# MONTEREY COUNTY BUSINESS COUNCIL

## RETAIL MARKET ASSESSMENT

September 2024

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Kosmont Retail NOW!®

# BACKGROUND

- Kosmont Companies ("Kosmont") has been retained to assist the Monterey County Business Council ("MCBC" or "Client") in connection with a Retail Market Assessment ("Assessment") utilizing its Kosmont Retail NOW!® platform. Client would like to develop an understanding of the local economy, market conditions / trends, and the commercial / retail areas of King City, Soledad, Greenfield, and Gonzales ("Cities") in the South Monterey County Region ("Region"), to inform plans for developing a comprehensive approach to retail amongst the four Cities. Main goals of the Assessment are to understand the local retail environment, increase local sales and transient occupancy taxes, and better meet the retail needs of the Region's communities.

- Kosmont is a nationally-recognized real estate and economics advisory firm serving hundreds of public and private sector clients for 38 years. Kosmont's experience covers a range of services as follows:
  - Market and Feasibility Analyses
  - Fiscal Impact and Economic Benefit Studies
  - Economic Development Strategies and Implementation
  - Business/Retailer and Developer Recruitment
  - Identification of Funding Sources and Financing Strategies
  - Public-Private Transaction Structuring and Negotiation Assistance

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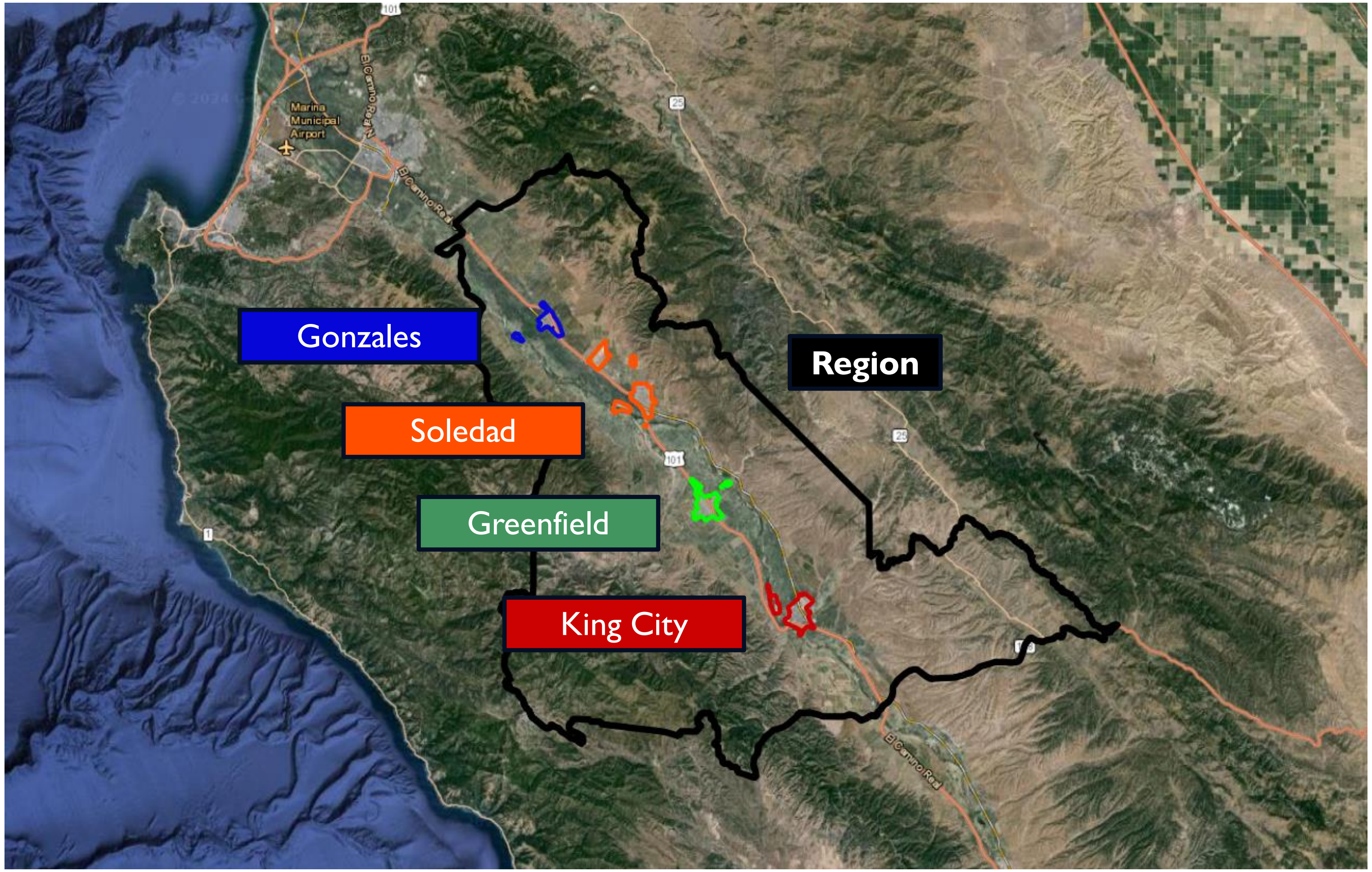
# EXECUTIVE SUMMARY

- The Region and Cities have seen population growth in recent decades and are poised to see continuing population growth as housing development continues in the Cities.
- While the retail market in the Region is generally stable, the Region also faces retail competition from surrounding communities / shopping centers – particularly the strong regional retail cluster in Salinas. While vacancy generally remains low, the Cities would like to improve retail tenancy in existing spaces (including spaces in existing shopping centers as well as older retail spaces in historic downtown main street areas) and would also like to stimulate additional retail development – particularly along the US-101 corridor – that can both serve local residents as well as attract visitors traveling through the Region.
- The retail market is being shaped by modern consumer forces. Consumer need for convenience including omni-channel shopping options (i.e., e-commerce, buy online pick up in store (BOPIS), mobile technologies) and desire for curated / engaging retail experience is reshaping demand for brick-and-mortar retail, as well as driving new demand and redevelopment.
- Each City has key Opportunity Sites – such as existing shopping centers, downtown commercial areas, and undeveloped sites along the US-101 freeway – that have some potential for retail and hospitality development. These sites are unlikely to fully develop as retail projects due to the limited size of the trade area, but some retail development is likely suited. The Cities in the region should aim for flexibility with these sites, as successful projects will likely be mixed / blended use concepts that combine retail with high-demand uses such as residential and industrial.
- At this time, new retail developments are experiencing financial feasibility challenges, due to high land values (driven by residential and industrial demand), high construction costs, and relatively high interest rates.
- Cities can explore tools to motivate private investment, which includes programs to encourage improvements at shopping centers to add retail viability (such as façade / landscaping / signage improvements), business expansion / attraction / retention and marketing exercises, and zoning strategies / regulatory flexibility to better facilitate an additional complementary blend of uses.

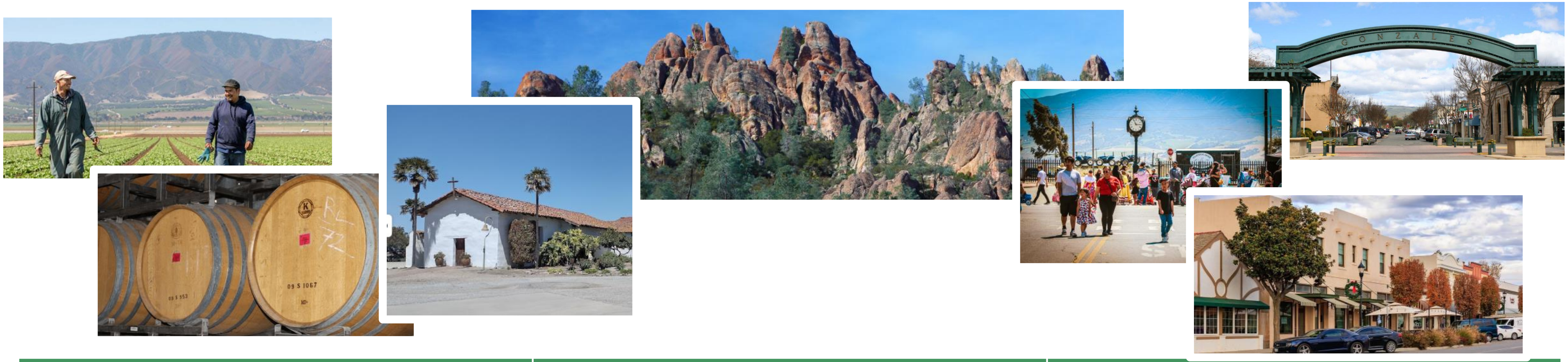
# REGIONAL OVERVIEW

- The Cities are located along the US-101 corridor, providing connectivity to major cities such as Salinas and Monterey.
- The Region is known for its rich agricultural heritage – renowned for its farms, vineyards, and wineries.
- The Region has seen significant housing development and population growth over the past 20+ years, which has helped to drive demand for related commercial uses.
- The Region is also well situated near a variety of natural attractions (coastal areas, Pinnacles National Park, etc).



# REGIONAL ASSETS

*COMMUNITY ASSETS THAT CAN BE LEVERAGED FOR ECONOMIC DEVELOPMENT*




| Agricultural | Natural | Cultural |
|---|---|---|
| Farming / Agribusiness<br>Wine Country | Pinnacles National Park<br>Salinas River / Arroyo Seco | Historic Downtowns<br>Mission Soledad<br>Los Coches Adobe |

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# DEMOGRAPHIC, TAX REVENUE, AND EMPLOYMENT DATA SUMMARY

- The Region has a population of ~75,000 people and has grown ~30% since the early 2000s, with additional growth expected as new housing is developed.
- Region has lower levels of bachelor degree attainment, higher Hispanic population, and lower average household incomes compared to County averages.
- Household expenditure data shows that Households within the Region have average household incomes of ~$92,100 and spend ~$19,100 on key brick-and-mortar retail and service categories, equating to ~$311.7 million in annual spending in these categories.
- Taxable Retail Sales data shows ~$331 million in taxable sales in 2023 from retail and food services; large business categories include Gasoline Stations, Food Service / Drinking Places, and Food / Beverage Stores. Over the past 5 years, growth has occurred in the Building Materials / Garden Equipment / Supplies Dealers, General Merchandise Stores, and Food Services / Drinking Places categories.
- Property tax, sales tax, and transient occupancy tax growth has slightly outpaced County and State baselines since 2018.
- Region sees a net outflow of workers, with residents commuting to Salinas, San Jose, Monterey, and other communities. Major industry sectors in the Region include Agriculture, Public Administration, Educational Services, and Healthcare / Social Assistance.
- Recent / upcoming development projects in the Region include a variety of residential projects that are likely to add over 6,000 housing units over the coming years; other commercial and hotel development is expected in the near future as well, with several projects in the planning phase – demonstrating continued market interest in the Region.

# POPULATION & INCOME OVERVIEW

- Within the Cities and surrounding unincorporated areas, there are ~74,600 people in ~16,320 households.
- Region has a median age of 29.7, a high Hispanic population of ~87%, and ~10% of adults attained a bachelor's degree or higher.
- Average household income is ~$92,100 in the in the Region.

| | Gonzales | Soledad | Greenfield | King City | Central Salinas Valley Region |
|---|---|---|---|---|---|
| ***Population*** | 8,500 | 25,000 | 19,600 | 13,400 | 74,600 |
| ***Daytime Population*** | 7,098 | 14,083 | 16,748 | 13,764 | 63,741 |
| ***Households*** | 2,030 | 4,480 | 4,230 | 3,340 | 16,320 |
| ***Average HH Size*** | 4.2 | 4.3 | 4.6 | 4.0 | 4.2 |
| ***Median Age*** | 29.4 | 30.8 | 27.5 | 28.4 | 29.7 |
| ***% Hispanic*** | 92.7% | 80.6% | 94.5% | 90.6% | 86.5% |
| ***% Bachelor's Degree or Higher*** | 7.4% | 6.6% | 8.6% | 10.6% | 9.6% |
| | | | | | |
| ***Median HH Income*** | $80,400 | $77,800 | $76,900 | $58,800 | $75,200 |
| ***Average HH Income*** | $97,400 | $98,200 | $86,900 | $79,600 | $92,100 |
| ***Median Home Value (ESRI Est.)*** | $597,400 | $495,500 | $362,100 | $295,700 | $447,900 |

**Source**: ESRI Business Analyst Online

# RETAIL MARKET OVERVIEW

- According to CoStar, there is ~1.4 million square feet of retail inventory in the Region, with a fairly low vacancy rate of 1.7%.
- Annual market rents ~$23 per square foot (increasing ~8.2% over the past three years).
- Inventory has grown ~65,500 SF since 2019 and is currently seeing slightly positive net absorption. No retail construction currently underway in the Region.
- A significant share of retail inventory is located in neighborhood and strip centers that generally serve the local market (grocery, restaurants, shops and services).
- Major retail tenants include several supermarkets, hardware stores, drug stores, dollar / variety / thrift stores, automotive supplies, and restaurants.
- Retail faces headwinds as e-commerce continues to grow, tenant demand has slowed (with several brick-and-mortar chains experiencing bankruptcy / closures), and construction costs / financing limits financial feasibility.

| | Gonzales | Soledad | Greenfield | King City | Region |
|---|---|---|---|---|---|
| Population | 8,500 | 25,000 | 19,600 | 13,400 | 74,600 |
| Households | 2,030 | 4,480 | 4,230 | 3,340 | 16,320 |
| Median Age | 29.4 | 30.8 | 27.5 | 28.4 | 29.7 |
| Bach. Degree + | 7.4% | 6.6% | 8.6% | 10.6% | 9.6% |
| Average HH Income | $97,400 | $98,200 | $86,900 | $79,600 | $92,100 |
| **Retail Data** | | | | | |
| Inventory SF | 216,600 | 420,300 | 242,000 | 474,000 | 1,389,000 |
| Vacant SF | 0 | 5,500 | 0 | 18,250 | 23,799 |
| Vacant % | 0% | 1.3% | 0% | 3.8% | 1.7% |
| Market Rent | $23.39 | $25.69 | $21.23 | $20.94 | $22.72 |
| Net Absorption SF (12mo) | 2,200 | 7,500 | 2,200 | (5,300) | 6,600 |
| Inventory Growth SF (since 2018) | 0% | 58,300<br>16.1% | 7,200<br>3.0% | 0% | 65,450<br>4.9% |

**Source**: CoStar, ESRI (Accessed July / August 2024)

# VISITOR / MARKET DATA
# PLACER.AI – SUMMARY

Placer.ai is a mobility data provider that tracks daily movement of over 30 million people in the U.S. via anonymized mobile app data. This information reveals customer and employee travel trends to/from major events, shopping centers, major retailers and other places of interest – providing insight into store/center trade areas, hourly and daily visitation statistics, and consumer demographic characteristics.

- **US-101 Traffic & Traveler Data:** Traffic count estimates for US-101 show average daily volume of ~49,100 vehicles just north of Gonzales and ~17,400 just south of King City. Travel tends to peak on Wednesdays and Fridays (lowest on Sundays). Weekday travel peaks during the morning commute at 6am – 10am and again in the afternoon between 2pm – 6pm; weekend traffic peaks between 12pm and 2pm. Placer.ai trade area data shows that ~61% of US-101 travelers near Gonzales live in the Region and an additional 17% live in Salinas, with the remainder from a variety of other cities. Prior to / after traveling through the point on US-101, travelers visit many of the large retailers and employers in Salinas as well as some of the retailers / restaurants in the Region.
- **Shopping Center and Key Area Performance**: Visitor data shows fairly stable shopping center visitation performance metrics and visitor attraction. The majority of visits to each center are from visitors who live in the Region. Anchor / major retailers in the centers generally see average performance compared to other locations of the respective chains within the core-based statistical area, with some retailers overperforming (Denny's in Soledad, Rite Aid in King City) and other retailers underperforming (McDonalds in Gonzales, Dollar Tree in King City). A deeper look at specific centers in each City shows recent performance trends and trade area of visitors.
- **Overnight Visitors**: Overnight visit data for King City (used as a proxy for the Region due to hotel supply) shows ~54,000 overnight visitors to the City over the past year staying for ~137,600 visit nights. Approximately 70% of visitors stay for 1-2 nights, and 31% have household incomes above $90,000, with estimated visitor spending potential of $26.3 million.

**Sources**: Placer.ai (Accessed June / July 2024)

# STRENGTHS, WEAKNESSES, OPPORTUNITIES, THREATS

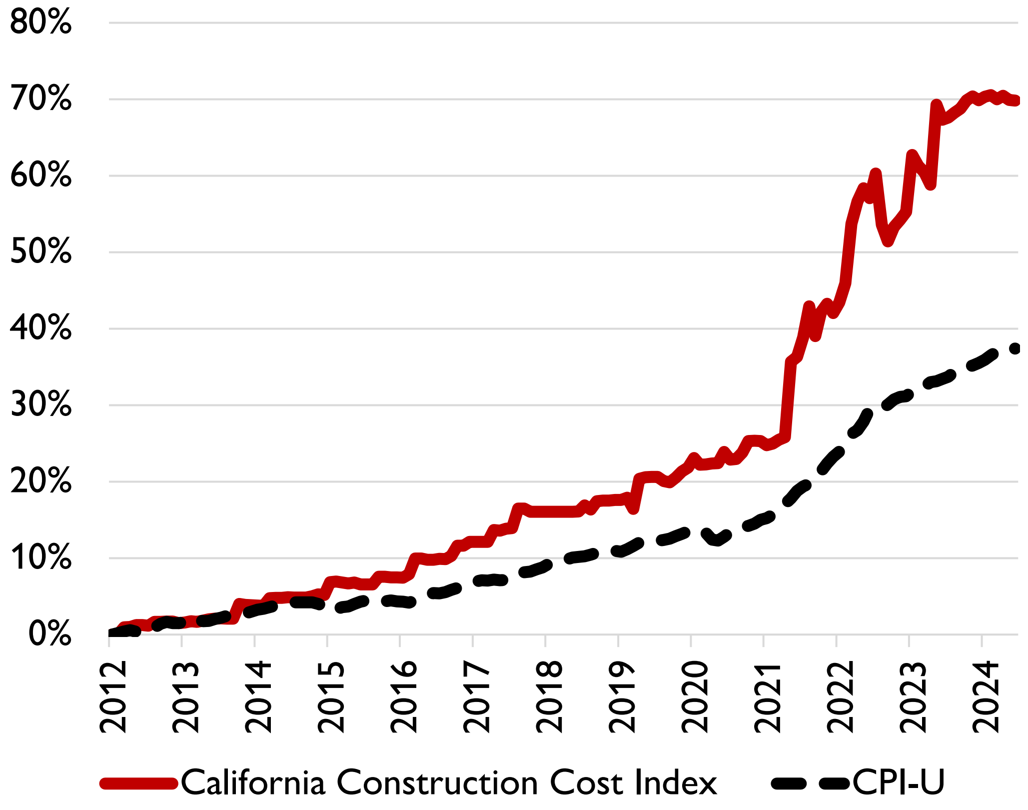
| Strengths | Weaknesses | Opportunities | Threats |
|---|---|---|---|
| • **Strategic Location**: Region benefits from location along US-101 corridor, providing access to Salinas / Monterey markets and attracting some traffic that supports local businesses<br>• **Market Voids**: Retail leakage indicates some opportunity to capture local spending<br>• **Proximity to Attractions**: Pinnacles National Park and local wineries create opportunities for tourism-related retail and hospitality businesses<br>• **Community Character**: Strong sense of down-to-earth, close-knit communities with historic downtown main street areas, known as a family-friendly place with agricultural history | • **Small Market Size**: Perceived small market and rural character can be a deterrent for large national retailers / investors<br>• **Competition From Larger Cities**: Region faces strong retail competition from nearby cities, particularly Salinas, which has a firmly established retail cluster<br>• **Infrastructure**: Existing infrastructure may require upgrades to support new development, increasing costs / timelines for potential projects<br>• **Development Costs**: High costs of rehabilitating older properties and developing new sites can be a barrier to attracting businesses.<br>• **Property Owners**: Some property owners may have high value expectations or may need assistance with connecting with developers. | • **Retail Development**: Some opportunities to attract dining, general merchandise stores, and potentially small entertainment concepts to fill gaps in the local retail market; other opportunities for blended-use projects that include other uses such as hotel, residential, and industrial components<br>• **Tourism Growth**: Enhancing tourism-related retail and hospitality offerings can capitalize on the Region's natural and recreational assets, increasing local spending<br>• **Public-Private Partnerships**: Cities working with property owners and developers for infrastructure improvements and development projects can help bring projects to fruition<br>• **Regulatory Flexibility**: Updating zoning and streamlining permitting processes can enhance the business-friendly environment in the Region | • **Economic Fluctuations**: Economic constraints (such as interest rates, construction costs, employment) can impact local retail spending and investment in the region, particularly in a rural area with a smaller market size<br>• **E-commerce Competition**: The continued growth of e-commerce presents a significant challenge to brick-and-mortar retail, which can limit the success of new retail developments.<br>• **Retailer Expansion Criteria**: National retailers have a variety of priorities regarding market and site selection, and may have some reservations about expanding into smaller / rural markets if there are perceived risks or lower return on investment. |

# ECONOMIC CHALLENGES: RETAIL DEVELOPMENT FEASIBILITY

The commercial real estate market – particularly the retail and office markets – is facing a number of significant challenges due to economic, financial and market conditions:

- Inflation and construction costs are increasing, impacting feasibility of new development vs. occupying existing spaces
- Interest rates are relatively high and financial markets are responding, increasing the cost of financing projects – difficult to finance projects without a committed anchor tenant
- E-commerce is causing the retail market to change, as consumers purchase a greater percentage of goods from online retailers and change the needs for brick-and-mortar retail
- Work-from-home is causing office tenants to reconsider office space needs and office owners to reconsider location / amenities

**Rising Costs: CPI-U and CA Construction Cost Index, Change from 2012 Baseline**

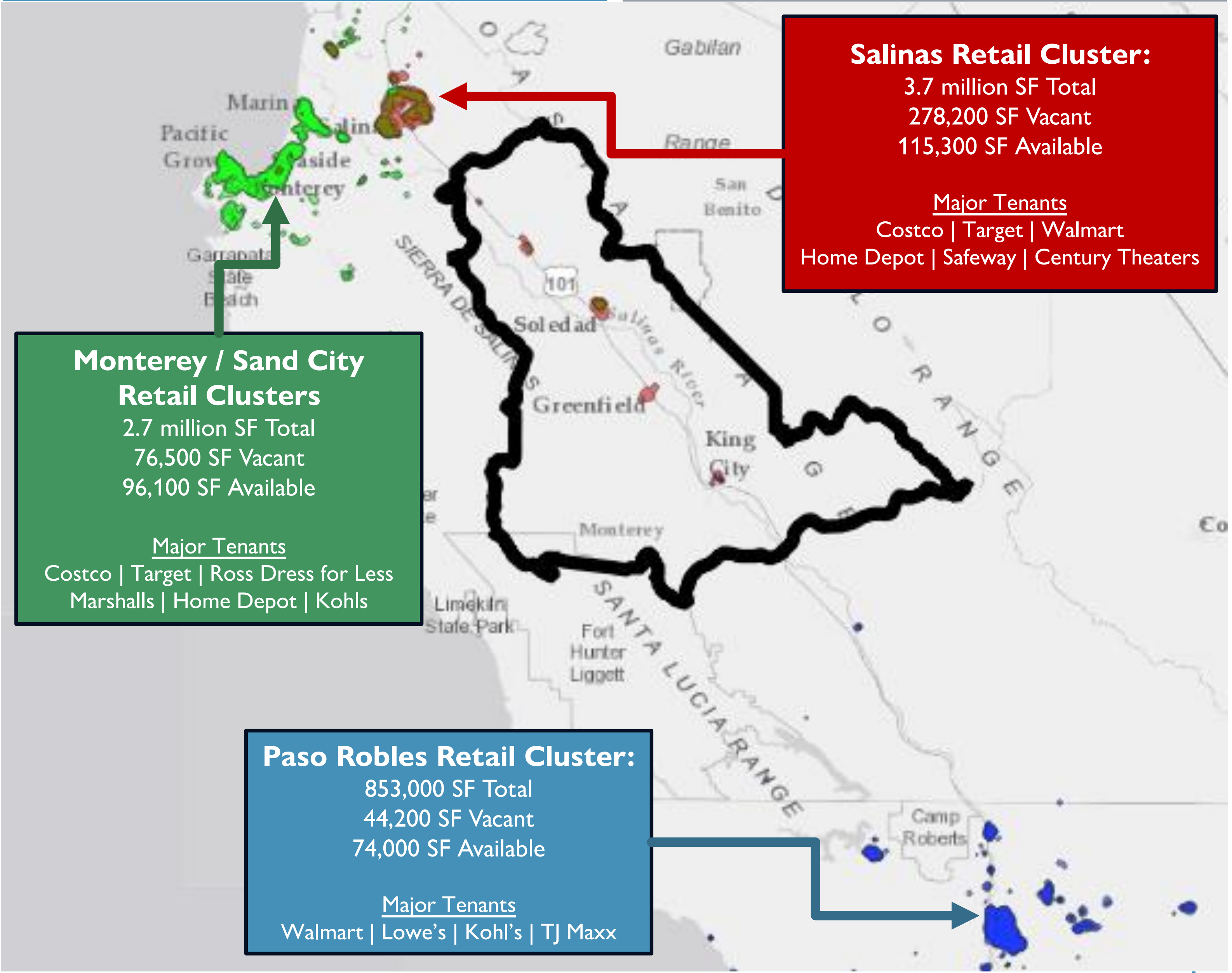



**Source**: FRED, CA Dept. of General Services

# COMPETITION CHALLENGES: THE BARBELL EFFECT

The Region is flanked by major retail clusters: the Salinas cluster draws millions of retail visits from residents of the Region, with other clusters in Monterey and Paso Robles also drawing visits. This presents a competitive challenge to retail development in the Region.

The map at right shows the true trade areas of visitor home locations to these retail clusters, showing the regional draw of these retail districts.




**Salinas Retail Cluster:**
3.7 million SF Total
278,200 SF Vacant
115,300 SF Available

Major Tenants
Costco | Target | Walmart
Home Depot | Safeway | Century Theaters

**Monterey / Sand City Retail Clusters**
2.7 million SF Total
76,500 SF Vacant
96,100 SF Available

Major Tenants
Costco | Target | Ross Dress for Less
Marshalls | Home Depot | Kohls

**Paso Robles Retail Cluster:**
853,000 SF Total
44,200 SF Vacant
74,000 SF Available

Major Tenants
Walmart | Lowe's | Kohl's | TJ Maxx

**Source**: Placer.ai, CoStar
**Note**: Cluster data only representative of select shopping center areas and not all retail properties

# CHALLENGES & OPPORTUNITIES

## *POPULATION – MARKET SIZE & HOUSING DEVELOPMENT*

- The Region's rural character – with a market of ~75,000 people spread across 30 miles of agricultural area – limits the amount of retail development that can be expected.
- The Region has seen ~30% population growth over the past 25 years (outpacing County and State baselines), which has helped to somewhat increase local commercial demand. However, this has amounted to ~15,800 additional people, which is not significant enough growth to justify substantial retail development.
- Household spending in brick and mortar categories amounts to ~$311.7 million annually; assuming an average of $300 per square foot of retail, this matches fairly closely to the 1.4 million square feet of retail inventory in the Region.
- Each of the cities in the Region have significant housing pipeline projects and planned development, which is a vital component to continuing population growth and expanding local demand / support for local retail.
- However, the population being added per year is not necessarily substantial enough to justify major retail – assuming household spending in key brick and mortar categories at $19,100, every 100 new households only adds demand for ~5,000 SF of retail.

- ***Recommendation***: Housing is a key factor in economic development, since more homes bring more people and more spending power to local communities. Cities can utilize demand for residential development on large sites near the US-101 freeway by allowing blended use projects that add households and reserve key portions for future commercial development (i.e. 8-10 acre shopping center sites). In this way, the Cities can leverage the demand (and financial feasibility) of residential development to stimulate realistic retail development.

# CHALLENGES & OPPORTUNITIES
## *RETAIL LEAKAGE AND COMPETITIVE ENVIRONMENT*

- Retail visit data shows significant retail leakage from residents of the Region, which offers some possibility for capture by local retailers and new development.
- Retail visit data shows significant retail leakage in the area, as residents in the Region travel to larger retail clusters in Salinas for retail and services that are not available in the Region. This includes ~2.4 million trips to Superstores, 1.5 million trips to Clothing / Department Stores, and 3.6 million trips to Fast Food / QSR / Restaurants / Bars.
- Retail Supply / Demand data also suggests that retail demand within the region is higher than retail supply in the Region, suggesting that a large amount of retail spending is leaking to retailers outside of the Region.
- While this retail leakage speaks to the strength of existing retail clusters outside of the Region, it also suggests that there may be some ability for new retail to capture some of this leakage in key retail categories and retain shopping trips within the Region.

- ***Recommendation***: Developer and retailer outreach exercises can be conducted to understand opportunities for new development / tenant capture. While some retail typologies may be challenging to attract to the smaller / rural market (such as large scale big-box stores and large scale entertainment), there are likely some opportunities to attract dining (particularly fast casual / QSR in freeway areas), grocery, and potentially a small format discount / box store that can meet some of the local demand for general merchandise goods.

# CHALLENGES & OPPORTUNITIES
## *US-101 TRAVELERS & TOURISM*

- The Cities may be poised to capture some trips and sales within the Region by attracting visitors – both by serving travelers with freeway-oriented uses, as well as attracting visitors from outside of the Region with activities, experiences, and events.
- **Tourism**: The Cities are well-located along the US-101, which provides easy accessibility to Salinas and the coastal areas. Tourists and visitors travel into the Salinas Valley earlier to reach Pinnacles National Park, wineries / vineyards activities in the region (River Road Wine Trail), the Arroyo Seco, Salinas Valley Fairgrounds, Mission Soledad, and other cultural / natural destinations and activities. By attracting more visitors to the destinations in the Region, the Cities can capture greater trips to their commercial areas and sales from visitors.
- **Travelers**: The US-101 sees ~49,100 average daily traffic volume at a point just north of Gonzales, however it appears that much of this traffic is not traffic that travels through the Region, as a point on the US-101 just south of King City sees ~17,400 average daily trips. Using a rough estimate of ~10,000 trips travelling through the Region, a 5% capture rate, and an average of $25 per captured retail visit yields annual sales of ~$4.6 million; assuming ~$500 per square foot for retail / QSR spending, that existing traffic only equates to ~9,000 SF of retail space.

- ***Recommendation***: Utilize freeway-adjacent commercial centers and opportunity sites to attract freeway travelers to stop and spend in the Cities. Freeway adjacency has better visibility, better accessibility, and greater convenience to travelers. Utilize marketing / events to encourage tourists who are visiting the Region's destinations to stop and spend time at local businesses.

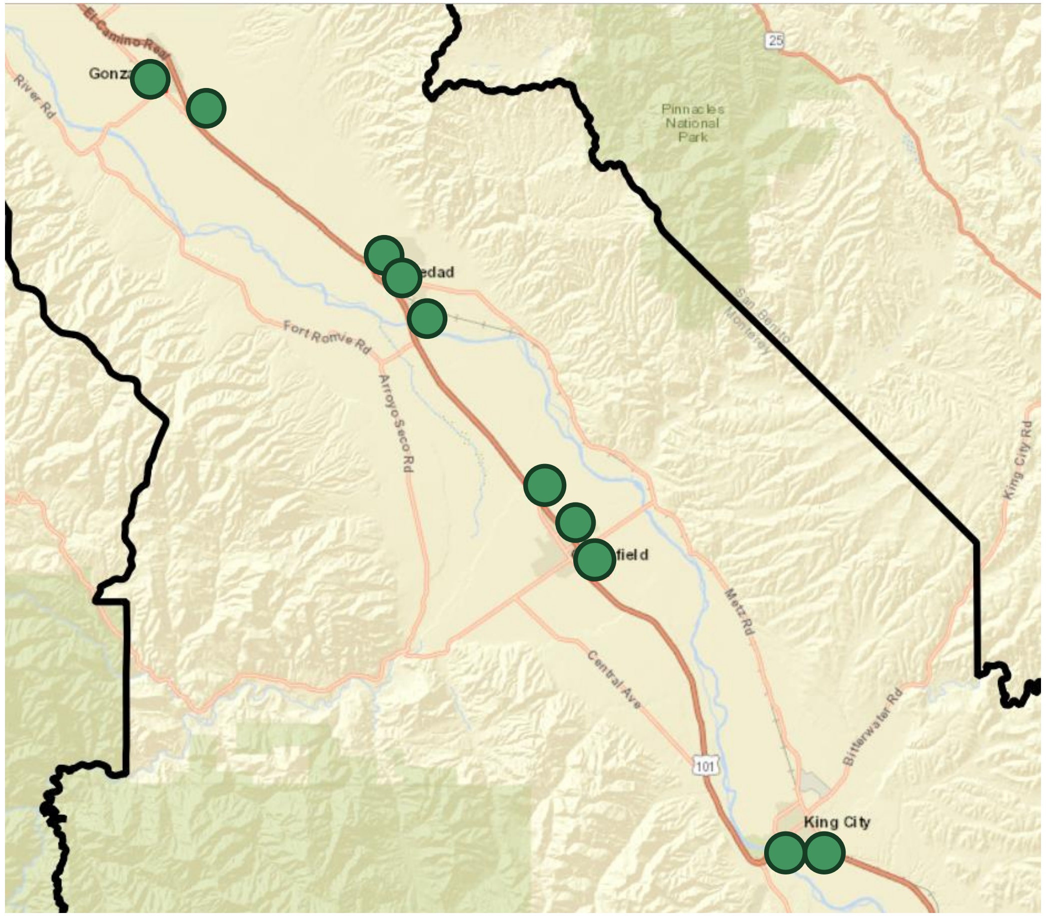
# RETAIL TENANT PRIORITIES

Potential commercial developers / tenants have a variety of factors that they prioritize when evaluating new development projects:

- **Demand / Trade Area Thresholds**: Retail tenants look for locations with a critical mass of demand, often looking for higher population densities than available in the Region. Major projects often cannot be built incrementally, and benefit from the cluster effects of being near other commercial development / demand drivers.
- **Anchor Tenants**: Securing anchor tenants is often a requisite for financing / developing large retail projects, as they can drive significant foot traffic and attract smaller retailers to the development.
- **Traffic** / **Visibility**: High traffic counts are vital for retail projects, particularly on routes that align with commuter patterns (e.g. the "going to work" and "going home" sides of the street). Retailers prioritize locations with excellent visibility from major roads and highways to maximize exposure and accessibility.
- **Site Accessibility** / **Circulation**: Retailers value easy access to the site, ample (and nearby) parking, and efficient internal circulation to improve the shopping experience.
- **Consumer Convenience**: Retail tenants also prioritize site features that improve consumer convenience, such as drive-thrus, curbside pickup, and mobile ordering.
- **Competitive Retail Rates:** Retail tenants are often very sensitive to rental rates and seek competitive pricing, flexible lease terms, and incentives. This can often present challenges for new retail developments, since high rental rates are often necessary due to the high cost of new construction. Many retailers prefer to use cheaper existing "second generation" space rather than new construction.

# RETAIL OPPORTUNITIES

- Each Regional City has key opportunity sites with some potential for retail and hospitality development:
  - **Historic Downtown Areas** that can accommodate locally serving, independent retailers
  - **Existing Shopping Centers** that can attract new tenants, activity, and spending
  - **Freeway Opportunity Sites** that can develop into blended-use commercial areas
- It is important to note that these sites total over 300 acres, and it is unlikely that these sites will fully develop as retail commercial centers, given market demand and development challenges.
- The Cities can pursue some retail concepts in target areas of the Cities, such as freeway-oriented services (travel centers, fuel services, convenience), quick serve restaurants (QSR) and other dining facilities, hotel / hospitality, and potentially small-format box stores (such as a small format Walmart).
- The Cities can also pursue complementary uses on these sites to support the retail development, such as residential and industrial projects, that will improve financial viability of development and drive activity to the retail uses on the sites.



# IMPLEMENTATION TOOLS & STRATEGIES

Communities can use a variety of strategies and tools to support existing businesses and attract new development:

- **Business Attraction**: Utilize a Business Expansion, Attraction, and Retention (BEAR) program activities to bring new businesses / developers / investors to the Region. Program can provide enhanced customer service to support business development. Business-friendliness is a vital component to support businesses / developers and to foster entrepreneurship – bolstering the local economy and increasing tax revenues.

- **Support Local Businesses:** Help small businesses thrive with technical assistance programs and policies. Key strategies include façade improvement programs, design assistance, assisting with upgrades, organizing workshops to discuss retail best practices (store layout, marketing, customer service), and connecting businesses with technical assistance and other resources.

