Retail Market Analysis and Development Study:
St. Andrews Waterfront Commercial Area
Panama City, Florida

Renaissance Planning Group

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August 2007

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1.0 Introduction

1.1 Purpose

This report addresses the feasibility of commercial development, the recruitment of retail uses and the redevelopment of specific properties in the St. Andrews waterfront commercial district in Panama City, Florida.

1.2 Location

The St Andrews waterfront commercial area is located in the southwest section of Panama City. Fig. 1 shows the project location in relation to downtown Panama City, two miles east, and Panama City Beach, across the Hathaway Bridge (US Route 98) to the west.
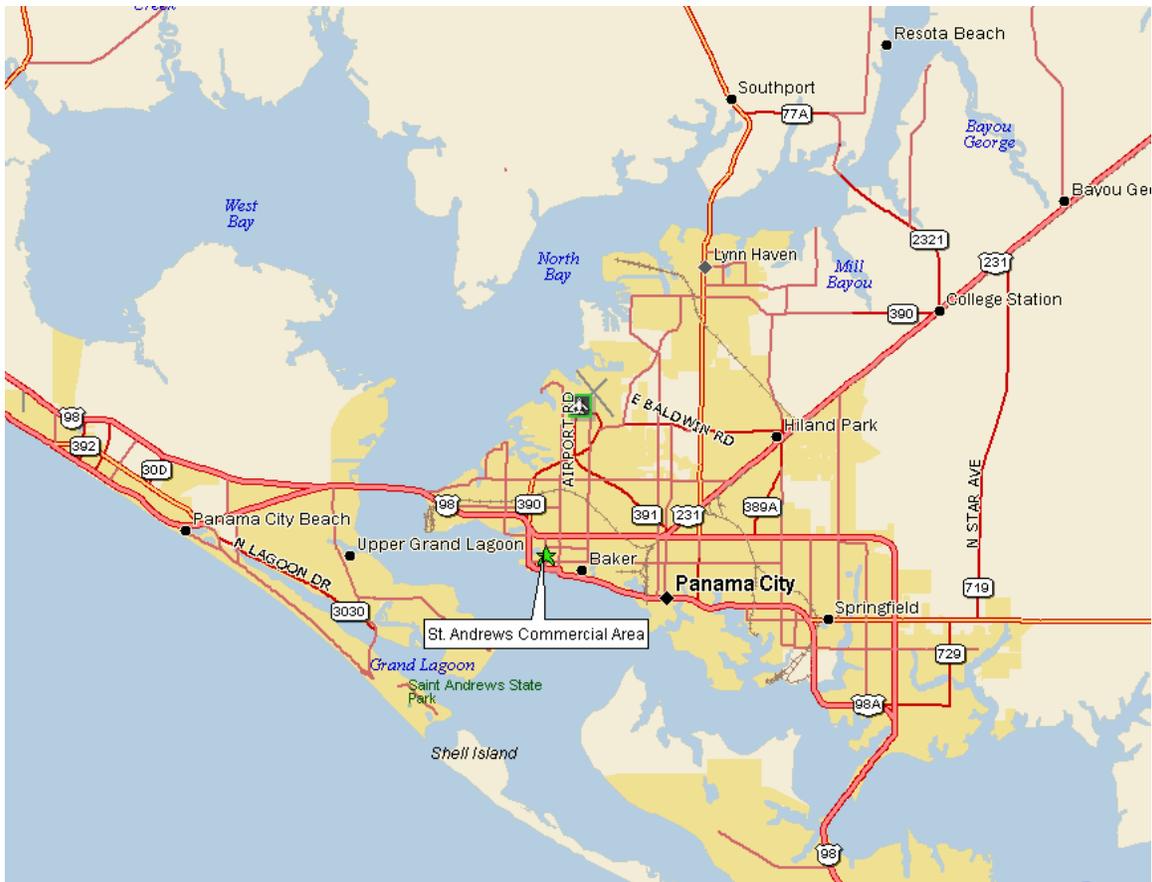
***Figure 1. Location of St. Andrews
Waterfront Commercial Area***

The Panama City-Bay County International Airport is just 2.5 miles to the north.

1.3   Research

In evaluating conditions and issues we undertook the following activities:

- Reviewed the St. Andrews Waterfront District Economic Study (2006) and other relevant plans.
- Obtained current demographic and retail sales data on the market area.
- Interviewed community and business leaders and staff.
- Interviewed real estate brokers and developers familiar with the area.

1.4 Organization of This Report

The following sections of this report address different aspects of the issue of commercial development:

- **Section 2** presents demographic information about the market area.
- S**ection 3** addresses the retail environment and development potentials.
- **Section 4** presents recommendations on redevelopment of key properties.
- **Section 5** summarizes findings and conclusions.

- **Appendix A provides detailed data. Exhibit A-1** presents information on the population of the market area**. Exhibit A-2** summarizes the retail sales gap for the primary and drive market areas.

- **Appendix B** presents the Retail Recruitment Action Plan. It provides detailed and specific recommendations on measures to attract businesses to the St. Andrews waterfront commercial area.

2. Market Area Background and Demographics

This section evaluates demographic and economic characteristics of the two principal sources of demand in the market area, the resident population and tourists. The latter category includes visitors to the region and people passing through by auto and boat.

2.1 Overview: Market Area Background

We define a market area as the locus in which people shop for goods and services. Many physical and cultural factors determine the shape of a market area: roads and travel times, terrain, rivers and other geographic features, political and institutional associations (e.g., school districts, zip codes) and other features.

Figure 2-1
The Primary Market Area

For the St. Andrews commercial area we use a primary market area that comprises a five-minute drive from the center of the business district (Figure 2-1). The project location is marked by a red star at lower right indicating the intersection of Beck Avenue and 11th Street.

The PMA includes about a third of the population of Panama City. The neighborhoods in the City portion of the market area vary in character on a block-to-block basis but they are largely neighborhoods with homes built in the 1950's, '60's and '70's.

Many retailers, brokers and developers use drive times as a basis for comparing locations in terms of population and buying power, and we have included the full data set (in the Appendix) in order to facilitate comparisons. The 5-minute drive is roughly equivalent to a distance of 2 miles from the site. While the primary market area for the site is the area shown in Figure 2-1, there will be additional but smaller numbers of shoppers from the City and the County. In this demographic analysis, we focus on the primary market area and also give attention to the larger area for specific types of goods and services. In the description below we relate these areas to the US population.

Market area boundaries change over time and market areas often overlap. The extent of a market area varies by the specific product or service as the distance that people will travel varies depending on their need; the market area for a convenience store or gas station is very different from that of a regional mall. The locations of competitive places is an important factor. We take these factors into account in the retail opportunity analysis, Section 3 of this report.

2.2 Demographics

The demographic information that follows provides a framework for evaluating shopping patterns and commercial development potentials. In addition to the summary information in Exhibit 2-1, below, Exhibit A-1 in the Appendix provides the complete set of demographic data on the market area, Panama City and Bay County.

Exhibit 2-1 summarizes demographic information for the PMA and the City/County populations:

- The PMA and the City have not been growing in population in recent years. The population of the PMA declined from 1990-2000 (-1.85%) and from 2000-2007. The projected 2012 population is still below the 1990 figure
- Bay County is fast-growing area: population grew by 17% from 1990 to 2000; projected growth from 2007 to 2012 is 7%.
- The PMA is majority white (83%), with a significant African American minority but few other minorities; the Latin population is just 3.4% of the total.
- Average household income in the PMA is 76% of the US figure.
- The PMA population is similar in age (37 years) and smaller in household size (2.1 persons) compared to the US.
- Median value of owner-occupied houses in the PMA is $70,200.

Exhibit 2-1

Demographic Overview, St. Andrews Area,
For Primary Market Area, City and County

Description	5 Minutes*	City	County
Population			
2012 Projection	12,024	37,502	173,106
2007 Estimate	11,920	36,821	161,420
2000 Census	11,991	36,417	148,217
1990 Census	12,217	36,193	126,994
Growth 1990-2000	-1.85%	0.62%	16.71%
2000 Average Household Size	2.28	2.30	2.43
2000 Median Household Income	$30,625	$32,037	$36,261
2000 Per Capita Income	$17,252	$17,807	$18,700
2000 Median All Owner-Occupied Housing Value	$70,206	$75,254	$83,975
2000 Median Year Structure Built	1968	1969	1981
2000 Average Contract Rent	$399	$385	$411

Source: Claritas, Inc.; Thomas Point Associates, Inc.

*Drive is from 1100 Beck Avenue.

2.3 Traffic

Exhibit 2-4 indicates the dimension of vehicular traffic in relation to the St. Andrews commercial district. Traffic on 11th St. through the heart of the commercial area is relatively light and has declined in the ten-year period shown in the counts and estimates below. US 98 is an important artery at the edge of the area and its use has been growing. Traffic counts and growth are much higher on US 98 around the bridge at the western edge of the area, where the beaches and larger beach communities are stronger attractions. The largest counts are in Panama City Beach west of the bridge.

Traffic on roads coming into the city from the northeast (County road 390) and east (State Route 22) are also light, although the growth to the northeast of the City is apparent over the ten-year period.

Exhibit 2-2

**Traffic Counts, Selected Locations, Bay County, Fl.
1996, 2000 and 2006**

| | *Average Annual Daily Traffic* | | | |
Location	2006	2000	1996	Change - 2006
St. Andrew area				
11th St. east of Beck Ave.	6,200	7,200	6,700	-8.1%
11th St. west of Frankford	7,200	8,400	8,100	-12.5%
US 98 west of Frankford	4,800	5,600	5,600	-16.7%
US 98/Beach Drive south of Baker Ct.	11,500	12,000	9,600	16.5%
15th St. west of Beck Ave.	2,400	3,500	2,800	-16.7%
East to Bridge				
US 98 west of 23rd ST	64,000	50,000	48,500	24.2%
US 98 west of Hathaway Bridge	69,500	n/a	n/a	-
Beaches				
US 98 west of Beckwich	43,500	47,000	43,500	0.0%
US 98 west of CR 30	37,500	27,500	n/a	36.4%
US 98 west of Phillip Inlet Bridge	19,000	11,700	8,800	53.7%
Northeast: CR 390 west of SR 75	8,500	5,400	4,800	43.5%
East: SR 22 East of Allantown Rd.	4,400	4,000	4,200	4.5%

Source: Florida Dept. of Transportation; Thomas Point Associates, Inc.

In general the St. Andrews waterfront commercial area is a destination, not a shopping district through which travelers pass enroute to another location. The low traffic volumes suggest a strategy of branding or unique identification within the broad array of attractions that already exist in Panama City and Panama City Beach.

2.4 Tourism

Tourism is a very important part of the economic picture for the St. Andrews waterfront commercial area, judging by two factors: the many restaurant patrons who come from outside the neighborhood and the City, and the significant impact of the Panama City Marina in terms of recreational boating and fishing.

*Uncle Ernie's Restaurant,
St. Andrews Waterfront*

Tourism is a big industry in the State and an important component of the economy of Bay County. In 2006 Florida ranked second in tourism among states, with 84 million visitors and $65 billion in taxable sales. Bay County attracts roughly 6.2 million visitors yearly

(Convention and Visitors Bureau) and represents one of the top attractions in northwestern Florida.

Trends in tourism in Bay County have been steady in recent years, according to figures from the CVB. Tourism taxes accounted for $5.8 million in Bay County revenues in 2008. Exhibit 2-2 shows the changes in tourism tax collections on a yearly basis every year since 2000; the figures in the exhibit are adjusted for inflation so they represent real growth.

Exhibit 2-3

Tourism Development Tax Collection,
Panama City Beach,
By Year, 1998-2006

Year	Constant Million $'s *	% Change by year
2006	5.80	1.6%
2005	5.71	-0.7%
2004	5.75	-2.6%
2003	5.91	-0.7%
2002	5.95	2.8%
2001	5.79	-1.8%
2000	5.89	1.4%
1999	5.81	4.4%
1998	5.57	-

* Dollars in millions; constant 2007 dollars.

Source: Bay County Clerk; TPA, Inc.

Tourists account for significant share of spending in all trade categories in the region, according to CVB figures. The typical tourist party has the following features:

Average size:	2.5
Length of stay:	4.2 days
Annual visits:	7-8 per year
Daily expenditures:	$102 per person

The Spring/summer months April through August are busiest while November through March have the least tourism activity. Approximately 57% of visitors stay overnight. In this market 83% of the visitors come by car. Atlanta and Birmingham account for over a third of visitors; other origins are Knoxville, Huntsville, Nashville, Memphis and Louisville.

