

## **Main Street Retail: Virtual Stores, Robot Deliveries, Real Pubs, Bank Malls and Cash Required.**

### **PREVIOUS, and continuing, CONCLUSIONS.**

A few months ago in this space, ideas were offered for activating ground floor space along main street. The thoughts, still valid, are to:

- Start with a community-based vision and merchant support for an active and sustainable downtown main street.
- Identify main street's "active zone"; the blocks with occupied storefronts at the sidewalk with on-street parking.
- Protect and enhance the existing active uses while recruiting new ones and converting inactive ones.
- Accept the e-commerce business model.
- Adapt existing buildings with traditional dimensions to the e-commerce model.
- Build new infill space to suit retail and restaurant uses with the e-commerce business model in mind.
- Assist, if necessary, vision-consistent businesses as they operate while waiting for the market.
- Support owners of economically premature ground floor space in vision-consistent mixed-use buildings in the "Active Zone" by:
  - Subsidizing the rent of the first-in tenants for a limited period of time,
  - Locating interim uses in the space knowing that uses able to pay market-rate rents will emerge over time.
  - Using funding vehicles like CRAs/TIFs, NIDs and other financial, infrastructure and entitlement incentives.
- Support collective marketing and management systems for main street businesses in the "Active Zone" to entice more investment in main street properties.

### **RETAIL TO REINFORCE A CHARACTER VISION.**

Constantly reinforce the community vision and commitment to ensure that the storefronts and business models on main street "Active Zones" are consistent with the towns' and main streets' vision of sustainable businesses and uses open evenings and weekends.

### **FIVE MORE IDEAS.**

Articles published in this edition of *CharacterTowns.org* present several ideas that are changing the retail eco-system on main street. In summary, these ideas are:

- Virtual Stores
- Robot Food Deliveries
- Publicly Owned Pubs
- Branch Bank Malls
- Cash Required

### **VIRTUAL STORES.**

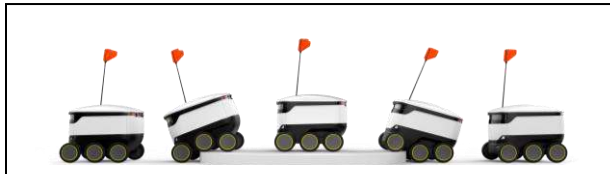
Brett Leary of Digitas authored the attached article "The 3<sup>rd</sup> Space – A New Advertising Canvas for Virtual Content". Not to be confused with The Third Place, the 3<sup>rd</sup> space is more like Pokémon Go than it is a bookstore or café.

The 3<sup>rd</sup> space is a virtual space that one retailer can set up in a competitors store. A 3<sup>rd</sup> space, as Mr. Leary describes it, can be a virtual front door just outside the real front door of a real store.

The implications for store owners, business managers and for main street regulators are profound...who has the right to do what inside someone else's store? On the public sidewalk? In public parking lots and decks?

### ROBOT FOOD DELIVERIES.

Starship Technologies has been providing food delivery services using robots since 2015. The internet stories are all about problems; the stories are all from 2017 when new cities were served and some cities rejected the service. A collection of 2017 headlines are attached.



However, Starship Technologies has persisted. Recent data from their website is attached showing they are delivering lots of food to lots of people. Again, the implications for main street are serious.

What is to be learned from the cities being served that will enable this service to be provided in a safe and deliberate way? Is the public sidewalk free for all users or can there be a franchise fee involved for using the sidewalks for commercial purposes? What about safety, especially when the robots cross streets? How does liability work? Many main street organizations will be confronted with these and more questions.

### THE ENGLISH PUB ONCE AGAIN BECOMING A PUBLIC HOUSE.

The attached article tells the story of the near-demise of the privately owned and operated pubs in England. As the story goes, since 2012 nearly 80 community groups across the U.K. have bought their local pubs. These residents have determined that the 80 town pubs were of such social importance to the town that the public, or members of the public, needed to make the purchase to preserve its presence.

The implications for main street are clear. “Third places”, be they pubs, cafés, diners or bookstores are critical to the towns’ social wellbeing and deserve public support. When small cities and towns are in danger of losing their last or most important “third place”, action is required. The action may take many forms ranging from city acquisition to crowdfunding to organization of a quasi-public entity to own and/or operate the socially-necessary establishment.

The use of CRA or NID funds is totally appropriate. The creating of a 501[c]3 or similar legal entity may do the trick. The point is for the community to take action to preserve an important community asset.

### BANKING.

The once-and-recently stodgy banking industry is looking for ways to remain or reestablish itself as a relevant institution.

Capital One Bank is advertising a new approach altogether...the café. Their website describes the bank lobby as an inviting place.

**Capital One Cafés:  
We made this space for  
you.**

Our Cafés are inviting places where you can bank, plan your financial journey, engage with your community, and enjoy Peet's Coffee®. You don't have to be a customer.

<https://www.capitalone.com/local/southflorida-westpalmbeach>

The Financial Times reports in the article excerpt below that three of London's largest four banks have decided to work together and create "jointly-run mini-branches". Sounds like a food court for money, but the purpose is to save money, locate more branches and provide better service to business customers. They also anticipate banking hours extending into the evening.

If successful, main street agencies may be able to reclassify banks as active uses eligible for benefits offered to other active businesses on main street. As a bonus, small main street businesses will get better service. More branches with longer hours helps everyone.

From the **FINANCIAL TIMES**

Nicholas Megaw, Retail Banking Correspondent  
March 11, 2019

"Three of Britain's four largest banks have teamed up to launch jointly-run mini-branches for business customers amid rising concerns that branch closures and rising costs could make it too expensive for small companies to process cash.

"Lloyds Banking Group, Royal bank of Scotland and Barclays opened the first 'business banking hub' in Birmingham on Monday, with five more due to be trialled [sic] in other cities including Manchester, Merseyside and Bristol.

"The 'hubs' – which will have longer opening hours than traditional branches – will allow businesses to pay in money and cheques and exchange cash."

**LINK:** <https://www.ft.com/content/>

#### **CASH REQUIRED.**

Who would have thought that we would need a law to insist that businesses take cash as payment in retail shops and restaurants. However, the City of Philadelphia felt the need for such as the following article attests.

Main street merchants and their organizations may be confronted with such a situation. The efficacy of laws such as Philadelphia's will undoubtedly be tested; a situation worth monitoring.



#### **For retailers who say "no cash," Philadelphia says no dice: bill bans cards only**

**Charisse Jones**, USA TODAY

Published 11:49 a.m. ET Feb. 15, 2019 | **Updated 12:10 p.m. ET Feb. 19, 2019**

To retailers who say 'no cash,' Philadelphia's city council is saying no dice.

Philadelphia's city council voted Thursday to require most local businesses to accept cash as payment, pushing back on a [growing trend in which restaurants and retailers accept credit and debit cards only](#).

#### **LINK:**

<https://www.usatoday.com/story/money/2019/02/15/philadelphia-law-would-require-retailers-accept-cash/2879664002/>

#### **CONCLUSIONS.**

Main street merchants and organizations are living in a different world, technologically speaking. The new technology does not have to result in a different attitude among merchants or customers; "mom and pop" service can prevail with properly attuned main street leadership.