

Western Springs: Downtown Market Assessment

Prepared By



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Introduction

Project Purpose

The Village of Western Springs is a prosperous west suburban community where residents value their family oriented lifestyles, the excellence of the schools, and a long history of quality commercial development clustered to serve its residents. Western Springs's Downtown has always offered residents the convenience of nearby shopping that today's newest developments seek to provide by mixing stores and restaurants with residential development. With the increasing interest in mixing uses on properties throughout the United States, Western Springs's Downtown is experiencing pressures to increase its density to conform to current, mixed-use trends. Recent proposals challenged the historic character of Western Springs's Downtown and prompted Village leadership to seek a Market Assessment. This Market Assessment supports the Village's development by identifying the market demand for specific types of retail and mixed use projects that would be both appropriate and financially feasible for Western Springs' Downtown. It will also provide recommended strategies and actions that realize Downtown's sales potential and improve retail service to all residents.

Brief Commercial History

Western Springs is located in Cook County, one of the most highly populated counties in the United States, lies about fifteen (15) miles southwest of Chicago's Loop. Incorporated in 1886, the Village received its name from the water of its clear, cool springs that have since ceased to produce. Western Springs is a quiet, affluent Village with beautiful homes on various sized, meticulously maintained lots. There are no industrial or office parks in Western Springs; however, excellent commuter rail service and immediate access to the Northeastern Illinois expressway system provides excellent access to major employment centers. The Village is a quality bedroom community with a high average family income and a commitment to family values.

The commercial development of Downtown Western Springs began in 1920 and each decade added new buildings and businesses. The commercial building stock varies from one to two stories in height, allowing the much taller water tower to dominate. The Tower, which is located in the Village Green, is the symbol of Western Springs. Currently the Tower is a museum maintained by the Western Springs Historical Society.

Methodology

Because the trends driving development pressure in Western Springs are national, current models for commercial development and national demographic databases were used to understand the local market. Information from the Village GIS system's database of local businesses and information culled from the Cook County Assessors' web site were key to understanding the existing business mix and value of residential, office, and commercial uses. Nearby shopping malls, lifestyle centers, and Main Streets were visited and evaluated to determine the regional competitive environment. BDI visited Downtown Western Springs; met with store, restaurant, and property owners; and applied the same principles that high volume site selection specialists use to understand the village's economic vitality and potential. BDI interviewed over 15 stakeholders to glean their confidential insights into Western Springs' existing and potential economic

development environment. These contextual impressions were modified by the input from residents who completed a brief questionnaire. (Appendix 1)

Although this study makes recommendations and reports conclusions, it cannot present every option. Rather it filters the current situation through the experience of the consultants to provide economic analysis that supports decision-making. It should stimulate thinking and lead to policies rather than dictate direction. It reports the facts and opinions of those who participated in the process and recommends near term strategies and actions that support the market's long-term health.

Core Retail Development Concepts

Tenants and developers rely on core concepts when determining whether to choose a specific retail location. These market conditions, physical factors, and co-tenancies support sales sufficient to sustain a business in the long-term.

1. ***Retail Follows other Markets.*** There must be a large enough and close enough residential population before the market will support construction of store and restaurant space. Although office workers are another important market that can upgrade a marginally successful retail district into a very successful one, local residents are the backbone of each community's commercial areas. The significance of office space is its connection to a strong food and beverage offering. A significant concentration of offices adds a lunch seating and "cocktail hour" that can increase restaurant business by up to 1/3. Although the resident's are reasons for the stores, office workers bring increased vitality and growth through reinvestment of profits.
2. ***Development is Tenant Driven.*** There must be enough similar tenants to allow consumers to comparison shop. In the abstract, it makes sense that the ideal retail development is a broad mix of businesses satisfying the all needs of local residents. However, that concept defies the very term "shopping" because there never could be sufficient space to meet the volume and variety of business to meet the desires of all residents. Today's auto oriented retailing assumes that customers will travel for selection. Consequently, while today all successful shopping districts offer convenience shopping, for example a drug store, different shopping districts have evolved to satisfy varying niches for other items. Strong retailers like to cluster near competitors because they know that such an area gets a reputation as "the place to go to shop for...."
3. ***Visibility is critical.*** Stores must be visible to a large enough pedestrian and/or "driver" population. Although repeat customers are the lifeblood of any business, there also must be a steady flow of new customers. Those customers are much easier to attract when a large population sees the business every day. Studies by national restaurateurs and retailers indicate that about 20,000 vehicles and/or pedestrians per day pass the most vital retail businesses.
4. ***Visual and physical access must be easy.*** Signalized intersections allow traffic to easily enter and exit parking lots. They also stop pedestrians and automobiles, causing people to see signs and advertising. For those reasons, signalized intersections are the key location for high traffic retail centers.
5. ***Anchors hold the position.*** The concept of modern shopping centers attracts consumers to a high volume business, the anchor, and the consumers then notice and purchase the offering of adjacent smaller stores. Today that pattern has been modified by the concept of Lifestyle Centers where a cluster of well-known smaller stores combines to fulfill the anchor function. When centers are anchorless, often

