BUSINESS AND DEVELOPMENT PLAN

FOR

DOWNTOWN ELIZABETHTOWN, NC

February 2013 Update

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Town of Elizabethtown

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ELIZABETHTOWN, NC

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. BUSINESS 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 businesses can be determined. Additionally, a personal observation should be made to determine the physical location of 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.

1. **Market Conditions/Business Climate**

1.1 RETAIL

1.1.1 Observations

Elizabethtown is the County Seat and the largest incorporated town in Bladen County. As such it attracts nearly half of the County's retail business. There are four distinct shopping areas within a one-mile radius of the downtown core, including the downtown business district (Downtown), an adjacent strip shopping area, a smaller strip center with a Grocery and other businesses, a largely vacant minority shopping area, and a fourth area with a shopping center housing Wal-Mart and several other retail establishments.

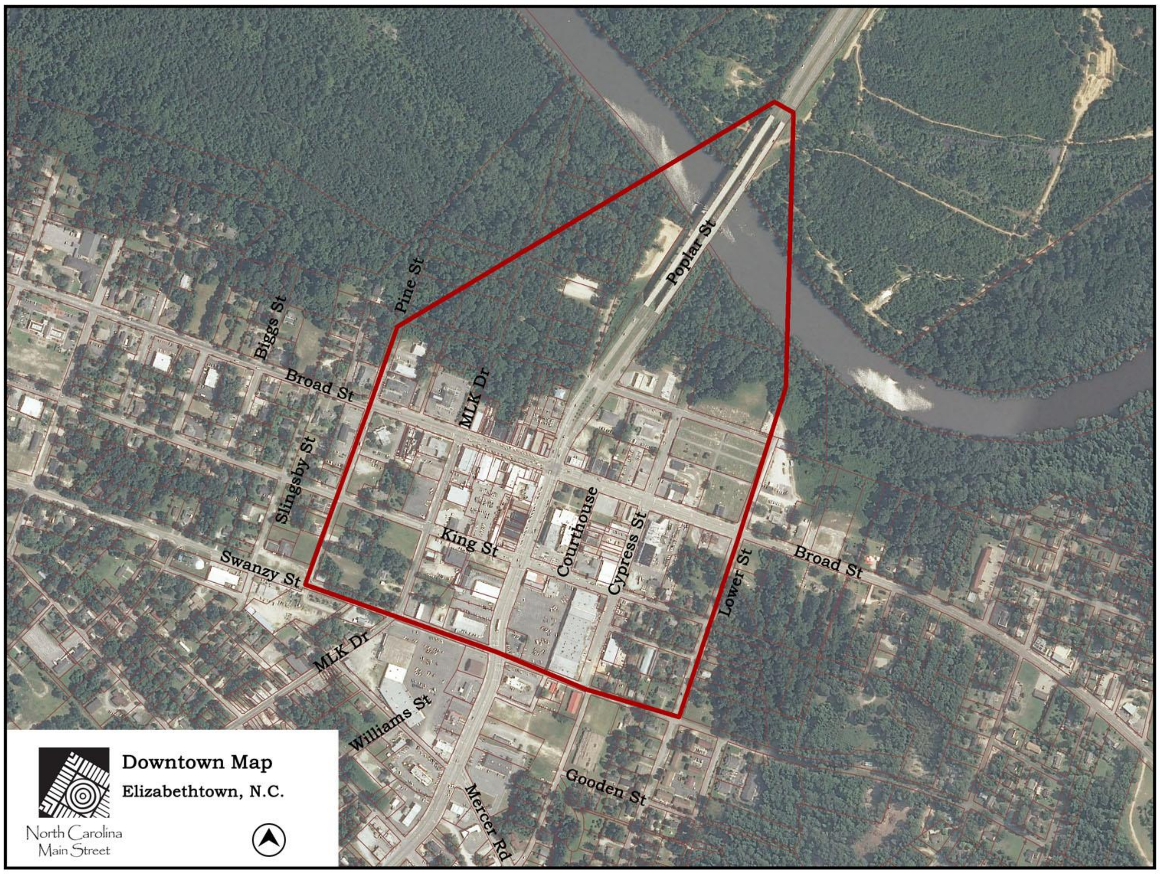

Table 1. **Downtown Business District**

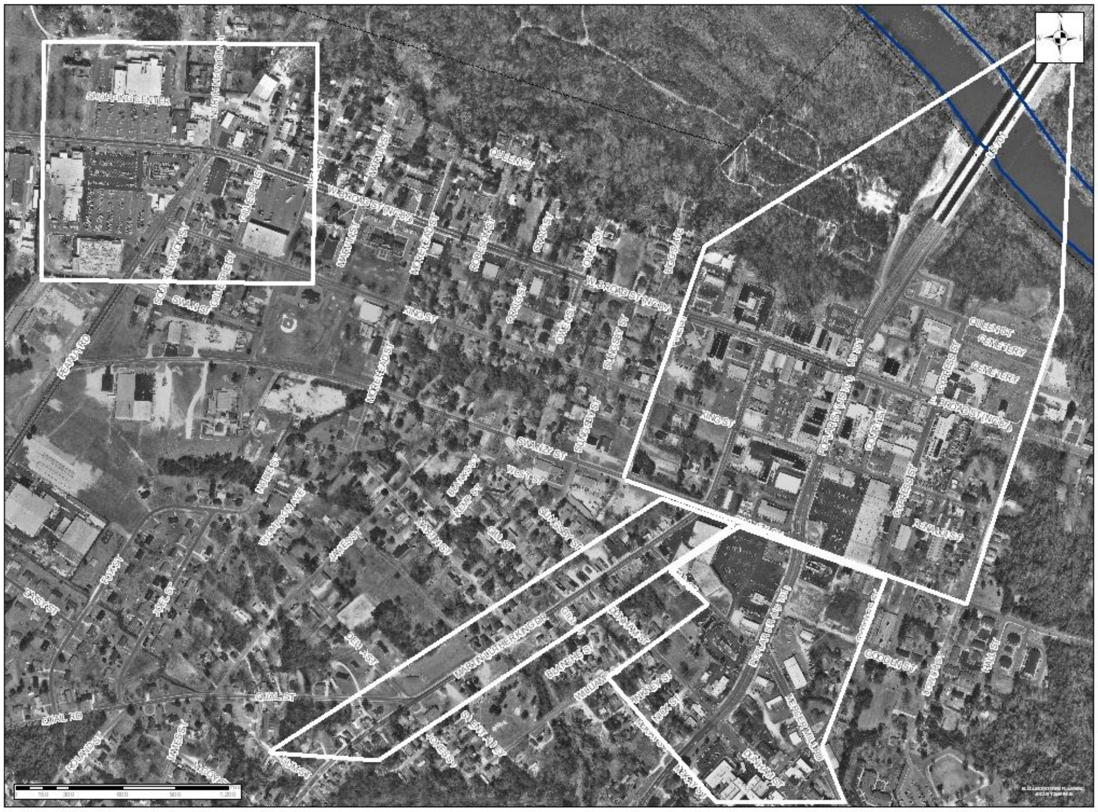

Table 2. Downtown Business District with Competitive Shopping Areas

Downtown Elizabethtown is a strong retail center and is well positioned to serve the retail needs of the County, but competes with these other shopping areas as well as a number of free-standing stores within a five-mile radius, which house the typical small town chain stores as well as local businesses. Our assessment of the market conditions in Elizabethtown based on available information from several sources, indicates that the downtown commercial district, provides goods and services to a primary trade area of ten miles, while also generating additional sales from the county-wide trade area, pass-through traffic, tourism and other nearby communities. The other shopping areas serve the same general market as well as a neighborhood customer base. There is local business concern for potential new commercial development on the NC 87 Bypass just outside the town, and for the possible relocation of the County Hospital and medical facilities to the bypass area as well.

