

## REPORT TO CITY COUNCIL

**DATE: SEPTEMBER 25, 2024**

**TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

**FROM: NATHAN HAMBURGER, CITY MANAGER**

**BY: RAMIRO ADEVA, ASSISTANT CITY MANAGER**

**SUBJECT: DISCUSSION OF THE RETAIL MARKET ASSESSMENT PREPARED BY KOSMONT COMPANIES**

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In mid-2023, amid growing concerns being raised regarding the apparent uptick in retail vacancies in the City's commercial spaces, staff began to focus on a more strategic and hands-on approach towards the City's economic development efforts moving forward. From a retail perspective, a game plan was necessary to ensure the City was being the resource and partner the business community expected, and that best practices were implemented to both attract new businesses and retain existing ones in Agoura Hills.

That said, Kosmont Companies (Kosmont), a nationally recognized real estate and economics advisory firm was hired to evaluate the City's retail market. The assessment conducted by Kosmont, which is included in the attached report, provides an understanding of the modern local economy, market conditions/trends, and the commercial/retail areas of the City.

Although Kosmont representatives will be presenting key highlights and findings, as well as providing clarification and answering questions at the City Council meeting, the following are some of the findings of the report. (Refer to pages 4 and 7 of the report for a full list):

- With high household income levels and educational attainment, the City has strong demographics that help to drive demand for neighborhood and community-serving retail.
- The City faces retail competition from surrounding communities/shopping centers. Recent vacancies can be a challenge, but also an opportunity to attract new retailers to bolster existing centers.
- A desire for consumers to have engaging retail experiences is driving new demand and redevelopment.
- City can explore and consider tools to motivate private investment such as revisiting existing zoning strategies and regulatory flexibility to better facilitate additional uses.

In addition to the data gathered, an *Economic Development Toolkit* was provided towards the end of the report suggesting strategies to consider for creating a collaborative and healthy retail market. Those strategies can be found on pages 56-63 of the attached report, but are also shared below for quick reference:

- **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 and 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**  
*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 grants 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, and 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*

Many, if not all, of these strategies require further discussion and review at a later date of existing policies, regulatory practices and adopted plans. For now, staff is seeking general feedback from the City Council on the suggested strategies so staff understands the City Council's interests and can begin preparing more details for those specific interests.

On August 13, 2024, the Kosmont report was presented to the Land Use/Economic Development Committee (LUEDC) consisting of Mayor Pro Tem Sylvester and Councilmember Klein Lopez. Ken Hira and Robert Valenti of Kosmont also joined the LUEDC meeting remotely to present the report and answer questions. The LUEDC provided great feedback and appreciated the detailed information contained in the report. Some of the comments received from the LUEDC included, but were not limited to, the following:

- Find out what uses are most important to the City's residents
- Engage with property/business owners and retailers to understand what challenges they are facing
- Determine what regulatory flexibilities might be needed to attract and retain businesses
- Identify procedural barriers that may exist and consider options to assist in minimizing/eliminating barriers to foster a healthy retail market

Based on the feedback received by the LUEDC and City Council, staff proposes the following next steps:

1. Schedule a meeting to engage the business community before the end of the calendar year with the intent to have an open forum where concerns and ideas can be shared.
2. Compile a list of the feedback (ideas and concerns) received from the meeting with the business community and internally discuss available options or important points and details to consider.
3. Present feedback from the business community along with the various options and points to consider and discuss with the LUEDC.
4. Present to the City Council for formal direction on next steps.

At this point, staff is seeking feedback from the City Council on the aforementioned "next steps" as listed.

## **FISCAL IMPACT**

Expenses incurred for Fiscal Year 2023-24, were accrued by Finance staff to the previous year. The final expenses incurred in Fiscal Year 2024-25 will be appropriated during the mid-year process.

## **RECOMMENDATION**

Staff respectfully recommends the City Council discuss and provide feedback on the:

1. Kosmont report and, specifically, the Economic Development Toolkit outlined on pages 56-63 of said report, and
2. Proposed next steps for engaging the business community which includes a forum to discuss concerns and ideas and preparing options for the City Council to consider at a later date.

Attachment: Retail Market Assessment prepared by Kosmont Companies

# CITY OF AGOURA HILLS

## RETAIL MARKET ASSESSMENT

June 2024



El Segundo, CA  
TEL: 424-297-1070 | URL: [www.kosmont.com](http://www.kosmont.com)

**Kosmont Retail NOW!®**

# DISCLAIMER

These analyses, projections, assumptions, rates of return, and any examples presented herein are for illustrative purposes and are not a guarantee of actual and/or future results. Project pro forma and tax analyses are projections only. Actual results may differ from those expressed in this analysis, as results are difficult to predict as a function of market conditions, natural disasters, pandemics, significant economic impacts, legislation and administrative actions.

# BACKGROUND

- Kosmont Companies (“Kosmont”) has been retained to assist the City of Agoura Hills (“City”) to provide economic development advisory services and a Retail Market Assessment (“Assessment”). This Assessment will provide an understanding of the modern local economy, market conditions / trends, and the commercial / retail areas of the City to inform a plan to address commercial vacancies and pursue the City’s economic development goals.
- Kosmont Companies 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

# EXECUTIVE SUMMARY

- Agoura Hills and the local trade area have strong demographics, helping to drive demand for neighborhood- and community-serving retail. Declining City population over the past two decades does present a challenge to retail.
- While the City's retail market is generally stable, the City also faces retail competition from surrounding communities / shopping centers. There has been a recent uptick in vacancy and some prominent retail space vacancies. Vacant spaces are small / medium size (such as vacant restaurants, in-line spaces, vacant Rite Aid) and seem to be in generally good condition. These vacancies can be a challenge for the City, but also offer an opportunity to attract new retailers to bolster existing centers.
- 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 driving new demand and redevelopment.
- Agoura Hills can pursue some retail concepts in target areas of the City – this includes retail placemaking projects that bring retail / entertainment / food and beverage / thoughtful design; blended retail centers that integrate multiple uses (such as hotel, office, multifamily) to meet the needs of a variety of businesses in a vibrant commercial district; and open space / infrastructure as an amenity (such as parks / recreation / open space).
- At this time, new retail developments are experiencing feasibility challenges, due to high land values (driven by residential and industrial demand), high construction costs, and relatively high interest rates.
- City could 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 marketing exercises, and zoning strategies / regulatory flexibility to better facilitate additional uses (such as residential and industrial).



# SWOT ANALYSIS

Strengths	Weaknesses	Opportunities	Threats
<p><b>Strong Demographics:</b> high household income levels and educational attainment, which drive demand for neighborhood- and community-serving retail.</p> <p><b>High Consumer Spending:</b> Households within a 5-mile radius have high incomes and high spending in key retail and service categories, indicating strong purchasing power.</p> <p><b>Stable Retail Market:</b> Despite recent upticks in vacancy, the overall retail market in Agoura Hills is stable, with several available retail spaces that are generally in good condition.</p> <p><b>Strategic Location:</b> Positioned along the CA-101 corridor, the City is well-located to attract consumers from surrounding affluent communities</p>	<p><b>Rising Vacancies:</b> Recent spikes in retail vacancies, including some prominent spaces, can challenge the City's retail market stability. Vacant spaces include a former Rite Aid space, a former Howard's Appliances space, and former restaurant spaces.</p> <p><b>Center Improvements:</b> Some shopping centers could benefit from façade / landscaping / signage improvements.</p>	<p><b>Vacant Space Utilization:</b> Opportunity to attract new retailers to fill vacant spaces and enhance existing shopping centers through façade, landscaping, and signage improvement.</p> <p><b>Retail Placemaking Projects:</b> There is potential for retail placemaking projects that integrate retail, entertainment, food and beverage, other uses, and thoughtful design, creating vibrant commercial districts.</p> <p><b>Potential Public-Private Partnerships:</b> The City can explore public-private partnerships for retail developments and incentivize private investment through zoning strategies and improvement programs.</p>	<p><b>Retail Competition:</b> Nearby cities with shopping centers – some with higher population densities / visitors, stronger demographics, and better attractions – may limit additional demand for retail in City.</p> <p><b>Economic Conditions:</b> Economic / financing challenges, such as high interest rates / construction costs, weigh on business formation and new projects.</p>



# ECONOMIC BACKGROUND



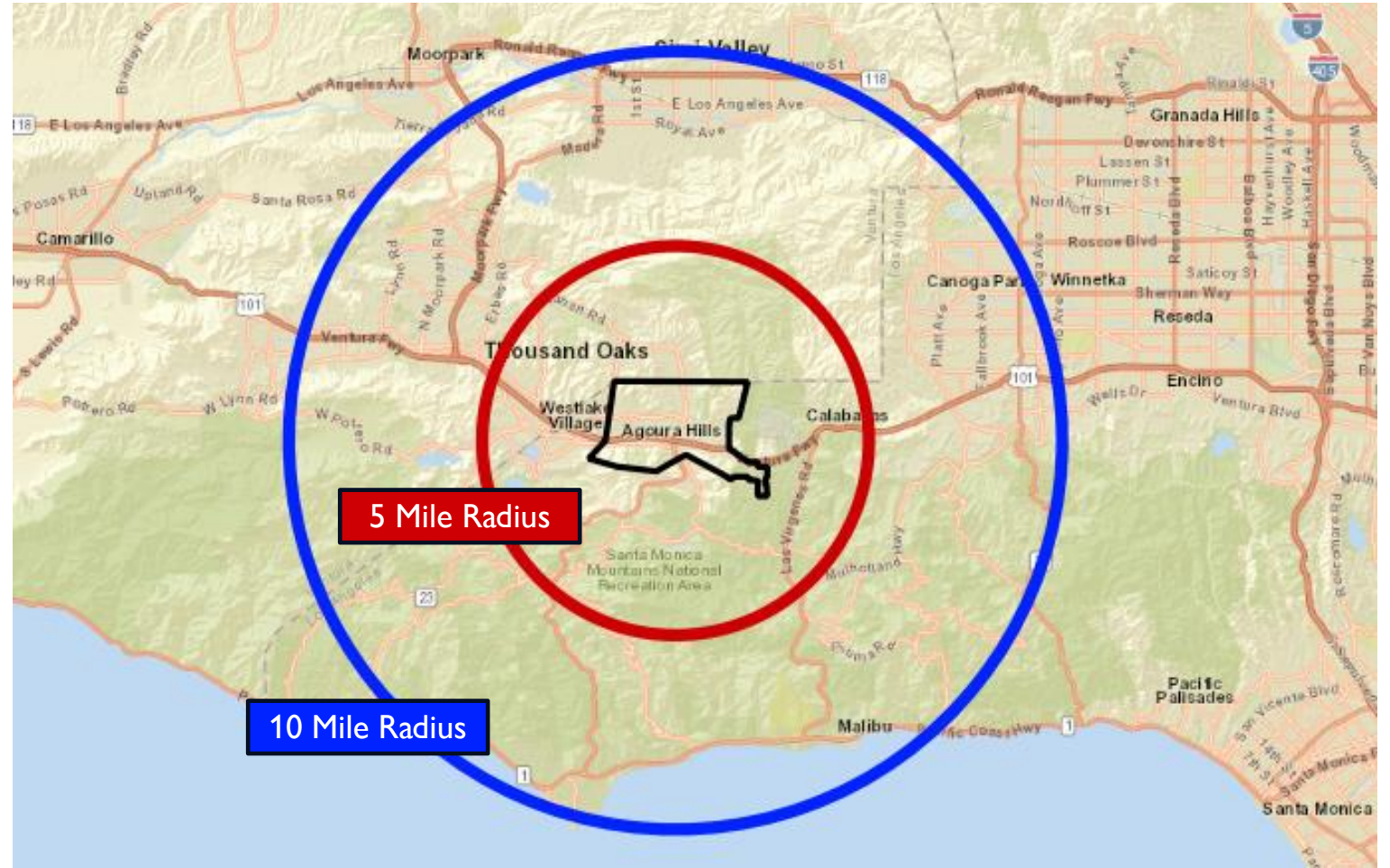
# ECONOMIC BACKGROUND

## SUMMARY OF FINDINGS

- Strong demographics in City and local trade area – high household income levels and educational attainment. City has an older population compared to County and State averages.
- Agoura Hills has generally seen slight population loss over the last decade, behind County and State trends.
- While many City residents commute to other areas for work, ~58% work in occupations that may be conducive to telework arrangements, given long commute times. City also sees inflow of workers to employment centers in the City; major industries include Professional / Scientific / Technical Services, Retail Trade, and Accommodation / Food Services.
- ESRI Tapestry Segmentation categorizes consumers in the City / Trade Area as Savvy Suburbanites, Top Tier, and Urban Chic – representing affluent and well-educated segments of the population that reside in suburban neighborhoods, enjoy high incomes and a range of sophisticated lifestyles that include cultural, social, and recreational activities.
- Household expenditure data shows that Households with a 5-mile radius of Kanan Rd & CA-101 have average household incomes of ~\$206,000 and spend ~\$40,500 on key brick-and-mortar retail and service categories, equating to ~\$436 million in annual spending in Food Away From Home / Alcoholic Beverages / Entertainment and an additional \$726.1 million in other categories.
- Taxable Retail and Food Service Sales in the City amounted to \$303.5 million in 2023, having grown 3% since 2017; growth has been seen Food Services / Drinking Places and Clothing / Clothing Accessories and declines in Motor Vehicle / Parts Dealers and Home Furnishings / Appliance Stores categories.
- City Sales Taxes and Transient Occupancy Taxes (TOT) have slightly outpaced County and State baselines since 2018. Sales tax collections in the City grew ~16% since 2018, compared to sales tax growth of ~67% from the County pool (representing strong e-commerce growth).

# REGIONAL MAP

- The City is located on the US-101 freeway near the Los Angeles County / Ventura County boundary.
- Surrounding communities include Westlake Village and Thousand Oaks to the west, Calabasas and Woodland Hills / Los Angeles to the east, and Simi Valley to the north.



# POPULATION & INCOME OVERVIEW

- Within the City, there are ~20,300 people in ~7,440 households. Within a 10-mile radius of the intersection of Kanan Rd & CA-101, there is a population of 412,000 people.
- City has a median age of 44.9, with ~66% of adults attaining a bachelor's degree or higher.
- Average household income is ~\$208,200 in the City and ~\$171,300 within a 10-mile radius of the intersection of Kanan Rd & CA-101.

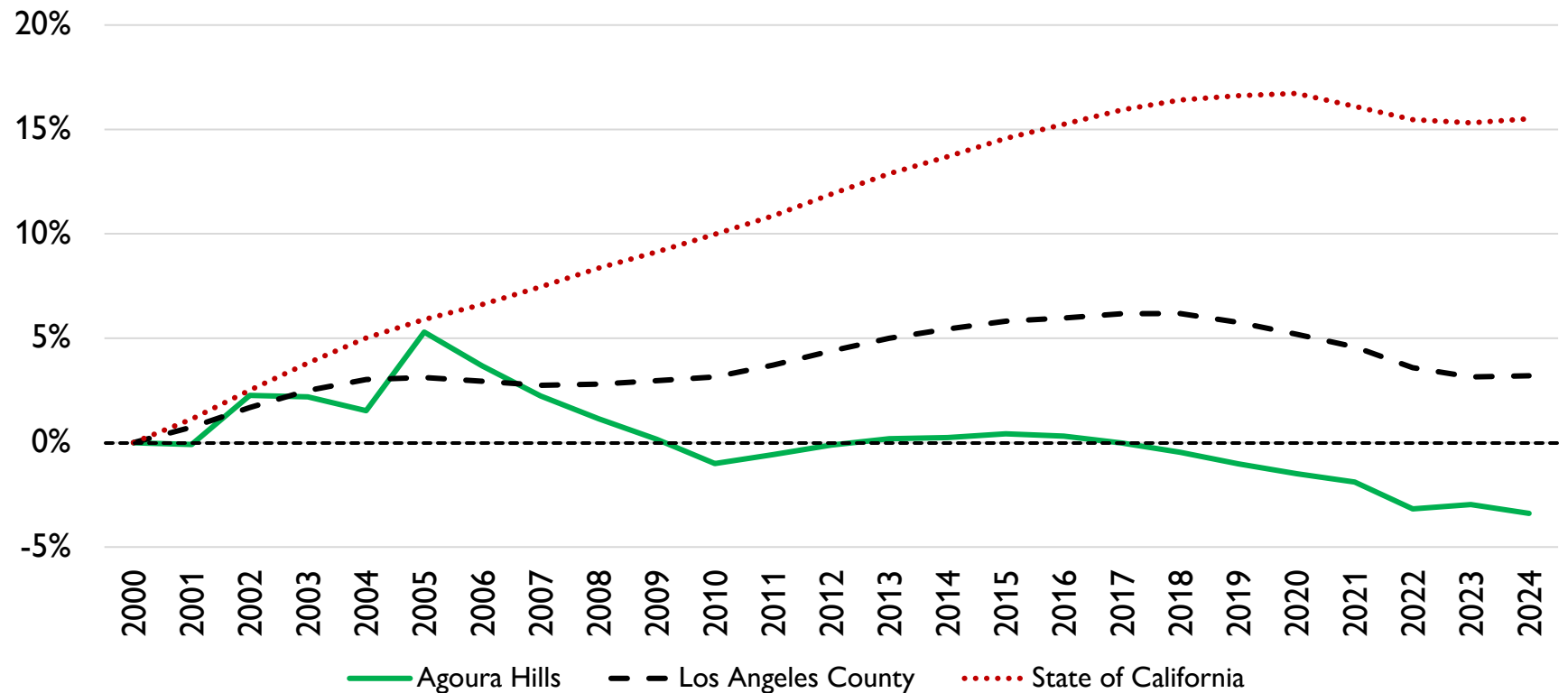
	Agoura Hills City	Kanan Rd & CA-101 5 Mi Rad	Kanan Rd & CA-101 10 Mi Rad	Los Angeles County
<b>Population</b>	20,300	73,400	412,000	9,965,900
<b>Households</b>	7,440	28,700	151,930	3,427,640
<b>Average HH Size</b>	2.7	2.6	2.7	2.9
<b>Median Age</b>	44.9	46.4	43.2	36.6
<b>% Bachelor's Degree or Higher</b>	66.2%	65.2%	51.9%	37.0%
<b>Median HH Income</b>	\$143,700	\$141,400	\$118,500	\$81,400
<b>Average HH Income</b>	\$208,200	\$206,000	\$171,300	\$121,000
<b>Median Home Value (ESRI Est.)</b>	\$974,400	\$1,010,600	\$888,100	\$792,100

# CUMULATIVE POPULATION GROWTH, 2000 – 2024

Agoura Hills has generally seen slight population loss over the last decade.

