

Contents

Subject	Page
Introduction	1
Background & Issues	3
Market Position & Increased Competition	3
Local Or Visitor Market	4
Who Are We?	4
Which Way to Go?	4
Community Consensus	4
Traffic	5
Access	5
Name Recognition & Image	5
Rents	5
Youth & Security	6
Residential Character	6
Use of Assets	6
Plans	8
Other Issues	9
Competitive Areas	10
Miracle Mile, Downtown Coral Gables	10
South Miami & The Shoppes at Sunset Place	12
Lincoln Road, Miami Beach	14
Aventura	15
Las Olas Boulevard	16
Dadeland/Kendall	18
Bayside Marketplace	19
Brickell	20
Watson Island	21
Downtown Hollywood	22
Village of Merrick Place	23
City Place	24
Mizner Park	26
Clematis Street District	27
	29
Comparative Assessment	
Methodology	29
Under-represented Industries	30
	31
Business Survey	
Sample Characteristics	31
Sales or Revenue Trends	32
Attitudes & Opinions	33
Reinvestment Opportunities	34

Contents Cont.

Patron Survey	35
Residence of Patrons	35
Attitudes & Opinions	36
Demographics & Lifestyles	37
Telephone Survey	38
Salient Demographic Information	38
Select Spending Information	38
Demand Forecast	40
Market Areas & Retail Sales	40
Supportable Space	45
Implications from “Locally” Generated Retail Demand	50
Visitor Market Generated Commercial Demand	50
Housing Demand	53
Housing Development Opportunities	57
Office Space Demand	58
Conclusions with Respect to Marketability	61
Implementation Suggestions	62
Use of Existing Assets	63
Retail & Related Services	66
Visitors & Hotels	71
An Extension of & Other Cooperative Efforts	72
Enhancing the Image	74
Media	77
Organizational Development & The Partnership	78
Budget & Funding	82
Appendix	86

Introduction

The City of Miami has embarked on a program to maintain a vibrant, sustainable central core area of Coconut Grove through its planning and other activities. The following represents a detailed market assessment of the opportunities for non-residential and residential activities in Coconut Grove and a proposed implementation program.

This market analysis and program was prepared by The Chesapeake Group, Inc. (TCG), with assistance from NATCOM Marketing and BRV Corporation. The Chesapeake Group is a Baltimore-based economic development consulting firm, with offices in South Florida and extensive experience with analyses of and implementation for sustainable economic enhancement throughout the entire country.

The analysis and strategy that follow are based on primary and secondary information. Significant survey work was conducted as part of this analysis. This included:

- ✓ Individual face-to-face interviews with various business, elected official, government, and other interests in the area.
- ✓ A business survey of existing operators.
- ✓ An on-street survey of existing patrons.
- ✓ A telephone survey of area residents.

With respect to retail, housing and office, the analysis tends to employ assumptions that reduce estimates of supportable space or units whenever possible in order to avoid suggestions for new business activity that would be marginally marketable.

The estimates represent only TCG's opinions based on the presented information and experience. While the estimates for new activity are conservative, the suggestions made from those estimates are based only on "marketability" and like factors. Success of any individual or collective effort is dependent upon many other factors as well. These include, but are not limited to marketing practices, financial feasibility, and management practices.

Furthermore, specific businesses are mentioned by name at various points throughout the text. It is noted that this should neither be construed as an endorsement of The Chesapeake Group of those businesses, nor an endorsement, interest, or willingness to participate in any activity on their part.

The analysis indicates that market opportunities exist for substantial new development.

- ✓ Through the "comparative assessment", it was indicated that "gap" opportunities in the market existing for neighborhood serving convenience retail and related services activity. The demand forecast is consistent with these findings, showing the opportunity for about 400,000 square feet of space associated with non-vehicle oriented neighborhood serving retail and services of which the Grove has a reasonable probability of attracting a reasonable share.

- ✓ While market penetration in the secondary retail market is not substantial at this time, capturing a 0.5% share of the new growth could yield about 15,000 square feet of space potentially focused on additional restaurants.
- ✓ Over the next eight years, 2,000 new multi-family housing units would be marketable. Should the Grove be able to establish a niche in the affordability range, the number of units absorbable, from only a market perspective, would likely be double the 2,000 indicated total.
- ✓ From a multi-tenant office space perspective, capturing 2% of the growth would result in the development of an additional 177,000 square feet of office space between 2002 and 2010. Raising the multi-tenant capture rate of new space to 5%, which is a very realistic figure, would elevate the potential capturable, marketable multi-tenant office space to about 444,000 additional square feet.

To effectuate enhanced economic conditions in the Grove, there is significant non-physical programming that must be addressed including:

- ✓ Better utilization of existing assets, including Peacock Park, the Barnacle, the Playhouse, the existing hotel rooms and the waterfront.
- ✓ Creation of catalytic, cornerstone effort along the western section of Grand Avenue.
- ✓ Focus marketing efforts on the local market and on creating revenues and sales at and during events.
- ✓ Effectively implement a “barter” system as a way of generating needed marketing activity and dollars with the use of excess hotel room capacity as the impetus.

However, success at achieving the range of economic opportunity proposed will be dependent upon not only a willingness to maintain or exceed competitive positioning, quality planning, and other activity, but, foremost and most important, a coordinated local effort that involves a permanent public-private partnership and a commitment to that partnership effort. That partnership is:

- ✓ Expected to be a voluntary business-oriented 501(c)(3) entity, with clear objectives.
- ✓ To have a balanced representation from public and private sector interests.
- ✓ To be financed through a variety of means and mechanisms, with initial start-up capital of about \$200,000.

Background & Issues

The Chesapeake Group, Inc. (TCG) conducted over 40 interviews with stakeholders identified by the City of Miami, community leaders, the Coconut Grove Chamber of Commerce, elected officials, and referrals from those interviewed. The intent of this process was to gain an overall understanding of the main issues relating to economic sustainability and the dynamics that will impact future policies and plans. The stakeholders interviewed included property owners, developers, members of the cultural and artistic community, hoteliers, realtors, representatives from various governmental agencies, business operators, land-use attorneys, and community activists. Interviewees included long-term residents and more recent arrivals. All interviewees were exceedingly candid and fully shared their respective visions, frustrations, and concerns for the future of Coconut Grove.



In addition, various group sessions were held and meetings were attended within the community at other times by the consulting team members.

A consensus emerged regarding some of the major issues presently confronting the community and not among others. Some of the issues, particularly those associated with the economic opportunities of the area, are reviewed in the following text.

Market Position & Increased Competition

Coconut Grove was in the past in a preeminent position as a commercial/entertainment center for the entire Greater Miami region. It was known as “The Village”, being thought of as the “original thing” and the original village. It was thought to be “bohemian” in flavor, with people of all walks of life and “character” both coming and being comfortable there.

However, as the region grew rapidly and changed dramatically in terms of demographics, commercial centers were developed to serve new population centers. Increasingly, Broward County developed its own commercial, cultural, and entertainment activity. This led to other larger scale, successful commercial activity centers in a host of different physical forms and locations. With the change, Coconut Grove naturally lost market share.

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Local Or Visitor Market

The Grove has served both a local population as well as visitors from other areas of the country and from around the world. While it has been and will continue to be possible to serve both populations, the question of which market upon which limited marketing resources should focus is significant. While this debate continues, there is a growing consensus that the focus of attention must be placed on marketing to a "local" population. By so doing, one also facilitates the attraction of visitors. Surveys done on various visitor groups in the past have indicated that many of the visitors to the area have, in fact, always been brought to the Grove by "locals" with whom they were visiting.

On the other hand, there has been a significant increase in hotel rooms in the Grove this past year. This comes at a time of problems in the larger tourism industry. How to increase occupancy for existing hoteliers is a related issue raised.

Who Are We?

Many people perceive the Grove as having lost its uniqueness. The former collection of boutiques has become chain stores. Few restaurants are perceived as being quality or are parts of larger chains. The "arts" have lost their visibility or are now centered in other commercial areas. While people have differing images or perceptions of the Grove in the past but could characterize it, they often have difficulty characterizing it today.



Which Way to Go?

There is a divergence of opinions as to the direction in which the Grove should go. As previously noted, a minority feels it can become the preeminent commercial area for the entire Miami-Dade-Broward region. Others feel it can be the arts and cultural hub for the larger region. Some feel that the Grove must re-create a unique identity, focusing on the arts, history, "village atmosphere", Caribbean theme, international retailing and cuisine; while others feel it should focus upon waterfront activity, or at least bringing the water closer to the existing commercial center. Still others feel that the commercial center should serve the very local surrounding neighborhoods and that additional residential and office activity should be built to provide a larger, "on-site" market. Some of these concepts are not necessarily mutually exclusive.

Community Consensus

There are diverging interests and diverging opinions on many issues. This has resulted in a plethora of organizations, giving the Grove an inability to "speak with one consistent voice".

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There are those in the community that wish to see increased density of activity and building structure, while others do not see the need for such increased density. Some feel the lack of density results in investment going to other areas and leaves the Grove at a competitive disadvantage.

Fundamental to the current lack of consensus is the “number of Groves”. It has been argued and professed that there are one, two, or even three Groves. They differ in demographics and geography and are not perceived as functioning as one. Even City services are somewhat divided along geographic lines.

Traffic

Traffic is viewed as an issue by some, but is seen as the “bread and butter” by others. Vehicular traffic is essential for commercial viability. Yet, there are those that argue, that the level of traffic is an impediment, particularly at later hours on certain evenings. There are those who believe that creation of a vehicular free area within the center of the Grove would be of physical benefit, and there are those that argue just the opposite.

Access



It is difficult to get to the commercial center of the Grove. There is no direct access to major highways. Clearly, access puts the Grove at a competitive disadvantage to other successful retail centers.

Name Recognition & Image

The Grove has had name recognition in segments of the market and still has to some extent. Yet, in other segments of the market that do not hold an “affinity” for the “old days”, the Grove does not necessarily hold any additional meaning than any other commercial center. Many current or potential patrons do not care that the Grove is the “original village”, that it had a “bohemian” flavor or character, that it was once, that it was “the place to go”, etc. For many in today’s market, they were neither alive nor here in this country in the “hay days” of the Grove.

Rents

Current rent levels in the Grove are seen as both an asset and an issue. The high rent levels provide an opportunity to support continued investment and reflect perceived land values. On the other hand, to the renter they are seen as an impediment to success and prevent others from leasing space at all. Some perceive that the rent levels are not justified based on the current market for space, the existing vacancies, etc. It is also perceived that the ownership is unwilling to make deals that may result in lower initial payments but greater income in the future.

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Youth & Security

There is a sense and feeling that the image of the Grove is hurt by youthful exuberance in the late evening, by certain well publicized negative incidents, perceptions of street-level drug dealing, and panhandling. On the other hand, the youth are a key component of the primary market for certain entertainment activity, such as the movie theaters, and are the future market in general.

Residential Character

Recognized as one of the greatest assets by most is the character of the residential areas that surround the commercial core of the Grove.

Use of Assets

One of the primary issues identified is the poor or limited use of both man-made and natural resources in the Grove. While near the water and waterfront, access is poor; visibility is non-existent; and there is no general marketing or other relationship at present. This is also true for under-utilized Peacock Park from a marketing perspective.

While the above are often noted, consensus exists with regard to the Playhouse Theater. It is felt that the theater could be a tremendous opportunity and asset for the Grove, but it is not now programmed sufficiently to live up to its potential.

The 76-year-old Coconut Grove Playhouse houses a 1,100-seat main theater, a 135-seat auxiliary theater, offices, and classroom space. The Playhouse reportedly draws between 130,000 to 200,000 patrons annually in addition to a large number of children who participate in its extensive, educational programs. There have been proposals and plans for a \$25 million restoration and expansion project. The initial, \$8.6 million first phase, which is funded, includes: lobby restoration, renovation of both the second and third floors, and the replacement of the adjacent structure that formally housed a bar. This initial restoration will reportedly be followed by future phases that will include enhancements to the two theaters and stages and the development of an adjacent parking facility. Whether or not such investment occurs, most believe that reorientation of the productions to a broader market would be of benefit to the Grove in general.

The Grove also has a “convention” or “meeting” facility that is perceived as being under-promoted and under-utilized. The former aircraft hanger is situated along the waterfront.

Plans

There are many plans that have been proposed over the years and a certain level of frustration over whether or not any or all will be achieved or whether or not the current Grove core will see any benefits from their development. Some of those projects are:

Project: Hanger in the Grove

Developer: Grove Harbour Marina & Caribbean Marketplace, LLC

Location: Dinner Key

Description: Project entails the restoration of two hangers and construction of an office structure. Includes a marina, with 89 wet slips, 149 dry slips, a boatyard, fueling facilities, dockmaster, and convenience store; 23,000 square feet of retail and restaurants; 35,000 square feet of office space; and 330 parking spaces.

Project: Coconut Grove Playhouse Parking Facility & Cultural Center

Description: The Playhouse is working in collaboration with the City of Miami Department of Parking and the Coconut Grove Arts Festival to create a cultural center at the site. A 300-350 space parking structure, which will also include a new home for the Coconut Grove Arts Festival and additional, education and workshop space for the Playhouse, has been proposed by the City of Miami Department of Parking. This project is contingent upon the State transferring ownership of property to the Playhouse Board or other local entity. The Coconut Grove Arts Festival proposes to utilize approximately 10,000 square feet for offices, open galleries, and studios to showcase working artists. In addition, the Playhouse is in discussion with local universities, including F.I.U., to develop partnerships for educational programs. The Playhouse also aims to expand its children's programming and has expressed an interest in having the Miami Film Festival, currently coordinated by F.I.U., return to its original venue.

Project: Dinner Key Redevelopment

Location: 16-acre site, south of Pan American Drive, currently the site of the Coconut Grove Exhibition Center and surface parking, lying adjacent to the 600-slip, City-operated Dinner Key Marina.

Description: In 2000, the City of Miami retained the firm of Ekrenkrantz, Eckstut, and Kuhn Architects to develop design guidelines for the redevelopment of Dinner Key. "The intent was to create a 24-hour, waterfront neighborhood with a mixture of land uses that will complement the Grove's commercial and residential neighborhoods." The development program recommended market-driven, mixed-use structures. Predominant uses included residential (270 units), hotel (612 rooms plus 60,000 square feet of meeting space), 87,000 square feet of retail/commercial, and 1,632 parking spaces. A major component of this project is the widening of the current waterfront esplanade from 20 to 35 feet and activating the esplanade with retail/restaurants and marine support activities. It was also recommended that Coconut Grove be "re-connected" with its waterfront at McFarlane Road, Mary Street, and S.W. 27th Avenue. McFarlane Road was envisioned as the new "Main Street" connection to the water, ending with a pedestrian bridge to the Dinner Key islands.

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Project: International Water Sports and Recreation Center

Developer: Y.M.C.A. and Shake-A-Leg

Location: The facility is located on City of Miami property at South Bayshore Drive, adjacent to Monty's Restaurant, and includes the Virrick Gym.

Description: The original project entailed the development of a \$10.9 million, state-of-the-art recreation center. Proposed elements include an open-air gymnasium, a six-lane swimming pool, an instructional therapy pool, a fitness center, aerobics rooms, a technology center, and multi-purpose, community rooms. This project is a collaborative, public/private partnership between the City of Miami, the Y.M.C.A. of Greater Miami, and Shake-A-Leg of Miami. It will serve able and disabled youth, adults, and families, providing a variety of recreational, educational, fitness, and aquatic/water sports programs. The Y.M.C.A. will operate and manage the land-based activities, while Shake-A-Leg will oversee the water sports programs.

The following are other reported significant private sector efforts.

Project	Proposal
Governor, 2610 South Bayshore	190 residential units, 400 parking spaces
Taurus, Main Highway & Franklin	46 residential units, 9,200 retail, 114 parking
Grove Club, 3193 SW 27 th Ave.	60-unit condo. hotel
Grove Courtyard, SW 27 th Ave. & 28 th St.	60-unit condo. Hotel, 36,068 sq. ft. office
Grove House, Oak Ave. & Virginia St.	11,336 sq. ft. office, 17,684 sq. ft. residential, 33 parking spaces
2899 Florida Ave.	Retail/office /residential 17,770 sq. ft.
Grand Ave. Plaza, 3215 Grand Ave.	17,000 sq. ft. retail, 63 parking spaces

Other Issues

The following are additional issues raised during the interview and meetings process.

- ✓ Proximity to low-income neighborhoods.
- ✓ The perceived need nightly entertainment, a more "quaint infrastructure".
- ✓ The perceived need family-oriented activities.
- ✓ Perception of market opportunities for moderate restaurants.
- ✓ The perception of being overly dependent on tourist market (locals are reportedly absent except at a few anchors, such as Greenstreets).
- ✓ Estimated 55 empty stores need incentives for larger retailers and additional outdoor cafes.
- ✓ The need to re-establish a long-term relationship with the community.

Competitive Areas

There is little question that the Grove's commercial viability has been impacted by growth and reinvestment in competitive areas. Some of the more significant areas, both existing and proposed are reviewed in the following text.

Miracle Mile, Downtown Coral Gables

Summary

- Size: 475,000 square feet of retail space
- Parking: 4,200 public spaces
- Occupancy: estimated 90%
- Rent levels: \$25-40 per square foot
- Tenant mix: restaurants, home furnishings, art galleries, clothing and bridal
- Patron mix: 80%+ local
- Ownership: multiple ownerships; Urban Investments Advisors owns approximately 150,000 square feet along Miracle Mile

Location

Downtown Coral Gables encompasses a 50-block commercial district bounded generally by Palermo Avenue on the south, Zamora Avenue on the north, Le Jeune Road on the west, and Douglas Road on the east.

Characteristics

- ✓ The area contains over six million square feet of office space, which includes a 50% increase in the last five years. Office tenants include a large concentration of multi-national corporations, along with a large concentration of domestic and international banking institutions.
- ✓ There are seven hotels within and adjacent to the core, including the Omni Colonnade (157 rooms), the Hyatt Regency (242 rooms), and The Biltmore Hotel (275 rooms).



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- ✓ The retail/service component includes over 450 business establishments (approximately 475,000 square feet of retail space). Business activity is concentrated in the following categories: specialty apparel and accessory shops; home furnishings; gifts and novelties; beauty and cosmetics; value-price stores; travel services; personal care; restaurants; theatres; and galleries.
- ✓ Retail and restaurant activity is concentrated adjacent to Miracle Mile (Coral Way). Along with Miami Beach, Coral Gables contains the largest concentration of quality restaurants within the region.
- ✓ The area is served by six public parking garages, providing approximately 1,200 spaces, 16 parking lots (1,000 spaces), and approximately 2,000 on-street metered spaces. Two additional parking garages, which will create an additional 1,000 spaces, are in the planning stage.
- ✓ It is estimated that there are currently over 40,000 people working within the downtown area. In addition, there is a significant residential population living within and adjacent to the downtown. Additional residential units are in the planning and development stage, including a 184-unit luxury building abutting Miracle Mile (One Aragon).
- ✓ According to the City of Coral Gables, the area's retail focuses on the following marketing niches: working women, "gray" market, Hispanic market, bridal market, affluent-young-married market, and the "good-life stage" (empty nesters with high disposable income). The City's recent, in-depth analysis of shoppers, downtown employees, and area residents indicated a strong interest in home and lifestyle shopping and value-oriented restaurants.
- ✓ Since its development over 50 years ago, Miracle Mile has gone through a number of retail transformations. Originally, it was the major retail center south of Downtown Miami and comprised a full array of shopping opportunities from Woolworth's to high-end jewelry. Many of Miracle Miles' original tenants relocated to Dadeland Mall, which supplanted Miracle Mile as the major retail destination in South Dade during the 1960s. Over the years, many of these original businesses have been replaced by retail focusing on both the bridal and expanding Hispanic markets.
- ✓ During the 1980s and '90s, Coral Gables experienced a growth of quality restaurants, which was strengthened by the expanding office market. A further transformation is now occurring as a result of the acquisition of approximately 150,000 square feet of retail space on Miracle Mile by Urban Investments Advisors. Their initial project at 55 Miracle Mile includes a mixed-use residential/commercial development, and they are renovating and re-tenanting other properties.
- ✓ The City has initiated major efforts to revitalize Miracle Mile. Recent zoning changes now allow sidewalk cafes, perpendicular signage, and later liquor hours for restaurants. The City has recently completed traffic and beautification improvements to Miracle Mile that have included the construction of a gateway at Douglas Road as well as extensive landscaping improvements.
- ✓ In 1995, the City purchased The Miracle Theater and leased it to Actors' Playhouse, a regional theater company. The facility has been renovated and now includes a 600-seat main theater, a 250-seat theater, and a black-box theater. Currently, the theater's main-stage performances attract more than 100,000 adults annually, while its children's theater attracts 80,000 children.

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- ✓ A Business Improvement District (BID) for the core portion of the CBD, bounded by Aragon Avenue, Andalusia Avenue, and Douglas and Le Jeune Roads was established in 1997. Commercial properties are assessed at a rate of \$2.25 per \$1,000 of assessed value, which generates approximately \$250,000 of income annually. These funds have been utilized for administration and marketing activities and events. The BID took years to develop and evolved from a coop marketing effort.
- ✓ The city has recently received a \$1.4 million grant from the Florida Department of Transportation to initiate a vintage-style trolley service along Ponce de Leon Boulevard between SW 8th Street and South Dixie Highway (Douglas Road Metrorail Station). It is anticipated that service will be initiated in early 2003, and will provide a direct connection between the Miracle Mile shopping area and the Village of Merrick Park.

South Miami & The Shoppes at Sunset Place

Summary

Size:	608,000 square feet (Shops at Sunset Place), 350,000 square feet Red/Sunset
Parking:	6,900 spaces, including 1,700--Shops at Sunset Place
Occupancy:	estimated 80%--Shops at Sunset Place, 95%--Red/Sunset
Rent levels:	\$25-45 per square foot at Red/Sunset
Tenant mix:	Shops at Sunset Place — retail, entertainment; Red/Sunset — local commercial, restaurants, and specialized retail
Patron mix:	80% locals, 20% tourists (Shops at Sunset Place)
Ownership:	Simon Properties (Shops at Sunset Place), multiple ownership (Red/Sunset)

Location

The area is bounded by US 1, SW 79th St., and SW 58th Ave. and lies adjacent to the University of Miami, the South Miami Hospital Medical Complex, and the South Miami Metrorail Station.

Characteristics

- ✓ The South Miami Business District is comprised of two components: The Shops at Sunset Place and the traditional Red/Sunset retail core.



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- ✓ The Shops at Sunset Place is a 608,000-square-foot retail/entertainment complex that replaced the unsuccessful Bakery Center. The development is anchored by a 24-screen AMC theater (4,700 seats), an IMAX theater (only one in Miami-Dade County), a Virgin Megastore, Game Works, Barnes and Noble, and Z Galleries. The focus of the center, which is owned and managed by Simon Properties, is a blend of entertainment, retail, and dining. A central courtyard and grand staircase provide a venue for entertainment along with a laser light tower. In total, there are approximately 30 stores and restaurants and 1,700 parking spaces. There are also 40 residential units, located on Sunset Drive, on the 3rd and 4th floors.
- ✓ A number of tenants, including FAO Schwarz and Esprit, have terminated their leases, but according to Simon Properties, this has been a result of corporate downsizing. In addition, a number of new restaurants and retailers will be opening this fall or winter (2002). The center has inaugurated a \$3 million cosmetic improvement program.



- ✓ Simon Properties estimates that the center attracts over eight million visitors annually, including a mix of 80% locals and 20% tourists.
- ✓ The Red/Sunset commercial district is comprised of an estimated 350,000 square feet of retail space, which is occupied by an estimated 225 businesses. The commercial mix includes restaurants, local service-oriented businesses, super-markets, and specialized retail.
- ✓ Prior to Hurricane Andrew (1992), the area was struggling with an under-performing and overly vacant retail mix. In response to

these conditions, a major planning effort was undertaken by the community, known as the "Hometown Plan". This plan focused on creating a new identity for South Miami through infrastructure, landscaping, and pedestrian improvements. Substantial streetscape improvements along and adjacent to Sunset Drive have been completed, incorporating wider sidewalks and traffic-calming features. This has reportedly resulted in greater pedestrian activity and the development of restaurants with outdoor seating. Land use regulations were modified to foster renovation, infill development and increased density. An annual calendar of events has been established.

- ✓ There are approximately 3,500 parking spaces within the Red/Sunset commercial district and an additional 1,683 spaces at the South Miami Metrorail Station.
- ✓ Recent growth of the commercial sector has occurred with the expansion of restaurant activity. It is estimated that over 90% of the Red/Sunset market is derived from local residents.

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Lincoln Road, Miami Beach

Summary

Size: Seven linear blocks

Parking: Surface lots and parking garages about the commercial core. The municipal garage at Seventeenth Street and Pennsylvania Avenue provides 1400 parking spaces

Occupancy: Currently appears to be 85-90% leased

Rent levels: \$35-50 base rents/square foot retail, \$45-60/square foot for restaurants and \$20-30/square foot for offices. Triple net leases standard

Tenant mix: Over 400 businesses located on or adjacent to Lincoln Road

Patron mix: 75% locals, 25% tourists

Ownership: Many different property owners

Location

Located in Miami Dade County within the City of Miami Beach, between Sixteenth and Seventeenth Streets

Characteristics

- ✓ For many years the area was a successful commercial district and home to many national retailers such as Saks Fifth Avenue, Moseley's, I. Miller Shoes and automobile dealerships.
- ✓ It was converted to a pedestrian mall in 1960 based on plans developed by Morris Lapidus in response to the growing popularity of shopping centers. Combined with the changing tourist demographics in Miami Beach, due to increased popularity of the Caribbean as an alternative destination, the area experienced a serious decline and vacancy rates soared. The arts community "found" Lincoln Road and began to revitalize the area in the late 1970's and early 1980's. The South Florida Arts Center began its presence at that time, and it continues through today. Many people believe the real resurgence occurred due to the discovery of South Beach by the European tourist market.
- ✓ Some of the current vacancies seem to be in response to on-going renovations. Over the recent summer months, there has been some turnover in business operators, but new tenants appear to be opening shops and restaurants, in anticipation of the upcoming season.
- ✓ Burdine's Department Store has been in the area for approximately fifty years, and other national retailers, such as the Banana Republic, Pottery Barn, Victoria's Secret, Starbuck's and William-Sonoma, have more recently opened on the Road. There are still some local independent retailers, but the trend toward national retailers seems to be gaining in popularity.

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- ✓ Many successful local restaurants have been a part of the fabric of the Road for quite some time. They include: Pacific Times, Jeffrey's (immediately south of Lincoln Road), Van Dyke's, and Yuca. Other newer restaurants have opened and achieved a loyal following, such as Trattoria Da Leo, Balans, Touch, Rosinella, and Tiramisu. The ambiance of the street is greatly enhanced by the outdoor dining that is a very popular.
- ✓ The entertainment industry has made Lincoln Road home to such users as Sony Music International, MTV Latin America, Nickelodeon Latin America, CBS International, Columbia Tri-Star and the National Academy of Recording Arts and Sciences (NARAS). Some restaurants have some entertainment and music, such as the second floor performance areas at Van Dyke and Yuca. There are several night clubs located on or near Lincoln Road including Spin, Score and Rumi.
- ✓ The pedestrian ambiance of Lincoln Road creates its own sense of place, with numerous amenities, such as fountains, lighting and landscaping. The Euclid Circle frequently serves as a venue for entertainment and music. Theaters such as the Colony, Lincoln and the Regal 18 South Beach Cinema provide locations for live performances, concerts and films. The New World Symphony is housed at the Lincoln Theater.
- ✓ Local residents of the Miami Beach area tend to frequent Lincoln Road on a regular basis, along with residents of other parts of Miami-Dade and southern Broward Counties. Tourists from Europe, South America, Caribbean and the United States also tend to dine, shop and enjoy activities along Lincoln Road.
- ✓ Access to Lincoln Road is available by the three major causeways which access the lower portions of Miami Beach These are the Julia Tuttle Causeway, the Venetian Causeway and the McArthur Causeway. The Tuttle and the McArthur can be accessed from I-95 via I-195 and I-395, respectively. Additionally, A-1-A provides access to Lincoln Road via local streets.

Aventura

Summary

Size: 2,300,000 square feet

Parking: 8,600 parking spaces, of which 4,200 are on surface lots and 4,400 are in structured parking garages

Occupancy: 95%-98% leased, most vacate store fronts indicate new tenants opening soon

Tenant mix: A mix of mid-range and high-end retail, dining and entertainment venues, home furnishings, specialty boutiques and services. 250 specialty retail shops, restaurants and a Food Court with eighteen fast food vendors

Patron mix: 70% locals from Monroe, Dade, Broward and Palm Beach Counties, 30% visitors/tourists

Ownership: Turnberry Associates

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Location

Northeastern Miami-Dade County within the City of Aventura. The Aventura Mall is located in northern Miami-Dade County, east of US 1 at approximately NW 199 Street (also known as Aventura Boulevard). Access is provided by I-95 by exiting at Ives Dairy Road and heading east over the recently constructed fly-over that has helped to reduce traffic congestion in the area. The mall is also accessed from A-1-A to the east by the William Lehman Causeway.



Characteristics

- ✓ Opened in 1983 by the Turnberry Associates, the Aventura Mall has doubled in size from time of inception.
- ✓ Anchors include Bloomingdale's, Macy's, Burdines, Lord & Taylor, JC Penny and Sears. 24-screen 80,000 square-foot AMC Movie Theatre; nationally franchised restaurants, such as the Cheesecake Factory, TGI Friday's, Johnny Rockets; and locally run eateries, such as Rosalia's, Bella Luna and Sushi Siam (scheduled to open soon) are tenants.
- ✓ Other amenities include an indoor playground, interior shuttle service, car wash, ATM and valet parking.
- ✓ Both Miami-Dade and Broward County Transit Departments provide bus access to this location. Numerous shuttles, operated by condominiums and facilities in the area, serve it as well.
- ✓ In 1967, Turnberry Associates purchased 785 acres of land, a portion of which is now the Aventura Mall. Initial developments, such as the Turnberry Isle Resort and Country Club (a world class resort consisting of 350 hotel suites, a tennis facility, 120-slip marina and golf courses) and various residential projects, helped to create the Aventura area and eventually led to the incorporation of the City of Aventura. Aventura municipality boasts one of the highest average household incomes in Florida.
- ✓ To augment the success of the development of this area, Turnberry Associates developed several office towers, One Turnberry Place (135,000 sq. ft.) and Turnberry Plaza (106,000 sq. ft. office/retail); and residential properties, such as Turnberry Isles, a luxury condominium of over 1,000 waterfront units. Turnberry Associates is continuing to develop additional residential properties and hotels in the area, helping create an expanding market for the Aventura Mall through increased density.

Las Olas Boulevard

Summary

Size: Multi-block linear area from Andrews Avenue to Southeast 15th Avenue

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Parking: Surface lots primarily in the central core, behind buildings with recently completed garage and on-street metered parking

Occupancy: First floor occupancy at least 95%

Tenant mix: Consists of: over 40 galleries or boutiques featuring art related goods; over 40 restaurants; over 75 shops and boutiques; and approximately 40 service related businesses

Patron mix: 75% locals, 25% visitors

Ownership: Multiple

Location

Situated in Fort Lauderdale in Broward County, the Las Olas area can be accessed from I-95 via the Broward Boulevard exit and from US 1 again via Broward Boulevard to SE 6 Avenue.



Characteristics

- ✓ The Las Olas area has been a successful retail street throughout much of Fort Lauderdale's history. As did many retail areas composed of independents, Las Olas experienced downturns due to the construction of regional malls. However, many long-time merchants remained and now are experiencing the resurgence in popularity due to: (a) the merchants' efforts to extend business hours well into the night to take advantage of the patrons who visit the area restaurants and entertainment venues; and (b) the expanded local market derived from new major office and residential activity.
- ✓ The area does contain certain destinations. Among these are the Fort Lauderdale Museum of Art and the Riverside Hotel (which recently underwent an expansion).
- ✓ The retail mix consists of over 40 galleries or boutiques, featuring art related goods; over 40 restaurants, serving an eclectic mix of cuisines including French, Italian, Asian, South African, Continental, and traditional American fare; over 75 shops and boutiques featuring gift items and apparel; and approximately 40 service related businesses. Many of the restaurants provide music or entertainment. There are also at least seven clubs including O'Hara's Jazz Café, Cathode Ray Club, Samba Room and Mango's. There is a newly opened Cheesecake Factory.
- ✓ West of Andrews Avenue on Second Street (the extension of Las Olas) is Riverfront. This is an entertainment venue that includes the Sunrise Las Olas 23-screen multiplex (opened as Regal 23 Las Olas), restaurants and shops as well as bars and nightclubs that connect the area to the Broward Center for the Performing Arts.

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- ✓ Las Olas has numerous special events. The Las Olas Art Show is probably the most famous of these, but others, such as Christmas on Las Olas, the Spring Flower Show and Classic Car Shows, all help to attract people to the area.

Dadeland/Kendall

Summary

Size:	1.4 million square feet (mall)
Parking:	7,000 spaces
Occupancy:	Estimated 95%
Tenant mix:	Consists of four department stores; moderate, high-end apparel
Patron mix:	50% locals, 50% visitors
Ownership:	Simon Properties

Location

Dadeland/Kendall is approximately a 300-acre site bounded by U.S. 1, the Snapper Creek Expressway, and the Palmetto Expressway. It encompasses the Dadeland Shopping Center and adjacent retail, office, and residential development. Two metrorail stations currently serve the area.

Characteristics

- ✓ Dadeland Mall is a single-level center, featuring over 1.4 million square feet of "leasable" space. Anchors include Burdines (650,000 square feet), Lord & Taylor, JC Penney, Saks Fifth Avenue, and the country's largest Limited and Express. In total, the mall contains more than 185 specialty stores. For many years, Dadeland had been the largest, premier shopping center in Miami-Dade County. However, of late, the larger Aventura Mall has supplanted it both in size and volume of business.
- ✓ Reportedly, a significant proportion of its current market is composed of foreign tourists, who represent approximately 50% of the estimated 15 million annual visitors.
- ✓ Dadeland Mall has initiated a major renovation and expansion program that will ultimately add 800,000 square feet of retail space by the year 2009 and include a new second floor and additional anchors to the mall. The current \$30 million renovation includes a new second story and a reformatting of the food court. In addition, Lord & Taylor will be expanding its store by 70,000 square feet and a remodeling is underway at Saks Fifth Avenue as well.

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- ✓ A master plan and an overlay zoning code have been developed for Downtown Kendall, which encompasses a 300-acre area. The vision for the area entails a series of mixed-use buildings, fronting upon a network of inter-connected streets; proposed parking garages placed mid-block to replace the vast expanses of surface parking; transit re-integrated into the area, and the development of the Snapper Creek Canal as a major amenity. The overall objective is to create a unified, pedestrian-oriented environment with multiple commercial and residential opportunities that will focus on Dadeland Mall and the Kendall Drive frontage. A number of projects south of Dadeland Mall are in the development stage, and plans are underway for the development of a transit link along Kendall Drive, linking Dadeland/Downtown Kendall to the rapidly growing West Kendall area.
- ✓ According to Richard Norton, President of Green Construction and developer of the Datran Center, the whole idea of the Downtown Kendall urban center is that it be "residentially appealing" so that people can enjoy walking to their shopping destinations. His company is constructing 218 apartments adjacent to the Dadeland North Metrorail Station. A 7.5-acre development that will include 375 condominium units and 150,000 square feet of retail is also under development. A 200-unit, 25-story condominium is also under development south of North Kendall Drive. This structure will be the tallest building between Key West and Coral Gables.

Bayside Marketplace

Summary

- Size: 227,000 square feet
- Parking: 1,200 spaces on site plus 11,000 spaces in the immediate vicinity
- Occupancy: Estimated at 90% or greater
- Tenant mix: Festive marketplace
- Patron mix: 60% tourists, 40% locals
- Ownership: City of Miami lease to The Rouse Company

Location

Location downtown Miami, on the waterfront of US 1 and near major interstate.

Characteristics

- ✓ The 227,000-square-foot facility was completed in 1987 and includes two pavilions, a specialty retail market, a 150-slip marina, and a 23,000-square-foot Hard Rock Café. Thirty-eight percent of the gross "leasable" area is in restaurants, cafes, or fast food establishments. The 155,000 square feet of apparel and gift space includes retailers such as Disney, Gap, and The Sharper Image. The facility contains a 1,200 space garage with an additional 11,500 spaces within the immediate vicinity.

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- ✓ Figures indicate that Bayside Marketplace is Miami's number one tourist attraction, and it ranks number five in the State of Florida. It draws visits from an estimated 57% of overnight tourists to Miami-Dade County. An estimated 12 million people visit Bayside annually. 45% of all visitors are brought by local residents.
- ✓ The local market has been reinforced by the construction of the American Airlines Arena directly to the north. The opening of the arena has been the major factor for the 6% increase in sales in the year 2000. Sales are currently in the range of \$500 per square foot, down from over \$600 prior to "9/11".
- ✓ According to The Rouse Company, an estimated 90% of the visitors purchase food and beverage and over 50% purchase retail items during an average three-hour visit.

