

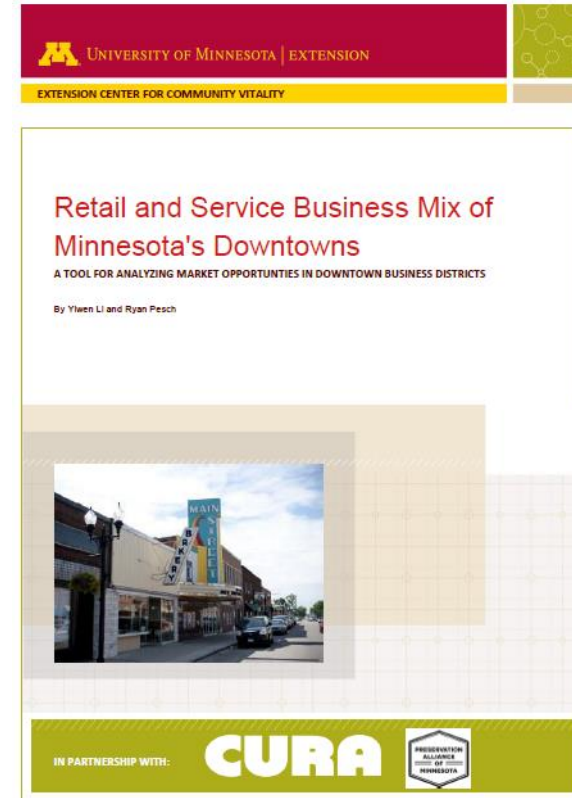
# Lake City Downtown Retail Business Comparison Analysis

2017 Analysis



# Data sources for analysis

- University of Minnesota Extension published *Retail and Service Business Mix of Minnesota's Downtowns* in 2014, a tool for analyzing market opportunities in downtown business districts
  - This paper surveyed the number of retail and service business in Minnesota cities and categorized the results into tables by NAICS\* code, by metro area/non-metro and by population size
- The UMN tool recommends that when counting businesses in comparison cities each business only be counted once, regardless of whether they provide goods and services in more than one NAICS category
  - Supplemental material available includes a count of secondary businesses in Lake City for each NAICS category
  - See [www.lakecityeda.com/retail-trade-analysis](http://www.lakecityeda.com/retail-trade-analysis)



*NAICS is the North American Industry Classification System, the standard used by Federal statistical agencies.*

# What data was Lake City compared to?

- Lake City's retail and service business counts were compared to figures for non-metro Minnesota cities with populations of 5,000 to 10,000 within a 1 mile radius of downtown
- The Lake City EDA counted retail and service businesses within a 2 mile radius of downtown because Lake Pepin restricts the radius of Lake City's downtown
- Results for categories where Lake City has surplus (more than average) and leakage (less than average) are shown in the following slides

