DRAFT
Business and Development Plan

for

Downtown Pittsboro, N.C.

January 2012

Prepared For:	Town of Pittsboro
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With Assistance of:	Pittsboro Small Town Main Street Committee

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The Six Economic Factors in Downtown Development

The Definition of Economic Development/Restructuring

The most basic definition of the word "economic" is "profitable". Although all "four points" of the Main Street approach are necessary in a successful downtown revitalization program, very little will be accomplished unless economic (profitable) activity occurs; for the ultimate goal of revitalization is the creation of economic value (profit) for the downtown and its investors; public and private.

And even though "profit" can come from improvements to the physical environment and quality of life, economic development is essentially "adding value", (creating profit) in the form of jobs, sales, taxes, and property value.

Economic restructuring is simply adapting economic activity to the current realities of the market place.

The Six Economic Factors

There are six basic factors that should be considered when undertaking economic activities. Without an understanding of these factors, it will be impossible to determine the direction that economic activity must take in order to bring about a successful effort. These factors are as follows:

Factor 1. Market Conditions and Business Climate
Assessing this factor helps determine the status of the retail, residential and office markets and their potential in your downtown. Information gathered related to retail sales, occupancies and rents is used to develop recruitment materials for attracting new businesses to downtown.

Factor 2. Retail Mix
A market assessment and merchants' survey can provide information related to the number and types of businesses currently in the downtown area. From this information, the potential for success of additional or different retail businesses can be determined. Additionally, a personal observation should be made to determine the physical location of retail businesses by type, in order to determine the best locations to site additional businesses.

Factor 3. Real Estate Availability and Condition
This factor addresses the ability to recruit development and business. If there are no available buildings or if they are overpriced or in poor condition, then it will be difficult to carry out the revitalization effort.

Factor 4. Physical Environment and Amenities
The physical environment in which a business must function is critical to it’s' success. Even the best businesses will not be successful if the surrounding environment is run down, has few amenities and is difficult to access.

Factor 5. Availability of Capital / Financing
It is critical that adequate investment capital and attractive financing be available for downtown projects. In addition to public financing tools, local financial institutions must be actively involved and supportive of development and business downtown.

Factor 6. Business and Development Assistance
Business and investment decisions must be made based on complete and factual information. One of the most important services that can be offered to potential investors is the provision of professional business and development assistance, along with a coordinated promotional effort.

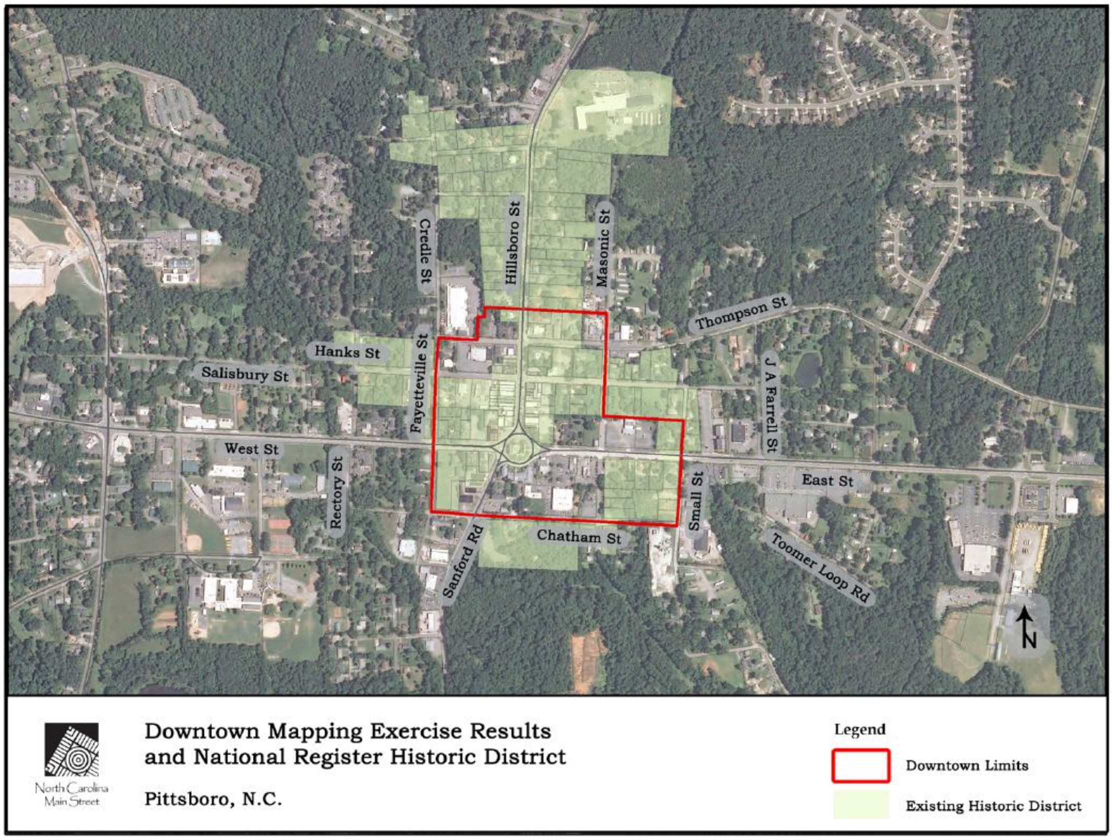


Figure 1. Downtown Study Area

1. Market Conditions and Business Climate

1.1 Retail

1.1.1 Observations

Pittsboro, NC is an incorporated town located in Chatham County, North Carolina, with a 2010 estimated population of 3,743. Pittsboro's population increased by 68% between 2000 and 2010. The town is situated on US Highway 64 and 15/501 approximately 32 miles west of Raleigh, NC, 17 miles south of Chapel Hill, 18 miles north of Sanford and 37 miles east of Asheboro. The population within a ten mile radius of downtown Pittsboro is estimated at 27,858 and per capita income is approximately $28,297 annually. There is a small strip shopping center near the downtown business district, a major regional shopping center east of downtown between Pittsboro and Raleigh and a number of free-standing retail establishments within a five-mile radius of the downtown core. The greater Pittsboro area captures about $80 million of the estimated $190 million in retail sales within a ten mile radius and experiences retail "leakage" (lost sales) in most retail categories.

