$96,677	425	142	\$252,108	991	998	#####	10,708
Motor Vehicle & Parts Dealers	8	\$7,080	33	22	\$32,447	122	130	\$863,499	1,709
Furniture & Home Furnishings Stores	2	\$2,159	10	5	\$8,756	37	55	\$145,514	601
Electronics & Appliance Stores	3	\$5,434	23	4	\$6,653	28	38	\$44,169	201
Bldg Material & Garden Equipment & Supplies Dealers	5	\$31,288	106	13	\$79,802	262	61	\$299,331	1,027
Food & Beverage Stores	5	\$4,462	21	15	\$40,843	170	124	\$344,525	1,433
Health & Personal Care Stores	5	\$13,642	52	8	\$23,080	73	105	\$226,118	761
Gasoline Stations	5	\$4,229	7	9	\$15,329	25	41	\$122,848	196
Clothing & Clothing Accessories Stores	11	\$7,813	54	19	\$12,473	85	162	\$177,851	1,193
Sport Goods, Hobby, Book, & Music Stores	3	\$1,952	11	7	\$4,008	25	57	\$61,922	417
General Merchandise Stores	1	\$978	6	5	\$5,930	32	45	\$434,098	2,071
Miscellaneous Store Retailers	22	\$12,898	97	28	\$15,614	117	159	\$120,206	748
Nonstore Retailers	3	\$4,741	7	5	\$7,173	15	22	\$162,867	350
Transportation & Warehousing	9	\$7,371	81	32	\$45,035	453	164	\$195,805	1,928
Information	22	\$160,714	622	37	\$226,833	1,095	136	\$476,077	2,248
Finance & Insurance	68	\$126,618	366	99	\$158,958	456	476	\$918,355	1,933
Central Bank/Credit Intermediation & Related Activities	33	\$14,563	166	51	\$22,506	196	252	\$415,467	919
Securities, Commodity Contracts & Other Financial Investments & Other Related Activities	3	\$24,024	32	7	\$36,255	48	58	\$225,419	306
Insurance Carriers & Related Activities; Funds, Trusts & Other Financial Vehicles	32	\$88,031	168	42	\$100,196	213	166	\$277,468	708
Real Estate, Rental & Leasing	32	\$45,626	192	55	\$65,849	396	436	\$521,441	2,504
Professional, Scientific & Tech Services	94	\$83,154	568	121	\$125,991	787	445	\$402,834	2,742
Legal Services	54	\$25,318	283	61	\$28,251	313	139	\$72,690	858
Management of Companies & Enterprises	1	\$2,142	4	1	\$2,241	4	2	\$3,910	7
Administrative & Support & Waste Management & Remediation Services	17	\$25,371	223	28	\$34,792	328	231	\$182,837	1,678
Educational Services	8	\$51	43	13	\$303	140	144	\$7,423	6,076
Health Care & Social Assistance	49	\$35,784	438	92	\$99,362	1,120	728	#####	20,537
Arts, Entertainment & Recreation	17	\$2,632	376	26	\$5,268	450	127	\$70,736	1,382
Accommodation & Food Services	23	\$9,080	186	54	\$33,682	685	431	\$421,319	7,842
Accommodation	2	\$678	8	7	\$2,803	35	59	\$83,201	985
Food Services & Drinking Places	21	\$8,402	179	47	\$30,878	651	372	\$338,118	6,856
Other Services (except Public Administration)	79	\$10,543	282	168	\$39,018	1,136	1,037	\$230,425	5,834
Automotive Repair & Maintenance	12	\$3,849	34	31	\$11,509	103	189	\$82,605	775
Public Administration	109	\$0	4,226	131	\$0	5,309	239	\$0	7,018
Unclassified Establishments	24	\$20,619	55	43	\$24,774	153	192	\$50,817	585

