JAMESTOWN, NORTH CAROLINA

DOWNTOWN MARKET ASSESSMENT AND BUSINESS ENHANCEMENT RECOMMENDATIONS

June 2008

GREENBERG DEVELOPMENT SERVICES
CHARLOTTE NORTH CAROLINA

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I. INTRODUCTION

Greenberg Development Services (GDS) was hired by the City of Jamestown to identify potential market niches for downtown based on current market trends and to provide recommendations for strengthening downtown's current business mix. As part of the project, GDS reviewed available census data and background planning reports and conducted a series of interviews with selected civic leaders.

Jamestown, located between Greensboro and High Point in Guilford County, is a small community with a rich history and strong community identity. The community is known within the region for its recreational opportunities and excellent governmental services. The City has attracted a mixture of families that work in High Point and Greensboro and retirees who enjoy the community's small town charms.

Downtown businesses are scattered along Main Street, with the majority clustered between City Hall and the Public Library. Historically the downtown was a convenience/service district that served local residents. The recent addition of several new specialty retailers has created a more eclectic, livelier mix of businesses that are capturing sales from beyond the City's limits. Based on available retail sales information and a review of existing competition, GDS believes that there is market support to support downtown's continued evolution from a service district into a more specialized destination retail center. The next four years should provide a window of opportunity for the City to capitalize on recent streetscape improvements, pending regional residential growth and new investment that is being made in downtown real estate. There also should be further opportunities to develop new residential and office space downtown. These developments will in turn further strengthen market support for downtown restaurants and specialty stores.

While there is market support to develop a stronger commercial district, there are many challenges that will need to be overcome before downtown can function as a viable retail district. Existing stores will need to develop strategies to more effectively compete against new convenience and community shopping centers being developed on the edge of town. The City's existing community shopping centers will need to be improved so that they are able to capture a greater share of the local market. While there are several unique specialty stores downtown, many more will need to be attracted if downtown is to function as a retailing center. Given downtown's limited amount of commercial space, adding new retail may necessitate higher density infill development as well as the adoption of incentives to encourage marginal retail uses or non retail uses to relocate to other locations in the commercial area.

Developing a stronger commercial base in downtown will require an organized approach that engages a broad sector of the community and includes a process for building consensus and developing partnerships within the business community. While many persons interviewed during this project expressed their desire for a stronger retail district, there currently is no one voice articulating a vision for the area. For downtown revitalization efforts to succeed, several key "stakeholders" in the downtown will need to be more involved. These stakeholders include downtown property owners, businesses, City Government and major employers and financial institutions.

II. RECOMMENDATIONS

The following recommendations are based on an evaluation of downtown's market potential using retail and demographic information provided by the U.S. Census Bureau and ESRI Business Solutions as well as observations made by the consultant during a two-day visit to the community in June of 2008. These recommendations should be used as a starting point from which the community can begin to develop a more comprehensive approach for enhancing the downtown.

Recommendation 1. Establish a downtown organization to guide future improvement activities.

Both the City and the Jamestown Business Association (JBA) have been involved in a variety of activities to help strengthen downtown businesses. The City has made a significant investment in downtown infrastructure and public facilities that have made downtown a more attractive and "pedestrian friendly" environment. The City also has supports the Jamestown Business Association through annual financial contributions that are used to promote businesses. The Jamestown Business Association publishes an annual business directory and organizes several community promotions such as Jamestown Days as well as provides businesses with opportunities to network with one another. While both organizations are key anchors in future downtown revitalization efforts, neither organization can provide the focused effort needed to sustain a downtown development initiative. While the City is a strong proponent of the downtown, its focus is primarily on downtown's physical condition rather than issues of business mix, promotion or image development. Although the Jamestown Business Association operates to some degree as the community's de facto chamber of commerce, its mission statement is much broader than a downtown revitalization organization and many of its members are not located downtown.

In order to more effectively coordinate various projects within the downtown, GDS recommends that the City in partnership with local businesses and property owners, establish a downtown organization (hereafter referred to as the Jamestown Hometown Partnership). This organization's mission would be to plan, advocate and coordinate a comprehensive downtown improvement effort. This organization could start out as an ad-hoc task force of interested volunteers, and developed over time into a broad-based organization with a board of directors capable of formulating a common vision for the area. The Partnership should have sufficient volunteers and funding to turn this vision into reality. While the City's small size will limit its ability to develop a program overnight, the community's strong track record in carrying out difficult community projects suggests that it will be able to find the funding to eventually hire a part-time person to manage this fledgling organization. Generally a community's ability to generate funds for a downtown effort increases dramatically once a game plan has been defined.

To get started, GDS recommends that all interested parties involved in downtown's further enhancement come together to clearly define a vision for the area and develop a simple work plan for implementing the recommendations contained in this report. This vision setting session should be facilitated by an outside consultant experienced in organizational development. This ad-hoc group should meet as often as needed over the next six months to define roles and responsibilities and involve a broader sector of the community including businesses, major employers, local lenders, major property owners, City staff and local residents. After establishing a work plan, volunteers should establish small groups or committees to carryout desired projects. Eventually, the group should establish an annual budget and a fundraising goal. Funding for the fledgling organization could come from a Municipal Service District (a self-imposed property tax) or voluntary contributions from local businesses and property owners, as well as contributions from the JBA, City, County and local residents. Other sources of funding include area foundations, local lenders or major employers and special fundraising events such as golf or fishing tournament. Below are series of tasks that would help get this organization off the ground.

- Hold an informal informational meeting with interested volunteers. With this group as a nucleus, the City should host a downtown summit to discuss how to develop a more formal program.
- Contact Liz Parham, NC Main Street Program or the NCDDA regarding assistance in facilitating an organizational workshop/vision setting session.
- Attend upcoming NC Main Street Conference in Statesville to network with other small towns that have recently established downtown programs.
- Contact and visit small town programs within the State in order to get ideas on how to organize and fund a program in Jamestown.
- Purchase a workbook from the National Main Street Center on establishing an organization as a possible model to follow.
- The City should hold a series of organizational meetings to develop a vision statement to guide future work plan activities. The work plan should include activities within the following areas: promotion, special events, parking and traffic, beautification and building appearance, business assistance and business recruitment.

Recommendation 2. Monitor and communicate downtown's changing market opportunities with local businesses and investors.

Jamestown's mix of businesses will continue to change in response to changes in trade area demographics and increased competition for convenience goods and services. Many of downtown's newest businesses are trying to capture sales from a much larger market area than previous businesses that once were located on Main Street. To better understand the area's changing market conditions and the impact on local businesses, GDS recommends that the ad-hoc downtown group (see recommendation above) work with City to conduct a series of surveys and focus group sessions as well as gather additional information from local businesses on prevailing rents, sales per square foot and target customers. This information should be summarized and distributed to local businesses to help them target new market opportunities and refine future promotional efforts.

To get started, GDS recommends that a committee review the market information included in this report and develop a list of additional information that would be useful to local businesses. The committee also should develop a short survey that could be published in local paper or distributed at the grocery store or post office. Local high school students might be persuaded to help the organization as part of their community service hours. The community college or UNC-Greensboro may be able to assist with the implementation or tabulation of these surveys. To gain insight into all facets of the community, the committee should organize a series of small informal focus group sessions to clarify attitudes and shopping behavior among distinct customer groups. These groups should include employees at Community College, visitors to local golf course, new homeowners in subdivisions immediately outside the City limits and long-time residents.

Another committee should be assigned the task of interviewing local businesses to clarify those issues that impact local businesses. The committee also should summarize general information on downtown business operations including store hours, parking concerns and target customers. In addition to summarizing local business information, the committee should summarize property information. This summary should include information on prevailing rents, ownership and sales prices. The property inventory also should include information on the potential for upper-floor housing and as well as the major obstacles to redevelopment.

Once this market and business information has been compiled and reviewed, the downtown organization should distribute this information to local businesses. This data should be used to refine or develop new promotions that would strengthen customer loyalty, reduce business costs or increase local businesses' capture rate. Specific tasks that could be carried out by a committee of volunteers include:

- Review market data included in this report.
- Conduct a resident survey through paper or distribute at major community gathering spot downtown.
- Conduct focus group sessions that target key customer groups (minority households, long-time residents, more affluent homeowners in region).
- Interview local businesses to determine common issues and concerns.
- Interview chain store managers and discuss how they can be more involved in the community. If necessary, contact the corporate headquarters to encourage them to participate in local promotions or events.

- Hold quarterly round table discussions with local businesses to update them on new activities and discuss common concerns.
- Conduct a windshield survey on Main Street to determine age, sex and peak travel times of drivers.
- Work with major employers such as the Community College, Furniture Land South, or Public school system to administer a short survey to determine where employees shop, eat and live.
- Survey visitors to community during special events such as Jamestown Days or at visitor attractions such as the golf course or historic sites to determine their impact on local businesses. (Do they shop or eat in Town? Where do they live? How often do they visit the area?)
- Develop a data base on downtown commercial property and surrounding commercial centers that includes information on vacant square footage, rent, ownership, building conditions, parking shortages and potential for upper-floor use.
- Prepare a map showing businesses by types of merchandise, target customers, ownership, and function. See examples prepared by Wisc. Main Street Program (www.uwex.edu/ces/CCED/downtown).
- Calculate total real estate value of downtown area to establish a base line to determine future improvements.
- Summarize business and property information and post on City's website under economic development and distribute to interested businesses owners.

Recommendation 3. Develop a stronger promotional program to promote downtown businesses within the region.

GDS recommends that the downtown organization appoint a committee to work with local businesses to develop a more comprehensive promotional program for the downtown/Town that would include additional special events that would build regional awareness and retail promotions that would result in increased sales for the downtown district. While Jamestown has several community-wide special events, smaller more focused events could be used to attract new market segments. This newly formed promotional committee should be asked to review existing festivals and identify simple ways they could be enlarged to appeal to surrounding residents within the 3 and 5 mile trade area as well as local residents. The community's signature event, Jamestown Days, should be enhanced through a variety of small tag-on events that would draw visitors to the downtown. The committee also should review existing retail promotions done by the JBA, the newspapers and radio stations as well as individual promotions that have been successful. The committee should make recommendations for a couple of group promotions as well as smaller promotions that target specific customers groups. In addition to retail promotions that focus on "cash register sales", the committee should develop a few promotions specifically geared towards increasing sales among service businesses. Possible activities that could be undertaken by a promotion committee include:

- Encourage local businesses to continue to develop and promote the small event programming that they recently started to generate customer traffic. Other ideas that could be incorporated into these events include hiring an ice cream truck to give away ice cream on Main Street, hiring an artist to do sketches of residents or hosting an antique fair in a parking lot.
- Contact local farmers about bringing in produce once a week to increase pedestrian traffic. Ideally, this small produce stand should be enlarged to a larger farmers' market that could become a family-oriented community gathering spot. While the initial produce stand could be held in an off-street parking lot, the committee should work with the City to find a long-term location that is convenient to downtown with good visibility and short-term parking.
- Work with the City's Park and Recreation Department or local soccer club to develop marketing materials to encourage golfers or tournament participants to come downtown to shop or eat.
- Develop a loyalty card that can be used to reward repeat customers.
- Develop a co-op advertising page in Greensboro paper that would appeal to more affluent homeowners.
- Use the JBA website to promote individual businesses (see Lenoir Uptown Business Association website).
- Contact area homeowner associations about placing ads in their newsletters.
- Develop targeted promotions that focus on desired market segments as identified in business surveys. (I.e. new homeowners in region, retirees, local employers).
- Prepare an annual promotional calendar that includes a variety of sales and institutional campaigns. Post this calendar on website and in newspaper.
- Update and distribute the Jamestown business directory on a regular basis. Develop a town walking tour with a 3-D map showing key landmarks and visitor attractions as well as businesses.

Recommendation 4. Promote downtown changing image by focuses on emerging specialty retail and restaurant cluster.

Jamestown has a strong reputation within the region as a desirable place to live. Downtown businesses need to expand this image to include downtown's changing retail mix and make the words "***Downtown Jamestown***" synonymous with high quality, one of kind specialty food and retail and personal service. The downtown ad-hoc group should work with interested residents and local businesses to develop strategies to market the downtown within the region. Specific actions that would strengthen downtown's image within the region and reinforce downtown's changing mix of goods include:

- Support local businesses efforts to market the downtown through specialized publications such as statewide antique guides or real estate brochures.

