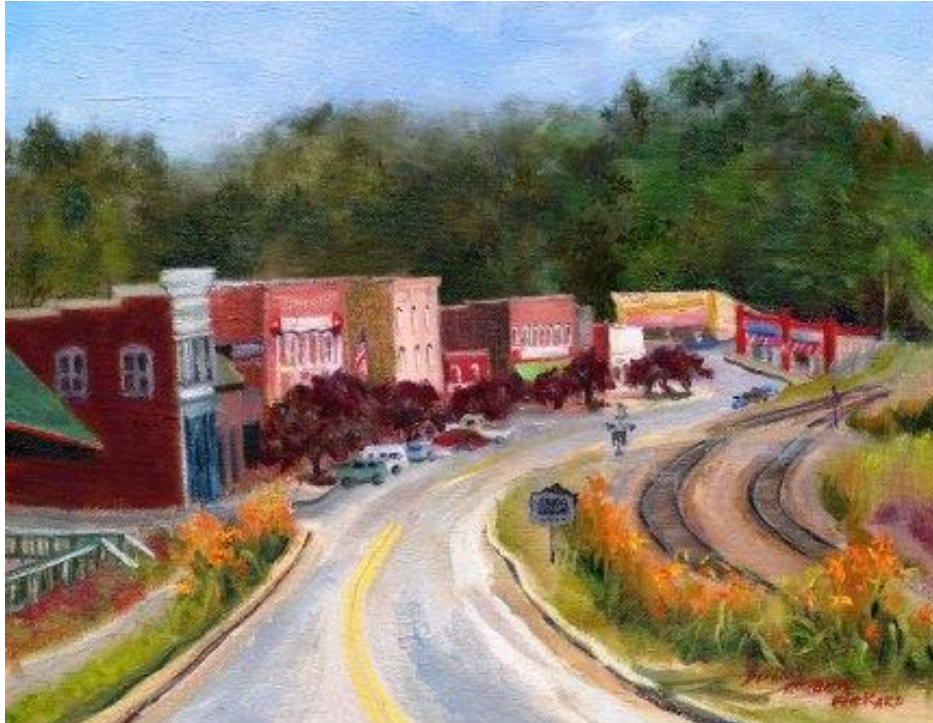


Business and Market Development Report

Downtown Saluda



Water color by Beverly Pickard – Saluda Grade

Prepared for: City of Saluda

Prepared by: NC Small Town Main Street Staff/Office of Urban Development

With Assistance from:

Saluda Downtown STMS Committee

The City of Saluda

Division of Community Assistance, Asheville Regional Office

DISCLAIMER

** Information contained in this report is gathered from various sources. Every effort is made to ensure that the information contained herein is accurate; however no warranty is made about the accuracy of this report by the North Carolina Small Town Main Street program or its sources.

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Introduction

The Main Street Approach and Principles

The Main Street Approach® was created by the National Trust for Historic Preservation. Through their National Main Street Center (NMSC), they have refined the techniques necessary for successful downtown revitalization, and they have willingly transferred many of the lessons learned to others. The North Carolina Main Street Center, having participated with the NMSC in their initial demonstration effort in 1980, directs the Main Street program in this state through the Division of Community Development, Urban Development office within the Department of Commerce.

The Main Street or Four Point Approach® features organization, promotion, design and economic restructuring. It is under these umbrella issues that all downtown concerns can be addressed.

Organization is the vehicle by which people come together to identify areas of common interest and decide strategies for moving forward.

Promotion involves defining an image for the downtown and marketing that to people within and beyond the community.

Design represents the physical image as well as the manner in which downtown functions, both publicly and privately.

Economic restructuring is the acknowledgment that the market for downtown has changed and we need to understand the forces of change and what that means for future development.

There are also eight guiding principles that a community must understand if they are going to be successful in achieving their vision. These principles and brief National Main Street definition are:

- **Comprehensive:** No single focus — lavish public improvements, name-brand business recruitment, or endless promotional events — can revitalize Main Street. For successful, sustainable, long-term revitalization, a comprehensive approach, including activity in each of Main Street's Four Points, is essential.
- **Incremental:** Baby steps come before walking. Successful revitalization programs begin with basic, simple activities that demonstrate that "new things are happening" in the commercial district. As public confidence in the Main Street district grows and participants' understanding of the revitalization process becomes more sophisticated, Main Street is able to tackle increasingly complex problems and more ambitious projects. This incremental change leads to much longer-lasting and dramatic positive change in the Main Street area.

- **Self-help:** No one else will save your Main Street. Local leaders must have the will and desire to mobilize local resources and talent. That means convincing residents and business owners of the rewards they'll reap by investing time and money in Main Street — the heart of their community. Only local leadership can produce long-term success by fostering and demonstrating community involvement and commitment to the revitalization effort.
- **Partnerships:** Both the public and private sectors have a vital interest in the district and must work together to achieve the common goals of Main Street's revitalization. Each sector has a role to play, and each must understand the other's strengths and limitations in order to forge an effective partnership.
- **Identifying and capitalizing on existing assets:** Business districts must capitalize on the assets that make them unique. Every district has unique qualities like distinctive buildings and human scale that give people a sense of belonging. These local assets must serve as the foundation for all aspects of the revitalization program.
- **Quality:** Emphasize quality in every aspect of the revitalization program. This applies to all elements of the process — from storefront designs to promotional campaigns to educational programs. Shoestring budgets and "cut and paste" efforts reinforce a negative image of the commercial district. Instead, concentrate on quality projects over quantity.
- **Change:** Skeptics turn into believers and attitudes on Main Street will turn around. At first, almost no one believes Main Street can really turn around. Changes in attitude and practice are slow but definite — public support for change will build as the Main Street program grows and consistently meets its goals. Change also means engaging in better business practices, altering ways of thinking and improving the physical appearance of the commercial district. A carefully planned Main Street program will help shift public perceptions and practices to support and sustain the revitalization process.
- **Implementation:** To succeed, Main Street must show visible results that can only come from completing projects. Frequent, visible changes are a reminder that the revitalization effort is under way and succeeding. Small projects at the beginning of the program pave the way for larger ones as the revitalization effort matures, and that constant revitalization activity creates confidence in the Main Street program and ever-greater levels of participation.

Saluda Small Town Main Street Background

In July of 2012 the Town of Saluda was notified that their application to the North Carolina Small Town Main Street program had been accepted and they were a designated North Carolina Small Town Main Street community under the Office of Urban Development a division of the of the North Carolina Department of Commerce. On September 20, 2012 a team from the NC Department of Commerce's Office of Urban Development and the Western Region



Community Assistance facilitated a day long community wide process where the team interviewed many downtown stakeholders, from citizens to property and business owners, town officials, corporate business leaders and educational leaders. At the end of the day the public was invited to participate in a forum where team leaders conducted S.W.O.T Analysis identifying downtown Saluda's strengths, weaknesses, opportunities and threats. From this information the public voted on top items which were later coalesced into a work plan under each of the four points.

In October the community was invited to take a "Downtown Walk-About" to evaluate both the built and the landscaped/streetscape environment. During November and December meetings a vision statement and work plan was created based on input gathered during the September kick-off and the November meeting. The STMS committees were also formed and they began to embrace their role as volunteer committee members with the City of Saluda in a supportive role. The NC STMS role is to guide and facilitate leading Saluda to ultimately having a sustainable program from which they can take pride and ownership, while developing a program around the four-points and eight guiding principles.

Downtown Saluda's Vision

A vision statement for Downtown Saluda was created by the Downtown Saluda STMS Committee and adopted January 15, 2013 by the Saluda STMS Committee. The Downtown Saluda Vision Statement reads: *"Showcasing our past while creating our future, downtown Saluda celebrates its artistic community and connects outdoor recreational opportunities to our historic downtown district where unique shopping, dining, and lodging complete this sustainable four season destination."*

In order to achieve the vision and develop a program, the Saluda STMS committee and community must have an understanding of their economic data. This report will focus on what is known as the "Six Factors in Downtown Economic Restructuring." Within the report there will be specific recommendations at the end of the section which will tie back to the Main Street Four-Point Approach®.

The Six Economic Factors in Downtown Economic 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.

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.

The National Main Street Center's definition of Economic Restructuring under the Four-Point Approach® is: *Finding a new purpose for Main Street's enterprises by helping existing downtown businesses expand and recruiting new ones to respond to today's market. Main Street programs help convert unused space into productive property and sharpen the competitiveness of business enterprises.*

Simply put: Economic restructuring is adapting economic activity to the current realities of the market place.

There are six basic factors that should be considered when undertaking economic activities. In order to determine a direction for economic activity, a community must have an understanding of these factors to be enabled to bring about successful economic restructuring/development and re-development. These factors are as follows:

Factor 1. Market Conditions and Business Climate

If a community is serious about retaining, sustaining and recruiting businesses to downtown, assessing factor number one 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 but is also used when providing information to existing retailers and downtown business owners.

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. This factor also determines the current rental rates and sales to rent ratios. 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 business and residential development. Building availability, fair market price and overall condition affects this factor. When buildings 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 its success. Even the best businesses will not be successful if the surrounding environment is run down, with few amenities and is difficult to access.

Factor 5. Availability of Capital/Financing

Adequate investment capital and the availability of attractive financing are critical 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.

Factor 1. MARKET CONDITIONS/BUSINESS CLIMATE

In order to understand the retail market for downtown Saluda, the retail owner and potential retail owner must be aware of many factors including basic demographics such as population, number of households and household income, businesses located within a five mile radius, retail leakage/gap, tourism and the various “tapestry” segmentations that the ESRI Data indicates is indicative of the Saluda area. To have an understanding of this data is to understand the market conditions and business climate.

Below is the site map of what is considered the primary trade area for the Downtown Saluda Retail Market, which is within a five mile range of downtown.



