






LARGE
LARGE

REDEVELOPMENT

- 1** Redevelop the Rockford Public Library as an anchor and learning institution of the future in Downtown Rockford.
- 2** Redevelop Davis Park to become a stronger anchor in Downtown Rockford.
- 3** Establish the Wellness Center as a “healthy living” anchor in Downtown Rockford.
- 4** Build an Aquarium in Downtown Rockford.
- 5** Continue to pursue large scale redevelopment projects.

		STRATEGIES	COLLABORATIVE ACTION NETWORK	TIMELINE	FUNDING
TACTICAL 	1	Use the Library as a venue for programs by joint partnerships (i.e. Local/Regional Colleges and Universities, RMAP, EIGER Lab, etc.)	RPL; RMAP, Local/Regional Colleges and Universities, EIGER Lab	2016	ComEd; New Market Tax Credits; Foundations
LEAN 	1	Consider using vacant storefronts as “pop-up libraries” - this will activate vacant storefronts and create temporary satellite libraries during the redevelopment	RPL; COR; ComEd	2016	City and Partner Organization Operating Budget; ComEd; New Market Tax Credits; Foundations
CLIMAX 	1	Continue to work with ComEd to redevelop the Library in Downtown Rockford - arrive at a vision and secure partnerships/funding	RPL; ComEd	2016	City and Partner Organization Operating Budget; Rivers Edge Redevelopment Zone; State & Federal Grants; ComEd; New Market Tax Credits; Foundations

THE IMPORTANCE OF LIBRARIES TO DOWNTOWNS

Public libraries of the 21st century are no longer just repositories of books and research materials, but are expanding their scope to become economic contributors and providing digital and technological services to diverse users. They operate as spaces for educational meetups, caregivers for working parents, job training centers, and more recently as the neighborhood coffee shop or co-working space.

Given this increase in function, libraries have become dynamic activity centers and are extremely beneficial for downtowns that want to attract a mix of patrons and innovation.

LIBRARIES ARE CATALYSTS FOR FUTURE DEVELOPMENT.

Libraries are often very highly regarded and have a great ability to attract foot traffic and provide long-term tenancy. They are also very complementary to retail and cultural destinations, making Downtown Rockford a good location for the Public Library. Great precedents for downtown library locations can be found in Des Plaines, IL and Rockville, MD, where new libraries have transformed into strong downtown anchors.

LIBRARIES CAN REVIVE VACANT STOREFRONTS.

They also have the ability to provide economic revitalization in a neighborhoods suffering from vacancy. Some libraries have opened temporary satellite locations in vacant storefronts. This brings people to a storefront normally overlooked and once the library leaves, the building is more likely to become developed now that it has attracted more attention and building conditions have been improved by the Library. Once such example of this was in Boston, where a storefront library experiment was conducted for 12 weeks. In that period, 540 library cards were issued, 1,374 books were circulated, and 110 events were held!



Downtown Public Library - Rockville, MD
© Flickr - Montgomery County Public Libraries



Storefront Library Experiment - Boston, MA



Palisades Storefront Library - Mesa County, CO

LIBRARY PARTNERSHIPS

MAKER SPACE

As libraries transform from managing large amounts of printed collections to more digital forms of learning, maker spaces are a great addition to newer models of hands-on learning. Maker spaces can include 3d printers, computers, electronics, printing presses, and other tools. The addition of maker spaces in libraries also expands the audience that would normally use a library.

CULINARY ARTS

While hospitality amenities have been a part of libraries for some time, some libraries are going a step further and adding kitchens for cooking demonstrations and educating users on healthy living.

Madison's Meadowbridge Library has a mission of supporting community interests so when they decided to move into a new site, a community kitchen became a part of the plan. The kitchen naturally aligns with the library's goals to educating, learning by doing, and creating a collaborative setting.

EDUCATIONAL INSTITUTIONS

Educational institutions and libraries are a natural fit as they coincide on their mission of educating the masses.

Downtowns are a particularly interesting location for such collaboration as many educational institutions want to situate themselves in centers of activity. Institutions such as the Savannah College of Art and Design have also taken on the goal of revitalizing old historic buildings in downtown Savannah. Their first renovated building led to 60 facilities in the downtown area.

Downtown Rockford is uniquely positioned to be the breeding ground for such a partnership as several educational institutions, such as Rock Valley College and Northern Illinois University are already intersecting with Downtown facilities.



Harold Washington Library - Chicago, IL
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Meadow Ridge Library - Madison, WI
© library-journal.com



Rosa F. Keller Library - New Orleans, LA
© library-journal.com



SCAD - Trustees Theatre
© Flickr - Will King



SCAD - Poetter Hall
© Flickr - Judge Dredd



SCAD - Eichberg Hall

LIBRARIES AS MIXED-USE DEVELOPMENTS

Libraries have historically been viewed and developed as stand-alone institutions. More recently, however, developers and Cities are seeing the benefits of forming public/private partnerships to pursue the development of libraries with other uses, especially housing. This is evident in library developments such as in Portland, OR, where a partnership between a library and a developer resulted in the Hollywood Library, a small retail space occupied by a coffee shop, and the medium- and low-income Bookmark Apartments in Portland. The development occurred on land owned by the Multnomah County Library. It has become one of the busiest branches and since then the library system has embarked on other mixed-use partnerships.

Similarly, the Milwaukee Public Library system decided to pursue public/private partnerships for several of its library branches. While part of the plan included upgrading their libraries to be technology-rich, 21st century facilities, they also wanted to create economic vitality in their neighborhoods. The library system wanted to elevate the presence of libraries in communities to those of “third places”, places where people can congregate and participate in a multitude of activities, educational, and otherwise.

One of the reasons for the success of libraries as part of mixed-use developments is because of the expanded clientele that interacts with the library. When coupled with a housing development, there is the possibility of having a large portion of the target audience living in the same building! The residents can use the library, not only as they normally would in the City, but it has the potential to serve as a community lounge/ meeting area that residents can use. The location also becomes extremely convenient for elderly residents and those with young children.

MILWAUKEE EAST BRANCH PUBLIC LIBRARY MILWAUKEE, WI

The Standard @ East Library is a 5-story building with the new 16,000 square foot East Branch Library, 99 apartments with underground parking, surface parking for library patrons and a retail space adjacent to the library on the first floor. The process included heavy community engagement and the project was well-supported by the public. Following this model of successful mixed-use libraries, by 2020, six Milwaukee libraries will be mixed-use facilities.



THE STANDARD



MILWAUKEE PUBLIC LIBRARY
EAST BRANCH

Milwaukee East Branch Public Library - Milwaukee, WI



Davis Park
© Flickr - tieulinhlc



		STRATEGIES	COLLABORATIVE ACTION NETWORK	TIMELINE	FUNDING
TACTICAL 	1	Generate excitement towards the Aquarium (i.e. Fish and Chips)	Aquarium Board; RRWRD; Rockford Park District; RDA; RACVB	2015/2016	Crowdsourced Funding; Foundations
LEAN 	1	Install a pop-up aquarium in a vacant storefront or other temporary location (i.e. Museum Campus)	Aquarium Board; RRWRD; Rockford Park District; RACVB; RPL; RDA	2016	Crowdsourced Funding; Foundations; State & Federal Grants
	2	Brand Downtown Rockford as a river ecosystem	Aquarium Board; RACVB; RDA; Rockford Park District	2015/2016	Crowdsourced Funding; Foundations
CLIMAX 	1	Find investors and construct Aquarium in Downtown Rockford	Aquarium Board; RAEDC; RACVB; RPL; RPS 205; RRWRD; Winnebago County; RLDC; RDA; investors	2018	Crowdsourced Funding; Foundations; State & Federal Grants

FUTURE ROCKFORD AQUARIUM

An Aquarium has been proposed for Downtown Rockford by a small group of people making up the Rockford Aquarium Board of Directors. The aim of the Aquarium is to become a catalyst for other development, while teaching people about aquatics, with a particular focus on the Rock River ecosystem.

DOWNTOWN AQUARIUM LOCATIONS



Locations have been proposed for future Aquarium, all of which are in the Downtown focus area. The proposed locations are: the Ice House, Davis Park/Lorden Building, and the current Public Library site.

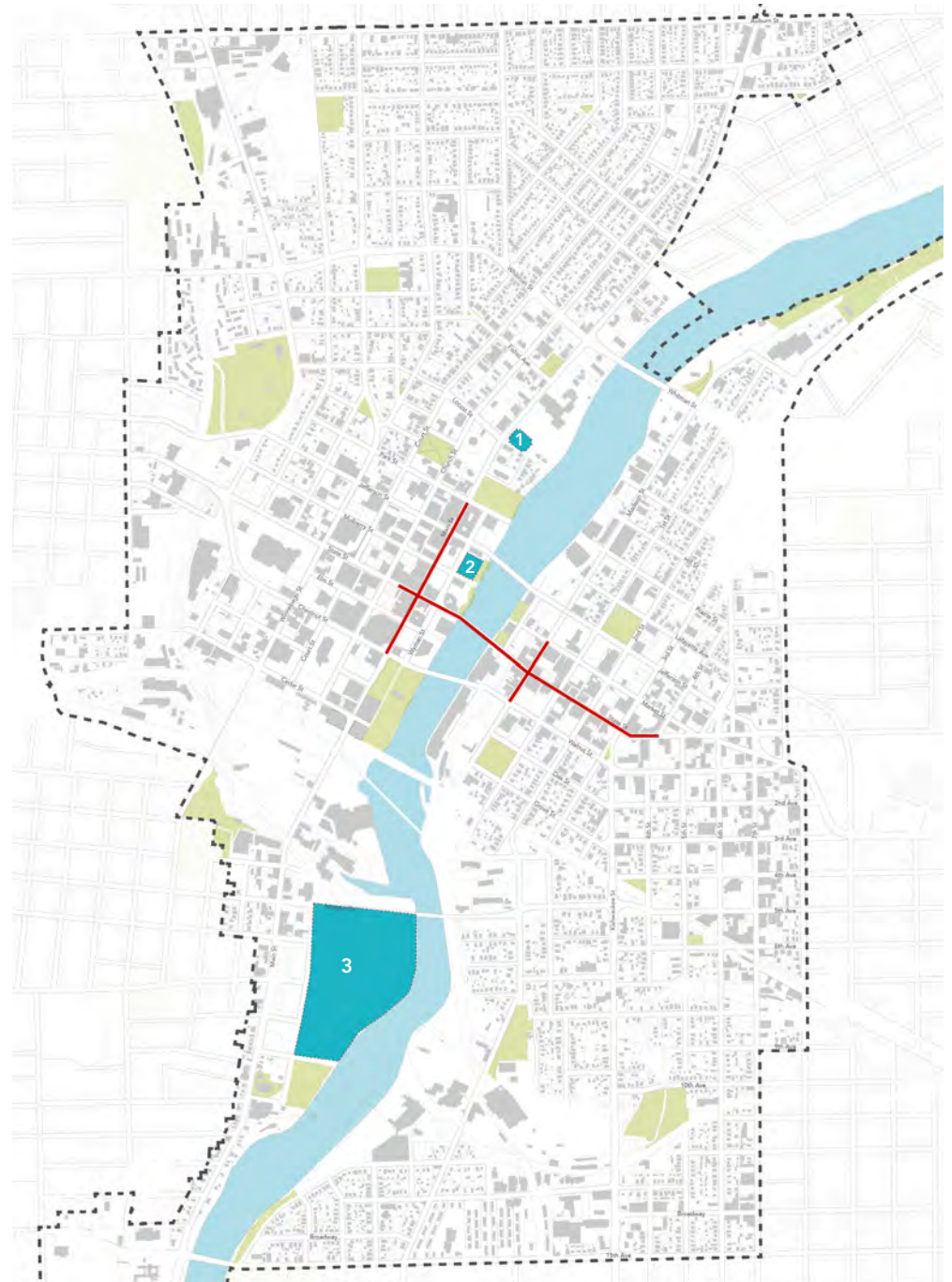
Upon considering each of the locations, we recommend that the Aquarium should be located in or around the Downtown area, however, not fronting along an "A" street, as those should be primarily dedicated to retail.

Additional locations for considerations include: Davis Park/Lorden building, the current Public Library site (if the library is not redeveloped there), and the Armory. The Armory is considered a good location because of its proximity to existing attractions and museums. Another nearby location to be considered would be the Barber Coleman site.

PROPOSED AQUARIUM LOCATIONS

1. Armory
2. Public Library
3. Barber Coleman site

-  Potential Aquarium Locations
-  "A" Streets



AQUARIUM PRECEDENTS

TENNESSEE AQUARIUM

Chattanooga, TN (60,000 sf)

Chattanooga built this aquarium to revitalize the City's decaying riverfront and central business district. The initial idea came about in the early 1980's, but the Aquarium didn't officially open its doors until 1992. It was funded primarily through private foundation funds totalling over \$21 million.

It was acknowledged as a key component of the \$2 billion downtown development that has occurred since it opened and according to Michelle Heron of WRCB TV, has found to have annual economic impacts that top more than \$101 million. More than 100 stores and restaurants have opened within a few blocks of the Aquarium. The Aquarium has also been credited with helping to change residents' perception of the downtown and riverfront district.






NATIONAL MISSISSIPPI RIVER MUSEUM & AQUARIUM

DUBUQUE, IA (50,000 sf)

On land that was once a brownfield, the building that houses the Aquarium and museum started out as a railroad freight house and neighboring train depot. Situated adjacent to the Aquarium and Museum is a conference center, steamboat casino, and waterpark. Now the area is the largest attraction in a 150-mile radius. All the redevelopment dubbed as "America's River" was part of the City's \$188 million project to revive the riverfront which started in the late 1990's. About a third of that amount went into the renovation of the National Mississippi Museum & Aquarium that was opened in the summer of 2003.

The turning of a forgotten riverfront into a focal point of the city has spurred economic development and become an inspiration for other cities looking to revamp their waterfronts.




