

**SECTION FIVE
MARKET OPPORTUNITIES**



**COMMUNITY
CONDITIONS
ASSESSMENT**

FEBRUARY 7, 2022



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Kosciusko County | Kosciusko Chamber of Commerce





To supplement the data collection process, which focused on the existing conditions of the county and each incorporated community, a retail market analysis was also completed to forecast the business and development potential for retail uses across the county and within specific sub-markets and key development nodes. To better understand the geographical differences and opportunities, the market analysis has been broken down into five major sub-markets:

- **North Kosciusko County and the Lakes Region-** Leesburg, Milford, Syracuse and North Webster
- **Southeast Kosciusko County-** Pierceton
- **South Kosciusko County-** Claypool and Silver Lake
- **Central Kosciusko County-** Warsaw and Winona Lake
- **West Kosciusko County-** Etna Green and Mentone

The market analysis data builds upon the information discussed in community conditions reports (Section Three), however the market analysis digs deeper into existing economic conditions, and retail futures. In addition to reviewing specific data sets and economic reports, as outlined in the narratives, field reconnaissance and interviews with commercial businesses and real estate professionals were conducted throughout the county. Additionally, a building-by-building inventory was conducted of commercial business use throughout the county.

RETAIL BUSINESS SPACE BY CATEGORY, KOSCIUSKO COUNTY, 2021

Category	Number	Square Feet	Percent
Convenience	98	645,470	17.5%
Shoppers Goods	244	1,783,709	48.4%
Eating & Drinking	154	423,562	11.5%
Entertainment	6	79,227	2.2%
Personal Services	57	91,117	2.5%
Vacant	78	659,728	17.9%
TOTAL	637	3,682,812	100.0%

Sources: Kosciusko County Assessor, Listings, Business, Kosciusko County Assessor, Listings, Business, and Randall Gross / Development Economics.

Note: A more detailed accounting of the county's retail space by individual business category is shown in the Appendix.

EXISTING

MARKET CONDITIONS

Kosciusko County has a large and diverse retail/commercial real estate base located in large downtowns and small business districts, shopping centers, highway commercial corridors, mixed-use buildings, and “big box” superstores and “category killers.” These commercial locations host a variety of businesses including retail stores, restaurants, personal service establishments, and other commercial businesses. A total of nearly 640 retail/commercial business units were inventoried in 3.7 million square feet of commercial space as part of this plan.

The largest share of retail square footage in the county, as evidenced by this inventory, is in shopper’s goods stores, which offer goods for which consumers will comparison shop. The county’s 244 shopper’s goods stores account for nearly 1.8 million square feet or about 50% of all sample retail/commercial building use. Nearly 100 convenience businesses (which sell goods that meet immediate needs or are purchased on a convenience basis) occupy about 650,000 square feet or roughly 18% of the county’s retail/commercial space. Eating & drinking establishments account for another 12% of this space. Entertainment and personal services account for a relatively small share of commercial space, with 2% to 3% each.

A more detailed accounting of the county’s retail space by individual business category is shown in the Appendix. As shown here, the sample inventory indicates that nearly every type of retail business is located in Kosciusko County. The only category that was not identified through field reconnaissance is a luggage & leather shop, but that doesn’t mean that they don’t exist. In addition, there are various stores that sell luggage and leather goods are part of broader merchandising concepts. Otherwise, all other retail categories are represented.

The largest number of retail businesses are represented by full-service restaurants (66), personal services (57), limited service (“fast food”) restaurants (53), gas/convenience stations (39), vehicle dealers (31), and snack/beverage businesses (23). A large number of these are auto- and highway-oriented businesses. Interestingly, due to its lake recreation culture and visitor economy, Kosciusko County has an unusually large number of boat & water recreation businesses as well as sporting goods stores including those that offer bait-and-tackle. Also somewhat unique is Kosciusko County’s large cluster of specialty and snack food businesses, offering everything from beef jerky and donuts to cheese balls and ice cream. Again, this concentration is partly explained by the presence of a lake-oriented visitor base that drives demand for these goods. Entertainment businesses in the county include the Wagon Wheel Center for the Arts and the historic Pickwick Cinema on Main Street in downtown Syracuse. North Pointe Cinemas is located on US30.

The largest amount of retail/commercial space is occupied by groceries, home centers, department stores, vehicle dealers, and full-service restaurants. Clearly, some of these include “big box” and “category killer” businesses, like Walmart (206,395), Meijer (188,659), Menard’s (174,846), Lowe’s (146,347), Kroger (69,836), Kohl’s (68,961), and Martin’s (63,109). It is notable that nearly all of these large box chain stores are located on or near US30 (Lake City Highway) or specifically clustered near the intersection of US30 and North Detroit Street (Route 15) on the north side of Warsaw.

Some of these box stores are located in large shopping centers where retail space is clustered. Several of these centers are listed below.

CENTER NAME, LOCATION AND ANCHORS	SIZE (Square Feet)
Menard's Shopping Center, 1000 Huskey Trail <i>Anchors: Menard, Aldi</i>	201,818
Marketplace Shopping Center, 1130 North Center Street <i>Former Anchors: Sears, Causairs, Payless</i>	184,000
Lake Village Shopping Center, 3300 Lake City Highway <i>Former Anchor: Kmart</i>	174,383
Stock & Feed Shopping Center, 3660 Commerce <i>Former Anchor: Stock & Feed</i>	159,209
Warsaw Commons, 550 Detroit Street <i>Anchor: Kohl's</i>	156,785

Three of these five major shopping centers have lost anchor stores. Marketplace has lost three of its anchors. Only Warsaw Commons and Menards retain their primary anchors. There are only a handful of smaller strip shopping centers outside of Warsaw in other parts of the county. In addition to shopping centers, retail space is also clustered in the county's business districts, discussed separately by community later in this section.

Vacancy. At present, about 660,000 square feet in nearly 80 Kosciusko County retail business spaces is vacant. This space yields a vacancy rate of 18%, which is relatively high. Healthy retail centers and business districts target a vacancy rate of no more than 5.0% to allow for "churn" in the market and changeover in retail space. Much of the vacant space is concentrated in the several large "big boxes" discussed above, including the former Sears, Payless, Kmart, and Stock & Field stores.

Rents. Based on field reconnaissance and broker listings, asking rents are averaging \$10.79 per square foot in and around Warsaw. Brokered rents range from about \$7.00 to \$15.00 per square foot, with the highest being rent on high-visibility commercial space along US30 or near the US30/Detroit intersection. Rents are somewhat lower in other parts of Warsaw and elsewhere in the county.

North Kosciusko County and the Lakes Region

North-central Kosciusko County is a relatively rural area, with only a handful of small towns including Milford, Leesburg, and several small unincorporated communities. The area is accessed primarily by SR 15. Agriculture has always been a primary economic driver in the area, although many local residents now commute south to work in Warsaw or north to Elkhart-Goshen and neighboring metropolitan areas.

Just east of these communities is the Lakes Region of Kosciusko County, including the towns of Syracuse and North Webster. Although there are nearly 100 beautiful glacial lakes spread throughout Kosciusko County, nine of the largest lakes – many offering extraordinary recreational opportunities - are concentrated in the northeast portion of the county. The Town of Syracuse hugs the western shore of Lake Wawasee, the largest of these lakes, as well as Lake Syracuse. North Webster is similarly situated on Lake Webster, and the two communities' lakefront residential and commercial activity have nearly merged to form one urban corridor along SR 13.

The North Kosciusko County area and the Lakes Region have a total inventory of about 750,700 square feet of retail/commercial space within the four communities identified above. While significant in comparison to other rural submarkets in the county, this region only has about 27% as much retail space as Warsaw, clearly the county's commercial hub. About 17% of the commercial space in these communities is vacant, although nearly half of this vacancy is in one large property that may be taken out of the commercial inventory. Thus, the effective vacancy in this part of the county is closer to about 8 or 9%. Further, some of the existing commercial spaces are functionally obsolete or not currently marketed, so the effective vacancy may be even lower.

RETAIL BUSINESS SPACE BY CATEGORY, NORTH LAKES REGION, 2021

Category	Number	Sq. Feet	Percent
Convenience	34	139,465	22.1%
Shoppers Goods	65	243,668	38.6%
Eating & Drinking	47	115,700	18.3%
Entertainment	3	13,236	2.1%
Personal Services	21	31,900	5.0%
Vacant	<u>23</u>	87,910	13.9%
TOTAL	193	631,879	100.0%

Sources: Kosciusko County Assessor, business, brokers, and Randall Gross / Development Economics.

A sample inventory (with confirmed square footage) shows a total of about 632,000 square feet in 193 businesses. Of this number, about 39% is in shopper's goods stores, 22% in convenience businesses, and 18% in eating & drinking establishments. About 5% of the retail use is in personal services and 2% in entertainment. The shopper's goods category is particularly diverse in the area, accommodating clothing and accessory stores, boat dealers, hardware stores, and other businesses that offer comparison shopping. As noted previously, the vacancy rate would be cut in half if the one property that formerly housed Shopko is removed from the inventory, which is likely to happen if converted to industrial use.

Milford Main Street, Milford, IN | TSWDG



Leesburg

Leesburg is located just north of Warsaw on SR 15-North. Leesburg is situated 12 minutes from downtown Warsaw but only about five or six minutes from the northern portions of Warsaw around Monoquet and the Warsaw Municipal Airport. For all intents and purposes, Leesburg is nearly an “exurb” of Warsaw. The Town has about 550 residents, down from a peak of 630 in 1980. Leesburg served as the original County Seat until it was relocated to Warsaw in 1854. Despite its small size and proximity to Warsaw, Leesburg has a fairly substantial employment base, with about 350 jobs in 2018 according to the U.S. Bureau of the Census. Nearly one-third of these jobs are in management services, with the rest in health care, retail, foodservice, manufacturing, and other services. Not surprisingly, nearly 30% of working residents commute south several miles into Warsaw for their jobs, while another 15% commute north into Elkhart-Goshen. Less than 1% of Leesburg’s working residents actually work in Leesburg.

The Town has about 51,700 square feet of retail/commercial space, with national brands including Dollar General and Marathon plus locally owned businesses like Stacy’s and Little New York family restaurants. The downtown area forms a small but vibrant historic district. Even so, about 15,500 square feet of commercial space is vacant, yielding a vacancy rate of nearly 30%. Given the stagnant demographic base, out-commutation, and proximity to Walmart and major retail nodes in north Warsaw, it is not surprising that commercial space is not fully activated in Leesburg.

Milford

Located further north along SR 15 is Milford, a larger community of about 1,560 residents in Van Buren Township. Milford has been growing, albeit slowly, since 1990. While Milford has excellent access south to Warsaw and north to Elkhart-Goshen, its east-west connectivity (via 1250/1300 North) is not as strong. As a result, Milford is less directly connected to the lake-driven tourism economy in northeast Kosciusko County. That being said, US 6 is located just two miles north of Town in Elkhart County, providing good regional access west to Nappanee and Chicago.

Milford also has a larger employment base, with about 1,400 jobs in 2018. Nearly two-thirds of these jobs are in manufacturing. The local operations of grain distributor CTB, Inc. form the 4th largest employer in Kosciusko County and the only one in the top ten that is not located in Warsaw. Interestingly, Milford also has about 200 jobs in information services and another 100 jobs in construction. Milford’s economy is more closely associated with Elkhart County’s than other towns in Kosciusko County, with nearly 45% of Milford’s working residents employed in Elkhart and 31% employed in Kosciusko. While many of Milford’s residents commute to Elkhart-Goshen and Nappanee, or down to Milford and Warsaw, there is a substantial number who work in Syracuse and the Lakes Region.

Milford has about 49,300 square feet of retail/commercial space, roughly similar to that of Leesburg. In addition to national brands including (another) Dollar General, (another) Marathon and Napa Auto Parts, Milford several locally owned businesses like Whetton Pizza and Harvest Coffee. Perhaps the most unique local business is Theresa’s Delectables Bakery & Café, with its homemade cheeseballs. Milford has about 9,500 square feet of vacant commercial space, or about 19% of the total, much of which is concentrated in the Town’s historic business district.

Syracuse

Syracuse is a major hub for north Kosciusko County, with over 1.0 million square feet of commercial, office, lodging, and industrial use including an estimated 356,900 square feet of retail space. This lakefront Town has about 2,900 people, making it the second largest in the county after Warsaw. This resident population does not include a large seasonal visitor base that comprises a good share of Kosciusko County's overall tourism flow. According to some business owners in the area, the Town's population base doubles during the summer season.

The Town has a fairly substantial economic base, with about 2,700 jobs or nearly a one-to-one ratio of jobs to residents. Surprisingly, the largest economic sector is not tourism but manufacturing, which accounts for more than 50% of the Town's jobs. AC Delco, Purina Storage, Jasper Plastics, Bison, and Grain Systems Distribution are among the large employers in Town. The business base has strong links to both the region's vehicle manufacturing and agriculture industries. Syracuse residents are not surprisingly employed nearly equally (36% each) in Kosciusko and Elkhart counties, given that Syracuse is located near the county line. Although the largest number of residents (15%) works in Goshen, a solid 14% of residents work locally in Syracuse itself. About 8% commute to Warsaw and 4% to Elkhart.

Syracuse has a fairly long commercial corridor stretched along SR 13. The requisite chains include Pizza Hut, Sunoco, Gulf, Taco Bell, Subway, Burger King, CVS, Dollar General (again), Dairy Queen, and others. But the Town also has a large number of local businesses including one of Kosciusko County's only entertainment venues outside of Warsaw, the Pickwick Cinema. This 6,000 square-foot marquee venue is located near the heart of the historic downtown, and despite its size and location still shows first-run movies.

Many of the local businesses like Oakwood Resort serve the lake visitor market or pay homage to the Town's location. The Town's gateway motto emphasizes its location on the lake: "Wawasee – Indiana's Largest Natural Lake." Among the local businesses are the Kelly Bass Lakeshore Restaurant, Water Lily Art Gallery, Wawasee Home Décor, Wawasee Café, Pat's Chicago Style Eatery, Wawasee Rods & Poles, Anchors Down Tattoo, Dockside Gifts & Apparel, and the Gift Shop at Wawasee. There are boat and water-based recreation dealerships, sporting goods stores, bait & tackle shops, and other businesses catering to lake-centered recreation. The 26,700 square-foot Neighborhood Fresh Grocery serves the convenience food needs of the community. There is about 54,700 square feet of vacant space in Syracuse, yielding a vacancy rate of about 15.3%. But nearly all of that space is in the former Shopko store (43,910 square feet) and the former Huntington Bar & Grill (4,500 square feet)). Excluding those two spaces, Syracuse's retail space is nearly 99% occupied. The owners of the Shopko site petitioned earlier this year to have the property rezoned to industrial in order to accommodate a growing manufacturing company. That change would greatly reduce the amount of available retail space in the Syracuse area.

North Webster

North Webster's tourism motto is "Life is Better on the Lakes." Located about eight miles south of Syracuse on SR 13, the two Towns operate under somewhat similar market conditions. North Webster is a smaller town of about 1,170 people. After experiencing a boom in the 1970s, the Town has seen slower growth each decade since, according to Census data. North Webster has a much smaller economic base with about 500 jobs, focused more on retail, accommodation & food service, and schools. About 5% of employed residents work in town, while the rest commute out to Warsaw, Goshen, Syracuse, Elkhart, South Bend, and elsewhere.

The Town has about 500,000 square feet of commercial, office, industrial and lodging space and about 300,000 of that space is in retail. North Webster has several strip centers and a small historic downtown. Perhaps one of the most unique features is the castle-like structure known as "The Castle" on a prominent site in the downtown area. This building houses a shoe store, coffee shop and other uses with a religious purpose yet is situated across from what appears to be one of the region's only adult entertainment venues. About 17,000 square feet of commercial space is vacant in North Webster, accounting for about 5.8% of the retail inventory. This vacancy rate is relatively healthy for a small community, where 5.0% vacancy would be optimal.

