

A Proposed  
Economic Development Strategy:  
The Greater Five Points Area  
Choice Neighborhood

Prepared For:  
The Choice Neighborhood Initiative of  
The Housing Authority of the City of  
New Bern, North Carolina



Thomas Point Associates, Inc.

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## *Executive Summary*

### ***Purpose***

This report presents an economic development strategy for the Greater Five Points Area Choice Neighborhood (“CN”), in New Bern, North Carolina. The plan of the New Bern Housing Authority (“NBHA”) for this area features extensive redevelopment of housing and improvements to the neighborhood. This study proposes an economic strategy to support the community vision.

### ***Background***

New Bern has a long history of planning and there has been a great deal of planning done for the Greater Five Points area. However, most of the work has focused on real estate issues in the core area rather than on the economy of the neighborhood. Now there is a wealth of material on the table that still needs to be digested. In this work we evaluate what has already been done and how it can contribute to a strategy, and to add to this a program for economic development of the Choice Neighborhood.

### ***Population and Economy***

The population of the Choice Neighborhood is approximately 10.9% of the City population. This population is distinct in its demographic profile:

- It has a large African-American majority (80%).
- Average household income (\$39,279) is 70% of the City figure (\$55,763).
- Participation in the work force (45%) is low compared to the City (47.3%).
- Unemployment measured by census figures is high: 571 unemployed of 2,444 residents over age 16 (23.4%) compared to 12% of the City and 8.5% of the County populations.
- There were 292 families with children below poverty level (28% of such families in the City) and 350 households headed by a woman with at least one child at home (29.5% of the city-wide figure).

The neighborhood has a diverse but limited economic base. The 117 establishments in the area employ a workforce of 768; there is just one establishment with more than 20 employees.

The strong employment sectors are highly concentrated in public services, (22 establishments and 338 jobs, or 44% of jobs in the area), healthcare and social assistance and real estate rental and leasing business. The largest economic impact comes from wholesale and retail trade which have total sales of \$38.5 million, or 38% of total sales in the area. The Choice Neighborhood is weak in “basic” (i.e., manufacturing) industries that tend to pay well and create spin-off jobs. Tourism is a small sector but has the potential to have a bigger impact.

The Greater Five Points has a very limited economic base of small businesses and public sector employers. While the market area is large the neighborhood itself has been shrinking in population and traffic. The City and County economies are growing, but slowly.

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### **Commercial Development Opportunities**

There are opportunities for new retail development in the Greater Five Points Choice Neighborhood. The overall retail “gap” of \$9 million is small in the context of the City as a whole but the potential for food and beverage, food service and drinking and non-store sales are positive indications of uses that will support residential redevelopment.

The greatest source of potential growth in the market is in the expansion of the downtown residential market. This will happen on the fringes of the Five Points area. It will bring higher incomes and spending potentials to the area. This expanded market will include retirees and others who want to have active/walking neighborhoods and twenty-somethings who want to live near downtown service jobs and can rent upper-floor walk-ups over stores.

Since the retail opportunity is limited, there is not enough demand to support retail redevelopment throughout the area and along the major streets. The strategy for the entire area should allocate specific opportunities based on the unique features, character and suitability of each street. The ultimate reinvention of the Gateway with appropriate commercial development will come over 10-20 years as a result of a broad array of specific actions and programs that bring new households to the area.

There are some population-serving office tenants that could locate in the Choice Neighborhood but demand is very limited. Offices associated with the Eastern Carolina Medical Center and the County could be attracted to the area as redevelopment proceeds. This could also be an excellent location for a small flex-warehouse complex if there were an appropriate site for this type of use.

There is just not enough underlying energy in the City and regional economy to expand the downtown at this time. The strategy for the next decade should be to create incentives for local area investment, grow community capacity for business development and position the four “core commercial streets” into a long-term framework for redevelopment. As these efforts proceed the City can structure offerings and negotiate deals on key real estate issues (Day’s Inn, downtown grocery, land acquisition, etc.), work on the best retail prospects, including the grocery and the small general store and create additional housing to support commercial development.

The commercial potential of the neighborhood is limited for the foreseeable future. Moreover, for successful redevelopment over the long term there will need to be a mix of businesses that serve the neighborhood as well as the larger market area. This lack of a market in the immediate neighborhood will prevail well into the future, regardless of streetscape improvements and beautification efforts. While the market now does not support short-term commercial redevelopment of the area, the Choice neighborhood will eventually again be a thriving part of the City.

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### **The Recommended Strategy**

This proposed strategy has four components (**Summary of Recommendations**, below). The first, the Neighborhood Development Strategy, addresses the neighborhoods around the core commercial area. The second, the Real Estate Development Strategy, addresses the implementation of real estate ideas in the greater Five Points area. The other two components are: organizing for implementation, and measuring progress..

### **Summary of Recommendations: Greater Five Points Area Economic Strategy**

Action	Responsibility/ Lead	Target Year
<b>Neighborhood Development</b>		
<i>1. Consensus Building</i>		
1 <i>Web Site</i>	NB Housing Authority	1
2 <i>Resident survey</i>	NB Housing Authority	1
3 <i>Newsletter</i>	NB Housing Authority	1
4 <i>Scheduled event</i>	NB Housing Authority	1
5 <i>Church summit/get-together</i>	NB Housing Authority	1
<i>2. Implementing Programs and Policies</i>		
1 <i>Workforce Development</i>	Craven Comm. Col.	1-
2 <i>Mobility improvements</i>	Craven Area Reg, Transport	1
3 <i>Day care evaluation</i>	E. Carolina Med. Ctr.	2
4 <i>Business networking</i>	Uptown Bus. Prof. Assn.	1
5 <i>CDBG coordination</i>	City Dev. Svces	1
6 <i>Retail promotion</i>	Swiss Bear	1-
7 <i>Time banking</i>	Uptown Bus. Prof. Assn.	2
8 <i>Historic resource promotion</i>	Conv. Visitors Bureau	2
9 <i>Urban farming</i>	Gr. Dufyfield Res. Council	2
10 <i>Business incubation</i>	Craven Comm. Col.	1
11 <i>Community development finance</i>	City Dev. Svces	2
<b>Real Estate Development</b>		
1 <i>Fountain</i>	City Dev. Svces	1
2 <i>Days Inn site acquisition/demolition</i>	City Dev. Svces	1-2
3 <i>Mixed-use project development</i>	City/Trans Venture Cap.	2-5
4 <i>Retail/mixed use redevelopment</i>	City/Swiss Bear	1-10
5 <i>Infill development</i>	City Dev. Svces	1-10
<b>Organizing for Implementation</b>	All	2
<b>Measuring Progress</b>	East Carolina Council	3

Source: Thomas Point Associates

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### ***The Neighborhood***

There are two challenges in this component of the strategy:

#### **1. Create a grass-roots consensus that will bring the political support required to make difficult decisions.**

There is a need to engender a ground-up understanding of economic development. Now the community is at a beginning level in this effort and there are many simple actions that can be taken to encourage a sense of common purpose and set the stage for action.

#### **2. Implement policies and programs that will improve economy and quality of life.** In this work we identify eleven areas in which it would seem possible to make significant long-term improvements to the economy of the Choice Neighborhood.

### ***The Commercial Core***

The second component of this strategy deals with real estate issues, mostly along Broad, Pollock, Queen and First Streets . The core commercial area has been studied at great length and now there may be a consensus emerging around a select group of projects. With public sector leadership these projects will transform the commercial area that is the heart of the Greater Five Points area. The **Summary** identifies five projects that should get concerted attention.

### ***Organizing for Implementation***

The neighborhood needs a leadership organization to represent its interests and translate them into program realities. The success of the entire effort will hinge to a great extent on the choice of the entity to lead it. There are several organizations and offices that have some of the skills and experience needed to take on this role. While each one can play a part in the process, none of them seems well-suited to the task of leading it. This will be an issue to address in the Choice Neighborhood planning process.

### ***Measuring Progress***

There should be a rigorous independent effort to measure progress associated with the economic development strategy. This should include an annual review with benchmarks and performance metrics, using quantitative measures such as numbers of high school graduates/GED recipients, jobs created or saved, tax impacts, crime rate improvements and increased retail sales and assessments that can be tracked on public information sources.

### ***Conclusions***

New Bern is a progressive City that has grown rapidly in recent years. There is much that can be done for the economic development of the Five Points area neighborhood. Now is the time for grass-roots efforts that address the underlying problems that lead to high and persistent unemployment. The concepts that we have proposed are still in preliminary form and we present them knowing that they need further discussion, refinement and community "buy-in."

# 1. Introduction

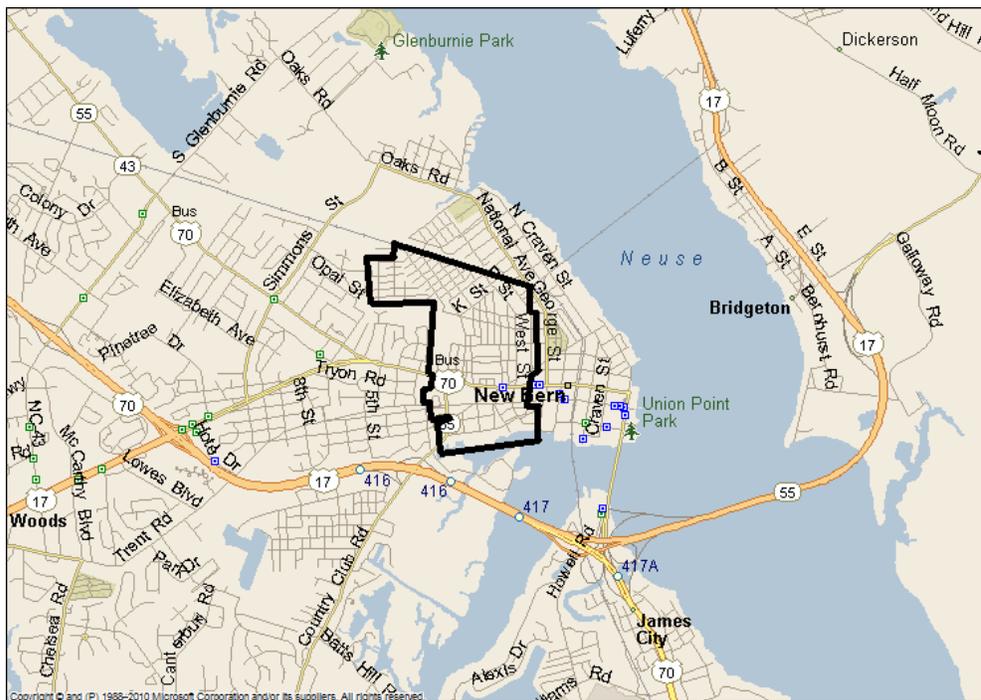
## 1.1 Overview

This report presents an economic development strategy for the Greater Five Points Area Choice Neighborhood (“CN”), in New Bern, North Carolina. The New Bern Housing Authority (“NBHA”) is planning the revitalization of this area. Its vision features extensive redevelopment of housing and improvements to the neighborhood. This study provides demographic and economic information and proposes an economic strategy to support the community vision.