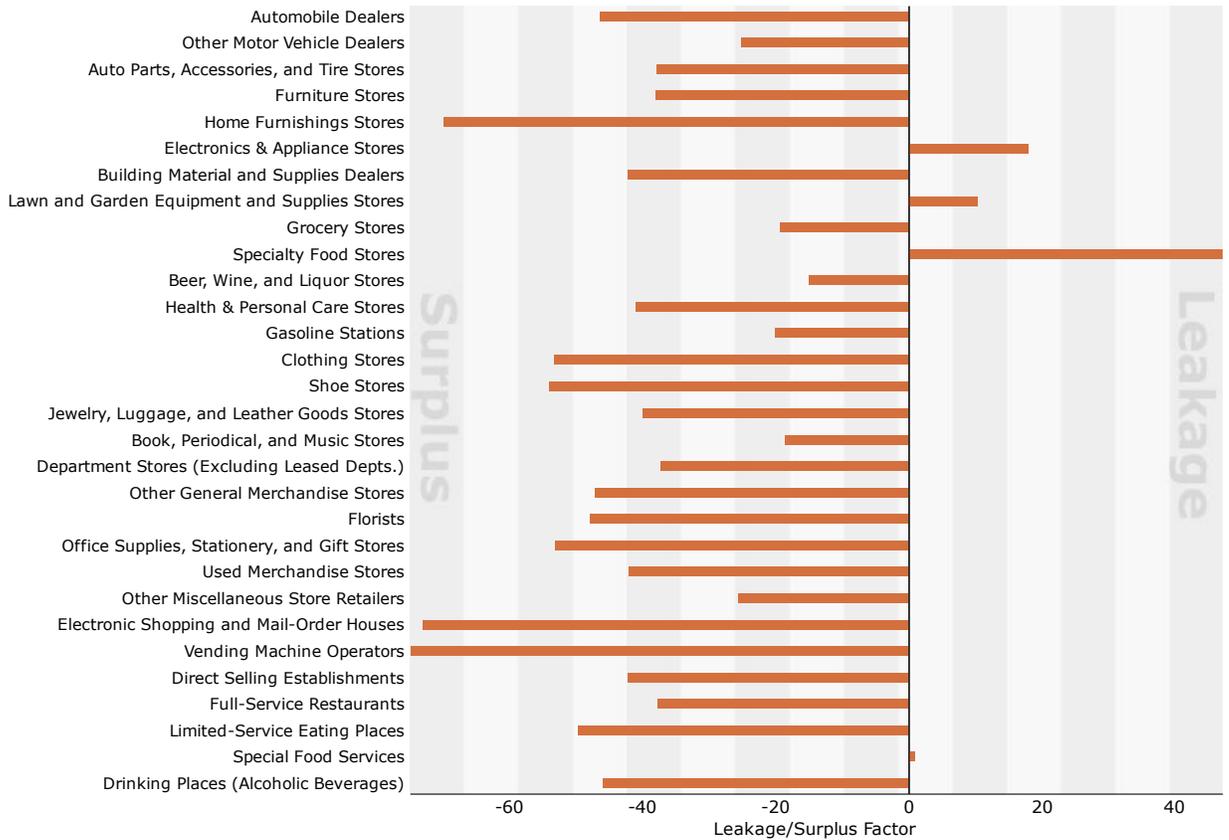
Industry Summary	NAICS	Demand	Supply	Retail Gap	Leakage/Surplus	Number of
		(Retail Potential)	(Retail Sales)		Factor	Businesses
Total Retail Trade and Food & Drink	44-45,722	\$1,182,612,630	\$2,596,248,271	-	-	1,308
Total Retail Trade	44-45	\$1,069,063,155	\$2,305,847,777	\$1,413,635,641	37.4	940
Total Food & Drink	722	\$113,549,476	\$290,400,494	\$1,236,784,622	36.6	369
				-\$176,851,018	-	
					43.8	
Industry Group	NAICS	Demand	Supply	Retail Gap	Leakage/Surplus	Number of
		(Retail Potential)	(Retail Sales)		Factor	Businesses
Motor Vehicle & Parts Dealers	441	\$240,667,922	\$626,915,154	-\$386,247,232	-44.5	124
Automobile Dealers	4411	\$199,742,367	\$548,227,857	-\$348,485,490	-46.6	58
Other Motor Vehicle Dealers	4412	\$22,433,690	\$37,544,376	-\$15,110,686	-25.2	12
Auto Parts, Accessories & Tire Stores	4413	\$18,491,865	\$41,142,922	-\$22,651,057	-38.0	55
Furniture & Home Furnishings Stores	442	\$33,005,369	\$114,541,615	-\$81,536,246	-55.3	55
Furniture Stores	4421	\$20,995,325	\$46,842,171	-\$25,846,846	-38.1	24
Home Furnishings Stores	4422	\$12,010,044	\$67,699,444	-\$55,689,400	-69.9	31
Electronics & Appliance Stores	443	\$48,791,341	\$33,765,471	\$15,025,870	18.2	32
Bldg Materials, Garden Equip. & Supply Stores	444	\$48,821,690	\$111,618,005	-\$62,796,315	-39.1	57
Bldg Material & Supplies Dealers	4441	\$43,711,237	\$107,481,153	-\$63,769,916	-42.2	51
Lawn & Garden Equip & Supply Stores	4442	\$5,110,453	\$4,136,853	\$973,600	10.5	6
Food & Beverage Stores	445	\$222,965,169	\$284,375,796	-\$61,410,627	-12.1	98
Grocery Stores	4451	\$176,708,204	\$261,370,129	-\$84,661,925	-19.3	73
Specialty Food Stores	4452	\$39,803,615	\$14,257,064	\$25,546,551	47.3	21
Beer, Wine & Liquor Stores	4453	\$6,453,350	\$8,748,603	-\$2,295,253	-15.1	4
Health & Personal Care Stores	446,4461	\$62,393,250	\$149,462,372	-\$87,069,122	-41.1	88
Gasoline Stations	447,4471	\$75,634,377	\$113,737,705	-\$38,103,328	-20.1	51
Clothing & Clothing Accessories Stores	448	\$50,965,994	\$158,182,800	-\$107,216,806	-51.3	158
Clothing Stores	4481	\$34,264,764	\$112,604,538	-\$78,339,774	-53.3	109
Shoe Stores	4482	\$6,361,477	\$21,423,996	-\$15,062,519	-54.2	23
Jewelry, Luggage & Leather Goods Stores	4483	\$10,339,753	\$24,154,266	-\$13,814,513	-40.0	27
Sporting Goods, Hobby, Book & Music Stores	451	\$27,087,824	\$55,786,230	-\$28,698,406	-34.6	60
Sporting Goods/Hobby/Musical Instr Stores	4511	\$20,337,989	\$45,959,891	-\$25,621,902	-38.6	46
Book, Periodical & Music Stores	4512	\$6,749,835	\$9,826,339	-\$3,076,504	-18.6	13
General Merchandise Stores	452	\$197,075,539	\$457,914,567	-\$260,839,028	-39.8	45
Department Stores Excluding Leased Depts.	4521	\$152,757,344	\$334,618,357	-\$181,861,013	-37.3	20
Other General Merchandise Stores	4529	\$44,318,195	\$123,296,210	-\$78,978,015	-47.1	25
Miscellaneous Store Retailers	453	\$40,819,053	\$84,315,078	-\$43,496,025	-34.8	153
Florists	4531	\$1,362,226	\$3,872,661	-\$2,510,435	-48.0	20
Office Supplies, Stationery & Gift Stores	4532	\$6,566,173	\$21,496,655	-\$14,930,482	-53.2	36
Used Merchandise Stores	4533	\$4,360,218	\$10,708,322	-\$6,348,104	-42.1	41
Other Miscellaneous Store Retailers	4539	\$28,530,436	\$48,237,440	-\$19,707,004	-25.7	56
Nonstore Retailers	454	\$20,835,627	\$115,232,983	-\$94,397,356	-69.4	19
Electronic Shopping & Mail-Order Houses	4541	\$15,023,951	\$96,697,548	-\$81,673,597	-73.1	8
Vending Machine Operators	4542	\$928,967	\$6,502,156	-\$5,573,189	-75.0	4
Direct Selling Establishments	4543	\$4,882,709	\$12,033,279	-\$7,150,570	-42.3	7
Food Services & Drinking Places	722	\$113,549,476	\$290,400,494	-\$176,851,018	-43.8	369
Full-Service Restaurants	7221	\$56,985,333	\$126,217,054	-\$69,231,721	-37.8	198

