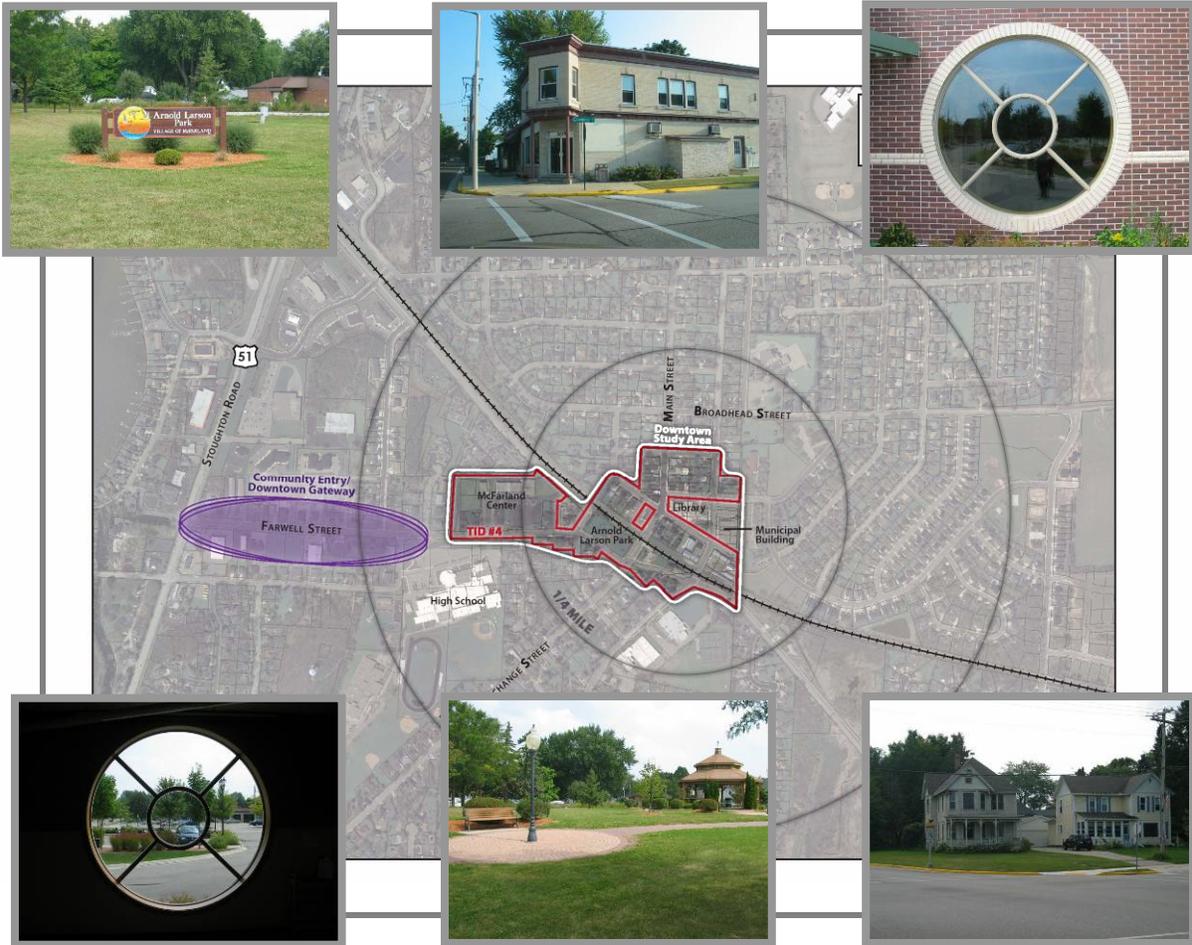


# VILLAGE OF MCFARLAND

## DOWNTOWN STRATEGIC MARKET ANALYSIS AND OPPORTUNITIES ASSESSMENT



JANUARY 2010

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## Introduction, Purpose and Process

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### *Introduction and Purpose*

Downtown McFarland is the historic core of the community, is at the geographic center of the Village, and is a place closely tied to the Village's character and sense of place. However, from a market standpoint, the Highway 51 corridor has become McFarland's growth area for commercial development. The challenge for the downtown, and the purpose of this study, is to uncover niche market opportunities and development strategies that will allow downtown McFarland to become more economically successful and continue to fill its important role for the community.

Over the last several years, the Village has engaged in a number of planning efforts that proposed physical improvements and strategies to enhance the downtown. These include the 1999 Village Center Master Plan and the 2006 Village Comprehensive Plan, which is a community-wide plan but addresses the downtown. More recently, in 2008, the Village created Tax Increment District Number 4 (TID 4) which encompasses the core of the downtown area and the McFarland Plaza shopping center.

The purpose of this report is to build on these past efforts to improve the downtown by focusing on the most viable short term, market-driven opportunities. This brief report provides an overview of the current market conditions and trends, describes some key opportunities for the downtown to develop niche markets in targeted sectors, and identifies several key sites where improvements and sensitive redevelopment could be accommodated. With the downtown TID now established, the Village has a valuable economic development tool and one of the goals of this study is to provide guidance on how to deploy and target this resource. This is not intended to be an exhaustive analysis but rather an identification of the most promising short term (next five years) market opportunities and the necessary actions to be taken by the Village to advance them.

The Study area and focus of this document is McFarland's downtown areas as defined by the boundaries of TID 4. However, because the demographic trends, transportation infrastructure, and development patterns of larger areas around this study area will ultimately affect market opportunities within it, some of the analysis is broadened to larger areas.

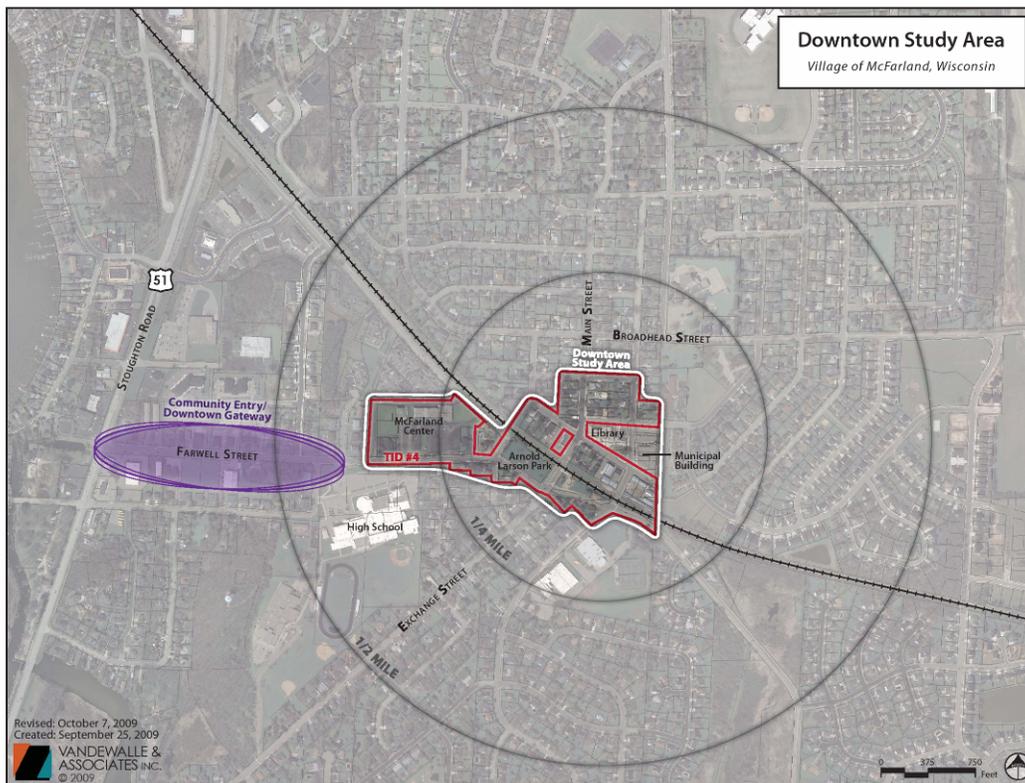
### *Analysis Process*

The Village engaged Vandewalle & Associates to complete this study. The research and analysis process involved the following components:

- **Review of Village's Previous Plans and Documents** – Vandewalle & Associates reviewed several of the Village's previous planning documents including the 1994 Village Master Plan, the Village Center Master Plan (1999), the Marsh Road Neighborhood Development Plan (1999), the Terminal and Triangle District Plan

(2005), the Village Comprehensive Plan (2006), the Tax Increment District No. 4 Project Plan (2008), and the East Side Neighborhood Growth Area Plan (2008).

