Macon Downtown Retail Analysis

Findings and Recommendations

August, 2018

Ninigret | Partners

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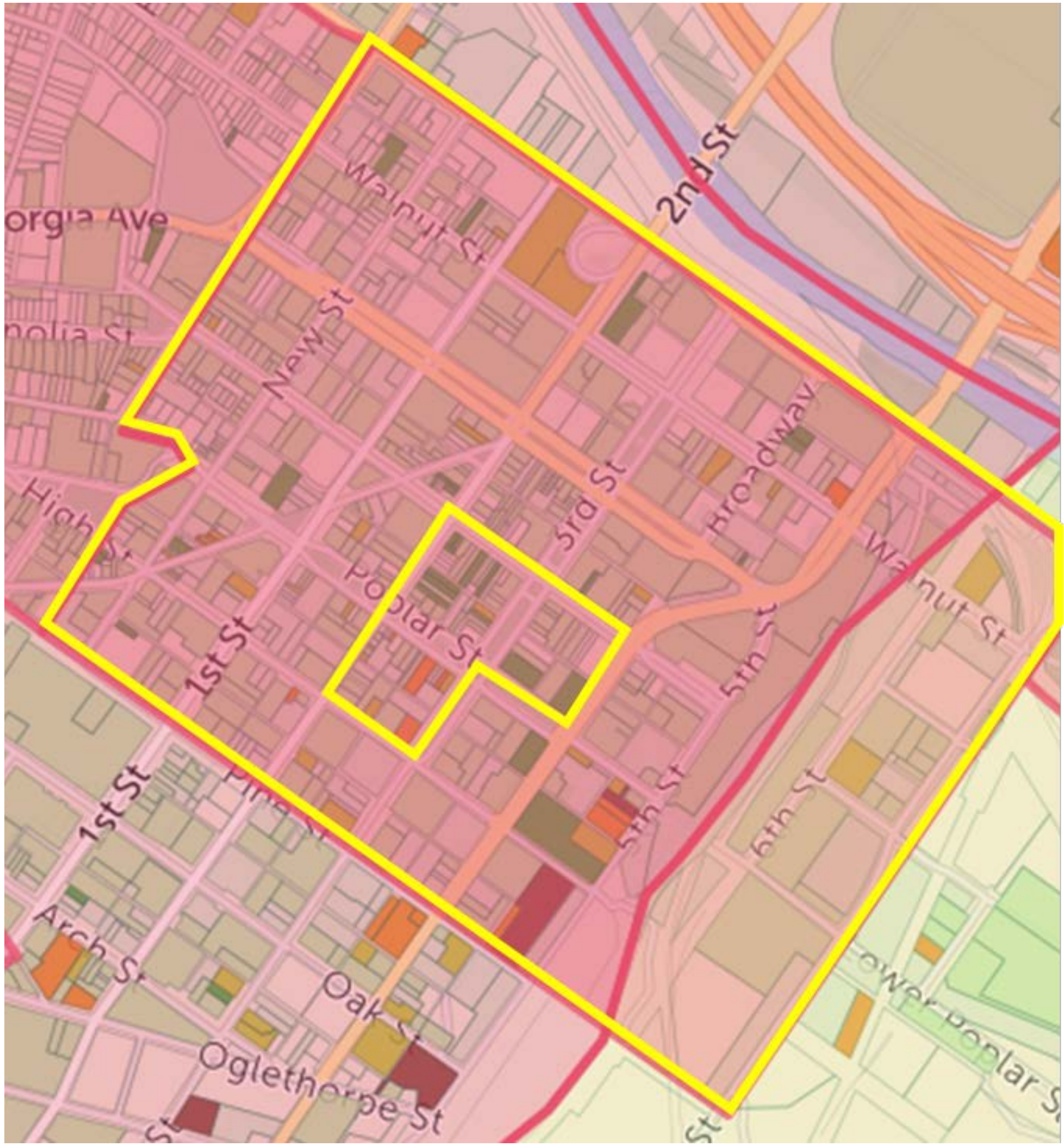
Study Area

Three geographies:

- Urban Redevelopment Area
- “Intown” neighborhood or closest approximation
- 3-block target area



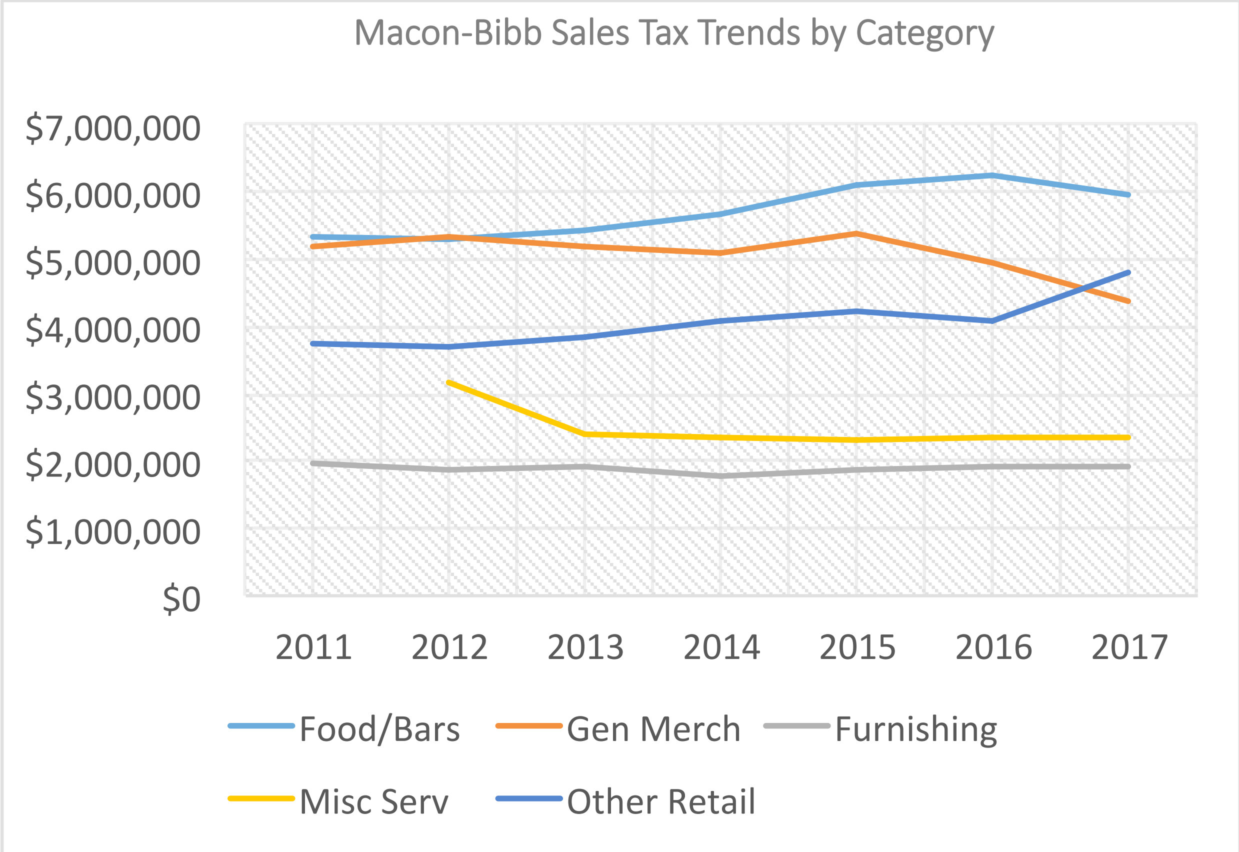
What’s Happening With Retail in Macon-Bibb?

Sales Tax Revenues, Macon-Bibb County

The county generated $38m in sales tax revenue in 2017. Top sectors are food/bars (21% revenues), other retail (17%) and general merchandise (15%) – which accounted for over 50% total revenues for county. Based on sales tax collection, this implies spending levels of:

- $198m: food/bar sales
- $146m: general retail (excluding furniture)
- $159m: misc retail
- $75m: misc services

While food/bars sales have been increasing, they took a downward turn in the last year. General merchandise is also on a downward trend, while other retail has seen an increase.



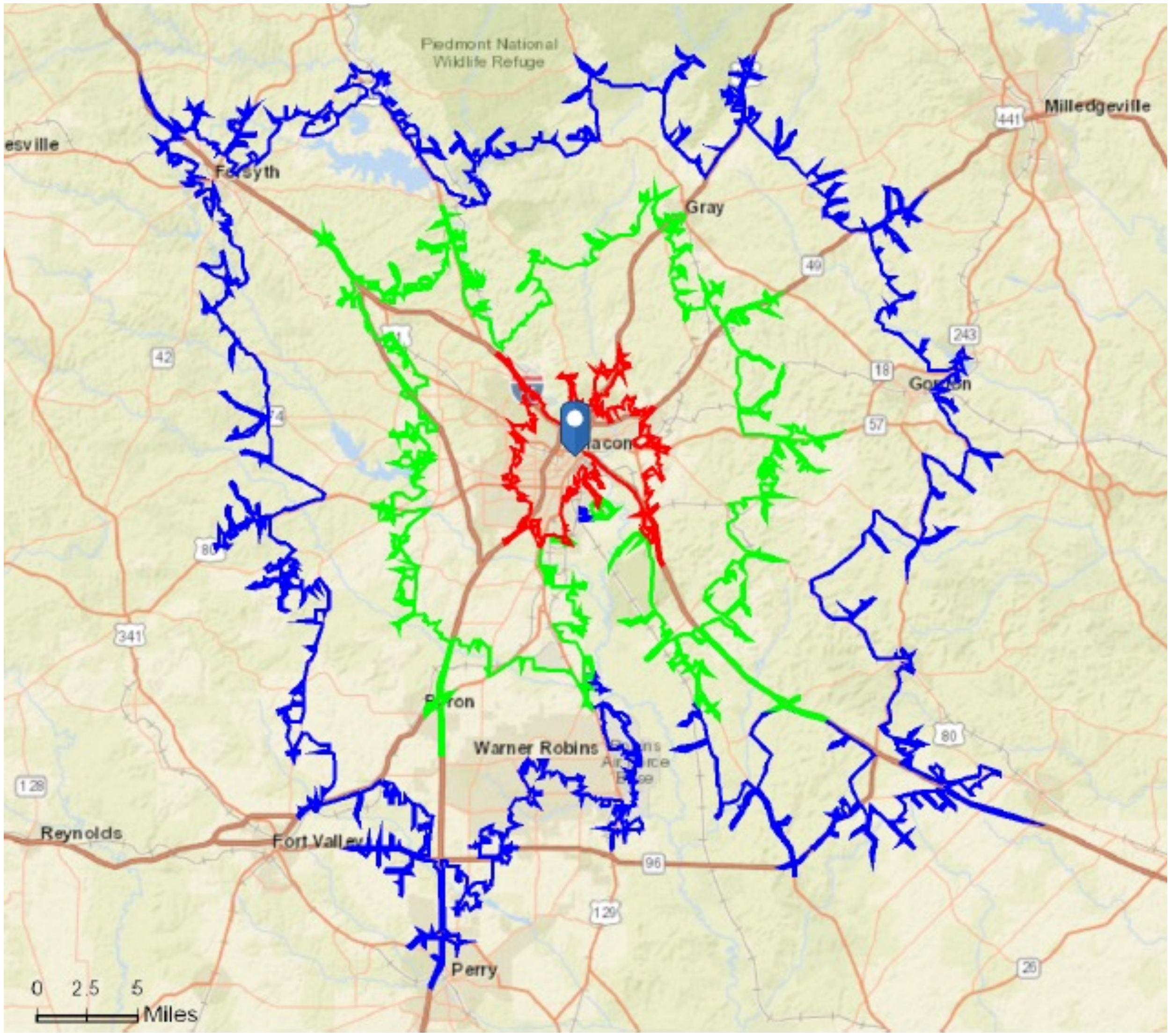
Retail Sales Gap: Drive Time Market

Sales Gap analysis looks at the difference between estimated consumer spending capacity versus estimated retail sales.
C
onsumer spending estimates are derived based on spending data from federal Consumer Spending Surveys. Retail sales are based on merchant surveys, D&B reports, and credit card sample data.

Drive time estimates are typically preferred over mileage for use in these analyses because they more closely reflect consumer behavior and a market draw.