Syracuse, IN Business | Syracuse-Wawasee Chamber of Commerce



Pierceton and the Southeast Region

Pierceton is a relatively small community in southeastern Kosciusko County. The area is accessed primarily by U.S. Highway 30 and by SR 13. Agriculture has always been a primary economic driver in the area, although a lot of local residents now commute out of eastern Kosciusko County to work in Warsaw or in other counties and metropolitan areas.

The Town has about 1,020 people but has seen fluctuating population since its founding in 1866. Pierceton's population peaked at about 1,190 in 1960 and fell dramatically in the 1990s but has since recovered most of that loss. The Town has about 1,160 jobs, making it one of the larger economies in the southern half of Kosciusko County. More than 800 jobs or nearly 70% are in manufacturing, which dominates the local economic base. The Town has several companies producing a diverse set of products from tools to medical equipment. Other jobs are in health care, foodservice, education, wholesale and retail trade, and a few other sectors.

More than 40% of the Town's working residents commute into Warsaw for employment and the others commute to other towns and metropolitan areas throughout the region although 22 local residents were employed in Pierceton in 2018, according to the U.S. Bureau of the Census.

The Town has relatively good exposure, with traffic counts of 20,606 east-west along US 30 and 4,600 to 6,100 north-south on SR 13. The Town has an estimated 79,300 square feet of retail space in 31 businesses concentrated mainly in its small business district. About 12% (9,400 square feet) of the Town's commercial space is unoccupied. Pierceton's central business district lacks direct exposure from US 30 and feels somewhat isolated. But the Town does have a relatively intact, historic downtown with some unique businesses and features.

Among the most unique businesses is Townsends Reproduction Clothing and Theatre Supply, which is located on Main Street in the heart of Town. This unique company produces and supplies historic era reproduction clothing to theatres and other venues worldwide from its headquarters in Pierceton. Unfortunately, the business is not open to the general public on a daily basis for tours or retail sales. Pierceton is also home to at least nine antiques businesses which have helped make the Town a destination for antique shopping among Lakes Region visitors and others. Pierceton Foods, home to Paul's, is also based in downtown Pierceton.

Pierceton's business mix is heavily weighted to shopper's goods stores, which comprise more than 60% of all retail space in the Town. Antique and home furnishing stores account for a large share of this shopper's goods space. About 14% is in convenience stores, 12% in eating & drinking establishments, and less than 2% in personal services. There is no commercial entertainment venue operating in Pierceton. As noted above, about 9,400 square feet of space or 12% of the total is vacant. While not extremely high, this vacancy is nonetheless an indicator that the market is under-performing and also that some space may be functionally obsolete or not marketable for retail commercial uses. The inventory does not include non-retail upper-floor spaces, some of which are also vacant.

RETAIL BUSINESS SPACE BY CATEGORY, PIERCETON, 2021

Category	Number	Sq. Feet	Percent
Convenience	5	10,800	13.6%
Shoppers Goods	17	48,200	60.8%
Eating & Drinking	4	9,700	12.2%
Entertainment	-	-	0.0%
Personal Services	1	1,200	1.5%
Vacant	4	9,400	11.9%
TOTAL	31	79,300	100.0%

Sources: Kosciusko County Assessor, business, brokers, and Randall Gross / Development Economics.



RETAIL BUSINESS SPACE BY CATEGORY, SOUTH KOSCIUSKO COUNTY, 2021

Category	Number	Sq. Feet	Percent
Convenience	5	12,700	13.4%
Shoppers Goods	8	33,100	34.9%
Eating & Drinking	7	16,800	17.7%
Entertainment	-	-	0.0%
Personal Services	1	1,800	1.9%
Vacant	11	30,500	32.1%
TOTAL	32	94,900	100.0%

Sources: Kosciusko County Assessor, business, brokers, and Randall Gross / Development Economics.



South Kosciusko County

The South Kosciusko County area has a total inventory of about 94,900 square feet of retail/commercial space within the three communities identified above. Altogether, this amounts to about the size of a neighborhood shopping center. About 32.1% or nearly one-third of the commercial space in these communities is vacant. This high vacancy suggests a lack of existing market support sufficient to drive demand for existing space. However, some of the existing commercial spaces are also functionally obsolete or not currently marketed, so the effective vacancy may be somewhat lower. About 35% of the existing commercial space is used for shopper's goods stores, 18% for eating & drinking (including two bars), and 13% for convenience goods including three gas stations. Aside from these gas stations, there are few convenience businesses such as grocery stores, specialty food stores, convenience stores, florists, tobacco shops, cleaners or others to serve the immediate needs of residents in the area. There is very limited personal services space and no dedicated entertainment venue space in use.

Claypool

Claypool is located south of Warsaw in the SR 15-South (Fisher Avenue) corridor. Even though it is one of the larger communities in southern Kosciusko County, Claypool only has about 430 residents. According to the Census Bureau, more than one-third of Claypool's 227 working residents commute into Warsaw for employment and none of the Town's residents actually works in Claypool itself. The Census lists just seven jobs in Claypool, all of which are in the public sector. An inventory of the community's economic uses suggests that Claypool has about 42,400 square feet of retail/commercial space including a few equipment suppliers, a gas station, and a restaurant. But an estimated 13,000 square feet (31%) of commercial space in the Town is vacant. Most of the active commercial use is located on SR 15, with little activity within the tiny historic business district.

Silver Lake

Located further south along SR 15 is Silver Lake, a larger and more prosperous community of nearly 1,000 residents in Lake Township. Again, nearly 40% of Silver Lake's working residents commute into Warsaw for their employment. But seven local residents (2%) do work in town and Silver Lake has a small economic base with about 110 jobs. Those jobs are in transportation & warehousing, retail sales, accommodation & food service, finance & insurance, public administration and other services. Retail uses include a broader mix of gas and convenience stores, general merchandise, full-service restaurants, home furnishings, drinking establishments and hair salons. Silver Lake serves as the home of Whetstone Wooden Ware and offers a retail outlet for Whetstone merchandise. Whetstone products are handmade in Silver Lake using locally sourced and sustainable materials. This company generates some destination visitor activity and retail sales in the historic Silver Lake Central Business District. Other specialty businesses include the Olde House Bakery, Pizza & Pot's Grill, the Igloo Ice Cream Shop, and B&K Root Beer. About 8,000 square feet of commercial space (17%) here is vacant, even in this relatively vibrant small-town environment.

Sidney

Sidney is a more geographically isolated community of less than 100 people in the southeastern corner of Kosciusko County, in Jackson Township. The Town is accessed primarily by SR13 and has fewer physical connections to larger economic hubs than some of the other communities in the county. Not surprisingly, this small, isolated agricultural community has been losing population on and off since its peak of 223 in 1920. The business district has the appearance of a "ghost town," with only about 21,000 square feet of commercial space clustered in a few historic buildings, including garages and abandoned structures. A "country store" and a small antique store barely appear to be open. The remaining 18,000 square feet (86%) of commercial building space is vacant.

West Kosciusko County

The West Kosciusko County area has a total inventory of about 90,700 square feet of retail/commercial space within the three communities identified above. Altogether, this amounts to about the size of a neighborhood shopping center. About 11.7% of the commercial space in these communities is vacant. Some of the existing commercial spaces may be functionally obsolete or not currently marketed, so the effective vacancy may be somewhat lower. About 43% of the existing commercial space is used for shopper's goods stores, 23% for eating & drinking (including two bars), and 17% for convenience goods including three gas stations. Aside from these gas stations, florist and a cleaners there are few convenience businesses such as grocery stores, specialty food stores, convenience stores, tobacco shops, or others to serve the immediate needs of residents in the area. There is very limited personal services space and no dedicated entertainment venue in use in this part of the county.

Etna Green

Etna Green is located off of US Route 30 near Kosciusko County's western border with Marshall County. The Town has about 590 people, down from a height of 660 in 2000. About one-third of the Town's working residents commute into Warsaw for employment and the others commute to other towns and metropolitan areas throughout the region. Etna Green itself has about 70 jobs, mainly in retail, waste management, and health care. The Town has relatively good exposure from US 30, with traffic counts of 13,663 on the west side of Town and 15,283 on the east. The Town has an estimated 17,600 square feet of retail space in its small business district, which is otherwise dominated by agro-industrial uses, offices, and civic buildings. There are a small café, gas station, and a few other small retail businesses but about 36% of the town's commercial space is unoccupied.

Mentone

Mentone is located directly south of Etna Green at the intersection of SR 19 and 25. Mentone has an estimated population of 970, after peaking above 1,000 in the 2010 Census. Mentone calls itself "The Egg Basket of the Midwest" because of the egg producers in the area and Mentone exhibits a giant egg statue in the downtown area. The Bell Aircraft Museum is also located in town. Mentone has a small but relatively diverse economics base, with about 350 jobs in town, including more than 100 in manufacturing, plus retail, transportation, information services, finance & insurance, education, accommodation & foodservice, and public service. While 3% of Mentone's working residents are employed locally, the other 97% commute out of town, including more than 41% to Warsaw. Mentone has the most substantial retail business base in western Kosciusko County, with an estimated 66,900 square feet of retail space. National or regional brands are represented, including Ace Hardware, Dollar General, B-K Root Beer, Subway, and Marathon Gas. Other notable businesses include Teel's Restaurant, Rock Paper Scissors, Bulldog Saloon, Java Jacks, TJ's Crafts, and Time After Time. About 9.0% of the town's retail space appears to be vacant.

Burket

Burket is a small community of 195 people, which has remained constant for 20 years. Located off SR 25, Burket is situated just a few miles east of Mentone. The town has 34 jobs, mainly in manufacturing at Warsaw Black Oxide (a plating company) or Paragon Drum Accessories. Most residents commute out of town for work, about one-third to Warsaw. The town has a small retail business base with about 6,000 square feet of commercial space, about one-third of which is vacant. Powell Auto Parts is the primary retail business.

RETAIL BUSINESS SPACE BY CATEGORY, SOUTH KOSCIUSKO COUNTY, 2021

Category	Number	Sq. Feet	Percent
Convenience	7	15,300	16.9%
Shoppers Goods	13	39,167	43.2%
Eating & Drinking	7	21,100	23.3%
Entertainment	-	-	0.0%
Personal Services	2	4,567	5.0%
Vacant	4	10,600	11.7%
TOTAL	32	94,900	100.0%

Sources: Kosciusko County Assessor, business, brokers, and Randall Gross / Development Economics.

RETAIL BUSINESS SPACE BY CATEGORY, CENTRAL KOSCIUSKO COUNTY REGION, 2021

Category	Number	Sq. Feet	Percent
Convenience	50	457,455	16.7%
Shoppers Goods	137	1,410,974	51.6%
Eating & Drinking	91	261,162	9.6%
Entertainment	3	52,398	1.9%
Personal Services	31	47,650	1.7%
Vacant	45	504,518	18.5%
TOTAL	32	94,900	100.0%

Sources: Kosciusko County Assessor, business, brokers, and Randall Gross / Development Economics.

RETAIL BUSINESS SPACE BY CATEGORY, SOUTH WARSAW REGION, 2021

Category	Number	Sq. Feet	Percent
Convenience	46	34,550	14.9%
Shoppers Goods	113	79,200	34.1%
Eating & Drinking	86	40,100	17.3%
Entertainment	--	--	0.0%
Personal Services	31	6,000	2.6%
Vacant	45	72,300	31.1%
TOTAL	32	94,900	100.0%

Sources: Kosciusko County Assessor, business, brokers, and Randall Gross / Development Economics.

Central Kosciusko County

As noted elsewhere in this planning document, Warsaw is not only the largest city and County Seat for Kosciusko County but also its largest single consumer market. Warsaw has about 20% of the county's households and 17% of its total income. But more importantly, Warsaw is centrally located and provides maximum exposure along its key highways, including U.S. Highway 30 and SR 15, which intersect just north of the city. Not surprisingly, over 60% of the county's retail business space is clustered in and around Warsaw. Thus, Warsaw's share of the county's retail market is more than three and a half times its share of the county's income base.

The Warsaw-Winona Lake submarket has a total inventory of about 2.7 million square feet of retail use in 360 business spaces (as indicated above and detailed in Appendix Table 2) or more than 60% of the county's total retail inventory. About 52% of this space is in use for shopper's goods stores, 17% for convenience stores, and 10% for eating & drinking establishments. Only about 2% is in entertainment and 2% in personal services. More than 500,000 square feet or about 18.5% of Warsaw's retail space is vacant, based on the building-by-building inventory conducted for this market analysis. This high vacancy rate suggests that the market is somewhat over-built, at least for certain types of retail uses. The vacancy "overhang" can also serve to depress the market for development of new retail space in the Warsaw area.

South Warsaw

Particular attention was paid to South Warsaw, or the area defined herein as being in or near Warsaw and south of SR 25 (Winona Avenue). Concerns have been raised through the planning process about the lack of retail and especially, of supermarket access, within the southern portions of Warsaw. So, more specific information has been collected for that area of the city and the adjoining community of Winona Lake.

South Warsaw has a relatively small portion of Warsaw's retail space, with about 232,000 square feet in 320 businesses or less than 8.5% of the area's total retail inventory. This area has just about 35,000 square feet of convenience space and hosts none of the area's grocery stores. Meanwhile, all of Warsaw's supermarkets are located on the north side of town, especially along U.S. Highway 30. Walmart, Kroger, Aldi, Martin's, and Meijer are all located north of Winona Avenue. Most are also located north of Center Street and the largest are concentrated along U.S. 30. Together, the city's four supermarkets have a total of nearly 340,000 square feet of space, not including the 206,000 square foot Walmart.

The one grocery store located on the south side of town, a 60,000 square-foot Marsh Supermarket at 500 South Buffalo Street, closed in 2017. The closure of this store, part of a broader network of Marsh closings across the region, left a gap in grocery store access on the south side of Warsaw. While there are several convenience stores and specialty food stores, there is no full-line supermarket offering fresh meat and produce in this area.

PROJECTED RETAIL DEMAND

Demand for retail business space in Kosciusko County was determined and forecasted through 2026 and beyond as an input to the Retail Market Analysis. Demand was determined based on the expenditure potentials of households within the designated trade area for the county as well as on tourism and other “inflow” retail expenditures. Demand within each specific region was then determined and forecasted based on their own trade areas, which sometimes overlap with others in the county.

The Kosciusko County Retail Trade Area was defined for the purpose of this analysis to largely conform to the county's borders, although extending slightly to the south and west into Marshall, Fulton, and Wabash counties. However, as noted above, the retail trade areas for the individual communities varies and overlap with one another.

North Kosciusko County and the Lakes Region

For the purposes of this analysis, the North Kosciusko Retail Trade Area covers the areas of the county north of Warsaw (Lincoln/Winona Avenue), although there is some nominal inflow from surrounding counties.

Traffic and Commutation. Traffic exposure and commutation patterns are important input to the definition of trade areas as well as to determining retail site capture. Average Annual Daily Traffic (AADT) counts from Indiana Department of Transportation (INDOT) were analyzed, with traffic along the SR15 Corridor ranging from 10,172 at Milford to 10,605 at Leesburg. Traffic is slightly less intense along the SR13 Corridor, with AADT of 5,864 to 9,153 around Syracuse and 8,886 to 9,156 on either side of North Webster, according to INDOT. East-west travel between the two highway corridors is fairly nominal, with AADT of only 2,456 on E 1300 North. Even the U.S. 6 Corridor up in Elkhart County sees counts of only 4,741 to 6,637 east and west between SR 13 and 15.

Household Expenditure Potentials. Household retail expenditure potentials were determined and forecasted for the selected communities. The demographic trends within the community's Retail Trade Area were analyzed in terms of population, households, average household income, and other factors. These factors were also forecasted through 2026. Total Trade Area household income was forecasted and the portions spent on retail goods and services determined as a component of overall retail demand.

