# City of El Monte
# Preliminary Economic Development Plan

*February 7, 2017*

**Prepared By:**
***Kosmont Companies***

# Project Background & Status

- Kosmont was retained by the City of El Monte for the preparation of an Economic Development Plan which builds on the City's General Plan, its Economic Development Element, and key stakeholder input
- The purpose of the Economic Development Plan is to evaluate existing demographic information and retail/office/industrial market conditions and identify and prioritize strategic areas to successfully promote economic development within the City
- An overview of the Economic Development Plan is presented herein

# Plan Outline

## 1. Analysis

a) **Economic & Demographic Profile**
   i. *Population & Household Demographics*
   ii. *Unemployment & Employment by Industry*

b) **Market Demand Analysis**
   i. *Supply, Vacancy & Lease Rates*
   ii. *Retail Sales Performance*
   iii. *Retail Sales Surplus / Leakage*

## 2. Strategy

a) **Strategic Area Assessment & Prioritization**

## 3. Implementation

a) **Stakeholder Outreach (next steps)**

b) **Marketing (next steps)**
   i. *Collateral Material*
   ii. *Digital Marketplace*

c) **Financing & Incentives (next steps)**

# Analysis Outline

## 1. Analysis

### a) Economic & Demographic Profile

i. *Population & Household Demographics*

ii. *Unemployment & Employment by Industry*

### b) Market Demand Analysis

i. *Supply, Vacancy & Lease Rates*

ii. *Retail Sales Performance*

iii. *Retail Sales Surplus / Leakage*

# Economic & Demographic Profile

## *Population & Household Demographics*

# Demographic Highlights

## Population & Households

- Population of ~116,300 and ~28,300 households within the City in 2016
- Population of ~573,200 and ~156,100 households within 5 miles from Site

## Income

- Avg. HH income ~$54,100 in City and ~$75,400 within 5 miles from Site
- 0.74% annual growth projected for HH income over next 5 years in City

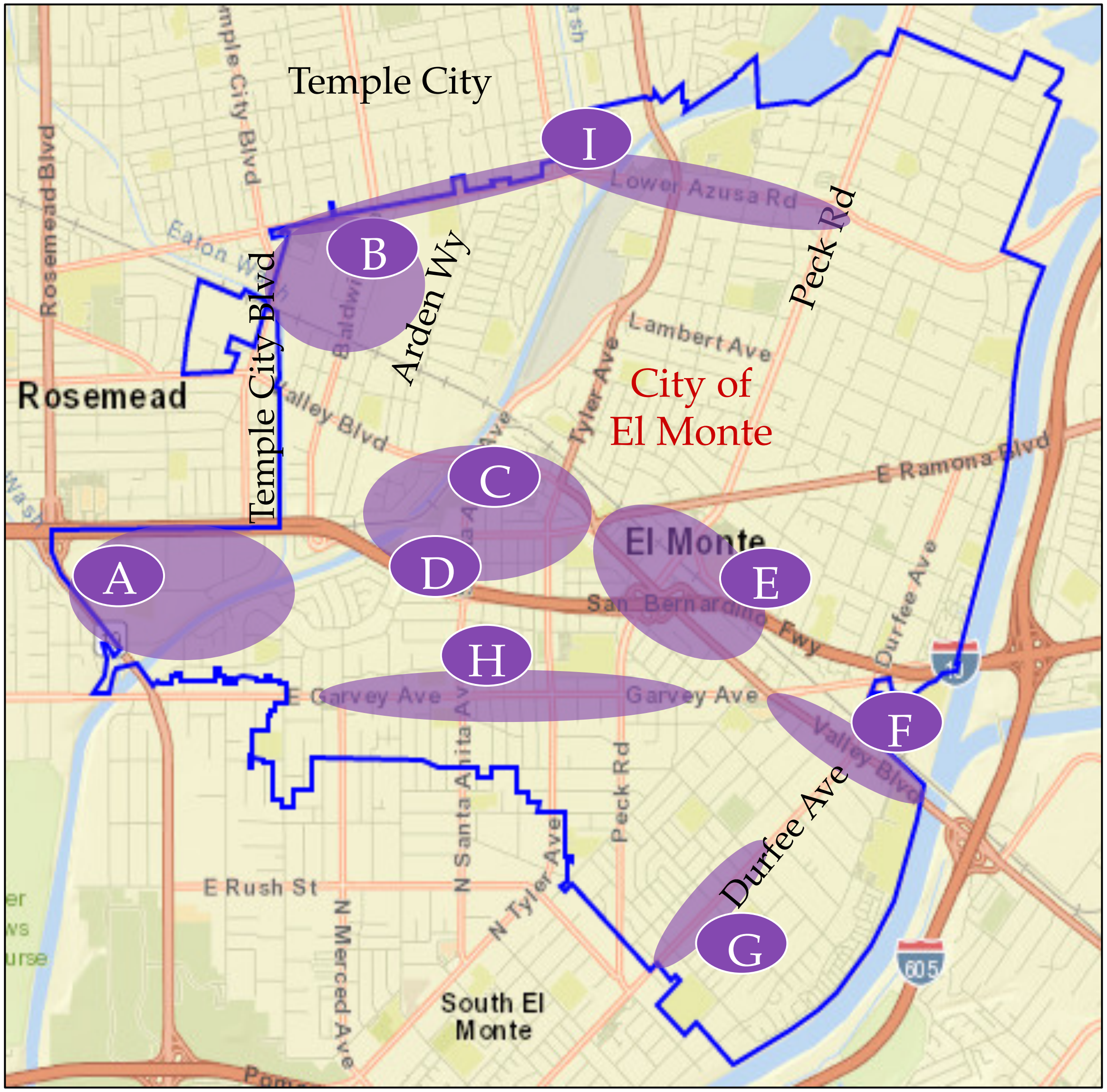
## Other Demographic Characteristics

- Average household size of **4.1** in City (higher than County average)
- Median age of **32** in City (younger than County median)
- ~12% Bachelor's Degree or higher (lower than County average)
- Race: ~38% White, ~31% Some Other Race, ~26% Asian
- Ethnicity: ~**69**% Hispanic in City

**Source:** U.S. Census Bureau (2010); ESRI, Department of Finance (2016)

# Strategic Areas

| Strategic Area | Name |
|---|---|
| A | Flair Business Park |
| B | Northwest Industrial District |
| C | Downtown El Monte Specific Plan Area |
| D | Gateway Specific Plan Area |
| E | El Monte Center & Auto Row |
| F | East Valley Entryway Area |
| G | Durfee Mixed-Use Corridor |
| H | Garvey Mixed-Use Corridor |
| I | Lower Azusa Corridor |




**Source:** City of El Monte (2016)



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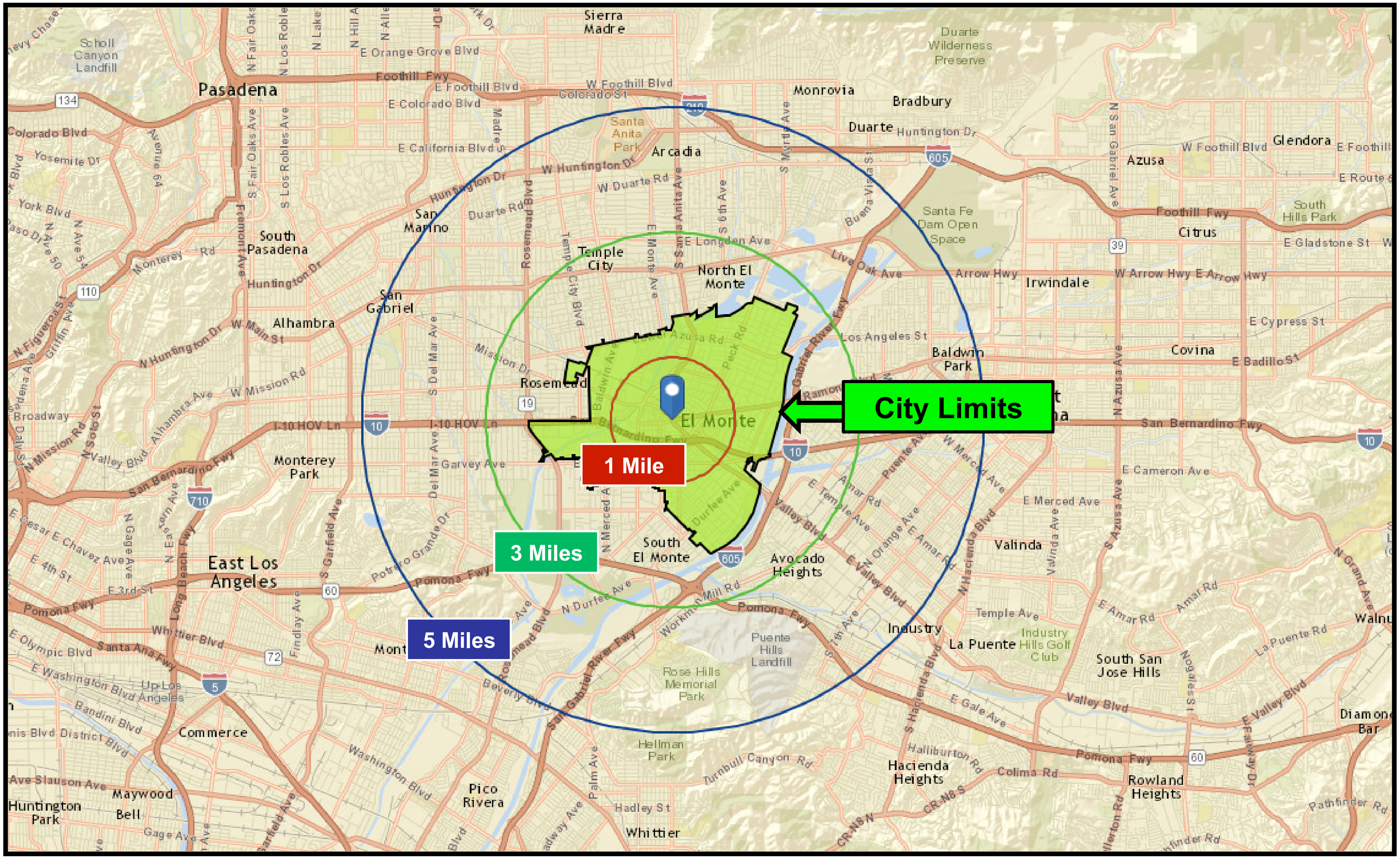
# El Monte City Limits & Radii




**Source:** ESRI (2016)



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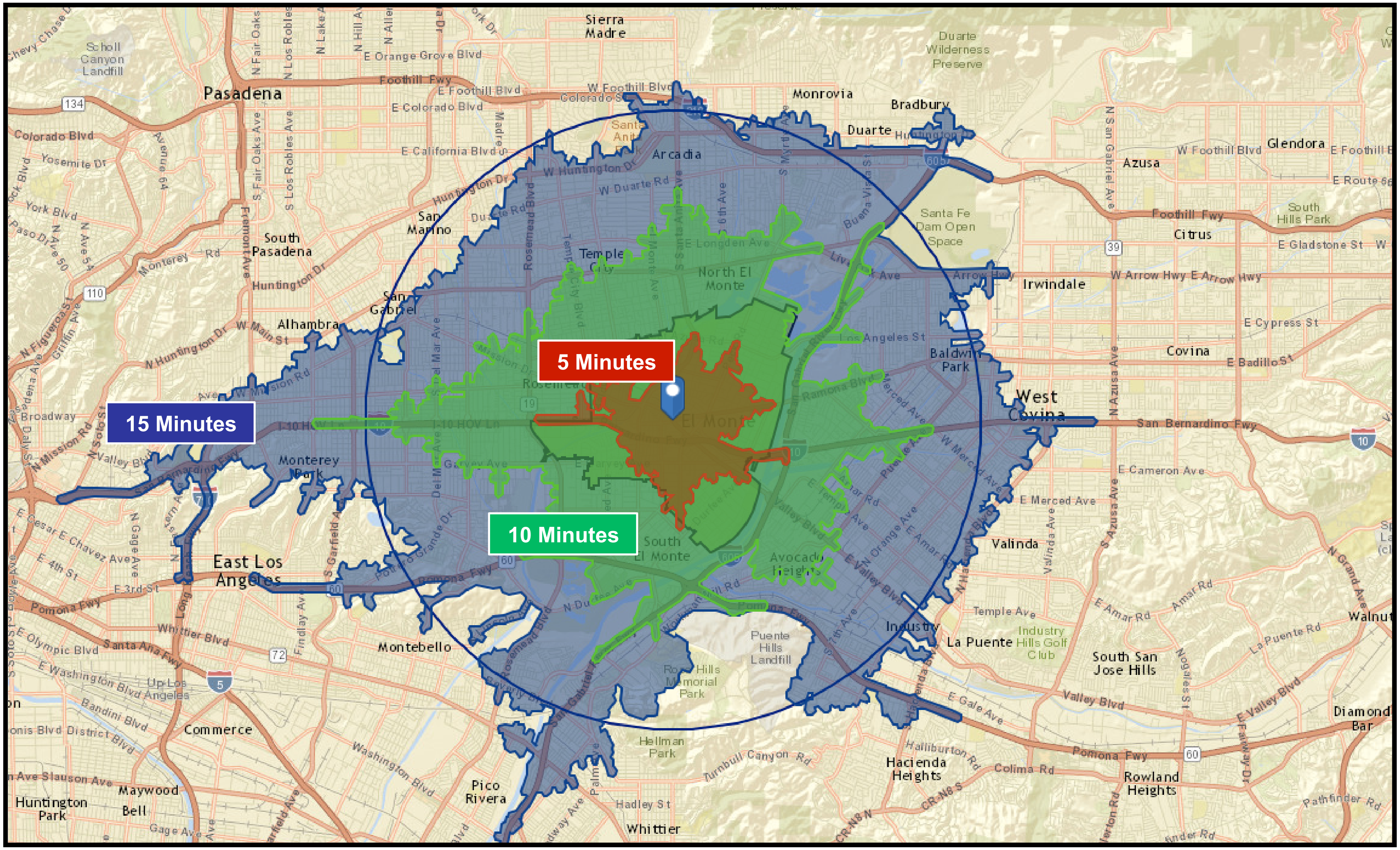
# Drive Times

*(from Valley Blvd. & Ramona Blvd.)*




**Source:** ESRI (2016)



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# Population and Income
## *City, County and State*

| **2016** | **City of El Monte** | **Los Angeles County** | **State of California** |
|---|---|---|---|
| **Population** | 116,272 | 10,147,765 | 38,986,171 |
| **Households** | 28,277 | 3,321,508 | 13,029,292 |
| **Average HH Size** | **4.07** | 3.00 | 2.93 |
| **Median Age** | **32.3** | 35.4 | 35.8 |
| **% Hispanic Origin** | **69.3%** | 49.0% | 39.4% |
| | | | |
| **Per Capita Income** | *$13,524* | $28,565 | $30,905 |
| **Median HH Income** | *$40,898* | $57,190 | $62,554 |
| **Average HH Income** | *$54,064* | $85,730 | $90,812 |
| | | | |
| **2016-2021 Annual Growth Rate** | | | |
| **Population** | *0.57%* | 0.65% | 0.87% |
| **Median HH Income** | *0.74%* | 2.04% | 2.73% |

**Source:** ESRI, California Department of Finance (2016)



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# Population and Income

*Radii from Valley Blvd. & Ramona Blvd.*

| | Radii | | |
|---|---|---|---|
| **2016** | **1 Mile** | **3 Miles** | **5 Miles** |
| **Population** | 35,275 | 232,922 | **573,207** |
| **Households** | 8,798 | 59,620 | **156,110** |
| **Average HH Size** | **3.96** | 3.88 | 3.64 |
| **Median Age** | **32.3** | 34.6 | 36.5 |
| **% Hispanic Origin** | **71.1%** | 59.7% | 53.6% |
| | | | |
| **Per Capita Income** | *$13,415* | $17,559 | **$20,901** |
| **Median HH Income** | *$38,743* | $50,513 | **$55,749** |
| **Average HH Income** | *$51,781* | $67,190 | **$75,372** |
| | | | |
| **2016-2021 Annual Growth Rate** | | | |
| **Population** | 0.72% | 0.56% | 0.55% |
| **Median HH Income** | 0.59% | 1.14% | 1.60% |

**Source:** ESRI (2016)

# Population and Income

*Drive Times from Valley Blvd. & Ramona Blvd*

| | Drive Times | | |
|---|---|---|---|
| **2016** | **5 Minutes** | **10 Minutes** | **15 Minutes** |
| **Population** | 47,617 | 251,839 | **660,529** |
| **Households** | 11,878 | 64,319 | **181,971** |
| **Average HH Size** | **3.96** | 3.88 | 3.60 |
| **Median Age** | **32.2** | 34.8 | 36.6 |
| **% Hispanic Origin** | **70.1%** | 58.5% | 53.8% |
| | | | |
| **Per Capita Income** | $13,221 | $17,462 | **$20,454** |
| **Median HH Income** | $38,382 | $50,413 | **$54,855** |
| **Average HH Income** | $51,387 | $67,050 | **$73,052** |
| | | | |
| **2016-2021 Annual Growth Rate** | | | |
| **Population** | 0.61% | 0.56% | 0.55% |
| **Median HH Income** | 0.46% | 1.14% | 1.57% |

**Source:** ESRI (2016)



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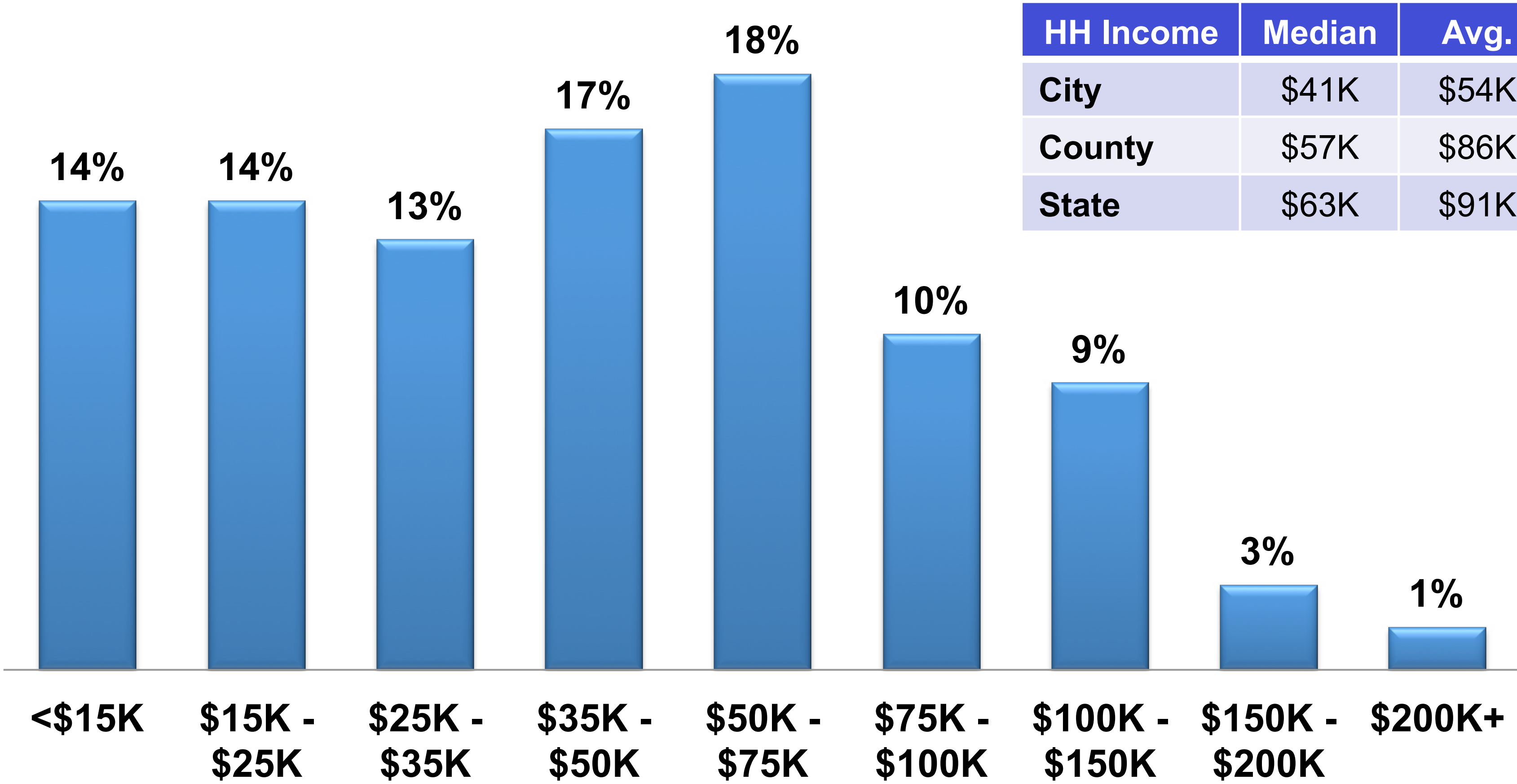
# Income Profile