Downtown Pittsboro competes with the shopping centers and free-standing stores within a ten-mile radius and with other nearby communities, particularly with Raleigh and Chapel Hill. Our assessment of the market conditions in Pittsboro based on available information from several sources, indicates that the downtown commercial district provides goods and services to a primary trade area of approximately ten miles.

Merchant and consumer surveys indicate that the downtown primarily serves a local market with most shopping occurring outside the downtown area and/or in surrounding towns. (see attached survey results) The downtown business district loses a substantial amount of retail trade to other communities including Chapel Hill, Sanford and Raleigh which are larger metropolitan areas with more shopping choices.

A downtown business district typically functions much like a Community Shopping Center, providing general and specialty merchandise and services to the local market. Downtown Pittsboro has too few retail stores to provide enough shopping diversity for local residents or to draw a substantial number of outside shoppers to the community.

Although downtown businesses capture very little in the way of basic retail sales, greater Pittsboro businesses currently capture about $58 million or 37% of the $154 million in non-automobile retail sales within a ten-mile radius of the downtown area. Sales are concentrated in **Food and Beverage (groceries), Food Service (restaurants), General Merchandise, Building Materials/Lawn and Garden** and **Gasoline** categories, with some of these businesses located at the edge of the core business district. After adjusting for local competition there is a remaining **$104.4 million** in potential non-automobile retail sales within ten miles to be captured in several categories, notably in the categories of **Food Service (restaurants) $28.8 million, General Merchandise (Department and Variety Stores) $29.5 million, Furniture/Home Furnishings/Electronics and Appliances $9.8 million, Clothing and Accessories $4.6 million, Food and Beverage $17.7 million, Health and Personal Care $8.6 million and Auto Parts and Accessories $3.4 million.** Assuming the ability to capture 15% of these potential sales or **$15.6 million**, the downtown area could **possibly support up to an additional 100,000 square feet of retail space.** (see Table 1 on page 6)

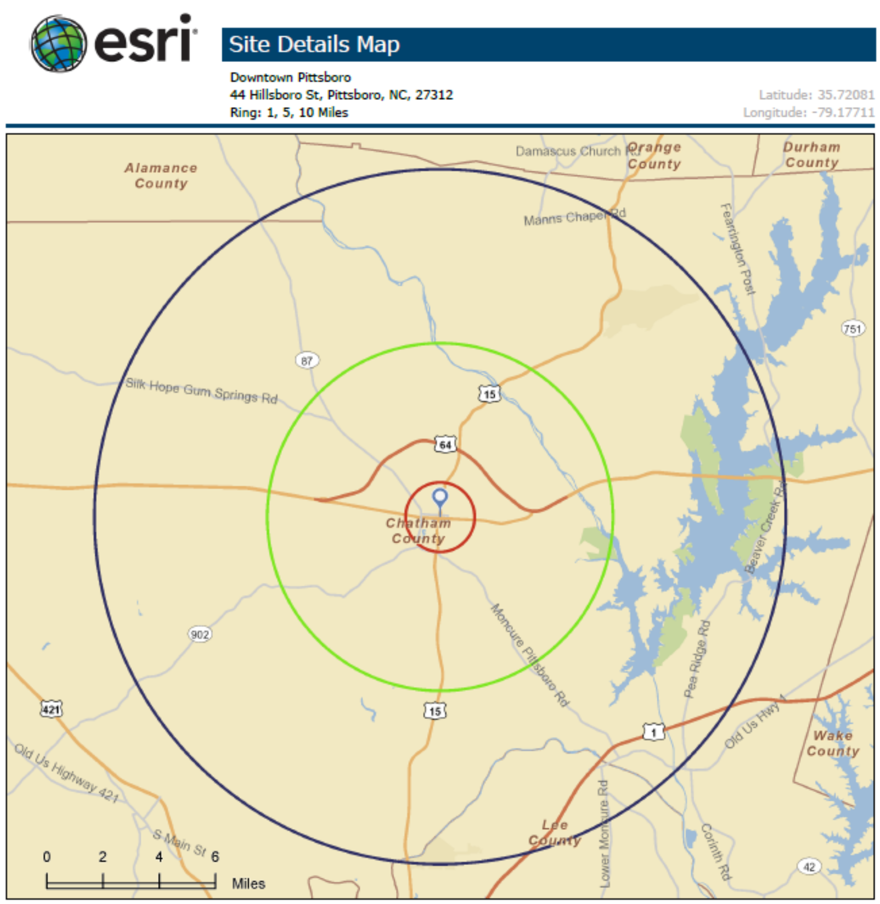
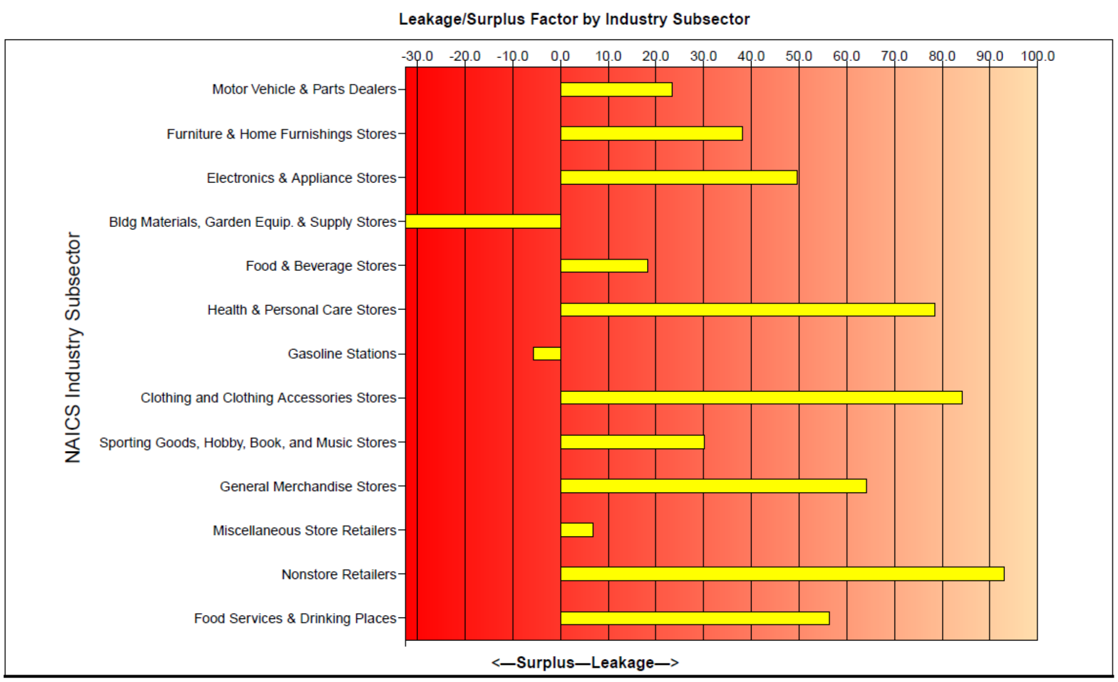


