SouthSide Arts District

Retail Market Analysis

Bethlehem, Pennsylvania

Prepared For:

City of Bethlehem, Pennsylvania

Prepared By;

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INTRODUCTION

Figure 1: *The SouthSide Arts District is a revitalized downtown area that is now a popular destination for shopping, dining and entertainment.*

Executive Summary

This study finds that Bethlehem's SouthSide Arts District can presently support up to 180,000 additional square feet (sf) of retail and restaurant development, generating as much as $66.0 million in new sales by 2024. This new commercial development could include 30 to 40 new retail stores totaling 120,000 sf and 20 to 25 new restaurants and a brew pub totaling 60,000 sf. The 180,000 sf of additional supportable retail and restaurant space represents a 45 percent increase in the SouthSide Arts District's existing 400,000 sf of first floor commercial area.

The SouthSide Arts District in Bethlehem is a recently revitalized downtown area that has continued to receive substantial private and public investment. Its study area has an estimated 29 square mile primary trade area. The primary trade area includes 104,000 year-round residents and 41,000 households with an average income of $71,000 per year. Many trade area residents are gainfully employed, and the median age is 38.6 years. Just over 28 percent of the trade area's residents have a four-year college degree and 33.3 percent earn over $75,000 per year.

***Figure 2:** Bethlehem is in eastern Pennsylvania, roughly 50 miles north of Philadelphia and 70 miles west of New York City.*

Background

Gibbs Planning Group, Inc. (GPG) has been retained by the City of Bethlehem to conduct a retail feasibility analysis to determine how much additional retail and restaurant development (if any) is supportable in the city's SouthSide Arts District.

GPG addressed the following issues in this study:

- What is the existing and planned retail market in the SouthSide Arts District and surrounding areas?
- What are the existing and potential trade areas for the SouthSide Arts District?
- What are the population, demographic and lifestyle characteristics in the SouthSide Arts District currently and projected for 2024?
- What is the current and projected growth for retail expenditures in the area, now and in 2024?
- How much additional retail square footage is supportable in the area and what retailers may seek to deploy a new business there?
- What retail sales volumes can potentially be achieved in the SouthSide Arts District by these new businesses?

Methodology

To address the above issues, GPG defined existing and potential trade areas that would likely serve the existing and new retail development in the SouthSide Arts District based on geographic and topographic considerations, traffic access/flow in the area, relative retail strengths, concentrations of daytime employment and the retail gravitation in the market, as well as our experience defining trade areas for similar markets. Population, consumer expenditure and demographic characteristics of trade area residents were collected by census tracts from the U.S. Bureau of the Census, U.S. Bureau of Labor Statistics and Environmental Systems Research Institute (ESRI).

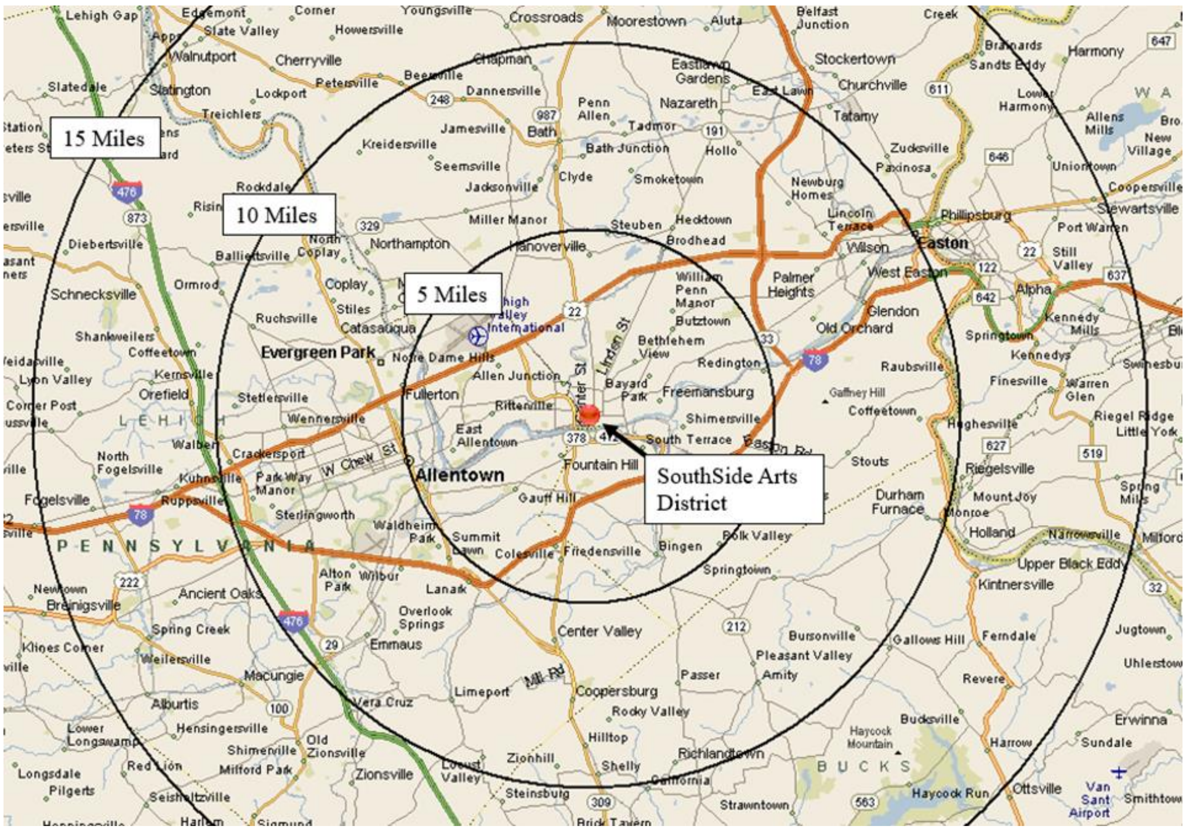


Figure 3: Map showing the location of Bethlehem's SouthSide Arts District within the Lehigh Valley region.

Finally, based on the projected consumer expenditure capture (demand) in the primary trade area of the gross consumer expenditure by retail category, less the current existing retail sales (supply) by retail category, GPG projects the potential net consumer expenditure (gap) available to support existing and new commercial development. The projected net consumer expenditure capture is based on household expenditure and demographic characteristics of the trade areas, existing and planned retail competition, traffic and retail gravitational patterns and GPG's qualitative assessment of the SouthSide Arts District.

Net potential captured consumer expenditure (gap) is equated to potential retail development square footage, with the help of retail sales per square foot data provided by Dollars and Cents of Shopping Centers (Urban Land Institute and International Council of Shopping Centers), qualitatively adjusted to fit the urbanism and demographics of the study area.

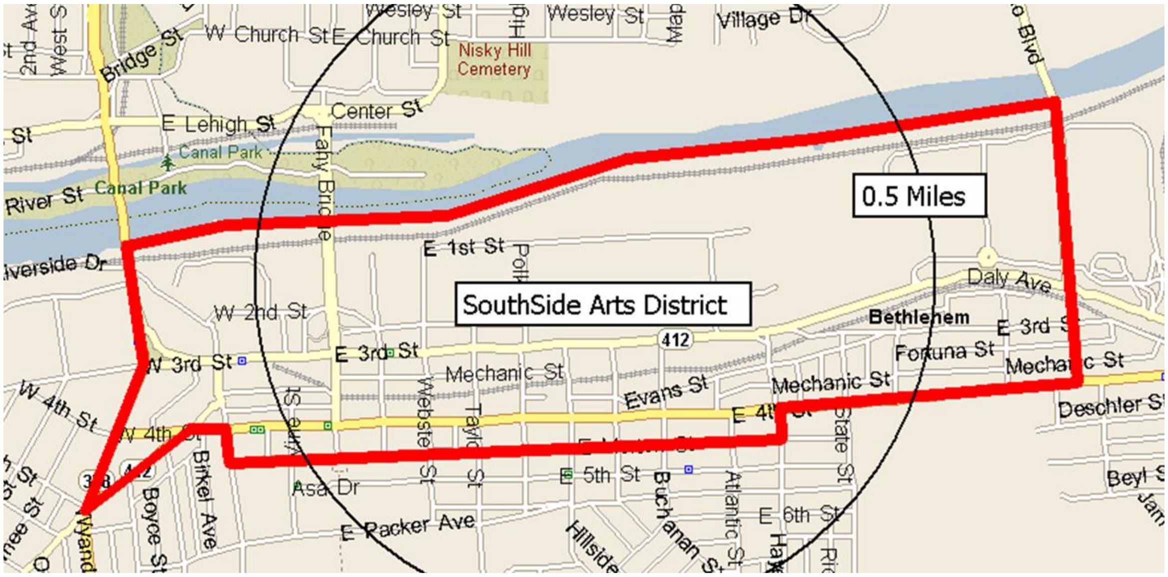


Figure 3: *Map showing the boundaries of Bethlehem's SouthSide Arts District.*

RETAIL TRADE AREAS

Based on GPG's analysis of the existing SouthSide Arts District's commercial centers, population clusters, employment, visitors, highway access and the retail gravitation in the market, this study estimates that the SouthSide Arts District has two trade areas, a primary and a secondary. Using data from ESRI and the U.S. Census Bureau, GPG obtained the most recent population and demographic characteristics (2019), and those projected for 2024 for the defined trade area, the Allentown-Bethlehem-Easton MSA and the Commonwealth of Pennsylvania.

Primary Trade Area

The SouthSide Arts District's primary trade area includes 104,000 year-round residents and covers 29 square miles of area. It is bordered on the north by Macada Road and Broder Street, on the south by Seidersville Road and Walnut Street, on the east by 6th Street, 12th Street and Ringhoffer Road, and on the west by Airport Road, North Irving Street and East Side Reservoir Park. By 2024, the primary trade area's population is estimated to grow by 2,000 people, or 1.92 percent. This growth rate is lower than that for the secondary trade area and MSA, but higher than the growth rate for the Commonwealth of Pennsylvania generally. The number of households in the primary trade area will increase from 41,000 to 41,400 and will include an average of 2.37 people per household.

The SouthSide Arts District primary trade area's median household income is $52,000 and is expected to increase to $58,000 by 2024. Its average household income is $71,500, with over 33 percent of households earning over $75,000 per year – lower than the MSA and Pennsylvania. Over 28 percent of primary trade area residents over the age of 25 have earned a bachelor's degree or higher, compared to 32.2 percent for Pennsylvania. Residents living in the primary trade area have a median age younger than that of the state at 38.6.

Approximately 93.5 percent of the primary trade area's homes are occupied year-round, and the median home value is estimated to be $180,000. Of all the primary trade area's households, 55.9

percent are owner-occupied, a number that has decreased 2.3 percent since 2010 and is expected to decrease to 55.7 percent by 2024. Renter-occupied households have increased from 41.8 percent in 2010 to 44.1 percent in 2019 and are expected to increase to 44.3 percent by 2024. The primary trade area's current residential vacancy rate is 6.5 percent, a number that has increased 0.4 percent since 2010 and is projected to continue to increase to 6.8 percent by 2024. The percentage of housing units valued at over $250,000 is expected to increase from 22.1 percent to 27.2 percent – coinciding with an increase in the median home value to $192,000 by 2024.

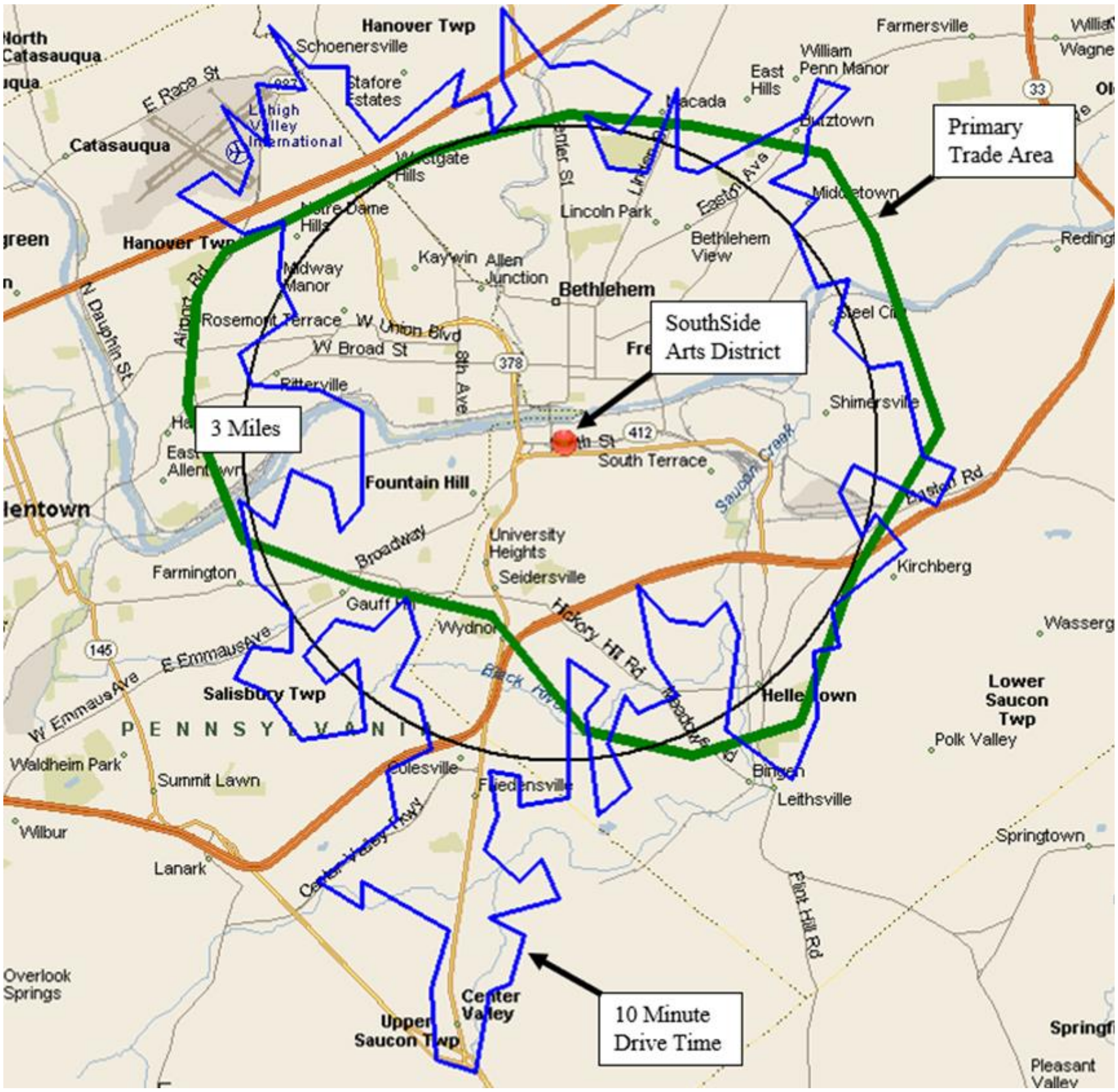


Figure 4: The SouthSide Arts District's estimated primary trade area shown above in green and estimated 10 minute drive time shown inside the blue line.

