



Prepared for:

City of Cudahy, Wisconsin

Prepared by:

Basile Baumann Prost Cole & Associates, Inc.

177 Defense Highway

Annapolis, Maryland 21401

Phone: 410-266-7800 Fax: 410-266-7866

www.bbpa.com



September 2, 2009

Table of Contents

1. Introduction	Page 1
2. Demographic and Economic Profile	Page 2
3. Tapestry Segmentation	Page 13
4. Retail Competition	Page 17
5. Retail Leakage Analysis	Page 20
6. Retail Shopper Surveys	Page 28
7. Supportable Demand/Retail Mix	Page 36
8. Seasonal Opportunity Potential	Page 43
9. Recommended Retail Business Mix	Page 46

1.0 Introduction

1.1 Study Purpose

Basile Baumann Prost Cole & Associates, Inc. (BBPC) was retained by the City of Cudahy, Wisconsin to conduct a retail market analysis that examines the retail development potential for the City. The purpose of the retail assessment is to provide an analytical explanation of the local retail market and identify a proposed mix of retail businesses likely to succeed given the local economic, demographic and retail environment. This report presents the preliminary findings of the data analysis leading up to the survey and subsequent retail mix marketing and strategy recommendations.

1.2 Report Organization

This preliminary findings report is organized into nine sections and an Appendix. These sections include:

Section 1	Introduction
Section 2	Demographic & Economic Profile
Section 3	Tapestry Segmentation
Section 4	Retail Competition
Section 5	Retail Leakage Analysis
Section 6	Retail Shopper Survey
Section 7	Supportable Demand / Retail Mix
Section 8	Seasonal Opportunity Potential
Section 9	Recommended Retail Business Mix

2.0 Demographic & Economic Profile

2.1 Overview

To understand the economic and market conditions in which the City of Cudahy retail businesses operate, a baseline economic and demographic profile was performed which examines existing demographic and economic factors for the City of Cudahy Trade Area and surrounding geographic areas (e.g. City of Cudahy, City of Milwaukee, Milwaukee County, and Milwaukee MSA). Characteristics and trends of households and employment within these areas were then compared to similar characteristics within the predefined geographies to identify market opportunities for retail within the study area.

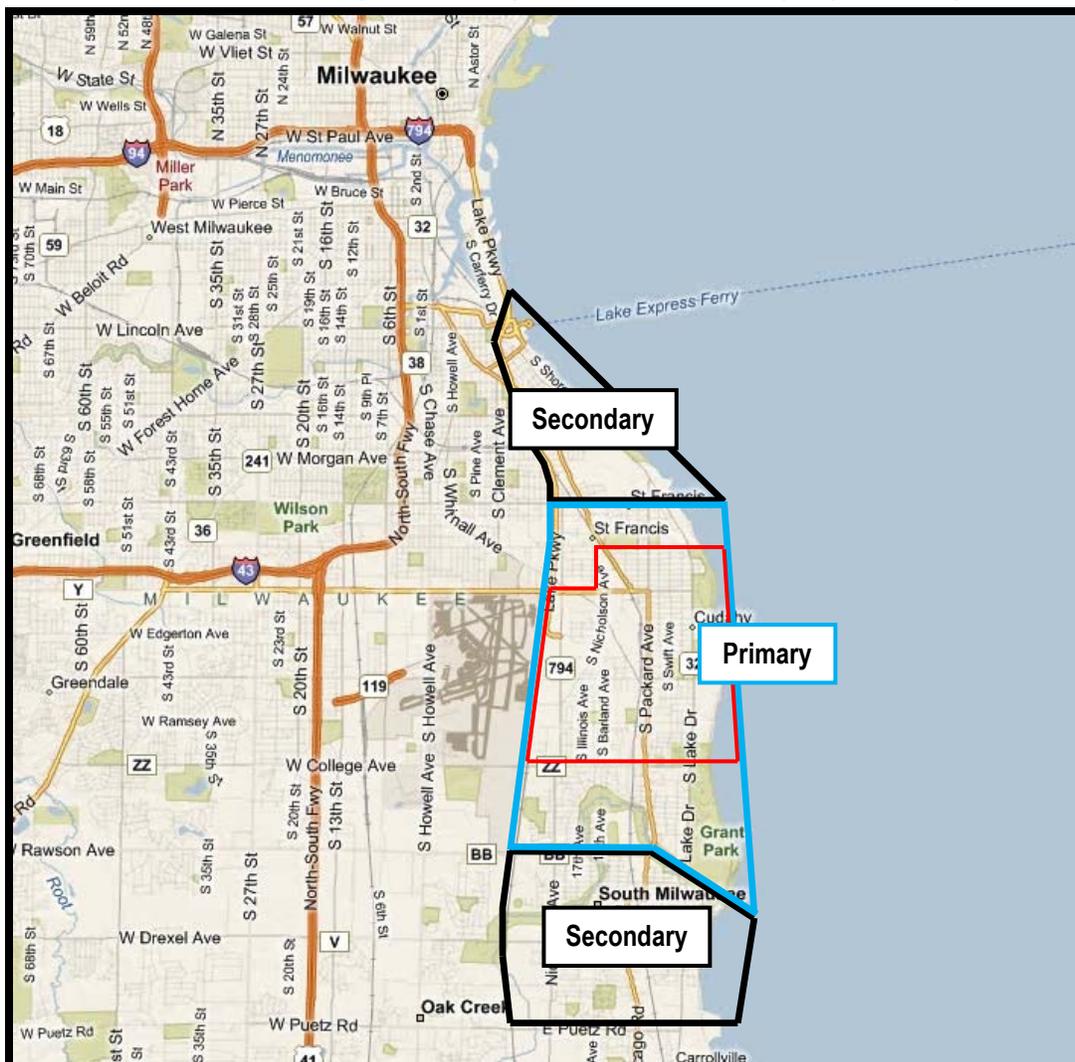
2.2 Analysis Areas

BBPC identified the following primary and secondary retail trade areas for the City of Cudahy, which are illustrated on the following page. For the purpose of the demographic and economic analysis, the primary and secondary retail trade areas will be examined as one trade area.

Exhibit 1: City of Cudahy Retail Trade Areas	
Trade Area	Description
Primary	<p>Geographic Description: Encompasses the City of Cudahy and portions of the City of St. Francis and the City of South Milwaukee</p> <p>Boundary Description: Bound by East Howard Avenue to the north, Rawson Avenue and Oak Creek Parkway to the south, Lake Michigan to the east, and the General Mitchell International Airport / Lake Parkway to the west</p> <p>Estimated Capture: 70 percent of the City of Cudahy's retail demand</p>
Secondary	<p>Geographic Description: Encompasses immediate portions of surrounding cities outside of the primary trade area including two areas - the City of St. Francis and Bayview to the north and the City of South Milwaukee to the south</p> <p>Boundary Description: Bound by: Northern Portion – Interstate 794 to the north and west, Lake Michigan to the east and East Howard Street to the south; Southern Portion – Rawson Avenue to the north, East Puetz Road to the south, Lake Michigan to the East and the Kenosha-Racine-Milwaukee (KRM) Commuter Rail line to the west</p> <p>Estimated Capture: 15 percent of the City of Cudahy's retail demand</p>

<p>Other</p>	<p>Geographic Description: All other geographic locations outside of the primary and secondary trade areas and includes demand driven from the greater Milwaukee metropolitan area, the State of Wisconsin, the United States and International countries</p> <p>Boundary Description: N/A</p> <p>Estimated Capture: 15 percent of the City of Cudahy's retail demand</p>
---------------------	--

Exhibit 2: Map of Primary & Secondary Trade Areas (Including City of Cudahy)



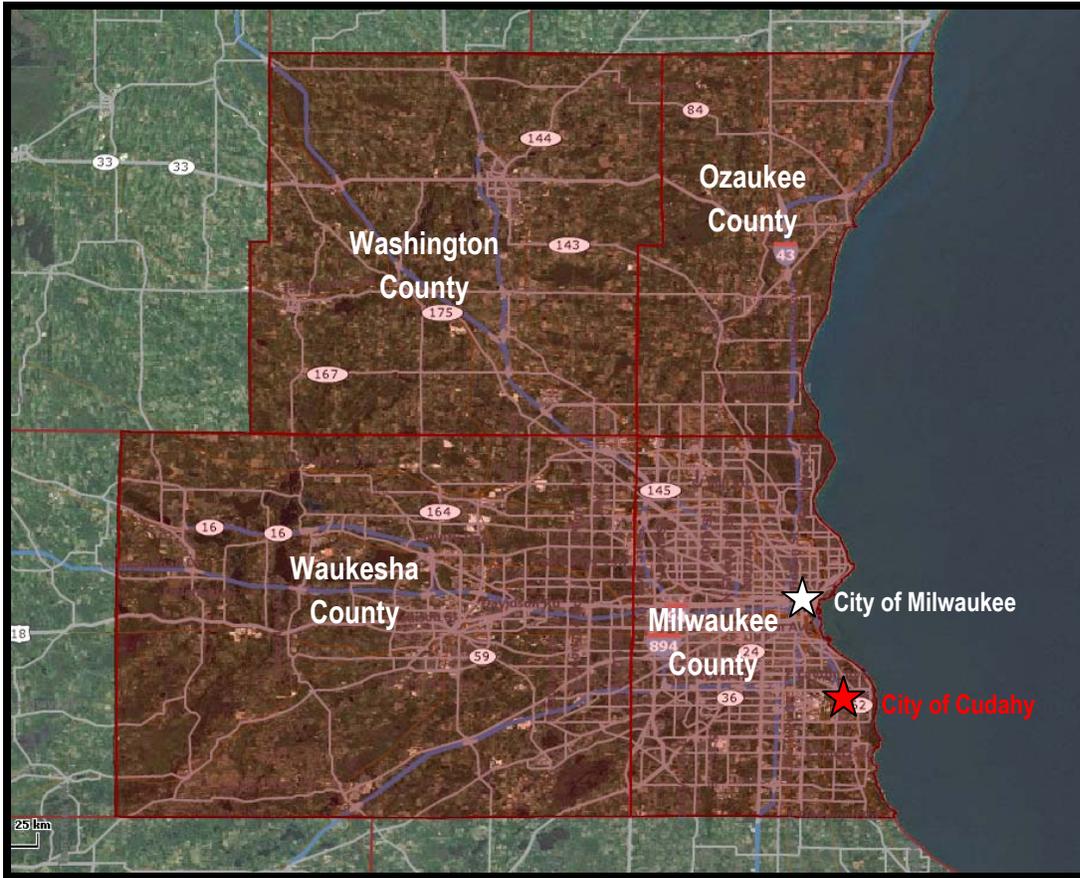
Source: Microsoft Maps & BBPC

In the map above, the primary trade area is bound by a blue line. Within the primary area is the City of Cudahy, identified by a red line. The secondary trade areas north and south of the primary are indicated within the black lines.

Other geographies assessed as part of this analysis include the City of Cudahy, the City of Milwaukee, Milwaukee County, and the Milwaukee-Waukesha-West Allis MSA.

- The City of Cudahy lies between the City of St. Francis and South Milwaukee City along Lake Michigan and can be defined by the following boundaries: East Layton Avenue and East Lunham Avenue to the north, East College Avenue to the south, Lake Michigan to the east, and the General Mitchell International Airport to the west.
- The City of Milwaukee is the largest city in the State of Wisconsin and is the county seat of government for Milwaukee County and lies along the shores and bluffs of Lake Michigan at the confluence of three rivers: the Menomonee, the Kinnickinnic, and the Milwaukee.
- Milwaukee County includes the City of Cudahy and other populated communities such as Bayside, Brown Deer, Fox Point, Franklin, Glendale, Greendale, Greenfield, Hales Corners, Milwaukee, Oak Creek, River Hills, Shorewood, South Milwaukee, St. Francis, Wauwatosa, West Allis, West Milwaukee and Whitefish Bay.
- The Milwaukee-Waukesha-West Allis MSA is made up of the following four Wisconsin counties and includes Milwaukee County, Ozaukee County, Washington County and Waukesha County.

Exhibit 3: Milwaukee-Waukesha-West Allis MSA Map



Source: ESRI Business Solutions

2.3 *Demographic & Economic Profile*

To evaluate the depth and characteristics of potential demand presented by households and firms for retail uses, an assessment of the demographic and economic conditions of the City of Cudahy Trade Area (including both the Primary and Secondary Trade areas) and surrounding areas was performed.