- **Stakeholder Interviews** – As a part of the analysis process, interviews were held with key stakeholders and Village staff to utilize their local knowledge of the downtown market and to discuss their plans, ideas, and concerns for the downtown. Interviews were conducted in several small groups which included members of the Village staff, local downtown business owners, the Chamber of Commerce, downtown property owners, the school district, real estate professionals, and the historic preservation community.
- **Site Analysis** – Representatives from Vandewalle & Associates conducted two site visits to downtown McFarland that included a thorough walking tour of the downtown as well as a community-wide driving tour. Several base maps, aerial photographs, and traffic count maps also were examined.
- **Market Data Collection and Analysis** – Vandewalle & Associates collected and analyzed a variety of demographic and market data to better understand the characteristics of the community and to identify and assess market opportunities. Data was collected and analyzed at several different geographic scales and included 2000 Census information, office market data from Grubb and Ellis, and 2009 and 2014 demographic and retail expenditure data estimates and projections from ESRI. The demographic and market section of this report highlights some key trends and findings, and raw data tables are provided as an attachment.

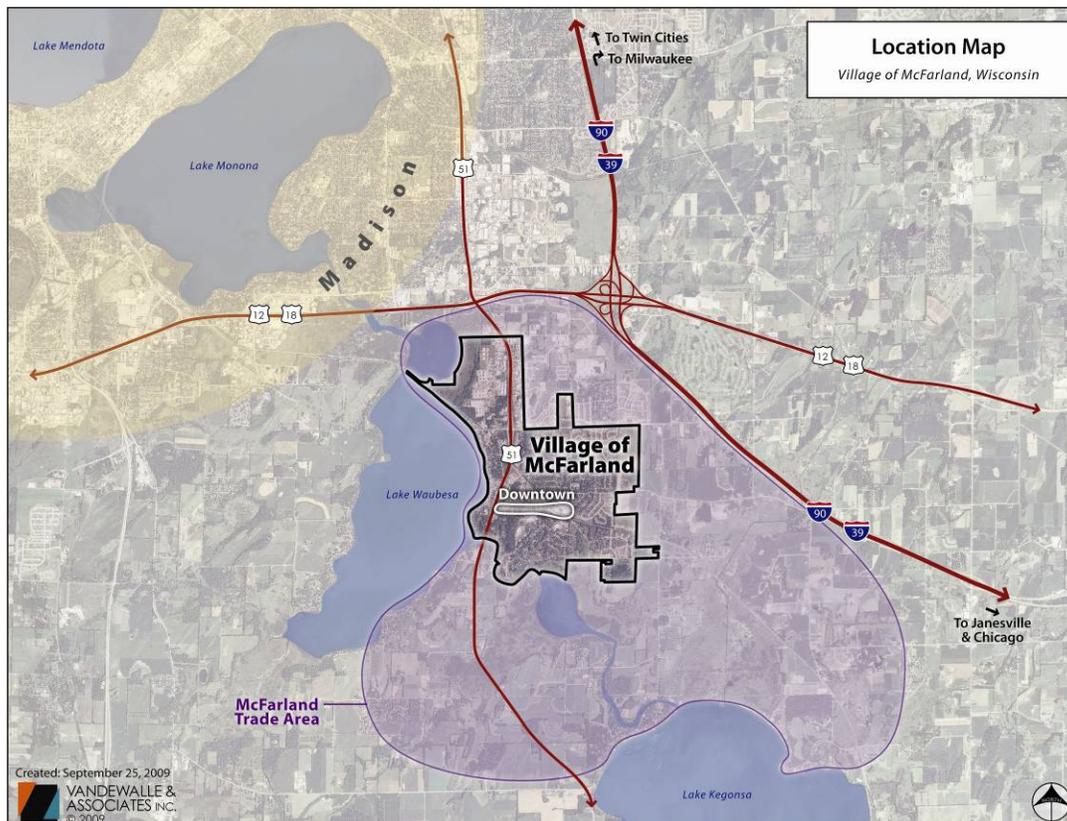


## Regional Context and Study Area Setting

The Village of McFarland is located just south of the City of Madison's east side along U.S. Highway 51. With convenient access to the Madison beltline and proximity to several employment areas, McFarland has become a residential community of choice for families in the greater Madison area.

The Village of McFarland's overall orientation and the function of different areas of the community have changed significantly over the community's history. Like many communities, McFarland's historic downtown developed around the rail line and residential development spread outward from there. The compact street grid of the downtown and many of the remaining historic buildings in the downtown core reflect this rail-oriented development pattern. As the Village matured and rail transportation was superseded by automobiles, the Highway 51 corridor emerged as the Village's primary growth area for commercial development and employment.

In the face of these changing growth dynamics, downtown McFarland has searched to define its role in the community and its niche markets. No longer the retail hub of the Village, but still symbolically important to the community, the downtown's focus is now largely on providing public services and civic amenities with the Municipal Center, the Post Office, Arnold Larson Park, and the new Library. Additionally, some niche restaurant and retail establishments have continued to succeed in the downtown and some new businesses have opened recently and are doing well.



## Demographic and Market Analysis

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### *Areas of Analysis and Market Area Definition*

In order to evaluate market opportunities for downtown McFarland, this analysis examines trends and conditions in several different geographic areas that each provide their own insights into market opportunities. The geographic areas are described below. Detailed tables of demographic information are provided as attachments at the end of this report.

- **The Downtown Walking District** – This area is defined by ¼-mile and ½-mile radii around the center of downtown. The purpose of looking at this area is to understand the market profile of residents who are within a comfortable walking or biking distance from the downtown. Residents of the walking district area are most likely to utilize downtown amenities for everyday needs, entertainment, and dining.
- **The Village Limits** – Examining the Village as a whole provides some insights into the characteristics of the community and into how it differs from other parts of the greater Madison area.
- **The Trade Area** – The retail Trade Area is a somewhat subjectively-defined geography that defines the area in which residents are most likely to use McFarland as their destination for goods and services, and the area from which downtown McFarland is now or could potentially draw retail customers. The area is defined by physical barriers, competing destinations, and transportation access, as well as by the existing retail offers in the Village and their retail pull. The preceding Map shows the Trade Area for McFarland.
- **Dane County** - Data from the County is evaluated to provide a greater understanding of the Madison metro market and of how McFarland compares with the region.

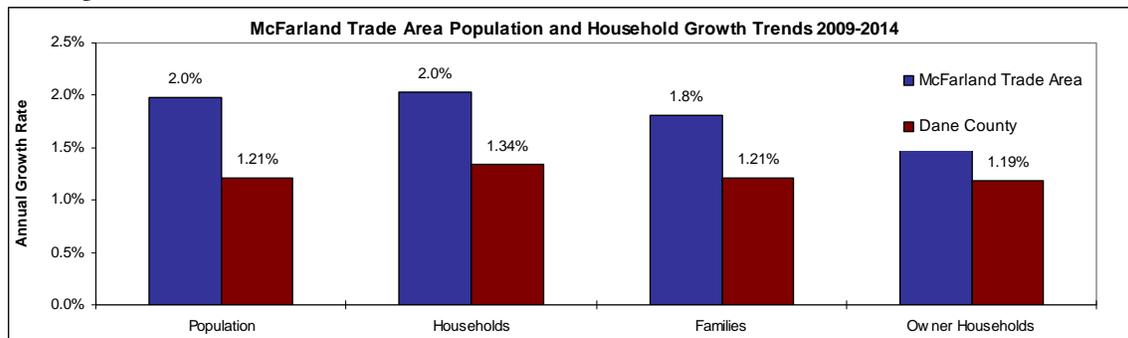
### *General Economic Profile and Key Demographic Findings*

The Village of McFarland and the McFarland Trade Area are seeing significant population and household growth. According to 2000 Census Data combined with 2009 and 2014 projections from ESRI (a national demographic data compiler), the Village of McFarland is growing by approximately 1.9 percent per year and the Trade Area is growing by 2.4 percent annually. In comparison, Dane County is growing at a slower rate of 1.35 percent annually. The Wisconsin Department of Administration 2009 population estimate for McFarland is somewhat below the ESRI estimate and indicates a somewhat lower population growth rate. According to the Department of Administration, McFarland's 2009 population is about 7,300 and has growth at a annual rate of about 1.5% since the 2000 Census.