## 1.2 Location

The CN area is roughly 462 acres with a population of approximately 3,282. The estimated 117 businesses in the area employ over 768 workers.

The Greater Five Points area is not one but numerous neighborhoods. It is bounded by the railroad along the northern edge, Bern Street and New Bern’s downtown historic district on the east, Lawson Creek on the south, and First Street on the west. The neighborhood has excellent regional access from both U.S. Highway 70 and Broad Street and is in fact “the gateway” for many residents and visitors coming to downtown New Bern. The area is made up of both commercial streets and historic neighborhoods



**Figure 1-1. New Bern Five Points Choice Neighborhood Location**

It includes the Craven Terrace and Trent Court public housing complexes as well as several older neighborhoods and the once-thriving commercial district along the Broad Street corridor.

### **1.3 Earlier Planning Work**

New Bern has a long history of planning and there has been a great deal of planning done for the Greater Five Points area. The list of ideas that have been considered is a long one. This history should be of interest in the current process for several reasons:

- It is important to understand what has worked and what hasn't, and what this means with respect to next steps.
- In the same vein, many in the community are frustrated that there is another study underway, going over the same ground. It seems important that we build on experience and not "reinvent the wheel."
- Some good ideas are still on the table. We would like to move the discussion along and understand what has kept them from being implemented.

#### ***A Consensus about the Greater Five Points Area***

Here we focus on roughly the last 15 years in which time a consistent view of the situation seems to have emerged. The Five Points area was once "lively and bustling," the center of a self-sufficient African-American community. There was a central place marked by a fountain, a strong commercial core with diverse businesses and services, and street car service on Queen St. Things changed in the 1950's when businesses started to move outside the core area, the trolley system shut down and many historic structures were demolished. The area continued to decline and at some point, around 2000, the community began a series of intensive planning efforts that tried to address the situation.

#### ***Past Plans***

The principal planning efforts in recent years are summarized below. In this brief summary we focus on the findings and recommendations related to economic development although we recognize that all the other elements---population, design, infrastructure, etc.----must be taken together.

- ***New Bern Urban Design Plan 2000***  
This was primarily an urban design plan but it included a market study and economic recommendations. The recommendations included: First St. streetscape improvements; new commercial development; a new/renovated grocery store; an auto service mall; and improvements to public housing. The need for new commercial development, including a grocery store, has been a consistent theme in much of the work done since then.
- ***Greater Duffyfield Community Development Strategic Plan (2001)***  
The plan, conducted under the US Dept. of Justice "Weed and Seed" program, resulted in creation of a Greater Duffyfield Residents Council. The principal economic goal was to promote the area as "investment-worthy." The Council

still exists and may be an important voice in the community. It has four working groups, one of which (“investment worthiness”) deals with economic development issues. The Council recently gained 501 c (3) status.

- ***New Bern Comprehensive Plan (2003)***

The Comp Plan had a city-wide scope. Its goal for the Duffyfield area was the revitalization of the area into a “mixed-use neighborhood providing expanded goods and services.” The vision of a mixed-use future in the core commercial area is an important part of the Gateway Renaissance Plan, the most recent study of this area.

- ***New Bern Comprehensive Bicycle Plan***

The plan presented the view that bicycling had the potential to serve an important role in the future development of the City. It recommended improvements to the Broad St. corridor including bicycle lanes and supportive bike facilities such as bike racks, signal clearance loops, maps, restrooms and water fountains to support a more bike-friendly community. This seems quite relevant to the Greater Five Points area in view of the lack of public transportation and the reliance of some residents on bicycle transportation.

- ***New Bern Vision 2038 (2008)***

This was the work of a Chamber of Commerce task force. The report recommended focusing on “the development of key nodes leveraged by public sector infrastructure and site assembly in order to maximize the change in market conditions and perceptions.” Project recommendations included:

- Five Points Center: a mixed-use center at Broad and Queen Sts.
- Public art and Five Points "Gateway" at Broad and Queen.
- Armstrong Convenience Center: expanded and revitalized grocery.
- Multi-family housing development.
- Auto-service mall at Pollock and Queen Sts.
- Outdoor market.
- Inner City shuttle.
- Fountain gateway construction.

The vision and general concept of implementation---leveraging public sector infrastructure---were sound and some of the development projects are still valid.

- ***Five Points Market Assessment and Strategic Plan (2009)***

Conducted under the direction of Swiss Bear this study identified 50,500 square feet of commercial space including some 15,000 square feet of vacant space. The study estimated demand for 80 to 100 market rate housing units through 2014, generated by young single renters, empty nesters, move-ups (singles, couples and family buyers) and downtown employees. It also estimated that up to 1,000 households could be eligible for affordable housing units if subsidies were available. On the retail side the study estimated that there would be net new demand for about 80,000 square feet of additional retail space in the Five Points area by 2014, much of this to be generated by food stores, fast food restaurants,

restaurants, a drugstore and health-related merchandise. This work raised short-term expectations for the Five Points area and the reality in 2014 is very different from the projections.

- ***New Bern Gateway Renaissance Plan (2012)***

This is the most recent plan for the Choice Neighborhood. It addresses the entire area but its primary focus was on the “brownfields sites” along Broad St. It proposed:

- A community empowerment center on the Days Inn property.
- An African-American heritage center on a brownfield site at Queen and Broad.
- A rebuilt fountain at Queen and Pollock.
- A new grocery store on the brownfield site at Broad and First Streets.
- New green spaces and a recreational path through the neighborhood connecting the river, community gardens, and public plazas.

Most components of this plan are still relevant to the Greater Five Points area.

- ***Economic Advisory Services Technical Memorandum, RKG Associates (2013)***

The City of New Bern retained a consultant (RKG) to review economic initiatives already identified and create a development plan to leverage public assets. Rather than develop new projects the City directed the consultant to evaluate projects already on the table and look at them in a unified framework. While this study did not focus exclusively on the Greater Five Points area, it took in all of the work of the past ten years, most of which itself addresses the Greater Five Points area. This latest work was the first to evaluate most of the ideas that had surfaced over the past fifteen years in a common analytic framework of financial and market realities.

Greater Five Points is an area in decline that has been studied at length. However, most of the work completed has a common focus on real estate issues in the core area rather than on the economy of the neighborhood. We found 8 studies conducted over the past 15 years, with very little measurable result. We agree: no more studies. Now there is a wealth of material on the table that still needs to be digested. In some cases there is already action on some of these ideas. In this work we try to evaluate what has already been done and how it can contribute to a strategy, and to add to this a program for economic development of the Choice Neighborhood.

## **1.4 New Research**

In evaluating conditions and issues we undertook the following activities:

- Interviewed Housing Authority and City staff in Planning and Economic Development Departments.
- Obtained current demographic and retail sales data on the neighborhood, the Greater Five Points area and the City.
- Interviewed community and business leaders on issues and opportunities.
- Met with representatives of diverse community organizations, including various neighborhood groups, churches and associations.

## **1.5 Organization of This Report**

The following sections of this report address different aspects of economic strategy:

- **Section 2** presents demographic and economic information about the market area. It includes census information about businesses in the neighborhood and traffic counts from the area.
- **Section 3** addresses the commercial development potential of the area.
- **Section 4** proposes an economic development strategy for the neighborhood.

## **1.6 Conclusions**

This proposed strategy is one part of a much larger effort that will take place over a lengthy planning period. There are some issues raised in this work that can only be resolved in that larger process. The intent of this effort is to provide a framework of data and ideas from which the community can create an economic development strategy that fits within the bigger planning process.

## 2. Demographic and Economic Analysis

### 2.1 Overview: Market Area Background

The subject of this analysis is the Greater Five Points Choice Neighborhood (Figure 2-1). While the neighborhood is the central focus, it is important to see the neighborhood in the context of the larger areas since its redevelopment will reflect broader community-wide conditions and influences.



*Fig. 2-1. The Greater Five Points Choice Neighborhood*

In the demographic analysis that follows we compare the Choice Neighborhood to a Five Points “market area” (i.e., the area within a ten-minute drive radius of the intersection of Queen and Broad Sts.) and the City of New Bern. This larger area is the true market area for redevelopment in the commercial core of the Greater Five Points area, determined by drive time (10 minutes) rather than distance or neighborhood boundaries.

### 2.2 Demographic Profile

The demographic information provides a framework for evaluating neighborhood features and commercial development potentials and is the basis for the analysis of development potential in Section 3.

#### *Population*

Exhibit 2-1 shows populations in the Choice Neighborhood compared to the market area

and the City of New Bern. The City grew rapidly (19.5%) in population in the 2000-2010 period while the Choice Neighborhood declined by 3.8%. Growth has continued in the City since 2010, and the Choice Neighborhood has continued to decline. The projections (2014-2019) in Exhibit 2-1 are based on 2000 and 2010 Census figures. Recent trends are expected to continue. Until there is an effective redevelopment strategy in place the Choice Neighborhood is likely to decline in population while the City continues to grow.

**Exhibit 2-1**

**Population, 2000-2018: Choice Neighborhood, Market Area and City of New Bern 1/**

	<i>Choice Nbd.</i>	<i>Five Points Market Area</i>	<i>City</i>
<b>Population</b>			
2019 Projection	3,214	36,587	31,249
2014 Estimate	3,282	35,717	30,190
2010 Census	3,384	35,312	29,524
2000 Census	3,517	31,219	24,713
<b>Change</b>			
2014-2019	-2.07%	2.44%	3.51%
2010-2014	-3.02%	1.15%	2.26%
2000-2010	-3.79%	13.11%	19.47%

Source: The Nielsen Company; Thomas Point Associates, Inc.