**City of El Monte – 2016 Households by Income Bracket**




| HH Income | Median | Avg. |
|---|---|---|
| **City** | $41K | $54K |
| **County** | $57K | $86K |
| **State** | $63K | $91K |

**Source:** U.S. Census Bureau (2010); ESRI (2016)



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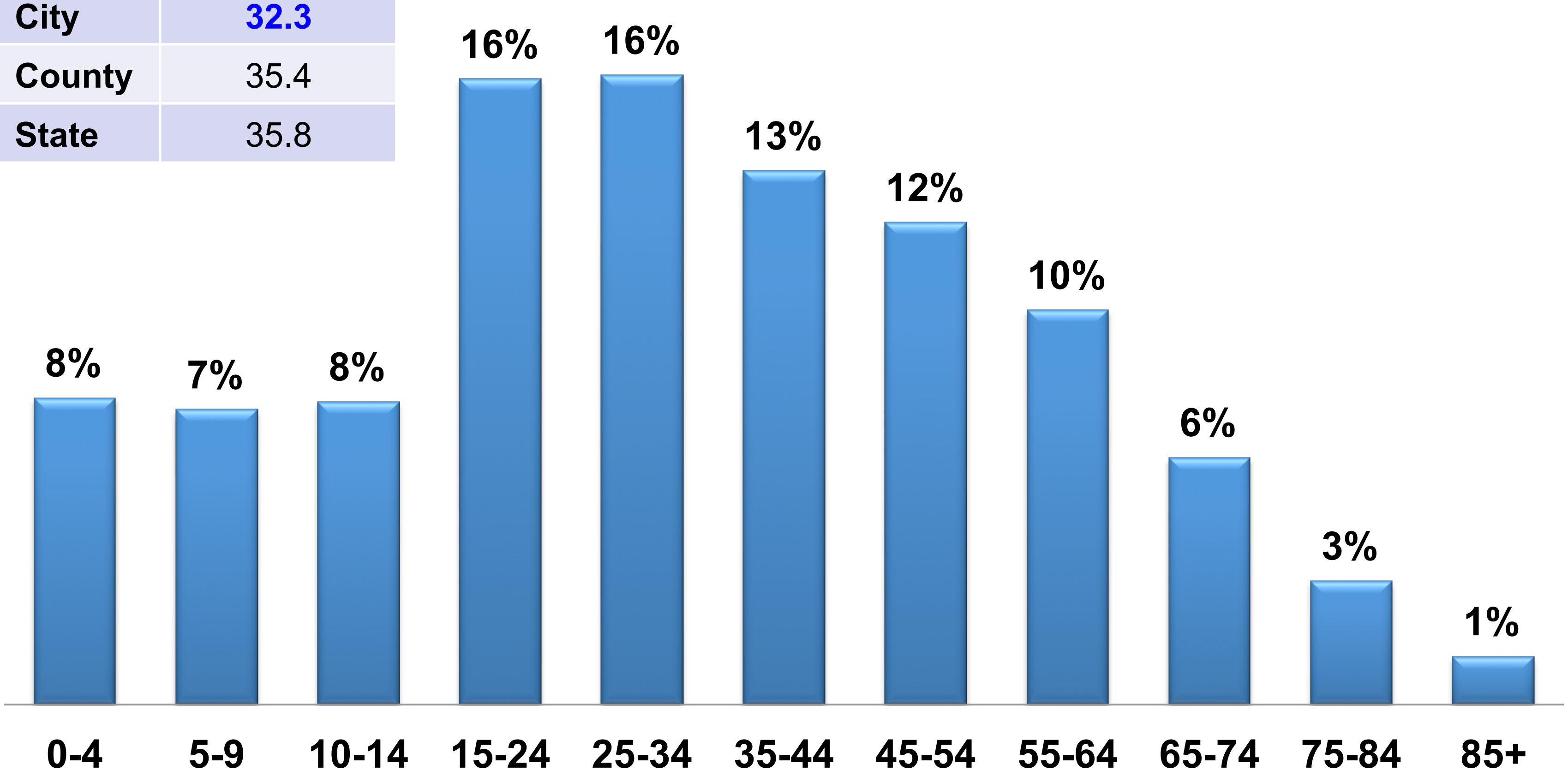
# Age Profile

## City Population by Age Bracket in 2016

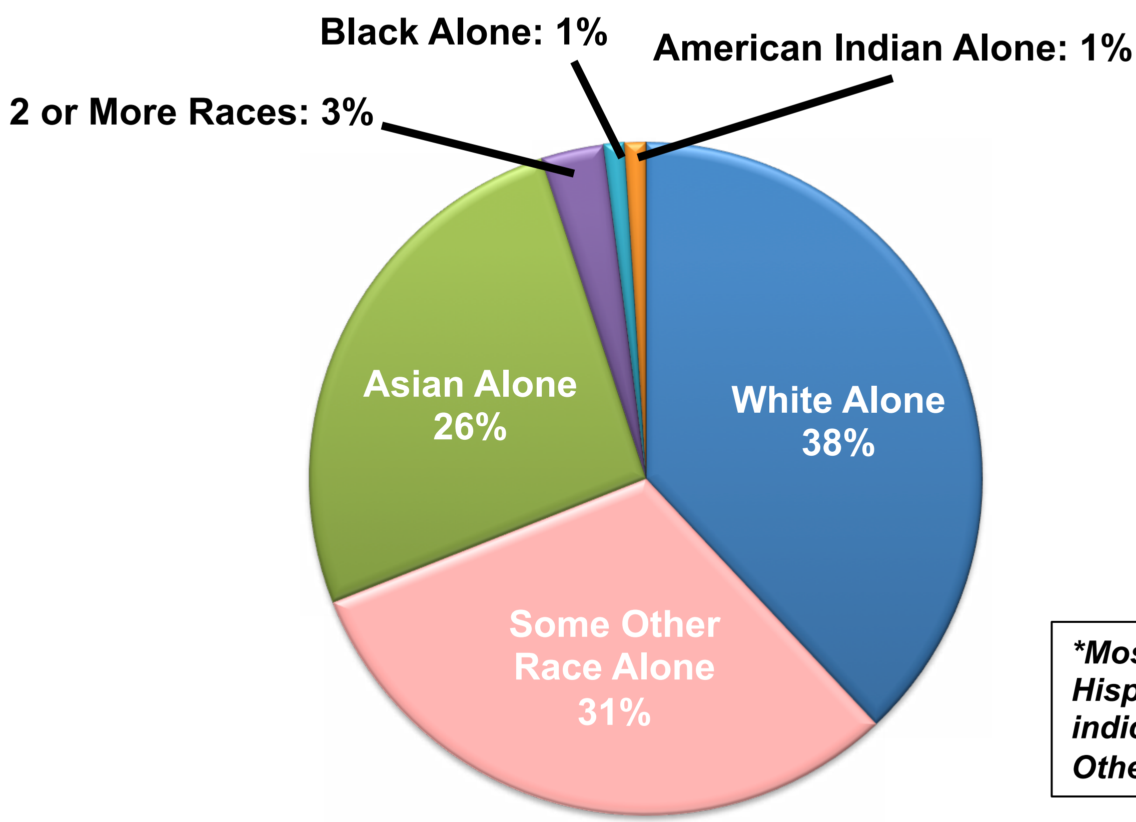
| | Median Age |
|---|---|
| City | 32.3 |
| County | 35.4 |
| State | 35.8 |




**Source:** U.S. Census Bureau (2010); ESRI (2016)

# Race & Ethnicity

**City Population by Race & Ethnicity in 2016**




**Most respondents of Hispanic Origin additionally indicate "White" or "Some Other Race"*

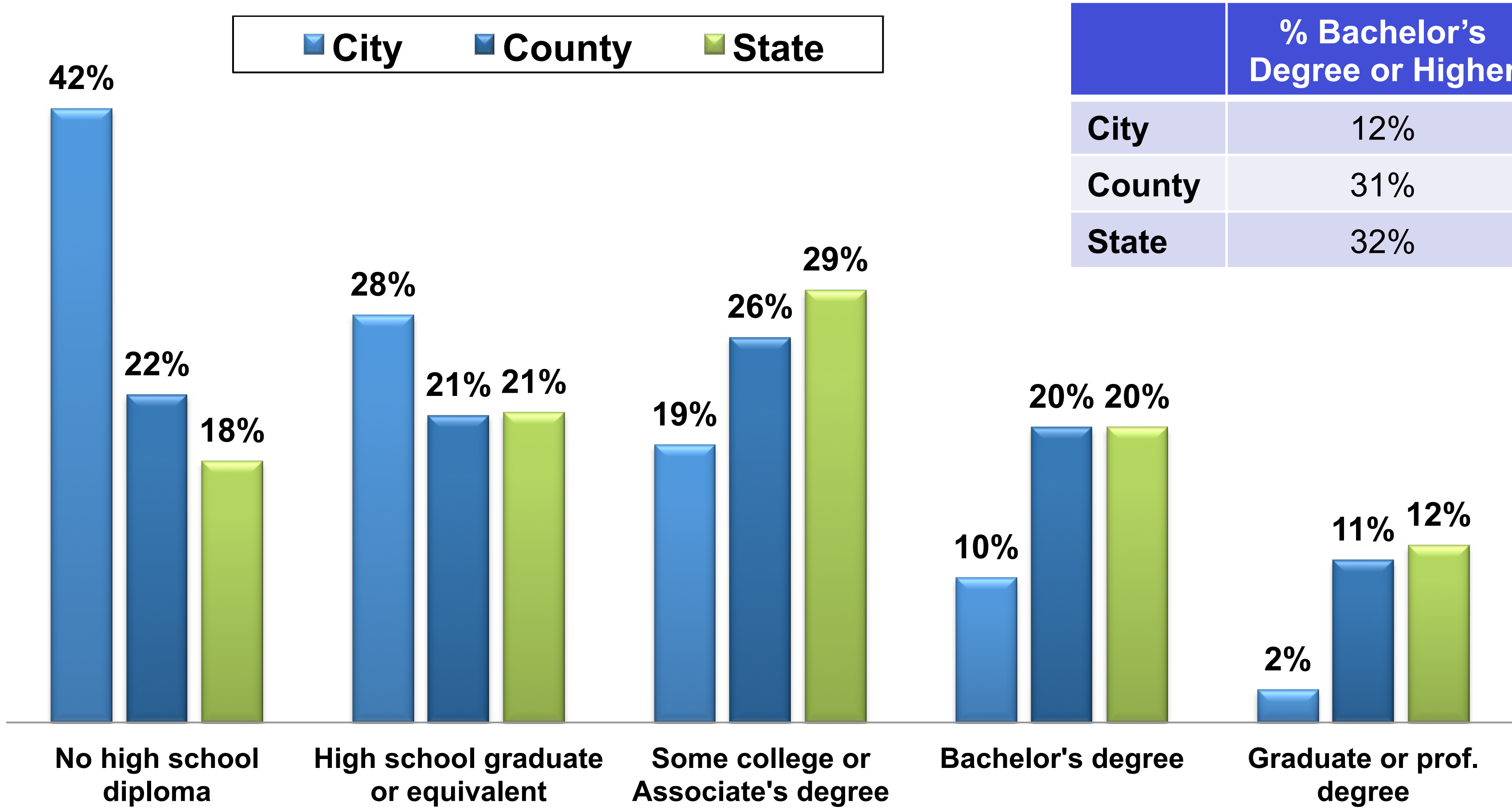
***Hispanic Origin of Any Race: 69%***

**Note:** U.S. Census Bureau defines race and ethnicity as two separate and distinct identities. One Census question asks respondents which socio-political race (of categories in pie chart above) they associate most closely with, and a separate question asks whether they associate with "Hispanic, Latino, or Spanish origin" or not (defined as ethnicity).

**Source:** U.S. Census Bureau (2010); ESRI (2016)

# Educational Attainment

## Population Aged 25+ by Educational Attainment

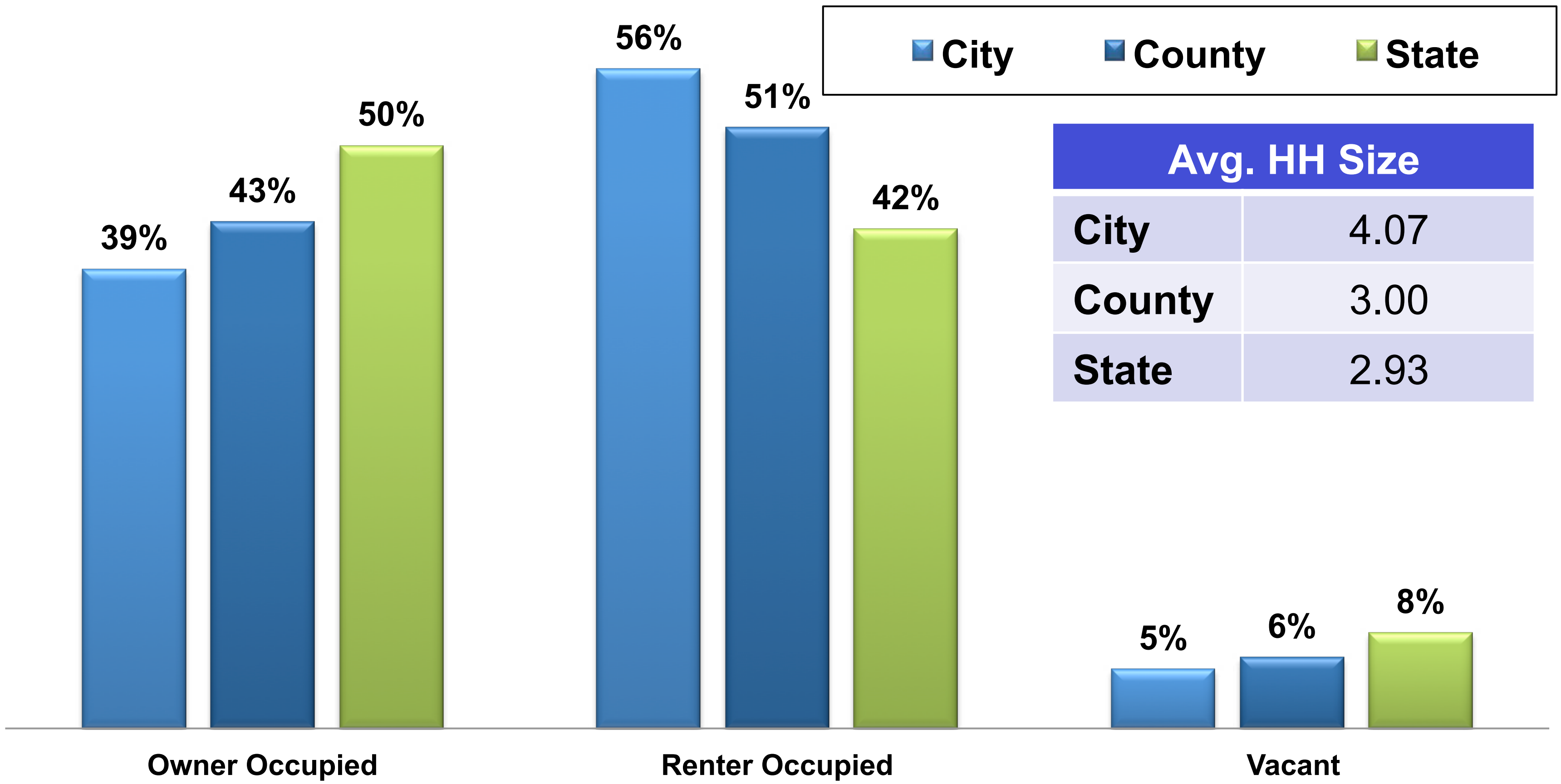



| | % Bachelor's Degree or Higher |
|---|---|
| City | 12% |
| County | 31% |
| State | 32% |

**Source:** U.S. Census Bureau (2010); ESRI (2016)

# Housing & Household Size

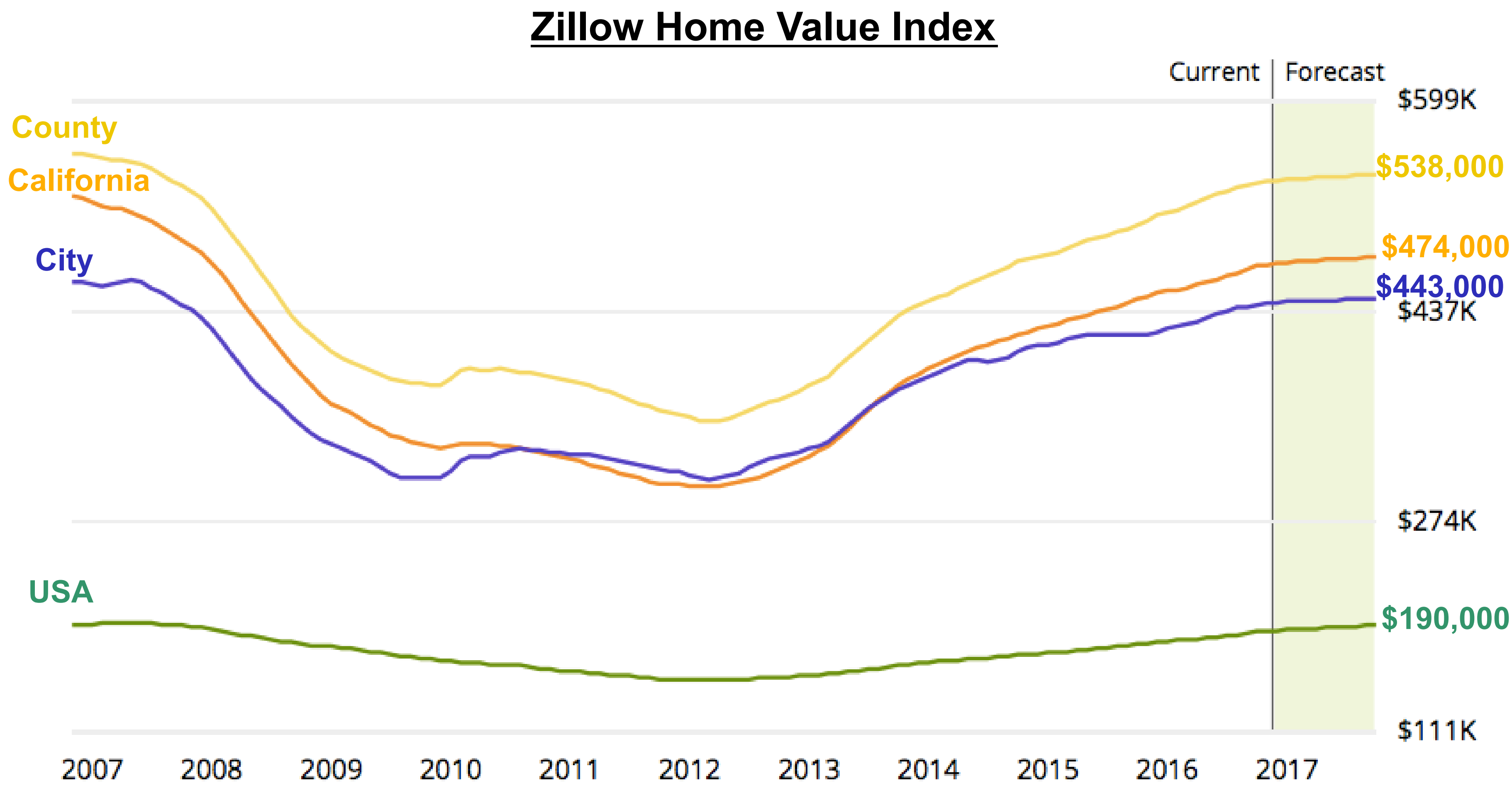
## Housing Breakdown (2016)




| Avg. HH Size | |
|---|---|
| City | 4.07 |
| County | 3.00 |
| State | 2.93 |

**Source:** U.S. Census Bureau (2010); ESRI (2016)

# Home Value History




**Source:** Zillow.com (November 2016)

# Population Segmentation Profile

| "Tapestries" in City | Percent | Sample Characteristics |
|---|---|---|
| **1. Las Casas** | 56% | • Young, majority Hispanic community with large household size<br>• Large segment of this market was born abroad<br>• Higher than average levels of unemployment<br>• Primarily renter-occupied homes (mix of single-family and multi-unit buildings)<br>• Consumers are attentive to personal style and purchases reflect their families; Brand loyal, but open to new products<br>• Spanish language media influence (music, television, websites) |
| **2. Urban Villages** | 28% | • Multicultural, multigenerational, and multilingual, majority Hispanic communities<br>• More than half have a high school diploma or some college<br>• Higher than average levels of unemployment<br>• Majority owner-occupied, single family homes<br>• Well connected via smartphones, but more likely to shop in person at Costco, Target, similar establishments<br>• Residents are comfortable with technology and interested in the latest innovations<br>• Status-conscious; choices reflect their youth - attention to style and pursuit of trends; open to trying new brands<br>• Media preferences vary, but generally feature culturally specific channels and children's shows |

