

# **BUSINESS AND DEVELOPMENT PLAN**

**FOR**



## **DOWNTOWN FAIRMONT, NC**

**January 2007**

**Prepared For:**

Town of Fairmont

**Prepared By:**

NC Small Town Main Street Program

Office of Urban Development

NC Department of Commerce

**With Assistance of:**

Economic Restructuring Subcommittee

of the Fairmont Small Town Main Street Committee

**DISCLAIMER**

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

**Acknowledgments:**

The NC Small Town Main Street Program wishes to acknowledge the participation and support of the Fairmont Small Town Main Street Committee for their assistance in the preparation of this report.

Rebecca	Andrews
Ben	Brady
Jerry	Campbell
Scott	Campbell
Jay	Capps
Alex	Collins
Martin	Collins
Wanda	Cox
Danny	Cox
Butch	Davis
Annie	Durant
Huel	Faulk
Vera	Faulk
Mary Bruce	Grantham
Robert	Hassel
Elizabeth	Haywood
Sylvia	Huggins
Terry	Hunt
Maitland	Hunt
John	Jackson
Nina	Johnson
Charles	Kemp
Laura	Kemp
Jenny	Larson
Wayland	Lennon
Jens	Lutz
Linda Vause	Oliver-Link
Blake	Proctor
April	Rich
Rita	Rogers
Anthony	Sealey
Wade	Sealey
Ronnie	Seals
John	Spruill
Lenora	Taylor
Dick	Taylor
Vayda	Taylor
Charles	Townsend
Paul	Thompson
Joyce	Thompson
Eric	Thompson
Linda Vause	Vause
Rev. Marc	Werner
Donna	Werner
Mary	Worley
Novella	Worley

## TABLE OF CONTENTS

	Page
Acknowledgements	2
Introduction: The Six Factors	4
Target Area Map	5
<b>1. Market Conditions and Business Climate</b>	<b>6</b>
<b>1.1 Retail</b>	<b>6</b>
<b>1.1.1 Observations</b>	<b>6</b>
<b>Table 1 Retail Analysis/Potential</b>	<b>7</b>
<b>Table 2 Trade Area Map</b>	<b>8</b>
<b>1.1.2 Recommendations</b>	<b>8</b>
<b>1.2 Residential</b>	<b>9</b>
<b>1.2.1 Observations</b>	<b>9</b>
<b>1.2.2 Recommendations</b>	<b>9</b>
<b>1.3 Office/Other</b>	<b>10</b>
<b>1.3.1 Observations</b>	<b>10</b>
<b>1.3.2 Recommendations</b>	<b>10</b>
<b>2. Retail Mix</b>	<b>10</b>
<b>2.1 Observations</b>	<b>10</b>
<b>2.2 Recommendations</b>	<b>10</b>
<b>3. Real Estate Availability and Condition</b>	<b>12</b>
<b>3.1 Observations</b>	<b>12</b>
<b>3.2 Recommendations</b>	<b>12</b>
<b>4. Physical Environment and Amenities</b>	<b>13</b>
<b>4.1 Observations</b>	<b>13</b>
<b>4.2 Recommendations</b>	<b>13</b>
<b>5. Availability of Capital/Financing</b>	<b>14</b>
<b>5.1 Observations</b>	<b>14</b>
<b>5.2 Recommendations</b>	<b>14</b>
<b>6. Business and Development Assistance</b>	<b>14</b>
<b>6.1 Observations</b>	<b>14</b>
<b>6.2 Recommendations</b>	<b>15</b>
<b>Appendix</b>	<b>16</b>
<b>Market Assessment Form</b>	<b>17</b>
<b>Retail Potential Analysis</b>	<b>18</b>
<b>Consumer Survey</b>	<b>18</b>
<b>Traffic Counts</b>	<b>21</b>

## **THE SIX ECONOMIC FACTORS IN DOWNTOWN DEVELOPMENT**

### **The Definition of Economic Development/Restructuring**

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

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

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

### **The Six Economic Factors**

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

#### **FACTOR 1. MARKET CONDITIONS AND BUSINESS CLIMATE**

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

#### **FACTOR 2. RETAIL MIX**

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

#### **FACTOR 3. REAL ESTATE AVAILABILITY AND CONDITION**

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

#### **FACTOR 4. PHYSICAL ENVIRONMENT AND AMENITIES**

The physical environment in which a business must function is critical to its' success. Even the best businesses will not be successful if the surrounding environment is run down, with few amenities and is difficult to access.