The table below shows the estimated sales gap / surplus. A negative number shows there is a surplus of sales capacity versus demand. This has two potential implications:

- Macon Bibb is destination for Middle Georgia.
- Macon-Bibb is over-retailed for its own market and as retail grows outside Macon-Bibb, Macon-Bibb will likely lose market share.



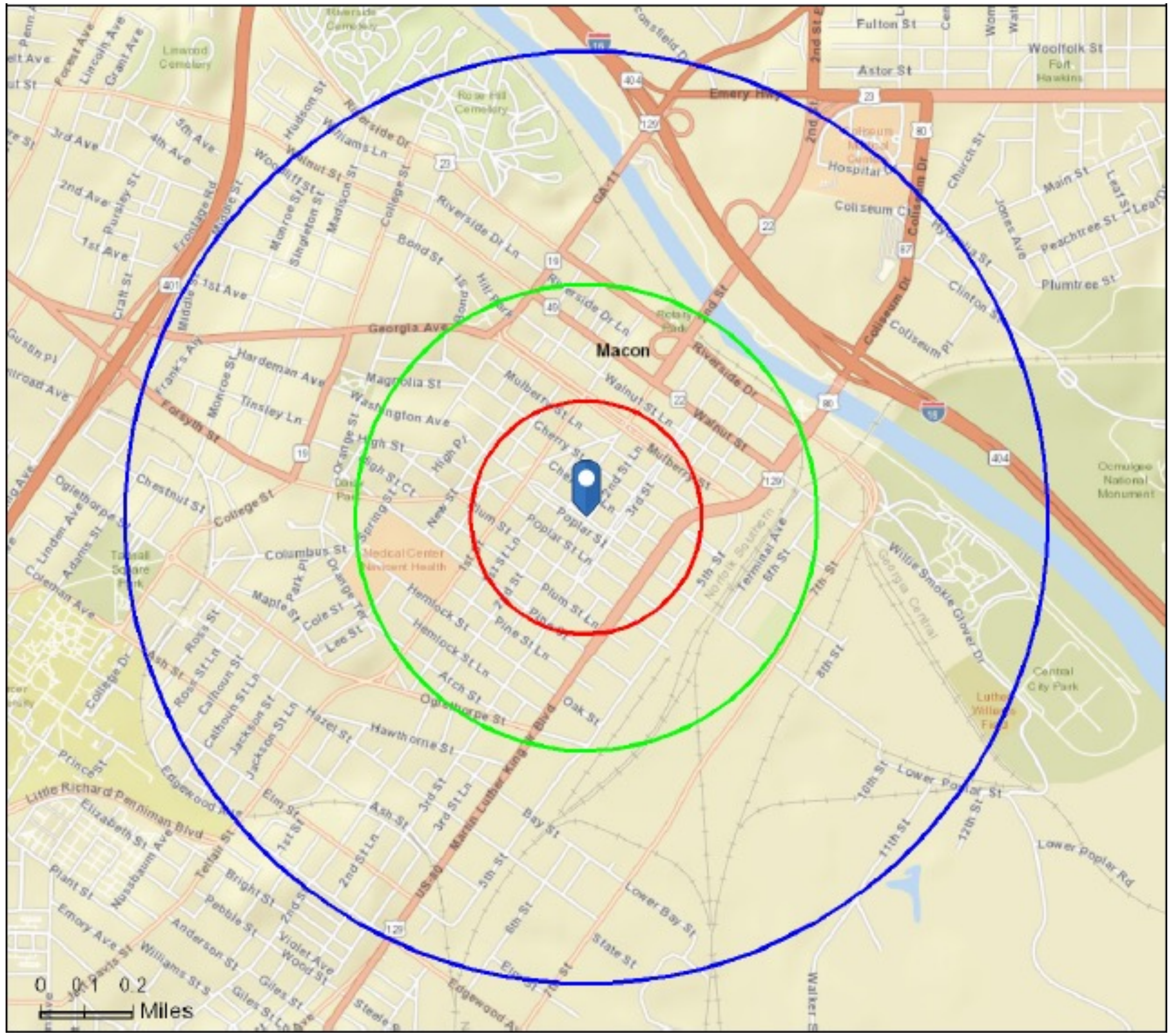
Store Type	10 Min	20 Min	30 Min
Furniture & Home Furnishings Stores	($60,464,313)	($76,052,979)	($66,473,433)
Electronics & Appliance Stores	($2,389,917)	($46,126,843)	($46,126,843)
Food & Beverage Stores	($93,081,292)	($124,326,389)	($124,326,389)
Clothing & Clothing Accessories Stores	($1,075,727)	($48,218,129)	($48,218,129)
Sporting Goods, Hobby, Book & Music Stores	($7,531,687)	($30,913,839)	($29,965,887)
General Merchandise Stores	$11,094,387	($173,739,912)	($264,258,657)
Miscellaneous Store Retailers	($15,350,379)	($32,403,784)	($32,403,784)
Food Services & Drinking Places	($47,368,402)	($110,666,963)	($110,666,963)

Source: NP analysis; ESRI Retail MarketPlace Profile

Retail Sales Gap: Downtown Walkshed Market

Like Macon-Bibb, overall downtown retail spending exceeds the local resident population spending capacity. This demonstrates that downtown Macon is a destination, drawing people from a across the region.

How does downtown serve the needs of the employees working there?



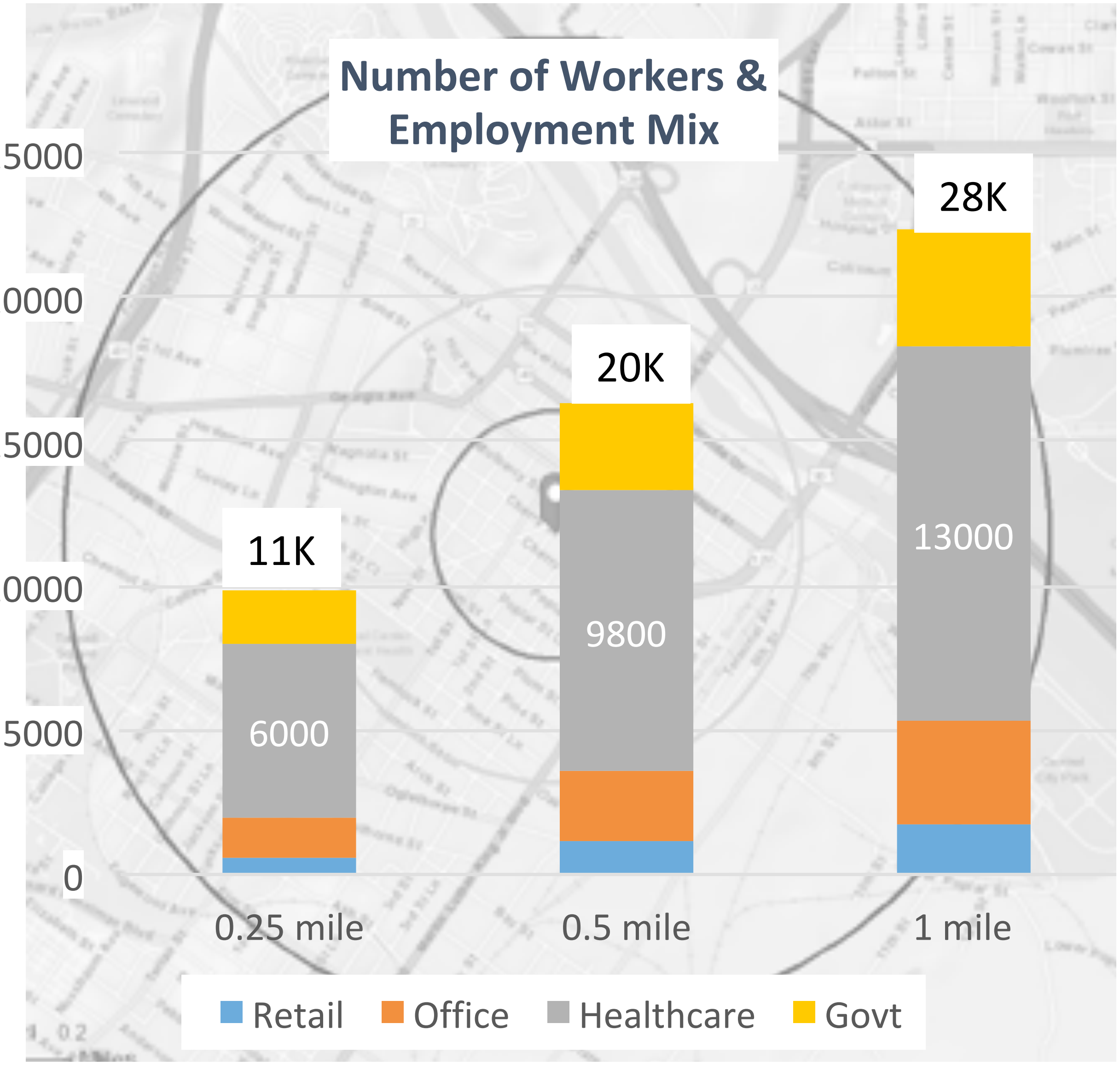
Store Type	.25 Mile	.5 Mile	1 Mile
Furniture & Home Furnishings Stores	($5,387,735)	($19,555,192)	($28,358,107)
Electronics & Appliance Stores	($1,138,558)	($1,939,911)	($1,508,828)
Food & Beverage Stores	($1,671,990)	($2,571,492)	$2,154,400
Clothing & Clothing Accessories Stores	($4,085,940)	($8,982,470)	($10,052,698)
Sporting Goods, Hobby, Book & Music Stores	($76,295)	$25,806	$872,618
General Merchandise Stores	($2,700,918)	($4,158,473)	$385,652
Miscellaneous Store Retailers	($2,731,461)	($5,816,551)	($6,528,914)
Food Services & Drinking Places	($8,206,859)	($17,310,559)	($19,853,650)

Source: NP analysis; ESRI Retail MarketPlace Profile

Retail Potential: Downtown Workers Walkshed

Despite high ”downtown” employment numbers, (nearly 20k workers within ½ mile of downtown), the high concentration of healthcare workers limits the available pool of workers who are customers due to factors such as limited lunch times, subsidized cafeterias and their work attire. Another 2,000 employees work in the retail and support industries. Only about 5,000 employees are “office workers”. Expanding out another ½ mile adds another 8,000 employees, but only 2,000 more office workers.

Based on this data and ICSC survey data on downtown worker spending, an estimated $10m in potential lunch and after-work related spending may exist. Based on our immersion time data and interviews – “after 5”, rather than lunch, is a main driver of any worker-based spend.



Source: NP analysis, ESRI Retail MarketPlace Profile

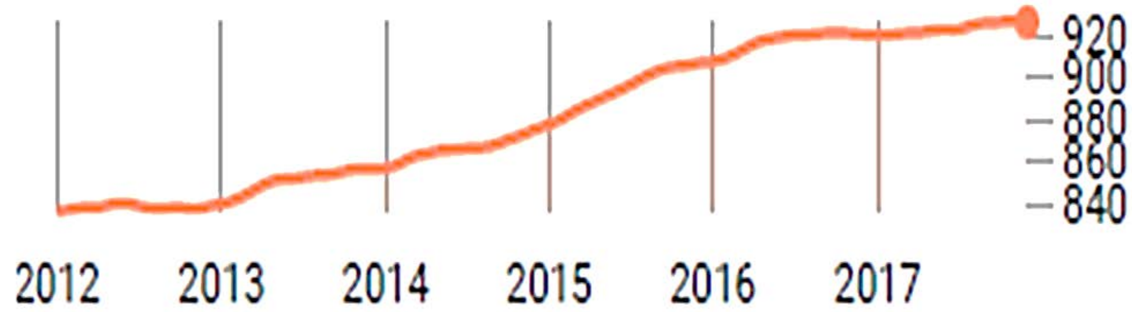
Retail Health: Eating Establishment Trends

MasterCard data was obtained to understand spending trends. MasterCard data includes credit and debit cards. While a number of merchants said that MasterCard was not a major source of payment the MasterCard did correspond to findings about the market from our interviews. MasterCard numbers are on a scale from 1 to 1,000, with 1,000 being highest. 500 means performing at average.

