# RETAIL MARKET OVERVIEW
FRANKFORD AVENUE
Philadelphia, PA

**Prepared for**

LISC Philadelphia

Local Initiatives Support Corporation (LISC)
New Kensington Community Development Corporation (NKCDC)

**APRIL 2016**

REAL ESTATE STRATEGIES, INC.
63 Chestnut Road, Suite 6
Paoli, PA 19301
610-240-0820
www.resadvisors.com

*Philadelphia Local Initiatives Support Corporation (LISC) is a catalyst for community change, working with partners to strengthen neighborhoods and improve the lives of residents. Philadelphia LISC combines corporate, government, and philanthropic resources to help community-based organizations revitalize underserved neighborhoods. Since 1980, Philadelphia LISC has invested $390 million to build or preserve 8,075 affordable homes and apartments and develop 1.8 million square feet of retail, community, and educational space. Philadelphia LISC is the local office of LISC, a national nonprofit community development organization and CDFI that has invested $16 billion in 30 cities across the United States.*

## Commercial Corridor Overview

Vibrant commercial districts attract residents and visitors, encourage private investment, and promote safety. A commercial corridor is often the gateway into a neighborhood, and its health and condition shape a community's image. Philadelphia LISC provides funding, training and technical assistance to commercial corridor management programs throughout the city and is pleased to work with New Kensington Community Development Corporation (NKCDC) in revitalizing the Frankford Avenue commercial corridor. LISC gratefully acknowledges State Farm and Panaphil Foundation, whose support made this retail market study possible.

This technical memorandum is intended to provide background information to aid the NKCDC corridor management team in business attraction efforts.

### Corridor Definition

The Frankford Avenue commercial corridor focus area extends along Frankford Avenue from East Palmer Street to Lehigh Avenue through the Kensington neighborhoods in the City of Philadelphia. Map 1 below shows the location of the corridor focus area.

**MAP 1: FRANKFORD AVENUE COMMERCIAL CORRIDOR FOCUS AREA**

## Character of the Corridor

Frankford Avenue is the commercial core of Kensington; the focus area defined in Map 1 above cuts through and serves the adjacent Kensington neighborhoods of Fishtown, East Kensington, and Olde Richmond. The demographics in these neighborhoods are changing, particularly in Fishtown, with an influx of younger and more affluent households. Historically, these have been working class neighborhoods. Frankford Avenue is also revitalizing. In recent years, Frankford Avenue has been officially recognized by the City of Philadelphia as an 'arts corridor.' The recognition is the result of a 2004 planning effort by NKCDC that highlighted the strength and potential of the arts and artisan community in Kensington.

Commercial uses along the corridor focus area include a mix of light industrial uses, arts and production spaces, and retail goods and services establishments. Retail businesses are primarily small and independently owned and generally accommodate either the older residents or the newer, younger population. Residential uses are also extremely prevalent along Frankford Avenue and are becoming a growing influence with recent residential construction occurring on the corridor. While new residential units bring more household spending potential to the corridor, concentrations of residential uses alone interrupt the continuity of the commercial corridor. There are also a number of vacant lots and buildings break up the continuity of business activity, however, these properties also offer the potential for new commercial development.

Revitalization activity along Frankford Avenue has generally progressed north from Girard Avenue and the Northern Liberties and Fishtown neighborhoods. South of East Palmer Street, Frankford Avenue has experienced a notable resurgence of real estate investment including a dense concentration of popular new restaurants and bars, some of which are major destinations. The northern boundary of this corridor focus area, Lehigh Avenue, marks the transition from Olde Richmond to the Port Richmond neighborhood of Kensington; commercial rail tracks that run parallel to Lehigh serve as a significant barrier. North of Lehigh Avenue, commercial uses on Frankford Avenue are sparse.

Together with the momentum of redevelopment activity from neighborhoods south of Kensington, the development and appeal of Frankford Avenue as an arts corridor has helped spur **recent investments** along the corridor and in adjacent Kensington neighborhoods. This is evidenced by recent household growth and building permit activity. Much of this development activity has been driven by the private market. According to permit records from the City of Philadelphia, over 230 new construction permits were filed in the 19125 ZIP code (the ZIP code of the corridor focus area) since March 2015. Of those permits, 20 were filed within the corridor focus area. New mixed-use developments within the focus area include Frankford Square, a 14-unit luxury townhouse development with first-floor commercial space, and a proposed 170-unit multi-family development on the former Wood Brothers Lumber Inc. lot near the intersection of Lehigh Avenue; this development will also include ground-floor commercial space fronting Frankford Avenue. Townhouses are also under construction between East York and East Hagert Streets.

**Other recent improvements** within the commercial corridor focus area include storefront improvements from participation in the Storefront Improvement Program (SIP) and streetscape improvements made in accordance with NKCDC's corridor plan including signs/structures branding the corridor at each intersection, new sidewalks and curbs, two new custom bus shelters, new street trees, new benches, and new trash cans wrapped in artwork designed through Philadelphia's Mural Arts Program. NKCDC also has a street cleaner working on the corridor once a week. In addition to these implemented improvements, NKCDC and the Community Design Collaborative have developed plans to improve the intersection of Frankford and Lehigh Avenues to help alleviate the barrier it creates along Frankford Avenue.

NKCDC offers support services to businesses located and looking to locate on the Frankford Avenue commercial corridor; NKCDC's offices are located within the corridor focus area. Businesses that have recently opened within the corridor focus area include a children's clothing/toy store, a skate shop, and coffee shop/comic book store. There is also an active business association, Fishtown Area Business Association (FABA), which supports businesses on the Fishtown part of Frankford Avenue.

**Commercial and institutional anchors** are limited within the corridor focus area. However, the concentration of arts-related business creates a unique identity for the corridor that helps attract visitors and anchor other businesses. Another attraction for the corridor is the Philadelphia Brewing Company (PBC), which has brewery tours and tastings on Saturday; a number of food establishments and drinking places have also opened up near PBC including a distillery. In addition, a number of small businesses along the corridor are largely destination businesses such as the Friend and Nemesis (FAN) hair salon, Seven Swords Tattoo, and Philadelphia Argentine Tango School.

**Major events** in the neighborhood include the Kensington Kinetic Sculpture Derby and Arts Festival. This is an annual event that was established nine years ago and has helped shape the identity of the neighborhood. Last year, this event on Trenton Avenue brought approximately 15,000 people to the neighborhood; Trenton Avenue intersects with Frankford Avenue at York Street. Frankford Avenue, with the concentration of arts-related production and exhibition space, also participates in First Friday, a monthly event occurring throughout Philadelphia for which galleries and other arts spaces open their doors to showcase local talents.

**NKCDC's goals** for Frankford Avenue focus on extending the energy and density of vibrant businesses near Girard Avenue further north along the corridor. Within the corridor focus area, goals include improving the mix of retail establishments by attracting neighborhood-serving businesses such as a laundromat, hardware store, or fresh food market. NKCDC is also considering the potential of introducing a retail co-operative concept, building on theme of the existing Kensington Food Co-op. Other objectives are to improve the perceived safety on and near the corridor focus area and to increase the continuity and availability of commercial storefronts by providing input during the remapping of the zoning and by discouraging speculative purchases and the speculative holding of vacant space.

## Corridor Businesses by Type

Table 1 below shows the distribution of businesses along the Frankford Avenue commercial corridor by business and store type.