**Source:** ESRI (2016)



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# Jobs / Housing Balance

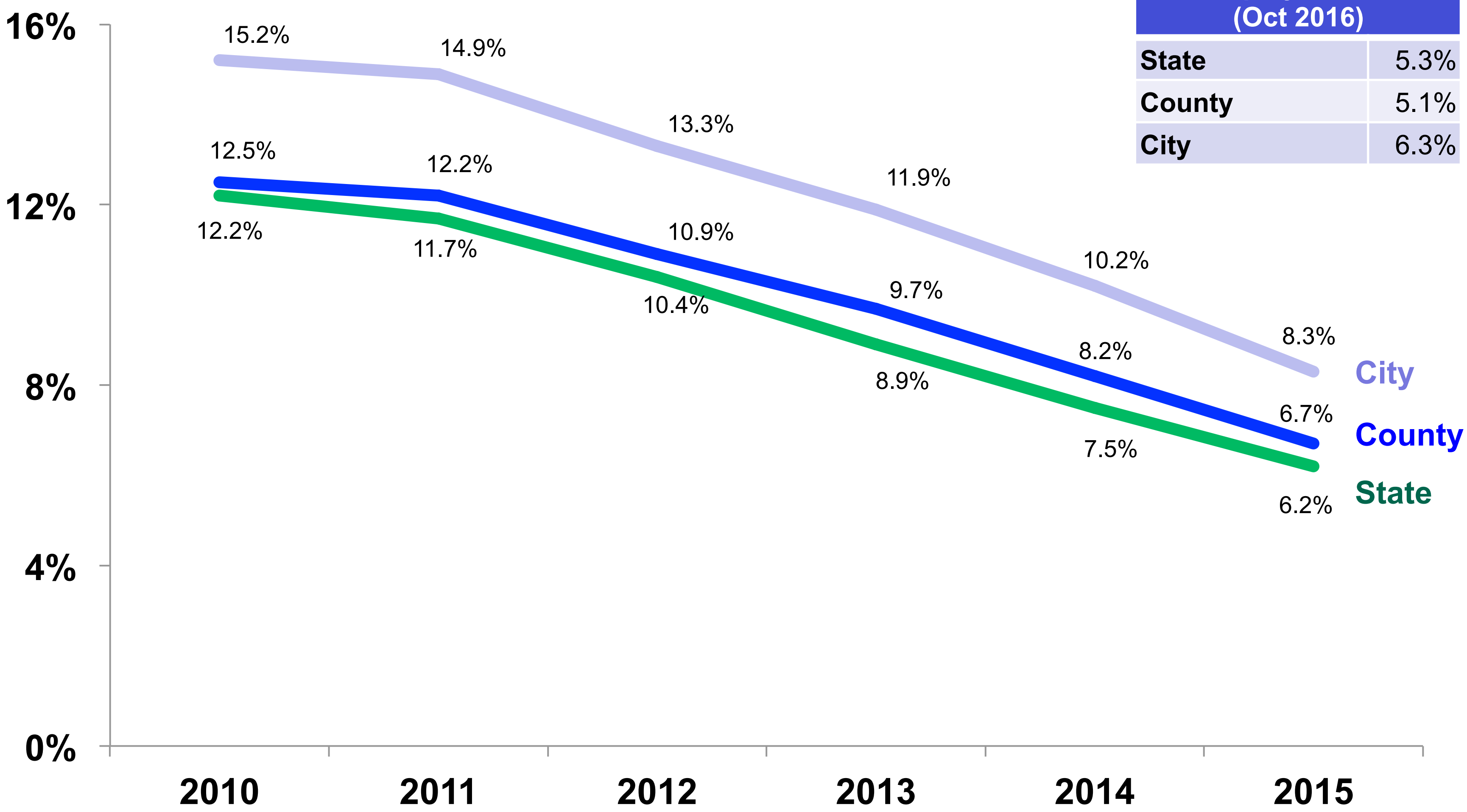
| 2016 | City of El Monte | Los Angeles County | State of California |
|---|---|---|---|
| Employment | 27,748 | 4,440,477 | 17,113,423 |
| Households | 28,277 | 3,321,508 | 13,029,292 |
| **Jobs/Housing Ratio** | **0.98** | **1.34** | **1.31** |

**Source:** ESRI (2016)

# Economic & Demographic Profile

## *Unemployment & Employment by Industry*

# Unemployment

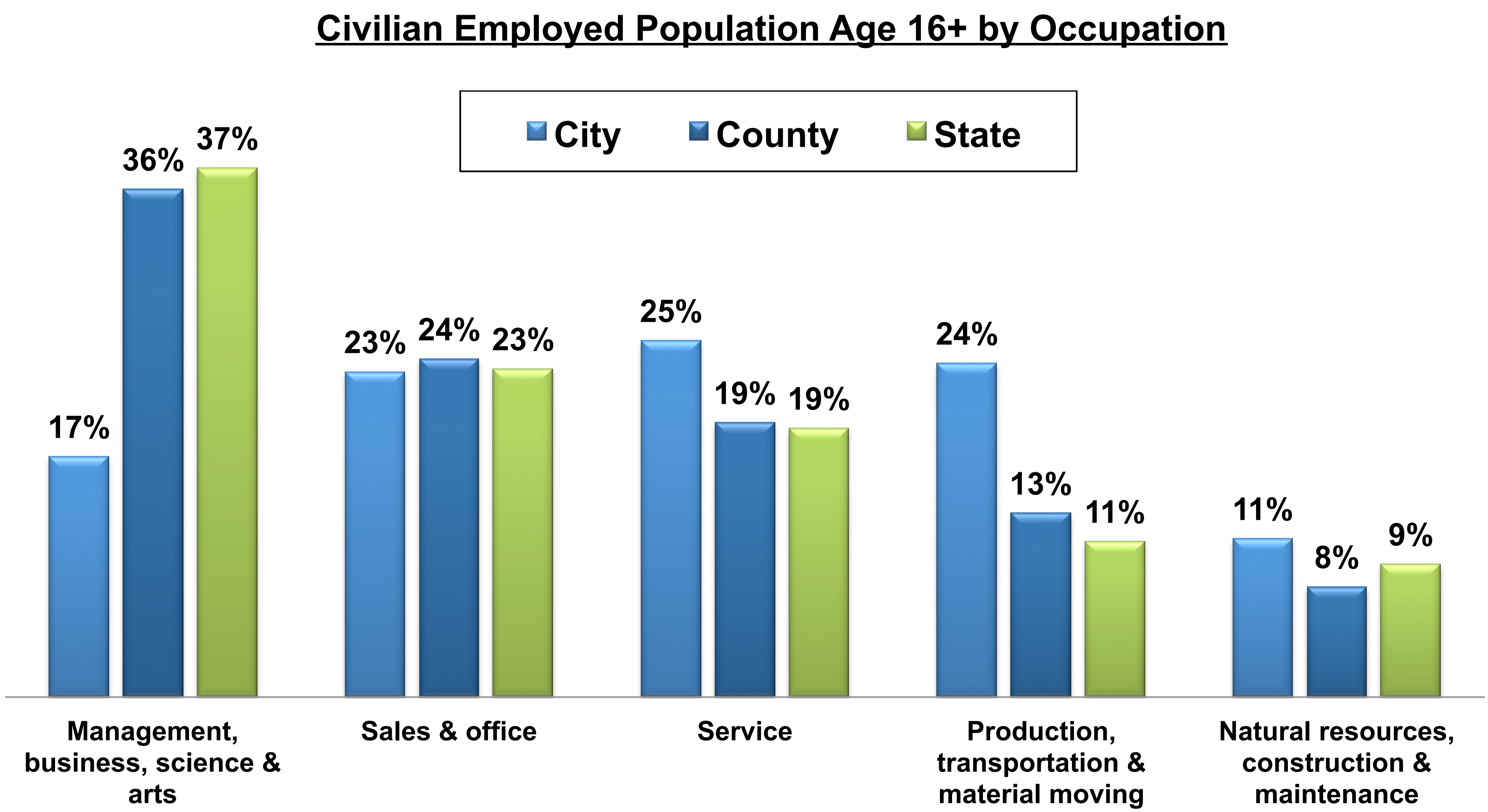



| Unemployment Rate (Oct 2016) | |
|---|---|
| **State** | 5.3% |
| **County** | 5.1% |
| **City** | 6.3% |

**Note:** Not seasonally adjusted; annual averages for 2010-2015

**Source:** California Employment Development Department (2016)

# Resident Employment by Occupation




**Source:** U.S. Census Bureau (2010); ESRI (2016)



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# Employment by Industry

| City Resident Employed Population (Age 16+) | |
|---|---|
| Health Care and Social Assistance | 16.0% |
| Manufacturing | 13.1% |
| Retail Trade | 11.4% |
| Accommodation and Food Services | 10.1% |
| Wholesale Trade | 7.4% |
| Administration and Support, Waste Mgmt. | 7.4% |
| Educational Services | 6.3% |
| Professional, Scientific, and Tech. Services | 4.4% |
| Construction | 3.6% |
| Transportation and Warehousing | 3.5% |
| Other Services (excl. Public Admin.) | 3.3% |
| Public Administration | 3.2% |
| Finance and Insurance | 3.0% |
| Information | 1.7% |
| Arts, Entertainment, and Recreation | 1.6% |
| Mgmt. of Companies and Enterprises | 1.4% |
| Real Estate and Rental/Leasing | 1.2% |
| Agriculture, Forestry, Fishing, and Hunting | 0.8% |
| Utilities | 0.5% |
| Mining, Quarrying, Oil and Gas Extraction | 0.1% |

*"Industries in which City residents work"*

| Workers Employed Within City | |
|---|---|
| Health Care and Social Assistance | 16.6% |
| Finance and Insurance | 12.0% |
| Retail Trade | 10.8% |
| Educational Services | 10.4% |
| Manufacturing | 10.3% |
| Transportation and Warehousing | 8.5% |
| Wholesale Trade | 5.7% |
| Accommodation and Food Services | 5.6% |
| Administration and Support, Waste Mgmt. | 4.1% |
| Other Services (excl. Public Admin.) | 4.0% |
| Professional, Scientific, and Tech. Services | 2.8% |
| Public Administration | 2.0% |
| Construction | 1.7% |
| Mgmt. of Companies and Enterprises | 1.6% |
| Information | 1.6% |
| Real Estate and Rental/Leasing | 1.4% |
| Utilities | 0.6% |
| Arts, Entertainment, and Recreation | 0.2% |
| Agriculture, Forestry, Fishing, and Hunting | 0.0% |
| Mining, Quarrying, Oil and Gas Extraction | 0.0% |

*"Jobs in the City"*

**Source:** U.S. Census Bureau Center for Economic Studies (2013)



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# Select Major Employers within the City

| Major Employers | No. of Employees |
|---|---|
| El Monte City Elementary District | 1,090 |
| El Monte Union High School District | 891 |
| Mountain View Elementary | 870 |
| Longo Toyota-Lexus | 849 |
| McGill Corporation | 440 |
| San Gabriel Transit | 397 |
| City of El Monte | 299 |
| Driftwood Dairy | 250 |
| El Monte Adult School | 206 |

**Note:** Top 9 listed by number of employees (high to low)
**Source:** City of El Monte (CAFR FY2014-2015)



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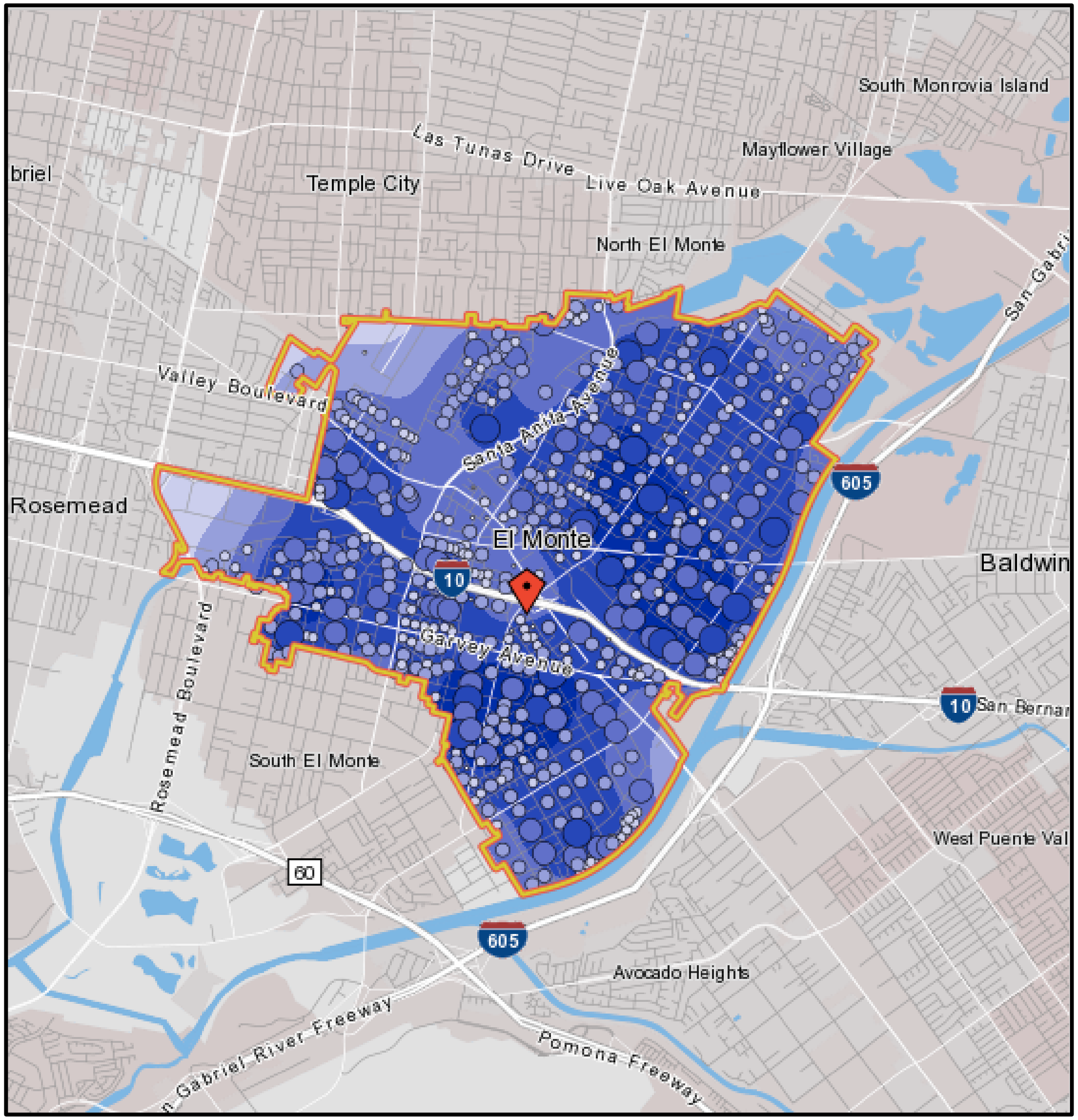
# Resident Concentration Within City

- 5 - 353 Employed residents/Sq. Mile
- 354 - 1,399 Employed residents/Sq. Mile
- 1,400 - 3,141 Employed residents/Sq. Mile
- 3,142 - 5,581 Employed residents/Sq. Mile
- 5,582 - 8,718 Employed residents/Sq. Mile
- 1 - 2 Employed residents
- 3 - 23 Employed residents
- 24 - 116 Employed residents
- 117 - 366 Employed residents
- 367 - 894 Employed residents




**Source:** U.S. Census Bureau Center for Economic Studies (2013)



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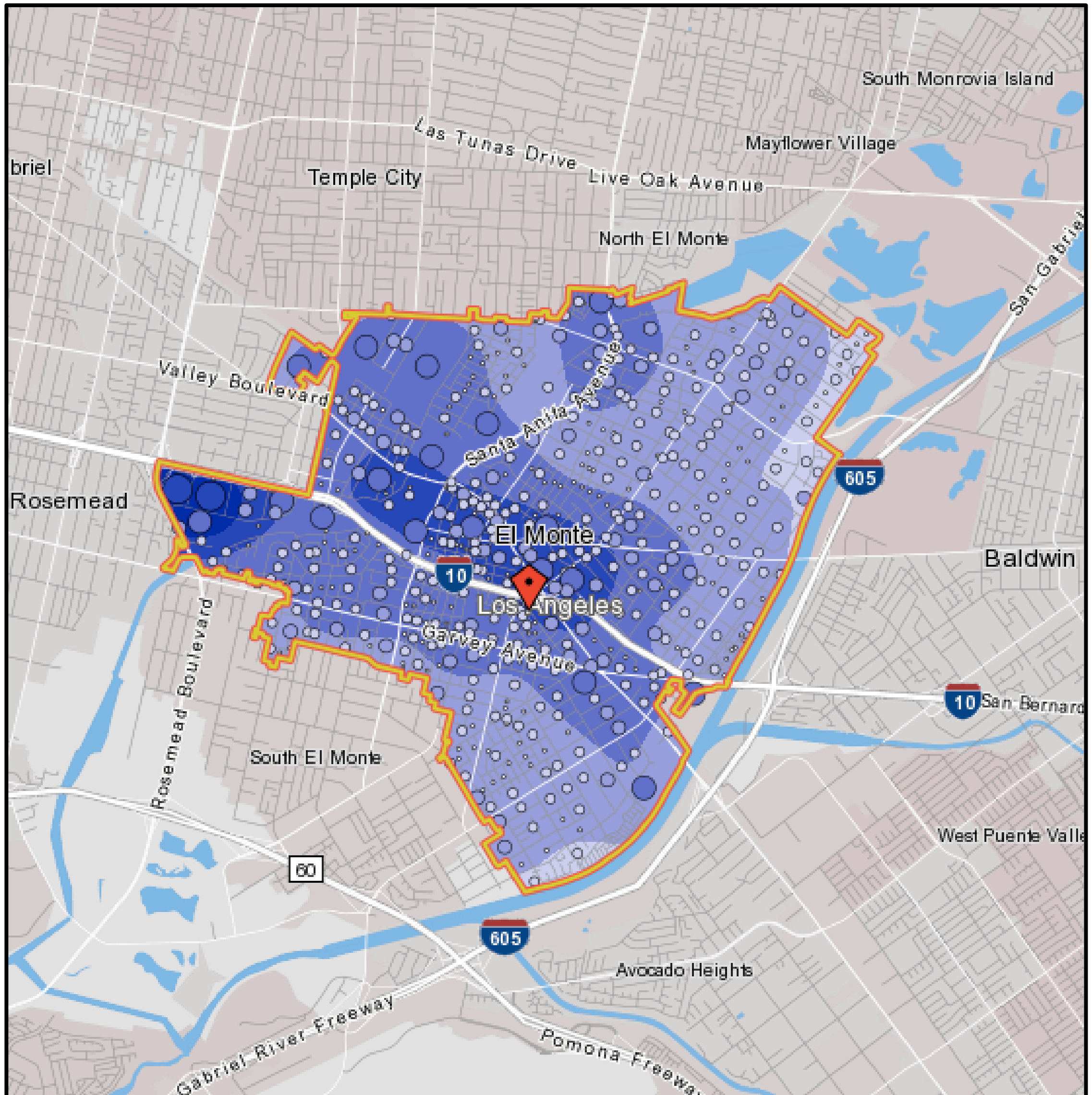
# Employment Concentration Within City

