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Downtown Waukesha Market Analysis

UW Extension
University of Wisconsin–Extension

Community-Led Research to Support Business Retention, Expansion and Recruitment Efforts

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Executive Summary

This Market Analysis is a community-led research effort that examined business retention, expansion and recruitment opportunities in downtown Waukesha, WI. It explored economic development initiatives that could be pursued in the downtown study area. In addition, specific business attraction priorities by category were identified.

A diverse mix of business and community leaders worked together to examine the changing marketplace in Downtown Waukesha, and completed this analysis in 2015 to serve as a resource to guide the downtown business and community leaders in collective impact. The analysis also serves as a resource for existing and prospective entrepreneurs, site selectors, and others seeking a comprehensive analysis.

Upon completion of the analysis, the results of the research findings were shared to gather additional community input and expand the study team's effort to build community involvement. Feedback gathered at the community input session is incorporated as part of the recommendations in Section 9.

The Downtown Core Study Area followed the Downtown Triangle footprint from the City of Waukesha Central City Master Plan, 2012. The Triangle included St Paul Ave, Wisconsin Ave (both sides) and Barstow Street. A few adjacent businesses to the southeast part of the Triangle were suggested to be included in this effort, which extended Core Area to East Avenue to include these establishments in the Retail Analysis.

ESRI Business Analyst provided some of the data used in this report, and it's intended to be used for educational purposes only. The study team assembled additional data based on local resources and visits to comparison communities.

Findings from Data Analysis

Some of the Key findings from the research include:

- The City of Waukesha is defined as a Convenience Trade Area. In 2015, Trade Area's estimated population was 71,667. A broader Destination Trade Area was determined based on regional commercial districts and includes a population of 105,857.
- Median household income for the Convenience Trade Area was $58,436. This value is lower than the Destination Trade Area, which had a median household income of $66,331, but higher than the state's median household income of $52,390.
- In addition to local residents, downtown also serves approximately 2,716 workers. These daytime employees may live in the trade area, or commute from other communities with the potential to purchase in the downtown area during the workday.
- The Waukesha County visitor market is the fourth largest in the state and offers opportunity for downtown to increase its capture of visitor spending from both leisure and business travelers. Downtowns history and character are attractive to visitors.
- Two peer cities were studied to assess their business development strategies and relevance to Waukesha. These cities were Fond du Lac and Appleton. While both of these cities have a fairly rich and diverse mix of businesses, their linear streets and vehicular traffic volumes do not provide the character and walkable scale of Waukesha. This difference could provide economic development opportunities for Waukesha.
- The peer cities offer Waukesha some excellent practices for business development. These range from improving the appearance of buildings for new tenants, providing market data in recruitment materials, and offer business start-up technical assistance.
- The vacancy rate of storefronts in the Downtown Waukesha Core Study Area was approximately 20 percent. This was significantly higher than the comparable communities such as Downtown Fond du Lac's vacancy rate of 7.1 percent, and Downtown Appleton's vacancy rate of 8.5 percent.
- Based on U.S. spending patterns adjusted for local conditions and excluding most large format store categories, downtown Waukesha has approximately $72 Million in retail spending potential. This is approximately 33 retail operations (with "average" U.S. sales). Currently there are 45 retail operations downtown.
- Based on U.S. spending patterns adjusted for local conditions, downtown Waukesha has approximately $28 Million in eating and drinking place spending potential. This is approximately 33 operations (with "average" U.S. sales). Currently there are 31 eating and drinking place operations downtown.
- Community Input: 68 percent identified the situation as urgent or very urgent to address the identified downtown challenges and opportunities and 74 percent said a diverse downtown group should exist to support collaborative strategy development and implementation.

Section 1

Introduction

This section describes the scope of study including its purpose and goals, prior research, historical overview of study area, and members of the study team who contributed to this community-led initiative.

Purpose and Goals of Study

The purpose of this market analysis is to provide business and community leaders with objective information to guide business development efforts in Waukesha. The study assembled market information to support business retention, expansion and recruitment efforts and also provides information to guide business development at the community level. This information can be used to identify business gaps in the community as well as support efforts to fill empty and new commercial space. One of the unique aspects of this research looks at the economic activity in two peer city downtowns: Fond du Lac and Appleton.

Prior Research

Downtown Development Plan (1974)

This plan recommended enhancing the Fox River, conserving and enhancing real estate values, improving open space and pedestrian movement, providing more activities, encouraging seasonal activities that enliven the Downtown, improving parking, retaining the architectural character, adding hotels, remodeling, rehabilitation, and reinvestment. These goals can be found throughout other planning efforts focused on Downtown in the last 40 years.

Riverfront Plan (1990)

The Riverfront Plan set out a major program for public expenditures to reinvent the Fox River as a major asset to be celebrated by the Downtown and surrounding neighborhoods. Much of this plan provided the impetus for the extraordinary public investment that has changed the image of the Fox River.

Downtown/Central City Comprehensive Master Plan (1998)

This plan was the impetus for several supplementary redevelopment plans that targeted specific sites and implemented a majority of the goals set forth in the plan. Additionally, many of these redevelopment-planning efforts continue today. The 1998 plan established a long-range vision for Downtown Waukesha that linked its economic potential to the City's historical roots and the Fox River. Recommendations were identified in several categories including: redevelopment; transportation; parking; streetscape and wayfinding. Some of the more significant results included relocation of the Springhouse at the Five Points, the construction of the Transit Center, and attracting more people to live in and near downtown through developments like River's Edge, Main Street Plaza, Avalon Manor expansion, and the Townhomes at Mill Reserve.

Central City Master Plan (2012) and Downtown Integrated Street Master Plan (2013)

These plans represent the next phase of downtown redevelopment. What sets the Central City Master Plan apart from earlier plans is its focus on not only downtown, but also the Central City neighborhoods surrounding it. The Plan realizes the importance of the adjacent neighborhoods to the health of the Downtown and vice versa. The plan identifies numerous key redevelopment sites and places in emphasis on Downtown placemaking, infrastructure improvements, housing, and economic vitality. Implementation of this plan can already be seen in projects like the new streetscape on Clinton Street and Main Street (west of Clinton St), the new Kendal Lofts apartment project, and improvements to housing stock using loan and grant programs in the surrounding neighborhoods.

Historical Overview of Study Area

The rich and well-documented history of the City of Waukesha ranges from its Native American roots, to its explosive growth as a tourist destination in the late 1800's and early 1900s, and its present day status as a reemerging downtown destination within southeastern Wisconsin. The Central City Master Plan (2012), identified four eras that shaped Downtown Waukesha:

- The Pre-Settlement era (prior to 1832), and the Early Settlement Era (1832-1846), which saw the first European settlers, incorporation as a village and becoming County Seat.
- The Springs Era (1868-1915), which was Waukesha's most defining time and era of prosperity and growth with the development of health spas, hotels, resorts and numerous bottling plants. The remnants of this era are still prevalent in springs-era buildings that still stand throughout downtown and the Central City neighborhoods.
- The Industrial & Manufacturing Era (1915-1990) during which the industrial base was built upon the foundry and engine assembly activities. These industries provided employment and supported many of the retail and service oriented businesses Downtown.
- The Current Era started in the early 1990s as the City began to focus significant resources and efforts into the revitalization and redevelopment of downtown and the Central City Neighborhoods.

The City really began to focus on redevelopment of downtown in 1974, with the adoption and implementation of the 1974 Downtown Development Plan and has continued with additional plans for the Downtown and Fox River. Those efforts include the Riverfront Plan in 1990, the Downtown/Central City Comprehensive Master Plan in 1998, the Central City Master Plan in 2012 and the Downtown Integrated Street Master Plan in 2013.

The downtown suffered a major loss in 2013 with the dissolution of the Downtown Business Improvement District (BID). Established in 1985, the BID was the longest running in Wisconsin at the time of its dissolution. The loss of the BID and its financial and business resources created a leadership vacuum downtown. However through efforts like the Central City Master Plan Implementation, the Downtown Market Analysis Study, and the beginnings of a major rebranding effort, there appears to be a strong momentum to move downtown forward.

Study Team

This study was completed collaboratively with a local study team working with the University of Wisconsin-Extension, Waukesha County and Extension's Center for Community and Economic Development. The study team provided local insight and was instrumental in developing locally relevant conclusions from the data collected.