due to the closing of a business, the property is less stable because tenants are constantly seeking anchored locations where they can achieve higher sales from the customers of adjacent anchors.

- Operating results trump development costs.** With rents, the ongoing measurement of a location's development cost, typically targeted to be at most 10% of sales, it is apparent that other operating costs have more impact on a store or restaurant's success. As the table below reveals, the operation of a retail business is extremely sensitive to sales variation.

Table 1

	20% Sales Decline	Expected Sales	20% Sales Increase	Location Change
Sales	\$400,000	\$500,000	\$600,000	\$600,000
Merchandise Cost	\$200,000	\$250,000	\$300,000	\$300,000
Gross Margin	\$200,000	\$250,000	\$300,000	\$300,000
Rent	\$50,000	\$50,000	\$50,000	\$75,000
Salaries	\$100,000	\$100,000	\$100,000	\$100,000
Supplies	\$20,000	\$25,000	\$30,000	\$30,000
Reserve for repair	\$12,500	\$12,500	\$12,500	\$12,500
Advertising	\$25,000	\$25,000	\$25,000	\$25,000
ROI, Taxes & Profit	-\$7,500	\$37,500	\$82,500	\$57,500

A 20% decline in business, an impact that can occur from the closing of an anchor or a bad buying decision, results in a loss. A 20% sales increase, often the result of better co-tenants joining a center or smart buying, causes the return to more than double. The location change column shows that, if that sales increase results from relocating the business to a better district with 50% higher rent, there is a significant improvement in profitability. This analysis reveals the rationale for "moving boxes" when new development occurs. It also illustrates why it is so important for retail development to occur at superior locations.

- A few retailers provide the majority of sales taxes.** Successful auto dealerships, warehouse clubs, large format grocery stores, mass merchandisers, and home centers can each produce over \$50 million in sales and \$500,000 in sales taxes. Consequently, these single businesses often have more impact on sales tax revenue than multi-tenant convenience centers, fashion centers, or suburban downtowns where sales are \$10 million to \$20 million for the whole center.

Although Downtowns like Western Springs' often do not meet these modern site selection standards, Villages with successful downtown stores and restaurants must compensate for variations from these standards by undertaking marketing strategies to create environments that compete successfully with centrally managed centers that do meet the standards. This market assessment and strategy will examine Western Springs' match to these standards and public policies designed to create an optimal business environment.

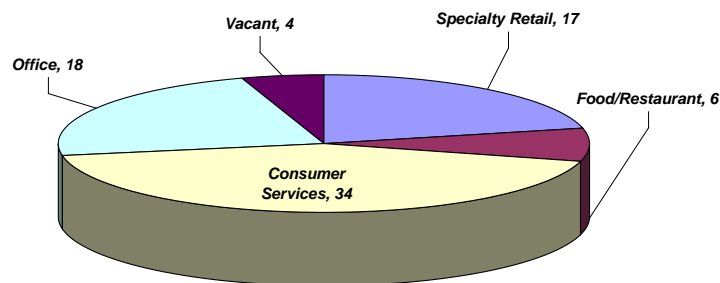
Existing Conditions

This map illustrates the Downtown Western Springs Zoning District.