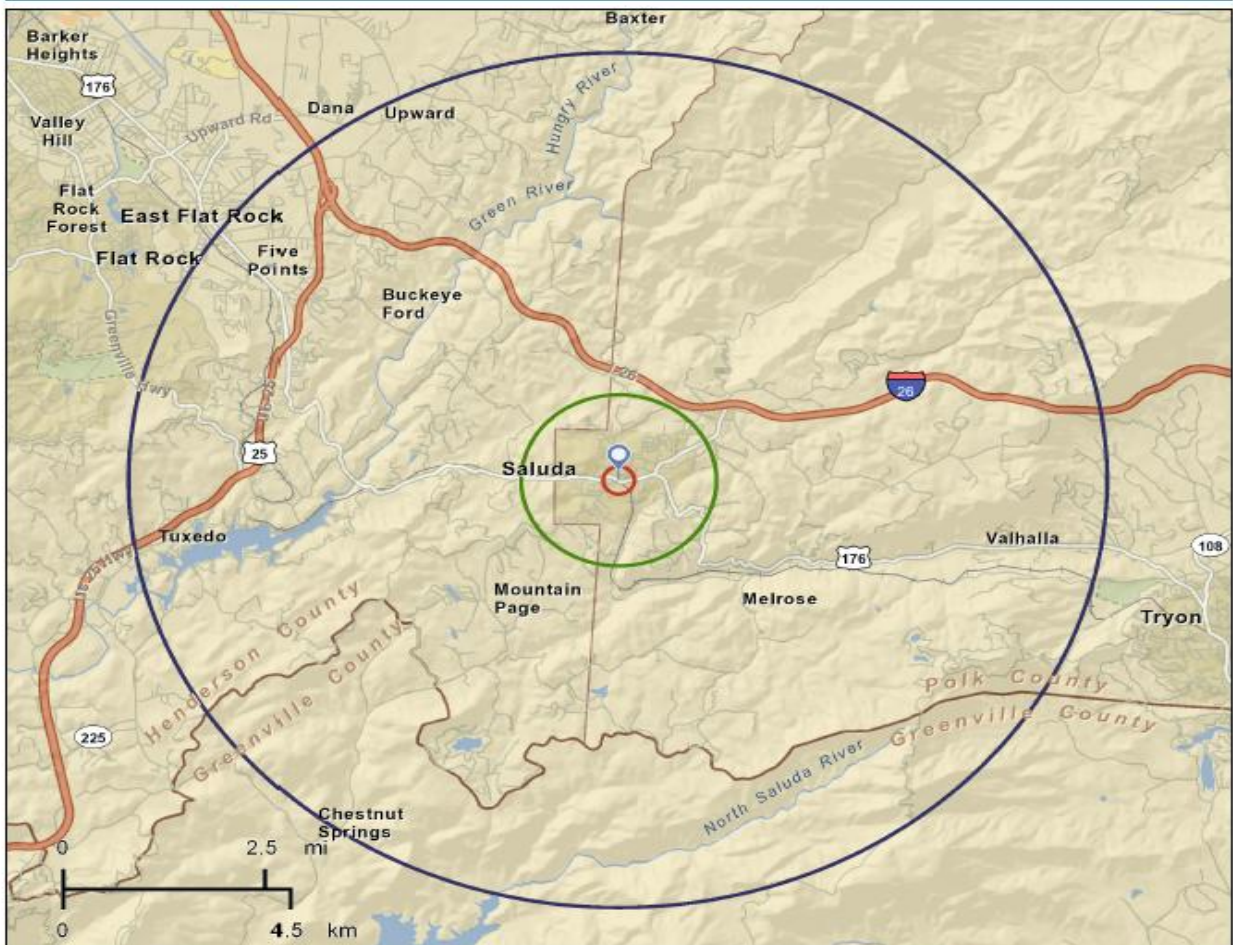


esri

Site Map

M.A. Pace General Store
60 E Main St, Saluda, NC, 28773
Ring: 0.16, 1, 5 Miles

Latitude: 35.23576
Longitude: -82.34758



August 02, 2012

Made with Esri Business Analyst

Geographic & Demographic Observations

Saluda is famous for sitting at the top of the Norfolk Southern Railway's Saluda Grade, the steepest main line standard gauge railroad line east of the Rockies. Saluda is an incorporated town in Polk County with a county population of 20,510 and city population of 713. While most of Saluda is in Polk County, a portion of Saluda is also a part of Henderson County. The

population of Saluda has grown by 24% since 2000 while Polk County's population grew by 11.9% between 2000 and 2010.

Situated a few miles from 1-26 and on highway 176, Saluda has a traditional downtown business district with an inactive railroad running east to west through the middle of downtown separating the commercial district from a more residential district.

General household information is also helpful in determining target retail market. Based on the ESRI report and 2010 US Census data (unless otherwise noted) a synopsis of the household information for Saluda (within the 5 mile radius) is as follows:

- Population within this radii: 9,396; Households: 3,911; Housing units: 5,373
- Average age: 45.7
- Median household income is \$39,063 for home in the city;
- Median family income \$47,188; males \$37,917; females \$25,000
- Per capita income \$25,149
- Average family size is 2
- All households with children: 26.8%
- Over 92.6% are white
- Male population: 48.9%
- Female population: 51.1%
- 80% owner occupied; 17% seasonal/recreational; 4.4% vacant; sold/not occupied 0.6%
- Total vacancy rate: 20%
- Unemployment in Saluda 7.10% (US 8.6%)

Retail Leakage/Gap Observations

The ESRI data suggests that within a five mile radius Saluda's current retail demand (retail potential) is \$95,362,960 and the supply for these (or retail sales) is \$24,042,928. This leaves a retail gap (or leakage) of \$71,320,033. In our study we normally, depending on the town, exclude Motor Vehicle & Parts Dealers as well as Gasoline Stations and this is the case with Saluda as seen below. The chart below shows the retail leakage with an estimated capture rate of 20% at \$138 in sales per square foot. The \$138 in sales per square foot is the result of the 21 merchant surveys that the Saluda downtown retail/restaurateurs completed and returned to the STMS Coordinator. This dollar figure is the **average sales per square foot**. Also noted, is over \$8.9 million+ is lost in Food & Beverage/Grocery with the majority of this gap in groceries alone.

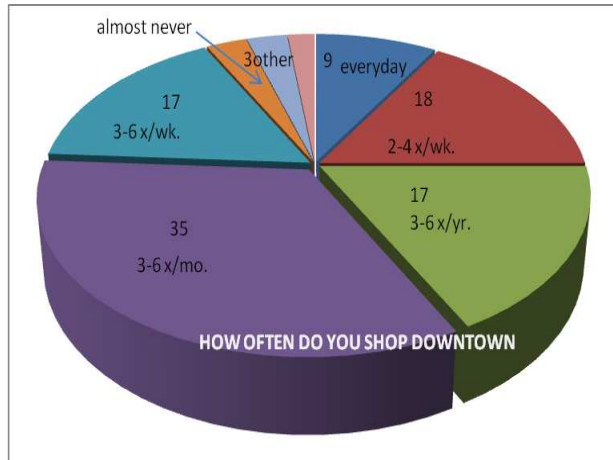
Table 1: Retail Leakage/Gap

| Retail Market | | Saluda 5 DOWNTOWN POTENTIAL | | | |
|--|--|-------------------------------------|-----------------------|---------------|---------------|
| NAICS | Business Type | Sept. Leakage | Est. Capture | Sales/SF | SF |
| | | 20% | | | \$138 |
| 4421 | Furniture Stores | \$ 1,240,238 | \$ 248,048 | \$ 138 | 1797 |
| 4422 | Home Furnishings | \$ 835,895 | \$ 167,179 | \$ 138 | 1211 |
| 4431 | Electronics/Appliances | \$ 1,920,470 | \$ 384,094 | \$ 138 | 2783 |
| 444 | Bldg Materials/Supplies/Garden/Lawn | \$ 3,322,092 | \$ 664,418 | \$ 138 | 4815 |
| ** 445 | Food & Bev./Gro./Beer Wine | \$ 8,961,492 | \$ 1,792,298 | \$ 138 | 12988 |
| 446/4461 | Health & Personal Care | \$ 4,800,526 | \$ 960,105 | \$ 138 | 6957 |
| 448 | Clothing & Clothing Accessories Store | \$ 2,783,139 | \$ 556,628 | \$ 138 | 4034 |
| 451 | Sporting Goods/Hobby/Musical Instruments | \$ 566,855 | \$ 113,371 | \$ 138 | 822 |
| 452 | General Merchandise | \$ 10,816,748 | \$ 2,163,350 | \$ 138 | 15676 |
| 453 | Misc. Store Retail/florist/stationary | \$ 839,509 | \$ 167,902 | \$ 138 | 1217 |
| 722 | Food Services & Drinking Places | \$ 10,351,754 | \$ 2,070,351 | \$ 138 | 15003 |
| Total: | | \$46,438,718 | \$9,287,743.60 | | 67,302 |
| **445 - of this \$8,287,483 is in groceries | | | | | |
| SOURCE: | | NC Department of Commerce | | | |
| | | NC Division of Community Assistance | | | |
| | | ESRIBIS© | | | |
| | | US Census of Retail Trade | | | |
| | | US Consumer Expenditure Survey | | | |

The column at far right indicates potential for new retail space in square feet for each type of business. As the report will show under Factor 3: Real Estate Conditions and Availability, there is currently not enough available properties to incorporate the over 67,000 square feet needed to accommodate the potential retail listed above if all categories were to be built out as indicated above. However, there may be opportunity within existing businesses to expand their retail mix to include some of the above categories such as in the Food and Beverage/Groceries/Beer & Wine. The two largest gaps in retail are the Food Services and Drinking Places with over \$10.3 million in lost revenue and the General Merchandise category also with over \$10 million in lost revenue. Capturing just 20 percent of these categories would add over \$4 million in combined sales revenue to downtown Saluda. Capturing 20 percent of all categories would add \$9.2 million and even if only 10 to 15% were to be captured that would still result in \$4.6 and \$6.9 million in captured sales revenue.

General Consumer Survey Data Observations

Saluda had 104 who participated in the general consumer survey with 30% living in town and 23% living between one and three miles of downtown. Of the 104 who participated, 79.6% (80) were over the age of 50; and 66.3% who responded were female, 31.75% male and 1.9% did not respond when asked their gender; 35 shop downtown 3-6 times per month and 17 shop 3-6 per week. The primary reason for visiting downtown was to shop (29 or 27.8%) followed by; dining (28). Other reasons for coming downtown was again shopping and dining, at 62% and 68%.

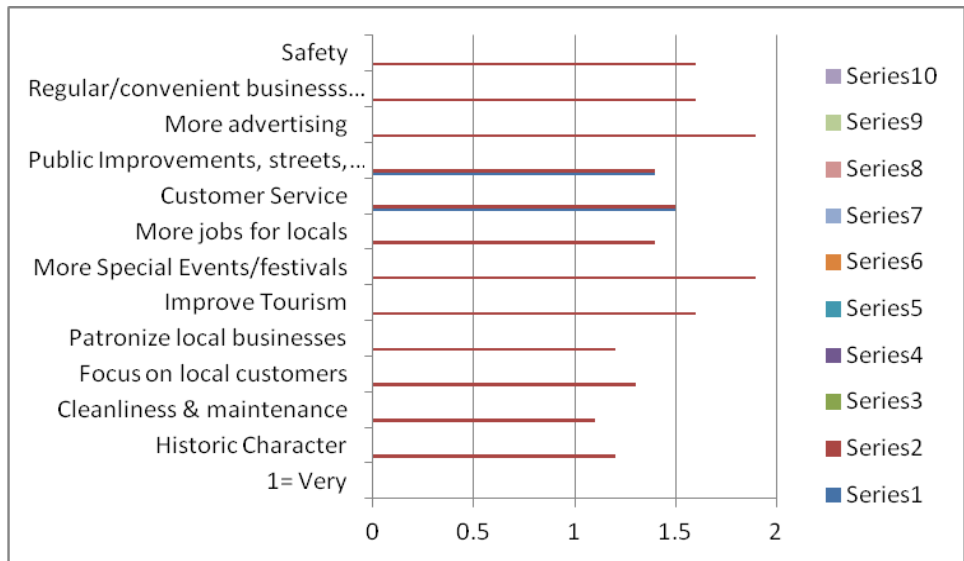


Hendersonville was the most consistent answer when asked where they did most of their shopping outside of downtown. However, just over 20% stated that downtown Saluda is where they did most of their shopping.