- 5 - 481 Jobs/Sq.Mile
- 482 - 1,912 Jobs/Sq.Mile
- 1,913 - 4,296 Jobs/Sq.Mile
- 4,297 - 7,633 Jobs/Sq.Mile
- 7,634 - 11,925 Jobs/Sq.Mile
- 1 - 4 Jobs
- 5 - 64 Jobs
- 65 - 321 Jobs
- 322 - 1,013 Jobs
- 1,014 - 2,474 Jobs




**Source:** U.S. Census Bureau Center for Economic Studies (2013)

# Resident and Employee Commute

| Employed Residents Place of Work | |
|---|---|
| Los Angeles | 14.7% |
| El Monte | 9.4% |
| Industry | 4.5% |
| South El Monte | 4.3% |
| Pasadena | 3.4% |
| Arcadia | 2.7% |
| Monterey Park | 2.0% |
| Rosemead | 1.9% |
| Alhambra | 1.9% |
| San Gabriel | 1.7% |
| Irwindale | 1.6% |
| West Covina | 1.6% |
| Santa Fe Springs | 1.4% |
| Commerce | 1.3% |
| Baldwin Park | 1.3% |
| Monrovia | 1.2% |
| Anaheim | 1.2% |
| Montebello | 1.2% |
| Glendale | 1.1% |
| San Diego | 1.1% |
| Whittier | 1.0% |
| Santa Ana | 0.9% |
| Covina | 0.9% |
| Long Beach | 0.8% |
| Azusa | 0.8% |
| Other | 36.2% |

***"Where City residents work"***

| City Employee Origin | |
|---|---|
| El Monte | 13.3% |
| Los Angeles | 9.1% |
| Baldwin Park | 3.0% |
| West Covina | 2.9% |
| Rosemead | 2.4% |
| Alhambra | 2.3% |
| Arcadia | 2.3% |
| Temple City | 2.1% |
| Monterey Park | 1.6% |
| San Gabriel | 1.5% |
| Pasadena | 1.5% |
| South El Monte | 1.5% |
| Hacienda Heights CDP | 1.3% |
| Covina | 1.3% |
| Pomona | 1.3% |
| East Los Angeles CDP | 1.2% |
| Azusa | 1.2% |
| Rowland Heights CDP | 1.1% |
| La Puente | 1.1% |
| Whittier | 1.0% |
| Long Beach | 0.9% |
| Monrovia | 0.9% |
| Rancho Cucamonga | 0.9% |
| Montebello | 0.9% |
| Pico Rivera | 0.9% |
| Other | 42.4% |

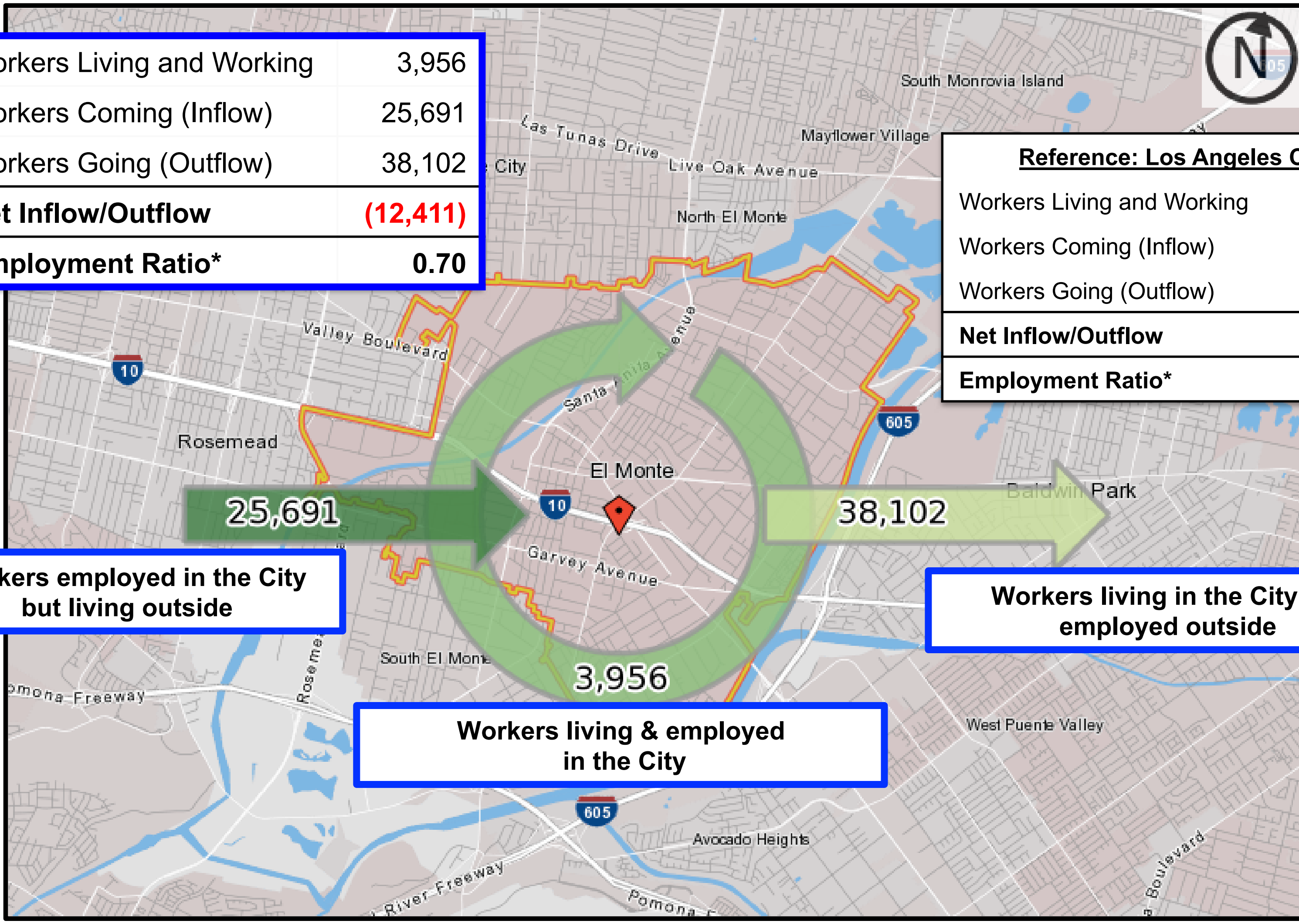
***"Where people who work in the City come from"***

**Source:** U.S. Census Bureau Center for Economic Studies (2013)

# Worker Inflow / Outflow

*"Are jobs coming or going"*

| | |
|---|---|
| Workers Living and Working | 3,956 |
| Workers Coming (Inflow) | 25,691 |
| Workers Going (Outflow) | 38,102 |
| **Net Inflow/Outflow** | **(12,411)** |
| **Employment Ratio*** | **0.70** |




| Reference: Los Angeles County | |
|---|---|
| Workers Living and Working | 3,344,431 |
| Workers Coming (Inflow) | 1,027,118 |
| Workers Going (Outflow) | 775,159 |
| **Net Inflow/Outflow** | **251,959** |
| **Employment Ratio*** | **1.06** |

**Workers employed in the City but living outside**

**Workers living in the City but employed outside**

**Workers living & employed in the City**

***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 (2014)

# Employment Projections by Industry
## *Los Angeles County*

| Industry | 2012 | 2022 | Annual Growth 2012-22 | Total Growth 2012-22 | Total Change 2012-22 |
|---|---|---|---|---|---|
| Health Care and Social Assistance | 558,400 | 720,900 | 2.9% | 29.1% | 162,500 |
| Professional and Business Services | 570,000 | 675,900 | 1.9% | 18.6% | 105,900 |
| Accommodation and Food Services | 344,300 | 411,600 | 2.0% | 19.5% | 67,300 |
| Retail Trade | 400,900 | 455,900 | 1.4% | 13.7% | 55,000 |
| Construction | 109,100 | 142,000 | 3.0% | 30.2% | 32,900 |
| Educational Services (Private) | 115,700 | 144,500 | 2.5% | 24.9% | 28,800 |
| Wholesale Trade | 211,300 | 237,300 | 1.2% | 12.3% | 26,000 |
| Government | 556,800 | 577,600 | 0.4% | 3.7% | 20,800 |
| Information | 191,400 | 211,700 | 1.1% | 10.6% | 20,300 |
| Other Services | 141,600 | 157,900 | 1.2% | 11.5% | 16,300 |
| Financial Activities | 210,700 | 226,200 | 0.7% | 7.4% | 15,500 |
| Arts, Entertainment, and Recreation | 71,000 | 84,300 | 1.9% | 18.7% | 13,300 |
| Transportation and Warehousing | 141,900 | 157,100 | 1.1% | 10.7% | 15,200 |
| Utilities | 12,600 | 13,300 | 0.6% | 5.6% | 700 |
| Mining and Logging | 4,300 | 4,700 | 0.9% | 9.3% | 400 |
| Manufacturing | 367,200 | 315,200 | 1.4% | 14.2% | (52,000) |
| Total Nonfarm | 4,006,900 | 4,536,100 | 1.3% | 13.2% | 529,200 |
| Total Farm | 5,400 | 5,700 | 0.6% | 5.6% | 300 |
| Other | 310,600 | 334,800 | 0.8% | 7.8% | 24,200 |
| **Total Employment** | **4,322,900** | **4,876,600** | **1.3%** | **12.8%** | **553,700** |

**Source:** California Employment Development Department, U.S. Bureau of Labor Statistics (2012)



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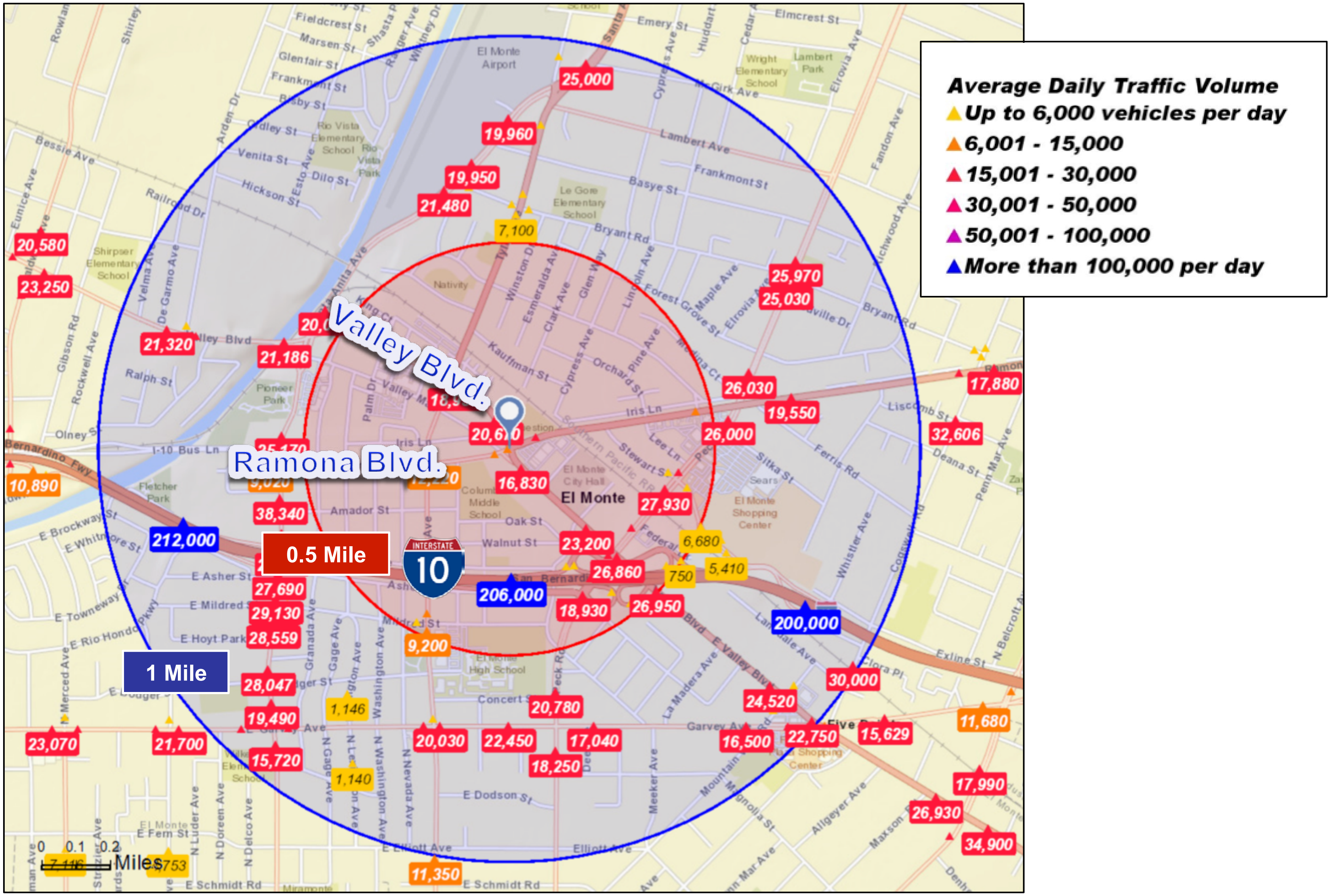
## Radii from Valley Blvd. & Ramona Blvd.




**Source:** ESRI (2016)

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# Summary: Demographics and Employment

- Relatively young, majority Hispanic population; average household size is larger than both Los Angeles County and State averages
- Higher unemployment compared to the State and Los Angeles County, with most workers in the city employed in health care and social assistance, finance and insurance, retail trade, educational services, manufacturing, and transportation and warehousing
- Most employees who live in the City work in other areas including Los Angeles, Industry, South El Monte, Pasadena, Arcadia, and Monterey Park, yielding an overall **net outflow** of jobs

# Market Demand Analysis

*Supply, Vacancy & Lease Rates*

# Supply, Vacancy & Lease Rates

- Supply, vacancy and lease/rental rates for retail, office, and industrial uses are compared between Greater Los Angeles area submarkets
- El Monte falls within the "Western San Gabriel Valley" submarket for retail and office uses and the "El Monte Industrial" submarket for industrial uses of (as defined by CoStar)
- El Monte retail vacancy and rents are below the Western San Gabriel Valley submarket and Los Angeles County averages
- Office vacancy and rental rates for El Monte are below both the Western San Gabriel Valley submarket and Los Angeles County averages
- Industrial vacancy is higher in El Monte than the Los Angeles County average and industrial rental rates are below than the Los Angeles County average

**Source:** CoStar



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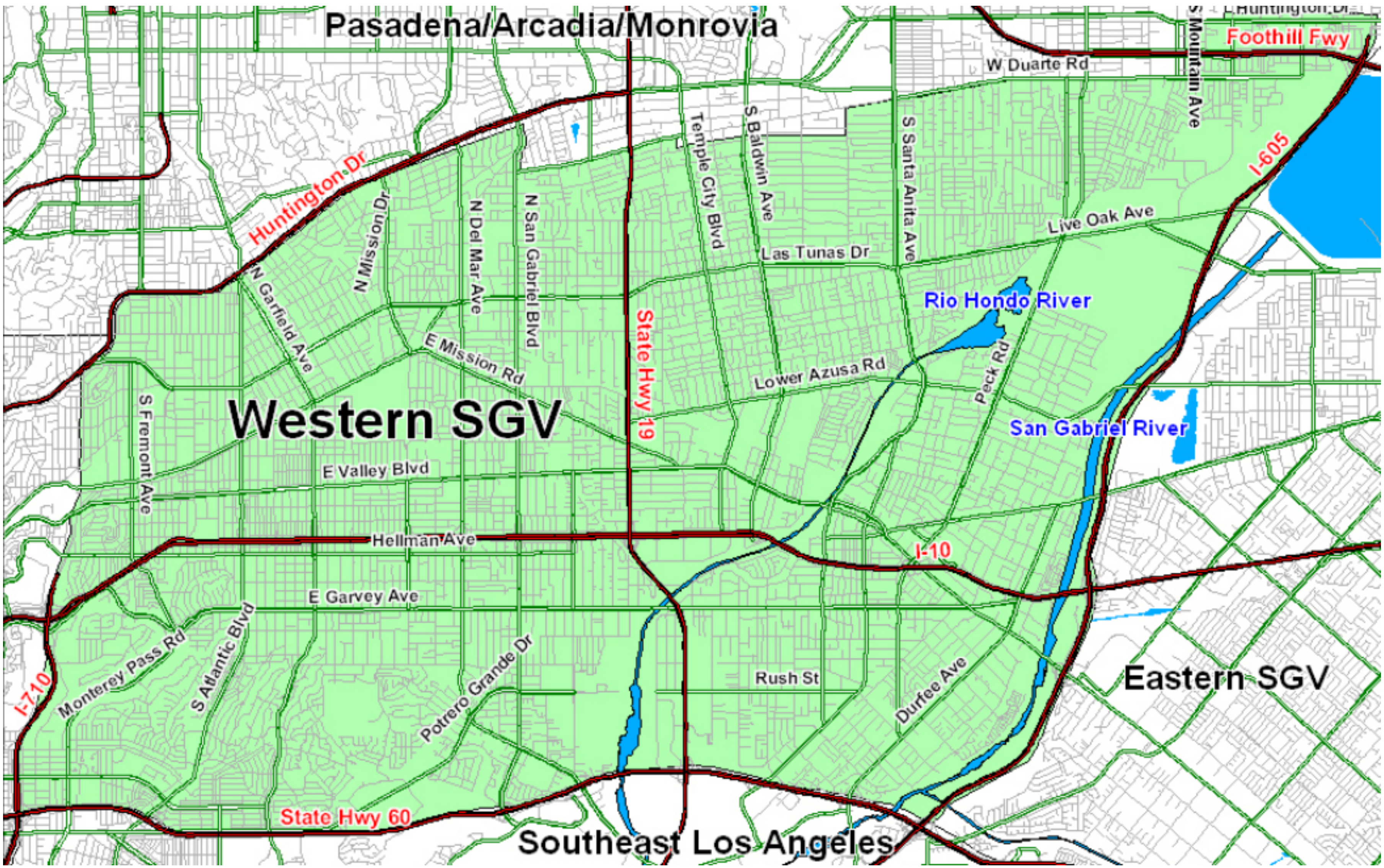
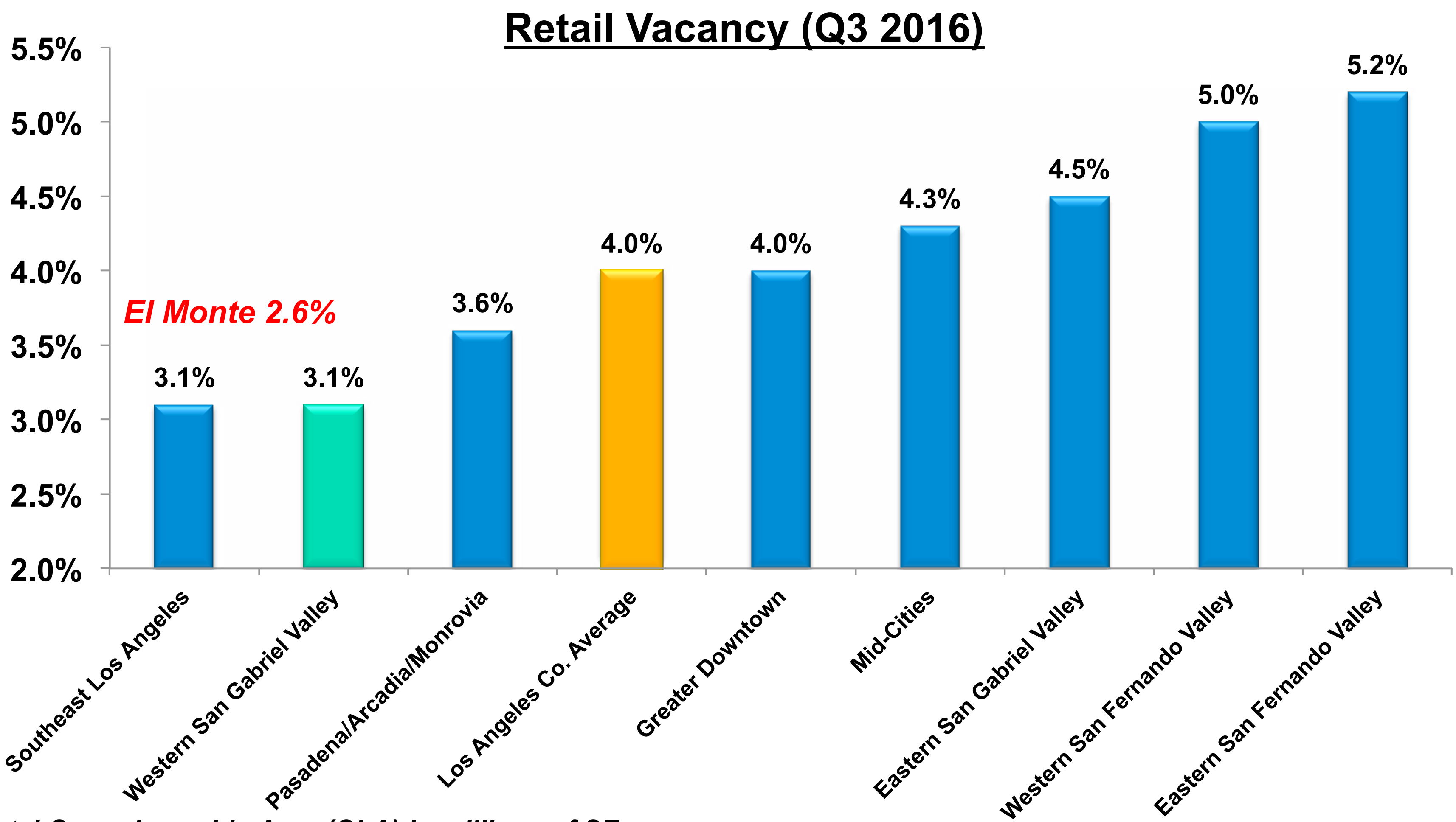
# Western San Gabriel Valley Submarket




