

SUBMITTED TO:

CDM Smith

ENFIELD SQUARE MALL

MARKET ANALYSIS AND MALL REDEVELOPMENT TRENDS STUDY

CDM Smith

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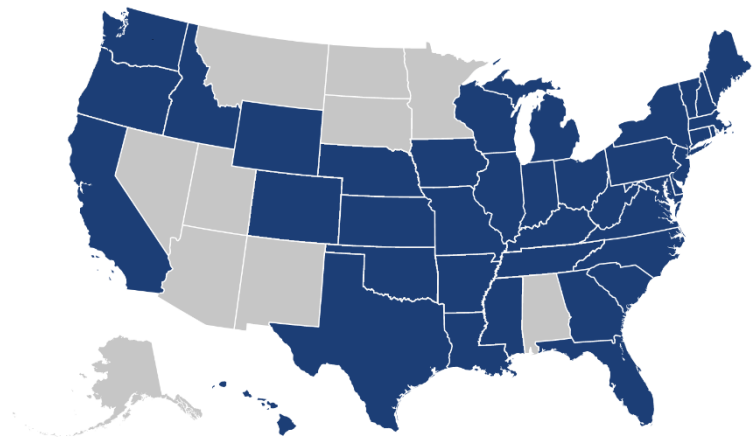
ABOUT CAMOIN 310

Camoin 310 has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin 310 has served EDOs and local and state governments from Maine to California; corporations and organizations that include Amazon, Lowes Home Improvement, FedEx, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$6 billion. Our reputation for detailed, place-specific, and accurate analysis has led to over 1,000 projects in 40 states and garnered attention from national media outlets including Marketplace (NPR), Crain's New York Business, Forbes magazine, The New York Times, and The Wall Street Journal. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. We are based in Saratoga Springs, NY, with regional offices in Richmond, VA; Portland, ME; Boston, MA; and Brattleboro, VT. To learn more about our experience and projects in all of our service lines, please visit our website at www.camoinassociates.com. You can also find us on Twitter @camoinassociate and on Facebook.

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EXECUTIVE SUMMARY

Camoin 310 was commissioned to complete a market analysis and mall redevelopment trends study for the Enfield Square Mall located in the Town of Enfield, Connecticut. The market analysis examined redevelopment opportunities for the property based on market conditions and the future outlook for suburban malls. Comprehensive data analysis was supplemented with additional research and market intelligence interviews with local realtors, developers, and others knowledgeable about local market conditions.

The market analysis consists of the following sections:

- ◆ Demographic and Economic Profile;
- ◆ Residential Multifamily Market Analysis;
- ◆ Retail Market Analysis;
- ◆ Office Market Analysis;
- ◆ Industrial Market Analysis;
- ◆ Tourism and Hospitality market Analysis; and
- ◆ Mall Redevelopment Trends.

Overall, the study identified several market-feasible uses for the redevelopment of the Enfield Mall property. Multifamily residential was identified as a primary opportunity along with other types of housing. Specific types of retail, including big box, restaurants, and retail integrated into mixed-use development, were also found to have market potential despite the vacancy struggles of the mall property. A limited amount of office space may be feasible, but will likely be restricted to medical office, which was found to have strong market feasibility. Distribution and fulfillment industrial reuse also emerged as a strong opportunity given growth in e-commerce and the site's size and interstate access. Lodging (e.g., hotel) development may have moderate potential in the mid-term for the property. Lastly, the analysis determined that there is demand potential for recreation/entertainment uses, particularly family-oriented regional destination uses. The results are further summarized below.

MARKET OPPORTUNITY FINDINGS

RESIDENTIAL

- **There is significant market potential for multifamily residential at the Enfield Square mall property.** Despite Enfield not having a historically robust housing market, the site's locational advantage for commuters coupled with very strong multifamily market trends, including low vacancy, rising rental rates and positive market absorption, indicates current and future market demand potential.
- **Potential for a variety of housing products and price points.** The site has the potential to accommodate several market segments and price point levels, particularly workforce level units catering to the local Enfield population and workers and more upscale units targeted towards commuting professionals. Additionally, there is a need for affordable housing in the community, particularly for the

senior population. In addition to apartment units, there is also potential for owner-occupied housing including townhouses.

- **Mixed-Use Key to Residential Market Success.** To achieve optimal market success, multifamily units would need to be developed as part of a mixed-used redevelopment concept featuring amenities such as shopping, eating/drinking establishments, and potentially other recreation/entertainment options. “Standalone” multifamily would still be expected to have potential, but market demand and absorption figures would be diminished.
- **There is *annual* market potential for the next five years for approximately 138 rental units at the Enfield Square Mall site as part of mixed-use redevelopment.** Based on the market demand analysis and conversations with developers it is expected that the site could absorb this level of development given current and foreseeable market conditions. There is also demand potential for approximately 20-30 townhouse/condo units per year. Therefore, the first phase of a mixed-use development project would likely accommodate up to approximately 276 apartments and 60 condos (assuming a 2-year development phase). Outside of the site, there is additional annual demand for 785 units in the market area (for the next five years).

RETAIL

- **Despite recent struggles of retail on the property, there is future retail potential.** There is market potential for big box retail on the property. The site’s interstate access and the potential to co-locate with the existing Target has already made the property a target of national retailers despite no formal deals being reached. While design challenges may exist, such as incorporating experiences and personalization into the shopping experience, there is anticipated redevelopment potential from national big box retail.
- **Mixed-use and pedestrian-friendly retail has potential.** The market analysis indicated that in a mixed-use redevelopment of the site, new small-scale retail would have potential. New on-site residents with purchasing power would drive this demand potential along with better alignment of this type of retail with modern consumer preferences. If the property is redeveloped with substantial multi-family of up to approximately 276 apartments and 60 condos, it is expected that between 100,00 and 150,000 square feet of retail could be incorporated.
- **Strong Restaurant Potential.** There is existing unmet demand for restaurants in the local market area with gaps for mid- and upscale and independent restaurants. Existing conditions would support the addition of two restaurants. Future on-site residential development would enhance that demand potential.
- **Existing retail need could be met in a mixed-use environment.** The retail analysis identified several retail categories that may have potential in a walkable mixed-use environment given current market conditions. Future on-site residential would enhance retail market potential and create additional opportunities catering to those tenants.
 - Jewelry, Luggage & Leather Goods Stores
 - Clothing Stores
 - Electronics & Appliance Stores
 - Sporting Goods/Hobby/Musical Instrument Stores

OTHER COMMERCIAL/INDUSTRIAL

- **Generally limited office demand potential.** The office market is currently very weak with high vacancies generated by the COVID-19 crisis. With projected declines in office-utilizing industry sectors and shifts to remote work there is likely to be an oversupply of office space in the market for the foreseeable future. Therefore, there is limited office development opportunity. With the shift to remote working and flexible work arrangements, coworking and/or similar flexible workspaces may have some feasibility, particularly in mixed-use development with new residential units.
- **Market potential for specialized medical office space.** Despite the lack of office demand, the analysis determined that future growth in healthcare sectors will drive new demand for medical office space, particularly for ambulatory care (outpatient settings). Overall, there is estimated demand for nearly 38,000 square feet of new medical office space in the Town of Enfield over the next ten years. However, the development potential for the Enfield Square Mall site may be greater given its location and access advantages, potential new on-site residents, and the estimated full market area demand for 1.6 million square feet of medical office space over the next 10 years.
- **Warehousing/distribution represents industrial redevelopment potential.** The market for distribution and fulfillment centers and warehousing has exploded with demand since the onset of COVID and is expected to remain strong in the future with further shifts to e-commerce. Employment projections indicate increased demand for this type of industrial real estate in the future. The mall site is ideally situated for last-mile distribution given its immediate interstate access to two major metro areas. Interviews indicate that there has already been interest in the property for these types of uses.

TOURISM/HOSPITALITY

- **Favorable conditions for lodging development prior to COVID-19 crisis.** The lodging market had been strengthening in the immediate years preceding the economic and health crises with improving occupancy rates and strengthening hotel financial performance metrics. The lodging market is expected to begin to recover in 2021 but the feasibility of new lodging development depends on the strength and timeframe of that recovery.
- **New lodging development may be feasible but not likely in immediate term.** In addition to COVID market impacts, there are existing lodging options in immediate proximity to the mall site including Hampton Inn (upper midscale), Red Roof Inn (economy), and Motel 6 (economy). However, the site is an ideal location for lodging development and can capture demand from generators in both Hartford and Springfield. As the market recovers, lodging development may become feasible and would be further supported by any new on-site demand generators such as entertainment/recreation destination uses.
- **There is unmet demand for recreation and entertainment establishments in the local Enfield area (and surrounding communities).** Options are extremely limited and many households must travel to Hartford or Springfield for recreational and entertainment pursuits. Family-oriented recreation/entertainment was specifically identified as having potential. While further analysis would be required to identify specific feasible uses, the types of family-oriented entertainment and recreation include (but are not limited to): trampoline park, indoor waterpark, indoor sports complex, bowling, miniature golf and amusements, etc. Given the interstate access of the site, there may be potential for a destination recreation/entertainment use as part of the redevelopment of the mall site.

MALL TRENDS

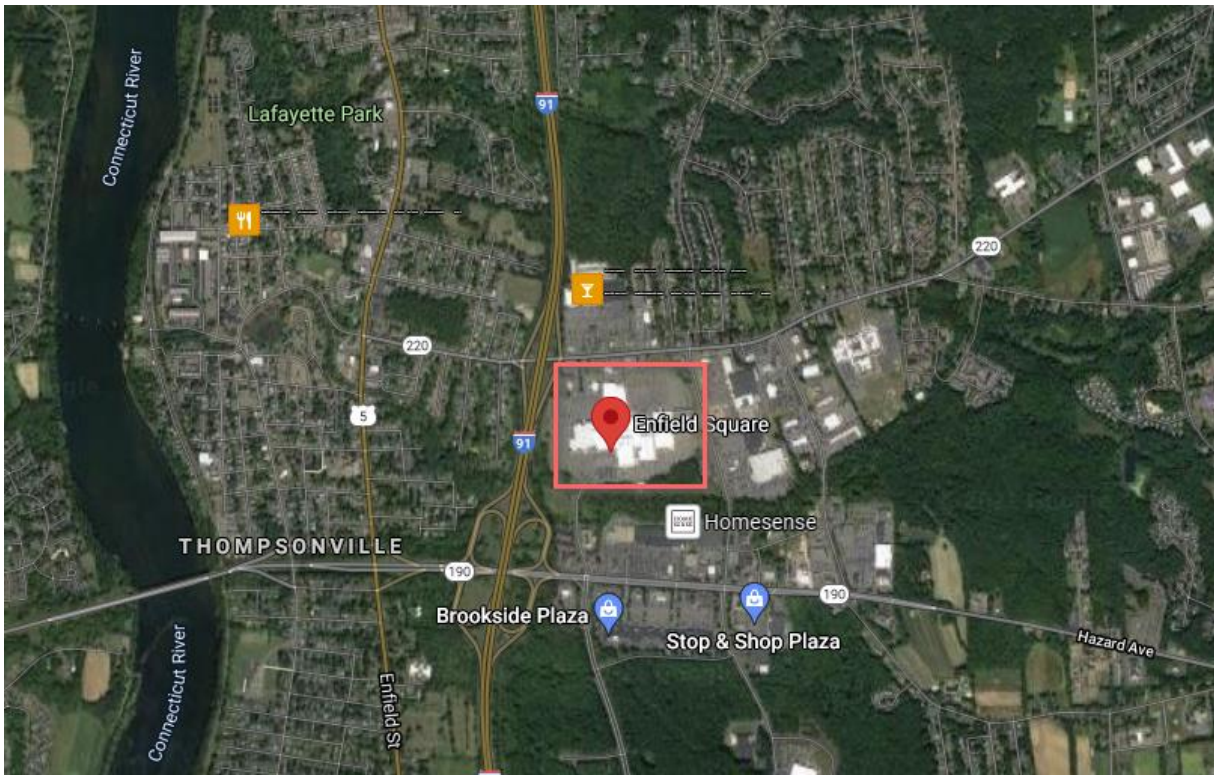
- **Suburban style shopping malls in decline.** Nationally, malls like Enfield Square Mall have been in decline as the retail industry continues its transformation. Department store anchors and apparel tenants have fared poorly, reducing foot traffic and accelerating vacancies in malls. The rise of e-commerce and shifts in consumer behaviors have largely driven the decline in shopping malls.
- **There are key themes and trends among mall redevelopment efforts.** The location of older shopping malls have given them great advantages for new uses. The key trends among mall redevelopment projects include:
 - **New tenant mix:** Malls are bringing in new types of tenants to fill vacancies, including uses that focus on entertainment.
 - **Alternative uses:** Many projects have adapted malls for uses including office, residential, hotels, and mixed-use concepts. Multifamily residential has emerged as a primary redevelopment focus for many mall redevelopment projects.
 - **Last-mile distribution centers:** Many malls have also transitioned into fulfillment centers for the delivery of e-commerce orders to those in the surrounding area. Malls that have large vacant spaces have proven to be well suited for this type of reuse.
 - **Themed destinations:** It has also been common for malls to be repurposed around specific themes such as “health” that has an exercise facility/gym and/or healthcare centers along with similarly themed tenants.

1. INTRODUCTION

1.1 SITE OVERVIEW

Enfield Square Mall is currently a 787,000 square foot one-story regional shopping mall located at 90 Elm Street, Enfield, Connecticut (the "development site"). The following map indicates the location of the development site on Elm Street and its proximity to I-91.

Map 1: Development Site



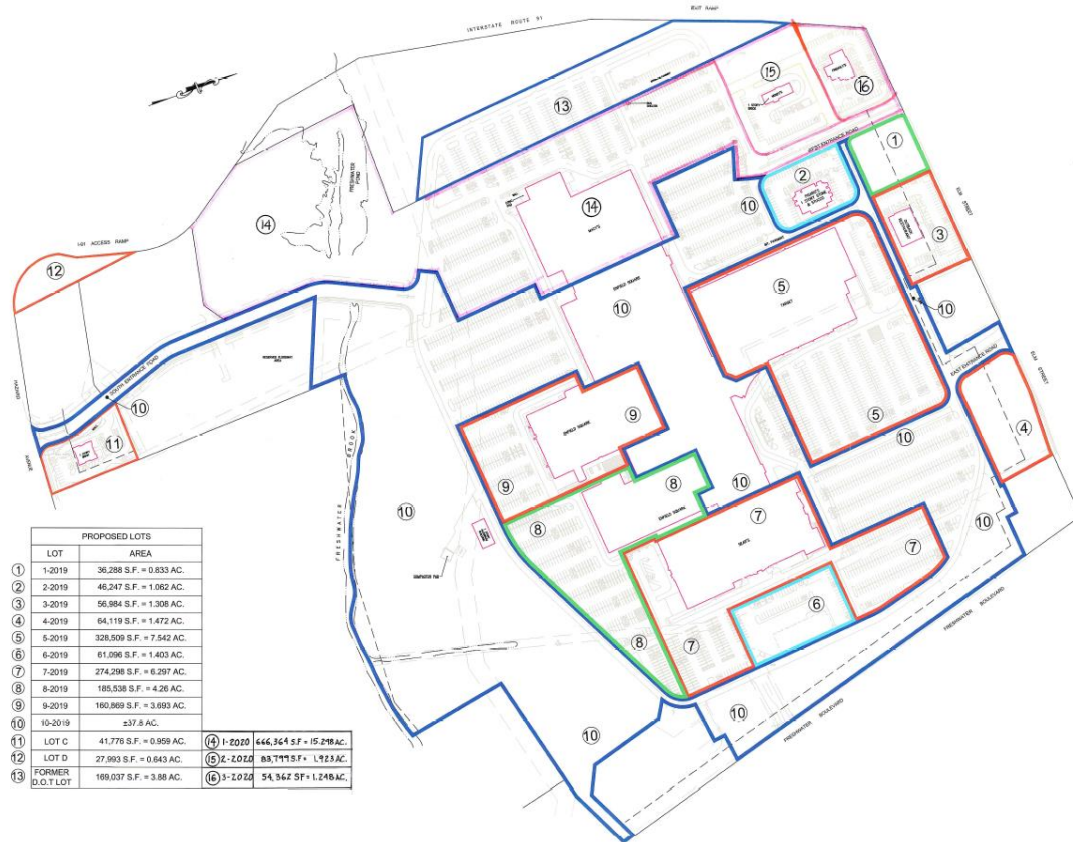
Source: Google Maps

Enfield Square has been subdivided in 16 parcels as shown in Map 2, however parcel assembly or reconfiguration is assumed to be possible. The current land use breakdown of these parcels is as follows:

- ◆ **Lot 1:** Currently undeveloped (Popeye's Louisiana Kitchen seeking local site plan approval)
- ◆ **Lot 2:** Figaro's Italian Restaurant
- ◆ **Lot 3:** Outback restaurant
- ◆ **Lot 4:** Undeveloped
- ◆ **Lot 5:** Target retail store
- ◆ **Lot 6:** Vacant
- ◆ **Lot 7:** Vacant
- ◆ **Lot 8:** Cinemark Movie Theater
- ◆ **Lot 9:** Vacant
- ◆ **Lot 10:** Enfield Square Mall, associated entrance roads and parking

- ◆ **Lot 11:** Subway and Starbucks
- ◆ **Lot 12:** Undeveloped
- ◆ **Lot 13:** Parking lot
- ◆ **Lot 14:** Vacant
- ◆ **Lot 15:** Wendy's restaurant
- ◆ **Lot 16:** Friendly's restaurant

Map 2: Lot Layout



Source: Town of Enfield

1.2 SITE CONTEXT

GEOGRAPHIES STUDIED

The market analysis considers two primary geographical areas to compare local and regional trends: the Town of Enfield, CT and the Market Area. The Market Area, which is used throughout all portions of this market analysis, includes the entirety of Hartford County, CT and Hampden County, MA, as well as the northern portion of Tolland County, CT (including the towns of Somers, Stafford, Union, Ellington, Tolland, Willington, and Vernon). The market area is based on a review of commute patterns within the region and is a reasonable representation of the market area for the five market segments studied.

CONTEXT

The development site's location near access to interstate 91 allows for its market area to extend from Hampden County, MA in the north through all of Hartford County, CT in the south. Bordering the development site on the west, this interstate access is key in that it connects the site to multiple regional population centers, providing a large pool of available workers and or customers of the site's eventual use(s). The site has immediate access to I-91 via exit 47 and Hazard Ave and exit 48 and Elm Street. The site's interstate access offers a significant competitive advantage that will offer benefits to a variety of potential reuse options, including residential for commuters, entertainment and recreation destinations, industrial and distribution uses, and retail, among others.

Daily, an average of 31,900 cars drive past the development site on Elm Street, with approximately 88,500 traveling on the nearby I-91.¹ The map on the following page shows local traffic counts in the immediate area of Enfield Square Mall.

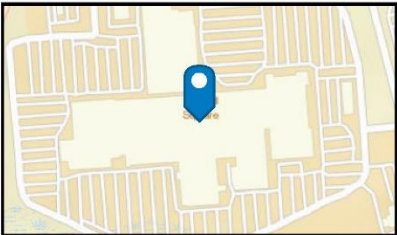
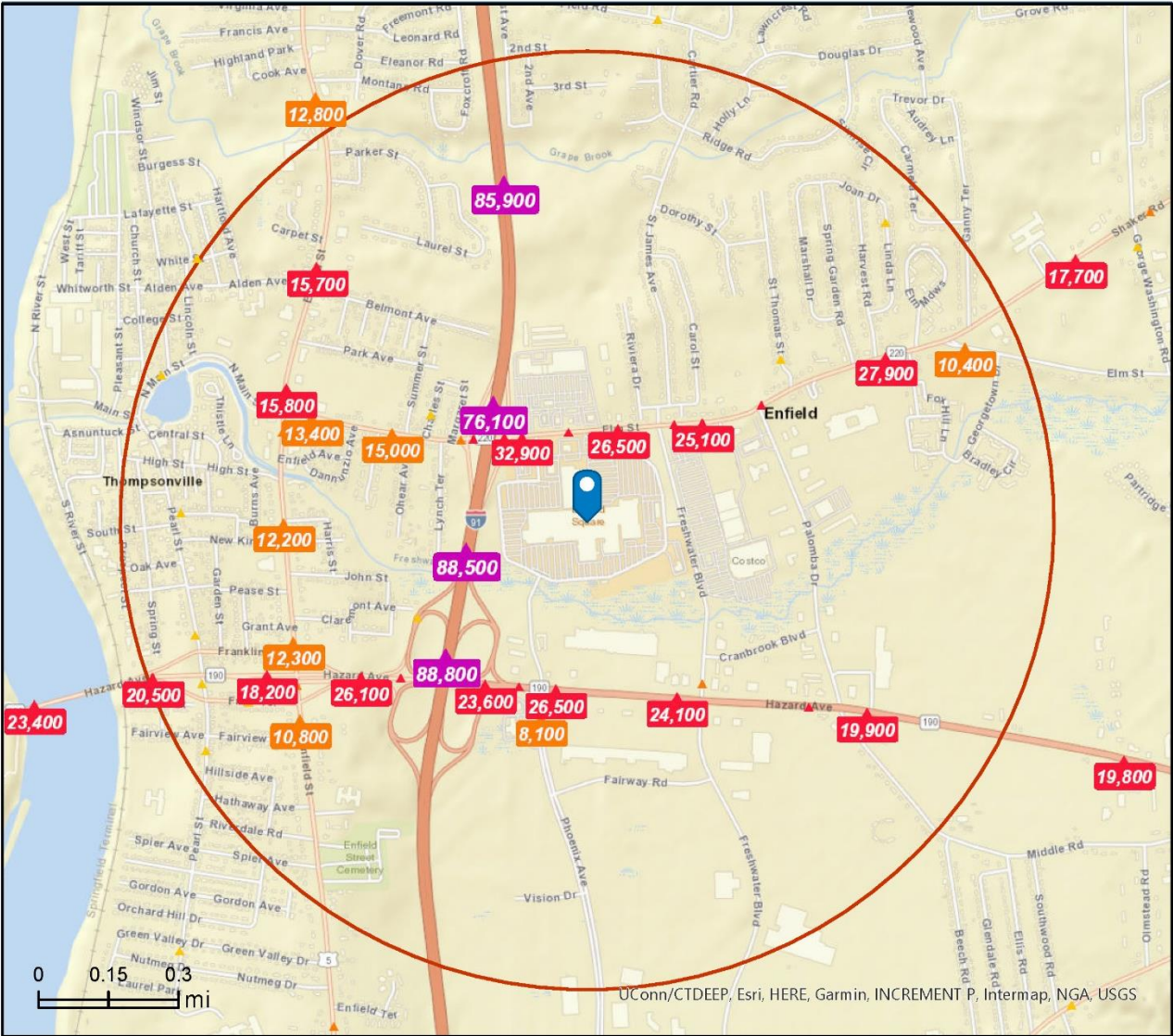
On the north, east, and south Enfield Square is bordered by big box retailers and fast food/chain restaurants. Asnuntuck Community College is also nearby, as are the Enfield public schools. A single-family residential neighborhood is to the north east, on the other side of Elm Street.

Map 3: Market Area



¹ Source: Esri

Map 4: Traffic Count Map



- Average Daily Traffic Volume**
- ▲ Up to 6,000 vehicles per day
 - ▲ 6,001 - 15,000
 - ▲ 15,001 - 30,000
 - ▲ 30,001 - 50,000
 - ▲ 50,001 - 100,000
 - ▲ More than 100,000 per day



Circle represents a 1-mile radius around Enfield Square. Source: Esri

1.3 DEVELOPMENT PROJECT PIPELINE

Within the market area there are 169 development projects that are either in the final planning phase, have been proposed, or are under construction. In total, these projects have the potential to add nearly 13.6 million rentable square feet to the market area. Retail (all types) accounts for the most projects, at 37%. This is followed by office with 19% of projects and industrial with 18%. Industrial projects account for the largest amount of rentable square feet, at 53%. This is followed by multifamily, with 25% of the total rentable square feet. See Table 1 for additional details.

In addition to the developments that are in the pipeline, Enfield is also undertaking an effort to establish a transit oriented district (TOD) around a future passenger rail station located in the town as part of the Hartford Line's corridor through the New Haven-Hartford-Springfield (NHHS) Rail Program. The Enfield station will be located in the Thompsonville neighborhood, which was historically a thriving downtown area. Today, the neighborhood is prime with opportunities for redevelopment.² Thompsonville is located directly to the west of Enfield Square, on the other side of I-91, and the development of the rail station has the potential to further expand the accessibility and desirability of the Enfield Square Mall development site. New development in Thompsonville could complement that of the Enfield Square Mall development site.