Demographic Trends. As noted previously, the Retail Trade Area for these communities comprises of the northern and eastern portion of Kosciusko County. Population has been growing in the North Kosciusko Retail Trade Area. Since 2010, the area's population increased by 4.6% (0.4% per year) or 2,162, to a total of about 48,849. Given that only about 6,180 people (12.7%) live in the four main towns in northern Kosciusko County, the area is still largely characterized by a rural population distributed among farms and small hamlets. Some of the area's growth has been in the resort hubs in the Lakes Region, where retirees and others have migrated for a higher quality of life. The household base in the area has grown somewhat faster than the population, with an increase of about 1,255 or 7.0% since 2010. A growth in household base (or “rooftops”) bodes well as an indicator of retail demand.

Household incomes have also increased in real terms in the Trade Area, after accounting for inflation. Average

household income is estimated at \$79,198, or about 10.5% higher than in 2010. The rapid increase in incomes again may relate to in-migration from more affluent areas or among an older, more affluent population. This upward trend in income runs counter to the stagnating incomes in other rural parts of the county.

Demographic Forecasts. The trade area demographic base is expected to continue growing at a moderate pace by 2026-27, adding about 1,060 people (2.2%) to the population base and 540 (2.8%) to the household base. Incomes will increase as households recover from the impacts of the COVID-19 pandemic. By 2026, average household incomes in the area may exceed \$82,780 or grow 4.5% higher.

TPI. Total Personal Income (TPI) in the Retail Trade Area is estimated at about \$1.51 billion in 2021 and is expected to increase by about \$113.7 million to \$1.63 billion by 2026. Thus, the northern part of the county will add significantly to its income base so long as it recovers fully from the impacts of the pandemic.

Household-Generated Retail Demand. Trade Area households will generate about \$822.1 million in retail expenditures by 2026, representing a projected increase of about \$57.2 million over the 5 to 6-year period. This projected growth represents opportunities for local businesses to capture higher sales and for new businesses to open in order to cater to a growing market.

DEMOGRAPHIC TRENDS AND FORECASTS, RETAIL TRADE AREA NORTH KOSCIUSKO AND THE LAKES REGION, 2021

Factor	2010	2021	2010-2021 Change		2021	2026	2021-2026 Change	
			Number	Percent			Number	Percent
Population	46,687	48,849	2,162	4.6%	48,849	49,906	1,057	2.2%
Households	17,933	19,188	1,255	7.0%	19,188	19,731	543	2.8%
HH Income	\$71,685	\$79,198	\$7,513	10.5%	\$79,198	\$82,782	\$3,584	4.5%

Note: Income expressed in constant 2020 dollars.

Sources: Claritas and Randall Gross / Development Economics.

Tourism and Retail Inflow. In addition to demand generated by households located within the trade area, Kosciusko County will also see retail demand created through tourism, vacation home occupancy, and other “inflow” such as through traffic on US 30. The northern portion of the county, particularly the Lakes Region, is expected to capture a substantial share of the sales generated from tourism in Kosciusko County.

North Kosciusko businesses will not capture all of the forecasted retail demand because of competition for the retail dollar from other parts of the county, the region, and beyond. Competition for local “brick-and-mortar” stores increasingly includes e-commerce, which now accounts for about 16% of retail sales captured from local Kosciusko County households.

Southeast Kosciusko County Region

For the purposes of this analysis, the Pierceton/Southeast Kosciusko Retail Trade Area covers the areas of the county south and east of Warsaw, although there is some inflow from Whitley County to the east. More importantly, tourists visiting Kosciusko County's Lakes Region or from southern Michigan and surrounding areas do make their way to Pierceton as a destination for antique shopping.

Traffic and Commutation. Traffic exposure and commutation patterns are important input to the definition of trade areas as well as to determining retail site capture. Average Annual Daily Traffic (AADT) counts from Indiana Department of Transportation (INDOT) were analyzed, as noted above.

Household Expenditure Potentials. Household retail expenditure potentials were determined and forecasted for the selected communities. The demographic trends within the community's Retail Trade Area were analyzed in terms of population, households, average household income, and other factors. These factors were also forecasted through 2026. Total Trade Area household income was forecasted and the portions spent on retail goods and services determined as a component of overall retail demand.

Demographic Trends. As noted previously, the Retail Trade Area for Pierceton comprises of the southern & eastern portion of Kosciusko County. In general, population has been stagnant in the Retail Trade Area. Population fell by 0.3% since 2010, to a total of 17,824. Given that only about 1,020 people (6%) live in Pierceton, plus a few thousands more in communities like Silver Lake or Sidney, it is clear that the area is characterized by a largely rural population distributed among farms and small hamlets. While population fell, the household base increased by 70 (1.0%) to 6,777. Households increased despite a drop in population because average household size has fallen in the area.

Household incomes have fallen in real terms in the Trade Area, after accounting for inflation. Average household income is estimated at \$78,960, or about 1.0% lower than in 2010. Some of this declining income trend may relate to a slower than average recovery from the 2009-10 recession and more recently to the impact of COVID-19 and a population exodus on rural incomes.

Demographic Forecasts. The trade area demographic base is expected to grow marginally by 2026-27, adding about 90 people (0.5%) to the population base and 60 (0.9%) to the household base. Incomes will increase as households recover from the impacts of the COVID-19 pandemic. By 2026, average household incomes in the area may exceed \$89,000 or grow 13.1% higher.

TPI. Total Personal Income (TPI) in the Retail Trade Area is estimated at about \$171.4 million in 2021 and is expected to increase by about \$18.8 million to \$190.2 million by 2026. Even with relatively slow demographic growth, the south/eastern portion of the county will still add to its income base so long as it recovers fully from the impacts of the pandemic.

Household-Generated Retail Demand. Trade Area households will generate about \$38.0 million in retail expenditures by 2026, representing a projected increase of about \$3.5 million over the 5 to 6-year period. This projected growth represents opportunities for local businesses to capture higher sales and for new businesses to open in order to cater to a growing market.

Tourism and Retail Inflow. In addition to demand generated by households located within the trade area, Kosciusko County will also see retail demand created through tourism, vacation home occupancy, and other "inflow" such as through traffic on U.S. 30. While much of this tourism is concentrated in the Warsaw-Winona Lake area and in the Lakes Region of northeast Kosciusko County, Pierceton is situated to be able to capture at least some trade, as it has done, as a destination for antique shopping.

Pierceton businesses will not capture all of the forecasted retail demand because of competition for the retail dollar from other parts of the trade area and the county, the region, and beyond. Competition for local "brick-and-mortar" stores increasingly includes e-commerce, which now accounts for about 16% of retail sales captured from local Kosciusko County households.

DEMOGRAPHIC TRENDS AND FORECASTS, RETAIL TRADE AREA PIERCETON AND SOUTHEAST REGION, 2021

Factor	2010	2021	2010-2021 Change		2021	2026	2021-2026 Change	
			Number	Percent			Number	Percent
Population	17,884	17,824	-80	-0.3%	17,824	17,910	86	0.5%
Households	6,707	6,777	70	1.0%	6,777	6,836	59	0.9%
HH Income	\$79,777	\$78,964	-\$813	-1.0%	\$78,964	\$89,338	\$10,374	13.1%

Note: Income expressed in constant 2020 dollars.

Sources: Claritas and Randall Gross / Development Economics.

South Kosciusko County Region

For the purposes of this analysis, the South Kosciusko Retail Trade Area covers the areas of the county south of Warsaw (Lincoln/Winona Avenue), although there is some inflow from Wabash County to the south.

Traffic and Commutation. Traffic exposure and commutation patterns are important input to the definition of trade areas as well as to determining retail site capture. Average Annual Daily Traffic (AADT) counts from Indiana Department of Transportation (INDOT) were analyzed, with traffic along SR15 ranging from about 4,292 south of Silver Lake to 6,250 north of Claypool. Sidney has AADT counts of 2,744, according to INDOT. None of these traffic volumes is particularly high, although they do allow for some nominal exposure at peak hours.

Household Expenditure Potentials. Household retail expenditure potentials were determined and forecasted for the selected communities. The demographic trends within the community's Retail Trade Area were analyzed in terms of population, households, average household income, and other factors. These factors were also forecasted through 2026. Total Trade Area household income was forecasted and the portions spent on retail goods and services determined as a component of overall retail demand.

Demographic Trends. As noted previously, the Retail Trade Area for these communities comprises of the southern portion of Kosciusko County. In general, population has been stagnant in the Retail Trade Area. Population fell by 0.3% since 2010, to a total of 17,824. Given that only about 1,400 people (8%) live in the three main towns in southern Kosciusko County, it is clear that the area is characterized by a largely rural population distributed among farms and small hamlets. While population fell, the household base increased by 70 (1.0%) to 6,777. Households increased despite a drop in population because average household size has fallen in the area.

Household incomes have fallen in real terms in the Trade Area, after accounting for inflation. Average household income is estimated at \$78,960, or about 1.0% lower than in 2010. Some of this declining income trend may relate to a slower than average recovery from the 2009-10 recession and more recently to the impact of COVID-19 and a population exodus on rural incomes.

Demographic Forecasts. The trade area demographic base is expected to grow marginally by 2026-27, adding about 90 people (0.5%) to the population base and 60 (0.9%) to the household base. Incomes will increase as households recover from the impacts of the COVID-19 pandemic. By 2026, average household incomes in the area may exceed \$89,000 or grow 13.1% higher.

TPI. Total Personal Income (TPI) in the Retail Trade Area is estimated at about \$171.4 million in 2021 and is expected to increase by about \$18.8 million to \$190.2 million by 2026. Even with relatively slow demographic growth, the southern portion of the county will still add to its income base so long as it recovers fully from the

impacts of the pandemic.

Household-Generated Retail Demand. Trade Area households will generate about \$38.0 million in retail expenditures by 2026, representing a projected increase of about \$3.5 million over the 5 to 6-year period. This projected growth represents opportunities for local businesses to capture higher sales and for new businesses to open in order to cater to a growing market.

Tourism and Retail Inflow. In addition to demand generated by households located within the trade area, Kosciusko County will also see retail demand created through tourism, vacation home occupancy, and other “inflow” such as through traffic on U.S. 30. However, the southern portion of the county is not expected to benefit significantly from this tourism, which will continue to concentrate in the Warsaw-Winona Lake area and in the Lakes region in northeast Kosciusko County. As noted earlier, there is some nominal inflow to the Trade Area from areas south along SR15.

South Kosciusko businesses will not capture all of the forecasted retail demand because of competition for the retail dollar from other parts of the county, the region, and beyond. Competition for local “brick-and-mortar” stores increasingly includes e-commerce, which now accounts for about 16% of retail sales captured from local Kosciusko County households.

DEMOGRAPHIC TRENDS AND FORECASTS, RETAIL TRADE AREA SOUTH KOSCIUSKO COUNTY REGION, 2021

Factor	2010	2021	2010-2021 Change		2021	2026	2021-2026 Change	
			Number	Percent			Number	Percent
Population	17,884	17,824	-80	-0.3%	17,824	17,910	86	0.5%
Households	6,707	6,777	70	1.0%	6,777	6,836	59	0.9%
HH Income	\$79,777	\$78,964	-\$813	-1.0%	\$78,964	\$89,338	\$10,374	13.1%

Note: Income expressed in constant 2020 dollars.

Sources: Claritas and Randall Gross / Development Economics.

West Kosciusko County Region

For the purposes of this analysis, the West Kosciusko Retail Trade Area covers the areas of the county south and west of Warsaw, although there is some inflow from Marshall and Fulton counties to the west.

Traffic and Commutation. Traffic exposure and commutation patterns are important input to the definition of trade areas as well as to determining retail site capture. Average Annual Daily Traffic (AADT) counts from Indiana Department of Transportation (INDOT) were analyzed, with traffic along US Route 30 ranging from 13,663 west of Etna Green to 15,283 east of town. Traffic through Mentone on SR25 ranges from 2,992 to 3,660, according to INDOT. Traffic through Burket is very low, peaking at 1,120 on S. 700 West. Traffic volumes are clearly maximized and offer peak exposure along U.S. 30 near Etna Green.

Household Expenditure Potentials. Household retail expenditure potentials were determined and forecasted for the selected communities. The demographic trends within the community's Retail Trade Area were analyzed in terms of population, households, average household income, and other factors. These factors were also forecasted through 2026. Total Trade Area household income was forecasted and the portions spent on retail goods and services determined as a component of overall retail demand.

Demographic Trends. As noted previously, the Retail Trade Area for these communities comprises of the southern & western portion of Kosciusko County. Key trends in this area from 2010 through 2021 are summarized below.

In general, population has been stagnant in the Retail Trade Area. Population fell by 0.3% since 2010, to a total of 17,824. Given that only about 1,760 people (10%) live in the three main towns in western Kosciusko County, it is clear that the area is characterized by a largely rural population distributed among farms and small hamlets. While population fell, the household base increased by 70 (1.0%) to 6,777. Households increased despite a drop in population because average household size has fallen in the area.

Household incomes have fallen in real terms in the Trade Area, after accounting for inflation. Average household income is estimated at \$78,960, or about 1.0% lower than in 2010. Some of this declining income trend may relate to a slower than average recovery from the 2009-10 recession and more recently to the impact of COVID-19 and a population exodus on rural incomes.

Demographic Forecasts. The trade area demographic base is expected to grow marginally by 2026-27, adding about 90 people (0.5%) to the population base and 60 (0.9%) to the household base. Incomes will increase as households recover from the impacts of the COVID-19 pandemic. By 2026, average household incomes in the area may exceed \$89,000 or grow 13.1% higher.

TPI. Total Personal Income (TPI) in the Retail Trade Area is estimated at about \$171.4 million in 2021 and is expected to increase by about \$18.8 million to \$190.2 million by 2026. Even with relatively slow demographic growth, the south/western portion of the county will still add to its income base so long as it recovers fully from the impacts of the pandemic.

Household-Generated Retail Demand. Trade Area households will generate about \$38.0 million in retail expenditures by 2026, representing a projected increase of about \$3.5 million over the 5 to 6-year period. This projected growth represents opportunities for local businesses to capture higher sales and for new businesses to open in order to cater to a growing market.

**DEMOGRAPHIC TRENDS AND FORECASTS, RETAIL TRADE AREA
SOUTH/ WEST KOSCIUSKO COUNTY REGION, 2021**

Factor	2010	2021	2010-2021 Change		2021	2026	2021-2026 Change	
			Number	Percent			Number	Percent
Population	17,884	17,824	-80	-0.3%	17,824	17,910	86	0.5%
Households	6,707	6,777	70	1.0%	6,777	6,836	59	0.9%
HH Income	\$79,777	\$78,964	-\$813	-1.0%	\$78,964	\$89,338	\$10,374	13.1%

*Note: Income expressed in constant 2020 dollars.
Sources: Claritas and Randall Gross / Development Economics.*

Tourism and Retail Inflow. In addition to demand generated by households located within the trade area, Kosciusko County will also see retail demand created through tourism, vacation home occupancy, and other “inflow” such as through traffic on U.S. 30. However, the western portion of the county is not expected to benefit significantly from this tourism, which will continue to concentrate in the Warsaw-Winona Lake area and in the Lakes region in northeast Kosciusko County. As noted earlier, there is some nominal inflow to the Trade Area from areas south along U.S. 30.

Western Kosciusko County businesses will not capture all of the forecasted retail demand because of competition for the retail dollar from other parts of the trade area and the county, the region, and beyond. Competition for local “brick-and-mortar” stores increasingly includes e-commerce, which now accounts for about 16% of retail sales captured from local Kosciusko County households.

Warsaw

For the purposes of this analysis, the Warsaw Retail Trade Area is divided into three sub-markets plus inflow. These sub-markets include North Warsaw (areas of Warsaw north of Winona Avenue), South Warsaw (areas south of Winona Avenue and including the community of Winona Lake), North County (portions of Kosciusko County north of Lincoln Highway/Winona Avenue) and South County (areas south of Lincoln/Winona). A “Destination” area includes inflow from surrounding counties as noted above. The Primary South Warsaw Trade Area includes those areas of Warsaw south of Winona Avenue and including Winona Lake, while a Secondary Area includes all of South County as defined above.