**Source:** CoStar Property (Q3 2016)

# Retail Vacancy
## *by Greater Los Angeles Area Submarket*




***Total Gross Leasable Area (GLA) in millions of SF:***

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 19.2 | 19.1 | 20.6 | 469.0 | 23.4 | 47.7 | 41.7 | 15.4 | 20.3 |

**Note:** CoStar includes El Monte in the Western SGV submarket for retail; El Monte Market = 4.4 M sq.ft.
**Source:** CoStar (Q3 2016)



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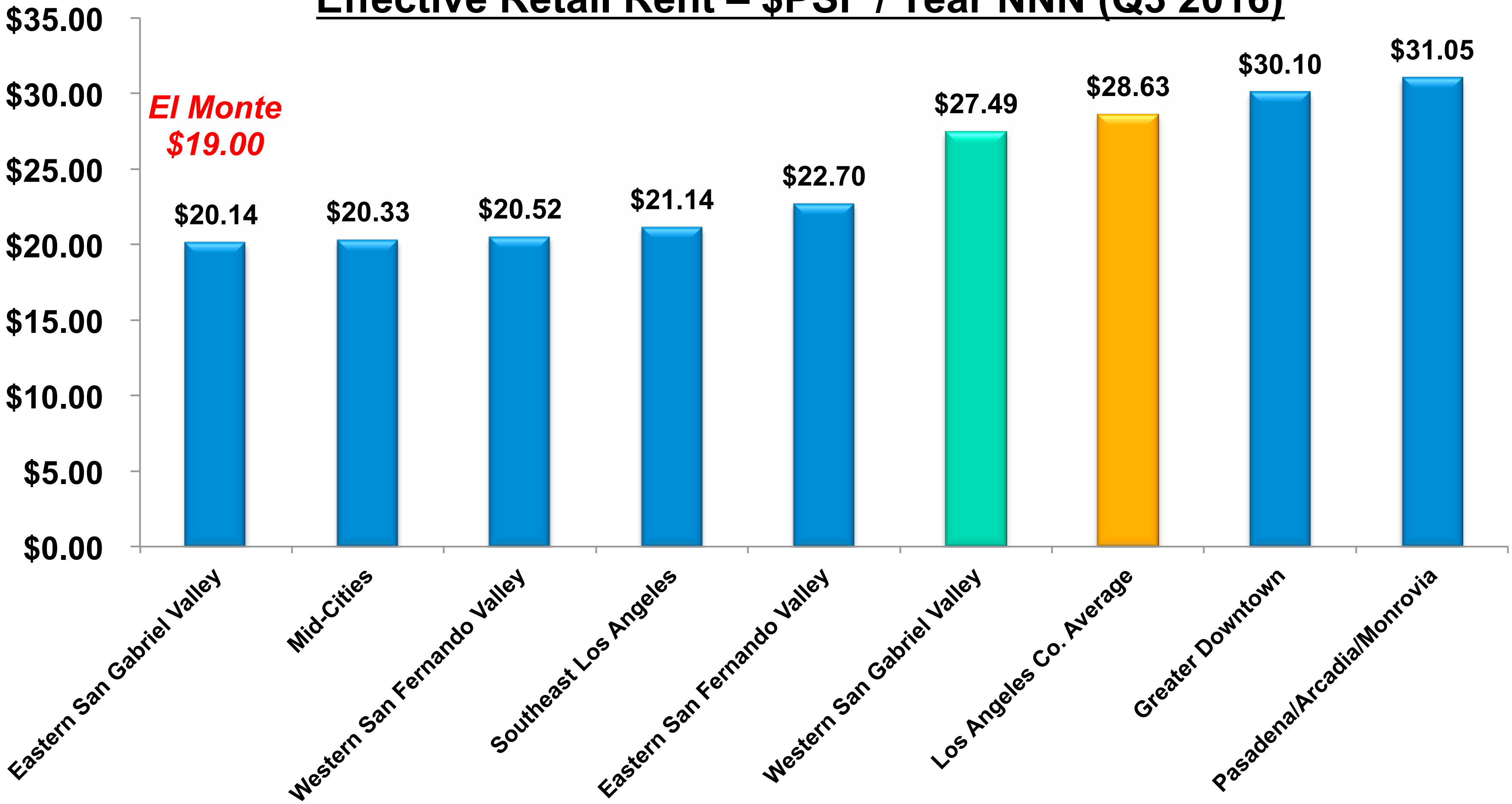
### Effective Retail Rent – $PSF / Year NNN (Q3 2016)

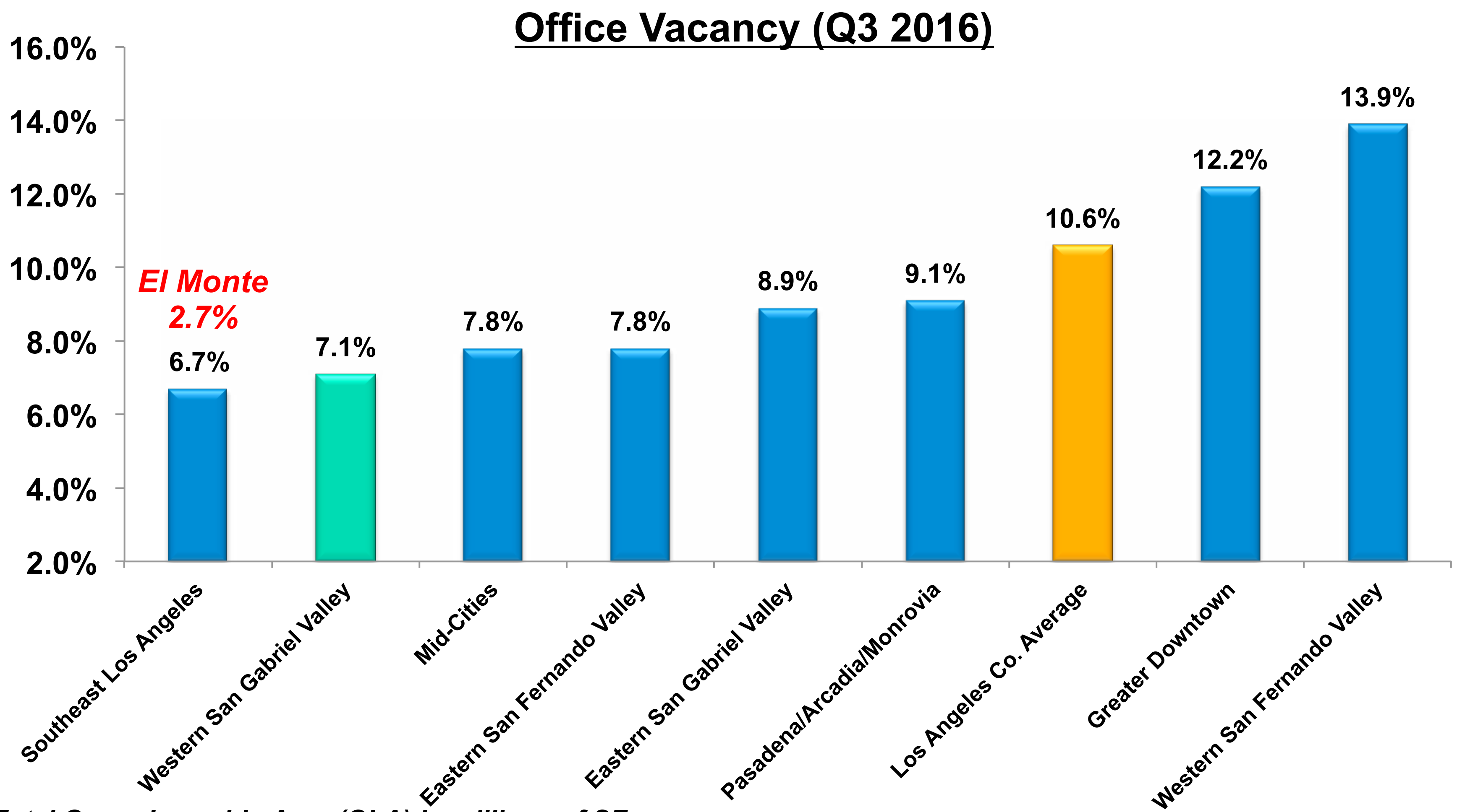



***Total Gross Leasable Area (GLA) in millions of SF:***

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 41.7 | 47.7 | 15.4 | 19.2 | 20.3 | 19.1 | 469.0 | 23.4 | 20.6 |

**Note:** CoStar includes El Monte in the Western SGV submarket for retail; El Monte Market = 4.4 M sq.ft.
**Source:** CoStar (Q3 2016)

# Office Vacancy
## *by Greater Los Angeles Area Submarket*

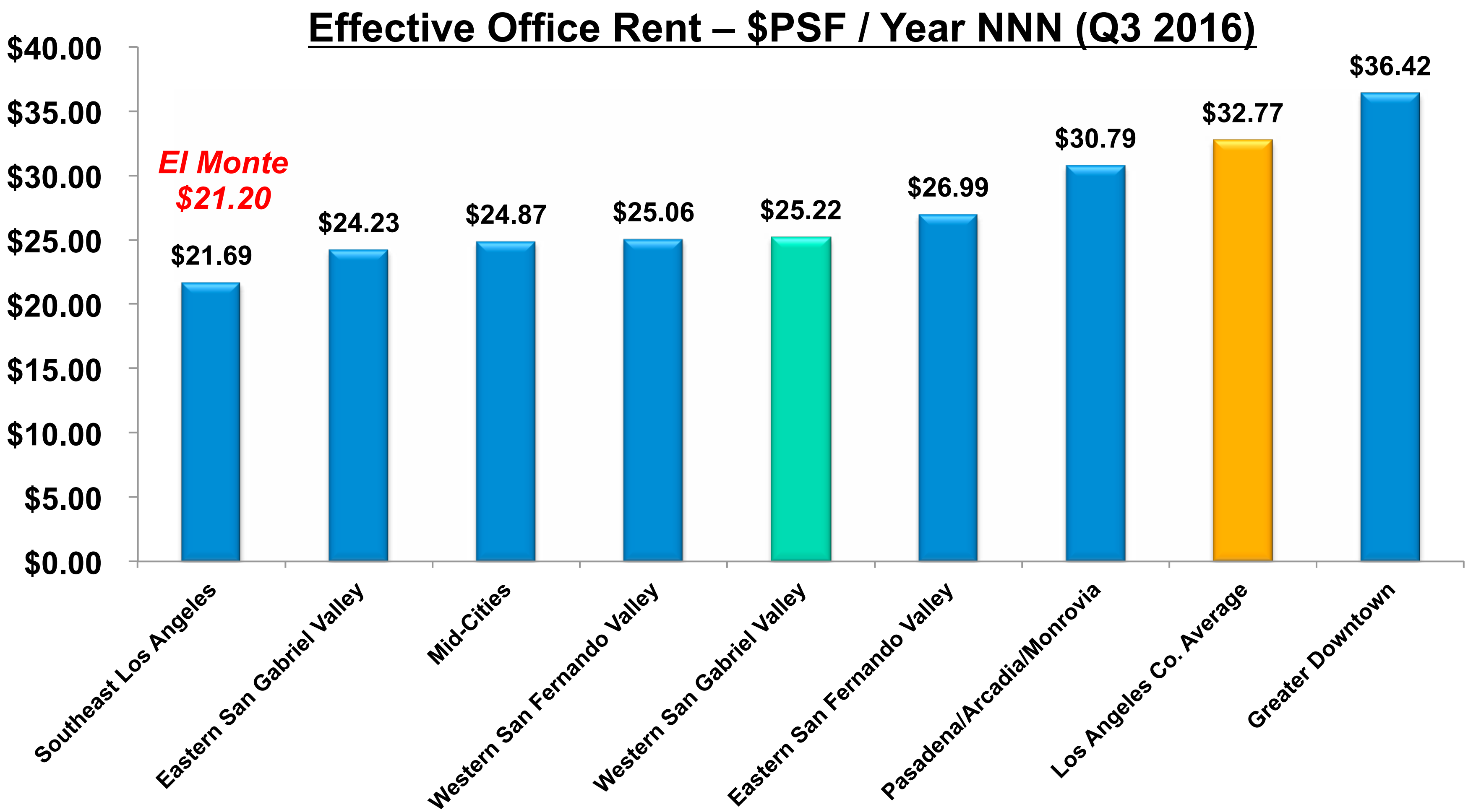



***Total Gross Leasable Area (GLA) in millions of SF:***

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 8.7 | 12.4 | 10.8 | 8.7 | 18.2 | 22.4 | 433.0 | 70.7 | 12.4 |

**Note:** CoStar includes El Monte in the Western SGV submarket for office; El Monte Market = 2.6 M sq.ft.
**Source:** CoStar (Q3 2016)

# Office Lease Rates
## *by Greater Los Angeles Area Submarket*

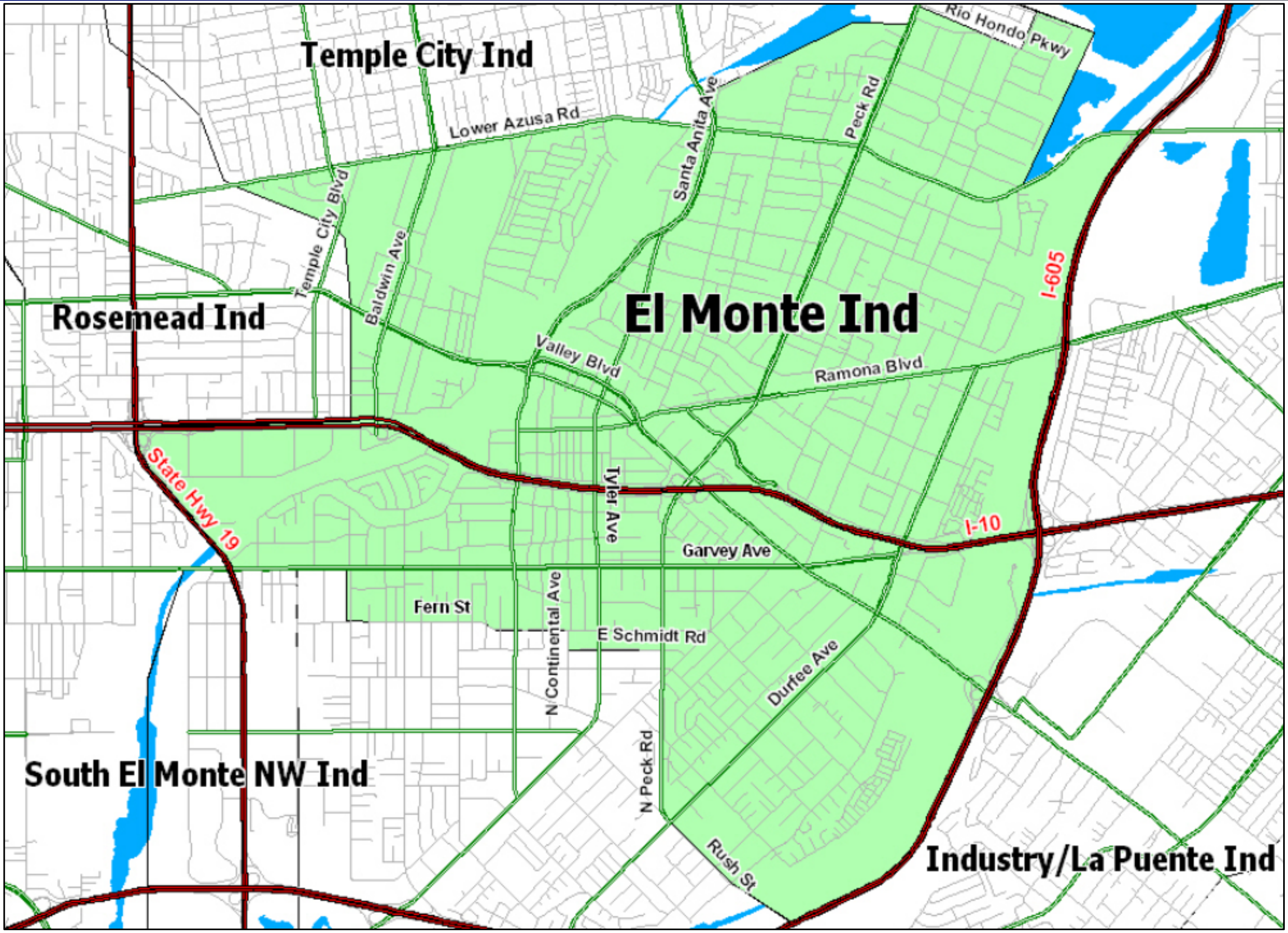



***Total Gross Leasable Area (GLA) in millions of SF:***

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 8.7 | 18.2 | 10.8 | 12.4 | 12.4 | 8.7 | 22.4 | 433.0 | 70.7 |

