

## Village of Pinecrest Retail Opportunity

The Village of Pinecrest, with one of the highest median incomes in the State of Florida, has significant purchasing power, which, along with its strategic location along high visibility transportation corridors makes it an ideal location for retail, including Trader Joe's first South Florida location which joins:

- Trader Joe's
- Chipotle Mexican Grille
- Whole Foods
- Home Depot
- Macy's Furniture Gallery
- Best Buy
- hhgregg
- West Marine
- Flanagan's
- Kendall Toyota
- Staples
- City Furniture

There is additional significant capacity for retail goods and services, especially those that serve the local Pinecrest market as well as the consumers in the communities to the south including Palmetto Bay, Cutler Bay and even Homestead.

A traditional 5-10-20 minute drive-time radius model may not be appropriate for the Village of Pinecrest given the real-world condition of transportation and access challenges along US1. An initial analysis of retail demand (consumer spending potential) and retail supply (sales) evaluated two markets: 1) The Village of Pinecrest, limited to the jurisdictional boundaries, analyzing only the retailers within the Village and the purchasing power of Pinecrest residents, and 2) the communities of Pinecrest, Palmetto Bay, Cutler Bay and additional areas South/East of US1. The second area analyzed is intended to evaluate the purchasing power of the communities within a 15-minute drive time of the Pinecrest commercial district, while taking into account the physical conditions regarding US1. Therefore, only markets south of Pinecrest which have easy access to the retail offerings along US1 in Pinecrest were evaluated. The analysis does not include additional market potential of consumers that must travel south on US1 to access Pinecrest retail, although clearly that market accounts for a portion of the current retail supply.

An analysis of the area's retail employment shows that Pinecrest and the area within a 5-minute drive of 124<sup>th</sup> and Pinecrest Parkway is the strongest retail cluster in the region. This, combined with the area's strongest demographics and high traffic counts makes Pinecrest the ideal location for retail investment, especially in those areas in which the Pinecrest residential population is under served.

## **Background Analysis**

This part of the analysis only identifies those sectors in which the local market may be under-served. This analysis evaluates both the Village of Pinecrest as well as the US1 South marketplace

The following retail categories are under-retailed within the local **Village of Pinecrest** marketplace:

- Grocery Stores
- Gasoline Stations
- Clothing Stores
- Shoe Stores
- Jewelry, Luggage, & Leather Goods Stores
- Book, Periodical & Music Stores
- Department Stores
- Other General Merchandise Stores
- Used Merchandise Stores
- Limited-Service Eating Places
- Special Food Services
- Drinking Places

While a local retail gap does not exist, the following retail categories are clearly existing destination retail that is attracting significant spending by consumers from outside the **Village of Pinecrest**.

- Automobile Dealers
- Auto Parts, Accessories & Tire Stores
- Furniture Stores
- Electronics & Appliance Stores
- Health & Personal Care Stores
- Office Supplies, Stationary, & Gift Stores

The following retail categories are under-retailed within the **US1 South** marketplace:

- Bldg Materials & Supplies Dealers
- Book, Periodical & Music Stores
- Other General Merchandise Stores
- Used Merchandise Stores
- Full-Service Restaurants
- Special Food Services
- Drinking Places

The following retail categories are destination retail along the **US1 South** Corridor:

- Automobile Dealers
- Furniture Stores
- Electronics & Appliance Stores
- Health & Personal Care Stores
- Shoe Stores
- Sporting Goods/Hobby/Musical Instrument Stores
- Department Stores
- Office Supplies, Stationary & Gift Stores

## Evaluation

This part of the analysis begins to evaluate the appropriateness of under-served uses, to identify retail uses that should be encouraged, and to also identify opportunities for existing businesses to expand and grow their customer base.

### Destination retail for which that there may not be additional demand.

Economic development efforts should focus on assisting existing retailers in these categories in attracting additional customers, and attracting new retailers in industries that are compatible with these categories. An evaluation of the regional US1 Corridor demand and the local Village of Pinecrest supply demonstrates the significant potential for additional retail development in Pinecrest. While it may take market share away from retailers further south, demand may support the majority of retail categories except:

- Furniture Stores
- Electronics and Appliance Stores
- Health & Personal Care Stores
- Florists
- Office Supplies, Stationary, & Gift Stores

### Destination retail that could be attracted to increase critical mass

These retail categories are already destination retail in the Village of Pinecrest or in the region, and also demonstrate strong regional demand which can be leveraged given the existing consumer market.

- Automobile Dealers
- Auto Parts, Accessories & Tire Stores
- Shoe Stores
- Department Stores

### Locally-underserved retail categories that can have regional market support

- Grocery Stores
- Gasoline Stations
- Clothing Stores
- Shoe Stores
- Book, Periodical & Music Stores
- Other General Merchandise Stores
- Used Merchandise Stores
- Special Food Services
- Drinking Places

### Locally-underserved but regionally over-supplied categories

The following retail categories are under-served in Pinecrest, but do not demonstrate significant regional demand:

- Jewelry, Luggage, & Leather Goods Stores

### Locally over-supplied but regionally under-supplied retail categories

These categories are ideal for business retention efforts to increase customer traffic and sales at the establishments in Pinecrest, but are also potential recruitment targets as well.

- Bldg Materials & Supplies Dealers
- Full-Service Restaurants

## **Conclusion**

The analysis indicates that the following categories are the best targets for retail development. (Numbers in parentheses are the estimated amount of additional square feet that the market could reasonably support).

Expansion opportunities for existing businesses:

- Furniture Stores (6,113 sq. ft.)
- Office Supplies, Stationary, & Gift Stores (2,133 sq. ft.)
- Used Merchandise Stores (750 sq. ft.)

Recruitment opportunities for new or expanding businesses:

- Clothing Stores (19,203 sq. ft.)
- Shoe Stores (10,278 sq. ft.)
- Department Stores (48,683 sq. ft.)
- Grocery Stores (85,000 sq. ft.)
- Book, Periodical & Music Stores (7,500 sq. ft.)
- General Merchandise Stores (125,000 sq. ft.)
- Full-Service Restaurants (53,121 sq. ft.)
- Special Food Services (2,500 sq. ft.)
- Drinking Places (5,000 sq. ft.)

## **Next Steps**

- a. Revise targeted retail categories in consultation with the Village of Pinecrest;
- b. Evaluate each category for appropriateness with the US1 Vision Plan and community standards;
- c. Compare each targeted retail category with realistic real estate availability with real estate peer reviews;
- d. Identify operational challenges for each targeted retail category;