Dubuque, Iowa

There’s a lot of potential here.
Why Should a Municipality Invest Resources in Retail?

GOALS

Increase Tax Revenue

Attract Desired Businesses

Improve Quality of Life

Create Jobs
Why Should a Municipality Invest Resources in Retail?

Success breeds success. Retail builds on retail. Retail economic impact adds up quickly. Retail attracts the workforce that attracts the primary jobs. Retail influences executives looking to locate their company in your community. Retail enhances quality of life that brings your children home. Retail builds tax base. Retail adds jobs from entry level to managerial. Retail builds communities.
Why Should a Municipality Invest Resources in Retail?

1 in 4 jobs are RETAIL

Retail Recruitment is Economic Development
Why Should a Municipality Invest Resources in Retail?

BUT AN INDUSTRY COMPARISON OF FULL-TIME AND STABLE WORKERS SHOWS RETAIL PAYS COMPETITIVE WAGES

AVERAGE WAGE PER YEAR

FULL-TIME RETAIL WORKERS 25-54 YEARS OLD
$38,376

FULL-TIME NON-RETAIL WORKERS 25-54 YEARS OLD
$37,968
Doom and Gloom?

Year-to-Date 2017 Major US Store Closure Announcements

- RadioShack: 1000
- Payless Inc.: 400
- rue21: 400
- Ascena Retail: 358
- Sears and Kmart: 330
- Gymboree: 220
- The Limited: 210
- JCPenney: 180
- Bebe Stores Inc.: 171
- GameStop: 150
- Wet Seal: 140
- Cross Inc.: 130
- IC Penney: 120
- American Apparel: 100
- Gordmans Stores Inc.: 100
- Michael Kors: 90
- Macy's: 90
- The Children's Place: 75
- Aerosoles: 74
- Gap: 70
- Staples: 70
- CVS: 70
- Aaron's: 70
- MC Sports: 68
- Perfumania: 64
- Alfred Angelo: 61
- Guess: 60
- Vitamin World: 50
- Chico's: 50
- Lucky Activewear: 44
- Lululemon athletica: 40
- Eastern Outfitters: 36
- Gender Mountain: 32
- Ben's: 31
- True Religion: 27
- Ralph Lauren: 23
- Neiman Marcus: 20
- Urban Outfitters: 18
- Rothman Furniture: 6
- Pinch: 6
- H&M: 3

Total: 6,101 announced store closures

183% year over year

The Children's Place will close 300 stores by 2020. Ralph Lauren's store closing number was part of the 50-store closure plan announced in June 2015. Ascena will close between 260 and 607 stores by July 2019, depending on negotiations with landlords. Gap will close 200 stores by 2020. Urban Outfitters plans to close eight to nine stores in 2017. Vitamin World will close at least 50 stores.

Source: Company reports/FRGT
Retailers Are Still Expanding

**Year-to-Date 2017 Major US Store Opening Announcements**

- **Dollar General**: 1,290
- **Dollar Tree**: 650
- **Aldi**: 400
- **TJX**: 111
- **Five Below**: 100
- **Ulta**: 100
- **Lidl**: 100
- **Ross Stores**: 90
- **Gaz**: 90
- **Sephora**: 70
- **H&M**: 60
- **Hobby Lobby**: 60
- **Walmart**: 59
- **Dick’s Sporting Goods, Inc.**: 43
- **Target**: 30
- **Costco**: 24
- **Bonobos**: 20
- **Macy’s Backstage**: 19
- **Nordstrom**: 17
- **Forever 21 (Riley Rose)**: 10
- **Ralph & Russo**: 9
- **Abbeys & Fitch**: 7
- **ThreeB**: 5
- **Homesense**: 5
- **Mackage**: 5
- **Kohl’s**: 4
- **Fendi**: 3

**Total: 3,381 announced store openings**

**58% year over year**

*Aldi will complete a 400-store expansion by the end of 2018. Walmart’s target of 59 stores includes new, expanded and relocated stores. Target is only opening stores in small format. Macy’s Backstage will be opened within existing full-line Macy’s stores. Ralph & Russo to open 8-10 stores by the end of 2018. Mackage plans to operate 25 stores across North America in the next five years. Gap will open 270 stores by 2020.*