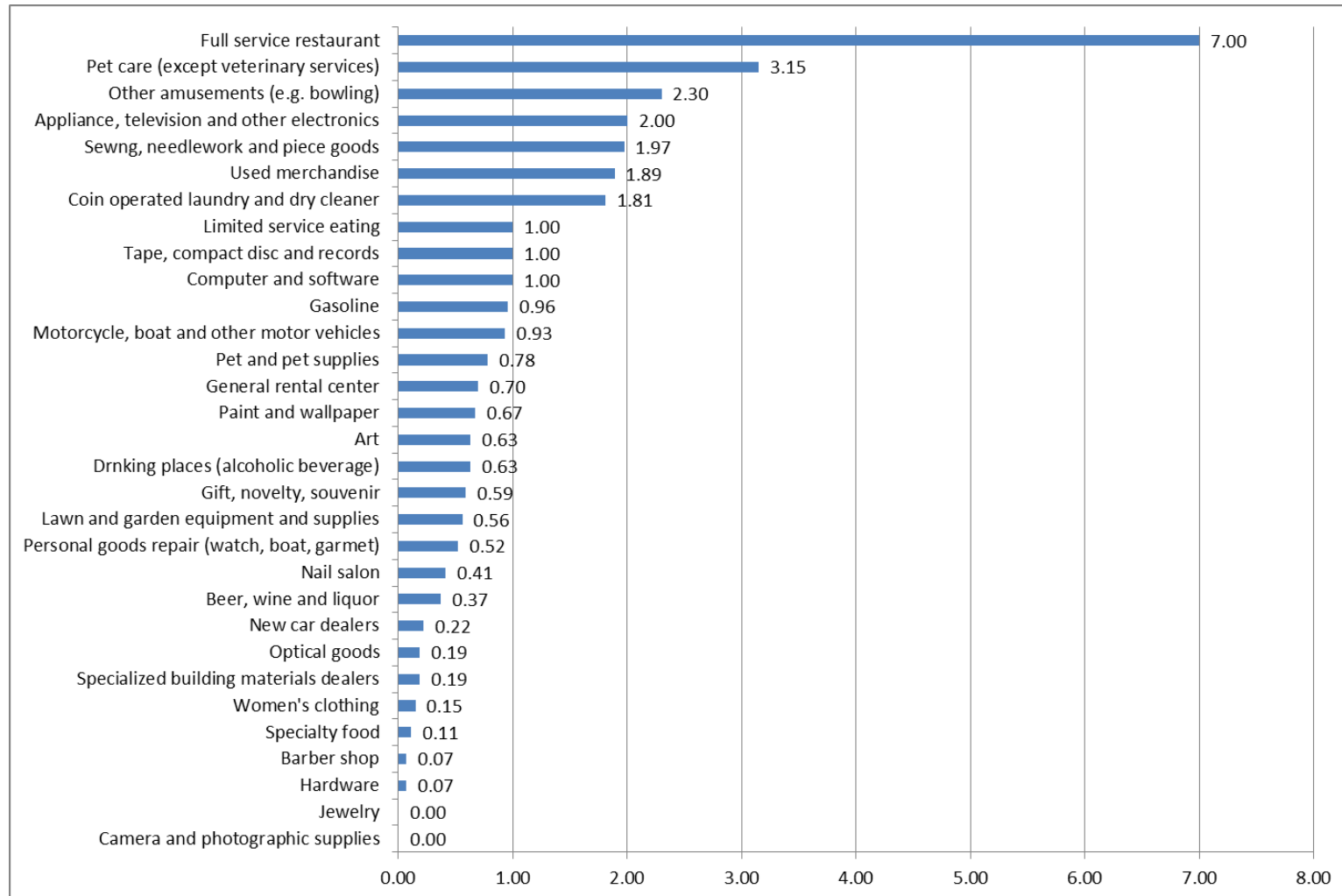


# Lake City Retail Surplus vs. Comparison Average

**Retail businesses categories (by NAICS code) in Lake City with a 'surplus' when compared businesses in 27 non-metro Minnesota Cities of 5,000 – 10,000 within 1 mile radius of downtown.**

**The larger the number, the more businesses Lake City has in these categories than the average.**

*Source: UMN Extension Retail and Service Business Mix of Minnesota's Downtowns March 2014; Analysis performed by Lake City EDA 2017*