Compared to surrounding geographies, the City of Cudahy Trade Area has:

- An estimated 6.08 percent of Milwaukee County's population and 3.66 percent of the Milwaukee MSA's population
- An estimated 6.58 percent of Milwaukee County's households and 4.07 percent of the Milwaukee MSA's households
- An estimated 6.91 percent of Milwaukee County's labor force and 3.48 percent of the County's at place employment, indicating that the City's share of population and employment / labor force is about the same
- A smaller average household size (2.21) compared to the City of Cudahy (2.25), the Milwaukee County (2.37), the City of Milwaukee (2.45) and the Milwaukee MSA (2.44)
- A higher median household income (\$55,679), compared to the City of Cudahy (\$52,854), Milwaukee County (\$49,957) and the City of Milwaukee (\$42,045), but lower than the Milwaukee MSA (\$61,147)
- An older population (median age of 40.6) compared to Milwaukee County (35.1), the City of Milwaukee (31.4), the Milwaukee MSA (37.2) and the City of Cudahy (40.1)
- More expensive home values (median home value \$157,247) compared to the City of Cudahy (\$153,128), Milwaukee County (\$146,052) and the City of Milwaukee (\$112,589), but less expensive than homes in the Milwaukee MSA (\$194,781)

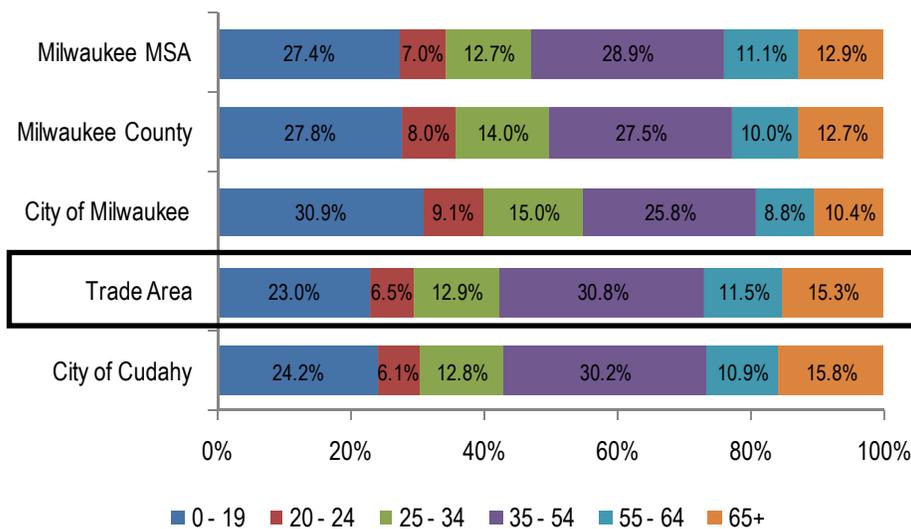
Exhibit 4: Demographic & Economic Profile (2008)

Demographic Category	City of Cudahy	Trade Area	City of Milwaukee	Milwaukee County	Milwaukee MSA
Population	18,019	56,205	580,839	923,852	1,532,667
Households	7,960	25,076	230,912	380,604	615,382
Average Household Size	2.25	2.21	2.45	2.37	2.44
Labor Force	8,873	28,895	242,310	418,096	733,715
At Place Employment	7,985	16,325	286,875	467,851	806,805
Median Household Income	\$52,854	\$55,679	\$42,045	\$49,957	\$61,147
Per Capita Income	\$26,269	\$28,271	\$21,298	\$26,204	\$31,329
Median Age	40.1	40.6	31.4	35.1	37.2
Median Home Value	\$153,128	\$157,247	\$112,589	\$146,052	\$194,481

Source: ESRI Business Solutions

City of Cudahy Trade Area residents are older when compared to the City of Cudahy, the City of Milwaukee, Milwaukee County and the Milwaukee MSA. Approximately 23 percent of the City's residents are school age (less than 20 years old) compared to 27.8 percent for Milwaukee County. In addition, residents aged 65+ represent 15.3 percent of the residents in the City of Cudahy Trade Area compared to 12.7 percent in the County as a whole.

Exhibit 5: Age Cohort (2008)



Source: ESRI Business Solutions

The median household income (\$55,679) of the City of Cudahy Trade Area is 5.3 percent higher compared to the City of Cudahy, 32.4 percent higher when compared to the City of Milwaukee

City of Cudahy Retail Analysis

(\$42,045) and 11.4 percent higher compared to Milwaukee County (\$49,957). Although, when compared to the Milwaukee MSA (\$61,147), the City of Cudahy's median household income is 9.8 percent lower. The highest single portion of the City's Trade Area households (23.1 percent) earn between \$50,000 to \$74,999 annually, an estimated 20.8 percent of the households in the City of Cudahy Trade Area earn between \$75,000 and \$99,999, while 12.1 percent earn over \$100,000.

Exhibit 6: Households by Income (2008)

Income Range	City of Cudahy	Trade Area	City of Milwaukee	Milwaukee County	Milwaukee MSA
< \$15,000	8.2%	7.5%	16.3%	12.3%	9.0%
\$15,000 - \$24,999	10.8%	9.9%	13.2%	11.2%	8.9%
\$25,000 - \$34,999	9.9%	9.2%	11.6%	10.3%	8.5%
\$35,000 - \$49,999	17.4%	17.4%	17.1%	16.2%	14.2%
\$50,000 - \$74,999	24.6%	23.1%	19.6%	20.5%	20.3%
\$75,000 - \$99,999	19.0%	20.8%	13.7%	16.3%	16.8%
\$100,000 - \$149,999	8.0%	9.0%	5.7%	8.3%	14.3%
\$150,000 - \$199,999	1.5%	2.1%	1.5%	2.5%	3.9%
\$200,000 +	0.6%	1.0%	1.3%	2.4%	4.1%

Source: ESRI Business Solutions

Households within the City of Cudahy Trade Area are comprised of proportionately the same amount of families than in surrounding geographies and relatively a higher proportion of people over the age of 65. On average, 60.8 percent are family households in the City's Trade Area with 25.5 of the total households containing persons aged 65 or older.

Exhibit 7: Households by Type (2000)

Governmental Jurisdiction	Family	Non-Family	Households with Persons 65+
City of Cudahy	62.0%	38.0%	27.0%
Trade Area	60.8%	39.2%	25.5%
City of Milwaukee	58.2%	41.8%	20.6%
Milwaukee County	59.6%	40.4%	23.0%
Milwaukee MSA	64.9%	35.1%	22.4%

Source: ESRI Business Solutions

The race / ethnicity of the City of Cudahy Trade Area is overwhelmingly made up of a white population, which accounts for approximately 91.6 percent of the population and is quite similar to that of the City of Cudahy. Other surrounding geographies, such as the City of Milwaukee and Milwaukee County, contain a more diverse population.

Exhibit 8: Population by Race / Ethnicity (2008)

Race / Ethnicity	City of Cudahy	Trade Area	City of Milwaukee	Milwaukee County	Milwaukee MSA
White Alone	90.9%	91.6%	43.1%	60.1%	77.1%
Black Alone	1.7%	1.7%	42.3%	28.1%	15.7%
American Indian Alone	1.0%	0.8%	0.8%	0.7%	0.5%
Asian / Pacific Islander Alone	1.4%	1.4%	3.5%	3.4%	2.1%
Some Other Race Alone	2.3%	2.3%	7.5%	5.3%	2.9%
Two or More Races	2.7%	2.2%	2.8%	2.4%	1.7%

Source: ESRI Business Solutions

In 2008, the City of Cudahy Trade Area labor force totaled 28,895 employed residents representing approximately 6.9 percent of the overall Milwaukee County labor force (418,096 employed residents). The services industry dominates the labor force (41.3 percent) in the City of Cudahy Trade Area, followed by manufacturing (17.8 percent) and retail trade (10.1 percent).

Exhibit 9: Labor Force by Industry (2008)

Industry Sector	City of Cudahy	Trade Area	City of Milwaukee	Milwaukee County	Milwaukee MSA
Agriculture	18	87	727	1,254	3,669
Construction	559	1,647	9,450	17,560	38,153
Manufacturing	1,748	5,172	34,893	60,206	118,128
Wholesale Trade	319	867	6,785	12,961	27,147
Retail Trade	1,065	2,947	24,231	43,900	79,975
Transportation / Utilities	657	2,283	11,389	20,487	31,550
Information	177	549	5,573	10,034	17,609
Finance, Insurance, Real Estate	710	2,340	17,689	33,866	59,431
Services	3,336	11,934	121,640	203,613	337,509
Government	284	1,069	9,935	14,215	20,544
Total	8,873	28,895	242,310	418,096	733,715

Source: ESRI Business Solutions

In contrast to labor force, the share of at-place employment in the City of Cudahy Trade Area represents approximately 3.4 percent of the overall at-place employment in Milwaukee County (467,851 at-place employees). Main employers located in the City of Cudahy Trade Area, such as Patrick Cudahy, Ladish Forging Company and Vilter Manufacturing, contribute to the dominance of the at-place employment in the manufacturing industry (25.9 percent). The City of Cudahy Trade Area contains less at-place employees (16,325) than residents employed in the labor force (28,895), suggesting some residents of the City commute outside the city for employment.

Exhibit 10: At-Place Employment by Industry (2008)

Industry Sector	City of Cudahy	Trade Area	City of Milwaukee	Milwaukee County	Milwaukee MSA
Agriculture	38	73	771	1,802	6,067
Construction	238	379	7,159	12,808	32,027
Manufacturing	2,660	4,234	34,144	61,562	130,787
Wholesale Trade	59	238	12,169	19,063	45,476
Retail Trade	1,123	3,175	37,659	81,194	144,786
Transportation / Utilities	736	845	12,454	19,401	26,542
Information	8	16	1,584	2,669	3,590
Finance, Insurance, Real Estate	201	890	23,806	33,259	55,120
Services	2,710	6,025	132,777	206,399	318,967
Government	212	450	24,352	29,694	43,443
Total	7,985	16,325	286,875	467,851	806,805

Source: ESRI Business Solutions

Of the population aged 25+, approximately 50.9 percent of the population in the City of Cudahy Trade Area has received some form of college education or higher. The level of educational attainment of residents of the City of Cudahy Trade Area higher than that of the City of Cudahy (45.7 percent) and the City of Milwaukee (47.7 percent), but lower than that of Milwaukee County (53.9 percent) and the Milwaukee MSA (58.4 percent).

Exhibit 11: Population 25+ by Education Attainment (2008)

Educational Attainment	City of Cudahy	Trade Area	City of Milwaukee	Milwaukee County	Milwaukee MSA
Less than 9th Grade	3.6%	3.3%	6.3%	4.7%	3.7%
9th - 12th Grade, No Diploma	11.7%	9.3%	15.6%	12.1%	9.2%
High School Graduate	39.0%	36.5%	30.4%	29.3%	28.7%
Some College, No Degree	23.1%	23.2%	20.8%	21.0%	21.4%
Associate Degree	7.2%	7.8%	6.5%	7.0%	7.7%
Bachelor's Degree	11.1%	14.1%	13.6%	17.0%	19.7%
Graduate / Professional Degree	4.3%	5.8%	6.8%	8.9%	9.6%

Source: ESRI Business Solutions

Household consumer spending data shows the amount spent on a variety of goods and services by households. On average, households within the City of Cudahy Trade Area spend approximately \$22,573 on retail goods, slightly more than residents in Milwaukee County (\$22,330), the City of Cudahy (\$21,071) and in the City of Milwaukee (\$18,747) but less than residents in the Milwaukee MSA (\$27,517).

Exhibit 12: Household Consumer Spending (2008)

Expenditure Category	City of Cudahy	Trade Area	City of Milwaukee	Milwaukee County	Milwaukee MSA
Apparel & Services	\$1,832	\$1,969	\$1,717	\$2,005	\$2,428
Computers & Accessories	\$191	\$208	\$178	\$210	\$256
Education	\$1,194	\$1,288	\$1,081	\$1,279	\$1,550
Entertainment / Recreation	\$2,977	\$3,187	\$2,611	\$3,127	\$3,875
Food at Home	\$4,008	\$4,271	\$3,671	\$4,290	\$5,153
Food Away from Home	\$2,811	\$3,009	\$2,582	\$3,026	\$3,660
Health Care	\$3,470	\$3,618	\$2,885	\$3,466	\$4,221
HH Furnishing & Equipment	\$1,722	\$1,853	\$1,506	\$1,820	\$2,288
Investments	\$861	\$911	\$654	\$848	\$1,121
Retail Goods	\$21,071	\$22,573	\$18,747	\$22,330	\$27,517
Shelter	\$12,571	\$13,552	\$11,363	\$13,554	\$16,704
TV / Video / Sound Equipment	\$1,178	\$1,260	\$1,089	\$1,271	\$1,531
Travel	\$1,526	\$1,638	\$1,260	\$1,561	\$1,984
Vehicle Maintenance & Repairs	\$787	\$847	\$706	\$840	\$1,031

Source: ESRI Business Solutions

2.4 Summary Conclusions

Key observations and findings from the economic and demographic profile for the City of Cudahy Trade Area include:

- An estimated 6.08 percent of Milwaukee County’s population and 3.66 percent of the Milwaukee MSA’s population
- The median household income (\$55,679) of the City of Cudahy Trade Area is 5.3 percent higher compared to the City of Cudahy, 32.4 percent higher when compared to the City of Milwaukee (\$42,045) and 11.4 percent higher compared to Milwaukee County (\$49,957). The relatively higher incomes compared to the neighboring City and County could serve as an advantage for attracting retailers.
- More expensive home values (median home value \$157,247) compared to the City of Cudahy (\$153,128), Milwaukee County (\$146,052) and the City of Milwaukee (\$112,589), but less expensive than those of the Milwaukee MSA (\$194,781)
- Households within the City of Cudahy are comprised of more older families than in surrounding geographies and contain a higher proportion of people over the age of 65,

suggesting there may be a need for retail focused on older couples, empty nesters and seniors such as health related goods and services.

- The race / ethnicity of the City of Cudahy Trade Area is overwhelmingly made up of a white population, which accounts for approximately 91.6 percent of the population
- The City of Cudahy Trade Area labor force totaled 28,895 employed residents representing approximately 6.9 percent of the overall Milwaukee County labor force (418,096 employed residents)
- The share of at-place employment in the City of Cudahy Trade Area represents approximately 3.4 percent of the overall at-place employment in Milwaukee County (467,851 at-place employees)
- The City of Cudahy Trade Area contains less at-place employees (16,325) than residents employed in the labor force (28,895), suggesting some residents of the City commute outside the city for employment
- Approximately 50.9 percent of the population aged 25 or greater in the City of Cudahy has received some form of college education or greater
- Households within the City of Cudahy Trade Area spend approximately \$22,573 on retail goods, slightly more than residents in the City of Cudahy (\$21,071), the City of Milwaukee (\$18,747) but less than residents in Milwaukee County (\$22,330) and Milwaukee MSA (\$27,517)

The City of Cudahy has an aging but stable constituency with a relatively high average household income. While there is not significant growth expected in the City population of the next five years, the total household income of Trade Area residents of approximately \$361 million is sufficient to attract regional and national retailers.