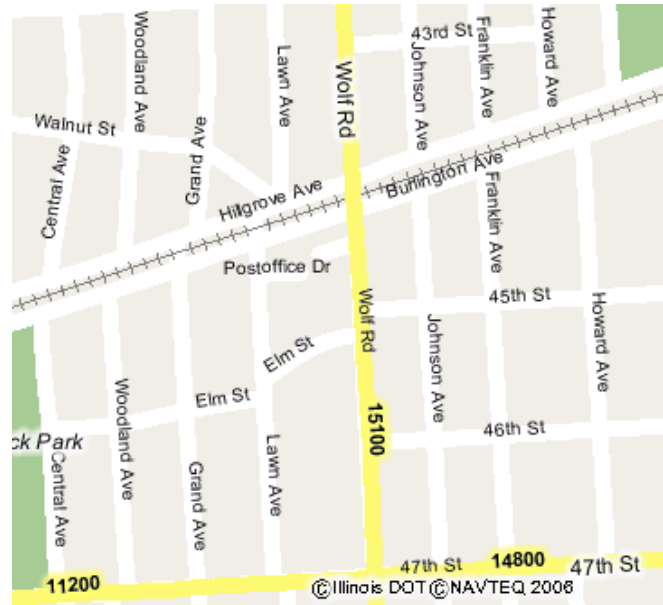
There are approximately 80 businesses concentrated between Wolf Road and Woodland Avenue facing the Metra Tracks from the south and between Howard Avenue and Central Avenue facing the tracks from the north. The only cross street with commercial activity is Lawn Avenue where the Post Office and two other commercial buildings extend the downtown. A business list supplied by the Village reveals this unit mix of uses:

Unit Business Mix



With only 23 businesses in the sales tax producing categories, Specialty Retail and Food/Restaurants, they represent less than 30% of the 79 Downtown Western Springs businesses. The largest category, Consumer Services, consists of financial, medical and personal care businesses that draw customers to the downtown but do not generate sales taxes. Additionally, the uses that most frequently bring customers to Downtown Western Springs are non-commercial activities like commuting and visiting Village Hall. These conditions suggest the need to increase the number of retail businesses on the ground floor of Downtown Western Springs' buildings.

The two primary access points to Downtown Western Springs are Wolf Road and the Metra Rail service. This access adequately supports the possibility of a strong anchor or cluster. As this map illustrates, over 15,000 cars pass downtown Western Springs in an average day. Another 20,000 see the offering from their Metra train and 1,065 are Metra passengers who begin and end their daily commute in Western Springs. Studies by Metra have shown that while only 5% to 10% of the sales in station area businesses are directly attributable to passengers using that station, commuters on the train passing through the station area learn about area businesses and therefore are more likely to frequent those businesses. This awareness is particularly important to the niche specialty retailers and full service restaurants most desired by Western Springs' residents.



Market Characteristics

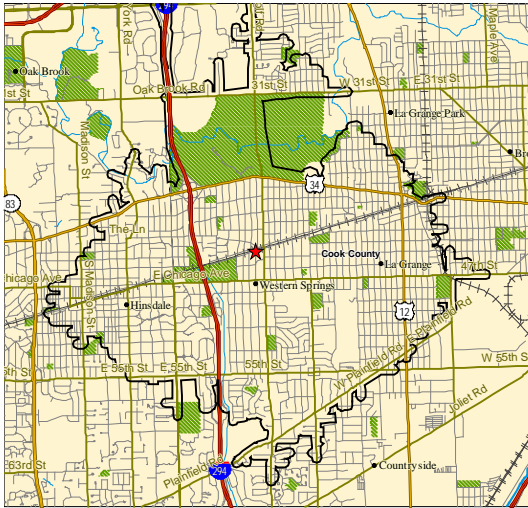
To understand Downtown Western Springs' potential as a commercial cluster, it is important to know the characteristics of the residents within logical markets. The table below looks at three populations varying distances from the intersection of Wolf and the Metra Tracks.