**TABLE 1: DISTRIBUTION OF STUDY AREA BUSINESSES BY TYPE**

| Business Type | Count | Store Types on Corridor |
|---|---|---|
| **Retail Establishments** | **20** | |
| Motor Vehicle & Parts Dealers | 2 | Used Car Sales, Tire Dealer |
| Furniture & Home Furnishing Stores | 1 | |
| Electronics & Appliance Stores | 1 | Appliance Store |
| Bldg Material, Garden Equip & Supply Stores | -- | |
| Food & Beverage Stores | 5 | |
| *Grocery Stores* | *3* | Convenience Store, Food Co-op |
| *Specialty Food Stores* | *1* | Meat Market |
| *Beer, Wine, & Liquor Stores* | *1* | Distillery with retail sales |
| Health & Personal Care Stores | 1 | Pharmacy |
| Gasoline Stations | 2 | |
| Clothing & Clothing Accessories Stores | 2 | Clothing Store, Children's Clothing Store |
| Sporting Goods, Hobby, Book & Music Stores | 3 | Bicycle Store, Comic Book Store, Skate Shop |
| General Merchandise Stores | -- | |
| Miscellaneous Store Retailers | 3 | Used Merchandise, Smoker's Supplies |
| **Food Services & Drinking Places** | **12** | |
| Full-Service Restaurants | 1 | |
| Limited-Service Eating Places | 7 | Take-Out, Coffee Shop, Pizza, Ice Cream |
| Drinking Places - Alcoholic Beverages | 4 | Bar, Bar w/ Limited Menu |
| **Services** | **16** | |
| Personal Services | 6 | Hair Salon, Skin Care, Tattoo Parlor, Pet Day Care |
| Repair & Maintenance Services | 4 | Automotive Repair & Maintenance, Car Wash |
| Professional Services & Real Estate | 2 | Real Estate Office, Graphic Design |
| Banks & Financial Services | 1 | Credit Union |
| Health & Wellness | 2 | Indoor Cycling, Acupuncture |
| Household & Office Goods Moving | 1 | |
| **Arts/Artisan Space** | **10** | Workshop, Gallery, Music Production, Theater, Dance School |
| **Wholesale/Manufacturing** | **2** | Brewery, Pretzels |
| **Total Establishments** | **60** | |

Sources: NKCDC, RES

The list of businesses was provided by NKCDC as part of their 2015 property survey. RES updated this list based on information about recent store openings or closures. Institutional or civic uses such as churches and schools, or any office uses that are not oriented as public storefronts were not included in Table 1. The following points summarize key findings about the current mix of businesses along the corridor:

- There is a variety of business types along the corridor. Although there are a number of arts-related businesses along the corridor, including space for production and performances/exhibits, the majority of businesses are retail goods and services establishments.

- Many of these retail goods and services establishments are destinations that benefit from and complement the arts corridor designation. Therefore, despite the number of retailers and service-providers, the corridor lacks typical neighborhood-serving businesses that provide essential products and services for the immediate community such as a dry cleaner or drug store.
- There are a number of food services and drinking places, however, the corridor focus area only has one full-service restaurant.

**Commercial Rental Rates**

NKCDC reports that market-rate rents for improved and 'ready-to-go' space within the corridor focus area are between $1.50 and $1.75 per square foot per month excluding utilities (between $18 and $21 per square foot annually). However, NKCDC also identified the variability in commercial rental rates as a challenge on the corridor. Specifically, asking rents for commercial space have been hard to value, changing monthly with little correlation between size and condition of the space. One business owner noted that available commercial space is limited and that new or renovated residential infill development along the corridor often has not included a commercial component. Further, commercial space that is available is typically raw and in need substantial investment before it is ready to be occupied. The new coffee shop/comic book store reportedly invested approximately $80,000 to fit out their 900-square foot space; their current rent is approximately $1.22 per square foot per month ($14.60 per square foot annually). For many small businesses, obtaining this amount of capital for fit-out is not possible; these businesses need tenant improvements (TI) in order to lease space. However, as is typical on many urban commercial corridors, the provision of TI can be an issue during lease negotiations. Storefronts that are offered in 'vanilla box' condition are generally more marketable. These issues are prompting NKCDC to become more proactive by reaching out to prospective businesses before lease terms are negotiated.

**Accessibility and Visibility**

Traffic Counts

Frankford Avenue originates at Delaware Avenue in Fishtown and travels north through Kensington and neighborhoods in Northeast Philadelphia eventually connecting to the Bristol Pike beyond city limits. The most recent traffic counts published by the Delaware Valley Regional Planning Commission (DVRPC) in 2009 indicate moderate traffic volumes on Frankford Avenue within the corridor focus area. Between York Street and Lehigh Avenue, the Annual Average Daily Traffic (AADT) count was 7,463; this count includes traffic in both directions.

Public Transit

Frankford Avenue is well-served by Southeastern Pennsylvania Transportation Authority (SEPTA) bus routes and the Market-Frankford Line (MFL), SEPTA's elevated subway line. SEPTA bus route 5, 25, 39, and 89 all travel along or have stops on Frankford Avenue. Daily average ridership on routes 5 and 25 are moderate, between 4,000 and 4,600 riders. These routes travel along Frankford Avenue and provide connections to South Philadelphia, Center City, and the Frankford Transportation Center. Daily average ridership is relatively low on routes 39 and 89, between 2,000 and 2,500. These routes cross Frankford Avenue within the corridor study area and provide connections to Fairmount Park and nearby neighborhoods. Although none of these bus routes have particularly substantial ridership counts individually, when combined, the data suggests that Frankford Avenue has moderate visibility from public transit riders. The routes also provide residents and visitors on the corridor with essential connections throughout the city making the corridor easily accessible.

SEPTA's MFL is the busiest city transit route in Philadelphia with a daily average ridership count of 184,669. The MFL travels along Market Street from West Philadelphia through Center City and north on North Front Street/Kensington Avenue through Kensington and on Frankford Avenue in Frankford. The MFL has numerous stops within just a few blocks of the Frankford Avenue commercial corridor focus area: Berks, York-Dauphin, and Huntington Stations. NKCDC has identified the perception of safety between these stops and the corridor focus area as a challenge; continuing to improve this perception will further establish the proximity of this popular public transit line as a strong corridor asset.

#### Bicycle Counts

Bicycle counts published by DVRPC in 2015 indicate that Frankford Avenue also has a moderate volume of bicyclists daily. Within the corridor focus area, Frankford Avenue northbound lanes from Montgomery Avenue to Berks Street had an Annual Average Daily Bicyclists (AADB) count of 209. For context, the AADB on 13$^{th}$ Street, a popular city bicycle route, between Walnut and Sansom Streets was 442 in 2012.

#### Pedestrian

Pedestrian counts from DVRPC are unavailable for this section of Frankford Avenue. However, the residential density in the neighborhoods immediately surrounding the corridor and the number of retail goods and services stores support pedestrian activity. One retail store estimated that 70 percent of customers were local and within walking distance. In recent years, NKCDC has made significant efforts to improve the streetscape by adding new trees, benches, trash cans and corridor branding, all of which enhance the pedestrian experience. Potential challenges that remain in improving foot traffic along the corridor focus area may include a limited daytime population or the lack of continuity between concentrations of business activity. This may be caused by vacancy, large clusters of only residential uses, or awkward intersections such as the East York Street/Trenton Avenue intersection.