Source: Company reports/FGR/T
Nothing but Growth Ahead for E-Commerce

Total Adjusted E-Commerce $ (millions) vs. % of Total Retail Sales

Prepared for Dubuque_IA by Retail Strategies
Millennials are the Largest Consumer Group

- 83 Million Millennials (1982 -2004)
- 75 Million Baby Boomers (1946-1964)
- 63 Million Gen X (1965-1985)
Experience VS Stuff

- 3 in 4 Millennials would choose to spend money on an experience vs. buying something desirable
- Millennials make 54% of purchases online

Forbes
Retail Killer
Retail goods and services replaced by your smartphone
Seamless Integration is the Key to Survival

OMNI CHANNEL

Shopping Bricks

Experience

E-commerce Clicks

Convenience
The Former Value Proposition of Box Retail
Returns – The Gift That Keeps on Giving

US RETAIL SALES ON TRACK TO REACH $4.0 TRILLION IN 2017

IN 2017, PROJECTED US ECOMMERCE SALES WILL REACH $440 BILLION
TOTAL RETAIL RETURNS IN 2017 PROJECTED TO EXCEED $460 BILLION

70-80% OF SHOPPERS MAKING ONLINE-PURCHASES RETURNED TO STORE TO ALSO MAKE A NEW PURCHASE

9/100 IN-STORE PURCHASES ARE RETURNED

30/100 ONLINE PURCHASES ARE RETURNED
Brick-and-Mortar Still Dominate

78% OF CONSUMERS PREFER TO SHOP IN-STORE

Consumers purchase at online retail websites an average of 2.2 times per month

Consumers purchase at shopping centers an average of 7.5 times per month

Average time spent in a brick-and-mortar store: 54 MIN
Average time spent on a single retail website: 38 MIN

$1,710 $247

Consumers spend significantly more per month in a physical store than online

Want to try on or touch merchandise before they make a purchase

Source: ICSC
Retail Strategies Overview

We are retail real estate professionals. We will tell your story in a way that matters to retailers.

1 Goal
Create Success for Our Clients

130
Communities Served

4:1
Client to Staff Ratio

44
States Our Team has Located Retailers

20
Licensed Retail Real Estate Professionals

34
Team Members

Prepared for Dubuque_IA by Retail Strategies
Our Partnership

THIS IS A PARTNERSHIP.

The Greater Dubuque Development Corp. is the local expert.
Retail Strategies is the retail real estate expert.

Retail Strategies is very pleased to partner with Dubuque for a common goal to generate new retail communication that would not otherwise happen. In September 2014 Dubuque engaged Retail Strategies to market the community to key retail real estate industry contacts. Although we cannot guarantee success, we do guarantee you will be better off with us than without us.

Dubuque will have multiple dedicated staff members working on behalf of the community in their areas of expertise. A Portfolio Director will serve as the primary Point of Contact (POC) to interact with Dubuque’s primary POC. Additional team members include: company executives, retail development team, marketing, research and legal teams. Confidential and non-confidential information will be communicated with the POC. It is Retail Strategies goal to spend our time doing the job you hired us to do and allow the local POC to navigate the local political landscape and communication flow. Local feedback and communication sharing from the primary point of contact working with Retail Strategies is a critical part of the engagement.

The initial 90 business days after engaging in our partnership have been spent on due diligence for the discovery phase. The following information is a highlight of key information collected that will be used as a starting point to begin the proactive marketing to a national network of retailers, brokers, developers and key industry contacts on behalf of the community. Additional materials will be created throughout the course of the engagement. Project specific materials and reports will be created on a case-by-case basis as needed for effective information sharing, data analysis and marketing efforts.

The discovery is an ongoing process that will not stop.
Our Partnership

Rick Dickinson
President and CEO

Clay Craft
Portfolio Director

Ford Fitts
Retail Development Coordinator

Matt Petro
Chief Development Officer
Our Partnership

Executive Team

Marketing & Research

Accounting

Prepared for Dubuque_IA by Retail Strategies
Retail Strategies Process

**Market analysis - Data, Data, Data**
We start where the retailers and landlords start. A retail site will only be chosen if it meets all of a retailer’s key criteria. This criteria is two fold: market criteria and site criteria. Each retailer has its own formula for determining what market characteristics are needed to allow for a profitable store. Which is why this first step is central to formulating an effective retail recruitment strategy. Through our comprehensive market analysis process we have evaluated, consumer spending patterns, peer communities, local commercial real estate asset, as well as the demographic and psychographic make-up of your unique consumer trade area. Our partnerships with pioneering data organizations allow us to provide the deepest, most accurate, insight into your community and its consumers to retailers and landlords across the country.