	Western Springs	0.5 Miles	5 Minutes Drive-Time
Population	12,182	3,699	44,473
Population Density	4,639	4,710	3,847
Total Population Median Age	40.7	38.8	40.5
Household Average Income	\$130,286	\$129,063	\$137,506
Total Employees	2,426	1,244	23,657
Total Retail Expenditure	\$157,230,273	\$46,516,969	\$610,488,723
Full Service Restaurants	\$8,617,500	\$2,541,914	\$30,620,003
Limited Service Restaurants	\$8,575,763	\$2,529,532	\$30,472,482

Demographic data © 2005 by Experian/Applied Geographic Solutions.

0.5 miles identifies the residents who can easily walk into Downtown Western Springs. Those living within 5 minutes can easily drive into downtown. The community as a whole should feel an affiliation and ownership of “their” downtown and visit for municipal services, the library, and community building events. For marketing purposes, the area encompassed within a five-minute drive of Downtown Western Springs that is slightly larger than the city limits and includes all of the half-mile pedestrian market, is the primary market that should generate 80% of Downtown Western Springs businesses’ sales.

This map illustrates the 5-minute drive time:



Note that both Hinsdale and La Grange are within this market area. Those communities have vital downtowns and residents accustomed to frequenting the unique businesses typical of affluent communities’ commercial districts. Although this geography provides competition, it also offers exactly the customers likely to frequent businesses in Western Springs.

As the table above reports, this market spends over \$600 million in stores and restaurants of all types. If Downtown Western Springs could attract 5% of that spending, it would achieve sales of \$30 million. That spending level would support 40 to 60 stores

and restaurants depending on whether the new mix includes a high volume anchor such as a drug store or a cluster anchor of restaurants.

Target Businesses

Western Springs’ 2004 Community Survey revealed strong support for the Downtown with 62% of residents shopping Downtown at least weekly and another 26% shopping there at least monthly. The public meetings associated with this project sought information about how residents use downtown Western Springs. To obtain information from everyone who attended the community listening session, participants completed a survey, appendix 1 to this report. Following that meeting, surveys were available to customers in downtown stores and other interested residents. As revealed by this table tracking business types that more than 50% of respondents reported would increase their spending, there was strong interest in food-oriented businesses.

	Meeting Participants			Customers		
	I would buy a lot more	I would buy a little more	No change	I would buy a lot more	I would buy a little more	No change
Casual Dining Restaurants	54.5%	30.9%	14.5%	43.4%	36.1%	19.3%
Ethnic Restaurants	40.7%	27.8%	31.5%	34.6%	30.9%	33.3%
Grocery Stores	40.0%	41.8%	18.2%	51.2%	23.2%	24.4%
Microbrew Pubs	32.0%	32.0%	36.0%	34.7%	23.6%	40.3%
Apparel Stores	30.2%	39.6%	30.2%	32.0%	40.0%	28.0%

Gift Stores	25.5%	25.5%	49.0%	17.3%	37.0%	45.7%
Drug Stores	25.5%	37.3%	37.3%	31.6%	24.1%	44.3%
Greeting Card Stores	23.5%	37.3%	39.2%	21.0%	37.0%	42.0%
Fine Dining Restaurants	21.2%	42.3%	36.5%	28.9%	33.7%	37.3%

The available sales and the local competitive environment will determine whether these businesses can be attracted to Downtown Western Springs. This table projects the sales potential by the requested categories of the 5-minute drive time and of Western Springs' residents. It also calculates the number of sustainable stores supported by using typical sales per store for a successful suburban store of each type.

	Current Sales Potential		Stores Supported	
	5 Minutes:	Western Springs	5-Minutes Drive-Time	Western Springs
Aggregate Dollars 2005				
Pubs, Limited & Full Serve Restaurants	\$63,672,223	\$17,918,966	42	12
Apparel Stores	\$21,339,425	\$5,999,740	43	12
Gift and Souvenir Stores	\$1,276,172	\$359,925	3	1
Grocery Stores	\$88,814,552	\$24,763,588	3	0.7
Pharmacy and Drug Stores	\$12,699,368	\$3,559,259	2	0.6
Total Aggregate Annual Retail Sales	\$611,948,010	\$171,806,018		

This data suggests that the casual dining and apparel desired by survey respondents are reasonable recruitment candidates. There is an existing cluster of restaurants with full service at two, Vie and McGann's and counter service at the other four, Snackers, Oberweis, Starbucks, and Spaghetti Bowl. Experienced restaurateurs often look to be in clusters of four to six different format restaurants. By adding three full service restaurants this standard suggests both better service to residents and better results for existing businesses. The apparel businesses are increasingly locating in affluent suburban downtowns. These very specialized retailers often are focus on a lifestyle like teenage girls, skaters, or formal wear purchasers. Once the "specialists" are established, mainstream businesses follow. It is important to realize that everyday apparel is a shopping good that is only successful when customers can compare their options across stores.