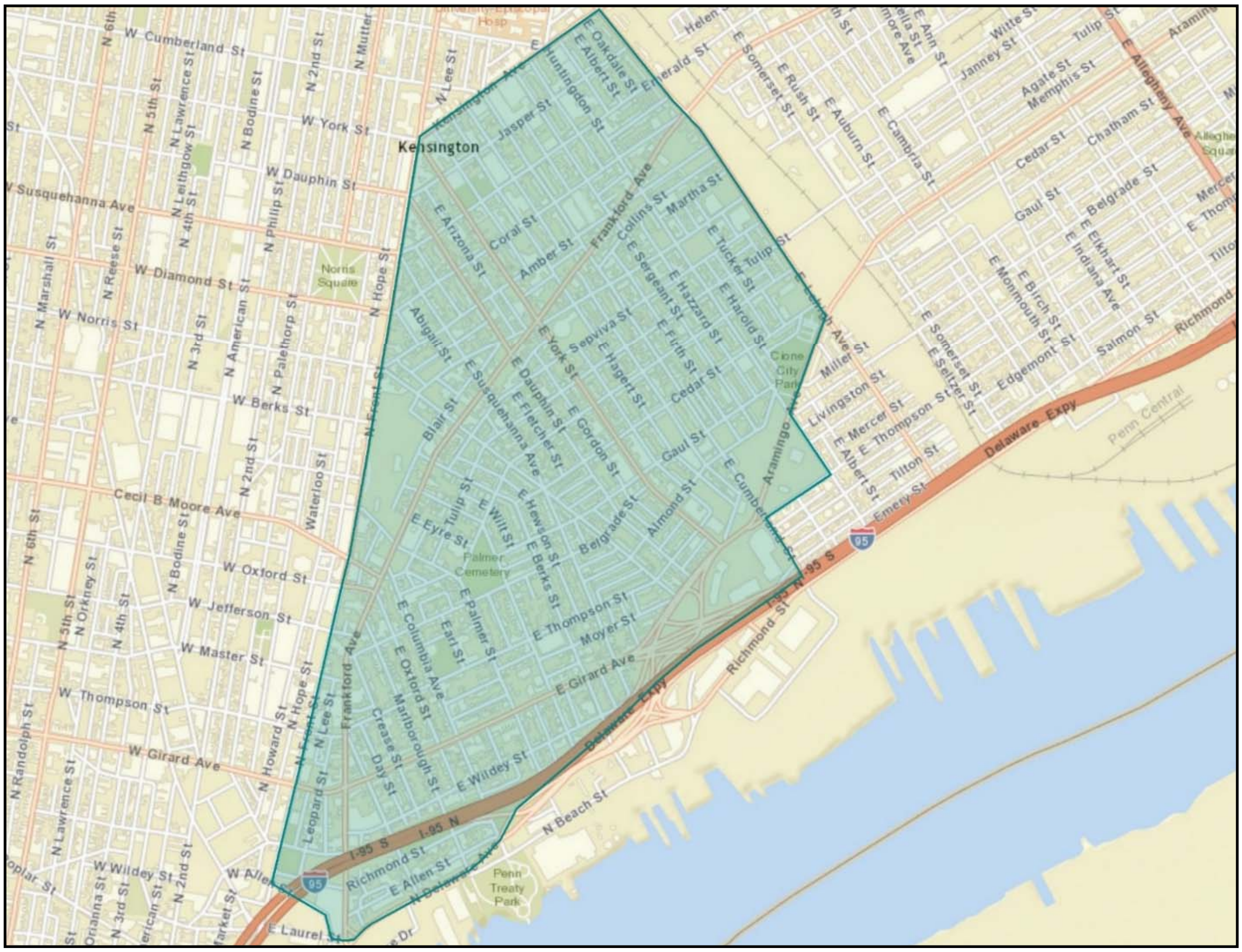
### Retail Trade Area

#### Retail Trade Area Definition

RES has defined the boundaries of the retail trade area to be North Front Street on the west, Kensington and Lehigh Avenues to the north, Aramingo Avenue to the east, and Interstate 95 and Delaware Avenue to the south. The area was defined based on interviews with business owners along the corridor, interviews with corridor management, and RES' own research of commercial markets in Philadelphia. Kensington neighborhoods included in the retail trade area are those which the corridor focus area primarily serves: Fishtown, East Kensington, and Olde Richmond. The area is 1.03 square miles, approximately 1.8 miles in length and 0.8 miles in width. The northern boundary (Kensington Avenue) is approximately 0.6 miles from the intersection of Frankford Avenue and East York Street, the approximate center of the corridor focus area, and the southern boundary (North Delaware Avenue) is approximately 1.2 miles from the intersection.

Map 2 below the delineated retail trade area for the Frankford Avenue commercial corridor.

**MAP 2: DELINEATED RETAIL TRADE AREA**




## Competitive Shopping Areas

There are competitive shopping areas that capture part of the demand generated from households within the retail trade area and attract some spending potential away from the corridor focus area. Within the retail trade area, competitive shopping areas include Frankford Avenue to the south of East Palmer Street down to Northern Liberties, the East Girard Avenue commercial corridor through Fishtown, and retail at and near the Port Richmond Village Shopping Center on Aramingo Avenue. Another area that is partially captured within the trade area is the Front Street/Kensington Avenue commercial corridor, which is approximately parallel to Frankford Avenue. Other potentially competitive shopping areas that are outside of the trade area could include North 2nd Street through Northern Liberties, West Girard Avenue, and Aramingo Avenue through Port Richmond.

### Retail Trade Area Demographics

The following sections provide selected economic and demographic data for the retail trade area; data for the City of Philadelphia as a whole is provided for comparison. The bullet points in each section summarize key points suggested by the data.

#### Population and Households

Table 2 below provides a summary of population and household characteristics.

**TABLE 2: POPULATION AND HOUSEHOLDS**

| | Retail Trade Area | City of Philadelphia |
|---|---|---|
| **2015 Population Density** | 20,861 | 10,882 |
| **Total Population** | | |
| 2000 Census | 20,661 | 1,517,550 |
| 2010 Census | 20,180 | 1,526,006 |
| 2015 Estimate | 21,487 | 1,551,773 |
| 2020 Projection | 22,632 | 1,583,334 |
| Percent Change 2000 - 2010 | -2.3% | 0.6% |
| Percent Change 2010 - 2015 | 6.5% | 1.7% |
| Percent Change 2015 - 2020 | 5.3% | 2.0% |
| 2000 - 2010 Avg. Annual Growth | -0.2% | 0.1% |
| 2010 - 2015 Avg. Annual Growth | 1.3% | 0.3% |
| 2015 - 2020 Avg. Annual Growth | 1.0% | 0.4% |
| **Total Households** | | |
| 2000 Census | 7,542 | 590,069 |
| 2010 Census | 8,288 | 599,736 |
| 2015 Estimate | 8,909 | 613,388 |
| 2020 Projection | 9,402 | 627,112 |
| Percent Change 2000 - 2010 | 9.9% | 1.6% |
| Percent Change 2010 - 2015 | 7.5% | 2.3% |
| Percent Change 2015 - 2020 | 5.5% | 2.2% |
| 2000 - 2010 Avg. Annual Growth | 0.9% | 0.2% |
| 2010 - 2015 Avg. Annual Growth | 1.5% | 0.5% |
| 2015 - 2020 Avg. Annual Growth | 1.1% | 0.4% |
| **Percent Households by Size, 2010** | | |
| 1-Person | 33.1% | 34.1% |
| 2-Persons | 31.5% | 28.2% |
| 3-Persons | 15.2% | 15.8% |
| 4-Persons | 9.9% | 11.2% |
| 5+-Persons | 10.3% | 10.6% |
| **Average Household Size** | | |
| 2000 Census | 2.70 | 2.48 |
| 2010 Census | 2.41 | 2.45 |
| 2015 Estimate | 2.39 | 2.44 |
| 2020 Projection | 2.38 | 2.43 |
| **Household Tenure, 2015** | | |
| Percent Owners | 57.3 | 51.8 |
| Percent Renters | 42.7 | 48.2 |

Sources: US Census, Esri

- Between 2010 and 2015, the retail trade area population has grown at a faster rate than City's population as a whole; this trend is projected to continue through 2020.
- While the trade area lost population between 2000 and 2010, the number of households substantially increased. This is the result of an increase in smaller households, which is reflected in the significant decrease in the average household size during those years. The average household size in the trade area is estimated to continue decreasing through 2020. Although less dramatic, a similar trend is occurring in the City as a whole.
- More than half of all households in the retail trade area are homeowners.

## Age, Gender, and Racial Characteristics

Table 3 below shows a breakdown of the population by age, gender, and race/ethnicity.