- **Property Owner Collaboration & Project Shaping**: Get projects across the finish line
  - Property owner, business, and developer engagement to understand and address barriers
  - Flexibility to blend high-demand land uses with retail / commercial
  - Explore economic development strategies to facilitate desired projects in target areas

# IMPLEMENTATION TOOLS & STRATEGIES

- **Infrastructure:** Prioritize development areas, assess infrastructure needs, and explore funding strategies. Invest in physical improvements that can create a sense of place and further activate downtown areas, shopping centers, retail districts, and other economic development areas. This could include pedestrian-oriented improvements (plazas, outdoor spaces), water features, running / walking paths, street improvements, sidewalk enhancements, transit / micro-transit services, gateway signage / wayfinding, public art, and public open space.
- **Building Partnerships and Outreach:** Actively reach out to existing and new partners to pursue economic development goals (e.g. property owners, developers, retail brokers, small business / workforce development organizations, tourism marketing, etc.). Explore development opportunities, pursue businesses, address challenges, and connect local businesses and property owners with resources.
- **Events & Activities:** Increase foot traffic and sales activity by driving visitors to retail districts. Work with local businesses, organizations, and other partners to aid in development of events – both large and small.
- **Marketing:** Grow social media engagement channels, as well as marketing/trade publications to promote local businesses and events. Promote opportunities and conduct meetings with key owners / brokers / retailers at ICSC. Help local businesses enhance marketing efforts.
- **Community Engagement:** Solicit resident / business feedback through multiple channels (surveys, meetings, workshops, outreach events) – important to learn, develop vision, build support, and generate energy for future efforts

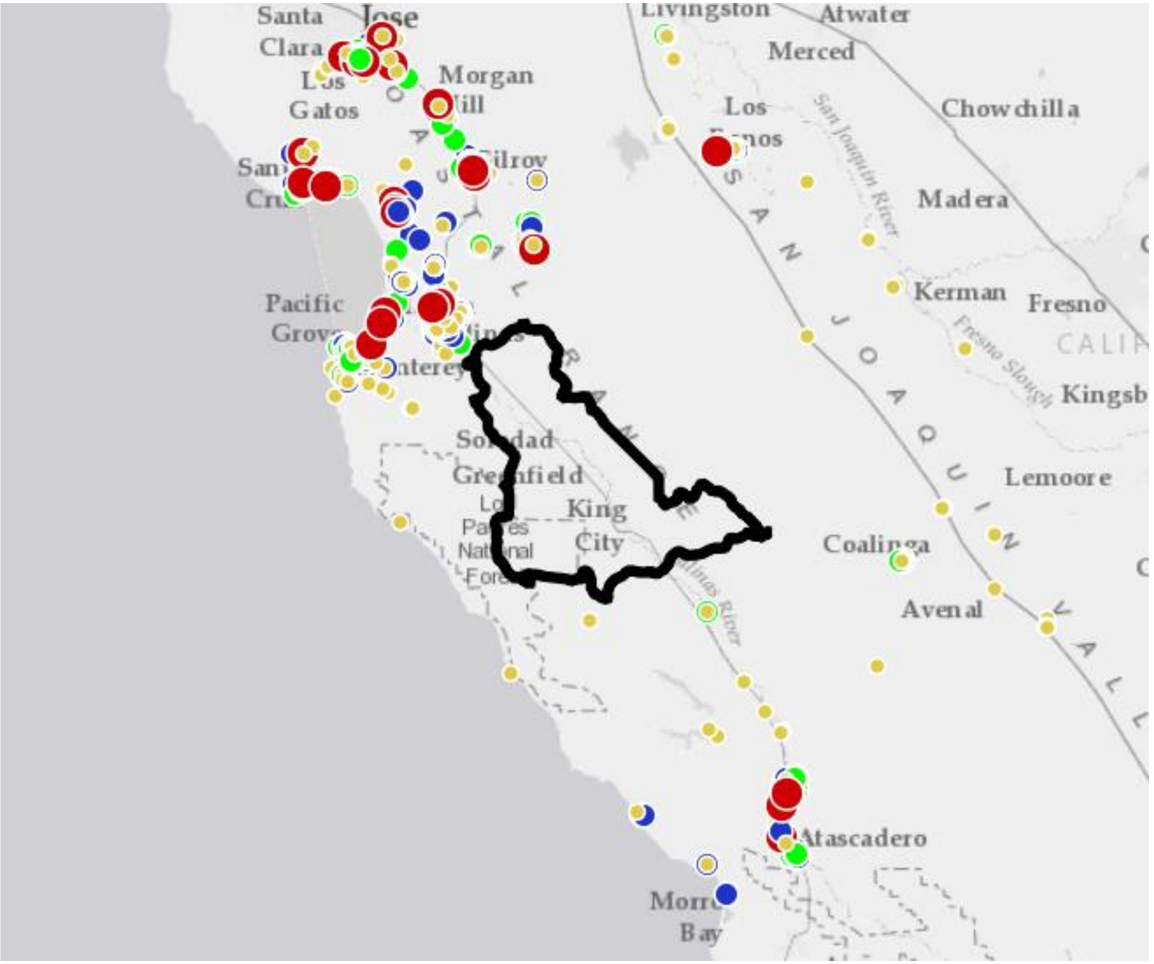
# RETAIL LEAKAGE & VOID ANALYSIS

# RETAIL MIX, RETAIL LEAKAGE, AND RETAIL VOID DATA SUMMARY

Several data sources were utilized to assess retail mix, retail leakage, and retail voids within the Region:

- **Stakeholder Outreach Interviews** revealed that the Cities generally want to attract general merchandisers, hospitality, dining, grocery, and entertainment attractions to meet resident needs that aren't being served within the Region
- **Retail Supply / Demand ("Leakage") Data** suggests that there is retail sales leakage across almost all categories in the Region, with resident demand outpacing sales within the Region –.
- **Retail Visit Leakage Data and Favorite Places Data** provides detailed information on the specific shopping centers and retailers that are visited by residents of the Region, showing significant leakage across multiple categories, particularly to retailers in Salinas.
- **Retailer Void Analysis and Expanding Retailer Data** shows retail chains that may be a good match for the Region, considering local demographics, potential brand cannibalization, and brand expansion rates.

This retail leakage and void analysis data may present some opportunity for new retail activity within the Region, but also speaks to the competitive challenges from major retail clusters in Salinas and e-commerce.



# RETAILER VOIDS
# STAKEHOLDER OUTREACH

- During tours / interviews in June 2024, Cities staff helped to identify a variety of retailer types that seem to generally be missing from their communities, including:
  - **General Merchandise**: strong desire for general merchandise / big box stores located in the Valley (stretch goal: Target, Walmart, etc) to reduce leakage outside of Region
  - **Hospitality**: strong desire to bring flagged hotel brands to the Valley area (stretch goal: facilities with amenities, conference / event space, etc)
  - **Dining**: desire for family-friendly restaurants, restaurant / entertainment concepts, serving both residents and visitors
  - **Grocery**: desire for additional grocery options
  - **Entertainment**: Lack of entertainment options / facilities, particularly family-friendly entertainment – desire for theaters, bowling alleys, family entertainment centers
  - **Other**: auto / mechanic services, veterinary services, gym / fitness centers, storage / RV storage

# RETAILER VOIDS
# OPPORTUNITIES & CHALLENGES

| | General Merchandise | Hospitality | Dining | Grocery | Entertainment |
|---|---|---|---|---|---|
| **Opportunities** | • High local demand for general merchandise<br>• Large parcels available near US-101 for development opportunities<br>• Potential economic incentives | • Proximity to natural / outdoor destinations (Pinnacles National Park, wine trails)<br>• Opportunities for public private partnerships | • Strong community interest for diverse dining options<br>• Potential to attract visitors traveling through area<br>• Opportunities to collaborate via local events and attractions | • Strong local demand for additional / better grocery options | • Strong community interest, particularly family / youth<br>• Opportunity to drive additional economic activity / foot traffic to commercial areas |
| **Challenges** | • Perceived small market size due to rural character of area<br>• Competition from nearby large cities that already serve market area<br>• Infrastructure improvements needed | • Seasonal demand fluctuations affect occupancy rates and feasibility<br>• High cost of investment can deter developers<br>• Existing competition: nearby cities (such as Salinas) have established accommodations | • Perceived small market size due to rural character of area<br>• Existing dining options in Cities<br>• Development cost challenges for larger new construction restaurants | • Perceived small market size due to rural character of area<br>• Existing grocery options may satisfy the market, challenging additional development | • Perceived small market size due to rural character of area – often require greater population densities / local spending<br>• High cost of building new construction / operating |

# RETAIL LEAKAGE DATA OVERVIEW

- Retail leakage analysis – also known as retail gap analysis – is a method to understand the supply and demand dynamics within a trade area, aiming to understand if residents are spending retail dollars locally or whether those dollars are "leaking" to retailers outside of the area.
- Retail leakage analysis can sometimes be useful to identify market opportunities for new retail establishments, but there are also several challenges with this data:
  - Retail leakage data is somewhat difficult to compile accurately – it is based on estimates of resident retail expenditures and estimates of brick-and-mortar retailer sales, each of which can be challenging to obtain and estimate.
  - Retail markets are dynamic, and consumer preferences and retail landscapes are constantly evolving – particularly the impact of e-commerce on brick-and-mortar sales.
  - Retail environments are complex, with local retailers not only competing with each other, but also competing with larger, well-established retailers outside of the trade area.
  - Retail development activity is highly dependent on the financial feasibility of retail projects (impacted by construction costs, financing costs, and other market dynamics) as well as the expansion plans for retailers (which can vary based on retailer priorities and economic conditions.
- Retail leakage data shows leakage across most retail categories in the region. While this points to some opportunity for new retail development, modern retail market dynamics (such as e-commerce, retailer expansion plans, construction / financing costs) also present challenges to retail development.

# REGION RETAIL LEAKAGE: SUPPLY & DEMAND (STI DATASET)

As expected for small / rural communities, the Region has significant retail leakage across all categories.

While this can present some opportunity for retail recruitment in the area, many retail categories are susceptible to e-commerce

**Sources**:
Placer.ai (Accessed July / August 2024)

| | Demand | Supply | Surplus/ (Leakage) | % Surplus / (Leakage) | Online Sales Leakage Potential |
|---|---|---|---|---|---|
| Auto & Fuel | 482,318,195 | 196,313,580 | (286,004,615) | (59%) | *Low* |
| Home Furnishings, Hardware, Garden | 124,809,347 | 42,108,331 | (82,701,016) | (66%) | *Medium* |
| Food and Drugs | 269,427,949 | 166,687,855 | (102,740,094) | (38%) | *Low* |
| E-Commerce | 270,417,478 | - | (270,417,478) | (100%) | *High* |
| Consumer Goods | 307,705,525 | 128,965,605 | (178,739,920) | (58%) | *Medium* |
| Restaurants, Bars, Drinking Places | 208,162,857 | 45,770,800 | (162,392,057) | (78%) | *Low* |
| Other | 33,470,935 | 8,172,954 | (25,297,981) | (76%) | |
| **Total** | **1,696,312,286** | **588,019,125** | **(1,108,293,161)** | **(65%)** | |

kosmont companies

| | | Demand | Supply | Surplus/Leakage | % Surplus / Leakage | Online Sales Leakage Potential |
|---|---|---|---|---|---|---|
| Auto & Fuel | Automobile Dealers | 270,534,351 | 21,953,615 | (248,580,736) | -92% | Low |
| Auto & Fuel | Automotive Parts, Accessories, & Tire Stores | 26,413,755 | 18,302,443 | (8,111,312) | -31% | Medium |
| Auto & Fuel | Gasoline Stations | 165,996,516 | 155,327,259 | (10,669,257) | -6% | Low |
| Auto & Fuel | Other Motor Vehicle Dealers | 19,373,573 | 730,263 | (18,643,310) | -96% | Low |
| Consumer Goods | Book, Periodical, & Music Stores | 2,818,669 | 346,352 | (2,472,317) | -88% | High |
| Consumer Goods | Clothing Stores | 56,973,167 | 14,930,002 | (42,043,165) | -74% | Medium |
| Consumer Goods | Department Stores | 29,855,274 | 14,149,021 | (15,706,253) | -53% | Medium |
| Consumer Goods | Electronics & Appliance Stores | 16,850,135 | 2,091,339 | (14,758,796) | -88% | High |
| Consumer Goods | Florists And Miscellaneous Store Retailers | 2,202,848 | 1,121,658 | (1,081,190) | -49% | Medium |
| Consumer Goods | Jewelry, Luggage, & Leather Goods Stores | 8,454,042 | 1,504,887 | (6,949,155) | -82% | High |
| Consumer Goods | Office Supplies, Stationery, & Gift Stores | 7,185,424 | 772,620 | (6,412,804) | -89% | Medium |
| Consumer Goods | Other General Merchandise Stores | 154,960,152 | 91,824,059 | (63,136,093) | -41% | Medium |
| Consumer Goods | Shoe Stores | 7,183,581 | 1,189,482 | (5,994,099) | -83% | High |
| Consumer Goods | Sporting Goods, Hobby, & Musical Instrument Stores | 16,655,348 | 253,197 | (16,402,151) | -98% | High |
| Consumer Goods | Used Merchandise Stores | 4,566,885 | 782,988 | (3,783,897) | -83% | Medium |
| Home Furnishings, Hardware, Garden | Building Material & Supplies Dealers | 90,226,773 | 31,183,514 | (59,043,259) | -65% | Low |
| Home Furnishings, Hardware, Garden | Furniture Stores | 13,648,175 | - | (13,648,175) | -100% | Medium |
| Home Furnishings, Hardware, Garden | Home Furnishings Stores | 12,350,195 | - | (12,350,195) | -100% | Medium |
| Home Furnishings, Hardware, Garden | Lawn & Garden Equipment & Supplies Stores | 8,584,204 | 10,924,817 | 2,340,613 | 27% | Low |

**Sources**:
Placer.ai (Accessed July / August 2024)

| | | Demand | Supply | Surplus/Leakage | % Surplus / Leakage | Online Sales Leakage Potential |
|---|---|---|---|---|---|---|
| Food and Drugs | Beer, Wine, & Liquor Stores | 12,922,368 | 9,410,190 | (3,512,178) | -27% | Low |
| Food and Drugs | Grocery Stores | 168,819,244 | 123,198,333 | (45,620,911) | -27% | Low |
| Food and Drugs | Health & Personal Care Stores | 79,638,237 | 20,988,205 | (58,650,032) | -74% | Medium |
| Food and Drugs | Specialty Food Stores | 8,048,100 | 13,091,127 | 5,043,027 | 63% | Low |
| Restaurants | Bars/Drinking Places (Alcoholic Beverages) | 5,408,341 | 1,007,141 | (4,401,200) | -81% | Low |
| Restaurants | Full-Service Restaurants | 93,426,902 | 20,973,114 | (72,453,788) | -78% | Low |
| Restaurants | Limited-Service Eating Places | 94,724,784 | 22,165,543 | (72,559,241) | -77% | Low |
| Restaurants | Special Food Services | 14,602,830 | 1,625,002 | (12,977,828) | -89% | Low |
| Other | Direct Selling Establishments | 7,399,896 | 3,147,154 | (4,252,742) | -57% | High |
| Other | Other Miscellaneous Store Retailers | 26,071,039 | 5,025,800 | (21,045,239) | -81% | |
| E-Commerce | Electronic Shopping & Mail-Order Houses | 270,417,478 | - | (270,417,478) | -100% | High |

**Sources**:
Placer.ai (Accessed July / August 2024)

# REGION RETAIL LEAKAGE: SUPPLY & DEMAND (AGS DATASET)

As expected for small / rural communities, the Region has significant retail leakage across all categories.

While this can present some opportunity for retail recruitment in the area, many retail categories are susceptible to e-commerce

**Sources**:
Placer.ai (Accessed September 2024)

| | Avg. HH Expenditure | Total Expenditure | Sales | Retail Leakage |
|---|---|---|---|---|
| Motor Vehicles and Parts | $ 7,081 | $ 98,232,421 | $ 52,645,527 | $ (45,586,894) |
| Furniture and Home Furnishings | 787 | 10,918,809 | 1,686,859 | (9,231,950) |
| Electronics and Appliances | 591 | 8,200,244 | 2,839,298 | (5,360,946) |
| Building Materials and Garden Equipment | 1,885 | 26,148,792 | 15,529,876 | (10,618,916) |
| Food and Beverage | 5,193 | 72,038,376 | 122,679,082 | 50,640,706 |
| Health and Personal Care | 1,250 | 17,345,419 | 23,438,288 | 6,092,869 |
| Gasoline Stations | 3,817 | 52,948,534 | 30,811,202 | (22,137,332) |
| Clothing and Clothing Accessories | 1,638 | 22,727,677 | 1,707,393 | (21,020,284) |
| Sporting Goods/Hobby/Music/Book | 614 | 8,514,783 | 255,868 | (8,258,915) |
| General Merchandise | 5,105 | 70,811,557 | 4,393,995 | (66,417,562) |
| Miscellaneous Retailers | 685 | 9,505,063 | 2,603,459 | (6,901,604) |
| Non-Store Retailers | 2,334 | 32,378,684 | 1,330,410 | (31,048,274) |
| Retail At Accomodations | 255 | 3,534,844 | 1,597,202 | (1,937,642) |
| Restaurants and Bars | 4,426 | 61,391,539 | 51,951,894 | (9,439,645) |
| **TOTAL** | **35,662** | **494,696,742** | **313,470,353** | **(181,226,389)** |

# RETAIL VISIT LEAKAGE BY ENTITY OVERVIEW

- Placer.ai Retail Leakage Data provides information about the specific retailer locations that residents of the Region visit that are outside of the Region ("Visit Leakage"). This provides specific information about the retail categories and specific locations that attract resident trips, and may speak to the types of retailers that could be targeted for retail recruitment exercises.
- The Visit Leakage data shows significant resident visit leakage in the following categories:
  - 4.4 million visits for Shops & Services
  - 4.4 million visits for Dining
  - 2.4 million visits for Superstores
  - 1.7 million visits for Apparel
  - 1.1 million visits for Groceries
  - 660,000 visits for Home Improvement & Furnishings

| Category | # Entities | Visits by Residents | Residents |
|---|---|---|---|
| *Shopping Centers* | *146* | *8,431,118* | *94,329* |
| Shops & Services | 671 | 4,362,492 | 88,572 |
| Dining | 701 | 4,359,786 | 88,408 |
| Superstores | 33 | 2,406,777 | 84,577 |
| Apparel | 217 | 1,735,617 | 78,656 |
| Groceries | 161 | 1,140,673 | 63,406 |
| Home Improvements & Furnishings | 122 | 659,586 | 54,812 |
| Medical & Health | 120 | 556,735 | 50,498 |
| Electronics | 60 | 259,322 | 43,656 |
| Fitness | 41 | 252,929 | 18,783 |
| Leisure | 50 | 216,432 | 39,424 |
| Beauty & Spa | 78 | 151,038 | 30,882 |
| Hotels & Casinos | 103 | 97,408 | 17,322 |
| Office Supplies | 6 | 35,700 | 10,326 |

# RETAIL VISIT LEAKAGE BY ENTITY

- Over the past year, Region residents made a substantial number of retail visits outside of the Region (“visit leakage”), including:
  - 2.8 million visits to Fast Food & QSR
  - 2.4 million visits to Superstores
  - 1.5 million visits to Clothing and Department Stores
  - 1.1 million visits to Grocery Stores
  - 760,000 visits to Restaurants & Bars
  - 764,000 visits to Breakfast / Coffee / Bakeries / Dessert Shops
- Lists of Retail Visit Leakage by specific locations / categories and lists of favorite retailers of Region residents can be found in the Data Appendix

| Category | Subcategory | # Entities | Visits by Residents | Residents |
|---|---|---|---|---|
| Shops & Services | Banks & Financial Services | 84 | 570,107 | 52,432 |
| Shops & Services | Car Shops & Services | 137 | 315,489 | 41,255 |
| Shops & Services | Car Wash Services | 15 | 67,588 | 10,230 |
| Shops & Services | Discount & Dollar Stores | 44 | 445,201 | 51,373 |
| Shops & Services | Gas Stations & Convenience Stores | 235 | 2,390,538 | 79,655 |
| Shops & Services | Hobbies, Gifts & Crafts | 29 | 237,598 | 37,755 |
| Shops & Services | Pet Stores & Services | 23 | 175,060 | 28,271 |
| Shops & Services | Shipping & Storage | 37 | 64,761 | 11,699 |
| Shops & Services | Stores & Services | 67 | 96,149 | 21,685 |
| Dining | Breakfast, Coffee, Bakeries & Dessert | 134 | 763,522 | 57,017 |
| Dining | Fast Food & QSR | 363 | 2,846,838 | 84,020 |
| Dining | Restaurants | 204 | 749,426 | 63,993 |
| Superstores | Superstores | 33 | 2,406,777 | 84,577 |
| Apparel | Clothing | 157 | 816,335 | 66,857 |
| Apparel | Department Stores | 22 | 652,126 | 60,335 |
| Apparel | Fashion Accessories | 12 | 9,775 | 3,974 |
| Apparel | Recreational & Sporting Goods | 26 | 257,381 | 41,952 |
| Groceries | Groceries | 161 | 1,140,673 | 63,406 |
| Home Improvements & Furnishings | Furniture and Home Furnishings | 45 | 100,185 | 22,700 |
| Home Improvements & Furnishings | Home Improvement | 77 | 559,401 | 49,576 |
| Medical & Health | Drugstores & Pharmacies | 54 | 268,144 | 36,570 |
| Medical & Health | Medical & Recreational Cannabis Dispensaries | 26 | 176,745 | 14,435 |
| Medical & Health | Urgent Care | 3 | 3,423 | 1,367 |
| Electronics | Electronics Stores | 60 | 259,322 | 43,656 |
| Fitness | Fitness | 41 | 252,929 | 18,783 |
| Leisure | Attractions | 22 | 77,491 | 22,479 |
| Leisure | Bars & Pubs | 22 | 10,521 | 3,261 |
| Leisure | Theaters & Music Venues | 6 | 128,420 | 24,757 |
| Hotels & Casinos | Budget Accommodation & Inns | 5 | 9,182 | 2,050 |
| Hotels & Casinos | Hotels & Casinos | 98 | 88,226 | 16,347 |
| Office Supplies | Office Supplies | 6 | 35,700 | 10,326 |
| Beauty & Spa | Beauty & Spa | 78 | 151,038 | 30,882 |

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# RETAILER VOID ANALYSIS

- To identify potential retailers that could be good matches for the Region, Placer.ai's Void Analysis Tool was used to analyze the trade area for Soledad Mission Shopping Center. As a centralized and popular shopping center in the Region, this center's trade area covers most of the Region and includes the four Cities. This trade area can serve as a good retail void analysis proxy for all of the Cities, by comparing the Region's trade area to trade area data for retailer brands.
- This analysis determines which chains may be a good fit, based on a variety of demographic metrics and the level of trade area overlap ('cannibalization') with existing retailer locations.
- List of retailers were filtered for retailers / chains that operate in the state and have locations near the Region, are listed by Placer.ai as having a positive expansion rate within the state, and have high 'relative fit scores' and low 'cannibalization' scores.
- Further information and larger lists of retailers by different retail categories are provided in the Data Appendix.

# EXPANDING RETAILERS

- **Challenging Retail Sectors**
  - **Bankruptcies and Closures**: There are ongoing challenges in the retail sector, with significant closures among drug stores, legacy mall retailers, and some restaurant chains; there may be potential opportunities for redevelopment and re-use of vacated spaces.
  - **Redevelopment Potential**: The closure of drug stores and underperforming retail spaces also presents opportunities for redevelopment into more viable commercial uses, including experiential retail, mixed-use developments, or community-focused spaces.
- **Resilient Retail Sectors**
  - **Resurgent Retail Categories**: Certain retail categories, including dollar stores, grocery, and specialty coffee shops, are showing resilience and expansion, which may present opportunities for retail recruitment.
  - **New Formats and Concepts**: The trend towards smaller format stores and innovative concepts like experiential retail or hybrid retail-hospitality spaces can be leveraged to revitalize retail corridors in your focus areas.
- **Growing Retail Sectors**
  - **Experiential Retail**: Despite challenges in traditional retail, there is a strong trend towards experiential retail concepts such as off-leash dog park bars and pickleball centers, which could be innovative additions to local retail environments.
  - **Health and Wellness**: Medi-spas and wellness centers are highlighted as a rapidly growing sector, with significant expansion plans. These could be attractive additions to the retail mix, particularly in areas where health-conscious consumers are prevalent.
- Lists of specific retailers in growth mode by different retail categories can be found in the Data Appendix.

# OPPORTUNITY SITES

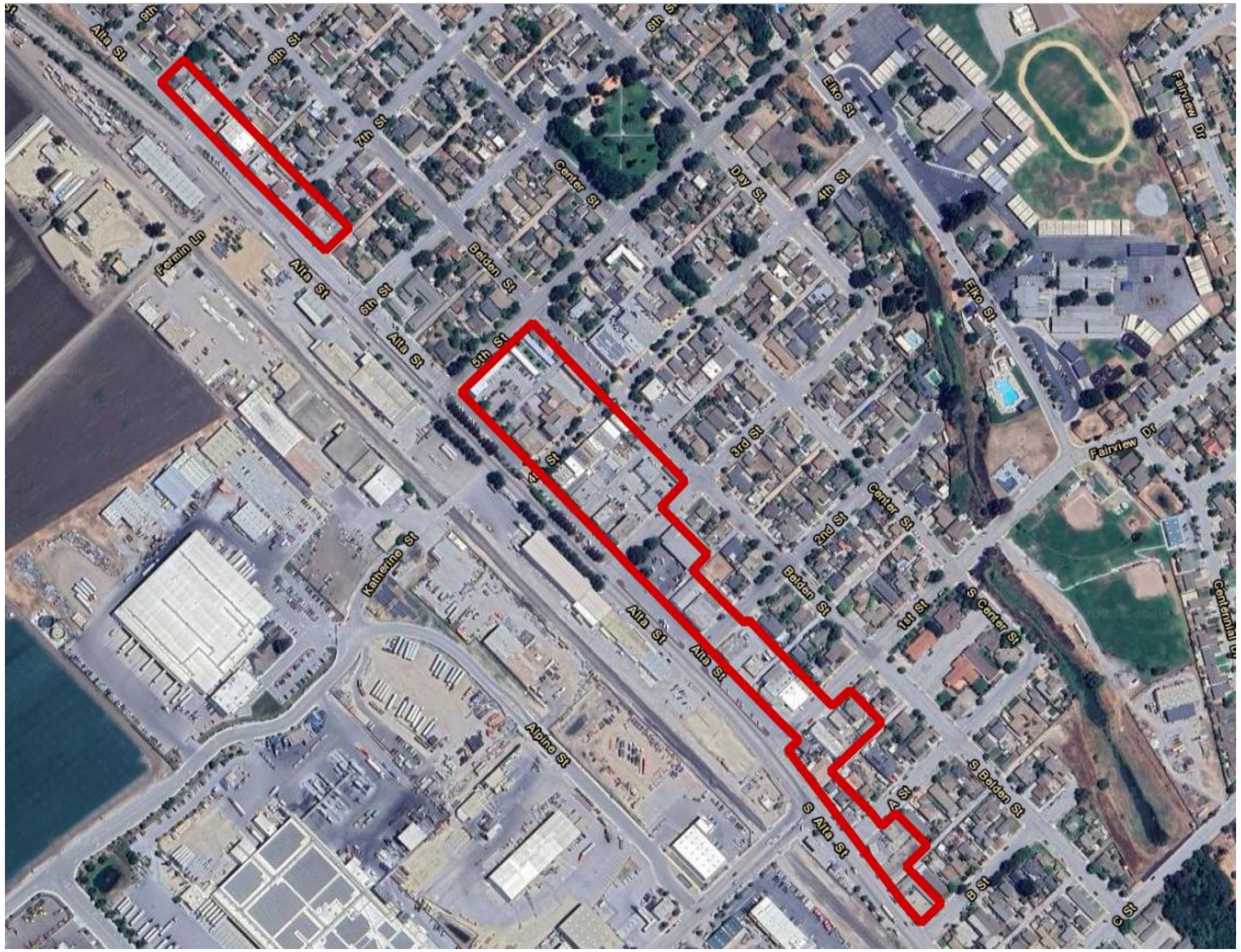
# GONZALES

# GONZALES
# OPPORTUNITY OVERVIEW

- **Downtown Gonzales** is a walkable, historic downtown area with charming character and local restaurants / shops, with some opportunity for enhanced activity through streetscape / façade improvements and business enhancement
- **Southern Onramp Site** is a large vacant site with very good accessibility / visibility from the US-101 freeway, and as housing / commercial development continues in the surrounding area may be well suited for blended use project that includes commercial (travel center, freeway-oriented retail), hotel, and residential.
- **Vacant Commercial Buildings** are older structures located in the mixed-use commercial core. Re-tenanting may be challenging given the age / condition of structures, but the vacant spaces could be used to introduce new retail / dining options or be opportunities for redevelopment.


# OPPORTUNITY SITES / CENTERS
# GONZALES - DOWNTOWN

| Preliminary Site Info | |
|---|---|
| **Zoning** | Mixed Use Commercial Core |
| **Land Area** | 14.54 AC<br>50 parcels (8.86 AC) |
| **Description** | Historic downtown commercial area with local restaurants and small shops; major tenants include Green Valley Farm Supply, hardware store |
| **RBA** | CoStar lists ~126,400 SF across 32 retail properties; other properties include a 20-unit apartment building, 6,200 SF warehouse, and 10 room motel |
| **Owner** | Varied ownership, small lots |
| **Built** | Varied; many commercial structures are 50+ years old |
| **Vacant / Available Spaces** | No listings on CoStar / Loopnet<br><br>some small spaces may be available / underutilized |
| **Nearby Land Uses** | Residential (low / medium density); industrial on west side of rail line |



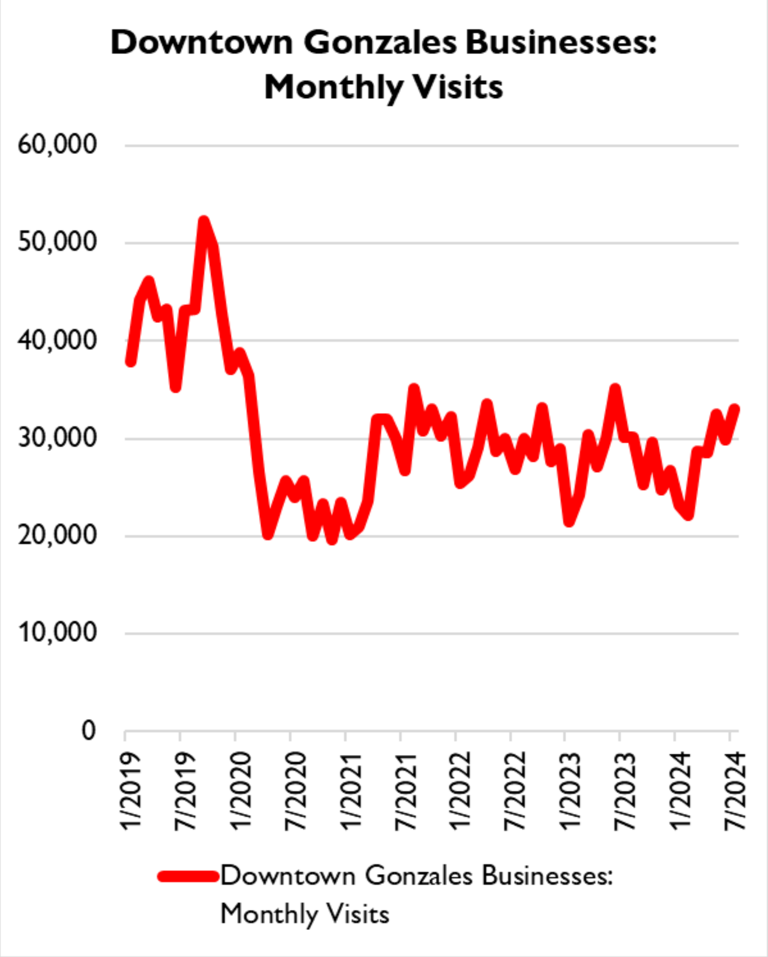

**Source**: CoStar

# DOWNTOWN GONZALES VISITOR ANALYTICS – PLACER.AI

- Downtown Gonzales commercial properties have seen ~6,400 weekly visits over the past year – below the pre-Covid amount of ~9,400 visits.
- Approx. 50% of visits come from visitors who live less than 5 miles away, and ~9% come from visitors who live greater than 30 miles away.
- Approx. 70% of visitors live in one of the four Cities
- Visits to the area peak between 4 - 8 pm, with a smaller peak between 12 – 2 pm
- Visits are generally stable thru the week, slightly higher on Thursday – Saturday.

| Current Visitor Data | |
|---|---|
| Annual Visits | 334,300 |
| Median Weekly Visits | 6,500 |
| Visit Frequency | 5.1 |
| Visits: YoY | -3.4% |
| Visits: Past 12 months vs pre-COVID | -31.9% |
| Median Visit Length | 38 |
| Visitor Avg. HH Income | 93,000 |
| % Visitors Home <5 Miles Away | 48% |
| % Visitors Home > 30 Miles Away | 9% |

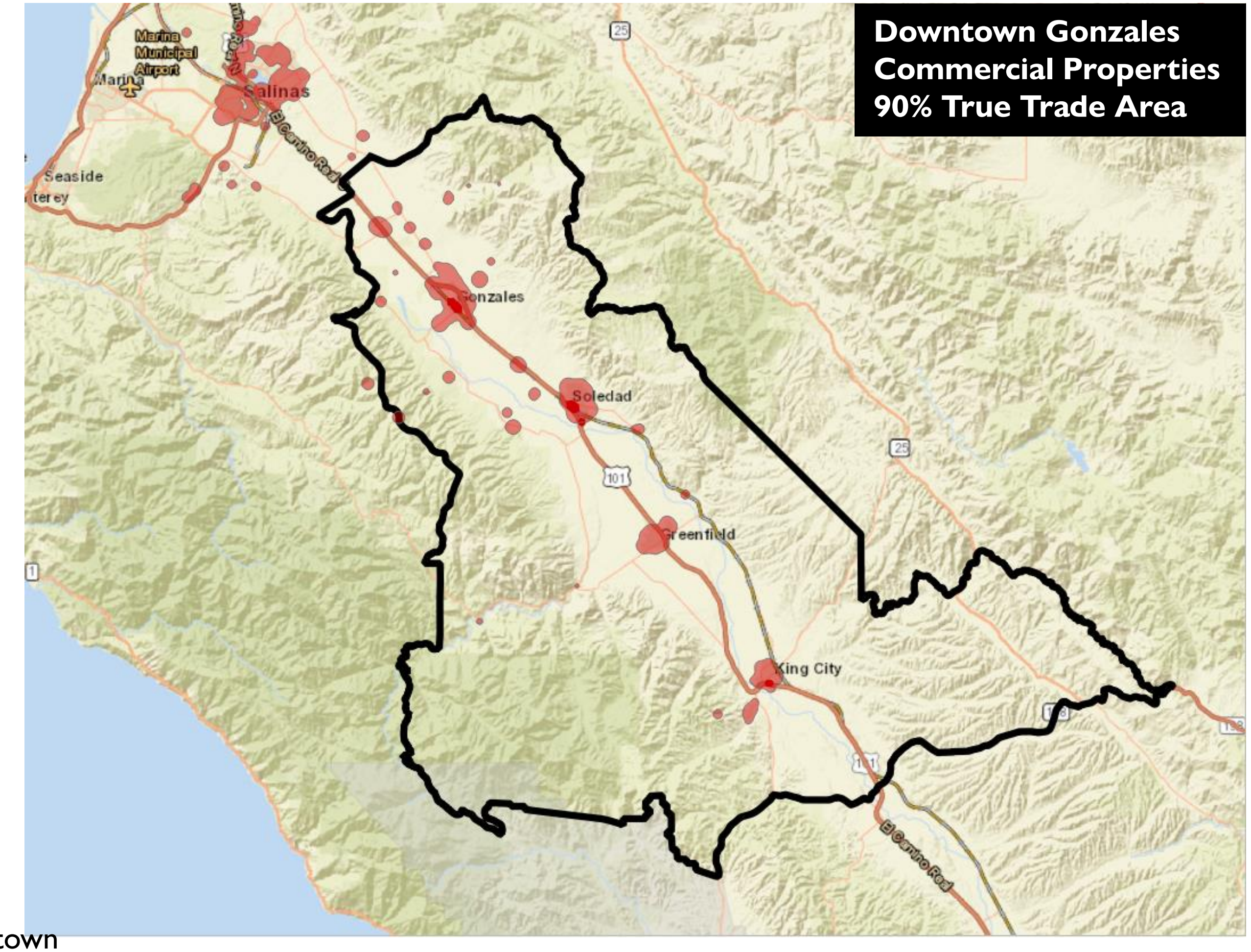
* Based on Visits over 10 minutes to downtown commercial structures between 8/1/2023 and 7/31/2024




**Source**: Placer.ai

# DOWNTOWN GONZALES VISITOR ANALYTICS – PLACER.AI

| Area Annual Visits by Visitor Home Location | |
|---|---|
| **City** | **Percentage** |
| Gonzales | 45.9 |
| Soledad | 16.8 |
| Salinas | 15.3 |
| Greenfield | 4.4 |
| Chualar | 3.8 |
| King City | 3.0 |
| Watsonville | 1.2 |
| Carmel Valley | 0.3 |
| Castroville | 0.3 |
| Yuma | 0.3 |
| Gilroy | 0.3 |
| Marina | 0.3 |
| Paso Robles | 0.3 |
| San Jose | 0.3 |
| Fresno | 0.3 |
| All Other | 7.5 |




**Source**: Placer.ai, based on Visits over 10 minutes to downtown commercial structures between 8/1/2023 and 7/31/2024

# OPPORTUNITY SITES / CENTERS GONZALES - DOWNTOWN

| Strengths | Challenges | Opportunities |
|---|---|---|
| • Walkable, historic downtown with charming character, local restaurants, and small shops. | • Some buildings / spaces could benefit from façade improvement, tenant improvements.<br>• Downtown area is removed from freeway area, challenging some tenant recruitment.<br>• Limited retail mix may need modernization to meet needs of community and attract wider audience | • Potential for facade improvement grants or programs to attract businesses.<br>• Potential for streetscape improvements.<br>• Assisting local shops / restaurants with resources to enhance their business.<br>• Events / activities to increase visitor activity.<br>• Marketing the historic character of downtown to attract tourists and local shoppers.<br>• Flexible zoning for mixed-use projects that blend retail, dining, residential. |

**Source**: CoStar

# OPPORTUNITY SITES / CENTERS
# GONZALES – SOUTHERN ONRAMP

| Preliminary Site Info | |
|---|---|
| **Zoning** | Highway Commercial |
| **Land Area** | 15.98 AC |
| **Description** | Agricultural land |
| **Ownership** | Rianda Family Limited Partnership |
| **ADT** | US-101 @ Gloria Rd: 45,375 ADT |
| **Nearby Land Uses** | Agriculture, agricultural manufacturing |

**Source**: CoStar

# OPPORTUNITY SITES / CENTERS
# GONZALES – SOUTHERN ONRAMP

| Strengths | Challenges | Opportunities |
|---|---|---|
| • Large site (almost 16 acres) can accommodate a variety of uses<br>• High visibility from US-101 and good freeway accessibility<br>• Potential for future housing development nearby – residential will enhance commercial viability<br>• Potential gateway to the city that can draw travelers into Gonzales | • Infrastructure improvements needed to support development of site.<br>• Lack of existing commercial activity and adjacent residential neighborhoods.<br>• Cost of ground up construction is high.<br>• Market size / demand may put some limit on the amount of retail that can be supported on site | • Gateway to Gonzales<br>• Ideal for a commercial hub or mixed-use development to capture highway traffic.<br>• Hotel and Hospitality.<br>• Travel Plaza opportunity- Loves, Pilot, Flying J<br>• QSR opportunity<br>• Fuel Service and C Store |

**Source**: CoStar

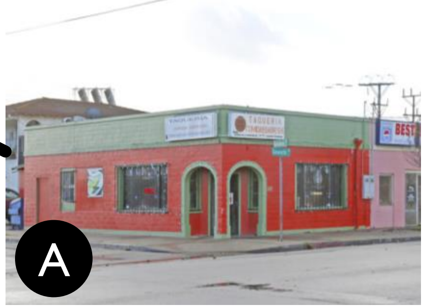
# OPPORTUNITY SITES / CENTERS
# GONZALES – VACANT PROPERTIES ON 7TH – 9TH ST

## Preliminary Site Info

| | A: 46 7th St | B: 32 8th St | C: 38 9th St |
|---|---|---|---|
| **APN** | 020-076-010 | 020-084-013 | 020-085-010 |
| **Zoning** | MU | R-2 | R-2 |
| **Land Area** | 0.14 AC | 0.14 AC | 0.16 AC |
| **Description** | 3,848 SF storefront retail / restaurant | 2,049 SF restaurant | 1,049 SF storefront retail |
| **Owner** | Camacho Iran Pacheco | Armando and Maria Vidauri | Arcelia Lopez |
| **Built** | 1948 | 1952 | 1951 |
| **Vacant / Available Spaces** | Not listed on CoStar or Loopnet | Not listed on CoStar or Loopnet | Not listed on CoStar or Loopnet |

**Source**: CoStar



# OPPORTUNITY SITES / CENTERS
# GONZALES – VACANT PROPERTIES ON 7TH – 9TH ST

| Strengths | Challenges | Opportunities |
|---|---|---|
| • Located within the mixed-use commercial core.<br>• Potential for redevelopment into active retail or restaurant spaces.<br>• Part of historic / walkable downtown area | • Buildings likely require significant façade / tenant improvements to make them suitable for new tenants due to age of structures and deferred maintenance.<br>• Re-occupancy challenges (building code updates, ADA accessibility, commercial hoods if restaurant, etc)<br>• Limited foot traffic – not located in main downtown area, can be a deterrent for potential new businesses | • Utilize vacant properties to introduce new retail or dining options.<br>• Façade improvement and other programs can help property owners upgrade sites<br>• Redevelopment can attract new businesses and increase foot traffic.<br>• Consider creating an Impact Fee Credit Policy that allows harvesting of credits (DOT, sewer, water ,etc) upon demolition for redevelopment.<br>• Flexible zoning for mixed-use projects that blend retail, dining, residential. |

**Source**: CoStar

# SOLEDAD

# SOLEDAD
# OPPORTUNITY OVERVIEW

- **Downtown Soledad** shows good opportunity, with no retail vacancy and major improvements underway for Front Street that will help to further activate the area. The planned container village concept can help to drive additional activity to the area and provide vital space for up-and-coming businesses.
- **Soledad Marketplace** has seen growing activity as Grocery Outlet and Dutch Bros drive visits to the center, and Premier Cinemas can be a vital entertainment venue for the Region. Good opportunities for new retailers to join the center, as well as restaurant / entertainment / brewery uses in the space adjacent to the Cinema.
- **The Miranda & San Vicente Site** is a large US-101 adjacent vacant site that has some potential for a mixed-use development that combines commercial and residential uses – potentially freeway serving retail, dining, hospitality.