**Strategic Planning – The Playbook**
Every community offers unique assets and challenges to retailers and developers. Taking the market analysis a step further we have sent an experienced retail real estate team to Dubuque to view the market first hand as a retail site selector would (Boots on the Ground). Then through connecting with local city leadership and key stakeholders in Dubuque’s commercial real estate sector we gain the insight and feedback necessary to access the markets strengths and weaknesses. Many times what the data shows is incomplete. Other critical factors such as co-tenancy, sight lines, access and most notable success of existing retail are taken in to account in creating your strategic retail recruitment plan.

**Retail Recruitment - Connecting The Dots**
This is where the real heavy lifting begins as we put the data and underutilized real estate assets to work by connecting them with targeted businesses. Retail recruitment is a complex business and involves multiple parties. Our team has National connections that we will put to work on your behalf. We currently know who to contact, their expansion plans, and their site criteria for over 9000 retailers nationwide.

*Time ➔ Resources ➔ Experience ➔ Connections*
Memberships, Subscriptions & Customized Reports

Research Partners & Geographic Information Systems

- Crittenden Research
- RLT Retail Lease TRAC
- salesgenie
- Nation's Restaurant News
- Plain Vanilla Shell
- SN Supermarket News
- Uber Retail

- TETRAD
- Sitewise
- CCIM
- STDB
- SitesUSA
- REGIS online
where does all this information come from?

here are a few of the demographic data sources used
9,703
retailer’s contact information & site selection criteria
87 category specific reports
3,365 unique variables
7 different geographies defined per each variable
23,555 variables to analyze
Discover

State of Iowa
Population 3.135 Million

Dubuque, IA CBSA
Population 97,746

Dubuque, IA
Population 59,546

Prepared for Dubuque_IA by Retail Strategies
## Discover: Drive Time & Radius

<table>
<thead>
<tr>
<th>Category</th>
<th>5-Mile Radius</th>
<th>10-Mile Radius</th>
<th>15-Mile Radius</th>
<th>5-Minute Drive Time</th>
<th>10-Minute Drive Time</th>
<th>20-Minute Drive Time</th>
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</thead>
<tbody>
<tr>
<td>Current Year Estimated Population</td>
<td>73,580</td>
<td>87,935</td>
<td>101,783</td>
<td>20,321</td>
<td>59,260</td>
<td>92,283</td>
</tr>
<tr>
<td>Number of Households</td>
<td>29,480</td>
<td>34,675</td>
<td>39,876</td>
<td>8,636</td>
<td>23,799</td>
<td>36,317</td>
</tr>
<tr>
<td>Projected Annual Growth (5 YR)</td>
<td>2.18%</td>
<td>2.40%</td>
<td>2.27%</td>
<td>3.25%</td>
<td>2.11%</td>
<td>2.31%</td>
</tr>
<tr>
<td>Median HH Income 2017</td>
<td>$52,456</td>
<td>$55,741</td>
<td>$57,083</td>
<td>$54,057</td>
<td>$53,259</td>
<td>$56,195</td>
</tr>
<tr>
<td>Current Year Average Age</td>
<td>40.3</td>
<td>40.4</td>
<td>40.4</td>
<td>41.4</td>
<td>40</td>
<td>40.3</td>
</tr>
<tr>
<td>Average Home Value</td>
<td>$176,544</td>
<td>$188,145</td>
<td>$189,393</td>
<td>$165,371</td>
<td>$180,137</td>
<td>$186,415</td>
</tr>
<tr>
<td>Current Year % Bachelor's Degree</td>
<td>29%</td>
<td>27%</td>
<td>27%</td>
<td>31%</td>
<td>31%</td>
<td>27%</td>
</tr>
<tr>
<td>Daytime Population</td>
<td>98,333</td>
<td>106,221</td>
<td>116,813</td>
<td>33,867</td>
<td>87,375</td>
<td>110,931</td>
</tr>
<tr>
<td>Labor Force</td>
<td>40,504</td>
<td>48,714</td>
<td>56,611</td>
<td>11,234</td>
<td>32,789</td>
<td>51,261</td>
</tr>
</tbody>
</table>