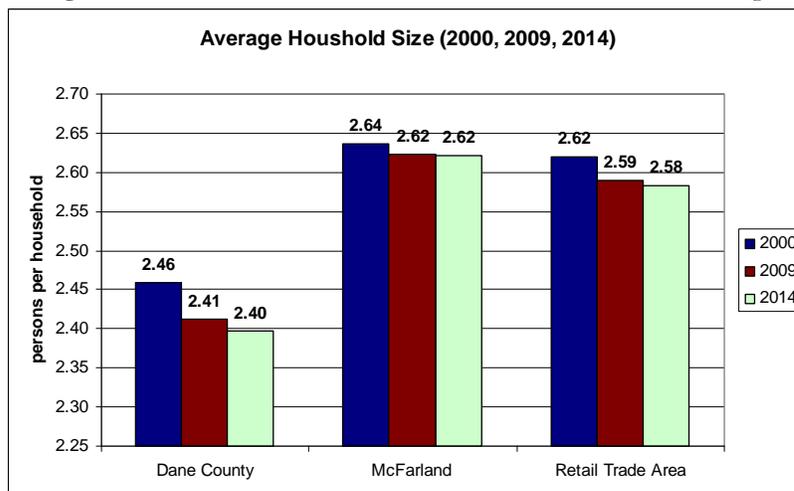
Population Estimates and Projections (2000, 2009, 2014)					
	2000	2009 (WI DOA Estimate)	2009 (ESRI Estimate)	2014 (ESRI Projection)	Annual Growth Rate
McFarland	6,416	7,368	7,602	8,377	1.5% - 1.9%
Retail Trade Area	10,576		13,354	14,729	2.39%
Dane County	426,526	473,622	484,943	514,883	1.1% - 1.3%

Sources: US Census, WI Dept. of Administration, ESRI

Total household and family household growth rates in McFarland and the Trade Area also are above average compared with regional and national benchmarks. In terms of total household growth, according to estimates from ESRI, the Village of McFarland is projected to add approximately 760 new households between 2009 and 2014, and the Trade Area is expected to grow by 1,700 households. However, these estimates are based on passed growth and do not necessarily reflect the complexities of the current residential real estate development market.



Households in McFarland and in the McFarland Trade Area are larger on average than households in Dane County as a whole. According to 2009 estimates, McFarland has about 2.6 persons per household compared with only 2.4 for Dane County. However, similar to most areas in this region and across the County, the average household in McFarland is shrinking with more and more one and two person households and fewer large families with multiple children. Households within the Downtown Walking District (1/2-mile radius from the downtown's center)

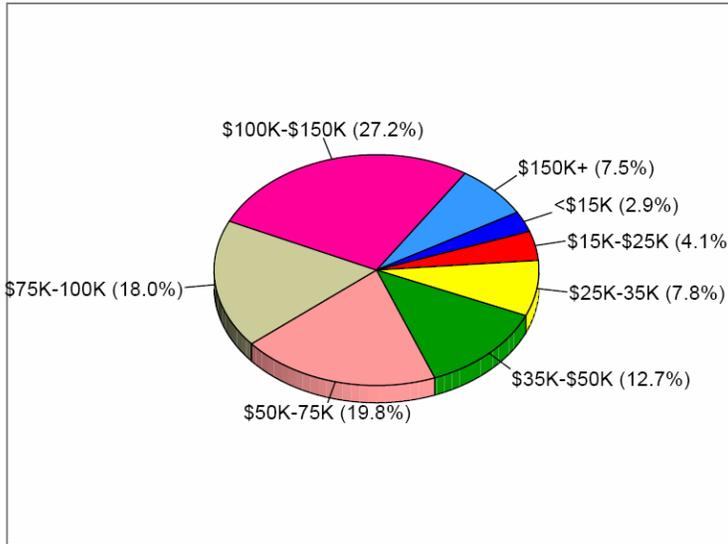


tend to be larger than those in the Village as a whole with an average household size of 2.7. Further, the Downtown Walking District has higher percentages of families and more children per household than the Village as a whole.

In terms of age and income patterns, the Village of McFarland and the McFarland Trade Area have above average incomes compared with the rest of the region and a greater percentage of families

with children in the home. With a median household income of approximately \$80,000 per year compared with \$63,000 for the County as a whole, McFarland is definitely more affluent than the region. However, only 7.6 percent of McFarland households make over \$150,000 per year compared with 8.0 percent of Dane County residents. So, although McFarland is more affluent than the Madison region on average, the Village is essentially middle class with few households at either extreme of the income continuum.

**2009 Households by Income**



According to 2000 Census data, the Downtown Walking District area (defined by a 1/2-mile ring around the center of the downtown) has a population of approximately 2,000. This population is 740 individual households, of which 576 are “family” households. The average household income within the Downtown Walking District exceeds that of the

Village as a whole, as do average home prices. The maturity of this area and the presence of historic homes are reflected by the fact that almost 30 percent of the homes in the Downtown Walking District were constructed before 1960 (U.S. Census, ESRI).

***Workforce, Employment, and Commuting Patterns***

McFarland is primarily a residential community with some local industry and employment, but most employed residents commute to other parts of the region. The McFarland Trade Area has about 500 businesses within its boundaries and a workforce of approximately 4,400 compared to a total population of 13,000. Within McFarland, most residents are upper income, white-collar workers who commute to Madison or other places. In spite of the fact that most workers who live in McFarland commute to other places, the Village’s convenient location makes commute times relatively short with an average commute of 18 minutes.

<b>Key Workforce Indicators (McFarland and the Trade Area)</b>	
Total Businesses in McFarland Trade Area	480
Total Employees who Work in the McFarland Trade Area	4,144
Trade Area Total Residential Population:	13,354
Employee/Residential Population Ratio:	0.31
White Collar Workers (% of employed McFarland residents)	73.6%
Service Workers (% of employed McFarland residents)	13.4%
Blue Collar Workers (% of employed McFarland residents)	13.0%
Residents who Work at Home	2.3%
Average Travel Time to Work (Village, 2000)	18 minutes
Sources: ESRI, U.S. Census, WI Dept. of Workforce Development	

### ***Retail Gap Retail Analysis and Local Consumer Spending Patterns***

The Village of McFarland's Retail Trade Area is somewhat constrained by physical barriers, particularly the Interstate to the Village's east and the lakes to the Villages west and south. In addition, competing, well-established retail areas in Madison, Stoughton, and Fitchburg somewhat limit opportunities for retail growth in McFarland because prospective customers in the region are likely to choose those alternatives. Within the Village, the Highway 51 corridor is the location of choice for most new retail development due to the corridor's visibility and traffic counts.

Retail sector gap or "leakage" analysis compares existing levels of retail sales within a defined trade area to the potential retail sales based on the demographic characteristics and the number of households in the area. If retail sales (supply) exceed potential sales (demand), it is generally assumed that the market for that sector is saturated and there is not room for additional stores. If retail demand exceeds supply, it indicates that the trade area is experiencing retail "leakage" and there may be opportunities for new stores.

Within the McFarland Trade Area, local demand for goods and services exceeds existing sales in almost every retail category. The table below highlights the estimated demand in the Trade Area and existing retail sales for several key retail categories that may be relevant to the downtown. The data indicates that there is unmet local retail demand in a number of categories, but generally not enough sales potential to support large national chains developing new stores. However, this unmet demand could be captured by smaller, more locally focused niche stores.