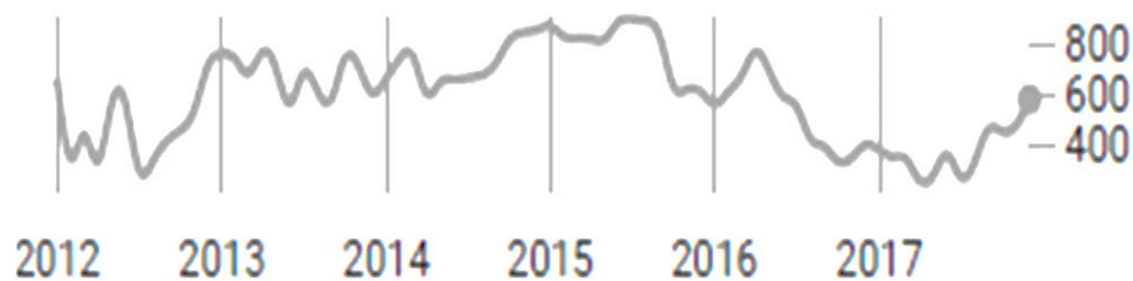
Two key findings:

- As more dining options grow in downtown, the overall market also grows. However, for existing businesses, this is not necessarily translating into sales growth.
- This suggests that dining capacity is growing faster than the demand.

Total Downtown Market



Same Store

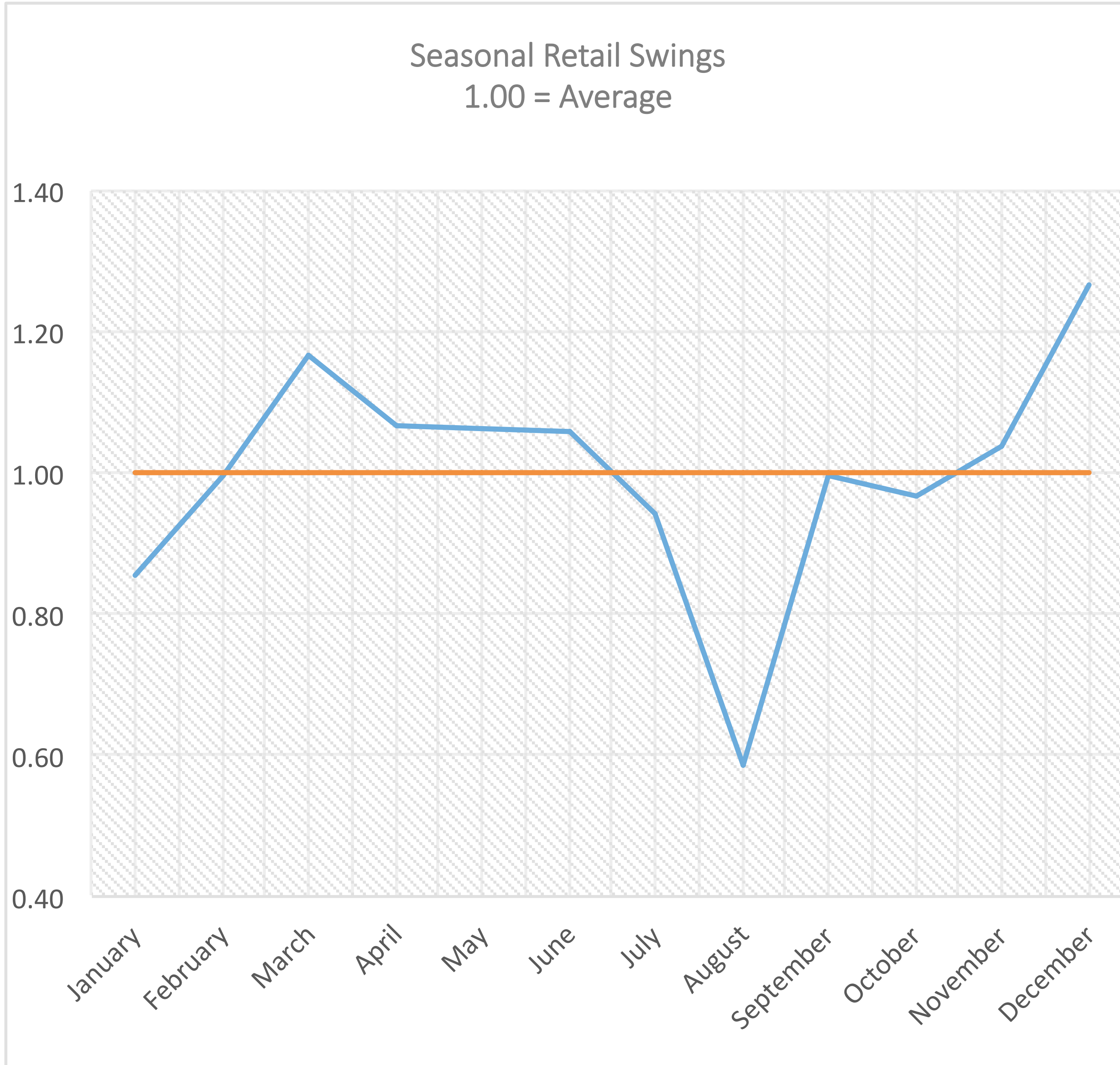


Source: MasterCard Retail Location Insights, Census Block Group 1, Macon

Seasonality of Sales

A core issue for the downtown is the high degree of seasonality, a common characteristic of retail environments. Our interviews suggested that, for a number of merchants and restaurants, July and August sales are anywhere from ½ to 1/3 of average monthly sales.

It was noted "If you have a bad month in the spring or fall, you are going to have a bad year."

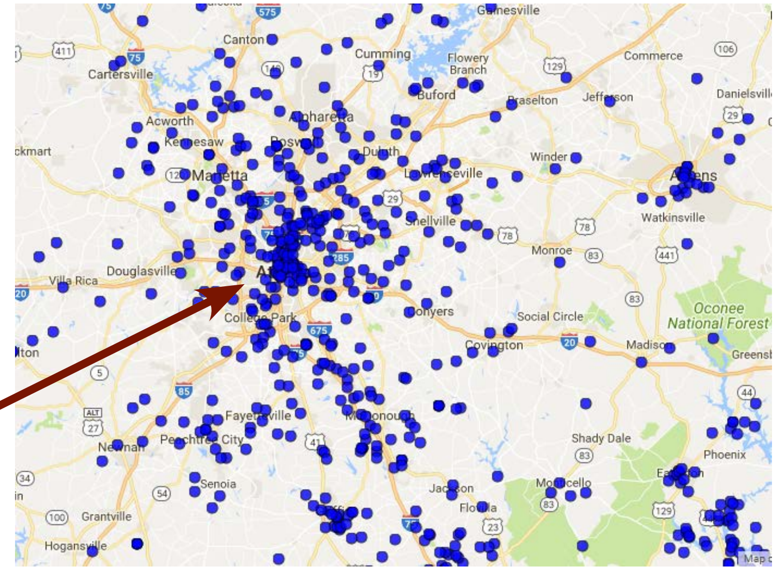


Who's Visiting Downtown?

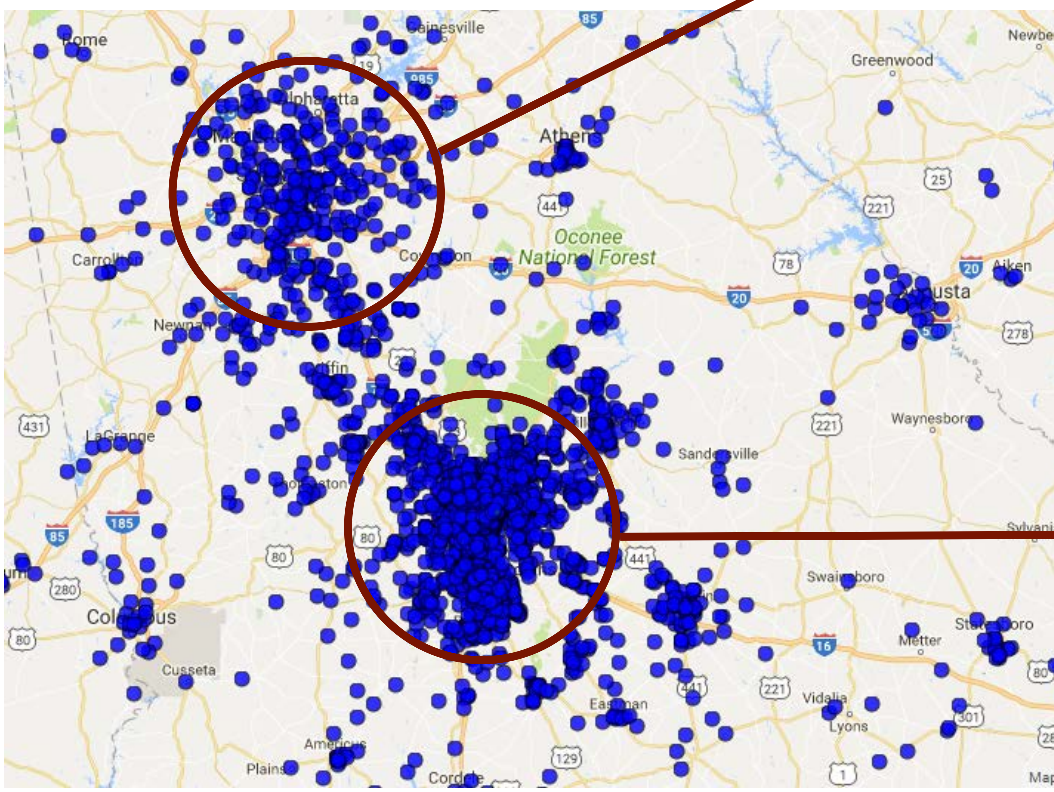
Common Evening Location of Visitors, Target Area

Cellphone data was used to help identify visitors to downtown Macon. NP used evening location of cellphone visitors who had been in the downtown during the day as the proxy for visitors. Based on this analysis, Macon does draw from the Atlanta area and also has a substantial draw from the Warner Robins area.