Table: 2 Consumer Survey Responses

| | 1 = Good | 2=Fair | 3=Poor | # of Responses | Rating Score |
|------------------------------|----------|--------|--------|----------------|--------------|
| Parking | | | | 102 | 1.5 |
| Friendliness of Sales people | | | | 102 | 1.2 |
| Price of merchandise | | | | 102 | 1.7 |
| Variety of goods | | | | 102 | 1.7 |
| Quality of goods | | | | 102 | 1.1 |
| Attractiveness of area | | | | 102 | 1.1 |
| Attractiveness of buildings | | | | 102 | 1.2 |
| Business hours | | | | 102 | 1.4 |
| Safety | | | | 102 | 1.1 |

100 out of 104 responded when asked: **How important are the following to the downtown area? (1 =Very, 2= Somewhat, 3=Not)**



The graph shows respondents rated these issues as mainly very important.

When asked what types of stores would you personally use if they were located in downtown Saluda there was a range of responses from: “None, it’s perfect” to big box grocery stores, fast food, more restaurants in general, to smaller shops such as coffee, book store (new & used) health food store, bike shop and a few suggested dry cleaners, ABC/liquor store, small/local bar.

Niche Markets Observations



Additional potential could come from carefully identified “niche” markets. Usually these markets are identified by observing the “surplus” merchandise categories where there are excess dollars (i.e. shoppers) coming into the community to take advantage of products or services. Where there is a large concentration of outside spending in a given category, possibilities may exist to find a “niche” or additional potential within that category that is not represented widely in the trade area. The concept is, sometimes a surplus indicates that your market has become a destination for a particular retail product and therefore the market can support more of that category if it comes in a form that is complimentary to the existing businesses.

However, in Saluda the ESRI data indicates retail leakage in nearly every NAICS category. While the leakage or gap may not be enough to substantiate an entire store front to a product line there may be enough leakage to incorporate the product into existing retail businesses therefore expanding their retail mix. An example would be shoes. Currently Saluda is losing \$288,053.00 in shoe sales. While there is also a \$2.2 million loss in clothing the possibility would be to expand more clothing offerings while considering adding a line or two of shoes to the retail mix. The same is true of miscellaneous items such as office supplies and stationary.

Food and beverage as indicated in Table 1 is a potential niche for downtown Saluda. While Thompson's Store and M.A. Pace General Store carries some specialty food items there is still over a \$555,000 loss in specialty food items and an \$8,287,483 loss in groceries alone. While this loss doesn't merit a large grocery chain investing in Saluda it does however present a business opportunity for the existing stores carrying grocery items.

The Food Marketing Institute indicates in their 2011 report (2012 figures were not available at the time of this report) that the average square feet of a grocery store is 46,000 with median weekly sales of \$384,911 or \$10.58 per square foot in weekly sales. The average number of items in this size store is over 38,000.¹ While there are some specialty foods available, additional items combined with traditional grocery items may be a consideration for Thompson's and Pace's.

Specialty Food Industry at a Glance

*According to NASFT's annual **State of the Specialty Food Industry 2011** :*

- Total sales of specialty foods in 2010 were \$70.32 billion, with \$55.92 billion of sales at retail.
- Specialty foods represent 13.1 percent of all retail food sales.
- The average specialty food manufacturer produces 51 different items and brings in \$2.3 million in annual sales.
- Cheese and Cheese Alternatives are the largest specialty food category, at \$3.23 billion, followed by meat, chips and snacks, bread and baked goods, and condiments.
- The specialty food categories with the greatest sales percentage of all food sales are Refrigerated Sauces, Salsas and Dips at 56.9%, Teas at 49.2 % and Pickles, Peppers, Olives and Other Vegetables at 33.5 %.
- Functional beverages are the fastest growing specialty food category, sporting a sales increase of 119.5% in 2010, followed by yogurt and kefir with a 48.9% jump.
- 76% of specialty food manufacturers report sales growth for 2010, with 36% up more than 20%.
- Gluten-free product introductions showed sharp gains, with 119 new products in 2010 versus 67 in 2009.
- Mediterranean and Indian are the most influential emerging cuisines, importers say.
- Natural food stores are the fastest growing retail channel; sales rose 14.7 percent from 2008 to 2010.²

¹ <http://www.fmi.org/research-resources/supermarket-facts>

² www.specialtyfood.com/knowledge

Tourism Observations

Nearly every county in North Carolina reports some tourism within their county. Retailers should be aware of these trends in their community in order to identify ways in which to capture a portion of the revenue that tourism may already be bringing to their community. We believe that Saluda should be aware of these statistics and the economic impact tourism has on Polk County and possible retail related connections.

According to the NC Department of Commerce Tourism Research, Polk County Statistics for year 2011 (the 2012 statistics will not be available until late spring, early summer), domestic tourism in Polk County generated an economic impact of \$21.75 million which is a 7.35% increase from 2010. Tourism in Polk County has had steady positive increase over the last 20+ years. As a result of tourism, in 2011, 170 jobs in Polk County can be directly attributed to travel and tourism generating \$3.01 million in payroll. State and local tax revenues from travel in Polk County amounted to \$2.35 million representing \$116 tax savings to each county resident.

Residential & the Resident Observations



Downtown retailers are essential to a successful and vibrant downtown, but two additional key players that occupy downtown's real estate and can contribute significantly to a successful downtown are the residents and those who work in offices. Each provides their own unique contribution, but the recognition and encouragement of these two uses and their place within downtown by both retailers and the Small Town Main Street Committee is vital.

Residential Observations

Saluda is fortunate to have within walking distance of downtown a variety of lovely residential styles; from the modest historically significant single family craftsman style homes to what appears to be the more seasonal cabin styles. The additional residents that these neighborhoods provide create opportunities for downtown retailers.

Owner-occupied housing in Saluda is at 80% and renter occupied is right at 20%. Average household size is 2.34. Nearly 45% of homes have a mortgage/loan while just over 35% own theirs “free and clear”, according to the Census 2010 Summary Profile.

According to local realtor sources, from August 1, 2012 to October 31, 2012, median (not average) sales price of homes in Saluda was \$184,500. From August 1, 2011 to October 31, 2011 the median (not average) sales price of homes in Saluda was \$215,000 resulting in a 14% decrease from August-October 2011 to August-October 2012. The median list price for homes listed from January to November 2012 was \$339,500.



Mixed-use (commercial-residential) development with street levels reserved for traditional commercial uses is a key to a successful downtown. Our collected data indicated that there are approximately seven (7) upper-floor residences in downtown Saluda. 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.



Saluda’s Resident Profile

Saluda’s family household profile is broken down into ages 15-44 with 32.5% in this age range, 19.1% are ages 44-54; 16.1% are ages 65-74 and 10.2% are over 75. Census data indicates that the average age of the Saluda resident is 45.7 or nearly 46 years old and born in 1966-’67. This generation is called “Generation X.” Born approximately in between

1964-1981 and also referred to as the 13th Generation and Baby Busters these are mostly children of The Baby Boomers and The Silent Generation. They tended to grow up with video games and MTV and those born before 1973 spent most of their teen years in the 1980s.

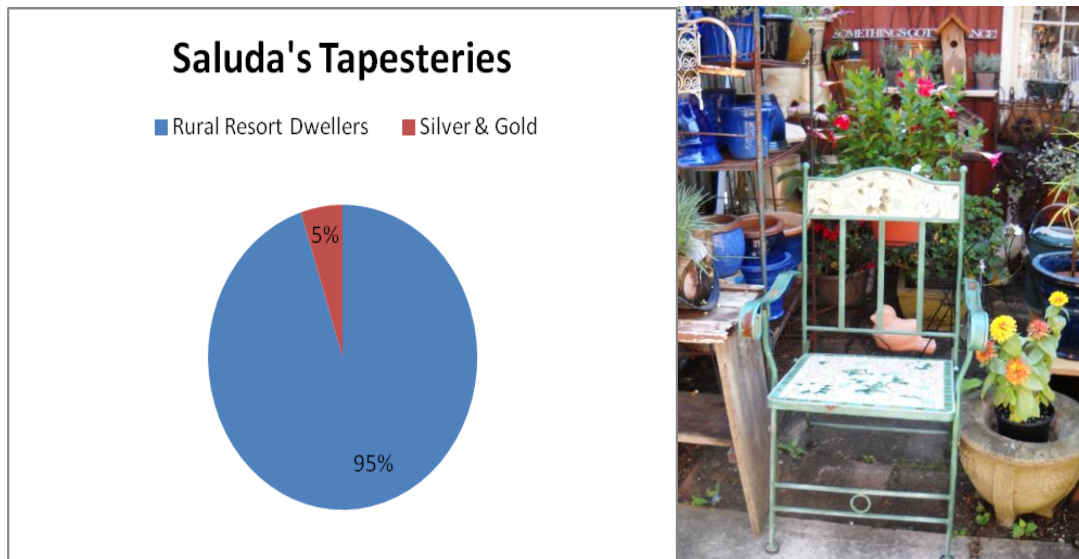
Focusing though on the Generation X for Saluda’s retail purpose, consider the following information published in *Elderly Journal* an on-line publication which stated that, this

generation grew up with video games and VCRs. They are computer savvy as PCs became a part of the schooling system and many people also bought PCs for home usage. In fact they consider computers and cell phones as part of everyday use that can help them organize their lives and establish better modes of communication. This generation is considered to be a dual income household, with both the man and woman contributing to the family income. Many members of the Generation X grew up in daycares and hence are highly independent; they also have no qualms about women and minorities working and assuming leadership roles as they had working mothers and also belong to diverse races.

When it comes to Generation X buying habits, majority of members from this generation always opt for products that are not only useful, but also functional. They tend to take affordable quality into account rather than the prestige of the product or symbolism associated with owning the product. Generation X is highly pragmatic compared to the baby boomer generation and they want to get value for money spent. Invariably, the purchases they make will reflect the value. They have disdain for stereotypical products and prefer buying a small number of high quality products that can give them lasting value for their money and products that come with affordable prices.³

Another resource into the Saluda resident is provided by the ESRI On-Line Analysis Tapestry Segmentation. Below are the observations within the data.

Tapestry Segmentation Observations



Tapestry Segmentation represents the fourth generation of market segmentation systems that began more than 30 years ago. The 65-segment Tapestry Segmentation system classifies US neighborhoods based on their socioeconomic and demographic compositions. The power of

³ <http://www.elderlyjournal.com/generation/generation-x/Generation-X-Buying-Habits.html>

Tapestry Segmentation allows you to profile consumers and constituents in a number of ways including:

- Standard geographic areas including census tract, block group, ZIP Code™, and ZIP+4
- User-defined areas such as rings or polygons based on distance, drive time, or other specifications
- Customer addresses or site locations

The versatility of Tapestry Segmentation provides several methods of dividing the 65 segments into summary groups for a broader view of US neighborhoods.

