Cleveland State University
EngagedScholarship@CSU

All Maxine Goodman Levin School of Urban Affairs Publications

Maxine Goodman Levin School of Urban Affairs

8-21-2014

# Market Studies for Main Street Redevelopment in Small Communities

Kirby Date
*Cleveland State University*, k.date@csuohio.edu

Follow this and additional works at: https://engagedscholarship.csuohio.edu/urban_facpub

Part of the Urban Studies and Planning Commons

How does access to this work benefit you? Let us know!

Repository Citation
Date, Kirby, "Market Studies for Main Street Redevelopment in Small Communities" (2014). *All Maxine Goodman Levin School of Urban Affairs Publications*. 0 1 2 3 1255.
https://engagedscholarship.csuohio.edu/urban_facpub/1255

This Presentation is brought to you for free and open access by the Maxine Goodman Levin School of Urban Affairs at EngagedScholarship@CSU. It has been accepted for inclusion in All Maxine Goodman Levin School of Urban Affairs Publications by an authorized administrator of EngagedScholarship@CSU. For more information, please contact library.es@csuohio.edu.


# Market Studies for Main Street Redevelopment in Small Communities

Levin Research Conference

August 21, 2014

Kirby Date, AICP

# Downtown Market Studies

## Project Descriptions:

- Village of Middlefield and City of Olmsted Falls
- One-semester projects, Fall 2013 and Spring 2014
- Community Planning Program Studies AND Real Estate class projects (UST 610 and 623)

## Project Goals:

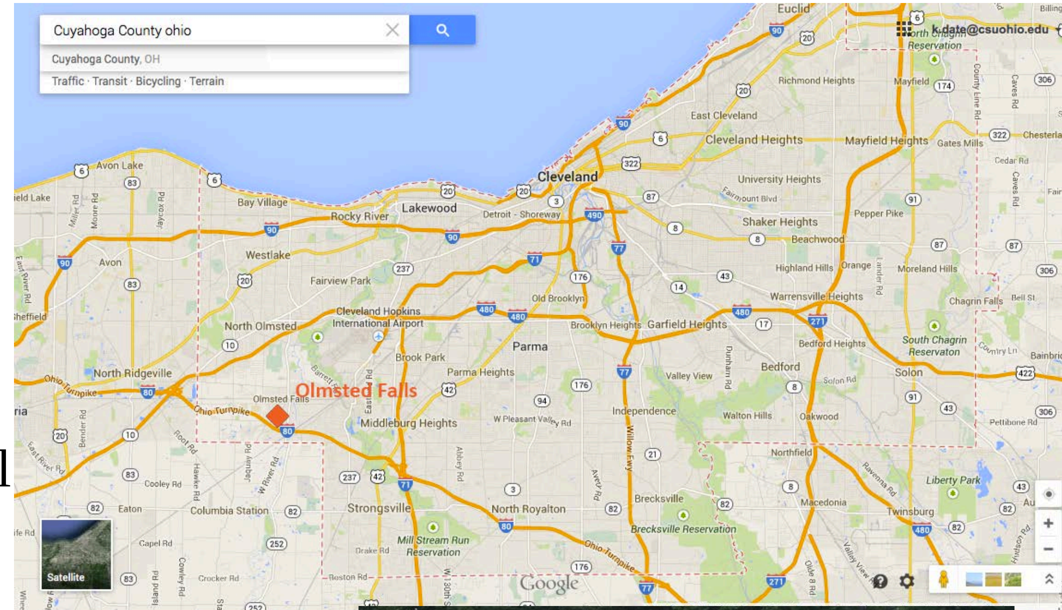
- Identify opportunities for downtown business environment
- Address possible site uses
- Housing/lodging assessment included for Olmsted Falls

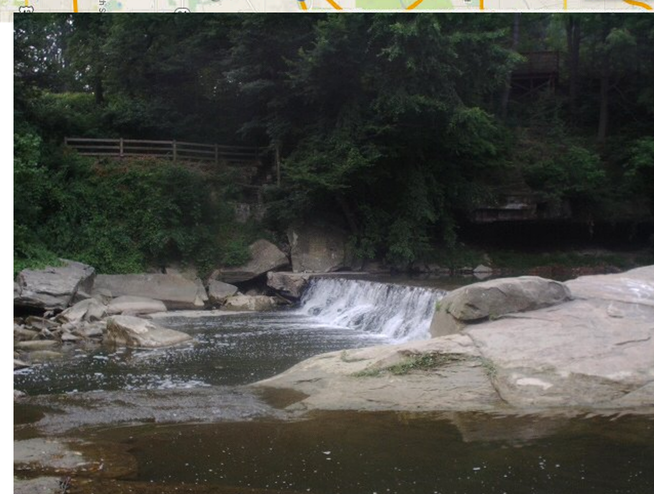
## Project Process:

- Site and web reconnaissance
- Merchant interviews and survey
- Realtor interviews
- Downtown visitor/resident survey
- Middlefield: Retail analysis
- Olmsted Falls: Retail, housing, office and lodging market analysis
- Test project development
- Meetings and discussion with Economic Development Committee
- Final report to Council and Planning Commission