Study Team participants included:

- Karen White, Owner, Little Swiss Clock Shop
- Mary Jane Sanchez, Owner, WurkHub
- Jeff Barta, Owner, Nice Ash
- Natalie Walters, Assistant Vice President, Waukesha State Bank
- Jeff Fortin, Community Development Specialist, City of Waukesha
- Maria Pandazi, City Planner, City of Waukesha
- Steven Chmielewski, Community Educator, University of Wisconsin-Extension Waukesha County
- Bill Ryan, University of Wisconsin-Extension, Center for Community & Economic Development
- Report preparation assistance by Emily Lutz, Graduate Student Assistant, University of Wisconsin

Section 2

Description of the Downtown Study Area

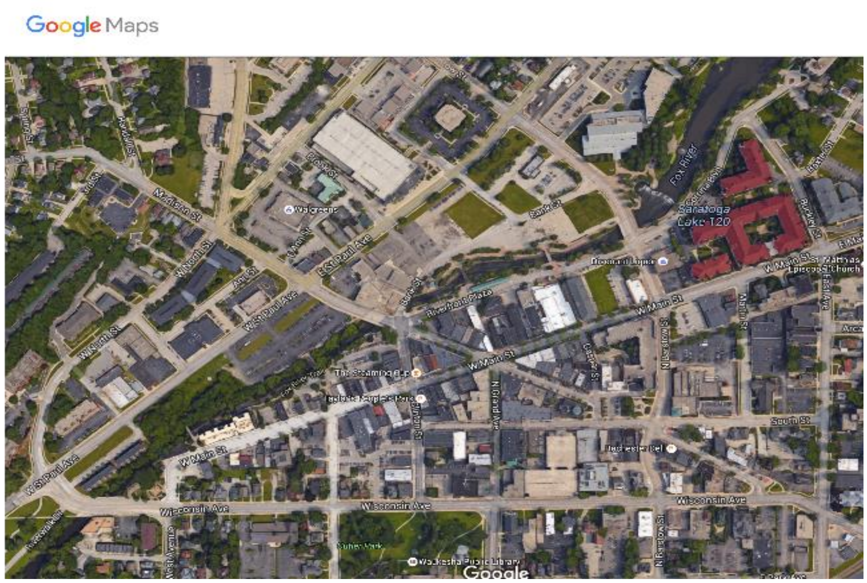
This section describes the downtown core study area. This is the geographic commercial district, which is the focus of this study.

The Downtown Core Study Area followed the Downtown Triangle footprint from the City of Waukesha Central City Master Plan, 2012. The Triangle included St Paul Ave, Wisconsin Ave (both sides) and Barstow Street. A few adjacent businesses to the southeast part of the Triangle were suggested to be included in this effort, which extended the Core Study Area to East Ave to include these establishments in the Analysis (See Map 2.1).

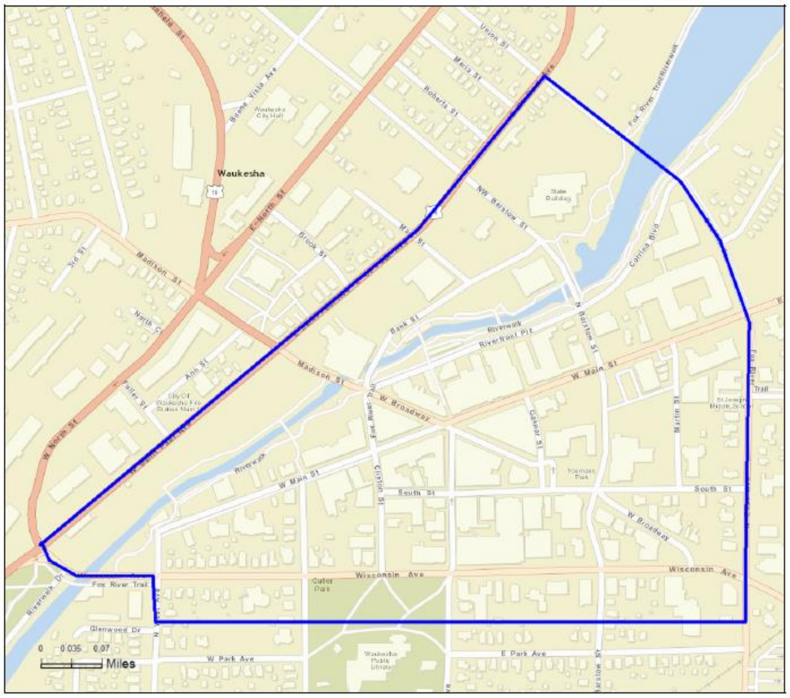
Core Study Area Resident Demographics

The following demographic data was obtained from ESRI Business Analyst Online (for educational use only) using the expanded Downtown Triangle. The data is presented to reflect only the local, highly penetrable market for downtown. A complete analysis of the Convenience and Destination Trade Area demographics will be presented in a following section.

In the Core Study Area, the 2015 population is estimated to be 1,240 with 990 households and an average household size of 1.43 (smaller than its Trade Area). In 2010, 80 percent of housing was renter occupied (higher than its Trade Areas). The 2015 median household income was $26,603 and per capita income was $24,697 (both significantly less than it's Trade Areas). Approximately 28% of the population was over 25 and had at least a bachelor's degree (this is lower than the Trade Areas). In 2010, the median age was 39.5 with 88 percent of the population over 18 years old. The Core Study Trade Area's population is also more diverse than the Convenience Trade Area with 4 percent black, 3 percent Asian, 9 percent other and 15 percent of the population Hispanic/Latino.



Map 2.1 - Downtown Waukesha Core Study Area (expanded Downtown Triangle)



Core Downtown Study Area Business Mix

In the Downtown Waukesha Core Study Area, a business mix inventory was conducted with 174 storefront locations. There are 35 vacant storefronts, which is equivalent to 20 percent of storefronts. Considering only the occupied storefronts, services made up 45 percent of these locations and included personal, professional and repair enterprises. Retail use made up 31 percent and, included home interior, lifestyle stores (including galleries and gift shops), food, personal care and clothing. Dining and entertainment made up 23 percent and, included the theatre/museum, eating and drinking places. Approximately 20 percent of the total storefronts were currently vacant.

Core Downtown Study Area Consumer Segments

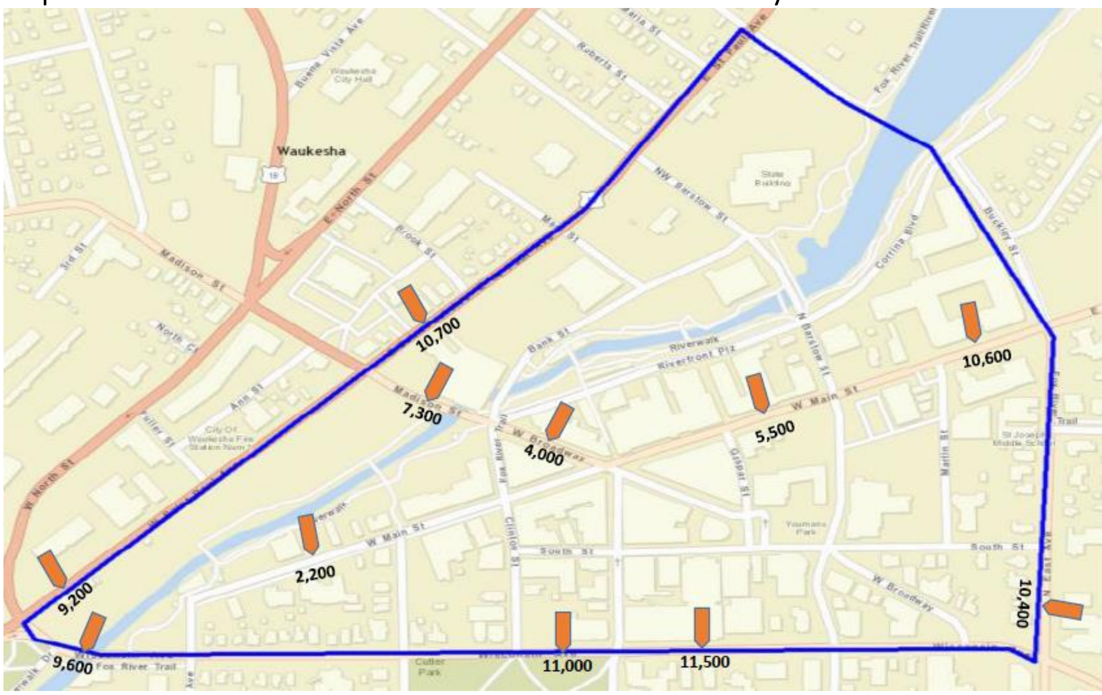
Three primary market segments are served by the downtown Study Area. These segments are explored in more detail later in this report. They include:

- Residents of the Convenience and Destination Trade Area (including Carroll University students)
- Downtown employees
- Downtown visitors

Traffic Volume

The average daily traffic count is the number of vehicles that pass a given location on an average basis. The most traveled area segments of the Core Study Area are the boundary roads that also serve as gateways. St. Paul Ave., Wisconsin Ave., East Ave. and the east end of Main St. have between 9,200 and 11,500 vehicles on an average day.