Based on merchant surveys, there is a fairly stable year-round retail market with the normal peaks at Fall back-to-school, Spring and Christmas shopping seasons, and a Summer peak reflecting tourism at nearby White Lake, as well as Jones Lake and Singletary Lake State Parks. Merchant and consumer surveys indicate that the downtown serves primarily a local market and is the primary source for basic retailing in the area, with local shopping centers outside the downtown area running a close second. (see attached survey results)

The downtown business district functions as a mini-regional shopping center, providing general and specialty merchandise and services to the county-wide market, and capturing approximately $ 20 million or 22% of the retail sales within a three-mile radius of the downtown area. Downtown also captures 16% of retail sales within a ten-mile radius and 10% of the county retail sales. These sales are concentrated in General Merchandise/Department Stores, auto/gasoline, groceries and eating and drinking business. After adjusting for local competition there is a remaining $26 million in potential retail sales within Bladen County to be captured in Furniture and Appliances ($5 million), Lawn and Garden $4.8 million), Health and

Personal Care ($2.5 million), Clothing and Accessories ($2.8 million),Food Services and Drinking Places ($10.6 million). Assuming the ability to capture 15% of these potential sales or $4 million at an average of $125 in sales per square foot, the downtown area could possibly support up to an additional 24,000 square feet of retail space. (see recommended retail potential chart below)

The downtown business district is surprisingly strong related to other downtown areas in similar size communities. Our consumer survey indicated that the primary reasons for shopping in the downtown Elizabethtown area are shopping, working, banking and eating. (see attached consumer survey results).

	RETAIL LEAKAGE ANALYSIS	ELIZABETHTOWN,	Nov-12			
	AREA/MILES/RADIUS	10.00		DOWNTOWN POTENTIAL		
NAICS	BUSINESS TYPE		LEAKAGE/LOST BUSINESS	Est. Capture 20%	Est. Sales/SF	Supportable SF
4421/443	Furniture/Electronics/Appliances		$1,559,366	$311,873	$150	2,079
4441	Building Material and Supplies		$2,177,553	$435,511	$150	2,903
448	Clothing and Accessories		$451,774	$90,355	$150	602
4511	Sporting Goods/Hobby/Music		$257,175	$51,435	$150	343
722	Food Services and Drinking Places		$2,486,150	$497,230	$250	1,989
	TOTAL		**$6,932,018**	**$1,386,404**		**7,917**
	SOURCES:	ESRIBIS ©		(Adjusted)	NC Main Street	

