







WELCOME >



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THE STUDY >

- > #2 most asked question
- > Followup to 'Economic Impact of Façade Improvements' and 'Business Impact of Store Hours Changes'
- > Focus on rural communities, non-traditional uses

CREATIVE USES FOR DOWNTOWN BUILDINGS IN SMALL TOWNS



2017 A sample of ideas to bring people back downtown

2/14/17 working draft prepared by: Bill Ryan, Errin Welty, and Melissa Kline of UW Extension working with Brian Welby of WEDC.



THE WHY: PROPERTY VALUES >

> Revitalization requires no new infrastructure or road investment by municipalities, reducing strain on limited budgets

- An empty storefront costs a community an average of \$76,000 in lost economic activity

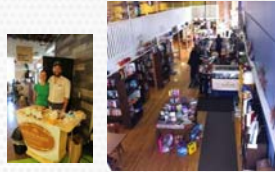


Sources: ESRI, Wisconsin DOR, SBA, EMSI, ICSC

THE WHY: ENTREPRENEURSHIP >

> Historic districts provide affordable space for entrepreneurs & culture

- 91% of businesses in downtown districts are non-chain local establishments
- 45% of jobs in downtowns are in small businesses.



> A central place for residents of all ages to meet and mingle.

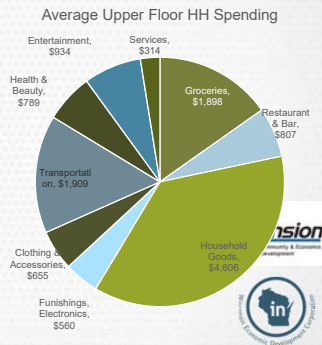
- 17% of all WI residents live within 1/2 mile of a downtown, and 70% of residents in communities of less than 2,500



THE WHY: NOT JUST STOREFRONTS >

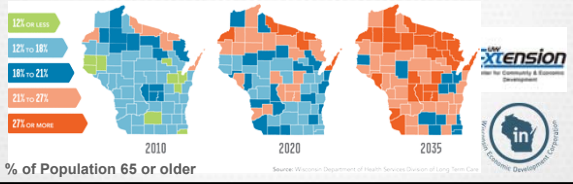
> Increased customer demand for small/local businesses

- Customers walking distance of a business visit 200% more often.
- One upper floor residential unit adds an average of \$9,000 in non-housing retail demand to the immediate area and
- A new business with 2 employees generates \$3,500 in annual customer demand.

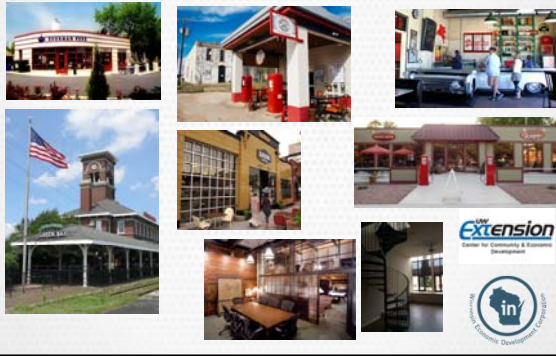


THE WHY: GROWING DEMAND

- Aging population requires walkable & accessible amenities
 - Wisconsin 65+ population will double by 2040
- Rental housing demand is increasing at a faster rate than homeownership and is easier to develop in urban areas
 - Downtown units more desirable and more cost-effective



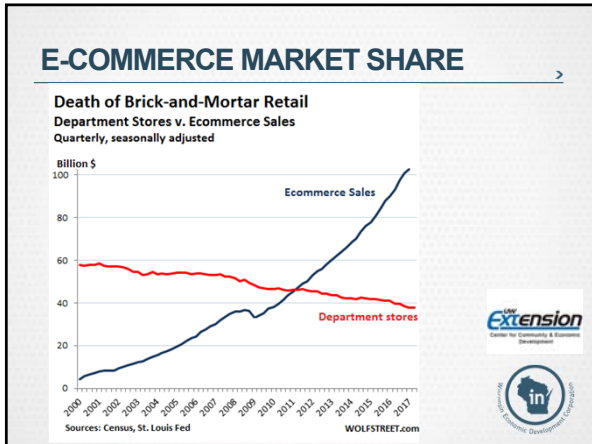
THE WHY: CHARACTER AND 'COOL'



DOWNTOWN RETAIL

Five Reasons Why Traditional Retail is Struggling







- ### INNOVATIVE USES FOR STOREFRONTS
1. Dining
 2. Entertainment and Gathering Places
 3. Local Foods and Local Products
 4. Community and Education
 5. Culture and Heritage
 6. The Arts
 7. Lodging/Hospitality
 8. Destination Retail
- Entrepreneurship
Common Theme
– Local
Connection
Matters
- Logos: Extension Center for Community & Economic Development, Indiana Community Development Corporation

1. DINING

*Horseradish Food Truck & Cafe
Princeton, WI*



Other examples:
fast food,
fast casual,
full service.



2. ENTERTAINMENT / GATHERING

*Brookton's Market
Brooktondale, NY*



Other examples:
coffee shops,
theater,
beer garden,
etc.



