

Strengths, Weaknesses, Opportunities, and Threats (SWOT)

In studying WPB's markets and survey results, identifying local strengths, weaknesses, opportunities, and threats, or SWOT, serves as the basis for translating WPB's market implications into a series of strategies for business growth. These SWOT factors represent current conditions, and most will remain as business growth occurs, whether through existing business expansion, business recruitment, or increases in WPB's leasable square footage through in-fill development. Those SWOT factors, noted below, reflect WPB's current uses and serve as a guide to strategy development.

Strengths

Strengths are WPB's assets that will likely continue and remain important in supporting overall business growth.

- WPB's **national reputation for 'cutting edge'** retailers and restaurants ensures that area residents and Chicago's visitors seek out the neighborhoods' distinctive retail and dining experiences.
- In addition to 'cutting edge' experiences, WPB's core commercial areas attract **diverse consumers that patronize long-standing businesses** reflecting WPB's history.
- WPB's multiple commercial corridors provide **visibility** for business tenants of all uses and unmatched **access** for consumers via transit, auto, biking, or walking.
- The **WPBCC and WPB SSA #33 have made a strong commitment to WPB's ongoing success** through their combined programming in marketing, special events, networking, grant making, and plan implementation.
- WPB's **demographics and spending power** assures sustained interest in investment by businesses and developers in both neighborhoods.
- WPB offers **diverse types of desirable lease space**—vintage and new--for businesses of all types. This diversity of space provides multiple location options for new and expanding WPB businesses.
- WPB's **many successful ground floor businesses** know how to operate in a challenged economy and in an environment with higher operating costs and represent an important platform for future business growth.

Weaknesses

Weaknesses constrain the potential for success in any commercial area. These characteristics will likely remain and require a ‘work around.’

- Both neighborhoods **lack a strong employment base**, or daytime, population. While employment may naturally increase over time, WPB will likely not experience substantive employment growth.
- The **Kennedy Expressway** represents a significant barrier for residents or visitors coming from neighborhoods to the east.
- **City regulations, requirements, processes, and fees** constrain business growth, particularly for small business owners and local entrepreneurs.
- High **Cook County real estate taxes**, as a significant business operating expense, negatively affect business profitability.
- The diverse uses and images of WPB’s commercial districts require substantially **varied management and business development approaches** to enable the success of each district, or corridor.

Opportunities

WPB’s opportunities are the basis for business growth and will enable WPBCC and WPB SSA #33 to capitalize in new ways on existing strengths. If developed, most opportunities can become strengths.

- Maintaining WPB’s commercial success requires attentiveness. **Managing the street level business mix** and fostering the **growth and development of retail with character** will ensure that WPB’s commercial locales remain interesting and vibrant.
- Regardless of use, WPB can attract economically viable businesses. For example, recruiting experienced and successful owners from those businesses or categories of businesses listed in the Consumer Survey results will strengthen overall reinvestment over time.
- Much important work has been completed to strengthen the Chamber, its programs and events, and its role within WPB. With this groundwork completed, the **WPBCC can now begin to think differently** about the commercial corridors. The logical next step is to focus on strengthening the businesses within the neighborhoods, becoming both a convener and a connector. This could include new programs and incentives through the WPBCC or WPB SSA #33 or partnerships with the City, local ward offices, or regional resources.
- **Restaurants remain interested** in WPB locations. The availability of patio licenses, particularly on Division Street, and WPB’s cache support this continued interest in suitable locations. Cultivating a relationship based upon mutual business interests can renew and improve their status within WPB’s overall business mix and commercial future.

- Promoting **transit links** to the neighborhoods' commercial nodes represent another means of access for nearby WPB residents.
- The WPBCC and WPB SSA #33 can **engage property owners** and develop relationships that foster sustainable tenancies and meet overall business mix objectives. Related to property owner engagement is **increased interaction with the local development community and decision makers**. Though many decisions are made elsewhere, educating developers and decision makers about the Consumer Survey results from this assessment and WPB's business and incrementally increasing the WPBCC's visibility in developer discussions will ultimately affect mix management.
- The WPBCC and WPB SSA #33 should **continue and expand current initiatives** to attract residents and visitors. These initiatives include arts programming and visitor attraction. Emerging projects, such as the Bloomingdale Trail, can be integrated into these efforts and assessed for their impact on the neighborhoods and local commercial interests.

Threats

Threats are market conditions that can undermine the success of area businesses, and therefore, WPB's commercial areas. If not addressed or mitigated, threats can limit the WPBCC's ability to capitalize on WPB's multiple opportunities.

- Given WPB's many successes and strong reputation, the WPBCC and WPB SSA #33 must be strategic and comprehensive in growing and managing the business mix in both neighborhoods. Monitoring **Chicago's revitalizing and competitive commercial districts** will permit the WPBCC to respond to market changes.
- Related to the above point, Logan Square and Humboldt Park are revitalizing and represent **nearby location alternatives** for the kinds of 'cutting edge' tenants typically interested in WPB sites.
- The recent economic downturn has resulted in **declining rental revenues** for many WPB property owners. These same owners have rented space to **less-experienced business operators**, particularly retailers, lacking the sophistication to operate in WPB. The resulting turnover from failed businesses promotes business instability, and ultimately, property disinvestment.
- For new or proposed in-fill development in WPB, **lenders require 'bankable' leases** for the development project. This requirement ensures that ground floor lease space will be occupied by national or regional format businesses. This project-specific focus impedes the opportunity to manage WPB's overall mix of businesses.
- As noted in the Consumer Survey results, **perceptions about WPB's safety** exist. Working to mitigate the bases for concerns about personal safety will be important to preserving WPB's ability to attract shoppers, diners, and investors.