Prepared for Dubuque, IA by Retail Strategies

* Demographics pulled from city center as identified by internal GIS
Mobile Data Collection

This mobile tracking service uses data collected from mobile phone users who have agreed within their apps and phone settings to enable location information. By drawing a polygon around a specific business or location we are able to gather valuable data about the customer base that has actively used their mobile device while in the identified location. This tool allows us to see where customers are coming from to shop in your market using actual data. This information is used to optimize your trade area, analyze business locations, compare frequency of visitors, and assist retailers in site selection. This is intended to support the trade area but does not solely define the trade area.

The location tracked was Kennedy Mall

for the time period of October 1, 2016 To October 1, 2017
Customized Trade Area

Each retailer has a specific formula of market criteria they use to determine if they will have a profitable store. Understanding your trade area is extremely important because it sets the parameters for measuring demographic criteria and spending potential sought by retailers and developers. Municipal boundaries, radius rings and drive times are a start to evaluating this information. However, these predefined boundaries are unable to take into account the unique aspects affecting the actual consumer pulling power and local geography of your community. For these reasons a customized trade area is the next step to analyzing a market.

A trade area is the geographic area from which a community generates the majority of its customers. A community can have more than one trade area. We define your primary trade area the core base of consumers highly likely to shop and eat in the market at least once a month. Your primary trade area has been created by combining the results from the mobile tracking data with other factors such as: current retail mix in your community, traffic patterns, destination attractions and proximity to competing markets. The time and distance consumers are will to travel to shop is not “one size fits all”. Therefore retailers will analyze their own trade areas differently taking in to account things like existing store locations, competition within their retail category, and convenience.
Discover: Custom Trade Area

101,232
2017 Estimated Population
Custom Trade Area

103,590
projected 2022 population

2.3%
projected growth rate
2017-2022

39
male average age

42
female average age
Discover: Custom Trade Area

CURRENT YEAR ESTIMATED POPULATION BY RACE

Race

- Asian
- Black
- Latino
- White
- Other

93%

2%

1%

2%

2%
Discover: Custom Trade Area

CURRENT YEAR ESTIMATED HOUSEHOLDS BY HOUSEHOLD SIZE

- **11,246**
- **14,319**
- **5,704**
- **4,915**
- **2,467**
- **859**
- **350**

**42,017**
number of households

**$56,643**
median household income

- **28%** 1-person household
- **36%** 2-person household
- **14%** 3-person household
- **12%** 4-person household
- **6%** 5-person household
- **2%** 6-person household
- **1%** 7 or more person household

Prepared for Dubuque, IA by Retail Strategies
Discover: Custom Trade Area

CURRENT YEAR ESTIMATED HOUSING UNITS BY TENTURE

- Vacant Housing Units: 2,158
- Occupied Housing Units: 39,860
- Owner-Occupied: 29,350
- Renter-Occupied: 10,509

Average housing unit value: $188,480
## Discover: Custom Trade Area

<table>
<thead>
<tr>
<th>Nonfamily Households</th>
<th>6%</th>
</tr>
</thead>
<tbody>
<tr>
<td>No own children under 18 years</td>
<td>3%</td>
</tr>
<tr>
<td>With own children under 18 years</td>
<td>6%</td>
</tr>
</tbody>
</table>

**Female Householder: no husband present:**

| No own children under 18 years | 9% |
| With own children under 18 years | 1% |

**Male Householder: no wife present:**

| No own children under 18 years | 4% |
| With own children under 18 years | 2% |

**Married-couple family**

| No own children under 18 years | 32% |
| With own children under 18 years | 20% |

**Family Households**

| 1 Person Households | 28% |

2.43 people per household
Discover: Custom Trade Area

**DAYTIME POPULATION**

- Children at home: 3%
- Retired/Disabled persons: 13%
- Homemakers: 7%
- Work at Home: 2%
- Employed: 53%
- Unemployed: 2%
- Student Populations: 20%

