# DICKINSON, NORTH DAKOTA
# RETAIL SALES POTENTIAL

**Prepared for:**

**Roers Development**
**and**
**Stark Development Corporation**

**June 2010**

McCOMB GROUP, Ltd.
REAL ESTATE AND RETAIL CONSULTANTS

# DICKINSON, NORTH DAKOTA
# RETAIL SALES POTENTIAL

**Prepared for:**

**Roers Development**
**and**
**Stark Development Corporation**

**Prepared by**

**McComb Group, Ltd.**

**June 2010**

## TABLE OF CONTENTS

**TABLE OF CONTENTS (continued)**

## LIST OF TABLES

## LIST OF MAPS



## LIST OF FIGURES

# INTRODUCTION

McComb Group, Ltd. was engaged by Roers Development and Stark Development Corporation to conduct retail market analysis for Dickinson, North Dakota. Work tasks conducted during this engagement are summarized below.

- Shopping areas and retailers located in Dickinson were identified and evaluated. Principal competitors were identified and evaluated for anchor stores and tenant mix.

- Economic base characteristics of the Dickinson area that influence retail spending were evaluated and quantified. Factors evaluated include, but were not limited to: population, total employment, employment by type, retail sales, and other pertinent information. Specific attention was paid to the impact of oil and gas exploration and production on the region's employment, as well as employment growth in support categories. Interviews were conducted with local officials to obtain insights into employment and population growth stimulated by the region's oil boom.

- Retail sales trends in Dickinson were examined to determine market share trends for retailers. This analysis included Dickinson retail sales for 2002 from the Retail Census updated by McComb Group using local information and North Dakota sales tax records.

- The trade area for Dickinson was delineated based on location of competitive shopping areas, arterial road patterns, and McComb Group experience. The economy of the trade area was analyzed to identify those factors that generate support for retail and service establishments. Factors evaluated include, but were not limited to: employment, population, households, and household income. Trade area growth trends were evaluated to determine residential and employment growth potential for target years of 2010 and 2015. Retail and service purchasing power of trade area households were estimated using McComb Group's proprietary retail purchasing power software that contains spending potential for over 120 business establishments.

- Market demand for retail, food service, and service establishments in Dickinson was identified based on estimated trade area population, households, and employment growth taking into consideration competitive impacts, trade area demographics and purchasing power, and future market share. Based on this analysis, sales potential and supportable gross leasable area (GLA) for retail, food service, and services in Dickinson was estimated by store type.

- Information from the above tasks was summarized in a form suitable for use in marketing Dickinson to potential tenants.

This report contains the primary information needed to support the principal conclusions. However, in a report of this nature, it is not possible to include all of the information that was developed and evaluated. Any additional information will be furnished upon request.

**Report Purpose**

This report was prepared in accordance with our proposal dated April 13, 2010. This report was prepared with the understanding that the results of our work will be used by the client to evaluate the potential for additional retail stores and services in Dickinson. Our report was prepared for that purpose and is subject to the following qualifications:

- Our analysis did not ascertain the legal and regulatory requirements applicable to this project including zoning, other state and local government regulations, permits and licenses. No effort was made to determine the possible effect on the proposed project of present or future federal, state or local legislation, or any environmental or ecological matters.
- Our report and analysis was based on estimates, assumptions and other information developed from research of the market, knowledge of the industry and discussions with the client. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur; therefore, actual results achieved will vary from the analysis.
- Our analysis did not evaluate management's effectiveness nor are we responsible for future marketing efforts and other management actions upon which actual results are dependent.

Our report is intended solely for the purpose described above and should not be used for any other purpose without our prior written permission. Permission for other use of the report will be granted only upon meeting company standards for the proposed use.

# Chapter I

## DICKINSON RETAIL AREAS

Dickinson has five retail areas, as shown in Table 1, with a total of 382 business establishments. The locations of these areas are shown on Map 1. These establishments were identified by driving and/or walking each retail area. This methodology may have overlooked a few retail establishments, but is assumed to represent almost all Dickinson retailers.

Table 1

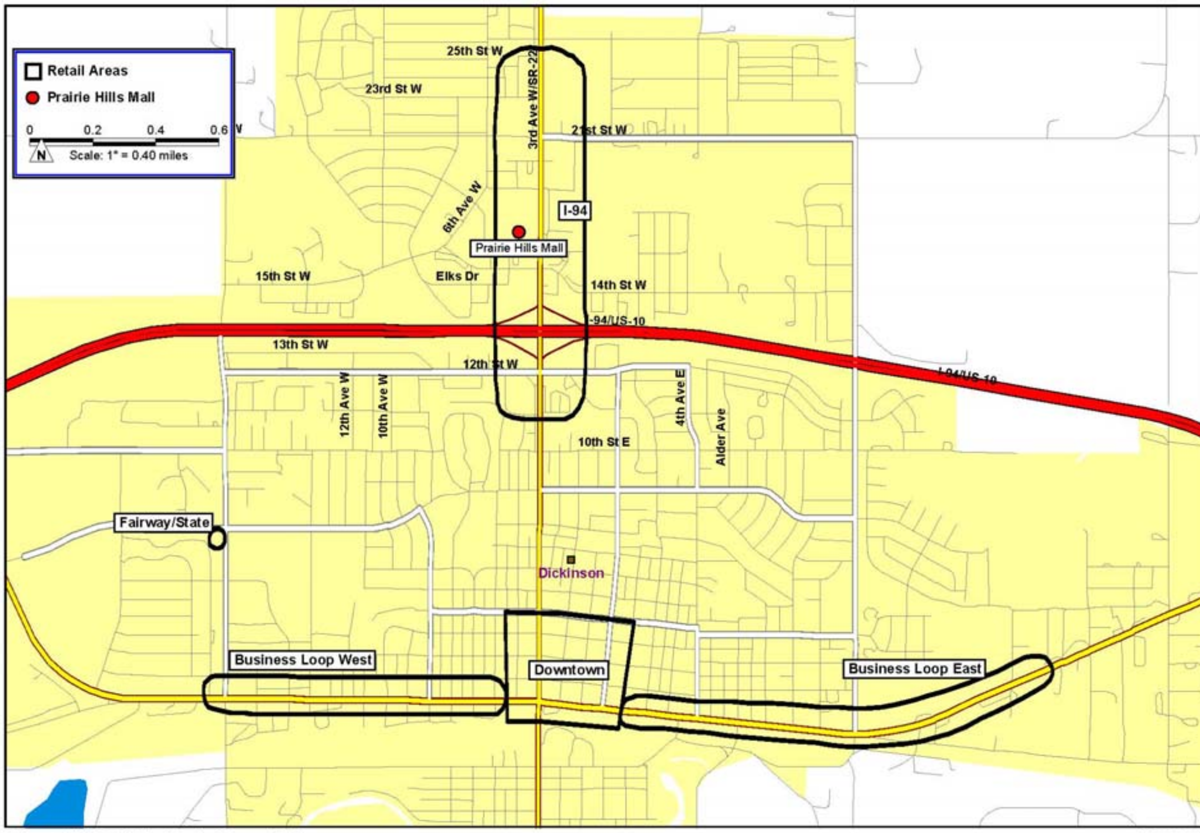
SUMMARY OF DICKINSON TENANT MIX BY AREA

| Merchandise Category | I-94 Area | Downtown | Business Loop East | Business Loop West | Fairway & State Ave. | Total |
|---|---|---|---|---|---|---|
| **CONVENIENCE GOODS** | | | | | | |
| Food Stores | 1 | 1 | | | | 2 |
| Specialty Food Stores | 1 | 1 | 1 | 1 | | 4 |
| Other Convenience Goods | 7 | 7 | 1 | 1 | 2 | 18 |
| Subtotal | 9 | 9 | 2 | 2 | 2 | 24 |
| **FOOD SERVICE** | | | | | | |
| Full Service | 10 | 3 | 3 | 1 | 1 | 18 |
| Limited Service | 17 | 1 | 1 | 1 | | 20 |
| Snacks & Beverage Places | 6 | 1 | | 1 | 1 | 9 |
| Cafeterias | | | | | | 0 |
| Drinking Places | | 2 | | 1 | | 3 |
| Subtotal | 33 | 7 | 4 | 4 | 2 | 50 |
| **CONVENIENCE/GAS** | 7 | 1 | 4 | 2 | | 14 |
| **SHOPPING GOODS** | | | | | | |
| General Merchandise | 6 | | 1 | 2 | | 9 |
| Clothing and Accessories | 6 | 3 | 1 | 1 | | 11 |
| Shoes | 1 | | | | | 1 |
| Home Furnishings | 2 | 2 | 3 | 2 | | 9 |
| Home Appliances/Music | 6 | 2 | | 1 | | 9 |
| Other Shopping Goods | 15 | 11 | | 4 | | 30 |
| Subtotal | 36 | 18 | 5 | 10 | 0 | 69 |
| **OTHER STORES** | | | | | | |
| Building Materials/Garden | 1 | 1 | 4 | | | 6 |
| Motor Vehicles & Parts | 3 | 4 | 11 | 4 | | 22 |
| Subtotal | 4 | 5 | 15 | 4 | 0 | 28 |
| **Total Retail** | **89** | **40** | **30** | **22** | **4** | **185** |
| **SERVICES** | | | | | | |
| Personal Care | 10 | 8 | | | 2 | 20 |
| Dry Cleaning/Laundry | 1 | 1 | | 1 | | 3 |
| Personal Services | 7 | 10 | 1 | 3 | 1 | 22 |
| Rental/Leasing | 1 | 1 | | | | 2 |
| Recreation/Entertainment | 2 | | | 2 | | 4 |
| Household Goods Repair | 1 | | | 1 | | 2 |
| Automotive Services | 3 | 2 | 3 | 5 | | 13 |
| Other Services | 12 | 7 | 3 | 7 | | 29 |
| Financial | 15 | 22 | 1 | 5 | 6 | 49 |
| Other Offices (Other than Financial) | 3 | 10 | 1 | 1 | 1 | 16 |
| Medical | 11 | 7 | | 2 | 3 | 23 |
| Other | | | 2 | | | 2 |
| Community | 4 | 7 | | 1 | | 12 |
| **Total Services** | **70** | **75** | **11** | **28** | **13** | **197** |
| **TOTAL** | **159** | **115** | **41** | **50** | **17** | **382** |
| **VACANT** | **22** | **11** | **0** | **1** | **2** | **34** |

Source: McComb Group, Ltd.

**Map 1**

**DICKINSON RETAIL AREAS**




©Copyright 2010 McComb Group, Ltd. 06/14/10

The I-94 area, which includes Prairie Hills Mall and T-Rex Plaza, is the largest retail area with 159 establishments, as shown in Table 1. The I-94 retail area extends along Highway 22 from 11th Street north to about 24th Street. Major retailers include JCPenney, Herberger's, K-Mart, White Drug, Walmart Supercenter, Ronnings Fleet Farm, and Dan's Supermarket. The I-94 area contains 89 retail stores, 22 of which (or one-quarter) are located in Prairie Hills Mall. In the shopping goods category, Prairie Hills Mall has 18 tenants compared to 18 stores in the rest of the area. Food service is the second largest I-94 retail area category with 33 establishments: 10 full service restaurants, 17 limited service restaurants, and six snack and beverage places. The I-94 area contains 70 services, which are dominated by two categories: financial (15) and personal care (10). The I-94 area is the dominant location for shopping goods retailers and food service establishments.

Downtown Dickinson is defined by the area north of the BNSF railroad tracks extending to Fourth Street on the north, Second Avenue on the east, and Fifth Avenue on the west. Downtown contains 40 retail stores and 75 services for a total of 115 establishments. Downtown is the second largest retail concentration in Dickinson. Shopping goods is downtown's largest retail category with 18 stores, 11 of which represent other shopping goods. Downtown contains three clothing stores compared to six establishments in the I-94 area including four at Prairie Hills Mall. Major service categories in downtown include financial (22 establishments), followed by personal services (10 establishments) and personal care (8 establishments).

Business Loop East extends from Second Avenue east to I-94 and contains 41 business establishments: 30 retail stores and 11 services. Motor vehicles and parts are the dominate category in this area representing 11 of the 30 retail stores. Other categories with four stores each include food service, convenience/gas, and building materials.

Business Loop West contains 50 business establishments: 22 retail stores and 28 services. Shopping goods is the largest category with 10 stores followed by motor vehicles and parts and food service. In the service category, financial services and automotive services both have five establishments.

Fairway and State is a small retail area with 17 establishments: four retail stores and 13 service establishments.

This survey identified 36 vacant store fronts in Dickinson: 22 in the I-94 area including 10 spaces at Prairie Hills Mall, and 11 in downtown Dickinson. The largest vacancy is a former Albertson's store in the I-94 retail area.

## TRAFFIC COUNTS

Traffic counts in Dickinson are highest on Highway 22 north of I-94 with 20,175 trips in 2009, followed by I-94 at its intersection with Highway 22 with 19,000 trips, as shown in Table 2. Highway 22 south of I-94 carried 16,190 trips in 2009. These are the highest traffic counts recorded in the Dickinson area. In the downtown area, the highest traffic counts occurred on Third Avenue north of Third Street with 12,210, followed by 10,548 trips on Third Avenue north of Business Loop. Business Loop east of Third Avenue had higher traffic counts than Business Loop west of Third Avenue. This appears to be influenced by traffic arriving from the east on I-94.

Table 2

RETAIL AREA TRAFFIC COUNTS; 2009

| Location | Traffic Count |
|---|---|
| **I-94 Retail Area** | |
| I-94 at Highway 22 | 19,000 |
| Highway 22 north of I-94 | 20,175 |
| Highway 22 south of I-94 | 16,190 |
| **Downtown Retail Area** | |
| Business Loop east of 3rd Ave. | 10,100 |
| Business Loop west of 3rd Ave. | 8,105 |
| 3rd Ave. north of Business Loop | 10,548 |
| 3rd Ave. north of 3rd St. | 12,210 |

Source: City of Dickinson.

## ACCESSIBILITY

Dickinson is served by I-94, which runs east/west through North Dakota. Highway 22 carries a high level of traffic north and south through the city providing convenient access to retailers located in Dickinson.

## DICKINSON

Dickinson is a regional cultural, recreational, and educational center for western North Dakota, providing a wide range of activities for area visitors.

### Cultural

Dickinson's rich history provides the opportunity for many to explore days-gone-by within a number of museums and galleries including:

- Dakota Dinosaur Museum
- Dickinson Museum Center, which includes Joachim Regional Museum, Pioneer Machinery Building, and Prairie Outpost Park (along with a number of other historic buildings)
- Theodore Roosevelt Center
- Ukrainian Cultural Center
- Dickinson State University Art Gallery

### Recreational

Dickinson Parks & Recreation organization provides recreational programs and maintains recreational facilities throughout the city. Numerous programs and camps are offered for all ages and abilities. Dickinson's recreational facilities also attract national sports organizations such as Special Olympics and Challenger Sports (soccer camps), which hold special events and camps for residents and visitors.

West River Community Center is the region's full-service health club which serves regional residents on weekends when they visit Dickinson to exercise, shop, and dine. The facility is 93,000 square feet and offers many amenities and programs for residents and visitors.

Hunting and fishing enthusiasts come to Dickinson for the abundant habitat and variety of game. Hunters from across the country travel to southwest North Dakota to hunt numerous wildlife management areas and private land available for hunting. Area lakes and rivers also provide hours of fishing enjoyment. Other recreational opportunities include golfing, hiking, biking, and camping.

Dickinson also benefits from visitation to the nearby city of Medora, which is a North Dakota vacation and recreation destination. This historic city is surrounded by badlands and provides endless opportunities for tourists to explore the southwestern North Dakota landscape. Medora also provides entertainment for area visitors including the Burning Hills Amphitheatre, Bully Pulpit golf course, historical sites, museums, theatres, and shopping.

