Downtown Milwaukee
Streetfront Retail Strategy

Milwaukee BID 21
March 2009
Retail Strategy and Implementation Program

• The Milwaukee BID 21 retained DW to evaluate retail conditions in downtown and create a Retail Strategy and Implementation Program

• The scope includes:
  – BID boundaries
  – Definition and description of important customer markets
  – Development of Merchandise Mix Plan, including appropriate mix of retailers and phasing
  – Commencement of Implementation Program
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Downtown Snapshot - RETAIL

- Wisconsin Ave.
- Plankinton
- Old World Third

- Wisconsin Ave.
- Water St.
- Broadway
- Milwaukee St.
- Jefferson St.
- cross streets

General
- Retail spread throughout downtown
- Retail rents approx. $23 per SF per year
- Third Ward is successful retail district
Downtown Snapshot: *The Third Ward*

- 130 restaurants and retailers
- Successful, independently-owned, unique retailers with select national chains
- *It is all about the TENANT MIX*
  - Type, quality, and concentration of stores attracts customers
  - Became retail destinations
- “Trained” suburbanites to visit downtown for retail and restaurant needs
- Shown that retailers do want to be:
  - In an urban setting
  - On the street front
- Proven that customers (including suburban) want to experience:
  - Street-oriented retail environment
  - One-of-a-kind retailers
  - A dynamic urban setting
Downtown Snapshot: Residential & Office

• Residential development has been strong
  – 2,000 new units downtown 2001-2006
  – 3,700 new units including half-mile beyond core
  – Planned areas/projects: Park East, Pabst Brewery, Historic Third Ward, others
  – 1,682 units planned or under construction in downtown
    • Several projects canceled or put on hold

• Currently 12.5 million SF of office
  – 5.6 million Class A (44 percent)
  – 17.2% vacant
  – Majority in eastern part of downtown (9 of 10 largest private office projects)
  – Largest employers: M&I Bank, Roundy’s Supermarkets, We Energies, Northwestern Mutual, AT&T, The Marcus Corporation, US Bank
  – New office planned for Pabst Brewery
Who are the customers?

### Types of Customers

- Each type of customer is important and contributes to total retail dollars spent in downtown
  - Visitors
  - Employees
  - Residents

### Residential Market

- Assessed and determined residential market trade areas
- Utilized country geographies
- Primary and Secondary Trade Areas
- Combined trade areas
  - 1.4 million residents
  - 570,000 households

### Employee Market

- 54,000 white collar in downtown (BID)
- 24,000 blue collar in downtown (BID)
- White collar employees are target market - capacity to spend money
- Estimated $134 potential restaurant and retail expenditures per week per employee
- Third Ward employees are potential customer, but less frequent than BID area

### Visitor Market

- 1.5 million visitors annually (Greater Milwaukee)
- Not the “make-or-break” retail market
- Out-of-town visitors tend to be convention-based
- Milwaukee’s museums and attractions draw local/regional visitors – Wisconsin, Chicago
- Regional tourists: Chicago, Fox Valley
- Historic Third Ward, popular destination
- 3,300 hotel rooms at 63% occupancy

80-85% of sales support from local customers
Residential Trade Areas

Primary Trade Area (PTA)

Secondary Trade Area (STA)
Residential Trade Areas

- Many factors impact trade area (i.e. competitive retail centers, access, demographics)
- Potential and goal to improve downtown retail conditions
- Determined the trade area with sufficient spending potential to support improved retail conditions
- Based upon Merchandise Mix Plan’s being in place
- Based on market realities (i.e. propensity to travel or spend)
- Always changing

### Primary Trade Area

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<th>2008</th>
<th>2013</th>
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<td>Households</td>
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<td>Avg HH Income</td>
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### Secondary Trade Area

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<td>Population</td>
<td>476,999</td>
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<tr>
<td>Households</td>
<td>183,461</td>
<td>193,001</td>
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<td>Household Size</td>
<td>2.6</td>
<td>2.6</td>
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<tr>
<td>Avg HH Income</td>
<td>$105,012</td>
<td>$132,174</td>
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</table>
Residents...Beyond the Numbers