Traffic and Commutation. Traffic exposure and commutation patterns are important input to the definition of trade areas as well as to determining retail site capture. Average Annual Daily Traffic (AADT) counts from Indiana Department of Transportation (INDOT) were analyzed, with the following averages recorded for the Warsaw area.

TRAFFIC AND COMMUTATION DATA TABLE

Area	Road(s)	AADT
North	US Route 30 @ Route 15	38,687
Northeast	US Route 30	26,350
North	Route 15 (Buffalo / CBD)	15,310
East	Park @ Winona Ave.	11,062
South	Route 15 South	9,335
East	East Center / CBD	9,305
Southwest	Route 25 South	6,049

Importantly, about 50% of the city's highway traffic is concentrated on its north side, with about 24% on the east, 18% south, and 7% west. Traffic exposure does impact on where retailers locate sites for their stores. So, part of the reason that much of the city's retail is located on the north side is the higher traffic exposure experienced by businesses there, especially on US 30, which generates regional through traffic. On the other hand, it could be argued that the concentration of retail itself helps increase traffic counts in areas along Route 30.

Household Expenditure Potentials

Household retail expenditure potentials were determined and forecasted for the selected communities. The demographic trends within the community's Retail Trade Area were analyzed in terms of population, households, average household income, and other factors. These factors were also forecasted through 2026. Total Trade Area household income was forecasted and the portions spent on retail goods and services determined as a component of overall retail demand.

Demographic Trends. As noted previously, the Warsaw Retail Trade Area comprises of four components, North Warsaw (A), South Warsaw (B), North County (C), and South County (D). Key trends in these areas from 2010 through 2021 are summarized below.

In general, population and households have been increasing in all portions of the Warsaw Retail Trade Area. The fastest growth has been focused on the north side of Warsaw, where the household base increased by 9.4% since 2010. South Warsaw and the south part of Kosciusko County have seen slower growth, with the number of households increasing by just 2.4% since 2010 in the South County area.

Household incomes have also increased in real terms in most portions of the Warsaw Trade Area, with the fastest growth seen within the city and neighboring Winona Lake. Income growth has been slower in more rural portions of the county and has actually fallen in real terms (after accounting for inflation) in the southern portion of Kosciusko County. Some of that income trend may relate to a slower than average recovery from the 2009-10 recession and more recently to the impact of COVID-19 on rural incomes.

DEMOGRAPHIC TRENDS AND FORECASTS, RETAIL TRADE AREA WARSAW AREA, 2021

Factor	2010	2021	2010-2021 Change		2021	2026	2021-2026 Change	
			Number	Percent			Number	Percent
TRADE AREA A- NORTH WARSAW								
Population	18,426	19,790	1,364	7.4%	19,790	20,399	609	3.1%
Households	7,039	7,701	662	9.4%	7,701	7,983	281	3.6%
HH Income	\$65,876	\$76,839	\$10,963	26.9%	\$76,839	\$86,226	\$9,387	12.2%
TRADE AREA B- SOUTH WARSAW								
Population	12,335	12,739	384	3.1%	12,739	12,960	221	1.7%
Households	4,409	4,606	197	4.5%	4,606	4,707	101	2.2%
HH Income	\$75,431	\$88,867	\$13,346	27.6%	\$88,867	\$100,129	\$11,262	12.7%
TRADE AREA C- NORTH COUNTY								
Population	46,687	48,849	2,162	4.6%	48,849	49,906	1,057	2.2%
Households	17,933	19,188	1,255	7.0%	19,188	19,731	543	2.8%
HH Income	\$71,685	\$79,198	\$7,513	10.5%	\$79,198	\$82,782	\$3,584	4.5%
TRADE AREA D- SOUTH COUNTY								
Population	30,239	30,563	324	1.1%	30,563	30,870	307	1.0%
Households	11,116	11,383	267	2.4%	11,383	11,543	160	1.4%
HH Income	\$79,777	\$78,964	-\$813	-1.0%	\$78,964	\$89,338	\$10,374	13.1%

Note: Income expressed in constant 2020 dollars.

Sources: Claritas and Randall Gross / Development Economics.

Demographic Forecasts. The trade area demographic base is expected to continue growing, albeit at a somewhat slower pace than in the past 10+ years.

Again, the fastest growth will be seen in northern portions of both Warsaw and Kosciusko County, with southern portions of the county experiencing slower growth. Incomes, however, will rebound in the south part of the county as local communities recover from recession induced by the COVID pandemic.

TPI. Total Personal Income (TPI) in the Warsaw Trade Area is estimated at about \$2.8 billion in 2021 and is expected to increase by about \$321.4 million to about \$3.1 billion by 2026. As indicated below, the fastest total income growth will be seen in North Warsaw (16.3%), followed by South Warsaw (15.1%). The largest amount of income will be added in North Warsaw (\$96.5 million), followed by the northern part of Kosciusko County (\$87.3 million). Even with relatively slow demographic growth, the southern portion of the county will still add about \$75.6 million in total income by 2026 so long as it recovers fully from the impacts of the pandemic.

Household-Generated Retail Demand. Trade Area households will generate about \$1.39 billion in retail expenditures by 2026, representing a projected increase of about \$131.4 million over the 5 to 6-year period. This projected growth represents opportunities for local businesses to capture higher sales and for new businesses to open in order to cater to a growing market.

TPI FORECASTS, WARSAW AREA RETAIL TRADE AREA, 2021-2026

Trade Area	TPI (000)		2021-2026 Change	
	2021	2026	Amount	Percent
Area A-Warsaw N	\$ 591,737	\$ 688,259	\$ 96,522	16.3%
Area B-Warsaw S	\$ 409,321	\$ 471,306	\$ 61,984	15.1%
Area C-County N	\$ 1,283,958	\$ 1,371,287	\$ 87,329	6.8%
Area D-County S	\$ 535,139	\$ 610,715	\$ 75,576	14.1%

Notes: Total personal income (TPI) expressed in thousands of constant 2020 dollars.

Source: Randall Gross / Development Economics.

Tourism and Retail Inflow. In addition to demand generated by households located within the trade area, Warsaw will also see retail demand created through tourism, vacation home occupancy, and other “inflow” such as through traffic on US 30. Data was collected and analyzed from the Kosciusko County Convention and Visitors Bureau (KCCVB) as well as from interviews with business operators, including those located in the Lake region. Based on this information, it was determined that there are about 923,000 visitors to the county in a “normal” year (aside from the impacts of the Pandemic on travel), generating \$200 million in expenditures. About \$68 million is spent on restaurants, \$38 million on retail trade, and around \$9 million on entertainment countywide. The Warsaw area captures a substantial portion of these amounts, estimated at \$37.4 million on restaurants, \$22.8 million in retail stores, and \$5.7 million on entertainment. Much of this demand is generated through restaurants and other businesses located along US 30 or other commercial corridors, although Winona Lake also generates a large share of visitor sales in the Warsaw market. These amounts are projected to increase by about \$7.9 million (restaurants), \$4.8 million (retail), and \$1.2 million (entertainment), again assuming that conditions will return to post-COVID “normalcy” by 2026.

Tourism will therefore generate added demand for retail space in Warsaw above and beyond that created by trade-area household expenditures over the next 5 to 6 years. Warsaw businesses do not capture all of this demand because of competition for the retail dollar from other parts of the trade area, the region, and beyond. Competition for local “brick-and-mortar” stores increasingly includes e-commerce, which now accounts for about 16% of retail sales captured from local Kosciusko County households.

TOURISM-GENERATED RETAIL EXPENDITURES, KOSCIUSKO COUNTY- WARSAW AREA

Category	Factor	Total	Forecast
OT Visitors		922,709	
Total Spend	\$216.75	\$200,000,000	
Restaurants	\$46.52	\$68,000,000	
Retail Trade	\$36.32	\$38,000,000	
Entertainment	\$5.99	\$8,757,000	
WARSAW AREA CAPTURE			
Restaurants	55%	\$37,400,000	\$7,855,014
Retail Trade	60%	\$22,800,000	\$4,788,618
Entertainment	65%	\$5,692,050	\$1,195,485
DEMAND (SQUARE FEET)			
Restaurants	\$550	68,000	14,282
Retail Trade	\$250	91,200	19,154
Entertainment	\$150	37,947	7,970
TOTAL		197,147	41,406

Sources: KCCVB and Randall Gross / Development Economics.

RETAIL

DEVELOPMENT POTENTIAL

This section summarizes retail development potential in each area by specific type of retail business use. Development potentials were forecasted based on total demand based on each region within the competitive market. Sales potentials were translated into square footage demand by specific type of retail store category. Existing space was then netted out to determine the “net” demand or development potential for new retail space.

Competitive Framework

Businesses in Kosciusko must compete with those in other parts of the county and surrounding counties, as noted above. Warsaw is the primary retail hub in the county and a large share of local residents commute to work in Warsaw or areas further to the north in Elkhart County, so retail sales leakage from households in northern Kosciusko is fairly substantial. In addition, the county is located approximately 40 miles from Fort Wayne and less than 50 miles from South Bend, both of which form metropolitan areas that offer a full range of retail, restaurant, entertainment, and personal service options. Many residents of Kosciusko County work in Elkhart-Goshen and commute there on a daily basis. Old Bag Factory, Eddy Street Commons, Goshen Village Shoppes, Jefferson Pointe, Elkhart Market Centre, Glenbrooke Square, and other retail hubs capture sales from communities in Kosciusko County. For destination shopping, Chicago is only 2 ½ hours (120 miles) away. Indianapolis is a similar distance.

North Kosciusko County and the Lakes Region Retail Potentials

Based on this analysis, North Kosciusko is forecasted to generate total retail potential of about 860,000 square feet by 2026-27. The area has a total competitive inventory of 544,000 square feet, which suggests that the area could capture potential for another 315,900 square feet of retail space over the next 5 to 6 years.

SUMMARY RETAIL POTENTIAL BY USE, NORTH KOSCIUSKO & LAKE REGION, 2021 & 2026/7

Type of Good	Gross Demand		Existing	Warranted
	2021	2026/7	Uses	Demand
Convenience	213,793	234,984	139,465	95,519
Shoppers Goods	345,631	375,288	243,668	131,620
Eating/Drinking	132,030	148,805	115,700	33,105
<i>Limited Service</i>	40,051	38,945	30,300	8,645
<i>Full Service</i>	71,039	81,182	62,900	18,282
Entertainment	53,282	61,117	13,236	47,881
Personal Services	36,943	39,707	31,900	7,807
TOTAL	781,679	859,902	543,969	315,933
<i>Existing Vacant</i>			87,910	
Net New Space				228,023

Note: Potential net of existing/planned commercial space.

Source: Randall Gross / Development Economics.

However, the area also has a large amount of vacant commercial space, estimated at nearly 90,000 square feet. Thus, even with demand to fill gaps in the existing market plus growth generating new retail demand, there would only be *net demand* for about 228,000 square feet of new retail space overall to meet the needs of growth and to fill existing retail gaps in the North Kosciusko & Lakes Region submarket.

A more detailed accounting of retail demand by specific store category is shown in the Appendix of this report. As shown in the detailed table, demand exists in most categories but that demand is often fairly limited. For example, there is only demand for about 167 square feet of shoe store space. Since shoe stores require a significantly larger floor plate in order to operate efficiently, it is unlikely that anyone would develop or occupy 167 feet for a shoe store. In the following section of this report, low demand uses are netted out and a recommended mix generated that better represents the “achievable” or warranted space in the south Kosciusko market.

Southeast Kosciusko County Retail Potentials

Based on this analysis, Pierceton is forecasted to generate total retail potential of about 92,000 square feet by 2026-27. The area has a total inventory of only 70,000 square feet, which suggests that the area has an existing gap and growing demand together totaling about 22,000 square feet of retail space over the next 5 to 6 years.

SUMMARY RETAIL POTENTIAL BY USE, PIERCETON, 2021 & 2026/7

Type of Good	Gross Demand		Existing	Warranted
	2021	2026/7	Uses	Demand
Convenience	13,666	15,966	10,800	5,166
Shoppers Goods	39,256	50,002	48,200	3,802
Eating/Drinking	10,447	12,497	9,700	2,797
<i>Limited Service</i>	3,184	3,274	1,200	2,074
<i>Full Service</i>	6,359	7,458	6,000	1,458
Entertainment	4,222	6,803	-	6,803
Personal Services	3,973	4,692	1,200	3,492
TOTAL	71,563	91,961	69,900	22,061
<i>Existing Vacant</i>			9,400	
Net New Space				12,661

Note: Potential net of existing/planned commercial space.

Source: Randall Gross / Development Economics.

However, the town also has about 10,000 square feet of vacant commercial space, so net demand for commercial space may be closer to about 12,000 to 15,000 square feet. A more detailed accounting of retail demand by specific store category is shown in the Appendix of this report. As shown in the detailed table, demand exists in most categories but that demand is often fairly limited. In the following section of this report, low demand uses are netted out and a recommended mix generated that better represents the "achievable" or warranted space in the Pierceton submarket.

South Kosciusko County Retail Potentials

Based on this analysis, South Kosciusko is forecasted to generate total retail potential of about 141,800 square feet by 2026-27. The area has a total inventory of less than 100,000 square feet, which suggests that the area will generate potential for another 77,400 square feet of retail space over the next 5 to 6 years.

SUMMARY RETAIL POTENTIAL BY USE, SOUTH KOSCIUSKO COUNTY, 2021 & 2026/7

Type of Good	Gross Demand		Existing	Warranted
	2021	2026/7	Uses	Demand
Convenience	35,727	40,918	12,700	28,218
Shoppers Goods	59,494	68,581	33,100	35,481
Eating/Drinking	17,031	19,500	16,800	2,700
<i>Limited Service</i>	3,129	3,478	2,300	1,178
<i>Full Service</i>	10,525	12,056	8,700	3,356
Entertainment	2,052	2,382	-	2,382
Personal Services	9,131	10,420	1,800	8,620
TOTAL	123,436	141,802	64,400	77,402
<i>Existing Vacant</i>			30,500	
Net New Space				46,902

Note: Potential net of existing/planned commercial space.

Source: Randall Gross / Development Economics.

However, the area also has a large amount of vacant commercial space, estimated at about 30,000 square feet. Thus, even with growing demand yielding 77,400 square feet of additional retail use, there would only be net demand for about 46,900 square feet of new retail space overall to meet the needs of growth and to fill existing retail gaps in the south Kosciusko submarket.

A more detailed accounting of retail demand by specific store category is shown in the Appendix of this report. As shown in the detailed table, demand exists in most categories but that demand is often fairly limited. For example, there is only demand for about 640 square feet of department store space. Since department stores require a significantly larger floor plate (usually over 100,000 square feet) in order to operate efficiently, it is unlikely that anyone would develop or occupy 640 feet for a department store. In the following section of this report, low-demand uses are netted out and a recommended mix generated that better represents the "achievable" or warranted space in the south Kosciusko market.

West Kosciusko County Retail Potentials

Based on this analysis, West Kosciusko is forecasted to generate total retail potential of about 150,000 square feet by 2026-27. The area has a total inventory of only 80,000 square feet, which suggests that the area has an existing gap and growing demand together totaling about 70,000 square feet of retail space over the next 5 to 6 years.

SUMMARY RETAIL POTENTIAL BY USE, WEST KOSCIUSKO COUNTY, 2021 & 2026/7

Type of Good	Gross Demand		Existing	Warranted
	2021	2026/7	Uses	Demand
Convenience	33,492	38,596	15,300	23,269
Shoppers Goods	59,047	74,954	39,167	35,787
Eating/Drinking	17,538	20,656	21,100	(444)
<i>Limited Service</i>	3,829	3,995	2,300	1,695
<i>Full Service</i>	12,125	14,082	14,100	(18)
Entertainment	4,491	7,764	-	7,764
Personal Services	6,953	8,211	4,567	3,644
TOTAL	121,520	150,154	80,133	70,021
<i>Existing Vacant</i>			10,600	
Net New Space				59,421

Note: Potential net of existing/planned commercial space.