Secondary Trade Area

The SouthSide Arts District's estimated secondary trade area is roughly 80 square miles and includes 186,000 year-round residents and nearly 71,000 households. GPG estimates that residents, workers and visitors in the area between the primary and secondary trade area will only account for a minimal amount of SouthSide Arts District's retail and restaurant commerce due to other more convenient commercial centers. However, SouthSide Arts District businesses that offer unique, exceptional goods and services could potentially attract customers from this area on a regular basis.

The secondary trade area demonstrates a higher household growth rate (0.39% percent annually) than that for the primary trade area, MSA and Commonwealth of Pennsylvania. The number of households is 70,800, increasing to 72,200 by 2024. The population is expected to grow by 0.42 percent annually to 190,000 by 2024. This rate is also higher than the annual growth rate for the primary trade area, MSA and Commonwealth of Pennsylvania.

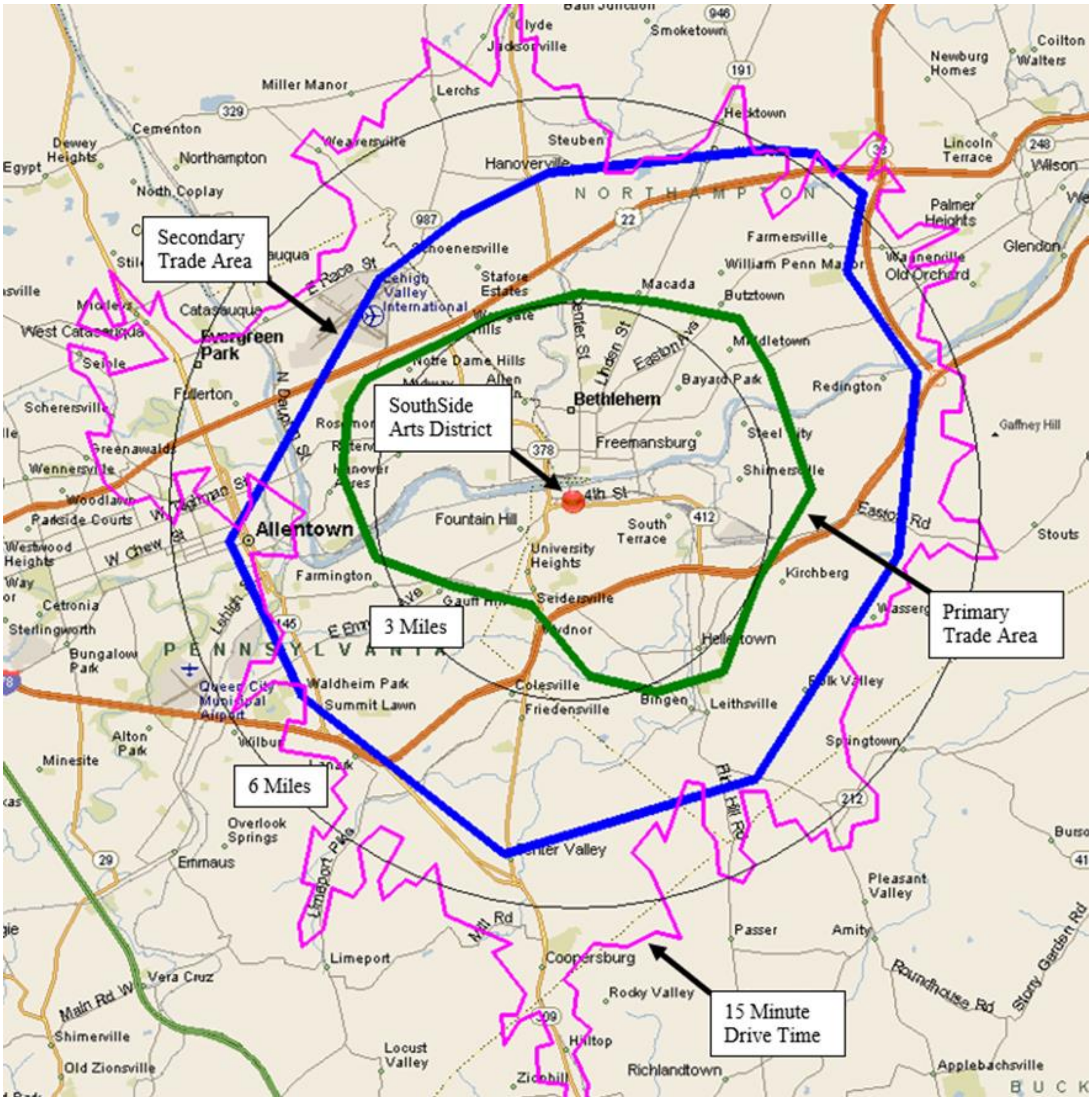


Figure 5: *The SouthSide Arts District's estimated secondary trade shown above in blue and primary trade area in green. The SouthSide Arts District's estimated 15 minute drive time is shown inside the pink line.*

The median household income in the secondary trade area is $54,600 and the average household income is $78,600, both of which are lower than the state's figures. The Median household income is expected to increase to $61,000 by 2024, while average household incomes will have grown by 2.6 percent to $89,000. Educational attainment of a bachelor's degree or higher is at 36.5 percent and 28 percent of households earn more than $75,000 annually. The secondary trade area's median age is 39.3 years, which is 2.2 years lower than the state's 41.5 years.

Figure 6: SouthSide Arts District Demographic Comparisons

Demographic Characteristics	*Primary Trade Area*	*Secondary Trade Area*	*Allentown-Bethlehem-Easton MSA*	*Commonwealth of Pennsylvania*
2019 Population	**104,000**	186,000	856,000	13,000,000
2024 Population	**106,000**	190,000	872,000	13,160,000
2019-24 Projected Annual Growth Rate	**0.25%**	0.42%	0.38%	0.23%
2019 Households	**41,000**	70,800	327,000	5,142,400
2024 Households	**41,400**	72,200	333,000	4,048,000
2018-2024 Projected Annual HH Growth Rate	**0.19%**	0.39%	0.37%	0.22%
Persons Per Household 2019	**2.37**	2.49	2.55	2.45
Median Age	**38.6**	39.3	42.2	41.5
2019 Median Household Income	**$52,000**	$54,600	$64,000	$59,000
2019 Average Household Income	**$71,500**	$78,600	$88,000	$83,900
2024 Median Household Income	**$58,000**	$61,000	$73,000	$67,000
2024 Average Household Income	**$81,600**	$89,000	$101,000	$95,400
% Households w. incomes $75,000+	**33.3%**	36.5%	43.7%	40.4%
% Bachelor's Degree or higher	**28.3%**	28.4%	30.4%	32.2%

***Figure 6**: This side-by-side table compares the primary trade area demographic statistics with those of the secondary trade area, MSA and Commonwealth of Pennsylvania.*

LIFESTYLE TAPESTRY DEMOGRAPHICS

As a part of this analysis, GPG purchased third-party demographic research prepared by ESRI. The ESRI data includes tapestry lifestyles, which creates 65 classifications, or lifestyle segments, that help determine purchasing patterns. These segments are broken down to the U.S. Census Block Group level and used by many national retailers to help determine future potential locations. The most prevalent ESRI lifestyle groups in Bethlehem's SouthSide Arts District are Parks and Rec, Front Porches, Fresh Ambitions, Old and Newcomers and Midlife Constants.

Parks and Rec: The primary trade area's most prominent lifestyle group is *"Parks and Rec,"* which represent 17.9 percent of SouthSide Arts District primary trade area households. These residents live in lower-density and well-established neighborhoods throughout the country. The average household size is 2.51, and many are two-income married couples approaching retirement age.

They tend to live in mostly older neighborhoods with homes built before 1970 and are primarily homeowners with about 30 percent renters. The median home value for this group is $198,500.

Parks and Rec residents place a high importance on practicality and are budget-conscious consumers. The workforce among this group is diverse and includes professionals in health care, retail trade, education and skilled workers in manufacturing and construction. Their median household income ($60,000) is higher than the US median and their net worth is $125,500, which is also higher than the US median of $93,300.

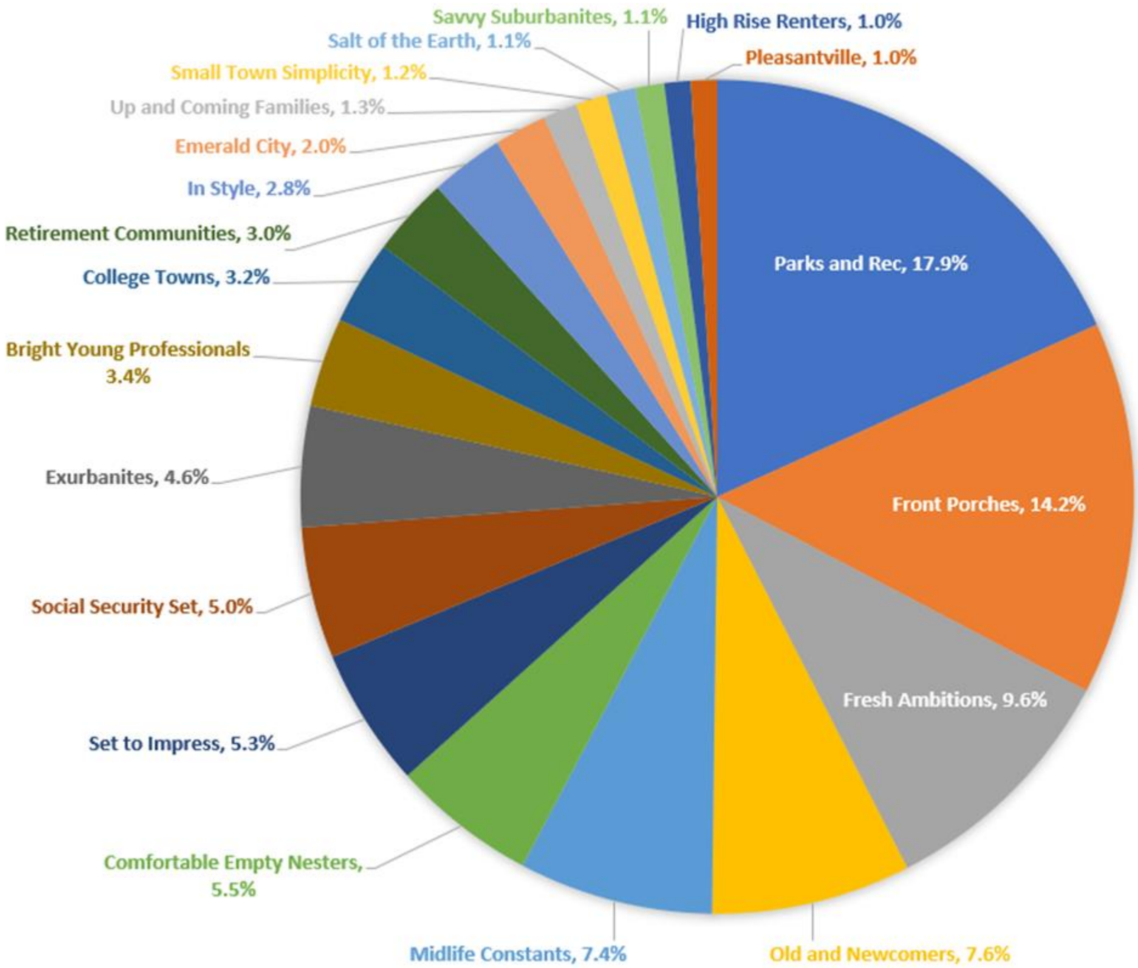


Figure 7*: The relative proportions of the Tapestry Lifestyle groups found in the primary trade area.*

Members of this group frequently visit local parks and engage in recreation activities. They tend to pass time at home watching documentaries. For an outing, they choose to dine at family-style restaurants and attend movies. In terms of purchasing patterns, these consumers are financially shrewd and carefully research big-ticket purchases. Convenience is important in the kitchen; they regularly use frozen or packaged main course meals. *Parks and Rec* residents also tend to stock up on staples at warehouse clubs.

Front Porches: *Front Porches* are a blend of household types, with more young families with children and single households than average. This group is composed of a blue-collar work force with a strong labor force participation rate, but unemployment is slightly high at 7.1 percent.

Most *Front Porches* residents live in older established neighborhoods. Many of their homes are duplex, triplex or quad and three-quarters of them were built before 1980. These residents have a $43,700 median household income and $24,800 net worth. With limited incomes they are not adventurous shoppers and price is more important than brand names or style. They go online for gaming, watching movies, employment searches and posting pics on social media. About 14 percent of Bethlehem's SouthSide Arts District primary trade area households are defined as *Front Porches.*

Fresh Ambitions: Nearly 10 percent of primary trade area households are classified as *Fresh Ambitions*. This group is composed of young families who focus life and work around their children. Nearly one in four *Fresh Ambitions* residents is foreign-born, supporting a large family on little income. They live on the edge of poverty and unemployment is high for these recent immigrants. The average household size for this group is large (3.17 people per household), and the proportion of multigenerational families living in one household is twice that of the US. They primarily live in row houses or 2 to 4 unit buildings, many of which were built before 1950. *Fresh Ambitions* residents earn a $26,700 median household income and their median net worth is $11,000. As shoppers, they are price-conscious and budget around their children and families. When their budget permits, they wire money back home. Half of these residents have owned or used a credit or debit card within the past year, and roughly a third maintain a savings account. Nearly half of these households subscribe to a cable service, and Spanish TV networks, BET and children's shows are popular with them.

Old and Newcomers: Representing 7.6 percent of existing trade area households, this group is predominantly composed of single households with a mix of married couples without children. Most *Old and Newcomers* residents are metropolitan city dwellers who are just beginning their careers or retiring. While 45 percent live in single-family dwellings, 45 percent also live in multiunit buildings in older neighborhoods. Thirty-one percent have a college degree, 33 percent have some college education and 9 percent are still enrolled in college. *Old and Newcomers* residents earn a $44,900 median household income and have a median net worth of $30,900. This group has an average labor force participation rate of 62.6 percent despite the increasing number of retired workers. In terms of purchasing behavior, they are price aware and coupon clippers, but open to impulse buys. They are also attentive to environmental concerns and recycle, volunteer for charities and help fundraise.

Midlife Constants: This group accounts for 7.4 percent of primary trade area households. These residents are seniors, and about 42 percent of *Midlife Constants* residents are receiving Social Security. Their median household income ($53,200) is below average but their median net worth ($138,300) is above average. Sixty-three percent have a high school diploma or some college. Unemployment is lower in this market at 4.7 percent, but so is the labor force participation rate. As consumers, they are attentive to price but not at the expense of quality. *Midlife Constants* residents like to contribute to arts/cultural, educational, health and social service organizations and belong to clubs. Technology has its uses, but bells and whistles are a bother. *Midlife Constants* opt for convenience and comfort, not the cutting-edge.