Figure 2. Pittsboro Primary Trade Area

	RETAIL LEAKAGE ANALYSIS	PITTSBORO	Nov-11			
	AREA/MILES/RADIUS	10.00		DOWNTOWN POTENTIAL		
NAICS	BUSINESS TYPE		LEAKAGE/LOST BUSINESS	Est. Capture 15%	Est. Sales/SF	Supportable SF
4413	Auto Parts/Accessories/Tires		$3,447,502	$517,125	$125	4,137
4421	Furniture		$5,256,468	$788,470	$125	6,308
443/4431	Electronics/Appliance		$4,351,686	$652,753	$125	5,222
4442	Lawn and Garden		$412,747	$61,912	$125	495
445	Food and Beverages		$17,747,486	$2,662,123	$250	10,648
446	Health and Personal Care		$8,659,893	$1,298,984	$150	8,660
448	Clothing and Accessories		$4,631,270	$694,691	$125	5,558
4511	Sporting Goods/Hobby/Music		$1,137,130	$170,570	$125	1,365
452	General/Department Store Merchandise		$29,511,465	$4,426,720	$125	35,414
4532	Office Supply/Stationery/Used/Gifts/Florists		$433,797	$65,070	$125	521
722	Food Services and Drinking Places		$28,825,488	$4,323,823	$200	21,619
	TOTAL		$104,414,932	$15,662,240		99,946
	SOURCES:	ESRIBIS ©		(Adjusted)	NC Main Street	

Table 1. Retail Analysis / Leakage / Downtown Potential
(-$ = Lost Business/Leakage)
Column at far right indicates potential for new retail space in square feet for each type of business.



Sources: Esri and Infogroup

Table 2. Retail Leakage Graph (source: ESRI and Infogroup)

2011 Downtown Retail Survey Results			
		Rent Location	62%
Average Size (sq. ft.)	2600	Own Location	38%
Average Sales / Sq. Ft.	$87	Average Rent Per Month	$1,081
Increase in Sales During 2010	67%	Average Rent Per Sq. Ft.	$7.62
Decrease in Sales During 2010	33%	Plan to Remain Open in Following Year	92%
Average Number of Employees	3.5	Plan to Relocate or Close in Following Year	8%
Average Number of Years Open	4+	Best Months for Sales	12,10,11
Primary Customers: 1.Residents 2 Tourists 3.Employees 4. others			

Figure 3. Retail Survey Summary

1.1.2 Recommendations

The downtown business district should attempt to capture a portion of the **$104 million** in potential sales within the ten mile radius of downtown with a goal of increasing annual downtown sales by $2 million to $3 million annually over the next 3-5 years. This can best be accomplished by increasing the availability and/or marketing of the identified retail opportunities including **Food Service (restaurants), General Merchandise (Department/Variety Stores), Furniture/Home Furnishings/Electronics and Appliances, Clothing and Accessories, Food and Beverages, Health and Personal Care (Drug Store Merchandise) and Auto Parts and Accessories**; by adding stores offering these products, and/or expanding the offerings of existing businesses downtown.

Downtown businesses should understand their markets and focus their promotional efforts on the markets they are most likely to attract. Most downtown retail areas function in an “inside-out” manner, with much of the retail trade being available from nearby neighborhoods and employees. The identified markets in Pittsboro in order of importance are:

1) 2,200+- Downtown area employees
2) 2,750+- nearby residents within 1-mile
3) Visitors to other downtown businesses and downtown’s "magnets" (Court House, Financial Institutions and county facilities).
4) 3,600 Employees of local businesses and industries within 5 miles of downtown
5) 8,500 residents within five miles of the business district
6) 27,800 residents within ten miles of the business district
7) other/outside/tourists and visitors on Highway 64, 15/501 and 87.

Niche Markets / Additional Potential

Tourism / other
Additional “niche” markets could develop around the through-traffic on Highways 64 and 15/501. Approximately 8,100 vehicles a day travel through Pittsboro on Highway 64 and 11,000 on 15/501. Efforts to inform these potential visitors about downtown attractions, goods and services should be expanded.

1.2 Residential

1.2.1 Observations

There was an increase of more than 1,500 (68%) in the population within the town limits of Pittsboro between 2000 and 2010. Mean home prices in 2009 in the general area are estimated at $213,610. The first half of 2011 saw housing sales and values decline slightly. There is some data to support growth in the residential rental market in the general Pittsboro area with housing occupancy at 90% and rentals consuming approximately 40% of the total housing stock. Overall residential vacancy is around 10%. Rentals that are available show an adjusted median rent of $752 per month.