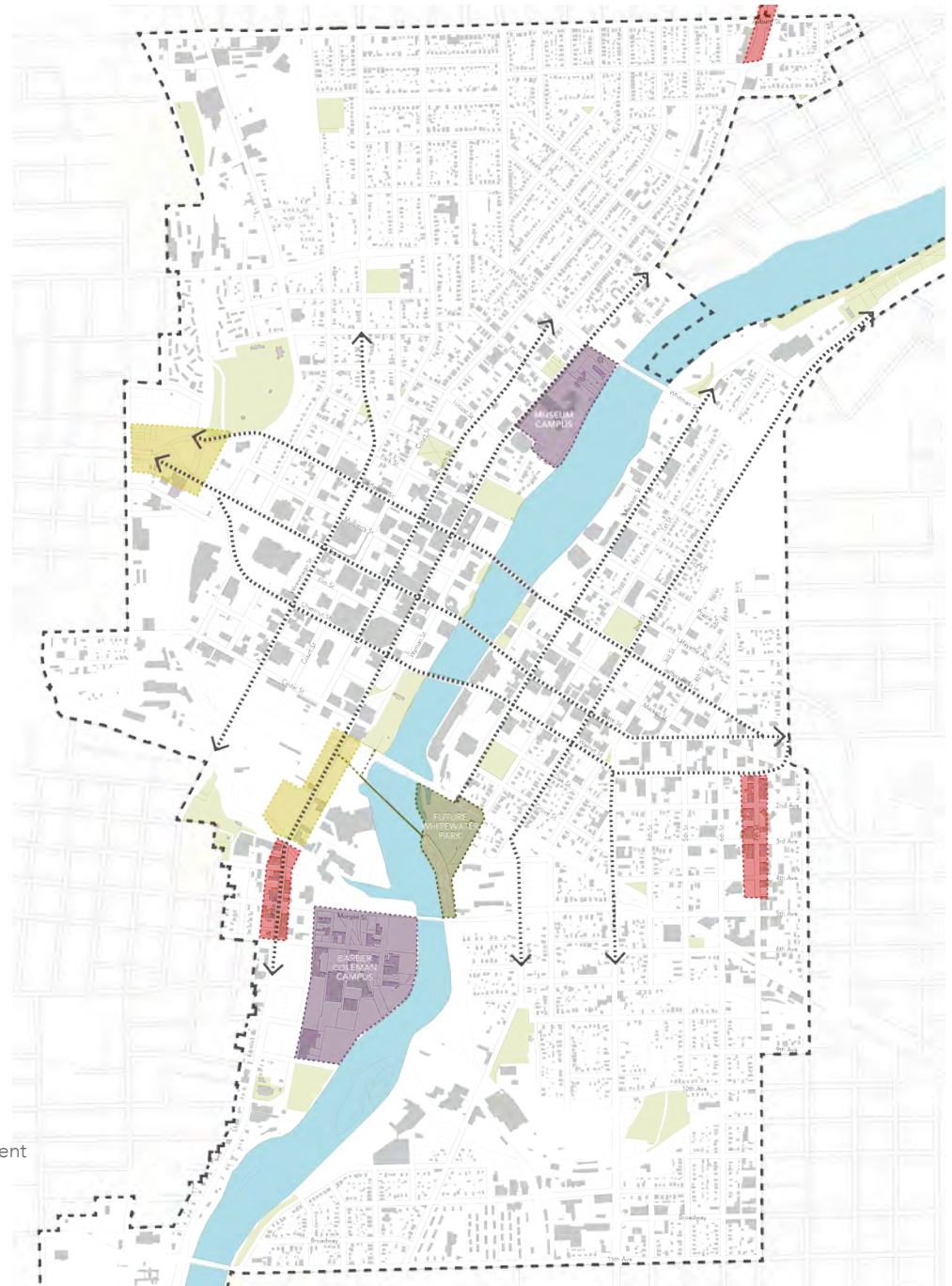
		STRATEGIES	COLLABORATIVE ACTION NETWORK	TIMELINE	FUNDING
TACTICAL 	1	Continue to activate and highlight large-scale redevelopment opportunities, particularly those that are vacant and/or blighted through temporary events and installations (i.e Barber Coleman site)	COR; SWIFTT; RPD Museums; RRWRD; Midtown District	Ongoing	EPA Grants for Brownfields
	2	Conduct a feasibility study to create a long-term plan for the redevelopment of the riverfront.	COR		EPA Grants for Water Quality Management
LEAN 	1	Conduct feasibility studies and identify the vision for redevelopment of the Museum Campus, Barber Coleman site	COR; River District Association; SWIFTT; RPD Museums	2016	Federal grants; EPA Grants for Brownfields
	2	Conduct a feasibility study to create a long-term plan for the redevelopment of the riverfront.	COR		EPA Grants for Water Quality Management
CLIMAX 	1	Find investors and funding for redevelopment of Museum Campus, Barber Coleman.	COR; River District Association; SWIFTT; RPD Museum investors	2016-2025	Historic Tax Credits; Federal Grants; EPA Grants for Brownfields

IMPLEMENT CONTEXT-APPROPRIATE PLANS FOR AREAS AROUND DOWNTOWN

The area around Downtown has many dynamic neighborhoods and sites that should be able to leverage the benefits of the development happening in Downtown. These sites include: retail corridors, the Barber Coleman campus, the Museum Campus, and the ComEd site, on which a whitewater park has been proposed.

The retail corridors can use the TLC approach and general principles recommended in this Plan to maintain and attract further development. The strategies should, however, be customized. Plans already in place should be consulted for cohesion, and the immediate community should be engaged in the process. The other larger sites such as the Barber Coleman site and the Museum Campus are distinct in character, size, geographic and building stock. Given their uniqueness, they will require further studying and master planning efforts to fully realize their potential. Barber Coleman already has a plan in place, therefore, any initiatives should be consistent with the vision already established by the community. In the meantime, this Plan proposes to set the stage for future redevelopment with strong multi-modal connections.

-  Neighborhood Development
-  Neighborhood Center
-  Redevelopment Area





South Main Street - Rockford

CREATE A CLIMAX RIVERFRONT CORRIDOR PLAN


The Rock River is one of Rockford's greatest assets and Downtown's position along it begs for it to be used as an amenity. While there are activities that take place on and around the River, the path along the River is disjointed and provides limited access to the water. There are also barriers along the river, some physical and some psychological, that reduce its value and prevent it from being used to its greatest potential. Creating a riverfront with public parks and continuous walking and biking paths can make Downtown an even more highly valued place for residents and visitors. Riverfront paths would provide opportunities for alternative transportation, alleviate traffic, and provide opportunities for a more active lifestyle.

Developing a public riverfront will require further study and master planning. There are several considerations that need to be delved into including ownership of land along the river, site considerations, and a more thorough understanding of water quality and ecology.





Rock River View - from Davis Park





ECONOMIC


DEVELOPMENT

1 Make Downtown Rockford a commercial, entertainment, and cultural center that residents take pride in and consumers visit often.

2 Develop more residential options in an around Downtown - include greater diversity of housing types.

		STRATEGIES	COLLABORATIVE ACTION NETWORK	TIMELINE	FUNDING
TACTICAL 	1	Identify occupied and/or underutilized storefronts that can be used for events.	RDA; RCP	Summer/Fall 2015	City and Partner Organization Operating Budget
	2	Recruit interested tenants to test temporary pop-up shops	RDA; RCP; RRDP	Ongoing	City and Partner Organization Operating Budget
	3	Market vacant properties through storefront stickers and banners (i.e. "I want to see _____ here")	RDA; RACVB; RCP; RAAR	Fall 2015	Tax Increment Financing
	4	Host pop-up shops and food trucks in vacant lots during community festivals and events (i.e. BMO)	RACVB; RCP; RDA	Ongoing	Self Funding through Participation Fees

LEAN 	1	Designate a Master Leaser to manage temporary businesses	RDA; RAEDC; RRDP	2016	Leasing Fee
	2	Create a contract for temporary occupancy	RDA; RRDP	2016	
	3	Audit vacant buildings and identify up to 3 to bring up to minimum code	COR; RDA	2016	City and Partner Organization Operating Budget
	4	Create a Temporary Occupancy Permit that outlines minimum code requirements to be met	COR	2015	City and Partner Organization Operating Budget; Permitting Fee
	5	Create a retail strategy that identifies the types of retail that Downtown wants to attract and retain	COR; RAEDC; RDA	2015	City and Partner Organization Operating Budget
	6	Market vacant properties and vendor opportunities through social media and websites	RDA	2016	Tax Increment Financing; Leasing Fee
	7	Install container stores on vacant parcels	RRDP; Land Owners; RDA; COR	2017	Real Estate Crowd Funding

CLIMAX 	1	Recruit permanent tenants for vacant storefronts	RDA; COR; RAEDC; RRDP	Ongoing	
	2	Build out vacant storefronts	Land Owners; RRDP; COR; RAEDC	Ongoing	Real Estate Crowd Funding; Small Business Innovation Research Program

FOCUS RETAIL ALONG CORE RETAIL AREA FIRST

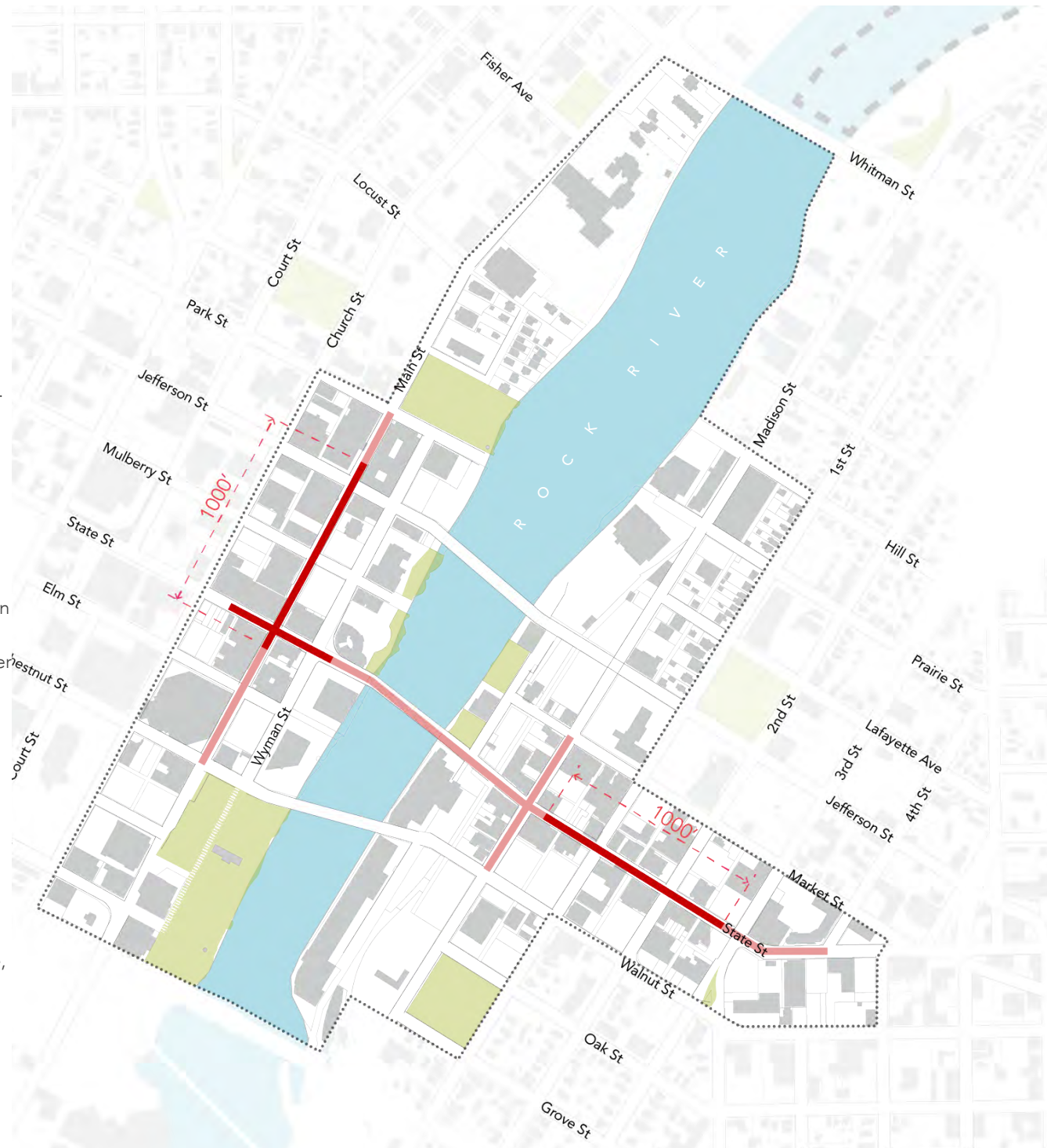
A 1000'-1200' length is the general rule of thumb for the distance people will walk on a retail street. Given this and the fact that much of the retail on Downtown Rockford's "A" streets are already concentrated, the 1000' length should be the priority when recruiting tenants and making improvements. The goal is to concentrate retail on facing blocks to create an area where customers see businesses on both side of the street and businesses have compatible adjacencies.

The areas were selected by identifying the two areas with the greatest concentration of retail to build upon. Once the vacant storefronts and infill lots have been addressed, retail should expand out along the rest of the "A" Streets.

CREATE A RECRUITING STRATEGY TO ATTRACT BUSINESSES

If specific types of retail is desired in a community, then it needs to be specifically targeted. Some downtown areas like a higher ratio of national retailers, while other communities prefer to keep businesses independent and local. That is a conscious decision that should be made by the community.

In addition to attracting specialty shops and destinations for visitors, thought should also be given to the types of retail that is needed to attract offices and form a 24-hour community for residents, such as grocery stores, pharmacies, dry cleaners, etc. This was evident through the survey where many respondents said they would like to see fresh produce, specialty meats, bakeries, bookstore, apparel and home accessories stores in Downtown Rockford. The Market Study and Consumer Perception Study (in the Appendix) provide more in-depth explanations of market potential as well as consumer desires.



A clear recruiting strategy should be developed highlighting the types of retail that the City wants to attract, who will be responsible for bringing in the businesses, and what is needed to meet their business requirements.

GROUND FLOOR VACANCY

Looking at vacancy rates in the core retail area, it is evident that State Street does not have a high groundfloor vacancy rate; rather it suffers from parcel vacancy as many key sites are currently dedicated to surface parking. On the other hand, Main Street suffers from higher groundfloor vacancy rates with a few vacant parcels currently devoted to parking.

Using a rule of thumb of attracting 5% of the spending within a 20-minute drive time and using the national average for sales per square foot (\$300) suggests a goal of ~375,000 sf of ground floor spaces occupied by retail. Given the current 106,800 sf of ground level occupancy:

The focus area can support 268,000 SF of retail.

Within the two 1000' distances highlighted, there is 72,000 SF of vacant ground floors and vacant infill opportunities available for redevelopment. Not all of the existing buildings are suitable for retail (i.e. elevated floors), therefore, they may need to hold another use, such as office, until improvements can be made to make the building conducive to retail.