Theodore Roosevelt National Park provides many options to explore the badlands. Visitor centers are available to help direct visitors and provide historic information on this 70,467 acre national park. Activities include camping, scenic trails, hiking, guided programs, wildlife viewing, fishing, horseback riding, bike trails, plus many more. Maah Daah Hey Trail, a 96-mile multi-use trail through parts of the badlands, accommodates non-motorized recreational use including backpacking, horseback riding and mountain biking. Theodore Roosevelt National Parks is open 24 hours a day, every day of the year and is visited by over 500,000 people annually.

**Educational**

Dickinson is home to Dickinson State University, which is part of the North Dakota University system. This four-year institution enrolls over 2,600 students and employs about 780 full and part time employees. Dickinson State University engages the community by providing educational opportunities throughout the year for area residents and visitors, such as symposiums, art shows, and children's camps.

**Community**

Dickinson is a regional medical center served by Saint Joseph's Hospital and Health Center with 109 beds, the largest hospital in western North Dakota.

Prairie Hills Mall hosts a variety of events including the "Dickinson's Got Talent" that runs for seven Thursday evenings in the mall during January and February.

**Summary**

Dickinson facilities and recreational activities attract area residents and visitors to Dickinson for frequent events and activities. Shopping is a popular activity when these events are held and the I-94 area is a central part of the shopping experience.

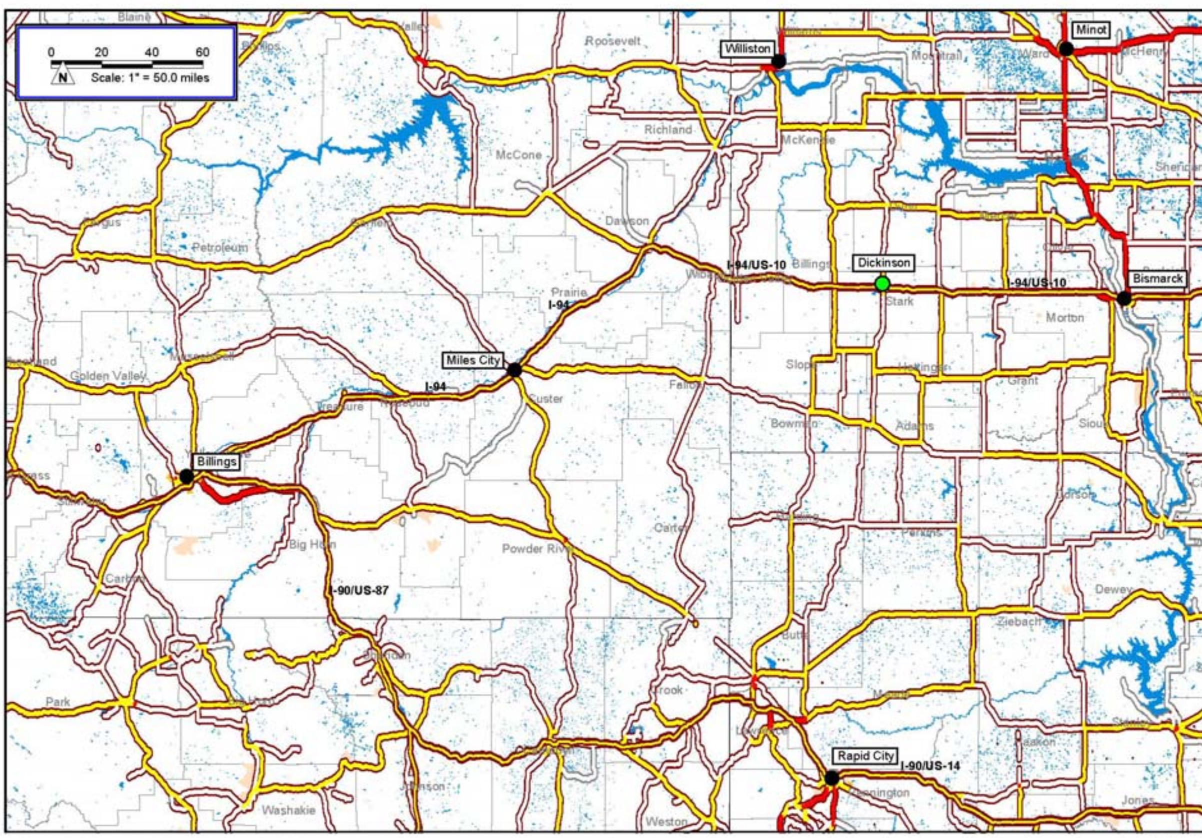
# Chapter II

## DICKINSON COMPETITION

Dickinson retail businesses are competitive with retailers in other large communities in western North Dakota, eastern Montana, and northern South Dakota, as shown on Map 2. The cities of Bismarck and Minot, North Dakota; Billings, Montana; and Rapid City, South Dakota are larger than Dickinson and have a larger base of retail stores. These cities influence the size of Dickinson's trade area. Bismarck is the closest major shopping destination to Dickinson with a large collection of national, regional, and local retailers. Additional competition is provided by stores in Minot and Rapid City. Although these communities provide competitive retail choices, they are located between 100 to 300 miles from Dickinson. These communities influence the boundaries of Dickinson's trade area. Two smaller towns: Williston, North Dakota and Miles City, Montana have discount store presence, but a smaller number of retail stores, and have a lesser competitive impact.

**Map 2**

**COMPETITIVE SHOPPING AREAS**




 05/17/10

**Bismarck, North Dakota**

Bismarck is located approximately 100 miles east of Dickinson on I-94. In 2010, Bismarck's population is 62,777, with approximately 26,975 households. Average household income for Bismarck is estimated at $66,866 in 2010. Bismarck retail includes three large shopping centers. The largest, Kirkwood Mall, is an enclosed mall with 845,000 square feet anchored by Herberger's, JCPenney, Scheels, Target, and IKeating Furniture World. The newest shopping center is Pinehurst Square, a power center with 406,000 square feet, anchored by Best Buy, Lowes, Petsmart, TJMaxx, Old Navy and Kohl's. Gateway Mall is an older, 333,000 square foot center anchored by Sears, Hancock Fabrics, and JoAnn Fabrics. Most of its other retail tenants have departed leaving significant vacancy; and it is being repositioned. Other large retailers include Kmart, Menards, Sam's Club, and Walmart Supercenter.

**Minot, North Dakota**

Minot is about a 170-mile drive northeast from Dickinson. Minot's 2010 population is 35,297 with 16,406 households. Average household income for this community is $63,396. Retail offerings in Minot include a 500,000 square foot regional mall: Dakota Square anchored by Herberger's, JC Penney, Sheels All Sports, Miracle Mart, Sears, Target, and Best Buy. This mall has a total of 40 tenants. Other large retailers located in Minot include Kmart, Sam's Club, and Menards.

**Williston, North Dakota**

Williston has a population of over 13,000 people and 5,523 households in 2010, with average household income of $53,113. This community is located about 130 miles northwest of Dickinson. Williston retail stores include JCPenney, Sears Hometown Store, and Walmart Supercenter.

**Rapid City, South Dakota**

Rapid City is located approximately 240 miles south of Dickinson in South Dakota. This community is centrally located within the Black Hills and is surrounded by national parks and monuments. Rapid City population is almost 70,000 with over 26,000 households, and the 2010 average household income is $64,000.

Rapid City has a number of locally owned shops and two large shopping centers. Regional shopping needs are met by Rushmore Mall, an 800,000 square foot enclosed mall anchored by Herberger's, JCPenney, Sears, Target, and Hobby Lobby; and a new power center, Rushmore Crossings, with 900,000 square feet anchored by Target, TJMaxx, Scheels All Sports, and Furniture Row. Additional big box retailers include Walmart Supercenter, Kmart, Menards, Lowe's, and Cabela's. Downtown Rapid City contains a number of locally owned retail establishments that serve both residents and visitors.

**Billings, Montana**

Billings, Montana is located approximately 320 miles west of Dickinson on I-94. This community of over 105,000 people has approximately 42,175 households and average household income of $63,563 in 2010.

Billings retail offerings include a number of large retailers and one regional shopping mall. Big box retailers include Home Depot, Lowe's, Sears, Target (2 stores), Sam's Club, and Costco. Rim Rock Mall contains over 600,000 square feet of GLA and is anchored by JCPenney, Herberger's, Scheels All Sports, and Dillard's. This regional mall draws from a large area including central Wyoming and central Montana up to the Canadian border.

### Miles City, Montana

Miles City, Montana is located approximately 175 miles west of Dickinson. Miles City is the county seat of Custer County and also the regional trade center for a 100 mile radius. This community's population is over 8,000 with approximately 3,500 households. Average household income for Miles City is $48,077 in 2010. Miles City has limited retail offerings. A Walmart Supercenter is its only big box retailer.

### Summary

Dickinson's prime location on I-94, North Dakota's only east/west interstate freeway, makes it a convenient shopping destination for trade area residents that choose not to drive a longer distance to Bismarck, Minot, Rapid City, or Billings.

## Chapter III

## ECONOMIC BASE

North Dakota has been one of the nation's economic bright spots during the last few years due to its resurgent petroleum industry. An examination of its 20-year trend in employment demonstrates a history of sustained growth and low unemployment, as shown in Table 3.

Table 3

EMPLOYMENT
NORTH DAKOTA, STARK COUNTY, AND NINE- COUNTY AREA
1990 TO 2008

| Year | North Dakota | Stark County | Nine Counties |
|---|---|---|---|
| 1990 | 245,737 | 8,802 | 17,867 |
| 1991 | 250,416 | 9,066 | 17,960 |
| 1992 | 257,411 | 9,057 | 17,835 |
| 1993 | 265,003 | 9,264 | 18,132 |
| 1994 | 274,297 | 9,463 | 18,491 |
| 1995 | 282,447 | 9,669 | 18,972 |
| 1996 | 289,755 | 10,019 | 19,733 |
| 1997 | 296,510 | 10,443 | 19,795 |
| 1998 | 301,488 | 10,548 | 19,797 |
| 1999 | 306,207 | 10,381 | 19,459 |
| 2000 | 309,223 | 10,368 | 19,539 |
| 2001 | 311,632 | 10,470 | 19,636 |
| 2002 | 311,808 | 10,741 | 19,956 |
| 2003 | 314,273 | 10,927 | 20,357 |
| 2004 | 321,108 | 11,136 | 20,611 |
| 2005 | 328,121 | 11,631 | 21,106 |
| 2006 | 335,718 | 11,988 | 21,732 |
| 2007 | 341,705 | 12,199 | 22,065 |
| 2008 | 350,442 | 12,722 | 22,800 |
| **Growth Rate** | | | |
| 1990 - 2000 | 2.32% | 1.65% | 0.90% |
| 2000 - 2008 | 1.58% | 2.59% | 1.95% |

Source: Job Service North Dakota, Labor Market Information Center, QCEW Unit.

North Dakota's employment expanded from 245,737 in 1990 to 309,223 in 2000, an annual growth rate of 2.32 percent. In the following eight-year period, employment expanded to 350,442, an annual growth rate of 1.58 percent, indicating a slower growth. Employment in Stark County (Dickinson is the county seat) increased at a slower rate than North Dakota during the 1990 to 2000 period, but has accelerated to an average annual rate of 2.6 percent since 2000. The same is true of the nine counties in southwestern North Dakota that rely on Dickinson as their economic focal point. Employment has increased at an annual rate of 1.9 percent since 2000.

## Dickinson

Dickinson employment by industry category is available for the period 2003 through 2008, as shown in Table 4. Private sector employment increased steadily from 8,479 employees to 9,578 in 2008, an annual growth rate of 2.47 percent. During this same period, government employment increased at an annual growth rate of only 1.38 percent. Total employment increased from 10,196 to 11,417, an annual growth rate of 2.29 percent.

Table 4

DICKINSON EMPLOYMENT; 2003 TO 2008

| Industry | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | Annual Growth Rate |
|---|---|---|---|---|---|---|---|
| **Private** | | | | | | | |
| Agriculture, Forestry, Fishing, & Hunting | 243 | 259 | 8 | N/A | N/A | N/A | N/A |
| Mining | N/A | N/A | 271 | 257 | 298 | 473 | N/A |
| Utilities/Construction | 623 | 572 | 588 | 620 | 668 | 896 | 7.54 % |
| Manufacturing | 890 | 925 | 922 | 1,027 | 1,100 | 1,166 | 5.55 |
| Wholesale Trade | 485 | 500 | 539 | 542 | 601 | 531 | 1.83 |
| Retail Trade | 1,596 | 1,565 | 1,576 | 1,580 | 1,600 | 1,591 | (0.06) |
| Transportation & Warehousing | 199 | 207 | 223 | 236 | 252 | 270 | 6.29 |
| Information | 306 | 255 | 271 | 284 | 310 | 308 | 0.13 |
| Finance & Insurance | 314 | 335 | 361 | 355 | 370 | 360 | 2.77 |
| Real Estate & Rental & Leasing | 80 | 83 | 88 | 89 | 86 | 87 | 1.69 |
| Professional, Scientific, & Technical Services | 251 | 252 | 276 | 266 | 250 | 278 | 2.06 |
| Mgmt of Co./Admin. & Support & Waste Mgmt. | 437 | 402 | 338 | 342 | 369 | 322 | (5.92) |
| Educational Services/Health Care & Social Services | 1,504 | 1,580 | 1,577 | 1,664 | 1,675 | 1,629 | 1.61 |
| Arts, Entertainment, & Recreation | 92 | 92 | 98 | 94 | 88 | 93 | 0.22 |
| Accommodation & Food Services | 982 | 994 | 1,033 | 1,057 | 1,083 | 1,073 | 1.79 |
| Other Services (Except Public Administration) | 477 | 473 | 500 | 476 | 466 | 501 | 0.99 |
| Subtotal | 8,479 | 8,494 | 8,669 | 8,889 | 9,216 | 9,578 | 2.47 % |
| **Government** | | | | | | | |
| Federal Government | 201 | 206 | 206 | 204 | 192 | 189 | (1.22) % |
| State Government | 551 | 553 | 569 | 567 | 556 | 549 | (0.07) |
| Local Government | 965 | 1,076 | 1,101 | 1,089 | 1,082 | 1,101 | 2.67 |
| Subtotal | 1,717 | 1,835 | 1,876 | 1,860 | 1,830 | 1,839 | 1.38 % |
| **Total** | 10,196 | 10,329 | 10,545 | 10,749 | 11,046 | 11,417 | 2.29 % |

N/A: Not Available.
Source: North Dakota Quarterly Census of Employment and Wages (QCEW).

The largest private sector employment category in 2008 was educational services/health care and social services representing 14.3 percent of all employment. This category grew at an annual rate of 1.6 percent. Retail trade is the second largest category with 1,591 employees representing 13.9 percent of Dickinson employment. Retail trade employment has been generally flat over the six-year period. Manufacturing, the third largest category, increased from 890 employees to 1,166 in 2008, an annual average growth rate of 5.6 percent and accounted for 10.2 percent of all employment in 2008. Accommodation and food service, the fourth largest category, represents 9.4 percent of all employment and grew at an annual rate of 1.8 percent. Utilities/construction increased at an annual growth rate of 7.5 percent to become the fifth largest category with 896 employees. Employment in mining, which primarily represents the petroleum industry, has increased from 271 employees in 2005 to 473 employees in 2008, and represents only 4.1 percent of total employment. While petroleum is a major industry in western North Dakota, it does not constitute a significant portion of Dickinson's employment base. Dickinson has a diversified economic base, which reduces the impact of fluctuations in any one industry.

### Stark County

Employment information by category for Stark County is available for a longer time period than for Dickinson. Since Dickinson represented 90 percent of Stark County's employment in 2008, county employment trends will generally indicate Dickinson's long-term employment trends. Stark County has a diversified employment base, as shown in Table 5, which contains employment for 1990, 1995, 2000, 2005, and 2008.

Stark County has had generally increasing employment from 1990 through 2008. Employment was 8,802 in 1990 and increased to 10,368 in 2000, an annual growth rate of 1.65 percent. Employment increased to 12,722 employees in 2008, an average growth rate of 2.59 percent. Employment in Stark County has consistently increased at a much faster rate than North Dakota employment.