Figure 8: SouthSide Arts District Trade Area Tapestry Lifestyles

Lifestyle Group	*SouthSide Arts District Primary Trade Area Statistics*	*Lifestyle Summary*
 ***Parks and Rec***	Population **14,300** Households **7,000** Median HH Income **$60,000** SouthSide Households **17.9 %** US Market Share **2.0%**	These practical suburbanites have achieved the dream of home ownership. They have purchased homes that are within their means. Their homes are older, and town homes and duplexes are not uncommon. Many of these families are two-income married couples approaching retirement age; they are comfortable in their jobs and their homes, budget wisely, but do not plan on retiring anytime soon or moving. Neighborhoods are well established, as are the amenities and programs that supported their now independent children through school and college.
 ***Front Porches***	Population **11,200** Households **5,700** Median HH Income **$43,700** SouthSide Households **14.2 %** US Market Share **1.6 %**	*Front Porches* blends household types, with more young families with children or single households than average. This group is also more diverse than the US. More than half of householders are renters, and many of the homes are older town homes or duplexes. Friends and family are central to *Front Porches* residents and help to influence household buying decisions. Households tend to own just one vehicle but used only when needed. Income and net worth of these residents are well below the US average
 ***Fresh Ambitions***	Population **8,200** Households **3,900** Median HH Income **$26,700** SouthSide Households **9.6 %** US Market Share **0.6 %**	These young families, many of whom are recent immigrants, focus their life and work around their children. *Fresh Ambitions* residents are not highly educated, but many have overcome the language barrier and earned a high school diploma. They work in a variety of occupations and spend what little they can save on their children. Multigenerational families and close ties to their culture support many families living in poverty; income is often supplemented with public assistance and Social Security. Residents budget wisely not only to make ends meet but also to save for a trip back home.

Lifestyle Group	*SouthSide Arts District Primary Trade Area Statistics*	*Lifestyle Summary*
 ***Old and Newcomers***	Population **5,400** Households **3,000** Median HH Income **$44,900** SouthSide Households **7.6 %** US Market Share **2.3 %**	This market features singles' lifestyles, on a budget. The focus is more on convenience than consumerism, economy over acquisition. *Old and Newcomers* is composed of neighborhoods in transition, populated by renters who are just beginning their careers or retiring. Some are still in college; some are taking adult education classes. They support charity causes and are environmentally conscious. Age is not always obvious from their choices.
 ***Midlife Constants***	Population **5,800** Households **3,000** Median HH Income **$53,200** SouthSide Households **7.4 %** US Market Share **2.5 %**	*Midlife Constants* residents are seniors, at or approaching retirement, with below average labor force participation and above average net worth. Although located in predominantly metropolitan areas, they live outside the central cities, in smaller communities. Their lifestyle is more country than urban. They are generous, but not spendthrifts.

Figure 8: *The top five Tapestry Lifestyle groups profiled above portray a mostly middle-class population of varying ages.*

EMPLOYMENT BASE

The employment picture found in the SouthSide Arts District primary trade area reflects a concentrated services and retail trade sector foundation, comprising 78.5 percent of total employment. As shown in *Figure 9*, the services sector employs the single largest percentage (67.4 percent) of people in the SouthSide Arts District's primary trade area. This proportion of workers engaged in the services sector is higher than that for the secondary trade, MSA and Commonwealth of Pennsylvania. Within the primary trade area's services sector, the largest percentage (26.8 percent of total employment in the primary trade area) work in other services, followed by 23.5 percent in health services and 10.4 percent in education institutions and libraries.

As the second leading category of employment, retail workers account for 11.1 percent of employment within the primary trade area. Within this category, eating & drinking places is the leading subcategory of employment comprising 4.9 percent of total employment, followed by miscellaneous retail (2.3 percent) and food stores (1.1 percent). However, the fact that retail is the second largest employment sector in the primary trade area does not necessarily mean that there is an oversupply of retail in the area; the size and scale of retailers may require a significant number of workers, but this is not indicative of how well these retailers are supplying goods and services to the surrounding community.

Figure 9: Employment Comparison by Sector (SIC)

Employment Sector	*Primary Trade Area*	*Secondary Trade Area*	*Allentown-Bethlehem-Easton MSA*	*Commonwealth of Pennsylvania*
Agriculture and Mining	**0.5%**	0.6%	1.0%	1.3%
Construction	**2.3%**	2.8%	3.7%	3.9%
Manufacturing	**4.9%**	5.9%	8.8%	9.0%
Transportation	**1.4%**	2.7%	2.9%	3.0%
Communication	**0.5%**	0.8%	0.8%	0.7%
Utility	**0.3%**	0.3%	0.4%	0.5%
Wholesale Trade	**4.8%**	5.7%	4.2%	4.1%
Retail Trade	**11.1%**	12.5%	18.6%	19.0%
Finance, Insurance & Real Estate	**3.7%**	5.0%	4.5%	6.1%
Services	**67.4%**	59.7%	50.0%	46.7%
Government	**3.0%**	3.7%	4.5%	5.2%
Unclassified	**0.2%**	0.2%	0.6%	0.5%

Figure 9: *Services and retail trade comprise the bulk of primary trade area employment.*

Daytime employment plays a large role in supporting retail. The primary trade area is estimated to have 62,500 employees; an estimated 22,000 of them are office employees who are known to expend at much higher rates, often eating out for lunch and shopping on the way to and from work. The mix of employees throughout the ten-minute drive time varies from the primary trade area most noticeably in the services industry sector, with an additional 3,000 employees within the 10-minute drivetime compared to the primary trade area.

Services, retail trade, and manufacturing employ the most people by industry inside the ten-minute drivetime with 45,000, 7,000 and 3,200 jobs, respectively. With over 66,000 workers within a ten-minute drive time, there appear to be many captive daytime consumers close to the SouthSide Arts District.

Figure 10: Drive Time and Trade Area Employment by Industry Sector

Employment Sector	*5-Minute Drive Time*	*10-Minute Drive Time*	*Primary Trade Area*
Agriculture & Mining	70	260	320
Construction	400	1,500	1,500
Manufacturing	800	3,200	3,100
Transportation	300	800	900
Communication	70	500	300
Utility	50	100	100
Wholesale Trade	400	3,900	3,000
Retail Trade	2,600	7,000	7,000
Home Improvement	100	300	300
General Merchandise Stores	40	300	300
Food Stores	200	700	700
Auto Dealers, Gas Stations, Auto Aftermarket	80	600	600
Apparel & Accessory Stores	70	300	200
Furniture & Home Furnishings	50	200	200
Eating & Drinking Places	1,400	3,100	3,100
Miscellaneous Retail	500	1,400	1,400
Finance, Insurance & Real Estate	1,200	2,500	2,300
Banks, Savings, & Lending Institutions	200	400	400
Securities Brokers	200	300	300
Insurance Carriers & Agents	200	600	600
Real Estate, Holding, Other Investment Offices	500	1,000	1,000
Services	31,000	45,000	42,000
Hotels & Lodging	800	2,300	2,500
Automotive Services	100	500	500
Movie & Amusements	300	800	800
Health Services	11,000	17,000	15,000
Legal Services	300	400	400
Education Institutions & Libraries	5,000	6,000	6,000
Other Services	13,000	16,000	17,000
Government	1,500	2,000	1,900
Unclassified Establishments	30	80	100
Total Employment	**38,420**	**66,840**	**62,520**

Figure 10: *The SouthSide Arts District primary trade area's employment by sector.*

Consumer expenditure from daytime employment complements that captured in the evenings and on weekends by households in the trade area. "*Office Worker Retail Spending in a Digital Age*," published by the International Council of Shopping Centers in 2012, provides insight into the impact of office worker employment. Weekly office worker expenditure, adjusted for 2019 dollars, is estimated at $180. Weekly non-office worker expenditure is estimated at 37 percent of office workers.

Figure 11: Ten Minute Drive-Time Worker Expenditure

Category	*Weekly Expenditure*	*Annual Expenditure*	*Office Worker Expenditure*	*Non-Office Worker Expenditure*	*Total Expenditure*
Prepared Food & Beverage					
Limited & Full-Service Restaurants	$40	$2,300	$56,340,000	$36,300,000	$92,640,000
Drinking Places	$20	$800	$20,490,000	$13,200,000	$33,690,000
Retail Goods					
General Merchandise, Apparel, Home Furnishings, Electronics	$70	$3,600	$89,630,000	$57,750,000	$147,380,000
Grocery	$30	$1,600	$38,410,000	$24,750,000	$63,160,000
Convenience Items	$20	$1,000	$25,610,000	$16,500,000	$42,110,000
Total	**$180**	**$9,300**	**$230,480,000**	**$148,500,000**	**$378,980,000**

Figure 11*: Employees within ten minutes of the study area expend $379 million dollars annually.*

Non-office workers are estimated to have slightly less disposable income, to have multiple work locations including at home, and typically are on the road more during their work-week. Retail purchases (general merchandise, apparel, home furnishings, electronics, grocery and convenience items) make up most of the office worker dollars, at $120 per week. Restaurant expenditures (full service, limited service and drinking places) account for the balance at $40 per week. Annualized, each office worker expends $9,300 before, during and after work.

The annual impact of 66,800 workers within ten minutes of the SouthSide Arts District is $379.0 million. This expenditure breaks down to include $126.3 million in prepared food and beverage establishments, $63.2 million in grocery purchases, $147.4 million in retail sales and $42.1 million in convenience items.

Figure 12: *Birdseye view of the SouthSide Arts District.*

SOUTHSIDE ARTS DISTRICT AREA CHARACTERISTICS

Location

The City of Bethlehem, of which the SouthSide Arts District is a part, is roughly 19 square miles.

It is in eastern Pennsylvania, 50 miles northwest of Philadelphia and 90 miles west of New York City. Bethlehem has a rich colonial and industrial heritage and historically served as the headquarters of the Bethlehem Steel Corporation, once the country's second-largest steel producer.

The SouthSide Arts District is located just south of the Lehigh River in southern Bethlehem. It roughly stretches east to the Wind Creek Bethlehem Casino, west to Broadhead Avenue, north to SteelStacks and south to the Zoellner Arts Center and Lehigh University. Most of the SouthSide Arts District's retail and restaurants are located on Third Street and Fourth Street, which are the main east-west thoroughfares that run through the area. Additionally, the SouthSide Greenway is in the middle of the SouthSide Arts District. This linear park follows the former Norfolk southern rail, beginning just north of Lehigh University and stretching about 2 miles east to just outside Saucon Park. The trail parallels State Route 412 (Daly Avenue) and has become popular with bikers, walkers and runners. The SouthSide Arts District has an impressive Walk Score of 95 (out of 100), which classifies it as a "walker's paradise."

Lastly, it should be noted that the SouthSide Arts District is in a food desert. According to the United States Department of Agriculture, a food desert is an area where there is a substantial number or share of residents with low levels of access to outlets selling healthy and affordable food.

Figure 13: Traffic Counts

Road	*AADT (2018)*
U.S. Route 22	83,000
I-78	51,000
PA 378	38,000
Schoenersville Road north of Catasauqua Road	29,000
Stefko Blvd between 3rd Street and Broad Street	20,000
8th Avenue	18,000
Union Boulevard	15,000
3rd Street	14,000
Linden Street	14,000
Center Street north of Elizabeth Avenue	13,000
Easton Avenue	10,000
Broad Street	9,300
4th Avenue	7,000

Figure 13*: The traffic chart shows the heaviest traffic on U.S. 22 and I-78 (source: Pennsylvania Department of Transportation).*

Access

Regional linkage is strong in the primary trade area. The North Side Historic District and SouthSide Arts District are connected by three bridges across the Lehigh River; Hill to Hill Bridge, Fahy Bridge and Minsi Trail Bridge. Significant traffic enters the study area from the north via U.S. 22 and Schoenersville Road, from the south via I-78 and Hellertown Road, and from the east and west via PA 378, Union and Stefko Boulevards. Furthermore, there is a dense urban grid and network of streets and sidewalks surrounding the downtown Bethlehem study areas that make them easily accessible.

General Retail Market Conditions

According to CoStar, Bethlehem has a total of 5.3 million sf of retail space. The city's current retail market rent/sf is $14.35/sf, a figure that has decreased by 1 percent from one year ago. Its current retail vacancy rate is 6.5 percent, which has decreased by 1.1 percent over the last year and is just slightly above its 10 year average vacancy rate of 6.5 percent. While no retail space was delivered over the past year, currently 14,300 sf of retail space is under construction. The city's twelve-month retail real estate sales volume reached $22.9 million, and these properties sold at an average cap rate of 9.2 percent (unchanged from the prior period) and for $121/sf (up 2.1 percent from the prior period).

Zoellner Arts Center


***Figure 14**: A renown performing arts center, the Zoellner Arts Center features three theaters, a large art gallery, a recording studio, music library, classrooms and meeting space.*

Designed by Philadelphia architects Dagit Saylor, the Zoellner Arts Center opened in 1997. It has been voted the best performing arts center in the Lehigh Valley and houses a 1,000-seat auditorium (Baker Hall), a 300-seat theater (Diamond Theater) and a 125-seat black box theater. Additionally, it features a two-story art gallery, recording studio, music library and various classrooms. In the 2017-2018 season, the Zoellner Arts Center held 242 events, which included over 350 artists from 10 countries, and more than 50 campus and community events, lectures, business meetings, recitals, conventions and concerts. Its Guest Artist Series has presented a wide array of multi-disciplinary performers including the New York Philharmonic, The Boston Pops, Itzhak Perlman, Garrison Keillor, John Lithgow, Moscow Festival Ballet and Ani DiFranco. Also, Lehigh University Campus events presented at the center have included lectures with Reverend Jesse Jackson, Janet Reno, Salman Rushdie and Benazir Bhutto.

SteelStacks

Located adjacent to Wind Creek Bethlehem on the site of the now non-operational Bethlehem Steel plant, the SteelStacks is the largest revitalized brownfield in the country. Throughout the year, this 10-acre arts and cultural campus hosts hundreds of concerts, films, family programs, dance programming, tours and community celebrations. At the heart of the campus is the ArtsQuest Center which offers daily programing including art exhibits, independent and foreign and documentary films, live music, dance and comedy. The ArtsQuest Center also has several restaurants such as the Mike & Ike Bistro, Musikfest Café, Town Square Grill and the Mack Truck Stop. Together, the ArtsQuest Center and other venues at SteelStacks host numerous festivals throughout the year including Musikfest (the largest free music festival in the nation), RiverJazz, Christkindlmarket Bethlehem, the Greater Lehigh Valley Filmmaker Festival and the SouthSide Arts & Music Festival.


Figure 15: *Located at the former Bethlehem Steel plant, SteelStacks is a ten-acre arts and entertainment district that hosts festivals, concerts and community events.*

National Museum of Industrial History

The National Museum of Industrial History, a Smithsonian affiliate, occupies the former Bethlehem Steel building's electric repair shop. It houses a large collection of industrial machinery (on loan from the Smithsonian's National Museum of American History), over 200 artifacts from the textile, steel, iron and propane gas industries and a plethora of archival material from Bethlehem Steel.


