

DOWNTOWN DSM USA



DES MOINES, IOWA



2017 DOWNTOWN RETAIL ASSESSMENT

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Downtown Des Moines Retail: Capturing the Future

Downtowns and the role they play within metropolitan areas are changing. Once the heart of the region, downtowns gave way to suburban growth followed by urban decay. Now cities are enjoying great cache but continue to face stiff competition from their surrounding suburbs. In many cases downtown is still the largest employment center and often the hub within a traditional infrastructure system. With the maturing of the suburbs and the success of suburban town centers, downtowns must create a new reason to thrive and to draw not just customers but constituents. It is no longer THE center; it is one of several centers. The concentration of employees, regional arts and cultural facilities and growing residential base allow a new downtown to emerge. With good planning and creativity, downtown can be the district with the largest employment bloc, the greatest diversity in housing styles and price points, the highest amenity level, and often the region abutting the best natural resource assets, such as parks and rivers.

Downtown Des Moines tells a similar story. Today, Downtown Des Moines is the region's largest single office concentration. While the western suburbs have more total square footage in aggregate, the central business district is the largest single market. Downtown has been building and attracting new housing units and seeing significant reinvestment in existing units as well. Downtown Des Moines serves almost 80,000 employees and about 11,000 residents. While office and residential uses are thriving, the retail sector is lagging.

Retail was once the street face of Downtown, the reason many visitors and non-workers came to Downtown. Most experts agree that the United States is now "over-retailed and under-demolished." Few downtowns have any department stores left. Mediocre and poor performing suburban malls and strip centers are closing and being repurposed. Virtually no new regional malls are being built. E-commerce has turned retail on its head and the end is not in sight. Retail is changing dramatically and with it, the purpose and role of downtown retail.

While the total demise of retail is widely reported, the actuality is a bit different. Traditional retailers are struggling and yet investing in both online and in-store changes. Online retailers like Warby Parker and Bonobos are opening bricks and mortar stores. Walmart will spend over a billion dollars in 2017 to establish a much greater online presence, offering major competition to Amazon, providing both delivery and "click and collect" service. Legacy retailers like J.C. Penney's and Macy's are closing stores and seeking new business models. At one time, downtown Minneapolis was home to five department stores. In 1902, the million-square-foot Dayton's was the retail flagship on Nicollet Avenue. Over the years, it became Marshall Field's and then Macy's. After over a century in operation, the store closed in March 2017. The structure has been sold to a New York firm who will redevelop the site for office and retail. Target, headquartered in Minneapolis, still retains a store in downtown, the last surviving department store.

One of the reasons department stores are failing is the de-construction of each department. The cosmetics area has been superseded by such free-standing "category killers" as Sephora.

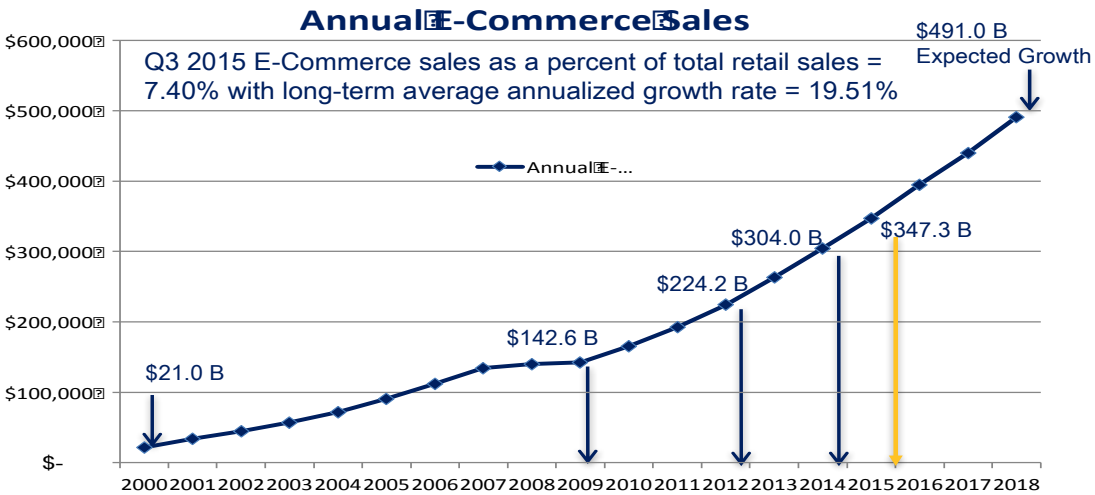
The shoe department must now compete with Zappos online and numerous free-standing shoe emporiums tucked into neighborhood strip centers, in addition to malls. Each department within the traditional department store must now compete with specialists offering a wider array of goods, as well as online retailers offering lower prices.