- Solicit the help of a local marketing professional (possible a retired resident or local resident working for major advertising agency) to create a new slogan and logo for the downtown that complements the City's logo.
- Work with City to incorporate this new logo and slogan in City material. For example utility bills could include a tag-line that promotes the benefits of supporting local businesses.
- Add additional features to Jamestown's Business Association's website that promote the City's unique qualities, specialty businesses and visitor attractions. Make sure that the website is linked to area visitor sites, County and City government and regional hotel sites (under area amenities).

Recommendation 5. Develop a Jamestown business assistance program to strengthen downtown businesses.

One of the most effective recruitment tools for a community is a business retention program that helps businesses become more profitable and reduces tenant turnover. While there are several business resources in Guilford County, including a countywide Chamber of Commerce, most of these programs or contacts focus on Greensboro or High Point businesses. Jamestown businesses have very few resources available to them to help improve their merchandising skills. Local businesses appear to be unaware or are not interested in the few financial incentives and loan programs that are available in Guilford County to help existing businesses. GDS recommends that the ad-hoc downtown committee appoint a business assistance committee or task force to improve general awareness of existing programs or resources available to small businesses in Guilford County and develop on-site programs that are tailored to the unique issues that Jamestown businesses face. Activities that could be carried out by this committee include:

- Develop a simple brochure on available SBA, State and Federal programs for small businesses, including Investment Tax Credits for historic buildings.
- Establish a mystery shopper's survey program to help businesses evaluate their service and products. Participating businesses would receive confidential feedback from participating residents.
- Partner with the JBA, the Community College or Guilford Chamber of Commerce to provide on-site business skill seminars or workshops. Contact regional SCORE or SBDC offices about maintaining once a month office hours in Jamestown. Talk to these organizations about offering individual counseling to interested businesses.
- Ask SBDC to conduct workshops on how to start a business for retirees or how to use the Internet to increase sales. (Believe it or not, many Jamestown businesses do not have websites).
- Prepare an information packet that can be handed out to new businesses that includes desired "operating practices" for new Jamestown businesses (store hours, garbage removal and signage restrictions.)

- Ask the Chamber to help establish a local SCORE branch in Jamestown to work with local businesses as needed.
- Encourage existing businesses to offer classes or in store demonstrations to increase customer traffic. For example, the Culinary Dept. at the College could host a cooking demonstration at a local restaurant.
- Encourage larger tenant/building owners to increase their cash flow and reduce inventory costs by renting small kiosks or departments within their building to local artists in much the same way as the antique stores rent space to smaller collections.

Recommendation 6. Work with City to continue efforts to improve downtown's pedestrian accessibility and physical appearance.

The City has already made a significant investment in downtown and has greatly enhanced downtown's visual appeal. These improvements included the refurbishment of the town's Library and City Hall, entranceway signage into town and brick sidewalks along Main Street. Main Street's high traffic count and good visibility is an important asset to downtown businesses, particularly to convenience stores that depend on repeat traffic. Although the pending bypass will reduce some traffic counts along portions of the road, Main Street is likely to remain an important route into the downtown for local residents.

For all the benefits, having a business on a major traffic corridor can be challenging. In addition to noise and debris, highway corridors are rarely pedestrian-friendly. Despite the high traffic counts, businesses often have difficulties getting time-challenged commuters to stop and visit stores along the corridor. While the recent public improvements along the street have greatly enhanced downtown's curb appeal, local businesses would like to see additional improvements. Several businesses have asked the City to petition NCDOT to reduce speed limits along portions of Main Street to 25 mph. Other suggestions have ranged from more aggressive enforcement of existing speed limits to timed crossing lights to facilitate pedestrian crossing at crosswalks. Other improvements that have been discussed that could create a sense of arrival and encourage visitors to stop in town include banners on street lights, new signage to direct visitors to available parking lots and extending brick sidewalks.

While there are several additional projects that could enhance the downtown's overall appeal and improve pedestrian access, public improvements are often expensive and take time to be implemented. Care must be taken to identify and prioritize those activities that will have the best chance of enhancing the downtown and maximizing the City's investment. To prioritize future projects, GDS recommends that the City conduct a thorough physical needs assessment as well as review all possible options for improving pedestrian accessibility along Main Street. Projects should be identified that convey and solidify downtown image as a retailing destination rather than a strip highway commercial corridor.

GDS recommends that the ad-hoc downtown organization appoint a public improvement committee to undertake the following suggestions:

- Review the handbook "Main Street-When the highway runs through it" published by ODDA for ideas on how to create a stronger sense of place and facilitate pedestrian access on Main Street.
- Enlist local businesses to clean sidewalks, vacant lots and alleyways to improve downtown's overall appearance.
- Hire a land design firm to develop inexpensive ways to soften downtown's "hardscape" through additional greenery, decorative trash receptacles, flower pots and benches. For example, businesses should be encouraged to put out flower pots in front of stores and in parking lots to create "illusion" of greater business activity.
- Work with a land design firm to develop a façade and signage ordinance that allows for creative use of color and variation in sign treatment so as to avoid a sterile uniform look.
- Develop a unified signage system throughout the town directing motorists into area, to the downtown, to public parking and to major attractions (golf course, historic sites, and park). New signs should build upon Jamestown's existing signs and banners and use similar logo.
- Work with property owners to improve on-site parking lots. There are several lots that could be combined, paved and striped so as to increase number of usable spaces. It may be possible to get property owners to lease their lots to the City for nominal amount in exchange for City making lot improvements and maintenance.
- Hire a traffic engineer (sympathetic to idea of pedestrian accessibility) to develop a list of reasonable improvements that could be discussed with NCDOT and State legislators. Ask land design firm to recommend other ways to calm traffic and increase pedestrian access.
- Determine whether cars are in fact exceeding posted speed limits using hand-held monitors that cannot be seen by motorists in advance.
- Re-strip existing crosswalks and install countdown signals and timer to allow pedestrians to cross at will. Post signs reminding motorists that pedestrians have the right of way.
- Encourage businesses to use white lights at night, window displays, awnings and landscaping to create sense of place.
- Establish a small façade incentive program to encourage owners to make simple façade improvements such as new signage or awnings. Funding can come from the Town, local foundations, financial institutions and major employers or building owners. Matching grants in the amount of $500 could be awarded to those buildings that would create the strongest visual improvement on Main Street.

Recommendation 7. Encourage downtown development through redevelopment and infill construction.

The goal of a downtown development effort is to build capacity within the community to implement a plan of action for downtown that includes business retention efforts to help businesses reach customers (See Recommendations 3. and 5) and business recruitment efforts to attract specific types of tenants to downtown that will support desired market niche clusters. A development effort also should include the establishment of an incentive program to encourage new investment and better utilization of existing real estate within the downtown commercial district. The downtown organization also should be involved in various citywide and regional planning activities that impact downtown.

Currently, downtown development is handled by City staff and elected officials. Tenant and property development is handled by local realtors and property owners. GDS recommends that these efforts be strengthened by appointing an economic development (ED) committee that would focus on focus initially on general marketing efforts that improve the caliber of tenants attracted to Jamestown and tenant retention and expansion to encourage local businesses to remain or expand in the downtown. The group should also work closely with the City to encourage the redevelopment of the City's two shopping centers. Both need additional physical improvements and tenant adjustments to increase utilization. As the downtown organization matures, the ER committee can oversee a more aggressive tenant recruitment and property redevelopment program.

Downtown business recruitment is usually done through a volunteer task force or committee comprised of residents, local businesses and property owners. It is helpful to have several financial tools or incentives in place that can be used to encourage desired tenants as well as help developers make necessary building improvements. It is important to recruit developers or new businesses that exhibit the very highest standards of operation and embrace the Vision articulated by the community. A list of incentives that the City could establish can be found in the Appendix. In partnership with the City, GDS recommends that the ED committee carryout the following activities:

- Appoint a task force that would help realtors find strong desirable prospects for vacant spaces.
- Meet with the owners of the two shopping centers to discuss future plans for these sites including desired tenant mix, physical improvements and cost constraints.
- Develop a list of useful data regarding the Jamestown market that can be posted to the City's website. Information that could be added to site includes information on trade area demographics, maps of the area and real estate information. Maps should link to property data, surrounding employment centers, available rental and sale property.

- Prepare a simple brochure to promote downtown opportunities for additional specialty retail, restaurant and service uses. The brochure should be posted on the City's web site and made available to area economic development agencies, lenders, realtors and Colleges.
- Promote downtown to retirees moving into the area as good location to open a "second business".
- Meet with Brokers and property owners to identify leasing issues with downtown property.
- Meet with property owners to discuss strategies for selling or renting vacant space.
- Ask property owners and realtors to help fund general marketing materials that promote downtown.
- Establish an active referral network to pass on leads using local residents, businesses, realtors and property owners.
- Visit nearby communities for ideas on new tenants for downtown.
- Ask residents to send in names of favorite independent businesses.
- Contact regional developers and solicit their advice on the potential for redeveloping key sites on Main Street for larger mixed use development.
- Talk with Community College about setting up an e-learning or evening class's in the Forestdale or Ace Hardware shopping center.
- Evaluate downtown buildings to identify ones that are most suitable for upper-floor housing conversion.
- Evaluate potential for developing a meeting or conference room in the downtown.
- Educate property owners on how to receive investment tax credits for qualified renovation work.

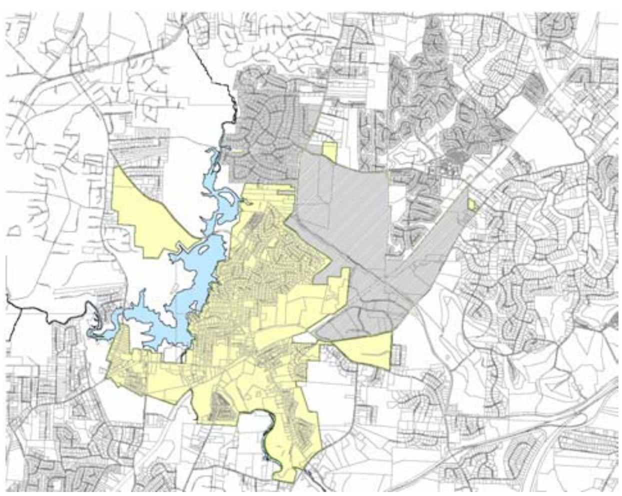
III. DOWNTOWN DISTRICT

Over the past ten years, there have been several important changes within the community in terms of customer base and business mix that have created new opportunities for downtown to expand its retail sector. Today, there is a much stronger investment climate and significantly stronger public-sector support for downtown than in the past. However, downtown's changing retail mix, increasing traffic congestion along Main Street and competition from new shopping centers will continue to create major obstacles for downtown businesses.

1) Overview

The original settlement of Jamestown was near the James Mendhenall house-west of the Deep River near the present day intersection of Scientific Street and Main Street. Today, the majority of downtown's retail and service uses are clustered on Main Street (US 29A and 70A) between the City Hall and the Public Library. Main Street is a major east-west transportation route, connecting the cities of High Point and Greensboro. According to the City's Transportation Department, traffic counts for Main Street range from 13,000 to 15,000 ADT and 16,000 to 17,000 along High Point Road-east of downtown.

TOWN OF JAMESTOWN



Downtown is anchored on its western edge by the Forestdale Shopping Center, a neighborhood shopping center anchored by Food Lion grocery store. The store captures a significant amount of sales from moderate income shoppers living in High Point as well as older Jamestown residents. Further to the west is the Jamestown Shopping Center, a neighborhood center containing a mixture of retail and service businesses that also target moderate income households. The center's largest anchor is an ACE Hardware store that serves residents in both

High Point and Jamestown. The City's newest neighborhood shopping center, Guilford Crossing at James Landing, is located east of downtown just outside the City limits. Together, these three shopping centers contain over 170,000 square feet of commercial space. To the north and east of downtown are older neighborhoods with middle income housing as well as new subdivisions with younger families. To the south and west of downtown are more moderate income households, many of whom are African-American or Hispanic.

The City of Jamestown has a strong positive image within the region. The community's self pride is evident in the care that has been taken to preserve many important historic sites reflecting the community's Quaker heritage. The community has a proven track record for working together to enhance residents' quality of life. For example, the City and Community College worked with local residents to build a new YMCA facility on the College's campus that is utilized by students and local residents. Surrounding the downtown are several large parks and recreational facilities unusual for a town of this size that are well maintained and heavily used by City and County residents.

Downtown contains a mixture of older historic structures and nondescript storefronts more typical of a suburban "strip" development. Several businesses are located in converted single-family residential buildings. Downtown's commercial buildings are primarily one and two-story buildings, with ancillary surface parking in front of or behind the buildings. The greatest concentration of retail uses is located near the intersection of Oakdale and Main Streets.