1,780' (60%)
of Ground Level Occupied

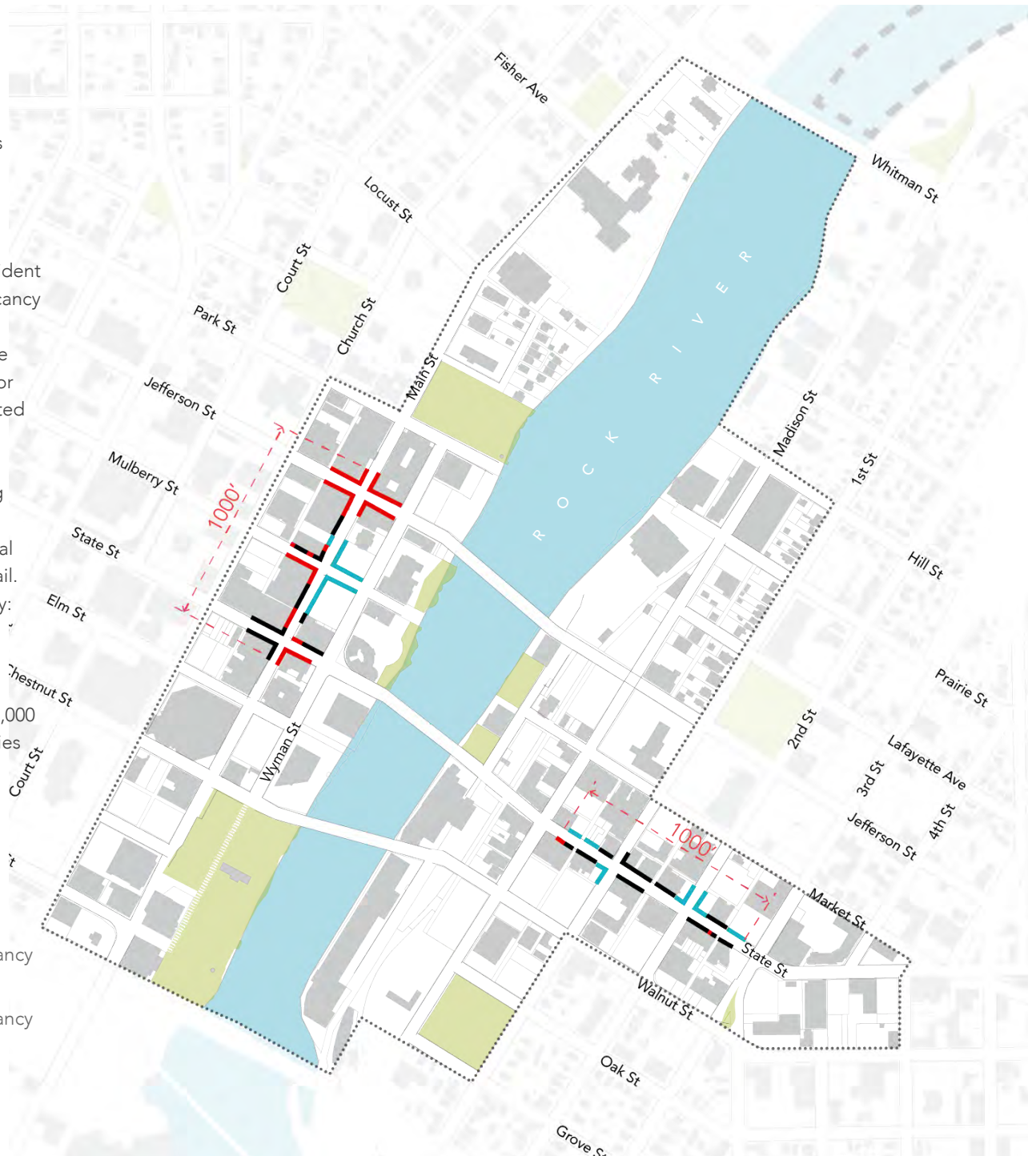
106,800 SF
of Ground Level Occupied

1,200' (40%)
of Ground Level Vacancy

72,000 SF
of Ground Level Vacancy

810'
of Parcel Vacancy

48,600 SF
of Parcel Vacancy



OPTIMIZE VENDOR OPPORTUNITIES

Events in the Downtown area bring thousands of people to Downtown Rockford throughout the year. Because people are already attending these events, it is a perfect time for vendors to test the market, setting up shops on streets and sidewalks or even temporarily occupying vacant storefronts for the event. Stroll on State is one such event where vendors can test potential business locations by setting up a pop-up shop near or in a location that they may want to occupy in the future.

Another set of events to leverage are those that take place at the BMO Harris Bank Center, where concerts and sporting events are held year-round. Placing vendors near BMO can encourage visitors to spend more time in Downtown before and after an event.

ADD VENDORS TO CAPITALIZE ON LARGE CROWDS

BMO street frontage can be an important tactical intervention today and forever because it is where there is a concentration of activity. The caveat is that the activity changes character so stores and restaurants need to change accordingly. For example, very family-oriented sports tournaments have a different crowd than the hockey games. Nonetheless, the parking lots across from the BMO are a perfect environment for temporary vendor space whether or not anything is happening in BMO.

STROLL ON STATE

ATTENDANCE



60,000 VISITORS (2014)



65 VENDORS



923 PEOPLE/VENDOR

SCREW CITY BEER FEST

ATTENDANCE



2,000 VISITORS (2014)



6 + 55 FOOD BEER VENDORS



32 PEOPLE/VENDOR

BMO HARRIS BANK CENTER

ATTENDANCE



274,094 VISITORS (2013)



0 VENDORS



0 PEOPLE/VENDOR

CREATE A MOBILE MARKET WEBSITE


Signing up to participate in a Downtown Rockford event as a vendor should be as simple and straightforward as possible. Creating a single portal and form that would allow vendors to sign up for an event, as well as, choose their preferred location can help the vendor test a future, permanent storefront location for their business.

Vendors can view and sign up for all events at once

Vendors can view locations of other vendors and choose their preferred location

Rockford MOBILE MARKET

ABOUT EVENTS VENDORS APPLY FAQs



APPLY TO BE A 2015-2016 VENDOR!

ALL A B C D E F G H I J K L M N O P Q R **S** T U V W X Y Z

Search by Event

Search by Month

SCREW CITY BEER FEST 53 VENDING SPOTS

OLD CHICAGO PIZZA & TAPROOM
See location on event map

ROCKFORD BREWING COMPANY
Vending at 2 other events
See location on event map

STROLL ON STATE 65 VENDING SPOTS

ANNETTE'S ITALIAN COOKIES
Vending at 2 other events
See location on event map

BALLOONS & FLOWERS BY HALEY
Vending at 1 other event
See location on event map


MARY'S MARKET
Vending at 4 other events
See location on event map

ROCKFORD BREWING COMPANY
Vending at 2 other events
See location on event map

UPCOMING EVENTS

27 FEB	BMO Harris Bank Center: Professional Championship Bullriders and Barrel Racing 7:30 pm
21 MAR	MeltFest 2015 10:00 am to 6:00 pm
4 APR	Eggstravaganza! 10:00 am to 4:00 pm

FEATURED VENDOR



The Vintage Beau

[ALL VENDORS >>](#)

PROMOTE TEMPORARY BUSINESSES MODELS

BLANK SLATE VENUES

As the revitalization of Downtown Rockford has progressed, the gulf between the quality of improved properties and the condition of deteriorated properties has grown. When unrenovated, unoccupied properties are adjacent to attractive businesses, the business environment is undermined. The solution is establishing programs to increase occupancy and enforcing minimum maintenance standards.

HOLD POP-UP EVENTS INSIDE BUSINESSES

In a similar vein as micro-businesses, many businesses are seeing the benefit in sub-letting their spaces for pop-up events or other complementary uses, creating not just a business, but a destination for consumers. Warby Parker, in Lincoln Park, Chicago, along with selling eyewear hosts a professional photographer taking portraits of customers. Similarly, Toms in LA, has an in-store cafe and lounge. Lulu Lemon and more recently, Nike, offer in-house free group-led workouts. Events at Shinola stores include letterpress workshops and wreath decorating parties with local florists. These businesses have become created places where like-minded people can shop, but also hang out.

CREATE PROCESSES AND MECHANISMS FOR TEMPORARY OCCUPANCY

BREAKEVEN GOAL

Temporary occupancy models, require full cooperation from landlords. Landlords need to be convinced that subsidizing their rent rates could result in permanent occupancy by a tenant, in a space that would otherwise remain vacant. Building owners could agree to lower the rent to actual cost of operation, subsidize even further, or even offer the space free of rent for a limited period of time, all with the pay-off of getting permanent tenants with more certainty that their business will thrive now that it has been temporarily tested.



Toms - Austin, TX
© Flickr - Melissa Massello



Warby Parker
© jesseandjill.com



Co-Op Space - Grand Rapids, MI
© sourcethestation.com

ESTABLISH A "MASTER LEASER"

A temporary business program needs constant communication between landlords and tenants and has many operational requirements, as well as legalities to contend with. To ease the process and manage relationships, an umbrella organization that acts as a "Master Leaser" will need to be established or designated.

Among others, the Master Leaser will have to manage the following components of temporary businesses.

- + Property Owner Contracts
- + Umbrella insurance contract
- + Utility activation and payment
- + Standard temporary lease
- + Inventory management program for % leasing

POTENTIAL TENANTS

The recruitment process of potential tenants needs to be as aggressive as communication with landlords. The process of recruitment of potential tenants should include:

- + Applying for a location
- + Choosing a space
- + Choosing hours
- + Agreeing to a payment model (Base + %sales)
- + Agree to give an exit interview to discuss experience

POP-UP HOOD PROGRAM OAKLAND, CA

This small business incubation program allows business owners to rent vacant storefronts for a period of 6 months at little or no cost. The aim is to limit startup costs and achieve permanent tenancy if the business flourishes.



EXPLORE TEMPORARY BUILDING OPTIONS ON VACANT LOTS

FOOD AND MOBILE RETAIL TRUCKS

Food and mobile retail trucks are a flexible and lower cost option for entrepreneurs looking to get into business. Startup and operating costs tend to be lower than those for brick and mortar stores and generally less employees are needed to manage the business. Portland State University conducted a study in 2008 that concluded that food carts have earnings of between \$30,000 and \$50,000 per year and the cost to purchase and build out a food cart can range from \$20,000 to \$60,000 which is much lower than the cost to build out a traditional restaurant.

Regulatory issues for mobile businesses tend to be less stringent than those for fixed businesses. Mobile businesses also offer the possibility of testing out a variety of location before committing to one for a future brick and mortar store.

SHIPPING CONTAINERS IN VACANT LOTS

Pop-up shops in refurbished shipping containers are becoming increasingly popular. Aside from the cache of a unique building type, shipping containers provide business owners and consumers with a host of other benefits. Shipping containers can serve as exhibition space with rotating merchandise, allowing consumers to see a wide variety of products. For a more consistent business, shipping containers are a cheaper alternative to building out a brick and mortar location. They are a good alternative to building mixed-use and retail buildings, but still create an active street wall in otherwise underutilized vacant parcels and parking lots. Mobility of these building types also mean that if a person has to vacate the property, they don't necessarily need to lose their business. Because it is currently cheaper to build out and occupy vacant storefronts than build new retail, vacant building occupation should be given first priority and shipping containers should be given consideration for vacant lots after available storefronts have been occupied.



COST OF SHIPPING CONTAINERS

Most shipping containers run about \$3,000 a piece and outfitting them can run anywhere from \$30,000 to \$150,000, depending on whether it will be housing retail or a restaurant. At the Dekalb Market in Brooklyn, a complex of 60 retailers in shipping containers, retailers get a short-term lease of one-year to test their businesses. Similarly, Portland, a Mexican restaurant owner spent \$128,000 on purchasing and refurbishing a container, which is significantly lower than the \$200,000 the owner spent on the interiors of a previous restaurant.



Dekalb Market - Brooklyn, NY
© Flickr - Garrett Ziegler



Container Starbucks - Edgewater, Chicago
© cbschicago.com



The Container Bar - Austin, TX
© Flickr - Phase 3

TRANSITION FROM TEMPORARY SPACES TO LEAN BUILDINGS

BUILD ON THE CITY MARKET SUCCESS

The City Market is a big success for the City of Rockford. It holds great lessons illustrating how to move from a tactical event to a lean condition. The City Market started as a weekly event occupying a block of street/parking lot space that now attracts over 70,000 people. Given the popularity of the event, the City of Rockford has now transitioned to adding a pavilion that provides shelter to half of the vendors. Similarly, the Lansing City Market was relocated to the downtown riverfront with a fully enclosed shed along the riverfront. The Market is open year-round and is now going to be seeing the Outfield, an 80-unit plus, mixed-use development, going up nearby, which will be a boost for the Market.

ENCOURAGE MICRO-BUSINESSES


Large capital costs to opening retail spaces and restaurants are a big deterrent for business owners. The micro-business revolution is taking those concerns and mitigating them by advocating for very small retail spaces and eateries. Retail spaces may only extend 20' in depth, contributing to the street wall, but not needing to pay rent on large square footages. The remainder of the space may be shared by other businesses. Likewise, micro-restaurants are focused mainly on kitchens and counter space, with limited seating, often sized from 400 sf to 600 sf. Components of a typical restaurants such as bathrooms and seating are very limited or shared by multiple businesses to reduce costs normally spent per by each business owner. An example of this can be seen in the Ocean Development in Portland, OR, which was an old auto dealership, converted into several micro-restaurants each taking up 500-600 sf. This less common building typology could require code and permitting changes, especially when it comes to requirements concerning shared amenities such as restrooms, parking, and seating.




THE OCEAN DEVELOPMENT PORTLAND, OR

An automobile dealership turned into a strip of micro-restaurants sharing outdoor eating spaces in Portland, OR. Businesses that started with food trucks transitioned to these small spaces where they could test the market at a lower cost.



		STRATEGIES	COLLABORATIVE ACTION NETWORK	TIMELINE	FUNDING
	1	Run a graphic and social media campaign in tandem with marketing available residential units	RACVB; RRDP; RDA; RACVB	2016	Non-Profit Media Rates; Foundations; Private Funding
	2	Demonstrate how well Downtown works for daily living - jogging, grocery shopping, biking, and dog walking	RACVB	2016	City and Partner Organization Operating Budget; Foundations; Private Funding
	3	Market adjacent residential communities within 1/2 mile of the focus area	RRDP	2016	Tax Increment Financing; Foundations; Private Funding
	4	Increase the number of upper story residential units	COR; RRDP; RDA	2016	Federal & State Historic Tax Credits; Real Estate Crowd Funding; Foundations; Private Funding
	5	Recruit small infill housing developers to develop infill housing projects (townhomes, 4-plexes, and 3-flats) at identified locations	COR; Developers; RRDP; RACVB; RDA; RAEDC	2017	Federal & State Historic Tax Credits; Real Estate Crowd Funding; Foundations; Private Funding
	6	Update zoning codes to allow for a variety of housing types	COR	2017	City and Partner Organization Operating Budget
	7	Expedite and streamline the permitting process to advance building rehabilitation	COR	2017	City and Partner Organization Operating Budget

	1	Recruit an urban developer to develop a 35-50 unit residential project that offers a unique amenity (i.e. proximity to River or a park)	COR; Developers; RAEDC; RLDC	2018	New Markets Tax Credits; Tax Increment Financing; Real Estate Crowd Funding; Foundations; Private Funding
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RESIDENTIAL SITES IN AND AROUND DOWNTOWN



One of the challenges to overcome with regards to economic development in the Downtown area is the lack of residential development. In order to sustain greater retail, it is necessary to get people living in Downtown, forming a 24-hour community. Residents occupying new units within a one-half mile of Downtown's commercial development are particularly intense users. Their frequent trips and presence at all times of day and throughout the week adds vitality that also increases a visitor's perception of safety and positive economic impact.

When evaluating the current values in and around Downtown, rents per square foot are similar or higher than comparison to suburban apartment complexes. This suggests that the market is valuing Downtown living. Several sites have been identified that would be appropriate for residential development in Downtown. The sites have been divided by categories based on housing typologies. Those sites that fall on "A" streets or are in close proximity to an amenity like the river are known "Climax Mixed-Use" or "Climax Residential". "Lean Residential" sites, on the other hand, are still conveniently located near "A" streets, but can have more medium-density housing on them.

