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Chapter One: **Market Assessment**

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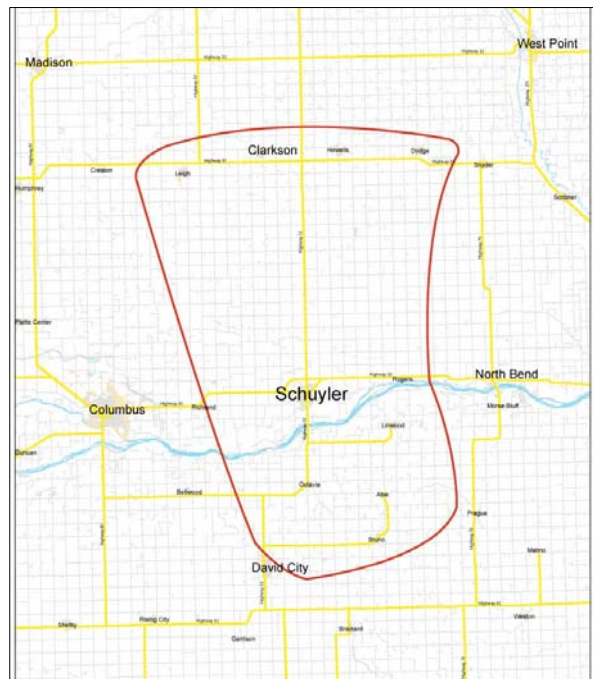
This market analysis considers population and demographic characteristics for multiple geographic areas extending outward from the City. It examines commercial, office, and residential possibilities for the City of Schuyler, and estimates future development potentials for these markets in Downtown.

Market Area Definition

The market analysis begins by defining the city’s market areas. Schuyler is a regional community with major commercial and cultural resources. Its significant market provides services to local residents and is also a trade center for rural markets in Colfax and Butler Counties. Schuyler’s markets are limited however by its proximity to Columbus and Fremont; both are major commercial and industrial centers for the region.

Map 1.1 and Map 1.2 illustrates different geographic market area used by this study.

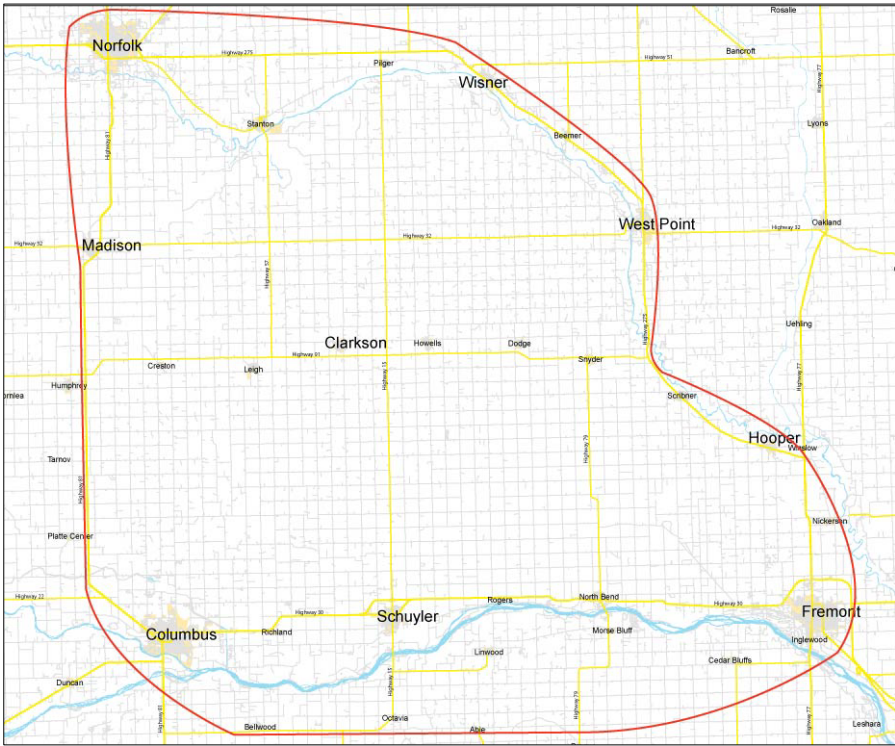
- **The primary market area** is the city of Schuyler. Residents of the city do much of their daily shopping in Schuyler and view downtown as a location for retail services, civic life, and entertainment.
- **The secondary market area (A)** extends 8 to 25 miles from the city’s municipal limits. The market area is defined by a gravity model that considers the population and distance of cities of similar size and assumes that people living within the vicinity travel to the closest regional trade center for a greater selection of goods and services. The area extends about halfway to surrounding market centers, including Columbus, Fremont, Lincoln, Norfolk, Wahoo and York. While residents of this area use Schuyler retailers and service providers for typical needs, larger markets such as Lincoln and Omaha exert a powerful draw for special or large purchase items.