Historically, downtown Jamestown was a neighborhood convenience district primarily serving local residents. Main Street's high traffic volume, proximity to surrounding metropolitan areas and strong name recognition attracted several small office or service uses to the area. While these non-retail uses are located on side streets or in the Jamestown Shopping Center, some are located on Main Street. Downtown's ground-floor vacancy rate is quite low, with limited space available for larger retail tenants. The greatest concentration of vacant or underutilized commercial space is concentrated in the City's three shopping centers. Both the Forestdale and Jamestown Center have a variety of design, maintenance and tenant mix issues that appear to be hindering leasing efforts. Many local residents prefer to shop at the Harris Teeter at Adam Farm Shopping Center approximately 3 miles northeast of downtown. Several persons interviewed for this study expressed a desire to have a more upscale grocery store located closer to downtown.

After years of minimal investment activity, the City is experiencing an increase in business and real estate activity. Over the past few years, several new businesses have opened downtown and several more are in the planning stages. Downtown retailers can be grouped into three categories; a neighborhood-convenience store cluster, a professional and general business and a specialty retail cluster. Many of downtown's newest retailers are specialty retailers that target specific lifestyle attributes. These new retailers include antique and collectible stores, consignment clothing and a home accessory store. With only a few exceptions, these specialty retailers are targeting a more affluent regional household than downtown's service and convenience stores. While the City's range of food establishments is quite limited, two new restaurants are scheduled to open this year.

Both the Jamestown and Forestdale Shopping Centers have recently been purchased with plans for some redevelopment. The City has recently completed several major public improvements in or near the downtown that have greatly enhanced the City's appearance. These projects included renovations to the Public Library, new brick sidewalks and entrance signs into City . The City also has started to work with local businesses to resolve a variety of transportation and physical design issues and recently hired a land design firm to revise the City's zoning and signage ordinance.

Together, these improvements have created a stronger "sense of place" for the downtown area. Future improvements under discussion include new banners, benches and parking lot signage.

2) Issues or Concerns

Despite strong demographics, name recognition and an increasingly eclectic mix of goods, there are several issues that hinder downtown's ability to function as a retail shopping area. While many of downtown's weaknesses are a by-product of its physical design and not easily overcome, others issues could be addressed through a combination of business assistance, promotions and design enhancements. The four most significant issues affecting retail sales growth are issues relating to 1) business clustering and mix, 2) physical design and 3) increasing competition for retail sales. Below is a brief summary of these issues.

Business clustering and mix

For many years, downtown Jamestown was a convenience and service shopping center serving local residents and some commuters traveling through town. The recent opening of several small antique and specialty gift stores has created a vibrancy previously lacking downtown and has helped businesses attract a more regional customer base. While Downtown's market position is changing from a utilitarian service district to a more eclectic specialty boutique center, many more stores will need to be recruited to the area if downtown is to successfully function as a specialty retail center.

While selective retail recruitment would strengthen downtown's retail mix, changing downtown's tenant mix will not be easy given downtown's low vacancy rate. Recruiting new retailers to Main Street is also hampered by the presence of non-retail uses that have created pedestrian "dead zones"-areas that do not appeal to impulse shoppers. As part of their recruitment program, downtown Jamestown will need to attract and cluster new specialty retailers in prime locations. Recruitment efforts also will need to focus on building a stronger employment and residential base within the downtown that will support restaurant and retail stores.

Jamestown is essentially a bedroom community with few major employers and no residential development within the town center. Few businesses have the inventory to act as a destination or anchor uses. While several small retailers have started to work together to attract regional customers, they do not have the funding to sustain a consistent advertising campaign that will attract regional customers.

To truly function as a retailing center, downtown will need to develop and promote a much clear market image that differentiates it from competing centers within the region. In addition to a unified image, retailers need to be clustered together wherever possible so as to maximize pedestrian traffic. As a general rule of thumb, impulse retail should be located no more than 25 feet apart, with no disruption between them. Specialty retailers in particular, need to be concentrated near one another to offset limited inventories and smaller market support. Long-term, the City may need to work with property owners to identify suitable sites for new commercial and residential development both on Main Street and in underutilized lots on side streets. The City will need to develop new regulatory or financial incentives to encourage downtown housing and off-set higher land costs. The City's two neighborhood shopping centers also need a range of improvements both in design and tenant mix. While adding new rentable space could increase downtown's vacancy rate in the short-term, attracting new infill development would create opportunities to reposition retailers as well as attract new larger retailers to the area.

Physical design

Downtown Jamestown is a highway commercial corridor that is trying to function as a pedestrian retail shopping area with only limited success. While many of downtown's newer specialty stores were attracted to Main Street because of its high traffic count, they have had limited success translating their visibility into sales. Ironically, while many businesses have expressed a strong desire to slow vehicular traffic, others are worried that the pending Greensboro-Highpoint Bypass project will reduce traffic on Main Street. While the impact of the bypass is uncertain, it will certainly create problems for businesses that have relied solely on location and traffic count. If traffic counts drop dramatically along Main Street, property owners may need to adjust rents or explore creative leasing options. Retailers will need to develop new strategies to attract customers and not rely so heavily on their location alone to attract customers.

Because Main Street is a major traffic corridor, it was never designed with the pedestrian in mind. While the City's new brick sidewalks have significantly improved downtown's appearance and made it more "walkable", most customers still prefer to park in front of a business rather than walk from surrounding parking lots. While there are complementary businesses on both sides of Main Street, highway traffic makes pedestrian crossing difficult. Because of the difficulty in crossing the street, downtown is functioning as small retailing nodes rather than as a unified shopping area. While the City is working with NCDOT to enforce or reduce current speed limits and add timed cross walks to improve pedestrian access, other improvements may be needed to ameliorate Main Street's design limitations.

Although downtown is listed on the National Register for Historic Places, many of its historic buildings have been demolished or renovated in such a way as to make them ineligible for investment tax credits. Further research will need to be done to identify those buildings still eligible for historic tax credits. Other design issues that impact downtown businesses include limited secondary road access, poorly designed on-site parking lots and signage regulations that make it difficult for businesses to advertise. Because buildings are set back from the road, it is often difficult for commuters to see their displays or store signage.

Competition

Interviews with local retailers and a review of retail sales reports shows that Jamestown retailers capture only a small percentage of the potential sales being generated by households in the Primary trade area. Most of these sales are being captured by stores outside the area. Within 3 miles of downtown, there are

3 regional shopping centers containing over 3 million square feet of retail space that offer local residents a myriad of retailing choices from high-end specialty centers to discount stores. There is over 1 million square feet of free-standing discount stores in the secondary trade area. The largest retail center in Jamestown is FurnitureLand South – a 500,000 square foot furniture showroom.

Although Jamestown's primary trade area is considerably more affluent than surrounding areas, commercial development within the City has not kept pace with surrounding areas. Capturing a greater share of the primary market will require local businesses to differentiate themselves in terms of product type and overall image. As retail generally follows housing growth, Jamestown's ability to capture new retail sales also is dependent on strategies to expand residential growth in the City limits through infill and redevelopment of older properties.

IV. MARKET NICHE OPPORTUNITIES

While market forces shape downtown's mix of uses, its future also is influenced by the community's expectations and shared vision for the area. There seems to be general agreement within Jamestown's government and business sectors regarding the need for continued enhancement of downtown and adjacent commercial shopping centers. Persons interviewed for this report articulated a general vision for downtown that included a mixture of convenience goods, personal and business services as well as a cluster of lifestyle uses that would serve both local residents and visitors and reflect the community's strong heritage.

There is a truism in the field of downtown development that states that downtown is the place from which a town's vitality and character are evaluated. Although Jamestown is a bedroom community surrounding by a plethora of commercial uses, the downtown is still an important component of the community's self identity. A vibrant downtown imparts a positive image and enhances local residents' overall quality of life. Downtown Jamestown's ability to create a stronger retailing center depends upon its ability to expand existing square footage through infill and redevelopment and by attracting additional specialty retailers that would help differentiate Jamestown from competing commercial centers. Based on available market information and interviews with business and civic leaders, GDS recommends that Jamestown promote a market image that incorporates the following attributes:

"Classic style and culture in an authentic setting with one of a kind businesses and visitor attractions that target suburban families and active retirees."

Downtown should offer a concentration of food, entertainment and art and craft establishments as well as unique specialty retail uses and quality apartments. The City's two shopping centers should have a strong concentration of convenience and service uses that appeal to a more affluent homeowner.

As space becomes available, new business uses should be recruited within three market niche categories; 1) service and convenience goods, 2) specialty retail and restaurant and 3) employment generators. Service and convenience goods should be encouraged to locate primarily within the Jamestown and Forestdale shopping centers. New specialty retail should be encouraged to locate on Main Street and include a variety of stores that focus on lifestyle interests or hobbies. Restaurants will need to capture sales from regional households and commuters passing through town and offer lunch and dinner and take-out prepared food. There should be opportunities attract new office tenants to the area including satellite classroom or back office space for the Community College, medical offices as well as companies that need a location that is equal distance between High Point and Greensboro.

While local property owners or their Brokers have the greatest responsibility for encouraging businesses to locate downtown, their efforts are solely directed to leasing their specific rental space without regard to the surrounding business mix or whether the proposed tenant fits desired market niches. Often, it is helpful to have a group of volunteers assist local owners identify and attract specific businesses that would fill available space yet also support overall vision for area. New businesses can be recruited to downtown Jamestown through a combination of general marketing and targeted recruitment effort. Volunteers can use a variety of methods to solicit desired businesses including field work to identify potential tenants, personal site visits, direct marketing campaigns that include both printed and electronic information as well as an organized word of mouth referral system that connects potential prospects to interested property owners or realtors.

Although downtown's low vacancy rate suggests that there is not an immediate need for an aggressive recruitment effort on Main Street, there are actions that could be taken now that would support private sector efforts and help ensure that future vacancies are filled with businesses that fit community's vision for area. In the short-term, GDS recommends that Jamestown focus its recruitment efforts on developing some simple marketing materials that would help realtors get the word out about downtown's changing market position and opportunities for infill and new development. Volunteers should strengthen their understanding of the market and commercial real estate activity by conducting surveys of residents, businesses and customers as well as by compiling information on downtown property, rents and ownership. The City could work with local owners and businesses to refine work plan and identify specific businesses that they would like to attract to downtown in case market forces are not sufficient to bring these businesses to town. Below are examples of possible businesses that could be targeted for recruitment.

EXAMPLE OF POSSIBLE NEW BUSINESS OPPORTUNITIES

CONVENIENCE OR SERVICE	Full service Salon, Florist, Health nutrition or weight management programs, pet washing/supply, Physical fitness/rehab, ice-cream, sandwich shop, optical shop, telephone, Christian book,
RESTAURANTS	Pub, bakery, ethnic food, live music, deli, doughnut, coffee
SPECIALTY RETAIL	Craft (needle, quilt, scrap, paint your own), Gifts, Bicycle , Wild bird, clothing

The City also should begin to work with the owners of the two shopping centers to explore ways to improve their leasing efforts and financial viability through stronger tenant mix. Long-term recruitment efforts should focus on attracting quality developers to the area to redevelop key sites along Main Street with mixed use development.

V. TRADE AREA PROFILE

To ensure long-term economic success, Jamestown's downtown program must be market driven. This means that all parties involved (City , businesses, property owners, developers, and residents) should realize a return on their investment of time or money. To accomplish this task, the downtown business community needs a better understanding of downtown's economic potential.

Understanding downtown market opportunities is difficult as market conditions are changing faster than data sources can report. Below is a brief summary of current market trends for Jamestown's primary, secondary and tertiary trade areas. These geographic areas represent a place from which to evaluate potential market support for downtown and are based on industry norms for community and neighborhood serving commercial uses. While trade area boundaries for specific retailers vary widely depending on competition and product type, a review of market trends within these three areas will provide useful information for local businesses and help to refine future business recruitment and marketing strategies.

1) Demographic and Economic Profile

The Primary trade area is more affluent than the Secondary or Tertiary trade areas. While volatility in both the residential and financial markets is likely to cause delays or postponements to some pending residential developments, residential growth within the trade area is expected to continue.

2007 estimated population for the Primary trade area (3-mile) was 36,409 with 13,872 households. The Secondary (5-mile) trade area's population was 102,410 with 40,927 households. There were 188,122 persons or 77,331 households living in the Tertiary (7-mile) Trade area.