Limited-Service Eating Places	7222	\$49,632,331	\$147,621,332	-\$97,989,001	-49.7	128
Special Food Services	7223	\$1,280,077	\$1,252,945	\$27,132	1.1	9
Drinking Places - Alcoholic Beverages	7224	\$5,651,735	\$15,309,162	-\$9,657,427	-46.1	33

Leakage/Surplus Factor by Industry Subsector



Leakage/Surplus Factor by Industry Group



TAKING THE NEXT STEP

Over the next year or two, after your Transformation Strategy has begun taking root, you should plan to conduct additional research that can help you refine the strategy and adapt it more precisely to your district's particular circumstances. You may tackle some aspects of the market research on your own, or you may choose to engage professional assistance. Whichever route you choose, this additional research should help you answer questions like these:

- What are the boundaries of the primary trade area for this strategy? Are there other geographic areas that you should try to reach?
- Of the businesses that exist in your district that support the Arts + Entertainment + Culinary District strategy, how many square feet do they comprise, in total? What are their estimated total annual sales, including all selling channels?
- How much do households in the trade area spend on purchases related to entertainment and arts, including dining out and ticketed events?
- What is the estimated regional sales void (or surplus)? If additional sales were captured, how many additional square feet of retail space (if any) could those sales support?
- What is the profile of the target customer? What are the profiles of secondary customers? How large is each customer segment, and approximately how much of each segment's spending do you think you can realistically capture in the future?
- What are the nascent trends in this sector? What are the waning trends?

RECOMMENDATIONS

There are many different activities that your organization and its partners might do to successfully implement this strategy. The activities you choose should address problems and opportunities that are specific to your district. Start with activities that are relatively easy, then gradually tackle more challenging ones. Be sure to include activities in all Four Points of the Main Street Approach; this is essential!

Depending how you have chosen to organize your Main Street initiative and the resources in your community, projects and activities may be carried out by a single committee, by staff specialists, by a consortium of partner organizations, or by some combination of these.