# OPPORTUNITY SITES / CENTERS
# SOLEDAD - DOWNTOWN

| Preliminary Site Info | |
|---|---|
| **Zoning** | C-1: Commercial Retail |
| **Land Area** | 34.53 AC (downtown area)<br>19.17 AC (parcels) |
| **Description** | Historic downtown area with local restaurants, small shops; Major tenants include Ace hardware, El Pueblo Market |
| **RBA** | CoStar lists ~115,200 SF across 17 retail properties and ~36,100 SF across 8 office properties in the downtown area |
| **Owner** | Varied ownership, small lots |
| **Built** | Varied; many commercial structures are 40+ years old |
| **Nearby Uses** | Residential, civic, commercial |
| **ADT** | Front Street: 7,400 ADT<br>East Street: 5,500 ADT<br>US-101: 37,900 ADT |
| **Vacant / Available Spaces** | 415 Front St, storefront retail / residential – listed for sale for $525,000 ($144.55 / SF) |

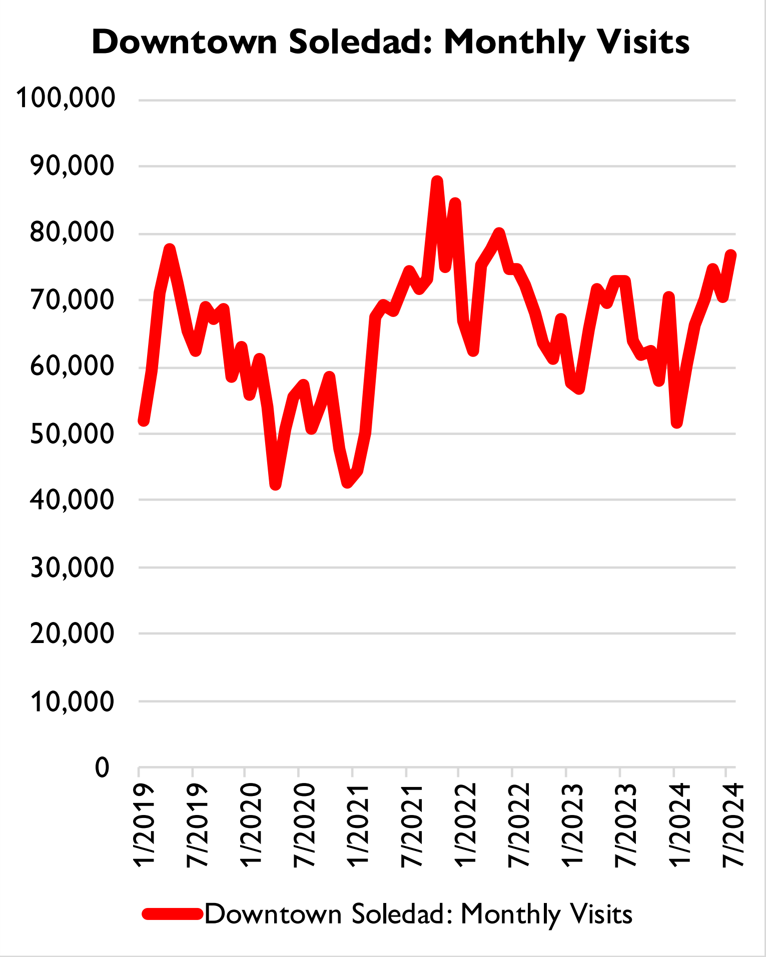

**Source**: CoStar

# DOWNTOWN SOLEDAD VISITOR ANALYTICS – PLACER.AI

- Downtown Soledad has seen ~15,000 weekly visits over the past year – slightly above the pre-Covid amount of ~14,800 visits.
- Approx. 64% of visits come from visitors who live less than 5 miles away, and ~8% come from visitors who live greater than 30 miles away.
- Approx. 86% of visitors live in one of the four Cities
- Visits to the area peak between 3 - 6 pm, with generally sustained activity between 12 – 7 pm
- Visits are generally stable thru the week, slightly higher on Thursday – Saturday.

| Current Visitor Data | |
|---|---|
| Annual Visits | 786,800 |
| Median Weekly Visits | 14,900 |
| Visit Frequency | 7.5 |
| Visits: YoY | -1.6% |
| Visits: Past 12 months vs pre-COVID | 1.5% |
| Median Visit Length | 32 |
| Visitor Avg. HH Income | 85,000 |
| % Visitors Home <5 Miles Away | 64% |
| % Visitors Home > 30 Miles Away | 8% |

* Based on Visits over 10 minutes to downtown between 8/1/2023 and 7/31/2024

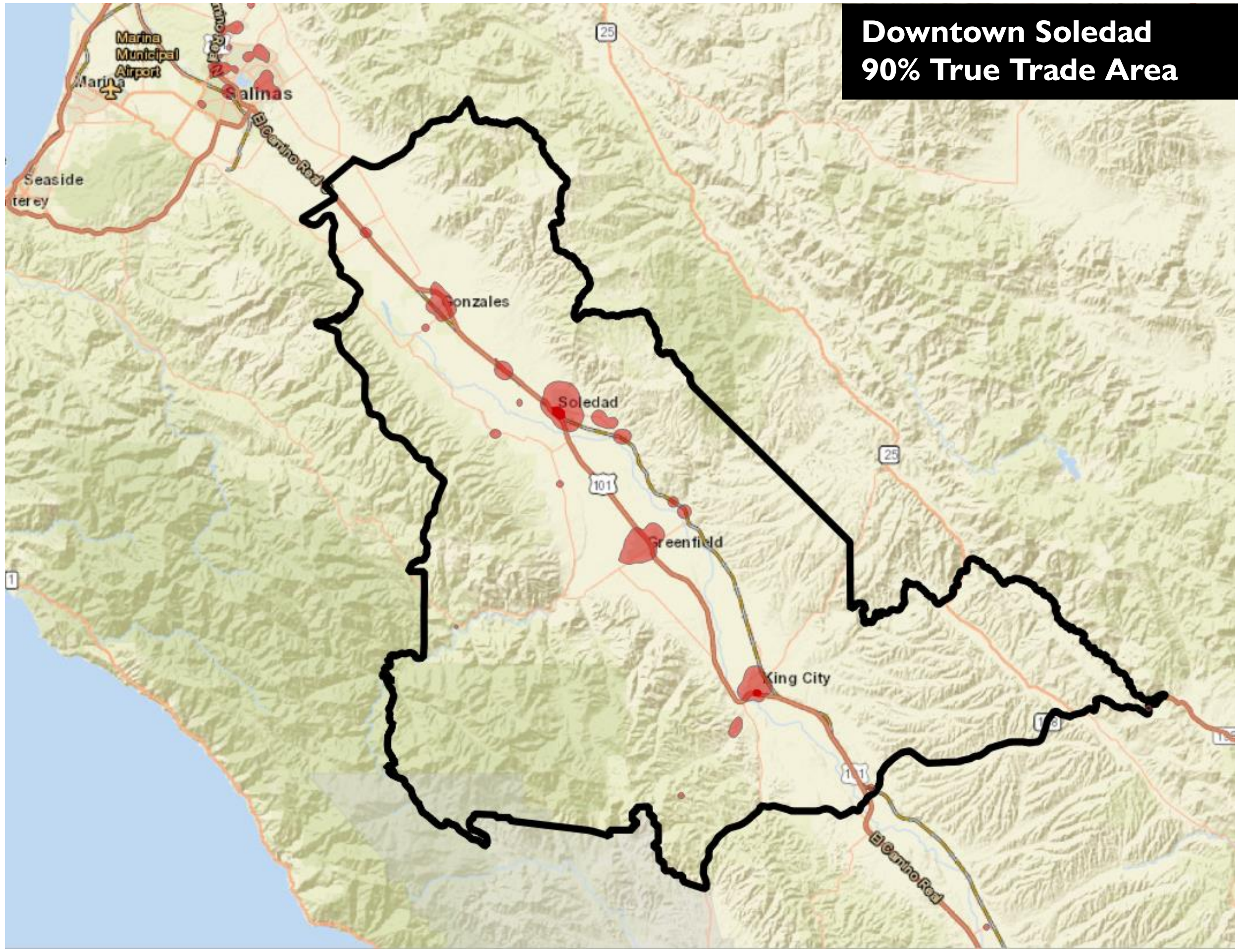



**Source**: Placer.ai

# DOWNTOWN SOLEDAD VISITOR ANALYTICS – PLACER.AI

| Area Annual Visits by Visitor Home Location | |
|---|---|
| **City** | **Percentage** |
| Soledad | 64.7 |
| Greenfield | 11.1 |
| King City | 5.5 |
| Salinas | 4.9 |
| Gonzales | 4.5 |
| San Jose | 0.6 |
| Sacramento | 0.4 |
| Santa Maria | 0.4 |
| Watsonville | 0.3 |
| Gilroy | 0.3 |
| Marina | 0.3 |
| Yuma | 0.2 |
| Chualar | 0.2 |
| Fresno | 0.2 |
| Castroville | 0.2 |
| All Others | 6.1 |

**Source**: Placer.ai, based on Visits over 10 minutes to downtown commercial structures between 8/1/2023 and 7/31/2024



# OPPORTUNITY SITES / CENTERS SOLEDAD - DOWNTOWN

| Strengths | Challenges | Opportunities |
|---|---|---|
| • Active downtown with low retail vacancy and rising rents.<br>• Major improvements being made to Main Street, including new landscaping, art in public places, new sidewalks, and planned container village concept.<br>• Community engagement efforts with stakeholders, businesses – aims to attract / retain businesses for a vibrant downtown. | • Some buildings / spaces could benefit from façade improvement, tenant improvements.<br>• Maintenance issues and absentee landlords in a few buildings.<br>• Limitations for new development – limited space, high cost of new construction.<br>• Limited parking.<br>• Infrastructure constraints. | • Container village concept – can act as incubator for small businesses, draw visitors, and improve activity in downtown area.<br>• Façade improvement and other programs can help property owners upgrade sites.<br>• Further enhancement of downtown beautification projects to attract more visitors.<br>• Assisting local shops / restaurants with resources to enhance their business. |

**Source**: CoStar

# OPPORTUNITY SITES / CENTERS
# SOLEDAD – SOLEDAD MARKETPLACE

| Preliminary Site Info | |
|---|---|
| **Zoning** | Highway Commercial |
| **Land Area** | 13.88 AC |
| **Description** | CoStar lists ~58,300 SF of existing retail (Premier Cinemas, Grocery Outlet, Dutch Bros Coffee) and ~95,000 SF of proposed retail on the site |
| **Owner** | Soledad Marketplace LLC (~7.2 AC)<br>Amendola Investments III (3.88 AC – Grocery Outlet, parking, vacant land)<br>Soledad Cinemas Inc (Premier Cinemas, parking) |
| **Built** | 2022 - 2023 |
| **Nearby Uses** | Nearby retail includes Soledad Mission Shopping Center (Foods Co grocery, CVS, O'Reilly Auto Parts, restaurants) |
| **ADT** | US-101 near site: 39,400 |
| **Vacant / Available Spaces** | Multiple proposed spaces available, from 1,500 to 18,200 SF in size, CoStar Est. Rent of $19 – 22 PSF |

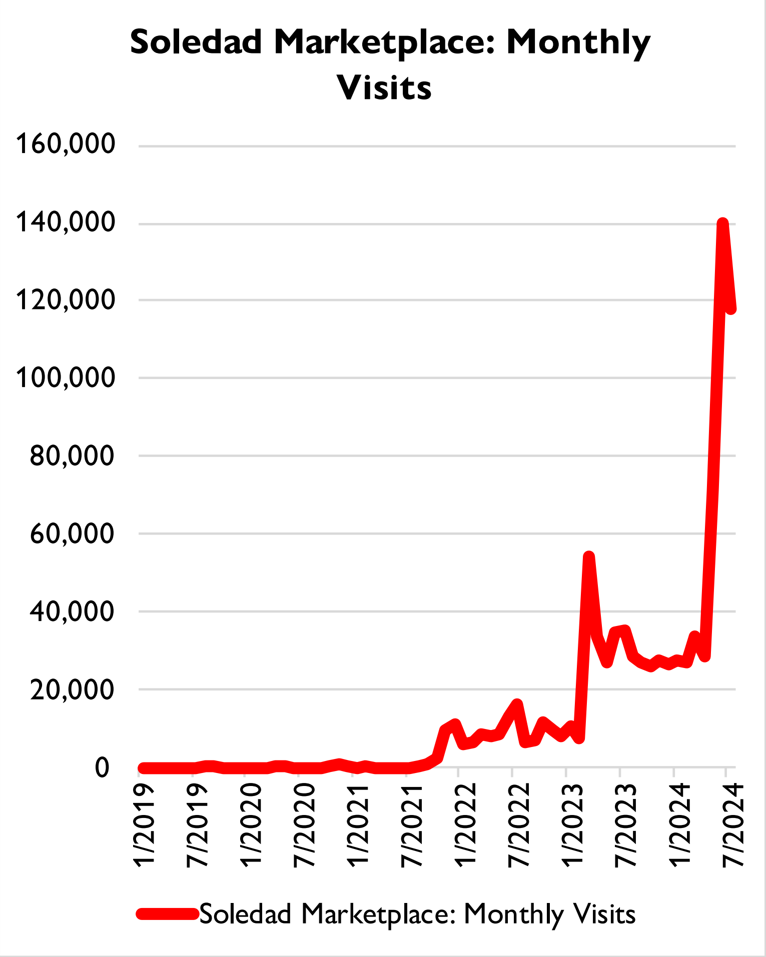

**Source**: CoStar

# SOLEDAD MARKETPLACE VISITOR ANALYTICS – PLACER.AI

- Soledad Marketplace has seen an average of ~11,100 weekly visits over the past year, jumping to ~30,100 visits since the Dutch Bros opened in mid-May 2024.
- Approx. 48% of visits come from visitors who live less than 5 miles away, and ~8% come from visitors who live greater than 30 miles away.
- Approx. 81% of visitors live in one of the four Cities
- Visits to the area peak between 6 - 9 pm, with sustained activity between 1pm – 10pm.
- Visits peak on Friday – Sunday.
- Grocery Outlet and Dutch Bros. Coffee have slightly above average category percentile ranks by visits.

| Current Visitor Data | |
|---|---|
| Annual Visits | 581,700 |
| Median Weekly Visits | 6,600 |
| Visit Frequency | 6.1 |
| Visits: YoY | 135.5% |
| Visits: Past 12 months vs pre-COVID | 63471.5% |
| Median Visit Length | 27 |
| Visitor Avg. HH Income | 88,000 |
| % Visitors Home <5 Miles Away | 48% |
| % Visitors Home > 30 Miles Away | 8% |
| Category Rank Percentile, CBSA | Grocery Outlet: 58%<br>Dutch Bros: 68% |

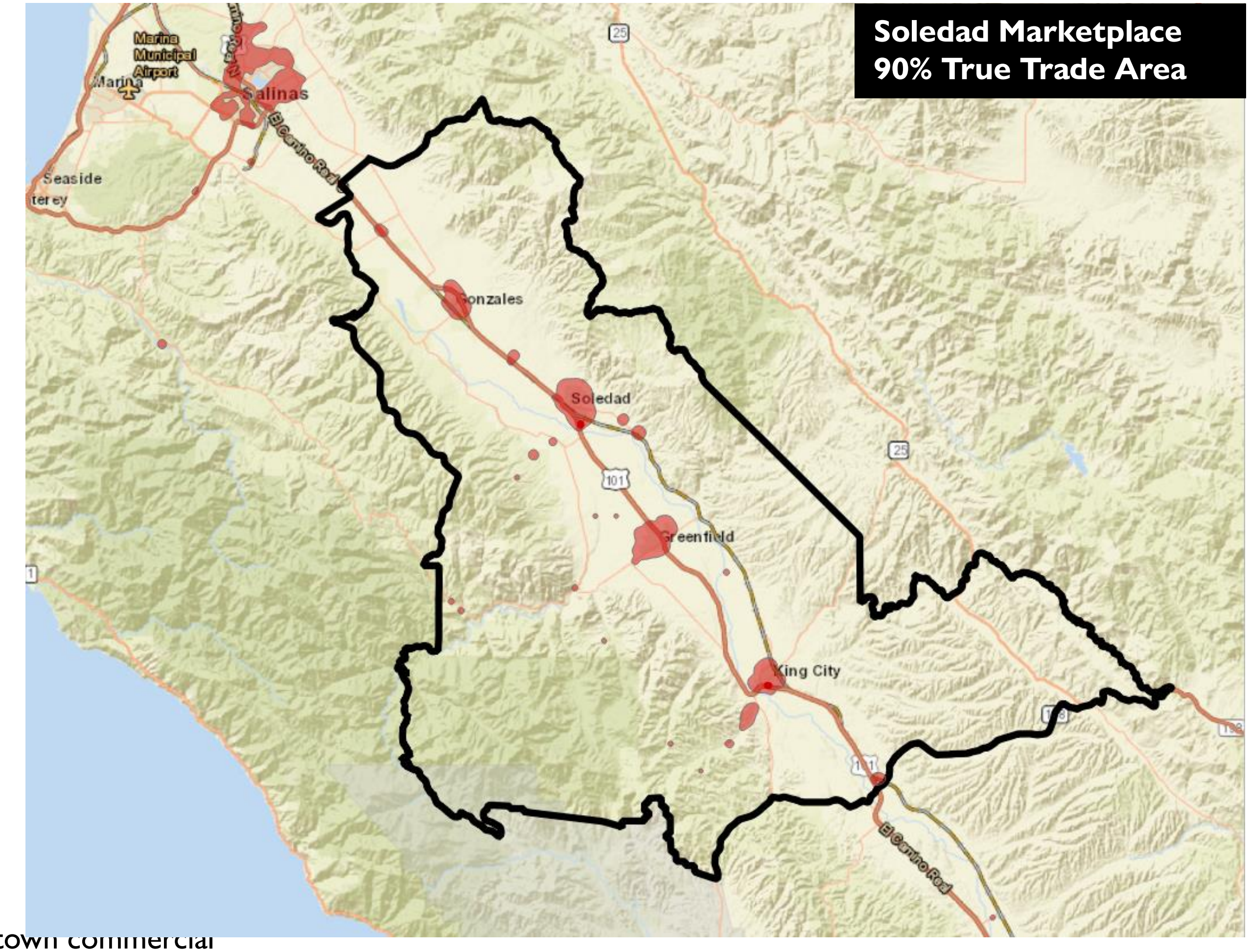
* Based on Visits over 10 minutes to downtown commercial structures between 8/1/2023 and 7/1/2024




**Source**: Placer.ai

# SOLEDAD MARKETPLACE VISITOR ANALYTICS – PLACER.AI

| Area Annual Visits by Visitor Home Location | |
|---|---|
| **City** | **Percentage** |
| Soledad | 47.9 |
| Greenfield | 19.1 |
| Salinas | 9.8 |
| King City | 8.0 |
| Gonzales | 5.8 |
| Marina | 0.5 |
| San Lucas | 0.4 |
| San Jose | 0.4 |
| Watsonville | 0.3 |
| Monterey | 0.3 |
| Chualar | 0.3 |
| Santa Cruz | 0.3 |
| Fresno | 0.2 |
| Seaside | 0.2 |
| Sacramento | 0.2 |
| All Other | 6.1 |




**Source**: Placer.ai, based on Visits over 10 minutes to downtown commercial structures between 8/1/2023 and 7/1/2024

# OPPORTUNITY SITES / CENTERS SOLEDAD – SOLEDAD MARKETPLACE

| Strengths | Challenges | Opportunities |
|---|---|---|
| • High visibility and accessibility from US-101 with 39,400 ADT.<br>• New retail center with Premier Cinemas, Grocery Outlet, Dutch Bros Coffee.<br>• Dutch Bros numbers are exceeding expectations and driving activity at center.<br>• Near existing commercial development – can build off existing retail activity. | • Cost of ground up construction is high.<br>• Infrastructure improvements and parking needed accommodate increased traffic flow at build out.<br>• Signage could be improved – need to improve visibility from freeway, particularly for the Premier Cinemas property. | • Premier Cinemas has a built space which can be suited for synergistic uses such as a brewery or restaurant.<br>• Tractor Supply will enhance the activity in the center.<br>• Potential for additional retail spaces ranging from 1,500 to 18,200 SF.<br>• QSR opportunities of Habit, Chipotle, Daves Hot Chicken, etc.<br>• High End Car Wash (currently going through CUP process) would enhance activity at the center.<br>• Opportunity to attract retailers and enhance the retail mix. |

**Source**: CoStar

# OPPORTUNITY SITES / CENTERS
# SOLEDAD – MIRANDA & SAN VICENTE

| Preliminary Site Info | |
|---|---|
| **Zoning** | Commercial – Community, Commercial - Residential |
| **Land Area** | 43.35 AC |
| **Description** | Vacant / agricultural land |
| **Ownership** | Jack Robert Britton Living Trust |
| **ADT** | US-101: 44,300 |
| **Nearby Land Uses** | Residential, Agricultural |


**Source**: CoStar

# OPPORTUNITY SITES / CENTERS SOLEDAD – MIRANDA & SAN VICENTE

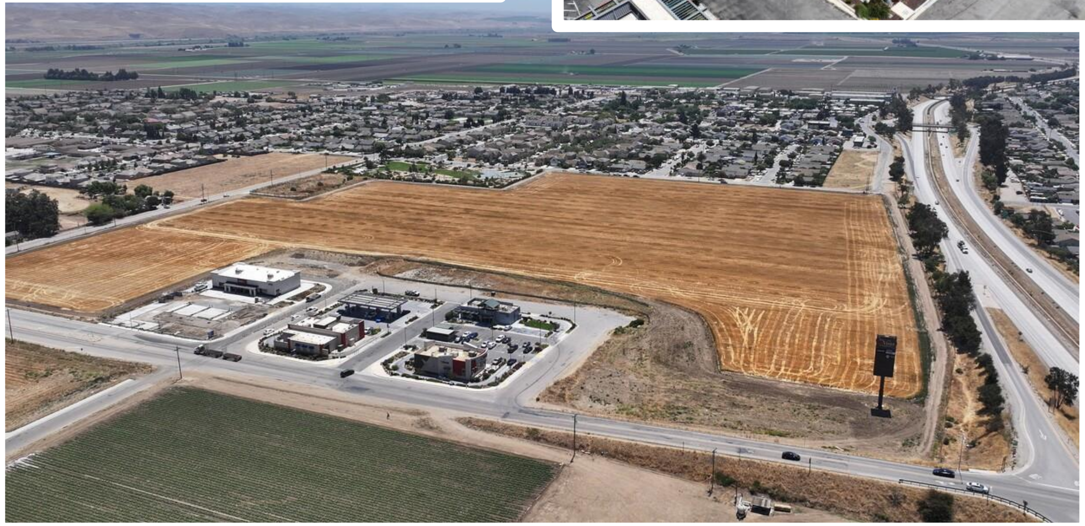
| Strengths | Challenges | Opportunities |
|---|---|---|
| • Large 43.35 AC commercial site offers space for large-scale and blended use development that can accommodate a range of uses (retail, hospitality, residential, etc)<br>• Good US-101 visibility / accessibility can attract travelers and locals and serve as strategic entry point for City | • Infrastructure improvements needed to support new development (e.g. roads, water, sewer, etc)<br>• Cost of ground up construction is high.<br>• Market size / demand may put some limit on the amount of retail that can be supported on site. | • Potential for a mixed-use development combining residential and commercial uses.<br>• Possible Big Box location – e.g. small format Walmart<br>• Hotel and Hospitality location.<br>• Medical services.<br>• Office.<br>• QSRs.<br>• Fuel Service and C Store. |

**Source**: CoStar

# GREENFIELD

# GREENFIELD OPPORTUNITY OVERVIEW

- **Yanks Site** is a large vacant site with very good US-101 accessibility / visibility that may be a good opportunity for blended use projects that include residential, retail, and possible light industrial uses.
- **Walnut Specific Plan Area** has good US-101 accessibility / visibility and has seen growing activity as the Visitor's Center, Arco, Starbucks, and Carls Jr have been added to the Site. Good opportunities for new development to join the site, including entitled TownePlace Suites and other blended use developments including retail, dining, hospitality, and residential uses.
- **The South End Annexation Area** is a large US-101 adjacent vacant site that has some potential for a blended-use retail, residential, and industrial developments (could include travel plaza, freeway-serving retail, hotel, and quick-serve restaurants).

# OPPORTUNITY SITES / CENTERS GREENFIELD – YANKS SITE

| Preliminary Site Info | |
|---|---|
| **Targeted Land Use** | Commercial, aircraft museum / airstrip, winery, retail |
| **Land Area** | ~100 AC |
| **Description** | Vacant land with RV Park and some site improvements |
| **Ownership** | Charles Nichols Trust |
| **ADT** | US-101: 37,500 ADT |
| **Nearby Land Uses** | Agricultural |


**Source**: CoStar

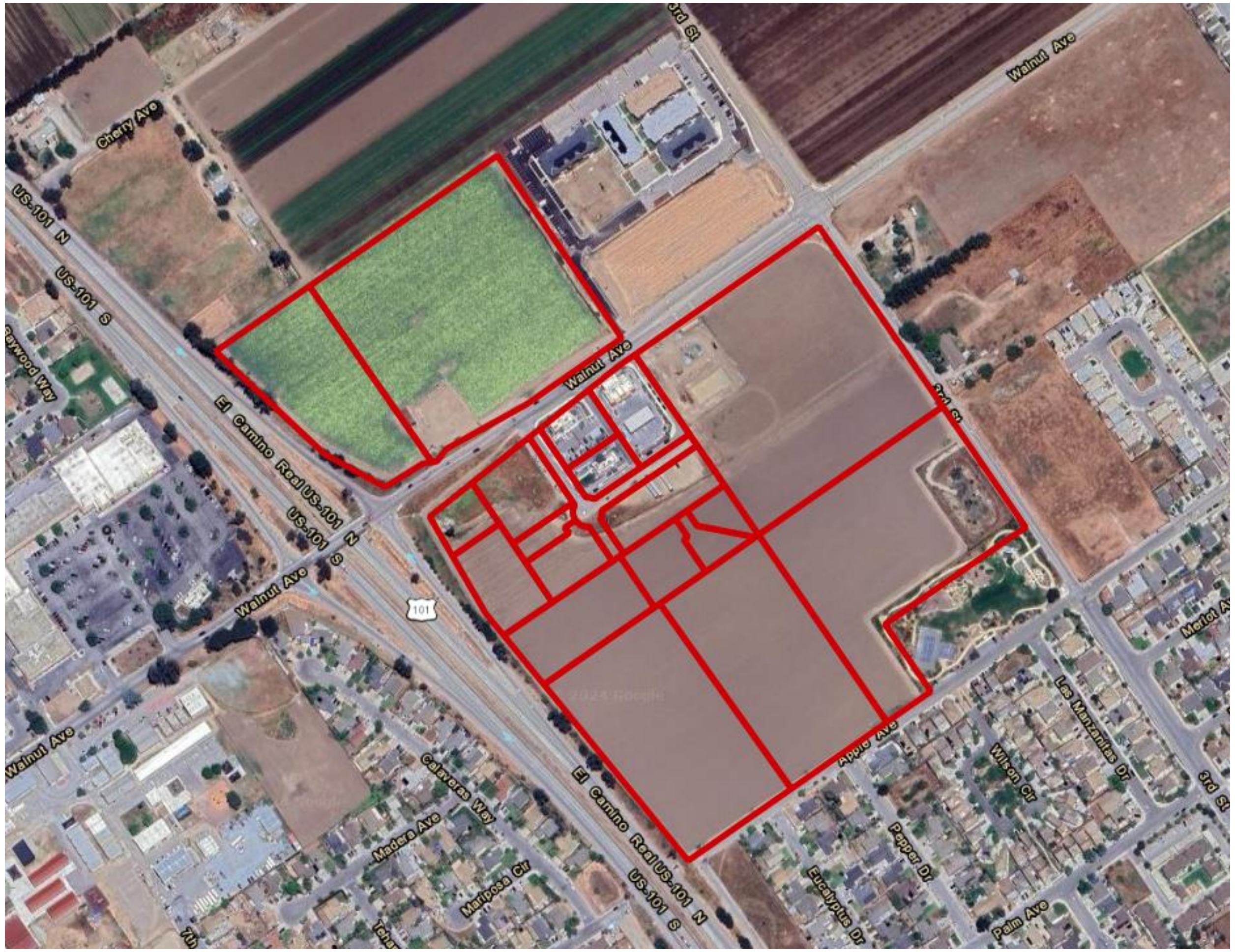
# OPPORTUNITY SITES / CENTERS
# GREENFIELD – YANKS SITE

| Strengths | Challenges | Opportunities |
|---|---|---|
| • Large site around 100 AC – can accommodate large scale development and accommodate diverse uses (retail, hospitality, residential)<br>• Good freeway access / visibility on the US-101, and can serve as a gateway to Greenfield.<br>• Some environmental documentation and planning efforts already underway | • New development likely to trigger road improvements to the Hwy 101 Interchange; other infrastructure required for new development.<br>• Ownership challenges – can be challenging to engage owners, understand plans for site.<br>• Cost of ground up construction is high.<br>• Market size / demand may put some limit on the amount of retail that can be supported on site. | • Good opportunity for blended residential / retail uses.<br>• Potential for large-scale commercial / residential / recreational development.<br>• Fuel Service and C Store.<br>• Travel Plaza opportunity- Loves, Pilot, Flying J and Maverik.<br>• QSR.<br>• Possible Light Industrial opportunity. |

**Source**: CoStar

# OPPORTUNITY SITES / CENTERS
# GREENFIELD – WALNUT SPECIFIC PLAN AREA

| Preliminary Site Info | |
|---|---|
| **Zoning** | Walnut Avenue Specific Plan – commercial, retail, residential |
| **Land Area** | ~65 AC site with ~40 AC remaining to be developed |
| **Description** | Vacant properties; recent developments include Walnut Ave Visitor's Center, Arco, Starbucks, Carls Jr; Marriott hotel (TownePlace Suites) entitled / in development process |
| **Ownership** | John Robasciotti TR(20 AC)<br>Sharon Fields (5 AC)<br>Renee Rianda TR (13.4 AC) |
| **ADT** | US 101: 35,100 |
| **For Sale** | 20 AC for sale (listed at $4 – 10.5m) |
| **Nearby Land Uses** | Agriculture, retail and residential |



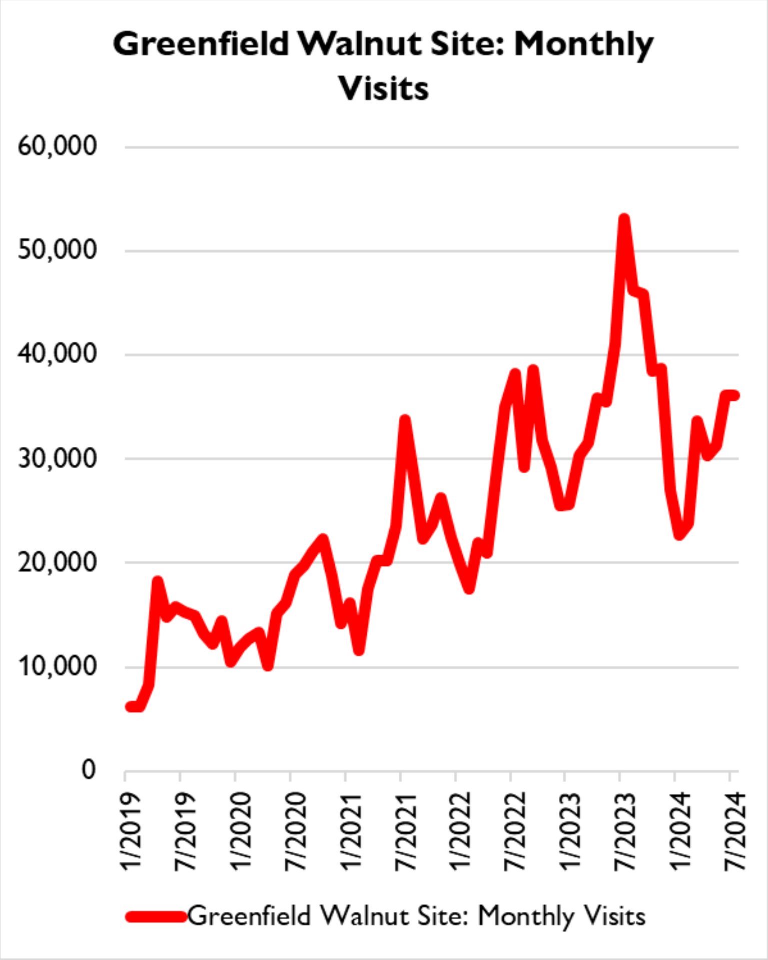

**Source**: CoStar

# GREENFIELD WALNUT AVE SITE VISITOR ANALYTICS – PLACER.AI

- The Walnut Ave Site has seen ~7,900 weekly visits over the past year – below the pre-Covid amount of ~3,200 visits – reflective of the new businesses on the Site.
- Approx. half of visits come from visitors who live less than 5 miles away, and ~35% come from visitors who live greater than 30 miles away.
- Approx. 65% of visitors live in one of the four Cities
- Visits to the area peak between 2 - 4 pm, with generally sustained activity between noon and 9pm.
- Visits are generally stable thru the week, peaking on Sunday and elevated on Friday / Saturday.