# The City of Olmsted Falls

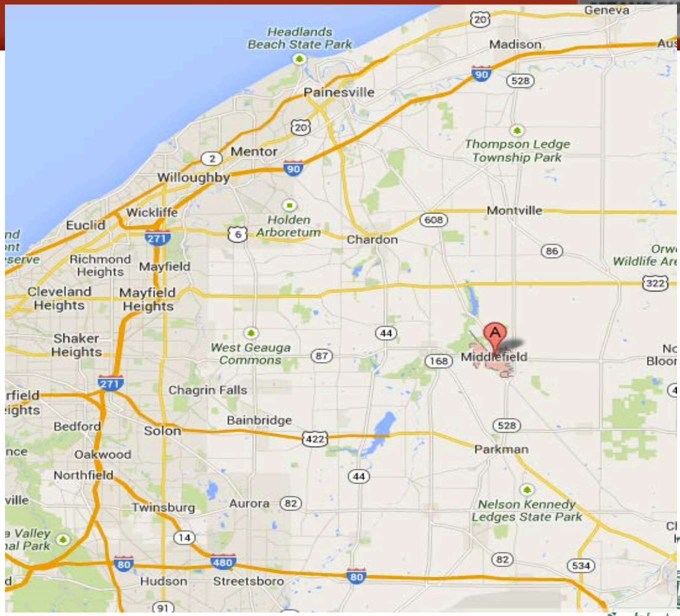
- Southwestern Cuyahoga County suburb
- Population 9,024 (2010)
- Historic downtown village
- Falls on Plum Creek and Rocky River
- “Excellent with Distinction” school district, 3800 students
- Easy access to employment centers and major retail venues
- New Mayoral administration January 2014
- 69 businesses, 130,000 SF
- 3% vacancy



# Village of Middlefield

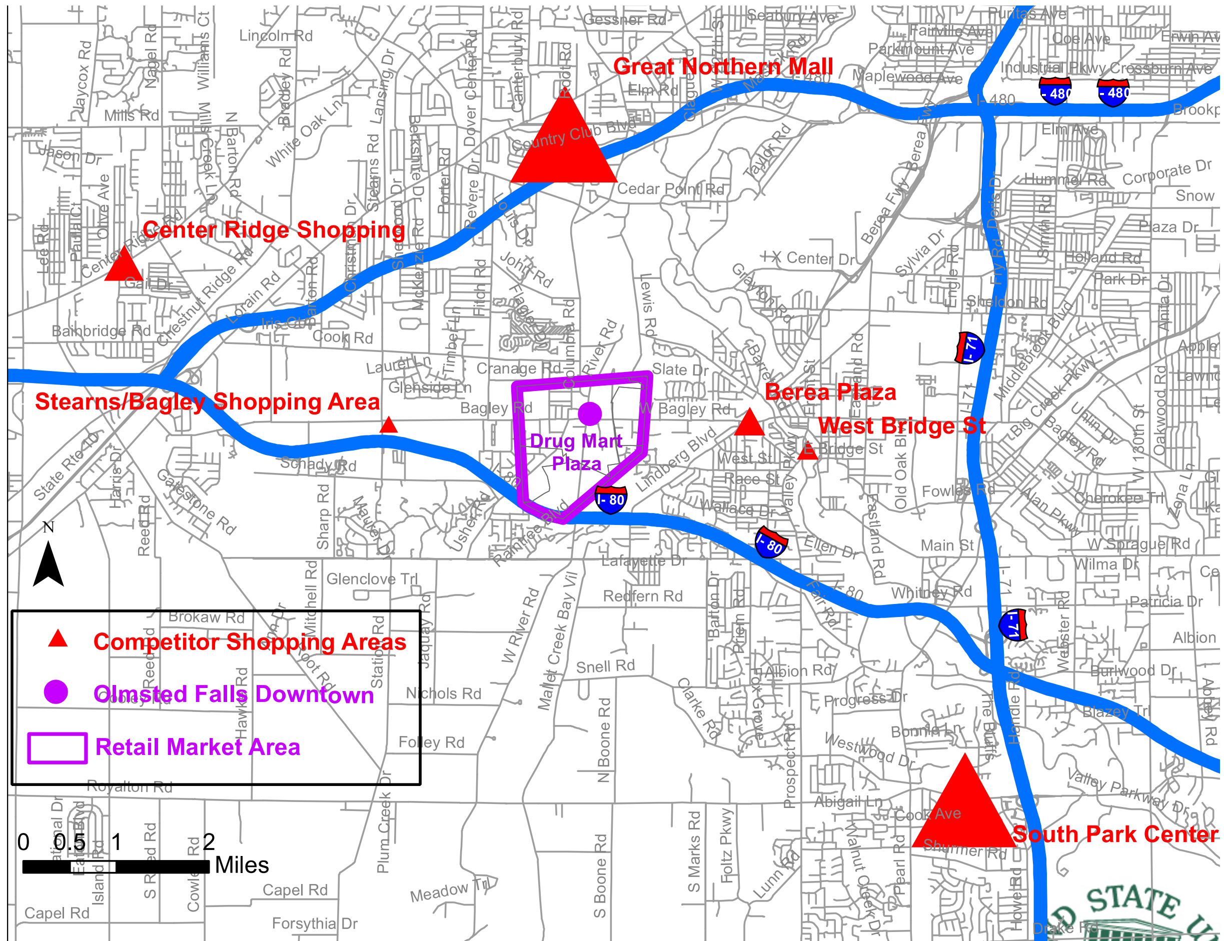
- Geauga County
- 2010 Census: 2694
- Employees : 7000+
- Economic Development Committee meets weekly
- 280 businesses, 1 M square feet
- 14% vacancy