Commercial Investment Environment

Investors seeking to participate in the suburban downtown commercial market generally face tight sites that limit ground floor retail formats up to 15,000 square feet and upper story office totally 30,000 square feet or less. This subset of the total market capitalizes on the community amenities of downtowns and their proximity to residential development. In the case of affluent suburbs like Western Springs, the proximity to executive housing enhances the office market appeal. Although close to the Hinsdale and Oakbrook East/West Tollway Market, as land east of Interstate 294 and subject to Cook County property tax, Western Springs is included in the West Cook suburban Chicago submarket.

This map illustrates the area covered by each Chicago suburban sub-market.



Office space in those markets, like all markets nationally, is tracked by class:

Class A: Large, newer properties in prime business districts. These buildings usually have at least five floors and are constructed of steel and concrete. They offer high quality finishes, special technology features, business amenities, and good access.

Class B: These properties are typically smaller, older and of wooden framed construction. They have usually been renovated and are in good locations. If the buildings are newer then they are typically smaller and not in a prime location.

Class C: Class C properties are older and have not been renovated. Their condition is typically fair but not considered good.

Although Downtown Western Springs has buildings that could be renovated and then be classified as “B,” as currently managed the office space is all “Class C.”

CBRE, a world-wide commercial real estate brokerage firm known for its solid market research provided this information on the 2nd quarter 2006 conditions in Chicago’s East/West Tollway and West Cook Markets.

Market	Rentable Area SF	Direct Vacant SF	Direct Vacancy Rate %	Sublease Vacant SF	Overall Vacancy Rate %	Net Absorption SF	Under Construction SF	Asking Lease Rates Net/SF
East/West Tollway	35,261,492	5,721,783	16.2%	1,426,328	20.3%	719,719	114,857	-
Class A	11,580,422	1,715,496	14.8%	382,864	18.1%	605,292	114,857	\$16-18
Class B	17,138,090	2,898,332	16.9%	609,647	20.5%	162,385	-	\$9-13.5
Class C	6,542,980	1,107,955	16.9%	433,817	23.6%	(47,958)	-	\$6.5-8.5
West Cook	1,098,104	197,879	18.0%	0	18.0%	3,775	-	-
Class A	0	0	0.0%	0	0.0%	0	-	-
Class B	88,800	0	0.0%	0	0.0%	0	-	-
Class C	1,009,304	197,879	19.6%	0	19.6%	3,775	-	\$8-12
OVERALL	98,837,997	16,176,031	16.4%	3,134,608	19.5%	870,919	431,013	
Class A	40,108,414	5,817,939	14.5%	1,493,180	18.2%	658,125	431,013	
Class B	39,403,871	7,209,606	18.3%	1,089,891	21.1%	262,163	-	
Class C	19,325,712	3,148,486	16.3%	551,537	19.1%	(49,369)	-	

Although over one-third of the suburban “Class A” space is in the nearby East/West Tollway market, there is no “Class A” and very limited “Class B” space anywhere in the West Cook market. One explanation for this condition is the Cook County commercial property tax burden that is approximately double the levy in most DuPage County communities. Investors in communities like Western Springs build office space when proximity overcomes this tax disadvantage because the leasing decision maker’s home nearby and there is great access to regional transportation including Metra.

Using an estimate of 250 square feet per employee, each 30,000 square foot office development would add approximately 120 employees to Downtown Western Springs’ daytime population. Their spending would add to lunchtime convenience shopping and restaurant spending. Those incremental sales are very important to improving the profitability of stores and restaurants.

The general retail investment environment is relatively strong in the near west Chicago suburbs. CBRE reports these conditions in the 2nd quarter of 2006.

