

Twin Cities Harbor Retail Market Analysis

Twin Cities Harbor: Benton Harbor and St. Joseph, Michigan



Prepared for:
City of Benton Harbor

Prepared by:
Gibbs Planning Group

29 September 2015

Twin Cities Harbor, Benton Harbor RETAIL MARKET STUDY

Gibbs Planning Group, Inc.
29 September 2015

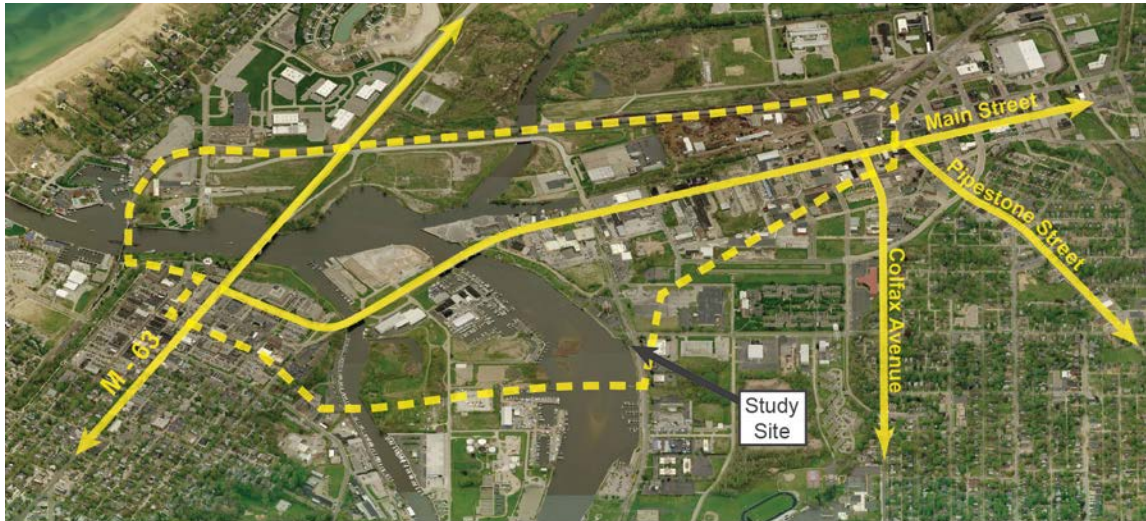


Figure 1: The Twin Cities Harbor study area, shown above, can presently support an additional 66,480 sf of retail and restaurant development.

Executive Summary

This study finds that the Twin Cities Harbor study area has an existing demand for up to 66,480 square feet (sf) of new retail development producing up to \$19.2 million in sales. By 2020, this demand could generate up to \$20.4 million in gross sales. This new retail demand could be absorbed by existing businesses and/or with the opening of 25 to 35 new stores and restaurants.

Please find below a summary of the 2015 supportable retail:

| | | |
|---------------|-----------|-------------------------------------|
| 14,200 | sf | Grocery Stores |
| 11,400 | sf | General Merchandise Stores |
| 8,200 | sf | Apparel & Shoes |
| 7,800 | sf | Full-Service Restaurants |
| 6,000 | sf | Limited-Service Restaurants |
| 5,700 | sf | Bars, Breweries & Pubs |
| 4,000 | sf | Miscellaneous Store Retailers |
| 3,000 | sf | Special Food Services |
| 2,000 | sf | Furniture & Home Furnishings Stores |
| 2,000 | sf | Jewelry Stores |
| 1,200 | sf | Sporting Goods & Hobby Stores |
| 1,000 | sf | Gift Stores |
| 66,500 | sf | Total |

If constructed as a new single-site center, the development would be classified as a small neighborhood type shopping center by industry definitions and could include 3-4 apparel stores; 2-3 full service restaurants; 2-3 limited-service eating places; 3-4 general merchandise stores; 2-3 grocery and specialty food and drink stores; 1-2 jewelry stores; 1-2 shoe stores; and an assortment of other retail and restaurant offerings.

Trade Area Boundaries

This study estimates that the Twin Cities Harbor study area has an approximate 208-square-mile trade area, limited by M-140 to the East, Warren Dunes State Park to the South, Lake Michigan to the West, and 44th Avenue to the North. The boundaries roughly equate to a 12-mile radius or a 20-minute drive time.