**Retail Gap Analysis for the McFarland Trade Area (2009 estimates)**

	<b>Demand (Retail Potential)</b>	<b>Supply (Retail Sales)</b>	<b>Retail Gap</b>
Clothing and Clothing Accessories Stores	\$7,332,603	\$393,065	\$6,939,538
Furniture and Home Furnishings Stores	\$7,274,297	\$1,069,608	\$6,204,689
Sporting Goods, Hobby, Book, and Music Stores	\$2,921,183	\$262,869	\$2,658,314
Food and Drink	\$26,446,787	\$24,489,730	\$1,957,057
Health and Personal Care Stores	\$6,697,552	\$5,541,676	\$1,155,876
Bldg Materials, Garden Equip. and Supply Stores	\$6,336,059	\$5,749,391	\$586,668

Source: ESRI

In addition to looking at total spending versus total sales, it can also be useful to look at spending patterns for the average household. The average retail expenditures for households in McFarland are above average in almost every retail category. This primarily reflects the fact that the Village's average household income is above average, however, it is nonetheless notable that spending is above average in every category of goods and services. Some of the categories where households in McFarland are particularly above average in terms of household expenditures include:

- Fees for sports and recreational lessons and clubs

- Pets and pet supplies
- Home improvements
- Electronics (sound, video, and computer equipment)

There may be opportunities for niche businesses to launch specialty stores that capture local spending in some of these niche retail sub-categories.

## *Housing Profile and Market Opportunities*

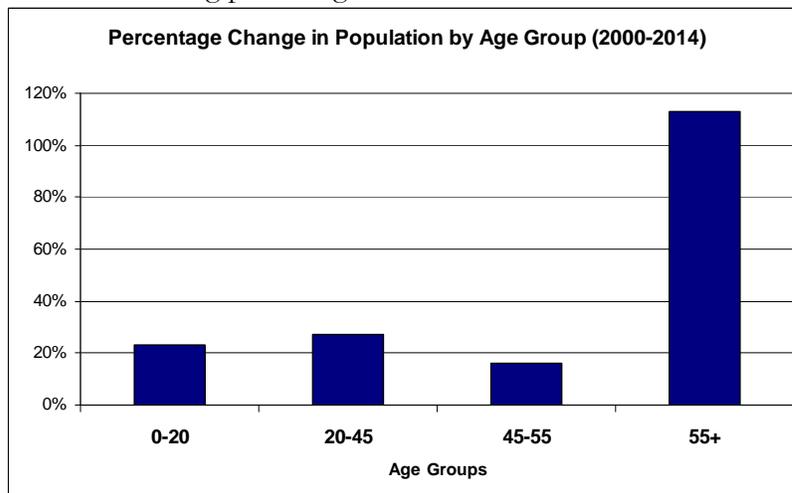
### **Existing Housing Profile**

The Village’s existing housing stock is predominantly comprised of single-family, owner-occupied homes. Within the Village, 70% of the housing units are owner-occupied, 25% are rental, and approximately 5% are currently vacant according to 2009 estimates (ESRI). In comparison, Dane County’s housing stock is 55% owner-occupied. Although rental units are somewhat more concentrated in the central areas of McFarland, the housing within the Downtown Walking District (½-mile radius of downtown) is still primarily comprised of single family homes.

### **Housing Demand Analysis**

The long term characteristics and strength of a local housing market and changes in local housing demand are largely driven by household growth and by changing age distribution. Although current overarching economic trends and the constrained credit market are affecting housing, McFarland is projected to continue to grow and add new households, which will ultimately create demand for additional housing development in the Village.

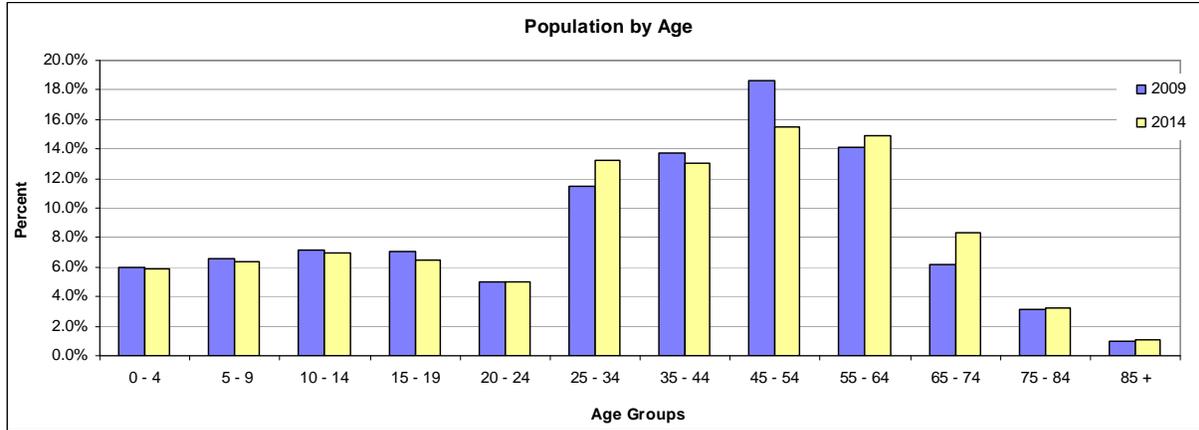
In addition to continuing to grow, McFarland’s housing market is also poised to change. With a decreasing percentage of residents in their 30s and 40s and more residents in their



late 50s, 60s, and older, McFarland is likely to see an increasing demand for smaller housing units as older residents transition to becoming empty-nesters and retirees. Within the McFarland Trade Area, the population that is over 55 is expected to more than double between 2000 and 2014, with nearly 2,500 new residents in this age

group.

Looking in more detail at population growth by age group, between 2009 and 2014, McFarland is expected to see growth in every age group over 55 and in young adults aged 20 to 35. However, the number of children in McFarland is projected to remain relatively stable in the next five years and the number of mid-career aged adults (35 to 55 year olds) is



projected to decline. Overall the trends suggested growing demand for smaller, multi-unit housing and starter homes and some need for McFarland to provide a more diversified range of housing options to cater to community members with changing household preferences. At the same time, however, McFarland will likely remain a community of choice for families in the region consisting of mid-career adults with children who are interested in traditional single-family homes.

**Office Market Assessment**

Vacancy of office space has been creeping up in the Madison area over the last three years and overall office vacancy is now about 17% (Grubb and Ellis, 2008). With vacancy rates this high and a glut of existing office space, new office development is unlikely to occur in the near future. Within the metro area’s south and east submarkets (areas most directly competitive with McFarland), vacancies are slightly lower at around 15% (Grubb and Ellis, 2008).

According to local real estate professionals, office space in McFarland typically rents for \$8-\$10 per square foot per year for a triple-net lease. In comparison, rents for average office space in the Madison area as a whole are typically \$18 per square foot and about \$16 for the south and east submarkets. With existing vacancies and lower rents, as well as a depressed national economy, there is limited current demand for new office development in downtown McFarland.

However, the Village’s large population of professional workers, the prevalence of families with children in the community, and the large number of local entrepreneurs may open opportunities for targeted niche office space. Specifically, downtown McFarland could be a location for very small office space that caters to entrepreneurs, part-time workers, and independent consultants who currently work out of their homes but may have an interest in renting a small space.