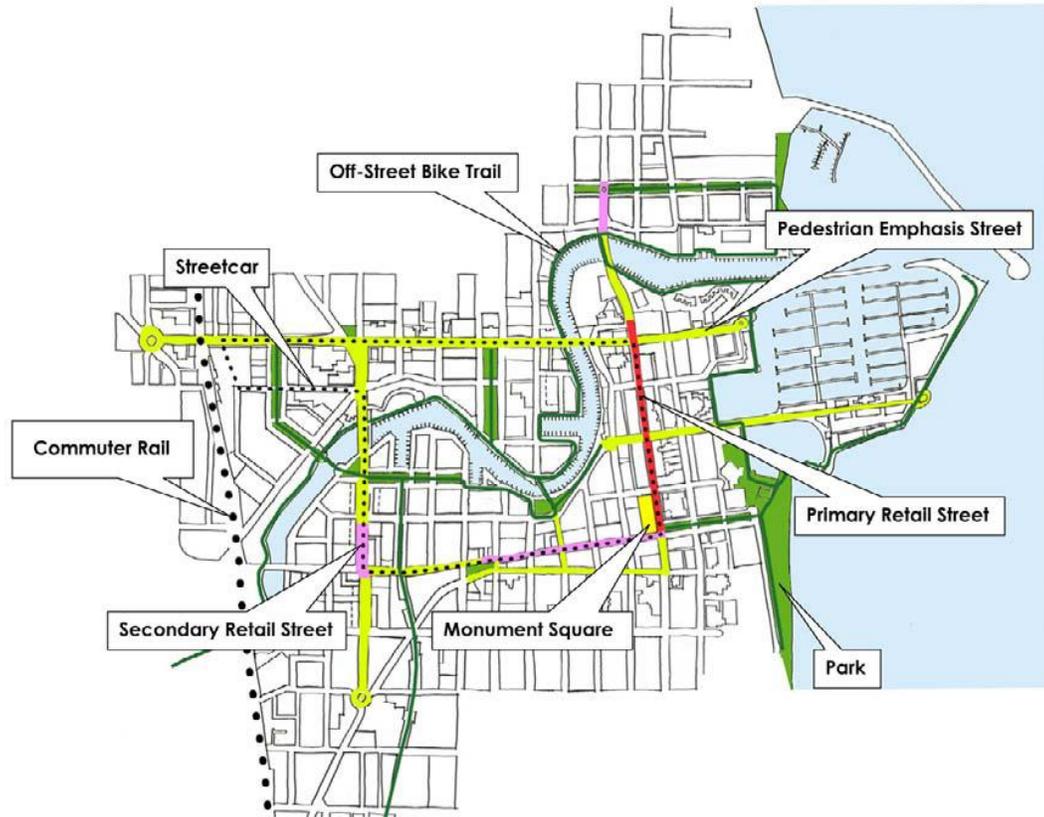
(Downtown Los Angeles Arts District)

Design Enhancements:

1. Observation: Downtown has a number of Arts+Entertainment+Culinary assets. However, many are not connected visually and/or through physical design infrastructure. Eg. The Airborne and Special Operations Museum is a large traffic generator for downtown. However, based on its location, building positioning and gaps between it and retail on Hay Street, there is a disconnected. This results in the Museum serving as a destination only anchor, with little spin off benefits due to connectivity issues. This is a similarly issue with Festival Park, which attracts 10,000s of attendees, but void of connectivity only serves as a sole destination, not leveraged in support of downtown retail, restaurants, and or other activities. Other Arts+Entertainment+Culinary examples include the Farmer's Market and future CEED Kitchen Incubator.

Recommendation:

An urban design plan would evaluate key downtown assets and anchors, and provide recommendations for infill, pathway and other transportation infrastructure that would create a more walkable and interconnected downtown.



2. Observation: While highly attractive the current downtown streetscape reflects fairly undistinguishable infrastructure relative to street furniture, lights, etc.

Recommendation:

Leveraging a new district brand, reformat the downtown public infrastructure and streetscape elements to reflect the Arts + Entertainment + Culinary district brand. This could consist of artist made bike racks, branded street banners, etc.



(Eg. Bike rack that reflects the unique heritage of downtown Nashville)

3. Observation: Many stakeholders and downtown consumers identified issues with locating parking, finding key assets. Etc.

Recommendation:

Develop a comprehensive way-finding and gateway signage program that builds further connectivity between key anchor points, parking, as well as further builds on the Arts + Entertainment + Culinary brand.



4. Observation: The city is currently considering an option of going to a paid meter system. What is unclear is the nature of the issue of getting parking turn-over and/or parking demand.

Recommendation:

Given the growth of residential, large number of downtown employees, and an anticipated transition in the retail direction with an Arts+Entertainment+Culinary district, the City and Alliance should partner on a more robust Parking Management Study. For example, a shopping environment that features retail/restaurant/entertainment type venues requires longer-term parking more so than a convenience style downtown. In addition, a proper parking management plan needs to ensure that there is convenient and cheaper off street parking locations for employees and downtown residents.

Economic Vitality Enhancements

Observation 1: This City is interested in attracting and constructing a stadium for a minor league baseball team. Depending upon location, this facility could have a large

multiplier impact on downtown residential and further retail attraction that supports a new Arts + Entertainment + Culinary District.

Recommendation:

The vacant infill site near the Prince Charles Hotel redevelopment provides for a strong location for a future baseball stadium. In addition to the proximity to downtown providing a walkable connection for other forms of entertainment and eating/drinking establishments, there is the opportunity to connect the Airborne and Special Operations Museum to downtown by filling a large gap between it and downtown. We would encourage the Alliance to research and interview groups in Charleston WV and Lansing MI that have created minor league ballparks in their respective downtowns that have served a strong catalyst for other developments including large residential developments.