Figure 16*: Pictured above is the country's longest commercially operated portable steam engine (on the left) and the Jacquard loom (on the right), both of which are displayed at the National Museum of Industrial History.*

The museum has four permanent exhibits: Machinery Hall, Iron and Steel, Silk Gallery Hall and Propane Gallery. *Machinery Hall* displays the then state-of-the-art technology that was on display in the original Machinery Hall at the 1876 World's Fair in Philadelphia. This includes the country's longest commercially operated portable steam engine (a mammoth Corliss steam engine), an overhead crane from Milwaukee's Pawling & Harnischfeger Company and an original

Bethlehem Steel H-beam. *Iron and Steel* celebrates the history of Bethlehem Steel and presents insight into the daily lives of Bethlehem Steel's workers. This exhibit includes miniature plant models which were used to train employees, a commemorative anvil that was made from the first steel rail rolled at the Bethlehem Iron Company and a "Rail Evolution" display which shows how rail became stronger over the decades. *Silk Gallery Hall* tells the story of the Lehigh Valley silk boom, which began in the 1880s. The exhibit walks visitors through an interactive process showing how silk is made, and showcases the Jacquard loom, which was utilized to produce the fabric for the White House for nearly 80 years. Lastly, the *Propane Gallery* focuses on Walter Snelling, the chemist who discovered how to distill propane. This exhibit pays tribute to Snelling's accomplishments with a display of his laboratory equipment and photos and marketing materials of the company he founded, American Gasol Company.

Historic Hotel Bethlehem

The historic Hotel Bethlehem, on Main Street in the North Side Historic District, traces its roots back to the 18th century. The hotel is on the same site where, in 1741, the first house in Bethlehem was built. In the early 19th century, as the city grew and traffic increased, the house was converted to an inn (the Eagle Hotel). The Eagle Hotel operated in that incarnation until 1919 when the building started housing convalescing soldiers returning from World War I. Then in the early 1920s, a group of Bethlehem businessmen led by Charles Schwab organized a project that led to the construction of an $800,000, 200-room building they called Hotel Bethlehem. Schwab built the hotel to cater to the clients of the Bethlehem Steel Company, and from the beginning Hotel Bethlehem featured amenities equivalent to modern day luxuries, such as a fitness center, barber shop, shoeshine and coffee shop. The hotel became the center of the city's social life, and as Bethlehem Steel rose to prominence as the nation's second largest producer of steel the Hotel Bethlehem prospered. Therefore, it should not be surprising that over the years the hotel has had a slew of famous guests including Winston Churchill, John F. Kennedy, Muhamad Ali, Bill Clinton and Bernadette Peters.

***Figure 17**: In 2019, the Hotel Bethlehem was named the third-best historic hotel in the United States by USA Today readers.*

Today, the Hotel Bethlehem is one of the downtown's primary anchors. It has 125 restored guest rooms and suites, which range from 200 sf "traditional rooms" to 850 sf suites. All rooms have complimentary fiber optic Wi-Fi, 24-hour room service, and suites have multiple LCD TVs, living rooms and French doors. The hotel has two restaurants (1741 on the Terrace and the Tap Room), a full-service business center and an on-site fitness center. The historic Hotel Bethlehem is also a popular wedding and event venue, featuring 19,000 sf of meeting and banquet space including the Mural Ballroom (which seats up to 250 people) and the Grand Ballroom (which seats up to 140 people). Both ornate spaces have 1920s décor, and while the Grand Ballroom features stunning balconies and large arched mirrors, the Mural Ballroom is decorated with seven large murals painted by Gregory Gray in 1936 that retell the story of Bethlehem.

***Figure 18**: Photos of Christkindlmark (pictured on left) and Weihnachtsmark (pictured on right).*

Christmas City Tourism

Bethlehem is known as "The Christmas City" and the holiday is central to the city's identity. In fact, it was on Christmas Eve in 1741 that the community was christened "Bethlehem." Every year, from November 22nd to December 22nd, the North Side Historic District and South Arts District host Christmas markets filled with artisan craft and retail vendors. The largest and most popular of these is Christkindlmark. Christkindlmark in the South Arts District is a German-style holiday market that features 125 vendors.

Not surprisingly, around the holidays the city is replete with decorations. In the 1960's the Citizens Christmas City Committee was formed to help dignify the look of Christmas in the city and the Committee continues to raise over $15,000 every year to purchase over 800 trees. White lights decorate the trees on the city's north side (including the North Side Historic District) while colored lights adorn trees on the south side. Also, around the holidays Hotel Bethlehem has a display of over 35,000 Christmas lights, a myriad of uniquely decorated Christmas trees, 36 wreaths, six 7-foot-tall toy soldiers, two life-sized nutcrackers and a gingerbread house modeled after the hotel.

Wind Creek Bethlehem

What is now Wind Creek Bethlehem originally opened as Sands Casino Resort Bethlehem in 2009. Today the Wind Creek Bethlehem resort features a casino, hotel, shopping, restaurants, a spa and family entertainment. More specifically, the 180,000 sf casino floor has over 3,000 slot machines and 200 table games. The resort's hotel is a 282-room AAA Four Diamond Hotel with over 12,000 sf of meeting space and a wide range of eateries that include three signature restaurants from celebrity chef Emeril Lagasse – Emeril's Chop House, Burgers and More by Emeril and Emeril's Fish House. Wind Creek Bethlehem also includes the Steel Magnolia Spa &

Salon and a family entertainment and childcare facility (Kids Quest and Cyber Quest).

Additionally, an indoor shopping center (The Outlets at Wind Creek Bethlehem) connects the casino and hotel. Opened in 2011, The Outlets at Wind Creek Bethlehem features 130,000 sf of retail space and includes retailers such as Coach, DKNY, GUESS Factory Store, Kay Jewelers Outlet, Michael Kors, Tommy Hilfiger and Van Heusen. This shopping center, as well as the larger Wind Creek Bethlehem resort, is owned by Wind Creek Hospitality.


***Figure 19**: In May 2019 Wind Creek Hospitality purchased Wind Creek Bethlehem for $1.4 billion.*

The owners have announced plans to expand the resort and in 2020 Wind Creek Bethlehem will begin construction on two new projects. The first will be a $90 million hotel with 276 guest rooms and 42,000 sf of meeting space, and the second will be a 300,000 sf adventure and water park.

Lehigh University


***Figure 20:** Lehigh University's picturesque campus (pictured on the left) spans 2,300 acres. Farrington Square (pictured on the right) is a recent addition to the northern section of campus and includes housing, local shops and fast casual eateries.*

Located on the southern edge of the Southside Arts District, Lehigh University is home to 7,000 undergraduate and graduate students. Its scenic campus is on the wooded slope of South Mountain and spans 2,300 acres. Lehigh University has four colleges (the P.C. Rossin College of Enginerring and Applied Science, the College of Arts and Sciences, the College of Business and Economics and the College of Education) and offers over 100 degree programs. In its most recent edition of school rankings, *U.S. News & World Report* ranked Lehigh as the tied for 50th among national universities, 26th for "Best Value Schools" and 30th for "Best Undergraduate Teaching."

Recently, the university opened Farrington Square, a project to help facilitate downtown revitalization and blur the boundary between campus and City of Bethlehem. Farrington Square is home to the Bethlehem Farmer's Market, the university bookstore, the university postal office, an ice cream shop and a café.

DeSales University

This private Catholic university of 3,500 students is situated 4.5 miles south of the Southside Arts District. DeSales University was established in 1964 and today offers 40 bachelor's degrees, seven graduate degrees and two doctoral programs. The 2020 edition of *Best Colleges* from *US News & World Report* ranked DeSales University as 59th in "Regional Universities North," 36th in "Best Value Schools," and 33rd in "Best Colleges for Veterans." Priding itself on its small class size, DeSales University has a student/faculty ratio of 15:1 and an average class of just 18 students.

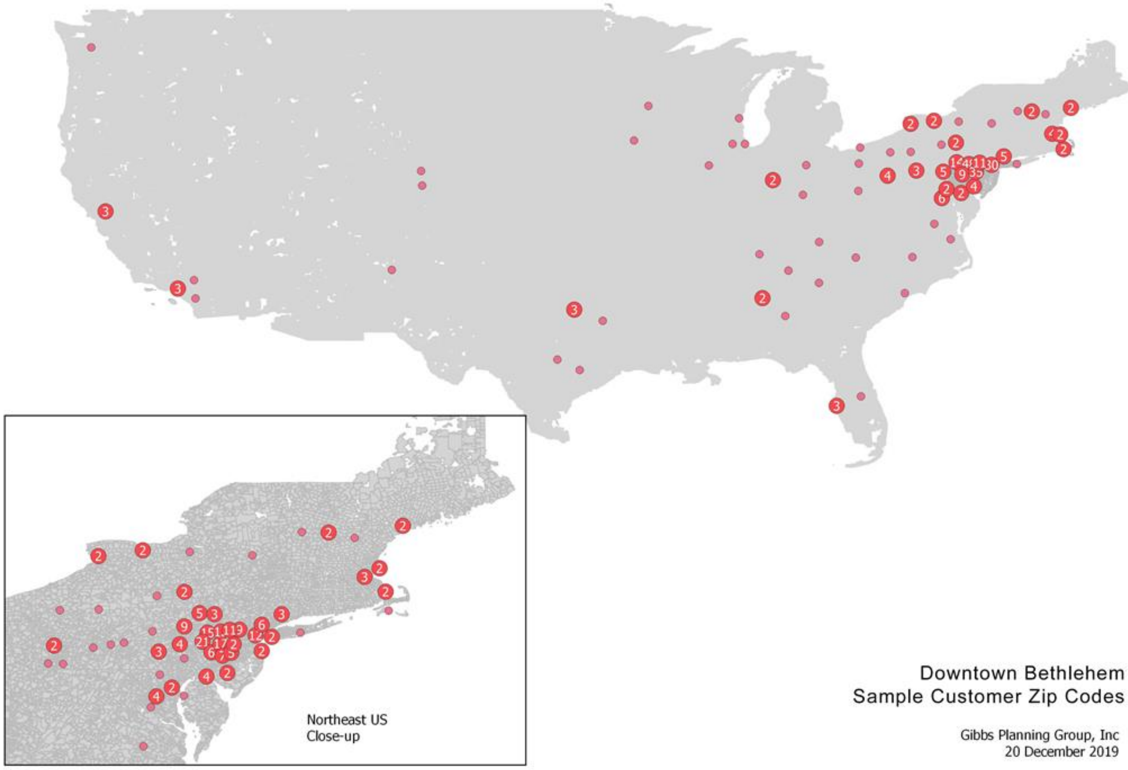
Northampton Community College

Northampton Community College (NCC) is a community college with campuses in Bethlehem Township and Tannersville, Pennsylvania. It was founded in 1967 and serves more than 34,000 students in over 100 fields. NCC's main Bethlehem campus encompasses 208 acres and is located 5 miles northeast of the North Side Historic District. Additionally, NCC's Fowler Center is situated in the former Bethlehem Steel Corporation headquarters in the Southside Arts District. The Fowler Center is an educational facility that is home to several of the school's programs, including its hospitality, dental hygiene, leadership and executive development institutes.

Moravian College

Figure 21: *Moravian College's Priscilla Payne Hurd Campus occupies a portion of the North Side Historic District in downtown Bethlehem, including several historic buildings such as the Brethren's House (right), built in 1748.*

Founded in 1742, this small liberal arts college of 1,700 full-time students is the sixth-oldest college in the country and the first to educate women. Moravian College offers degrees in more than 50 areas of study, and the school has over 80 clubs and organizations. The *Princeton Review* has ranked Moravian College among the top 13 percent of four-year colleges, and the *Bloomberg Business Week* has ranked the school among the top 25 percent of four-year colleges. Moravian College's south campus (Priscilla Payne Hurd Campus) is in Bethlehem's North Side Historic District.



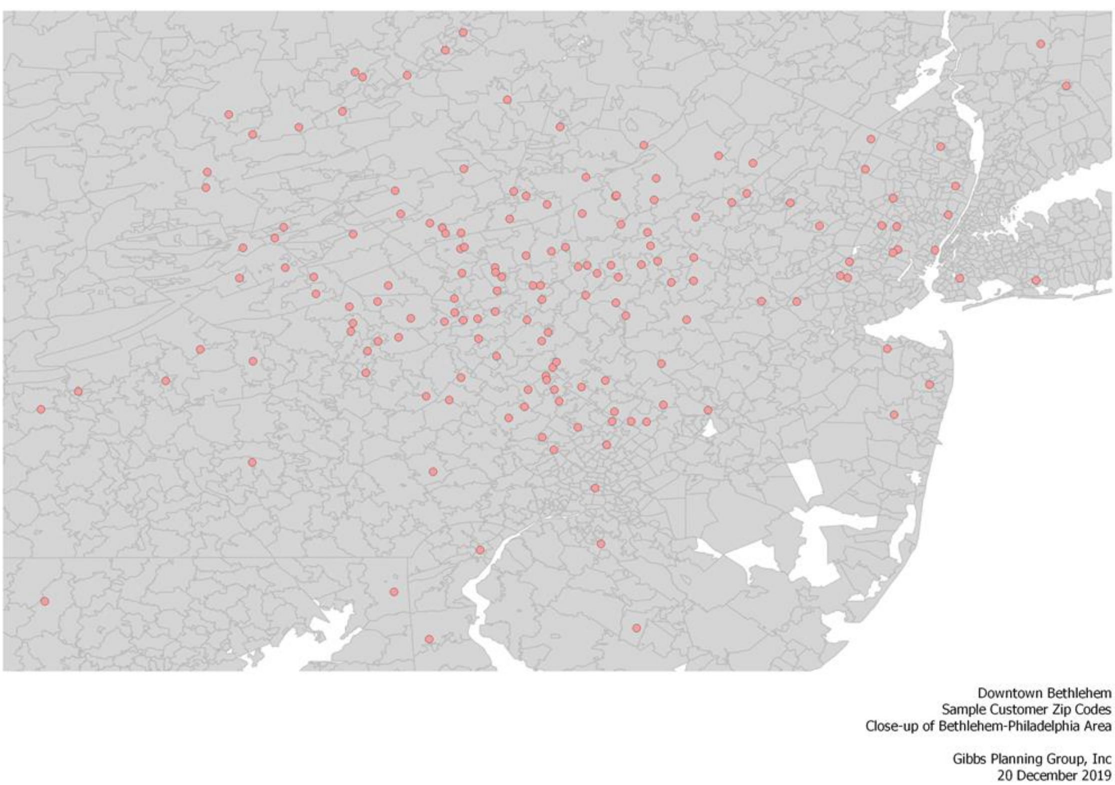
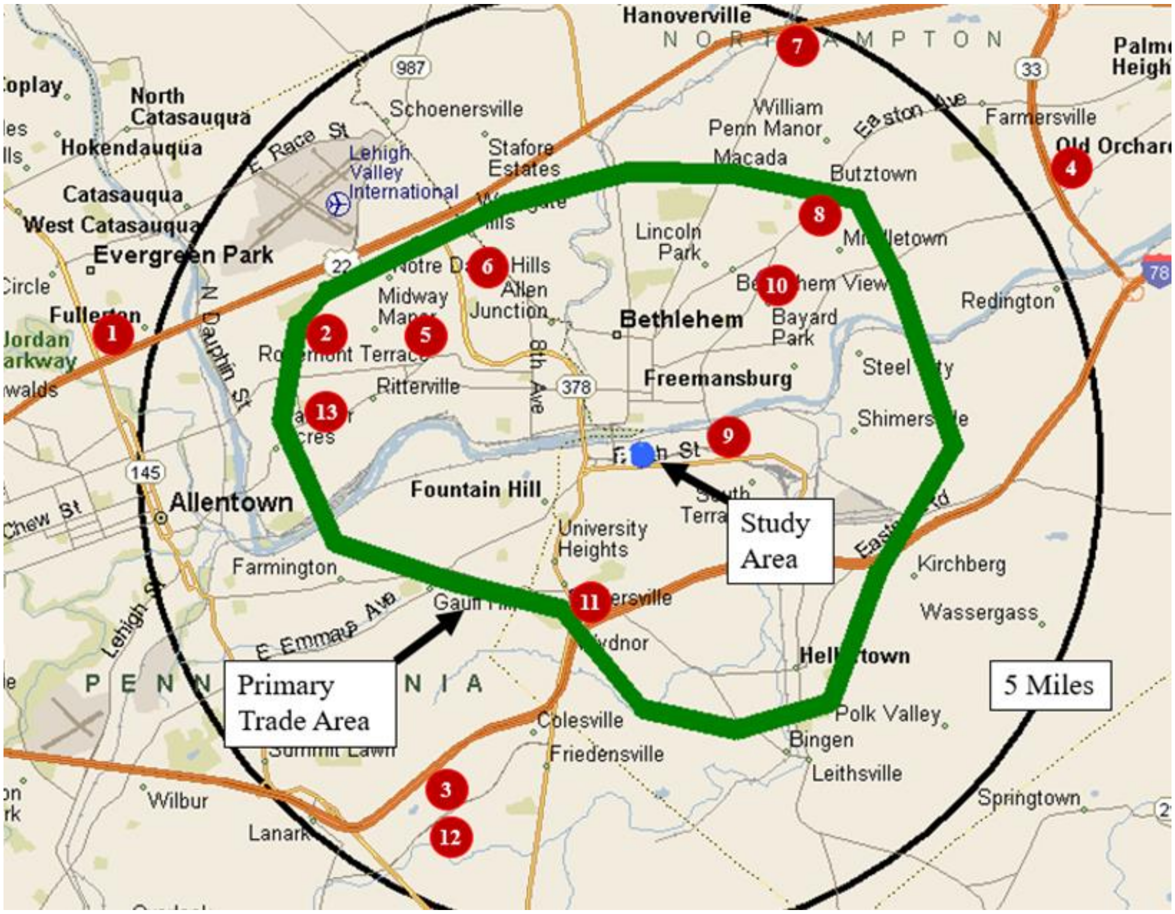