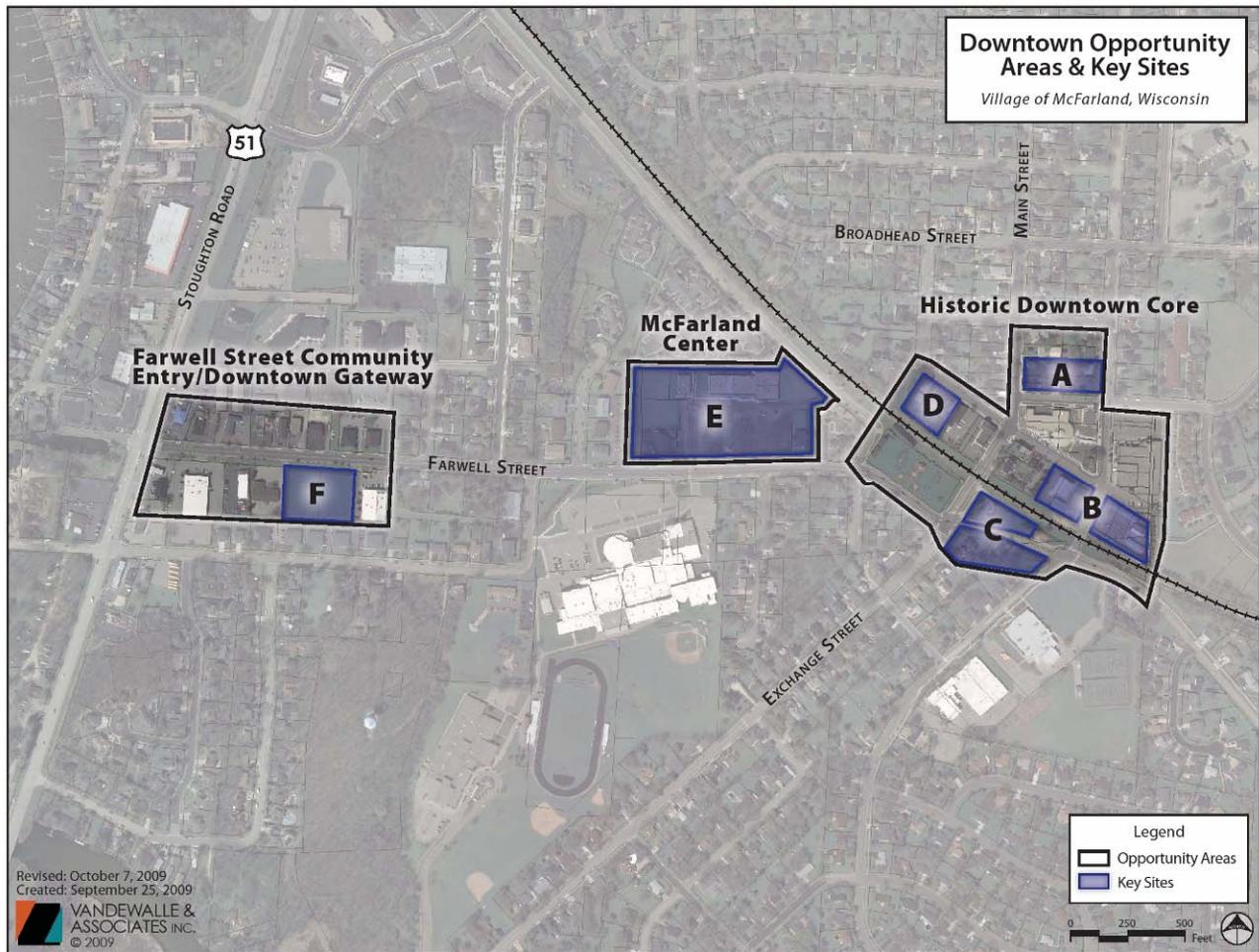
### ***Key Findings from Demographic and Market Analysis***

- McFarland is a growing community and a residential district of choice for families in the region. The demographic profile of the Village and its Trade Area is largely characterized by a high percentage of families with children in the home but a growing number of seniors and empty-nesters. Incomes in McFarland are above average but not extraordinarily high and there are few households on either extreme end of the income continuum.
- McFarland is not currently a significant retail destination and most residents of the Village and the Trade Area leave the community to shop in other places. This retail “leakage” may create opportunities for new retail development in the community but the Highway 51 corridor, not the downtown, will be the primary location for any large-scale retail development in the near future. However, the downtown may be able to attract some smaller, niche retail targeted toward meeting local needs for goods and service and sharply focused on the Village’s demographic profile and local preferences.
- Similar to most places, housing development in McFarland is going to be greatly affected by the shifting age profile of the community. Specifically, the rapidly growing number of residents who are at or nearing retirement age and whose children are leaving home is going to create demand for smaller, maintenance-free units targeted toward active seniors. The downtown and the surrounding area could accommodate some of this demand for senior housing.
- Unlike most communities where the areas closest to the downtown tend to have the highest percentages of multi-unit housing and rental housing, the walking districts around downtown McFarland (defined by ¼-mile and ½-mile radii) actually have higher percentages of single-family homes than the community as a whole. A larger number of traditional two-parent families with children live within easy walking or biking distance of the downtown.
- McFarland does not currently have a significant amount of office space and the downtown is unlikely to be a location for office development. However, some small office space marketed toward local entrepreneurs, part-time working parents, and one-person service firms may have some potential for success in the downtown.

## Opportunity Areas and Concepts

The demographic and market data provides some insight into the types of development that could be viable for the downtown. However, market data alone cannot fully uncover what specific opportunities are viable for a particular site. Moreover, data-driven analysis does not take into account unique, place-based local assets of a site or a community that may influence what types of concepts and uses are most viable or would be most beneficial to the community.

Based on visual surveys of the site and interviews with local stakeholders, the following three opportunity areas were identified as areas that present the greatest short-term opportunities to make enhancements to the downtown. These areas were identified as targeted opportunity areas due to their current condition, their potential to accommodate redevelopment, their visibility and importance to the overall image of the downtown, and their potential to support catalytic enhancement projects that would help foster further improvements, investment, and benefits throughout the downtown.



## *Opportunity Area I: Historic Downtown Core*

### **Characteristics and Function**

The historic downtown core is the area most commonly recognized as “downtown” McFarland. This is the original center of the community that developed around the rail line and the area that currently includes most of the Village’s historic buildings. The function and character of the downtown core is characterized by:

- Short blocks and a compact street grid
- Traditional downtown commercial architecture with narrow, two- or three-story, mixed-use buildings
- Historic residential architecture
- The civic core of the Village including key community facilities and gathering places such as the Library, the Municipal Building, the Post Office, and Arnold Larson Park



### **Niche Market Opportunities**

The downtown core is a distinctive, symbolically important area of the community that offers a mix of charm, historic character, and walkability that is not available anywhere else in the Village. However, as a commercial development area, the lack of traffic and visibility of the downtown limits its attractiveness to retail or office development.

Given these factors, the most viable market opportunities for the downtown core will be in targeted niche sectors that primarily cater to the local population. The greatest potential for downtown commercial businesses will be in sectors that require limited parking and focus on providing services and amenities that will be used and appreciated by the residents of the immediate area, particularly the area’s high concentration of young families and seniors. The recently-opened retail establishments on the ground floor of the McFarland House and in the new mixed-use project across the street are ideal examples of the types of niche retail sectors that the downtown should target. They are uses that activate the downtown by bringing people at different times of day, catering to the local population within walking distance, and limiting needs for parking and visibility.

Based on the retail gap analysis and the household expenditure data, as well as the overall character and function of the downtown, the following list describes several additional niche retail/service sectors that could potentially be accommodated in the downtown:

### Retail

- Antiques, floral, crafts, knitting store
- Consignment shop, used clothes, children's clothes
- Toys, sports cards and memorabilia, hobby shop
- Small book store
- Gallery space or art studio

### Restaurants/Food

- Bakery
- Deli
- Wine and cheese
- Ethnic foods
- Carryout/delivery
- Catering

### Personal Services

- Dry cleaning/laundry (drop off only)
- Music and dance lessons
- Yoga/Pilates/aerobics/martial arts
- Photography studio
- Small personal service office (real estate, law, accounting, etc.)