There are some residents living “above the store” in the business district and there are several residential rentals in the downtown business district. The potential support for residential development “above the store” is unclear, but with a 10% overall residential vacancy rate in the area there appears to be some potential for downtown apartment rentals as well as for permanent residents. There are a few vacant upper floor development opportunities for existing buildings and there are currently several apartments under construction in downtown.

Pittsboro permits development of downtown housing in commercial buildings.

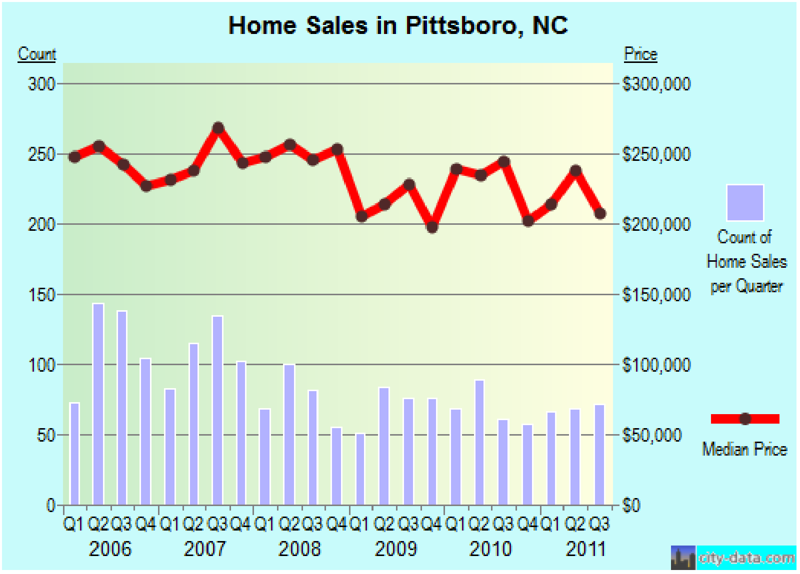


Figure 3. Residential Sales (source: www.city-data.com)

Mixed-use (commercial-residential) development with street levels reserved for commercial uses is a key to a successful downtown. Mixed-use development offers the potential for “full-building” renovation, since finding uses for upper floors in multi-story buildings is often difficult. Downtown “loft” style apartments typically demand higher rents within the market.

Experience of other small to mid-size cities with successful residential development downtown, indicates that there is an increased chance of success for residential development in a commercial area if there is a an established "real" residential neighborhood nearby, which is the case in Pittsboro. The downtown business district in Pittsboro needs the additional residents that these neighborhoods provide in order to support the downtown businesses as well as create this sense of neighborhood that is so important to upper floor housing downtown.

1.2.2 Recommendations

The residential areas adjacent to downtown are in good condition and should remain as primarily single-family residential zones. Efforts should be made to encourage the maintenance and/or renovation of these homes for residential use. Pittsboro has an established National Register commercial historic district and an established residential historic district. Individual homes in a National Register Historic District that qualify as historic should be supported with the 30% North Carolina Housing Historic Tax Credit and commercial buildings in the business district that can be certified as contributing historic properties should be encouraged to utilize the State and Federal 20% (total 40%) historic tax credits where possible. Those property owners with vacant upper floor space should be identified and encouraged to develop upper floor housing. Developing and maintaining the quality of the residential projects can more likely attract a quality tenant target market and above market rents. Quality construction and quality management of residential projects are key ingredients.

1.3 Office / Other

1.3.1 Observations

Office
There is considerable office occupancy in the downtown district and nearly all of it occurs at street level. Much of this space is associated with the Town being the government seat of Chatham County. We were not able to identify the depth of the office market in the Pittsboro area; however, there should be an adequate market for professional offices and services that can be attracted to downtown if adequate support services (parking, eating places, etc.) are available. Expansion of the government offices in downtown will provide additional customers and leasing opportunities.

Service
There are a number of service businesses in downtown. The service sector, which includes barber and beauty shops and other personal services, is an important component in every small downtown. These customer-oriented businesses provide employment for locals with special skills and offer a variety of necessary services for local citizens. They also produce traffic for retail businesses in downtown.

1.3.2 Recommendations

Office
New office tenants that can benefit from a downtown location and provide needed professional services to local citizens should be recruited. As additional retail tenants are identified and the retail market improves, offices now located at street level should be encouraged (and assisted as necessary) to move to upper floors and side streets, in order to free up this valuable retail space for its appropriate use. This should in no way be interpreted to mean that offices are not important to downtown; office employees are retail customers!

Service
Smaller commercial spaces are often well-suited for service businesses. It will be important to identify available spaces suitable for small service businesses that are also located where they can provide the opportunity for cross shopping with retailers.

2. Retail Mix

2.1 Observations

The downtown business district contains approximately forty retail businesses and there are a total of fifty-seven within one mile of downtown. As with many small towns, the relatively small total number of retail businesses coupled with a lack of “shopper’s goods” impacts the ability to draw a sizable number of customers to downtown for shopping.

2.2 Recommendations

New businesses and products of the types identified in this report should be added to the supply. There is room for some additional businesses of the same type, as well as those that carry complementary merchandise and different merchandise. “Cross-shopping" between stores should be encouraged by businesses simply REFERRING customers to other downtown businesses, whether a competitor or not. A downtown sale, even to your competitor, is better than a sale lost to another shopping area.