| Current Visitor Data | |
|---|---|
| Annual Visits | 410,600 |
| Median Weekly Visits | 7,600 |
| Visit Frequency | 3.0 |
| Visits: YoY | 0.7% |
| Visits: Past 12 months vs pre-COVID | 145.2% |
| Median Visit Length | 22 |
| Visitor Avg. HH Income | 96,000 |
| % Visitors Home <5 Miles Away | 50% |
| % Visitors Home > 30 Miles Away | 35% |

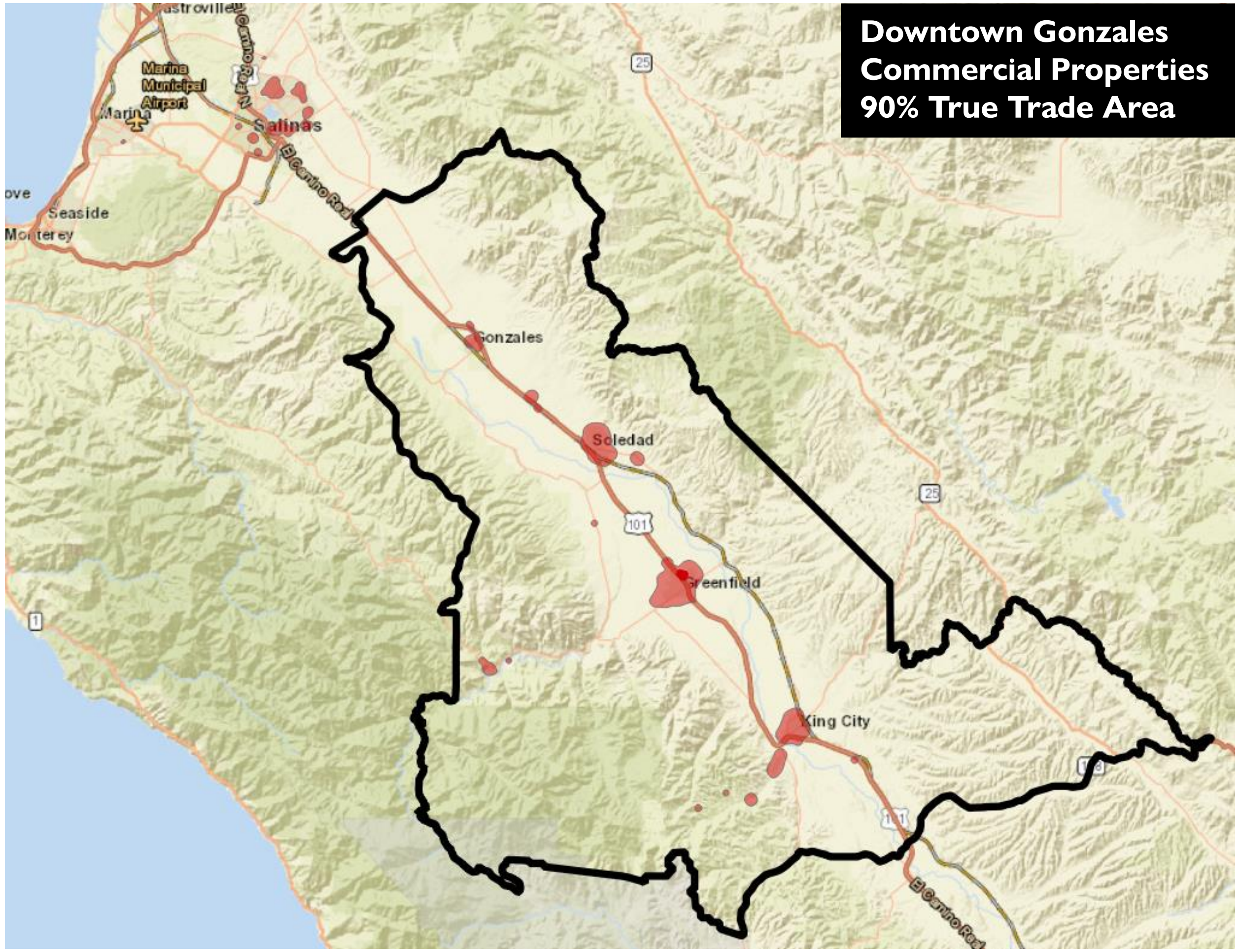
* Based on Visits over 10 minutes site between 8/1/2023 and 7/31/2024




**Source**: Placer.ai

# DOWNTOWN GONZALES VISITOR ANALYTICS – PLACER.AI

| Area Annual Visits by Visitor Home Location | |
|---|---|
| City | Percentage |
| Greenfield | 50.5 |
| Soledad | 7.0 |
| King City | 6.4 |
| Salinas | 3.7 |
| San Jose | 1.5 |
| Watsonville | 1.5 |
| San Francisco | 0.9 |
| San Luis Obispo | 0.7 |
| Santa Barbara | 0.7 |
| Paso Robles | 0.7 |
| Gonzales | 0.6 |
| Gilroy | 0.6 |
| Santa Maria | 0.6 |
| Los Angeles | 0.5 |
| Bakersfield | 0.5 |
| All Other | 23.6 |




**Source**: Placer.ai, based on Visits over 10 minutes to site between 8/1/2023 and 7/31/2024

# OPPORTUNITY SITES / CENTERS
# GREENFIELD – WALNUT SPECIFIC PLAN AREA

| Strengths | Challenges | Opportunities |
|---|---|---|
| • Good freeway access / visibility on the US-101<br>• Existing retail (ARCO, Starbucks, Car Wash) and market activity / potential upcoming development (retail / hotel) demonstrate market interest / momentum and site strengths, drive activity to site.<br>• Some environmental and planning documentation already underway | • New development likely to trigger road improvements to Hwy 101 Interchange.<br>• Cost of ground up construction is high. | • Good opportunity for new retail, hospitality, blended-use.<br>• Potential to attract higher-traffic retail and dining establishments.<br>• New residential opportunity.<br>• Hotel and Hospitality<br>• QSRs<br>• Express Car Wash |

**Source**: CoStar

# OPPORTUNITY SITES / CENTERS
# GREENFIELD – SOUTH END ANNEXATION AREA

| Preliminary Site Info | |
|---|---|
| **Zoning** | Planned for Highway Commercial and Heavy Industrial |
| **Land Area** | ~208 AC<br>(~75 AC along freeway planned for Highway Commercial) |
| **Description** | Vacant land for sale (price not disclosed) |
| **Ownership** | RCT Land Company LP; Scheid Vineyards California Inc; currently marketed by Capital Rivers Commercial |
| **ADT** | US 101: 30,000 |
| **Nearby Land Uses** | Agriculture, residential |

**Source**: CoStar

# OPPORTUNITY SITES / CENTERS
# GREENFIELD – SOUTH END ANNEXATION AREA

| Strengths | Challenges | Opportunities |
|---|---|---|
| • Large site(s) with significant freeway frontage- can accommodate a variety of land uses (retail, commercial, industrial, residential).<br>• Good freeway access / visibility along the US-101, can serve as a gateway to the city<br>• Some environmental and planning documentation already under way | • New development likely to trigger road improvements to the US 101 Interchange.<br>• Infrastructure needed for development but available from offsite.<br>• Cost of ground up construction is high.<br>• Market size / demand may put some limit on the amount of retail that can be supported on site. | • Good opportunity for blended-use residential, industrial, retail<br>• Pinnacles Plaza (121 ac) site currently for sale. Most likely a commercial developer buys a smaller parcel adjacent to Hwy 101.<br>• Travel Plaza.<br>• Fuel Service and C Store.<br>• Hotel and Hospitality.<br>• QSRs – Panda, Dutch Bros |

**Source**: CoStar

# KING CITY

# KING CITY
# OPPORTUNITY OVERVIEW

- **The Bacciarini Property** is a large vacant site with good accessibility / visibility to the US-101 corridor, and could be suitable for blended use developments that include retail, hotel, and residential development.
- **The Canal Street Properties** are smaller sites that have accessibility to Canal St / US-101. These sites have some redevelopment potential for commercial, retail, or mixed-use projects that can serve nearby residents as well as freeway travelers.
- **The King City Shopping Center** is an ~117,000 SF neighborhood center anchored by Safeway, Rite Aid, and other locally serving retailers with some vacant spaces. Site has good access / visibility to the US-101, and new retail activity nearby (e.g. Grocery Outlet) can help to drive further retail demand in the area. Property improvements and proactive outreach to property owner / potential tenants can help to fill vacant spaces.


# OPPORTUNITY SITES / CENTERS
# KING CITY – BACCIARINI PROPERTY

| Preliminary Site Info | |
|---|---|
| **Zoning** | Highway Services |
| **Land Area** | 41.38 Acres |
| **Description** | Primarily vacant freeway adjacent property located at US-101 & S 1st St interchange |
| **Ownership** | Bacciarini |
| **ADT** | US-101: 18,780 ADT |
| **Nearby Land Uses** | King City Golf Course, CalTrans Maintenance Station, agriculture |

**Source**: CoStar

# OPPORTUNITY SITES / CENTERS
# KING CITY – BACCIARINI PROPERTY

| Strengths | Challenges | Opportunities |
|---|---|---|
| • Large site can accommodate a variety of land uses (retail, hotel, residential).<br>• Good US-101 freeway adjacency / accessibility / visibility. | • New infrastructure (sewer and water) will be necessary to serve the site.<br>• General Plan and Zoning needs to be amended for new development, and area needs master planning to determine ingress/egress.<br>• A small portion of the property adjacent to San Lorenzo Creek is within the flood plain.<br>• Some potential challenges with property owner expectations.<br>• Cost of ground up construction is high. | • Good freeway visibility / accessibility, large parcel offers flexibility for development<br>• Good location for blended use retail / hotel / residential development |

**Source**: CoStar

# OPPORTUNITY SITES / CENTERS
# KING CITY – CANAL STREET PROPERTIES

**Preliminary Site Info**

| | 1 | 2 |
|---|---|---|
| **Zoning / GP** | Highway Service Commercial | |
| **Land Area** | 2.2 AC | 3.22 AC |
| **Description** | Primarily vacant site with some residential uses | Vacant site with freeway visibility |
| **Ownership** | Tom Salcido (Crown Property Management LLC) | Will Clark |
| **ADT** | US-101: 18,800 ADT | |
| **Nearby Land Uses** | Residential, freeway commercial (hotel, restaurants, gas) | |


**Source**: CoStar

# OPPORTUNITY SITES / CENTERS
# KING CITY – CANAL ST PROPERTIES

| | Strengths | Challenges | Opportunities |
|---|---|---|---|
| **Salcido Property** | • Accessible to Canal St / US-101<br>• Proximity to existing commercial development | • Existing residential use is legal non-conforming and would need to be removed for new development<br>• Adjacent to residential uses.<br>• Freeway visibility is fairly limited. | • Redevelopment for commercial, retail, and mixed-use projects.<br>• Attracting businesses to serve both local residents and highway traffic. |
| **Clark Property** | • Accessibility to Canal St / US-101 and some freeway visibility<br>• Proximity to existing commercial development | • Long, narrow lots.<br>• Adjacent to residential uses.<br>• Small portion of site adjacent to freeway is within the FEMA floodway. | • Redevelopment for commercial, retail, and mixed-use projects.<br>• Attracting businesses to serve both local residents and highway traffic.<br>• Storage Opportunity |

**Source**: CoStar

# OPPORTUNITY SITES / CENTERS
# KING CITY – KING CITY SHOPPING CENTER

| Preliminary Site Info | |
|---|---|
| **Zoning** | Retail Commercial / Freeway Service |
| **Land Area** | ~16 AC |
| **Description** | 116,700 SF neighborhood center; major tenants include Safeway, Auto Zone, Dollar Tree, Anytime Fitness; |
| **Owner** | Rykal & Associates |
| **Built** | 1991 |
| **ADT** | US-101: 18,800 ADT<br>Canal St: 4,200 ADT |
| **Vacant / Available Spaces** | Space A: 7,500 SF<br>~~Space B: 2,750 SF~~ ~~***SPACE TAKEN***~~ |


**Source**: CoStar

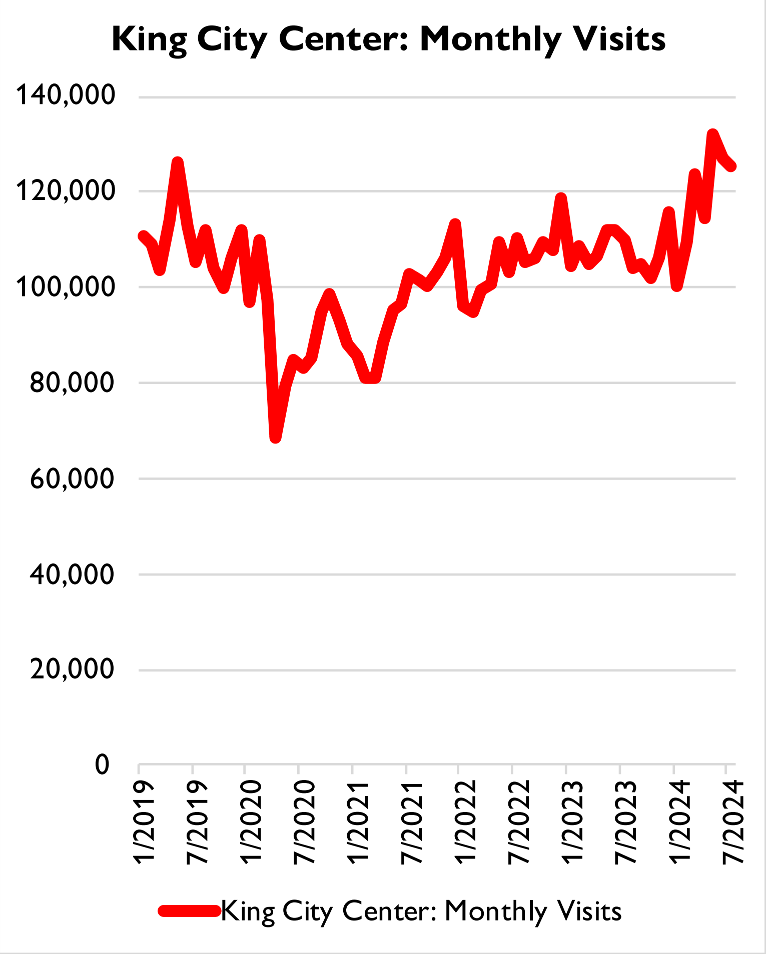
# KING CITY CENTER VISITOR ANALYTICS – PLACER.AI

- King City Center has seen ~26,100 weekly visits over the past year – higher than the pre-Covid amount of ~24,900 visits.
- Approx. 67% of visits come from visitors who live less than 5 miles away, and ~15% come from visitors who live greater than 30 miles away.
- Approx. 79% of visitors live in one of the four Cities
- Visits to the area are stable through the day between 11am – 8pm, with a peak between 4 - 7 pm
- Visits are generally stable thru the week, slightly higher on Friday – Sunday.
- Safeway, Rite Aid, and AutoZone have above average category percentile ranks by visits; Dollar Tree has a below-average rank.

**Source**: Placer.ai

| Current Visitor Data | |
|---|---|
| Annual Visits | 1,365,700 |
| Median Weekly Visits | 26,000 |
| Visit Frequency | 8.9 |
| Visits: YoY | 4.6% |
| Visits: Past 12 months vs pre-COVID | 5.3% |
| Median Visit Length | 22 |
| Visitor Avg. HH Income | 94,000 |
| % Visitors Home <5 Miles Away | 67% |
| % Visitors Home > 30 Miles Away | 15% |
| Category Rank Percentile, CBSA | Safeway: 85%<br>Rite Aid: 79%<br>AutoZone: 89%<br>Dollar Tree: 33% |

* Based on Visits over 10 minutes to site between 8/1/2023 and 7/31/2024

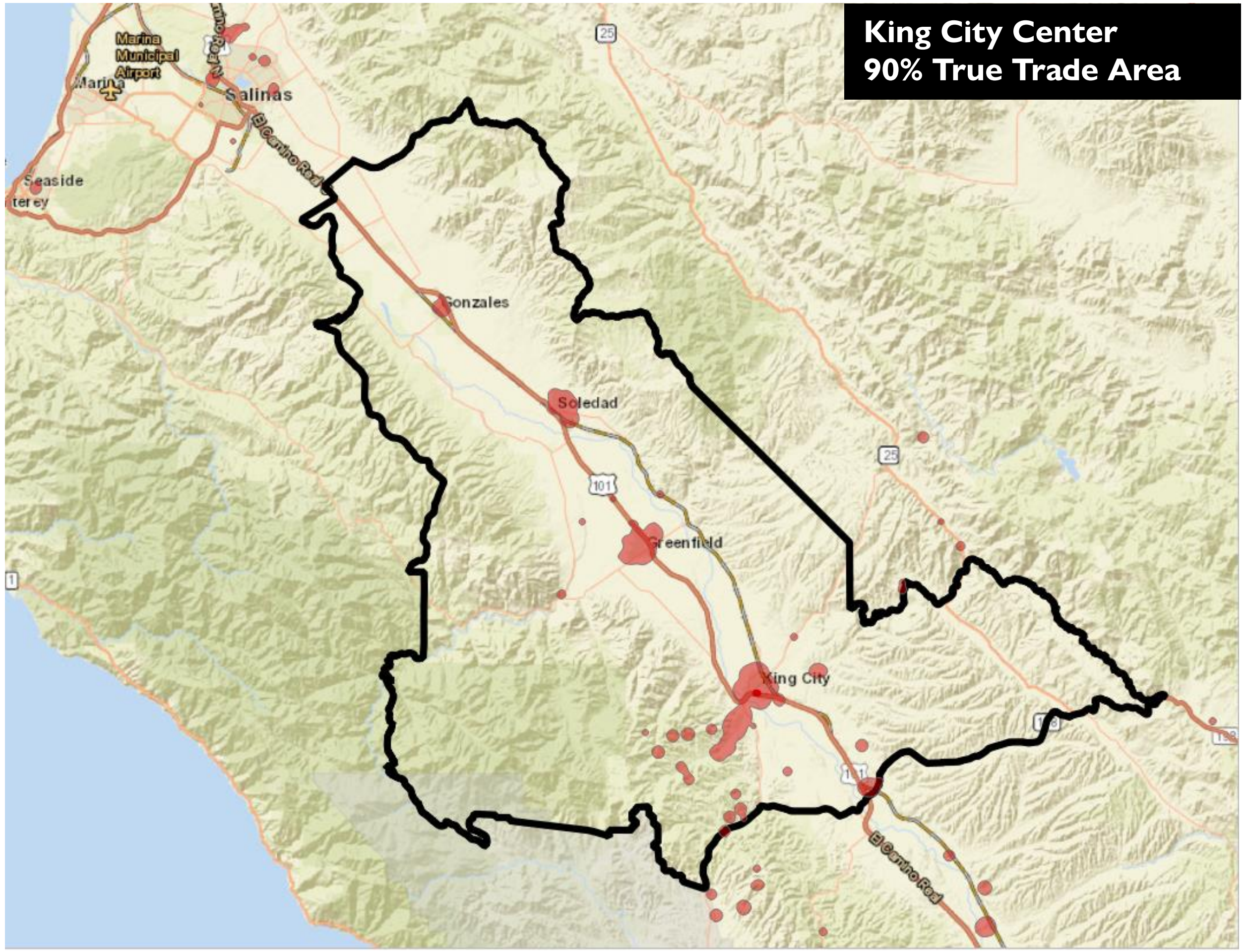


# KING CITY CENTER
# VISITOR ANALYTICS – PLACER.AI

**Area Annual Visits by Visitor Home Location**

| City | Percentage |
|---|---|
| Gonzales | 67.9 |
| Soledad | 7.2 |
| Salinas | 2.3 |
| Greenfield | 2.3 |
| Chualar | 2.3 |
| King City | 2.0 |
| Watsonville | 0.8 |
| Carmel Valley | 0.6 |
| Castroville | 0.6 |
| Yuma | 0.5 |
| Gilroy | 0.4 |
| Marina | 0.3 |
| Paso Robles | 0.3 |
| San Jose | 0.3 |
| Fresno | 0.3 |
| All Other | 11.9 |

**Source**: Placer.ai, based on Visits over 10 minutes to site between 8/1/2023 and 7/31/2024



# OPPORTUNITY SITES / CENTERS
# KING CITY – KING CITY SHOPPING CENTER

| Strengths | Challenges | Opportunities |
|---|---|---|
| • Active grocery-anchored shopping center – Safeway, Rite Aid, Dollar Tree, Anytime Fitness – new tenants can build off visits to existing anchor tenants<br>• Good freeway frontage / visibility / accessibility on the US-101 corridor | • Potential infrastructure challenges – some parts of shopping center may need updated infrastructure / design to attract new tenants and customers | • Existing building spaces have some availability – active marketing of spaces can help keep spaces occupied and attract new tenants<br>• Façade improvement and other programs can help property owner revitalize / modernize site, creating more attractive environment for tenants and shoppers |

**Source**: CoStar

# TRENDS & TOOLKIT

# KEY TREND: RETAIL AND BLENDED USE

- Shopping centers across the U.S. are faced with dramatic decline in retail sales as the digital economy converts the lifestyles and social patterns of every generation. Today's consumers use online websites for purchasing many hard and soft good commodities.
- Several hundred regional malls have closed in past 5-10 years. By 2025, experts expect only Class-A malls in high income communities are most likely to survive. The impacts from e-commerce will have major impacts on large shopping centers, particularly power centers.
- Many of the strongest opportunities for retail are centers that are focused on essentials and experiences. Shopping districts that are centered around experiences, entertainment, and essentials are best poised for economic resiliency and future success.
- The future for retail centers lies in fostering essential and experiential retail experiences. Blended use projects that bring additional uses to retail sites (such as hospitality, multifamily residential, and industrial) can bring more customers to the stores and thus be a more sustainable and diversified development that serves the community.

# KEY TREND: IMPROVING DOWNTOWN DISTRICTS

- Activating downtown districts is a key economic development strategy for cities that have traditional Main Street commercial / mixed-use districts.
- Pedestrian-oriented design and public spaces help activate downtown districts through vibrant / engaging activity.
- Placemaking efforts and programming downtown areas via the use of streetscape improvements and micro-districts can encourage nodes / clusters of focused business activity – such as areas focused on arts / entertainment, hospitality, and dining / restaurants.
- Key components: variety of uses / services, amenities, programming / events, accessibility / walkability / visibility, management.

| | |
|---|---|
| **Helping Businesses Thrive** | Consider programs such as façade improvement programs, streetery / outdoor retail, expanding allowable uses to increase business friendliness and help businesses thrive. |
| **Utilizing Districts / Partnerships** | Explore concepts like business districts, business organizations to facilitate physical improvements and maintenance in downtown areas. |
| **Evaluate Opportunity Sites** | Evaluate opportunity sites – such as redevelopment opportunities, surface parking areas, etc – to evaluate reuse strategies that add gathering places, activities, businesses, and amenities. |

# KEY TREND:
# SUPPORTING & ENHANCING LOCAL BUSINESSES

- Improving business friendliness and helping local businesses thrive is a key part of economic development in many communities.
- Some cities aim to assist local businesses – particularly in their downtown main street areas – to contribute to a more attractive downtown atmosphere.
- Key strategies include façade improvement programs, design assistance, assisting with upgrades, organizing workshops to discuss retail best practices (store layout, marketing, customer service), and connecting businesses with technical assistance.
- Helping these existing businesses thrive can help to create a more cohesive and inviting downtown experience.

| | |
|---|---|
| **Small Business Liaison / Ombudsman** | Designate a city liaison / ombudsman to provide assistance regarding city processes / regulations / policies, such as permitting, license, compliance, and development standards. |
| **Technical / Business Assistance** | Seek mentors with business expertise, including business planning, financial management, legal services, market research, e-commerce strategies, etc. |
| **Access to Capital** | Connect firms with capital through loan programs, grants, and other financing opportunities for businesses to start / grow / expand. |
| **Business Incubators / Accelerators** | Support business incubator / accelerator programs to provide early-stage companies with resources, workspace, mentorship, and networking. |
| **Networking / Joint Marketing** | Host / support networking events, workshops, and other opportunities that connect small businesses / entrepreneurs with other firms, potential customers / clients, investors, and workers. |

# SUPPORTING SMALL BUSINESS & ENTREPRENEURSHIP LEVERAGING PARTNERSHIPS

Supporting small businesses and fostering entrepreneurship are essential components to improving the retail environment in the Region.

- Encourage business formation by providing enhanced customer service to support business development and create / leverage programs that can assist entrepreneurs and small business owners. Provide flexibility to assist with utilization of downtown buildings by small businesses and incubator spaces. Improve coordination between businesses (encouraging information sharing, collaboration, and joint marketing).
- Capitalize on existing programs / partnerships and build new strategic partnerships with other organizations to continue delivering assistance that helps the Region's small businesses thrive.
- Continue to leverage programs available through the Monterey County Business Council, particularly the Central Coast Small Business Development Center (SBDC):
  - **Advising**: Free expert local consultants / advisors available to provide one-on-one support for small businesses with a variety of issues – including business planning, marketing, social media, e-commerce, feasibility studies, and financial analysis
  - **Trainings / Events / Webinars**: Resources available to help small businesses thrive – marketing, customer service, business planning, networking, and more
  - **Access to Capital**: Connection to U.S. Small Business Administration programs and funding opportunities

# IMPLEMENTATION TOOLS & STRATEGIES

- **Business Attraction**: Conduct BEAR activities to bring new businesses / developers / investors to the Region
- **Support Local Businesses:** Help small businesses thrive with programs and policies
- **Property Owner Collaboration & Project Shaping**: Get projects across the finish line
  - Property owner, business, and developer engagement to understand and address barriers
  - Flexibility to blend high-demand land uses (residential, industrial) with retail / commercial
  - Explore economic development strategies to facilitate desired projects in target areas
- **Building Partnerships:** Actively reach out to existing and new partners to pursue economic development goals (e.g. property owners, developers, retail brokers, small business / workforce development organizations, tourism marketing, etc.)
- **Infrastructure:** Prioritize development areas, assess infrastructure needs, and explore funding strategies
- **Events & Activities:** Increase foot traffic and sales activity by driving foot traffic to retail districts
- **Community Engagement:** Solicit resident / business feedback through multiple channels (surveys, meetings, workshops, outreach events) – important to learn, develop vision, build support, and generate energy for future efforts

# ECONOMIC DEVELOPMENT TOOLKIT OVERVIEW

| | |
|---|---|
| **Business Expansion, Attraction, and Retention (BEAR)** | Focus on business and developer outreach to support existing / new businesses and deliver quality jobs and fiscal revenues |
| **Zoning & Land Use** | Zoning and entitlements create value; capture the value from zoning changes to link new density to community benefits and public amenities. |
| **Revenue Replacement Tools (STAR*) ®** | Create general fund revenues through development agreements / public-private partnerships |
| **Real Estate Strategies** | Use strategies to better utilize the value of city properties – performance-based leases / ground leases, monetizing assets |
| **Grants and Other Public Funding** | Pursue grant funds available at the state and local level for infrastructure, housing, and other projects. |
| **Public-Private Partnerships** | Share risks and rewards of development with private sector project developers for catalytic projects |
| **Tax Incentives** | Provide additional project revenues and increase project feasibility through tax agreements and incentives |
| **Marketing Activities** | Market the City, its businesses, and events to local / regional residents and tourists |
| **Special Districts for Infrastructure Financing CFD's, EIFD's, CRD's** | Use TIF and other district tools (such as Enhanced Infrastructure Financing Districts – EIFDs, Climate Resilience Districts, and Community Facilities Districts) to capture taxes from assessed value increases to fund infrastructure needs. |

# BUSINESS ATTRACTION

Business Expansion, Attraction, and Retention (BEAR) strategies focus on business and developer outreach to deliver quality jobs and fiscal revenue. Different strategies to consider include:

- **Support:** Help existing business through regular check-ins, assistance with resources, and networking opportunities
- **Marketing**: Highlight the City as a business-friendly destination with community assets, talented workforce, and success stories
- **Outreach**: Conduct target outreach to developers, businesses, and brokers with opportunity site marketing collateral, correspondence, meetings / site tours, and participation at industry events
- **Collaboration**: Foster a supportive environment between businesses, universities, industry groups, and government entities
- **Incentives / Regulatory Reform**: Consider regulatory reform efforts, such as permit streamlining, development code changes, and other policies to foster a business-friendly environment

# REAL ESTATE STRATEGIES PRIVATELY-OWNED PROPERTY

Work with property owners, businesses, and developers to understand the opportunity / constraints for high-priority sites and projects (e.g. site / building challenges, market conditions, policy / regulatory issues) and take a proactive and flexible approach to keep project moving, overcome hurdles, and get projects completed.

- **Property Owner Outreach** – collaborate with property owners to understand their plans for properties, challenges that they face with development, and opportunities that may align with economic development goals.
- **Rehabilitation / Renovation** – encourage rehabilitation and/or renovation of facilities, signage or store-front facades; can include public programs such as façade improvement loans / grants, or assisting with identifying other sources of funding
- **Marketing** – Conduct marketing activities, such as developer or building outreach, in coordination with property owner
- **Public-Private Partnerships (P3)** – Enter into formal partnerships with property-owners that commit city resources to fund improvements that will advance both the property owner's goals for development and the City's goals for economic development

# REAL ESTATE STRATEGIES PUBLICLY-OWNED PROPERTY

Public agency land is often under-utilized, offering the potential to increase value and revenues (e.g., property tax, sales tax, TOT). Local government-owned real estate can be leveraged to increase revenue and help stimulate economic development projects. The land can include former redevelopment Agency ("RDA") properties, public use properties (civic centers, fire stations, recreation), and surplus property (city, school district, utility, other), rights of way (streets, alleys, parking lots and parking structures).

The State, in its push to have cities develop more affordable housing, has made subsequent legislative changes (e.g., AB 1486) to strengthen the Surplus Land Act (SLA). The SLA now requires all public agencies in the State of California to first offer a property for sale or lease to 'housing sponsors' and affordable housing developers prior to the sale or lease of the asset (unless otherwise exempt) and will assess penalties if a public agency is not in compliance.

**Key Strategies include:**

- **Performance-Based Leases / Ground Leases:** Local government can maintain ownership and leverage an income stream from an asset via a ground lease (e.g., lease revenues) as well as establish a rent structure based on specific performance benchmarks thereby reducing risk for lenders/private investors.
- **Monetizing Assets:** Local government can raise revenues by monetizing assets such as surface parking lots / garages.
- **Acquisition or Sale of Property:** Local government can make strategic acquisitions and/or sell property for preferred private development opportunities, as well as utilize strategies such as lease-back strategies, continued operation of existing use, and redevelopment of properties into new uses.

# ZONING AND LAND USE STRATEGIES ENTITLEMENT AND PERMITTING PROCESSES

Permitting processing delays (i.e. Zoning Variances, Conditional Use Permits) have the potential to tie up private resources and discourage investor interest, it can have a significant impact on business formation and economic activity.

Permit processing for new businesses can be an expensive and high-risk endeavor – often featuring multiple public meetings, and uncertainty whether permits will ultimately be approved.

At the same time, planning and building departments can have strained resources and staffing, increasing application review time and limiting staff resources to assist applicants.

**Key Strategies include:**

- **Increase Flexibility**: Review and revamp zoning and permitting requirements to ensure flexible requirements that can accommodate market and changing business and customer dynamics.
- **Streamline Process**: Identify business and project categories that are particularly beneficial and create a fast and predictable process for review / approval.
- **Encourage Active Uses**: Provide an easy permit process for interesting and dynamic uses – such as pop-up users, live music / events, outdoor dining permits, and artistic improvements / installations – that can enhance the area.
- **Incentivize Reuse of Struggling Spaces**: Provide flexible building permit rules for properties suited for adaptive reuse and incentivize conversion of vacant commercial buildings into other uses (such as office, hotel, residential).
- **Specialize**: Tailor requirements for infill development to recognize the often-challenging circumstances involved in infill developments.

# REPLACE TAX REVENUES VIA DEVELOPMENT AGREEMENTS & P3S

## Replace Revenue with Sales Tax Assessment Revenue (STAR*)®

Project would result in a **loss in retail sales tax revenues** resulting from non-sales tax generating uses (*e.g. industrial*)

**Analyze sales tax revenue loss** potential of opportunity sites & zoning designations to understand scale

**Create equivalent General Fund revenue** through entitlement document / development agreement Or operating covenant agmt. (*Tax Equivalency as currency*)

**STAR* Case Study: Jurupa Valley – Agua Mansa Commerce Park Site**

- ~280-acre site (*originally planned for retail*)
- Proposed 3.6 million SF industrial development project
- STAR analysis estimated annual sales tax in-lieu payment of ~$362,500

# SUBSIDIES / TAX-SHARING AGREEMENTS

Cities can offer property tax abatements, sales tax rebates, hotel tax rebates, and other tax-related incentives to increase project revenues and improve a project's financial feasibility. While these tools are not used frequently, they include:

- **Direct Subsidies**: a City / County can provide funds directly to a project, or otherwise fund on-site improvements, using general fund revenues
- **Sales Tax Reimbursement Pledges**: a City / County enters into an agreement with a developer / business to either reimburse or share a portion of the sales tax revenues generated by a project with the business owner or developer. The percentage of sales tax revenues committed, the duration of the pledge, and other benchmarks / performance requirements.
- **Property Tax Reimbursement Agreements**: a City / County enters into an agreement with a developer / business to reimburse or share a portion of the property tax revenues generated by a project with the business owner or developer. The percentage of property tax revenues committed, the duration of the pledge, and other benchmarks / performance requirements

**Subsidy / Tax-Sharing Agreement Challenges**

<u>Prevailing Wage</u>

Subsidies / tax-sharing agreements may trigger prevailing wage requirements for a project, increasing labor costs.

<u>Cost / Impact on Tax Base</u>

Subsidies / tax-sharing agreements may put pressure on local government budgets

# SPECIAL DISTRICTS FOR INFRASTRUCTURE FINANCING

Public agencies can utilize a variety of tax increment financing (TIF) district tools to fund infrastructure projects that can help to motivate private investment. This includes Enhanced Infrastructure Financing Districts (EIFDs), community facilities districts (CFDs), and business improvement districts (BIDs). These special districts are not mutually exclusive, and can work well together to advance goals of motivating private investment.

Enhanced Infrastructure Financing Districts (EIFDs) may be well suited for some of the Region's opportunity areas that have significant infrastructure needs (roads / connectivity, water / sewer, electricity, telecom / broadband, etc.).

EIFDs utilize property tax revenues from new development to finance public infrastructure projects without introducing new or increased taxes.

EIFD project areas do not have to be contiguous, allowing them to target specific areas of high development and high infrastructure need.

The district commitment of revenues toward infrastructure can induce private sector investment, accelerate growth, create jobs, and capture / grow fiscal revenues.