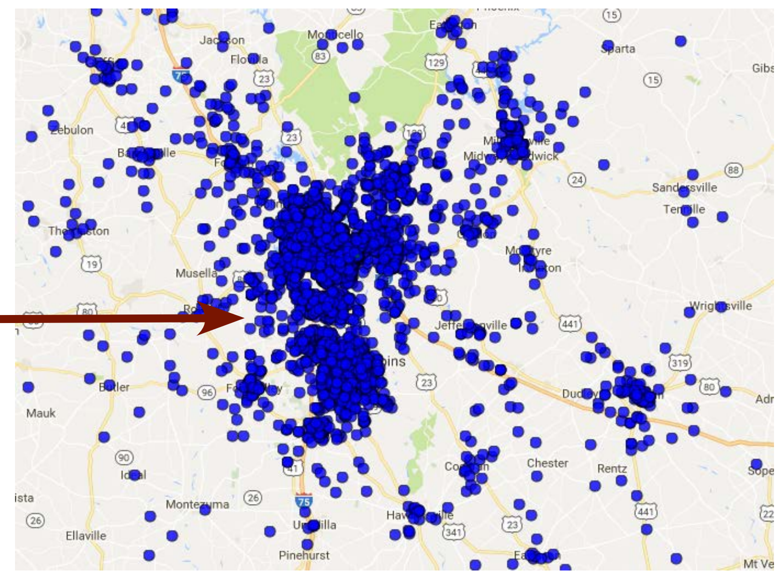
Atlanta Area



Past 9 Months - All Visits



Macon Area

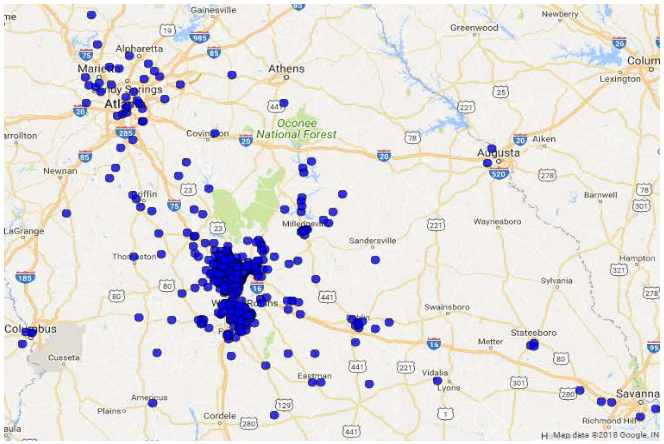


Source: NP analysis of UberMedia Vista

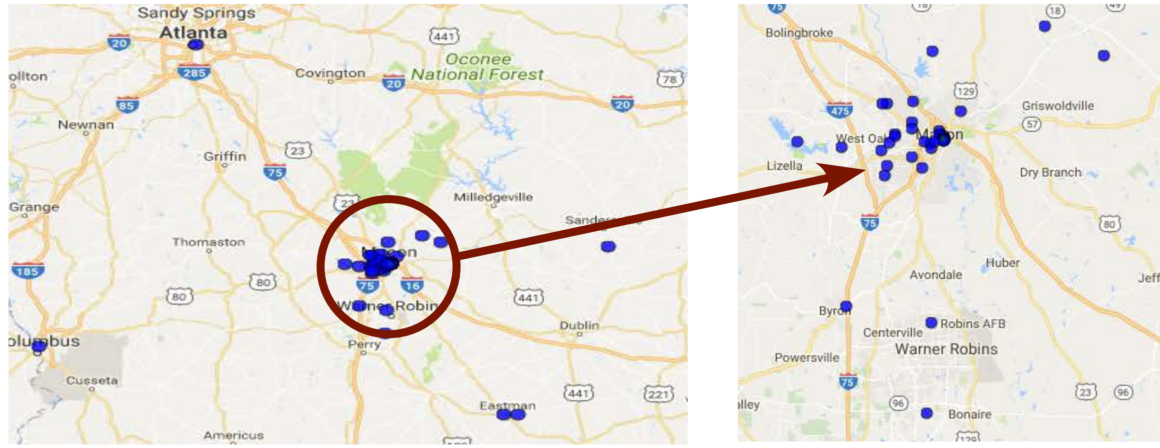
Common Evening Location of Visitors, 1-month snapshots

NP examined June and October 1-month visitor patterns to understand the visitation profile, both with and without college student data. NP also looked at 10+ visits (the most available through this data source) to try and identify commuters. Two key observations emerge:

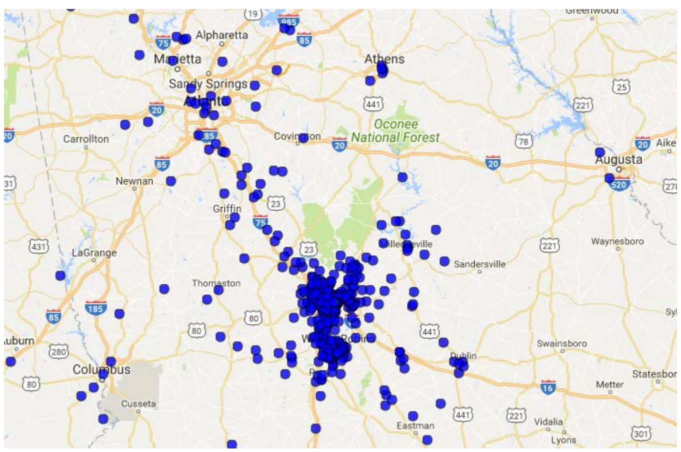
- The patterns of visitors roughly reflect the geographic spread of the annual data. T
- The 10+ repeat visitor range is concentrated in and around Macon-Bibb.



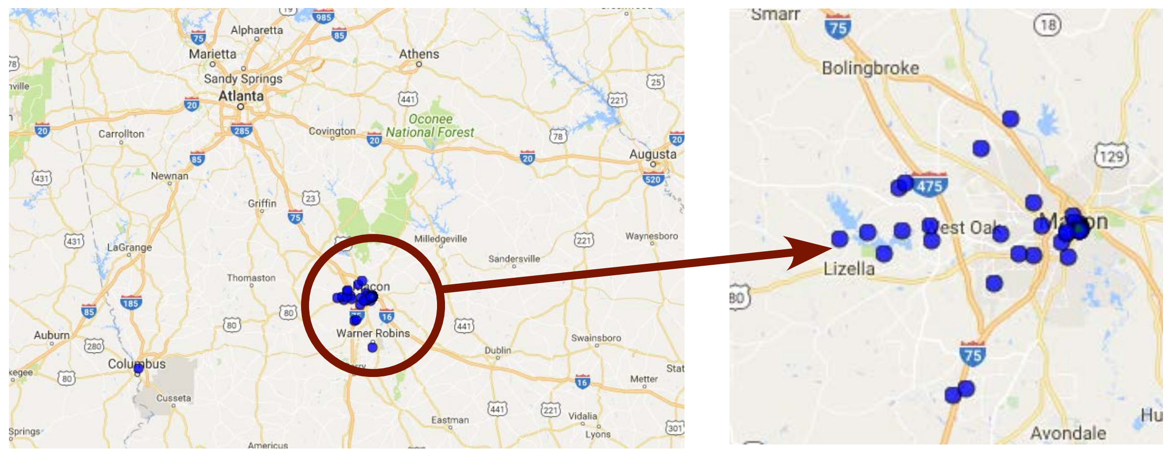
All visits, June 2017



10+ visits, June 2017



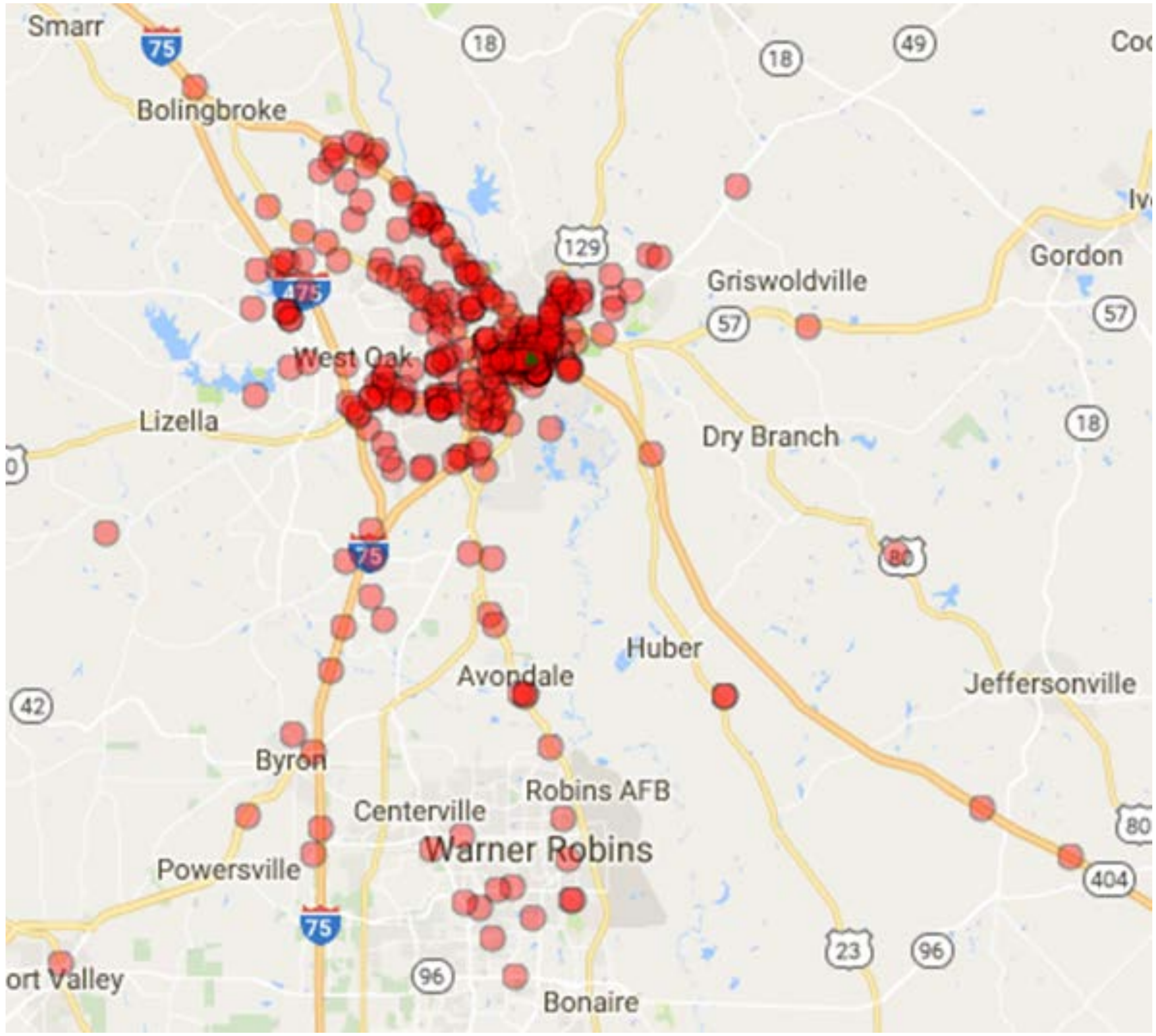
All visits, October 2017



10+ visits, October 2017

Path to Purchase: June 2017

Path to Purchase measures where a person was 2 hours before arriving in downtown. A one month snapshot was used after college students have left Macon, but before the summer downswing takes full effect. What this data shows is that the vast majority of visitors (as expected) are coming from the greater Macon-Bibb area.



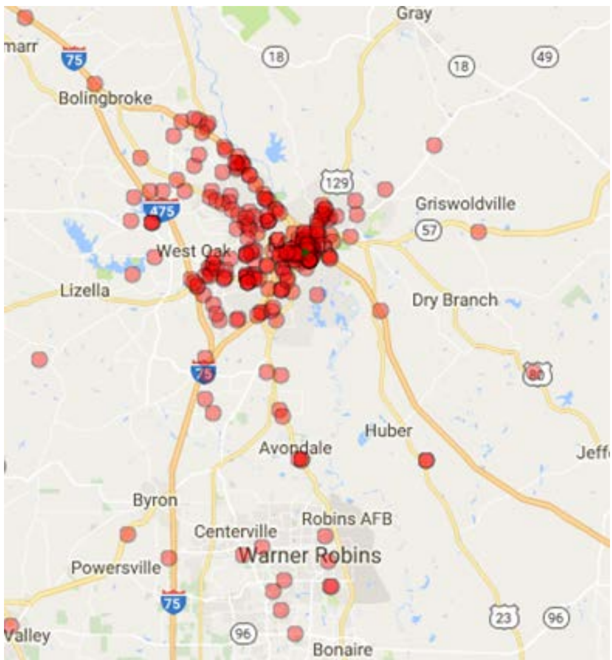
Source: NP analysis UberMedia Vista data

Path to Purchase: Key Weekpart / Daypart June 2017

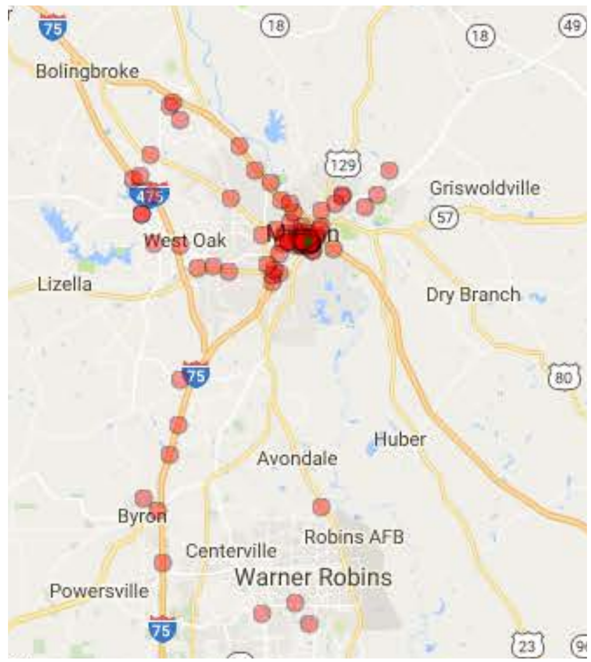
NP also looked at Path to Purchase by weekpart and the dinner time daypart. Again, NP looked at a time when college students were out of school as a way to measure the non-college student market.

The weekday analysis shows a reach from across the greater Macon area. Based on the dot intensity, weekday activity appears higher than weekend activity. That is not surprising, given Macon serves as the business and healthcare center of Middle Georgia. It is also suggestive of an opportunity to increase weekend activity.