- LifeMode: 12 summary groups based on lifestyle and life stage
- Urbanization: 11 summary groups based on geographic and physical features along with income.

According to the ESRI data's Top "Tapestry" segments Saluda falls into two segments worth noting, Rural Resort Dwellers at 95% and Silver and Gold at 5%. Below is a snap shot of the characteristics for each segment:

❖ **Rural Resort Dweller:**

- LifeMode 12: American Quilt; U10 Rural I; meaning households in small rural towns/villages with married couples also;
 - married couples with kids
 - Median Age: 47.2, more than ½ over age of 55
 - Income: \$48,105
 - Employment: skilled
 - Education: 1 in 4 holds a college degree, more than ½ attended college
 - Residential: 81% own their homes, highest % of season dwelling 16 times more than national avg., median home value \$189,000+
 - Race/ethnicity: low diversity primarily white
 - Financial: uses full service banking
 - Media: reads fishing/hunting magazines, listens to country music

- ❖ Activities: simple tastes, home improvement, remodeling projects, cook/bake at home, hike, boat/canoe, fish, horseback ride, focus on their health, likely to have IRA's rather than 401-K

❖ **Silver & Gold:**

- LifeMode L2: Upscale Avenues; U10 Rural 1;
- Household: married with no kids
- Median Age: 59.6
- Income: upper middle
- Employment: retired professional/management
- Residential: single family/seasonal
- Race/ethnicity: white
- Financial: owns shares in mutual funds (bonds)
- Education: some college, bachelor, graduate
- Media: watches golf channel

- Vehicles: owns/leases luxury car
- Activities: goes boating and fishing, attends classical music, shows/opera

The benefits of segmentation can be clearly defined by anyone who needs accurate information about their consumer, constituents, or members.⁴

Office/Other Observations

Office

There is some office occupancy in the downtown district and to the best of our knowledge believe most occurs at the street level. Office as defined by the SIC Business Codes include Finance, Insurance and Real Estate The ESRI SIC Business Codes states there are two known offices within downtown (.16 mile radius). There should be a reasonable market for professional offices and services that can be attracted to downtown if adequate support services (parking, eating places, etc.) are available.

Service

There are approximately seven service related businesses in downtown Saluda. The service sector, which includes hotels, automotive services, motion pictures and entertainment, health, legal, education and other personal services, is an important component in every small downtown. These customer-oriented businesses provide employment for locals with special skills and a variety of necessary services for local citizens. They are also traffic generators for retail businesses in downtown. Educational Institutions and Libraries which Saluda has both within the downtown boundaries are included in this category.

Government

City Government offices are also located downtown with these employees potentially needing and using the services and goods offered within the downtown district.

Places of Worship

While not specifically mentioned in our data are the numerous churches within the walkable radii of downtown; but they do bear relevance when considering the target market and potential influence. The faith based community plays or can plan an active role in downtown, bringing in people more than just once a week for a weekly service. They can provide additional or shared parking for downtown shoppers. We also note that currently there is no store front churches located downtown. We would not recommend traditional retail space ever becoming a store front church. Retail space should stay retail or traditional office space.

⁴ <http://www.esri.com/library/brochures/pdfs/tapestry-segmentation.pdf>, pg. 2, 3

Factor 1: General Market Recommendations

The downtown business district should attempt to capture at least 15 to 20 percent of the nearly \$46.4+ million in potential additional sales dollars within the five mile radius of downtown or approximately \$9.2+ million if focused on capturing 20 percent. This can best be accomplished by increasing the availability and/or marketing of the identified retail opportunities as indicated in the leakage report in particular by focusing on the top three largest categories: General Merchandise, Food Service and Drinking Places and Food and Beverage/Groceries/Beer & Wine. These three categories offer the most retail opportunity for the downtown district.

Downtown businesses should understand their markets and focus their economic restructuring promotional/recruitment 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 from nearby neighborhoods and employees. The identified markets in Saluda in order of importance are:

1. Employees within downtown (132) and at the one mile radii (368)
2. The combined residential population of downtown and within one mile (964)
3. Visitors to other downtown businesses and downtown’s “magnets” (Town Hall, Financial Institutions, Senior Center, Town Recreational Center/Pool etc.)
4. Employees of local businesses and industries within five (5) miles of downtown (2,966)
5. Residents within five (5) miles of the business district (9,496)
6. Other/outside/tourists and visitors to the tourist destinations within Polk County as well as neighboring towns/counties.

Since Saluda has a retail leakage/gap in nearly every NAICS category, niche marketing could be built around those particular categories where there is leakage, but not significant enough of a gap to dedicate an entire retail space, but rather be an expansion of a product line or shared retail space such as shoes, jewelry, furniture.

To a degree, marketing and business plan development should give consideration to the “Tapestry Segmentation” that the ESRI data refers to for the Saluda zip code. This does give insight into your surrounding population from their demographic through their socioeconomic and cultural profiles.

Tourism does play a role in Saluda’s economy but not to the point that Saluda should consider itself a totally “tourist destination”. Be aware of and review on an annual basis the economic impact numbers from the North Carolina Tourism Division.

Specifically:

1. Attempt to capture 15-20% of the retail market leakage/gap of \$46.4+ million in sales.
2. Study the ESRI data more closely when considering adding or expanding to the current retail mix. (A complete copy of the ESRI data is available by request from the Town of Saluda.)
3. You may be able to carve out a specific niche based on your current leakage.

4. Understand your market and recognize that most of your retail trade will come from within the five mile radii of downtown Saluda.
5. Focus marketing efforts on this potential market (the five mile radii).
6. Be aware of tourism impact, but cautious of thinking that Saluda is totally dependent upon tourism dollars.

Residential Recommendations under Factor 1:

The residential areas adjacent to downtown should remain residentially zoned. The .16 mile, which is considered downtown Saluda, boasts 36 residents. The one mile radius of downtown Saluda has 928 residents. Future residential growth should be encouraged downtown to the extent that it can, whether in the upper floors of existing downtown buildings or simply by maintaining current residential zoning. Refrain from turning any current residential properties into commercial properties. If new development were to occur within the downtown district it would advisable to consider mixed use; retail with residential, retail on first level (street front) and residential above retail. Quality and management of residential projects are key ingredients in developing residential projects to attract additional residents. Good planning and zoning are essential.

Specifically:

1. Residential areas should remain residential.
2. Consider upper floor housing as opportunities arise.
3. Consider developing infill work force housing (affordable) possibly combining first floor retail with upper floor residential.

Marketing to the Resident Recommendations under Factor 1:

Since Saluda's median age, at the five mile radii, is 45 it is important from a marketing perspective to have an understanding of what this age group is purchasing. Research indicates that Gen X consumers are more cynical than their predecessors. With more information at their fingertips via the Internet, they want to carefully evaluate their choices and reach their own purchasing decisions. This discriminating pattern often discourages brand loyalty, keeping brand managers and advertisers on their toes.

While the median age is 45, Saluda must be aware of crossing nearly all generational segments when target marketing. This generation is tech savvy and relies heavily on on-line information.

Specifically:

1. Be knowledgeable regarding Generation X (those born 1966-1981) and their buying habits; this may influence your product line and how you market to this age group.
2. Recognize the 1,104 residents between the ages of 15-44 and the 795 residents age 60-65 representing 8.5% of your population again potentially influencing your product line.

3. Consider various marketing tools when trying to attract Generation X and Generation Y; such as having an on-line marketing strategy/presence, facebook, website, cell phone application.
4. Keep in mind the tapestry segmentation that was identified through the ESRI data when targeting specific markets within the five mile radii.

Office Recommendations under Factor 1:

New office tenants that can benefit from a downtown location and provide needed professional services to local citizens should be recruited. Preference should be that when there is an opportunity for additional office space downtown to locate the office on upper floors or in an area where office space is already prevalent or clustering offices in an area that could be geared toward office space. As the program evolves, part of the planning process would be to identify areas designated for retail/restaurant and for service/office space. This should in no way be interpreted to mean that offices are not important to downtown...they are! Remember...office employees are retail customers!

Service Recommendations under Factor 1:

Smaller commercial spaces are often well-suited for service businesses. It will be important to identify available spaces suitable for small service businesses and locate these where they can provide the opportunity for cross shopping with retailers. Banks, salons and barbers are traffic generators but as stated above space may need to be incorporated in future planning for these potential businesses.

Factor 2: RETAIL MIX



Observations

At the .16 mile downtown radius there are approximately eight retail businesses according to the ESRI NAISC/SIC business codes. This retail mix **expands to 21** at the one mile radius. The downtown mix includes nearly every category listed under the NAICS codes such as restaurants, grocery, clothing, gifts, specialty food store, furniture and home furnishings and miscellaneous

retail. As the retail leakage/gap information indicates that the five mile radii is where the most opportunity is for nearly every category listed, so does the one mile radius. While downtown Saluda has a nice collection of retail and a variety of restaurants there is opportunity to add to this mix.

Equally important to understanding the retail leakage/surplus information is to know and understand how rent, sales per square foot, sales to rent ratio can impact attracting and retaining a potential retail mix to downtown. As part of this study the retailers were asked to complete surveys which assist us in determining the above information and 21 retailers responded. While not all surveys were complete there was enough information to provide the following assessment.

Median gross sales ranged from \$45,000+ to over \$800,000 with an average of \$188,000+. The average square footage of a retail space is just over 1100 square feet. The average rent is \$816 per month and the average rent per square foot is \$10.60. The average sales per square foot are \$138 and ranged from \$45 to \$363. The average sales to rent ratio is 11% ranging from a sustainable 2% to as high as 19% of sales going to pay rent.

Of those surveyed 15 said that they either saw their sales increase or stay the same when comparing 2010 to 2011. Of those who provided actual percentages the average increase was 19% in sales over 2010. Four stated that their sales had decreased and that average was 20% decrease in sales from 2010. When asked how their expected sales were for the last six months of 2012 over 2011, 14 responded saying their expected sales would be an increase over 2011 and that average increase was 15%. When asked if their 2011 holiday sales were increased or decreased over 2010; seven responded stating sales increase with an average increase of 18%, three reported decrease in sales with an average decrease of 9%, four reported sales were the same/no change and three replied, "NA."

The average length of retail operation for Saluda is 11 years, ranging from less than one year to 40+ years. Eleven of these businesses responding have only one full-time employee while eight businesses include part-time help.

When asked what their top months were in sales 10 out of 20 stated July, followed by October. When asked whether they were considering "relocating/closing/neither", 10 out of 19 responded, "neither", six did not answer, one relocating, one is closing, one considering closing.

Nearly every business responding indicated they marketed/advertised their business.

While we were encouraged on the one hand by the average sales per square foot it is discouraging to see that the average sales to rent ratio is 11%. As a general rule, in order to sustain a profitable business all retailers should aim to stay within 2.29% to 7.88% in sales to rent ratio depending on retail NAICS or SIC business code (see appendix for sales to rent ratio by NAICS/SIC code pg. 46). Those businesses considering closing or relocating are paying higher than the average \$10.60 per square foot and are well below the \$138 in sales per square foot.