Brickell

Summary (Mary Brickell Village)(Proposed)

- Size: 192,000 square feet, under construction
- Parking: 810 spaces on site to be shared with 350 residential unit
- Occupancy: TBD, completion 2003
- Tenant mix: Life style center--restaurants, supermarket, neighborhood services, and home furnishing
- Patron mix: TBD, aiming at local residential and office markets
- Ownership: Constructa

Location

Between the central area of downtown Miami and the Grove. Located between 9th and 10th Streets on both the east and west sides of Miami Avenue

Characteristics

- ✓ Mary Brickell Village is anticipated to be completed in late 2003. The stated objective of the developer is to create "a heart of the area". This project is the first major retail center for Brickell.
- ✓ The initial phase will include a collection of two-story buildings grouped around tree-shaded plazas; a 28,000-square-foot Publix supermarket; and four to five upscale restaurants including P.F. Changs, Redstone Grill, and the Oceannaire Seafood Room. Some of these establishments will have entertainment. The retail sector will focus on home leisure activities and neighborhood services. It will include only two clothing stores. According to Constructa, it is trying to develop a merchandise mix that is unique and can be competitive within the marketplace that has "a lot of sameness". The center will service both office and residential sectors.

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- ✓ A second phase of this \$80 million project will include the construction of 350 residential units.
- ✓ An additional one million square feet of retail space is currently proposed for development in the Brickell area.

Watson Island

Summary (Island Gardens)

- Size: 221,000 square feet planned
- Parking: 1,500 spaces
- Occupancy: TBD
- Rent levels: TBD
- Tenant mix: 16 restaurants (4,500 seats) and 137,000 square feet of unique, international retail
- Patron mix: TBD, aiming at both local and tourist markets
- Ownership: City of Miami lease to Flagstone Properties

Characteristics

- ✓ The 80-acre, City-owned Watson Island is proposed to be transformed into a major entertainment and tourist destination. Projects underway or planned include:
 - Parrot Jungle and Gardens,
 - The Aviation and Regional Visitors Center,
 - The Miami Children's Museum,
 - The Ichimura Miami/Japan Gardens, and
 - Island Gardens.
- ✓ Parrot Jungle and Gardens of Watson Island are anticipated to open in 2003. This \$47 million, 6.5-acre attraction will provide catering and ballroom space for 1,000 guests. It will also have a large café that will be accessible to non-park visitors. The Aviation and Regional Visitors Center will be a regional facility for the consolidation of existing transportation services and a state-of-the-art visitors' center to showcase greater Miami. The Miami Children's Museum is a proposed 55,000-square-foot facility that will include 22,000 square feet of both permanent and temporary exhibition space as well as a major educational component.
- ✓ Island Gardens is the proposed redevelopment of the existing 13.4-acre Watson Island Marina and the adjacent 10.8 acres of undeveloped land into a world-class marina and mixed-use waterfront development. The proposed \$281 million project will be developed by Flagstone Properties. Major elements of the project include:

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- A 54-slip, mega yacht arena.
- A fish market with open-air retail and dining.
- Two five star hotels with 525 rooms and suites.
- 14 restaurants varying in menu and price (84,012 square feet).
- A unique, international retail center (137,000 square feet).
- A 100-foot-wide public promenade.
- Numerous performance venues and art installations.

Downtown Hollywood

Summary

Size: Consists of the commercial frontage abutting Young Circle along US 1, three major east-west streets: Hollywood Boulevard, Harrison Street and Tyler Street, and the north-south cross streets of Nineteenth Avenue, Twentieth Avenue and Twentieth First Street from Tyler Street to Harrison Street

Parking: Combination of on street metered spaces, metered surface lots, other surface lots and a recently completed garage

Occupancy: Approximately 80-85% leased

Tenant mix: Primarily local retailers, galleries, offices, restaurants and entertainment venues

Patron mix: Primarily serves the local Broward market

Ownership: Many independently owned properties

Location

Southern Broward County in the eastern portion of the City of Hollywood. I-95 via the Hollywood Boulevard exit provides access from the west and A-1-A via Hollywood Boulevard provides access from the east, as well as US 1 which travels north-south through the eastern edge of the area

Characteristics

- ✓ This traditional downtown area was part of the historical development of the City dating back to the 1920's and is a designated local historic district. This area remained a successful downtown, serving retail and business needs of the community for several decades. Like many other similar commercial areas, it experienced a decline due to the advent of shopping centers that gained in popularity during the 1960's and 1970's. Despite the retail decline, many restaurants continued to be located in this area. With the introduction of cultural venues for theater and performance art, the area began to develop a different identity. Recently, the nightclubs and restaurants have taken on a Caribbean flavor and have begun to attract a very lively nightlife. A number of new businesses have entered the market and seem to have found a niche.

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- ✓ There is some turnover occurring. A number of the vacancies seem to be related to on-going renovations.
- ✓ Independent local retailers, offices and restaurateurs, night clubs and entertainment venues make up the collection of commercial activities in the area. Small theater venues for live performances; jazz rooms, such as O'Hara's and Ellington's; and nightclubs' such as Club M, Club Deco Drive, Calabash and Club Pemba inhabit the area.
- ✓ There is a recently renovated hotel property located on Harrison Street under the Ramada flag. Proximity to Young Circle provides a venue for festival and special events. The City of Hollywood has made a commitment to returning residential uses to the area in order to create a twenty-four hour a day user population. Several small complexes have been completed, and a large rental complex is about to open immediately south of the downtown area.
- ✓ The Caribbean-based entertainment and eating establishments have attracted a young Black professional population to the area as documented in Herald articles.
- ✓ There is a collection of historic structures that have been restored or are in the process of restoration, along with some newer in-fill structures. The scale is reminiscent of traditional downtown areas that are being embraced as part of the Traditional Neighborhood Development (TND) movement that is currently experiencing great popularity.

Village of Merrick Place

Summary

Size:	20 acres, 850,000 square feet
Parking:	2,400 spaces
Occupancy:	Opened 9/02, estimated 85% leased, full lease-up 2003
Tenant mix:	high-end retail, fine dining, home furnishings
Patron mix:	65% locals, 35% tourists (Rouse projections)
Ownership:	City of Coral Gables lease to The Rouse Company

Location

The Village of Merrick Park is a largely completed 20-acre parcel under development by the Rouse Company. The project is located between Ponce de Leon Boulevard, Le Jeune Road, Altaria Avenue, and Avenue Greco, approximately one block northeast of US 1. The site is in close proximity to the Douglas Road Metrorail Station.

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Characteristics

- ✓ This \$276 million, high-end mixed-use project is comprised of 850,000 square feet of retail/restaurants; Neiman Marcus (130,000 square feet) and Nordstrom's (200,000 square feet); 435,000 square feet of restaurants and retail (115 shops) on three levels; an array of luxury retail and quality restaurants, including KingFish Hall, The Palm, Café Ibiza, Zucco, Balley, Faconnable, Hugo Boss, and Sonia Rykiel; 120 units of rental housing; 110,000 square feet of Class A office space; a 3.5-acre park, Village Green (a venue for concerts, events, etc.); and 2,400 parking spaces.
- ✓ The Village of Merrick Park settled a federal antitrust lawsuit that eliminated the radius clause of leases in the Bal Harbor Shops, providing additional opportunities to create an unduplicated retail venue for prestigious shopping in South Florida.
- ✓ Distinguishing characteristics of the project include a quality physical environment. The designer tenants are concentrated on the first floor of the center, anchored by Nordstrom's and Neiman Marcus. The second floor includes a collection of tenants such as Ann Taylor, Coach, Williams-Sonoma, Chico's, etc. The third floor contains 60,000 square feet of home goods and furniture, including designer showrooms. Operating hours are from 10:00 AM to 9:00 PM daily, and noon to 6:00 PM on Sunday. (Restaurants have extended hours.)
- ✓ The project will be linked to Downtown Coral Gables via a trolley system and buses in close proximity to the Douglas Road Metrorail Station.
- ✓ The Village opened in late September, 2002, at which time it was over 85% leased. Full leasing is anticipated in 2003.
- ✓ The development impact of the Village of Merrick Park has been significant in that it has resulted in the assemblage of adjacent properties for future commercial development and an anticipated concentration of activities in the high-end home furnishings, design, and office markets. Approximately 400,000 square feet of new, additional office space is being developed within the area.

City Place

Summary

Size: 600,000 square feet of retail within a 55 acre site that includes residential uses, offices and entertainment venues

Parking: 3,300 spaces in four garages

Occupancy: Over 95% occupied or leased

Tenant mix: Over 60 specialty retail shops, Macy's, Muvico Parisian 20, Barnes & Noble, Publix and 10 major restaurants

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Patron mix: 75% locals from Palm Beach, Martin and northern Broward Counties, as well as other parts of South Florida and 25% visitors/tourists

Ownership: The City Place Partners based on a development agreement with the City of West Palm Beach

Location

West Palm Beach, Florida east of I-95 on Okeechobee Road, adjacent to the Kravitz Center for the Performing Arts. This mixed-use complex is in close proximity to Clematis Street, the traditional commercial district of West Palm Beach.



Characteristics

- ✓ Opened in October, 2000, by the City Place Partners, consisting of the Palladium Company and the Related Companies. The site was assembled by the City of West Palm Beach. The developers gained site control through a Request for Proposals that ultimately resulted in a Development Agreement that established \$9 million as the land value contribution by the developer.
- ✓ Over 60 specialty retail shops featuring women's and men's furnishings, children's clothing, jewelry, and goods and services. Includes Macy's (110,000 sq. ft.), Muvico Parisian 20 (92,000 sq. ft.), Barnes & Noble (37,500 sq. ft.) and Publix (23,000 sq. ft.). Also includes major restaurants, including Mezzanotte (8,500 sq. ft.), Cheesecake Factory (8,250 sq. ft.), Max's City Place (7,750 sq. ft.), Legal Sea Foods (5,150 sq. ft.), Angelo & Maxie's (8,500 sq. ft.), City Cellar Wine Bar and Grill (6,500 sq. ft.) and Tsunami (10,200 sq. ft.). A 16,000 FAO Schwarz store serves as one of City Place's most recognizable landmarks.
- ✓ Renovation (estimated at \$6 million) of the architecturally significant 1920's historic First United Methodist Church within the site into a cultural center, known as the Harriet Himmel Gilman Theater, serves as a venue for music, dance and theater. The performance hall is 11,000 square feet, with retractable seating, that can accommodate 400-850 people for performances, 900 guests for receptions, banquet style seating for 600, and 60 booths for trade show exhibits.
- ✓ The opening of City Place has increased vacancies rates along Clematis Street as some shops relocated to the newly opened City Place and others have closed due to the decrease in shopping activity.
- ✓ The architectural style of City Place represents an attempt to create an urban setting with street access rather than the more typical mall atmosphere. Also, as part of the City Place complex, a variety of residential units has been constructed. Residential sales and rental opportunities include flats, lofts, townhouses and traditional condominiums. Vacancy and turnover rates in Mizner Park, a similarly physically designed development, is fairly high.
- ✓ Two latter phases of City Place are scheduled that will provide office towers, a hotel and convention space, along with additional residential units.

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Mizner Park

Summary

Size: Along with the retail it includes 8-screen movie theatre, Count de Hoernle Amphitheater, Boca Raton Museum of Art opened a 44,000 square foot facility and 275 housing units of various types.

Occupancy: 90% leased, most vacate store fronts indicate new tenants opening soon.

Tenant mix: A mix of mid-range and high-end retail, dining and entertainment venues, home furnishings, specialty boutiques and services.

Patron mix: 80% locals from Broward and Palm Beach Counties with some from Miami-Dade, 20% visitors/tourists.

Ownership: Land is controlled by the CRA and the Codina Group currently handles leasing.

Location

Mizner Park is located on US 1 between Palmetto Park Road and Glades Road, both of which are exits from Interstate 95. Access from the Florida Turnpike is provided from the Glades Road exit

Characteristics

- ✓ Opened in phases beginning in the early 1990's, Jacobsen's Department Store and the Cartoon Museum were the original anchors for this complex. Both of these users have since closed and left the complex or went bankrupt.
- ✓ An 8-screen movie theatre, operated as Sunrise Cinema's Mizner Park Cinema, provides an eclectic mix of first run motion pictures, art Foreign and independent films. This is the second operator at this location.
- ✓ There has also been a significant turnover of retail tenants.



- ✓ On November 21, 2002, the community grand opening of the new state-of-the-art Count de Hoernle Amphitheater in Mizner Park was held. This facility contains an 1,800 seat acoustically superior concert hall, a colonnade and concert green to accommodate 5,000 people. A calendar of events indicating on-going programming exists. The Boca Raton Museum of Art opened a 44,000 square foot facility in Mizner Park early in the 2001 calendar year.

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- ✓ The Mizner Park Community Redevelopment Agency played a major role in the creation of this mixed-use complex envisioned to create a town center consisting of retail, residential and offices uses as well as restaurants and entertainment venues.
- ✓ The residential component consists of Villas Hibiscus and Poinciana, over-the-shop five-story apartment with 136 rental units; Palm Tower, a nine-story luxury apartment building containing 113 rental units; and Valencia and Tarragona Townhomes, 24 townhouses that are three stories and contain two bedrooms. Unit sizes range from 995 square feet to 2,190 square feet and rent from \$1,185 to \$3,600 per month.
- ✓ The office space is provided in two locations. There is an office tower as well as 100,000 square feet of office space above the shops on the west side of Mizner Park. Rental rates in the tower range from \$22-25 per square foot, plus operating expenses estimated at approximately \$11 per square foot including electricity. The rental rate in the over-the-shop offices is \$19 per square foot, plus operating expenses of \$9.61 per square foot, with individual electric meters for each office.

Clematis Street District

Summary

Size: The Clematis Street area is approximately five blocks by five blocks with Clematis Street, itself, serving as the major retail.

Parking: A variety of parking options exist. Free valet parking is available in the 200 block of Clematis Street. In addition, parking is available at city garages and lots at reasonable fees.

Occupancy: Over 80-85% occupied or leased

Tenant mix: A mix of retail, dining and entertainment venues, galleries, antique shops, specialty boutiques and services

Patron mix: 75% locals from Palm Beach, Martin and northern Broward Counties, as well as other parts of South Florida and 25% visitors/tourists

Ownership: Multiple owners

Location

West Palm Beach, Florida, approximately two miles east of I-95 and about eleven blocks north of Okeechobee Road, the Clematis Street District is generally defined as the area from Flagler Street on the east to Dixie Highway on the west and from Banyan Boulevard on the north to Evernia Street on the south. Clematis Street is an east-west street located within the district, one block south of Banyan Boulevard.

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Characteristics

- ✓ A variety of parking options exist. Free valet parking is available in the 200 block of Clematis Street. In addition, parking is available at city garages and lots at reasonable fees located at: Banyan Boulevard and Olive Street, located one block north of Clematis Street; the City Hall surface lot, located east of City Hall, at Olive Avenue and Banyan Street, one block north of Clematis Street; and the Evernia Street Garage, located two blocks south of Clematis Street at Olive Avenue and Evernia Street. Additionally, on Thursday nights a free shuttle runs roundtrip from Clematis Street to City Place until 11 PM.
- ✓ Following a restoration project initiated in 1992, the Clematis Street area has emerged as the arts and entertainment center of West Palm Beach. Described by many as energetic and sophisticated, the Clematis Street area frequently features live entertainment. Numerous restaurants and clubs are located within the area. Additionally, many of these locations provide opportunities for outdoor dining, a very popular year round feature.
- ✓ Centennial Square and the fountain serve as a public gathering spot for the area. City Hall is also located within this area. This area contains numerous professional offices and service providers that help attract people to the area. Doctors, dentists, attorneys and other professionals have offices in this location. Other services that are available include spas, massages, hair and nail salons and banks.

Comparative Assessment

As part of the market analysis for Coconut Grove, a comparative assessment was performed as one of two primary analyses used to identify business “gaps” and opportunities. The identified business gaps defined in this process may or may not be appropriate for the Grove because of the nature of operations, scale, or other factors.

Methodology

The comparative analysis requires comparing the Coconut Grove zip code business structure to that associated with communities or areas that are similar. In determining communities for which the comparison can be made, the following criteria was used:

- ✓ The size of the population and household numbers had to be similar to those associated with Coconut Grove, since demand for goods and services are ultimately dependent largely upon the size of the market served.
- ✓ Tourism had to be a significant factor or potential factor in the area.
- ✓ The areas are located on or nearby major bodies of water.
- ✓ Transportation access had to be somewhat similar or superior to that associated with the Grove.

Based on the criteria, eight communities were identified for which the comparison in economic structure of was made. These eight communities are:

Key West, Florida

Riviera Beach, Florida

Waipahu, Hawaii

Hilton Head Island, South Carolina

Pascagolas, Mississippi

La Porte, Texas

Imperial Beach, California

Manhattan Beach, California

It is noted that all population and household estimates upon which the comparisons are made were derived from the same source, Sales & Marketing Management, for comparison purposes. Also for consistency purposes, one software program was employed to define the business activity. That software is based on “Yellow Page” listings. Every type of business that exists has an NAICS/SIC code associated with the “industry” in which it is most clearly aligned. In some cases, businesses have multiple NAICS/SIC codes.

For each community, six digit NAICS (North American Industry Classification System) codes, formerly known as SIC (Standard Industrial Classification) codes, were extracted on all businesses within the communities. Information on all businesses associated with NAICS/SIC codes ranging from 520000 to 999999 (non-classified establishments) was extracted.

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Those establishments with NAICS/SIC codes of 520000 and greater are typically more appropriate for communities, neighborhoods, or downtowns. These codes represent the retail and more typical non-industrial, non-agricultural business categories. They include major “industry” classifications, such as:

Hardware & Building Materials	Insurance Agents, Brokers & Services
General Merchandise Stores	Real Estate
Food Stores	Investment Offices
Automotive Dealers & Service Stations	Personal Services
Apparel & Accessory Stores	Business Services
Furniture & Home Furnishings	Auto Repair Services
Eating & Drinking Places	Miscellaneous Repair Services
Miscellaneous Retail	Motion Pictures
Depository Financial Institutions	Amusement & Recreation Services
Non-depository Credit Institutions	Health Services
Security & Commodity Brokers	Legal Services
Insurance Carriers	Educational Services
	Museum & Art Galleries
	Engineering, Accounting & Management Services

Under-represented Industries

Under-represented “industries” were then defined as those where the Grove area had a lesser number of businesses than at least five other communities. Thus, the number of businesses in Coconut Grove compared to the other communities was below what might be expected. About 80 “industries” or businesses identified as being under-represented in Coconut Grove. These are found in the appendix of this document.

Most importantly, most of the retail operations identified as being under-represented typically fall into the “convenience” use categories, found in full-service neighborhood commercial nodes or areas. Few are specialty retail operations.

Business Survey

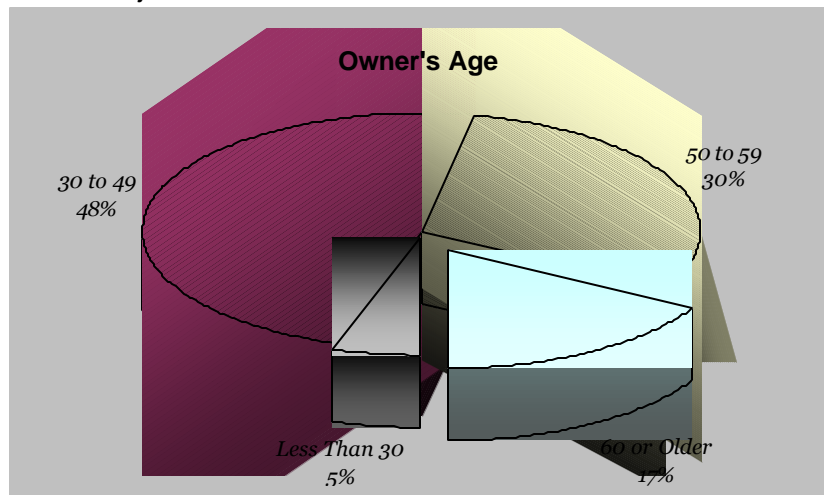
As identified, there are three surveys that were conducted as part of this analysis to generate critical information and a new data base not found elsewhere. One of those was a survey of current business operations within the Coconut Grove area.

The businesses to be conducted were identified by the City of Miami from licensing information. The surveys were also distributed by mail with the assistance of the City. The survey of existing businesses provides essential information for the development of a business retention strategy. The following is a synopsis of the survey. Additional information is found in the appendix to this report. Table numbers correspond to those in the detailed appendix information.

Sample Characteristics

The following are characteristics of the sample.

- ✓ About two-thirds of (66%) of the individuals completing the survey were the owners of the establishments, while 22% were managers.
- ✓ While not generally recognized as a major factor in the closure of businesses in established communities, many business establishments in fact shut down not as a result of market factors, but because they are independently owned or operated and the owner retires or is unable to continue running the business any longer for health or other reasons. No succession plans are made or "lineage" established for the continuance. No other family member is available or chooses to continue the operation.



Thus, age is an important factor in assessing the potential for reinvestment in a commercial community. As shown in Table 4, 17% of the owners are sixty years of age or older. An additional 30% are between fifty and fifty-nine. Both groups, consisting of a total of one-half of the owners, are approaching retirement age.

Table 4 – Owners' Age*

Owners' Age	%
Less Than 30	5
30 To 49	48
50 To 59	30
60 Or Older	17
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

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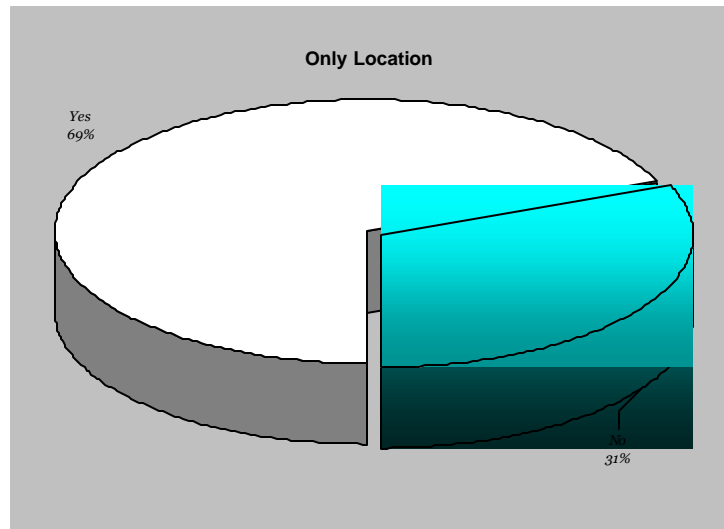
- ✓ Over two-thirds (69%) of the owners have not identified an individual to continue the business.
- ✓ A majority of 53% of the responding businesses has been located in the Grove for ten years or longer. There is a significant correlation between tenure in the area and the amount of time at the current location. The implication is that there has been relatively small or infrequent movement of operations from the time the business opened until the present day.
- ✓ The businesses took multiple factors into account when selecting their locations. The most predominant considerations included the area's image, proximity to home, the character of the buildings and area, and affordable rents.
- ✓ Importantly, a majority of 71% of businesses reported that their location had met with their expectations, while 20% expressed disappointment. Those businesses that expressed disappointment reported difficulties related to visibility (inadequate signage), poor property maintenance and management, rent increases, parking problems and a general decline in tourism and pedestrian traffic.
- ✓ The most prominent types of businesses responding to the survey were professional services followed by restaurants and personal services.
- ✓ On average, the businesses employ 10.3 people. The number of full-time employees per business averaged about 7.4 people. About one-half (54%) of the businesses utilize part-time help.
- ✓ The majority of the businesses are independently owned and operated. About two-thirds (69%) of the businesses operated out of a single location in Coconut Grove. One in ten of the responding businesses (9%) are part of a national chain or franchise. About one in ten (7%) participate in a cooperative or larger buying group.

Sales & Revenue Trends

Collectively the businesses gave mixed reports about their level of sales and revenues during the past few years. About one-fourth (27%) have experienced an increase, while 31% report a decline.

Those businesses reporting increased sales most often attribute their success

to the economy, physical improvements to their establishments, low interest rates, good weather, extended hours, quality of service provided, marketing and advertising, repeat customers and hard work. Those businesses reporting a decline in activity attributed the situation to the economy, the impact of September 11th on travel and tourism, parking problems, traffic congestion, a lack of marketing and promotions, increased competition and over-development.

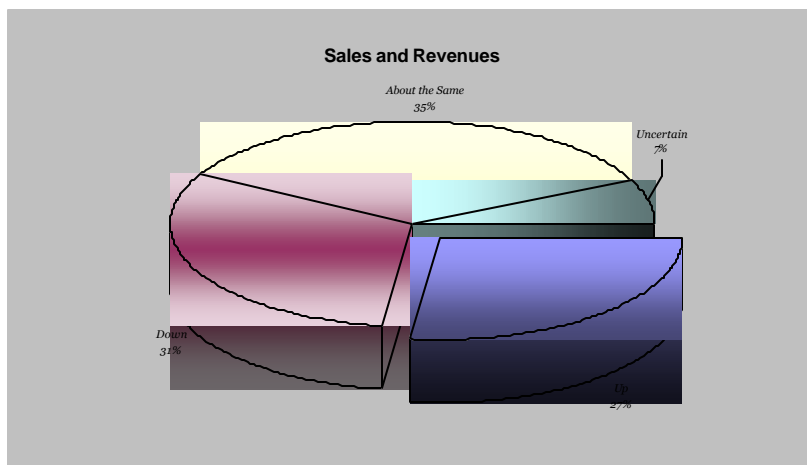


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Table 19– Sales or Revenue Trends Over the Past Two or Three Years*

Sales / Revenues	%
Up	27
Down	31
About The Same	35
Uncertain	7
Total	100

*Developed by The Chesapeake Group, Inc., 2002.



It is noted that only about one-half of the businesses indicated that they promoted their establishment through some type of advertising as shown in Table 21. The most popular form of advertising involved the printed media followed by direct mail to known customers.

Attitudes & Opinions

The survey asked the respondents to describe the most important issues or problems that confront their business operations. Their responses, in order of frequency, are listed below.

- Problems associated with parking, particularly the cost.
- Traffic related problems.
- A concern over crime and the sense of security, including the desire for more police presence.
- The growing presence of street people such as vagrants, the homeless, panhandlers and prostitutes.
- A decline in pedestrian activity and foot traffic.
- Increasing rents.
- Lack of visibility, inadequate signage.
- Government fees and taxes.
- Trash and debris along the streets.
- Business vacancies.
- A lack of effective marketing and promotional activities.
- The fact that the community appears to be organizationally fragmented or it lacks a single effective organization.
- Shoplifting and theft.

When asked to identify the best aspects of their location and the community a majority of the respondents identified:

- The Grove's central location including proximity to downtown Miami.
- The environment, including the water and the weather.
- The Grove's ambiance or atmosphere.
- The image.
- Easy access to major roadways.
- The restaurants.

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- The area's streetscape and landscape.
- The fact that the area is walkable.
- Affluent customers.
- Property values continue to appreciate.

Respondents were asked to specify changes, improvements and new businesses that they would like to see within close proximity or in the vicinity of their businesses. Their responses included:

- More and cheaper parking.
- More visible security.
- Street cleaning and beautification.
- An overall strategy for marketing and promoting the area including festivals and events.
- A reduction in the number of street people.
- Fewer business vacancies.
- New retailers and restaurants.
- More liberal sign regulations.
- Waterfront events and activities.

Consistent with the above information, a majority of the business respondents feel that they are not benefiting from the promotional events and activities that are currently being held. Less than one-third of the respondents report that they benefit directly from such community events.

Reinvestment Opportunities

Whether a result of healthy sales or other reasons, there are a significant minority of businesses needing to expand their physical facilities in the near future. The survey revealed that 20% of the respondents feel that they need to expand their physical facilities in the near future. A majority of 68% did not anticipate a change.

In addition to those needing to expand, 11% feel that they need to change locations and 1% need to contract space. Like expansion, a shift in location or contraction of space represents both reinvestment opportunities and opportunities to reconfigure the commercial mix.

About one-third (36%) of all businesses expressed an interest in technical or financial assistance designed to encourage and support new investments and improvements. Another two out of ten (19%) were not certain as to their interest. Irrespective of the type of investment, about one-fourth (28%) of the surveyed business reported that they had definite plans for new investments and improvements within the next year or so.

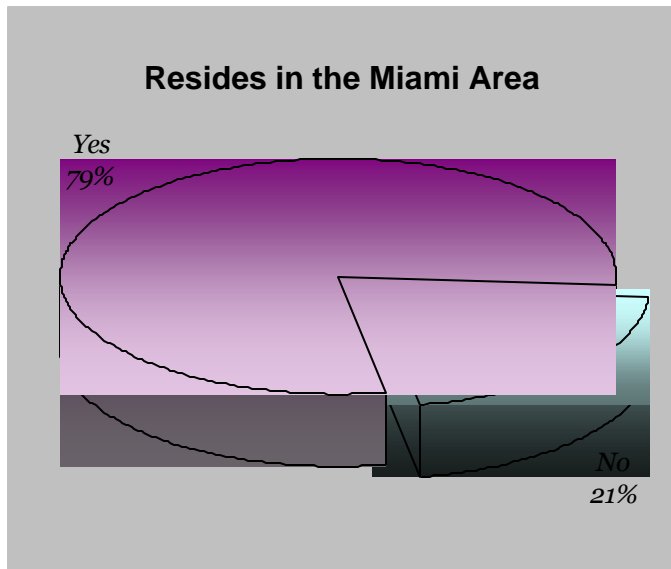
Patron Survey

A survey of area patrons was conducted to assist with defining market areas and market opportunities. During July, 2002, a survey was conducted along the commercial streets of Coconut Grove. The surveys were conducted during both daytime and evening and in a number of locations including CocoWalk, the Shops at Mayfair, and in front of a variety of other retailers, restaurants and service businesses. Additional survey information is found in the Appendix.

Residence of Patrons

There are patrons of the Grove who live in other countries around the world as well as those living in this country. About one out of every ten (11%) of the patrons interviewed on the street maintained their permanent residence outside of the United States. Those nations represented by the patrons included Canada, Columbia, Brazil, Honduras, Chile, Guatemala, England, France, and Germany.

Many of the majority of residents living within the United State live in the Miami Area. A majority of 79% of the United States residents interviewed live within the Miami area..



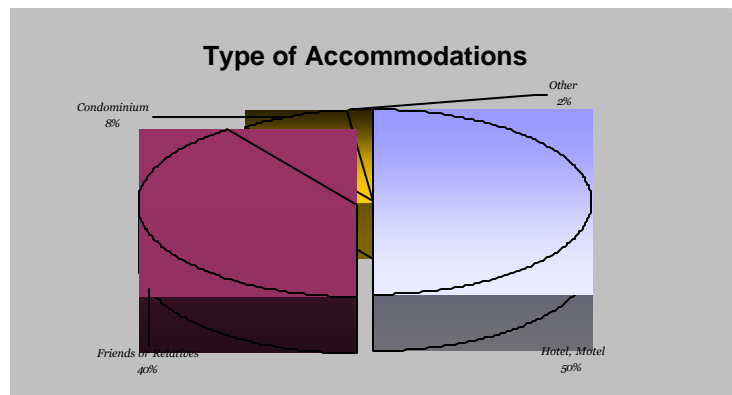
The following is additional information on patrons living outside of the Miami area.

- ✓ A majority of the respondents planned on being in the area for longer than a week. It is estimated that the visiting patrons stayed in the area for approximately 7.4 days.
- ✓ One-half of the visitors interviewed indicated that they were staying in either a hotel or motel, while 40% were staying with relatives or friends as shown below

Table 33 –Accommodations*

Accommodations	%
Hotel, Motel	50
Friends Or Relatives	40
Condominium	8
Other	2
Total	100

*Developed By The Chesapeake Group, Inc., 2002.



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- ✓ A significant majority (81%) of the visiting patrons had been to the Miami area on previous occasions.
- ✓ Almost one-half (46%) of the out of town patrons indicated that they traveled to the Miami area multiple times per year. Two-thirds (66%) visited the area at least once each year.

All interviewed patrons, both local residents and visitors, were asked if this was their first visit to the Coconut Grove area. Over eight out of ten of the respondents had been to the Grove before. About two-thirds (68%) of those patrons frequent the area at a rate of once each month or more. On an average, those patrons who had visited Coconut Grove prior to being surveyed frequented the area at a rate of approximately 9 times annually.

Attitudes & Opinions

Patrons were asked their opinions about elements of the Grove that they liked and disliked about the area. The six elements most often mentioned as desirable qualities are:

- The stores and shops, in particular the variety, quality and shopping hours.
- The atmosphere.
- Restaurants and outside cafes.
- The people, both residents and tourists.
- The pedestrian friendly character of the area, including the architecture and landscaping.
- Nightlife, including the clubs, bars, and street activity.

The area's characteristics that were liked least or disliked are:

- Parking problems, specifically the "shortage" of spaces and cost.
- Traffic.
- The climate (heat, humidity and rain).
- It is too crowded and congested.
- The litter and trash on the streets and sidewalks.
- The noise created by motorcycles.
- It is too commercialized.

Patrons identified the following business activity that they would like to see attracted to the area.

- More and better nightlife and entertainment facilities.
- Clubs for teenagers and young people.
- Arcades and games.
- More and better restaurants.
- Additional activities for families and children.
- Additional street performers and artists.
- New retail stores to fill in vacancies.

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Demographics & Lifestyles

The survey also provides data on the characteristics of the patrons and the market, particularly in terms of household size, age, education, and income.

Almost one-half (47%) of the households were comprised of three or four members. On the average, the respondent households consisted of 3.33 members.

Families with young children tend to have different spending patterns than families with older or no children. About two out of ten (19%) patrons reside in households with children the age of six or younger.

A significant percentage of the patrons are relatively young. About six in ten (59%) were under age thirty. About one in four (29%) are between thirty and fifty years old. Only 3% are sixty years of age or older.

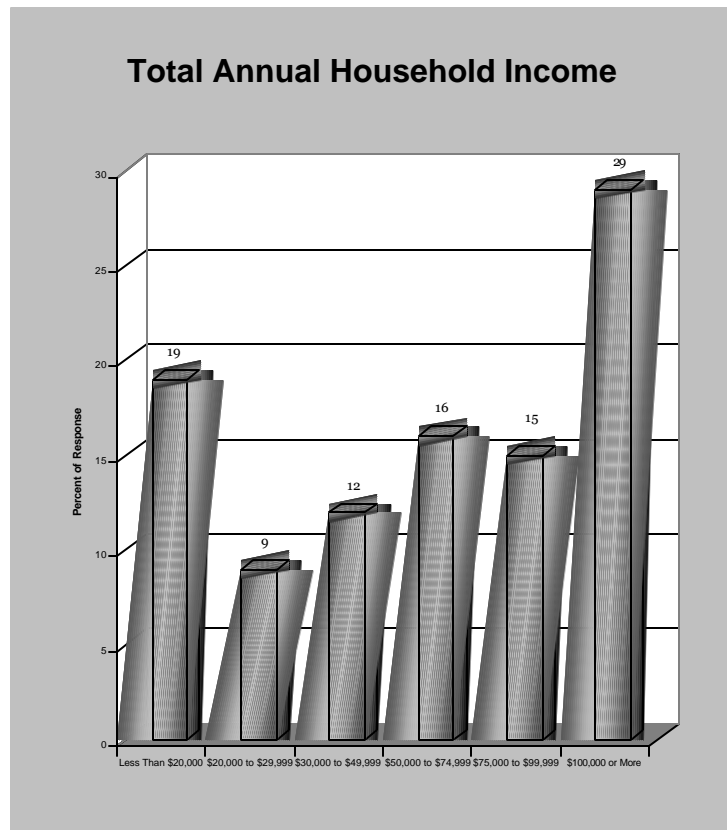
While some of the younger people interviewed may still be completing their education, the survey revealed that 44% of the respondents held a college degree, and another 23% had completed some college.

Income has the greatest impact upon a household's ability to purchase various goods and services. About one-fourth (28%) of the patrons reported household incomes of less than \$20,000 annually, while 44% reported annual incomes above \$75,000. The average patron household income is estimated to be about \$66,000.

Table 43 – Total Annual Household Income*

Income Category	%
Less Than \$20,000	19
\$20,000 To \$29,999	9
\$30,000 To \$49,999	12
\$50,000 To \$74,999	16
\$75,000 To \$99,999	15
\$100,000 Or More	29
Total	100

*Developed By The Chesapeake Group, Inc., 2002.



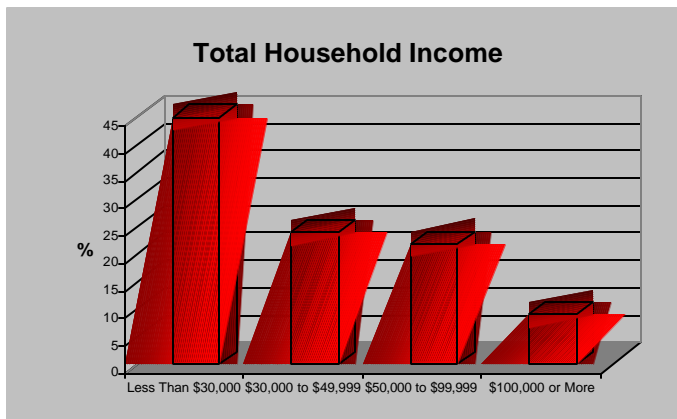
Telephone Survey

In an effort to obtain information on purchasing patterns for commercial activity and demographic information on targeted population groups within a large geographic area, a telephone survey of households in sections of Miami-Dade and Broward Counties was conducted. In total, in excess of 500 households is included in the sampling.

The following salient information was obtained.

Salient Demographic Information

- ✓ While any number of demographic factors impact demand, the two of greatest importance are the number of people in the household and the incomes. The average household surveyed consists of 2.22 people. In general, the households in Miami-Dade are smaller than those in Broward.



- ✓ The average household income is in excess of \$49,000 annually.
- ✓ The average in Broward exceeds the average in Miami-Dade. The average in Miami-Dade is estimated at \$45,460, while the Broward average is roughly \$53,000.
- ✓ Sections of Miami-Dade in and around the Grove and in the market have higher household incomes than in Miami-Dade in general. More than one-half (60%) of all households living in select areas associated with the Grove primary market have household incomes in excess of \$50,000

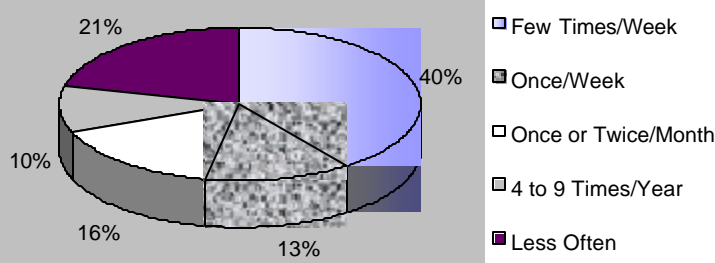
Select Spending Information

Irrespective of the household income, the majority of households spend their income and resources on three basic commodities. These commodities are food, transportation and housing. Retail spending is the driving force for commercial development, while spending on housing drives the residential market.

Food is primarily purchased either for preparation for home consumption or prepared for consumption at a food service establishment.

Between one-fourth to one-third of all households in the sample spend more than \$100 per week on groceries and related merchandise. However, the average household is estimated to spend generally about \$83.25 per week on groceries and related merchandise. It is noted that the per capita spending on groceries is above the national norm

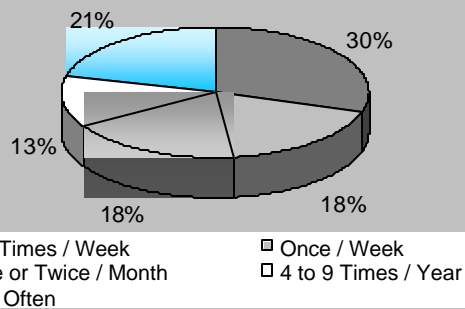
Frequency Lunch is Consumed Outside the Home



The frequency of both lunch and dinner trips as well as the types of establishments generally visited for lunch and dinner provide significant information on food spending and are of particular importance to the Grove, based on its history. About one-half (53%) of all households surveyed go out to eat lunch at a food service establishment at least once per week. The proportion is higher for Miami-Dade interviewees than for Broward interviewees.

Full-service restaurants are the preferred options for lunch for most of residents. This is atypical. Most often fast food operations will dominate lunch activity.

Frequency Dinner is Consumed Outside the Home



Lunch trips are generally split between those made during work and those not. It is noted that unless people work in or near their home, the capture of lunch trips associated with work are less likely than trips made for pleasure or non-work related activity. As would be anticipated, the proportion of the respondents going to eat dinner out with great frequency is lower than the proportion making such trips for lunch. Slightly less than one-half go out to dinner at least

once per week. Additional food spending is often associated with trips for evening entertainment. This is yet another area of particular importance to the Grove, based on its history and its current tenant mix. It is noted that about two in ten have someone in their household that goes to clubs to hear music, dance, etc. about twice per month or more often. Those living in Miami-Dade participate in this activity with greater frequency than those living in Broward County.

More respondents go to the movies with greater frequency than to clubs, etc. About four in ten go to the movies at least once or twice per month.

The proportion of renters associated with areas served by the Grove at present is less than 20%. For households living in areas currently served by the Grove, the average monthly spending on housing is estimated to about \$950, with about five in ten, or 50%, paying more than \$1,000 per month in mortgage or rent.

Demand Forecast

In an effort to define further opportunities and direction beyond those recruitment and expansion opportunities defined through the comparative assessment and those reinvestment opportunities defined through the survey of businesses, another type of economic analysis was performed. This analysis involves demand forecasting for retail and related services, housing, and office space, all fundamental to the economic structure of Coconut Grove. Demand for retail goods and services for any area is based on the market's ability to purchase goods and services. As previously defined, the primary sources, but not the only sources of information used to define spending patterns for retail and related services demand were the patron and telephone surveys. The following represents a review of demand for retail and related services activity as well as housing and office activity.

Market Areas & Retail Sales

There are essentially three potential market areas for goods and services associated with the Coconut Grove. These are:

- ✓ The primary market, composed of residents living in certain areas in or near the Grove as defined on the map that follows.
- ✓ The secondary market, composed of residents living in the remainder of Miami-Dade County.
- ✓ The tertiary market, consisting of residents residing elsewhere in the region, particularly areas of Broward County.

It is noted that employees of offices and other businesses are subsets of these three markets, generally with higher market penetration capabilities. It is also noted that all estimates of future activity exclude inflation.

It is also noted that for this analysis and from a policy perspective, visitor based revenues and sales are considered an added or additional source of revenues. No successful business should be premised upon such sales. This is particularly important since such sales are impacted by national and international conditions and circumstances well beyond local control.

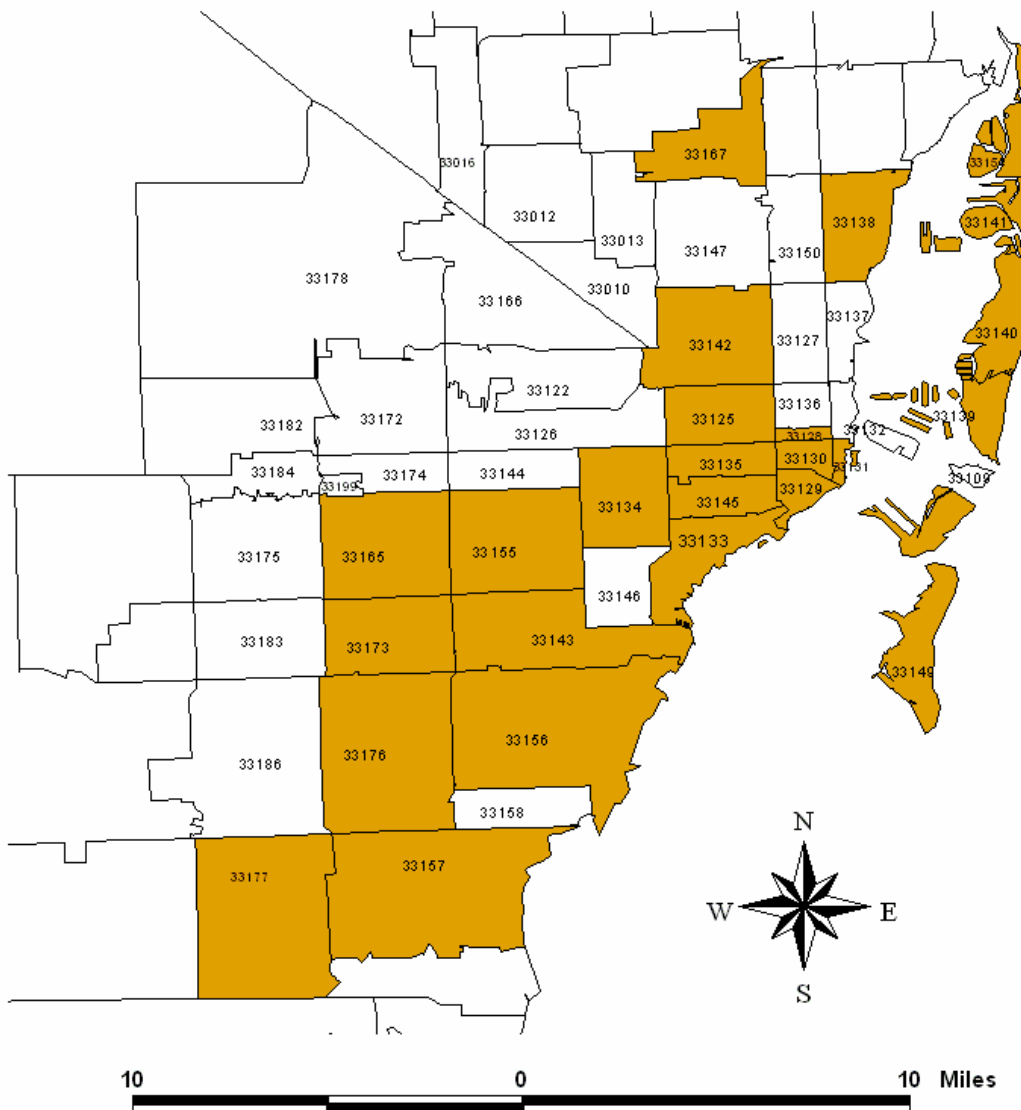
It is noted that regional sales, inclusive of Broward County, are very significant, estimated at \$55 billion for 2002. That level of sales makes it one of the largest regional markets in the country. Increases to more than \$61 billion are anticipated by 2010.

Table 59 – Estimated Region Sales for Select Years*

Category	2002	2005	2010
TOTAL	\$54,995,533,000	\$57,525,329,000	\$61,954,779,000

*Developed by The Chesapeake Group, Inc., 2002.

Coconut Grove Primary Market



 Market Area

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Retail goods and related services sales generated by primary market area residents are estimated at about \$3.7 billion in 2002. The primary market area sales are expected to increase to about \$4.15 billion by 2010, due primarily to increases in households and anticipated changes in average household income.

Aggregate retail sales figures represent a compilation of sales associated with ten major categories. The ten major categories of retail goods and related services are:

- ✓ Food, such as groceries and related merchandise generally purchased for home preparation or consumption.
- ✓ Eating and drinking, consisting of prepared food and beverages generally consumed on the premises or carried to another location.
- ✓ General merchandise, including variety stores, department stores and large value oriented retail operators.
- ✓ Furniture and accessories, including appliances and home furnishings.
- ✓ Transportation and utilities, including the sale of new and used automotive and other personal vehicles and parts and basic utilities for the home.
- ✓ Drugstores, including those specializing in health and beauty aids or pharmaceuticals.
- ✓ Apparel and accessories.
- ✓ Hardware and building materials, including traditional hardware stores and garden and home improvement centers.
- ✓ Auto services, including gasoline and vehicle repair.
- ✓ Miscellaneous, which includes a plethora of retail goods and services ranging from florists to paper goods.

Some operations fall into more than one category. For example, many of the general merchandisers associated with the “big box stores”, such as Wal*Mart, have added more or less traditional supermarket components to their operations.

Table 60 contains the estimated retail and related services sales generated by the primary market for the major categories for the years of 2002, 2005, and 2010.

Table 60 – Estimates of Retail & Related Services Sales for the Grove’s Primary*

Category	2002	2005	2010
Food	\$525,797,000	\$549,984,000	\$592,333,000
Eat/Drink	310,765,000	325,061,000	350,090,000
General Merchandise	298,246,000	311,966,000	335,987,000
Furniture	230,865,000	241,485,000	260,079,000
Transportation & Utilities	1,123,026,000	1,174,686,000	1,265,136,000
Drugstore	261,058,000	273,066,000	294,092,000
Apparel	211,718,000	221,457,000	238,509,000
Hardware	219,450,000	229,545,000	247,220,000
Vehicle Service	160,906,000	168,307,000	181,267,000
Miscellaneous	359,368,000	375,899,000	404,844,000
TOTAL	\$3,682,054,000	\$3,851,428,000	\$4,147,988,000

*Developed by The Chesapeake Group, Inc., 2002.

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Secondary market sales generated from residents of the remainder of Miami-Dade County are estimated to be roughly \$23.1 billion for 2002. Secondary market sales are expected to increase to about \$24.1 billion by 2005. An additional increase to about \$26 billion is expected by 2010 as shown in Table 61.

Table 61 – Estimated Retail & Related Services Sales for the Grove’s Secondary Market or the Remainder of Miami-Dade County*

Category	2002	2005	2010
Food	\$3,278,815,000	\$3,429,641,000	\$3,693,723,000
Eat/Drink	1,937,899,000	2,027,042,000	2,183,125,000
General Merchandise	1,859,832,000	1,945,384,000	2,095,179,000
Furniture	1,439,648,000	1,505,872,000	1,621,824,000
Transportation & Utilities	7,003,071,000	7,325,213,000	7,889,254,000
Drugstore	1,627,927,000	1,702,812,000	1,833,928,000
Apparel	1,320,251,000	1,380,983,000	1,487,318,000
Hardware	1,368,469,000	1,431,419,000	1,541,638,000
Vehicle Service	1,003,391,000	1,049,547,000	1,130,362,000
Miscellaneous	2,240,983,000	2,344,068,000	2,524,561,000
TOTAL	\$23,080,286,000	\$24,141,981,000	\$26,000,912,000

*Developed by The Chesapeake Group, Inc., 2002.

The tertiary market is larger than the primary and secondary markets combined and, once again, consists of residents of Broward County. The tertiary market generated sales are expected to grow from \$28.2 billion in 2002 to almost \$31.8 billion by the year 2010 as shown in Table 62.

Table 62 – Estimated Broward County or Tertiary Market Generated Retail & Related Services Sales*

Category	2002	2005	2010
Food	\$4,008,124,000	\$4,192,497,000	\$4,515,320,000
Eat/Drink	2,368,947,000	2,477,919,000	2,668,718,000
General Merchandise	2,273,516,000	2,378,097,000	2,561,211,000
Furniture	1,759,869,000	1,840,823,000	1,982,567,000
Transportation & Utilities	8,560,768,000	8,954,564,000	9,644,065,000
Drugstore	1,990,028,000	2,081,569,000	2,241,850,000
Apparel	1,613,915,000	1,688,155,000	1,818,143,000
Hardware	1,672,858,000	1,749,810,000	1,884,545,000
Vehicle Service	1,226,576,000	1,282,998,000	1,381,789,000
Miscellaneous	2,739,446,000	2,865,460,000	3,086,101,000
TOTAL	\$28,214,047,000	\$29,511,892,000	\$31,784,309,000

*Developed by The Chesapeake Group, Inc., 2002.

There are sub-categories, generally associated with particular types of businesses, found within each retail category. While not necessarily the largest in terms of sales, the miscellaneous category contains more sub-categories or types of establishments than any other major retail category. All information on the sub-categories for the primary, secondary, and tertiary markets are contained in tables found in the appendix. It is noted that irrespective of the strength, location factors, mass, or other issues, no community is able to attract all of the sales generated in a market. As examples, people employed often spend resources at or near their employment. At other times people make visits and spend money with relatives and friends living elsewhere or while on vacations.

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From a public policy perspective, growth opportunities are critical. By focusing on opportunities that result from growth and assuming reasonable competitive positions, no sales or revenues are extracted from existing operations to create or attract new business or businesses. Thus and theoretically, expansion of existing businesses or new businesses does not come at the expense of existing businesses.

Table 66, that follows, contains the estimated 2002 sales and the change in the total region's retail and related services sales from 2002 to 2010. As shown, sales in the next eight years are expected to increase by about 13% in constant dollar terms.

Table 66 - Change in Region's Retail & Related Services Sales*

Category	2002	2002-2010
Food	\$7,812,736,000	\$988,639,000
Eat/Drink	4,617,611,000	584,322,000
General Merchandise	4,431,594,000	560,783,000
Furniture	3,430,382,000	434,087,000
Transportation & Utilities	16,686,866,000	2,111,590,000
Drugstore	3,879,012,000	490,858,000
Apparel	3,145,885,000	398,087,000
Hardware	3,260,778,000	412,625,000
Vehicle Service	2,390,872,000	302,546,000
Miscellaneous	5,339,797,000	675,709,000
TOTAL	\$54,995,533,000	\$6,959,246,000

*Developed by The Chesapeake Group, Inc., 2002.

Table 67 defines the anticipated sales for 2002 and the change in sales for the period from 2002 to 2010 generated from the primary market for major categories.

Table 67 - Change in the Primary Market's Retail & Related Services Sales*

Category	2002	2002-2010
Food	\$525,797,000	\$66,535,000
Eat/Drink	310,765,000	39,325,000
General Merchandise	298,246,000	37,741,000
Furniture	230,865,000	29,214,000
Transportation & Utilities	1,123,026,000	142,110,000
Drugstore	261,058,000	33,035,000
Apparel	211,718,000	26,791,000
Hardware	219,450,000	27,770,000
Vehicle Service	160,906,000	20,361,000
Miscellaneous	359,368,000	45,475,000
TOTAL	\$3,701,199,000	\$468,357,000

*Developed by The Chesapeake Group, Inc., 2002.

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Secondary sales and revenue changes are found in the table that follows.

Table 68 - Change in Secondary Market Retail & Related Services Sales*

Category	2002	2002-2010
Food	\$3,278,815,000	\$414,908,000
Eat/Drink	1,937,899,000	245,226,000
General Merchandise	1,859,832,000	235,347,000
Furniture	1,439,648,000	182,176,000
Transportation & Utilities	7,003,071,000	886,183,000
Drugstore	1,627,927,000	206,001,000
Apparel	1,320,251,000	167,067,000
Hardware	1,368,469,000	173,169,000
Vehicle Service	1,003,391,000	126,971,000
Miscellaneous	2,240,983,000	283,579,000
TOTAL	\$23,080,286,000	\$2,920,627,000

*Developed by The Chesapeake Group, Inc., 2002.

The estimated change in the tertiary market sales and revenues is found in Table 69.

Table 69 - Change in Tertiary Market or Broward County Retail & Related Services Sales*

Category	2002	2002-2010
Food	\$4,008,124,000	\$507,196,000
Eat/Drink	2,368,947,000	299,771,000
General Merchandise	2,273,516,000	287,695,000
Furniture	1,759,869,000	222,697,000
Transportation & Utilities	8,560,768,000	1,083,297,000
Drugstore	1,990,028,000	251,822,000
Apparel	1,613,915,000	204,228,000
Hardware	1,672,858,000	211,687,000
Vehicle Service	1,226,576,000	155,213,000
Miscellaneous	2,739,446,000	346,655,000
TOTAL	\$28,214,047,000	\$3,570,261,000

*Developed by The Chesapeake Group, Inc., 2002.

Supportable Space

Retail sales and related services revenues are converted to supportable space through the application of sales or revenue productivity levels. A sales or revenue productivity level is the level of sales or revenues per square foot at which it is assumed that the business will generate sufficient revenue to cover all costs of operation as well as provide a reasonable return on investment for the ownership or operating entity.

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As might be expected, sales or revenue productivity levels vary, sometimes greatly, for each sub-category, type of business operation, or store-type. The productivity levels vary from very low figures for bowling centers to hundreds of dollars for other users. Supportable space is derived by dividing the amount of sales by a sales productivity level.

Table 73 contains the estimates of supportable square feet of space by category for the region for 2002, 2005, and 2010. It is noted that transportation and miscellaneous are by far the largest categories in terms of supportable space. This is one of the reasons for the significant amount of automotive activity seen throughout the region and for the large number of "regional" commercial collections or shopping centers and areas, as much of the miscellaneous space accounts for much of the space associated with these latter types of "shopper goods" oriented facilities. Furthermore, the combined and transportation and vehicle services categories represent about one-third of all supportable space.

Table 73 – Estimates of the Region Supportable Space (in Square Feet)*

Category	2002	2005	2010
Food	14,590,721	15,261,893	16,437,058
Eat/Drink	11,544,028	12,075,055	13,004,833
General Merchandise	14,455,444	15,120,391	16,284,664
Furniture	10,771,742	11,267,244	12,134,819
Transportation & Utilities	48,556,526	50,790,126	54,700,967
Drugstore	7,758,024	8,114,894	8,739,742
Apparel	9,789,115	10,239,413	11,027,848
Hardware	13,861,480	14,499,109	15,615,537
Vehicle Service	5,820,536	6,088,281	6,557,080
Miscellaneous	20,623,970	21,572,672	23,233,769
TOTAL	157,771,586	165,029,078	177,736,317

*Developed by The Chesapeake Group, Inc., 2002.

Table 74 contains the estimates of supportable square feet of space by category for the primary market for 2002, 2005, and 2010.

Table 74 – Estimated Supportable Space for the Primary Market (in Square Feet)*

Category	2002	2005	2010
Food	981,954	1,027,126	1,106,216
Eat/Drink	776,913	812,653	875,225
General Merchandise	972,851	1,017,605	1,095,957
Furniture	724,939	758,286	816,675
Transportation & Utilities	3,267,854	3,418,177	3,681,375
Drugstore	522,116	546,132	588,184
Apparel	658,808	689,112	742,173
Hardware	932,876	975,790	1,050,925
Vehicle Service	391,723	409,740	441,291
Miscellaneous	1,387,991	1,451,838	1,563,635
TOTAL	10,618,025	11,106,459	11,961,656

*Developed by The Chesapeake Group, Inc., 2002.

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Table 76 contains the category information on supportable space for the secondary market or the remainder of Miami-Dade County.

Table 76 – Estimated Supportable Space for the Secondary Market (in Square Feet)*

Category	2002	2005	2010
Food	6,123,370	6,405,046	6,898,234
Eat/Drink	4,844,748	5,067,605	5,457,813
General Merchandise	6,066,597	6,345,659	6,834,276
Furniture	4,520,637	4,728,588	5,092,688
Transportation & Utilities	20,377,990	21,315,379	22,956,662
Drugstore	3,255,854	3,405,624	3,667,856
Apparel	4,108,253	4,297,232	4,628,118
Hardware	5,817,325	6,084,924	6,553,461
Vehicle Service	2,442,738	2,555,104	2,751,846
Miscellaneous	8,655,378	9,053,526	9,750,647
TOTAL	66,212,890	69,258,687	74,591,601

*Developed by The Chesapeake Group, Inc., 2002.

Table 77 contains the category information on supportable space for the tertiary market or Broward County.

Table 77 – Estimated Supportable Space for the Tertiary Market (in Square Feet)*

Category	2002	2005	2010
Food	7,485,395	7,829,722	8,432,612
Eat/Drink	5,922,368	6,194,798	6,671,795
General Merchandise	7,415,995	7,757,129	8,354,429
Furniture	5,526,165	5,780,369	6,225,458
Transportation & Utilities	24,910,678	26,056,572	28,062,926
Drugstore	3,980,056	4,163,138	4,483,700
Apparel	5,022,052	5,253,067	5,657,554
Hardware	7,111,274	7,438,396	8,011,150
Vehicle Service	2,986,078	3,123,437	3,363,942
Miscellaneous	10,580,601	11,067,303	11,919,489
TOTAL	80,940,662	84,663,931	91,183,055

*Developed by The Chesapeake Group, Inc., 2002.

As with sales, growth in supportable space is critical to defining future opportunities. The primary market supports about 10.6 million square feet of space in total in 2002. Between 2002 and 2010, the amount of supportable space is expected to grow to about 12 million square feet.

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Table 80 contains the information on 2002 estimated supportable space and the change from 2002 to 2010 for each category for the total region. It is noted that about 20 million square feet of new space is supportable or could be added due to growth in the region between 2002 and 2010.

Table 81 contains the information on 2002 estimated supportable space and the change from 2002 to 2010 for each category for the Grove's primary market.

Table 80 – Estimated 2002 & Change in Regional Supportable Square Feet of Space for 2002 to 2010*

Category	2002	2002-2010
Food	14,590,721	1,846,339
Eat/Drink	11,544,028	1,460,805
General Merchandise	14,455,444	1,829,222
Furniture	10,771,742	1,363,078
Transportation & Utilities	48,556,526	6,144,441
Drugstore	7,758,024	981,716
Apparel	9,789,115	1,238,735
Hardware	13,861,480	1,754,057
Vehicle Service	5,820,536	736,543
Miscellaneous	20,623,970	2,609,798
TOTAL	157,771,586	19,964,734

*Developed by The Chesapeake Group, Inc., 2002.

Table 81 – Estimated 2002 & Change in the Primary Market's Supportable Square Feet of Space for 2002 to 2010*

Category	2002	2002-2010
Food	981,954	124,258
Eat/Drink	776,913	98,313
General Merchandise	972,851	123,107
Furniture	724,939	91,735
Transportation & Utilities	3,267,854	413,521
Drugstore	522,116	66,070
Apparel	658,808	83,364
Hardware	932,876	118,050
Vehicle Service	391,723	49,568
Miscellaneous	1,387,991	175,639
TOTAL	10,618,025	1,343,625

*Developed by The Chesapeake Group, Inc., 2002.

Table 81A – Estimated 2002 & Change in the Secondary Market's Supportable Square Feet of Space for 2002 to 2010*

Table 81A contains these estimates for the secondary market.

Category	2002	2002-2010
Food	6,123,370	774,865
Eat/Drink	4,844,748	613,065
General Merchandise	6,066,597	767,679
Furniture	4,520,637	572,051
Transportation & Utilities	20,377,990	2,578,673
Drugstore	3,255,854	412,002
Apparel	4,108,253	519,866
Hardware	5,817,325	736,137
Vehicle Service	2,442,738	309,109
Miscellaneous	8,655,378	1,095,270
TOTAL	66,212,890	8,378,717

*Developed by The Chesapeake Group, Inc., 2002.

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Table 84 – Estimated 2002 & Change in the Tertiary Market or Broward County's Supportable Square Feet of Space for 2002 to 2010*

Table 84 contains the information for the tertiary market.

As a synopsis, Table 85 contains the change in sales and space for the primary market, while Table 86 contains the same information for the secondary market.

Category	2002	2002-2010
Food	7,485,395	947,216
Eat/Drink	5,922,368	749,428
General Merchandise	7,415,995	938,433
Furniture	5,526,165	699,290
Transportation & Utilities	24,910,678	3,152,248
Drugstore	3,980,056	503,644
Apparel	5,022,052	635,500
Hardware	7,111,274	899,876
Vehicle Service	2,986,078	377,864
Miscellaneous	10,580,601	1,338,892
TOTAL	80,940,662	10,242,391

*Developed by The Chesapeake Group, Inc., 2002.

Table 85 - Sales and Supportable Space & Change in the Primary Market Sales & Supportable Space for 2002 to 2010*

Sub-category	2002 Sales	2002-2010 Sales	2002	2002-2010
Food	\$525,797,000	\$66,535,000	981,954	124,258
Eat/Drink	\$310,765,000	\$39,325,000	776,913	98,313
General Merchandise	\$298,246,000	\$37,741,000	972,851	123,107
Furniture	\$230,865,000	\$29,214,000	724,939	91,735
Transportation & Utilities	\$1,123,026,000	\$142,110,000	3,267,854	413,521
Drugstore	\$261,058,000	\$33,035,000	522,116	66,070
Apparel	\$211,718,000	\$26,791,000	658,808	83,364
Hardware	\$219,450,000	\$27,770,000	932,876	118,050
Vehicle Service	\$160,906,000	\$20,361,000	391,723	49,568
Miscellaneous	\$359,368,000	\$45,475,000	1,387,991	175,639
TOTAL	\$3,701,199,000	\$468,357,000	10,618,025	1,343,625

*Developed by The Chesapeake Group, Inc., 2002.

Table 86 - Sales and Supportable Space for 2002 & Change in Miami-Dade County Sales & Supportable Space for 2002 to 2010

Sub-category	2002 Sales	2002-2010 Sales	2002	2002-2010
Food	\$3,278,815,000	\$414,908,000	6,123,370	774,865
Eat/Drink	\$1,937,899,000	\$245,226,000	4,844,748	613,065
General Merchandise	\$1,859,832,000	\$235,347,000	6,066,597	767,679
Furniture	\$1,439,648,000	\$182,176,000	4,520,637	572,051
Transportation & Utilities	\$7,003,071,000	\$886,183,000	20,377,990	2,578,673
Drugstore	\$1,627,927,000	\$206,001,000	3,255,854	412,002
Apparel	\$1,320,251,000	\$167,067,000	4,108,253	519,866
Hardware	\$1,368,469,000	\$173,169,000	5,817,325	736,137
Vehicle Service	\$1,003,391,000	\$126,971,000	2,442,738	309,109
Miscellaneous	\$2,240,983,000	\$283,579,000	8,655,378	1,095,270
TOTAL	\$23,080,286,000	\$2,920,627,000	66,212,890	8,378,717

*Developed by The Chesapeake Group, Inc., 2002.

Implications from "Locally" Generated Retail Demand

The following are implications to the analysis of demand and growth in retail and related services demand generated by the primary, secondary, and tertiary markets.

- ✓ While the primary market will grow sufficiently to support an additional 1.3 million square feet of space between 2002 and 2010, only about 500,000 square feet of this new space is associated with "shoppers goods" oriented activity, generally found in regionally shopping areas and centers. Unfortunately, the amount of new space associated with new activity in Coral Gables already dwarfs these numbers. Thus, there is little opportunity for the Grove to capture this segment of the growth in demand.
- ✓ On the other hand, about 400,000 square feet of space is associated with non-vehicle oriented neighborhood serving retail and services of which the Grove has a reasonable probability of attracting a reasonable share of that growth.
- ✓ Market penetration in the secondary market is not substantial at this time as indicated by the telephone survey. By definition, few dollars and supportable space are likely to be captured by the Grove (or any other commercial area in a secondary market) for neighborhood convenience activity. Yet, capturing a 0.5% share of the new growth in the secondary market for "shoppers goods", where the growth will yield an additional 3 million square feet, could yield about 15,000 square feet of new space, potentially focused on additional restaurants.
- ✓ Growing competition, changes in demographics, and changes in use patterns make the prospect of capturing new commercial patronage on a regular basis from Broward County less probable than at any time in the past. The decline in Broward commercial patronage is likely to continue, not just for the Grove, but for Miami-Dade based commercial centers as more activity is developed in Broward and in counties to the north of Broward. Thus, focusing on the market is not likely to be "cost effective" either in terms of dollars or time.

Visitor Market Generated Commercial Demand

Consistent information on the ability of visitors to contribute to the economic base for the Grove is difficult to discern. Much of the available information seems either inconsistent or not reliable enough to be able to be used to make suggestions for additional or new business activity in the Grove based on sampling sizes or techniques.

However and irrespective of the reliability, the size of the potential visitor trade should be put in perspective and considered in the Grove's future. The Grove has served a non-resident base before, does at present, and is likely to continue to do so in the future. In addition, there are a number of significant hotel operations in the Grove, whose occupants represent a potential market.

The following information upon which TCG's estimates are made came from research and reports published or furnished by the Convention & Visitor's Bureau.

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According to the surveys performed for the Bureau:

- ✓ The visitors to South Florida, inclusive of Miami-Dade and Broward Counties, spend about \$211 per day on average.
- ✓ The visitors stay an average of about 6.25 days in South Florida.
- ✓ Total spending by the visitors to the area, both foreign and domestic, is estimated at \$13.9 billion.

To provide a perspective on this figure should it be accurate, it is roughly three times the size of the primary market generated annual sales and about one-half the size of the sales generated by all residents of Miami-Dade County.

A survey of visitors performed for the Bureau at the Miami International Airport and the Fort Lauderdale International Airport indicated that there are a number of "sites", areas, or "activities" generally visited when coming to South Florida. According to this information, Coconut Grove is visited by roughly 40% of all visitors to the area. Table 90 contains the list of destinations visited.

Table 90 - Visitation Destinations*

Area/Activity	%
Art Deco District/South Beach	71.8
The Beaches	70.2
Bayside Marketplace	52.6
Coconut Grove	40.0
Aventura Mall	33.7
Downtown Miami	29.8
Night Clubs	21.8
Lincoln Road	20.5
Coral Gables	16.2
Key Biscayne	10.9
Theaters	10.7
Museums	9.8
Bal Harbour Shops	9.0
Sawgrass Mills	8.1
International Mall	8.0
Dadeland Mall	7.9
Golf	7.2
Miami Seaquarium	6.5
Little Havana	6.2
One day/Casino Cruise	4.9
Water Sports/Activities	4.5
Miccosukee Reservation Casino	3.4
Mall of Americas	3.0
American Airline Arena	3.0
The Falls	2.8
Parks	2.6
Vizcaya	2.0
Dog/Horse Racing Track	1.8
Tennis	1.6
Everglades National Park	1.6
Mall at 163 rd Street	1.4
Miami Metrozoo	1.1

*Based on information obtained from the Convention & Visitors Bureau.

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Assuming that all visitors who come to South Florida visit the Grove for at least a few hours in a given day on their trip, a figure that The Chesapeake Group believes to be inflated; the following projections are made with respect to their potential contribution and impact on the Grove.

- ✓ Based upon the average length of the visitor trips and the average daily spending rate, it is estimated that visitors to South Florida spend \$2,221,590 per day.
- ✓ Assuming 40% then visit the Grove on one of the days, roughly \$888,636 could be spent on days when the Grove is included in trips.
- ✓ Assuming that the retail and related services spending represents about 40% of all visitor spending in a day, the potential maximum annual expenditure in the Grove would equal \$355,454,000. The total retail and related services sales are divided in the following manner or by specific category.

Table 91 - Maximum Visitor Sales*

Category	2002
Food	\$8,104,000
Eat/Drink	65,546,000
General Merchandise	35,901,000
Furniture	15,178,000
Transportation & Vehicle Services	123,947,000
Drugstore	25,202,000
Apparel	38,211,000
Hardware	3,412,000
Miscellaneous	39,953,000
TOTAL	\$355,454,000

Developed by The Chesapeake Group, Inc., 2002.

- ✓ The maximum potential visitor generated sales are roughly equal to 9.6% of the 2002 primary market sales and about three-fourths of the growth in sales anticipated in the primary market. The \$355 million is roughly equal to 1.5% of the remainder of Miami-Dade sales for 2002 and only 12% of the growth in sales anticipated, or 1.2% of the Broward sales in 2002 and about 10% of the anticipated growth.

Thus and while substantial, a successful penetration of the primary or secondary market is likely to yield a higher return than the maximum attraction of the visitor market sales and population.

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Housing Demand

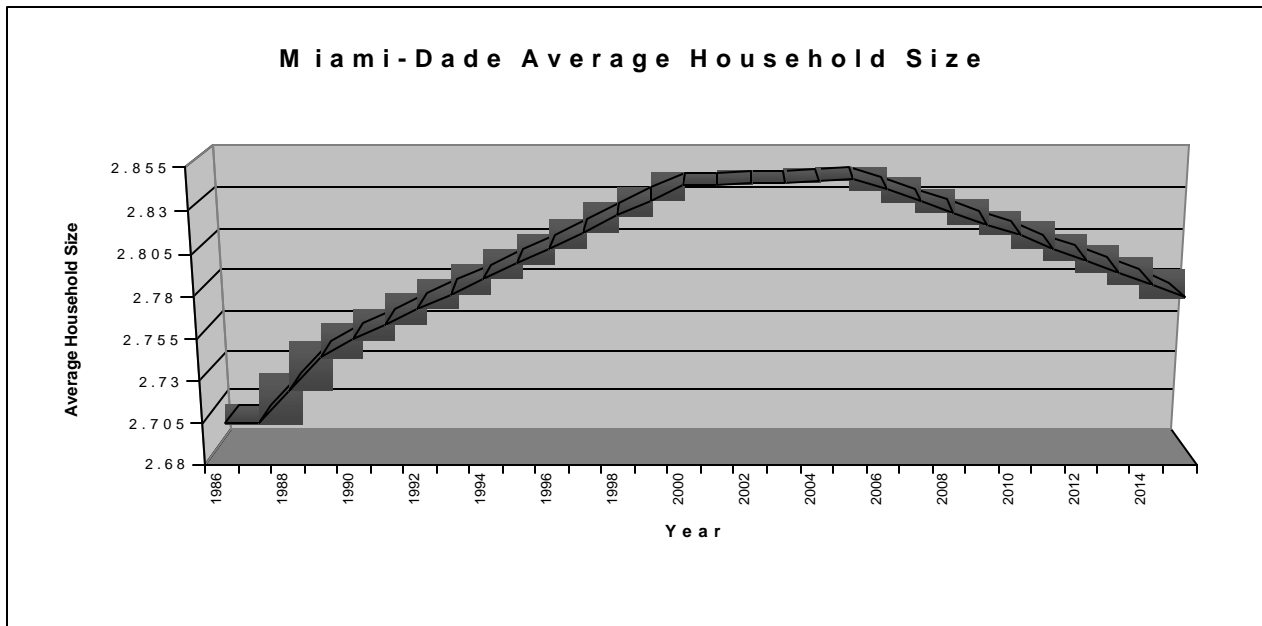
A significant part of the justification for increased retail sales associated with the primary and secondary markets is the increase in the number of households projected for Miami-Dade County well into the future. In fact, the increase in households is of particular importance because of demographic factors in Miami-Dade County that are likely to result in decreases in per household spending on retail and related services in general. For example, while the average household size has generally increased over the years in Miami-Dade County, declines in average household size are expected in the future. Decreases are expected from 2005 into the foreseeable future. By 2010, the number of people per household is expected to be below the 2000 level as found in Table 93.

Table 93 - Miami-Dade Average Household Size*

Year	1986	1987	1988	1989	1990
Avg Hhld Size	2.700	2.700	2.720	2.740	2.751
Year	1991	1992	1993	1994	1995
Avg Hhld Size	2.760	2.769	2.778	2.787	2.796
Year	1996	1997	1998	1999	2000
Avg. Hhld Size	2.805	2.814	2.824	2.833	2.842
Year	2001	2002	2003	2004	2005
Avg. Hhld Size	2.842	2.843	2.843	2.844	2.845
Year	2006	2007	2008	2009	2010
Avg. Hhld Size	2.839	2.832	2.826	2.819	2.813
Year	2011	2012	2013	2014	2015
Avg. Hhld Size	2.805	2.798	2.791	2.784	2.776

*Developed from data provided by the University of Florida, Bureau of Economic & Business Research.

The trends in the number of people per household is also found in the following illustration.



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Household growth, particularly in areas where there is not an abundance of vacant housing units, results in increased demand for housing and expansion of the number of housing units.

Housing demand is based on a variety of factors. Historical trends coupled with growth opportunities represent key factors. As with retail, consideration is given to both Miami-Dade and Broward Counties' trends and opportunities.

The number of households in Miami-Dade has grown and is expected to continue to grow into the foreseeable future. From 1990 to 2000, the number of households living in Miami-Dade is estimated to have grown from roughly 696,000 to 780,000. This represents an increase of roughly 84,000 households, or roughly 12%. This increase represents an increase of an average of 1.2% per year. Between 2002 and 2005, the number of households is expected to grow from roughly 800,000 to 831,000. This reflects an increase of about 3.8%, or a figure slightly above the average annual increase of 1.2% achieved during the last decade.

The number of households is expected to continue to grow beyond 2005, reaching about 894,000 by 2010. This reflects an increase of roughly 63,000 between 2005 and 2010, or an average annual increase during the 2005 to 2010 period of about 1.5%. Table 94 contains the information on the estimated number of households in Miami-Dade on an annual basis from 1986 through 2015.

Table 94 - Miami-Dade Area Household Number (in 000's)*

Year	1986	1987	1988	1989	1990
# of Households	656.776	667.415	675.663	685.123	696.053
Year	1991	1992	1993	1994	1995
# of Households	706.991	710.558	710.692	724.499	732.209
Year	1996	1997	1998	1999	2000
# of Households	741.731	750.085	757.319	767.831	779.588
Year	2001	2002	2003	2004	2005
# of Households	790.649	800.547	809.722	820.004	831.289
Year	2006	2007	2008	2009	2010
# of Households	844.631	857.473	869.829	882.077	894.453
Year	2011	2012	2013	2014	2015
# of Households	907.421	920.487	933.050	945.589	958.519

*Developed from data provided by the University of Florida, Bureau of Economic & Business Research.

The growth in households in Broward County is expected to exceed the growth in Miami-Dade County. From 1990 to 2000, the number of households in Broward County grew from about 532,000 to 657,000. The increase of about 125,000 represents an increase of 23%. The rate of growth was about twice that in Miami-Dade during the same time period and the actual growth was greater.

The number of households in Broward is expected to grow from about 683,000 to 804,000 between 2002 and 2010. The increase in households represents a total percentage increase of 18%. This represents an average increase annually of almost double the Miami-Dade increase. Table 95, found on the top of the next page, contains the total number of households for each year from 1986 through 2015.

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Table 95 - Broward Household Numbers (in 000's)*

Year	1986	1987	1988	1989	1990
# of Households	480.802	493.110	505.943	517.645	532.293
Year	1991	1992	1993	1994	1995
# of Households	544.190	553.723	566.713	579.498	592.432
Year	1996	1997	1998	1999	2000
# of Households	605.723	618.876	630.977	643.929	657.159
Year	2001	2002	2003	2004	2005
# of Households	668.340	683.438	695.591	711.854	725.273
Year	2006	2007	2008	2009	2010
# of Households	741.732	757.727	770.609	786.916	804.321
Year	2011	2012	2013	2014	2015
# of Households	821.544	838.296	851.303	868.028	885.207

*Developed from data provided by the University of Florida, Bureau of Economic & Business Research.

Single-family units represent the preponderance of housing units in both Miami-Dade and Broward Counties. Table 96 contains the estimates of the total number of housing units and the total number of single-family units in Miami-Dade County for each year from 1986 to 2000.

Table 96 - Miami-Dade Area Select Housing Stock Information (in 000's)*

Year	1986	1987	1988	1989	1990
Housing Stock	722.991	736.642	751.202	764.147	774.641
Single-family Units	702.166	713.462	725.901	736.684	744.770
Year	1991	1992	1993	1994	1995
Housing Stock	787.080	791.492	772.864	787.220	808.579
Single-family Units	755.619	761.851	747.585	764.386	786.992
Year	1996	1997	1998	1999	2000
Housing Stock	820.244	822.767	835.189	844.477	855.065
Single-family Units	799.772	803.406	817.031	827.448	839.009

*Developed from data provided by the University of Florida, Bureau of Economic & Business Research.

Table 97 contains similar information on Broward County.

Table 97 - Broward/Ft. Lauderdale Area Select Housing Stock Information (000's)*

Year	1986	1987	1988	1989	1990
Housing Stock	562.459	580.264	596.564	614.834	631.114
Single-family Units	533.096	549.872	565.664	582.731	597.506
Year	1991	1992	1993	1994	1995
Housing Stock	638.318	643.166	649.164	660.268	673.119
Single-family Units	605.144	610.875	617.484	628.956	642.293
Year	1996	1997	1998	1999	2000
Housing Stock	683.524	695.857	716.272	734.360	743.212
Single-family Units	653.459	666.199	687.080	705.892	715.520

*Developed from data provided by the University of Florida, Bureau of Economic & Business Research.

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It is noted that since 1990, the total number of new units for which permits were let in Broward County exceeded the number of permits let in Miami-Dade. With the exception of three years, the totals in Broward exceeded the totals in Miami-Dade for each year since 1990. The total number of permits issued for Broward and Miami-Dade for select years from 1990 to 2001 is found in Table 98.

Table 98 - Broward & Miami-Dade Total Housing Permits for Select Years*

Year	1990	1993	1994	1995	1996	1997	1998	1999	2000	2001
Broward Total	10,291	8,739	15,726	13,163	14,419	13,030	14,151	12,020	11,701	10,768
Miami-Dade Total	2,534	8,312	11,310	14,789	6,551	9,738	9,243	13,687	12,137	13,996

*Developed from data provided by the University of Florida, Bureau of Economic & Business Research.

However, there are significant differences between the two counties with regard to recent trends in the types of units being built that are of particular importance to Coconut Grove opportunities. Most importantly, Miami-Dade's production of multi-family units exceeded the Broward County production of multi-family units. There were only three years where Broward had a greater multi-family production than Miami-Dade. These years were 1990, 1996, and 1997. Table 99 contains the permit information on multi-family units for the select years from 1990 to 2001.

Table 99 - Broward & Miami-Dade Multi-Family Housing Permits for Selected Years*

Year	1990	1993	1994	1995	1996	1997	1998	1999	2000	2001
Broward Multi-Family Units	5,157	2,024	5,061	4,693	4,835	5,549	5,354	3,449	2,559	2,492
Miami-Dade Multi-Family	1,599	2,797	5,231	7,425	2,749	4,592	5,556	7,018	6,145	7,168

*Developed from data provided by the University of Florida, Bureau of Economic & Business Research.

The proportion of multi-family units in Miami-Dade has been running above 50% since 1998. There is likely to be a number of reasons for both the number and the proportional increases in multi-family units in Miami-Dade County. Included are development patterns and restrictions that have made available "virgin" land in shorter supply and the higher costs associated with the Miami-Dade land.

Table 100 contains the single-family, multi-family, and total housing units for the selected years from 1990 to 2001 for both Miami-Dade and Broward Counties.

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Table 100 - Broward & Miami-Dade Single-Family, Multi-Family & Total Housing Permits for Selected Years*

Year	1990	1993	1994	1995	1996	1997	1998	1999	2000	2001
Broward Total	10,291	8,739	15,726	13,163	14,419	13,030	14,151	12,020	11,701	10,768
Single-Family Units	5,134	6,715	10,665	8,470	9,584	7,481	8,797	8,571	9,142	8,276
Multi-Family Units	5,157	2,024	5,061	4,693	4,835	5,549	5,354	3,449	2,559	2,492
Miami-Dade Total	2,534	8,312	11,310	14,789	6,551	9,738	9,243	13,687	12,137	13,996
Single-Family Units	935	5,515	6,079	7,364	3,802	5,146	3,687	6,669	5,992	6,828
Multi-Family Units	1,599	2,797	5,231	7,425	2,749	4,592	5,556	7,018	6,145	7,168

*Developed from data provided by the University of Florida, Bureau of Economic & Business Research.

There is no reason to believe that the trends with respect to multi-family units in Miami-Dade County will diminish in the foreseeable future. Thus, the number of new multi-family units added to the inventory or permitted each year is expected to exceed 5,000. Thus, in total at least 40,000 additional multi-family housing units will be added to the Miami-Dade inventory between 2002 and 2010.

Housing Development Opportunities

As previously noted, the housing market has been and continues to be viable in the immediate Coconut Grove area and primary market, reflected in the quality of the neighborhoods. Furthermore, within the central core of the Grove, housing growth has occurred and unit viability has been maintained.

Based on the growth and the general character of the Coconut Grove primary market and immediate vicinity, there is a reasonable probability that Coconut Grove could capture at least a 5% market share of the new anticipated units. Thus, over the next eight years, 2,000 new multi-family housing units would be marketable. (No intent is made to assess the physical capacity to handle the number of marketable units.)

It is noted that a particular market niche not well served at this time are reasonably priced multi-family units in this area, with most of the current units being significant from an expense perspective. Should the Grove be able to establish a niche in the affordability range, the number of units absorbable, from only a market perspective, would likely be double the 2,000 indicated total.

Office Space Demand

The third major opportunity for the Grove rests in the potential for office activity. In an effort to understand opportunities, current conditions within Miami-Dade County are reviewed as well as the relative situation and conditions in Coconut Grove. The data on current conditions associated with this office component of the demand forecast came, to a large extent, from Cushman & Wakefield Research Services Department.

There is an estimated 39.745 million square feet of office space in Miami-Dade County in areas tracked by Cushman & Wakefield. That space is located in 13 areas, with the CBD divided into two sections. It is noted that included in these select areas where office activity is concentrated is Coconut Grove and many of the other communities associate with the “primary market” as defined for retail and related services. It is also noted that the inventory reported is a total of Class A, B, and C space, excluding owner-occupied or single-tenant structures and office condominium. Also excluded is office activity found scattered and inter-mixed in buildings and space built for retail or other purposes.

The 39.7 million square feet of space is found in 441 buildings. The tracking in Coconut Grove includes 9 buildings, containing roughly 842,000 square feet of space. The amount of space tracked in the Grove represents about 2% of the total office space tracked in the 13 areas. It is also noted that the Grove has a lesser number of buildings than any of the other 13 areas and has the second lowest amount of square feet.

Table 101 – Tracked Office Space in Miami-Dade County*

Area	Square Feet	# of Buildings
CBD	11,651,758	55
Brickell Avenue	5,222,497	28
Downtown	6,429,261	27
Coral Gables	4,389,593	44
Airport/Dade West	9,414,189	110
Coral Way	580,711	14
Kendall/South Dade	3,986,627	52
Northeast Dade	1,887,235	34
Biscayne Corridor	1,596,432	26
Miami Lakes	1,455,600	34
Coconut Grove	841,572	9
S. Miami/S. Gables	1,410,224	25
Airport East/Central Dade	1,002,500	12
Miami Beach	1,528,460	26
Total	39,744,901	441

*Information from Cushman & Wakefield Research Services Department, December, 2001.

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The average size office building tracked in Miami-Dade County is estimated at just over 90,000 square feet. It is noted that the average sized building in Coconut Grove tracked is roughly 93,500 square feet, or very close to the overall average.

Table 102 – Tracked Office Space in Miami-Dade County*

Area	Square Feet	# of Bldgs.	Square Feet/Bldg.
CBD	11,651,758	55	211,850
Brickell Avenue	5,222,497	28	186,518
Downtown	6,429,261	27	238,121
Coral Gables	4,389,593	44	99,763
Airport/Dade West	9,414,189	110	85,584
Coral Way	580,711	14	41,479
Kendall/South Dade	3,986,627	52	76,666
Northeast Dade	1,887,235	34	55,507
Biscayne Corridor	1,596,432	26	61,401
Miami Lakes	1,455,600	34	42,812
Coconut Grove	841,572	9	93,508
S. Miami/S. Gables	1,410,224	25	56,409
Airport East/Central Dade	1,002,500	12	83,542
Miami Beach	1,528,460	26	58,787
Total	39,744,901	441	90,124

*Developed by The Chesapeake Group, Inc., 2002. Based on information from Cushman & Wakefield Research Services Department, December, 2001.

Vacancy rates last year rose above vacancy rates in the equivalent quarters, with a similar but unconfirmed pattern in 2002 (the last quarter is not yet finished at the time of the analysis). As shown in Table 103, the average vacancy rate rose by 50%. However and most importantly, the following is true for the Grove and its relative relationships.

- ✓ While the average vacancy rate rose slightly faster than the norm, it continues to be substantially below the norm.
- ✓ Of the 14 target areas, the Grove had the lowest vacancy rate of any.
- ✓ The South Miami/South Gables area showed a decline in their vacancy rate from the last or final quarter of one year to the next.
- ✓ Unlike the Grove, some areas had a positive net absorption rate in the fourth quarter from one year to the next. Included in these areas are Kendall/South Dade and the South Miami/South Gables areas.
- ✓ There was a total of 1.7 million new square feet of space under construction at the end of 2001. It is noted that substantial amounts of that space were within the “primary market” for the Grove and significant proportions were in Brickell and Coral Gables, two communities or areas in close proximity.

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Table 103 – Tracked Office Space in Miami-Dade County*

Area	Vac rate 4 th Q 01	Vac Rate 4 th Q 00	Net Absorption/ Sq. ft.	Under Construct./ Sq. ft. 4 th Q 01
CBD	14.4%	11.2%	(215,278)	485,000
Brickell Avenue	12.3%	8.3%	(90,703)	485,000
Downtown	16.1%	13.4%	(124,575)	0
Coral Gables	14.1%	7.4%	(16,430)	433,687
Airport/Dade West	21.1%	12.7%	(98,831)	212,000
Coral Way	6.9%	6.5%	423	0
Kendall/South Dade	8.2%	5.9%	76,937	0
Northeast Dade	15.6%	14.0%	(30,924)	263,839
Biscayne Corridor	19.7%	12.2%	(114,576)	0
Miami Lakes	16.6%	12.4%	(51,419)	75,670
Coconut Grove	6.4%	3.1%	(25,478)	0
S. Miami/S. Gables	7.7%	10.1%	40,302	0
Airport East/Central Dade	29.6%	26.7%	4,760	0
Miami Beach	25.3%	9.2%	(135,761)	264,000
Total	16.0%	10.9%	(566,275)	1,734,196

*Information from Cushman & Wakefield Research Services Department, December, 2001.

With an anticipated increase of about 94,000 households in Miami-Dade County through 2010 and an average employment for these households of roughly 1.2 people per household, the County would need to absorb an additional 112,680 employees.

Based on 2000 census employment patterns, estimates of office demand can be made. The estimates assume:

- ✓ About 35% of all employment will be in activity that generates office space.
- ✓ About 10% of the household employment will be associated with replacement of the current work force over the next eight years from retirements, migration, and other factors.
- ✓ About 250 square feet of office space is associated with each employee.

Miami-Dade will need to generate about 8.874 million square feet of space to absorb about 35,500 additional office workers between 2002 and 2010. This amounts to an average absorption of roughly 1.109 million square feet of new space per year, or a figure below that currently being produced.

As defined, Coconut Grove currently contains about 2% of the county market in multi-tenant office structures. Capturing 2% of the growth would allow for simply maintenance of market share and would result in the development of an additional 177,000 square feet of office space between 2002 and 2010.

However and as defined in the text associated with the analysis of competitive areas, increased office development has been the key to success in a number of the viable commercial centers or “competitors”, including S. Miami, Coral Gables, and Las Olas. Raising the capture rate of new space to 5%, a very realistic figure based on the central location of the Grove in the defined primary market, would elevate the potential capturable, marketable office space to about 444,000 additional square feet of space.

Conclusions with Respect to Marketability

The following are general conclusions with respect to key opportunities defined through the demand forecast.

- ✓ Through the “comparative assessment”, it was indicated that “gap” opportunities in the market exists for neighborhood serving convenience retail and related services activity. The demand forecast is consistent with these findings. About 400,000 square feet of space is associated with non-vehicle oriented neighborhood serving retail and services, of which the Grove has a reasonable probability of attracting a reasonable share of that growth.
- ✓ Market penetration in the secondary retail market is not substantial at this time, meaning few dollars and supportable space are likely to be captured by the Grove (or any other commercial area in a secondary market) for neighborhood convenience activity. Yet, capturing a 0.5% share of the new growth in the secondary market for “shoppers goods” could yield about 15,000 square feet of new space potentially focused on additional restaurants.
- ✓ Over the next eight years, 2,000 new multi-family housing units would be marketable. Should the Grove be able to establish a niche in the affordability range, the number of units absorbable, from only a market perspective, would likely be double the 2,000 indicated total. (No intent is made to assess the physical capacity to handle the number of marketable units.)
- ✓ From a multi-tenant office space perspective, the Grove has a lesser number of buildings than any of 13 other areas where office space is concentrated in Miami-Dade County and has the second lowest number of square footage. Capturing 2% of the growth, allowing for simply maintenance of market share, would result in the development of an additional 177,000 square feet of office space between 2002 and 2010. However and as defined, increased multi-tenant office development has been the key to success in a number of the viable commercial centers or “competitors”, including S. Miami, Coral Gables, and Las Olas. Raising the multi-tenant capture rate of new space to 5%, a very realistic figure based on the central location of the Grove in the defined primary market, would elevate the potential capturable, marketable multi-tenant office space to about 444,000 additional square feet.

Implementation Suggestions

The market analysis indicates that adding additional office and residential space and activity in the Grove's core area, within the constraints of zoning, is paramount to enhancing commercial and general viability. So too is increased marketing that will help to bolster sales and revenue for the existing businesses and make possible future activity. Neither or both are likely to happen without not only consistent dialogue between interests and factions in the Grove, but through significant levels of coordination, financial contribution, and cooperation by Grove interests.

It is also noted that there is an opportunity to further strengthen the core of the Grove by shoring up and increasing the "neighborhood" and "community" serving retail and related services function, and that growth in demand is sufficient to support a potential "Caribbean" market having a strong food component. These latter two elements, along with the ability and need to bolster the market through housing and office space, has significant implications to the east and west sections of Grand Avenue. The marketable activity provides the opportunity for modest scale redevelopment of appropriate sites along Grand that would be mixed-use in nature.

It is noted that it is not the purview of this effort to address physical components of the Grove, whether they be development of key parcels, streetscape improvements, park improvements, parking, or other infrastructure. The focus is upon developing non-physical program components that can have an immediate or near-term impact on sales and revenues within the current Grove and provide definition for the means by which this activity can be achieved.

In focusing on the latter elements, there are two approaches that can be taken. One is to address and strengthen individual market or demand components, or strengthen individual economic components, such as retail, restaurant, and hotels, as individual functions, in an effective, cost efficient coordinated fashion. This is the approach taken in this implementation strategy.

Thus, there are many concepts, particularly with respect to marketing efforts, that are put forth. Most of these concepts need further definition that would come as first steps in implementation. The strategies and methods described in this document are short-term "business stimulation concepts" for the existing hotels, stores, restaurants and entertainment destinations. Many "events" are proposed to strengthen the existing business revenue. It is unlikely that all can be achieved. Thus, not all of the indicated activity is likely to reach fruition, but enough concepts are provided from which choices can be made or further detailing can be done. As the market evolves, the marketing themes can adapt or evolve to reflect the new directions.

In addition and as noted, coordination is key to the success of the program and something that is lacking in the Grove at present on a broad basis. The 63 suggestions made within this strategy include the basic definition for the creation or evolution of a coordinating partnership entity, including likely budgetary needs of the entity to address non-physical efforts.

The current primary demographic group visiting the Grove is males and females 18 to 54 years old, with a secondary market of males and females 55 or older. From a marketing prospective, it is recommended that **(1) the primary target audience be the 25 to 54 age group**. This market represents a larger purchasing power with an upwardly mobile lifestyle.

There are essentially five marketing methodologies, whether they are related to business or developer recruitment, increased market penetration, or expanding sales or revenues through attracting more dollars from existing patrons. These are:

- A. Public Relations. Creating newsworthy information sent to the editorial departments of publications and electronic media for reporting. (There is no guarantee of the media's use. However, when used, it carries the authority of an editor's evaluation that it is important.)
- B. Direct Marketing. Directly contacting decision makers and potential customers with an individualized message, using mailing lists, memberships, associations via mail, internet e-mail, faxes, etc.
- C. Special Events. Inviting special interest groups to "presentations" and "events" that in some way highlighting individual businesses, the community's benefits and assets, or just getting people use to coming to an area for a certain purpose or purposes.
- D. Cooperative Ventures. Public and private partnerships, non-competitive companies and groups, sharing the same "common interest" and benefit, by dividing the marketing responsibilities and expenses.
- E. Advertising. Media planning, placement, and creative production combine to achieve the marketing goals. These paid messages are "guaranteed" exposure and "calls to action".

In all cases, collateral materials, such as brochures, newsletters, presentation packages, direct mailers, banners, web pages, and other materials produced to facilitate the promotion to potential developers, the markets, and the media are required.

The following suggestions employ the above to one degree or another and are created to help individual merchants attract new customers, extract more dollars from existing customers, and retain current customers; recruit a partner development interest; or support other activity.

Use of Existing Assets

As previously identified in the review of issues, the Grove has many assets that are underutilized. These include, but are not limited to the parks, the theater, and the waterfront. The following are general recommendations with respect to each of those elements. It is noted that these elements are linked together through promotional efforts further in this strategy.

One of the underutilized assets is **Peacock Park**. For Peacock Park it is suggested that:

- ✓ **(2) Major non-local oriented events should be limited; or the focus of activity should be on smaller, neighborhood oriented events. Programming use should be year-round and 300 or more days per year.**

- ✓ (3) A regular farmers' market be established (once per week).
- ✓ (4) A regular "flower mart", like a farmers' market, be established (few times per month).
- ✓ (5) Outdoor volleyball and other tournaments be played in the park.
- ✓ (6) The glass house should be utilized for community events, recreation, and potentially the relocation of the NET and Chamber offices.
- ✓ (7) A continual program of music and cultural activities (jazz, student music) be established.
- ✓ (8) Outdoor "movies in the park nights" be established.
- ✓ (9) Family-oriented, daytime activities and program be developed.

It is noted that some of the above activity may require temporary seating and equipment, such as sports or play equipment for children; while others might involve permanent or structural modifications to the physical setting, such as additional lighting, an amphitheater, electrical enhancement, plantings, historical exhibits, and gazebos. Once again, such physical enhancement is not the purview of this effort. **It is noted that (10) the funding of some improvements could become an "event" or "activity"**, much like Disney's walkways in Orlando. **This could include "Planting a Grove" (of Coconut trees) in Peacock Park.**

A second park in the Grove is **the Barnacle**. Important to the Grove for several reasons, including its link to the history of the entire area, the Barnacle is yet another underutilized asset. For the Barnacle, it is suggested that promotion and use be increased:

- ✓ (11) **By linking visitation to other to be presented historic oriented activities.**
- ✓ (12) **By having historical reenactments coupled with historic quality displays.**

It is noted that the latter may require physical modifications, such as signage that tells the story of the founding and creation of a temporary or permanent small space museum.

There are two types of theaters in Coconut Grove at present. One type is designed for "legitimate" theater, while the other type is designed for movies. The former has been a primary attraction in the Grove for many years. To facilitate the further use of **the Playhouse**:

- ✓ (13) **Expansion plans should be expedited.**
- ✓ (14) **The number of productions should be expanded.**
- ✓ (15) **Through productions and event venue, the audience needs to be expanded to include some of the larger market groups, including but not limited to the Hispanic audience.**

The latter or the movie screens have attracted a much desired youth market. However, the AMC theaters at Cocowalk have begun to show art and independent films. It is suggested that:

- ✓ **(16) The latter venue be expanded to add more art and foreign films.**
- ✓ **(17) International screens showing solely Spanish, Italian, French and Portuguese films be established.**

The waterfront is an asset that, as previously defined, is felt to be “so close yet so far away”. The described expanded parks’ activity will help to **bring the waterfront to the interior**. On the other hand, additional activity is essential to capture the essence and potential of the waterfront. Additional non-physical suggestions to bridge the gap include:

- ✓ **(18) A trolley or transit shuttle to and from the waterfront, parks and other areas of the Grove on at least days where there are events at the parks or along the waterfront at the Exhibit Hall.** (Such a trolley could be linked to other areas outside the core of the Grove as well. It might include a shuttle loop between the 27th Ave Station, Dinner Key, the commercial core, Douglas Road, Merrick Park, and the Douglas Road Transit Station.)
- ✓ **(19) Increasing the use of the Coconut Grove Exhibition Center. Ethnic festivals,** effectively used as a tool to spur activity and redevelopment of Baltimore, Milwaukee and other cities’ waterfronts could be one of two focuses for events in the currently underutilized asset. A second option would be **youth oriented recreation events** held inside the facility. “Extreme Fun in the Grove” (extreme for “extreme sports”) could be held “Rain or Shine in the Hanger”. The activities associated with such an event could include Bounce Houses, Super Slides, Rock Climbing Walls, Trampolines as well as competitions and demonstrations in track, gymnastics, aerobics, Karate, Akido, etc. It is noted that the equipment for these latter events is rented and is portable or non-permanent, inclusive of realistic rock climbing walls that are 25 feet in height that would work well in the Exhibit Hall’s expanses. The intended primary youth audience would assist with creating an “affinity” for the Grove that would reap rewards not just at present, but well into the future.
- ✓ **(20) Promoting the use and availability of the waterfront parking** in the Diner Key area, through publicity, signage, possible trolley link, parking validation, etc.



- ✓ **(21) Exploring the feasibility of a water taxi and enhanced use for bay tours.**

It is noted that other activities to bring the waterfront to the central area are found under “Cooperative Efforts” and elsewhere in this strategy. It is also noted that the enhancement of physical and visual linkages would be appropriate as well, but, once again, are not addressed in this effort.

Retail & Related Services

As defined previously, one of the primary issues associated with the Grove is the actual and perceived decline in retail and related service activity or in the penetration of the markets for such activity. The “local” market has also previously been defined as the primary market for such activity into the foreseeable future.

There are **two primary tools that are suggested that can result in a reasonably quick turnaround in sales and revenues if effectively administered.** (22) **The first is associated with events geared toward “putting greater dollars in the cash register” not just in bringing people to the parks or the Grove in general.** (23) **The second is to create a catalytic, unique project along Grand Avenue west of the current commercial focus of Cocowalk.**

The results of interviews, forums, focus groups, and the survey of businesses indicate that few of the current merchants feel any direct benefit from the well-established Grove events, such as the Arts Festival. They seek events and activities that can increase their sales directly at the time of the event. It is important to note that **through proper coordination or management, events or activities oriented toward generating sales can be held simultaneously with events and activities intended simply to bring people into the area. They need not be nor are they mutually exclusive.**

The following events are intended to help spur retail and related services sales, by impacting directly existing “anchor” retail or service activity in the area. It should be noted that most of these events have been effective in other commercial areas throughout the country, or they were once effective in the Grove. In some cases, events are not effective or have not worked well in the past because of a lack of cooperation, effective marketing, or other reasons that can be corrected through enhanced “management”. In other cases, events are held once and never repeated. (Events, like advertising, need a commitment that extends beyond a “one shot deal”. The preferred option for coordination will be presented at a latter point in this strategy as well.)

The ideas offered for event activities that follow below can be adapted by any single business or a collection of businesses. The more participants, the greater the benefits to the patrons and businesses. The events are oriented toward the local market by expanding the base of “regulars” or promoting or encouraging loyalty to the Grove activity. Either should or will result in increased sales and revenues.

- **(24) A “New” Taste of The Grove - Prix Fixe Progressive Dinners**

Area residents will all enjoy “sampling” the many wonderful eateries that exist in the Grove and grow to understand the variety and options offered. Provided with a listing (booklet) of the participating restaurants and their “prix fixe” menu selections, each participating restaurant would have a selection of appetizers, soups/salads, entrees and desserts so diners can select which restaurant to visit for each course.

This monthly or quarterly event can be published in local Grove oriented papers, with a number to call for a mailing of the menu and participating restaurants. The entire listing and menu selection can be posted on a website(s) or mailed to e mail addresses of "local" residents. (This latter option is very inexpensive and is effectively utilized by the North Beach Development Corporation of Miami Beach.)

It is noted that by building into the activity and other suggested programs an identified "users code", a high-quality marketing data base for other promotions and evaluation of the participants demographics can be achieved.

▪ **(25) History's Hearty Helpings! – Weekend Lunch/Brunch**

Combining education and entertainment, historically themed Lunch/Brunch programs can include storytelling of Coconut Grove's and South Florida's history with the leadership and direction of the South Florida Historical Society, the Barnacle staff, and others. There are several local historians that are available for lectures, seminars and walking tours including, but not limited to Dr. Paul George and Arva Moore Parks. There is also the The Florida Storytelling Association, the Miami Storytellers Guild and the Black Archives History and Research Foundation that could be of help as well.

▪ **(26) Sunday Afternoons In The Grove**

Creating a walking Promenade that circles from Kennedy Park (park and pick up map), to the Marina (with an escorted tour of the docks), around Peacock Park (entertainment as previously defined), to the "Five Corners" at Main & McFarlane (with the placement of jugglers, mimes, storytelling, or massage), on to Main (with entertainment in Fuddrucker's Courtyard), turning on Commodore (closed to traffic 2-6 PM, with more entertainment and performances), going to the Post Office Parking Lot (empty on Sundays, with an outdoor Bohemian market), turning east on Grand, continuing to Mary, turning right to Bayshore and stopping at one of the four large hotels for "High Tea" is workable. In between entertainment venues, a sidewalk sale could be incorporated.

The next set of activities represents a campaign to benefit repeat restaurant or retail customers.

▪ **(27) Peacock's Pioneers**

"Peacock's Pioneers" activity could include a "Treasure Map" or "Passport" document with each participating restaurant, store, or other businesses' located and identified. As the customer visits and purchases at each establishment, the map is "stamped", validating the visit. When the map is completely validated or has a defined number of validations, the rewards are made available. They may include but not be limited to:

1. Free Lunch/Dinner for Two
2. Gift Certificates
3. Theatre Tickets
4. Hotel Rooms, Spa Use
5. Other Merchandise

▪ **(28) Grove Gourmands or Gourmet Grovites**

Similar to a “frequent flyer” program, the frequent lunch customer can be rewarded for going to the same or several of the participating restaurants. Eight or nine lunches earns a 9th or 10th free in the same month (or other similar reward). This is based upon twice a week lunch at participating restaurants within the same month.

▪ **(29) Finally FriedDays! - Friday Happy Hour**

A generic end to the workweek celebration. Possibilities include “My brain is fried by FriedDay.” - “I need my favorite fried foods” including conch fritters, squid, nachos, steak fries, fried onion rings, etc., as well as some special FriedDays cocktails concocted by the participating bartenders.

The configuration of the Grove spaces provides the opportunities to create small but effective activities that can make every visit to the Grove different. Strategically planned for an on-going marketing campaign, activities could include education, entertainment and incentives as the magnetic drawing cards. Bringing a small or large number of new and current customers together at one time, the events serve as an invitation to experience the food and fun “in the Grove”. Importantly, they orient a potential new customer base to the Grove by “penetrating” constituents of area-wide institutions.

There are several small to medium sized areas scattered throughout The Grove, including but not limited to:

The Tree At Douglas and Grand
Streets of Mayfair’s Terrace
Haagen Daz and Starbucks recessed front entrances
Cocowalk’s Center Court
Paulo Luigi’s Side Courtyard Area
St Stephens Front & Side Grounds
Fuddrucker’s Center Courtyard
Commodore Plaza’s Mall Mezzanine Courtyard
Commodore Plaza (closed for traffic)
Monty’s Bayshore Open Terrace

Some or each of these areas are appropriate for individual or small collections of musicians (students) or other performing artists. (Donations to the performers promoted.) These individuals could appear at different times, be stationary or rotate locations, be there at the same time, etc. Once again, the intent would be to make the Grove different every visit, every day.

▪ **(30) Street Theatre In The Grove**

Street theater would help to achieve diversity of activity, regenerate interest in Grove attributes, and separate the Grove from any competition. South Florida has a wealth of talent just waiting to be tapped. Among the resources are the colleges and universities, all with cultural programs including theatre, dance and music. Many of these programs produce original works or perform favorites for their grades and are available for performances. These programs and classes welcome contributions to their organization and do not necessarily have set fees. Some recent examples include:

- Miami-Dade Community Colleges, African Drummers, \$400 contribution
- Miami-Dade Community Colleges, Theatre Program, \$250 contribution
- Momentum Dance Company, 2 Children's Performances, \$600

Some of the multitude of resources available include but are not limited to:

Barry University
Florida International University
Florida Memorial University
Johnson & Wales University
Miami-Dade County Public Schools – New World School of Arts
Miami-Dade Community College
Ransom Everglades
St Thomas University
University of Miami

▪ (31) Additional Theater Options In The Grove

In addition to the Coconut Grove Playhouse, with its season of performances on two stages, the main stage and the Encore Room; there can be “black box” theatres created from vacant storefronts, in restaurants, as well as re-opening a few existing small stages and theatres.

There are many community theatre groups, performance clubs and associations that can be contacted for benefit performances, or flat fee arrangements. Some of these include:

Arts and Business Council of Miami
Teatro en Miami

Performing Arts Network of Miami

Latin American Art Museum

Alliance for Media Arts/ IFP South
ArtCenter/ South Florida

Artemis Performance Network

Arts at St. John's

Bass Museum of Art

Bridge Theater

Center for Emerging Art

Central Agency for Jewish Education

Children's Cultural Coalition

City Theatre

Concert Association of Florida

Creative Arts Enterprises

Creative Camps

Dance Arts Foundation

Dance Esaias

Dance Now! Ensemble

Deco Echo Artists' Delegation

EDGE Theatre

Fantasy Theatre Factory

Florida Dance Association

Florida Grand Opera

Gold Coast Theater Company

Greater Miami Youth Symphony

INDAMI / FIU

Inner City Children's Touring Dance Co.

Iroko Dance and Performance Center

Isadora Duncan Dance Ensemble

Louis Wolfson II Media History Center

Maximum Dance Company

Miami Choral Society

Miami City Ballet

Miami Contemporary Dance Company

Miami Hispanic Ballet

Miami Light Project

Miami Symphony Orchestra

Miami World Percussion Orchestra

Miami-Dade Community College, (Cultural
Affairs Dept)

Mid Eastern Dance Exchange

Momentum Dance Company

New World Symphony

Performing Arts Academy of South Florida

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Rhythm Foundation
South Florida Composers Alliance
South Florida Youth Symphony
Story Theater Productions
Miami Design Preservation League

Tigertail Productions
Unidad of Miami Beach
Wolfsonian-FIU
World African Traditional Arts

It is noted that many of these are also appropriate contacts for potential street performers and street theater. It is also noted that other activities and events put forth further in this strategy are intended to and should also have an immediate impact on sales and revenues.

As identified, the second primary tool is to create a catalytic, unique project along Grand Avenue west of the current commercial focus of Cocowalk, etc. As also indicated, there is demand that would indicate the potential for a “Caribbean” market. The project would be similar to a public market, but promoting the history and culture of one or more segments of the Grove’s population. This market could be coupled with a Charles Avenue artist and crafts village.

It is anticipated the “market” could be in the 15,000 to 25,000 square-foot range; have a food service orientation, with 50% or more of the space allocated to that activity; and could include crafts, particularly with artisans creating the crafts on site. The market would be expected to be synergistic with other activity in the Grove and along Grand, but is capable of acting as its own draw of patronage or anchor. While the likely patron base would be a mixture of economic and demographic groups, the African-American or Black population in the region is more than sufficient to support such a market.

With respect to the creation of a market and supporting activity, it is suggested that **(32) an incremental development process be used.**

- A. Initial activity, in order to get the project moving quickly, would be to incorporate the “market” as an event in the Grove as part of several of the previously noted events.**
- B. The second “phase” would be to identify a longer-term outdoor area where the market could be held on a on a weekly or bi-weekly basis. This would facilitate further evaluation of the potential and “fine tuning” of the concept and tenants. It would become a regular Grove activity, like the proposed “farmers’ market and flower mart”.**
- C. The third phase, which could be initiated simultaneously with the other two, would be to recruit an experienced development interest.**

It is suggested that **(33) the developer recruitment effort be a comprehensive national (inclusive of local) effort to seek a development interest with both experience and the financial capacity to plan, program and reinvest in the Grand Avenue area and market in partnership or cooperation with (potentially including purchase) current property owners.**

It is noted that:

- ✓ Such processes have met with significant success before.
- ✓ Are done in cooperation with and not intended to supplant private brokerage interests.
- ✓ Can work with or without cooperation of ownership, with the latter being the preferred option.

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(It is noted that the total cost of the developer recruitment marketing effort is estimated to be about \$20,000, exclusive of ads placed in appropriate national publications, etc. Successes with such a process are significant and include, but are not limited to Muskegon, Michigan [reference Chris McGuigan of the Greater Community Foundation] and Frederick [reference Ernie Angel of the Homewood Retirement Centers].)

Visitors & Hotels

The Grove has always served a visitor based population as well as a local population as defined in the market analysis. Most of the marketing effort in this strategy is targeted toward the local audience. This is true for several key reasons, including:

- ✓ Focus group sessions indicated that this should be the priority.
- ✓ Demand opportunities, as defined in the analysis, are greater.
- ✓ It is recognized that the Grove, along with other activity, is promoted to the visitors through the Visitors and Convention Bureau. Therefore, efficient utilization of limited resources should avoid duplication.
- ✓ Many visitors do not stay in hotels or other transient accommodations, but with friends and relatives.
- ✓ Visitors often seek and get information on “where to go” from friends, business associates as well as others.

The latter two points are particularly important because attracting the locals will, by definition, mean penetrating the visitor market. In addition, tourists are also reached effectively by local media.

Yet, **the Grove is fortunate enough to have about 1,500 hotel and hotel condominium rooms within its area.** People in these units represent significant potential source of sales and revenue dollars if those people and their dollars are held in the Grove. These individuals, some staying significant lengths of time, can be regarded as “locals” in many ways.

More importantly, **these hotel rooms represent a significant collective asset. Their success is linked to the viability of the area. If the core in which most are located deteriorates from a tenant and investment perspective, their success may be jeopardized. The opposite is also true.**

In an effort to enhance the interrelationship and create cooperative marketing efforts, **(34) it is recommended that the Grove solicit media partnerships with local media organizations with the objective of building “brand awareness” as well as “call-to-action” advertising to generate traffic for retailers, merchants, and other commercial enterprises operating in the Grove.**

(35) With over 1500 hotel rooms available, it is the recommendation that a local barter program be implemented to leverage media dollars. Barter is a very efficient “currency” to leverage media dollars. While the proposed barter system for the Grove is relatively unique because it is proposed on a large scale basis, bartering is also a common form of exchange used by smaller businesses in the United States, through the exchange of a good for service, in lieu of cash. It is also very common on a larger scale basis in other countries.

The system involves ex-changing room nights at local hotels for media and marketing purposes. Hotels often have rooms that go unoccupied, particularly on a seasonal basis. A portion of or the total value of those hotel room nights is traded for media dollars.

Some of the available rooms can be used/donated and “sold” for occupancy in a variety of ways. One-way would be to provide them to a third entity (such as a local public-private partnership) that exchanges their use on the open market (sells them to a “bulk” wholesaler for example). The dollars associated with the sale are then used to purchase advertising. A second method is to have a third party arrange to “sell” to (have them used by) local businesses or organizations that need to have business and other visitors stay overnight. Those to whom they are sold in the media industry then directly provide advertising space or media in ex-change. To others, revenue/ services are exchanged.

The hotels gain by increased occupancy; increased use of their other revenue generating facilities, such as restaurants and spas; and increased exposure. Similar benefits would accrue to the Grove in general. It can also be beneficial to assisting with creating packages for extended stays as the hotel room nights can be packaged with restaurant discounts, theater tickets, fishing excursions, windsailing and parasailing, beauty salons, and historic site tours to promote dollars staying in the Grove.

A further illustration of how the system could work follows.

- ✓ The participating hotels provide values for hotel rooms. (For example, that average value might be \$100.)
- ✓ The participating hotels also agree to inject a certain percentage of their room inventory. (For example, 5%)
- ✓ That value in turn is “traded” to a barter company for media dollars.

In the example, 5% of the rooms, or 75 rooms, would have a total barter value of \$7,500 in a given day, or roughly \$52,500 per month gross value for one week of a month. After reselling expenses, a net amount of approximately \$23,000 per month would be available to assist with local advertising campaigns.

Also, while 5% and one week were used for the example, the percentage or time could be higher or lower based on seasons, hotel occupancies, and other factors.

An Extension of & Other Cooperative Efforts

The previously defined events and activities and the proposed “barter” system require a high level of cooperation. The following “**packages**” would build upon the cooperative foundation to create “extended stay” and “entire day” packages, encouraging both locals and visitors to enjoy the full shopping, dining and entertainment experiences available in the Grove.

▪ **(36) On The Edge. In The Grove**
Wind, Water and Waves.

This waterside package could combine the beautiful water views from the hotels; the many fishing, excursion and rental boat companies at the Marina; windsailing and parasailing; and the water side dining opportunities at Scottys, Monty's, Chart House, and Grove Isle.

Potential partners include hotels, media, fishing boat captains, excursion and charter boats, rental power and sail boats, sail boards and parasailing rentals, and waterside restaurants.

▪ **(37) A Perfect Day. In The Grove**
Shop, See . Spa. Savor.

Ladies day could begin with a breakfast served in bed by the hotel. A shopping map would be provided with historic and landmark stops along the way (perhaps some coupons and special offers as well). Ending the shopping in the hotel's spa or one of the participating salons, the pampered lady is now ready to dine elegantly on the town at a Grove restaurant and take in a show or club!

Potential partners include hotels, media, shops, galleries, beauty salons, historic sites, al fresco lunch restaurants and elegant evening dining, and entertainment options.

▪ **(38) That's The Ticket or On The Town! In The Grove.**
Comedy. Drama. Action. Dance. Feel The Beat.

Entertainment packages can feature both meals and day and evening performances, including traditional theatre, black box theatre, movies, comedy club, music and other entertainment venues. Potential partners include hotels, media, theatres, movies, clubs and restaurants.

▪ **(39) Fall In Love! In The Grove.**

Flowers, candy, bubble baths, lingerie, music, beauty treatments, gifts and jewelry are all in the Grove. A special package for purchase of gift certificates, baskets and goodies can be sold by the concierge, promoted by the hotel, to benefit many participating retailers or through other channels. (This is also an excellent package for the media to promote, especially LOVE 94.)

There is an abundance of potential packages that can be constructed for different budget levels, from \$50 to \$5,000. Potential partners include hotels, media, casual and elegant restaurants, flower, jewelry, lingerie and beauty shops, clubs and bars.

▪ **(40) Delicious Decadence. In The Grove.**

There is an abundance of potential packages that can be constructed for several budget levels, ranging from ice cream and candy, to chocolate and exotic drinks, to caviar & champagne, to luxury & limousines. As with the above package, potential packages can be constructed for a range of budgets, from \$50 to \$5,000. Potential partners include hotels, media, casual and elegant restaurants, ice cream, chocolate, candy, or caviar purveyors, clubs, bars, and restaurants.

A special Chocolate Event can be created to offer Chef's chocolate concoctions from pancakes and breads, to shakes and ice creams, to candies as gifts w/purchase for non-food shops, chocolate cocktails and special chocolate desserts. A huge chocolate sculpture as a signature part of the event can be created either by one of the Groves' chefs, one of the hotels, or Johnson and Wales University.

The Chocolate Event is another easy and excellent package for the media to promote and can be promoted under the umbrella marketing theme: "A *new* Taste of The Grove".

The (41) marketing to the potential partners should be conducted as economically as possible while portraying a high degree of professionalism detailing the benefits to all concerned. Perhaps the most persuasive is a cost/benefit presentation created to exhibit how each contributing partner will both provide funds/barter/value and what they can expect to receive that would detail the following:

Partner	Contribution	Receives
Hotels	Rooms; Restaurants; Spa; Direct Mail Lists.	Cooperative Packages; Marketing; Special Events; Database.
Cruise Lines	Access to Passengers for excursions, extension packages; Rooms.	Marketing promotions; Marketing awareness. Database
Theatres	Tickets; Program Advertising; Direct Mail List.	Cooperative Packages; Marketing; Special Events; Database.
Restaurants	Lunches; Dinners; Special Offers; Direct Mail List.	Cooperative Packages; Marketing; Special Events; Database.
Media	Space and Time.	Promotional Packages; Rooms; Meals; Events; Merchandise; Database
Entertainment Venues	Admission/Cover Fees; Drinks; Special Offers; Direct Mail List.	Cooperative Packages; Marketing; Special Events; Database.
Shops & Services	Merchandise; Gift Certificates; Direct Mail Lists.	Cooperative Packages; Marketing; Special Events; Database.
Charter Boats, Marina	Free Passages; Incentives; Direct Mail Lists.	Cooperative Packages; Marketing; Special Events; Database.

Enhancing The Image

Creatively, it is recommended that the Grove campaign target the local population with messages that convey a variety of opportunities, when coming from nearby it is easy to get to, and is different, friendly and fun. The Grove is not only a fun place to shop, eat or drink, it is also "right next door". It's about going to the Grove for shopping, eating, playing, being seen, etc. It's kind of "our little Miami" secret.

As defined, daily, weekend and quarterly events are part of the tactical recommendations. Every major city has proprietary events. Miami is no exception. Leveraging off of the "artsy" feeling that Coconut Grove provides, new and easy to execute events should become a staple for Coconut Grove, including those defined.

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Capitalizing upon the strengths of Coconut Grove's history, as a founding settlement and over the years a defined meeting place for many generations, the familiarity and warmth of local residents has not waned. They need to be reminded and reawakened to what's "IN THE GROVE" today.

Positioning the Grove as a place that has it all will encourage patronage and reinvigorate it as a gathering place for friends and guests.

In various focus and other group meetings, a series of graphics were presented to illicit responses from people, both positives and negatives. Those graphics are presented to the left of the text over the next two pages. In fact, the responses to the graphics varied significantly, depending upon audiences, backgrounds, etc.

Incorporated into the graphics were several "positioning themes", including Miami's Village and Miami's First Village. These were also used to elicit responses.

One of the most pungent finding from these efforts is that the Grove has in the past and does at present represent many different things to different people. In many cases, the definitions depended upon a primary economic function or activity (retail, eating, clubs, etc.). It represented everything from the place to hang out or enjoy the theater and arts to:



- ✓ An affordable entertainment experience.
- ✓ Non-mall specialty shops with "non-mall" type merchandise.
- ✓ A place to buy clothes.
- ✓ The place to go for recognized popular and chain restaurants including, but not limited to the Cheesecake Factory, Tu Tu Tango, Hooters, Fuddruckers, Johnny Rockets, Chart House, and Monty's.

In fact, all of these images are correct. To use colloquial terminology, virtually anyone in the region recognizes "It's all **IN THE GROVE.**" Shopping. Dining. Theatre. Parks. Sailing. Personal Services. Office Space. Prestige Homes.

No one need say Coconut Grove like no one need say more than The Keys. One only need say, "let's go eat in the Grove," or "I am going to The Grove" and the person understands. In fact, **(42) the marketing campaign, since it involves many different events and activities, share one common theme - they are IN THE GROVE. No one need say more, everyone knows where you are going, where you are talking about, etc.**

This simple statement is a positive, repetitive benefit promise. Whatever you want is or can be found IN THE GROVE, including:

Specific Businesses Types

Comedy. Drama. Theatre.
Dine Well.
Great Gifts.
History's Beginnings.
Tap Your Feet. Hear The Beat.
Galleries Galore.
Fashion's Firsts.

In The Grove.
In The Grove.
In The Grove.
In The Grove.
In The Grove.
In The Grove.
In The Grove.

Generic

Spend Your Day. In The Grove.
What To Do. In The Grove.
Unique Shops. In The Grove.
There's More. In The Grove.

Personal Services

Convenient Services.	In The Grove.		
Groceries Galore.	In The Grove.	Clean It. Fix it.	In The Grove.
You Look Fabulous.	In The Grove.	Special Delivery.	In The Grove.

Specific Businesses

Comedy. Drama. Theatre.	In The Grove.
Dine Well.	In The Grove.
Great Gifts.	In The Grove.
History's Beginnings.	In The Grove.
Tap Your Feet. Hear The Beat.	In The Grove.
Galleries Galore.	In The Grove.
Fashion's Firsts.	In The Grove.

Generic

Spend Your Day.	In The Grove.
What To Do.	In The Grove.
Unique Shops.	In The Grove.
There's More.	In The Grove.



Connecting the Waterfront

Sail Away.	In The Grove.
Dock & Dine.	In The Grove.
Red. Right. Returning.	To The Grove.

All of the above can also be adapted for the western section of Grand's emerging retail and mixed-use activity, including:

Everything. In Store. CVS.	On Grand. In The Grove.
Wine & Dine.	On Grand. In The Grove.
Caribbean Specialties.	On Grand. In The Grove.
Shop With Friends.	On Grand. In The Grove.
New Office Spaces.	On Grand. In The Grove.
Meet At The Tree.	On Grand. In The Grove.
Come Home Again	On Grand. In The Grove.
Groceries Galore.	On Grand. In The Grove.
Clean It. Fix it.	On Grand. In The Grove.
You Look Fabulous.	On Grand. In The Grove.
Special Delivery.	On Grand. In The Grove.

It is noted that the theme can be employed for marketing to the public as well as for the recruitment of developer interests, or for expansion of local serving retail services, offices and housing defined by the market potential.

A simple presentation folder could be created with a logo (existing or new) and the slogan: In The Grove. The package can be compiled for each potential special interest or partner, outlining the benefits and added values for participation, coming, building, etc. Some contents for inclusion could be, but are not limited to:

- . Letter of introduction, explanation of purpose
- . Economic analysis and demand projections (from this document)
- . Cooperative partners contributions, equal investments
- . Goals and objectives
- . Competitive analysis (from this document)

- . Marketing plans, calendar of events.
- . Projected annual contribution, budget and/or matching funding.
- . Illustration of the Grove's Boundaries with pictures of destinations and landmarks.

Important partners in recruiting new businesses and tenants for the Grove are the local Realtors. They share the same goals and benefits of this recruitment and can become valuable allies in the marketing campaign. By providing them with the presentation packages, they will have an additional marketing tool as they solicit new tenants for the Grove.

Media

Media will also be encouraged by the new sponsorships available through the farmers' market, numerous events, potential naming rights, packages, or movie outings. In short, the media organizations will be excited to participate with the Grove because of the new events-oriented thinking the Grove will be adopting. The Grove may also pursue exclusive relationships with different media for added leverage on advertising programs.

Media outlets that deliver the core patron demographics or have been specifically mentioned are as follows:

Miami Herald
El Nuevo
Coconut Grove newspaper
New Times
Miami Today
Miami Times
WPLG
WLTW
WSVN
Univision
NBC6/Telemundo
Clear Channel radio
LOVE 94
LITE 101.5
COAST 97
AMOR
Outdoor, including banners

(43) Local media should be cultivated to enter into strategic partnerships, offering discounted advertising and other benefits to merchants and other Grove businesses. The media will benefit from these relationships by having added value to sell their current advertisers and potential advertisers.

In addition, it is often said that nothing works better than a strategic partnership/alliance. **There are several organizations that can join the efforts to leverage the Grove from a marketing and execution prospective. These organizations provide a list of members that can and should be enticed to visit the Grove.** Such entities as United Way, March of Dimes, local runners clubs, and other affinity organizations are excellent groups to promote the Grove.

As has been mentioned, the Internet has created an efficient tool for marketing to specific demographics. With readily available technology, it behooves the Grove merchants to initiate a data base collection mechanism to capture data on Grove visitors. Future e-mail and direct mail campaigns to visitors and area residents should be used to promote future events, discounts, etc.

The Chesapeake Group, Inc. Organizational Development & The Partnership

None of the indicated activities will be likely to be achieved or reach success without significant cooperation between different parties, “stakeholders”, or interest groups that share a common unity – to see the Grove flourish. The benefits from a healthy Grove differ significantly from one party or interest group to another.

There are many issues that were identified through the analysis process. Some of those are addressed through the implementation strategy that has been put forth that is programmatic in nature. Others are related to work being done by design consultants that are looking at physical aspects of the Grove. Still others may require additional master planning or parks and other site planning activity.

There are, however, others that are best addressed through **enhanced private sector cooperation and coordination**. As has been noted, without increased coordination, the likelihood of long-term viability in a competitive environment is greatly diminished.

In concept, there are essentially three coordinating options to enhance the services, marketing, and physical appearance of the Grove. These options are:

1. An “overlay” district that would be City controlled or dominated, that would handle enhanced marketing, parking, physical improvements to parks, streetscape, etc.
2. A formal “management” district, with an independent board and annual compulsory assessments.
3. **An umbrella business community oriented voluntary partnership, relying on public and private cooperation, private corporate and public sector grants, public sector funding, and leveraged dollars.**

(44) Option #3 is suggested for the Grove at this time .

It is noted that option #1 is simply a variation of the NET concept whose importance and enhancement has already been defined.

(45) Option #2, the formal Business Improvement District concept, is one that is dependent upon use and application of Florida’s Business Improvement District law (Florida Statute 170) will take longer to implement. It **should be considered further on in the process, potentially set as one of the objectives over the next few years, if deemed necessary and if there appears to be support for a compulsory funding mechanism**. It is noted that typically the formation of a BID takes a minimum of three to five years, some significantly longer. Such a district would require City of Miami and the approval of the majority of the property owners.

Business Improvement Districts, in one form or another, have been in existence since at least the early 1970’s. Initially such districts were known as “Special Taxing Districts”. Semantic change then occurred and they were deemed “Special Benefit District. Irrespective of the name all involve a mandatory fee be paid into a special fund, controlled by a corporation, often thought of, although not technically, quasi-public in nature. The fee or tax can be ad valorem, take the form of a license, or be associated with a special permit. It is noted that the fees or taxes can be uniform, such as an amount per square or linear foot, or can be varied depending upon perceived benefit, for example, with retail paying more than office, etc.

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Option #3 is deemed most appropriate for the Grove at this time for a variety of reasons, including but not limited to those that follow.

- ✓ Such an entity could be formed immediately and be “up and running” within a very short time frame.
- ✓ Similar entities have proven to be successful elsewhere.
- ✓ The entity could be converted to a BID or other future district. The process would in fact facilitate if an existing entity had a proven track record and the evolution was not forced.
- ✓ The level of volunteerism in the Grove is significant, but coordination is missing.
- ✓ It would facilitate speaking with “one voice” if properly organized.
- ✓ Its formation does not require public sector action.
- ✓ Some of the functions of the existing special events committee and parking trust fund could be combined to begin the process.
- ✓ There are current resources that could be tapped without the imposition of an additional tax or fee on an area that is struggling with competitive positioning.

(46) The following mission statement is proposed for the partnership organization.

The primary general purpose is to maintain a healthy and vibrant community and business atmosphere in the Grove. The organization will be involved with identifying issues and effectuating change that promotes economic vitality through and with other private, civic and governmental entities and agencies.

(47) The following objectives are suggested for the organization.

- A. Increase intensity of commercial activity.
- B. Coordinate public and private resources.
- C. Foster communications and dialogue between various Grove groups to form one cohesive public voice.
- D. Coordinate new activity and events and enhance the coordination of the existing major events.
- E. Establish a solid, locally oriented marketing effort based on events and physical enhancement.
- F. Enhance relationships with new and future development along Bayshore.
- G. Foster the expansion of residential and office use and space in core consistent with historic character and other qualities.
- H. Facilitate development of key parcels to the appropriate density while preserving the character of parts already established.
- I. Establish a near-term viable funding base.
- J. Strive to economically link the nearby waterfront with the existing core.
- K. Administer programming for Peacock Park, in cooperation with the appointed park oversight committee.

The business-oriented voluntary partnership entity is intended to:

- ✓ Promote a positive economic environment for the Grove.
- ✓ Promote and market the Grove to various residential and commercial groups and entities.
- ✓ Promote enhancement of the Grove's physical environment.
- ✓ Promote consensus building.
- ✓ Improve the business climate.
- ✓ Foster quality development.
- ✓ Administer and manage funds.
- ✓ Be a conduit for existing or new funds.
- ✓ Hire staff or other technical assistance.

The above may require handling of funds, administering funds and grants programs, the purchase of property, development of property, and any other function that is legally allowed for other like entities (corporations) based on current and future laws of the State of Florida and the United States.

It is noted that throughout this strategy, there has been a mention of physical enhancement activity that is not defined since a physical analysis was not part of the scope and much of that planning is being handled by others at the present time. Included are possible physical changes to Peacock Park. Yet, cursory review and reconnaissance also indicates that:

- ✓ At busy times, street and sidewalk cleanliness declines. A relatively small but well-supervised crew of street sweepers covering only those peak times could upgrade the image.
- ✓ There should never be graffiti tags (even small ones) on blank walls or retail facades, posters or stickers on street furniture, or gum spots on the sidewalks. This service can either be contracted out or handled on a part-time basis by one of the street sweepers, given the right equipment and training.
- ✓ There are many existing trees and tree pits. What is likely needed is a managing designer (contracted) to pull it all together and greatly enhance the colors and completeness of the plantings, with funding for daily care and plant replacement.
- ✓ Wherever possible "clutter" by signage, newspaper dispensers or vending units, etc. should be consolidated and designed to be efficient and informative.

Many of these are small efforts that could be implemented quickly if desired by the proposed coordinating partnership if the resources are made available.

The following suggestions are also made.

(48) The partnership should be a formal corporate entity for "perpetuity".

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(49) It should be organized and established with the intent of obtaining 501(c)(3) or future applicable similar status under the Internal Revenue Code .

(50) The group would be composed of one representative from each of the following:

1. Cultural /Arts Institution
2. The Coconut Grove Trust (a property owner or merchant representative)
3. Chamber of Commerce (a property owner or merchant representative)
4. Civic Council
5. The Collaborative (a property owner or merchant representative)
6. Off-Street Parking
7. Merchants Association
8. The Greater Miami Convention and Visitors Bureau (Grove hotelier representative)
9. Appointee of the City

(51) Public sector members of the Board of Directors are to be appointed by the City Manager, or person of an equivalent position. **The decision on appointment methodology would be left to the City.**

(52) The group would have a right to appoint an Executive Committee and other committees as appropriate to efficiently and effectively enhance communications while carrying out the tasks of the partnership.

(53) The group is expected to meet at least six times per year.

(54) There will be an annual meeting, which could be combined with any of the other indicated meetings. **Greater frequency of meetings will depend upon issues to be addressed.**

(55) The officers would include, at a minimum, a President or Chairperson, one Vice President or Vice Chairperson, and a Treasurer. Each must be a different person.

(56) The professional staff would include an Executive Director or someone of an equivalent title. **(57) Other professional and support staff are likely to be needed.**

(58) The Executive Director would be responsible to the President of the organization, while other staff would be responsible to the Executive Director. (59) The Executive Director is expected to have a strong marketing background (for at least the formative years of the organization). Private sector marketing experience is preferred as well.

(60) The Board is expected to set all policy and take responsibility for fiscal direction. The Executive Director and staff are expected to administer the program.

Two footnotes are important to state. First, many of the proposed organization structure is not new, but was developed in 1988, for the proposed “Coconut Grove Foundation”. Second, the intent of the partnership is not to replace existing civic, government, or private organizations that operate in the area that administer, coordinate or promote other existing activities, but to enhance coordination and overall marketing, and management by creating a mechanism to foster discussion and facilitate implementation of program and physical improvements for the Grove.

Budget & Funding

The long-term viability of the organization will be dependent upon the creation of a sound financial base and a long-term commitment from both the public and private sectors for financial contributions. The City of Miami and the Department of Off-Street Parking have funded business development and marketing activities in the Grove and have reallocated funds generated by the Grove back to the community for these efforts.

The following assumptions are made with respect to the budget for the proposed partnership corporate entity. Some are salient to the first year and some are relevant to future years.

- ✓ Wages and salaries for employees, estimated at \$130,000 the first year, inclusive of corporate share of Social Security and Medicare and any health or other benefits. Second year costs are expected to be \$142,000.
- ✓ One-time equipment and furniture purchase costs are estimated at \$30,000.
- ✓ Developer recruitment activity for West Grand Avenue (one-time, already defined) is estimated at \$20,000, exclusive of ad placement, ad development, development of direct mail materials, printing, and mailings.
- ✓ Assuming that some of the suggested event activity or similar concepts are pursued, the following are estimated budgets.

Prix Fixe, Monthly Events (12x)	\$120,000
Sunday Promenade (3x)	\$75,000
History Events (3x)	\$36,000
Postcards for communications (3x)	\$24,600

The following is an additional breakdown of the above items. It is also noted that the annual increase is assumed to be 3%.

Prix Fixe or other similar Monthly Event

Five Hosts(esses), on street w/menus, 3 hours/\$50 ea, \$150 ea	750
250, Menus (2-sides 11"x14" folded), color copies,\$4 ea	1,000
Three Corner Music Ensembles, \$500 ea	1,500
Marketing: Press releases, newspaper, radio	6,000

Sunday Promenade or Similar Option

Ten Hosts(esses), on street w/maps, 4 hours @ \$50/hr	\$2,000
Color Maps (1 side, 11"x14") 1M copies @ \$2 ea	2,000
Kennedy Park Jazz Ensemble	500
Peacock Rock 'n roll & sound	4,000
Marina Steel Band combo	1,000
5 Corners, Jazz Ensemble	500
Main Highway, Jugglers, Mimes, Street Performers	500
Main Highway & Commodore, Latin Salsa Ensemble	500
Post Office, under a tent	1,500
27 th & Bayshore, String Ensemble	500
Marketing: public relations, newspaper, radio	10,000

History Events or Similar Activity

Dr Paul George, creative consultant	\$1,500
Five Hosts(esses) on street w/maps, 3 hrs/\$50	750
Five Storytellers on street, 3 hrs/\$75	1,200
Three Historical Characters, on street, 3 hrs/\$75	750
250, Color Maps, (11x14", 1 side) \$2	500
One Chamber Ensemble	500
One Roaring Twenties Jazz Ensemble	500
Marketing: public relations, newspaper, radio	6,000

- ✓ The marketing campaign will likely require placement of other ads in publications, radio, etc. than those accounted for above. It is noted that the precise cost of such ads varies significantly, depending upon a host of factors not limited to: location, frequency, time of the day or year, size, color, specific publication or station's patron base, availability, and other factors. They can range from a few hundred dollars to tens of thousands of dollars per ad.

There are a number of significant funding sources that can either defray costs or contribute to the organizations coffers. These include, but are not necessarily limited to those that follow. It is noted that all are likely to be implementable with a few years and, in some cases, could be made available immediately.

- ✓ As noted, an objective of the organization may be to establish a BID after a track record is established. The BID would be expected to generate about \$250,000 annually.
- ✓ The previously noted "Barter" system. Net revenues for marketing purposes could be as high as \$100,000 per month but are budgeted at only \$200,000 annually in "Year 2".
- ✓ Parking Trust Fund contribution of \$200,000 to cover operating expenses.
- ✓ **Voluntary contributions and corporate grants not related to sponsorships of events estimated at \$50,000 initially and increasing to \$60,000 annually after the first year.**
- ✓ **Net from special events, excluding Peacock Park. (Corporate and other sponsorships, ticket sales, etc.) estimated at \$50,000 and \$75,000 for the second year.**
- ✓ Net revenues from Peacock Park are estimated at \$20,000 for the first year and \$40,000 for the second year.

During the initial years of operation for this organization it is anticipated that there will be a continuation and enhancement of financial support from the public sector and an increasing participation from the business community and property owners. New funding resources will be generated as a result of a focused marketing and business development program, but this will not begin to be generated until the second and third years of operations.

The initial sources of funds to meet initial investment and working capital requirements are estimated at \$200,000. Significant contributions from the Coconut Grove Parking Trust and stakeholders' financial contributions are projected to be the initial sources of funding. In Year Two, it is anticipated that the budget could increase as a result of the initiation of the barter program and increased community-oriented events in the Grove.

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Building A Foundation For The Future

Proposed expenditures will focus on the creation and execution of a marketing program that will necessitate the hiring of professional staff and aggressively promoting the Grove primarily to the local community (and to a lesser extent the visitors market) through events, advertising, and the development of catalytic projects. Providing enhanced public services (i.e. security, street maintenance, park operations, visitor guides) will be added to the organization's work program as increased funding becomes available.

It is noted that not included in the budget are costs of physical improvements or the maintenance of those improvements, including banners, etc. It is also noted that these budgets do not include any special event security, clean up, lighting or other special needs. Also not included but recommended is added security at certain times of the day, if arrangements cannot be made with the City police force. **(61) On the other hand, all activities need not be initiated from the start.**

The following projections are based on assumptions associated with funding/operations for the partnership during its initial activity year.

Sources of Funds

Stakeholder contribution	\$ 50,000
Special Events & Marketing Committee	<u>\$ 150,000</u>
Total	<u>\$ 200,000</u>

Initial Investments & Working Capital Requirements

Equipment Purchase	\$ 30,000
Developer Recruitment	\$ 20,000
Working Capital*	<u>\$ 93,000</u>
Total Working Capital Requirement	<u>\$ 143,000</u>

*Estimated to be 4 months of expenses.

Reserves	\$ 57,000
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Proposed Coconut Grove Partnership

<u>Revenues</u>	First Year	Second Year
Coconut Grove Parking Trust	\$ 200,000	\$ 200,000
Special Events & Marketing Committee	\$ 50,000	\$ 75,000
Peacock Park Events	\$ 20,000	\$ 40,000
Sidewalk Café Fee	<u>\$ 10,000</u>	<u>\$ 10,000</u>
Total Revenues	<u>\$ 280,000</u>	<u>\$ 325,000</u>

Contributions

Stakeholder contribution		\$ 60,000
Barter (In-Kind)	<u> </u>	<u>\$ 200,000</u>
Total Revenues & Contributions	<u>\$ 280,000</u>	<u>\$ 585,000</u>

Expenses

Wages & Salaries	\$ 130,000	\$ 142,000
Office Expenses	\$ 50,000	\$ 53,000
Marketing / Advertising / Event Underwriting / Promotions	\$ 100,000	\$ 190,000
Barter Advertisement (In-Kind)	<u> </u>	<u>\$ 200,000</u>
*Rent		
Total Expenses	<u>\$ 280,000</u>	<u>\$ 585,000</u>

<u>Net Operating Results</u>	\$ -	\$ -
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*Offices for the Partnership should be housed in available space in Oak Street Parking Garage

Appendix

Comparative Assessment

As part of the market analysis of Coconut Grove, a comparative assessment was performed as one of two primary analyses used to identify business “gaps” and opportunities. The identified business gaps defined in this process may or may not be appropriate for the Grove because of the nature of operations, scale, or other factors.

Under-represented Industries

Under-represented “industries” were defined as those where the Grove had a lesser number of businesses than at least five other communities. Thus, the number of businesses in Coconut Grove compared to the other communities was below what might be expected. The following are the “industries” or businesses identified as being under-represented in Coconut Grove. These include:

NAICS/SIC Code	Type of Business
521116	Screens- Door & Window
521126	Building Materials
521128	Concrete- Ready Mixed
523107	Paint- Retail
523110	Glass- Auto Plate & Window & Etc.
526108	Nurserymen
526109	Lawn Mowers
541103	Convenience Stores
546102	Bakers- Retail
549903	Water Companies- Bottles, Bulk, Etc.
553106	Automobile Air Conditioning Equipment
553111	Automobile Parts & Supplies- Retail- New
553123	Tire Dealers- Retail
557103	Motorcycles & Motor Scooters- Supplies
571305	Carpet & Rug Dealers- New
571306	Floor Materials
571407	Draperies & Curtains- Retail/Custom Made
572202	Appliances- Household- Major- Dealers
573103	Television & Radio- Dealers
573407	Computer & Equipment Dealers
573502	Video Tapes Discs & Cassettes
573608	Musical Instruments- Dealers
581206	Foods- Carry Out
581219	Sandwiches
581301	Bars
581303	Cocktail Lounges
591205	Pharmacies
592102	Liquors- Retail
592103	Wines- Retail

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NAICS/SIC Code	Type of Business
593201	Book Dealers- Used & Rare
593229	Pawnbrokers
594131	Fishing Tackle- Dealers
596201	Vending Machines
596301	Party Planning Service
599201	Florists- Retail
599503	Contact Lenses
641112	Insurance
653113	Real Estate- Rental Service
721704	Carpet & Rug Cleaners
722101	Photographers- Portrait
723102	Manicuring
724101	Barbers
729101	Tax Return & Preparation Filing
733403	Copying & Duplicating Service
734201	Pest Control
734902	Janitor Service
734922	House Cleaning
735910	Rentals Service- Stores & Yards
735934	Moving Supplies & Equipment Renting
735949	Contractors- Equipment & Supplies Renting
736304	Employment Contractors- Temporary Help
737801	Computers- Service & Repair
738940	Drafting Services
738979	Notaries- Public
751303	Truck Renting & Leasing
751401	Automobile Renting & Leasing
753207	Automobile Seat Covers Tops & Upholstery
753301	Muffles & Exhaust Systems- Engine
753701	Transmissions- Automobile
753801	Automobile Repairing & Service
753914	Brake Service
754203	Automobile Detail & Cleanup Service
754901	Wrecker Service
762902	Appliances- Household- Major- Repairing
764109	Upholsteries
769203	Welding
769902	Plumbing Drain & Sewer Cleaning
769962	Locks & Locksmiths
784102	Video Tapes & Discs- Renting & Leasing
791101	Dancing Instruction
799999	Yoga Instruction
804101	Amusement & Recreation NEC
804201	Optometrists OD
808201	Home Health Service
839901	Abortion Alternative Organizations
866106	Clergy
866110	Religious Organizations
871301	Surveyors- Land
872105	Tax Consultants

Business Survey

As identified, there are three surveys that were conducted as part of this analysis to generate critical information and a new data base not found elsewhere. One of those was a survey of current business operations within the Coconut Grove area.

Sample Characteristics

About two-thirds of (66%) of the individuals completing the survey were the owners of the establishments, while 22% were managers. The remaining 12%, classified as “others,” included Administrative Assistants, Office Managers, Corporate Officers, Vice Presidents, Secretaries, Comptrollers, Attorneys and Accountants.

Table 1 – Respondent’s Position*

Position	%
Owner	66
Manager	22
Other	12
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

The managers and other employees responding to the survey have been employed by the business for periods of time ranging from less than one year to longer than twenty years. As shown in Table 2, almost one-half (45%) of the employees have been with the establishment for ten years or more. On average, the employees have worked for the area business for over nine years.

Table 2 – Managers’ Tenure with Business*

Tenure	%
Less Than 1 Year	13
1 To 2 Years	12
3 To 4 Years	14
5 To 9 Years	16
10 To 19 Years	20
20 Years Or More	25
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

As shown in the following table about one-half (53%) of the responding non-owner employees have held their current position for over five years. On the average, the non-owner employees completing the survey have held their employment position for approximately eight and one-half years.

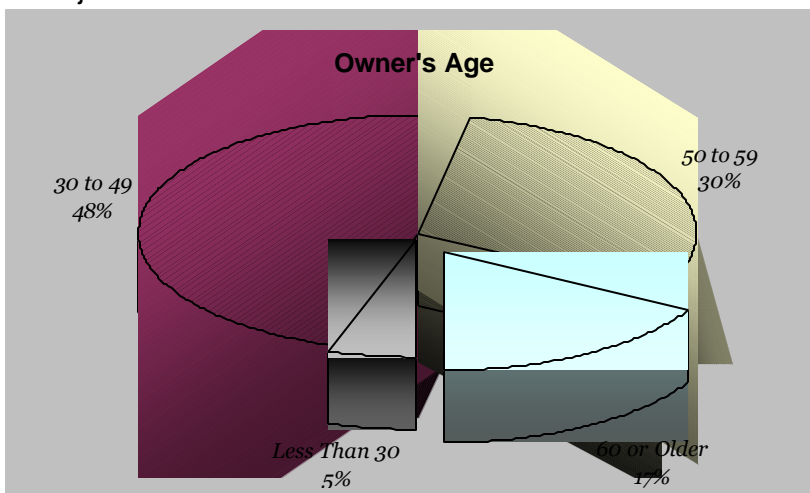
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Table 3 – Employees Have Held Current Position*

Tenure in Current Position	%
Less Than One Year	17
1 To 2 Years	15
3 To 4 Years	15
5 To 9 Years	15
10 To 19 Years	19
20 Years Or More	19
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

While not generally recognized as a major factor in the closure of businesses in established communities, many business establishments in fact shut down not as a result of market factors, but because they are independently owned or operated and the owner retires or is unable to continue running the business any longer for health or other reasons. No succession plans are made or “lineage” established for the continuance. No other family member is available or chooses to continue the operation. Thus, age is an important factor in



assessing the potential for reinvestment in a commercial community. As shown in Table 4, 17% of the owners are sixty years of age or older. An additional 30% are between fifty and fifty-nine. Both groups, consisting of a total of one-half of the owners, are approaching retirement age.

Table 4 – Owners' Age*

Owners' Age	%
Less Than 30	5
30 To 49	48
50 To 59	30
60 Or Older	17
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

As a result of the former information, whether or not those owners age sixty or older had identified an individual to take over and continue the business upon their retirement was defined. Over two-thirds (69%) of these owners have not identified such an individual.

Table 5 – For Those 60 or Over, Has A Future Operator Been Identified*

Identified Future Operator	%
Yes	31
Uncertain	38
No	31
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

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As shown in Table 6, a majority of 53% of the responding businesses has been located in the Grove for ten years or longer. It is estimated that the typical business has been serving the community on an average of ten years.

Table 6 – Length of Time Located in Coconut Grove*

Length	%
Less Than 1 Year	5
1 To 2 Years	11
3 To 4 Years	17
5 To 9 Years	14
10 To 19 Years	32
20 Years Or More	21
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

There is a significant correlation between tenure in the area and the amount of time at the current location. The implication is that there has been relatively small or infrequent movement of operations from the time the business opened until the present day. About one-third (37%) of the businesses have been operating at their current location for a period of time of less than five years. Conversely, roughly two-thirds (63%) of the businesses have been at their current location for longer than five years, with the average tenure being approximately nine and one-half years.

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Table 7 – Length of Time Located at This Specific Location*

Length	%
Less Than 1 Year	8
1 To 2 Years	13
3 To 4 Years	16
5 To 9 Years	15
10 To 19 Years	34
20 Years Or More	14
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

As found in Table 8, the businesses took multiple factors into account when selecting their locations. The most predominant considerations included the area's image, proximity to home, the character of the buildings and area, and affordable rents. Individual reasons noted within the "other" category included the site's proximity to the existing client base, the establishment as a home-based business, the availability of docking facilities, the proximity to downtown Miami, etc.

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Table 8 – Primary Factors in Selecting Current Location*

Factors	%
Image of Area	43
Proximity To Home	39
Character Of Buildings And Area	32
Affordable Rents	28
Proximity to Specific Residential Areas	27
Proximity To Other Like Businesses	17
Pedestrian Traffic Volume	16
Vehicular Traffic Volume	16
Opportunity To Purchase Building	16
Inherited Business from Family Member	5
Other Reasons	20

*Developed by The Chesapeake Group, Inc., 2002.

Importantly, a majority of 71% of businesses reported that their location had met with their expectations, while 20% expressed disappointment. Those businesses that expressed disappointment reported difficulties related to visibility (inadequate signage), poor property maintenance and management, rent increases, parking problems and a general decline in tourism and pedestrian traffic.

A minority of 28% of the businesses completing the survey owned the building that housed their establishment, while 72% rented the property. The size of the operations ranged from kiosks (200 square feet) to 68,000 square feet. The average size of the surveyed businesses was approximately 4,165 square feet.

Table 9 – Location Met Expectations*

Met Expectations	%
Yes	71
Uncertain	9
No	20
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Table 10 – Own or Rent*

Own or Rent	%
Own	28
Rent	72
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Only 5% of the property owners expressed an interest in selling their property. About one-third (33%) is uncertain, and 62% lack an interest in selling.

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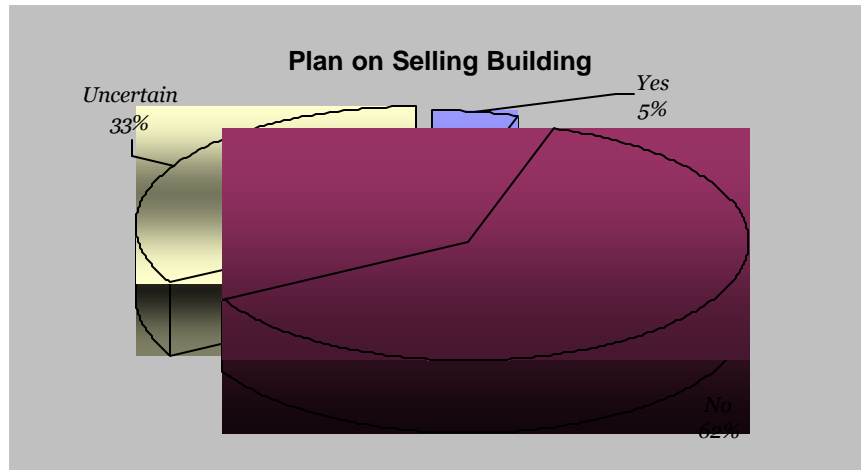


Table 11 - Plan on Selling Building*

Sell Building	%
Yes	5
Uncertain	33
No	62
Total	100

The most prominent types of businesses responding to the survey were professional services followed by restaurants and personal services. The "other" category includes medical related facilities, property management companies, financial institutions, educational services, developers, contractors, telecommunications, yacht clubs, recording studios and importers and exporters.

Table 12 – Nature of the Business*

Type Of Business	%
Professional Service	45
Restaurant, Food Service Establishment	11
Personal Service	10
Real Estate Or Insurance	6
Retail, Apparel	5
Retail, General Merchandise	4
Retail, Accessories for Apparel	4
Bar or Tavern	3
Lodging, Hotel, Motel, Inn, Bed & Breakfast	2
Retail, Home Furnishing Or Furniture	2
Retail, Water Related, Boating, Fishing, Etc.	1
Retail, Sports Equipment, Sporting Goods	1
Retail, Supermarket, Specialty Foods, Convenience	1
Retail, Department Store	1
Retail, Gifts, Cards, Or Crafts	1
Retail, Consignment Or Antiques	1
Other	18

*Developed by The Chesapeake Group, Inc., 2002.

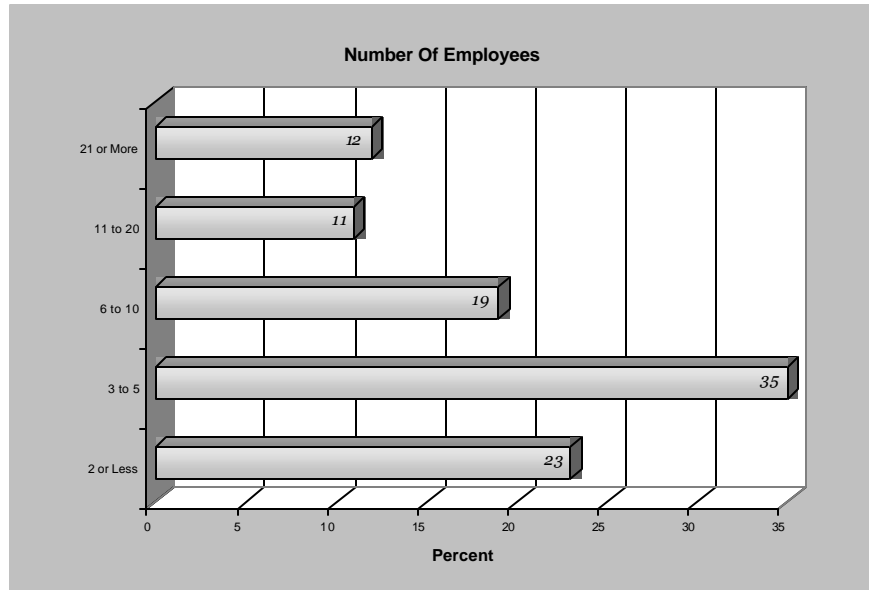
The responding businesses have employment levels ranging from a single person to over one hundred employees. As detailed in the Table 13 below, 23% of the respondents maintain one or two employees, 35% employ three to five, 19% six to ten workers, 11% eleven to twenty, and 12% more than twenty. On average, the businesses employ 10.3 people.

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Table 13 – Number of Employees (Including Owner)*

Number Of Employees	%
1	13
2	10
3 To 5	35
6 To 10	19
11 To 20	11
21 To 30	4
31 To 50	5
51 Or More	3
Total	100

*Developed by The Chesapeake Group, Inc., 2002.



Almost all (94%) of the firms reported having full-time employees. The number of full-time employees per business averaged about 7.4 people.

Table 14 – Number of Full-Time Employees (Including Owner)*

Number Of Full-Time Employees	%
0	6
1	21
2	18
3 To 5	25
6 To 10	15
11 To 20	7
21 To 50	6
51 Or More	2
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

About one-half (54%) of the businesses utilize part-time help. Those firms with part-time help maintain an average part-time employment level of 2.2 people.

Table 15 – Number of Part-Time Employees*

Number Of Part-Time Employees	%
0	46
1	21
2	13
3 To 5	11
6 To 10	4
11 To 20	3
21 Or More	2
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

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The majority of the businesses are independently owned and operated. About two-thirds (69%) of the businesses operated out of a single location in Coconut Grove as shown in the following table.

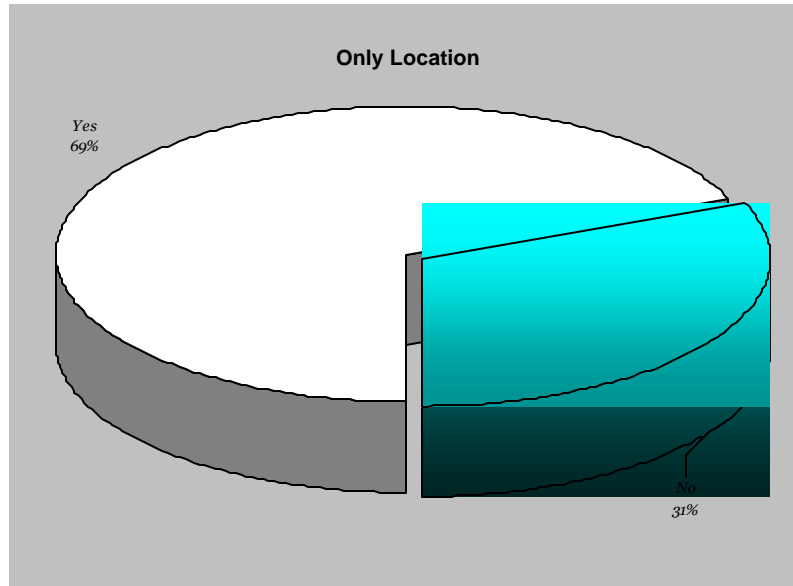


Table 16 – Single Location *

Only Location	%
Yes	69
No	31
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

One in ten of the responding businesses (9%) are part of a national chain or franchise.

Table 17 – National Franchise or Chain*

National Franchise Or Chain	%
Yes	9
No	90
Uncertain	1
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

About one in ten (7%) participate in a cooperative or larger buying group.

Table 18 – Part of Coop or Larger Buying Group*

Part Of Coop	%
Yes	7
No	93
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Sales & Revenue Trends

Collectively the businesses gave mixed reports about their level of sales and revenues during the past few years. About one-fourth (27%) have experienced an increase, while 31% report a decline. About another one-third (35%) report that sales have remained relatively stable over the past few years.

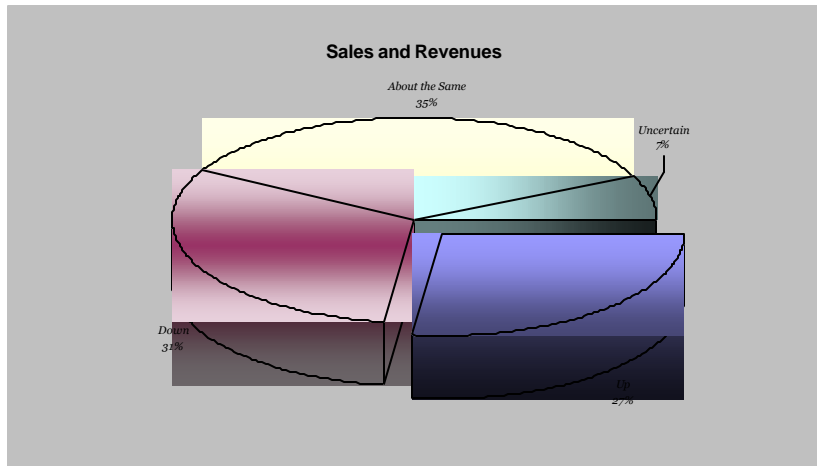
Those businesses reporting increased sales most often attribute their success to the economy, physical improvements to their establishments, low interest rates, good weather, extended hours, quality of service provided, marketing and advertising, repeat customers and hard work. Those businesses reporting a decline in activity attributed the situation to the economy, the impact of September 11th on travel and tourism, parking problems, traffic congestion, a lack of marketing and promotions, increased competition and over-development.

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Table 19– Sales or Revenue Trends Over the Past Two or Three Years*

Sales / Revenues	%
Up	27
Down	31
About The Same	35
Uncertain	7
Total	100

*Developed by The Chesapeake Group, Inc., 2002.



When asked to compare sales or revenue trends over the past few months to the same months in recent years, the proportion of businesses reporting increases declined while the proportion reporting declines increased as shown below. The respondents attributed this overall short-term decline to problems related to the economy, a decline in tourism, poor weather (rain), a lack of evening entertainment and night-life, problems associated with the presence of “street people” and a lack of promotional activities.

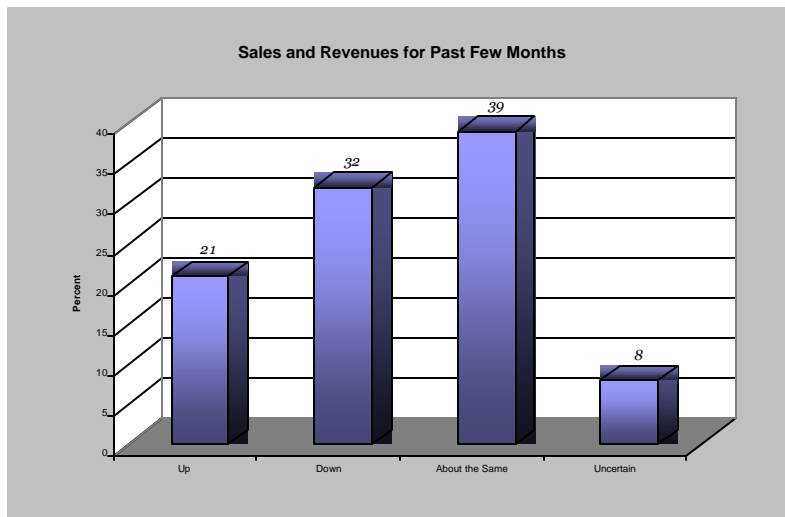


Table 20– Sales or Revenue Trends Over the Past Few Months*

Sales / Revenues	%
Up	21
Down	32
About The Same	39
Uncertain	8
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

It is noted that only about one-half of the businesses indicated that they promoted their establishment through some type of advertising as shown in Table 21.

Table 21 – Businesses That Advertise*

Advertise	%
Yes	49
No	50
Uncertain	1
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

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The most popular form of advertising involved the printed media followed by direct mail to known customers. The “other” category included “Yellow Page” advertising and the use of handbills or flyers.

Table 22 – Type of Advertising*

Type Of Advertising	%
Print (Newspapers, magazines, journals)	74
Direct Mail to Customer Base	43
Electronic, Internet	37
Direct Mail, In General	21
Radio	14
Television	10
Other	12

*Developed by The Chesapeake Group, Inc., 2002.

Attitudes & Opinions

The survey asked the respondents to describe the most important issues or problems that confront their business operations. Their responses, in order of frequency, are listed below.

- Problems associated with parking, particularly the cost.
- Traffic related problems.
- A concern over crime and the sense of security, including the desire for more police presence.
- The growing presence of street people such as vagrants, the homeless, panhandlers and prostitutes.
- A decline in pedestrian activity and foot traffic.
- Increasing rents.
- Lack of visibility, inadequate signage.
- Government fees and taxes.
- Trash and debris along the streets.
- Business vacancies.
- A lack of effective marketing and promotional activities.
- The fact that the community appears to be organizationally fragmented or it lacks a single effective organization.
- Shoplifting and theft.

When asked to identify the best aspects of their location and the community a majority of the respondents identified:

- The Grove’s central location including proximity to downtown Miami.
- The environment, including the water and the weather.
- The Grove’s ambiance or atmosphere.
- The image.
- Easy access to major roadways.
- The restaurants.
- The area’s streetscape and landscape.
- The fact that the area is walkable.
- Affluent customers.
- Property values continue to appreciate.

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Respondents were asked to specify changes, improvements and new businesses that they would like to see within close proximity or in the vicinity of their businesses. Their responses included:

- More and cheaper parking.
- More visible security.
- Street cleaning and beautification.
- An overall strategy for marketing and promoting the area including festivals and events.
- A reduction in the number of street people.
- Fewer business vacancies.
- New retailers and restaurants.
- More liberal sign regulations.
- Waterfront events and activities.

Consistent with the above information, a majority of the business respondents feel that they are not benefiting from the promotional events and activities that are currently being held. Less than one-third of the respondents report that they benefit directly from such community events.

Table 23 – Benefited From Current Events and Activities*

Benefited	%
Yes	31
No	58
Uncertain	11
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Table 24– Type Of Activity That Would Benefit Business*

Activity	%
More Parking	70
A More Pedestrian Friendly Environment	58
More or Better Public Amenities, Parks, Landscaping	39
More Evening Entertainment	37
Better Maintenance of Commercial Streets	37
Affordable Rents for New or Start-Up Businesses	33
More Special Events and Activities	32
Cooperative/Collective Advertising / Marketing	32
Additional Tourist Attractions	31
Improvements to Commercial Properties	29
Better Restaurant Activity	28
Increased Building Restorations	28
Tax or Infrastructure Incentives	28
Change in Character of Residential Areas	27
Change in Character of Residential Areas	26
Better Cooperation Among Property Owners	25
More Restaurant Activity	22
More Professional Services	21
Improved Water Access or Visibility	20
More Hotels	19
Concentration of Offices and Employment	19
Enhanced Business Organizational Activity	17
More Housing	9

*Developed by The Chesapeake Group, Inc., 2002.

The businesses also responded to a “close-ended” question identifying those items from the list contained in the following table that would most enhance business activity in Coconut Grove. The most popular choice was related to additional parking.

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Reinvestment Opportunities

Whether a result of healthy sales for a proportion of businesses or other reasons, there are a significant minority of businesses needing to expand their physical facilities in the near future. The survey revealed that 20% of the respondents feel that they need to expand their physical facilities in the near future. A majority of 68% did not anticipate a change.

In addition to those needing to expand, 11% feel that they need to change locations and 1% need to contract space. Like expansion, a shift in location or contraction of space represents both reinvestment opportunities and opportunities to reconfigure the commercial mix. Table 25 contains the information on the related physical change opportunities.

Table 25 – Need To Expand Or Contract*

Anticipated Change	%
Expand	20
Contract	1
Change Locations	11
No Change	68
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Importantly and as shown in the table that follows, 38% of those requiring or desiring physical change feel that their current location would not be able to accommodate such a change.

Table 26 – Able to Make Change At Current Location*

Able To Make Change	%
Yes	36
No	38
Uncertain	26
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

As shown below, only about one-third (35%) of those respondents that feel that they would have to move in order to implement the desired change report that they would consider another Coconut Grove location. Almost one-half (47%) would not.

Table 27 – Would Consider Another Location in the Grove*

Consider Another Location	%
Yes	35
No	47
Uncertain	18
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

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About one-third (36%) of all businesses expressed an interest in technical or financial assistance designed to encourage and support new investments and improvements. Another two out of ten (19%) were not certain as to their interest.

Table 28 – Interested in Financing or Technical Assistance*

Interested	%
Yes	36
No	45
Uncertain	19
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Finally and irrespective of the type of investment, about one-fourth (28%) of the surveyed business reported that they had definite plans for new investments and improvements within the next year or so. Another 27% were uncertain as to new investments and improvements.

Table 29 – Have Definite Plans For New Improvements*

Plans	%
Yes	28
No	45
Uncertain	27
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Patron Survey

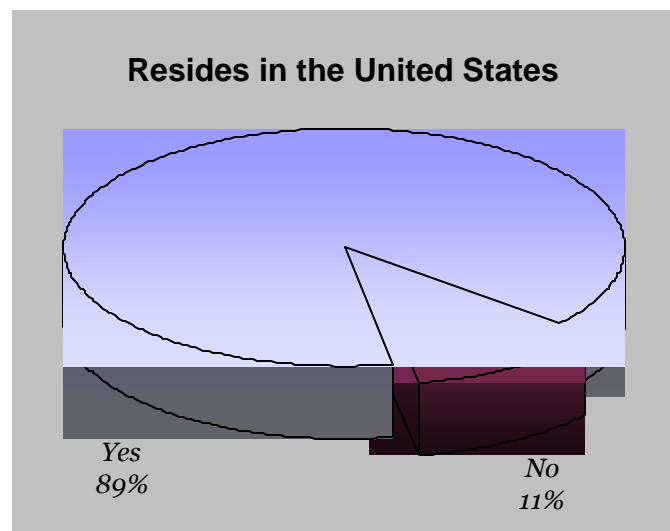
Residence of Patrons

There are patrons of the Grove who live in other countries around the world as well as those living in this country. About one out of every ten (11%) of the patrons interviewed on the street maintained their permanent residence outside of the United States. Those nations represented by the patrons included Canada, Columbia, Brazil, Honduras, Chile, Guatemala, England, France, and Germany.

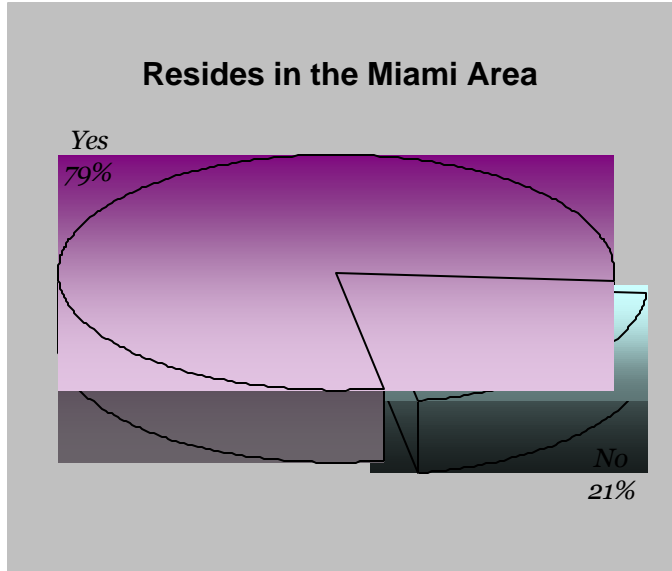
Table 30 – Whether Respondent Resides in the USA*

Resides in the USA	%
Yes	89
No	11
Total	100

*Developed By The Chesapeake Group, Inc., 2002.



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Most of the majority of residents living within the United State live in the Miami Area. As shown in Table 31, a majority of 79% of the United States residents interviewed live within the Miami area. The non-Miami area residents were visiting from California, Colorado, Georgia, Massachusetts, Michigan, New York, Oklahoma, South Carolina, Texas, Virginia, West Virginia and elsewhere in Florida.

Table 31 – Whether Respondent Resides in the Miami Area*

Resides in the Miami Area	%
Yes	79
No	21
Total	100

*Developed By The Chesapeake Group, Inc., 2002.

Those patrons living outside of the Miami area reported that they were in the area for as little as less than a full day to more than a week. A majority of the respondents planned on being in the area for longer than a week. It is estimated that the visiting patrons stayed in the area for approximately 7.4 days.

Table 32 – Length of Stay*

Length	%
Just Passing Through	5
1 Or 2 Days	11
3 To 5 Days	12
1 Week	17
More Than 1 Week	55
Total	100

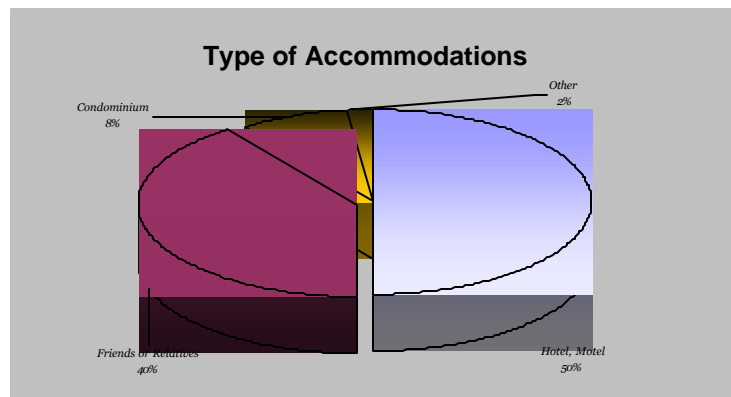
*Developed By The Chesapeake Group, Inc., 2002.

One-half of the visitors interviewed indicated that they were staying in either a hotel or motel, while 40% were staying with relatives or friends as shown below.

Table 33 –Accommodations*

Accommodations	%
Hotel, Motel	50
Friends Or Relatives	40
Condominium	8
Other	2
Total	100

*Developed By The Chesapeake Group, Inc., 2002.



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As shown in Table 34 below, a significant majority (81%) of the visiting patrons had been to the Miami area on previous occasions.

Table 34 – Whether Visited the Miami Area Before*

Visited Before	%
Yes	81
No	19
Total	100

*Developed By The Chesapeake Group, Inc., 2002.

Almost one-half (46%) of the out of town patrons indicated that they traveled to the Miami area multiple times per year, and two-thirds (66%) of the respondents visited the area at least once each year. It is estimated that the visiting patrons travel to the area at a rate of approximately 2.6 times per year.

Table 35 – Visitors' Frequency of Trips to the Miami Area*

Frequency	%
12 Or More Times / Year	7
6 To 11 Times / Year	7
2 To 5 Times / Year	32
Once A Year	20
Every Other Year	5
Every Few Years	10
Less Often	19
Total	100

*Developed By The Chesapeake Group, Inc., 2002.

The Miami area patrons lived within the following zip codes:

33016	33138	33157	33193
33030	33139	33165	33312
33035	33140	33166	33319
33125	33141	33167	33326
33128	33142	33173	
33129	33143	33176	
33130	33145	33177	
33131	33149	33178	
33133	33154	33185	
33134	33155	33186	
33135	33156	33190	

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All interviewed patrons, both local residents and visitors, were asked if this was their first visit to the Coconut Grove area. As shown below and as would be expected by the composition of the patrons, over eight out of ten of the respondents had been to the Grove before.

Table 36 – Whether First Trip To Coconut Grove*

First Trip	%
Yes	17
No	83
Total	100

*Developed By The Chesapeake Group, Inc., 2002.

Those people who had visited Coconut Grove before were asked to reveal how often they visited the Grove commercial activity. As shown in Table 37, about two-thirds (68%) of the patrons frequent the area at a rate of once each month or more, and 95% of the respondents visited the Grove at least once each year. On an average, those patrons who had visited Coconut Grove prior to being surveyed frequented the area at a rate of approximately 9 times annually.

Table 37 – Frequency of Trips to Coconut Grove*

Frequency	%
12 Or More Times / Year	68
6 To 11 Times / Year	8
2 To 5 Times / Year	11
Once A Year	8
Every Other Year	2
Less Often	3
Total	100

*Developed By The Chesapeake Group, Inc., 2002.

Attitudes & Opinions

Patrons were asked their opinions about elements of the Grove that they liked and disliked about the area. The six elements most often mentioned as desirable qualities are:

- The stores and shops, in particular the variety, quality and shopping hours.
- The atmosphere.
- Restaurants and outside cafes.
- The people, both residents and tourists.
- The pedestrian friendly character of the area, including the architecture and landscaping.
- Nightlife, including the clubs, bars, and street activity.

The area's characteristics that were liked least or disliked are:

- Parking problems, specifically the "shortage" of spaces and cost.
- Traffic.
- The climate (heat, humidity and rain).
- It is too crowded and congested.
- The litter and trash on the streets and sidewalks.
- The noise created by motorcycles.
- It is too commercialized.

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Patrons identified the following business activity that they would like to see attracted to the area.

- More and better nightlife and entertainment facilities.
- Clubs for teenagers and young people.
- Arcades and games.
- More and better restaurants.
- Additional activities for families and children.
- Additional street performers and artists.
- New retail stores to fill in vacancies.

Demographics & Lifestyles

The survey also provides data on the characteristics of the patrons and the market, particularly in terms of household size, age, education, and income.

The patrons are members of both large and small households. About two in ten (18%) reside in households of five or more members, while 35% of the patron households consisted of two or less members. Almost one-half (47%) of the households were comprised of three or four members. On the average, the respondent households consisted of 3.33 members.

Table 38 – Number of People in Household*

Number	%
1	10
2	25
3	17
4	30
5	11
6 Or More	7
Total	100

*Developed By The Chesapeake Group, Inc., 2002.

Families with young children tend to have different spending patterns than families with older or no children. About two out of ten (19%) patrons reside in households with children the age of six or younger.

A significant percentage of the patrons are relatively young. About six in ten (59%) were under age thirty. About one in four (29%) are between thirty and fifty years old. Only 3% are sixty years of age or older.

Table 40 – Whether There Are Any Pre-School Age Household Members*

Households With Children Younger Than Six	%
Yes	19
No	81
Total	100

*Developed By The Chesapeake Group, Inc., 2002.

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Table 41 – Age of Respondent*

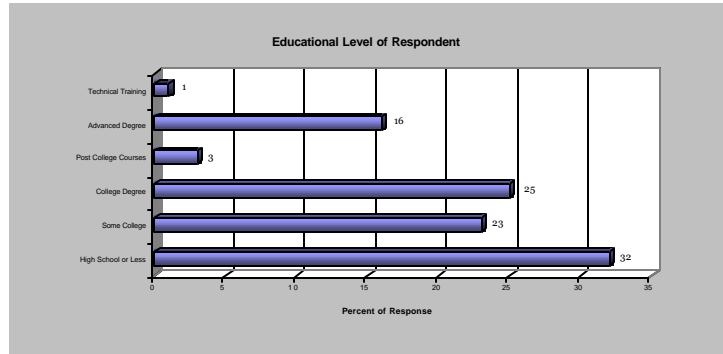
Age	%
Under 21	33
21 To 29	26
30 To 39	18
40 To 49	11
50 To 59	9
60 Or Older	3
Total	100

*Developed By The Chesapeake Group, Inc., 2002.

While some of the younger people inter-viewed may still be completing their educa-tion, the survey revealed that 44% of the respondents held a college degree, and another 23% had completed some college as shown in Table 42.

Table 42 – Educational Level of the Respondent *

Educational Level	%
High School Or Less	32
Some College	23
College Degree	25
Post College Courses	3
Advanced Degree	16
Technical Training	1
Total	100



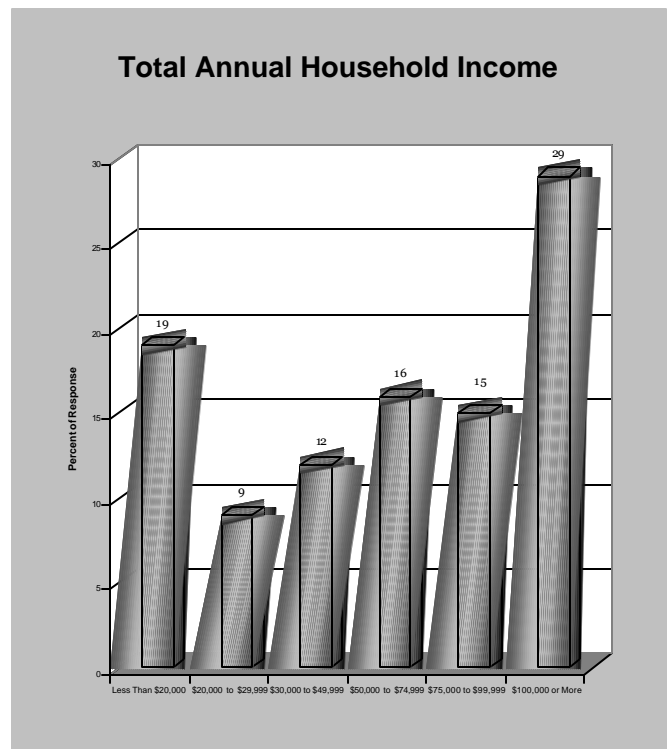
Income has the greatest impact upon a household's ability to purchase various goods and services. About one-fourth (28%) of the patrons reported household incomes of less than \$20,000 annually, while 44% reported annual incomes above \$75,000. The average household income is estimated to be approximately \$66,000.

*Developed By The Chesapeake Group, Inc., 2002.

Table 43 – Total Annual Household Income*

Income Category	%
Less Than \$20,000	19
\$20,000 To \$29,999	9
\$30,000 To \$49,999	12
\$50,000 To \$74,999	16
\$75,000 To \$99,999	15
\$100,000 Or More	29
Total	100

*Developed By The Chesapeake Group, Inc., 2002.



Telephone Survey

In an effort to obtain information on purchasing patterns for commercial activity and demographic information on targeted population groups within a large geographic area, a telephone survey of households in sections of Miami-Dade and Broward Counties was conducted. In total, in excess of 500 households is included in the sampling.

The following salient information was obtained.

Salient Demographic Information

While any number of demographic factors impact demand, the two of greatest importance are the number of people in the household and the incomes.

The average household surveyed consists of 2.22 people. In general, the households in Miami-Dade are smaller than those in Broward. About three-fourths of the Miami-Dade surveyed households consisted of one or two people, while only one-half of the Broward households consisted of one or two people.

Table 44 – Number of Household Members (In %)*

Number	Miami-Dade	Broward	Total
1	33	22	31
2	40	28	38
3	15	22	16
4	7	11	8
5 Or More	5	17	7
Total	100	100	100

*Developed by The Chesapeake Group, Inc., 2002.

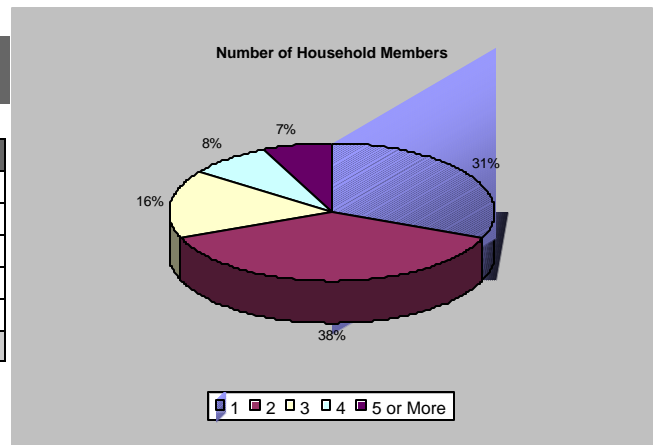
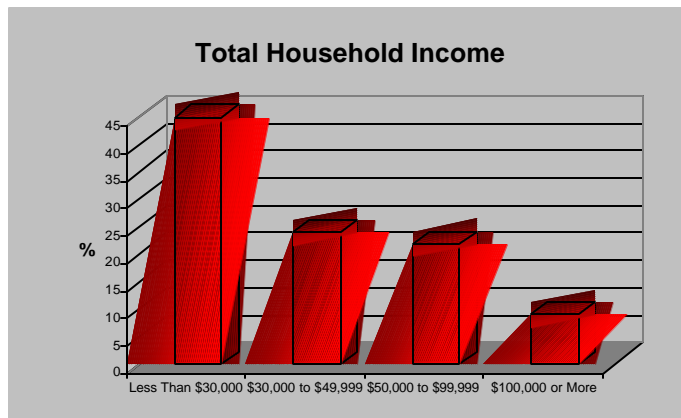


Table 45 contains the income information generated through the surveys. The following is derived from the data.



- ✓ The average household income is in excess of \$49,000 annually.
- ✓ The average in Broward exceeds the average in Miami-Dade. The average in Miami-Dade is estimated at \$45,460, while the Broward average is roughly \$53,000.
- ✓ Fewer Broward residents fall in the income brackets below \$50,000 annually.
- ✓ Sections of Miami-Dade in and around the Grove and in the market have higher household incomes than in Miami-Dade in general.