**TABLE 3: AGE, GENDER, AND RACIAL CHARACTERISTICS**

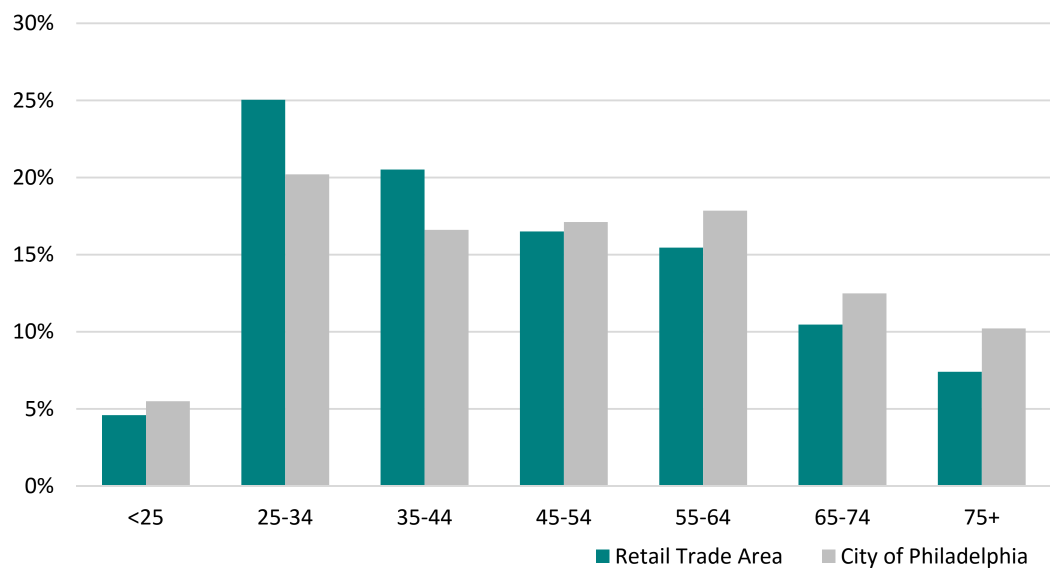
| | Retail Trade Area | | City of Philadelphia | |
|---|---|---|---|---|
| | **Number** | **Percent** | **Number** | **Percent** |
| **2015 Population by Age** | | | | |
| 0 - 4 | 1,268 | 5.9% | 99,313 | 6.4% |
| 5 - 9 | 1,160 | 5.4% | 94,658 | 6.1% |
| 10 - 14 | 988 | 4.6% | 88,451 | 5.7% |
| 15 - 24 | 2,750 | 12.8% | 248,284 | 16.0% |
| 25 - 34 | 4,813 | 22.4% | 262,250 | 16.9% |
| 35 - 44 | 3,352 | 15.6% | 187,765 | 12.1% |
| 45 - 54 | 2,578 | 12.0% | 186,213 | 12.0% |
| 55 - 64 | 2,235 | 10.4% | 178,454 | 11.5% |
| 65 - 74 | 1,418 | 6.6% | 116,383 | 7.5% |
| 75 - 84 | 688 | 3.2% | 62,071 | 4.0% |
| 85+ | 236 | 1.1% | 29,484 | 1.9% |
| **2015 Population by Gender** | | | | |
| Male | 10,784 | 50.2% | 734,743 | 47.3% |
| Female | 10,703 | 49.8% | 817,030 | 52.7% |
| **Median Age** | | | | |
| 2010 Census | 33.1 | | 33.6 | |
| 2015 Estimate | 34.5 | | 34.3 | |
| 2020 Projection | 36.1 | | 35.3 | |
| **2015 Population by Race/Ethnicity** | | | | |
| White Alone | 16,481 | 76.7% | 622,261 | 40.1% |
| African-American Alone | 1,182 | 5.5% | 661,055 | 42.6% |
| American Indian Alone | 86 | 0.4% | 7,759 | 0.5% |
| Asian or Pacific Islander Alone | 1,311 | 6.1% | 107,072 | 6.9% |
| Some Other Race Alone | 1,633 | 7.6% | 103,969 | 6.7% |
| Two or More Races | 817 | 3.8% | 49,657 | 3.2% |
| Hispanic Origin | 3,416 | 15.9% | 217,248 | 14.0% |

Sources: US Census, Esri

- The median age of the retail trade area is similar to that of the City as a whole. However, the City has a higher concentration of children under the age of 25 and seniors over the age of 55. In the retail trade area, there is a higher percentage of residents between the ages of 25 and 34 than in the City.
- In comparison to the City, a larger percentage of the trade area population identifies as White Alone; a larger percentage of the trade area population also identifies as Hispanic. This is likely due to the close proximity of Philadelphia's Hispanic community to the trade area.

In addition to understanding the distribution of the population by age, it is particularly important in this trade area to also analyze the distribution of households by age. Chart 1 below shows this distribution, based on the age of the head householder, in the retail trade area and the City of Philadelphia. According to the chart, it is clear that the largest concentration of households in the trade area are between the ages of 25 and 34; this is also a larger concentration than in the City as a whole. The trade area also has a higher percentage of households between the ages of 35 and 44. The chart also shows that there is a larger concentration of older households in the City than in the retail trade area.

**CHART 1: PERCENT OF HOUSEHOLDS BY AGE, 2015**




## Income and Employment Characteristics

Table 4 on the following page provides a breakdown of households by income, as well as other household income statistics.

- The median income in the retail trade area is higher than that in the City of Philadelphia. This is due to the smaller percentage of households with annual incomes less than $15,000 in the trade area; an indication that this is not an area with a high concentrated poverty.

**TABLE 4: INCOME CHARACTERISTICS**

| | Retail Trade Area | | City of Philadelphia | |
|---|---|---|---|---|
| | **Number** | **Percent** | **Number** | **Percent** |
| 2015 Median Disposable Income | $32,140 | | $29,491 | |
| 2015 Per Capita Income | $20,426 | | $20,787 | |
| 2015 Median Household Income | $38,615 | | $35,563 | |
| 2020 Median Household Income | $43,410 | | $40,250 | |
| Percent Change 2015 - 2020 | | 12.4% | | 13.2% |
| 2015 Average Household Income | $49,140 | | $51,962 | |
| 2020 Average Household Income | $55,471 | | $59,627 | |
| Percent Change 2015 - 2020 | | 12.9% | | 14.8% |
| **2015 Households by Income** | | | | |
| Total Households | 8,909 | | 613,372 | |
| < $15,000 | 1,577 | 17.7% | 147,209 | 24.0% |
| $15,000 - $24,999 | 1,301 | 14.6% | 80,965 | 13.2% |
| $25,000 - $34,999 | 1,114 | 12.5% | 74,218 | 12.1% |
| $35,000 - $49,999 | 1,470 | 16.5% | 87,099 | 14.2% |
| $50,000 - $74,999 | 1,595 | 17.9% | 91,392 | 14.9% |
| $75,000 - $99,999 | 998 | 11.2% | 55,203 | 9.0% |
| $100,000 - $149,999 | 713 | 8.0% | 47,843 | 7.8% |
| $150,000 - $199,999 | 80 | 0.9% | 17,174 | 2.8% |
| $200,000 + | 62 | 0.7% | 12,881 | 2.1% |

Source: Esri

Table 5 below presents information on resident employment and educational characteristics.