Source: Randall Gross / Development Economics.

However, the area also has about 10,000 square feet of vacant commercial space, so net demand for commercial space may be closer to about 50,000 to 60,000 square feet, spread throughout western Kosciusko County. A more detailed accounting of retail demand by specific store category is shown in the Appendix of this report. As shown in the detailed table, demand exists in most categories but that demand is often fairly limited. In the following section of this report, low-demand uses are netted out and a recommended mix generated that better represents the “achievable” or warranted space in the west Kosciusko market.

Warsaw Retail Potentials

Based on this analysis, Warsaw is forecasted to generate total retail potential of about 2,390,000 square feet by 2026-27. The Warsaw area (including Winona Lake) has a total inventory of 2,230,000, which suggests that the area will generate potential for another 160,000 square feet of retail space over the next 5 to 6 years.

SUMMARY RETAIL POTENTIAL BY USE, GREATER WARSAW, 2021 & 2026/7

Type of Good	Gross Demand		Existing	Warranted
	2021	2026/7	Uses	Demand
Convenience	398,086	462,793	457,455	5,338
Shoppers Goods	1,126,636	1,421,321	1,410,974	10,347
Eating/Drinking	260,720	316,049	261,162	54,887
<i>Limited Service</i>	<i>87,787</i>	<i>94,240</i>	<i>86,062</i>	<i>8,178</i>
<i>Full Service</i>	<i>136,909</i>	<i>160,666</i>	<i>141,600</i>	<i>19,066</i>
Entertainment	74,964	111,524	52,398	59,126
Personal Services	65,952	78,455	47,650	30,805
TOTAL	1,926,358	2,390,142	2,229,639	160,503
<i>Existing Vacant</i>			504,518	
Net New Space				(344,015)

Note: Potential net of existing/planned commercial space.

Source: Randall Gross / Development Economics.

However, the Warsaw area has a large amount of vacant commercial space, estimated at about 505,000 square feet. Thus, even with growing demand yielding 160,000 square feet of additional retail use, new construction may not be warranted overall because there would still be more than 340,000 square feet of vacant space even if growing demand absorbs some of that “overhang” in commercial space. Ideally, some of the existing vacant space would be absorbed or taken off of the market before new retail space is brought on line. Some of the vacant space could be re-purposed, such as for office, industrial, or other uses. But until that occurs, there is a dangerous amount of vacant retail space depressing the market for commercial real estate.

A more detailed accounting of retail demand by specific store category is shown in the Appendix of this report. Based on this analysis, several retail categories are over-supplied even before accounting for vacant space on the market. For example, the grocery store category is about 64,000 square feet over-supplied. What that means is that local area grocery stores may not be achieving the average or expected sales productivity levels (sales per square foot) that they should under normal circumstances. As a result, one or more of them may be under-performing. This under-performance may also help explain why at least one supermarket (Marsh) closed in the local market and why others have not opened to replace it. It may not necessarily mean that more groceries will close, especially if operating costs are low as compared with national or regional standards. But, there is less margin for economic downturn or sudden shifts in the local market. Other over-supplied categories include furniture, general merchandise, and auto-related businesses.

South Warsaw Retail Potentials

As noted previously, there is a concern in the community about the lack of access to groceries and retail shopping in south Warsaw. The existing supply is low, accounting for only 8.5% of Warsaw-area retail even though south Warsaw has roughly 37% of the area's household base. Interestingly, the retail market analysis appears to confirm the demand for retail in south Warsaw, with potential for nearly 350,000 square feet. When existing vacant space is netted out, there will still be net demand for about 275,000 square feet of retail space in south Warsaw, summarized below and detailed in the Appendix.

SUMMARY RETAIL POTENTIAL BY USE, GREATER WARSAW, 2021 & 2026/7

Type of Good	Gross Demand		Existing	Warranted
	2021	2026/7	Uses	Demand
Convenience	89,189	103,314	34,550	68,764
Shoppers Goods	218,322	289,873	79,200	210,673
Eating/Drinking	53,685	65,568	40,100	25,468
<i>Limited Service</i>	14,644	14,933	5,500	9,433
<i>Full Service</i>	30,454	35,842	29,300	6,542
Entertainment	19,978	28,830	-	28,830
Personal Services	17,046	20,194	6,000	14,194
TOTAL	398,219	507,780	159,850	347,930
<i>Existing Vacant</i>			72,300	
Net New Space				275,630

Note: Potential net of existing/planned commercial space.

Source: Randall Gross / Development Economics.

What this analysis suggests is that, while there is an over-supply of retail in the overall Warsaw market, much of that over-supply is misappropriated to the north side of the community while there is a dearth of retail space on the south side. In other words, there has been over-development of retail space on the north side of Warsaw at the expense of the south side. The reasons appear to be clear for this misappropriation, as noted before: the north side offers heightened exposure to US 30 and due to the convergence of traffic patterns. As a result, retailers have sought locations that met their individual site requirements, but at the expense of the distribution of retail in the greater market. Greater competition has resulted in lower sales productivity among those retailers, especially in the grocery, furniture, general merchandise, and automotive retail markets.

RECOMMENDED

RETAIL MIX AND DEVELOPMENT STRATEGIES

Recommendations for an appropriate retail business mix and strategies to achieve a more balanced retail market are provided in this section for several local communities. Certainly, there is a gap in the supply of certain retail uses in the county and the market analysis has shown that retail demand is growing. However, there is also a significant amount of vacant space and substantial “leakage” in retail sales to other areas. Potential demand is also spread over a large portion of the county when breaking it down by region Kosciusko County with overlapping occurring in some cases.

Kosciusko County might consider the creation of an incentive package for small towns to leverage key assets in their historic business districts. Rehabilitation and façade grants or loan programs can help provide general assistance, although a more targeted approach might see grants oriented to specific projects that can help build destination appeal and therefore, expand the market base for local businesses.

Silver Lake

Based on the market analysis, there is the opportunity for capturing some retail demand in several categories within the Silver Lake central business district. Silver Lake has some destination market opportunities because of its larger size, its relatively intact historic business district, and the presence of a specialty manufacturer – Whetstone Wooden Ware - that is marketing its product through a local retail outlet. Ultimately, there is the opportunity to accommodate an additional 43,000 square feet in the Silver Lake area business mix, as follows.

RECOMMENDED RETAIL MIX, SILVER LAKE

Types of Businesses	Square Feet
Grocery/Pharmacy	22,000
Apparel	3,800
Furniture & Home Furnishings	6,500
Hardware & Garden Supply	4,000
Gifts, Hobby & Game	1,100
Sewing	2,800
Full-Service Restaurant	3,300
Total (Part in Existing Space)	43,500

Source: Randall Gross / Development Economics.

While there is the opportunity for recruiting a small grocery store with a pharmacy to serve the southern part of the county, the presence of a store in Silver Lake would reduce opportunities for a supermarket to be established in south Warsaw. Even disregarding this issue, there are significant challenges to recruiting a +/-20,000 square-foot grocery given the larger floor plate requirements of most national and regional chains and the constraints imposed by the size of this market and the lack of major highway access. The demand is there, but the location requirements of even many small regional chains will probably exclude a rural location like this today.

There is also the opportunity to build on the presence of Whetstone by establishing a small hub of perhaps 12,000 to 15,000 square feet for craft wood products and other goods including furniture and home furnishings, hardware, gifts, sewing materials, and toys & games. In recruiting or accommodating entrepreneurs within this cluster, there is the potential for generating more destination market draw not only from within the county but also from those traveling to the Lake region and residents of nearby metropolitan areas including Fort Wayne and South Bend. If such efforts in growing destination demand are successful, there would also be the opportunity to establish a full-service restaurant in the downtown area to cater both to tourists and area residents. Some of the potential uses could be incorporated into the 8,000 square feet of existing vacant commercial space in town.

Syracuse

Syracuse is the largest of the four primary submarkets in northern Kosciusko County. Based on the market analysis, there is the opportunity for capturing additional retail demand in several categories within Syracuse due to the diverse local economic base as well as the strong destination market that already exists in that region. An indicative business mix is conceptualized below with the addition of 100,000 to 160,000 square feet over time to complement existing uses.

RECOMMENDED RETAIL MIX, SYRACUSE

Types of Businesses	Square Feet
Grocery-Addition	20,000
Health & Personal Care	10,000
Wine & Liquor Store	10,000
Apparel Stores	17,600
Jewelry	5,000
Electronics	3,000
Books/Music	3,000
Gift Stores	3,000
Hobby, Toy & Games	7,000
Pet Supplies, Misc	20,000
Sporting Goods	2,800
Limited Service Restaurants	2,300
Full Service Restaurants	6,500
Spa/Personal Services	7,800
Entertainment	40,000
Total (Part in Existing Space)	158,000

Source: Randall Gross / Development Economics.

This prospective mix would include some additions to local-serving convenience, such as some additions to existing grocery store uses in order to include a more diverse and gourmet selection and to accommodate gradual growth in the market. A full-service wine shop and liquor store could also create some amenity value in the business mix as part of the luxury goods market. There is also the opportunity for recruiting a larger boutique apparel, accessory, and jewelry business mix to the Lakes Region, which might be best suited to a Syracuse location. While the community offers a diverse selection of goods and services, there are opportunities for strengthening the boutique shopping element and catering to destination visitors.

There are other opportunities to build on the existing business mix through additional selection in gifts, hobby/toys, books, electronics, pet supplies and miscellaneous shopper's goods stores. Additional spa and personal service establishments can also enhance the luxury component of the market base in the Lakes Region. The area is well-served for restaurants and cinema, but some additional diversity in dining and recreation & entertainment could draw patrons not only from the visitor base and local market but also through inflow from surrounding areas of Kosciusko County and neighboring counties. Increasing the recreational opportunities associated with the lakes – such as through enhanced blue way trails for kayaking, or fishing tournaments and other events, etc.- would also help enhance the overall destination draw. To sum, the market base could be expanded geographically and through greater penetration in existing sources, if more destination specialty shopping, dining, recreation and entertainment options are offered in the Lakes Region and in particular, in Syracuse.

North Webster

North Webster is smaller than Syracuse but, as part of the same Lakes Regional Market, provides similar opportunities for destination market growth and diversification. Some of the uses identified above for Syracuse could just as easily be recruited to North Webster, including specialty retail, dining, and recreation and entertainment. However, North Webster remains a smaller market with somewhat more limited opportunities, especially for luxury goods and services that are more likely to migrate to Syracuse. North Webster might consider integrating unique public art and other creative elements to help establish a distinct identity and character. The underutilized lawn in front of “The Castle” provides a perfect opportunity for establishing a more formally programmed civic space at the heart of the community.

Like Syracuse, North Webster has a Neighborhood Fresh Grocery, but at 24,000 square feet, it is somewhat limited in its offering and also appears somewhat physically constrained. There may be opportunities for establishing larger format stores through expansion or relocation of the Neighborhood Fresh stores in both North Webster and Syracuse. North Webster is an excellent location for accommodating more of the sporting goods and water-oriented recreation sales and services in the area.

Milford

Milford is well-positioned to capture more highway-oriented business, including limited-service restaurants, snack (e.g., donut) & beverage establishments, hardware and garden supply, and others. If road connections were improved and encouraged between Milford and Syracuse / Lakes Region, then there are more opportunities for economic growth in Milford as a service node and commercial center for the tourism trade.

Leesburg

Leesburg will have greater challenges with retail recruitment and retention because of its proximity to Warsaw and that city's major retail nodes and commercial corridors, including US 30. With 30% vacancy, a key priority for Leesburg may be to fill existing viable vacant spaces before looking to opportunities for new commercial development. Restricting commercial zoning may help prevent any further overbuilding, depending on how much remaining opportunities there may be for commercial development. There may be a time in the future, should Leesburg generate a thriving economic base or grow as a bedroom community that new retail/commercial development would be encouraged.

Pierceton

Pierceton has some limited opportunities for further retail business development and for rehabilitation and increased occupancy in business district buildings. Several opportunities relate to the destination tourism activity that already exists in respect to the antique shopping in town, as well as to potential for building on the community's unique asset in Townsends Reproduction Clothing and Theatre Supply. There is the synergy that can be created between antiques and historic costume reproduction to establish a stronger destination for visitors. For example, whether or not Townsends can offer tours or other activities at their existing site, there is the potential for leveraging this asset to establish a small (6,000 square-foot) theatre or venue downtown oriented to demonstrations, re-enactments, live theatre productions, historic fashion shows, or exhibitions of historic period costumes produced and filmed for distribution by Townsends. A retail outlet with gifts and period apparel could be operated in association with the venue.

RECOMMENDED RETAIL MIX, PIERCETON

Types of Businesses	Square Feet
Community Food/Market	5,000
Apparel-Costume/Specialty	2,500
Demonstration/Entertainment	6,000
Gifts, Hobby & Game	3,000
Take Out Restaurant	2,000
Hardware/Home & Garden	2,000
Personal Services	3,500
Total (Part in Existing Space)	24,000

Source: Randall Gross / Development Economics.

Pierceton could also support some small convenience-oriented businesses such as a small community food market, associated take-out food or café, hardware shop, and personal services such as hair salons and barber shops. Pierceton could not compete as a location for a supermarket, given proximity to at least four large grocery stores on or near US 30 on the north side of Warsaw, just ten minutes away. However, there is a need for a small, community-oriented food-focused store that may also offer health products, hardware, and other items needed in the community. A food store might be operated in association with Pierceton Foods or as an outlet for Paul's merchandise.

Pierceton also could support its major industry through targeted efforts. Such projects might include funding for the rehabilitation of downtown space for a venue oriented to demonstrations, re-enactments, live theatre productions, historic fashion shows, or exhibitions of historic period costumes produced and filmed for distribution by Townsends. A retail outlet offering clothing and gifts associated with the venue would also create synergies, as noted above, with the antique shopping activity that is already concentrated in Pierceton. The County could help identify an entrepreneur who would work with Townsends and promote their brand as part of the retail and broadcast marketing efforts. Such a venue, and associated retail, would not only strengthen the destination tourism opportunities for the county but also, through film and video, promote Townsends' business and brand to a broad audience, including potential clients worldwide.

Claypool

Opportunities are more limited in Claypool, which is smaller, lacks a strong economic base, and is “sandwiched” between the Warsaw and Silver Lake submarkets. There may be opportunities for some auto-oriented retail including automotive parts and supplies, given the community’s location along SR15 and its existing cluster of mechanics shops. If a grocery does not come to either south Warsaw or Silver Lake, then Claypool provides a fair location for a convenience food store.

Sidney

Sidney is relatively remote and, with a small and declining market base, provides limited opportunities for retail development. There are nevertheless opportunities for Sidney to stabilize as a supply base, for example for hardware and farm equipment, or as a service node.

Etna Green

Etna Green presents some convenience business opportunities relating to grocery & pharmacy, hardware, and general merchandise sales because of its location and exposure along US 30. While there is the opportunity for recruiting a small grocery store with a pharmacy to serve the south/western part of the county, the presence of a store in Etna Green or Mentone would reduce opportunities for a supermarket to be established elsewhere in southern or western Kosciusko County. Even disregarding this issue, there are significant challenges to recruiting a +/-22,000 square-foot grocery given the larger floor plate requirements of most national and regional chains and the constraints imposed by the size of this market and the lack of major highway access. The demand is there, but the location requirements of even many small regional chains will probably exclude a rural location like this today.

RECOMMENDED RETAIL MIX, ETNA GREEN

Types of Businesses	Square Feet
Grocery/Pharmacy	22,700
Apparel & Accessories	5,200
Jewelry	1,200
Hardware & Garden	6,000
General Merchandise	10,000
Misc. Shopper’s Goods	1,100
Personal Services	3,300
Total (Part in Existing Space)	49,500

Source: Randall Gross / Development Economics.