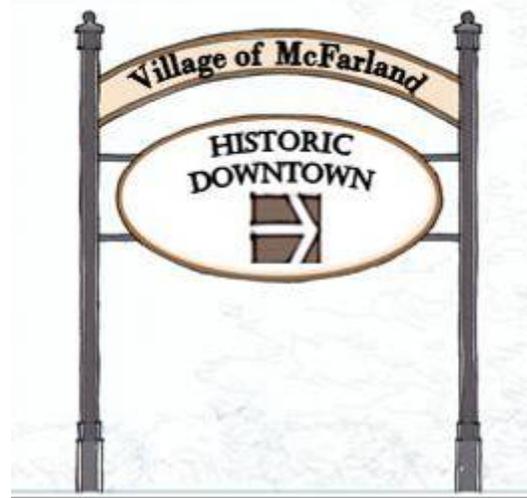
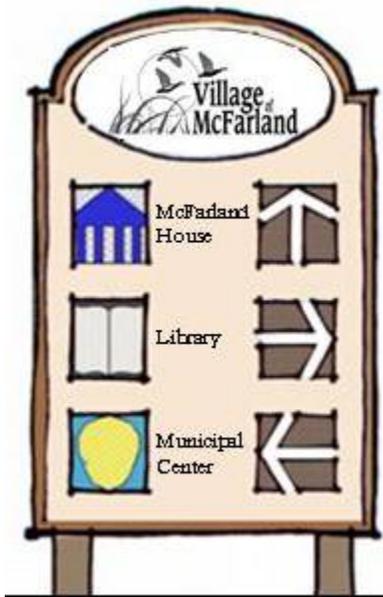
## **Suggested Enhancements to Improve Marketability**

There are a number of enhancements and initiatives that could be launched to help take advantage of the opportunities for the downtown, enhance the market, support existing businesses, and make projects viable including:

- **Wayfinding Signage**

Though the downtown is the heart of the Village, from a traffic standpoint, its location is somewhat "off the beaten path." The historic downtown is not located on Highway 51, has very limited access from the south, and the access from the north is somewhat circuitous. As a result, many residents of the Madison area and even some residents of the Village itself are unaware of the historic downtown's location and offerings.

"Wayfinding" signage is an important tool communities can use to direct people towards the downtown and to communicate the character of the downtown in other parts of the community. Because of downtown McFarland's lack of visibility from higher-traffic areas of the Village, utilizing wayfinding signage is particularly important. Some of the locations in McFarland where this type of signage would be most effective include the corners of Farwell at Highway 51, Marsh Road at Sigglekow, Marsh at Main, and Main at County MN. Below are samples of decorative signage that could be used to direct motorist into the downtown from Highway 51 and other parts of the Village.



- Coordinated Downtown Marketing**  
 Creating marketing materials that allow businesses in the downtown to collectively reach out to new customers and that highlight downtown McFarland as a cohesive destination with complementary services, shops, and amenities is another strategy that could help existing businesses in the downtown and help make new business growth more viable. The downtown businesses, the Village staff, and the Chamber should consider working together on promotional materials and outreach efforts focused on highlighted the unique businesses and character the downtown has to offer.
- Façade Improvement Program**  
 A façade improvement program could be a valuable tool to preserve the legacy of downtown McFarland’s historic buildings while encouraging new uses and activity. Façade improvement programs can be structured in a variety of ways, but generally provide funding opportunities to property owners interested in making aesthetic improvements to the exterior of downtown buildings in a way that is sensitive to the character of the area. These programs can help both homeowner and business owners improve their buildings.
- Activities and Improvements in Arnold Larson Park**  
 Arnold Larson Park is an attractive, centrally-located public space that hosts a variety of community evens and activities. Adding additional uses to the Park and bringing additional events and activities could enhance its value to the community and its positive impact on the downtown. New amenities catering to local families such as a small splash park, ice rink, or farmers market could help increase usage of the park.

## ***Opportunity Area II: McFarland Plaza Shopping Center***

### **Characteristics and Function**

The McFarland Plaza is a strip retail center located on Farwell Street, across from McFarland High School. The Plaza and its adjacent lots currently include some viable businesses (a bank, a discount retail store, an adjacent clinic, some services) but the Plaza also includes a number of vacant storefronts. The Plaza is a conventionally-designed, auto-oriented strip center with storefronts aligned in a single row and a long setback from the street frontage used for parking. With the focus of retail development in McFarland shifting to Highway 51, the Plaza now has limited market viability and is unlikely to attract the type of retail businesses that it was designed to accommodate. As a result, the physical condition of the Plaza is deteriorating and vacancies are increasing. However, the site itself has a number of advantages: it is close to downtown; across the street from the High School, which generates significant activity; and it is on Farwell Street, which is a key east/west corridor and a gateway to the downtown.



### **Niche Market Opportunities**

Given the condition of the building and the characteristics of the site, the existing Plaza will never again be a fully-functional retail center. The challenge for this site is to find new opportunities to redevelop the property for uses that take advantage of the site's assets and integrate it into the downtown. Because the site is large, has ample parking, and is at a location that could serve as a bridge between the walkable downtown core and the Highway 51 auto-oriented corridor, redevelopment on the Plaza could be designed a number of different ways. Any redesign of the Plaza should be sensitive to its contiguity to the downtown and should incorporate facilities to accommodate bicycles and pedestrians. However, given its location and function, a use and design that are more auto-oriented than the downtown core and that takes advantage of the site's size and potential parking areas could be appropriate and viable.

In light of the Plaza's declining viability as a retail center but given its locational advantages and other assets, the Plaza has the potential to accommodate community uses such as a senior center, educational facility, or recreation center. For example, because of the site's proximity to McFarland's high school, there could be opportunities to incorporate virtual classrooms, workforce training programs, or perhaps even a small private college or satellite

college campus on this property. Additionally, a new senior center or community recreational facility would be well suited to this property given its central location, size, and its proximity to downtown and the high school. These types of community uses are less dependent on regional visibility and would help create a focal point that would bring more economic activity into the downtown. The Plaza's location across the street from the High School, its location near the downtown, and the site's size and central location in the community create the potential to initiate a bold, exciting project that integrates multiple community facilities and amenities.

The Plaza has enormous potential to accommodate one or more new uses that can help generate activity by bringing employment density or housing to the site. Whether the site is reused for commercial, residential, or other uses, the Village should strive to ensure that the potential of the site is maximized and that it becomes a signature project. The Village should view the Plaza site as the downtown's most ripe opportunity to initiate a bold redevelopment project that will lay the foundation for the future economic success of the downtown. From a design standpoint, the Plaza can be different in form from the historic downtown core, but should be a gateway into the downtown.

As highlighted in the data analysis above, McFarland appears to have a growing demand for housing that caters to seniors transitioning from raising families in large homes to living in smaller residences with less maintenance costs. Affordable senior housing and/or market rate rental housing are also potential uses for this site. Integrating senior housing with a senior center or community recreation center may be a viable use for the site that could add energy and activity to the downtown. Any new housing on the Plaza site would have the advantage of bringing additional people and activity into the downtown area and could help support existing and new businesses in the downtown core.

In terms of retail uses for the property, the Plaza site is best suited for goods and services aimed at families living in the immediate area. Because it is located off of Highway 51, the market is unlikely to support commercial development that requires high visibility and a regional draw. However, the Plaza's convenient, central location makes the site well-suited for community-oriented retail in conjunction with other uses.

### **Suggested Enhancements to Improve Marketability**

Over the long term, the Plaza site is ripe for a full-scale redevelopment project. The site presents the Village with the opportunity to begin working with the property owner and other stakeholders towards a signature project that could have a catalytic positive economic impact on the downtown and the community. In the shorter term, improvements to the site's parking area and enhancements to the streetscape on its Farwell Street frontage could help create a stronger connection between downtown and Highway 51. For example, the elimination of outdoor storage along the corridor, decorative light fixtures, benches, sidewalks on both sides of the road, accent paving in crosswalks, and community banners are improvements that could be made to the Farwell corridor that could help improve the marketability of the Plaza site.

### ***Opportunity Area III: The Farwell Street Community Gateway Corridor***

#### **Characteristics and Function**

The portion of Farwell Street between the High School and Highway 51 is outside of TID 4 and not typically thought of as part of downtown. However, Farwell is a key commercial corridor that links the downtown to the Village's primary artery, and Farwell is the main gateway into the downtown. Currently, the Farwell corridor is a mix of commercial and residential buildings, and includes several vacant or underutilized properties.