117,707 daytime population
Discover: Custom Trade Area

- White Collar: 31%
- Blue Collar: 69%
- Military: 0%
- Unclassified: 0%

$41,747 average employee salary

Prepared for Dubuque, IA by Retail Strategies
CURRENT YEAR ESTIMATED POPULATION AGE 25+ BY EDUCATIONAL ATTAINMENT

- Doctorate Degree: 741
- Professional School Degree: 1,060
- Master's Degree: 4,816
- Bachelor's Degree: 12,821
- Associate Degree: 6,334
- Some College, No Degree: 12,981
- High School Graduate (or GED): 24,138
- Some High School, No Diploma: 3,406
- Less Than 9th Grade: 1,906
Lifestyle reports allow BIG DATA to be summed up into a simple narrative on the personality of the majority of your households.

When asked to describe “Who is Dubuque?”, often times the community leadership describes themselves rather than the dominate personality of the area. Understanding consumer spending behavior based on personality allows Retail Strategies to better align the retail prospects with the purchasing patterns of the consumers in your market.

ESRI Tapestry Segmentation is a geodemographic segmentation system that integrates consumer traits with residential characteristics to identify markets and classify US neighborhoods. Neighborhoods with the most similar characteristics are grouped together, while neighborhoods with divergent characteristics are separated. Internally homogenous, externally heterogeneous market segments depict consumers' lifestyles and life stages. Tapestry Segmentation combines the "who" of lifestyle demography with the "where" of local geography to create a classification model with 67 distinct, behavioral market segments.

Selection of the variables used to identify consumer markets begins with data that includes household characteristics such as single person or family, income, relationships (married or multigenerational), and tenure; personal traits such as age, sex, education, employment, and marital status; and housing characteristics like home value or rent, type of housing (single family, apartment, town house, or mobile home), seasonal status, and owner costs relative to income. In essence, any characteristic that is likely to differentiate consumer spending and preferences is assessed for use in identifying consumer markets.
Discover: Research & Analytics
WHO ARE WE?
The backbone of older industrial cities in states surrounding the Great Lakes, Rustbelt Traditions residents are a mix of married-couple families and singles living in older developments of single-family homes. While varied, the work force is primarily white collar, with a higher concentration of skilled workers in manufacturing, retail trade, and health care. Rustbelt Traditions represents a large market of stable, hard-working consumers with modest incomes but above average net worth (Index 111). Family oriented, they value time spent at home. Most have lived, worked, and played in the same area for years.

OUR NEIGHBORHOOD
- Almost half (46%) of the households are married-couple families, similar to the US (48%), most without children (also similar to the US); the slightly higher proportion of single (Index 105) reflects the aging of the population.
- Average household size is slightly lower at 2.46.
- They are movers, slightly more mobile than the US population (Index 109), but almost half of householders (46%) moved into their current homes before 2000.
- Most residents live in modest, single-family homes in older neighborhoods built in the 1950s (Index 218).
- Nearly three quarters own their homes; over half of households have mortgages.
- A large and growing market, Rustbelt Traditions residents are located in the dense urban fringe of metropolitan areas throughout the Midwest and South.
- Most households have two or more vehicles available.

SOCIOECONOMIC TRAITS
- Most have graduated from high school or spent some time at a college or university.
- Unemployment below the US at 8%; labor force participation slightly higher than the US at 67%.
- While most income derived from wages and salaries, nearly 30% of households collecting Social Security and nearly 20% drawing income from retirement accounts.
- Family-oriented consumers who value time spent at home.
- Most lived, worked, and played in the same area for years.
- Budget aware shoppers that favor American-made products.
- Read newspapers, especially the Sunday editions.
LifeMode Group: Hometown

Traditional Living

Households: 2,369,000
Average Household Size: 2.50
Median Age: 34.8
Median Household Income: $37,000

WHO ARE WE?
Residents in this segment live primarily in low-density, settled neighborhoods in the Midwest. The households are a mix of married-couple families and singles. Many families encompass two generations who have lived and worked in the community, their children are likely to follow suit. The manufacturing, retail trade, and health care sectors are the primary sources of employment for these residents. This is a younger market—beginning householders who are juggling the responsibilities of living on their own or a new marriage, while retaining their youthful interests in style and fun.