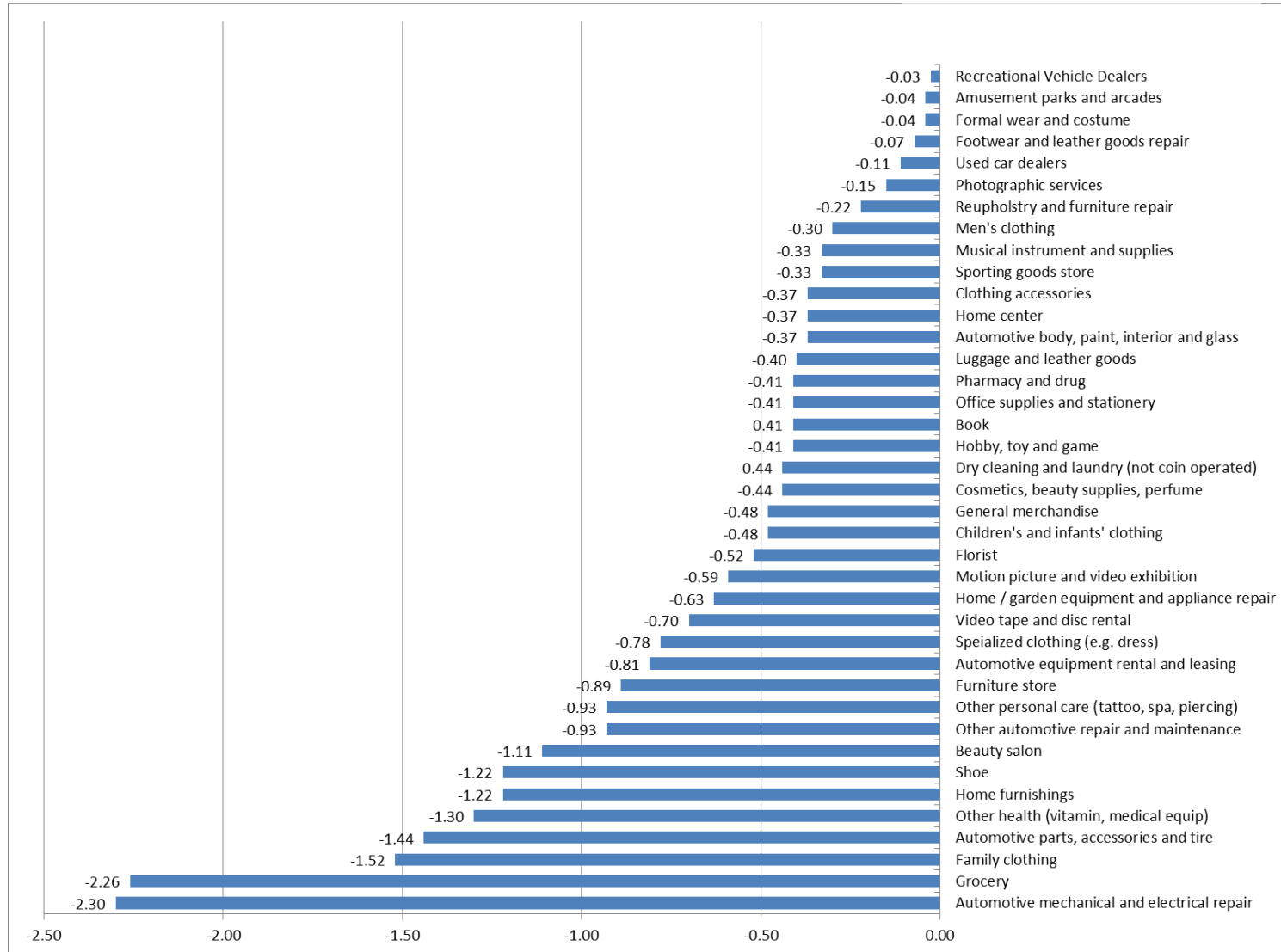


# Lake City Retail Leakage vs. Comparison Average

Retail businesses categories (by NAICS code) in Lake City with a 'leakage' when compared to businesses in 27 non-metro Minnesota Cities of 5,000 – 10,000 within a 1 mile radius of downtown.

The smaller the number, the fewer businesses Lake City has in these categories in comparison to the average.

Source: UMN Extension Retail and Service Business Mix of Minnesota's Downtowns March 2014; Analysis performed by Lake City EDA 2017



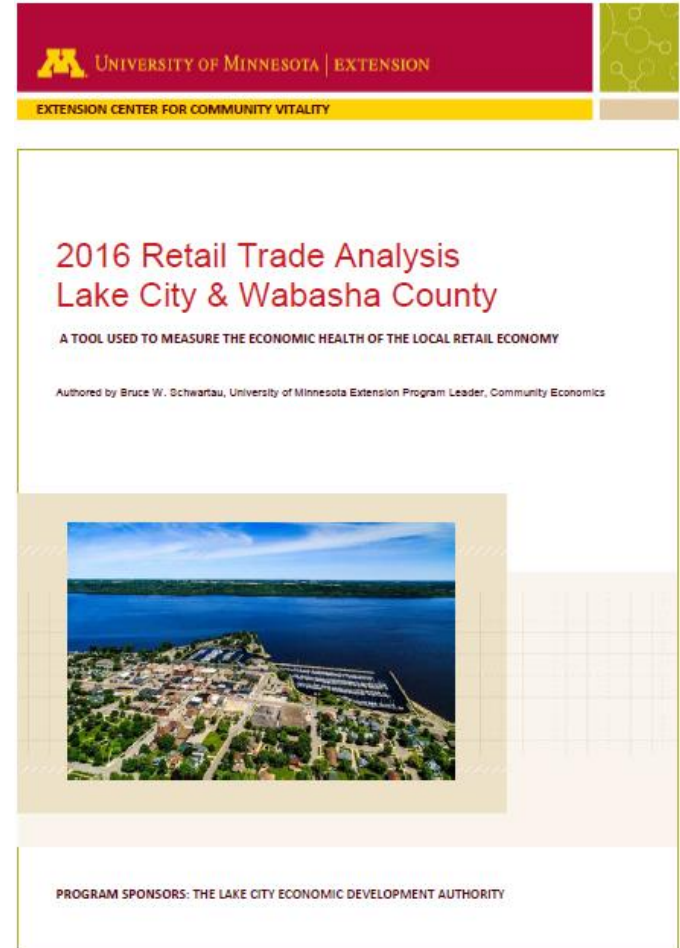
# How to use this information

- This data was developed to inform business decision-making and is not intended to advocate for any specific result without further analysis
- Where Lake City has more than the average number of businesses there may be an opportunity to build a niche retail or service competency to draw visitors
- Lake City may have more than the average number of businesses in a category because we are a tourist destination (see data for full service restaurants); this is not a negative
- Where we have fewer than the average businesses in a category, that need may be satisfied by businesses in nearby communities (e.g. furniture store in Red Wing) and may not indicate the need to open this type of business in Lake City



# 2016 Retail Trade Analysis

- UMN Extension updated the Lake city and Wabasha County Retail Trade analysis in 2016
- This study includes historical comparisons of for Lake City, Goodhue and Wabasha Counties and concludes that overall retail sales in Lake City were essentially flat from 2010 to 2014.
- Many retail sales are being lost to surrounding communities, however tourism-related businesses, such as food and drink, draw customers at higher than average rates.



To read the full report, go to [www.lakecityeda.com/retail-trade-analysis](http://www.lakecityeda.com/retail-trade-analysis)