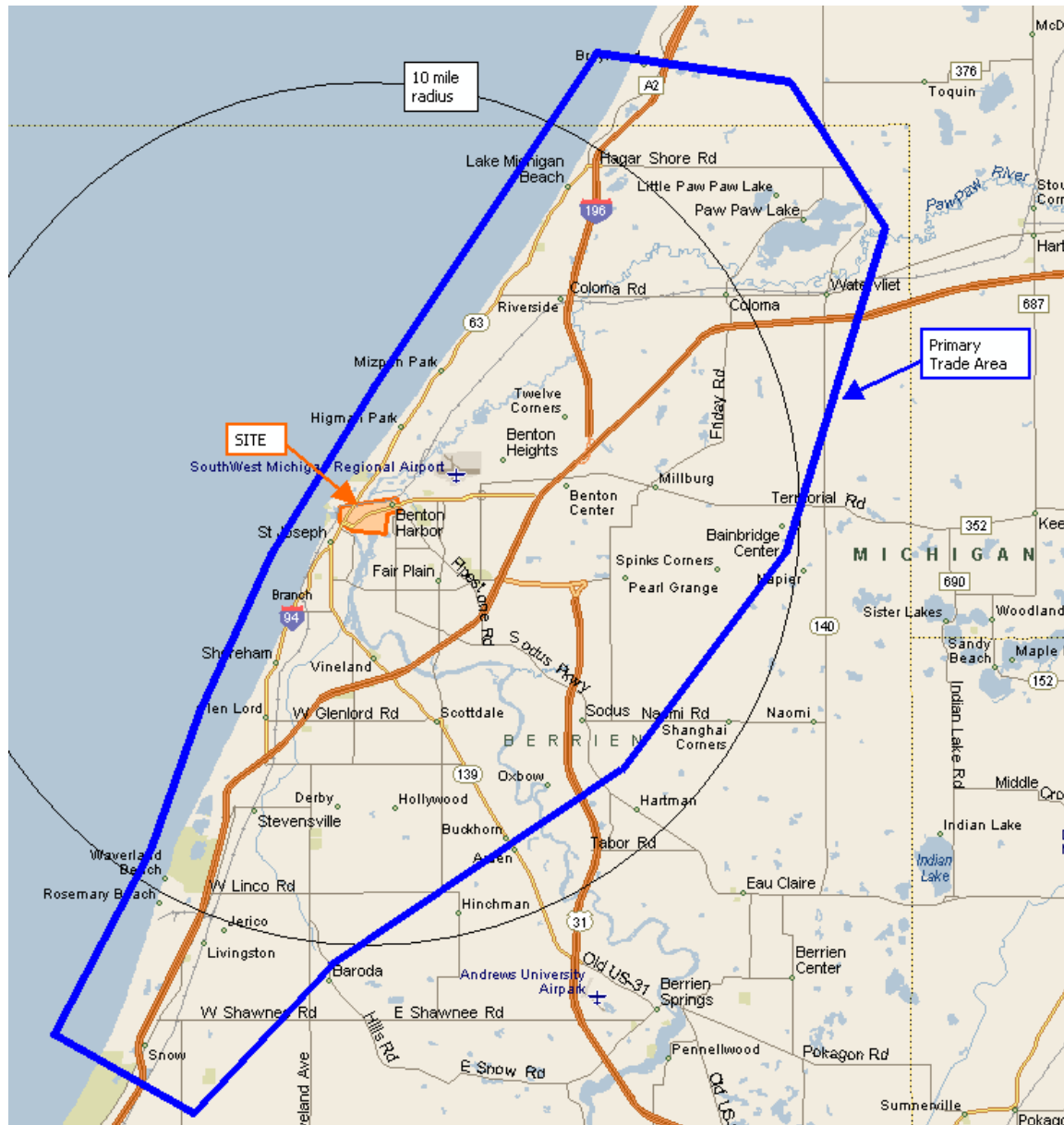


Figure 2: Downtown Helena has an approximate 482-square-mile primary trade area (shown above in blue).

The primary trade area is the consumer market where the study area has a significant competitive advantage because of access, design, lack of competition and traffic and commute patterns. This competitive advantage equates to a potential domination of the capture of consumer expenditure by the retailers in the study area. Consumers inside the primary trade area will account for up to 60 to 70 percent of the total sales captured by retailers in the Twin Cities Harbor study area.

Trade Area Demographics

The study site's primary trade area includes 85,500 people, which is expected to decrease at an annual rate of -0.09 percent to 85,100 by 2020. The current 2015 households number is 34,900, increasing slightly to 34,800 by 2020 at an annual rate of -0.05 percent. Both population and household growth trends contrast the overall growth expected in the state. The primary trade area's 2015 average household income is \$61,300 and is estimated to increase to \$71,200 by 2020. Median household income in the primary trade area in 2015 is \$43,300 and estimated to increase to \$51,800 by 2020. Moreover, 36.8 percent of the households earn above \$75,000 per year. Income levels in the primary trade area are less than state figures, but greater than the metropolitan statistical area. The average household size of 2.32 persons in 2015 is expected to remain nearly the same through 2020; the 2015 median age is 41.4 years old.

Table 1: Trade Area Demographic Characteristics

| <i>Demographic Characteristic</i> | <i>Primary Trade Area</i> | <i>Niles-Benton Harbor MSA</i> | <i>State of Michigan</i> |
|--|---------------------------|--------------------------------|--------------------------|
| 2015 Population | 85,500 | 155,600 | 9,870,800 |
| 2015 Households | 34,900 | 63,100 | 3,902,600 |
| 2020 Population | 85,100 | 155,200 | 9,944,000 |
| 2020 Households | 34,800 | 63,000 | 3,902,600 |
| 2015-2020 Annual Population Growth Rate | -0.09% | -0.05% | 0.15% |
| 2015-2020 Annual HH Growth Rate | -0.05% | -0.01% | 0.21% |
| 2015 Average Household Income | \$61,300 | \$59,100 | \$66,500 |
| 2015 Median Household Income | \$43,000 | \$43,000 | \$49,400 |
| 2020 Average Household Income | \$71,200 | \$68,500 | \$76,300 |
| 2020 Median Household Income | \$51,800 | \$51,400 | \$56,700 |
| % Households w. incomes \$75,000 or higher | 29.3% | 27.3% | 31.5% |
| % Bachelor's Degree | 16.3% | 15.1% | 16.7% |
| % Graduate or Professional Degree | 10.3% | 10.6% | 10.8% |
| Average Household Size | 2.4 | 2.4 | 2.47 |
| Median Age | 42.8 | 43.1 | 39.9 |

Table 1: Key demographic characteristics of the study area's primary trade area, the Niles-Benton Harbor Metropolitan Statistical Area and the State of Michigan.

The primary trade area demonstrates a weakening housing market. Approximately 84.3 percent of housing units are occupied and the median home value is estimated to be \$176,000. Of all households, 57.6 percent are owner-occupied, and that number that is expected to decrease to 57.4 percent by 2020. Renter-occupied households have increased from 25.9 percent in 2010 to 26.7 percent in 2015, but this statistic is projected to level at 26.5 percent by 2020. The vacancy rate has correspondingly increased from 15.0 percent in 2010 to 15.7 percent in 2015, and is expected to continue its incline to 16.1 percent by 2020. However, when seasonal or recreation housing units (2,450 units) are taken into account, the vacancy rate decreases to 9 percent. The

percentage of housing units valued at over \$250,000 is expected to increase from 23.9 percent to 36 percent - coinciding with an increase in the median home value to \$217,600 by 2020.

Table 2: 2015 & 2020 Supportable Retail Table

| Retail Category | Estimated Supportable SF | 2015 Sales/SF | 2015 Estimated Retail Sales | 2020 Sales/SF | 2020 Estimated Retail Sales | No. of Stores |
|---|--------------------------|---------------|-----------------------------|---------------|-----------------------------|----------------|
| Retailers | | | | | | |
| Apparel Stores | 6,080 | \$255 | \$1,550,400 | \$270 | \$1,641,600 | 3 - 4 |
| Beer, Wine & Liquor Stores | 730 | \$275 | \$200,750 | \$290 | \$211,700 | 1 |
| Book & Music Stores | 680 | \$215 | \$146,200 | \$230 | \$156,400 | 1 |
| Florists | 620 | \$195 | \$120,900 | \$205 | \$127,100 | 1 |
| Furniture Stores | 970 | \$225 | \$218,250 | \$240 | \$232,800 | 1 |
| General Merchandise Stores | 11,360 | \$295 | \$3,351,200 | \$315 | \$3,578,400 | 3 - 4 |
| Grocery Stores | 13,430 | \$305 | \$4,096,150 | \$325 | \$4,364,750 | 1 - 2 |
| Home Furnishings Stores | 1,050 | \$235 | \$246,750 | \$250 | \$262,500 | 1 |
| Jewelry Stores | 2,000 | \$315 | \$630,000 | \$335 | \$670,000 | 1 - 2 |
| Lawn & Garden Supply Stores | 770 | \$205 | \$157,850 | \$220 | \$169,400 | 1 |
| Miscellaneous Store Retailers | 1,880 | \$245 | \$460,600 | \$260 | \$488,800 | 1 - 2 |
| Office Supplies & Gift Stores | 1,040 | \$250 | \$260,000 | \$265 | \$275,600 | 1 |
| Shoe Stores | 2,100 | \$260 | \$546,000 | \$275 | \$577,500 | 1 - 2 |
| Sporting Goods & Hobby Stores | 1,210 | \$225 | \$272,250 | \$240 | \$290,400 | 1 |
| Retailer Totals | 43,920 | \$250 | \$12,257,300 | \$266 | \$13,046,950 | 18 - 24 |
| Restaurants | | | | | | |
| Bars, Breweries & Pubs | 5,730 | \$300 | \$1,719,000 | \$320 | \$1,833,600 | 2 - 3 |
| Full-Service Restaurants | 7,830 | \$320 | \$2,505,600 | \$340 | \$2,662,200 | 2 - 3 |
| Limited-Service Eating Places | 6,010 | \$310 | \$1,863,100 | \$330 | \$1,983,300 | 2 - 3 |
| Special Food Services | 2,990 | \$295 | \$882,050 | \$315 | \$941,850 | 2 - 3 |
| Restaurant Totals | 22,560 | \$306 | \$6,969,750 | \$326 | \$7,420,950 | 7 - 11 |
| Retailer & Restaurant Totals | 66,480 | \$263 | \$19,227,050 | \$279 | \$20,467,900 | 25 - 35 |

Table 2: The study site's primary trade area has demand for roughly 142,900 sf of new retail and restaurants.