- LR**
Lean Residential 
- CR**
Climax Residential 
- LRT**
Lean Retail 
- CR**
Climax Mixed-Use 



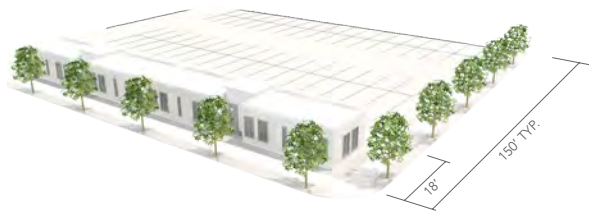
PROPOSED BUILDING TYPOLOGY BY ZONES

BUILDING TYPOLGOIES	PARKING LOT LINER HOUSING	TOWNHOMES	DUPLEX	FOURPLEX	ELEVATOR APT	WRAPPER BUILDING	IMPERMANENT (CONTAINER, MOBILE)	1-STORY RETAIL	MIXED-USE
LR Lean Residential 	●	●	●	●	●	●			
CR Climax Residential 					●	●			●
LRT Lean Retail 							◐	●	●
CR Climax Mixed-Use 							◐	◐	●

● ALLOWED ◐ TEMPORARILY ALLOWED

BUILDING TYPOLOGIES FOR DOWNTOWN ROCKFORD

People that are at different stages in their lives have different housing needs, but still have a preference for downtown living. Exploring a variety of building typologies can address the demand for diversity in housing types, while also giving developers and business owners the flexibility to work with current market conditions and limited financial feasibility. The key design goal should be to create a walkable place with strong street character. Buildings should be placed right up to the sidewalk or with some room for outdoor dining, entrances should be clearly demarcated, parking should be kept in the rear, and the ground floor facades, at least on “A streets” should have a higher level of transparency.



PARKING LOT LINER HOUSING

Parking lot liner housing recognizes the necessity of parking, while still creating a pedestrian-friendly street wall. Housing should be designed to be long and narrow, only taking up one bay of parking.



TOWNHOME & ACCESSORY DWELLING UNIT

Townhomes are small-medium structures, usually with two-eight units attached side-by-side. Parking can be tuck-under parking or a parking garage can be provided in the rear, with the option of having an accessory dwelling unit atop the garage.



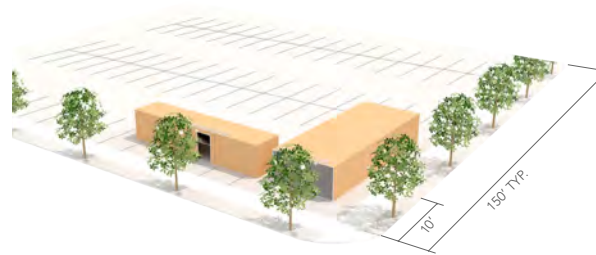
DUPLEX & ACCESSORY DWELLING UNIT

Duplexes are small-medium structures that can have two stacked dwelling units, on top of the other, or two units attached side-by-side. Parking should go in the rear and accessory dwelling units should be permitted as-of-right.



FOURPLEX & ACCESSORY DWELLING

Fourplexes are a medium sized housing typology consisting of four units, typically two on the ground floor and two above. This is an ideal housing type for micro-developers as four units is the maximum for many financing options such as FHA loans.



ELEVATOR APARTMENT

Elevator apartments are expensive to build as fire codes are more stringent and a higher number of units are required in order to make the development work financially for the developer. They are, however, a strong component of downtown as they create a greater supply of housing.



WRAPPER BUILDING

Wrapper buildings are parking garages with townhomes or retail wrapping around them on the first couple floors, with apartments on top. They are expensive to build, however, have the ability to provide parking for the building, as well as area residents and visitors, and create a stronger street wall than typical parking garages.



IMPERMANENT RETAIL

Impermanent retail can take the form of shipping container structures, or more cheaply built temporary structures. Their primary purpose should be to fill vacant lots and create a stronger street wall. The depth of these structures is less critical than the length of vacancy they cover.

1-STORY RETAIL

1-story retail is similar to impermanent retail in that it's function is to fill any missing teeth in development and create a more vibrant street. The retail can be built more cheaply with the assumption that when the market picks up it can be replaced with a taller mixed-use structure.

MIXED-USE

Mixed-use buildings are expensive to build, however, are the ultimate climax condition for downtowns. Mixed-use buildings should have parking on the ground floor, with wrapper retail, or in the rear, and residential or office units on top. Key locations in Downtown Rockford are well-suited for this building type and developers should be actively recruited to build there.

MICRO-DEVELOPERS AND LEAN RESIDENTIAL

When one pictures urban living, a common image that comes to mind is of a mixed-use building with retail on the ground floor and residential on the upper floor. This climax residential condition is an ideal scenario, but it is difficult to finance. When the two uses are separate, however, and the residential portion is more lean in nature, more unique financing can be applied and initial capital costs can be lowered.

LEAN RESIDENTIAL FINANCING

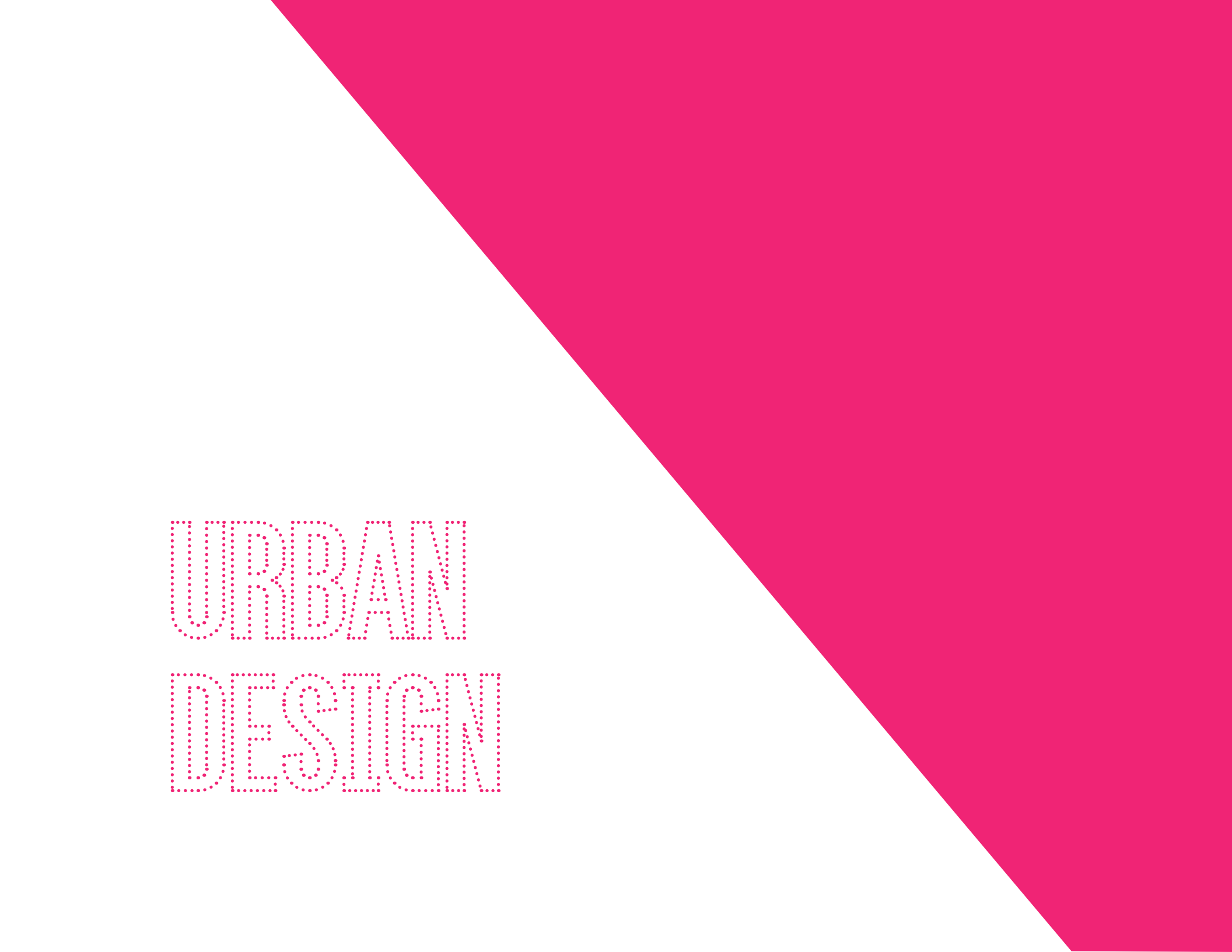
Lean residential housing types offer developers the option of working on a much smaller-scale than typical climax typologies. This opens the door for financing options otherwise not available. For example, buildings with less than 4 units can qualify FHA financing. Reducing the number of units to 4 or less also alleviates fire codes that require multiple stairways.

Another option might be to create parking lot liner homes. These are homes that are developed along the edge of a parking lot and take up one bay, limiting the housing depth to 18'. In many cases, this would allow the street wall to be completed, while still leaving parking for other uses. Given that Rockford has many parking lots in the Downtown area, this may be a viable option to consider. This option would also require partnerships with parking lot owners, but could provide the parking lot owner with greater revenue than what is generated by the parking. Examples of this type of housing can be seen in the work of Anderson | Kim Architects that developed the Hutchinson Green Apartments in Chico, California.







Parking Lot Liners - Hutchinson Green Apartments - Chico, CA
© Blog - rjohnthebad



URBAN
DESIGN

- 1** Adopt consistent streetscape standards for Downtown Rockford.
- 2** Maintain day-to-day vibrancy in Downtown Rockford.
- 3** Create a narrative and brand identity specifically for Downtown Rockford.

		STRATEGIES	COLLABORATIVE ACTION NETWORK	TIMELINE	FUNDING
 LEAN	1	Patch and repair critical sidewalks based on the priority list provided	RDA; Public Works; Get it Done group; Rockford Community Partners	Immediately	Tax Increment Financing; Capital Improvement Program
	2	Continue to install consistent banners on "A" streets and key intersections on both sides of the River as part of the Banner Program	COR; RACVB; RDA; RPD	2017	Tax Increment Financing; Capital Improvement Program
	3	Install hanging street lights at intersections and/or tree lights on "A" and "B" streets	COR; RACVB; RDA; RPD	2017	Tax Increment Financing; Capital Improvement Program

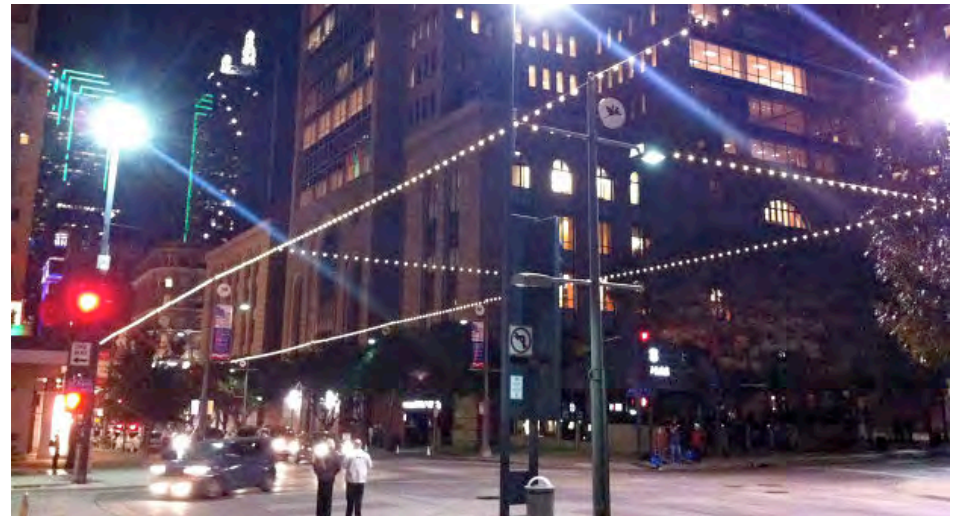
 CLIMAX	1	Create a Streetscape Standards Manual for Downtown Rockford	COR; Environmental Design Consultant; RMAP; RACVB; RDA; RRDP	2016	City and Partner Organization Operating Budget; State & Federal Grants
	2	Present Design Standards to stakeholders for feedback and approval	RACVB; Environmental Design Consultant; RMAP; RACVB; RDA; RRDP	2016	City and Partner Organization Operating Budget; State & Federal Grants
	3	Install and enforce streetscape standards	COR	2017	City and Partner Organization Operating Budget; State & Federal Grants

LIGHTING IN THE DOWNTOWN AREA

Lighting, or lack of lighting, has been identified as a key issue in the Downtown area. There are several streets where street lighting exists, but the lighting is inconsistent and is not always human-scaled. Lighting in the Downtown can serve multiple functions, including branding the area, creating more vibrancy, and increasing safe conditions for residents and visitors. The increase and consistency of lighting gives people a sense of street character and trust of what is to come, encouraging walking and biking.

LEAN LIGHTING STRATEGIES

Though street lighting is very important to the character of Downtown, conventional street lights are expensive to install and maintain and will likely need to be phased into the Downtown area. In the meantime, however, there are lean strategies that can be applied that are less costly, can be installed more immediately, and accomplish the same goals. Hanging festival lights over key intersections, across retail corridors, and wrapped around trees can create a vibrant environment, while providing pedestrians with additional lighting.







PRIORITIES FOR IMMEDIATE REPAIRS

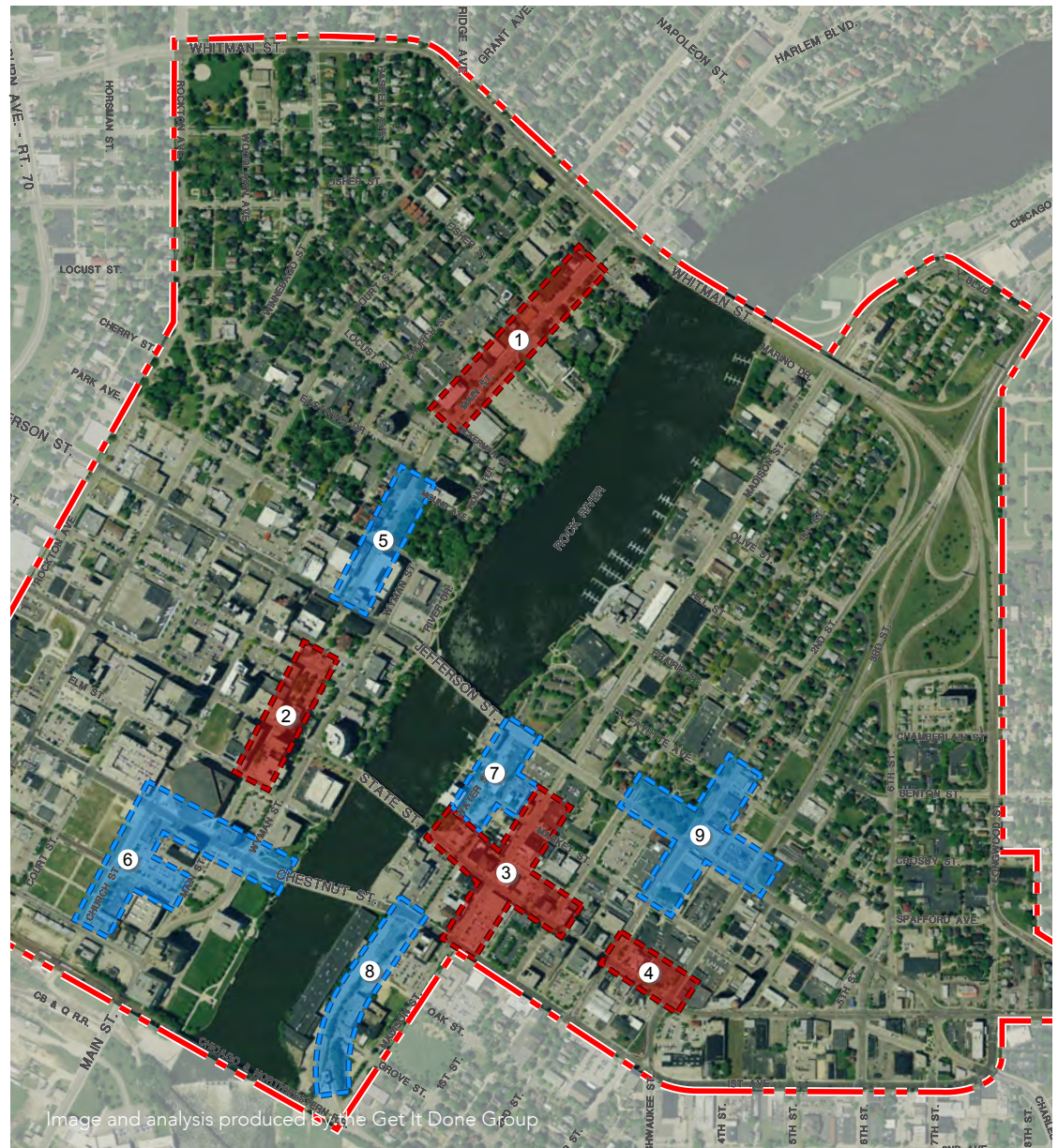
It is clear based on the existing inconsistent standards throughout Downtown that there is a need for unified Urban Design Standards and streetscaping. However, that will require a significant investment from the City of Rockford and could take some time to implement.