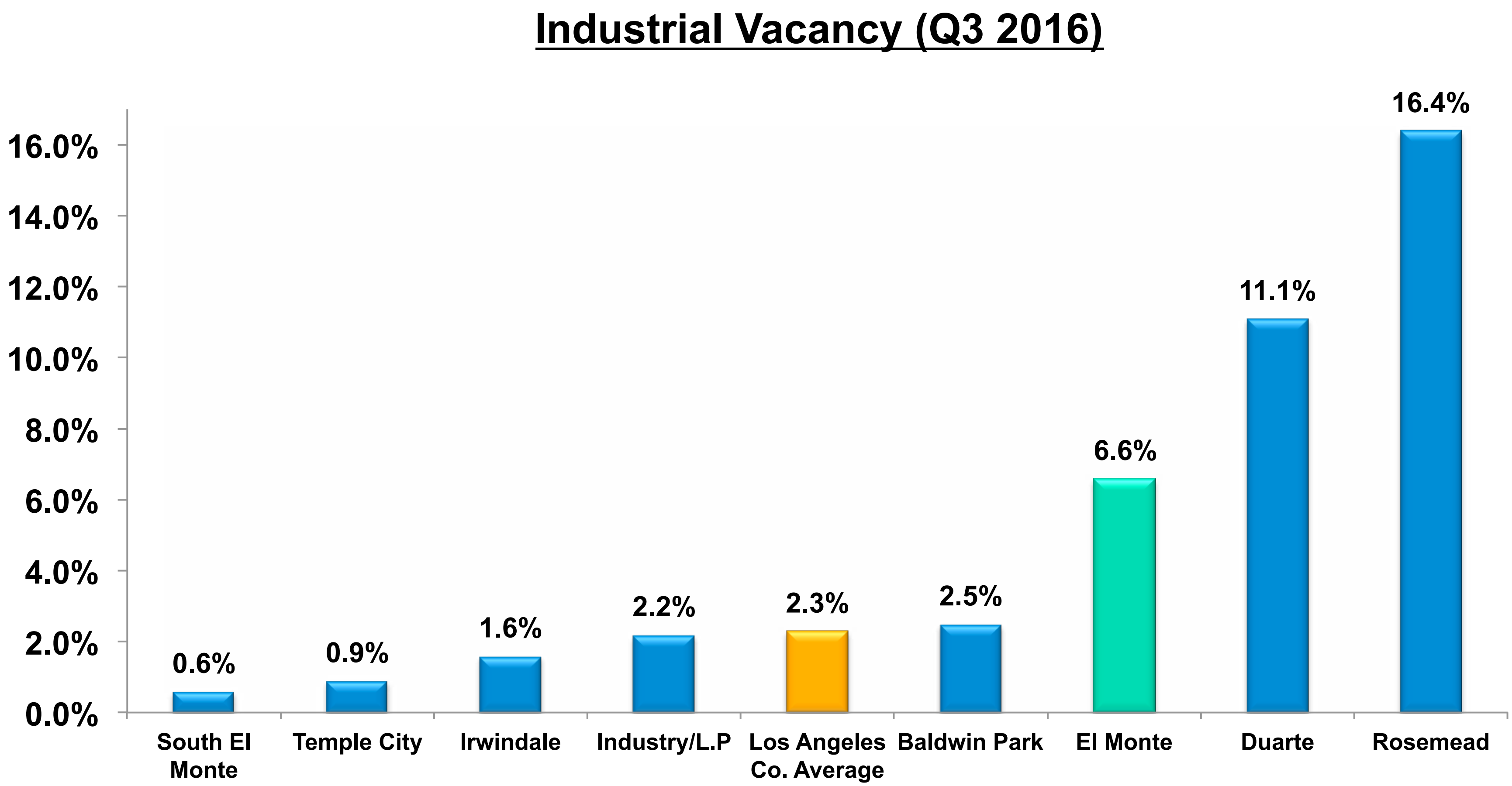
**Note:** CoStar includes El Monte in the Western SGV submarket for office; El Monte Market = 2.6 M sq.ft.
**Source:** CoStar (Q3 2016)

# El Monte Industrial Submarket




**Source:** CoStar Property (Q3 2016)

# Industrial Vacancy
## *by Greater Los Angeles Area Submarket*




***Total Gross Leasable Area (GLA) in millions of SF:***

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 11.4 | 0.3 | 8.8 | 9.4 | 987.7 | 4.4 | 9.8 | 1.1 | 2.0 |

**Note:** CoStar includes El Monte in the El Monte Industrial submarket for industrial
**Source:** CoStar (Q3 2016)



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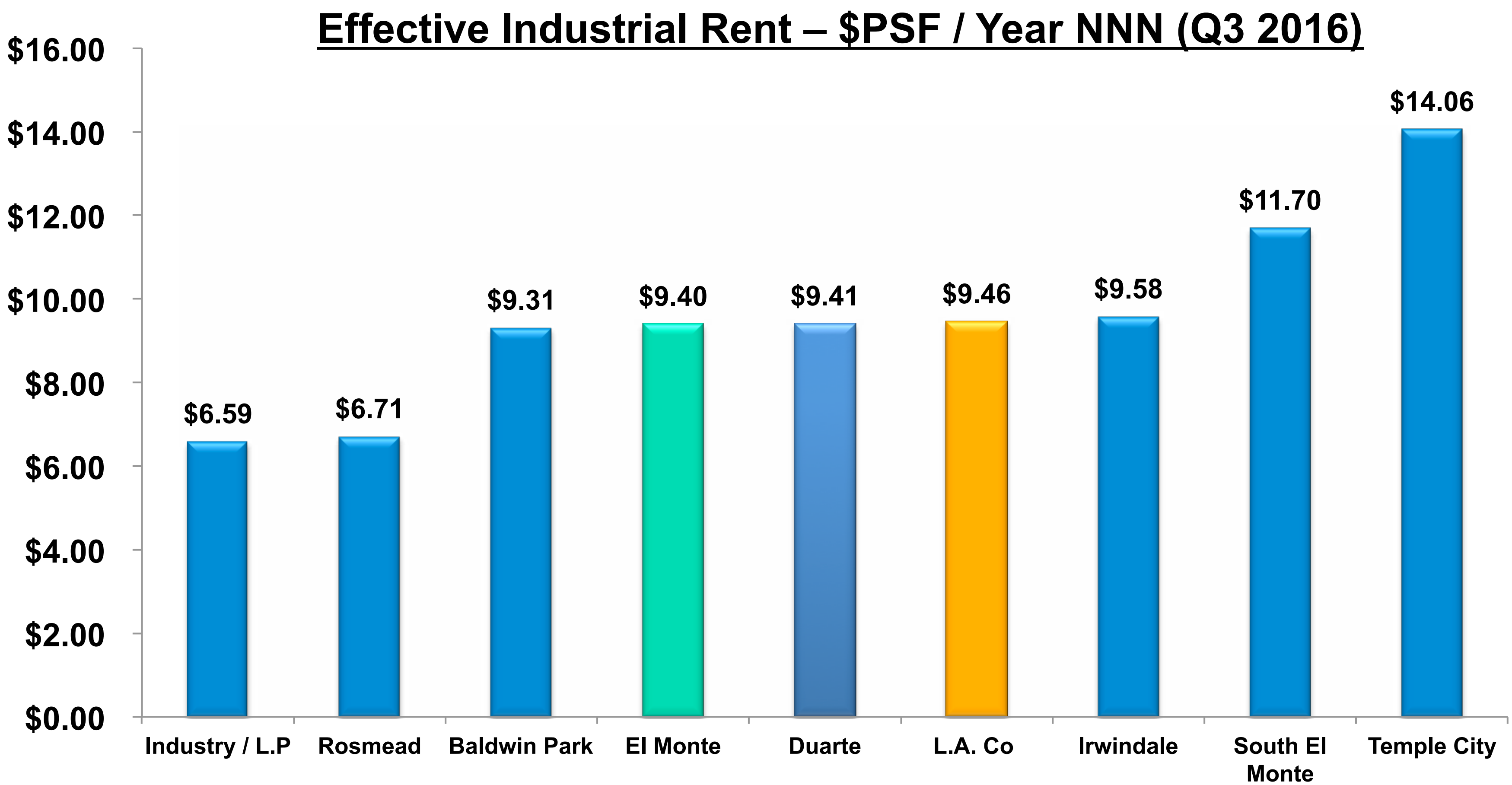
# Industrial Lease Rates
## *by Greater Los Angeles Area Submarket*




***Total Gross Leasable Area (GLA) in millions of SF:***

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 9.4 | 2 | 4.4 | 9.8 | 1.1 | 987.7 | 8.8 | 11.4 | 0.3 |

**Note:** CoStar includes El Monte in the El Monte submarket for industrial
**Source:** CoStar (Q3 2016)

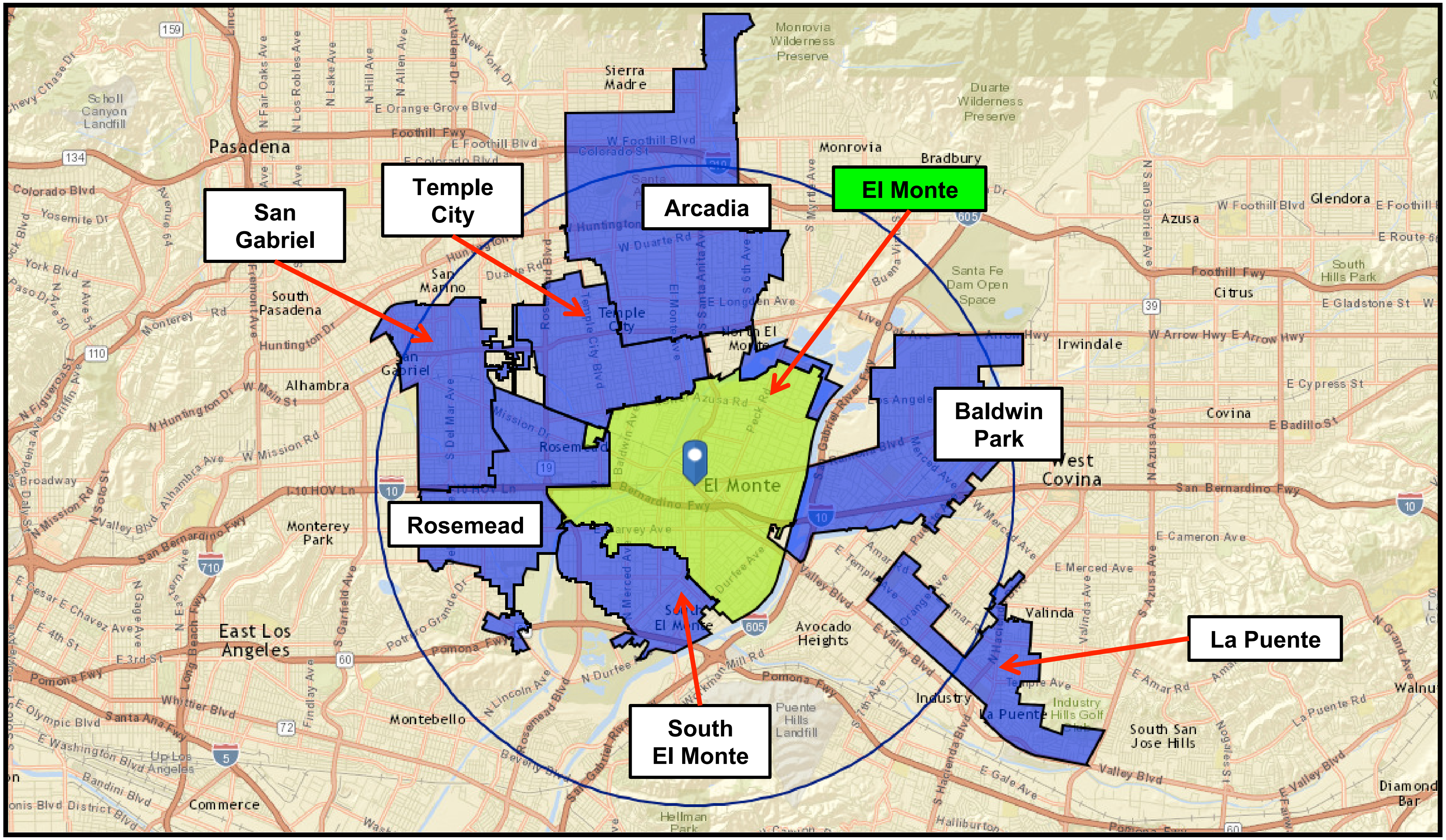
# Market Demand Analysis

## *Retail Sales Performance*

# Retail Sales Performance

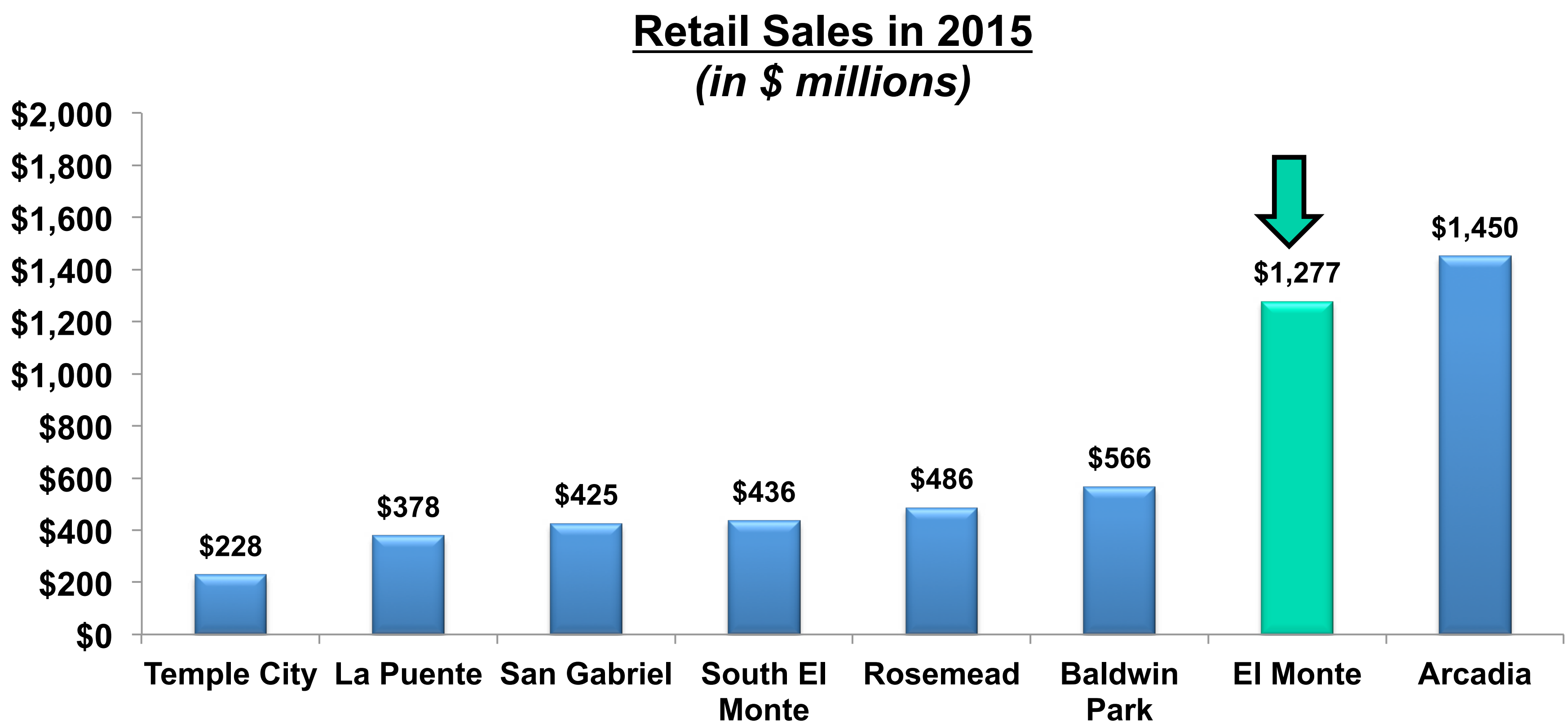
- Consumer spending across retail categories is totaled and normalized for population within the City and comparison regions for the purpose of evaluating potential sales leakage / capture across jurisdictions
- Retail sales per capita for the City (~**$11,000**) is less than the retail sales per capita of Los Angeles County (**~$14,600**)
- Higher performing sales categories include clothing and accessories stores, miscellaneous store retailers, building materials stores, motor vehicle and parts dealers, gasoline stations, and non-store retailers
- Lower performing retail categories include general merchandise stores, furniture and home stores, health and personal care stores, sporting goods stores, electronics and appliance stores, groceries, and restaurants

# El Monte & Comparison Regions




**Source:** ESRI (2016)

# Retail Sales Comparison
## *El Monte & Comparison Cities*




***2015 Population (000s):***

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 36 | 41 | 41 | 21 | 55 | 77 | 116 | 58 |

**Source:** ESRI, Infogroup (2016); Includes taxable and non-taxable sales



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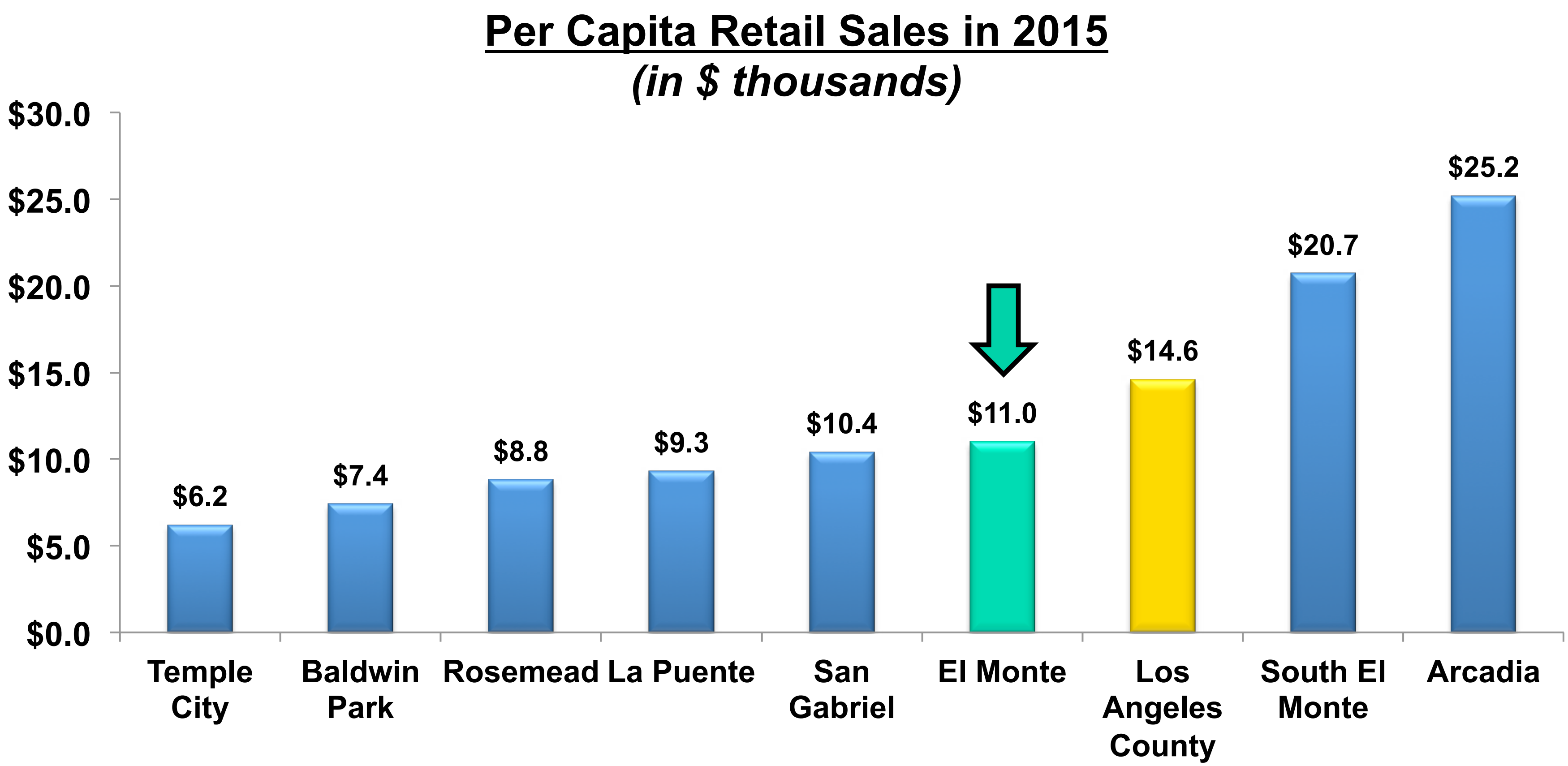
# Per Capita Retail Sales
## *El Monte & Comparison Regions*




***2015 Population (000s):***

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 36 | 77 | 55 | 41 | 41 | 116 | 10,148 | 21 | 58 |

**Source:** ESRI, Infogroup (2016); Includes taxable and non-taxable sales

# Retail Category Definitions

- **<u>Shopper Goods / GAFO</u>** *(General Merchandise, Apparel & Accessories, Furniture & Other Sales)*
  - Clothing & Clothing Accessories Stores
  - General Merchandise Stores
  - Furniture & Home Furnishings Stores
  - Health & Personal Care Stores
  - Sporting Goods, Hobby, Book & Music Stores
  - Electronics & Appliance Stores
  - Miscellaneous Store Retailers (incl. Office Supply)
- **<u>Convenience Goods</u>**
  - Food and Beverage (Grocery Stores)
  - Food Service and Drinking Places (Restaurants & Bars)
- **<u>Heavy Commercial Goods</u>**
  - Building Materials (Home Improvement)
  - Auto Dealers & Supplies
  - Gasoline / Service Stations
- Non-Store Retailers (e.g., Online Shopping & Mail-Order)

