Independence, Kentucky
Market Study Highlights

Gem Public Sector Services

In conjunction with the following:
City of Independence, Kentucky
Northern Kentucky Area Planning Commission
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Key Demographics

- Household Growth Well Ahead of Statistical Estimates and Projections
- Resulting Population Growth Well Ahead of Statistical Estimates and Projections
- Markets for Retail Goods, Professional Services, and Personal Services Are All Significantly Underserved
Key Demographics (continued)

- 2000 Households: 5,181 Census
- 2006 Households: 5,742 Statistical Estimate
- 2006 Households: 8,059 Field Observation
- Estimated Variance +2,317 Households
- 2011 Households: 6,145 Statistical Projection
- 2011 Households: 10,174 Field Based Forecast
- Projected Variance +4,029 Households
Key Demographics (continued)

- 2000 Population: 14,981 Census
- 2006 Population: 16,244 Statistical Estimate
- 2006 Population: 22,807 Field Observation
- Estimated Variance +6,563 Persons
- 2011 Population: 17,107 Statistical Projection
- 2011 Population: 28,284 Field Based Forecast
- Projected Variance +11,177 Persons
Key Demographics (Continued)

School Age Children (5-18)

- 2000 – 3,479 Census
- 2006 – 3,654 Statistical Estimate
- 2006 – 5,132 Field Estimate
- Current Year Variance +1,478 Children
- 2011 – 3,814 Statistical Projection
- 2011 – 6,307 Field Projection
- Projected 2011 Variance +2,493 Children
Key Demographics (continued)

Senior Population (Age 65+)

- 2000 – 974 Census
- 2006 – 1,137 Statistical Estimate
- 2006 – 1,597 Field Estimate
- Current Year Variance +460 Seniors
- 2011 - 1,352 Statistical Projection
- 2011 – 2,234 Field Based Projection
- Projected Variance +882 Seniors
Key Demographics (continued)

- 2000 Aggregate HH Income: $291.5 Million - Census

- 2006 Aggregate HH Income: $342.8 Million - Statistical Estimate

- 2006 Aggregate HH Income: $481.1 Million - Field Observation

- Estimated Variance $+138.3 Million

- 2011 Aggregate HH Income: $398.2 Million - Statistical Projection

- 2011 Aggregate HH Income: $659.3 Million - Field Forecast

- Projected Variance $+$261.1 Million
The Housing Market

- Robust Growth Expected to Continue but Not at the Pace of Growth Between 2000 and 2006
- 2,864 Housing Units Added From 2000 to 2006
- 2,115 More Units Projected From 2006 to 2011
- Virtually All New Housing Units Are Freestanding, Single-Family Residences
The Housing Market (continued)

- Annual home sales are estimated to include approximately 693 existing homes and 423 new homes per year, on average, through 2011.

- Annual residential rentals are estimated to include between 450 and 460 units per year through 2011 with a minimal inventory increase projected.
The Retail Market

- Every household in the City spends approximately $21,592 on retail goods annually, today.

- City of Independence based businesses only captured 43% of the retail expenditures of Independence households in 2006; approximately, $75,000,000 out of $174,000,000 of expenditure potential.
The existing business base in Independence will only capture 36% of the retail market potential of Independence households by 2011.

Some retail market categories are significantly underserved; clothing stores, furniture stores, specialty food stores and specialty merchants.
The available retail market extends beyond the boundaries of Independence.

- The 10 minutes drive-time market is 1.35 times the size of Independence and the 15 minutes drive-time market is 3.60 times the size of independence.

- Independence is in the path of future growth that will bring developers and merchants to the City; more likely more alternatives than the community can reasonably handle.
10 Minutes Drive-time from Route 17 & McCullum Road, Independence, Kentucky
15 Minutes Drive-time from Route 17 & McCullum Road, Independence, Kentucky
The Services Market

- Independence based service businesses are only capturing 22% of the annual Independence household demand for services.

- By 2011 existing Independence service businesses will only be capturing 18% of the annual, local market demand.
The Services Market (continued)

- Service businesses comprise the office market in many suburban communities and Independence is an example of this.

- Health and medical services, legal services, and other professional services are all in short supply in Independence.
The Market and Independence

- Growth in the next five years will bring numerous alternatives for development to the City of Independence.
- Residential growth is projected to be low density, freestanding, single-family, owner-occupied housing.
- Target marketed housing products should be considered to diversify the housing inventory.
The Market and Independence

- Retail growth could include virtually all categories of retail merchants.

- Retail merchants in the convenience, neighborhood and community oriented segments of the market may all have needs to fill.

- Service needs are even more underserved than retail needs in the City and drive-time market areas.
The Market and Independence

- The City is not an employment center.
- There is less than one job in the City for every five residents in the workforce.
- With the exception of growth in retail and service sector jobs, employment is likely to be outside of Independence in the near term.
- A “market ready” land area for industrial growth should be part of the City’s plans for the future.
The Market and Independence

- The city is in the midst of dynamic growth, it can direct the path of future development.

- The City should not be afraid to say “NO” to development that is not in the City’s long-term best interest.

- A cluster of destination oriented retail and service businesses should be targeted for inclusion in a “town center” on old Route 17 near the City Building.