Farwell functions as McFarland's Main Street and is the front door to the community. Residents and visitors utilize Farwell as the primary access from Highway 51 to many of the Village's key destinations including the High School, Arnold Larson Park, the Library, etc. As such, the Farwell corridor should better communicate its role as a gateway to the downtown and a primary route connecting the Village's civic assets and destinations.



#### **Niche Market Opportunities**

The most viable and productive near-term use of the Farwell Street corridor is for it to continue to function as a community retail corridor. Retail along this corridor should be targeted towards providing goods and services to meet local needs. The existing hardware store is a strong anchor use for the corridor and related retail and services geared toward providing local homeowners and businesses with related products and services could work well as a complement. For example, a paint store, carpeting/tile store, plumbing supplies, etc. could be viable here. These are retail uses that generally cater to the local population and do not necessarily need the high visibility of Highway 51.

#### **Suggested Enhancements to Improve Marketability**

There are several short term and long term improvements that could be made to advance the market viability of the Farwell corridor and enhance the image the corridor presents as a gateway into downtown McFarland including:

- Welcome banners and streetscape improvements
- Cosmetic improvements to buildings
- Redevelopment of vacant properties

## Key Sites

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Within each of the three opportunity areas described above, there are a number of individual sites and properties that appear to have the greatest potential for redevelopment or improvements that would have a catalytic impact on the downtown market, and on the downtown's image and functionality. The next step in this study's process is to narrow the focus onto targeted sites and create conceptual design plans for them. Some of the key sites that may be looked in this next phase of conceptual design include:

- **McFarland Plaza** – The Plaza is addressed in detail above but, to reiterate, the Plaza presents a rare opportunity to launch a large-scale redevelopment project that could have an enormous positive impact on the downtown. The Plaza's current use is no longer viable and the Village should aggressively and strategically pursue new opportunities for this important site
- **Arnold Larson Park** – The Park is a well-designed, attractive public space that serves a variety of functions for the community. However, adding amenities or adjacent uses that would make the park more active and more used on a day-to-day basis could enhance the park while helping to bring people and activity into the downtown.
- **Village-owned Property Adjacent to Rail Line** – This site is located at the downtown's most prominent intersection. Currently, it contains an informal, gravel parking area and a small, landscaped entry feature to the downtown. Should commuter rail come to fruition in Dane County and McFarland, this site could be assembled with others that adjoin it to create a viable rail stop. However, that is likely several years off, if not decades. In the meantime, the demand for parking in the downtown continues to grow. Further, gaining control of the land under the abandoned rail spur from the railroad will take some time. Accordingly, development of this site with an attractive parking lot and formal downtown entry feature appear to be among the best short term opportunities for the site. In addition, this site is the location of the Village's annual bonfire event. This important community event brings people and activity into the downtown and maintaining a bonfire pit on this site or in the immediate vicinity should be a priority.
- **Properties West of the Post Office on Long** – The short section of Long Street extending west from the Post Office currently includes several rental residential properties. The depth of these lots, the right-of-way access across the rail line to the south, and the properties being adjacent to the downtown core makes this area a place that could have reuse potential.
- **North Side of Anthony Between Main and Milwaukee** – Anthony Street is currently the north edge of the downtown where the downtown transitions into single-family homes. With several redevelopment opportunities on this block, there is an opportunity to extend the downtown and add new housing and commercial development. Although a recent redevelopment proposal for this area appears to be

stalled, this site is likely to attract attention in the future once general economic conditions improve.

- **Larson House and Adjacent Parcels to the East** – The Larson House is a beautiful, historic home on a key corner. Unfortunately, the house has fallen into disrepair. The house could be acquired by the Village or another community entity and used as a museum, as the Chamber headquarters, or for some type of sensitive retail project similar to what was done with the McFarland House. Purchasing the house and sensitively reusing it for a community-oriented project would be a great way to preserve its historic integrity before it deteriorates beyond repair. Additionally, the block immediately to the east of the Larson House could accommodate redevelopment that better integrates this important block face into the downtown.
- **Chase Lumber** – As an operating business that generates activity, the lumber yard brings benefits to the downtown. Pursuing a relocation strategy for the business should not be a near-term priority. Particularly given that the current economic situation will limit near-term private development. However, in the longer term, utilizing the lumber yard site for development that is more appropriate for its central and highly-visible downtown location may become a priority.
- **Vacant Lot on Farwell** – The vacant lot on Farwell adjacent to the hardware store is a key redevelopment opportunity. With its street frontage, size, and lot depth, this site can accommodate a number of commercial uses. The Village should work to encourage new development on this site that contributes to the overall goals for the Farwell Street corridor described above.

## Priority Redevelopment Sites

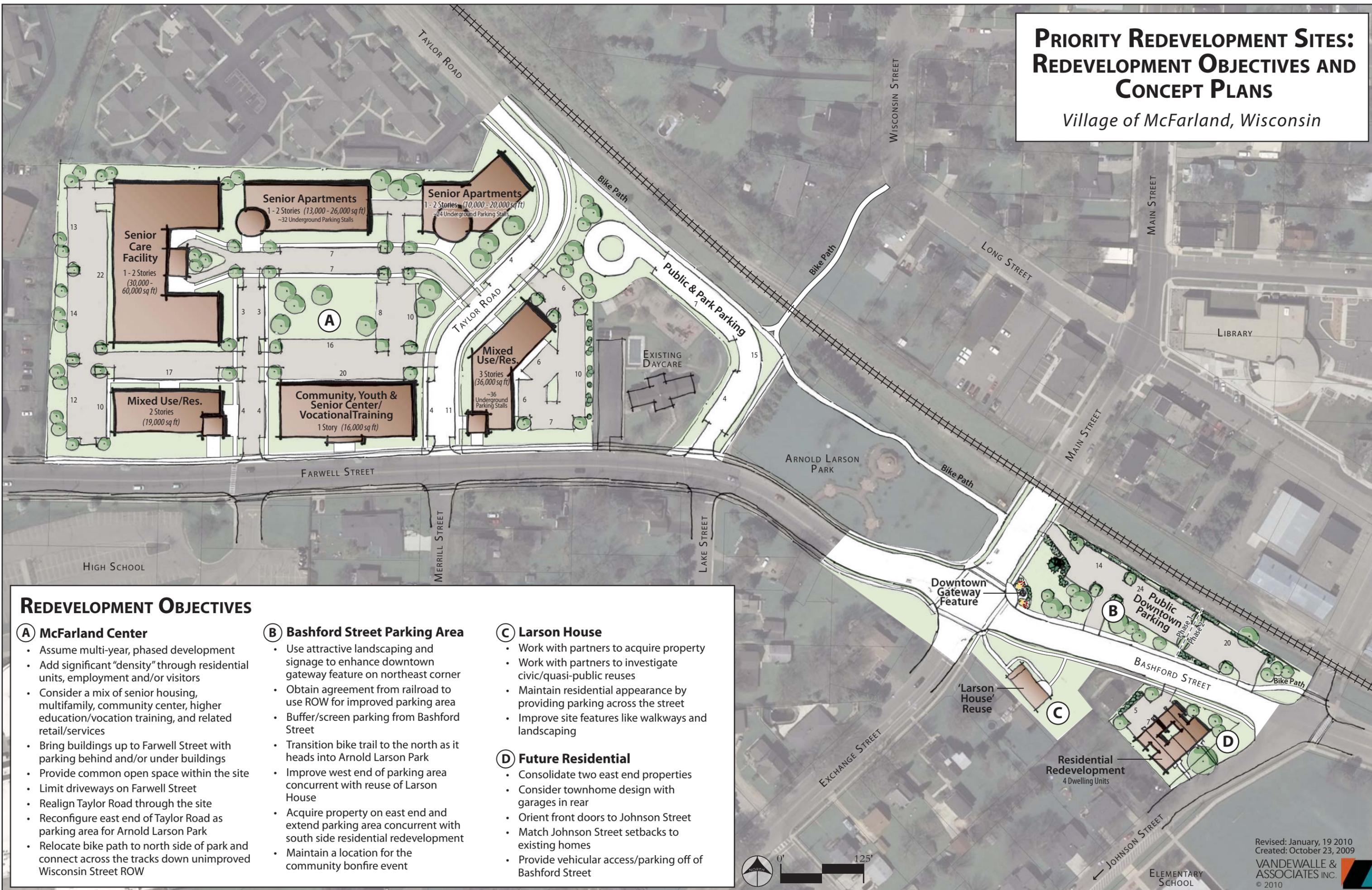
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From the list of Key Sites identified in the previous section of this report, the Community Development Authority (CDA) selected sites C (north and south sides of Bashford St.) and E (McFarland Center) as priorities for further analysis and preparation of concept site plans. In general, the CDA felt these sites presented the greatest opportunity for the Village to play a proactive role in promoting redevelopment in the short term (within the next five years) based on current market conditions, property ownership, and other factors.