# SPECIAL DISTRICTS FOR INFRASTRUCTURE FINANCING
# OTHER DISTRICT TOOLS

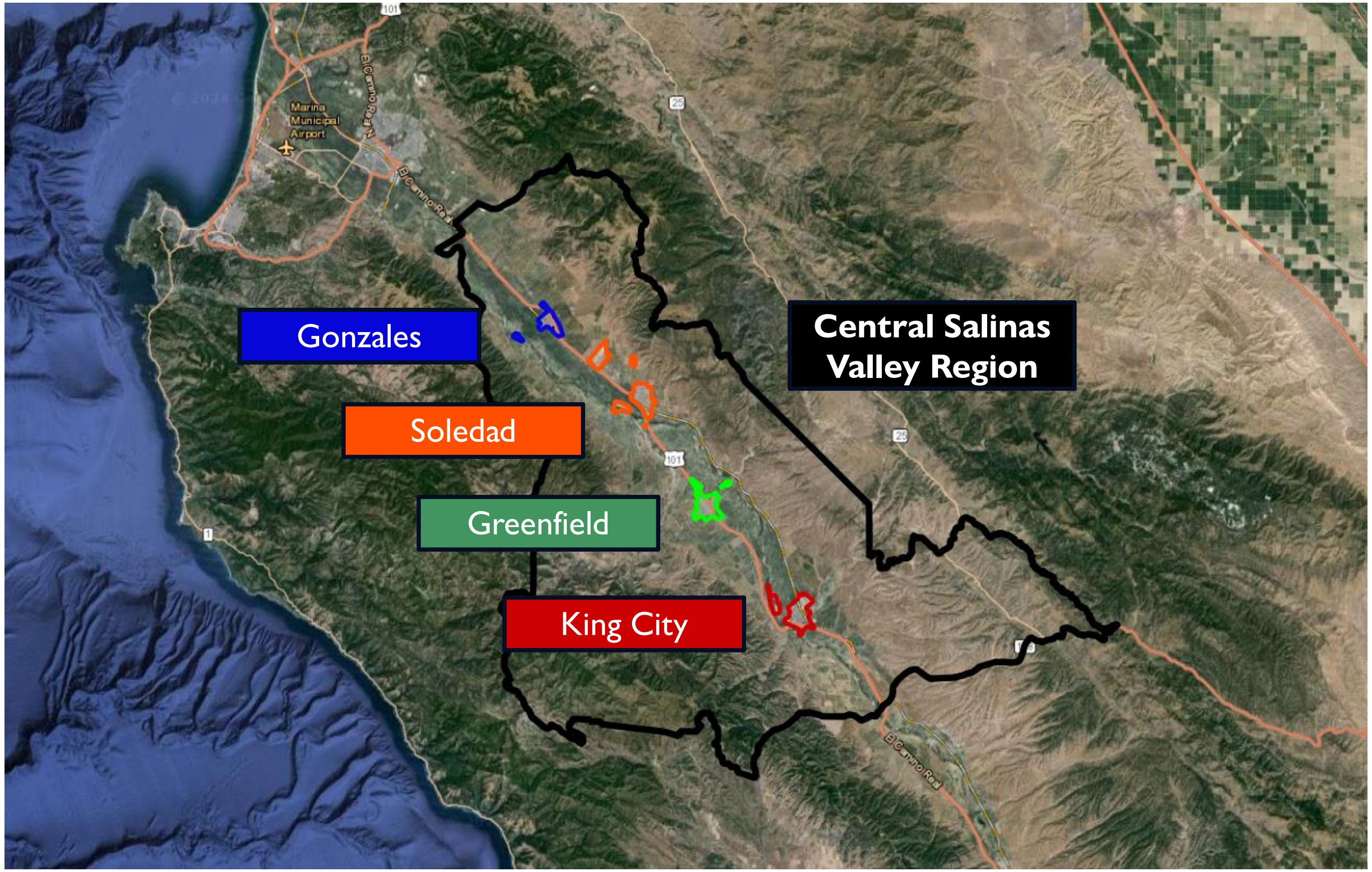
| | |
|---|---|
| **Property Business Improvement Districts (PBID)** | Property Business Improvement Districts are special assessments levied on real property to fund improvements and promote activities the benefit the properties located within the PBID area. This includes capital improvements, parking facilities, street / streetscape improvements, lighting and landscaping, marketing and promotion, and business attraction / retention. The special assessment amount that each property owner pays must be directly proportional to the benefit received. |
| **Community Facilities District (CFD)** | Community Facility Districts are a new property assessment or "special tax" that appears as a separate line item on a tax bill and can be used to fund infrastructure / services that benefit the property. This includes transportation, parking, street / utility improvements, hazardous waste remediation, street lighting / sidewalk, and public services. CFDs are useful because they provide early financing for a variety of critical services and infrastructure. CFDs also pair well with EIFDs as a value capture strategy – with CFDs providing early funding and EIFDs providing funds as projects are constructed, and tax increment grows. |
| **Parking Authority District** | Parking Authority Districts can utilize a variety of funding sources – including bonds, ad valorem taxes, user fees, parking meter charges, parking revenues, and City / County contributions – to fund improvements such as parking lots, structures, and alterations to circulatory infrastructure to facilitate ingress and egress. |
| **Climate Resilience District (CRD)** | Climate Resilience Districts are a new type of district can fund projects to mitigate climate change. These districts have broad financing powers, and can fund a wide range of eligible projects, including projects that address sea level rise / flooding, extreme weather, wildfire, and drought. |

# DATA APPENDIX

# REGION OVERVIEW: DEMOGRAPHICS & RETAIL MARKET

# REGIONAL OVERVIEW

- The Cities are located along the US-101 corridor, providing connectivity to major cities such as Salinas and Monterey
- The Region is known for its rich agricultural heritage – renowned for its farms, vineyards, and wineries
- The region has seen significant housing development and population growth over the past 20+ years, which has helped to drive demand for related commercial uses.
- The region is also well situated near a variety of natural attractions (coastal areas, Pinnacles National Park, etc).



# DEMOGRAPHIC, TAX REVENUE, AND EMPLOYMENT DATA SUMMARY

- The Region has a population of ~75,000 people and has grown ~30% since the early 2000s, with additional growth expected as new housing is developed.
- Region has lower levels of bachelor degree attainment, higher Hispanic population, and lower average household incomes compared to County averages.
- Household expenditure data shows that Households within the Region have average household incomes of ~$92,100 and spend ~$19,100 on key brick-and-mortar retail and service categories, equating to ~$311.7 million in annual spending in these categories.
- Taxable Retail Sales data shows ~$331 million in taxable sales in 2023 from retail and food services; large business categories include Gasoline Stations, Food Service / Drinking Places, and Food / Beverage Stores. Over the past 5 years, growth has occurred in the Building Materials / Garden Equipment / Supplies Dealers, General Merchandise Stores, and Food Services / Drinking Places categories.
- Property tax, sales tax, and transient occupancy tax growth has slightly outpaced County and State baselines since 2018.
- Region sees a net outflow of workers, with residents commuting to Salinas, San Jose, Monterey, and other communities. Major industry sectors in the Region include Agriculture, Public Administration, Educational Services, and Healthcare / Social Assistance.
- Recent / upcoming development projects in the Region include a variety of residential projects that are likely to add over 6,000 housing units over the coming years; other commercial and hotel development is expected in the near future as well, with several projects in the planning phase – demonstrating continued market interest in the Region.

# POPULATION & INCOME OVERVIEW

- Within the Cities and surrounding unincorporated areas, there are ~74,600 people in ~16,320 households.
- Region has a median age of 29.7, a high Hispanic population of ~87%, and ~10% of adults attained a bachelor's degree or higher.
- Average household income is ~$92,100 in the in the region.

| | Gonzales | Soledad | Greenfield | King City | Central Salinas Valley Region |
|---|---|---|---|---|---|
| ***Population*** | 8,500 | 25,000 | 19,600 | 13,400 | 74,600 |
| ***Daytime Population*** | 7,098 | 14,083 | 16,748 | 13,764 | 63,741 |
| ***Households*** | 2,030 | 4,480 | 4,230 | 3,340 | 16,320 |
| ***Average HH Size*** | 4.2 | 4.3 | 4.6 | 4.0 | 4.2 |
| ***Median Age*** | 29.4 | 30.8 | 27.5 | 28.4 | 29.7 |
| ***% Hispanic*** | 92.7% | 80.6% | 94.5% | 90.6% | 86.5% |
| ***% Bachelor's Degree or Higher*** | 7.4% | 6.6% | 8.6% | 10.6% | 9.6% |
| | | | | | |
| ***Median HH Income*** | $80,400 | $77,800 | $76,900 | $58,800 | $75,200 |
| ***Average HH Income*** | $97,400 | $98,200 | $86,900 | $79,600 | $92,100 |
| ***Median Home Value (ESRI Est.)*** | $597,400 | $495,500 | $362,100 | $295,700 | $447,900 |

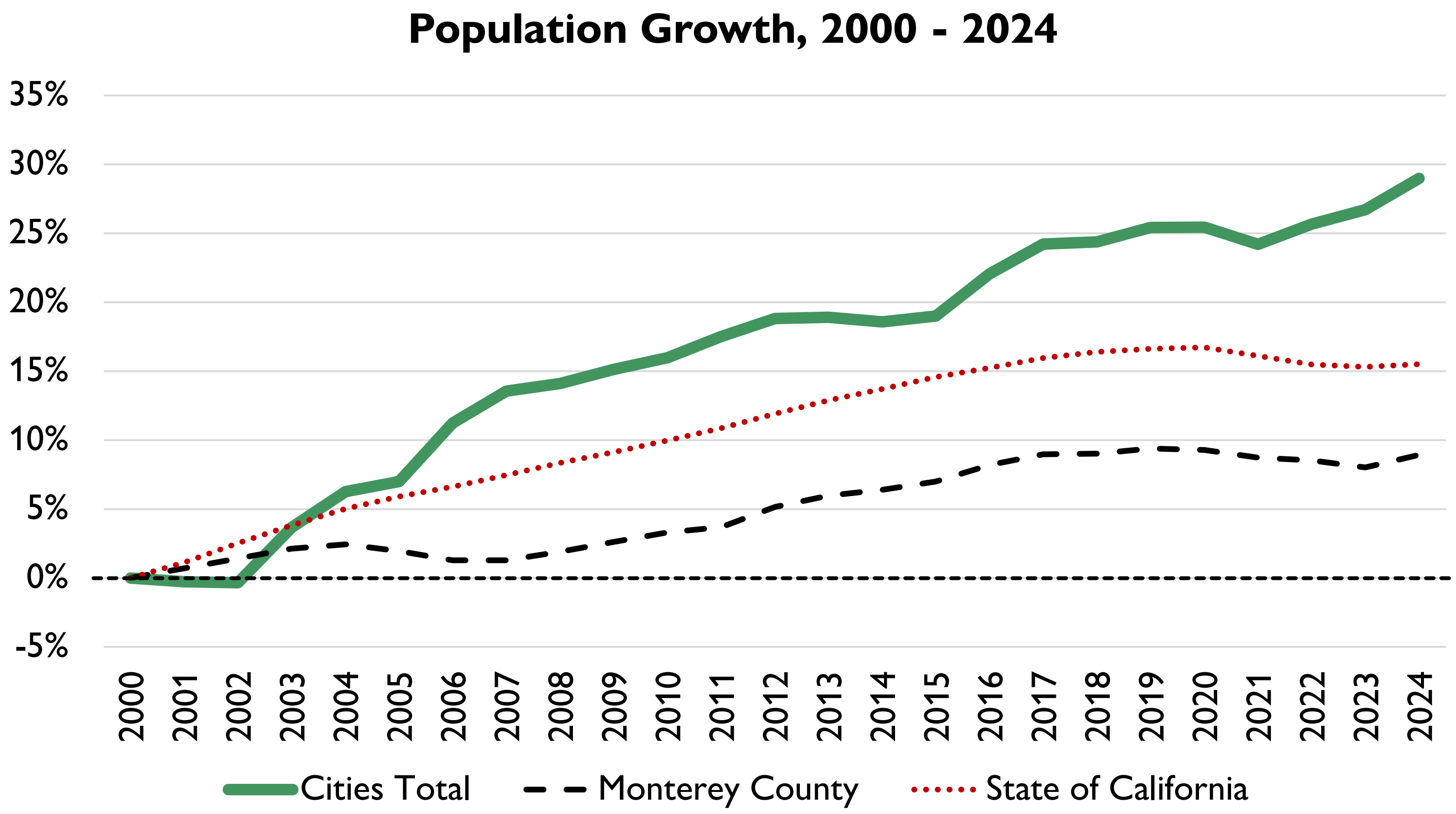
**Source**: ESRI Business Analyst Online

# CUMULATIVE POPULATION GROWTH, 2000 – 2024

The Cities have generally seen population growth over the past two decades; since 2000, the Cities' populations have grown:

- Gonzales: + 12%
- Soledad:+ 17%
- Greenfield: + 63%
- King City: + 27%

This has amounted to ~15,800 additional people since the year 2000




**Source**: CA DOF

# HOUSEHOLD SPENDING

- Household budget data from ESRI shows that within the Region, the ~16,320 households earn ~$87,000 annually.
- Non-automotive brick-and-mortar retail and service spending is estimated at ~$19,100 per household.
- The existing households within the Region spend ~$311.7 million annually in these retail categories, with high levels of spending in the Food at Home, Entertainment, Food Away from Home, and Household Furnishings / Equipment categories.

| **Household Budget Expenditures Region** | **Per HH** | **Existing HH** |
|---|---|---|
| Population | 74,600 | |
| Households | 16,320 | |
| | | |
| Average HH Income | $ 92,100 | |
| | | |
| Total Expenditures | $ 79,400 | $ 1,295,887,400 |
| | | |
| Food at Home | $ 6,000 | $ 97,926,000 |
| Food Away from Home | $ 3,300 | $ 53,859,300 |
| Alcoholic Beverages | $ 600 | $ 9,792,600 |
| Housekeeping Supplies | $ 800 | $ 13,056,800 |
| Household Furn & Equip | $ 2,500 | $ 40,802,500 |
| Apparel & Services | $ 1,900 | $ 31,009,900 |
| Entertainment and Recreation | $ 3,200 | $ 52,227,200 |
| Personal Care Products & Services | $ 800 | $ 13,056,800 |
| | | |
| **Total (Select Brick & Mortar Retail Categories)** | **$ 19,100** | **$ 311,731,100** |

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**Source**: ESRI

# TAXABLE RETAIL SALES COMBINED CITIES

According to data from the CA Dept of Tax and Fee Administration, the combined Cities saw ~$331 million in taxable sales in 2023 from retail and food services; large business categories include Gasoline Stations, Food Service / Drinking Places, and Food / Beverage Stores.

| | # Outlets | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 5 Year % | Share of 2023 |
|---|---|---|---|---|---|---|---|---|---|
| Motor Vehicle and Parts Dealers | 40 | 28,505,307 | 28,314,830 | 25,525,082 | 29,142,873 | 29,275,776 | 29,107,106 | 2.1% | 5.8% |
| Home Furnishings and Appliance Stores | 20 | 1,991,477 | 2,735,746 | 2,936,076 | 3,967,344 | 3,026,591 | 1,515,839 | -23.9% | 0.3% |
| Building Material / Garden Equipment / Supplies Dealers | 13 | 5,027,709 | 4,764,987 | 6,601,020 | 5,575,217 | 10,810,393 | 12,109,004 | 140.8% | 2.4% |
| Food and Beverage Stores | 67 | 36,691,549 | 39,328,766 | 42,373,944 | 42,661,675 | 46,592,226 | 46,855,251 | 27.7% | 9.3% |
| Gasoline Stations | 22 | 73,191,593 | 74,498,988 | 52,411,705 | 78,217,351 | 93,984,189 | 89,561,813 | 22.4% | 17.8% |
| Clothing and Clothing Accessories Stores | 130 | 7,163,222 | 7,448,010 | 6,234,045 | 7,575,345 | 8,596,011 | 7,330,984 | 2.3% | 1.5% |
| General Merchandise Stores | 34 | 5,217,533 | 5,958,552 | 6,616,020 | 6,786,224 | 7,471,838 | 7,476,187 | 43.3% | 1.5% |
| Food Services and Drinking Places | 183 | 59,539,681 | 62,163,677 | 55,961,104 | 71,548,333 | 79,603,958 | 82,232,842 | 38.1% | 16.3% |
| *Subtotal – Main Categories* | *509* | *217,328,071* | *225,213,556* | *198,658,996* | *245,474,362* | *279,360,982* | *276,189,026* | *27.1%* | *54.8%* |
| Other Retail Group | 239 | 46,953,956 | 50,209,463 | 56,021,506 | 56,183,838 | 57,250,492 | 54,961,988 | 17.1% | 10.9% |
| **Total Retail and Food Services** | **748** | **264,282,027** | **275,423,019** | **254,680,502** | **301,658,200** | **336,611,474** | **331,151,014** | **25.3%** | **65.7%** |
| All Other Outlets | 402 | 129,732,431 | 143,566,439 | 142,815,741 | 166,274,569 | 191,062,918 | 173,243,748 | 33.5% | 34.3% |
| **Total All Outlets** | **1,150** | **394,014,458** | **418,989,458** | **397,496,243** | **467,932,769** | **527,674,392** | **504,394,762** | **28.0%** | **100.0%** |

**Source**: CDTFA

# TAXABLE RETAIL SALES MONTEREY COUNTY

According to data from the CA Dept of Tax and Fee Administration, Monterey County saw ~$6.26 billion in taxable sales in 2023 from retail and food services; large business categories include Food Service / Drinking Places, Motor Vehicles / Parts Dealers, Gasoline Stations, and General Merchandise Stores.

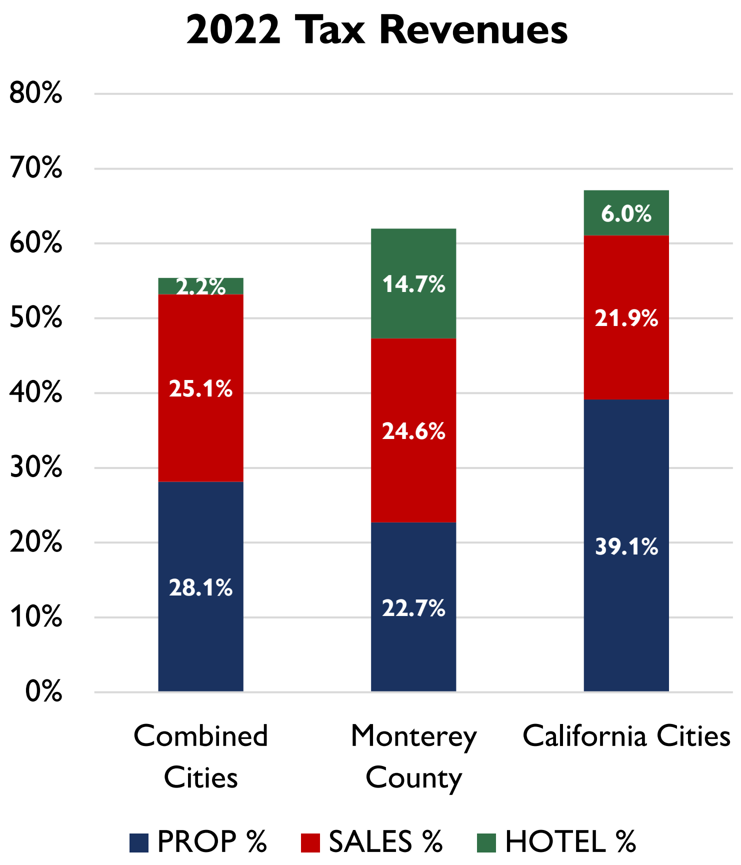
| | # Outlets | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 5 Year % | Share of 2023 |
|---|---|---|---|---|---|---|---|---|---|
| Motor Vehicle and Parts Dealers | 295 | 1,051,788,009 | 979,550,972 | 977,291,341 | 1,149,404,232 | 1,152,103,641 | 1,165,681,173 | *11%* | 13% |
| Home Furnishings and Appliance Stores | 323 | 237,138,417 | 207,754,328 | 193,104,738 | 236,215,188 | 231,933,093 | 217,222,531 | *-8%* | 2% |
| Building Material / Garden Equipment / Supplies Dealers | 172 | 446,515,240 | 442,755,169 | 505,100,202 | 549,150,459 | 566,908,937 | 542,963,840 | *22%* | 6% |
| Food and Beverage Stores | 467 | 338,213,303 | 351,886,768 | 369,425,495 | 394,068,417 | 413,129,892 | 412,471,531 | *22%* | 4% |
| Gasoline Stations | 133 | 608,691,520 | 584,532,982 | 456,195,675 | 627,840,714 | 802,101,149 | 717,848,726 | *18%* | 8% |
| Clothing and Clothing Accessories Stores | 1,027 | 377,348,839 | 381,555,530 | 289,884,672 | 439,676,115 | 461,316,651 | 449,249,076 | *19%* | 5% |
| General Merchandise Stores | 221 | 559,872,955 | 581,018,382 | 572,897,588 | 674,154,302 | 711,167,089 | 700,618,495 | *25%* | 8% |
| Food Services and Drinking Places | 1,512 | 897,270,437 | 944,450,065 | 674,275,746 | 969,081,991 | 1,110,040,826 | 1,136,747,328 | *27%* | 12% |
| Subtotal – Main Categories | 4,150 | 4,516,838,720 | 4,473,504,196 | 4,038,175,457 | 5,039,591,418 | 5,448,701,278 | 5,342,802,700 | 18% | 58% |
| Other Retail Group | 3,013 | 596,017,520 | 654,758,745 | 885,481,521 | 890,870,197 | 935,525,972 | 915,238,784 | 54% | 10% |
| **Total Retail and Food Services** | 7,163 | 5,112,856,240 | 5,128,262,941 | 4,923,656,978 | 5,930,461,615 | 6,384,227,250 | 6,258,041,484 | 22% | 68% |
| All Other Outlets | 5,184 | 2,226,381,079 | 2,289,985,958 | 2,030,216,142 | 2,508,953,145 | 3,038,771,405 | 2,926,536,195 | *31%* | 32% |
| **Total All Outlets** | 12,347 | 7,339,237,319 | 7,418,248,899 | 6,953,873,120 | 8,439,414,760 | 9,422,998,655 | 9,184,577,679 | *25%* | 100% |

**Source**: CDTFA

# TAX REVENUES

The Cities collect a combined ~11.3 million in property taxes, ~$10.1 million in sales taxes, and ~$900,000 in transient occupancy taxes.

As a percentage of tax revenue, the combined Cities collect a similar percentage from sales taxes (~25%), but a smaller percentage from transient occupancy taxes (~2%) compared to County and State baselines.

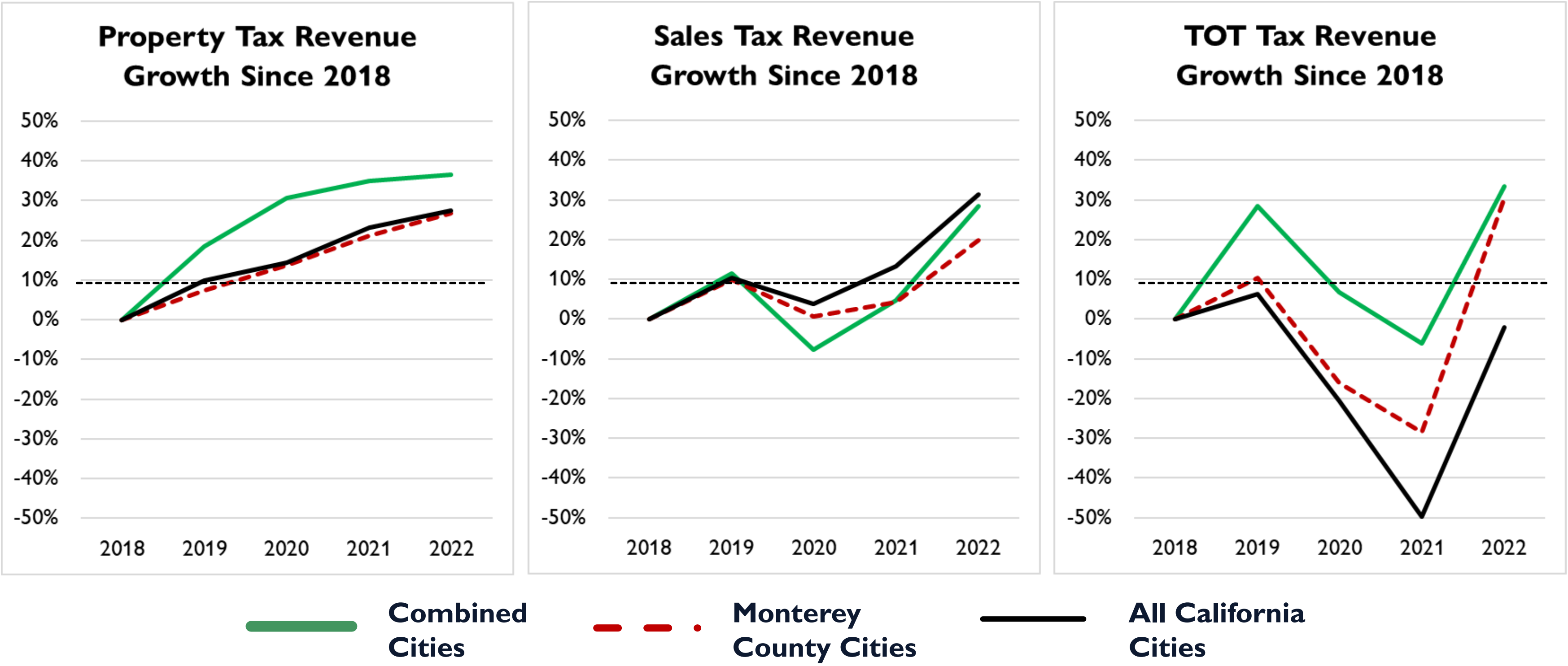



| Year | Property Tax | Sales Tax | TOT | Total |
|---|---|---|---|---|
| 2018 | 8,264,762 | 7,825,851 | 654,449 | **27,006,844** |
| 2019 | 9,796,833 | 8,735,014 | 840,773 | **31,176,526** |
| 2020 | 10,794,914 | 7,231,592 | 698,538 | **31,977,830** |
| 2021 | 11,162,372 | 8,201,030 | 614,571 | **32,679,474** |
| 2022 | 11,284,108 | 10,056,241 | 872,706 | **40,114,255** |

**Source**: California State Controller's Office

# BUDGET DATA COMPARISON GROWTH 2018 - 2022

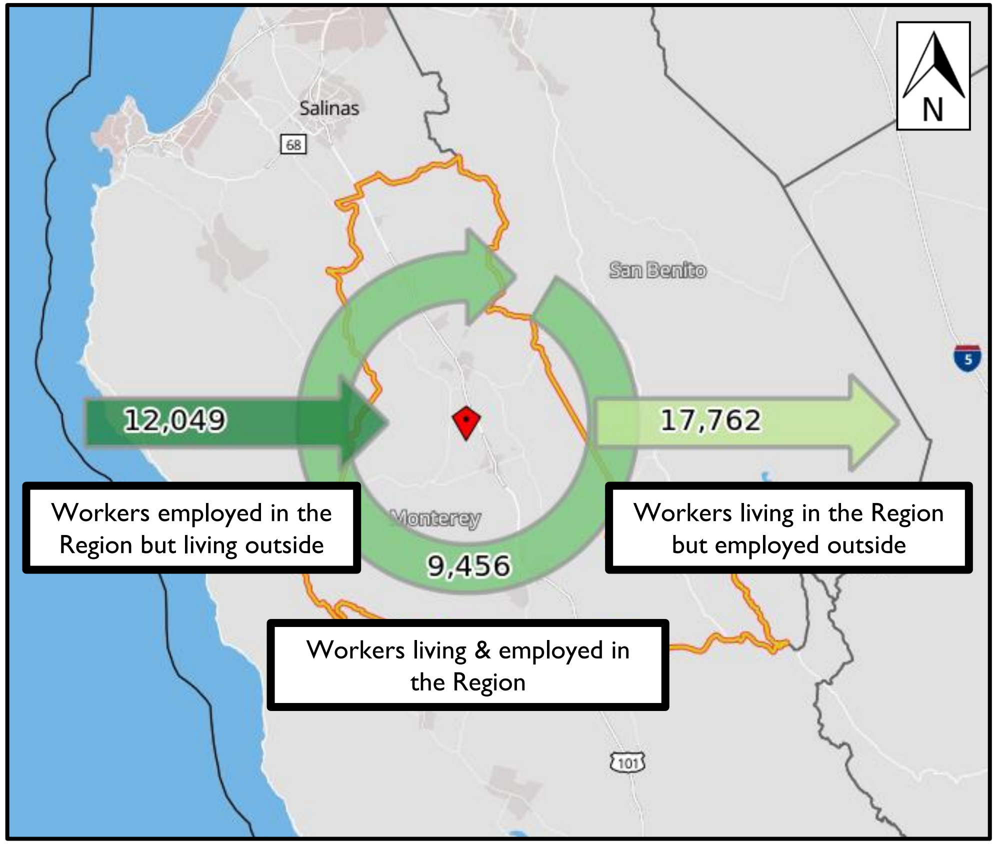
The combined Cities have seen growth in property tax, sales tax, and transient occupancy tax outpace county and state averages since 2018.




**Source**: California State Controller's Office

# WORKER INFLOW / OUTFLOW

- **Net Outflow** of workers out of the Region.
- Major industry sectors in the Region include: Agriculture / Forestry / Fishing / Hunting, Public Administration, Educational Services, Healthcare / Social Assistance, and Manufacturing.
- Employees who commute into in the Region come from the following cities: Salinas, San Jose, Prunedale, Hollister, and other locations.
- Most residents who commute outside of the Region go to the following cities: Salinas, San Jose, Monterey, San Francisco, Watsonville, Santa Clara, and other locations.




| Region | |
|---|---|
| Workers Living and Working | 9,456 |
| Workers Coming (Inflow) | 12,049 |
| Workers Going (Outflow) | 17,762 |
| **Net Inflow/Outflow** | **(5,713)** |
| **Employment Ratio*** | **0.79** |

***Employment Ratio** = People employed within City (living and working in City + those who come into the City for work) / Employed population of City (living and working in City + workers who live in the City, but work outside of the City)

**Source:** U.S. Census Bureau Center for Economic Studies (2021)

# DEVELOPMENT PROJECTS: RECENT AND UPCOMING CITY DATA

| Gonzales | Soledad | Greenfield | King City |
|---|---|---|---|
| • **Residential Projects**:<br>  • Pennbrook Development expected to bring 3,500 new housing units to new area of City<br><br>• **Other Projects**<br>  • Wastewater Treatment Plant: City pursuing new wastewater treatment facility, will help increase capacity for new development | • **Residential Projects**:<br>  • Miramonte annexation area planned for 2,400 units, builder getting ready to work on first two phases (568 units);<br>  • other residential development infill projects<br><br>• **Commercial Projects**<br>  • Soledad Marketplace: new retail center with Grocery Outlet, Premier Cinemas, Dutch Bros; plans for additional retail (DaVita under construction, Tractor Supply anticipated)<br>  • Holiday Inn Express: 86 room hotel proposed<br><br>• **Other Projects**<br>  • Downtown: Downtown upgrades include streetscape improvements, façade improvements, Plaza project, container village concept | • **Residential Projects**:<br>  • Variety of residential projects in progress, including Greenfield Commons (200 units), Walnut Place Apartments (143 units), Avila Farmworker Housing (112 units)<br>  • Other areas with tentative maps and plans for development (e.g. South End Annexation area)<br><br>• **Commercial Projects**<br>  • Walnut Avenue Area: Travel center includes Chevron, Fast Food / QSR<br>  • Marriott TownePlace Hotel: 84 room hotel proposed | • **Residential Projects**:<br>  • Residential development infill projects<br><br>• **Commercial Projects**<br>  • Grocery Outlet Site: additional commercial and hotel development planned<br><br>• **Other Projects**<br>  • Downtown: Downtown upgrades include streetscape improvements, façade improvements, outdoor dining, plaza project |

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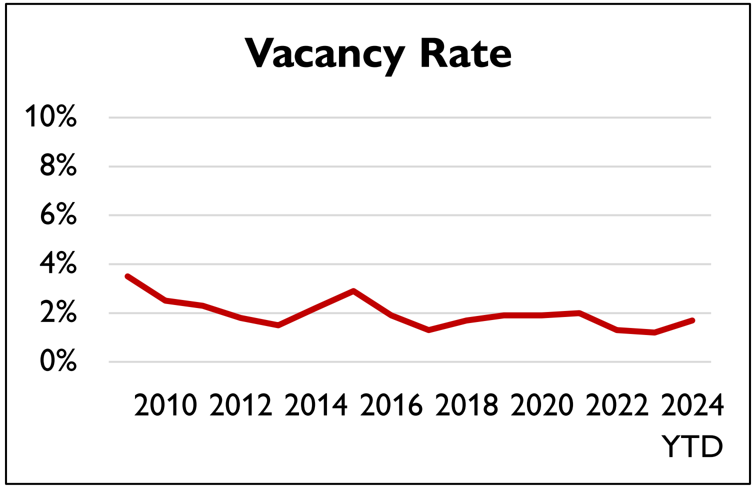
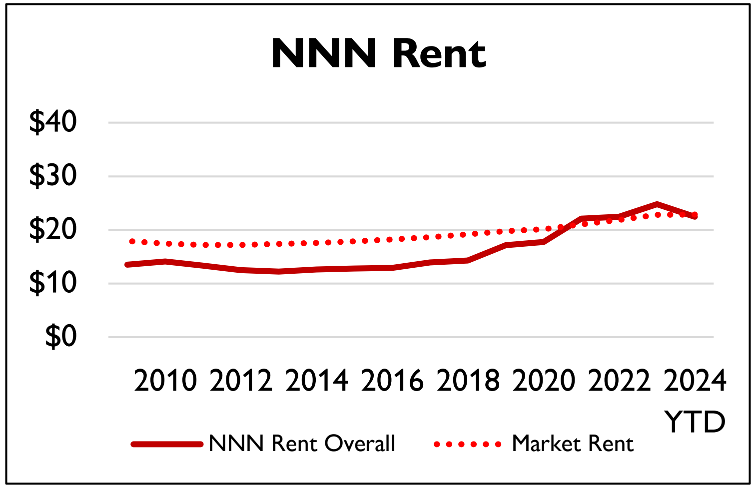
# RETAIL MARKET DATA

# RETAIL MARKET HISTORY REGION - ALL PROPERTIES

| Year | Inventory SF | Vacant SF Total | Vacant Percent % Total | Net Absorption SF Total | NNN Rent Overall | Market Rent |
|---|---|---|---|---|---|---|
| 2024 YTD | 1,418,127 | 24,099 | 1.7% | (6,613) | $22.48 | $22.87 |
| 2023 | 1,418,127 | 17,486 | 1.2% | 7,364 | $24.80 | $22.80 |
| 2022 | 1,412,127 | 18,850 | 1.3% | 60,792 | $22.44 | $21.84 |
| 2021 | 1,359,835 | 27,350 | 2.0% | (1,434) | $22.11 | $21.02 |
| 2020 | 1,359,835 | 25,916 | 1.9% | 2,000 | $17.73 | $20.16 |
| 2019 | 1,357,835 | 25,916 | 1.9% | 2,165 | $17.16 | $19.76 |
| 2018 | 1,352,674 | 22,920 | 1.7% | (2,675) | $14.27 | $19.20 |
| 2017 | 1,350,474 | 18,045 | 1.3% | 22,186 | $13.91 | $18.65 |
| 2016 | 1,335,534 | 25,291 | 1.9% | 13,043 | $12.90 | $18.24 |
| 2015 | 1,335,534 | 38,334 | 2.9% | (9,218) | $12.79 | $17.89 |
| 2014 | 1,335,534 | 29,116 | 2.2% | (1,770) | $12.64 | $17.59 |
| 2013 | 1,328,038 | 19,850 | 1.5% | 15,543 | $12.23 | $17.38 |
| 2012 | 1,316,783 | 24,138 | 1.8% | 6,661 | $12.52 | $17.20 |
| 2011 | 1,316,783 | 30,799 | 2.3% | 1,701 | $13.33 | $17.20 |
| 2010 | 1,316,783 | 32,500 | 2.5% | 13,593 | $14.10 | $17.48 |
| 2009 | 1,316,783 | 46,093 | 3.5% | (17,745) | $13.53 | $17.95 |




**Source**: CoStar (Accessed June 2023)

**Note**: Costar defines Triple Net (NNN) as "a lease where the tenant is responsible for all expenses associated with their proportional share of occupancy of the building, except long-lived structural components and management charges."