Table 5

STARK COUNTY EMPLOYMENT BY CATEGORY: 1990, 1995, 2000, 2005, AND 2008

| Industry | 1990 | 1995 | 2000 | 2005 | 2008 | Growth Rate 1990-00 | Growth Rate 2000-08 |
|---|---|---|---|---|---|---|---|
| Agriculture, Forestry, Fishing & Hunting | *** | *** | *** | *** | *** | N/A | N/A |
| Mining | 411 | 420 | 270 | 417 | 698 | (4.11) % | 12.61 % |
| Utilities | 82 | *** | *** | *** | 99 | N/A | N/A |
| Construction | 428 | 479 | 619 | 698 | 917 | 3.76 | 5.04 |
| Manufacturing | 494 | 744 | 926 | 949 | 1,236 | 6.48 | 3.68 |
| Wholesale Trade | 483 | 531 | 461 | 609 | 643 | (0.47) | 4.25 |
| Retail Trade | 1,459 | 1,548 | 1,600 | 1,625 | 1,632 | 0.93 | 0.25 |
| Transportation and Warehousing | 292 | 329 | 335 | 396 | 625 | 1.38 | 8.11 |
| Information | 205 | 188 | 361 | 274 | 312 | 5.82 | (1.81) |
| Finance and Insurance | 260 | 263 | 296 | 409 | 406 | 1.31 | 4.03 |
| Real Estate and Rental and Leasing | 86 | 87 | 72 | 88 | 89 | (1.76) | 2.69 |
| Professional and Technical Services | 257 | 281 | 293 | 323 | 312 | 1.32 | 0.79 |
| Management of Companies and Enterprises | *** | *** | *** | *** | *** | N/A | N/A |
| Administrative and Waste Services | 246 | 126 | 376 | 442 | 350 | 4.33 | (0.89) |
| Educational Services | 730 | 749 | *** | *** | 936 | N/A | N/A |
| Health Care and Social Assistance | 1,380 | 1,603 | 1,584 | 1,818 | 1,799 | 1.39 | 1.60 |
| Arts, Entertainment, and Recreation | 147 | 163 | 185 | 287 | 257 | 2.33 | 4.19 |
| Accommodation and Food Services | 954 | 1,024 | 1,011 | 1,105 | 1,146 | 0.58 | 1.58 |
| Other Services, Ex. Public Admin | 435 | 559 | 527 | 509 | 519 | 1.94 | (0.19) |
| Public Administration | 452 | 485 | 505 | 614 | 655 | 1.11 | 3.30 |
| Total, All Industries | 8,802 | 9,669 | 10,368 | 11,631 | 12,722 | 1.65 % | 2.59 % |

Note: Asterisks indicate non-disclosable data
Source: Job Service North Dakota, Labor Market Information Center, QCEW Unit.

The largest employment categories in Stark County are similar to Dickinson. Employment categories that have experienced solid growth include manufacturing, which grew from 494 employees in 1990 to 926 in 2000, an annual growth rate of 6.5 percent. Employment increased further to 1,236 in 2008, a growth rate of 3.7 percent. Transportation and warehousing increased at an annual rate of 8.1 percent between 2000 and 2008; and finance and insurance increased at 4.0 percent annually during the same period. Petroleum industry employment has fluctuated during the 19-year period, but represented only 4.7 percent of employment in 1990 and fell to 2.6 percent in 2000. During this ten-year period, mining employment fluctuated between a low of 270 employees in 2000 and a high of 498 in 1996. Since 2000, employment has more than doubled from 270 in 2000 to 698 in 2008, an annual growth rate of 12.6 percent.

### Nine-County Area

Dickinson is the economic center for nine counties in west central and southwest North Dakota. These counties are: Adams, Billings, Bowman, Dunn, Golden Valley, Hettinger, Mercer, Slope, and Stark. Employment in the nine-county area increased at a 0.9 percent annual rate between 1990 and 2000. The annual rate of growth more than doubled to 1.95 percent between 2000 and 2008. In 1990, Stark County represented 49.3 percent of the nine-county employment. By 2008, Stark County had increased to 55.8 percent. Employment categories with significant growth rates from 2000 to 2008 include: construction (6.3 percent), mining (6.2 percent), and manufacturing (3.6 percent). The petroleum industry represents a small portion of nine-county employment. The nine-county area represented over 50 percent of North Dakota's oil production between 2000 and 2007 with a relatively moderate number of employees.

Table 6

NINE-COUNTY INFLUENCE AREA EMPLOYMENT: 1990, 1995, 2000, 2005, AND 2008

Quarterly Census of Employment and Wages, Aggregate of all Types

| Industry | 1990 | 1995 | 2000 | 2005 | 2008 | Growth Rate 1990-00 | Growth Rate 2000-08 |
|---|---|---|---|---|---|---|---|
| Agriculture, Forestry, Fishing & Hunting | *** | 28 | 71 | 56 | 121 | N/A | 6.89 % |
| Mining | 1,085 | 992 | 914 | 1,092 | 1,478 | (1.70) % | 6.19 |
| Utilities | 1,434 | 1,227 | 1,186 | 1,253 | 1,418 | (1.88) | 2.26 |
| Construction | 983 | 1,151 | 1,038 | 1,214 | 1,692 | 0.55 | 6.30 |
| Manufacturing | 539 | 798 | 1,018 | 1,051 | 1,350 | 6.57 | 3.59 |
| Wholesale Trade | 977 | 1,050 | 978 | 1,098 | 1,133 | 0.01 | 1.86 |
| Retail Trade | 2,403 | 2,487 | 2,441 | 2,505 | 2,535 | 0.16 | 0.47 |
| Transportation and Warehousing | 506 | 497 | 480 | 565 | 857 | (0.53) | 7.51 |
| Information | 391 | 341 | 534 | 442 | 465 | 3.17 | (1.71) |
| Finance and Insurance | 594 | 556 | 577 | 705 | 720 | (0.29) | 2.81 |
| Real Estate and Rental and Leasing | 109 | 87 | 85 | 92 | 96 | (2.46) | 1.53 |
| Professional and Technical Services | 378 | 376 | 400 | 481 | 454 | 0.57 | 1.60 |
| Administrative and Waste Services | 407 | 362 | 487 | 624 | 509 | 1.81 | 0.55 |
| Educational Services | 1,106 | 1,158 | 758 | 366 | 1,149 | (3.71) | 5.34 |
| Health Care and Social Assistance | 2,495 | 2,769 | 2,693 | 3,000 | 3,024 | 0.77 | 1.46 |
| Arts, Entertainment, and Recreation | 203 | 298 | 272 | 375 | 377 | 2.97 | 4.16 |
| Accommodation and Food Services | 1,461 | 1,580 | 1,614 | 1,723 | 1,839 | 1.00 | 1.64 |
| Other Services, Ex. Public Admin | 623 | 743 | 733 | 694 | 698 | 1.64 | (0.61) |
| Public Administration | 1,071 | 1,055 | 1,183 | 1,266 | 1,335 | 1.00 | 1.52 |
| Total, All Industries | 17,867 | 18,972 | 19,539 | 21,106 | 22,800 | 0.90 % | 1.95 % |

Note: Asterisks indicate non-disclosable data

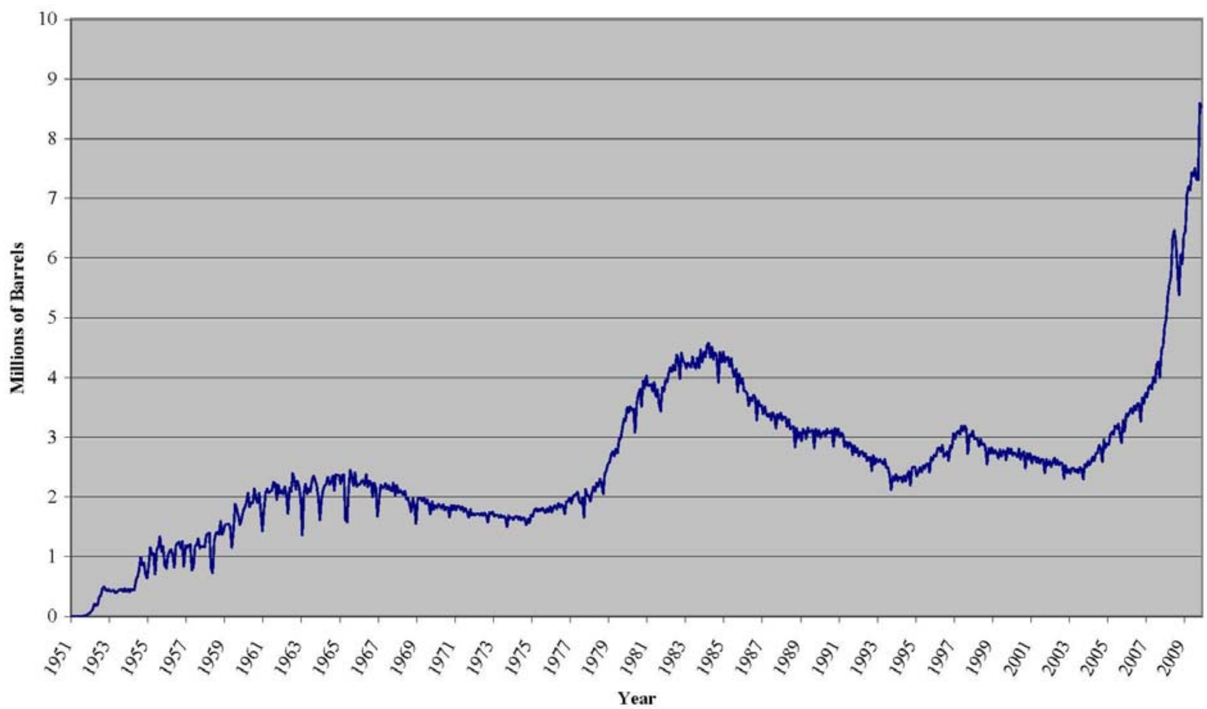
Source: Job Service North Dakota, Labor Market Information Center, QCEW Unit

## Petroleum Industry

The petroleum industry has been an important factor in western North Dakota since 1951. Oil production began in the Williston Basin in 1951, as shown in Figure 1, rising steadily to about 2.4 million barrels per month in 1965; declining to about 1.5 million barrels in 1973, then rising sharply to about 4.6 million barrels in 1984 during the Iranian Oil Crisis. Production declined to about 2.2 million barrels per month in 1995, increased to 3.2 million barrels in 1997 and then began a slow decline to 2.3 million barrels in 2004. Production began to increase in 2004 reaching 7.5 million barrels per month at the end of 2009. The recent rise in oil production is the result of new well completions in the Bakken Formation.

**Figure 1**

**NORTH DAKOTA HISTORICAL MONTHLY OIL PRODUCTION**




Source: North Dakota Department of Mineral Resources.

The Bakken Formation is estimated to contain 2.1 billion barrels of recoverable oil and the Three Forks Formation is estimated to contain 1.9 billion barrels of recoverable oil for a total of 4.0 billion barrels. The importance of the Bakken Formation to oil production in North Dakota is demonstrated in Table 7 showing that the Bakken Formation produced 7.4 million barrels of oil in 2007 or 16.5 percent of the 44.7 million barrels of oil produced in North Dakota. In 2008, Bakken production increased to 27.3 million barrels of oil or 43.8 percent of North Dakota’s oil production. By 2009, Bakken Formation oil production had increased to 49.3 million barrels, or 62.2 percent of North Dakota’s oil production of 79.3 million barrels. During this three-year period, the number of producing wells in the Bakken Formation increased from 457 in 2007 to 1,341 wells in 2009. In 2009, three wells in the Three Forks Formation began production as the industry began to tap that formation as a source of oil.

Table 7

BAKKEN FORMATION OIL PRODUCTION; 2007 TO 2009
(Millions of Barrels of Oil)

| Year | Bakken Formation | North Dakota | Bakken Percent |
|---|---|---|---|
| 2007 | 7.4 | 44.7 | 16.6 % |
| 2008 | 27.3 | 62.4 | 43.8 |
| 2009 | 49.3 | 79.3 | 62.2 |

Source: North Dakota Department of Mineral Resources.

Oil and gas exploration and production plays an important role in the nine-county area surrounding Dickinson. Oil and gas production is occurring in eight of these counties: Billings, Bowman, Dunn, Golden Valley, Hettinger, Mercer, Slope, and Stark. Only Adams does not have oil and gas production. During the period 2000 to 2007, these counties provided well over half of North Dakota's oil production, as shown in Table 8. Since 2007, oil and gas production has increased from 27.3 million barrels to 28.4 million barrels in 2009, but share of production has declined to 35.6 percent in 2009, as production increased in other counties. Drilling activity is increasing in the nine-county area. As of June 10, 2010, 40 percent of the drilling rigs in "move in/rigging up" status are in Dunn County north of Dickinson and 25 percent of the active rigs are located in Bowman, Dunn, Golden Valley, and Stark counties. This suggests that oil production in the nine-county area will increase in the near future and become a larger portion of North Dakota petroleum production.

Table 8

NINE-COUNTY AND NORTH DAKOTA
OIL PRODUCTION; 2000 TO 2009

| Year | Nine Counties | North Dakota | Nine-County Percent |
|---|---|---|---|
| 2000 | 18,740,912 | 32,713,018 | 57.3 % |
| 2001 | 17,388,842 | 31,693,576 | 54.9 |
| 2002 | 16,596,808 | 30,803,091 | 53.9 |
| 2003 | 15,984,628 | 29,410,953 | 54.3 |
| 2004 | 17,662,309 | 31,152,246 | 56.7 |
| 2005 | 22,176,279 | 35,675,288 | 62.2 |
| 2006 | 25,610,661 | 39,944,874 | 64.1 |
| 2007 | 27,322,859 | 45,121,960 | 60.6 |
| 2008 | 28,856,187 | 62,780,871 | 46.0 |
| 2009 | 28,374,314 | 79,706,495 | 35.6 |

Source: North Dakota Department of Mineral Resources.

## Petroleum Industry Economic Impacts

Future impacts of the petroleum industry on the Dickinson area economy are important to retailers and other businesses. The significance of the petroleum industry is demonstrated by findings contained in a North Dakota State University report: *Estimating Petroleum Industry's Economic Contribution to North Dakota in 2007*, published in January 2009. This report estimated economic impacts for a number of categories. This analysis will focus on direct employment impacts of the oil and gas industry, which are summarized in Table 9. This report indicated that direct employment in exploration was 2,458 full-time equivalent (FTE) jobs or about 7.3 FTE's for each of the 336 wells drilled that year. Drilling rig employees in many cases are brought in from other oil producing areas and work 12 hour daily shifts for two weeks with one week off. They return home for the week off. This schedule equals 1.5 FTE's indicating that 2,458 exploration FTE jobs may actually represent as few as 1,640 employees. Employment in extraction and oil operation was estimated at 5,086 FTE's, which was equal to 1.35 FTE's for each of the 3,767 producing wells.

Table 9

ESTIMATED FULL-TIME EQUIVALENT EMPLOYMENT
RESULTING FROM THE NORTH DAKOTA
OIL AND GAS INDUSTRY; 2007

| Activity | Employment FTE |
|---|---|
| Exploration | 2,458 |
| Extraction and Oil Operation | 5,086 |
| Total | 7,544 |

Source: North Dakota State University and McComb Group, Ltd.

In 2007, the nine-county area around Dickinson accounted for 60 percent of North Dakota's oil production indicating that 60 percent of the direct impacts of extraction and oil operations were derived from that area. Sixty percent of FTE employment would be about 3,050 workers compared to the estimated nine-county 2007 employment of 1,191. This suggests that much of the direct employment impacts flow to businesses outside the petroleum industry. In the case of exploration, employment would be attributed to drilling company's location. For purposes of this analysis, about 40 percent of the exploration FTE's and 25 percent of the extraction and oil operations FTE's will be attributed to the Dickinson area.