• The types of person and household lifestyles are as important as demographics
  – Jobs and education level
  – Preferred activities and spending habits
  – Stage of life
• Psychographic “Lifestyle Tapestry” Segmentation
  – Analytic tool, well-respected industry resource
  – Cross-tabulates various statistics including: age, income, race, gender, home-ownership, household size, etc.
  – 65 different segmentation groups
• Refines trade areas into “target market groups”
• Impacts Merchandise Mix Plan

Prosperous Empty Nesters = Williams Sonoma

In Style = Anthropologie

Metro City Edge = Wal-Mart

National chains used solely as examples to convey type of merchandise, DW understands Anthropologie is present in the Third Ward and Wal-Mart is not ideal for downtown
### PTA Psychographics: Target Market

This is your Target Market in the PTA

Target Market further refined - “most desirable” customers highlighted

<table>
<thead>
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<th>Category</th>
<th>Percent</th>
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<th>Population</th>
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<td>Great Expectations</td>
<td>8.2%</td>
<td>31,669</td>
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<td>Rustbelt Traditions</td>
<td>7.7%</td>
<td>29,738</td>
<td>72,264</td>
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<tr>
<td>Metro City Edge</td>
<td>7.7%</td>
<td>29,738</td>
<td>72,264</td>
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<tr>
<td>Main Street USA</td>
<td>6.6%</td>
<td>25,490</td>
<td>61,940</td>
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<tr>
<td>City Commons</td>
<td>6.2%</td>
<td>23,945</td>
<td>58,186</td>
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<tr>
<td>Cozy and Comfortable</td>
<td>5.7%</td>
<td>22,014</td>
<td>53,494</td>
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<tr>
<td>Old and Newcomers</td>
<td>5.5%</td>
<td>21,242</td>
<td>51,617</td>
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<tr>
<td>Retirement Communities</td>
<td>4.5%</td>
<td>17,379</td>
<td>42,232</td>
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<tr>
<td>Metro Renters</td>
<td>4.5%</td>
<td>17,379</td>
<td>42,232</td>
</tr>
<tr>
<td>Metropolitans</td>
<td>4.5%</td>
<td>17,379</td>
<td>42,232</td>
</tr>
<tr>
<td>In Style</td>
<td>2.5%</td>
<td>9,655</td>
<td>23,462</td>
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<tr>
<td>Sophisticated Squires</td>
<td>2.3%</td>
<td>8,883</td>
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<td>Prosperous Empty Nesters</td>
<td>1.8%</td>
<td>6,952</td>
<td>16,893</td>
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<td>Midlife Junction</td>
<td>1.7%</td>
<td>6,566</td>
<td>15,954</td>
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<td>College Towns</td>
<td>1.6%</td>
<td>6,179</td>
<td>15,016</td>
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<td>Aspiring Young Families</td>
<td>0.9%</td>
<td>3,476</td>
<td>8,446</td>
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<td>Milk and Cookies</td>
<td>0.9%</td>
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<td>Young and Restless</td>
<td>0.7%</td>
<td>2,703</td>
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<td>Wealthy Seaboard Suburbs</td>
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<td>2,703</td>
<td>6,569</td>
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<tr>
<td>Connoisseurs</td>
<td>0.7%</td>
<td>2,703</td>
<td>6,569</td>
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<tr>
<td>Pleasant-ville</td>
<td>0.5%</td>
<td>1,931</td>
<td>4,692</td>
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<tr>
<td>Enterprising Professionals</td>
<td>0.5%</td>
<td>1,931</td>
<td>4,692</td>
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<tr>
<td>Suburban Splendor</td>
<td>0.5%</td>
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<td>4,692</td>
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<tr>
<td>Top Rung</td>
<td>0.4%</td>
<td>1,545</td>
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<tr>
<td>Up and Coming Families</td>
<td>0.4%</td>
<td>1,545</td>
<td>3,754</td>
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<tr>
<td>Trendsetters</td>
<td>0.2%</td>
<td>772</td>
<td>1,877</td>
</tr>
<tr>
<td>Laptops and Lates</td>
<td>0.2%</td>
<td>772</td>
<td>1,877</td>
</tr>
<tr>
<td>Urban Chic</td>
<td>0.2%</td>
<td>772</td>
<td>1,877</td>
</tr>
</tbody>
</table>