Table 1

Market Area Development Pipeline		
Property Type	Number of Projects	Rentable Building Area (SF)
Flex	2	42,950
Proposed	2	42,950
Hospitality	17	724,700
Final Planning	3	91,906
Proposed	12	542,794
Under Construction	2	90,000
Industrial	31	7,120,395
Proposed	27	6,398,895
Under Construction	4	721,500
Multi-Family	25	3,342,114
Proposed	12	2,381,990
Under Construction	13	960,124
Office	32	1,209,478
Proposed	27	1,091,258
Under Construction	5	118,220
Retail	44	771,875
Proposed	37	701,175
Under Construction	7	70,700
Retail (Community Center)	4	23,700
Proposed	4	23,700
Retail (Neighborhood Center)	8	233,419
Proposed	8	233,419
Retail (Power Center)	2	34,758
Proposed	1	8,758
Under Construction	1	26,000
Retail (Strip Center)	4	49,550
Proposed	1	9,000
Under Construction	3	40,550
Total	169	13,552,939

Source: CoStar

² Source: Hartford Line: TOD Action Plan Executive Summary. WSP, 2019.

2. DEMOGRAPHIC AND ECONOMIC PROFILE

2.1 SOCIODEMOGRAPHIC TRENDS

The Town of Enfield's population of 44,716 has remained relatively flat since 2010. At the same time, the population of the market area has experienced some growth, increasing by 1.6% since 2010. Projections indicate that Enfield's minimal population growth through 2025 will be on par with growth expected in market area.

Table 2

Population and Households		
	Town of Enfield	Market Area
2010 Population	44,654	1,447,763
2020 Population	44,716	1,470,587
2025 Population (Projected)	44,962	1,480,762
Population Change 2010-2020	0.1%	1.6%
Proj. Population Change 2020-2025	0.6%	0.7%
2010 Households	16,794	566,178
2020 Households	17,005	575,634
2025 Households (Projected)	17,103	579,560
Households Change 2010-2020	1.3%	1.7%
Households Change 2020-2025	0.6%	0.7%
2010 Avg. Household Size	2.43	2.48
2020 Average Household Size	2.42	2.48

Source: Esri

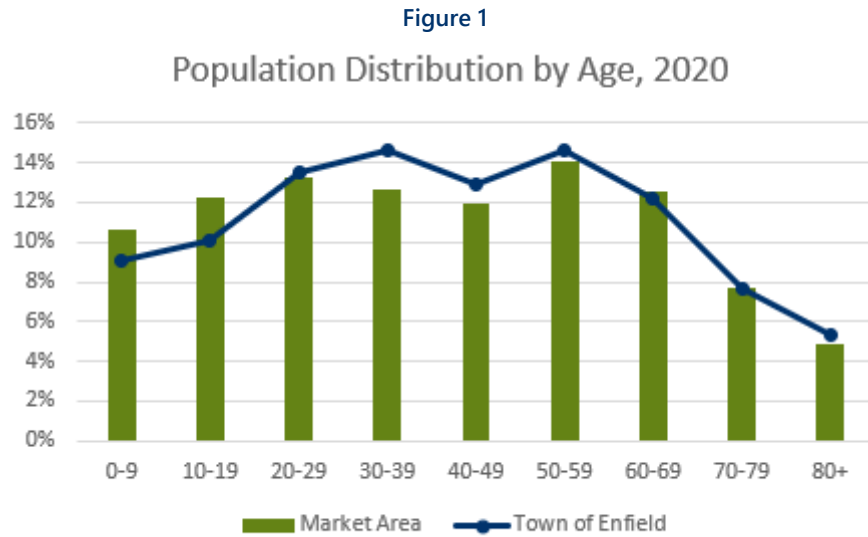
The population of the Town of Enfield is slightly older than that in the larger market area, but the difference is small. The median age in Enfield jumped from 40.4 to 42.1 between 2010 and 2020, and is expected to increase again slightly to 42.7 in 2025. The market area experienced an increase in median age over this same period.

Table 3

Age Characteristics - Median Age		
	Town of Enfield	Market Area
2010	40.4	39.5
2020	42.1	41.0
2025	42.7	41.8

Source: Esri

As shown in Figure 1, the Town of Enfield has a higher concentration of population in the 30-49 age cohorts and a smaller concentration of children compared to the market area.



Income levels in Enfield are higher than those in the market area. Based on recent trends, median household income in the Town of Enfield is expected to grow by 3.4% by 2025- a slower rate of growth than the surrounding counties.

Table 4
Median Household Income

	Town of Enfield	Market Area
2020	\$77,317	\$67,584
2025	\$79,955	\$72,747
Change in Median Household Income (Projected)	3.4%	7.6%

Source: Esri

As shown in Figure 2, over 20% of Enfield's households have incomes in the \$100,000-\$149,999 range. A notably higher proportion of Enfield's population has incomes in the \$50,000-\$149,999 cohorts than the market area.

Figure 2

2.2 ECONOMIC CHARACTERISTICS

JOBS/EMPLOYMENT

As of 2020 there are nearly 19,700 jobs in Enfield which is 2.5% of all market area jobs. Government and Retail Trade are the top sectors in Enfield, each accounting for 16% of the town's jobs. This is followed by Finance and Insurance (14%). There is a greater diversity of jobs in the market area, with Health Care and Social Assistance (18%), Government (14%), Manufacturing (10%) and Retail Trade (9%) being the top sectors.

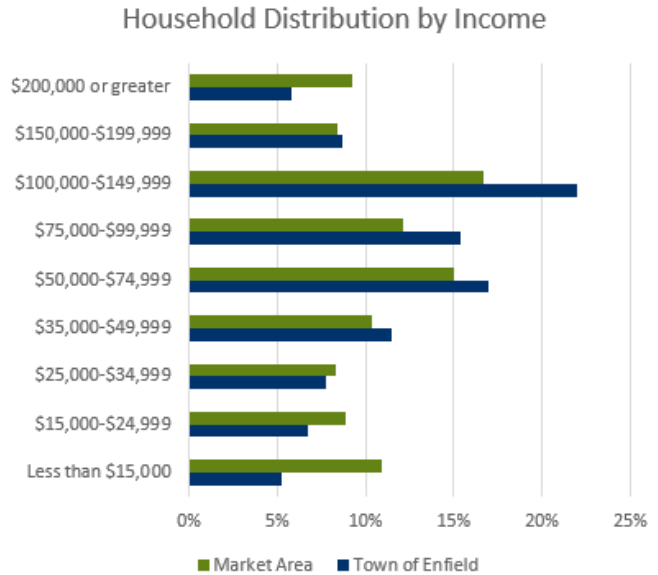


Table 5

Jobs by Sector

NAICS	Description	Enfield		Market Area	
		2020 Jobs	% of Total	2020 Jobs	% of Total
11	Agriculture, Forestry, Fishing and Hunting	91	0%	1,858	0%
21	Mining, Quarrying, and Oil and Gas Extraction	0	0%	113	0%
22	Utilities	11	0%	1,920	0%
23	Construction	371	2%	32,969	4%
31	Manufacturing	740	4%	74,579	10%
42	Wholesale Trade	589	3%	23,595	3%
44	Retail Trade	3,135	16%	67,954	9%
48	Transportation and Warehousing	970	5%	31,764	4%
51	Information	221	1%	11,495	1%
52	Finance and Insurance	2,851	14%	60,864	8%
53	Real Estate and Rental and Leasing	270	1%	10,296	1%
54	Professional, Scientific, and Technical Services	661	3%	42,641	6%
55	Management of Companies and Enterprises	823	4%	14,964	2%
56	Administrative and Support and Waste Management and Remediation Services	647	3%	36,234	5%
61	Educational Services	122	1%	22,342	3%
62	Health Care and Social Assistance	2,217	11%	141,887	18%
71	Arts, Entertainment, and Recreation	223	1%	9,421	1%
72	Accommodation and Food Services	1,761	9%	44,979	6%
81	Other Services (except Public Administration)	773	4%	34,495	4%
90	Government	3,214	16%	107,783	14%
99	Unclassified Industry	<10	0%	63	0%
Total		19,691	100%	772,216	100%

Source: Emsi

Over the 10-year period from 2010-2020, Enfield lost 756 jobs while the market area added 2,308 jobs (Table 6). In Enfield, Finance and Insurance lost the most jobs (605 jobs), followed by Other Services and Retail Trade, which each lost 238 jobs. Contrastingly, Transportation and Warehousing added 458 jobs, Management of Companies and Enterprises added 263 jobs, and Health Care and Social Assistance grew by 228 jobs. In the market area, Health Care and Social Assistance added the most jobs (21,943 jobs), followed by Transportation and Warehousing (10,611 jobs).

Table 6
Job Trends, 2010-2020

NAICS	Description	Enfield		Market Area	
		2010-2020	2010-2020	2010-2020	2010-2020
		Change	% Change	Change	% Change
11	Agriculture, Forestry, Fishing and Hunting	(35)	(27.5%)	(443)	(19.3%)
21	Mining, Quarrying, and Oil and Gas Extraction	0	0.0%	(62)	(35.4%)
22	Utilities	(6)	(34.0%)	(452)	(19.1%)
23	Construction	25	7.2%	2,391	7.8%
31	Manufacturing	(94)	(11.3%)	(1,368)	(1.8%)
42	Wholesale Trade	(94)	(13.7%)	(2,475)	(9.5%)
44	Retail Trade	(238)	(7.1%)	(8,353)	(10.9%)
48	Transportation and Warehousing	458	89.4%	10,611	50.2%
51	Information	(191)	(46.3%)	(2,445)	(17.5%)
52	Finance and Insurance	(605)	(17.5%)	(7,940)	(11.5%)
53	Real Estate and Rental and Leasing	(47)	(14.8%)	(130)	(1.2%)
54	Professional, Scientific, and Technical Services	44	7.0%	4,407	11.5%
55	Management of Companies and Enterprises	263	46.9%	3,711	33.0%
56	Administrative and Support and Waste Management and Remediation Services	16	2.6%	1,819	5.3%
61	Educational Services	(13)	(9.6%)	935	4.4%
62	Health Care and Social Assistance	228	11.4%	21,943	18.3%
71	Arts, Entertainment, and Recreation	(23)	(9.4%)	(1,994)	(17.5%)
72	Accommodation and Food Services	(62)	(3.4%)	(3,055)	(6.4%)
81	Other Services (except Public Administration)	(283)	(26.8%)	(10,211)	(22.8%)
90	Government	(100)	(3.0%)	(4,629)	(4.1%)
99	Unclassified Industry	Insf. Data	Insf. Data	50	374.4%
Total		(756)	(3.7%)	2,308	0.3%

Source: Emsi

The largest employers in Enfield span a variety of industries, including manufacturing, retail, and wholesale trade. The top employers in terms of number of employees are outlined in Table 7. It should be noted that Lego has largely vacated its headquarters in Enfield, which is not reflected in the most recent data available from the Connecticut Department of Labor.

Table 7
Top Employers, Town of Enfield

Business	Industry	# of Employees
Lego Systems Inc	Games, Toys, & Children's Vehicles Manufacturing	1,000-4,999
Brooks Brothers Group	Clothing	500-999
Precision Camera Repair	Photographic Equipment-Repairing	250-499
New Brunswick Scientific Co	Laboratory Equipment & Supplies Manufacturers	250-499
Enfield Correctional Instn	Correctional Institutions-Private	250-499
Costco Wholesale	Wholesale Clubs	200-249
Target	Department Stores	200-249
Red Robin Gourmet Burgers	Full-Service Restaurant	100-249
All American Waste	Garbage Collection	100-249
Blair Manor	Nursing & Convalescent Homes	100-249
Community Health Resources	Mental Health Clinics	100-249
Hazardville Wellness	Health Care Facilities	100-249
Allied Community Svc	Payroll Preparation Service	100-249
Anocoil Corp	Exporters (wholesale_	100-249
Martin-Brower Co	Food Products (wholesale)	100-249
Smyth Bus Co	Bus Lines	100-249
USPS	Post Offices	100-249
A W Hastings & Co	Windows	100-249
Best Buy	Electronic Equipment & Supplies	100-249
Big Y	Grocers	100-249
Home Depot	Home Centers	100-249
Kohl's	Department Stores	100-249
Shoprite	Grocers	100-249
Stop & Shop	Grocers	100-249

Source: Connecticut Department of Labor

*Note that some employers have downsized or closed since the publication of this list.

The unemployment rate in Enfield remains elevated as a result of the COVID-19 pandemic. As of March 2021, unemployment in Enfield was 7.8% compared to 2.8% pre-pandemic. This is similar to the counties that make up the market area, although the unemployment rate is lower in Enfield than in Hartford and Hampden counties.

Table 8
Unemployment Rate

	Enfield	Hartford County, CT	Hampden County, MA	Tolland County, CT
2016	4.4%	4.1%	4.8%	3.4%
2017	3.7%	3.8%	4.6%	3.2%
2018	3.0%	3.3%	4.2%	2.7%
2019	2.8%	3.2%	3.6%	2.7%
2020	7.2%	7.9%	9.1%	6.1%
2021 YTD (March)	7.8%	8.6%	8.5%	6.8%

Source: Bureau of Labor Statistics

OCCUPATIONS AND EARNINGS

Within Enfield, Management Occupations (1,761 jobs) and Legal Occupations (140 jobs) have median annual earnings in excess of \$100,000. Median annual earnings for many occupations, including these, are higher in Enfield than in the market area.

Table 9

Occupations and Annual Earnings

SOC	Description	Town of Enfield		Market Area	
		2020	Median Annual	2020	Median Annual
		Jobs	Earnings	Jobs	Earnings
11-0000	Management Occupations	1,761	\$124,271	61,444	\$117,444
13-0000	Business and Financial Operations Occupations	1,607	\$76,934	50,208	\$75,371
15-0000	Computer and Mathematical Occupations	718	\$91,825	24,255	\$88,473
17-0000	Architecture and Engineering Occupations	266	\$88,356	16,773	\$87,852
19-0000	Life, Physical, and Social Science Occupations	175	\$70,261	5,989	\$75,114
21-0000	Community and Social Service Occupations	442	\$54,579	19,575	\$50,348
23-0000	Legal Occupations	140	\$101,869	8,171	\$93,000
25-0000	Educational Instruction and Library Occupations	1,104	\$60,865	49,192	\$61,333
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	251	\$50,899	11,000	\$54,000
29-0000	Healthcare Practitioners and Technical Occupations	739	\$80,704	49,882	\$77,405
31-0000	Healthcare Support Occupations	677	\$32,378	47,430	\$32,335
33-0000	Protective Service Occupations	386	\$62,575	16,366	\$52,072
35-0000	Food Preparation and Serving Related Occupations	1,692	\$26,286	47,302	\$27,906
37-0000	Building and Grounds Cleaning and Maintenance Occupations	642	\$33,860	25,108	\$33,961
39-0000	Personal Care and Service Occupations	559	\$28,762	21,403	\$29,623
41-0000	Sales and Related Occupations	2,540	\$33,064	64,809	\$34,439
43-0000	Office and Administrative Support Occupations	2,602	\$43,869	99,671	\$43,384
45-0000	Farming, Fishing, and Forestry Occupations	57	\$29,436	1,375	\$30,450
47-0000	Construction and Extraction Occupations	374	\$60,062	26,427	\$57,308
49-0000	Installation, Maintenance, and Repair Occupations	678	\$51,231	24,682	\$53,048
51-0000	Production Occupations	631	\$44,633	42,882	\$43,333
53-0000	Transportation and Material Moving Occupations	1,603	\$33,743	56,590	\$34,721
55-0000	Military-only occupations	46	\$38,340	1,682	\$46,061
99-0000	Unclassified Occupation	0	\$0	0	\$0.00
Total		19,691		772,216	

Source: Emsi

COMMUTING PATTERNS

Over the five-year period from 2013 to 2018 the portion of workers commuting into Enfield and the portion of resident workers commuting out of Enfield has increased. As of 2018, 81% of Enfield's workers live outside of Enfield and 84% of Enfield's resident workers work outside of the town.

Table 10

Commuting Patterns, Town of Enfield CT

	2013		2018	
	Count	Percentage	Count	Percentage
Employed in Town	14,783	100%	15,264	100%
Employed in Town but Living Elsewhere	11,695	79%	12,323	81%
Employed and Living in the Town	3,088	21%	2,941	19%
Living in the Town	17,270	100%	18,634	100%
Living in the Town but Employed Elsewhere	14,182	82%	15,693	84%
Living and Employed in the Town	3,088	18%	2,941	16%

Source: US Census Bureau OnTheMap

As shown in the following table, many residents are commuting to jobs elsewhere in the immediate region of Hartford, Hampden, and Tolland counties. Other popular destinations for Enfield residents to commute to include the counties of southern Connecticut. Enfield's highway access makes it feasible to residents to commute to several smaller metro areas and employment hubs. More specifically, Hartford, Springfield, East Hartford, and Windsor Locks are the most popular places that Enfield residents work (Table 12).

Table 11

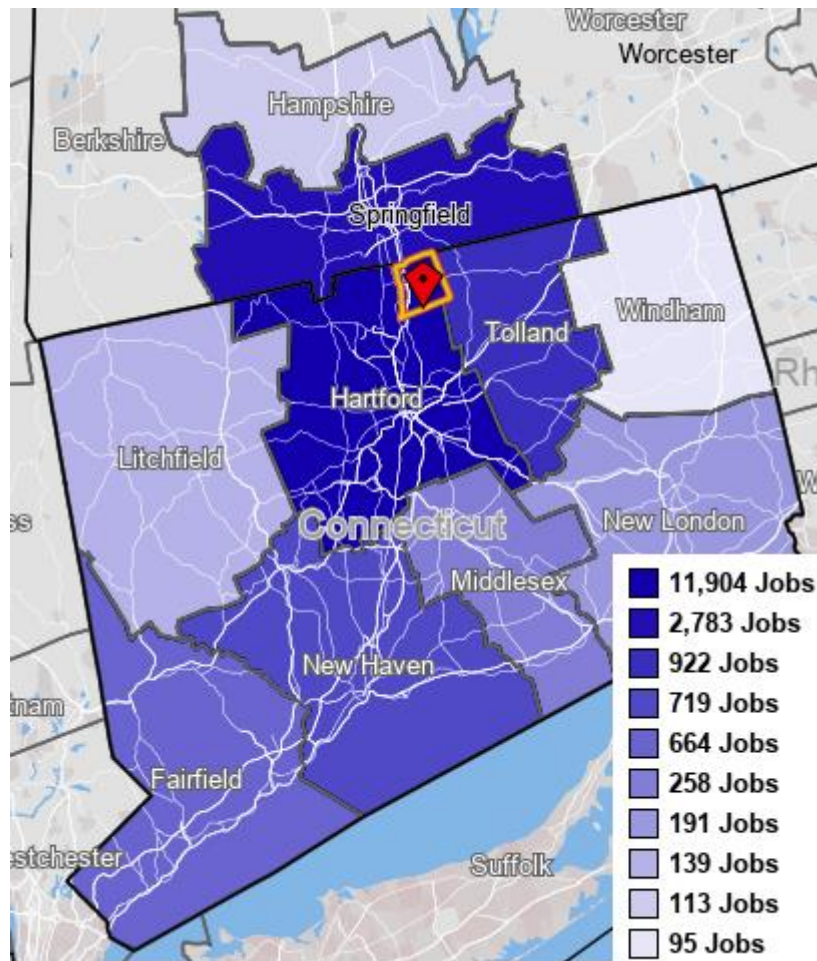
Most Common Commuting Destinations for Enfield Residents, Counties, 2018

	Count	Share
Hartford County, CT	11,904	63.9%
Hampden County, MA	2,783	14.9%
Tolland County, CT	922	4.9%
New Haven County, CT	719	3.9%
Fairfield County, CT	664	3.6%
Middlesex County, CT	258	1.4%
New London County, CT	191	1.0%
Litchfield County, CT	139	0.7%
Hampshire County, MA	113	0.6%
Windham County, CT	95	0.5%
All Other Locations	846	4.5%

Source: US Census Bureau OnTheMap

*Percentages may not equal 100% due to rounding.

Map 4: Where Enfield Residents Work (Counties)



Source: Esri

Table 12

Most Common Commuting Destinations for Enfield Residents, Places, 2018

	Count	Share
Hartford city, CT	1,558	8.4%
Springfield city, MA	1,209	6.5%
East Hartford CDP, CT	592	3.2%
Windsor Locks CDP, CT	534	2.9%
Thompsonville CDP, CT	316	1.7%
Sherwood Manor CDP, CT	301	1.6%
West Hartford CDP, CT	276	1.5%
Agawam Town city, MA	267	1.4%
Hazardville CDP, CT	244	1.3%
West Springfield Town city, MA	239	1.3%
All Other Locations	13,098	70.3%

Source: US Census Bureau OnTheMap

*Percentages may not equal 100% due to rounding.

Over three quarters of Enfield's workers come from the immediate surrounding region of Hartford, Hampden, and Tolland counties, with a smaller portion coming from other counties throughout Connecticut and southern Massachusetts.

Table 13

**Most Common Places of Residence for
Enfield Workers, 2018**

	<u>Count</u>	<u>Share</u>
Hartford County, CT	7,200	47.2%
Hampden County, MA	3,277	21.5%
Tolland County, CT	1,557	10.2%
New Haven County, CT	740	4.8%
Fairfield County, CT	495	3.2%
Hampshire County, MA	389	2.5%
New London County, CT	291	1.9%
Litchfield County, CT	270	1.8%
Middlesex County, CT	228	1.5%
Windham County, CT	193	1.3%
All Other Locations	624	4.1%

Source: US Census Bureau OnTheMap

*Percentages may not equal 100% due to rounding.

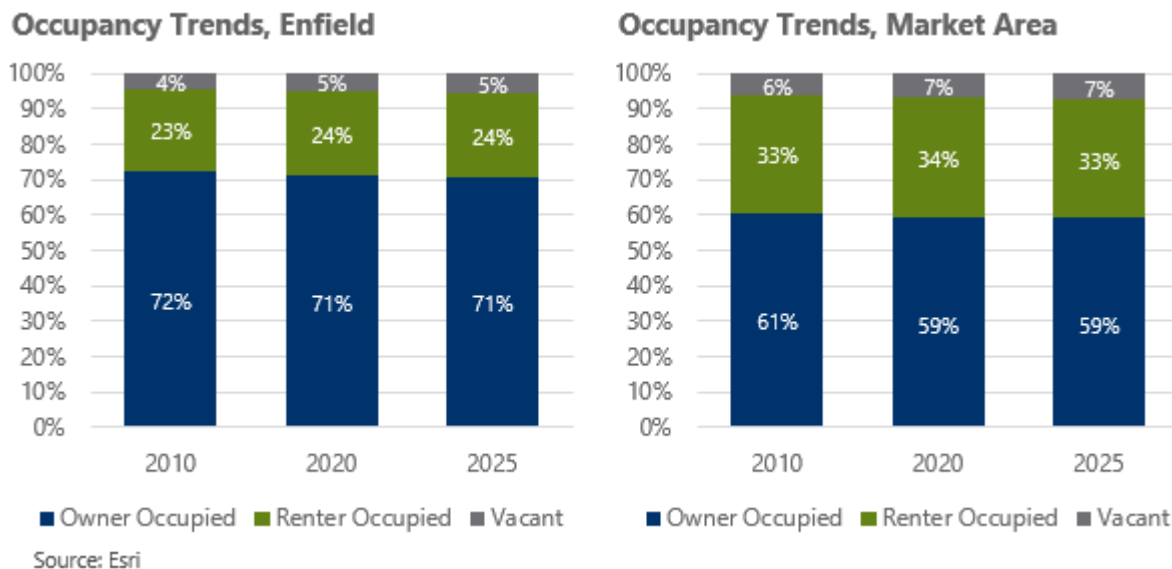
3. RESIDENTIAL MULTIFAMILY MARKET

3.1 HOUSING SUPPLY

HOUSING OCCUPANCY AND HOUSEHOLDS

The Town of Enfield has a greater concentration of owner-occupied housing compared to the market area. Over 70% of units are owner occupied while just under a quarter are renter occupied. The composition of housing in Enfield has changed little since 2010. According to Esri, there are 17,898 housing units in Enfield and 618,017 in the market area as of 2020.

