

Demographic Analysis

Homestead, FL, continues to experience population growth, with 85,135 residents in 2023, an increase from 80,737 in 2020 and 60,808 in 2010. This growth is projected to continue, reaching 85,495 by 2028. However, the growth rate recently slowed to 0.08% per year but is expected to pick up again as new residential markets are completed and enter the market. The city's median age is 31.3, decreasing slightly to 30.7 by 2028, indicating that Homestead remains a city for young families and working-age residents.

Household formation has followed a similar trend, increasing to 26,140 total households in 2023, up from 24,952 in 2020. The average household size has grown to 3.24 people per household, suggesting a higher prevalence of families than single-person households.

Daytime Population and Workforce Presence

Homestead has a daytime population of 65,616, meaning many residents commute elsewhere for work while others come into the city for employment. During the day, there are approximately 20,195 workers and 45,421 residents, highlighting a commuter-based economy where local employment opportunities may not fully match workforce needs.

Racial and Ethnic Composition

Homestead is an ethnically diverse city. The population includes a high percentage of Hispanic and Latino residents and a strong Black and African American community. The city's diversity shapes its consumer preferences, workforce composition, and community needs.

Household Income Distribution and Economic Standing

Homestead's median household income in 2023 is \$57,224, and it is projected to rise to \$66,417 by 2028. However, the income distribution remains skewed towards lower and middle-income brackets, with a substantial percentage of households earning below \$50,000 annually. This economic structure creates demand for affordable housing, public assistance programs, and job training initiatives.

Tapestry Segmentation

The Tapestry Segmentation system categorizes communities based on demographic and socioeconomic characteristics. The dominant segments in Homestead are:

1. Up and Coming Families (37.1%) – These are young, family-oriented households with strong community ties and a growing need for schools, child-friendly amenities, and housing.
2. Metro Fusion (14.9%) – A diverse mix of urban renters and homeowners, reflecting a demand for affordable retail, local dining options, and entertainment.
3. Fresh Ambitions (13.2%) – Hardworking, budget-conscious communities focused on affordability and financial stability, indicating strong demand for value-driven retail and financial services.
4. NeWest Residents (13.0%) – Recently relocated households seeking stable employment and community integration.
5. Middleburg (6.5%) – A suburban, middle-income group balancing homeownership and community engagement.

These five segments represent 84.7% of the city's population, highlighting a consumer market driven by affordability, family needs, and cultural diversity.

Retail Demand Outlook and Market Growth

Consumer spending on apparel and services totaled \$43.7 million in 2023 and is forecast to increase to \$52.9 million by 2028, a projected growth of \$9.3 million. The fastest-growing retail categories include:

- Men's apparel: \$8.2 million in 2023, growing to \$9.9 million by 2028
- Women's apparel: \$14.3 million in 2023, increasing to \$17.4 million by 2028
- Children's apparel: \$7.3 million in 2023, growing to \$8.8 million by 2028
- Footwear: \$10.1 million in 2023, projected to reach \$12.3 million by 2028

Growth in apparel spending signals increased disposable income and demand for retail options. Expanding affordable fashion retailers, department stores, and discount apparel options could capture this growing market.

Why This Matters

Homestead's young and diverse population drives consumer demand in housing, retail, education, and entertainment. The city's high share of working-class households means affordability remains a critical

Community Profile – Homestead, FL

Source: ESRI



factor in spending decisions. Retailers, developers, and policymakers must focus on creating accessible housing and business opportunities that align with income levels and community needs.

Recreation and entertainment spending is below average, indicating opportunities for affordable entertainment venues, community events, and streaming service partnerships.

With retail demand increasing, businesses should focus on meeting the needs of price-sensitive shoppers by offering value-based products and services.

Economic Development Opportunities

Homestead's demographic and economic composition presents several strategic opportunities for growth:

1. **Affordable and Workforce Housing Development:** Homestead should prioritize workforce housing, mixed-income developments, and rent-stabilized housing options.
2. **Retail and Apparel Expansion:** The city's growing apparel market suggests demand for local clothing retailers, discount stores, and fashion outlets.
3. **Small Business and Entrepreneurship Growth:** With a price-conscious consumer base, there's room for locally owned businesses and discount-based retail models.
4. **Workforce Training and Job Growth:** Homestead should expand training programs to align local employment opportunities with higher-wage industries.

Economic Development Challenges

Homestead faces several challenges that could impact economic development:

1. **Housing Affordability:** Rising demand could increase costs, pushing out lower-income residents.
2. **Job Market Limitations:** The high number of outbound commuters shows a need for more local job opportunities.
3. **Retail Price Sensitivity:** Businesses should cater to affordability and value-driven consumer spending habits.
4. **Infrastructure and Service Demands:** Population growth requires school, healthcare, and transportation investments.