***Figure 22**: The above maps display sample data that GPG received for one store in in the North Side Historic District. Each data point represents a customer that visited the store within the last month. This data illustrates that the North Side Historic District is visited by shoppers from across the Bethlehem-Philadelphia area and country generally.*

Area Shopping Centers

Figure 23: Bethlehem Area Shopping Centers



Retail Center Name	*Shopping Center Type*	*Retail Size (sf)*	*Distance to SouthSide Arts District*
1. Lehigh Valley Mall	Lifestyle Center	1.2 million sf	5.5 miles
2. Airport Shopping Center	Power Center	510,000 sf	3 miles
3. The Promenade Shops	Lifestyle Center	480,000 sf	3.5 miles
4. Southmont Plaza	Power Center	390,000 sf	5.5 miles
5. Lehigh Shopping Center	Community Center	370,000 sf	2 miles
6. Westgate Mall	Community Center	300,000 sf	2.5 miles
7. Bethlehem Square	Power Center	300,000 sf	4.5 miles
8. Easton Commons	Community Center	170,000 sf	3 miles
9. Outlets at Wind Creek	Outlet Mall	130,000 sf	< 1 mile
10. Stefko Blvd. Shopping Center	Neighborhood Center	130,000 sf	2.5 miles
11. Saucon Valley Square	Neighborhood Center	80,000 sf	1.5 miles
12. Shoppes at Old Saucon	Lifestyle Center	80,000 sf	4 miles
13. Allentown Commons	Neighborhood Center	70,000 sf	3 miles

Figure 23: *Map and table of the competing lifestyle, power, community, outlet and neighborhood shopping centers.*

1. Lehigh Valley Mall

***Figure 24**: In terms of square footage, the Lehigh Valley Mall is the largest shopping center in Pennsylvania's Lehigh Valley region.*

Lehigh Valley Mall is in the City of Whitehall, 5.5 miles northwest of the SouthSide Arts District. Totaling 1.2 million sf of retail space, it consists of a super-regional, two-level enclosed shopping center combined with an outdoor lifestyle center. The original enclosed mall was opened in 1976, underwent major renovations in 1995, and expanded with the 110,000 sf lifestyle center in 2007. Today the Lehigh Valley Mall is anchored by Macy's, JC Penney, Barnes & Noble and Boscov's and has nearly 150 other retailers that include Apple, Chico's, Express, lululemon, Pottery Barn, Sephora, Williams Sonoma and Vera Bradley. Additionally, it features various dining options including Bonefish Grill, Bravo! Cucina Italiana and Pocono Brewing Co. The Lehigh Valley Mall is owned by Simon Property Group.

2. Airport Shopping Center

***Figure 25**: Sam's Club (at 155,000 sf) and Target (at 130,000 sf) are the largest anchor tenants at the Airport Shopping Center*

Located in the City of Allentown, at the corner of Route 22 and Airport Road, Airport Shopping Center is a 510,000 sf power center. It is anchored by Sam's Club, Target, Ross Dress for Less, Ulta and DSW and has a total of 34 stores. Currently, it is 99 percent occupied. Airport Shopping Center opened in 2009 and is currently owned by Goodman Properties. It is approximately 3 miles northwest of the SouthSide Arts District.

3. The Promenade Shops at Saucon Valley

The Promenade Shops at Saucon Valley is a 480,000 sf outdoor lifestyle center located in southern Allentown, approximately 3.5 miles southwest of the SouthSide Arts District. Some of the major retailers that can be found here are American Eagle Outfitters, Banana Republic, Barnes & Noble, Brooks Brothers and the first L.L. Bean in the Commonwealth of Pennsylvania. This shopping center also features upscale restaurants that include Top Cut, Melt, Torre, Kome Fine Japanese Cuisine and White Orchids Thai Cuisine, and more casual restaurants like Red Robin and Bar Louie. Additionally, The Promenade Shops has a Fresh Market and 16-screen AMC Theatre. The landscaped "Main Street" at the Shops provides outdoor gathering areas and event space and includes an interactive pop-jet fountain. This shopping center allows dogs in the common outdoor areas as well as inside participating stores. Lastly, the Promenade Shops is owned by Poag Shopping Centers (who was also its developer).

***Figure 26**: Last fall The Promenade Shops at Saucon Valley welcomed new tenants Bath & Body Works (pictured on left) and Playa Bowls (pictured on right).*

4. Southmont Plaza

Southmont Plaza is a 390,000 sf power center located at the intersection of Freemansburg Avenue and Route 33, which is 5.5 miles northeast of the SouthSide Arts District. This shopping center has a number of outparcels and includes tenants such as Lowe's, Michaels, Dick's Sporting Goods, Best Buy, Bed Bath & Beyond and Barnes & Noble. Currently, it enjoys a 98 percent occupancy rate. Southmont Plaza is a joint venture between SITE Centers and Blackstone Real Estate Partners VII.

5. Lehigh Shopping Center

Owned by Brixmor Property Group, the Lehigh Shopping Center is a 375,000 sf community center. It is located at the intersection of Pennsylvania Avenue and Union Road (just south of U.S. Route 22), roughly 2 miles northwest of the SouthSide Arts District. It is anchored by a 60,000 sf Giant Food supermarket, and its other retailers and restaurants include Marshalls, Big Lots, PetSmart, Staples, Citi Trends and Border Line Family Restaurant. Additionally, this shopping center is home to an 85,000 sf Aetna corporate office. The Lehigh Shopping Center opened in 1955, expanded over time and was last renovated in 2003.

6. Westgate Mall

Located in northwest Bethlehem, 2.5 miles northwest of the SouthSide Arts District, Westgate Mall is a 300,000 sf community center. It began as an outdoor strip mall in 1965 and expanded into an enclosed mall in 1973, giving Westgate its current configuration as a combined open strip and enclosed shopping center. Westgate Mall is anchored by Weiss Markets and has 20 other shops including Rite Aid, Kay Jewelers, GNC and Subway. In August 2015, Westgate Mall underwent a $5 million dollar renovation to update its façade and add a Sky Zone Trampoline Park. The Westgate Mall was acquired by a joint venture between Onyx Equities and PCCP, LLC, in 2018. Recently, CBRE (the mall's leasing agent) announced plans to re-brand the mall, which is currently 77 percent occupied.

***Figure 27**: Built in 1973, the Westgate Mall underwent a $5 million renovation in 2015, the same year Sky Zone Trampoline Park opened a 20,000 sf facility in the shopping center.*

7. Bethlehem Square

Developed by Rosenshein Associates, Bethlehem Square is a 390,000 sf power center. It opened in 1987 and was renovated in 1994. It is anchored by Walmart, Home Depot, T.J. Maxx, Home Goods and Giant Food Stores and has about 20 additional tenants. The Walmart opened in 2002 and replaced a Bradlees department store. In February 2019, Brixmor Property Group sold this shopping center to The Klein Group. Bethlehem Square is located 4.5 miles north of the SouthSide Arts District.

8. Easton Commons

Built in 1982, Easton Commons is located on Easton Avenue in the Middletown residential neighborhood of Bethlehem. This 170,000 sf community center is anchored by a Giant Food supermarket, Petco and Maxx Fitness Clubzz, and its other tenants include Vic's Bagels, T&M Nails, Sport Clips and Family Dollar. Easton Commons is currently 95 percent occupied. It is owned by Urban Edge Properties and is situated 3 miles northeast of the SouthSide Arts District.

9. Outlets at Wind Creek

Formerly The Shoppes at Sands Bethlehem, The Outlets at Wind Creek is an indoor shopping mall located inside the Wind Creek Bethlehem resort. It connects the resort's casino and the hotel and has 130,000 sf of retail space. There are 27 retailers at this outlet center, which include businesses that offer clothing, electronics, household goods, jewelry and specialty items. Additionally, The Outlets at Wind Creek features a European spa and salon, Kids Quest/Cyber Quest (a childcare and family entertainment center) and a food court next to the casino entrance. Clothing brands include Coach, Under Armour, Michael Kors, Talbots and Guess. It is owned by the Poarch Band of Creek Indians and is situated at the eastern edge of the SouthSide Arts District.

10. Stefko Boulevard Shopping Center

Located 2.5 miles northeast of the SouthSide Arts District, the Stefko Boulevard Shopping Center is a 130,000 sf neighborhood center. It is anchored by a local grocer tenant, Valley Farm Market, which occupies 75,000 sf of the center. There are about 20 additional tenants here including a Retro Fitness, Dollar Tree, Fine Wine & Good Spirits and Metro PCS. Currently, the Stefko Boulevard Shopping Center is 95 percent occupied and is owned by Regency Centers.

11. Saucon Valley Square

Saucon Valley Square, owned by First National Realty Partners, is an 80,000 sf neighborhood shopping center. It is located on Route 378, 1.5 miles southwest of the SouthSide Arts District. Maxx Fitness Clubzz and Dollar Tree anchor the center, with other tenants such as Subway, Taps Tavern, and Casa Mia Pizzeria. Saucon Valley Square recently lost a major tenant, Revolutions (which contains a restaurant, bar and bowling alley), leaving a 30,000 sf vacancy.

12. Shoppes at Old Saucon

Located in Saucon Valley adjacent to the Saucon Valley Country Club and the Stabler Corporate Center, The Shoppes at Old Saucon is currently under construction. Upon completion, it will be a 70-acre mixed-use development featuring 80,000 sf of retail and restaurant space, as well as office space and upscale residential housing.

13. Allentown Commons

Allentown Commons is a one-story, five-building neighborhood center. Totaling 70,000 sf, it is anchored by Planet Fitness and Family Dollar, with other tenants such as D Mart Farmers Market, Popeyes, Big Woody's Bar & Grill and Metro PCS. Allentown Commons is currently 93 percent leased and is situated 3 miles west of the SouthSide Arts District.

RETAIL & RESTAURANT DEMAND

This study estimates that existing or new commercial businesses located in Bethlehem's SouthSide Arts District can realistically expand by up to $61.5 million in additional sales in 2019, potentially growing to $64.6 million by 2024. If achieved, this growth could support up to 120,000 sf of new retailers and 60,000 sf of new restaurants, for a total of 180,000 square feet. This growth could be absorbed with the opening of 50-65 new retail businesses or by existing stores through expanded operations and marketing. If managed per industry best practices, these new stores could generate above average sales of $307 per square foot per year.

The SouthSide Arts District can support additional stores generating up to $41.7 million in new sales in 2019 growing up to $43.8 million in 2024. The market can also support brew-pub, full-service, limited-service and specialty food restaurants producing up to $19.8 million in annual sales in 2019, potentially growing to $20.8 million in 2024.

See GPG's supportable retail table, *Figure 30.* Note, these figures are in addition to existing SouthSide Arts District businesses and only reflect potential new demand. This study does not necessarily recommend that the City of Bethlehem pursue any or all of this forecast commercial demand.