Figure 3



The number of households in both Enfield and the market area have increased by 1.3% and 1.7% respectively since 2010. Growth in number of households is projected to be minimal (less than 1%) in both regions through 2025.

Table 14

Change in Number of Households (2010 to 2025)		
	Enfield	Market Area
2010 Total Households	16,794	566,178
2020 Total Households	17,005	575,634
2025 Total Households	17,103	579,560
Change 2010 to 2020	211	9,456
% Change 2010 to 2020	1.3%	1.7%
Change 2020 to 2025	98	3,926
% Change 2020 to 2025	0.6%	0.7%

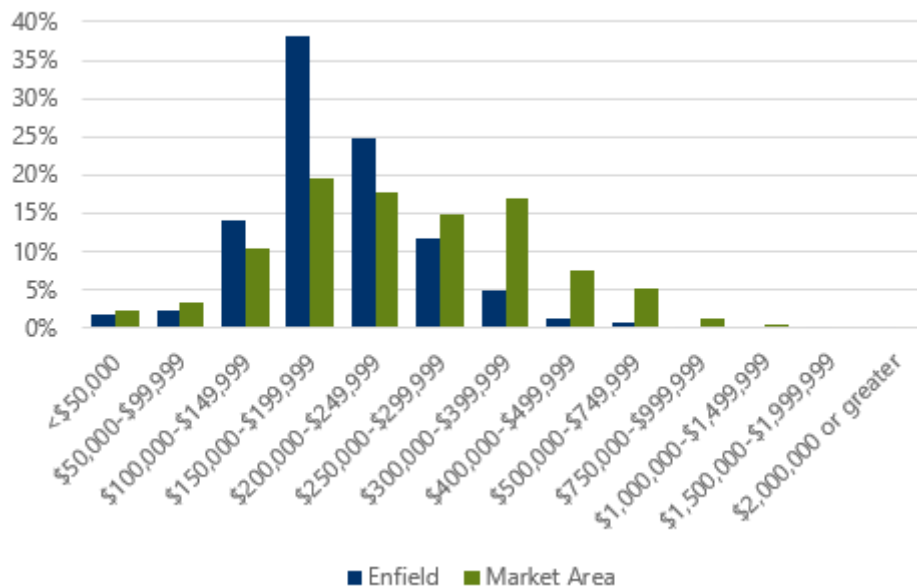
Source: Esri

HOUSING VALUES

Home values in Enfield are lower than in the market area. The median home value in 2020 was \$192,261 in Enfield and \$240,369 in the market area. A higher portion of homes in Enfield fall in the \$100,000-\$249,999 value range than in the market area. Homes valued \$250,000+ make up a higher portion of the market area's housing stock than Enfield's housing stock.

Figure 4

Owner Occupied Home Values, 2020



Source: Esri

Most gross rents in both Enfield and the market area fall between \$500 and \$1,499 per month, with nearly half of Enfield rents in the \$1,000-\$1,499 range. About 15% of rents in Enfield and 10% in the market area command a higher rate in the range of \$1,500-\$1,999, with much fewer units charging rates greater than \$2,000 per month.

Table 15

Renter Occupied Housing Units by Monthly Gross Rent

Rent	Enfield		Market Area	
	Number	Percent	Number	Percent
Less than \$500	229	5%	28,300	12%
\$500-\$999	1,164	28%	91,992	40%
\$1,000-\$1,499	2,013	48%	78,015	34%
\$1,500-\$1,999	605	15%	23,129	10%
\$2,000+	153	4%	6,912	3%
Total	4,164	100%	228,348	100%

Source: 2014-2019 American Community Survey

HOUSING UNIT TYPES AND AGE

Approximately three quarters of Enfield's housing stock is single family units. The market area's housing stock is slightly more diverse, with more multifamily housing options. Within Enfield, most multifamily housing options are in buildings with nine or less units; there are fewer housing options in larger multifamily structures.

Table 16

Housing Units by Units in Structure				
Units in Structure	Enfield		Market Area	
	Number	Percent	Number	Percent
1 Detached	12,739	72.2%	343,410	56.1%
1 Attached	767	4.3%	30,635	5.0%
2	1,088	6.2%	56,203	9.2%
3 or 4	1,203	6.8%	55,097	9.0%
5 to 9	691	3.9%	40,821	6.7%
10 to 19	371	2.1%	25,131	4.1%
20 to 49	272	1.5%	23,744	3.9%
50 or More	498	2.8%	31,869	5.2%
Mobile Homes	10	0.1%	5,191	0.8%
Boat/RV/Van/etc.	0	0.0%	103	0.0%
Total	17,639	100%	612,204	100%

Source: 2014-2019 American Community Survey

Enfield's housing stock is similar in age to that of the market area, with the median year built in each being 1961 and 1962, respectively. The addition of new housing units to the stock of both regions has been slow in recent years, particularly since the 2008 recession and housing crisis.

Table 17

Housing Units by Year Structure Built				
Year	Enfield		Market Area	
	Number	Percent	Number	Percent
Built in 2014 or Later	47	0%	5,363	1%
Built in 2010-2013	10	0%	6,143	1%
Built in 2000-2009	424	2%	35,271	6%
Built in 1990-1999	952	5%	40,208	7%
Built in 1980-1989	2,351	13%	71,502	12%
Built in 1970-1979	1,485	8%	80,133	13%
Built in 1960-1969	4,004	23%	84,912	14%
Built in 1950-1959	4,914	28%	101,834	17%
Built in 1940-1949	1,033	6%	45,246	7%
Built in 1939 or Earlier	2,419	14%	141,592	23%
Total	17,639	100%	612,204	100%
Median Year Structure Built	1961		1962	

Source: 2014-2019 American Community Survey

HOUSING PRODUCTION

The following table shows new housing development activity in Enfield and the market area as measured by residential building permits for new units. Over this time period, 7,127 permits were issued in the market area, 272 of which (4%) were in Enfield. Just over half of permits issued in the market area were for multifamily units, with permits for 250 multifamily units issued in Enfield.

Table 18

Building Permits						
Year	Enfield			Market Area		
	Single Family	Multifamily	Total	Single Family	Multifamily	Total
2016	3	100	103	700	1,139	1,839
2017	7	50	57	639	661	1,300
2018	-	55	55	668	814	1,482
2019	3	45	48	755	554	1,309
2020	9	-	9	668	529	1,197
Total	22	250	272	3,430	3,697	7,127

Source: U.S. Department of Housing and Urban Development

3.2 MARKET TRENDS

OVERVIEW

Overall, the Hartford metro multifamily market is strong, benefitting from trends that have emerged as a result of the COVID-19 pandemic. CoStar reports that while multifamily vacancies entered the pandemic near a decade-high, these have compressed over the last year as a result of price relief and additional space in Connecticut appealing to renters relocating from the New York and Boston markets. Rent growth in the market reached a 5-year high in 2020, outpacing the nearby New York and Boston markets where rents have fallen. Vacancy compression and solid rent growth have continued in 2021.

The table below provides an overview of multifamily (1+ units) market trends in Enfield and in the market area, of which Enfield and the Hartford market are in. Absorption of multi-family units has been positive in each area. Approximately 6% of the estimated units to be delivered in 2021 are in Enfield, indicating strong demand given that the submarket represents only approximately 2% of the market area's multifamily inventory. The number of multifamily units in both regions has decreased over the last five years, with the number of units in Enfield decreasing from 1,933 in 2016 to 1,674 in 2020.

Table 19

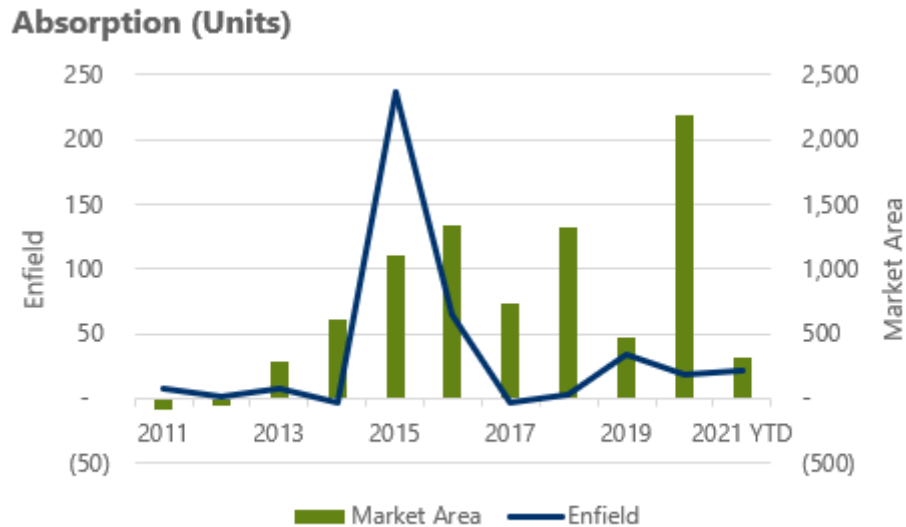
Multi-Family Market Trends Overview				
Indicator	Enfield		Market Area	
	2016	2021 (est.)	2016	2021 (est.)
Units	1,933	1,674	93,049	68,058
Vacancy Rate	4.4%	2.1%	4.5%	3.0%
Asking Rent	\$1,219	\$1,476	\$1,122	\$1,298
Effective Rent	\$1,201	\$1,475	\$1,106	\$1,292
Absorption (Units)	65	31	1,337	1,049
Delivered Units	-	20	1,031	344
Units Under Construction	20	20	1,092	713

Source: CoStar

ABSORPTION TRENDS

Multifamily unit absorption has largely been positive in Enfield and the market area. From 2011 through 2020, the average annual absorption rate was 37 units in Enfield and 789 units in the market area. For the more recent period of 2016 to 2020, the average annual absorption rate was 23 units in Enfield and 1,209 units in the market area, indicating an increased rate of absorption in the market area but a low rate of absorption in Enfield.

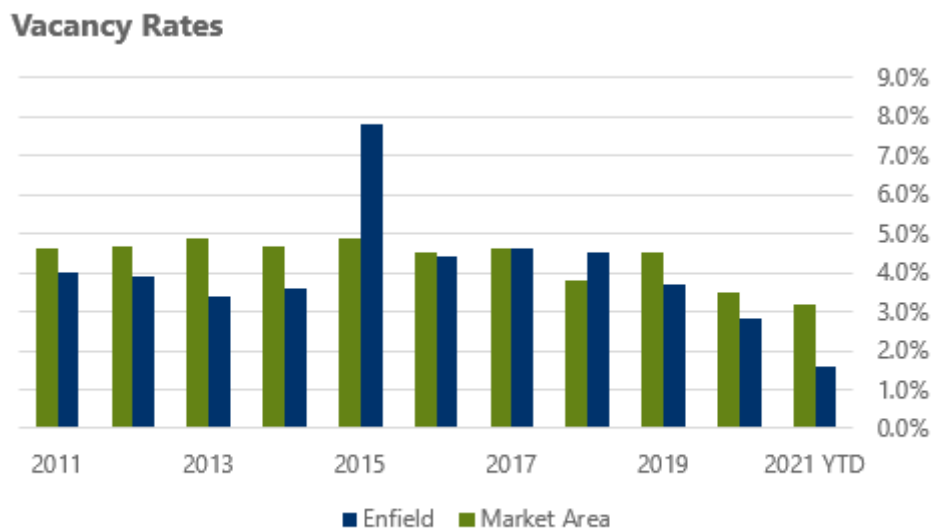
Figure 5



VACANCY

The recent strengthening of the multifamily market is evidenced by lowering vacancy rates, particularly since 2019. As a result of trends brought on by the COVID-19 pandemic, vacancy rates in Enfield and the market area decreased in 2020 and have continued to do so into 2021 as renters from the New York and Boston markets continue to be attracted to lower rents and more space available in Connecticut.

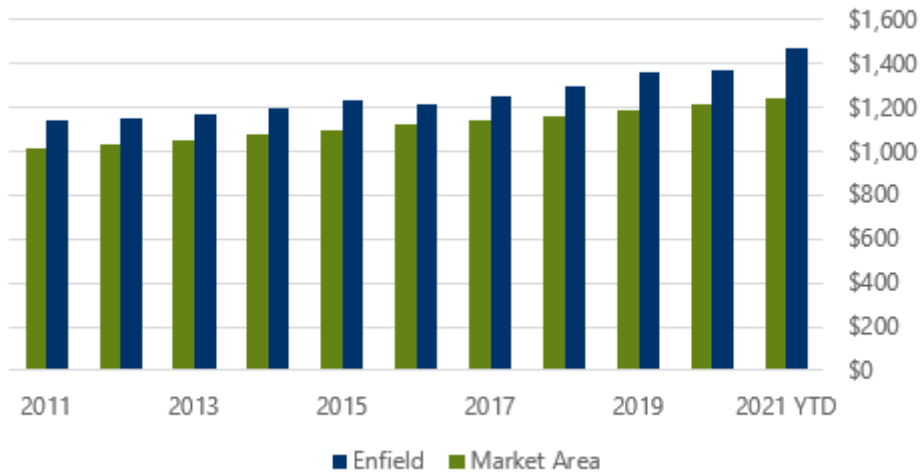
Figure 6



RENT TRENDS

Asking rents have been slowly rising in Enfield and in the market area. Bucking trends in the larger markets, such as New York and Boston, rents in Enfield and the market area continued to rise in 2020 as a result of increased demand for apartments in the area. Year to date, the asking rent per unit is \$1,474 in Enfield and \$1,246 in the market area.

Asking Rent Per Unit



Source: CoStar

MULTIFAMILY PIPELINE

Since 2011, more than 7,400 multifamily units have been delivered in the market area, with only 74 of these units being in Enfield. Currently, there are over 3,300 units in the pipeline for the market area, with the majority expected to be developed in Hartford. Of the units in the pipeline, only one project consisting of 20 units is under construction in Enfield.

Table 20

Multifamily Pipeline					
Address	City	Year Expected	Status	Number of Units	Affordable Type
Ann Uccello St	Hartford		Proposed	208	
550 Cedar St	Newington	2024	Proposed	108	Affordable
Downtown	Hartford	2024	Proposed	650	
21 Ensign Dr	Avon	2022	Under Construction	90	
895 Farmington Ave	Berlin	2022	Proposed		
1 Gardners Way	Enfield	2021	Under Construction	20	
Main St	Hartford	2021	Under Construction	39	Affordable
Main St	Hartford	2021	Under Construction	87	
Main St	Hartford	2022	Under Construction	270	
97 Main St	Hartford	2021	Under Construction	126	
200 Main St	Southington	2021	Under Construction	64	
321 Oakland St	Manchester	2022	Proposed	60	
27 Park Rd	West Hartford	2022	Proposed	295	
1 Park St	Hartford	2021	Under Construction		
50 Pratt St	Hartford	2023	Proposed	375	
81 Pratt St	Glastonbury	2021	Proposed		
409 Prospect Ave	West Hartford	2022	Under Construction	9	
129-131 S Quaker Ln	West Hartford	2021	Under Construction	6	
465 South St	New Britain	2021	Under Construction	2	
Trumbull St	Hartford	2022	Proposed	228	
60 Depot St	Chicopee	2022	Proposed	105	
165 Front St	Chicopee	2023	Proposed	570	
24 Jerome Ave	Bloomfield	2022	Proposed	42	
2 Park St	Hartford	2022	Under Construction		
929 Park St	Hartford	2021	Under Construction		

Source: CoStar

3.3 MARKET DEMAND ANALYSIS

PRIMARY MARKET AREA DEMAND POTENTIAL

The market area is used as the primary market area. It is anticipated that any new residential units will draw the majority of its tenants from within this area. The potential to draw additional tenants from other locations is also discussed in the following section.

HOUSING TURNOVER

Approximately 12% of renters in Enfield and 16% of renters in the market area moved into their current unit since 2017. The average annual turnover for rental households has been 301 (7.3%) in Enfield and 15,685 (7.6%) in the market area. Renter households moving into new units in the market area represent a significant component of demand for potential new rental units.

Table 21

Renter Household Mobility (2019)				
Year Moved In	Enfield		Market Area	
	#	%	#	%
2017 or later	483	12%	34,024	16%
2015 to 2016	1,051	26%	50,369	24%
2010 to 2014	1,480	36%	72,452	35%
2000-2009	859	21%	34,678	17%
Prior to 2000	235	6%	15,868	8%
Total	4,108	100%	207,391	100%
Avg. Annual Turnover 2010-2020 (%)	301		15,685	
Avg. Annual Turnover 2010-2020 (%)	7.3%		7.6%	

Source: 2014-2019 American Community Survey

NEW RENTER HOUSEHOLDS

New renter households in the market area are another source of demand. As shown in the following table, the Town of Enfield gained 187 rental households in the 10-year period between 2010 and 2020 (an average annual net increase of 8 renter households). During that same period, the market area saw an average annual increase of 10,992 renter households. Based on trends from recent years, it is projected that Enfield will have an average annual net gain of 8 renter households. The market area as a whole is projected to lose 156 renter households, annually.

Table 22

Renter-Occupied Housing Units		
	Enfield	Market Area
2010 Renter Households	4,079	199,062
2020 Renter Households	4,266	210,054
2025 Renter Households	4,304	209,275
Change 2010-2020	187	10,992
Change 2020-2025	38	(779)
% Change 2020-2025	1%	0%
Average Annual Change	8	(156)

Source: Esri

The market area is expected to see a net gain in relatively high-income households. Households with annual income levels over \$100,000 will increase, while the number of households with income levels below this point are projected to decrease.

Table 23

Change in Households by Income Range

Income Range	Enfield			Market Area		
	2020	2025	% Change	2020	2025	% Change
<\$15,000	890	857	-4%	62,992	59,769	-5%
\$15,000-\$24,999	1,140	1,056	-7%	51,216	47,556	-7%
\$25,000-\$34,999	1,320	1,269	-4%	47,685	45,664	-4%
\$35,000-\$49,999	1,946	1,890	-3%	59,413	57,953	-2%
\$50,000-\$74,999	2,884	2,820	-2%	86,459	84,456	-2%
\$75,000-\$99,999	2,619	2,616	0%	69,758	69,793	0%
\$100,000-\$149,999	3,731	3,904	5%	96,201	99,701	4%
\$150,000-\$199,999	1,485	1,657	12%	48,471	54,172	12%
\$200,000 or greater	990	1,034	4%	53,439	60,496	13%
Median Household Income	\$77,317	\$79,955	3%	\$67,584	\$72,747	8%

Source: Esri

The number of rental households in the market area by income level is shown in the following table. Approximately 36% of households in the market area are renters.

Table 24

Renter Households by Income Level (Market Area)

Income Level	Households	Pct.	Rental
		Renters	Households
<\$15,000	62,992	74%	46,632
\$15,000-\$24,999	51,216	49%	25,206
\$25,000-\$34,999	47,685	48%	22,686
\$35,000-\$49,999	59,413	47%	27,727
\$50,000-\$74,999	86,459	40%	34,869
\$75,000-\$99,999	69,758	30%	21,005
\$100,000-\$149,999	96,201	22%	21,636
\$150,000-\$199,999	101,910	10%	10,293
Total	575,634	36%	210,054

Source: 2014-2019 American Community Survey

MARKET DEMAND

Using the above information about renter households and based on expected rent levels, it is anticipated that households with incomes of \$60,000 or greater will be able to afford market rate units.³ The standard affordability

³ Market rate units are estimated to rent for approximately \$1,500 per unit, based on asking rent data from CoStar.

threshold of 30% of income spent on housing indicates that a household earning \$60,000 could reasonably afford an apartment with rents of \$1,500 per month.

There are a total of 87,803 income-qualified renter households in the market area. When an average annual turnover rate of 7.45% is applied (Enfield and market area average), there is an estimated demand for 1,308 rental units each year. When the expected increase in income-qualified rental households is examined, there is an additional estimated annual demand for 256 new renter households in the market area.

The total projected market rate rental housing demand from 2020 to 2025 in the market area is estimated to be 7,820 rental units, or 1,564 annually.

Table 25

Market Rate Rental Demand, Market Area

Income Level	Renter Households	Annual Turnover	Turnover Demand	New Renter Households	Total Demand
\$50,000-\$74,999	34,869	7.45%	2,598	(808)	1,790
\$75,000-\$99,999	21,005	7.45%	1,565	11	1,575
\$100,000-\$149,999	21,636	7.45%	1,612	787	2,399
\$150,000-\$199,999	10,293	7.45%	767	1,289	2,055
Total (5-Year)	87,803		6,541	1,278	7,820
Average Annual			1,308	256	1,564

Source: 2014-2019 American Community Survey

When adjusted for the market rate units that are in the development pipeline, the projected housing demand for market rate rental units is 4,613 in the market area for the next five years, or 923 annually.

Table 26

Adjusted Rental Demand, Market Area

5-Year Demand	7,820
Less Market Rate Pipeline Units	3,207
Net 5-Year Demand	4,613
Annual Net Demand	923

Source: 2014-2019 American Community Survey, CoStar

A typical development can expect to capture up to 15% of market demand. Given the site's competitive locational advantages, it is expected that future redevelopment is well position to capture demand in the market area and that a 15% capture rate will be reasonable and achievable. **Therefore, there is estimated annual market absorption potential for approximately 138 market rate rental units at the Enfield Square mall.**

Conversations with local developers indicate this level of demand potential for the site is realistic; however, large-scale multi-family development would be likely to occur in phases.

It should be noted that this demand does not necessarily represent net market demand for the Town of Enfield, as future housing development on the property will likely draw existing residents, which will create vacant units elsewhere in the community.

MIGRATION DEMAND POTENTIAL

Recent trends in migration show an influx of residents into the market area from the New York City metro area, with Bronx, Queens, Rockland, Kings, and Westchester counties falling in the top ten counties of migration to the market area.

Table 27

Market Area Net Migration (2018) - Top Counties			
<u>County</u>	<u>Inbound Migrations</u>	<u>Outbound Migrations</u>	<u>Net Migrations</u>
New Haven County, CT	3,519	2,850	669
Bronx County, NY	391	160	230
Queens County, NY	393	187	206
Rockland County, NY	246	50	195
Hennepin County, MN	252	71	181
Gwinnett County, GA	259	83	177
Kings County, NY	504	330	174
Fairfield County, CT	923	751	173
Litchfield County, CT	1,366	1,220	146
Westchester County, NY	243	124	120

Source: Emsi

*Note that data is available at the county level. Data includes entirety of Hartford, Hampden, and Tolland counties.

While inbound migration from these counties is positive, overall net migration in the market area is negative, with the region losing 5,732 residents in 2018. However, given market trends that have been occurring as a result of COVID-19, and the fact that even prior to the pandemic net migration to the market area from New York City area counties where renting is popular to the market area was positive, it is reasonable to assume that there will be some demand for rental units by new area residents.

4. RETAIL MARKET

4.1 SUPPLY

The market area has nearly 90.0 million square feet of retail across 7,894 buildings. Nearly 3.7 million of the square feet and 256 of the buildings are in the Town of Enfield, representing 4% of the market area's retail space. Over the last five years (2016-2020) absorption of retail has been on average positive in the market area but negative in Enfield. The 5-year average rent in Enfield is lower than in the market area, at \$12.98 per square foot compared to \$14.04 per square foot.

Table 28

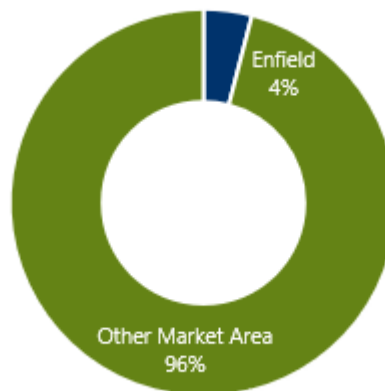
Retail Market Snapshot (5-year Average)

	Enfield	Market Area
Availability		
NNRent Per SF	\$12.98	\$14.04
Vacancy Rate	5.10%	3.70%
Vacant SF	188,959	3,327,479
Sublet SF	NA	91,841
Demand		
12 Mo. Absorption SF	(31,756)	263,416
12 Mo. Leasing SF	39,827	1,029,679
Inventory		
Existing Buildings	256	7,894
Existing SF	3,673,215	89,992,803
Under Construction SF	26,000	357,303
12 Mo. Deliveries SF	18,875	314,609

Source: CoStar

Figure 7

Total Retail Space (2021 YTD) - Market Area



Source: CoStar

There has been minimal change in the market inventory from 2011 to 2021 in both Enfield and the market area. Over this period, 13 new buildings were added to the market area representing 839,338 square feet of retail space.