More immediately, there is a need to make immediate repairs to improve conditions that are affecting the safety, usability and perception of Downtown. These include:

- + Patch and repair crumbling sidewalks
- + Add crosswalks at key intersections

The Get It Done group in Rockford has audited key streets in Downtown Rockford and developed a list of priority areas. These recommendations are consistent with our recommendation of giving priority attention to "A" streets and key intersections, followed by "A Minor" streets.

-  First Tier Priority Streetscape Improvement
-  Second Tier Priority Streetscape Improvement







LONG-TERM STREETScape PHASING

The long-term streetscape plan should be executed with the development of a Streetscape Standards Manual that outlines the specificities of lighting, landscaping, signage, facade requirements, and other elements that affect the public realm. This Manual will ensure that all entities are following the same rules and will avoid any streetscape inconsistencies such as the ones that exist now. The development of the Manual should include an Environmental Consultant, available in-house or externally contracted. The streetscaping should ultimately be created in concert with the formal branding of the Downtown area and should include input from the RACVB and other Downtown entities.



The roll-out phase of the streetscape plan should give priority to the "A" Streets and retail focus area, and ripple out from there to the rest of the Downtown area. The priority of streetscape elements should also be considered during the phasing:

RANKING OF PRIORITY ELEMENTS:

1. Sidewalk Pavement Repair
2. Lighting Elements
3. Community Identifiers (banners, etc.)
4. Trees and Plantings
5. Cohesive Signage
6. Street Furniture

-  Gateway Locations
-  Phase One Priority Streets
-  Phase Two Priority Streets
-  Phase Three Priority Streets



		STRATEGIES	COLLABORATIVE ACTION NETWORK	TIMELINE	FUNDING
TACTICAL 	1	Hold a "Sidewalk Day" where retailers and restaurants can test sidewalk spaces	RDA; The Element; COR	Summer/Fall 2015/Ongoing	Tax Increment Financing; Foundations; Private Funding
	2	Post artwork, lighting, and community engagement boards in vacant storefronts and on blank walls on "A" and "B" streets	RACVB; RRDP; RDA	2016/Ongoing	Tax Increment Financing; Foundations; Private Funding
LEAN 	1	Create "parklets" in parking spaces for outdoor dining and sitting	COR; RDA; RACVB	2016	
	2	Create an all-inclusive permit that allows outdoor dining and seating as-of-right (review current ordinance and application process)	COR; RDA	2016	City and Partner Organization Operating Budget
	3	Consider establishing an SSA/BID for all businesses/landlords to be a part of to contribute to marketing, general upkeep, snow removal, and employee parking discounts/requirements	RDA; COR; RRDP	2016	Business Improvement District (BID); Special Service Area (SSA); Tax Increment Financing (TIF)

CONTINUE INITIATIVES THAT CREATE SIDEWALK ACTIVITY

Rockford has taken on initiatives to increase sidewalk activities through events like Shop the Blocks. These types of interventions where sidewalk sales and outdoor seating are permitted as-of-right are great for generating activity and might encourage business owners to adopt these strategies permanently. Many times, permitting processes and fees can deter business owners from engaging with the public realm. Strategies like the one Rockford used such as temporarily waiving fees and expediting the process can give business owners an opportunity to test these concepts.



Shop the Blocks - Rockford, IL

CONVERT PARKING SPACES TO PARKLETS

Similarly, creating more outdoor public places are a great way to create more vibrancy in Downtown Rockford. Parking spaces are a great opportunity for creating temporary parklets. This is especially the case in Downtown Rockford that has a parking surplus and in many cases, sidewalks that are not wide enough to accommodate outdoor dining and/or sidewalk sales. Recent temporary parklets installed in the Downtown area have been a success, drawing people to retailers and increasing street activity. While the ones installed in Downtown were temporary, more permanent parklets can be installed where deemed appropriate.



Shop the Blocks - Rockford, IL



Shop the Blocks - Rockford, IL



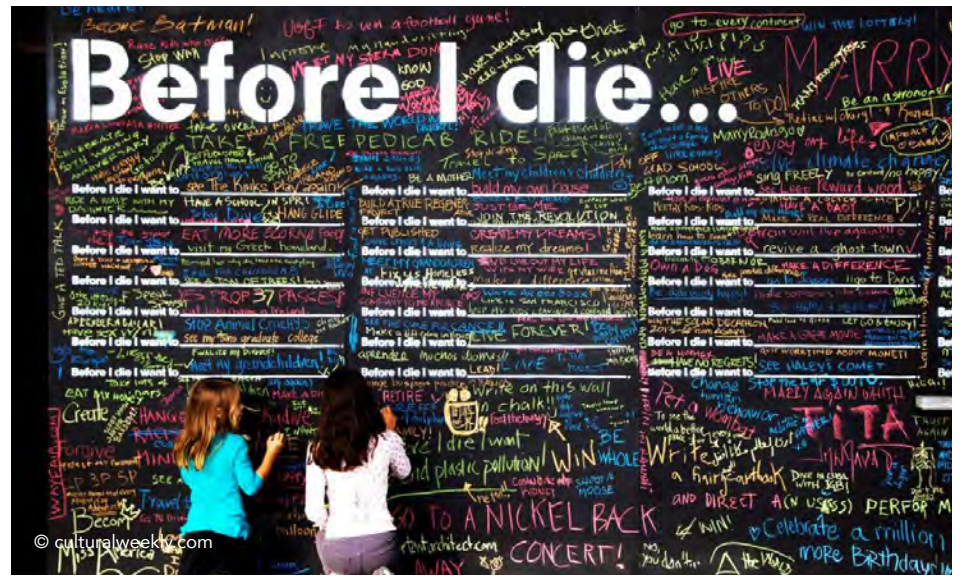
ACTIVATE VACANCY WHILE ENGAGING CITIZENS

The current momentum of temporary interventions in Downtown should continue and be expanded as development fills in. Temporary interventions such as filling vacant storefronts, creating more on-street programming are a great way to generate activity, but can also engage citizens in planning the future of Downtown and other areas. For example, a popular engagement exercise is one where residents can post what they would like to see on vacant storefront windows. These “I wish this was...” stickers allow potential tenants and business owners to see what residents and visitors would most like to see in Downtown. Similarly, the “I Want ___ in (Name of Location)” by Neighborland is also a way to solicit input on what people would like to see. Another example is the “Before I Die...” board. While this board does not directly affect physical development, it can bring attention to a blank wall or empty building and allow passers-by to engage with other users and the physical space.






CONSIDER ALTERNATIVE LAND MANAGEMENT TOOLS

Given the varying quality of existing properties, Downtown Rockford’s challenge is balancing supporting the upgraded properties and encouraging the owners of deteriorated properties to make improvements. The first step is standardizing the exterior maintenance by creating opportunities for property owners to share costs such as snow removal, façade cleaning, and landscaping. Information should be distributed on those standards and property owners should be asked to commit to meeting those standards. With absentee and underfunded landlords, voluntary participation by the neediest properties may not occur. If that condition develops, the next compliance level is creating a *Special Service Area (SSA)* or a *Business Improvement District (BID)* where all property owners agree to be taxed an amount equal to the cost of the needed services. State enabling legislation governs the process of creating these tax boundaries. Another option may be using *Tax Increment Financing (TIF)* money to reimburse property owners for repair and rehabilitation of their facilities.



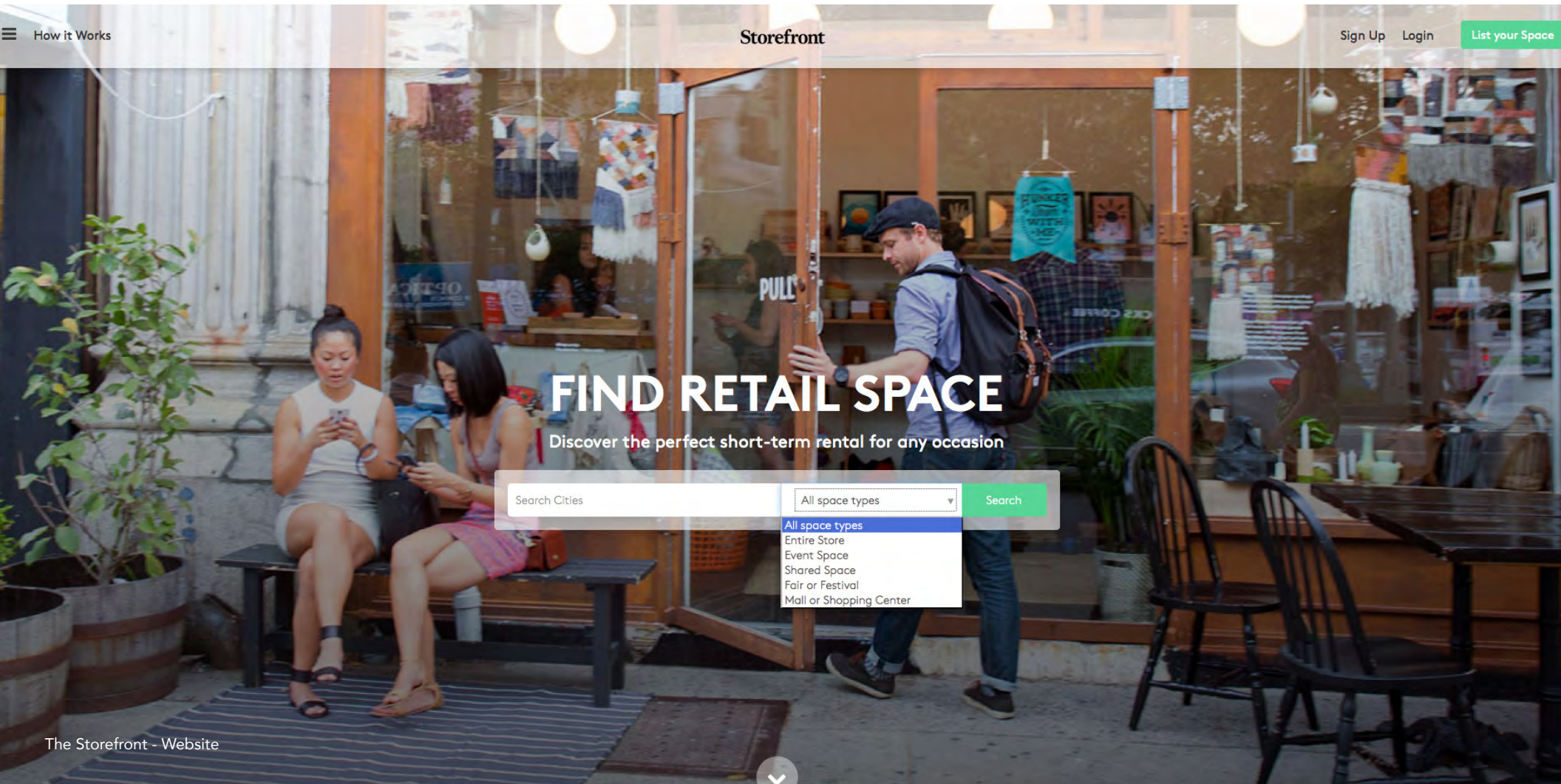


		STRATEGIES	COLLABORATIVE ACTION NETWORK	TIMELINE	FUNDING
TACTICAL 	1	Create an elevator speech about the identity of Downtown Rockford for all organizations and ambassadors to use	RACVB; RDA; COR; Branding Consultant	2015	Tax Increment Financing
	2	Attract and host civic community events in Downtown locations	RACVB; RDA; COR	Ongoing	
LEAN 	1	Work with a Brand Consultant to develop a "brand identity" to be used by all organizations in Downtown Rockford	RACVB; RDA; Brand Consultant; COR	2015/2016	Tax Increment Financing; Foundations; Private Funding
CLIMAX 	1	Run a national campaign that promotes the revitalized Rockford	RACVB; Brand Consultant; COR; RDA; RRD	2017	Foundations; Private Funding

ADVERTISE DOWNTOWN FOR EVENTS

Downtown Rockford has a great building stock, vacant and occupied, that may not be known to many that live and work outside of Downtown. There is an opportunity to bring them to Downtown for purposes of meetings and events. Vacant spaces, as well as occupied spaces, that are safely occupiable and available for event rental should be more explicitly

marketed. Downtown Rockford should become the “go-to” place for organizations and individuals looking to congregate and host events. A website that markets all available properties can facilitate the marketing and scheduling of events. Long-term these temporary events can bring more attention to underutilized buildings and attract developers.