**TABLE 5: EMPLOYMENT AND EDUCATION CHARACTERISTICS**

| | Retail Trade Area | | City of Philadelphia | |
|---|---|---|---|---|
| | **Number** | **Percent** | **Number** | **Percent** |
| **2015 Residents in Labor Force*** | | | | |
| Civilian Employed | | 91.1% | | 90.3% |
| Civilian Unemployed | | 8.9% | | 9.7% |
| **2015 Resident Employment by Occupation*** | | | | |
| Total | 9,973 | | 636,693 | |
| White Collar | 5,954 | 59.7% | 374,375 | 58.8% |
| Services | 2,174 | 21.8% | 150,896 | 23.7% |
| Blue Collar | 1,835 | 18.4% | 111,421 | 17.5% |
| **2015 Educational Attainment**** | | | | |
| Total | 15,324 | | 1,022,317 | |
| Less than 9th Grade | 996 | 6.5% | 60,317 | 5.9% |
| 9th - 12th Grade, No Diploma | 2,115 | 13.8% | 118,589 | 11.6% |
| High School Graduate | 3,279 | 21.4% | 302,606 | 29.6% |
| GED/Alternative Credential | 690 | 4.5% | 44,982 | 4.4% |
| Some College, No Degree | 2,023 | 13.2% | 176,861 | 17.3% |
| Associate Degree | 797 | 5.2% | 55,205 | 5.4% |
| Bachelor's Degree | 3,433 | 22.4% | 151,303 | 14.8% |
| Graduate/Professional Degree | 1,977 | 12.9% | 111,433 | 10.9% |

*Total labor force and resident employment counts are based on the population aged 16 years and older.
**Educational attainment is reported for the population aged 25 years and older.
Source: Esri

- The unemployment rate in the retail trade area is lower than the unemployment rate in Philadelphia.
- As is similar in the City overall, the majority of residents in the retail trade area are employed in white collar professions; those include professional, sales, administrative support, and management/business/financial occupations.
- Educational attainment in the trade area is high. More than one-third of residents have either a Bachelor’s degree or higher; an additional 18.4 percent have either attended some college or have received and Associate Degree.

Table 6 below provides information on at-place employment within a one-quarter mile radius of the Frankford Avenue commercial corridor and within the City of Philadelphia overall.

**TABLE 6: 2013 AT-PLACE EMPLOYMENT WITHIN 1/4 MILE OF THE CORRIDOR**

| | 1/4 Mile of the Corridor | | City of Philadelphia | |
|---|---|---|---|---|
| | **Number** | **Percent** | **Number** | **Percent** |
| **Total Employees** | 1,728 | | 649,313 | |
| **Employees by Earnings** | | | | |
| $1,250 per month or less | 475 | 27.5% | 136,042 | 21.0% |
| $1,251 to $3,333 per month | 606 | 35.1% | 191,092 | 29.4% |
| More than $3,333 per month | 647 | 37.4% | 322,179 | 49.6% |
| **Employees by Age** | | | | |
| Age 29 or younger | 364 | 21.1% | 145,582 | 22.4% |
| Age 30 to 54 | 954 | 55.2% | 363,336 | 56.0% |
| Age 55 or older | 410 | 23.7% | 140,395 | 21.6% |
| **Employees by Sex** | | | | |
| Male | 828 | 47.9% | 299,384 | 46.1% |
| Female | 900 | 52.1% | 349,929 | 53.9% |

Source: US Census Bureau, On the Map and LEHD

Employees working with one-quarter mile of a commercial corridor are often an important source of demand for corridor businesses, particularly for the lunch trade. An estimated 1,728 employees work in close proximity to the corridor. The majority of these employees are between the ages of 30 and 55 and more than 37 percent earn more than $3,333 per month (approximately $40,000 annually). The data show that 15.3 percent of this local employment is in the manufacturing sector and 28.7 percent is in educational services; these two sectors represent nearly half (44 percent) of all local employment near the corridor. The high percentage of employees in education reflects the close proximity of the numerous public schools located just off the Frankford Avenue corridor. School employees typically do not support the local lunch trade, but are potential customers at establishments before and after the school day.

### Lifestyle Segmentation

Esri's 2015 Tapestry Segmentation system divides households into 14 lifestyle summary groups (LifeModes) and identifies 67 unique consumer segments ("lifestyles") in the U.S. within the groups based on socioeconomic and demographic characteristics. The objective of the Tapestry system is to use cluster analysis to provide an accurate, comprehensive profile of consumer lifestyles nationally. Each segment has individual characteristics, including household size, age, and race; income and employment; housing type and tenure; and preferences related to shopping, recreation, and leisure time pursuits.

The top three Esri Tapestry segments represent more than half (57.3 percent) of households in the retail trade area. Profiles of these Esri Tapestry segments in the trade area are provided in supplemental materials. The following are brief summaries of the segment descriptions, which are abridged from materials provided by Esri. The figures in parentheses are the percent of all households that are classified in the lifestyle segment.

- **Front Porches** (23.2%) - This lifestyle blends household types, with more young families with children or single households than average. This group is also more diverse than the US. Half of householders are renters, and many of the homes are older town homes or duplexes. Friends and family are central to these residents and help to influence household buying decisions. Residents enjoy their automobiles and like cars that are fun to drive. Income and net worth are well below the US average, and many families have taken out loans to make ends meet.
- **Emerald City** (21.0%) - This lifestyle group lives in lower-density neighborhoods of urban areas throughout the country. Young and mobile, they are more likely to rent. Well educated and well employed, half have a college degree and a professional occupation. Incomes close to the US median come primarily from wages and self-employment. This group is highly connected, using the Internet for entertainment and making environmentally friendly purchases. Long hours on the Internet are balanced with time at the gym. Many embrace the "foodie" culture and enjoy cooking adventurous meals using local and organic foods. Music and art are major sources of enjoyment. They travel frequently, both personally and for business.
- **Fresh Ambitions** (13.1%) - These young families, many of whom are recent immigrants, focus their life and work around their children. Fresh Ambitions residents are not highly educated, but many have overcome the language barrier and earned a high school diploma. They work overtime in service, in skilled and unskilled occupations, and spend what little they can save on their children. Multigenerational families and close ties to their culture support many families living in poverty; income is often supplemented with public assistance and Social Security. Residents spend more than one-third of their income on rent, though they can only afford to live in older row houses or multiunit buildings. They budget wisely not only to make ends meet but also to save for a trip back home.

The above Tapestry segments clearly show the diversity within the trade areas. Households in the trade area are young, but vary by income, educational attainment, occupation, and consumer expenditure patterns. The diversity can be advantageous in attracting a range of business types to the corridor. However, with two of the segments having more limited expenditure potential, an important consideration for neighborhood-serving businesses may be to focus on some business types that could appeal to all Tapestry segments.

## Product/Consumer Behaviors of Lifestyle Segments

Retail expenditure patterns are influenced both by income and by preference. Lifestyle segments, as previously mentioned, help indicate how adults and households within the retail trade area prefer to spend their income. Table 7 on the following page presents key behaviors of adults or households classified in the Front Porches or Emerald City lifestyles. Included in the table are product/consumer behaviors that adults/households within these lifestyles are 10 percent more likely to purchase/partake in than all adults/households nationally; the table also includes the percent of adults/households within each lifestyle attributed to that product/behavior. Highlighted product/consumer behaviors are those that are significant in both lifestyles. It should be noted that one influence over the differences in behaviors between these two lifestyle is income; while the median income for Emerald City households is 102 percent of the national median household income, the median income for Front Porches households is only 76 percent of the national median.

Together, the Front Porches and Emerald City lifestyles account for nearly 44 percent of all households in the retail trade area. Although Fresh Ambitions has the third largest concentration of households in the trade area, it was not included in the Table 7; the concentration of households in this lifestyle is likely influenced by the proximity of the trade area to the core of Philadelphia's Hispanic community.

The following points summarize these key findings from Table 7:

- Nearly one-third of Front Porches adults have purchased children's clothing in the past year, a reflection of the presence of families.
- Emerald City adults were more likely to purchase shoes, costume jewelry, watches, and home furnishings than the average adult nationally.
- More than half of the adults in the Emerald City lifestyle drank beer/ale within the last year; one-quarter went to a bar/night club, this behavior is 47 percent more likely than the national average.
- Emerald City adults were more likely to have attended a movie or live theater, or dine out for entertainment than the average adult nationally.
- Front Porches adults were 50 percent more likely to play console video games than the average adult nationally; Emerald City adults are 20 percent more likely.
- One-third of all Emerald City adults purchased a hardcover book in the past year, over 40 percent purchased a paperback book.
- Households in both lifestyles are more likely to own a cat than average national household.