In the absence of the grocery, there are other opportunities for up to about 26,000 square feet of additional retail use in the Etna Green area. This amount includes both hardware and general merchandise uses that, while meeting local demand, might also compete against the Ace Hardware and Dollar General respectively in Mentone. It is likely that both towns could support one or both of these uses, but there would be increased competition between them.

Mentone

Based on the market analysis, there are some disparate opportunities for capturing retail demand to build on Mentone’s destination appeal. Mentone has some destination market opportunities because of its larger size, its relatively intact historic business district, and some latent tourism appeal relating to its “Egg Basket” identity and the Bell Aircraft Museum. For example, a hobby shop with a focus on model airplanes and helicopters, a small (+/-7,000

square-foot) family entertainment attraction that might offer aviation-centric video games and films, and a model airplane field somewhere around Mentone could help further celebrate the legacy of Mentone native Lawrence Bell and his impact on American aviation. Some of potential uses like the hobby shop or entertainment attraction could be incorporated into the 6,000 square feet of existing vacant commercial space in town.

Warsaw

Based on the market analysis, there is the opportunity for accommodating growth overall among key retail business categories. Together, these categories account for up to about 288,000 square feet of retail business space. Key opportunities include entertainment (55,000 square feet), antiques and used merchandise stores (25,000), apparel stores (22,000), sporting goods (19,000), health & personal care stores (18,000), and full-service restaurants (18,000).

RECOMMENDED RETAIL MIX, WARSAW AREA

Types of Businesses	Square Feet
Specialty Food & Convenience	12,000
Health & Personal Care	18,000
Liquor Store	5,500
Apparel Stores	22,000
Jewelry	6,000
Appliance	12,000
Hardware & Garden	11,000
Used/Antique	25,000
Books/Music	5,500
Gift Stores	13,500
Hobby, Toy & Games	12,600
Pet Supplies, Miscellaneous	12,000
Sporting Goods	19,000
Limited-Service Restaurants	6,500
Full-Service Restaurants	18,000
Drinking Establishments	9,500
Snack/Beverage	10,000
Entertainment	55,000
Personal Services	14,800
Total (Part in Existing Space)	287,900

Source: Randall Gross / Development Economics.

Much of this business mix is oriented to meeting basic consumer needs including convenience (specialty food, health, liquor), shopping (apparel, hardware, appliance), fast food and personal services (e.g., hair salons). However, there is also some opportunity for capturing destination-oriented opportunities for specialty goods and services (hobby/toys, sporting goods, gifts, full-service restaurants, and entertainment).

Shopping Centers. A substantial share of these business uses could be accommodated in existing vacant retail and commercial spaces located throughout the city. There are targeted opportunities for reuse, redevelopment, and re-tenanting of large blocks of vacant space, much of which is concentrated in three existing shopping centers.

The Marketplace of Warsaw. Certainly, one of the most critical of these opportunities is The Marketplace of Warsaw, a 184,000 square-foot community shopping center located on the city's US30 corridor and the largest retail center in Warsaw. This center offers several national brands, over 700 parking spaces, and exposure to US Highway 30 traffic at a gateway into the heart of the city. However, four large anchor spaces and smaller line shop spaces with a total of nearly 140,000 square feet (75% of the center's gross leasable area and 27% of the city's total unoccupied commercial space) lie vacant. The departure of several major brands has had a cascading effect on the center's occupancy and there is clearly a need to re-establish anchor use, reconfigure, and/or redevelop this shopping center. Targeted tenant uses might include used/discount merchandise, sporting goods, and apparel anchor stores. But another option might suggest complete redevelopment of the center. A redevelopment concept could reduce the amount of commercial space while integrating residential and/or other uses to create a more viable mixed-use lifestyle center.

Lake Village Shopping Center. Another similar example of re-tenanting and/or redevelopment opportunities is the Lake Village Shopping Center, located at 3300 Lake City Highway (US 30 Corridor). This community center has 171,000 square feet, with a major anchor space (an 89,000 square-foot former Kmart), about 38,000 square feet of line shop space, and two out-parcels currently vacant. Altogether, about 136,000 square feet (79% of the center's total GLA and 26% of the city's unoccupied space) is vacant.

Former Stock & Field (Big R) Store. In addition to the aforementioned centers, there are also specific targets for re-tenanting and reuse in the Warsaw area. The Stock & Field chain closed all 25 of its stores in the region, including the one located in Warsaw at 3660 Commerce Drive. This 110,100 square-foot store anchored a strip center that also includes five smaller vacant spaces for a total of about 120,000 square feet of vacant space or about 24% of the Warsaw area total commercial vacancy.

These three centers – Lake Village, The Marketplace, and Stock & Field - account for nearly 80% of the Warsaw area's vacant commercial space. Re-tenanting and redevelopment options are similar for Lake Village and The Marketplace, which should be considered in tandem for any planning, business recruitment & tenanting, or redevelopment scenarios. The Stock & Field store will likely be marketed for-releasing on its own.

Downtown Warsaw. Downtown Warsaw is relatively successful, due in part to its position as the County Seat, a corporate hub for the medical devices industry, and a crossroads for several highways. Downtown offers significant amenity value with Central Park, Center Lake, and historic architecture in a quaint small-town setting. Center, Lake, Winona, and Detroit streets all offer commercial spines through the downtown area with traffic exposure and anchor venues. There is relatively little commercial vacancy (about 10,000 square feet in five spaces), except for the former Marsh supermarket store (58,022 square feet) at 500 S. Buffalo Street. Although a market analysis was not conducted specifically for downtown, the business district appears to be under-retailed. Some of the opportunities for full-service dining and entertainment as well as specialty merchandise stores (food, books, gifts, antiques, hobby stores) might be best suited and recruited pro-actively to downtown.

The vacant Marsh supermarket store may be an appropriate location for an anchor entertainment use, since there is the market-based opportunity identified in Warsaw for about 55,000 square feet of commercial entertainment. Alternatives might include a destination attraction such as a redeveloped venue that accommodates eating & drinking, live entertainment, specialty foods or public market, and specialty shopping. There may also be ways to redevelop

the site to showcase the city's orthopedic medical industries or create a unique destination attraction relating to the industry's heritage and technologies. Such uses could generate spin-off benefits to downtown businesses.

South Warsaw. The market analysis identified net market potential for about 275,000 square feet of retail use in south Warsaw. However, such use cannot be accommodated in a vacuum in consideration of the impact on existing retail uses in the rest of the city.

The south Warsaw area could support about 45,000 in grocery store space (plus pharmacy or health & personal care use). However, given the competitive environment among supermarkets in Warsaw, it is unlikely that a new regional or national brand would enter the market without impacting negatively on other existing groceries in the Warsaw area. In addition, fewer regional and national chains build stores to that floor plate than to a higher 55,000+ square foot or larger standard. It is possible that a specialty or regional food store brand might enter the south Warsaw market, but they are less likely to occupy all of the space in the former Marsh store except where they offered a unique product line. There is also the possibility that a grocery operator would locate further south or south-east of downtown, but growth and incomes in the south Warsaw and southern Kosciusko markets are not strong enough to warrant a location that fails to capture at least some of the downtown-area market.

Some of the other uses that could be captured in south Warsaw are also likely to be located in the downtown area, such as entertainment venues, antiques, or specialty stores (gifts, general merchandise, hobby/toy, etc.). A hardware and garden supply business may be well-suited to a south Warsaw location. There are likely to be opportunities to further grow and diversify the specialty store offering in Winona Lake. There may also be an opportunity to formalize another, much smaller commercial node in south Warsaw such as along Fisher Avenue near Eagle Creek. Some existing businesses, such as Cardoso Café or Wabash Donut Shop and Lassus might be integrated into a small but more formalized commercial node that could include hardware, garden supply, antiques, general merchandise, personal services, and/or convenience businesses.

Kosciusko County Dining | Visit Kosciusko County



KEY FINDINGS **SUMMARY**

North Kosciusko County and the Lakes Region

The North Kosciusko County & Lakes Region submarket is relatively diverse, with highway-oriented rural towns and ex-urban communities as well as destination tourism driven economies. These two types of retail markets are very different, with tourism creating opportunities for specialization in the Lakes Region that just do not exist for communities along the State Route 15 Corridor. Syracuse is the second-largest commercial market in Kosciusko County and offers a large and diverse retail base because it can draw both from resident and seasonal visitor markets.

There are substantive opportunities to build and diversify this existing base with added recreation attractions and events, entertainment venues, boutique shopping, and other destination-oriented activity. North Webster shares some of the same opportunities, although at a smaller scale and with less of the luxury component of the market. Milford's business growth and development opportunities could be expanded with better east-west access connecting the town to the Lakes Region. Leesburg, on the other hand, is challenged as a retail node because of its proximity to large-scale and competitive commercial development in the Warsaw market, just a few miles down Route 15.

Southeast Kosciusko County Region

The Pierceton submarket is small and limited, but there are existing gaps in supply and some opportunities for strengthening its existing destination appeal. There are opportunities to build on the town's antiques hub and its unique assets, including Townsends, to strengthen its destination appeal. Townsends is unique on a national level, so the County might consider ways to work closely with Townsends; and to help rehabilitate space in the town to accommodate complementary uses, incentivize entrepreneurs, and leverage this asset further.

South Kosciusko County Region

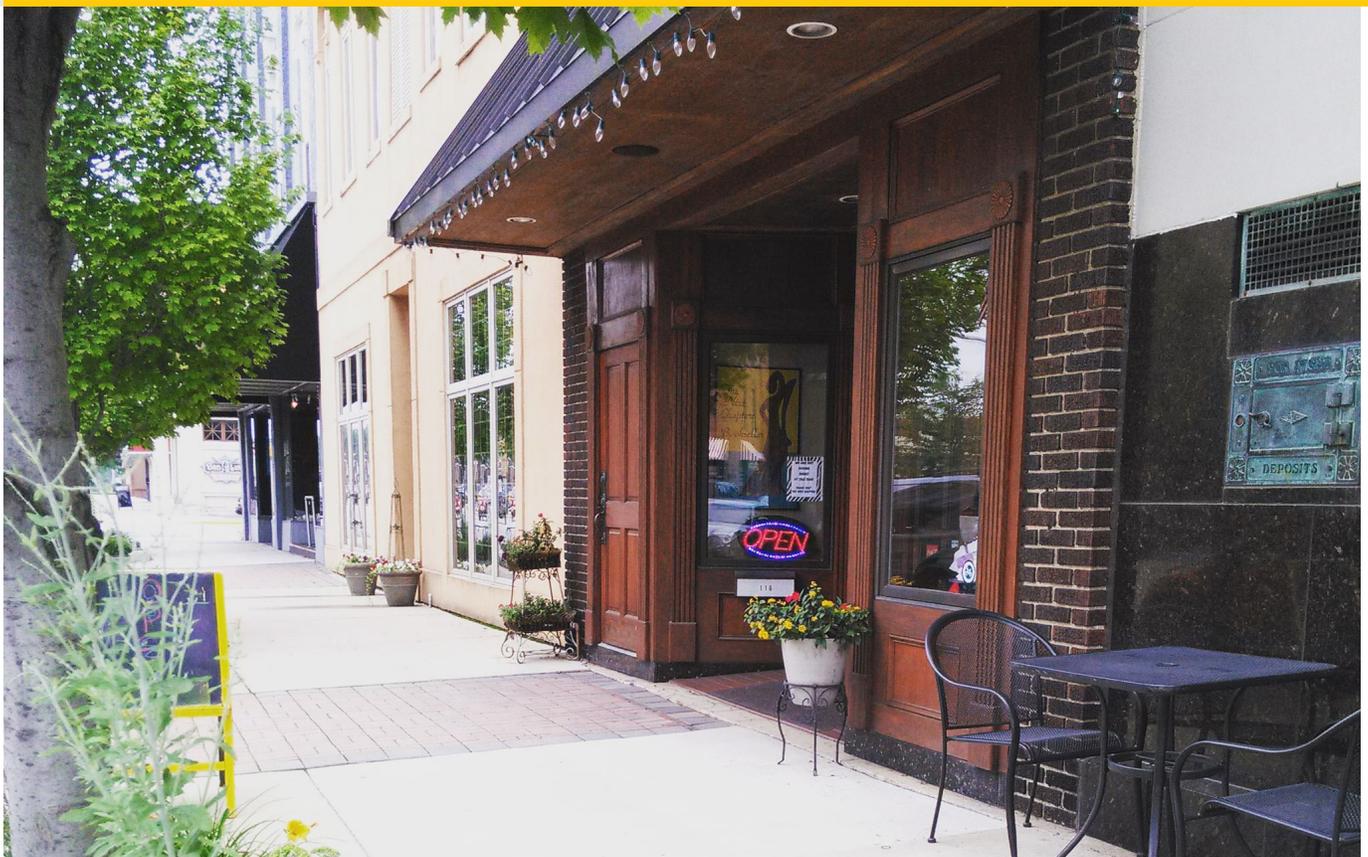
The south Kosciusko County market is fairly small and limited, but there are existing gaps in supply and some nominal growth in the overall market base. Silver Lake has some existing destination draw because of the presence of specialty stores and craft businesses like Whetstone Wooden Ware. This business, being located in the town's central business district, anchors what could be a more prominent hub for craft wood products including furniture and home furnishings, toys & games, gifts, and others. The node could then attract destination traffic from tourism and metropolitan residents.

West Kosciusko County Region

The west Kosciusko County market is small and limited, but there are existing gaps in supply and some opportunities for strengthening destination appeal. Etna Green could take better advantage of its position along US 30 and attract some convenience uses like grocery, general merchandise, and hardware stores but in doing so, the town would increase competition with stores in other towns in the region. Mentone has some existing destination draw based on its visitor attractions and fairly intact historic business district. There are particular opportunities to build on the legacy of local native Lawrence Bell through additional retail and visitor attractions that also serve to enhance the entertainment opportunities for local residents.

Central Kosciusko County Region

The market analysis has shown that, while Warsaw in general is over-supplied for retail, there is a growing market with under-served pockets like south Warsaw that could accommodate new retail businesses. Further, much of the city's vacant commercial space is concentrated in two or three shopping centers that could benefit from some proactive redevelopment and/or recruitment efforts. From a planning perspective, there is clearly a need to re-consider the distribution of commercial zoning and to examine, encourage, and/or leverage specific mixed-use redevelopment opportunities at under-utilized strip shopping center sites. Additional policy direction will be provided later as appropriate to help guide the planning process.



APPENDIX



Syracuse, IN Placemaking | Syracuse-Wawasee Chamber of Commerce



APPENDIX TABLES

Table A1. RETAIL INVENTORY, KOSCIUSKO COUNTY, 2021				
Category	Number	(Percent)	Sq. Ft.	(Percent)
<u>Convenience</u>				
Grocery	7	1%	390,241	11%
Convenience	4	1%	14,400	0%
Specialty Food	17	3%	34,800	1%
Health/Pers Care	13	2%	77,529	2%
Gas/Convenience	39	6%	88,800	2%
Florist	2	0%	7,700	0%
Liquor/Tobacco	14	2%	28,400	1%
Misc.	2	0%	3,600	0%
Sub-Total	98	15%	645,470	18%
<u>Shoppers Goods</u>				
Apparel	14	2%	53,833	1%
Accessory	2	0%	3,000	0%
Jewelry	7	1%	14,100	0%
Shoes	3	0%	22,324	1%
Furniture	13	2%	180,630	5%
Home Furnishings	20	3%	61,600	2%
Appliances	3	0%	9,700	0%
Hardware/Paint	9	1%	51,268	1%
Farm & Garden Supply	10	2%	49,200	1%
Home Centers	3	0%	331,193	9%
Department Store	2	0%	275,356	7%
Non-DS General Merch.	13	2%	97,329	3%
Used Mdse./Antiques	22	3%	114,800	3%
Vehicle Dealer	31	5%	228,850	6%
Auto Supply	21	3%	105,200	3%
Electronics	11	2%	25,849	1%
Books/Music	4	1%	7,000	0%
Musical Instruments	2	0%	6,000	0%
Gift, Novelty, Svr, Misc.	9	1%	18,067	0%
Hobby/Toy/Game	3	0%	5,400	0%
Luggage/Leather	-	0%	-	0%
Office Supply/Sta	3	0%	7,500	0%
Misc. Shopper's Goods	27	4%	67,410	2%
Sporting Goods	12	2%	48,100	1%
Sub-Total	244	38%	1,783,709	48%
<u>Dining & Entertainment</u>				
Restaurant-LS	53	8%	127,262	3%
Restaurant-FS	66	10%	227,300	6%
Drinking Establishments	12	2%	29,400	1%
Snack/Beverage	23	4%	39,600	1%
Entertainment	6	1%	79,227	2%
Sub-Total	160	25%	502,789	14%
<u>Personal Services</u>				
	57	9%	91,117	2%
TOTAL	559	88%	3,023,084	82%
<i>Existing Vacant</i>	78	12%	659,728	18%
	-			
GRAND TOTAL	637	100%	3,682,812	100%
Sources:	Kosciusko County Assessor, Listings, Businesses, and Randall Gross / Development Economics.			