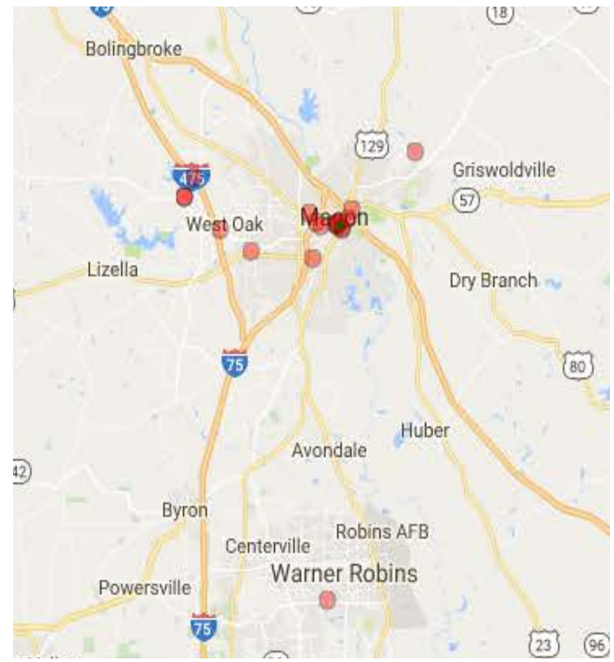
The dinner daypart (which encompasses weekday and weekend) Path to Purchase is the most interesting, suggesting that the largest customer base is a combination of people who already live proximate to downtown and of people who work downtown staying into the dinner time hours.



Weekday



Weekend



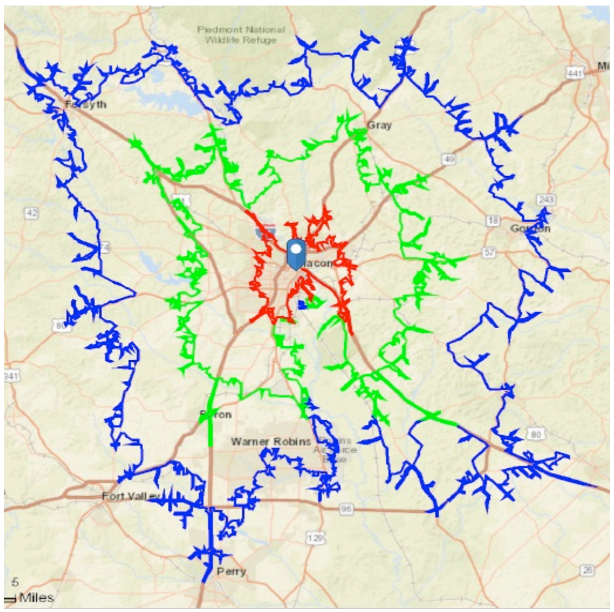
Dinner (5-8)

Trade Area Analysis

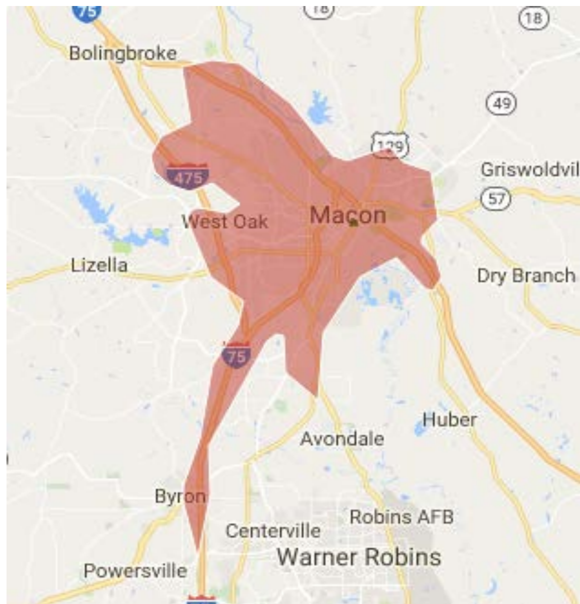
Trade area is the geographic draw for the customer base. Drivetime is the commonly used framework for understanding market reach. To refine the trade area beyond the drivetime base, NP utilized the credit card zip code data coupled with the cell phone data to help identify the trade area for the focus of a marketing campaign for downtown. “Optimal geospace” represents the predominant customer draw area, based on cellphone user location data.

Drive Time Radius

10, 20 & 30 minute drive times

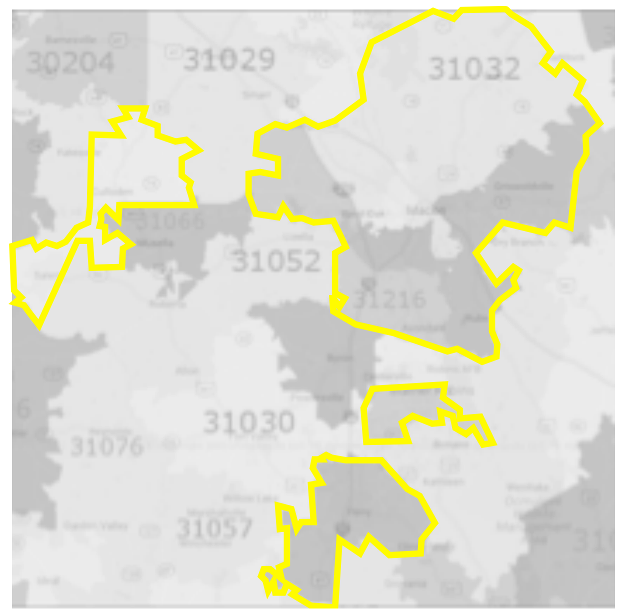


Cellphone Derived “Optimal Geospace”



MasterCard Spending

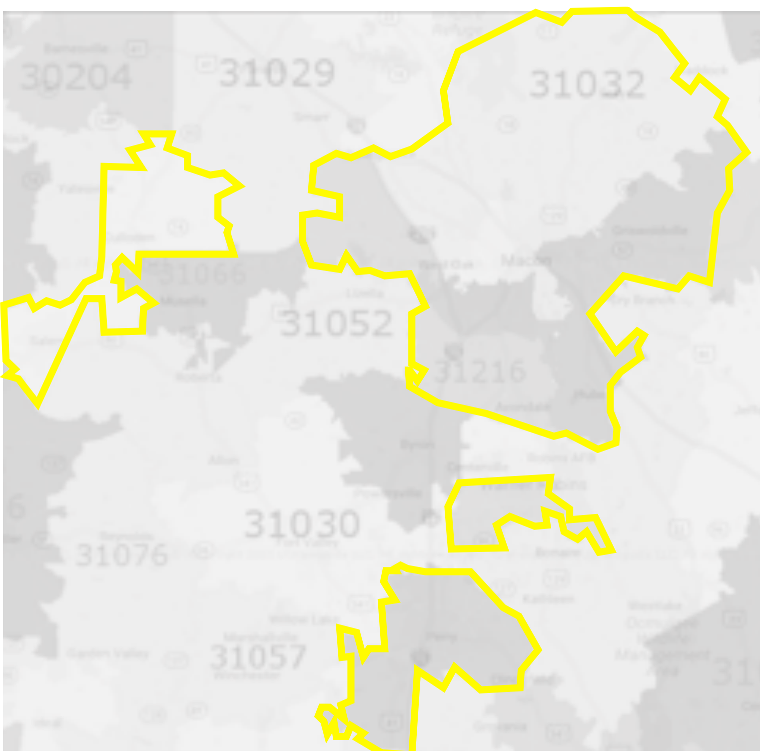
Top spending zip codes



Source: UberMedia Vista, Proprietary Algorithm

Trade Area Summary for MasterCard Spending, Top Zip Codes

Several of these zip codes have up to a 1/3 of their population with incomes over $100k, suggesting a relatively affluent customer base for downtown Macon.



ZIP CODE	PO NAME	STATE	SALES	TRANSACTIONS	MED INCOME	MED AGE
31210	Macon	GA	16%	12%	$62k	37
31069	Perry	GA	11%	2%	$53k	39
31204	Macon	GA	9%	8%	$27k	38
31032	Gray	GA	4%	2%	$59k	40
31088	Warner Robins	GA	3%	5%	$58k	34
31216	Macon	GA	3%	3%	$62k	40
31211	Macon	GA	3%	3%	$38k	38
31220	Macon	GA	2%	4%	$60k	38
31061	Milledgeville	GA	2%	2%	$32k	34
31217	Macon	GA	2%	3%	$32k	38

		% Households by Income						
ZipCode	Place	<$25k	$25-35k	$35-50k	$50-75k	$75-110k	$100-150k	$150k+
31210	Macon	16.5	9.8	13.0	16.2	11.5	15.8	17.0
31069	Perry	20.5	8.5	14.8	23.0	12.5	13.1	9.5
31204	Macon	44.5	12.5	11.0	14.0	6.5	6.5	4.0
31032	Gray	17.0	9.5	11.8	18.1	15.0	18.1	9.8
31088	Warner Robbins	18.5	9.0	16.5	22.3	13.5	14.3	8.0
31216	Macon	17.3	10.1	11.8	18.1	16.1	18.0	7.8
31211	Macon	34.0	10.0	15.3	15.0	10.3	9.5	5.1
31220	Macon	14.0	8.5	16.5	22.5	15.3	14.9	9.3
31061	Milledgeville	39.0	10.3	11.0	14.5	10.0	10.0	4.5
31217	Macon	36.5	14.0	15.5	14.5	7.0	7.5	4.0

Source: MasterCard Retail Location Insights, Census Block Group 1, Macon

Macon Downtown Market Segments

Psychographic analysis creates market segments based on household purchasing behavior, media consumption, and survey data. Psychographic categories through these sources can be very granular, which can be informative but also confusing due to overlap.

NP prepared a psychographic analysis for downtown Macon based on zip codes and Path to Purchase areas from cell phone data. There are several major sources of psychographic information. For this analysis NP used the Nielsen PRIZM system.

The findings suggest that downtown Macon enjoys segments that reach across incomes and life stages. One item of note is the high percentage of family segments, which could inform the creation of additional family oriented programming.

Downtown Macon Customers
Key Zip Codes Most Common Segments

The most common segments for ZIP Code 31210 Macon, GA are:

05 Country Squires
Wealthy Middle Age Family Mix


09 Big Fish, Small Pond
Upscale Mature Mostly w/o Kids


29 White Picket Fences
Midscale Younger Family Mix


32 Traditional Times
Upper Mid(Scale) Mature w/o Kids


60 Small-Town Collegiates
Downscale Middle Age Family Mix


The most common segments for ZIP Code 31069 Perry, GA are:

29 White Picket Fences
Midscale Younger Family Mix


38 Hometown Retired
Midscale Older Mostly w/o Kids


44 Country Strong
Lower Mid(Scale) Middle Age Family Mix


51 Campers & Camo
Downscale Middle Age Family Mix


58 Golden Ponds
Downscale Older Mostly w/o Kids


The most common segments for ZIP Code 31204 Macon, GA are:

36 Toolbelt Traditionalists
Upper Mid(Scale) Older Mostly w/o Kids


53 Lo-Tech Singles
Downscale Mature w/o Kids


54 Struggling Singles
Low Income Middle Age Mostly w/o Kids


64 Family Thrifts
Low Income Middle Age Mostly w/o Kids


67 Park Bench Seniors
Low Income Older Mostly w/o Kids


Largest Segments Zip Code: 31210

Segment traits should be viewed as illustrative rather than definitive.