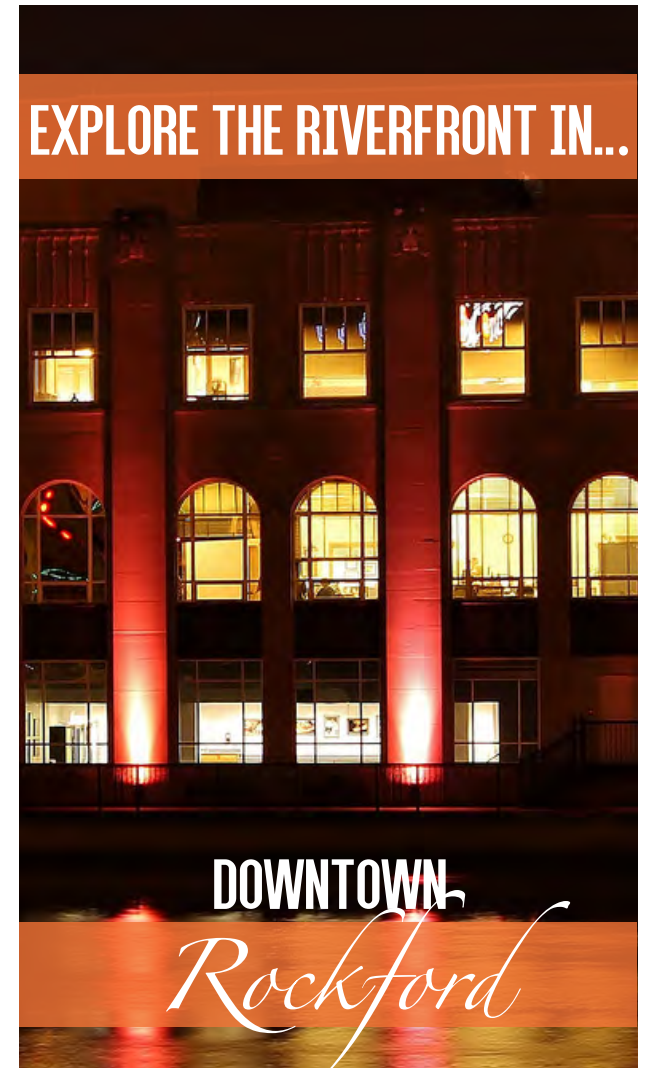
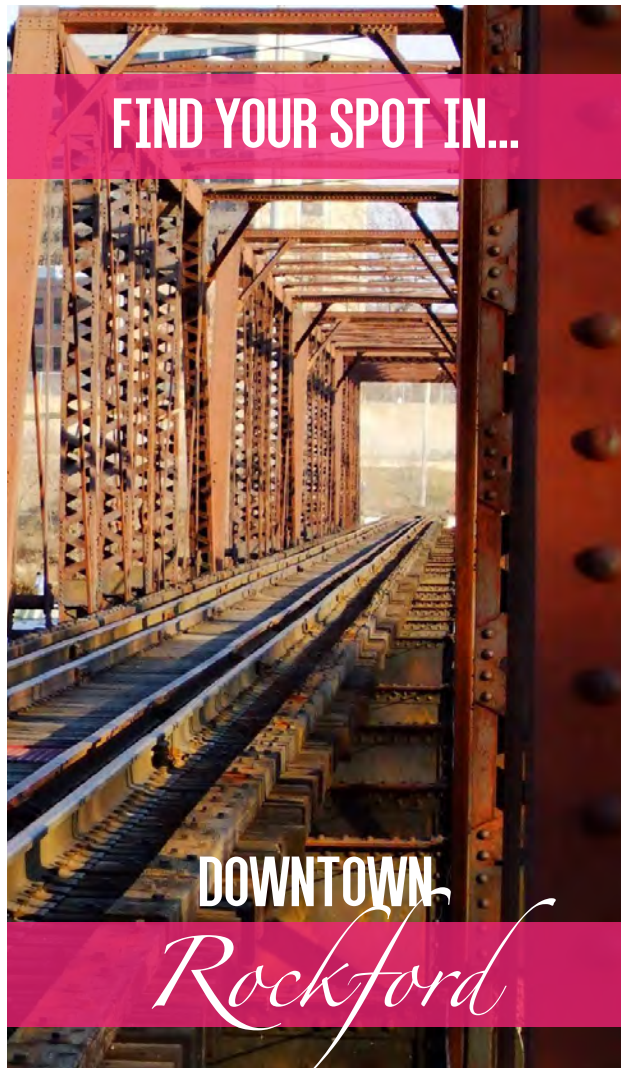


The Storefront - Website

BRAND DOWNTOWN FOR EVERYDAY LIVING

Downtown currently lacks consistent branding. As part of a branding exercise, Downtown should be branded as a 24-hour community, attracting people to live, work, and play there. This can be accomplished, not only by marketing Downtown as a place where people can shop, but also a place for everyday living. The brand of Downtown should highlight its assets, but

also highlight the elements that make it a practical place to be, as well. Allowing people to see Downtown as a place where they can work, jog, walk their dogs, go grocery shopping, and spend time with friends, will encourage more people to live and spend their time in Downtown.



APPENDIX

The Appendix consists of the Market Study and the Consumer Perception Survey conducted by Business Districts Inc. The Market Study takes the current market conditions and assesses future demand, as well as market potential if tactical and lean strategies are utilized. The Consumer Perception Survey was conducted for 4 weeks and resulted in over 1500 responses. The results of the Survey give a sense of the perception people have of Downtown Rockford and what they would like to see in the future.

INTRODUCTION

Downtown Rockford has a traditional urban environment and economy based on a history of strong businesses and important government and cultural institutions. It offers recreation at the Rock River's attractive parks. Although these assets provide a foundation for revitalization and there are significant reinvestments planned, the everyday businesses and activities that connect a Downtown to markets have been slow to develop. The result is high ground floor vacancy in commercial space and a tough sale for the housing development that brings 18-hour vitality. This strategic action plan seeks to guide building stronger daily vitality by identifying key markets that must be attracted to Downtown Rockford. The plan also recommends tools and techniques to accomplish that goal.

KEY MARKETS

Because Downtown Rockford mixes residential units, financial services, recreation, stores, and restaurants, it must appeal to a variety of markets. These markets are:

COMMUNITY AFFILIATED

Downtown Rockford's success depends on its ability to be an element of the community's character. A successfully revitalized downtown is a place that, with pride, residents bring guests to dine in independent restaurants, seek special items at unique stores, and experience community events. This relationship creates an affiliation that makes community residents an important market for Downtown Rockford. There have been notable successes in attracting this market such as the Stroll on State. Building on successful events and unique downtown businesses will continue to strengthen the relationship between this market and Downtown Rockford businesses.

PEDESTRIAN

Residents and employees within a one-half mile of commercial development are particularly intense users. The frequent trips and presence of these nearby customers adds vitality even when businesses are not open and consequently this market is more important to the success of downtown than its spending power suggests. Because these residents and employees are so noticeable, their age, income, and lifestyle defines the character of Downtown. When visitors or employees see residents jogging, pushing strollers, and walking pets, they see themselves and consider living in the area. Today's revitalized downtowns have 7,000 to 10,000 residents in their pedestrian markets and often have 10,000 to 15,000 employees. Typically those residents and employees are young and have modest incomes that they spend freely. Downtown Rockford's pedestrian markets have 3,000 to 4,500 relatively low income residents with an average age approaching 50. There are more than 9,000 employees in the combined markets. Building this market requires subsidy to the pioneers because early adopters will look to be compensated by exceptional prices or extraordinary features. The maps in Figures 1 and 2 define this walkable, character creating area for the commercial districts on each side of the Rock River.

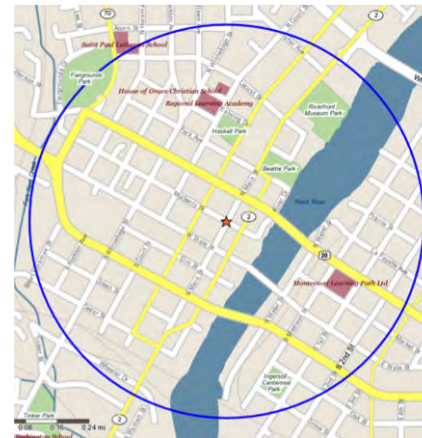


Figure 1

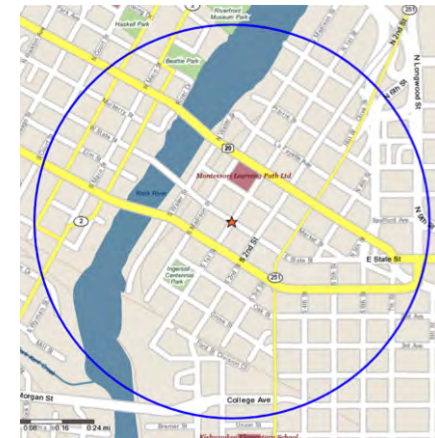


Figure 2

CONVENIENCE (INCLUDING BICYCLE)

If one can drive to obtain needed items within five-minutes, that location can be the routine choice to meet every-day needs. Convenience shoppers are the core market for retail clusters. This primary market should provide 60% to 85% of the spending captured by its businesses. Downtown Rockford's five-minute drive time market also identifies the homes of bicyclists who can pedal to stores and restaurants in ten-minutes or less. Increasingly, that activity adds recreational users to the convenience mix. The demographics associated with Figures 3 and 4 report significantly overlapping markets of approximately 28,000 residents. This is a substantial market that contains a population that sustains neighborhood shopping anchors such as grocery stores and drug stores in center competing with Downtown Rockford.

DESTINATION

The unique businesses and experiences of Downtown Rockford create a destination draw, as their offering attracts visitors from a large geography. Research conducted by Bright Star and the Urban Land Institute identify an approximately 20-minute drive time as the distance customers will travel for specialty items and experiences without extensive planning. Although some customers will travel the greater distance for unique events and venues, those visits are a bonus for businesses, while this 20-minute drive time represents a core market that can be an everyday opportunity. Households on this market are substantially higher than the income of household in the closer markets and therefore have more discretionary income for the purchase of unique specialty goods, dining, and services. This market also likely captures the homes of the employees working in Downtown Rockford, and it therefore represents potential new residents who would save time by moving to the study area.

The spending power estimates demonstrate that connecting to these markets can support additional Downtown Rockford stores, restaurants, and services. Arbitrarily setting a goal of attracting 5% of the spending within the 20-minute drive time and using the national average for sales per square foot (\$300) suggests a goal approximately 375,000 square feet of ground floor spaces occupied by those businesses. Currently, occupied ground floor space in the project is estimated at 175,000 square feet. That implies that meeting the 5% capture goal would add approximately 200,000 square feet of ground floor customer oriented businesses. That space would accommodate 70 to 100 businesses depending on their size.

SUMMARY

At its core revitalization depends on strong connections to the market that provide customers and residents for existing and future development. Concurrent with the exciting new developments in Downtown Rockford, efforts to strengthen the Downtown's core markets must occur. Festivals, events, and improved Rock River frontage have been effectively creating community pride and thereby attracting the Rockford market. Improving the character market within one-half mile requires a transformation effort to add housing and jobs because the current market falls so short of the markets that support vital downtowns. For the important convenience and destination markets, the challenge is bringing a message that attracts the adequate existing market. The obstacle to overcoming that challenge is the high costs and limited resources of government. Facing that impediment requires understanding the economics of market rate development that could shift the financing burden from municipal resources to private resources. An element of that approach is using relatively inexpensive concept of tactical interventions to test and improve the market. That technique reduces the risk associated with market rate development and thereby reduces the need for government financing. Sections follow that define those concepts.

	Rockford	1/2 Mile East	1/2 Mile West	5 Minutes Drive East	5 Minutes Drive West	20 Minutes Drive
Total Population	150,784	2,447	3,538	27,819	28,192	241,356
Population Density per Square Mile	2,429	3,109	4,496	4,557	4,895	1,203
Total Households	59,096	1,431	1,451	11,005	10,713	95,179
Employees		7,010	6,831	17,370	16,257	
Median Age:	36.5	47.8	41.0	32.5	32.0	38.4
Average Household Income	\$57,807	\$22,612	\$22,670	\$39,620	\$38,777	\$62,610
Median Household Income	\$40,035	\$13,238	\$13,427	\$25,329	\$24,701	\$46,203
Per Capita Income	\$23,000	\$13,394	\$10,591	\$16,366	\$15,436	\$24,929
Foodservice & Drinking Places	\$141,576,512	\$1,949,636	\$1,843,252	\$20,860,613	\$19,524,384	\$248,886,766
Square feet supported at \$300 per	471,922	6,499	6,144	69,535	65,081	829,623
Total Aggregate Annual Retail Demand	\$1.3 Billion	\$21 Million	\$21 Million	\$206 Million	\$197 Million	\$2.2 Billion
Square feet supported at \$300 per	4,344,583	70,240	71,122	688,368	657,671	7,428,759
5% capture of market supported space						371,438

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Table 1



Figure 3

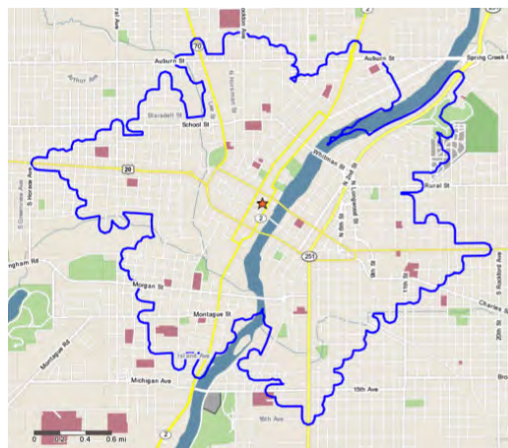


Figure 4



Figure 5

REDEVELOPMENT POSSIBILITIES

Before considering specific Downtown Rockford projects and the necessary public private partnership to achieve those projects, one must understand local market rate development. The sample market rate projects estimated in Table 1 are:

- + a new one-story 5,000 square foot restaurant,
- + a three-story residential multi-family building that delivers 43 units on a 15,000 square foot floor plate,
- + a \$50 per square foot remodeling project for a 10,000 square foot building.

These projects have costs ranging from \$500,000 to \$7 million. For these investments in the Downtown Rockford area to occur, the property owner must attract tenants or buyers willing to pay rents or prices high enough to provide a return higher or equal to alternative uses of investor funds, which is the condition known as market rate development. If investors are not confident that rents or sales prices will be competitive with other investment alternatives, a developer may choose either to find another place to invest funds or request a public/ private financial partnerships to fill the "gap" between expected returns and market rate returns. The framework for that partnership is a shared understanding of typical development costs.

For this framework, these projects are not associated with specific properties. In many revitalization programs, the first partnership properties are publicly owned lots and buildings, and a primary goal is placing them back on the property tax rolls to generate revenue that can support additional revitalization efforts.

METHODOLOGY

To determine the advantages and disadvantages of development options, this development feasibility analysis calculates project financial feasibility by comparing project costs to the value of resulting development. The revenue to the City comes from property taxes and sales taxes. Table 1 explains how this information is calculated:

The key to this analysis is setting the developer's required return as determined by the risk associated with undertaking proposed development options. The least risky projects are built to suit concepts for large, national corporations and the low cost reuse of existing buildings. The riskiest projects are speculative commercial development. Each project uses a



Building and Parking Construction Cost	Total Value	Rent	Annual Property taxes	Annual Municipal Sales Taxes
Using a standard estimating service that continuously monitors construction costs, RSMeans, a very preliminary cost estimate for the concept's proposed uses and parking is calculated. Following detailed design, this component can change significantly.	The net operating income from a commercial development or apartments sets its value. That income is converted to a market value by determining how much the developer would invest to obtain that income. The return that developers require varies by the market demand for each use.	The rent is the net operating income required to provide the return on investment that the market expects for the risk involved in the project plus management costs. For ease of comparison it is expressed as an amount per square foot for commercial uses and a monthly rent for apartments.	This calculation uses a common realtor rule of thumb that property taxes are approximately 2% of the property value. In a TIF, these property taxes estimate the potential TIF increment.	In Illinois, each municipality receives 1% of the value of retail sales by businesses within their borders. The City of Rockford levies another 0.5% retail sales tax. This calculation assumes that new retail will achieve sales of \$300 per square foot, the national average.