A successful business mix will contain businesses that are:

Market driven

- Provide products and services that meet local needs

Financially feasible

- Have sufficient investment and financing
- Business plan based on local market data

Located appropriately

- In or near a "*comparable cluster*" of businesses
  - Same customer base-different products
    Example: High income; low income; retirees
- In or near a "*complementary cluster*" of businesses
  - Goods and services used in conjunction with each other
    Example: Women's clothing/accessories; Convenience Items-groceries/drugs; Furniture/appliances
- In or near a "*comparative cluster*" of businesses
  - Same or similar products
    Example: furniture stores; jewelry stores; antique stores
- Part of a "*critical mass"* of businesses
  - Sufficient number of businesses and business types to provide a destination for shopping

<u>Successful business recruitment, retention and expansion:</u>

Retention/expansion

- 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, 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.

Recruitment

- Identify and solicit new business "suspects" that are likely to succeed in your community.
- Conduct a community assessment.
  - Survey local citizens about what products or services they must go outside the downtown or community to purchase.
  - Ask why they may prefer going outside the community, even if those goods and services are available.
- Identify market potential for goods and services in order to add or expand the availability.
- Determine business feasibility for businesses identified.
  - Prepare business plans for each business type.
    Review with local bankers and business development professionals.
- Prepare a list of similar businesses located in the suburbs, in nearby communities.
- Develop a recruitment package including the information gathered from the community assessment, market data, and business plans.
- Conduct recruitment effort:
  - Letters with market information on
    - available buildings
    - sources of assistance
    - financing options

- Market Information
- Follow-up phone calls
- Personal visits to the prospect by committee
- Invitations for prospects to visit the community
- Maintain contact until decision made
- Assist in establishing the business until open
- Regular contact to retain

3. Real Estate Availability and Condition

Figure 5. Real Estate Conditions

3.1 Observations

The Main Street area contains a number of businesses in the downtown area, but there are several vacant, un-renovated or inappropriately renovated buildings. Some of the “occupied” space is underutilized and/or used for storage, or non-retail uses. There is a mix of occupancies with retail, service and public related businesses or firms.

Buildings in the downtown are in generally good condition, some have vacant upper floors in poor to fair condition, and have reported average market values of around $100 per square foot, depending on condition. Commercial rents average around $7-8.00 per square foot. Reported contractor renovation costs of $90.00 to $100 per square foot seem appropriate for the market, while owner renovated buildings can typically be completed for less.

Development projects based on the above building and renovation costs, market rents and other known local conditions indicate limited but reasonable feasibility, particularly if utilizing historic tax credits. *(see Table 3 on page12)*

With existing vacancy there is potential for growth in the business district, both ground floor and upper floor development. Vacant buildings should be developed /redeveloped first and new infill construction on vacant parcels to follow. Redevelopment and new construction opportunities exist in the downtown area. Commercial encroachment on the nearby residential neighborhoods should be avoided.

3.2 Recommendations

The downtown committee should actively work to identify qualified potential tenants and /or buyers and match them with suitable available properties. A complete listing of currently available properties should be prepared and updated frequently. The available property list should be made available at Town Hall, Chamber of Commerce and local and regional economic development organizations. It will be important to work with property owners and non-retail users to educate property owners and businesses regarding the relationship between the appropriate mix of uses, renovation and development costs and retail sales and rent. If non-retail uses become dominant or development costs are too high and rents become too high in relation to retail sales, businesses will struggle to remain viable and property vacancy will rise. Zoning options may be explored to control and manage the desired mix of uses in downtown. The NC Rehab Code should be utilized to assist with renovation of properties wherever appropriate.

As retail occupancy grows and existing buildings are renovated, property values will increase and buildings will become more valuable as retail spaces. As vacancies are reduced, infill development on vacant parcels should be considered. Any new commercial development, particularly in the outlying suburban areas, should be assessed in relation to its economic impact on the core business district, and any new construction in downtown should be carefully designed for compatibility with the character of the downtown community.

–	Acquisition	$ 100.00 / sf
–	Renovation	$ 90.00 / sf
–	Investment	$ 190.00 / sf
–	Gross Income (rent)	$ 8.00 / sf
–	Less Operating Expenses	$ 2.40 / sf
–	Net Income	$ 5.60 / sf
–	Return on Investment	3 % / yr
–	Historic Tax Credits	$ 3.60 / sf / 10 yrs
–	Return on Investment	5% / yr / 10 yrs
		(Assumes full occupancy / no debt)

Table 3. Example Tax Credit Project * Not intended as a detailed financial analysis.

4. Physical Environment and Amenities

Figure 6. Conceptual Façade Improvements

4.1 Observations

The physical environment in which a business must function is critical to its success.

Buildings
As stated in the section on real estate availability and condition above, the appearance and condition of buildings is a critical factor in downtown revitalization. Building facades can be a deterrent to additional development if not maintained appropriately. There are several buildings in downtown Pittsboro that need façade improvements.

Streetscapes and Public Spaces
Few streetscape and public space improvements have been made in the downtown area over the past several years, and design issues relating to other needed improvements will be addressed separately. Additional streetscape improvements will need to be made if downtown Pittsboro is to offer an attractive business environment with adequate support facilities. Although decorative lighting has been installed in a portion of downtown, unsightly street light poles and overhead wiring still exists on the main thoroughfare through downtown. Sidewalks on both sides of the street are at uneven levels. There are opportunities for improvements to several open spaces. Additional directional signage is needed.

Parking
The lack of available public off-street parking is a concern. On-street parking in the core business district is diagonal. The parking impact created by the county court system and other county offices is difficult to assess while construction is underway on the courthouse and other facilities.

Figure 6. Map of Parking Areas

A map of on and off-street parking locations prepared by the committee indicates that there are approximately 850 off-street spaces and 247 on-street spaces. An estimate of the structural square footage in the business district area indicates a demand for approximately 900 parking spaces.

Traffic and Circulation
Traffic and circulation appear to be adequate although the traffic circle at the main intersection of downtown has the potential of deterring visitor activity in downtown. Average Daily Traffic Counts through downtown on Highway 64 in 2009 as provided by NCDOT are approximately 8,100vehicles per day. An additional 11,000 vehicles travel along Highway 15/501. (see appendix)

4.2 Recommendations

Buildings
Building Facades should be improved utilizing appropriate design standards. A façade improvement grant program should be implemented to support the private sector improvements.