Country Squires
Median Household Income: $114,087
Lifestyle & Media Traits
- *Owns a Volkswagen*
- *Eats at Dunkin Donuts*
- *Shops at Pottery Barn*
- *Plays golf*
- *Stays at Spring Hill Suites*
- *Uses Living Social*
- *Listens to Album Rock*

Demographics Traits
- **Urbanicity:** *Town*
- **Income:** *Wealthy*
- **Household Technology:** *Above Average*
- **Income Producing Assets:** *Elite*
- **Age Ranges:** *Age <55*
- **Presence of Kids:** *Family Mix*
- **Homeownership:** *Mostly Owners*
- **Employment Levels:** *Management and Professional*
- **Education Levels:** *Graduate Plus*

Big Fish
Median Household Income: $95,084
Lifestyle & Media Traits
- *Owns a Subaru*
- *Eats at Ruby Tuesday*
- *Shops at Lands' End*
- *Follows PGA/LPGA*
- *Stays at Spring Hill Suites*
- *Watches Fox Business*
- *Listens to Classical*

Demographics Traits
- **Urbanicity:** *Town*
- **Income:** *Upscale*
- **Household Technology:** *Average*
- **Income Producing Assets:** *Elite*
- **Age Ranges:** *Age 65+*
- **Presence of Kids:** *Mostly w/o Kids*
- **Homeownership:** *Homeowners*
- **Employment Levels:** *Mix*
- **Education Levels:** *Graduate Plus*

White Picket Fences
Median Household Income: $59,565
Lifestyle & Media Traits
- *Owns an Acura*
- *Eats at Logan's Roadhouse*
- *Shops at Books-a-Million*
- *Follows minor league baseball*
- *Visits the Bahamas*
- *Watches DIY Network*
- *Listens to SEC sports*

Demographics Traits
- **Urbanicity:** *Town*
- **Income:** *Midscale*
- **Household Technology:** *Above Average*
- **Income Producing Assets:** *Low*
- **Age Ranges:** *Age 25-44*
- **Presence of Kids:** *Family Mix*
- **Homeownership:** *Mostly Renters*
- **Employment Levels:** *Mix*
- **Education Levels:** *College Graduate*

Traditional Times
Median Household Income: $72,838
Lifestyle & Media Traits
- *Owns a Buick*
- *Eats at Bonefish Grill*
- *Shops at Chico's*
- *Follows PGA/LPGA*
- *Visits Alaska*
- *Watches Fox Business*
- *Listens to Soft Adult Contemporary*

Demographics Traits
- **Urbanicity:** *Town*
- **Income:** *Upper Mid(Scale)*
- **Household Technology:** *Below Average*
- **Income Producing Assets:** *Elite*
- **Age Ranges:** *Age 65+*
- **Presence of Kids:** *w/o Kids*
- **Homeownership:** *Homeowners*
- **Employment Levels:** *Mostly Retired*
- **Education Levels:** *Graduate Plus*

Small town Collegiates
Median Household Income: $22,271
Lifestyle & Media Traits
- *Owns a Dodge*
- *Eats at Sonic*
- *Shops at GameStop*
- *Follows extreme sports*
- *Stays at Super 8*
- *Watches Boomerang*
- *Listens to Rock*

Demographics Traits
- **Urbanicity:** *Town*
- **Income:** *Downscale*
- **Household Technology:** *Average*
- **Income Producing Assets:** *Low*
- **Age Ranges:** *Age <55*
- **Presence of Kids:** *Family Mix*
- **Homeownership:** *Renters*
- **Employment Levels:** *Service Mix*
- **Education Levels:** *High School*

Largest Segments Zip Code: 31069

Segment traits should be viewed as illustrative rather than definitive

White Picket Fences
Median Household Income: $59,565
Lifestyle & Media Traits
- *Owns an Acura*
- *Eats at Logan's Roadhouse*
- *Shops at Books-a-Million*
- *Follows minor league baseball*
- *Visits the Bahamas*
- *Watches DIY Network*
- *Listens to SEC sports*

Demographics Traits
- **Urbanicity:** *Town*
- **Income:** *Midscale*
- **Household Technology:** *Above Average*
- **Income Producing Assets:** *Low*
- **Age Ranges:** *Age 25-44*
- **Presence of Kids:** *Family Mix*
- **Homeownership:** *Mostly Renters*
- **Employment Levels:** *Mix*
- **Education Levels:** *College Graduate*

Hometown Retired
Median Household Income: $54,549
Lifestyle & Media Traits
- *Owns a Chrysler*
- *Eats at Cracker Barrel*
- *Shops at Books-a-Million*
- *Follows NASCAR*
- *Stays at Quality Inn*
- *Watches CNN Headline News*
- *Listens to Classic Country*

Demographics Traits
- **Urbanicity:** *Town*
- **Income:** *Midscale*
- **Household Technology:** *Below Average*
- **Income Producing Assets:** *Low*
- **Age Ranges:** *Age 55+*
- **Presence of Kids:** *Mostly w/o Kids*
- **Homeownership:** *Mostly Owners*
- **Employment Levels:** *Mix*
- **Education Levels:** *Some College*

Country Strong
Median Household Income: $36,934
Lifestyle & Media Traits
- *Owns a GMC*
- *Eats at Hardee's*
- *Shops at Books-a-Million*
- *Goes hunting*
- *Stays at Super 8*
- *Watches CMT*
- *Listens to New Country*

Demographics Traits
- **Urbanicity:** *Rural*
- **Income:** *Lower Mid(Scale)*
- **Household Technology:** *Below Average*
- **Income Producing Assets:** *Below Avg*
- **Age Ranges:** *Age <55*
- **Presence of Kids:** *Family Mix*
- **Homeownership:** *Mostly Owners*
- **Employment Levels:** *Blue Collar Mix*
- **Education Levels:** *High School*

Campers & Camo
Median Household Income: $25,207
Lifestyle & Media Traits
- *Owns a Lincoln*
- *Eats at Little Caesars*
- *Shops at Wal-Mart*
- *Follows Grand Prix*
- *Stays at Quality Inn*
- *Watches Nick*
- *Listens to New Country*

Demographics Traits
- **Urbanicity:** *Town*
- **Income:** *Downscale*
- **Household Technology:** *Below Average*
- **Income Producing Assets:** *Below Avg*
- **Age Ranges:** *Age 35-54*
- **Presence of Kids:** *Family Mix*
- **Homeownership:** *Homeowners*
- **Employment Levels:** *Service Mix*
- **Education Levels:** *High School*

Golden Ponds
Median Household Income: $19,516
Lifestyle & Media Traits
- *Owns a Buick*
- *Eats at Golden Corral*
- *Shops at Kmart*
- *Follows horse racing*
- *Stays at Motel 6*
- *Watches CNN Headline News*
- *Listens to Classic Country*

Demographics Traits
- **Urbanicity:** *Town*
- **Income:** *Downscale*
- **Household Technology:** *Below Average*
- **Income Producing Assets:** *Below Avg*
- **Age Ranges:** *Age 55+*
- **Presence of Kids:** *Mostly w/o Kids*
- **Homeownership:** *Mix*
- **Employment Levels:** *Mostly Retired*
- **Education Levels:** *High School*

Largest Segments Zip Code: 31204

Segment traits should be viewed as illustrative rather than definitive

Toolbelt Traditionalists
Median Household Income: $61,815
Lifestyle & Media Traits
- *Owns a Buick*
- *Eats at Bob Evans*
- *Shops at Chico's*
- *Follows PGA/LPGA*
- *Cruises on Royal Caribbean*
- *Visits AARP*
- *Listens to Gospel*

Demographics Traits
- **Urbanicity:** *Metro Mix*
- **Income:** *Upper Mid(Scale)*
- **Household Technology:** *Average*
- **Income Producing Assets:** *Low*
- **Age Ranges:** *Age 55+*
- **Presence of Kids:** *Mostly w/o Kids*
- **Homeownership:** *Mostly Owners*
- **Employment Levels:** *Mix*
- **Education Levels:** *Some College*

Lo-Tech Singles
Median Household Income: *$20,921*
Lifestyle & Media Traits
- *Owns a Lincoln*
- *Eats at Church's Chicken*
- *Shops at Stein Mart*
- *Follows IndyCar*
- *Stays at Motel 6*
- *Watches WGN*
- *Listens to Gospel*

Demographics Traits
- **Urbanicity:** *Metro Mix*
- **Income:** *Downscale*
- **Household Technology:** *Below Average*
- **Income Producing Assets:** *Low*
- **Age Ranges:** *Age 65+*
- **Presence of Kids:** *w/o Kids*
- **Homeownership:** *Homeowners*
- **Employment Levels:** *Mostly Retired*
- **Education Levels:** *High School*

Struggling Singles
Median Household Income: *$22,077*
Lifestyle & Media Traits
- *Owns a Chevrolet*
- *Eats at Papa John's*
- *Shops at Burlington*
- *Follows NASCAR*
- *Stays at Quality Inn*
- *Watches MTV2*
- *Listens to Urban Contemporary*

Demographics Traits
- **Urbanicity:** *Second City*
- **Income:** *Low Income*
- **Household Technology:** *Average*
- **Income Producing Assets:** *Low*
- **Age Ranges:** *Age <55*
- **Presence of Kids:** *Mostly w/o Kids*
- **Homeownership:** *Mix*
- **Employment Levels:** *Mix*
- **Education Levels:** *High School*

Family Thrifts
Median Household Income: *$9,999*
Lifestyle & Media Traits
- *Owns a Mercury*
- *Eats at Long John Silvers*
- *Shops at Burlington*
- *Follows motocross*
- *Stays at Motel 6*
- *Watches Boomerang*
- *Listens to Urban Contemporary*

Demographics Traits
- **Urbanicity:** *Second City*
- **Income:** *Low Income*
- **Household Technology:** *Average*
- **Income Producing Assets:** *Low*
- **Age Ranges:** *Age <55*
- **Presence of Kids:** *Mostly w/o Kids*
- **Homeownership:** *Mostly Renters*
- **Employment Levels:** *Mix*
- **Education Levels:** *High School*

Park Bench Seniors
Median Household Income: *$16,684*
Lifestyle & Media Traits
- *Owns a Buick*
- *Eats at Long John Silvers*
- *Shops at Stein Mart*
- *Follows figure skating*
- *Stays at Motel 6*
- *Watches WGN*
- *Listens to Gospel*

Demographics Traits
- **Urbanicity:** *Second City*
- **Income:** *Low Income*
- **Household Technology:** *Below Average*
- **Income Producing Assets:** *Low*
- **Age Ranges:** *Age 55+*
- **Presence of Kids:** *Mostly w/o Kids*
- **Homeownership:** *Renters*
- **Employment Levels:** *Mostly Retired*
- **Education Levels:** *High School*

What is the Experience?

Dimensions of a Downtown Consumer Experience

Physical retailers are increasingly looking to experiential retail models to transform the shopping experience from a primarily goods distribution activity. Retail property managers are moving toward “retailtainment”, positioning to grab the increasing share of consumer disposable income going toward the purchase of “experiences” over “things” and other trends such as “staycations.”

Moreover, downtowns also have 4 different markets to address: nearby residents, suburbanites, downtown workers, and out of town visitors. For at least 2 of those markets the downtown experience is a critical component that influences the health of its retailers and restaurants.

The choice to go downtown is influenced by a number of factors including:

- Access/Navigation: Can I find my way around?
- Parking: Can I easily find parking proximate to my destination that is “safe”?
- Activities: Are there things to do / see for a range of audiences and at a range of price points?
- Perception/impressions: How did it feel?

Home / CIRE Magazine / Retail Entertainment

Retail Entertainment

New Developments Are Making Shopping Fun Again.

By Sarah Hoban |

Given that they're going to have to pay $48 for a sweater-no matter where they buy it-where do you think shoppers would rather go: a noisy, dimly lit, sterile-looking suburban mall, where they're packed in cheek-to-jowl with surly teenagers with nothing to do? Or a clean, nicely landscaped, well-lit version of a European plaza where they can not only snap up that sweater but also sit down for a nice dinner, watch a movie, and maybe meet their chums for a post-cinema beer at a brewpub?

You guessed it.

Macon's major shopping areas reflect their positioning through their physical environment and retail mix.

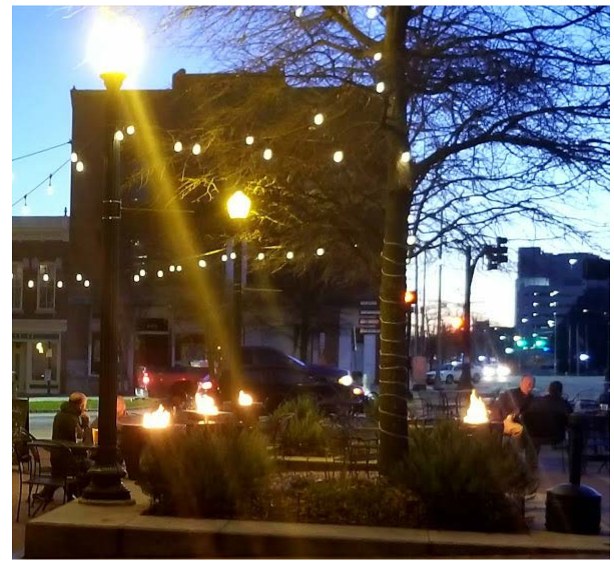
Shoppes at River Crossing – walkable highly landscape "town center" design – national chain retailers

Ingleside – eclectic specialty local retailers, small stores with a "park once" opportunity

The Mall / Eisenhower – traditional retail, park in front regional & national chains, larger stores

“Downtown Macon”

Downtown offers a walkable environment with a mix of activities, environments and moments that are unique in middle Georgia.