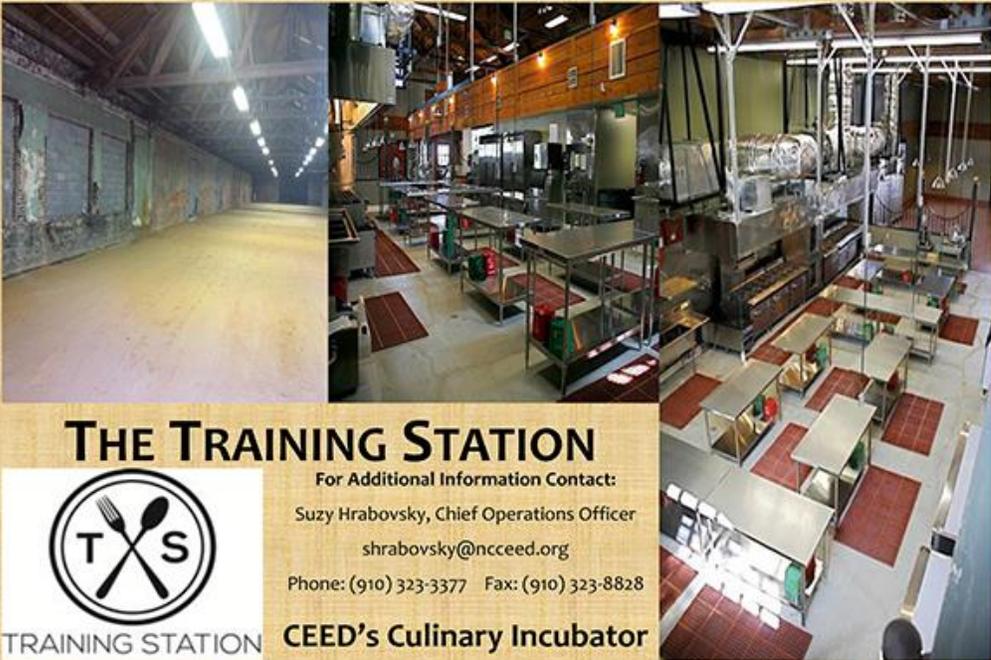


(Downtown Charleston West Virginia – Appalachian Power Baseball Stadium)

Observation 2: The Center for Economic Empowerment and Development has indicated a plan to develop a food incubator in downtown Fayetteville, further supporting and serving as a critical asset for an Arts + Entertainment + Culinary District.

Recommendation:

The Alliance should provide advocacy support around the need for the incubator as a critical source or pipeline of entrepreneurs that can “graduate” to fill critical downtown vacancies with businesses that will further the transformation strategy brand. Be mindful that wayfinding and connectivity will be critical to linking the incubator into the central core of downtown.



THE TRAINING STATION

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TRAINING STATION **CEED's Culinary Incubator**

Observation 3: There are a number of critical vacancies that form important missing “teeth” in the strolling, shopping environment. In a number of instances, reluctant owners and/or absentee owners have made it difficult to create a more robust recruitment strategy. The city is currently working on an ordinance that would penalize property owners who essentially sit on property. The National Main Street Center supports this effort as a public policy geared toward supporting the revitalization of downtown Fayetteville.

Recommendation:

With the number of vacancies and problem properties, we would urge the Alliance to consider several real estate funding mechanisms in a proactive approach to property acquisition for redevelopment:

- a. Launch a dedicated downtown real estate investment company made up of local stakeholders including companies, individuals, foundations, etc. An example is Perry, NY which raised local capital in levels ranging from \$2,500 to \$25,000 to accumulate \$600,000 in real estate investment funds. NOTE: This investment pool should be targeted to key buildings that can serve as a catalyst in support of the Arts + Entertainment + Culinary district concept.***

[http://insitearch.com/pnyllc/Perry New York LLC - Invest In Your Community/Welcome.html](http://insitearch.com/pnyllc/Perry%20New%20York%20LLC%20-%20Invest%20In%20Your%20Community/Welcome.html)

- b. Utilize community based crowdfunding platforms to support either new building acquisition and/or supporting new business start-ups that complement the Arts+Entertainment+Culinary district. The following is an example from Michigan: <http://www.crowdfundingmi.com/2-2/>***

Observation 4: While downtown Fayetteville has a number of restaurants, a stand-out museum, cinema and Arts center, there remain needs for other specialty shopping that support the Arts+Entertainment+Culinary district.

Recommendation:

Create a target wish list of businesses and align marketing (i.e. package locational sites with uses) and targeted incentives that attract a focused set of retail businesses.

Possible Target Businesses:

- ***Art Galleries***
 - ***Creative Arts – Graphic Design/Computer Apps (Office Users)***
 - ***Comedy Club***
 - ***Ballroom dance***
 - ***Distillery***
 - ***Microbrewery***
 - ***Music and jazz clubs***
 - ***Performance/concert space***
 - ***Record stores (e.g., vinyl)***
 - ***Live Theater***
 - ***Vintage clothing***
 - ***Activity Sports Club (Pool, Ping Pong, Shuffle Board)***
- a. Target Ethnic Restaurants – Based on Fort Bragg population there is the potential to offer a distinct alternative to fast food and standard chain restaurants. Downtown already has a nice collection of ethnic driven eateries such as African and Mediterranean.***

<http://www.bakertilly.com/uploads/restaurant-benchmarking.pdf>

- b. Consider the creation of a Rental Subsidy incentive program. Rental Subsidy programs are geared toward targeted wish list businesses and provide “gap” rent funding to support what the property owner needs in order to cash flow the property after improvements and what a new business can afford in rent until market demand improves for the business. An example is provide with application from Kilgore, Texas.***

http://media.wix.com/ugd/06f95f_06ac154ca5384f409089f2524b5b594e.pdf

Observation 5. The city has been supportive of downtown revitalization activities. As such, there are also special tools that could be applied by the City to encourage the location and growth of Arts+Entertainment+Culinary related activities.