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Table 45 – Total Household Income (In %)*

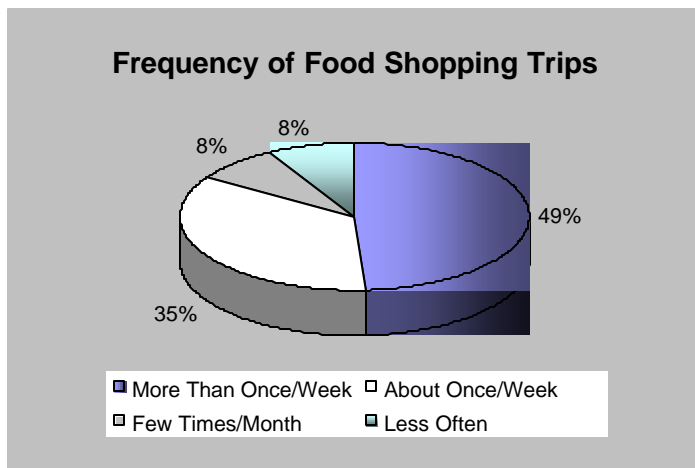
Income Category	Miami-Dade	Broward	Total
Less Than \$30,000	46	40	45
\$30,000 To \$49,999	25	20	24
\$50,000 To \$99,999	20	30	22
\$100,000 Or More	9	10	9
Total	100	100	100

*Developed by The Chesapeake Group, Inc., 2002.

It is further noted that more than one-half (60%) of all households living in select areas associated with the Grove primary market have household incomes in excess of \$50,000.

Select Spending Information

Irrespective of the household income, the majority of households spend their income and resources on three basic commodities. These commodities are food, transportation and housing. Retail spending is the driving force for commercial development, while spending on housing drives the residential market.



Food is primarily purchased either for preparation for home consumption or prepared for consumption at a food service establishment. Food purchases at supermarkets or other establishments represent surrogate experiences for all convenience shopping.

Table 46 contains the frequency of food shopping trips. Majority of those in Miami-Dade and Broward Counties shop for groceries and related merchandise at least once per week.

Table 46 – Frequency of Food Shopping Trips (In %)*

Frequency of Trips	Miami-Dade	Broward	Total
More Than Once / Week	55	30	49
About Once / Week	32	44	35
Few Times / Month	6	12	8
Less Often	7	14	8
Total	100	100	100

*Developed by The Chesapeake Group, Inc., 2002.

It is noted that between one-fourth to one-third of all households in the sample spend more than \$100 per week on groceries and related merchandise. However, the average household is estimated to spend generally about \$83.25 per week on groceries and related merchandise. The information on household spending on groceries and related merchandise is found in Table 54 and the associated graphic on the next page.

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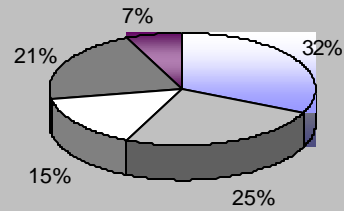
It is noted that the per capita spending on groceries is above the national norm.

Table 47 – Average Amount Spent on Groceries Per Week (In %)*

Amount Spent	Miami-Dade	Broward	Total
Less Than \$50	32	31	32
\$50 To \$74.99	24	33	25
\$75 To \$99.99	15	13	15
\$100 To \$149.99	21	21	21
\$150 Or More	8	2	7
Total	100	100	100

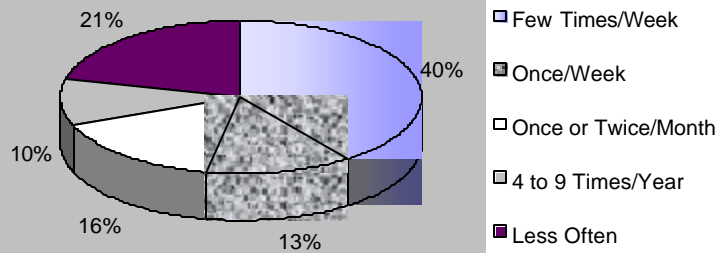
*Developed by The Chesapeake Group, Inc., 2002.

Average Amount Spent On Groceries Per Week



Less Than \$50 \$50 to \$74.99
 \$75 to \$99.99 \$100 to \$149.99
 \$150 or More

Frequency Lunch is Consumed Outside the Home



The frequency of both lunch and dinner trips as well as the types of establishments generally visited for lunch and dinner provide significant information on food spending and are of particular importance to the Grove, based on its history. About one-half (53%) of all households surveyed go out to eat lunch at a food service establishment at least once per week. The proportion is higher for Miami-Dade interviewees than for Broward interviewees.

Table 48 – Frequency Lunch Is Consumed Outside the Home (In %)*

Frequency	Miami-Dade	Broward	Total
Few Times / Week	43	29	40
Once / Week	12	15	13
Once or Twice / Month	17	12	16
4 to 9 Times / Year	12	3	10
Less Often	16	41	21
Total	100	100	100

*Developed by The Chesapeake Group, Inc., 2002.

Full-service restaurants are the preferred options for lunch for the host of residents as shown in Table 49. This is atypical. Most often fast food operations will dominate lunch activity.

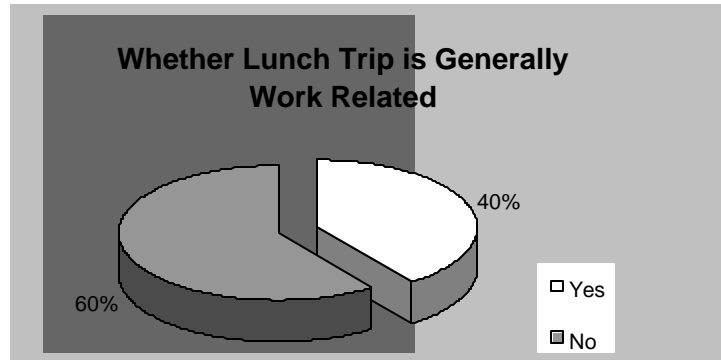
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Table 49 - Type of Establishment Most Often Associated With Lunch (In %)*

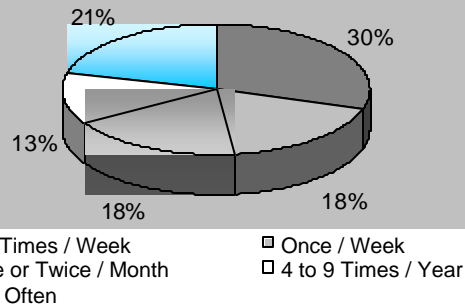
Type Of Establishment	Miami-Dade	Broward	Total
Full-Service Restaurant	58	66	60
Fast Food Operation	31	23	29
Buffet or Cafeteria	28	30	29
Other	12	-	10

*Developed by The Chesapeake Group, Inc., 2002.

Lunch trips are generally split between those made during work and those not. It is noted that unless people work in or near their home, the capture of lunch trips associated with work are less likely than trips made for pleasure or non-work related activity.



Frequency Dinner is Consumed Outside the Home



As would be anticipated, the proportion of the respondents going to eat dinner out with great frequency is lower than the proportion making such trips for lunch. Slightly less than one-half go out to dinner at least once per week.

Table 50 – Frequency Dinner Is Consumed Outside the Home (In %)*

Frequency	Miami-Dade	Broward	Total
Few Times / Week	33	20	30
Once / Week	16	25	18
Once or Twice / Month	18	19	18
4 to 9 Times / Year	16	4	13
Less Often	17	32	21
Total	100	100	100

*Developed by The Chesapeake Group, Inc., 2002.

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Full-service restaurants play an even larger role in dinner trips than lunch trips. About eight of every ten households prefer full-service establishments most often for dinner. The proportion in Miami-Dade is even higher. Furthermore and as found in Table 51, the proportion frequenting fast food operations in Miami-Dade for dinner is well below the proportion frequenting fast food operations in Broward.

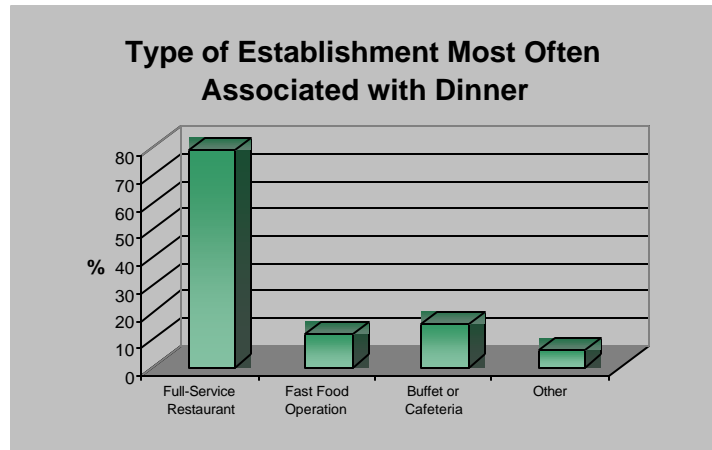
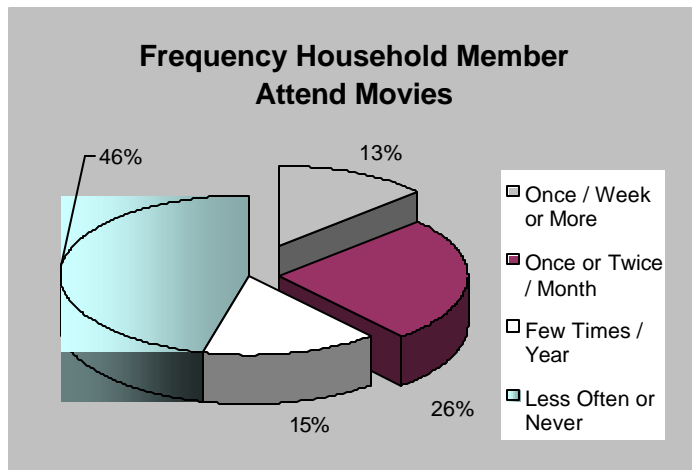


Table 51 - Type of Establishment Most Often Associated With Dinner (In %)*

Type Of Establishment	Miami-Dade	Broward	Total
Full-Service Restaurant	83	66	79
Fast Food Operation	10	23	12
Buffet or Cafeteria	12	30	16
Other	7	Not sign.	6

*Developed by The Chesapeake Group, Inc., 2002.



Additional food spending is often associated with trips for evening entertainment. This is yet another area of particular importance to the Grove, based on its history and its current tenant mix. It is noted that about two in ten have someone in their household that goes to clubs to hear music, dance, etc. about twice per month or more often. On the other hand, about three-fourths never make such trips. It is also noted that those living in Miami-Dade participate in this activity with greater frequency than those living in Broward County.

Table 52 – Frequency Household Member Go to Clubs/Music/Dance (In %)*

Frequency	Miami-Dade	Broward	Total
Once / Week or More	9	6	8
Once or Twice / Month	12	8	11
Few Times / Year	6	4	6
Less Often or Never	73	82	75
Total	100	100	100

*Developed by The Chesapeake Group, Inc., 2002.

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Also important to the Grove, because of its current tenant mix, is the frequency that people go to the movies. More respondents go to the movies with greater frequency than to clubs, etc. About four in ten go to the movies at least once or twice per month. Only one-half go to the movies less often than a few times per year. Information on movie attendance is found in the illustration to the right and Table 53 below.

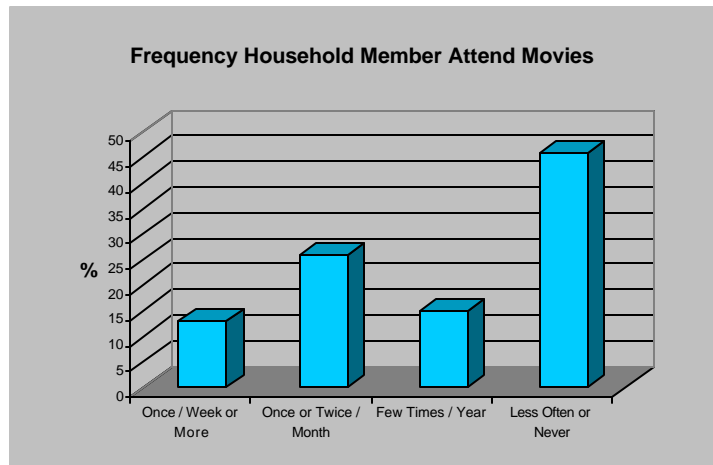


Table 53 – Frequency Household Member Attend Movies (In %)*

Frequency	Miami-Dade	Broward	Total
Once / Week or More	16	7	13
Once or Twice / Month	26	25	26
Few Times / Year	16	10	15
Less Often or Never	42	58	46
Total	100	100	100

*Developed by The Chesapeake Group, Inc., 2002.

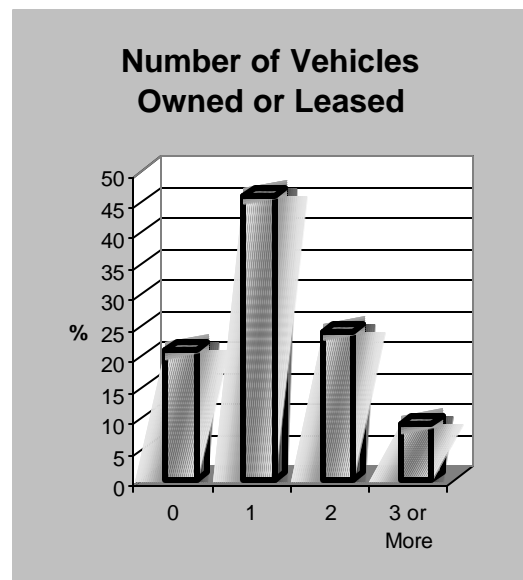
The two critical factors in transportation for those households having private vehicles are the number of vehicles and their age. Typically, vehicles less than five years of age have loans or higher loan payments than older vehicles. On the other hand, as vehicles age, maintenance costs frequently increase.

The average household in the survey has 1.45 personal vehicles. Table 61 contains the information on vehicle ownership.

Table 54 – Number of Personal Vehicles Owned or Leased (In %)*

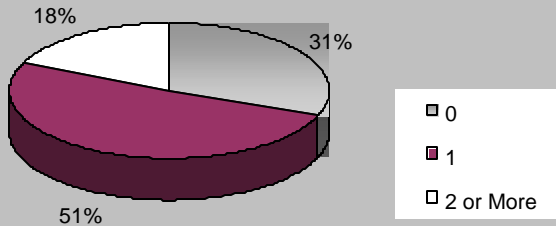
Number Owned/Leased	Miami-Dade	Broward	Total
0	12	7	10
1	44	53	47
2	35	33	34
3 Or More	9	7	9
Total	100	100	100

*Developed by The Chesapeake Group, Inc., 2002.



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Number of Personal Vehicles Five Years of Age or Older



Majority of the households having personal vehicles have vehicles that are more than five years old. On the other hand, about one-third (31%) of the households have no vehicle five years old.

Table 55 – Number of Personal Vehicles Five Years of Age or Older (In %)*

Number Owned/Leased	Miami-Dade	Broward	Total
0	34	21	31
1	48	61	51
2 Or More	18	18	18
Total	100	100	100

*Developed by The Chesapeake Group, Inc., 2002.

Spending on other commodities impacts the ability to spend money on housing. Actual housing spending and related information is the third key commodity reviewed.

Almost one-half of all those interviewed in the survey are renters. However, the proportion of renters associated with areas served by the Grove at present is less than 20%.

Whether Household Owns or Rents

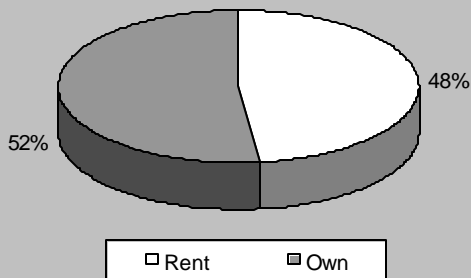


Table 56 – Whether Household Owns or Rents (In %)*

Own/ Rent	Miami- Dade	Broward	Total
Rent	51	39	48
Own	49	61	52
Total	100	100	100

*Developed by The Chesapeake Group, Inc., 2002.

Table 57 contains the information on the number of years or tenure in current housing. It is noted that more than one-half (53%) of the sample have lived in their current unit for less than 10 years. More than one-third of these have lived in their current units for two years or less. The average household has lived in their current unit for just over 11 years. However, the tenure for those in areas currently served by the Grove also differs. In general, residents of those served by the Grove have lived in their units on average of about 15 years.

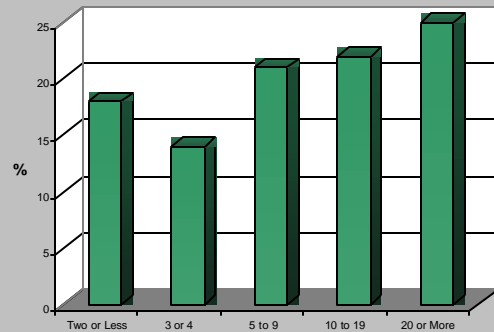
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Table 57 – Number of Years Living in Current Housing Unit (In %)*

Number Of Years	Miami-Dade	Broward	Total
Two Or Less	16	22	18
3 Or 4	15	11	14
5 To 9	23	12	21
10 To 19	24	16	22
20 Or More	22	39	25
Total	100	100	100

*Developed by The Chesapeake Group, Inc., 2002.

Number of Years Living In Housing Unit



The average survey household spends about \$740 per month on rent or mortgage payments. While one-third spend less than \$500 per month, about two in ten spend more than \$1,000 per month. An additional two in ten spend between \$750 and \$1,000 per month.

On the other hand, for households living in areas currently served by the Grove, the average increases to about \$950 per month, with about five in ten, or 50% paying more than \$1,000 per month in mortgage or rent.

Amount of Rent or Mortgage Per Month

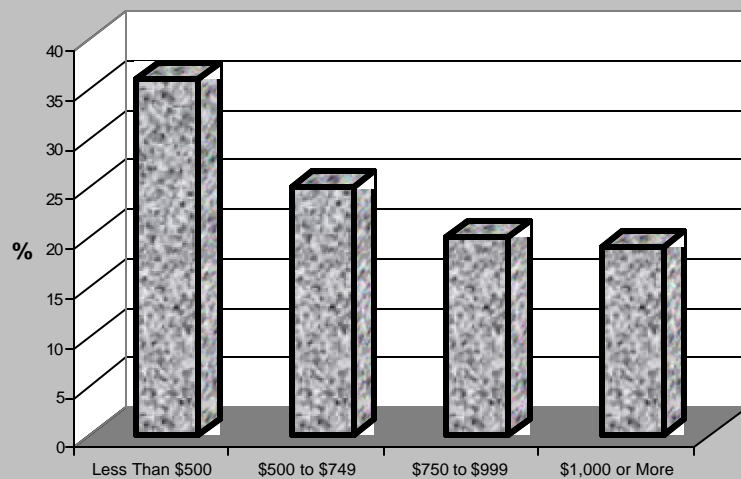


Table 58 - Amount of Rent or Mortgage Per Month (In %)*

Payment	Miami-Dade	Broward	Total
Less than \$500	37	33	36
\$500 To \$749	26	24	25
\$750 To \$999	18	23	20
\$1,000 Or More	19	20	19
Total	100	100	100

*Developed by The Chesapeake Group, Inc., 2002.

Demand Forecast

The following represents a review of demand for retail and related services activity as well as housing and office activity.

Market Areas & Retail Sales

There are essentially three potential market areas for goods and services associated with the Coconut Grove. These are:

- ✓ The primary market, composed of residents living in certain areas in or near the Grove as defined on the map that follows.
- ✓ The secondary market, composed of residents living in the remainder of Miami-Dade County.
- ✓ The tertiary market, consisting of residents residing elsewhere in the region, particularly areas of Broward County.

It is also noted that all estimates of future activity exclude inflation.

Retail goods and related services sales generated by primary market area residents are estimated at about \$3.7 billion in 2002. The primary market area sales are expected to increase to about \$4.15 billion by 2010, due primarily to increases in households and anticipated changes in average household income.

Aggregate retail sales figures represent a compilation of sales associated with ten major categories. The ten major categories of retail goods and related services are:

- ✓ Food, such as groceries and related merchandise generally purchased for home preparation or consumption.
- ✓ Eating and drinking, consisting of prepared food and beverages generally consumed on the premises or carried to another location.
- ✓ General merchandise, including variety stores, department stores and large value oriented retail operators.
- ✓ Furniture and accessories, including appliances and home furnishings.
- ✓ Transportation and utilities, including the sale of new and used automotive and other personal vehicles and parts and basic utilities for the home.
- ✓ Drugstores, including those specializing in health and beauty aids or pharmaceuticals.
- ✓ Apparel and accessories.
- ✓ Hardware and building materials, including traditional hardware stores and garden and home improvement centers.
- ✓ Auto services, including gasoline and vehicle repair.
- ✓ Miscellaneous, which includes a plethora of retail goods and services ranging from florists to paper goods.

There are sub-categories, generally associated with particular types of businesses, found within each retail category. The information on the sub-category sales for the primary, secondary, and tertiary markets is contained in Tables 63, 64 and 65, found on the next three pages.

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Table 63 – Estimated Retail & Related Services Sales for the Grove's Primary Market by Sub-category*

Sub-category	2002	2005	2010
Food	\$525,797,000	\$549,984,000	\$592,333,000
Supermarkets	439,040,495	459,236,640	494,598,055
Independents	42,063,760	43,998,720	47,386,640
Bakeries	11,567,534	12,099,648	13,031,326
Dairies	6,835,361	7,149,792	7,700,329
Others	26,289,850	27,499,200	29,616,650
Eat/Drink	\$310,765,000	\$325,061,000	\$350,090,000
General Merchandise	\$298,246,000	\$311,966,000	\$335,987,000
Dept. Stores	108,859,790	113,867,590	122,635,255
Variety Stores	21,473,712	22,461,552	24,191,064
Jewelry	20,578,974	21,525,654	23,183,103
Sporting Goods/Toys	32,508,814	34,004,294	36,622,583
Discount Dept.	108,561,544	113,555,624	122,299,268
Antiques, etc.	1,491,230	1,559,830	1,679,935
Others	4,771,936	4,991,456	5,375,792
Furniture	\$230,865,000	\$241,485,000	\$260,079,000
Furniture	54,484,140	56,990,460	61,378,644
Home Furnishings	80,341,020	84,036,780	90,507,492
Store/Office Equip.	50,328,570	52,643,730	56,697,222
Music Instr./Suppl.	9,927,195	10,383,855	11,183,397
Radios, TV, etc.	35,784,075	37,430,175	40,312,245
Transportation & Utilities	\$1,123,026,000	\$1,174,686,000	\$1,265,136,000
New/Used Vehicles	393,059,100	411,140,100	442,797,600
Tires, Batt., Prts.	495,254,466	518,036,526	557,924,976
Marine Sales/Rentals	59,520,378	62,258,358	67,052,208
Auto/Truck Rentals	175,192,056	183,251,016	197,361,216
Drugstore	\$261,058,000	\$273,066,000	\$294,092,000
Apparel	\$211,718,000	\$221,457,000	\$238,509,000
Men's and Boy's	27,735,058	29,010,867	31,244,679
Women's and Girl's	70,290,376	73,523,724	79,184,988
Infants	4,446,078	4,650,597	5,008,689
Family	58,857,604	61,565,046	66,305,502
Shoes	44,249,062	46,284,513	49,848,381
Jeans/Leather	846,872	885,828	954,036
Tailors/Uniforms	3,810,924	3,986,226	4,293,162
Others	1,482,026	1,550,199	1,669,563
Hardware	\$219,450,000	\$229,545,000	\$247,220,000
Hardware	106,213,800	111,099,780	119,654,480
Lawn/Seed/Fertil.	4,169,550	4,361,355	4,697,180
Others	109,066,650	114,083,865	122,868,340
Vehicle Service	\$160,906,000	\$168,307,000	\$181,267,000
Gasoline	54,708,040	57,224,380	61,630,780
Garage, Repairs	106,197,960	111,082,620	119,636,220
Miscellaneous	\$359,368,000	\$375,899,000	\$404,844,000
Advert. Signs, etc.	5,749,888	6,014,384	6,477,504
Barber/Beauty shop	21,921,448	22,929,839	24,695,484
Book Stores	16,530,928	17,291,354	18,622,824
Bowling	8,265,464	8,645,677	9,311,412
Cig./Tobacco Dealer	2,515,576	2,631,293	2,833,908
Dent./Physician Lab	14,374,720	15,035,960	16,193,760
Florist/Nurseries	26,952,600	28,192,425	30,363,300
Laundry, Dry Clean	12,218,512	12,780,566	13,764,696
Optical Goods/Opt.	8,624,832	9,021,576	9,716,256
Photo Sup./Photog.	24,796,392	25,937,031	27,934,236
Printing	29,108,808	30,447,819	32,792,364
Paper/Paper Prod.	15,452,824	16,163,657	17,408,292
Gifts/Cards/Novel.	51,389,624	53,753,557	57,892,692
Newsstands	2,874,944	3,007,192	3,238,752
Video Rent/Sales	46,717,840	48,866,870	52,629,720
Others	71,873,600	75,179,800	80,968,800
TOTAL	\$3,701,199,000	\$3,871,456,000	\$4,169,557,000

*Developed by The Chesapeake Group, Inc., 2002.

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Table 64 – Estimated Retail & Related Services Sales for the Grove's Secondary Market or the Remainder of Miami-Dade County by Sub-category*

Sub-category	2002	2005	2010
Food	\$3,278,815,000	\$3,429,641,000	\$3,693,723,000
Supermarkets	2,737,810,525	2,863,750,235	3,084,258,705
Independents	262,305,200	274,371,280	295,497,840
Bakeries	72,133,930	75,452,102	81,261,906
Dairies	42,624,595	44,585,333	48,018,399
Others	163,940,750	171,482,050	184,686,150
Eat/Drink	\$1,937,899,000	\$2,027,042,000	\$2,183,125,000
General Merchandise	\$1,859,832,000	\$1,945,384,000	\$2,095,179,000
Dept. Stores	678,838,680	710,065,160	764,740,335
Variety Stores	133,907,904	140,067,648	150,852,888
Jewelry	128,328,408	134,231,496	144,567,351
Sporting Goods/Toys	202,721,688	212,046,856	228,374,511
Discount Dept.	676,978,848	708,119,776	762,645,156
Antiques, etc.	9,299,160	9,726,920	10,475,895
Others	29,757,312	31,126,144	33,522,864
Furniture	\$1,439,648,000	\$1,505,872,000	\$1,621,824,000
Furniture	339,756,928	355,385,792	382,750,464
Home Furnishings	500,997,504	524,043,456	564,394,752
Store/Office Equip.	313,843,264	328,280,096	353,557,632
Music Instr./Suppl.	61,904,864	64,752,496	69,738,432
Radios, TV, etc.	223,145,440	233,410,160	251,382,720
Transportation & Utilities	\$7,003,071,000	\$7,325,213,000	\$7,889,254,000
New/Used Vehicles	2,451,074,850	2,563,824,550	2,761,238,900
Tires, Batt., Prts.	3,088,354,311	3,230,418,933	3,479,161,014
Marine Sales/Rentals	371,162,763	388,236,289	418,130,462
Auto/Truck Rentals	1,092,479,076	1,142,733,228	1,230,723,624
Drugstore	\$1,627,927,000	\$1,702,812,000	\$1,833,928,000
Apparel	\$1,320,251,000	\$1,380,983,000	\$1,487,318,000
Men's and Boy's	172,952,881	180,908,773	194,838,658
Women's and Girl's	438,323,332	458,486,356	493,789,576
Infants	27,725,271	29,000,643	31,233,678
Family	367,029,778	383,913,274	413,474,404
Shoes	275,932,459	288,625,447	310,849,462
Jeans/Leather	5,281,004	5,523,932	5,949,272
Tailors/Uniforms	23,764,518	24,857,694	26,771,724
Others	9,241,757	9,666,881	10,411,226
Hardware	\$1,368,469,000	\$1,431,419,000	\$1,541,638,000
Hardware	662,338,996	692,806,796	746,152,792
Lawn/Seed/Fertil.	26,000,911	27,196,961	29,291,122
Others	680,129,093	711,415,243	766,194,086
Vehicle Service	\$1,003,391,000	\$1,049,547,000	\$1,130,362,000
Gasoline	341,152,940	356,845,980	384,323,080
Garage, Repairs	662,238,060	692,701,020	746,038,920
Miscellaneous	\$2,240,983,000	\$2,344,068,000	\$2,524,561,000
Advert. Signs, etc.	35,855,728	37,505,088	40,392,976
Barber/Beauty shop	136,699,963	142,988,148	153,998,221
Book Stores	103,085,218	107,827,128	116,129,806
Bowling	51,542,609	53,913,564	58,064,903
Cig./Tobacco Dealer	15,686,881	16,408,476	17,671,927
Dent./Physician Lab	89,639,320	93,762,720	100,982,440
Florist/Nurseries	168,073,725	175,805,100	189,342,075
Laundry, Dry Clean	76,193,422	79,698,312	85,835,074
Optical Goods/Opt.	53,783,592	56,257,632	60,589,464
Photo Sup./Photog.	154,627,827	161,740,692	174,194,709
Printing	181,519,623	189,869,508	204,489,441
Paper/Paper Prod.	96,362,269	100,794,924	108,556,123
Gifts/Cards/Novel.	320,460,569	335,201,724	361,012,223
Newsstands	17,927,864	18,752,544	20,196,488
Video Rent/Sales	291,327,790	304,728,840	328,192,930
Others	448,196,600	468,813,600	504,912,200
TOTAL	\$23,080,286,000	\$24,141,981,000	\$26,000,912,000

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Table 65 – Estimated Broward County or Tertiary Market Generated
Retail & Related Services Sales by Sub-category*

Sub-category	2002	2005	2010
Food	\$4,008,124,000	\$4,192,497,000	\$4,515,320,000
Supermarkets	3,346,783,540	3,500,734,995	3,770,292,200
Independents	320,649,920	335,399,760	361,225,600
Bakeries	88,178,728	92,234,934	99,337,040
Dairies	52,105,612	54,502,461	58,699,160
Others	200,406,200	209,624,850	225,766,000
Eat/Drink	\$2,368,947,000	\$2,477,919,000	\$2,668,718,000
General Merchandise	\$2,273,516,000	\$2,378,097,000	\$2,561,211,000
Dept. Stores	829,833,340	868,005,405	934,842,015
Variety Stores	163,693,152	171,222,984	184,407,192
Jewelry	156,872,604	164,088,693	176,723,559
Sporting Goods/Toys	247,813,244	259,212,573	279,171,999
Discount Dept.	827,559,824	865,627,308	932,280,804
Antiques, etc.	11,367,580	11,890,485	12,806,055
Others	36,376,256	38,049,552	40,979,376
Furniture	\$1,759,869,000	\$1,840,823,000	\$1,982,567,000
Furniture	415,329,084	434,434,228	467,885,812
Home Furnishings	612,434,412	640,606,404	689,933,316
Store/Office Equip.	383,651,442	401,299,414	432,199,606
Music Instr./Suppl.	75,674,367	79,155,389	85,250,381
Radios,TV, etc.	272,779,695	285,327,565	307,297,885
Transportation & Utilities	\$8,560,768,000	\$8,954,564,000	\$9,644,065,000
New/Used Vehicles	2,996,268,800	3,134,097,400	3,375,422,750
Tires, Batt., Prts.	3,775,298,688	3,948,962,724	4,253,032,665
Marine Sales/Rentals	453,720,704	474,591,892	511,135,445
Auto/Truck Rentals	1,335,479,808	1,396,911,984	1,504,474,140
Drugstore	\$1,990,028,000	\$2,081,569,000	\$2,241,850,000
Apparel	\$1,613,915,000	\$1,688,155,000	\$1,818,143,000
Men's and Boy's	211,422,865	221,148,305	238,176,733
Women's and Girl's	535,819,780	560,467,460	603,623,476
Infants	33,892,215	35,451,255	38,181,003
Family	448,668,370	469,307,090	505,443,754
Shoes	337,308,235	352,824,395	379,991,887
Jeans/Leather	6,455,660	6,752,620	7,272,572
Tailors/Uniforms	29,050,470	30,386,790	32,726,574
Others	11,297,405	11,817,085	12,727,001
Hardware	\$1,672,858,000	\$1,749,810,000	\$1,884,545,000
Hardware	809,663,272	846,908,040	912,119,780
Lawn/Seed/Fertil.	31,784,302	33,246,390	35,806,355
Others	831,410,426	869,655,570	936,618,865
Vehicle Service	\$1,226,576,000	\$1,282,998,000	\$1,381,789,000
Gasoline	417,035,840	436,219,320	469,808,260
Garage, Repairs	809,540,160	846,778,680	911,980,740
Miscellaneous	\$2,739,446,000	\$2,865,460,000	\$3,086,101,000
Advert. Signs, etc.	43,831,136	45,847,360	49,377,616
Barber/Beauty shop	167,106,206	174,793,060	188,252,161
Book Stores	126,014,516	131,811,160	141,960,646
Bowling	63,007,258	65,905,580	70,980,323
Cig./Tobacco Dealer	19,176,122	20,058,220	21,602,707
Dent./Physician Lab	109,577,840	114,618,400	123,444,040
Florist/Nurseries	205,458,450	214,909,500	231,457,575
Laundry, Dry Clean	93,141,164	97,425,640	104,927,434
Optical Goods/Opt.	65,746,704	68,771,040	74,066,424
Photo Sup./Photog.	189,021,774	197,716,740	212,940,969
Printing	221,895,126	232,102,260	249,974,181
Paper/Paper Prod.	117,796,178	123,214,780	132,702,343
Gifts/Cards/Novel.	391,740,778	409,760,780	441,312,443
Newsstands	21,915,568	22,923,680	24,688,808
Video Rent/Sales	356,127,980	372,509,800	401,193,130
Others	547,889,200	573,092,000	617,220,200
TOTAL	\$28,214,047,000	\$29,511,892,000	\$31,784,309,000

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Sub-category change information for the three markets is found in Tables 70, 71, and 72.

Table 70 - Estimated 2002 and Change in Retail & Related Services Sales Generated from the Primary Market*

Sub-category	2002	2002-2010
Food	\$525,797,000	\$66,535,000
Supermarkets	439,040,495	55,556,725
Independents	42,063,760	5,322,800
Bakeries	11,567,534	1,463,770
Dairies	6,835,361	864,955
Others	26,289,850	3,326,750
Eat/Drink	\$310,765,000	\$39,325,000
General Merchandise	\$298,246,000	\$37,741,000
Dept. Stores	108,859,790	13,775,465
Variety Stores	21,473,712	2,717,352
Jewelry	20,578,974	2,604,129
Sporting Goods/Toys	32,508,814	4,113,769
Discount Dept.	108,561,544	13,737,724
Antiques, etc.	1,491,230	188,705
Others	4,771,936	603,856
Furniture	\$230,865,000	\$29,214,000
Furniture	54,484,140	6,894,504
Home Furnishings	80,341,020	10,166,472
Store/Office Equip.	50,328,570	6,368,652
Music Instr./Suppl.	9,927,195	1,256,202
Radios, TV, etc.	35,784,075	4,528,170
Transportation & Utilities	\$1,123,026,000	\$142,110,000
New/Used Vehicles	393,059,100	49,738,500
Tires, Batt., Prts.	495,254,466	62,670,510
Marine Sales/Rentals	59,520,378	7,531,830
Auto/Truck Rentals	175,192,056	22,169,160
Drugstore	\$261,058,000	\$33,035,000
Apparel	\$211,718,000	\$26,791,000
Men's and Boy's	27,735,058	3,509,621
Women's and Girl's	70,290,376	8,894,612
Infants	4,446,078	562,611
Family	58,857,604	7,447,898
Shoes	44,249,062	5,599,319
Jeans/Leather	846,872	107,164
Tailors/Uniforms	3,810,924	482,238
Others	1,482,026	187,537
Hardware	\$219,450,000	\$27,770,000
Hardware	106,213,800	13,440,680
Lawn/Seed/Fertil.	4,169,550	527,630
Others	109,066,650	13,801,690
Vehicle Service	\$160,906,000	\$20,361,000
Gasoline	54,708,040	6,922,740
Garage, Repairs	106,197,960	13,438,260
Miscellaneous	\$359,368,000	\$45,475,000
Advert. Signs, etc.	5,749,888	727,600
Barber/Beauty shop	21,921,448	2,773,975
Book Stores	16,530,928	2,091,850
Bowling	8,265,464	1,045,925
Cig./Tobacco Dealer	2,515,576	318,325
Dent./Physician Lab	14,374,720	1,819,000
Florist/Nurseries	26,952,600	3,410,625
Laundry, Dry Clean	12,218,512	1,546,150
Optical Goods/Opt.	8,624,832	1,091,400
Photo Sup./Photog.	24,796,392	3,137,775
Printing	29,108,808	3,683,475
Paper/Paper Prod.	15,452,824	1,955,425
Gifts/Cards/Novel.	51,389,624	6,502,925
Newsstands	2,874,944	363,800
Video Rent/Sales	46,717,840	5,911,750
Others	71,873,600	9,095,000
TOTAL	\$3,701,199,000	\$468,357,000

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Table 71 - Estimated 2002 and Change in Retail & Related Services Sales Generated from the Secondary Market*

Sub-category	2002	2002-2010
Food	\$3,278,815,000	\$414,908,000
Supermarkets	2,737,810,525	346,448,180
Independents	262,305,200	33,192,640
Bakeries	72,133,930	9,127,976
Dairies	42,624,595	5,393,804
Others	163,940,750	20,745,400
Eat/Drink	\$1,937,899,000	\$245,226,000
General Merchandise	\$1,859,832,000	\$235,347,000
Dept. Stores	678,838,680	85,901,655
Variety Stores	133,907,904	16,944,984
Jewelry	128,328,408	16,238,943
Sporting Goods/Toys	202,721,688	25,652,823
Discount Dept.	676,978,848	85,666,308
Antiques, etc.	9,299,160	1,176,735
Others	29,757,312	3,765,552
Furniture	\$1,439,648,000	\$182,176,000
Furniture	339,756,928	42,993,536
Home Furnishings	500,997,504	63,397,248
Store/Office Equip.	313,843,264	39,714,368
Music Instr./Suppl.	61,904,864	7,833,568
Radios, TV, etc.	223,145,440	28,237,280
Transportation & Utilities	\$7,003,071,000	\$886,183,000
New/Used Vehicles	2,451,074,850	310,164,050
Tires, Batt., Prts.	3,088,354,311	390,806,703
Marine Sales/Rentals	371,162,763	46,967,699
Auto/Truck Rentals	1,092,479,076	138,244,548
Drugstore	\$1,627,927,000	\$206,001,000
Apparel	\$1,320,251,000	\$167,067,000
Men's and Boy's	172,952,881	21,885,777
Women's and Girl's	438,323,332	55,466,244
Infants	27,725,271	3,508,407
Family	367,029,778	46,444,626
Shoes	275,932,459	34,917,003
Jeans/Leather	5,281,004	668,268
Tailors/Uniforms	23,764,518	3,007,206
Others	9,241,757	1,169,469
Hardware	\$1,368,469,000	\$173,169,000
Hardware	662,338,996	83,813,796
Lawn/Seed/Fertil.	26,000,911	3,290,211
Others	680,129,093	86,064,993
Vehicle Service	\$1,003,391,000	\$126,971,000
Gasoline	341,152,940	43,170,140
Garage, Repairs	662,238,060	83,800,860
Miscellaneous	\$2,240,983,000	\$283,579,000
Advert. Signs, etc.	35,855,728	4,537,264
Barber/Beauty shop	136,699,963	17,298,319
Book Stores	103,085,218	13,044,634
Bowling	51,542,609	6,522,317
Cig./Tobacco Dealer	15,686,881	1,985,053
Dent./Physician Lab	89,639,320	11,343,160
Florist/Nurseries	168,073,725	21,268,425
Laundry, Dry Clean	76,193,422	9,641,686
Optical Goods/Opt.	53,783,592	6,805,896
Photo Sup./Photog.	154,627,827	19,566,951
Printing	181,519,623	22,969,899
Paper/Paper Prod.	96,362,269	12,193,897
Gifts/Cards/Novel.	320,460,569	40,551,797
Newsstands	17,927,864	2,268,632
Video Rent/Sales	291,327,790	36,865,270
Others	448,196,600	56,715,800
TOTAL	\$23,080,286,000	\$2,920,627,000

*Developed by The Chesapeake Group, Inc., 2002.

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Table 72 - Estimated 2002 and Change in Retail & Related Services Sales Generated from the Tertiary Market*

Sub-category	2002	2002-2010
Food	\$4,008,124,000	\$507,196,000
Supermarkets	3,346,783,540	423,508,660
Independents	320,649,920	40,575,680
Bakeries	88,178,728	11,158,312
Dairies	52,105,612	6,593,548
Others	200,406,200	25,359,800
Eat/Drink	\$2,368,947,000	\$299,771,000
General Merchandise	\$2,273,516,000	\$287,695,000
Dept. Stores	829,833,340	105,008,675
Variety Stores	163,693,152	20,714,040
Jewelry	156,872,604	19,850,955
Sporting Goods/Toys	247,813,244	31,358,755
Discount Dept.	827,559,824	104,720,980
Antiques, etc.	11,367,580	1,438,475
Others	36,376,256	4,603,120
Furniture	\$1,759,869,000	\$222,697,000
Furniture	415,329,084	52,556,492
Home Furnishings	612,434,412	77,498,556
Store/Office Equip.	383,651,442	48,547,946
Music Instr./Suppl.	75,674,367	9,575,971
Radios, TV, etc.	272,779,695	34,518,035
Transportation & Utilities	\$8,560,768,000	\$1,083,297,000
New/Used Vehicles	2,996,268,800	379,153,950
Tires, Batt., Prts.	3,775,298,688	477,733,977
Marine Sales/Rentals	453,720,704	57,414,741
Auto/Truck Rentals	1,335,479,808	168,994,332
Drugstore	\$1,990,028,000	\$251,822,000
Apparel	\$1,613,915,000	\$204,228,000
Men's and Boy's	211,422,865	26,753,868
Women's and Girl's	535,819,780	67,803,696
Infants	33,892,215	4,288,788
Family	448,668,370	56,775,384
Shoes	337,308,235	42,683,652
Jeans/Leather	6,455,660	816,912
Tailors/Uniforms	29,050,470	3,676,104
Others	11,297,405	1,429,596
Hardware	\$1,672,858,000	\$211,687,000
Hardware	809,663,272	102,456,508
Lawn/Seed/Fertil.	31,784,302	4,022,053
Others	831,410,426	105,208,439
Vehicle Service	\$1,226,576,000	\$155,213,000
Gasoline	417,035,840	52,772,420
Garage, Repairs	809,540,160	102,440,580
Miscellaneous	\$2,739,446,000	\$346,655,000
Advert. Signs, etc.	43,831,136	5,546,480
Barber/Beauty shop	167,106,206	21,145,955
Book Stores	126,014,516	15,946,130
Bowling	63,007,258	7,973,065
Cig./Tobacco Dealer	19,176,122	2,426,585
Dent./Physician Lab	109,577,840	13,866,200
Florist/Nurseries	205,458,450	25,999,125
Laundry, Dry Clean	93,141,164	11,786,270
Optical Goods/Opt.	65,746,704	8,319,720
Photo Sup./Photog.	189,021,774	23,919,195
Printing	221,895,126	28,079,055
Paper/Paper Prod.	117,796,178	14,906,165
Gifts/Cards/Novel.	391,740,778	49,571,665
Newsstands	21,915,568	2,773,240
Video Rent/Sales	356,127,980	45,065,150
Others	547,889,200	69,331,000
TOTAL	\$28,214,047,000	\$3,570,261,000

*Developed by The Chesapeake Group, Inc., 2002.

Supportable Space

Table 75, 78, and 79 contain breakdown of supportable space by sub-category of business.

Table 75 - Estimated Primary Market Generated Supportable Space by Sub-category (in Sq. Ft.)*

Sub-category	2002	2005	2010
Food	981,954	1,027,126	1,106,216
Supermarkets	744,136	778,367	838,302
Independents	105,159	109,997	118,467
Bakeries	38,558	40,332	43,438
Dairies	18,987	19,861	21,390
Others	75,114	78,569	84,619
Eat/Drink	776,913	812,653	875,225
General Merchandise	972,851	1,017,605	1,095,957
Dept. Stores	362,866	379,559	408,784
Variety Stores	82,591	86,391	93,043
Jewelry	28,984	30,318	32,652
Sporting Goods/Toys	108,363	113,348	122,075
Discount Dept.	361,872	378,519	407,664
Antiques, etc.	6,484	6,782	7,304
Others	21,691	22,688	24,435
Furniture	724,939	758,286	816,675
Furniture	175,755	183,840	197,996
Home Furnishings	229,546	240,105	258,593
Store/Office Equip.	167,762	175,479	188,991
Music Instr./Suppl.	49,636	51,919	55,917
Radios, TV, etc.	102,240	106,943	115,178
Transportation & Utilities	3,267,854	3,418,177	3,681,375
New/Used Vehicles	982,648	1,027,850	1,106,994
Tires, Batt., Prts.	1,650,848	1,726,788	1,859,750
Marine Sales/Rentals	160,866	168,266	181,222
Auto/Truck Rentals	473,492	495,273	533,409
Drugstore	522,116	546,132	588,184
Apparel	658,808	689,112	742,173
Men's and Boy's	69,338	72,527	78,112
Women's and Girl's	189,974	198,713	214,013
Infants	14,820	15,502	16,696
Family	196,192	205,217	221,018
Shoes	160,906	168,307	181,267
Jeans/Leather	2,823	2,953	3,180
Tailors/Uniforms	19,055	19,931	21,466
Others	5,700	5,962	6,421
Hardware	932,876	975,790	1,050,925
Hardware	424,855	444,399	478,618
Lawn/Seed/Fertil.	12,263	12,828	13,815
Others	495,758	518,563	558,492
Vehicle Service	391,723	409,740	441,291
Gasoline	37,730	39,465	42,504
Garage, Repairs	353,993	370,275	398,787
Miscellaneous	1,387,991	1,451,838	1,563,635
Advert. Signs, etc.	20,909	21,870	23,555
Barber/Beauty shop	109,607	114,649	123,477
Book Stores	44,678	46,733	50,332
Bowling	82,655	86,457	93,114
Cig./Tobacco Dealer	5,031	5,263	5,668
Dent./Physician Lab	44,230	46,264	49,827
Florist/Nurseries	63,418	66,335	71,443
Laundry, Dry Clean	40,728	42,602	45,882
Optical Goods/Opt.	24,642	25,776	27,761
Photo Sup./Photog.	70,847	74,106	79,812
Printing	105,850	110,719	119,245
Paper/Paper Prod.	77,264	80,818	87,041
Gifts/Cards/Novel.	171,299	179,179	192,976
Newsstands	5,750	6,014	6,478
Video Rent/Sales	233,589	244,334	263,149
Others	287,494	300,719	323,875
TOTAL	10,618,025	11,106,459	11,961,656

*Developed by The Chesapeake Group, Inc., 2002.

The Chesapeake Group, Inc.

Table 78 - Estimated Retail & Related Services Supportable Space Generated from the Secondary Market Area (in Square Feet)*

Sub-category	2002	2005	2010
Food	6,123,370	6,405,046	6,898,234
Supermarkets	4,640,357	4,853,814	5,227,557
Independents	655,763	685,928	738,745
Bakeries	240,446	251,507	270,873
Dairies	118,402	123,848	133,384
Others	468,402	489,949	527,675
Eat/Drink	4,844,748	5,067,605	5,457,813
General Merchandise	6,066,597	6,345,659	6,834,276
Dept. Stores	2,262,796	2,366,884	2,549,134
Variety Stores	515,030	538,722	580,203
Jewelry	180,744	189,058	203,616
Sporting Goods/Toys	675,739	706,823	761,248
Discount Dept.	2,256,596	2,360,399	2,542,151
Antiques, etc.	40,431	42,291	45,547
Others	135,261	141,482	152,377
Furniture	4,520,637	4,728,588	5,092,688
Furniture	1,095,990	1,146,406	1,234,679
Home Furnishings	1,431,421	1,497,267	1,612,556
Store/Office Equip.	1,046,144	1,094,267	1,178,525
Music Instr./Suppl.	309,524	323,762	348,692
Radios,TV, etc.	637,558	666,886	718,236
Transportation & Utilities	20,377,990	21,315,379	22,956,662
New/Used Vehicles	6,127,687	6,409,561	6,903,097
Tires, Batt., Prts.	10,294,514	10,768,063	11,597,203
Marine Sales/Rentals	1,003,143	1,049,287	1,130,082
Auto/Truck Rentals	2,952,646	3,088,468	3,326,280
Drugstore	3,255,854	3,405,624	3,667,856
Apparel	4,108,253	4,297,232	4,628,118
Men's and Boy's	432,382	452,272	487,097
Women's and Girl's	1,184,658	1,239,152	1,334,566
Infants	92,418	96,669	104,112
Family	1,223,433	1,279,711	1,378,248
Shoes	1,003,391	1,049,547	1,130,362
Jeans/Leather	17,603	18,413	19,831
Tailors/Uniforms	118,823	124,288	133,859
Others	35,545	37,180	40,043
Hardware	5,817,325	6,084,924	6,553,461
Hardware	2,649,356	2,771,227	2,984,611
Lawn/Seed/Fertil.	76,473	79,991	86,150
Others	3,091,496	3,233,706	3,482,700
Vehicle Service	2,442,738	2,555,104	2,751,846
Gasoline	235,278	246,101	265,050
Garage, Repairs	2,207,460	2,309,003	2,486,796
Miscellaneous	8,655,378	9,053,526	9,750,647
Advert. Signs, etc.	130,384	136,382	146,884
Barber/Beauty shop	683,500	714,941	769,991
Book Stores	278,609	291,425	313,864
Bowling	515,426	539,136	580,649
Cig./Tobacco Dealer	31,374	32,817	35,344
Dent./Physician Lab	275,813	288,501	310,715
Florist/Nurseries	395,468	413,659	445,511
Laundry, Dry Clean	253,978	265,661	286,117
Optical Goods/Opt.	153,667	160,736	173,113
Photo Sup./Photog.	441,794	462,116	497,699
Printing	660,071	690,435	743,598
Paper/Paper Prod.	481,811	503,975	542,781
Gifts/Cards/Novel.	1,068,202	1,117,339	1,203,374
Newsstands	35,856	37,505	40,393
Video Rent/Sales	1,456,639	1,523,644	1,640,965
Others	1,792,786	1,875,254	2,019,649
TOTAL	66,212,890	69,258,687	74,591,601

*Developed by The Chesapeake Group, Inc., 2002.

The Chesapeake Group, Inc.

Table 79 - Estimated Retail & Related Services Supportable Space Generated from the Tertiary Market Area (in Square Feet)*

Sub-category	2002	2005	2010
Food	7,485,395	7,829,722	8,432,612
Supermarkets	5,672,514	5,933,449	6,390,326
Independents	801,625	838,499	903,064
Bakeries	293,929	307,450	331,123
Dairies	144,738	151,396	163,053
Others	572,589	598,928	645,046
Eat/Drink	5,922,368	6,194,798	6,671,795
General Merchandise	7,415,995	7,757,129	8,354,429
Dept. Stores	2,766,111	2,893,351	3,116,140
Variety Stores	629,589	658,550	709,258
Jewelry	220,947	231,111	248,906
Sporting Goods/Toys	826,044	864,042	930,573
Discount Dept.	2,758,533	2,885,424	3,107,603
Antiques, etc.	49,424	51,698	55,679
Others	165,347	172,953	186,270
Furniture	5,526,165	5,780,369	6,225,458
Furniture	1,339,771	1,401,401	1,509,309
Home Furnishings	1,749,813	1,830,304	1,971,238
Store/Office Equip.	1,278,838	1,337,665	1,440,665
Music Instr./Suppl.	378,372	395,777	426,252
Radios,TV, etc.	779,371	815,222	877,994
Transportation & Utilities	24,910,678	26,056,572	28,062,926
New/Used Vehicles	7,490,672	7,835,244	8,438,557
Tires, Batt., Prts.	12,584,329	13,163,209	14,176,776
Marine Sales/Rentals	1,226,272	1,282,681	1,381,447
Auto/Truck Rentals	3,609,405	3,775,438	4,066,146
Drugstore	3,980,056	4,163,138	4,483,700
Apparel	5,022,052	5,253,067	5,657,554
Men's and Boy's	528,557	552,871	595,442
Women's and Girl's	1,448,162	1,514,777	1,631,415
Infants	112,974	118,171	127,270
Family	1,495,561	1,564,357	1,684,813
Shoes	1,226,575	1,282,998	1,381,789
Jeans/Leather	21,519	22,509	24,242
Tailors/Uniforms	145,252	151,934	163,633
Others	43,452	45,450	48,950
Hardware	7,111,274	7,438,396	8,011,150
Hardware	3,238,653	3,387,632	3,648,479
Lawn/Seed/Fertil.	93,483	97,784	105,313
Others	3,779,138	3,952,980	4,257,358
Vehicle Service	2,986,078	3,123,437	3,363,942
Gasoline	287,611	300,841	324,006
Garage, Repairs	2,698,467	2,822,596	3,039,936
Miscellaneous	10,580,601	11,067,303	11,919,489
Advert. Signs, etc.	159,386	166,718	179,555
Barber/Beauty shop	835,531	873,965	941,261
Book Stores	340,580	356,246	383,677
Bowling	630,073	659,056	709,803
Cig./Tobacco Dealer	38,352	40,116	43,205
Dent./Physician Lab	337,163	352,672	379,828
Florist/Nurseries	483,432	505,669	544,606
Laundry, Dry Clean	310,471	324,752	349,758
Optical Goods/Opt.	187,848	196,489	211,618
Photo Sup./Photog.	540,062	564,905	608,403
Printing	806,891	844,008	908,997
Paper/Paper Prod.	588,981	616,074	663,512
Gifts/Cards/Novel.	1,305,803	1,365,869	1,471,041
Newsstands	43,831	45,847	49,378
Video Rent/Sales	1,780,640	1,862,549	2,005,966
Others	2,191,557	2,292,368	2,468,881
TOTAL	80,940,662	84,663,931	91,183,055

*Developed by The Chesapeake Group, Inc., 2002.

The Chesapeake Group, Inc.

Tables 82, 83, 87, 88 and 89 provide the change sub-category information on the three markets.

Table 82 – Estimated 2002 & Change in the Primary Market's Supportable Square Feet of Space for 2002 to 2010 by Sub-category*

Sub-category	2002	2002-2010
Food	981,954	124,258
Supermarkets	744,136	94,164
Independents	105,159	13,307
Bakeries	38,558	4,879
Dairies	18,987	2,403
Others	75,114	9,505
Eat/Drink	776,913	98,313
General Merchandise	972,851	123,107
Dept. Stores	362,866	45,918
Variety Stores	82,591	10,451
Jewelry	28,984	3,668
Sporting Goods/Toys	108,363	13,713
Discount Dept.	361,872	45,792
Antiques, etc.	6,484	820
Others	21,691	2,745
Furniture	724,939	91,735
Furniture	175,755	22,240
Home Furnishings	229,546	29,047
Store/Office Equip.	167,762	21,229
Music Instr./Suppl.	49,636	6,281
Radios, TV, etc.	102,240	12,938
Transportation & Utilities	3,267,854	413,521
New/Used Vehicles	982,648	124,346
Tires, Batt., Prts.	1,650,848	208,902
Marine Sales/Rentals	160,866	20,356
Auto/Truck Rentals	473,492	59,917
Drugstore	522,116	66,070
Apparel	658,808	83,364
Men's and Boys	69,338	8,774
Women's and Girl's	189,974	24,039
Infants	14,820	1,875
Family	196,192	24,826
Shoes	160,906	20,361
Jeans/Leather	2,823	357
Tailors/Uniforms	19,055	2,411
Others	5,700	721
Hardware	932,876	118,050
Hardware	424,855	53,763
Lawn/Seed/Fertil.	12,263	1,552
Others	495,758	62,735
Vehicle Service	391,723	49,568
Gasoline	37,730	4,774
Garage, Repairs	353,993	44,794
Miscellaneous	1,387,991	175,639
Advert. Signs, etc.	20,909	2,646
Barber/Beauty shop	109,607	13,870
Book Stores	44,678	5,654
Bowling	82,655	10,459
Cig./Tobacco Dealer	5,031	637
Dent./Physician Lab	44,230	5,597
Florist/Nurseries	63,418	8,025
Laundry, Dry Clean	40,728	5,154
Optical Goods/Opt.	24,642	3,118
Photo Sup./Photog.	70,847	8,965
Printing	105,850	13,394
Paper/Paper Prod.	77,264	9,777
Gifts/Cards/Novel.	171,299	21,676
Newsstands	5,750	728
Video Rent/Sales	233,589	29,559
Others	287,494	36,380
TOTAL	10,618,025	1,343,625

*Developed by The Chesapeake Group, Inc., 2002.

The Chesapeake Group, Inc.

Table 83 – Estimated 2002 & Change in the Secondary Market's Supportable Square Feet of Space for 2002 to 2010 by Sub-category*

Sub-category	2002	2002-2010
Food	6,123,370	774,865
Supermarkets	4,640,357	587,200
Independents	655,763	82,982
Bakeries	240,446	30,427
Dairies	118,402	14,983
Others	468,402	59,273
Eat/Drink	4,844,748	613,065
General Merchandise	6,066,597	767,679
Dept. Stores	2,262,796	286,339
Variety Stores	515,030	65,173
Jewelry	180,744	22,872
Sporting Goods/Toys	675,739	85,509
Discount Dept.	2,256,596	285,554
Antiques, etc.	40,431	5,116
Others	135,261	17,116
Furniture	4,520,637	572,051
Furniture	1,095,990	138,689
Home Furnishings	1,431,421	181,135
Store/Office Equip.	1,046,144	132,381
Music Instr./Suppl.	309,524	39,168
Radios, TV, etc.	637,558	80,678
Transportation & Utilities	20,377,990	2,578,673
New/Used Vehicles	6,127,687	775,410
Tires, Batt., Prts.	10,294,514	1,302,689
Marine Sales/Rentals	1,003,143	126,940
Auto/Truck Rentals	2,952,646	373,634
Drugstore	3,255,854	412,002
Apparel	4,108,253	519,866
Men's and Boy's	432,382	54,714
Women's and Girl's	1,184,658	149,909
Infants	92,418	11,695
Family	1,223,433	154,815
Shoes	1,003,391	126,971
Jeans/Leather	17,603	2,228
Tailors/Uniforms	118,823	15,036
Others	35,545	4,498
Hardware	5,817,325	736,137
Hardware	2,649,356	335,255
Lawn/Seed/Fertil.	76,473	9,677
Others	3,091,496	391,205
Vehicle Service	2,442,738	309,109
Gasoline	235,278	29,773
Garage, Repairs	2,207,460	279,336
Miscellaneous	8,655,378	1,095,270
Advert. Signs, etc.	130,384	16,499
Barber/Beauty shop	683,500	86,492
Book Stores	278,609	35,256
Bowling	515,426	65,223
Cig./Tobacco Dealer	31,374	3,970
Dent./Physician Lab	275,813	34,902
Florist/Nurseries	395,468	50,043
Laundry, Dry Clean	253,978	32,139
Optical Goods/Opt.	153,667	19,445
Photo Sup./Photog.	441,794	55,906
Printing	660,071	83,527
Paper/Paper Prod.	481,811	60,969
Gifts/Cards/Novel.	1,068,202	135,173
Newsstands	35,856	4,537
Video Rent/Sales	1,456,639	184,326
Others	1,792,786	226,863
TOTAL	66,212,890	8,378,717

*Developed by The Chesapeake Group, Inc., 2002.

The Chesapeake Group, Inc.

Table 87 – Estimated 2002 & Change in the Tertiary Market's Supportable Square Feet of Space for 2002 to 2010 by Sub-category*

Sub-category	2002	2002-2010
Food	7,485,395	947,216
Supermarkets	5,672,514	717,811
Independents	801,625	101,439
Bakeries	293,929	37,194
Dairies	144,738	18,315
Others	572,589	72,457
Eat/Drink	5,922,368	749,428
General Merchandise	7,415,995	938,433
Dept. Stores	2,766,111	350,029
Variety Stores	629,589	79,669
Jewelry	220,947	27,959
Sporting Goods/Toys	826,044	104,529
Discount Dept.	2,758,533	349,070
Antiques, etc.	49,424	6,254
Others	165,347	20,923
Furniture	5,526,165	699,290
Furniture	1,339,771	169,537
Home Furnishings	1,749,813	221,424
Store/Office Equip.	1,278,838	161,826
Music Instr./Suppl.	378,372	47,880
Radios, TV, etc.	779,371	98,623
Transportation & Utilities	24,910,678	3,152,248
New/Used Vehicles	7,490,672	947,885
Tires, Batt., Prts.	12,584,329	1,592,447
Marine Sales/Rentals	1,226,272	155,175
Auto/Truck Rentals	3,609,405	456,741
Drugstore	3,980,056	503,644
Apparel	5,022,052	635,500
Men's and Boy's	528,557	66,885
Women's and Girl's	1,448,162	183,253
Infants	112,974	14,296
Family	1,495,561	189,251
Shoes	1,226,575	155,213
Jeans/Leather	21,519	2,723
Tailors/Uniforms	145,252	18,381
Others	43,452	5,498
Hardware	7,111,274	899,876
Hardware	3,238,653	409,826
Lawn/Seed/Fertil.	93,483	11,830
Others	3,779,138	478,220
Vehicle Service	2,986,078	377,864
Gasoline	287,611	36,395
Garage, Repairs	2,698,467	341,469
Miscellaneous	10,580,601	1,338,892
Advert. Signs, etc.	159,386	20,169
Barber/Beauty shop	835,531	105,730
Book Stores	340,580	43,098
Bowling	630,073	79,731
Cig./Tobacco Dealer	38,352	4,853
Dent./Physician Lab	337,163	42,665
Florist/Nurseries	483,432	61,174
Laundry, Dry Clean	310,471	39,288
Optical Goods/Opt.	187,848	23,771
Photo Sup./Photog.	540,062	68,341
Printing	806,891	102,106
Paper/Paper Prod.	588,981	74,531
Gifts/Cards/Novel.	1,305,803	165,239
Newsstands	43,831	5,546
Video Rent/Sales	1,780,640	225,326
Others	2,191,557	277,324
TOTAL	80,940,662	10,242,391

*Developed by The Chesapeake Group, Inc., 2002.

The Chesapeake Group, Inc.

Table 88 - Sales and Supportable Space for 2002 &
Change in the Primary Market Sales & Supportable Space for 2002 to 2010*

Sub-category	2002 Sales	2002-2010 Sales	2002	2002-2010
Food	\$525,797,000	\$66,535,000	981,954	124,258
Supermarkets	439,040,495	55,556,725	744,136	94,164
Independents	42,063,760	5,322,800	105,159	13,307
Bakeries	11,567,534	1,463,770	38,558	4,879
Dairies	6,835,361	864,955	18,987	2,403
Others	26,289,850	3,326,750	75,114	9,505
Eat/Drink	\$310,765,000	\$39,325,000	776,913	98,313
General Merchandise	\$298,246,000	\$37,741,000	972,851	123,107
Dept. Stores	108,859,790	13,775,465	362,866	45,918
Variety Stores	21,473,712	2,717,352	82,591	10,451
Jewelry	20,578,974	2,604,129	28,984	3,668
Sporting Goods/Toys	32,508,814	4,113,769	108,363	13,713
Discount Dept.	108,561,544	13,737,724	361,872	45,792
Antiques, etc.	1,491,230	188,705	6,484	820
Others	4,771,936	603,856	21,691	2,745
Furniture	\$230,865,000	\$29,214,000	724,939	91,735
Furniture	54,484,140	6,894,504	175,755	22,240
Home Furnishings	80,341,020	10,166,472	229,546	29,047
Store/Office Equip.	50,328,570	6,368,652	167,762	21,229
Music Instr./Suppl.	9,927,195	1,256,202	49,636	6,281
Radios,TV, etc.	35,784,075	4,528,170	102,240	12,938
Transportation & Utilities	\$1,123,026,000	\$142,110,000	3,267,854	413,521
New/Used Vehicles	393,059,100	49,738,500	982,648	124,346
Tires, Batt., Prts.	495,254,466	62,670,510	1,650,848	208,902
Marine Sales/Rentals	59,520,378	7,531,830	160,866	20,356
Auto/Truck Rentals	175,192,056	22,169,160	473,492	59,917
Drugstore	\$261,058,000	\$33,035,000	522,116	66,070
Apparel	\$211,718,000	\$26,791,000	658,808	83,364
Men's and Boy's	27,735,058	3,509,621	69,338	8,774
Women's and Girl's	70,290,376	8,894,612	189,974	24,039
Infants	4,446,078	562,611	14,820	1,875
Family	58,857,604	7,447,898	196,192	24,826
Shoes	44,249,062	5,599,319	160,906	20,361
Jeans/Leather	846,872	107,164	2,823	357
Tailors/Uniforms	3,810,924	482,238	19,055	2,411
Others	1,482,026	187,537	5,700	721
Hardware	\$219,450,000	\$27,770,000	932,876	118,050
Hardware	106,213,800	13,440,680	424,855	53,763
Lawn/Seed/Fertil.	4,169,550	527,630	12,263	1,552
Others	109,066,650	13,801,690	495,758	62,735
Vehicle Service	\$160,906,000	\$20,361,000	391,723	49,568
Gasoline	54,708,040	6,922,740	37,730	4,774
Garage, Repairs	106,197,960	13,438,260	353,993	44,794
Miscellaneous	\$359,368,000	\$45,475,000	1,387,991	175,639
Advert. Signs, etc.	5,749,888	727,600	20,909	2,646
Barber/Beauty shop	21,921,448	2,773,975	109,607	13,870
Book Stores	16,530,928	2,091,850	44,678	5,654
Bowling	8,265,464	1,045,925	82,655	10,459
Cig./Tobacco Dealer	2,515,576	318,325	5,031	637
Dent./Physician Lab	14,374,720	1,819,000	44,230	5,597
Florist/Nurseries	26,952,600	3,410,625	63,418	8,025
Laundry, Dry Clean	12,218,512	1,546,150	40,728	5,154
Optical Goods/Opt.	8,624,832	1,091,400	24,642	3,118
Photo Sup./Photog.	24,796,392	3,137,775	70,847	8,965
Printing	29,108,808	3,683,475	105,850	13,394
Paper/Paper Prod.	15,452,824	1,955,425	77,264	9,777
Gifts/Cards/Novel.	51,389,624	6,502,925	171,299	21,676
Newsstands	2,874,944	363,800	5,750	728
Video Rent/Sales	46,717,840	5,911,750	233,589	29,559
Others	71,873,600	9,095,000	287,494	36,380
TOTAL	\$3,701,199,000	\$468,357,000	10,618,025	1,343,625

*Developed by The Chesapeake Group, Inc., 2002.

The Chesapeake Group, Inc.

Table 89 - Sales and Supportable Space 2002 &
Change in Miami-Dade County Sales & Supportable Space for 2002 to 2010*

Sub-category	2002 Sales	2002-2010 Sales	2002	2002-2010
Food	\$3,278,815,000	\$414,908,000	6,123,370	774,865
Supermarkets	2,737,810,525	346,448,180	4,640,357	587,200
Independents	262,305,200	33,192,640	655,763	82,982
Bakeries	72,133,930	9,127,976	240,446	30,427
Dairies	42,624,595	5,393,804	118,402	14,983
Others	163,940,750	20,745,400	468,402	59,273
Eat/Drink	\$1,937,899,000	\$245,226,000	4,844,748	613,065
General Merchandise	\$1,859,832,000	\$235,347,000	6,066,597	767,679
Dept. Stores	678,838,680	85,901,655	2,262,796	286,339
Variety Stores	133,907,904	16,944,984	515,030	65,173
Jewelry	128,328,408	16,238,943	180,744	22,872
Sporting Goods/Toys	202,721,688	25,652,823	675,739	85,509
Discount Dept.	676,978,848	85,666,308	2,256,596	285,554
Antiques, etc.	9,299,160	1,176,735	40,431	5,116
Others	29,757,312	3,765,552	135,261	17,116
Furniture	\$1,439,648,000	\$182,176,000	4,520,637	572,051
Furniture	339,756,928	42,993,536	1,095,990	138,689
Home Furnishings	500,997,504	63,397,248	1,431,421	181,135
Store/Office Equip.	313,843,264	39,714,368	1,046,144	132,381
Music Instr./Suppl.	61,904,864	7,833,568	309,524	39,168
Radios,TV, etc.	223,145,440	28,237,280	637,558	80,678
Transportation & Utilities	\$7,003,071,000	\$886,183,000	20,377,990	2,578,673
New/Used Vehicles	2,451,074,850	310,164,050	6,127,687	775,410
Tires, Batt., Prts.	3,088,354,311	390,806,703	10,294,514	1,302,689
Marine Sales/Rentals	371,162,763	46,967,699	1,003,143	126,940
Auto/Truck Rentals	1,092,479,076	138,244,548	2,952,646	373,634
Drugstore	\$1,627,927,000	\$206,001,000	3,255,854	412,002
Apparel	\$1,320,251,000	\$167,067,000	4,108,253	519,866
Men's and Boy's	172,952,881	21,885,777	432,382	54,714
Women's and Girl's	438,323,332	55,466,244	1,184,658	149,909
Infants	27,725,271	3,508,407	92,418	11,695
Family	367,029,778	46,444,626	1,223,433	154,815
Shoes	275,932,459	34,917,003	1,003,391	126,971
Jeans/Leather	5,281,004	668,268	17,603	2,228
Tailors/Uniforms	23,764,518	3,007,206	118,823	15,036
Others	9,241,757	1,169,469	35,545	4,498
Hardware	\$1,368,469,000	\$173,169,000	5,817,325	736,137
Hardw are	662,338,996	83,813,796	2,649,356	335,255
Lawn/Seed/Fertil.	26,000,911	3,290,211	76,473	9,677
Others	680,129,093	86,064,993	3,091,496	391,205
Vehicle Service	\$1,003,391,000	\$126,971,000	2,442,738	309,109
Gasoline	341,152,940	43,170,140	235,278	29,773
Garage, Repairs	662,238,060	83,800,860	2,207,460	279,336
Miscellaneous	\$2,240,983,000	\$283,579,000	8,655,378	1,095,270
Advert. Signs, etc.	35,855,728	4,537,264	130,384	16,499
Barber/Beauty shop	136,699,963	17,298,319	683,500	86,492
Book Stores	103,085,218	13,044,634	278,609	35,256
Bowling	51,542,609	6,522,317	515,426	65,223
Cig./Tobacco Dealer	15,686,881	1,985,053	31,374	3,970
Dent./Physician Lab	89,639,320	11,343,160	275,813	34,902
Florist/Nurseries	168,073,725	21,268,425	395,468	50,043
Laundry, Dry Clean	76,193,422	9,641,686	253,978	32,139
Optical Goods/Opt.	53,783,592	6,805,896	153,667	19,445
Photo Sup./Photog.	154,627,827	19,566,951	441,794	55,906
Printing	181,519,623	22,969,899	660,071	83,527
Paper/Paper Prod.	96,362,269	12,193,897	481,811	60,969
Gifts/Cards/Novel.	320,460,569	40,551,797	1,068,202	135,173
Newsstands	17,927,864	2,268,632	35,856	4,537
Video Rent/Sales	291,327,790	36,865,270	1,456,639	184,326
Others	448,196,600	56,715,800	1,792,786	226,863
TOTAL	\$23,080,286,000	\$2,920,627,000	66,212,890	8,378,717

*Developed by The Chesapeake Group, Inc., 2002.

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Visitor Market Generated Commercial Demand

Table 92 contains a further breakdown of visitor based sales and the resulting supportable space by sub-category of retail and related services.

Table 92 - Maximum Visitor Sales and Supportable Square Footage of Space by Sub-category*

Sub-category	2002 Sales	2002 Space
Food	\$8,104,000	15,135
Supermarkets	6,766,840	11,469
Independents	648,320	1,621
Bakeries	178,288	594
Dairies	105,352	293
Others	405,200	1,158
Eat/Drink	\$65,546,000	163,865
General Merchandise	\$35,901,000	117,106
Dept. Stores	13,103,865	43,680
Variety Stores	2,584,872	9,942
Jewelry	2,477,169	3,489
Sporting Goods/Toys	3,913,209	13,044
Discount Dept.	13,067,964	43,560
Others	574,416	3,391
Furniture	\$15,178,000	47,660
Furniture	3,582,008	11,555
Home Furnishings	5,281,944	15,091
Radios,TV, etc.	2,352,590	6,722
Transportation & Vehicle Service	\$123,947,000	360,670
Drugstore	\$25,202,000	50,404
Apparel	\$38,211,000	118,902
Men's and Boy's	5,005,641	12,514
Women's and Girl's	12,686,052	34,287
Infants	802,431	2,675
Family	10,622,658	35,409
Shoes	7,986,099	29,040
Jeans/Leather	152,844	509
Tailors/Uniforms	687,798	3,439
Others	267,477	1,029
Hardware	\$3,412,000	14,505
Miscellaneous	\$39,953,000	154,310
Advert. Signs, etc.	639,248	2,325
Barber/Beauty shop	2,437,133	12,186
Book Stores	1,837,838	4,967
Cig./Tobacco Dealer	279,671	559
Florist/Nurseries	2,996,475	7,051
Laundry, Dry Clean	1,358,402	4,528
Optical Goods/Opt.	958,872	2,740
Photo Sup./Photog.	2,756,757	7,876
Paper/Paper Prod.	1,717,979	8,590
Gifts/Cards/Novel.	5,713,279	19,044
Newsstands	319,624	639
Video Rent/Sales	5,193,890	25,969
Others	7,990,600	31,962
TOTAL	\$355,454,000	1,042,557

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