1/ **Choice Nbd.** is "Greater Five Points area."

**Five Points Market Area** is area within 10-minute drive of intersection of Broad and Queen Sts.

***Demographic Characteristics***

The Choice Neighborhood population represents 10.9% of the City population. The two populations (Exhibit 2-2) are similar to and different from each other and from the US population as a whole in some important ways:

- The Choice Neighborhood has a large African-American majority (80%) compared to the City (32%).
- Median age is significantly lower in the CN than in the City, by 5.3 years.
- Average household income (“AHI”) in the CN is 70% of the City AHI and 55% of the national figure (\$71,320).
- Participation in the labor force in the CN (44.9%) is relatively low compared to the City (47.3%).
- Unemployment measured by census figures is high: 571 unemployed of 2,444 residents over age 16 (23.4%).
- Household patterns have a big impact on economic conditions. There were 292 families with children below poverty level and 350 households headed by a woman with at least one child at home.

- The City population, including the CN, is different from the US population in some important respects:
  - Its Hispanic population is just 7% of total population, compared to 17.6% in the US.
  - The City's Asian population is 3.7% of its total, versus 5% in the nation.

**Exhibit 2-2**

**Demographic Characteristics, 2014:  
Choice Neighborhood, Market Area and City of New Bern**

Description	Choice Nbd.		Five Points M/A		City	
	No.	Perc.	No.	Perc.	No.	Perc.
Population Estimate	3,282		35,717		30,190	
Pop by Single Race Class						
White Alone	476	14.50	22,977	64.33	17,488	57.93
Black or African American Alone	2,621	79.86	9,695	27.14	9,722	32.20
Population by Sex						
Male	1,479	45.06	16,860	47.20	14,183	46.98
Female	1,803	54.94	18,857	52.80	16,007	53.02
Median Age	33.5		41.5		38.8	
Average Household Income	\$39,279		\$62,115		\$55,763	
Median Household Income	\$26,420		\$47,292		\$42,902	
Average Household Size	2.18		2.26		2.25	
Pop Age 16+ by Employment Status	2,444		28,597		23,753	
In Armed Forces	16	0.65	383	1.34	334	1.41
Civilian - Employed	887	36.29	13,869	48.50	11,108	46.76
Civilian - Unemployed	571	23.36	2,944	10.29	2,849	11.99
Not in Labor Force	970	39.69	11,400	39.86	9,462	39.83
Avg Travel Time to Work in Minutes	18.26		20.52		20.67	
Median Owner-Occ. Housing Value	\$120,961		\$167,128		\$152,350	

Source: The Nielsen Company; Thomas Point Associates, Inc.

***Education***

According to community leaders the level of education is a major problem for many in the Choice Neighborhood and census figures (Exh. 2-3) confirm this.

Exhibit 2-3

**Educational Attainment, Pop. Age 25+, 2014:  
Choice Nbd., City of New Bern and Craven County**

	<i>Choice Nbd.</i>		<i>City</i>		<i>County</i>	
	No.	Perc.	No.	Perc.	No.	Perc.
	2,040		20,658		69,305	
Less than 9th grade	92	4.5	614	3.0	1,744	2.5
Some High School, no diploma	387	19.0	2,740	13.3	7,171	10.3
High School Graduate (or GED)	664	32.5	5,470	26.5	20,133	29.0
Some College, no degree	408	20.0	4,992	24.2	18,138	26.2
Associate Degree	164	8.0	2,153	10.4	7,467	10.8
Bachelor's Degree	229	11.2	3,313	16.0	10,269	14.8
Master's Degree	63	3.1	1,041	5.0	3,322	4.8
Professional School Degree	16	0.8	215	1.0	687	1.0
Doctorate Degree	17	0.8	120	0.6	374	0.5

Source: The Nielsen Company; Thomas Point Associates, Inc.

The total number of residents age 25 and older with no high school diploma or equivalent is 479, 23.5 % of the area population. This is 7% higher than the City and 10% higher than the County. It is this specific group of people (as well as the uneducated who were not counted in the Census) who represent the biggest single challenge to economic development in the Choice Neighborhood. The Uptown Business Professional Association has been trying to address this problem for 15 years. It is difficult work and the Association has managed to get just three individuals to completion of the GED in the past three years.

***Occupations of Residents***

New Bern has a concentrated economy that is growing slowly. There were 859 jobs added in the entire County in the years 2001-2010, indicating an annual growth rate of 0.3%. As discussed in the Craven County economic strategy:

“A majority of the County's private sector employment is concentrated in three sectors which include Health Care (20%), Retail (13%), and Accommodations and Food Services ( 12%), which accounted for 45% of total employment in 2010. Other significant concentrations are found in the Manufacturing (9%) and Professional and Technical (6%) sectors.

Employers are categorized by two major groups, Department of Defense (DoD) and Non-DoD. ... DoD is the most significant employer in Craven County, accounting for over 61% of the at-place employment in this group. The remaining 11 major employers account for an additional 8,700 workers. Four of these employers are public sector or governmental entities which account for about 43% of the non-DoD major employers' total number.”

Exh. 2-3 shows the occupations of residents of the Choice Neighborhood and the City. The Choice Neighborhood is heavily represented in two occupations, food preparation/serving and sales which together account for a third of the occupations of all residents:

The prominence of jobs in these categories may reflect the proximity of restaurants and tourist-oriented stores in the downtown.

There are several high-growth occupations in which the employment of neighborhood residents is relatively low:

- Healthcare services and support.
- Personal care and services.
- Office administration/support.

These are growing occupational categories that could offer good prospects for continued growth in the current decade and beyond. The presence of the East Carolina Medical Center, a 350-bed hospital on Neuse Boulevard just west of the neighborhood, suggests that there may be more opportunities for health care employment.

It is surprising that, since the Choice Neighborhood is centrally located in the region, the average travel time to work of residents (18.3 minutes) is only slightly shorter than the comparable City (20.7 min.) figure. There was not one resident of the Choice Neighborhood who reported taking public transportation to work, and only 8.5% said that they walked to work. Nearly two-thirds (62.8%) reported that they drove alone. Since 35% of households in the Neighborhood have no vehicle, and there is essentially no public transportation, and jobs within walking distance are scarce, the lack of mobility is a sentence of unemployment for a significant number of households.

Exhibit 2-3

**Occupations of Residents, 2014:  
Choice Neighborhood, Market Area and City of New Bern**

	<i>Choice Nbd.</i>		<i>Five Points M/A</i>		<i>City</i>	
	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>
Pop 16+ by Occupation	970		14,391		11,596	
Architect/Engineer	3	0.31	408	2.84	332	2.86
Arts/Entertain/Sports	12	1.24	145	1.01	124	1.07
Building Grounds Maint	52	5.36	553	3.84	396	3.41
Business/Financial Ops	24	2.47	410	2.85	390	3.36
Community/Soc Svcs	43	4.43	667	4.63	547	4.72
Computer/Mathematical	10	1.03	111	0.77	104	0.90
Construction/Extraction	44	4.54	675	4.69	479	4.13
Edu/Training/Library	32	3.30	888	6.17	800	6.90
Farm/Fish/Forestry	5	0.52	183	1.27	153	1.32
Food Prep/Serving	192	19.79	1,656	11.51	1,406	12.12
Health Practitioner/Tec	49	5.05	1,001	6.96	704	6.07
Healthcare Support	71	7.32	633	4.40	609	5.25
Maintenance Repair	33	3.40	692	4.81	556	4.79
Legal	6	0.62	115	0.80	78	0.67
Life/Phys/Soc Science	4	0.41	38	0.26	33	0.28
Management	43	4.43	1,110	7.71	748	6.45
Office/Admin Support	51	5.26	1,264	8.78	994	8.57
Production	59	6.08	769	5.34	692	5.97
Protective Svcs	23	2.37	442	3.07	366	3.16
Sales/Related	126	12.99	1,892	13.15	1,479	12.75
Personal Care/Svc	12	1.24	183	1.27	135	1.16
Transportation/Moving	75	7.73	554	3.85	471	4.06
Pop 16+ by Occupation Classification	970		14,391		11,596	
Blue Collar	211	21.75	2,691	18.70	2,198	18.95
White Collar	403	41.55	8,049	55.93	6,333	54.61
Service and Farm	355	36.60	3,651	25.37	3,065	26.43

Source: The Nielsen Company; Thomas Point Associates, Inc.

***Housing***

The Choice Neighborhood is unique in the character of its housing market:

- Rental housing makes up the majority of units in the Choice Neighborhood (79.3%), in contrast to the City of New Bern (43.8%) and the US (35%).
- The Choice Neighborhood has a relatively more stable population. Residents of the area stay longer in both owned (19.6 years) and rented (7.8 years) housing than do residents citywide.
- The median value of owner-occupied housing in the study area (\$120,961) is just 79.4% of the City figure (\$152,350).

Exhibit 2-4

**Housing Characteristics, 2013:  
Choice Neighborhood, Market Area and City of New Bern**

	<i>Choice Nbd.</i>		<i>Five Points M/A</i>		<i>City</i>	
	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>
All Housing Units						
Owner Occupied	372	25.69	9,438	61.08	7,372	56.18
Renter Occupied	1,076	74.31	6,014	38.92	5,751	43.82
Avg. Length of Residence						
Owner Occ. Units	19.6		18.5		17.4	
Renter Occ. Units	7.8		7.2		7.2	
All Owner-Occupied Housing Values	372		9,438		7,372	
Value Less than \$20,000	16	4.30	563	5.97	475	6.44
Value \$20,000 - \$39,999	25	6.72	267	2.83	226	3.07
Value \$40,000 - \$59,999	10	2.69	245	2.60	203	2.75
Value \$60,000 - \$79,999	28	7.53	368	3.90	322	4.37
Value \$80,000 - \$99,999	68	18.28	753	7.98	690	9.36
Value \$100,000 - \$149,999	91	24.46	1,946	20.62	1,712	23.22
Value \$150,000 - \$199,999	46	12.37	1,685	17.85	1,234	16.74
Value \$200,000 - \$299,999	39	10.48	1,865	19.76	1,337	18.14
Value \$300,000 - \$399,999	17	4.57	692	7.33	484	6.57
Value \$400,000 - \$499,999	16	4.30	534	5.66	397	5.39
Value \$500,000 - \$749,999	10	2.69	401	4.25	227	3.08
Value \$750,000 - \$999,999	1	0.27	46	0.49	16	0.22
Value \$1,000,000 or more	4	1.08	73	0.77	49	0.66
Median Owner-Occupied Housing Value	\$120,961		\$167,128		\$152,350	
Median Year Structure Built	1959		1981		1,981	

Source: The Nielsen Company; Thomas Point Associates, Inc.

