



Spirit Valley Core Investment Area Plan

... to foster a vibrant and walkable neighborhood center

Strengths, Weaknesses, Opportunities, Threats

Change is an inevitable part of community planning. If a community takes stock of **Strengths**, **Weaknesses**, **Opportunities**, and **Threats**, they are more likely to plan and act effectively.

SWOT provides a tool to explore both internal and external factors that may influence the planned strategies.

The Spirit Valley Core Investment Area Plan Committee developed this list of Strengths, Weaknesses, Opportunities, and Threats to guide the drafting and evaluation of plan recommendations.

Positive

Negative

Internal

Strengths

Internal attributes and resources the community possesses

- + Several “destination” businesses draw people to the business district
- + Community “character” (sense of place) embodied in “main street” building architecture and traditions
- + Easy vehicle transportation, including parking, and frequent bus transit service to and from Spirit Valley
- + Real estate prices/rents in Spirit Valley are affordable compared to other districts providing a low barrier to entry for new businesses and low cost of operation
- + Most real estate in the district owned locally, including K-mart and shopping center, simplifying communications
- + Many active community institutions – library, community center, schools, churches, clubs – and the West Duluth Business Club
- + Attractive recreation opportunities nearby, including hiking, biking, skiing, and water activities
- + Large population base for district businesses from which to draw customers – from the ore docks to Fond du Lac, from Esko to Superior
- + Generally flat topography primarily free of bedrock to allow more development options

Weaknesses

Internal factors that hinder a community from achieving goals

- Transportation system is oriented to vehicle movement to the detriment of other modes (safe street crossing for pedestrians/cyclists) and district aesthetics (noise)
- I-35 creates physical barriers, noise and light pollution
- Older commercial buildings need investments to improve appearance, functionality, and create success for businesses within them
- Most houses in the study area are about 100 years old and some need significant investments
- Median household income of the study area is about one-third lower than the state median income
- Impression by locals and people from other districts that the area is “run-down” due to condition of buildings, public infrastructure, vacant lots, and vacant storefronts

External

Opportunities

Positive external factors affecting the community, such as market conditions or technology changes

- * Strong demand citywide for all types of housing and anecdotal demand for some commercial concepts in Spirit Valley
- * Reuse/redevelopment of vacant sites, including K-mart, could bring transformational change to Spirit Valley
- * Nationwide trend of shift away from auto-oriented commercial strips toward districts with “character” like Spirit Valley
- * Proximity to St. Louis River and other recreational draws (i.e. Spirit Mt., Zoo) an opportunity to become a hub to support users of these facilities with shops, restaurants, and lodging
- * I-35 reconstruction a chance to reduce physical barriers, improve pedestrian/bicycle connectivity, and encourage fast-moving traffic to bypass shopping streets
- * Having a community supported plan could help spur private and nonprofit investment
- * City government is willing to craft zoning and deploy economic development resources (including State and Federal) in Spirit Valley to implement plan goals

Threats

External factors that could negatively impact on the community, such as economic downturns or political changes

- o Construction costs in Duluth are high compared to other parts of the nation
- o E-commerce is expected to continue to take more of the retail market share causing continued decline of brick-and-mortar stores in most segments
- o Financial/market conditions could make building investments and site redevelopment projects financially infeasible
- o Limited government resources at all levels could cause a reduction in public services and economic development tools available to the district
- o Reconstruction of I-35 could further divide the neighborhood and/or direct vehicle traffic in undesirable ways
- o An economic shock could force the closure of a significant number of businesses
- o Dramatic increase in property values could limit who can afford to live in or move to the neighborhoods