

# Main Street Moore Haven

## Economic Analysis Summer 2007

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### **STAKEHOLDER ECONOMIC VISION**

In May, 2007 the consultant held a site visit with the Main Street Manager that included an interview about the program's structure, priorities, and vision as well as short-term and long-term program goals. The Consultant also met with merchants and community stakeholders during a Town Hall meeting concerning goals for the district and opinions about potential customer target profiles. A driving tour of the entire district as well as a walking tour of its core also took place.

The site visit ended with a prepared detail map of buildings, vacancies and existing business types. From the data collected and a review of product lines, customer observations, and interviews, the following primary profiles were created to begin the research process:

1 = Target "residents" with an age range of 24 to 64 and annual household incomes from \$29,000 to \$99,000. The district will serve as a traditional walking southern downtown for this population offering everyday goods and services for "locals" with an entertainment slant toward eateries.

2 = Target "guests" = visitors, temporary residents, eco-tourists, boaters and winter residents.

### **TARGET CUSTOMER AREA**

The consultant used census data to determine where prospective customers to the district live. An important measure is "drive time to work" which is tracked by the US Census. For zip code 33471, research shows residents average 26.6 minutes to drive to work. The consultant represents a philosophy that "driving times to work" becomes a benchmark for people when determining a reasonable time commitment for transportation to activities such as shopping, dining and entertainment.

The proposed target area was discussed at a Town Hall meeting where both testimonials and opinions were heard. After discussion, and from detailed input from the program manager the following zip codes were identified to fall into the district's target area.

Main Street Moore Haven should consider a "customer circle" to include all households in zip code 33471 Glades/Moore Haven, 33944 Palmdale, 33975 LeBelle, 33935 LeBelle, and 33440 Clewiston as well as 25 percent of households (a percentage was used due to further drive time) in the communities of Belle Glade, Felda (east of Lehigh), Okeechobee and Lake Placid.

COMMUNITY	TOTAL HHs	AGE & INCOME	TARGET HHs (age, income & drive time)	
Moore Haven/Glades	1,954	926	926	100%
Palmdale	145	123	123	100%
LaBelle 33975	NA	NA	NA	
LaBelle 33935	5,411	3,425	3,425	100%
Clewiston	5,792	2,751	2,751	100%
Belle Glade	6,393	2,955	738	50%
Felda (east of Lehigh)	191	151	37	50%
Okeechobee	8,948	5,390	1,347	50%
Lake Placid	662	262	65	50%
TOTAL =	29,496	15,983	9,412	

## **CAPACITY**

The consultant reviewed data from the US Census and Main Street Moore Haven. From this data, a conservative estimate of 9,412 households were identified.

## **PRIMARY TARGET CUSTOMER PROFILE**

Based on the capacity data the following target customer profile was developed:

**Local Customer Population** – Incorporated and unincorporated "local" adult residents age 24 to 64 with annual household incomes from \$29,000 - \$99,000 living within a 30 minute drive from downtown. Additional households were captured at a rate of 25% that met both age and income variables but lived generally outside the 30 minute drive-time parameter in the communities of Bella Glade, Felda (east of Lehigh), Okeechobee and Lake Placid.

This represents 9,412 households. Those households with annual incomes below \$25,000, though not included in this economic analysis due to their greater likelihood to consider "price" as the highest (and in many cases the only) factor in making purchasing decisions. They will still be captured for entertainment, some specialty and service businesses.

Further, for those households that exceed \$99,000, although included in data collection, they along with all households that earned in excess of 59,999 were factored as incomes from \$50,000 to \$59,999 to be as conservative as possible in determining economic capacity.

Once the primary target customer profile was outlined, the consultant collected data on the profile’s spending habits as tracked by the US Department of Labor.

The chart below lists each habit individually. The “potential gross” column lists the gross sales of the good or service based on the spending habits of the 9,412 target households.

For example, if every one of the 9,412 target households purchased furniture at one store its annual gross sales would be approximately \$4.2 million. Obviously the area offers more than one furniture store and the retail landscape is competitive. As such, the Urban Land Institute suggests downtowns target 10% of the “potential gross” as a realistic sales goal.

For example, Main Street Moore Haven has the potential to attract \$420,000 in furniture sales. The “sales per household” figures are taken from the totals spent by each target age group for various goods and services and then proportioned to their percentage compared to the entire target population (all 9,412 households) to achieve a total sale per household amount weighted by age and income-related spending habits as researched by the US Department of Labor. They are:

**Income level Breakdown**

- \$30,000-39,999 = 2,599 households
- \$40,000-49,999 = 2,934 households
- \$50,000-59,999 = 3,978 households