Map 2.2 - Traffic Count for Downtown Waukesha Core Study Area



Source: https://trust.dot.state.wi.us/roadrunner/

Conclusions

The Downtown Waukesha Core Study Area demographics and characteristics are listed below:

- The Downtown Core Study Area followed the Downtown Triangle footprint from the City of Waukesha Central City Master Plan, 2012 (Map 2.1).
- In the Core Study Area, the 2015 population is estimated to be 1,240, with smaller household sizes, more rental housing, lower income levels, lower education levels, and more ethnic diversity.
- Main St and West Broadway, two streets that pass through the Downtown Core Study Areas, receive between 2,200 to 5,500 vehicle traffic counts on an average day. This is nearly half the Downtown Waukesha Core Study Area boundary roads traffic count of 9,200 to 11,500 vehicles on an average day.
- Waukesha's Downtown Core Study Area businesses include services (45 percent), followed by retail (31 percent) and dining/entertainment (23 percent). Vacant commercial storefronts were approximately 20 percent.
- Three primary market segments are served by the downtown Study Area: Residents of the Convenience and Destination Trade Area (including Carroll College students), downtown employees, and downtown visitor

Trade Areas

This section analyzes the extent and shape of Waukesha's trade areas. Trade area boundaries defined here will serve as the basis for additional analyses throughout this report.

Waukesha is located in southeastern Wisconsin, 19 miles from Milwaukee. Interstate 94 serves the City of Waukesha, with State highways 18 and 59 running east and west.

A trade area is the geographic area from which a community generates the majority of its customers. Knowing the size and shape of the trade area is extremely important because its boundaries allow for measurement of the number of potential customers, their demographics, and their spending potential.

Each individual business in Waukesha has a unique trade area. The distinct trade area for an establishment will depend on factors ranging from the type of business to the variety of products and services sold. Certain business types will only attract local customers, while other categories have the potential to draw customers from a broader region. For purposes of this analysis, the focus is on local customers as reflected in a "convenience trade area." In addition to serving local customers, there is some demand from nonresidents including in-commuter employee and visitors.

Convenience Trade Area - City of Waukesha

A convenience trade area is typically based on the purchase of products and services needed on a regular basis, such as gasoline, groceries, and hair care. Because these purchases are relatively frequent, people usually find it more convenient to buy these products and services from businesses located close to their home or workplace. Based on discussions with business operators the City of Waukesha's geographical area represents a reasonable proxy for downtown's Convenience Trade Area. This area is identified in Map 3.1.

Destination Trade Area-Equal Competition Area

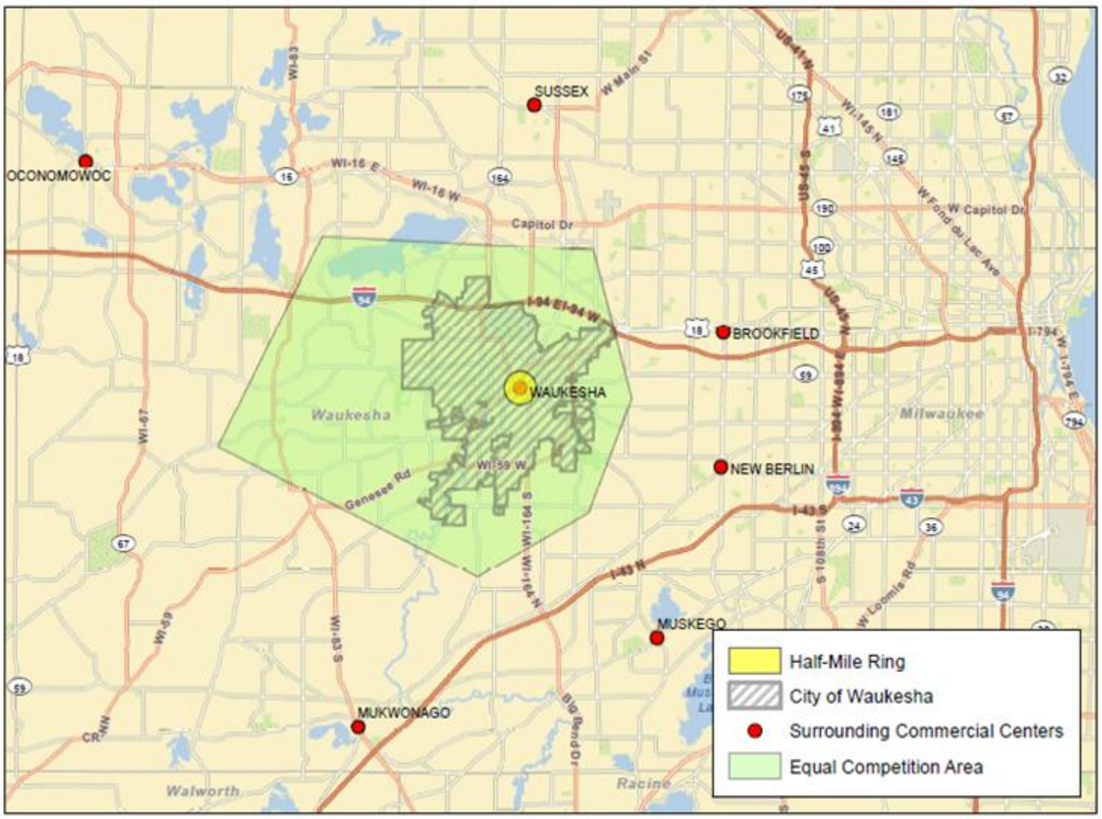
A Destination Trade Area is typically based on the purchase of products or services acquired on a less frequent basis such as furniture, apparel, automobiles, and other comparison shopping items. Accordingly, this Destination Trade Area reaches a broader geography. To define the Destination Trade Area, an equal competition area was used. The trade area is formed by lines drawn exactly halfway between each of the competing destination business districts. Any point within the equal competition area is closer to the subject business district (Waukesha) than any of the surrounding business districts. Both the Convenience and Destination trade areas are influenced by shopping in neighboring communities such as Oconomowoc, Sussex, Brookfield, New Berlin, Muskego and Mukwonago.

Conclusion

Based on the preceding analysis the following map illustrates both the Convenience and Destination Trade Areas served by Downtown Waukesha. Because of intense regional competition, the majority of the analysis that follows will focus on the Convenience Trade Area.

Map 3.1 - Equal Competition Area (as Defined by Competing Grocery Stores)

Downtown Waukesha Trade Areas



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Prepared for educational use by Bill Ryan.
Source: ESRI Business Analyst

Section 4

Resident Market Characteristics

The demographic and lifestyle characteristics of trade area residents provide valuable information on who lives in neighborhoods that could potentially generate demand for downtown businesses.

Demographic Analysis

To assist in understanding the characteristics of residents, data was assembled for the Waukesha trade areas, Wisconsin and the U.S. Comparing demographics of these geographic areas helps to differentiate local consumers and may identify potential customer niches. Demographic characteristics are derived from public and private datasets, including Environmental Systems Research Institute Business Information Solutions (ESRI BIS).

Population

Population data helps quantify both current market size and future market growth, both of which are used to measure consumer demand. Population is defined as all persons living in a geographic area. The Convenience Trade Area's (City of Waukesha) 2015 population was 71,667. However, the Downtown Destination Trade Area had a population of 105,857.The rate of growth in the trade areas has been similar to that of Wisconsin (Table 4.1).

Table 4.1 – Population

	Convenience Trade Area	Destination Trade Area	Wisconsin	U.S.
2010 Population	70,718	104,484	5,686,986	308,745,538
2015 Population	71,667	105,857	5,742,139	318,536,439
% Annual Change '10-'15	0.3%	0.3%	0.2%	0.6%

Source: ESRI Demographic and Income Profile Report

Households

Households consist of one or more persons who live together, regardless of relationship, in the same housing unit. Households can be characterized by size, composition, or stage in family life cycle. Typically, individuals or household as a group influences household purchases and generates demand. Projected household population growth may indicate future retail opportunities. Households in the trade areas are similar to averages in the state and U.S. (Table 4.2).

Table 4.2 - Households

	Convenience Trade Area	Destination Trade Area	Wisconsin	U.S.
2010 HH	28,295	41,375	2,279,768	116,716,292
2015 HH	28,889	42,259	2,323,302	120,746,349
% Change '10-'15	0.4%	0.4%	0.4%	0.7%
2015 Avg. HH Size	2.39	2.43	2.41	2.57
2010 HH w/Children	32.1%	31.9%	30.6%	33.4%

Source: ESRI Demographic and Income Profile Report

Household Income and Per-Capita Income

Income can be an indicator of the spending power of residents. It positively correlates with retail expenditures in many product categories. Some retailers may also target specific income ranges based on their target market segment.

Median household income for the Convenience Trade Area was $58,436, significantly more than the state average of $52,390, but less than the Destination Trade Area. The average per capita income for the Convenience Trade Area was also significantly more than the state average (Table 4.3).

Table 4.3 - Income Levels

	Convenience Trade Area	Destination Trade Area	Wisconsin	U.S.
2015 Median HH Income	$58,436	$66,331	$52,390	$53,217

Source: ESRI Demographic and Income Profile Report

Per Capita Income is used to measure an area's average income. This is calculated by dividing the area's total income by its total population. The Destination Trade Area has a higher Per Capita income than the City of Waukesha, State and U.S. (Table 4.4).

