Introduction

Lee’s Summit is a wonderful place to live, work, learn and play. Our community is renowned for its state and national award-winning schools and community college, comprehensive parks, lakes and recreation amenities, along with diverse housing opportunities. The city takes pride in its pedestrian-friendly downtown as well as the impeccable maintenance and preservation of Lee’s Summit’s rich history. Most recently, Lee’s Summit received the 2010 Creative Community Award by the Missouri Arts Council and the 2010 Great American Main Street Award by the National Trust for Historic Preservation. Lee’s Summit’s downtown businesses are part of what makes the city special. They give our citizens the opportunity to work, purchase goods and services and support all the reasons Lee’s Summit’s downtown is among the best in the nation.

In the past 6 months, Downtown Lee’s Summit Main Street (DLSMS) has enlisted volunteers to assist with fact-finding visits to downtown district businesses as part of the Lee’s Summit Economic Development Council (LSEDC) business retention program. This report outlines those findings.

On behalf of DLSMS and LSEDC, we wish to offer a sincere thank you to the businesses that participated in business visits. Their input is invaluable to developing programs and services to improve the Lee’s Summit downtown district. The back of this report contains a complete list of participating businesses.

We would also like to express our gratitude to the volunteers, without whom the business visits would not have been possible. We are extremely grateful to Kansas City Power and Light (KCP&L) for providing access to the Synchronist Convention, Retail, Tourism & (local) Service (CRTS) software to complete this study.

Finally, we would like to thank the City of Lee’s Summit, the R-7 and R-4 School Districts, the 150+ private sector LSEDC investors and the various downtown Lee’s Summit stakeholders, partners and sponsors for their continued funding and support of our economic development and downtown revitalization efforts. We welcome continued feedback and involvement from all businesses in the Lee’s Summit downtown district. With their continued prosperity and proactive involvement, downtown Lee’s Summit will continue to be one of the best downtowns in the nation.

Steve Tominia  Jeanine Rann  Dr. George Pagels  Jim Devine
President  Executive Director  Chairman  President & CEO
DLSMS  DLSMS  LSEDC  LSEDC
Overview of the Process

The LSEDC partnered with DLSMS to coordinate a Synchronist CRTS survey of businesses in the downtown district of Lee’s Summit. The Synchronist CRTS, a software system accessed through economic development partner KCP&L, makes analysis and policy guidance more rational. The Synchronist software provides three main benefits:

- It maintains a detailed profile for each business.
- It analyzes survey responses to provide each business a score on their value to community, growth potential, satisfaction of the community and retention risk of the business.
- It groups all survey responses together, providing information on the status of businesses as a whole in the community and specific issues that need to be addressed to create a community environment for businesses to succeed.

A letter and e-mail were sent to approximately 100 downtown Lee’s Summit businesses explaining the survey and its purpose. A team of LSEDC-trained volunteers followed up with phone calls and/or e-mails to schedule appointments to conduct the in-person interviews. The goal was to visit a minimum of 30 businesses. The business visit campaign ran for approximately 10 weeks, from late February to mid-May. Volunteers, along with DLSMS and LSEDC staff conducted a total of 39 business visits.

“During the confidential interviews, the volunteer team listened to the downtown business owners to find out if LSEDC and DLSMS can leverage their resources to help them achieve their objectives or overcome obstacles to growth,” said Teresa Evans, Vice President of LSEDC, who led the downtown district study. “Our goal was to obtain honest, constructive feedback about doing business in downtown Lee’s Summit, so we know what the community can do to enhance and improve the business environment.”

Jeanine Rann, Executive Director of DLSMS, is proud of the collaboration with LSEDC. “This project was a great example of the cooperative spirit among downtown businesses, our volunteers and LSEDC. Clearly this demonstrated the commitment of many to help downtown succeed.”

The goal of the process was to identify issues and trends specific to this business sector and assist DLSMS, LSEDC and the City of Lee’s Summit staff to determine potential actions to take or assistance to provide to improve the viability of businesses operating in downtown Lee’s Summit. While the information gathered from each business remains confidential, the following formal report of aggregate data will serve as a resource to help identify strengths of doing business in the downtown district as well as areas for improvement.
Executive Summary
Retaining and expanding businesses is imperative to the health of a community. DLSMS and LSEDC decided to join forces to gather the input of current businesses in the downtown district. The purpose of this project was to assess the current state of business in the downtown district and determine if DLSMS and/or LSEDC can assist the businesses with their needs. The downtown district is defined as the area between Market and Green Streets and 2nd and 4th Streets. One hundred and thirty-seven businesses were identified within this area. The results of the visits with the owners and/or managers of 39 (28%) of these businesses have been compiled into this report.