Table 3. Retail Leakage Analysis Ten Mile Radius

	RETAIL LEAKAGE ANALYSIS	ELIZABETHTOWN	Nov-12			
	AREA/MILES/RADIUS	COUNTY		DOWNTOWN POTENTIAL		
NAICS	BUSINESS TYPE		LEAKAGE/LOST BUSINESS	Est. Capture 15%	Est. Sales/SF	Supportable SF
4421	Furniture		$2,485,000	$372,750	$125	2,982
443/4431	Electronics/Appliance		$2,613,000	$391,950	$125	3,136
4442	Lawn and Garden		$4,808,000	$721,200	$125	5,770
446	Health and Personal Care		$2,578,000	$386,700	$150	2,578
448	Clothing and Accessories		$2,795,000	$419,250	$150	2,795
4511	Sporting Goods/Hobby/Music		$323,404	$48,511	$150	323
4532	Office Supply/Stationery/Used/Gifts/Florists		$606,516	$90,977	$125	728
722	Food Services and Drinking Places		$10,603,000	$1,590,450	$250	6,362
	TOTAL		**$26,811,920**	**$4,021,788**		**24,673**
	SOURCES:	ESRIBIS ©		(Adjusted)	NC Main Street	

Table 4. Retail Leakage Analysis Bladen County

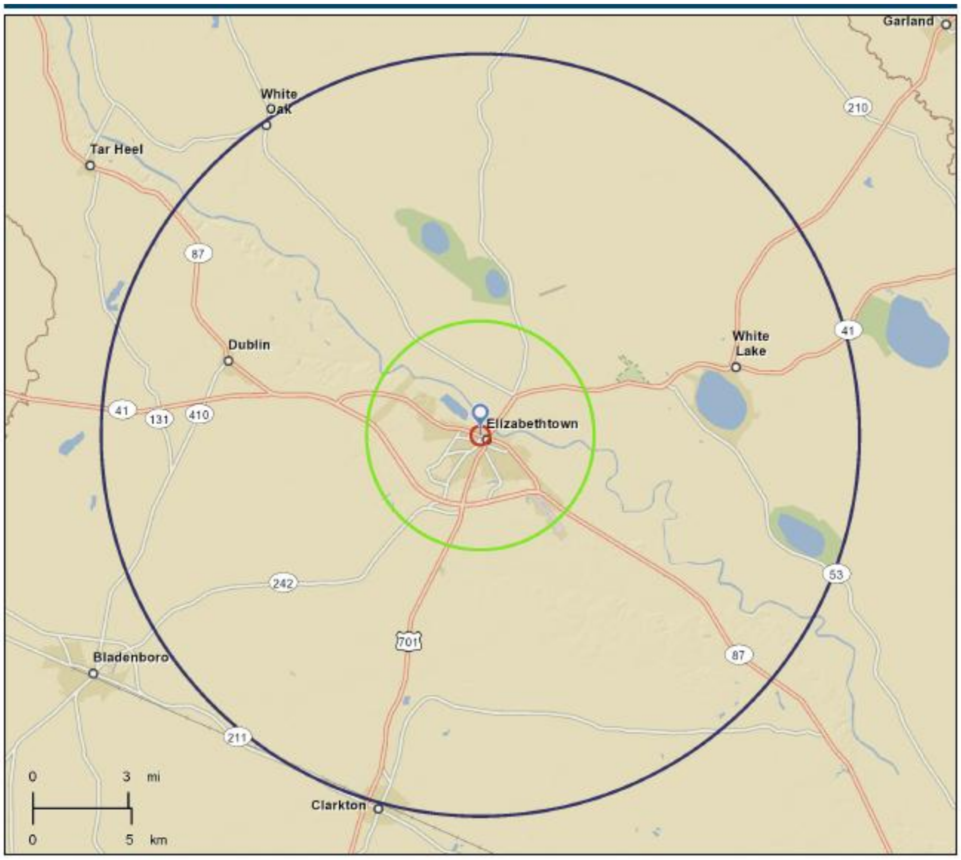

Table 5. DOWNTOWN ELIZABETHTOWN PRIMARY TRADE AREA

Retail Survey

A survey of downtown retailers was conducted in January 2013. The survey is intended to provide current information on retail sales, store size, rents and other data pertinent to conducting business in downtown Elizabethtown. Approximately 37% of the retail businesses representing a cross section of retail business types responded to the survey. Average sales per square foot were reported at around $181 and 50% of businesses reported sales increases in 2012 while another 20% reported sales decreases. The remainder reported no change in sales from the previous year. Average annual rents were reported as around $5.07 per square foot. Most businesses reporting had been open longer than five years, 100% of these businesses reported they plan to remain open downtown in the coming year and the best shopping months are listed as December, July, February and August. 60% of businesses reported renting their space with 40% owning. The results of the survey are summarized below.

2013 Downtown Retail Survey Results				
			Rent Location	60%
Average Size (sq. ft.)	4,205		Own Location	40%
Average Sales / Sq. Ft.	$181		Average Rent Per Month	$997
Increased in Sales During 2009	50%		Average Rent Per Sq. Ft.	$5.07
Decreased in Sales During 2009	20%		Plan to Remain Open in Following Year	100%
Average Number of Employees	6.2		Plan to Close in Following Year	0%
Average Number of Years Open	5+		Best Months for Sales	Dec, July,Feb, Aug
Primary Customers: 1.Residents 2. DT Employees 3.Tourists/Visitors 4. Others				

Table 6. Retail Survey Results

1.1.2 Recommendations

The downtown business district should attempt to capture a portion of the $6.9 million in potential sales within the 10- mile radius of downtown and the $26.8 million in potential sales within the countywide trade area with a goal of increasing downtown sales by $2-3 million 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 Furniture and Appliances ($5 million), Lawn and Garden $4.8 million), Health and Personal Care ($2.5 million), Clothing and Accessories ($2.8 million),Food Services and Drinking Places ($10.6 million). by adding stores offering these products, and/or expanding the offerings of existing businesses downtown. Assuming the ability to capture 15% of these potential sales or $4 million at an average of $125 in sales per square foot, the downtown area could possibly support up to an additional 24,000 square feet of retail space.