Table 4.4 - Per Capita Income

	Convenience Trade Area	Destination Trade Area	Wisconsin	U.S.
2015 Per Capita Income	$29,681	$33,984	$27,779	$28,597

Source: ESRI Demographic and Income Profile Report

Housing Ownership

Housing ownership is an important factor for retailers to consider as this directly correlates with expenditures for home furnishings and equipment. Furniture, appliances, hardware, paint, floor covering, garden centers and other home improvement products all prosper in active housing markets. The Convenience Trade Area has a lower owner occupied percentage than the Destination Trade Area, but more than the U.S. (Table 4.5).

Table 4.5 - Housing Ownership

	Convenience Trade Area	Destination Trade Area	Wisconsin	U.S.
2010 Owner Occupied	55.7%	64.0%	59.1%	57.7%
2010 Renter Occupied	39.2%	31.0%	27.7%	30.8%
2010 Vacant/Seasonal	5.2%	5.0%	13.1%	11.4%

Source: ESRI Demographic and Income Profile Report

Age Profile

Age often affects a person's consumer tastes and preferences. Understanding the population's age distribution helps businesses effectively address the needs of the market. Accordingly, retail, service, and restaurants often target certain age groups.

The Convenience Trade Area has a median age of 34.3 years. This is significantly less than the Destination Trade Area, which has a median age of 37.8 years. The following table presents age profile data (Table 4.6).

Table 4.6 - Age Profile

	Convenience Trade Area	Destination Trade Area	Wisconsin	U.S.
Total	71,667	105,859	5,742,139	318,536,439
0 - 4	6.4%	5.8%	5.9%	6.2%
5 - 9	6.5%	6.3%	6.2%	6.4%
10 - 14	6.3%	6.6%	6.4%	6.5%
15 - 24	14.2%	13.2%	13.9%	13.8%
25 - 34	15.1%	13%	12.6%	13.6%
35 - 44	13.8%	13%	12%	12.6%
45 - 54	12.8%	14%	14%	13.5%
55 - 64	12%	13.7%	13.8%	12.8%
65 - 74	7.5%	8.5%	8.7%	8.6%
75 - 84	3.5%	4%	4.4%	4.3%
85 and over	1.7%	1.8%	2.2%	1.9%
18 and over	77.2%	77.5%	77.8%	77.2%

Source: ESRI Demographic and Income Profile Report

Race/Ethnicity

Spending patterns often differ with ethnicity. Understanding the ethnic distribution of a population is the first step to meeting the needs of different ethnic groups. The Convenience Trade Area is more diverse than the Destination Trade Area. Roughly 12 percent of the Convenience Trade Area identifies with an ethnicity other than White. The largest minority population group is of Hispanic Origin (Table 4.7).

Table 4.7 - Race/Ethnicity 2012

	Convenience Trade Area	Destination Trade Area	Wisconsin	U.S.
White	88.1%	90.4%	86.2%	72.4%
Black	2.3%	1.9%	6.3%	12.6%
Asian	0.4%	3.0%	2.3%	4.8%
Other	9.2%	4.7%	5.2%	10.2%
Total	100.0%	100.0%	100.0%	100.0%
Hispanic	12.1%	9.0%	5.9%	16.3%

Source: ESRI Demographic and Income Profile Report

Education Attainment – Population of 25 and over

Education can be an indicator of the socio-economic status of an area. Not only do education levels affect income, they also impact consumer tastes and preferences. Both the Convenience and the Destination Trade Areas have significantly more residents with at least a Bachelor's degree than the state and U.S. (Table 4.8).

Table 4.8 - Educational Attainment 2012

	Convenience Trade Area	Destination Trade Area	Wisconsin	U.S.
Population Age 25+	47,626	72,039	3,885,748	214,026,813
% Bachelors Degree or Higher	34.7%	39.2%	28.3%	30.0%

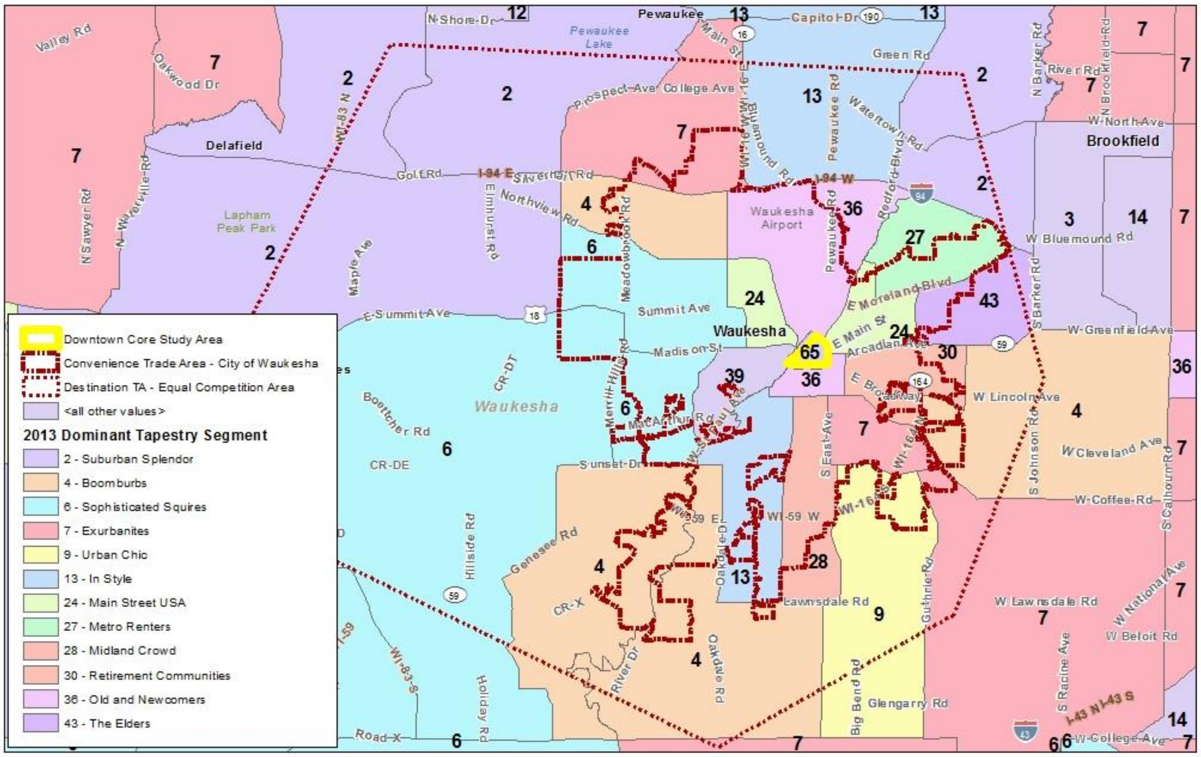
Source: ESRI Demographic and Income Profile Report

Lifestyles

Waukesha Trade Area residents can also be studied using lifestyle segmentation information. Lifestyle segmentation systems examine the buying habits and preferences of consumers in a geographic area. One lifestyle segmentation system is Tapestry™, by ESRI Business Information Solutions. Consumers are classified into 65 demographic and behaviorally distinct segments. The segments are based on type of neighborhood (urban, suburban, rural); the residents' socioeconomic status (age, income, occupation, type and value of residence); and their buying behaviors. The top three lifestyle tapestry segments in the Waukesha trade area are presented below along with ESRI's descriptions of these segments (Map 4.9).

Map 4.9 - Downtown Waukesha Trade Area Tapestry Segmentation

Waukesha Trade Areas Dominant Tapestry Segementation



UW Extension Center for Community and Economic Development

Prepared for educational use by Bill Ryan and Emily Lutz.
Source: ESRI Business Analyst

The three largest Market Tapestry groups in the Downtown Destination Trade Area all are part of the High Society LifeMode group, which collectively makes up over 40 percent of the households. Households of the High Society neighborhoods are affluent and well educated. They represent slightly more than 12 percent of all US households but generate nearly one-quarter of the total US income. Employment in high paying positions, such as professional or managerial occupations, is a primary reason why the median household income for this group is $100,216. Most households are married couple families who live in affluent neighborhoods. Although this is one of the least ethnically diverse groups in the United States, it is one of the fastest growing, increasing by more than 2 percent annually since 2000. Residents of High Society are affluent and active—financially, civically, and physically. They participate in a wide variety of public activities and sports and travel extensively. Invest in the Internet or radio instead of television to reach these markets (Table 4.10).

Table 4.10 - Tapestry Segmentation for Downtown Waukesha's Destination Trade Area

Tapestry LifeMode Groups	2013 Households			2013 Population		
Total:	**Number** 41,576	**Percent** 100.00	**Index**	**Number** 104,661	**Percent** 100.00	**Index**
L1. High Society	17,558	42.20	335	47,641	45.50	333
02 Suburban Splendor	3,471	8.30	493	9,542	9.10	486
04 Boomburbs	3,866	9.30	388	10,611	10.10	360
06 Sophisticated Squires	6,049	14.50	586	17,228	16.50	600
07 Exurbanites	4,172	10.00	407	10,260	9.80	401

Source: ESRI Tapestry Segmentation Report

The three largest market subgroups of the LifeMode groups in the Downtown Waukesha Convenience Trade Area are in the High Society group. These subgroups are 06 Sophisticated Squires (6,049 Households), 07 Exurbanites (4,172 Households), and 04 Boomburbs (3,866 Households). The average spending index for this whole Tapestry group is more than triple the national average. See Map 4.9 for neighborhood association with subgroup 06, 07 and 04. The following subgroup descriptions, as presented by ESRI, help identify these potential markets in the Convenience Trade Area.