**Note:** Retail Categories delineated by NAICS / California Board of Equalization

# Per Capita Retail Sales by Category
## *City & Comparison Regions*

| Per Capita Retail Sales | El Monte | Arcadia | Baldwin Park | La Puente | Rosemead | San Gabriel | South El Monte | Temple City | Los Angeles County |
|---|---|---|---|---|---|---|---|---|---|
| ***Shopper Goods (GAFO):*** | | | | | | | | | |
| Clothing & Accessories Stores | $698 | $3,299 | $180 | $590 | $628 | $1,211 | $2,921 | $190 | $1,286 |
| General Merchandise Stores | $818 | $3,747 | $1,805 | $693 | $2,910 | $696 | $795 | $1,321 | $1,892 |
| Furniture & Home Stores | $259 | $264 | $62 | $523 | $313 | $375 | $1,188 | $163 | $458 |
| Health & Personal Care Stores | $530 | $2,061 | $431 | $1,078 | $716 | $775 | $478 | $393 | $839 |
| Sporting Goods, Hobby, Book Stores | $137 | $805 | $133 | $172 | $113 | $204 | $410 | $128 | $398 |
| Electronics & Appliance Stores | $376 | $595 | $396 | $387 | $152 | $748 | $633 | $305 | $784 |
| Miscellaneous Store Retailers | $516 | $606 | $892 | $215 | $157 | $437 | $1,024 | $299 | $646 |
| **Total GAFO** | **$3,334** | **$11,378** | **$3,898** | **$3,659** | **$4,989** | **$4,446** | **$7,449** | **$2,798** | **$6,305** |
| | | | | | | | | | |
| ***Convenience Goods:*** | | | | | | | | | |
| Food & Beverage Stores | $1,725 | $3,455 | $1,222 | $2,271 | $1,067 | $2,260 | $3,435 | $1,715 | $2,376 |
| Food Services & Drinking Places (Restaurants) | $824 | $2,516 | $879 | $1,307 | $1,486 | $2,014 | $1,330 | $922 | $1,566 |
| **Total Convenience** | **$2,549** | **$5,970** | **$2,101** | **$3,578** | **$2,553** | **$4,274** | **$4,765** | **$2,637** | **$3,942** |
| | | | | | | | | | |
| ***Heavy Commercial:*** | | | | | | | | | |
| Bldg Materials, Garden Equip. Stores | $325 | $151 | $639 | $237 | $147 | $460 | $1,254 | $138 | $517 |
| Motor Vehicle & Parts Dealers | $4,162 | $6,943 | $328 | $1,604 | $839 | $565 | $3,804 | $389 | $3,029 |
| Gasoline Stations | $417 | $691 | $318 | $236 | $248 | $537 | $3,228 | $168 | $598 |
| **Total Heavy Commercial** | **$4,903** | **$7,785** | **$1,285** | **$2,078** | **$1,234** | **$1,561** | **$8,286** | **$695** | **$4,145** |
| | | | | | | | | | |
| Non-store Retailers | $192 | $69 | $88 | $0 | $71 | $147 | $170 | $116 | $257 |
| | | | | | | | | | |
| **Total Retail** | **$10,979** | **$25,202** | **$7,372** | **$9,314** | **$8,847** | **$10,428** | **$20,669** | **$6,247** | **$14,649** |

**Key:** Indicates higher value for El Monte (green) Indicates lower value for El Monte (pink)

**Source:** ESRI, Infogroup (2016), Includes taxable and non-taxable sales

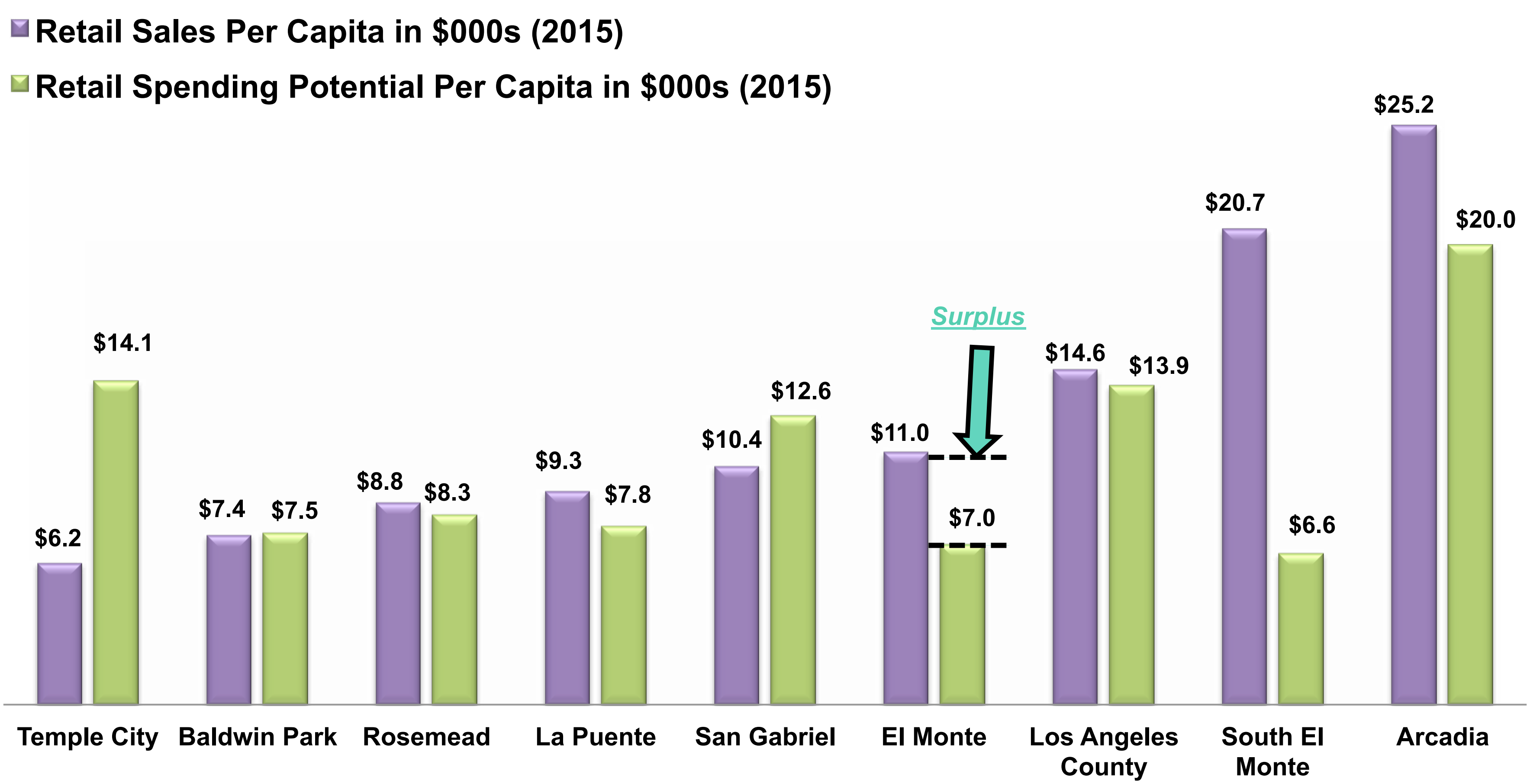
# Market Demand Analysis

*Retail Sales Surplus / Leakage*

# Retail Sales Surplus / Leakage

- Overall retail sales in the City are **higher** than retail spending potential based on households and average household income, suggesting that, overall, the City is likely capturing a significant portion of El Monte resident retail purchases and additional retail spending by residents of other cities (i.e. sales **surplus**)
- Certain categories, however, are exhibiting a retail sales leakage, including:
  - General Merchandise Stores
  - Sporting Goods, Hobby, Book & Music Stores

# Retail Sales Surplus / Leakage
## *"Cash Registers vs. Wallets"*




***Per Capita Sales Surplus/Leakage, Total Surplus/Leakage, and Percent Surplus/Leakage:***

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ($7.9K) | ($0.2K) | $0.6K | $1.6K | ($2.2K) | $4.0K | $0.7K | $14.1K | $5.2K |
| ($288M) | ($13M) | $31M | $63M | ($88M) | $464M | $7,428M | $298M | $300M |
| (56%) | (2%) | 7% | 20% | (17%) | 57% | 5% | 215% | 26% |

**Note:** Spending potential based on number of households, average household income, and estimated percentage of income spent on retail goods and services **Source:** ESRI, Infogroup (2016)

# Retail Sales Surplus / Leakage by Category

*City of El Monte*

| Retail Category | Retail Spending Potential | Retail Sales | Retail Surplus/ (Leakage) | Percent Surplus/ (Leakage) |
|---|---|---|---|---|
| ***Shopper Goods (GAFO):*** | | | | |
| Clothing & Clothing Accessories Stores | $52,318,719 | $81,189,179 | $28,870,460 | 55.2% |
| General Merchandise Stores | $115,406,842 | $95,078,810 | ($20,328,032) | (17.6%) |
| Furniture & Home Furnishings Stores | $23,382,169 | $30,082,932 | $6,700,763 | 28.7% |
| Health & Personal Care Stores | $46,673,909 | $61,614,430 | $14,940,521 | 32.0% |
| Sporting Goods, Hobby, Book & Music Stores | $22,202,212 | $15,937,841 | ($6,264,371) | (28.2%) |
| Electronics & Appliance Stores | $39,886,319 | $43,739,094 | $3,852,775 | 9.7% |
| Miscellaneous Store Retailers | $36,015,323 | $60,035,495 | $24,020,172 | 66.7% |
| **Subtotal – GAFO** | **$335,885,493** | **$387,677,781** | **$51,792,288** | **15.4%** |
| | | | | |
| ***Convenience Goods:*** | | | | |
| Food & Beverage Stores (Grocery) | $145,690,311 | $200,564,409 | $54,874,098 | 37.7% |
| Food Services & Drinking Places (Restaurants) | $79,617,869 | $95,777,233 | $16,159,364 | 20.3% |
| **Subtotal – Convenience** | **$225,308,180** | **$296,341,642** | **$71,033,462** | **31.5%** |
| | | | | |
| ***Heavy Commercial Goods:*** | | | | |
| Bldg Materials, Garden Equip. & Supply Stores | $34,395,737 | $37,789,994 | $3,394,257 | 9.9% |
| Motor Vehicle & Parts Dealers | $154,841,842 | $483,874,812 | $329,032,970 | 212.5% |
| Gasoline Stations | $44,292,844 | $48,446,621 | $4,153,777 | 9.4% |
| **Subtotal – Heavy Commercial** | **$233,530,423** | **$570,111,427** | **$336,581,004** | **144.1%** |
| | | | | |
| Non-store Retailers | $17,530,304 | $22,372,185 | $4,841,881 | 27.6% |
| | | | | |
| **Total Retail** | **$812,254,400** | **$1,276,503,035** | **$464,248,635** | **57.2%** |

**Source:** ESRI, Infogroup (2016)



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# Retail Sales Leakage Categories and Supportable SF

*City of El Monte*

| Retail Sales Leakage Categories | Retail Sales Leakage | Estimated Sales PSF | Estimated Supportable SF |
|---|---|---|---|
| General Merchandise Stores | ($20,328,032) | $300 | 67,760 SF |
| Sporting Goods, Hobby, Book & Music Stores | ($6,264,371) | $300 | 20,881 SF |
| **Total Sales Leakage Categories** | **($26,592,403)** | | **88,641 SF** |

- ~88,641 SF of retail supported by existing sales leakage, does not account for existing retail vacancy within the City (estimated by CoStar to be approximately 129,856 SF)

**Source:** ESRI, Infogroup, ULI & ICSC Dollars and Cents of Shopping Centers, HdL Companies, Kosmont Companies (2016)



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# Summary of Findings

## Demographics & Employment

- Relatively young, ethnically diverse population; larger than average HH size
- Lower incomes and educational attainment compared to County and State
- Most employees who live in the City work in other areas such as Los Angeles, Industry, South El Monte, and Pasadena, leading to a net **outflow** of jobs

## Market Demand Analysis

- Retail, office, and industrial average rental rates in El Monte are **lower** than the Los Angeles County average rental rates for those uses
- Retail and office vacancy in El Monte is **lower** than County retail and office vacancy, while industrial vacancy in El Monte is **higher** than County industrial vacancy
- Retail sales in the City are higher than retail spending potential, indicating the City is capturing El Monte and neighboring cities resident retail purchases leading to a **retail sales surplus**
- Based on retail category leakage and voids, there is potential for retail recruitment of **general merchandise retailers; sporting goods, hobby, book, and music retailers; and food** (i.e., grocery and restaurants as they are growing industry segments)

# 2. Strategy

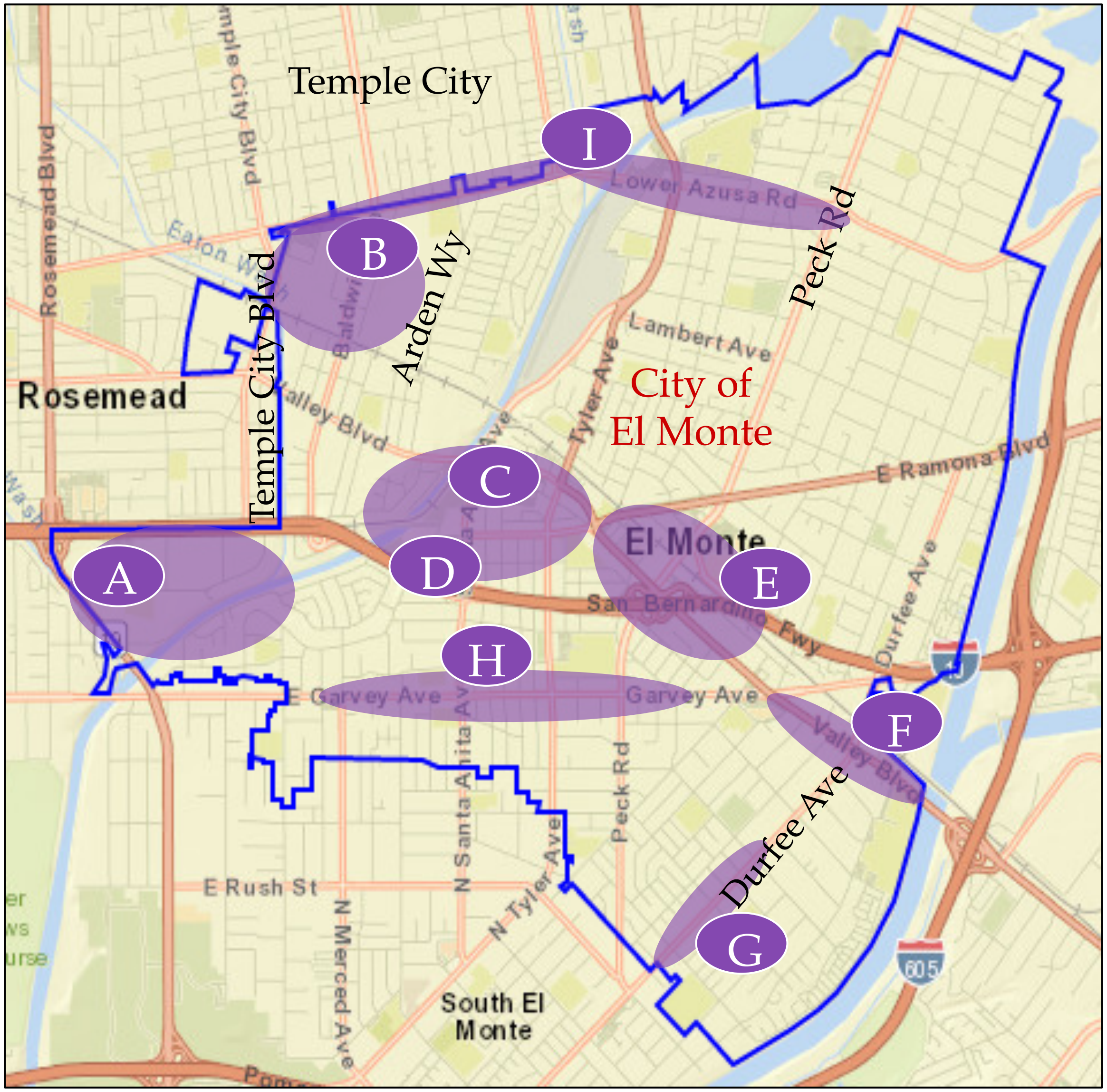
a) Strategic Area Assessment & Prioritization

# Strategic Area Assessment & Prioritization

# Strategic Areas

| Strategic Area | Name |
|---|---|
| A | Flair Business Park |
| B | Northwest Industrial District |
| C | Downtown El Monte Specific Plan Area |
| D | Gateway Specific Plan Area |
| E | El Monte Center & Auto Row |
| F | East Valley Entryway Area |
| G | Durfee Mixed-Use Corridor |
| H | Garvey Mixed-Use Corridor |
| I | Lower Azusa Corridor |

**Source:** City of El Monte (2016)



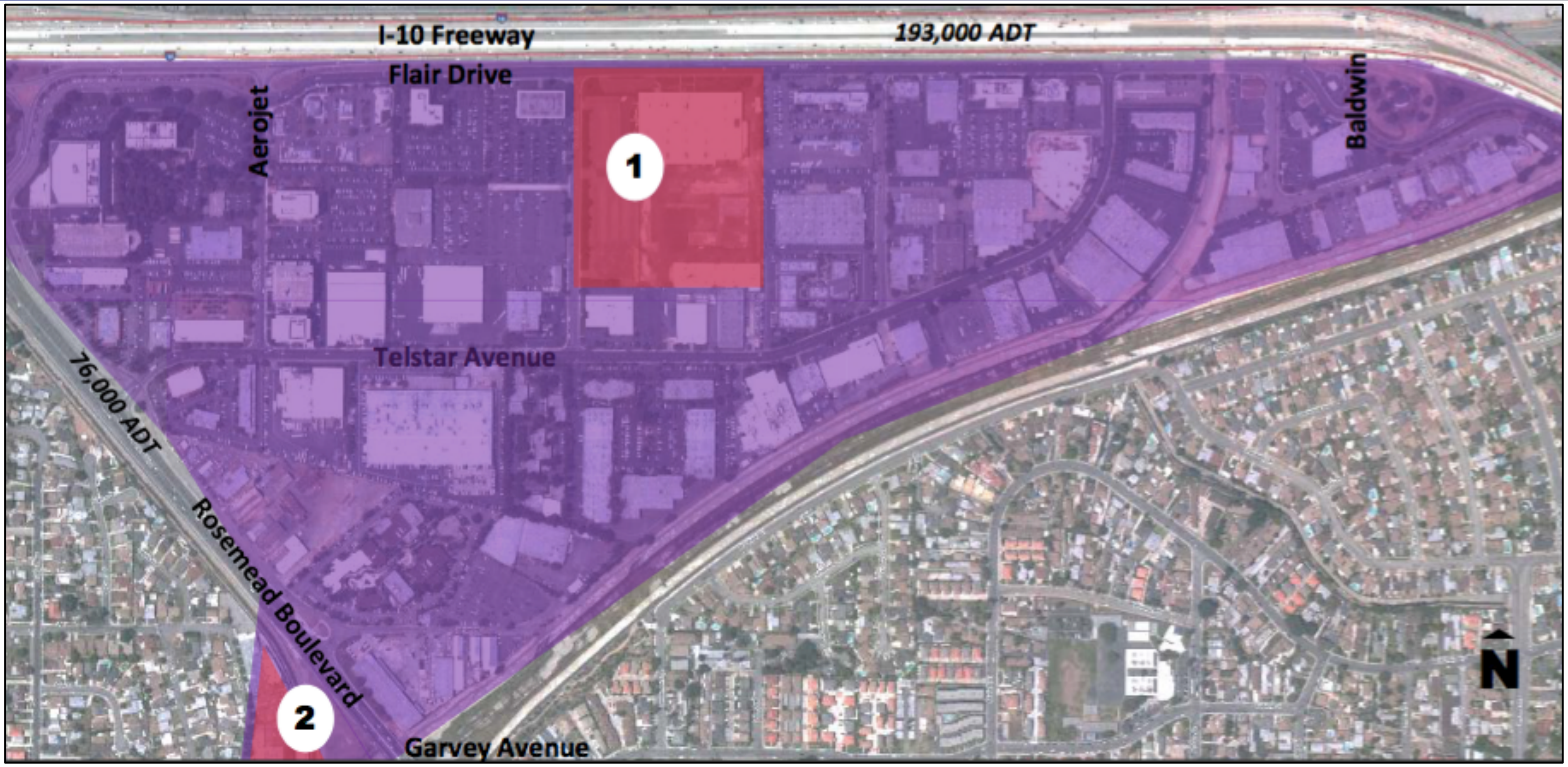
# E.D. Strategic Area Summary

| # | Strategic Area | Project Area and Vision |
|---|---|---|
| A) | **Flair Business Park** | Significant business park and job base with potential to attract national/ regional financial institutions, Fortune 500 corps and medical offices as well as accommodate supporting retail, service and hospitality uses. Major projects underway. Focus efforts to create better access points. |
| B) | **Northwest Industrial District** | Major industrial area and job base. Improve employment opportunity by working with property owner of vacant 100 acre facility in order to create well paying jobs, daytime population, and support surrounding retail. |
| C) | **Downtown El Monte Specific Plan Area** | Urban infill downtown. Create Specific Plan as City's Historic heart, support redevelopment of opportunity sites and work with property owners to promote a mix of retail, restaurant, office, entertainment, hotel, high-density residential, civic and cultural uses. Focus on connectivity with Valley Blvd, Auto Row and transit hubs in order to capitalize on traffic counts and daytime population. |
| D) | **Gateway Specific Plan Area** | Strong transit hub. Major projects underway. Work to advance TOD with a mix of retail, restaurant, office, entertainment, hotel, high-density residential, civic and cultural uses. |
| E) | **El Monte Center & Auto Row** | Longo Toyota is the nation's largest auto dealership and should be capitalized as San Gabriel Valley's primary auto sales/service destination, and a significant driver of daytime population and sales tax revenue. Work with shopping center owner to provide entertainment, dining and retail to visiting customers. |