SUBMARKET	GROSS BUILDING SF	VACANCY RATE	UNDER CONSTRUCTION (SF)	AVG. GROSS ASKING LEASE RANGE (\$/PSF/YR)*	
				LOW	HIGH
Far West Suburbs (5)	19,825,307	7.9%	890,000	\$17.06	\$20.20
West Suburbs (6)	7,536,056	3.5%	314,703	\$21.05	\$23.84
TOTAL	113,177,493	7.5%	8,051,072	\$18.76	\$22.41

The very low, 3.5% vacancy rate in Western Spring’s market area supports an opportunity to attract retailers to modern well-managed study area space.

Although there have been few, recent sales of Downtown Western Springs land, the table below uses other upscale suburban communities with Metra stations to provide a sample of potential property prices in Downtown Western Springs.

Sale Location	<i>Size</i>	<i>Price</i>	<i>Price/SQFT</i>	<i>Comments</i>
Listed				
<i>Clarendon Hills</i>	60,000	\$ 6,500,000	\$108.33	407 Ogden, motel in TIF
<i>Palatine</i>	5,625	\$1,200,000	\$76.80	Gas Station, operating
<i>Palatine</i>	88,733	\$2,000,000	\$22.54	PD zoning
Closed				
<i>Arlington Heights</i>	17,000	\$987,500	\$58.09	Downtown across from Train
<i>Western Springs</i>	39,968	\$ 2,000,000	\$50.04	Former Grocery, Downtown across from Train
Pending				
<i>Elmhurst</i>	44,867	\$ 1,575,000	\$35.10	Industrial

This information suggests that a rough estimate of the cost of each square foot of redevelopable Downtown Western Springs land is \$45 to \$50.

The table below estimates the costs associated with developing a Downtown Western Springs commercial building. If a 15% return on invested cash is necessary to achieve

Market Assumptions	<i>\$/SQFT</i>	returns sufficient to compensate for the risk inherent in commercial real estate investment and surface parking is possible, a building with an 8,750 footprint and two upper stories of offices would need to produce average net rents of \$19.25 per square foot to justify a \$46 per square foot land price. The building footprint would cover 20% of the site with the balance used for surface parking. If the more
Construction	\$120	desirable underground parking were required for the upper floor office, the building footprint could be 11,000 square feet but the required net rent per square foot would rise to \$21 to cover the much more expensive parking. (Appendix 2 contains the underlying calculations for this analysis.) Note that the CBRE information cited above reports "Class B" East/West Tollway office renting at \$9 to \$13 net per square foot and retail space at \$21.05 to 23.84 gross per square foot. Converting the gross retail rent to a comparable net requires removing property tax, common area maintenance and insurance or subtracting about \$6. This chart summarizes the rent comparison between market and new development.
Soft Costs	\$20	
Surface Parking Space	\$6,000	
Underground Parking Space	\$20,000	
Spaces/1000	4	

	CBRE Existing Buildings	New with Surface Parking	New with Underground Parking
Net Rent Office	\$13.00	\$19.25	\$21.00
Retail	\$17.84	\$19.25	\$21.00

This mismatch between the market rental rates and the rates associated with development in Downtown Western Springs does not mean that development will not occur; rather, it means that development will only occur under special circumstances. For example, a retailer or restaurateur who desires a signature façade and interior space designed for uniform display cannot retrofit existing space and consequently always builds new. Under those conditions, the costs other than land are the same everywhere and the land price must be met if this is the selected market. Rent is the business cost

determined by development costs and, as this table illustrates, operating issues, particularly sales volume, are more important to profitability than rent.

	Poor Location	Expected Sales	Superior Location
Sales	\$400,000	\$500,000	\$600,000
Merchandise Cost	\$200,000	\$250,000	\$300,000
Gross Margin	\$200,000	\$250,000	\$300,000
Rent	\$50,000	\$50,000	\$75,000
Salaries	\$100,000	\$100,000	\$100,000
Supplies	\$20,000	\$25,000	\$30,000
Reserve for repair	\$12,500	\$12,500	\$12,500
Advertising	\$25,000	\$25,000	\$25,000
ROI, Taxes & Profit	-\$7,500	\$37,500	\$57,500

For offices, a signature tenant's interest in a location that promises to improve employee retention or save the chief operating officer commuting time often leads to a willingness to pay above market rents.