- When shopping, Front Porches adults are more likely to value price over brand than adults nationally; Emerald City adults are more likely to purchase based on quality and value products that are environmentally safe. Adults in both lifestyles are more likely to value green products over convenience than the average adult nationally.
- One-third of Emerald City adults have used organic food in the past year.
- Adults in both lifestyles were more likely to order delivered take-out food than adults nationally.

**TABLE 7: PRODUCT/CONSUMER BEHAVIORS TEN PERCENT MORE LIKELY THAN THE NATIONAL AVERAGE**

| | Front Porches | | Emerald City | |
|---|---|---|---|---|
| | % of Adults/ Households | MPI* | % of Adults/ Households | MPI* |
| Bought clothing for child <13 years in last 6 mos. | 31.5% | 112 | -- | -- |
| Bought any shoes in last 12 mos. | -- | -- | 60.4% | 110 |
| Bought costume jewelry in last 12 mos. | -- | -- | 22.7% | 114 |
| Bought a watch in last 12 mos. | -- | -- | 13.1% | 114 |
| Drank beer/ale in last 6 mos. | -- | -- | 53.7% | 127 |
| Drank regular cola in last 6 mos. | 51.8% | 113 | -- | -- |
| Own digital point & shoot camera | -- | -- | 35.8% | 111 |
| Own digital single-lens reflex (SLR) camera | -- | -- | 13.7% | 159 |
| Bought cell phone in last 12 mos. | 42.3% | 116 | -- | -- |
| Have a smartphone | -- | -- | 62.6% | 128 |
| HH owns laptop/notebook** | -- | -- | 59.2% | 116 |
| Own any e-reader/tablet | -- | -- | 33.3% | 157 |
| Own any portable MP3 player | -- | -- | 44.9% | 134 |
| Bought brewed coffee at convenience store in last 30 days | 18.7% | 122 | -- | -- |
| Attended a movie in last 6 mos. | -- | -- | 73.6% | 122 |
| Went to live theater in last 12 mos. | -- | -- | 17.1% | 136 |
| Went to a bar/night club in last 12 mos. | 20.2% | 118 | 25.2% | 147 |
| Dined out in last 12 mos. | -- | -- | 52.4% | 117 |
| Visited a theme park in last 12 mos. | 20.5% | 114 | -- | -- |
| Played a video/electronic game (console) in last 12 mos. | 17.2% | 151 | 13.7% | 120 |
| Played a video/electronic game (portable) in last 12 mos. | 5.3% | 119 | 7.0% | 157 |
| Bought hardcover book in last 12 mos. | -- | -- | 33.1% | 147 |
| Bought paperback book in last 12 mos. | -- | -- | 42.2% | 125 |
| Used organic food in last 6 mos. | -- | -- | 33.3% | 169 |
| Used housekeeper/professional HH cleaning service in last 12 mos.** | -- | -- | 16.3% | 125 |
| Purchased low ticket HH furnishings in last 12 mos.** | -- | -- | 18.3% | 117 |
| Purchased big ticket HH furnishings in last 12 mos.** | -- | -- | 25.7% | 122 |
| Household owns any cat** | 27.9% | 123 | 27.8% | 122 |
| Price is usually more important than brand name | 33.9% | 124 | -- | -- |
| Usually buy based on quality - not price | -- | -- | 20.5% | 114 |
| Usually pay more for environ safe product | -- | -- | 19.1% | 151 |
| Usually value green products over convenience | 14.7% | 145 | 15.7% | 154 |
| Fast food/drive-in last 6 mos.: home delivery | 8.9% | 113 | 12.3% | 157 |
| Fast food/drive-in last 6 mos.: take-out/walk-in | -- | -- | 25.9% | 132 |

*An MPI (Market Potential Index) measures the relative likelihood of the adults or households in the specified trade area to exhibit certain consumer behavior or purchasing patterns compared to the U.S. An MPI of 100 represents the US average based upon national propensities to use various products and services, applied to local demographic composition.

**Product/consumer behavior is based on households.

Sources: Esri, GfK MRI, RES

**Retail Demand**

Households Expenditures

Chart 2 below shows a breakdown of how, on average, households in the retail trade areas spend their income. In addition to retail goods and personal and professional services, these expenditure categories include other typical household budget items such as shelter, transportation, education, and health care.

**CHART 2: 2015 AVERAGE HOUSEHOLD EXPENDITURES IN THE RETAIL TRADE AREA**

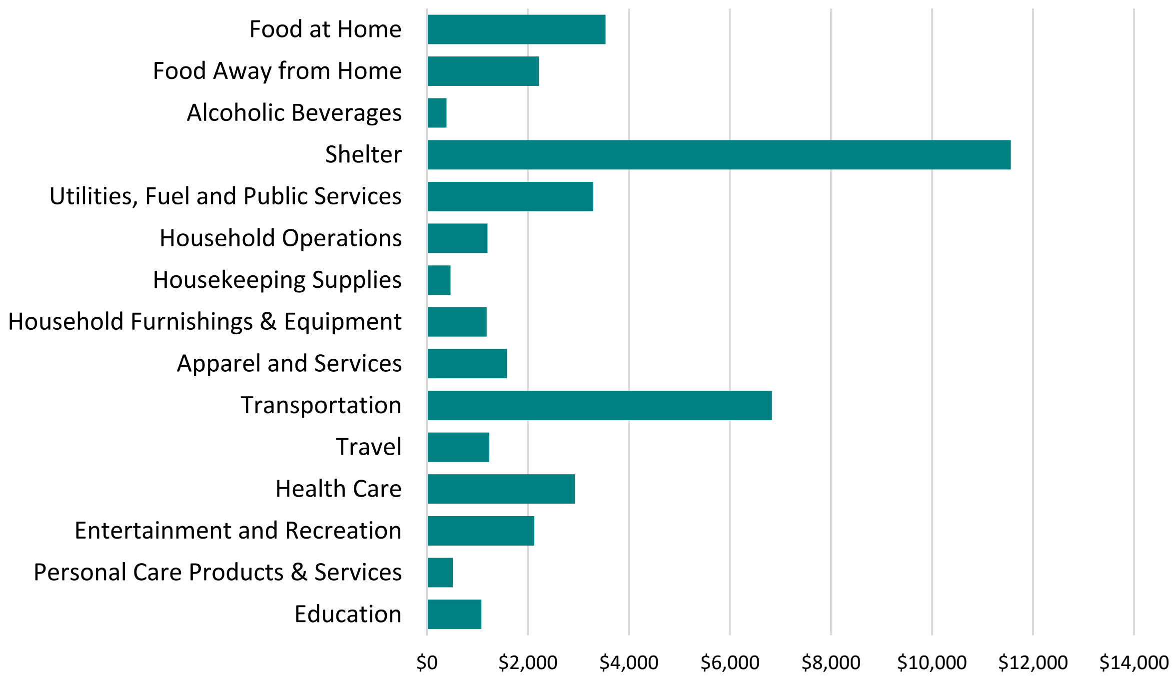



Table 8 on the following presents more detailed information related to the average household expenditures in Chart 2. The following key points summarize the findings related to the data in Chart 2 and in Table 8:

- On average, households in the retail trade area spend more than half (51.9 percent) of their household income on essential expenses: housing, transportation, and health care.
- Food (both at home and away from homes) represents the next largest percentage of household expenditures in the trade area.
- With respect to spending patterns related to retail goods and services other than food, entertainment/recreation and apparel and related services (laundry, dry cleaning, clothing and shoe alterations and repair) represent the largest percentages of household expenditures.