Map 1.1 Secondary Market Area (A)

- **The secondary market area (B)** extends 20 to 40 miles from the city’s municipal limits. This broader area includes people who visit Schuyler for the city’s specialty items in the Hispanic owned businesses, events, tourism or other destination businesses.

The many Hispanic and Latino owned businesses within Downtown Schuyler have been known to attract individuals from the Hispanic and Latino communities as far away as Norfolk and Lincoln. This is due to the wide selection of specialty goods and services that these businesses sell that are hard to find in other regional markets.



Map 1.1 Secondary Market Area (B)

Demographics

Population Trends and Forecasts

This section describes changes in the characteristics and dynamics of Schuyler’s population. During the last eighty years, Schuyler has grown from a community of 2,588 in 1930 to 5,371 in 2000. Table 1.1 summarizes the historical population change in Schuyler, while Table 1.2 compares Schuyler’s population to surrounding communities, communities that have experienced similar demographic shifts, and the region. Significant conclusions include:

- Schuyler has grown steadily during the last eighty years. The 1960s and 1970s were a period of significant growth. During the 1980s there was a moderate decline in population as the move by younger generations to major regional centers hastened. The expansion of the meat packing plant in the 1990s attracted hundreds of new residents, supporting a nearly 3% annual growth rate
- During the 1990s Schuyler experienced a pattern of growth similar to that seen in other Midwestern communities with large food processing industries. As operations expanded, and

labor forces declined, companies were faced with the need to attract and recruit new labor forces, many of which were from new immigrant communities. This has led to a shift in the city's cultural and ethnic composition.

- The population of Colfax County is becoming increasingly more urban as Schuyler's population has grown. In 1990 Schuyler accounted for 44.3% of the County's population, in 2000 that figure was 51.4%.
- Data from the U.S. Census and Claritas, Inc. indicate that the population of Schuyler and the region has declined since the 2000 Census. This analysis will be evaluated in more depth in the next section, Population Projections.

Table 1.1: Historical Population Change

	Population	Decennial Change	Decennial % Change	Average Annual Rate of Change
1930	2,588			
1940	2,808	220	8.5%	0.82%
1950	2,883	75	2.7%	0.26%
1960	3,096	213	7.4%	0.72%
1970	3,597	501	16.2%	1.51%
1980	4,151	554	15.4%	1.44%
1990	4,052	-99	-2.4%	-0.24%
2000	5,371	1,319	32.6%	2.86%
2008 Census Est.	5,163	-208	-3.9%	-0.79%

Table 1.2: Population change, Schuyler & Similar Communities

	1990	2000	2008 Estimate	% Change 1990-2000	Growth Rate 1990-2001	% Change 2000-2008	Annual Growth 2000-2009
Schuyler	4,052	5,371	5,163	33%	3%	-4%	-0.5%
Lexington	6,601	10,011	10,126	52%	4%	1%	0.1%
Madison	2,135	2,367	2,186	11%	1%	-8%	-1.0%
Denison, IA	6,604	7,339	7,184	11%	1%	-2%	-0.3%
Columbus	19,480	20,971	21,595	8%	1%	3%	0.4%
Fremont	23,680	25,174	25,224	6%	1%	0%	0.0%
Secondary Market A	11,290	12,522	11,788	11%	1%	-6%	-0.8%
Secondary Market B	106,726	114,091	111,207	7%	1%	-3%	-0.3%
Colfax County	9,139	10,441	9,989	14%	1%	-4%	-0.6%
Schuyler as a % of Colfax County	44.3%	51.4%					

Population Projections

Projecting the future population of Schuyler helps to predict the future demographic character of the community. This in turn helps guide the city’s planning and policy decisions regarding future investments. Table 1.3 illustrates future population growth for the city and its market areas.

- Previous Planning Projects.** The 2006 Housing Assessment and Strategy Plan for Schuyler included an analysis of the city’s population and projected population. This study projected Schuyler’s population at 5,933 in 2010 (1% annual growth rate). This estimate may be optimistic given recent events in the state and national economy.
- Construction.** Recent construction activity helps describe Schuyler’s population behavior since 2000. New construction correlates to added population, while demolished structures limit population growth. Graph 1.1 presents the city’s construction activity since 1990. Based on permits issued, the city of Schuyler added 55 new units since 2000, with single family residential accounting for more than half of new units. According to the Housing Assessment and Strategy Plan, construction trends have not responded to the city’s population growth, driving up rental rates and causing overcrowding. In order to counteract this trend, and provide additional housing for new arrivals, Schuyler needs to construct 24 additional housing units annually.
- Future Population Projection.** In projecting Schuyler’s population growth since 2000 this market analysis takes into account, recent construction activity, the city’s need for additional housing units, and recent economic realities. Over the next ten years Schuyler is suggested to maintain a 0.5% to 1% annual growth rate. At the 0.5% annual growth rate Schuyler’s population in 2015 is estimated to be 5,788.