# Olmsted Falls
# Primary Market Area (PMA)

- Competitors: 6 million SF within 10 minutes' drive
- PMA Population 2,902
- PMA Households 1,164
- PMA Mean HH income $73,140
- PMA Total income $85,134,960
- Niche analysis:

  *NO CAPACITY*



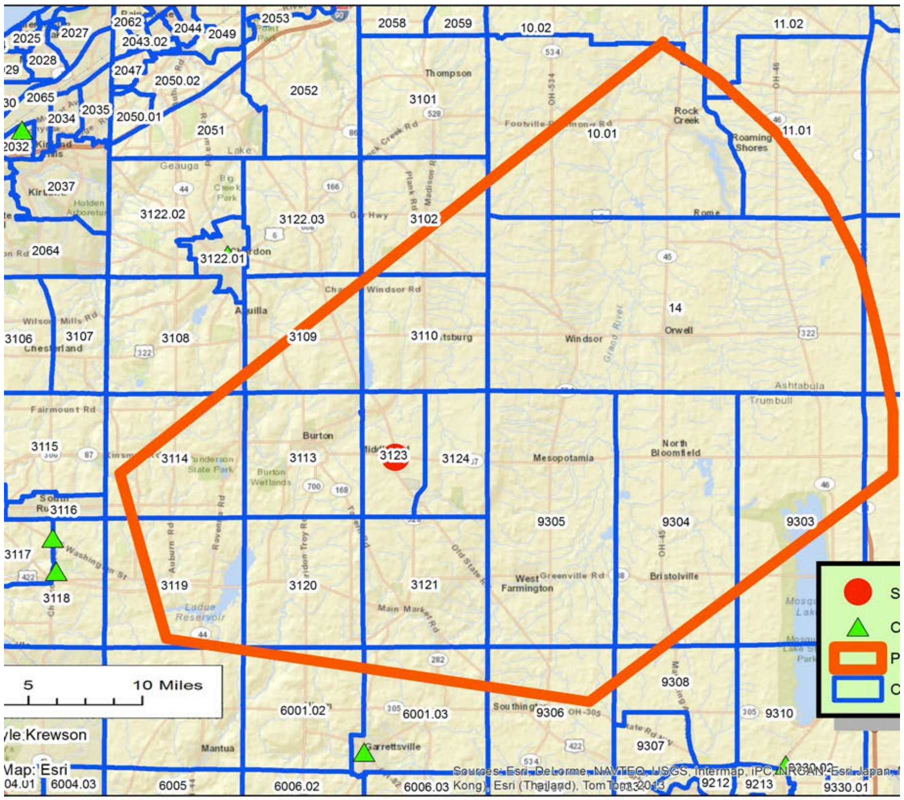

Olmsted Falls Downtown Study: Retail Market Area

Map: CSU CCPD

# Middlefield
# Primary Market Area (PMA)

- Competitors: 8.2 million SF within 15 miles
- PMA Population 61,390
- PMA Households 20,739
- PMA Mean HH income $54,485
- PMA Total income $1.130 B

Middlefield Primary Market Area




Kyle Krewson for Kirby Date, CSU Center for Community Planning and Development

# Niche Analysis Findings

| | NON-AMISH SALES - 87% of HH | | | AMISH SALE | ALL SALES | | |
|---|---|---|---|---|---|---|---|
| Category | Total In-PMA Potential Sales | Additional Outside Sales | Total Potential Sales | Total Potential Sales | Total Potential Sales | Total Gap in SF Needed | Total No. Stores Needed |
| RETAIL/FOOD SERVICE SALES | | | | | | | |
| Special Food Services/Catering | 1719714 | | 1719714 | 422674 | 2142388 | 9535 | 9.54 |
| Clothing Stores | 8736145 | | 8736145 | 1645779 | 10381923 | 41457 | 4.15 |
| Other health and personal care products | 2653272 | | 2653272 | 530184 | 3183456 | 9867 | 3.29 |
| Gen Merch - Disc Dept Stores | 8136702 | | 8136702 | 1575824 | 9712526 | 29831 | 2.98 |
| Shoe Stores | 1444559 | | 1444559 | 276137 | 1720697 | 5064 | 2.53 |
| Electronics/TV | 3891466 | | 3891466 | 0 | 3891466 | 7177 | 2.39 |
| Jewelry Stores | 1513348 | | 1513348 | 0 | 1513348 | 1999 | 2.00 |
| HH Office supplies/stationery | 2830157 | | 2830157 | 544911 | 3375068 | 11675 | 1.95 |
| Pharmacies and Drug Stores | 15388979 | | 15388979 | 3004374 | 18393354 | 13521 | 1.35 |
| Automotive Parts/Accessories/Tires | 5483429 | | 5483429 | 0 | 5483429 | 5584 | 1.12 |
| Building/Garden Materials/supplies | 15654307 | | 15654307 | 3063284 | 18717590 | 3094 | 1.03 |
| Books, periodicals, and music | 1149751 | 574876 | 1724627 | 220910 | 1945537 | 1785 | 0.89 |
| Computer/software stores | 1238194 | | 1238194 | 0 | 1238194 | 4073 | 0.81 |
| Beer, wine and liquor stores | 2830157 | | 2830157 | 0 | 2830157 | 954 | 0.48 |
| Luggage and Leather Goods | 137577 | | 137577 | 0 | 137577 | 517 | 0.34 |
| Gen Merch - Supercenters | 28792918 | | 28792918 | 5066200 | 33859118 | -21603 | -0.14 |
| Grocery Stores | 36438273 | | 36438273 | 7113298 | 43551571 | -3648 | -0.18 |
| Floor covering stores | 825462 | | 825462 | 0 | 825462 | -1506 | -0.50 |
| Household Appliances | 756674 | | 756674 | 143591 | 900265 | -7398 | -0.74 |