The City's population has declined ~3.4% since the year 2000, whereas Los Angeles County's population has grown ~3.2% and the State of California's population has grown 15.5% over the same time period.

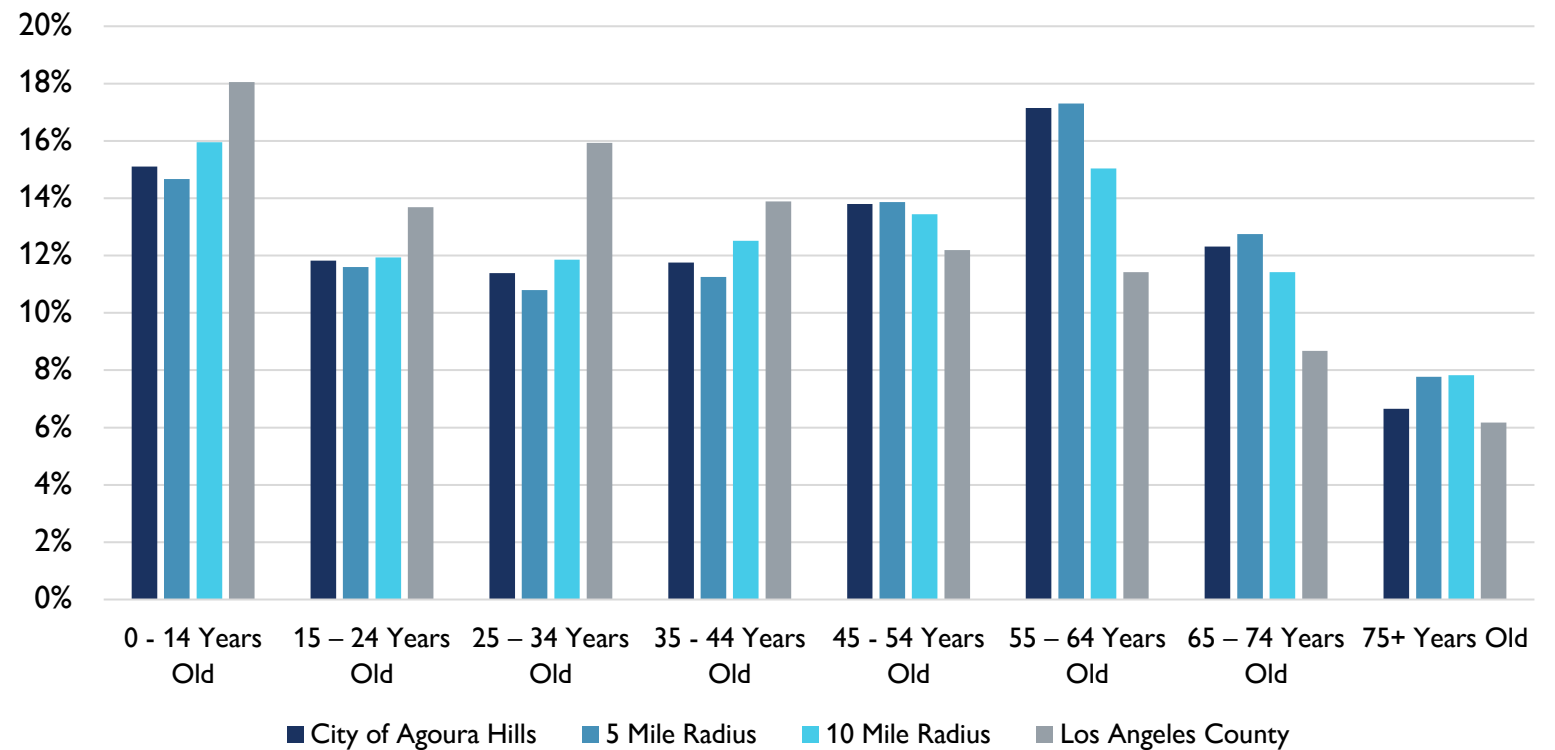
## Population Growth, 2000 - 2024



# POPULATION BY AGE COHORT

An analysis of age cohorts in the City and the 5- and 10-mile radii around Kanan Rd & CA-101 shows that the City and surrounding area is generally older than Los Angeles County overall, with a greater share of the population between 45 – 74 years old

Population by Age Cohort

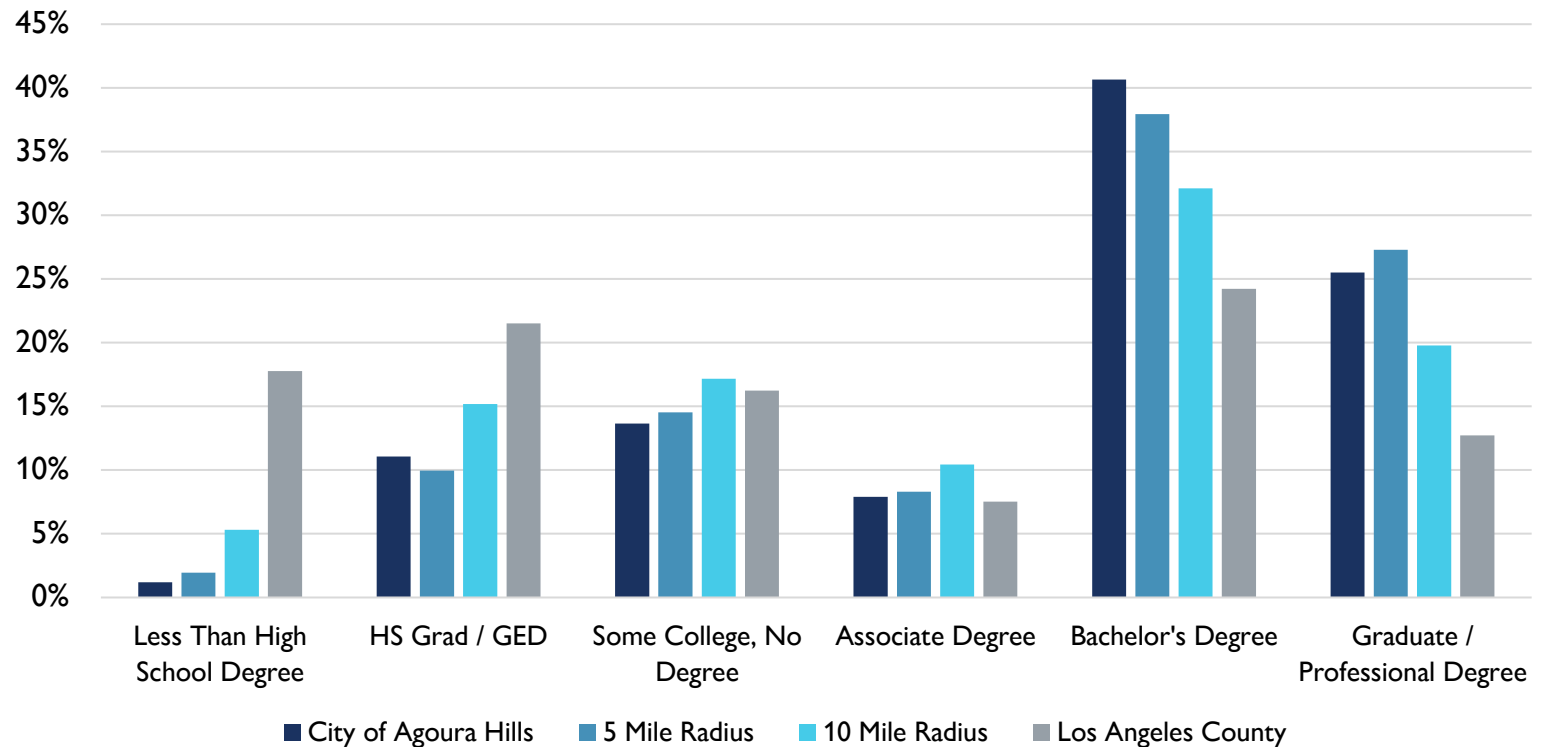


# POPULATION BY EDUCATIONAL ATTAINMENT

An analysis of educational attainment in the City and the 5- and 10-mile radii around Kanan Rd & CA-101 shows high educational attainment in the City and surrounding area.

Approximately 66% of the population in the City has a bachelor's degree or higher; within a 5-mile radius it is ~65%.

### Population by Educational Attainment



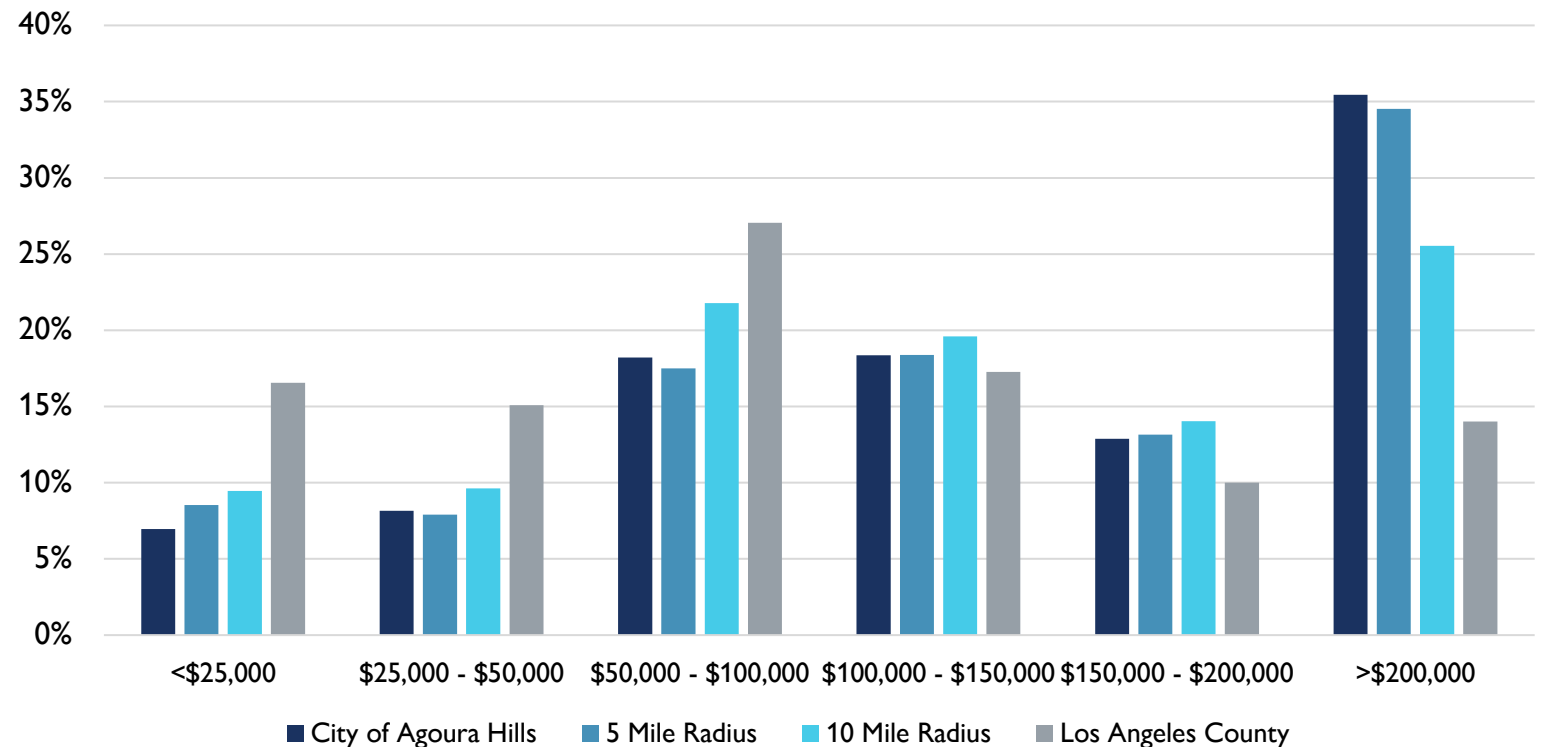


# HOUSEHOLDS BY INCOME

An analysis of household income in the City and the 5- and 10-mile radii around Kanan Rd & CA-101 shows high income levels in the City and surrounding area.

Within the City and the 5-mile radius, ~35% of households have incomes greater than \$200,000.

### Population by Household Income



# ESRI TAPESTRY SEGMENTATION

Category	City % of Adults	5mi Radius % of Adults	10mi Radius % of Adults	Description
<b>Savvy Suburbanites (1D)</b>	40.1%	16.7%	8.3%	These households are well-educated, affluent, and active in their communities. Typically in their 40s and 50s, they are predominantly married couples with children. They enjoy an upscale lifestyle, investing in home improvements, travel, and fitness activities. Technology is integral, with extensive use of smartphones and the internet for various activities
<b>Top Tier (1A)</b>	26.7%	25.9%	13.7%	Top Tier neighborhoods are characterized by their wealth and high levels of education. Residents are often married couples, either with older children or empty nesters, living in luxurious homes in suburban areas. They have a taste for quality and are active in cultural and leisure activities, including travel and fine dining
<b>Urban Chic (2A)</b>	18.0%	24.4%	12.6%	Urban Chic residents are well-educated professionals living in fashionable urban areas. They are typically in their late 30s to early 50s, either single or married without children. These individuals enjoy a vibrant lifestyle that includes dining out, attending cultural events, and engaging in fitness activities. They value convenience and sustainability
<b>Enterprising Professionals (2D)</b>	13.6%	11.1%	7.9%	This segment consists of young, well-educated professionals, often single or newly married without children. They live in urban or suburban areas and are career-focused, often working in high-tech or professional fields. Their lifestyle includes frequent socializing, dining out, and staying active. They are tech-savvy and prioritize convenience and connectivity
<b>Exurbanites (1E)</b>	1.6%	14.1%	10.6%	Exurbanites are typically older, affluent households residing in semi-rural or low-density suburban areas. Often empty nesters or retirees, they prefer a quieter, slower-paced lifestyle with larger properties. They enjoy outdoor activities, gardening, and home improvement projects, and are likely to travel frequently. Community involvement is also significant for them

# RETAIL SPENDING

- Household budget data from ESRI shows that within a 5-mile radius of Kanan Rd & CA-101, the ~28,700 households earn ~\$206,000 annually.
- Non-automotive brick-and-mortar retail and service spending is estimated at ~\$40,500 per household.
- The existing households within the 5-mile area spend ~\$1.162 billion 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.