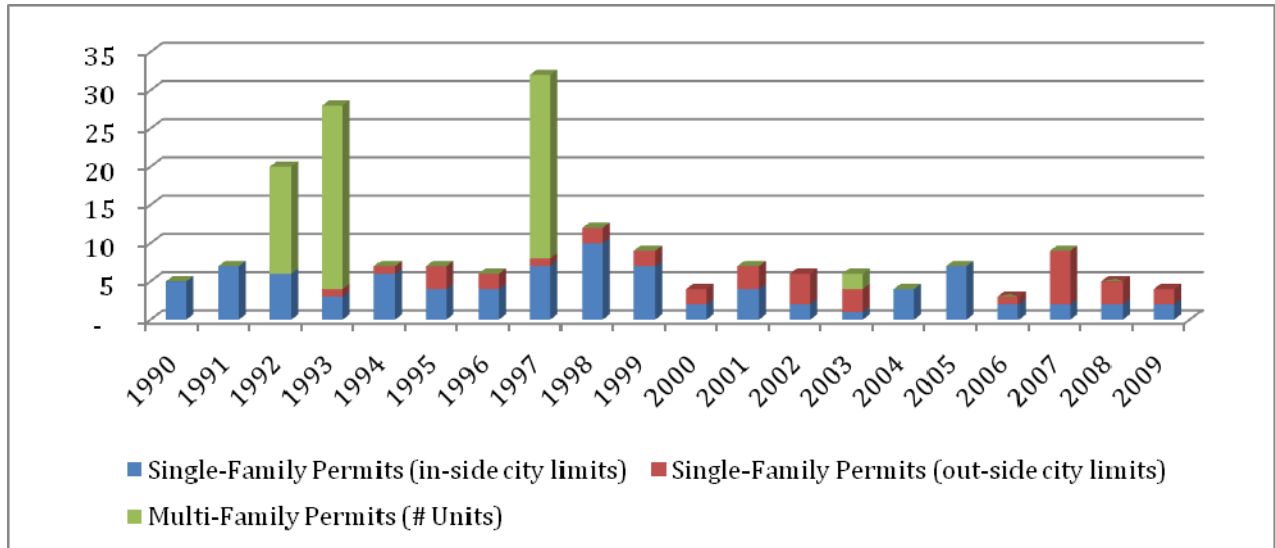


Table 1.3 : Project Population 2000-2015 - Market Areas

	2000	Growth Rate	2009 Estimated Population	2015 Estimate
Schuyler (0.5%)	5,371	0.50%	5,618	5,788
Schuyler (1%)	5,371	1%	5,874	6,236
Secondary Market A	12,522	1%	13,695	14,538
Secondary Market B	114,091	1%	124,780	132,456

Income Characteristics

Table 1.4 presents the median household income for residents of each market area. Schuyler’s median income was \$45,952 in 2009, according to Claritas, Inc. a national demographics firm. This is higher than that of the peripheral market areas: \$44,605 in Secondary Market A and \$44,362 in Secondary Market B. This likely reflects Schuyler’s low rate of unemployment and production oriented job base. In addition, the Secondary Market rings are comprised largely of rural areas with smaller populations and lower earning jobs.

Table 1.4: Median Household Income Forecasts in Schuyler's Market Areas, 2000 & 2007

	2000	2009	Change	% Change
Schuyler	\$37,170	\$45,952	8,782	23.6%
Secondary Market A	\$35,635	\$44,605	8,970	25.2%
Secondary Market B	\$36,623	\$44,362	7,739	21.1%

Business and Employment

Retail Performance and Potential for Downtown

Distribution by Market Area

Table 1.5 displays the distribution of employment for the market areas. Services and retail businesses account for nearly 42% of employment within Schuyler. At the same time Schuyler accounts for nearly 40% of Secondary Market A's 5,972 employees, and in the larger Secondary Market B, the city only accounts for 4% of this market's 57,728 employees.

Table 1.5: Employment By Occupation

	Primary		Secondary Market A*		Secondary Market B*	
	Employed	Percentage	Employed	Percentage	Employed	Percentage
Management, Business, and Financial Operations	156	6.70%	860	19.31%	7,120	13.76%
Professional and Related Occupations	189	8.12%	572	10.51%	7,564	14.61%
Service	329	14.14%	778	12.32%	8,154	15.75%
Sales and Office	292	12.55%	1,009	19.67%	13,846	26.75%
Farming, Fishing, and Forestry	72	3.09%	230	4.33%	946	1.83%
Construction, Extraction and Maintenance	141	6.06%	552	11.28%	5,185	10.02%
Production, Transportation and Material Moving	1,148	49.33%	1,971	22.58%	12,586	24.32%

**Employment and Percentages for Schuyler are not included in figures.*

Source: U.S. Census Bureau

Retail Sales

One way of evaluating Schuyler's retail role in the region is to consider its share of total regional retail sales. Table 1.6 indicates total retail sales in each market area. In 2008, retail sales in the primary market area nearly matched that of the secondary area, which extends 8 to 25 miles from the center of Schuyler. These two market areas combined account for only 6% of the total retail sales within the study area (all three market areas). The proximity of Primary and Secondary Market A to larger markets such as Columbus and Fremont, which are located in Secondary Market B, has a tremendous impact upon Schuyler's market potential.