The majority (82%) of the companies interviewed have been in business 20 years or less:
- 32%    Five Years or Less
- 21%    Six – 10 Years
- 13%    11 – 15 Years
- 16%    16 – 20 Years

Fifty percent of the businesses interviewed represented the service industry, 47% retail businesses and 3% tourism trade. Eighty-two percent of the businesses interviewed are members of DLSMS, 18% are not members.

Overall, the businesses provided good news:
- 68% of businesses surveyed reported an increase in total sales; with a 40% increase in average value of an individual sale
- Ownership is stable, involved and connected
  - 95% - 97% have not had, nor do they anticipate a change in ownership
  - 97% have owner involved in day-to-day operations
  - 94% of owners/sales managers live in Lee’s Summit
- Supplier/Distributor relationships have remained stable
  - 86% have not experienced any negative changes in supplier/distributor relations in the past 2 years
  - 91% do not anticipate any change in the near future
- Workforce needs remain stable (58%) or are increasing (42%)
Strengths and Weaknesses
The owners visited were asked to identify Lee’s Summit strengths and weaknesses.

Community Strengths in the order of frequency:
Strong customer base-density/affluence (14); residents support local business/local businesses support each other (9); family values/small-town feel (7); ambiance/atmosphere of downtown (6); quality schools (5).

Community Weaknesses in order of frequency:
None (9 had none to note); more marketing of downtown/reduce perception problems of what downtown Lee’s Summit businesses can offer in quality and variety of products/services (9); market for their products is saturated in Lee’s Summit as a whole (3); parking (3); community cliques (2); the remaining answers (11) were individually unique and covered a broad spectrum of concerns.

Key Areas of Input
Here are the other key areas of input owners were asked to provide:
When asked what type of business/products their customers are looking for that they are currently not finding downtown, the responses primarily focused on more dining and shopping opportunities. The answers provided in order of frequency were: more restaurants, clothing/shoes and more upscale offerings in shopping/dining.

Community Services
Community Services were evaluated on a scale of 1 – 7.
The following services were rated Good to Excellent (5, 6 and 7):
Fire (98%); K-12 Schools (98%); Police (95%); Paramedic (92%); Healthcare (89%); Streetscape Maintenance (87%).

Rated below average (3, 2 and 1): Public Transportation (55%); additional 21% did not rate.

Ratings that may warrant need for more discussion/definition included those with a higher percentage of average or below (4, 3, 2 and 1) along with a significant number of did not answer/know: Regulatory Enforcement (82%); State workforce services through the Missouri Division of Workforce Development or the Full Employment Council (77%); Zoning changes and building permits (71%); Sign Regulations (61%).

Utilities were also evaluated on a scale of 1 – 7. The following were rated Good to Excellent (5, 6 and 7): Cellular Service (79%); Electric (79%); Sewer (79%); Waste Removal (76%); Natural Gas (76%); Telecom (76%); Water (75%); Internet Access (74%). The lowest ranking was given to Internet Speed with 65% ranking the service as good to excellent.

Achievements
What is your business’ greatest achievement in the last 3 years?
• Increased sales (13)
• Opened store/business survived economy; recognition/award for business/product (6 each)
• Relocated to downtown; significant new service(s) or business reorganization (3 each)

The goal of this survey process was to help identify issues and trends specific to the businesses in the downtown district. This data will be compiled with additional data collected by consultant Kennedy Smith to assist DLSMS and the City of Lee’s Summit staff in determining potential programs or services that can be implemented to improve the viability of businesses in downtown Lee’s Summit. A full set of recommendations is anticipated by the end of 2010.
Perceived Customer Demographic

- **Mode of transportation:**
  - 88% automobile
  - 12% pedestrian

- **Age:**
  - 3% under 18 years old
  - 5% age 18-24
  - 50% age 25-44
  - 32% age 45-54
  - 3% age 55-64
  - 7% did not know/answer

- **Sex:**
  - 58% both male and female
  - 29% female
  - 5% male
  - 8% did not answer

- **Type of customer:**
  - 4% tourist
  - 46% individuals
  - 31% family
  - 1% nonprofit
  - 1% government
  - 8% small business
  - 9% corporation

- **Income:**
  - 3% income under $15,000
  - 3% income of $25,000-$34,999
  - 24% income of $35,000-$49,999
  - 40% income of $50,000-$74,999
  - 13% income of $75,000-$99,999
  - 5% income of $100,000-$150,000
  - 12% did not answer/know

- **Approximate trade area:**
  - 34% reported 20 miles or fewer
  - 32% 21-50 miles
  - 26% 51-100 miles
  - 8% more than 100 miles

Stable Local Ownership/Management

Results from a series of questions regarding top management indicates the current ownership/management of the businesses is stable, involved in day to day business and resides within the Lee’s Summit community.
Overall, downtown businesses reported a loyal customer base with good support from Lee’s Summit residents. The support of this strong base has kept total sales stable or increasing. Business owners have also found the average value of an individual sale to be stable or increasing.