OUR NEIGHBORHOOD
- Married couples are the dominant household type, but fewer than expected from the younger age profile and fewer with children (Index 79); however, there are higher proportions of single-parent (Index 146) and single-person households (Index 112).
- Average household size is slightly lower at 2.50.
- Homes are primarily single family or duplexes in older neighborhoods, built before 1940 (Index 183).
- Most neighborhoods are located in lower-density urban clusters of metro areas throughout the Midwest and South.
- Average commuting time to work is slightly shorter (Index 88).
- Households have one or two vehicles.

SOCIOECONOMIC TRAITS
- Over 70% have completed high school or some college.
- Unemployment is higher at 10.9% (Index 127); labor force participation is also a bit higher at 64.6%.
- Over three quarters of households derive income from wages and salaries, augmented by Supplemental Security Income (Index 122) and public assistance (Index 149).
- Cost-conscious consumers that are comfortable with brand loyalty, unless the price is too high.
- Connected and comfortable with the Internet, they are more likely to participate in online gaming or to access dating websites.
- TV is seen as the most trusted media.
WHO ARE WE?
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.

OUR NEIGHBORHOOD
- Older homes (most built before 1980) found in the suburban periphery of smaller metropolitan markets.
- Primarily married couples, with a growing share of singles.
- Settled neighborhoods with slow rates of change and residents that have lived in the same house for years.
- Single-family homes, less than half still mortgaged, with a median home value of $141,000 (Index 80).

SOCIOECONOMIC TRAITS
- Education: 64% have a high school diploma or some college.
- Unemployment is lower in this market at 7.4% (Index 86), but so is the labor force participation rate (Index 89).
- Almost 42% of households are receiving Social Security (Index 150); 28% also receive retirement income (Index 160).
- Traditional, not trendy; opt for convenience and comfort, not cutting-edge. Technology has its uses, but the bells and whistles are a bother.
- Attentive to price, but not at the expense of quality, they prefer to buy American and natural products.
- Radio and newspapers are the media of choice (after television).
Focus Categories
Customized Retail Category GAP Analysis

<table>
<thead>
<tr>
<th>Category</th>
<th>GAP Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foodservice and Drinking Places</td>
<td>$43,814,363</td>
</tr>
<tr>
<td>Clothing &amp; Clothing Accessories Stores</td>
<td>$40,520,590</td>
</tr>
<tr>
<td>Electronics &amp; Appliance Stores</td>
<td>$12,439,532</td>
</tr>
<tr>
<td>Food and Beverage Stores</td>
<td>$11,138,033</td>
</tr>
<tr>
<td>Health &amp; Personal Care Stores</td>
<td>$9,222,612</td>
</tr>
<tr>
<td>Furniture and Home Furnishings Stores</td>
<td>$7,828,737</td>
</tr>
<tr>
<td>Sporting Goods, Hobby, Book, Music Stores</td>
<td>$6,126,324</td>
</tr>
</tbody>
</table>

Prepared for Dubuque_IA by Retail Strategies
## City Comparison Report – 10 Minute Drive Time

<table>
<thead>
<tr>
<th>Address</th>
<th>City</th>
<th>State</th>
<th>Residential Pop</th>
<th>Daytime Pop</th>
<th>Median HH Income</th>
<th>Market Supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Walmart</td>
<td>Dubuque</td>
<td>IA</td>
<td>53,255</td>
<td>46,130</td>
<td>$56,347</td>
<td>$1,105,980,987</td>
</tr>
<tr>
<td>2426 S Maiden Ln</td>
<td>Joplin</td>
<td>MO</td>
<td>47,904</td>
<td>48,349</td>
<td>$40,213</td>
<td>$1,641,394,040</td>
</tr>
<tr>
<td>1200 N Lacrosse St</td>
<td>Rapid City</td>
<td>SD</td>
<td>54,280</td>
<td>41,925</td>
<td>$43,899</td>
<td>$1,647,220,433</td>
</tr>
<tr>
<td>2623 W 7Th St</td>
<td>Joplin</td>
<td>MO</td>
<td>47,508</td>
<td>42,066</td>
<td>$39,509</td>
<td>$1,038,582,361</td>
</tr>
<tr>
<td>5200 West 60Th Street North</td>
<td>Sioux Falls</td>
<td>SD</td>
<td>60,112</td>
<td>48,931</td>
<td>$48,396</td>
<td>$1,719,102,434</td>
</tr>
<tr>
<td>1881 E Madison Ave</td>
<td>Mankato</td>
<td>MN</td>
<td>60,359</td>
<td>46,748</td>
<td>$50,653</td>
<td>$1,756,299,046</td>
</tr>
<tr>
<td>2760 No. Dirksen Pkwy</td>
<td>Springfield</td>
<td>IL</td>
<td>60,788</td>
<td>45,023</td>
<td>$48,161</td>
<td>$1,155,529,298</td>
</tr>
</tbody>
</table>
Discover: Peer Analysis

PEER ANALYSIS

- Arts & Entertainment: Dubuque 1, Peer Average 3
- Clothing & Accessories: Dubuque 14, Peer Average 15
- Computer & Electronics: Dubuque 18, Peer Average 24
- Department Stores: Dubuque 2, Peer Average 2
- Full Service Restaurants: Dubuque 6, Peer Average 12
- General Merchandise: Dubuque 12, Peer Average 8
- Hobbies & Crafts: Dubuque 8, Peer Average 3
- Home Furnishing: Dubuque 9, Peer Average 9
- Limited Service Restaurants: Dubuque 12, Peer Average 15
- Quick Service Restaurants: Dubuque 3, Peer Average 49
- Shoe Stores: Dubuque 3, Peer Average 42
- Shopping: Dubuque 2, Peer Average 2
- Specialty Grocery: Dubuque 1, Peer Average 2
- Sports & Recreation: Dubuque 3, Peer Average 4

Prepared for Dubuque_IA by Retail Strategies
Retailers Opened 42,000 Stores in 2016

Tenant mixes are becoming increasingly food-based.
Specialty food — fast casual & organic grocery are becoming mainstream.

↑ Retail Growth
Fitness/Health/Spa Concepts
Drug Stores
Thrift Stores
Grocery (Smaller Format)
  • Discount
  • Ethnic
  • Organic
  • Upscale
Fast Food
Fast Casual
  (~40% of restaurant growth)
  Automotive
  Discounters
  Dollar Stores
  Children’s Apparel
  Off-Price Apparel
  Beauty/Cosmetics/Fragrances
  Pet Supplies
  Sporting Goods
  Wireless Stores
  Banks

↓ Retail Contraction
Book stores
Video Stores
Do-It-Yourself Home Stores
Mid-priced Apparel
Mid-priced Grocery
Office Supplies
Consumer Electronics
Stationery/Gift Shops
Shipping/Postal Stores
Casual Dining – Older Concepts
2017-2018 Planned Expansion

- Restaurant: 16,500
- Other: 14,950
- Apparel: 2,300
- Dollar Store: 1,800
- Home: 1,400
- Grocery: 750
- Drug Store: 450

Prepared for Dubuque_IA by Retail Strategies
Boots on the Ground
Sometimes the data tells us one thing but our gut and the market tells us something else.

We have intuition that comes from years in the commercial real estate business and we bring that intuition to our client cities.

~ Robert Jolly, CEO
Retail Prospects
Time to source and open a retailer in a new market takes approximately 18 to 36 months or more, which is one reason we seek at least a three year contract with our clients. Ultimately, we cannot determine where a retailer will locate. Our goal is to market sites and opportunities they may have never heard of or considered in the past. We’re a matchmaker of opportunity in the industry. If they determine a market is not in their strategic plan currently, our mission will be to supply them with research and marketing materials that will entice them to keep the community in mind as they expand and grow.

~ Tiffany Kilpatrick, Retail Strategies Portfolio Director
Formerly with Hibbett Sports, Opened 130 Locations
Discover: Top Categories for Continued Recruitment

- Restaurants
- Specialty Grocery
- Clothing & Apparel
- Sporting Goods
Connect

Restaurants
~900 - 6,000 sq. ft. (per)
35+ Prospects

Fast Casual and Fast Food Restaurants account for the majority of the Restaurant sector.