**2.3 Business Profile**

There is a modest level of business activity in the Choice Neighborhood(Exhibit 2-4). The 117 establishments employ a workforce of 768 and had total sales estimated at \$101 million; only one establishment has more than 20 employees. The area includes businesses and institutions along the commercial corridors on Broad and Queen Sts. and along First St.

Exhibit 2-5

**Business Information by Standard Industry Code, 2014:  
Greater Five Points Choice Neighborhood, New Bern, NC**

Business Description	NAICS	Ests.	Emps.	Sales (MM's)	Ests.
	Code				>99 Emps.
Agriculture, Forestry, Fishing and Hunting	11	0	0	0	0
Mining, Quarrying, and Oil and Gas Extraction	21	0	0	0	0
Utilities	22	0	0	0	0
Construction	23	5	37	9.6	0
Manufacturing	31-33	2	9	2.4	0
Wholesale Trade	42	3	19	30.7	0
Retail Trade	44-45	12	43	7.8	0
Transportation and Warehousing	48-49	4	22	1.5	0
Information	51	2	4	.7	0
Finance and Insurance	52	7	4	2.2	0
Real Estate and Rental and Leasing	53	9	101	26.9	0
Professional, Scientific, and Technical Services	54	5	8	.9	0
Management of Companies and Enterprises	55	0	0	0	0
Educational Services	61	1	2	0	0
Healthcare and Social Assistance	62	15	222	13.0	1
Arts, Entertainment, and Recreation	71	3	17	.9	0
Accommodation and Food Services	72	5	33	1.6	0
Other Services (except Public Administration)	81	38	133	2.6	0
Public Administration	92	6	114	0	0
Total		117	768	101	1

Source: The Nielsen Company; Thomas Point Associates, Inc.

The strong employment sectors are highly concentrated:

- Public sector employment (education, justice, human resources, health services, social services) is a major source of employment. Together these sources account for 22 establishments and 338 jobs, or 44% of jobs in the area.
- The Healthcare and social assistance category is the largest single employment category (222 employers).
- Service businesses (38 establishments) employ 133 workers.
- Real estate, rental and leasing business is a major employer (101 workers).
- Wholesale and retail trade have the largest economic impact, with total sales of \$38.5 million, or 38% of total sales in the study area.

The data indicate that the Choice Neighborhood is weak in “basic” (i.e., manufacturing) industries that tend to pay well and create spin-off jobs. The total sector comprises just 2 companies and 9 jobs. The two manufacturing companies are in different industrial sectors:

- Food and kindred products
- Electronic equipment.

Exhibit 2-5 identifies the types of businesses that are not present in the area. It is surprising that there is no financial institution or financial service business, including insurance and investment offices, located in the area. However, the neighborhood is adjacent to the downtown and these services are represented there.

#### Exhibit 2-6

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### **Businesses Not Represented: Greater Five Points Choice Neighborhood, New Bern, NC**

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Furniture and Home Furnishing Stores  
Electronics and Appliance Stores  
Building Material and Garden Equipment and Supplies  
Clothing and Accessories Stores  
Sporting Goods, Hobby, Musical Instrument, Book Stores  
Postal Service  
Warehousing and Storage  
Publishing  
Motion Picture and Sound Recording Industries  
Telecommunications  
Data Processing, Hosting, and Related Services  
Monetary Authorities-Central Bank  
Rental and Leasing Services  
Waste Management and Remediation Services

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Source: The Nielsen Company; Thomas Point Associates, Inc.

Service business opportunities exist in the community according to some community leaders:

- Culinary arts.
- Personal/beauty care.
- Pet care.
- Home care.
- Home and auto detailing.
- Medical coding.

### ***History and Tourism***

New Bern has historic importance as an early European settlement. It was the seat of North Carolina colonial government and, briefly, the State capitol, an important port in the "Triangle Trade" of sugar, slaves and finished goods and the center of the lumber industry in the State in the 1800's

Now the City has 850 hotel rooms and draws roughly 1.5 million visitors annually. A leading attraction is the Tryon Palace and the adjacent NC History Center, on South Front St. just a block from the Choice Neighborhood. The Greater Five Points area was once a center of a thriving African American community and is the location of various historic structures that are part of a Heritage Walking Tour that the Craven County Convention and Visitors Bureau promotes:

- Amelia Green House
- John Wright Stanley House
- St. Joseph's Catholic Church
- Good Shepherd Hospital
- William Mann House
- St. Peter's AME Zion Church
- Rhone Hotel
- George H. White House
- John Green House
- King Solomon's Lodge Number One
- Stanly-Bishop House

In 2008 the Uptown Business and Professional Association, working with New Bern Tours, created a Trolley Tour through the Five Points area. Known as "The Trail of Flames" the tour marked the impact of the Great Fire of 1922 that destroyed nearly one-fourth of the City including most of the Greater Five Points area. The tour attracted interest but was suspended two years ago as the Association began to reevaluate its mission.

## ***2.4 Vehicular Traffic***

Traffic is an important aspect of neighborhood activity and a major indicator of commercial development potential. Traffic volumes are relatively light throughout the area except on Neuse Boulevard (Business 70) and Routes 17/70. Overall, traffic in the Greater Five Points Gateway has decreased slightly over the past 10 years at most of the locations identified in Exhibit 2-6 (traffic count locations are shown in Figure 2-2).

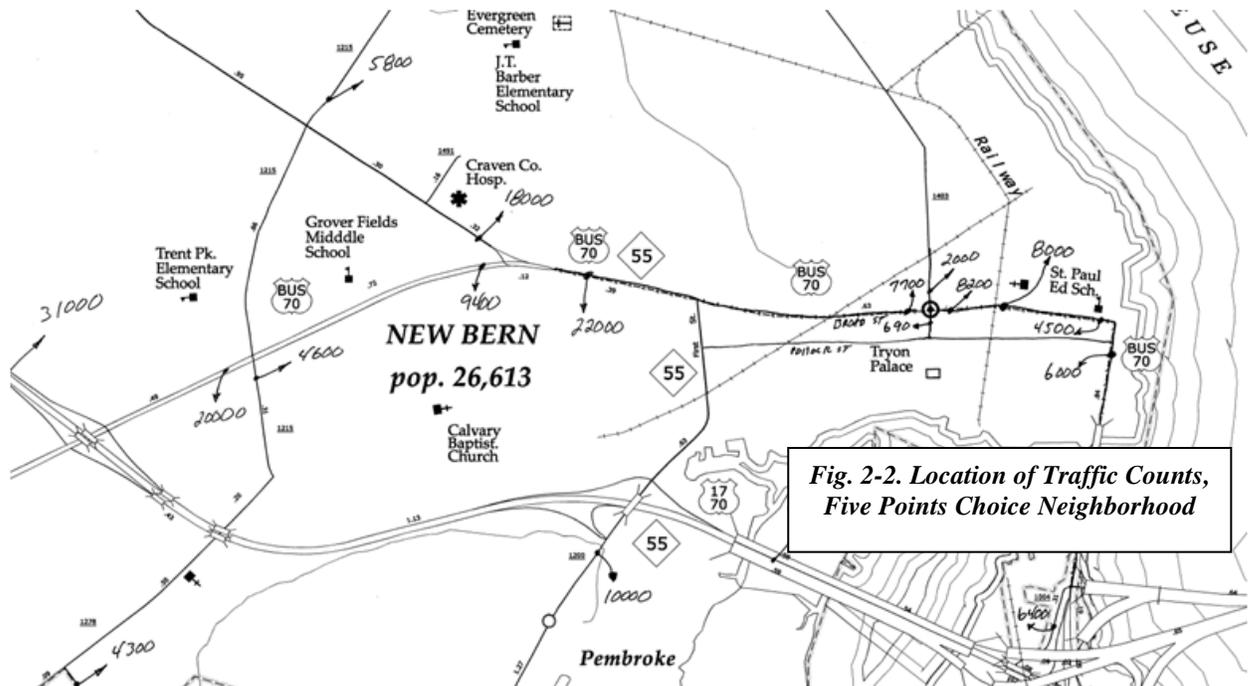
## Exhibit 2-7

### Traffic Counts, Selected Locations, City of New Bern, N.C. AADT\*, 2006-2012

Map Key	At:	2012	2011	2010	2009	2008	2007	2006
Broad St.								
1	East of Hancock (Downtown)	6,900	8,200	8,900		9,400	13,000	8,900
2	West of Hancock (Five Points)	7,100	7,700	8,800		9,200		8,500
Neuse Blvd. (Business 70)								
3	West of SR 55	19,000	22,000	21,000	23,000	21,000	24,000	21,000
4	Hospital Drive	15,000	18,000	16,000	18,000	13,000	12,000	15,000
Route 17/70								
5	East of SR 55	56,000	56,000	60,000	61,000	56,000	60,000	54,000
6	North of MLK Interchange	31,000		30,000				31,000
SR 55 (First St.)								
7	Betw. 17/70 and Broad	8,200		12,000		11,000		11,000
MLK Blvd								
8	Degraffenreid Ave.	7,900	9,400	8,900	9,600	8,900	11,000	9,200

Source: North Carolina Dept. of Transportation

\*Average Annual Daily Traffic



The Craven Area Rural Transit System (CARTS) provides a dedicated loop service within New Bern as well as schedulable custom service throughout the 3-county area (2-day advance notice typically required). CARTS also provides transportation to regional medical centers in Durham, Chapel Hill, and Greenville. While the agency specializes in service for the elderly and handicapped, access is available to the general public. Fares range between \$1.00 and \$6.75 depending on traveled distance. On-demand service

operates weekdays between 5 AM and 6 PM except holidays (dialysis routes operate on holidays) and carries about 400 one-way fares per day. Loop service averages 45-minute headways (12 runs between 8am-5pm) and carries about 85 one-way fares per day.

CARTS service is limited and could be expanded to better serve the community if its subsidies were increased.