**TABLE 8: 2015 AGGREGATE AND AVERAGE HOUSEHOLD EXPENDITURES IN THE RETAIL TRADE AREA**

| | Aggregate Expenditures | Average Household Expenditures | |
|---|---|---|---|
| | | **Number** | **Percent** |
| Total Expenditures | $422,966,597 | $47,476 | |
| Food | $51,207,091 | $5,748 | 12.1% |
| Food at Home | $31,487,049 | $3,534 | 7.4% |
| Food Away from Home | $19,720,042 | $2,214 | 4.7% |
| Alcoholic Beverages | $3,460,173 | $388 | 0.8% |
| Housing | $132,321,503 | $14,853 | 31.3% |
| Shelter | $102,983,895 | $11,560 | 24.3% |
| Utilities, Fuel and Public Services | $29,337,608 | $3,293 | 6.9% |
| Household Operations | $10,666,515 | $1,197 | 2.5% |
| Housekeeping Supplies | $4,151,994 | $466 | 1.0% |
| Household Furnishings and Equipment | $10,541,297 | $1,183 | 2.5% |
| Apparel and Services | $14,105,100 | $1,583 | 3.3% |
| Transportation | $60,827,218 | $6,828 | 14.4% |
| Travel | $10,977,336 | $1,232 | 2.6% |
| Health Care | $26,067,102 | $2,926 | 6.2% |
| Entertainment and Recreation | $18,943,922 | $2,126 | 4.5% |
| Personal Care Products & Services | $4,569,335 | $513 | 1.1% |
| Education | $9,600,870 | $1,078 | 2.3% |
| Smoking Products | $2,905,190 | $326 | 0.7% |
| Miscellaneous* | $6,672,730 | $749 | 1.6% |
| Support Payments/Cash Contribution/Gifts in Kind | $13,766,559 | $1,545 | 3.3% |
| Life/Other Insurance | $2,277,728 | $256 | 0.5% |
| Pensions and Social Security | $39,904,937 | $4,479 | 9.4% |

*Miscellaneous expenditures include lotteries, pari-mutuel losses, legal fees, funeral expenses, safe deposit box rentals, checking account/banking service charges, cemetery lots/vaults/maintenance fees, accounting fees, miscellaneous personal services/advertising/fines, finance charges excluding mortgage & vehicle, occupational expenses, expenses for other properties, credit card membership fees, and shopping club membership fees.
Source: Esri

## Retail Goods and Services Expenditures

Table 9 on the following page provides a breakdown of retail demand and supply in the retail trade area. The data indicate an overall unmet demand for retail trade and a surplus of supply in food and drink establishments. The oversupply is the result of the dense concentration of restaurants and bars near the intersection of Frankford Avenue and East Girard Avenue. The excess of supply in these food and drink categories is not necessarily an indication of limited potential as restaurants often prefer to locate in close proximity of direct competition.

It should also be noted that Table 8 does not provide demand and supply estimates for personal, professional, or other services categories such as hair salons, dry cleaners, banks, or repair shops.

**TABLE 8: RETAIL EXPENDITURE POTENTIAL WITHIN THE TRADE AREA**

| Industry Summary | NAICS | Demand (Retail Potential) | Supply (Retail Sales) | Retail Gap |
|---|---|---|---|---|
| Total Retail Trade and Food & Drink | 44-45,722 | $228,300,745 | $132,895,854 | $95,404,891 |
| Total Retail Trade | 44-45 | $205,312,918 | $93,818,139 | $111,494,779 |
| Total Food & Drink | 722 | $22,987,827 | $39,077,715 | ($16,089,888) |
| Motor Vehicle & Parts Dealers | 441 | $46,313,286 | $10,517,774 | $35,795,512 |
| Automobile Dealers | 4411 | $39,161,521 | $5,506,878 | $33,654,643 |
| Other Motor Vehicle Dealers | 4412 | $4,217,063 | $0 | $4,217,063 |
| Auto Parts, Accessories & Tire Stores | 4413 | $2,934,701 | $4,697,908 | ($1,763,207) |
| Furniture & Home Furnishings Stores | 442 | $6,255,771 | $2,820,108 | $3,435,663 |
| Furniture Stores | 4421 | $3,901,206 | $2,196,257 | $1,704,949 |
| Home Furnishings Stores | 4422 | $2,354,565 | $623,851 | $1,730,714 |
| Electronics & Appliance Stores | 443 | $11,518,715 | $2,617,990 | $8,900,725 |
| Bldg Materials, Garden Equip. & Supply Stores | 444 | $9,240,492 | $2,732,773 | $6,507,719 |
| Bldg Material & Supplies Dealers | 4441 | $8,152,903 | $2,732,773 | $5,420,130 |
| Lawn & Garden Equip & Supply Stores | 4442 | $1,087,590 | $0 | $1,087,590 |
| Food & Beverage Stores | 445 | $43,904,099 | $38,175,893 | $5,728,206 |
| Grocery Stores | 4451 | $37,403,315 | $33,500,805 | $3,902,510 |
| Specialty Food Stores | 4452 | $2,684,407 | $448,816 | $2,235,591 |
| Beer, Wine & Liquor Stores | 4453 | $3,816,378 | $4,226,272 | ($409,894) |
| Health & Personal Care Stores* | 446, 4461 | $9,470,677 | $7,009,297 | $2,461,380 |
| Gasoline Stations | 447, 4471 | $14,426,671 | $6,308,224 | $8,118,447 |
| Clothing & Clothing Accessories Stores | 448 | $11,161,150 | $6,566,080 | $4,595,070 |
| Clothing Stores | 4481 | $8,135,952 | $4,410,712 | $3,725,240 |
| Shoe Stores | 4482 | $1,729,235 | $1,319,651 | $409,584 |
| Jewelry, Luggage & Leather Goods Stores | 4483 | $1,295,964 | $835,717 | $460,247 |
| Sporting Goods, Hobby, Book & Music Stores | 451 | $6,706,818 | $1,872,216 | $4,834,602 |
| Sporting Goods/Hobby/Musical Instr Stores | 4511 | $5,298,710 | $1,813,259 | $3,485,451 |
| Book, Periodical & Music Stores | 4512 | $1,408,108 | $0 | $1,408,108 |
| General Merchandise Stores* | 452 | $36,119,992 | $7,504,297 | $28,615,695 |
| Department Stores Excluding Leased Depts.* | 4521 | $27,996,953 | $3,031,118 | $24,965,835 |
| Other General Merchandise Stores | 4529 | $8,123,039 | $4,473,179 | $3,649,860 |
| Miscellaneous Store Retailers | 453 | $10,195,247 | $7,693,485 | $2,501,762 |
| Florists | 4531 | $432,883 | $277,932 | $154,951 |
| Office Supplies, Stationery & Gift Stores | 4532 | $2,039,542 | $1,962,928 | $76,614 |
| Used Merchandise Stores | 4533 | $789,806 | $1,727,240 | ($937,434) |
| Other Miscellaneous Store Retailers | 4539 | $6,933,017 | $3,725,384 | $3,207,633 |
| Food Services & Drinking Places | 722 | $22,987,827 | $39,077,715 | ($16,089,888) |
| Full-Service Restaurants | 7221 | $12,204,060 | $19,710,376 | ($7,506,316) |
| Limited-Service Eating Places | 7222 | $9,099,118 | $11,821,946 | ($2,722,828) |
| Special Food Services | 7223 | $464,779 | $1,863,935 | ($1,399,156) |
| Drinking Places - Alcoholic Beverages | 7224 | $1,219,869 | $5,681,458 | ($4,461,589) |

*These retail categories were modified by RES to reflect changes in the trade area supply (retail sales).
Sources: Esri, Infogroup, RES

## Retail and Service Establishments with Market Support

Using the estimated retail gap (leakage) shown Table 9 above, Table 10 on the following page provides estimated additional, supportable square footage for selected retail categories based on capture rate and sales per square feet assumptions. Sales per square foot assumptions are general and are based on the sales required for a business to afford rental rates typically charged in North Philadelphia commercial corridors, assuming that occupancy costs are equal to eight to ten percent of sales. RES assumed conservative capture rates based on the type of retail and the potential for space on this corridor to accommodate and retain expenditures in each retail category.