What We Heard from Our Interviews and Surveys

We interviewed a number of downtown merchants to gain their perspectives. Highlights of the comments are below.

Many of the comments are focused on experiential issues.

So many different groups do so many seemingly unconnected things

Need two-fold strategy

- *Superserve residents & workers*
- *Build a daytrip / weekend destination*

Must clean up the facades – downtown needs a face-lift

Have to address employee parking especially dinner shift parking – safety concerns for workers at night

Consistency of experience – empty storefronts, weekends, open hours

Downtown needs to find its niche

Need more collaboration particularly on things like Sunday hours

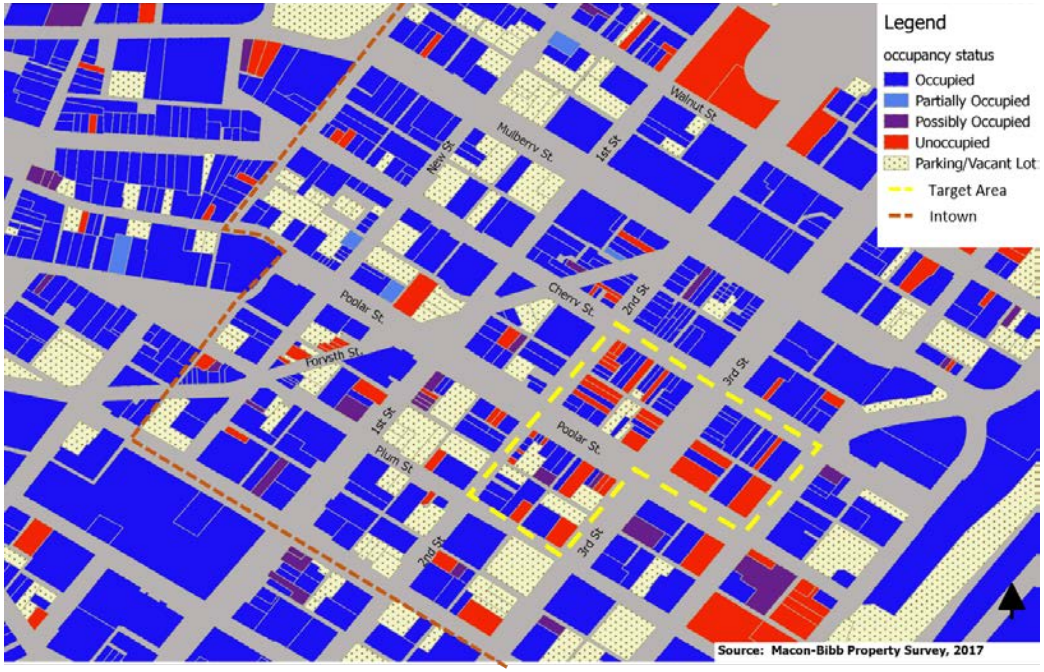
“Experience” Research Activity

NP utilizes an “immersion” process to understand dynamics of a downtown environment. For Macon, this represented 20 days / nights of on-the- ground research. This entails visiting stores to examine merchandise and price points, restaurants to see clientele mix, walking and driving to understand how navigational challenges, observations of the patterns of the day including morning, lunchtime, after work and evening activity among others to gain a sense of how the study area “works.”

NP also examined data and conducted field surveys to help identify and map key issues and opportunities.

Occupancy Status: Parcels

While occupancy in the core downtown area has improved since 2012, it still lags behind "Intown" neighborhood and commercial areas in the URA



Urban Redevelopment Area

	Occupied	Partially Occupied	Possibly Occupied	Unoccupied
Residential	82%	0%	3%	15%
Commercial	78%	2%	4%	17%
Institutional	85%	5%	3%	7%
Industrial	66%	2%	11%	22%
Mixed Use	76%	5%	7%	12%

Intown

	Occupied	Partially Occupied	Possibly Occupied	Unoccupied
Residential	69%	0%	0%	31%
Commercial	82%	1%	4%	13%
Institutional	97%	0%	0%	3%
Industrial	0%	0%	0%	100%
Mixed Use	70%	5%	5%	20%

NewTown Inventory, Jan 8

Block	Storefronts	Occupied	Unoccupied	%
1	38	23	15	61%
2	26	15	11	58%
3	36	28	8	78%
Total	100	66	34	66%

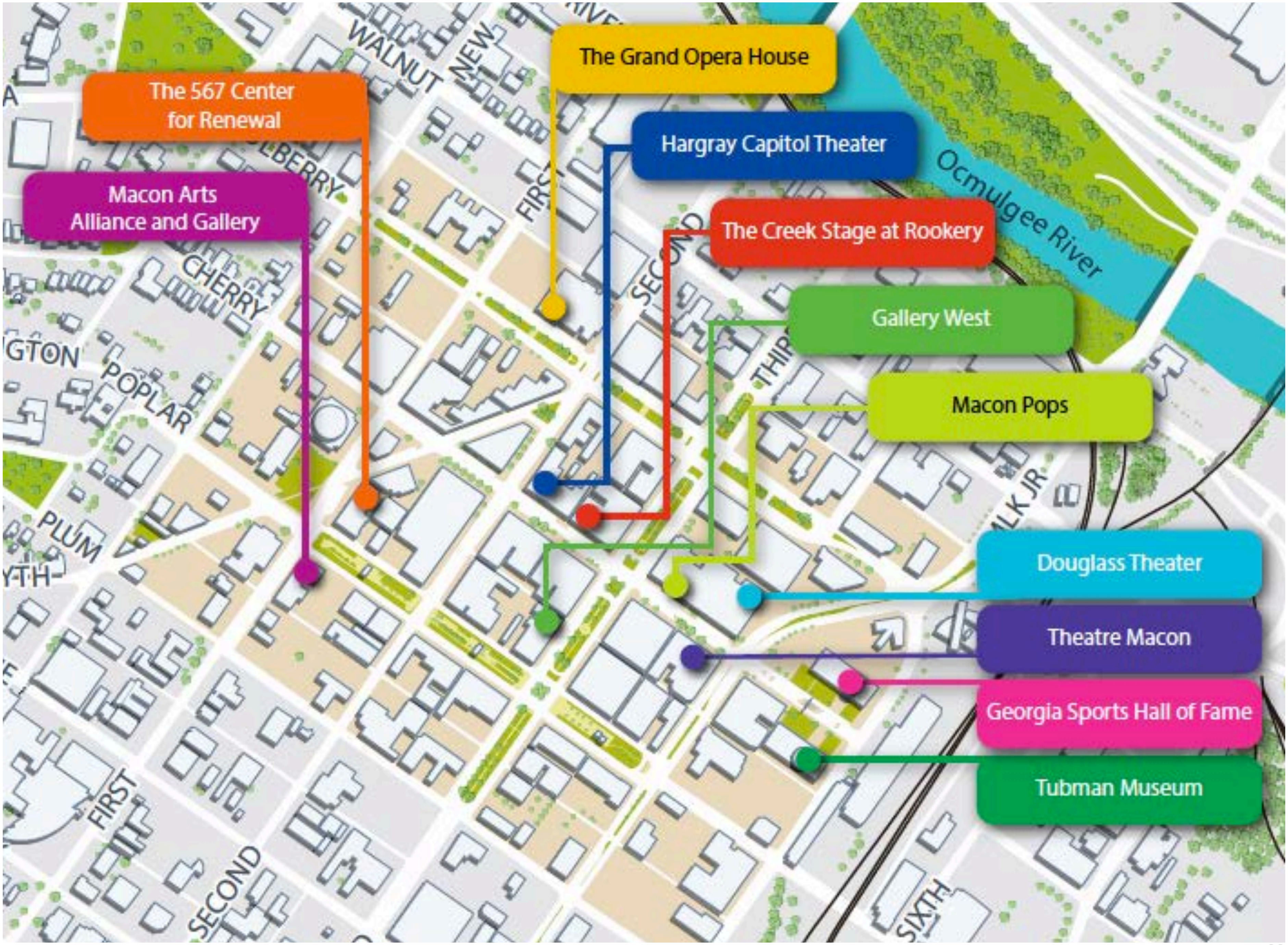
Street Level Experience: Active Versus Inactive

A parcel-level analysis provides an indication of the amount of vacancy across the downtown. From an experience perspective, it needs to be considered at the street level. Pedestrians experience the street on a block-by-block basis. Even full buildings can be inactive based on their usage patterns and impact on the feel of the street.

NP measured the active versus inactive street frontage in the core downtown. Active means uses that have people coming and going. Inactive means frontage that, while may be occupied, only has activity at certain points of the day. The south side of Poplar was excluded because of the construction taking place. NP also identified streets that are primarily employment streets, meaning they are primarily office uses and related amenities, and have the ebbs and flows of daily business life.

What the analysis of active versus inactive frontage of the remaining blocks suggest is a pedestrian environment that is mixed. Some of the inactive frontage are buildings that are entertainment venues. Others are vacant or underutilized storefronts.

Downtown Venues



Street Level Experience: Observations

Based on walking distances from the key current employment streets, Poplar is probably too far to enjoy a steady lunch crowd generated by the businesses and government offices. Its also unclear how much activity of that type currently exists. The highest count for pedestrians going to Cherry Street during lunch was 82. Part of this dynamic may be reinforced by the few “grab & go” or quick serve options.

From the perspective of visitors to venues or using the parking garages, the walking paths suggest a few key items:

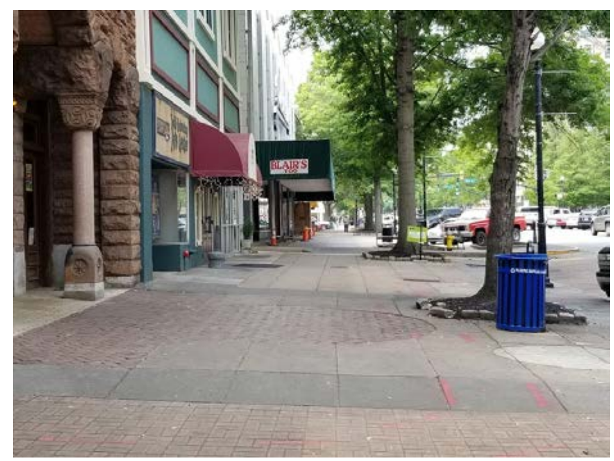
- Off-street parking sits on the periphery of the downtown core suggesting the first experiences of the downtown are corridors to their destinations.
- The pedestrian experience in terms of active versus inactive frontage is uneven at best.

Street Level Experience: Observations

From a tourist perspective, the experience becomes an interesting consideration. Using the location of two major draws, in theory, one could have a “park once and walk” opportunity. The walking distance from the entrance to 2nd Street is just over ¼ mile. However, of the approximately 1,300 linear feet of frontage (excluding road widths), 31% is inactive. Moreover, from a line of sight perspective, there is little to draw you down Cherry Street unless you already know what is there (see picture below).

The walk along MLK to Poplar Street to 2nd Street is roughly ¼ mile. While a large portion of the street is inactive there are a series of public art moments and painted storefronts to break up the experience.

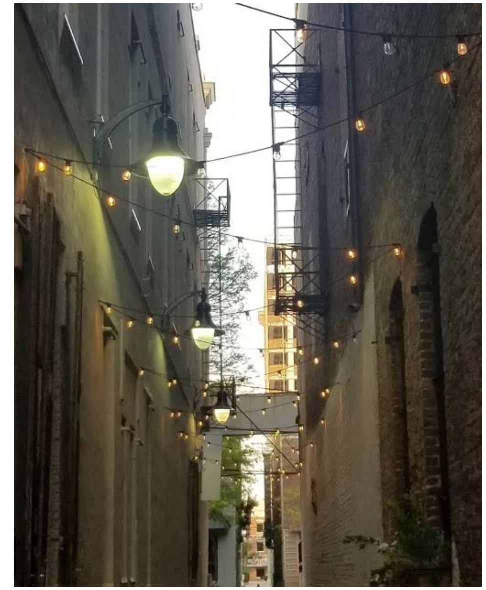
Note that this analysis excludes crossing MLK Boulevard.