#### **FACTOR 5. AVAILABILITY OF CAPITAL/FINANCING**

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

#### **FACTOR 6. BUSINESS AND DEVELOPMENT ASSISTANCE**

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



## **I. MARKET CONDITIONS/BUSINESS CLIMATE**

### **1.1 RETAIL**

#### **1.1.1 Observations**

Fairmont, NC is an incorporated town in Robeson County with a 2005 estimated population of 2,732. Fairmont's population grew by 152 people or 4.9% between 2000 and 2005. The town is situated fifteen miles southwest of Lumberton, NC and 25 miles north of Dillon, SC. These larger communities attract the majority of the area's retail business. Per capita income within a five-mile radius of Fairmont is just under \$15,000 annually. There is a strip shopping center adjacent to downtown and within a five-mile radius of the downtown core and a number of other free-standing retail establishments.

Downtown Fairmont is positioned to serve the retail needs of the town itself, but competes with these other shopping areas and free-standing stores within a five-mile radius, as well as with the greater shopping opportunities in nearby Lumberton and Dillon, SC. Our assessment of the market conditions in Fairmont based on available information from several sources, indicates that the downtown commercial district provides goods and services to a primary trade area of 5 miles.

Merchant and consumer surveys indicate that the downtown primarily serves a local market and is at best a secondary source for basic retailing in the area, with most shopping occurring outside the downtown area and/or in Lumberton. (see attached survey results)

Like many downtowns, the downtown business district functions as a Community Shopping Center, providing general and specialty merchandise and services to the local Fairmont market, capturing approximately 18% of the retail sales within a five-mile radius of the downtown area. These sales are concentrated in motor vehicles parts, service and accessories, health and personal care (drug stores) and general merchandise (department store) categories. After adjusting for local competition there is a remaining \$11.2 million in potential retail sales within five miles to be captured in food service (restaurants), clothing and general merchandise. Assuming the ability to capture 10% to 20% of these potential sales or \$1.1 million to \$2.2 million at an average of \$125 in sales per square foot, the downtown area could possibly support up to an additional 18,000 square feet of retail space. (see recommended retail potential chart below)

The downtown business district loses a substantial amount of retail trade to businesses outside downtown, primarily to businesses located just outside the downtown area and in and around Lumberton and Dillon. Primary reasons given for visiting the downtown Fairmont area are stated as eating and shopping. Reasons cited for shopping outside the area include lack of variety, price of merchandise and attractiveness of the area. (see attached consumer survey results).

AREA/MILES FAIRMONT, NC		5.00 December-06	DOWNTOWN POTENTIAL		
NAICS	BUSINESS TYPE	LEAKAGE/SURPLUS	Est. Capture	Sales/SF	SF
		Retail Sales	20.00%	\$125	
	4412 Other Motor Vehicles	-\$847,473	\$169,495	\$125	1,356
	4413 Auto Parts/Access/Tires	-\$487,171	\$97,434	\$125	779
	4422 Home Furnishings	-\$119,024	\$23,805	\$125	190
	4442 Lawn and Garden Equip/Supply	-\$369,559	\$73,912	\$125	591
447/4471	Gasoline Stations/Convenience	-\$203,376	\$40,675	\$125	325
	4481 Clothing Stores	-\$368,016	\$73,603	\$125	589
	4482 Shoe Stores	-\$207,922	\$41,584	\$125	333
	4483 Jewelry/Luggage/Leather	-\$156,366	\$31,273	\$125	250
	4521 Department Stores	-\$829,600	\$165,920	\$125	1,327
	4521 Other General Merchandise	-\$802,706	\$160,541	\$125	1,284
	4532 Office Supplies/Stationery/Gifts	-\$479,093	\$95,819	\$125	767
	4533 Used Merchandise	-\$79,459	\$15,892	\$125	127
	7221 Full Service Restaurants	-\$2,255,836	\$451,167	\$125	3,609
	7222 Limited Service Eating Places	-\$2,538,181	\$507,636	\$125	4,061
	7223 Special Food Services	-\$1,095,142	\$219,028	\$125	1,752
	7224 Drinking Places/Alcohol	-\$437,192	\$87,438	\$125	700
	<b>TOTAL</b>	<b>-\$11,276,116</b>	<b>\$2,255,223</b>		<b>18,042</b>
SOURCE:		NC Department of Commerce NC Department of Revenue ESRIBIS© US Census of Retail Trade US Consumer Expenditure Survey NCDCA			