3.0 Tapestry Segmentation

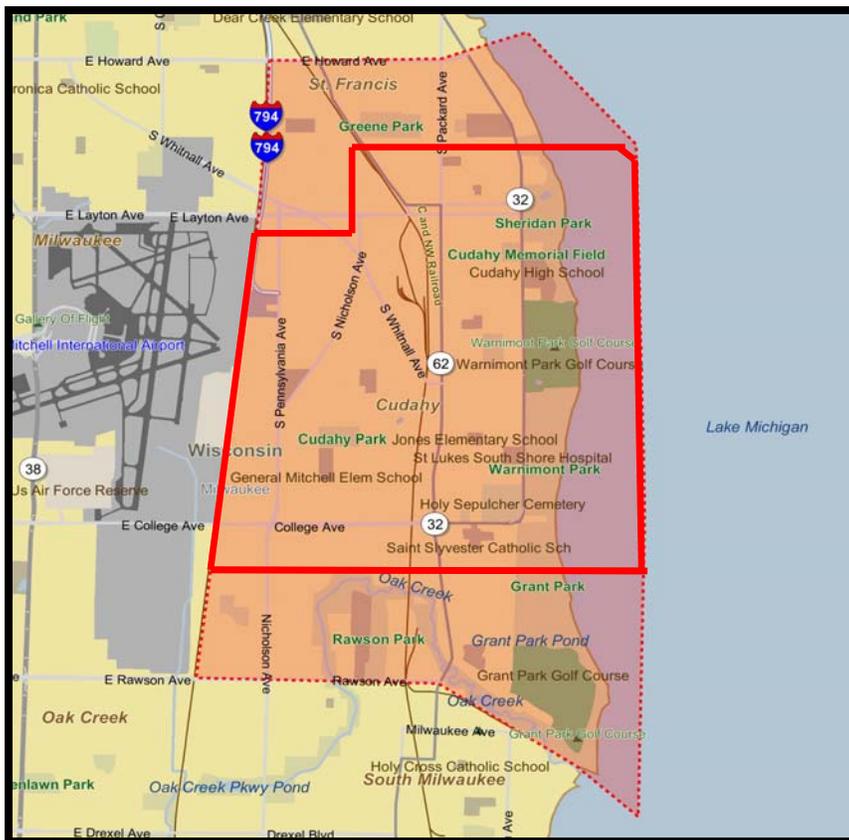
3.1 Overview

To identify the lifestyle characteristics, product preferences and spending patterns of local residents, an evaluation of top household tapestry segments was performed. ESRI Business Solutions uses demographic information such as labor force characteristics, median income, age, and spending habits to categorize neighborhoods according to a trademarked Community Tapestry classification system.

3.2 Analysis Area

BBPC identified the primary retail trade area for the City of Cudahy through key stakeholder interviews, analysis of existing competition and analysis of retail data. This area, shown in the figure below, represents the area in which majority of the retail demand will be derived. The retail trade area is bound by East Howard Avenue to the north, Rawson Avenue and Oak Creek Parkway to the south, Lake Michigan to the east, and the General Mitchell International Airport to the west.

Exhibit 13: Map of Primary Trade Area & City of Cudahy



Source: ESRI Business Solutions & BBPC

3.3 *Tapestry Segments*

The majority of residents within the City of Cudahy **primary retail trade area** represent the following tapestry segmentations, which are described in terms of their economic and demographic characteristics as a tapestry at the national level (e.g. the statistics represent averages neighborhoods across the United States, not in Cudahy specifically).

- Rustbelt Retirees (13.8%) – Rustbelt Retiree residents are mainly comprised of married couple families with no children at home and singles that live alone. These residents are slightly older and are not an ethnically diverse market, with approximately 90 percent of the residents being white. The median household income for this segment is \$50,977 at the national level and residents are primarily employed in the professional, management, sales or office / administrative support industries. With no inclination to move, these residents are settled and have lived in the same house for years. Many of these residents watch their pennies, looking for bargains at discount stores and warehouse clubs and use coupons frequently. They also tend to dine out at family restaurants.
- Rustbelt Traditions (13.5%) – Rustbelt Tradition residents are primarily a mix of married couple families, single parent families, and singles who live alone. This community tapestry segment is the sixth largest in the United States and has a median age of 36.1 years old at the national level. These residents earn a median household income of \$49,579 at the national level and sustain the manufacturing and service industry that drives the local economy. Rustbelt Tradition neighborhoods are the backbone of older industrial cities that border the Great Lakes. Homeownership is at 76 percent at the national level within most residents living in modest, single family homes. These residents have lived, worked, spent and played in the same area for years. Known to be financially conservative, they do not follow fads and stick to the products and services they know.
- Cozy and Comfortable (13.4%) – Cozy and Comfortable residents are middle-aged, married couples, comfortably settled in single-family homes in older neighborhoods. This community tapestry segment is the fifth largest in the United States and has a median age of 41.9 years old at the national level. Although older, these residents are in no hurry to retire. Unemployment in his segment is relatively low and residents represent a range of occupations, from professional or managerial to service, in a variety of industries. These residents earn a median household income of \$65,768 at the national level and are still living in the homes in which they raised their children. With 88 percent of the residents owning a home, many actively take part in many household projects instead of contracting work. These residents eat at family restaurants often as well.
- Main Street, USA (12.0%) – Main Street, USA residents are a mix of household types, similar to the distribution of the nation. At the national level, approximately half of the

households are composed of married couple families, nearly one third are single person or shared households, and the rest are single parent or other family households. The majority of the residents are white and have a median age of 36.7 years old at the national level, which matches the national median at the national level. This segment typically resides in a mix of single family homes and multiunit dwellings found in the suburbs of smaller metropolitan cities. As active members in their communities, Main Street USA residents enjoy eating out and playing billiards at their favorite bar during the evenings and participating in local civic issues and working as volunteers.

- Retirement Communities (10.5%) – Retirement Community residents are dominated by singles that live alone. With a median age of 51.4 years old at the national level, 44 percent of the householders are aged 65 years or older. The median household income for these residents is \$48,045 at the national level, slightly below the national average. Of those residents who are still working are employed in white collar occupations. These residents typically live in congregate housing that commonly includes meals and other services and can be found in neighborhoods scattered across the country. Most households are multiunit dwellings but also includes single family structures and townhomes. These residents enjoy their leisure time by going to the movies and spending time with their grandchildren.
- Great Expectations (10.1%) – Great Expectation residents are primarily young singles who live alone and married couple families. The median age for residents in this segment is 33.2 years old at the national level, with a high proportion of residents in their 20's and a higher proportion of householders younger than 35 years old. These residents earn a median household income of \$37,684 at the national level and are primarily employed in the manufacturing, retail and service industry sectors. Half of the householders own their homes while the other half rent. Residents enjoy remodeling projects and also enjoy a young active lifestyle. They frequently go out to dinner, to the movies, to bars, and to night clubs and occasionally take advantage of the convenience of fast food restaurants. These residents tend to shop at major discount and department stores, as well as order from catalogs.
- Old and Newcomers (9.1%) – Old and Newcomer residents are neighborhoods in transition, populated by renters who are starting their careers or those who are retiring. The proportion of householders are either in their 20's or aged 75 or older and the median age for this segment is 37 years old at the national level. These residents earn a median household income of \$42,971 at the national level and have a high labor force participation rate of 66 percent. Educational attainment is above average and a high proportion of residents are employed in the food preparation and office / administrative support industry sectors. With residents sustaining a lot of transition, more than 60

percent of these householders rent. Purchases of these residents reflect their unencumbered renters' and singles' lifestyle.

3.4 *Summary Conclusions*

Key observations and findings from the tapestry segmentation for the City of Cudahy retail trade area include:

- Residents range from retirees, to families, to singles and those who are just starting their career
- A great portion of the residents are those with no inclination to move, as they have lived worked and played in the same area for years
- Many residents are employed in the manufacturing, retail trade and services industries
- Majority of residents are homeowners

The diverse interests of these tapestry segments indicate demand for a variety of retail goods and services to meet their unique preferences. Potential retail and restaurant types that would cater to the interests of these tapestries include:

- Full service family restaurants
- Fast food restaurants
- Bars and taverns
- Warehouse clubs / Big-box general merchandise retailers
- Discount stores
- Home improvement stores

These possibilities and others are further explored as part of Section 5, Retail Leakage Analysis.

4.0 Retail Competition

4.1 Overview

Due to the geographic location of the City of Cudahy, retail demand is primarily driven from households within city limits and along the corridor between the General Mitchell International Airport and Lake Michigan. Acting as a physical barrier, the Airport, which occupies a significant amount of land and provides limited access to the City for residents west of the rail line, restricts the inflow of retail demand to the City of Cudahy. As a result, many large retail centers exist west of the rail line where access is more readily available to serving adjacent communities.

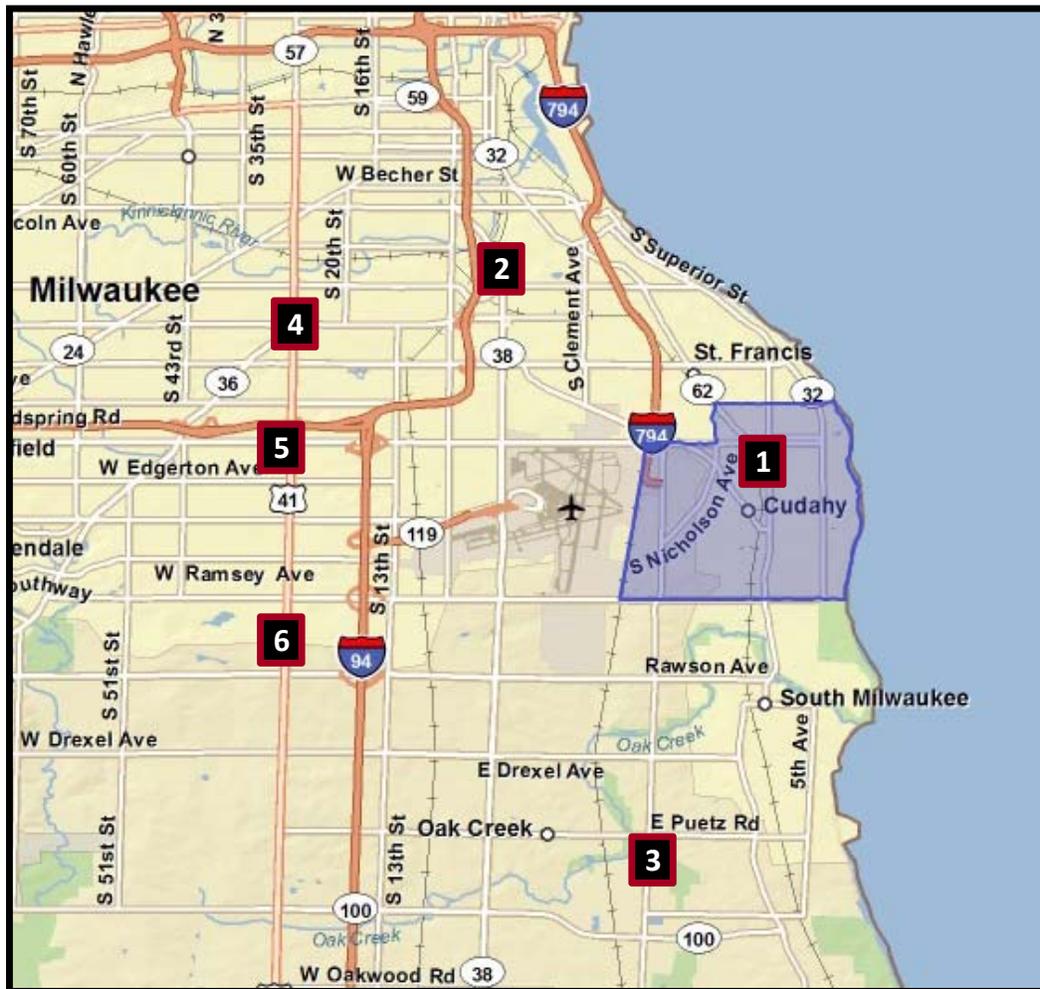
4.2 Retail Competition

Within the City of Cudahy, very few retail centers are present. With the lack of major big-box retailer anchors such as Shopko, Wal-Mart, Home Depot or Kohl's in the City, especially in the northern portion of the City, very few smaller scale retailers exist which rely on large anchor retailers to generate customer traffic. BBPC identified retail competition proximate to the City of Cudahy and in nearby adjacent communities.

Exhibit 14: Inventory of Proximate Retail Competition		
Retail Core	Location	Major Retailers
1	City of Cudahy	K-Mart, Bally Total Fitness, Midas Muffler, Dunham's, AutoZone, Cost Cutters, Jo-Ann Fabrics & Crafts, Family Dollar, CVS, RadioShack, Shermin Williams, Sears Appliance Outlet Store, Car-X Muffler & Brake,
2	West Oklahoma Avenue / South Chase Avenue	Home Depot, Target
3	East Puetz Road / South Howell Avenue	Target, OfficeMax, Kohl's, American TV, Colders
4	South 27th Avenue / West Morgan Avenue	Wal-Mart SuperCenter, OfficeMax, AJ Wright, Kohl's, Toys R Us
5	South 27th Avenue / West Layton Avenue	K-Mart, Target, BigLots
6	South 27th Avenue / West College Avenue & West Rawson Avenue	Sears Hardware, Home Depot, Sam's Club, Burlington Coat Factory, Wal-Mart, Ashley Furniture, Lowes, Menards
Source: NAI Commercial Real Estate		

As illustrated below, significant retail competition exists within a close-in distance to the City of Cudahy in surrounding communities. However, when analyzing the locations of existing competing retail centers, all serve a distinct separate market. As a result, an opportunity may exist for a large scale retailer to enter the local market due to the void of major big-box / anchor retailers in the City. Further examination of this opportunity and others will be examined in BBPC's retail leakage analysis, which will quantify unmet retail demand by retail category of City of Cudahy trade area residents.

Exhibit 15: Inventory of Proximate Retail Competition



Source: ESRI Business Solutions, NAI Commercial Real Estate & BBPC

4.3 *Summary Conclusions*

Key observations and findings regarding existing retail in the City of Cudahy and nearby competition include:

- The General Mitchell International Airport acts as a restricting barrier to residents in surrounding communities to the west of Cudahy, thereby limited demand for retail goods and services in the City
- Lake Michigan to the east creates the north / south only retail trade area
- Significant retail competition exists within a 5-mile radius of the City of Cudahy, but all serve a different primary market than that of the City of Cudahy
- The City's current mix of retailers contain fewer large anchor stores than in other retail areas
- An opportunity may exist for a large scale retailer to enter the local market due to the void of large anchor retailer in the City
- The City lacks full-service restaurants and limited-service options to serve area residents and employees

Due to the constraints east and west of the City, most importantly the barrier created by the airport, major retail development has occurred west of the City, but within what normally would be the City's primary trade area. The preponderance of big box and other national retailers within this trade area has also restricted the City's ability to attract the same type of retail centers. With that said, there are unmet retail opportunities for the City to capitalize upon, including regional and national retailers. The next section details the retail gaps and high potential targets for the City. Subsequent analysis in the full report will detail the type of retail by supportable square feet and the City's likely capture.

5.0 Retail Leakage Analysis

5.1 Overview

BBPC examined a variety of retail categories, provided by ESRI, to determine potential target retail sectors within the City of Cudahy using the following 3-step method. Although not included in the contractual scope, because of the findings from our data analysis, key stakeholder interviews and shopper surveys, BBPC also conducted a separate analysis of the market support for a big box retailer.