# E.D. Focus Area Summary

| # | Focus Area | Project Area and Vision |
|---|---|---|
| F) | **East Valley Entryway Area** | Infill location along strong arterials. Pursue revitalization of aging real estate into larger scale commercial uses including retail, restaurants, hotels, automotive sales and professional offices. Potential to aggregate several adjacent parcels subject to small parcel sizes. |
| G) | **Durfee Mixed-Use Corridor** | Walkable corridor with opportunity for mixed-use developments into current formats with retail uses on the ground floor and higher density housing above. Benefit from thriving local business community and adjacent established neighborhoods. Create activity nodes at key intersections. |
| H) | **Garvey Mixed-Use Corridor** | Established businesses with opportunity to revitalize walkable mixed-use developments with retail on ground floor and higher-density housing above. Major projects underway. Capitalize on a significant development trend, a thriving local business community and adjacent established neighborhoods. Create activity nodes at key intersections. |
| I) | **Lower Azusa Corridor** | Major east-west corridor in the northern section of the City. Existing structures include mix of retail/commercial strip centers, big box retailers, industrial, and apartment complexes. Benefits from high profile tenants such as Sam's Club and Home Depot. Can create activity nodes and increase connectivity with other parts of the City at intersections with major north-south arterial roads such as Peck Rd., Santa Anita Ave., and Baldwin Ave. |

# Strategic Area A
## *Flair Business Park*




| Size | Zoning | Access | Vision | Project / Opportunity Sites |
|---|---|---|---|---|
| 180+ acres of land adjacent to I-10 Fwy | OP (Office Professional) | 3 access points: Indirectly from I-10 Fwy at Flair Dr, directly from Baldwin Ave and directly from Rosemead Blvd | Attract national/regional, financial institutions, Fortune 500 Corps and medical offices<br>Accommodate supporting retail, service and hospitality uses | 1) Flair Spectrum Specific Plan – deliver an urban village experience on 14.7 acres with 250 room hotel, 690,000 sf retail and 600 housing units<br>2) Media Center- 100,000 sf office campus |

# Strategic Area A
## *Flair Business Park*

| Strengths | Weaknesses |
|---|---|
| • Large business park located along the I-10 Fwy and bordered by a major arterial (Rosemead Blvd.)<br>• Major source of jobs (est. 6,292 jobs) with top sectors in finance & insurance (46%).<br>• 5 year average vacancy rate at 6.5% (GLA estimated 3.6 Million SF) with precipitous decline as of Q3 2016 at 2.2% | • Limited access points<br>• Lack of additional developable parcels |
| **Opportunities** | **Threats** |
| • Major hospitality, housing and office project underway.<br>• Leverage freeway visibility with signage and location identification<br>• Potential transfer of ownership of L.A. County bldg.<br>• Create better circulation to tie into Rosemead Blvd corridor | • Relevance of format of office space in changing market (e.g., evolution of more creative office space)<br>• Office job type (high-paying vs. moderate; private/professional vs. government)<br>• Fiscal impact of residential zoning/housing vs. commercial/jobs |

# Strategic Area B
## *Northwest Industrial District*


| Size | Zoning | Access | Vision | Projects / Opportunity Sites |
|---|---|---|---|---|
| 250+ acres of industrial land | M (Light and General Manufacturing)<br>Moratorium on development related to M-1 and M-2 zoned property | Convenient access to both I-10 & 605 Fwy | Employment base for the City with well paying jobs<br>Daytime population supports surrounding retail | A) Former Albertsons / Safeway Site – 100 acres of land<br>B) 4.2 acre site – high density residential |



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# Strategic Area B
## *Northwest Industrial District*

| Strengths | Weaknesses |
|---|---|
| • District is well located in "goods movement" corridor serving Ports of L.A. and Long Beach and near I-10 and I-605 Fwy's.<br>• Major source of jobs with estimated 1,895 jobs with top sectors in Transportation and Warehousing (36%) | • Vacancy and loss of jobs at Albertsons site<br>• Lack of adjacent retail / restaurant uses to support/capitalize on daytime population inflow<br>• Infrastructure needs (water, sewer etc.) required for future development |
| **Opportunities** | **Threats** |
| • 100 acre prime industrial redevelopment; largest such opportunity site in Southern California. Goodman Birtcher closed on western ½ of Site A<br>• Major national retailer moving into the industrial park. Catalyst to attract other national companies | • Long-term tenant / redevelopment project requires significant capital investment and time<br>• Contamination and EPA Superfund Site impact on future development<br>• Matching of City's vision with market/private sector intentions to redevelop |



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# Strategic Area C
## *Downtown El Monte Specific Plan Area*


| Project / Opportunity Sites |
|---|
| 1) Santa Fe Trails – 115,000 sq.ft retail shopping center |
| 2) Ramona Housing – 62 residential units |
| A&B) Santa Anita Landing area – 4 & 1.9 acre sites adjacent to I-10 Fwy |
| C) 5 acres of commercial land east of Santa Fe Trail Shopping Center |
| D) 30,000 sf site ideal for high density urban mixed-use |
| E) 1 acre site ideal for mixed-used |

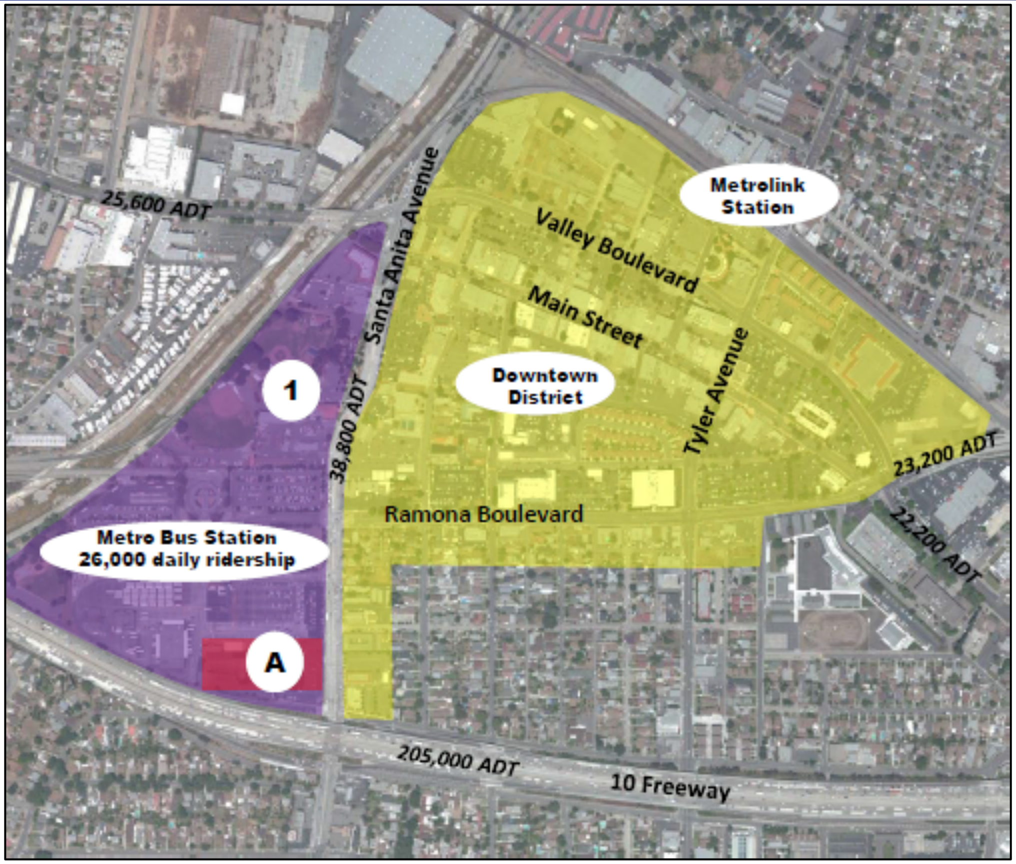
| Size | Zoning | Access | Vision |
|---|---|---|---|
| 115 acres | Specific Plan underway to promote higher residential densities and development opportunity reserve (DOR) ™ | Significant bus and Metrolink transit hub with direct links to Downtown L.A.<br><br>I-10 Fwy offramp | Establish Main Street Area as City's Historic heart and destination.<br><br>Promote a mix of retail, restaurant, office, entertainment, hotel, high-density residential, civic and cultural uses<br><br>Create a walkable corridor and access to multimodal transportation |

# Strategic Area C
## *Downtown El Monte Specific Plan Area*

| Strengths | Weaknesses |
|---|---|
| • Dense infill well located downtown area with diverse uses / businesses and walkable corridor<br>• Adjacent to transit hub with direct links to downtown L.A. and entire SGV. Bus, Metrolink and Greyhound connections.<br>• Surrounded by strong arterials: I-10 Freeway access and Santa Anita Ave & Valley Blvd arterials<br>• City owns and controls 8 parking lots | • Vehicular and pedestrian connectivity to Valley Blvd and surrounding economic nodes (i.e. auto mall, city hall, transit center) |
| **Opportunities** | **Threats** |
| • Potential link to auto row and daytime population inflow<br>• Redevelopment of opportunity sites<br>• Improve potential for “placemaking” and community events as an economic driver | • Extensive number of small parcels, property owners, and businesses that may make redevelopment and improvements challenging |

# Strategic Area D

*Gateway Specific Plan Area*




| Project / Opportunity Sites |
|---|
| 1) Urban village with 485 high-density residential units and 25,000 sf of retail<br>A) Santa Anita Landing area – 3.5 acre site adjacent to I-10 Fwy and Bus Depot |

| Size | Zoning | Access | Vision |
|---|---|---|---|
| 60 acres | Specific Plan Area (SP-1) has approved development of up to 1,850 residential units and approx. 1.3 million sf. of retail, office, entertainment, hotel, public and education uses | Significant transit hub with links to Downtown L.A.<br>Adjacent to I-10-Fwy off-ramp (Santa Anita Ave) | TOC with mix of retail, restaurant, office, entertainment, hotel, high-density residential, civic and cultural uses |



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# Strategic Area D
## *Gateway Specific Plan Area*

| Strengths | Weaknesses |
|---|---|
| • Significant transit hub with direct links to downtown L.A. and entire SGV. Bus, Metrolink and Greyhound connections.<br>• Transit oriented community (TOC) enhances quality of life of residents | • Vehicular and pedestrian connectivity to Valley Blvd and surrounding economic nodes (i.e. auto mall, city hall, Downtown) |
| **Opportunities** | **Threats** |
| • Potential collaboration between City, existing developer, and transit agencies<br>• Revitalization and redevelopment of a significant transit area and TOC, attracting national credit tenants and retail uses<br>• Improvement to amenities and infrastructure including open space linkages | • Challenges of collaboration between development and transit agencies<br>• High capital investment costs required and timeline |

# Strategic Area E
## *El Monte Center & Auto Row*


| Size | Zoning | Access | Vision | Project / Opportunity Sites |
|---|---|---|---|---|
| 30 acre El Monte Center and Auto Row area | C-3 (General Commercial) | Adjacent to I-10 Fwy and a mile west of 605 Fwy | Capitalize on Longo Toyota anchor, the nation's largest auto dealership<br>San Gabriel Valley's primary auto sales/service destination<br>Provide entertainment, dining and retail to visiting customers | A) El Monte Shopping Center – 30 acre shopping center; retail, restaurant adjacent to auto center<br>Anchor tenant and retail spaces available |



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# Strategic Area E
## *El Monte Center & Auto Row*

| Strengths | Weaknesses |
|---|---|
| • Largest auto dealership in Southern California<br>• Large sales tax revenue generator and source of jobs for the City<br>• Adjacent to the I-10 Fwy with off-ramp access directly into auto row<br>• Regional attractor and daytime population | • Vehicular and pedestrian connectivity to surrounding economic nodes (i.e. city hall, transit center, Downtown)<br>• Large box retail vacancy and temporary loss of tax revenue at shopping center<br>• Lack of cohesive branding |
| **Opportunities** | **Threats** |
| • Provide additional restaurant, retail and entertainment to take advantage of significant customer daytime population<br>• Improvements to quality of life provided by additional retail, restaurant, and entertainment<br>• Potential connection/link to downtown and gateway areas | • Collaboration with auto dealerships and shopping center ownership to meet cities vision for entertainment uses |



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# Strategic Area F
## *East Valley Entryway Area*


| Size | Zoning | Access | Vision | Project / Opportunity Sites |
|---|---|---|---|---|
| ½ mile corridor at City's eastern entrance | C-3 (General Commercial) & C-4 (Heavy Commercial) | Valley Blvd arterial<br><br>Convenient access to I-10 & 605 Fwys | Allow a wide range of large scale commercial uses to serve the community and region<br><br>Promote retail, food & beverage, hotels, automotive sales and professional offices | A-F) Several 1 to 5 acre sites with potential to aggregate a site up to 12.3 acres |



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# Strategic Area F
## *East Valley Entryway Area*

| Strengths | Weaknesses |
|---|---|
| • Infill real estate with strong arterial boundaries Valley Blvd and Garvey Ave<br>• Strong traffic counts (41,000 ADT) on Valley Blvd. and public transit access<br>• Convenient access to I-10 & 605 Fwys | • Multiple ownership and aging real estate<br>• Aggregation of real estate to gain enough scale for a large scale project given small parcel sizes |
| **Opportunities** | **Threats** |
| • Potential to aggregate several adjacent parcels for a 12.3 acre redevelopment<br>• Revitalize aging real estate into current retail and format (i.e. mixed use, retail, hotel, etc.) | • Coordination with multiple businesses and property owners<br>• 3$^{rd}$ party investment in the area based on economic feasibility |

# Strategic Area G

## *Durfee Mixed-Use Corridor*


| Size | Zoning | Access | Vision | Project / Opportunity Sites |
|---|---|---|---|---|
| 80+ acres along a mile long corridor | MMU (Mixed/ Multi-Use) | Transit corridor with links to Los Angeles<br><br>Connectivity the I-10, 60 Fwy and 605 Fwy | Develop walkable, mixed-use developments with retail uses on the ground floor and higher density housing above<br><br>Create activity nodes at Fineview, Klingerman and Elliot intersections<br><br>Benefit from adjacent established neighborhoods, which are walkable | A) Multiple properties at activity nodes<br><br>B) 1 acre development site |



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# Strategic Area G

*Durfee Mixed-Use Corridor*

| Strengths | Weaknesses |
| --- | --- |
| • Adjacent residential communities with walkable corridor<br>• Strong small business community and source of jobs<br>• Connectivity to I-10 Fwy, 60 Fwy and 605 Fwy | • Aggregation of real estate to gain enough scale for a project and shallow lot sizes<br>• Multiple ownership and aging real estate |

| Opportunities | Threats |
| --- | --- |
| • Revitalize aging real estate into current retail and residential format (i.e. mixed use)<br>• Multiple opportunity sites at activity nodes which may catalyze retail tenant attraction | • Coordination with multiple businesses and property owners |

# Strategic Area H
## *Garvey Mixed-Use Corridor*


| Size | Zoning | Access | Vision | Project / Opportunity Sites |
|---|---|---|---|---|
| 140 Acres of land along 2 mile long corridor | MMU (Mixed/ Multi-Use) | South of I-10 Fwy<br><br>Transit corridor with direct links to Downtown L.A. | Develop walkable mixed-use developments with retail on ground floor and higher-density housing above<br><br>Create activity nodes at Santa Anita, Tyler, and Peck road intersections with Garvey Ave<br><br>Benefit from adjacent established neighborhoods, which are walkable | 1) 3,000 sf of retail, 3 work-live units & 67 housing units<br><br>2) 5,000 sf of retail & 114 housing units<br><br>3) 25,000 sf of retail & 30 housing units<br><br>4) 20,000 sf of retail & 116 senior and assisted living units<br><br>A) Opportunity Site - 1.7 acre site zoned multi-family |



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# Strategic Area H

## *Garvey Mixed-Use Corridor*

### Strengths

- Mix of national, local and cultural/ demographic specific businesses, retailers and restaurants
- Adjacent higher density residential communities with walkable corridor
- Strong arterial corridor with connectivity to I-10 Fwy and Downtown L.A. through transit

### Weaknesses

- Lack of large parcels for redevelopment
- Aggregation of real estate to gain enough scale for a project given shallow lot sizes

### Opportunities

- Major projects underway
- Revitalize aging real estate into current retail and format (i.e. mixed use)
- Activity nodes and key intersection at Santa Anita, Tyler and Peck Road which may catalyze retail tenant attraction

### Threats

- Coordination with multiple businesses and property owners

# Strategic Area I
## *Lower Azusa Corridor*


| Size | Zoning | Access | Vision | Project / Opportunity Sites |
|---|---|---|---|---|
| 2.5 mile long corridor | Combination of MMU (Mixed/ Multi-Use), C-2 (Retail Commercial), C-3 (General Commercial), M-1 (Light Manufacturing), M-2 (General Manufacturing), and R-3 (Medium Density Multiple Family Dwelling) | Connects with I-605 Fwy<br>Connectivity with major arterial roads (Peck Rd., Santa Anita Ave., and Baldwin Ave.) | Closely monitor major sales tax revenue generating retailers | A) Home Depot Site<br>B) Strip Center with bowling alley |



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# Strategic Area I
## *Lower Azusa Corridor*

| Strengths | Weaknesses |
|---|---|
| • Connectivity with major north-south arterial roads (Peck Rd., Santa Anita Ave., and Baldwin Ave.)<br>• Commercial and mixed-uses at major intersections<br>• Stable corridor | • Lack of large parcels for redevelopment |

| Opportunities | Threats |
|---|---|
| • Activity nodes at key intersections at Peck Rd., Santa Anita Ave., and Baldwin Ave. may catalyze further retail tenant attraction and increase connectivity with other parts of the City | • Coordination with multiple businesses and property owners |

# Categorization by Economic Development Priority

| Econ. Dev. Priority | Description / Econ. Dev. Tools | Related Strategic Areas |
|---|---|---|
| **Fiscal Revenue Generation** | • Sales Tax<br>• Property Tax<br>• Transient Occupancy Tax | • El Monte Center & Auto Row<br>• Durfee/Garvey Mixed-Use Corridor<br>• Downtown El Monte SP Area<br>• Flair Business Park<br>• Gateway SP Area<br>• Lower Azusa Corridor |
| **Job Creation** | • Office<br>• Industrial / Distribution | • Flair Business Park<br>• Northwest Industrial District<br>• Lower Azusa Corridor |
| **Quality of Life** | • Entertainment / Retail<br>• Transit | • El Monte Center & Auto Row<br>• Downtown El Monte SP Area<br>• