



Downtown Roseboro Retail Marketplace Snapshot

Prepared by the NC Main Street & Rural Planning Center—December of 2021

The purpose of this report is to give Downtown Roseboro the baseline information for a better understanding of its current market. The NC Main Street & Rural Planning Center Staff studied the retail marketplace date within a 5- mile radius of and 20- minute drive time to the downtown area. The retail leakage analysis examines the quantitative aspects of the retail opportunities.

By reviewing the retail gap we can:

- Understand how well the retail needs of local residents are being met
- Uncover unmet demand and possible opportunities
- Understand the strengths and weaknesses of the local retail sector

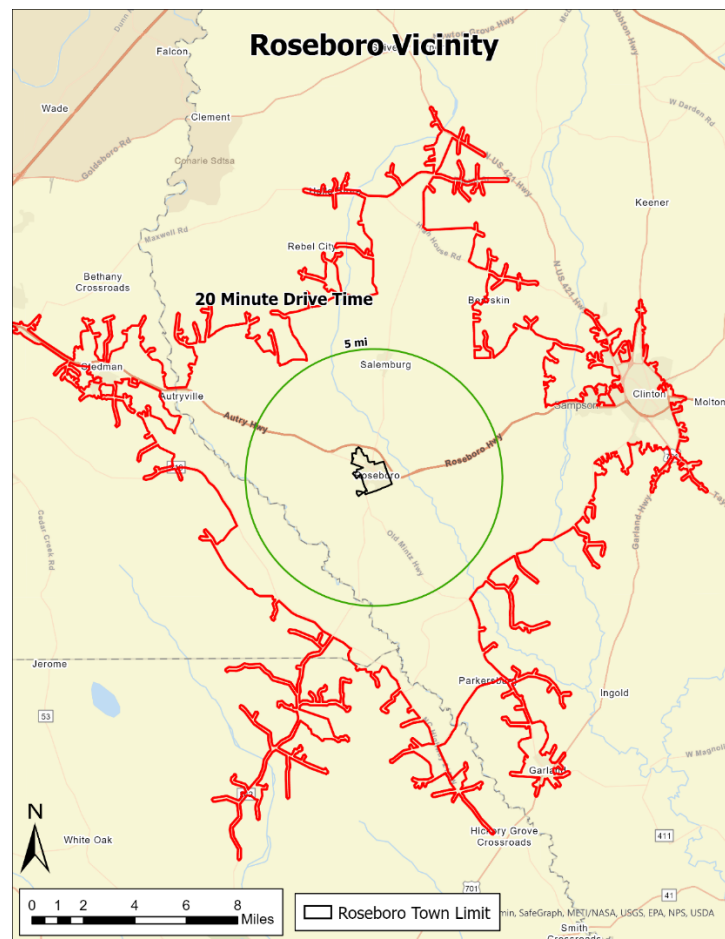
When consumers spend their dollars outside the specific radii of downtown Roseboro this is known as “Retail Gap” throughout this report. Retail Gap or leakage indicates an **unmet demand in the trade area**. This suggests the possibility the community can support additional retail for those business categories. Residents within the specified primary trade areas are purchasing products outside that area indicating opportunity to capture those dollars within the downtown district.

There are also categories for which Roseboro is exceeding the local market demand. Those are measured as negative numbers on the below report. For the 5-mile radius information, this

means that Roseboro is exceeding its market potential in these categories. Similarly, for the negative numbers in the 20-minute drive time area, the consumer demand exceeds what the market should sustain. This retail surplus means the community's trade area is capturing local market plus attracting non-local shoppers. Surplus doesn't necessarily imply that the community can't support additional businesses, but rather the community has possibly developed strong clusters of retail that have broad geographical appeal.

You can also seek additional retail market data that the Sampson County Economic Development Commission or the regional Council of Governments may provide. This report is based on the data collected and should serve as a starting point for your Economic Vitality committee.

We highly encourage you to couple this report with consumer surveys to get a complete understanding of the Downtown Roseboro potential. The NC Main Street and Rural Planning Center can share examples of consumer surveys and assist with this process as needed.



The above Sampson County map outlines the two trade areas within a 5-mile radius of and within a 20-mile drive time to downtown. Defining the downtown trade area is critical in determining retail opportunities for the downtown market. The NC Main Street & Rural Center

staff only reviewed the data within these two segments. Downtown Roseboro should be targeting residents within these two areas. The goal is to capture the retail sales volume leaking to areas such as Clinton and Fayetteville. The chart below shows total industry summaries for the 5-mile and 20-minute drive time to downtown. It details the total retail sales gap, potential 10% capture and retail square footage needed to attract this sales volume.