Table 1.6: Total Retail Sales, 2009 (exclusive)

	Total Retail Sales	% of Total
Primary	\$64,413,647	3%
Secondary Market A	\$61,633,882	3%
Secondary Market B	\$2,064,239,648	94%
Total	\$2,190,287,177	100%

Source: Claritas Inc.,

Table 1.7 identifies the gap between consumer demand (expenditures) and retail sales within each retail sector. A positive value results from demand exceeding supply, indicating a leakage of consumer dollars to outside markets. In other words, residents have dollars to spend but they are spending them outside of their respective market area. A negative value results from sales exceeding demand and indicates a flow of regional dollars into the city's retail market. In 2008, Schuyler's primary market area accounted for \$64,413,647 in retail sales, while its current population generated a demand of \$59,835,842. The surplus of \$4,577,805 in sales inside the primary market area is spent by consumers from outside of the primary market area, creating a positive balance of trade.

As downtowns across the nation compete for a share of the retail market, many have found success in specialty or niche markets. Downtowns that compete successfully against "big box" retailers have focused on service oriented and specialty retailing. For Schuyler, this could include the specialty Hispanic stores that are harder to quantify in traditional consumer spending analysis and account for over 60% of the downtown's retail establishments. Many of downtown Schuyler's Hispanic businesses attract customers from a larger region because of the specialty items that they carry. These include customers from the larger markets of Columbus and Fremont. Schuyler's restaurant market could also be a niche market for Schuyler, again attracting visitors for unique destinations and atmosphere.

Table 1.7: Primary Market Area's Demand, Supply and Opportunity Gap, 2008

	2009 Demand (Consumer Expenditures)	2009 Supply (Retail Sales)	Opportunity Gap/Surplus
Total Retail Sales Including Eating and Drinking Places	59,835,842	64,413,647	(4,577,805)
Motor Vehicle and Parts Dealers	9,479,483	4,076,835	5,402,648
Automotive Dealers	7,903,499	3,985,253	3,918,246
Other Motor Vehicle Dealers	715,806	11,190	704,616
Automotive Parts/Accsrs, Tire Stores	860,178	80,392	779,786
Furniture and Home Furnishings Stores	1,136,879	0	1,136,879
Furniture Stores	602,966	0	602,966
Home Furnishing Stores	533,913	0	533,913
Electronics and Appliance Stores	1,384,437	2,471,503	(1,087,066)
Appliances, TVs, Electronics Stores	1,042,080	0	1,042,080
Household Appliances Stores	245,013	0	245,013
Radio, Television, Electronics Stores	797,067	0	797,067

Table 1.7: Primary Market Area's Demand, Supply and Opportunity Gap, 2008

	2009 Demand (Consumer Expenditures)	2009 Supply (Retail Sales)	Opportunity Gap/Surplus
Computer and Software Stores	285,789	477,002	(191,213)
Camera and Photographic Equipment Stores	56,568	1,994,501	(1,937,933)
Building Material, Garden Equip Stores	6,216,136	27,505,418	(21,289,282)
Building Material and Supply Dealers	5,670,837	12,582,085	(6,911,248)
Home Centers	2,352,892	0	2,352,892
Paint and Wallpaper Stores	120,494	0	120,494
Hardware Stores	498,379	490,249	8,130
Other Building Materials Dealers	2,699,072	12,091,836	(9,392,764)
Building Materials, Lumberyards	1,055,385	4,730,500	(3,675,115)
Lawn, Garden Equipment, Supplies Stores	545,299	14,923,333	(14,378,034)
Outdoor Power Equipment Stores	82,345	0	82,345
Nursery and Garden Centers	462,954	14,923,333	(14,460,379)
Food and Beverage Stores	8,474,441	7,351,993	1,122,448
Grocery Stores	7,708,341	6,986,439	721,902
Supermarkets, Grocery (Ex Conv) Stores	7,329,659	6,970,278	359,381
Convenience Stores	378,682	16,161	362,521
Specialty Food Stores	229,097	0	229,097
Beer, Wine and Liquor Stores	537,003	365,554	171,449
Health and Personal Care Stores	3,579,129	1,204,400	2,374,729
Pharmacies and Drug Stores	3,070,484	1,204,400	1,866,084
Cosmetics, Beauty Supplies, Perfume Stores	128,968	0	128,968
Optical Goods Stores	149,624	0	149,624
Other Health and Personal Care Stores	230,053	0	230,053
Gasoline Stations	6,943,489	4,811,725	2,131,764
Gasoline Stations With Conv Stores	5,222,619	3,390,188	1,832,431
Other Gasoline Stations	1,720,870	1,421,537	299,333
Clothing and Clothing Accessories Stores	2,647,402	182,558	2,464,844
Clothing Stores	1,912,807	132,000	1,780,807
Men's Clothing Stores-	129,597	0	129,597
Women's Clothing Stores	428,781	132,000	296,781
Childrens, Infants Clothing Stores	148,800	0	148,800
Family Clothing Stores	1,043,775	0	1,043,775
Clothing Accessories Stores	41,144	0	41,144
Other Clothing Stores	120,710	0	120,710
Shoe Stores	413,142	0	413,142
Jewelry, Luggage, Leather Goods Stores	321,453	50,558	270,895
Jewelry Stores	292,815	50,558	242,257
Luggage and Leather Goods Stores	28,638	0	28,638
Sporting Goods, Hobby, Book, Music Stores	1,131,476	0	1,131,476
Sportng Goods, Hobby, Musical Inst Stores	819,386	0	819,386
Sporting Goods Stores-	423,030	0	423,030