Streetscapes
Improvements to streetscapes, signage and buildings should be used to create a more attractive environment in order to improve business and development potential. Relocation of utility poles and overhead wiring should be explored. The location and marking of crosswalks that intersect the traffic circle should be reviewed for pedestrian safety. The area surrounding the County Court development should be enhanced.

Figure 8. Conceptual Design for area adjoining Court Complex

Figure 9. Existing Streetscape

Parking
As in any downtown, it is critical that employees of downtown businesses park in off-street locations, freeing up valuable on-street spaces for customers and visitors to downtown. Information related to off-street parking availability for downtown employees should be made available to each downtown employer, and each employer should see that he and his employees are aware of this availability and that employees do not park in on-street spaces which are critical to the success of downtown businesses. Time limits and enforcement should be considered for the future.

Traffic and Circulation
Redesign of crosswalks at the traffic circle is recommended. Additional commercial rezoning along the Highway 64 and 15/501 corridors should be discouraged.

5. Availability of Capital / Financing

5.1 Observations

Pittsboro does not currently have an established downtown development loan pool. Some local financial institutions have demonstrated a commitment to assisting downtown projects.

The town does not have a facade grant program available directly to property owners wishing to improve the exterior of their property. There are no other economic development incentives currently available to assist with downtown improvements.

The downtown business district is designated as a National Register Historic District which would enable property owners of contributing properties who carry out renovation projects certified by the National Park Service to be eligible for a 20% federal tax credit and a 20% state tax credit.

5.2 Recommendations

A loan program supported by local banks should be considered. The program does not need to be significantly different from those currently being offered to the entire community, but applicants for downtown projects should receive special consideration by lending officers, a longer amortization term should be offered and the program should be actively promoted as a downtown loan program.

The town should establish a façade grant program in order to assist with exterior improvements, particularly where they might provide an incentive to carry out a more extensive renovation than might otherwise be planned. Guidelines should be enforced for the appropriate design of these improvements, following local design guidelines and the Secretary of Interior's Standards where appropriate.

Other incentives, including commercial building rental assistance, special downtown upper floor housing incentive loans and full building renovation incentive loans should be considered. Funding could come the local government budget, private fundraising efforts or a combination of sources.

6. Business and Development Assistance

6.1 Observations

Business decisions must be based on complete and factual information. There is no one specifically charged with downtown revitalization. There is incomplete information on the downtown market available and no one source offers a "one-stop" approach to the needs of either the business or development sector. The County EDC office is located in Pittsboro.

Marketing advice and assistance is another critical need in small downtowns. Few small businesses have a large enough advertising or promotion budget to create an impact in the marketplace.

6.2 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 coordinator of the Small Town Main Street effort and the Town Manager, along with the Chamber Director and local EDC staff should help provide the information and serve as the source for assistance.

In the long run, it will be important to maintain the downtown committee as a cost-effective community-based organizational structure that addresses the needs of downtown constituents by filling the void between services offered by other agencies and those that need to be targeted specifically to downtown. The information contained in this report should be provided to current and prospective business and development prospects in order to assist them with decision-making.

In addition, a unified joint marketing effort that pools the resources of many businesses will be necessary in order to create the desired impact and bring new customers to downtown. The Small Town Main Street Promotions Subcommittee is developing a long term work plan including the following:

Promote local history, arts, foods and sustainability
Branding Campaign
Focused events featuring local artists, musicians and public art
Coop marketing with local businesses
Market to locals, triangle, tourists
Market to locals working outside Pittsboro
Window Displays in empty storefronts
More outlets for promotion/media/interactive, etc.

APPENDIX

Executive Summary of Recommendations

Recommendations:

1. **Market Conditions and Business Climate-Retail**
    a. Capture portion of identified potential retail sales by:
        i. Increasing availability of identified retail products.
        ii. Increasing marketing of identified retail products.
        iii. Expanding existing stores offering these products.
        iv. Adding new stores offering these products.
    b. Develop an "inside-out" marketing strategy focusing first on downtown and nearby employees and nearby residential neighborhoods.
    c. Identify "niches" within "overage" merchandise categories.
2. **Market Conditions and Business Climate-Residential**
    a. Protect and maintain existing residential areas adjacent to downtown.
    b. Work with local property owners to develop quality upper-floor housing project.
3. **Market Conditions and Business Climate-Office**
    a. Conduct office market survey. Recruit new office tenants as identified.
    b. Gradually relocate offices from ground floors on to side streets and upper floors.
    c. Consider office employees as primary retail customers.
4. **Retail Mix**
    a. Build "critical mass" by identifying and recruiting businesses that are "market driven", financially feasible and that provide products and services not well represented in the downtown area.
    b. Improve "linkage" between stores by filling in the gaps in the street front with retail.
    c. Locate and "cluster" stores with complementary products to stimulate cross shopping. Begin by referrals.
5. **Real Estate Availability and Condition**
    a. Maintain a listing of available properties, property owners, prices and condition.
    b. Match qualified tenants with suitable properties/property owners.
    c. Demonstrate financial benefit of renovations for tenant and property owner.
6. **Physical Environment and Conditions**
    a. Work with local government and property owners to encourage a high level of maintenance of public and private property in the downtown area.
    b. Establish Design Plan and Standards for downtown
7. **Availability of Capital and Financing**
    a. Work with local financial institutions to develop a downtown loan program.
    b. Establish a façade improvement grant program to assist property owners and businesses in improving the exteriors of downtown buildings.
    c. Explore additional incentive programs.
    d. Provide information and assistance in preparing historic tax credit applications for building renovations where applicable.
8. **Business and Development Assistance**
    a. Identify/Establish an organizational entity responsible for providing complete and factual information on the downtown market and its potential.
    b. Provide a range of services including business and real estate development information, business plans and financial packaging.
    c. Establish a business recruitment committee that actively solicits new business and development downtown.