This growth is due to value and convenience. The ability to control the time and quality at a value has changed the way we eat out. In tandem Limited Service Eating Restaurants provide lower-to-moderate price points and there is typically no tip involve. Approximately 40% of all expansion among publically traded retail and restaurant companies will be in this category. You will see a great deal of Retail Strategies efforts reflect this with a heavy focus on this category.
Specialty Grocery Stores

~18,000 - 125,000 sq. ft.
3+ Prospects

There will be approximately 750 new grocery stores open in the country this year.

This category is seeing a great deal of activity in mergers and acquisitions in 2015-2016. Consumer shopping patterns have changed. We are far more health conscience then in past years. Grocery chains focused on health, value and convenience will thrive.

Grocery anchored shopping centers dominate the majority of the country’s gross leasable area (GLA). New ground up construction today is typically grocery anchored. In addition, there is large opportunity to redevelop an existing shopping center with the right grocery store.
Apparel stores like to cluster and create cross shopping with strong co-tenants.

Apparel is a category that shows evidence of bifurcation. The luxury brands are thriving and the value brands are thriving.

The apparel stores that offer an average product at an average price are shrinking. During the recession, consumers learned they can receive a quality product at a discounted price. Post-recession consumer confidence is at a 7 year high. Consumers are saving their disposable income for luxury items and purchasing the rest of their products at a discount. Apparel is a popular category for on-line shopping which has been a challenge for brick-and-mortar expansion. Customer service and customization are more important than ever.
Connect

Sporting Goods
~5,500 - 100,000 sq. ft.
2+ Prospects

Much like other market segments, we are seeing the big box sporting goods concepts reduce their footprints to stay afloat with e-commerce continuing its rise. We are also seeing some reduction in market competition in some markets with Sports Authority closing stores nationwide. The smaller SF sporting goods concepts are very active in markets that are currently not served by the big boys. We are also seeing a surge in the outdoor store segment as new concepts seem to be cropping up on a yearly basis.
Outreach
Connect

Retailers/Tenant Reps

Local Brokers

Community Leaders

Research, Strategy and Deal-Making

Developers

Property Owners

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Conference Representation

Retail Strategies represents our Client Communities at more than a dozen Retail Real Estate Conferences Each Year.

At each conference we connect directly with industry leaders to discuss our Client Communities and position them for growth.
Marketing Guide

City Contact Information

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Focus Properties

Retail Strategies has a catalogue of retail commercial real estate properties in this market.

For more information, please contact the Portfolio Director and/or Retail Development Director listed on the front of this guide.

Demographics

Population: 63,035
Median Household Income: $53,511
Growth Rate: 2.22%

Daytime Population: 38,935

Peer Analysis

The Peer Analysis is derived from a 3 to 50 minute drive from major comparable retail centers throughout the county. The variables used are population, income, daytime population, market supply and gross leasable area. The following are retail areas that most resemble this core city:

Peer Trade Areas

Collinsville, IL
Cedar Rapids, IA
Davenport, IA
Dundalk, MD
Elgin, IL
Huntersville, NC
Joliet, IL
North Aurora, IL

Focus Categories

The top categories for focused growth in the municipality are pulled from a combination of average receipts, peer analysis, retail trends and new waste citation. Although these are the top categories, Retail Strategies' wits are inclusive beyond the defined list. Let us know! Retail we can help you find a store!

Apparel
Restaurants
Specialty Grocery
Sporting Goods
Implementing your Strategy

Discover

Connect

Implement

Contact developers, retailers, tenant representatives and franchisee groups both regionally and nationally

Make direct and indirect connections through conference representation, in person meetings, phone calls and emails

Coordinate and communicate our efforts with local brokers, property owners, and city staff on an on going basis

Follow industry trends as well as changes in your local market to continuously adjust our strategy and improve our efforts to maximize the retail potential in your community

Prepared for Dubuque, IA by Retail Strategies
Strategy Update

Continuously improving our efforts to maximize the retail potential in your community

Retail Expansion & Trends

Appropriately position your community
Update City leaders on the latest in retail

On Demand Reporting

Your research concierge. Available to local business owners as well
Thank you!

There's a lot of potential here.