Table 1.7: Primary Market Area's Demand, Supply and Opportunity Gap, 2008

	2009 Demand (Consumer Expenditures)	2009 Supply (Retail Sales)	Opportunity Gap/Surplus
Hobby, Toys and Games Stores	260,779	0	260,779
Sew/Needlework/Piece Goods Stores	60,177	0	60,177
Musical Instrument and Supplies Stores	75,400	0	75,400
Book, Periodical and Music Stores	312,090	0	312,090
Book Stores and News Dealers	202,526	0	202,526
Book Stores	190,349	0	190,349
News Dealers and Newsstands	12,177	0	12,177
Prerecorded Tapes, CDs, Record Stores	109,564	0	109,564
General Merchandise Stores	8,158,950	504,159	7,654,791
Department Stores Excl Leased Depts	3,905,838	208,668	3,697,170
Other General Merchandise Stores	4,253,112	295,491	3,957,621
Miscellaneous Store Retailers	1,317,053	367,056	949,997
Florists	116,733	47,500	69,233
Office Supplies, Stationery, Gift Stores	562,322	37,000	525,322
Office Supplies and Stationery Stores	315,029	0	315,029
Gift, Novelty and Souvenir Stores	247,293	37,000	210,293
Used Merchandise Stores	122,673	21,616	101,057
Other Miscellaneous Store Retailers	515,325	260,940	254,385
Non-Store Retailers	3,856,387	14,451,854	(10,595,467)
Foodservice and Drinking Places	5,510,580	1,486,146	4,024,434
Full-Service Restaurants	2,457,383	469,595	1,987,788
Limited-Service Eating Places	2,332,973	398,282	1,934,691
Special Foodservices	470,267	0	470,267
Drinking Places -Alcoholic Beverages	249,957	618,269	(368,312)
GAFO *	15,021,466	3,195,220	11,826,246
General Merchandise Stores	8,158,950	504,159	7,654,791
Clothing and Clothing Accessories Stores	2,647,402	182,558	2,464,844
Furniture and Home Furnishings Stores	1,136,879	0	1,136,879
Electronics and Appliance Stores	1,384,437	2,471,503	(1,087,066)
Sporting Goods, Hobby, Book, Music Stores	1,131,476	0	1,131,476
Office Supplies, Stationery, Gift Stores	562,322	37,000	525,322

While Table 1.7 identifies the demand, supply and opportunity gap/surplus, Table 1.8 summarizes only the opportunity gap or surplus for each market area. Again, surpluses are noted in parenthesis. Retail sectors outside of Schuyler that have significant sales include:

- Motor vehicles dealers
- General merchandising (big box stores)
- Food and beverage stores
- Building materials and lawn equipment
- Health and personal care stores