SIX FACTORS OF ECONOMIC RESTRUCTURING©			**DOWNTOWN**	**MARKET ASSESSMENT**		**(SEE INSTRUCTIONS)**			
CITY	**Pittsboro**	**STATE**	NC	**ZIP CODE**		**BY:**	STMS		
© 2009	**Used Only By Permission**	**DATE:**	Dec-11	**RADIUS**	**1,5,10**	**SOURCES**	**ESRI/STMS/EDIS**		
(1) Available Downtown Property Inventory			**(Use separate form for each available property)**					**Totals**	
a	Address			Owner		Listed By		Vac. Bldgs	
b	No. Floors					Phone		Vac. SF	
c	Size/SF	1st Floor		2nd Floor		3rd Floor +		Vac. %	
d	Occupied SF	1st Floor		2nd Floor		3rd Floor +			
e	Use (Ret,Off,Res,M)	1st Floor		2nd Floor		3rd Floor +			
f	Tax Parcel Number		Tax Value		Tax Rate	City	County		
g	Availability (circle)	Sale	Lease	Unk					
h	Sale Price								
I	Lease Price/SF	1st Floor		2nd Floor		3rd Floor +			
j	Condition (E,G,F,P)	1st Floor		2nd Floor		3rd Floor +			
(2) Average Sale Price per SF (from local realtor, etc.)			**Downtown**	**Suburban**					
k	Building and Land		$100.00						
l	Land Only								
(3) Average Rent per SF(from local realtor,owner)			**Downtown**	**Suburban**					
m	Retail		$7-8.00						
n	Office								
o	Residential								
p	Other								
(4)Renovation Cost per SF (from local contractor)			**Downtown**	**Suburban**					
q	Retail		$90-100						
r	Office								
s	Residential								
(5) New Construction Cost per SF (from local contractor)			**Downtown**	**Suburban**					
t	Retail		$145	$145					
u	Office		$145	$145					
v	Residential								
(6) Market	**By Use (Downtown Only)**	**Number**	**Total SF**	**Sales/SF**	**Employees/residents**				
w	Retail*	40	X	X	X	***total from section 7 below**			
x	Office (pvt)	64	X	X	X				
y	Gov't/Institutional	9	X	X	X				
z	Residential	2	X	X	X				
aa	Service	31	X	X	X				
bb	Other		X	X	X				
cc	Vacant		X	X	X				
dd	TOTAL	146	X	X	X				
(7) Market by Retail NAICS (1 Mile Radius)		**Number**	**Total SF**	**Sales/SF**	**Employees/residents**				
ee	441 Motor Vehicle and Parts Dealers	6	X	X	X				
ff	442 Furniture and Home Furnishings	2	X	X	X				
gg	443 Electronics and Appliances	4	X	X	X				
hh	444 Bldg Materials, Garden Equip	8	X	X	X				
ii	445 Food and Beverage/Groceries	6	X	X	X				
jj	446 Health, Drug and Personal Care	3	X	X	X				
kk	447 Gasoline Stations/Conv. Stores	3	X	X	X				
ll	448 Clothing and Accessories	1	X	X	X				
mm	451 Sporting Goods, Books, Music	3	X	X	X				
nn	452 Gen. Merchandise/Dept. Stores	1	X	X	X				
oo	453 Florists/Off.Supply/Gifts/Used/Misc	10	X	X	X				
pp	454 Non-Store Retailers		X	X	X				
qq	722 Food Services/Drinking Places	12	X	X	X				
(8) Market Demographics (By Main Street)		**CBD**	**1 Mile**	**5 Miles**	**10 Miles**	**Zip Code**	**County**		
rr	Retail Sales		$80,400,000	$123,600,000	$190,300,000		$454,500,000		
ss	Retail Potential		$25,300,000	$76,300,000	$296,700,000		$653,500,000		
tt	Population		2,751	8,525	27,858		72,192		
uu	Per Capita Income		$23,725	$24,159	$28,297		$26,785		
(9) Physical Environment (Downtown Only)		**Number/type**	**(Describe in space beside blank)**						
vv	Parking/on-street (No. Spaces)	247	Public						
ww	Parking/off-street (No. Spaces)	850	Public and Private						
xx	Public Space/parks (No.)		Describe						
yy	Pub/Street/SW Improvements (No.)		Describe						
zz	1-way Streets		No						
aaa	Downtown (Business) Historic District	Yes							
(10) Available Financing		**Type**	**Source**	**Interest**	**Amortization/term**	**Other**	**LTV**		
bbb	Conventional/Banks,etc.	Comm	Bank	P+	15/5		80%		
ccc	Special								
(11) Business Assistance		**Yes**		**Type**	**BP/RE/Design**	**Provided By:**	**STMS**		