Methodology

To address the above issues, GPG defined a trade area that would serve the retail in the study area based on geographic and topographic considerations, traffic access/flow in the area, relative retail strengths and weaknesses of the competition, 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 using census tracts from the U.S. Bureau of the Census, U.S. Bureau of Labor Statistics and Esri (Environmental Systems Research Institute).

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 development. The projected net consumer expenditure capture is based on household expenditure and demographic characteristics of the primary trade area, existing and planned retail competition, traffic and retail gravitational patterns and GPG's qualitative assessment of the downtown Helena study area.

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.

Assumptions

The projections of this study are based on the following assumptions:

- No other major retail centers are planned or proposed at this time and, as such, no other retail is assumed in our sales forecasts.
- No other major retail will be developed within the trade area of the subject site.
- The region's economy will stabilize at normal or above normal ranges of employment, inflation, retail demand and growth.
- The new retail development will be planned, designed, built, leased and managed as a walkable town center, to the best shopping center industry practices of the American Planning Association, Congress for New Urbanism, the International Council of Shopping Centers and Urban Land Institute.
- Parking for the area is assumed adequate for the proposed uses, with easy access to the retailers in the development.
- Visibility of the shopping center or retail is assumed to meet industry standards, with signage as required to assure good visibility of the retailers.

Limits of Study

The findings of this study represent GPG's best estimates for the amounts and types of retail tenants that should be supportable in the Twin Cities Harbor primary trade area by 2020. 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. It should be noted that the findings of this study are based upon generally accepted market research and business standards. It is possible that the study site's surrounding area could support lower or higher quantities of retailers and restaurants yielding lower or higher sales revenues than indicated by this study, depending on numerous factors including respective business practices and the management and design of the study area.

This study is based on estimates, assumptions and other information developed by GPG as an independent third party research effort with general knowledge of the retail industry, and consultations with the client and its representatives. This report is based on information that was current as of September 29, 2015, 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. 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. Actual results achieved during the period covered by our market 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 designing, financing, planning, and programming any business, real estate development, or public planning policy. This study is intended only for the use of the client and is void for other site locations, developers, or organizations.

- *End of Study* -

Appendix EXHIBIT A1: Community Profile

Gibbs Planning Group

Community Profile

Benton Harbor Primary Trade Area
Area: 208.64 square miles

Prepared by Esri
Latitude: 42.09800838
Longitude: -86.4067366

| | |
|--------------------------------|-----------|
| Population Summary | |
| 2000 Total Population | 89,678 |
| 2010 Total Population | 86,498 |
| 2015 Total Population | 85,494 |
| 2015 Group Quarters | 1,437 |
| 2020 Total Population | 85,118 |
| 2015-2020 Annual Rate | -0.09% |
| Household Summary | |
| 2000 Households | 35,431 |
| 2000 Average Household Size | 2.48 |
| 2010 Households | 35,021 |
| 2010 Average Household Size | 2.43 |
| 2015 Households | 34,917 |
| 2015 Average Household Size | 2.41 |
| 2020 Households | 34,838 |
| 2020 Average Household Size | 2.40 |
| 2015-2020 Annual Rate | -0.05% |
| 2010 Families | 23,013 |
| 2010 Average Family Size | 2.99 |
| 2015 Families | 22,642 |
| 2015 Average Family Size | 2.98 |
| 2020 Families | 22,414 |
| 2020 Average Family Size | 2.98 |
| 2015-2020 Annual Rate | -0.20% |
| Housing Unit Summary | |
| 2000 Housing Units | 39,931 |
| Owner Occupied Housing Units | 61.9% |
| Renter Occupied Housing Units | 26.8% |
| Vacant Housing Units | 11.3% |
| 2010 Housing Units | 41,207 |
| Owner Occupied Housing Units | 59.1% |
| Renter Occupied Housing Units | 25.9% |
| Vacant Housing Units | 15.0% |
| 2015 Housing Units | 41,426 |
| Owner Occupied Housing Units | 57.6% |
| Renter Occupied Housing Units | 26.7% |
| Vacant Housing Units | 15.7% |
| 2020 Housing Units | 41,527 |
| Owner Occupied Housing Units | 57.4% |
| Renter Occupied Housing Units | 26.5% |
| Vacant Housing Units | 16.1% |
| Median Household Income | |
| 2015 | \$43,058 |
| 2020 | \$51,832 |
| Median Home Value | |
| 2015 | \$175,994 |
| 2020 | \$217,624 |
| Per Capita Income | |
| 2015 | \$25,209 |
| 2020 | \$29,310 |
| Median Age | |
| 2010 | 40.6 |
| 2015 | 41.8 |
| 2020 | 42.8 |

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 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

Appendix EXHIBIT A2: Community Profile

Gibbs Planning Group

Community Profile

Benton Harbor Primary Trade Area
Area: 208.64 square miles

Prepared by Esri
Latitude: 42.09800838
Longitude: -86.4067366

| | |
|---|-----------|
| 2015 Households by Income | |
| Household Income Base | 34,917 |
| <\$15,000 | 18.6% |
| \$15,000 - \$24,999 | 11.9% |
| \$25,000 - \$34,999 | 11.6% |
| \$35,000 - \$49,999 | 12.9% |
| \$50,000 - \$74,999 | 15.8% |
| \$75,000 - \$99,999 | 11.8% |
| \$100,000 - \$149,999 | 11.0% |
| \$150,000 - \$199,999 | 3.8% |
| \$200,000+ | 2.7% |
| Average Household Income | \$61,285 |
| 2020 Households by Income | |
| Household Income Base | 34,838 |
| <\$15,000 | 17.6% |
| \$15,000 - \$24,999 | 8.9% |
| \$25,000 - \$34,999 | 10.0% |
| \$35,000 - \$49,999 | 12.0% |
| \$50,000 - \$74,999 | 15.4% |
| \$75,000 - \$99,999 | 14.6% |
| \$100,000 - \$149,999 | 13.2% |
| \$150,000 - \$199,999 | 5.1% |
| \$200,000+ | 3.4% |
| Average Household Income | \$71,163 |
| 2015 Owner Occupied Housing Units by Value | |
| Total | 23,863 |
| <\$50,000 | 2.6% |
| \$50,000 - \$99,999 | 13.5% |
| \$100,000 - \$149,999 | 21.9% |
| \$150,000 - \$199,999 | 23.1% |
| \$200,000 - \$249,999 | 15.0% |
| \$250,000 - \$299,999 | 9.2% |
| \$300,000 - \$399,999 | 9.2% |
| \$400,000 - \$499,999 | 2.4% |
| \$500,000 - \$749,999 | 2.5% |
| \$750,000 - \$999,999 | 0.4% |
| \$1,000,000 + | 0.2% |
| Average Home Value | \$202,346 |
| 2020 Owner Occupied Housing Units by Value | |
| Total | 23,850 |
| <\$50,000 | 1.4% |
| \$50,000 - \$99,999 | 6.9% |
| \$100,000 - \$149,999 | 11.1% |
| \$150,000 - \$199,999 | 23.0% |
| \$200,000 - \$249,999 | 21.8% |
| \$250,000 - \$299,999 | 13.9% |
| \$300,000 - \$399,999 | 12.9% |
| \$400,000 - \$499,999 | 4.0% |
| \$500,000 - \$749,999 | 4.3% |
| \$750,000 - \$999,999 | 0.7% |
| \$1,000,000 + | 0.2% |
| Average Home Value | \$245,021 |