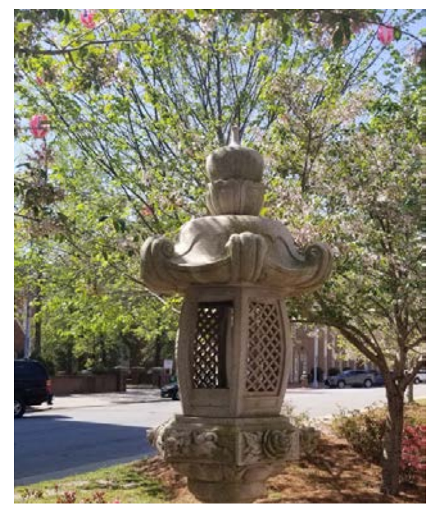


How do you know what’s up ahead?

Street Level Experience: Observations

The following pictures demonstrate the uneven nature of the pedestrian experience across core downtown Macon.





What Should We Do?

Recommendations

- **Retail development program**
  - Pop Up strategies
  - Tenant development
- **Physical interventions to improve "atmosphere" and experience**
  - Address empty storefronts with a storefront program
  - "insta-moments"
  - Pedestrian environment
    - Navigation
- **Build customer base**
  - More housing
  - More hotel rooms
  - Strengthen visitor initiatives
    - Safety perceptions – parking garages lighting and cleanliness
    - Tourism & event activity

Retail Development

One of the key issues that came through the interviews was the need for additional retail in the downtown to enhance the existing dining program and support the potentially unique positioning of downtown as a “retailtainment” center. The restaurant scene is vibrant and offers several different concepts. However, many of the existing retailers do not necessarily overlap with the evolving restaurant customer mix. Encouraging development of a mix of retailers and restaurants that match with each other can create an eclectic environment that would be unique.

However, given the state of retail generally, and the fact that downtown Macon is still a market in transition, a series of initiatives will be needed to create a prospective tenant pipeline.

Retail development program

- Pop up strategies
- Tenant development through incubator program

Retail Development

Pop Up Strategies
Pop up and mobile retail is an increasing trend that takes advantage of seasonal shopping patterns and retailers' desire to reduce their fixed cost exposure in a rapidly changing shopping environment. These types of approaches to retail can also serve as low-risk ways to test a market before making a major investment commitment.

Moreover, new consumer brands are using pop up approaches to complement their online presence in order to build brand awareness and provide potential customers with a way to test their product before a purchase.

Actions
- Build on existing pop up activity, like the Cherry Street Pop Up
- Work with local crafts and products to generate a seasonal pop up store
- Target certain regional chains e.g. MAST General Store, for seasonal pop up shops in Macon to "prove" the market to them
- Identify property owners willing to support a pop Up program through short term leasing arrangements
- Create a pre-approved (permitted for occupancy) set of sites to support pop up retail
- Create a liability management structure for pop ups
- Identify and approve streets for potential mobile retail vendors

Example
Dayton OH Pop Up program
http://www.activatedspaces.org/

Retail Development

Retail Incubator
There are three approaches to a retail incubator.

- Physical: A dedicated physical space where tenants are provided with allocated space within the overall. Space can fluctuate as business dictates.
- Virtual: A virtual model spread across spaces leased by participating building owners. There has to be a "coordinator" that places retail concepts. Based on NP's experience with business incubator models, the best ones have management support services and assistance as part of the program.
- Programmatic/Comprehensive: A more elaborate program involves a required "retail boot camp" with a Shark Tank style pitch competition. Winners receive some working capital, space with a term lease and ongoing mentorship support

Actions
Create a retail incubator to create a pipeline of potential tenants
Key initial decision element
- Type of incubator
  - Physical
  Johnson City TN http://downtownjc.com/downtown-strong-start-up-shop/
  - Virtual
  Sioux Falls SD Virtual Retail Incubator https://dtsf.com/retail-incubator-program/
  - Programmatic / Comprehensive
  Denver CO http://drigoods.org/
  Detroit MI https://techtowndetroit.org/services/retail-boot-camp/

MoDiv Retail Incubator
Grand Rapids, MI

Physical Interventions to Improve “Atmosphere” and Pedestrian Experience

Downtown Macon is inherently walkable. Under ½ mile walks put you within end to end walking distance. The grid pattern of the streets makes it easy to navigate. It does not have large gaps or “missing teeth” caused by building demolition or utilized as surface parking. It has alleys that cut the blocks, which are well used, especially by locals.

As noted earlier in the report, the pedestrian experience in Downtown is mixed. There are areas that are active, with interesting place-making aspects such as the use string lighting, wall paintings and interesting signage. Other parts of downtown Macon are reminders that much work remains to be done.

Potential initiatives include:

- Address empty storefronts with a storefront program
- Increase “insta-moments”
- Pedestrian environment enhancements

Empty Storefront Programs

Programs to "mask" empty storefronts

- Birmingham AL has filled in empty storefronts with signs and materials from former area businesses
- St Louis MO historic photos on murals and banners in windows
- Fargo ND an old Goodyear car repair facility right in the middle of downtown was turned into a temporary theater space, gallery and micro brew pub
- Formalized example:
  - Project Storefronts New Haven https://www.arts.gov/exploring-our-town/project-storefronts

Birmingham AL

St Louis MO

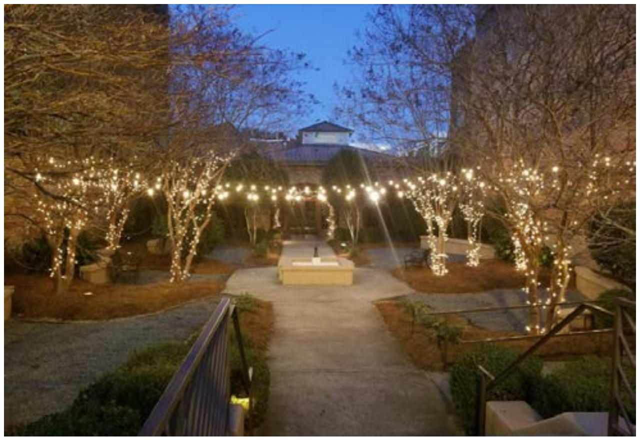
Fargo ND

Increase "Insta-Moments"

With blank walls, plazas and alleys throughout the downtown, opportunities exist to create pedestrian "moments". These moments can turn into social media posts which can be a powerful marketing tool to convey an image to the outside world.

Pedestrian Environment Enhancements

While others can be subtle lighting features, and public art...



Venice Beach CA

Birmingham AL

Ann Arbor MI

...Imagine a mural of Macon's music legends

Ann Arbor MI

Pedestrian Environment Enhancements

… Or simply restoring the advertising that existed on the sides of buildings from prior era.

Omaha

Fargo

Winnipeg

Winnipeg

Pedestrian Environment Enhancements

Navigation
As noted earlier, one of the challenges for visitors to downtown Macon is knowing what options are where. Macon does this to limited extent today.

Options include vendor specific wayfinding, business signage and marking posts.

Retail Wall Mural
Omaha, NB

Retailer Hanging signs
Greenville SC

Street Sign Corner Post
Birmingham AL

Grow the Customer Base

To continue the growth of downtown and reduce the risk of cannibalization of existing businesses, more customers are needed.

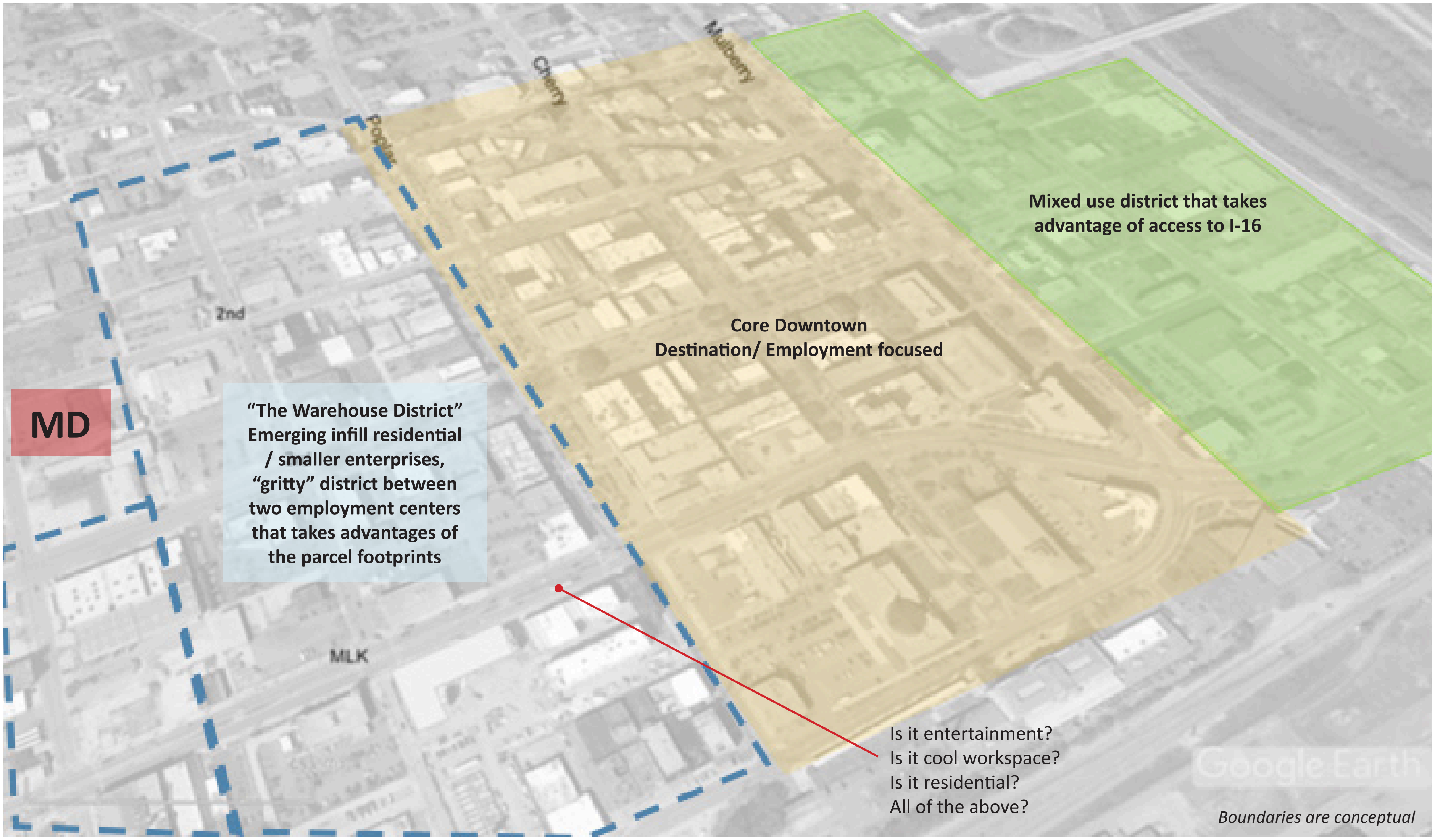
Several steps should be taken that are beyond the scope of this work:

- More downtown and near downtown housing to level out some of the seasonal swings
- More hotel rooms to drive more business
- Strengthen and build visitor initiatives to drive more business
- Support marketing downtown Macon as a unique destination – after some of the experiential components have been addressed

Impact of Projected New Housing on Retail Spending
Assuming the capture rate of 1245 units over 7 years or 177 units per year, this could translates to approximately \$3.8-\$4.3m annually in discretionary spending power, of which \$1.2-\$1.7m are traditional retail spending. Over 7 years, this could add up to \$12m in retail / restaurant type spending.

Key element for future vitality of downtown is how the neighboring districts evolve.

Nearly every downtown in a hub city has a warehouse district that sits adjacent to it and contributes to the downtown but carries a different positioning and place within the community. What will become of Macon's?



Birmingham AL Warehouse District Conversion to Residential