TRADE AREA DEMOGRAPHIC SUMMARY

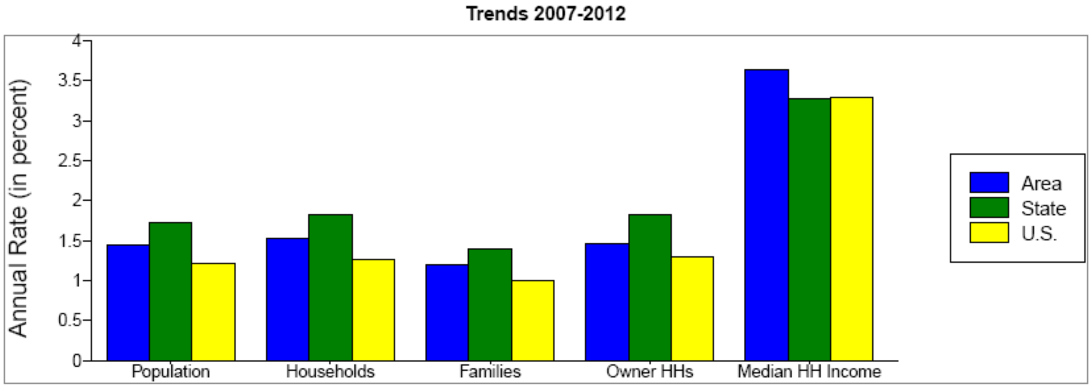
CHARACTERISTIC	PRIMARY TRADE AREA	SECONDARY TRADE AREA	TERTIARY TRADE AREA
Population	36,409	102,410	188,127
Households	13,872	40,927	77,431
Median Household Income	$76,899	$59,741	$54,481
Per Capita Income	$37,039	$31,499	$30,010
Md. age	36	36	36.1

Source: ESRI 2007

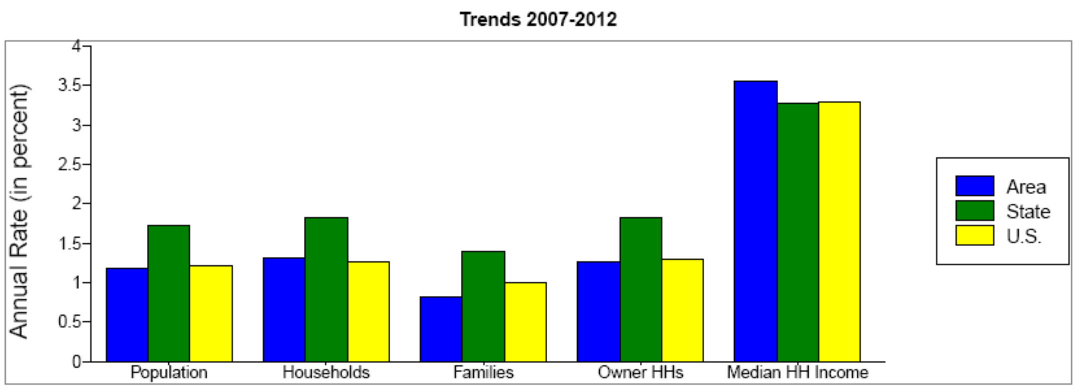
MAP 3: DOWNTOWN TRADE AREA

Primary Trade Area: 3 mile
Secondary Trade Area: 5 mile
Tertiary Trade Area: 7 mile

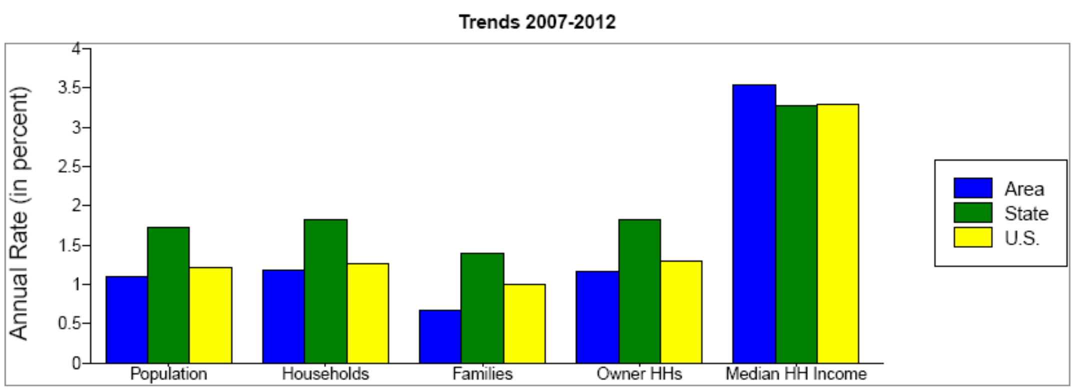
PRIMARY TRADE AREA



SECONDARY TRADE AREA



TERTIARY TRADE AREA



Population and household trends

Both population and households grew over the past seven years for all three trade areas. The Primary trade area experienced the greatest percentage growth. This trend is projected to continue for the next five years although at a slower rate. It is important to note that population projections are based on previous growth trends and do not accurately reflect new growth from new residential development that is occurring in the area. Actual growth may be much higher than reported here.

Jamestown's small town charm and proximity to larger metropolitan areas makes it an attractive location to both families and older residents. However, the City's limited housing stock and higher housing values is making it difficult for younger families or single professionals to move to the community. While the recent slow down in the housing market has made it more difficult for retiree's to sell their primary residence, housing growth within the retirement sector should continue to grow albeit at a much slower pace than the previous few years.

TRADE AREA POPULATION TRENDS

	POPULATION				PERCENT	
	2000	**2007**	**2012**		**2000-07**	**2007-12**
PRIMARY AREA (3 MILE)	**32,455**	**36,409**	**39,109**		**12%**	**7.4%**
SECONDARY AREA (5 MILE)	**93,855**	**102,410**	**108,591**		**9.1%**	**6%**
TERTIARY AREA (7 MILE)	**173,397**	**188,127**	**198,656**		**8.4%**	**5.6%**

Source: ESRI Business solutions

TRADE AREA HOUSEHOLD TRENDS

	HOUSEHOLDS				PERCENT	
	2000	**2007**	**2012**		**2000-07**	**2007-12**
PRIMARY AREA (3 MILE)	**12,211**	**13,872**	**14,960**		**13.6%**	**7.8%**
SECONDARY AREA (5 MILE)	**36,842**	**40,927**	**43,699**		**11%**	**6.7%**
TERTIARY AREA (7 MILE)	**70,534**	**77,431**	**82,130**		**9.8%**	**6%**

Source: ESRI Business solutions

There are over 235 residential units under construction or in planning stages in or near Jamestown. These projects range from elderly housing and retirement centers to single family and town home developments. New residents will generate increased demand for an array of convenience and community shopping goods and services.

PENDING RESIDENTIAL DEVELOPMENT

	Type of project	Price	Location
Pennybryn at Maryfield	Retirement community	$115,00 and up +$2000 monthly fee	Near High Point Lake
Lennox Square	48 Condominium	$120,000	Near High Point Lake
James Plantation	128 Condo, 39 Town homes	$120,000-$220,000	Jamestown
Wrenn Farm	445 condo, town home, single family		Jamestown
Beacon Mgt. Co	47 elderly housing		Jamestown
Jordan Creek	65 duplexes	$250,000 +	Jamestown

Source: City of Jamestown

Racial composition

Although City residents' are primarily Caucasian, the primary trade's racial make-up is more diverse. Minority households represent twenty five to thirty percent of the total population among the three trade areas. The Secondary trade area has the greatest racial diversity. The Tertiary trade area has the greatest concentration of Hispanic persons. This population group should continue to grow if residential construction in the region continues.. The actual number of Hispanic persons living in the area may be higher than reported due to problems associated with surveying this market segment.

Age and Household size trends

All of the trade areas had a median age figure that was above the State's. The Primary trade area has the highest median age, but also the greatest percentage of persons under 25 years suggesting a growing concentration of both older households without children and younger families.

TRADE AREA RACIAL COMPOSITION

	2007 POPULATION				2012 POPULATION		
	WHITE	BLACK	HISPANIC		WHITE	BLACK	HISPANIC
PRIMARY AREA (3 MILE)	66.1%	25.4%	3.3%		63.7%	26%	4.1%
SECONDARY AREA (5 MILE)	61.3%	29.8%	4.5%		59.6%	29.7%	5.3%
TERTIARY AREA (7 MILE)	62.5%	26.7%	4.8%		61.3%	26.7%	7.1%

TRADE AREA AGE COHORTS

	2007 POPULATION				2012 POPULATION		
	UNDE R 25	OVER 65	MEDIAN AGE		UNDER 25	OVER 65	MEDIAN AGE
PRIMARY AREA (3 MILE)	33.5%	10.6%	37.3		32.8%	10.9%	38.3
SECONDARY AREA (5 MILE)	27.6%	10.7%	36.0		37.5%	11.3%	37.1
TERTIARY AREA (10 MILE)	32.1%	11.8%	36.1		32.6%	12.2%	37.2

Source: ESRI Business solutions

Income characteristics

The Primary trade area has the highest median and per capita income among the three trade areas. Income figures for the Secondary and Tertiary trade areas are above the State's but below the Primary trade area. The Primary trade are has the lowest percentage of households with incomes under $35,000 and the greatest percentage of households with incomes over $75,000. Over 50% of households in the Primary trade area have incomes over $75,000 compared to 14% for the Tertiary trade area.

TRADE AREA INCOME FIGURES

		2007			2012	
		Md. HH	**Per Capita**		**Md. HH**	**Per Capita**
PRIMARY TRADE AREA (3 MILE)		**$76,899**	**$37,039**		**$91,901**	**$46,794**
SECONDARY AREA (5 MILE)		**$59,741**	**$31,499**		**$71,145**	**$39,582**
TERTIARY AREA (7 MILE)		**$54,481**	**$31,010**		**$64,836**	**$27,090**

Source: ESRI Business solutions

TRADE AREA HOUSEHOLDS BY INCOME

	2007				2012		
	Under $35,000	**$35,00-$74,999**	**Over $75,000**		**Under $35,000**	**$35,00-$74,999**	**Over $75,000**
PRIMARY TRADE AREA (3 MILE)	**11.2%**	**36.8%**	**52%**		**8.1%**	**31.5%**	**60.4%**
SECONDARY AREA (5 MILE)	**18.4%**	**42.7%**	**39%**		**14.2%**	**38.2%**	**47.5%**
TERTIARY AREA (7 MILE)	**46.9%**	**39.1%**	**14.2%**		**15%**	**42.9%**	**42.1%**