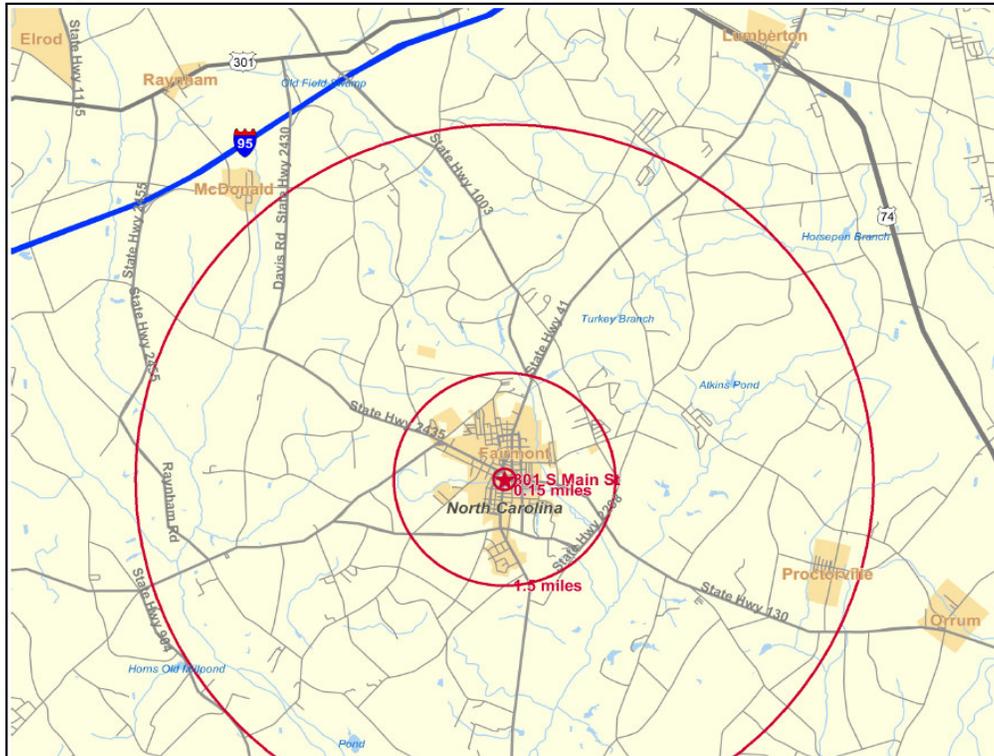
(-\$ = Lost Business/Leakage)

Column at far right indicates potential for new retail space in square feet for each type of business.

301 S Main St  
Fairmont, NC 28340

**Site Map**  
**Town of Fairmont**  
November 28, 2006

Latitude: 34.494441  
Longitude: -79.114032



## DOWNTOWN FAIRMONT TRADE AREA

### 1.1.2 Recommendations

The downtown business district should attempt to capture a portion of the \$11.2 million in potential sales within the 5 mile radius of downtown with a goal of increasing downtown sales by \$500,000 to 1million annually over the next 3-5 years. This can best be accomplished by increasing the availability and/or marketing of the identified retail opportunities including restaurants, clothing and general merchandise; by adding stores offering these products, and/or expanding the offerings of existing businesses downtown.

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

- 1) 300+ downtown area employees
- 2) 3,200 nearby residents
- 3) Visitors to other downtown businesses and downtown’s “magnets” (Town Hall, Library, Court, etc.)
- 4) 1,500 employees of local businesses and industries within 5 miles of downtown
- 5) 9,600 Citizens within five miles of the business district
- 6) other/outside/visitors, etc.

## **Niche Markets/Additional Potential**

### **Surplus/Supply**

Additional potential could come from carefully identified “niche” markets. Some of these markets can be identified by observing the “surplus” merchandise categories where there are excess dollars coming into the community to take advantage of products or services not available in their local communities. Where there is a large concentration of outside spending in a given category, possibilities may exist to find a “niche” or additional potential within that category that is not represented widely in the trade area. In the Fairmont trade area these “surplus” categories include food and beverage (groceries) and furniture/home furnishings.

An example would be identifying significant “surplus” in food and beverage expenditures and determining that the variety of grocery opportunities is limited; therefore positioning a food and beverage business to capture this missing element in the supply.

### **Tourism**

Additional “niche” markets could develop around the through-traffic on Highways 41 and 130 traveling to the South Carolina beaches, and traffic attracted from Interstate 95.

## **1.2 RESIDENTIAL**

### **1.2.1 Observations**

There was approximately 4.9% growth in the population within the City Limits of Fairmont between 2000 and 2005. Growth in the Lumberton area reached 8.8% adding nearly 2,000 people. Average new home prices in the general area are approximately \$75-100 per square foot. There appears to be a residential rental market in the general Fairmont area with overall residential vacancy at around 9% and rental vacancy at 3.5%. Rentals that are available show median rents around \$153 and a high range of \$400-450. There are no permanent residents living “above the store” in the business district, and there are no known current residential rentals in the downtown area. The potential support for residential development “above the store” is unclear. However, there are vacant upper floor development opportunities for existing buildings since a number of buildings are two-stories.

