



DOWNTOWN MARKETPLACE STUDY

HISTORIC DOWNTOWN WILKESBORO, NORTH CAROLINA
JUNE 2010





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North Carolina
Main Street



This report was produced by STMS staff Sherry Adams, Western Small Town Main Street Coordinator, and Lew Holloway, Western Small Town Main Street Designer. All photo credits belong to Lew Holloway, STMS Designer, unless marked otherwise.



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Jim Hartley- Town Council
Jimmy Hayes – Town Council
Gary Johnson – Town Council
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Chief Robert Bowlin – Police Department
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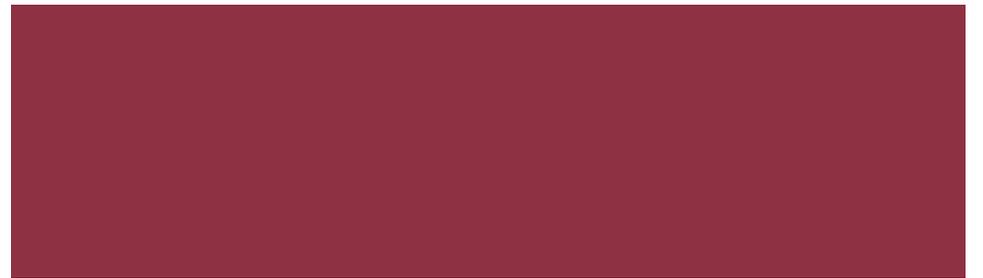
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INTRODUCTION





WILKESBORO + WILKES COUNTY

Wilkesboro Small Town Main Street Vision Statement

Historic Downtown Wilkesboro - the gateway to the Blue Ridge Mountains - located in scenic Wilkes County and nestled in the Yadkin River Valley, is the commercial, municipal and social heart of a vibrant pedestrian and cycle friendly community. Serving both young and old, residents and visitors, Historic Downtown Wilkesboro is a diversified mixed-use marketplace with a uniquely walkable, visually appealing, and charmingly simple small town atmosphere. Historic Downtown Wilkesboro gains from a community of easy going, yet highly motivated and dedicated citizens, whose contributions to the preservation of their past and to the vision of their future is at the heart of the their community's strength. Embracing Historic Downtown Wilkesboro as a place to dine, shop, have fun, learn, listen and live; the community is not simply a place, but serves as the social, cultural and historic foundation for an engaged, healthy, and happy way of life.

You can almost hear the bluegrass music wafting over the Blue Ridge Mountains and the sound of stock cars on a dirt track when the town of Wilkesboro is mentioned. MerleFest, the largest Bluegrass Festival in the US is held in Wilkesboro each spring and Wilkes County is home to the roots of NASCAR and racing legend Junior Johnson. Amazingly Wilkesboro's rich history has even more to offer!

Although founded in 1800 and quickly designated as the county seat, Wilkesboro's history really begins prior to the American Revolution. The town, built atop a low, broad ridge running for over a mile along the south bank of the Yadkin River, boasts of the "Tory Oak", a large oak tree from which Colonel Benjamin Cleveland, a well-known Wilkes County patriot during the American Revolutionary War, hung Loyalist militia leaders who supported the British King and opposed American independence from Britain. The oak was located behind the old Wilkes County courthouse. To this day the Tory Oak remains an icon in Wilkesboro as a part of the town's seal.

During the American Civil War many of Wilkesboro's residents remained loyal to the Union and opposed the Confederacy. In March 1865 General George Stoneman, a Union cavalry leader, led a raid through the town. Shortly after the war ended, Tom Dula (Dooley), a Confederate veteran, was tried and hanged for the murder of his fiancée, Laura Foster. Dula's story was turned into a top-selling ballad in 1958 by the Kingston Trio; the song was entitled "Hang Down Your Head, Tom Dooley". The story was subsequently turned into a 1959 movie starring Michael Landon as Dula, and each summer the Wilkes Playmakers present a popular play based on the story.

What do these things have to do with being designated a North Carolina Small Town Main Street? When the Small Town Main Street (STMS) staff visited Wilkesboro we learned that history is important to the community of Wilkesboro. The town and its citizens rightfully recognize and embrace their past as an asset. Wilkesboro is currently designated a Preserve America community as well as listed on the National Register of Historic Places. However, Wilkesboro's recognition of their historic assets has not kept them completely immune to the changing economic environment and, like so many other downtowns across North Carolina, it has suffered in the down economy. Wilkes County was designated a Tier 1 county in 2009 indicating they are among the top 40 most distressed counties in North Carolina. All of these factors taken together convinced the Small Town Main Street staff and program that Wilkesboro would be an excellent partner and we could all build on their existing efforts through the Main Street philosophy.

As a designated North Carolina Small Town Main Street downtown Wilkesboro receives two years of technical support from the Small Town Main Street staff beginning in July of 2009 (upon designation). The North Carolina Main Street Center promotes downtown revitalization based on economic development within the context of historic preservation, a concept developed by the National Trust for Historic Preservation. This concept and the associated four point approach, Organization, Economic Restructuring, Design, and Promotions, has proven successful in more than a thousand smaller communities across the country. The North Carolina Main Street program helps small towns to recognize and preserve their historic fabric, and, using local resources, build on their unique characteristics to create vibrant central business districts that meet the needs of today's communities. This marketplace report provides the initial assessment of Historic Downtown Wilkesboro as collected by the Small Town Main Street staff and the Wilkesboro Small Town Main Street Committee members. It is intended to help the Small Town Main Street group better understand downtown Wilkesboro's existing position in the local marketplace and to begin to suggest opportunities for repositioning and/or growing that position.

The information provided herein is based on information provided by the Town of Wilkesboro, Wilkes Heritage Museum, and STMS Committee members.

Wilkesboro Plan of Work – 2009-2010

Vision: (insert the vision statement here)

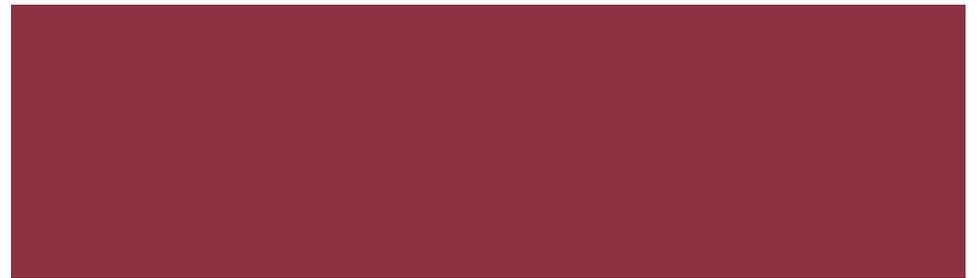
Mission: (insert the mission statement here)

ORGANIZATION	PROMOTION	DESIGN	ECONOMIC RESTRUCTURING
<p>I. Goal - Create over the next two yrs. a sustainable organization dedicated to downtown Wilkesboro's revitalization.</p>	<p>II. Goal - Develop downtown Farmer's Market &</p> <ul style="list-style-type: none"> • Tie-in more with existing events/tournament/visitors center/TDA/Cultural arts • Retail Promotions (create) 	<p>III. Goal – Improve Downtown Streetscape Appearance including:</p> <ul style="list-style-type: none"> • Façade Improvements • Walkability/Pedestrian Comfort 	<p>IV. Goal - More Downtown Housing &</p> <ul style="list-style-type: none"> • More Retail Mix
<p>Objective - To have an organization that is fiscally stable and is the organization recognized for working with the Town of Wilkesboro toward downtown revitalization.</p> <p>Strategies:</p> <ol style="list-style-type: none"> 1. 2. 3. 	<p>Objective -A Farmer's Market is often a community draw. And...by identifying and being aware of existing promotional opportunities within the community such as tournaments, visitor's center with their rack card display area, etc the retailers can take advantage of the influx of people to the community by building retail promotional events around these already existing events.</p> <p>Strategies:</p> <ol style="list-style-type: none"> 1. 2. 3. 	<p>Objective - By improving these features downtown Wilkesboro becomes a destination for citizens of Wilkesboro to enjoy as well as visitors to Wilkesboro.</p> <p>Strategies:</p> <ol style="list-style-type: none"> 1. 2. 3. 	<p>Objective -By creating more downtown housing and more retail mix those who live downtown shall become customers of the downtown district.</p> <p>Strategies:</p> <ol style="list-style-type: none"> 1. 2. 3.

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DOWNTOWN'S MARKETPLACE ENVIRONMENT





INTRODUCTION-DOWNTOWN'S MARKET ENVIRONMENT

In order to understand the retail market for Downtown Wilkesboro the retail owner and potential retail owner must be aware of many factors. These include, but are not limited to, local and regional demographic information, consumer preferences, tourism, retail leakage and surplus, existing retail mix, competing retailers and commercial markets (usually within a five mile radius), and downtown office and residential uses. The market observations provided here are intended to shed some light on that information and where to find it.

Small Town Main Street staff use the online ESRI Business Analyst to provide a trade area report. This report provides raw, detailed information about the demographic makeup of the targeted populations (in our case, those within a 0.75 and 5 mile radius of downtown) and their lifestyles and buying behavior as well as information about existing business in that market area. *(please see the appendix for a map detailing the radii referenced throughout this report)*

The characteristics and trends of a marketplace are constantly shifting, so it is important to recognize that the raw data provided by the Business Analyst and the Small Town Main Street Staff observations and recommendations based on this data, are subject to change. We compliment those in our Small Town Main Street Committees who are already monitoring these changes and encourage all of Wilkesboro's Main Streeters to review these observations, recommendations and their data sources in the future to update your understanding of the local market.

CONSUMER OBSERVATIONS

GENERAL DEMOGRAPHIC INFORMATION

The 2009 ESRI data report indicates that within the downtown district, defined here by a 0.23 mile radius from the intersection of Main Street and Bridge Street, there are a total of 63 businesses, 611 employees and 203 residents. At the 0.75 mile radius there are 271 total businesses, 3,363 employees and 688 in residential population. At the five mile radius, our study's largest area of focus, the population increases significantly to 24,530, with 1,602 businesses and 18,496 employees.

There are a couple of factors highlighted by the general demographic information that are worth noting as they differentiate Wilkesboro from most of our other Small Town Main Street programs. First this study observes the population at the .75 mile radius rather than the one mile radius, our traditional measure. In Wilkesboro's case the one mile radius would include the downtown area of North Wilkesboro. This second marketplace presents a challenge to interpreting Wilkesboro's opportunities and we will continue to discuss these challenges moving forward. Second, we felt it was also important to note that the .75 mile radius contains a high number of employees in comparison to our other STMS communities. This employee impact is, in large part, a result of the Tyson Chicken Plant which is located on the main corridor leading into the downtown central business district.

Tyson employs close to 3000 people at the Wilkesboro facility, and has over 350 Tyson Chicken farms in Wilkes County. The plant contributes over \$700,000 in property taxes and the economic impact that Tyson's Wilkesboro facility has on the county is estimated at \$130 million. (www.meatpoultry.com)

CONSUMER OBSERVATIONS (CONT.)

The large number of employees, the plant's close proximity to Wilkesboro's Central Business District and the company's economic impact on Wilkesboro are important observations. Tyson's impact within the community and related opportunities will be further discussed within the report.

Observations of household information as provided by ESRI;

- Household income in the .75 and five mile radii differ by over \$13,000 with the median income at the .75 mile radius at \$46,681 and at \$32,990 in the five mile radii;
- Per capita income at the one mile radius is \$26,484 and \$18,201 at the five mile radius;
- The average national per capita income is \$33,070.30 (www.nationamaster.com);
- The 2007 National Median Household income is \$50,233 (<http://quickfacts.census.gov>);
- Wilkesboro has over 10,000 households at the five mile radius and only 321 at the .75 with an average of 2.86 people per household at the five mile radius and 2.64 at the one mile radius;
- At the .75 mile radius 60.7% of housing is owner occupied, at the five mile radius just over 64% is owner occupied;
- As of 2009, Wilkesboro's population is 3,171 people. Since 2000, the population has grown of 1.14 percent. (www.bestplaces.net);
- The median home cost in Wilkesboro is \$138,860. Home appreciation over the last year is down 2.50%. (www.bestplaces.net);

- Wilkesboro's cost of living is 18.32% lower than the U.S. average. (www.bestplaces.net);
- The unemployment rate in Wilkesboro is 13.2 % (U.S. avg. is 9.9%). Wilkesboro available jobs have decreased by 8.40 percent (www.bestplaces.net);

per capita income simply means how much income each and every individual in the included population (Census Tract) receives

ESRI generates population trends from the demographic data they collect to create "Tapestry" segments for specific zip codes and communities. Classifying U.S. neighborhoods into 65 different segments based on various socioeconomic and demographic factors, the "Tapestry" provides an interesting window into the general demographic trends of a place. We've listed the three segments associated with Wilkesboro's zip code, along with a brief description of each segment below. For more information on the "Tapestry Segmentation," please see the associated web site at http://www.esri.com/data/esri_data/tapestry.html.