On the whole, all downtown businesses need to be cognizant of their sales to rent ratio and their sales per square foot. We have found that that the majority of our Small Town Main Street communities report that their average sales per square feet ranges from \$100-\$125; therefore Saluda is slightly higher than the average in sales per square foot, but the danger in sustainability is the sales to rent ratio.

Noted when reviewing the surveys are that nearly one-fourth of the respondents own their buildings. If they carry a mortgage their debt should be calculated into the sales per square foot. If they own the building with no debt a lower sales per square foot could be reflected as well as possibly a higher.

Below is an example of how to calculate the annual rent per square foot and annual sales per square foot as well as the sales to rent ratio.

Example: Calculating Annual Rent Per Square Foot, Annual Sales per Square Foot & Sales to Rent

| |
|--|
| $\begin{aligned} & \$30,000.00 \text{ (rent p/yr)} \div 2800 \text{ s/ft} = \$10.71 \text{ p/s/ft. on annual basis} \\ & \text{Or by month this would be } = \$2,500 \text{ (avg. rent p/mo)} \div 2800 \text{ (avg. s/ft.)} = \$.89 \text{ p/s/f} \end{aligned}$ $\text{Avg. gross sales } \$225,000.00 \div 2800 \text{ avg. s/ft} = \$81.42 \text{ in sales p/sq/ft}$ |
| <p><u>Formula for calculating sales to rent example:</u></p> $\text{Rent} = \$2500 \text{ p/mo.} \times 12 \text{ months} = \$30,000.00$ $\$30,000.00 \text{ (rent p/yr.)} \div \$225,000.00 \text{ gross sales (p/yr)} = 13\% \text{ of sales going toward rent}$ <p>(Not a sustainable model)</p> |

Factor 2: Retail Mix General Recommendations

New businesses and products of the categories identified in this report should be added to the supply (see Retail Leakage Chart). There is room for some additional businesses of the same type as well as those that carry complementary merchandise and merchandise of varying categories.

“Cross-shopping” between stores should be encouraged by businesses simply **REFERRING** customers to other downtown businesses (or those within the one mile radius), whether a competitor or not. A downtown sale, even to your competitor, is better than a sale lost to another shopping area especially to another county. When a sale stays local so does the tax revenue.

Retail development must be aware of trends; for the most part 9 a.m. – 5 p.m. shopping doesn’t work anymore. Business models need to adapt and change along with the times; open

earlier and close later or adjust hours depending on the majority of retailers and your customer base. As one speaker at a National Main Street conference once said, “If you’re operating a retail business between the hours of 10 a.m. and 5 p.m. you’re catering to the unemployed”, definitely something to consider if you wish to attract your local consumers.

Also, consider that a successful business mix will contain businesses that are:

1. Market driven

- Provide products and services that meet local needs

2. Financially feasible

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

3. 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

And: in order to have a successful business recruitment program, retaining the existing successful/quality businesses in the community is crucial because success of existing businesses helps recruit new businesses. (Success breeds success.)

An Economic Restructuring (ER) Committee should routinely visit with owners of existing businesses in order to survey them and identify challenges that may need to be addressed by the recruitment committee. However, business owners must also evaluate their business practices. The ER Committee should encourage best business practices possibly setting up mentoring opportunities.

Specifically:

1. Identify potential businesses to add to retail mix (use the ESRI data summarized in the report as a guide)
2. Retailers should always do an annual retail self-assessment (see formulas pg. 24)

3. Engage property owners in dialogue regarding this study while;
4. Working with property owners to promote their properties in order to help recruit appropriate retail mix to the downtown district
5. Encourage cross-shopping opportunities by referring customers to other downtown retailers
6. Know traits of a successful business recruitment, retention, expansion plan (pg. 25)
7. Encourage best business practices and consider a Business Mentoring Program

Factor 3: REAL ESTATE AVAILABILITY AND CONDITION
Observations



| Table: 3 Property Information | |
|--|--|
| Values/Avg. Yr. Blt./Avg. Yr. Rehab | |
| Total value of property: \$9,469,673.00 | Avg. value of bld. & land: \$172,175.90 |
| Total Building Value: \$6,490,99.00 | Avg. bld. Value: \$157,295.10 |
| Total Land Value: \$2,993,977.00 | Avg. land value: \$54,435.95 |
| Avg. yr/blt: 1941-'42 | Avg. yr/rehab: 1979 |
| Total S/F in downtown = 129,976 | Condition of properties: 38 out of 41 reporting |
| Vacant/available: 3,049 | Excellent: 10 |
| Occupied retail: 35,471 | Good: 16 |
| Residential 2nd/3rd floor: 12,854 | Fair: 8 |
| Unknown: 2229 | Poor: 4 |
| 1 bld. For sale in poor condition valued at: \$99,461.00 | unknown: 3 |

Saluda is in the enviable position of experiencing a high occupancy rate with only 3,049 square feet vacant according to the real estate survey that was conducted in early September 2012. This is an occupancy rate of nearly 97% and over one-fourth of the space occupied by retail.

Occupied buildings in the downtown are generally in good to excellent condition and have average market values of \$28 per square foot based on average building value (not including land) of \$157,259. The average land value is \$54,436; therefore average property cost in downtown Saluda according to current tax valuation is \$211,731. Currently our data suggests the market value coincides with this, but our sales data is limited.

According to the leakage report, Saluda can support an additional 67,302 square feet in retail. However, as shown in the chart above there is only 3,049 known square feet that are available.

Renovation and up-fit costs hover around \$75.00 - \$100 per square foot for a retail building according to comparable data. Development projects based on this data, market rents and other known local conditions indicate limited but reasonable feasibility, particularly if utilizing historic tax credits (*see pro-forma on page 28*), which is a possibility since downtown Saluda has a National Historic Register District and many of the buildings within the designated district are contributing buildings.

Factor 3: Real Estate Availability & Conditions General Recommendations



We suggest that the economic restructuring committee dedicate time, in addition to their monthly committee meeting, to refining the available property inventory, i.e. understand property condition and potential property uses for available and underutilized properties such as second floors or if there are any being used for storage, etc. This requires engaging the property owner(s) in this process; they are essential to a successful program. Ideally this would involve meeting with property owner(s) and discussing with them the ideals and goals

for the downtown business mix. All available property should be inventoried and evaluated to determine appropriate business type. Occupied property could be underutilized and may be able to incorporate some of the outlined retail categories.

There is available land within the downtown district that may be suitable for new construction to incorporate some of the retail categories as well. A Comprehensive Plan for the City of Saluda was done in 2003. This plan should be reviewed to assess the goals that were listed in the Community Issues and Planning section as to their relevance today in 2013 possibly updating them as necessary. On page 41 of this plan that this report reiterates consideration are developing General Design Standards and a Corridor Overlay District. These two recommendations within the 2003 Comprehensive Plan can have a direct negative impact on your Central Business District if not established. While the Saluda Planning Board would probably be tasked with this project the Small Town Main Street Design Committee in

conjunction with the Economic Restructuring should be in partnership with the Saluda Planning Board.

While there are limited available properties and change of use may not be a challenge, it is something to be aware of when considering up-fitting a property for a specific use. For example, a former retail space that sold clothing may have the ideal set-up and square footage for an additional restaurant, but changing the use from retail to restaurant can add significantly to the rehab cost, but it could also mean the difference between buildings being rented and standing vacant. Just as a home sitting vacant in a residential neighborhood over a period of time will depreciate the same holds true with downtown properties. In the long run, vacancies hurt the overall value of neighboring properties.

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 and while it does not appear to be an issue at this time, commercial encroachment on the nearby residential neighborhoods should be avoided.

The economic restructuring committee should take the lead in identifying properties, best use for these properties, and working first with existing downtown business owners to possibly expand their business model and then to recruit new appropriate businesses. Business clustering should always be encouraged, for example; retail shops clustered with restaurants and offices clustered together to the extent they can be as appropriate.

| Table 4. Example Tax Credit Project | | |
|--|--|----------|
| EXAMPLE TAX CREDIT PROJECT | (Assumes full occupancy/ no debt) | |
| Acquisition | \$ 21.00 | s/ft. |
| Renovation | \$ 100.00 | s/ft |
| Investment | \$ 121.00 | s/ft |
| Gross income (rent) | \$ 9.00 | p/s/ft |
| Less operating Expenses | \$ 2.70 | |
| Net Income | \$ 6.30 | p/s/ft |
| Return on Investment | 5.2% | |
| Historic Tax Credits | \$ 4.00 | 10 years |
| Adjusted Net income | \$ 10.30 | |
| Adjusted ROI | 8.5% | 10 years |

Potential investors should evaluate potential rehabilitation projects by examining three basic elements: 1) the cost of acquisition; 2) the cost of rehabilitation; and 3) the income and operating expense of the business.

There is a variety of tools available to assist the Economic Restructuring committee including zoning, which may be explored as a way to control and manage the desired mix of uses downtown. The NC Rehab Code should be utilized to guide building inspections during the renovation of historic properties, as well as assist in making these projects feasible. We've said this before, but shall restate, there is no better tool than knowledge of your marketplace. We encourage the Economic Restructuring committee to commit to two on-going goals, 1) to continuously inventorying the town's building stock, and 2) to continuously identify potential business prospects.



Factor 3: Real Estate Availability & Conditions Specific Recommendations

1. Keep and update annually or as needed information on all available properties, square footage, current rental rate for downtown properties
2. Economic Restructuring Committee dedicate time to refining property inventory list
3. Identify best locations for retail, office, service oriented business as appropriate
4. Make the property listings available for potential businesses
5. Identify a source for keeping, maintaining, and updating the available property listings
6. Be cognizant not to let non-retail use dominate
7. Economic Restructuring committee should work with property owners to maintain a reasonable rental rate; if rents are too high and rents stay too high in relation to retail sales, businesses will struggle to remain viable and property vacancy will rise
8. Review 2003 Saluda Comprehensive Plan in particular the section on "Community Issues and Planning"
9. Zoning options may be explored to control and manage the desired mix of uses in downtown
10. Tax act projects should be utilized when possible in order to make a project more financially feasible
11. The NC Rehab Code should be utilized to assist with renovations of properties wherever appropriate **it is our understanding that the NC Rehab Code may be undergoing changes, therefore it is recommended that someone from the town staff be aware of these changes and how it can affect future projects

Factor 4: PHYSICAL ENVIRONMENT AND AMENITIES



Observations

The physical environment in which a business must function is critical to its success. The design issues have been investigated in a number of ways, but most significantly by the Saluda Small Town Main Street Committee and through a downtown walk-about facilitated by the Small Town Main Street staff. The following is a compilation of observations made by both STMS committee and in large part the Small Town Main Street Staff.

