

**S**prouting in communities throughout the nation, the newest retail concept is the “lifestyle center.” Often mimicking the architectural attributes of traditional downtowns, lifestyle centers feature national brand name retail within a “Main Street” environment. Unlike downtowns, the lifestyle center is usually surrounded by a sea of free parking and offers the management advantages of a single-ownership entity, including uniform operating hours, aggressive marketing and a clean and safe environment.

## Can Downtowns and Lifestyle Centers Coexist?

While imitation may be the highest form of flattery, many traditional downtowns are now scrambling to compete with new lifestyle centers. In urban areas such as Boulder, Colo. (see companion story), lifestyle centers are being developed within blocks of downtown. After a generation of competing with shopping malls and discount stores, the lifestyle center offers a new set of challenges for downtowns – a competitor that seemingly merges the best of downtown’s urban pedestrian environment with the mall’s centrally-controlled management and marketing.

Despite these challenges, downtowns still offer many critical advantages, including:

**Authenticity:** Traditional downtowns offer an environment that has been incrementally developed over time, often hundreds of years, while the lifestyle center is the product of one point in time. It is history, complete with its quirks and idiosyncrasies that will always make traditional downtowns more authentic, interesting and enduring.

**Civic Anchors:** Downtowns serve as the civic soul and identity of a community, housing its museums, library, cultural and sports facilities and government offices.

**Multiple Dimensions:** Many downtowns provide a rich mix of uses including restaurants, entertainment, housing, offices, arts and culture.

**Entrepreneurship:** Downtown is usually a hotbed of entrepreneurship and creativity. Local independent businesses often choose downtown to avoid the lease constraints of the single-ownership mall or lifestyle center.

**Inclusiveness:** Downtown is the community’s living room, offering a variety of experiences and products that invite, welcome and serve diverse demographics. Lifestyle centers are often exclusive due to the high-end nature of their retail experiences.

These advantages alone will not ensure success for downtowns. Downtowns must continue to marshal their resources in creative ways in order to effectively compete. Key operating principles that P.U.M.A. advocates in its work, including an understanding of the marketplace, a unique niche strategy and collective management and marketing through business improvement districts, are critical ingredients to downtown’s long term success.

### Downtown Boulder Sharpens Its Competitive Edge

Over the past forty years, Downtown Boulder, Colo., has emerged as one of the most successful central business districts in the nation. Today, Downtown’s predominance as Boulder’s primary destination for dining, shopping and entertainment is challenged by the imminent opening of Twenty Ninth Street, a new lifestyle shopping center being developed ten blocks east on the site of a former enclosed shopping mall.

Seeking a strategy to strengthen Downtown over the next three to five years and explore how the central business district and Twenty Ninth Street can best work together to benefit Boulder, the City, its Downtown Management Commission and the Downtown Boulder Business Improvement District commissioned the 2005 Downtown Strategic Plan. P.U.M.A. was selected to guide a 35-member task force to develop the Plan.

The process included extensive property and business owner interviews and a market snapshot that reviewed existing studies and sales tax trends, developed a use analysis and profile of both Downtown and Twenty Ninth Street and sought best practices from comparable downtowns throughout the nation.

*(continued on page 2)*

## Downtown Boulder Sharpens Its Competitive Edge *(continued from cover)*

Conclusions from the planning process included:

- Despite its challenges, Downtown remains a premier regional destination.
- While most recognized for the Pearl Street Mall, Downtown has grown and matured beyond its anchor asset.
- Small businesses are the lifeblood of Downtown.
- Downtown and Twenty Ninth Street offer widely different real estate concepts that together, in the long run, provide Boulder with a sustainable commercial core.
- Maintaining a competitive and compelling Downtown will require a concerted, unrelenting and united effort by the public and private sectors.