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 Elizabethtown, in order of importance are:

1) 1,250 downtown area employees
2) 5,500 nearby residents
3) Visitors to other downtown businesses and downtown's "magnets" (courthouse, etc.)
4) 6,500 employees of local businesses and industries within 10 miles of downtown
5) 16,000 Citizens within ten miles of the business district
6) 35,000 County residents
7) 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 Elizabethtown trade area these "surplus" categories include food and beverage (groceries), gasoline, general merchandise and eating and drinking places (restaurants).

An example would be identifying significant "surplus" in eating and drinking expenditures and determining that the variety of eating and drinking opportunities is limited; therefore positioning an eating and drinking business to capture this missing element in the supply. (i.e.; a large number of fast food and steak restaurants, but no fine dining).

It is estimated that Bladen County still loses more than $33 million in retail sales to other nearby counties. Downtown Elizabethtown retail sales currently account for approximately 10% of the county sales. Assuming that downtown Elizabethtown could capture an additional 5% of the county sales, retail sales could be increased by 50%.

Retirement/Tourism

Additional "niche" markets continue to develop around the growth in retirement/vacation homes in the general area around White Lake, traffic along US Highway 701 and 87 and pass-through tourism. Research indicates that retirees not only bring money into the community, they spend an average of 75% of their income in the local community. There is potential for growth in the local retail market from these current and future citizens. Projections based on average retiree household expenditures of $25,000 annually less the 11% spent on housing, there is a remaining $20,000+ per household potentially available for retail purchases.

White Lake/Tourism Impact

Visitors to nearby White Lake and Singletary and Jones Lake State Parks provide a needed summertime boost to the Elizabethtown economy as indicated in the retail surveys which show July and August as strong retail months. According to local tourism officials, approximately 200,000 people visit White Lake each summer. The North Carolina Division of Travel and Tourism reports an economic impact of $34.25 million for Bladen County in 2011, which represents an increase of 9.29% over 2010 figures. According to the report, retail expenditures accounted for 43% of the total expenditures with general retail generating $3.4 million and the remainder of $11.2 million in retail food service sales. As the largest town in the Bladen County region, it is assumed that the majority of these sales would occur in Elizabethtown, including the downtown area.

Bladen County Statistics for year 2011

Year	Revenues $(millions)	Change from previous year
2011	$34.25	9.29 %
2010	$31.34	6.81 %
2009	$29.34	-9.02 %
2008	$32.25	5.36 %
2007	$30.61	1.22 %
2006	$30.24	7.23 %
2005	$28.20	8.63 %
2004	$25.96	6.44 %
2003	$24.39	1.84 %
2002	$23.95	4.54 %
2001	$22.91	-6.79 %
2000	$24.58	4.64 %
1999	$23.49	7.70 %
1998	$21.81	2.11 %
1997	$21.36	3.19 %
1996	$20.70	6.98 %
1995	$19.35	6.73 %
1994	$18.13	5.22 %
1993	$17.23	4.87 %
1992	$16.43	5.59 %
1991	$15.56	4.64 %

Domestic tourism in Bladen County generated an economic impact of $34.25 million in 2011. This was a 9.29 % change from 2010.

In 2011, Bladen County ranked 66 in travel impact among North Carolina's 100 Counties.

More than 180 jobs in Bladen County were directly attributable to travel and tourism.

Travel generated a $3.51 million payroll in 2011.

State and local tax revenues from travel to Bladen County amounted to $2.94 million. This represents a $84.17 tax saving to each county resident.

Area attractions include Jones Lake and Singletary Lake State Parks, Bladen Lakes Educational State Forest and White Lake; all of which provide ample opportunities for swimming, boating, camping, hiking, fishing and golf.

*NC Division of Travel and Tourism

Table 7. Tourism Statistics 2011

Bypass Development

The Town should carefully consider the possible negative impacts of rezoning to allow commercial development along the NC 87 By-pass corridor. The present position of the downtown and other in-town business districts, although reasonably strong and stable, could be adversely impacted by adding additional competition that is outside the core area of the community, potentially drawing customers away from their traditional shopping areas and significantly altering shopping patterns. Another potentially negative development is the current attempt of the NC Legislature to deny and possibly rescind the ability of towns to create Extra-Territorial Jurisdictions (ETJ's) whereby they can manage the development patterns outside the core community. Should this legislation become law, the Town would lose the ability to continue the current non-commercial zoning on the Highway 87 bypass, thus creating the possibility of new competition for downtown and the loss of substantial tax base from businesses that may move to the by-pass location.

The relocation of the County medical facilities from their present location immediately adjacent to downtown to the by-pass would constitute a major economic blow to the downtown economy. According to ESRI© approximately 1,000 people are employed in these health related facilities and draw hundreds of potential customers to downtown.