Table 1

combination of investor funds and bank loans to determine the return on investment (ROI) needed to appeal to the market. With today's relatively low bank interest rates, the blended ROI, also known as a cap rate, varies from about 6.5% for the least risky projects to 9.5% for the riskier projects. When a riskier project is more desirable, the City can intervene with financial incentives that reduce costs to a level that matches other investment possibilities. The risk return used in this analysis and other assumptions are documented in Table 2.

Surface Parking per space	\$6,000
Covered Parking per space	\$13,000
Garage Parking per space	\$23,000
Apartment ROI	7.5%
Commercial ROI	9.0%
Floor Utilization	85%
Estimated Property Tax	2% of value
Taxable Sales per sqft	\$300

Table 2

These assumptions are based on BDI experience and interviews with developers. At this conceptual design level, values can change significantly, as design is refined and infrastructure conditions are better understood.

Table 3 examines investment options for the three hypothetical projects. The bold rows illustrate the rents new tenants would pay if these concepts were developed without land costs or incentives.

With current Downtown Rockford rents ranging from \$9 to \$14 per square foot, restaurant tenants would choose redevelopment only if the resulting space is likely to generate higher sales than space in existing vintage properties. Investors considering building multi-family residential must be confident that tenants will pay the premium rents now only associated with competing more suburban style properties. If a commercial property currently rents on the low end of vintage market rate costs per square foot, \$9, a \$50 per square foot remodeling could create space renting on the high end of market rate vintage rents, \$14.

SUMMARY

Although remodeling can work for properties that are currently vacant or leased at low rates, redeveloping underutilized Downtown Rockford area properties will not occur without public private partnerships or tactical interventions that improve the market.

	Rehab	Restaurant	Multi-Family
Project	\$50 per square foot improvement	Single story building with enhanced landscaping but no dedicated parking	43 units averaging 900 square feet. 3-stories and Provides 1 parking space per unit
Lot size	20,000	20,000	20,000
Space	10,000	5,000	45,000
Construction Costs	\$500,000	\$1,055,500	\$6,797,500
Covered Residential Parking			\$ 608,520
Market Driven Net Operating Income (NOI)	\$45,000	\$94,995	\$555,452
Rent per sqft that provides market driven NOI (10% added for land costs)	add \$5.29 to current rent	\$24.50	
Monthly rent (average unit per month)			\$1.61(\$1,450)
Annual Sales Tax	\$45,000	\$22,500	
Annual Property Tax	\$10,000	\$21,110	\$135,950

Table 3

STAGING WITH TACTICAL INTERVENTIONS

The model of multistory, mixed use development that replicates classic downtown environments like Downtown Rockford, can find attracting investors very difficult because these projects are very expensive to build and finding credit worthy tenants is uncertain. One way to reduce the risk is to prove the market quality through tactical interventions that test opportunities and consequently lower risk. These interventions add vitality during the time when opportunities develop. In the publication Tactical Urbanism 2, this approach is described:

“While larger scale efforts do have their place, incremental, small-scale improvements are increasingly seen as a way to stage more substantial investments. This approach allows a host of local actors to test new concepts before making substantial political and financial commitments...

While exhibiting several overlapping characteristics, “tactical urbanism,” is a deliberate approach to city-making that features the following five characteristics:

- + A deliberate, phased approach to instigating change;
- + An offering of local ideas for local planning challenges;
- + Short-term commitment and realistic expectations;
- + Low-risks, with a possibly a high reward; and
- + The development of social capital between citizens, and the building of organizational capacity between public/private institutions, non-profit/Non-Government Organizations, and their constituents.”

Tactical Urbanism could create immediate change and potentially prove the market strength of the Downtown Rockford area. Those market improvements that could reduce the need for public incentives include:

PARK(ING) DAY

The concept is testing the benefit of plazas that are the size of parking spaces. It is an international movement that is always scheduled for the third Friday in September. By participating, Downtown Rockford could garner publicity and test, adding plazas as a development amenity. This tactical intervention invites the community to identify plaza locations and can relieve business fears about the trade-off between open space and parking. The publicity and involvement of groups creating the “plazas” invites visits to Downtown. More information on this tactical intervention is available at <http://parkingday.org/participate/>



POP-UP RETAIL

Temporary stores have grown from a holiday focused use into an important technique for proving that customers will travel to a developing marketplace. Downtowns' vacant store fronts, oversized parking lots, and underutilized public spaces are increasingly being used as local incubators for a seemingly endless number of temporary to permanent commercial and community uses. These spaces can be simply finished store fronts or very modest structures that share facilities with adjacent buildings. Entrepreneurs can lease spaces for periods ranging from weeks to few months. The location benefits from a changing uses that attract destination customers and the tenants can test concepts with a minimal upfront investment. The goal is incubating businesses that are especially well tuned to the local market and will be successful from day one.

FOOD CARTS / TRUCKS

Street food is a magnet for human activity. Food carts and trucks both stimulate entrepreneurial activity and activate a public space. Today's food vendors are masters of social media and attract followers from other communities by creating a festival atmosphere. A good food vendor, or groups of vendors, quickly becomes an additional destination within already successful places of congregation. City regulations prohibiting the sale of alcohol and limiting the time when food vendors are active add customers to nearby, permanent businesses.

SITE PRE-VITALIZATION

When temporary buildings re-activate a previously inactive or underutilized parcel of land, it can help to market the property and generate needed revenue for the land owner/developer. Site pre-vitalization uses often include public markets, art exhibitions and studios, community festivals, beer gardens, micro-retail opportunities, flea markets, and other temporary programs

capable of "pre-vitalizing" a site before more permanent building is possible. By activating a site during the planning, approvals, and financing stages, a vacant site can provide low-cost community building and economic opportunities while a more formal transition occurs, from inactive parcel of land to a fully redeveloped and programmed addition to the town or city.

- + **Micro-Mixing.** When a business owner subleases space to a complimentary business, it is known as micro-mixing. The bookstores that include a coffee shop illustrate the concept of micro-mixing. The two uses together, a latte and a new book, fit together naturally. Today, more mixes are emerging. Barbershops are selling clothing, jewelry stores are selling sandwiches, and a coffee shop is selling potted plants and gardening supplies. This tactic provides entrepreneurial shop owners an opportunity to mitigate the high overhead costs associated with opening a new venture. By using clever merchandising and efficient space planning, existing retail spaces can be adapted to handle multiple users or businesses. Thus, micro-mixing provides an opportunity to test new ideas. If successful, micro-mixing tenants can one day strike out on their own.

SUMMARY

When businesses have well tested concepts, the owners have the confidence to commit to the higher rents and longer-term leases necessary to support building transformational space. Tactical Urbanism tests concepts as it creates events that differentiate a downtown from shopping centers and attract customer and investor interest. The community challenge is creating a regulatory environment that allows temporary uses. As this analysis looks at specific sites, it will suggest tactical intervention that could prove the site's quality and thereby interest investors in more permanent development.

STRATEGIC TOOLS AND TECHNIQUES

For Rockford to build the connections to necessary markets, leadership must focus on a strategy organized around goals and objectives designed to methodically achieve that vision. This plan then identifies the tools and techniques that must be used to move the strategy forward.

The market strategy is guided by this vision:

By 2020, Downtown Rockford will be a commercial center that residents speak of with pride and consumers within a 20-minute drive time visit often for unique experiences and products.

The changes necessary to achieve that vision are captured in these goals:

- + Fill 200,000 square feet of ground floor study area space
- + Exponentially grow the housing market
- + Establish downtown Rockford as the community's "master brand."

These goals focus on the inner ring character market of Downtown Rockford as the key to realizing the vision. Although they are aggressive, they can be broken down into planning, tactical, lean and climax objectives that illustrate a five-year plan that progresses toward attaining the goals.

OBJECTIVES

Fill 200,000 square feet of ground floor study area space

- + Plan: Reach consensus on the 16 block first stage clusters on the East and West side of the Rock River and center four block immediate action centers.
- + Tactical: Create a special service area to share the cost of marketing and property maintenance.
- + Lean: Renovate unoccupied properties to modern standards for stores and restaurants while maintaining quality of all properties.

- + Lean: Grow by five businesses in existing space on each side of the River year 1, 10 businesses year two and 20 businesses in year 3-5. (If the businesses average 1,400 this will fill more than 200,000 square feet)
- + Climax: Build new space as needed but do not include consumer oriented ground floors outside of the target areas.

OBJECTIVES

Exponentially grow the housing market

- + Plan: Identify and tout a 35 to 50 unit project that offers a unique amenity—probably river access.
- + Plan: Identify incentives that only work for early adopter—River Edge was this but is now gone.
- + Tactical: Demonstrate how well downtown works for activities of daily living—jogging, grocery shopping, biking, and dog walking.
- + Lean: Remodel upper story space for 60 residential units per year.
- + Climax: Identify projects outside of the study area but within the ½ mile character district that can be built/sold in chunks of 30 to 40 units.

OBJECTIVES:

Establish Downtown Rockford as the community's "master brand."

- + Plan: Identify Downtown places for that can host major community events
- + Manage growth do not stop decline...
- + Tactical: Sell Downtown as an event location to all Rockford organizations.
- + Lean: Develop "brand Identity" used by all organizations promoting Downtown Rockford
- + Downtown Rockford Residential Development Framework

RESIDENTIAL FRAMEWORK

OBJECTIVES

Exponentially grow the housing market

- + Plan: Identify and tout a 35 to 50 unit project that offers a unique amenity—probably river access.
- + Plan: Identify incentives that only work for early adopter—River Edge was this but is now gone.
- + Tactical: Demonstrate how well downtown works for activities of daily living—jogging, grocery shopping, biking, and dog walking.
- + Lean: Remodel upper story space for 60 residential units per year.
- + Climax: Identify projects outside of the study area but within the ½ mile character district that can be built/sold in chunks of 30 to 40 units.

NOTES

- + Rents per square foot are similar or higher than comparison suburban apartment complexes. This suggests that the market is valuing Downtown living.
- + In the above table, return on Investment (ROI) is estimated at 50% of the rent payment. That ratio is typical of well-managed, urban courtyard properties. Newer properties can return as much as 70% of rent because modern design elements can save costs. For the William Brown Lofts, increasing the ROI to \$0.79 makes a reasonable investor willing to pay \$76,067 for this unit.
- + The 9% cap rate used to determine how much an investor would pay for the anticipated ROI is higher than the national average of 6 to 7.5% for apartments. This reflects the risk that investors see in the Rockford market, If investors perceived less risk and were willing therefore to seek a 7% return The William Brown Lofts unit would be valued at \$69,857.

Downtown	Address	SQFT	Rent	Rent/SQFT	ROI	Investment @ 9%	\$50/foot Remodel	Investment
The William Brown Lofts	228 S. Main Street	723	\$815	\$1.13	\$0.79	\$76,067	\$36,150	\$39,917
Old City Hall Apartments	126 S. 1st St	618	\$510	\$0.83	\$0.58	\$47,600	\$30,900	\$16,700
	1142 Revell Ave	825	\$525	\$0.64	\$0.45	\$49,000	\$41,250	\$7,750
	1421 Charles st	1,100	\$625	\$0.57	\$0.40	\$58,333	\$55,000	\$3,333
Carlton Apts	950 N Main	1,400	\$810	\$0.58	\$0.41	\$75,600	\$70,000	\$5,600
Windsor Apts	951 N Main	1,000	\$725	\$0.73	\$0.51	\$67,667	\$50,000	\$17,667
Mainplace	929 N Main St	650	\$525	\$0.81	\$0.57	\$49,000	\$32,500	\$16,500
Rock River Tower	915 N Main St	555	\$690	\$1.24	\$0.87	\$64,400	\$27,750	\$36,650
Main Park	929 N Main	650	\$525	\$0.81	\$0.57	\$49,000	\$32,500	\$16,500
Skyrise Apartments	837 N Main St	425	\$499	\$1.17	\$0.82	\$46,573	\$21,250	\$25,323
Comparison					\$0.00			
Chatham Court Apartments	1905 W Riverside Blvd	957	\$650	\$0.68	\$0.48	\$60,667	\$47,850	\$12,817
Terra Creek Apartments	375 Bienterra Trl	1,080	\$899	\$0.83	\$0.58	\$83,907	\$54,000	\$29,907
Beacon Hill Apartments	5203 Linden Rd	550	\$430	\$0.78	\$0.55	\$40,133	\$27,500	\$12,633

Table 4: Sample Existing rentals in Downtown Rockford

- + If both the risk and management costs were lower, the William Brown Loft unit would have a value of \$97,800.
- + Whether projects happen is largely determined by whether the current owner receives a reasonable return on investment or can price the property to sell to someone who has a vision for making the property meet his investment objectives. Customarily, new owners invest in improvements that allow for higher rent or lower turnover. For that reason, I looked at discounting the value by \$50 per square foot for remodeling to see what an investor might pay for a property that would rent for the values currently asked for that unit. Although %50 per square foot generally supports cosmetic improvements, Gary Anderson reported that many remaining properties need more extensive improvement.

CLIMAX NEW CONSTRUCTION DETAIL

This sample project assumes a rental project with this character:

Average unit size	900 sqft
Parking/unit	1.3 spaces
Cost per parking space	6000
Units	36

Table 5: Sample Project Characteristics


RSMeans QuickCost Estimator			
Project Title:	Rockford apartment		
Model:	Apartment, 1-3 Story		
Construction:	Face Brick with Concrete Block Back-up / Wood Joists		
Location:	ROCKFORD, IL		
Stories:	3	 <i>Costs are derived from a building model with basic components. Scope differences and market conditions can cause costs to vary significantly.</i>	
Story Height (l.f.):	10		
Floor Area (s.f.):	38,000		
Data Release:	Year 2012 Quarter 3		
Wage Rate:	Union		
Basement:	Not included		
Cost Ranges	Low	Med	High
Total:	\$4,311,000	\$4,790,000	\$5,987,500
Contractor's Overhead & Profit:	\$1,077,750	\$1,197,500	\$1,496,875
Architectural Fees:	\$431,100	\$479,000	\$598,750
Total Building Cost:	\$5,819,850	\$6,466,500	\$8,083,125

Table 6: RS Means Conceptual Cost Estimate

Cost	
Building	\$6,466,500
Parking	\$280,800
Land	\$0
Total	\$6,747,300
Unit cost	\$187,425
Cost per square Foot	\$208.25
Rent	
9% ROI	\$16,868.25
50% expenses Rent	\$33,736.50
Rent/ SQFT	\$3.12
Typical monthly rent	\$2,811

NOTES:

- + Again, this analysis assumes an elevated risk perception and a need for extra amenities including security that reduces the amount of rent that goes into ROI. If programs were able to reduce the risk and coats the necessary rent could be reduced to \$1.72 making a typical apartment rent for \$1,562 per month.
- + Apartments appealing to young professionals often have smaller units with more amenities. If the typical unit were 600 square feet and 50% of rents fund ROI, the average unit would rent for \$1,874.