For each of the sites, a set of development objectives is presented along with a concept site design (see figure on the next page). These are based on the Opportunity Area and Key Sites discussion and recommendations, presented previously in the document. The objectives are intended to be used as a guide in discussions/negotiations with property owners/developers for the ultimate land uses, building designs, and site designs for these properties. Accordingly, the final site designs will likely vary from what is shown here but most of the objectives should remain intact.

# PRIORITY REDEVELOPMENT SITES: REDEVELOPMENT OBJECTIVES AND CONCEPT PLANS

Village of McFarland, Wisconsin



## REDEVELOPMENT OBJECTIVES

### A McFarland Center

- Assume multi-year, phased development
- Add significant "density" through residential units, employment and/or visitors
- Consider a mix of senior housing, multifamily, community center, higher education/vocation training, and related retail/services
- Bring buildings up to Farwell Street with parking behind and/or under buildings
- Provide common open space within the site
- Limit driveways on Farwell Street
- Realign Taylor Road through the site
- Reconfigure east end of Taylor Road as parking area for Arnold Larson Park
- Relocate bike path to north side of park and connect across the tracks down unimproved Wisconsin Street ROW

### B Bashford Street Parking Area

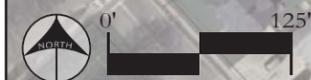
- Use attractive landscaping and signage to enhance downtown gateway feature on northeast corner
- Obtain agreement from railroad to use ROW for improved parking area
- Buffer/screen parking from Bashford Street
- Transition bike trail to the north as it heads into Arnold Larson Park
- Improve west end of parking area concurrent with reuse of Larson House
- Acquire property on east end and extend parking area concurrent with south side residential redevelopment
- Maintain a location for the community bonfire event

### C Larson House

- Work with partners to acquire property
- Work with partners to investigate civic/quasi-public reuses
- Maintain residential appearance by providing parking across the street
- Improve site features like walkways and landscaping

### D Future Residential

- Consolidate two east end properties
- Consider townhome design with garages in rear
- Orient front doors to Johnson Street
- Match Johnson Street setbacks to existing homes
- Provide vehicular access/parking off of Bashford Street



## Implementation Strategy Action Plan (2010 – 2011)

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The following table lists the steps needed to advance the implementation of the recommendations presented in this Assessment. The Village Community Development Authority (CDA) will be the lead agency in carrying out this work plan; however, a cooperative effort is required that includes various Village departments and boards, local organizations like the Chamber of Commerce and Historic Society, and individual business and property owners.

Although the full implementation period of this Assessment is likely to be five to ten years, the listed action items are the steps to be taken over the next two years as the initial efforts to achieve the longer term goals. Accordingly, the list is intended to be revised at least once every six months.

Action items are listed under five broad categories that generally correspond with the opportunities and key sites covered earlier in this document. Within this list, the CDA's top five priority items (in no particular order) are identified with letters "A" through "E". In general, these priority items, and those to be identified in the future, meet one or more of the following criteria:

- Include a critical timing component that requires action within a specific period (such as the availability of a site or the submittal of a grant application) in order to achieve the desired result;
- Accomplish a prerequisite (such as the establishment of relationships or adoption of policies or regulations) necessary for other implementation activities to be undertaken;
- Is a project that has already been started, is making progress, and has established some momentum;
- Is a catalytic redevelopment project that will accelerate other recommended redevelopment efforts;
- Has the support of the majority of the CDA and has a high potential to be supported by the CDA's implementation partners.

The action items and timeframes indicated on the table are those to be pursued proactively by the Village based on current conditions. However, these in no way should be viewed as precluding property owners, business owners, or developers from proposing to advance projects that may be indicated here as lesser priorities or those not identified at all. This work plan and the CDA remain flexible and open to consideration of projects proposed by others and adapting to changing conditions as necessary to advance the goals and recommendations of this Assessment, the TIF #4 Project Plan, and the community's vision for the downtown.

**Downtown McFarland Strategic Market Opportunities Assessment  
Implementation Strategy Action Plan 2010 - 2011  
November 2009**

Action Item	2010												2011											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>TID MANAGEMENT</b>																								
<b>A Statutory Redevelopment Plan</b>																								
Prepare and adopt statutory redevelopment plan																								
<b>IDENTIFIED KEY SITES</b>																								
<b>B McFarland Center</b>																								
Work with the owner and property management company to review current lease arrangements and discuss long term plans																								
Talk to the clinic to identify the timing of their move																								
Work with the school district to discuss opportunities for development that is synergistic with the high school																								
Pursue potential senior housing development with current owner or other developers if owner not interested																								
Evaluate local need, potential funding, and public/private partnership for a senior center, community center, community recreation space, etc.																								
Determine feasibility/timing of moving forward with redevelopment plan																								
<b>C Bashford Street (Phase 1: West End)</b>																								
Meet with the Larson House owner to discuss disposition of property																								
Meet with the Chamber and Historic Society to discuss potential uses for the Larson house																								
Determine feasibility/timing of moving forward with Larson House reuse project																								
Meet with the railroad to discuss use of the right-of-way, removal of the spur, and limitations on adjoining development																								
Prepare more detailed plan for parking area based on land availability																								
Evaluate options for funding parking area improvements																								
Determine feasibility/timing of moving forward with Phase 1 parking area improvements																								
<b>Bashford Street (Phase 2: East End)</b>																								
Meet with property owner of 5410 Bashford (north side) to determine site availability																								
Meet with property owners of 5407 and 5411 Bashford (south side) to determine site availability																								
Meet with area residential developers to determine feasibility/timing of moving forward with residential project at the SW corner of Bashford and Johnson																								
Determine feasibility/timing of moving forward with residential development on SW corner																								
Determine feasibility/timing of moving forward with Phase 2 parking area improvements																								
<b>GENERAL PROJECT MANAGEMENT &amp; IMPLEMENTATION</b>																								
<b>D Wayfinding Signage</b>																								
Create a theme and design for wayfinding signage																								
Evaluate options for funding signage																								
Determine feasibility/timing of implementing wayfinding improvements																								
<b>Coordinated Downtown Marketing</b>																								
Meet with the Chamber and downtown businesses to discuss downtown business mix and recruitment strategies																								
<b>Business Recruitment</b>																								
Work with chamber to identify home-based businesses in town that may have an interest in office space																								
Develop strategies to target business sectors identified in the market opportunities report and meetings with Chamber and businesses																								
<b>OTHER SITES AND OPPORTUNITY AREAS</b>																								
<b>E 4719 Farwell Street</b>																								
Meet with developer once WHEDA tax credits are awarded to determine if project will move forward and when																								
<b>Farwell Street Corridor</b>																								
Meet with corridor businesses and property owners to discuss short-term physical/cosmetic improvements to streetscape, buildings and properties																								
Articulate the corridor with simple banners, flags, landscaping, etc.																								
Evaluate extension of downtown TID or creation of new TID for area																								
Develop a long-term streetscape plan for the Farwell corridor between Hwy 51 and the downtown																								
Determine feasibility/timing of implementing streetscape improvements																								
<b>North Side of Anthony</b>																								
Maintain contact with the developer to lay the groundwork for implementation when market conditions improve																								
Ongoing																								
<b>ARNOLD LARSON PARK</b>																								
<b>Park Improvements</b>																								
Evaluate potential improvements to increase activity in the park																								
Evaluate options for funding park improvements																								
Determine feasibility/timing of implementing park improvements																								