Table 1.8: Primary Market Area's Demand, Supply and Opportunity Gap, 2008

	Primary	Secondary Market (A)	Secondary Market (B)
Total Retail Sales Incl Eating and Drinking Places	(4,577,805)	35,583,468	(585,988,056)
Motor Vehicle and Parts Dealers	5,402,648	7,926,503	(88,604,666)
Automotive Dealers	3,918,246	5,312,906	(91,605,716)
Other Motor Vehicle Dealers	704,616	1,120,838	3,988,385
Automotive Parts/Accsrs, Tire Stores	779,786	2,272,544	(987,335)
Furniture and Home Furnishings Stores	1,136,879	1,545,122	6,919,415
Furniture Stores	602,966	946,488	(4,734,392)
Home Furnishing Stores	533,913	598,634	11,653,807
Electronics and Appliance Stores	(1,087,066)	(3,245,437)	15,152,460
Appliances, TVs, Electronics Stores	1,042,080	1,559,114	15,170,081
Household Appliances Stores	245,013	380,382	(2,319,987)
Radio, Television, Electronics Stores	797,067	1,178,732	17,490,068
Computer and Software Stores	(191,213)	(1,891,002)	1,692,348
Camera and Photographic Equipment Stores	(1,937,933)	(2,913,549)	(1,709,970)
Building Material, Garden Equip Stores	(21,289,282)	(9,040,036)	(142,553,905)
Building Material and Supply Dealers	(6,911,248)	5,792,553	(63,186,072)
Home Centers	2,352,892	3,954,786	(62,642,358)
Paint and Wallpaper Stores	120,494	198,938	855,482
Hardware Stores	8,130	(2,031,506)	(12,369,357)
Other Building Materials Dealers	(9,392,764)	3,670,334	10,970,160
Building Materials, Lumberyards	(3,675,115)	1,449,499	4,356,615
Lawn, Garden Equipment, Supplies Stores	(14,378,034)	(14,832,589)	(79,367,833)
Outdoor Power Equipment Stores	82,345	(686,836)	(68,305)
Nursery and Garden Centers	(14,460,379)	(14,145,753)	(79,299,529)
Food and Beverage Stores	1,122,448	10,068,500	(67,124,810)
Grocery Stores	721,902	10,082,456	(54,229,369)
Supermarkets, Grocery (Ex Conv) Stores	359,381	9,872,775	(52,910,040)
Convenience Stores	362,521	569,062	(1,319,329)
Specialty Food Stores	229,097	(799,052)	1,388,095
Beer, Wine and Liquor Stores	171,449	785,095	(14,283,536)
Health and Personal Care Stores	2,374,729	6,033,430	(13,837,965)
Pharmacies and Drug Stores	1,866,084	5,193,900	(19,269,323)
Cosmetics, Beauty Supplies, Perfume Stores	128,968	220,835	838,698
Optical Goods Stores	149,624	227,115	1,545,769
Other Health and Personal Care Stores	230,053	391,579	3,046,890
Gasoline Stations	2,131,764	(2,865,122)	(132,184,569)
Gasoline Stations With Conv Stores	1,832,431	4,332,775	(58,852,240)
Other Gasoline Stations	299,333	(7,197,896)	(73,332,329)

Table 1.8: Primary Market Area's Demand, Supply and Opportunity Gap, 2008

	Primary	Secondary Market (A)	Secondary Market (B)
Clothing and Clothing Accessories Stores	2,464,844	3,592,943	18,283,517
Clothing Stores	1,780,807	2,636,310	18,842,062
Men's Clothing Stores-	129,597	175,265	2,826,488
Women's Clothing Stores	296,781	610,044	5,704,608
Childrens, Infants Clothing Stores	148,800	180,329	2,811,627
Family Clothing Stores	1,043,775	1,438,102	4,864,451
Clothing Accessories Stores	41,144	59,007	1,013,488
Other Clothing Stores	120,710	173,563	1,621,399
Shoe Stores	413,142	545,322	(2,997,019)
Jewelry, Luggage, Leather Goods Stores	270,895	411,310	2,438,474
Jewelry Stores	242,257	364,306	1,662,542
Luggage and Leather Goods Stores	28,638	47,004	775,932
Sporting Goods, Hobby, Book, Music Stores	1,131,476	1,452,418	(6,520,932)
Sportng Goods, Hobby, Musical Inst Stores	819,386	976,424	(5,793,701)
Sporting Goods Stores-	423,030	567,187	(7,617,444)
Hobby, Toys and Games Stores	260,779	388,765	1,386,260
Sew/Needlework/Piece Goods Stores	60,177	(78,375)	405,350
Musical Instrument and Supplies Stores	75,400	98,848	32,134
Book, Periodical and Music Stores	312,090	475,994	(727,232)
Book Stores and News Dealers	202,526	322,886	1,948,397
Book Stores	190,349	302,419	1,799,859
News Dealers and Newsstands	12,177	20,467	148,538
Prerecorded Tapes, CDs, Record Stores	109,564	153,108	(2,675,629)
General Merchandise Stores	7,654,791	12,185,015	(123,809,630)
Department Stores Excl Leased Depts	3,697,170	5,478,336	32,672,540
Other General Merchandise Stores	3,957,621	6,706,679	(156,482,169)
Miscellaneous Store Retailers	949,997	2,138,742	(18,850,056)
Florists	69,233	130,378	(513,937)
Office Supplies, Stationery, Gift Stores	525,322	922,914	(5,566,784)
Office Supplies and Stationery Stores	315,029	519,295	(6,166,549)
Gift, Novelty and Souvenir Stores	210,293	403,619	599,766
Used Merchandise Stores	101,057	154,807	308,349
Other Miscellaneous Store Retailers	254,385	930,643	(13,077,684)
Non-Store Retailers	(10,595,467)	(1,289,641)	(30,078,381)
Foodservice and Drinking Places	4,024,434	7,081,032	(2,778,531)
Full-Service Restaurants	1,987,788	3,499,180	17,591,081
Limited-Service Eating Places-7222	1,934,691	3,007,692	(9,890,322)
Special Foodservices-7223	470,267	744,818	(1,717,143)
Drinking Places -Alcoholic Beverages-7224	(368,312)	(170,659)	(8,762,146)
GAFO *	11,826,246	16,452,974	(95,541,953)
General Merchandise Stores-452	7,654,791	12,185,015	(123,809,630)
Clothing and Clothing Accessories Stores-448	2,464,844	3,592,943	18,283,517
Furniture and Home Furnishings Stores-442	1,136,879	1,545,122	6,919,415