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 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

Appendix EXHIBIT A3: Community Profile

Gibbs Planning Group

Community Profile

Benton Harbor Primary Trade Area
Area: 208.64 square miles

Prepared by Esri
Latitude: 42.09800838
Longitude: -86.4067366

| 2010 Population by Age | |
|------------------------|--------|
| Total | 86,503 |
| 0 - 4 | 6.4% |
| 5 - 9 | 6.8% |
| 10 - 14 | 7.0% |
| 15 - 24 | 12.2% |
| 25 - 34 | 11.0% |
| 35 - 44 | 12.4% |
| 45 - 54 | 15.4% |
| 55 - 64 | 13.0% |
| 65 - 74 | 8.2% |
| 75 - 84 | 5.2% |
| 85 + | 2.5% |
| 18 + | 75.5% |
| 2015 Population by Age | |
| Total | 85,493 |
| 0 - 4 | 6.0% |
| 5 - 9 | 6.2% |
| 10 - 14 | 6.6% |
| 15 - 24 | 12.4% |
| 25 - 34 | 11.3% |
| 35 - 44 | 11.4% |
| 45 - 54 | 14.2% |
| 55 - 64 | 14.4% |
| 65 - 74 | 9.9% |
| 75 - 84 | 5.1% |
| 85 + | 2.6% |
| 18 + | 77.3% |
| 2020 Population by Age | |
| Total | 85,119 |
| 0 - 4 | 5.8% |
| 5 - 9 | 5.9% |
| 10 - 14 | 6.3% |
| 15 - 24 | 11.6% |
| 25 - 34 | 11.4% |
| 35 - 44 | 11.5% |
| 45 - 54 | 12.6% |
| 55 - 64 | 14.7% |
| 65 - 74 | 11.6% |
| 75 - 84 | 6.1% |
| 85 + | 2.6% |
| 18 + | 78.2% |
| 2010 Population by Sex | |
| Males | 41,920 |
| Females | 44,578 |
| 2015 Population by Sex | |
| Males | 41,582 |
| Females | 43,912 |
| 2020 Population by Sex | |
| Males | 41,537 |
| Females | 43,581 |

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

Appendix EXHIBIT A4: Community Profile

Gibbs Planning Group

Community Profile

Benton Harbor Primary Trade Area
Area: 208.64 square miles

Prepared by Esri
Latitude: 42.09800838
Longitude: -86.4067366

| | |
|---|--------|
| 2010 Population by Race/Ethnicity | |
| Total | 86,499 |
| White Alone | 72.0% |
| Black Alone | 22.4% |
| American Indian Alone | 0.4% |
| Asian Alone | 1.5% |
| Pacific Islander Alone | 0.0% |
| Some Other Race Alone | 1.6% |
| Two or More Races | 2.0% |
| Hispanic Origin | 3.9% |
| Diversity Index | 47.3 |
| 2015 Population by Race/Ethnicity | |
| Total | 85,496 |
| White Alone | 71.4% |
| Black Alone | 22.1% |
| American Indian Alone | 0.5% |
| Asian Alone | 1.8% |
| Pacific Islander Alone | 0.0% |
| Some Other Race Alone | 1.9% |
| Two or More Races | 2.3% |
| Hispanic Origin | 4.6% |
| Diversity Index | 49.0 |
| 2020 Population by Race/Ethnicity | |
| Total | 85,119 |
| White Alone | 70.7% |
| Black Alone | 21.8% |
| American Indian Alone | 0.5% |
| Asian Alone | 2.1% |
| Pacific Islander Alone | 0.0% |
| Some Other Race Alone | 2.3% |
| Two or More Races | 2.6% |
| Hispanic Origin | 5.3% |
| Diversity Index | 50.8 |
| 2010 Population by Relationship and Household Type | |
| Total | 86,498 |
| In Households | 98.3% |
| In Family Households | 82.0% |
| Householder | 26.6% |
| Spouse | 18.6% |
| Child | 31.4% |
| Other relative | 3.1% |
| Nonrelative | 2.3% |
| In Nonfamily Households | 16.4% |
| In Group Quarters | 1.7% |
| Institutionalized Population | 1.1% |
| Noninstitutionalized Population | 0.5% |

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 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

Appendix EXHIBIT A5: Community Profile

Gibbs Planning Group

Community Profile

Benton Harbor Primary Trade Area
Area: 208.64 square miles

Prepared by Esri
Latitude: 42.09800838
Longitude: -86.4067366

| | |
|--|--------|
| 2015 Population 25+ by Educational Attainment | |
| Total | 58,848 |
| Less than 9th Grade | 4.2% |
| 9th - 12th Grade, No Diploma | 7.9% |
| High School Graduate | 25.2% |
| GED/Alternative Credential | 3.8% |
| Some College, No Degree | 22.5% |
| Associate Degree | 9.6% |
| Bachelor's Degree | 16.3% |
| Graduate/Professional Degree | 10.3% |
| 2015 Population 15+ by Marital Status | |
| Total | 69,419 |
| Never Married | 31.0% |
| Married | 49.1% |
| Widowed | 7.7% |
| Divorced | 12.3% |
| 2015 Civilian Population 16+ in Labor Force | |
| Civilian Employed | 93.4% |
| Civilian Unemployed | 6.6% |
| 2015 Employed Population 16+ by Industry | |
| Total | 37,473 |
| Agriculture/Mining | 1.6% |
| Construction | 5.1% |
| Manufacturing | 21.7% |
| Wholesale Trade | 1.9% |
| Retail Trade | 10.6% |
| Transportation/Utilities | 5.5% |
| Information | 1.1% |
| Finance/Insurance/Real Estate | 4.6% |
| Services | 45.2% |
| Public Administration | 2.8% |
| 2015 Employed Population 16+ by Occupation | |
| Total | 37,471 |
| White Collar | 58.0% |
| Management/Business/Financial | 13.5% |
| Professional | 20.4% |
| Sales | 10.5% |
| Administrative Support | 13.7% |
| Services | 19.9% |
| Blue Collar | 22.1% |
| Farming/Forestry/Fishing | 1.2% |
| Construction/Extraction | 4.4% |
| Installation/Maintenance/Repair | 2.9% |
| Production | 8.3% |
| Transportation/Material Moving | 5.3% |