There is major consolidation within the retail sector with virtually every major brand closing unproductive stores. The top shopping malls, or “fortress malls” are frequently upgrading, enhancing their offerings, and doing well. The big box retailers such as Costco, Target and Walmart have become much more sophisticated and are investing heavily in data to assure they are providing the best customer service. The grocery business is fiercely competitive and will see continued shake out. Nonetheless, grocers are opening new outlets, especially in urban areas with growing Millennial population. Other shops, food and beverage outlets and services have taken over once large footprint stores. While the overall picture is sobering, it has several bright spots.

The advance of internet sales has forever changed retail. When asked what percent of all merchandise is now bought online, many answer 50, even 75 percent of sales. In fact, about **8 percent of sales are online**. Some expect the peak will be about 30 percent of all sales. Currently, online sales are less than catalog sales were at their peak.

E-COMMERCE SALES

2000-2018



5

Source: NRF, U.S. Census Bureau and Statista 2016.

While the total volume of internet sales is less than people believe, the importance of internet integration to the retail sector can't be overstated. In a recent study by A.T. Kearney, shoppers report that they use the internet for research, comparison shopping and to receive quality ratings. They will often then visit the physical store, to try on merchandise, obtain information from a clerk, test the product in person or just have the instant gratification of buying something and taking it home immediately.

THE SHOPPING JOURNEY

Research . Test & Trial . Fulfillment . Return

90% of shoppers engage the physical store somewhere along the shopping journey

**A.T. Kearney, On Solid Ground: Brick and Mortar is the Foundation of Omni-Channel Retailing*

“You Can’t Eat the Internet”

In 2016, families spent more money on eating out than they did on buying groceries. Food and beverage businesses are morphing and generally thriving. We have become a nation of foodies, and whether it’s Blue Apron teaching gourmet home cooking or children now ranking the quality of a pizza crust on Yelp, we want high value for dollar when thinking about food.

A recent study notes that one-third of trips to retail areas are now driven by a desire to eat out, not shop. The National Restaurant Association reports that 2016 restaurant sales exceeded \$783 billion, the seventh year of consecutive growth. With both members of a couple working, weeknight eating out has grown significantly. The “fast casual” dining experience has also become more specialized. Family-oriented restaurants served a broad menu in the past. Today, there are “category killers” in the restaurant business. Hamburger specialists such as Smashburger and Five Guys led the way. Pizza and flatbreads moved past the neighborhood pizzeria with new toppings and combinations. My Pie, Blaze Pizza and Pieology quickly opened hundreds of stores across the country. The most recent craze has been fresh and healthy with outlets such as Sweet Greens, Salads to Go and ChopT just some of the national chains.

The sophistication of instant big data allows stores to track goods sold on a daily basis and adjust inventory and promotions accordingly. At the same time, the “buy local” and “maker” movements encourage consumers to think and act local and small. What to make of all of it? What happens to a traditional downtown? What does this mean in a mid-sized city like Des Moines?

ASSETS

Des Moines has some very strong assets, and some significant challenges. On the plus side, Downtown has not only retained a strong office employment base, it is growing. As a major insurance and financial services hub, Des Moines has well-paying jobs and a well-educated work force. In addition to Principal, EMC and Nationwide Insurance, Des Moines has diversified and added Wellmark Blue Cross Blue Shield. Other financial services companies, such as Wells Fargo and Voya Financial, have expanded in Des Moines.