2.5 Waterfront Recreation and Business

Panama City is situated on the Gulf Intracoastal Waterway ("ICW") which offers intracoastal barge shipping capabilities and extensive recreational and travel opportunities. The "working waterfront" of the St. Andrews commercial area is one of the primary points of access to the ICW and the Gulf of Mexico. This waterfront is an important part of the history of the St. Andrews area as well as an integral component of

its current culture and economy. It is also one of the top attractions for both residents and tourists.

The St. Andrews Marina has served the commercial and recreational boating community since 1959. The 101 slips support commercial, charter and recreational boats. The marina is open 7 days a week with round-the-clock fuel service. It can accommodate vessels with diverse power and cable requirements and offers full services including shower facilities, laundry, internet access, fax and copier service with night time security. The marina attracts hundreds of visitors each month who come to watch boats offload their daily catch. Many shrimp boats sell shrimp directly to the public. It also has a boat ramp at the foot of 11th Court that is one of just four public launch locations in the City. The Marina is within easy walking distance of numerous restaurants, a coffeehouse, grocery and marine services. City trolley service is available for transportation around town and to the beaches.

Entrance to St. Andrews Marina,
Bayview Ave. at 10th St.

The Port Panama City and Foreign Trade Zone (FTZ #65) is located just west of the Saint Andrews commercial waterfront area. Port Panama City, the northernmost port in the Gulf of Mexico, has six deep water berths consisting of 3,240 linear feet, with 32 foot draft, 600 linear feet of barge facilities, and 470,000 square feet of warehousing space. The Port offers modem loading and unloading facilities for truck, rail, barge, container, roll-on roll-off vessel and deep water vessel traffic. It provides an infrastructure of services that includes longshoremen, steamship agents, freight forwarders, customs brokers, stevedore companies, and an in- house US Customs office.   The Port has traditionally served as a load center for forestry products including linerboard and wood pulp. In recent years the displacement of traffic from the port of New Orleans has expanded shipping in Panama City.

The St. Andrews waterfront is one of the top attractions in the region and has a big impact on the nearby waterfront commercial area in terms of use by workers, residents

and tourists. It is also the critical component in the mix of ingredients that makes the St. Andrews area a unique place.

2.6 Conclusions

The five-minute drive population is the most easily identified segment of the market area that makes up support for the St. Andrews waterfront commercial area. This PMA includes about a third of the population of Panama City. This population declined from 1990-2007 but it is growing now and there are new investments in housing in the residential areas of St. Andrews.

Vehicular traffic on 11th St. through the heart of the waterfront commercial area is relatively light and has also declined in the past decade although US 98 is an important artery at the edge of the area and its use has been growing.

Tourism is a very important part of the economic picture for the St. Andrews waterfront commercial area. The waterfront is a key attraction. It is one of the best points of access to the water in the region and a popular place for putting in a boat, taking a fishing trip and enjoying the waterfront. It attracts thousands of restaurant patrons who come from outside the neighborhood and the City and hundreds of visitors each month who come to watch boats offload their daily catch. The nearby Port is also a dynamic part of the area, bringing longshoremen, steamship agents, freight forwarders, customs brokers, and stevedores who work and often live in St. Andrews.

In general the St. Andrews waterfront commercial area is a destination, not a shopping district through which travelers pass en route to another location. The low traffic volumes and the unique economy of the "working waterfront" suggest a strategy of branding or unique identification within the broad array of attractions that already exist in Panama City and Panama City Beach.

3. Market Area Need

3.1 Overview

Panama City is a dynamic retail market in which there is a wide selection of malls, shopping centers, power centers and free-standing superstores. There is also a major regional mall Pier Park, under construction in Panama City Beach about 12 miles west, and downtown Panama City, the traditional retail center of the city but increasingly a government center, just two miles east of the St. Andrews waterfront commercial area.

This section addresses the St. Andrews waterfront commercial area in the context of the regional commercial environment and estimates potential demand in this area by store type. The primary focus is the residential market within a 5-minute drive of the center of the area, while tourists make up a smaller but still important component of overall demand.

3.2 The Regional Retail Market

There are seven shopping centers in the primary market area and one new center under construction (Exhibit 3-1).

Exhibit 3-1

Location of Shopping Centers in Panama City Market Area

Center	Map Key	Anchor Stores
23rd St. Plaza	1	Home Depot, Bed Bath Beyond, Ross Dress Less
23rd St. Station	2	Publix
Callaway Plaza	3	Kmart
Lynnhaven Shopping Ctr.	4	Publix
Panama City Mall	5	Dillard's, J.C. Penney, Sears, Linens 'n Things
Panama City Market	6	Sam's Club
Panama City Square	7	WalMart, Goody's, Michaels, Sports Authority
Pier Park	8	Dillard's, J.C. Penney, Target, Borders, MultiPlex

Source: Thomas Point Associates, Inc.

These centers account for a total of over 3 million square feet of retail space. The Pier Park Mall will add 1.1 million square feet with three department stores, ten smaller anchor tenants, a 16-plex movie theater, various restaurants and a specialty retail complex of 370,000 square feet, all packaged in the "open-air regional lifestyle center."

Figure 3-1 shows the locations of these centers in relation to the St. Andrews Commercial Area.
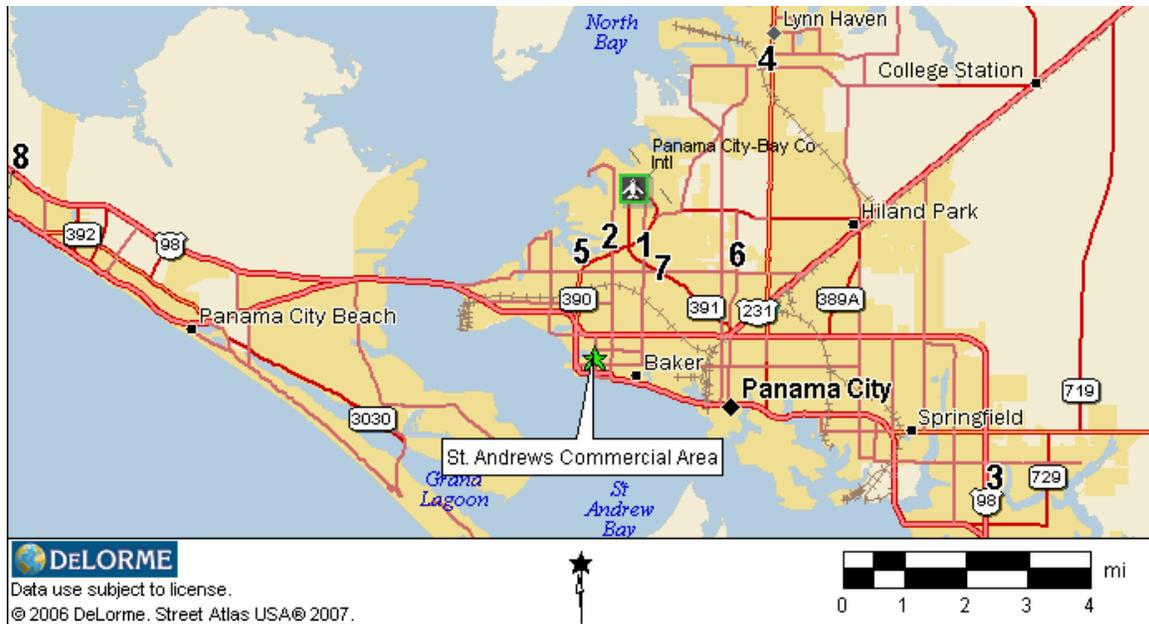
St. Andrews Commercial Area

In spite of all this retail space there is no commercial district in the area like the St. Andrews waterfront commercial district with its neighborhood-scale combination of stores, services and restaurants. All the other retail space is in malls, shopping centers, power centers and free-standing superstores, except for the downtown, which lacks an identity as a shopping place.

3.3 The St. Andrews Commercial Area

St. Andrews, situated in the middle of this region, has had its own business district for a long time, going back to the founding of the community in the early 1800's and continuing through its incorporation in 1908 and annexation into Panama City in1927. The commercial area generally fared well but in the late 1980's businesses gravitated towards rapidly developing areas in Panama City Beach and the St. Andrews business district declined. The area languished in the 1990's.
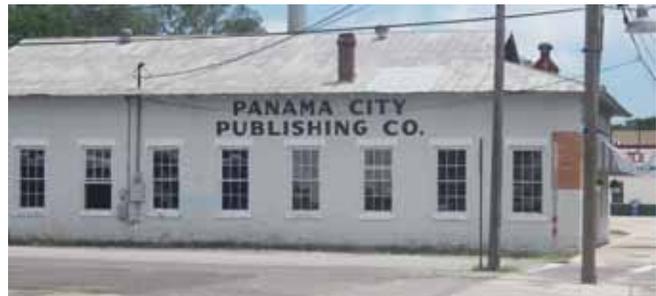
Panama City Publishing Co. Bldg,
On Beck Avenue,
Center of the Waterfront Commercial Area

The CRA designated the St. Andrews redevelopment area in 1989. Gradually with constant attention and management this area has come back and now there are many viable businesses.

Recently the St. Andrews Waterfronts Project surveyed the retail establishments and service businesses in the area. As it stands there are some 125 stores and commercial businesses in the St. Andrews commercial area. These stores and businesses occupy more than 173,000 square feet of space and employ more than 487 workers, including owners.

The largest retail components include:
- The "discount" grocery store on US 98 at Beck Ave. (39,000 sf).
- The cluster of marine and maritime businesses near the Marina (35,000 sf).
- The large and growing group of popular restaurants (16,000 sf).

Exhibit 3-2 summarizes the findings from this survey.

In addition to the businesses identified in Exhibit 3-2, the survey also identified various "miscellaneous businesses," a category that includes the following:

Geotechnical testing	Check Cashing
Telephone Equip. and installation	Vinyl Siding/window distributor
Cleaning/carpet/janitorial	AC & Appliance Service
Electrical Contracting	Home
Glass Shop	Liquor Store
Various corporations/non-profits	Web Site development
Legal	Internet Service

Several years ago the St. Andrews community prepared a retail strategy that identified the types of businesses that residents and property owners wanted to see in the area. The list included the following types of businesses:
- Antiques.
- Art-related shops.
- Bed & Breakfast accommodations.
- Books.
- Food market with produce, health foods, bakery, other.
- Ice Cream Parlor/old time fountain.
- Imports.
- Juice bar.
- Nostalgia shop.
- Recreation-oriented shops

Exhibit 3-2

St. Andrews CRA Business Survey, July 2007

Type of business	No.	Employ-ees	Building Rent	Own	Est. sq. feet
Retail					
Antiques & Consignment	1	3	1		2,000
Arts	2	4	1	1	9,500
Clothing/shoes	1	1	1		1,400
Teen shop	1	2	1		2,500
Convenience	3	19	1	2	
Grocery/market (incl. seafood)	2	48	2		38,900
Hair/Salons	4	10	2	2	4,500
Pawn Shops	2	11	2		7,000
Restaurants	7	90	2	5	16,100
Marine and related businesses	3	36	3		35,000
Charter*	25				
Commercial**	20				
Sail	4				
Marina Store	1	4			
Other retail (includes canoe shop)	4	6	3	1	3,400
Subtotal	80	234	19	11	120,300
Businesses and Services					
Auto/related	4	20	1	3	20,000
Bank	1	4	1		1,000
Child Care	1		1		
Government	2	44	2		7,800
Medical – services & equip	1	6	1		
Misc Services & Professional	32	157	21	11	
Printing Shop	2	20	1	1	24,000
Trailer parks	2	2	2		
Subtotal	45	253	30	15	52,800
Total	125	487	49	26	173,100

Source: St. Andrews CRA Office; Thomas Point Associates, Inc.

* Charter includes fishing, diving, tour, sailing.

** Commercial includes shrimpers, long liners, bait boats, and Harbor Pilots.

The community retail strategy included the following components:

- Attract businesses that emphasize personal service, high-quality items, unique items, or those with historical themes, and appeal to tourists and local market with a cluster of interesting themes
- Emphasize marine services, possibly in a "campus" setting, encourage service and professional offices along the Beck business corridor and attract other services in keeping with the vision.
- Create a community that contains the basic goods and services for residential neighborhoods within walking distance.

3.4 Retail Sales and Potentials

Based on this analysis of the existing situation in the St. Andrews commercial area and the primary market area, we derived a development program using estimates of potential sales for the primary market area (from Claritas data, in Appendix A-2), adjusted to take into account additional sales to seasonal/weekend residents and tourists. (The PMA will account for 60-80% of sales while the remaining 20-40% percent of the market will derive from Panama City area residents outside the primary market area and tourists visiting the area, often from other states).