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

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

### **1.2.2 Recommendations**

The residential areas adjacent to downtown should remain as residential zoning. Efforts should be made to encourage the maintenance and/or renovation of these homes for residential use. Fairmont does not have an established historic district, but individual homes that can qualify as historic should be certified and supported with the 30% North Carolina Historic Tax Credit. A Historic District should be pursued so that downtown property owners can benefit from utilizing the 20% Federal and 20% State Historic Tax Credits. Those with vacant upper floor space should be identified and encouraged to develop upper floor

housing. Developing and maintaining the quality of the residential projects can more likely attract a quality tenant target market and higher than market rents. Quality and management of residential projects are key ingredients.

### **1.3 OFFICE/OTHER**

#### **1.3.1 Observations**

##### **Office**

There is some office occupancy in the downtown district and some of it occurs at street level. We were not able to identify the depth of the office market in the Fairmont area; however, there should be a reasonable market for professional offices and services that can be attracted to downtown if adequate support services (parking, eating places, etc.) are available.

##### **Service**

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

#### **1.3.2 Recommendations**

##### **Office**

As additional retail tenants are identified and the retail market improves, offices now located at street level should be encouraged (and assisted as necessary) to move to upper floors and side streets, in order to free up this valuable retail space for its appropriate use. This should in no way be interpreted to mean that offices are not important to downtown...THEY ARE! Remember...office employees are retail customers!

##### **Service**

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

## **2. RETAIL MIX**

### **2.1 Observations**

The downtown business district contains approximately fifteen retail businesses and is fortunate to have several established retail businesses, including motor parts and accessories businesses and a locally owned department store. However, the small total number of retail businesses and lack of regular business hours impacts the ability to draw a sizable number of customers to downtown for shopping.

### **2.2 Recommendations**

New businesses and products of the types identified in this report should be added to the supply. There is room for some additional businesses of the same type, as well as those that carry complementary merchandise and different merchandise.

“Cross-shopping” between stores should be encouraged by businesses simply REFERRING customers to other downtown businesses, whether a competitor or not. A downtown sale, even to your competitor, is better than a sale lost to another shopping area.

**A successful business mix will contain businesses that are:**

Market driven

- Provide products and services that meet local needs

Financially feasible

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

Located appropriately

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

**Successful business recruitment, retention and expansion:**

A business recruitment plan for downtown Fairmont will be provided as a separate report, however the basic steps in the effort are outlined below:

**Retention/expansion**

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

**Recruitment**

- Identify and solicit new business “suspects” that are likely to succeed in your community.
- Conduct a community assessment.
  - Survey local citizens about what products or services they must go outside the downtown or community to purchase.
  - Ask why they may prefer going outside the community, even if those goods and services are available.
- Identify market potential for goods and services in order to add or expand the availability.

- Determine business feasibility for businesses identified.
  - Prepare business plans for each business type.
  - Review with local bankers and business development professionals.
- Prepare a list of similar businesses located in the suburbs, in nearby communities.
- Develop a recruitment package including the information gathered from the community assessment, market data, and business plans.
- Conduct recruitment effort:
  - Letters with market information on
    - available buildings
    - sources of assistance
    - financing options
    - Market Information
  - Follow-up phone calls
  - Personal visits to the prospect by committee
  - Invitations for prospects to visit the community
  - Maintain contact until decision made
  - Assist in establishing the business until open
  - Regular contact to retain

### **3. Real Estate Availability and Condition**

#### **3.1 Observations**

The downtown business district has a building vacancy rate of approximately 45% with ground floor vacancy at around 17%. However, a substantial amount of the “occupied” ground floor space is underutilized and/or used for storage, etc. There is a mix of occupancies with approximately 24 office, service and government related businesses or firms and 15 retail businesses.

Occupied buildings in the downtown are in generally fair to good condition, have average assessed and market values of \$5-10per square foot, rent at reasonable rates (with average rents around \$2-3 per square foot), and most can be up-fitted at reasonable cost (\$30-50 per square foot for a retail building in good condition/ \$50-75 per square foot for a substantial renovation). Development projects based on the above building and renovation costs, market rents and other known local conditions indicate reasonable feasibility, particularly if utilizing historic tax credits. (*see proforma on page 14*).

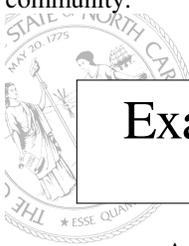
With occupancy around 55% there is potential for growth in the core business district, both ground floor and upper floor development. Vacant buildings should be developed /redeveloped first and new infill construction on vacant parcels to follow. Encroachment on the nearby residential neighborhoods should be avoided.