## **2.5 The Five Points Commercial District**

The recently prepared “Renaissance Plan” (2013) presented a physical plan for the Greater Five Points area. It gave significant attention to the commercial area that was once the core of the neighborhood. While it is continuing to decline it is still the business center of the neighborhood and the location for most of the 117 businesses in the area. The descriptions of the key commercial streets are relevant in this work:

- Broad Street is “one of New Bern’s primary main streets...It contains the bulk of the study area’s businesses and connects directly to Downtown New Bern as well as the westerly shopping districts and medical facilities. The streetscape was recently upgraded and now accommodates pedestrians, bicycles, and on-street parking. The major brownfield sites within the study area reside along Broad Street so it could become host to some of the area’s most immediate redevelopments if the City secures state and/or federal brownfield-related development grants.”
- Pollock Street “parallels the primary corridor as a second major entranceway into historic Downtown with a more distinctively “neighborhood” character. It currently contains a mix of small retail, commercial, and residential uses, creating an eclectic environment at a walkable scale. As with Broad Street, however, there are still issues with vacancy and underutilized infrastructure.”
- Queen Street “crosses the center of the historic African-American business district. It connects Broad and Pollock at an angle to form the “Five Points” district. Historic, one- and two-story commercial structures north of Broad Street preserve the original commercial character and should inform future development efforts.”
- First Street, “a major entranceway into the study area and historic downtown beyond, transitions from a regional artery to a potentially more local thoroughfare as it crosses Pollock and dead-ends into Broad. Currently, few businesses or pedestrian-oriented facilities line First Street but, as two brownfield sites flank its connection to Broad, the opportunity exists to change this.”

## **2.6 Neighborhood Strengths and Weaknesses**

In the current situation the principal strengths of the area are the following:

- The Choice Neighborhood location is near the center of the City. A portion of the historic downtown is within the area, and all of the downtown is within walking distance. As the City continues to grow the Greater Five Points area will become more important as a place to live and do business. There is a

small core of businesses that remain in the Five Points area. The 117 establishments employ a workforce of 768. Some of these companies have a long history in the area. The retention and expansion of this base can be the core of an economic strategy.

- Several actions by the City taken in recent years have been significant---small but positive steps that have brought new attention to the area:
  - Improvement of drainage.
  - Construction of a new fire station.
  - Alignment of a major intersection on Broad St.
  - Purchase of properties for redevelopment.
  - Streetscape improvements on Broad St.
- The road network that connects the area with other parts of the City and the region is good. Two main thoroughfares, ....connect other parts of the City.
- The historic downtown district brings more than 1.5 million tourists yearly into the area. While these visitors presently may have only a modest economic impact on the CN, this attraction represents a major economic opportunity for the businesses that serve visitors. There are also some historic sites within the Gateway that have potential as attractions themselves.
- The area retains a fabric of interesting buildings and properties and some structures have preservation value . The retail potential figures (Section 3) indicate that there is limited opportunity for redevelopment. As residential redevelopment efforts take hold, the additional population will bring increased support for stores and services.

At the same time there are important weaknesses to address:

- There is a core group of unemployed residents, roughly 600 adults, for whom the challenge of finding jobs poses very difficult barriers:
  - Low levels of education.
  - Lack of mobility, by personal auto or public transportation.
  - A need for day care for single-parent households.
  - Criminal record barriers: while we found no data on the number of residents who have criminal records, several community leaders have the view that this is a serious problem for many unemployed.
- Market power in the neighborhood is weak. Lack of buying power (discussed in Section 3) is reflected in low average household income.
- The Choice Neighborhood is yet to be engaged in the redevelopment effort. There is a need for a team effort to address the process, and all the important entities must be committed. There are some strong institutions in the neighborhood, notably the churches, that can be enlisted in implementation.
- There are former retail properties that do not have good retail prospects in the current market and in the foreseeable future. In some cases the only viable alternative may be redevelopment for other uses.
- The City's economic development resources are limited. There is no central focus for the diverse property redevelopment issues in the Choice Neighborhood that are crucial to its future. Nor is there a business

retention/expansion program in place in the City that asks businesses and owners and managers about their needs and plans.

- The situation is similar with respect to workforce development. There seems to be a vacuum in thinking and coordination on this subject. There are interested parties but no apparent leadership.

Based on these findings we see various opportunities on which an economic strategy (Section 4) can be based for the entire area and for the individual commercial corridors.

## **2.7 Conclusions**

The population of the area is approximately 10.9% of the City population. If past trends continue, this will be a declining population. However, with the Choice Neighborhood Initiative, new housing and population are expected.

The population is distinct in its demographic profile:

- It has a large African-American majority (80%).
- Average household income is 70% of the City figure.
- The participation in the work force (45%) is low compared to the City.

The neighborhood has a diverse but limited economic base. The 117 establishments employ a workforce of 768; just one establishment has more than 20 employees.

The strong employment sectors are highly concentrated in public services, (22 establishments and 338 jobs, or 44% of jobs in the area), healthcare and social assistance and real estate, rental and leasing business. The largest economic impact comes from wholesale and retail trade which have total sales of \$38.5 million, or 38% of total sales in the study area.

The data indicate that the Choice Neighborhood is weak in "basic" industries that tend to pay well and create spin-off jobs. The two manufacturing companies are in different industrial sectors, food and kindred products and electronic equipment.

Tourism is relatively weak but has the potential to have a bigger impact. There are important historic resources in the area. The history of the area still needs to be told in terms of preservation as well as signage.

Traffic is light throughout the area and has been declining in recent years. The main traffic flows through the market area are east-west on Broad St. High traffic volumes are present on Neuse Boulevard and Route 70 at locations just outside the study area.

The Greater Five Points study area economy reflects a very limited economic base of small businesses and public sector employers. While the market area is large the neighborhood itself has been shrinking in population and traffic. The City and County economies are growing, but slowly. It will take time---decades---to redevelop this area. In the next section we address the commercial markets and the extent to which market forces can effect area redevelopment.

### 3. Market Conditions

#### 3.1 Overview

This section addresses commercial development issues and potentials for property in the commercial core of the Greater Five Points area. While our focus is on the Choice Neighborhood, the central location and its proximity to the downtown make the area a location of regional importance. For this reason we examine a larger market area that extends out to a 10-minute drive. This analysis evaluates whether there is market demand for additional stores and services.

#### 3.2 Commercial Development

##### 3.2.1 Retail Demand

Exhibit 3-1 identifies the “retail opportunity gap” in 3 geographic areas (Choice Neighborhood, Five Points Market Area and the City of New Bern) and by 14 retail categories. The retail opportunity gap is the difference between actual retail sales and demand estimated by spending by market area population and visitors.

Exhibit 3-1

#### **Retail Opportunity Gap 1/, 2014: Choice Neighborhood, Five Points Market Area and City of New Bern**

	Choice Neighborhood	Five Points Market Area*	City of New Bern
Total Retail Sales	9,023,936	(582,167,262)	(566,142,812)
Motor Vehicle and Parts Dealers-441	2,326,985	(114,284,886)	(162,148,164)
Furniture and Home Furnishings Stores-442	(177,607)	(12,494,135)	(15,805,489)
Electronics and Appliance Stores-443	688,153	6,315,752	3,458,075
Building Material, Garden Equip Stores -444	2,904,047	(66,414,965)	(46,461,846)
Food and Beverage Stores-445	3,017,535	5,104,516	2,419,422
Health and Personal Care Stores-446	(2,761,053)	(72,437,229)	(68,255,552)
Gasoline Stations-447	(656,398)	(59,783,759)	(59,231,374)
Clothing and Clothing Accessories Stores-448	1,709,844	9,810,451	5,368,226
Sporting Goods, Hobby, Book, Music Stores-451	(1,079,216)	(98,985,724)	(112,163,136)
General Merchandise Stores-452	2,529,303	(52,076,563)	(54,633,390)
Miscellaneous Store Retailers-453	141,897	(30,397,711)	(32,581,359)
Non-Store Retailers	3,405,653	(40,379,151)	39,581,808
Foodservice and Drinking Places-722	(3,025,207)	(56,143,856)	(65,690,033)
GAFO 2/	3,541,000	(165,999,512)	(194,262,953)

Source: Nielsen Inc.: Thomas Point Associates, Inc.

\***Five Points Market Area** is area within 10-minute drive of intersection of Broad and Queen Sts.

1/ Gap is difference betw. actual sales and demand; positive figure represents sales gap.

2/ Department store sales, not included in specific categories.

When demand is greater than actual sales, the difference (or “gap”) is a positive number, indicating that there is unmet demand and that there may be an opportunity to make more sales in that area in the specific retail category identified. In situations where demand exceeds sales, there is an “outflow” of sales, meaning that residents are traveling outside the area to purchase a specific product. When sales exceed demand the gap is a negative figure, indicating a condition of “inflow,” i.e., when shoppers come to a defined area in

order to purchase a specific type of product.

The data indicate that the Choice Neighborhood constitutes a retail “gap” in 9 of 14 sales categories; the gaps are small but important in the context of the neighborhood economy. However, the 10-minute market area and the City both experience more retail sales than one would expect based on the incomes of residents in those areas. This means that shoppers are coming into the City from surrounding jurisdictions, probably the result of the concentration of retail space in the western part of the City and the large number of tourists that the area attracts.

The Choice Neighborhood retail “gap” of \$9 million suggests that the neighborhood could support more retail development of the appropriate type and in the right location(s). Roughly estimated, at sales of \$9 million per year, and at \$350 per square foot, the gap translates into supportable space of 26,000 square feet. This gap exists in most of the major retail categories, including some categories that would be better suited to locations outside the neighborhood, such as department store (“GAFO”) sales. The best prospects in the Greater Five Points area are:

- Food and beverage stores (\$3.0 million).
- Building materials and garden equipment(\$2.9 million)
- General merchandise (\$2.5 million); this could include the type of "dollar store" that recently closed on Broad St.
- Motor vehicle and parts dealers (\$2.3 million).
- Non-store sales (\$3.4 million): this category comprises retail sales through broadcast networks, catalog sales, door-to-door solicitation, in-home demonstrations, selling from portable stalls and distribution through vending machines. It is not one single type of retail activity and it does not require "downtown-type" commercial locations.

There are several major concentrations of retail space in the City, and the types of stores identified in this gap analysis are available in these (and other) locations:

- Downtown.
- West New Bern
- Highway 17

However, the types of stores identified are not present in the Choice Neighborhood and there is potential market support.