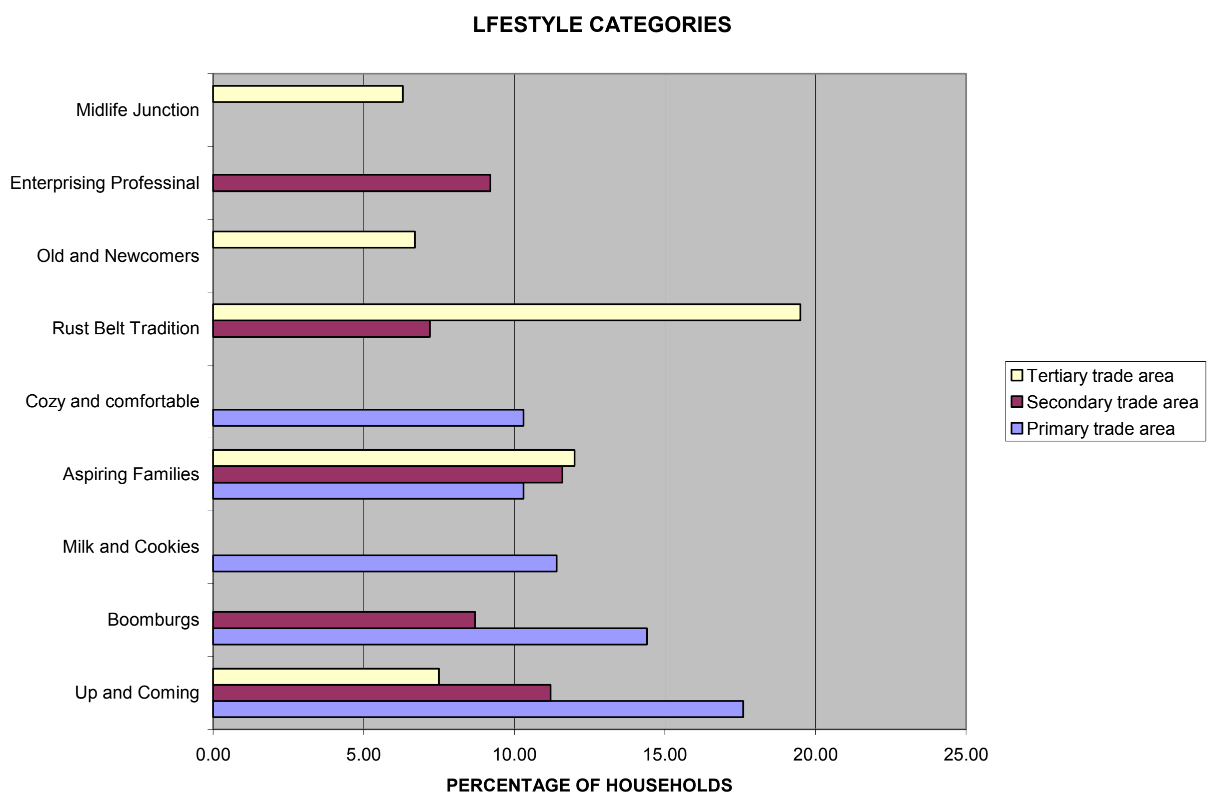
Source: ESRI Business solutions

2) Trade Area Lifestyles Descriptions

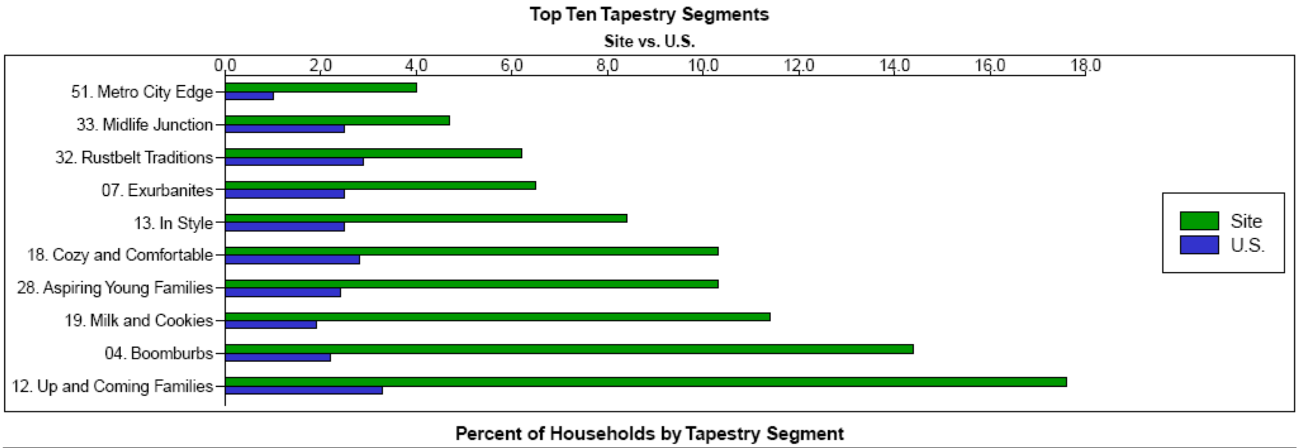
In addition to looking at specific demographic characteristics, it also is helpful to evaluate households in terms of lifestyle or buying behavior. Using methodology developed by ESRI, Business Solutions, and GDS has analyzed the region in terms of lifestyle attributes. Market segmentation analysis looks at a combination of demographic characteristics including age, income, education, marital status, occupation, race and place of residence. The lifestyle report compiled by ESRI divides and classifies households into 66 segments based on census block information. A census block is approximately 340 households. The report classifies neighborhoods by their social group structure and by their lifestyle characteristics.

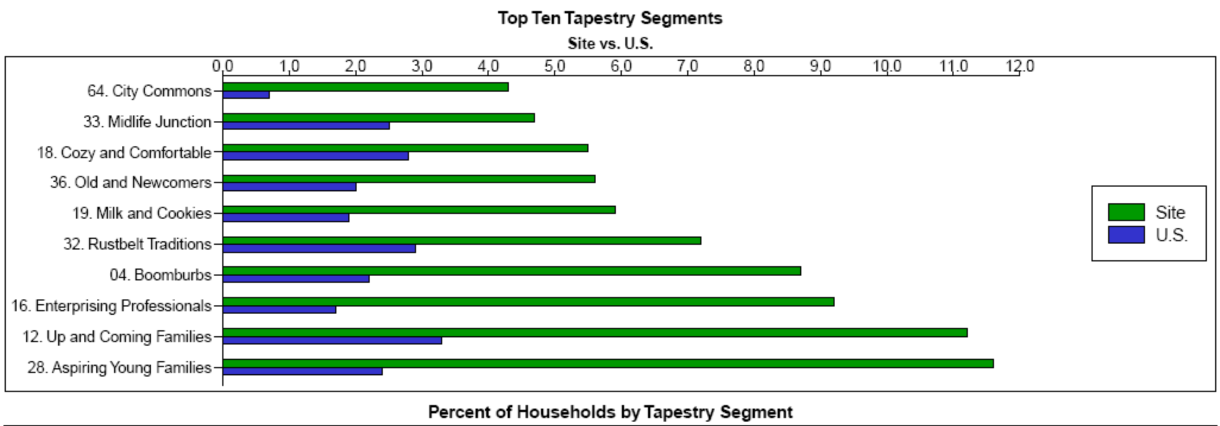
Jamestown's three trade areas are fairly diverse, with the primary trade areas containing a greater percentage of affluent households with lifestyles that support specialty retail centers. These more affluent homeowners include both older retirees and young professionals living in new subdivisions. For example, *Up and Coming* households (17.6%) represent the second most affluent lifestyle category in the country and the youngest of all affluent homeowners. Although the Tertiary trade area contains two of these more affluent household groups, it also contains the largest percentage of more moderate income homeowners.

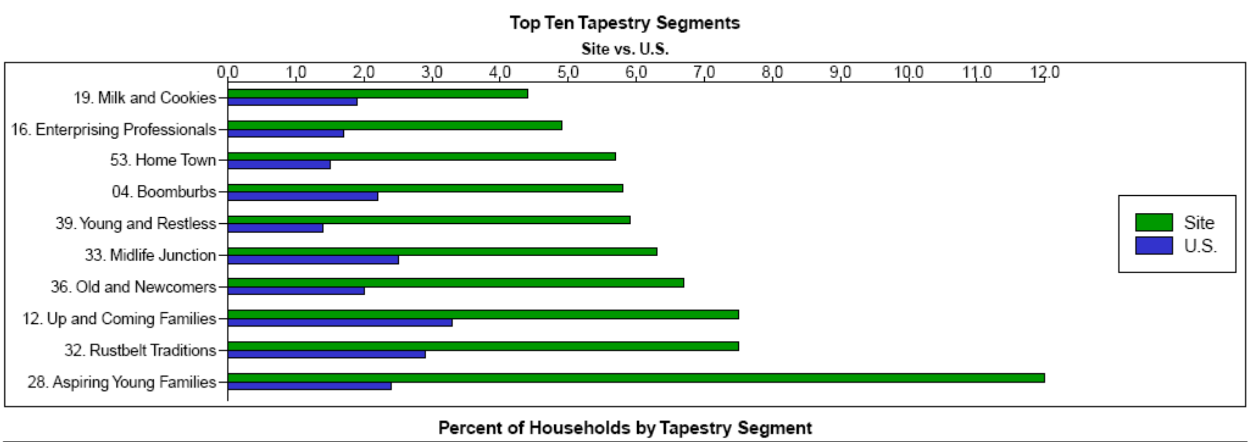
COMPARISON OF LIFESTYLE SEGMENTS BY TRADE AREA



TOP 10 LIFESTYLE CATEGORIES FOR THE THREE TRADE AREAS







SUMMARY DESCRIPTIONS OF LIFESTYLE SEGMENTS

Rustbelt Traditions:

Rustbelt Traditions neighborhoods are the backbone of older, industrial cities in states bordering the Great Lakes. Most employed residents work in the service, manufacturing, and retail trade industries. Most residents own and live in modest single-family homes that have a median value of $97,000. Households are primarily a mix of married-couple Families, single-parent families, and singles that live alone. The median age is 35.9 years; the median household income is $45,300. Residents prefer to use a credit union and invest in certificates of deposit. They use coupons regularly, especially at Sam's Club, work on home remodeling or improvement projects, and buy domestic vehicles. Favorite leisure activities include hunting, bowling, fishing, and attending auto races, country music shows, and ice hockey games (in addition to listening to games on the radio).

Up and Coming Families:

Up and Coming Families represents the second highest household growth market and, with a median age of 31.9 years, is the youngest of Community Tapestry's affluent family markets. The profile for these neighborhoods is young, affluent families with young children. Approximately half of the households are concentrated in the South, with the other half in the West and Midwest. Neighborhoods are located in suburban outskirts of midsized metropolitan areas. The homes are newer, with a median value of $185 ,500. Because family and home priorities dictate their consumer purchases, they frequently shop for baby and children's products and household furniture. Leisure activities include playing softball, going to the zoo, and visiting theme parks (generally Sea World or Disney World). Residents enjoy watching science fiction, comedy, and family-type movies on VHS or DVD.

Boomburbs:

The newest additions to the suburbs, *Boomburbs* communities are home to younger families who live a busy, upscale lifestyle. The median age is 33.8 years. This market has the highest population growth at 4.6 percent annually—more than four times the national figure. The median home value is $308,700, and most households have two earners and two vehicles. This is the top market for households to own projection TVs, MP3 players, scanners, and laser printers as well as owning or leasing full-sized SUVs. It is the second-ranked market for owning flat-screen or plasma TVs, video game systems, and digital camcorders as well as owning or leasing minivans. Family vacations are a top priority. Popular vacation destinations are Disney World and Universal Studios, Florida. For exercise, residents play tennis and golf, ski, and jog.

Aspiring Young Families:

Aspiring Young Families neighborhoods are located in large, growing metropolitan areas in the South and West, with the highest concentrations in California, Florida, and Texas. Mainly composed of young, married-couple families or single parents with children, the median age for this segment is 30.4 years. Half of the households are owner-occupied, single-family dwellings or town homes, and half are occupied by renters, many living in newer, multiunit buildings. Residents spend much of their discretionary income on baby and children's products and toys as well as home furnishings. Recent electronic Purchases include cameras and video game systems. Leisure activities include dining out, dancing, going to the movies, attending professional football games, fishing, weight lifting, and playing basketball. Vacations would probably include visits to theme parks.

Milk and Cookies:

Milk and Cookies households are composed mainly of young, affluent married-couple families. Approximately half of the households include children. The median age for this market is 33.5 years. Residents prefer single-family homes in suburban areas, chiefly in the South, particularly in Texas. Smaller concentrations of households are located in the West and Midwest. The median home value is $131,900. Families with two or more workers, more than one child, and two or more vehicles is the norm for this market. Residents are well insured for the future. The presence of children drives their large purchases of baby and children's products and timesavers such as fast food. For fun, residents play video games, chess, backgammon, basketball and football, or fly kites. Favorite cable channels include Toon Disney, The Discovery Health Channel, ESPNews, and Lifetime Movie Network.

Cozy and Comfortable:

Cozy and Comfortable residents are settled, married, and still working. Many couples are still living in the pre-1970s, single-family homes in which they raised their children. Households are located primarily in suburban areas of the Midwest, Northeast, and South. The median age is 41 years, and the median home value is $164,000. Home improvement and remodeling are important to *Cozy and Comfortable* residents. Although some work is contracted, homeowners take an active part in many projects, especially painting and lawn care. They play softball and golf, attend ice hockey games, watch science fiction films on VHS/DVD, and gamble at casinos. Television is significant; many households have four or more sets. Preferred cable stations include QVC, Home & Garden Television, and the History Channel.

Enterprising Professionals:

This fast-growing market is home to young, educated, working professionals, with a median age of 32.4 years. Single or married, they prefer newer neighborhoods with townhomes or apartments. The median household income is $66,000. The *Enterprising Professionals* segment is ranked second of all the Community Tapestry markets for labor force participation, at 75 percent. Their lifestyle reflects their youth, mobility, and growing consumer clout. Residents rely on cell phones and PCs to stay in touch. They use the Internet to find their next job or home, track their investments, and shop. They own the latest electronic gadgets. Leisure activities include yoga, playing Frisbee and football, jogging, going to the movies, and attending horse races and basketball games.
These residents also travel frequently, both domestically and overseas.