Step 1: Identify retail trade areas

- Neighborhood Serving Retail: the primary demand analysis for the retail potential was based on neighborhood serving retail and the primary and secondary market areas. This demand is independent of the potential demand for a regional big box retailer.
 - Primary Trade Area: represents the primary area from which the majority of the City of Cudahy retail demand is derived
 - Secondary Trade Area: represents the secondary area from which a significant amount of supplemental demand is derived
- Regional Big Box Retail Trade Area: represents a separate demand analysis based on the typical area from which majority of demand for big box retailers is derived. This trade area is represented by a 5-mile radius from the City of Cudahy.

Step 2: Analyze the existing retail demand (expenditures) and retail supply (sales) of each retail category (for both retail types described above)

- Retail Demand: Retail potential of households (expenditures) within the designated trade area
- Retail Supply: Retail sales of existing retailers within the designated trade area

Step 3: Determine the retail gap of each retail category

- Retail Gap: Difference between retail demand and retail supply within each designated trade area
 - Retail Surplus: Retail supply exceeds retail demand
 - Retail Leakage: Retail demand exceeds retail supply



5.2 *Neighborhood Serving Retail*

Previously identified in the Demographic & Economic Profile (Section 2.2), the primary and secondary retail trade areas for the City of Cudahy will be examined in the retail leakage analysis. It is important to note that the trade area supply, demand and leakage findings in described below are based on the Cudahy retail trade area as defined for this analysis through research, client and key stakeholder interviews. These findings are reliant upon, or tied to, the support/demand for a regional big box retailer. That is a separate analysis discussed in Section 5.3.

Primary Trade Area

Total retail demand and supply for the primary trade area includes retail leakage in the following retail categories: clothing stores (\$10.7 million), limited-service eating places (\$9.1 million), department stores (\$9.0 million), furniture stores (\$6.2 million), electronics & appliance stores (\$5.2 million), full-service restaurants (\$4.7 million), building material & supplies dealers (\$4.4 million), home furnishing stores (\$3.4 million) and beer, wine & liquor stores (\$2.1 million).

Exhibit 16: Neighborhood Serving Retail Primary Trade Area - Surplus / Leakage by Retail Category				
Retail Category	Demand	Supply	Retail Gap	Leakage
Furniture Stores	\$6,273,000	\$0	\$6,273,000	√
Home Furnishing Stores	\$3,599,428	\$154,000	\$3,445,428	√
Electronics & Appliance Stores	\$8,225,000	\$3,025,000	\$5,200,000	√
Building Material & Supplies Dealers	\$9,251,000	\$4,776,000	\$4,475,000	√
Lawn & Garden Equipment	\$797,000	\$36,000	\$761,000	√
Grocery Stores	\$30,470,000	\$44,767,000	-\$14,297,000	
Specialty Food Stores	\$943,000	\$130,000	\$813,000	√
Beer, Wine, & Liquor Stores	\$3,067,000	\$901,000	\$2,166,000	√
Health & Personal Care Stores	\$12,303,000	\$12,096,000	\$207,000	√
Clothing Stores	\$12,072,000	\$1,297,000	\$10,775,000	√
Shoe Stores	\$1,729,000	\$317,000	\$1,412,000	√
Jewelry, Luggage, & Leather Goods Stores	\$1,430,000	\$54,000	\$1,376,000	√
Sporting Goods / Hobby / Musical Instrument Stores	\$1,274,000	\$1,230,000	\$44,000	√
Book, Periodical and Music Stores	\$1,788,000	\$321,000	\$1,467,000	√
Department Stores (excluding leased departments)	\$16,695,000	\$7,642,000	\$9,053,000	√
Florists	\$177,000	\$349,000	-\$172,000	

City of Cudahy Retail Analysis

Office Supplies, Stationery & Gift Stores	\$1,208,000	\$726,000	\$482,000	√
Used Merchandise Stores	\$346,000	\$801,000	-\$455,000	
Other Miscellaneous Store Retailers	\$2,482,000	\$3,103,000	-\$621,000	
Full-Service Restaurants	\$16,439,000	\$11,738,000	\$4,701,000	√
Limited-Service Eating Places	\$23,120,000	\$13,933,000	\$9,187,000	√
Special Food Services	\$3,387,000	\$4,025,000	-\$638,000	
Drinking Places - Alcoholic Beverages	\$3,377,000	\$7,636,000	-\$4,259,000	

Source: ESRI Business Solutions

Secondary Trade Area

Total retail demand and supply for the secondary trade area includes retail leakage in the following retail categories: other general merchandise stores (\$31.8 million), department stores (\$15.3 million), grocery stores (\$12.9 million), limited-service eating places (\$11.0 million), clothing stores (\$9.1 million), full-service restaurants (\$8.3 million), electronics & appliance stores (\$6.3 million), building materials & supplies dealers (\$6.1 million), furniture stores (\$5.8 million) and special food services (\$1.9 million). Note that the Secondary Trade Area does not include the Primary Trade area.

Exhibit 17: Neighborhood Serving Retail Secondary Trade Area - Surplus / Leakage by Retail Category

Retail Category	Demand	Supply	Retail Gap	Leakage
Furniture Stores	\$5,862,000	\$7,000	\$5,855,000	√
Home Furnishing Stores	\$3,355,000	\$2,182,000	\$1,173,000	√
Electronics & Appliance Stores	\$7,644,000	\$1,266,000	\$6,378,000	√
Building Material & Supplies Dealers	\$8,446,370	\$2,328,000	\$6,118,370	√
Lawn & Garden Equipment	\$714,000	\$263,000	\$451,000	√
Grocery Stores	\$27,636,000	\$14,716,000	\$12,920,000	√
Specialty Food Stores	\$856,000	\$292,000	\$564,000	√
Beer, Wine, & Liquor Stores	\$2,830,000	\$1,565,000	\$1,265,000	√
Health & Personal Care Stores	\$10,905,000	\$9,555,000	\$1,350,000	√
Clothing Stores	\$11,139,241	\$1,991,000	\$9,148,241	√
Shoe Stores	\$1,595,000	\$0	\$1,595,000	√
Jewelry, Luggage, & Leather Goods Stores	\$1,343,000	\$1,068,000	\$275,000	√
Sporting Goods / Hobby / Musical Instrument Stores	\$1,183,000	\$308,000	\$875,000	√
Book, Periodical and Music Stores	\$1,680,000	\$391,000	\$1,289,000	√
Department Stores (excluding leased departments)	\$15,387,000	\$0	\$15,387,000	√
Florists	\$158,000	\$305,000	-\$147,000	
Office Supplies, Stationery & Gift Stores	\$1,118,000	\$81,000	\$1,037,000	√
Used Merchandise Stores	\$323,000	\$107,000	\$216,000	√
Other Miscellaneous Store Retailers	\$2,271,000	\$707,000	\$1,564,000	√
Full-Service Restaurants	\$15,081,000	\$6,724,000	\$8,357,000	√

City of Cudahy Retail Analysis

Limited-Service Eating Places	\$21,205,000	\$10,199,000	\$11,006,000	√
Special Food Services	\$3,107,000	\$1,181,000	\$1,926,000	√
Drinking Places - Alcoholic Beverages	\$3,105,000	\$9,479,000	-\$6,374,000	
Source: ESRI Business Solutions				

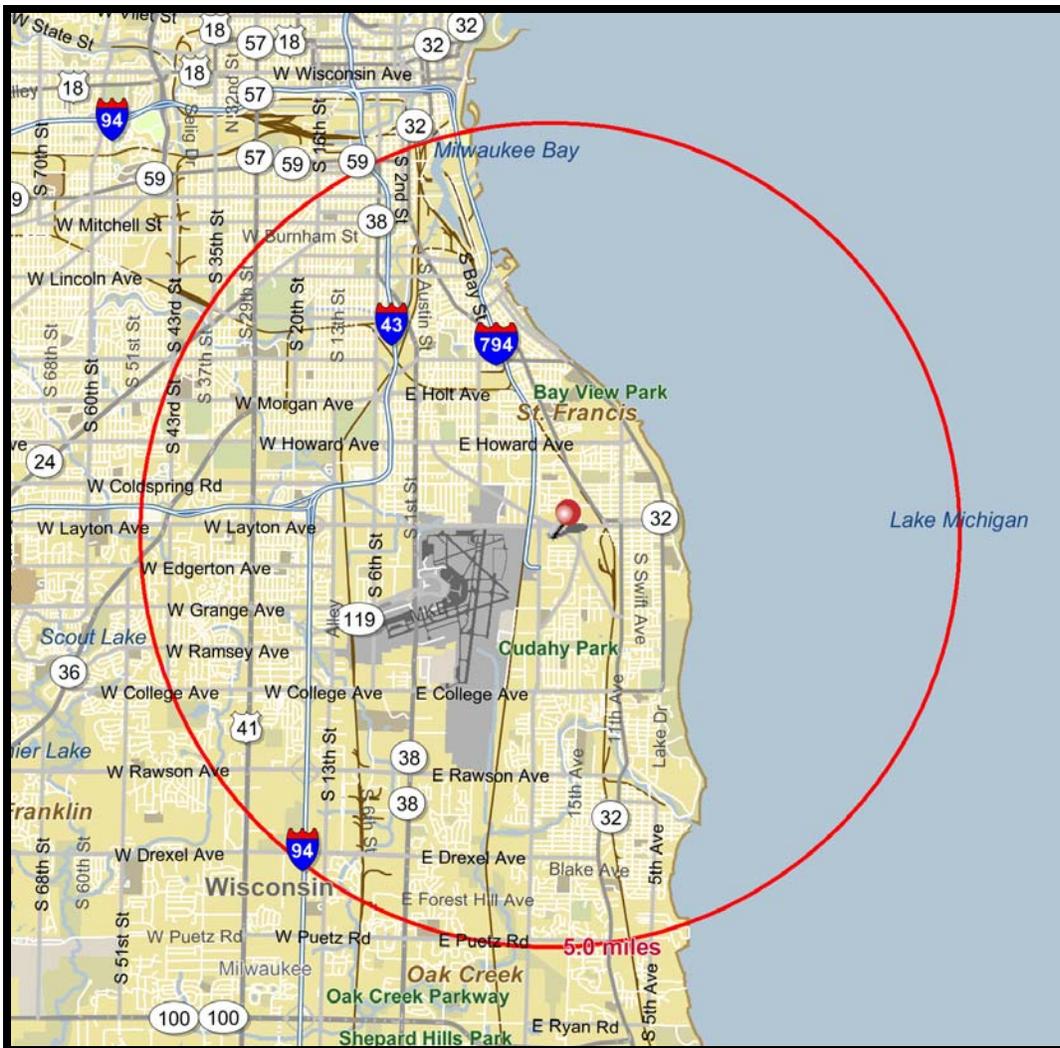
After review of the primary and secondary trade areas, it may be concluded that the trade areas surrounding the City of Cudahy are underserved in the majority of the retail categories examined. With the amount of retail leakage occurring, retail development opportunities exist throughout the City of Cudahy to fill the gap between what is being demanded from trade area households and what is being sold by existing Cudahy retailers.

Exhibit 18: Neighborhood Serving Retail Total Trade Area - Surplus / Leakage by Retail Category				
Retail Category	Demand	Supply	Retail Gap	Leakage
Furniture Stores	\$12,135,000	\$7,000	\$12,128,000	√
Home Furnishing Stores	\$6,954,428	\$2,336,000	\$4,618,428	√
Electronics & Appliance Stores	\$15,869,000	\$4,291,000	\$11,578,000	√
Building Material & Supplies Dealers	\$17,697,000	\$7,104,000	\$10,593,000	√
Lawn & Garden Equipment	\$1,511,000	\$299,000	\$1,212,000	√
Grocery Stores	\$58,106,000	\$59,483,000	-\$1,377,000	
Specialty Food Stores	\$1,799,000	\$422,000	\$1,377,000	√
Beer, Wine, & Liquor Stores	\$5,897,000	\$2,466,000	\$3,431,000	√
Health & Personal Care Stores	\$23,208,000	\$21,651,000	\$1,557,000	√
Clothing Stores	\$23,211,241	\$3,288,000	\$19,923,241	√
Shoe Stores	\$3,324,000	\$317,000	\$3,007,000	√
Jewelry, Luggage, & Leather Goods Stores	\$2,773,000	\$1,122,000	\$1,651,000	√
Sporting Goods / Hobby / Musical Instrument Stores	\$2,457,000	\$1,538,000	\$919,000	√
Book, Periodical and Music Stores	\$3,468,000	\$712,000	\$2,756,000	√
Department Stores (excluding leased departments)	\$32,082,000	\$7,642,000	\$24,440,000	√
Florists	\$335,000	\$654,000	-\$319,000	
Office Supplies, Stationery & Gift Stores	\$2,326,000	\$807,000	\$1,519,000	√
Used Merchandise Stores	\$669,000	\$908,000	-\$239,000	
Other Miscellaneous Store Retailers	\$4,753,000	\$3,810,000	\$943,000	√
Full-Service Restaurants	\$31,520,000	\$18,462,000	\$13,058,000	√
Limited-Service Eating Places	\$44,325,000	\$24,132,000	\$20,193,000	√
Special Food Services	\$6,494,000	\$5,206,000	\$1,288,000	√
Drinking Places - Alcoholic Beverages	\$6,482,000	\$17,115,000	-\$10,633,000	
Source: ESRI Business Solutions				

5.3 Regional Big Box Retailers

Independent from the Cudahy Retail Trade analysis presented above, BBPC also analyzed the potential for a big box retailer in Cudahy. In determining the trade area for big box retailers, BBPC examined the location of existing big box retailers such as Wal-Mart, Target and Shopko in the Milwaukee regional area in addition to interviews with commercial brokers and site location consultants specializing in big box retailer locations. Upon review, it was determined that on average, these retailers typically distance themselves no less than four to five miles apart and target households within a 5-mile radius of their location. As such, a 5-mile trade area for big box retailers was assessed.

Exhibit 19: Big Box Retail Trade Area



Within a 5-mile radius of the City of Cudahy, centered on the Ice Port site, it was concluded that regional big box retailers / other general merchandise stores are underserved. The analysis shows

a total retail leakage of \$41 million in general merchandise stores (not including department stores).

