

## SCOPE OF SERVICES

Below is a proposed scope of services to update the 2008 Downtown Market Study prepared by GDS for the City of Danville. The purpose of this update is to provide market information to help guide reinvestment activity within the Downtown over the next five years. In addition to providing specific market data, the report also will provide recommendations for accelerating the City's efforts to attract new businesses and investment.

It is intended that this Report will build upon plans and studies completed since the 2008 Study and incorporate the community's stated goals and objectives for the revitalization of the downtown and surrounding residential areas. The following scope of services assumes that the City will assist in gathering background information including providing updated base maps, a property and business inventory and assist with surveys and focus groups. Included in the cost of services will be two on-site visits and a written report. The Report will be divided into the following three sections:

- An executive summary that can be used to market the downtown to prospective investors.
- A market summary that highlights changes that have occurred since 2008 in terms of demographics, business mix and retail sales leakage and market demand. The summary also will include information from a downtown residential survey.
- An Economic Redevelopment Summary that outlines a variety of business retention and recruitment strategies that could be implemented by the City or volunteers to encourage additional investment and strengthen local businesses located in the defined Study Area.

### PART ONE: OVERVIEW OF MARKET TRENDS AND CONDITIONS

GDS will prepare a report that summarizes changes that have occurred within Danville's trade area since the 2008 study. This information can be used by City staff and prospective investors to identify new investment opportunities and refine priorities. Information gathered during this process also can be used by businesses and property owners interested in expanding or relocating to downtown. The final report will include the following information:

- A. Summary of Demographic and Economic Data.** The Consultant will update market findings summarized in the 2008 Downtown Study prepared by Greenberg Development Services. and highlight changes within the Trade Area and region including:
- A summary of changes within key demographic, socio and economic indices (population, household, income, race, age, employment, education and commuting patterns etc.) for the City, MSA and a previously defined trade area. Data from ESRI Business Solutions, U.S. Census, VA Department of Revenue and Tourism and regional Economic Development Agencies will be used as a basis for this update.
  - A summary of changes within key lifestyle markets segments as defined by ESRI that are used by major corporations to identify site locations.

**B. Survey Development and Evaluation.** The Consultant will assist the City to develop a survey that can be used to gather additional information on downtown residents. This information will be used to determine market demand for specific goods as well as evaluate attitude and shopping behavior.

- The Consultant will provide a draft questionnaire that the City can revise and distribute to downtown residents.
- City staff would be responsible for administering and tabulating the survey. On-line survey companies such as Survey Monkey can be used to facilitate tabulation and report generation.
- If the survey is printed and administered in person, the City will tabulate data and provide the Consultant with a summary of findings.
- The Consultant will review survey findings and incorporate into the market update and economic development recommendations.

**C. Business and Real Estate Assessment.** The Consultant will assess retail competitiveness within the community and region through the following:

- With the assistance of City staff, the Consultant will review major commercial centers and their ability to capture residents' sales.
- Review local visitor attractions, lodging and food establishments.
- Summary of downtown businesses by target markets and location including both "vertical" and "horizontal" business clusters.
- Identify issues, opportunities and attitudes of key downtown Stakeholders through on-site interviews.
- Summarize economic and organizational barriers to and opportunities for commercial redevelopment in the Study Area. The Study Area includes the CBD, portions of the Tobacco Warehouse District and the North Main Hill area.

**D. Retail Demand Analysis.** The Consultant will evaluate current consumer demand relative to both existing and anticipated supply - otherwise known as a *Gap* analysis. The demand analysis may include:

- A summary of relevant retail sales indices (per household sales, disposable income, gross sales receipts and buying power index) and their impact on retail demand.
- Identification of major customer segments, products or service categories that the community is currently attracting or failing to attract.
- Measurement of the difference between community and regional residents' "buying power" and the volume of retail sales that the community is capturing by sales volume and footage.

## PART TWO: ECONOMIC RESTRUCTURING STRATEGY

Based on information gathered during this site visit and market findings, the Consultant will prepare a series of recommendations for strengthening the City's current commercial revitalization strategy. Information to be included in this report include:

- A. Market Opportunities Statement.** To guide future business investment, the Consultant will summarize market opportunities and provide recommendation for transitioning the key sub areas within the downtown from their current market "position" to new ones that reflect the findings from the market and economic analysis and on-site assessment as well as GDS's extensive experience working with downtowns across the country. The market opportunities section of the report will include:
- Identification of market niche opportunities for key areas within the downtown. These areas will include the CBD, portions of the Tobacco Warehouse District and the North Main Hill area.
  - Identification of tenants that could reasonably be expected to locate Downtown over the next few years.
  - Opportunities for key catalyst projects to help anchor existing business base.
- B. Business Retention, Recruitment and Redevelopment Program.** GDS will prepare a business development plan that outlines specific strategies for strengthening downtown's commercial areas through a business retention, recruitment and property development program. The Report will provide recommendations for:
- Revisions or additions to current efforts to strengthen existing businesses and encourage greater entrepreneurial activity within the downtown, including the identification of key roles and responsibilities for downtown "stakeholders" and strategies to improve networking and general lead and referrals within the business community.
  - Revising or adding to the City's financial incentive "tool-kit" to strengthen existing businesses or attract new investment.
  - Strategies for creating a stronger climate for entrepreneurial activity.
  - Identification of catalyst projects that would strengthen downtown's tax base.
  - Recommendations for revisions or additions to existing products used to market the downtown to investors including special events and image campaigns that heighten general awareness.

## TIMELINE AND COMMUNITY INPUT

Below is a general timeline for project completion. Scheduling of meetings and site visits will be coordinated by City staff and can be adjusted to reflect stakeholders' schedules. The project will be completed within four months of contract signing.

- January                Data collection and development of residential survey
- February             First site visit- interviews and review of demographic information
- March                 Submission of Part One and Two- Draft
- April                  Second site visit – presentation of findings and discussion  
                             Submission of final report

Prior to the first site visit, the Consultant will review demographic and retail sale information for the defined trade area and prepare draft survey instrument. During the site visit, the Consultant will review key findings with City staff and discuss the residential survey. During this visit, the Consultant also will evaluate downtown property in terms of mix, location and key vacancies as well as meet with downtown stakeholders to identify specific physical, economic, or organizational barriers to and opportunities for additional commercial development.

Based on information gathered during the site visit and market findings, the Consultant will prepare a draft report outlining specific recommendations for strengthening the City's current revitalization strategy. These recommendations will be presented to City staff and interested stakeholders during a follow-up site visit in April. Based on input received during this meeting, the Consultant will prepare a final report that includes Part One and Two described above as well as an Executive Summary that can be used to market the Downtown to prospective businesses or investors.

During the project, the Consultant will engage the downtown business community throughout utilizing a variety of mediums including:

- Media coverage through newspaper, radio and the City's website.
- Small focus group sessions and interviews with various business leader, property owners, civic organizations and residents during on-site visits and follow-up telephone conversations.
- Two public meetings to discuss findings from Part One and Two
- Optional meeting with City Council or the Main Street Board to review project findings and recommendations.