

## Key Market Assets and Challenges

### Overarching Market Assets –Metro Duluth

- Duluth is a community of size and substance, the largest city north of the Twin Cities and where decision makers are accessible and ready to act.
- Access within the region is excellent. Depending on the season families come year round by ship, car, bus and bike.
- With 84,000 individual visits to the Duluth Heritage Sports Center for hockey and other sports in the past year, becoming a destination is a proven reality.
- Lincoln Park and Clyde Park are in the middle of the metro market with the path going right by their front and back doors while the I-35 Corridor construction is completed.
- Duluth is an engaged community where government, the independent sector, business and community residents know how to work together to get something done and the commitment is long lasting.
- Investing locally is a core family value whether it is Beacon Bank that has stepped forward on each Clyde Park development or Zeppa whose guarantee attracted national investment in Lincoln Park and Clyde Park.
- Even in these challenging economic times, the Garfield Ave industrial corridor and Duluth Port remain a steady source of employment.
- Changes in where children go to school means that all of Duluth is paying new attention to their neighborhood and also traveling new routes into the neighborhood.

### Overarching Challenges

- The retail and commercial markets locally, and at various drive times, are well served. Most retail gaps, where retail demand exceeds supply, are modest and unique such as specialty grocery.
- Population across the region has declined a bit in the last decade as some leave the market for other opportunities.
- Customers, public interest and business value required for the economic and community success at Clyde Park and retail on Superior St. and Michigan St. are present. The development of Clyde Park is an achievement exemplifying that being intentional, tenacious and having broad support can create a place which brings unique value to a community.
- Tapping those customers, maintaining public interest and most importantly returning economic value to investors and customers will require a similar focused patient effort by all.
- Achieving the next phase will require sorting priorities intentionally and as a team, supporting each other as a way to support individual interests and ongoing cross marketing.
- *Next steps at Clyde should be*
  - *improving visibility for Clyde and Lincoln Park,*
  - *strengthening and securing the economic viability of Clyde Park Iron works and the Duluth Heritage Sports Center,*
  - *leasing the additional ground floor space and any other surrounding space not unlike a regional shopping center, and*
  - *moving the Children's Museum.*

## Lincoln Park Market Assets

- To repeat, Lincoln Park is in the middle. Traffic must pass through it during the 1\_35 Corridor construction.
- Within Lincoln Park, 424 businesses employ approximately 5,200 individuals, and Garfield Ave is a stable industrial corridor near the Port. Bus service serves the business district and main corridors.
- Clyde Park, the Duluth Heritage Sports Center, and The Boys and Girls Club are here and the Duluth Children's Museum is coming. Collectively they make a regional commercial space not unlike a regional mall.
- The residential community is stable with 33% of the households at middle income or above and buying power per square mile, 13 times greater than the region as a whole.
- Retail business today retains some comparison shopping opportunities not found either downtown or over the hill such as specialty home building supplies and furniture and auto sales and auto repair services.
- Lincoln Park is the home to the Duluth Grill, a proven illustration that a comfortable affordable restaurant can serve a diverse community from Superior, Wisconsin to visitors from the Twin Cities for hockey.
- Like Duluth as a whole, Lincoln Park organizations are engaged and busy building their community such as the new Middle School. These organizations include locally based groups like the LPBG as well as local commitments by city wide organizations like the Duluth Art Institute, the Boys and Girls Club and Neighborhood Housing Services (NHS).
- Several individual businesses are seeking ways to be engaged and to improve their business presence.
- Duluth has proven access to funding and technical resources ranging from LISC to the Northeast Entrepreneur Fund to support specific entrepreneurial projects and initiatives given they fit the priorities set out in the planning for the market.

## Lincoln Park Market – Challenges

- Each market segment is individually too small to support the current and planned business goals and available spaces.
- Like the market as a whole, current retail is sufficient to serve the existing resident population. Additional retail choice exists over the hill, in West Duluth and downtown.
- The physical appearance of the retail and commercial corridors is visibly unkempt with vacancies, weeds and boarded up or underutilized space.
- Housing, especially in the lower portions of Lincoln Park is often poorly maintained suggesting the need for increased investment. Maintain quality rental housing can be an asset for Lincoln Park given that it is a balanced market including both homeowners and renters.
- The principle retail business opportunities are selective comparison goods and services taking advantage of today's retail mix, which is unique and challenging to develop when considering nearby West Duluth and Downtown shopping districts.

### **Lincoln Park Corridors Challenges Specifically**

- Long corridor with eclectic mix of convenience, comparison, commercial non-retail, vacancies
- Current business layout is spread out without a sense of place or coordinated plan for marketing
- Several different nodes of retail commercial on and off Michigan St and Superior St
- Poor condition and visibility of buildings, streetscape, etc.
- Public transit stops seem to be in the wrong place particularly for children who come from Lincoln Park and would participate in the activities at Clyde Park but for transportation.

### **Unique Opportunities**

- Each Lincoln Park and Clyde Park are opportunities for each other now especially while they are new and would all benefit from increasing visibility, a common set of investment priorities such as getting the Children's Museum in place or renting the last portion of the Clyde Park facility and most importantly specific efforts to attract customers.