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

Appendix EXHIBIT A6: Community Profile

Gibbs Planning Group

Community Profile

Benton Harbor Primary Trade Area
Area: 208.64 square miles

Prepared by Esri
Latitude: 42.09800838
Longitude: -86.4067366

| | |
|--|--------|
| 2010 Households by Type | |
| Total | 35,021 |
| Households with 1 Person | 29.3% |
| Households with 2+ People | 70.7% |
| Family Households | 65.7% |
| Husband-wife Families | 45.9% |
| With Related Children | 17.4% |
| Other Family (No Spouse Present) | 19.8% |
| Other Family with Male Householder | 4.3% |
| With Related Children | 2.4% |
| Other Family with Female Householder | 15.5% |
| With Related Children | 10.7% |
| Nonfamily Households | 5.0% |
| All Households with Children | 30.9% |
| Multigenerational Households | 3.5% |
| Unmarried Partner Households | 6.1% |
| Male-female | 5.5% |
| Same-sex | 0.5% |
| 2010 Households by Size | |
| Total | 35,021 |
| 1 Person Household | 29.3% |
| 2 Person Household | 34.5% |
| 3 Person Household | 15.2% |
| 4 Person Household | 12.0% |
| 5 Person Household | 5.6% |
| 6 Person Household | 2.1% |
| 7 + Person Household | 1.4% |
| 2010 Households by Tenure and Mortgage Status | |
| Total | 35,021 |
| Owner Occupied | 69.5% |
| Owned with a Mortgage/Loan | 45.5% |
| Owned Free and Clear | 24.0% |
| Renter Occupied | 30.5% |

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 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

Benton Harbor Primary Trade Area
Area: 208.64 square miles

Prepared by Esri
Latitude: 42.09800838
Longitude: -86.4067366

| Data for all businesses in area | | | | |
|--|--------|---------|--------|---------|
| Total Businesses: | | | 4,073 | |
| Total Employees: | | | 65,399 | |
| Total Residential Population: | | | 85,494 | |
| Employee/Residential Population Ratio: | | | 0.76:1 | |
| by SIC Codes | Number | Percent | Number | Percent |
| Agriculture & Mining | 114 | 2.8% | 534 | 0.8% |
| Construction | 304 | 7.5% | 1,685 | 2.6% |
| Manufacturing | 215 | 5.3% | 19,075 | 29.2% |
| Transportation | 99 | 2.4% | 1,085 | 1.7% |
| Communication | 25 | 0.6% | 545 | 0.8% |
| Utility | 16 | 0.4% | 1,353 | 2.1% |
| Wholesale Trade | 160 | 3.9% | 1,877 | 2.9% |
| Retail Trade Summary | 854 | 21.0% | 11,777 | 18.0% |
| Home Improvement | 63 | 1.5% | 617 | 0.9% |
| General Merchandise Stores | 31 | 0.8% | 1,179 | 1.8% |
| Food Stores | 89 | 2.2% | 1,868 | 2.9% |
| Auto Dealers, Gas Stations, Auto Aftermarket | 105 | 2.6% | 1,212 | 1.9% |
| Apparel & Accessory Stores | 48 | 1.2% | 160 | 0.2% |
| Furniture & Home Furnishings | 68 | 1.7% | 435 | 0.7% |
| Eating & Drinking Places | 223 | 5.5% | 3,392 | 5.2% |
| Miscellaneous Retail | 228 | 5.6% | 2,914 | 4.5% |
| Finance, Insurance, Real Estate Summary | 450 | 11.0% | 1,915 | 2.9% |
| Banks, Savings & Lending Institutions | 178 | 4.4% | 739 | 1.1% |
| Securities Brokers | 33 | 0.8% | 102 | 0.2% |
| Insurance Carriers & Agents | 76 | 1.9% | 259 | 0.4% |
| Real Estate, Holding, Other Investment Offices | 163 | 4.0% | 815 | 1.2% |
| Services Summary | 1,586 | 38.9% | 21,664 | 33.1% |
| Hotels & Lodging | 41 | 1.0% | 490 | 0.7% |
| Automotive Services | 122 | 3.0% | 483 | 0.7% |
| Motion Pictures & Amusements | 95 | 2.3% | 778 | 1.2% |
| Health Services | 233 | 5.7% | 3,262 | 5.0% |
| Legal Services | 48 | 1.2% | 241 | 0.4% |
| Education Institutions & Libraries | 103 | 2.5% | 3,154 | 4.8% |
| Other Services | 944 | 23.2% | 13,256 | 20.3% |
| Government | 154 | 3.8% | 3,619 | 5.5% |
| Unclassified Establishments | 96 | 2.4% | 270 | 0.4% |
| Totals | 4,073 | 100.0% | 65,399 | 100.0% |

Source: Copyright 2015 Infogroup, Inc. All rights reserved. Esri Total Residential Population forecasts for 2015.