▲ Downtown Boulder BID  
▶ Twenty Ninth Street site plan  
(Maps in same scale)



The Strategic Plan lays out recommendations for Downtown to “take care of the basics” for the next several years in the following six activity areas:

- 1 Support small businesses by positioning the business improvement district as a “Downtown Business Portal” that provides a wide array of support services for small retail and office prospects.
- 2 Simplify parking by undertaking a “best practices” audit of the parking system and exploring the feasibility of replacing an existing validation program with a “First Hour Free” blanket promotion.
- 3 Refresh Downtown’s image and positioning strategies to expand the geographic concept of downtown and showcase its strongest retail segments which include dining, apparel and home furnishings.
- 4 Enhance the Downtown experience, primarily by cultivating more emphasis on arts and culture through special events and a new community development corporation to support arts-related development.
- 5 Build a Downtown conference center that is currently being planned for the Boulder market.
- 6 Strategically connect with Twenty Ninth Street on “Boulder-centric” marketing that can clearly benefit both the traditional downtown and the new lifestyle center.

For more information, please contact Brad at 303-628-5554 or [pumaman@ix.netcom.com](mailto:pumaman@ix.netcom.com).

### DOWNTOWN BOULDER

- Since 1859
- 2.5 million square feet, 49 city blocks
- 283 retail stores
- Parking - 3,778 total spaces (public)  
Plus 2,000 private spaces

### TWENTY NINTH STREET RETAIL DISTRICT

- First store opens 2006, phasing may extend into 2007
- 850,000 square feet, 16 blocks total, retail core is 3 city blocks
- 75+ tenants
- Parking - 3,691 total spaces (proposed)



*In each issue of Progressive Urban Management, we highlight partners and clients who have been influential in our success:*

In Colorado, our home state, we have been most active in Boulder. P.U.M.A. has been fortunate to guide the creation of the 1999 Downtown Boulder BID, the 2001 Market-Based Plan for the University Hill business district, the 2003 Downtown Economic Vitality Strategy and most recently the 2005 Downtown Strategic Plan. Boulder’s common denominator throughout all these processes has been **Molly Winter**, director of the City’s Downtown Management Commission and the University Hill General Improvement District. Through Molly’s tenure, Boulder has created the state’s most sophisticated parking management system and has guided the evolution of one of the nation’s most vibrant downtowns. We have enjoyed working with and learning from Molly, and look forward to many enlightening years to come.

## CLONE TOWN VS. HOME TOWN

Developed by the new economics foundation (nef) in Great Britain, the “Clone Town Survey” is a tool that aims to reveal the difference between business districts that are dominated by national chains and those that are retaining their own character and distinctiveness by retaining local independent stores. While nef decries the loss of diversity in communities and the expansion of corporate culture, our purpose in using the survey in Boulder was not to make a political statement – we simply found the Clone Town Survey to be a useful tool in revealing the distinct product differences between Downtown Boulder and Twenty Ninth Street.

Using the Clone Town methodology, P.U.M.A. inventoried the retail mix in Downtown and the anticipated mix in Twenty Ninth Street. A “Clone Town” score is then developed, ranging from 0 (all national chains, all “Clone Town”) to 60 (all local independents, all “Home Town”). Here are the resulting Clone Town scores for the existing retail mix found in Downtown Boulder’s Pearl Street Mall, the remainder of Downtown and the anticipated mix within Twenty Ninth Street:

	29th Street					Mall		Other DT				
						39.3		44.4				
	5	10	15	20	25	30	35	40	45	50	55	60
	CLONE TOWN					BORDER TOWN		HOME TOWN				

For more information, please contact Pamela at 303-628-5575 or [pumaphox@ix.netcom.com](mailto:pumaphox@ix.netcom.com).



## AIRPLANE READING

A pleasant by-product of our travel schedule is that we get to read a lot. Here we share the best...

### ■ Turning Around Downtown: Twelve Steps to Revitalization

by Christopher B. Leinberger, *The Brookings Institution*, March 2005

We've long espoused an incremental, organic and entrepreneurial approach to downtown development and are pleased to see these principles featured in a number of recent mainstream articles. In Leinberger's "Twelve Steps", walkable urbanity is the defining characteristic that sets successful traditional downtowns apart from their suburban competitors. Nurturing pent-up consumer demand for walkable places to live and work is the key to the revival of any struggling downtown. This research paper summarizes lessons learned through years of hands-on development experience into twelve steps that urban leaders should follow to successfully rebuild and reinvigorate their downtowns.