Segment 25 - Salt of the Earth:

A rural or small-town lifestyle best describes the Salt of the Earth market. The median age is 41.4 years. Labor force participation is higher than the U.S. level, and unemployment is lower. Above-average numbers of employed residents work in the manufacturing, construction, mining, and agricultural industries. The median household income is \$50,913. Households are dominated by married-couple families who live in single-family dwellings, with homeownership at 85 percent. Twenty-eight percent of the households own three or more vehicles. Most homes own a truck; many own a motorcycle. Residents are settled, hardworking, and self-reliant, taking on small home projects as well as vehicle maintenance. Families often own two or more pets, usually dogs or cats. Residents enjoy fishing, hunting, and target shooting, attending

CONSUMER OBSERVATIONS (CONT.)

Segment 13 - In Style:

In Style residents live in affluent neighborhoods of metropolitan areas. More suburban than urban, they nevertheless embrace an urban lifestyle. Townhome ownership is more than double that of the national level; however, more than half of the households are traditional single-family homes. Labor force participation is high, and professional couples predominate. The median household income is \$72,326. Nearly one-third of these households include children. The median age is 40.3 years. In Style residents are computer savvy; they use the Internet daily to research information, track investments, or shop. They own a diverse investment portfolio, contribute to retirement savings plans, and hold long-term care and life insurance policies. They enjoy going to the beach, snorkeling, playing golf, casino gambling, and domestic travel.

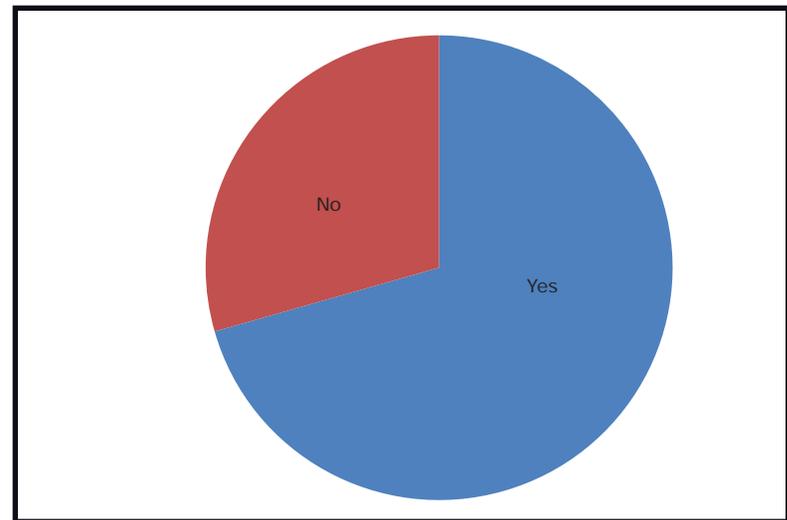
Segment 29 - Rustbelt Retirees:

Most Rustbelt Retirees neighborhoods can be found in older, industrial cities in the Northeast and Midwest, especially in Pennsylvania and other states surrounding the Great Lakes. Households are mainly occupied by married couples with no children and singles who live alone. The median age is 45 years. Although many residents are still working, labor force participation is below average. More than 40 percent of the households receive Social Security benefits. Most residents live in owned, single-family homes, with a median value of \$129,157. Unlike many retirees, these residents are not inclined to move. They are proud of their homes and gardens and participate in community activities. Some are members of veterans' clubs. Leisure activities include playing bingo, gambling in Atlantic City, going to the horse races, working crossword puzzles, and playing golf. Vacation destinations include Disney World and Universal Studios, Florida. For exercise, residents play tennis and golf, ski, and jog.

GENERAL CONSUMER SURVEY RESPONSES

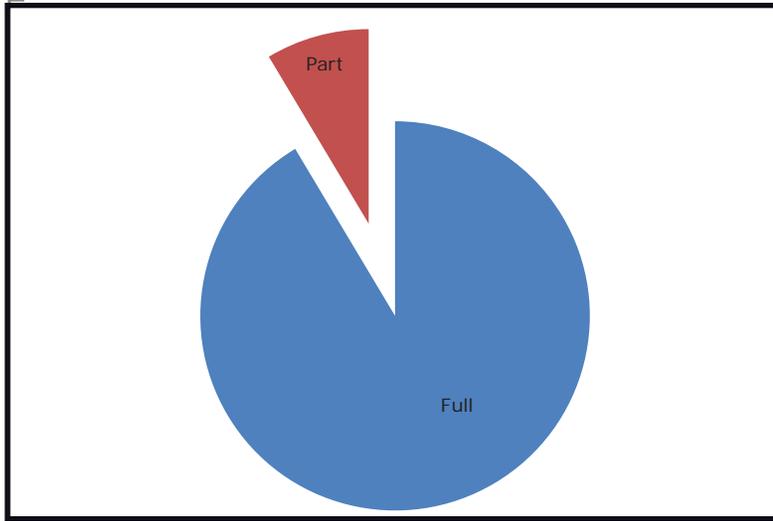
In addition to reporting and interpreting the information provided by the ESRI Business Analyst, the STMS staff also assists the community in collecting consumer data through the use of a consumer survey report. This is intended to further our committee's understanding of current and potential downtown shoppers. We had a good response to this effort in Wilkesboro collecting over 68 survey responses. This data will appear throughout the report, as certain survey questions relate to a variety of observations about downtown, but this section will serve as the initial raw data report. Please see responses, in graph form, to some of the broader questions on the following pages.

Do you currently shop downtown? (total respondents 68)

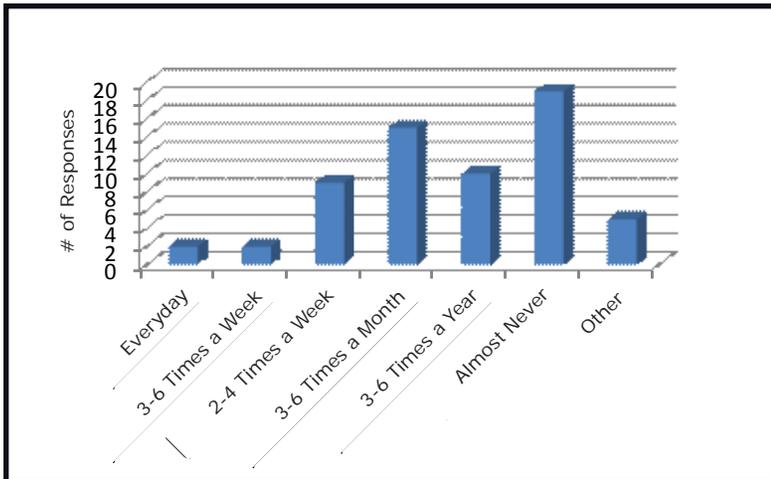


CONSUMER OBSERVATIONS (CONT.)

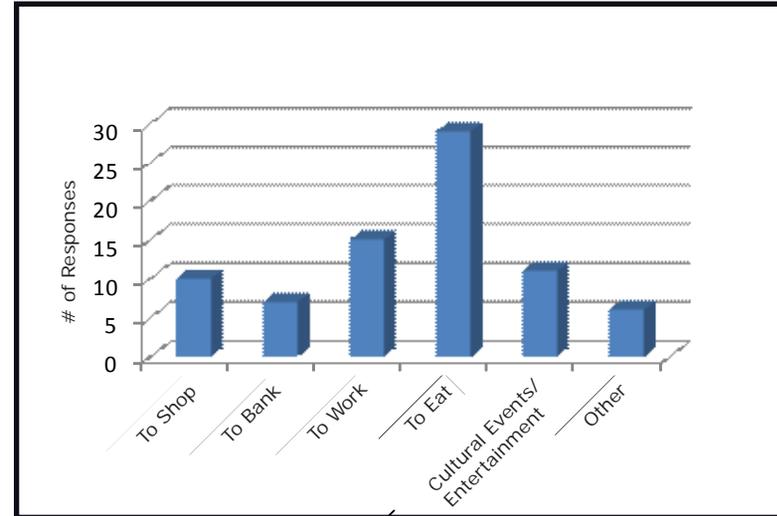
Are you a full or part time resident? (total respondents 34)



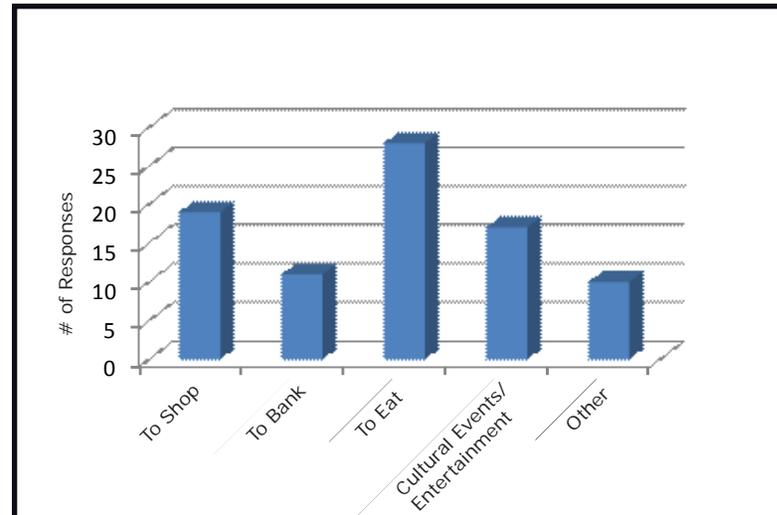
How often do you shop in your community's commercial historic district? (total responses 62)



What is the primary reason you visit your community's historic downtown commercial district?

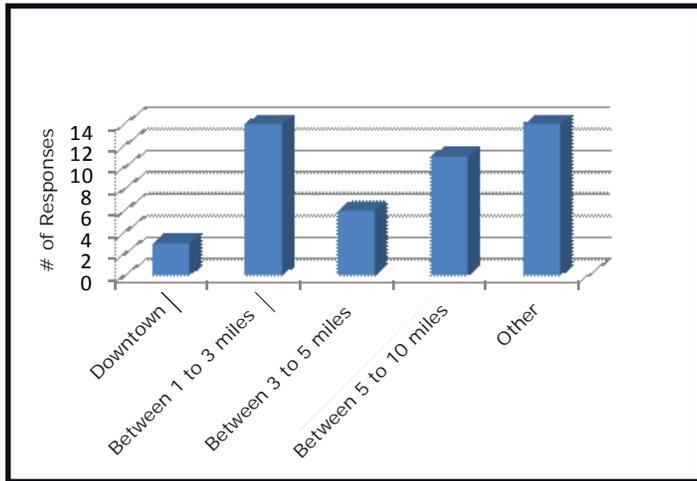


What other activities do you engage in, in your community's historic downtown commercial district?

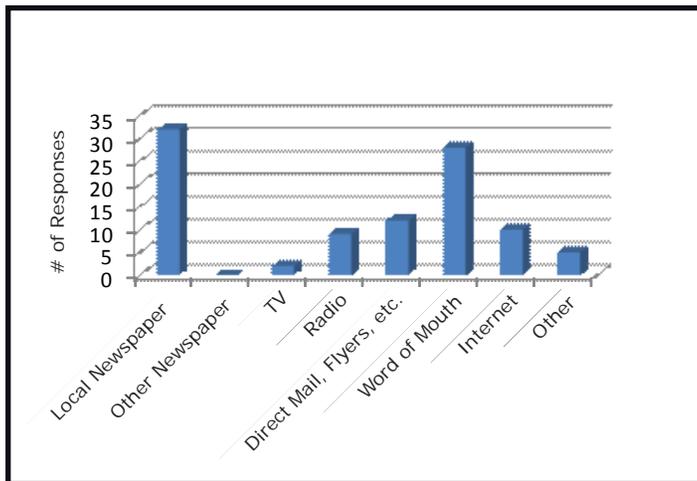


CONSUMER OBSERVATIONS (CONT.)

Where do you live in relation to your community's historic downtown commercial district? (total responses 48)



How do you find out about local businesses, shopping, sales, and promotions in your community's historic downtown commercial district? (total responses 98)



Of the 40 completed surveys (i.e. each question was answered); 45% were female, 51% were over 50, 30% were between 36 and 50, 94% were full-time residents of Wilkesboro, and 50% had a household size of two. While there were 40 completed surveys a total of 68 participated in some part of the survey, including the first question. Of the 68 to answer the question, 48 respondents said that they currently shop downtown while 20 respondents indicated they did not. When those who indicated they did shop downtown were asked how often; 25% said “3-6 times a month,” 15% said “2-4 times a week 17% 3-6 times a year,” and only 32% said “almost never.”

The primary reason for coming downtown among respondents was “to eat,” followed by “cultural events/entertainment” and “work”.

When asked the open ended question, “Where do you shop when not downtown?” the most common answers were the Rte. 421 Commercial districts with 12 votes and Big Box Stores (Wal-Mart, Lowes and etc.) with 11 votes. In addition, shoppers indicated they also traveled to Belk (6 votes) and North Wilkesboro (4 votes). More distant shopping locations were also mentioned including Winston-Salem, Boone and Blowing Rock/Tanger Outlets. The raw data from this question is available for those interested in a more detailed review.

This question was followed with, “What would you like to see downtown?” This is a notoriously dangerous question to ask, because of the wide variety of responses and their applicability to downtown, but it was instructive nonetheless. There were 33 out of 68 who responded. Popular answers included restaurants, outdoor activity store (bike shop, sporting goods), emporium style store with handcrafted jewelry, pottery, art, followed by book store, an internet coffee shop and a clothing store. Again these answers are available, in an anonymous format, for further review.

CONSUMER OBSERVATIONS (CONT.)