COMMENTS

- + Stimulating property investment appears to be a city-wide problem. Rents are actually the same or higher in Downtown Rockford than in other areas.
- + Illinois' River Edge Redevelopment Zone Tax Credit program has been critical to the success of the completed housing projects in Downtown Rockford. This program is set to expire at the end of 2015. A critical tactical intervention is lobbying the Illinois legislature to extend this pilot program. Essentially, all of the rehab in Downtown Rockford was stimulated by this program. It is absolutely critical to future historic rehab in Downtown Rockford.
- + A key issue is confidence in the market because it changes the investment risk. Government actions that improve confidence, can increase values. Those actions can include publicizing facts on safety (crime rates), completed projects, and the high attendance at events. More aggressive are programs that guarantee property values or actually provide financing.
- + Setting absorption amounts cannot be based on past sales. Since only 5 downtown condos sold since 2005, the equity market is particularly difficult. Absorption should be set based on growth of employment. For every 100 new jobs targeting recent college grads, it could be reasonable to absorb 10 to 20 units in Downtown Rockford.

INTRODUCTION

The consumer perception survey was a tool used to understand customers' current behaviors and opinions about the Downtown Rockford area. The survey element of the market research solicited specific data and feedback on community use and satisfaction with the existing character of Downtown Rockford. The survey presented an opportunity to understand current perceptions and create a baseline to determine progress through plan implementation.

SURVEY DESIGN

From November 24, 2014 through January 24, 2015, the web-based survey was accessible through respondents' computers and cell phones. The City of Rockford promoted the survey via e-blasts, its website, Downtown businesses, and partnering organizations.

The survey was composed of 19 questions and took approximately 10-minutes to answer. Eighteen of the questions were multiple-choice. A summary question included a field where respondents were asked to give any additional comments. The final question asked respondents to provide their name and e-mail address so they could learn the results of the survey and assist in efforts to improve the Downtown Rockford area. 1,587 surveys were completed. Figure 1 maps the location of Survey respondents.

In calculating percentages of respondents' satisfaction or inclination to spend, "I don't know" answers were removed from the totals before rankings were created. This adjustment eliminated any potential misinterpretation that might arise when an unusually high number of "I don't know" answers reduced the other response percentages.

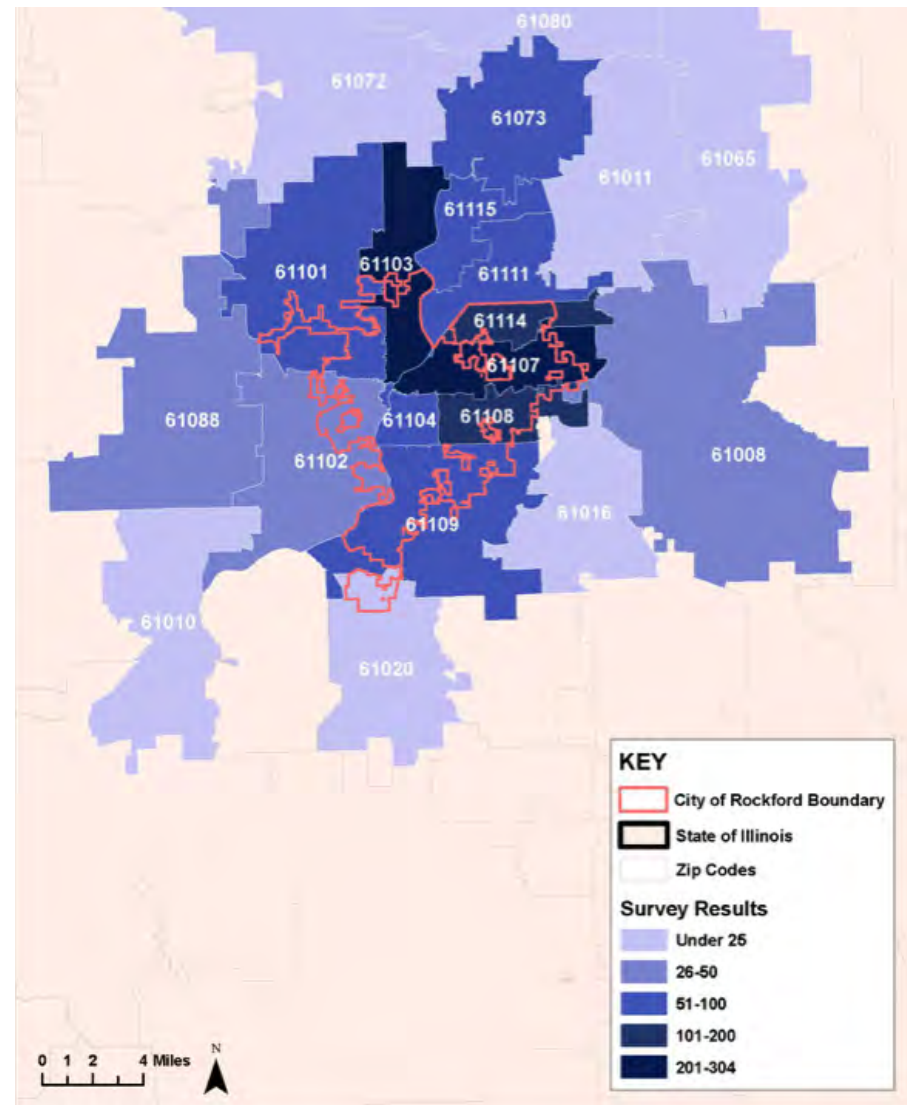


Figure 1

The analysis that follows highlights survey results that inform the planning process. The survey also provides a basis for future program analysis and can support additional research (primarily involving focus groups). Focus groups that are composed of individuals who provided specific answers can be created by using the respondent's e-mail addresses given as a reply to Question 19. After implementation, the City can repeat survey question to learn whether respondents saw improvement. The appendix provides the complete survey results.

CURRENT PERCEPTIONS

When Survey respondents were asked "How do outside audiences perceive Downtown Rockford as a neighborhood overall?," the response, as depicted in Figure 2, was dismal:

Interestingly, the respondents seem to feel that this perception is not necessarily correct, because only 17% answered the question "Are outside audiences' perceptions of Downtown Rockford's existing image accurate?" with "Very Accurate."

These results show the need to promote Downtown Rockford successes to increase the accuracy of perceptions.

When respondents were asked "How would you describe Downtown Rockford?" and given a word list, Figure 4 depicted the results by making the most commonly chosen word the largest.

It is interesting that "Entrepreneurial" was the third most common choice because that is an element that was also important when respondents answered the question "How should Downtown Rockford be perceived to make it more appealing to business seeking a new location?"

Another question asked the respondents to rate elements that contribute to perceptions of Downtown Rockford. In examining perceptions of an area, one must recognize that, for

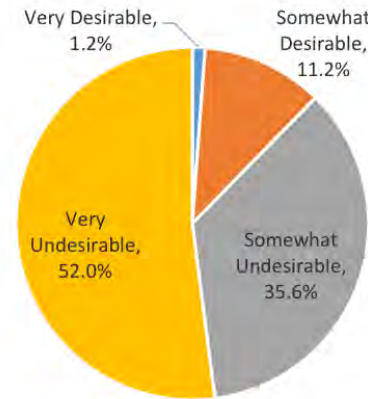


Figure 2

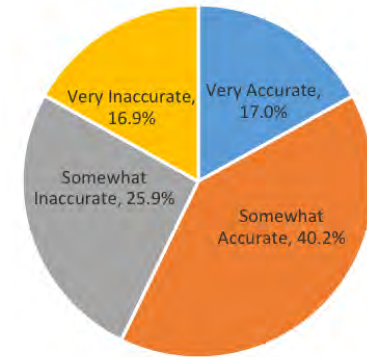


Figure 3

characteristics such as safety and parking, being average means being equal to competing options. Since those characteristics support rather than determine the experience of visiting the area, investments to improve these characteristics increase vitality only when they bring the perception into equity with competing areas. Excellent and above average ratings for other characteristics, for example friendliness, parks, and bicycle access, can increase visits by improving the quality of the visit experience.



Figure 4



Figure 5

As Table 1 highlights, Safety and Parking perceptions in Downtown Rockford are low enough to be deterring visits. Because nearly two thirds of respondents rated parking below average, parking warrants close attention.

The attractions, bicycle access, sidewalk and lighting attractiveness, and pedestrian access had such low ratings that one can conclude they must impact the competitiveness of Downtown Rockford businesses. These results verify the need for Rockford’s Downtown Plan to guide activities, marketing, tenanting, and access improvements because improving the perception of those characteristics will increase Downtown Rockford visits.

A bright spot in the perceptions rating was the evaluation of events. When only those who attended were analyzed, Table 3 reports the evaluation of events.

These high ratings suggest that positive experiences may change overall perceptions. The challenge is drawing customers. Table 4 reports the percentage of survey respondents who have never attended or were unfamiliar with the listed events.

Table 1

Rate your overall satisfaction with these factors as they apply to Downtown Rockford:	
Answered at least average	
General safety	41.6%
Pedestrian safety	54.0%
Parking	37.0%

Table 2

Rate your overall satisfaction with these factors as they apply to Downtown Rockford:	
Answered at least above average	
Dining	35.2%
Parks	28.7%
Community Friendliness	24.0%
Walkability	23.3%
Bicycle Routes	19.9%
Sports Facilities	15.3%
Housing	7.0%
Shopping	6.5%
Employment	6.1%

Table 3

Evaluate your experience at these Downtown Rockford events:	
Answered at least above average	
Dinner on the Dock	74.4%
Screw City Beer Festival	72.6%
City Market	71.3%
Rockford Ice Hogs	62.6%
Friday Night Flix	59.5%
Two Block Party	55.3%
R.A.V.E. Events	53.8%
500 Block Party	53.1%

NEXT STEPS

Although the current perception of Downtown Rockford presents challenges, it also identifies elements to build upon. The Downtown is recognized as an entrepreneurial center, dining is emerging as a quality use, and those who attend events enjoy the experience. City Market is emerging as a major attraction.

CURRENT UTILIZATION AND BEHAVIOR

To help identify the baseline utilization of Downtown Rockford, the survey asked respondents about recent visits to Downtown Rockford and competing shopping districts (Table 5). The answers, detailed below, reveal that the respondents—a group that probably is more interested in Downtown Rockford than is the general population, given that they took the time to complete this survey—make more frequent visits to nearby, national chain dominated shopping clusters. Because shopping frequency is driven by necessities such as groceries, the absence of that store category impacts the shopping frequency responses. The high Internet shopping occurrence confirms that Rockford consumers are following national trends.

Because dining is so important to the success of Downtowns and Rockford has an emerging dining cluster, respondents were asked, “In the past 30 days, how many times did you eat out at restaurants?” Figure 6 illustrates their response.

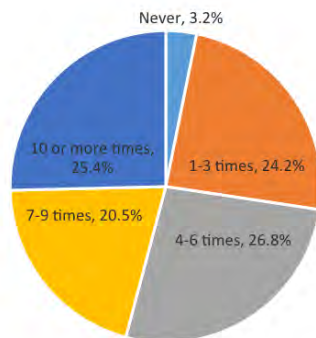


Figure 6

NEXT STEPS

These utilization reports set a baseline for the success of Downtown Rockford initiatives to be documented by asking about utilization in future surveys.

ASPIRATIONS FOR THE FUTURE

The survey sought to guide this planning effort and the current property owners’ recruitment focus with questions about what changes were most likely to increase visits to Downtown Rockford.

Existing restaurants should be optimistic because the majority of respondents continue to indicate they would spend more in all types of restaurants except quick serve. (Table 6) The very strong response to “Casual Dining” suggests a clear recruitment focus. Note also that nearly half of the respondents are willing to spend more in the White Tablecloth, Pub, and Counter Service restaurants suggesting opportunities for those concepts too.

Table 4

Evaluate your experience at these Downtown Rockford events:	
Answered never attended	
City Market	21.9%
Rockford Ice Hogs	26.5%
R.A.V.E Events	35.9%
Dinner on the Dock	54.0%
Friday Night Flix	61.7%
Screw City Beer Festival	66.6%
500 Block Party	68.4%
Two Block Party	74.2%

Table 5

<i>In an average month, how often do you visit these commercial areas?</i>	
Answered at least once	
East State Street Corridor (Alpine to I-90)	90.7%
Perryville Corridor	87.4%
East Riverside Corridor (Forest Hills to I-90)	77.1%
Amazon or other online store	71.4%
East State Street Corridor (Fairview Avenue to Alpine Road)	68.4%
Downtown (River District and/or Midtown)	67.3%
West Riverside Corridor	43.2%
11th Street (Harrison to U.S. Bypass 20)	34.1%

Table 6

<i>How would the addition of these restaurants affect the amount of money you spend at businesses in Downtown Rockford?</i>	
Answered "I would spend a lot or a little more"	
Casual dining	70.7%
White table cloth restaurant	49.7%
Counter service restaurant	45.8%
Pub or Bar	41.4%
Quick service restaurant	36.4%

Table 7

<i>How would the addition of these stores affect the amount of money that you spend at businesses in Downtown Rockford?</i>	
I would spend a lot or a little more	
Fresh Produce	67.4%
Specialty Meats and Fish	64.7%
Bakery	64.4%
Apparel	55.8%
Book Store	54.4%
Fine Wine & Spirits	51.2%
Home Accessories	50.7%
Furniture	30.3%
Art Gallery	27.1%
Make-up/Cosmetics	25.6%
Bike Shop	22.4%

There was also interest in adding stores. (Table 7) With nearly two thirds of respondents requesting the stores selling items generally available in City Markets, the wisdom of Rockford's new market building is apparent. Existing businesses can best apply this survey information and improve sales by adopting desired formats and either stocking merchandise similar to what is carried by the requested stores or, if already in stock, advertising the item's availability. This response should allay fears of existing businesses that competition would cannibalize current sales levels.

Figure 7 illustrates the respondent's preferences for specific stores by increasing the size of store names based on the number of times that business was requested.

When respondents were asked, "What event have you attended in another community that would be a good event for Downtown Rockford to consider holding?" Figure 8 uses a word diagram to illustrate their suggestions.



Figure 7

NEXT STEPS

With the coming Rockford City Market, it may be useful to get more specific information about the items desired by respondent's seeking Fresh Produce, Specialty Meats and Fish, and Bakery items. The respondents desiring these items who also offered contact information could be invited to a focus group. The information on desired businesses and in events should be shared with building owners and event organizers to inform their planning processes.

SURVEY SUMMARY

Surveys tell researchers what respondents think, but not the reasoning behind what they think. This survey establishes a baseline for measuring how planned changes impact Downtown Rockford utilization. A research program would repeat the survey effort in three to five years and draw conclusions on how behaviors are changing.

Based on the survey analysis, the consultants made observations about the results, but greater insight is possible if there is further communication with survey respondents. Because the survey allowed the respondents to volunteer to assist efforts to improve the Downtown Rockford area, it facilitates engaging Rockford residents. Mini-surveys can be created to seek more details from those who expressed concerns about safety or parking. Respondents also can be invited to focus groups, based on their survey answers, to provide more insight into why they responded as they did. Focus groups are a form of qualitative research in which a group of people are asked questions in an interactive group setting about their perceptions, opinions, beliefs, and attitudes towards a product, service, concept, or idea.



Figure 8



State Street Bridge looking West - 2015



University Avenue
Hennepin Mall
Hennepin Public Library
Hennepin Public Safety