1.2 RESIDENTIAL

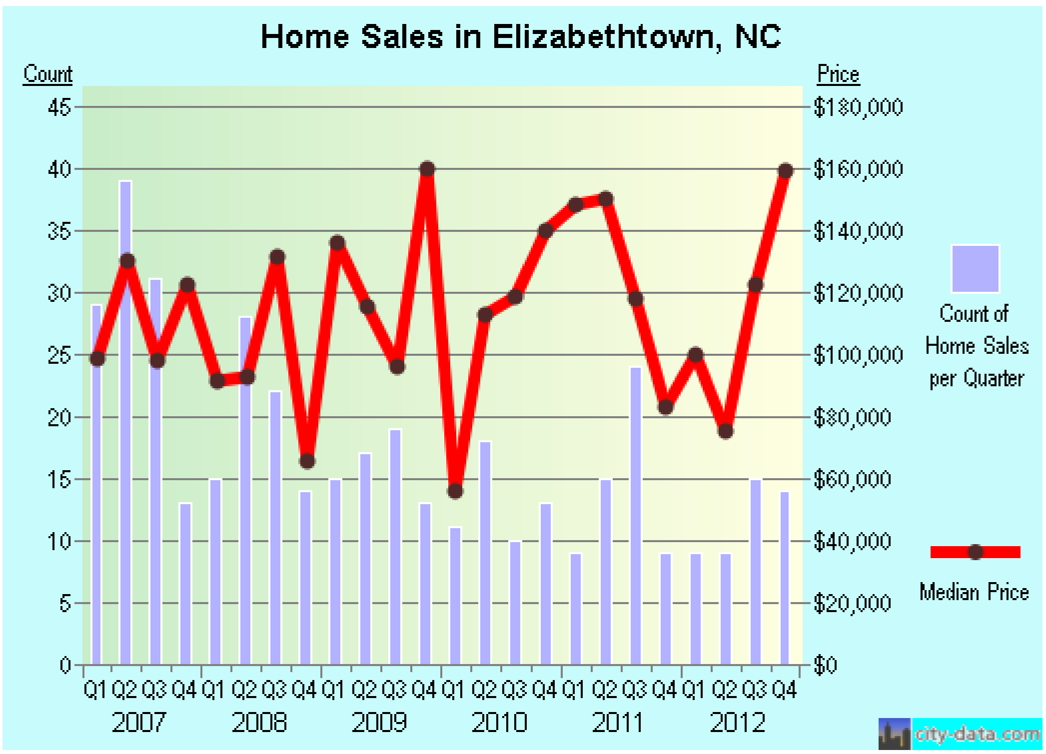

Table 8 Residential Home Sales 2012

1.2.1 Observations

Population growth was stable within the City Limits of Elizabethtown between 2000 and 2010. Information from the 2010 census actually indicates a slight population loss of 3.11% since the 2000 census from 3,698 to 3,583. There appears to be a residential rental market in the general Elizabethtown area with approximately 41% of the residences being rental units. Overall residential vacancy is average at around 11%. The median rental price is $511 per month with rents up to $899 for quality properties. However, there are only a few downtown upper floor opportunities since most buildings are single-story.

There are no residents living "above the store" in the business district. The potential support for residential development "above the store" is unclear, but with an 11% overall residential vacancy rate in the area there appears to be potential for downtown apartment rentals as well as for permanent residents. There are a few vacant upper floor development opportunities for existing buildings. The Elizabethtown zoning ordinance permits development of downtown housing in commercial buildings. 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. The residential districts adjoining downtown offer some of the finest older homes in the city, but to some extent their value to downtown has been marginalized by allowing commercial zoning and commercial intrusion.

The downtown business district in Elizabethtown needs the additional quality 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 are in reasonably good condition and should remain as primarily single-family residential zones. Efforts should be made to encourage the maintenance and/or renovation of these homes for residential use. Elizabethtown does not have an established residential and commercial historic district. However, homes that qualify as historic should be supported with the 30% North Carolina Housing Historic Tax Credit and commercial buildings in the business district that can be certified as contributing historic properties should be encouraged to utilize the State and Federal 20% historic tax credits where possible. Those property owners 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 above- market rents. Quality and management of residential projects are key ingredients.

1.3 OFFICE/OTHER

1.3.1 Observations

There is a sizable 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 Elizabethtown area; however, there should be a reasonable market for professional offices and services, particularly related to the court system (attorneys, etc.), that can be attracted to downtown if adequate support services (parking, eating places, etc.) are available.

1.3.2 Recommendations

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, however. Office employees are retail customers too.

2. Retail Mix

2.1 Observations

The downtown business district is fortunate to have a number of good retail businesses. There are some "linkage" (connection) issues between businesses, primarily due to the wide busy highway that serves as the main street. There is also some "clustering" problem where stores carrying similar or complementary products are often located some distance from each other.

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.

It is also important to begin an effort to "cluster" businesses of similar or complementary types within given areas, in order to stimulate "cross-shopping" between stores. This can be helped IMMEDIATELY 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:

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 area has a low building vacancy rate (less than 10%). There is a good mix of occupancies with approximately 25 office, service and government related businesses or firms and 26+ retail businesses. Buildings in the downtown are in good to excellent condition, have reasonable assessed and market values ($45 per square foot), rent at reasonable rates (with average rents around $6-9 per square foot), and most can be up-fitted at reasonable cost ($30-50) per square foot for a retail building in good condition, ($75-100 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 15).

With occupancy around 90% there is little potential for growth in the core business district, other than upper floor development. However, there is a business zone adjacent to the west of the core business district that offers expansion options. Further encroachment on the nearby residential neighborhoods to the North should be avoided.

3.2 Recommendations

The Small Town Main Street 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. With current retail sales estimated at an average of $181 per square foot, reported rents of $5.00 to $7.00 per square foot are typical for retail space. As retail occupancy grows, development of the adjacent commercial areas and 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 community. Physical and visual linkages between the core business district and the expansion areas will be critical to the continued success of the core area.