Segment 06 - Sophisticated Squires

Cultured country life in low density, newer home developments attracts these urban escapees. The median age is 38.4 years. These educated, married couple families hold good-paying jobs, and are willing to commute longer distances to maintain their semi-rural lifestyle. The median home value is $230,333. Do-it-yourselfers handle their own lawn and landscaping and home improvement projects such as installing carpet or hardwood floors, and interior painting. They barbecue on their gas grills and make bread with their bread makers. This is the top market to own three or more vehicles; they drive minivans and full-sized SUVs.

Segment 07 - Exurbanites

Open areas define these affluent neighborhoods of empty nesters and married couples with children. Half are between the ages of 45 and 64 years. The median age is 45.5 years. Approximately half of those who work are in professions or management. The median home value is approximately $248,490, with a median household income of $84,522. Because their financial health is a priority, they consult with financial planners and go online to track their diverse investment portfolios. They hold long-term care and substantial life insurance policies. They work on their houses, lawns, and gardens. They go bird watching, boating, hiking, kayaking, play Frisbee, and take photos. Many join fraternal orders and participate in civic activities.

Segment 04 - Boomburbs

The newest additions to the suburbs, Boomburbs communities are home to busy, affluent young families who live an upscale lifestyle. The median age is 33.8 years. At 4.5 percent annually, this segment has the highest population growth, more than four times that of the national figure. The median home value is $282,689. To keep up, most households have two incomes and two vehicles. This is the top market to own projection TVs, MP3 players, scanners, laser printers, and to own or lease full-sized SUVs. It's the second highest to own flat-screen or plasma screen TVs, video game systems, digital camcorders, and own or lease minivans. They vacation with the family at Disney World and Universal Studios in Florida. They play tennis and golf, ski, and jog.

Other Unique Characteristics - Student Market

Carroll University and their students occupy a 50-acre campus including dormitories adjacent to and south of the Downtown Core Study Area. Carroll University first opened in 1846 and was the very first institution of higher learning in Wisconsin. For the 2014-2015 year, Carroll University had a total of 3,481 students, 2,706 were full time undergraduate, and 315 part-time undergraduate. 74 percent of students came from Wisconsin, 22 percent from Illinois and 4 percent from other states/countries. The freshman class had 762 students (22 percent), and 460 were graduate students (note there is also an off campus graduate center). Approximately 2 out of 3 students identified as female, and 54 students were international. In the areas of study, Carroll University had 137 full-time faculty and 231 part-time faculty.

Spending Behaviors

College students alter the demand of spending due to larger budget flexibility. Not only do college students have more flexibility in their spending, but they also have an extended amount of free time. With this in mind, there are certain business types that do well within college towns. The three most prevalent retail sectors in college towns are amusement and recreation, restaurants, and health services. In addition, bars, fitness facilities and auto parts are also highly correlated to college towns. Overall, the majority of businesses found in college towns are retail and service based.

Conclusions

The Waukesha Trade Area demographic and lifestyle characteristics are listed below:

- The Convenience Trade Area's (City of Waukesha) 2015 population was 71,667; however, the Destination Trade Area was 105,857.
- Both the Convenience and Destination Trade Areas have higher incomes, home ownership, and educational attainment than both Wisconsin and the U.S.
- The Convenience Trade Area differs from the Destination Trade Area by having lower income levels, a younger population and by having a higher level of diversity.
- The Tapestry Segmentation L1 High Society is was the largest population with 17,558 households that have a spending index over three times the national average.
- Downtown Waukesha also has the potential to capture business from Carroll University students. College students in general have higher spending for amusement, recreation, restaurants and health services.

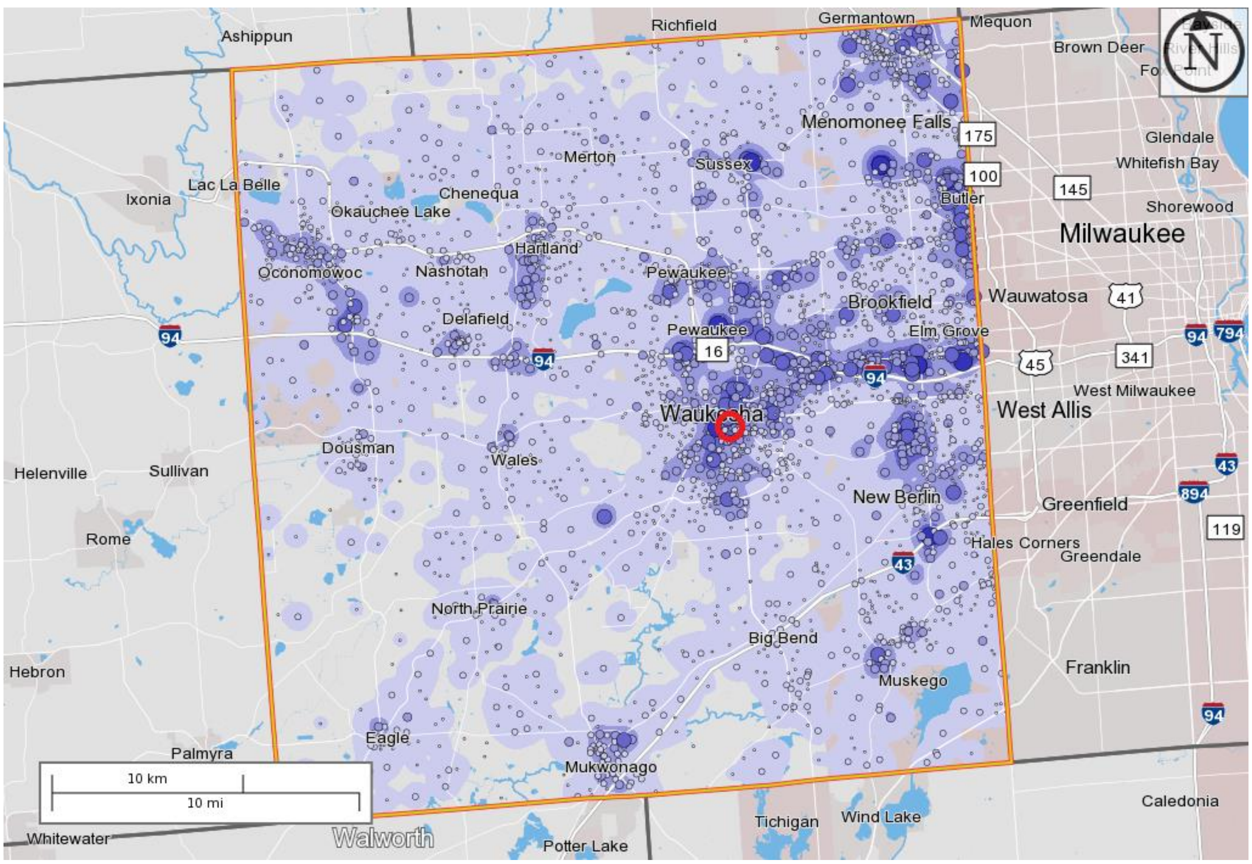
Downtown Employee Market Characteristics

This section describes the employment data in Waukesha County, as well as in the designated downtown core.

Employee Populations

Local residents reside within the trade area, where they provide the majority of spending potential for most businesses year-round. Daytime employees may live in the trade area, or commute from other communities with the potential to purchase within the trade area during the workday (Map 5.1).

Map 5.1 - Major Employers



Source: http://onthemap.ces.census.gov/

The table below shares data on employment sectors within the Study Area. This helps inform potential markets that exist as part of the daytime population.

Table 5.2 - 2013 Work Area Profile Report of Study Area

	Count	Share
Total Primary Jobs	2,716	100.0%

Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2002-2013).

Table 5.3 - 2013 Work Area Profile Report of Study Area

Job by Worker Age	Count	Share
Age 29 or younger	740	27.2%
Age 30 to 54	1,334	49.1%
Age 55 or older	642	23.6%

Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2002-2013).

Table 5.4 - 2013 Work Area Profile Report of Study Area

Jobs by Earnings	Count	Share
$1,250 per month or less	819	30.2%
$1,251 to $3,333 per month	971	35.8%
More than $3,333 per month	926	34.1%

Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2002-2013).

Conclusions

The Downtown Waukesha daytime employment population is characterized below:

- There are approximately 2,715 employees working within the downtown study area.
- Half of the employees in the half-mile downtown radius are between the ages of 30 to 54.
- It is important to consider the spending potential of this group, because roughly one third of the daytime employment population earns more than $3,333 per month.