Downtown Des Moines is already well on the path of creating a new downtown. With over \$1.5 billion in recent new investment, new constituencies will seek new levels of service, entertainment and enrichment. The breakdown of the new investment is telling within itself:

- Over \$1 billion in new office, headquarters and commercial
- Over \$280 million in residential
- \$142 million in new hotels
- \$80 million in new civic buildings and street improvements

Downtown now boasts nearly 80,000 employees, over 10,000 residents with over 3,300 new housing units in the pipeline. Des Moines estimates a total of 12,600 Downtown residents when units under construction are occupied. Of significant note, the Millennial population in greater Des Moines is growing faster than the national average. The 2017 Urban Land Institute *Emerging Trends* report indicates that national Millennial growth over the 2012-2016 period is 2.6 percent. In Des Moines, the Millennial growth is 6.1 percent. This is critically important because this age cohort (ages 16-35) is the group that is in the household formation period of their lives. Many would say that at last this group is moving out of the parent's nest and acquiring their own housing with related furnishings, starting families and finally getting married. As a comparison, several other Midwestern cities lag in Millennial growth.

Peer city information:

Metro	2017 Population	2016-2017 % Change	Millennial % of Total Population	Millennial 5-year % Growth
United States	327,560,000	0.8	30	2.6
Cincinnati	2,180,000	0.5	29	1.6
Des Moines	640,000	1.0	30	6.1
Indianapolis	2,030,000	1.0	30	6.6
Kansas City	2,100,000	0.5	29	4.1
Madison	650,000	0.7	30	1.4
Milwaukee	1,580,000	0.2	30	6.8
Minneapolis	3,620,000	1.1	31	8.0
Omaha	930,000	0.9	30	3.6

ULI 2017 Emerging Trends report

In addition to the strong demographics, office and residential picture, Des Moines has generated a lively mix of arts, culture and entertainment to draw people Downtown. The weekly Downtown Farmers' Market regularly touts 25,000 attendees during the summer months. In the winter, the Capital Square building hosts a Winter Market encouraging shoppers to peruse handmade items and consider holiday gifts. The library sponsors a wide range of lectures and events to draw interested patrons. The Greater Des Moines Botanical Garden encourages area residents to not only enjoy the beauty but also learn about gardening and landscapes. *Sports Business Journal* just named Des Moines the #1 Minor League Sports Market.

Clearly, Downtown has already created an environment which is not only desirable but compelling. Downtown can capitalize on its diversity and growth. Within the food sector, Des Moines offers a real mix of grocery outlets. Hilal Groceries, Graziano Brothers and La Tapatia provide gourmet and ethnic offerings to discriminating cooks. Hy-Vee recently opened its first Downtown store, already drawing nearby workers and residents. In a sophisticated, trendy facility, Hy-Vee offers tastings, demonstrations and café opportunities, in addition to traditional groceries.

The Des Moines Retail Challenge

Following the national trend, Des Moines both benefits and suffers from rich suburban retail centers. While this offers residents and visitors a great array of goods and services, Des Moines, simply put, is over-retailed. The amount of retail square footage per capita offers one comparison to gauge retail within a marketplace. In 2015, PwC issued a report noting that the United States has 23.6 square feet of retail per capita. As a benchmark, Australia has 11.1, the United Kingdom 4.6. In Des Moines, metropolitan population is about 640,000 with a retail inventory of almost 22 million square feet, per Xceligent Market Trends data for 2Q 2017. This would give Des Moines 34 square feet of retail per capita, almost 1.5 times the national average. Making retail work in this environment is difficult and making downtown retail work is more challenging still.

Despite all this churn, Des Moines is experiencing a suburban retail construction boom. The largest project, Outlets of Des Moines in Altoona, will add over 330,000 square feet to the market, more than 10 percent of the existing retail inventory. In February 2017, 24 tenants had already committed to the Outlets project with many companies offering their first entrance into the Iowa market. Why are they coming? They see a growth opportunity in a market that may be broadly oversupplied but offers a regional trade area. If one looks carefully at the data, the store closings are frequently occurring in rural and small communities where the population is declining. Those residents will come to a larger metropolitan area more frequently to enjoy shopping not available in their local market. Retailers are hoping for this regional market expansion as they face a relatively slow overall population increase. Over the past 5 years, metro Des Moines' population has grown at a rate of 1.4 percent annually.

While there are clearly empty spots along the main Downtown arteries, Downtown Des Moines has a very competitive retail vacancy rate. Xceligent reports that CBD Des Moines retail has a vacancy of 8.4 percent for 2Q 2017.