#### **3.2 Recommendations**

The downtown committee should actively work to identify qualified potential tenants and /or buyers and match them with suitable available properties. It will be important to educate property owners and businesses regarding the relationship between retail sales and rent, and that if rents become too high in relation to retail sales, businesses will struggle to remain viable.

As retail occupancy grows and existing buildings are renovated infill on vacant parcels should be explored. Any new development should be assessed in relation to its economic impact on the core business district,

and any new construction should be carefully designed for compatibility with the character of the downtown community.



## Example Tax Act Project (10 yrs) (Current Market Data)

– Acquisition	\$10.00/sf
– Renovation	\$65.00/sf
– Investment	\$75.00/sf
– Gross Income (rent)	\$ 4.00/sf
– Less Operating Expenses	\$ 1.20/sf
– Net Income	\$ 2.80/sf
– Return on Investment	3.7 %/yr
– Historic Tax Credits	\$ 2.60/sf/10 yrs
– Return on Investment	6.3%/yr/10 yrs



### 4. PHYSICAL ENVIRONMENT AND AMENITIES

#### 4.1 Observations

The physical environment in which a business much function is critical to its success. The design issues relating to this factor are being addressed by the Design Subcommittee. Their recommendations are contained in a companion report to this document. The Town of Fairmont has awarded a contract for the construction of a pocket park on the former site of a movie theater, with construction to be completed in early 2007. Additional streetscape improvements described in the Design Plan will need to be made if downtown Fairmont is to offer an attractive business environment with adequate support facilities.

#### **Parking**

There are approximately 234 off-street parking spaces and 64 on-street spaces downtown, for a total of 298 spaces. Based on a general requirement of 2-3 parking spaces per 1,000 square feet of occupied space, the parking requirement would be between 240-360 spaces. Parking appears to be sufficient for the current level of activity.

#### **Traffic and Circulation**

According to the NCDOT, approximately 4,000 vehicles per day passed through the downtown business district in 2005. Opportunities to attract some additional number of these potential customers to stop in downtown should be explored.

#### 4.2 Recommendations

As in any downtown, it is critical that employees of downtown businesses park in off-street locations, freeing up valuable on-street spaces for customers and visitors to downtown. Information related to off-

street parking availability for downtown employees should be made available to each employer, and each employer should see that his employees are aware of this availability and that employees do not park in on-street spaces which are critical to the success of downtown businesses.

Additional parking may be needed for the future and should be planned now. A parking study should be conducted and potential locations and development costs for new parking should be identified. A desirable footprint for parking lots is 125 feet wide by 200 feet deep, or a minimum of 60 feet of width for each double bay of parking.

Improvements to streetscapes, signage and buildings should be used to create a more attractive environment in order to capture additional business from pass-through vehicles.

## **5. AVAILABILITY OF CAPITAL/FINANCING**

### **5.1 Observations**

Fairmont does not have a downtown development loan pool in place provided by local financial institutions. Local banks have demonstrated a willingness to make qualified loans for downtown projects.

The Town of Fairmont is currently considering a facade loan program available directly to property owners wishing to improve the exterior of their property. The program is being reviewed by the Small Town Main Street Design Subcommittee and recommendations for implementing the program are being formulated

The downtown area has not been designated as a National Register Historic District which would enable property owners of contributing properties who carry out renovation projects certified by the National Park Service to be eligible for a 20% federal tax credit and a 20% state tax credit.

Some owners may have little or no existing debt on their properties, and can realize a benefit from providing owner financing to buyers over a term of years, possibly deferring some capital gains taxes. This is an excellent benefit for both buyers and sellers, and should be aggressively pursued as an option.

### **5.2 Recommendations**

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

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

The establishment of a historic district should be pursued and a special information package should be produced outlining the benefits and uses of the State and Federal Historic Tax Credits.

## **6. BUSINESS AND DEVELOPMENT ASSISTANCE**

### **6.1 Observations**

Business decisions must be based on complete and factual information. There is a volunteer organization charged with downtown revitalization but there is incomplete information on the downtown market available and no one source offers a "one-stop" approach to the needs of either the business or development

sector.

## **6.2 Recommendations**

Downtown organizations are formed for the specific purpose of providing for the needs of the downtown area in their communities. Although they must thoroughly understand and appreciate the economic conditions of the area at large, by the narrowness of their purpose they are not distracted by the need to provide economic development activities and other services to those areas. The NC Small Town Main Street Program helps provide the information and serve as the source for assistance in participating communities, and will provide that assistance in Fairmont during the next 2-3 years.