Table 1.8: Primary Market Area's Demand, Supply and Opportunity Gap, 2008

	Primary	Secondary Market (A)	Secondary Market (B)
Electronics and Appliance Stores-443	(1,087,066)	(3,245,437)	15,152,460
Sporting Goods, Hobby, Book, Music Stores-451	1,131,476	1,452,418	(6,520,932)
Office Supplies, Stationery, Gift Stores-4532	525,322	922,914	(5,566,784)

Projected Annual Expenditure Growth

Potential growth in expenditures determines much of the need for additional retail space in Schuyler. Schuyler is a small regional trade center, with room for growth in specific sectors. For example, in Schuyler the district’s Hispanic businesses carry unique items that do not compete directly with mass retailers like Wal-Mart. These businesses are destinations that attract customers from outside markets as far away as Lincoln and Norfolk.

Additional retail potential is generated by two factors:

1. Increases generated by population growth, and/or
2. Increases in market share in specific sectors.

Table 1.9 calculates total potential retail demand by multiplying projected population by per capita retail expenditures. Expenditures specifically made in Schuyler are computed by applying capture rates – that is the percentage of spending generated by these markets that takes place in the city. For this analysis retail sales excluded auto sales and non-store retailers. Excluding these markets means that Schuyler captures 97% of the demand in the remaining markets. Tables 1.9 and Table 1.10 relate increases in projected in-city consumer spending to retail space demand by:

- Using 2008 retail capture rates of 97% in the primary market, 74% in market area “A”, and 100% in market area “B” (supply ÷ demand = capture rate)
- Assuming that Schuyler’s share of the retail sales will be 100% for the immediate primary area, 50% for Secondary Market A, and 5% for Secondary Market B.
- Calculating the average sales yield of retail space in Schuyler, using an estimated sales yield of \$320 per square foot, based on averages contained in the Urban Land Institute’s (ULI) Dollars and Cents of Shopping Centers, 2008.
- Downtown Schuyler’s share of the retail increment is assumed to be 35% in the three market areas analyzed in this study.

The aggregate per capita annual spending for retail goods and services within the primary and secondary markets “A” and “B” is estimated at \$8,431, \$9,460 and \$10,250 respectively. Future demand is determined by multiplying 2015 projected population by 2009 per capita dollars. The increment is the difference between the 2015 projected demand and 2009 demand.

A total increase of 170 new residents to this area between 2009 and 2015 may result in a demand increase of \$1,438,683 (Table 1.9a). The existing capture rate is 97% of the primary market, 74% of Market Area

“A”, meaning that retail sales are less than consumer expenditures in these market areas. Likewise the existing capture rate for Market Area “B” is 100%, meaning that retail sales are equal to or greater than consumer expenditures. Percentages are calculated by dividing supply by demand. The market study assumes that these market areas will continue to perform at their existing levels. The primary market and market area “A” total share of the five-year increment is \$6,117,533.

There should also be some effort to capture the existing and future gap, or those dollars leaving the community (Table 1.9b). The existing gap for the primary market area is \$1,394,800 and the future gap is estimated at \$1,677,102, or \$34,906,067 for both the primary and market area “A”. This study anticipates capturing of 50% (\$718,585) of the total gap in the primary market and a 25% (\$8,367,224) in market area “B”, resulting in \$9,085,809 of future retail sales being captured.

Using an estimated sales yield of \$320.00 per square foot per year, the citywide commercial space demand is 51,078 square feet for the entire area. Assuming that Downtown Schuyler captures 35% of the entire city’s future retail space demand, generates an estimated 17,877 square feet of additional retail space by 2015.

The downtown currently has 18,500 square feet of vacant first floor space available. This space would appear to supply Schuyler with the future retail space needed, however, not all of this vacant space could be considered competitive. Some may be better suited for office and service uses, or suffer from poor access or visibility. A downtown building in Schuyler typically has a 60 foot frontage with a depth of 100 foot, calculating to square frontage of 6,000 square feet.