Market Area	Retail Inventory (sq. ft.)	Vacancy Rate
SW Des Moines	7,880,998	3.0%
NW Des Moines	6,792,584	6.0%
SE Des Moines	2,430,408	4.3%
Ankeny	2,391,162	5.7%
NE Des Moines	1,916,059	12.7%
CBD Des Moines	543,683	8.4%
Total	21,954,894	5.3%

**Xceligent data from 2Q, 2017 including Convenience/Strip Centers, gas stations, mixed-use developments, freestanding retail, neighborhood commercial centers, regional power centers including big box, outlets, superegional, power and regional center properties.*

Skywalks: The Good, the Bad and the Ugly?

Many cities built skywalks in the 1970’s and 80’s as a way of better competing with suburban malls. Today, skywalks are viewed as a mixed bag. They do provide shelter from the weather and are a convenient and safe way for pedestrians to avoid street traffic. Skywalks often do not have common design standards and can be attractive or simply utilitarian. They are expensive to maintain and are often inconsistently clean. Perhaps most important, they pull people off the street and make ground level retail harder to sustain. Skywalk retail is frequently oriented to the daytime population. Cafes and food courts cater to the quick stop and are often not open after 4 p.m. Ground level eateries may do well on evenings and weekends but may miss the revenue and foot traffic from office workers. The transition from skywalk level to street level is often inconsistently handled and may be via stairs, escalators or elevators. For those unfamiliar with the system, this can be confusing and does not enhance the street level offerings. Because the skywalks serve as pedestrian corridors, there are often not clear “landmarks” and wayfinding can be challenging.

The experience of other cities is not well-researched but highlights the pros and cons of skywalk systems. Cincinnati, which once had an extensive system, has demolished about half of its system. Baltimore has removed seven bridges in recent years and has plans to remove more skywalks. The City of Spokane has taken action to halt further expansion of their system.

Minneapolis has perhaps the most extensive system in the country. Now linking over 80 buildings, the system stretches over 9 miles, joining the convention center to one block from the Mississippi Rivers. Both new stadiums are now linked to the skyway network, thereby reducing the need for additional parking when teams are at home. Minneapolis is marketing its skyway system to both office and residential developers and tenants as a major asset. Most recently, the addition of food trucks to the street level has caused some skyway restaurants to

fold and caused complaints by other skyway food tenants, another sign of street vs. skywalk conflicts. Minneapolis anticipates growing the downtown residential base to 70,000 over the next 10-15 years with skyway living a major selling point. The tension between skyway merchants and the street will continue, with both competing for many of the same customers.

In Des Moines, the skywalk system has become part of Downtown infrastructure and is busy for office workers as they grab morning coffee, lunch or an afternoon treat. There are some personal services provided on the skywalk level but most service vendors prefer the street signage and greater access to visitors as well as workers. Des Moines skywalks are admirably clean and safe as a general condition. However, they do splinter street level market opportunities and while clean, are not always creatively designed.

As part of a Downtown Des Moines strategy plan, both pedestrian and vehicular traffic count data should be updated. This new data would allow a determination on which, if any, of the skywalks might be better used or could be demolished over time. As part of this effort, improved wayfinding and signage needs to be created. The arts community might be requested to add their spark of creativity to signage and décor.

Parking

Parking presents a particularly challenging issue these days. With the advent of Uber and Lyft, the low rate of car ownership among the Millennial generation and the aging of the Baby Boomers, many think that driving will diminish over the next decade. The opportunity for self-driving cars will offer new possibilities to consumers of all ages.

Parking location, construction and pricing will undergo some of the same dramatic change that the retail industry is currently experiencing. Wise developers are now considering the construction of new parking facilities with an eye to future usages and flexibility.

In the meantime, urban areas like Des Moines must accommodate today's behaviors while not building in obsolescence. Suburbanites and visitors are often put off about coming to Downtown regularly due to fear and confusion around where to park. It appears that Downtown has adequate parking on the whole, but there may be specific areas and specific times when parking is overcrowded and unavailable.

Downtown Neighborhoods

Downtown has four distinct neighborhoods or centers: the East Village, Western Gateway, Court Avenue and the Downtown Core. Two additional areas with density and mixed use concentration will be coming online within the next decade: Gray's Landing and the convention center and hotel area.