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

# **APPENDIX**

SIX FACTORS OF ECONOMIC RESTRUCTURING®			DOWNTOWN	MARKET ASSESSMENT		(SEE INSTRUCTIONS)			
CITY	Fairmont	STATE	NC	ZIP CODE	28340	BY:	ER Subcommittee		
© 2006	Used Only By Permission	DATE:	Dec-06	RADIUS	.15, 1.5, 5 miles	SOURCES	ESRI®, NC Commerce. ER Subcommittee		
<b>(1) Available Downtown Property Inventory</b>			<b>(Use separate form for each available property)</b>				<b>Totals</b>		
a	Address			Owner		Listed By		Vac. Bldgs	
b	No. Floors					Phone		Vac. SF	X
c	Size/SF	1st Floor		2nd Floor		3rd Floor +		Vac. %	X
d	Occupied SF	1st Floor		2nd Floor		3rd Floor +			
e	Use (Ret,Off,Res,M)	1st Floor		2nd Floor		3rd Floor +			
f	Tax Parcel Number		Tax Value		Tax Rate	City	County		
g	Availability (circle)	Sale	Lease	Unk					
h	Sale Price								
i	Lease Price/SF	1st Floor		2nd Floor		3rd Floor +			
j	Condition (E,G,F,P)	1st Floor		2nd Floor		3rd Floor +			
<b>(2) Average Sale Price per SF (from local realtor, etc.)</b>			Downtown	Suburban					
k	Building and Land		\$5-10						
l	Land Only								
<b>(3) Average Rent per SF (from local realtor, owner)</b>			Downtown	Suburban					
m	Retail		\$3.00						
n	Office		\$3.00						
o	Residential								
p	Other								
<b>(4) Renovation Cost per SF (from local contractor)</b>			Downtown	Suburban					
q	Retail		\$50-75						
r	Office		\$50-75						
s	Residential		\$65-75						
<b>(5) New Construction Cost per SF (from local contractor)</b>			Downtown	Suburban					
t	Retail		\$65-100						
u	Office		\$65-100						
v	Residential		\$75-100						
<b>(6) Market By Use (Downtown Only)</b>			Number	Total SF	Sales/SF	Employees/residents			
w	Retail*	15	49,200	X	57	**total from section 7 below			
x	Office (pvt)	7	11,350	X	12				
y	Gov't/Institutional	8	53,200	X	72				
z	Residential		X	X	50				
aa	Service/other	9	16,000	X	159				
bb	Vacant Upper Floor		67,748	X	X				
cc	Vacan Ground Floor		39,620	X	X				
dd	TOTAL		237,118	X	350				
<b>(7) Market by Retail NAICS (Downtown only)</b>			Number	Total SF	Sales/SF	Employees/residents			
ee	441 Motor Vehicle and Parts Dealers	2	X	X	X				
ff	442 Furniture and Home Furnishings	1	X	X	X				
gg	443 Electronics and Appliances		X	X	X				
hh	444 Bldg Materials, Garden Equip	1	X	X	X				
ii	445 Food and Beverage/Groceries	1	X	X	X				
jj	446 Health, Drug and Personal Care	2	X	X	X				
kk	447 Gasoline Stations/Conv. Stores		X	X	X				
ll	448 Clothing and Accessories	2	X	X	X				
mm	451 Sporting Goods, Books, Music		X	X	X				
nn	452 Gen. Merchandise/Dept. Stores	1	X	X	X				
oo	453 Florists/Off. Supply/Gifts/Used/Mis	4	X	X	X				
pp	454 Non-Store Retailers		X	X	X				
qq	722 Food Services/Drinking Places	1	X	X	X				
<b>(8) Market Demographics (By Main Street)</b>			CBD	1.5 Miles	5 Miles	Zip Code	County		
rr	Retail Sales	\$9,795,346	X	\$44,513,273	\$55,701,499	X	X		
ss	Retail Potential	\$469,567	X	\$21,206,320	\$64,273,084	X	X		
tt	Population	50	X	3,279	9,683	X	X		
uu	Per Capita Income	\$14,600	X	\$13,810	\$14,652	X	X		
<b>(9) Physical Environment (Downtown Only)</b>			Number/type	(Describe in space beside blank)					
vv	Parking/on-street (No. Spaces)	64	Public						
ww	Parking/off-street (No. Spaces)	234	Public and Private						
xx	Public Space/parks (No.)	1	Describe	Pocket Park underway					
yy	Pub/Street/SW Improvements (No.)		Describe						
zz	1-way Streets		No						
aaa	Downtown (Business) Historic District		No						
<b>(10) Available Financing</b>			Type	Source	Interest	Amortization/term	Other	LTV	
bbb	Conventional/Banks, etc.	RE/Bus	Bank	P+				80%	
ccc	Special								
<b>(11) Business Assistance</b>			TA	Type	Consult	Provided By:	STMS		