The detailed data on potential retail sales in Appendix A-2 provided the framework for this analysis which included several steps leading to the identification of retail prospects.

First we excluded retail categories in which potential sales were negative, indicating that shoppers were already coming into the area and purchasing goods beyond the level that would be projected based on local demographics and competitive factors. The excluded retail categories were the following:

Auto dealers	Furniture stores
Grocery/supermarkets	Gas stations
Luggage/leather stores	Needlework
Department stores	Office supply stores
Cameras, photographic supply stores	Wallpaper stores
Full service restaurants	

The "grocery/supermarket" category topped the list of types of retailing that we had not expected to exclude from detailed analysis. The discount grocery on US Route 98 at Beck Avenue, while it seems deficient in the context of this market, nevertheless seems to be doing well based on the available sales data; these figures suggest that there is no apparent need for an additional grocery store, as desirable as that might seem to the St. Andrews resident population.

We also excluded several other types of stores:

- *Appliance stores,* for which a retail location in the St. Andrews commercial area would seem to be an unlikely choice; superstores dominate this retail category, for the most part.

- *Musical instruments stores*, a store type for which the retail opportunity was less than $100,000, a figure insufficient to support even a small store or kiosk.

Second, we adjusted the opportunity gap in the figures in Appendix A-2 by percentages up to 60% to account for sales to non-PMA residents and tourists. We then calculated supportable space based on compiled data on median sales per square foot for stores of the type identified, at US neighborhood and community shopping centers (from Dollars and Cents of Shopping Centers, Urban Land Institute).

Exhibit 3-3 summarizes information on the types of stores that we expect to have an interest in the St. Andrews location. This list reflects the possible character of retail development in St. Andrews.

Exhibit 3-3

Retail Recruitment Targets, St. Andrews Commercial Area

Store type	Sales/sf*	Supportable SF	Percent of Total Space
Radio, Television, Electronics Stores-443112	815,600	2,642	4%
Computer and Software Stores-44312	362,592	604	1%
Home Centers-44411	3,494,776	7,468	10%
Hardware Stores-44413	1,104,242	11,058	15%
Other Building Materials Dealers-44419	808,236	1,727	2%
Outdoor Power Equipment Stores-44421	232,847	498	1%
Nursery and Garden Centers-44422	181,626	388	1%
Beer, Wine and Liquor Stores-4453	468,955	1,862	3%
Pharmancies and Drug Stores-44611	778,810	2,128	3%
Cosmetics, Beauty Supplies, Perfume Stores-44612	361,853	1,882	3%
Men's Clothing Stores-44811	292,206	2,528	3%
Women's Clothing Stores-44812	1,099,973	6,694	9%
Childrens, Infants Clothing Stores-44813	318,789	1,726	2%
Family Clothing Stores-44814	2,585,002	9,497	13%
Shoe Stores-4482	936,726	7,558	10%
Jewelry Stores-44831	317,226	1,445	2%
Sporting Goods Stores-45111	464,350	2,725	4%
Hobby, Toys and Games Stores-45112	286,070	1,807	2%
Book Stores-451211	321,820	2,312	3%
Prerecorded Tapes, CDs, Record Stores-45122	245,121	1,094	2%
Florists-4531	242,742	1,474	2%
Special Foodservices-7223	848,793	3,498	5%
Total		72,615	100.0%

Source: Claritas, Inc.; Thomas Point Associates, Inc.

* Estimated percent of total sales to non-residents and tourists.

**Sales/sf (neighborhood/community sh. ctr.) from Dollars and Sense of Shopping Centers, 2004

CPI adjustment for 2007:

Third, we pared the full list in Exhibit 3-3 down to a set or "recruitment opportunities" based on the following considerations:

- The **home center/hardware store/other building materials** category comprises some 18,500 square feet in this analysis. We believe that just ten to twenty percent of this type of space is possible in this location. The hardware store would be one that specializes in marine hardware but also sell marine specialty gifts and maritime souvenirs. The City should actively recruit a store of this type for a location in the St. Andrews commercial area. The home center store would focus on furnishings and decorations.

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- The **family clothing store** accounts for 9,500 sf, or 13 percent of the total space. This is a category that would seem to fit better in a mall rather than a specialty center.

- There may be a need for a **shoe store** in this market area, but the store should be small and focused on a shoe of interest to boaters and tourists (sandals, crocs, deck shoes, kayak shoes, etc.).

- There is already a **liquor store** in the area according to the survey (Section 3.3) and another may not be desirable, at least not in the waterfront commercial area.

- The **book and CD store** categories are consistent with what the community has identified as desirable. However these types of stores have proven highly vulnerable to internet sellers and superstore discounters and their viability in this location is doubtful.

The final list of best prospects includes the following categories:

- Electronics
- Marine hardware
- Nursery and Garden
- Pharmacy
- Cosmetics
- Women's Clothing
- Men's Clothing
- Sporting Goods
- Hobby, Toys, Games
- Florist
- Special food services

This more focused list indicates market support for approximately 50,000-60,000 square feet of new retail space. It reflects the regional market, the community strategy and the reality of current retailing.

3.5 Conclusions

Panama City is a dynamic retail market in which the numerous malls, shopping centers, power centers and free-standing superstores provide over 3 million square feet of retail space. A new regional mall, Pier Park (1.1 millions sf), is under construction in nearby Panama City Beach. In spite of all this retail space there is no commercial district in the area like the St. Andrews waterfront commercial district with its neighborhood-scale combination of stores, services and restaurants.

St. Andrews, situated in the middle of the region, has had its own business district from the early 1800's. The area declined in the 1990's but has come back in recent years and

now there are many viable businesses. A recent survey identified some 125 stores and commercial businesses that occupy more than 173,000 square feet and employ more than 487 workers. Most prominent are the "discount" grocery store on US 98 at Beck Ave., a cluster of maritime businesses near the waterfront and the large and growing group of popular restaurants.

Based on population and retail sales data we identified a list of stores that we expect to have an interest in the St. Andrews waterfront commercial area and then pared this list down to a smaller number of retail "targets." The final list of best prospects includes the following categories:

- Electronics
- Nursery and Garden
- Cosmetics
- Men's Clothing
- Hobby, Toys, Games
- Special food services
- Marine hardware
- Pharmacy
- Women's Clothing
- Sporting Goods
- Florist

This focused list indicates market support for approximately 50,000-60,000 square feet of new retail space. It reflects the regional market, the community strategy and the reality of current retailing.

# 4. Redevelopment Opportunities: Locations and Uses

4.1 Overview

There is market support for additional development in the St. Andrews area, in some cases near but outside the commercial waterfront district that is the primary subject of this study. The figures on retail sales and potentials are indicative of this potential and the successful restaurants are strong indications of the appeal of the area to tourists and others from outside it.   While space is limited there are also other types of businesses and developments that represent opportunities for the area. This section addresses selected locations in the waterfront commercial area as well as potential non-retail uses that could locate in St. Andrews, within and outside the waterfront commercial area.

4.2 Redevelopment Sites

One of the limitations in this area is the condition of the building stock. The City has requested State funds to restore two of the oldest buildings in the area, but there is no historic district and no building on the historic register. Most of the buildings are just old and many are in need of extensive repairs and full renovation.

Here we address specific sites/locations as redevelopment opportunities.   In discussions with the City's area manager we identified five locations as most appropriate for this analysis. Figure 4-1 shows the five sites, all in the center of the St. Andrews waterfront commercial area.

We were not able to inspect these buildings in the course of this evaluation. There are some structures that should be demolished and others that may be appropriate for renovation.
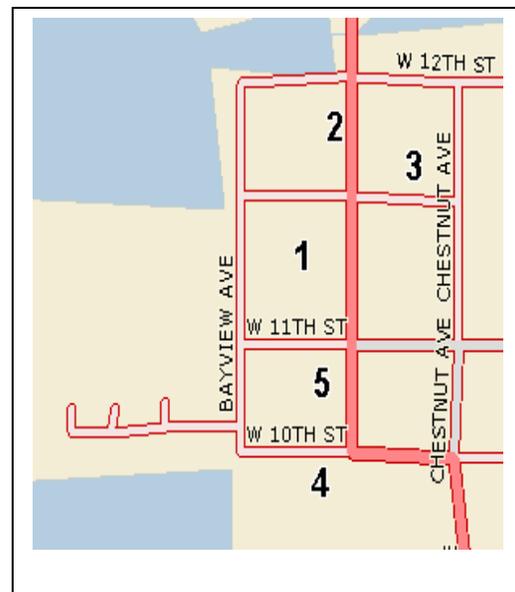
Figure 4-1
Targeted Redevelopment Sites,
St. Andrews Waterfront Commercial District

In light of the retail market potential there is demand to support retail development in this core area. We believe that the priorities with respect to these sites should include a substantial amount of retail with other types of development and should, to the greatest extent possible, constitute mixed-use space with retail, other commercial and residential components. It will also be important to keep the scale of existing development to the greatest extent possible. Exhibit 4-1 summarizes recommendations.

Exhibit 4-1

Sites and Potential Uses, St. Andrews Commercial Area

Map Code	Descr.	Location	Current Use	Size*	Recc. Use
1	Waterfront Block	Betw. Bayview and Beck, 11th and 11th Ct.	Mixed retail and residential uses.	102,800	*Mixed use: residential above retail shops.*
2	Retail block.	Beck, from 11th Ct. to 12th.	Retail, vacant, entertainment	29,700	*Retail and entertainment*
3	City parking lot.	Chestnut Ave. at 12th	Parking lot	21,340	*With additional property, parking garage above offices and services; could*
4	Harbor Village retail space	10th betw. Beck and Bayview	Vacant retail space (new constr.)	8,550	*Restaurant and arts (galleries, working artists, etc.)*
5	Office building	Beck at 11th	Probation office	31,575	*Waterfront-related government offices*

Source: Thomas Point Associates, Inc.

*Size: Roughly estimated land area in square feet, from tax maps.

- Site 1: a diverse group of owners holds the properties in the key marina-front block. In time it is likely if not inevitable that a developer will assemble all or most of this block and redevelop it as a single site. To speed up the process the CRA may proceed to acquire portions of the block and turn the property
- over to a qualified developer. Since this is the core of the waterfront commercial area it is important that there be new construction of ground-floor retail space and residential units on upper floors. It should be possible to retain some of the buildings on this site rather than wait on assembly of the entire block.

- Site 2: the commercial spaces and bar on Beck Ave. should be redeveloped as retail space compatible with the overall area redevelopment effort: the kayak/canoe/small boat retail space should remain, the former post office should be a retail space compatible with the character of the area, possibly a "mail box," and the corner space could be a compatible retail space such as an informal food/ sub shop/ice cream shop. There is an opportunity at this corner that a local entrepreneur could profitably exploit. With the development of the new restaurant directly across W. 12th street the continuation of adult entertainment (Tan Fannies) at this location would seem unlikely as the increased traffic associated with the new restaurant and the renovated Copa Cabana will make this a lively corner.

- Site 3: the City parking lot represents an excellent opportunity for a mixed-use development. As demand for space increases over the next three to five years the City should be prepared to develop a public garage over ground-floor space configured for lease to business services and offices. Commercial space at this location can fulfill some of the suggestions on businesses and services that came from the St. Andrews community.

- Site 4: the owner of the new retail space on W. 10th proposes to attract two restaurants to this location. This may be an excellent use for the property. However, if one of the spaces were a restaurant it may be possible to attract another type of retail use, such as a specialty clothing store, an art gallery or another specialty retail use to this location. The different types of attractions will broaden demand with complementary clientele and distribute parking requirements between the uses.

- Site 5: the office building appears to be suitable for preservation and redevelopment. The structure seems to be sound and there is good on-site parking. Its present use as an office to which individuals on probation report raises serious problems for the working of the waterfront commercial area. Most people who report are simply fulfilling judicial requirements but there is an element that seems to be associated with street crime, and this is a significant problem. When the current lease expires in several years the property should be remarketed to the State or other government for use as offices compatible with the redevelopment of the area, particularly for a use related to waterfront or marine activity (EPA, waterfront commerce, boat licensing, US Customs, etc.).

4.3 Other Commercial Redevelopment Opportunities

There is some demand for retail development to fuel reuse of space and new development in the waterfront commercial area. In addition, it is appropriate to consider other commercial uses in order to promote mixed-use development. Other appropriate uses include the following:

- *Business services*: some types of business services would be good candidates for a location in the St. Andrews area, particularly if the recommended retail uses lead the way and continue to bolster the strong sense of place that already exists there. The issue will be the availability of attractive space at an affordable price. An example would be a mail box/copy center that could provide shipping services, mail box offices and appropriate supplies. This could be a good use for the space that served as a community post office until recently when the US Postal Service

terminated the activity. A location on the ground-floor of the parking structure discussed in conjunction with Site 3 would also be possible. Other types of business services include consulting, design, logistics and signage.

- *Office space*: some types of office tenants would be appropriate in the St. Andrews area, again provided that the cost of rental is supportable. There were several professional firms interviewed in the course of this work who have sought office space in the St. Andrews area but could not find appropriate and affordable space. In the current environment rents for office space should not exceed $10-$15 per square foot; this range will grow as the area continues to improve. At this level small businesses (accountants, architects, engineers, financial planners and other types of professionals) could be attracted to St. Andrews locations.

- *Accommodations-- Bed and Breakfast*: there have been recent changes in the supply of accommodations and other developments are underway in the St. Andrews area: opening of a new Quality Inn on Route 98, conversion of motel rooms to condos and ongoing renovation of the Copa Cabana, expected to re-open next year. There is a steady, long-term demand for accommodations from visitors associated with fishing and the maritime industries. This has been a feature of the St. Andrews area for a many years. There are opportunities for bed and breakfast accommodations in this area, although strangely there are no such facilities anywhere in Panama City or Bay County. The conversion of a house into a B&B in one of the neighborhoods around the waterfront commercial area would be an attractive addition. These kinds of places can provide an important service without affecting the neighborhood adversely, a fact demonstrated in many locations.

- *Live-work housing*: it is likely that there is a market for this type of development if the right site were available on the edges of the St. Andrews commercial area. There would be interest from small retailers, artisans, professionals and others who might choose to live above their stores and offices. There are sites on the fringes of the waterfront commercial area that could be used for this purpose. It would seem best to start with a small cluster of such units (2-4) in order to establish the concept and test the market.

4.4 Conclusions

There is market support for additional development in the St. Andrews area, within the waterfront commercial district as well as outside it. One of the limitations in this area is the condition of the building stock. Preserving existing buildings to the extent possible will help to maintain the scale of the place, now one of its most attractive features. There are some structures that should be demolished and others that may be appropriate for renovation. The priorities with respect to targeted sites should include a substantial amount of retail with other types of development and should, to the greatest extent possible, provide mixed-use space with retail as well as other commercial and residential components. In addition to retail space there is a need for non-retail uses of some types including business services, offices and small-scale accommodations.

5. Conclusions

The market opportunity for St. Andrews is strong although the situation is challenging.

There is an opportunity to attract businesses to the waterfront commercial area, as the potential sales figures indicate. The development of new retail space in the region represents a challenge for St. Andrews as Pier Park will be marketing hard to compete for a relatively fixed regional pie of spendable dollars. However, not even the most expensive mall can duplicate the St. Andrews experience. While the retail recruitment program (Appendix B) may be premature at this time it brings some new thinking about how to compete to attract stores and service businesses.

The essential feature of St. Andrews is its scale and authentic neighborhood feel. New retail space should maintain the inviting look of Uncle Ernie's Bayfront Grill & Brew House (photo on the cover of this report). There are numerous examples of a similar style in the area. Some of the older shops have porches, gardens, swings and awnings that make for a great pedestrian environment. The conversion of old houses into commercial space is one of the hallmarks of the area and that look is a part of the place.

A second special quality comes from the fact that working people reside in the waterfront commercial area. It will be important to build new residential units into new mixed-use projects. This may require that the CRA take the lead in constructing parking in order to make projects more profitable while retaining affordable housing. There should be room for some of the waterfront workers.

There is an opportunity to tell the story of the history of the place. This is a 200-year old commercial district, according to information on the web site. However, there is little sense of that history on the ground. It feels more like a place from the 1950's. It is important to convey the sense of place with elements that celebrate the history---a small park, a sculpture or a landscape attraction---and markers that provide information.

Tourism is an essential part of the business environment in St. Andrews. Many outside visitors provide support for the successful restaurants, for example. Diversification of recreational appeal without compromise of the neighborhood will be important. The idea of a water taxi or ferry that connects St. Andrews Marina and Panama City Beach is a good one, bringing tourists into the restaurants and shops without requiring additional parking. There is also a need for entertainment that serves a broad market.

However, core demand comes from the population within the five-minute drive. While not all the businesses that the community has indicated it would like to see are actually supportable, they may become so as the redevelopment process expands. As St. Andrews continues to improve, the challenge will be to maintain the balance between neighborhood retail/service businesses and tourist-oriented restaurants and shops.

Appendix A-1

Exhibit A-1

Market Area, St. Andrews Historic Business District:
Demographic Overview Report for City and County

Description	5 Minute Drive*		City		County	
Population						
2012 Projection	12,024		37,502		173,106	
2007 Estimate	11,920		36,821		161,420	
2000 Census	11,991		36,417		148,217	
1990 Census	12,217		36,193		126,994	
Growth 1990-2000	-1.85%		0.62%		16.71%	
2000 Population by Single Race Classification	11,991		36,417		148,217	
White Alone	9,908	82.63	26,819	73.64	124,761	84.17
Black or African American Alone	1,506	12.56	7,813	21.45	15,772	10.64
American Indian and Alaska Native Alone	81	0.68	231	0.63	1,159	0.78
Asian Alone	143	1.19	564	1.55	2,561	1.73
Native Hawaiian and Other Pacific Islander Alone	11	0.09	28	0.08	115	0.08
Some Other Race Alone	133	1.11	274	0.75	980	0.66
Two or More Races	210	1.75	688	1.89	2,869	1.94
2000 Population Hispanic or Latino by Origin	11,991		36,417		148,217	
Not Hispanic or Latino	11,591	96.66	35,357	97.09	144,626	97.58
Hispanic or Latino:	400	3.34	1,060	2.91	3,591	2.42
Mexican	130	32.50	329	31.04	1,158	32.25
2000 Hispanic or Latino by Single Race Class.	400		1,060		3,591	
White Alone	220	55.00	502	47.36	2,053	57.17
Black or African American Alone	17	4.25	165	15.57	246	6.85
American Indian and Alaska Native Alone	6	1.50	18	1.70	63	1.75
Asian Alone		0.00	4	0.38	27	0.75
Native Hawaiian and Other Pacific Islander Alone	1	0.25	2	0.19	4	0.11
Some Other Race Alone	124	31.00	251	23.68	816	22.72
Two or More Races	32	8.00	118	11.13	382	10.64
2000 Population by Sex	11,991		36,417		148,217	
Male	5,724	47.74	17,683	48.56	73,406	49.53
Female	6,268	52.27	18,734	51.44	74,811	50.47
Male/Female Ratio	0.91		0.94		0.98	
2000 Population by Age	11,991		36,417		148,217	
Age 0 - 4	733	6.11	2,221	6.10	8,979	6.06
Age 5 - 9	793	6.61	2,356	6.47	10,103	6.82
Age 10 - 14	776	6.47	2,361	6.48	10,331	6.97
Age 15 - 17	410	3.42	1,423	3.91	6,229	4.20
Age 18 - 20	521	4.34	1,480	4.06	5,809	3.92
Age 21 - 24	741	6.18	2,032	5.58	7,034	4.75
Age 25 - 34	1,681	14.02	5,029	13.81	19,739	13.32
Age 35 - 44	1,817	15.15	5,839	16.03	24,998	16.87
Age 45 - 49	817	6.81	2,480	6.81	10,626	7.17
Age 50 - 54	738	6.15	2,240	6.15	9,738	6.57
Age 55 - 59	524	4.37	1,714	4.71	7,895	5.33

Age 60 - 64	497	4.14	1,443	3.96	6,919	4.67
Age 65 - 74	979	8.16	2,839	7.80	11,742	7.92
Age 75 - 84	675	5.63	2,138	5.87	6,324	4.27
Age 85 and over	289	2.41	822	2.26	1,751	1.18
Age 16 and over	9,561	79.73	29,052	79.78	116,740	78.76
Age 18 and over	9,280	77.39	28,056	77.04	112,575	75.95
Age 21 and over	8,759	73.05	26,576	72.98	106,766	72.03
Age 65 and over	1,943	16.20	5,799	15.92	19,817	13.37
2000 Median Age	36.88		37.24		37.35	
2000 Average Age	38.47		38.51		37.64	
2000 Male Population by Age	5,724		17,683		73,406	
Age 0 - 4	378	6.60	1,136	6.42	4,639	6.32
Age 5 - 9	396	6.92	1,179	6.67	5,210	7.10
Age 10 - 14	423	7.39	1,209	6.84	5,275	7.19
Age 15 - 17	199	3.48	736	4.16	3,195	4.35
Age 18 - 20	240	4.19	749	4.24	3,005	4.09
Age 21 - 24	374	6.53	1,046	5.92	3,663	4.99
Age 25 - 34	846	14.78	2,656	15.02	10,035	13.67
Age 35 - 44	889	15.53	3,037	17.17	12,545	17.09
Age 45 - 49	381	6.66	1,207	6.83	5,203	7.09
Age 50 - 54	365	6.38	1,091	6.17	4,831	6.58
Age 55 - 59	246	4.30	844	4.77	3,862	5.26
Age 60 - 64	223	3.90	640	3.62	3,269	4.45
Age 65 - 74	423	7.39	1,168	6.61	5,539	7.55
Age 75 - 84	254	4.44	751	4.25	2,585	3.52
Age 85 and over	87	1.52	234	1.32	550	0.75
2000 Median Age, Male	35.07		35.43		36.34	
2000 Average Age, Male	36.59		36.41		36.55	
2000 Female Population by Age	6,268		18,734		74,811	
Age 0 - 4	355	5.66	1,085	5.79	4,340	5.80
Age 5 - 9	397	6.33	1,177	6.28	4,893	6.54
Age 10 - 14	353	5.63	1,152	6.15	5,056	6.76
Age 15 - 17	211	3.37	687	3.67	3,034	4.06
Age 18 - 20	281	4.48	731	3.90	2,804	3.75
Age 21 - 24	367	5.86	986	5.26	3,371	4.51
Age 25 - 34	835	13.32	2,373	12.67	9,704	12.97
Age 35 - 44	928	14.81	2,802	14.96	12,453	16.65
Age 45 - 49	436	6.96	1,273	6.80	5,423	7.25
Age 50 - 54	373	5.95	1,149	6.13	4,907	6.56
Age 55 - 59	278	4.44	870	4.64	4,033	5.39
Age 60 - 64	275	4.39	803	4.29	3,650	4.88
Age 65 - 74	556	8.87	1,671	8.92	6,203	8.29
Age 75 - 84	420	6.70	1,387	7.40	3,739	5.00
Age 85 and over	202	3.22	588	3.14	1,201	1.61
2000 Median Age, Female	38.61		39.20		38.38	

2000 Average Age, Female	40.18		40.49		38.71	
2000 Population Age 15+ by Marital Status	9,678		29,441		118,677	
Total, Never Married	2,354	24.32	6,918	23.50	25,036	21.10
Married, Spouse present	4,492	46.41	13,064	44.37	63,762	53.73
Married, Spouse absent	514	5.31	2,777	9.43	6,341	5.34
Widowed	813	8.40	2,402	8.16	7,886	6.64
Divorced	1,505	15.55	4,280	14.54	15,652	13.19
Males, Never Married	1,260	13.02	3,556	12.08	13,864	11.68
Previously Married	917	9.48	2,612	8.87	9,467	7.98
Females, Never Married	1,094	11.30	3,362	11.42	11,172	9.41
Previously Married	1,648	17.03	4,962	16.85	16,638	14.02
2000 Population Age 25+ by Educational Attainment	8,126		24,651		99,771	
Less than 9th grade	413	5.08	1,663	6.75	4,970	4.98
Some High School, no diploma	1,122	13.81	3,466	14.06	13,946	13.98
High School Graduate (or GED)	2,673	32.89	7,325	29.71	30,550	30.62
Some College, no degree	2,047	25.19	5,723	23.22	24,932	24.99
Associate Degree	569	7.00	1,824	7.40	7,737	7.75
Bachelor's Degree	830	10.21	2,834	11.50	11,017	11.04
Master's Degree	358	4.41	1,238	5.02	4,560	4.57
Professional School Degree	55	0.68	393	1.59	1,446	1.45
Doctorate Degree	60	0.74	185	0.75	613	0.61
Households						
2012 Projection	5,220		15,458		71,598	
2007 Estimate	5,164		15,118		66,105	
2000 Census	5,159		14,819		59,597	
1990 Census	5,132		14,671		48,938	
Growth 1990-2000	0.53%		1.01%		21.78%	
2000 Households by Household Type	5,159		14,819		59,597	
Family Households	3,124	60.55	9,039	61.00	40,480	67.92
Nonfamily Households	2,035	39.45	5,780	39.00	19,117	32.08
2000 Group Quarters Population	212		2,351		3,344	
2000 Households Hispanic or Latino	96	1.86	227	1.53	1,164	1.95
2000 Households by Household Size	5,159		14,819		59,597	
1-person household	1,608	31.17	4,778	32.24	15,486	25.98
2-person household	1,858	36.01	5,054	34.10	21,696	36.40
3-person household	824	15.97	2,373	16.01	10,278	17.25
4-person household	529	10.25	1,584	10.69	7,654	12.84
5-person household	228	4.42	652	4.40	3,061	5.14
6-person household	78	1.51	255	1.72	973	1.63
7 or more person household	34	0.66	123	0.83	449	0.75
2000 Average Household Size	2.28		2.30		2.43	
2000 Households by Household Income	5,190		14,831		59,594	
Income Less than $15,000	1,218	23.47	3,540	23.87	10,503	17.62
Income $15,000 - $24,999	928	17.88	2,363	15.93	9,434	15.83
Income $25,000 - $34,999	799	15.39	2,149	14.49	8,935	14.99
Income $35,000 - $49,999	1,025	19.75	2,544	17.15	11,007	18.47

Income $50,000 - $74,999	774	14.91	2,355	15.88	11,279	18.93
Income $75,000 - $99,999	230	4.43	1,023	6.90	4,489	7.53
Income $100,000 - $149,999	142	2.74	522	3.52	2,598	4.36
Income $150,000 - $249,999	58	1.12	226	1.52	1,022	1.71
Income $250,000 - $499,999	15	0.29	78	0.53	258	0.43
Income $500,000 or more	2	0.04	31	0.21	69	0.12
2000 Average Household Income	$39,426		$43,141		$45,929	
2000 Median Household Income	$30,625		$32,037		$36,261	
2000 Per Capita Income	$17,252		$17,807		$18,700	
2000 Household Type, Presence of Own Children	5,159		14,819		59,597	
Single Male Householder	715	13.86	1,924	12.98	7,193	12.07
Single Female Householder	894	17.33	2,854	19.26	8,293	13.92
Married-Couple Family, own children	770	14.93	2,408	16.25	12,398	20.80
Married-Couple Family, no own children	1,347	26.11	3,792	25.59	18,570	31.16
Male Householder, own children	109	2.11	275	1.86	1,347	2.26
Male Householder, no own children	104	2.02	277	1.87	1,013	1.70
Female Householder, own children	497	9.63	1,407	9.49	4,490	7.53
Female Householder, no own children	297	5.76	880	5.94	2,662	4.47
Nonfamily, Male Householder	257	4.98	588	3.97	2,269	3.81
Nonfamily, Female Householder	170	3.30	414	2.79	1,362	2.29
2000 Households by Presence of People	5,159		14,819		59,597	
Households with 1 or more People under Age 18:						
Married-Couple Family	818	15.86	2,561	17.28	13,211	22.17
Other Family, Male Householder	122	2.36	305	2.06	1,492	2.50
Other Family, Female Householder	559	10.84	1,632	11.01	5,119	8.59
Nonfamily, Male Householder	25	0.48	50	0.34	257	0.43
Nonfamily, Female Householder	8	0.16	22	0.15	72	0.12
Households no People under Age 18:						
Married-Couple Family	1,299	25.18	3,639	24.56	17,757	29.80
Other Family, Male Householder	91	1.76	247	1.67	868	1.46
Other Family, Female Householder	235	4.56	655	4.42	2,033	3.41
Nonfamily, Male Householder	946	18.34	2,462	16.61	9,205	15.45
Nonfamily, Female Householder	1,055	20.45	3,246	21.90	9,583	16.08
2000 Households by Number of Vehicles	5,159		14,819		59,597	
No Vehicles	510	9.89	1,672	11.28	3,958	6.64
1 Vehicle	2,258	43.77	6,241	42.11	22,314	37.44
2 Vehicles	1,775	34.41	5,062	34.16	24,219	40.64
3 Vehicles	468	9.07	1,415	9.55	6,970	11.70
4 Vehicles	112	2.17	296	2.00	1,701	2.85
5 or more Vehicles	19	0.37	111	0.75	435	0.73
2000 Average Number of Vehicles	1.51		1.52		1.70	
2000 Families by Poverty Status	3,160		9,099		40,653	
Income At or Above Poverty Level:						
Married-Couple Family, own children	781	24.72	2,383	26.19	12,658	31.14
Married-Couple Family, no own children	1,339	42.37	3,822	42.00	17,552	43.18

Male Householder, own children	63	1.99	231	2.54	1,021	2.51
Male Householder, no own children	81	2.56	174	1.91	730	1.80
Female Householder, own children	282	8.92	834	9.17	2,978	7.33
Female Householder, no own children	231	7.31	556	6.11	1,730	4.26

Income Below Poverty Level:

Married-Couple Family, own children	79	2.50	231	2.54	977	2.40
Married-Couple Family, no own children	17	0.54	57	0.63	535	1.32
Male Householder, own children	35	1.11	64	0.70	230	0.57
Male Householder, no own children	8	0.25	20	0.22	47	0.12
Female Householder, own children	230	7.28	679	7.46	1,948	4.79
Female Householder, no own children	16	0.51	48	0.53	247	0.61

2000 Population Age 16+ by Employment Status

	9,538		28,986		116,666	
In Armed Forces	192	2.01	746	2.57	3,881	3.33
Civilian - Employed	5,252	55.06	14,702	50.72	64,883	55.61
Civilian - Unemployed	337	3.53	908	3.13	3,360	2.88
Not in Labor Force	3,757	39.39	12,630	43.57	44,542	38.18

2000 Civilian Employed Pop. Age 16+ by Occupation

	5,252		14,702		64,883	
Management, Business and Financial Operations	522	9.94	1,608	10.94	6,742	10.39
Professional and Related Occupations	931	17.73	3,120	21.22	11,753	18.11
Service	1,294	24.64	3,056	20.79	12,784	19.70
Sales and Office	1,447	27.55	4,069	27.68	18,212	28.07
Farming, Fishing and Forestry	22	0.42	57	0.39	407	0.63
Construction, Extraction, and Maintenance	461	8.78	1,259	8.56	7,995	12.32
Production, Transportation, and Material Moving	575	10.95	1,533	10.43	6,990	10.77

2000 Pop. Age 16+ by Occupation Classification

	5,252		14,702		64,883	
Blue Collar	1,036	19.73	2,792	18.99	14,985	23.10
Service and Farm	1,316	25.06	3,113	21.17	13,250	20.42
White Collar	2,900	55.22	8,797	59.84	36,648	56.48

2000 Workers Age 16+, Transportation To Work

	5,325		15,173		67,548	
Drove Alone	4,106	77.11	12,169	80.20	54,694	80.97
Car Pooled	826	15.51	2,082	13.72	8,841	13.09
Public Transportation	38	0.71	107	0.71	212	0.31
Walked	118	2.22	244	1.61	1,111	1.64
Motorcycle	25	0.47	27	0.18	133	0.20
Bicycle	46	0.86	93	0.61	357	0.53
Other Means	46	0.86	122	0.80	639	0.95
Worked at Home	119	2.23	329	2.17	1,561	2.31

2000 Workers Age 16+ by Travel Time to Work

	5,206		14,844		65,987	
Less than 15 Minutes	2,444	46.95	6,543	44.08	22,645	34.32
15 - 29 Minutes	1,950	37.46	5,962	40.16	28,109	42.60
30 - 44 Minutes	472	9.07	1,525	10.27	9,962	15.10
45 - 59 Minutes	153	2.94	391	2.63	2,482	3.76
60 or more Minutes	187	3.59	423	2.85	2,789	4.23

2000 Average Travel Time to Work in Minutes

	19.80		19.89		22.96	

2000 Tenure of Occupied Housing Units	5,159		14,819		59,597	
Owner Occupied	2,889	56.00	8,565	57.80	40,887	68.61
Renter Occupied	2,270	44.00	6,254	42.20	18,710	31.39
2000 Occ Housing Units, Avg Length of Residence	10		10		9	
2000 Tenure By Age of Householder	5,142		14,797		59,597	
Owner Occupied	2,905		8,540		40,892	
Householder 15 to 24 Years	39	1.34	98	1.15	512	1.25
Householder 25 to 34 Years	284	9.78	720	8.43	4,490	10.98
Householder 35 to 44 Years	526	18.11	1,784	20.89	8,873	21.70
Householder 45 to 54 Years	565	19.45	1,785	20.90	8,366	20.46
Householder 55 to 59 Years	179	6.16	696	8.15	3,865	9.45
Householder 60 to 64 Years	228	7.85	721	8.44	3,707	9.07
Householder 65 to 74 Years	500	17.21	1,251	14.65	6,583	16.10
Householder 75 to 84 Years	433	14.91	1,147	13.43	3,672	8.98
Householder 85 and over	151	5.20	338	3.96	824	2.02
Renter Occupied	2,237		6,257		18,705	
Householder 15 to 24 Years	394	17.61	871	13.92	2,537	13.56
Householder 25 to 34 Years	590	26.37	1,638	26.18	5,395	28.84
Householder 35 to 44 Years	510	22.80	1,339	21.40	4,669	24.96
Householder 45 to 54 Years	342	15.29	874	13.97	2,712	14.50
Householder 55 to 59 Years	101	4.51	289	4.62	757	4.05
Householder 60 to 64 Years	99	4.43	284	4.54	697	3.73
Householder 65 to 74 Years	102	4.56	503	8.04	1,000	5.35
Householder 75 to 84 Years	84	3.76	363	5.80	735	3.93
Householder 85 and over	17	0.76	96	1.53	203	1.09
2000 Pop 65 and over by HH Type and Relationship						
Total for Pop 65 and over	1,967		5,863		19,673	
In Households:	1,768		5,304		18,874	
In Family Households:	1,177	59.84	3,213	54.80	13,088	66.53
Householder	655	33.30	1,699	28.98	7,272	36.96
Male	528	26.84	1,325	22.60	5,963	30.31
Female	127	6.46	374	6.38	1,309	6.65
Spouse	434	22.06	1,205	20.55	4,760	24.20
Parent	48	2.44	134	2.29	441	2.24
Other Relatives	28	1.42	135	2.30	518	2.63
Nonrelatives	11	0.56	40	0.68	97	0.49
In Non-Family Households:	591	30.05	2,091	35.66	5,786	29.41
Male householder	131	6.66	459	7.83	1,572	7.99
Living Alone	116	5.90	411	7.01	1,427	7.25
Not Living Alone	15	0.76	48	0.82	145	0.74
Female Householder	444	22.57	1,552	26.47	3,984	20.25
Living Alone	432	21.96	1,481	25.26	3,828	19.46
Not Living Alone	12	0.61	71	1.21	156	0.79
Nonrelatives	16	0.81	80	1.36	230	1.17