Total Target Groups: 77.8% 300,471 730,145

**Target Customer Psychographic Groups vs. Non-Target, Primary Trade Area**

- Non-Target Groups: 22%
- Target Groups: 77.8%
PTA: “Most Desirable” Customers

• While all residents in the Target Market are potential downtown customers, some are “most desirable”
• Can not merchandise to all groups - focus on “most desirable” customers
• Five of the most populated “most desirable” customer groups total 221,000 people

1. Main Street USA
   • “All-American” suburban households, with two kids
   • White-collar middle management jobs $65,000 range
   • Take pride in and maintain houses themselves
   • Tend to watch spending, but will indulge

2. Old and Newcomers
   • Young white-collar couples
   • Unencumbered and flexible lifestyles
   • Enjoy shopping, but do not spend exorbitantly

3. Metro Renters
   • As renters, do not have large home expenditures
   • Spend on themselves (i.e clothes, technology products, etc.) ; few children present

4. Metropolitians
   • Active urban lifestyle, prefer city living
   • 75% have attended college

5. In Style
   • Live in suburbs, but prefer cities
   • Mix of prosperous married couples and singles
   • Computer savvy, health conscious, active
   • Spend money on shopping, travel, entertainment (i.e sports tickets)

All of “most desirable” groups total:
-311,000 people
-128,000 households
PTA and STA Psychographics: **Target Market**

This is your targeted market (Primary and Secondary Trade Area combined)

<table>
<thead>
<tr>
<th>Category</th>
<th>Percent</th>
<th>Households</th>
<th>Population</th>
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</thead>
<tbody>
<tr>
<td>Main Street USA</td>
<td>7.5%</td>
<td>42,725</td>
<td>106,162</td>
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<tr>
<td>Sophisticated Squires</td>
<td>6.7%</td>
<td>38,168</td>
<td>94,838</td>
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<tr>
<td>Cozy and Comfortable</td>
<td>5.8%</td>
<td>33,041</td>
<td>82,098</td>
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<tr>
<td>In Style</td>
<td>5.7%</td>
<td>32,471</td>
<td>80,683</td>
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<tr>
<td>Rustbelt Traditions</td>
<td>5.3%</td>
<td>30,193</td>
<td>75,021</td>
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<td>Old and Newcomers</td>
<td>4.70%</td>
<td>26,775</td>
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<td>Retirement Communities</td>
<td>3.90%</td>
<td>22,217</td>
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<td>Metro Renters</td>
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<td>43,880</td>
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<td>Prosperous Empty Nesters</td>
<td>2.50%</td>
<td>14,242</td>
<td>35,387</td>
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<tr>
<td>Metropolitans</td>
<td>2.50%</td>
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<td>35,387</td>
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<td>Suburban Splendor</td>
<td>2.40%</td>
<td>13,672</td>
<td>33,972</td>
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<tr>
<td>Aspiring Young Families</td>
<td>1.70%</td>
<td>9,684</td>
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<td>Boomburbs</td>
<td>1.60%</td>
<td>9,115</td>
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<td>Midlife Junction</td>
<td>1.30%</td>
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<td>Up and Coming Families</td>
<td>1.20%</td>
<td>6,836</td>
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<td>College Towns</td>
<td>1.10%</td>
<td>6,266</td>
<td>15,570</td>
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<tr>
<td>Young and Restlesss</td>
<td>1.10%</td>
<td>6,266</td>
<td>15,570</td>
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<td>Connoisseurs</td>
<td>1.00%</td>
<td>5,697</td>
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<td>Enterprising Professionals</td>
<td>0.90%</td>
<td>5,127</td>
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<td>Milk and Cookies</td>
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<td>3,418</td>
<td>8,493</td>
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<td>Wealthy Seaboard Suburbs</td>
<td>0.50%</td>
<td>2,848</td>
<td>7,077</td>
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<td>Urban Chic</td>
<td>0.50%</td>
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<td>7,077</td>
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<td>Laptops and Lattes</td>
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<td>Silver and Gold</td>
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<td>Sun Seekers</td>
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<td>1,415</td>
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**Total Target Groups**  
63.60%  362,311  900,251

Target Market further refined - highlighted “most desirable”

![Target Customer Psychographic Groups vs. Non-Target, Primary Trade Area](image-url)
PTA and STA: “Most Desirable” Customers

- Some potential downtown customers are “most desirable”
- Several categories described in Primary Market slide
- Five of the most populated “most desirable” customer groups total 392,000 people