3. LOCAL FOODS / PRODUCTS

*The Historic Viroqua Public Market
Viroqua, WI*



Other examples:
indoor or
outdoor farmers
market,
kitchen
incubator,
pop-up space,
food truck, etc.



4. COMMUNITY SPACE

The Third Place
Goodhue, MN



Other examples:
child daycare,
senior center,
fitness center,
classrooms,
library,
job center,
business startup
center,
co-working, etc.



5. CULTURE AND HISTORY

Wild Rose Historical Society Museum
Wild Rose, WI



Other
examples:
themed
downtown
businesses,
museums, civic
organizations,
antique stores,
etc.



6. THE ARTS

Red Iron Studio And Jon Michael Route Studio
Frederic, WI



Other examples:
art galleries,
theater, music,
artisan space
and shop,
crafting demos,
etc.



7. LODGING/HOSPITALITY

Blue Door Inn
Alma, WI



Other examples: bed and breakfasts, Air BnB, visitor centers, and interpretative centers.



8. DESTINATION RETAIL

All In Stitches
Zumbrota, Mn



Other examples: various hobby shops and unique niche or 'lifestyle' businesses, online shop physical space



CREATIVE USES OF DOWNTOWN BUILDINGS -2016

Key Findings:

1. Most do not compete directly with big-box chain stores.
2. Many combine various retail categories in one location.
3. Approximately half provide services.
4. Businesses often serve a larger geography than the local trade area.
5. Tourism is an important market segment in a third of the case studies.
6. Property owners/operators have strong ties with the community.
7. Funding was provided by owners followed by loans and grants.
8. Community financing/assistance sometimes made it feasible.
9. Sweat equity was important in most of the businesses.



OTHER BUSINESS CONSIDERATIONS >

- > Unique, Custom, Local goods and services
- > Combine retail categories, or mix retail, service and entertainment uses
- > Services can't be obtained online
- > Consider ways to serve as a destination, or to offer online sales options
- > Leverage local connections and relationships
- > Showcase unique assets, skills and recognize talent
- > Plan to include sweat equity



FINDING BUSINESSES >

Market Opportunities

- > Promote space opportunities online, newsletters
- > Identify a price (or range) and potential uses
- > Draw awareness (open house, popup shops)

Recruit Uses

- > Identify supportable, needed business type
- > Create relevant incentives/support package
- > Tell everyone you know, and people you don't know

Support Entrepreneurs

- > Cultivate/Train/Support existing entrepreneurs
- > Farmers Market vendors, retired hobbyists, artisans



FAÇADE IMPROVEMENT STUDY >

- 80% of Businesses experiences increase in first time customers (10% Increase)
- 90% Reported an increase in sales (20% Increase)
- Buildings with vacant spaces attracted additional interest and/or higher rents
- Returns were not directly correlated to investment – small improvements = strong returns
- Investments spurred traffic and improvements at nearby businesses



THE HOW: THE FOUR POINTS >

> Organization

- Attract and retain people and financial support.



> Promotion

- Increase awareness of program and the district.



> Economic Development

- Support business and economic growth.



> Design

- Enhance appearance & function of buildings, streets and spaces.



THE HOW: MAIN STREET APPROACH >

> Comprehensive (no quick fixes)



> Grass Roots (it's everyone's downtown)



> Volunteer Based (that means YOU)

> Public-Private Partnership

> Historic Preservation Focused



MUNICIPAL ROLE >

- > Establish funding assistance programs
- > Lead by example – reuse properties, locate anchors downtown
- > Procure goods and services locally when possible
- > Recognize local success stories and investors
- > Identify a point person to work with entrepreneurs/investors
- > Maintain and enhance public infrastructure
- > Adopt a Yes – if, rather than No – because philosophy



MUNICIPAL TOOLS >

- > Housing Renewal Programs
- > Design/Engineering Grant to Reduce Risk
- > RLF Allowances for Capital Improvements, not just Facade
- > Parking Overlay District = Reduced Parking Requirements
- > Public/Private Loan Pools or Pass-Through Loans
- > Easy-to-Follow Design Guidelines/Design Assistance
- > Market Analysis for Desired Projects
- > Understand permitting time/\$ costs



FOR MORE INFORMATION >

- > Innovative Downtown Businesses Case Studies
- > Including working draft of
Creative Uses for Downtown Buildings in Small Towns
<https://fyi.uwex.edu/innovativedowntownbusinesses/>



OTHER RESOURCES >

- > Micro-lending: KIVA Zip - \$5,000 loan at 0% for 12-25 months. Must have approved business plan by WWBIC and 15 local supporters.
- > Demographics & Business Revenue Data: www.sizeup.com, www.locateinwisconsin.com
- > Downtown and Business District Market Analysis Toolbox: <https://fyi.uwex.edu/downtown-market-analysis/>
- > Find Local Entrepreneurs: Etsy local shop search, upwork, freelancer, craigslist
- > Inspiration:
 - www.pinterest.com/WIMainStreet
 - www.facebook.com/WisconsinMainStreet





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