# CENTRAL SALINAS VALLEY REGION SHOPPING CENTERS (COSTAR)

| Center Name | Address | Type | Number of Stores | RBA / GLA SF | % Leased | Year Built/ Renovated | Tenants (Selection) |
|---|---|---|---|---|---|---|---|
| Gonzales Shopping Center | 851 5th St Gonzales | Neighborhood Center | 15 | 61,740 | 100 | 1991 | Santa Fe Foods, Autozone, McDonald's, Starbucks, Ace Hardware |
| Soledad Mission Shopping Center | 2443 H De La Rosa St Soledad | Neighborhood Center | 18 | 130,767 | 100 | 1987 | Foods Co, CVS Pharmacy, Denny's, Goodwill, O'Reilly Auto Parts, Anytime Fitness |
| Soledad Marketplace | Nestles Rd & Las Coches Dr @ Las Coches Dr. Soledad | Neighborhood Center | 20 | 42,292 | 0 | 2022 | Premier Cinemas |
| Gabilan Plaza | 315-387 Gabilan Dr Soledad | Strip Center | | 22,369 | 100 | 2005 | Central Coast Federal Credit Union, Palmas Restaurant, Action Physical Therapy |
| | 109-125 Alder St Soledad | Strip Center | | 7,696 | 100 | | Circuit Family Fitness, Soledad Nails |
| Santa Lucia Square | 500-598 Walnut Ave Greenfield | Neighborhood Center | 23 | 108,259 | 100 | 1979 | Rancho San Miguel Markets, Rite Aid, Furniture for Less, Cheezer's Gourmet Pizza, Burger King |
| King City Shopping Center | 540 Canal St King City | Neighborhood Center | 11 | 116,684 | 91 | 1991 | Safeway, Autozone, Dollar Tree |
| King City Town Center | 200 Broadway St King City | Neighborhood Center | | 52,368 | 100 | 2000 | Cork & Plough, County Behavioral Health, California Gourmet Pizza |
| DeSerpa - Broadway Plaza | 620 Broadway St King City | Strip Center | | 33,241 | 100 | 1988 | La Princesa Market, SolarX Insurance |

**Source**: CoStar

# CENTRAL SALINAS VALLEY REGION MAJOR RETAIL TENANTS (>5,000 SF)

| Tenant Name | Address | City | SF | Store Type |
|---|---|---|---|---|
| Foods Co. | 2443 H De La Rosa Sr St | Soledad | 61,172 | Supermarket |
| Rancho San Miguel Markets | 500-614 Walnut Ave | Greenfield | 35,399 | Supermarket |
| Premier Cinemas | 499 Nestles Rd | Soledad | 34,260 | Other Retail |
| Safeway | 540-560 Canal St | King City | 33,950 | Supermarket |
| Ace Hardware | 600 Broadway St | King City | 16,514 | Hardware |
| CVS Pharmacy | 2293 H De La Rosa Sr St | Soledad | 16,455 | Drug Store |
| Grocery Outlet | 401 Nestles Rd | Soledad | 16,000 | Supermarket |
| El Pueblo Food | 707-719 Front St | Soledad | 14,342 | Supermarket |
| Ace Hardware | 900-906 Front St | Soledad | 14,093 | Hardware |
| Juniors Auto Sales | 36 4th St | Greenfield | 14,000 | |
| Rite Aid | 618-696 Walnut Ave | Greenfield | 13,000 | Drug Store |
| Cork & Plough | 200 Broadway St | King City | 11,518 | Cocktail Bar |
| Dollar Tree | 239 Huerta Ave | Greenfield | 11,057 | Dollar/Variety/Thrift |
| Farmers Food Market | 246 Alta St | Gonzales | 9,748 | Supermarket |
| Autozone | 510 Canal St | King City | 9,300 | Automotive |
| Dollar General | 326 El Camino Real | Greenfield | 9,100 | Dollar/Variety/Thrift |
| La Princesa Market | 620 Broadway St | King City | 9,025 | Supermarket |
| Soledad hotel | 499 Front St | Soledad | 8,585 | |
| Dollar Tree | 510 Canal St | King City | 8,500 | Dollar/Variety/Thrift |
| O'Reilly Auto Parts | 436 El Camino Real | Greenfield | 8,216 | Automotive |
| CarQuest Auto Parts | 724 Alta St | Gonzales | 8,092 | Automotive |
| Furniture For Less | 618-696 Walnut Ave | Greenfield | 7,814 | Furniture/Mattress |
| Dollar Tree | 520 Canal St | King City | 7,500 | Dollar/Variety/Thrift |
| Autozone | 851 5th St | Gonzales | 7,000 | Automotive |
| Soledad Pharmacy and Wellness Center | 547 Front St | Soledad | 7,000 | |
| Denny's | 3016-3070 H De La Rosa Sr St | Soledad | 6,000 | Restaurant |
| Mexican Bakery | 319 El Camino Real | Greenfield | 5,969 | |
| Cheezer's Gourmet Pizza | 670 Walnut Ave | Greenfield | 5,938 | Restaurant |
| Delicato Family Vineyards | 51955 Oasis Rd | King City | 5,842 | Drinks/Juices |
| Lynns Liquors | 601 Broadway St | King City | 5,724 | |
| True Value | 601 Front St | Soledad | 5,420 | Hardware |
| Goodwill | 2149-2269 H Dela Rosa SR St | Soledad | 5,296 | Dollar/Variety/Thrift |
| O'Reilly Auto Parts | 2149-2269 H Dela Rosa SR St | Soledad | 5,292 | Automotive |
| NAPA Auto Parts | 316 S 1st St | King City | 5,075 | Automotive |
| Ceci's Fashion | 428 Broadway St | King City | 5,000 | |
| California Water Service Group | 1301 Broadway St | King City | 5,000 | Other Services |
| H&R Block | 1301 Broadway St | King City | 5,000 | Acctg/Tax Prep |
| CarQuest Auto Parts | 455 El Camino Real | Greenfield | 5,000 | Automotive |

kosmont companies

**Source**: CoStar

# COMPETITIVE ENVIRONMENT
# RETAIL - AVAILABLE SPACES (SELECTION)

| Shopping Center | Address | Space | Rent | Rating | Notes |
|---|---|---|---|---|---|
| Soledad Marketplace | Nestles Rd & Las Coches Rd<br>Soledad | 1,518 – 5,549 SF<br>(2,029 SF Max Contig) | $20 – 23<br>Est. | 3 Star | Built 2023 |
| Soledad Marketplace | Nestles Rd & Las Coches Rd<br>Soledad | 5,040 – 70,923 SF<br>(18,163 SF Max Contig)<br><br>3,040 SF Fast Food | | 3 Star | Proposed Property – Neighborhood Center; Retail Fast Food |
| The Forum at Broadway | 1301 Broadway St<br>King City | 1,500 – 8,000 SF | $22 – 27<br>Est. | 3 Star | |
| King City Shopping Center | 540-560 Canal St<br>King City | 2,500 – 7,500 SF | $23 - 28 Est | 2 Star | |

**Source**: CoStar

# HOSPITALITY OVERVIEW

- There are 475 rooms across 11 existing / operational hotel properties in the region. Approximately 90% of those rooms are in economy class hotels.
- CoStar lists two hotel properties in the Proposed or Final Planning stages of development: a TownePlace Suites in Greenfield and a Holiday Inn Express in Soledad.
- The CoStar Monterey / Salinas Hospitality Submarket (*which includes the coastal area*) features 12,585 rooms, with an additional 227 under construction. 12mo occupancy is ~66%, 12mo ADR is $266, and 12mo RevPAR is $175.

| Property Name | Property Address | City | Rooms | Constr Status | Operational Status | Building Class | Hotel Class | Year Built |
|---|---|---|---|---|---|---|---|---|
| Lamp Lighter Motel | 250 S Alta St | Gonzales | 10 | Existing | Open | C | Economy | 1967 |
| Motel 6 Soledad, CA | 1155 Front St | Soledad | 60 | Existing | Open | C | Economy | 1985 |
| Soledad Motel 8 | 1013 Front St | Soledad | 58 | Existing | Open | C | Economy | 1991 |
| *Holiday Inn Express Soledad* | *Intersection of Los Coches Rd and Nestles Rd* | *Soledad* | *86* | *Proposed* | | *B* | *Upper Midscale* | *2030* |
| Green Inn | 22 4th St | Greenfield | 81 | Existing | Open | C | Economy | |
| Travel Inn | 120 El Camino Real | Greenfield | 17 | Existing | Open | C | Economy | 1960 |
| Budget Inn | 452 El Camino Real | Greenfield | 15 | Existing | Open | C | Economy | 1954 |
| *TownePlace Suites by Marriott Greenfield* | *SEQ 101 Freeway and Walnut Avenue* | *Greenfield* | *84* | *Final Planning* | | *B* | *Upper Midscale* | *2026* |
| Quality Inn Near Fort Hunter Liggett | 1190 Broadway St | King City | 47 | Existing | Open | C | Midscale | 1985 |
| Motel 6 King City | 3 Broadway Cir | King City | 97 | Existing | Open | C | Economy | 1978 |
| Keefer's Inn | 615 Canal St | King City | 47 | Existing | Open | B | Economy | 1969 |
| Sage Motel | 633 Broadway St | King City | 22 | Existing | Open | C | Economy | 1955 |
| Silver Saddle Motel | 705 Broadway St | King City | 21 | Existing | Open | C | Economy | 1986 |
| SureStay Hotel at Broadway Circle | 4 Broadway Cir | King City | 62 | Existing | Permanently Closed | C | Economy | 1987 |
| Days Inn King City | 1130 Broadway St | King City | 46 | Existing | Permanently Closed | C | Economy | 1966 |

**Source**: CoStar

# DEVELOPMENT PROJECTS: RECENT AND UPCOMING COSTAR DATA

- The local area continues to see development activity, including:
  - Industrial / Agricultural developments
  - Proposed retail developments
  - Proposed hotel developments

| Property Name | Property Address | City | Property Type | Building Status | Year Built | RBA |
|---|---|---|---|---|---|---|
| Warehouse - Green Valley Farm Supply | 106 Alpine Dr | Gonzales | Industrial | Existing | 2018 | 13,500 |
| Starbucks | 367 Walnut Ave | Greenfield | Retail | Existing | 2018 | 2,200 |
| Liberty Chapel Community Church | 264 Kidder St | Soledad | Specialty | Existing | 2019 | 8,000 |
| Carls Jr | 369 Walnut Ave | Greenfield | Retail | Existing | 2019 | 2,581 |
| Food Processing - Mann's Packing Co. | 49 Katherine St | Gonzales | Industrial | Existing | 2019 | 130,400 |
| The Vines at Greenfield - South Valley Investments | US HWY 101 And Walnut Ave | Greenfield | Retail | Existing | 2019 | 2,580 |
| Apartments - 26 Units | 1904 Monterey | Soledad | Multi-Family | Existing | 2020 | 24,148 |
| Taco Bell | 780 Walnut Ave | Greenfield | Retail | Existing | 2020 | 2,000 |
| Warehouse | 740 S 1st St | King City | Industrial | Existing | 2021 | 5,000 |
| Grocery Outlet | 401 Nestles Rd | Soledad | Retail | Existing | 2022 | 16,000 |
| Soledad Marketplace - Premier Cinemas | 499 Nestles Rd | Soledad | Retail | Existing | 2022 | 36,292 |
| Soledad Marketplace - | Nestles Rd & Las Coches Dr | Soledad | Retail | Existing | 2023 | 6,000 |
| | | | | | | |
| ***Upcoming*** | | | | | | |
| Greenfield Commons Apartments - 220 Units | 41206 Walnut Ave | Greenfield | Multi-Family | Under Construction | 2025 | 184,508 |
| TownePlace Suites by Marriott Greenfield - 84 Rooms | SEQ 101 Freeway and Walnut Avenue | Greenfield | Hospitality | Final Planning | 2026 | 42,000 |
| | 810 5th St | Gonzales | Retail | Proposed | 2025 | 2,500 |
| Soledad Marketplace - PAD D | Nestles Rd & Las Coches Dr | Soledad | Retail | Proposed | 2025 | 5,040 |
| Soledad Marketplace - PAD A | Nestles Rd & Las Coches Dr | Soledad | Retail | Proposed | 2025 | 3,040 |
| Soledad Marketplace - A-D | Nestles Rd & Las Coches Dr | Soledad | Retail | Proposed | 2025 | 86,930 |
| Holiday Inn Express Soledad - 86 Rooms | Intersection of Los Coches Rd and Nestles Rd | Soledad | Hospitality | Proposed | 2030 | 43,000 |

**Source**: CoStar

# RECENT STORE CLOSURES

| Store | City | Dist | Category | Status | Date |
|---|---|---|---|---|---|
| Starbucks | Greenfield | 1.1 | Dining | Closed | Q3 2024 |
| Starbucks | Soledad | 7.8 | Dining | Closed | Q3 2024 |
| Dutch Bros. Coffee | King City | 10.2 | Dining | Closed | Q2 2024 |
| C & N Auto Electric | King City | 10.2 | Shops & Services | Closed | Q3 2023 |
| The Topcut | King City | 10.3 | Beauty & Spa | Closed | Q3 2023 |
| SunBelt Properties | Salinas | 31.6 | Workplace | Closed | Q3 2023 |
| Old Dominion Freight Line | Salinas | 31.6 | Shops & Services | Closed | Q3 2023 |
| Chase Bank | Salinas | 32.2 | Shops & Services | Closed | Q3 2023 |
| Joyeria Olivias | Salinas | 32.5 | Apparel | Closed | Q3 2023 |
| FinishMaster | Salinas | 32.7 | Shops & Services | Closed | Q3 2023 |
| Salinas Pizza & Pints | Salinas | 34.2 | Dining | Closed | Q4 2023 |
| Sport Clips | Salinas | 35.2 | Beauty & Spa | Closed | Q3 2023 |
| MOD Pizza | Salinas | 35.5 | Dining | Closed | Q2 2024 |
| Torrid | Salinas | 35.5 | Apparel | Closed | Q1 2024 |
| Rent A Center | Salinas | 35.6 | Home Improvements & Furnishings | Closed | Q3 2023 |
| Blaze Pizza | Salinas | 35.6 | Dining | Closed | Q2 2024 |
| Starbucks | Salinas | 35.6 | Dining | Closed | Q3 2024 |
| H&R Block | Seaside | 38.3 | Shops & Services | Closed | Q4 2023 |
| RightSpace Storage | Hollister | 38.3 | Shops & Services | Closed | Q2 2024 |
| Seaside Soccer | Seaside | 38.6 | Apparel | Closed | Q3 2023 |
| Monterey Peninsula Powersports | Seaside | 38.7 | Shops & Services | Closed | Q2 2024 |

| Store | City | Dist | Category | Status | Date |
|---|---|---|---|---|---|
| Econo Lodge Bay Breeze | Seaside | 38.8 | Hotels & Casinos | Closed | Q4 2023 |
| Starbucks | Sand City | 39.0 | Dining | Closed | Q3 2023 |
| Mattress Firm | Marina | 39.1 | Home Improvements & Furnishings | Closed | Q1 2024 |
| Monterey Bay Pirates | Monterey | 39.4 | Fitness | Closed | Q3 2023 |
| CycleBar | Carmel-By-The-Sea | 39.4 | Fitness | Closed | Q3 2024 |
| Liberty Tax | Marina | 39.6 | Shops & Services | Closed | Q1 2024 |
| KFC | Marina | 39.6 | Dining | Closed | Q3 2024 |
| Intergalactic Imports | Monterey | 40.2 | Shops & Services | Closed | Q4 2023 |
| Express | Monterey | 40.3 | Apparel | Closed | Q1 2024 |
| Bank of the West | Monterey | 40.3 | Shops & Services | Closed | Q4 2023 |
| Yama Sushi Bar & Restaurant | Monterey | 40.3 | Dining | Closed | Q1 2024 |
| Ace Hardware Prunedale | Prunedale | 40.4 | Home Improvements & Furnishings | Closed | Q4 2023 |
| Rite Aid | Monterey | 40.6 | Medical & Health | Closed | Q4 2023 |
| Fine Art Turkish Gallery | Carmel | 40.6 | Leisure | Closed | Q3 2023 |
| SUBWAY | Monterey | 41.2 | Dining | Closed | Q1 2024 |
| Starbucks | Monterey | 41.4 | Dining | Closed | Q3 2024 |
| H&R Block | Monterey | 41.5 | Shops & Services | Closed | Q4 2023 |
| Starbucks | Pacific Grove | 42.3 | Dining | Closed | Q3 2024 |
| KFC | Gilroy | 49.0 | Dining | Closed | Q4 2023 |

# RECENT STORE OPENINGS

| Store | City | Dist | Category | Status | Date |
|---|---|---|---|---|---|
| Dutch Bros. Coffee | Soledad | 7.6 | Dining | Opened | Q4 2023 |
| LPZ Tire Service Inc | Soledad | 8.3 | Shops & Services | Opened | Q1 2024 |
| Centenario Bar & Grill | Soledad | 8.4 | Leisure | Opened | Q3 2023 |
| Anytime Fitness | King City | 10.3 | Fitness | Opened | Q1 2024 |
| Arby's | Salinas | 31.1 | Dining | Opened | Q1 2024 |
| Angela Savage, Real Estate & Mortgage Broker | Salinas | 31.6 | Workplace | Opened | Q4 2023 |
| Starbucks | Salinas | 33.0 | Dining | Opened | Q2 2024 |
| BB Boutique and Smiles | Salinas | 34.5 | Apparel | Opened | Q3 2023 |
| Vallarta Supermarket | Salinas | 34.8 | Groceries | Opened | Q4 2023 |
| Melo Cutz LLC | Salinas | 35.6 | Beauty & Spa | Opened | Q4 2023 |
| Jamba Juice | Hollister | 36.6 | Dining | Opened | Q4 2023 |
| Beacon Building Products | Salinas | 37.0 | Home Improvements & Furnishings | Opened | Q3 2023 |
| Hair by the bay | Seaside | 38.7 | Beauty & Spa | Opened | Q3 2023 |
| Bay Breeze Inn | Seaside | 38.8 | Hotels & Casinos | Opened | Q1 2024 |
| Home2 Suites by Hilton | Marina | 39.0 | Hotels & Casinos | Opened | Q1 2024 |
| 7-Eleven | Monterey | 39.1 | Shops & Services | Opened | Q2 2024 |
| Sephora | Marina | 39.3 | Beauty & Spa | Opened | Q1 2024 |
| Five Below | Marina | 39.4 | Shops & Services | Opened | Q1 2024 |

| Store | City | Dist | Category | Status | Date |
|---|---|---|---|---|---|
| The Lab Monterey | Monterey | 39.4 | Fitness | Opened | Q3 2023 |
| Swift Car Wash | Carmel-By-The-Sea | 39.4 | Shops & Services | Opened | Q3 2023 |
| Starbucks | Marina | 39.6 | Dining | Opened | Q4 2023 |
| Gourmet Central Bake House | Prunedale | 39.9 | Dining | Opened | Q4 2023 |
| Intergalactic Imports | Monterey | 40.3 | Shops & Services | Opened | Q2 2024 |
| BMO Harris Bank | Monterey | 40.3 | Shops & Services | Opened | Q4 2023 |
| The Joint Chiropractic | Monterey | 40.3 | Medical & Health | Opened | Q3 2023 |
| Smart Cleaners | Monterey | 40.3 | Shops & Services | Opened | Q2 2024 |
| O'Reilly Auto Parts | Salinas | 40.4 | Shops & Services | Opened | Q1 2024 |
| gorjana | Carmel-By-The-Sea | 40.7 | Apparel | Opened | Q3 2023 |
| Stilwell Hotel Carmel-by-the-Sea | Carmel-By-The-Sea | 40.7 | Hotels & Casinos | Opened | Q4 2023 |
| Tipsy Putt | Monterey | 41.4 | Leisure | Opened | Q1 2024 |
| H&R Block | Monterey | 41.7 | Shops & Services | Opened | Q4 2023 |
| Gloria's Nutrition | Watsonville | 49.7 | Medical & Health | Opened | Q3 2023 |
| Vallarta Supermarket | N/A | 34.8 | N/A | Completed | 11/2023 |
| *Lexington Hotel Salinas* | *N/A* | *35.1* | *N/A* | *On Hold/Cancelled* | *N/A* |

# VISITOR / SHOPPING CENTER DATA

# VISITOR / MARKET DATA PLACER.AI – SUMMARY

Placer.ai is a mobility data provider that tracks daily movement of over 30 million people in the U.S. via anonymized mobile app data. This information reveals customer and employee travel trends to/from major events, shopping centers, major retailers and other places of interest – providing insight into store/center trade areas, hourly and daily visitation statistics, and consumer demographic characteristics.

- **US-101 Traffic & Traveler Data:** Traffic count estimates for US-101 show average daily volume of ~49,100 vehicles just north of Gonzales and ~17,400 just south of King City. Travel tends to peak on Wednesdays and Fridays (lowest on Sundays). Weekday travel peaks during the morning commute at 6am – 10am and again in the afternoon between 2pm – 6pm; weekend traffic peaks between 12pm and 2pm. Placer.ai trade area data shows that ~61% of US-101 travelers near Gonzales live in the Region and an additional 17% live in Salinas, with the remainder from a variety of other cities. Prior to / after traveling through the point on US-101, travelers visit many of the large retailers and employers in Salinas as well as some of the retailers / restaurants in the Region.
- **Shopping Center and Key Area Performance**: Visitor data shows fairly stable shopping center visitation performance metrics and visitor attraction. The majority of visits to each center are from visitors who live in the Region. Anchor / major retailers in the centers generally see average performance compared to other locations of the respective chains within the core-based statistical area, with some retailers overperforming (Denny's in Soledad, Rite Aid in King City) and other retailers underperforming (McDonalds in Gonzales, Dollar Tree in King City). A deeper look at specific centers in each City shows recent performance trends and trade area of visitors.
- **Overnight Visitors**: Overnight visit data for King City (used as a proxy for the Region due to hotel supply) shows ~54,000 overnight visitors to the City over the past year staying for ~137,600 visit nights. Approximately 70% of visitors stay for 1-2 nights, and 31% have household incomes above $90,000, with estimated visitor spending potential of $26.3 million.

**Sources**: Placer.ai (Accessed June / July 2024)

# US-101 TRAFFIC VOLUMES

- Traffic count estimates for a section of US-101 just north of Gonzales shows an average daily traffic volume (ADV) of ~49,100 vehicles total (~51% southbound traffic)
  - The highest days for travel along the route are Wednesdays (52.3k ADV) and Fridays (52.6k ADV), and the lowest are Sundays (39.9k ADV)
  - Travel tends to peak in the mornings between 6-10am and in the afternoons between 2-6pm; weekend traffic peaks between 12 – 2pm.
- A section of US-101 just south of King City shows an ADV of ~17,400 vehicles total (~51% southbound traffic).

**All Directions Traffic Volume:**
**US-101 North of Gonzales**

| | Mon | Tues | Wed | Thurs | Fri | Sat | Sun |
|---|---|---|---|---|---|---|---|
| 12am - 2am | 255 | 249 | 248 | 242 | 278 | 412 | 460 |
| 2am - 4am | 263 | 274 | 280 | 267 | 280 | 292 | 259 |
| 4am - 6am | 1,113 | 1,209 | 1,201 | 1,144 | 1,081 | 549 | 327 |
| 6am - 8am | 3,102 | **3,471** | **3,481** | **3,292** | 3,101 | 1,424 | 850 |
| 8am -10am | 3,219 | **3,500** | **3,474** | **3,334** | **3,305** | 2,468 | 1,815 |
| 10am - 12pm | 2,953 | 2,947 | 2,975 | 2,900 | 3,044 | 3,211 | 2,828 |
| 12pm - 2pm | 3,182 | 3,142 | 3,185 | 3,093 | **3,295** | **3,441** | **3,279** |
| 2pm - 4pm | **3,565** | **3,613** | **3,596** | **3,555** | **3,633** | 3,299 | 3,109 |
| 4pm - 6pm | **3,536** | **3,691** | **3,570** | **3,631** | **3,543** | 3,035 | 2,717 |
| 6pm - 8pm | 2,142 | 2,247 | 2,312 | 2,322 | 2,441 | 2,278 | 2,186 |
| 8pm - 10pm | 1,137 | 1,174 | 1,258 | 1,261 | 1,467 | 1,553 | 1,447 |
| 10pm - 12am | 532 | 544 | 582 | 585 | 820 | 1,012 | 674 |
| *TOTAL* | *50,000* | *52,100* | *52,300* | *51,300* | *52,600* | *45,900* | *39,900* |

**Source**: Placer.ai

# US-101 TRAFFIC & TRAVELER DATA

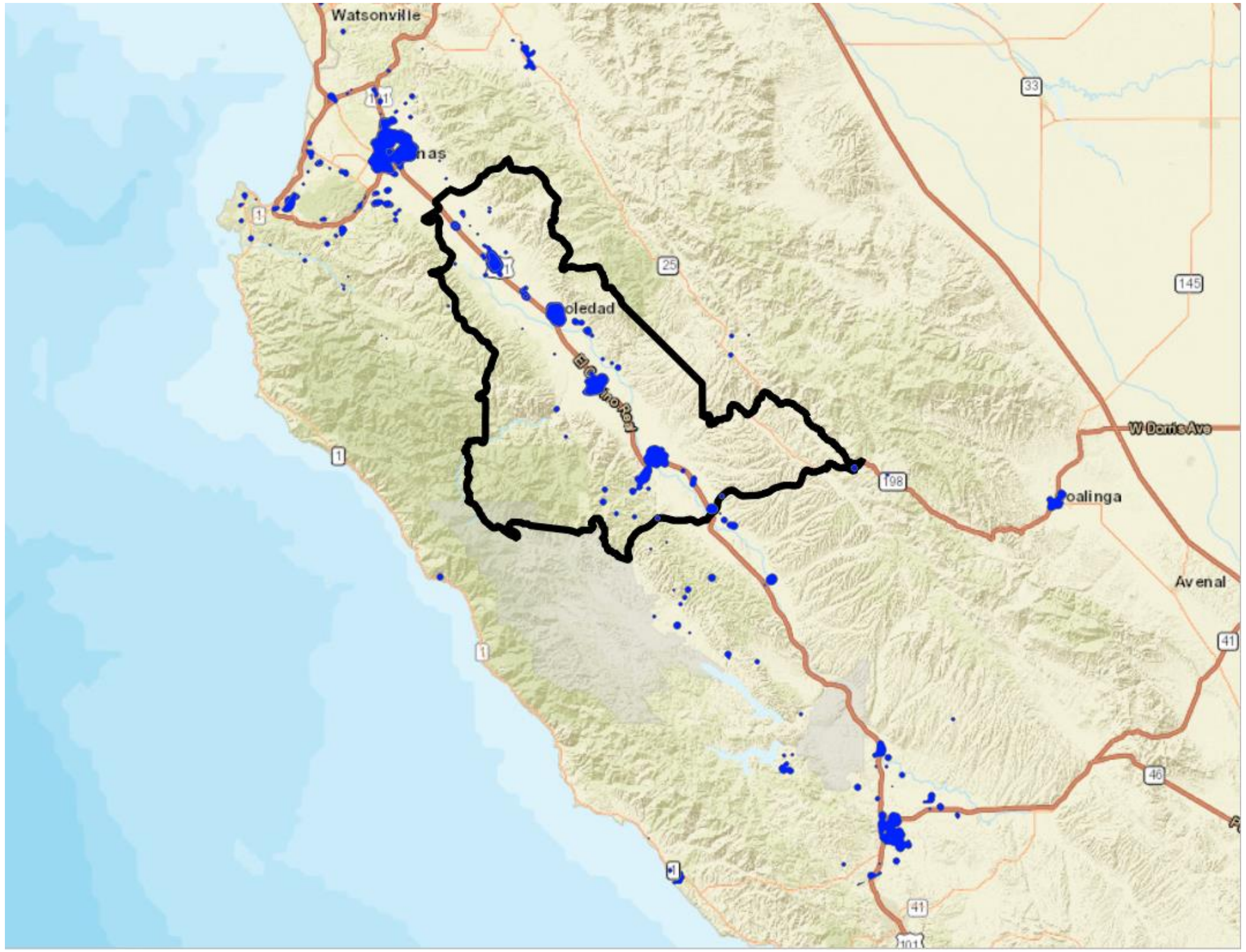
- According to Placer.ai mobile analytics data, a large percentage of visitors who travel through these points on US-101 are from outside the Region:
  - US-101 near Gonzales: ~61% of trips are from travelers who live in the Region, with another 17% from residents of Salinas and the remainder from a wide variety of other cities.
  - US-101 near King City: ~31% of trips are from travelers who live in the Four Cities, with another 8.4% from residents of Salinas and 6.6% from residents of Paso Robles, and the remainder from a wide variety of other cities.
- Prior to / after traveling through the point on US-101, some of the most common locations are retail centers and major employers in Salinas, as well as retailers and shopping areas within the Region.

| Top 30 Prior / Post Locations | |
|---|---|
| Costco Wholesale, Salinas | California State University, Monterey Bay, Seaside |
| Hartnell College, Salinas | Love's Travel Stop, Salinas |
| Walmart, Salinas | Soledad High School, Soledad |
| Target, Salinas | McDonald's, King City |
| In-N-Out Burger, Salinas | Wingstop, Salinas |
| Natividad Medical Center, Salinas | DICK'S Sporting Goods, Salinas |
| Foods Co, Soledad | Starbucks, King City |
| The Home Depot, Salinas | Lowe's, Salinas |
| Walmart, Salinas | McDonald's, Gonzales |
| Wrath Vineyards, Soledad | Burger King, King City |
| McDonald's, Salinas | Pilot Truck Stop., Salinas |
| Marshalls, Salinas | Soledad Mission Shopping Center, Soledad |
| Ross Dress for Less, Salinas | Century 14 Northridge Mall, Salinas |
| McDonald's, Soledad | In-Shape Health Clubs, Salinas |
| Macy's, Salinas | Maya Cinemas, Salinas |

**Source**: Placer.ai

# US-101 TRAFFIC & TRAVELER DATA

| % Traveler Visits by Home Location | | | | |
|---|---|---|---|---|
| US-101 Near Gonzales | | | US-101 Near King City | |
| Soledad | 27.6 | | King City | 18.9 |
| Salinas | 17.0 | | Salinas | 8.4 |
| Greenfield | 13.7 | | Paso Robles | 6.6 |
| Gonzales | 11.7 | | Soledad | 5.7 |
| King City | 8.1 | | Greenfield | 5.3 |
| San Jose | 1.1 | | San Ardo | 2.6 |
| Chualar | 1.0 | | San Lucas | 2.0 |
| Watsonville | 0.9 | | San Jose | 1.6 |
| Marina | 0.7 | | San Luis Obispo | 1.3 |
| Seaside | 0.7 | | Atascadero | 1.3 |
| Hollister | 0.5 | | San Francisco | 1.1 |
| Paso Robles | 0.5 | | Los Angeles | 1.1 |
| Gilroy | 0.4 | | Coalinga | 1.0 |
| Castroville | 0.4 | | Fresno | 1.0 |
| Monterey | 0.4 | | San Miguel | 1.0 |
| All Other | 15.1 | | All Other | 40.9 |
| | | | | |
| Four Cities Subtotal | 61.1 | | Four Cities Subtotal | 30.7 |



# SHOPPING CENTER SUMMARY VISITOR OVERVIEW

| Past 12 months | Center Description | Est. Total Store Visits | Est. Unique Visitors | Avg Visits Per Visitor | Visits YoY % Change | Median Length of Stay (min) | Visitor Average HH Income | % Visits from Visitors with Homes <10 Miles Away | Category Rank Percentile: 50 Mile Radius | Anchor Chain Percentile, CBSA |
|---|---|---|---|---|---|---|---|---|---|---|
| Gonzales Shopping Center | 61,700 SF Neighborhood Center<br>Santa Fe Foods, Autozone, McDonald's, Starbucks, Ace Hardware | 868,100 | 175,600 | 5.0 | 5.1% | 18 | $91,000 | 63% | 25 | AutoZone: 45<br>Ace Hardware: 63<br>McDonalds: 20 |
| Soledad Mission Shopping Center | 130,800 SF Neighborhood Center<br>Foods Co, CVS Pharmacy, Denny's, Goodwill, O'Reilly Auto, Anytime Fitness | 2,104,100 | 245,800 | 8.5 | -0.9% | 27 | $86,000 | 74% | 93 | Foods Co: 50<br>CVS: 90<br>Denny's: 100<br>O'Reilly: 88 |
| Santa Lucia Square | 108,300 SF Neighborhood Center<br>Rancho San Miguel Markets, Rite Aid, Furniture for Less, Cheezer's, Burger King | 1,155,800 | 104,500 | 11.1 | -1.5% | 20 | $84,000 | 82% | 56 | Rite Aid: 50 |
| King City Center | 116,700 SF Neighborhood Center<br>Safeway, Autozone, Dollar Tree | 1,330,200 | 156,900 | 8.5 | 2.5% | 22 | $94,000 | 70% | 50 | Safeway: 37<br>Rite Aid: 100<br>Dollar Tree: 25<br>AutoZone: 36 |
| Broadway Plaza | 33,200 SF Strip Center<br>La Princesa Market, SolarX Insurance | 265,600 | 33,400 | 7.9 | -1.1% | 17 | $90,000 | 82% | 17 | Ace Hardware: 90<br>Little Caesers: 57 |
| Town Square | 52,400 SF Neighborhood Center<br>Cork & Plough, County Behavioral Health, California Gourmet Pizza | 103,800 | 28,400 | 4.0 | -2.1% | 81 | $94,000 | 69% | 9 | 0 |

**Sources**: Placer.ai (Accessed June 2024)
**Note**: Visits >10 minute in length; Category Rank represents the percentile score (based on number of visits) of the shopping center compared to other shopping centers within 15 miles of the center. Anchor rank represents the percentile score of the anchor location compared to other locations of that particular chain within 30 miles.

# TRAVEL & TOURISM DATA
# PLACER.AI - OVERVIEW

- Placer.ai is a mobility data provider that tracks movement of over 30 million people in the U.S. via anonymized mobile app data. This information can reveal visitation trends to/from retailers, providing insight into store visit performance, characteristics of consumers, and trade areas.

- The Placer.ai Travel & Tourism Report provides insights into overnight stays in the City of King City, providing insights into visit trends, home origins of visitors, spending potential, and other metrics.

| Last 12 Months – Overnight Visitors | |
|---|---|
| Visitors | 53,900 |
| Visit Nights | 137,600 |
| Est. Visitors' Spending Potential | $26.3 million |
| % Visitors Spend 1-2 Days in King City | 70% |
| % of Visitors with Origin Median HH Income over $90k | 31% |

**Source**: Placer.ai, data updated June 2024; represents May 2023 through April 2024

# TRAVEL & TOURISM DATA
# PLACER.AI – VISITOR ORIGIN DATA (BY CBSA)

- The most common home location metropolitan areas (CBSAs) for overnight visitors to King City are Salinas, San Luis Obispo-Paso Robles, and Fresno. These three areas account for ~32% of visitors and ~39% of visit nights.
- While most of the top overnight visitor home locations are in California, out-of-state visitors come from the following areas:
  - Yuma, AZ
  - Boise City, ID
  - Phoenix-Mesa-Chandler, AZ
  - Boulder, CO
  - Portland-Vancouver-Hillsboro, OR-WA
  - Kennewick-Richland, WA
  - Las Vegas-Henderson-Paradise, NV

| Last 12 Months – Overnight Visitors | | | |
|---|---|---|---|
| **CBSA** | **Visitors** | **Visit Nights** | **Median Daily Disposable Income** |
| Salinas, CA | 11,413 | 32,031 | 191 |
| San Luis Obispo-Paso Robles, CA | 3,069 | 12,798 | 203 |
| Fresno, CA | 2,331 | 7,786 | 168 |
| Los Angeles-Long Beach-Anaheim, CA | 4,685 | 7,339 | 209 |
| San Jose-Sunnyvale-Santa Clara, CA | 3,348 | 6,732 | 291 |
| Bakersfield, CA | 2,314 | 6,332 | 162 |
| Sacramento-Roseville-Folsom, CA | 2,419 | 5,974 | 193 |
| San Francisco-Oakland-Berkeley, CA | 2,328 | 5,760 | 280 |
| Santa Maria-Santa Barbara, CA | 1,795 | 4,475 | 205 |
| Yuma, AZ | 838 | 4,013 | 128 |
| Visalia, CA | 1,423 | 3,233 | 144 |
| Riverside-San Bernardino-Ontario, CA | 1,509 | 2,703 | 182 |
| Modesto, CA | 963 | 2,405 | 177 |
| Napa, CA | 665 | 2,270 | 247 |
| Stockton, CA | 858 | 2,110 | 194 |
| San Diego-Chula Vista-Carlsbad, CA | 1,041 | 1,730 | 232 |
| Oxnard-Thousand Oaks-Ventura, CA | 916 | 1,682 | 220 |
| El Centro, CA | 298 | 1,639 | 143 |
| Boise City, ID | 314 | 1,603 | 168 |

**Source**: Placer.ai, data updated June 2024; represents May 2023 through April 2024

# RETAIL LEAKAGE & VOID ANALYSIS

# RETAIL VISIT LEAKAGE BY ENTITY

| Shopping Centers | | | |
|---|---|---|---|
| **Place** | **City** | **Visits by Residents** | **Residents** |
| Harden Ranch Plaza | Salinas | 1,632,000 | 75,500 |
| Northridge Mall | Salinas | 1,584,000 | 77,600 |
| Westridge Shopping Center | Salinas | 894,000 | 70,000 |
| Boronda Crossing | Salinas | 512,000 | 49,700 |
| Westridge Shopping Center | Salinas | 457,000 | 54,900 |
| Sherwood Gardens | Salinas | 309,000 | 36,300 |
| The Plaza | Salinas | 246,000 | 26,500 |
| Laurel West Shopping Center | Salinas | 193,000 | 21,300 |
| Santa Rita Plaza | Salinas | 178,000 | 28,800 |
| Alvin Square Center | Salinas | 175,000 | 29,200 |
| South Salinas Plaza | Salinas | 155,000 | 15,100 |
| Creek Bridge Village | Salinas | 142,000 | 12,600 |
| Mountain Valley Center | Salinas | 135,000 | 12,200 |
| Del Monte Shopping Center | Monterey | 134,000 | 23,200 |
| Sand Dollar Shopping Center | Sand City | 118,000 | 17,600 |
| Shaker Square | Salinas | 100,000 | 13,200 |
| Main Street Shopping Center | Salinas | 99,000 | 10,400 |
| Gilroy Crossing | Gilroy | 98,000 | 17,900 |
| The Dunes | Marina | 96,000 | 15,300 |
| Pacheco Pass Center | Gilroy | 93,000 | 16,600 |

| Superstores | | | | |
|---|---|---|---|---|
| **Place** | **City** | **Visits by Residents** | **Residents** | **Avg. Ticket Size** |
| Costco Wholesale | Salinas | 707,000 | 57,100 | $ 140 |
| Walmart | Salinas | 533,000 | 54,400 | $ 62 |
| Target | Salinas | 514,000 | 46,200 | $ 60 |
| Walmart | Salinas | 256,000 | 34,700 | $ 54 |
| Target | Marina | 63,000 | 11,000 | |
| Target | Sand City | 58,000 | 11,800 | $ 60 |
| Walmart | Marina | 55,000 | 8,500 | $ 57 |
| Walmart | Paso Robles | 46,000 | 7,800 | |
| Costco Wholesale | Gilroy | 26,000 | 6,500 | |
| Big Lots | Salinas | 26,000 | 5,700 | |
| Target | Gilroy | 25,000 | 5,200 | |
| Walmart | Gilroy | 24,000 | 5,800 | |
| Target | Paso Robles | 21,000 | 3,900 | $ 70 |
| Target | Morgan Hill | 11,000 | 2,600 | $ 64 |
| Target | Watsonville | 8,000 | 1,300 | $ 58 |
| Costco Wholesale | Salinas | 707,000 | 57,100 | $ 140 |
| Walmart | Salinas | 533,000 | 54,400 | $ 62 |
| Target | Salinas | 514,000 | 46,200 | $ 60 |
| Walmart | Salinas | 256,000 | 34,700 | $ 54 |
| Target | Marina | 63,000 | 11,000 | |

# RETAIL VISIT LEAKAGE BY ENTITY

| Fast Food & QSR | | | | |
|---|---|---|---|---|
| Place | City | Visits by Residents | Residents | Avg. Ticket Size |
| In-N-Out Burger | Salinas | 288,000 | 39,100 | |
| Panda Express | Salinas | 120,000 | 17,100 | $ 25 |
| Wingstop | Salinas | 107,000 | 19,800 | $ 30 |
| McDonald's | Salinas | 99,000 | 17,400 | |
| Chipotle Mexican Grill | Salinas | 89,000 | 13,600 | $ 22 |
| Jack in the Box | Salinas | 88,000 | 8,900 | $ 17 |
| McDonald's | Salinas | 82,000 | 6,000 | $ 14 |
| McDonald's | Salinas | 74,000 | 4,700 | |
| Wendy's | Salinas | 70,000 | 7,300 | $ 15 |
| SONIC Drive In | Salinas | 59,000 | 9,300 | $ 15 |
| McDonald's | Salinas | 58,000 | 6,900 | |
| Wingstop | Salinas | 54,000 | 9,900 | $ 28 |
| Wienerschnitzel | Salinas | 48,000 | 6,300 | |
| Jack in the Box | Salinas | 45,000 | 3,700 | $ 16 |
| Jack in the Box | Salinas | 45,000 | 5,900 | $ 18 |
| McDonald's | Salinas | 42,000 | 3,100 | $ 13 |
| Wendy's | Salinas | 41,000 | 3,300 | |
| Jack in the Box | Salinas | 39,000 | 4,200 | $ 16 |
| In-N-Out Burger | Seaside | 37,000 | 9,700 | |
| The Habit Burger Grill | Salinas | 35,000 | 7,000 | |

| Restaurants | | | | |
|---|---|---|---|---|
| Place | City | Visits by Residents | Residents | Avg. Ticket Size |
| Olive Garden | Salinas | 77,000 | 15,900 | $ 71 |
| Buffalo Wild Wings | Salinas | 61,000 | 10,900 | $ 61 |
| Applebee's | Salinas | 59,000 | 11,400 | $ 58 |
| BJ's Restaurant and Brewhouse | Salinas | 54,000 | 13,500 | $ 82 |
| Chili's Grill & Bar | Salinas | 50,000 | 12,000 | N/A |
| Black Bear Diner | Salinas | 41,000 | 10,400 | N/A |
| Red Lobster | Salinas | 29,000 | 7,900 | $ 103 |
| Denny's | Salinas | 26,000 | 7,000 | $ 53 |
| Denny's | Salinas | 23,000 | 6,300 | $ 55 |
| China Garden | Salinas | 22,000 | 3,200 | N/A |
| Salad Shoppe | Salinas | 15,000 | 3,900 | N/A |
| Denny's | Salinas | 15,000 | 4,400 | N/A |
| Super Taqueria | Salinas | 14,000 | 2,600 | N/A |
| China House | Salinas | 10,000 | 2,400 | N/A |
| Chili's Grill & Bar | Seaside | 10,000 | 1,900 | N/A |
| Olive Garden | Salinas | 77,000 | 15,900 | $ 71 |
| Buffalo Wild Wings | Salinas | 61,000 | 10,900 | $ 61 |
| Applebee's | Salinas | 59,000 | 11,400 | $ 58 |
| BJ's Restaurant and Brewhouse | Salinas | 54,000 | 13,500 | $ 82 |
| Chili's Grill & Bar | Salinas | 50,000 | 12,000 | N/A |

# RETAIL VISIT LEAKAGE BY ENTITY

| Shops & Services (Selection) | | | | |
|---|---|---|---|---|
| Place | City | Visits by Residents | Residents | Avg. Ticket Size |
| PetSmart | Salinas | 96,000 | 14,300 | $ 69 |
| Hobby Lobby | Salinas | 86,000 | 14,900 | N/A |
| Five Below | Salinas | 79,000 | 16,000 | N/A |
| Dollar Tree | Salinas | 78,000 | 17,700 | $ 19 |
| dd's DISCOUNTS | Salinas | 76,000 | 13,900 | $ 56 |
| Dollar Tree | Salinas | 63,000 | 12,700 | $ 16 |
| Michaels | Salinas | 59,000 | 12,800 | $ 41 |
| 99 Cents Only Stores | Salinas | 46,000 | 9,700 | N/A |
| Pet Fun | Salinas | 32,000 | 5,300 | N/A |
| Party City | Salinas | 29,000 | 6,800 | $ 41 |
| Jo-Ann Fabric and Craft | Salinas | 25,000 | 6,000 | N/A |
| dd's DISCOUNTS | Salinas | 23,000 | 4,800 | $ 52 |
| AutoZone | Salinas | 17,000 | 2,600 | $ 71 |
| Firestone Complete Auto Care | Salinas | 17,000 | 3,400 | N/A |
| Dollar Tree | Salinas | 16,000 | 2,500 | $ 16 |
| Dollar General | Salinas | 15,000 | 1,900 | $ 21 |
| Valvoline Instant Oil Change | Salinas | 14,000 | 3,600 | N/A |
| Barnes & Noble | Gilroy | 14,000 | 3,200 | N/A |
| O'Reilly Auto Parts | Salinas | 9,000 | 1,500 | $ 72 |

| Apparel | | | | |
|---|---|---|---|---|
| Place | City | Visits by Residents | Residents | Avg. Ticket Size |
| Macy's | Salinas | 169,000 | 31,200 | N/A |
| Ross Dress for Less | Salinas | 155,000 | 28,700 | $ 77 |
| Marshalls | Salinas | 152,000 | 25,400 | $ 70 |
| DICK'S Sporting Goods | Salinas | 124,000 | 22,900 | $ 122 |
| JCPenney | Salinas | 103,000 | 21,500 | N/A |
| Kohl's | Salinas | 99,000 | 18,300 | $ 74 |
| Ross Dress for Less | Salinas | 88,000 | 20,100 | $ 70 |
| Boot Barn | Salinas | 62,000 | 15,000 | $ 164 |
| DSW Designer Shoe Warehouse | Salinas | 40,000 | 11,700 | N/A |
| Big 5 Sporting Goods | Salinas | 38,000 | 7,600 | N/A |
| Turner's Outdoorsman | Salinas | 32,000 | 6,300 | N/A |
| Marshalls | Sand City | 28,000 | 7,100 | $ 69 |
| Old Navy | Salinas | 28,000 | 9,100 | N/A |
| Goodwill | Salinas | 26,000 | 5,800 | N/A |
| Ross Dress for Less | Sand City | 24,000 | 7,100 | $ 62 |
| Nike Factory Store | Gilroy | 24,000 | 6,500 | $ 105 |
| Famous Footwear | Salinas | 21,000 | 6,800 | $ 88 |
| Tilly's | Salinas | 20,000 | 5,800 | $ 75 |
| Macy's | Monterey | 20,000 | 5,800 | N/A |
| T.J. Maxx | Paso Robles | 18,000 | 4,400 | N/A |

# RETAIL VISIT LEAKAGE BY ENTITY

| Grocery | | | | |
|---|---|---|---|---|
| **Place** | **City** | **Visits by Residents** | **Residents** | **Avg. Ticket Size** |
| Nob Hill Foods | Salinas | 113,000 | 9,900 | $ 59 |
| Safeway | Salinas | 103,000 | 13,200 | $ 41 |
| Foods Co | Salinas | 84,000 | 10,000 | $ 46 |
| Smart & Final | Salinas | 82,000 | 9,500 | N/A |
| Vallarta Supermarket | Salinas | 66,000 | 8,900 | N/A |
| El Super | Monterey | 55,000 | 7,800 | N/A |
| Lucky Supermarkets | Salinas | 51,000 | 3,800 | $ 48 |
| Safeway | Salinas | 49,000 | 6,000 | $ 47 |
| Cardenas Market | Salinas | 33,000 | 4,900 | N/A |
| Mercado La Princesa Market | Salinas | 32,000 | 2,300 | N/A |
| FoodMaxx | Salinas | 30,000 | 5,100 | N/A |
| Food 4 Less | Salinas | 29,000 | 3,600 | $ 51 |
| Grocery Outlet Bargain Market | Salinas | 26,000 | 4,700 | $ 37 |
| Santa Fe Mercado - Carniceria | Salinas | 25,000 | 3,900 | N/A |
| Safeway | Del Rey Oaks | 24,000 | 2,600 | $ 48 |
| Safeway | Prunedale | 19,000 | 2,400 | $ 54 |
| BevMo! | Salinas | 16,000 | 2,800 | N/A |
| Star Market | Salinas | 15,000 | 2,300 | N/A |
| Salinas Meat | Salinas | 13,000 | 500 | N/A |
| Trader Joe's | Monterey | 12,000 | 3,000 | $ 49 |

| Leisure | | | | |
|---|---|---|---|---|
| **Place** | **City** | **Visits by Residents** | **Residents** | **Avg. Ticket Size** |
| Century 14 Northridge Mall | Salinas | 90,000 | 20,500 | N/A |
| Cinemark Century 14 Northridge Mall | Salinas | 20,000 | 5,900 | N/A |
| Valley Center Bowl | Salinas | 20,000 | 6,800 | N/A |
| Chuck E. Cheese | Salinas | 15,000 | 5,100 | $ 62 |
| El Mercado | Salinas | 14,000 | 3,700 | N/A |
| Monterey Bay Aquarium | Monterey | 14,000 | 6,200 | N/A |
| Cinemark Century Monterey 13 | Monterey | 9,000 | 3,400 | N/A |
| Century Marina & XD | Marina | 8,000 | 2,400 | N/A |
| Liggett Lanes | Jolon | 4,000 | 200 | N/A |
| Alvarado Street Brewery | Monterey | 2,000 | 800 | N/A |
| Boardwalk Bowl | Santa Cruz | 2,000 | 300 | N/A |
| Monterey Lanes | Monterey | 2,000 | 800 | N/A |
| Fieldwork Brewing Company | Monterey | 2,000 | 600 | N/A |
| Chuck E. Cheese | Gilroy | 2,000 | 400 | N/A |
| Tipsy Putt | Monterey | 1,000 | 700 | N/A |
| The Otter's Den | Marina | 1,000 | 100 | N/A |
| Barmel | Carmel | 1,000 | 200 | N/A |
| Golfland | San Jose | 1,000 | 500 | N/A |
| Morgan Hill Aquatics Center | Morgan Hill | 1,000 | 200 | N/A |
| Bowlero | San Jose | 1,000 | 200 | N/A |

# FAVORITE PLACES
# CENTRAL SALINAS VALLEY RESIDENTS

| Location | City | Dist | % |
|---|---|---|---|
| **Shopping Centers** | | | |
| Northridge Mall | Salinas | 35.5 | 73% |
| Soledad Mission Shopping Center | Soledad | 7.7 | 72% |
| Harden Ranch Plaza | Salinas | 35.3 | 70% |
| Westridge | Salinas | 35.4 | 65% |
| Westridge Shopping Center | Salinas | 35.1 | 52% |
| Boronda Crossing | Salinas | 35.9 | 49% |
| Gonzales 5th Street Shop. Center | Gonzales | 17.0 | 43% |
| Santa Lucia Square | Greenfield | 0.9 | 38% |
| Sherwood Gardens | Salinas | 34.1 | 35% |
| King City Center | King City | 10.3 | 33% |
| Gabilan Plaza | Soledad | 9.2 | 29% |
| Santa Rita Plaza | Salinas | 35.6 | 29% |
| Alvin Square Center | Salinas | 34.9 | 26% |
| The Plaza | Salinas | 32.7 | 25% |
| Del Monte Shopping Center | Monterey | 40.2 | 22% |

| Location | City | Dist | % |
|---|---|---|---|
| **Big Box Stores** | | | |
| Costco Wholesale | Salinas | 35.3 | 55% |
| Walmart | Salinas | 35.4 | 50% |
| Target | Salinas | 35.2 | 44% |
| Walmart | Salinas | 35.3 | 32% |
| Target | Sand City | 38.9 | 12% |
| Target | Marina | 39.3 | 10% |
| Walmart | Marina | 40.0 | 9% |
| Big Lots | Salinas | 35.6 | 7% |
| Walmart | Paso Robles | 58.3 | 7% |
| Walmart | Gilroy | 50.5 | 6% |
| Costco Wholesale | Gilroy | 50.6 | 6% |
| Target | Gilroy | 50.0 | 5% |
| Target | Paso Robles | 59.4 | 3% |
| Target | Morgan Hill | 62.1 | 2% |
| Target | Watsonville | 50.4 | 2% |

| Location | City | Dist | % |
|---|---|---|---|
| **Grocery** | | | |
| Foods Co | Soledad | 7.6 | 58% |
| Rancho San Miguel Markets | Greenfield | 0.9 | 30% |
| Grocery Outlet Bargain Market | Soledad | 7.6 | 25% |
| Santa Fe Foods | Gonzales | 17.0 | 24% |
| Safeway | King City | 10.3 | 24% |
| Safeway | Salinas | 35.1 | 13% |
| El Pueblo | Soledad | 8.5 | 11% |
| Nob Hill Foods | Salinas | 32.5 | 10% |
| Bingo Market | Soledad | 8.4 | 9% |
| Foods Co | Salinas | 32.0 | 9% |
| La Princesa Market | Greenfield | 0.6 | 9% |
| Smart & Final | Salinas | 33.1 | 9% |
| El Pueblo Market | King City | 10.1 | 8% |
| El Super | Monterey | 34.3 | 8% |
| Farmers Food Market | Gonzales | 16.7 | 8% |

**Sources**: Placer.ai; Percentage reflects the percentage of residents who visited each location at least once within the past year. Places are reflective of locations tracked by Placer.ai and may be missing some retail locations, particularly small / independent retailers.

# FAVORITE PLACES
# CENTRAL SALINAS VALLEY RESIDENTS

| Location | City | Dist | % |
|---|---|---|---|
| **Restaurants** | | | |
| Denny's | Soledad | 7.8 | 30% |
| La Hacienda | Greenfield | 0.6 | 17% |
| Olive Garden | Salinas | 35.2 | 16% |
| BJ's Restaurant and Brewhouse | Salinas | 35.4 | 13% |
| Taqueria Pacheco | Soledad | 8.8 | 13% |
| Chili's Grill & Bar | Salinas | 36.0 | 13% |
| Windmill Restaurant | Soledad | 8.0 | 12% |
| Denny's | King City | 10.1 | 12% |
| Applebee's | Salinas | 35.1 | 11% |
| Sakura Buffet | Salinas | 34.9 | 10% |
| Black Bear Diner | Salinas | 35.3 | 10% |
| Buffalo Wild Wings | Salinas | 35.7 | 10% |
| Bag O' Crab | Salinas | 35.3 | 10% |
| El Charrito | Salinas | 33.6 | 8% |
| China One Restaurant | Soledad | 7.8 | 7% |

| Location | City | Dist | % |
|---|---|---|---|
| **Fast Food / QSR** | | | |
| In-N-Out Burger | Salinas | 33.0 | 36% |
| McDonald's | Soledad | 7.9 | 28% |
| Cheezer's Gourmet Pizza | Soledad | 8.9 | 27% |
| Wingstop | Salinas | 35.1 | 19% |
| McDonald's | Gonzales | 17.0 | 19% |
| Panda Express | Salinas | 35.9 | 16% |
| McDonald's | Salinas | 33.0 | 16% |
| Gabilan Pizza | Soledad | 9.2 | 16% |
| McDonald's | Greenfield | 0.7 | 15% |
| Burger King | Soledad | 7.8 | 13% |
| McDonald's | King City | 10.3 | 12% |
| SUBWAY | Soledad | 7.8 | 12% |
| Chipotle Mexican Grill | Salinas | 35.4 | 11% |
| Burger King | Greenfield | 0.9 | 11% |
| Carl's Jr. | Soledad | 8.0 | 11% |

| Location | City | Dist | % |
|---|---|---|---|
| **Dessert / Coffee / Bakery** | | | |
| Starbucks | Greenfield | 1.1 | 16% |
| Starbucks | Gonzales | 17.0 | 13% |
| La Plaza Bakery | Greenfield | 0.6 | 12% |
| Starbucks | King City | 10.2 | 12% |
| La Plaza Bakery | Soledad | 8.4 | 10% |
| Starbucks | Soledad | 7.8 | 9% |
| Lolita's Ice Cream | Soledad | 8.6 | 7% |
| Neveria y Paleteria Maru | Greenfield | 0.8 | 6% |
| IHOP | Salinas | 34.9 | 6% |
| Starbucks | Salinas | 34.0 | 6% |
| Starbucks | Salinas | 32.6 | 5% |
| Alma S Bakery-Deli | Chualar | 23.0 | 5% |
| La Sorpresa Panaderia | Soledad | 9.2 | 5% |
| Panera Bread | Salinas | 35.4 | 5% |
| The Bagel Corner | Salinas | 32.9 | 5% |

**Sources**: Placer.ai; Percentage reflects the percentage of residents who visited each location at least once within the past year. Places are reflective of locations tracked by Placer.ai and may be missing some retail locations, particularly small / independent retailers.

# FAVORITE PLACES
# CENTRAL SALINAS VALLEY RESIDENTS

| Location | City | Dist | % |
|---|---|---|---|
| **Fitness** | | | |
| Herbalife Salud es Vida | Soledad | 8.7 | 12% |
| Gene Martin Stadium | Soledad | 9.3 | 11% |
| YMCA | Soledad | 8.5 | 10% |
| Anytime Fitness | Soledad | 7.7 | 8% |
| Meyer Park | Gonzales | 16.8 | 7% |
| Soledad Swimming Pool | Soledad | 8.6 | 5% |
| In-Shape Health Clubs | Salinas | 34.8 | 3% |
| The Circuit Family Fitness | Soledad | 8.3 | 3% |
| Montage Wellness Center | Salinas | 36.0 | 3% |
| In-Shape Health Clubs | Salinas | 35.0 | 3% |
| The Camp Transformation Center | Salinas | 35.3 | 3% |
| Fitness Academy Kasey | King City | 10.1 | 2% |
| Gold's Gym | Gilroy | 52.1 | 2% |
| The Camp Transformation Center | Salinas | 35.4 | 2% |
| McKinnon Park | Salinas | 34.8 | 2% |

| Location | City | Dist | % |
|---|---|---|---|
| **Leisure** | | | |
| Salinas Valley Fairgrounds | King City | 10.5 | 28% |
| Premiere Cinemas | Soledad | 7.5 | 28% |
| Century 14 Northridge Mall | Salinas | 35.6 | 18% |
| Maya Cinemas | Salinas | 33.3 | 17% |
| Kendall-Jackson Monterey Wine | Soledad | 5.1 | 16% |
| Wrath Vineyards | Soledad | 9.7 | 11% |
| Rabobank Stadium | Salinas | 34.1 | 11% |
| Salinas Sports Complex | Salinas | 34.1 | 10% |
| Santa Cruz Beach Boardwalk | Santa Cruz | 61.6 | 7% |
| Valley Center Bowl | Salinas | 32.6 | 7% |
| King City Fairgrounds | King City | 10.5 | 6% |
| Monterey Bay Aquarium | Monterey | 41.6 | 6% |
| Chuck E. Cheese | Salinas | 35.4 | 6% |
| American Legion Hall | Greenfield | 0.8 | 6% |
| California's Great America | Santa Clara | 84.5 | 6% |

| Location | City | Dist | % |
|---|---|---|---|
| **Shops & Services** | | | |
| Dollar Tree | Greenfield | 0.8 | 24% |
| ARCO | Soledad | 7.9 | 21% |
| Dollar Tree | Salinas | 34.9 | 16% |
| PetSmart | Salinas | 35.1 | 15% |
| O'Reilly Auto Parts | Soledad | 7.7 | 15% |
| Five Below | Salinas | 35.7 | 15% |
| Hobby Lobby | Salinas | 35.7 | 15% |
| Michaels | Salinas | 35.4 | 14% |
| Dollar Tree | King City | 10.3 | 14% |
| Dollar General | Greenfield | 0.6 | 14% |
| AMPM | Soledad | 7.9 | 13% |
| dd's DISCOUNTS | Salinas | 34.1 | 12% |
| Los Hermanos .99 cent plus discount/ Pro Club | Soledad | 8.6 | 12% |
| Pilot Truck Stop. | Salinas | 31.8 | 12% |
| Shell | Soledad | 7.8 | 11% |

**Sources**: Placer.ai; Percentage reflects the percentage of residents who visited each location at least once within the past year. Places are reflective of locations tracked by Placer.ai and may be missing some retail locations, particularly small / independent retailers.

# RETAILER VOID & MATCH ANALYSIS PLACER.AI

To identify potential chains for the Site, Placer.ai's Void Analysis Tool analyzed the trade area around Soledad Mission Shopping Center and compared it to trade area data for retailer brands – this trade area covers most of the Region, and can serve as a good retail void analysis proxy for all of the Cities.

This analysis determines which chains may be a good fit, based on a variety of demographic metrics and the level of trade area overlap with existing retailer locations.

The lists on the following page identify potential retailers. List filtered for chains with positive in-state expansion rates, a nearest location within a designated radius, and excludes chains with a >95% cannibalization score.

| Score | Description | How to Interpret |
|---|---|---|
| **Demographic Fit Score** | The demographic fit score measures how well a prospective retailer fits the demographic profile of a property.<br><br>The demographic fit score combines the similarity scores for demographic attributes such as household income distribution, educational attainment, ethnicity, age, household type, and marital status – essentially measuring the shared level between the property and the prospective retailer. | Demographic fit scores and attribute similarity scores that are closer to 100 are a better match.<br><br>A demographic fit score of 0 would mean there is no demographic similarity between the local trade area and the trade areas of the retailer chain. |
| **Cannibalization Score** | The cannibalization score measures the estimated overlap between the studied trade area and the trade areas of existing retail store locations nearby.<br><br>This overlap assesses how much a new store for that brand would "cannibalize" consumers that are already served by existing nearby locations of that brand. | Cannibalization scores closer to 0 are a better match.<br><br>A cannibalization score of 100 would imply full cannibalization – meaning that the trade area for a new store in the area would draw consumers that are already served by the retail brand's existing nearby stores. |
| **Relative Fit Score** | The relative fit score combines demographic fit scores, cannibalization score, and other metrics (such as average monthly visits) to arrive at one simplified score. | Relative fit scores that are closer to 100 are a better match.<br><br>A relative fit score of 100% indicates the chain is the highest-ranked match relative to the full list of chains that were examined. |

**Sources**: Placer.ai

# Placer.ai Void Analysis
## Restaurants / Bars & Pubs

| Chains | Min Size (SF) | Max Size (SF) | Typical Trade Area Drive Time (min) | Avg. Monthly Foot Traffic | Nearest Venue (mi) | # of Venues (State) | Expansion Rate (State) | Demo-graphic Fit Score | Cannibal-ization | Relative Fit Score |
|---|---|---|---|---|---|---|---|---|---|---|
| Ono Hawaiian BBQ | 1,300 | 4,200 | 8 | 9,100 | 54 | 94 | 1.1 | 54 | 0 | 79 |
| Jimboy's Tacos | 1,500 | 3,700 | 10 | 6,400 | 135 | 33 | 3.1 | 47 | 0 | 60 |
| Farmer Boys | 2,500 | 4,800 | 9 | 15,300 | 80 | 93 | 2.2 | 56 | 0 | 59 |
| Ojos Locos Sports Cantina | 5,500 | 14,500 | 19 | 8,200 | 245 | 3 | 200.0 | 56 | 0 | 59 |
| L&L Hawaiian Barbecue | 700 | 3,600 | 9 | 5,100 | 43 | 95 | 1.1 | 44 | 0 | 57 |
| Fogo de Chao | 4,900 | 18,000 | 27 | 13,600 | 71 | 13 | 44.4 | 42 | 0 | 57 |
| LongHorn Steakhouse | 4,600 | 8,900 | 17 | 17,800 | 216 | 4 | 33.3 | 48 | 0 | 54 |
| Sweetfin Poke | 800 | 2,100 | 11 | 1,500 | 83 | 19 | 5.6 | 37 | 0 | 52 |
| American Deli | 900 | 3,700 | 10 | 3,900 | 236 | 5 | 25.0 | 44 | 0 | 50 |
| Kura Revolving Sushi Bar | 2,000 | 6,300 | 12 | 11,900 | 73 | 19 | 11.8 | 43 | 0 | 50 |
| California Fish Grill | 1,900 | 5,200 | 9 | 8,600 | 66 | 53 | 8.2 | 42 | 0 | 49 |
| CAVA | 1,500 | 4,900 | 12 | 7,100 | 64 | 25 | 38.9 | 41 | 0 | 48 |
| Golden Corral | 7,800 | 16,400 | 20 | 28,300 | 90 | 21 | 5.0 | 48 | 0 | 48 |
| Roll-Em-Up Taquitos | 1,500 | 4,600 | 14 | 6,400 | 164 | 10 | 11.1 | 50 | 0 | 47 |
| Nick The Greek | 1,100 | 4,100 | 15 | 4,100 | 34 | 65 | 18.2 | 40 | 0 | 47 |
| Marugame Udon | 3,300 | 4,800 | 13 | 14,400 | 72 | 12 | 20.0 | 38 | 0 | 47 |
| Urban Plates | 3,400 | 7,000 | 14 | 13,900 | 77 | 18 | 5.9 | 38 | 0 | 47 |
| sweetgreen | 1,000 | 5,100 | 11 | 5,100 | 69 | 39 | 8.3 | 38 | 0 | 46 |
| I Heart Mac & Cheese | 1,600 | 3,000 | 13 | 2,700 | 80 | 4 | 100.0 | 47 | 0 | 45 |
| The Great Greek Mediterranean Grill | 1,100 | 3,700 | 15 | 4,300 | 104 | 7 | 40.0 | 45 | 0 | 44 |
| BonChon Chicken | 800 | 4,300 | 11 | 3,800 | 61 | 25 | 8.7 | 44 | 0 | 42 |
| bb.q Chicken | 600 | 4,400 | 15 | 3,200 | 74 | 49 | 32.4 | 44 | 0 | 42 |
| North Italia | 3,400 | 10,500 | 17 | 17,100 | 217 | 7 | 16.7 | 39 | 0 | 41 |
| Postino | 2,100 | 8,000 | 15 | 12,600 | 111 | 4 | 100.0 | 40 | 0 | 41 |
| Ruth's Chris Steak House | 5,000 | 16,500 | 20 | 5,900 | 90 | 12 | 9.1 | 40 | 0 | 40 |
| Honest Restaurant | 900 | 7,000 | 18 | 3,300 | 86 | 2 | 100.0 | 40 | 0 | 40 |

**Source**: Placer.ai; retailer list filtered for retailers / chains that operate in state, have a location less than 250 miles away, and are listed by Placer.ai as having a positive expansion rate in California. List of top 26 retailers by Relative Fit Score

# Placer.ai Void Analysis
## QSR / Fast Food / Breakfast / Coffee / Desserts

| Chains | Min Size (SF) | Max Size (SF) | Typical Trade Area Drive Time (min) | Avg. Monthly Foot Traffic | Nearest Venue (mi) | # of Venues (State) | Expansion Rate (State) | Demo-graphic Fit Score | Cannibal-ization | Relative Fit Score |
|---|---|---|---|---|---|---|---|---|---|---|
| Me-N-Ed's Pizzeria | 1,900 | 6,300 | 8 | 6,600 | 51 | 55 | 1.9 | 56 | 0 | 73 |
| West Coast Sourdough | 900 | 2,500 | 16 | 3,800 | 72 | 43 | 10.3 | 45 | 0 | 73 |
| Pollo Campero | 1,400 | 5,300 | 8 | 10,800 | 72 | 24 | 14.3 | 56 | 0 | 67 |
| Angry Chickz | 1,300 | 4,100 | 14 | 12,500 | 67 | 24 | 20.0 | 54 | 0 | 65 |
| Bluestone Lane | 700 | 3,900 | 13 | 3,500 | 80 | 19 | 5.6 | 38 | 0 | 60 |
| 85 Degrees C Bakery Cafe | 1,600 | 6,700 | 11 | 18,800 | 66 | 44 | 4.8 | 43 | 0 | 58 |
| Insomnia Cookies | 400 | 2,800 | 17 | 3,200 | 71 | 17 | 21.4 | 41 | 0 | 55 |
| Juice It Up! | 800 | 2,400 | 8 | 3,500 | 52 | 86 | 4.9 | 51 | 0 | 55 |
| The Kebab Shop | 1,100 | 4,500 | 10 | 5,600 | 74 | 31 | 14.8 | 40 | 0 | 55 |
| Krispy Kreme Doughnuts | 1,300 | 6,700 | 17 | 18,200 | 68 | 39 | 5.4 | 47 | 0 | 53 |
| Firehouse Subs | 1,000 | 4,000 | 14 | 5,600 | 66 | 47 | 2.2 | 48 | 0 | 53 |
| Pizza Guys | 800 | 2,700 | 8 | 1,900 | 61 | 86 | 7.5 | 48 | 0 | 53 |
| Papa John's Pizza | 800 | 3,200 | 9 | 2,600 | 67 | 165 | 0.6 | 47 | 0 | 52 |
| 7 Leaves Cafe | 1,000 | 4,100 | 12 | 14,100 | 70 | 34 | 6.3 | 45 | 0 | 52 |
| Sharetea | 500 | 2,800 | 11 | 3,500 | 67 | 63 | 1.6 | 45 | 0 | 50 |
| Chick-fil-A | 2,600 | 7,800 | 13 | 50,300 | 28 | 179 | 4.7 | 47 | 0 | 50 |
| Shake Shack | 1,800 | 6,700 | 15 | 15,000 | 65 | 46 | 7.0 | 40 | 0 | 48 |
| Paris Baguette | 1,100 | 5,600 | 8 | 12,800 | 66 | 62 | 14.8 | 39 | 0 | 47 |
| Curry Pizza House | 1,000 | 3,000 | 17 | 2,200 | 67 | 19 | 11.8 | 40 | 0 | 47 |
| Starbird Chicken | 2,100 | 3,500 | 14 | 10,400 | 69 | 13 | 8.3 | 37 | 0 | 46 |
| Jimmy John's | 800 | 3,300 | 12 | 4,100 | 81 | 58 | 3.6 | 48 | 0 | 45 |
| Bruster's | 900 | 2,900 | 11 | 7,900 | 50 | 15 | 7.1 | 47 | 0 | 45 |
| Feng Cha | 1,000 | 2,800 | 10 | 3,300 | 65 | 16 | 6.7 | 48 | 0 | 45 |
| Donatos Pizza | 1,400 | 4,500 | 9 | 3,800 | 68 | 26 | 4.0 | 47 | 0 | 45 |
| Dave's Hot Chicken | 1,300 | 5,300 | 11 | 14,100 | 71 | 64 | 8.5 | 45 | 0 | 45 |

**Source**: Placer.ai; retailer list filtered for retailers / chains that operate in state, have a location less than 80 miles away, and are listed by Placer.ai as having a positive expansion rate in California. List of top 25 retailers by Relative Fit Score

# Placer.ai Void Analysis
## Grocery

| Chains | Min Size (SF) | Max Size (SF) | Typical Trade Area Drive Time (min) | Avg. Monthly Foot Traffic | Nearest Venue (mi) | # of Venues (State) | Expansion Rate (State) | Demo-graphic Fit Score | Cannibal-ization | Relative Fit Score |
|---|---|---|---|---|---|---|---|---|---|---|
| El Super | 18,900 | 74,400 | 4 | 91,700 | 27 | 59 | 3.5 | 70 | 0 | 100 |
| Food 4 Less | 35,000 | 88,100 | 4 | 101,500 | 24 | 112 | 0.9 | 67 | 0 | 84 |
| Vallarta Supermarket | 12,200 | 72,900 | 5 | 89,000 | 27 | 55 | 5.8 | 66 | 0 | 82 |
| FoodMaxx | 38,700 | 76,900 | 5 | 69,900 | 28 | 52 | 2.0 | 54 | 0 | 79 |
| Superior Grocers | 11,700 | 83,700 | 4 | 80,700 | 109 | 72 | 14.3 | 70 | 0 | 77 |
| Cardenas Market | 18,600 | 73,700 | 5 | 67,700 | 25 | 53 | 0.0 | 65 | 0 | 72 |
| Island Pacific Supermarkets | 4,500 | 33,000 | 11 | 34,300 | 90 | 16 | 6.7 | 47 | 0 | 70 |
| WinCo Foods | 50,700 | 123,600 | 8 | 168,300 | 85 | 41 | 0.0 | 53 | 0 | 67 |
| Seafood City | 12,100 | 68,900 | 9 | 57,800 | 76 | 23 | 4.6 | 44 | 0 | 63 |
| Pavilions | 17,300 | 73,700 | 5 | 65,700 | 113 | 29 | 7.4 | 37 | 0 | 52 |
| H Mart | 10,700 | 87,100 | 11 | 102,700 | 73 | 17 | 0.0 | 40 | 0 | 51 |
| Amazon Fresh | 22,200 | 58,800 | 11 | 34,100 | 138 | 19 | 0.0 | 40 | 0 | 50 |
| IT'SUGAR | 1,000 | 4,900 | 21 | 3,700 | 35 | 15 | 0.0 | 43 | 0 | 49 |
| Rush Bowls | 600 | 2,200 | 12 | 3,800 | 109 | 3 | 0.0 | 42 | 0 | 49 |
| Safeway | 18,000 | 75,200 | 8 | 80,200 | 18 | 250 | 0.0 | 41 | 18 | 48 |
| Aldi | 12,700 | 30,300 | 8 | 36,400 | 87 | 104 | 6.1 | 47 | 0 | 48 |
| Stop & Shop | 25,900 | 89,200 | 5 | 77,000 | 42 | 7 | 0.0 | 40 | 0 | 48 |
| Dollar General Market | 10,400 | 41,300 | 11 | 20,100 | 53 | 29 | 0.0 | 49 | 0 | 48 |
| Spring Market | 10,600 | 17,600 | 12 | 14,900 | 126 | 1 | 0.0 | 46 | 0 | 46 |
| 99 Ranch Market | 19,200 | 77,200 | 9 | 55,700 | 65 | 41 | 7.9 | 40 | 0 | 45 |
| Trader Joe's | 6,700 | 22,700 | 8 | 58,500 | 34 | 193 | 1.6 | 39 | 0 | 45 |
| Sprouts Farmers Market | 17,200 | 42,700 | 8 | 31,300 | 66 | 145 | 5.1 | 42 | 0 | 44 |
| Whole Foods Market | 8,200 | 82,200 | 8 | 57,900 | 34 | 95 | -1.0 | 37 | 0 | 44 |
| National Co-Op Grocers | 2,700 | 29,200 | 17 | 14,300 | 88 | 17 | 13.3 | 43 | 0 | 43 |
| Total Wine & More | 10,500 | 42,900 | 12 | 31,300 | 32 | 40 | 14.3 | 43 | 25 | 41 |

**Source**: Placer.ai; retailer list filtered for retailers / chains that operate in state, have a location less than 150 miles away, and are listed by Placer.ai as having a positive expansion rate in California.  List of top 25 retailers by Relative Fit Score