Table A2. RETAIL INVENTORY, NORTH/LAKES, 2021				
Category	Number	(Percent)	Sq. Ft.	(Percent)
<u>Convenience</u>				
Grocery	2	1%	50,965	8%
Convenience	1	1%	3,500	1%
Specialty Food	9	5%	18,600	3%
Health/Pers Care	4	2%	28,000	4%
Gas/Convenience	14	7%	30,900	5%
Florist	1	1%	2,200	0%
Liquor/Tobacco	3	2%	5,300	1%
Misc	-	0%	-	0%
Sub-Total	34	18%	139,465	22%
<u>Shoppers Goods</u>				
Apparel	2	1%	2,800	0%
Accessory	-	0%	-	0%
Jewelry	1	1%	1,500	0%
Shoes	1	1%	8,000	1%
Furniture	3	2%	18,000	3%
Home Furnishings	2	1%	4,500	1%
Appliances	3	2%	8,500	1%
Hardware/Paint/Farm	6	3%	25,668	4%
Garden Supply	2	1%	6,500	1%
Home Centers	-	0%	-	0%
Department Store	-	0%	-	0%
Non DS GM	7	4%	50,300	8%
Used Mdse/Antiques	7	4%	28,300	4%
Auto Dealer	6	3%	27,600	4%
Auto Supply	6	3%	25,700	4%
Electronics	2	1%	4,400	1%
Books/Music	1	1%	2,200	0%
Musical Instruments	-	0%	-	0%
Gift, Novelty, Svr, Misc	4	2%	7,900	1%
Hobby/Toy/Game	1	1%	1,000	0%
Luggage/Leather	-	0%	-	0%
Office Supply/Sta	-	0%	-	0%
Misc	6	3%	10,300	2%
Sporting Goods	5	3%	10,500	2%
Sub-Total	65	34%	243,668	39%
<u>Dining & Entertainment</u>				
Restaurant-LS	14	7%	30,300	5%
Restaurant-FS	21	11%	62,900	10%
Drinking Estab.	3	2%	7,300	1%
Snack/Beverage	9	5%	15,200	2%
Entertainment	3	2%	13,236	2%
Sub-Total	50	26%	128,936	20%
<u>Personal Svces</u>				
	21	11%	31,900	5%
TOTAL	170	88%	543,969	86%
<i>Existing Vacant</i>	23	12%	87,910	14%
GRAND TOTAL	193	100%	631,879	100%
Sources:	Kosciusko County Assessor, retail businesses, listings, and Randall Gross / Development Economics.			

Table A3. TOTAL WARRANTED RETAIL DEMAND BY USE, NORTH KOSCIUSKO & LAKES REGION, 2021 AND 2026				
Type of Good	Gross Demand (Sq Ft)		Existing Uses	Warranted Demand
	2021	2026		
<u>Convenience</u>				
Grocery	93,424	101,803	50,965	50,838
Convenience	11,660	12,995	3,500	9,495
Specialty Food	17,670	20,935	18,600	2,335
Health/Pers Care	37,855	40,873	28,000	12,873
Gas/Convenience	29,211	32,322	30,900	1,422
Florist	3,781	4,064	2,200	1,864
Liquor/Smoke	17,391	18,693	5,300	13,393
Misc Convenience	2,800	3,300	-	3,300
Sub-Total	213,793	234,984	139,465	95,519
<u>Shoppers Goods</u>				
Apparel	18,659	20,425	2,800	17,625
Accessory	1,950	2,281	-	2,281
Jewelry	5,880	6,597	1,500	5,097
Shoes	7,340	8,167	8,000	167
Furniture	20,709	22,259	18,000	4,259
Home Furnishings	9,677	10,401	4,500	5,901
Appliances	8,292	8,912	8,500	412
Hardware	37,346	40,141	25,668	14,473
Garden Supply	15,426	16,581	6,500	10,081
Home Center	18,034	19,383	-	19,383
Department Store	5,413	6,096	-	6,096
Non DS GM	49,373	53,068	50,300	2,768
Used Mdse/Antiques	22,381	25,166	28,300	(3,134)
Auto Dealer	24,425	26,253	27,600	(1,347)
Auto Supply	22,286	23,953	25,700	(1,747)
Electronics	9,398	10,101	4,400	5,701
Books/Music	4,635	5,260	2,200	3,060
Musical Instrument	2,421	2,603	-	2,603
Gift, Novelty, Svr	10,396	11,637	7,900	3,737
Hobby/Toy/Game	7,444	8,187	1,000	7,187
Luggage/Leather	474	510	-	510
Office Supply/Sta	3,122	3,356	-	3,356
Misc SG	28,470	30,601	10,300	20,301
Sporting Goods	12,077	13,351	10,500	2,851
Sub-Total	345,631	375,288	243,668	131,620
<u>Dining & Entertainment</u>				
Restaurant-LS	40,051	38,945	30,300	8,645
Restaurant-FS	71,039	81,182	62,900	18,282
Drinking Est.	7,122	10,741	7,300	3,441
Snack/Bev	13,818	17,938	15,200	2,738
Entertainment	53,282	61,117	13,236	47,881
Sub-Total	185,312	209,923	128,936	80,987
<u>Personal Services</u>				
	36,943	39,707	31,900	7,807
TOTAL	781,679	859,902	543,969	315,933
<i>Existing Vacant</i>			87,910	
Net New Space				228,023
Source:	Randall Gross / Development Economics.			

Table A4. RETAIL INVENTORY, EAST-PIERCETON, 2021				
Category	Number	(Percent)	Sq. Ft.	(Percent)
<u>Convenience</u>				
Grocery	-	0%	-	0%
Convenience	-	0%	-	0%
Specialty Food	-	0%	-	0%
Health/Pers Care	-	0%	-	0%
Gas/Convenience	4	13%	8,800	11%
Florist	-	0%	-	0%
Liquor/Tobacco	1	3%	2,000	3%
Misc	-	0%	-	0%
Sub-Total	5	16%	10,800	14%
<u>Shoppers Goods</u>				
Apparel	-	0%	-	0%
Accessory	-	0%	-	0%
Jewelry	1	3%	800	1%
Shoes	-	0%	-	0%
Furniture	-	0%	-	0%
Home Furnishings	3	10%	6,700	8%
Appliances	-	0%	-	0%
Hardware/Paint/Farm	-	0%	-	0%
Garden Supply	-	0%	-	0%
Home Centers	-	0%	-	0%
Department Store	-	0%	-	0%
Non DS GM	1	3%	5,000	6%
Used Mdse/Antiques	9	29%	29,500	37%
Auto Dealer	1	3%	3,500	4%
Auto Supply	-	0%	-	0%
Electronics	-	0%	-	0%
Books/Music	-	0%	-	0%
Musical Instruments	-	0%	-	0%
Gift, Novelty, Svr, Misc	-	0%	-	0%
Hobby/Toy/Game	-	0%	-	0%
Luggage/Leather	-	0%	-	0%
Office Supply/Sta	-	0%	-	0%
Misc	1	3%	800	1%
Sporting Goods	1	3%	1,900	2%
Sub-Total	17	55%	48,200	61%
<u>Dining & Entertainment</u>				
Restaurant-LS	1	3%	1,200	2%
Restaurant-FS	2	6%	6,000	8%
Drinking Estab.	1	3%	2,500	3%
Snack/Beverage	-	0%	-	0%
Entertainment	-	0%	-	0%
Sub-Total	4	13%	9,700	12%
<u>Personal Svces</u>				
	1	3%	1,200	2%
TOTAL	27	87%	69,900	88%
<i>Existing Vacant</i>	4	13%	9,400	12%
GRAND TOTAL	31	100%	79,300	100%
Sources:	Kosciusko County Assessor, retail businesses, listings, and Randall Gross / Development Economics.			

Table A5. TOTAL WARRANTED RETAIL DEMAND BY USE, PIERCETON, 2021 AND 2026				
Type of Good	Gross Demand (Sq Ft)		Existing Uses	Warranted Demand
	2021	2026		
Convenience				
Grocery	3,736	4,393	-	4,393
Convenience	597	705	-	705
Specialty Food	313	366	-	366
Health/Pers Care	1,522	1,753	-	1,753
Gas/Convenience	3,902	4,537	8,800	(4,263)
Florist	168	192	-	192
Liquor/Smoke	627	720	2,000	(1,280)
Misc Convenience	2,800	3,300	-	3,300
Sub-Total	13,666	15,966	10,800	5,166
Shoppers Goods				
Apparel	1,303	2,482	-	2,482
Accessory	48	79	-	79
Jewelry	316	518	800	(282)
Shoes	220	336	-	336
Furniture	1,450	1,663	-	1,663
Home Furnishings	2,957	3,825	6,700	(2,875)
Appliances	346	409	-	409
Hardware	1,574	1,876	-	1,876
Garden Supply	518	640	-	640
Home Center	1,196	1,373	-	1,373
Department Store	165	189	-	189
Non DS GM	3,472	4,101	5,000	(899)
Used Mdse/Antiques	16,654	22,691	29,500	(6,809)
Auto Dealer	2,335	2,679	3,500	(821)
Auto Supply	659	756	-	756
Electronics	282	323	-	323
Books/Music	448	643	-	643
Musical Instrument	104	159	-	159
Gift, Novelty, Svr	1,011	1,638	-	1,638
Hobby/Toy/Game	913	1,448	-	1,448
Luggage/Leather	37	46	-	46
Office Supply/Sta	97	115	-	115
Misc SG	2,251	2,632	800	1,832
Sporting Goods	901	1,383	1,900	(517)
Sub-Total	39,256	52,002	48,200	3,802
Dining & Entertainment				
Restaurant-LS	3,184	3,274	1,200	2,074
Restaurant-FS	6,359	7,458	6,000	1,458
Drinking Est.	491	938	2,500	(1,562)
Snack/Bev	413	827	-	827
Entertainment	4,222	6,803	-	6,803
Sub-Total	14,668	19,301	9,700	9,601
Personal Services				
	3,973	4,692	1,200	3,492
TOTAL	71,563	91,961	69,900	22,061
<i>Existing Vacant</i>			9,400	
Net New Space				12,661
Source:	Randall Gross / Development Economics.			

Table A6. RETAIL INVENTORY, SOUTH KOSCIUSKO, 2021				
Category	Number	(Percent)	Sq. Ft.	(Percent)
<u>Convenience</u>				
Grocery	-	0%	-	0%
Convenience	1	3%	3,200	3%
Specialty Food	1	3%	2,500	3%
Health/Pers Care	-	0%	-	0%
Gas/Convenience	3	9%	7,000	7%
Florist	-	0%	-	0%
Liquor/Tobacco	-	0%	-	0%
Misc	-	0%	-	0%
Sub-Total	5	16%	12,700	13%
<u>Shoppers Goods</u>				
Apparel	-	0%	-	0%
Accessory	-	0%	-	0%
Jewelry	-	0%	-	0%
Shoes	-	0%	-	0%
Furniture	-	0%	-	0%
Home Furnishings	1	3%	4,000	4%
Appliances	-	0%	-	0%
Hardware/Paint/Farm	3	9%	11,800	12%
Garden Supply	1	3%	900	1%
Home Centers	-	0%	-	0%
Department Store	-	0%	-	0%
Non DS GM	1	3%	9,500	10%
Used Mdse/Antiques	1	3%	3,000	3%
Vehicle Dealer	1	3%	3,900	4%
Auto Supply	-	0%	-	0%
Electronics	-	0%	-	0%
Books/Music	-	0%	-	0%
Musical Instruments	-	0%	-	0%
Gift, Novelty, Svr, Misc	-	0%	-	0%
Hobby/Toy/Game	-	0%	-	0%
Luggage/Leather	-	0%	-	0%
Office Supply/Sta	-	0%	-	0%
Misc	-	0%	-	0%
Sporting Goods	-	0%	-	0%
Sub-Total	8	25%	33,100	35%
<u>Dining & Entertainment</u>				
Restaurant-LS	1	3%	2,300	2%
Restaurant-FS	3	9%	8,700	9%
Drinking Estab.	2	6%	5,000	5%
Snack/Beverage	1	3%	800	1%
Entertainment	-	0%	-	0%
Sub-Total	7	22%	16,800	18%
<u>Personal Svces</u>				
	1	3%	1,800	2%
TOTAL	21	66%	64,400	68%
<i>Existing Vacant</i>	11	34%	30,500	32%
GRAND TOTAL	32	100%	94,900	100%
Sources:	Kosciusko County Assessor, retail businesses, listings, and Randall Gross / Development Economics.			

Table A7. TOTAL WARRANTED RETAIL DEMAND BY USE, SOUTH WARSAW AREA, 2021 AND 2026				
Type of Good	Gross Demand (Sq Ft)		Existing Uses	Warranted Demand
	2021	2026		
Convenience				
Grocery	12,216	13,966	-	13,966
Convenience	2,344	2,679	3,200	(521)
Specialty Food	1,324	1,512	2,500	(988)
Health/Pers Care	7,109	8,115	-	8,115
Gas/Convenience	6,097	6,965	7,000	(35)
Florist	670	765	-	765
Liquor/Smoke	3,166	3,615	-	3,615
Misc Convenience	2,800	3,300	-	3,300
Sub-Total	35,727	40,918	12,700	28,218
Shoppers Goods				
Apparel	3,609	4,121	-	4,121
Accessory	107	122	-	122
Jewelry	642	733	-	733
Shoes	560	639	-	639
Furniture	4,391	5,011	-	5,011
Home Furnishings	4,349	5,129	4,000	1,129
Appliances	1,337	1,526	-	1,526
Hardware	12,032	13,731	11,800	1,931
Garden Supply	2,664	3,040	900	2,140
Home Center	5,234	5,973	-	5,973
Department Store	576	658	-	658
Non DS GM	8,936	10,198	9,500	698
Used Mdse/Antiques	1,880	2,649	3,000	(351)
Auto Dealer	4,643	5,299	3,900	1,399
Auto Supply	2,196	2,506	-	2,506
Electronics	939	1,071	-	1,071
Books/Music	290	333	-	333
Musical Instrument	207	237	-	237
Gift, Novelty, Svr	528	606	-	606
Hobby/Toy/Game	461	529	-	529
Luggage/Leather	38	43	-	43
Office Supply/Sta	233	266	-	266
Misc SG	2,841	3,242	-	3,242
Sporting Goods	801	918	-	918
Sub-Total	59,494	68,581	33,100	35,481
Dining & Entertainment				
Restaurant-LS	3,129	3,478	2,300	1,178
Restaurant-FS	10,525	12,056	8,700	3,356
Drinking Est.	2,183	2,548	5,000	(2,452)
Snack/Bev	1,194	1,419	800	619
Entertainment	2,052	2,382	-	2,382
Sub-Total	19,084	21,883	16,800	5,083
Personal Services				
	9,131	10,420	1,800	8,620
TOTAL	123,436	141,802	64,400	77,402
<i>Existing Vacant</i>			30,500	
Net New Space				46,902
Source:	Randall Gross / Development Economics.			