Buildings, Streets, Sidewalks and Public Spaces Observations

The consumer surveys overwhelming indicated that the majority felt the attractiveness of the area was either excellent or good. Building facades are an important contributing factor to any downtown and to a downtown's image. While Saluda does not have a Façade Incentive Grant program where typically an applicant may apply for 50% of the total cost of a Façade



Improvement up to a specific amount for reimbursement, it appears that the majority of the properties in downtown have been appropriately rehabilitated. As an outgrowth of the National Trust for Historic Preservation, our office believes that preserving and maintaining these buildings in their original form is a key component of a vibrant downtown.

Sidewalks are in fair condition, but during the walk-about community members and STMS staff spotted areas where sidewalk improvements should be made. While sidewalk

improvements are an expensive line item in a town's budget it is critical, especially in a town such as Saluda where so many people can walk downtown from neighboring residential areas and seasonal tourism plays an important role in economic impact, to continually plan sidewalk



improvements. Also, there are areas of the downtown district where sidewalks are non-existent. The town should work toward installation of sidewalks linking all commercial properties.

Topography is a challenge when it comes to adding public spaces to downtown. First, there is limited space within the contiguous commercial district and the green space/park across from the commercial district is a nice space, but may be better utilized if some additional enhancements were made.

However, Saluda is to be commended for utilizing a vacant piece of land within the downtown boundaries for the Saluda Tailgate Market. This is an excellent space, but again there is need for enhancements which would tie the commercial district and this space together. There is also concern for safety if the public parks in the central business district and walks to the Saluda Tailgate Market as families with children do attend.



Downtown also has true nuggets of delightful lush green spaces tucked within the central business district. These spaces give a feeling of intimacy while situated in the midst of downtown. They provide respite on a hot summer day and remind you that Saluda's atmosphere is one that embraces the surrounding natural environment placing value on Land Conservancy and Preservation practices.

There are also public spaces that the City of Saluda owns and maintains. These spots include the children’s park, picnic shelter and public restrooms located across from the retail/commercial district on the corner of Main and Greenville Streets.



Saluda is one of several towns in our Western North Carolina Small Town Main Street program demonstrating the need for or at the minimum enhancements and maintenance to the existing public restrooms. Many of the downtown commercial spaces are not suited for customers to use their restroom facilities. There are several privately owned buildings that have updated their restrooms and often serve as the “public restrooms” even when the public isn’t a customer when they come in and use them. The library has also served that purpose, but on days when the library isn’t open the public has to use the public restrooms located in the park across the street or find downtown business that have suitable facilities. During tourism season Saluda could benefit from having public restrooms located in the downtown district.

It is doubtful that the existing public facility is Americans with Disability Act (ADA) compliant. As the Small Town Main Street program progresses it may be valuable to identify areas for potential public facilities located within the central business.

Traffic and Circulation Observations



Map by Glen Lacascio, GIS Specialist, NC Dept. of Commerce, Division of Community Assistance

Table 5: DOT Traffic Counts

| #'s Correspond with Map | Street Name | Traffic Count (DOT) |
|-------------------------|----------------|---------------------|
| 1. | I-26 East/West | 36,000 |
| 2. | Exit Ramp | 4,100 |
| 3. | Seminary St. | 480 |
| 4. | 176 E. | 880 |
| 5. | E. Main (176) | 3,300 |
| 6. | W. Main (176) | 1,800 |

The table above indicates that for a town of just over 900 there the daily traffic count especially on the Highway 176 corridor is fairly significant. This count does not discriminate between single trip and multiple trips by one vehicle.

Traffic appears to move easily through town, but during times when the I-26 corridor in either direction of the Green River Bridge is shut down traffic through downtown can be challenging especially if tractor trailers have to be routed through downtown. The state highway 176 that runs through Main Street is not wide enough to accommodate these trucks therefore cars cannot park in the downtown spaces on those occasions when detours occur.

Parking Observations



Saluda has 321 parking spaces, of these, 6 are loading zones, 153 are public and 162 are private (see appendix for locations).

Our assessment is that parking appears to be sufficient for the current level of activity. There is some signage indicating available public parking. Consumer surveys indicated that parking is fair to good. We recognize that there are times when parking may be at the maximum level, tourist season, special events, and weekends. If this becomes problematic then the STMS committee should consider strategies that would help alleviate congestion without losing customers.

Streetscape/Public Spaces/Connectivity Observations



Key words in these observations: connectivity and cohesiveness. The overall pedestrian experience, feeling comfortable and safe, is extremely important to the success of a downtown district. Saluda has positive existing elements that contribute to this experience. Pedestrian connections in downtown are not sufficient by our visual observations and through our downtown walk-about experience with the Small Town Main Street committee. Extremely valuable is the pedestrian connection between your downtown neighborhoods, recreational



facilities, and the retail district. This seems to exist in some areas but not others. Identifying the missing links is important as the program moves forward. Table 6 (pg. 37) shows the walking radii for a nice five minute walk to the central business district of downtown Saluda.

Downtown Saluda is somewhat unique in its easy access to recreational opportunities as also shown in Table 4. This represents an opportunity promotionally leading to potential business growth opportunity as well. However, exiting I-26 this corridor leading into town has potential of having a negative visual impact. Gateway entrances/corridors into downtown are often the first impression people get of a community. Thankfully the corridors are not littered with fast food chains and huge commercial signage and while the gateways into town from I-26 need to be addressed there is still a peaceful rural feel as you exit I-26 to come into downtown Saluda.



Travelers are greeted by sub-standard signage and while recycling is commendable this is not an attractive site. Consider working to create better signage and possible recycling containers.

Signage, including wayfinding signage, street furniture, banners, and trash receptacles are ways in which to unify and better connect and give a feel of cohesiveness. Downtown has a fun/artsy appeal with uniquely designed recycling receptacles and even the mailboxes lining the street next to the depot district contribute to this atmosphere.

There are varying benches within the downtown district from the era of the late 1960s to the more recently added metal benches. While there is nostalgia for the older benches the placement of both old and new seems somewhat conflicting. Repainting the older and placing them in other public areas of town such as in the green spaces/parks/alleys could be a way of addressing this conflict while continuing to add to the newer style.

Sidewalks are important to the cohesiveness and connectivity as mentioned earlier in this section but to emphasize they are a part of making the pedestrian experience positive or negative.

Factor 4: General Physical Environmental & Amenities Recommendations

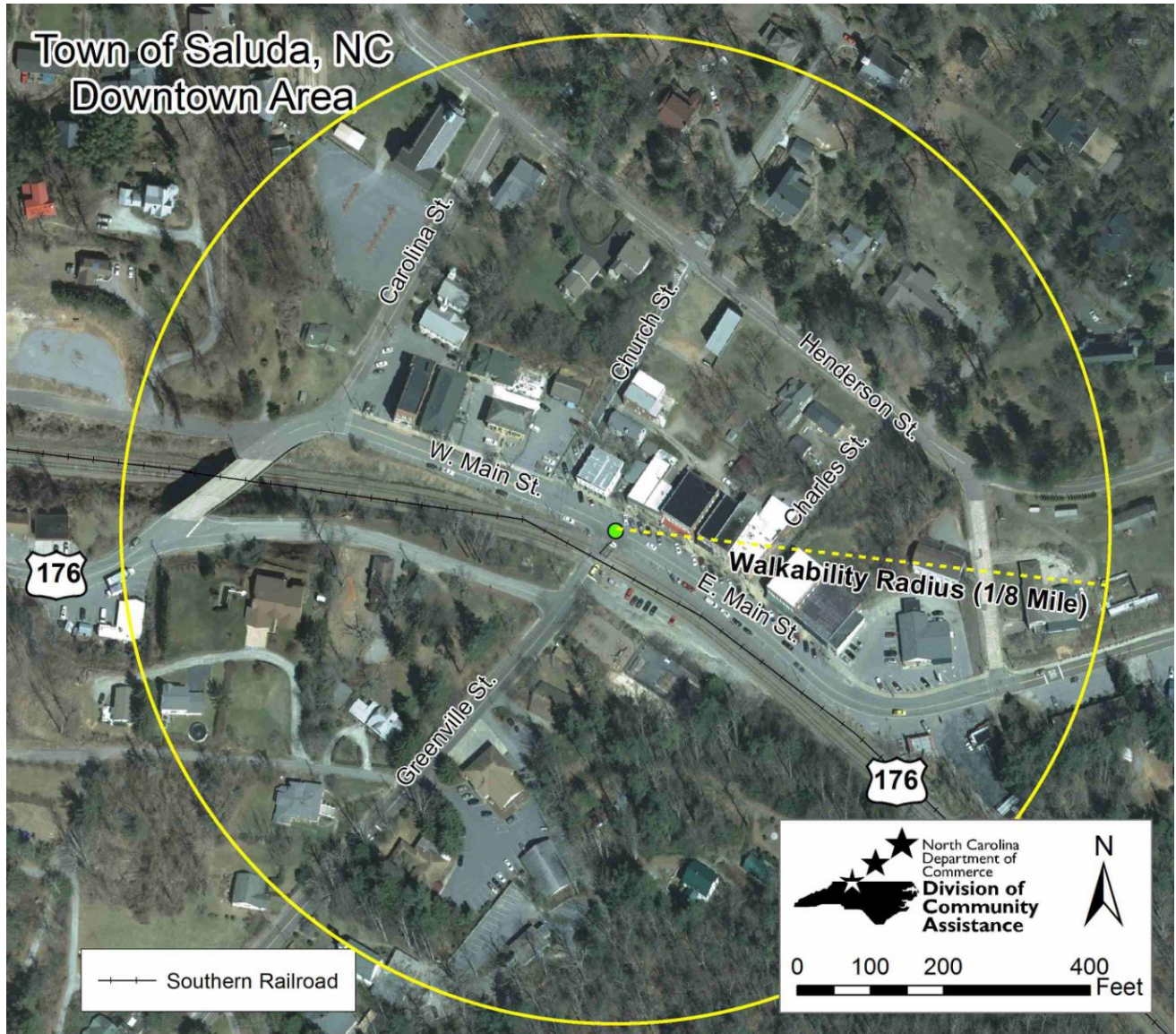
Downtown Saluda is applauded for having a National Historic Register District, but with that comes the responsibility of insuring that moving forward will be the facilitation of and continued effort to preserve and rehabilitate the historic downtown commercial buildings. A continued focus and dedication to preservation of the buildings will serve this committee well. We recommend that that Saluda’s Small Town Main Street Design committee and the Saluda Historic Preservation Commission be well versed in the Secretary of Interior’s Standards and encourage all rehabilitation projects to adopt these standards. The State Historic Preservation Office and the NC Main Street Design Staff offers assistance. The NC Main Street Center will provide workshops as well as create façade renderings at no cost other than the standard mileage reimbursement. Saluda’s downtown has such an authentic environment that keeping it so depends on the strength of the town and organizations to be mindful of protecting their built environment which is a genuine asset.