Section 6

Visitor Market Characteristics

This section describes tourism in Waukesha County and the downtown core study area. Purpose of visitation, attractions and estimated economic impact are discussed.

Purpose of Visitation

Visitors are defined as nonresidents who come to a community for business or leisure. They either make day trips, or stay overnight at local lodging or with friends and relatives. As discussed in the prior section, Waukesha is a major employment center. This generates significant amount of business visitation to the area. Other visitors include leisure-time travelers and those simply passing through the area. Regardless of their purpose for visiting, tourists (including business travelers) represent an important market segment for downtowns as they often seek an authentic experience found in downtown's unique history and character.

Visitor Attractions

Waukesha County is a mix of urban, suburban and rural communities in close proximity to Milwaukee. The visitor bureau promotes the area as having "metropolitan sophistication with natural beauty and rich history." The county offers many historical sites, quaint downtowns, entertainment, shopping, performing arts, restaurants, and recreational activities including trails and lakes. For example:

- Delafield is a charming, yet sophisticated Williamsburg-style town
- Brookfield embrace an urban vibe with arts culture, and shopping
- Pewaukee is on area's largest lake and known for fishing, boating and lakefront festivals
- Waukesha represents diversified industry, educational institutions and hospitality establishments. Its Historic Downtown District is promoted as offering "unique shops, antique malls, art galleries and fun cafes."
  Source: www.visitwaukesha.org

View of the Downtown Waukesha Riverwalk. Source: www.city-data.com

Some of the attractions in downtown Waukesha include:

- Waukesha Civic Theatre
- Waukesha County Historical Society and Museum
- Saturday Farmers market
- Friday Night Live
- Waukesha Public Library
- Carroll College
- Frame Park: High Roller Fun Rentals
- River Walk
- Events such as water ski shows, ice sculpturing, fun runs, art crawls, bike races, and music performances.

Economic Impact

According to the Wisconsin Department of Tourism, Waukesha County is fourth in the state in terms of visitor spending (behind Milwaukee, Dane and Sauk Counties). Visitor spending directly related to tourism in Waukesha County was $693 million in 2014, including $ 173 million in food and beverage and $139 million in retail (statewide, food and beverage spending represents 25% of visitor spending, followed by retail at 20%).

At this time, Downtown Waukesha has only a small percentage of the hospitality related businesses in the County. Downtown has 20 hotel rooms or .4% of the 4,500 rooms in the County. Downtown also has 17 eating-places and 14 drinking places, or approximately 3% of the 1,000 establishments in the County.

Conclusions

The Waukesha County visitor market is large and offers opportunity for downtown to increase its capture of visitor spending.

- Tourism potential includes significant business travel as well as leisure time visitation. The County has the fourth highest tourism spending in the state.
- Downtown provides distinctive history and character that could draw visitors seeking an authentic experience.
- Downtowns capture of tourism spending is limited by the small percentage of hospitality related businesses that are located there.

Peer City Comparisons

As the community considers business development strategies, it is helpful to examine the downtown business district of comparable communities that embody similar characteristics. This comparison shows what kinds of retail or service businesses are supported in similar places. The evaluation also identifies real-life examples of downtown business districts that have defined their niche with a clear position in their market in terms of goods and services offered, as well as primary consumer segments served.

Peer City Selection Process

Cities outside the Chicago and Milwaukee area were initially identified as potential comparable communities based on shared geographic, demographic and economic characteristics. Location was considered with proximity to major highways, urban areas, natural amenities and downtowns with a clearly defined and successful position in the market. In addition, the study team was interested in cities with a successful downtown business district that also had a river and college nearby. Fond du Lac and Appleton met these criteria and can provide lessons on how to grow the economy in Downtown Waukesha.

The population between a half-mile ring of Waukesha, Appleton and Fond du Lac ranges from 4 to 5 thousand and all cities are growing modestly. The City of Waukesha and Appleton are comparable in population, while Fond du Lac is slightly smaller (Table 7.1).

Table 7.1 - Resident Population

	Waukesha Dtn. 0.5 Mile Ring	City of Waukesha	Appleton Dtn. 0.5 Mile Ring	City of Appleton	Fond du Lac Dtn. 0.5 Mile Ring	City of Fond du Lac
2000 pop.	5,256	66,910	4,528	71,320	4,834	42,174
2010 pop	5,246	70,718	4,258	72,623	4,829	43,021
2015 pop	5,236	71,667	4,270	74,246	4,980	43,174
2020 pop	5,283	72,829	4,311	76,132	5,079	43,291
% Growth 10-20	0.7%	3.0%	1.2%	4.8%	5.2%	0.6%

Source: ESRI Business Summary

Median household income in downtown Waukesha ring is approximately half than the City of Waukesha. Appleton and Fond du Lac have similar disparities (Table 7.2).

Table 7.2 - Median Household Income

	Waukesha Dtn. 0.5 Mile Ring	City of Waukesha	Appleton Dtn. 0.5 Mile Ring	City of Appleton	Fond du Lac Dtn. 0.5 Mile Ring	City of Fond du Lac
2015	$29,499	$58,436	$28,626	$54,976	$23,273	$45,723
2020	$32,523	$68,185	$32,048	$63,730	$26,012	$51,930

Source: ESRI Business Summary

When considering daytime population, Downtown Appleton has more than double the amount of employees in their downtown than both Fond du Lac and Waukesha (Table 7.3).

Table 7.3 - Employment within 0.5 Mile Ring of Downtown*

	Waukesha	Appleton	Fond du Lac
Total Businesses:	542	693	621
Total Employees:	7,087	17,157	6,844
Total Residential Population:	5,236	4,270	4,980
Employee/Residential Population Ratio:	1.35:1	4.02:1	1.37:1

**For this table Downtown Waukesha is presented as a .5 mile ring, which is different than the smaller Downtown Core Area defined earlier*

Source: ESRI Business Summary

Waukesha County has also captured more than twice as many tourism dollars than Outagamie County (home of Appleton), and over five times the amount of Fond du Lac County (Table 7.4).

Table 7.4 - Tourism Data: Direct Visitor Spending

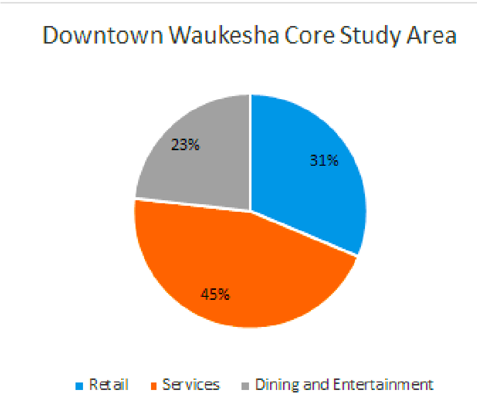
	Millions in 2013	Millions in 2014	% Change	Per Capita
Waukesha County	$664.6	$693.3	4.31%	$1,680
Outagamie County	$300.0	$315.8	5.26%	$1,647
Fond du Lac County	$119.4	$123.0	2.96%	$1,163
Wisconsin	$10,840.1	$11,419.1	5.34%	$1,989

Source: Wisconsin Department of Tourism

Business Mix of Comparison Communities

The approximate business mix of storefront commercial spaces was compared between the three downtowns. Waukesha and Appleton's primary business type was services, followed by retail, and dining and entertainment (Chart 7.5 & 7.6).

Chart 7.5 - Downtown Waukesha Business Mix



Vacancy Rates

Storefronts vacancies reported by each downtown:

- Appleton= 17/202 or 8.5%
- Fond du Lac = 15/214 or 7.1%
- Waukesha = 35/178 or 20%

Chart 7.6 - Downtown Appleton Business Mix

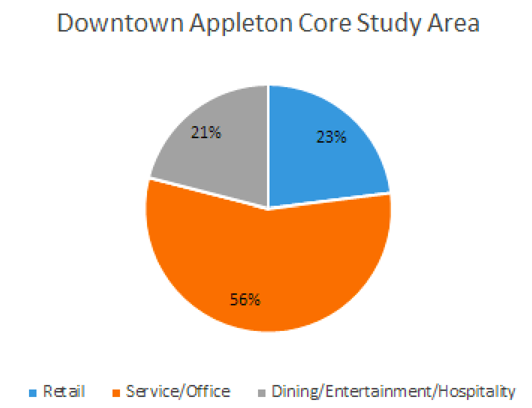
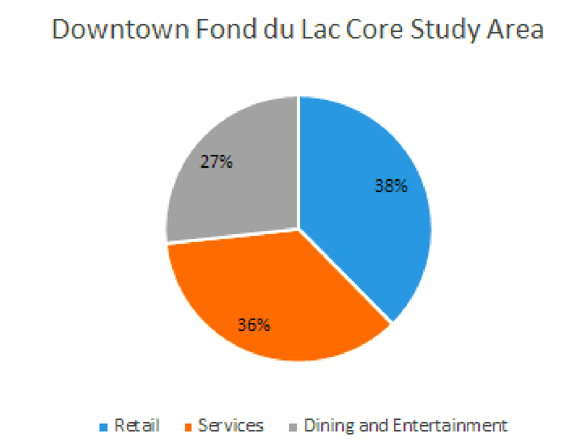


Chart 7.7 - Downtown Fond du Lac Business Mix



10 Keys to Success

Key attributes for success: In 2008, a team at Ohio State University (Jill Clark, Greg Davis and Elena Irwin) conducted a study entitled "Central Business Districts: The Measures of Success." The following attributes were found to be necessary for success:

1. Well-developed community and government relations built on trust
2. Consistent pedestrian traffic
3. Effective downtown promotion
4. Easy access to good financial and educational resources
5. Reliable communication network
6. Active downtown business recruitment and retention
7. Transparent and flexible planning and zoning
8. Capable, collaborative business and civic organizations
9. Physical design of the Central Business District
10. Strong neighborhood customer base (which yields daily and year-round sales)

Lessons Learned-Business Retention, Expansion and Attraction

As each peer city shared a unique story to of their strengths and components of success, the Study Team had compiled major takeaways from the community efforts. The following are creative ideas used by downtown leaders in Fond du Lac and Appleton to generate more business activity downtown.