CONSUMER SURVEY	TOWN	Pittsboro	Jan-12	27312
DOWNTOWN BUSINESS DISTRICT				

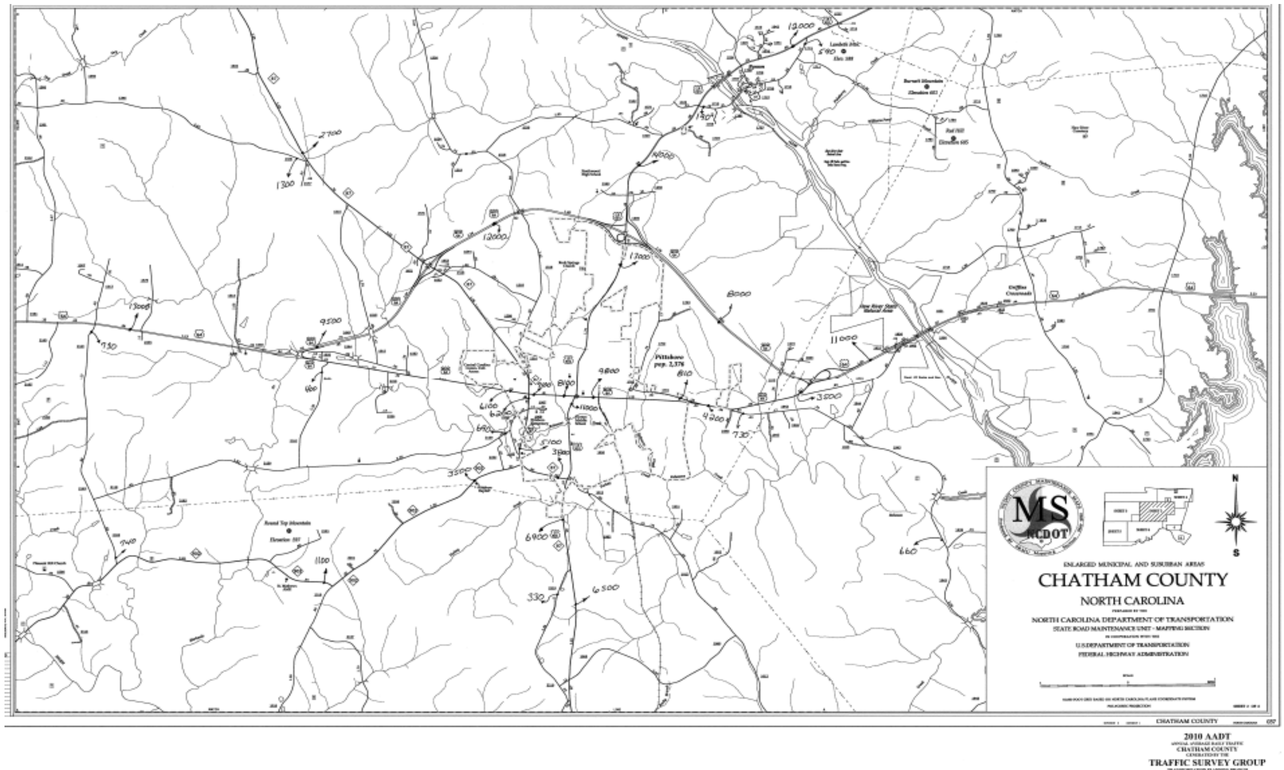
		No.	%	No.	%	No.	%	
How often do you shop in the downtown business district?								
	Daily	4	13%					
	At least weekly	13	43%					
	At least monthly	7	23%					
	Sometimes	6	20%					
What is the Main reason you visit the downtown business district?								
	Shopping	5	17%					
	Banking	2	7%					
	Working	4	13%					
	Eating	15	50%					
	Personal Business	2	7%					
	Other	2	7%					
What Other things do you do downtown?								
	Shopping	16	53%					
	Banking	14	47%					
	Eating	12	40%					
	Personal Business	12	40%					
	Other	1	3%					
Where do you do most of your shopping?								
	Downtown	8	27%					
	Local Shopping Center	8	27%					
	Nearby Town	14	47%	Chapel Hil	Apex	Durham		Siler City
How would you rate the following about downtown?		GOOD		FAIR		POOR		
	Parking	8	27%	12	40%	9	45%	
	Friendliness of salespeople	26	87%	3	10%	1	5%	
	Price of merchandise	14	47%	15	50%		0%	
	Variety of goods	6	20%	16	53%	7	35%	
	Quality of goods	20	67%	8	27%		0%	
	Attractiveness of area	11	37%	12	40%	6	30%	
	Attractiveness of buildings	8	27%	13	43%	8	40%	
	Business hours	9	30%	10	33%	8	40%	
	Safety	22	73%	6	20%	1	5%	
How important are the following to improving the downtown area'		VERY		SOMEWHAT		NOT		
	Historic Character	23	77%	6	20%	1	5%	
	Cleanliness and maintenance	25	83%	5	17%		0%	
	Focus on local customers	20	67%	9	30%	1	5%	
	Patronize local businessess	26	87%	3	10%	1	5%	
	Improve tourism	20	67%	7	23%	3	15%	
	More special events/festivals	21	70%	7	23%	2	10%	
	More jobs for locals	23	77%	6	20%	1	5%	
	Customer service	21	70%	9	30%		0%	
	Public improvements,streets, sidewalks, etc.	23	77%	8	27%		0%	
	More advertising	11	37%	17	57%	2	10%	
	Regular, convenient business hours	17	57%	12	40%	1	5%	
	Safety	18	60%	8	27%	3	15%	

What types of stores or services would you personally use downtown?

Florists	1	Movies	1		
Restauran	10	Grocery		Crafts	3
Clothing	1	Gifts/Jewe	1	Cyber Caf	1
books	1	Hardware	1	deli/bakery	3
Sporting g	1	Arts	1	services	3
Office sup	1	specialty	4	Dept/Gen	1

		No.	%	No.	%	No.	%
Where do you live?							
	In town	6	20%				
	Between 1-3 miles	5	17%				
	Between 3-5 miles	5	17%				
	Between 5-10 miles	7	23%				
	Other	5	17%				
What is your Zip Code?							
	27312	19	63%				
	27517	1	3%				
	27559	3	10%				
	27215	1	3%				
	27510	1	3%				
	27523	1	3%				
	27612	1	3%				
	27344	1	3%				
How do you find out about local businesses, shopping, etc.?							
	Local Newspaper	17	57%				
	Other newspaper		0%				
	TV	1	3%				
	Radio	1	3%				
	Direct Mail	2	7%				
	Word of mouth	19	63%				
	Other	7	23%	internet	visit	b board	
Respondent is							
	Male	13	43%				
	Female	14	47%				
Respondent's age is							
	15-19		0%				
	20-25		0%				
	26-35	1	3%				
	36-50	17	57%				
	Over 50	11	37%				

ALL RESPONDENTS DID NOT ANSWER ALL QUESTIONS



NCDOT Traffic Counts Pittsboro, NC