Exhibit 20: Regional Big Box Retailer Trade Area - Surplus / Leakage by Retail Category				
Retail Category	Demand	Supply	Retail Gap	Leakage
Other General Merchandise	\$263,149,096	\$222,032,630	\$41,116,466	√
Source: ESRI Business Solutions				

5.3 Summary Conclusions

Neighborhood Serving Retail Conclusions

Key observations and findings from the neighborhood serving retail leakage analysis for the City of Cudahy retail trade areas include:

- The primary and secondary trade areas for the City of Cudahy are underserved in the majority of the retail categories examined
- The majority of the retail categories in both the primary and secondary trade areas are experiencing a retail leakage
- Major retail leakage categories where opportunities exist include those depicted in the following table:

Exhibit 21: Top 10 Neighborhood Serving Retail Leakage Categories (Total Trade Area)			
Retail Category	Demand	Supply	Retail Gap
Department Stores (excluding leased departments)	\$32,082,000	\$7,642,000	\$24,440,000
Limited-Service Eating Places	\$44,325,000	\$24,132,000	\$20,193,000
Clothing Stores	\$23,211,241	\$3,288,000	\$19,923,241
Full-Service Restaurants	\$31,520,000	\$18,462,000	\$13,058,000
Furniture Stores	\$12,135,000	\$7,000	\$12,128,000
Electronics & Appliance Stores	\$15,869,000	\$4,291,000	\$11,578,000
Building Material & Supplies Dealers	\$17,697,000	\$7,104,000	\$10,593,000
Home Furnishing Stores	\$6,954,428	\$2,336,000	\$4,618,428
Beer, Wine, & Liquor Stores	\$5,897,000	\$2,466,000	\$3,431,000
Shoe Stores	\$3,324,000	\$317,000	\$3,007,000
Source: ESRI Business Solutions			

- Various retail development opportunities exist throughout the City to fill the gap between what is being demanded from households and what is being sold by existing retailers

Regional Big Box Retail Conclusions

A major opportunity for a regional serving big box retailer (falling within the category of department stores) to enter the City of Cudahy market area exists due to the amount of leakage occurring and lack of big box retailers in the five-mile trade area.

Anchor Center Co-Tenants / Household Retail Preferences

In addition to identifying retail opportunities by examining retail leakage in the City of Cudahy's primary and secondary trade areas, BBPC also examined the type of retailers that typically local alongside big-box / anchor retailers. The types of retail sectors preferred by local residents were also identified through interviews with members throughout the local community.

Big Box General Merchandise Anchor

As a big-box / anchor retailer, such as Shopko, is one of the key retail sectors of opportunity for Cudahy. BBPC analyzed comparable anchored centers in the greater Milwaukee area to identify co-tenants that might also be attracted to a similarly-anchored center in Cudahy. The anchored centers analyzed are located in Racine, Kenosha, Grafton, Sussex, and West Bend. The table below lists both specific national retailers and retail categories found in many of those centers.

Exhibit 22: Anchored Center Co-Tenants	
National Retailers	Other Retail Categories
Big Lots	Beauty and Nail Salons
Payless Shoe Source	Fast Food Restaurants
Dress Barn	Banks
Rent-a-Center	Gyms/Fitness
Dollar General	Full Service Restaurants
Dollar Tree	

Key Stakeholder Interviews

Throughout interviews with key stakeholders, retail brokers and City staff, a number of other retail suggestions and preferences for the City of Cudahy were provided. While these retail types have not been prequalified, they are personal observations of Cudahy and Milwaukee area residents. These preferences are found in the table below.

Exhibit 23: Household Retail Preferences	
Full Service Restaurants	Coffee Shops
Clothing (Men's and Women's)	Auto Service Area (Jiffy Lube, Carwash, Service Center)
Wal-Mart/Shopko	Ethnic Restaurants
Eclectic Retail	Shopko

The retail opportunities identified above represent the results of our detailed analysis, input of Cudahy key stakeholders and analysis of comparable retail centers. The findings above present the preliminary targeted retail clusters and have been refined by the Cudahy Resident/Shopper survey and subsequent client/key stakeholder discussions in subsequent report sections.

6.0 Retail Shopper Surveys

6.1 Overview

The results of the leakage analysis, key stakeholder interviews and proximity analysis presented above were tested on Cudahy residents and shoppers. The consultant team and client conducted an on-site intercept survey and on-line shopper preference survey. Combined, the two surveys received almost 200 responses, with an overwhelming majority (78%) being Cudahy City residents. The shoppers and residents who participated in the survey were asked about their shopping habits regarding Cudahy stores, how often they shop and where they shop. The results, as described below, support the findings of the retail leakage analysis and key stakeholder interviews.

6.2 Cudahy Retail Intercept Survey

BBPC created a nine question survey to identify shopper preferences for the City of Cudahy and conducted the following type of surveys:

- Onsite Intercept Survey: The onsite intercept survey was conducted over a three-day period at three different locations around the City. Those locations were: 1) Pick-n-Save; 2) Anytime Fitness; and 3) downtown Cudahy. As a result, 128 individuals participated in the survey.
- Online Shopper's Preference Survey: The online shopper's preference survey was created and posted on WebMonkey.com. As a result, 63 online surveys were submitted by miscellaneous individuals.

As shown below, the following questions were asked in both the onsite intercept survey and the online shopper's preference survey.

CUDAHY RETAIL INTERCEPT SURVEY

We are conducting a survey to identify shopper preferences for the City of Cudahy. We are interested in your shopping preferences and the kind of stores you think would be a good fit for City.

1. What zip code do you live in? (Or, do you live within 45-minutes of Cudahy?)
2. What stores/restaurants did you/will you visit today?
3. How often do you shop in Cudahy?
 Several times a week Once a week Several times a month
 Once a month Less than once a month
4. How much do you typically spend in an average retail trip?
 \$1-\$20 \$21-\$50 \$51-100 Over \$100
5. Where else do you typically shop for retail goods (not grocery)?
 Oak Creek Grand Avenue Southridge Mall Other
 Brookfield Bayshore Racine/Sturtevant _____
6. What retail stores do you think are needed in Cudahy:

	<i>Not Needed</i>			<i>Definitely</i>	
a. Furniture & Home Furnishing Stores	1	2	3	4	5
b. Electronics & Appliance Stores	1	2	3	4	5
c. Hardware, Building Material & Supplies	1	2	3	4	5
d. Lawn & Garden Equipment	1	2	3	4	5
e. Specialty Food Stores (seafood, ethnic)	1	2	3	4	5
f. Beer, Wine, & Liquor Stores	1	2	3	4	5
g. Health & Personal Care Stores	1	2	3	4	5
h. Clothing Stores & Shoe Stores	1	2	3	4	5
i. Jewelry, Luggage, & Leather Goods Stores	1	2	3	4	5
j. Sporting Goods / Hobby	1	2	3	4	5
k. Book, Periodical and Music Stores	1	2	3	4	5
l. Department Stores (not big box retail)	1	2	3	4	5
m. Office Supplies, Stationery & Gift Stores	1	2	3	4	5
n. Full-Service Restaurants	1	2	3	4	5
o. Limited-Service Eating Places (not quite fast food)	1	2	3	4	5
7. Do you feel a "supercenter" is the right fit for Cudahy?

	<i>Not Needed</i>			<i>Definitely</i>	
	1	2	3	4	5
8. How likely are you to shop at these supercenters if located in Cudahy?

	<i>Would Not</i>			<i>Definitely</i>	
a. Target	1	2	3	4	5
b. Shopko	1	2	3	4	5
c. K-Mart (existing or new)	1	2	3	4	5
d. Other (please specify) _____	1	2	3	4	5
9. Are there particular stores/store types you would like to see in Cudahy?

6.3 Survey Results

Description of Survey Audience

To determine the origin of where the individuals who participated in the survey reside, BBPC used the City of Cudahy zip code of 53110 which represents the City of Cudahy as the basis in determining whether or not those who shop in Cudahy are residents of the City.

Overwhelmingly, 154 respondents, or approximately 78 percent, of the total 198 interviews conducted were residents of the City of Cudahy, while the remaining 22 percent, or 44, of the individuals who participated did not live in 53110.

- Intercept Survey – 85 respondents, roughly 66 percent, of the 128 individuals who participated in the onsite intercept survey were residents of 53110 while 34 percent, 43 respondents, of the 128 individuals were non-residents
- On-line Survey – 98 percent, or 69, of the 70 individuals who participated in the onsite intercept survey were residents of 53110 while only one of the 70 individuals was a non-resident

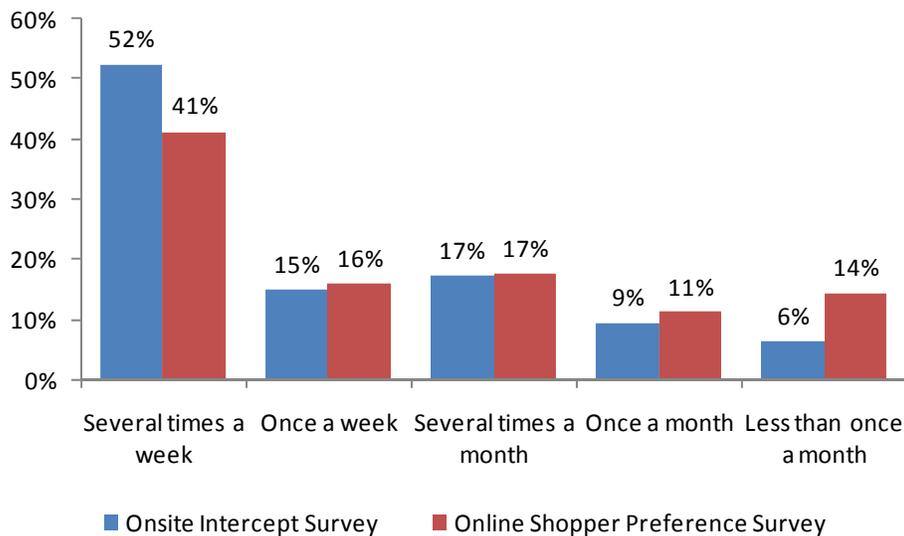
The chart below details the origin or residents of those who participated in both the onsite intercept survey and those who participated in the online shopper’s preference survey.

Survey Instrument	Resident of Zip code 53110	Non-resident of Zip code 53110	Total
# of Onsite Intercept Survey Interviews	85	43	128
% of Total	66%	34%	100%
# of Online Shopper's Preference Survey Interviews	69	1	70
% of Total	98%	2%	100%
Total Interviews	148	38	186
% of Total	80%	20%	100%

Results from both the onsite intercept survey and the online shopper's preference survey can be found below in order as presented from the survey.

Frequency of Shoppers in Cudahy

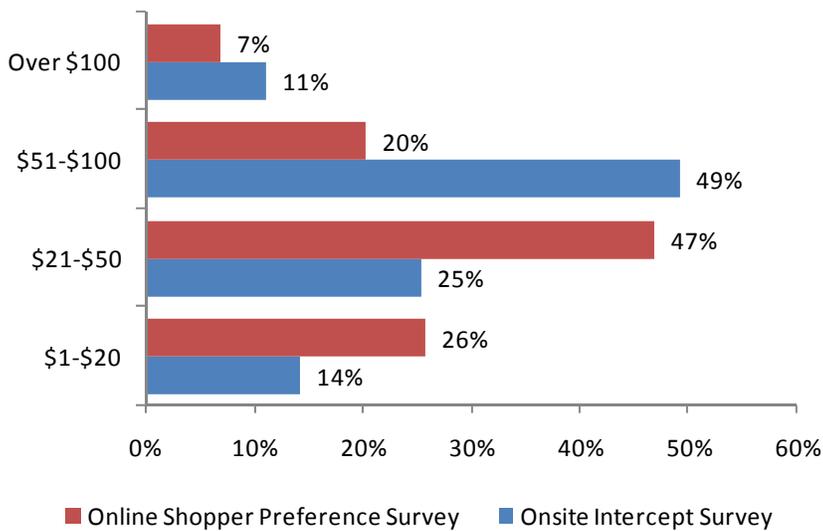
- Approximately 52 percent of the individuals who participated in the onsite intercept survey shop in Cudahy several times a week, compared to only 41 percent of the individuals who completed the online survey
- 14 percent of the online survey respondents shop in Cudahy less than once a month, compared to only 6 percent of those who participated in the onsite intercept survey
- Results from those who shop in Cudahy once a week, several times a month, and once a month were similar in both the onsite intercept survey and the online survey



Typical Spending in an Average Retail Trip

- Roughly 49 percent of the individuals who participated in the onsite intercept survey spend between \$51 and \$100 in an average retail trip, compared to only 20 percent of the online survey respondents
- 47 percent of the online survey respondents spend between \$21 and \$50, compared to only 25 percent of those who participate in the onsite intercept survey
- 26 percent of the online survey respondents spend only \$1 and \$20, compared to only 14 percent of those who participated in the onsite intercept survey
- Only 11 percent of those who participated in the onsite intercept survey typically spend over \$100 in an average retail trip, compared to 7 percent of those who participated in the online survey

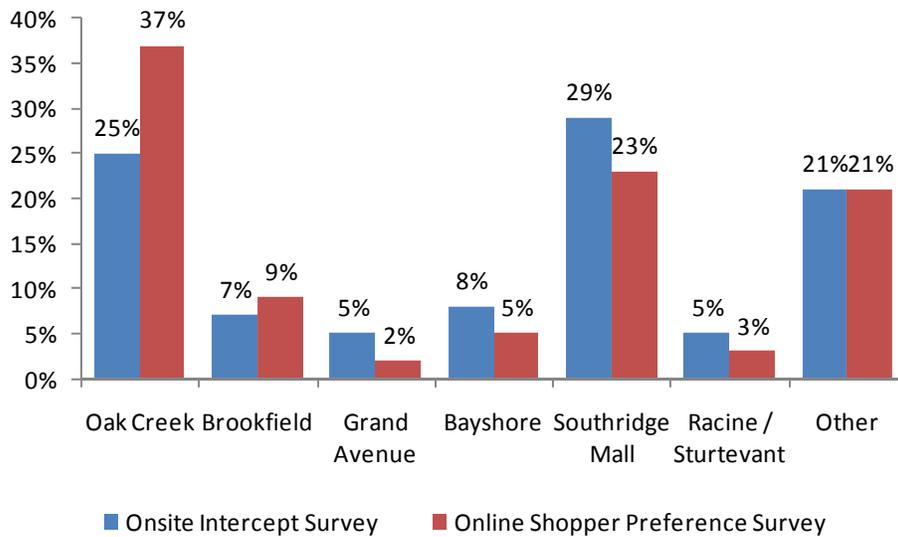
City of Cudahy Retail Analysis



Competitive Retail Facilities

- Individuals who participated in the onsite intercept survey frequently shop at other nearby competitive retail facilities such as Southridge Mall and Oak Creek, where 29 percent and 25 percent of the individuals alternatively shop, respectively
- Similar to that of those who participated in the onsite intercept survey, online survey respondents frequented Oak Creek and Southridge Mall, where 37 percent and 23 percent of the individuals shop, respectively
- A relatively large portion of respondents, 21 percent, of those who participated in both the onsite intercept survey and the online survey shop at “other” retail facilities than the major retail nodes included on the survey
- Brookfield and Bayshore retail facilities located nearby draw minimal interest from those who participated in both the onsite intercept survey and in the online survey.
- Very few respondents from either the onsite intercept survey or online survey shopped at the Grand Avenue and Racine / Sturtevant retail facilities