Residential Mixed-Use Investment Environment

Beginning in the 1990's, communities began authorizing projects that combined residential and commercial uses that were separated when the concept of zoning was introduced. This change came from an understanding that without close association to residential development, urban commercial areas were eight-hour environments that could not support the stores and restaurants that commercial employees need as daily amenities. This trend solved two problems, first it found a use, residential, for attractive, vintage buildings that no longer met the needs of modern office users and second, it added a 24-hour population that could support a shopping and dining cluster that could be an amenity to both residents and the remaining employees. The concept is nothing new. This typology with shops at street level, and residential or office above, was created in cities throughout history. The rediscovery of this building type was critical point in the recent urban revitalization experienced in cities throughout the United States. Suburban Chicago communities, like Western Springs, developed before World War II, were always "mixed-use" places that provided pedestrian connections between homes and businesses. Offices that add a daytime vitality rather than residential are the absent element that limits the market for stores and restaurants in suburban communities developed before working Moms.

Mixed-use, new urban projects are "hot" in the development industry, yet they require far more skill to pull off successfully than does the typical suburban shopping center, office park, or residential complex. The first challenge is not overestimating the volume of retail supported by other uses on the site. Shops generally must draw from a wider area and consequently cars and regional access must be accommodated. Secondly, financing is much more challenging because mixed-use projects often include short-term, equity housing and long-term, leased retail space. This challenge is often met by combining apartments with leased retail space or selling retail space as condominiums in equity residential projects. For example, both the Glen Town Center and Highland Park's Renaissance Place have rental apartments over their upscale stores.

The development of residential mixed-use projects is complicated further by the market demands associated with housing in upscale communities. Residents spending \$500,000 and more for condominiums want large units with attractive landscaping and secure, covered parking. An expensive unit over restaurants or other uses with a late a night focus is not salable. In a community like Western Springs, it is difficult to assemble sites larger than one acre, and consequently, it is difficult to achieve marketing, design, or construction economies of scale due to a small number of units. It is also difficult to offer landscaped outdoor space.

In a development where the first floor is retail with four surface parking spaces per 1,000 square feet and there are 2-stories of 2,000 square foot condominiums above the retail with 1.5 underground parking spaces per unit, the development has these economics:

	<i>3-Story Mixed Use</i>
Stacked Flats	14
Stores & Restaurants	14,000
Value	\$10,255,000
Hard & Soft Costs	\$9,294,035
Potential Land Value	\$960,965

The building footprint, parking and landscaping would make this development occupy approximately one acre. Since recent sales of commercial land in suburban downtowns range from \$1.5 to \$2 million per acre, a developer of this project is unlikely to find land for the market driven \$961,000. Although many developers will continue to express interest in the desirable Western Springs residential market, their proposals are likely to be denser than this model.

Overall Market Context Summary

Western Springs competes in a Chicago suburban sub-region that values its unique Downtown businesses and has high standards for operations and appearance. Village leaders appropriately raised concerns about the loss of businesses and the fear that redevelopment could be out of scale. As this market assessment reveals, there is support for additional businesses downtown. The feared redevelopment is unlikely to be a speculative mixed-use project that meets current zoning standards unless property prices drop from recent sales values. If the market causes new development, it will be because that development satisfies special retail or office tenant needs; and consequently, tenants are willing to pay premium rents. If the Village desires redevelopment, the alternative is to offer more density than current zoning allows in exchange for a design that adds significantly to the Downtown business environment. As these market activities occur over time, the development strategy must focus on improving the existing properties to attract additional, high quality tenants.

Marketing Strategy

The Western Springs Economic Development Commission used the Market Assessment presented by BDI to develop this goal:

Downtown should enhance the commercial vitality and promote the positive image of Western Springs by:

- Attracting, retaining, and promoting business investment opportunities
- Improving and maintaining the appearance of buildings, parking, and public areas
- Preserving convenient access to the Downtown Business District
- Maintaining sales tax revenue growth
- Maintaining consistent communication with residents, business and property owners, school districts, and government bodies

An examination of the specific strengths, weaknesses, opportunities, and threats facing Downtown Western Springs builds on the market assessment to create a solid basis for achieving this goal. These characteristics comprise the study area's current situation and will remain long-term factors that must be considered in revitalizing the area.