## Placer.ai Void Analysis
## Department Stores / Discount & Dollar Stores / Superstores

| Chains | Min Size (SF) | Max Size (SF) | Typical Trade Area Drive Time (min) | Avg. Monthly Foot Traffic | Nearest Venue (mi) | # of Venues (State) | Expansion Rate (State) | Demo-graphic Fit Score | Cannibal-ization | Relative Fit Score |
|---|---|---|---|---|---|---|---|---|---|---|
| Sam's Club | 113,200 | 164,400 | 13 | 165,500 | 90 | 31 | 0.0 | 50 | 0 | 72 |
| Sears | 47,400 | 117,500 | 11 | 13,000 | 109 | 5 | 0.0 | 47 | 0 | 61 |
| 99 Cents Only Stores | 9,000 | 37,900 | 5 | 26,400 | 27 | 180 | -35.5 | 57 | 8 | 58 |
| Burlington | 13,000 | 111,900 | 10 | 25,400 | 54 | 110 | 3.8 | 52 | 0 | 58 |
| Daiso USA | 3,500 | 14,700 | 9 | 16,900 | 68 | 65 | 10.2 | 43 | 0 | 58 |
| Saks OFF 5TH | 14,900 | 44,600 | 21 | 14,000 | 76 | 13 | -7.1 | 40 | 0 | 56 |
| Dillard's | 49,100 | 154,900 | 17 | 32,800 | 109 | 3 | 0.0 | 47 | 0 | 55 |
| Saks Fifth Avenue | 20,700 | 79,500 | 18 | 24,500 | 112 | 4 | 0.0 | 37 | 0 | 55 |
| Gabe's | 12,500 | 92,500 | 14 | 27,300 | 286 | 1 | 0.0 | 46 | 0 | 54 |
| T.J. Maxx | 16,100 | 46,300 | 12 | 37,900 | 30 | 122 | 0.0 | 46 | 11 | 51 |
| Bloomingdale's | 29,800 | 123,700 | 14 | 54,800 | 72 | 12 | 0.0 | 37 | 0 | 50 |
| Bloomingdale's Outlet | 21,200 | 28,900 | 14 | 11,700 | 93 | 4 | 0.0 | 41 | 0 | 49 |
| Neiman Marcus | 16,200 | 77,400 | 20 | 24,500 | 76 | 7 | 0.0 | 38 | 0 | 48 |
| Family Dollar | 6,200 | 14,800 | 7 | 10,700 | 55 | 117 | -18.2 | 47 | 0 | 46 |
| Target | 29,900 | 194,800 | 10 | 121,200 | 28 | 320 | -0.6 | 45 | 67 | 42 |
| Carmel Highlands General Store | 1,000 | 1,000 | 11 | 4,000 | 35 | 1 | N/A | 47 | 15 | 38 |
| dd's DISCOUNTS | 14,000 | 37,500 | 6 | 23,600 | 26 | 127 | 4.1 | 64 | 86 | 36 |
| Walmart | 72,500 | 264,300 | 14 | 209,800 | 28 | 214 | -1.4 | 50 | 100 | 33 |
| Dollar General | 6,900 | 14,100 | 9 | 13,100 | 7 | 233 | 1.3 | 47 | 35 | 31 |
| Big Lots | 16,900 | 55,400 | 10 | 14,200 | 28 | 109 | -6.8 | 48 | 55 | 29 |
| Costco Wholesale | 114,700 | 183,800 | 11 | 232,700 | 28 | 139 | 3.7 | 43 | 100 | 23 |
| Marshalls | 15,400 | 47,300 | 11 | 34,200 | 28 | 148 | 0.7 | 46 | 96 | 12 |
| JCPenney | 22,200 | 132,900 | 14 | 24,200 | 28 | 63 | -1.6 | 49 | 100 | 11 |
| Macy's | 30,500 | 158,100 | 13 | 49,600 | 28 | 91 | -1.1 | 44 | 100 | 11 |
| Dollar Tree | 6,000 | 19,700 | 8 | 19,300 | 8 | 672 | 2.8 | 48 | 100 | 11 |
| Five Below | 5,500 | 16,300 | 11 | 17,100 | 28 | 127 | 21.0 | 48 | 100 | 10 |
| Kohl's | 35,100 | 105,700 | 11 | 33,200 | 28 | 118 | 0.0 | 45 | 88 | 8 |

**Source**: Placer.ai; retailer list filtered for retailers / chains that operate in state. No Distance or expansion rate filters to present full list. List of top 25 retailers by Relative Fit Score

# Placer.ai Void Analysis

## Select Retail Categories (Clothing, Furniture / Furnishings. Hobbies / Gifts / Crafts, Recreational / Sports Goods)

| Chains | Min Size (SF) | Max Size (SF) | Typical Trade Area Drive Time (min) | Avg. Monthly Foot Traffic | Nearest Venue (mi) | # of Venues (State) | Expansion Rate (State) | Demo-graphic Fit Score | Cannibal-ization | Relative Fit Score |
|---|---|---|---|---|---|---|---|---|---|---|
| WSS | 5,600 | 23,800 | 5 | 9,900 | 68 | 87 | 2.4 | 67 | 0 | 74 |
| JD Sports | 4,800 | 11,500 | 20 | 6,400 | 28 | 24 | 20.0 | 50 | 0 | 62 |
| Windsor | 2,300 | 7,000 | 13 | 4,000 | 28 | 55 | 1.9 | 48 | 0 | 60 |
| BoxLunch | 2,200 | 4,900 | 13 | 3,500 | 65 | 48 | 14.3 | 47 | 0 | 59 |
| Aldo | 1,300 | 4,400 | 27 | 2,500 | 65 | 38 | 2.7 | 45 | 0 | 58 |
| GARAGE | 2,600 | 4,000 | 18 | 1,900 | 72 | 14 | 16.7 | 45 | 0 | 58 |
| Perry Ellis | 2,200 | 4,800 | 34 | 1,700 | 76 | 6 | 20.0 | 49 | 0 | 53 |
| 5.11 Tactical | 2,500 | 9,300 | 18 | 3,800 | 80 | 23 | 4.6 | 48 | 0 | 53 |
| Chanel | 1,800 | 5,100 | 23 | 2,700 | 72 | 15 | 50.0 | 37 | 0 | 52 |
| DXL Destination XL | 3,000 | 13,400 | 14 | 2,400 | 72 | 26 | 4.0 | 46 | 0 | 51 |
| Bass Pro Shops | 43,600 | 196,700 | 38 | 57,500 | 66 | 5 | 25.0 | 48 | 0 | 51 |
| Good Feet | 900 | 3,700 | 14 | 1,300 | 32 | 30 | 7.1 | 45 | 0 | 51 |
| Psycho Bunny | 1,600 | 4,000 | 27 | 2,000 | 72 | 13 | 8.3 | 44 | 0 | 50 |
| Hot Topic | 1,200 | 3,300 | 27 | 2,700 | 28 | 81 | 2.5 | 50 | 10 | 50 |
| Purple Mattress Showroom | 2,700 | 7,300 | 14 | 1,900 | 72 | 14 | 7.7 | 43 | 0 | 49 |
| Aerie | 2,800 | 8,000 | 30 | 5,100 | 72 | 31 | 3.3 | 42 | 0 | 49 |
| Mor Furniture for Less | 12,900 | 72,400 | 13 | 3,400 | 77 | 16 | 45.5 | 52 | 0 | 48 |
| Nike | 2,500 | 10,300 | 11 | 8,000 | 72 | 17 | 13.3 | 41 | 0 | 48 |
| Gucci | 2,100 | 11,000 | 34 | 3,800 | 72 | 19 | 5.6 | 41 | 0 | 48 |
| Golf Galaxy | 8,800 | 39,600 | 15 | 7,000 | 72 | 8 | 14.3 | 40 | 0 | 48 |
| Lovesac | 900 | 3,600 | 13 | 1,500 | 34 | 28 | 7.7 | 41 | 0 | 47 |
| YETI | 2,300 | 6,100 | 11 | 9,200 | 71 | 3 | 50.0 | 39 | 0 | 47 |
| Savers Thrift Store | 13,100 | 48,100 | 11 | 32,800 | 66 | 16 | 14.3 | 46 | 0 | 47 |
| Levi's | 2,200 | 5,500 | 18 | 2,800 | 72 | 17 | 6.3 | 40 | 0 | 47 |
| Untuckit | 1,300 | 2,600 | 27 | 1,200 | 72 | 13 | 30.0 | 40 | 0 | 47 |

**Source**: Placer.ai; retailer list filtered for retailers / chains that operate in state, have a location less than 100 miles away, and are listed by Placer.ai as having a positive expansion rate in California. List of top 25 retailers by Relative Fit Score

# Placer.ai Void Analysis
## Fitness

| Chains | Min Size (SF) | Max Size (SF) | Typical Trade Area Drive Time (min) | Avg. Monthly Foot Traffic | Nearest Venue (mi) | # of Venues (State) | Expansion Rate (State) | Demo-graphic Fit Score | Cannibal-ization | Relative Fit Score |
|---|---|---|---|---|---|---|---|---|---|---|
| Chuze Fitness | 14,700 | 62,400 | 6 | 42,800 | 144 | 22 | 4.8 | 49 | 0 | 65 |
| Equinox | 4,900 | 47,200 | 7 | 14,200 | 83 | 33 | 3.1 | 37 | 0 | 61 |
| Esporta Fitness | 20,100 | 63,500 | 7 | 22,900 | 196 | 27 | 58.8 | 48 | 0 | 55 |
| In-Shape Health Clubs | 20,400 | 59,700 | 6 | 29,300 | 27 | 63 | 40.0 | 50 | 8 | 54 |
| Planet Fitness | 8,600 | 37,900 | 8 | 25,600 | 28 | 199 | 3.7 | 48 | 0 | 48 |
| Body Fit Training | 1,600 | 7,000 | 8 | 1,700 | 111 | 8 | 60.0 | 40 | 0 | 47 |
| HOTWORX | 1,000 | 4,100 | 10 | 1,500 | 71 | 29 | 93.3 | 45 | 0 | 43 |
| D-Bat Academy | 6,400 | 36,700 | 8 | 5,300 | 141 | 4 | 33.3 | 44 | 0 | 43 |
| Life Time | 24,900 | 175,000 | 8 | 42,600 | 110 | 7 | 16.7 | 37 | 0 | 42 |
| The Bay Club | 34,400 | 385,500 | 8 | 37,800 | 64 | 23 | 9.5 | 37 | 0 | 41 |
| D1 Sports Training | 3,300 | 17,200 | 8 | 1,900 | 94 | 4 | 100.0 | 41 | 0 | 40 |
| Burn Boot Camp | 2,000 | 9,500 | 9 | 3,800 | 164 | 6 | 20.0 | 40 | 0 | 40 |
| Title Boxing Club | 2,300 | 8,800 | 9 | 2,400 | 78 | 7 | 16.7 | 40 | 0 | 39 |
| StretchLab | 1,000 | 3,000 | 10 | 1,500 | 52 | 75 | 4.2 | 39 | 0 | 39 |
| Club Pilates | 800 | 3,700 | 8 | 2,400 | 36 | 158 | 6.0 | 38 | 0 | 39 |
| barre3 | 900 | 4,300 | 10 | 2,000 | 69 | 9 | 12.5 | 38 | 0 | 38 |
| Yoga Six | 1,100 | 4,800 | 8 | 1,900 | 54 | 47 | 6.8 | 37 | 0 | 38 |
| Barry's Bootcamp | 1,800 | 8,800 | 10 | 2,800 | 71 | 17 | 6.3 | 37 | 0 | 37 |
| Gold's Gym | 9,000 | 56,700 | 8 | 18,100 | 26 | 33 | 3.1 | 43 | 15 | 37 |

**Source**: Placer.ai; retailer list filtered for retailers / chains that operate in state, have a location less than 200 miles away, and are listed by Placer.ai as having a positive expansion rate in California. List of top 25 retailers by Relative Fit Score

# Placer.ai Void Analysis
## Attractions, Theaters, and Venues

| Chains | Min Size (SF) | Max Size (SF) | Typical Trade Area Drive Time (min) | Avg. Monthly Foot Traffic | Nearest Venue (mi) | # of Venues (State) | Expansion Rate (State) | Demo-graphic Fit Score | Cannibal-ization | Relative Fit Score |
|---|---|---|---|---|---|---|---|---|---|---|
| Lucky Strike Entertainment | 27,000 | 47,200 | 17 | 16,900 | 111 | 5 | 25.0 | 44 | 0 | 73 |
| Round1 Entertainment | 42,900 | 114,500 | 20 | 42,100 | 68 | 11 | 0.0 | 51 | 0 | 67 |
| Cinemark | 15,000 | 95,200 | 15 | 54,800 | 92 | 19 | 5.6 | 49 | 0 | 59 |
| IMPROV | 5,600 | 15,300 | 18 | 7,300 | 71 | 6 | 0.0 | 44 | 0 | 58 |
| Studio Movie Grill | 27,700 | 71,600 | 11 | 33,200 | 143 | 3 | 0.0 | 48 | 0 | 56 |
| Dave & Buster's | 11,600 | 74,300 | 21 | 26,700 | 76 | 21 | 5.0 | 48 | 0 | 55 |
| Alamo Drafthouse Cinema | 18,600 | 53,800 | 12 | 36,500 | 111 | 2 | 0.0 | 44 | 0 | 53 |
| Main Event Entertainment | 43,400 | 80,500 | 18 | 22,200 | 137 | 1 | 0.0 | 51 | 0 | 50 |
| AMC Theatres | 13,800 | 108,300 | 15 | 41,700 | 68 | 56 | 0.0 | 46 | 0 | 48 |
| Putt Putt Fun Center | 8,100 | 57,700 | 13 | 3,600 | 91 | 1 | 0.0 | 49 | 0 | 46 |
| Topgolf | 172,000 | 288,200 | 30 | 34,100 | 78 | 5 | 25.0 | 44 | 0 | 46 |
| Bowlero | 20,500 | 67,500 | 13 | 13,000 | 65 | 42 | 2.4 | 46 | 0 | 45 |
| Cinepolis | 24,200 | 65,500 | 13 | 32,400 | 95 | 11 | 0.0 | 40 | 0 | 43 |
| iFLY | 3,200 | 10,800 | 34 | 2,800 | 91 | 6 | 0.0 | 43 | 0 | 42 |
| Pinot's Palette | 1,400 | 4,700 | 13 | 2,100 | 91 | 13 | 0.0 | 43 | 0 | 42 |
| X-Golf | 2,600 | 12,500 | 12 | 1,700 | 155 | 1 | 0.0 | 43 | 0 | 42 |
| Chuck E. Cheese | 6,700 | 22,300 | 24 | 6,100 | 28 | 74 | 1.4 | 50 | 96 | 5 |

**Source**: Placer.ai; retailer list filtered for retailers / chains that operate in state, have a location less than 200 miles away, and are listed by Placer.ai as having a flat or positive expansion rate in California. List of top 25 retailers by Relative Fit Score

# RETAILERS IN GROWTH MODE

| Large Box Format Concepts (80k SF+) in Growth Mode | | Medium Box Format Concepts (45K - 80K SF) in Growth Mode | | Junior Box Format Concepts (20K - 45K SF) in Growth Mode | | |
|---|---|---|---|---|---|---|
| Lifetime Fitness | At Home | Academy Sports + Outdoors | Ashley HomeStore | ALDI | Crunch Fitness | buybuyBaby |
| Meijer | Pickle & Social | 24 Hour Fitness | K1 Speed | Ferguson | Bealls/Bealls Outlet | PGA Tour Superstores |
| Andretti Indoor Karting & Games | Scheel's | Mutts Canine Cantina | Atwoods Home and Ranch | Big Air Trampoline Park | Fresh Market, The | Dunham's Sports |
| City Furniture | Fry's Food Stores | Raymour & Flanagan | Cosm | Club Studio | Container Store | Children's Lighthouse Learning Centers |
| Costco | BJ's Wholesale Club | Hobby Lobby | TopGolf | Burlington | Marshalls | Urban Air Adventure Park |
| Restaurant Depot | Blain's Farm & Fleet | Chicken N Pickle | Whole Foods | Gerber Collision & Glass | LIDL | LA Fitness |
| Mills Fleet Farm | Walmart (all formats) | Albertson's | Flite Golf | Family Fare Supermarket | Golf Galaxy | Painted Tree Boutiques |
| Curacao | Fusion Gyms | Vasa Fitness | Dorothy Lane Market | Ocean State Job Lots | Gravity's Vault, The | Chuze Fitness |
| Home Depot | Primark | Publix | Buc-ee's | Ross Dress for Less | Sky Zone Indoor Trampoline | Dill Dinkers Pickleball |
| Wegmans | Hy-Vee | Rooms To Go | Big Y Foods | HomeGoods | PopStroke | Round1 |
| Netflix House | Wayfair | Camping World | Gabe's | Bargain Hunt | H&M | Pinstripes Bistro Bowling Bocce |
| Dillard's | Halloween Horror Nights | 1-800-Pack-Rat | Eataly | Pete's Market | HomeSense | Food Lion |
| IKEA | Picklemall | Floor & Décor | Dick's Sporting Goods | ACE Pickleball Club | T | American Freight Furniture and Mattress |
| Bass Pro | Living Spaces | Roses | Camp Pickle | Love's Travel Stops & Country Stores | Total Wine & More | Pickleball Kingdom |
| Rosso Pomodoro Pizza | American Furniture Warehouse | Crush Yard | Level99 | Dave & Buster's | Punch Bowl Social | REI |
| Elev8Fun | Jagalchi Market | AMC Movie Theaters | Fetch Park | Arhaus | Pickup USA | Midwest Shooting Center |
| Target | Menards | Kohl's | Kroger | Grocery Outlet | Ollie's Bargain Market | Dd's Discounts |
| Flying Squirrel Sports | Boscov's | H-E-B | Main Event | Nordstrom Rack | Bob's Discount Furniture | Puttshack |
| Sam's Club | Nebraska Furniture Mart | WinCo Foods | Murdoch's Ranch & Home | Esporta Fitness | Altitude Trampoline Parks | Sportsman's Warehouse |
| Fleet Farm | | Cardenas Markets | Genesis Health Clubs | Central Rock Gym | Bloomie's | Patel Brothers |

**Source**: Gallelli Real Estate, Brown Book Reference Guide, August 2024 summary / presentation

# RETAILERS IN GROWTH MODE
# DINING CONCEPTS

| Top Casual Dining Concepts in Growth Mode | | Top QSR Concepts (All Other Categories) in Growth Mode | | | Top Chicken QSR Concepts in Growth Mode |
|---|---|---|---|---|---|
| First Watch | Dog Haus | Chipotle | Ross | Sbarro | Raising Cane's |
| Eggs Up Grill | Miller's Ale House | Taco Bell | Slim Chickens | Auntie Anne's | Wingstop |
| Flying Biscuit Café | Singas Famous Pizza | Wendy's | Speedway | Andy's Frozen Custard | Popeyes |
| Dae Gee Korean BBQ | K Pot | Papa John's Pizza | CAVA | Five Guys Burgers and Fries | Slim Chickens |
| KyuRamen | Mellow Mushroom Pizza | Peach Cobbler Factory, The | Crumbl Cookies | Habit Burger Grill | Dave's Hot Chicken |
| LongHorn Steakhouse | Perkins | Tropical Smoothie Café | Dave's Hot Chicken | Frios Gourmet Pops | Chick-fil-A |
| Hopdoddy Burger Bar | American Food Co | McDonald's | Insomnia Cookies | Shipley Do-Nuts | Church's Chicken |
| Firebirds Wood Fired Grill | Blanco Cocina + Cantina (USA) | Domino's Pizza | Sherwin Williams | Jeremiah's Italian Ice | El Pollo Loco |
| PINCHO Burgers + Kebabs | K-Pot Korean BBQ & Hot Pot | Cookie Plug | Chip City Cookies | OAKBERRY | Bojangles |
| Keke's Breakfast Café | Twin Peaks | Marco's Pizza | Whataburger | H&H Bagels | Golden Chick |
| Huckleberry's | Tempo Cantina | Smoothie King | Kong Dog | Smalls Sliders | Pollo Campero |
| Shoo Loong Kan | Currito | SONIC Drive-In | Playa Bowls | Wayback Burgers | Zaxby's |
| CRISP & GREEN | Mr | Tim Hortons | Pollo Campero | Cinnaholic | Jollibee |
| Another Broken Egg Café | Black Bear Diner | Little Caesars | Culver's | Great American Cookies | Buffalo Wild Wings |
| Huddle House | Texas de Brazil | Paris Baguette | Salad and Go | TOUS les JOURS | KFC |
| Yolk | Parry's Pizzeria & Taphouse | Shake Shack | Wetzel's Pretzels | Panera Bread | Huey Magoo's Chicken Tenders |
| Texas Roadhouse | Bubba's 33 | Tractor Supply | Jollibee | Donatos Pizza | Super Chix |
| 85C Bakery Cafe | Kura Sushi | JD Sports | Sweetgreen | Duck Donuts | Chicken Salad Chick |
| Hwy 55 Burgers Shakes & Fries | Toasted Yolk Cafe | Jimmy John's | Checkers/Rally's | Cinnabon | Bonchon |
| Chuy's | Bar Louie | Playa Bowls | Cookie Co | I Heart Mac and Cheese | Wings and Rings |
| Denny's | | | | | |

**Source**: Gallelli Real Estate, Brown Book Reference Guide, August 2024 summary / presentation

# RETAIL TRENDS AND CASE STUDIES

# THE EVOLUTION OF RETAIL CENTERS

**Essential** – Historically, downtown shopping districts were the center of the universe and a community's primary draw, bringing a local character to shopping, dining, and entertainment.

**Emergence** – The first enclosed shopping mall was designed by Victor Gruen in the 1950s, bringing a revolutionary shopping concept to the suburbs.

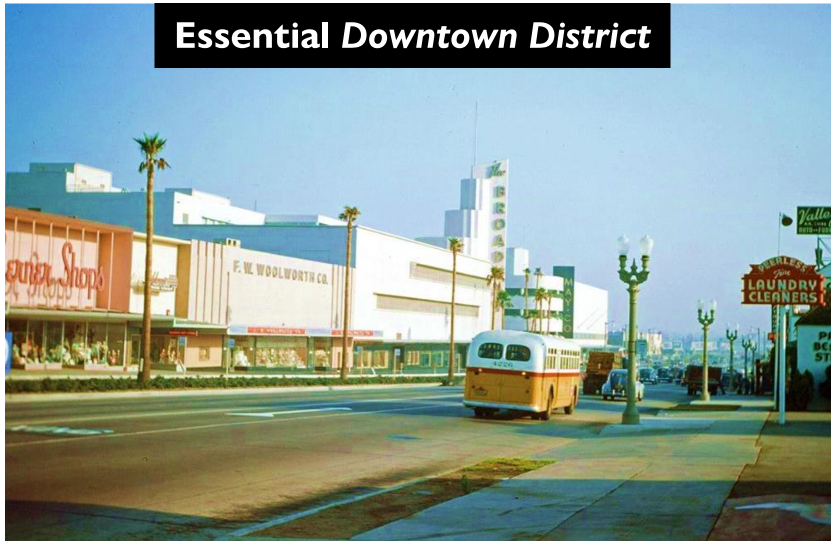
**Expansion** –Mall concepts grew tremendously through the 1960s – 1980s, with new malls constructed as regional centers.

**Enlargement** – The spread of enclosed malls gave way to power centers and big box retail in the 1990s, fixated on even greater sizes of retail spaces.

**Elevation** – Lifestyle centers focus on upscale consumers and luxury brands, with boutique collections of stores paired with leisure amenities and landscaped designs in the 2000s.

**Evolution** – Recent store closures, brought upon by the rise of online-shopping and shifting consumer tastes, have led to greater mall vacancies and struggling downtown districts, reinforcing the need to create blended use and "think outside the box."

# THE EVOLUTION OF RETAIL CENTERS



**Essential** ***Downtown District***


**Emergence** ***Enclosed Mall***


**Expansion** ***Regional Mall***


**Enlargement** ***Power Center***

**Elevation** ***Lifestyle Center***


**Evolution** ***Blended Use***

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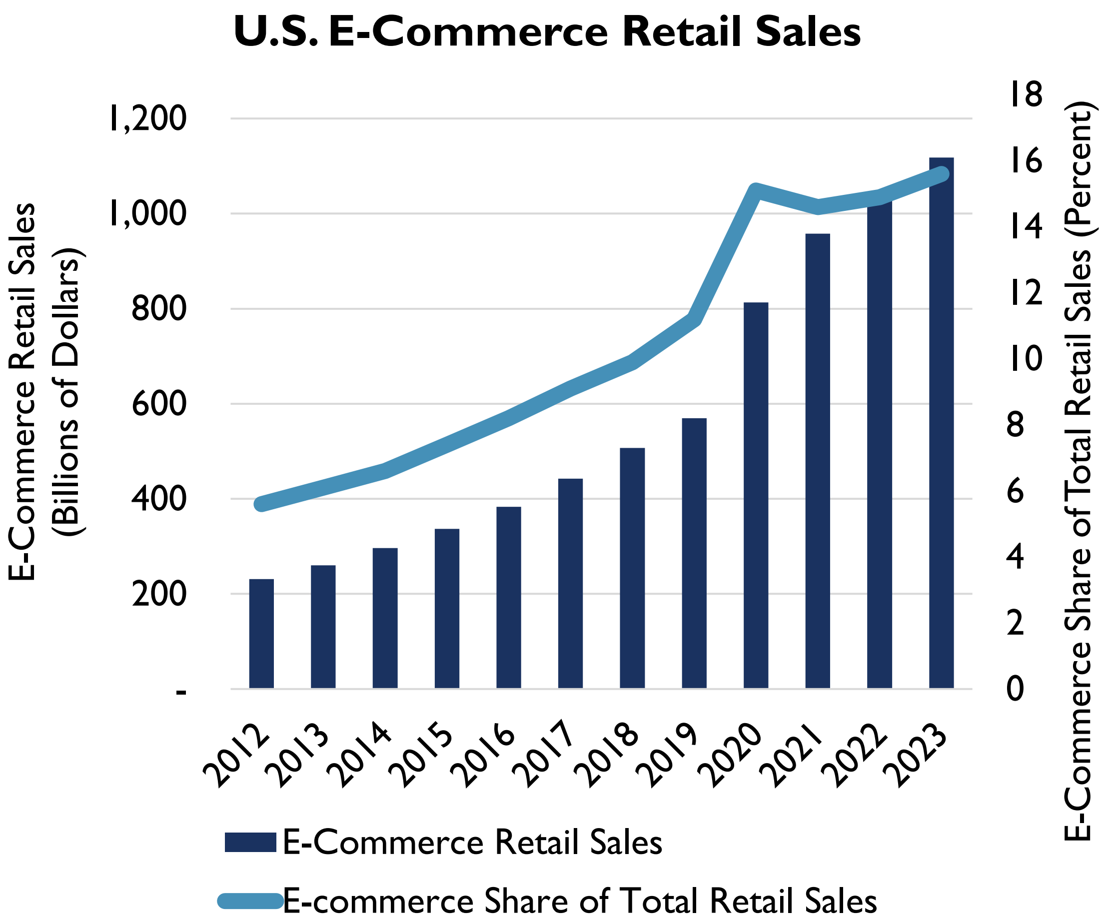
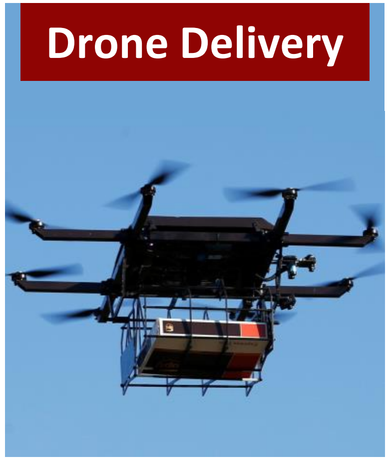
# GROWTH IN E-COMMERCE DISRUPTING RETAIL

- E-commerce **jumped by 30%** during the Covid-19 pandemic and remain around **15.5% of total sales.**
- E-commerce Retail Sales totaled over **$1.1 trillion in 2023.**
- **Buy Now, Pay Later (BNPL) are also driving sales**, with flexible payment services accounting for ~$59 billion in retail sales in 2023 YTD, up almost 15% YoY.
- **Online spending via mobile devices hit a record ~$36 billion** in October 2023, up 47% YoY – driven by better mobile shopping experiences.
- **Curbside pickup accounted for 18% of orders** in October 2023, for retailers who offer the service - consumers look to cut back on shipping costs / shipping delays.
- Estimated **150 million consumers with Amazon Prime** memberships in the U.S.
- **Online e-commerce is here to stay!**



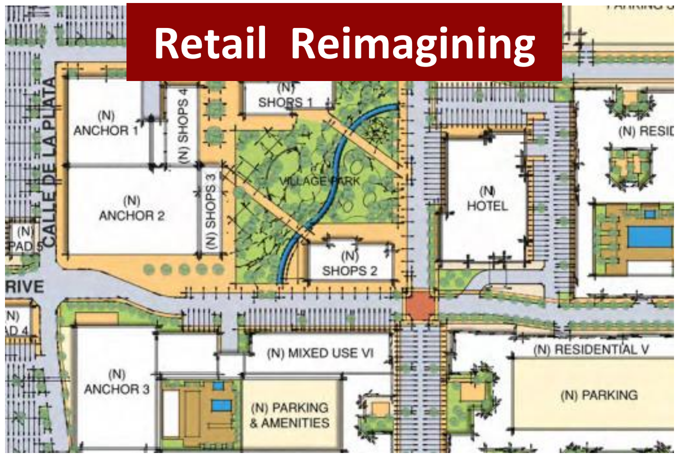

Source: FRED (Accessed 2024)
https://chainstoreage.com/adobe-prime-big-deal-days-helps-october-online-spending-break-records

# NEW VOCABULARY OF INNOVATION



Drone Delivery

Telecommuting




Retail Reimagining


BOPIS & Pickup


Frictionless Retail


Driverless Delivery

Ghost Kitchens


Re-dustrial

## It’s About Convenience


## It’s About Experience

## It’s About Blended Use




| Housing is Not a Loss Leader, it's a Growth Driver | Retail is Not *Just* Retail Anymore | Telework is Reconfiguring Office | Industrial / Distribution is Critical for Your Economy |
|---|---|---|---|
| Housing Creation as Economic Development | Retail Reimagination as Economic Development | Office Conversions as Economic Development | Industrial & Fulfillment as Economic Development |
| New housing can generate significant new tax revenues and support local jobs<br><br>Housing is not necessarily a net negative fiscal impact, especially at current property values<br><br>Housing is a big driver of project value | U.S. retail over-built and needs "right sizing;" Covid accelerated trends; today its about essentials, experience & e-commerce<br><br>Blended/mixed use projects integrate multiple uses (*retail, housing, open space, creative office, hotel*) onto one site | Telework and work from home options are reshaping the needs for office space and business districts<br><br>Job redistribution tied to housing<br><br>Vacancies and foreclosures expanding can lead to fiscal impact pressure | Modern industrial is not "your father's" industrial – not smokestacks<br><br>Retail won't thrive without distribution<br><br>Booming demand for distribution, e-commerce, and data centers, blending for fulfillment/delivery, job creators |

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# TRENDS IN EXPERIENTIAL RETAIL

- Today's consumers are interested in visiting shopping centers for a balance of attraction, entertainment, and necessity. Experiential entertainment and dining concepts are increasingly vital components to retail centers – driving trips, increasing dwell times, and growing sales.
- Location-Based Entertainment (LBE) have been growing in popularity since the Great Recession, and are seeing a further resurgence in the post-COVID economy, where consumers have shown they are willing to buy services that are focused on experiences with friends / family. New concepts are incorporating digital advancement such as augmented reality, virtual reality, Recent popular examples include Top Golf, Dave & Busters, Alamo Drafthouse, Flix Brewhouse, WhirlyBall, Flight Club, Puttshack, F1 Arcade.
- *<u>What makes these experiences unique</u>?* Distinctive, novelty, compelling, surprising, reinventing, personalized experiences, flavor-forward and diverse food / beverage, family-friendly, variety of experiences, accessibility, appealing to all ages and interest levels, inclusive, indoor and outdoor spaces, immersive entertainment, social gaming, digital innovation, live music.
- *<u>What it means for shopping center development</u>*: Incorporating entertainment uses as anchors and gathering places; retrofitting unused space popular due to high construction costs; clustering multiple complementary entertainment concepts together can be strategically mutually beneficial for all. Open-air centers connecting with consumers with placemaking strategies – mix of essentials and experiences, flexible gathering places for hanging out as well as events to increase visits and dwell time, programming to activate spaces (events, art installations, promotions). Pedestrian oriented (parking in rear, connected to main street via paseos and pathways), lush landscaping (trees, grasses, water features).

# WHAT DRIVES AN ENGAGING RETAIL EXPERIENCE?

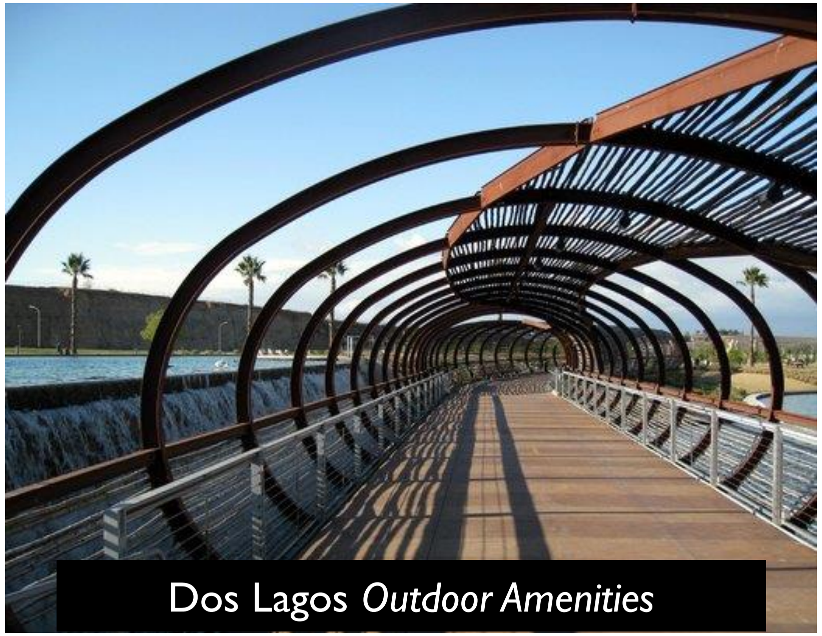
| Thoughtful Design | Programmed Outdoor Space | Communal Elements | Unique Amenities | Unique Food Offerings | Curated Retail Tenants |
|---|---|---|---|---|---|
| • Feels like an exciting destination<br>• Celebrates local character<br>• Fosters a specific vibe/feeling<br>• Feels fresh and innovative | • Fun and welcoming environment to gather and hang<br>• Fresh air elevates dining and shopping experience<br>• Mood lighting and aesthetics lifts the ambiance | • Shared community experiences<br>• Encourage conversation and connection<br>• Examples: breweries, distilleries, coffee / tea | • Unexpected entertainment attracts and retains customers<br>• Memorable and engaging<br>• Examples – arcade games, photo booths, lawn games, art installations | • Interesting and culturally rich food options<br>• Reflects local flavor, authentic, interesting fusion<br>• Exciting to try, drives additional visits | • Tenants and pop-ups create a reason to come<br>• Digital brands with brick-and-mortar spaces<br>• Curated products that create a desirable shopping experience<br>• Local / exclusive products |

# ENGAGING RETAIL EXAMPLES

Stone Brewing Beer Garden *Communal Outdoor Spaces*


Shoppes at Chino Hills *Upscale Design Elements*

Rodeo39 *Curated Retail & Food*



Dos Lagos *Outdoor Amenities*

Steelcraft Long Beach *Curated Food*

# NEW EXPERIENTIAL ENTERTAINMENT RETAIL CONCEPTS MERGING ENTERTAINMENT, FOOD, DRINK

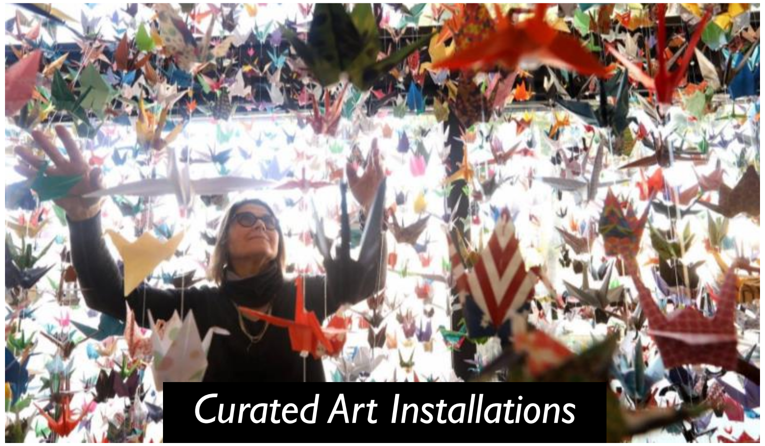
| | | Examples |
|---|---|---|
| **Movie Theater** | Delivering an improved / luxury theater experience – better seating, design, and food / beverage | Alamo Drafthouse, |
| **Bowling** | Upscale and engaging lounge format | Lucky Strike, Bowlmor |
| **Small format sports / activities** | Often bar-wrapped concepts that blend activities with technology and hospitality – social sports, rock climbing, ax throwing, laser tag, and trampoline parks | Puttshack, Spin Ping Pong, Bat Box, Beat, Chicken N Pickle |
| **Large format sports / activities** | Larger indoor / outdoor footprints that often offer a variety of activities and sports | Topgolf, SFC sports facilities, Elev8 Fun, Launch Entertainment, FunBox Franchise |
| **Gaming and Arcades** | Arcades, escape rooms, arcade bars, pinball, virtual reality gaming, and e-sports | Barcade, Beat the Bomb |
| **Personalized Retail Services** | Clothing, accessories, and technology stores that offer showrooms, in-store services and customization | |
| **Curated Food Halls** | Food centers with diverse / curated / boutique / local businesses, small stalls, restaurants, bars, common area tables and gathering places | Rodeo 39, Anaheim Packing House, Eataly |
| **Interactive Exhibits** | Art installations, galleries, and other cultural offerings | Department of Wonder, Area15 |

# EXPERIENTIAL RETAIL

*Gaming / E-Sports / Arcade*

Famous Food Street Eats, Las Vegas
*Curated Food Hall*

*Drive-in Movies*


*Curated Art Installations*

AREA15, Las Vegas
*Experiential Retail / Entertainment*


*Engaging Play Areas*

# MONTEREY COUNTY BUSINESS COUNCIL

## RETAIL MARKET ASSESSMENT

September 2024

El Segundo, CA
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