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

– Acquisition	$45.00/sf
– Renovation	$75.00/sf
– Investment	$120.00/sf
– Gross Income (rent)	$ 7.00/sf
– Less Operating Expenses	$ 2.10/sf
– Net Income	$ 4.90/sf
– Return on Investment	4.00 %/yr
– Historic Tax Credits	$ 3.00/sf/10 yrs
– Return on Investment	6.5 %/yr/10 yrs

NORTH CAROLINA
the state of minds

Table 9. **Example Development Project**

4. <u>Physical Environment and Amenities</u>

Table 10. **Leinwands Proposed**

4.1 Observations

Streetscapes and Building Facades

The physical environment in which a business much function is critical to its success. The design issues relating to this factor are discussed in the 2006 NCDDA Resource Team Report section on DESIGN. As recommended in that report, there have been considerable recent streetscape/sidewalk enhancements in the downtown business area, and it is obvious that downtown Elizabethtown offers an attractive business environment, with reasonably adequate support facilities. A number of building façade improvements have been made and others are planned. Some of these façade improvements have been carried out without consideration of the period and style of the building.

Parking

The two public off-street parking lots are a great addition to downtown and although parking appears to be sufficient for the current level of activity, there are management related issues that could improve the utilization of these spaces. There is an obvious impact from court related parking that needs to be examined and recommendations developed to address the situation.

Traffic and Circulation

The 2011 NCDOT traffic study indicates that between 5,000 and 10,000 vehicles per day travel through the downtown area (see map below). Capturing as many of these potential customers as possible should be a priority.

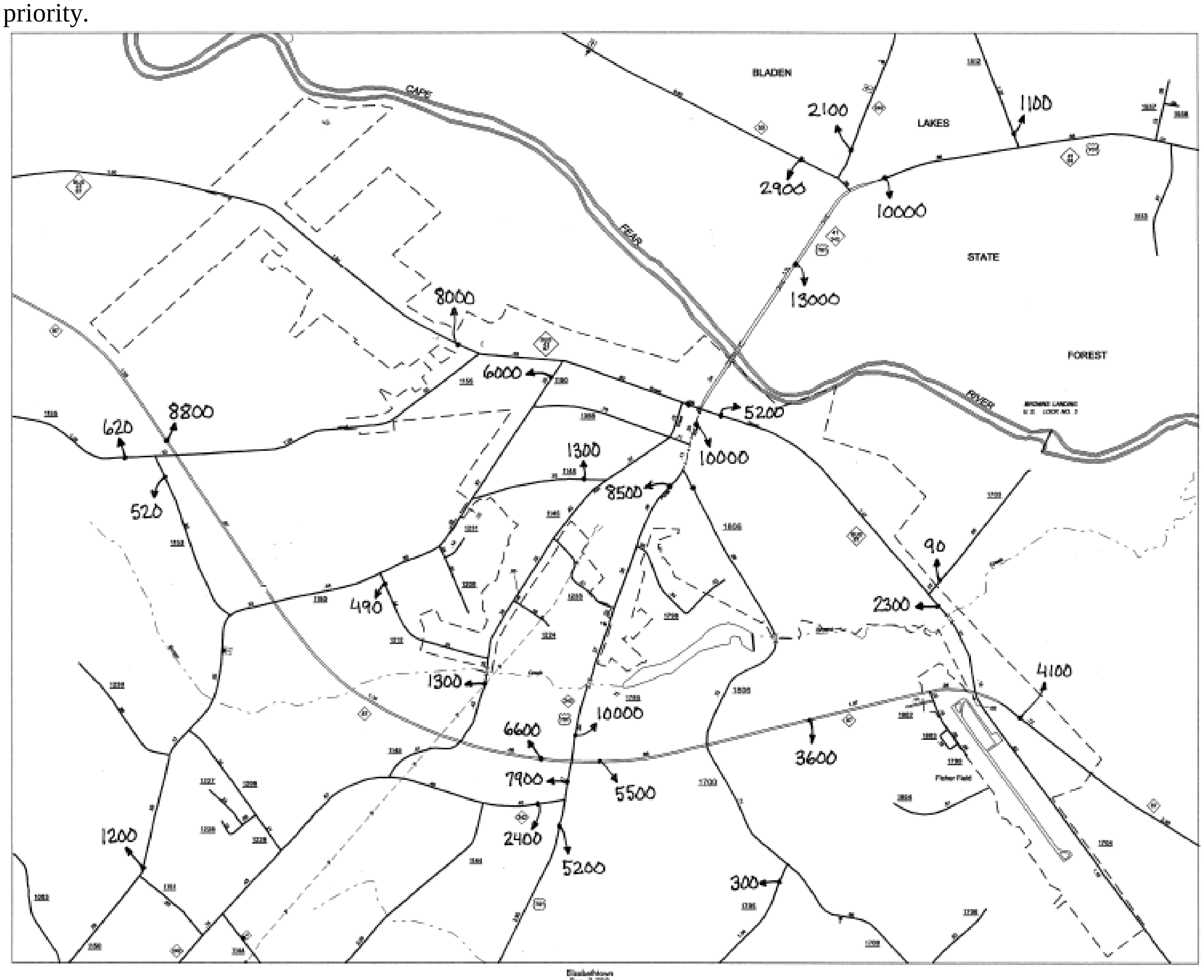

Table 11. NCDOT Traffic Counts

4.2 Recommendations

Streetscapes and Facades
Extension of the streetscape improvements to adjacent areas of downtown is recommended. Design improvements to buildings should reflect the period and style of the building and the downtown in general. False mansard roofs should be replaced with awnings and period-inappropriate changes should be discouraged.

Parking
Enforced parking limits for on-street parking can reduce the impact of court users and abuse by downtown employees. Information related to off-street parking availability for customers, jurors and other court visitors and downtown employees should be made available to the court system and 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 will most likely be needed for the future and should be planned now. Potential locations and development costs 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.

Traffic and Circulation
Slowing traffic down through the downtown business district will increase pedestrian safety as well as increase the possibility that occupants of these vehicles will be encouraged to stop and shop in downtown businesses. A mid-block crosswalk would also benefit downtown shoppers and businesses by making it easier to shop both sides of the street.

5. Availability of Capital/Financing

5.1 Observations

Elizabethtown does not have a downtown development loan pool in place, provided by local financial institutions. However, local banks have indicated a willingness to make qualified loans for downtown projects, and a number of projects have been completed or are underway.

There is currently no facade grant program available directly to property owners wishing to improve the exterior of their property.

The downtown area has not been designated as a National Register Historic District, however individual properties can be certified as historic properties, making them eligible for a 20% federal tax credit and a 20% state tax credit.

5.2 Recommendations

A designated downtown loan program should be discussed with the local financial institutions. 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 promoted as a downtown loan program.

The town should consider the need for a façade grant 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 adopted for the appropriate design of these improvements, following the local design guidelines and the Secretary of Interior's Standards.
The feasibility of establishing a historic district should be explored. 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 no organization charged with downtown revitalization. The Chamber of Commerce plays a role in general business development and the Southeastern Economic Development Commission and Bladen Community College offer some business assistance. Although these agencies have a role in business development, there is incomplete information on the downtown market available, and it is only available in bits and pieces from several different sources. 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.

For this reason, it will be important to consider establishing 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	**Elizabethtown**	**STATE**	NC	**ZIP CODE**	28337	**BY:**	ER Subcommittee		
© 2012	**Used Only By Permission**	**DATE:**	Feb-13	**RADIUS**		**SOURCES**			
(1) Available Downtown Property Inventory			**(Use separate form for each available property)**					**Totals**	
a	Address			Owner		Listed By		Vac. Bldgs	
b	No. Floors					Phone		Vac. SF	
c	Size/SF	1st Floor		2nd Floor		3rd Floor +		Vac. %	
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 +			
(2) Average Sale Price per SF (from local realtor, etc.)			**Downtown**	**Suburban**					
k	Building and Land		$45						
l	Land Only								
(3) Average Rent per SF(from local realtor,owner)			**Downtown**	**Suburban**					
m	Retail		$6-9						
n	Office		$6-9						
o	Residential			$350-900/month					
p	Other								
(4)Renovation Cost per SF (local contractor or prop. owner)			**Downtown**	**Suburban**					
q	Retail		$50-75		Depends on Condition/owner labor				
r	Office		$50-75		Depends on Condition/owner labor				
s	Residential		$75-100		Depends on Condition/owner labor				
(5) New Construction Cost per SF (from local contractor)			**Downtown**	**Suburban**					
t	Retail		$125	$125	RS Means				
u	Office		$125	$125	RS Means				
v	Residential		$125	$125	RS Means				
(6) Market	**By Use (Downtown Only)**	**Number**	**Total SF**	**Sales/SF**	**Employees**				
w	Retail*	26	X	$181	295	***total from section 7 below**			
x	Office (pvt)	16	X	X	49				
y	Gov't/Institutional	1	X	X	169	Multi-office in County Building			
z	Residential		X	X		274 Single Family Adjacent			
aa	Service	8	X	X	507				
bb	Other		X	X	234				
cc	Vacant	6	X	X					
dd	TOTAL	57	X	X	1254				
(7) Market by Retail NAICS (Downtown only)		**Number**	**Total SF**	**Sales/SF**	**Employees**	**Leakage/Surplus (ESRI)**			
ee	441 Motor Vehicle and Parts Dealers	2	X	X	X				
ff	442 Furniture and Home Furnishings	2	X	X	X				
gg	443 Electronics and Appliances	1	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	1	X	X	X				
kk	447 Gasoline Stations/Conv. Stores	1	X	X	X				
ll	448 Clothing and Accessories	4	X	X	X				
mm	451 Sporting Goods, Books, Music	2	X	X	X				
nn	452 Gen. Merchandise/Dept. Stores		X	X	X				
oo	453 Florists/Off.Supply/Gifts/Used/Misc	7	X	X	X				
pp	454 Non-Store Retailers		X	X	X				
qq	722 Food Services/Drinking Places	4	X	X	X				
(8) Market Demographics (By Main Street)		**Downtown**	**3 Miles**	**5 Miles**	**10 Miles**	**Zip Code**	**County**		
rr	Retail Sales	$19,430,000	$95,666,000		$128,700,000		$196,700,000		
ss	Retail Potential	$1,143,000	$39,651,000		$118,960,000		$229,865,000		
tt	Leakage/Surplus	**$18,287,000**	**$56,015,000**		**$9,740,000**		**33,200,000**		
uu	Per Capita Income	$16,442	$18,475		$17,842		$18,350		
vv	Population	183	5.598		16,534		35,388		
(9) Physical Environment (Downtown Only)		**Number/type**	**(Describe in space beside blank)**						
ww	Parking/on-street (No. Spaces)		Public						
xx	Parking/off-street (No. Spaces)		Public and Private						
yy	Public Space/parks (No.)	yes	Describe	**s Market, Tory Hole**					
zz	Pub/Street/SW Improvements (No.)	yes	Describe	**Recent SS Improvements, lights, trees, etc.**					
aaa	1-way Streets		No						
bbb	Downtown (Business) Historic District		No						
(10) Available Financing		**Type**	**Source**	**Interest**	**Amortization/term**	**Other**	**LTV**		
ccc	Conventional/Banks,etc.	RE	Banks	P+	15-25		80%		
ddd	Special								
(11) Business Assistance		**Yes**		**Type**	**Consultation/BP**	**Provided By:**	**STMS**		