Downtown Fond du Lac, WI

Downtown Fond du Lac Highlights

The Study Team identified the following downtown Fond du Lac general highlights:

- Strong entities working together to support the downtown include the Business Improvement District, Downtown Fond du Lac and City staff take a collective and proactive approach to strengthen the area. In addition, the City has budgeted 50K of general funds to support Downtown Fond du Lac improvements.
- Active code enforcement to keep Downtown area clean is connected to a liquor license policy, where license holders must maintain the cleanliness of the areas outside their establishments.
- Marketing tools are provided by the Downtown organization with request that businesses all use the same tagline to also market the whole downtown.
- A Farmers Market is also held during a weekday evening.
- Attracting large-scale daytime traffic from Marian College and insurance company. Promotion of parking opportunities.

The following meeting notes further share ideas to address some areas of concern.

Strategies used to Present Vacant Stores in an Attractive Manner:

- Posters that say "imagine the possibilities" in the windows
- Window cleaning services
- Involving fix up projects with habitat for humanity
- Volunteers to police the condition of buildings
- Arranging for pickup of litter around vacant store fronts

Strategies used to Assist Startup Businesses:

- Program like Ignite Business Success (seamless access to resources) to support emerging and existing businesses
- Develop a resource list of assistance for new entrepreneurs
- Engage landlords in recruiting businesses
- Develop a business succession plan

Strategies used for Economic Development:

- Commercial Rehab Grant Program
- Economic Development fund
- Home funds helped upper story developments (like residential units)
- Building Improvement Grant helps owners renovate the interior and exterior of building
- Facade Design Grant helps owners renovate the exterior of the building
- City administrator reaches out and visits each new business
- Encourages property owners to help each other market their properties

Strategies used for Marketing and Partnering:

- Market what events and stores are downtown
- UW Fond du Lac is a large partner with downtown
- Architectural Review Board allows different members of the community to think about Downtown exterior design

Strategies used to Regulate Traffic through Downtown and Parking:

- Hold annual events, such as a Chili Crawl or an event on Halloween
- City owns 99% of parking
- People can pay their parking meter with their cell phone

Photo from Downtown Appleton, WI

Downtown Appleton Highlights

Downtown Appleton general highlights include:

- The Business Improvement District events are diverse and raise revenue.
- There is a centralized one-stop shop for community info.
- Downtown businesses share and implement a brand through marketing efforts.
- Appleton used small budget to create active space for people and utilizes corporate sponsorship.

The following meeting notes further share ideas to address areas of concern.

Strategies used to Present Vacant Stores in an Attractive Manner:

- Façade Improvement Program allows them to make improvements on vacant buildings.
- Covered windows of buildings with promotional material, which promotes local artists and activities downtown.
- Partnered with the University to have popup stores/galleries in vacant buildings

Strategy used to Assist Startup Businesses:

- One person knows the available properties and can inform potential buyers on what property would be best for them

Strategies used for Economic Development:

- Façade Improvement Program
- Activating spaces
- Farmers Market

- Popup Stores in vacant buildings

Strategies used to Regulate Traffic and Parking Downtown:

- Trolley is free and runs on Weekends
- People no longer have to pay to park after 6pm
- Have meters and ramps
- Parking remains a challenge for Appleton

Strategies used for Marketing and Partnering:

- Lawrence University holds a gallery in one of their vacant properties
- Advertise in student newspapers
- Have student interns from the University
- Started a Stewardship program to allow students to get involved with ongoing projects

Conclusions

The Study Team reflected on the comparable downtowns' impressive mix of businesses, a local presence and diverse retailers. Successful components identified were also opportunities for Waukesha to consider implementing to address shared challenges. In addition, successful components to create an inviting presence for new businesses were considered.

After the Comparable Community Visits, the Study Team had identified the following opportunities to support Downtown Waukesha's growth and development:

- Develop Downtown Organizational Infrastructure:
    1. Identify point person to offer monthly seminar for people opening businesses
    2. City help lead initiative in cooperation with merchants and owners who agree on actions
- Provide educational opportunities to Common Council to support City investment in downtown:
    1. Replicate position of a point person for Downtown
    2. Better advertising of façade grants
    3. Develop downtown resource guide
    4. Look into Dubuque's Ignite model-bank has programs to include. MEDC for small loans vs. SBA
- Replicate corporate and community involvement
    1. Make financial commitment
    2. Discourage month-to-month leases
    3. Increase cooperation from businesses and capitalize on effort
- Strengthen Support for Retention, Expansion and Recruitment efforts:
    1. Initial 'bedding' of tenant
    2. Retention- increase support for business success (e.g. business mentorship)
    3. Clean and inviting (e.g. windows)

Business District Demand by Market Segment

The following section is provided to more accurately calculate business district demand for 14 categories of retail and eating/drinking places that are typically found in downtowns and dense commercial districts. Accordingly, it excludes certain large format stores. This section serves as an alternative approach to other data providers and analysts who estimate demand based extensively on fixed resident demographic statistics in a rigid trade area.

Market Segments

For this analysis, three market segments important to the subject business district are studied to determine spending potential (or demand) and an approximate number of establishments that could be supported by that demand. They include:

- Residents of downtown's Convenience Trade Area (City of Waukesha)
- Workers of all employers in the Downtown Study Area
- Visitors including leisure and business travelers to the County

Note: the Downtown Waukesha (Core) Study Area is also referred to as the subject "Business District" in this section.

The worksheet at the end of this section calculates a rough estimate of district demand for 14 categories of retail and eating/drinking places. Most of these categories are presented at the three-digit NAICS level. The categories used reflect the types of businesses found in dense business districts such as downtowns. Accordingly, various categories are adjusted to exclude large format stores including home centers, supermarkets, warehouse clubs and supercenters. A key difference between this analysis and traditional demand analyses is that the following approach measures demand for the subject business district (or core study area), not the entire trade area.

The analysis that follows estimates the business district's potential to penetrate each of these market segments.

Trade Area Resident Demand

The demand for the subject business district is based on a proportionate share of trade area resident demand. The geographic trade area is based on estimated consumer shopping behavior. Typically, not all categories are represented by the same trade area as some stores pull from a larger "destination trade area" while others pull from a smaller "convenience trade area." For purposes of this analysis, Waukesha's Convenience Trade Area (or the City of Waukesha) was used as a basis for this demand analysis. The subject business district will compete for a share of this demand.

Consumer spending potential for each business category reflects a compilation of the following key assumptions:

Assumption	Description	Amount
Population	Number of residents in the respective trade area	71,666
Spending Per Capita	US sales in each store category (per the 2012 US Economic Census) divided by US population	Calc.
PCI Index (US=100)	The per capita income in the trade area indexed to the US per capita income	104
Behavioral Index (US=100)	A local modifier of consumer behavior indexed to the US average consumer. This factor accounts for other demographic and lifestyle factors that would increase (>100) or decrease (<100) a person's likelihood to purchase in a particular business category in the business district.	100
Trade Area $Potential	The result of multiplying the above variables.	Calc.
BD/TA Establishments	A measure of the current commercial activity: the number of retail and eating/drinking places in the business district (BD) as a percent of those in the trade area (TA). This is also defined as proportionate share.	15.2%
Business District $Potential	Multiplication of Trade Area $Potential and BD/TA Establishments produces the amount of trade area resident demand that could reasonably be captured in the business district based on its current fair-share of retail and eating/drinking places.	Calc.