1. Main Street USA
   - Described above
2. Sophisticated Squires
   - Well-educated, median income of $80k
   - Like culinary equipment (i.e. Williams Sonoma)
   - Active families (visit museums, zoos, etc.)
3. In Style
   - Described above
4. Old and Newcomers
   - Described above
5. Metro Renters
   - Described above

All of the “most desirable” groups total: 630,000 people -254,000 households
Supportable SF of Retail

- Assessed total expenditure potential by different customer groups
  - Residents (by households): Downtown and Trade Areas
  - Employees
  - Visitors
- Estimated the percentage of total expenditures downtown can capture
  - $607 million annually across all customer categories
- Translated expenditures to supportable SF utilizing estimated sales per SF
- Estimated support for 1.5 million SF of retail downtown
- 1.1 million SF of street-front retail currently exists, leaving 400,000 SF of supportable space
- Does not mean support for BUILDING 400,000 SF of retail
  - Existing vacant space that should be filled first 148,000 SF
  - Existing non-retail space that should be retail (conversion) 229,000 SF
- BEFORE building more space, consider:
  - Existing retail space in Third Ward (not part of 1.1 million SF existing)
  - Does not include interior spaces (Grand Avenue, other projects)
What does this all mean?

• Market support exists to recruit retailers to downtown Milwaukee
• The Target Market consists of households and employees that will be attractive to retailers
  – Educated and active
  – Disposable income
  – Desire to spend and dine out
• Recruit retail to fill EXISTING SPACE
• Create momentum and catalysts by tenanting existing space in focused areas and promoting multi-use projects in infill locations
• Increasing downtown residents will be an important growing market
  – Empty Nesters
  – Young Urban Professionals
• White-collar workforce will contribute, especially to food and beverage

APPROPRIATE MERCHANDISE MIX MUST BE IN PLACE TO CAPITALIZE ON MARKET POTENTIAL
Existing Mix - Qualitative Analysis

- Provides strengths and weaknesses of current retail mix
- Tool for Retail Recruiter
- 210 properties
- 74% (155) were evaluated as restaurants, retailers, consumer services
  - Maintenance, Façade, Signage, Display, Interior
- High score = 20
- Low score = 5
- Approx 36 vacancies, 17%

- 5 properties scored a 5
- 5 properties scored a 20 (restaurants)
- 3 of 19 high score properties (17+) were retailers
- 45 spaces are candidates for recapture, 10 or below

Distribution of QA Scores

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<th>Score</th>
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<td>11-15</td>
<td>44</td>
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<tr>
<td>16-20</td>
<td>28</td>
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</tbody>
</table>
Existing Mix - Retail Sampling

Challenged retail storefronts

Good retail storefronts
Existing Mix - Qualitative Analysis

- 35% of mix comprised of restaurants
  - Full-service restaurant are well represented
  - There is enough fast food/quick service on primary retail streets
- Apparel and fashion accessories needs to grow, only 9%
- Vacancy rate is high
Stakeholder Interviews: Common Threads

• Interviewed over 25 stakeholders (retailers, residents, workers, city officials)
• Comments are thoughts and ideas of interviewees
• Lack of retail, especially east of river (place to start) and especially apparel, home furnishings
• There needs to be defined retail district in downtown (marketable identity)
• Lack of connections (Third Ward to Downtown) - around downtown
• Business community and government need to invest in downtown
• Heavily recruit more offices and headquarters, retail impacts quality of life factors
• Grand Avenue is a challenge, turn inside out (Bay Shore), location for big-box, do not be like mall
• Sense of optimism rooted in residential growth and emergence of Third Ward
• Employees are important part of existing downtown sales
• Best retail streets:
  – Milwaukee between Mason and Wisconsin, but lacks retail more restaurant and entertainment
  – Brady Street and Third Ward
• Important for retailers to be downtown because variety of customers (i.e visitors) and accessible (only 30 minutes from anywhere in market)
• Rivalry between East and West side, need more retailers on East side
• Upscale stores do not want to be on Wisconsin now
• Fill gaps, such as parking lots (Mason, Wells)
• Better retail would be catalyst for live theater performances
• Downtown Milwaukee very unknown, put cool local marketing firms on this task
Stakeholder Interviews