Table 29

Retail Supply - Enfield				
Year	Bldgs	Inventory SF	Vacant SF	Vacancy %
2021 YTD	255	3,665,715	311,698	8.5%
2020	256	3,674,415	360,683	9.8%
2019	256	3,674,415	156,962	4.3%
2018	256	3,674,415	178,007	4.8%
2017	256	3,674,415	137,483	3.7%
2016	255	3,668,415	111,661	3.0%
2015	253	3,636,665	164,151	4.5%
2014	251	3,624,519	194,259	5.4%
2013	252	3,625,487	241,742	6.7%
2012	251	3,614,911	238,429	6.6%
2011	252	3,619,948	225,555	6.2%

Source: CoStar

Table 30

Retail Supply - Market Area				
Year	Bldgs	Inventory SF	Vacant SF	Vacancy %
2021 YTD	7,929	90,762,223	3,638,878	4.2%
2020	7,922	90,507,415	3,633,512	4.2%
2019	7,906	90,303,749	3,201,755	3.6%
2018	7,890	89,822,362	2,977,978	3.4%
2017	7,882	89,673,970	3,139,375	3.5%
2016	7,868	89,656,521	3,394,796	3.8%
2015	7,890	89,773,513	4,192,200	4.9%
2014	7,892	89,623,099	4,594,148	5.3%
2013	7,899	89,787,790	4,824,331	5.6%
2012	7,905	89,770,635	4,900,590	5.7%
2011	7,916	89,922,885	5,035,482	5.7%

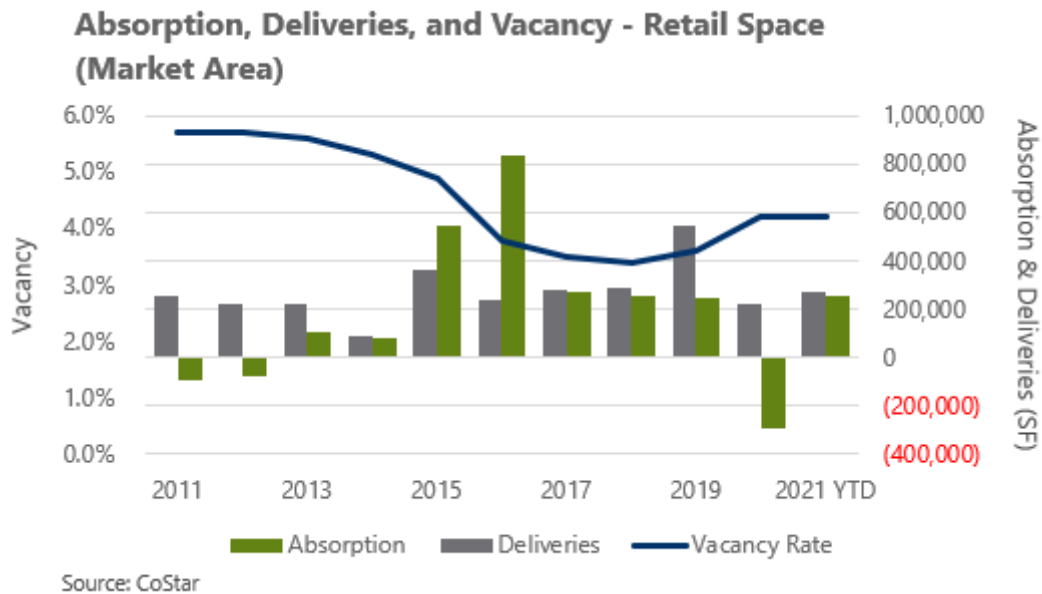
Source: CoStar

4.2 MARKET TRENDS

COVID-19 exacerbated an already weakening retail market in the market area. According to CoStar, vacancies have steadily increased over the last two years as the pandemic accelerates the market's demand struggles. There are however limited supply side pressures in the market as construction activity is low. In line with national trends, lower-quality properties are at the highest risk in the market area, as mass store closings continue to be announced, including Sears and Macys in Enfield, and consumers shift to e-commerce.

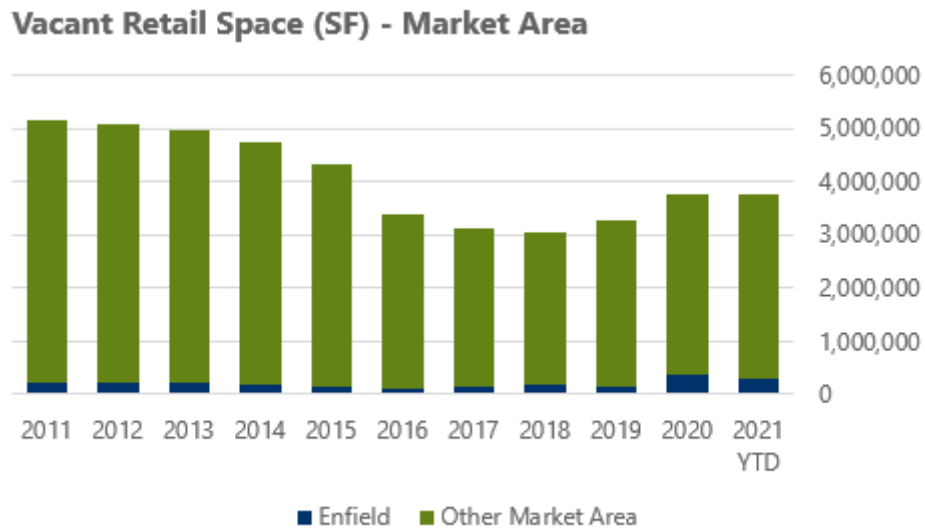
In the market area retail vacancy rates had been 3.6% in 2019 before jumping to 4.2% in 2020 as the market weakened. Absorption of retail space was negative in 2020 before rebounding thus far in 2021.

Figure 8



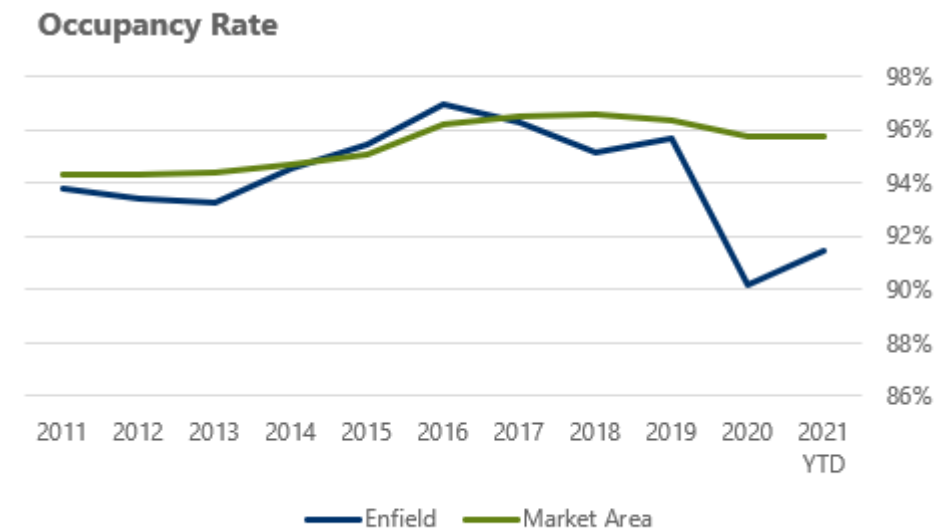
The amount of vacant retail space had ticked up prior to the COVID-19 pandemic from 2018 to 2019, indicating a potential weakening in the market. COVID-19 continued this trend in 2020 and 2021, however the amount of vacant space is still lower than it was in 2011-2015.

Figure 9



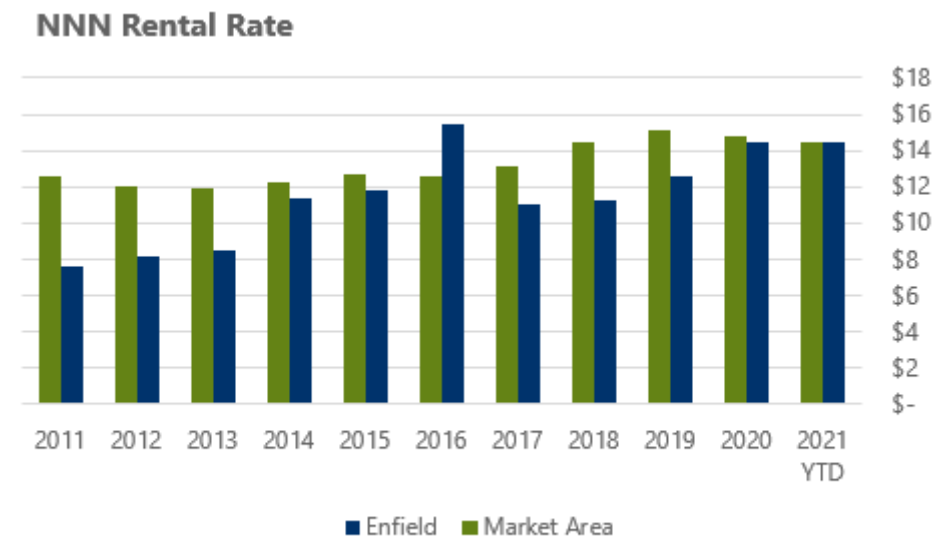
Since 2017 the retail occupancy rate has been lower in Enfield than in the larger market area. Currently, the occupancy rate is 91.5% in Enfield compared to 95.8% in the market area.

Figure 10



Rental rates have trended lower in Enfield than the market area. Currently however, the rates are equal at \$14.45 per square foot. Throughout the pandemic rates in the market area fell slightly while rates rose in Enfield and have since remained stable.⁴

Figure 11



⁴ Net net net rent, or triple net rent (NNN rental rate) includes pass through expenses of leasing and are portions tenants or lessees pay in addition to the lease fee, including property taxes, property insurance, and maintenance.

4.3 MARKET DEMAND

TAPESTRY SEGMENTATION

A tool used by retail site selectors in determining the characteristics of a particular trade area is market segmentation, which is the classification of consumers according to demographic, socioeconomic, housing, and lifestyle characteristics. It is how retailers and site selectors compare consumer trends across trade areas when considering many site locations.

Market segmentation is based on the concept that people with similar demographic characteristics, purchasing habits, and media preferences naturally gravitate toward each other and into the same communities. Businesses utilize segmentation to understand their customers' lifestyle choices, purchasing preferences, and how they spend their free time.

Market segmentation data for the regional trade area were obtained from Esri's Tapestry segmentation model. Additional information about Esri's model can be found here: <http://www.esri.com/landing-pages/tapestry>. We will focus on the characteristics of consumers living in the broader regional trade area since the retail categories with the best potential for success in the area tend to have a regional reach.

It is important to recognize that the classifications and labels that ESRI uses for defining market segments are generalizations. The descriptions of each segment are based on comparisons with the U.S. as a whole and reflect the propensity of households within that segment to exhibit certain demographic, lifestyle, and consumer characteristics relative to the overall population. The purpose of this exercise is to compare local consumer trends to those of consumers across the U.S. so businesses and developers not familiar with the region understand consumer demand in this area.

The top Esri Tapestry segments are listed in the table below, with profiles of each segment, including household composition, housing type, income, age, education, and consumer habits following.

Table 31

Top Esri Tapestry Segments of the Market Area			
Rank	Tapestry Segment	Households	Percent
1	Parks and Rec	100,160	17.4%
2	Savvy Suburbanites	60,442	10.5%
3	Front Porches	56,412	9.8%
4	Fresh Ambitions	50,656	8.8%
5	Comfortable Empty Nesters	37,992	6.6%

Source: Esri

Parks and Rec (17.4%)

- Average Household Size: 2.51
- Median Age: 40.9
- Median Household Income: \$60,000

These practical suburbanites have achieved the dream of home ownership. They have purchased homes that are within their means. Their homes are older, and town homes and duplexes are not uncommon. Many of these families are two-income married couples approaching retirement age; they are comfortable in their jobs and their homes, budget wisely, but do not plan on retiring anytime soon or moving. Neighborhoods are well established,

as are the amenities and programs that supported their now independent children through school and college. The appeal of these kid-friendly neighborhoods is now attracting a new generation of young couples.

Savvy Suburbanites (10.5%)

- Average Household Size: 2.85
- Median Age: 45.1
- Median Household Income: \$108,700

These residents are well educated, well read, and well capitalized. Families include empty nesters and empty nester wannabes, who still have adult children at home. Located in older neighborhoods outside the urban core, their suburban lifestyle includes home remodeling and gardening plus the active pursuit of sports and exercise. They enjoy good food and wine, plus the amenities of the city's cultural events.

Front Porches (9.8%)

- Average Household Size: 2.57
- Median Age: 34.9
- Median Household Income: \$43,700

Front Porches blends household types, with more young families with children or single households than average. This group is also more diverse than the US. Half of householders are renters, and many of the homes are older town homes or duplexes. Friends and family are central to Front Porches residents and help to influence household buying decisions. Residents enjoy their automobiles and like cars that are fun to drive. Income and net worth are well below the US average, and many families have taken out loans to make ends meet.

Fresh Ambitions (8.8%)

- Average Household Size: 3.17
- Median Age: 28.6
- Median Household Income: \$26,700

These young families, many of whom are recent immigrants, focus their life and work around their children. Fresh Ambitions residents are not highly educated, but many have overcome the language barrier and earned a high school diploma. They work overtime in service, in skilled and unskilled occupations, and spend what little they can save on their children. Multigenerational families and close ties to their culture support many families living in poverty; income is often supplemented with public assistance and Social Security. Residents spend more than one-third of their income on rent, though they can only afford to live in older row houses or multiunit buildings. They budget wisely not only to make ends meet but also to save for a trip back home.

Comfortable Empty Nesters (6.6%)

- Average Household Size: 2.52
- Median Age: 48.0
- Median Household Income: \$75,000

Residents in this large, growing segment are older, with nearly half of all householders aged 55 or older; many still live in the suburbs where they grew up. Most are professionals working in government, health care, or manufacturing. These Baby Boomers are earning a comfortable living and benefitting from years of prudent investing and saving. Their net worth is well above average (Index 314). Many are enjoying the transition from child rearing to retirement. They value their health and financial well-being.

CONSUMER SPENDING PATTERNS

Expenditures on goods and services are used to evaluate the spending patterns and purchasing power of residents in the market area. This section of the report looks at spending by local residents but does not show where these expenditures were made.

The table below shows spending by market area residents on select retail goods and services. Variables shown include the average annual spending per household on a particular good or service, the market area total spending on that good, and the spending potential index (SPI) for both the market area and the local trade area. The SPI represents household expenditures on a product or service relative to a national average of 100. An SPI greater than 100 indicates that, on average, households within the local trade area spend more on that particular good than the average U.S. household. The difference between the market area and local trade area SPI (the last column) gives a snapshot of how the spending power of local residents compares with those in the greater region.

A very high SPI can mean a number of things:

- ◆ Costs of goods and services within that particular spending category are much higher within a trade area than they are elsewhere throughout the nation.
- ◆ Residents within a trade area may be wealthier than the national average.
- ◆ Population characteristics can drive up SPI in certain categories. For example, a trade area with a large retired population will likely spend more on healthcare and Medicare.

The SPI is a good preliminary measure used to identify market characteristics that may necessitate additional attention within an analysis. The average SPI in the market area is 106, indicating that households spend only slightly more than the national average. Categories with the highest SPI indicate potential market opportunities.

Table 32

Spending Potential Index

	Enfield			Market Area			Market
	Avg.			Avg.			Area SPI
	SPI	Spent	Total	SPI	Spent	Total	- Enfield
Apparel and Services	101	\$2,168	\$36,859,629	106	\$2,278	\$1,311,518,341	5
Men's	102	\$429	\$7,290,559	108	\$451	\$259,867,127	6
Women's	102	\$769	\$13,079,574	106	\$802	\$461,757,958	4
Children's	96	\$304	\$5,171,835	102	\$324	\$186,685,193	6
Footwear	103	\$495	\$8,410,025	108	\$519	\$298,994,022	5
Watches & Jewelry	94	\$110	\$1,867,791	100	\$117	\$67,383,178	6
Apparel Products and Services	106	\$61	\$1,039,845	111	\$64	\$36,830,863	5
Computer							
Computers and Hardware for Home Use	103	\$168	\$2,860,577	108	\$175	\$100,897,444	5
Portable Memory	98	\$4	\$64,317	106	\$4	\$2,367,703	8
Computer Software	102	\$10	\$169,501	109	\$11	\$6,084,534	7
Computer Accessories	110	\$19	\$330,857	110	\$19	\$11,171,523	0
Entertainment & Recreation	103	\$3,336	\$56,734,196	105	\$3,411	\$1,963,434,285	2
Fees and Admissions	110	\$789	\$13,412,224	111	\$795	\$457,844,451	1
Membership Fees for Clubs	111	\$266	\$4,525,992	111	\$267	\$153,748,268	0
Fees for Participant Sports, excl. Trips	105	\$103	\$1,754,208	106	\$104	\$59,982,770	1
Tickets to Theatre/Operas/Concerts	116	\$94	\$1,598,923	116	\$94	\$53,838,101	0
Tickets to Movies	99	\$57	\$966,198	106	\$61	\$34,862,298	7
Tickets to Parks or Museums	100	\$33	\$560,554	105	\$35	\$19,891,030	5
Admission to Sporting Events, excl. Trips	104	\$65	\$1,107,781	106	\$67	\$38,333,712	2
Fees for Recreational Lessons	117	\$170	\$2,882,936	116	\$168	\$96,632,815	-1
Dating Services	113	\$1	\$15,633	119	\$1	\$555,458	6
TV/Video/Audio	101	\$1,177	\$20,013,172	104	\$1,218	\$701,287,692	3
Cable and Satellite Television Services	102	\$827	\$14,063,582	105	\$849	\$488,815,300	3
Televisions	97	\$105	\$1,778,815	102	\$110	\$63,552,127	5
Satellite Dishes	99	\$1	\$19,792	102	\$1	\$683,158	3
VCRs, Video Cameras, and DVD Players	96	\$5	\$85,064	101	\$5	\$3,045,770	5
Miscellaneous Video Equipment	99	\$25	\$418,124	101	\$25	\$14,497,745	2
Video Cassettes and DVDs	97	\$10	\$165,348	103	\$10	\$5,902,325	6
Video Game Hardware/Accessories	94	\$27	\$451,522	103	\$29	\$16,843,028	9
Video Game Software	97	\$16	\$270,834	104	\$17	\$9,889,974	7
Rental/Streaming/Downloaded Video	97	\$52	\$885,561	103	\$56	\$32,125,042	6
Installation of Televisions	102	\$1	\$18,666	104	\$1	\$644,934	2
Audio	101	\$107	\$1,818,083	104	\$111	\$63,859,419	3
Rental and Repair of TV/Radio/Sound Equipm	91	\$2	\$37,782	102	\$2	\$1,428,871	11
Pets	97	\$672	\$11,428,802	99	\$691	\$397,541,214	2
Toys/Games/Crafts/Hobbies	100	\$121	\$2,062,627	104	\$127	\$72,884,029	4
Recreational Vehicles and Fees	113	\$176	\$2,995,492	107	\$167	\$96,233,022	-6
Sports/Recreation/Exercise Equipment	97	\$197	\$3,357,575	102	\$206	\$118,484,017	5
Photo Equipment and Supplies	103	\$53	\$894,855	107	\$55	\$31,487,699	4
Reading	108	\$117	\$1,981,143	109	\$117	\$67,564,975	1
Catered Affairs	116	\$35	\$588,305	117	\$35	\$20,107,187	1
Food	100	\$9,138	\$155,384,479	105	\$9,584	\$5,516,864,020	5
Food at Home	101	\$5,399	\$91,812,119	106	\$5,640	\$3,246,524,165	5
Bakery and Cereal Products	102	\$710	\$12,065,666	106	\$737	\$424,106,963	4
Meats, Poultry, Fish, and Eggs	101	\$1,175	\$19,984,308	106	\$1,234	\$710,408,597	5
Dairy Products	102	\$562	\$9,559,880	106	\$584	\$336,023,890	4
Fruits and Vegetables	103	\$1,080	\$18,358,206	107	\$1,122	\$645,664,447	4
Snacks and Other Food at Home	99	\$1,873	\$31,844,059	104	\$1,964	\$1,130,320,268	5
Food Away from Home	99	\$3,738	\$63,572,360	105	\$3,944	\$2,270,339,855	6

Alcoholic Beverages	104	\$645	\$10,970,562	107	\$668	\$384,488,070	3
Financial							
Value of Stocks/Bonds/Mutual Funds	107	\$26,161	\$444,868,844	108	\$26,247	\$15,108,764,723	1
Value of Retirement Plans	113	\$107,418	\$1,826,641,953	110	\$104,646	\$60,238,035,029	-3
Value of Other Financial Assets	106	\$8,674	\$147,506,299	106	\$8,694	\$5,004,717,171	0
Vehicle Loan Amount excluding Interest	94	\$2,750	\$46,766,800	99	\$2,894	\$1,666,129,086	5
Value of Credit Card Debt	105	\$2,723	\$46,304,787	107	\$2,778	\$1,598,899,308	2
Health							
Nonprescription Drugs	98	\$146	\$2,480,751	102	\$151	\$86,844,201	4
Prescription Drugs	100	\$352	\$5,977,740	101	\$355	\$204,425,669	1
Eyeglasses and Contact Lenses	103	\$97	\$1,645,754	105	\$98	\$56,343,435	2
Home							
Mortgage Payment and Basics	110	\$11,538	\$196,199,941	106	\$11,152	\$6,419,251,105	-4
Maintenance and Remodeling Services	111	\$2,855	\$48,556,567	107	\$2,754	\$1,585,503,738	-4
Maintenance and Remodeling Materials	101	\$555	\$9,442,540	99	\$547	\$314,984,945	-2
Utilities, Fuel, and Public Services	100	\$4,897	\$83,272,087	104	\$5,069	\$2,917,794,933	4
Household Furnishings and Equipment							
Household Textiles	103	\$105	\$1,779,035	107	\$108	\$62,282,007	4
Furniture	106	\$676	\$11,503,435	107	\$687	\$395,514,644	1
Rugs	109	\$38	\$648,072	107	\$38	\$21,730,068	-2
Major Appliances	104	\$374	\$6,359,163	104	\$373	\$214,637,088	0
Housewares	97	\$94	\$1,601,503	101	\$98	\$56,333,821	4
Small Appliances	101	\$50	\$847,040	106	\$52	\$30,194,669	5
Luggage	106	\$16	\$265,464	110	\$16	\$9,291,911	4
Telephones and Accessories	106	\$94	\$1,590,924	110	\$97	\$55,782,059	4
Household Operations							
Child Care	104	\$536	\$9,108,294	106	\$545	\$313,544,575	2
Lawn and Garden	106	\$516	\$8,770,466	104	\$506	\$291,382,228	-2
Moving/Storage/Freight Express	95	\$57	\$969,371	106	\$64	\$36,830,626	11
Housekeeping Supplies	99	\$769	\$13,073,276	103	\$802	\$461,575,957	4
Insurance							
Owners and Renters Insurance	100	\$599	\$10,191,984	99	\$596	\$342,844,650	-1
Vehicle Insurance	98	\$1,769	\$30,076,931	103	\$1,859	\$1,070,010,723	5
Life/Other Insurance	105	\$567	\$9,640,677	104	\$565	\$325,465,692	-1
Health Insurance	103	\$3,818	\$64,927,459	104	\$3,860	\$2,222,185,144	1
Personal Care Products	98	\$488	\$8,297,364	104	\$517	\$297,603,380	6
School Books and Supplies	98	\$144	\$2,450,830	104	\$153	\$88,301,123	6
Smoking Products	96	\$386	\$6,560,559	102	\$410	\$236,218,979	6
Transportation							
Payments on Vehicles excluding Leases	94	\$2,435	\$41,409,660	98	\$2,530	\$1,456,224,622	4
Gasoline and Motor Oil	96	\$2,269	\$38,589,631	101	\$2,391	\$1,376,488,688	5
Vehicle Maintenance and Repairs	101	\$1,174	\$19,967,058	105	\$1,216	\$699,725,997	4
Travel							
Airline Fares	108	\$648	\$11,021,363	110	\$659	\$379,188,696	2
Lodging on Trips	109	\$709	\$12,057,548	108	\$703	\$404,442,841	-1
Auto/Truck Rental on Trips	107	\$31	\$523,930	109	\$31	\$18,102,087	2
Food and Drink on Trips	106	\$607	\$10,315,433	107	\$614	\$353,561,732	1

Source: Esri

RETAIL GAP ANALYSIS

In a retail gap analysis, the existing retail sales (“supply”) of trade area businesses are compared to the estimated retail spending of trade area residents (“demand”). The difference between demand and supply is referred to as the “retail gap.”⁵ The retail gap can be positive or negative.

When the demand (spending by trade area residents) for goods and services is greater than sales at trade area businesses, sales are said to “leak out” of the trade area, creating a positive retail gap (i.e. sales leakage).

Conversely, if the supply of goods sold (local trade area sales) exceeds trade area demand (spending by trade area residents), it is assumed that non-residents are coming into the trade area and spending money, creating a negative retail gap (i.e. sales surplus).

Sales leakage and sales surplus carry different implications. In many cases, sales leakage presents an opportunity to capture unmet demand in a trade area since a percentage of residential spending occurs outside the trade area. This demand can be met within the trade area by opening new businesses or expanding existing businesses within retail sectors that show sales leakage. However, not all retail categories that exhibit sales leakage within a particular trade area are a good fit for the region.

A sales surplus might exist for several reasons. For example, the region might be a popular shopping destination for tourists and other out-of-towners, or a cluster of competing businesses offering a similar product or service may be located within the trade area, creating a specialty cluster that draws in spending by households from outside the trade area. Alternatively, a sales surplus could be an indicator of market saturation.

The following Retail Gap Analysis table contains a list of industry groups sorted by 3- and 4-digit NAICS codes and includes figures for sales demand (estimated spending by local trade area residents), sales supply (existing retail sales within the trade area), and retail gap (demand minus supply). Retail categories with sales leakage are in green, and those with sales surplus are in red.

To reflect the varying reach of the different retail categories, they were divided into two groups: local and regional. Data for each group are presented separately, with businesses that typically have a local reach (e.g., grocery stores, gas stations) listed under Enfield and businesses with a regional reach (e.g., clothing stores, department stores, specialty stores) listed under market area.

⁵ Note that existing retail sales are specific to the defined trade area whereas retail spending is an estimate of gross spending by residents living in the trade area regardless of where the retail spending occurs.

Table 33

Retail Gap - Enfield				
NAICS	Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap
Food and Beverage Stores				
Grocery Stores	4451	\$93,716,183	\$104,780,242	-\$11,064,059
Beer, Wine & Liquor Stores	4453	\$11,407,161	\$8,297,641	\$3,109,520
Health & Personal Care Stores				
Health & Personal Care Stores	4461	\$37,714,954	\$58,848,158	-\$21,133,204
Gasoline Stations				
Gasoline Stations	4471	\$50,616,123	\$24,589,308	\$26,026,815
Miscellaneous Store Retailers				
Florists	4531	\$1,871,033	\$595,766	\$1,275,267
Food Services & Drinking Places				
Special Food Services	7223	\$1,770,503	\$0	\$1,770,503
Drinking Places - Alcoholic Beverages	7224	\$981,412	\$0	\$981,412

Source: Esri

Table 34

Retail Gap - Market Area

NAICS	Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap
Motor Vehicle & Parts Dealers				
Automobile Dealers	4411	\$3,459,920,805	\$3,516,721,060	-\$56,800,255
Other Motor Vehicle Dealers	4412	\$413,986,966	\$316,052,280	\$97,934,686
Auto Parts, Accessories & Tire Stores	4413	\$317,330,057	\$298,766,643	\$18,563,414
Furniture & Home Furnishings Stores				
Furniture Stores	4421	\$395,172,222	\$383,558,669	\$11,613,553
Home Furnishings Stores	4422	\$369,693,801	\$339,588,623	\$30,105,178
Electronics & Appliance Stores	443	\$791,535,252	\$684,201,958	\$107,333,294
Bldg Materials, Garden Equip. & Supply Stores				
Bldg Material & Supplies Dealers	4441	\$1,181,510,634	\$1,294,605,811	-\$113,095,177
Lawn & Garden Equip & Supply Stores	4442	\$127,550,604	\$97,770,332	\$29,780,272
Food & Beverage Stores	4452	\$155,074,400	\$192,821,391	-\$37,746,991
Clothing & Clothing Accessories Stores				
Clothing Stores	4481	\$1,094,505,803	\$898,582,757	\$195,923,046
Shoe Stores	4482	\$175,557,840	\$132,670,771	\$42,887,069
Jewelry, Luggage & Leather Goods Stores	4483	\$270,750,823	\$156,972,634	\$113,778,189
Sporting Goods, Hobby, Book & Music Stores				
Sporting Goods/Hobby/Musical Instr Stores	4511	\$669,851,983	\$607,906,748	\$61,945,235
Book, Periodical & Music Stores	4512	\$88,733,528	\$76,561,723	\$12,171,805
General Merchandise Stores				
Department Stores Excluding Leased Depts.	4521	\$1,960,973,458	\$2,084,216,004	-\$123,242,546
Other General Merchandise Stores	4529	\$914,258,004	\$1,029,880,830	-\$115,622,826
Miscellaneous Store Retailers				
Office Supplies, Stationery & Gift Stores	4532	\$228,538,495	\$222,870,294	\$5,668,201
Used Merchandise Stores	4533	\$73,583,516	\$117,865,312	-\$44,281,796
Other Miscellaneous Store Retailers	4539	\$420,662,125	\$351,568,878	\$69,093,247
Food Services & Drinking Places				
Restaurants/Other Eating Places	7225	\$2,089,076,271	\$2,083,222,096	\$5,854,175

Source: Esri

In Enfield, the following industry groups have sales leakage:

- ◆ Beer, Wine & Liquor Stores
- ◆ Gasoline Stations
- ◆ Florists
- ◆ Special Food Services

- ◆ Drinking Places – Alcoholic Beverages

In the market area, the top industry groups with the greatest sales leakage (ranked from greatest to least) include:

- ◆ Clothing Stores
- ◆ Jewelry, Luggage & Leather Goods Stores
- ◆ Electronics & Appliance Stores
- ◆ Other Motor Vehicle Dealers

RETAIL POTENTIAL ANALYSIS

In the following analysis, we compare the retail gaps within the retail categories that have sales leakage to the average sales of similar businesses in the market area. This allows us to identify which of the industries with sales leakage may have enough unmet demand to warrant opening a new store or expanding existing stores.

The table below identifies the number of new businesses that, theoretically, could be supported in the town, assuming:

1. 25% of the sales leakage is recaptured and
2. New businesses have sales comparable to the average sales of all market area businesses in the same retail category.

Table 35

Spending Demand Analysis (Potential for New Retail Businesses)					
NAICS	Industry Group	Retail Sales Gap		Average Sales per Business	Potential Businesses
		(i.e., unmet demand)	Leakage Recapture		
Enfield					
4453	Beer, Wine & Liquor Stores	\$3,109,520	\$777,380	\$1,124,584	0.7
4471	Gasoline Stations	\$26,026,815	\$6,506,704	\$3,953,440	1.6
4531	Florists	\$1,275,267	\$318,817	\$437,433	0.7
7223	Special Food Services	\$1,770,503	\$442,626	\$595,758	0.7
7224	Drinking Places - Alcoholic Beverages	\$981,412	\$245,353	\$440,330	0.6
Market Area					
4412	Other Motor Vehicle Dealers	\$97,934,686	\$24,483,672	\$2,590,592	9
4413	Auto Parts, Accessories & Tire Stores	\$18,563,414	\$4,640,854	\$1,040,999	4
4421	Furniture Stores	\$11,613,553	\$2,903,388	\$2,142,786	1
4422	Home Furnishings Stores	\$30,105,178	\$7,526,295	\$1,470,081	5
443	Electronics & Appliance Stores	\$107,333,294	\$26,833,324	\$1,864,311	14
4442	Lawn & Garden Equip & Supply Stores	\$29,780,272	\$7,445,068	\$674,278	11
4481	Clothing Stores	\$195,923,046	\$48,980,762	\$1,306,080	38
4482	Shoe Stores	\$42,887,069	\$10,721,767	\$1,052,943	10
4483	Jewelry, Luggage & Leather Goods Stores	\$113,778,189	\$28,444,547	\$700,771	41
4511	Sporting Goods/Hobby/Musical Instr Stores	\$61,945,235	\$15,486,309	\$1,450,851	11
4512	Book, Periodical & Music Stores	\$12,171,805	\$3,042,951	\$1,034,618	3
4532	Office Supplies, Stationery & Gift Stores	\$5,668,201	\$1,417,050	\$798,818	2
4539	Other Miscellaneous Store Retailers	\$69,093,247	\$17,273,312	\$659,604	26
7225	Restaurants/Other Eating Places	\$5,854,175	\$1,463,544	\$654,484	2

Source: Esri, Camoin 310

The results of the analysis show that the greatest potential is for Jewelry, Luggage & Leather Goods Stores; Clothing Stores; Electronics & Appliance Stores; and Sporting Goods/Hobby/Musical Instrument Stores.

RESTAURANT POTENTIAL

There is some potential for a restaurant to succeed in the market area based on the sales leakage analysis. The analysis showed that residents of the market area spend about \$5.9 million annually at restaurants outside of the market area. It is expected that a new business could reasonably capture about \$1.5 million of that spending and that about two new restaurants could be supported.

5. OFFICE MARKET

5.1 SUPPLY

The market area has over 82.4 million square feet of office space across 3,559 buildings. Over 1.7 million square feet and 107 of the buildings are in the Town of Enfield, representing 2% of the market area's office space. Over the past five years, the average vacancy rate has been 4.3% in Enfield and 8.3% in the market area, with gross rents per square foot being lower in Enfield than the market area on average (\$17.97 vs. \$19.56).

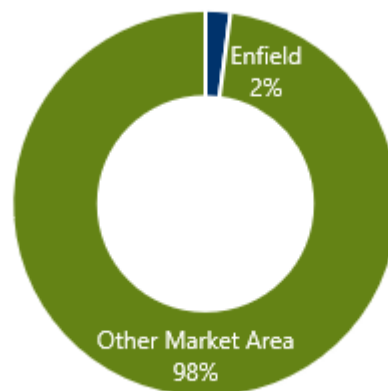
Table 36

Office Market Snapshot (5-year Average)		
	<u>Enfield</u>	<u>Market Area</u>
Availability		
Gross Rent Per SF	\$17.97	\$19.56
Vacancy Rate	4.3%	8.3%
Vacant SF	73,160	6,853,481
Sublet SF	12,884	401,471
Demand		
12 Mo. Absorption SF	4,107	(37,999)
12 Mo. Leasing SF	20,016	1,735,668
Inventory		
Existing Buildings	107	3,559
Existing SF	1,722,693	82,410,038
Under Construction SF	2,400	269,259
12 Mo. Deliveries SF	2,400	244,032

Source: CoStar

Figure 12

Total Office Space (2021 YTD) - Market Area



Source: CoStar

There has been little change in the market inventory from 2011 to 2021 in Enfield and while the market area has experienced some growth. Since 2011, only one office building has been added to Enfield (35,590 SF) and 29 have been added to the market area (598,281 SF).

Table 37

Office Supply - Enfield

Year	Bldgs	Inventory SF	Vacant SF	Vacancy %
2021 YTD	107	1,725,093	106,709	6.2%
2020	107	1,725,093	87,689	5.1%
2019	107	1,725,093	127,716	7.4%
2018	107	1,725,093	65,203	3.8%
2017	107	1,725,093	41,151	2.4%
2016	106	1,713,093	44,041	2.6%
2015	106	1,713,093	96,225	5.6%
2014	106	1,713,093	91,999	5.4%
2013	106	1,713,093	105,488	6.2%
2012	106	1,689,503	113,151	6.7%
2011	106	1,689,503	154,956	9.2%

Source: CoStar

Table 38

Office Supply - Market Area

Year	Bldgs	Inventory SF	Vacant SF	Vacancy %
2021 YTD	3,571	82,686,503	7,714,362	9.3%
2020	3,571	82,686,503	7,342,860	8.9%
2019	3,566	82,577,526	7,211,321	8.7%
2018	3,557	82,439,684	6,291,717	7.6%
2017	3,553	82,494,501	6,771,565	8.2%
2016	3,546	81,851,976	6,649,943	8.1%
2015	3,547	81,875,974	6,344,833	7.7%
2014	3,550	82,198,744	7,452,525	9.1%
2013	3,548	82,230,913	8,486,703	10.3%
2012	3,549	81,943,841	8,601,527	10.5%
2011	3,542	82,088,222	8,818,408	10.7%

Source: CoStar

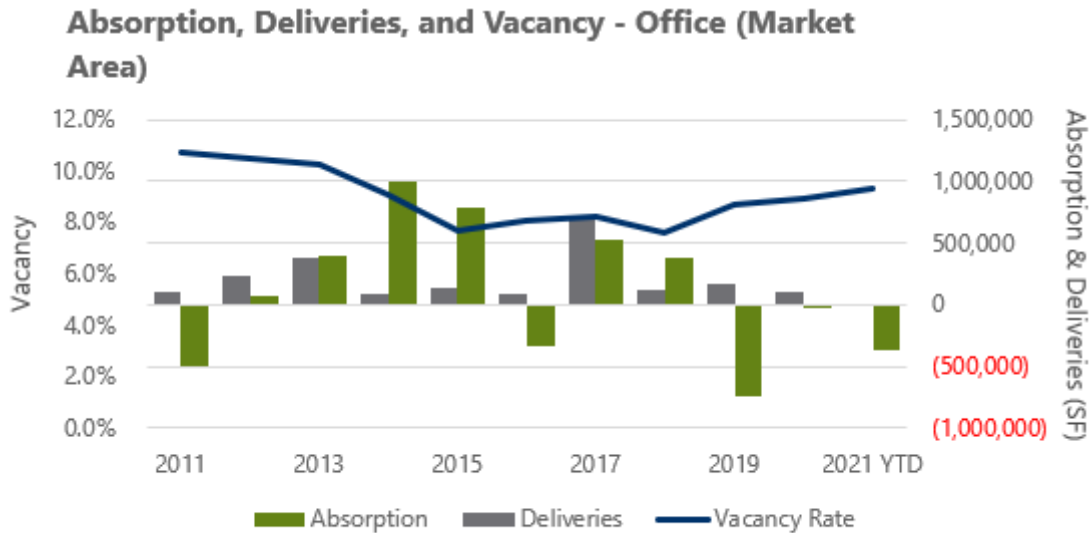
5.2 MARKET TRENDS

Office vacancies in the market area have been on the rise since early 2019. According to CoStar, demand for office space is low given minimal employment growth and the increasing adoption of telecommuting and remote work. The COVID-19 pandemic has further slowed the leasing of office space as firms are tending to reduce their real estate footprint. Additionally, many companies have delayed leasing decisions and are leveraging short term renewals. Supply pressures have not been a factor in the regional office market, as there is little new construction

of office space. Additionally, over the last ten years many offices, particularly in downtown Hartford, have been demolished or converted into multifamily housing.

In the market area, office vacancy rates have risen from 7.6% in 2018, to 9.3% this far in 2021. Absorption of office space has been negative for the last three years, and deliveries have been minimal.

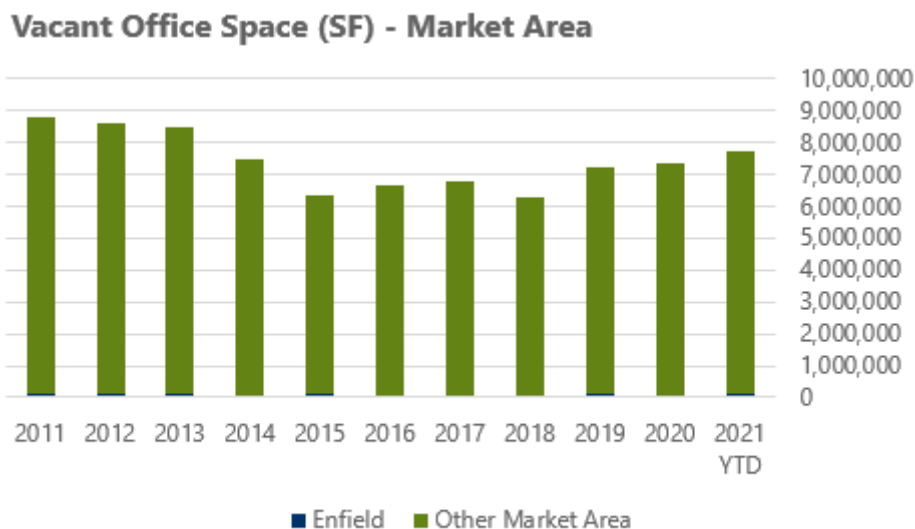
Figure 13



Source: CoStar

The amount of vacant office space has been increasing since 2018, however this is still lower than the amount of space that was vacant in 2011-2013. This may be attributed to the lack of supply side pressures on inventory in the market area.

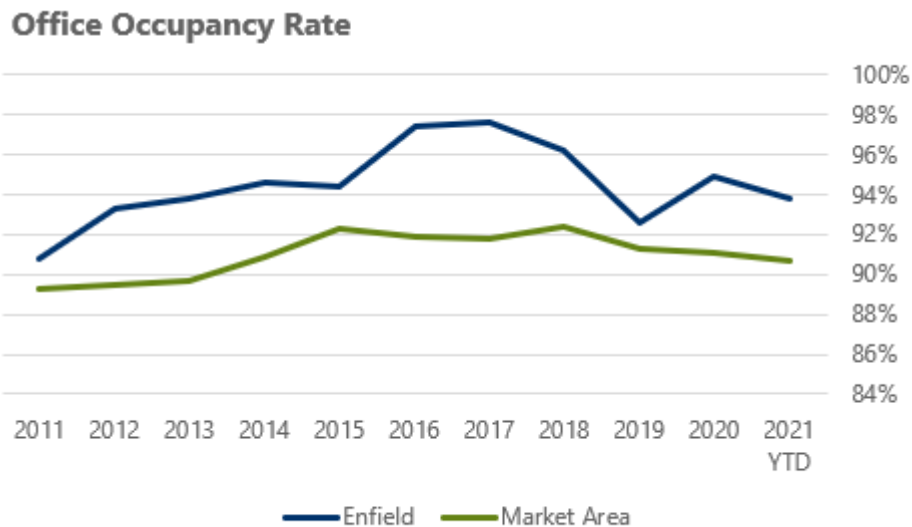
Figure 14



Source: CoStar

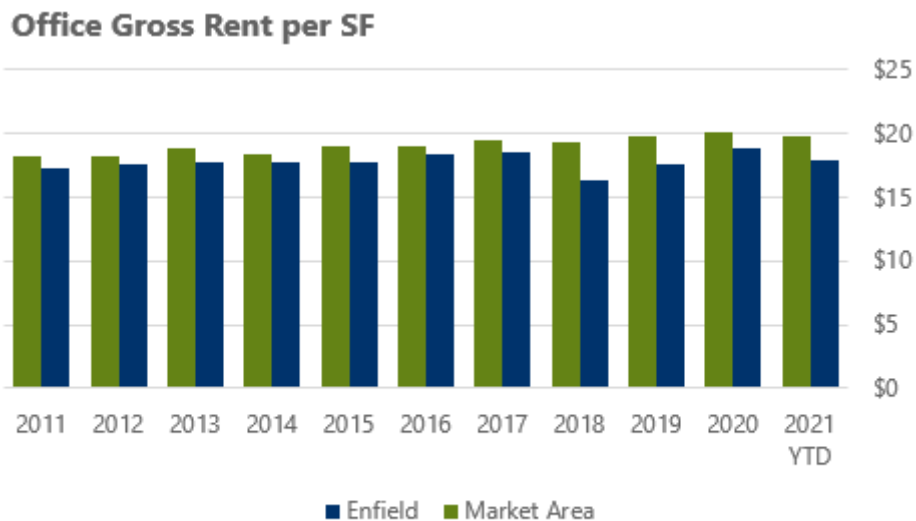
The occupancy rate in Enfield has trended higher than the market area, which is likely a factor of the low office inventory that exists within Enfield.

Figure 15



Rental rates have trended lower in Enfield than the market area. Currently, gross rent per square foot is \$17.99 in Enfield, which is slightly lower than it was in 2020 (\$18.90). Rent is \$19.83 in the market area, which is also lower than 2020 rents of \$20.10 per square foot.

Figure 16



5.3 MARKET DEMAND

The demand outlook for office space depends on growth in the types of industries and jobs that utilize office space. The tables below show the categories of office utilizing industries and the expected 10-year change in the number of jobs in those industries. The result is the total number of new office-utilizing jobs, which is then used to estimate future office space demand. As shown in the following tables, there will be 391 less office utilizing jobs in Enfield and 4,941 less office utilizing jobs in the market area in 2030.

Table 39
Employment Change in Office-Utilizing Industries, Town of Enfield

NAICS	Description	2020	2030	2020-2030	2020-2030 %
		Jobs	Jobs	Change	Change
51	Information	221	86	(136)	(61%)
52	Finance and Insurance	2,851	2,447	(404)	(14%)
54	Professional, Scientific, and Technical Services	661	693	32	5%
55	Management of Companies and Enterprises	823	1,002	179	22%
56	Administrative and Support and Waste Management and Remediation Services	647	581	(65)	(10%)
81	Other Services (except Public Administration)	773	646	(127)	(16%)
90	Government	3,214	3,344	130	4%
Total		9,189	8,798	(391)	(4%)

Source: Emsi

Table 40
Employment Change in Office-Utilizing Industries, Market Area

NAICS	Description	2020	2030	2020-2030	2020-2030 %
		Jobs	Jobs	Change	Change
51	Information	11,495	8,755	(2,740)	(24%)
52	Finance and Insurance	60,864	56,226	(4,638)	(8%)
54	Professional, Scientific, and Technical Services	42,641	45,089	2,448	6%
55	Management of Companies and Enterprises	14,964	17,268	2,304	15%
56	Administrative and Support and Waste Management and Remediation Services	36,234	34,580	(1,654)	(5%)
81	Other Services (except Public Administration)	34,495	32,637	(1,858)	(5%)
90	Government	107,783	108,980	1,197	1%
Total		308,476	303,535	(4,941)	(2%)

Source: Emsi

In addition to projected changes in employment, COVID-19 has upended the office market. An increasing shift towards remote work for many companies has reduced the need for office space while at the same time social distancing requirements and the desire for more space per employee have increased demand for office space for companies that still have an on-site presence. The projected change in demand for office space is calculated by taking both factors into account and assuming that:

- ◆ 20%⁶ of current employees will be working remotely in the future; and

⁶ According to a report by McKinsey, approximately a quarter of U.S. workers can work remotely. This analysis conservatively assumes that 20% of workers will be remote. Source: "What's Next for Remote Work: An Analysis of 2,000 Tasks, 800 Jobs, and Nine Countries." McKinsey Global Institute, 23 Nov. 2020.

- ◆ SF/employee needed will increase by 25% (25% was selected to be conservative relative to estimates of 50%).⁷

Annually, the number of employees in office utilizing industries is projected to decrease by 39 in Enfield and 494 in the market area. This means that without adjusting for remote work and space requirement trends that have resulted from COVID-19, neither Enfield nor the market area would need to increase the inventory of office space.

Currently, there are over 1.6 million square feet of occupied office space and 9,189 employees in office utilizing industries in Enfield and nearly 75.0 million square feet of occupied office space and 308,476 employees in the market area. This means that the current square feet per office employee is approximately 176 in Enfield and 243 in the market area. The number of employees was adjusted to account for 20% of employees working remotely permanently and the annual decrease in employees of office utilizing occupations. This means that in five years there will be an estimated 7,156 on-site employees in office utilizing industries in Enfield and 244,310 in the market area.

Recognizing that the square feet of office space per office worker has increased during COVID and is likely to continue to remain higher than previous levels, it is assumed that there will be a 25% increase in space required for on-site employees. As a result, there is a net negative demand outlook for office space as a result of employment projections in the market area and shifts to remote working. The results are consistent with trends in vacancy, which may also be masking more severe vacancy increases in the years ahead as commercial office leases continue to expire and companies will be making location and remote working decisions.

This is based on assumptions of trends in remote work and office space requirements. It remains to be seen how these trends will play out in the years to come. It is also important to note that while the results indicate overall negative demand, there may still be limited office development opportunities at the Enfield Square Mall by attracting existing office users from other locations within the market area or to attract any of the few new/expanded office tenants in the market area.

Table 41

Change in Office Space Demand		
	Enfield	Market Area
Occupied Office SF	1,618,384	74,972,141
Office Employees - 2020	9,189	308,476
SF/Employee	176	243
Change in On-Site Employees (20%)	(1,838)	(61,695)
Annual Change in Number of Employees	(39)	(494)
5-Year Change in Number of Employees	(196)	(2,470)
Total Office Employees	7,156	244,310
New SF/Employee (25% increase)	220	304
SF Needed	1,575,331	74,221,622
Existing Office Inventory (SF)	1,725,093	82,686,503
New Space Needed (SF)	(149,762)	(8,464,881)

Source: Emsi, JLL, McKinsey, Camoin 310

⁷ According to JLL, most businesses should plan on increasing the average square foot per employee by 50%. Source: Kay, T. and Urbin, J. "How Will Employee Workspace Needs Change Post-Coronavirus?" JLL, 19 June 2020.

5.4 MEDICAL OFFICE BUILDINGS (MOB)

Aside from traditional office space, Medical Office Buildings (MOBs) are another type of commercial office space that could be explored. MOBs have unique characteristics and a different market than traditional office space.

According to Colliers International's 2021 Healthcare Marketplace report, national medical office vacancy rates were up in 2020 compared to 2019, at 8.6% compared to 7.8%. This is still lower however than the overall national office vacancy rate of 13.2%.⁸

Other significant trends in the field of MOBs include: the necessity for flexibility space and multi-specialty offices, which has resulted in the overall increasing size of MOBs. Due to technology advances and the growing amount of technological equipment being used in procedures and follow-ups, space must allow for the technology to be used efficiently. Flexible space opens the possibility for adaptability when technology changes or the needs of the patient change. Additionally, the overall size of MOBs is increasing due to a variety of specialties being housed together under one roof. This can increase cost and operating efficiency, as overhead costs are lower per physician with a larger group, and if a patient needs to see multiple specialists they do not have to drive to different locations. As a result, whereas average MOB used to be 30,000 to 60,000 SF, newer construction has been closer to 100,000 SF.

To estimate the future demand of MOB in Enfield and the market area, projections for ambulatory care services were examined. With a location quotient <1.0 in Enfield, this industry is not currently concentrated in Enfield. 183 jobs are expected to be added in Enfield over the next 10 years, while the market area is expected to grow by nearly 8,000. Assuming an average of 207 square feet per employee,⁹ this amounts to demand for nearly 38,000 square feet of medical office space in Enfield and over 1.6 million in the market area. If space were available in Enfield, there may be an opportunity to capture some of the market area's demand.

Table 42

Employment Growth in Ambulatory Health Care Services						
	2020	2030	2020-2030	2020-2030	2020 Location	New Demand
	Jobs	Jobs	Change	% Change	Quotient	(SF)
Town of Enfield	966	1,149	183	19%	0.99	37,881
Market Area	46,480	54,265	7,785	17%	1.22	1,611,495

Source: Emsi

⁸ Source: Colliers International, 2021 Healthcare Marketplace, 2021.

⁹ Source: Institute of Transportation Engineers.

6. INDUSTRIAL MARKET

6.1 SUPPLY

Over 159.9 million square feet of industrial/flex space exist across 4,364 buildings in the market area. Approximately 6.4 million square feet of this space and 113 buildings are in Enfield, representing 4% of the market area's industrial space. Over the past five years the vacancy rate has averaged higher in Enfield than the market area, at 7.1% compared to 5.1%. Rents have been comparable, with those in Enfield being slightly lower.

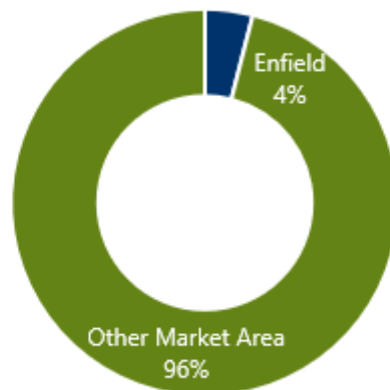
Table 43

Industrial Market Snapshot (5-year Average)		
	Enfield	Market Area
Availability		
NNN Rent	\$4.28	\$4.78
Vacancy Rate	7.1%	5.1%
Vacant SF	452,184	8,096,041
Sublet SF	8,699	400,137
Demand		
12 Mo. Absorption SF	27,114	898,707
12 Mo. Leasing SF	286,890	3,639,373
Inventory		
Existing Buildings	113	4,364
Existing SF	6,399,116	159,926,066
Under Construction SF	100,300	760,211
12 Mo. Deliveries SF	-	764,490

Source: CoStar

Figure 17

Total Industrial Space (2021 YTD) - Market Area



Source: CoStar

Since 2011, the number of industrial buildings increased by 10 in the market area, adding nearly 4.1 million of available industrial space to the market. Inventory in Enfield specifically has remained stable.

Table 44

Industrial Supply - Enfield				
<u>Year</u>	<u>Bldgs</u>	<u>Inventory SF</u>	<u>Vacant SF</u>	<u>Vacancy %</u>
2021 YTD	113	6,399,116	820,834	12.8%
2020	113	6,399,116	511,722	8.0%
2019	113	6,399,116	201,604	3.2%
2018	113	6,399,116	458,037	7.2%
2017	113	6,399,116	318,393	5.0%
2016	113	6,399,116	771,166	12.1%
2015	113	6,399,116	647,294	10.1%
2014	114	6,409,520	681,589	10.6%
2013	114	6,409,520	452,683	7.1%
2012	113	6,373,196	524,665	8.2%
2011	113	6,373,196	806,675	12.7%

Source: CoStar

Table 45

Industrial Supply - Market Area				
<u>Year</u>	<u>Bldgs</u>	<u>Inventory SF</u>	<u>Vacant SF</u>	<u>Vacancy %</u>
2021 YTD	4,372	160,825,710	8,607,343	5.4%
2020	4,374	160,980,371	8,727,016	5.4%
2019	4,369	160,375,202	8,349,440	5.2%
2018	4,366	160,276,240	6,232,970	3.9%
2017	4,361	159,499,055	7,996,497	5.0%
2016	4,349	158,499,461	9,174,281	5.8%
2015	4,349	158,202,276	10,443,156	6.6%
2014	4,356	157,370,392	13,551,754	8.6%
2013	4,357	157,312,402	15,160,283	9.6%
2012	4,367	157,055,125	15,218,789	9.7%
2011	4,362	156,731,785	15,401,343	9.8%

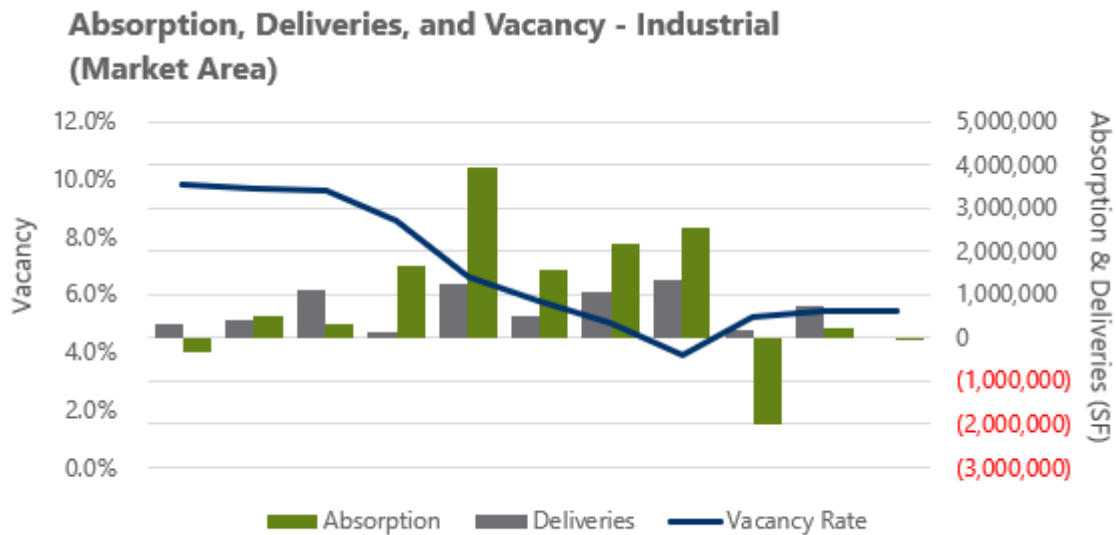
Source: CoStar

6.2 MARKET TRENDS

Industrial properties have performed better throughout the COVID-19 pandemic than other property types. As a result of accelerated growth of online sales due to the pandemic, warehousing and distribution space has been in demand nationally. Overall, leasing activity in this space remained near pre-pandemic levels in 2020. Investment in the market has been slow however, and CoStar projects that annual deliveries will remain low.

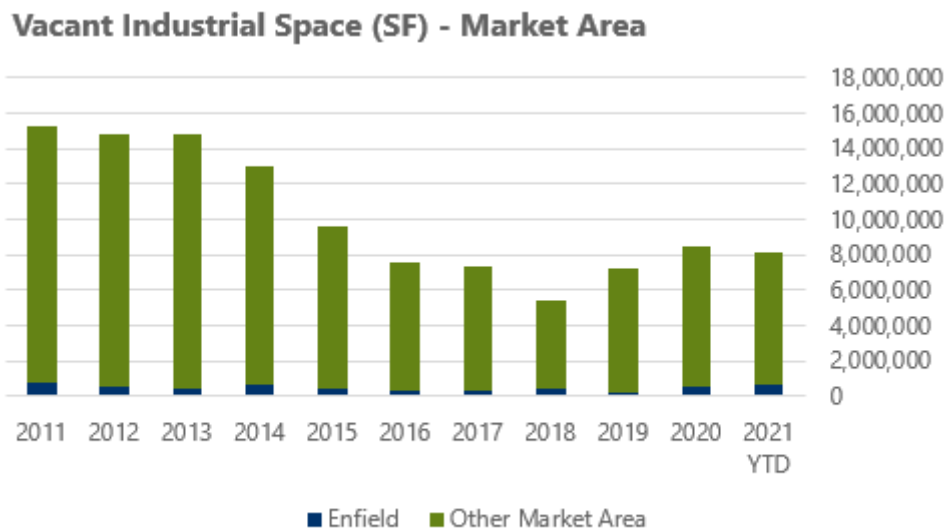
In the market area, vacancies jumped from a low of 3.9% in 2018 to 5.2% in 2019. There was a small increase through 2020 and into 2020 to 5.4%, however these rates are still well below those prior to 2017.

Figure 18



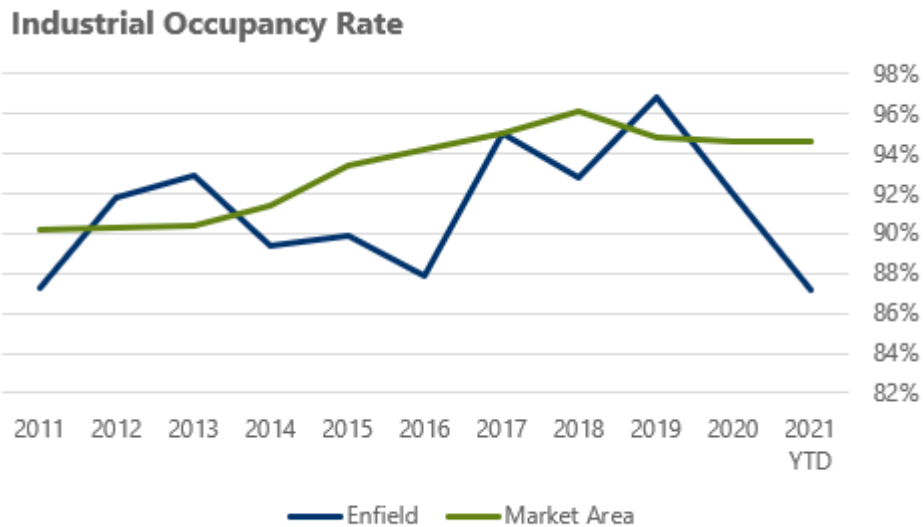
The amount of vacant industrial space has followed a similar pattern, with the overall trend over the last ten years being a decline in the amount of vacant industrial space. While the amount of vacant space has edged up recently, this is still much lower than it had been previously.

Figure 19



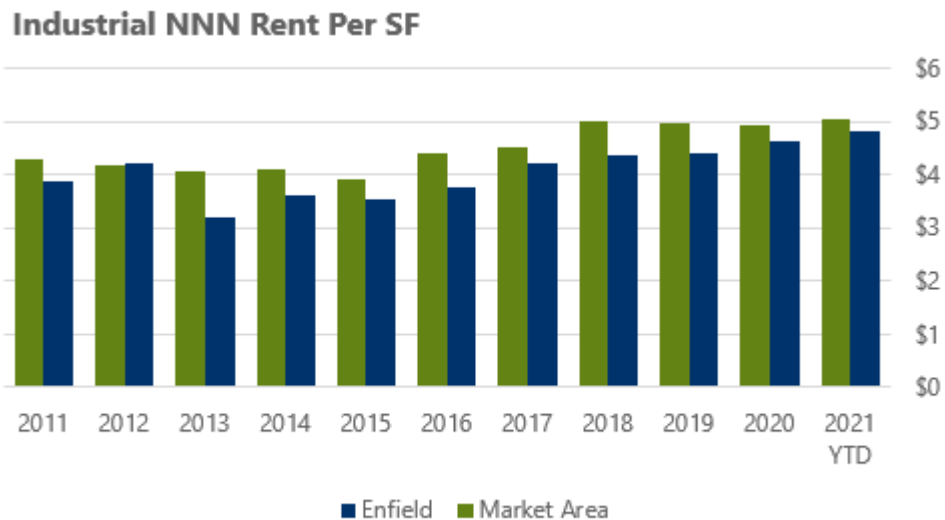
The occupancy rate in the market area has trended higher than in Enfield, with Enfield experiencing a decline to 87.2% thus far in 2021.

Figure 20



Rental rates have trended slightly lower in Enfield than in the market area. Current rates are \$4.84 per square foot in Enfield compared to \$5.07 in the market area. Rents have been largely unaffected by the COVID-19 pandemic.

Figure 21



6.3 MARKET DEMAND

Future demand for industrial and flex space can be better understood by looking at employment projections within the industry sectors likely to utilize this space. Specifically, the following two-digit NAICS industries were examined:

- ◆ Mining, Quarrying, and Oil and Gas Extraction
- ◆ Utilities
- ◆ Manufacturing
- ◆ Transportation and Warehousing

The following table shows employment growth in the market area in these four industries broken down into the more detailed 3-digit NAICS level. Most growth is expected in Transit and Ground Passenger Transportation, which will expand by 2,411 jobs over the next 10 years. This industry may require industrial space to store vehicles, maintain vehicles, etc. Manufacturing space may also be in demand to support this industry, as Transportation Equipment Manufacturing is expected to grow by a substantial 1,651 jobs. There will also be demand for Warehousing and Storage space, which is expected to add 651 jobs over the same time period.

Table 46

Employment Change in Industrial Industries, Market Area					
NAICS	Description	2020	2030	2020 - 2030	2020 - 2030 %
		Jobs	Jobs	Change	Change
211	Oil and Gas Extraction	0	0	0	0%
212	Mining (except Oil and Gas)	100	88	(12)	(12%)
213	Support Activities for Mining	12	26	14	111%
221	Utilities	1,920	1,741	(179)	(9%)
311	Food Manufacturing	4,189	3,815	(375)	(9%)
312	Beverage and Tobacco Product Manufacturing	1,279	1,772	493	39%
313	Textile Mills	280	312	32	11%
314	Textile Product Mills	169	156	(13)	(8%)
315	Apparel Manufacturing	36	31	(5)	(14%)
316	Leather and Allied Product Manufacturing	35	46	11	32%
321	Wood Product Manufacturing	608	498	(110)	(18%)
322	Paper Manufacturing	2,351	1,928	(423)	(18%)
323	Printing and Related Support Activities	2,671	1,760	(911)	(34%)
324	Petroleum and Coal Products Manufacturing	179	199	20	11%
325	Chemical Manufacturing	2,422	2,689	268	11%
326	Plastics and Rubber Products Manufacturing	2,538	2,295	(243)	(10%)
327	Nonmetallic Mineral Product Manufacturing	750	605	(145)	(19%)
331	Primary Metal Manufacturing	882	788	(94)	(11%)
332	Fabricated Metal Product Manufacturing	18,821	18,637	(184)	(1%)
333	Machinery Manufacturing	6,635	6,283	(352)	(5%)
334	Computer and Electronic Product Manufacturing	2,744	2,753	9	0%
335	Electrical Equipment, Appliance, and Component Manufacturing	2,241	1,756	(486)	(22%)
336	Transportation Equipment Manufacturing	20,902	22,553	1,651	8%
337	Furniture and Related Product Manufacturing	1,598	1,504	(94)	(6%)
339	Miscellaneous Manufacturing	3,250	2,850	(400)	(12%)
481	Air Transportation	528	409	(119)	(22%)
482	Rail Transportation	294	305	11	4%
483	Water Transportation	<10	<10	Insf. Data	Insf. Data
484	Truck Transportation	5,171	5,469	298	6%
485	Transit and Ground Passenger Transportation	7,940	10,350	2,411	30%
486	Pipeline Transportation	43	60	17	40%
487	Scenic and Sightseeing Transportation	18	19	1	8%
488	Support Activities for Transportation	2,064	2,144	80	4%
491	Postal Service	<10	16	Insf. Data	Insf. Data
492	Couriers and Messengers	6,702	8,597	1,895	28%
493	Warehousing and Storage	8,994	9,645	651	7%
Total		108,376	112,098	3,722	3%

Source: Emsi

The table below looks specifically at industrial growth in the Town of Enfield. Warehousing and Storage is expected to grow the most, adding 58 jobs. This is followed by Fabricated Metal Product Manufacturing which is

projected to add 47 jobs. In terms of demand for space, warehousing and distribution will maximize the largest possible footprint in a given area. This industry is continuing to grow, bringing along with it the continued development of mega-distribution centers.

Table 47

Employment Change in Industrial Industries, Enfield

NAICS	Description	2020 - 2030		2020 - 2030 %	
		Jobs	Jobs	Change	Change
211	Oil and Gas Extraction	0	0	0	0%
212	Mining (except Oil and Gas)	0	0	0	0%
213	Support Activities for Mining	0	0	0	0%
221	Utilities	11	<10	Insf. Data	Insf. Data
311	Food Manufacturing	60	59	(1)	(1%)
312	Beverage and Tobacco Product Manufacturing	0	0	0	0%
313	Textile Mills	0	0	0	0%
314	Textile Product Mills	<10	<10	Insf. Data	Insf. Data
315	Apparel Manufacturing	0	0	0	0%
316	Leather and Allied Product Manufacturing	0	0	0	0%
321	Wood Product Manufacturing	84	92	9	10%
322	Paper Manufacturing	44	46	2	5%
323	Printing and Related Support Activities	<10	<10	Insf. Data	Insf. Data
324	Petroleum and Coal Products Manufacturing	0	0	0	0%
325	Chemical Manufacturing	<10	<10	Insf. Data	Insf. Data
326	Plastics and Rubber Products Manufacturing	0	0	0	0%
327	Nonmetallic Mineral Product Manufacturing	17	14	(2)	(14%)
331	Primary Metal Manufacturing	43	42	(1)	(2%)
332	Fabricated Metal Product Manufacturing	174	221	47	27%
333	Machinery Manufacturing	79	64	(15)	(19%)
334	Computer and Electronic Product Manufacturing	54	44	(11)	(20%)
335	Electrical Equipment, Appliance, and Component Manufacturing	23	<10	Insf. Data	Insf. Data
336	Transportation Equipment Manufacturing	111	123	12	10%
337	Furniture and Related Product Manufacturing	29	30	1	4%
339	Miscellaneous Manufacturing	<10	<10	Insf. Data	Insf. Data
481	Air Transportation	0	0	0	0%
482	Rail Transportation	17	20	4	21%
483	Water Transportation	0	0	0	0%
484	Truck Transportation	128	145	17	13%
485	Transit and Ground Passenger Transportation	88	126	37	43%
486	Pipeline Transportation	21	37	17	80%
487	Scenic and Sightseeing Transportation	0	0	0	0%
488	Support Activities for Transportation	<10	<10	Insf. Data	Insf. Data
491	Postal Service	0	0	0	0%
492	Couriers and Messengers	97	128	31	32%
493	Warehousing and Storage	618	676	58	9%
Total		1,721	1,901	180	10%

Source: Emsi

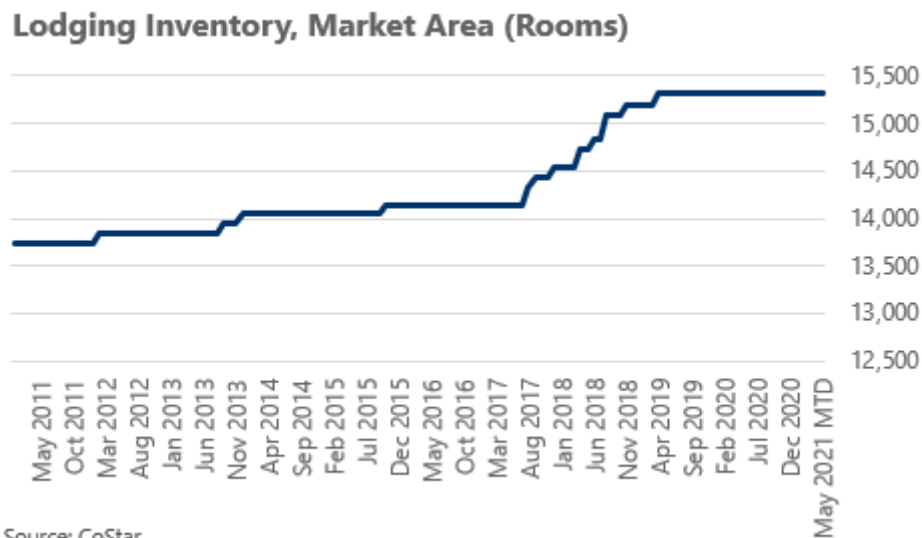
7. TOURISM AND HOSPITALITY MARKET

7.1 MARKET OVERVIEW

LODGING MARKET TRENDS

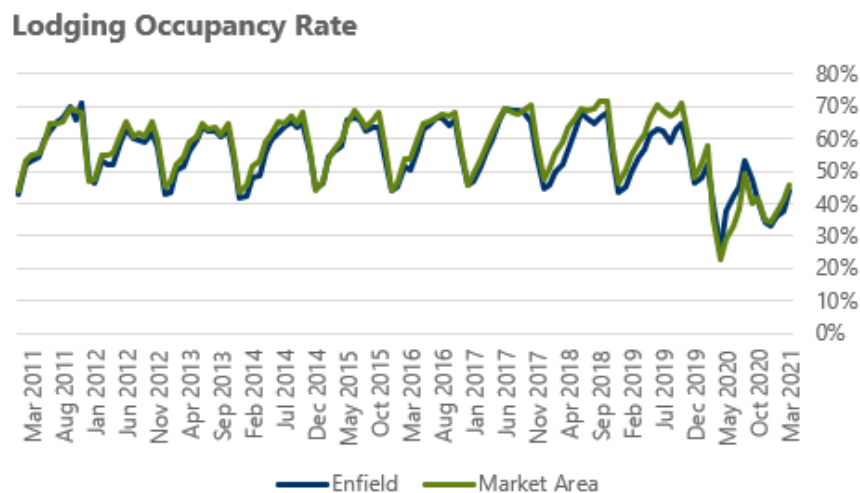
Currently, there are 15,232 total rooms across 148 buildings in the market area. 537 of the rooms and 5 buildings are in Enfield, where inventory has remained constant since 2011. There are currently 2 buildings and a total of 233 rooms under construction in the market area.