Estimated employment in the petroleum industry in North Dakota is related to the number of operating drilling rigs, number of wells drilled per year, the estimated success ratio, and the increase in producing wells. Between 2007 and 2009, the number of well drilling rigs increased from 43 to 78 in 2008 followed by a small decline to an average of 53 rigs in 2009 caused by weak oil prices. For example, North Dakota statistics indicate that in December 2009, there were 75 rigs operating in North Dakota, by April 2010 the number had increased to 112 rigs and in early June a total of 122 rigs were operating. Industry officials believed that the number of rigs would reach 150 during 2010. For purposes of this analysis, it is assumed that 960 wells will be completed in 2010 by an average of 120 drilling rigs. In future years, wells drilled are estimated at 1,120 per year by an average of 140 rigs completing eight wells per year. Representatives of the oil industry indicate a rig can complete a well in about 30 days and the success ratio is between 95 and 99 percent due to increased expertise in drilling and completing wells.

Going forward, it's estimated that producing wells will increase by an amount equal to 80 percent of successful wells. This results in an estimate of producing wells of 960 in 2010 increasing to an estimated 1,120 additional producing wells each year for the period 2011 through 2015. Based on these assumptions, producing North Dakota wells would more than double from 4,588 in 2009 to 9,573 in 2015.

With projected drilling activity to exceed over 140 drilling rigs, employment in exploration will increase significantly. Estimates contained in Table 10 are based on stabilized drilling rigs of 140 per year completing 1,120 wells resulting in total exploration employment of 8,176 FTEs. The FTEs assume 2,000 hours per year. If these employees work 12-hour shifts per day, the number of positions declines to 5,450 jobs. Employment related to exploration fluctuates with the number of drilling rigs. However, if the number of drilling rigs stabilizes in the area of 140 to 150 rigs, employment supported by exploration will level off. Looking to the future, the increase in producing wells will result in growing full-time equivalent employment related to production and oil operations, which is related to the number of producing wells. As the number of producing wells increase the number of employees will grow.

Table 10

OIL AND GAS INDUSTRY; 2009 TO 2015
ESTIMATED FULL-TIME EQUIVALENT EMPLOYMENT
(In Thousands of Dollars)

| Item | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|---|---|
| Average Rigs | 53 | 120 | 140 | 140 | 140 | 140 | 140 |
| Wells Drilled | 465 | 960 | 1,120 | 1,120 | 1,120 | 1,120 | 1,120 |
| Successful Wells @ 95% | 442 | 912 | 1,064 | 1,064 | 1,064 | 1,064 | 1,064 |
| Producing Percent | 83.0 | 80.0 | 80.0 | 80.0 | 80.0 | 80.0 | 80.0 |
| **Employment** | | | | | | | |
| Exploration @ 7.3 | 3,395 | 7,008 | 8,176 | 8,176 | 8,176 | 8,176 | 8,176 |
| Trade Area Share @ 35% | 1,188 | 2,453 | 2,862 | 2,862 | 2,862 | 2,862 | 2,862 |
| Extraction/Operations @ 1.35 | 6,193 | 7,178 | 8,327 | 9,477 | 10,626 | 11,775 | 12,924 |
| Trade Area Share | 2,168 | 2,512 | 2,915 | 3,317 | 3,719 | 4,121 | 4,523 |

Source: North Dakota State University and McComb Group, Ltd.

Currently much of the employment generated by exploration and extraction is fulfilled by contract workers that generally work a schedule of two weeks on and one week off and live outside of North Dakota. These workers have minimal impact on the local economy as they maintain a permanent residence outside North Dakota. Employment generated by oil extraction and operations are more stable year-round jobs, which will continue to grow as producing wells increase and can support an increase in households as workers migrate to North Dakota and establish permanent residences. This employment growth will be most beneficial to the retail and shopping center industry.

Due to the high levels of successful well completions, industry participants anticipate that a high level of drilling activity could continue for 10 to 20 years until the Bakken and Three Forks Formations have been completely penetrated.

**Future Developments**

South Heart Coal LLC is pursuing permits for a coal mine and gasification plant about four miles southwest of South Heart, North Dakota. South Heart is about 10 miles west of Dickinson. The mine would have annual production of about 2.5 million tons and the adjacent power plant would generate 175 mega watts of electricity. South Heart Coal officials hope the plant will be operational in 2015. Construction is estimated to employ 1,000 to 1,500 workers for two years. Annual employment is estimated to range from 250 to 300 workers.

A unit train loading facility for petroleum products has been proposed for location west of Dickinson. This facility would employ 30 to 100 workers.

A local developer is planning a 77-room Hampton Inn & Suites, which is expected to begin construction in June 2010, with a June 2011 opening. This hotel will be located along 14th Street West, just north of the Holiday Inn Express.

Residential development is picking up with several housing developments in the planning stages. These include:

- Dakota Crossing with 114 apartments, 20 townhomes, and 17,000 square feet of commercial space.
- Painted Canyon Estates with ten ½-acre residential lots.
- Painted Canyon Subdivision with 81 gated residential lots.
- Diamond Acres Subdivision with 123 single family lots, 72 townhome lots, 16 commercial lots, and a nine-hole golf course.
- Prairie Hills Sixth with ten twin lots and 113,000 square feet of commercial space at State Avenue and 15th Street.
- State Addition with 82 single family lots, 108 twin lots, 18 acres of multi-family, and 13 acres of commercial space.

These proposed developments represent over 650 dwelling units to accommodate workers and their families.

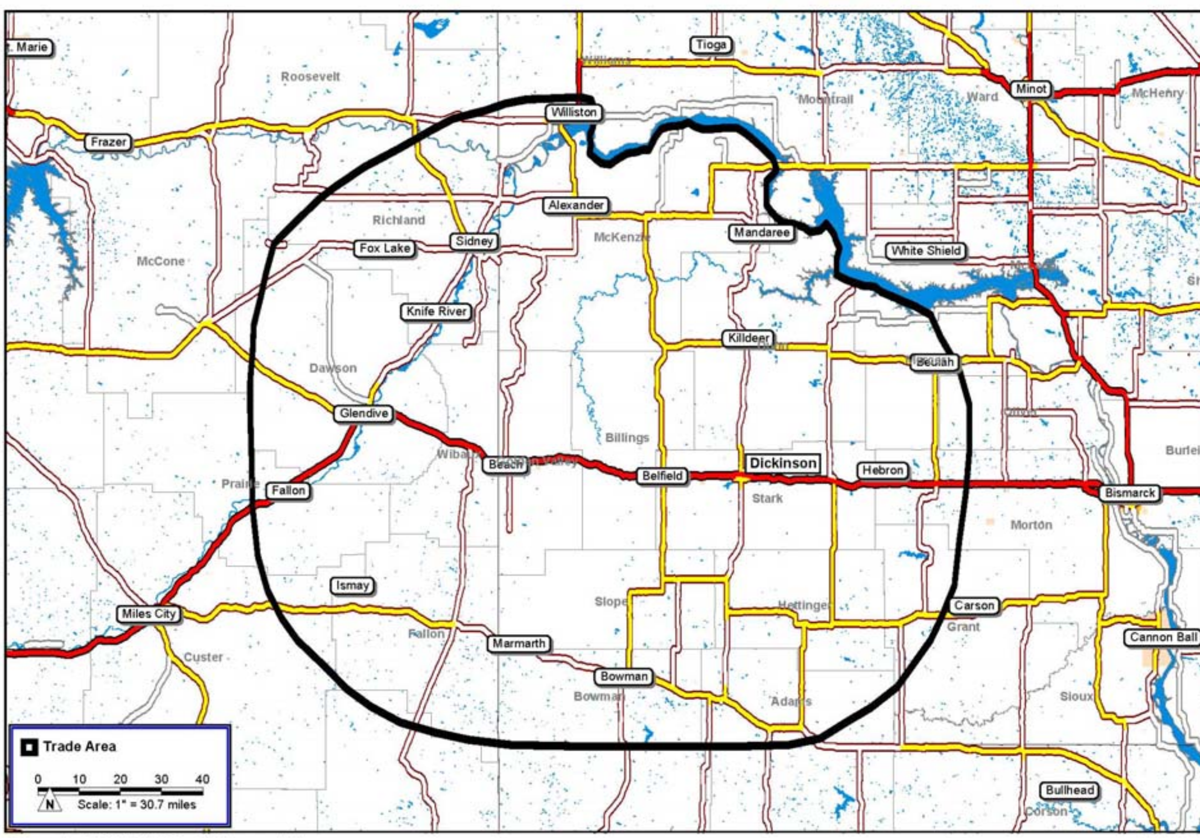
## Chapter IV

## DICKINSON TRADE AREA

Dickinson's trade area was delineated by McComb Group based on location of competitive shopping destinations, arterial road network, natural boundaries, interviews with anchor store managers, and previous experience. The trade area, shown on Map 3, consists generally of west-central and southwestern North Dakota extending into eastern Montana. The trade area boundary is influenced by Bismarck to the east, Minot to the northeast, Billings, Montana to the west, and Rapid City, South Dakota to the south. The Missouri River is a significant physical barrier that defines the northeast trade area boundary. The trade area extends 50 miles to the east, 90 miles to the north, 120 miles to the west, and 70 miles to the south. The geographic size of the trade area is due to the distant location of larger shopping areas. Residents of the Dickinson trade area are used to driving long distances for shopping, dining, and entertainment. It is not unusual for residents to drive 100 miles one way for dinner or a movie. It's their way of life. The Dickinson trade area covers approximately 22,000 square miles.

### Map 3

### DICKINSON TRADE AREA





06/14/10

## Population and Households

Population and household growth trends in Dickinson, Dickinson trade area and the United States (48 states and the District of Columbia) are shown on Table 11. Population and households within the City of Dickinson are growing faster than the trade area for Dickinson.

Table 11

CITY OF DICKINSON, DICKINSON TRADE AREA AND UNITED STATES
POPULATION AND HOUSEHOLDS
1990 AND 2000 CENSUS; 2010 AND 2015 ESTIMATED

| | City of Dickinson | Dickinson Trade Area | United States |
|---|---|---|---|
| **Population** | | | |
| 1990 | 13,080 | 98,130 | 247,051,287 |
| 2000 | 16,056 | 92,130 | 279,583,437 |
| 2010E | 17,179 | 90,946 | 306,341,111 |
| 2015E | 18,716 | 94,187 | 320,531,289 |
| Annual Growth Rate | | | |
| 1990-2000 | 2.07 % | (0.63) % | 1.24 % |
| 2000-2010E | 0.68 | (0.13) | 0.92 |
| 2010E-2015E | 1.73 | 0.70 | 0.91 |
| **Households** | | | |
| 1990 | 4,997 | 37,090 | 91,402,228 |
| 2000 | 6,534 | 36,923 | 104,855,261 |
| 2010E | 7,306 | 38,374 | 114,634,696 |
| 2015E | 8,256 | 40,279 | 120,600,367 |
| Annual Growth Rate | | | |
| 1990-2000 | 2.72 % | (0.05) % | 1.38 % |
| 2000-2010E | 1.12 | 0.39 | 0.90 |
| 2010E-2015E | 2.48 | 0.97 | 1.02 |

E: Estimated.
Source: U.S. Census, Scan/US, Inc. and McComb Group, Ltd.

Dickinson's population increased from 13,080 in 1990 to 16,056 in 2000, a 2.07 percent annual growth rate. From 2000 to 2010, Dickinson's population increased by 0.68 percent annually to 17,179; and it is estimated that the population will reach 18,716 by 2015. Household growth has been slightly higher, increasing at a rate of 2.72 percent between 1990 and 2000 and an annual rate of 1.12 percent from 2000 to 2010. Dickinson's household growth was stimulated by 788 single and multi-family building permits issued between 2000 and 2009. Single family homes represented 577 or 73.2 percent of the units. Households are estimated to increase from 7,306 in 2010 to 8,256 by 2015, an annual growth rate of 2.48 percent.

Trade area population has been decreasing since 1990 as a result of smaller household size and an aging population. Population is, however, estimated to increase between 2010 and 2015. Trade area population in 1990 was 98,130, which decreased to 92,130 in 2000, a 0.63 percent annual decrease. Between 2000 and 2010, trade area population decreased to 90,946, a 0.13 percent annual decline. Trade area population is expected to start to increase to 94,187 by 2015, an estimated growth rate of 0.70 percent. Trade area households declined from 37,090 in 1990 to 36,923 in 2000; however, households increased to 38,374 in 2010. Trade area households are expected to continue to increase to 40,279 by 2015, an annual growth rate of about one percent.

Trade area population and household growth trends are catching up with those of the nation. Between 2010 and 2015, Dickinson population and households are expected to increase faster than the nation. Trade area households are expected to grow at a rate slightly lower than the nation.

### Household Income

Average household income in the City of Dickinson is slightly higher than the Dickinson trade area average household income, but lower than that of the United States, as shown in Table 12. Average household income in 2010 in the City of Dickinson is $59,598, which is expected to increase to $69,240 by 2015. Trade area average household income in 2010 is $52,775 which is expected to increase to $58,406 by 2015. Future average household income will be influenced by expansion of the petroleum industry. The average annual wage in the oil and gas extraction industry was $82,803 in 2008-09. Oil and gas royalties will give incomes a boost in the future. Industry representatives indicate that royalty payments to local mineral owners range from $6,000 to $9,000 annually and are treated as additional disposable income.

Table 12

CITY OF DICKINSON, DICKINSON TRADE AREA AND UNITED STATES
AVERAGE AND MEDIAN HOUSEHOLD INCOME
1990 AND 2000 CENSUS; 2010 AND 2015 ESTIMATED

| | City of Dickinson | Dickinson Trade Area | United States |
|---|---|---|---|
| **Average Household Income** | | | |
| 1990 | $ 27,502 | $ 26,926 | $ 38,374 |
| 2000 | 39,136 | 38,931 | 56,653 |
| 2010E | 59,598 | 52,775 | 72,075 |
| 2015E | 69,240 | 58,406 | 78,123 |
| **Median Household Income** | | | |
| 1990 | $ 23,983 | $ 23,075 | $ 30,214 |
| 2000 | 32,306 | 31,639 | 42,751 |
| 2010E | 45,504 | 41,273 | 51,900 |
| 2015E | 52,955 | 45,528 | 55,483 |

E: Estimated.
Source: McComb Group, Ltd.

Households with incomes above $75,000, $100,000 and $150,000 for City of Dickinson, Dickinson trade area and the United States are shown in Table 13. In 2010, 1,981 Dickinson households, or over one-quarter, have incomes above $75,000. They are expected to increase to 33.1 percent or 2,734 households by 2015. The trade area has 20.9 percent or 8,031 of its households earning over $75,000 in 2010. This is expected to increase to 25 percent or 10,108 households by 2015.

The number of households in the City of Dickinson and Dickinson trade area with incomes above $100,000 is 1,106 and 3,998, respectively, in 2010. By 2015, Dickinson is expected to have 1,527 households (18.5 percent) with incomes above $100,000. The trade area is expected to have 5,137 households with incomes above $100,000 by 2015. Trade area households with incomes above $150,000 are expected to reach over 1,500 by 2015.

Table 13

CITY OF DICKINSON, DICKINSON TRADE AREA AND UNITED STATES
HOUSEHOLD INCOME DISTRIBUTION: 2000 CENSUS; 2010 AND 2015 ESTIMATED

| | City of Dickinson | | Dickinson Trade Area | | United States | |
|---|---|---|---|---|---|---|
| | Number | Percent | Number | Percent | Number | Percent |
| **Households above $75,000** | | | | | | |
| 2000 | 656 | 10.0 % | 3,503 | 9.5 % | 23,606,167 | 22.5 % |
| 2010E | 1,981 | 27.2 | 8,031 | 20.9 | 37,070,976 | 32.3 |
| 2015E | 2,734 | 33.1 | 10,108 | 25.0 | 42,805,014 | 35.5 |
| **Households above $100,000** | | | | | | |
| 2000 | 314 | 4.8 % | 1,520 | 4.1 % | 12,880,832 | 12.3 % |
| 2010E | 1,106 | 15.2 | 3,998 | 10.4 | 22,777,802 | 19.8 |
| 2015E | 1,527 | 18.5 | 5,137 | 12.7 | 26,875,047 | 22.3 |
| **Households above $150,000** | | | | | | |
| 2000 | 72 | 1.1 % | 521 | 1.4 % | 4,796,506 | 4.6 % |
| 2010E | 299 | 4.1 | 1,196 | 3.1 | 8,971,805 | 7.8 |
| 2015E | 420 | 5.1 | 1,573 | 3.9 | 10,653,219 | 8.8 |

E: Estimated.
Source: McComb Group, Ltd.