The first six steps focus on building the necessary hard and soft infrastructure and defining the public and non-profit sector roles and organizations required to kick off the revitalization process. The author notes that the bulk of public investment made in the early years of successful downtown turnarounds have shown that for every dollar of public funds, there will be \$10 to \$15 of private investment.

Once the stage for downtown development is set, the private real estate market begins to emerge.

The next six steps outline how a downtown can become a viable, sustainable private real estate market, propelling the upward spiral of value creation.

### ■ How Do You Deal With the Entry of a New Wal-Mart Supercenter Into Your Town?

by Kenneth Stone, *Public Management*, March 2005

It's often fashionable to bash Wal-Mart these days, but is our scorn justifiable? Mostly, according to Kenneth Stone, a professor emeritus of economics at Iowa State University. In his article, Stone provides a fascinating factual examination of Wal-Mart's business practices and long-term impacts on surrounding businesses. The article also touches on the desirability of offering public incentives to attract the retail giant.

Perhaps most importantly, Stone offers a check-list for local officials who are weighing the impact of a new Wal-Mart (or other big box store) in their community. Tips to planners, city managers and elected officials include gathering facts on the economic and social impacts of a new Wal-Mart, holding hearings to collect public input, having independent experts analyze store marketing plans, asserting local standards in the design of buildings and signs, minimizing environmental impacts, negotiating a disposition strategy for an old store when it is replaced by a new one, and educating local independent merchants on ways to compete.

**BRAD SEGAL**  
pumaman@ix.netcom.com  
**ANNA JONES**  
pumajones@ix.netcom.com  
**PAMELA PHOX**  
pumaphox@ix.netcom.com



### BE ON THE LOOKOUT FOR THESE FRIENDLY FACES IN...

#### ...SRI LANKA

Anna and her children will be joining husband Asanga in Sri Lanka during the month of April to advance a unique rebuilding effort in response to last year's devastating tsunami. Anna met Asanga, a native of Sri Lanka, while serving in the Peace Corps more than 10 years ago. Since the tsunami, Anna and Asanga have been raising funds to help rebuilding efforts and also soothe the wounds resulting from decades of civil war. As a gesture of peace for the island nation, the plan is to build homes for disaster victims from each of the ethnic groups that have been engaged in the civil conflict. Through March, Anna and Asanga have raised more than \$30,000 in a series of Denver events, enough funds to build more than six Sri Lankan homes.

#### ...SAN FRANCISCO

This spring, look for Brad in San Francisco as he moderates panels at two national conferences. In March, a panel entitled "Creating Competitive Downtowns with BIDs" was presented at the American Planning Association's Annual Conference. In May, Brad will attend the Local Initiative Support Corporation's national Urban Forum, moderating a panel entitled "BIDs: Assessment, Results and the Next Phase."

#### ...DENVER

The entire P.U.M.A. team looks forward to the International Downtown Association annual conference in Denver, September 10 through 13. We will be assisting both IDA and host Downtown Denver Partnership in conference preparations. Plus, watch for our own P.U.M.A. tips and special events as we show off the best of our home town!

### TALE OF TWO CITIES

Since last fall, P.U.M.A. has been working with property owners and business leaders to create a downtown business improvement district (BID) in **Cleveland, Ohio**. Despite many dramatic improvements to its downtown over the past decade, Cleveland remains one of the last major eastern cities without a downtown BID. Progress has been complicated by fragmentation among several organizations that operate in downtown sub-districts. The draft business plan for the Downtown Cleveland BID proposes a downtown-wide BID that will provide \$3.08 million annually to finance safe, clean and economic development services. Movement toward a more unified governance model is being facilitated by Cleveland area foundations.

For more information, contact Joe Marinucci at the Downtown Cleveland Partnership, 216-736-7799.

