

# DOWNTOWN NEWTON

2015 MARKET STUDY

## EXECUTIVE SUMMARY



## DOWNTOWN NEWTON

NEWTON, IOWA

# IN VIEW

Newton, a Main Street Iowa Community, is exploring and pursuing exciting opportunities for the future of the community's traditional downtown business district.

Main Street Newton spearheaded the downtown market analysis process to promote an in-depth understanding of local and regional market conditions and trends impacting the downtown district's current economic performance and opportunities for the future. Information and direction gained throughout the market analysis process will provide a sound basis for local decision-making processes and strategies aimed at enhancing the Newton downtown business district.

This report highlights just a small sample of the knowledge and direction synthesized from data collected during the market analysis process. Similarly, the implementation strategy is only a starting point for a more comprehensive slate of projects that is likely to emerge as local leaders and stakeholders work together and continue to study the market.

As Newton Main Street moves forward, we will continue to involve partners, community leaders, business persons and residents in efforts to analyze and interpret the information collected through the market analysis process in order to develop a complete understanding of the findings and results — and the implications for downtown. The ensuing process will “dig deep” into the results and their meanings and incorporate local knowledge into the analysis and interpretation of the study's findings. Such a process will serve to aid in the development and implementation of strategies that are both market-driven and intrinsic to our community's goals and aspirations for the Newton Main Street District.



### Newton Main Street

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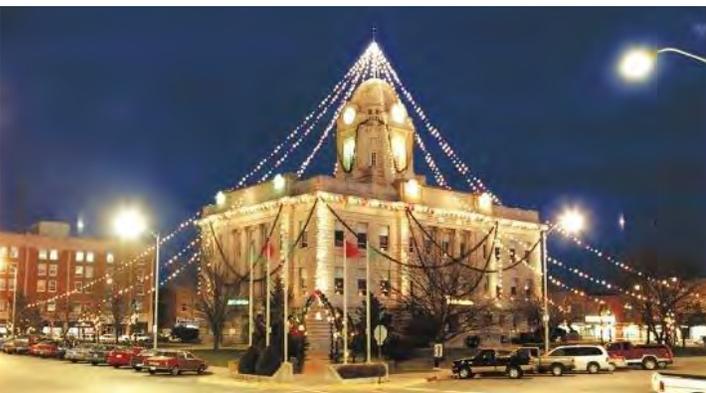


Many things make Newton great—location, small-town feel, a creative spirit, and the ability to dig in and do great things. Proximity to the Des Moines Metro area, a strong transportation system and outstanding municipal amenities position Newton as a key central Iowa community. The Newton Main Street District is located smack dab in the middle of town, and just two miles from Interstate 80 (“Iowa’s Main Street”).

Given its location and function, residents regard the District as the heart of the community. But the District has been jolted by shocks to the local and national economy in the past decade along with the shifting economic landscape faced by many traditional downtowns. Now the District is undergoing a transformation, from underutilized commercial area to revitalized neighborhood and social and commercial hub.

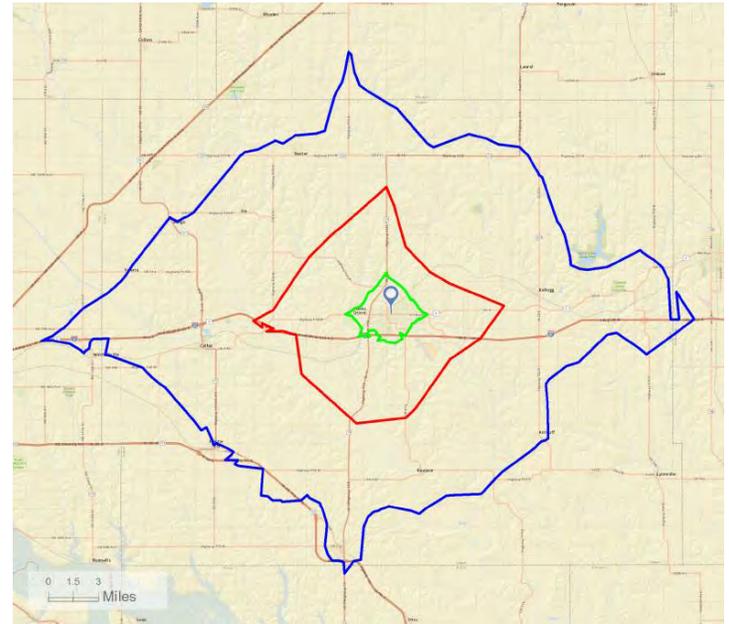
The District consists of nine blocks surrounding the Jasper County Courthouse square, plus several blocks east and west. The District includes frontage on 1st Ave. (Historic US Route 6)—which, with an average daily traffic count of nearly 10,000 vehicles, is Newton’s busiest stretch of road.