Distribution of trade area households with incomes above $75,000 in 2015 is shown on Map 4. This map demonstrates that the City of Dickinson has the highest concentration of upper income households west of Bismarck. Petroleum industry managers, engineers, and other well-paid employees prefer to live in or near Dickinson due to its location on I-94.

## Demographic Characteristics

Demographic characteristics for the City of Dickinson, Dickinson trade area and United States are summarized in the demographic snapshots contained in Tables 14, 15, and 16. These snapshots contain census data for 1990 and 2000, as well as estimates for 2010 and 2015. These estimates were provided by Scan/US, Inc., a source of demographic information. Significant characteristics of Dickinson trade area include the following:

- Trade area population is gradually concentrating in Dickinson. In 1990, 13.3 percent of the population lived in the city. By 2015, 20 percent of trade area population is expected to live in Dickinson.

- By 2015, one-quarter of the trade area households are expected to have incomes above $75,000.

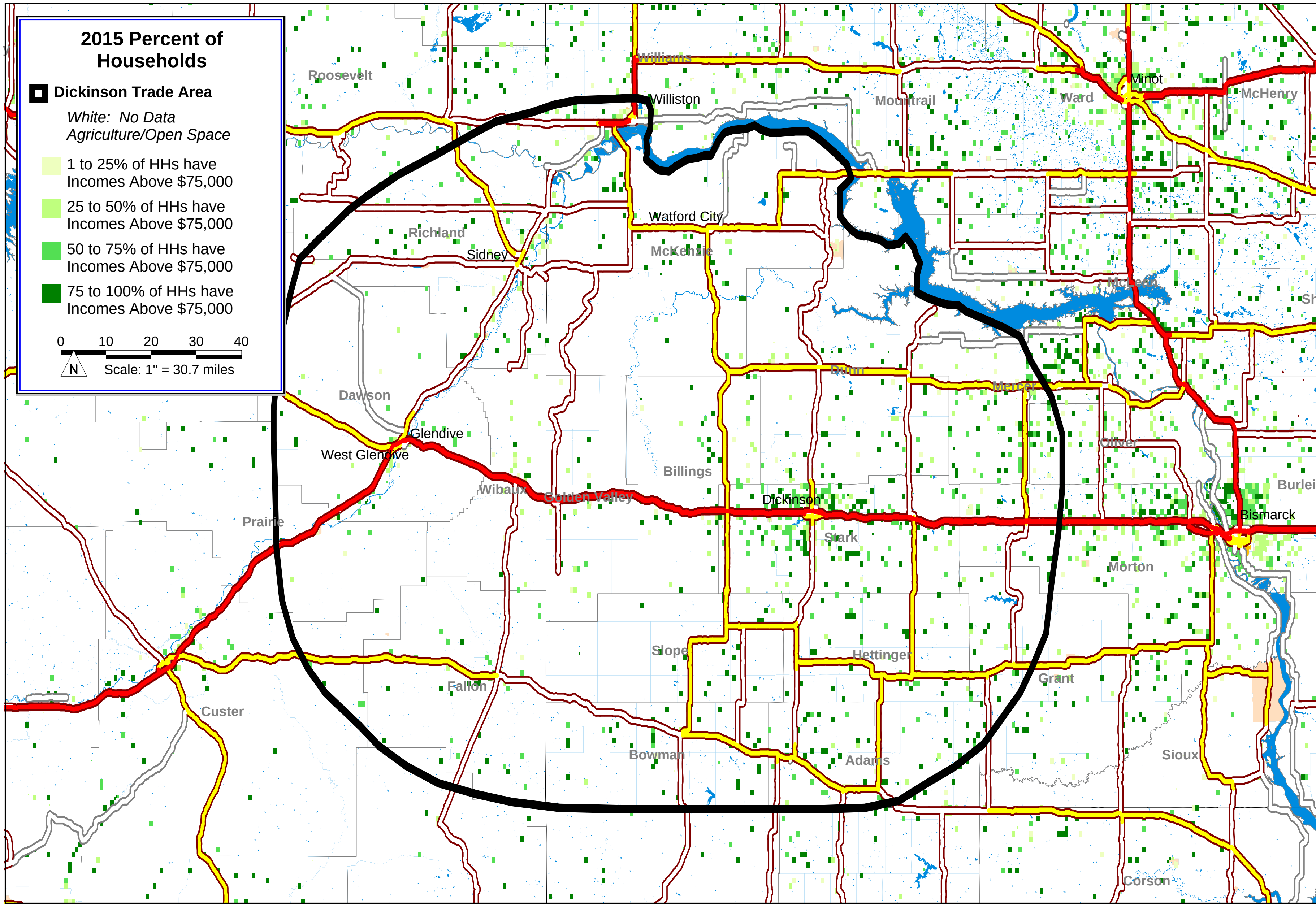
- Average trade area household size in 2010 is 2.37, considerably lower than the United States average of 2.60.

- In 2010, 18.3 percent of trade area population is over the age of 65, which is expected to increase to almost 20 percent by 2015.

- Average age in 2010 in the City of Dickinson is 36, considerably lower than the trade area average of 42.

# Map 4

## DICKINSON TRADE AREA 2015 HOUSEHOLD INCOME: PERCENT ABOVE $75,000






05/18/10

Table 14

McComb Group, Ltd.

DEMOGRAPHIC AND INCOME SNAPSHOT

**City of Dickinson, ND** 7/13/2010

| SNAPSHOT | 1990 Census | 2000 Census | 2010 Estimated | 2015 Projected |
|---|---|---|---|---|
| Population | 13,080 | 16,056 | 17,179 | 18,716 |
| Households | 4,997 | 6,534 | 7,306 | 8,256 |
| Families | 3,410 | 4,079 | 4,283 | 4,701 |
| Per Capita Income | $ 10,624 | $ 16,469 | $ 25,396 | $ 29,135 |
| Median Household Income | $ 23,983 | $ 32,306 | $ 45,504 | $ 52,955 |
| Average Household Income | $ 27,502 | $ 39,136 | $ 59,598 | $ 69,240 |
| Average Household Size | 2.51 | 2.33 | 2.23 | 2.26 |
| Median Age | 33 | 36 | 36 | 36 |

| | Annual Percent Change | | |
|---|---|---|---|
| TRENDS | 1990 - 2000 | 2000 - 2010 | 2010 - 2015 |
| Population | 2.07 % | 0.68 % | 1.73 % |
| Households | 2.72 | 1.12 | 2.48 |
| Families | 1.81 | 0.49 | 1.88 |
| Median Household Income | 3.02 | 3.48 | 3.08 |
| Average Household Income | 3.59 | 4.30 | 3.04 |

| | 1990 Census | | 2000 Census | | 2010 Estimated | | 2015 Projected | |
|---|---|---|---|---|---|---|---|---|
| HOUSEHOLDS BY INCOME | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Less than $15,000 | 1,643 | 32.9 % | 1,541 | 23.6 % | 1,306 | 17.9 % | 1,291 | 15.6 % |
| $15,000 - $24,999 | 1,099 | 22.0 | 967 | 14.8 | 764 | 10.5 | 736 | 8.9 |
| $25,000 - $34,999 | 801 | 16.0 | 1,043 | 16.0 | 742 | 10.2 | 686 | 8.3 |
| $35,000 - $49,999 | 783 | 15.7 | 1,248 | 19.1 | 1,121 | 15.3 | 1,143 | 13.8 |
| $50,000 - $74,999 | 538 | 10.8 | 1,079 | 16.5 | 1,392 | 19.0 | 1,667 | 20.2 |
| $75,000 - $99,999 | 99 | 2.0 | 342 | 5.2 | 875 | 12.0 | 1,207 | 14.6 |
| $100,000 - $149,999 | 30 | 0.6 | 242 | 3.7 | 807 | 11.1 | 1,107 | 13.4 |
| $150,000 + | 8 | 0.2 | 72 | 1.1 | 299 | 4.1 | 420 | 5.1 |
| POPULATION BY AGE | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| <19 | 4,100 | 31.3 % | 4,683 | 29.2 % | 4,148 | 24.1 % | 4,481 | 23.9 % |
| 20-24 | 929 | 7.1 | 1,404 | 8.7 | 1,721 | 10.0 | 1,471 | 7.9 |
| 25-34 | 2,232 | 17.1 | 1,733 | 10.8 | 2,605 | 15.2 | 3,267 | 17.5 |
| 35-44 | 1,752 | 13.4 | 2,411 | 15.0 | 1,648 | 9.6 | 1,868 | 10.0 |
| 45-54 | 1,112 | 8.5 | 1,995 | 12.4 | 2,273 | 13.2 | 2,063 | 11.0 |
| 55-64 | 1,012 | 7.7 | 1,243 | 7.7 | 1,887 | 11.0 | 2,361 | 12.6 |
| 65-74 | 1,008 | 7.7 | 1,182 | 7.4 | 1,247 | 7.3 | 1,560 | 8.3 |
| 75-84 | 933 | 7.1 | 993 | 6.2 | 1,053 | 6.1 | 1,088 | 5.8 |
| 85+ | NA | NA | 412 | 2.6 | 597 | 3.5 | 557 | 3.0 |
| RACE AND ETHNICITY | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| White | 12,906 | 98.7 % | 15,606 | 97.2 % | 16,579 | 96.5 % | 17,976 | 96.0 % |
| Black | 14 | 0.1 | 44 | 0.3 | 111 | 0.6 | 159 | 0.9 |
| Native American | 93 | 0.7 | 184 | 1.1 | 261 | 1.5 | 294 | 1.6 |
| Asian/Pacific Islander | 47 | 0.4 | 42 | 0.3 | 68 | 0.4 | 88 | 0.5 |
| Other Races | 20 | 0.2 | 180 | 1.1 | 159 | 0.9 | 198 | 1.1 |
| Hispanic (Any Race) | 73 | 0.6 | 166 | 1.0 | 265 | 1.5 | 348 | 1.9 |

Source: U.S. Census, Scan/US, Inc. and McComb Group, Ltd.

Table 15

McComb Group, Ltd.

DEMOGRAPHIC AND INCOME SNAPSHOT

**Dickinson Trade Area** 7/13/2010

| SNAPSHOT | 1990 Census | 2000 Census | 2010 Estimated | 2015 Projected |
|---|---|---|---|---|
| Population | 98,130 | 92,130 | 90,946 | 94,187 |
| Households | 37,090 | 36,923 | 38,374 | 40,279 |
| Families | 26,852 | 24,801 | 25,085 | 25,964 |
| Per Capita Income | $ 10,270 | $ 16,128 | $ 22,540 | $ 24,586 |
| Median Household Income | $ 23,075 | $ 31,639 | $ 41,273 | $ 45,528 |
| Average Household Income | $ 26,926 | $ 38,931 | $ 52,775 | $ 58,406 |
| Average Household Size | 2.59 | 2.42 | 2.37 | 2.34 |
| Median Age | 34 | 40 | 42 | 42 |

| | Annual Percent Change | | |
|---|---|---|---|
| TRENDS | 1990 - 2000 | 2000 - 2010 | 2010 - 2015 |
| Population | -0.63 % | -0.13 % | 0.70 % |
| Households | -0.05 | 0.39 | 0.97 |
| Families | -0.79 | 0.11 | 0.69 |
| Median Household Income | 3.21 | 2.69 | 1.98 |
| Average Household Income | 3.76 | 3.09 | 2.05 |

| | 1990 Census | | 2000 Census | | 2010 Estimated | | 2015 Projected | |
|---|---|---|---|---|---|---|---|---|
| HOUSEHOLDS BY INCOME | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Less than $15,000 | 11,040 | 32.3 % | 8,219 | 22.3 % | 6,267 | 16.3 % | 5,857 | 14.5 % |
| $15,000 - $24,999 | 8,039 | 23.5 | 6,580 | 17.8 | 5,418 | 14.1 | 5,071 | 12.6 |
| $25,000 - $34,999 | 5,698 | 16.7 | 5,883 | 15.9 | 4,842 | 12.6 | 4,779 | 11.9 |
| $35,000 - $49,999 | 5,644 | 16.5 | 6,852 | 18.6 | 6,310 | 16.4 | 6,284 | 15.6 |
| $50,000 - $74,999 | 2,875 | 8.4 | 5,886 | 15.9 | 7,506 | 19.6 | 8,180 | 20.3 |
| $75,000 - $99,999 | 540 | 1.6 | 1,983 | 5.4 | 4,033 | 10.5 | 4,971 | 12.3 |
| $100,000 - $149,999 | 229 | 0.7 | 999 | 2.7 | 2,802 | 7.3 | 3,564 | 8.8 |
| $150,000 + | 89 | 0.3 | 521 | 1.4 | 1,196 | 3.1 | 1,573 | 3.9 |
| POPULATION BY AGE | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| <19 | 30,760 | 31.8 % | 26,746 | 29.0 % | 21,284 | 23.4 % | 21,760 | 23.1 % |
| 20-24 | 4,016 | 4.2 | 4,332 | 4.7 | 6,807 | 7.5 | 6,240 | 6.6 |
| 25-34 | 14,995 | 15.5 | 8,599 | 9.3 | 10,846 | 11.9 | 13,448 | 14.3 |
| 35-44 | 14,217 | 14.7 | 14,508 | 15.7 | 8,737 | 9.6 | 8,590 | 9.1 |
| 45-54 | 8,965 | 9.3 | 13,276 | 14.4 | 13,789 | 15.2 | 11,202 | 11.9 |
| 55-64 | 8,623 | 8.9 | 8,592 | 9.3 | 12,861 | 14.1 | 14,690 | 15.6 |
| 65-74 | 8,218 | 8.5 | 7,754 | 8.4 | 7,812 | 8.6 | 9,727 | 10.3 |
| 75-84 | 6,813 | 7.1 | 5,886 | 6.4 | 5,632 | 6.2 | 5,721 | 6.1 |
| 85+ | NA | NA | 2,437 | 2.6 | 3,179 | 3.5 | 2,809 | 3.0 |
| RACE AND ETHNICITY | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| White | 95,057 | 96.9 % | 87,387 | 94.9 % | 85,684 | 94.2 % | 88,548 | 94.0 % |
| Black | 50 | 0.1 | 137 | 0.1 | 302 | 0.3 | 394 | 0.4 |
| Native American | 2,548 | 2.6 | 3,142 | 3.4 | 3,552 | 3.9 | 3,621 | 3.8 |
| Asian/Pacific Islander | 239 | 0.2 | 206 | 0.2 | 274 | 0.3 | 317 | 0.3 |
| Other Races | 236 | 0.2 | 1,258 | 1.4 | 1,134 | 1.2 | 1,307 | 1.4 |
| Hispanic (Any Race) | 670 | 0.7 | 894 | 1.0 | 1,451 | 1.6 | 1,782 | 1.9 |

Source: U.S. Census, Scan/US, Inc. and McComb Group, Ltd.

Table 16

McComb Group, Ltd.

DEMOGRAPHIC AND INCOME SNAPSHOT

**United States (48 states + District of Columbia)** 7/13/2010

| SNAPSHOT | 1990 Census | 2000 Census | 2010 Estimated | 2015 Projected |
|---|---|---|---|---|
| Population | 247,051,287 | 279,583,437 | 306,341,111 | 320,531,289 |
| Households | 91,402,228 | 104,855,261 | 114,634,696 | 120,600,367 |
| Families | 64,121,654 | 71,347,942 | 76,060,980 | 78,978,314 |
| Per Capita Income | $ 14,360 | $ 21,944 | $ 27,851 | $ 30,321 |
| Median Household Income | $ 30,214 | $ 42,751 | $ 51,900 | $ 55,483 |
| Average Household Income | $ 38,374 | $ 56,653 | $ 72,075 | $ 78,123 |
| Average Household Size | 2.63 | 2.59 | 2.60 | 2.59 |
| Median Age | 33 | 35 | 37 | 38 |

| | Annual Percent Change | | |
|---|---|---|---|
| TRENDS | 1990 - 2000 | 2000 - 2010 | 2010 - 2015 |
| Population | 1.24 % | 0.92 % | 0.91 % |
| Households | 1.38 | 0.90 | 1.02 |
| Families | 1.07 | 0.64 | 0.76 |
| Median Household Income | 3.53 | 1.96 | 1.34 |
| Average Household Income | 3.97 | 2.44 | 1.62 |

| | 1990 Census | | 2000 Census | | 2010 Estimated | | 2015 Projected | |
|---|---|---|---|---|---|---|---|---|
| HOUSEHOLDS BY INCOME | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Less than $15,000 | 22,256,335 | 24.3 % | 16,605,189 | 15.8 % | 14,689,556 | 12.8 % | 14,389,707 | 11.9 % |
| $15,000 - $24,999 | 16,036,700 | 17.5 | 13,450,479 | 12.8 | 12,361,278 | 10.8 | 12,226,920 | 10.1 |
| $25,000 - $34,999 | 14,489,716 | 15.9 | 13,435,521 | 12.8 | 12,298,168 | 10.7 | 12,135,976 | 10.1 |
| $35,000 - $49,999 | 16,317,430 | 17.9 | 17,342,267 | 16.5 | 16,461,921 | 14.4 | 16,435,552 | 13.6 |
| $50,000 - $74,999 | 13,657,495 | 14.9 | 20,415,638 | 19.5 | 21,752,797 | 19.0 | 22,607,198 | 18.7 |
| $75,000 - $99,999 | 4,650,869 | 5.1 | 10,725,335 | 10.2 | 14,293,174 | 12.5 | 15,929,967 | 13.2 |
| $100,000 - $149,999 | 2,564,096 | 2.8 | 8,084,326 | 7.7 | 13,805,997 | 12.0 | 16,221,828 | 13.5 |
| $150,000 + | 1,429,747 | 1.6 | 4,796,506 | 4.6 | 8,971,805 | 7.8 | 10,653,219 | 8.8 |

| POPULATION BY AGE | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
|---|---|---|---|---|---|---|---|---|
| <19 | 70,824,406 | 28.7 % | 79,937,898 | 28.6 % | 82,175,345 | 26.8 % | 84,064,978 | 26.2 % |
| 20-24 | 18,888,290 | 7.6 | 18,840,701 | 6.7 | 21,132,649 | 6.9 | 21,210,798 | 6.6 |
| 25-34 | 42,862,271 | 17.3 | 39,631,091 | 14.2 | 41,285,735 | 13.5 | 42,916,627 | 13.4 |
| 35-44 | 37,297,467 | 15.1 | 44,843,302 | 16.0 | 41,468,981 | 13.5 | 41,102,646 | 12.8 |
| 45-54 | 25,060,382 | 10.1 | 37,412,020 | 13.4 | 43,896,123 | 14.3 | 43,506,466 | 13.6 |
| 55-64 | 21,024,328 | 8.5 | 24,122,973 | 8.6 | 35,545,290 | 11.6 | 40,709,438 | 12.7 |
| 65-74 | 18,012,357 | 7.3 | 18,283,216 | 6.5 | 21,787,920 | 7.1 | 27,132,251 | 8.5 |
| 75-84 | 13,082,100 | 5.3 | 12,292,847 | 4.4 | 12,938,540 | 4.2 | 14,159,642 | 4.4 |
| 85+ | NA | NA | 4,219,389 | 1.5 | 6,110,528 | 2.0 | 5,728,443 | 1.8 |

| RACE AND ETHNICITY | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
|---|---|---|---|---|---|---|---|---|
| White | 198,900,843 | 80.5 % | 210,731,990 | 75.4 % | 244,491,247 | 79.8 % | 253,557,035 | 79.1 % |
| Black | 29,936,414 | 12.1 | 34,614,400 | 12.4 | 39,661,096 | 12.9 | 41,899,338 | 13.1 |
| Native American | 1,868,437 | 0.8 | 2,374,378 | 0.8 | 3,054,011 | 1.0 | 3,331,128 | 1.0 |
| Asian/Pacific Islander | 6,568,561 | 2.7 | 9,996,001 | 3.6 | 13,983,836 | 4.6 | 15,754,996 | 4.9 |
| Other Races | 9,777,032 | 4.0 | 21,866,668 | 7.8 | 5,150,921 | 1.7 | 5,988,792 | 1.9 |
| | | | | | | | | |
| Hispanic (Any Race) | 22,254,866 | 9.0 | 35,192,267 | 12.6 | 49,003,054 | 16.0 | 56,381,748 | 17.6 |

Source: U.S. Census, Scan/US, Inc. and McComb Group, Ltd.

- ♦ Ethnicity is expected to remain primarily Caucasian within the Dickinson trade area through 2015. In 2010, 94.2 percent of the population is Caucasian, which is expected to decrease slightly to 94.0 percent by 2015.

- ♦ Trade area population and households are expected to see a positive change in growth between 2010 and 2015 with population increasing at 0.70 percent annually and households increasing at 0.97 percent annually.

Additional demographic characteristics for the City of Dickinson, Dickinson trade area and United States are contained in Appendix A.

**Petroleum Industry**

Growing employment in the oil and gas industry is difficult to quantify. As discussed in Chapter III, it is likely to increase dramatically and its employees are well paid. Exploration employment is likely to level off in the near future as the number of drilling rigs stabilizes. The fact that rig leases are being executed for five-year terms indicates employment stability. Industry assessments that drilling could continue for 10 to 20 years is encouraging.

Employment generated by exploration currently is fulfilled by contract workers that have a schedule of two weeks on and one week off and live outside of North Dakota. These workers have minimal impact on the local economy as they maintain permanent residences outside North Dakota. They work long hours and go home for their week off. These workers generally live in temporary or short-term housing.

Employment generated by extraction and oil operators are more stable year-round jobs, which will continue to grow as producing wells increase. If these jobs are viewed by workers as permanent, it could cause workers to migrate to North Dakota and establish permanent residences. This employment growth will be most beneficial to the retail and shopping center industry. The trade area growth projections assume that some workers will choose to move to the trade area. Retail purchases of non-resident petroleum industry workers are considered to be inflow sales.

**Man Camps**

Labor demands of the oil and gas industry has resulted in an intense shortage of worker housing. This has resulted in the development of man camps, which consist of clusters of temporary housing, generally portable, which consist of sleeping rooms around a living area for residents. There appear to be over 1,300 man camp units in the western North Dakota area with an additional 1,100 planned for the near future. Four hundred man camp units are planned to be located north of Dickinson and will be occupied by workers that have permanent homes elsewhere in the nation.

**Tourism**

Dickinson's lodging industry, with 12 hotels and 811 rooms, served an estimated 85,900 travel parties in 2009, about 6.6 percent, (5,700) of these travel parties are estimated to be oil field employees. Commercial and corporate travelers are estimated at 44,000 and 3,200 travel parties, respectively, and tourists are estimated at about 33,000 travel parties. Retail sales of these travel parties are included in inflow sales.

## Purchasing Power

Retail sales potential for the Dickinson trade area is based on estimated purchasing power and market share that can be achieved from the trade area. Retail sales from residents living outside the trade area are inflow sales. Purchasing power estimates of trade area residents are derived from retail sales by store type as reported by the Census of Retail Trade in 2002 for North Dakota. Retail sales for 2003 through 2010 were estimated using information available from the U.S. Department of Commerce and the State of North Dakota. Future purchasing power estimates are expressed in current 2010 dollars and reflect projected household growth.

Purchasing power is based on the number of trade area households adjusted to reflect income characteristics. Purchasing power, for the purpose of this analysis, includes retail categories that area characteristic of tenants that could be located in Dickinson. Estimated retail purchasing power summary table for the Dickinson trade area for 2010, 2015, and 2020 is shown in Table 17. The purchasing power estimates used in this analysis are condensed from the full purchasing power tables, which are contained in a separate Appendix. These estimates represent the potential dollar sales for a broad range of retail stores generated by residents of the trade area.

Trade area purchasing power is increasing at a 4.7 percent annual growth rate, increasing from a total purchasing power of $1.2 billion in 2005 to $2.4 billion by 2020. Department store total purchasing power in 2005 was $139.0 million, increased to $169.6 million in 2010 and is expected to increase to $276.6 million by 2020. Estimates indicate that food service and drinking purchasing power was $94.4 million in 2005 and is likely to increase to $187.9 million by 2020. Convenience goods purchasing power was $209.5 million in 2005, increased to $255.7 million in 2010 and is expected to increase to $417.1 million by 2020.

Table 17

DICKSINSON TRADE AREA
RETAIL PURCHASING POWER: 2005, 2010, 2015, AND 2020
(In Thousands of Dollars)

| **Merchandise Category** | 2005 | 2010 | 2015 | 2020 |
|---|---|---|---|---|
| Department stores (Incl. leased depts.) | $ 138,958 | $ 169,555 | $ 216,841 | $ 276,573 |
| Discount stores | 101,728 | 124,127 | 158,744 | 202,472 |
| Department Stores | 37,230 | 45,428 | 58,097 | 74,101 |
| Apparel and accessories | $ 29,268 | $ 35,717 | $ 45,677 | $ 58,259 |
| Furniture & home furnishings | 24,541 | 29,944 | 38,295 | 48,844 |
| Electronics & appliance | 29,365 | 35,830 | 45,823 | 58,446 |
| Other shopping goods | 61,697 | 75,282 | 96,279 | 122,798 |
| **Food Service & Drinking** | **$ 94,388** | **$ 115,170** | **$ 147,288** | **$ 187,860** |
| **Convenience Goods** | **$ 209,539** | **$ 255,676** | **$ 326,980** | **$ 417,052** |
| Food stores | 129,100 | 157,526 | 201,458 | 256,952 |
| Drug & proprietary stores | 54,954 | 67,054 | 85,754 | 109,377 |
| Hardware stores | 8,075 | 9,853 | 12,601 | 16,073 |
| Beer, wine & liquor stores | 13,529 | 16,508 | 21,111 | 26,927 |
| Florists | 2,832 | 3,455 | 4,419 | 5,636 |
| Health supplement stores | 1,049 | 1,280 | 1,637 | 2,087 |
| **Total** | **$ 1,212,493** | **$ 1,479,469** | **$ 1,892,067** | **$ 2,413,261** |

NA: Not Available.
Source: McComb Group, Ltd.

# Chapter V

# RETAIL SALES

Future sales potential for Dickinson is based on market share that can be achieved from its trade area taking into consideration future household growth, inflow purchases, and sales to visitors. Market share estimates for Dickinson are based on analysis conducted as part of this engagement, which included 2002 retail and service sales in Dickinson reported by the Retail Census of Trade, North Dakota sales tax data, and McComb Group experience.

## Retail Sales

Retail sales growth estimates were calculated using sales and use tax records provided by the U.S. Census of Retail Trade and State of North Dakota. Taxable retail sales in Dickinson increased by about 40 percent between 2002 and 2009 according to North Dakota sales tax records. Retail sales in 2002 were increased by that amount to estimate 2009 retail sales for the categories contained in Table 18. Estimates show that retail sales in Dickinson increased from $261,904 million in 2002 to about $366,600 million in 2009. This represents an annual average increase of 4.9 percent for each category over the seven-year period 2002 to 2009.

Table 18

DICKINSON RETAIL SALES; 2002 AND 2009 ESTIMATED
(In Thousands of Dollars)

| | 2002 Dollars | 2009 Dollars |
|---|---|---|
| **CONVENIENCE** | | |
| Food & Beverage Stores | $ 34,616 | $ 48,462 |
| **FOOD SERVICE** | | |
| Food Services & Drinking Places | $ 19,827 | $ 27,758 |
| Limited Service Eating Places | 10,134 | 14,188 |
| **GASOLINE/CONVENIENCE** | | |
| Gasoline Stations | $ 31,052 | $ 43,473 |
| **SHOPPING GOODS** | | |
| General Merchandise Stores | $ 55,397 | $ 77,556 |
| Clothing and Clothing Accessories Stores | 5,101 | 7,141 |
| Sporting Goods, Hobby, Book and Music Stores | 2,718 | 3,805 |
| Appliance, TV and Other Electronics | 4,918 | 6,885 |
| Office Supply, Stationery and Gift | 4,121 | 5,769 |
| Auto Parts and Accessories | 7,461 | 10,445 |
| Tire Dealers | 4,566 | 6,392 |
| Building Materials and Garden | 15,183 | 21,256 |
| **TOTAL RETAIL** | $ 261,904 | $ 366,600 |
| **SERVICES** | | |
| Auto Repair | $ 8,863 | $ 12,408 |
| Offices of Physicians | 8,010 | 11,214 |
| Offices of Chiropractors | 1,700 | 2,380 |

Source: U.S. Census and McComb Group, Ltd.

## Market Share

Market share for Dickinson retail and service establishments in 2002 and 2009 is estimated in Table 19, which also contains Dickinson retail and service sales for 2002. Purchasing power was calculated for 2002 and 2009 by McComb Group. Retail sales derived from Dickinson trade area were estimated for each retail category to determine trade area sales and market share as a percent of purchasing power. Using food and beverage stores as an example, retail sales in 2002 were about $34.6 million with 95 percent of the sales derived from the trade area. This results in trade area sales of $32.9 million, which is 27.5 percent of estimated purchasing power of $119.5 million. Market share in 2009 is virtually the same at 27.6 percent. Market share for food service and drinking places in 2002 and 2009 was 17.6 percent, while limited service restaurants achieved a market share of 27.3 percent.

Market share in the shopping goods category in 2009 has a far broader range, which is related to the number of stores represented in each category. General merchandise market share is 33.0 percent, while clothing and clothing accessories stores market share was 16.7 percent. Sporting goods, hobby, book, and music stores achieved a 12.0 percent market share. Appliance, TV, and other electronic stores achieved a market share of 22.5 percent. Auto parts and accessories achieved a 46.0 percent market share and tire dealers recorded a 32.2 percent market share. Building material and garden equipment stores recorded a 15.7 percent market share.

Market share for auto repair in the service category was 33.3 percent. Offices of physicians recorded a 10.6 percent market share and chiropractors had a 44.7 percent market share. The above analysis demonstrates that Dickinson retail stores and services establishments are achieving good market share performance. The wide disparity in market share between individual categories, however, indicates room for improvement in some categories.

Retail and service sales potential for Dickinson is based on market share that can be achieved taking into consideration past trends in Dickinson, trade area households, future growth, and potential competitive developments. Market share estimates are based on analysis conducted as part of this engagement, McComb Group's knowledge of the retail market, and assumptions contained in Table 20. Market share was estimated for each retail and service category taking into consideration past market share performance of Dickinson retail stores, trade area size, competitive store locations, and industry experience. Trade area market share by store type is shown in Table 20.

Using the shopping goods category as an example, market share in 2015 is estimated at 20 to 50 percent with 75 percent of the sales derived from the trade area. In the convenience goods category, market share ranges from 25 to 35 percent and stores are estimated to derive 90 percent of their sales from the trade area. Food service market share is estimated at 20 to 25 percent with 70 percent of the sales being derived from the trade area.

Table 19

DICKINSON PURCHASING POWER, RETAIL SALES AND MARKET SHARE; 2002 AND 2009 ESTIMATED
(In Thousands of Dollars)

| | 2002 | | | | | 2009 Estimated | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Purchasing Power | Retail Sales | Trade Area Percent | Trade Area Sales | Market Share | Purchasing Power | Retail Sales | Trade Area Percent | Trade Area Sales | Market Share |
| **CONVENIENCE** | | | | | | | | | | |
| Food & Beverage Stores | $ 119,461 | $ 34,616 | 95 % | $ 32,885 | 27.53 % | $ 166,646 | $ 48,462 | 95 % | $ 46,039 | 27.63 % |
| **FOOD SERVICE** | | | | | | | | | | |
| Food Services & Drinking Places | $ 79,055 | $ 19,827 | 70 % | $ 13,879 | 17.56 % | $ 110,280 | $ 27,758 | 70 % | $ 19,430 | 17.62 % |
| Limited Service Eating Places | 26,000 | 10,134 | 70 | 7,094 | 27.28 | 36,270 | 14,188 | 70 | 9,931 | 27.38 |
| **GASOLINE/CONVENIENCE** | | | | | | | | | | |
| Gasoline Stations | $ 134,130 | $ 31,052 | 70 % | $ 21,736 | 16.21 % | 187,109 | $ 43,473 | 70 % | $ 30,431 | 16.26 % |
| **SHOPPING GOODS** | | | | | | | | | | |
| General Merchandise Stores | $ 134,921 | $ 55,397 | 80 % | $ 44,318 | 32.85 % | 188,211 | $ 77,556 | 80 % | $ 62,045 | 32.97 % |
| Clothing and Clothing Accessories Stores | 24,516 | 5,101 | 80 | 4,081 | 16.65 | 34,200 | 7,141 | 80 | 5,713 | 16.71 |
| Sporting Goods, Hobby, Book and Music Stores | 18,095 | 2,718 | 80 | 2,174 | 12.02 | 25,242 | 3,805 | 80 | 3,044 | 12.06 |
| Appliance, TV and Other Electronics | 17,568 | 4,918 | 80 | 3,934 | 22.40 | 24,506 | 6,885 | 80 | 5,508 | 22.48 |
| Office Supply, Stationery and Gift | 16,338 | 4,121 | 80 | 3,297 | 20.18 | 22,791 | 5,769 | 80 | 4,616 | 20.25 |
| Auto Parts and Accessories | 15,460 | 7,461 | 95 | 7,088 | 45.85 | 21,566 | 10,445 | 95 | 9,923 | 46.01 |
| Tire Dealers | 13,527 | 4,566 | 95 | 4,338 | 32.07 | 18,870 | 6,392 | 95 | 6,073 | 32.18 |
| Building Materials and Garden | 92,231 | 15,183 | 95 | 14,424 | 15.64 | 128,660 | 21,256 | 95 | 20,193 | 15.70 |
| **SERVICES** | | | | | | | | | | |
| Auto Repair | $ 23,743 | $ 8,863 | 95 % | $ 8,420 | 35.46 % | 35,454 | $ 12,408 | 95 % | $ 11,788 | 33.25 % |
| Offices of Physicians | 67,356 | 8,010 | 95 | 7,610 | 11.30 | 100,579 | 11,214 | 95 | 10,653 | 10.59 |
| Offices of Chiropractors | 3,388 | 1,700 | 95 | 1,615 | 47.67 | 5,059 | 2,380 | 95 | 2,261 | 44.69 |

Source: U.S. Census and McComb Group, Ltd.

Table 20

DICKINSON
MARKET SHARE AND TRADE AREA SALES; 2015

| Store Type | Market Share | Trade Area Sales |
|---|---|---|
| **Shopping Goods** | | |
| Department Stores | 35.0 % | 75 % |
| Apparel & Accessories | 25.0 | 75 |
| Furniture & Home Furnishings | 25.0 | 75 |
| Electronics & Appliances Stores | 25-50 | 75 |
| Other Shopping Goods | 20-40 | 75 |
| **Convenience Goods** | | |
| Drug & Proprietary | 35.0 % | 90 % |
| Liquor | 25.0 | 90 |
| Hardware Stores | 25.0 | 90 |
| **Food Service** | | |
| Full Service | 20.0 % | 70 % |
| Limited Service | 25.0 | 70 |

Source: McComb Group, Ltd.

## Sales Potential

Estimated future retail and service space demand is a two-step process. Sales potential for each retail or service category is estimated first to determine if retail sales are sufficient to support a store. Next, store size is determined based on sales productivity and typical store size for each category. This methodology is illustrated for 2015 in Tables 21 and 22. These tables use shopping goods stores as an example to illustrate how supportable square footage of retail stores and services is determined.

Using department stores as an example, resident purchasing power in 2015 is estimated at $58.1 million as shown in Table 21. Market share of 35 percent results in $20.3 million in trade area sales. Adding other shoppers (inflow sales) of $6.8 million, results in total estimated sales of about $27.1 million. Estimated sales potential is about $21.3 million for family clothing stores and $1.1 million for clothing accessories stores. The same approach is used for other retail and service categories. Sales potential for other retail stores and services is contained in Appendix C (under separate cover).

Supportable GLA for department stores is based on sales potential of $27.1 million divided by $225 per square foot, resulting in supportable square footage of 120,500 square feet, as shown in Table 22. Supportable square footage for men's and boys is 2,977 square feet based on sales of $655,000. Women's clothing sales potential is about $3.8 million in 2015. Family apparel sales potential is about $7.0 million in 2015, which would support about 27,000 square feet. This demonstrates how to use sales potential and supportable space estimates to identify potential tenants.

Table 21

DICKINSON
SHOPPING GOODS RETAIL PURCHASING POWER, MARKET SHARE AND SALES POTENTIAL, 2015
BY MERCHANDISE CATEGORY
(In Thousands of Dollars)

| Merchandise Category | Resident Purchasing Power | Estimated Market Share | Trade Area Sales | Trade Area Percent | Other Shoppers | Estimated Total Sales |
|---|---|---|---|---|---|---|
| **General Merchandise** | | | | | | |
| Department Stores (Incl. leased depts.) | $ 58,097 | 35.0 % | $20,334 | 75 % | $ 6,778 | $ 27,112 |
| **Apparel & Accessories** | | | | | | |
| **Clothing Stores** | | | | | | |
| Men's and boys | $ 1,964 | 25.0 % | $ 491 | 75 % | $ 164 | $ 655 |
| Women's clothing | 11,292 | 25.0 | 2,823 | 75 | 941 | 3,764 |
| Children's & infant | 818 | 25.0 | 205 | 75 | 68 | 273 |
| Family clothing | 21,275 | 25.0 | 5,319 | 75 | 1,773 | 7,092 |
| Clothing accessories stores | 1,146 | 25.0 | 287 | 75 | 96 | 382 |
| Other clothing stores | 3,273 | 25.0 | 818 | 75 | 273 | 1,091 |

Source: McComb Group, Ltd.

The last column in this table contains the median store size from *Dollars & Cents of Shopping Centers*, published by the Urban Land Institute, for each store type. Median store size indicates a typical size for a store in each retail category. To the extent that supportable square footage is about the same as the median store size or larger, sales potential exists to support that store type. Complete tables showing supportable square footage by retail and service category for each target year are contained in Appendix D.

Retail GLA supported by estimated sales potential for each retail store category is based on estimated sales per square foot (in 2009 dollars) by store type. Sales per square foot estimates are derived from median store sales per square foot for each tenant type contained in *Dollars & Cents of Shopping Centers, 2006*. Supportable GLA is calculated by dividing sales potential by sales per square foot. This analysis was used to provide an estimate of the supportable square footage in each retail store category.

Table 22

DICKINSON
SHOPPING GOODS RETAIL SALES POTENTIAL AND SUPPORTABLE SPACE, 2015
BY MERCHANDISE CATEGORY

| Category | Estimated Sales Potential | Sales/ Sq. Ft. | Supportable Square Feet | Median Store Size |
|---|---|---|---|---|
| **General Merchandise** | | | | |
| Department Stores | $ 27,112,000 | $ 225 | 120,498 | 150,000 |
| **Apparel & Accessories** | | | | |
| **Clothing Stores** | | | | |
| Men's and boys | $ 655,000 | $ 220 | 2,977 | 4,000 |
| Women's clothing | 3,764,000 | 200 | 18,820 | 4,200 |
| Children's & infant | 273,000 | 240 | 1,138 | 3,900 |
| Family clothing | 7,092,000 | 260 | 27,277 | 4,900 |
| Clothing accessories stores | 383,000 | 290 | 1,321 | 1,400 |
| Other clothing stores | 1,091,000 | 265 | 4,117 | 2,725 |

Source: McComb Group, Ltd.

## Chapter VI

## DICKINSON RETAIL SALES POTENTIAL

Dickinson, as the largest city in western North Dakota and eastern Montana, is the regional shopping destination for area residents.

- ♦ Dickinson’s trade area extends 50 miles to the east, 70 miles to the south, 120 miles to the west, and 90 miles to the north, and encompasses 22,000 square miles.
- ♦ Much of the Williston Basin and its Bakken and Three Forks Formations are covered by the Dickinson trade area.
- ♦ Oil well drilling is occurring at an unprecedented pace. Currently, 122 drilling rigs are operating and industry representatives expect over 140 to be operating later this year. The success ratio for new wells is so high--95 to 99 percent--that oil companies are signing five-year drilling rig leases.
- ♦ Well drilling is expected to continue for 10 to 20 years until the Bakken and Three Forks Formations have been fully penetrated by producing wells.
- ♦ The anticipated well drilling activity is expected to result in completion of over 1,100 new producing oil wells per year creating about 1,400 permanent jobs annually in western North Dakota to support oil production activities. These are stable year-round jobs that can justify workers and their families to relocate to the Dickinson area.
- ♦ Petroleum industry employees earned an average wage of $82,803 in 2008-09. Labor shortages are currently pushing wages higher.
- ♦ Developers are responding by building new housing to accommodate employees and their families.
- ♦ The Dickinson nine-county area has a diversified economic base with total employment of 22,800 in 2008, with petroleum representing about 1,500 employees or 6.6 percent.

Dickinson and it’s retail establishments are well-positioned to capitalize on these unique trade area growth characteristics.

### Sales Potential

Dickinson’s trade area has the potential to support additional retail stores. Estimated Dickinson supportable square feet by retail store type is contained in Table 23. In almost every category, supportable space exceeds the median store size. Sales potential by retail store type is contained in Table 24.

Table 23

DICKINSON SUPPORTABLE RETAIL SPACE
BY MERCHANDISE CATEGORY
(Gross Leasable Area)

| Merchandise Category | 2010 | 2015 | 2020 | Store Size High | Store Size Median | Store Size Low |
|---|---|---|---|---|---|---|
| **SHOPPING GOODS** | | | | | | |
| **General Merchandise** | | | | | | |
| **Department stores (Incl. leased depts.)** | | | | | | |
| Discount stores | 279,284 | 380,988 | 485,932 | 127,987 | 92,681 | 70,000 |
| Department Stores | 88,333 | 120,498 | 153,689 | 192,195 | 104,560 | 51,125 |
| **Other general merchandise stores** | | | | | | |
| Warehouse Clubs and Supercenters | 21,113 | 28,802 | 36,738 | 225,000 | 185,000 | 150,000 |
| Dollar stores | 2,800 | 3,818 | 4,873 | 13,788 | 8,000 | 2,726 |
| Miscellaneous general mdse. | 44,792 | 96,012 | 122,460 | 11,212 | 8,400 | 3,200 |
| **Apparel & Accessories** | | | | | | |
| **Clothing Stores** | | | | | | |
| Mens and boys | 2,182 | 2,977 | 3,795 | 5,635 | 4,000 | 2,002 |
| Womens clothing | 13,800 | 18,820 | 24,005 | 8,740 | 4,200 | 2,074 |
| Children's & infant | 833 | 1,138 | 1,450 | 6,000 | 3,912 | 1,490 |
| Family clothing | 19,996 | 27,277 | 34,788 | 28,228 | 8,000 | 2,374 |
| Clothing accessories stores | 966 | 1,321 | 1,679 | 2,001 | 1,400 | 918 |
| Other clothing stores | 3,019 | 4,117 | 5,253 | 8,234 | 2,300 | 1,060 |
| **Shoe Stores** | | | | | | |
| Men's | 293 | 400 | 510 | 2,186 | 1,640 | 903 |
| Women's | 441 | 604 | 767 | 3,158 | 2,384 | 1,309 |
| Children's & infant | 138 | 190 | 238 | 6,000 | 3,912 | 1,490 |
| Family shoe stores | 4,114 | 5,617 | 7,154 | 10,234 | 3,388 | 2,021 |
| Athletic footwear | 2,743 | 3,743 | 4,771 | 11,314 | 3,284 | 1,535 |
| **Furniture & Home Furnishings** | | | | | | |
| Furniture | 16,919 | 23,081 | 29,435 | 36,712 | 7,927 | 3,108 |
| Floor coverings | 15,996 | 21,818 | 27,836 | 7,819 | 3,593 | 1,229 |
| Window treatment stores | 190 | 262 | 329 | 9,934 | 4,905 | 1,489 |
| All other home furnishings stores | 7,543 | 10,286 | 13,120 | 6,500 | 3,570 | 2,868 |
| **Electronics & Appliances Stores** | | | | | | |
| Household appliance stores | 5,527 | 7,538 | 9,615 | | 9,090 | |
| Radio, tv & electronics stores | 21,597 | 58,917 | 75,147 | 44,446 | 2,526 | 1,789 |
| Computers, Software, Music, & other electronics | 5,516 | 7,524 | 9,598 | 25,600 | 3,388 | 997 |
| **Other Shopping Goods** | | | | | | |
| Sporting goods | 24,195 | 33,005 | 42,095 | 44,116 | 7,500 | 2,238 |
| General Line Sporting Gds. | 19,995 | 27,275 | 34,785 | 28,128 | 5,850 | 3,765 |
| Specialty Line Sporting Gds. | 3,733 | 5,089 | 6,493 | 4,356 | 2,449 | 1,097 |
| Book stores & newsdealers | 15,594 | 26,600 | 33,919 | 29,974 | 4,542 | 2,428 |
| Stationery Stores and Office Supply | 22,520 | 38,403 | 48,984 | 2,247 | 1,033 | 585 |
| Musical Instrument & Supplies | 2,129 | 2,913 | 3,713 | 26,094 | 7,324 | 2,432 |
| Jewelry stores | 12,994 | 17,723 | 22,606 | 3,410 | 1,450 | 790 |
| Hobby, toy & game | 6,857 | 9,354 | 11,931 | 25,861 | 4,050 | 1,604 |
| Camera & photographic supply | 873 | 1,193 | 1,516 | 5,965 | 2,200 | 816 |
| Gift, novelty & souvenirs | 14,400 | 19,633 | 25,047 | 7,015 | 4,422 | 2,369 |
| Sewing, needlework & piece goods | 10,880 | 14,840 | 18,920 | 19,299 | 12,202 | 2,678 |
| Pet stores | 2,555 | 3,495 | 4,455 | 12,398 | 3,200 | 1,847 |
| Art dealers | 178 | 244 | 307 | 2,401 | 1,434 | 675 |
| Optical goods stores | 5,072 | 6,924 | 8,828 | 4,068 | 1,561 | 885 |
| Pre-Recorded Tapes, Compact Discs | 3,652 | 4,978 | 6,352 | 12,753 | 3,426 | 1,308 |
| Cosmetics, beauty supplies & perfume | 1,666 | 2,272 | 2,897 | 6,235 | 1,953 | 1,102 |
| All other health & personal care | 4,800 | 6,545 | 8,349 | 3,084 | 1,786 | 697 |
| Other Misc. Store Retailers | 1,619 | 2,206 | 2,818 | 19,977 | 2,000 | 1,001 |

Table 23 (continued)

DICKINSON SUPPORTABLE RETAIL SPACE
BY MERCHANDISE CATEGORY
(Gross Leasable Area)

| | | | | Store Size | | |
|---|---|---|---|---|---|---|
| Merchandise Category | 2010 | 2015 | 2020 | High | Median | Low |
| **CONVENIENCE GOODS** | | | | | | |
| **Food Stores** | | | | | | |
| Grocery stores | 161,778 | 218,385 | 278,545 | 65,888 | 52,500 | 31,676 |
| Supermarkets | 161,103 | 217,478 | 277,383 | 69,462 | 52,419 | 31,245 |
| Convenience food | 673 | 907 | 1,160 | 5,323 | 2,085 | 1,349 |
| Specialty food stores | 6,065 | 8,185 | 10,440 | 6,000 | 2,400 | 1,188 |
| **Other Convenience Goods** | | | | | | |
| Drug & proprietary stores | 53,704 | 72,498 | 92,470 | 23,714 | 11,700 | 8,280 |
| Hardware | 14,016 | 18,919 | 24,130 | 27,743 | 13,831 | 5,638 |
| Liquor | 11,584 | 15,637 | 19,947 | 7,210 | 2,856 | 1,305 |
| Florist | 4,784 | 6,463 | 8,242 | 5,396 | 1,600 | 766 |
| Food/health supplement stores | 1,348 | 1,816 | 2,320 | 1,968 | 1,234 | 1,200 |
| **Food Service** | | | | | | |
| Full-service restaurants | 42,858 | 54,808 | 69,908 | 9,775 | 4,500 | 2,000 |
| Limited service restaurants | 33,823 | 43,250 | 55,165 | 3,400 | 3,000 | 1,335 |
| Cafeterias | 3,698 | 4,723 | 6,030 | 10,049 | 1,073 | 517 |
| Snack & beverage places | 2,743 | 3,510 | 4,470 | 2,495 | 1,500 | 850 |
| Specialized food places | 1,278 | 2,048 | 2,610 | | N/A | |
| **Drinking Places** | 14,904 | 19,056 | 24,308 | | 2,750 | |
| **Gasoline Svs Stations/Conv.** | | | | | | |
| Gas/Convenience food stores | 20,945 | 26,786 | 34,164 | 6,571 | 2,400 | 1,451 |
| **OTHER RETAIL STORES** | | | | | | |
| **Building Materials & Garden Supplies** | | | | | | |
| Building materials & supplies stores | | | | | | |
| Home centers | 53,034 | 67,826 | 86,511 | 135,833 | 95,173 | 8,981 |
| Paint, glass & wallpaper | 8,662 | 11,080 | 14,133 | 5,028 | 3,533 | 2,348 |
| Other building materials dealers | 187,582 | 239,893 | 305,978 | N/A | N/A | N/A |
| Lawn & garden equipment | | | | | | |
| Outdoor power equipment | 11,590 | 14,820 | 18,910 | N/A | N/A | N/A |
| Retail nurseries, lawn & garden | 49,530 | 63,340 | 80,790 | N/A | 15,000 | N/A |
| **Motor Vehicles & Parts Dealers** | | | | | | |
| Auto parts & accessories stores | 59,620 | 76,240 | 97,245 | 13,000 | 6,500 | 2,232 |
| Tire dealers | 40,570 | 51,890 | 66,180 | 5,000 | 2,500 | 1,500 |

Source: McComb Group, Ltd.