Conclusion

Homestead's community profile reveals a growing, young, diverse population with price-sensitive spending habits and a strong demand for family-oriented services. The Tapestry Segmentation and spending data highlight opportunities for business development, workforce investment, and retail expansion. To ensure sustainable economic development, the city should balance growth, affordability, and job creation.

Business and Workforce

Homestead's business and workforce landscape reflects a growing and evolving economic structure, with a mix of small businesses, employment sectors, and labor force participation trends.

The city has 2,059 businesses, employing 18,352 people within its boundaries. With a residential population of 85,135, the employee-to-resident ratio stands at 22 employees per 100 residents, indicating that while local employment opportunities exist, many residents are commuting elsewhere.

The total labor force consists of 61,859 people, with 40,278 currently employed. The unemployment rate is 1.7%, reflecting a tight labor market with relatively low joblessness compared to national and regional averages. The labor force participation rate is 66.3%, meaning a significant portion of the working-age population is actively engaged in the workforce. The employment-to-population ratio is 65.1%, suggesting a high level of workforce engagement.

Insights from the Data and Analysis

Homestead has an employment base supported by over 2,000 businesses, but the employee-to-resident ratio indicates an imbalance, suggesting that many residents travel outside the city for work. This could be an opportunity for local job creation initiatives to reduce outbound commuting.

The city's low unemployment rate suggests that businesses may struggle to find available workers, potentially limiting growth in labor-intensive industries. If this trend continues, Homestead may need to focus on workforce training programs to match job seekers with local business needs.

The relatively high labor force participation rate indicates a working-age population actively seeking employment, but the concentration of businesses in specific industries may limit opportunities. Diversifying the local economy could help support job creation across multiple sectors.

Community Profile – Homestead, FL

Source: ESRI



Why This Matters

Homestead's economy is strong, with low unemployment and a high participation rate, but the employment structure suggests many residents work outside city limits. Encouraging business expansion and attracting new industries could reduce outbound commuting and strengthen the local economy.

With over 20,000 jobs available in the city, local policies should focus on supporting small businesses, improving workforce training, and attracting higher-paying industries to provide more opportunities for residents. Investments in workforce development and education could help address skill gaps, ensuring local talent aligns with employer needs.

range of industries will be crucial for long-term economic resilience.

Economic Development Opportunities

Encouraging business growth, especially in industries that provide high-wage jobs, could help Homestead retain more of its local workforce. Entrepreneurship support programs and business incentives could further drive local employment opportunities.

Expanding workforce training programs to address skill gaps will be essential in matching unemployed or underemployed residents with available jobs. Collaborations with technical schools, trade programs, and higher education institutions could enhance the local talent pool.

With many businesses relying on external labor pools, investment in transportation and commuter infrastructure could ensure that the workforce can access employment centers. At the same time, long-term strategies focus on attracting more businesses to the area.

Economic Development Challenges

The city must balance workforce availability with business needs, as a low unemployment rate can create hiring challenges for employers. Encouraging higher labor force participation among untapped workforce segments such as young adults and retirees could help mitigate hiring difficulties.

A high percentage of residents working outside Homestead presents a challenge for retaining local spending power. Developing more employment opportunities within the city limits could help bolster the local economy and increase business revenue.

If the city's business landscape remains concentrated in specific industries, it could make the local economy more vulnerable to economic downturns. Diversifying the business community by attracting a

Community Profile – Homestead, FL

Source: ESRI



Data Sources & Methodology

The data used in this report is sourced from Esri, a leading provider of geographic information system (GIS) technology, demographic analysis, and spatial analytics. Esri's data products integrate census information, consumer spending patterns, business activity, and economic modeling to provide detailed insights into community demographics, market potential, and economic development trends.

The analysis, insights, and recommendations presented in this report were independently developed using the BusinessFlare® economic development approach in combination with the Street Economics® economic development AI platform. These insights reflect our proprietary methodology for assessing population trends, workforce characteristics, retail demand, and economic conditions to support community planning, business attraction, and investment strategy.

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- U.S. Census Bureau (Decennial Census, American Community Survey)
- U.S. Bureau of Labor Statistics (BLS)
- U.S. Bureau of Economic Analysis (BEA)
- Commercial and proprietary datasets on retail, consumer behavior, and lifestyle segmentation (e.g., Tapestry Segmentation)
- Modeled projections using Esri's proprietary forecasting methodologies

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