Gibbs Planning Group

Business Summary

Benton Harbor Primary Trade Area
Area: 208.64 square miles

Prepared by Esri
Latitude: 42.09800838
Longitude: -86.4067366

| by NAICS Codes | Businesses | | Employees | |
|---|------------|---------|-----------|---------|
| | Number | Percent | Number | Percent |
| Agriculture, Forestry, Fishing & Hunting | 34 | 0.8% | 126 | 0.2% |
| Mining | 2 | 0.0% | 11 | 0.0% |
| Utilities | 8 | 0.2% | 1,202 | 1.8% |
| Construction | 326 | 8.0% | 1,795 | 2.7% |
| Manufacturing | 228 | 5.6% | 18,800 | 28.7% |
| Wholesale Trade | 151 | 3.7% | 1,709 | 2.6% |
| Retail Trade | 613 | 15.1% | 8,282 | 12.7% |
| Motor Vehicle & Parts Dealers | 67 | 1.6% | 960 | 1.5% |
| Furniture & Home Furnishings Stores | 30 | 0.7% | 197 | 0.3% |
| Electronics & Appliance Stores | 36 | 0.9% | 241 | 0.4% |
| Bldg Material & Garden Equipment & Supplies Dealers | 63 | 1.5% | 617 | 0.9% |
| Food & Beverage Stores | 79 | 1.9% | 1,807 | 2.8% |
| Health & Personal Care Stores | 54 | 1.3% | 2,039 | 3.1% |
| Gasoline Stations | 38 | 0.9% | 251 | 0.4% |
| Clothing & Clothing Accessories Stores | 54 | 1.3% | 178 | 0.3% |
| Sport Goods, Hobby, Book, & Music Stores | 47 | 1.2% | 289 | 0.4% |
| General Merchandise Stores | 31 | 0.8% | 1,179 | 1.8% |
| Miscellaneous Store Retailers | 98 | 2.4% | 477 | 0.7% |
| Nonstore Retailers | 16 | 0.4% | 48 | 0.1% |
| Transportation & Warehousing | 74 | 1.8% | 840 | 1.3% |
| Information | 56 | 1.4% | 1,072 | 1.6% |
| Finance & Insurance | 291 | 7.1% | 1,111 | 1.7% |
| Central Bank/Credit Intermediation & Related Activities | 179 | 4.4% | 741 | 1.1% |
| Securities, Commodity Contracts & Other Financial | 35 | 0.9% | 110 | 0.2% |
| Insurance Carriers & Related Activities; Funds, Trusts & | 76 | 1.9% | 259 | 0.4% |
| Real Estate, Rental & Leasing | 193 | 4.7% | 2,839 | 4.3% |
| Professional, Scientific & Tech Services | 271 | 6.7% | 2,012 | 3.1% |
| Legal Services | 56 | 1.4% | 285 | 0.4% |
| Management of Companies & Enterprises | 3 | 0.1% | 29 | 0.0% |
| Administrative & Support & Waste Management & Remediation | 159 | 3.9% | 1,382 | 2.1% |
| Educational Services | 113 | 2.8% | 3,123 | 4.8% |
| Health Care & Social Assistance | 363 | 8.9% | 4,686 | 7.2% |
| Arts, Entertainment & Recreation | 89 | 2.2% | 897 | 1.4% |
| Accommodation & Food Services | 264 | 6.5% | 3,892 | 6.0% |
| Accommodation | 41 | 1.0% | 490 | 0.7% |
| Food Services & Drinking Places | 223 | 5.5% | 3,402 | 5.2% |
| Other Services (except Public Administration) | 576 | 14.1% | 7,483 | 11.4% |
| Automotive Repair & Maintenance | 95 | 2.3% | 401 | 0.6% |
| Public Administration | 158 | 3.9% | 3,674 | 5.6% |
| Unclassified Establishments | 103 | 2.5% | 432 | 0.7% |
| Total | 4,073 | 100.0% | 65,399 | 100.0% |

Source: Copyright 2015 Infogroup, Inc. All rights reserved. Esri Total Residential Population forecasts for 2015.

Appendix EXHIBIT C1: Housing Profile - Primary Trade Area

Gibbs Planning Group

Housing Profile

Benton Harbor Primary Trade Area
Area: 208.64 square miles

Prepared by Esri
Latitude: 42.09800838
Longitude: -86.4067366

| Population | | Households | |
|-----------------------|--------|------------------------------|----------|
| 2010 Total Population | 86,498 | 2015 Median Household Income | \$43,058 |
| 2015 Total Population | 85,494 | 2020 Median Household Income | \$51,832 |
| 2020 Total Population | 85,118 | 2015-2020 Annual Rate | 3.78% |
| 2015-2020 Annual Rate | -0.09% | | |

| Housing Units by Occupancy Status and Tenure | Census 2010 | | 2015 | | 2020 | |
|--|-------------|---------|--------|---------|--------|---------|
| | Number | Percent | Number | Percent | Number | Percent |
| Total Housing Units | 41,207 | 100.0% | 41,426 | 100.0% | 41,527 | 100.0% |
| Occupied | 35,021 | 85.0% | 34,917 | 84.3% | 34,838 | 83.9% |
| Owner | 24,334 | 59.1% | 23,863 | 57.6% | 23,850 | 57.4% |
| Renter | 10,687 | 25.9% | 11,054 | 26.7% | 10,988 | 26.5% |
| Vacant | 6,186 | 15.0% | 6,509 | 15.7% | 6,689 | 16.1% |

| Owner Occupied Housing Units by Value | 2015 | | 2020 | |
|---------------------------------------|-----------|---------|-----------|---------|
| | Number | Percent | Number | Percent |
| Total | 23,862 | 100.0% | 23,850 | 100.0% |
| <\$50,000 | 622 | 2.6% | 337 | 1.4% |
| \$50,000-\$99,999 | 3,224 | 13.5% | 1,643 | 6.9% |
| \$100,000-\$149,999 | 5,222 | 21.9% | 2,636 | 11.1% |
| \$150,000-\$199,999 | 5,507 | 23.1% | 5,475 | 23.0% |
| \$200,000-\$249,999 | 3,580 | 15.0% | 5,203 | 21.8% |
| \$250,000-\$299,999 | 2,197 | 9.2% | 3,305 | 13.9% |
| \$300,000-\$399,999 | 2,186 | 9.2% | 3,072 | 12.9% |
| \$400,000-\$499,999 | 582 | 2.4% | 943 | 4.0% |
| \$500,000-\$749,999 | 599 | 2.5% | 1,015 | 4.3% |
| \$750,000-\$999,999 | 94 | 0.4% | 174 | 0.7% |
| \$1,000,000+ | 49 | 0.2% | 47 | 0.2% |
| Median Value | \$175,994 | | \$217,624 | |
| Average Value | \$202,346 | | \$245,021 | |

Data Note: Persons of Hispanic Origin may be of any race.
Source: U.S. Census Bureau, Census 2010 Summary File 1.

Appendix EXHIBIT C2: Housing Profile - Primary Trade Area

Gibbs Planning Group

Housing Profile

Benton Harbor Primary Trade Area
Area: 208.64 square miles

Prepared by Esri
Latitude: 42.09800838
Longitude: -86.4067366

| Census 2010 Owner Occupied Housing Units by Mortgage Status | | | Number | Percent |
|--|----------------|--|----------------------|---------------|
| Total | | | 24,334 | 100.0% |
| Owned with a Mortgage/Loan | | | 15,929 | 65.5% |
| Owned Free and Clear | | | 8,405 | 34.5% |
| Census 2010 Vacant Housing Units by Status | | | Number | Percent |
| Total | | | 6,186 | 100.0% |
| For Rent | | | 1,358 | 22.0% |
| Rented- Not Occupied | | | 79 | 1.3% |
| For Sale Only | | | 614 | 9.9% |
| Sold - Not Occupied | | | 155 | 2.5% |
| Seasonal/Recreational/Occasional Use | | | 2,448 | 39.6% |
| For Migrant Workers | | | 105 | 1.7% |
| Other Vacant | | | 1,451 | 23.5% |
| Census 2010 Occupied Housing Units by Age of Householder and Home Ownership | | | Owner Occupied Units | |
| | Occupied Units | | Number | % of Occupied |
| Total | 35,020 | | 24,334 | 69.5% |
| 15-24 | 1,415 | | 279 | 19.7% |
| 25-34 | 4,536 | | 2,017 | 44.5% |
| 35-44 | 5,723 | | 3,727 | 65.1% |
| 45-54 | 7,476 | | 5,519 | 73.8% |
| 55-64 | 6,748 | | 5,360 | 79.4% |
| 65-74 | 4,538 | | 3,789 | 83.5% |
| 75-84 | 3,129 | | 2,575 | 82.3% |
| 85+ | 1,455 | | 1,068 | 73.4% |
| Census 2010 Occupied Housing Units by Race/Ethnicity of Householder and Home Ownership | | | Owner Occupied Units | |
| | Occupied Units | | Number | % of Occupied |
| Total | 35,020 | | 24,334 | 69.5% |
| White Alone | 26,737 | | 21,009 | 78.6% |
| Black/African American | 6,994 | | 2,678 | 38.3% |
| American Indian/Alaska | 133 | | 69 | 51.9% |
| Asian Alone | 444 | | 251 | 56.5% |
| Pacific Islander Alone | 5 | | 3 | 60.0% |
| Other Race Alone | 357 | | 145 | 40.6% |
| Two or More Races | 350 | | 179 | 51.1% |
| Hispanic Origin | 847 | | 397 | 46.9% |
| Census 2010 Occupied Housing Units by Size and Home Ownership | | | Owner Occupied Units | |
| | Occupied Units | | Number | % of Occupied |
| Total | 35,020 | | 24,332 | 69.5% |
| 1-Person | 10,250 | | 5,942 | 58.0% |
| 2-Person | 12,079 | | 9,551 | 79.1% |
| 3-Person | 5,329 | | 3,728 | 70.0% |
| 4-Person | 4,197 | | 3,031 | 72.2% |
| 5-Person | 1,950 | | 1,326 | 68.0% |
| 6-Person | 739 | | 470 | 63.6% |
| 7+ Person | 476 | | 284 | 59.7% |