Midlife Junction:

Midlife Junction communities are found in suburbs across the country. Residents are phasing out of their child-rearing years. Approximately half of the households are composed of married-couple families; 31 percent are singles who live alone. The median age is 40.5 years; the median household income is $43,600. One-third of the households receive Social Security benefits. Nearly two-thirds of the households are single-family structures; most of the remaining dwellings are apartments in multiunit buildings. These residents live quiet, settled lives. They spend their money prudently and do not succumb to fads. They prefer to shop by mail or phone from catalogs such as J.C. Penney, L.L. Bean, and Lands' End. They enjoy yoga, attending country music concerts and auto races, refinishing furniture, and reading romance novels.

Old and Newcomers:

Old and Newcomers neighborhoods are in transition, populated by those who are starting their careers or retiring. The proportion of householders in their 20s or aged 75 years or older is higher than the national level. The median age is 36.6 years. Spread throughout metropolitan areas of the United States, these neighborhoods have more single-person and shared households than families. Many residents have moved in the last five years. Sixty percent of households are occupied by renters; approximately half live in mid-rise or high-rise buildings. Residents have substantial life insurance policies and investments in certificates of deposit, bonds, and annuities. Leisure activities include roller skating, roller blading, playing golf, gambling at casinos, playing bingo, and attending college ball games. They listen to classic hits on the radio. Many residents are members of fraternal orders or school boards. Distance does not deter these residents from contacting family living outside the United States. They keep in touch with phone calls and overseas travel.

VI. RETAIL DEMAND ANALYSIS

1) Trade Area Sales Analysis

One way to determine the amount of additional square footage an area can support is to compare potential demand figures to actual sales totals. This comparison or retail sales leakage analysis can help existing and prospective businesses determine whether their sales projections reflect a realistic capture rate given the market's size and strength of the competition. A sales leakage analysis compares potential demand generated by households within the defined trade area to actual sale captured by local businesses within the trade area. Potential demand is based on average household expenditures calculated by the Bureau of Labor's Consumer Expenditure Survey. Actual sales are determined using information from NC Department of Revenue, Sales and Marketing Magazine's *Survey of Buying Power* and ESRI, a retail sale and demographic company. The term "retail leakage" compares the difference between what residents *should* be spending on retail goods to *actual* retail sales from stores located in the area. If desired products are not available, it is assumed that customers will travel to locations outside the trade area to purchase those goods. These "lost dollars" or leakage sales represent sales that could support additional stores in the trade area. A sales surplus (negative value) occurs when there are more sales generated than expected for an area. Generally this occurs when there is a concentration of retail uses in the area that capture sales from residents living outside the trade area.

Sales leakage reports purchased from ESRI Business Solutions by Greenberg Development Services for this report, show significant total sales leakage for the primary trade area only. There is approximately 256 million dollars in unspent dollars for the Primary trade area; 28 million in the food and drink category alone. There is 20 million dollars in unspent grocery sales, suggesting the potential to upgrade or attract another grocery store to the area.

TOTAL RETAIL SALES SUMMARY

AREA	SALES LEAKAGE/(SURPLUS)	FACTOR/1
Primary Trade Area	**$256,434,153**	**32.8**
Secondary Trade Area	**($612,620,011)**	**-19.6**
Tertiary Trade Area	**($1,875,380,947)**	**-22**

Source: ESRI 2007 Retail Sales Report

1/ The Leakage/Surplus Factor measures the relationship between supply and demand and ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the Trade Area.

Primary trade area sales leakage

The Primary trade area had sales leakage within most categories of goods. The greatest opportunity for new businesses is in the categories of clothing, food, sporting goods, restaurants and miscellaneous uses. While on the surface, the Primary trade area's large sales leakage would suggest that there is substantial demand for additional retail uses, the area's small population base and limited land for future residential development make it unattractive to larger chain retailers However, this site constraint does not apply to smaller retailers that have more flexible site criteria.

Secondary trade area sales leakage

The Secondary trade area had sales leakage only within the categories of Food and Restaurants.

Tertiary trade area sales leakage

The Tertiary trade area also showed little sales leakage. Categories showing sales leakage include Department Stores, Drinking and Special food services (catering, banquets etc).

PRIMARY TRADE AREA SALES GAP

INDUSTRY	SALES GAP/SURPLUS	FACTOR/1	# BUSINESSES
CLOTHING and CLOTHING ACCESSORY	$23,755,453	67.6	11
Clothing	$18,805,306	69	5
Shoe	$3,621,121	99.2	1
Jewelry	$1,329,026	33.3	5
HOME PRODUCTS			
Home furnishing	$840,171	7.6	10
FOOD	$24,203,047	21.9	16
Grocery	$20,106,770	19	14
Specialty food	$2,148,792	83	2
Beer and Wine	$1,947,487	98.8	0
HEALTH & PERSONAL CARE	$2,737,970	8.4	8
SPORTING GOODS	$4,247,789	53.4	11
Sporting goods, hobby	$2,073,218	52.7	8
Books and music	$2,174,571	54	3
RESTAURANT AND DRINK	$28,298,095	26.7	44
Full service	$10,913,255	39	2
Limited service	$22,130.144	46.9	39
Drinking places	$4,468,460	96	2
MISCELLANEOUS	$1,455,514	14.9	28
Florist	$125,460	13.3	5
Office, gift	$1,464,633	47.7	9
Other Misc. retail	$497,843	10.9	8

SECONDARY TRADE AREA SALES GAP

INDUSTRY	SALES GAP LEAKAGE/SURPLUS	FACTOR	# BUSINESSES
FOOD\	$11,100,332	3.5	64
Grocery	$2.180.281	.7	51
Specialty food	$4,781,780	65.8	12
Beer and Wine	$4,301,821	80.6	1
RESTAURANTS DRINK			
Drinking	$9,6696467	78.9	8

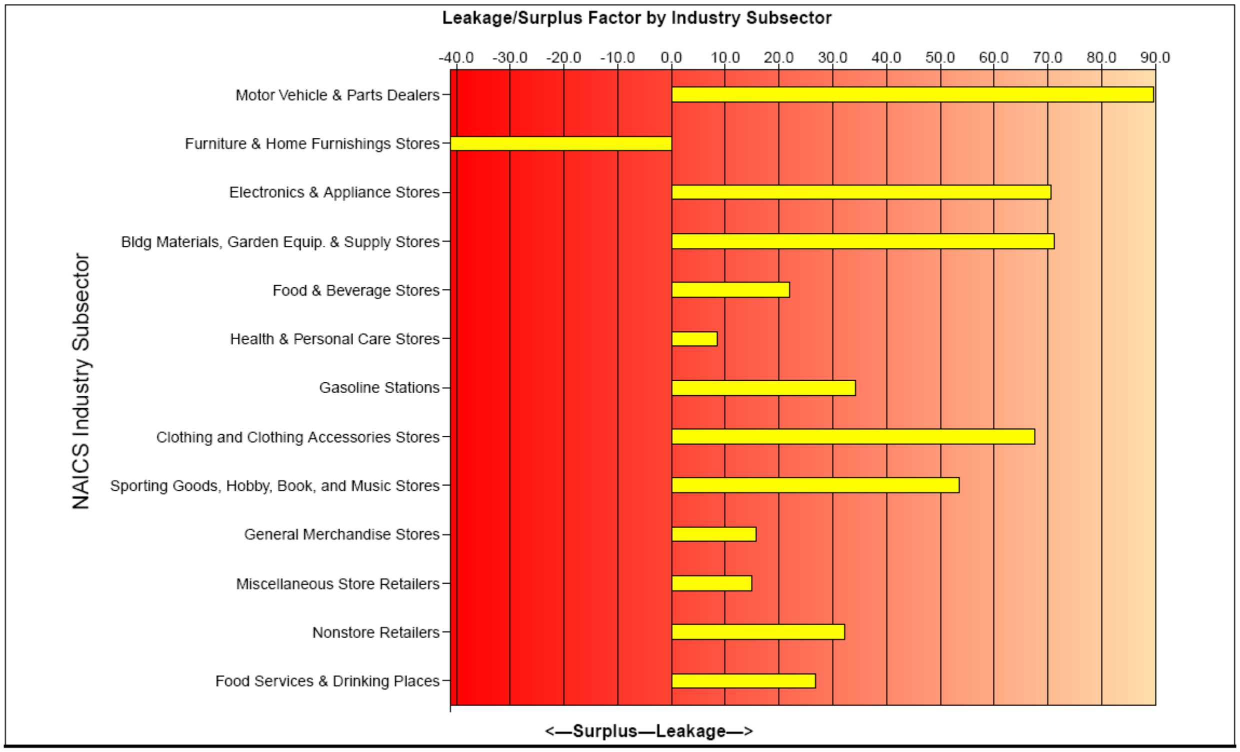
Source: ESRI 2007 Retail Sales Report

TERTIARY TRADE AREA SALES GAP

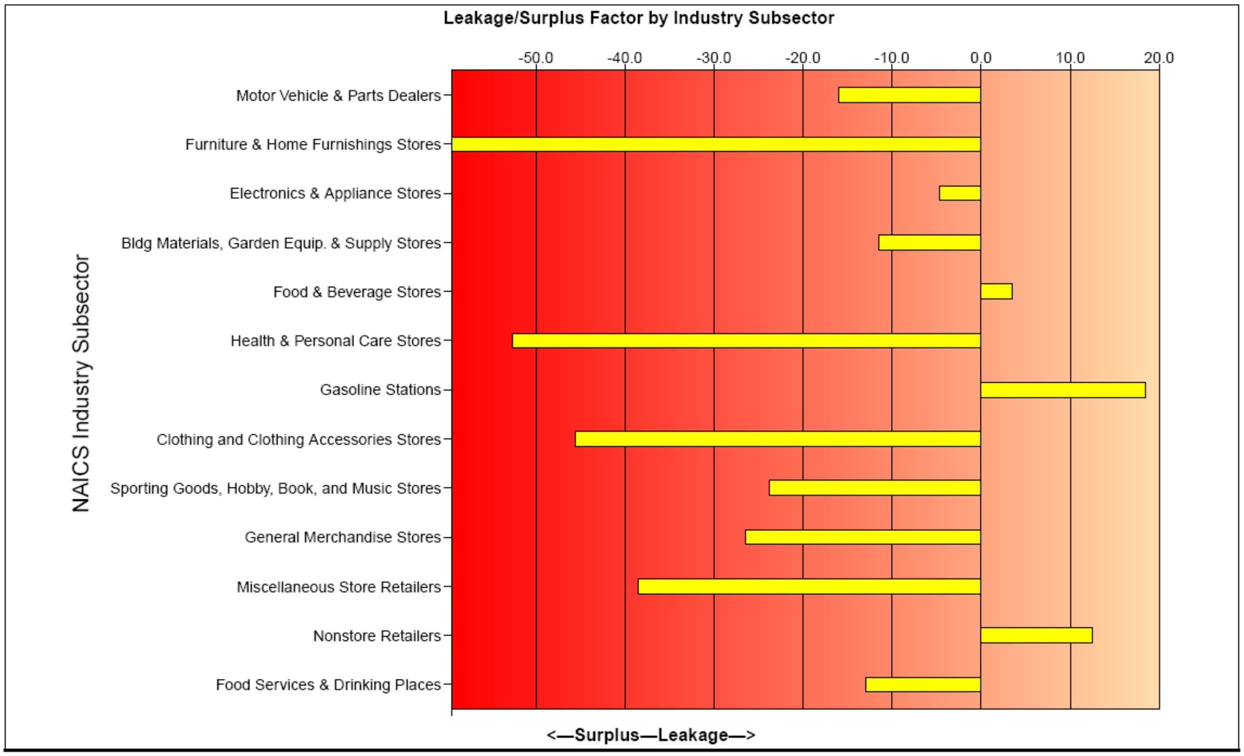
INDUSTRY	SALES GAP LEAKAGE/SURPLUS	FACTOR	# OF BUSINESSES
Department Store	$30,662,819	8.8	39
RESTAURANT/DRINK			
Drinking	$7,095,826	23.2	32
FOOD			
Special Food	$5,865,450	41.5	40
Alcohol	$2,255,737	15.2	6

Special Food Services (NAICS 7223) includes catered food, banquets and contract food service providers.