Specific Recommendations for Physical Environment & Amenities

1. Consider implementing a Façade/Maintenance Incentive Grant program
2. Promote tax credit projects for building renovations
3. Prioritize (if not already doing so) sidewalk repairs/maintenance schedules especially concerning safety and connectivity to existing assets; recreational facilities, work, community centers, etc.
4. Identify and prioritize where wayfinding signage should go and budget for these
5. Inventory benches, planters, banners, trash/recycling containers and explore ways in which to have a more cohesive look – NOT a themed look nor everything has to be a certain look, but a way in which maybe to better blend the old with the new (i.e. benches)
6. Short term; consider design enhancements to the public restrooms including better signage to the facilities from downtown and daily cleanliness while;
7. Evaluating the feasibility of new public restrooms within the commercial district
8. Evaluate the 2003 Saluda Comprehensive Plan & 2003 Design Principles & Guidelines to assess where you are in implementation of recommendation;
9. and update this plan based on goals accomplished and goals that still need to be accomplished tying in with the Small Town Main Street Market Study in particular addressing design, overlay, corridors/gateways
10. Consider placing the older benches in the public green spaces or incorporating them into parks; painting and maintaining them first
11. Older benches may be good candidates for public art – painting them in decorative ways that are unique, but also make sure that if they are used for public art that the art is of quality
12. Utilize the “Five Minute” Walking radii as a tool for walk-ability testing & for promotional purposes – such as a “Get Fit Urban to Rural Trails” – promoting how easy it is to go from downtown to a rural/natural environment within minutes (see Table 6, pg. 37)
13. Focus on developing quality projects

The Small Town Main Street Design Sub-Committee will continue to refine and detail the design priorities moving forward.

Table 6: Five Minute Walking Radius



Normally we suggest a ¼ mile radius for a five minute walk, however, when reviewing the topography of Saluda we suggest a 1/8 of a mile radius for a five minute walk from the center of downtown. The thought is that most people will typically walk 20 minutes to get somewhere especially if the walk is interesting or know that at the end of the walk there is a destination worth the walk. There are some sophisticated ways to measure “walk-ability” and even rate (Walk Score) but the best way is to just “walk it”. Steve Mouzon, in an on-line blog for Switchboard NRDC National Resource Defense Council staff states that; “comfortable walking distance is not a constant but a variable, and that the distances we are willing to travel on foot to do something depend on the quality of the environment along the way. Steve calls his

concept “walk appeal.” Streets and neighborhoods that entice us to walk farther have greater walk appeal”.⁵

Factor 5: AVAILABILITY OF CAPITAL & FINANCING



Adequate investment capital and the availability of attractive financing are critical for downtown projects. In addition to public financing tools, local financial institutions must be actively involved and supportive of development and business downtown.

Since 2008 private funding for small business has been problematic. This section focuses on working locally to involve financial institutions, the private sector and the public sector in order to create partnerships which will lead to funding potential downtown entrepreneurs as well retaining those quality businesses that already exist. This section is about making connections



in order to help find available capital and financing for small businesses and projects.

At the 2013 NC Main Street Conference attendees had several opportunities to hear about communities funding or receiving funding for some very specific projects by becoming proactive in investing local dollars into their community such as Rick Larson Director of the ShadeFund/Sustainable Ventures/Natural Capital Investment Fund in North Carolina and Carol Peppe

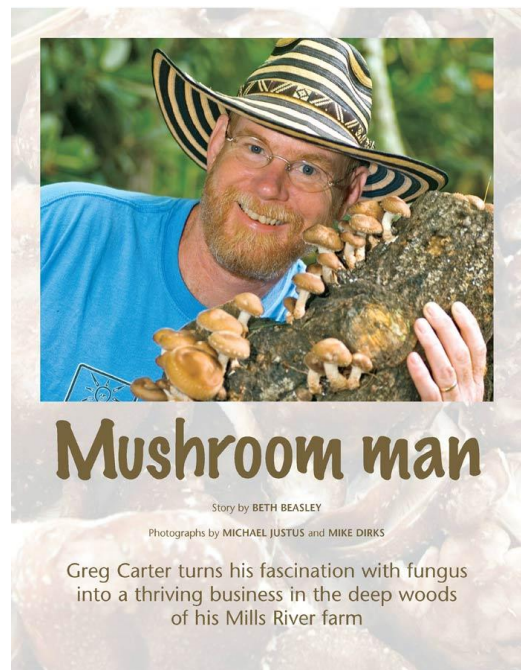
⁵ <http://switchboard.nrdc.org/blogs/kbenfield/>

Hewitt, Co-Founder of Slow Money NC. These programs focus on citizens who believe in investing in small businesses; investing locally in their “locals”.

According to the Slow Money NC website, Slow Money NC was inspired by a visit from Woody Tasch in May of 2010 (author of *Inquiries into the Nature of Slow Money*,) a few folks in North Carolina set out to build resilience in their local food economy by catalyzing loans to local, sustainable food and farming businesses. Since then more than 60 low-interest loans - totaling over \$600,000 - has changed hands, and is now helping over 30 sustainable farmers and local food enterprises throughout the state. Many of us have a variety of investments which travel the globe at the speed of light and have no relationship to us, or to the products we use, or to our local communities. We think we need to change that. With Slow Money NC our money comes back home where it can do a great deal of good, and *back down to earth*.⁶

Slow Money could be another potential way for a small downtown business who is interested in a niche food/grocer business or an existing business adding to their current inventory to be funded.

ShadeFund is another creative funding source that could be applicable to a small start up business. Their program was established by The Conservation Fund with a lead grant from the U.S. Endowment for Forestry and Communities, ShadeFund enables individuals, companies and foundations to help green entrepreneurs across America grow their businesses and create jobs. Tax deductible contributions to ShadeFund are pooled and lent to qualified small green businesses nationwide. As entrepreneurs repay their loans, those



same dollars are recycled to help other entrepreneurs grow their businesses. ShadeFund loans range from \$5,000 to \$50,000. Most loans are expected to be \$20,000 or less. Interest rates are 4-9% and vary according to loan amount, available collateral, and credit worthiness. Qualifying loans go to green entrepreneurs who work in sustainable forestry and forest products, sustainable or organic farming, eco-tourism, natural food and medicines, biomass, and energy efficiency projects can apply for a ShadeFund loan.⁷

There are loans being made by North Carolina private investors for entrepreneurial ventures through NC Capital Investment fund. NCIF is certified as a *Community Development Financial Institution Fund* (CDFI) by the U.S. Department of the Treasury's CDFI

⁶<http://slowmoenyc.org>

⁷<http://www.shadefund.org>

Fund. CDFIs are private, specialized financial institutions that are targeted to borrowers who cannot meet the credit standards of traditional financial institutions because of perceived credit risk. NCIF, like other CDFIs operating around the country, provides a wide range of financial services to businesses located in economically distressed urban and rural communities. The NCIF provides flexible financing and investments and targeted technical assistance to a variety of natural resource based businesses, which range from small crafts enterprises and specialty food manufacturers to multi-million dollar forest products enterprises. They also finance and invest in businesses involved with environmental and green products/services.⁸

Mountain BizWorks (www.mountainbizworks.com) located in Asheville also offers business loans to small businesses located in the Western NC region. Mountain BizWorks is a nonprofit community development financial institution. They consider non-traditional collateral and offer a flexible loan structure. They also provide business counseling and training and technical assistance to help potential borrowers improve their capacity to succeed in business. They are particularly interested in supporting job creation. Mountain BizWorks will make loans for as little as \$500 and as much as \$150,000. Repayment terms are flexible and based on cash flow and use of funds. Interest rates vary depending upon your particular situation and risk factors. Be aware that because they provide additional services that banks typically do not, their rates tend to be slightly higher than banks.

The point of calling out a few of these loans is to recognize that when someone has a business concept there are resources to help develop a plan (see below) and secondly there are, while limited, some resources to help fund entrepreneurial ventures. And, as mentioned in Factor 5: Capital Access Network and Self Help Credit Union may be viable options as well for business start-ups.

Factor 5: Specific Recommendations for Capital & Financing



⁸ http://www.ncifund.org/who_we_are

Most of the tasks identified below will fall to the Economic Restructuring or ER Committee:

1. Get to know your local/regional bankers and discuss with them your mission, vision, plans for downtown and;
2. Create or continue to build upon a relationship(s) with local lending institutions to facilitate and promote the creation of a downtown loan program
3. Consider putting together a local funding resource to help small start up businesses or help retain small businesses within downtown; A website to utilize for assistance is the Institute for Local Self-Reliance; <http://www.ilsr.org/>
4. Research other potential loan/funding resources outside traditional lending institutions such as:
 - Slow Money NC (<http://slowmoenync.org>);
 - NC Capital Investment fund (www.ncifund.org);
 - ShadeFund (<http://www.shadefund.org>)
 - Self Help Credit Union (www.selfhelp.org)
 - Mountain BizWorks (www.mountainbizworks.org)
 - USDA Rural Development Loan Assistance (http://www.rurdev.usda.gov/rd_loans.html)
 - NC Rural Center (www.ncruralcenter.org)
5. Keep a list of funding resources including those sent from the NC Main Street program in order to share with potential downtown business owners
6. The Main Street Solutions Fund is a “gap financing” program (subject to availability) that could be used for certain projects

Factor 6: BUSINESS AND DEVELOPMENT ASSISTANCE

Observations & Recommendations



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. The data within the ESRI report serves as a basis for identifying needs and highlighting surplus and leakage, and, it is just that: a basis. There is not a one-stop source for business inquiries in Saluda. The City of Saluda and Saluda Business

Association serves that purpose for the most part. The Small Town Main Street committee is a volunteer organization consisting of town officials, property and business owners, non-profits, citizens and other advocates for downtown Saluda.

As discussed under Factor 3: Real Estate Conditions and Availability, business owners must evaluate their business plans, marketing, know their sales per square foot and, if renting sales to rent ratio. Knowing and understanding this information is a way to evaluate your personal situation and possibly when to seek outside assistance. Assistance may be in the form of obtaining business counseling, receiving an evaluation of a marketing plan or taking a business development class or classes. Most of the resources listed in this section are provided free of charge or charge nominal fees for classes and seminars.

The Small Business Technology Development Center (<http://www.sbtdc.org/offices/wcu/>) is often an excellent resource. The closest center to Saluda is located at Western Carolina University with an office in Asheville. The NC Department of Commerce offers on their website resources and tools that can be helpful to small business start-ups as well as those that are looking toward expanding, <http://www.thrivenc.com/incentives/financial>. We encourage anyone who is looking for resources and tools to utilize this website. We also encourage town staff to be familiar with this information as well. Both of these resources are state resources.

Mountain BizWorks as mentioned in the section above is another excellent local resource for business counseling and assistance.

Factor 6: Specific Business & Development Recommendations

1. Understand and appreciate the economic conditions of the area at large but focus on the needs of the downtown district
2. Encourage participation among property/business owners in the Small Town Main Street (STMS) program
3. Get information out to the community about what's going on downtown and within the STMS Committee
4. Familiarize yourselves with the NC Department of Commerce's website in particular on the Small Business Resources (<http://www.nccommerce.com/smallbusiness>)
5. Utilize local/statewide business development resources such as: Small Business Technology Development Center WCU-Asheville Location (<http://www.sbtdc.org/offices/wcu/>)

REPORT CONCLUSION

Photo by Julie Pace Arrington



“A true downtown has a patina, a unique feel, a randomness, that can’t be duplicated.” Michael Stumpf, Main Street Now

Downtown organizations, such as the Small Town Main Street program, are formed for the specific purpose of providing for the needs of the downtown area in their communities. Although these organizations/programs 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 areas outside of the downtown boundaries. The NC Small Town Main Street Program can assist in providing information and

serve as the source for assistance in participating communities and will provide monthly assistance in Saluda during the first two years of the STMS program (2012-2014).