Just about anything a Newton resident needs can be found in the Main Street District. The District offers numerous independently owned small retailers and a comprehensive range of services. While historic commercial structures predominate, several buildings also supply second-floor living space—highlighted by the planned rehabilitation of the historic Hotel Maytag into a mixed-use building with market-rate apartments on the top three floors. The District is also home to many of the town’s religious institutions and governmental services, with City Hall located at the west edge, the public library at the north edge, and the restored Jasper County courthouse as the centerpiece.



**DOWNTOWN NEWTON DRIVE TIME MARKET**

# FAST FACTS



<b>Population</b>	<b>5 MIN</b>	<b>10 MIN</b>	<b>20 MIN</b>
2010 Census	13,978	18,055	30,366
2014 Estimate	13,710	17,789	30,322
2019 Projection	13,523	17,591	30,244
Change: 2014 – 2019	-1.4%	-1.1%	-0.3%

<b>Households</b>	<b>5 MIN</b>	<b>10 MIN</b>	<b>20 MIN</b>
2010 Census	6,178	7,788	12,257
2014 Estimate	6,076	7,704	12,269
2019 Projection	6,000	7,637	12,263
Change: 2014 – 2019	-1.3%	-0.9%	-0.0%

<b>Median HH Income</b>	<b>5 MIN</b>	<b>10 MIN</b>	<b>20 MIN</b>
2014 Estimate	\$39,980	\$41,438	\$46,359
2019 Projection	\$47,868	\$50,318	\$54,937
Change: 2014 – 2019	19.7%	21.4%	18.5%

Source: Esri



## DOWNTOWN MARKETING

Consumer rankings of media preferences showed the strong presence of the Newton Daily News (with weekday print and online editions), the internet and social media (especially Facebook) as resources for news, researching goods and services, and communicating with clients. The findings can provide direction for effective business and downtown marketing, promotion and cooperative advertising strategies, and for communicating news and proposals for improvements in the downtown area.

The internet can be a valuable resource for businesses, presenting the potential for businesses to expand trade areas well beyond local or regional geographies. About 12% of surveyed businesses currently transact sales through their own or another website. Businesses with collectible, specialty, and custom merchandise lines, in particular, can use websites like Amazon, eBay and Etsy, to market to the entire United States or even globally. Even traditional retailers and businesses carrying “staple” products are benefitting as more consumers shop online, compare products and services, and use it as a resource to find a local outlet or vendor where they can make their purchase.

A branding system for the Newton Main Street District is being developed and will be consistently deployed across a variety of media—including websites and internet applications—to enhance further awareness and create business connections to the Newton Main Street District brand. Businesses should be encouraged to “plug in” to the Newton Main Street website and social media sites, which can serve as portals, and to apply branding elements and extensions in their own electronic and print media to reinforce connections with the brand and build brand equity.

**Q: Of the following, which two (2) media and information sources do you most rely on for Newton area news and information?**

Consumers Responses	Percentage
Newton Daily News (newspaper)	66.5%
Social Media (Facebook, Twitter, etc.)	50.8%
Radio	23.8%
Jasper Co. Advertiser (shopper’s guide)	20.7%
Internet Website(s)	19.2%

Source: 2015 Downtown Newton Consumer Surveys. Top five responses shown.



## HOUSING OPPORTUNITIES

Consumer surveys show relatively strong interest in new housing options in the District. The findings lend encouragement for rehabilitation of existing housing and the development of new units.

**Q: Would you consider living in Downtown Newton?**

Responses	
Yes	9.9%
Maybe	20.2%
I live downtown	3.8%

Source: 2015 Downtown Newton Consumer Online Survey.