• Target will save downtown
  – Many already in the market, 13 stores in market
• Need stores that pay downtown rents (i.e. Anthropologie and Urban Outfitters)
  – *Fast food tenants pay the highest rents: raises rental rate average for downtown*
• Create urban entertainment such as ESPN Zone and cinema
  – *Need uses as active or more during the day*
  – *Entertainment use geared toward evening, do not help retail*
• Parking is a problem
  – *Often perception, not a reality*
  – *People willing to pay for good retail mix*
• Park East will compete with downtown for tenants
  – *Park East not in the core*
• Transit hubs are good places for retail and restaurants
  – *For convenience and impulse purchases*
• Retail will benefit from convention business
  – *Really benefits restaurant and hospitality business*
Challenges for Retail Revitalization

- Need for storefront renovations
- Monolithic office architecture at pedestrian scale
- Too many surface parking lots and garages on potentially major retail streets
- Multiple ownership of retail spaces
- Storefront and signage design
- Many gaps - lack of contiguous retail
- Retail streets interrupted by large non-retail uses (Old World Third)
- Enticing people to reopen and renovate old theaters
- Lack of double-sided retail both sides of street (Water Street and Jefferson at Cathedral Sq.)
- Wisconsin is not pedestrian friendly - (i.e. width of East and number of buses East and West)
- Some Milwaukee residents are too humble about their city (Milwaukee is great!)
Strengths for Retail Revitalization

• Good existing building stock
• Active cultural and arts scene
• Milwaukee Bucks play downtown
• White-collar employee base
• Sufficient residential target market
• Active and supportive BID 21, plays major role, promote downtown
• Grand Avenue, the largest retail component in the study area, has professional leasing staff
• Proven success in Historic Third Ward
• Successful restaurants
• Existing successful stores in downtown
• Public Market on Broadway close to downtown
• Milwaukee residents are proud of city
• Beautiful city; River is an asset to be leveraged
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   I. Principles for Merchandise Mix Plan
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   III. Merchandise Mix Plan by Retailer Characteristics

III. Retail Recruitment and Implementation
Principles for Merchandise Mix Plan

- Downtown is where a city innovates
- Cultural institutions and diversity are anchored in downtowns
- Historically the city’s retail scene was anchored in downtown
- Downtowns are reviving from decline in 1970’s and 1980’s
- Street-oriented retail is the focus
  - Inherent nature of cities and towns
  - Visible and accessible
  - Proven as successful/optimal format for urban retailing
  - Desire of “creative class” and your target market
- Can not program each space for a potential use
  - Downtowns do not have single ownership like a mall
  - Each property is unique: design, fixtures (i.e. kitchens), lease terms, size etc.
  - DW addresses during Implementation with Retail Recruiter
Creating a catalyst can occur by addressing *individual retail spaces in defined focus areas*

*Does not require one large project*
Merchandise Mix Plan: Cathedral West

Why here?

- Healthy mix of downtown’s better restaurants
- Prospects could move in TODAY
- Several hotels present (Pfister and Metro)
- Part of Central Business District
- Proximity to lake area residents
- Accessible to visitors

- Jefferson Street
- Milwaukee Street
- Broadway Street
- Mason Street (cross street)
Merchandise Mix Plan: Cathedral West

Jefferson St. - Kilbourn to Wisconsin
  • Existing retailers and restaurants
    – Apparel, home boutiques (George Watt)
    – Excellent dining (Elsa’s, Mason St. Grill)

Milwaukee St. - Mason to Wisconsin
  • Great collection of restaurants
  • Some interesting retail (Vespa Store and Planet Bead Gallery)
  • Could use more retail

Broadway St. - Wells to Wisconsin
  • Big connection to Historic Third Ward
  • Need to make great

Recruitment Targets
  • Men’s and Women’s Apparel
    • Casual
    • Career
  • Jewelry (fashion)
  • Shoes
  • Fashion accessories
  • Home furnishings
  • Gifts
  • Art Galleries
  • Enough restaurants (not high priority)
Merchandise Mix Plan: East Wisconsin

Why here?