District Worker Demand
District worker demand potential is based on the number of jobs in the district, multiplied by office worker spending as estimated by the International Council of Shopping Centers (2012). These spending estimates were adjusted to exclude estimated purchases made at large format stores including home centers, supermarkets, warehouse clubs and supercenters. Sales were then allocated among the retail and eating/drinking place categories in proportion to trade area resident spending. A local modifier, Behavioral Index (US=100) is applied to account for the amount of retail and dining offerings in the subject district relative to other office districts in the country

Assumption	Description	Amount
Worker Population	Number of employees in the business district. While many are also trade area residents, their extensive presence in the district may reflect spending potential over and above that of residents.	2,716
Spending Per Week	US weekly sales in each store category based on estimates by the International Council of Shopping Centers (2012), coupled with the distribution of sales reported by the 2012 US Economic Census) divided by US population.	Calc.
Behavioral Index (US=100)	Behavioral Index (US=100) is applied to account for the amount of retail and dining offerings in the subject district relative to other office districts in the country.	100
Business District $Potential	Multiplication of Worker Population, Spending per Week, and the Behavioral Index produces the amount of worker demand that could reasonably be captured in the business district based on its current retail and restaurant mix.	Calc.

Visitor Demand

Overnight and day visitor demand potential is based on total Department of Tourism traveler spending estimates for Waukesha County. Sales were then allocated among the retail and eating/drinking place categories in proportion to trade area resident spending. A percent of these sales was allocated to the business district based on number of restaurants in the business district as a percent of those in the county (BD/Co Estab.). A local modifier, Behavioral Index (Co.=100) is applied to account for attributes of the business district as an inviting place for visitors relative to the county as a whole.

Assumption	Description	Amount
Visitor Spending-County	Direct annual spending by visitors as reported by the State Department of Tourism, coupled with the distribution of sales reported by the 2012 US Economic Census) divided by US population	Calc.
BD/Co. Establishments	A measure of the current hospitality industry activity: the number of eating/drinking places in the business district (BD) as a percent of those in the County (Co.).	4%
Behavioral Index (US=100)	Behavioral Index (US=100) is applied to account for attributes of the business district as an inviting place for visitors relative to the county as a whole.	125
Business District $Potential	Multiplication of Worker Population, Spending per Week, and the Behavioral Index produces the amount of worker demand that could reasonably be captured in the business district based on its current retail and restaurant mix.	Calc.

Total Business District Demand
Demand potential from each of the previously discussed segments are totaled to arrive at a rough approximation of demand for retail and eating/drinking places in the business district. It represents a realistic attempt to measure potential spending in the district, as it excludes spending at large format stores.

Dividing $Demand by the average sales per establishment (per the 2012 US Economic Census), results in the generation of a rough estimate of the number of stores that can be supported in each business category. While there are significant limitations in using such averages (sales vary widely among businesses in each category), it does provide a starting point for the comparison of demand with actual supply/existing businesses.

Based on U.S. spending patterns adjusted for local conditions and excluding most large format store categories, the business district has approximately $77 Million in retail spending potential. This is approximately 36 retail operations (with “average” U.S. sales). Currently there are 45 retail operations in the district, suggesting that this method may be overly conservative.

Based on U.S. spending patterns adjusted for local conditions, downtown Waukesha has approximately $29 Million in eating and drinking place spending potential. This is approximately 35 operations (with “average” U.S. sales). Currently there are 31 eating and drinking place operations in the district. Use these numbers with great caution.

Demand Analysis by Market Segment

For: Downtown Waukesha

Total Business District Demand:

NAICS	Description (excluding most large format stores)	Resident $Potential	Worker $Potential	Visitor $Potential	Total $ Demand	Sales/ Estab.	No. Estab. Demand
442	Furniture and home furnishings stores	$ 3,205,943	$ 399,852	$ 371,782	$ 3,977,577	1,726,206	2.3
443	Electronics and appliance stores	$ 3,714,365	$ 463,264	$ 430,742	$ 4,608,371	2,123,245	2.2
444 Adj.	Building material and garden w/o Home Ctr	$ 5,336,764	$ 665,613	$ 618,886	$ 6,621,263	2,067,780	3.2
445 Adj.	Food and beverage stores w/o Supermarkets	$ 2,994,490	$ 373,479	$ 347,261	$ 3,715,230	1,023,890	3.6
446	Health and personal care stores	$ 9,799,716	$ 1,222,242	$ 1,136,439	$ 12,158,397	2,943,188	4.1
447	Gasoline stations including C-Stores	$ 19,949,375	$ 2,488,130	$ 2,313,460	$ 24,750,964	4,852,276	5.1
448	Clothing and clothing accessories stores	$ 8,389,862	$ 1,046,402	$ 972,943	$ 10,409,207	1,580,253	6.6
451	Sporting goods, hobby, musical, and book stores	$ 2,786,185	$ 347,499	$ 323,104	$ 3,456,788	1,670,268	2.1
452 Adj.	Gen Merch. w/o warehouse and supercenters	$ 2,056,878	$ 256,538	$ 238,529	$ 2,551,946	1,588,244	1.6
453	Miscellaneous store retailers	$ 3,514,708	$ 438,362	$ 407,589	$ 4,360,659	912,393	4.8
7224	Drinking places (alcoholic beverages)	$ 710,015	$ 161,644	$ 383,547	$ 1,255,205	472,205	2.7
722511	Full-service restaurants	$ 8,074,206	$ 1,838,192	$ 4,361,656	$ 14,274,054	967,204	14.8
722513	Limited-service restaurants	$ 6,672,068	$ 1,518,978	$ 3,604,226	$ 11,795,271	824,707	14.3
722515	Snack and nonalcoholic beverage bars	$ 1,113,464	$ 253,494	$ 601,489	$ 1,968,447	564,069	3.5
	Total Retail	$ 61,748,287	$ 7,701,381	$ 7,160,735	$ 76,610,403		36
	Total Food and Drink	$ 16,569,752	$ 3,772,307	$ 8,950,918	$ 29,292,977		35
	Total Retail	81%	10%	9%	100%		
	Total Food and Drink	57%	13%	31%	100%		

Recommendations

This section describes the feedback gathered from a community presentation and discussion on the Downtown Market Analysis research findings. The forum was held January 28th, 2016 at Meli's Bar and Restaurant in downtown Waukesha.

Forty-two participants were in attendance for the presentation and Community Input Session. In attendance were business operators, property owners, residents, and elected officials representative of Downtown Waukesha. Participants included an alderperson, Waukesha County supervisor, and a state representative.

Community Input Session

Small groups discussed questions about application of the research and next steps for the community. The smaller groups then reported back their discussion findings to the large group. The following responses were captured from small groups to each question.

1. Top strengths of Downtown Waukesha
    - Events bring people downtown and nightlife
    - Safe feeling
    - Inviting Space
    - Strong History
    - Pedestrian Friendly
    - River Walk
    - Diverse activities
    - Retail mix
    - Historic buildings
    - In a 'Pocket of wealth'

2. Identify highest priority downtown issues/challenges that impact economic development
    - False perceptions
    - One way streets/safety
    - Older people not see changes (12 + year stigma)
    - Storefront clean up
    - Late night population is disruptive
    - Road construction
    - Misconceptions
    - Media negativity

3. What business retention/recruitment strategies would support the business district
    - Events
    - Attractive environment
    - Organization to assist and recruit

- Unified spirit to work together
    - Central point of contact
    - Unified social media
    - Exit interviews
    - Mentorship
    - Pop up stores-service
    - WWBIC and Score

4. What marketing efforts would help the Downtown
    - Implement Branding
    - Greater use of social media
    - Collaboration to pool resources
    - Use report to find solid mix
    - Build from inside out (e.g. groupons)
    - Signage/branding/utilize college for new businesses

5. How will this report reach stakeholders to put to use
    - Press release
    - Social media
    - Word of mouth
    - Solid mix
    - Talk positive about the report
    - Businesses help communicate
    - City help lead

The following questions/comments were designed for specific audiences to consider:

- How can property owners and business operators raise awareness to attract diverse/specific retail?
    - Talk positive about area with all
    - Hand out business cards/spread word
- What do daytime employees want?
    - Good lunch and quality merchandise
    - Food truck, grab and go for lunch crowd
- Additional Suggestion: Encourage owners and employees to park in Parking Ramp.

Additional Community Feedback from Session Participants

One week after the Community Input Session, participants were sent an electronic survey to respond to. Twenty-one responses were shared. The following summarizes the responses.

1. Nineteen participants responded to the question “what new business development opportunities might make sense downtown?” Nearly half the responses identified a grocery store or market. Other themes include: more retail, live/work locations/educational opportunities and office space; uniform advertising of space for rent; more diverse events;

and address parking issue.

2. When asked what was the biggest take away, respondent themes included: the need for some creative alternative for leadership with downtown development; bringing different perspectives to work together and implement strategies for storefront vacancies

3. To gauge a sense of the level of urgency to address the identified downtown challenges and opportunities, 68% said the situation was urgent or very urgent

4. When asked what participants feel is a shared goal of businesses operators and property owners, the following themes emerged: downtown viability-making area attractive to visitors, working together/creating a unified atmosphere; recruiting and retaining businesses (long term-tenants); advertising of downtown.

5. When asked if a diverse downtown group should exist to support collaborative strategy development and implementation, 74 percent said yes, and 21 percent said maybe.