Those indicating they would consider living in the downtown expressed interest in a variety of housing styles, and in both owner- and renter-occupied units.

**Q: What kind of housing in Downtown Newton would you look for or consider?**

Responses	
Apartment	10.1%
Loft	23.6%
Condo	13.9%
Townhouse	13.0%
Senior Housing	4.8%

Source: 2015 Downtown Newton Consumer Online Survey. Multiple responses allowed.

Some of the best prospects for new housing in the District might be directed toward the development of units that are quite different from the current inventory of housing options available in the broader community. This could include styles taking advantage of the unique dimensions, layouts and materials found in the upper levels of the commercial buildings to create unique living space, and for higher-density, mixed-use development at potential redevelopment sites in the District and immediate surrounding area.



## VALUES AND PRIORITIES

Consumer and business survey respondents place a high value on possible efforts to create incentives for new and expanding businesses in the downtown area. Consumers also placed a high priority on efforts to restore and preserve the downtown’s historic character, while businesses placed the highest emphasis on efforts to improve the downtown’s streets, sidewalks, lighting, furnishing, green spaces, trails, etc.; and to restore and preserve the downtown’s historic character.

### Question

**Would you place a high, moderate or low priority on possible downtown Newton enhancement efforts to:**

**Consumers (C) and Businesses (B) Rating as a “High Priority”**

Enhancement Efforts	(C)	(B)
Create incentives for new and expanding downtown businesses	70.4% (1)	58.6% (2)
Restore and preserve the downtown’s historic character	51.8% (2)	45.3% (4)
Improve the downtown’s streets, sidewalks, lighting, furnishings, green spaces, trails, etc.	51.0% (3)	60.8% (1)
Stage additional festivals and special events in the downtown	48% (4)	45.9% (3)
Improve and/or create more housing in the downtown area	21.4% (5)	10.5% (5)

Source: 2015 Downtown Newton Consumer and Business Surveys.

Input regarding priorities for the Newton Main Street District generally aligns with suggestions offered by consumer and business survey respondents when asked, “What is the first thing you would do to improve Downtown Newton?” Economic restructuring initiatives, dominated by business recruitment and diversification of the business mix, ranked highly, followed by design-oriented subjects.

Consumers and businesses surveyed overwhelmingly identified features associated with the District’s historic character and buildings as the things they love most or would never change. The findings can lend direction for marketing and branding strategies that connect with the District’s tangible and intangible features and help to distinguish the District within the regional marketplace.

## BUSINESS OPPORTUNITIES

### Retail Targets

Market research findings provide general direction for various retail business types and merchandise lines that could be prime candidates and appropriate for expansion and recruitment in the Downtown Newton District. The implementation of economic development strategies is part of a comprehensive, long-term enhancement program that emphasizes business retention efforts and a series of initiatives that will make the District an even more attractive place to do business and invest.

Business types and merchandise lines that might be considered primary targets and candidates for expansion and recruitment, based on the existing business mix, trends in the marketplace, consumer and business survey findings and analysis of Esri retail data include:

- ▶ **Clothing and Clothing Accessories Stores**
  - Clothing Stores
  - Shoe Stores
  - Jewelry, Luggage and Leather Goods Stores
- ▶ **Food Services and Drinking Places**
  - Full-Service Restaurants
  - Limited-Service Eating Places
  - Drinking Places (Alcoholic Beverages)
- ▶ **Sporting Goods, Hobby, Books and Music Stores**
  - Sporting Goods/Hobby/Musical Instruments
  - Book, Periodical and Music Stores
- ▶ **Miscellaneous Store Retailers**
  - Gift, Novelty and Souvenir Stores
  - Used Merchandise Stores
  - Other Miscellaneous Store Retailers

### Office and Service Uses

Office and service uses are the primary draw for visitors to the District—about 84% of consumer online survey respondents indicated they visit the District at least once or twice a month for office and service-related purposes. These uses will continue to be important to the District in the future and should continue to be encouraged to locate within the District. Where appropriate and applicable, Newton Main Street and community development partners should work to locate these uses in buildings and spaces conducive to creating and maintaining a strong sense of retail vibrancy in the District.



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