• Wisconsin has been the traditional retail street
• The spine of downtown Milwaukee
• Density of office buildings

• East Wisconsin
• Water Street
• Broadway

East Wisconsin Ave. (looking West)
Merchandise Mix Plan: East Wisconsin

**East Wisconsin - Water to Jefferson**
- Properties need renovation and improvement
- Focus on corner locations
- Recapture space

**Water - Wisconsin to Michigan**
- Original buildings with good potential storefronts (east side)
- Really strengthen this block
- Parking garage is *real* challenge (west side)

**Broadway - Wisconsin to Michigan**
- Infill development is potential long-term
- Ultimately, need contiguous connections
- **INTEGRAL ARTERY**
- Downtown & Historic Third Ward will benefit

**Merchandise Mix**
- *Larger format spaces*
- Continue Apparel and include sports and active wear
- Furniture
- Design showrooms (floorings, fixtures)
- Continue galleries
- Appliance (i.e. Viking, Bosch)
- Prepared foods/urban market
Merchandise Mix Plan: North Water St.

Why here?

- Cater to office market and theater visitors
- Many office buildings
- Storefronts not ideal for retail
- Retail that can relate to office uses

Merchandise Mix

- Card/gift shop
- Florist
- Office Supplies
- Art Supplies
- Cafes
- Casual Dining
- Other services uses (not on corners)

• Water Street - Wells to Wisconsin
Merchandise Mix Plan: West Wisconsin

Why here?

• Has been traditional retail spine
• Convention Center
• Successful well-known restaurants (Capital Grill)

• West Wisconsin
• Plankinton
• Wells
• Old World Third
Merchandise Mix Plan: West Wisconsin

**West Wisconsin** - River to 4th

- *If* big-box were to locate downtown it should be here - on the street
- Great pedestrian scale
- Opportunity to re-use old theater

**Plankinton** - Wisconsin to Wells

- Relates well to River
- Good location for restaurants, take advantage of waterfront

**Old World Third**

- Part of Focus Area
- Should house overflow from Wisconsin and Plankinton

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**Merchandise Mix**

- Nordstrom’s Rack (example)
  - Example big-box
  - Opening 10 stores 2009
  - Typically only do 1 store per market
  - Would attract other stores
- Sporting goods and equipment
- Sports and active wear
- Casual apparel
- Existing Walgreens, Office Max, Borders, Boston Store, TJ Maxx good street front uses
Merchandise Mix Plan: Old World Third

Why here?

- Established with defined identity
- Organically grown and successful
- Ethnic unique food
- Doing okay as is
- Lacks connection to downtown
- Retail and restaurants will grow as Park East is developed

- Old World Third

Merchandise Mix

- Build on existing culture and identify
- Revisit for community-oriented retail as area is developed
What not to recruit

• Fortunately, Downtown Milwaukee is not overpopulated with:
  – Nail salons
  – Fast food
  – Convenience stores (i.e., 7-Eleven)
  – Electronics

• Fast food appropriate for market, BUT not in ideal retail locations

• Amount of full service restaurants is sufficient
  – Typically start recruitment in this category, but already have...
  – Active substantial full-service restaurant scene

• Diversity of retail uses is underwhelming

• You can recruit almost anything for downtown

• Will not proactively target:
  – Full-service restaurants (already good base in place)
  – Drugstores
  – Convenience stores
  – Banks
  – Chain stores found in the suburbs
What not to incentivize

Big-boxes frequently found in the market

13 Targets
What not to incentivize

**Big-boxes frequently found in the market**

14 Kohls
What not to incentivize

Big-boxes *frequently* found in the market

- 8 Best Buy
- 8 Home Depots
Location Factors

• Stores should be contiguous -- literally side-by-side
• Concentrated retail clusters create anchors and destinations
• Primary Retail Streets
  – Where retail concentration occurs
  – Customer can immediately understand – SHOP HERE!
  – Retailers selling goods (i.e. clothes, furniture, gifts)
  – Full-service restaurants (open lunch and dinner)
  – Should not be interrupted by non-retail uses (banks, offices, blank walls, parking decks)
• Secondary (side) Retail Streets
  – Consumer services (dry cleaning, tailor, shoe repair, salons)
  – Quick service food
  – Office or residential lobbies in mixed-use buildings with retail
• Will identify best opportunities once Implementation has commenced
Design Factors

• Corners are very important
  – The provide the first impression of the street, setting the tone
  – Have good window displays, attractive storefronts
  – Should be built out to the side walk (right-of-way), or notched