Exh. 3-2 provides a more detailed breakdown of demand, sales and the gap/surplus within the Greater Five Points neighborhood. The Exhibit provides the same data as in Exh. 3-1 but it also includes retail subcategories along with the estimated “demand” as well as actual “sales” that yield the retail “gap.” These figures could provide a basis for discussion with specific types of retailers. The gap shown for supermarkets (\$1.3 million) is modest but it could help in creation of a marketing strategy and negotiations to attract a store. Other figures by retail category are too small to attract entrepreneurs to neighborhood locations.

Exhibit 3-2

**Five Points Market Area:  
Retail Demand, Sales and Opportunity Gap, 2014**

Retail Stores	Market Area*		
	Demand	Sales	Gap
Total Retail Sales	574,620,866	1,156,788,128	(582,167,262)
Motor Vehicle and Parts Dealers-441	100,511,991	214,796,877	(114,284,886)
Furniture and Home Furnishings Stores-442	11,459,847	23,953,982	(12,494,135)
Electronics and Appliance Stores-443	10,702,336	4,386,584	6,315,752
Building Material, Garden Equip Stores -444	61,157,220	127,572,185	(66,414,965)
Food and Beverage Stores-445	69,897,148	64,792,632	5,104,516
Health and Personal Care Stores-446	38,462,091	110,899,320	(72,437,229)
Gasoline Stations-447	57,507,673	117,291,432	(59,783,759)
Clothing and Clothing Accessories Stores-448	25,256,362	15,445,911	9,810,451
Sporting Goods, Hobby, Book, Music Stores-451	11,274,302	110,260,026	(98,985,724)
General Merchandise Stores-452	68,756,340	120,832,903	(52,076,563)
Miscellaneous Store Retailers-453	16,128,379	46,526,090	(30,397,711)
Non-Store Retailers	49,605,085	89,984,236	(40,379,151)
Foodservice and Drinking Places-722	53,902,093	110,045,949	(56,143,856)
GAFO 2/	134,823,903	300,823,415	(165,999,512)

Source: Nielsen Inc.: Thomas Point Associates, Inc.

\*Five Points Market Area is area within 10-minute drive of intersection of Broad and Queen Sts.

1/ Gap is difference betw. actual sales and demand; positive figure represents sales gap.

2/ Department store sales, not included in specific categories.

### 3.2.2 Other Commercial Development

There are other types of commercial development that are possible in the area.

Office demand is very modest in the area. According to RKG's recent study the County has an inventory of office space of approximately 1.5 million square feet (56% general office, 43% medical). The average office building size is 3,000 square feet. Absorption over the past ten years for the entire County has been roughly 19,000 square feet. Because of its proximity to the City and County offices and to the East Carolina Medical Center there is some demand in the area, probably in the range of 3,000-5,000 square feet per year depending on the product, location and rent. New space in small mixed-use buildings could command rents of \$15/SF in an attractive mixed-use development.

“Flex office-warehouse” space is a second type of commercial project that could succeed in the area, given proximity to the downtown, access to the region and the lack of competitive product in the marketplace, provided that an attractive site of 5-10 acres could be identified. Over the past ten years, again according to RKG, the industrial market in the City has seen an average of 13,000 square feet absorbed on an annual basis. While growth is slight and this type of space is not well-known in the area, the flex product would be very successful at a location in the Greater Five Points area.

### **3.3 The Economic Corridors**

We agree with the main points made in the the Gateway Renaissance Plan quoted below, although the economic conditions that can bring the kinds of change envisioned in the plan are weak, as the retail and other commercial market figures indicate. Nevertheless the framework is valuable and offers direction for future development as new housing and more residents bring more buying power into the core area, and as the expansion of the downtown continues.

The Gateway District has always been a major crossroads for New Bern. While it has struggled in recent decades and several businesses have closed just this summer (2014), it retains many of its strengths. The central corridors of Broad, Pollock, and Queen Streets have historically served different but complementary roles that combine to form the area's economic, cultural, and social backbone. These roles can be reinforced through strategic economic development and urban design strategies.

#### **BROAD STREET: Main Street**

Broad Street is New Bern's primary corridor between historic downtown and the neighborhoods..

“Building on its prime location, heavy potential customer traffic, and high quality infrastructure, Broad Street could restore its role as New Bern's city main street. Strategic business development efforts could take advantage of Broad Streets especially large and currently underutilized parcels to focus on larger scale retail that downtown cannot accommodate. The deep blocks between Broad and Pollock Streets would permit generous parking lots positioned behind retail buildings so storefronts can meet the sidewalk and encourage a pedestrian-friendly shopping environment. Pending economic conditions, housing units could be built above the storefronts to add residential density and lend the streetscape a more urban feel.”

#### **CREATIVE MAIN STREET: POLLOCK STREET**

Pollock Street today is still an important thoroughfare between downtown and points west though many of the shops that distinguished it are gone. Much of the property between Bern Street and First Street is now vacant and the Queen Street fountain was removed years ago.

“... with continued streetscape improvements and local business development, Pollock Street could reclaim its role as Five Points' creative main street. An effort to brand Pollock Street as a creative corridor has already been initiated. New sidewalks, plantings benches, and other amenities would make Pollock Street a more comfortable and attractive pedestrian thoroughfare. Restored plazas at key intersections (including a rebuilt fountain at Queen Street) would provide gathering points for residents to express their cultural heritage. New pedestrian-scaled storefronts filled with eclectic retail establishments would attract shoppers

from both within and outside the neighborhood, helping revitalize the local economy.”

### **HERITAGE MAIN STREET: QUEEN STREET**

Queen Street was a major spine of African American culture in Five Points. The street was once lined with locally-owned shops that catered to residents of the surrounding neighborhoods.

“By building on its unique history, leveraging its vital location, and restoring its lively street life, Queen Street could again become the district’s heritage main street. Anchored by an African-American heritage museum, Queen Street would become a center for local and national African-American history, culture and retail amenities. Peppered with “a little bit of everything,” the street’s commercial establishments would cater to local needs but also serve regional shoppers with a unique, neighborhood flair.”

We agree with the characterizations of the three streets and with many of the recommendations about uses although the retail potentials of the area are exaggerated. There is not enough population in the area to support the kind of infill retail described, even in the next decade or two. There is a limited potential now and it will grow only slowly as there is new housing in the area, the downtown continues to expand and there is progress on major challenges, like the Day’s Inn property. We also agree with the observation: “For Queen Street as well as the other two main streets, fostering minority-owned and small businesses will be critical to a successful revitalization effort.” However, we disagree that a heritage museum would be a good anchor for Queen St.; the initial investment and ongoing operating subsidies that would be required are out of proportion to the potential benefit, given other community needs.

### **3.3 Conclusions**

We believe that the Choice Neighborhood revitalization process should have as a principal goal the preservation and enhancement of the identity of the Greater Five points area neighborhoods. This should be one of the highest priorities of the economic strategy. However, it seems clear based on the numbers that the commercial potential of the neighborhood is quite limited for the foreseeable future. Moreover, for successful redevelopment over the long term there will need to be a mix of businesses that serve the neighborhood as well as the larger market area. No normal businesses would expect to survive for long on the limited retail opportunity that exists in the neighborhood itself. This lack of a market in the immediate neighborhood will prevail well into the future and, regardless of streetscape improvements and beautification efforts.

There are opportunities for new retail development in the Greater Five Points Choice Neighborhood. The overall retail “gap” of \$9 million is small in the context of the City as a whole but the figure includes some potential for food and beverage, food service and drinking and non-store sales. These types of uses can be attracted to the area and will

support new residential redevelopment.

The greatest source of potential growth in the market is in the expansion of the downtown residential market. This will happen on the fringes of the Five Points area. It will bring higher incomes and spending potentials to the area. This expanded market will include retirees and others who want to have active/walking neighborhoods and twenty-somethings who want to live near downtown service jobs and can rent upper-floor walk-ups over stores.

Since the retail opportunity is limited, there is not enough demand to support retail redevelopment throughout the area and along the major streets. The strategy for the entire area should allocate specific opportunities based on the unique features and suitability of each corridor. The ultimate reinvention of the Gateway with appropriate commercial development will come over many years as a result of a broad array of specific actions and programs that bring new households to the area.

Office and industrial potentials are limited. New businesses are more likely to seek space in business and industrial parks outside the City. There are some population-serving office tenants that could use office space in the Choice Neighborhood but demand is very limited. Offices associated with the Hospital and the County could be attracted to the area as redevelopment proceeds. In addition there is potential for flex-warehouse space that fits into the neighborhood, if there is an appropriate site for this type of use.

There is just not enough underlying energy in the local/County economy to expand the downtown at this time. The strategy for the next decade should be to:

1. Put City deals together (Day's Inn, downtown grocery, land acquisition, etc.).
2. Work on the best retail prospects, including the grocery and the small general store, at appropriate locations.
3. Create additional housing to support commercial development.
4. Create incentives for local area investment.
5. Grow community capacity for business development.
6. Position the four "core commercial streets" into a long-term framework for redevelopment.

The market now is too thin to support commercial redevelopment of the area over the short term. It will take 10-20 years before there is real progress on these streets. Eventually this area will again be a thriving part of the City.

## **4. An Economic Development Strategy for the Choice Neighborhood**

### **4.1 Overview**

This proposed strategy has four different but related components. The first, the Neighborhood Development Strategy, addresses the neighborhoods around the core commercial area. This component takes in the demographic and economic conditions that make up the neighborhoods. The second, the Real Estate Development Strategy, addresses the implementation of real estate ideas in the greater Five Points area. In this part we review alternatives under discussion now and recommend a development agenda that will eventually transform the Five Points area. The other two components are: organizing for implementation, and measuring progress..

