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Report could help shape Beloit's development future

By AUSTIN MONTGOMERY Staff Writer
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BELOIT — A new report will be a “critical tool” for marketing the Beloit area, according to Greater Beloit Development Corporation (GBEDC) Executive Director Andrew Janke.

The 10-Mile City Report works on the idea that no market operates within a vacuum, isolated from its neighbors. It recognizes residents travel across borders and between communities and spend time and money throughout the area. The report covers an area extending 10 miles from Beloit’s city center to include three counties, 14 zip codes and 37 census tracts in southern Wisconsin and northern Illinois.

“This is a condensed story of all that’s happening in the Beloit area,” Janke said. “We wanted to simplify as much of the demographic data we could and package that in a way that tells a story so that people who aren’t familiar with the area can get a sense of what’s actually happening here.”

Janke said the reports timing, having been released in the midst of a global pandemic, wasn’t ideal.

"It's changed things," Janke said. "But development is not completely dead out there. There's a lot of ongoing construction activity in Beloit that was happening prior to the pandemic and that's what should be expected. A lot of businesses right now are making technical decision to survive day-to-day while some are continuing to grow and expand."

The report highlights gaps already known to developers, like the need for more retail development, and also showcases some of the major ongoing projects in Beloit from the Amazon fulfillment center to the future downtown Beloit Snappers stadium.

"It tells us what we've already known," Janke said. "But I think the report will help counteract some things that national retailers look at when determining where to open their next location. It shows we've done our homework and assembled data.

The greatest areas for retail opportunities in the area are reflected in the study through calculating annual retail sales (supply) with consumer demand. The difference between the two indicate potential retail opportunities. In total, the area has a retail trade supply of \$1.53 billion and consumer demand of \$1.45 billion, leaving an \$82 million spending gap that's filled by consumer spending from outside the 10-mile area, the report said.

But opportunities in specific industries have surfaced.

Industries including auto dealers and vehicle-related businesses have the largest retail opportunity with \$135.6 million annual potential sales followed by clothing and clothing accessory stores with \$47.52 million in annual potential sales. The third-highest industry of opportunity for new businesses includes furniture and home furnishing stores with an annual potential sales opportunity of \$32 million, as previously reported by the Beloit Daily News.

Going forward Janke said the report would help developers "all get talking from the same script with a unified message" when in contact with larger firms. Janke said the report is expected to be updated in 2021 or 2022 following the release of 2020 census data by U.S. Census Bureau.

"I think more communities are thinking of a regional approach as opposed to a parochial one and that makes fare more sense," Janke said. "It improves your demographics significantly and can provide a picture to the true market size and spending power of an area."

While Beloit's done well to support industrial sector growth, developer Joel Patch said the retail sector has fallen behind following multiple closures in Beloit from Shopko to Elder Beerman.

Patch, who owns the Commercial Property Group, has had experience working closely with national retailers about making a move to Beloit. Patch says companies often rely on their own demographic data but said the new report would allow for comparisons of data going forward.

"These companies are only going to go where it fits their business model," Patch said. "It's a helpful thing to have, and I will make sure it gets to the people who need to see it. Anything we can do to get attention is a good thing."

Patch said some of the brokers he is in contact with say that large retail firms are saying that new construction isn't expected this year with some optimism for the spring of 2021.

"They're willing to look, willing to investigate," Patch said. "The voices keep getting louder and louder from people in our community wanting more retail and we are stuck between two markets (Janesville and Rockford)."

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