- 3 Markets: Local Non-Amish; Local Amish; Regional/Tourist
- Needs: Clothing, health/personal care, shoes, jewelry
- Needs with caution: electronics/TV, office supplies, auto parts, building/garden supplies (general merchandise fills need)
- Balance out to zero: all general merchandise
- Oversupply: Restaurants, hardware, home furnishings, specialty foods, others
- Services: no needs except "Other Repair" – meet with home-based

# National Chains Not a Solution

NATIONAL CHAIN SITE REQUIREMENTS

| Chain | Typical SF | Min. Service Area | Min. Distance from Competitor | In Chardon? (13 miles away) | Comments |
|---|---|---|---|---|---|
| Peebles | 10-20,000 | 10 miles, 20-50,000 population | 20-30 miles | Yes | |
| Marshalls | 31,000 | | | Yes | |
| TJ Maxx | 25,000 | | | Yes | |
| Marc's | | | | Yes | Giant Eagle prohibits Grocery |
| Aldi | 17000 | traffic > 20,000; 35,000 pop within 3 miles | | Yes | Giant Eagle prohibits Grocery |
| Kohl's | 55000 | "significant" traffic counts; 100,000 pop within trade area | | | Mentor, Highland Heights, Aurora, Niles |
| Family Dollar | 10,000 | | | No | In Middlefield |
| Dollar General | 10,000 | | | Yes | Two in Middlefield |
| Big Lots | 25-35,000 | | | Yes | |
| | | | | | |

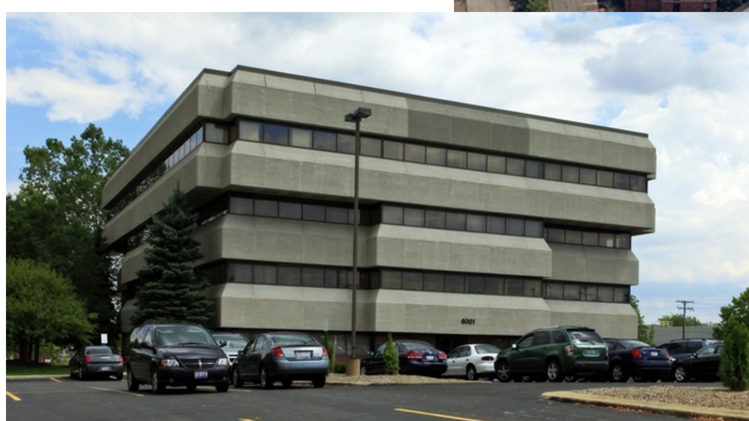
*TYPICAL CONDITIONS IN SMALL TOWNS:*

- Limited capacity in PMA
- General merchandise “Big Box” have saturated market
- Chains already have existing locations nearby