Strengths

Downtown Western Springs contains the following particular attributes that reinforce the study area's potential for future success.

- The Water Tower and Tower Green are amenities that improve the overall appearance of Downtown and provide gathering space.
- The Metra service attracts daily visits and provides the businesses with exposure to passengers from communities further west.
- Strong existing businesses like True Value, Kirshbaums, Casey's Market, and others provide a sense of history and attract repeat customers.
- New businesses like Vie and others energize the business environment and attract new customers.
- As previously outlined, attractive demographics provide ideal customers for specialty stores and restaurants.
- Wolf Road's relatively high average daily traffic counts provide an opportunity to attract customers from a wider region.
- Spring Rock Park attracts recreation users to the Downtown Vicinity.
- The available property offers places for fresh concepts to add to the Downtown Western Springs' business mix.
- This study and its high public participation illustrates a community commitment to the downtown that provides important support for business and property owners.
- The railroad tracks and busy Wolf Road naturally divide the Downtown into multiple nodes that allow for different clusters.
- The successful community theater enhances the image of Downtown Western Springs and insures that very desirable customers are aware of the offering in Downtown Western Springs.
- The civic cluster including Village Hall and the Library also brings residents to Downtown.
- Growth from new development at Timber Trails adds more customers.

Challenges

The challenge to change comes from aspects of an area that cause dissatisfaction. These challenges can be divided into:

- **Weaknesses**, factors that are difficult to change and often must be accepted into the plan;

- **Threats**, factors that will become weaknesses if action is not taken;
- **Opportunities**, changes that will quickly improve the area.

Weaknesses

- The railroad tracks are a barrier that prevents easy access between the north and south clusters.
- The linear nature of the commercial offering in combination with the railroad tracks prevents the optimal business condition of three square blocks of two-sided retail. Hinsdale with its business district only to the south of the Metra tracks provides this better cross-shopping invitation where businesses have the opportunity to catch the attention of shoppers from across the street as well as adjacent stores.
- Attractive, tight residential neighborhoods prevent the expansion of Downtown Western Springs to create a north and south flow.

Threats

- Lacking directional signage or gateway treatments traveler are likely to miss the stores and restaurants of Downtown Western Springs.
- Vacancies at the intersection of Wolf Road and Burlington Avenue obscure the downtown and contribute to an image of decline.
- Private parking and building facades exhibit deferred maintenance further lending an air of decline.
- The reservation of parking for Metra conflicts with customer parking.
- As the market assessment's "Investment Analysis" reveals, property purchasers are spending more than the value associated with existing or entitled development. This speculation means that building owners expect the Village to authorize denser development and will wait for that process to unfold rather than actively manage the property to enhance the current business environment.
- Without broad sharing of private parking, the total demand for spaces is higher.
- Poor business connectivity especially across the railroad tracks limits cross-shopping by customers and thereby limits each business' sales.
- Its more regionally known neighbors, LaGrange and Hinsdale, overshadow Western Springs. This condition makes it difficult to attract new businesses.

Opportunities/Plan Objectives

- Maintain the character and size of the Downtown area when considering the allocation of retail, office and residential uses.
- Consult the Comprehensive Plan for economic development planning
- Support revitalization, redevelopment, and new development with limited Village financial involvement
- Promote positioning of retail businesses on the ground floor
- Increase community spending at Western Spring's businesses
- Increase the number of community events to attract consumers to the Downtown area
- Explore opportunities to increase shopping by Metra commuters

Strategy Action Plan

The quality of Western Spring's market supports more opportunities that its size allows. Consequently, the Economic Development Commission's challenge is sorting ideas to find the initiatives most likely enhance the downtown's character and strengthen the business environment. The Economic Development Commission Action Plan that follows highlights activities that support market growth in the direction identified by this project. It encourages the Commission to stay close to the market and tweak its policies as the market changes.