Figure 30: Supportable Retail Table

Retail Category	Total Demand	Estimated Supp. SF	2019 Sales/SF	2019 Est. Retail Sales	2024 Sales/SF	2024 Est. Retail Sales
Retailers						
Apparel Stores	$59,722,189	9,100 sf	$290	$2,639,000	$305	$2,775,500
Book & Music Stores	$13,645,647	1,400 sf	$240	$336,000	$250	$350,000
Department Store Merchandise	$146,481,046	13,300 sf	$320	$4,256,000	$335	$4,455,500
Electronics & Appliance Stores	$56,772,734	11,500 sf	$340	$3,910,000	$355	$4,082,500
Florists	$6,751,282	1,400 sf	$225	$315,000	$235	$329,000
Furniture Stores	$28,591,121	9,100 sf	$265	$2,411,500	$280	$2,548,000
General Merchandise Stores	$72,313,019	9,500 sf	$315	$2,992,500	$330	$3,135,000
Grocery Stores	$246,121,725	27,200 sf	$510	$13,872,000	$535	$14,552,000
Hardware	$71,968,229	10,300 sf	$250	$2,575,000	$265	$2,729,500
Jewelry Stores	$19,672,077	1,800 sf	$345	$621,000	$360	$648,000
Miscellaneous Store Retailers	$53,907,487	7,400 sf	$265	$1,961,000	$280	$2,072,000
Office Supplies & Gift Stores	$27,604,376	6,500 sf	$270	$1,755,000	$285	$1,852,500
Shoe Stores	$17,565,822	3,700 sf	$285	$1,054,500	$300	$1,110,000
Food: cheese, meats & produce	$17,254,276	6,100 sf	$295	$1,799,500	$310	$1,891,000
Sporting Goods & Hobby Stores	$37,278,125	4,600 sf	$270	$1,242,000	$285	$1,311,000
Retailer Totals	**$875,649,154**	**122,900 sf**	**$299**	**$41,740,000**	**$314**	**$43,841,500**
Restaurants						
Bars, Breweries & Pubs	$32,545,062	15,600 sf	$335	$5,226,000	$350	$5,460,000
Full-Service Restaurants	$98,194,803	16,500 sf	$350	$5,775,000	$370	$6,105,000
Limited-Service Eating Places	$89,513,190	15,300 sf	$340	$5,202,000	$355	$5,431,500
Bakery, coffee, ice cream, etc.	$19,670,221	11,400 sf	$315	$3,591,000	$330	$3,762,000
Restaurant Totals	**$239,923,277**	**58,800 sf**	**$335**	**$19,794,000**	**$351**	**$20,758,500**
Retailer & Restaurant Totals	**$1,115,572,431**	**181,700 sf**	**$307**	**$61,534,000**	**$322**	**$64,600,000**

***Figure 30**: Estimated additional retail and restaurant demand for the SouthSide Arts District. GPG estimates that the SouthSide Arts District can presently support 122,900 sf of additional retail space and 58,800 sf of additional restaurant space totaling 181,700 sf. Note, this additional demand could be absorbed by existing businesses through expanded operations. Note: Sales stated in constant 2019 dollars.*

Recommended Retailers

Based upon our analysis, GPG recommends the following national retailers and restaurants for Bethlehem's SouthSide Arts District: Banana Republic, Columbia Sportswear, The Fresh Market, Steve Madden, Mellow Mushroom, Cosi, Panera and Chipotle.

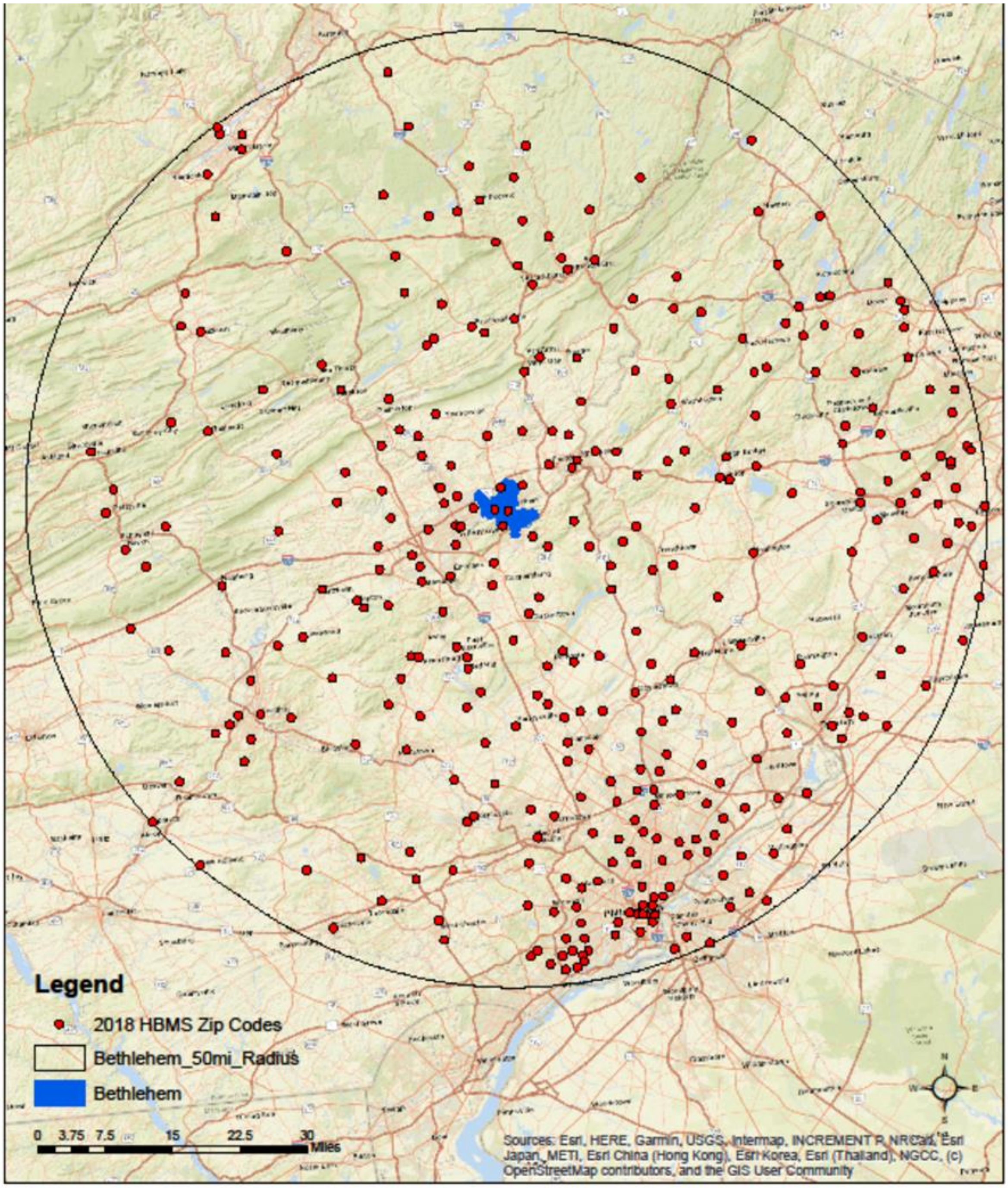


***Figure 31**: Map illustrating the zip codes of visitors to Bethlehem's visitors center during 2018 within a 50 mile radius.*

Analysis Assumptions

Gibbs Planning Group, Inc. has assumed the following factors in the completion of this commercial market analysis:

- No major regional retail centers will be developed within the defined SouthSide Arts District trade area of this analysis through 2024.

- The Lehigh Valley region's economy will continue at normal or above normal ranges of employment, inflation, retail demand and growth.
- Properties inside the SouthSide area will properly zoned and have the necessary infrastructure necessary to support new commercial development.
- Annual population growth for the trade area is estimated to be 0.25 percent from 2019 to 2024.
- Any new commercial development in the SouthSide Arts District will be planned, designed, built and managed to the best practices of the American Institute of Architects, American Planning Associational Council of Shopping Centers and The Urban Land Institute.

Rationale

The rationale for the findings in this study are as follows:

- **Significant Investment**: The SouthSide Arts District is a revitalized downtown area that continues to be the recipient of substantial private and public investment.

- **Tourism**: SouthSide Arts District retailers and restaurants greatly benefit from the many tourists that visit Bethlehem, particularly around the winter holidays when the area hosts numerous popular Christmas festivals.

- **Large Consumer Base**: With 104,000 year-round residents, 41,000 households and 62,500 workers, 10,000 students and 500,000 annual tourists in the primary trade area, there is a large market for goods, services and restaurants.

- **Strong Competition**: SouthSide Arts District retailers and restaurants face significant competition from the plethora of shopping centers in the area.

Retail Category Definitions

Retail categories in the Supportable Retail Table correspond to the North American Industry Classification System (NAICS), the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. The following NAICS codes and definitions are provided by the U.S. Census Bureau:

Retail

Auto Supply Stores (4411): establishments known as automotive supply stores primarily engaged in retailing new, used, and/or rebuilt automotive parts and accessories, automotive supply stores that are primarily engaged in both retailing automotive parts and accessories and repairing automobiles; establishments primarily engaged in retailing and installing automotive accessories; and establishments primarily engaged in retailing new and/or used tires and tubes or retailing new tires in combination with automotive repair services.

Furniture Stores (4421): establishments primarily engaged in retailing new furniture, such as household furniture (e.g., baby furniture box springs and mattresses) and outdoor furniture; office furniture (except those sold in combination with office supplies and equipment); and/or furniture sold in combination with major appliances, home electronics, home furnishings and/or floor coverings.

Home Furnishings Stores (4422): establishments primarily engaged in retailing new home furnishings (except furniture).

Electronics and Appliance Stores (4431)**:** establishments primarily engaged in retailing the following new products: household-type appliances (refrigerator, dishwasher, oven), cameras, computers/software, televisions and other electronic goods.

Hardware Stores (4441): establishments primarily engaged in retailing new building materials and supplies (lumber, plumbing, electrical, tools, housewares, hardware, paint, and wallpaper).

Lawn and Garden Supply Stores (4442): establishments primarily engaged in retailing new lawn and garden equipment and supplies. (Nursery, farm and garden products, outdoor power equipment).

Grocery Stores (4451): establishments primarily engaged in retailing a general line of food products (canned/frozen food, fruits and vegetables, meat, fish, poultry, milk, bread, eggs, soda).

Specialty Food Stores (4452)**:** establishments primarily engaged in retailing specialized lines of food (meat, fish/seafood, fruits/vegetables, baked goods, candy, nuts, confections, popcorn, ice cream, items not made on the premises).

Beer, Wine, and Liquor Stores (4453): establishments primarily engaged in retailing packaged alcoholic beverages, such as ale, beer, wine and liquor.

Health & Personal Care Stores (4461): establishments primarily engaged in retailing health and personal care products (pharmacies/drug stores, first aid, beauty products, household supplies, candy, prepackaged snacks, optical goods, vitamins/supplements).

Clothing stores (4481): men's and boys' clothing stores; women's and girls' clothing stores; children's and infants' clothing stores; family clothing stores; clothing accessories stores.

Shoe Stores (4482): Shoes (men's, women's, child/infant, athletic).
Jewelry Stores (4483): Jewelry, luggage, and leather goods (silverware, watches, clocks, handbags, briefcases, belts, gloves).

Sporting Goods Stores (4511): establishments primarily engaged in retailing new sporting goods (fitness equipment, bikes, camping, uniforms and footwear).

Book & Music Stores (4512): establishments primarily engaged in retailing new books, newspapers, magazines, and prerecorded audio and video media.

Department Stores (4521): establishments known as department stores primarily engaged in retailing a wide range of the following new products with no one merchandise line predominating: apparel; furniture; appliances and home furnishings; and selected additional items, such as paint, hardware, toiletries, cosmetics, photographic equipment, jewelry, toys and sporting goods. Merchandise lines are normally arranged in separate departments.

General Merchandise Stores (4529): establishments primarily engaged in retailing new goods in general merchandise stores (except department stores) (warehouse clubs, supercenters, apparel, auto parts, dry goods, hardware, groceries, housewares, no line predominating).

Florists (4531): establishments known as florists primarily engaged in retailing cut flowers, floral arrangements, and potted plants purchased from others. These establishments usually prepare the arrangements they sell.

Office Supplies & Gift Stores (4532): establishments primarily engaged in one or more of the following: (1) retailing new stationery, school supplies, and office supplies; (2) retailing a combination of new office equipment, furniture, and supplies; (3) retailing new office equipment, furniture, and supplies in combination with retailing new computers; and (4) retailing new gifts, novelty merchandise, souvenirs, greeting cards, seasonal and holiday decorations and curios.

Miscellaneous Retailers (4539)**:** establishments primarily engaged in retailing new miscellaneous specialty store merchandise (except motor vehicle and parts dealers; furniture and home furnishings stores; consumer-type electronics and appliance stores; building material and garden equipment and supplies dealers; food and beverage stores; health and personal care stores; gasoline stations; clothing and clothing accessories stores; sporting goods, hobby, book, and music stores; general merchandise stores; florists; office supplies, stationery, and gift stores; and used merchandise stores). Pet supplies, art dealers, manufactured home dealers, tobacco/cigar stores,

Restaurants

Full-Service Restaurants (7221): establishments primarily engaged in providing food services to patrons who order and are served while seated (i.e., waiter/waitress service) and pay after eating. Establishments that provide these types of food services to patrons with any combination of other services, such as carryout services are classified in this industry.

Limited-Service Restaurants (7222): establishments primarily engaged in providing food services where patrons generally order or select items and pay before eating. Most establishments do not have waiter/waitress service, but some provide limited service, such as cooking to order (i.e., per special request), bringing food to seated customers, or providing off-site delivery (cafeterias, snack/ juice bar, ice cream/soft serve shops, cookie shops, popcorn shops, donut shops, coffee shops, bagel shops).

Special Food Services (7223): establishments primarily engaged in providing one of the following food services (2) a location designated by the customer; or (3) from motorized vehicles or non-motorized carts.

- Food Service Contractors: Establishments may be engaged in providing food services at institutional, governmental, commercial, or industrial locations of others based (cafeteria, restaurant, and fast food eating-place) on contractual arrangements with these types of organizations for a specified period of time. Management staff is always provided by the food services contractor.

- Caterers: providing single event-based food services. These establishments generally have equipment and vehicles to transport meals and snacks to events and/or prepare food at an off-premise site. Banquet halls with catering staff are included in this industry. Examples of events catered by establishments in this industry are graduation parties, wedding receptions, business or retirement luncheons and trade shows.

- Mobile Food Services: establishments primarily engaged in preparing and serving meals and snacks for immediate consumption from motorized vehicles or non-motorized carts. The establishment is the central location from which the caterer route is serviced, not each vehicle, or cart. Included in this industry are establishments primarily engaged in providing food services from vehicles, such as hot dog carts and ice cream trucks.

Drinking Places (Alcoholic Beverages) (7224): establishments primarily engaged in preparing and serving alcoholic beverages for immediate consumption (bars, taverns, nightclubs).

Shopping Center Definitions

This study utilizes the shopping centers typologies defined by the International Council of Shopping Centers (ICSC) as follows:

- **Convenience Centers:** Convenience centers are 30,000 sf or less, unanchored, and generally will service a trade area of up to one mile. These centers include banking, carryout foods, florists, mail centers, small restaurants, small food markets, and professional services such as real estate and financial consulting. The centers typically include six to eight businesses.

- **Neighborhood Centers:** Neighborhood centers are anchored with a full-sized supermarket and typically range from 60,000 to 100,000 sf. They service a trade area of two to three miles and can include apparel, banks, carryout food, hardware, mail centers, restaurants, sporting goods and professional services such as financial consulting and real estate.

- **Community Centers:** Community centers typically range from 150,000 to 300,000 sf and are almost always anchored with a full-sized department store. They also include junior anchor retailers selling books, crafts, shoes, and sporting goods. Community centers often include large home improvement stores and medium-sized discount apparel stores. Their service area is typically five to seven miles in suburban locations.

- **Lifestyle Centers:** Lifestyle centers average 150,000 to 200,000 sf and feature popular apparel, book, and home furnishing stores, as well as cinemas and a wide selection of themed restaurants. The centers are frequently planned as walkable areas with main streets. Recently, lifestyle centers have included large anchors such as department stores, public libraries, and supermarkets. These centers typically have a trade area of four to six miles when developed in suburban settings. Lifestyle centers that include civic, employment, and residential buildings along with the retail land use are defined as 'town centers.'