# Standard Office Market

- Cleveland Downtown: 18% vacancy
- Suburbs: 18-22% + vacancy
- *NO CAPACITY*





Data source: Bullard 2014

*Photos source: Colliers*

# BUT: Some Main Street Communities are Thriving

Doylestown

Hudson

Medina

Olmsted Falls

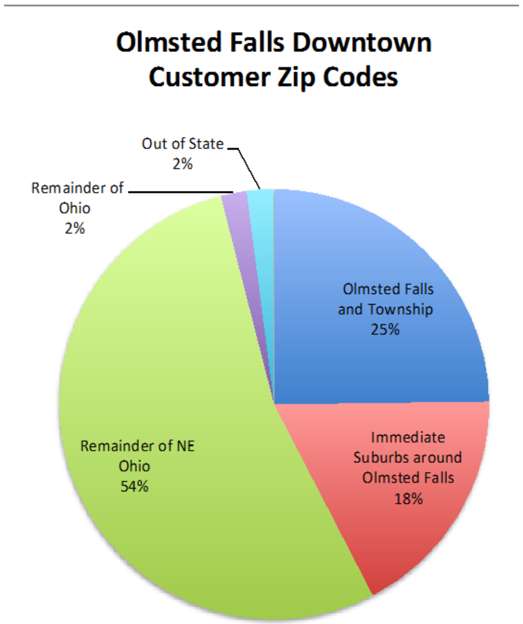

Chagrin Falls

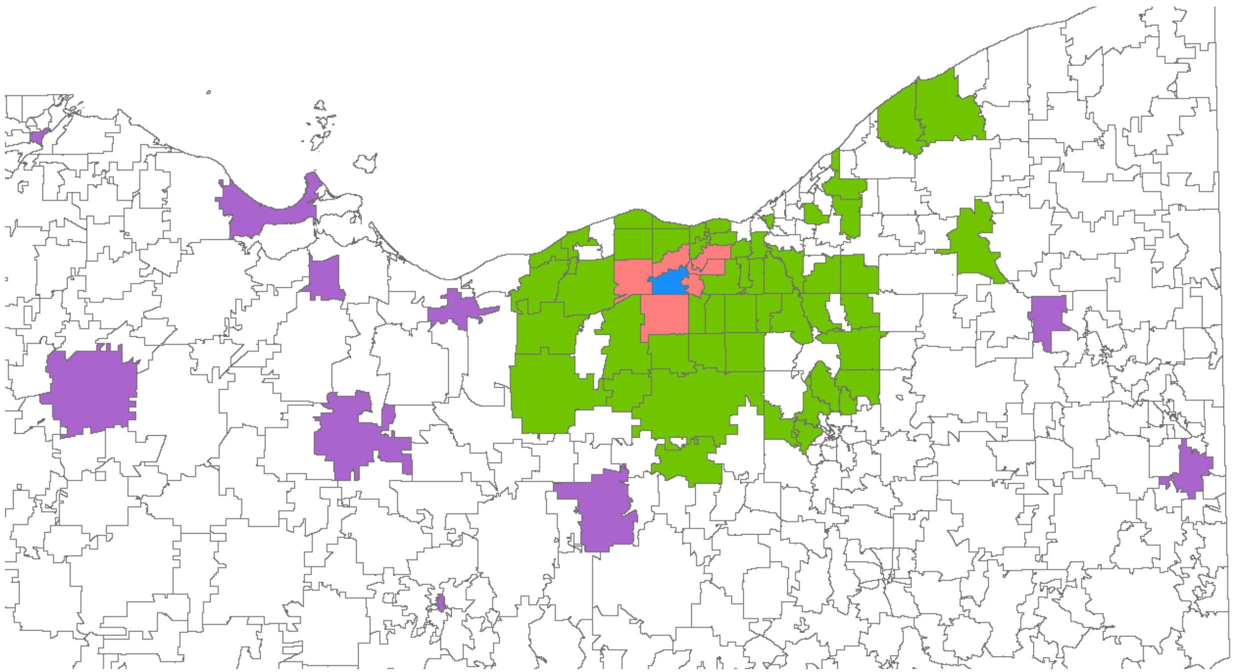
# Typical Economic Development for Main Streets

- Organization and Partnerships
- Design
- Marketing, Promotion and Brand
- Attracting, retaining and enhancing businesses