PRIMARY TRADE AREA RETAIL SALES LEAKAGE

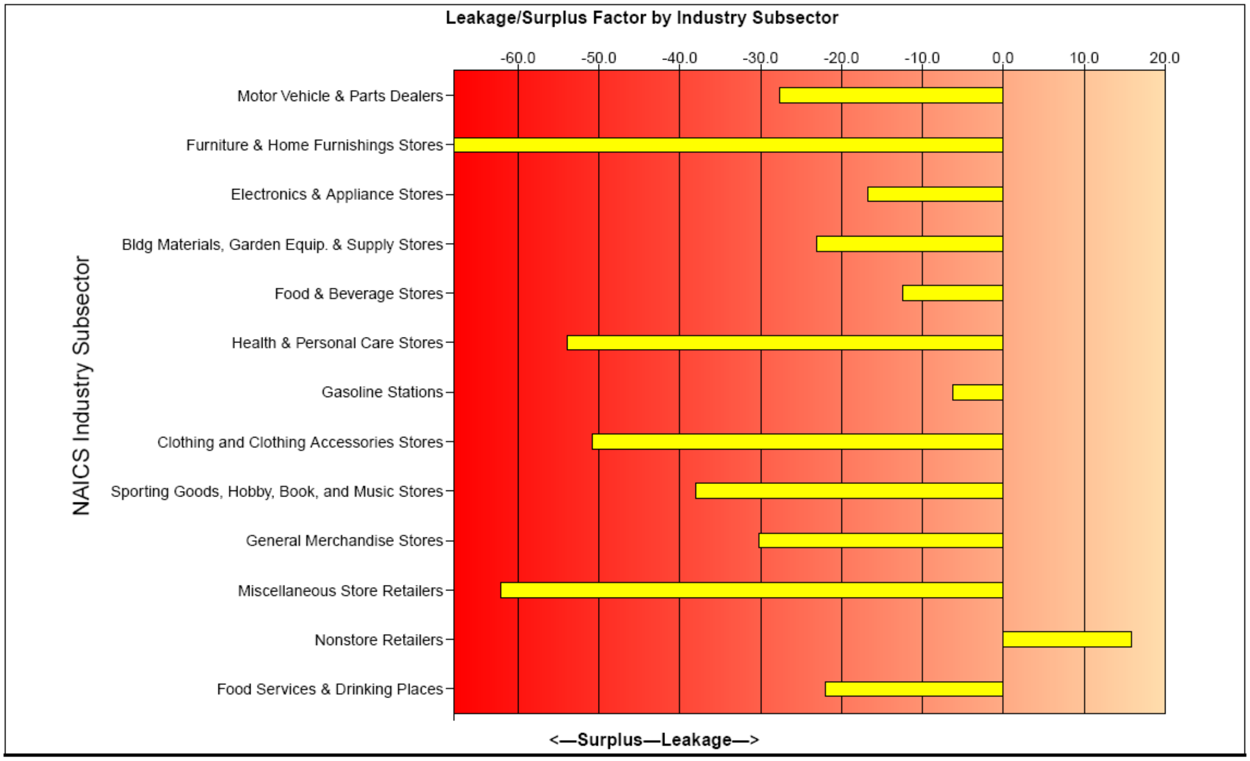


SECONDARY TRADE AREA RETAIL SALES LEAKAGE



Source: ESRI 2007

TERTIARY TRADE AREA RETAIL SALES LEAKAGE



Source: ESRI 2007

2) Downtown Market Support

Calculating market support for downtown is not an exact science. To determine downtown demand, GDS had to make several assumptions about sales volume and sales productivity levels for both downtown and Jamestown . Downtown's capture rate or share of the potential market is dependent on various factors such as its distance to other shopping centers and existing mix of goods and services. Typically, downtown retail districts can capture between 2 and 10% of the Tertiary trade area, depending on the category of goods and the level of competition within the area for consumers' dollars.

GDS used information from the 2002, 2003 and 2004 Consumer Expenditure Surveys and ESRI forecasts for 2007 to determine potential sales estimates for several categories of goods typically present in downtown. Due to the way in which the Census Bureau collects data, retail sale information for some categories is not readily available and must be inferred from general sales activity. For example, specialty retail uses are classified as miscellaneous; a category that includes a range of products from high-end gift to pawn shops. For the purposes of this analysis, GDS calculated the amount of retail space downtown could support assuming a five percent capture rate from the Tertiary trade area. While specific capture rates vary among retail sectors, this capture rate was felt to be realistic in terms of the City's vision for the downtown as a center for specialty retail uses and restaurants. Because specialty retailers are able to attract customers from a larger area due to their unique products or services, the tertiary trade area was used to calculate potential sales estimates for most categories of goods. Typically, specialty retail, restaurant and furniture uses require a population base of at least 100,000 persons. These assumptions should be refined at a future date using information from consumer surveys and in-store visits. Based on the above assumptions, GDS believes that downtown could support approximately $28 million dollars in retail sales within the categories shown in the following table. This does not include the additional sales support that could be supported for Grocery or personal care goods from the primary trade area. Even if commercial development continues to locate outside the City, there should be opportunities to expand downtown's retail square footage primarily within the food service and specialty retail goods categories. As downtown's retail base expands, its ability to capture a greater share of the market will improve.

To calculate market support for new retail space, GDS divided downtown's potential sales by an estimated average sales productivity (sales per square foot) figure. Using industry averages that range from $150-$350 sales per square foot, GDS estimates that the downtown could support approximately 100,000 square feet of space in retail space, with the largest share going to restaurant space followed by clothing and furniture goods. Given the significant competition within the furniture and clothing sectors in the region and the limited number of large rental spaces downtown, it is unlikely that downtown will be able to attract uses within these categories. However there should be some demand to add new clothing stores at the Forestdale Shopping Center and more specialized apparel uses in a few locations downtown. The greatest market support for new square footage is in the restaurant category.

JAMESTOWN DOWNTOWN RETAIL SALES DEMAND

TERTIARY TRADE AREA

RETAIL CATEGORY	TOTAL SALES	5% CAPTURE	SQUARE FOOTAGE
Furniture & Home Furnishings Stores	**$86,465,539**	**$4,323,276.95**	**21,616**
Furniture Stores	$62,183,318	$3,109,165.90	15,546
Home Furnishings Stores	$24,282,221	$1,214,111.05	6,071
Electronics & Appliance Stores	$57,366,929	$2,868,346.45	19,122
Clothing and Clothing Accessories Stores	**$125,504,077**	**$6,275,203.85**	**25,101**
Clothing Stores	$98,231,533	$4,911,576.65	19,646
Shoe Stores	$16,326,428	$816,321.40	2,721
Jewelry, Luggage, and Leather Goods Stores	$10,946,116	$547,305.80	1,564
Sporting Goods, Hobby, Book, and Music Stores	**$25,874,409**	**$1,293,720.45**	8,625
Sporting Goods/Hobby/Musical Instrument Stores	$12,408,993	$620,449.65	4,136
Book, Periodical, and Music Stores	$13,465,416	$673,270.80	4,488
Miscellaneous Store Retailers	**$24,150,390**	**$1,207,519.50**	**8,050**
Florists	$2,262,317	$113,115.85	754
Office Supplies, Stationery, and Gift Stores (	$9,402,809	$470,140.45	1,881
Used Merchandise Stores	$1,293,138	$64,656.90	647
Other Miscellaneous Store Retailers	$11,192,126	$559,606.30	5,596
Food Services & Drinking Places	**$289,728,377**	**$14,486,418.85**	**41,390**
Full-Service Restaurants	$86,653,766	$4,332,688.30	12,379
Limited-Service Eating Places	$148,735,518	$7,436,775.90	21,248
Drinking Places - Alcoholic Beverages	$18,838,839	$941,941.95	2,691

Source: GDS, ESRI Business Solutions.

VII. COMMUNITY PROFILE

1) Overview

The City of Jamestown is a small historic community nestled between High Point and Greensboro in the southwest corner of Guilford County. The City is primarily a bedroom community with housing values and median incomes higher than surrounding communities.

Jamestown has a rich history that extends from early settlement by Quaker families to its role as a site along the Underground Railroad. The City was first settled in the late 1700's by Europeans, many of whom were Quaker families that moved to the area from Pennsylvania. According to the City, much of the original settlement was owned by the Mendenhall family, who operated the local grist mill and tannery. By 1800, the town was a thriving community with a population of about 150 settlers. Gold was mined in the area until the 1840's when the California Gold rush started. The City was a known stop along the Underground Railroad, with many local Quaker families involved in helping southern slaves reach freedom in the North. During the past twenty years, the City's population has doubled due to its proximity to larger metropolitan area and housing. Important community landmarks include the Public Library, the Oakdale Cotton Mill, High Point City Lake and Mendenhall Plantation. The Medenhall Plantation showcases the community's Quaker heritage and includes several restored artifacts including a medical school, school house and nature trail. IN addition to this historic landmark, there are three large parks in the City (Gibson, Jamestown and High Point Lake Parks) that include features not common in public parks. For example, High Point Lake Park includes a miniature train and merry-go-round, several picnic shelters, a pool, waterslide, gym and ball fields. The lake is used for fishing and drinking water. These sites with a variety of recreational opportunities including golf, tennis, soccer, bicycling, basketball and baseball. The City and local civic groups also coordinates several community festivals and events during the year including Jamestown Day, a 4th of July parade and .

The most significant market trend within the City has been the number of new residential developments that have been built or are in the planning stages in or near the City limits. The majority of these developments are single family homes that appeal to middle income families attracted to the Jamestown's schools, recreational facilities and proximity to employment centers. In addition to these single family units, there also is demand for assisted living and elderly housing.

2) Demographic Trends

According to the City's 2005 Land Use Plan, Jamestown growth rate has been higher than the County's, but lower than the communities of Elon, Clemmons and Oak Ridge. These communities have greater open land areas suitable for residential development.

The City grew 6.5% between 2000 and 2005 compared to 4.2% for the County. Residential growth was greatest to the north of the Town center. It is important to note that population projections are based on past trends and do not take into account new residential developments that have occurred since 2000. Currently, the City's median housing value is the highest among surrounding communities. The City estimates that over the next 10-15 years in Guilford County alone. While the national real estate slowdown and tightening credit market will almost certainly impact pending development, new residential projects will continue to impact the City's demographic profile for years to come. As retail is a market follower, increasing population growth will fuel demand for additional commercial activity.

Jamestown is fairly homogeneous with minority households representing less than 14%. African-American persons represent the largest minority group followed by Asian and Hispanic. The Hispanic population has had the greatest increase and is likely to continue to grow, creating new opportunities for surrounding businesses.

Although Jamestown's median age was slightly higher than the State or national average for 2000, new housing development that targets younger families should increase the number of younger persons living in the area.

Jamestown's median and per capita incomes are well about the State and County. Over 58% of the City 's households had incomes over $50,000 in 2000 compared to 42% for the County.

Jamestown students are served by Guilford County school system that has over 66,000 students enrolled in 2006. Jamestown is the home to one community college, Guilford Technical Community College that enrolls approximately 5,000 students. Nearby are several four year colleges and universities including High Point University, NC Agriculture and Technology and UNC-Greensboro. Together, these institutions enroll over 20,000 students.

Jamestown has one of the highest percentages of persons with college or masters degrees in the State and the highest in the County. More than three quarters of persons living in Jamestown had some college education compared to 50% for the State.

The vast majority of residents work outside the City , primarily in Greensboro or High Point. The majority of Jamestown's residents are employed in management or professional occupations followed by sales and office employment.

APPENDIX

TOP 4 LIFESTYLE SEGMENTS

	PRIMARY TRADE AREA	SECONDARY TRADE AREA	TERTIARY TRADE AREA
1	Up And Coming Families (17.6%)	Aspiring Young Families (11.6%)	Aspiring Young Families (12%)
2	Boomburgs (14.4%)	Up And Coming Families (11.2%)	Rustbelt Traditions (19.5%)
3	Milk And Cookies (11.4%)	Enterprising Professionals (9.2%)	Up And Coming Families (7.5%)
4.	Aspiring Young Families (10.3%)	Boomburbs (8.7%)	Old And Newcomers (6.7%)
5.	Cozy And Comfortable (10.3%)	Rustbelt Traditions (7.2%)	Midlife Junction (6.3%)

Source: ESRI tapestry report 2007

AVAILABLE PROPERTIES DOWNTOWN

STREET ADDRESS	SQ. FT.	Estimate rent
122 E Main	1,500	$1,500
126 Wade St	3.000	$1,200
117 Wade	4,000	$1,000
200 Hillstone Dr	2,000	$750
Forestdale Shopping Center	5,000	$1,650-2,000
107 Wade	2,400	$286,000
208 Hillstone	3,962	$425,000
725 W. Main	1,440	$138,000
725 W Main	1,220	$129,900

Source: City of Jamestown

SURROUNDING COMMERCIAL USES

Regional Mall

4 Seasons - (Greensboro) This 1.1 million sq. ft. regional mall was recently remodeled and has added several new chain stores. The Mall is anchored by three department stores and has over 200 stores. The mall serves a trade area of approximately

Oak Hollow Mall (High Point) This 900,000 sq. ft. mall has 4 department store anchors with over 150 stores.