When asked, “Where do you live in proximity to the historic commercial district?” there were 47 responses; 30% live between one and three miles, 13% lived between three and five miles from downtown, 23% lived between five and 10 miles from downtown and finally 30% indicated they lived more than 10 miles from downtown (other). This is a unique outcome amongst our small towns and indicates that Wilkesboro, unlike many of our communities, has folks traveling to town from a greater distance and in relatively large numbers. This will be important to keep in mind as we continue to look at the market dynamics in Wilkesboro.

Most people, 74%, responding, indicated they find out about downtown happenings through the local paper, followed by word of mouth (65%). These responses were followed to a much lesser, though still significant degree by direct mail/flyer (28%), internet (23%) and radio (21%).

When asked to rate (excellent, good or poor) aspects of downtown in relationship to their experience when visiting:

- 5%, 57%, and 38% indicated the parking is excellent, good, and poor, respectively;
- 71% of respondents indicated the variety of goods offered in downtown is poor; however, 78% indicated the quality of products offered downtown is good;
- 2%, 88% and 10% indicated the price of merchandise is excellent, good, and poor, respectively;
- 10%, 57%, 33% indicated the attractiveness of area is excellent, good, and poor, respectively;
- 54% indicated that the business hours are good, while 44% indicated they are poor;
- 26%, 64%, and 10% indicated that safety is excellent, good, and poor, respectively;

When asked to rate the importance of a variety of characteristics as they related to improving the community’s historic commercial district, cleanliness and maintenance ranked number one, with 100% of respondents indicating this characteristic was “very important.” “Maintaining historic character,” “public improvements,” “customer service,” “focus on customer’s needs” “supporting local businesses” and “job creation,” followed closely, with over 86% of respondents ranking these characteristics as very important to improving the community’s historic commercial district. Finally it is worth noting that 79% of respondents indicated that “regular business hours” were “very important.”

TOURISM

Understanding your local population is vital and we encourage the Small Town Main Street Committee to continually review these demographic trends. It is, however, also important to understand the nature of visitors to your area and their overall impact. Wilkesboro is in the Mountain Region, as designated by the North Carolina Division of Tourism, which consists of the 23 most western counties of North Carolina. In 2008 this region captured 18% of the total visitors to North Carolina. The 2007 Tourism Economic Impact Report generated by the NC Tourism Division ranked Wilkes County 51 out of 100 in expenditures (\$61.42 million) and tax receipts (\$1.45 million). The projected expenditures for 2008 are \$60.17 million (down 2.0% from 2007). Below is additional information on travelers to the Mountain Region:

- 86% of domestic visitors came to the region for pleasure;
- 9% came for business;
- 5% came for personal or “other” reasons;
- Travel was heaviest in the fall (Sept. – Nov.);
- Overnight visitors spent an average of 3.7 nights in the region;
- 61% stayed in a hotel/motel;
- 49% stayed in a private home;

CONSUMER OBSERVATIONS (CONT.)

- *Average travel party size was 2.9 people;*
- *26% of parties included children;*
- *90% of travelers drove to the region;*
- *The '08 average household trip expenditure was \$571;*
- *The '08 average expenditure for overnight visitors was \$591;*
- *The '08 average expenditure for day trippers was \$596 *this high day trip average expenditure is due to expenditures in the casino/gambling category. For day trippers who did not participate in gaming while in North Carolina, the average trip expenditure was \$394;*
- *The top states of origin for overnight visitors were: North Carolina (31.0%), Georgia (13.5%), Florida (10.2%), South Carolina (9.3%), and Virginia (6.6%);*
- *61% of households traveling to the region had household incomes in excess of \$50,000.*

<http://www.nccommerce.com/en/TourismServices/PromoteTravelAndTourismIndustry/TourismResearch/>.

For Wilkesboro we also felt it was important to include a few statistics about Merlefest. The 2009 executive summary estimates that over 70,000 participated in the four-day festival with fans coming from 45 states, the District of Columbia and 10 foreign countries. The estimated regional economic impact exceeded \$12.8 million dollars and the direct economic impact on Wilkes County is estimated at \$6.7 million. There are other notables within the summary, but our focus is on the direct economic impact to Wilkes County and to Wilkesboro; this festival serves as an opportunity for retailers within the county.

Though important in many ways, it is essential not to over emphasize the impact of visitors in relation to the potential impact of your local populace, a fact borne out by the leakage numbers that will be reviewed below and in the Retail Mix section of this report, where the numbers

will be investigated in greater detail.

RETAIL OBSERVATIONS

In addition to understanding the population that shops your downtown, it is important to look closely at the retail mix within the downtown district. Just as you must have shoppers to have retail, you must have healthy, varied retail to have shoppers. The population living within five miles of downtown Wilkesboro has a predicted spending power of over 200 million dollars in the Retail Trade and Food & Drink Categories of the NAICS Industry categories. Downtown Wilkesboro's marketplace (those businesses located within a 0.23 mile radius of the intersection of Main St. and Bridge St.) is currently capturing just 6.9 million dollars or around three to four percent of predicted retail demand within a five mile radius. Unfortunately, nearly all of this demand, and then some in many retail categories, is being captured by other businesses within that five mile radius of downtown. This presents a challenge to the traditional approach of identifying retail leakage within the five mile radius and targeting those NAICS categories as potential downtown businesses because there is very limited leakage within the five mile radius. On the upside, this trend indicates that the Wilkesboro marketplace, as a larger whole (i.e. the businesses throughout the community), are drawing a much wider ranging population to the area for shopping. Identifying the opportunities in this type of marketplace requires a creative approach which considers what your downtown's niche might be.

The following observations are a review of the factors that will influence the success of downtown entrepreneurs in refocusing some of this retail demand into the downtown market. We will variously address: the existing retail mix in downtown, introduce the sales to rent ratio concept, discuss existing retail leakage and how that information can be used to increase market share or suggest new business models,

RETAIL OBSERVATIONS (CONT.)

review the components of a successful business mix and finally discuss business retention, expansion, and recruitment.

EXISTING RETAIL MIX

The 2009 ESRI Marketplace Profile data points out that within the downtown district, defined here by a 0.23 mile radius from the intersection of Main Street and Bridge Street, there are a total of 8 retail businesses in the retail trade category including food services.

As a general observation, it appears that downtown businesses are influenced by Wilkesboro's role as the county seat – thus we see a higher concentration of service/office/attorney offerings typical for a county seat. In these communities traditional retail, with the exception of food services and restaurants, often play a secondary role. However, Wilkesboro appears to be breaking the mold and expanding the retail offerings by adding a variety of new retail opportunities and food service places. It will be important to look at some of these existing businesses; for instance Waggles, the Antique Emporium, the health food and wine store, Royall's, Havana Dreams Café, Betty's Bread & Pastries and the 50's Diner, to explore opportunities for creating and building upon the niche retail experiences that are already finding success in downtown.

As a component of building upon your existing niche retail experiences, staff feel it is vital to recognize the natural beauty and outdoor amenities that are in close walking, biking and hiking proximity to downtown. Though we recognize that you are aware of them, it is important to consider how these assets might contribute potential entrepreneurial opportunities for downtown Wilkesboro.

SALES TO RENT RATIO

A major component of sustaining and growing this core of downtown businesses is to have an understanding of what is known as the sales to rent ratio. This ratio represents the percentage of a retailer's sales

that go towards covering their building rental costs. This ratio can vary across business type but, for the health of the business, should vary only within a reasonable range, usually between 2% and 8.5%, though not always.

According to the completed merchant surveys, which represented six out of eight of the downtown retailers, the average retail sales per square foot (*psf*) is around \$93; accounting for outliers this figure drops to \$83 a *sf*. As a general rule, the Main Street staff recommend that retail sales *psf* should be around \$100 a *sf*. This number represents the collective knowledge of the Main Street Center as it relates to maintaining a successful and healthy business in downtown.

The average rent, according to completed retail surveys, is \$6 *psf*, with the range falling between \$3 to \$11 a *sf*. Depending on the condition of the building and what services are provided by the property manager (for instance, utilities, trash removal, general building maintenance, etc.) this rental range for downtown Wilkesboro appears appropriate overall. However, we did find this rent to be somewhat higher in comparison to the neighboring downtowns of N. Wilkesboro and Elkin, which are both designated NC Main Street communities. Again, building condition and market demand can dictate rental rates, so much so that they may be higher in one part of town versus another. That said Wilkesboro may want to assess current rents to assure that they are not negatively impacting the existing businesses particularly given the current economic climate. Rates in the neighboring Main Street communities would suggest a more comparable rental rate may be between \$3-\$6 *psf*.

Using the sales to rent ratio which is $((\text{rent } psf)/(\text{sales } psf)=X)$, we find that the average ratio in Wilkesboro, based on currently collected data, is 10.96%. This average ratio is higher than the recommended range of 2-8.5%, but again subtracting the outliers from this total the sales

RETAIL OBSERVATIONS (CONT.)

to rent range drops to a reasonable percentage of 6.16%.

To get a better understanding of sales to rent, we must look carefully at the two components that make up this ratio; the first of which is the average rent *psf*. If rent is too high in a marketplace it can throw off the dynamics of the sales to rent ratio and potentially put good businesses out of business. The second component of the ratio is the average sales *psf*, which if too low can also throw off the ratio, again leading to weaker and failing businesses. In our experience with other Small Town Main Street communities, retailers have found it reasonable to earn at or above \$100 *psf* as we previously emphasized.

These numbers suggest that both aspects of the sales to rent ratio may be slightly askew. We encourage each business owner downtown to review their own ratio, keeping in mind what the market demands in terms of rent and what the market is capable of supporting in terms of sales. 1) How does your personal ratio look; 2) What can you do to increase your business sales and 3) Will your building owner discuss your rent?

RETAIL LEAKAGE

The retail and food businesses within a five mile radius of downtown Wilkesboro are currently capturing, on a whole, 175% of the market demand created by the 24,530 people that live within that radius. In addition to Downtown Wilkesboro, there are a number of competing retail marketplaces, many of which are of the strip center variety, within the five mile radius. As downtown Wilkesboro is only capturing, approximately three to four percent of the market demand of the population within the five mile radius, it is clear that these competing marketplaces are driving retail sales as reported in the ESRI marketplace report. It is also important to note that downtown North Wilkesboro's retail offerings are included in the five mile radius.

Expanding downtown Wilkesboro's role in the local marketplace becomes a twofold effort. On one hand, there is some existing leakage which points to a number of local retail needs that are not being fully met (see the retail leakage summary on pg. 24). On the other hand, Wilkesboro's capture rate in other retail categories suggests that it has become a destination for these products, looking at these retail categories and the existing local offerings may reveal opportunities for additional niche offerings in these areas.

The total retail supply provided by the Downtown Wilkesboro marketplace (represented by the 0.2 mile radius, see appendix) is currently over 6.9 million dollars. While as an individual number this might seem like a substantial amount, it represents, as noted earlier, only three to four percent of the total retail demand within the larger five mile radius of downtown Wilkesboro. If downtown Wilkesboro were to target capturing an additional 20% of the current retail leakage, limited though it may be, within the five mile radius, they would be in a position to add 1.4 million in sales to their current market share, and expand retail offerings by 14,000 square feet. There are a number of categories worth noting on the retail leakage chart that present a significant opportunity. They include; Office Supplies, Stationary, Gift Stores (potential for 2,800 sq/ft), Home Furnishing Stores (potential for 1,800 sq/ft), and Furniture Stores (potential for 4,000 sq/ft).

In addition, though more difficult to pinpoint opportunities, it is instructive to look at retail categories without leakage that suggest Wilkesboro is drawing people from a larger radius. For instance businesses within the Building Materials, Garden Equip., and Supply Stores category are selling nearly four times the predicted demand in the five mile radius and yet there is a small amount of leakage in the sub-category of Lawn and Garden Equipment and Supplies Stores. This might suggest that a business in that category, positioned correctly amongst the surrounding retailers, might do very well. This would

RETAIL OBSERVATIONS (CONT.)

Retail Market		Wilkesboro, NC	5 Miles	DOWNTOWN POTENTIAL		
NAICS	Business Type	Leakage	Est. Capture	Sales/SF	SF	
				20%	\$100	
4421	Furniture Stores	\$ 2,041,641	\$ 408,328	\$ 100	4,083	
4422	Home Furnishings Stores	\$ 931,317	\$ 186,263	\$ 100	1,863	
4442	Lawn & Garden Equip. & Supplies	\$ 727,345	\$ 145,469	\$ 100	1,455	
4452	Specialty Food Stores	\$ 560,290	\$ 112,058	\$ 100	1,121	
4512	Book, Periodical, & Music Store	\$ 39,079	\$ 7,816	\$ 100	78	
4532	Office Supplies, Stationary, Gift Stores	\$ 1,442,338	\$ 288,468	\$ 100	2,885	
4543	Direct Selling Establishments	\$ 192,743	\$ 38,549	\$ 100	385	
7222	Special Food Services	\$ 450,746	\$ 90,149	\$ 100	901	
7224	Drinking Places-Alcohol Bev.	\$630,426	\$ 126,085	\$ 100	1,261	
TOTAL		\$ 7,015,925	\$ 1,403,185	\$ 100	14,032	

RETAIL OBSERVATIONS (CONT.)

require a bit more local groundwork to determine what other retailers in this category in the five mile radius offer and to developing a business model that complements these. It may be possible to apply this same concept to some of the other surplus categories in the market study. The Economic Restructuring committee should continue to consider opportunities in this category.