*WHAT DO THE NUMBERS SAY?*

# “Specialty” Retail and Office: Olmsted Falls Customers



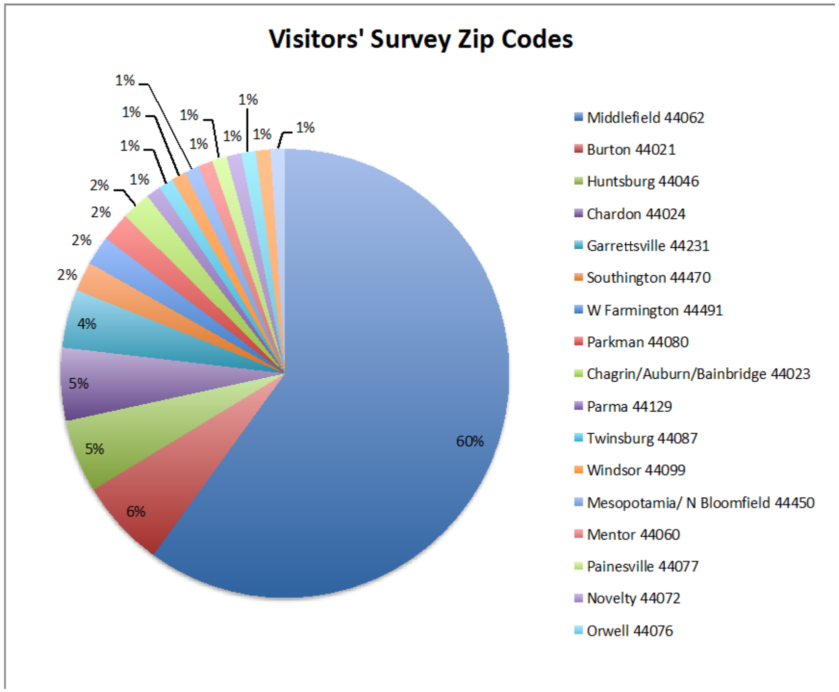



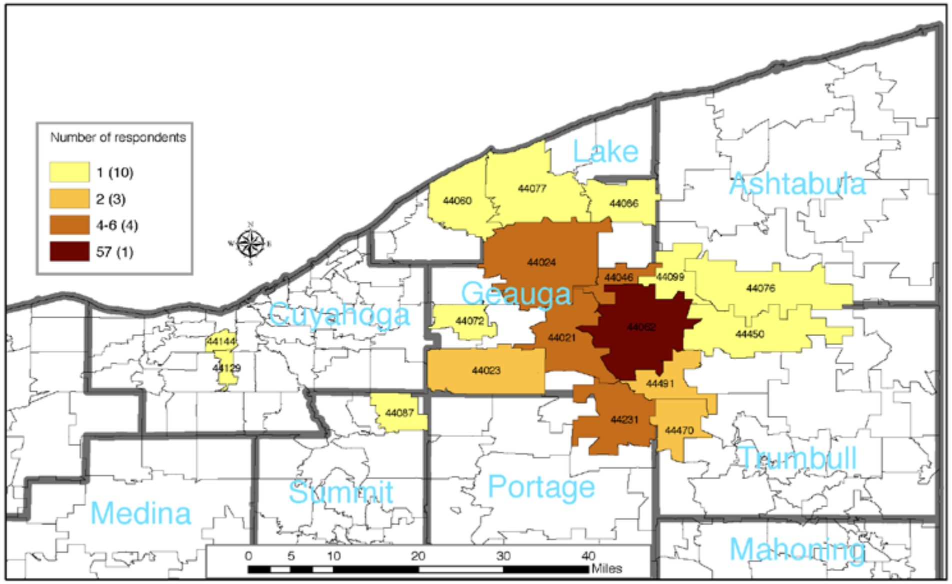
*THE SPECIALTY MARKET DRAWS FROM OUTSIDE THE PMA*

Source: 800+ addresses collected by GPJ Merchants’ Association

Map and diagram: CSU CCPD

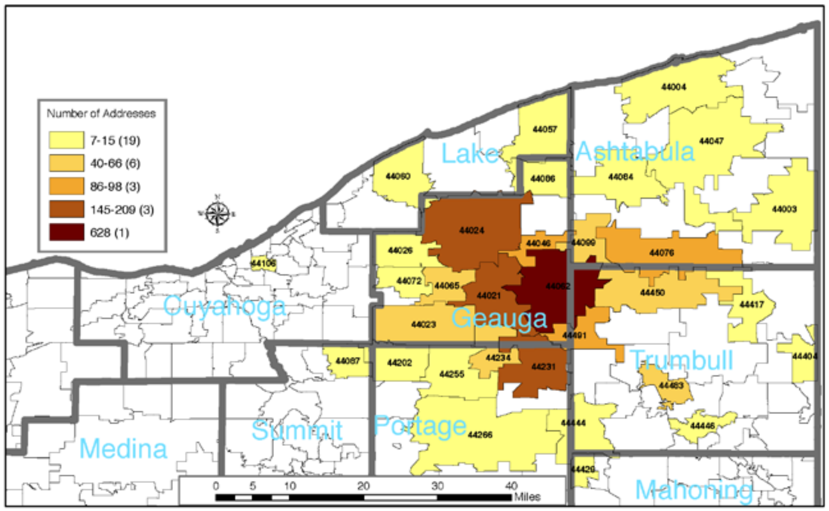
# Middlefield Capture Rate: Outside PMA, Local-Serving Businesses

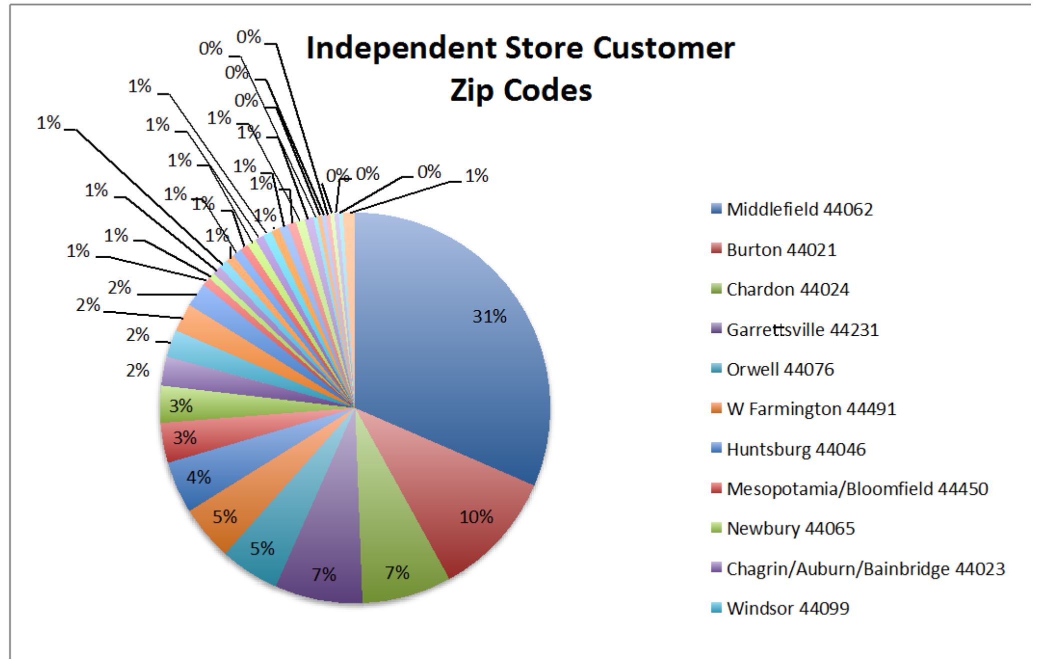



- Visitors Survey: 80% from inside PMA, 20% outside
- Hardware Store: 98% from inside PMA, 2% outside (62% cash sales)