<b>TOPIC</b>	<b>Sales per Household</b>	<b>Potential Gross</b>	<b>Downtown 10%</b>
Food away from home	\$35,000 HH = \$1,826 \$45,000 HH = \$2,208 \$55,000 HH = \$2,664	\$21.8 million	\$2.18 million
Package Alcohol	\$35,000 HH = \$319 \$45,000 HH = \$363 \$55,000 HH = \$417	\$3.55 million	\$355,000
Stationary/Postage	\$35,000 HH = \$146 \$45,000 HH = \$141 \$55,000 HH = \$164	\$1.4 million	\$140,000
Household Textiles	\$35,000 HH = \$64 \$45,000 HH = \$80 \$55,000 HH = \$113	\$850,500	\$85,000
Furniture	\$35,000 HH = \$310 \$45,000 HH = \$373 \$55,000 HH = \$580	\$4.2 million	\$420,000

Floor Coverings	\$35,000 HH = \$129 \$45,000 HH = \$137 \$55,000 HH = \$96	\$1 million	\$100,000
Major Appliances	\$35,000 HH = \$220 \$45,000 HH = \$167 \$55,000 HH = \$225	\$1.95 million	\$195,000
Small Appliances	\$35,000 HH = \$95 \$45,000 HH = \$77 \$55,000 HH = \$137	\$1 million	\$100,000
HH/Decorative	\$35,000 HH = \$1,405 \$45,000 HH = \$1,767 \$55,000 HH = \$2,214	\$17.6 million	\$1.7 million
Mens & Boys Apparel	\$35,000 HH = \$414 \$45,000 HH = \$471 \$55,000 HH = \$616	\$4.9 million	\$490,000
Boys (2-15) Apparel	\$35,000 HH = \$72 \$45,000 HH = \$112 \$55,000 HH = \$111	\$957,000	\$95,000
Women's & Girls Apparel	\$35,000 HH = \$560 \$45,000 HH = \$528 \$55,000 HH = \$903	\$6.5 million	\$650,000
Girls (2-15) Apparel	\$35,000 HH = \$122 \$45,000 HH = \$144 \$55,000 HH = \$148	\$1.3 million	\$130,000
Children (under 2) Apparel	\$35,000 HH = \$92 \$45,000 HH = \$93 \$55,000 HH = \$120	\$989,000	\$98,000
Footwear	\$35,000 HH = \$339 \$45,000 HH = \$343 \$55,000 HH = \$450	\$3.67 million	\$360,000
Drugs	\$35,000 HH = \$346 \$45,000 HH = \$322 \$55,000 HH = \$309	\$3 million	\$300,000
Medical Supplies	\$35,000 HH = \$118 \$45,000 HH = \$125 \$55,000 HH = \$123	\$1.16 million	\$110,000
TV/Radio/Electronics	\$35,000 HH = \$591 \$45,000 HH = \$681 \$55,000 HH = \$768	\$6.58 million	\$650,000
Pets & Toys	\$35,000 HH = \$309 \$45,000 HH = \$360 \$55,000 HH = \$539	\$4 million	\$400,000
Personal Care/Products	\$35,000 HH = \$594 \$45,000 HH = \$571 \$55,000 HH = \$708	\$6 million	\$600,000
Tobacco	\$35,000 HH = \$321 \$45,000 HH = \$286	\$2.9 million	\$290,000

	\$55,000 HH = \$316		
Books/Papers/Mags	\$35,000 HH = \$159 \$45,000 HH = \$170 \$55,000 HH = \$233	\$1.83 million	\$180,000
Entertainment/Fees	\$35,000 HH = \$366 \$45,000 HH = \$496 \$55,000 HH = \$668	\$5 million	\$500,000
Bakery Products	\$35,000 HH = \$305 \$45,000 HH = \$338 \$55,000 HH = \$353	\$3.18 million	\$310,000

The next chart outlines the amount of square footage for each good/service as calculated using Urban Land Institute sales per square foot data for existing viable businesses in similar communities (size, region, profile):

<u>TOPIC</u>	<u>Downtown 10%</u>	<u>Square Feet</u>
Food away from home	\$2.18 million	14,218
Stationary/Postage	\$140,000	1,044
Household Textiles	\$85,000	400
Furniture	\$420,000	3,100
Floor Coverings	\$100,000	1,500
Major Appliances	\$195,000	1,000
HH/Decorative	\$1.7 million	11,700
Mens & Boys Apparel	\$490,000	3,400
Women's & Girls Apparel	\$650,000	4,300
Children (under 2) Apparel	\$98,000	650
Footwear	\$360,000	1,900
Drugs	\$300,000	1,400
TV/Radio/Electronics	\$650,000	4,800
Personal Care/Products	\$600,000	4,050
Tobacco	\$290,000	800
Books/Papers/Mags	\$180,000	1,280
Bakery Products	\$310,000	1,200

## **BUSINESS SALES AND RENTS**

The Urban Land Institute tracks sales per square foot and rents per square foot for various goods and services. The following table reflects goods/services likely to be sought after by Main Street Moore Haven. The amounts were calculated using various ULI tables reflecting geographic region, downtown setting and incomes. The amounts reflect

established, profitable businesses. Even with the calculated rents, the consultant lowered the totals by 20 percent to reflect current As such, an economic restructuring goal should be to see the rents listed below achieve 20 percent increases within three years (to make on par with peer downtowns).