- **Regional Centers:** Regional centers average trade areas of eight to 12 miles and are anchored with multiple department stores. The centers can range from 800,000 to 1,500,000 sf, and often include cinemas along with 200,000 sf of national brand fashion.

Limits of Study

The findings of this study represent GPG's best estimates for the amounts and types of retailers and restaurants that may be reasonably supportable in Bethlehem's SouthSide Arts District. Every reasonable effort has been made to ensure that the data contained in this study reflect the most accurate and timely information possible and are believed to be reliable. Information discussed by individuals and in focus groups have not been independently verified by GPG.

This study is based on estimates, assumptions, and other information developed by GPG independent research effort, general knowledge of the industry, and consultations with the client and its representatives. This study is designed as objective third-party research and GPG does not recommend that any or all of the supportable retail be developed in the study area.

No responsibility is assumed for inaccuracies in reporting by the client, its agent and representatives or in any other data source used in preparing or presenting this study. This report is based on information that was current as of December 18, 2019 and GPG has not undertaken any update of its research effort since such date.

This report may contain prospective financial information, estimates, or opinions that represent GPG's view of reasonable expectations at a particular time, but such information, estimates, or opinions are not offered as predictions or assurances that a particular level of income or profit will be achieved, that particular events will occur, or that a particular price will be offered or accepted.

The actual amounts of supportable retail could be significantly higher or lower depending on multiple market and not market factors including the type, design and quality of the new development. It is plausible that a walkable town center, with well-designed buildings and public realm, could draw visitors from beyond this study's estimated trade area boundaries and considerably outperform the site's location and limited market potential. This would require an extraordinary development team and retailer mix unique to the market, including anchor retailers. On the other hand, a poorly implemented commercial center or badly managed businesses could underperform the location.

Actual results achieved during the period covered by our prospective financial analysis may vary from those described in our report, and the variations may be material. Therefore, no warranty or representation is made by GPG that any of the projected values or results contained in this study will be achieved. This study should not be the sole basis for programming, planning, designing, financing, or development of any commercial center.

END OF STUDY

Appendix A1: Primary Trade Area Business Summary

Gibbs Planning Group

Business Summary

South Primary Trade Area
Area: 29.27 square miles

Prepared by Esri

Data for all businesses in area				
Total Businesses:	3,669			
Total Employees:	63,669			
Total Residential Population:	104,171			
Employee/Residential Population Ratio (per 100 Residents)	61			

	Businesses		Employees	
by SIC Codes	Number	Percent	Number	Percent
Agriculture & Mining	54	15%	317	0.5%
Construction	215	5.9%	1,466	2.3%
Manufacturing	115	3.1%	3,089	4.9%
Transportation	71	19%	900	14%
Communication	32	0.9%	336	0.5%
Utility	17	0.5%	187	0.3%
Wholesale Trade	118	3.2%	3,028	4.8%
Retail Trade Summary	795	21.7%	7,068	11.1%
Home Improvement	28	0.8%	321	0.5%
General Merchandise Stores	25	0.7%	345	0.5%
Food Stores	77	2.1%	723	1.1%
Auto Dealers, Gas Stations, Auto Aftermarket	97	2.6%	658	10%
Apparel & Accessory Stores	40	1.1%	258	0.4%
Furniture & Home Furnishings	39	1.1%	192	0.3%
Eating & Drinking Places	286	7.8%	3,110	4.9%
Miscellaneous Retail	203	5.5%	1,460	2.3%
Finance, Insurance, Real Estate Summary	334	9.1%	2,368	3.7%
Banks, Savings & Lending Institutions	66	18%	463	0.7%
Securities Brokers	47	13%	281	0.4%
Insurance Carriers & Agents	86	2.3%	605	10%
Real Estate, Holding, Other Investment Offices	135	3.7%	1,019	16%
Services Summary	1,600	43.6%	42,903	67.4%
Hotels & Lodging	20	0.5%	2,554	4.0%
Automotive Services	113	3.1%	499	0.8%
Motion Pictures & Amusements	108	2.9%	812	13%
Health Services	250	6.8%	14,990	23.5%
Legal Services	70	19%	370	0.6%
Education Institutions & Libraries	110	3.0%	6,627	10.4%
Other Services	929	25.3%	17,051	26.8%
Government	102	2.8%	1,908	3.0%
Unclassified Establishments	216	5.9%	99	0.2%
Totals	3,669	100.0%	63,669	100.0%

Source: Esri Total Residential Population forecasts for 2019.
Date Note: Data on the Business Summary report is calculated **Esri's Data allocation** which uses census block groups to allocate business summary data to custom areas.

Appendix A2: Primary Trade Area Business Summary

Gibbs Planning Group

Business Summary

South Primary Trade Area
Area: 29.27 square miles

Prepared by Esri

by NAICS Codes	Businesses Number	Businesses Percent	Employees Number	Employees Percent
Agriculture, Forestry, Fishing & Hunting	4	0.1%	19	0.0%
Mining	2	0.1%	8	0.0%
Utilities	9	0.2%	138	0.2%
Construction	233	6.4%	1,601	2.5%
Manufacturing	123	3.4%	3,180	5.0%
Wholesale Trade	115	3.1%	3,001	4.7%
Retail Trade	488	13.3%	3,789	6.0%
Motor Vehicle & Parts Dealers	78	2.1%	559	0.9%
Furniture & Home Furnishings Stores	21	0.6%	110	0.2%
Electronics & Appliance Stores	16	0.4%	54	0.1%
Bldg Material & Garden Equipment & Supplies Dealers	28	0.8%	321	0.5%
Food & Beverage Stores	61	1.7%	575	0.9%
Health & Personal Care Stores	53	1.4%	510	0.8%
Gasoline Stations	19	0.5%	99	0.2%
Clothing & Clothing Accessories Stores	51	1.4%	297	0.5%
Sport Goods, Hobby, Book, & Music Stores	32	0.9%	259	0.4%
General Merchandise Stores	25	0.7%	345	0.5%
Miscellaneous Store Retailers	88	2.4%	528	0.8%
Nonstore Retailers	18	0.5%	131	0.2%
Transportation & Warehousing	58	1.6%	863	1.4%
Information	69	1.9%	611	1.0%
Finance & Insurance	205	5.6%	1,393	2.2%
Central Bank/Credit Intermediation & Related Activities	65	1.8%	458	0.7%
Securities, Commodity Contracts & Other Financial	53	1.4%	301	0.5%
Insurance Carriers & Related Activities; Funds, Trusts & Other	87	2.4%	633	1.0%
Real Estate, Rental & Leasing	153	4.2%	1,075	1.7%
Professional, Scientific & Tech Services	285	7.8%	12,081	19.0%
Legal Services	84	2.3%	417	0.7%
Management of Companies & Enterprises	4	0.1%	13	0.0%
Administrative & Support & Waste Management & Remediation	126	3.4%	1,296	2.0%
Educational Services	124	3.4%	6,678	10.5%
Health Care & Social Assistance	362	9.9%	16,348	25.7%
Arts, Entertainment & Recreation	95	2.6%	849	1.3%
Accommodation & Food Services	315	8.6%	5,766	9.1%
Accommodation	20	0.5%	2,554	4.0%
Food Services & Drinking Places	295	8.0%	3,212	5.0%
Other Services (except Public Administration)	579	15.8%	2,954	4.6%
Automotive Repair & Maintenance	88	2.4%	331	0.5%
Public Administration	102	2.8%	1,908	3.0%
Unclassified Establishments	216	5.9%	99	0.2%
Total	3,669	100.0%	63,669	100.0%

Date Note: Data on the Business Summary report is calculated **Esri's Data allocation** which uses census block groups to allocate business summary data to custom areas.

Appendix B1: Primary Trade Area Community Profile

Gibbs Planning Group

Community Profile

South Primary Trade Area — Prepared by Esri
Area: 29.27 square miles

Population Summary	
2000 Total Population	95,696
2010 Total Population	101,169
2019 Total Population	104,171
2019 Group Quarters	7,105
2024 Total Population	105,478
2019-2024 Annual Rate	0.25%
2019 Total Daytime Population	121,114
Workers	66,895
Residents	54,219
Household Summary	
2000 Households	38,072
2000 Average Household Size	2.35
2010 Households	39,977
2010 Average Household Size	2.36
2019 Households	40,917
2019 Average Household Size	2.37
2024 Households	41,395
2024 Average Household Size	2.38
2019-2024 Annual Rate	0.23%
2010 Families	23,841
2010 Average Family Size	2.99
2019 Families	23,926
2019 Average Family Size	3.01
2024 Families	24,029
2024 Average Family Size	3.02
2019-2024 Annual Rate	0.09%
Housing Unit Summary	
2000 Housing Units	40,264
Owner Occupied Housing Units	58.9%
Renter Occupied Housing Units	35.7%
Vacant Housing Units	5.4%
2010 Housing Units	42,541
Owner Occupied Housing Units	54.7%
Renter Occupied Housing Units	39.3%
Vacant Housing Units	6.0%
2019 Housing Units	43,780
Owner Occupied Housing Units	52.3%
Renter Occupied Housing Units	41.2%
Vacant Housing Units	6.5%
2024 Housing Units	44,424
Owner Occupied Housing Units	51.9%
Renter Occupied Housing Units	41.3%
Vacant Housing Units	6.8%
Median Household Income	
2019	$51,765
2024	$57,540
Median Home Value	
2019	$182,146
2024	$192,542
Per Capita Income	
2019	$28,860
2024	$32,760
Median Age	
2010	37.1
2019	38.6
2024	39.4

Data Note: Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019 and 2024. Esri converted Census 2000 data into 2010 geography.

Appendix B2: Primary Trade Area Community Profile

Gibbs Planning Group

Community Profile

South Primary Trade Area — Prepared by Esri
Area: 29.27 square miles

2019 Households by Income	
Household Income Base	40,917
<$15,000	12.9%
$15,000 - $24,999	11.3%
$25,000 - $34,999	10.1%
$35,000 - $49,999	13.7%
$50,000 - $74,999	18.7%
$75,000 - $99,999	12.9%
$100,000 - $149,999	12.0%
$150,000 - $199,999	4.1%
$200,000+	4.4%
Average Household Income	$71,479
2024 Households by Income	
Household Income Base	41,395
<$15,000	11.3%
$15,000 - $24,999	9.7%
$25,000 - $34,999	9.0%
$35,000 - $49,999	12.7%
$50,000 - $74,999	18.8%
$75,000 - $99,999	13.7%
$100,000 - $149,999	14.3%
$150,000 - $199,999	5.5%
$200,000+	5.1%
Average Household Income	$81,561
2019 Owner Occupied Housing Units by Value	
Total	22,883
<$50,000	2.1%
$50,000 - $99,999	7.7%
$100,000 - $149,999	21.3%
$150,000 - $199,999	29.4%
$200,000 - $249,999	17.4%
$250,000 - $299,999	8.3%
$300,000 - $399,999	7.2%
$400,000 - $499,999	2.9%
$500,000 - $749,999	3.0%
$750,000 - $999,999	0.5%
$1,000,000 - $1,499,999	0.1%
$1,500,000 - $1,999,999	0.0%
$2,000,000 +	0.0%
Average Home Value	$210,382
2024 Owner Occupied Housing Units by Value	
Total	23,041
<$50,000	1.2%
$50,000 - $99,999	5.6%
$100,000 - $149,999	18.9%
$150,000 - $199,999	28.5%
$200,000 - $249,999	18.4%
$250,000 - $299,999	9.7%
$300,000 - $399,999	8.6%
$400,000 - $499,999	3.9%
$500,000 - $749,999	4.2%
$750,000 - $999,999	0.7%
$1,000,000 - $1,499,999	0.2%
$1,500,000 - $1,999,999	0.0%
$2,000,000 +	0.1%
Average Home Value	$229,483

Data Note: Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest dividends, net rents, pensions, SSI and welfare payments, child support, and alimony.

Source: U.S. Census Bureau, Census 2010 Summary File 1 Esri forecasts for 2019 and 2024 Esri converted Census 2000 data into 2010 geography.

Appendix B3: Primary Trade Area Community Profile

Gibbs Planning Group

Community Profile

South Primary Trade Area
Area: 29.27 square miles

Prepared by Esri

2010 Population by Age	
Total	101,169
0 - 4	5.7%
5 - 9	5.4%
10 - 14	5.6%
15 - 24	17.2%
25 - 34	13.7%
35 - 44	11.7%
45 - 54	13.2%
55 - 64	11.2%
65 - 74	6.9%
75 - 84	5.9%
85 +	3.4%
18 +	79.6%
2019 Population by Age	
Total	104,171
0 - 4	5.2%
5 - 9	5.2%
10 - 14	5.2%
15 - 24	16.4%
25 - 34	13.5%
35 - 44	11.9%
45 - 54	11.3%
55 - 64	12.4%
65 - 74	9.6%
75 - 84	5.7%
85 +	3.7%
18 +	81.3%
2024 Population by Age	
Total	105,478
0 - 4	5.2%
5 - 9	5.1%
10 - 14	5.2%
15 - 24	15.8%
25 - 34	13.5%
35 - 44	12.0%
45 - 54	11.1%
55 - 64	11.5%
65 - 74	10.5%
75 - 84	6.7%
85 +	3.5%
18 +	81.5%
2010 Population by Sex	
Males	48,775
Females	52,394
2019 Population by Sex	
Males	50,584
Females	53,587
2024 Population by Sex	
Males	51,418
Females	54,060

Source: U.S. Census Bureau, Census 2010 Summary File 1 Esri forecasts for 2019 and 2024 Esri converted Census 2000 data into 2010 geography.

Appendix B4: Primary Trade Area Community Profile

Gibbs Planning Group

Community Profile

South Primary Trade Area
Area: 29.27 square miles

Prepared by Esri

2010 Population by Race/Ethnicity	
Total	101,168
White Alone	77.9%
Black Alone	6.7%
American Indian Alone	0.3%
Asian Alone	2.4%
Pacific Islander Alone	0.0%
Some Other Race Alone	9.3%
Two or More Races	3.3%
Hispanic Origin	22.7%
Diversity Index	60.3
2019 Population by Race/Ethnicity	
Total	104,172
White Alone	71.1%
Black Alone	8.4%
American Indian Alone	0.4%
Asian Alone	2.8%
Pacific Islander Alone	0.1%
Some Other Race Alone	13.1%
Two or More Races	4.2%
Hispanic Origin	30.9%
Diversity Index	70.6
2024 Population by Race/Ethnicity	
Total	105,478
White Alone	66.9%
Black Alone	9.4%
American Indian Alone	0.5%
Asian Alone	3.0%
Pacific Islander Alone	0.1%
Some Other Race Alone	15.3%
Two or More Races	4.8%
Hispanic Origin	36.2%
Diversity Index	75.4
2010 Population by Relationship and Household Type	
Total	101,169
In Households	93.3%
In Family Households	72.8%
Householder	23.5%
Spouse	15.9%
Child	27.6%
Other relative	3.4%
Nonrelative	2.4%
In Nonfamily Households	20.5%
In Group Quarters	6.7%
Institutionalized Population	1.4%
Noninstitutionalized Population	5.3%

Data Note: Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ethnic groups.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019 and 2024 Esri converted Census 2000 data into 2010 geography.