Recommendation:

Evaluate the development of an Arts+Entertainment+Culinary zoning overlay, which would encourage and incentivize the location of complimentary activities to the downtown. This will build density, accentuate the brand identity as something special for downtown, and ease the process for locating downtown as part of the strategy. The following is an example from Washington D.C.

Overlay Districts	Summary
Uptown Arts-Mixed Use Overlay District (ARTS)	The Uptown Arts-Mixed Use (ARTS) Overlay District was established to encourage retail, entertainment and residential uses that require pedestrian activity; an increased presence and integration of the arts and related cultural and arts-related support uses; a design character and identity of the area by establishing physical design standards and adaptive reuse of older buildings in combination with new buildings; and increased public safety. The ARTS Overlay provides for flexibility in use, height, bulk, bonus density, and combined lot development; and is subject to the Inclusionary Zoning Requirements of Chapter 26 of the Zoning Regulations. No portion of an eating/drinking establishment located on the ground floor of squares fronting 14th Street or U Street, N.W. is permitted to occupy more than fifty percent (50%) of the linear frontage of that square. Where there are conflicts between the ARTS Overlay and the underlying zoning, the more restrictive provisions of the Zoning Regulations govern. For more information, including preferred uses, combined lot development, bonus density provisions, and street frontage design requirements, see Chapter 19 of the Zoning Regulations.

Observation 6: The market for retail oriented development outside of restaurants that might support the Arts+Entertainment+Culinary district strategy remains nascent.

Recommendation:

Create a Pop-Up retail event and facility geared toward businesses that support the strategy. Consider working with a property owner for a short-term lease in which the Alliance could sublet for multiple tenants for a 90 day term. Consider holding an event/contest in which winning pop-up retailers were given technical assistance from CEED along with a launch grant for a permanent downtown location.

Example from Pittsburgh geared toward Fashion businesses:

<http://www.downtownpittsburgh.com/what-we-do/programming/project-pop-up>

Example from downtown Dayton, Ohio:

<http://www.activatedspaces.org/>

Promotion Enhancements

Observation 1. Currently, based on consumer feedback surveys, the trade area has a positive view of downtown relative to use of downtown for primarily restaurants. However, this suggests that the image or identity of downtown is currently tied to the culinary aspects of the Arts + Entertainment + Culinary transformation strategy.

Recommendation:

Embark on the creation of a downtown branding plan complete with tag lines, slogans, key messaging, and graphics that can position through a branding campaign a more comprehensive image of downtown that includes arts and entertainment. In addition this branding should be supported and incorporated within a media campaign and as a subtext to all promotional activities aligned with the Arts+Entertainment+Culinary district strategy. One of the top firms relative to downtown branding is Arnett Muldrow and Associates out of Greenville S.C.

<http://arnettmuldrow.com/>

Example work product: <http://arnettmuldrow.com/wp-content/uploads/2012/12/CS-DE-Newark-B.pdf>

Observation 2. Downtown's promotional calendar is fully stocked and well-planned. This summer's Midsummer Night Downtown represents a highly targeted event in support of the Arts+Entertainment+Culinary district strategy.

Recommendation:

Start to think about cross retail and other "packaged" experiences that begin to tie the district strategy together...for example, special ticketed options for dinner, cinema movie, and cafe afterwards. This will begin to leverage the complementary cluster of businesses that exist within this transformation strategy. This can also be done through events, such as a "Valentine's Day" event; or Ladies Out Night in downtown.



(Downtown Kalamazoo, Michigan – Entertainment District)

Observation 3. Downtown has a number of consumer market opportunities in support of an Arts+Entertainment+Culinary district strategy. One in particular are downtown workers, which number more than 8,600 within .5 miles of downtown. An activity should be put in place on a regular basis that attracts them to downtown during the lunchtime and/or after work to benefit this strategy.

Recommendation:

Create a food truck Friday event and position near Bow and Person's streets. This will bring additional life to Person Street retail as well as further build connections with both visitors and employees at Cumberland County facilities.

MEASURING PROGRESS

As part of the Arts + Entertainment + Culinary District strategy we should establish metrics that help us to better understand our progress on transforming downtown's economy. The following tools can be used to track your success in implementing the strategy and in measuring its impact on the commercial district as a whole:

- ▶ Conduct on-street surveys when you implement this strategy to establish a baseline of opinions/perceptions – then, conduct surveys one year, three years, and five years later, asking the same questions. Are more people patronizing the district for its entertainment-related businesses? Are their impressions and perceptions of the district improving?
Your surveys should include questions in four specific categories:
 - Attitudes and perceptions about the district
 - Current shopping habits
 - Additional products and services shoppers would like to be able to buy within the district
 - Demographic characteristics of those participating in the survey, including home zip code

- ▶ Track trends in the number of square feet of retail space devoted to Arts + Entertainment + Culinary uses.

- ▶ Ask the owners or managers of a representative sample of strategy-related businesses to keep an informal tally of foot traffic, average transaction amount, and gross sales. Interview the owners and managers at regular intervals and hold an annual focus group with them. Are the numbers increasing?