City of Cudahy Retail Analysis



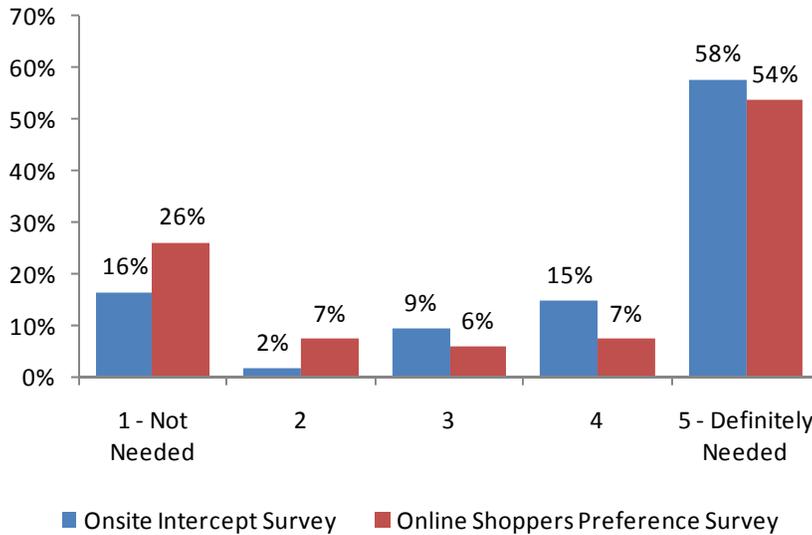
Retail Stores Needed in Cudahy

- Majority of the individuals who participated in the online preference study suggested that the following retail types are needed in the City of Cudahy: limited-service eating places (79 percent of the respondents); full-service restaurants (77 percent of the respondents); clothing stores & shoe stores (56 percent of the respondents); department stores (55 percent of the respondents); and, office supply, stationery & gift stores (51 percent of the respondents)
- Majority of the individuals who participated in the onsite intercept survey suggested that the following retail types are needed in the City of Cudahy: full-service restaurants (70 percent of the respondents); book, periodical & music stores (58 percent of the respondents); and, department stores (54 percent of the respondents)
- Other retail types such as specialty stores, health / personal care stores and hardware / building material stores also were also highly suggested in both surveys



Need for Supercenter

- A majority of those who participated in both the onsite intercept survey (58 percent) and the online survey (54 percent), when asked on a scale of 1 to 5 (1 = not needed and 5 = definitely needed), felt a supercenter is the right fit for the City of Cudahy
- Only 26 percent of those who participated in the online survey and 16 percent of those who participated in the intercept survey felt a supercenter is not needed in the City of Cudahy



Type of Retail Stores Desired in Cudahy

In addition to identifying the need for the specific retail categories included on the survey, those who participated in the survey listed retailers by name who they personally would like to see in the City of Cudahy. Multiple references of the following retailers, especially Wal-Mart, Target and a full-service restaurant, were made and can be found in the chart below.

Desirable Retail Stores, As Reported by Surveyed Individuals		
Wal-Mart	Target	Shopko
Kohl's	Menard's	Home Depot/Lowes
Barnes & Noble	Panera Bread	Olive Garden
Applebee's	Payless Shoes	Trader Joe's
Chik-Fil-A	Woodman's	Dave & Busters
Red Robin	Old Country Buffet	Best Buy
Office Depot	Sears	Sendik's
IKEA	Aldi's	JCPenny
Vitamin Shoppe	Kinko's/FedEx	

6.4 Conclusion

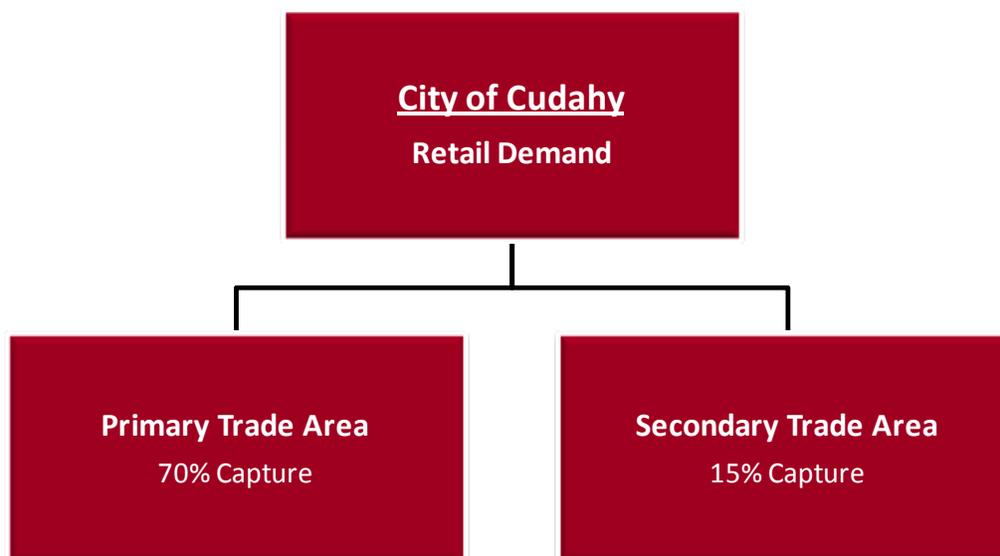
The survey results above, both from the intercept and web survey, support the key stakeholder interview results and leakage analysis. Thus there is support for the retailers, and retail types, presented in this report from both a market analysis and user preference perspective.

7.0 Supportable Demand / Retail Mix

7.1 Overview

As a continuation of the retail leakage analysis, and with the findings of the survey reinforcing the leakage analysis, the primary and secondary retail trade areas will be examined in the calculation of estimated supportable square feet of retail space and the suggested mix for the City of Cudahy.

The graphic below illustrates the two main sources of retail demand for the City of Cudahy, each representing a percentage of total demand. The primary trade area, which represents the area in which majority of demand is derived from, has the ability to capture approximately 70 percent of the City of Cudahy retail demand. The City also has the ability to capture 15 percent of the secondary trade area demand.



To determine the estimated supportable amount of square feet, BBPC calculated the following formula for each retail leakage category.

$$\text{Leakage Amount} / \text{Sales per Square Foot} = \text{Estimated Supportable Square Feet of Space}$$

7.2 *Neighborhood Serving Retail Supportable Demand / Mix Analysis*

The analysis in the table below presents the total supportable square feet by retail category based on expenditure leakage from the Primary Trade area and the amount of that space that quality retail development in the City could likely capture. We have assumed an optimistic yet achievable capture rate of 70 percent of the total leakage amount. As noted above, this is a separate demand analysis from the potential of a big box retailer and consistent with the scope of services for the project.

Exhibit 24: Neighborhood Serving Primary Trade Area - Supportable Retail Mix

Retail Category	Retail Leakage	Sales / PSF	Total Supportable SF	Supportable SF Capture
Furniture Stores	\$6,273,000	\$156	40,212	28,148
Home Furnishing Stores	\$3,445,428	\$216	15,951	11,166
Electronics & Appliance Stores	\$5,200,000	\$302	17,219	12,053
Building Material & Supplies Dealers	\$4,475,000	\$388	11,534	8,073
Lawn & Garden Equipment	\$761,000	\$264	2,883	2,018
Specialty Food Stores	\$813,000	\$192	4,234	2,964
Beer, Wine, & Liquor Stores	\$2,166,000	\$396	5,470	3,829
Health & Personal Care Stores	\$207,000	\$429	483	338
Clothing Stores	\$10,775,000	\$268	40,205	28,144
Shoe Stores	\$1,412,000	\$189	7,471	5,230
Jewelry, Luggage, & Leather Goods Stores	\$1,376,000	\$303	4,541	3,179
Sporting Goods / Hobby / Musical Instrument Stores	\$44,000	\$220	200	140
Book, Periodical and Music Stores	\$1,467,000	\$246	5,963	4,174
Department Stores (excluding leased departments)	\$9,053,000	\$243	37,255	26,079
Office Supplies, Stationery & Gift Stores	\$482,000	\$202	2,386	1,670
Full-Service Restaurants	\$4,701,000	\$357	13,168	9,218
Limited-Service Eating Places	\$9,187,000	\$325	28,268	19,787
Total	\$61,837,428	\$260	237,442	166,209

Source: ESRI Business Solutions & Urban Land Institute: Dollars & Cents of Shopping Centers 2008

The largest areas of retail capture categories are furniture stores, clothing stores and department stores. The latter category does not include big box retail. Many of the smaller retail store types in the table above are often found in nationally-anchored strip centers and retail developments.

City of Cudahy Retail Analysis

The table below shows the retail leakage by store type for the secondary retail trade area. In this case, we have applied a much more conservative capture rate of 15 percent due to the location of competitive centers to the north, south and west of the airport. This capture could likely increase as the retail project(s) in Cudahy gain momentum and achieving marketing success.

Exhibit 25: Neighborhood Serving Secondary Trade Area - Supportable Retail Mix

Retail Category	Retail Leakage	Sales / PSF	Total Supportable SF	Supportable SF Capture
Furniture Stores	\$5,855,000	\$156	37,532	5,630
Home Furnishing Stores	\$1,173,000	\$216	5,431	815
Electronics & Appliance Stores	\$6,378,000	\$302	21,119	3,168
Building Material & Supplies Dealers	\$6,118,000	\$388	15,768	2,365
Lawn & Garden Equipment	\$451,000	\$264	1,708	256
Specialty Food Stores	\$564,000	\$192	2,938	441
Beer, Wine, & Liquor Stores	\$1,265,000	\$396	3,194	479
Health & Personal Care Stores	\$1,350,000	\$429	3,147	472
Clothing Stores	\$9,148,241	\$268	34,135	5,120
Shoe Stores	\$1,595,000	\$189	8,439	1,266
Jewelry, Luggage, & Leather Goods Stores	\$275,000	\$303	908	136
Sporting Goods / Hobby / Musical Instrument Stores	\$875,000	\$220	3,977	597
Book, Periodical and Music Stores	\$1,289,000	\$246	5,240	786
Department Stores (excluding leased departments)	\$15,387,000	\$243	63,321	9,498
Office Supplies, Stationery & Gift Stores	\$1,037,000	\$202	5,134	770
Full-Service Restaurants	\$8,357,000	\$357	23,409	3,511
Limited-Service Eating Places	\$11,006,000	\$325	33,865	5,080
Total	\$72,123,241	\$268	269,264	40,390

Source: ESRI Business Solutions & Urban Land Institute: Dollars & Cents of Shopping Centers 2008

The total capture from the secondary market is just over 40,000 square feet. But a successful retail project in Cudahy could see this capture increase to 25-35 percent or higher, providing support for another 25,000-40,000 square feet.

The table below combines the supportable square feet capture from the Primary and Secondary Trade areas. The total capture is projected to exceed 206,000 square feet across 17 different retail categories.

Exhibit 26: Neighborhood Serving Retail Total Trade Area - Supportable Retail Mix			
Retail Category	Supportable SF (70% Capture)	Supportable SF (15% Capture)	Total Capture
Furniture Stores	28,148	5,630	33,778
Home Furnishing Stores	11,166	815	11,980
Electronics & Appliance Stores	12,053	3,168	15,221
Building Material & Supplies Dealers	8,073	2,365	10,439
Lawn & Garden Equipment	2,018	256	2,274
Specialty Food Stores	2,964	441	3,405
Beer, Wine, & Liquor Stores	3,829	479	4,308
Health & Personal Care Stores	338	472	810
Clothing Stores	28,144	5,120	33,264
Shoe Stores	5,230	1,266	6,496
Jewelry, Luggage, & Leather Goods Stores	3,179	136	3,315
Sporting Goods / Hobby / Musical Instrument Stores	140	597	737
Book, Periodical and Music Stores	4,174	786	4,960
Department Stores (excluding leased departments)	26,079	9,498	35,577
Office Supplies, Stationery & Gift Stores	1,670	770	2,440
Full-Service Restaurants	9,218	3,511	12,729
Limited-Service Eating Places	19,787	5,080	24,867
Total	166,209	40,390	206,599

Source: ESRI Business Solutions & Urban Land Institute: Dollars & Cents of Shopping Centers 2008

7.3 Regional Big Box Retail Supportable Demand / Mix Analysis

As a separate analysis which was predicated upon key stakeholder interviews and shopper survey results, BBPC analyzed the potential for a big box retailer location. Because big box retail supercenters are regional in nature, they look to a larger trade area when determining their locations and supportable expenditure potential. Our analysis of big box retail centers in the greater Milwaukee area, other national models and interviews conducted with commercial brokers active in big box retail leasing and development suggest a five-mile radius. The average sales per square foot for big box retail ranges from \$250/SF at smaller centers to over \$400/SF at WalMart and other larger form-factor centers. Based on a conservative capture of 50 percent of the \$41 million leakage, the Cudahy market can support between 51,000-82,000 square feet. Considering the lack of competition in the primary 5-mile radius, and using a more optimistic capture of 75 percent, the Cudahy market could support as much as 125,000 square feet of big box retail space.

7.4 Target Attraction Strategy: Potential Retailers

Using our in-house database of over 5,400 regional and national medium to large retail/restaurant tenants (e.g. all retailers/restaurants with over four operating locations), BBPC has identified by retail type specific retailers likely to be interested in expanding or relocating to the City of Cudahy. The parameters for the search include demographic requirements (income), desired square footage, presence in local market, and other criteria.