East Village is youth-oriented, both fun and a bit funky. With residential units atop the storefronts, the East Village has some built-in density. Attractive to Millennials and broader

demographic groups as well, the East Village offers a mix of restaurants and bars, serving an array of foods at various price points. Not splintered by the skywalk system, all the action is on the street level. East Village has become a true neighborhood, serving a variety of customer bases. On the eastvillagedesmoines.com website, 151 businesses are listed. Here is the breakdown of those businesses:

- 33 Business Services, such as law and engineering offices, architects and kitchen and bath design firms, Metro Waste Authority, banks and credit unions
- 13 Community Services such as educational and trade teaching facilities, church and aid related organizations, State Historical Museum of Iowa
- 40 Entertainment, Restaurants and Cafes establishments, ranging from Buddy's Corral to Mad Meatball and Tacopocalypse.
- 16 Personal Services and Health and Wellness facilities provide massage, spa, salon, tattoo, cosmetic and waxing services.
- 16 Fashion Retail outlets offer designer wear to boutique to thrift shop soft goods and jewelry to clientele.
- 32 Home, Specialty Retail and Galleries provide cooking, kitchen supplies, antiques, and contemporary furniture.
- 1 hotel.

East Village provides a real mix of both business and commercial services in an urban neighborhood setting. Strolling the lively streets, the hashtag for East Village seems true: *vibrant, urban, local*. East Village can compete very well with suburban centers because there are virtually no national chains. Instead East Village provides unusual offerings, such as Gong Fu Tea and a true sense of the village place. It is not surprising that the first national chain, West Elm, chose East Village as its Des Moines home. The youth orientation and home interior focus fits West Elm's customer profile.

Challenges: Maintaining the local mix, growing existing and encouraging new small business, improving wayfinding, parking and signage.

The **Downtown Core** is really the headquarters center of Des Moines. With a total office square footage of over 5 million square feet, the majority of jobs are in the core. The corporate financial and insurance companies predominately office in the core. In addition to the corporations, the major hotels and civic buildings, such as the Polk County Courthouse and the Civic Center, are in the core. There are opportunities for offering larger and more business-oriented restaurants and hotel venues, more national outlets, athletic clubs, private clubs, arts and culture, education, perhaps more medical, dental and service.

The Core, along with Court Avenue has the densest residential population in Downtown. The entire Downtown area will become even more residential over time with the addition of up to 5,000 new units in the emerging Gray's Landing area.

Challenges: Developing a street retail presence that encourages more activity. Livening up and dressing up the skywalk system to be easier to navigate and not just utilitarian. Expanding the daytime population beyond early evening. Focusing on 2-3 key intersections to create centers of activity rather than a long spine of street retail.

The Court Avenue District welcomes a variety of institutional uses. The Polk County Courthouse occupies an entire city block bounded by 5th Street and 6th Avenue, Cherry and Mulberry streets. As you go east, the district transitions nicely into mixed-use with residential to restaurants to entertainment. The Courthouse is expanding, adding additional jobs into Downtown. The Social Security Administration and the Veterans Administration offices are also located in this district. While this district is service oriented, there might be more service amenities for visitors and employees. Many of the people who come to the courts and the federal offices come for the first time. Busy attorneys, clients and officials gather for pre- and post-meetings at local cafes. A new mixed-use tower will add office, residential, theatre and retail space. Court Avenue is also the location of the new Downtown grocery store and predominant entertainment district for the metro.

Challenges: Excellent wayfinding is a must here. Since many visitors are not necessarily locals, assistance in locating where to park and how to get to the desired offices is critical to a pleasant experience. Both street level and skywalk directional signage should be clear.

The Western Gateway is amenity-rich with the sculpture garden and the library as two public anchors. An additional 160,000 square feet is under construction with the Renzo Piano-designed headquarters of Kum & Go, and the area is continuing to develop.

Challenges: Adding sustainable retail in this area will need a careful strategy. Community serving retail for new and nearby residents will likely be the priority. As the area develops over time, right-sizing the retail to follow the new residents will be challenging.