CONSUMER SURVEY			**TOWN**	**Elizabethtown**	**Feb-13**	**28337**					
DOWNTOWN BUSINESS DISTRICT											
						No.	**%**	**No.**	**%**	**No.**	**%**
How often do you shop in the downtown business district?											
		Daily				14	28%				
		At least weekly				27	54%				
		At least monthly				4	8%				
		Sometimes				5	10%				
What is the Main reason you visit the downtown business district?											
		Shopping				17	34%				
		Banking				6	12%				
		Working				13	26%				
		Eating				8	16%				
		Personal Business/other				6	12%				
What Other things do you do downtown?											
		Shopping				17	34%				
		Banking				21	42%				
		Eating				32	64%				
		Personal Business/other				19	38%				
Where do you do most of your shopping?											
		Downtown				19	38%				
		Local Shopping Center				16	32%				
		Nearby Town/other				12	24%	LUMBERTON, F,WI,WH,R,			
How would you rate the following about downtown?						**GOOD**		**FAIR**		**POOR**	
		Parking				23	46%	13	26%	12	24%
		Friendliness of salespeople				36	72%	11	22%	1	2%
		Price of merchandise				15	30%	27	54%	6	12%
		Variety of goods				14	28%	26	52%	8	16%
		Quality of goods				28	56%	20	40%		0%
		Attractiveness of area				36	72%	9	18%	2	4%
		Attractiveness of buildings				29	58%	17	34%	1	2%
		Business hours				31	62%	13	26%	3	6%
		Safety				35	70%	9	18%	3	6%
How important are the following to improving the downtown area?						**VERY**		**SOMEWHAT**		**NOT**	
		Historic Character				25	50%	19	38%	1	2%
		Cleanliness and maintenance				39	78%	6	12%	1	2%
		Focus on local customers				37	74%	8	16%		0%
		Patronize local businessess				37	74%	9	18%		0%
		Improve tourism				33	66%	10	20%	3	6%
		More special events/festivals				27	54%	13	26%	1	2%
		More jobs for locals				36	72%	6	12%	1	2%
		Customer service				37	74%	3	6%	2	4%
		Public improvements,streets, sidewalks, etc.				25	50%	15	30%	3	6%
		More advertising				21	42%	17	34%	5	10%
		Regular, convenient business hours				32	64%	11	22%	1	2%
		Safety				38	76%	6	12%		0%
What types of stores or services would you personally use downtown?											
		Yogurt/ice	2	Shoe Repair	1						
Restaurant	5	Grocery	4	Drug Store	2						
Clothing	4			Alterations	1						
books	2										
				Dept/Gen Merch	2						
Health Foo	2	Game Roo	1	Coffee	3						
Where do you live?											
		In town				12	24%				
		Between 1-3 miles				8	16%				
		Between 3-5 miles				4	8%				
		Between 5-10 miles				16	32%				
		Other				8	16%				
What is your Zip Code?											
					28337	26	52%				
					28320	7	14%				
					28349	1	2%				
					28328	1	2%				
					28384	1	2%				
					28392	2	4%				
					28433	2	4%				
					28472	1	2%				
					28434	1	2%				
					28399	1	2%				
How do you find out about local businesses, shopping, etc.?											
		Local Newspaper				30	60%				
		Other newspaper				2	4%				
		TV				9	18%				
		Radio				6	12%				
		Direct Mail				11	22%				
		Word of mouth				31	62%				
		Other				3	6%	on line			
Respondent is											
		Male				11	22%				
		Female				36	72%				
Respondent's age is											
		15-19				2	4%				
		20-25				1	2%				
		26-35				4	8%				
		36-50				14	28%				
		Over 50				28	56%				
ALL RESPONDENTS DID NOT ANSWER ALL QUESTIONS											

ELIZABETHTOWN SMALL TOWN MAIN STREET COMMITTEE 2012-2013

Arthur Bullock
Ashley Dowless
Billie Hall
Bobby Kinlaw
Bryan Martin
Cameron McGill
Chris Graves
Dan Allen
Darrel and Kathy Page
David Clark
Dawn Maynard
Djuna Tyson
Eddie Madden
Ellen and Ricky Leinwand
Erin Smith
Fred Tate
Greg Elkins
Hope Campbell
Jane Priest
Jessica Johnson
Jim Burney
Joey Taylor
Karen Suggs
Ken Lee
Kristy Coleson
Lee Cole
Lee Greene
Linda Burney
Mark Gillespie
Minnie B. Price
Niki Dennis
Paula Greene
Randy Martin Melvins
Ray Britt

Renee Horton
Rhea Hebert
Robert Meiklejohn
Rufus Lloyd
Sally Valentiner
Sandra Baldwin
Shirley Vann
Sonny Jones
Tina Mundy
Treimain Thomas
Vanessa Crocker
William Findt
William Frazier
Yvette Ross