# Middlefield Capture Rate: Outside PMA, Regional-Serving Business




- Independent Store: 67% from inside PMA, 33% outside

# Specialty Retail and Office: Downtown Comparison

| COMMUNITY | DNTN BUSINESSES | | | | GENERAL DATA INPUTS | | | | | | STREETS/TRAFFIC | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | MARKET AREA (1) | | | | | | | |
| COMMUNITY | ESTIMATED TOTAL SF(3) | ESTIMATED TOTAL BUSINESSES | ESTIMATED NO. RETAIL BUSINESS | EST NO. OFFICES | TOTAL POP 2012 | LAND AREA (SQ. MI.) | AVGE HH SIZE | DENSITY POP/SQ. MI | TOTAL HH | MEAN HH INCOME | MAIN STREETS | TRAFFIC COUNT RANGE IN DNTN 2013 |
| Chagrin Falls | 293,776 | 252 | 111 | 141 | 168,744 | 181.69 | 2.45 | 929 | 68,799 | $ 101,643 | W. Orange | 7,388 |
| Amherst | 68,237 | 91 | 39 | 52 | 180,903 | 194.23 | 2.50 | 931 | 72,466 | $ 74,490 | Cleveland Av | N/A |
| Vermilion | 144,300 | 74 | 41 | 33 | 10,507 | 10.8 | 2.31 | 973 | 4,555 | $ 53,566 | Liberty Ave | 11,740 |
| Wellington | 215,900 | 100 | 60 | 40 | 55,081 | 481.04 | 2.84 | 115 | 19,423 | $ 65,948 | OH 58 | 12,030 |
| Olmsted Falls | 135,500 | 69 | 37 | 32 | 126,859 | 94.57 | 2.51 | 1,341 | 50,543 | $ 64,396 | Columbia Rd | 6,100 |
| Medina | 358,100 | 242 | 74 | 168 | 157,971 | 295.9 | 2.64 | 534 | 59,739 | $ 81,776 | N. Court | 13,770 |

- *Total businesses range from 70 to 250*
- *Total First Floor Square Footage 70-350,000*
- *Population in Market Area 10-180,000*
- *Traffic 6-13,000 AADT*

Data: CSU CCPD, US Census

# Total SF and Buying Power

| COMMUNITY | DNTN BUSINESSES | | | COMPARATIVE PARAMETERS | | | |
|---|---|---|---|---|---|---|---|
| | | | MARKET AREA (1) | | | | |
| COMMUNITY | ESTIMATED TOTAL SF(3) | ESTIMATED TOTAL BUSINESSES | HH Buying Power | Retail Businesses/ $10,000 Mean HH Inc | Retail Businesses/ $100 million buying power | FF Business SF/ $10,000 Mean HH Inc | FF Business SF/$10 million buying power |
| | | | | | | | |
| Chagrin Falls | 293,776 | 252 | $ 6,992,936,757 | 10.92 | 1.59 | 28,903 | 420 |
| Amherst | 68,237 | 91 | $ 5,397,992,340 | 5.24 | 0.72 | 9,161 | 126 |
| Vermilion | 144,300 | 74 | $ 243,993,130 | 7.65 | 16.80 | 26,939 | 5,914 |
| Wellington | 215,900 | 100 | $ 1,280,908,004 | 9.10 | 4.68 | 32,738 | 1,686 |
| Olmsted Falls | 135,500 | 69 | $ 3,254,767,028 | 5.75 | 1.14 | 21,042 | 416 |
| Medina | 358,100 | 242 | $ 4,885,216,464 | 9.05 | 1.51 | 43,790 | 733 |
| | | | | | | | |

*First Floor SF/$10 million buying power: 126-5900*



Data: CSU CCPD, US Census

# Specialty Office in Downtowns

| COMMUNITY | DNTN BUSINESSES | | | | | |
|---|---|---|---|---|---|---|
| COMMUNITY | ESTIMATED TOTAL SF(3) | ESTIMATED TOTAL BUSINESSES | ESTIMATED NO. RETAIL BUSINESS | % of Total | EST NO. OFFICES | % of Total |
| Chagrin Falls | 293,776 | 252 | 111 | 44% | 141 | 56% |
| Amherst | 68,237 | 91 | 39 | 43% | 52 | 57% |
| Vermilion | 144,300 | 74 | 41 | 55% | 33 | 45% |
| Wellington | 215,900 | 100 | 60 | 60% | 40 | 40% |
| Olmsted Falls | 135,500 | 69 | 37 | 54% | 32 | 46% |
| Medina | 358,100 | 242 | 74 | 31% | 168 | 69% |