Friendly Center and the Shops at Friendly Center – (Greensboro) This 1.3 million sq. ft. outdoor lifestyle mall is anchored by three department stores and several large discount or category stores such as Target and Michael's.

Neighborhood shopping

Forestdale Plaza (Jamestown) This 53,000 sq. ft. center was recently sold to an out of state developer. The center is anchored by a grocery store has several smaller tenants.

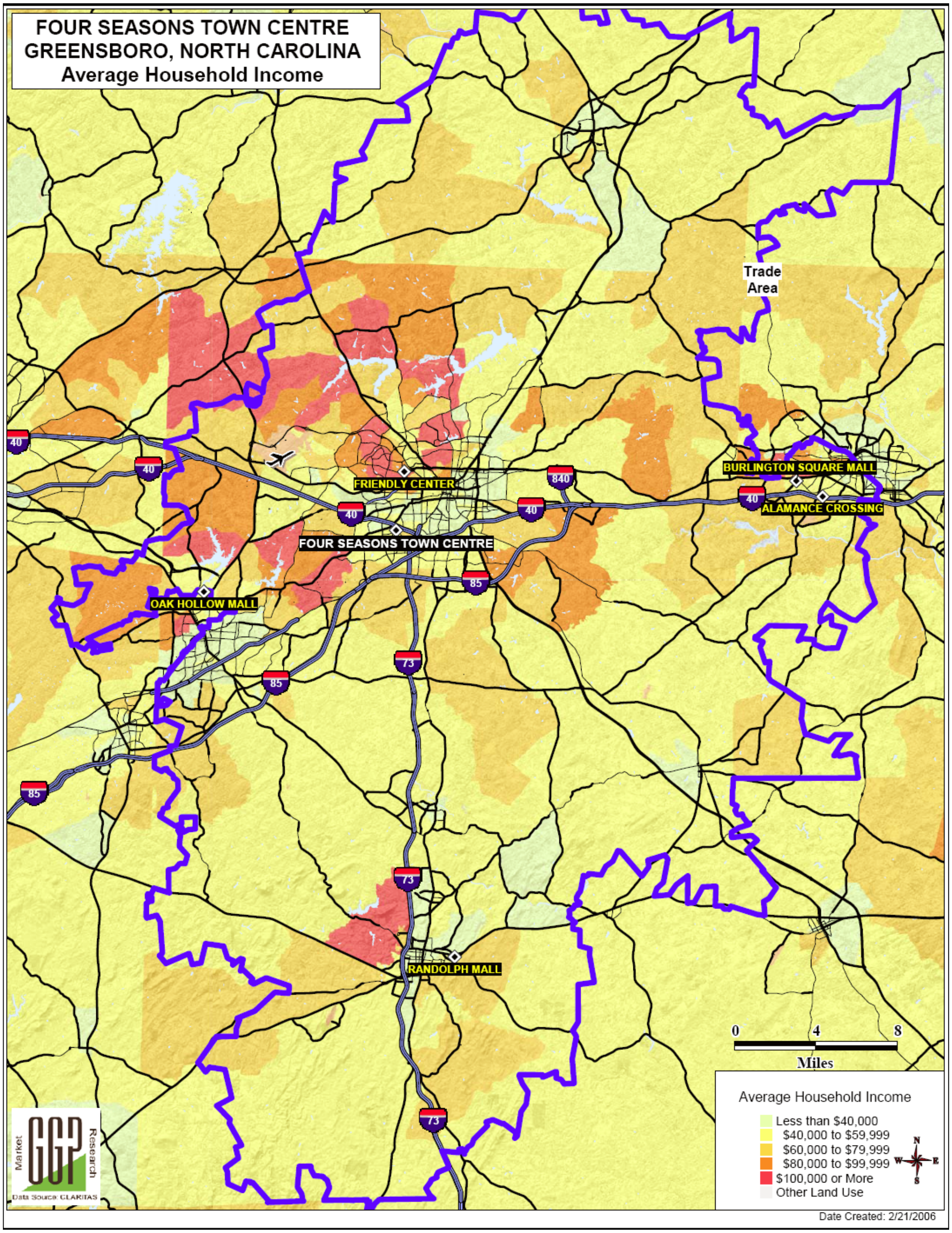
Jamestown Center – (Jamestown) This 60,000 sq. ft. center is anchored by a hardware store and dollar store and has several spaces available for rent. .

Guilford Crossing and James Landing (Jamestown). Built in 2001, this 60,000 sq. ft. center is anchored by Lowes grocery store.

TABLE 24: REGIONAL SHOPPING MALLS

REGIONAL	GLA	#STORES	CITY	ANCHORS
4 Seasons Mall	1.1 M	200	Greensboro	Belk, Dilliard, JC Penney
Oak Hollow Mall	950,000	150	High Point	Belk, Dillard, Sears, JC Penney
Friendly Center	1.0 M	90	Greensboro	Belk, Sears, Macy's, Old Navy

REGIONAL MALLS IN AREA



VISION WORK SHEET

What are the 3 greatest assets to Jamestown's business district?

What are the 3 greatest liabilities?

What would you like to see Downtown Jamestown be known for?

Identify 3 specific actions or projects that would help achieve this vision.

This year	Within three years.

PREREQUISITES FOR SUCCESSFUL RECRUITMENT

1. Demonstrate consumer demand	Use market information and demographics data to promote "new" downtown business ventures. ESRI reports, business and consumer survey results, and market study findings contained in this report provide a strong base of information.
2. List of available sites "ready for occupancy"	Have a posted list of sites available for rent or sale that require minimal tenant upfit (or provide tenant allowance). Site information should be posted on website, included in recruitment material and sent to area realtors and Brokers.
3. Complete visual improvements	Highlight on website and in marketing material recent and planned visual enhancements to downtown including parking improvements.
4. Show public-private support for downtown	Demonstrate that there is broad support for downtown from all sectors of government and private sector. Show examples of recent partnerships.
5. Promote "business friendly" regulatory environment	Highlight sections of code that permit greater flexibility for mixed use development in Jamestown (parking space requirement, overhead awnings, residential upper floor etc)
6. Promote active promotional program	Highlight special events, festivals and cooperative marketing efforts that attract people to, and focus positive attention on, downtown.
7. Promote available incentives and assistance	Provide information on programs available to downtown investors, developers and businesses, as might include design assistance, tax credits, low-interest building improvement loans, and low-interest lines of credit or business start-up loans.
8. Begin pre-development work on vacant buildings	Identify specific issues that will need to be addressed as part of redevelopment process including parking, environmental, access and fire and safety issues.

Source: GDS

FINANCIAL INCENTIVES

AVAILABLE INCENTIVES

1. SBA Micro enterprise Loan - Low interest loans up to $20,000 to very small businesses to create jobs. Funds can be used for equipment, renovation or capital. Contact local SBDC office

2. SBA 7-A loans – Loan guarantee program. (Check out www.sba.gov or www.sbdc.uconn.edu for information on borrower requirements for SBA loan products.) Contact local SBDC office.

3. SBA 504 loan can be used to purchase and renovate building. Must create new jobs as condition of loan. Contact local SBDC office

4. Federal Historic Tax credit – enables downtown property owners to receive income tax credit for qualified renovation. State Historic Preservation Office will help property owner determine if renovation meets “standards for Rehab” set by Dept. of Interior. Owner must spend an amount greater than the building's adjusted basis (roughly the current depreciated value of the building not including land value) on the approved rehabilitation project

5. NC Historic tax credits – Administered through the North Carolina Dept of Historic Resources offers a 20% state tax credit for income-producing structures.

6. Mill Tax – a new tax incentives that builds upon the State’s historic rehab tax credit by making available an additional 10-20% credit for the renovation of vacant industrial properties. Project must exceed $3 million in rehab to be eligible.

7. Tax increment Financing- allows towns to issue “development bonds” to pay for public improvements that are needed for new projects.

8. Municipal Service District – Self imposed tax on property in defined area. Funds can be used to promote or market businesses or maintain area.

POSSIBLE NEW INCENTIVES OR PROGRAMS

1. Small façade Improvement matching grant program – provide up to $500 to property owners or businesses for façade improvements such as the removal of old signs or installation of fabric awnings.

2. Low interest loan program. Typically, a below market interest rate with maximum term of 5 years. (see Eau Clair, Wisconsin or Salisbury NC for examples) For a tenant, the loan amortization usually must match the remaining term of the underlying lease. The tenant applicant must provide a copy of the lease as one of the preliminary loan documents. Tenants may belong to for-profit or not-for-profit organizations. Eligible projects include interior and exterior remodeling, purchase of a building, creating housing including projects in the upper floors of downtown properties, parking lot, and signage, lighting, and landscaping improvements. Projects typically NOT eligible are: refinancing of previous loans, or loans for working capital.

3. Restaurant loan- Used to help defray the cost of installing restaurant equipment. Changes must be consistent with the architectural and historic character of the building. (see Bristol, CT)

4. Real estate tax abatement. The City could provide a partial exemption from real estate taxes for rehabilitation activities that increase the value of qualifying structures by at least 20%. In the case of structures over twenty years of age, the initial increase in value caused by rehabilitation is eligible for exemption from real estate taxes for ten years, followed by an incremental 20% annual phase-out over the next five years.

5. Paint Program – Local hardware store offer downtown property owners 10% off all paint.

PROPERTY ACTION AGREEMENT

PROPERTY OWNER ACTIONS:

1. **Property owner will keep building interior clean**
   - **floors must be swept**
   - **walls and ceiling should be washed**
   - **trash or display cases removed**
   - **building should be aired and cleaned**
   - **window and display areas must be clean**

2. **Property owner will maintain building exterior**
   - **old signs should be removed from building**
   - **exterior of building washed**
   - **sidewalk and inset door area swept and washed**
   - **rotted awning removed**

3. **Property owners shall provide leasing information**
   - **square footage**
   - **condition of heating and air**
   - **rent and leasing options**

4. **Property owner shall provide rehab cost estimates**
   - **hire architect/contractor to prepare estimate**
   - **allow building inspector to inspect property**
   - **determine amount of tenant upfit allowance**
   - **identify potential tenants based on site**

5. **Property owner shall develop a marketing plan**
   - **will list property with Broker**
   - **will provide at least one month commission**
   - **will place sign in window**
   - **will work with City to market property**

CITY ACTIONS:

1. **City will include property in downtown marketing material**
   - **business recruitment packet**
   - **website**
   - **surveys**
   - **video**

2. **City will solicit leads**
   - **maintain a referral network**
   - **maintain a prospect list**
   - **develop a website**
   - **direct mail campaign**
   - **general pr campaign**
   - **visit potential stores**
   - **run credit checks**
   - **conduct open house tours**

3. **City will provide design assistance**
   - **provide facade drawings**
   - **provide sign or facade grant**

4. **City will provide financial assistance**
   - **help to prepare ITC applications**
   - **provide low interest loans**
   - **conduct feasibility studies**

5. **City will provide tenant assistance**
   - **workshops, seminars**
   - **grand openings**
   - **mailing labels**

PROSPECT INFORMATION SHEET

NAME OF BUSINESS:______________________________
ADDRESS :____
CONTACT PERSON:_______________________________

SPACE NEEDS:
Purchase lease
Amt of space:_______________________
Rental or sale price:__________________

OWNERSHIP CHARACTERISTICS:
Circle one of the following: Independent Franchise Chain Partnership

INFORMATION ON BUSINESS:
Lease rate____________
Years in business_______
Number of Empl._______
Size___________________
Target customer_________

ON-SITE OBSERVATIONS: Rank 1 – 5, 1 being lowest

<u>On-site characteristics</u>					
Traffic count: car	1	2	3	4	5
Pedestrians	1	2	3	4	5
Visible access	1	2	3	4	5
Proximity to					
Competition	1	2	3	4	5
Parking	1	2	3	4	5
Proximity to	1	2	3	4	5
Customer generators					
<u>Demographic characteristics</u>					
Income level	1	2	3	4	5
Ethnic makeup	1	2	3	4	5
Age	1	2	3	4	5
Growth trends	1	2	3	4	5
<u>In-store Observations</u>					
Quality of merchandise	1	2	3	4	5
Quantity of merch.	1	2	3	4	5
Overall appearance	1	2	3	4	5
Sales help	1	2	3	4	5
Merchandise display	1	2	3	4	5