AREA/MILES FAIRMONT, NC		5.00 December-06	DOWNTOWN POTENTIAL		
NAICS	BUSINESS TYPE	LEAKAGE/SURPLUS	Est. Capture	Sales/SF	SF
		Retail Sales	20.00%	\$125	
	4412 Other Motor Vehicles	-\$847,473	\$169,495	\$125	1,356
	4413 Auto Parts/Access/Tires	-\$487,171	\$97,434	\$125	779
	4422 Home Furnishings	-\$119,024	\$23,805	\$125	190
	4442 Lawn and Garden Equip/Supply	-\$369,559	\$73,912	\$125	591
447/4471	Gasoline Stations/Convenience	-\$203,376	\$40,675	\$125	325
	4481 Clothing Stores	-\$368,016	\$73,603	\$125	589
	4482 Shoe Stores	-\$207,922	\$41,584	\$125	333
	4483 Jewelry/Luggage/Leather	-\$156,366	\$31,273	\$125	250
	4521 Department Stores	-\$829,600	\$165,920	\$125	1,327
	4521 Other General Merchandise	-\$802,706	\$160,541	\$125	1,284
	4532 Office Supplies/Stationery/Gifts	-\$479,093	\$95,819	\$125	767
	4533 Used Merchandise	-\$79,459	\$15,892	\$125	127
	7221 Full Service Restaurants	-\$2,255,836	\$451,167	\$125	3,609
	7222 Limited Service Eating Places	-\$2,538,181	\$507,636	\$125	4,061
	7223 Special Food Services	-\$1,095,142	\$219,028	\$125	1,752
	7224 Drinking Places/Alcohol	-\$437,192	\$87,438	\$125	700
	<b>TOTAL</b>	<b>-\$11,276,116</b>	<b>\$2,255,223</b>		<b>18,042</b>
SOURCE:		NC Department of Commerce NC Department of Revenue ESRIBIS© US Census of Retail Trade US Consumer Expenditure Survey NCDCA			

NOTE: Negative Numbers in Leakage Column = Retail Potential for Un-captured Expenditures

CONSUMER SURVEY	TOWN	Fairmont	Nov-06	28340
DOWNTOWN BUSINESS DISTRICT			TOTAL RESPONSES	79

Nb.	%	Nb.	%	Nb.	%
-----	---	-----	---	-----	---

**How often do you shop in the downtown business district?**

Daily	9	11%
At least weekly	13	16%
At least monthly	7	9%
Sometimes	23	29%

**What is the Main reason you visit the downtown business district?**

Shopping	20	25%
Banking	14	18%
Working	16	20%
Eating	2	3%
Personal Business	11	14%
Other	11	14%

**What Other things do you do downtown?**

Shopping	26	33%
Banking	34	43%
Eating	31	39%
Personal Business	26	33%
Other	6	8%

**Where do you do most of your shopping?**

Downtown	15	19%
Local Shopping Center	21	27%
Nearby Town	35	44%

**How would you rate the following about downtown?**

	GOOD	FAIR	POOR
Parking	35 44%	25 32%	8 10%
Friendliness of salespeople	48 61%	20 25%	0%
Price of merchandise	18 23%	42 53%	3 4%
Variety of goods	15 19%	34 43%	16 20%
Quality of goods	28 35%	36 46%	2 3%
Attractiveness of area	12 15%	36 46%	15 19%
Attractiveness of buildings	10 13%	28 35%	28 35%
Business hours	38 48%	23 29%	7 9%
Safety	26 33%	33 42%	6 8%

How important are the following to improving the downtown area	VERY	SOMEWHAT	NOT
Historic Character	21 27%	33 42%	2 3%
Cleanliness and maintenance	42 53%	14 18%	0%
Focus on local customers	41 52%	15 19%	0%
Patronize local businesses	41 52%	12 15%	0%
Improve tourism	25 32%	25 32%	3 4%
More special events/ferstivals	31 39%	24 30%	2 3%
More jobs for locals	50 63%	10 13%	2 3%
Customer service	38 48%	15 19%	2 3%
Public improvements,streets, sidewalks, etc.	43 54%	13 16%	1 1%
More advertising	33 42%	20 25%	1 1%
Regular, convenient business hours	35 44%	18 23%	1 1%
Safety	41 52%	14 18%	0%

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

Restaurant	17	Sandwich/coffee	1	youth	1
Nails	3	Hardware	1	Christ. Books	1
Clothing/SI	15	Dept/Variety	8	jewelry	1
Shoes	7	Bar	1		

**Where do you live?**

In town	9 11%
Between 1-3 miles	12 15%
Between 3-5 miles	19 24%
Between 5-10 miles	18 23%
Other	6 8%