**TABLE 9: ESTIMATED CAPTURE RATE AND SUPPORTABLE SQUARE FEET ANALYSIS**

| Industry Summary | NAICS | Retail Gap | Capture Rate | Sales per SF $200 | Sales per SF $300 |
|---|---|---|---|---|---|
| Auto Parts, Accessories & Tire Stores | 4413 | ($1,763,207) | 50% | -- | -- |
| Furniture Stores | 4421 | $1,704,949 | 15% | 1,279 | 852 |
| Home Furnishings Stores | 4422 | $1,730,714 | 25% | 2,163 | 1,442 |
| Electronics & Appliance Stores | 443 | $8,900,725 | 15% | 6,676 | 4,450 |
| Bldg Material & Supplies Dealers | 4441 | $5,420,130 | 15% | 4,065 | 2,710 |
| Lawn & Garden Equip & Supply Stores | 4442 | $1,087,590 | 15% | 816 | 544 |
| Grocery Stores | 4451 | $3,902,510 | 80% | 15,610 | 10,407 |
| Specialty Food Stores | 4452 | $2,235,591 | 60% | 6,707 | 4,471 |
| Beer, Wine & Liquor Stores | 4453 | ($409,894) | 80% | -- | -- |
| Health & Personal Care Stores* | 4,464,461 | $2,461,380 | 80% | 9,846 | 6,564 |
| Clothing Stores | 4481 | $3,725,240 | 25% | 4,657 | 3,104 |
| Shoe Stores | 4482 | $409,584 | 25% | 512 | 341 |
| Jewelry, Luggage & Leather Goods Stores | 4483 | $460,247 | 15% | 345 | 230 |
| Sporting Goods/Hobby/Musical Instr Stores | 4511 | $3,485,451 | 25% | 4,357 | 2,905 |
| Book, Periodical & Music Stores | 4512 | $1,408,108 | 25% | 1,760 | 1,173 |
| Department Stores Excluding Leased Depts.* | 4521 | $24,965,835 | 5% | 6,241 | 4,161 |
| Other General Merchandise Stores | 4529 | $3,649,860 | 5% | 912 | 608 |
| Florists | 4531 | $154,951 | 50% | 387 | 258 |
| Office Supplies, Stationery & Gift Stores | 4532 | $76,614 | 25% | 96 | 64 |
| Used Merchandise Stores | 4533 | ($937,434) | 50% | -- | -- |
| Other Miscellaneous Store Retailers | 4539 | $3,207,633 | 50% | 8,019 | 5,346 |
| Full-Service Restaurants | 7221 | ($7,506,316) | 50% | -- | -- |
| Limited-Service Eating Places | 7222 | ($2,722,828) | 50% | -- | -- |
| Drinking Places - Alcoholic Beverages | 7224 | ($4,461,589) | 25% | -- | -- |

*These retail categories were modified by RES to reflect changes in the trade area supply (retail sales).
Sources: Esri, Infogroup, RES

## Recommendations

### Opportunities

The Frankford Avenue commercial corridor focus area is extremely well-positioned adjacent to Fishtown and near of the intersection of Frankford and Girard Avenues, areas that are continuing to grow as both citywide and regional destinations. Businesses locating within the corridor focus area will benefit from this broad exposure furthering the potential to attract more unique, destination-based businesses such as FAN, Seven Swords Tattoo, or the Sculpture Gym. These types of businesses will also benefit from Frankford Avenue's identity as an arts corridor. Additionally, there are opportunities to expand neighborhood retail and service establishments to better serve households in the trade area. Therefore, the business attraction strategy for the Frankford Avenue commercial corridor focus area should concentrate on opportunities for both destination-based and neighborhood-serving businesses. RES recommends the following:

- Expand and diversify neighborhood-serving retail. As previously mentioned, typical neighborhood-serving businesses that provide essential products and services for the immediate community are a limited. The leakage analysis identified the following retail categories with market support within the retail trade area; the approximate maximum square footage is in parentheses:
  - Furniture and Home Furnishing Store(s) (3,000 SF)
  - Grocery Stores (supermarkets and convenience stores (15,500 SF)
  - Health and Personal Care Stores (drug stores) (9,500 SF)
  - Specialty Food Stores (6,500 SF)
  - Clothing Store(s) (4,500 SF)
  - Sporting Goods/Hobby/Musical Instrument Store(s) (4,000 SF)
  - Book, Periodical, & Music Store (1,500 SF)

  In addition to these categories, other opportunities could include a pet store and dry cleaners/laundromat. Product offerings to consider as revealed by the prevalent product/consumer behavior patterns include organic food products, green/environmentally safe products, and quality products over convenience.
- Consider the potential of businesses that appeal to both the older residents and the newer, younger population. These businesses will likely be those providing essential goods and services like convenience stores, dry cleaners/laundromats, and health and personal care stores. However, other opportunities for overlap are at food establishments and drinking places. Depending on the product offerings, specialty businesses such as a used book store, bakery, or a musical instrument store could also attract both populations.
- Encourage new retail and service establishments that support and complement existing destination-based businesses; these could be destination-based or neighborhood-serving businesses. One existing business noted that coffee shops, more food establishments, and additional retail shopping opportunities would allow their customers to have a “day” in the neighborhood. These retail shopping opportunities could include a clothing boutique, specialty food stores, a music store, or additional arts-related retail storefronts.
- Continue to develop a concentration of food service establishments and drinking places. Although the leakage analysis indicates an overall surplus in the supply of these categories, the agglomeration of restaurants and bars, particularly south of the corridor focus area, is a major attraction for Frankford Avenue. Further, within the corridor focus area, there is currently only one full-service restaurant. Also, according the consumer behaviors, households in prevalent lifestyles dine out, drink beer, and visit bars.
- Introduce a co-operative retail concept on the corridor. NKCDC has already identified this recommendation as an objective for the corridor focus area. This concept both complements

the existing branding of Frankford Avenue as an arts/makers corridor and provides an opportunity for retail diversification. It will also give unique, smaller retailers the opportunity to open along the corridor, maintaining the concentration of independently-owned businesses on the corridor. A concentration of co-op stores could become a destination.

- Reinforce Frankford Avenue's identity as an arts corridor. As neighborhood demographics change, commercial space becomes more limited, and commercial rents increase along the corridor, large and inexpensive spaces for art/artisan production could also become more limited. As these trends continue, it could be important to preserve these existing spaces or look for new opportunities to locate these types of production-based businesses off of, but in close proximity to the corridor. Introducing retail storefronts that sell the goods produced near the corridor could help to maintain the creative arts identity along the corridor; the retail co-op model could provide a way to achieve this.

A significant constraint to implementing these recommendations and expanding opportunities for businesses within the corridor focus area is limited available commercial space. NKCDC has recognized this challenge and, as previously mentioned, is working to increase availability of commercial storefronts by providing input during the remapping of the zoning and by discouraging speculative purchases and the speculative holding of vacant space.

### Marketing Points

The Frankford Avenue commercial corridor focus area is characterized by the following points, which will be emphasized in the marketing handout:

- Continued, successful branding as an arts corridor
- Professional corridor management and an active business association
- Recent substantial real estate development and redevelopment activity
- New residential units planned, approved, and under construction along Frankford Avenue and in the immediately surrounding areas
- Recent influx of young, affluent households
- Clusters of unique and newly established destination retailers and service-providers
- A variety of retail store types
- Major events that are ingrained in the identity of the neighborhood
- Highly accessible via public transit; in close proximity to SEPTA's busiest city transit route
- Bikeable corridor with moderate bicycle traffic
- Well-positioned for citywide and regional exposure from the draw of the Fishtown neighborhood

Key demographic characteristics and trends within the retail trade area that should be highlighted include:

- Population and household growth outpacing the City
- Strong homeownership rates
- Young households, one-quarter of trade area households are between the ages of 25 and 34
- High educational attainment
- Expenditure potential and leakage in neighborhood-serving retail categories