The sales per square foot column in the second table is the average number based on recent research across the state. Typically, restaurant annual retail sales are higher than \$300 per square foot. There are variables that impact this number such as building owned versus rented, rental rates either higher or lower as well as overall expenses, such as employee wages, insurance, utilities, etc. **Surplus is shown as a negative number and retail gap is shown as a positive number.**

Distance	Total Retail Gap	10% Capture	Sales/SF	SF Needed
5-mile radius	\$21,423,121	\$2,142,312	\$300	7,141
20-Minute Drive Time	\$39,847,081	\$3,984,708	\$300	13,282

Retail Opportunities 5-mile radius around downtown

Category	Retail Gap	10% SF Capture	Sales/SF	SF Needed
Total Food and Drink	\$5,226,626	\$ 522,626	\$300	1,755
Electronics & Appliance	\$ 828,779	\$ 82,877	\$300	276
Lawn & Garden Equip.	\$ 329,113	\$ 32,911	\$300	109
Grocery Stores	\$5,802,496	\$ 580,249	\$300	1,934
Beer, wine & liquor	\$ 304,233	\$ 30,423	\$300	101
Clothing stores	\$1,707,337	\$ 170,337	\$300	567
Shoe stores	\$ 386,261	\$ 38,626	\$300	128
Jewelry, luggage leather goods	\$ 187,990	\$ 18,799	\$300	62
Sporting goods, hobby, musical inst.	\$ 672,752	\$ 67,275	\$300	224
Bookstores & news Dealers	\$ 166,475	\$ 16,647	\$300	55
General Merchandise	\$5,592,238	\$ 559,223	\$300	1,864
Office supplies and stationary	\$ 218,821	\$ 21,882	\$300	72
Total	\$21,423,121	\$ 2,142,312	\$300	7,141

Retail Opportunities 20- Minute Drive-time to downtown

Category	Retail Gap	10% SF Capture	Sales/SF	SF Needed
Total Food & Drink	\$9,512,233	\$951,223	\$300	3,170
Electronics & Appliance	\$1,135,236	\$113,523	\$300	378
Grocery stores	\$6,100,379	\$610,037	\$300	2,033
Beer, wine & liquor	\$1,129,667	\$112,966	\$300	376
Clothing stores	\$4,146,292	\$414,629	\$300	1,382
Shoe stores	\$1,851,320	\$185,132	\$300	617
Jewelry, luggage & leather goods	\$ 909,288	\$ 90,928	\$300	303
Sporting goods, hobby & musical inst.	\$ 1,816,190	\$181,619	\$300	605
Bookstores, & News Dealers	\$ 804,038	\$ 80,403	\$300	268
General Merchandise	\$12,241,764	\$1,224,176	\$300	4,080
Office supplies & Stationary	\$ 200,665	\$ 20,066	\$300	66
Total	\$39,847,081	\$3,984,708	\$300	13,282

5-Mile Radius Retail Surplus

Category	Retail Gap
Furniture Stores	-952,796

20-Minute Drive Time Retail Surplus

Category	Retail Gap
Furniture Stores	-\$2,001,058
Lawn & Garden	-\$3,061,750
Total	-\$5,063,258

This data can be used to help recruit businesses to downtown Roseboro to meet the unmet potential and reduce the retail gap or leakage. The priorities are to first retain, then expand and finally to recruit new businesses. The categories that show the most potential should be focused on first, especially within the 5-mile radius of downtown. This data can help existing businesses realize there may be potential to expand to capture additional retail sales.

The areas that show a retail surplus (negative numbers) illustrate that sales are being realized beyond the market potential within the 5-mile radius or 20-minute drive time. Of particular interest is the retail gap in furniture business within the 5-mile radius. It could illustrate that Rupert's Furniture does a disproportionate amount of business relative to the market and is drawing outside consumers. The 20-minute drive time retail surplus could be picking up business done by James Trading Company, but also is accounting for the Lowe's Home

Improvement located in Clinton, NC and other retailers offering these products within that 20-mile drive time to Roseboro.



Tapestry Segmentation identified by ESRI On-Line Business Analyst

We find that studying the Tapestry Segments helps to identify a retail mix based on demographics that could enhance the shopping experience. Tapestry Segmentations provide detailed descriptions of America's neighborhoods. U.S. residential areas are divided into 67 distinctive segments based on their socioeconomic and demographic composition, then further classifies the segments into LifeMode and Urbanization Groups. Each radius has numerous LifeMode groups for a total of 100%. The detailed information can give Downtown Roseboro a sense of who its customer is and insight into how to market to and what types of products to possibly add to existing inventory. By diving deeper into each Tapestry Segment's LifeMode and Urbanization Group there may be an entirely new business that could emerge and possibly be a good fit for Uptown.

The information provided reflects the U.S. characteristics. The table below shows the top three segments for each drive time with brief descriptions. Detailed descriptions are obtained by going to the raw ESRI data's Tapestry information and clicking on each segment for the specific drive times. Visit <http://doc.arcgis.com/en/esri-demographics/data/tapestry-segmentation/>.