• No arcades, plazas, or special features built into potential storefront area
  – Quality merchandise display and good storefront design should stand alone

• Unique, distinctive storefronts
  – Differentiated from adjacent storefronts and other uses above

• Avoid generic storefront designs, which are often by-product of storefront systems
  – New construction and mixed-use buildings are at high risk
Design Factors

Generic Storefront Systems to Avoid
Design Factors

Sample Unique, Distinct Storefronts
Retail Recruitment Targets

• Downtown retailing and dining should be as varied as the people operating there
  – Be as different from suburbs as possible
  – Thrive on diversity and innovation
  – Ubiquitous chains are antithetical
• Merchandise can be chic (Zara or H&M) or classic (Brooks Brothers)
  – Both types are great for Downtown
  – Unique selection of local, regional, and national (hand-picked) stores
• Quality will always be important (does not mean expensive)
  – Hard to quantify or formalize
  – Taste, creativity, design, merchandising intuition
  – Qualified retail recruiter is critical in generating appropriate prospects
Retail Recruitment Targets

Great signage

• Succinct, colorful, attractive graphics, styled to fit character of storefront

• Should not state too much information (i.e. hours, website, number, name, merchandise, etc.)

• Succinct and not repetitive (name should be in 1 or 2 places at most)
Retail Recruitment Targets

Engaging window displays

• Should change every 2 or 3 weeks (great retailers change more frequently)

• Reflect merchandise sold
Retail Recruitment Targets

Proper interior merchandising

• Coordinated and organized (color, style, type)

• Inventory levels, neither cluttered nor sparse

• Merchandise selection, cohesive, but varied
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Retail Recruiter

- Central component of the Implementation Program
  - Completed comprehensive hiring process
  - Milwaukee BID 21 Employee
  - Deanna Inniss, Feb. 2009 start

- Non-commissioned-based salary
- Brings viable prospects to landlords or real estate representatives - Match Maker
- Represents all properties in BID
- Ensures that great prospects are not lost
- Work with relevant agencies to facilitate store opening

**Phase I:**
- Train the Recruiter (Retail 101)
- Introduce Recruiter to landlords, brokers, retailers
- Commence property/tenant information database
- Guide development of marketing piece (DW and Recruiter)

**Phase II:**
- Train the Recruiter (on-the-job)
- Participate in training with DW’s other Recruiters
- Prospect in Milwaukee & evaluate targets (DW & Recruiter)
- Develop Salesforce database for recruitment targets

**Phase III:**
- Follow-up with prospects (visits, information, tours, etc.)
- Gradually expand prospecting base as appropriate (i.e. Madison, Green Bay, Kenosha, Evanston, Chicago, Minneapolis)
- Tackle challenges
Recruitment Timeline

• Retail recruitment is a long-term effort
• Do not expect deals in first 6-12 months
• EXAMPLE: Austin, TX began July 2005, now seeing major changes
  – 700 leads, 77% from Recruiter cold-calling
  – 289 “qualified” leads
  – 20 signed deals (7% of qualified leads)
• No other way to get the retailers you need
• Current economic conditions
  – May influence prospective tenant reactions
  – Not permanent
  – Downtowns will come out stronger
Implementation and Recruitment Steps

• Commenced Retail Recruiter training in Washington, DC
• Meet with key stakeholders and introduce Retail Recruiter
  – Landlords
  – Retailers
  – City officials
  – Other stakeholders
• Begin developing Retail Recruitment Marketing Piece
  – Graphic
  – Succinct
  – Eye-catching
• Explore incentives and grants for prospective retailers
  – Façade grants/storefront design guidelines
  – Forgivable loan program

• Prospect, Prospect, Prospect
Summary of Retail Catalysts

• Recruit retail consistent with Merchandise Mix Plan
  – Each deal should leverage next one
• Improve connections to Historic Third Ward (especially Broadway and Water)
• Infill gaps with mixed-use developments only
• Narrow East Wisconsin to make more pedestrian friendly
• Reduce buses on East and West Wisconsin
• Renovate and reopen Grand Theater
  – Arts screen could serve as great anchor
• Prohibit, through zoning, non-retail uses at ground level and sky bridges
  – Negative impact on retail
  – Des Moines and Minneapolis (sky bridges hindered retail success)
• Create retail design guidelines authored by retail architect/designer