On the other side of the planet, P.U.M.A. completed a market analysis and action plan for the town of **Nederland, Colo.** Located 20 miles west of Boulder in the Rocky Mountains, Nederland is perhaps best known for the annual Frozen Dead Guy Days festival that celebrates a resident that has been cryogenically frozen. Despite the town's dramatic setting, quirky reputation and proximity to Colorado's populous Front Range, city sales tax receipts have been flat for more than a decade. The market analysis included an economic profile, retail leakage analysis and resident survey that attracted more than 400 responses. Recommendations included improving customer service at existing stores and restaurants, cultivating new visitor markets and creating a Downtown Development Authority to direct a downtown facelift.

For more information, contact Teresa Warren at the Nederland Area Chamber of Commerce, 303-258-7976.

## The Resurrection of Pierce City

One spring evening in May of 2003, the historic downtown of Pierce City, Mo., was destroyed in minutes by a major tornado. The storm wiped out 40 of 43 historic commercial buildings and stunned the small town of 1,400 persons, best known as a regional destination for antiques.

Last fall, P.U.M.A. and Denver-based Citiventure Associates were retained in cooperation with Southwest Missouri State University to help create a long term economic development strategy for the town. In a remarkable demonstration of civic resilience, most of the town's basic services had been rebuilt, including the town's grocery, hardware store, pharmacy, City Hall and library. To look beyond the first phase of disaster recovery, the P.U.M.A. team conducted community roundtable meetings, an economic profile, retail leakage analysis and resident survey.

We found that the pre-disaster economic model that promoted the antique niche could not be supported by new market realities and real estate dynamics. However, we did find a bright future for Pierce City, with more emphasis on new housing development and a variety of small businesses and civic enterprises. Design guidelines were suggested to encourage the development of a new, more compact town center. Several opportunities for regional cooperation were also identified, including the creation of a self-sustaining non-profit economic development corporation.

**For more information, please contact Pamela at 303-628-5575 or [pumaphox@ix.netcom.com](mailto:pumaphox@ix.netcom.com).**

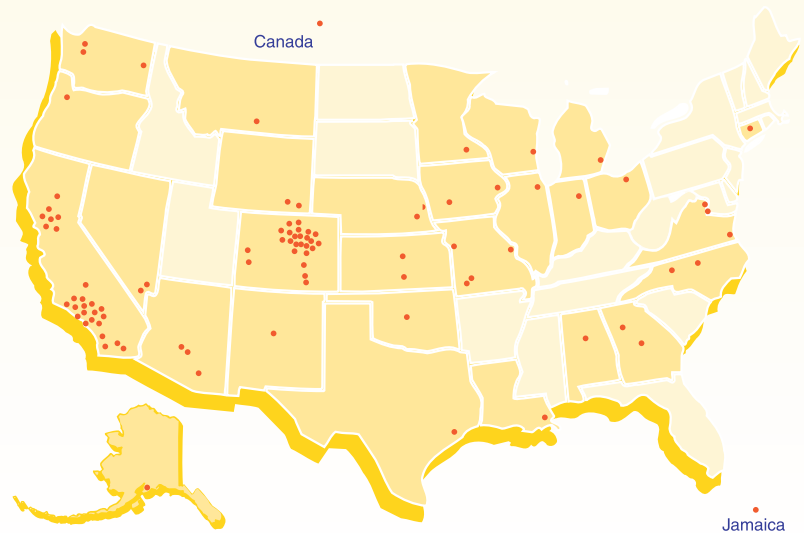
**P**rogressive Urban Management Associates (P.U.M.A.) is a consulting firm providing management, marketing and financial services to advance downtown and community development. The firm has provided services to more than 150 clients in 28 states, the District of Columbia, Canada and Jamaica. Clients include downtown management organizations, local governments, community development corporations and private firms.

### ABOUT P.U.M.A.

#### Specialties include:

- Market-based planning for downtowns, business districts and communities
- Business planning and retreats for civic organizations involved in downtown and community development
- Market research and project feasibility analysis
- Forming, expanding or renewing business improvement districts

#### Client Communities:



PROGRESSIVE URBAN  
MANAGEMENT ASSOCIATES



P.U.M.A.

1616 SEVENTEENTH STREET, # 262  
DENVER, COLORADO 80202  
TELEPHONE: 303/628-5554  
FAX: 303/628-5557  
[www.pumaworldhq.com](http://www.pumaworldhq.com)