Income: Low and Medium

Expansion Area: Wisconsin

Type of Centers:

- Community strip center
- Neighborhood strip center
- Outparcel/pad site
- Lifestyle center
- Mixed-use center
- Downtown/central business district
- Freestanding location

BBPC has also prepared individual profiles by retail name / type including identifying site selection requirements and targeted customer traits that will aid the City in tailoring marketing materials to attract these retail/restaurant tenants, if they are desired. Contact information on retail executives, including the individuals responsible for site selection, has been made available. These detailed profiles are found in the Appendix.

The target retailer attraction strategy for each retailer identifies:

- Number of stores
- Preferred type of center
- Minimum frontage
- Demographic requirements
- Desired Square Footage
- Annual Sales
- Desired lease length
- Expansion plans

Table 7.4 presents the retailers identified based on the parameters described above.

Exhibit 27: Inventory of Retailers by Category Interested in Expanding Operations in Wisconsin

Furniture Stores	Bassett Furniture Industries, Inc.; CORT Business Service, Cost Plus, Inc.; Harlem Furniture; La-Z-Boy, Inc.; Norwalk-The Furniture Idea; Pier 1 Imports, Inc.; Relax The Back Corporation; Select Comfort Corp.; USA Baby, Inc.; VyMaC Corp.
Home Furnishing Stores	Blinds to Go; Calico Corners; The Floor to Ceiling Store; Hancock Fabrics, Inc.; Hirshfield's, Inc.; ICI Paints, Jo-Ann Stores, Inc.; Kirkland's, Inc.; Pier 1 Imports Inc.; Restoration Hardware, Things Remembered, Inc.; USA Baby, Inc.; Wicks 'N Sticks
Electronics & Appliance Stores	ALLTEL Corporation; Batteries Plus, Best Buy Co., Inc.; GameStop Corp.; Interstate Batteries, Mega Media Exchange; OfficeMax; Sears Holding Corporation
Building Materials & Supplies Dealers	Ace Hardware Corporation, California Closets, The Floor to Ceiling Store, Harbor Freight Tools USA, Inc.; Northern Tool & Equipment; Restoration Hardware; Sears Holding Corporation; Woodcraft Franchise Corp.
Lawn & Garden Equipment	N/A
Specialty Food Stores	MGW Group, Inc.; Omaha Steaks; Penzeys Spices
Beer, Wine, Liquor Stores	N/A
Health & Personal Care Stores	N/A
Clothing Stores	American Eagle Outfitters, Inc.; Anchor Blue Retail Group; BCBG Max Azria Group, Inc.; Burlington Coat Factory Warehouse Corp.; The Cato Corporation; Charlotte Russe Holding, Inc.; Charming Shoppes, Inc.; Deb Shops, Inc.; Donna Karan International Inc.; Dots, Inc.; The Dress Barn, Inc.; Express, Gap, Inc.; Group USA; Hanes Brands Direct Outlet Store; Jockey International, Inc.; Levi Strauss & Co.; Life Uniform; The Limited Stores; Liz Claiborne Inc.; Maurices, Inc.; New York & Company; Phillips-Van Heusen Retail Division; Rainbow Apparel Companies; Retail Brand Alliance, Inc.; Savers, Inc.; Tween Brands, Inc.; United Retail Group Inc.; Urban Outfitters, Inc.; World of Jeans & Tops, Inc.
Shoe Stores	BCBG Max Azria Group, Inc.; Famous Footwear; Group USA; Life Uniform; Phillips-Van Heusen Retail Division; Rogan's Shoes, Inc.; Shoe Carnival, Inc.; World of Jeans & Tops, Inc.
Jewelry, Luggage & Leather Goods Stores	Robbins Bros Inc.; Tiffany & Company; Wilsons The Leather Experts
Sporting Goods / Hobby / Music Instrument Stores	N/A
Book, Periodical and Music Stores	Associate of Logos Bookstores, Inc.; Half Price Books, Records & Magazines, Inc.; Lemstone, LLC; Transworld Entertainment Corp., Value Music Concepts, Inc.
Department Stores	The Bon-Ton Stores, Inc.; J.C. Penney Company, Inc.; Stage Stores, Inc.
Office Supplies, Stationery & Gift Stores	Caboodle Licensing Corp.; OfficeMax; Xpedx Paper & Graphic
Full-Service Restaurants	American Restaurant Group, Inc.; Applebee's International, Inc.; Asian Concepts, Inc.; BD's Mongolian Grill, Bobby Rubino's USA, Inc.; Boston Pizza Restaurants, LP; Bravo Restaurants, Inc.; Buffalo Wild Wings, Inc.; Carlson Restaurants Worldwide; Claim Jumper

	<p>Enterprises, Inc.; Cracker Barrel Old Country Store, Doolittle's Air Café; Eateries, Inc.; Famous Dave's of America, Inc.; Food Concepts International; Golden Corral Corp.; Grandma's Inc.; Heinemann's; IHOP Corp.; Independent Owners Cooperative, LLC; Landry's Restaurants, Inc.; Max & Erma's Restaurants, Inc.; Metromedia Restaurant Group; Morton's Restaurant Group, Inc.; OSI Restaurant Partners, Inc.; Perkins & Marie Callender's, Inc.; Pizza Factory, Inc.; The Pizza Ranch, Inc.; Red Robin International; Restaurants America; Rock Bottom Restaurants, Inc.; Romacorp, Inc.; Ruby Tuesday, Inc.; Ruth's Chris Steak House, Inc.; Sasnak Management Inc.; Shakey's USA, Texas Roadhouse, Inc.; Tumbleweed, Inc.; Uno Restaurants, LLC; Wolfgang Puck Worldwide, Inc.</p>
<p>Limited-Service Eating Places</p>	<p>Asian Concepts, Inc.; The Buona Companies; Culver Franchising System, Inc.; Damon's International, Inc.; Happy Joe's Pizza & Ice Cream Parlors, Inc.; Lenny's Sub Shops; Panda Restaurant Group, Inc.; Panera Bread Company; Popeye's Chicken & Biscuits; Ultimate Franchise Systems, Inc.; Wendy's International, Inc.</p>

7.5 *Summary*

The analysis in this section projects that new neighborhood serving retail projects in the City of Cudahy can capture and support between **200,000-250,000** square feet of retail space. This space is comprised of national and regional retailers and full service and limited service restaurants. Combined in a quality development, the capture rates will increase as project momentum creates the “buzz” that successful retail centers often generate. The attraction of a big box retailer will bring an additional **75,000-125,000** square feet of retail space to the Cudahy market and further drive momentum and interest in retailing in Cudahy. The total potential retail square feet, combining the support from the Cudahy retail market analysis and the big box retail analysis is **275,000-375,000** square feet. The remaining sections of this report will present the Seasonal Opportunities and the retail strategy for the City of Cudahy.

8.0 Seasonal Opportunity Potential

8.1 Overview

Lake Michigan, Sheridan Park, the Warnimont Park (golf course) and the Oak Leaf Trail provide a seasonal opportunity for the City of Cudahy to attract visitors to the community. These amenities bring local and regional visitors to the City and lakefront year round and should be included in the retail marketing strategy. The challenge for the City is to capitalize on these impressive amenities given the constraints of public land ownership of the Park and limited direct access to Lake Michigan. This section will briefly describe the seasonal attractions associated with Sheridan Park and its environs and present recommendations to capitalize on the seasonal visitors.

8.2 Location and Amenities

The primary seasonal amenity is the Lake Michigan lakefront, Sheridan Park, Warnimont Park and the Oak Leaf Trail.

Sheridan Park. Sheridan Park is located in Cudahy along the shore of Lake Michigan. Sheridan Park contains many fun features like a segment of historic Oak Leaf Trail, a large selection of native plants, a baseball diamond, basketball court, sand volleyball court, softball diamond, swimming and wading pools, tennis court, picnic area, open spaces and tot lot play structure.

The Oak Leaf Trail. The Oak Leaf Trail is a paved 108-mile multi-use recreational trail which passes through Sheridan Park as it encircles Milwaukee County.

Warnimont Park Golf Course. The Warnimont Park Golf Course is within the Milwaukee County Parks park system and is an 18-Hole, par 3 golf course designed for the high handicap golfer. According to the Milwaukee County Park website, this course is ideal for beginners and those who want to practice their short game and all holes are over 100 yards. It is a daily fee public course with green fees of \$14.50 for 18-holes.

Lake Michigan. While Lake Michigan is an impressive visual amenity, as it borders the City of Cudahy it does not provide immediate access or usage. This is due to the extreme elevation change from the City of Cudahy to the Lake, some 100 feet below. Lake access becomes available in St. Francis and points north, and to a lesser degree in South Milwaukee and south to Grant Park.

8.3 Findings from the Interviews

Interviews were conducted with City and County officials, Park representatives and commercial brokers regarding the activities in the Park and potential commercial use of Park lands. The general consensus among all interviewed was that while the Sheridan Park has a strong location along Lake Michigan and important ties to the community, it is not a preferred location for substantial retail or restaurant uses. This is for several reasons. First, according to the County representatives interviewed, the Park is a County-wide asset and an important benefit to the community. As such, it is unlikely that the County would provide land to the City for retail or restaurant related development. Second, commercial brokers specializing in retail space development and familiar with the Cudahy market interviewed for this project indicated that retail and restaurant development in Sheridan Park would not be appropriate for the location, and likely would not be of interest to their clients. Access and parking, along with distance from other retail/restaurant uses were cited among the reasons why the Park would not be a preferred location.

It was noted in our interviews, and our site visits through the City, that there are a number of well located development sites along E. Layton Ave. and S. Lake Drive that were more suitable and attractive to retail/restaurant development and could tie into the seasonal Park visitation.

8.4 Comparable Lakefront Programming

An investigation of neighboring lakefront communities highlights a variety of different programming for lakefront and community activity. For this analysis, BBPC looked at the communities of Racine, Kenosha, South Milwaukee and Bayview. These communities have different levels of access to the water, some with active beaches and others with boat launch area but now pedestrian access. The following is a summary list of the lakefront activities in the comparable communities. A more detailed description is found in the Appendix.

RACINE

Racine Civic Centre Festival Park
Racine Monument Square Art Fair on the Lake
Kid's Cove
Racine Zoo

KENOSHA

Kenosha UW-Parkside Summer Arts & Crafts Festival
Kenosha Pops Concert
Kenosha Peanut Butter & Jam Noontime Concert Series

SOUTH MILWAUKEE

Grant Park

BAYSIDE

Schlitz Audubon Nature Center (SANC)

8.5 Findings and Recommendations

With the amenity of Sheridan Park, the Oak Leaf Trail and the lake views, it was important to consider the seasonal opportunities in the retail analysis and how best to market that amenity in the overall retail marketing plan. Based on the findings of this study, we do not believe that Sheridan Park is an optimum location for retail establishments or full service dining. However, that does not preclude the Park from playing a role in retail marketing and overall City marketing.

Linkage between the Park and lakefront amenity and the retail strategy will be important in leverage marketing dollars, Cudahy visitation and in building momentum for both projects. Listed below are a number of possible programming ideas for Sheridan Park and the lakefront area.

- Concerts in the Park: Weekly Friday or Saturday concerts featuring local bands spanning different music genres.
- Par 3 Golf Tournament/Skeet Tournament: Regionally marketed tournament, perhaps associated with a non-profit charity, to bring golfers and visitors to the Park.
- Arts in the Park/Craft fairs: Fairs where local/regional artisans and craftsmen can rent tents and sell to the community. Local restaurants can also be included to sell food.
- Historical/cultural fairs or Carnival: Fairs or carnivals based on the cultural history of Cudahy, perhaps sponsored by Patrick Cudahy or other major employers. A traveling carnival company could be engaged to provide rides and amusement facilities.
- Kiosk Coffee Shop / Refreshment Stand: These could be contracted for season long use to provide refreshments during peak Park use and special events above.
- Special Sporting Events/Tournaments: Special events like kick-ball/softball tournaments that appeal to all age groups and skill levels.

The above list presents a sample of Park programming to increase the usage of the Park. Each of these events should be tied to the retailers in Cudahy, offering the opportunity for sponsorship and to introduce themselves to the community.

9.0 Recommended Retail Business Mix

9.1 Overview

The analysis above has identified retail potential for the City of Cudahy by assessing retail expenditure leakage and relating that to supportable square feet. In normal economic times it would be a straightforward recruitment assignment to work with commercial brokers and site selection consultants to market available properties to site selection consultants. But these are by no means normal economic times. As the Milwaukee region and the country continue to deal with this recession, and prepares for the long recovery, it will be important to craft a retail strategy that begins with a high visibility, high leverage project and builds momentum as the country begins the long road of recovery from this recession.

The following presents the key issues such a strategy would address, followed by potential short- and long-term elements and other components of that strategy.

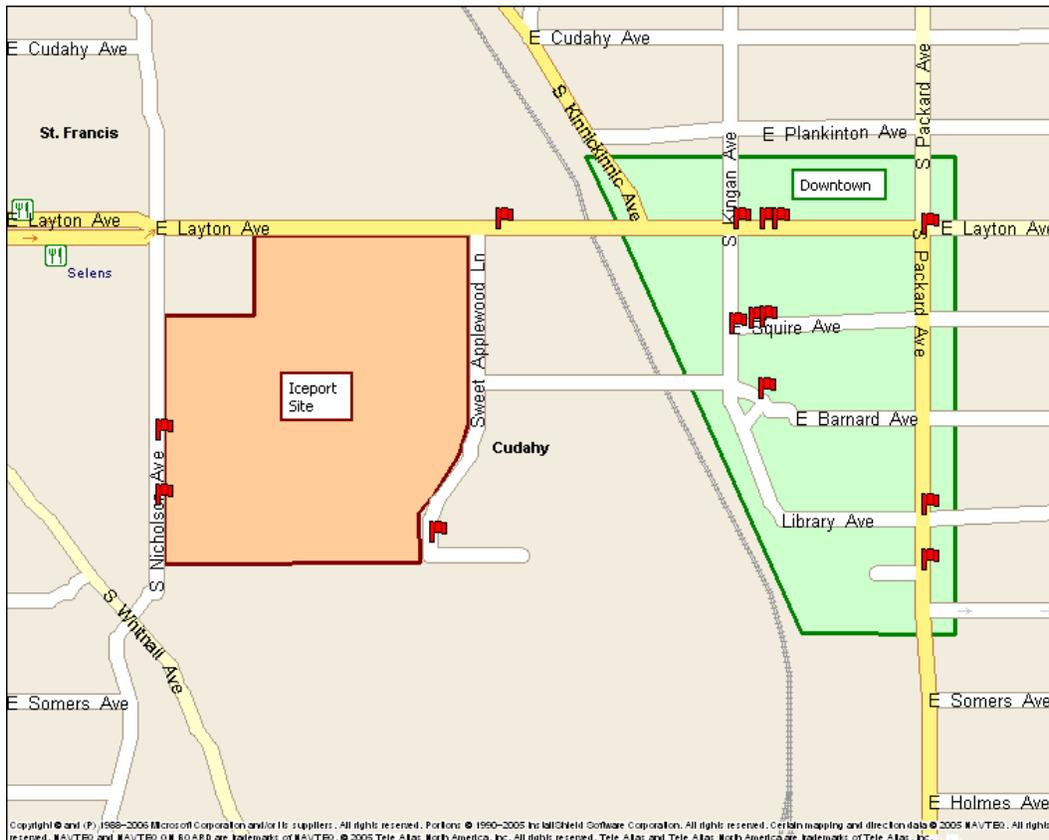
9.2 Issues and Assets

Situated south of the City of Milwaukee, between the General Mitchell International Airport and Lake Michigan, and adjacent to a number of major retail centers, the City of Cudahy is faced with several issues and challenges regarding retail development. Likewise, the City also has assets upon which to capitalize. These are described in the paragraphs below.