Eighty-five percent of the businesses surveyed reported their product/service price range as standard, with the remaining 15% reporting upscale product/service offerings.

**Total Sales**
- Increasing: 68%
- Stable: 16%
- Decreasing: 16%

**Average Value of Individual Sale**
- Increasing: 49%
- Stable: 40%
- Decreasing: 11%

Do you serve any special market niches or produce any customized products/services from this location?
The majority of the downtown businesses interviewed believe they offer specialized/customized products.

Has your product/service mix changed significantly in the past 3 years?
Though they may make slight merchandise/product changes, 57% of businesses reported no major changes.

**Special Market Niches**
- Yes: 76%
- No: 24%

**New Products in the last 5 years**
- Yes: 43%
- No: 57%

Is the business’ advertising/promotional budget increasing, stable, decreasing or nonexistent?
Advertising is predominantly stable or increasing. Sixty-six percent reported participating in cooperative advertising programs with other area businesses.
Legislative Changes
Do you anticipate any federal, state or local legislation changes that will adversely affect your business in the next 5 years?
Fifty-seven percent do not anticipate any negative impact to their business from legislative changes. Twenty-nine percent of all the businesses interviewed anticipate a negative impact from federal health care legislation/reform. Eleven percent stated either state/federal tax increases and/or budget cuts, and 3% did not answer.

Do you anticipate any federal, state or local legislation changes that will benefit your business in the next 5 years?
Twenty-five percent of the businesses anticipate legislation changes that will benefit their business. In the view of this 25%, the positive legislation in ranking order was: healthcare reform and estate tax/bankruptcy legislation.

Benefits
Does the business provide health/retirement benefits?
Sixty-nine percent of the businesses provide no health or retirement benefits to employees; 21% provide healthcare benefits and 10% provide 401K/profit sharing benefits.
**Historic Appeal and Unique Atmosphere**
The majority of buildings in the downtown district were built in the late 1800s and early 1900s. The recently renovated streetscape and newly added buildings continue to honor and complement the historic, small-town feel of the existing structures while adding up-to-date enhancements and technology, such as district-wide WiFi. 66% of the businesses rated the condition of their building as good to excellent.

**Facilities**

**Appeal and Functionality**
71% of the businesses indicated that the appeal and functionality of their facility was good to excellent.

**Age of Buildings**
![Pie chart showing the age distribution of buildings:
- Under 10 Years: 17%
- 11-25 Years: 5%
- Over 25 Years: 78%]

**Condition**

- **Excellent**: 34%
- **Good**: 37%
- **Average**: 24%
- **Fair**: 2%
- **Poor**: 3%

**Renovations and Expansion**
Does the business plan to expand or renovate this facility in the next 3 years? Only 19% of the businesses anticipate facility expansions or significant renovations.

- **Renovate**: 8%
- **Expand**: 11%
- **None**: 81%
Workforce

Ranked on a scale of 1–7 with 7 being the highest rating, workforce was rated mostly above average (scores of 5, 6 and 7).

Availability: 68% good to excellent
Quality: 57% good to excellent
Stability: 55% good to excellent
Productivity: 74% good to excellent

Projected employment needs

Are projected employment needs for this facility increasing, stable or decreasing?
The businesses interviewed indicated stable or increasing employment needs. None anticipate layoffs.
Fifty percent of the businesses interviewed represent the service industry, 47% retail businesses and 3% tourism trade. Eighty-two percent of the businesses interviewed are members of DLSMS, 18% are not members.

Participating Businesses

3rd Street Exchange
A Thyme for Everything
All A’Bloom
Bank of Lee’s Summit
Biggs Pest Control
Bike America
Blue Heron Design
Braces by Dr. Hansen
Budget Blinds
Cameron’s Home Furnishings
candid marketing & communications
Cinematic Visions
Data Processing Sciences Corp.
DeVouton, LLC
Doherty & Sullivan’s Irish Goods
Drayton Riley State Farm Insurance
Olinger Insurance Group
Pycior + Company
Good Looks
Guy Gronberg Architects, PC
Hidden Gallery
John’s Barber Shop
KC Metro Insurance
Law Offices of Jason Norbury, PC
Lift Above
LMS Wine Creators
The Living Stone
Maggie’s
Ms. Bears & Co.
Popy’s Ice Cream & Coffee House
Pulp Fiction Comics & Games
ReDiscover
Rusty Spur Couture
Scrapbook Boutique
The Peanut
Timekeeper’s Clock Shop
The Travel Source
Whistle Stop Coffee & Mercantile
Xpressions Boutique

Downtown Business Visit Team 2010

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