In Group Quarters:	199		559		799	
Institutionalized population	120	6.10	480	8.19	672	3.42
Noninstitutionalized population	79	4.02	79	1.35	127	0.65
2000 All Owner-Occupied Housing Values	2,905		8,540		40,892	
Value Less than $20,000	98	3.37	309	3.62	2,031	4.97
Value $20,000 - $39,999	259	8.92	989	11.58	3,995	9.77
Value $40,000 - $59,999	626	21.55	1,502	17.59	5,487	13.42
Value $60,000 - $79,999	921	31.70	1,927	22.56	7,533	18.42
Value $80,000 - $99,999	414	14.25	1,307	15.30	7,046	17.23
Value $100,000 - $149,999	282	9.71	1,359	15.91	7,543	18.45
Value $150,000 - $199,999	99	3.41	459	5.37	3,452	8.44
Value $200,000 - $299,999	142	4.89	391	4.58	2,471	6.04
Value $300,000 - $399,999	56	1.93	150	1.76	706	1.73
Value $400,000 - $499,999	1	0.03	56	0.66	288	0.70
Value $500,000 - $749,999	6	0.21	44	0.52	188	0.46
Value $750,000 - $999,999	1	0.03	34	0.40	69	0.17
Value $1,000,000 or more	1	0.03	13	0.15	83	0.20
2000 Median All Owner-Occupied Housing Value	$70,206		$75,254		$83,975	
2000 Housing Units by Units in Structure	5,815		16,548		78,435	
1 Unit Attached	251	4.32	845	5.11	3,746	4.78
1 Unit Detached	3,511	60.38	10,304	62.27	41,986	53.53
2 Units	360	6.19	741	4.48	2,544	3.24
3 to 19 Units	1,037	17.83	3,100	18.73	10,163	12.96
20 to 49 Units	83	1.43	283	1.71	1,476	1.88
50 or More Units	171	2.94	585	3.54	5,366	6.84
Mobile Home or Trailer	380	6.53	660	3.99	12,926	16.48
Boat, RV, Van, etc	4	0.07	6	0.04	228	0.29
2000 Housing Units by Year Built	5,815		16,548		78,435	
Housing Units Built 1999 to March 2000	43	0.74	187	1.13	2,261	2.88
Housing Unit Built 1995 to 1998	186	3.20	821	4.96	7,797	9.94
Housing Unit Built 1990 to 1994	342	5.88	1,107	6.69	8,024	10.23
Housing Unit Built 1980 to 1989	765	13.16	2,545	15.38	23,629	30.13
Housing Unit Built 1970 to 1979	1,354	23.28	3,436	20.76	17,287	22.04
Housing Unit Built 1960 to 1969	968	16.65	2,193	13.25	7,695	9.81
Housing Unit Built 1950 to 1959	1,145	19.69	2,948	17.81	6,407	8.17
Housing Unit Built 1940 to 1949	705	12.12	2,147	12.97	3,413	4.35
Housing Unit Built 1939 or Earlier	288	4.95	1,140	6.89	1,922	2.45
2000 Median Year Structure Built**	1968		1969		1981	
2000 Average Contract Rent	$399		$385		$411	

Source: Claritas, Inc.; Thomas Point Associates, Inc.

Appendix A-2

Exhibit A-2

Retail Sales and Opportunity Gap by Store, for 5-minute Drive and City Populations

Retail Stores	5-Minute Drive*			City		
	Demand (Expenditures)	Supply (Retail Sales)	Opportunity Gap/Surplus	Demand (Expenditures)	Supply (Retail Sales)	Opportunity Gap/Surplus
Total Retail Sales Incl Eating and Drinking Places	166,202,172	326,880,527	(160,678,355)	522,875,319	1,409,190,369	(886,315,050)
Motor Vehicle and Parts Dealers-441	32,964,965	164,439,990	(131,475,025)	102,989,119	575,823,734	(472,834,615)
Automotive Dealers-4411	28,060,557	150,024,763	(121,964,206)	87,475,674	502,211,886	(414,736,212)
Other Motor Vehicle Dealers-4412	2,063,588	8,058,564	(5,994,976)	6,689,017	32,569,577	(25,880,560)
Automotive Parts/Accsrs, Tire Stores-4413	2,840,820	6,356,663	(3,515,843)	8,824,428	41,042,271	(32,217,843)
Furniture and Home Furnishings Stores-442	3,684,175	11,316,893	(7,632,718)	12,390,514	44,154,435	(31,763,921)
Furniture Stores-4421	2,049,127	5,035,221	(2,986,094)	6,823,731	18,547,676	(11,723,945)
Home Furnishing Stores-4422	1,635,048	6,281,672	(4,646,624)	5,566,783	25,606,759	(20,039,976)
Electronics and Appliance Stores-443	3,450,365	1,753,260	1,697,105	11,207,573	35,135,085	(23,927,512)
Appliances, TVs, Electronics Stores-44311	2,670,781	1,210,859	1,459,922	8,610,852	27,198,857	(18,588,005)
Household Appliances Stores-443111	644,322		644,322	2,081,757	6,814,963	(4,733,206)
Radio, Television, Electronics Stores-443112	2,026,459	1,210,859	815,600	6,529,095	20,383,894	(13,854,799)
Computer and Software Stores-44312	651,995	289,403	362,592	2,169,176	6,671,230	(4,502,054)
Camera and Photographic Equipment Stores-44313	127,588	252,998	(125,410)	427,545	1,264,998	(837,453)
Building Material, Garden Equip Stores -444	15,912,045	10,684,281	5,227,764	52,801,155	179,327,960	(126,526,805)
Building Material and Supply Dealers-4441	14,452,000	9,638,708	4,813,292	47,995,501	176,427,260	(128,431,759)
Home Centers-44411	5,609,695	2,114,919	3,494,776	18,629,600	146,416,673	(127,787,073)
Paint and Wallpaper Stores-44412	376,009	969,970	(593,961)	1,258,389	4,242,784	(2,984,395)
Hardware Stores-44413	1,104,242		1,104,242	3,639,072	601,346	3,037,726
Other Building Materials Dealers-44419	7,362,054	6,553,818	808,236	24,468,440	25,166,457	(698,017)
Building Materials, Lumberyards-444191	2,440,219	2,234,925	205,294	8,182,433	8,582,044	(399,611)
Lawn, Garden Equipment, Supplies Stores-4442	1,460,045	1,045,573	414,472	4,805,654	2,900,700	1,904,954
Outdoor Power Equipment Stores-44421	232,847		232,847	762,222	92,425	669,797
Nursery and Garden Centers-44422	1,227,199	1,045,573	181,626	4,043,432	2,808,275	1,235,157
Food and Beverage Stores-445	21,895,958	32,962,264	(11,066,306)	66,856,886	89,527,248	(22,670,362)
Grocery Stores-4451	19,870,412	30,983,363	(11,112,951)	60,641,826	82,701,313	(22,059,487)
Supermarkets, Grocery (Ex Conv) Stores-44511	18,848,368	30,502,744	(11,654,376)	57,591,347	81,445,024	(23,853,677)
Convenience Stores-44512	1,022,044	480,619	541,425	3,050,479	1,256,289	1,794,190
Specialty Food Stores-4452	671,701	1,094,010	(422,309)	2,053,985	4,160,166	(2,106,181)
Beer, Wine and Liquor Stores-4453	1,353,846	884,891	468,955	4,161,075	2,665,769	1,495,306

Retail Stores	5-Minute Drive*			City		
	Demand (Expenditures)	Supply (Retail Sales)	Opportunity Gap/Surplus	Demand (Expenditures)	Supply (Retail Sales)	Opportunity Gap/Surplus
Health and Personal Care Stores-446	9,764,788	9,965,849	(201,061)	30,484,804	49,826,219	(19,341,415)
Pharmancies and Drug Stores-44611	8,512,761	7,733,951	778,810	26,521,246	35,576,165	(9,054,919)
Cosmetics, Beauty Supplies, Perfume Stores-44612	361,853		361,853	1,131,691	2,425,548	(1,293,857)
Optical Goods Stores-44613	241,117	369,328	(128,211)	810,956	3,118,106	(2,307,150)
Other Health and Personal Care Stores-44619	649,058	1,862,570	(1,213,512)	2,020,911	8,706,400	(6,685,489)
Gasoline Stations-447	19,352,499	23,467,178	(4,114,679)	58,808,938	48,552,679	10,256,259
Gasoline Stations With Conv Stores-44711	14,610,289	22,980,209	(8,369,920)	44,264,128	46,724,222	(2,460,094)
Other Gasoline Stations-44719	4,742,210	486,969	4,255,241	14,544,810	1,828,457	12,716,353
Clothing and Clothing Accessories Stores-448	6,538,553	1,218,494	5,320,059	21,510,251	58,176,471	(36,666,220)
Clothing Stores-4481	4,774,103	434,214	4,339,889	15,557,974	42,744,574	(27,186,600)
Men's Clothing Stores-44811	317,555	25,349	292,206	1,013,313	379,409	633,904
Women's Clothing Stores-44812	1,141,032	41,059	1,099,973	3,771,392	1,733,074	2,038,318
Childrens, Infants Clothing Stores-44813	318,789		318,789	1,021,760	344,660	677,100
Family Clothing Stores-44814	2,585,002		2,585,002	8,391,336	35,964,218	(27,572,882)
Clothing Accessories Stores-44815	102,282	171,041	(68,759)	350,310	983,277	(632,967)
Other Clothing Stores-44819	309,443	196,765	112,678	1,009,863	3,339,936	(2,330,073)
Shoe Stores-4482	943,860	7,134	936,726	2,999,517	7,105,028	(4,105,511)
Jewelry, Luggage, Leather Goods Stores-4483	820,590	777,146	43,444	2,952,760	8,326,869	(5,374,109)
Jewelry Stores-44831	753,384	436,158	317,226	2,719,308	7,415,239	(4,695,931)
Luggage and Leather Goods Stores-44832	67,205	340,988	(273,783)	233,452	911,630	(678,178)
Sporting Goods, Hobby, Book, Music Stores-451	2,406,106	965,191	1,440,915	7,936,447	19,354,430	(11,417,983)
Sportng Goods, Hobby, Musical Inst Stores-4511	1,621,835	783,068	838,767	5,435,116	15,264,950	(9,829,834)
Sporting Goods Stores-45111	747,109	282,759	464,350	2,557,038	5,899,197	(3,342,159)
Hobby, Toys and Games Stores-45112	557,954	271,884	286,070	1,857,058	6,176,048	(4,318,990)
Sew/Needlework/Piece Goods Stores-45113	149,193	158,306	(9,113)	483,711	1,283,014	(799,303)
Musical Instrument and Supplies Stores-45114	167,579	70,119	97,460	537,309	1,906,691	(1,369,382)
Book, Periodical and Music Stores-4512	784,271	182,123	602,148	2,501,331	4,089,480	(1,588,149)
Book Stores and News Dealers-45121	539,150	182,123	357,027	1,735,134	3,667,159	(1,932,025)
Book Stores-451211	503,943	182,123	321,820	1,625,845	3,667,159	(2,041,314)
News Dealers and Newsstands-451212	35,207		35,207	109,289		109,289
Prerecorded Tapes, CDs, Record Stores-45122	245,121		245,121	766,197	422,321	343,876
General Merchandise Stores-452	19,806,859	27,272,060	(7,465,201)	62,770,458	124,080,955	(61,310,497)
Department Stores Excl Leased Depts-4521	8,762,028	4,431,953	4,330,075	28,308,484	57,076,168	(28,767,684)

Retail Stores	5-Minute Drive*			City		
	Demand (Expenditures)	Supply (Retail Sales)	Opportunity Gap/Surplus	Demand (Expenditures)	Supply (Retail Sales)	Opportunity Gap/Surplus
Other General Merchandise Stores-4529	11,044,832	22,840,107	(11,795,275)	34,461,974	67,004,787	(32,542,813)
Warehouse Clubs and Super Stores-45291	9,626,765	22,840,107	(13,213,342)	29,891,767	60,152,908	(30,261,141)
All Other General Merchandise Stores-45299	1,418,066		1,418,066	4,570,207	6,851,879	(2,281,672)
Miscellaneous Store Retailers-453	4,123,099	7,720,173	(3,597,074)	13,033,509	32,709,660	(19,676,151)
Florists-4531	287,326	44,584	242,742	950,161	1,149,999	(199,838)
Office Supplies, Stationery, Gift Stores-4532	1,606,975	2,799,004	(1,192,029)	5,108,209	16,016,500	(10,908,291)
Office Supplies and Stationery Stores-45321	913,567	1,634,947	(721,380)	2,900,391	8,365,269	(5,464,878)
Gift, Novelty and Souvenir Stores-45322	693,408	1,164,058	(470,650)	2,207,818	7,651,231	(5,443,413)
Used Merchandise Stores-4533	319,693	693,537	(373,844)	1,035,868	1,648,603	(612,735)
Other Miscellaneous Store Retailers-4539	1,909,104	4,183,047	(2,273,943)	5,939,271	13,894,558	(7,955,287)
Non-Store Retailers-454	9,145,311		9,145,311	29,392,553	19,909,811	9,482,742
Electronic Shopping, Mail-Order Houses-4541	6,305,964		6,305,964	20,463,774		20,463,774
Vending Machine Operators-4542	474,606		474,606	1,441,584		1,441,584
Direct Selling Establishments-4543	2,364,740		2,364,740	7,487,195	19,909,811	(12,422,616)
Foodservice and Drinking Places-722	17,157,450	35,114,895	(17,957,445)	52,693,112	132,611,682	(79,918,570)
Full-Service Restaurants-7221	7,719,717	15,207,917	(7,488,200)	23,715,283	80,159,436	(56,444,153)
Limited-Service Eating Places-7222	7,255,904	11,010,490	(3,754,586)	22,258,002	39,715,240	(17,457,238)
Special Foodservices-7223	1,440,045	591,252	848,793	4,425,168	2,063,312	2,361,856
Drinking Places -Alcoholic Beverages-7224	741,783	8,305,235	(7,563,452)	2,294,659	10,673,694	(8,379,035)
GAFO *	37,493,033	45,324,903	(7,831,870)	120,923,452	296,917,876	(175,994,424)
General Merchandise Stores-452	19,806,859	27,272,060	(7,465,201)	62,770,458	124,080,955	(61,310,497)
Clothing and Clothing Accessories Stores-448	6,538,553	1,218,494	5,320,059	21,510,251	58,176,471	(36,666,220)
Furniture and Home Furnishings Stores-442	3,684,175	11,316,893	(7,632,718)	12,390,514	44,154,435	(31,763,921)
Electronics and Appliance Stores-443	3,450,365	1,753,260	1,697,105	11,207,573	35,135,085	(23,927,512)
Sporting Goods, Hobby, Book, Music Stores-451	2,406,106	965,191	1,440,915	7,936,447	19,354,430	(11,417,983)
Office Supplies, Stationery, Gift Stores-4532	1,606,975	2,799,004	(1,192,029)	5,108,209	16,016,500	(10,908,291)

Source: Claritas, Inc.; Thomas Point Associates, Inc.