Top 3 Tapestries for each location

Town of Roseboro	5-mile radius	20-minute drive time
Rooted Rural (54.0%)	Southern Satellites (42.4%)	Southern Satellites (37.0%)
Rural Bypasses (46.0%)	Rooted Rural (32.4%)	Rural Bypasses (18.5%)
	Rural Bypasses (25.5%)	Rooted Rural (13.6%)

Southern Satellites is the #1 segment for the residents living within 5 miles and a 20- minute drive time of downtown Roseboro.

Rooted Rural is the #1 segment for the entire Roseboro population, #2 for those within a 5-mile radius and #3 for those living within the 20-minute drive time.

Rural Bypasses is the second most common resident in Roseboro, #3 for those living within 5 miles of downtown and #2 for those living within a 20-minute drive time.

Southern Satellites Characteristics:

Median Age: 40.3 years Median HH size: 2.67 Median HH income: \$47,800

WHO ARE WE? Southern Satellites is the second largest market found in rural settlements but within metropolitan areas located primarily in the South. This market is typically slightly older, settled married-couple families, who own their homes. Two-thirds of the homes are single-family structures; almost a third are mobile homes. Median household income and home value are below average. Workers are employed in a variety of industries, such as manufacturing, health care, retail trade, and construction, with higher proportions in mining and agriculture than the US. Residents enjoy country living, preferring outdoor activities and DIY home projects.

Rural Bypasses Characteristics:

Median age: 40.4 years Median HH size: 2.55 people Median HH income: \$33,000

WHO ARE WE? Open space, undeveloped land, and farmland characterize Rural Bypasses. These families live within small towns along country back roads and enjoy the open air in these sparsely populated neighborhoods. Their country lifestyle focuses on the outdoors, gardening, hunting, and fishing. Those who are not yet retired work in blue collar jobs in the agriculture or manufacturing industries.

Rooted Rural Characteristics:

Median age: 45.2 years Median HH size: 2.48 people Median HH income: \$42,300

WHO ARE WE? Rooted Rural is heavily concentrated in the Appalachian Mountain range as well as in Texas and Arkansas. Employment in the forestry industry is common, and Rooted Rural residents live in many of the heavily forested regions of the country. This group enjoys time spent outdoors, hunting, fishing, or working in their gardens. Indoors, they enjoy watching television with a spouse and spending time with their pets. When shopping, they look for American-made and generic products. These communities are heavily influenced by religious faith and family history.

AARP Livability Index

The AARP Livability Index for Downtown Roseboro is 40 on a scale ranging from 0 to 90+. The higher the score the more livable the community. Roseboro ranks below average on this scale. It is important to consider the different index categories, such as health, environment,

neighborhood and opportunity to help you determine what needs to be done to improve this score. For example, Roseboro ranks in the top third of communities in housing affordability but in the bottom third in availability of subsidized housing according to this score. Visit livabilityindex.aarp.org and plug in a central downtown location to review the livability score and the information in the above categories to be considered to improve this score.

Walkscore

Walkscore.com provides a measurement of how walkable and bikeable is a community. Using the 110 W. Roseboro Street address, Downtown Roseboro scored a 42 Walkscore meaning it is below average and most errands require a car (not unusual for a rural community.) The bike score was 45 meaning Roseboro is somewhat bikeable with minimal bike infrastructure currently in place. Attached is a copy of the Walkscore.com information.

Summary and Recommendations

It was a pleasure meeting with Mayor Alice Butler, Randi Kelly, local business owners and the town staff on December 9, 2021. Based on the data above and the discussions during the visit, the the following recommendations are being made:

Downtown

1. Retail Marketplace data

The information shows that there is substantial business potential for restaurants, additional grocery sales and general merchandise within the 5-mile radius of downtown, and these categories as well as clothing stores within the 20-minute drive time analysis.

Restaurants

This data should encourage the existing restaurants that there is more business potential and for aspiring restaurant owners that Roseboro is a good place to locate.

Grocery Stores

There is always the potential for a small grocer to locate in the downtown area, but it may be more likely that this data can be used to encourage the Food Lion management and IGA owners to expand their product offerings which will reduce the amount of business done out of town. Grocers periodically “reset” their stores to adjust for discontinued and added items and may expand during that time if they believe there is additional business to be gained.

Clothing Stores

This data supports at least one new clothing store in downtown. A good strategy is to see if clothing stores located in neighboring communities would like to open a second location in Roseboro or seek an aspiring entrepreneur to open their first store in your downtown area.

General Merchandise

A significant amount of general merchandise business is leaving Roseboro. James Trading Company can capture some of this business potential through more general merchandise offerings and additional stores offering these items could be supported.

