

Downtown Waukesha Market Analysis Summary

February 29, 2016

A diverse mix of business and community leaders examined the changing marketplace in Downtown Waukesha that resulted in a resource for existing and prospective entrepreneurs, site selectors, and others seeking a comprehensive analysis to guide downtown economic development.

Community Recommendations and Findings

1. Address **false perceptions** that impact economic development: one way streets, safety, negative media, road construction, storefront clean up, and late night disruptive behaviors.

2. **Implement strategies** to support the downtown business district including: maintain an attractive environment; have an immediate central point of contact; develop an organization to assist retention and recruitment of businesses; have mentorship and other tech services available; conduct exit interviews; and have unity downtown to work/market together.

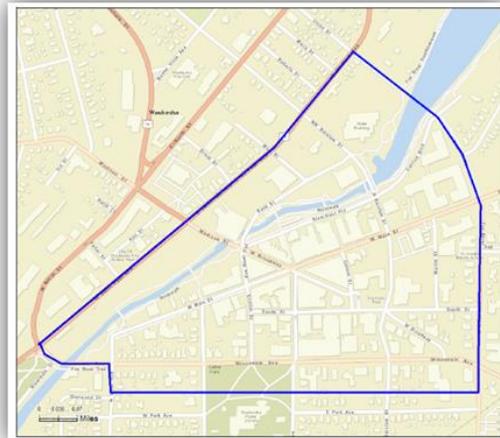
3. **Establish marketing efforts** to reach the three identified market segments: residents, workers and visitors. Implement branding initiative and pool resources.

4. Develop a plan to **make the market analysis readily available** to support business and investment decisions in an effort to attract solid business mix.

Additional community input surveyed from 21 of 42 forum participants showed 68 percent agreed the situation is urgent or very urgent to address identified downtown challenges and opportunities; also, 74 percent said a diverse downtown group should exist to support collaborative strategy development and implementation.



Downtown Waukesha, W Main and Clinton Street



Downtown Waukesha Core Study Area

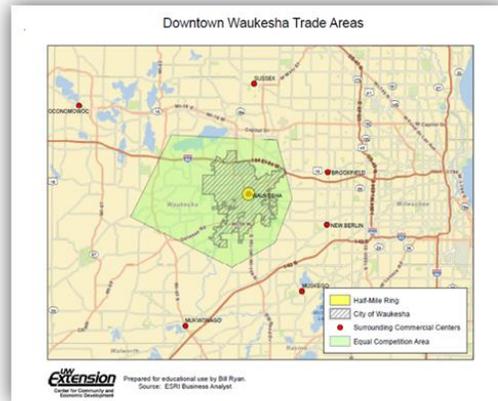
Downtown Market Segments

The Waukesha County **visitor market** is the fourth largest in the state and offers opportunity for downtown to increase its capture of visitor spending from both leisure and business travelers. Downtown's history and character are attractive to visitors.

Downtown Market Segments Continued

The City of Waukesha is defined as a *Convenience Trade Area* with a 2015 estimated population was 71,667. A broader *Destination Trade Area* was determined based on regional commercial districts and includes a population of 105,857.

Median household income for the *Convenience Trade Area* was \$58,436. This value is lower than the *Destination Trade Area*, which had a median household income of \$66,331, but higher than the state’s median household income of \$52,390.



In addition to visitors and local residents, Downtown Waukesha also serves **approximately 2,716 workers**. These daytime employees may live in the trade area, or commute from other communities with the potential to purchase in the downtown area during the workday.

Comparable Downtowns: Appleton and Fond du Lac, Wisconsin

Peer cities have a fairly rich and diverse mix of businesses, yet their linear streets and vehicular traffic volumes do not provide the **character and walkable scale of Waukesha**. This difference could provide economic development opportunities for Waukesha.

The peer cities offer Waukesha some excellent **practices for business development**: these range from improving the appearance of buildings for new tenants, providing market data in recruitment materials, to offering business start-up technical assistance.

The vacancy rate of storefronts in the Downtown Waukesha Core Study Area was approximately 20 percent. This was significantly higher than the comparable communities such as Downtown Fond du Lac’s vacancy rate of 7.1 percent, and Downtown Appleton’s vacancy rate of 8.5 percent.

Current Business Mix and Potential

Downtown Waukesha’s primary business type was services (45 percent), followed by retail (31 percent), then dining and entertainment (23 percent).

Based on U.S. spending patterns adjusted for local conditions and excluding most large format store categories, downtown Waukesha has approximately \$72 Million in retail spending potential. This is approximately 33 retail operations (based on “average” U.S. sales per business category).

Based on U.S. spending patterns adjusted for local conditions, downtown Waukesha has approximately \$28 Million in eating and drinking place spending potential. This is approximately 33 operations (based on “average” U.S. sales per business category).