This report has addressed each one of the four points of the Main Street Four-Point Approach[®]: Organization, Design, Promotion and Economic Restructuring. Under each factor is a list of recommendations which can be tied back to one or more of the four-points. We recommend that this report serve as a guiding document for the next few years for the Saluda Small Town Main Street Committee’s work. While there is a work plan in place, this reports specific recommendations, if not already within the work plan, should be incorporated into the on-going plan of work. We encourage the Saluda STMS committee to review this report and within the next year, use it as a barometer for setting, achieving and meeting goals. This work cannot be solely done by the City of Saluda and the city’s staff; it must be a public/private partnership between the Saluda Board of Commissioners and the Saluda STMS volunteer committee. The Saluda STMS volunteer committee should believe that they can candidly make recommendations that can be brought before Saluda Council and staff and that their recommendations, based on their STMS Committee work, will be taken into strong consideration.

In the long run, it will be important to establish an on-going downtown committee as a cost effective community based downtown focused organization addressing the needs of downtown constituents acting as a liaison between those constituents and the City of Saluda. Partners should also include, but not be limited to the Saluda Business Association and the Historic Saluda Committee.

Consider these final points from the September/October 2012 issue of *Main Street Now, The Journal of the National Trust Main Street Center*:

- Know what role downtown plays in the regional market
- Determine the optimal mix of uses
- Use the story of downtown to create an emotional bond
- Create an urban design pattern based on the desired uses and your story
- Build relationships among businesses, property owners, organizations, and customers
- Build ties to strengthen surrounding neighborhoods

Resources

NC Department of Commerce
ESRI On-Line Business Analysis
NC State Historic Preservation Office
Community Development Division, Asheville Region
City of Saluda
Saluda Business Association
Saluda Small Town Main Street Committee Volunteers

Maps

Glen V. Locascio, GIS Specialist, Western Regional Office of Community Assistance
ESRI On-Line Business Analysis

Photograph Credits

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Cathy Jackson, Chuck Hearon, Greaton Sellers & Mark Schmerling
for Saluda Tailgate Market photos
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***We thank the City of Saluda's staff in particular the Saluda Board of Commissioners, Mayor Fred Baisden, Mayor Pro-Tem George Sweet, Leon Morgan, Johnnie Kinard and Lynn Cass. Town Administrator Erny Williams and Town Clerk Monica Pace, for their support of the Small Town Main Street program and to the dedicated community volunteers who attend the monthly STMS meeting.*

Appendix

DRAFT PLAN OF WORK

| Saluda Small Town Main Street Work Plan 2012-2014 | | | |
|--|--|---|---|
| Vision: | | | |
| Mission: | | | |
| ORGANIZATION | PROMOTION | DESIGN | ECONOMIC RESTRUCTURING |
| I. Goal – Create a sustainable Downtown organization/committee which will serve to expand human and financial resources through an agreed upon organizational structure. | II. Goal Become a year round destination downtown for residents and visitors. | III. Goal Aesthetically enhance downtown. | IV. Goal: Retain and consider expansion of downtown Saluda as a center of activity through low impact progressive development. |
| Objective – to create an active committee that meets and exceeds the annual NC Main Street requirements while expanding human and financial resources. | Objective – Create awareness that downtown Saluda is not just a summer/fall destination through smaller retail promotional opportunities which in turn creates revenue for downtown businesses. | Objective – To connect the outdoor environment with our built environment in a cohesive way that is inviting to those who enjoy outdoor recreational activities with those who enjoy the experience of an authentic historic commercial district. | Objective – To retain and expand downtown's employment and residential base by planning for positive commercial growth based on the STMS market study. |
| Strategies – 1. Explore and determine an organizational model: i.e. – advisory appointed by the Town of Saluda or as an established committee under the Saluda Business Association. 2. Develop a comprehensive list of volunteer opportunities for individuals and civic organizations for maximum community participation. 3. Develop a comprehensive and creative volunteer recruitment plan designed to accomplish the plan of work. Develop short-term and long term opportunities for a variety of skills and talents. 4. Increase and improve communication to all downtown stakeholders (annual meeting and annual report, public presentations, newsletters, feet-on-the-street, etc.) | Strategies – 1. Develop a creative year round marketing plan. | Strategies – 1. Develop a comprehensive downtown design plan addressing: <ul style="list-style-type: none"> • a streetscape master plan for downtown; • sidewalk improvements including scheduled maintenance including pressure washing; • coordinated street furniture throughout downtown, but re-use of the older wooden bench in appropriately designated sites • plan for banner program 2. Develop a plan or work with the town in planning the addition of downtown pocket parks/green space which includes building of public restroom facilities. | Strategies – 1. Survey/dialogue with downtown businesses to better understand their needs. 2. Develop a robust economic incentives toolbox, including a Façade Redevelopment Grant Program, encourage use of Historic Tax Credits when appropriate to a project to directly address the needs of small businesses. 3. Utilize the Retail Market Study that the Small Town Main Street coordinator provides (by March 2013) as a tool for retaining and expanding downtown businesses. 4. Coordinate education opportunities for businesses and property owners on pertinent topics based on results of the surveys. (tax credits, merchandising, business financing, etc.) |

The Secretary of the Interior's Standards for Rehabilitation

The Standards (Department of Interior regulations, 36 CFR 67) pertain to historic buildings of all materials, construction types, sizes, and occupancy and encompass the exterior and the interior, related landscape features and the building's site and environment as well as attached, adjacent, or related new construction. The Standards are to be applied to specific rehabilitation projects in a reasonable manner, taking into consideration economic and technical feasibility. (<http://www.nps.gov/tps/standards/rehabilitation.htm>)

1. A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
2. The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.
3. Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.
4. Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.
5. Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a property shall be preserved.
6. Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.
7. Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.
8. Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.
9. New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.
10. New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.



North Carolina
Main Street

MAIN STREET BASICS: Retail Self-Assessment

Why facilitate retail self-assessments?

A goal of being in retail business is to be able to stay in retail business and that means making a profit. Successful retailers have a self-awareness that may seem innate, but their innateness comes from knowing specifically certain things that will make them a better retail business owner. We recommend that if you are not conducting an annual assessment of your business that you build this process into your overall annual work plan.

There are two types of assessments to consider when self-assessing:

- ◆ Overall business assessment: are you making enough sales to sustain your business; is your sales to rent ratio in a range where it needs to be in order for you to be profitable.
- ◆ The customer's assessment—survey your customers and ask them to give you feedback on what they think of your business, your customer service, how your store is laid out, etc.

This information is going to focus on the business self-assessment part rather than the customer survey/assessment.

Calculate your sales per square foot:

Retailers should be aware of their sales per square foot. Experience in working with NC small towns has indicated that sales ranging from \$100-\$150 per square foot are average and that mall sales p/sq./ft. are considerably higher. We recognize this is a personal evaluation depending on the retailers situation, lower sales per square foot may be fine.

*The formula for calculating sales per square foot is simple:
Take gross sales and divide by square feet of your sales area:*

Example:
 $\$225,000 \text{ g/s} \div 3000 \text{ s/f} = \75 p/s/f

Sales to Rent Ratio

A major component of sustaining and growing a businesses is understanding 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. (See attached sheet for sales to rent table for different business types.)

How to calculate sales to rent:

$\text{Rent p/mo} \times 12 \text{ months} \div \text{gross sales} = \%$

Example:

$\$1200 \times 12 = \$14,400 \div \$350,000(\text{gs}) = 0.0411$ or 4.1% of your sales is going toward rent.

If you own your building but are paying mortgage you will want to be aware of this ratio as well—consider your mortgage as the rent payment.

Your Rent to Sales Ratio is off—what next?

You've done the math and your sales are not within the recommended ratio what's next?

- ◆ First, do you think your rent is too high?
- ◆ Ask and compare: this can be done by contacting property managers and asking them for information on comparable properties within your downtown or another comparable downtown. Remember location can play a role so make sure you are looking at comparable properties both in sq./ft and location.
- ◆ If your rental rate is within a comparable market range then it's time to drill down and decide whether to call in help to evaluate your business plan and your product line. Outside help and evaluation could lead you to make minor to moderate changes turning your business around and getting the sales to rent ratio within a more reasonable range.

- ◆ If you discover your rent is more than the current market rate demands you may want to present your findings to your landlord asking for your rent to be lowered to a range more acceptable for your situation and within the current market rate.

****However, be prepared that your landlord may not consider negotiating and you may have to prepare to relocate your business if the rental rate is unacceptable to you.**

Below is a list of resources within NC that offer free to low-cost business planning assistance.

Resources for Business Plan Assessment

- ◆ Business Link North Carolina – or BLNC www.glncc.org/planning.asp
- ◆ Small Business Center Network (SBCN) - www.sbcn.nc.gov
- ◆ Small Business & Technology Development Center (SBTDC) www.sbtcd.org
- ◆ Growing America Through Project Entrepreneurship (GATE) - www.ncprojectgate.org
- ◆ NC Real Enterprise—<http://ncreal.org>
- ◆ NC Department of Commerce—www.nccommerce.com

RENT EXPENSE AS A % OF GROSS SALES FOR SELECTED RETAIL BUSINESSES

| | Low Range | High Range |
|----------------------------------|------------------|-------------------|
| | % | % |
| Clothing | 3 | 6 |
| Shoes | 3.5 | 7 |
| Books and Stationery | 1.5 | 6 |
| Office Supplies and Equip | 1.5 | 3 |
| Hardware | 2 | 4.5 |
| Department Stores | 2 | 4.5 |
| Drug Stores | 1.5 | 3.5 |
| Florists | 1 | 6 |
| Drinking Places | 2 | 8.5 |
| Groceries | 1 | 2 |
| Restaurants | 2.5 | 7.5 |
| Fast Food | 4.5 | 8.5 |
| Furniture | 2.5 | 6 |
| Electronics/Appliances | 1 | 3 |
| Jewelry | 2 | 6 |
| Hobby/Toys/Games | 2.5 | 7.5 |
| Gifts/Luggage | 5.5 | 9 |
| Used Merchandise | 2 | 4 |

**These numbers primarily obtained through www.BizStats.com

Downtown Parking Inventory

Public =153

Loading Zone =6

Private=162

Railroad

37

Street Parking

34

Blue Gypsy

7

Police

3

GRA/Manna Cabana

8

Eargle

13

Ryan Boyle

9

Summer House

9

Wild Flour Bakery

13

Library

19

Tan Tastic

6

Baptist Church

40

Behind Nostalgia

2

Handicap

10

Saluda School

8

City Parking Lot

36

Bank

22

GR BBQ

15

Parallel

27

Daugherty

10