Table A8. RETAIL INVENTORY, WARSAW, 2021				
Category	Number	(Percent)	Sq. Ft.	(Percent)
<u>Convenience</u>				
Grocery	4	1%	336,076	12%
Convenience	2	1%	7,700	0%
Specialty Food	7	2%	13,700	1%
Health/Pers Care	9	3%	37,029	1%
Gas/Convenience	15	4%	35,000	1%
Florist	2	1%	5,150	0%
Liquor/Tobacco	9	3%	19,600	1%
Misc	2	1%	3,200	0%
Sub-Total	50	14%	457,455	17%
<u>Shoppers Goods</u>				
Apparel	11	3%	48,533	2%
Accessory	2	1%	3,000	0%
Jewelry	5	1%	11,800	0%
Shoes	2	1%	14,324	1%
Furniture	10	3%	162,630	6%
Home Furnishings	13	4%	42,900	2%
Appliances	2	1%	7,200	0%
Hardware/Paint/Farm	4	1%	32,600	1%
Garden Supply	1	0%	3,500	0%
Home Centers	1	0%	146,347	5%
Department Store	1	0%	68,961	3%
Non DS GM	7	2%	429,770	16%
Used Mdse/Antiques	3	1%	49,500	2%
Auto Dealer	23	6%	209,150	8%
Auto Supply	10	3%	64,500	2%
Electronics	9	3%	21,449	1%
Books/Music	2	1%	3,800	0%
Musical Instruments	2	1%	6,000	0%
Gift, Novelty, Svr, Misc	4	1%	8,500	0%
Hobby/Toy/Game	2	1%	4,400	0%
Luggage/Leather	-	0%	-	0%
Office Supply/Sta	2	1%	4,000	0%
Misc	16	4%	47,410	2%
Sporting Goods	5	1%	20,700	1%
Sub-Total	137	38%	1,410,974	52%
<u>Dining & Entertainment</u>				
Restaurant-LS	36	10%	86,062	3%
Restaurant-FS	38	11%	141,600	5%
Drinking Estab.	5	1%	11,100	0%
Snack/Beverage	12	3%	22,400	1%
Entertainment	3	1%	52,398	2%
Sub-Total	94	26%	313,560	11%
<u>Personal Svces</u>				
	31	9%	47,650	2%
TOTAL	312	87%	2,229,639	82%
<i>Existing Vacant</i>	45	13%	504,518	18%
GRAND TOTAL	357	100%	2,734,157	100%
Sources:	Kosciusko County Assessor, retail businesses, listings, and Randall Gross / Development Economics.			

Table A9. TOTAL WARRANTED RETAIL DEMAND BY USE, WARSAW AREA, 2021 AND 2026				
Type of Good	Gross Demand (Sq Ft)		Existing Uses	Warranted Demand
	2021	2026		
<u>Convenience</u>				
Grocery	234,017	271,802	336,076	(64,274)
Convenience	15,373	18,023	7,700	10,323
Specialty Food	18,198	21,234	13,700	7,534
Health/Pers Care	52,312	60,621	37,029	23,592
Gas/Convenience	41,317	48,285	35,000	13,285
Florist	5,435	6,283	5,150	1,133
Liquor/Smoke	28,635	33,245	19,600	13,645
Misc Convenience	2,800	3,300	3,200	100
Sub-Total	398,086	462,793	457,455	5,338
<u>Shoppers Goods</u>				
Apparel	42,998	82,327	48,533	33,794
Accessory	3,459	4,904	3,000	1,904
Jewelry	13,223	20,616	11,800	8,816
Shoes	9,830	14,542	14,324	218
Furniture	87,633	101,110	162,630	(61,520)
Home Furnishings	38,725	50,466	42,900	7,566
Appliances	16,854	20,050	7,200	12,850
Hardware	61,869	74,327	32,600	41,727
Garden Supply	15,360	19,162	3,500	15,662
Home Center	109,712	126,547	146,347	(19,800)
Department Store	13,426	15,488	68,961	(53,473)
Non DS GM	347,640	412,967	429,770	(16,803)
Used Mdse/Antiques	56,303	79,138	49,500	29,638
Auto Dealer	118,485	136,710	209,150	(72,440)
Auto Supply	47,230	54,491	64,500	(10,009)
Electronics	19,783	22,827	21,449	1,378
Books/Music	7,338	12,502	3,800	8,702
Musical Instrument	4,322	6,644	6,000	644
Gift, Novelty, Svr	15,375	28,124	8,500	19,624
Hobby/Toy/Game	13,622	23,603	4,400	19,203
Luggage/Leather	765	952	-	952
Office Supply/Sta	5,978	7,097	4,000	3,097
Misc SG	52,688	61,939	47,410	14,529
Sporting Goods	24,020	44,789	20,700	24,089
Sub-Total	1,126,636	1,421,321	1,410,974	10,347
<u>Dining & Entertainment</u>				
Restaurant-LS	87,787	94,240	86,062	8,178
Restaurant-FS	136,909	160,666	141,600	19,066
Drinking Est.	15,715	27,140	11,100	16,040
Snack/Bev	20,309	34,003	22,400	11,603
Entertainment	74,964	111,524	52,398	59,126
Sub-Total	335,684	427,573	313,560	114,013
<u>Personal Services</u>				
	65,952	78,455	47,650	30,805
TOTAL	1,926,358	2,390,142	2,229,639	160,503
<i>Existing Vacant</i>			504,518	
Net New Space				(344,015)
Source:	Randall Gross / Development Economics.			

Table A10. TOTAL WARRANTED RETAIL DEMAND BY USE, SOUTH WARSAW AREA, 2021 AND 2026				
Type of Good	Gross Demand (Sq Ft)		Existing Uses	Warranted Demand
	2021	2026		
<u>Convenience</u>				
Grocery	39,516	45,831	-	45,831
Convenience	3,745	4,367	3,200	1,167
Specialty Food	5,767	6,682	7,200	(518)
Health/Pers Care	17,739	20,424	2,000	18,424
Gas/Convenience	8,847	10,292	8,600	1,692
Florist	1,976	2,273	5,150	(2,877)
Liquor/Smoke	8,798	10,145	7,200	2,945
Misc Convenience	2,800	3,300	1,200	2,100
Sub-Total	89,189	103,314	34,550	68,764
<u>Shoppers Goods</u>				
Apparel	15,530	30,062	5,900	24,162
Accessory	944	1,382	1,500	(118)
Jewelry	4,096	6,483	1,800	4,683
Shoes	2,899	4,323	-	4,323
Furniture	23,215	26,733	-	26,733
Home Furnishings	12,495	16,248	5,000	11,248
Appliances	6,893	8,177	7,200	977
Hardware	14,846	17,769	3,800	13,969
Garden Supply	8,450	10,496	-	10,496
Home Center	19,203	22,098	-	22,098
Department Store	2,858	3,295	-	3,295
Non DS GM	20,047	23,757	-	23,757
Used Mdse/Antiques	23,866	33,874	3,000	30,874
Auto Dealer	15,252	17,592	12,600	4,992
Auto Supply	8,794	10,131	2,000	8,131
Electronics	5,017	5,771	1,900	3,871
Books/Music	1,963	3,450	1,800	1,650
Musical Instrument	1,284	1,974	-	1,974
Gift, Novelty, Svr	4,368	8,243	5,000	3,243
Hobby/Toy/Game	4,610	8,294	1,900	6,394
Luggage/Leather	255	317	-	317
Office Supply/Sta	1,851	2,191	1,500	691
Misc SG	13,594	15,944	16,800	(856)
Sporting Goods	5,993	11,272	7,500	3,772
Sub-Total	218,322	289,873	79,200	210,673
<u>Dining & Entertainment</u>				
Restaurant-LS	14,644	14,933	5,500	9,433
Restaurant-FS	30,454	35,842	29,300	6,542
Drinking Est.	4,012	6,970	-	6,970
Snack/Bev	4,574	7,823	5,300	2,523
Entertainment	19,978	28,830	-	28,830
Sub-Total	73,662	94,398	40,100	54,298
<u>Personal Services</u>				
	17,046	20,194	6,000	14,194
TOTAL	398,219	507,780	159,850	347,930
<i>Existing Vacant</i>			72,300	
Net New Space				275,630
Source:	Randall Gross / Development Economics.			

Table A11. RETAIL INVENTORY, WEST KOSCIUSKO, 2021				
Category	Number	(Percent)	Sq. Ft.	(Percent)
<u>Convenience</u>				
Grocery	-	0%	-	0%
Convenience	-	0%	-	0%
Specialty Food	-	0%	-	0%
Health/Pers Care	-	0%	-	0%
Gas/Convenience	3	9%	7,100	8%
Florist	1	3%	1,100	1%
Liquor/Tobacco	2	6%	4,700	5%
Misc	1	3%	2,400	3%
Sub-Total	7	21%	15,300	17%
<u>Shoppers Goods</u>				
Apparel	-	0%	-	0%
Accessory	-	0%	-	0%
Jewelry	-	0%	-	0%
Shoes	-	0%	-	0%
Furniture	-	0%	-	0%
Home Furnishings	1	3%	3,500	4%
Appliances	-	0%	-	0%
Hardware/Paint/Farm	1	3%	4,400	5%
Garden Supply	1	3%	2,300	3%
Home Centers	-	0%	-	0%
Department Store	-	0%	-	0%
Non DS GM	1	3%	9,500	10%
Used Mdse/Antiques	2	6%	5,500	6%
Auto Dealer	2	6%	3,900	4%
Auto Supply	2	6%	5,500	6%
Electronics	-	0%	-	0%
Books/Music	1	3%	1,000	1%
Musical Instruments	-	0%	-	0%
Gift, Novelty, Svr, Misc	1	3%	1,667	2%
Hobby/Toy/Game	-	0%	-	0%
Luggage/Leather	-	0%	-	0%
Office Supply/Sta	-	0%	-	0%
Misc	1	3%	1,900	2%
Sporting Goods	-	0%	-	0%
Sub-Total	13	39%	39,167	43%
<u>Dining & Entertainment</u>				
Restaurant-LS	1	3%	2,300	3%
Restaurant-FS	4	12%	14,100	16%
Drinking Estab.	1	3%	3,500	4%
Snack/Beverage	1	3%	1,200	1%
Entertainment	-	0%	-	0%
Sub-Total	7	21%	21,100	23%
<u>Personal Svces</u>				
	2	6%	4,567	5%
TOTAL	29	88%	80,133	88%
<i>Existing Vacant</i>	4	12%	10,600	12%
GRAND TOTAL	33	100%	90,733	100%
Sources:	Kosciusko County Assessor, retail businesses, listings, and Randall Gross / Development Economics.			

Table A12. TOTAL WARRANTED RETAIL DEMAND BY USE, WEST KOSCIUSKO, 2021 AND 2026				
Type of Good	Gross Demand (Sq Ft)		Existing Uses	Warranted Demand
	2021	2026		
<u>Convenience</u>				
Grocery	14,974	17,214	-	17,214
Convenience	1,003	1,156	-	1,156
Specialty Food	667	768	-	768
Health/Pers Care	4,859	5,578	-	5,578
Gas/Convenience	6,041	6,941	7,100	(159)
Florist	1,219	1,399	1,100	299
Liquor/Smoke	1,927	2,214	4,700	(2,486)
Misc Convenience	2,800	3,300	2,400	900
Sub-Total	33,492	38,569	15,300	23,269
<u>Shoppers Goods</u>				
Apparel	2,693	5,251	-	5,251
Accessory	137	211	-	211
Jewelry	741	1,195	-	1,195
Shoes	635	962	-	962
Furniture	5,074	5,822	-	5,822
Home Furnishings	2,563	3,315	3,500	(185)
Appliances	1,126	1,330	-	1,330
Hardware	5,115	6,096	4,400	1,696
Garden Supply	1,164	1,441	2,300	(859)
Home Center	4,532	5,199	-	5,199
Department Store	549	630	-	630
Non DS GM	18,229	21,528	9,500	12,028
Used Mdse/Antiques	3,501	4,986	5,500	(514)
Auto Dealer	4,670	5,357	3,900	1,457
Auto Supply	1,976	2,267	5,500	(3,233)
Electronics	751	861	-	861
Books/Music	304	568	1,000	(432)
Musical Instrument	207	317	-	317
Gift, Novelty, Svr	615	1,210	1,667	(456)
Hobby/Toy/Game	603	1,110	-	1,110
Luggage/Leather	42	52	-	52
Office Supply/Sta	291	344	-	344
Misc SG	2,532	2,961	1,900	1,061
Sporting Goods	998	1,941	-	1,941
Sub-Total	59,047	74,954	39,167	35,787
<u>Dining & Entertainment</u>				
Restaurant-LS	3,829	3,995	2,300	1,695
Restaurant-FS	12,125	14,082	14,100	(18)
Drinking Est.	655	987	3,500	(2,513)
Snack/Bev	929	1,592	1,200	392
Entertainment	4,491	7,764	-	7,764
Sub-Total	22,029	28,420	21,100	7,320
<u>Personal Services</u>				
	6,953	8,211	4,567	3,644
TOTAL	121,520	150,154	80,133	70,021
<i>Existing Vacant</i>			10,600	
Net New Space				59,421
Source:	Randall Gross / Development Economics.			

Table A1. RETAIL INVENTORY, KOSCIUSKO COUNTY, 2021				
Category	Number	(Percent)	Sq. Ft.	(Percent)
<u>Convenience</u>				
Grocery	7	1%	390,241	11%
Convenience	4	1%	14,400	0%
Specialty Food	17	3%	34,800	1%
Health/Pers Care	13	2%	77,529	2%
Gas/Convenience	39	6%	88,800	2%
Florist	2	0%	7,700	0%
Liquor/Tobacco	14	2%	28,400	1%
Misc.	<u>2</u>	<u>0%</u>	<u>3,600</u>	<u>0%</u>
Sub-Total	98	15%	645,470	18%
<u>Shoppers Goods</u>				
Apparel	14	2%	53,833	1%
Accessory	2	0%	3,000	0%
Jewelry	7	1%	14,100	0%
Shoes	3	0%	22,324	1%
Furniture	13	2%	180,630	5%
Home Furnishings	20	3%	61,600	2%
Appliances	3	0%	9,700	0%
Hardware/Paint	9	1%	51,268	1%
Farm & Garden Supply	10	2%	49,200	1%
Home Centers	3	0%	331,193	9%
Department Store	2	0%	275,356	7%
Non-DS General Merch.	13	2%	97,329	3%
Used Mdse./Antiques	22	3%	114,800	3%
Vehicle Dealer	31	5%	228,850	6%
Auto Supply	21	3%	105,200	3%
Electronics	11	2%	25,849	1%
Books/Music	4	1%	7,000	0%
Musical Instruments	2	0%	6,000	0%
Gift, Novelty, Svr, Misc.	9	1%	18,067	0%
Hobby/Toy/Game	3	0%	5,400	0%
Luggage/Leather	-	0%	-	0%
Office Supply/Sta	3	0%	7,500	0%
Misc. Shopper's Goods	27	4%	67,410	2%
Sporting Goods	12	<u>2%</u>	<u>48,100</u>	<u>1%</u>
Sub-Total	244	38%	1,783,709	48%
<u>Dining & Entertainment</u>				
Restaurant-LS	53	8%	127,262	3%
Restaurant-FS	66	10%	227,300	6%
Drinking Establishments	12	2%	29,400	1%
Snack/Beverage	23	4%	39,600	1%
Entertainment	<u>6</u>	<u>1%</u>	<u>79,227</u>	<u>2%</u>
Sub-Total	160	25%	502,789	14%
<u>Personal Services</u>				
	57	9%	91,117	2%
TOTAL	559	88%	3,023,084	82%
<i>Existing Vacant</i>	78	12%	659,728	18%
	-			
GRAND TOTAL	637	100%	3,682,812	100%
Sources:	Kosciusko County Assessor, Listings, Businesses, and Randall Gross / Development Economics.			



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