*Drive is from 1100 Beck Avenue.

Note: difference betw.demand and supply represents the opportunity gap or surplus available for each retail outlet in the

specified area. When the demand is greater than (less than) the supply, there is an opportunity gap (surplus)

for that retail outlet. For example, a positive value signifies an opportunity gap, while a negative value signifies a surplus.

Appendix B

<u>**RETAIL RECRUITMENT PLAN:**</u>
<u>**St. Andrews Waterfront Commercial Area**</u>

Successful retail recruitment programs start with a creative outreach strategy, comprehensive market analysis, and a persuasive recruitment pitch. Once you have created these things, it takes dedicated time and face-to-face interaction with current business owners to recruit precisely the type of retail that you envision for your project.

This retail recruitment plan identifies the steps needed to define, prepare for, and achieve recruitment goals. It is based on discussions with downtown recruitment managers, realtors, brokers, consultants and other professionals in Florida and around the US.

The plan follows these steps:
- Organize the recruitment process.
- Identify the stores and services most appropriate to the project.
- Develop the marketing pitch.
- Identify recruitment targets.
- Create recruitment materials.
- Plan recruitment events and meetings.
- Conduct outreach to recruitment targets.
- Follow-up with recruitment targets.

As you work through the plan, continue to develop those things that work for you, and be willing to change the strategies that do not. Keep in mind that the steps are not rigid in their order; it may work best to focus on two steps at the same time, or go back to a previous step, or jump ahead to a future step. The most important thing is that each step be addressed by the start of the recruitment program.

1. Organize the recruitment process.

A successful recruitment program must have the following elements:
- Assignment of clear responsibilities.
- Determination of structure and timeframe.
- Determination of resources available for the project.

Often referred to as "planning the planning process", this step is critical to making sure that the work has ownership, continuity and order.

1.1. Responsibilities Plan

The first step to creating a responsibilities plan is to develop a recruitment board that will function as the main body responsible for guiding the project. The persons on the board should include the St. Andrews waterfront commercial area manager, city development employees, property developers, real estate agents, bankers, local business owners and other stakeholders.

Once a recruitment board is in place, a broader responsibilities plan can be developed to determine who is taking on each stage of the plan and how the decision making process will work. For example, will the city be responsible for hosting a website on the recruitment project? Who is responsible for communicating with banks about offering subsidized small business loans? Who is going to work with the county or city planning office to obtain information on property owners, zoning, and potential incentives?

Field and recruitment staff. As the responsibilities are assigned, the recruitment board will likely discover that there is a lot of work to be done with limited staff time. In addition to having a one full-time staff person managing the retail recruitment project, there should also be a part-time position dedicated solely to field outreach and recruitment. Field work is the most time-consuming work in retail recruitment—and the most important for actually filling vacant spaces. If the funds are not available for such a position, there should be a team of very good volunteers who are willing to travel and take initiative. It may be possible to share a staff person with the Chamber of Commerce or city government. Look into creative partnerships and try to share the responsibilities of the project.

1.2. Schedule and costs

A simple schedule for the recruitment plan will include time goals for each of the steps. The entire cycle will likely take a year to see any solid results, and even then the work will continue as the recruitment board will need to transition into retention plan and recruitment. Most Main Street programs have found that this work requires much more time than it does financial resources. Keep that in mind when planning the costs.

See the recruitment schedule (Attachment 1) and budget, Exhibit 1, below.

St. Andrews Commercial Waterfront Area
Proposed Marketing Budget

Budget

Category	One-year	Two-Year	Three-Year	Activity
Staff	$ 10,000	$ 20,000	$ 20,000	Part-time support.
Printed Materials	$ 15,000	$ 10,000	$ 10,000	Development and printing of primary brochure.
Web Site	$ 10,000	$ 5,000	$ 5,000	Development and maintenance of site.
Advertising	$ 10,000	$ 15,000	$ 20,000	Internal communication of regional message.
Travel	$ 2,000	$ 4,000	$ 6,000	Participation in selected national conferences.
Admin/Misc.	$ 5,000	$ 6,000	$ 7,000	Office; memberships; supplies.
Tour	$ 2,000	$ 2,000	$ 2,000	
Other Activities	$ 1,000	$ 1,000	$ 1,000	
Total	$ 55,000	$ 63,000	$ 71,000	

Source: Thomas Point Associates, Inc.

1.3. Determine what the CRA can offer businesses

Most incoming businesses will want to know what the city or county is willing to do to help them open shop, especially if they feel they are taking a risk in a new market. Be prepared to answer these questions by knowing what type of investments the CRA and City are ready to or have already made. Is there a streetscaping project or infrastructure development? Do they have a retention plan for driving customers to those businesses? What advertising and marketing assistance will the CRA or County provide?

Develop incentives. Incentives are rarely the thing that will convince a retailer to open shop if they weren't already thinking about or planning it. Likewise, incentives may not guarantee that the recruitment plan will be successful, but they will support businesses that are seeking to expand or improve their services. It is important to offer the same incentives to existing businesses as to new businesses, and remember that for new businesses it is hardest to get working capital because of its high risk. For many new businesses, it is not the details of capital, but the simple access to capital that can make the difference to businesses coming in.

One feasible incentive is to offer subsidies or low-interest loans for a limited time. Other recruitment programs have had success by offering to pay the first three months of rent for new businesses that meet criteria such as a target number of employees hired or revenue earned. A final option is to start a small business loan fund, which will allow

current business to make necessary improvements and expansions even if they don't have the capital.

2. Identify the stores and services to recruit.

The second step in a retail recruitment plan is to know the type of retail the study area wants and the type of retail the study area can support. This is achieved by collecting as much data on the study area as possible.

2.1 Market and demand analysis

The *five-minute drive primary market area population* is the most easily identified segment of the market area that makes up support for the St. Andrews waterfront commercial area. This PMA includes *about a third of the population of Panama City*. This population declined from 1990-2007 but it is growing now and there are new investments in housing in the residential areas of St. Andrews.

Tourism is a very important part of the economic picture for the St. Andrews waterfront commercial area. The waterfront is a key attraction. It is one of the best points of access to the water in the region and a popular place for putting in a boat, taking a fishing trip and enjoying the waterfront. It attracts thousands of *restaurant patrons* who come from outside the neighborhood and the City and hundreds of *Marina visitors* each month who come to stroll and watch boats offload their daily catch. The nearby Port is also a dynamic part of the area that brings longshoremen, steamship agents, freight forwarders, customs brokers and stevedores who work and often live in St. Andrews.

In general *the waterfront commercial area is a destination*, not a shopping district through which travelers pass en route to another location. The low traffic volumes and the specialized economy of the "working waterfront" suggest a strategy of branding or *unique identification* within the broad array of attractions that already exist in Panama City and Panama City Beach.

Based on population and retail sales data we identified a list of stores that we expect to have an interest in the St. Andrews waterfront commercial area and then pared this list down to a smaller number of retail "targets." *Best retail prospects* are the following:

- Electronics
- Nursery and Garden
- Cosmetics
- Men's Clothing
- Hobby, Toys, Games
- Special food services
- Marine hardware
- Pharmacy
- Women's Clothing
- Sporting Goods
- Florist

This focused list indicates market support for approximately *50,000-60,000 square feet of new retail space*. It reflects the regional market, the community strategy and the reality of current retailing.

2.2 Describe and define the market area

Defining the market area requires a more direct visual scoping of the study area. This step asks what is the current status of the study area. By addressing these questions in a narrative or a descriptive map, retailers will be able to better understand the area and how it functions.

- Describe the existing businesses. Empty lots? Buildings that need renovation?
- Is there housing nearby? Offices? Recreation?
- Use the market study to dimension the target markets including tourism, workers, recreational users and the population, and identify services needed for each use.
- Describe the infrastructure of the project area. How will people get there? How easy will it be to move around within the area and how is access limited? Describe parking resources.
- What time of day are people moving around the area, and when should new businesses operate? Should there be both day and night services, and how can businesses be recruited to attract customers in both time periods?

2.3 Consumer research

While a market study does provide essential hard data for assessing a study area's retail potential, it is still important to get direct input from the people who will be shopping and dining in the area. The fastest and least expensive way to do this is by hosting a simple survey on the project website. This is easily done with free web tools such as www.surveymonkey.com or http://freeonlinesurveys.com. This survey can be used to get feedback on which regional retailers should be recruited, the hours during which people would most like to shop, or any other useful data. An example online poll can be found at http://www.mainstreetconcord.com/tabid/35/Default.aspx.

3. Develop the marketing pitch.

As most market studies indicate, customers are largely driven by "destination shopping". A new strip of shops in "Anytown USA" is not going to draw customers if they already have the option of competitive nearby retail markets that have developed a look, feel and niche of their own.

One of the most important tasks for the recruitment board is to develop a pitch that defines the special character of the study area. This requires creative brainstorming and a bit of marketing know-how. One way of guiding this session is to do a SWOT (Strength-Weakness-Opportunities-Threat) evaluation of the study area. Through this process, participants brainstorm all of the possible strengths, weaknesses, opportunities and threats to and of the study area. Create your message from the strengths and opportunities, and find creative ways to avoid, minimize, or respond to the weaknesses and threats.

The key here is to build confidence in the study area by using specialization and differentiation from nearby competing markets. Consider making use of local history and local advantages (cheaper rent, less traffic, different clientele, etc), and be willing to create different messages for different audiences. Messages that invoke imagery (such as "Historic Working Waterfront") can be particularly useful in building a sense of familiarity with the study area, which will help bring people into the study area.

4. Identify retail targets, stakeholders and opportunities.

Recruitment should focus on three categories of targets: local, regional and state retailers; key stakeholders who can facilitate the recruitment and development process; and entrepreneurs who may want to open up a business in the study area. The majority of the recruitment process should focus on current retailers, but their relationship to key stakeholders will be essential to their success as a retailer in the study area. As the recruitment board begins to identify targets, this information should be stored in a contacts or project management system, or, if such a system is unavailable, in an excel spreadsheet.

See Attachment 2 for an example contacts spreadsheet.

4.1 Retailers

Retailers should be organized into three tiers of outreach: local, regional/state and national.
Local retailers. Start identifying businesses within a 10-mile radius that meet the criteria of the market study. Get out on the street and walk through central retail districts. Notice which stores appear to be busy with a good rotation of inventory. Record the street address, phone number, email and website for each store along with relevant notes. Make a special note of stores that already have multiple locations.

Visit the Chamber of Commerce and obtain a list of retailers in the target markets. Identify workshops or seminars coming up that may offer an opportunity to meet with local businesses.

State retailers. Expanding outreach to the state market will provide great opportunities (a larger selection of retailers) as well as some additional challenges (travel time and costs). In order to narrow the search, the recruitment board should again focus on areas that have similar demographics and market demands. Successful Main Street development programs throughout the state are also a great place to start the search for retailers. Build a relationship with these programs and use them as a resource for identifying businesses that have had success in their area. A list of Florida Main Street programs can be accessed at: http://mainstreet.org/content.aspx?page=2876&section=15.