- ▶ Track the number of changes (in business hours, service offerings or product mix) that businesses have made to serve the Arts+Entertainment+Culinary market.

- ▶ Choose several intersections or entry points in the district and count the number of people who walk by during 30 minute intervals. Do this at two or three key points in the day (e.g., morning, noon, and evening). Repeat the pedestrian counts at least twice a year, at the same times of day. Are the numbers increasing?

HEALTH and RECREATION TRANSFORMATION STRATEGY

The Health and Recreation strategy connects destination outdoor attractions with a nearby downtown or commercial district. The attractions themselves can be wide-ranging, including national or state parks, fishing or hunting areas, skiing, camping or hiking areas, rock (or ice) climbing, kayaking, boating, and others. While the attractions and activities are typically located outside the commercial center, they can be a source of customers for the downtown. Participants can be expected to make purchases in connection with their recreational visit, including things like specialized gear, bike or kayak rentals, specialty shoes, fishing or hunting supplies, specialized clothing, hiring of guides, as well as accommodations and restaurant dining.

Communities known for their recreation or outdoor destinations often also attract a resident population that participates in the activities, as well. So, downtown sporting-related businesses may serve residents and visitors equally. Some communities may even incorporate the strategy into downtown public amenities: Boise, for example, built a “whitewater park” in the middle of the Boise River, which runs through downtown. Lansing built a minor league baseball stadium connected with downtown residential housing and a brewery.

The Health and Recreation strategy can also be a generator of local jobs, in retail, guides, hospitality, and other industries.

WHO ARE THE CUSTOMERS FOR THIS STRATEGY?

While Health and Recreation has a logical audience among younger participants in outdoor adventures, the market extends into empty-nesters and retirees. In fact, while older customers fitting this strategy may participate in less extreme activities (they may take day hikes instead of backpacking, for example), they tend to be more affluent, so their spending impact is greater as they take advantage of more retail, services, and hospitality related to the area they are visiting.

BENEFITS AND TRADE-OFFS

The Health and Recreation strategy builds on existing attractions and connects them to the downtown. Because these attractions often attract visitors from elsewhere (regional, national, or beyond), they import new customers and new spending into your community.

Among the trade-offs, many outdoor-oriented communities experience seasonal highs and lows for businesses serving the recreation customer.

TAKING THE NEXT STEP

Over the next year or two, after your Transformation Strategy has begun taking root, you should plan to conduct additional research that can help you refine the strategy and adapt it more precisely to your district’s particular circumstances. You may tackle some aspects of the market research on your own, or you may choose to engage professional assistance. Whichever route you choose, this additional research should help you answer questions like these:

- What are the primary geographic draw areas for Health and Recreation visitors?
- Of the businesses that exist in your district that support the Health and Recreation strategy, how many square feet do they comprise, in total? What are their estimated total annual sales, including all selling channels?
- If additional sales were captured, how many additional square feet of retail space (if any) could those sales support?
- What is the profile of the target customer? What are the profiles of secondary customers? How large is each customer segment, and approximately how much of each segment's spending do you think you can realistically capture in the future?
- What are the nascent trends in this sector? What are the waning trends?

MARKET DATA

Health (Adults)			
Exercise at home 2+ times per week	18,893	26.9%	94
Exercise at club 2+ times per week	7,590	10.8%	84
Visited a doctor in last 12 months	52,250	74.4%	98
Used vitamin/dietary supplement in last 6 months	35,661	50.8%	95
Used organic food in last 6 months	13,094	18.6%	95

PSYCHOGRAPHICS

According to ESRI Tapestry data for “Military Proximity” lifestyle characteristics, these young residents maintain a healthy and active lifestyle that includes participating in sports and exercise.

Economic Vitality Enhancements

Observation 1: Some businesses are inherently focused on health and recreation, but many other businesses can tie into the strategy by adapting their merchandising, services, or menus. This list is not exhaustive, but illustrates the range of businesses that can participate in the Health and Recreation strategy:

- ▶ Acupuncturist
- ▶ Bakeries (e.g., those offering specialty products, like gluten-free)
- ▶ Dance studio
- ▶ Doctors and dentists
- ▶ Furniture for wellness (e.g., specialty desk chairs, mattresses, etc.)
- ▶ Grocery store (esp. with a focus on natural products)
- ▶ Gym
- ▶ Health and Beauty Aids stores
- ▶ Herbalist
- ▶ Hospital
- ▶ Juice bar
- ▶ Martial arts
- ▶ Massage therapist / studio
- ▶ Medical devices store
- ▶ Pharmacy
- ▶ Physical therapists
- ▶ Psychotherapists and counsellors
- ▶ Restaurants with a special health-conscious menu
- ▶ Spas
- ▶ Sporting equipment
- ▶ Urgent care
- ▶ Vegetarian restaurants
- ▶ Vitamin and supplement stores
- ▶ Yoga studio

Recommendation:

Focus your recruitment in support of this strategy on a Specialty Foods Store, Fitness Center, and Bike Store.