Available Sites, Catalytic Projects. Certainly an asset for the City is the number of available quality retail/commercial sites in the City. While there are many individual commercial sites in Cudahy, there are two important catalytic sites, that is, sites large enough for a major project. The two sites are the Iceport site and the Pennsylvania Avenue/Airport Site. It is our belief that while the in-fill sites should continue to be marketed, their attractiveness will be greatly enhanced by a major project on one or both of the larger tract sites.

Available Sites, In-fill. The City of Cudahy has been proactive in regards to recapturing vacant and underutilized sites throughout the City. In particular, there are a dozen or so such City-owned properties in the downtown area (bounded by Layton Ave., Packard Ave., Kingam Ave. and Library Ave.). These sites include a high potential 0.185 acre site at the corner of Layton Avenue and Packard Ave., sites along Layton at Kingan Avenue and several sites on S. Packard Ave. between Library Ave and E. Carpenter Ave. All of these sites should be included in the retail target marketing for complementary uses to the catalytic project discussed below. These sites will primarily be used for neighborhood serving retail and restaurant uses. The map on the following page shows the location of the City's in-fill sites, and the approximate boundaries the Iceport site and downtown Cudahy.

Exhibit 28: Downtown In-fill Site and the Iceport Site



Competition from Surrounding Retail Centers. As described in Section 4 above, there is considerable retail competition with the greater Central and South Milwaukee County area. The key competitive areas identified in our interviews and analysis, and confirmed by the shopper intercept/web survey, are Southridge Mall, Brookfield/Bluemound Road Corridor and Oak Creek/27th Avenue Corridor. Each of these successful centers is anchored by a major national big box retailer and accompanied by mid-box retailers and full service restaurants. These centers also have smaller neighborhood serving retailers, full service and limited-service restaurants.

Built-out Residential Core. While the residential expenditure potential of the City of Cudahy is impressive, as described above in Section 5, the City is largely built-out for residential uses. According to one of the retail brokers interviewed for this project, there is no residential retail growth potential in the City, in other words, no significant increase in “rooftops” that retailers require.

Limited by Physical Constraints. The City is constrained significantly from attracting retail shoppers on both the east and west. The greatest draw will come from the north and south, including the City of Milwaukee and north-west areas, all of which have major retail centers that will

provide competition for Cudahy project. A “catalytic project”, as described below, will be needed to attract retail expenditures from these competitive areas.

Scarcity of Choices in Retail. Another issue, and a key purpose behind this study, is the scarcity of retail choices within the City. The only significant cluster of retail activity is in the southern part of the City in the K-mart/Sears shopping center. While there is retail and commercial development along South Packard Avenue, most is automotive related and is spread out without a clear “sense of place.”

9.3 *Elements of the Strategy*

Especially in light of the current economic crisis, but also with respect to the above-referenced issues, a successful strategy will need to include both short-term and long-term recommendations. It is our professional opinion that Cudahy could develop a sense of place with comprehensive revitalization efforts focusing on building a defined “Village Center” as a catalytic project, as well as continuing their efforts on revitalizing the downtown core. In keeping with this comprehensive approach, recommendations are organized in five element areas that address the many factors that impact revitalization, connection to the residential community and economic vitality. These elements include:

- **Design of the public and private space:** streetscape, building facades, landscape treatment, public/community spaces, and signage
- **Transportation and parking:** bicycle, pedestrian, and vehicular access, and parking for public and private uses
- **Social:** pedestrian friendly community gathering space that can provide an increased sense of place, an enhanced community identity and venues for special events
- **Environmental sustainability:** green and low-impact design features, green spaces, and landscaping
- **Economic development:** promotion of new stores and restaurants, and flex/industrial spaces with associated employment opportunities

Implementation of the Village Center concept and overall retail strategy and downtown revitalization will require commitment from all community stakeholders including public entities such as the City, commercial brokers, private sector property owners, business owners, and most importantly the community itself.

9.4 *Short-Term Recommendations (1-3 years)*

Enhancements to the City of Cudahy commercial areas, including improved linkages to residential neighborhoods and Sheridan Park/lakefront are recommended for implementation in the next three

years. These enhancements promote a Village Center concept (detailed below) with a vibrant mix of shopping, dining, community amenity and service options with better connectivity to local neighborhoods.

Architectural façade treatments; streetscape, landscape, and parking improvements; transportation investments; new gateway areas; bicycle and pedestrian connections; and the creation of a community gathering space and focal point are recommended to improve the image and economic viability of the existing commercial base. These enhancements set the stage in the long-term for future employment opportunities and enhance synergy between the community's residential, business and recreational centers.

Design of the public and private space:

- Enhance streetscape along key Cudahy corridors, entry points and downtown core to include street furniture such as benches and bike racks, landscaping, sidewalks, signage, banners and lighting. (some of this is currently underway)
- Provide façade enhancements to existing buildings along Layton Avenue and Packard Avenue, and other retail nodes within the City.
- Develop a new pedestrian connection, or other linkage, between the Village Center proposed in this report and the Oak Leaf Trail and Sheridan Park. This improvement will contribute to creation of the Village Center sense of place.
- Improve landscaping treatments at key gateways, along pedestrian paths, vehicular thoroughfares.
- Identify opportunities to create greenways to link the commercial area and residential area to the natural environment.
- Improve community signage including wayfinding and business signage.

Transportation and parking:

- Conduct a parking assessment, including interviews with retailers and other key stakeholders, to identify parking issues/shortages within the community, particularly with respect to retail areas.
- Construct bicycle and pedestrian linkages that connect existing commercial and residential areas, and introduce enhanced pedestrian crossings, especially in relationship to connecting to Sheridan Park and the Lakefront.
- Implement traffic calming, and other pedestrian friendly concepts to encourage a “walkable” Village Center, walkable downtown and connectivity between the two.

Social aspects:

- Inclusion in the Village Center concept for the creation of a new space for community gathering that may be used for special events.

- Especially in the downtown area, implement traffic calming, decorative street crossings to highlight the pedestrian access, benches and plantings and other improvements to improve the pedestrian experience.

Environmental sustainability:

- Include green and low-impact design features within the proposed Village Center, at gateways, along pedestrian thoroughfares and in infrastructure improvements.
- Encourage, through use of incentives if appropriate, green building development guidelines and sustainable development concepts in paving and landscaping. Market this green center concept throughout the community.
- Enhance landscaping on the road sides and in the medians, and install flowering plants in public areas with an increased use of low-maintenance, native species.

Economic development:

- Provide incentives for façade and site improvements to local businesses along key retailing corridors.
- Seek state and federal funding to improve the key transportation corridors with necessary road improvements, sidewalks, and other traffic design elements of pedestrian friendly development.
- Enhance the City's current outreach to new and existing businesses through the development of a comprehensive Business Retention and Expansion program.
- Identify any constraints to commercial/retail development in Cudahy due to current City programs or processes. Zoning, permitting and taxation are among those that should be assessed.
- Continue to market and promote in-fill sites in the downtown core, tying them to the proximity to the new Village Center, new movie theatre, commuter rail and downtown core.

9.5 Long Term Recommendations (4-10 yrs)

Longer term recommendations are needed to reflect the expected slow return to prosperity from the current economic recession. The Short Term recommendations have identified those things that need to be done first to get the City and community ready for the recovery and the longer term recommendations will build off of those efforts and continue to build momentum.

Design of the public and private space:

- Continue streetscape enhancements along the major corridors in Cudahy not previously covered in the first five years, and additional improvements needed for the Village Center.
- Facilitate redevelopment opportunities and façade improvements to properties for in-fill sites and blighted commercial properties in the Layton and Packard Avenue corridors.

Transportation and parking:

- Explore additional parking strategies to accommodate new development. These strategies may range from shared parking to a parking structure.

Environmental sustainability:

- Encourage the use of green and low-impact design features in the design of new buildings and public spaces.
- Provide landscaping treatment at gateways, along pedestrian thoroughfares, and within community gathering space
- Enhance landscaping on the road sides and in the median and install flowering plants on the bridge slope with an emphasis on the use of low-maintenance, native species

Economic development:

- Continue to support the preservation of small retail businesses in the City of Cudahy, especially in promoting downtown businesses
- Support the assemblage of smaller blighted properties within the City.
- Encourage opportunities for new businesses and commercial development, and expansion of the industrial core with new sites for commercial/industrial uses. Vacant/dilapidated properties in the Packard Avenue corridor should be targeted.

9.6 Catalytic Project: Village Center Concept

As has been discussed throughout this report, the current state of the economy, coupled with the significant retail competition to the west of the airport, will not allow for an incremental “business as usual” approach to retail development. A catalytic project that both draws shoppers and visitors to the area as well as putting Cudahy on the map is needed. This project is one that would include a mix of uses that are currently underserved in the market, be anchored by an “A-list” retailer, bring additional regional/national retailers, include community amenities and gathering spaces, and become a draw for retailer shoppers to Cudahy.

We have titled this catalytic project the “Cudahy Village Center” because in order to be successful in competing with the neighboring retail centers, Cudahy must position itself as offering more than just a shopping experience. The Village Center will include major national retailers, along with local retailers and full service dining. The Center will also boast green development, community gathering places and a linkage to the cultural and recreational amenities of the Cudahy.

Anchor Strategy

It is our understanding that there is interest from several different big box retail anchors to expand into the Cudahy market. The detailed retail leakage and supportable square feet analysis above,

coupled with the interview and survey results, supports the concept of a big box retailer anchored center. In both surveys, intercept and online, more respondents suggested the need for big box retail in Cudahy than any other use. In addition to providing sales tax revenues and jobs, a big box retailer will create interest and excitement in the retail community. If positioned properly with complementary retail uses, restaurants and community amenities, a well-designed project can become a community asset.

Supporting Uses

There are a number of supporting retail uses that often locate alongside these anchor retailers in either neighborhood serving strip malls or on standalone outparcels and would be expected to be included in this Village Center project. Among those uses are:

- Shoe stores
- Clothing stores
- Electronics/appliance stores
- Full service dining
- Furniture and home furnishings

Each of the retail categories above is both an underserved market from the leakage analysis and a “needed retail type” based on the survey results.

Amenities

To set this project apart from competitors in the greater south-central Milwaukee County area, the Village Center should also offer community amenities. These amenities should be consistent with the overall development and link to Cudahy’s cultural and recreational assets. Amenities could include:

- “Green” development concepts throughout
- Walking trail linked to the Oak Leaf Trail, possibly a fitness trail
- Benches and “picnic areas” for area workers on lunch breaks and the community
- Open spaces for evening and week-end activities. Activities could include:
 - o Arts in the Park
 - o Summer concerts
 - o Festivals
- Athletic fields (soccer, baseball, volleyball) for municipal leagues and special events
- Environmentally friendly paving materials and plantings

Quality Development Program

Key stakeholders from the City, development community and Cudahy community should have a role in the development of the Village Center concept to insure buy in and ongoing support. A quality development that highlights sustainability and green development is required to position this project apart from the typical big box retail centers elsewhere in the greater Milwaukee community.

9.7 Preferred "Village Center" Location

As noted in Section 9.2, there are two major sites that can serve as catalytic project sites. Those sites are the Iceport site, located roughly at Layton Avenue and Nicholson Ave, and the Pennsylvania Avenue/Airport site in the northwestern corner of the City. The approximate boundaries of these sites are shown on the aerial photograph below.

Exhibit 29: City of Cudahy Catalytic Sites



It is our recommendation that the Iceport site be used for the catalytic Village Center project. This is for several reasons:

- The Iceport site is more centrally located along the northern edge of the City and closer to the residential core
- The Iceport site is proximate to the major employers and the future rail stop, and other Cudahy amenities.
- Proximity to the downtown core will benefit both the Village Center and downtown if a pedestrian friendly plan is created that links the two centers together.
- The Pennsylvania Avenue site will have noise issues and height restrictions from the airport

9.8 *Marketing the In-fill Sites*

While we believe that the primary focus of the Cudahy retail strategy should be the development of the Village Center, the in-fill sites in the City should also be targeted. The commercial sites in the downtown and other areas of the City should continue to be marketed to appropriate and compatible retail, restaurant and commercial uses with the understanding that as the Village Center momentum grows, the in-fill sites within the City will become more attractive.

The specific uses that are best targeted for these downtown in-fill sites will depend on the make-up of the Village Center project so as to provide complementary, not competitive, retail uses. Based on the types of uses that most often locate in big box anchored centers, the infill sites would be well positioned to target neighborhood serving retail such as hardware stores, beer/wine/liquor stores, specialty food stores, full service restaurants, limited service restaurants and lawn and garden centers.

9.9 *Conclusion*

The City of Cudahy is well positioned to create an impressive Village Center retail and community project that will be enjoyed and patronized by the community over the long term. A catalytic project could set the stage for revitalization throughout the area, and accelerate a path toward developing a stronger retail Cudahy. The project will need to be marketed aggressively and presented as offering a shopping experience not found in other regional centers, creating a Village Center for shopping, gathering, entertainment and recreation.