Table 1.9a: Potential Demand for Retail Space in Schuyler 2015 (Future Retail Sales)

	Primary	Market Area A	Market Area B	Total
2009 Estimated Demand	\$47,360,150	\$76,413,364	\$1,138,609,952	\$1,262,383,466
2009 Estimated Population	5,618	8,078	111,085	124,780
2009 Per Capita Dollars	\$8,431	\$9,460	\$10,250	\$10,117
2015 Projected Population	5,788	8,749	117,918	132,456
2015 Projected Demand	\$48,798,833	\$82,769,315	\$1,208,657,408	\$1,340,045,487
2015 Projected Demand	48,798,833	82,769,315	1,208,657,408	1,340,045,487
2009 Estimated Demand	47,360,150	76,413,364	1,138,609,952	1,262,383,466
Increment 2009-2015	\$1,438,683	\$6,355,951	\$70,047,456	\$77,662,021
Increment 2009-2015	1,438,683	6,355,951	70,047,456	77,662,021
Market Area Capture rate	97%	74%	100%	
Market Area Share of the Increment	\$1,396,313	\$4,721,220	\$70,047,456	\$76,164,989
Schuyler’s Share of the Market	100%	50%	5%	
Schuyler’s Future Demand	\$1,396,313	\$2,360,610	\$3,502,373	\$7,259,296

Table 1.9b: Potential Demand for Retail Space in Schuyler 2015 (Capturing the Gap)

	Primary	Market Area A	Market Area B	Total
Existing Gap (difference: demand -supply)	\$1,394,800	\$31,834,165	-	\$33,228,965
Future Gap	\$42,371	\$1,634,731	\$0	\$1,677,102
Total Gap	\$1,437,171	\$33,468,896	-	\$34,906,067
Schuyler's Capture Rate	50%	25%		
Captured Gap	\$718,585	\$8,367,224		\$9,085,809

Table 1.10: Potential Demand for Retail Space, Downtown Schuyler

	Primary	Market Area A	Market Area B	Total
Share of Gap	\$718,585	\$8,367,224	\$0	\$9,085,809
Share of the Increment	\$1,396,313	\$2,360,610	\$3,502,373	\$7,259,296
Total	\$2,114,898	\$10,727,834	\$3,502,373	\$16,345,105
Sales Yield Per Square Foot	\$320	\$320	\$320	\$320
Citywide Commercial Space Demand	6,609	33,524	10,945	51,078
Downtown Share of Retail Increment	35%	35%	35%	35%
Downtown Commercial Space Demand (SF)	2,313	11,734	3,831	17,877

Residential Markets in Downtown Schuyler

Schuyler's current downtown housing market is very limited with only a few upper story units. Future building improvements and new developments should consider this component in downtown redevelopment. Housing in a downtown creates activity and a sense of neighborhood that can enliven the district and make it more attractive. In the 2006 Schuyler Housing Strategy, housing needs for the entire city were assessed. The study estimated future demand for housing but also determined that there was a significant pent-up demand for all types of housing, resulting from little construction activity over the previous ten years. Based on a methodology that took into account future demand and delayed needs, the study estimated the need for an additional 122 units between 2010 and 2015. The dramatic changes in the housing market since the completion of the plan have likely made this target more challenging to achieve. Despite these economic changes, and possibly to the benefit of the downtown, the district should try to capture at least 10% of this market or 12 additional units over the next five years. These should be in both new and improved units and can occur in both existing and new structures.

Conclusions

This analysis of population and potential markets leads to the following conclusions:

- Schuyler and the surrounding region have experienced consistent population increases since the 1990's and are expected to continue growing. The strong growth in Schuyler has been driven by the expansion of the meat packing industry, which led to an increase in Hispanic residents in the community. While the cultural shift in the community has been challenging at times, it has brought new life to the downtown.
- The Hispanic and Latino businesses of downtown Schuyler are known to attract customers from Columbus, Norfolk and Lincoln, because of the unique and hard to find specialty goods that are offered here.
- If the City of Schuyler is able to maintain a growth rate of 0.5%, its 2015 population will be greater than 5,788.
- Half of Schuyler's employment in the primary market is dedicated to production, transportation and material moving, while less than 30% is dedicated to services and retail.
- Schuyler is an overall importer of retail dollars, despite proximity to the larger regional markets of Columbus and Fremont. Market segments where Schuyler imports dollars include building equipment and lawn supplies, electronics, and non-retail items.
- Based on consumer spending patterns, residents of Schuyler prefer to eat at home, have a high interest in outdoor activities, and show strong spending patterns for men's and children's apparel.
- Over the next 5 years, Schuyler could absorb 51,000 square feet of additional retail space. For planning purposes, the downtown should absorb 35% or 18,000 square feet of that additional commercial space.