Developing a Strategic Vision and a Workable Toolkit

Retail has been changing rapidly over the past five years and will continue to do so. For Des Moines, the opportunity is to stay apace of the change and to maximize the experience of living and working in Downtown. By clarifying roles and responsibilities of the existing Downtown-related organizations and identifying priorities and focus, greater benefits can be achieved with existing resources. Here are steps for greater success:

Information and Marketing

As a smaller market, Des Moines needs to continually work at national recognition. Cities like Austin, Texas with their SXSW festival, or Portland, Memphis and Nashville with their music heritages, are well-known nationally. Des Moines is often overlooked when it has a remarkable story to tell. Des Moines has gathered many retailers into the suburban malls and strip centers, but many simply don't know the numbers for Downtown. Those interested in suburban retail

can usually go to the mall or strip center property manager and readily get a great deal of data. Cities are more complex and to some, confusing. Creating a one-stop shop for Downtown data would help. Five relatively easy and inexpensive improvements to make are:

- Broadcast the Des Moines story with a larger megaphone. The numbers are great and many retailers and investors are always looking for new markets. Des Moines can do more at national meetings such as International Council of Shopping Centers (ICSC) as well as provide spokespeople at business forums highlighting the high-quality workforce and amenity rich lifestyle.
- Design and distribute Downtown's numbers: employment, housing units, current and proposed projects under construction, visitor and convention data, recent perception survey information from existing downtown employees and users, available vacant spaces, growth in household incomes, etc. While suburban Des Moines has many assets, few areas have the daytime population that Downtown can provide. Much of this data exists already, creating one website or unified source for the data could be very beneficial. Compared to many similar cities, Des Moines has a very positive story to tell, and spreading the news would help.
- Develop more joint marketing programs for Downtown. The Downtown Community Alliance, Historic East Village, Downtown Chamber of Commerce and other similar groups can all be enlisted to develop a joint marketing and information toolkit. As an example, the Historic East Village website is not known even to some East Village merchants. Similar information can be developed for the other Downtown neighborhoods. By identifying and categorizing businesses, gaps can be identified. The business services groups should be included in this effort since they also bring traffic to the area and potentially new customers. In each neighborhood map and website, available parking, pedestrian and bike amenities should be noted. Social media can be a great asset in helping people move around and enjoy Downtown more fully. Area events can be cross marketed.
- Inventory existing real estate opportunities. An online and interactive map of rental and for sale opportunities would be helpful to existing merchants, suburban stores looking to move into the city and out-of-town interested parties.
- Make wayfinding easier. Learning to navigate Downtown streets and parking garages vs. surface parking can be a deterrent to visitors. Uniform signs to identify parking and important destinations can be enhanced.

Capitalize on and Expand Support to Existing Merchants

Many of the existing merchants, particularly in the Historic East Village, are small businesses. A typical small business could benefit from a greater e-commerce presence. Studies have demonstrated that businesses with both bricks and mortar as well as strong internet presence benefit. Even restaurants can benefit from more ecommerce and social media, encouraging

people to pick up a dinner as they head home, “shop and ship” for gift giving, etc. Offering classes or directing existing businesses to providers of website development can be explored. Assisting businesses with existing web presence to evaluate and enhance their internet interaction is also useful.



Cities have assisted in developing technical assistance for improved business operations such as better accounting and cost control. By gathering some information on support services for existing businesses: legal, accounting, webmasters, etc., small businesses can gather knowledge without recreating each need independently or learning by word of mouth. Working with the existing merchants’ associations, quarterly “tip sheets” and meetings might be held to determine what can be helpful and how to achieve it. Are there businesses looking to expand? Add a second or third outlet? Are there shared services agreements that could be developed for better operations?

A survey of existing businesses might be done to ascertain what might be helpful to them in their business growth. As a cautionary note, a strategy for potentially providing a positive response to local needs must be considered before a survey is launched and hopes raised. This will require additional stakeholder outreach to businesses to get a better pulse on the issues.

Continue to Create and Enhance the Physical Environment

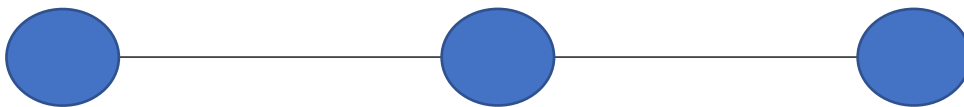
Des Moines has some unparalleled assets: the John and Mary Pappajohn Sculpture Garden, rivers, Cowles Commons, historic and public buildings, cultural amenities and some of the best local dining and entertainment scenes in the metro. Updated traffic counts and pedestrian counts would be helpful both to merchants and prospective tenants but also to city planners. Many cities are moving away from one-way streets to encourage more visibility to retailers and enhance the street experience. This can be explored with input from merchants and residents.