Again, the total retail leakage within the five mile radius of downtown Wilkesboro is just over 7 million, with nearly 6 million in leakage in the general Retail Trade category and an additional 1 million in Food and Drink sales. These numbers represent dollars which the population that lives within five miles of downtown Wilkesboro, is spending outside of the five mile radius. These are dollars that belong downtown, but they are dollars that have to be earned. As we indicated above, capturing just 20% of this leakage at an average of \$100 of sales per square foot, the local population has the ability to support an additional 14,000 square feet of retail space.

DOWNTOWN RETAIL SPACE AVAILABILITY

Based on data collected by various members of the Small Town Main Street Committee and STMS Staff, there is approximately 262,432 square feet of retail space in downtown Wilkesboro. Approximately 240,700 square feet of this is currently listed as occupied leaving 21,732 square feet as unoccupied, resulting in just a little over an 8% vacancy rate. It is important to note that occupied can be a misnomer if a space is being underutilized, for instance as storage or as a retail business with extremely limited hours of operation. That said there are currently nine (9) available properties (including all floors of existing properties) within downtown.

SUCCESSFUL BUSINESS MIX

A successful business mix will contain businesses that:

- *Are market driven;*
- *Provide products and services that meet local needs;*
- *Are financially feasible;*
- *Have sufficient investment and financing;*
- *Have a business plan based on local market data;*
- *Are located appropriately;*
- *Are in or near a “comparable cluster” of businesses;*
- *Have the same customer base-different products Example: High income; low income; retirees;*
- *Are in or near a “complementary cluster” of businesses;*
- *Have goods and services used in conjunction with each other Example: Women’s clothing/accessories; Convenience Items-groceries/drugs; Furniture/appliances;*
- *Are in or near a “comparative cluster” of businesses;*
- *Are part of a “critical mass” of businesses;*
- *Are of a sufficient number to provide a destination for shopping;*

BUSINESS RECRUITMENT, RETENTION, AND EXPANSION

The basic steps toward successful recruitment, retention and expansion are:

- *A successful plan keeps the existing quality businesses in the community.*
- *Success of existing businesses helps in recruiting new businesses.*
- *Visits with owners of existing businesses may identify problems and/or weaknesses that may need to be addressed by the recruitment committee*
- *Identify business opportunities that can be met by existing business expansions.*
- *Identify new businesses that are complementary and will attract customers for existing businesses as well.*

OFFICE AND RESIDENTIAL OBSERVATIONS

There are two additional players that occupy downtown's real estate and can contribute significantly to a successful downtown. Complementing retail, office and residential uses create the sort of mixed use environment that provides the market synergy needed to revitalize downtown. Each provides their own unique contribution, but the recognition and encouragement of these additional uses and their place within downtown, by both retailers and the Small Town Main Street Committee is vital. A reaction to the single use zoning of the 70's; mixed-use zoning has become a buzz word in the development world of late, but the reality is historic commercial downtown districts have always sought to accommodate a mix of uses. By understanding the role of all of these uses and engaging the associated users, downtown retailers and the STMS Committee strengthen the foundation upon which a healthy Main Street is built.

OFFICE ENVIRONMENT

Within the core of the downtown district, as defined by the 0.23 mile radius ring in the ESRI Report, there are currently 43 office uses and 422 employees downtown (this is data as interpreted by STMS staff from the ESRI On-Line Business Analyst). These include the NAICS categories of Finance & Insurance, Real Estate, Rental & Leasing, Professional, Scientific & Tech Services, and Health Care & Social Assistance businesses and they employ a total of 422 individuals.

Moving to the 0.75 mile radius there are 178 businesses and a total of 2,283 employees. Finally, at the five mile radius there are a total of 9,496 individuals employed at 904 different businesses. Though more distant, these groups continue to represent a targetable market for downtown, particularly for lunch time activities, events immediately following the workday, cross promoting, sponsoring events and other similar promotions.

As a whole, those who work in and around downtown can represent an extremely loyal customer base if properly courted. They will naturally desire to take advantage of the convenience of downtown's proximity to their work for a place to eat or shop. Finally, it's also important to note where downtown's offices are currently located. While offices and the associated office workers are an important element of a vital downtown, and the following should, in no way, be taken to indicate that we think otherwise, there are places within the downtown that are suited for offices and those that are not.

Understanding this balance requires thinking about downtown in a holistic manner; while our goal is to fill downtown's storefronts with retail, it should not be to remove the offices to accomplish that.

RESIDENTIAL ENVIRONMENT

Downtown Wilkesboro's surrounding neighborhoods are very appealing. Wilkesboro has a nice mix of traditional neighborhoods, of various ages, encircling downtown. While there is limited traditional (over the store) downtown housing within the core downtown district, the ESRI report indicates a population of 203 individuals within the 0.23 mile radius. and 688 individuals at the 0.75 mile radii. The population at the five mile radii is where we see most of the population with 24,530 individuals living within five miles of downtown.

New homes in Wilkesboro range from \$100-\$150 per square foot and rehab costs for homes range between \$25-\$75 psf.

According to the ESRI data the median home value in 2000 for homes within the .75 mile radius was \$102,027 and at the five mile radius the median value was \$86,981. As of 2008 according to information provided by www.bestplaces.com the median house/condo value in Wilkesboro is \$136,719-\$138,860 which is about \$18,000 less than the state wide average.

Interestingly nearly 50% of the workforce who live within the five mile radius drive between 10 – 19 minutes to their work while over 15% drive only five to nine minutes to work; 11% drive more than 20-24 minutes to work. The remainder are split working anywhere from less than five minutes to two percent who work more than 90 minutes from home.

At the .75 mile radii nearly 41% drive five to nine minutes to work and approximately 36% drive 10-19 minutes. Indicating that in Wilkesboro's case it appears that the majority of employees are working within the county or town. This may be due in part to the number of manufacturing, educational and administrative type positions located within the five mile radius. Tyson Foods and Wilkes County Community College employ

a substantial percentage of the work force within this five mile radius.

These observations are interesting as they suggest that Wilkesboro residents live and work within the county and are, therefore, within a reasonable drive of downtown. This is not often the case in our Small Town Main Street programs where the majority of work opportunities are outside the five mile radius of downtown. Adding credence to the idea, suggested earlier, that the town is a destination, not only for shopping, but employment too.

INTRODUCTION-DOWNTOWN MARKET RECOMMENDATIONS

The Main Street Program has helped a whole host of communities pursue downtown revitalization and its methods have proven to be successful in case after case. As you've read through the previous pages of market observations, we hope you have 1) learned something you didn't know and 2) begun to recognize the interconnected nature of downtown. That is to say, we hope you have gained an understanding of your downtown market that you didn't have before and you appreciate that the market cannot sustain success without a self-awareness that requires communication and cooperation. Successful downtowns don't simply happen; they are achieved by the combined efforts of a diverse collection of community members.

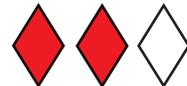
The following Market Projects are recommended by the Small Town Main Street staff. Staff based their recommendations on the objective retail data gathered during the initial months of the program and on the needs that were identified during the Small Town Main Street community kick-off. They are designed to nurture a downtown organization that has the capacity to enhance their comprehension of the various market influences on their downtown and to enthusiastically pursue activities which can enhance downtown's market strength. For four of the five Market Projects we have recommended a committee to lead the effort. The fifth project is a self-assessment exercise we are recommending for retailers.

We encourage the entire Small Town Main Street Committee to review these projects. Should you have any questions please contact the Small Town Main Street Staff.

RECOMMENDED MARKETPLACE PROJECTS

- Establish Downtown Brand Identity
- Establish a Cohesive Downtown Marketing Campaign
- Establish a Downtown Wilkesboro Real Estate Task Force
- Establish a Business Recruitment Task Force
- Encourage Retail Self Assessment

PROJECT KEY

 Denotes the reinvigoration value, as accessed by STMS Staff.

 Organization Committee

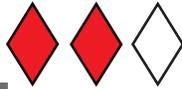
 Economic Restructuring Committee

 Design Committee

 Promotions Committee

ESTABLISH DOWNTOWN BRAND IDENTITY

Reinvigoration Value-Moderate



PROJECT DESCRIPTION



Market strength is derived, in part, by a consistent and cohesive image. Developing an easily adaptable and reproducible brand identity for downtown can contribute significantly to market cohesion. The brand allows retailers, property owners, and the town to stamp various efforts with a trademark image shared throughout the community, delivering greater marketplace recognition to consumers.

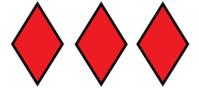
PHASE 1-ACTION STEPS

- A Promotional and Design effort, members of both committees should be involved in the development of this project (it is our understanding that Wilkes County Chamber has recently adopted a county branding campaign and it would be advisable to involve the chamber in creating a Downtown Wilkesboro brand identity possibly playing off the Wilkes County branding concept tying the two together)
- Review branding efforts and identities in other communities, establish likes and dislikes
- Brainstorm identity words, what do you think of when you think of downtown Wilkesboro

- Generate strategies for creating a brand identity (Including but not limited to funding and implementation of the brand)

ESTABLISH A DOWNTOWN WILKESBORO MARKETING TASK FORCE

Reinvigoration Value-High



PROJECT DESCRIPTION



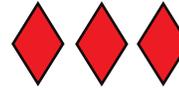
The Promotions Committee established four goals: create retail promotions for downtown, create a downtown festival program to reoccur annually, tie-in more with existing events / tournament / visitors center / TDA / Cultural Arts as well as create a Farmer's Market for downtown. To effectively address these goals, a comprehensive and cohesive basic marketing effort is necessary. This effort should market "Downtown Wilkesboro"; not focusing on the individual retailer but on the downtown experience as a whole. A Downtown Wilkesboro Marketing Task Force (within the Promotions Committee) would serve as the steering committee for such an effort.

PHASE 1-ACTION STEPS

- Hold kick-off, and thereafter annual, meetings with downtown retailers to determine collective marketing opportunities; retailers should be encouraged to bring marketing opportunities they believe will be an effective venue for downtown merchants as a whole.
- Using leverage established by collective buying agreements, pursue better pricing from marketing venues.
- Complementary retailers should consider partnering, within the umbrella of the larger

ESTABLISH THE DOWNTOWN WILKESBORO REAL ESTATE TASK FORCE

Reinvigoration Value-High



merchant effort, for even further targeted marketing. An example might be a baker, a dress maker, and specialty paper store (all for weddings) in a WNC Main Street Community doing a collective ad in WNC Magazine or Our State, which both target an affluent audience. The variations on such an effort are endless; be creative!

- Efforts to develop monthly retail promotions which have already been undertaken, should be continued. These events are vital for supporting and complementing the other efforts of this Task Force and furthermore are important in terms of driving traffic into downtown retailers.
- Staff strongly suggests that the task force consider ways to target the population within the five mile radius. This might be accomplished through the use of direct mail in support of the currently developing retail promotion efforts.

PHASE 2-ACTION STEPS

- Work with Brand Identity Task Force and assist in implementing brand identity.

PROJECT DESCRIPTION

Two main goals identified during the Community Kick-Off Event for the Economic Restructuring Committee were 1) more downtown housing opportunities 2) more retail mix. Key components for addressing each of these issues are to know the current Real Estate environment and to build relationships with downtown property owners to encourage downtown housing opportunities as well as adding to the retail mix. Creating the Downtown Wilkesboro Real Estate Task Force will help maintain a one stop resource for those seeking information about available properties suitable to their needs in Downtown Wilkesboro. **We are glad to report that since STMS staff began working a downtown housing project is in the early stages of development. However, there are additional opportunities such as upper floor housing.

PHASE 1-ACTION STEPS

- Establish an open dialogue with the Historic Building and Business Recruitment Task Forces; these will be important partners
- Develop a footprint of available downtown property and include opportunities for in-fill development, retail and residential.
- Maintain records on: building values and sales information, building rental costs, and average retail sales figures (collected

anonymously).

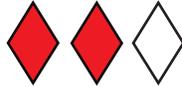
- Develop a biannual review and annual report process for this information. Add updates as necessary.
- Establish an open dialogue with city/county building inspectors possibly asking someone from the city/county building inspections to serve on the Economic Restructuring committee

PHASE 2-ACTION STEPS

- Re-order the ESRI On-Line Business Analyst every two years (order within the first quarter of the year when the updates are most current)
- Look at how various businesses are clustered within downtown; are there offices in spaces that might be better used for retail; is there available square footage that would be perfect for office use?
- Identify optimal occupation for your downtown real estate; this does not involve removing or moving occupants, but simply establishes the most favorable concept for your downtown spaces.
- Use the information collected in Phase One and Phase Two of this Project to discuss and explain your goals for the downtown marketplace with business and building owners.

BUSINESS RECRUITMENT TASK FORCE

Reinvigoration Value-Moderate



PROJECT DESCRIPTION



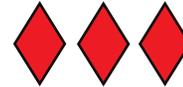
The last piece of the downtown marketplace puzzle to be assigned to an STMS committee is retail recruitment. This group will be reviewing the detailed Retail Leakage report and consumer survey responses to identify and discuss: 1) opportunities for existing business to expand market share and 2) some conceptual business models that might fit within downtown. Once these initial steps are completed, the group would then begin seeking retailers who can appropriately expand and complement the existing downtown marketplace.

ACTION STEPS

- Establish an open dialogue with the Real Estate and Historic Building Task Forces; these will be important partners
- Identify property that may be ideal for a specific business
- Set a goal of X number of new businesses in downtown within X amount of time.
- Develop a business recruitment package
**STMS staff can provide a basic template for business recruitment.
- Consider recruiting successful existing businesses that may be looking for a second location.

RETAILER'S SELF ASSESSMENT EXERCISE

Reinvigoration Value-High



PROJECT DESCRIPTION

Last, but certainly not least, we recommend existing retailers take this opportunity to engage in a self-assessment exercise. Without retailers, downtown would only be a collection of buildings and roads - beautiful buildings true - but certainly not a viable marketplace. A successful downtown is built on the entrepreneurs that call Main Street home. It is therefore essential that these retailers have the support of their communities, but it is even more essential that retailers pursue professional excellence. Doing so requires the ability to self-critique.

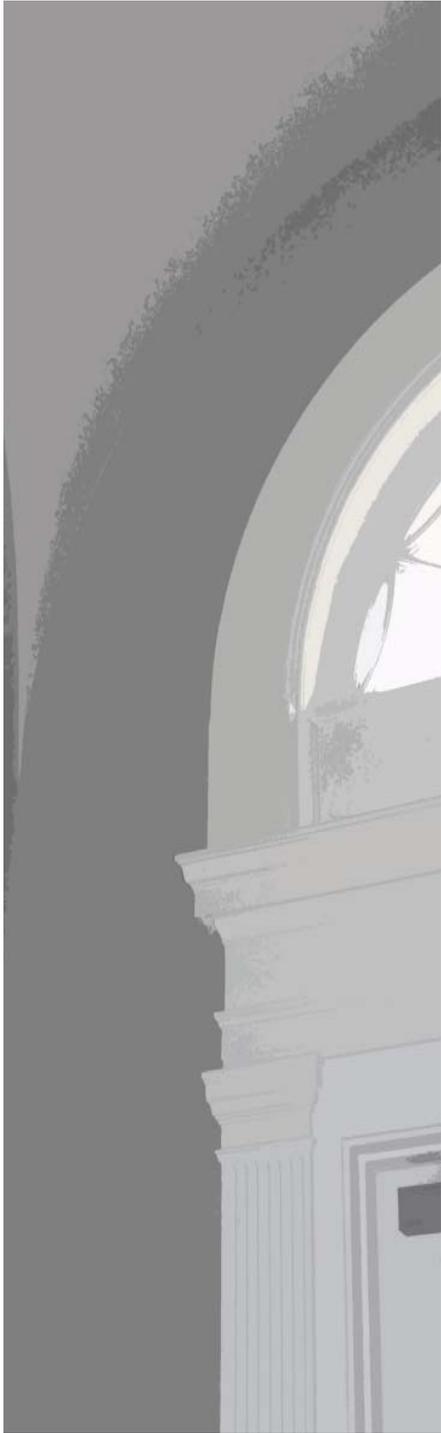
This effort includes steps that require internal critiques of your business and collective critiques of your downtown retail market. By annually reviewing the action steps below and assessing the success and failure of various efforts (including those recommended by the Downtown Marketing Task Force), business owners will be better prepared to collectively; address retail challenges in downtown and compete with surrounding commercial marketplaces.

ACTION STEPS

- Retailers must know how to calculate their average sales per square foot; sales should

be, at least, \$100 per square foot.

- Retailers must also know how to calculate their sales to rent ratios; this ratio provides a measuring stick for business owners, highlighting imbalances.
 - Retailers should collectively consider choosing consistent retail hours; i.e. hours that a majority of business owners can agree on and enact. In addition property owners should be encouraged to request that new retail leaseholders commit to these hours.
- Assess ongoing efforts to generate customer loyalty and consider additional or alternative methods to engender positive experiences for existing customers.
- Consider special appreciation programs for unique customer groups. For example a downtown/government employee appreciation program can generate additional retail traffic at what would otherwise be off-peak times.
- Finally, retailers should consider having an outside evaluation of their current retail strategies in order to develop targeted sales improvement tactics. North Carolina Main Street staff can assist with a list of possible resources.



DOWNTOWN'S PHYSICAL ENVIRONMENT





INTRODUCTION-DOWNTOWN'S PHYSICAL ENVIRONMENT

Up till now we've talked a great deal about the consumer market as it relates to running a business, shopping, and living downtown. We've briefly noted the importance of understanding business mix and where your residential areas are in relation to downtown. Now it's time to take a closer look at the physical environment which, depending on its condition, can help or hinder the viability of the consumer market.

The National Trust for Historic Preservation conceived of the Main Street Program in the late 1970's, with North Carolina representing one of the six states chosen to institute a pilot program in 1980. The program was created in response to a variety of economic factors that were damaging the historic fabric of communities across the nation. Faced with an increasingly mobile population and entirely new retail environments, traditional downtown shopping districts were struggling to find their identity in the midst of all this change.

The National Trust recognized that the historic social, cultural, and architectural legacy found within downtowns was not only worth preserving but had elements that were both appealing to their community's citizens, and impossible to replicate. These unique landscapes only needed champions to literally uncover, in many cases, their beauty and consumer-friendly attributes. Downtown's singular role in a community's sense of place and its irreplaceable nature provide the foundation for Main Street programs across the nation.

With this awareness the National Trust included design as one of the four main components of the Main Street Program. So as we turn our attention towards Downtown's physical environment, let's look carefully at the condition of our buildings and the space between our buildings: our streets, sidewalks, and train tracks. For it is in these elements that Downtown Wilkesboro's inimitable identity can be found, nurtured, and shared.

ARCHITECTURAL OBSERVATIONS

BUILDING VALUE AND CONDITION

Determining the condition and value of buildings for a downtown can be difficult and the following information is presented for general analysis only and is based on the best data that was available to STMS staff.

The importance of downtown's building stock was a concern that was voiced and voted on as essential for the Small Town Main Street Committee to focus on during the September '09 kick-off event. "Façade Improvements" received the most votes in the design category, while "Retail Mix" and "Downtown Housing" received a majority of the votes in the economic restructuring category. The design committee's priority recognizes the direct need for continued building reinvestment, while the economic restructuring committee's priorities require us to identify the capacity of downtown's buildings to accommodate a variety of needs. Understanding building condition and rehabilitation needs in downtown, targeting reinvestment opportunities and grasping building value are the first steps in addressing both design's and economic restructuring's committee goals.

In pursuing this initial understanding the economic restructuring committee has worked to survey the existing data available on downtown buildings, primarily through the tax record, but also with owner interviews. In general, buildings in the downtown appear and are reported to be in good shape, with some reports of individual buildings needing substantial up-fitting. The average total tax value (including land and structure value) of downtown property is \$387,500, with the median total tax value at \$170,000. The buildings alone, without the value of land, average \$322,800, with a median value of \$125,000. We know the average square footage of a downtown building is 7,700 s/f and the median s/f is 3,750 s/f, using the average and median tax value of downtown property - \$322,800 & \$125,000 respectively

ARCHITECTURAL OBSERVATIONS (CONT.)

– and the average and median square footage - 7,700 & 3750 square feet respectively - we can make some general conclusions about average real estate value per square foot, in this case between \$33 and \$42 dollars per square foot. As a general observation tax valuations and real values usually vary by 6-12% on average, this would suggest that downtown buildings might sell for between \$35 to \$37 (median) and \$44 to \$47 (average) dollars per square foot.

HISTORIC REHABILITATION PROJECTS

Based on the information we've collected about the condition and value of downtown buildings and the retail environment, it is beneficial to consider the viability of rehabilitation projects for downtown buildings. Doing so will give current and potential building owners some insight into the possible returns they might see should they decide to invest in their chosen structures.

Example Tax Credit Project

Acquisition	\$35 per sq.ft.
Renovation	\$50 per sq.ft.
Total Investment	\$85 per sq.ft.
Gross Income (Rent)	\$6.00 per sq.ft.
Operating Costs (Less)	\$1.80 per sq.ft.
Net Income	\$4.20 per sq.ft.
Investment Return	4.9%
Historic Tax Credits	\$2.00 (10 yrs)
Adjusted Net Income	\$6.20 per sq. ft.
Adjusted Investment Return	7.3% (10 yrs)

This pro forma uses data collected from research in the town and other regional Main St. communities. Because parts of downtown Wilkesboro are within a National Register Historic District, the Adjusted

Investment Return shown above is an immediate opportunity for current and potential building owners interested in rehabilitating one of the contributing commercial buildings in downtown. Of course, without the cost of acquisition, existing building owners have the ability to see an even more lucrative return on investment. In the example shown, removing acquisition costs would increase the "Adjusted Investment Return" to 12.4%.

It is important to note the variables in this pro forma, specifically the cost of acquisition, renovation, and rental rates, are all subject to change and will have an impact on the bottom line. For instance, the renovation costs quoted are associated with preparing a space for traditional retail or office space. If the property owner wished to up-fit for a restaurant the cost can climb to \$125-\$150 per sq. ft., decreasing investment return. On the other hand, up-fitting a building can increase its attractiveness for potential tenants resulting in a higher sustainable rental rate and increasing investment returns.

LANDSCAPE OBSERVATIONS

PEDESTRIAN EXPERIENCE

Your streets, sidewalks, and public spaces play a key role in downtown's success; they represent the connective tissue in downtown, holding together the discrete retailers. Historic downtowns, as compared to newer marketplaces (malls, etc.), are unique because of their human scale. Although the development world is beginning to recognize the importance of this scale, the past 50 plus years have markedly favored the automobile. The result has been the widening of roads, the elimination of barriers to traffic flow, and in general an increase in the land mass dedicated to vehicle use. In many cases this has been to the detriment of pedestrians, as their previously connected landscape has been fragmented by the needs of motorists.

Addressing this fragmentation was a focus identified in the kick-off process with “Pedestrian Comfort/Accessibility” being one of the top three vote getters in the design category. Fortunately, because of the way downtown was originally laid out and built, i.e. its distinctly human scale, many of the fragmented connections simply need to be re-emphasized and re-connected. In an effort to better understand the existing condition of the public realm, the Small Town Main Street Design Committee has been investigating the pedestrian experience. The group generated a study of the “conflict zones,” those areas where the various modes of transportation found downtown (vehicle, bicycle, and pedestrian) intersect and of pedestrian movement or where pedestrians might want to move in downtown. This began to point out where the STMS committee might want to strengthen fragmented connections. The STMS Committee has also participated in Downtown Design Walk, during which time the pedestrian experience was discussed further.

The design committee has also had the opportunity to meet with and discuss the downtown pedestrian experience with North Carolina DOT representative Dean Ledbetter. Informative and innovative, this discussion has prompted continued interest in how the downtown masterplan process, a component of the town of Wilkesboro’s future planning efforts, can redesign certain aspect of the downtown streetscape and downtown traffic flow to better balance the needs of all users. The committee has also met with Bruce Eilert to discuss Wilkes Transit and how the committee can work to use, promote, and improve existing services and facilitate future service expansions.

Downtown’s Wilkesboro’s public realm is not terribly difficult to navigate as a pedestrian if you stick to one side of Main St. or the other and if you know where you’re going. There is little elevation change when traveling north or south along Main St., as the street is located on a ridge, and the sidewalks are reliable throughout most of downtown. It

should be noted that there are specific and significant challenges as a result of topography at the periphery of our downtown district. That said the majority of challenges for the heart of downtown result from the poorly marked or completely unmarked pedestrian crosswalks, creating an uncomfortable and potentially dangerous situation. Mid-block curb cuts off Main St. also present challenges for pedestrians, creating an intersection of transportation modes in areas usually devoid of such issues. These various issues present a real challenge to a contiguous downtown pedestrian experience. One of the attractive features of a functioning historic downtown marketplace is the ability to get out of your car and walk everywhere. When pedestrian comfort is hindered, so is the shopping experience. This negatively impacts the synergistic effect that a single destination with multiple retailers creates.

TRAFFIC CIRCULATION AND PARKING

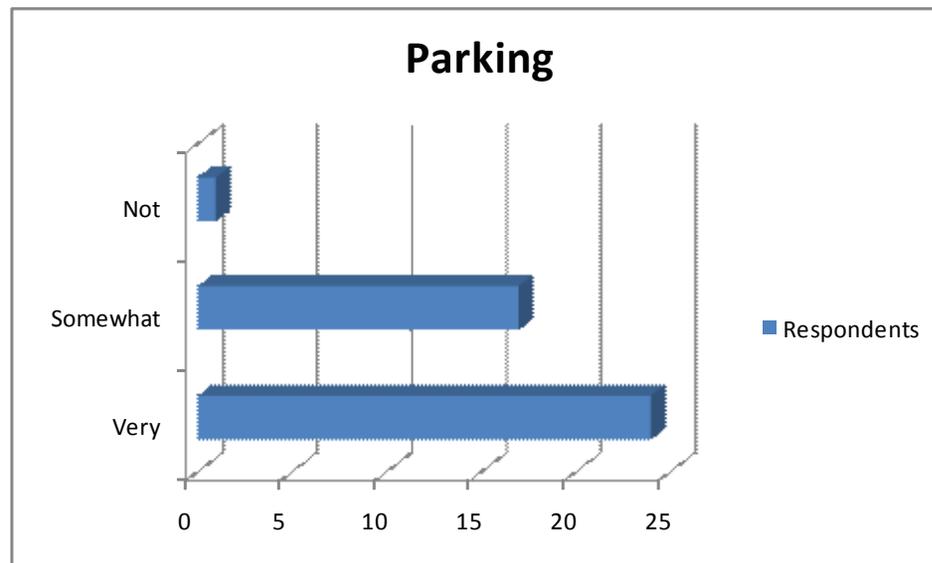
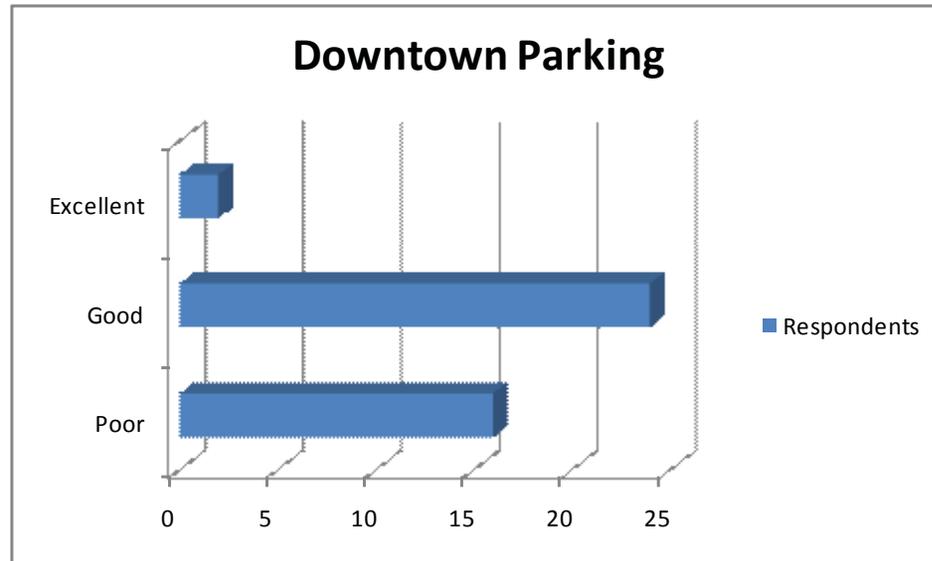
We strongly encourage the Small Town Main Street Committee to consider that the downtown marketplace should be a landscape where pedestrian’s needs and the needs of other forms of transportation are balanced. We noted in the “Conflict Zone” study, the intersection of Main St. and Bridge St., and the intersection of Broad St. with Main St., represent some of the most challenging spaces for pedestrians.

NC DOT traffic counts for Main St., recorded in 2008 at a point just east of the intersection of Cherry St., indicate 16,000 vehicle trips per day. Recordings taken on Cherry St., indicate 7,400 vehicle trips per day, while Bridge and Oakwood Streets recorded 2,500 and 5,800 vehicle trips per day respectively. It is worth noting that the 421 bypass at the edge of Wilkesboro recorded 27,000 vehicle trips per day. Main St. in the downtown district has been identified by community members as particularly challenging because of vehicle speeds and traffic volume. If Wilkesboro is serious about creating a vibrant historic downtown shopping district, it is important to begin thinking about these streets

as more than simply a way to get from one side of Wilkesboro to the other.

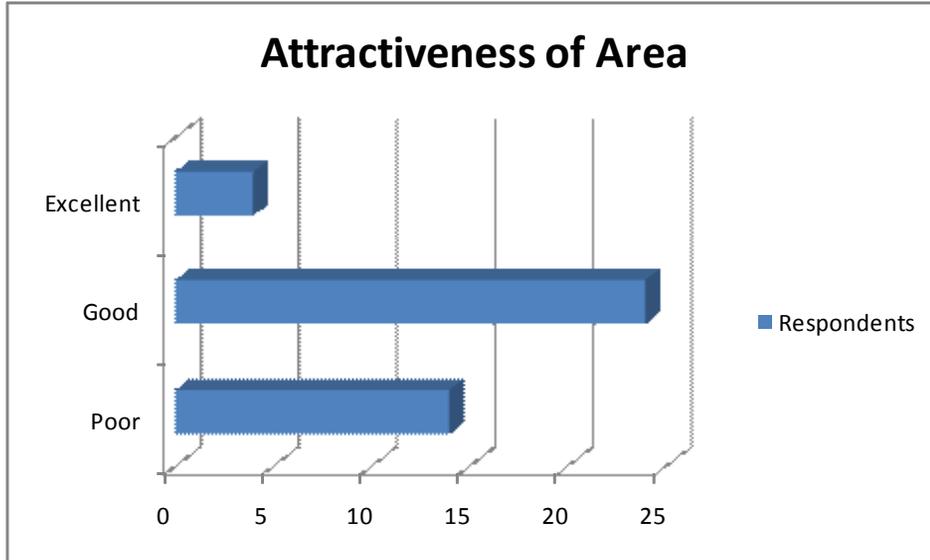
According to the consumer survey, parking in Downtown Wilkesboro is not terribly difficult with approximately 62% percent of respondents ranking downtown parking as “good” or “excellent” and the remaining 38% percent ranking it as “poor.” When asked how important various issues were to improving downtown, parking ranked 12th out of 12 total factors with 57% of respondents indicating it was “very important.” There are approximately 60-70 public spaces located on Main St. within the two block downtown core, additional parking around the old Wilkes Courthouse and two public lots located within the downtown district. The town and the Small Town Main St. Committee are also actively seeking other opportunities for additional parking and will continue to consider this element as they move forward with master planning efforts.

Parking issues are often a matter of perception and management, for instance, signage designating public parking is ineffective or downtown employees park in prime public spaces. While these may not be major issues at this point it is important to consider them as downtown becomes more active, addressing these issues with cohesive signage and incentives for parking turn-over can be valuable and cost-effective.



NOTES OF GENERAL AESTHETICS

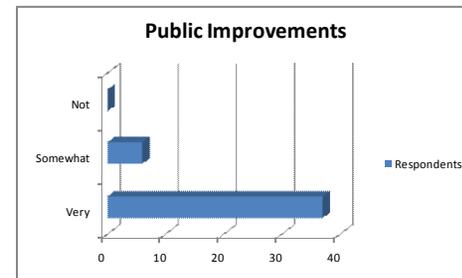
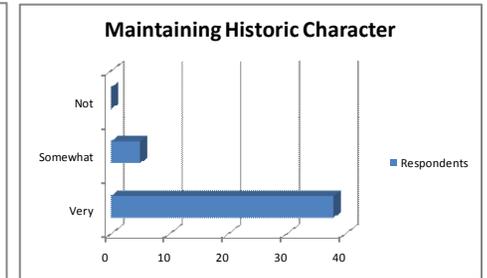
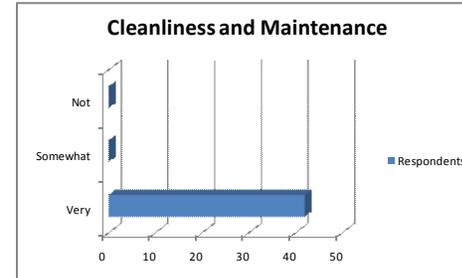
To close our observations of downtown's physical environment, we felt it was valuable to return to the consumer surveys once again.



As indicated above, consumers generally felt that downtown is an attractive area, though not overwhelmingly. This simply reinforces some of the citizen feedback we received at the kick-off and further emphasizes some of the design subcommittees stated goals.

When consumers were asked to rate the importance of various factors that will contribute to downtown's continued and increased future success, "Cleanliness and Maintenance" was the overwhelming leader, with 100% of respondents indicating it was very important. Respondents also ranked "Maintain Historic Character," "Public Improvement-Streetscapes/Landscaping" and "Customer Service" highly. These consumer responses highlight the importance of; the character and pedestrian friendly attributes of their marketplace and the private and public partnership that helps downtowns thrive. It's vital for business

and building owners and the town to recognize that, for Wilkesboro, reinvestment in the downtown marketplace, both in buildings and in the street and landscapes, has the capacity to dramatically impact the opinion that the local population holds regarding the downtown marketplace.



INTRODUCTION-PHYSICAL ENVIRONMENT RECOMMENDATIONS

The following Physical Environment Projects are recommended by the Small Town Main Street staff to nurture a downtown organization populated by individuals that have the capacity to increase their comprehension of the various design challenges and opportunities in their downtown and to actively pursue activities which can enhance downtown's physical environment. They are intended to assist in addressing design issues identified during the community Kick-Off Event.

We encourage the entire Small Town Main Street Committee to review these projects. Should you have any questions please contact the Small Town Main Street Staff.

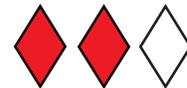
RECOMMENDED PHYSICAL ENVIRONMENT PROJECTS

Establish a Historic Building Task Force

Establish a Pedestrian Experience & Streetscape Task Force

Establish concrete ties with other Wilkesboro organizations interested in downtown design issues

PROJECT KEY

 Denotes the reinvigoration value, as accessed by STMS Staff.



Organization Committee



Economic Restructuring Committee



Design Committee



Promotions Committee

HISTORIC BUILDING TASK FORCE

Reinvigoration Value-High



PROJECT DESCRIPTION



The value of downtown's historic buildings and their contribution to Wilkesboro's inimitable identity is significant. Unfortunately, due to a variety of factors, the integrity of buildings often deteriorates over time. In the context of building appearance, this has been identified by the community as a key issue for downtown Wilkesboro. The primary goal of this task force is to share information about and promote the maintenance of historic building integrity to whomever will listen.

PHASE 1-ACTION STEPS

- Establish an open dialogue with the Real Estate and Business Recruitment Task Forces; these will be important partners
- Review knowledge of existing building conditions and work to increase this knowledge on a building-by-building basis
- Create a downtown building condition database

PHASE 2-ACTION STEPS

- Develop strategies to share with historic building owners information on Federal and State Historic Rehabilitation Tax Credits and their potential benefits
- Seek to better understand historic building appearance and the associated retail

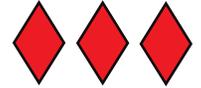
benefits; confer with Real Estate and Business Recruitment Task Forces regarding best use

PHASE 3-ACTION STEPS

- Consider incentive programs, at the local level, for building rehabilitation and reinvestment. The economic restructuring and design committees have begun this process, we encourage them to continue.

PEDESTRIAN EXPERIENCE TASK FORCE

Reinvigoration Value-High



PROJECT DESCRIPTION



The connective tissue that holds the historic downtown district together is made up of a variety of elements: streets, sidewalks, etc. Over time the distribution of this space has become unbalanced in favor of motorists. The primary goal of this Task Force is to promote a reinvigoration of pedestrian accessibility, comfort, and safety in downtown.

The design committee has already engaged some of these efforts. The action steps suggested below are intended to help provide cohesion to these efforts and to place them in a larger context.

PHASE 1-ACTION STEPS

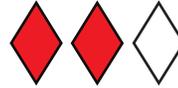
- Document the existing barriers to an unfragmented pedestrian experience in the downtown marketplace (Conflict Zone Study)
- Consider developing a downtown marketplace master plan

PHASE 2-ACTION STEPS

- Consider strategies for appropriate pedestrian oriented design intervention at the various intersections identified in the Conflict Zone study

DEVELOP AND NURTURE DESIGN PARTNERSHIPS

Reinvigoration Value-Moderate



PROJECT DESCRIPTION



There are a variety of stakeholders in downtown's public environment and it is vital that the STMS Design Committee actively seek to establish concrete and workable ties with other organizations that have an interest in downtown design issues. An example of these other groups may include the local Garden Club or similar organization. In Wilkesboro the local Historic Commission will be an important partner. These groups can assist in identifying and addressing downtown design challenges and opportunities.

ACTION STEPS

- Brainstorm potential downtown design partners who have an interest in an attractive downtown
- Recognize that the town will always play an important role in this effort
- Work to create regular project updates/ project status sharing to prevent overlap and promote comprehensive knowledge of downtown's design-related activities

- Consider strategies for reducing the impact of truck and general traffic on the downtown district, what opportunities and what limitations are there
- Consider what elements of the master plan might be initial projects

PHASE 3-ACTION STEPS

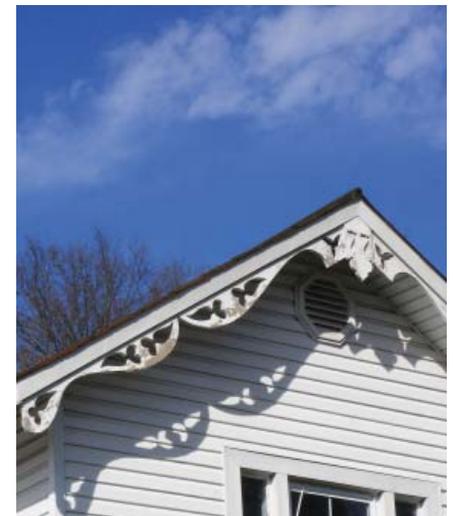
- Work, in concert with the town, to identify strategies for implementing aspects of a downtown master plan

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DOWNTOWN'S FINANCIAL ENVIRONMENT





INTRODUCTION-DOWNTOWN FINANCIAL ENVIRONMENT

Clearly, in Wilkesboro economic drivers include the Tyson Chicken Plant. It is the largest poultry processing plant east of the Mississippi River and, as mentioned earlier, has an economic impact of over \$130 million. Wilkes Community College and the various events they accommodate and provide, including MerleFest, are significant economic drivers as well. Just as noteworthy Wilkesboro's cost of living is more than 18% lower than the national average. These various assets are Wilkesboro's collateral so to speak. Yet, despite the existing economic drivers that positively contribute to Wilkesboro's bottom line, unemployment remains one of the highest in the state at 13.20% and recent job growth has trended in the wrong direction. These factors combine to place Wilkes County among the forty most distressed communities in the state.

That said there are some opportunities even in this market. According to the Urban Land Institute's Senior Resident Fellow for Real Estate Finance, Stephan Blank," a sense of nervous euphoria is growing among liquid investors who can make all-cash purchases," Blank also stated "Those that are patient, daring and selective could score generational bargains on premium properties from both distressed sellers and banks that are clearing out unwanted bad loan and real estate owned portfolios. However, once the property market recovery begins and gains traction—likely before 2012—any rebound could be restrained by a lackluster economy and rising interest rates." (www.uli.org/ResearchAndPublications/Emergingtrends/Americas.aspx)

While this sounds a bit like good news/bad news and we can't predicate precisely what the future trends will mean for Wilkesboro, we do offer observations regarding the Financial Environment in downtown Wilkesboro and recommend cautious, eyes wide open approach.

CAPITAL AND FINANCING OBSERVATIONS

Again, according to the Urban Land Institutes (ULI) report, capital will begin to flow back into commercial real estate by the end of 2010. The survey data also indicates that investors believe that capital will slowly begin to flow back into commercial real estate markets by the end of 2010, led by all cash investors seeking quality assets. The debt markets will start to rebound too, but remain "far from normalized" in the wake of unprecedented de-leveraging. Any lending will be conservative, expensive, and extended only to the most-favored banking relationships.

Respondents to the Emerging Trends cite the best investor bets for 2010 which include:

- *Deal with cash – Cash is the only way to operate and only the most liquid can take advantage of the emerging opportunities.*
- *Patience will be rewarded - Early is the new wrong as the economic uncertainty will hamper the recovery and absence of ready refinancing in comatose debt markets adds more risks.*
- *Focus on quality and be selective – Seek irreplaceable Class A properties with debt maturity in places like New York, San Francisco and Washington, DC.*
- *Stick to global pathways where recovery will happen more quickly.*
- *Buy cash flow and real yield – Anticipate creating value by filling vacancy and increasing rents over time.*
- *Provide financing as three to five year loans can deliver low teen returns.*
- *Implement asset management triage – Focus capital and resources on retaining and attracting tenants in properties with better long-term value.*

(www.uli.org/ResearchAndPublications/Emergingtrends/Americas.aspx)

DOWNTOWN WILKESBORO MARKETPLACE STUDY

In addition to the ULI best investor bets, STMS staff offers more localized observations. They include suggested possible tools and ideas that downtown stakeholders can explore in order to increase the dollars available for business growth and development.

Maximize Use of Public Funds:

- The Town of Wilkesboro has a National Historic Register District which provides an additional incentive with Federal and State Tax Credits for building rehabilitation. (At this time we have not been able to identify anyone who has utilized these credits which offer a 20% state credit and a 20% federal credit.)
- Wilkesboro is encouraged to implement a façade and capital grant program; property and/or business owners should be encouraged as appropriate to use these funds if they become available. When paired with Historic Tax credits these programs often close the financing gap making a rehabilitation project more feasible.
- The STMS Economic Restructuring Committee should assist local governments and non-profits with identifying resources that bring public capital business development products to the private market

Use of Private Capital:

- Some owners may have little or no existing debt on their properties, and can realize a benefit from providing owner financing to buyers over a term of years, possibly deferring some capital gains taxes. This is an excellent benefit for both buyers and sellers, and should be aggressively pursued as an option. Also with little debt owners may be in a position to lower rent and work with tenants until the market stabilizes and their tenants' sales increase.

- Local bankers should be invited to participate on the Economic Restructuring committee of the STMS program if they aren't already involved. By being a part of the ER committee bankers can offer a unique perspective as well as help provide some innovative solutions to accessing capital.
- Keep tabs on area banks Community Reinvestment Act (CRA) activities, encourage banks to meet their CRA goals by supporting downtown projects. (<http://www.cfed.org/programs/idas/>)
- Work with the small business assistance providers (Small Business Center and Small Business Technology Development Center) to host workshops and training sessions that instruct business owners on private capital products, and how and when to effectively use debt to grow a business.
- Remain in touch with emerging funding trends and opportunities, an example would be the green economy. As a major influence on the downtown business and development environment, The Small Town Main Street (STMS) Committee - a volunteer organization consisting of town officials, property and business owners, non-profits, citizens and other advocates for downtown Wilkesboro - shall focus on downtown development opportunities. The committee shall work toward improving these opportunities for potential business owners while retaining existing downtown businesses.

BUSINESS AND DEVELOPMENT

Business decisions must be based on complete and factual information. Although the data within the ESRI report serves as a basis for identifying needs and highlighting surplus and leakage it is just that: a basis. This report represents to the best of our knowledge accurate information based on data collected from the community and state and national resources.

As a major influence on the downtown business and development environment, the Small Town Main Street (STMS) committee, a volunteer organization consisting of town officials, property and business owners, non-profits, citizens and other advocates for downtown Wilkesboro shall serve to focus on downtown development opportunities. They shall work toward making these opportunities easier for potential business owners while also working toward retaining the existing downtown businesses. Business owners must evaluate their business and marketing plans, know their sales per square foot and, if renting, their sales to rent ratio. Knowing this information is a way to evaluate their situation and possibly when to seek outside assistance. This assistance may be in the form of business counseling, evaluating a marketing plan, taking a class that could help put the business on track or steer the business in a direction that would have a positive impact on the bottom line.

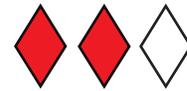
INTRODUCTION-FINANCIAL ENVIRONMENT RECOMMENDATIONS

Downtown organizations are formed for the specific purpose of providing for the needs of the downtown area in their communities. Although they must thoroughly understand and appreciate the economic conditions of the area at large, by the narrowness of their purpose they are not distracted by the need to provide economic development activities and other services to those areas. The NC Small Town Main Street Program helps provide the information and serve as the source for assistance in participating communities, and will provide that assistance in Wilkesboro during the first two to three years. While we recognize that the last few years have been some of the harshest financially for those in business, we also suggest that this is the best time for planning and positioning for opportunities that will begin to appear when the financial, job and development climates begin to improve significantly. During this time it is crucial to build a sustainable organization that can create opportunities for downtown business development. Therefore we recommend the following:

RECOMMENDED FINANCIAL ENVIRONMENT PROJECT

Establish a Financial and Business Development Task Force

PROJECT KEY

 Denotes the reinvigoration value, as accessed by STMS Staff.



Organization Committee



Economic Restructuring Committee



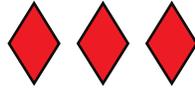
Design Committee



Promotions Committee

FINANCIAL AND BUSINESS DEVELOPMENT TASK FORCE

Reinvigoration Value-High



PROJECT DESCRIPTION



Potential and existing business and building owners have their hands full in today's fiscal environment. The goal of the task force is to provide information regarding existing business incentives and local business development resources. It is also charged with working to develop new incentives that address ongoing market challenges.

PHASE 1-ACTION STEPS

- This group must work closely with the Real Estate, Business Recruitment, and Historic Building Task Forces, providing cohesive organizational oversight for these groups
- Establish a comprehensive knowledge of existing local incentive programs and local business development resources

PHASE 2-ACTION STEPS

- Generate strategies for working with local banks to establish downtown incentives. Many Main Street communities have used downtown loan pools in the past; be as creative as the law allows
- Generate strategies for establishing a downtown investment group. There are programs on the national level that people can explore, such as Angel Investors, but we encourage you to brainstorm locally-driven

efforts. *STMS staff can provide further examples as needed

PHASE 3-ACTION STEPS

- Identify specific projects as recommended by the committees and identify ways in which to fund them (i.e. create a Façade Incentive Grant program; branding and marketing campaign); while the Town of Wilkesboro is an excellent partner it should not be the sole funding source for downtown projects



DOWNTOWN'S MAIN STREET ORGANIZATION



INTRODUCTION-DOWNTOWN'S MAIN STREET ORGANIZATION

In our lives we talk about being “organized” as a means of accomplishing our day-to-day goals; the same is true with being able to accomplish the recommendations within this report. Therefore, the Small Town Main Street staff have included a piece on organization. This piece serves as a conclusion to tie the report together.

Organization is one point of the four-point approach to downtown revitalization. The Main Street program emphasizes the four points stressing the validity of all four and how they are symbiotic. Organization is key to the foundation. Without an organizational structure in place Main Street programs often find themselves struggling to sustain themselves and not fulfilling their mission or their vision. STMS staff believe that success in achieving the goals outlined in the work plan is dependent upon who will oversee the implementation process.

ORGANIZATION AND SUSTAINABILITY OBSERVATIONS

By working toward having a stand-alone Downtown Organization the Wilkesboro STMS committee will be able to better align themselves for grant opportunities that otherwise may not be offered, but more importantly, having a stand-alone organization made up of a diverse group of individuals focusing on downtown issues can often be the catalyst for achieving success. In North Carolina there are over 50 downtown organizations. Some are designated North Carolina Main Street communities while others simply follow the Main Street Four-Point Approach recognizing this model as key to success.

Over the course of the next year the STMS Staff in conjunction with the Wilkesboro STMS Executive Committee will consider various downtown organizational models. Below we briefly describe a variety of models.

DOWNTOWN ORGANIZATIONAL MODELS

§ Town Appointed Advisory Board

- This model has a core group representing downtown property and business owners as well as other key downtown stake holders, i.e., banks, cultural resources, etc., appointed by the Town Commissioners to serve as the Downtown Advisory Board.
- This board can function as an all-volunteer board following the Main Street model of establishing committees. They may be granted some funding through the town's general funds for specific projects
- This model works well in the beginning for smaller towns, establishing a formally recognized downtown focused organization

§ *Establish A Downtown Tax Exempt Organization*

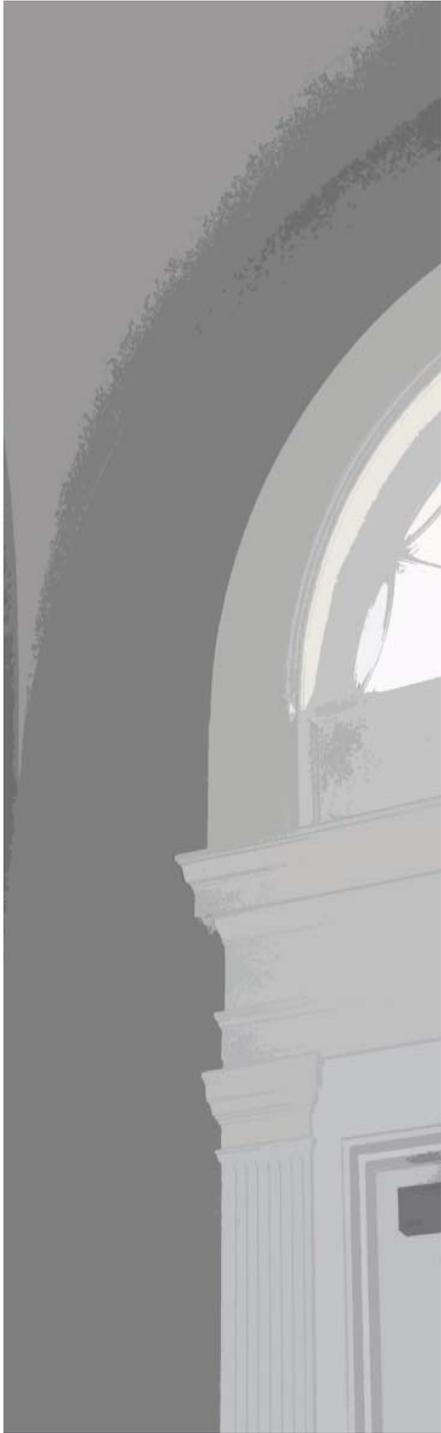
- Establishing a tax exempt organization requires Articles of Incorporation and By-laws to go along with the Advisory Board or Board of Directors
- 501 (c) 3 – offers opportunity for fund raising; Purpose is charitable or religious – education & historic preservation are eligible activities.
* Economic Development is not an eligible activity
- 501 (c) 6 – provides tax exempt for business leagues, chamber of commerce, etc. Offers opportunity for membership, corporate contributions, and limited lobbying
- 501 (c) 4 – lobbying is allowed, donors cannot deduct contributions

§ *Establish a Municipal Service District (MSD)/Business Improvement District (BID)*

- In order to establish an MSD or BID, one of the above models should be in place and this should be a tool for accomplishing agreed upon goals.
- To be clear: an MSD/BID involves a self-imposed property tax with the additional generated tax revenue going toward specific downtown projects that are above and beyond what the city/county provides to a specific, targeted area. These services include, but are not limited to:
 - Economic & Business Development
 - Safety & Maintenance
 - Marketing & Downtown Promotions
 - Administration & oversight of Services & Projects

DOWNTOWN ORGANIZATION CONCLUSIONS

A downtown organization can choose to use one model or even implement all three models at the same time. As a program grows it is important to review and possibly revise the structure of the organization, but a downtown organization’s primary focus is always on the downtown district working to create and sustain a better downtown. As we mentioned earlier there are over 50 designated NC Main Street communities and those that are considered the most successful continue to learn, grow and re-invent their program (to a degree), but always with a focus on downtown and always incorporating the four-point approach: organization, promotions, design and economic restructuring.



APPENDIX



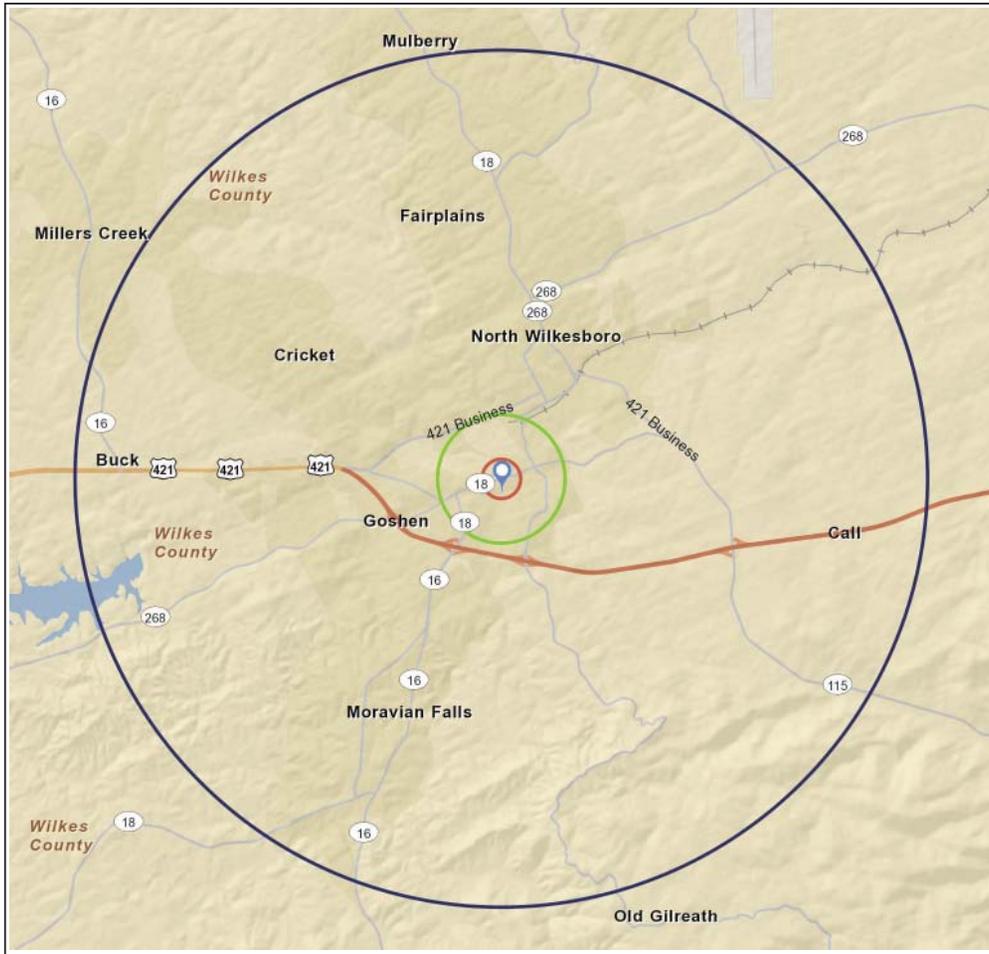


Site Details Map

WILKESBORO, NC

Site Type: Rings

Latitude: 36.14834
Longitude: -81.15174
Rings 0.23, 0.75, 5 Miles

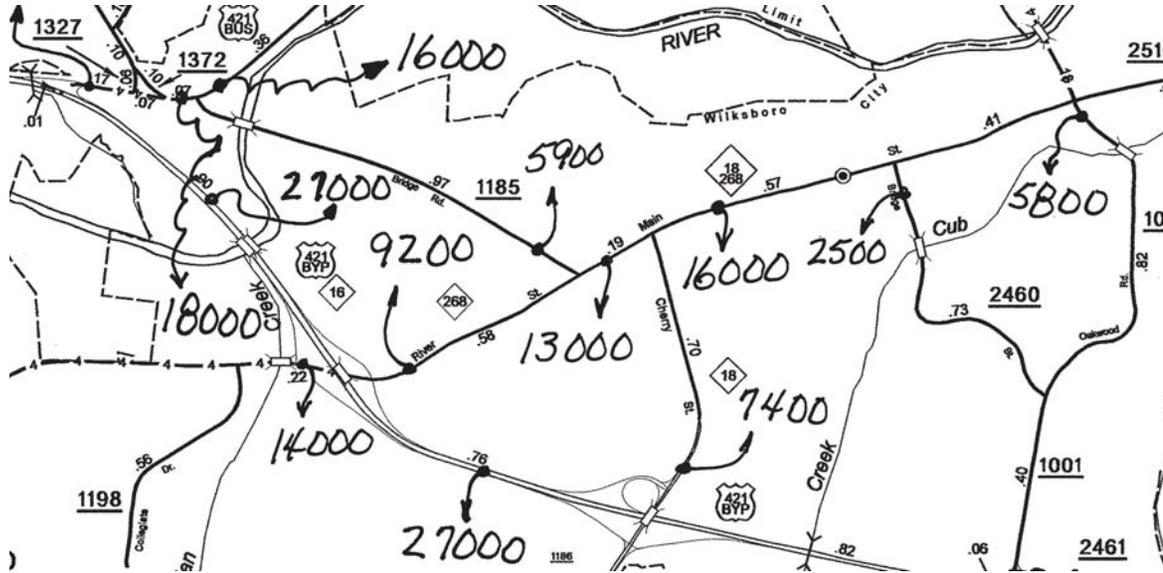


Referenced throughout the report, the radii shown on this map were used to generate the data collected in the ESRI report. Pulling from 0.2 mile (the red circle), 1 mile (the green circle) and 5 mile (blue-black circle) radii, our report repeatedly refers to the information gathered, using this ring method, by the ESRI data report.

This site is located in:

City: Wilkesboro town
 State: North Carolina
 ZIP Code: 28697

County: Wilkes County
 Census Tract: 37193961100
 Census Block Group: 371939611003



2008 AADT
 ANNUAL AVERAGE DAILY TRAFFIC
WILKES COUNTY
 NORTH CAROLINA
GENERATED BY THE
TRAFFIC SURVEY GROUP

TRANSPORTATION PLANNING BRANCH
BASE MAPPING PREPARED BY
 NORTH CAROLINA DEPARTMENT OF TRANSPORTATION
 STATE ROAD MAINTENANCE UNIT
 MAPPING & INFORMATION SECTION
IN COOPERATION WITH THE
 U.S. DEPARTMENT OF TRANSPORTATION
 FEDERAL HIGHWAY ADMINISTRATION

The map displayed above was taken from the NC DOT 2008 traffic count data. Developed by the Traffic Survey Group in the Transportation Planning Branch of DOT, this information is available for the entire state of North Carolina.

The original information can be found at:

<http://www.ncdot.org/travel/statemapping/trafficvolumemaps/default.html>

Consumer Survey Responses

Do you currently shop downtown?

Answers	Number	Percentage
Yes	48	70.59%
No	20	29.41%
Total	68	

For those who answered yes to our first question, the following three questions were asked.

How often do you shop in your communities historic downtown commercial district?

Answers	Number	Percentage
Everyday	2	3.23%
3-6 Times per week	2	3.23%
2-4 times per week	9	14.52%
3-6 times per month	15	24.19%
3-6 times per year	10	16.13%
Almost Never	19	30.65%
Other	5	8.06%
Total	62	

What is the primary reason you visit your community's historic downtown commercial district?

Answers	Number	Percentage
To Shop	10	12.82%
To Bank	7	8.97%
To Work	15	19.23%
To Eat	29	37.18%
Cultural Events/Entertainment	11	14.10%
Other	6	7.69%
Total	78	

Consumer Survey Responses

What other activities do you engage in, in your community's historic downtown commercial district?

Answers	Number	Percentage
Shopping	19	22.35%
Banking	11	12.94%
Eating	28	32.94%
Cultural Events/Entertainment	17	20.00%
Other	10	11.76%
Total	85	

The following questions were asked of all survey respondents, downtown shoppers and non-downtown shoppers.

Where do you live in relation to your community's historic downtown commercial district?

Answers	Number	Percentage
In Downtown	3	6.25%
Between 1 and 3 miles from	14	29.17%
Between 3 and 5 miles	6	12.50%
Between 5 and 10 miles from	11	22.92%
Other	14	29.17%
Total	48	

How do you find out about local businesses, shopping opportunities, special sales, and promotions in your community's historic downtown commercial district?

Answers	Number	Percentage
Local Newspaper	32	34.41%
Other Newspaper	0	0.00%
TV	2	2.15%
Radio	9	9.68%
Direct Mail	12	12.90%
Word of Mouth	28	30.11%
Internet	10	10.75%
Total	93	

Consumer Survey Responses

How would you rate the following in regards to the shopping experience in your community's historic downtown commercial district?

Answers	Excellent	Good	Poor	Total
Parking	2 4.76%	24 57.14%	16 38.10%	42
Price of Merchandise	1 2.44%	36 87.80%	4 9.76%	41
Variety of Goods	1 2.44%	11 26.83%	29 70.73%	41
Quality of Goods	4 10.00%	31 77.50%	5 12.50%	40
Attractiveness of Area	4 9.52%	24 57.14%	14 33.33%	42
Attractiveness of Buildings	4 9.52%	21 50.00%	17 40.48%	42
Business Hours	1 2.44%	22 53.66%	18 43.90%	41
Safety	11 26.19%	27 64.29%	4 9.52%	42

How important are the following to improving your community's historic downtown commercial district?

Answers	Very	Somewhat	Not	Total
Maintain Historic Character	38 88.37%	5 11.63%	0 0.00%	43
Cleanliness and Maintenance	42 100.00%	0 0.00%	0 0.00%	42
Public Improvements-Streetscapes/Landscaping	37 86.05%	6 13.95%	0 0.00%	43
Focusing on Needs of Local Customers	36 83.72%	6 13.95%	1 2.33%	43
Customer Service	37 86.05%	6 13.95%	0 0.00%	43
Providing Regular Business Hours	34 79.07%	8 18.60%	1 2.33%	43
Supporting Local Businesses	36 83.72%	7 16.28%	0 0.00%	43
Creating More Jobs for Locals	35 81.40%	8 18.60%	0 0.00%	43
Advertising	23 57.50%	15 37.50%	2 5.00%	40
Improving Tourism	25 59.52%	14 33.33%	3 7.14%	42
Hosting More Special Events	26 63.41%	14 34.15%	1 2.44%	41

Consumer Survey Responses

Are you male or female?

Answers	Number	Percentage
Male	22	55.00%
Female	18	45.00%
Total	40	

What is your approximate age?

Answers	Number	Percentage
Between 15 and 19	0	0.00%
Between 20 and 25	0	0.00%
Between 26 and 35	7	17.95%
Between 36 and 50	12	30.77%
Over 50	20	51.28%
Total	39	

Are you a full or part time resident of the area?

Answers	Number	Percentage
Full Time	32	91.43%
Part Time	3	8.57%

How many people are there in your household?

Answers	Number	Percentage
One	7	17.07%
Two	20	48.78%
Three	8	19.51%
Four	3	7.32%
Five	1	2.44%
Six to Ten	2	4.88%
Other	0	0.00%
Total	41	

Are you...?

Answers	Number	Percentage
Employed	30	75.00%
Unemployed	1	2.50%
A Student	0	0.00%
Retired	6	15.00%
Other	3	7.50%

We also asked consumers:

If not downtown, where else do you shop?

Top vote getters included; Hgwy 421 Bypass-12, Big Box (Walmart, Lowe’s, etc)-11, Belk-6, and North Wilkesboro-4. There were a variety of other responses, these can be reviewed, by request, through the Small Town Main St. Staff.

What would you like to see in Downtown Wilkesboro?

Top vote getters included; Bookstore-12, Restaurant(s)-10, Clothing Store-9, and Outdoor/Sporting Goods/Bike Shop-8. There were a variety of other responses, these can be reviewed, by request, through the Small Town Main St. Staff.

SUMMARY OF RETAIL BUSINESS SURVEY
DOWNTOWN WILKESBORO, NC

SUMMARY OF RESULTS:

- Six (6) out of 10 downtown retail businesses responded to the survey
- The average retail square feet of those who responded to the survey is 1,617, and reported an average of \$120,833 in annual gross retail sales for calendar year 2009
- Of the respondents: two retailers have been open over five years, one for one-three years and three at the time of the survey had been open either right at one year or close to one year
- Four out of six did not respond when asked if sales had increased or decreased, but one reported a 20% sales decrease while one reported an over 200% sales increase
- Only one business reported they were considering relocating and this was due to increased rent
- Average rent reported was \$899 per month or \$6 per s/f on an annual basis;
- Sales to rent ratio 10.96%, but subtracting one outlier results in an 8.2% sales to rent ratio
- Average sales per s/f is \$93
- Best sales months were given in this order (with five out of six responding): November & December and one respondent said May, June and September were the best sales months.
- The majority of businesses reported that local residents are their typical and most important customers followed by downtown employees. Tourists/Visitors ranked third in importance to the sustainability of their business.
- Business hours were somewhat diverse, but the majority were open Monday - Saturday
- There are five full-time employees and nine part-time employees within these retails who responded to the survey