**What is your Zip Code?**

28438	2 3%
28375	2 3%
28340	17 22%
28358	3 4%
28383	2 3%
28360	1 1%
28369	1 1%
28372	1 1%

**How do you find out about local businesses, shopping, etc.?**

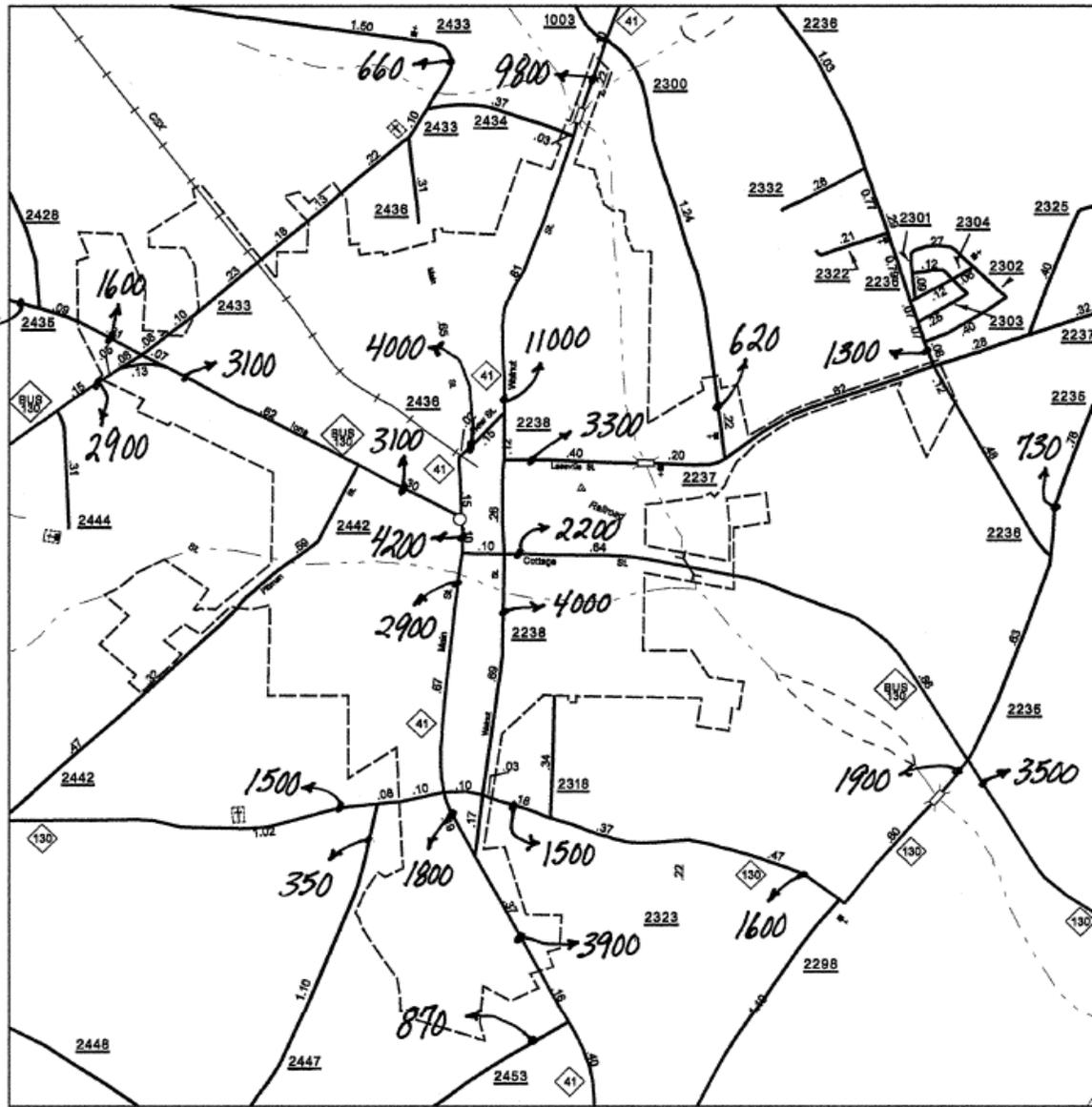
Local Newspaper	20 25%
Other newspaper	0%
TV	3 4%
Radio	12 15%
Direct Mail	8 10%
Word of mouth	43 54%
Other	3 4%

**Respondent is**

Male	30 38%
Female	31 39%

**Respondent's age is**

15-19	0%
19-25	4 5%
25-35	7 9%
35-50	28 35%
Over 50	26 33%



Fairmont  
Pop. 2,852

**FAIRMONT TRAFFIC COUNTS**  
**NCDOT**  
**2005**