Data Note: Persons of Hispanic Origin may be of any race.
Source: U.S. Census Bureau, Census 2010 Summary File 1.

Appendix EXHIBIT E1: Tapestry Segmentation

Gibbs Planning Group

Tapestry Segmentation Area Profile

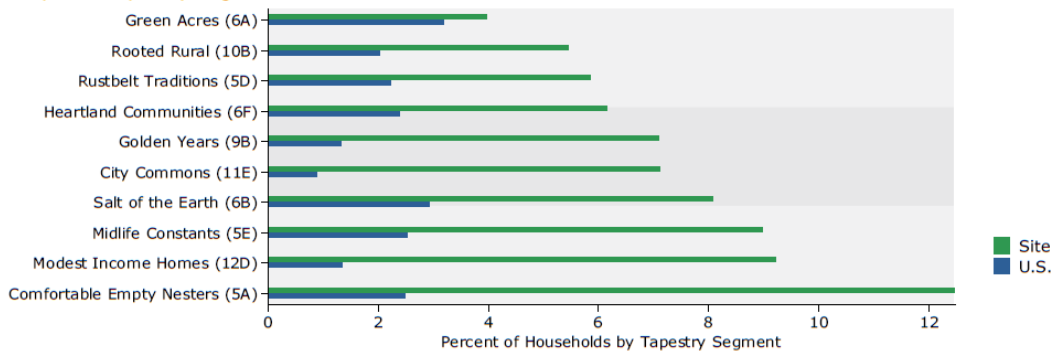
Benton Harbor Primary Trade Area
Area: 208.64 square miles

Prepared by Esri
Latitude: 42.09800838
Longitude: -86.4067366

Top Twenty Tapestry Segments

| Rank | Tapestry Segment | 2015 Households | | 2015 U.S. Households | | Index |
|-----------------|---------------------------------|-----------------|--------------------|----------------------|--------------------|------------|
| | | Percent | Cumulative Percent | Percent | Cumulative Percent | |
| 1 | Comfortable Empty Nesters (5A) | 12.5% | 12.5% | 2.5% | 2.5% | 501 |
| 2 | Modest Income Homes (12D) | 9.2% | 21.7% | 1.4% | 3.9% | 679 |
| 3 | Midlife Constants (5E) | 9.0% | 30.7% | 2.5% | 6.4% | 353 |
| 4 | Salt of the Earth (6B) | 8.1% | 38.8% | 2.9% | 9.3% | 275 |
| 5 | City Commons (11E) | 7.1% | 45.9% | 0.9% | 10.2% | 789 |
| Subtotal | | 45.9% | | 10.2% | | |
| 6 | Golden Years (9B) | 7.1% | 53.0% | 1.3% | 11.5% | 530 |
| 7 | Heartland Communities (6F) | 6.2% | 59.2% | 2.4% | 13.9% | 258 |
| 8 | Rustbelt Traditions (5D) | 5.9% | 65.1% | 2.2% | 16.1% | 261 |
| 9 | Rooted Rural (10B) | 5.5% | 70.6% | 2.0% | 18.1% | 269 |
| 10 | Green Acres (6A) | 4.0% | 74.6% | 3.2% | 21.3% | 125 |
| Subtotal | | 28.7% | | 11.1% | | |
| 11 | Old and Newcomers (8F) | 3.8% | 78.4% | 2.3% | 23.6% | 163 |
| 12 | Savvy Suburbanites (1D) | 3.6% | 82.0% | 3.0% | 26.6% | 121 |
| 13 | In Style (5B) | 3.6% | 85.6% | 2.3% | 28.9% | 160 |
| 14 | Southern Satellites (10A) | 2.6% | 88.2% | 3.2% | 32.1% | 82 |
| 15 | Small Town Simplicity (12C) | 1.9% | 90.1% | 1.9% | 34.0% | 99 |
| Subtotal | | 15.5% | | 12.7% | | |
| 16 | Hardscrabble Road (8G) | 1.8% | 91.9% | 1.2% | 35.2% | 145 |
| 17 | Down the Road (10D) | 1.5% | 93.4% | 1.1% | 36.3% | 132 |
| 18 | Bright Young Professionals (8C) | 1.4% | 94.8% | 2.2% | 38.5% | 65 |
| 19 | Soccer Moms (4A) | 1.3% | 96.1% | 2.8% | 41.3% | 45 |
| 20 | Front Porches (8E) | 0.9% | 97.0% | 1.6% | 42.9% | 54 |
| Subtotal | | 6.9% | | 8.9% | | |
| Total | | 96.9% | | 43.1% | | 225 |

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 population in the area, by Tapestry segment, to the percent of households or population in the United States, by segment. An index of 100 is the US average.