Table 23 (continued)

DICKINSON SUPPORTABLE SERVICE SPACE
BY SERVICES CATEGORY
(Gross Leasable Area)

| Category | 2010 | 2015 | 2020 | Store Size High | Store Size Median | Store Size Low |
|---|---|---|---|---|---|---|
| **Personal Care Services** | | | | | | |
| Beauty Shops | 16,805 | 21,489 | 27,411 | 3,480 | 1,400 | 900 |
| Diet & weight reducing services | 3,627 | 4,647 | 5,920 | 3,130 | 1,856 | 1,223 |
| Other personal care services | 1,851 | 2,366 | 3,017 | 4,128 | 1,488 | 703 |
| **Drycleaning & Laundry Services** | | | | | | |
| Coin-operated laundries & drycleaners | 2,517 | 3,200 | 4,083 | 3,734 | 2,024 | 1,222 |
| Drycleaning & laundry services (except coin-op.) | 2,260 | 2,887 | 3,680 | 2,731 | 1,608 | 1,038 |
| **Other Personal Services** | | | | | | |
| One Hour Photo Finishing | 555 | 712 | 905 | 3,365 | 1,120 | 641 |
| Child Day Care Services | 37,990 | 48,590 | 61,960 | 7,495 | 5,050 | 3,059 |
| Pet Care | 4,120 | 5,280 | 6,747 | | 1,200 | |
| **Rental and Leasing** | | | | | | |
| Video tape and disc rental | 11,205 | 14,335 | 18,280 | 7,341 | 5,836 | 3,740 |
| **Recreation** | | | | | | |
| Bowling Centers | 2,491 | 3,173 | 4,055 | N/A | N/A | N/A |
| Physical fitness facilites | 3,425 | 4,363 | 5,575 | 32,170 | 6,448 | 1,433 |
| **Professional Services** | | | | | | |
| Offices of real estate agents & brokers | 10,453 | 13,373 | 17,053 | 6,264 | 2,092 | 711 |
| **Household Goods Repair** | | | | | | |
| Home & Garden Equipment & Appliance Repair | 2,960 | 3,777 | 4,823 | | | |
| Reupholstery & furniture repair | 1,065 | 1,361 | 1,729 | | 600 | |
| Footwear & leather goods repair | 606 | 774 | 994 | 742 | 648 | 405 |
| Watch, clock & jewelry repair | 303 | 387 | 490 | | 900 | |
| Garment repair & alteration services | 568 | 520 | 657 | 1,488 | 1,185 | 680 |
| **Automotive Repair and Maintenance** | | | | | | |
| General automotive repair | 30,010 | 38,380 | 48,960 | 10,624 | 6,200 | 2,400 |
| Automotive exhaust system repair | 1,530 | 1,955 | 2,495 | | | |
| Automotive transmission repair | 3,405 | 4,360 | 5,560 | | | |
| Brake, front end & wheel alignment | 705 | 900 | 1,155 | | | |
| Paint or body repair shops | 39,000 | 49,880 | 63,625 | | | |
| Automotive glass replacement | 6,935 | 8,865 | 11,305 | | | |
| Carwashes | 7,045 | 9,020 | 11,500 | | | |
| Subtotal | 191,431 | 244,594 | 311,979 | | | |
| **Health Care** | | | | | | |
| Offices of physicians | | | | | | |
| Offices of physicians (except mental health specialists) | 77,270 | 98,821 | 126,046 | 4,008 | 1,652 | 969 |
| Offices of physicians, mental health specialists | 740 | 940 | 1,204 | | 1,800 | |
| Offices of dentists | 53,568 | 68,512 | 87,386 | | 1,700 | |
| Offices of other health practitioners | | | | | | |
| Offices of chiropractors | 10,064 | 12,872 | 16,416 | | 1,600 | |
| Offices of optometrists | 12,716 | 16,260 | 20,740 | 4,347 | 1,620 | 1,074 |
| Offices of mental health practitioners (except physicians) | 561 | 716 | 916 | | 1,800 | |
| Offices of physical, occup, & speech therapists & audiologists | | | | | | |
| Speech therapist & audiologists | 608 | 776 | 988 | | 1,600 | |
| Physical & occupational therapists | 2,320 | 2,968 | 3,784 | | 1,600 | |
| Offices of all other health practitioners | | | | | | |
| Offices of podiatrists | 326 | 414 | 530 | | 1,800 | |
| Offices of all other misc. health practitioners | 561 | 716 | 916 | | 1,800 | |
| Subtotal | 158,734 | 202,995 | 258,010 | | | |
| Total | 350,165 | 447,589 | 569,989 | | | |

Source: McComb Group, Ltd.

Table 24

DICKINSON SALES POTENTIAL
BY MERCHANDISE CATEGORY
(Thousands of Dollars)

| Merchandise Category | 2010 | 2015 | 2020 |
|---|---|---|---|
| **SHOPPING GOODS** | | | |
| **General Merchandise** | | | |
| **Department stores (Incl. leased depts.)** | | | |
| Discount stores | $ 69,821 | $ 95,247 | $ 121,483 |
| Department Stores | 19,875 | 27,112 | 34,580 |
| **Other general merchandise stores** | | | |
| Warehouse Clubs and Supercenters | $ 9,501 | $ 12,961 | $ 16,532 |
| Dollar stores | 616 | 840 | 1,072 |
| Miscellaneous general mdse. | 11,198 | 24,003 | 30,615 |
| **Apparel & Accessories** | | | |
| **Clothing Stores** | | | |
| Mens and boys | $ 480 | $ 655 | $ 835 |
| Womens clothing | 2,760 | 3,764 | 4,801 |
| Children's & infant | 200 | 273 | 348 |
| Family clothing | 5,199 | 7,092 | 9,045 |
| Clothing accessories stores | 280 | 383 | 487 |
| Other clothing stores | 800 | 1,091 | 1,392 |
| **Shoe Stores** | | | |
| Men's | $ 85 | $ 116 | $ 148 |
| Women's | 119 | 163 | 207 |
| Children's & infant | 40 | 55 | 69 |
| Family shoe stores | 720 | 983 | 1,252 |
| Athletic footwear | 480 | 655 | 835 |
| **Furniture & Home Furnishings** | | | |
| Furniture | $ 4,399 | $ 6,001 | $ 7,653 |
| Floor coverings | 3,599 | 4,909 | 6,263 |
| Window treatment stores | 40 | 55 | 69 |
| All other home furnishings stores | 1,320 | 1,800 | 2,296 |
| **Electronics & Appliances Stores** | | | |
| Household appliance stores | $ 1,520 | $ 2,073 | $ 2,644 |
| Radio, tv & electronics stores | 6,479 | 17,675 | 22,544 |
| Computers, Software, Music, & other electronics | 3,199 | 4,364 | 5,567 |
| **Other Shopping Goods** | | | |
| Sporting goods | $ 4,839 | $ 6,601 | $ 8,419 |
| General Line Sporting Gds. | 3,999 | 5,455 | 6,957 |
| Specialty Line Sporting Gds. | 840 | 1,145 | 1,461 |
| Book stores & newsdealers | 2,495 | 4,256 | 5,427 |
| Stationery Stores and Office Supply | 8,445 | 14,401 | 18,369 |
| Musical Instrument & Supplies | 511 | 699 | 891 |
| Jewelry stores | 4,223 | 5,760 | 7,347 |
| Hobby, toy & game | 1,200 | 1,637 | 2,088 |
| Camera & photographic supply | 240 | 328 | 417 |
| Gift, novelty & souvenirs | 2,160 | 2,945 | 3,757 |
| Sewing, needlework & piece goods | 1,088 | 1,484 | 1,892 |
| Pet stores | 511 | 699 | 891 |
| Art dealers | 40 | 55 | 69 |
| Optical goods stores | 1,471 | 2,008 | 2,560 |
| Pre-Recorded Tapes, Compact Discs | 840 | 1,145 | 1,461 |
| Cosmetics, beauty supplies & perfume | 533 | 727 | 927 |
| All other health & personal care | 1,320 | 1,800 | 2,296 |
| Other Misc. Store Retailers | 400 | 545 | 696 |

Table 24 (continued)

DICKINSON SALES POTENTIAL
BY MERCHANDISE CATEGORY
(Thousands of Dollars)

| Merchandise Category | 2010 | 2015 | 2020 |
|---|---|---|---|
| **CONVENIENCE GOODS** | | | |
| **Food Stores** | | | |
| Grocery stores | $ 64,711 | $ 87,354 | $ 111,418 |
| Supermarkets | 64,441 | 86,991 | 110,953 |
| Convenience food | 202 | 272 | 348 |
| Specialty food stores | 1,213 | 1,637 | 2,088 |
| **Other Convenience Goods** | | | |
| Drug & proprietary stores | $ 24,704 | $ 33,349 | $ 42,536 |
| Hardware | 2,593 | 3,500 | 4,464 |
| Liquor | 4,344 | 5,864 | 7,480 |
| Florist | 909 | 1,228 | 1,566 |
| Food/health supplement stores | 337 | 454 | 580 |
| **Food Service** | | | |
| Full-service restaurants | $ 15,429 | $ 19,731 | $ 25,167 |
| Limited service restaurants | 13,529 | 17,300 | 22,066 |
| Cafeterias | 869 | 1,110 | 1,417 |
| Snack & beverage places | 823 | 1,053 | 1,341 |
| Specialized food places | 511 | 819 | 1,044 |
| **Drinking Places** | $ 3,726 | $ 4,764 | $ 6,077 |
| **Gasoline Svs Stations/Conv.** | | | |
| Gas/Convenience food stores | $ 29,323 | $ 37,500 | $ 47,830 |
| **OTHER RETAIL STORES** | | | |
| **Building Materials & Garden Supplies** | | | |
| Building materials & supplies stores | | | |
| Home centers | $ 18,562 | $ 23,739 | $ 30,279 |
| Paint, glass & wallpaper | 1,949 | 2,493 | 3,180 |
| Other building materials dealers | 42,206 | 53,976 | 68,845 |
| Lawn & garden equipment | | | |
| Outdoor power equipment | $ 1,159 | $ 1,482 | $ 1,891 |
| Retail nurseries, lawn & garden | 4,953 | 6,334 | 8,079 |
| **Motor Vehicles & Parts Dealers** | | | |
| Auto parts & accessories stores | $ 11,924 | $ 15,248 | $ 19,449 |
| Tire dealers | 8,114 | 10,378 | 13,236 |

Source: McComb Group, Ltd.

Table 24 (continued)

DICKINSON SALES POTENTIAL
BY SERVICES CATEGORY
(Gross Leasable Area)

| Category | 2010 | 2015 | 2020 |
|---|---|---|---|
| **Personal Care Services** | | | |
| Beauty Shops | $ 3,193 | $ 4,083 | $ 5,208 |
| Diet & weight reducing services | 544 | 697 | 888 |
| Other personal care services | 324 | 414 | 528 |
| **Drycleaning & Laundry Services** | | | |
| Coin-operated laundries & drycleaners | $ 151 | $ 192 | $ 245 |
| Drycleaning & laundry services (except coin-op.) | 339 | 433 | 552 |
| **Other Personal Services** | | | |
| One Hour Photo Finishing | $ 181 | $ 232 | $ 295 |
| Child Day Care Services | 3,799 | 4,859 | 6,196 |
| Pet Care | 309 | 396 | 506 |
| **Rental and Leasing** | | | |
| Video tape and disc rental | $ 2,241 | $ 2,867 | $ 3,656 |
| **Recreation** | | | |
| Bowling Centers | $ 274 | $ 349 | $ 446 |
| Physical fitness facilites | 274 | 349 | 446 |
| **Professional Services** | | | |
| Offices of real estate agents & brokers | $ 3,136 | $ 4,012 | $ 5,116 |
| **Household Goods Repair** | | | |
| Home & Garden Equipment & Appliance Repair | $ 518 | $ 661 | $ 844 |
| Reupholstery & furniture repair | 165 | 211 | 268 |
| Footwear & leather goods repair | 94 | 120 | 154 |
| Watch, clock & jewelry repair | 47 | 60 | 76 |
| Garment repair & alteration services | 71 | 91 | 115 |
| **Automotive Repair and Maintenance** | | | |
| General automotive repair | $ 6,002 | $ 7,676 | $ 9,792 |
| Automotive exhaust system repair | 306 | 391 | 499 |
| Automotive transmission repair | 681 | 872 | 1,112 |
| Brake, front end & wheel alignment | 141 | 180 | 231 |
| Paint or body repair shops | 7,800 | 9,976 | 12,725 |
| Automotive glass replacement | 1,387 | 1,773 | 2,261 |
| Carwashes | 1,409 | 1,804 | 2,300 |
| Subtotal | 33,386 | 42,698 | 54,459 |
| **Health Care** | | | |
| Offices of physicians | | | |
| Offices of physicians (except mental health specialists) | $ 22,022 | $ 28,164 | $ 35,923 |
| Offices of physicians, mental health specialists | 211 | 268 | 343 |
| Offices of dentists | 15,267 | 19,526 | 24,905 |
| Offices of other health practitioners | | | |
| Offices of chiropractors | 2,516 | 3,218 | 4,104 |
| Offices of optometrists | 3,179 | 4,065 | 5,185 |
| Offices of mental health practitioners (except physicians) | 160 | 204 | 261 |
| Offices of physical, occup, & speech therapists & audiologists | | | |
| Speech therapist & audiologists | 152 | 194 | 247 |
| Physical & occupational therapists | 580 | 742 | 946 |
| Offices of all other health practitioners | | | |
| Offices of podiatrists | 93 | 118 | 151 |
| Offices of all other misc. health practitioners | 160 | 204 | 261 |
| Subtotal | $ 44,340 | $ 56,703 | $ 72,065 |
| Total | $ 77,726 | $ 99,401 | $ 126,524 |

Source: McComb Group, Ltd.