Regional and National retailers. Regional retailers for the purpose of this plan are defined as businesses within a 50-mile radius of the study area. National retailers may be in the region or may be known through travel experience, professional reading or other types of research. Identifying regional and national retailers is actually quite similar to identifying local retailers. Focus on identifying retail areas located in similar settings or that offer the same type of retail; internet research makes it an easy matter to locate shopping centers around the State and the US. There will likely be other retailers who have found success by locating near that store and they may be eager to open a second location with similar placement. The Chamber of Commerce will again be a valuable resource for business listings and networking.

4.2 Local stakeholders

Local stakeholders include brokers, real estate agents, property owners and developers, accountants, small business agencies, and business or civic organizations such as Rotary International. Local stakeholders are important resources for businesses who want to move into the area; gaining their support for the recruitment project is invaluable. They need to feel confident about the project, be given proper information about the plan, and be an active part of the development process.

While brokers should be a part of the recruitment plan they often work for specific companies, most of which are national companies that can pay a profitable commission. This makes it less likely that a broker is going to actively recruit or recommend a retailer solely because it would be a good fit for the study area. Nevertheless it is still worth inviting brokers to the launch and sending them a packet of information or a link to the website so that they can refer appropriate business to the study area.

4.3 Other recruitment opportunities

Retail and small business conferences and seminars provide an excellent opportunity to connect with retailers, stakeholders and people who are doing similar recruitment work. Even when they don't directly result in recruitment of new retail, they will often provide new connections, lessons learned and opportunities for the future. (Florida Main Street Conference: September 12-14, 2007, Kissimmee, FL http://www.flheritage.com/preservation/architecture/mainstreet/)

There are two additional populations that may be interested in business opportunities in the study area: tourists and area alumni. This recruitment project offers a business opportunity for tourists who are seeking a place for retirement, a career change, or simply a change in lifestyle. For area alumni, it is an opportunity to return to the place they once lived. Perhaps someone will be see this as an opportunity to launch a second location of a pre-existing retail business, or maybe it will inspire new entrepreneurs to start his or her first retail business. Gulf Coast Community College and the Panama City Campus of Florida State University may be helpful.

While incoming entrepreneurs are the least important recruitment targets, they are still interesting and potentially profitable outreach targets that shouldn't be overlooked. Tourist targets can be identified at area hotels, tourist publications, and travel agencies. Some useful resources are: Panama City Beach Convention & Visitors Bureau: folder, publication and website (www.thebeachloversbeach.com); Panama City Chamber of Commerce Relocation Guide & Business Directory (www.pcbeach.org); Panama City Living magazine (www.PanamaCityLiving.com)
Alumni targets can be identified through any university or college alumni associations list serve or publication.

5. Create recruitment materials.

Once the recruitment board has been established, a marketing pitch has been developed, and both the market and the targets have been identified, it is time to pull together all of the information and create the recruitment materials.

5.1 Website

An exciting and informative website can do more good for a recruitment plan than nearly all other mediums combined. Any material that is developed for recruitment should be available on the website. The goal of the website is to make it as easy as possible for potential retailers and stakeholders to get all of the information they need to understand the market, its opportunities, and how they might fit into it.

Listed below are several websites for other successful retail recruitment projects. These study areas have already shifted from the recruitment phase to retention, but they are still great examples of how to create an online presence and generate interest in the retail study area:

- Fort Pierce, FL: http://www.mainstreetfortpierce.org/
- Encinitas, CA: http://www.encinitas101.com/
- Concord, NH: http://www.mainstreetconcord.com/
- Kissimmee, FL: http://www.kissimmeemainstreet.com/

5.2 Introductory letter

This letter is the official first form of contact between the recruitment board and the recruitment targets. There should be a different letter for each of the three main categories of targets, but the core substance should be the same:
- Introduce the study area.
- Share the vision of the development plan.
- Describe why the target should be interested in the development of the study area.
- Ask for a personal meeting with the target.
- Offer to send additional information and direct them to the website.

5.3 Recruitment packet

The recruitment packet holds all of the information any retailer or stakeholder will need to understand the location and opportunities of the study area. There are several components that should be included:

- **Brochure**
  Make it lively and colorful with the purpose of creating a marketing "buzz". Include testimonials from current business, highlight the opportunities found in the market study, and mention the investments that are already being made in the study area (such as streetscaping and façade work). Include pictures of the study area and successful retailers that are already operating there.

- **Property data sheets**
  Each available property should have its own data sheet with pictures of the space (both interior and exterior), recommendations on the type of retail that may work well, a map showing its location in respect to the rest of the town's development, quick facts on the square footage, rental price (per square foot) and price comparisons, and contact information for the agent.

  See Attachment 3 for an example of a property data sheet.

- **Market and demographic fact sheet**
  This should be a one page sheet that draws from the complete market and demand study. It should cover basic information about the retail demand, the physical market area, and its population.

- **Contact information for local resources**
  Make it as easy as possible for recruitment targets to do their own research on the study area. Include phone numbers for the Chamber of Commerce, City and County development and planning agencies, local banks and lending institutions, real estate agents, the police department, accountants, staffing agencies and leasing companies.

5.4 Print ads

Depending on the recruitment plan's final budget, print and radio ads may be a piece of the recruitment strategy. Use the marketing pitch developed earlier in the plan to create ads specifically tailored for the recruitment target. Always include the project's website URL and other relevant contact information.

6. Plan recruitment events and meetings.

Every recruitment program has to develop its own approach. Some programs utilize many special events to generate enthusiasm and bring prospective retailers to the study area. Other programs do less to develop special events and focus more of their time on one-on-one meetings. A balance of these two approaches is recommended. The

recruitment board will be able to see which tactics generate the best results and should be open to reassessing the tactics used as the recruitment project progresses.

6.1 Launch event and tour

A fun launch event with a tour of the study area will have a big impact. It can generate media coverage, build local enthusiasm for the project, gain the interest of potential retailers, and spark greater support from local stakeholders. Participants should include local, regional and state retailers, entrepreneurs, brokers and other stakeholders.

The event should have four stages: a welcome reception, a tour of the area's retail space, a dinner event, and a closing recruitment opportunity. The welcome reception can be very simple with a check-in of attendees, handing out of the recruitment packet and introductions of the recruitment board. For the tour, the recruitment board can rent a trolley or create a walking tour that takes the participants to the potential retail spaces, shows them what is already developed and allows them to meet successful retailers in the area. Each space that is viewed should have a corresponding property data sheet in the recruitment packet. After the tour, participants can enjoy an open buffet dinner at a local restaurant or meeting space, to be followed by a casual reception that provides more opportunity for direct recruitment.

Within a couple of days after the event, be sure to follow up with the participants. Ask if there is any additional information they would like on the study area and try to gauge their interest in opening a retail store in the study area. Thank them for attending and keep them updated on future events.

The recruitment board should always provide a way to get participant feedback on events. For this event, feedback cards could be placed on the dinner tables, or it could be an online survey that is sent via email. Questions for feedback may include:
- Did the event answer your questions about opening a retail business in the study area?
- After this event, are you more or less interested in opening a retail business in the study area?
- How informative and helpful did you find the information in the recruitment packet?
- What information was missing from the packet or event?
- Did the event give you enough time to view the properties?
- What things would you have changed about this event?

6.2 Local interest meetings

The best way to garner support for the recruitment project is to build---and maintain-- a good understanding of it among the local stakeholders. By hosting regular (bi-monthly or monthly) local interest meetings, the recruitment board can keep local stakeholders updated on incoming retailers, new incentives, and opportunities for further business

trainings. This should also be a time for brainstorming new recruitment tactics and targets.

6.3 Small business workshops

Depending on the experience of the retail targets, an essential piece to the recruitment plan may need to be training for starting and managing a small business. These workshops can be used to support incoming and current retailers as well as provide necessary training for first-time business owners.

Nearby colleges that have business programs may be interested in hosting these workshops. Lawyers, tax accountants, and marketing specialists are also good people to approach to give expert advice on how to successfully start and manage a small business.

These workshops could be held as a "brown bag" series during the lunchtime hour, or they could evolve into longer weekend or evening seminars. Whatever the final form, it will be a valuable investment in the success and livelihood of the retail project. Most importantly, potential retailers will see that the recruitment board and CRA are serious about ensuring project success, thus building confidence in the process.

6.4 Regional and state outreach tour

In preparation for regional and state-wide recruitment, the field staff will need to plan a tour of potential retail targets in those areas. These trips should be carefully coordinated to maximize the amount of outreach that can be done in each area. Utilizing the research that has already been done to identify regional targets, the tour should include visits to target retail areas, other Main Street programs, Chambers of Commerce, Rotary clubs, and key stakeholders. Introductory letters can be sent to the targets ahead of time to ask for in-person meetings. Staff should also consider adding time for on-site research and scoping.

7. Outreach to the recruitment targets.

By the time a recruitment program begins its direct outreach, all of the resources should be in place to put the planning into action. This is the exciting phase in which the recruitment board gets to see the result of its hard work. It is also the most important and time-intensive phase of the plan.

7.1 Direct outreach strategy

When doing outreach to retailers, it is especially important to focus on repeated face-to-face interactions. Most retailers will need multiple calls or visits to get them to commit to a meeting or event. Most recruitment projects take a year to start filling the retail space, and beyond that year there will continue to be outreach needs to keep spaces filled.

There are a few general principles to follow in conducting direct outreach recruitment:

1. **Start with a site visit.** Survey the store, its product and its potential for success. Gather as much information as possible about the store (other locations, management and business plan). Provide an introductory letter and brochure and make sure to leave with contact information for the owner. For other stakeholders (other than retailers), visit their place of business and drop off information about the recruitment project. Build a relationship with them in the same way you do with retailers.
2. **Promptly follow up with phone calls, emails, or site visits.** Speak with the owner and ask for a meeting or invite them to the launch event. Encourage them to go to the website and offer to mail them the full recruitment packet. Be sure to remark on specific things about their store or services that would make them a good fit for the study area and recruitment project.
3. **Maintain communication**. Keep the recruitment targets updated on the progress of the recruitment program. The more they see other stores moving in and being successful, the more excited they will become about their own potential in the study area. Keep your website updated and email announcements about those developments to all of your contacts. Even if a retailer or stakeholder isn't immediately interested in the area, continue to build that relationship. The time invested into those relationships will usually pay off in retail developments in the future.

7.2 Advertising outreach

Along with direct retailer and stakeholder outreach, the recruitment board should launch its advertising campaign at this point. Ads should be placed in retail association and business weeklies and radio spots should be purchased. Track how many inquiries come through the advertising campaign so that it can be determined how cost-effective it is and whether it should be continued. Place ads in relocation publications and leave brochures in area hotels, business centers, and the Chamber of Commerce.

8. Follow-up with recruitment targets.

Patience is critical in following through with the recruitment plan. Real progress may take a year and longer. Follow a one-year plan that will keep an on-going schedule of events and outreach.

- Every day:
  - Make at least one phone call to a new or ongoing recruitment target.
- Every week:
  - Hold a meeting with the recruitment board to give status updates and make key decisions.
  - Make at least two site visits for the purpose of building a relationship with current retailers who are recruitment targets.

- Every month:
  - o Host a meeting for local stakeholders and retailers to provide a progress report, get feedback, and keep people updated on future developments.
  - o Host a small-business workshop or seminar.
  - o Host a meeting with property owners to get an update on their leases, provide training on how to control the space, provide updates on the retail space, and get them to personally invest in the greater development vision.
  - o Make a regional trip for direct recruitment meetings.
- Every 2-3 months:
  - o Host an on-site tour and special event for recruitment targets.
  - o Evaluate the success of each outreach and marketing tactic.

Conclusion

Retail recruitment that moves beyond the homogenous model of strip malls and big box development has been gaining momentum across the country over the past two decades. There are successful models of this retail development, but no two models are exactly alike. The challenge—and fun—in developing a local retail project is figuring out precisely the type of retail and outreach that will work in your community. The St. Andrews waterfront commercial area has a unique identity that can energize a successful recruitment program.

This report attempts to assist in that process by providing a model for how a successful retail recruitment project should be organized, managed, and put into action. By ensuring that the recruitment board understands their market, has a polished marketing pitch, and has assembled all of their materials and research, this report sets the stage for a successful recruitment project.

This report also emphasizes, however, that the most important work comes after the groundwork has been laid as the board begins its direct outreach and follow-up. In truth, while a recruitment project must have a clear market analysis and convincing marketing pitch, no amount of preparation or funding can make up for a program that lacks dedicated time and face-to-face interaction with current business owners. Put your best resources into interacting with retailers and building their confidence in your project and you will begin to see the satisfying result of retailers moving into your retail project area.