

Luring eateries tough
Despite liquor by drink law

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Sparking interest in Ridgeway among restaurants has been hard despite approval of liquor by the drink nearly four years ago, according to district Supervisor H.G. Vaughn.

“We’re victims of the economy,” said Vaughn, a real estate agent.

The sale of mixed drinks in the Ridgeway District was approved at about the same time that gas prices began rising sharply and an economic downturn started, he said.

Criteria used by chain restaurants in deciding where to locate also has been a factor, said Vaughn and Jim Barnett, a commercial real estate agent.

Ridgeway District voters approved the sale of mixed drinks in a November 2004 referendum. Vaughn pushed for the referendum in hopes that liquor by the drink would lure eateries — especially upscale chain restaurants commonly found in larger communities — to Henry County.

“Many upscale restaurants won’t come to an area if they won’t have mixed beverage privileges” there, he said.

Colonial Downs opened an off-track betting parlor, which also serves food and mixed drinks, in the district after that vote, but nearly four years later, officials with the Martinsville-Henry County Economic Development Corp. (EDC) and Martinsville-Henry County Chamber of Commerce said they have not heard from any restaurant chains interested in Ridgeway.

But that does not necessarily mean no chains are looking at the area, said EDC President and Chief Executive Officer Mark Heath.

Vaughn said that he and his wife, who run Vaughn Real Estate on U.S. 220 Business (Greensboro Road), have talked with prominent restaurant chains.

So has Barnett, owner of Barnett Commercial Realty in Martinsville. He said his firm has been “actively trying to recruit restaurants of all kinds.”

They mentioned The Olive Garden, Ruby Tuesday and Red Lobster as being among restaurant chains they have contacted.

Chains have “expressed interest” in the Ridgeway area, Vaughn said. “They have not been negative ... but they won’t give you a commitment.”

Based on his conversations with numerous business people, in considering possible business expansions “everybody is taking a wait and see attitude” due to the economy, he said. “They’re being very cautious.”

Upscale restaurant chains use different criteria in deciding where to locate, but factors often include an area’s average income, population density and how many people living in the area would find it easy to drive to a location being scouted by a restaurant within a certain amount of time — 20 minutes, for example, according to Barnett.

Noting that Henry County’s and Martinsville’s populations have declined in recent years, he added that “unless you’re in a growing market, and a busy market, (restaurants) are not going to put their capital at risk” and open a new location in a community.

Henry County-Martinsville residents often drive to cities such as Danville, Roanoke and Greensboro, N.C., to eat at upscale chain restaurants. But with gas prices rising, “people are cutting down on their driving,” Vaughn said.

As fewer people go out of town to eat, he said, he thinks restaurant chains eventually will “have to be more flexible” and open in communities that they previously would not have considered to keep from losing customers.

Economic developers have said the construction of Interstate 73 through Henry County and completion of the widening of U.S. 58 between Hillsville and Stuart — whenever those projects occur — will help the area lure new businesses and industries.

Vaughn said such firms could bring new people into the area, which would increase the population and maybe cause restaurants to consider the area.

For that reason, he does not regret pushing for liquor by the drink.

Restaurant chains have not come to the area in the past few years, he said, because “the timing was bad” due to economic conditions.