Specialty Foods – Currently the market has \$25 million in leakage within this category of grocery. Most downtowns can anticipate the ability to capture 10-15 percent of a leakage, thus this would represent \$2.5-\$3.75 million in potential downtown Fayetteville sales. Average sales per/sq.ft. of specialty grocers are \$1,354 sq/ft thus 1,850 and 2,770 sq/ft

Resource: <http://specialtyfoodmagazine.epubxp.com/i/59016-apr-2012/49>

Fitness Center – Relative to fitting a fitness center in downtown, a typical center, such as “Anytime Fitness” uses between 2,500 to 5,000 square feet, with an average club size of 4,000 square feet.

Bike Store - 36 million Americans age seven and older were estimated to have ridden a bicycle six times or more in 2015, according to the National Sporting Goods Association NSGA). This number was up slightly compared to the previous year.

NOTE: According to recent research from the NBDA (2011), the average specialty bicycle retailer had gross annual sales of \$866,817 up from an average of \$550,000 in 2005. The typical specialty bicycle retailer did business from a store about 5,000 square feet in size. 84% of them had one location, and 92.8% had no more than two locations.

As such, we would recommend any recruitment strategy first focus on existing dealers in search of a second/third location.

MEASURING PROGRESS

The following quantitative and qualitative tools can be used to track your success in implementing the strategy and in measuring its impact on the commercial district as a whole:

- Conduct on-street surveys when you implement this strategy – then, conduct surveys one year, three years, and five years later, asking the same questions. Are you attracting more people who visit sports and recreation sites to come downtown?
- Ask the owners or managers of a representative sample of strategy-related businesses to keep an informal tally of foot traffic, average transaction amount, and gross sales. Interview the owners and managers at regular intervals and hold an annual focus group with them. For businesses that sell or rent recreational equipment, what are the trends in their sales and rentals?
 -
- Survey business owners annually about sales trends. The survey should include questions like:
 - Have you added any new product lines in response to the Sports and Recreation strategy?
 - Have you added any new sales channels in response to the strategy?
 - On a scale of 1 to 10, has the Sports and Recreation strategy positively impacted your business?

TECHONLOGY-BASED ENTREPRENEURSHIP TRANSFORMATION STRATEGY

The following transformation strategy represents a more customized strategy that is reflective of the unique geographic proximity of downtown Fayetteville to Fort Bragg Army installation. Recommendations are short-term in nature and designed to further explore this transformation strategy and then refine based on additional information.

The area of cybersecurity is most likely a target for new company formation and/or relocation of existing businesses to downtown in order to facilitate the creation of a tech-based “hub” in downtown Fayetteville. Over the last decade a number of private contractor firms aligned with Fort Bragg have already selected downtown as the site for their headquarters. In fact they make up a robust number of downtown employment. Give the global trends around cybersecurity, this transformation strategy represents a large opportunity for downtown Fayetteville to position itself as a leading location for such businesses, albeit as part of a long-term strategy.

Observation 1: This customized transformation strategy represents more of a nascent market opportunity for downtown Fayetteville.

Recommendation:

Create a special task force of key partners within the technology development space to refine this strategy to reflect targeted tech-based industry niches, such as cyber security. Creating a special task force will dedicate a focused approach to this strategy without causing a large drain on the primary transformation strategy.

Observation 2: Working in this field will call for a downtown entrepreneurship ecosystem designed to assist and provide the necessary capital resources in support of more tech-based enterprises.

Recommendation:

Begin to create partnerships with key players in the tech-based entrepreneurship space, specifically the following:

- ***Fayetteville State University’s Small Business and Technology Development Center***
- ***FSU’s Center for Defense and Homeland Security***
- ***Fayetteville Technical College***
- ***Methodist University***
- ***Fayetteville Area Chamber of Commerce***
- ***CEED***
- ***Cumberland County Economic Development***

Observation 3: There have been a number of military focused contractor firms locate in downtown Fayetteville area over the past decade. Downtown's given their character and proximity to other goods and services, provides for an ideal location for creative and tech based industries. Furthermore, downtown Fayetteville has the available vacant building stock to support more professional office development.

Recommendation: Interview the existing military contracting firms to discover more about the following:

- ***Attitudes about downtown as a place to run their businesses***
- ***What attracted them to downtown***
- ***What keeps them downtown***
- ***What are their employees looking for (retail, residential?)***
- ***Networks they participate in (as a way to seek out others to locate in downtown)***

MEASURING PROGRESS

For the following we would suggest taking a baseline "survey" and then again at the end of each year to measure progress. With each year, metrics should have a goal set to which to measure performance against.

1. Number of new tech based businesses opened
2. Amount of downtown office sq/ft leased by tech-based businesses
3. Number of jobs existing (baseline) and created in downtown
4. CEED technical assistance delivered
5. Linkages with Fayetteville State University relative to Tech-based E.D.

APPENDIX ITEMS:

1. Local Survey Results PPT
2. Local Survey Actuals in Excel
3. Population Summary - .5 Miles
4. Population Summary – 1 Mile
5. Population Summary – 5 Miles
6. Consumer Report
7. Business Summary Report
8. Retail Marketplace Profile
9. Retail Market Potential
10. Psychographics – “Tapestry” Results
 - a. Old and Newcomers Report
 - b. Small Town Simplicity Report
 - c. Modest Income Homes Report
 - d. Rustbelt Traditions
 - e. Midlife Constants
 - f. Metro Fusions