Appendix B5: Primary Trade Area Community Profile

Gibbs Planning Group

Community Profile

South Primary Trade Area
Area: 29.27 square miles

Prepared by Esri

2019 Population 25+ by Educational Attainment	
Total	70,822
Less than 9th Grade	4.1%
9th - 12th Grade, No Diploma	7.0%
High School Graduate	29.8%
GED/Alternative Credential	4.4%
Some College, No Degree	17.4%
Associate Degree	9.0%
Bachelor's Degree	16.6%
Graduate/Professional Degree	11.7%
2019 Population 15+ by Marital Status	
Total	87,922
Never Married	41.5%
Married	40.7%
Widowed	6.6%
Divorced	11.2%
2019 Civilian Population 16+ in Labor Force	
Civilian Employed	96.2%
Civilian Unemployed (Unemployment Rate)	3.8%
2019 Employed Population 16+ by Industry	
Total	50,612
Agriculture/Mining	0.2%
Construction	5.4%
Manufacturing	12.1%
Wholesale Trade	2.6%
Retail Trade	10.2%
Transportation/Utilities	7.3%
Information	2.1%
Finance/Insurance/Real Estate	4.9%
Services	53.0%
Public Administration	2.4%
2019 Employed Population 16+ by Occupation	
Total	50,609
White Collar	57.7%
Management/Business/Financial	11.0%
Professional	22.5%
Sales	10.0%
Administrative Support	14.1%
Services	20.1%
Blue Collar	22.2%
Farming/Forestry/Fishing	0.0%
Construction/Extraction	3.6%
Installation/Maintenance/Repair	3.3%
Production	7.5%
Transportation/Material Moving	7.8%
2010 Population By Urban/ Rural Status	
Total Population	101,169
Population Inside Urbanized Area	99.7%
Population Inside Urbanized Cluster	0.0%
Rural Population	0.3%

Source: U.S. Census Bureau, Census 2010 Summary File 1 Esri forecasts for 2019 and 2024 Esri converted Census 2000 data into 2010 geography.

Appendix B6: Primary Trade Area Community Profile

Gibbs Planning Group

Community Profile

South Primary Trade Area
Area: 29.27 square miles

Prepared by Esri

2010 Households by Type	
Total	39,976
Households with 1 Person	32.2%
Households with 2+ People	67.8%
Family Households	59.6%
Husband-wife Families	40.5%
With Related Children	15.7%
Other Family (No Spouse Present)	19.1%
Other Family with Male Householder	4.8%
With Related Children	2.7%
Other Family with Female Householder	14.4%
With Related Children	9.7%
Nonfamily Households	8.2%
All Households with Children	28.3%
Multigenerational Households	3.9%
Unmarried Partner Households	7.9%
Male-female	7.2%
Same-sex	0.7%
2010 Households by Size	
Total	39,979
1 Person Household	32.1%
2 Person Household	32.4%
3 Person Household	15.6%
4 Person Household	11.5%
5 Person Household	5.3%
6 Person Household	2.0%
7 + Person Household	1.1%
2010 Households by Tenure and Mortgage Status	
Total	39,977
Owner Occupied	58.2%
Owned with a Mortgage/Loan	39.4%
Owned Free and Clear	18.8%
Renter Occupied	41.8%
2010 Housing Units By Urban/ Rural Status	
Total Housing Units	42,541
Housing Units Inside Urbanized Area	99.7%
Housing Units Inside Urbanized Cluster	0.0%
Rural Housing Units	0.3%

Data Note: Households with children include any households with people under age 18, related or not. Multigenerational households are families with 3 or more parent-child relationships. Unmarried partner households are usually classified as nonfamily households unless there is another member of the household related to the householder. Multigenerational and unmarried partner households are reported only to the tract level. Esri estimated block group data, which is used to estimate polygons or non-standard geography.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019 and 2024. Esri converted Census 2000 data into 2010 geography.

Appendix B7: Primary Trade Area Community Profile

Gibbs Planning Group

Community Profile

South Primary Trade Area
Area: 29.27 square miles

Prepared by Esri

Top 3 Tapestry Segments	
1.	Parks and Rec (5C)
2.	Front Porches (8E)
3.	Fresh Ambitions (13D)
2019 Consumer Spending	
Apparel & Services: Total $	$72,124,215
Average Spent	$1,762.70
Spending Potential Index	82
Education: Total $	$54,519,205
Average Spent	$1,332.43
Spending Potential Index	84
Entertainment/Recreation: Total $	$108,796,305
Average Spent	$2,658.95
Spending Potential Index	81
Food at Home: Total $	$176,086,939
Average Spent	$4,303.52
Spending Potential Index	83
Food Away from Home: Total $	$122,141,955
Average Spent	$2,985.12
Spending Potential Index	81
Health Care: Total $	$197,241,981
Average Spent	$4,820.54
Spending Potential Index	81
HH Furnishings & Equipment: Total $	$70,830,372
Average Spent	$1,731.07
Spending Potential Index	81
Personal Care Products & Services: Total $	$29,339,933
Average Spent	$717.06
Spending Potential Index	81
Shelter: Total $	$643,167,207
Average Spent	$15,718.83
Spending Potential Index	85
Support Payments/Cash Contributions/Gifts in Kind: Total $	$82,749,317
Average Spent	$2,022.37
Spending Potential Index	82
Travel: Total $	$74,464,160
Average Spent	$1,819.88
Spending Potential Index	81
Vehicle Maintenance & Repairs: Total $	$39,471,115
Average Spent	$964.66
Spending Potential Index	84

Data Note: Consumer spending shows the amount spent on a variety of goods and services by households that reside in the area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue. Total and Average Amount Spent Per Household represent annual figures. The Spending Potential Index represents the amount spent in the area relative to a national average of 100.

Source: Consumer Spending data are derived from the 2016 and 2017 Consumer Expenditure Surveys, Bureau of Labor Statistics. Esri.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019 and 2024 Esri converted Census 2000 data into 2010 geography.

Appendix C1: Primary Trade Area Housing Profile

Gibbs Planning Group

Housing Profile

South Primary Trade Area
Area: 29.27 square miles

Prepared by Esri

Population		Households	
2010 Total Population	101,169	2019 Median Household Income	$51,765
2019 Total Population	104,171	2024 Median Household Income	$57,540
2024 Total Population	105,478	2019-2024 Annual Rate	2.14%
2019-2024 Annual Rate	0.25%		

	Census 2010		2019		2024	
Housing Units by Occupancy Status and Tenure	Number	Percent	Number	Percent	Number	Percent
Total Housing Units	42,541	100.0%	43,780	100.0%	44,424	100.0%
Occupied	39,977	94.0%	40,916	93.5%	41,395	93.2%
Owner	23,278	54.7%	22,887	52.3%	23,045	51.9%
Renter	16,699	39.3%	18,029	41.2%	18,350	41.3%
Vacant	2,564	6.0%	2,863	6.5%	3,029	6.8%

	2019		2024	
Owner Occupied Housing Units by Value	Number	Percent	Number	Percent
Total	22,884	100.0%	23,042	100.0%
<$50,000	486	2.1%	268	1.2%
$50,000-$99,999	1,759	7.7%	1,298	5.6%
$100,000-$149,999	4,876	21.3%	4,359	18.9%
$150,000-$199,999	6,721	29.4%	6,577	28.5%
$200,000-$249,999	3,983	17.4%	4,251	18.4%
$250,000-$299,999	1,906	8.3%	2,232	9.7%
$300,000-$399,999	1,644	7.2%	1,989	8.6%
$400,000-$499,999	672	2.9%	889	3.9%
$500,000-$749,999	686	3.0%	973	4.2%
$750,000-$999,999	112	0.5%	154	0.7%
$1,000,000-$1,499,999	28	0.1%	38	0.2%
$1,500,000-$1,999,999	0	0.0%	1	0.0%
$2,000,000+	11	0.0%	13	0.1%
Median Value	$182,146		$192,542	
Average Value	$210,382		$229,483	

Census 2010 Housing Units	Number	Percent
Total	42,541	100.0%
In Urbanized Areas	42,398	99.7%
In Urban Clusters	0	0.0%
Rural Housing Units	143	0.3%

Data Note: Persons of Hispanic Origin may be of any race.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019 and 2024.

Appendix C2: Primary Trade Area Housing Profile

Gibbs Planning Group

Housing Profile

South Primary Trade Area
Area: 29.27 square miles

Prepared by Esri

Census 2010 Owner Occupied Housing Units by Mortgage Status	Number	Percent
Total	23,277	100.0%
Owned with a Mortgage/Loan	15,755	67.7%
Owned Free and Clear	7,522	32.3%

Census 2010 Vacant Housing Units by Status	Number	Percent
Total	2,606	100.0%
For Rent	1,190	45.7%
Rented- Not Occupied	69	2.6%
For Sale Only	401	15.4%
Sold - Not Occupied	86	3.3%
Seasonal/Recreational/Occasional Use	149	5.7%
For Migrant Workers	3	0.1%
Other Vacant	708	27.2%

Census 2010 Occupied Housing Units by Age of Householder and Home Ownership		Owner Occupied Units	
	Occupied	Number	% of Occupied
Total	39,976	23,277	58.2%
15-24	2,004	190	9.5%
25-34	6,692	2,603	38.9%
35-44	6,520	3,710	56.9%
45-54	7,582	5,054	66.7%
55-64	6,808	4,832	71.0%
65-74	4,365	3,035	69.5%
75-84	3,856	2,621	68.0%
85+	2,149	1,232	57.3%

Census 2010 Occupied Housing Units by Race/Ethnicity of Householder and Home Ownership		Owner Occupied Units	
	Occupied	Number	% of Occupied
Total	39,978	23,278	58.2%
White Alone	33,180	20,994	63.3%
Black/African American	2,192	758	34.6%
American Indian/Alaska	112	50	44.6%
Asian Alone	788	263	33.4%
Pacific Islander Alone	7	3	42.9%
Other Race Alone	2,946	909	30.9%
Two or More Races	753	301	40.0%
Hispanic Origin	6,963	2,520	36.2%

Census 2010 Occupied Housing Units by Size and Home Ownership		Owner Occupied Units	
	Occupied	Number	% of Occupied
Total	39,978	23,278	58.2%
1-Person	12,852	5,628	43.8%
2-Person	12,938	8,780	67.9%
3-Person	6,238	3,906	62.6%
4-Person	4,584	2,951	64.4%
5-Person	2,117	1,275	60.2%
6-Person	805	477	59.3%
7+ Person	444	261	58.8%

2019 Housing Affordability	
Housing Affordability Index	114
Percent of Income for Mortgage	17.2%

Data Note: Persons of Hispanic Origin may be of any race.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2019 and 2024.

Appendix D1: Primary Trade Area Dominant Tapestry Descriptions

Gibbs Planning Group

Tapestry Segmentation Area Profile

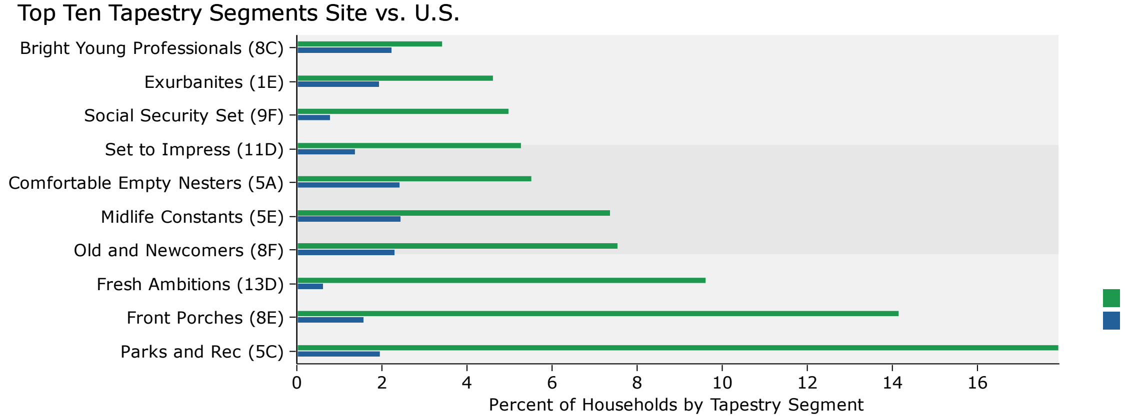
South Primary Trade Area
Area: 29.27 square miles

Prepared by Esri

Top Twenty Tapestry

		2019 Households		2019 U.S. Households		
			Cumulativ		Cumulativ	
Rank	**Tapestry Segment**	**Percent**	**Percent**	**Percent**	**Percent**	**Index**
1	Parks and Rec (5C)	17.9%	17.9%	2.0%	2.0%	909
2	Front Porches (8E)	14.2%	32.1%	1.6%	3.6%	898
3	Fresh Ambitions (13D)	9.6%	41.7%	0.6%	4.2%	1,522
4	Old and Newcomers (8F)	7.6%	49.3%	2.3%	6.5%	328
5	Midlife Constants (5E)	7.4%	56.7%	2.5%	9.0%	299
	Subtotal	**56.7%**		**9.0%**		
6	Comfortable Empty Nesters (5A)	5.5%	62.2%	2.4%	11.4%	226
7	Set to Impress (11D)	5.3%	67.5%	1.4%	12.8%	383
8	Social Security Set (9F)	5.0%	72.5%	0.8%	13.6%	617
9	Exurbanites (1E)	4.6%	77.1%	1.9%	15.5%	238
10	Bright Young Professionals (8C)	3.4%	80.5%	2.3%	17.8%	152
	Subtotal	**23.8%**		**8.8%**		
11	College Towns (14B)	3.2%	83.7%	1.0%	18.8%	335
12	Retirement Communities (9E)	3.0%	86.7%	1.2%	20.0%	252
13	In Style (5B)	2.8%	89.5%	2.2%	22.2%	123
14	Emerald City (8B)	2.0%	91.5%	1.4%	23.6%	144
15	Up and Coming Families (7A)	1.3%	92.8%	2.5%	26.1%	54
	Subtotal	**12.3%**		**8.3%**		
16	Small Town Simplicity (12C)	1.2%	94.0%	1.8%	27.9%	66
17	Salt of the Earth (6B)	1.1%	95.1%	2.9%	30.8%	38
18	Savvy Suburbanites (1D)	1.1%	96.2%	3.0%	33.8%	36
19	High Rise Renters (13E)	1.0%	97.2%	0.5%	34.3%	212
20	Pleasantville (2B)	1.0%	98.2%	2.2%	36.5%	47
	Subtotal	**5.4%**		**10.4%**		
	Total	**98.4%**		**36.5%**		**270**

Top Ten Tapestry Segments Site vs. U.S.



Data Note: This report identifies neighborhood segments in the area, and describes the socioeconomic quality of the immediate neighborhood. The index is a comparison of the percent of households or Total Population 18+ in the area, by Tapestry segment, to the percent of households or Total Population 18+ in the United States, by segment. An index of 100 is the US average.
Source: Esri