Source: Esri

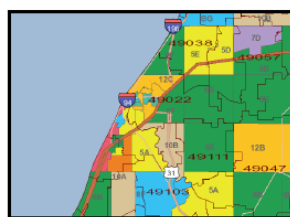
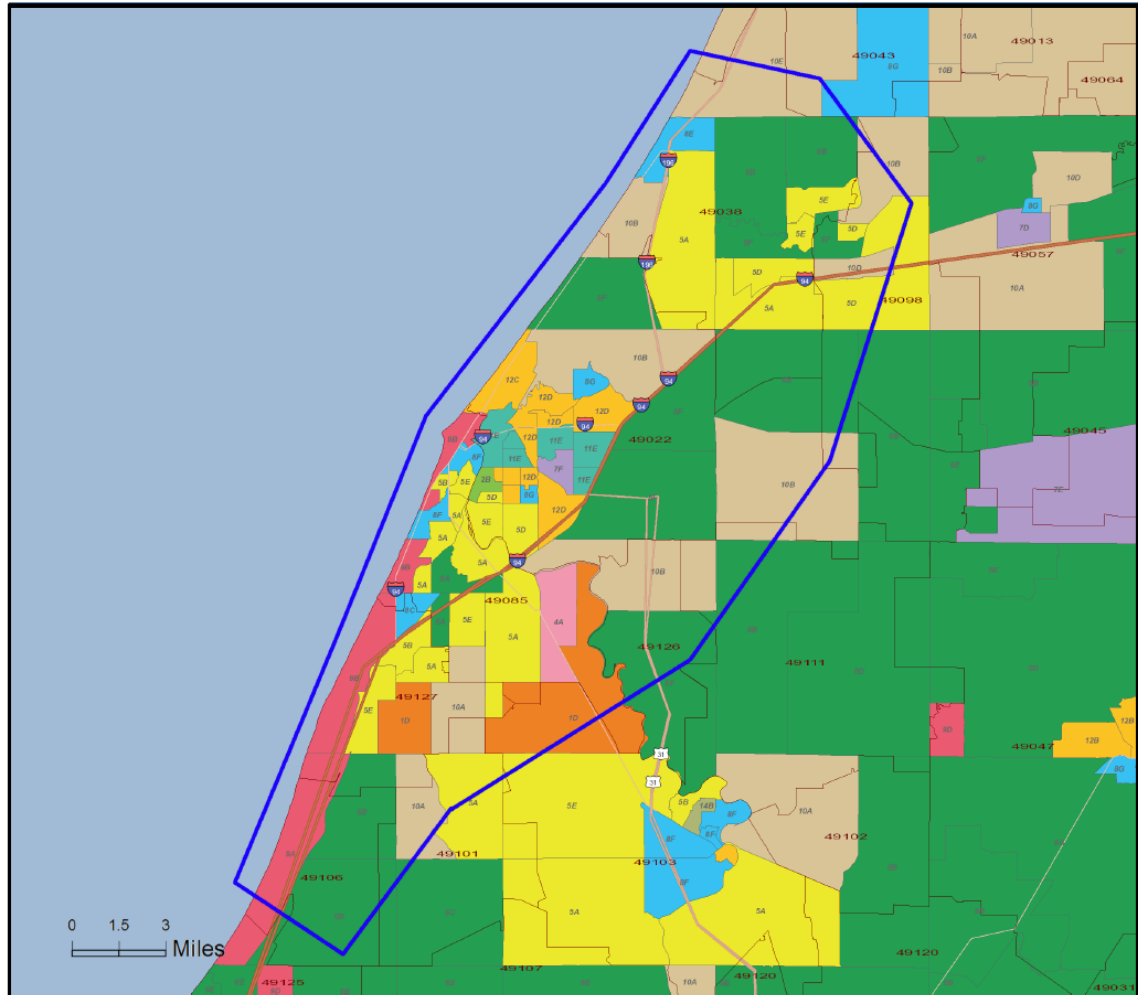
Appendix EXHIBIT E2: Tapestry Segmentation

Gibbs Planning Group

Dominant Tapestry Map

Benton Harbor Primary Trade Area
Area: 208.64 square miles

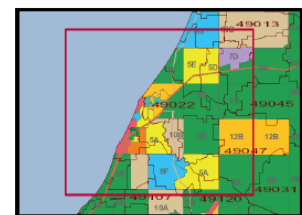
Prepared by Esri



Source: Esri

Tapestry LifeMode

- | | |
|---|--|
| ■ L1: Affluent Estates | ■ L8: Middle Ground |
| ■ L2: Upscale Avenues | ■ L9: Senior Styles |
| ■ L3: Uptown Individuals | ■ L10: Rustic Outposts |
| ■ L4: Family Landscapes | ■ L11: Midtown Singles |
| ■ L5: GenXurban | ■ L12: Hometown |
| ■ L6: Cozy Country | ■ L13: Next Wave |
| ■ L7: Ethnic Enclaves | ■ L14: Scholars and Patriots |



Appendix EXHIBIT E1: Tapestry Segmentation

Gibbs Planning Group

Dominant Tapestry Map

Benton Harbor Primary Trade Area
Area: 208.64 square miles

Prepared by Esri

Tapestry Segmentation

Tapestry Segmentation represents the fifth generation of market segmentation systems that began 30 years ago. The 67-segment Tapestry Segmentation system classifies U.S. neighborhoods based on their socioeconomic and demographic composition. Each segment is identified by its two-digit Segment Code. Match the two-digit segment labels on the map to the list below. Click each segment below for a detailed description.

| | |
|---|---|
| Segment 1A (Top Tier) | Segment 8C (Bright Young Professionals) |
| Segment 1B (Professional Pride) | Segment 8D (Downtown Melting Pot) |
| Segment 1C (Boomburbs) | Segment 8E (Front Porches) |
| Segment 1D (Savvy Suburbanites) | Segment 8F (Old and Newcomers) |
| Segment 1E (Exurbanites) | Segment 8G (Hardscrabble Road) |
| Segment 2A (Urban Chic) | Segment 9A (Silver & Gold) |
| Segment 2B (Pleasantville) | Segment 9B (Golden Years) |
| Segment 2C (Pacific Heights) | Segment 9C (The Elders) |
| Segment 2D (Enterprising Professionals) | Segment 9D (Senior Escapes) |
| Segment 3A (Laptops and Lattes) | Segment 9E (Retirement Communities) |
| Segment 3B (Metro Renters) | Segment 9F (Social Security Set) |
| Segment 3C (Trendsetters) | Segment 10A (Southern Satellites) |
| Segment 4A (Soccer Moms) | Segment 10B (Rooted Rural) |
| Segment 4B (Home Improvement) | Segment 10C (Diners & Miners) |
| Segment 4C (Middleburg) | Segment 10D (Down the Road) |
| Segment 5A (Comfortable Empty Nesters) | Segment 10E (Rural Bypasses) |
| Segment 5B (In Style) | Segment 11A (City Strivers) |
| Segment 5C (Parks and Rec) | Segment 11B (Young and Restless) |
| Segment 5D (Rustbelt Traditions) | Segment 11C (Metro Fusion) |
| Segment 5E (Midlife Constants) | Segment 11D (Set to Impress) |
| Segment 6A (Green Acres) | Segment 11E (City Commons) |
| Segment 6B (Salt of the Earth) | Segment 12A (Family Foundations) |
| Segment 6C (The Great Outdoors) | Segment 12B (Traditional Living) |
| Segment 6D (Prairie Living) | Segment 12C (Small Town Simplicity) |
| Segment 6E (Rural Resort Dwellers) | Segment 12D (Modest Income Homes) |
| Segment 6F (Heartland Communities) | Segment 13A (International Marketplace) |
| Segment 7A (Up and Coming Families) | Segment 13B (Las Casas) |
| Segment 7B (Urban Villages) | Segment 13C (NeWest Residents) |
| Segment 7C (American Dreamers) | Segment 13D (Fresh Ambitions) |
| Segment 7D (Barrios Urbanos) | Segment 13E (High Rise Renters) |
| Segment 7E (Valley Growers) | Segment 14A (Military Proximity) |
| Segment 7F (Southwestern Families) | Segment 14B (College Towns) |
| Segment 8A (City Lights) | Segment 14C (Dorms to Diplomas) |
| Segment 8B (Emerald City) | Segment 15 (Unclassified) |

Source: Esri