### **4.2 Neighborhood Development Strategy**

There are two challenges in this component of the strategy:

#### **1. Create a grass-roots consensus that will bring the political support required to make difficult decisions.**

First, on the development of consensus to support redevelopment of the neighborhood, there is a need to engender a ground-up understanding of economic development with illustrative examples of what it could mean for the population of the greater Five Points area. Right now the community is at a beginning level in this effort and there are many simple actions that it could take to encourage a sense of common purpose. These include:

- Create an economic development "steering committee" or "task force" to develop an action plan. This work can serve as a starting agenda to be refined by the group. It should include a broad representation of action-oriented people from the key community groups noted here, as well as important businesses (Medical Center, banks, realtors, law firms, etc.)
- Survey the population: this is a good opportunity to raise awareness and educate residents by asking for views on economic development issues: need for training, day care, transportation, and input into the projects that have top priority in the strategy
- Prepare a community economic newsletter that can keep residents informed about plans and educate residents, including leadership, about economic development tools that can be used to raise the level of the neighborhood. Many residents are simply not aware of available resources in finance and small business counseling
- Connect the population around a regularly scheduled economic event such as a monthly or seasonal flea market. People can bring things to sell to a central location on a Saturday morning, once per month in warm weather months. This could be an opportunity to educate residents about the area and area

redevelopment plans by distributing a flyer about the economic strategy and the tools to implement it.

- Hold an “ecumenical economic” event: bring the various churches---leaders and congregations---together to talk about improving the neighborhood economy. Some of the churches are already engaged in economic development in the neighborhoods, although none of these groups work together. This could take the form of a picnic in which the various congregations bring different parts of the meal. Use this event as an opportunity to identify common interests (e.g., preservation of the neighborhood, environmental action, improvement of quality of life for residents) and solicit ideas for economic development. The churches could accomplish so much more if they coordinated their efforts.

Thus far there has been no work to gain consensus and focus on projects and programs that will renew the area. These types of activities could be the beginning of that effort.

**2. Put policies and programs into effect in the neighborhood that will bring improvement in standard of living and quality of life.** There are eleven areas in which it would seem possible to make significant long-term improvements to the economy of the Choice Neighborhood.

1. ***Promote workforce development:*** raising employment in the Choice neighborhood will require partnerships with specific groups (e.g., East Carolina Medical Center, Historic District, Craven Community College, Goodwill) to identify needs and plan appropriate work force training programs.

- Basic education; the efforts to help residents get high school diplomas and GED certificates should be expanded with new partners in the Dept. of Education evenen. The work of the UBPA has been very important and needs support in a broader program.
- Workforce Evaluation: A first step should be an analysis of the neighborhood workforce in terms of numbers, skills, availability and experience, as a basis for a marketing effort to promote employment of these workers.
- Workforce Training: there should be appropriate workforce training and development programs in the Gateway directed to the specific needs of area businesses and residents. Courses could be tailored to opportunities in the economy, including:
  - Food preparation/serving.
  - Healthcare services and support.
  - Personal care and services.

Jobs Fair: there should be a small jobs fair annually in the community, with military, government and leading private employers in Craven County represented. This will give CNI residents the opportunity to see and understand the qualifications that employers are seeking.

The failure of earlier programs on entrepreneurship and small business development is an indication that offerings need to be marketed and packaged in ways that engage the community.

2. ***Improve mobility for jobs/businesses:*** promotion of bike usage and biking corridors

within and through the area would have health as well as economic benefits. The continuing improvement of streets and streetscapes will be important for the neighborhood. In addition, we recommend that the City resolve to make this a bike-friendly neighborhood with bike trail connections to the waterfront and the downtown. Cycling has grown as a result of urban redevelopment efforts often associated with young professionals and gentrification. However, there is no inherent connection between affluence and riding a bicycle, and the opposite may be true. The New Bern neighborhoods are flat and there is a complete street grid. A program that designates bikeways and makes bikes widely available could connect all parts of the City and effect dramatic improvements to population mobility, public health and the business environment.

The mixed-use project proposed for a location on Broad St. (Sect. 4.3) could include a bike center for the neighborhood and a place to anchor bike trips throughout the Gateway and the downtown.

3. **Evaluate the need for day care** and ways to address this issue: the large number of single parent households, most of them headed by women, indicate a need that many community leaders point out. In order to give these people the opportunity to work it will be essential to create affordable day care in the community. There may be ways to do this working with the Medical Center, the City and County and other employers and institutions

4. **Organize a business network:** the area lacks an identity as a place to do business and there is little interaction among businesses that are located there. The Chamber of Commerce does not work at the neighborhood level. The Uptown Business Professional Association has a limited focus. There is no public or private organization that is reaching out to businesses to help them stay in place, expand and employ area residents. Occasional social events and newsletters would raise the level of discussion and engender business opportunities within the area. A network could also be helpful in the identification of summer employment opportunities for neighborhood youth.

5. **Coordinate CDBG Program:** Coordinate all Community Development Block Grant investments in the area with the economic strategy for the neighborhood. This funding source could be used to support the organization selected to implement the plan, or for other purposes that have high priorities. This program is located within the City's Community Development Department.

6. **Conduct retail promotion:** there are limited opportunities for development of community-serving retail that would enhance the neighborhood, including grocery and food service. There are also gaps in business services, including banking and financial services. A public entity should take the lead in targeting opportunities and potential locations, and bringing them to the business community. The spectrum of retail promotion includes other functions:

- Create and implement a retail development action program with retail attraction and recruitment programs and incentives to improve the business climate and encourage private investment. This could include a low-interest loan program to support small business development based on a plan for reuse of specific stores.
- Promote a consistent theme and appropriate imagery. This should feature the different themes for major streets that were identified in the Gateway Renaissance study:
  - Broad St.: Main St.
  - Pollock St.: Creative St.
  - Queen St.: Historic St.
- Promote unique local businesses. Business development could be linked to workforce training programs available through the SBDC at the College.

7. Create a *time bank* to engage the New Bern community in helping with transportation, small home maintenance projects and other types of support: this program could have a big impact on the Greater Five Points area and the entire city. Members of time banks earn a “time credit” for performing a service that another member needs. That could be gardening, child care, transportation, home repair, dentistry, etc. Every hour contributed is equal regardless of the activity contributed. Any member can earn credits by making a contribution of time and can spend credits they’ve earned or pass them on to others who need them. There are almost 400 time banks registered in the US, including four in North Carolina. New Bern is a place with a strong spirit of service and a high level of community participation, a natural place for time banking. The key element in success will be a leadership organization that can manage jobs and volunteers.

8. *Promote awareness of neighborhood history:* there is a need to make residents and visitors aware of the diverse nature of the CN . This could be done through shopping, recreation (bike, hike trails), historic resources, public facilities signage, consistent design treatments and other graphics.

The CN includes an array of historic attractions that are not widely recognized. The development of a historic narrative and the use of markers and other materials could raise awareness of important tourism themes that represent opportunities for long-term development:

- African-American history associated with the neighborhood is a theme that is gaining greater recognition and its importance will increase in coming years.
- The Great Fire has attracted some interest. Other attractions include six African American churches that are listed on the National Historic Register, and a 19th century cemetery.
- The history of the neighborhood should be studied and commemorated with signage and public recognition of historic places.

9. *Organize an urban farming program:* there are some large open spaces that will take years to redevelop. These could become urban farm opportunities to support restaurants in the downtown and households in the CN. The Greater Duffyfield Residents Council now manages a small community garden, and this could be the core of an expanded

gardening program. A farm plot run by and for local restaurants would be a highly visible example of the productivity of this kind of CSA-styled urban farming, using inexpensive pole structures. Residents of the area could be trained to take over production and distribution. There are creative restaurateurs who could be convinced to support this endeavor by subscribing to the purchase of fresh vegetables, and featuring the Gateway market connection in their marketing. This could be a showcase on how to farm in the City, to include efficient land use, composting, recycling, training, small business formation and business partnerships.

#### ***10. Review business incubation opportunity.***

The Small Business Development Center has advanced a plan to create a business incubator near the Greater Five Points area. The City and the Duffyfield Residents Council support this initiative. This needs detailed attention with respect to the following questions:

- Is there a real need?
- What is potential benefit?
- How much would it cost to build and operate?
- What are funding sources?

Whether this idea moves forward or not it will be important to bring Craven Community College into the neighborhood. It could be the force needed to create a training place in the new mixed-use environment.

#### ***11. Use of Other Community Development Tools***

There are specific tools that are widely used to spur revitalization, including those listed below, and there may be opportunities to employ them in various locations in the Gateway. These programs deserve more attention:

- **Financial Incentives:** Encourage private investment in revitalization projects by providing a diverse program of financial incentives, including special loans, grants, tax abatements and waivers of fees.
- **Write-downs on sale of City-owned property:** the City could sell properties it owns at reduced prices in order to encourage residential and mixed-use development.
- **Grants:** Develop grant programs to support private investments in business start-ups, exterior improvements, demolition, correction of code violations and training assistance.
- **Revolving Loan Fund:** funds can be used to make low-interest loans for acquisition, renovation and infill. While limited to use in downtowns, the local jurisdiction defines the downtown. There may be flexibility with respect to the Choice Neighborhood.
- **New Market Tax Credits:** This federal program could be useful to support commercial projects, community theaters, health centers and affordable housing.
- **Utilities:** Encourage the placement of utilities underground on key streets where visual impacts are greatest and cost feasibility is reasonable. This could impact all four economic corridors.
- **Design Assistance:** Develop tools that provide assistance in site design, community planning and architecture for revitalization areas.

- **Coordination under the Community Reinvestment Act (“CRA”):** Secure participation of financial institutions working in the Gateway to target the area and special projects for lender participation.
- **Zoning and permit assistance.**

### **4.3 Real Estate Development Strategy for the Commercial Core**

The first component of this strategy is the neighborhood redevelopment effort, described above. The second deals with real estate issues, mostly along Broad, Pollock, Queen and First Streets .

#### **4.2.1 The Core Commercial Area**

This area was studied at great length over the past 10-15 years, and now there may be a consensus emerging around a select group of projects that will have a significant impact on the Choice Neighborhood and the entire City. With public sector leadership these actions will transform the commercial core that is the heart of the Greater Five Points area:

**1. Build the Fountain and Create a Functional Community Gathering Place on Broad Street.** The City is contemplating the reinstallation of a fountain at the Queen Street/Pollock Street intersection where a fountain once stood. Replacing the fountain at its historic location, on the south side of Broad Street on the triangular “wedge” shape created by Queen Street will create a more logical connection between the fountain and the proposed mixed-use development. This relatively small investment will be viewed as a positive step by local residents; it will create a gathering space for the neighborhood and signal the opening of efforts to redevelop the area.