<b>Good/Service</b>	<b>\$ Sales sq/ft</b>	<b>\$ Rent sq/ft</b>
Deli	150	15
Bakery	256	12
Doughnuts/Muffins	115	16
Health	150	13.5
Eatery w/alcohol	168	12
Eatery wo/alcohol	153	10.8
Bar	129	7
Ice Cream	214	16
Sandwich	193	10.5
Seafood Restaurant	NA	12.5
Chinese Restaurant	69	11
Mexican Restaurant	199	12.5
Women's Ready	151	11
Bridal	130	9
Children's Clothing	147	12.5
Men's Clothing	143	12.5
Family Clothing	177	8
Family Shoes	187	11
Furniture	133	8.5
HH Textiles	NA	10.5
Home Accessories	126	14.5
Appliances	NA	7
Music	245	11.5
Music Instruments	NA	9.5
Hardware	90	5
Sporting Goods	184	7.5
Hobby	118	9.5

Art Gallery	127	8.5
Toys	143	13.5
Bike	180	7.5
Arts/Crafts	61	6
Outfitters	116	7.5
Cards/Gifts	100	10.5
Books	144	10.5
Jewelry	270	13.5
Decorative Accessories	136	13
Liquor/Wine	226	8.5
Flower/Plant	91	11

*NA = sample not large enough to accurately determine.*

### **GUESTS & VISITORS**

An additional target profile to be considered by the Economic Analysis Committee is “guests and visitors.” Downtown’s location makes in an attractive stop for both vehicular and boat traffic. Also, with an abundance of “snow birds,” long-term campground facilities and eco-tourists, Main Street Moore Haven must include this customer in its economic analysis.

A significant result from the analysis shows that though “visitors” are beneficial to the economy, the district offers enough capacity by targeting its top profile - residents - so as to consider “visitors” economic “icing on the cake.”

In fact, in the key zip codes targeted, at least 21 campground exist offering well over 1,000 sites.

Since this population is not vital to the success of the economic analysis and since little data, if any, is collected on the spending habits of this audience, the Main Street Moore Haven Promotions Committee should take a leadership role in developing this market to be better customers of downtown.

Glades/Moore Haven – Glades RV and Marina, Meadowlark, North Lake Estates, Big Cypress Trail Lakes, and Hendry’s Sabel Palm.

Palmdale – Lakeport, Aruba, and Cyress Point.

LeBelle – Labelle Woods, Aqua, Palm and Pines, Thompson and Frog Creek.

Clewiston – Okeechobee Landings, Easy Life, Big Cypress, Florida Federal and

Asturias.

## **VISION**

The Main Street Moore Haven program offers a current vision for the core district that including establishing a “town center” surrounding the park/playground square, In total some 25 commercial spaces are envisioned.

On the opposite side of the bridge, the vision is to develop a new construction project that may encompass a hotel, eatery, waterfront bar, marina, marine fueling station, bait/outdoor shop and park area.

It is essential that both the proposed “hotel” project and the Town Square project are physically linked. The consultant suggests “textured” sidewalks linking the two sides under the bridge approach and between future in-fill buildings on Town Square, Not only will these “connectors” link the two sides physically but also link them economically.

Also, with the remaining retention area lands under the bridge approach, additional parking as well as truck with trailer parking can be established either by encapsulating the retention areas or moving the retention areas “upstream” to areas identified by the regional water management entity.

Further, due to the height of the bridge, it should be treated as a focal point for the community and district. As such, an “icon” element should be considered for the bridge including creative night-time lighting.

As far as the rest of the district, since it already has developed as drive-up commercial, downtown should embrace the corridor as a “gateway” and encourage its continued development as such. With the high number vehicles using the corridor, this approach also best serves their needs as well. Creative design features could be incorporated to calm traffic and direct motorists to the Town Center and new “hotel” areas of downtown.

## **WHAT NEXT**

The consultant will report the findings at a Town Hall Meeting in July, 2007. After the report is presented, it is the Economic Restructuring Committee’s responsibility to begin implementing programs and services geared toward reaching the analysis’ potential. This includes assessing all existing buildings and businesses, creating a recruitment/welcome kit, providing business growth services to existing businesses, and recruitment of new businesses.

Services to be considered include:

- Create and maintain building/business assessment
- Institute a downtown floating incubator
- Establish a technology-based resource center
- Create a partnership with local entrepreneur training program
- Start mentor program for new businesses

- Begin business improvement training program
- Establish recruitment program

The report should also be presented to the Promotions Committee to ensure they are truly programming toward the targeted customer profiles. The Design Committee will also benefit from a review of the analysis so its efforts can address some of the physical challenges and opportunities as a result of the report.

## **INFORMATION SOURCES**

Main Street Moore Haven  
US Census  
US Department of Labor  
Urban Land Institute  
National Main Street Center  
Program executive director interviews  
Stakeholder/Merchants/board member interviews  
Site Visit