The street improvements along Walnut Street will be a great addition to the city and encourage walking and additional street parking. Enhancements at priority intersections should also be done.

Signage which identifies and highlights each of the four neighborhoods should be added both at street and skywalk levels. A unique design style could be produced for each of the Downtown neighborhoods.

Requiring retail at the street level per zoning or use permits should be considered thoughtfully. Given the rapid nature of change within the retail sector and the general over-building situation, a variety of other street level uses should be deemed compatible such as fitness facilities within residential buildings, service centers, day care and community centers.

Emphasize intersections/clusters/neighborhoods over streets. The new retail will focus on building community, providing comfortable “third places,” shared experiences and convenience. These are all words that are now driving retail. There are opportunities in Downtown to create such places. At the skywalk level, it might be possible to create a storefront for “click and collect” where workers and residents can order online and then pick-up as they head home. One of the successful strategies that communities are now using is the knots on a rope design idea.



Rather than thinking of long street frontages to keep active, urban planners are working to identify major intersections where all four corners can be activated, interesting and alluring. These intersections can have public or private uses as anchors, but should be clearly identifiable, open and accessible. Ideally these become a series of “third places” or gathering spots where people cluster. They can include parks, restaurants, arts spaces, sports venues, community meeting rooms, education and medical service providers.



Celebrate the downtown neighborhoods and tailor the strategy to each area. The areas should grow into having a unique character for each district. It should be clear to residents, workers and visitors where they are more likely to find what they seek. Just as residential communities have a feel or character, each part of Downtown should be encouraged to grow into itself. This has elements for office, residential and retail. Since retail is usually the public face to the community it becomes critically important. Helping to bring new retailers into the market while also enhancing existing businesses to be more successful is key.

East Village: Youth oriented, a bit funky, smaller business and startups, perhaps a design and home focus with the entrance of West Elm into the market. Mostly local businesses and restaurants.

Downtown Core: Larger restaurants and hotel-related venues, business-oriented restaurants and entertainment, more national outlets, athletic clubs, private clubs, art and culture, education, perhaps more medical, dental and service.

Court Avenue: In addition to the institutional uses, adding residential and mixed-uses, like the proposed theatre.

Western Gateway: Dependent on new development. Perhaps more office, hotel, regional draws, legal and financial services.

Skywalks: Skywalks serve Downtown employees very well for services and daytime eating. They are mostly unoccupied during nights and weekends. Additional Downtown services that could be encouraged at the skywalk level might include daycare operations, life-long learning opportunities and skills enhancement education. In the evenings and weekends, it is desirable to move more activity to the street level. Consider designating certain key intersections as nodes for evening and weekend entertainment venues. These might include arts and culture uses, bars and restaurants and sporting- and athletic-oriented establishments. A thoughtful look at parking locations and regulations is needed. The hours of operation, quality of design and activity within the skyways themselves should be re-visited. Can they be more than pedestrian infrastructure? Is there a way of expanding Downtown delivery through the skywalk system? Working with a group of stakeholders including landlords, business owners, Downtown workers and residents would be helpful to create a well thought out process and plan.

Roles and Responsibilities. Des Moines has a very effective public and nonprofit sector ready to take on these responsibilities. Figuring out a game plan so that the City, Downtown Community Alliance (part of the Greater Des Moines Partnership), Operation Downtown, Des Moines Downtown Chamber of Commerce, Downtown organizations and the private development community can know what to expect with a timeline will be essential. A retail specialist could be used or redirecting some existing resources within the current structure can be effective as well. The critical element is to get each component *focused* on translating ideas into action.

- Focus retail efforts and any assistance very judiciously. Downtown can thrive with unique offerings such as arts and culture, the Downtown Farmers' Market, a new public market and clusters of food and beverage outlets. Downtown can be much more diverse and interesting than the suburbs and can offer richer experiences to a greater array of users. Suburban malls are largely drawing from a residential base and do not have 80,000+ workers to market to on a daily basis.

Des Moines has many assets and is largely an untold story. Focusing resources to plan, design, market and implement the continued growth of Downtown will require strategic leadership. The tools are there; the focus and organization can be mobilized to capture the future.