#### **2. Acquire and Demolish the Former Days Inn Hotel**

This is the single largest parcel within the proposed redevelopment area and its acquisition will be an important first step to gaining control of the entire redevelopment area. The prime location could make it the central element in a large-scale redevelopment project. The existing hotel building is a landmark and focal point for the Gateway area despite its current lack of use and condition. While it is probably possible to save the structure and convert to elderly housing, it is our view that this will be a very expensive course of action that will save a building that has no inherent value. The structure is out of scale with the neighborhood, and there are better places where elderly housing can be built at a lesser cost. The demolition of the structure will be seen as the real opening in a program to redevelop the entire area. Putting the site into a substantial public-private partnership development program will be financially important for the City and income from the redevelopment of this property could leverage improvements.

#### **3. Develop a mixed-use City Project**

In its central recommendation, RKG recommended that the City focus on several of the Renaissance projects as part of a larger, mixed-use development within the Gateway area. It proposed combining the Community Empowerment Center with the grocery concept, the fountain/gathering space concept, and infill housing development “into a single,

centrally focused investment project [that] offers the City the greatest chance to catalyze economic investment into the area while positioning the effort to attract private sector investment.” The consultant identified a two-block area bounded by Broad Street to the north, Fleet Street to the east, Pollock Street to the area south and Sutton’s Alley to the west. The area includes the Day’s Inn site. Control of the site would give the City the control of the development program and the timing of implementation in a phased approach. The inclusion of public uses such as the library, a workforce/education use, a community center and public offices (i.e. the City’s community and economic development department) would create leverage with the developer and improve market potential of private components.

We agree that there is an excellent opportunity for a public-private development at this location. It should include retail and office components and upper-floor housing along with public uses. However, if the City seeks to attract a supermarket to the core area, it should use the First and Broad St. location to do this. This situation will evolve over the next 10-20 years but for now the corner site holds the best prospects for this type of development.

#### **4. Develop retail uses in mixed-use infill projects**

It is our view that market potential for new retail development is limited at this time. The situation will improve as housing is renovated and the downtown continues to expand. Market activity is more viable on the boundaries of the Duffy field neighborhood, particularly Broad Street to the south and East Front Street to the north. In good commercial locations there will be opportunities to develop housing over ground-floor commercial space.

The proposed strategy for the Gateway focuses on an area of the community that offers different opportunities than locations further away from Broad and Pollock Streets. Simply put, current market potential for new development further into the Duffyfield neighborhood is limited. We agree with RKG that new commercial activity along Broad Street would be well received in the community, given its convenient access and high visibility. It is our view that rental housing over this new infill development will become a popular product. The housing study underway now will test this conclusion.

#### **5. Continue infill development**

Infill development is recommended as a preferred strategy throughout the City. The City already has noted some strategic infill sites including 304-308 South Front Street. The Gateway Renaissance Plan also notes the challenges with, and potential for, the infill sites located along Broad Street, Pollock Street, Queen Street, and First Street. Initial efforts are encouraged within the Downtown and Gateway communities to build consistency in development and improve visual and psychological connectivity between the two areas.

#### **4.4 Organizing for Implementation**

There is a need for a leadership organization to represent neighborhood interests and translate them into program realities. The success of the effort to refine and implement

the Greater Five Points economic development strategy will hinge to a great extent on the choice of the entity to lead the revitalization effort. *It is possible to continue to work without any lead entity to manage the strategy and results may be acceptable for a time. This approach would require strong leadership from the Housing Authority in coordinating the participation of other community groups. Over the long run it would seem better to have a lead organization that is the lightning rod of economic development in the area.* There are several organizations and offices in the City now that may have the skills and experience to take on this role:

**Swiss Bear:** This organization has a successful record in the downtown but it seems to be in transition: city funding was recently cut and there are ongoing discussions about its mission. About ten years ago Swiss Bear retained a consultant to study the Five Points area but the findings and recommendations were not realistic and there was no result. *It may be* that this organization is so identified with the downtown business establishment that it would not be able to form and implement a neighborhood-oriented strategy. However, depending on how it is reconstituted after the current transition, Swiss Bear could handle the portion of the strategy that addresses business attraction/recruitment and efforts to bring mixed-use development to Broad, Queen and Pollock Sts. Swiss Bear would have to change its orientation and expand its membership and vision.

**The City's Development Services Dept.:** this office is an important piece in the puzzle. To a large extent it handles the real estate issues that are so important to the neighborhood and the City: Day's Inn site, lot acquisition/disposition, etc. It also manages the City's CDBG entitlement (\$263,000/year) which will be an important part of the strategy. One problem is that the Office has limited staff resources. The new economic development specialist on the staff should be helpful. This office will have to handle a part of the strategy that has two important tasks: 1. Disposition of the Day's Inn site---demolition and redevelopment; 2. Packaging of a mixed-use project with supermarket on Broad Street. These efforts will require a long-term commitment.

**The Uptown Professional Business Association:** this is the leading neighborhood-based organization in the area. It has a presence on the street and a committed leader. However, it seems to lack broad-based community support and involvement and it has no fund-raising capabilities. It seems to be diligent but it does not show much by way of results. There was a more recently formed CDC, Neuse River CDC, but the City withdrew its financial support. For the Uptown PBA to be the lead element in the economic development effort would require a complete "re-invention" with the following elements:

1. Financial commitment from the City for three to five years.
2. Expanded management and community participation.
3. Development of expertise in housing, training and other community programs.

**New Bern Housing Authority:** the Housing Authority could take on a "redevelopment" mission with a neighborhood-oriented redevelopment capability. However, in the current environment the organization has its hands full and will for years ahead. The situation is too contentious to move in the direction of creating a redevelopment role. Its financial subsidiary, TVC, has a deal-making orientation but lacks neighborhood economic

development skills.

There are other organizations in the community that should play a significant role in the redevelopment of the Choice Neighborhood:

- Craven Community College.
- East Carolina Medical Center.
- Chamber of Commerce.
- Convention and Visitors Bureau.
- Transformation Venture Capital.
- East Carolina Council.

While each of these entities brings its own special skills to the development process and can play a role in the implementation process, none of them seems well-suited to the task of leading the process in the Greater Five Points area. This will be an issue to address in the Choice Neighborhood planning process.

#### ***4.5 Measuring Progress***

It is our view that there should be a rigorous effort to measure progress associated with the economic development strategy. Some say that it is impossible to measure the benefits but we know that this is not correct. There should be an annual review process with benchmarks and performance measures to determine progress in revitalizing the neighborhood, using quantitative measures such as numbers of high school graduates/GED recipients, jobs created or saved, positive tax impacts, crime rate improvements and increased retail sales and assessments. These are quantitative indicators of success that can be tracked on public information sources.

The organization that seems best suited to measure progress is the East Carolina Council. It is part of the community but its focus is on the region.

#### ***4.5 Conclusions***

New Bern is a progressive City, one that has grown rapidly in recent years. The historic downtown core is thriving and there is great energy associated with preservation and redevelopment. Nevertheless, the Five Points Gateway neighborhood has shown little sign of growth or positive change. The income disparity of the neighborhood population with that of the City as a whole is significant.

Exh. 4-1 summarizes recommendations that address the economic challenge of the neighborhood as well as the real estate development issues in the core commercial area.

Exhibit 4-1  
**Implementation: Greater Five Points Area Economic Strategy**

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	Action	Responsibility/ Lead	Target Year
<b>Neighborhood Development</b>			
<b>1. Consensus Building</b>			
1	<i>Web Site</i>	NBHA	1
2	<i>Resident survey</i>	NBHA	1
3	<i>Newsletter</i>	NBHA	1
4	<i>Scheduled event</i>	NBHA	1
5	<i>Church summit/get-together</i>	NBHA	1
<b>2. Implementing Programs and Policies</b>			
1	<i>Workforce Development</i>	CCC	1-
2	<i>Mobility improvements</i>	CART	1
3	<i>Day care evaluation</i>	ECMC	2
4	<i>Business networking</i>	UBPA	1
5	<i>CDBG coordination</i>	City DS	1
6	<i>Retail promotion</i>	Swiss Bear	1-
7	<i>Time banking</i>	UBPA	2
8	<i>Historic resource promotion</i>	CVB	2
9	<i>Urban farming</i>	GDRC	2
10	<i>Business incubation</i>	CCC	1
11	<i>Community development finance</i>	City DS	2
<b>Real Estate Development</b>			
1	<i>Fountain</i>	City DS	1
2	<i>Days Inn site acquisition/demolition</i>	City DS	1-2
3	<i>Mixed-use project development</i>	City/TVC	2-5
4	<i>Retail/mixed use redevelopment</i>	City/Swiss Bear	1-10
5	<i>Infill development</i>	City DD	1-10
<b>Organizing for Implementation</b>		All	2
<b>Measuring Progress</b>		ECC	3

Source: Thomas Point Associates

Abbreviations: NBHA: New Bern Housing Auth. CITY DS: Development Services  
 CCC: Craven Community College CVB: Convention and Visitors Bureau  
 CART: Craven Area Regional Transportatior GDRC: Duffyfield Residents Council  
 ECMC: Eastern Carolina Med.Ctr. TVC: Transformation Venture Capital  
 UBPA: Uptown Bus. Prof. Assn. ECC: Eastern Carolina Council

Now is a time of transition and uncertainty in New Bern: recent changes in government...a new economic development program in the County...a transition in the downtown management organization,...a reorganization of the Uptown Business Professional Association...ongoing efforts of the Housing Authority to manage its programs and move ahead with the Choice Neighborhood Initiative...In this time it is important to take a long view of the economic strategy, one that sets the agenda for redevelopment over a ten to twenty-year period.

Meanwhile there is much that can be done for the economic development of the

neighborhood.

The neighborhood has been declining for years, going all the way back to the 1950's. It is now probably just 50-60% of what it was in those days and it will likely continue to decline in the near future as more houses disappear, the floodplain expands and the commercial area contracts. Now is the time for grass-roots efforts that address the underlying problems that lead to high and persistent unemployment including education and skills deficiencies, lack of public transportation and a need for daycare. At some point, probably in 2020's or so, the Greater Five Points neighborhood will start to come back and property values will increase, and the locational advantages of this area and its proximity to historic downtown will be apparent. Now is the time to lay the groundwork for these changes.

The concepts that we have proposed as part of an economic strategy for the Gateway are still in preliminary form and more discussion is needed in the community on feasibility and implementation, particularly with regard to costs, priorities and responsibilities. While the recommendations can bring significant economic improvement to the area, we present them knowing that these ideas need further discussion and refinement.