Figure 22



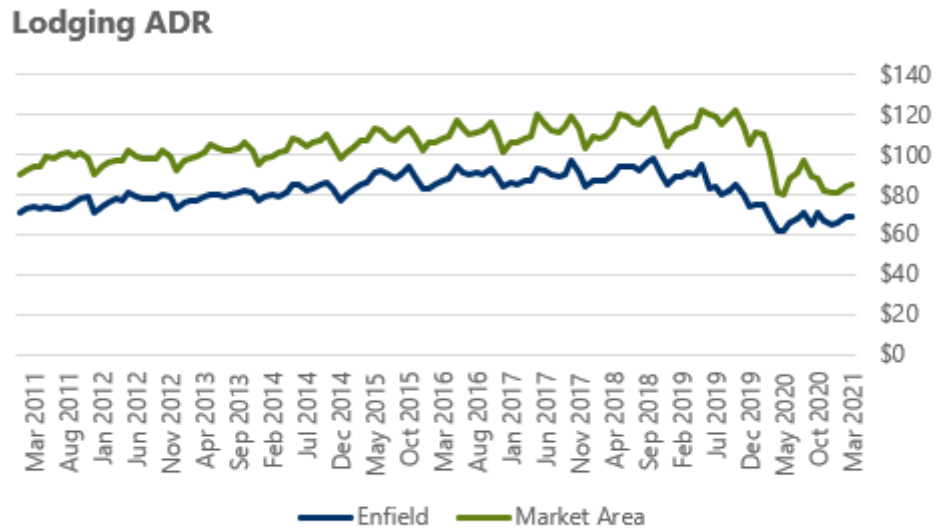
Occupancy rates are cyclic, with rates in Enfield mirroring that of the larger market area. Occupancy rates have taken a dip since the end of 2019 as a result of COVID-19.

Figure 23



The Average Daily Rate (ADR) for hotel rooms in the market area tends to be lower in Enfield than in the overall market area. Currently, the ADR is \$84.87 in the market area compared to \$69.04 in Enfield. The ADR peaked at \$122.43 in the market area in October 2019, since falling as a result of the pandemic.

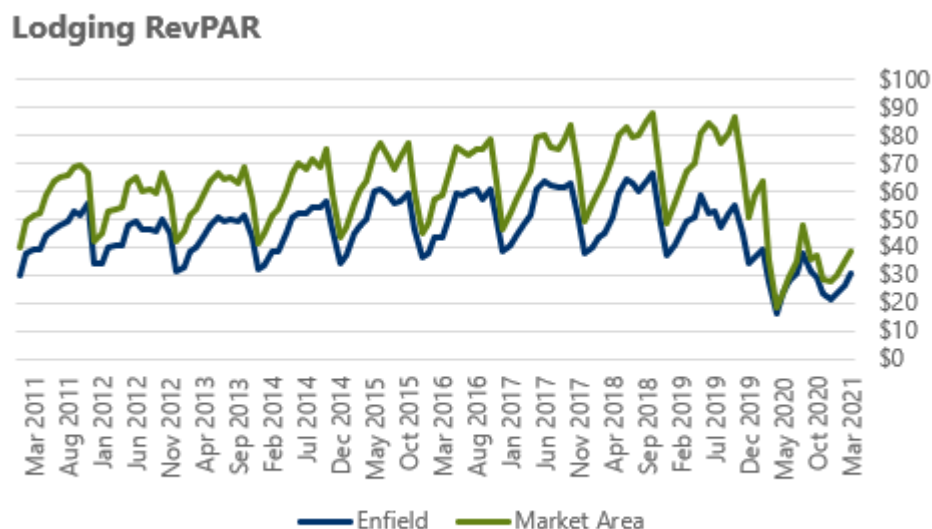
Figure 24



Source: CoStar

Another key revenue metric is specified as Revenue per Available Room (RevPAR), which is the total room revenue divided by the number of available rooms. An increase in RevPAR indicates the average room rate, or occupancy rate is increasing. Like occupancy, RevPAR is cyclic in the market area and tends to be higher than in Enfield. RevPAR has decreased recently and currently stands at \$38.63 in the market area and \$30.50 in Enfield.

Figure 25



Source: CoStar

ENTERTAINMENT AND RECREATION OVERVIEW

The Arts, Entertainment, and Recreation industry is not highly concentrated in the market area and is shrinking. The industry is projected to lose over 1,000 jobs, or 11% of its workforce, by 2030.

At the 4-digit NAICS industry level, most of the employment is classified in the Other Amusement and Recreation Industries, which accounts for 57% of jobs. This is also the industry that is projected to shed the most jobs over the next 10 years. Some job growth is expected in the Independent Artists, Writers, and Performers; Museums, Historical Sites, and Similar Institutions; and Gambling Industries, industries. The table below provides additional detail on the industry groups within the Arts, Entertainment, and Recreation industry.

Table 48

Arts, Entertainment, and Recreation Industry Groups (4-Digit NAICS), Market Area

NAICS	Description	2020		2020 - 2030		Location Quotient
		Jobs	Jobs	Change	Change %	
7111	Performing Arts Companies	636	502	(134)	(21%)	0.80
7112	Spectator Sports	412	400	(12)	(3%)	0.53
7113	Promoters of Performing Arts, Sports, and Similar Events	685	461	(223)	(33%)	1.01
7114	Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures	65	26	(39)	(59%)	0.33
7115	Independent Artists, Writers, and Performers	707	789	81	11%	0.60
7121	Museums, Historical Sites, and Similar Institutions	702	761	59	8%	0.95
7131	Amusement Parks and Arcades	563	160	(404)	(72%)	0.73
7132	Gambling Industries	276	350	73	27%	0.57
7139	Other Amusement and Recreation Industries	5,375	4,949	(426)	(8%)	0.89
Total		9,421	8,398	(1,023)	(11%)	

Source: Emsi

The following table provides a similar breakdown for the Town of Enfield only, providing more detailed insight into the local market. 2% of the market area's Arts, Entertainment, and Recreation industry jobs are in Enfield. Like in the market area, most of Enfield's jobs are in the Other Amusement and Recreation Industries group.

Table 49

Arts, Entertainment, and Recreation Industry Groups (4-Digit NAICS), Town of Enfield

NAICS	Description	2020		2020 - 2030		Location Quotient
		Jobs	Jobs	Change	Change %	
7111	Performing Arts Companies	0	0	0	0%	0.00
7112	Spectator Sports	38	27	(11)	(28%)	1.94
7113	Promoters of Performing Arts, Sports, and Similar Events	0	0	0	0%	0.00
7114	Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures	0	0	0	0%	0.00
7115	Independent Artists, Writers, and Performers	30	33	3	10%	1.00
7121	Museums, Historical Sites, and Similar Institutions	0	0	0	0%	0.00
7131	Amusement Parks and Arcades	0	0	0	0%	0.00
7132	Gambling Industries	0	0	0	0%	0.00
7139	Other Amusement and Recreation Industries	154	150	(5)	(3%)	1.01
Total		223	210	(12)	(6%)	

Source: Emsi

The following table goes into further detail at the 6-digit NAICS level (the most detailed level available). In terms of employment, Fitness and Recreational Sports Centers (2,845 jobs) and Golf Courses and Country Clubs (1,442) are the biggest industry drivers in the market area. Industries that are expected to add the most jobs in the next 10 years include Independent Artists, Writers, and Performers (+81 jobs), Museums (+73 jobs), and Other Gambling Industries (+73 jobs). Industries that are most concentrated in the market area (i.e. have a location quotient greater than 1.0) include Other Gambling Industries (1.37), Nature Parks and Other Similar Institutions (1.29), Promoters of Performing Arts, Sports, and Similar Events with Facilities (1.23) and Museums (1.21).

Table 50

Arts, Entertainment, and Recreation Industry Groups (6-Digit NAICS), Market Area

NAICS	Description	2020		2030		2020 - 2030	2020 - 2030	2020
		Jobs	Jobs	Jobs	Jobs	Change	Change %	Location Quotient
711110	Theater Companies and Dinner Theaters	313	212	(101)	(32%)	0.89		
711120	Dance Companies	44	53	9	20%	0.58		
711130	Musical Groups and Artists	261	212	(49)	(19%)	0.79		
711190	Other Performing Arts Companies	18	25	7	38%	0.47		
711211	Sports Teams and Clubs	213	232	19	9%	0.55		
711212	Racetracks	55	70	14	26%	0.42		
711219	Other Spectator Sports	143	97	(46)	(32%)	0.57		
711310	Promoters of Performing Arts, Sports, and Similar Events with Facilities	543	337	(206)	(38%)	1.23		
711320	Promoters of Performing Arts, Sports, and Similar Events without Facilities	142	125	(17)	(12%)	0.60		
711410	Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures	65	26	(39)	(59%)	0.33		
711510	Independent Artists, Writers, and Performers	707	789	81	11%	0.60		
712110	Museums	533	606	73	14%	1.21		
712120	Historical Sites	80	91	10	13%	1.29		
712130	Zoos and Botanical Gardens	21	15	(7)	(31%)	0.12		
712190	Nature Parks and Other Similar Institutions	68	50	(18)	(26%)	1.29		
713110	Amusement and Theme Parks	455	107	(348)	(77%)	0.70		
713120	Amusement Arcades	108	53	(55)	(51%)	0.93		
713290	Other Gambling Industries	276	350	73	27%	1.37		
713910	Golf Courses and Country Clubs	1,442	1,227	(215)	(15%)	0.87		
713920	Skiing Facilities	72	59	(12)	(17%)	0.40		
713930	Marinas	35	36	0	1%	0.17		
713940	Fitness and Recreational Sports Centers	2,845	2,721	(124)	(4%)	1.03		
713950	Bowling Centers	259	198	(61)	(24%)	0.99		
713990	All Other Amusement and Recreation Industries	722	708	(14)	(2%)	0.74		
Total		9,421	8,398	(1,023)	(11%)			

Source: Emsi

According to Esri, there are 665 entertainment and recreation businesses in the market area. Most of these are health clubs and gyms (204 businesses), museums (126 businesses), parks (90 businesses) and golf courses (76 businesses). 15 of these entertainment and recreation businesses are in Enfield, with the majority being gyms.

Table 51

Entertainment and Recreation Businesses in Enfield

Business	Location
Amped Fitness	Enfield St
Cinemark Enfield Square 12	Elm St
Club Fitness	Hazard Ave
Club Fitness	Enfield St
Clubhouse	Mayfield Dr
Crossfit Revelation	Moody Rd
Enfield Parks & Recreation	N Main St
Enfuse Fitness	Enfield St
Grassmere Country Club	Town Farm Rd
Healthtrax Fitness & Wellness	Weymouth Rd
Healthtrax Inc	Weymouth Rd
Martha a Parsons House	Enfield St
Old Town Hall Museum	Enfield St
Planet Fitness	Hazard Ave
Valley Repertory Co Inc	Elm St

Source: Esri

7.2 MARKET POTENTIAL

This section analyzes the demand for entertainment activities and leisure products and services in the market area. This information helps show what types of entertainment, recreation, and leisure businesses are likely to be the most successful in Enfield based on consumer demand. Market potential is measured by the Market Potential Index (MPI), which is an indication of the probability of residents to engage in certain activities as compared to the U.S. overall. An MPI of 100 means that residents of the region have the same participation rate for that activity as the rest of the U.S. while an MPI greater than 100 means that residents have a greater participation rate in that activity. While there is not a specific MPI level that will indicate ability to support a business, the higher the value the higher the demand there is for an activity.

The following table shows the recreation and leisure activities with the greatest MPI in the region. Visiting an indoor water park is the top ranked activity, followed by going to live theater, going to a bar/night club, boating, and yoga. The top activities include a mix of sports, outdoor activities, exercise, and other entertainment.

Table 52

Regional Leisure and Sports Market Potential: Top Activities

Product/Consumer Behavior	Expected		Market Potential Index
	Number of Resident Participants	Percent	
Visited an indoor water park in last 12 months	47,032	4.0%	121
Went to live theater in last 12 months	154,421	13.2%	116
Went to bar/night club in last 12 months	226,790	19.4%	114
Participated in boating (power) in last 12 months	56,451	4.8%	113
Participated in yoga in last 12 months	109,564	9.3%	113
Participated in jogging/running in last 12 months	161,127	13.7%	112
Participated in golf in last 12 months	103,551	8.8%	111
Participated in backpacking in last 12 months	43,710	3.7%	110
Participated in bicycling (road) in last 12 months	119,220	10.2%	110
Participated in ice skating in last 12 months	36,366	3.1%	110
Went to beach in last 12 months	376,554	32.1%	110
Played billiards/pool in last 12 months	84,558	7.2%	110
Attended classical music/opera performance/12 months	50,786	4.3%	110
Attended rock music performance in last 12 months	124,443	10.6%	110
Participated in baseball in last 12 months	51,336	4.4%	109
Participated in canoeing/kayaking in last 12 months	81,453	7.0%	109
Participated in basketball in last 12 months	99,275	8.5%	108
Participated in bicycling (mountain) in last 12 months	51,349	4.4%	108
Participated in bowling in last 12 months	110,770	9.5%	108
Participated in Frisbee in last 12 months	46,969	4.0%	108
Participated in hiking in last 12 months	153,521	13.1%	108
Participated in weight lifting in last 12 months	129,981	11.1%	108
Attended horse races in last 12 months	30,793	2.6%	108
Gambled at casino in last 12 months	173,467	14.8%	108

Source: Esri

The following tables look at market potential by market category. The General Sports market participation is close to the national average, with golf and ice skating having the greatest MPIs.¹⁰

Table 53

General Sports Market Potential	
<u>Activity</u>	<u>MPI</u>
Participated in golf	111
Participated in ice skating	110
Participated in baseball	109
Participated in basketball	108
Participated in bowling	108
Participated in football	107
Participated in softball	106
Participated in archery	104
Participated in soccer	104
Participated in tennis	99
Participated in volleyball	97

Source: Esri

All of the fitness categories have MPI figures similar to the rest of the country, suggesting there may be market potential for businesses offering relevant services. Yoga, jogging/running, and weight lifting rank the highest.

Table 54

Fitness Market Potential	
<u>Activity</u>	<u>MPI</u>
Yoga	113
Jogging/running	112
Weight Lifting	108
Pilates	105
Walking for Exercise	105
Zumba	105
Aerobics	104
Swimming	103

Source: Esri

While most outdoor recreation activities are not provided by the private market, outdoor recreation participants are the target market for certain types of retailers such as clothing and equipment providers.

¹⁰ Esri's Market Potential index is calculated by combining their Tapestry Segmentation data with the MRI Survey of the American Consumer from MRI-Simmons.

Table 55

Outdoor Activity Market Potential	
Activity	MPI
Boating (power)	113
Backpacking	110
Bicycling (road)	110
Canoeing/kayaking	109
Bicycling (mountain)	108
Frisbee	108
Hiking	108
Skiing (downhill)	107
Fishing (salt water)	106
Horseback Riding	106
Target Shooting	103
Camping	101
Fishing (fresh water)	95
Hunting with rifle	87
Hunting with shotgun	82

Source: Esri

The following table looks at attendance at non-sports related venues for entertainment. Visiting an indoor water park ranks first, followed by going to live theater, going to a bar/night club, playing billiards, attending classical music/opera performance, and attending a rock music performance.

Table 56

Entertainment Industry Market Potential	
Activity	MPI
Visited an indoor water park	121
Went to live theater	116
Went to bar/night club	114
Played billiards/pool	110
Attended classical music/opera performance	110
Attended rock music performance	110
Attended horse races	108
Gambled at casino	108
Went to zoo	107
Visited an aquarium	106
Went to art gallery	105
Attended dance performance	105
Dined out	105
Danced/went dancing	103
Went to museum	103
Visited a theme park	103
Attended a movie in last 6 months	102
Attended country music performance	95
Participated in karaoke	88

Source: Esri

In general, an indoor entertainment attraction such as an entertainment center, indoor playground, trampoline park, etc. occupies around 6,000 to 7,000 square feet of space. Given the market potential for such attraction in the market area, there is demand to support an entertainment facility of this size at the site.

8. INTERVIEW KEY THEMES

Interviews were conducted with local and regional realtors, developers, and others with knowledge of market conditions and opportunities in Enfield and the broader region. The key themes from these conversations are provided below. Interview findings support the key findings from the market analysis.

RESIDENTIAL

- The residential market is very strong right now with very limited inventory, multiple offers on homes, and rising sale prices of homes. Housing sale prices and rental rates have increased 10-15% post-COVID. Some apartment facilities currently have little or no vacancy with waiting lists indicating unmet market demand.
- The housing market in Enfield has mostly been driven by local demand but is experiencing new resident demand post-COVID from those leaving major urban areas such as New York City and Springfield.
- Bigelow Commons shows that there is potential for nice apartments in the community. The community generally lacks high-end rental units currently.
- Enfield Square Mall is a great site for multi-family development, particularly catering to commuters working in Hartford and northern suburbs of Hartford – but also in the Springfield area.
- A mix of housing options on the site would make the most sense. The mall site could accommodate a significant number of market-rate apartments. There is also potential for owner-occupied units, particularly townhouse condo units. Interviews suggested that a first phase of a mixed-use build out could support up to 200 apartment units and 60 townhouse/condo units. With a second phase adding between 100-200 new apartments and 20-40 new townhouse/condo units
- There is demand potential at a variety of price points. There is demand for workforce level or middle-income, but it is also expected that upscale market rate apartments would be successful on the property if done in a mixed-use, walkable setting with amenities.
- There is also a substantial need for affordable senior housing in the community.

RETAIL

- Retail at the mall has failed largely because of broader trends affecting suburban style malls. People aren't interested in indoor shopping malls as much anymore. At Enfield Square Mall, the loss of key anchor tenants resulted in less foot traffic causing adverse effects to other retail tenants.
- High-end and luxury not likely to be viable, at least in the near-term, given demographic characteristics. But with higher-income residents those types of retail establishments could become feasible in the longer-term.
- While suburban mall style retail isn't viable at the Enfield Square Mall site, there are still retail opportunities for the site.
- New retail in a mixed-use setting with new residential to help generate spending at retailers would have potential, particularly in a walkable and pedestrian friendly setting. In a mixed-use development, there may be potential for up to 100,000 square feet of retail on the site, including a new supermarket and the build-out of existing pad sites.

- The mall site is well suited for big-box retail given the size of the property and immediate highway access. With Target also remaining on the site, the property could draw additional big box retails to co-locate on the property. Interviews indicated that there has been interest in the property from other national big box retailers.
- There are some existing food and restaurant gaps in the local market area that could be satisfied through redevelopment of the site. This includes specialty food retailers and independent (non-chain) restaurants and mid- to upscale family-friendly dining options. The recent opening and success of the Wooden Tap restaurant indicates demand potential for these types of establishments that are currently lacking in the area. Interviews indicated that the local market area is saturated with fast food chain restaurants. It was also reported that there has been restaurant interest in the site's outparcels.
- While there are several grocery options, the addition of new housing and residents may be able to support the development of an additional grocery establishment.

OTHER OPPORTUNITIES

- There is unmet demand for recreational and entertainment activities in Enfield (and surrounding areas). Opportunities exist for different population segments, but family-friendly recreation and entertainment options are severely lacking in the market area. Recreation/entertainment uses on the site could also draw from Somers and Suffield where there is also a lack of available options.
- A logistics/distribution industrial type of use would work very well for the site. The scale of the property and highway access would make it very attractive for a distribution or fulfillment center. According to interviews, there has been interest in the property for these types of uses.

GENERAL

- Traffic is a significant challenge for the redevelopment of the property. Traffic issues, if unaddressed, will constrain future redevelopment potential of the mall property.
- The Town of Enfield suffers from negative perceptions (whether real or perceived) from the development and business community. Interviews indicate the town has a reputation for being difficult to work with. Cited issues include excessively long and overburdensome processes. Despite this negative perception, there were indications from interviews that dealing with the Town has improved in recent years.
- The labor availability for any future use of the property is tremendous and will be attractive to many different types of potential occupants of the site.
- Interviews generally indicated limited demand for new office space.
- There has been interest from businesses and developers in the mall property, including interest in acquiring/developing the full property; however, no deals have yet come to fruition.

9. MALL REDEVELOPMENT TRENDS

9.1 MALLS IN DECLINE

Traditional retail malls depend on department store anchors which drive foot traffic to support other retail tenants. As part of the retail industry's transformation department store anchors and other apparel tenants of regional malls are closing at a rapid rate. Annual sales at department stores are falling, with Sears, Macy's, JC Penney, and Bon-Ton being some of the most well-known department stores to announce significant numbers of store closures in recent years.¹¹

The decline of the shopping mall and of department stores is due in part to the well-publicized rise of e-commerce, but also to shifts in consumer spending and preferences. Overall, there has been a shift in retail spending away from department stores towards more bargain-oriented retailers such as Wal-Mart and Costco. This coupled with young professionals and retirees moving to cities and urban areas, away from suburban malls, has resulted in an overall decline in foot traffic at traditional shopping malls. It is estimated that 300 enclosed malls in the US are likely to close in the next 5 years.¹²

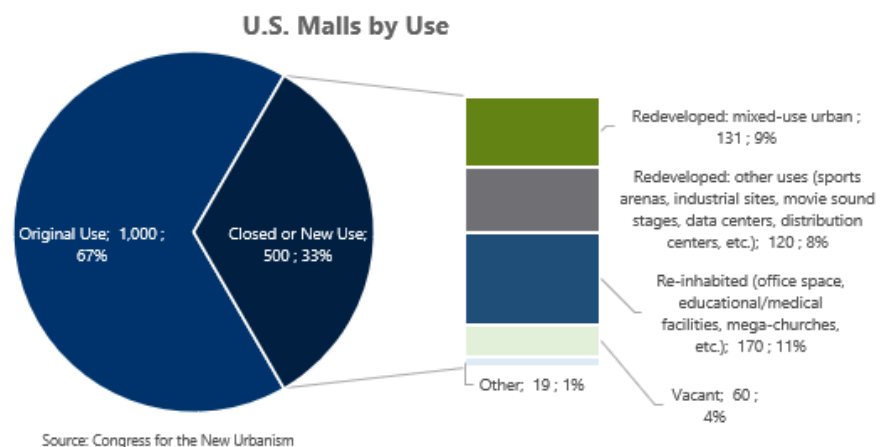
Malls such as the **Regency Mall in Richmond, VA** are adapting to these trends through reuse and redevelopment.

This suburban mall is being developed into a mixed-use project while preserving some of the existing uses. A 270-unit apartment building is being built at the site of the mall's former Sears space. An aquatic center is being built in the former Macy's space as well.

The combination of residential, retail, and entertainment is becoming increasingly popular as malls transition into mixed-use lifestyle centers.

9.2 MALL REUSE BY THE NUMBERS

Given these retail trends, mall operators are increasingly turning to adaptive reuse and redevelopment to stay afloat. Since 1956 1,500 enclosed malls have been built across the us. About 1,000 are still being used for their original purpose while about 500 have closed or changed to a different use. Of the 500, more than half have been, or are proposed to be redeveloped.



¹¹ Source: Steuteville, Robert. *Malls to Mixed-Use Centers and Other Opportunities*. Congress for the New Urbanism, 8 Oct. 2019.

¹² ibid

9.3 MALL REDEVELOPMENT AND REUSE TRENDS

The location of older shopping malls tends to be one of their advantages. Communities have grown around these shopping malls, with residents whose needs extend beyond shopping and entertainment to medical and other services, jobs, education, and physical activity. Many of these needs present opportunities for reuse of existing mall spaces. In strong markets, mall sites are often prime opportunities to be redeveloped to meet the demand for walkable urban environments while in weaker markets malls present an opportunity to be re-filled with new uses.

Some of the most popular trends in redevelopment and reuse of traditional malls include:

- **New Tenant Mix:** Today's consumers prefer the convenience of one stop shop destinations, whether it be local neighborhood retail centers or strip malls, for meeting everyday functional needs. Single purpose malls and retail destinations will struggle.¹³ To adjust, some malls are largely keeping the same footprint while bringing in new tenants that offer new food options and local products, in addition to entertainment such as bowling allies and trampoline parks.¹⁴ Convenient parking, curbside pickup options, a place for easy product returns, and green space are also desired amenities.
- **Alternate Use:** While retail is still a popular category for a mall, adaptive reuse is becoming more common with landlords beginning to consider other purposes such as office space, residential units, storage and hotels. Mixed use spaces that bring together these uses as well as other experiences are desired and are thought to help make the site a destination. Incorporating multifamily residential housing¹⁵ is becoming increasingly popular as on-site residents help to replace the foot traffic that is usually created by an anchor tenant. Tax credits for affordable housing may be available to assist developers who are looking to go this route. When multifamily development is successful, the property owner has a greater opportunity to fill space within the property with other uses (hotels, restaurants, entertainment, etc.). Since malls often have more on-site parking space than is practically necessary, this is often a good location to develop multifamily housing on-site, although this may require working with local jurisdictions regarding zoning. Malls are also generally in commercial or retail districts, so the properties may also need to be rezoned to accommodate residential uses. Similarly, the property may be subject to a master plan or other document that needs to be amended to allow for redevelopment.
- ◆ **Last-Mile Distribution Centers:** With some markets seeing increased need for shorter distances for deliver, demand for fulfillment centers is increasing in many communities. In response, some malls are transforming large vacant spaces that formerly housed anchor department stores into distribution and fulfillment centers. While this doesn't help to increase foot traffic to other retail space or uses within the mall, this can improve the financial feasibility of redevelopment projects by allowing mall owners to fill large retail spaces quickly. As with housing, zoning is a consideration here as the site might need to be converted to industrial or light industrial use. Truck traffic may also be a consideration depending on the mall's location.¹⁶
- ◆ **Themed Destinations:** Another trend in mall reuse is repurposing the space to a common theme. This could involve something like a "health" theme that has an exercise facility or a gym and other tenants that would serve this customer base. Similarly, other malls are being transformed into healthcare centers that house doctor or hospital groups, along with retail to meet the needs of these consumers.¹⁷

¹³ Source: *The Future of the Mall: Building a New Kind of Destination for the Post-Pandemic World*. Deloitte, 2020.