*PROFESSIONAL OFFICES TYPICALLY REPRESENT 40-60% OF BUSINESSES IN HISTORIC DOWNTOWNS*



Data: CSU CCPD, US Census

# SPECIALTY LODGING MARKET

## 37 Bed and Breakfasts within one hour


Map: Google Maps, CSU CCPD

# Bed and Breakfast Comparison

| COMMUNITY | DNTN BUSINESSES | | | | | |
|---|---|---|---|---|---|---|
| | | | | | | |
| COMMUNITY | ESTIMATED TOTAL SF(3) | ESTIMATED TOTAL BUSINESSES | ESTIMATED NO. RETAIL BUSINESS | EST NO. OFFICES | AVGE SF/ BUSINESS | B&B/INN LODGING ROOMS (4) |
| | | | | | | |
| Chagrin Falls | 293,776 | 252 | 111 | 141 | 1166 | 15 |
| Amherst | 68,237 | 91 | 39 | 52 | 750 | 5 |
| Vermilion | 144,300 | 74 | 41 | 33 | 1950 | 11 |
| Wellington | 215,900 | 100 | 60 | 40 | 2159 | 15 |
| Olmsted Falls | 135,500 | 69 | 37 | 32 | 1964 | 0 |
| Medina | 358,100 | 242 | 74 | 168 | 1480 | 6 |

- *OLMSTED FALLS IS THE ONLY DOWNTOWN IN OUR EVALUATION WITHOUT LODGING*
- *THERE ARE ONLY 7 B&B ROOMS WITHIN 15 MILES*

| BED AND BREAKFASTS AND OLMSTED FALLS | |
|---|---|
| No. rooms within 5 miles | 4 |
| No. rooms within 10 miles | 4 |
| No. rooms within 15 miles | 7 |
| No. rooms within 20 miles* | 35 |
| No. rooms within 30 miles* | 83 |
| Total rooms w/in 60 miles* | 184 |

*excludes 65-room Oberlin Inn



Data: CSU CCPD

# Specialty Retail Niche Analysis

| | Chagrin Falls | Amherst | Vermilion | Willoughby | Medina | Berea | Peninsula | Kent | Hudson | Burton | Oberlin | Wellington | Olmsted Falls |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Dining** | 18 | 13 | 10 | 16 | 15 | 7 | 4 | 51 | 24 | 6 | 14 | 14 | 10 |
| **Specialty Shopping** | 48 | 12 | 8 | 15 | 38 | 6 | 14 | 40 | 41 | 7 | 23 | 14 | 14 |
| **Neighborhood Shopping** | 11 | 13 | 2 | 0 | 4 | 4 | 1 | 1 | 3 | 6 | 11 | 20 | 14 |
| **Recreation/ Fitness/ Yoga** | 5 | 2 | 9 | 1 | 2 | 1 | 4 | 4 | 7 | 0 | 2 | 2 | 0 |
| **Health/ Beauty/ Spa/ Wellness** | 16 | 4 | | 2 | 9 | 4 | 1 | 10 | 9 | 4 | 8 | 9 | 4 |
| **Events/ Entertainment** | 2 | | 1 | | | | | 1 | | | 1 | | 3 |

*Focus on local entrepreneurs:*

*How do you compare? What are some good ideas?*

# Use of HH Income

**COMPARE AMISH AND NON-AMISH HOUSEHOLD EXPENDITURES**

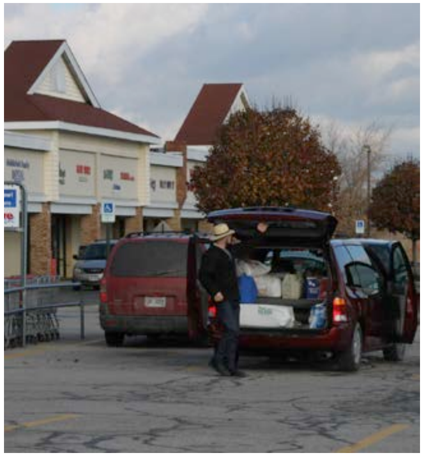
| Item | Percent of Total Consumer Income - NON-AMISH | Percent of Total Consumer Income - AMISH |
|---|---|---|
| Consumer Retail (see table) | 26.02% | 21.80% |
| Transportation - vehicles | 4.93% | 0.00% |
| **Subtotal Retail** | **30.95%** | **21.80%** |
| Consumer Services (see table) | 6.46% | 7.36% |
| Housing Rent/Mortgage/Utils | 18.38% | 13.08% |
| Transportation services (public transp/ins/licenses) | 2.89% | 13.19% |
| Health Insurance | 3.52% | 3.52% |
| Education | 1.81% | 2.22% |
| Other insurance/pensions not retail | 7.67% | 7.67% |
| **Subtotal Services** | **40.73%** | **47.05%** |
| **Cash Contributions** | **2.84%** | **5.68%** |
| **Taxes** | **3.93%** | **3.93%** |
| **Savings and Unspecified** | **21.54%** | **21.54%** |
| **TOTAL** | **100.00%** | **100.00%** |

*Source: CSU Calculations, see supporting tables*

- Source: Consumer Expenditures Survey 2012, and interview
- Amish: 22.7% of population, 13.0% of HH

# OPPORTUNITIES

- The Role of Small Towns
- Strategies for Placemaking and capitalizing on assets
- Key Elements of thriving historic downtowns
- Small Towns and the new homebuyer market



# Next Steps: Future Project?

- Full Lit Review
- Collect data on a wide range of small towns in Ohio
- Compare standard retail influences
- Compare specialty market areas via zip code analysis
- Measure all floors, field verify
- URBAN NEIGHBORHOODS??

# QUESTIONS?

Kirby Date, AICP
Center for Community Planning and Development
k.date@csuohio.edu