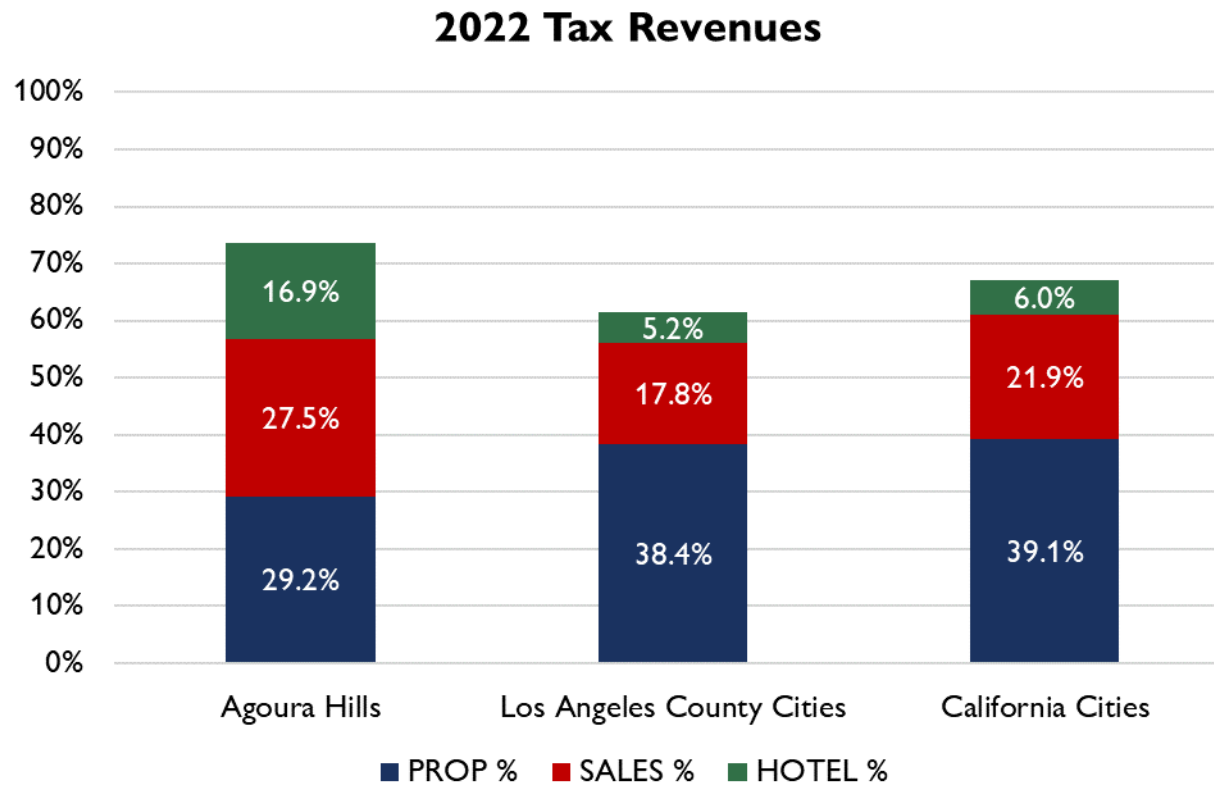
Household Budget Expenditures 5 Mile Radius Trade Area	Per HH	Existing HH
Population	73,431	
Households	28,700	
Average HH Income	\$ 206,000	
Total Expenditures	\$ 171,000	\$ 4,907,700,000
Food at Home	\$ 12,200	\$ 350,140,000
Food Away from Home	\$ 6,800	\$ 195,160,000
Alcoholic Beverages	\$ 1,400	\$ 40,180,000
Housekeeping Supplies	\$ 1,700	\$ 48,790,000
Household Furn & Equip	\$ 5,600	\$ 160,720,000
Apparel & Services	\$ 4,000	\$ 114,800,000
Entertainment	\$ 7,000	\$ 200,900,000
Personal Care Products & Services	\$ 1,800	\$ 51,660,000
<b>Total (Select Brick &amp; Mortar Retail Categories)</b>	<b>\$ 40,500</b>	<b>\$ 1,162,350,000</b>

# CITY REVENUE GENERAL FUND - FY2023-24 BUDGET

	Estimate	General Fund %
Property Taxes	\$ 6,598,272	32%
Sales Tax	\$ 5,588,689	27%
Other Taxes	\$ 4,941,980	24%
Charges for Services	\$ 1,138,500	6%
Other Income	\$ 1,766,058	9%
License and Permits	\$ 530,000	3%
<b>Total General Fund Revenues</b>	<b>\$ 20,563,499</b>	

# AGOURA HILLS BUDGET DATA COMPARISON

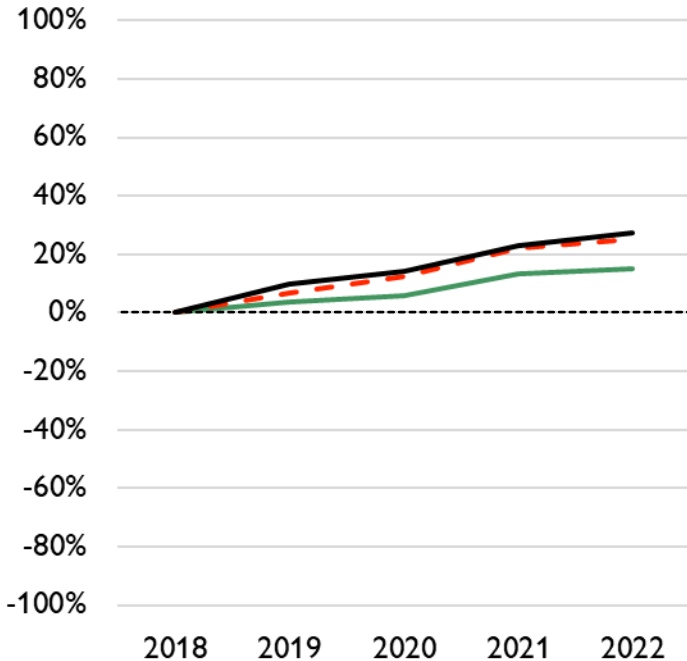
## SHARE OF TAX REVENUE



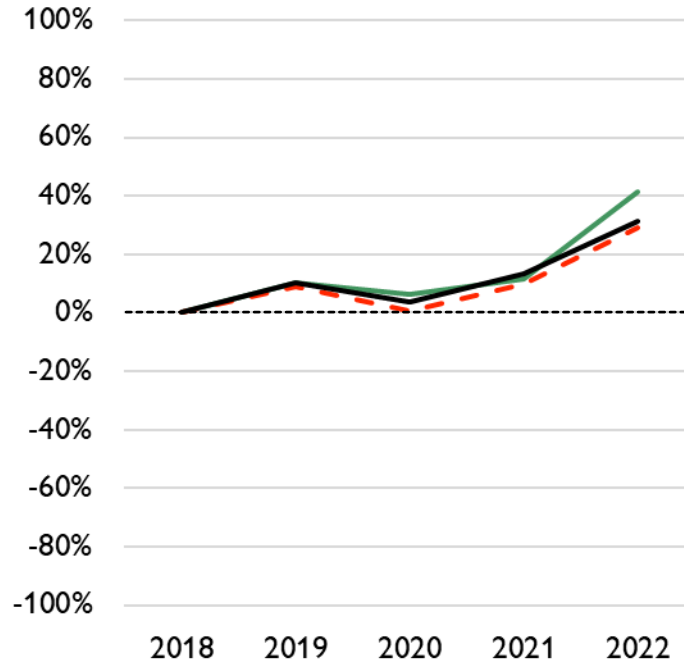
# AGOURA HILLS BUDGET DATA COMPARISON

## GROWTH 2018 - 2022

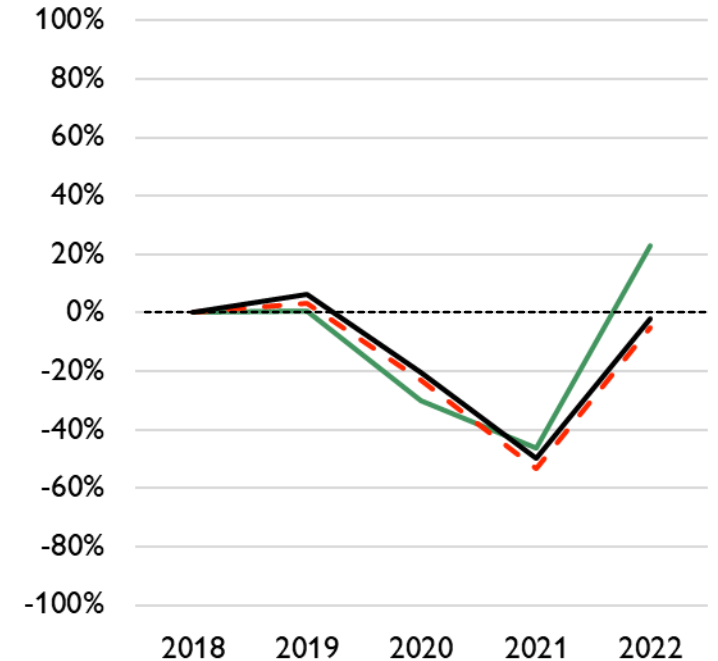
**Property Tax Revenue  
Growth Since 2018**



**Sales Tax Revenue  
Growth Since 2018**



**TOT Revenue  
Growth Since 2018**



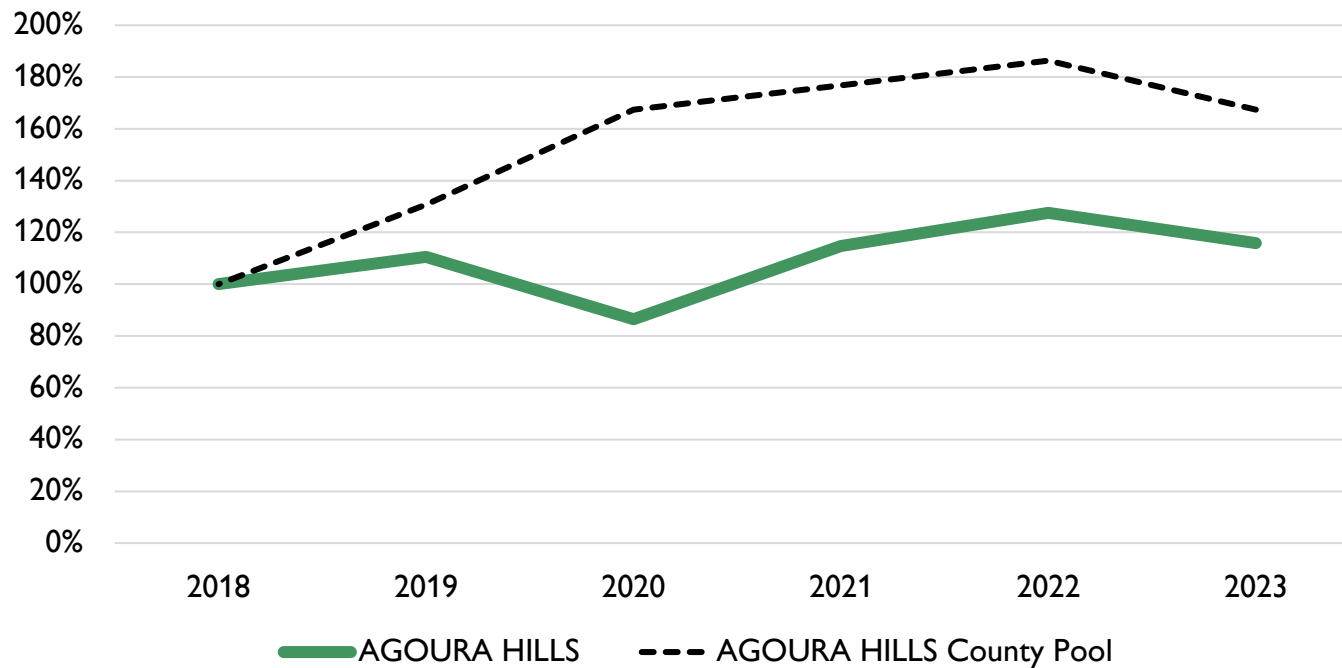
# TAXABLE RETAIL SALES

According to data from the CA Dept of Tax and Fee Administration, the City of Agoura Hills saw ~\$303.5 billion in taxable sales in 2023 from retail and food services; large business categories include Food Service / Drinking Places, Gasoline Stations, and Home Furnishings / Appliances.

	# Outlets	2018	2019	2020	2021	2022	2023	5 Year %
Motor Vehicle and Parts Dealers	13	5,398,938	36,130,607	8,370,219	3,910,607	4,272,589	4,065,686	-25%
Home Furnishings and Appliance Stores	42	62,782,585	59,699,152	62,771,379	77,563,023	75,965,198	53,089,366	-15%
Building Material / Garden Equipment / Supplies Dealers	9	20,474,255	21,188,645	22,811,918	22,705,169	25,617,854	22,413,894	9%
Food and Beverage Stores	18	20,330,200	20,186,043	21,909,554	21,162,471	21,022,331	19,544,920	-4%
Gasoline Stations	15	79,025,092	77,036,159	51,366,736	83,257,589	92,179,001	80,995,775	2%
Clothing and Clothing Accessories Stores	64	2,543,591	2,022,822	1,582,070	3,082,710	4,143,515	3,489,758	37%
General Merchandise Stores	21	187,506	162,164	201,367	139,466	113,765	139,249	-26%
Food Services and Drinking Places	75	70,565,144	70,472,868	55,146,385	75,001,218	85,577,378	84,290,979	19%
Other Retail Group	245	33,835,363	33,127,256	30,608,862	37,032,930	36,870,172	35,500,687	5%
<b>Total Retail and Food Services</b>	<b>502</b>	<b>295,142,674</b>	<b>320,025,716</b>	<b>254,768,490</b>	<b>323,855,183</b>	<b>345,761,803</b>	<b>303,530,314</b>	<b>3%</b>
All Other Outlets	469	61,128,429	66,555,251	59,793,431	87,682,146	106,468,739	109,861,604	80%
<b>Total All Outlets</b>	<b>971</b>	<b>356,271,103</b>	<b>386,580,967</b>	<b>314,561,921</b>	<b>411,537,329</b>	<b>452,230,542</b>	<b>413,391,918</b>	<b>16%</b>

# SALES TAX HISTORY

Change Since 2018:  
City Subtotal and  
County Pool



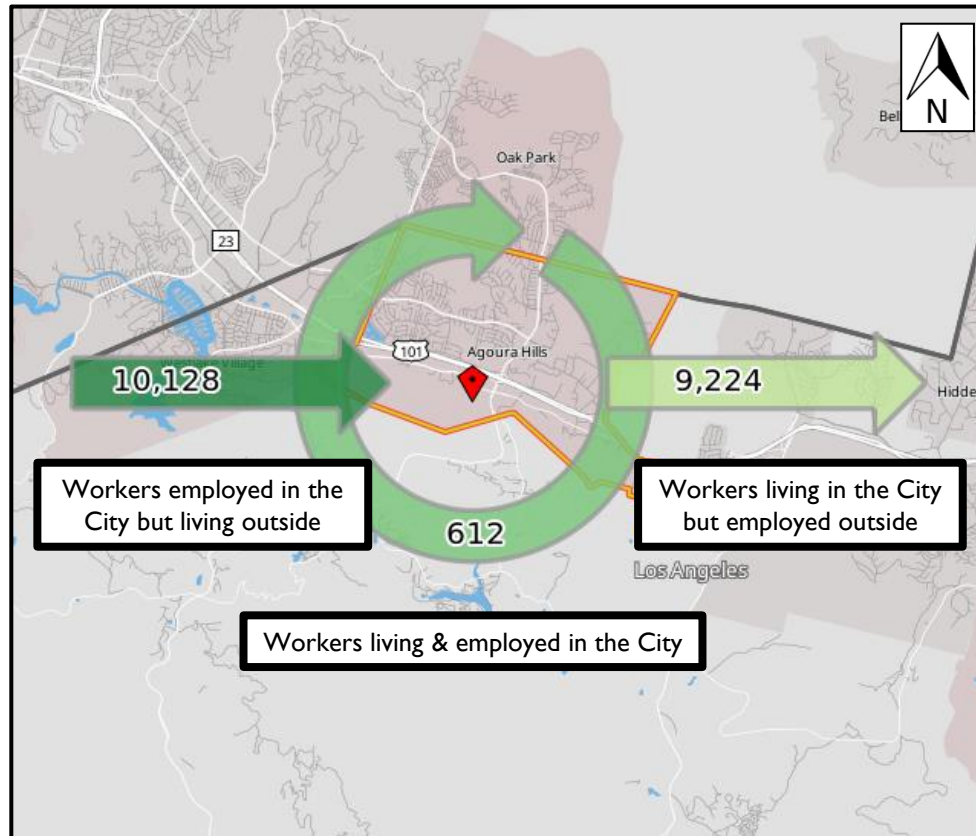
Agoura Hills has seen local sales tax growth of ~16% since 2018, with the county pool sales tax growing ~67% over the sale time period, representing strong e-commerce growth.

Year	Agoura Hills Subtotal	Agoura Hills County Pool	Pool Share
2023	4,160,000	857,000	17.1%
2022	4,577,000	954,000	17.2%
2021	4,117,000	905,000	18.0%
2020	3,103,000	857,000	21.6%
2019	3,967,000	669,000	14.4%
2018	3,589,000	512,000	12.5%
2017	3,429,000	481,000	12.3%
2016	3,407,000	487,000	12.5%
5-Year Growth	16%	67%	



# WORKER INFLOW / OUTFLOW

- **Net Inflow** of workers into the City.
- Major industry sectors in the City of Agoura Hills include: Professional / Scientific / Technical Services, Retail Trade, and Accommodation / Food Services.
- Employees who commute into in the City come from the following cities: Los Angeles, Thousand Oaks, Simi Valley, Moorpark, Camarillo, and other locations
- Most residents who commute outside of the City go to the following cities: Los Angeles, Thousand Oaks, Burbank, Westlake Village, Calabasas, and other locations.



City of Agoura Hills	
Workers Living and Working	612
Workers Coming (Inflow)	10,128
Workers Going (Outflow)	9,224
<b>Net Inflow/Outflow</b>	<b>904</b>
<b>Employment Ratio*</b>	<b>1.09</b>

\***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)

# TOP EMPLOYERS IN CITY

Employer	Industry	Est. Employees
Las Virgenes USD	Education	534
National Veterinary Associates, Inc.	Veterinary Services	347
Visual Concepts Entertainment	Software Development	655
Private National Mortgage Acceptance Company, LLC	Banking	294
A2 Biotherapeutics, Inc.	Research & Development	262
Teradyne, Inc.	Manufacturing	209
Motor Vehicle Software Corp / VITU	Technology	490
Joni and Friends	Non-Profit	200
Epsilon Data Management LLC	Advertising Services	121
Cydcor LLC	Administrative Services	138
Wood Ranch	Restaurant	137

# TELEWORK POTENTIAL: POSITIVE IMPACT ON DAYTIME POPULATION

Research from the Bureau of Labor Statistics in 2020 estimates that ~44% of workers are in jobs where working from home is currently feasible. While telework and hybrid working arrangements were gaining popularity prior to 2020, office closures during the COVID pandemic led to significant increases in work from home activities.

Many of the occupational categories that are most telework capable – Management / Business / Financial, Professional, Administrative Support – are highly represented in the area around the Site, representing ~58% of the employed population living within 3-miles of the City.

Considering the growth / suburban quality of life in Agoura Hills and other surrounding communities, as well as the long commutes that many residents face to job centers (*~26% of workers within a 5-mile radius of Kanan Rd & CA-101 have commutes longer than 40 minutes*), it is likely that Agoura Hills continues to see higher levels of teleworking from its residents – **helping to drive additional daytime demand for dining, retail, and locally-serving office uses.**

Ability to Work from Home (BLS Research, 2020)			Employed Population by Occupation (ESRI BAO Estimates, 2023)
Occupation Category	Ability to Telework	Telework Takeup Rate	Share of Employed Population: 3-mile Radius
Management/Business/Financial	87.0%	26.6%	31.4%
Professional	64.0%	28.3%	34.8%
Sales	31.0%	32.8%	11.6%
Administrative Support	60.0%	9.1%	7.3%
Services	10.0%	6.7%	8.6%
Farming/Forestry/Fishing	0.0%	0.0%	0.0%
Construction/Extraction	0.0%	0.0%	1.6%
Installation/Maintenance/Repair	1.0%	0.0%	1.0%
Production	0.4%	0.0%	1.3%
Transportation/Material Moving	0.3%	0.0%	2.3%
All	43.6%	24.7%	~58% Able to Telework



# RETAIL MARKET DATA



# RETAIL MARKET SUMMARY

- The Retail market in the City and Submarket are relatively stable, with the City well-located along the CA-101 corridor.
- Most of the City's retail activity are in community / neighborhood shopping centers and smaller retail spaces, and the City faces substantial retail competition to major shopping centers / retail districts to the west (*larger shopping centers in Westlake Village and Thousand Oaks*) and the east (*shopping districts in Calabasas and Woodland Hills*).
- Retail vacancy in the City typically in the 5-7% range, but recently spiked to 9.1% in 2023, declined to 8.5% in Q2 2024 and is currently 6.9%\*
- Retail rents saw a decline after 2018, but have been increasing since 2020 and are currently \$35 – 37 PSF annually.
- The CoStar Retail Market Report notes that the Los Angeles Retail Market continues to “grapple multiple headwinds [including] population loss...softer economic fundamentals...elevated housing costs...and high interest rates” which weigh on retail demand and business formation. The report also notes that “occupancies in the more suburban locations have fared better compared to the more urban locations,” and predicts that occupancies and rent levels are likely to hover around current levels, with “developers and investors...exercis[ing] caution.”

# LOS ANGELES RETAIL MARKET COSTAR MARKET REPORT NOTES

Los Angeles Retail Market Report notes that:

- “The Los Angeles retail market continues to witness the softest demand formation among major U.S. markets in the second quarter.”
- “The market has had to grapple with multiple headwinds. Population losses in recent years and, more recently, meager population gains have stymied household formation. Softer economic fundamentals than most U.S. metros and elevated housing costs have left residents less confident in their financial positions. Additionally, high interest rates weigh on business formation.”
- “Supply growth during the past year represents an expansion of only 0.2%....over the past decade, total retail space has declined as the market continues to right-size and remove obsolete inventory. Most recent large deliveries comprised auto-dealerships, meaning the expansion of shopping center and ground-floor retail space was relatively more modest.”
- “Muted levels of new supply in the face of stagnant tenant demand resulted in retail availability in Greater Los Angeles, 5.8%...Demand among all retail subtypes has been soft. Within the market, occupancies in the more suburban locations have fared better compared to the more urban locations.”
- “The dynamics driving the Greater Los Angeles retail market's underperformance will unlikely shift for at least the near-to-midterm. Costar forecasts continued modest space demand from retailers at least into next year. In combination with modest supply additions in the coming quarters, occupancies will likely hover around current levels, making strong rent growth unlikely. In this environment, developers and investors will likely exercise caution.”

# RETAIL MARKET SUMMARY

- No retail construction activity in the City or the Submarket, with negative net absorption.
- Retail vacancy in the City is ~6.9%, higher than the vacancy of ~4.3% in the Submarket.
- Rents have increased ~6.2% in the Submarket over the past three years, similar to the increases seen overall in the wider Los Angeles Retail Market (~6.5%).

Q3 2024 YTD	City	Calabasas / Westlake Village Submarket
Inventory SF	1,499,500	3,323,500
Under Construction	-	-
12mo Net Absorption SF	(12,800)	6,800
Vacant SF	103,800	142,500
Vacancy Rate	6.9%	4.3%
Market Rent	\$36.41	\$41.63
Market Sale Price / SF	\$465	\$496

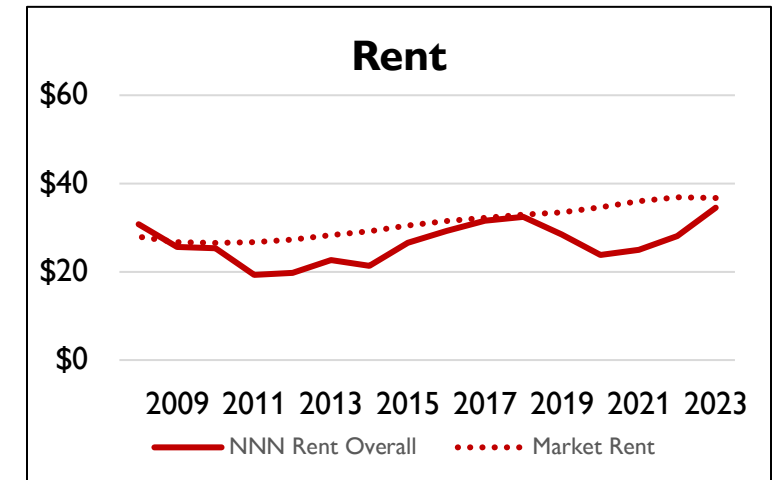
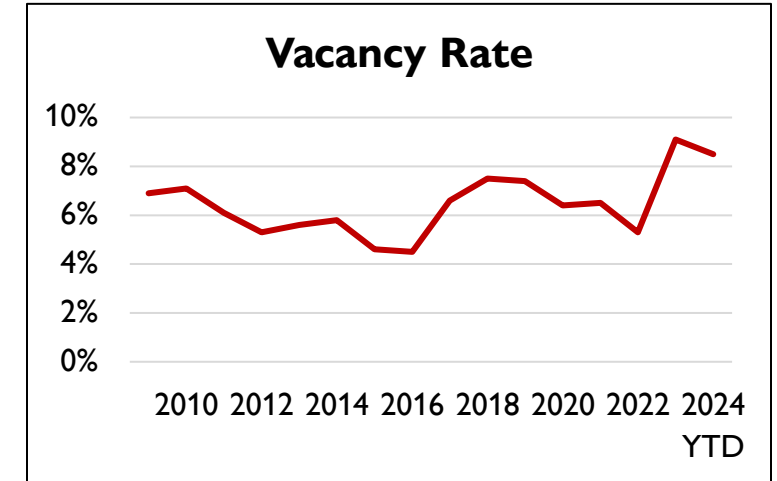
# COMMUNITY COMPARISON

	Agoura Hills	Thousand Oaks	Westlake Village	Calabasas	Woodland Hills
Population	20,269	125,689	7,968	22,978	75,292
Households	7,435	46,273	3,255	8,741	31,198
Median Age	44.9	43.7	51.5	45.2	43.5
Bach. Degree +	66.2%	52.2%	71.8%	68.4%	58.8%
Average HH Income	\$208,157	\$170,589	\$234,701	\$227,712	\$158,921
<b>Retail Data - 2024 Q3 QTD</b>					
Inventory SF	1,474,500	6,122,300	1,388,800	1,064,000	4,886,500
Vacant SF	103,900	410,300	64,860	36,200	277,800
Vacant %	7.0%	6.7%	4.7%	3.4%	5.7%
Market Rent	\$37.03	\$35.07	\$43.45	\$45.72	\$38.74
Net Absorption SF (12mo)	(2,300)	(27,600)	1,400	(9,300)	(28,500)
Inventory Growth SF (since 2018)	56,000	(19,900)	(7,700)	20,100	(97,800)



# RETAIL MARKET HISTORY CITY - ALL PROPERTIES

Year	Inventory SF	Vacant SF Total	Vacant Percent % Total	Net Absorption SF Total	NNN Rent Overall	Market Rent
2024 Q2 QTD	1,474,468	125,006	8.5%	9,863	\$34.52	\$36.69
2023	1,474,468	134,869	9.1%	(57,124)	\$28.06	\$36.88
2022	1,474,468	77,745	5.3%	18,485	\$24.94	\$35.97
2021	1,474,468	96,230	6.5%	(1,686)	\$23.84	\$34.60
2020	1,474,468	94,544	6.4%	14,427	\$28.45	\$33.45
2019	1,474,468	108,971	7.4%	52,755	\$32.42	\$32.97
2018	1,418,433	105,691	7.5%	36,489	\$31.60	\$32.21
2017	1,367,470	90,232	6.6%	(8,943)	\$29.25	\$31.49
2016	1,347,470	61,289	4.5%	1,125	\$26.56	\$30.48
2015	1,347,470	62,414	4.6%	16,213	\$21.37	\$29.15
2014	1,347,470	78,627	5.8%	(3,322)	\$22.68	\$28.28
2013	1,347,470	75,305	5.6%	(4,535)	\$19.76	\$27.31
2012	1,347,470	70,770	5.3%	10,848	\$19.30	\$26.71
2011	1,347,470	81,618	6.1%	14,274	\$25.31	\$26.54
2010	1,347,470	95,892	7.1%	43,132	\$25.62	\$26.73
2009	1,297,441	88,995	6.9%	(43,648)	\$30.78	\$27.93



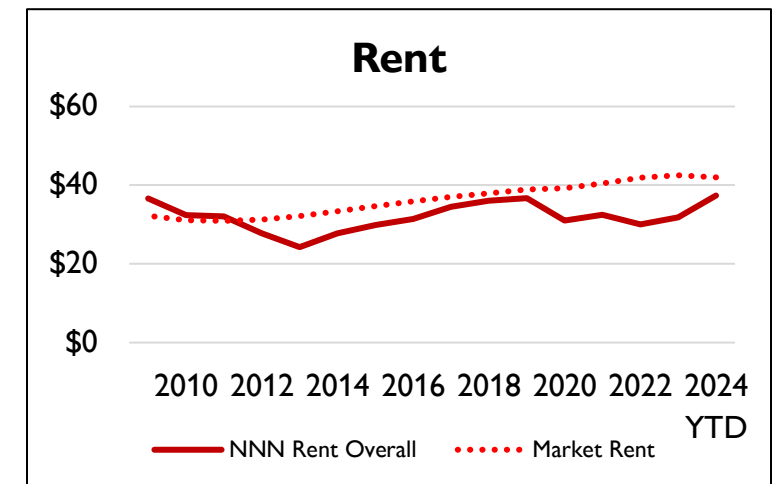
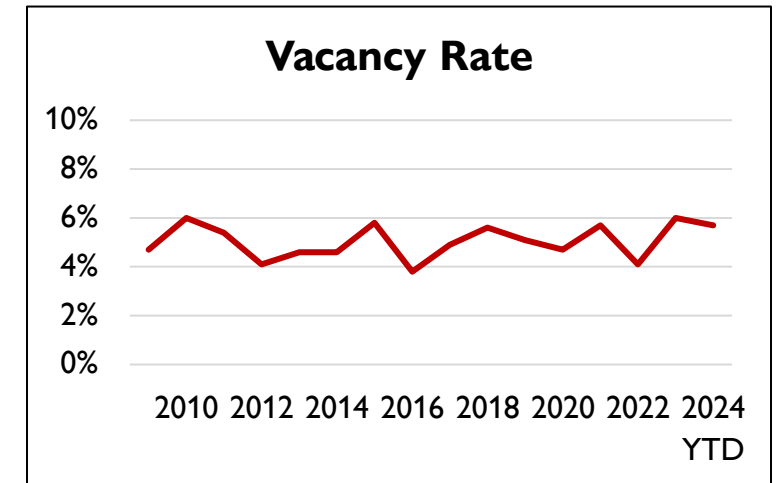
**Source:** CoStar (Accessed May 2024)

**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.”

# RETAIL MARKET HISTORY

## SUBMARKET- ALL PROPERTIES

Year	Inventory SF	Vacant SF Total	Vacant Percent % Total	Net Absorption SF Total	NNN Rent Overall	Market Rent
2024 Q2 QTD	3,274,651	187,307	5.7%	10,607	\$37.37	\$42.03
2023	3,274,651	197,914	6.0%	(63,886)	\$31.84	\$42.52
2022	3,274,651	134,028	4.1%	52,896	\$30.02	\$41.87
2021	3,274,651	186,924	5.7%	(33,054)	\$32.49	\$40.42
2020	3,274,651	153,870	4.7%	13,644	\$31.05	\$39.25
2019	3,274,651	167,514	5.1%	88,451	\$36.74	\$38.87
2018	3,198,487	179,801	5.6%	25,507	\$36.03	\$37.94
2017	3,147,524	153,360	4.9%	1,332	\$34.54	\$37.05
2016	3,109,503	116,671	3.8%	68,886	\$31.39	\$35.87
2015	3,103,028	179,082	5.8%	8,980	\$29.90	\$34.67
2014	3,056,926	141,960	4.6%	193,674	\$27.76	\$33.37
2013	2,851,734	130,442	4.6%	(13,192)	\$24.25	\$32.13
2012	2,851,734	117,250	4.1%	36,780	\$27.72	\$31.26
2011	2,851,734	154,030	5.4%	17,002	\$32.10	\$30.93
2010	2,851,734	171,032	6.0%	77,827	\$32.39	\$31.12
2009	2,730,109	127,234	4.7%	(50,427)	\$36.65	\$32.24



Source: CoStar (Accessed May 2024)

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.”

# COMPETITIVE ENVIRONMENT

## RETAIL - AVAILABLE SPACES (SELECTION)

Shopping Center	Address	Space	Rent	Rating	Notes
Agoura Gateway Center	28501 Canwood St	5,328 – 21,753 SF	\$23-28 Est	3 Star	3bldg property also for sale - \$32.5m (\$275 PSF)
Agoura Village Center	29020 Agoura Rd	3,275 – 6,551 SF	\$27 NNN	3 Star	Restaurant space with patio
Roadside Plaza	28700 Roadside Dr	800 SF; 5,525 SF; 6250 SF	\$33 NNN	3 Star	Restaurant, gym, office spaces
Kanan Village	29271 Agoura Rd	1,200 SF; 5,334 SF	\$35-43 Est	3 Star	Former Islands restaurant
Whizin Market Square	28800 Roadside Dr	7 spaces ranging from 431 – 5,195 SF	\$60	2-3 Star	Retail / restaurant / office spaces
Agoura Meadows Shopping Center	5623-5689 Kanan Rd	1,138 SF 1,785 SF	\$27-33 Est \$42-51 Est	3 Star	
Reyes Adobe Plaza	30313-17 Canwood St	1,500 SF 900-8,360 SF 1,435-3,335 SF	\$27 NNN \$27-36 NNN \$27 NNN	2-3 Star	
Shops at Oak Creek		1,437 SF 2,500 SF	\$51 NNN \$42-51 Est	3 Star 3 Star	Restaurant space Jinky's Kanan Café space
	29105 Canwood St	1,200 – 12,295 SF	\$38-47 Est	3 Star	Spaces include restaurants, former beauty salon, restaurant with patio
The West Village	SWC Agoura Rd & Kanan Rd	2,800 – 27,200 SF	\$24-29 Est	3 Star	Seems to be a proposed project



# MAJOR SHOPPING CENTERS

**The Oaks**  
1.2m SF Super Regional Mall  
Nordstrom, JCPenney, Macy's

**Janss Marketplace**  
643k SF Regional Mall  
Nordstrom Rack, Gold's Gym

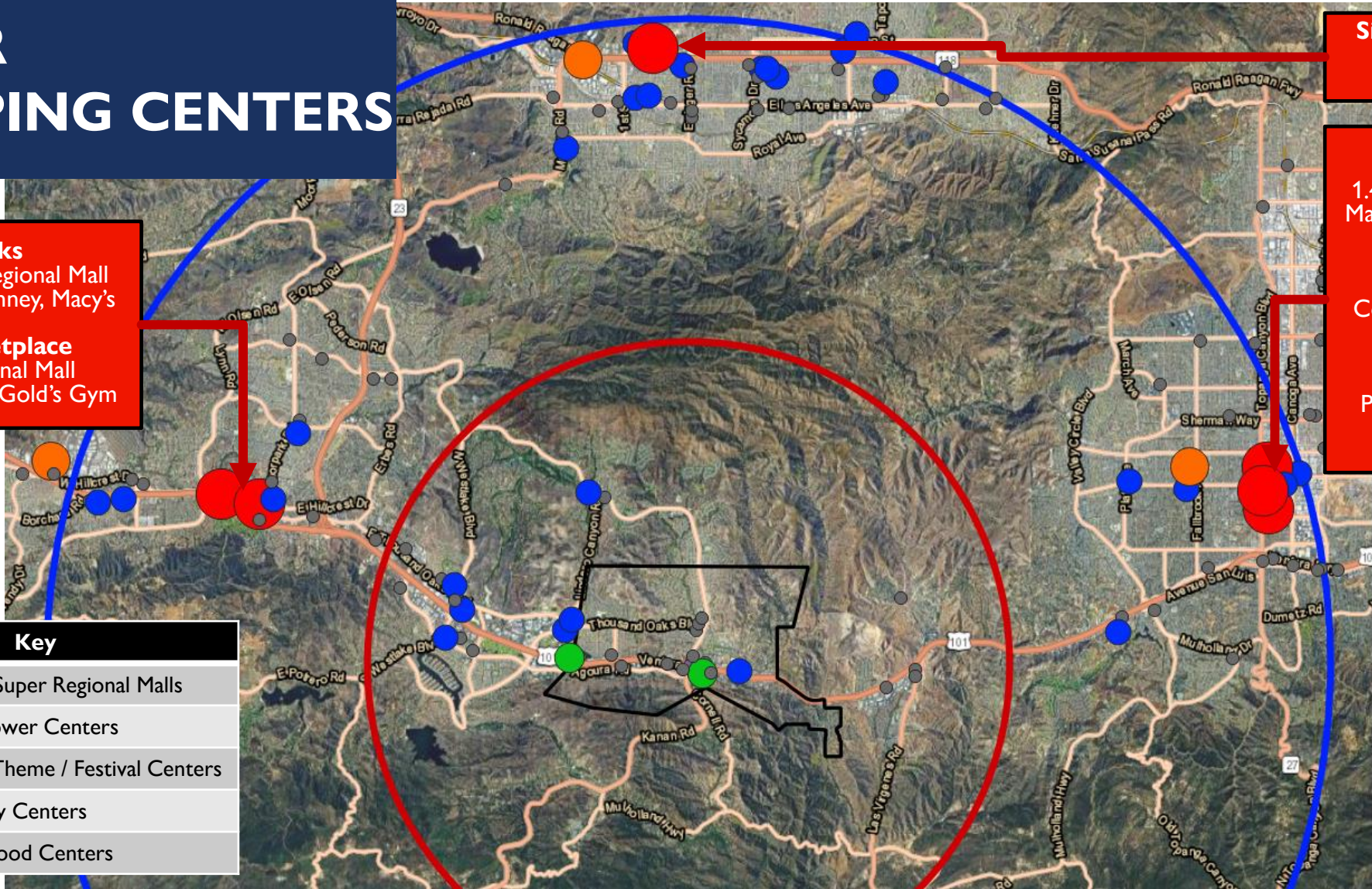
**Simi Valley Town Center**  
873k SF Regional Mall  
Marshall's, Ulta Beauty

**Westfield Topanga**  
1.42m SF Super Regional Mall  
Macy's, Target, Neiman Marcus

**The Village**  
631k SF Regional Mall  
Costco, REI, 24 Hour Fitness

**Promenade 2035**  
671k SF Regional Mall  
Proposed Redevelopment –  
Mixed Use Development

Key	
<span style="color: red;">■</span>	Regional / Super Regional Malls
<span style="color: orange;">■</span>	Outlet / Power Centers
<span style="color: green;">■</span>	Lifestyle / Theme / Festival Centers
<span style="color: blue;">■</span>	Community Centers
<span style="color: gray;">■</span>	Neighborhood Centers





# AGOURA HILLS AREA SHOPPING CENTERS

**North Ranch Shopping Center**  
 147k SF Community Center  
 Ralph's, Trader Joe's, Planet Fitness

**Promenade at Westlake**  
 145k SF Community Center  
 Cinepolis, RH

**Westlake Plaza & Center**  
 263k SF Community Center  
 Vons, Gelson's, Sprouts, CVS Pharmacy

**North Ranch Gateway**  
 86k SF Community Center  
 T.J. Maxx

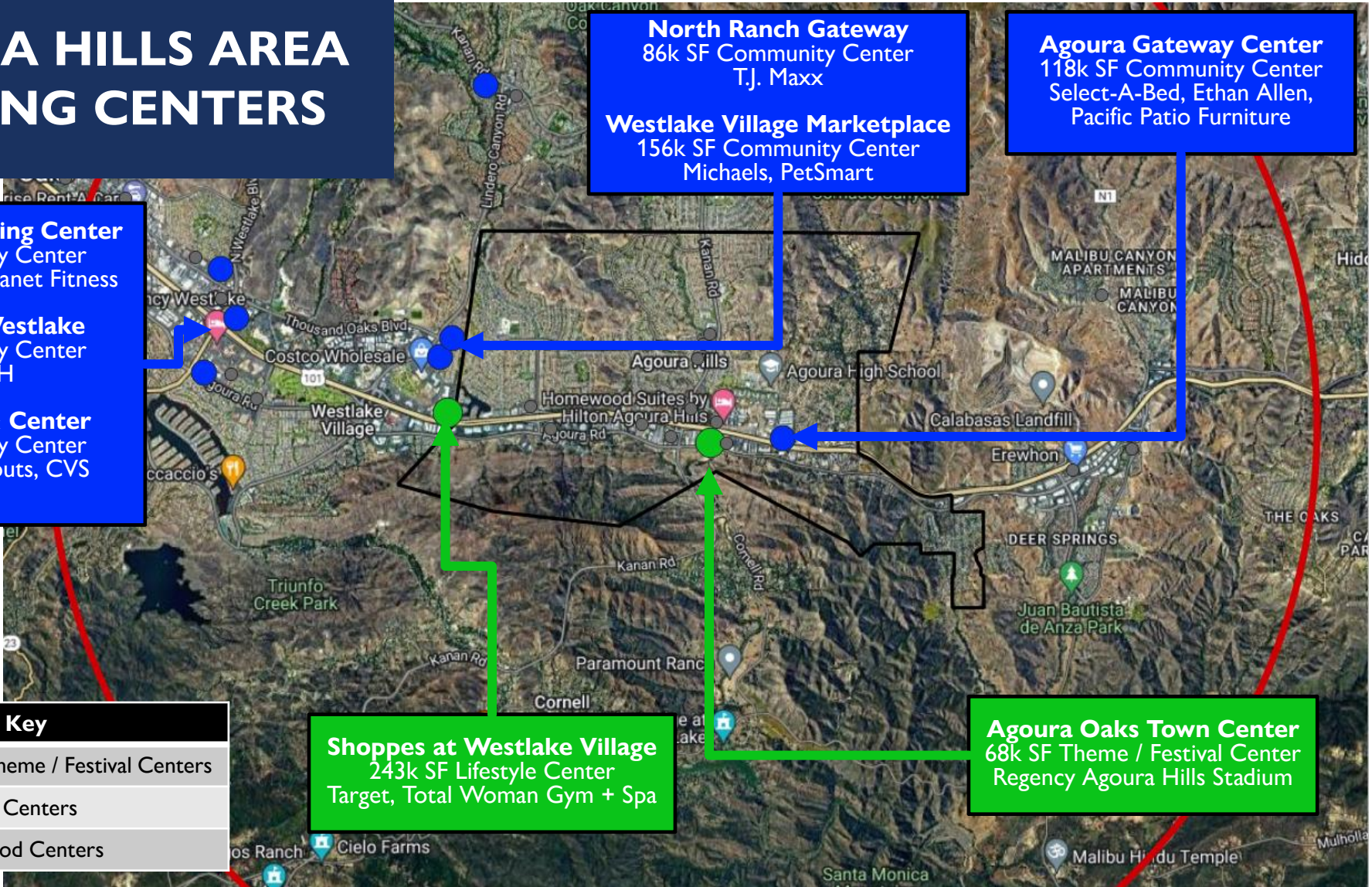
**Westlake Village Marketplace**  
 156k SF Community Center  
 Michaels, PetSmart

**Agoura Gateway Center**  
 118k SF Community Center  
 Select-A-Bed, Ethan Allen,  
 Pacific Patio Furniture

**Shoppes at Westlake Village**  
 243k SF Lifestyle Center  
 Target, Total Woman Gym + Spa

**Agoura Oaks Town Center**  
 68k SF Theme / Festival Center  
 Regency Agoura Hills Stadium

Key	
<span style="color: green;">■</span>	Lifestyle / Theme / Festival Centers
<span style="color: blue;">■</span>	Community Centers
<span style="color: gray;">■</span>	Neighborhood Centers



Source: CoStar

# CITY OF AGOURA HILLS SHOPPING CENTERS

Center Name	Address	Type	Number of Stores	RBA / GLA	% Leased	Year Built/ Renovated	Tenants (Selection)
Whizin Market Square	28888-28914 Roadside Dr	Neighborhood Center	22	126,191	94.0%	1960	The Canyon, Agoura Antique Mart
Agoura Gateway Center	28501-28505 Canwood St	Community Center	9	118,258	81.6%	2006	Select-a-Bed, Ethan Allen
Agoura Meadows Shopping Center	5601-5700 Kanan Rd	Neighborhood Center	24	104,916	97.2%	1978	Vons, CVS Pharmacy
Twin Oaks Shopping Center	5701-5833 Kanan Rd	Neighborhood Center	23	102,383	100%	1995	Ralphs
Agoura Hills City Mall	5835-5915 Kanan Rd	Neighborhood Center	25	78,281	89.3%	1986	Citi, Massage Envy
Agoura Oaks Town Square	5045 Cornell Rd	Theme/Festival Center		67,832	100%	1990	Regency, Fedex Office
Reyes Adobe Plaza	30313-30317 Canwood St	Neighborhood Center	25	58,222	92.3%	1980	Café Bizou, WRTS Agoura Hills
Agoura Hills Town Center	30105-30135 Agoura Rd	Neighborhood Center		56,227	100%	1990	Academy of Dance, Grissini Ristorante
Agoura Park	29431 Agoura Rd	Neighborhood Center		54,998	100%	2018	LA Fitness
Kanan Village	5001-5033 Kanan Rd	Neighborhood Center	15	48,216	88.9%	1991	IHOP, Ladyface Alehouse Brasserie
Kanan Plaza	5146-5298 Kanan Rd	Neighborhood Center	8	44,563	100%	1979	H&R Block, Beautiful Nails
Roadside Plaza	28700-28716 Roadside Dr	Strip Center	6	23,250	100%	1988	Yamato Restaurant, Agoura Fitness
Shops at Oak Creek	29145 Canwood St	Neighborhood Center	9	19,825	92.8%	2010	Trader Joe's, Panda
Agoura Village Center	29020 Agoura Rd	Strip Center	9	19,481	66.4%	1991	BL Dance Hall & Saloon
Agoura Hills Commercial Center	29134 Roadside Dr	Strip Center	1	13,500	100%	1981	City Lights
	30651 Thousand Oaks Blvd	Strip Center		9,712	100%	1978	David's Beauty Supply



# OPPORTUNITY SITES / CENTERS

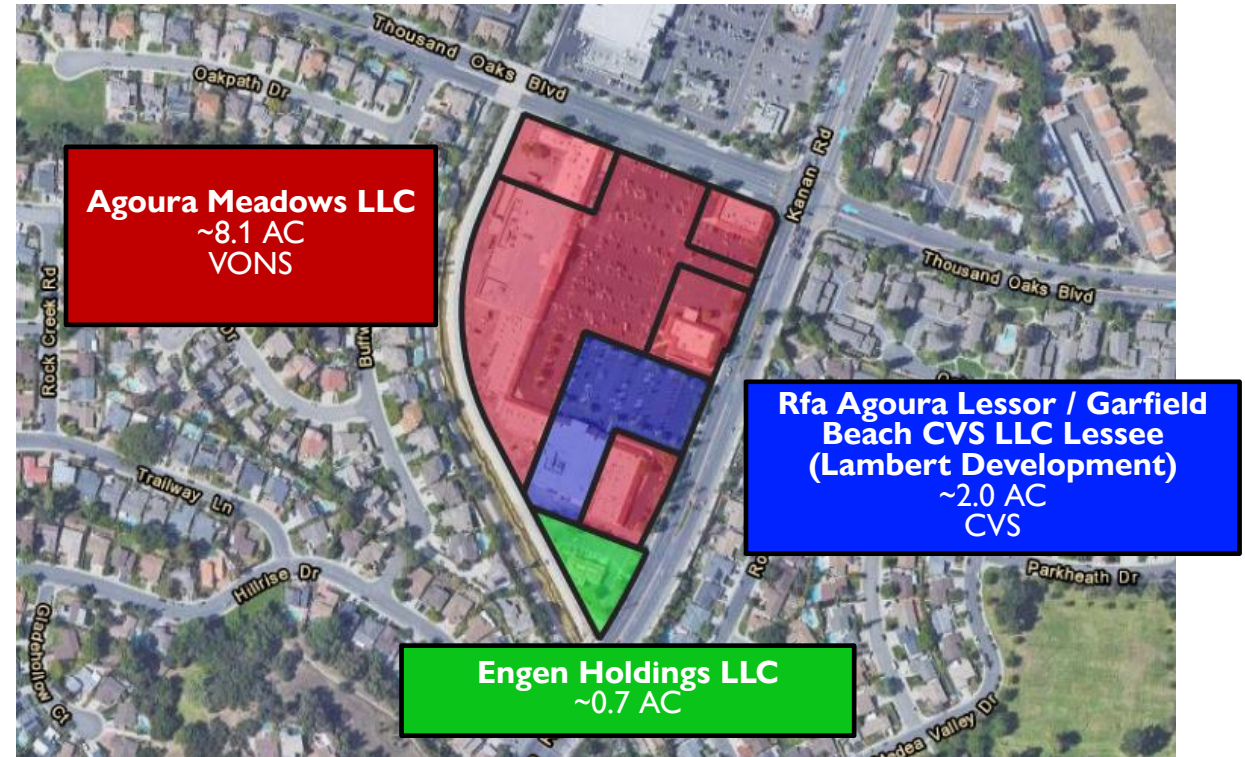
## AGOURA MEADOWS SC- 5601-5700 KANAN RD

### Preliminary Site Info

<b>Zoning</b>	CS-MU-AH
<b>Land Area</b>	10.8 AC
<b>Description</b>	Neighborhood center anchored by VONS, CVS, Goodwill, restaurants and local serving retail / services
<b>Built</b>	1978-1980; Taco Bell bldg. built 1995
<b>GLA</b>	104,900 SF
<b>Vacant</b>	2,923 SF / 2.8%
<b>Available Spaces</b>	1,785 SF @ Est. \$41 – 50 / SF 1,138 SF @ Est. \$26 – 32 / SF

### Potential Opportunities

Some façade / signage / landscaping improvements could be beneficial  
Opportunity for new retail, site updates, activities



# OPPORTUNITY SITES / CENTERS

## TWIN OAKS SC - 5701-5833 KANAN RD

### Preliminary Site Info

<b>Zoning</b>	CS-MU-AH
<b>Land Area</b>	11.1 AC
<b>Description</b>	Neighborhood center anchored by Ralphs
<b>Built</b>	1978 -1979; renovated 1995
<b>GLA</b>	102,400 SF
<b>Vacant</b>	0 SF / 0% (Does not appear to include empty Rite Aid space)
<b>Available Spaces</b>	No listed available spaces; former Rite Aid space likely available for new opportunities

### Potential Opportunities

Opportunity for new retail (particularly in Rite Aid space), site updates, activities





# OPPORTUNITY SITES / CENTERS

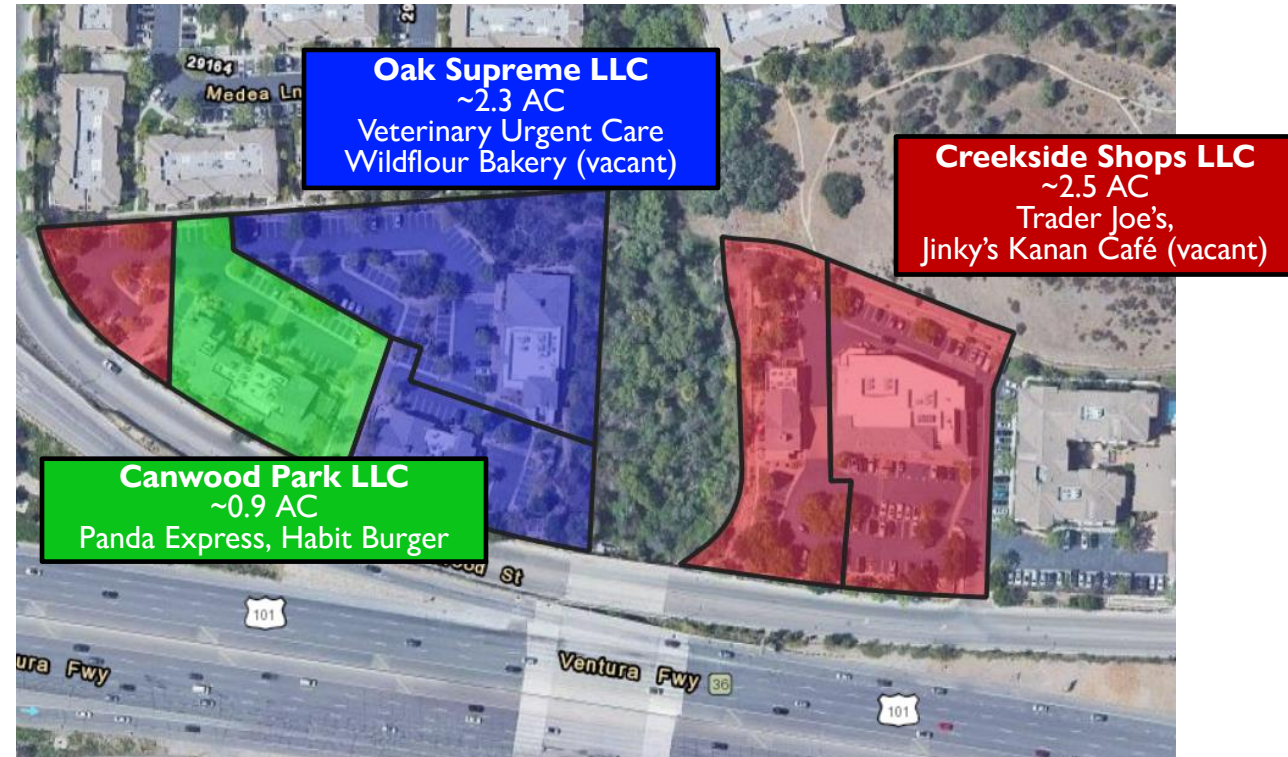
## OAK CREEK: TRADER JOES CENTER & OTHER RETAIL

### Preliminary Site Info

<b>Zoning</b>	CRS-FC
<b>Land Area</b>	5.7 AC
<b>Description</b>	Small shopping centers anchored by Trader Joe's, restaurants and local serving retail / services
<b>Built</b>	2010
<b>GLA</b>	50,000 SF
<b>Vacant</b>	13,732 SF / 27.4%
<b>Available Spaces</b>	2,500 SF @ Est. \$43 – 52 / SF (former Jinky's Kanan Café; currently listed for sale for \$3.2m) Trader Joe's property – listed for sale at \$13.75m 1,200 – 12,295 SF @ Est. \$38 – 46 / SF 1,437 SF @ \$51 / SF

### Potential Opportunities

Some vacancy challenges; opportunity for new retail / restaurants (Jinky's Kanan Café space, Wildflour Bakery & Café space, other spaces)



# OPPORTUNITY SITES / CENTERS

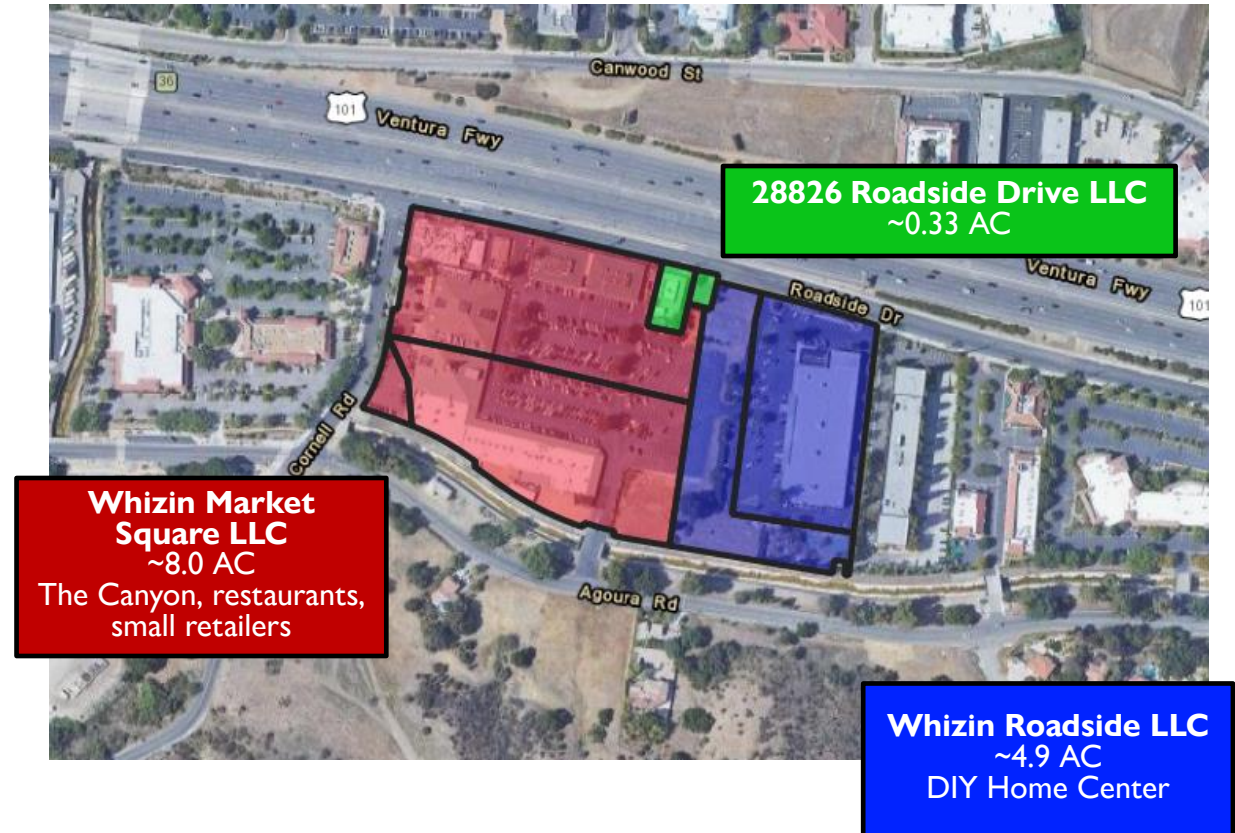
## WHIZIN MARKET SQUARE & SURROUNDING RETAIL

### Preliminary Site Info

<b>Zoning</b>	PD-AH
<b>Land Area</b>	13.2 AC
<b>Description</b>	Neighborhood center featuring The Canyon (performing arts / dining) as well as an eclectic collection of retail and dining (including Agoura Antique Mart, DIY Home Center, Wood Ranch, Plata Cocina Mexicana, BASTA)
<b>Built</b>	1960 - 1980
<b>GLA</b>	165,500 SF
<b>Vacant</b>	6,800 SF / 4.1%
<b>Available Spaces</b>	262 – 1,666 SF @ \$60 / SF 973 – 5,149 SF @ \$60 / SF

### Potential Opportunities

Center attracts visitors from a wider trader area, known as a destination with interesting retail / dining options and entertainment  
 New \$16m park project can be an outdoor anchor to help further activate center  
 Opportunity for new retail, site updates, activities





# OTHER OPPORTUNITY SPACES



**Agoura Hills City Mall**  
5839 – 5915 Kanan Rd

Neighborhood Center with small restaurants / retailers / local services, located near VONS and Ralph's shopping centers; 9,487 SF vacant  
Multiple spaces available  
485 – 9,487 SF (2,516 SF. max. contiguous)  
\$33 – 42 / SF NNN Asking (Retail)  
\$27 – 30 / SF Asking (Office)



**Former Howard's Appliances**  
28610 Canwood St

Freestanding retail building near Agoura Gateway Center (design center); space formerly occupied by Howard's Appliances  
30,891 SF available at \$17.40 / SF  
For Sale: \$8,500,000



**Former Islands Restaurant**  
29271-29291 Agoura Rd

Neighborhood Center with small restaurants / retailers / services located near CA-101  
Former Islands Restaurant Space available at Corner of Agoura Rd and Kanan Rd  
5,334 SF available at Est. \$35 – 43 / SF



# PLACER.AI VISITOR ANALYTICS

# 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.

- **Shopping Center Performance:** Shopping centers in Agoura Hills show relatively strong / stable performance metrics and visitor attraction. They have generally average performance (based on number of visits) compared to other shopping centers within 15 miles of the Site, though anchor performance is average-to-low compared to other locations of the respective chains in the 15-mile market area (perhaps reflective of higher visit counts in more urbanized areas). Strong visitor demographics (income levels, education).
- **Trade Area:** Shopping centers located near the Site show a strong draw from local neighborhoods, as well as some draw from other local communities. Grocery-anchored centers have a more localized trade area, while Whizin Market Square draws from a larger geographic area. Nearby competitive shopping centers in other communities also draw visits from Agoura Hills residents.
- **Favorite Places:** Local resident favorite places show strong patronage of existing shopping centers and retail establishments in the immediate area near the Site, though many also visit locations in nearby cities, particularly Westlake Village and Thousand Oaks. This highlights regional competition, but could also highlight some opportunities to capture greater local sales.

# 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	Visitor Bach Degree+	% Visits from Visitors with Homes <5 Miles Away	Category Rank Percentile: 15 mi Radius	Anchor Chain Percentile (30 Mile Radius)
Whizin Market Square	Neighborhood Center 126,200 SF	1,407,600	392,300	3.6	12.6%	77	\$203,000	59%	35%	30%	
Agoura Design Center	Community Center 118,300 SF	103,700	23,100	4.6	-25.1%	58	\$179,000	55%	43%	4%	
Agoura Meadows	Neighborhood Center 104,900 SF	1,807,500	254,200	7.1	5.4%	16	\$207,000	62%	64%	55%	Vons: 16% CVS: 70%
Twin Oaks Shopping Center	Neighborhood Center 102,400 SF	1,752,500	220,500	7.9	-1.2%	17	\$205,000	62%	65%	50%	Ralphs: 4%
The Shops at Oak Creek	Neighborhood Center 29,800 SF	1,230,200	211,800	5.8	7.2%	19	\$203,000	63%	61%	25%	Trader Joe's: 37%
<i>Centers in Nearby Cities</i>											
Shoppes at Westlake Village	Lifestyle Center 243,300 SF	4,022,900	711,800	5.7	3.3%	28	\$191,000	58%	45%	94%	Target: 45%
Westlake Village Marketplace	Community Center 155,700 SF	2,283,900	343,900	6.6	4.7%	19	\$190,000	59%	59%	71%	Smart & Final: 62%
The Summit at Calabasas	Neighborhood Center 71,600	1,417,000	327,200	4.3	19.4%	23	\$207,000	61%	34%	33%	Erewhon: 62%



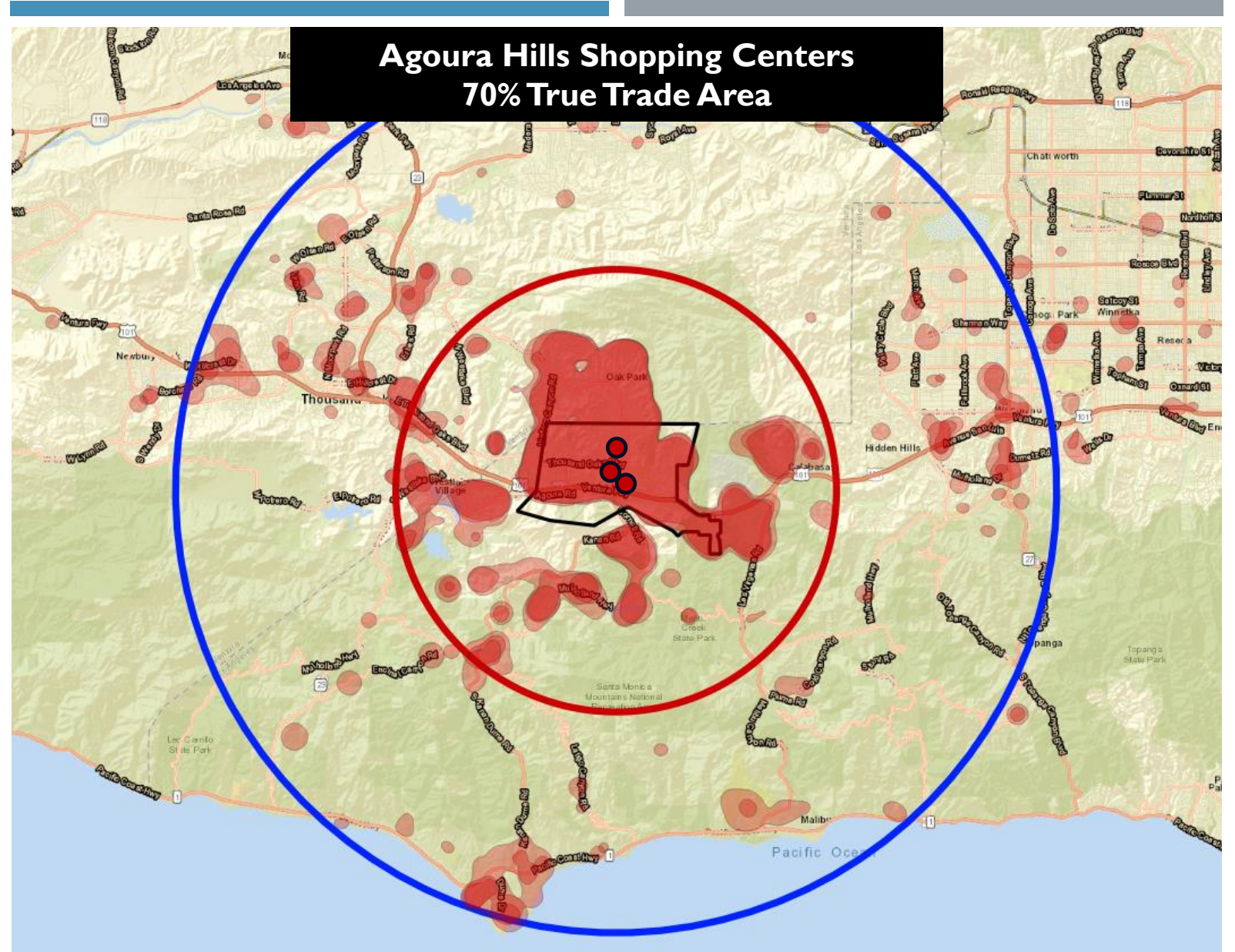
Sources: Placer.ai (Accessed May 2024)

Note: All visits (>1 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.



# SHOPPING CENTER VISIT DATA PLACER.AI SUMMARY

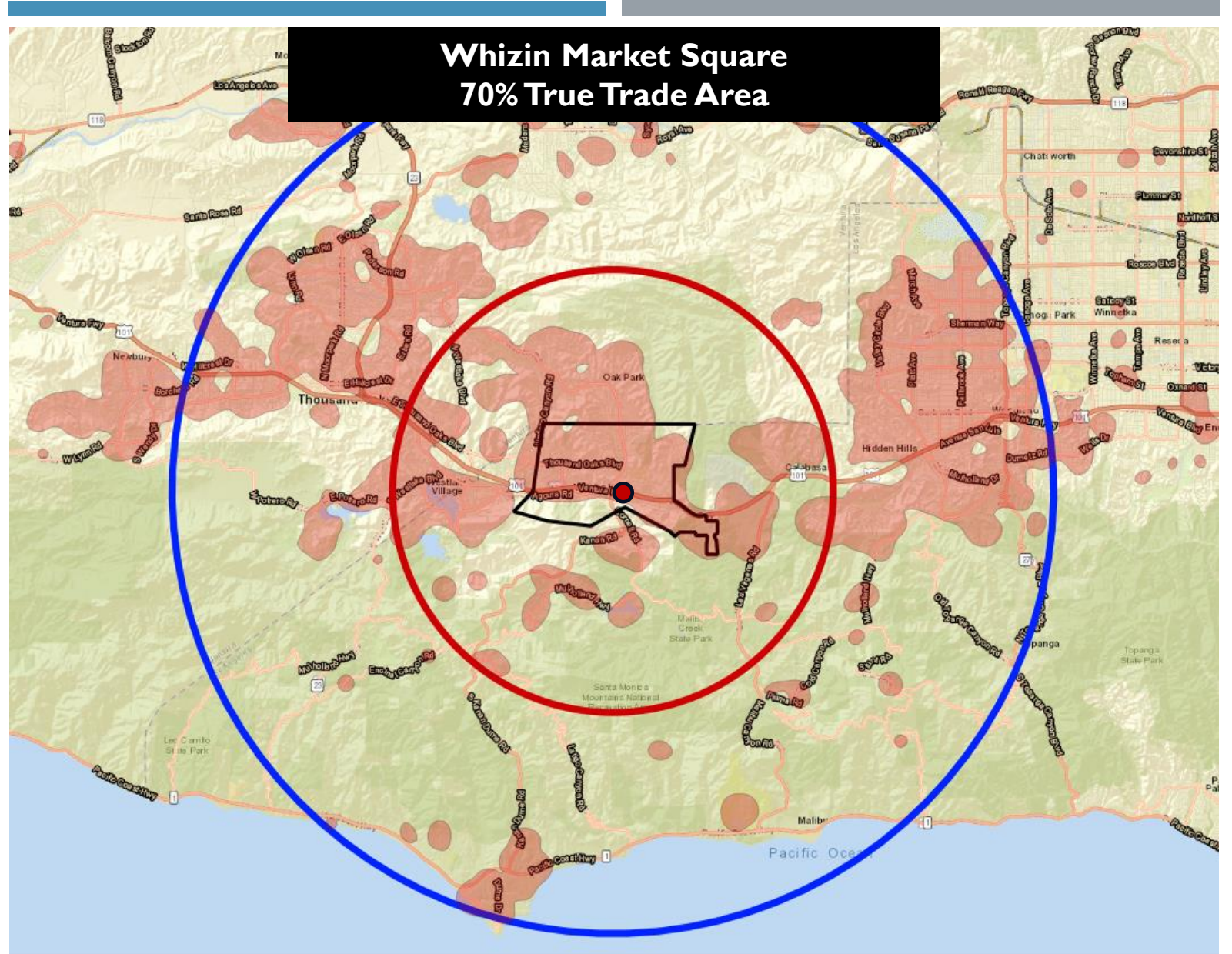
The Placer.ai True Trade Area boundaries for Agoura Meadows, Twin Oaks, and Shops at Oak Creek shopping Centers (based on the home locations of actual visitors) show that these centers primarily serve local Agoura Hills residents as well as those from nearby communities.





# SHOPPING CENTER VISIT DATA PLACER.AI SUMMARY

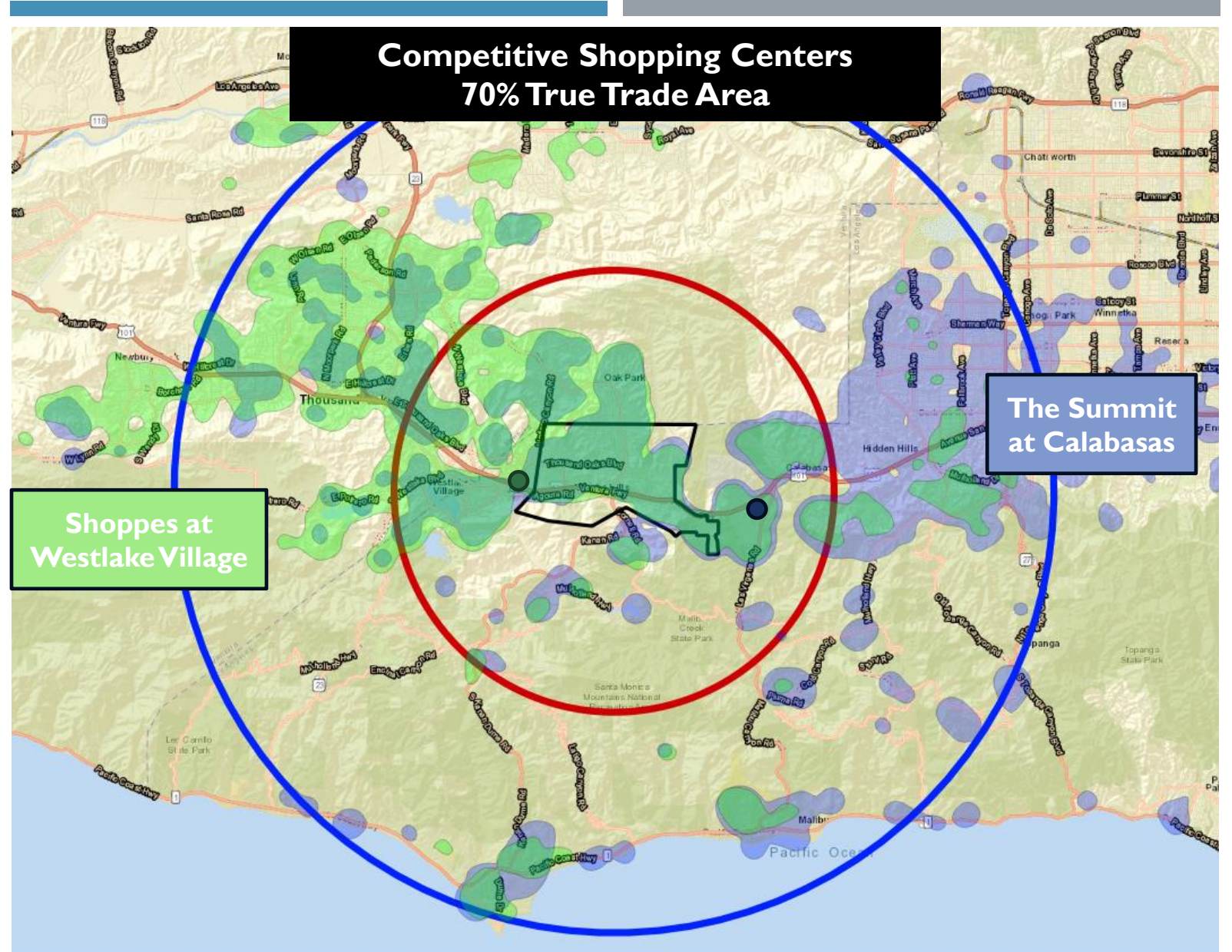
The Placer.ai True Trade Area boundaries for Whizin Market Square (based on the home locations of actual visitors) show that this center has a wider trade area, serving both local residents as well as visitors from Thousand Oaks, Woodland Hills, and beyond.





# SHOPPING CENTER VISIT DATA PLACER.AI SUMMARY

The Placer.ai True Trade Area boundaries for the Shoppes at Westlake Village and the Summit at Calabasas (based on the home locations of actual visitors) demonstrate an example of the “barbell effect” – how centers on either side of Agoura Hills draw visitors from surrounding communities as well as the City, presenting a competitive challenge to the City.



# AGOURA HILLS RESIDENTS TOP VISITED PLACES – PLACER.AI

- Placer.ai was used to analyze the residents of the City as well as residents who live within a 5-mile radius of CA-101 / Kanan Road to understand the favorite retail establishments, restaurants, and other places of interest for people in the core trade area around the Site. This provides information in the tastes and preferences of the consumers in the trade area.
- This data shows that the local shopping centers and retailers fill many of the key needs of local residents, and that the City also faces competition with Shopping Centers, Restaurants, and Leisure / Recreation venues in nearby communities – particularly Westlake Village and Thousand Oaks.

# FAVORITE PLACES CITY RESIDENTS

Location	City	Dist	%	Location	City	Dist	%	Location	City	Dist	%
<b>Shopping Centers</b>				<b>Restaurants</b>				<b>Leisure</b>			
Shoppes at Westlake Village	Westlake Village	1.9	83%	Wood Ranch BBQ & Grill	Agoura Hills	0.5	35%	Regency Agoura Hills Stadium	Agoura Hills	0.5	33%
Agoura Meadows	Agoura Hills	0.2	81%	The Stonehaus	Westlake Village	3.3	21%	AMC Thousand Oaks 14	Thousand Oaks	7.4	24%
Twin Oaks Shopping Center	Agoura Hills	0.4	76%	BJ's Restaurant and Brewhouse	Westlake Village	3.7	19%	Cinepolis	Thousand Oaks	3.5	19%
The Oaks	Thousand Oaks	7.6	74%	Lure Fish House	Westlake Village	2.3	17%	Regal Janss Marketplace	Thousand Oaks	7.1	16%
Westlake Village Plaza	Westlake Village	1.9	73%	Farfalla Trattoria	Westlake Village	3.5	17%	Bowlero Woodland Hills	Woodland Hills	7.6	10%
The Shops at Oak Creek	Agoura Hills	0.3	68%	Lazy Dog Restaurant & Bar	Thousand Oaks	7.4	14%	Fred Kavli Theater at the Thousand Oaks Civic	Thousand Oaks	5.2	8%
Whizin Market Square	Agoura Hills	0.6	67%	The Stand	Thousand Oaks	3.7	14%	Hollywood Bowl	Los Angeles	24.3	8%
Westlake Plaza and Center	Westlake Village	3.7	65%	Brent's Delicatessen & Restaurant	Westlake Village	3.6	14%	Pantages Theater	Los Angeles	25.1	7%
The Promenade at Westlake Village	Westlake Village	3.5	65%	Marmalade Cafe Calabasas	Calabasas	6.6	14%	Oaks Christian Sotelo Aquatic Center	Westlake Village	2.8	5%
Janss Marketplace	Thousand Oaks	6.9	59%	Finney's Crafthouse	Westlake Village	3.7	13%	K1 Speed	Thousand Oaks	9.9	5%
North Ranch Gateway	Thousand Oaks	1.8	57%	King's Fish House	Calabasas	6.8	12%	Golf 'N' Stuff	Ventura	26.9	4%
North Ranch Shopping Center	Thousand Oaks	3.7	52%	Natural Cafe	Westlake Village	3.7	12%	Regal Edwards Calabasas	Calabasas	6.6	4%
Agoura Hills City Mall	Agoura Hills	0.5	50%	BASTA Restaurant	Agoura Hills	0.6	12%	Studio CT	Agoura Hills	0.6	4%
29045 Agoura Rd Shopping Center	Agoura Hills	0.5	44%	Stonefire Grill	Thousand Oaks	4.0	12%	The Getty	Los Angeles	17.2	3%
Westfield Topanga	Canoga Park	9.4	43%	Maral Cuisine	Agoura Hills	0.5	11%	AMC Fallbrook 7	West Hills	8.3	3%



## 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 5-MILE RADIUS RESIDENTS

Location	City	Dist	%	Location	City	Dist	%	Location	City	Dist	%
<b>Shopping Centers</b>				<b>Restaurants</b>				<b>Leisure</b>			
Shoppes at Westlake Village	Westlake Village	1.9	77%	Wood Ranch BBQ & Grill	Agoura Hills	0.3	25%	Cinepolis	Thousand Oaks	3.6	24%
The Oaks	Thousand Oaks	7.7	71%	The Stonehaus	Westlake Village	3.3	22%	AMC Thousand Oaks 14	Thousand Oaks	7.5	24%
Westlake Plaza and Center	Westlake Village	3.8	68%	BJ's Restaurant and Brewhouse	Westlake Village	3.8	19%	Regency Agoura Hills Stadium	Agoura Hills	0.3	20%
The Promenade at Westlake Village	Westlake Village	3.6	64%	Farfalla Trattoria	Westlake Village	3.6	16%	Regal Janss Marketplace	Thousand Oaks	7.2	14%
Westlake Village Plaza	Westlake Village	2.0	62%	Lure Fish House	Westlake Village	2.4	16%	Bowlero Woodland Hills	Woodland Hills	7.6	8%
North Ranch Shopping Center	Thousand Oaks	3.8	59%	Brent's Delicatessen & Restaurant	Westlake Village	3.7	15%	Fred Kavli Theater at the Thousand Oaks Civic	Thousand Oaks	5.4	7%
Janss Marketplace	Thousand Oaks	7.1	57%	Finney's Crafthouse	Westlake Village	3.8	15%	Pantages Theater	Los Angeles	25.1	7%
Whizin Market Square	Agoura Hills	0.4	55%	King's Fish House	Calabasas	6.8	14%	Hollywood Bowl	Los Angeles	24.2	6%
Agoura Meadows	Agoura Hills	0.5	53%	The Stand	Thousand Oaks	3.7	14%	Oaks Christian Sotelo Aquatic Center	Westlake Village	2.9	5%
North Ranch Gateway	Thousand Oaks	1.9	50%	El Sanchito	Thousand Oaks	3.8	14%	K1 Speed	Thousand Oaks	10.0	4%
Twin Oaks Shopping Center	Agoura Hills	0.7	48%	Lazy Dog Restaurant & Bar	Thousand Oaks	7.5	13%	Lucky Strike Moorpark	Moorpark	11.1	4%
The Shops at Oak Creek	Agoura Hills	0.2	47%	Natural Cafe	Westlake Village	3.8	12%	Regal Edwards Calabasas	Calabasas	6.6	4%
Westfield Topanga	Canoga Park	9.4	44%	Stonefire Grill	Thousand Oaks	4.1	12%	AMC Fallbrook 7	West Hills	8.4	4%
Northgate Plaza	Westlake Village	3.7	44%	Marmalade Cafe Calabasas	Calabasas	6.6	12%	Regal Cinema	Simi Valley	9.9	3%
Westlake Commons	Westlake Village	3.6	41%	Sharky's Woodfired Mexican Grill	Westlake Village	3.8	11%	Golf 'N' Stuff	Ventura	27.0	3%



**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 drive time trade area around CA-101 & Kanan Road and compared it 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 with existing retailer locations.

The lists on the following page identify potential retailers. List filtered for chains with positive in-state expansion rates, nearest location at least 150 miles away, and excludes chains with a >95% cannibalization score.

Score	Description	How to Interpret
<b>Demographic Fit Score</b>	<p>The demographic fit score measures how well a prospective retailer fits the demographic profile of a property.</p> <p>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.</p>	<p>Demographic fit scores and attribute similarity scores that are closer to 100 are a better match.</p> <p>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.</p>
<b>Cannibalization Score</b>	<p>The cannibalization score measures the estimated overlap between the studied trade area and the trade areas of existing retail store locations nearby.</p> <p>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.</p>	<p>Cannibalization scores closer to 0 are a better match.</p> <p>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.</p>
<b>Relative Fit Score</b>	<p>The relative fit score combines demographic fit scores, cannibalization score, and other metrics (such as average monthly visits) to arrive at one simplified score.</p>	<p>Relative fit scores that are closer to 100 are a better match.</p> <p>A relative fit score of 100% indicates the chain is the highest-ranked match relative to the full list of chains that were examined.</p>

# PLACER.AI VOID ANALYSIS

## RESTAURANTS / BARS & PUBS

Chains	Max Size (SF)	Typical Trade Area Drive Time (min)	Avg. Monthly Foot Traffic	Nearest Venue (mi)	# of Venues (State)	Expansion Rate (State)	Demographic Fit Score	Cannibalization	Relative Fit Score
Marugame Udon	4,800	13	14,300	20	13	30	80	2	96
Yoshiharu	3,500	13	3,800	43	11	22	57	0	87
Honest Restaurant	6,900	18	3,300	44	2	100	90	4	82
Postino	8,000	15	12,500	62	3	50	77	0	75
Ono Hawaiian BBQ	4,000	8	9,000	17	94	1	39	0	73
Luna Grill	4,600	10	4,500	18	44	2	62	0	71
Kura Revolving Sushi Bar	6,300	12	12,700	19	19	12	64	0	64
Texas Roadhouse	11,500	18	34,300	73	19	6	58	0	62
Ruth's Chris Steak House	16,400	20	5,900	10	12	9	91	46	62
Il Fornaio	14,600	15	11,700	9	15	7	91	48	61
L&L Hawaiian Barbecue	3,600	9	4,900	15	97	2	49	0	61
The Great Greek Mediterranean Grill	3,300	15	4,100	27	6	100	61	0	60
Roll-Em-Up Taquitos	4,600	14	5,800	36	10	11	46	0	59
CAVA	4,900	12	6,800	9	24	41	72	26	56
BonChon Chicken	4,300	11	3,900	37	25	9	56	0	56
NORMS	9,300	13	28,300	19	25	4	40	0	56
North Italia	9,000	17	17,400	9	7	17	91	62	55
Sweetfin Poke	1,600	11	1,400	9	19	12	66	17	55
I Heart Mac & Cheese	3,000	13	2,400	23	4	33	54	0	55
Urban Plates	7,000	14	13,800	7	18	6	87	78	54



**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 20 retailers by Relative Fit Score

# PLACER.AI VOID ANALYSIS

## QSR / FAST FOOD / BREAKFAST / COFFEE

Chains	Max Size (SF)	Typical Trade Area Drive Time (min)	Avg. Monthly Foot Traffic	Nearest Venue (mi)	# of Venues (State)	Expansion Rate (State)	Demographic Fit Score	Cannibalization	Relative Fit Score
Crimson Coward	3,100	14	4,600	39	5	25	46	1	87
Blenders in the Grass	2,600	11	5,700	17	19	6	51	0	82
Curry Pizza House	2,900	17	2,000	70	18	20	88	0	82
West Coast Sourdough	2,500	16	3,100	82	38	3	62	0	81
Starbird Chicken	3,500	14	10,000	22	13	8	83	0	79
Burger Lounge	3,400	12	5,600	13	24	4	84	1	79
Snooze	7,100	17	9,400	52	7	17	80	0	76
85 Degrees C Bakery Cafe	6,900	11	18,600	9	46	5	56	0	68
Bluestone Lane	3,800	13	3,400	18	19	12	69	1	67
Nekter Juice Bar	2,800	8	2,400	22	83	4	64	0	63
Me-N-Ed's Pizzeria	6,300	8	6,600	26	55	2	39	0	62
Better Buzz Coffee Roasters	3,200	11	12,300	73	22	38	60	0	60
Van Leeuwen Artisan Ice Cream	2,200	7	5,300	10	9	13	57	15	60
Ike's Love & Sandwiches	3,100	12	3,900	7	77	5	75	25	59
Haagen-Dazs	2,000	14	3,600	24	14	8	63	6	59
Paris Baguette	5,700	8	13,300	9	56	6	62	8	59
Planet Smoothie	2,400	14	3,000	128	2	100	57	0	57
Gong Cha	3,000	12	2,700	24	16	7	57	0	57
Mountain Mike's Pizza	6,100	8	3,600	26	255	1	43	0	55
Juice It Up!	2,400	8	3,500	23	86	4	42	0	55



**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 20 retailers by Relative Fit Score

# PLACER.AI VOID ANALYSIS

## SELECT RETAIL CATEGORIES

Chains	Max Size (SF)	Typical Trade Area Drive Time (min)	Avg. Monthly Foot Traffic	Nearest Venue (mi)	# of Venues (State)	Expansion Rate (State)	Demographic Fit Score	Cannibalization	Relative Fit Score
TravisMathew	5,200	17	3,900	20	12	9	94	1	87
Evereve	6,000	14	2,400	27	5	67	90	0	84
Eileen Fisher	5,700	15	1,600	21	9	13	89	0	83
Levi's	5,500	18	2,500	9	16	23	86	17	82
The North Face	11,400	21	7,200	59	15	25	87	0	82
Perspire Sauna Studio	3,000	14	1,400	14	15	50	86	3	79
Allbirds	5,300	20	2,900	20	14	8	82	12	71
Bottega Veneta	3,500	15	1,600	21	12	33	75	0	71
YETI	6,100	11	7,700	27	3	50	74	0	71
Veronica Beard	3,400	18	1,600	15	8	60	75	1	70
Dogtopia	11,800	9	2,300	33	12	9	74	0	70
Bricks & Minifigs	5,700	18	2,200	35	18	50	74	0	70
Dr. Martens	2,600	7	2,200	9	21	5	60	2	68
Nike	13,100	11	7,900	18	17	31	69	0	68
Purple Mattress Showroom	7,500	14	2,000	18	11	10	70	0	67
Three Dog Bakery	3,000	12	2,800	14	3	50	70	2	67
Modern Animal	8,000	10	1,800	20	15	36	70	1	66
Indochino	2,700	13	1,200	18	10	11	68	0	66
Alo Yoga	9,200	8	7,000	9	17	55	70	7	64



**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 20 retailers by Relative Fit Score



# PLACER.AI VOID ANALYSIS

## FITNESS

Chains	Max Size (SF)	Typical Trade Area Drive Time (min)	Avg. Monthly Foot Traffic	Nearest Venue (mi)	# of Venues (State)	Expansion Rate (State)	Demographic Fit Score	Cannibalization	Relative Fit Score
Life Time	171,800	8	41,800	61	7	17	92	0	90
Yoga Six	4,800	8	1,800	14	45	10	89	0	83
barre3	4,200	10	2,000	21	9	13	89	0	83
The Bay Club	395,400	8	37,200	19	23	10	82	0	81
Body Fit Training	7,700	8	1,500	17	8	60	79	0	75
Title Boxing Club	8,700	9	2,400	56	7	17	74	0	71
Barry's Bootcamp	8,100	10	3,100	18	17	6	73	0	70
solidcore	3,600	8	2,300	18	6	20	72	0	69
Burn Boot Camp	9,700	9	4,000	60	6	20	71	0	68
YMCA	80,400	8	17,400	9	131	3	66	0	66
D1 Sports Training	17,400	8	1,900	57	4	300	67	0	65
Chuze Fitness	57,900	6	41,800	35	22	5	42	0	59
Equinox	47,200	7	14,400	3	31	3	76	53	57
HOTWORX	4,000	10	1,800	24	28	47	53	0	53
Planet Fitness	37,800	8	25,300	9	195	4	46	0	51
In-Shape Health Clubs	59,700	6	29,000	47	63	40	41	0	47
Gold's Gym	55,900	8	18,000	7	32	7	56	30	42
Club Pilates	3,800	8	2,300	4	151	4	78	69	40

# PLACER.AI VOID ANALYSIS

## ATTRACTIONS, THEATERS, AND VENUES

Chains	Max Size (SF)	Typical Trade Area Drive Time (min)	Avg. Monthly Foot Traffic	Nearest Venue (mi)	# of Venues (State)	Expansion Rate (State)	Demographic Fit Score	Cannibalization	Relative Fit Score
Golftec	5,200	11	1,200	10	25	-4	80	0	75
Topgolf	290,400	30	33,400	27	5	25	94	39	71
Century Theatres	96,800	11	63,600	20	37	-5	51	0	70
Round1 Entertainment	109,300	20	41,500	26	11	0	61	11	70
Alamo Drafthouse Cinema	54,400	12	35,100	30	2	0	66	0	68
Harkins Theatres	90,200	11	70,800	43	4	0	46	0	66
IMPROV	15,400	18	7,800	23	6	0	74	14	64
Soho House	27,500	16	12,100	9	4	0	70	10	64
Pinot's Palette	4,700	13	2,000	35	12	0	63	3	60
Lucky Strike Entertainment	47,800	17	14,700	11	5	25	61	27	58
Cinemark	95,500	15	54,200	24	18	6	50	0	57
Studio Movie Grill	71,600	11	31,100	9	3	0	51	0	55
iFLY	10,900	34	2,900	23	6	0	94	80	47
Cinapolis	65,100	13	32,400	3	11	10	79	73	42
K1 Speed	109,100	17	8,300	10	16	-6	71	66	36
Bowlero	67,100	13	12,200	8	44	2	52	55	27
Chuck E. Cheese	22,300	24	5,900	7	75	3	62	75	24
Dave & Buster's	73,900	21	27,200	7	20	0	69	93	23
Regal Cinemas	98,800	15	36,500	7	84	-1	62	87	21



# TOOLKIT

# ECONOMIC DEVELOPMENT TOOLKIT OVERVIEW

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

# 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\*)<sup>®</sup>

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



# REAL ESTATE STRATEGIES PRIVATELY-OWNED PROPERTY

Cities can pro-actively reach out to select private property owners to facilitate real estate developments to advance the City's economic development goals.

- **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

# 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

### Prevailing Wage

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

### Cost / Impact on Tax Base

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

<b>Property Business Improvement Districts (PBID)</b>	<p>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.</p>
<b>Community Facilities District (CFD)</b>	<p>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.</p>
<b>Parking Authority District</b>	<p>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.</p>
<b>Climate Resilience District (CRD)</b>	<p>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.</p>



# 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.

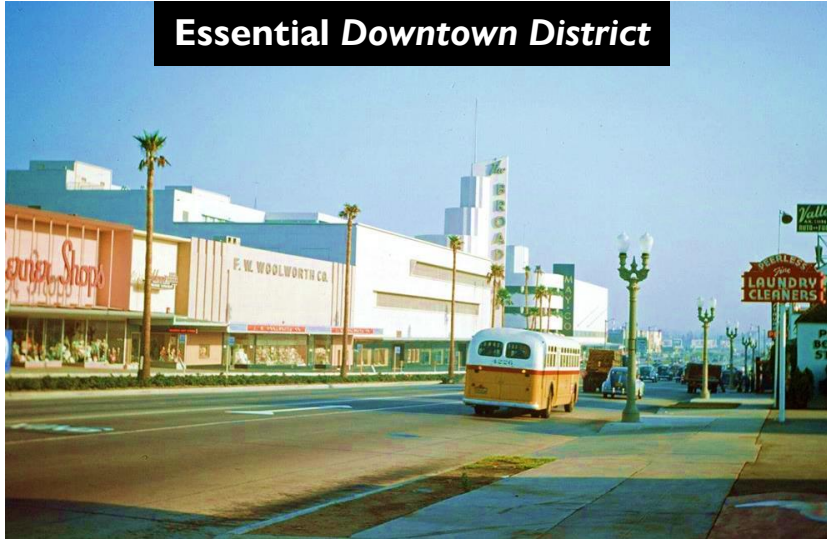


**Evolution** – Recent store closures, brought upon by the rise of online-shopping and shifting consumer tastes, have led to greater mall vacancies and struggling downtown districts, reinforcing the need to create blended use and “think outside the box.”



# THE EVOLUTION OF RETAIL CENTERS

**Essential Downtown District**



**Emergence Enclosed Mall**



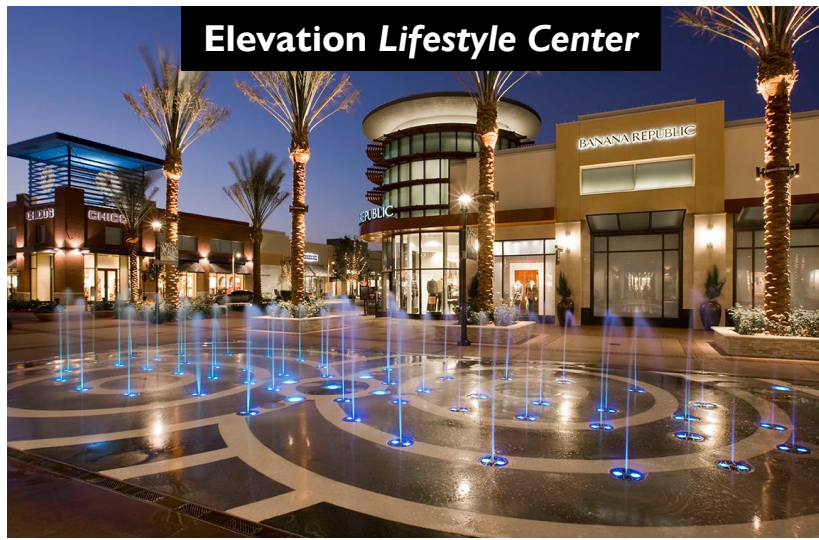
**Expansion Regional Mall**



**Enlargement Power Center**



**Elevation Lifestyle Center**



**Evolution Blended Use**

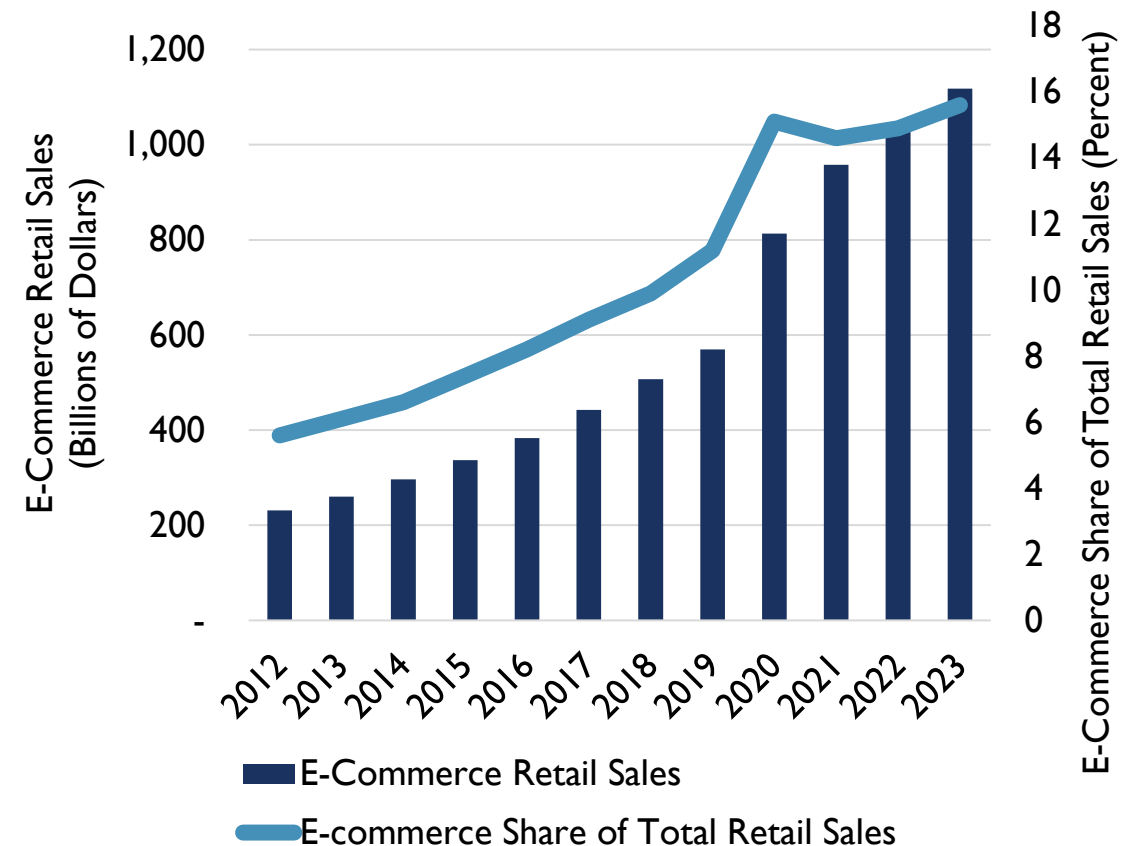




# GROWTH IN E-COMMERCE DISRUPTING RETAIL

- 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!**

## U.S. E-Commerce Retail Sales



# 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

Housing is not necessarily a net negative fiscal impact, especially at current property values

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

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

Job redistribution tied to housing

Vacancies and foreclosures expanding can lead to fiscal impact pressure

Modern industrial is not “your father’s” industrial – not smokestacks

Retail won’t thrive without distribution

Booming demand for distribution, e-commerce, and data centers, blending for fulfillment/delivery, job creators



# 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.
- What makes these experiences unique? 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.
- What it means for shopping center development: 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
<ul style="list-style-type: none"> <li>• Feels like an exciting destination</li> <li>• Celebrates local character</li> <li>• Fosters a specific vibe/feeling</li> <li>• Feels fresh and innovative</li> </ul>	<ul style="list-style-type: none"> <li>• Fun and welcoming environment to gather and hang</li> <li>• Fresh air elevates dining and shopping experience</li> <li>• Mood lighting and aesthetics lifts the ambiance</li> </ul>	<ul style="list-style-type: none"> <li>• Shared community experiences</li> <li>• Encourage conversation and connection</li> <li>• Examples: breweries, distilleries, coffee / tea</li> </ul>	<ul style="list-style-type: none"> <li>• Unexpected entertainment attracts and retains customers</li> <li>• Memorable and engaging</li> <li>• Examples – arcade games, photo booths, lawn games, art installations</li> </ul>	<ul style="list-style-type: none"> <li>• Interesting and culturally rich food options</li> <li>• Reflects local flavor, authentic, interesting fusion</li> <li>• Exciting to try, drives additional visits</li> </ul>	<ul style="list-style-type: none"> <li>• Tenants and pop-ups create a reason to come</li> <li>• Digital brands with brick-and-mortar spaces</li> <li>• Curated products that create a desirable shopping experience</li> <li>• Local / exclusive products</li> </ul>



# ENGAGING RETAIL EXAMPLES

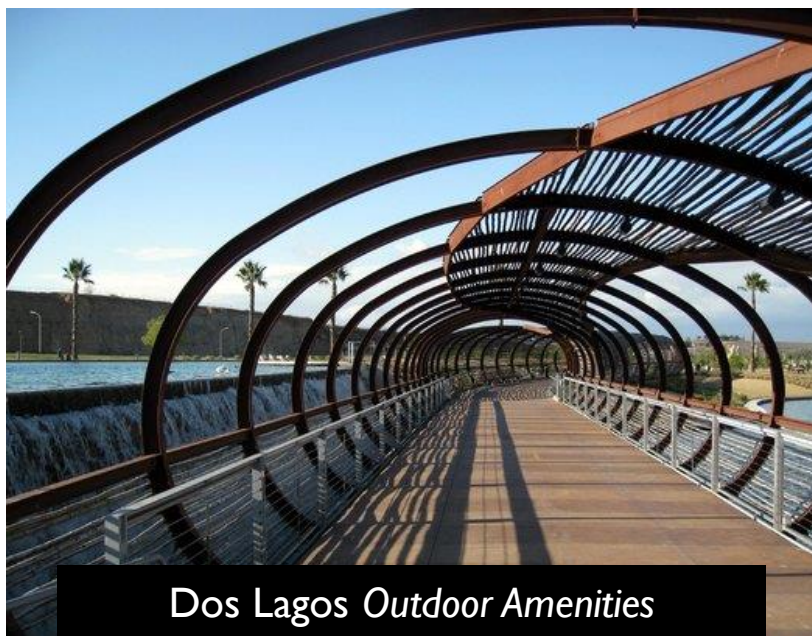


Stone Brewing Beer Garden Communal Outdoor Spaces

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
<b>Movie Theater</b>	Delivering an improved / luxury theater experience – better seating, design, and food / beverage	Alamo Drafthouse,
<b>Bowling</b>	Upscale and engaging lounge format	Lucky Strike, Bowlmor
<b>Small format sports / activities</b>	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
<b>Large format sports / activities</b>	Larger indoor / outdoor footprints that often offer a variety of activities and sports	Topgolf, SFC sports facilities, Elev8 Fun, Launch Entertainment, FunBox Franchise
<b>Gaming and Arcades</b>	Arcades, escape rooms, arcade bars, pinball, virtual reality gaming, and e-sports	Barcade, Beat the Bomb
<b>Personalized Retail Services</b>	Clothing, accessories, and technology stores that offer showrooms, in-store services and customization	
<b>Curated Food Halls</b>	Food centers with diverse / curated / boutique / local businesses, small stalls, restaurants, bars, common area tables and gathering places	Rodeo 39, Anaheim Packing House, Eataly
<b>Interactive Exhibits</b>	Art installations, galleries, and other cultural offerings	Department of Wonder, Area15





Gaming / E-Sports / Arcade

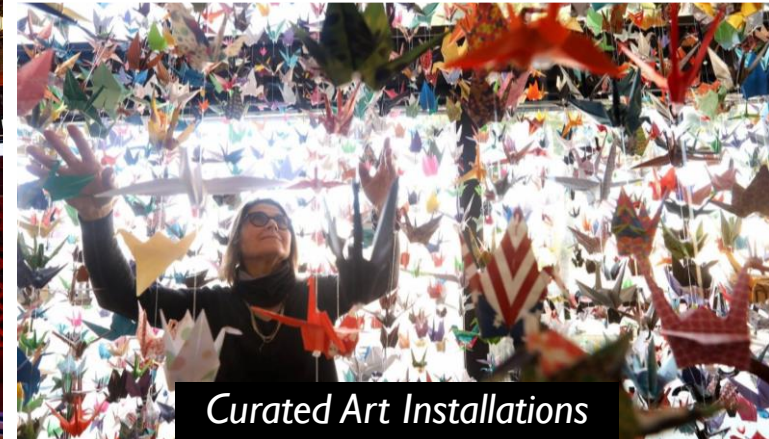


Famous Food Street Eats, Las Vegas  
Curated Food Hall

# EXPERIENTIAL RETAIL



Drive-in Movies



Curated Art Installations



AREA 15, Las Vegas  
Experiential Retail / Entertainment



Engaging Play Areas