2. Revolving Loan Fund

As we discussed, CDBG funds require job creation. Any additional funds provided via this fund will need to include that stipulation.

3. American Rescue Plan (ARP) Funding

The items below may qualify for ARP funding, but the funding guidelines have yet to be finalized from the federal government, so it is difficult to say if these funds will be applicable to these items. We hope to have answers to each issue soon.

a. National Register District

There is a process and expense of having the Roseboro historic properties listed on the National Register District. Properties listed on the National Register District can qualify for historic tax credits that make rehabilitation of these properties more attractive to developers. Sarah Woodard is the Branch Supervisor of the NC Department of Natural and Cultural Resources. She can be reached at sarah.woodard@ncdcr.gov or 919-814-6573 and will advise of the process. You will also wish to have properties listed on the Preservation NC web site. You can contact Preservation NC Regional Director Maggie Gregg at mgregg@presnc.org or 252-563-5288 to learn more about how to accomplish that.

b. Downtown Plan

It is important to have a downtown master plan to determine your priorities and objectives. The plan also helps your community to better qualify for grant funding and provides goals to be pursued in the revitalization process.

c. 106 N. West Street

This town-owned property has good potential as a microbrewery or restaurant because of its size, parking, and potential for outdoor seating. The property could qualify for a grant subject to ARP guidelines and funding availability.

As we discussed, Roseboro could offer the property at a nominal cost to a developer contingent on the prospective owner following a desired use. A Request for Proposals (RFP) could be created and circulated to potential developers.

5. Endorsements

It is always recommended to have endorsements from existing business owners. For example, the owner of Rupert's Furniture could offer a quote, such as: "I opened here 10 years ago and have thrived." This can entice others to locate in Roseboro.

6. Vacant property ordinance

Both Eden and Warrenton, NC have adopted this ordinance that requires property owners to register their properties annually and levies fines if those properties "exhibit evidence of vacancy." This provides some "teeth" to require negligent owners to improve their properties. Eden's ordinance is attached for your review and consideration.

7. Special Events

You had mentioned wishing to attract more racially diverse attendees to your events. Some ideas include:

Contacting Hispanic leaders to see what would attract their attendees. A *Hispanic Heritage Day* event with mariachi band and ethnic foods is one possibility. Downtown could hold this event in concert with the local Mexican restaurant. You can also include Hispanic food and craft vendors in Bloomfest 2022.

African American church choirs or other musical groups could be included in the entertainment line-up of future events.

Capitalize on the success of the beer garden at the Bloomfest 2022 event which may attract a younger crowd to the event.

It is recommended that town staff place event information in regional newspaper, television and radio station community calendars and seek pre-event TV coverage from regional networks. Perhaps the ABC 11 station that covers Fayetteville will do a pre-event story on Bloomfest. Most media stations have a community calendar listing area on their web sites and should be willing to publicize your events, if given at least two-weeks' notice.

General

8. Agritourism

Seek other Roseboro agritourism businesses to be added to the Sampson County list.

Promote current and future barn quilt participants via the town web site and social media pages.

9. Economic Development and Tourism

Roseboro is a vital part of Sampson County Economic Development and Tourism efforts. Currently, there is information on Bloomfest 2022, Roseboro's contribution to the Barn Quilt Trail, and a section promoting Roseboro art on the Visit Sampson County web site. Promotion is an on-going effort, so it is critical to always acknowledge and promote Roseboro's contribution to the county's efforts. The *Mountains to Sea Trail* runs directly through Downtown Roseboro, a significant asset to the town and county.

You may wish to join forces with other smaller Sampson County communities to schedule a meeting with the Economic and Tourism Development personnel to learn of their plans to promote the smaller towns and their assets, so everyone benefits from their efforts. One goal should be for the *Mountains to Sea Trail*, Barn Quilt Trail, area art and Roseboro restaurants to generate ample interest to attract commercial lodging venues which will contribute to the county motel occupancy tax and local sales taxes.

10. Residential growth

North Carolina continues to be a haven for out of state residents seeking to escape high taxation areas of the country and this trend should continue until 2030 when the last of the Baby Boomer generation retires. Roseboro should take advantage of the opportunity to capitalize on this potential growth.

Determine if there are available 50-100 acre lots within close proximity of town limits to which water and sewer can be economically extended.

Contact local builders who are working in neighboring towns, such as Stedman and other communities, to see if they will consider Roseboro developments.

- i. Incentives such as assisting with water and sewer connections may be helpful.

If you have any questions concerning the above information, do not hesitate to contact me at mike.dougherty@nccommerce.com or 336-613-4941.

Sources: ARGIS Retail Data

<http://doc.arcgis.com/en/esri-demographics/data/tapestry-segmentation>

Livabilityindex.aarp.org

Sampson County map—Glen Locascio, NC Department of Commerce