¹⁴ Source: Kelly, Neil. *Innovation Brings New Life to Malls*. CBRE

¹⁵ Pisciotta, Matthew. *Redevelopment Options for Malls After COVID-19*. Nelson Mullins Riley & Scarborough, LLP. 28 Aug. 2020

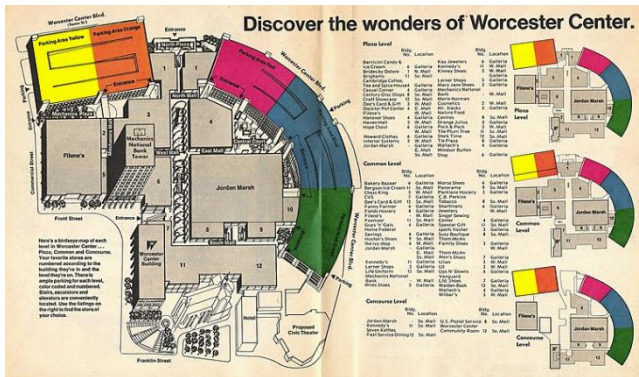
¹⁶ (CBRE)

¹⁷ (CBRE)

CASE STUDY: WORCESTER CENTER GALLERIA, WORCESTER, MA

BACKGROUND

The Worcester Center Galleria opened in 1971 as a 1 million square foot mall on 34 acres, along with a 4,300 space parking garage connected to two high-rise buildings. The mall was initially anchored by three stores – Filene’s, Jordan Marsh, and Kennedy’s – but was sold in the early 1990s due to increasing competition from other local malls. In October 1994, the mall was reopened as the Common Fashion Outlets with a total of 126 outlet stores. A few years later the mall was again rebranded as Worcester Common Outlets, before eventually shutting down in April 2006.¹⁸



Worcester Center Galleria Original Map. Source: Wikimedia Commons.

REDEVELOPMENT

After closing, a public-private partnership was created between the current mall owner and the City of Worcester to redevelop the site. The partners agreed that the property was well suited for retail, housing and office space as a replacement for the mall and agreed to construct a first-class mixed-use development called CitySquare. The City of Worcester approved the first phase of the project in 2008, although construction was postponed for a few years due to ownership changes.

By 2010 demolition of the mall began, including environmental cleanup and new roadway construction. Prior to demolition the developer was able to enter into at least one long term lease agreement with an office tenant for build-to-suit space.

From a financing perspective, the public-private partnership allowed for the use of both public and

Worcester Center Galleria Redevelopment Summary



Location: Worcester, MA



Previous Purpose: Worcester Center Galleria (mall), and later Common Fashion Outlets/Worcester Common Outlets (outlet retail)



Redeveloped Purpose: CitySquare (mixed use)

- Retail (350,000 SF)
- Office/Medical (500,000 SF)
- Residential (1,000 units)
- Hotel (168 rooms)
- Parking (3,900 spaces)



Project Cost: \$565 Million



Date Closed: 2006



Date Redevelopment Started: 2010

¹⁸ Source: 2020 Case Studies on Repurposing Vacant Retail Malls. National Association of Realtors, May 2020.

private funds. District Improvement Financing (DIF) was the primary source of public funds used to complete the abatement and demolition of the former mall and to construct a new roadway network, utilities, and public amenities on behalf of the city. DIF provided \$7.5 million towards the CitySquare project. Other public financing included state financing, Growth District Initiative funds, MassWorks funding, and additional city funding. In total, there was approximately \$95 million of public investment in the project from both the City of Worcester and the state of Massachusetts. Since the beginning of the project, \$470 million in private investment has been used, including a combination of cash, debt financing, tax credits, and private equity.¹⁹

When completed (two parcels remain undeveloped), the vacant mall and site will be transformed into a mixed-use project consisting of more than 2.2 million square feet of commercial, medical, retail, entertainment, and residential space. As Worcester residents have seen the CitySquare development progress public support for the project has grown. CitySquare is viewed as a contributor for Worcester's economic growth and downtown prosperity.



View of Worcester CitySquare. Source: Adobe Stock Image

¹⁹ ibid

CASE STUDY: CLOVERLEAF MALL, RICHMOND, VA

BACKGROUND

The 760,000 square foot Cloverleaf Mall opened in 1972 on 46 acres in Richmond, VA. Originally housing 42 stores, including anchors J.C. Penny, Sears, and Thalimers, the regional shopping mall was the first of its kind in the Richmond area. While initially successful, the mall began to decline in the late 1990s due to nearby crime and competition from neighboring shopping centers. Reduced foot traffic caused the mall's anchors to vacate the space, with other tenants soon to follow suit. Following bankruptcy, the mall was sold to the Canadian Imperial Bank of Commerce in 2002.²⁰

REDEVELOPMENT

As part of their regional revitalization efforts, Chesterfield County obtained a purchase option for the property in 2004 for the mall and 37 acres for \$9.2 million. This did not however include the land the mall resided on. The county attempted several failed public-private partnerships to convert the mall and the surrounding property into a mixed-use development.

In 2006, the county eventually signed an agreement with a developer to redevelop the site into a mixed-use development anchored by a 123,600 square foot Kroger Marketplace that includes office space, restaurants, retail, and residential. Per the agreement, the county would pay for the land, mall, infrastructure improvements, demolition costs, road improvements, etc. with the expectation that the developer would then purchase the development from the county at the cost of investment. As part of the development process, Chesterfield County approved the establishment of a community development authority to help fund infrastructure improvements and pledged tax increments of certain real property and sales taxes collected within the CDA district as a revenue source for paying off the debt issued. Private partners utilized various funding sources including private equity and internal capital.

Cloverleaf Mall Redevelopment Summary



Location: Richmond, VA



Previous Purpose: Cloverleaf Mall (mall)



Redeveloped Purpose: Stonebridge Marketplace (mixed use)

- Retail (200,000+ SF)
- Residential (1,000 units)
- Office (later phases)



Project Cost: \$120+ Million



Date Closed: 2008



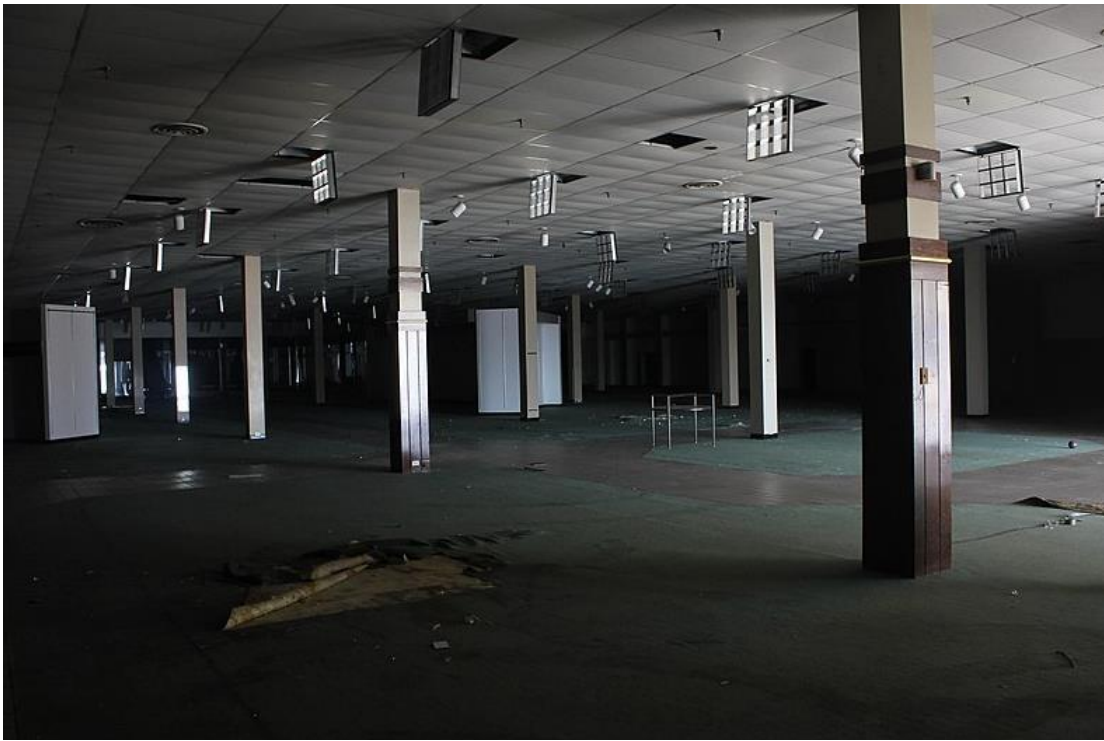
Date Redevelopment Started: 2011

²⁰ Source: *2020 Case Studies on Repurposing Vacant Retail Malls*. National Association of Realtors, May 2020.

Cloverleaf Mall was officially closed in 2008, but development on Stonebridge Marketplace – the name of the new development - was delayed due to the Great Recession until 2011.

The Stonebridge Marketplace was developed in four phases. Phase 1 included the development of the Kroger Marketplace, Phase 2 the development of smaller retail shops and outparcels, Phase 3 the development of additional retail space and restaurants, and Phase 4 the development of office space. The first phase was completed in 2012 and the second phase is ongoing as of 2020. In the first phase, 144,000 square feet and 27,600 square feet of retail space on 28.5 acres were developed. The 123,600 square foot Kroger Marketplace anchors this space, in addition to a Kroger fuel station and 27,000 of smaller retail stores. Tenants of the second phase include Qdoba Mexican Grill, Krispy Kreme, Subway, and Sleepy's, among others. When completed, the second phase will include 175,000 square feet of retail space and 600 multifamily residences on 34 acres.²¹

Strong community support for the project has helped Stonebridge transform the area in terms on infrastructure, more efficient land use, and increased tax revenue. The success from the early phases of this redevelopment has attracted additional new private investment to the area, including an additional mixed-use residential community consisting of 1,250 residential units with shared office and retail space.



Abandoned JC Penney in Cloverleaf Mall. Source: Wikimedia Commons, by [Will Fisher](#)

²¹ *ibid*

CASE STUDY: EASTERN HILLS MALL, CLARENCE, NY

BACKGROUND

Eastern Hills Mall is a nearly 1.0 million square foot mall on 80 acres that is currently anchored by J.C. Penney and Raymour & Flanigan. The mall is located just off of Interstate 90 and is surrounded by the suburbs of Williamsville, Clarence, Amherst and East Amherst. The mall is located at the highly trafficked intersection of Transit Road and Main Street, and is also located at the center of the area's major retail corridor. Although the mall is home to more than 80 specialty shops and year-round events,²² it has not escaped the challenges of the modern retail environment. Recognizing the potential opportunity of the site, the mall was purchased in 2018 by a development team with plans to redevelop the mall into a "town center" destination.

REDEVELOPMENT

The development team has a vision for a high-density, mixed-use development that focuses on creating a shopping and lifestyle experience for residents, visitors, and employees. Essentially, the goal is to create a suburban version of an urban village, becoming the first Town Center in Western New York.²³

Rather than tearing down the mall, initial phases of the plan call for keeping several anchor tenants such as Raymour & Flanigan, and J.C. Penney and working with other retailers to see if they can make it work under this new concept.²⁴ The redevelopment vision, which could take up to 25 years to fully complete, originally included market rate apartments, townhomes and senior housing, office space, hotels, public gathering spaces and other recreational and cultural amenities. While such a transformative and long range project continues to adjust given market demand, the concept remains designed with millennials and Generation-Z preferences in mind. For example, walkability and cycling trails are included to appeal to people who want to stay active and reduce their carbon footprint.

The developers used a slower 2020 due to COVID-19 year to refine their redevelopment plans. Recent changes include bringing on a new architects, dropping a hotel, and notable scaling back retail and

Eastern Hills Mall Redevelopment Summary



Location: Clarence, NY



Previous Purpose: Eastern Hills Mall (mall)



Redeveloped Purpose: Eastern Hills Town Center (mixed-use)

○ Phase 1:

- Residential (1,000 units)
- Office (1.0 million SF)
- Brewery
- Restaurants



Project Cost: \$250 Million



Date Closed: N/A



Date Redevelopment Started: 2021 (planned)

²² Source: Eastern Hills Mall.

²³ Gensler Hired to Plan for Eastern Hills Mall Project. Buffalo Rising, 25 Jan. 2019.

²⁴ Editorial: Plans for Eastern Hills Town Center Stretch Boundaries of Commerce. The Buffalo News, 18 Dec. 2019.

restaurant space from 20% of total space to 10%.²⁵ Although the first phase of redevelopment is still evolving based on demand, upon buildout, 1,000 apartments, 1.0 million square feet of office space, a brewery, several restaurants, and a park are expected. Mall operations will continue as usual during development.

Following this initial phase, subsequent phases will follow over the next 10+ years to fully realize the concept of a town center style destination where people live, work, shop and play among a mix of retail, restaurants, entertainment, residential, hospitality, healthcare, recreation, and other businesses. The plan will evolve over time given market demand and other factors, however the ultimate vision is expected to allow residents to walk to the grocery store, park, and other amenities; allow office workers to walk to restaurants, healthcare, and childcare services; and allow visitors to experience the retail and lifestyle destination.



Eastern Hills Mall Sign. Source: [Wikimedia Commons](#)

²⁵ Fink, J. *Uniland Tweaks Plan for Eastern Hills Mall Town Center Redevelopment*. WGRZ, 8 June 2021.

CASE STUDY: NANUET MALL, NANUET, NY

BACKGROUND

The 675,000 square foot Nanuet Mall opened in 1969 in Nanuet, NY. Originally housing 101 stores, including anchors Bamberger's (later Macy's) and Sears, the mall benefitted from minimal competition for many years. In 1994 a new wing was constructed, allowing the mall to grow to 1.0 million square feet in 1995 and reaching 120 stores in 1999. In 1998 however the opening of the Palisades Center introduced competition for the mall and the beginning of the mall's decline. The mall's location near a metro market area remained attractive to investors, with Simon Property Group acquiring the mall in 1998. By 2008 Simon Property Group announced redevelopment plans, with development eventually beginning following the Great Recession in 2012.²⁶

REDEVELOPMENT

The goal of the Nanuet Mall redevelopment was to create an open air, single level, lifestyle center. In 2012 all remaining stores in the Nanuet Mall were closed, with the exception of Sears and Macy's because both own their stores and were planned to be part of the new development. Demolition began in 2012 with the redevelopment also beginning that same year. The Town of Clarkstown was committed to supported the process and facilitated a streamlined approval process that took only nine months.



Source: Wikimedia Commons, by TMBLover

Nanuet Mall Redevelopment Summary



Location: Nanuet, NY



Previous Purpose: Nanuet Mall (mall)



Redeveloped Purpose: Lifestyle development (retail)

- Retail (757,928 SF)



Project Cost: \$150+ Million



Date Closed: 2012



Date Redevelopment Started: 2012

²⁶ Source: 2020 Case Studies on Repurposing Vacant Retail Malls. National Association of Realtors, May 2020.

The Nanuet Mall was redeveloped into a single level, 757,928 square foot, 4,119 parking space, 50-store facility called the Shops at Nanuet, which opened in 2013. This open-air, main street style shopping center features retail shops, restaurants, a movie theater, a 24-hour fitness center, and a supermarket.

Since opening, activity at the Shops at Nanuet has been mixed. An initial tax revenue increase for the county was achieved, however by 2019 three of the five anchors (Sears, Macy's and Fairway Market) have permanently closed. Other tenants, including Express and Vera Bradley have closed as a result of reduced foot traffic due to the lack of anchors. Since then, home décor superstore At Home opened a new location on the ground floor of the former Macy's department store. At Home has signed a 10-year lease on the space.²⁷ That being said, the complex remains one of the largest employers in the area and a main attraction for new shoppers visiting the area. The Shops at Nanuet has also set an example for other Rockland County shopping areas and new developments to improve their properties.



Source: Wikimedia Commons, by [HarrisonPublishes](#)



Source: Wikimedia Commons, by [HarrisonPublishes](#)

²⁷ Source: *At Home Opens in Former Macy's Department Store in Nanuet*. Rockland County Business Journal, 31 Feb. 2021.

CASE STUDY: NATICK MALL, NATICK, MA

BACKGROUND

The Natick Mall first opened in 1965 with 25 stores as a one-story mall. This was later replaced in 1994 by a new two-story structure,²⁸ making the now 250-story shopping center one of the largest in New England. Originally built as a traditional mall, the Natick mall is located 20 miles west of Boston in what is known as “The Golden Triangle” due to the abundance of upscale retail and office space within the area. The mall is adjacent to Route 9, Route 30, and the Massachusetts Turnpike, with close proximity to Interstate 95. The area around the mall is highly developed with big box stores, restaurants, apartment complexes, movie theaters, and a museum.²⁹

REDEVELOPMENT

Amid the national decline in retail and shopping malls, the Natick Mall has been redeveloped and expanded to complement the existing retail space. Rather than completely tearing down the mall and starting over, the developers decided to retrofit and gradually add to the mall.

Over the last twenty years the Natick Mall has gradually undergone a series of expansions and renovations to bring in new types of uses and to make the site more walkable and accessible. From 2007 to 2009, the mall added wings, expanding its retail space to about 1.9 million square feet and 275 stores. The mall was also rebranded as the Natick Collection in February 2007, with the name being changed back to the Natick Mall in 2011.^{30,31} Other developments have included the addition of three parking structures, an anchor grocery store, a 215-unit condominium building, and an elevated park have been added. Included in the multilevel grocery store are a 32-seat tasting room and a sit-down restaurant. Landscaped sidewalks, traffic circles, and other features were added to make the area around the mall more walkable and accessible.^{32,33}

Natick Mall Redevelopment Summary



Location: Natick, MA



Previous Purpose: Natick Mall (mall)



Redeveloped Purpose: The Natick Collection (mixed-use)

- Retail
- Residential



Project Cost: \$670 Million



Date Closed: N/A



Date Redevelopment Started: Ongoing- last 20+ years

²⁸ Source: *Collection Goes Back to Being Named Natick Mall*. The MetroWest Daily News, 15 July 2011.

²⁹ Source: Horwitz, David. *Burlington Mall: A Redevelopment Plan*. California Polytechnic State University, 27 April, 2020.

³⁰ (MetroWest Daily News, 2011).

³¹ Source: Gerfen, Katie. *The Natick Collection, Natick, Mass.* Architect Magazine, 14 March, 2008.

³² (Horwitz, 2020)

³³ Source: Manuse, Andrew J. *Natick Collection: Build It, and the Shoppers Will Come*. The MetroWest Daily News, 2 Sept. 2007.



Natick Collection expansion. Source: Wikimedia Commons, by [Katsuki](#).

DIOR DEDHAM

BACKGROUND

Dior Dedham is located on a 0.8 acre property that has been family owned since the 1970s. The property contains a strip mall with several retail establishments in addition of a large family-owned cabinetry shop. Adjacent to Dior Dedham is Legacy Place, a large regional retail lifestyle center that opened in 2009 and contains more than 80 chain retailers and restaurants, a 15-theater cineplex, a Whole Foods Market, and parking. Nearby are two large residential apartment buildings with over 600 units.³⁴

REDEVELOPMENT

Given the recent developments around Dior Dedham it became clear to the property owner that the site had significant development potential. The size of the site and parking requirements made some retail options, such as a big box retailer, infeasible. With the success of nearby Legacy Place and the site's proximity to a commuter rail station, the Dior Dedham mall site was an ideal location for a mixed-use development.

The redevelopment of the mall received both public and municipal support, given the existing lack of pedestrian connectivity to neighboring developments and poor urban design. The entire construction process took three years; the new development opened in 2019.

The development, now known as Dior Dedham, contains 48 apartments and 8,500 square feet of retail space in five stories. Given the site's location facing Providence Highway, landscape bedding and trees, along with parking in the front of the building are used to buffer the building from the roadway. The residences are concentrated on the rear of the property, away from the highway, and are connected to Whole Foods and Legacy Place with enhanced pedestrian connections.³⁵

All residential units in Dior Dedham are market rate one- and two-bedroom apartments that will help to meet the housing demand from young professionals and empty nesters.

Dior Dedham Redevelopment Summary



Location: Dedham, MA



Previous Purpose: Strip mall



Redeveloped Purpose: Dior Dedham (mixed-use)

- Retail (8,500 square feet)
- Residential (48 units)



Project Cost: \$20+ Million



Date Closed: 2016



Date Redevelopment Started: 2016

³⁴ Source: Kuschel, Chris. *Reclaiming the Strip Mall: A Common Suburban Form, Transformed*. Metropolitan Area Planning Council and the Congress for New Urbanism.

³⁵ *ibid*

ATTACHMENT A: DATA SOURCES

ECONOMIC MODELING SPECIALISTS INTERNATIONAL (EMSI)

To analyze the industrial makeup of a study area, industry data organized by the North American Industrial Classification System (NAICS) is assessed. Camoin Associates subscribes to Economic Modeling Specialists Intl. (EMSI), a proprietary data provider that aggregates economic data from approximately 90 sources. EMSI industry data, in our experience, is more complete than most or perhaps all local data sources (for more information on EMSI, please see www.economicmodeling.com). This is because local data sources typically miss significant employment counts by industry because data on sole proprietorships and contractual employment (i.e. 1099 contractor positions) is not included and because certain employment counts are suppressed from BLS/BEA figures for confidentiality reasons when too few establishments exist within a single NAICS code.

ESRI BUSINESS ANALYST ONLINE (BAO)

ESRI is the leading provider of location-driven market insights. It combines demographic, lifestyle, and spending data with map-based analytics to provide market intelligence for strategic decision-making. ESRI uses proprietary statistical models and data from the U.S. Census Bureau, the U.S. Postal Service, and various other sources to present current conditions and project future trends. Esri data are used by developers to maximize their portfolio, retailers to understand growth opportunities, and by economic developers to attract business that fit their community. For more information, visit www.esri.com.

COSTAR

CoStar is the leading source of commercial real estate intelligence in the U.S. It provides a full market inventory of properties and spaces—available as well as fully leased—by market and submarket. Details on vacancy, absorption, lease rates, inventory, and other real estate market data are provided, as well as property-specific information including photos and floor plans. CoStar covers office, retail, industrial, and multifamily markets. CoStar data is researched and verified by the industry's largest professional research team. With 1,200 researchers and 130 field research vehicles, CoStar's team makes calls to property managers; reviews court filings, tax assessor records and deeds; visits construction sites; and scans the web to uncover nearly real-time market changes. More at www.costar.com.

AMERICAN COMMUNITY SURVEY (ACS), U.S. CENSUS

The American Community Survey (ACS) is an ongoing statistical survey by the U.S. Census Bureau that gathers demographic and socioeconomic information on age, sex, race, family and relationships, income and benefits, health insurance, education, veteran status, disabilities, commute patterns, and other topics. The survey is mandatory to fill out, but the survey is only sent to a small sample of the population on a rotating basis. The survey is crucial to major planning decisions, like vital services and infrastructure investments, made by municipalities and cities. The questions on the ACS are different than those asked on the decennial census and provide ongoing demographic updates of the nation down to the block group level. For more information on the ACS, visit <http://www.census.gov/programs-surveys/acs/>

ONTHEMAP, U.S. CENSUS

OnTheMap is a tool developed through the U.S. Census Longitudinal Employer-Household Dynamics (LEHD) program that helps to visualize Local Employment Dynamics (LED) data about where workers are employed and where they live. There are also visual mapping capabilities for data on age, earnings, industry distributions, race, ethnicity, educational attainment, and sex. The OnTheMap tool can be found here, along with links to documentation: <http://onthemap.ces.census.gov/>.



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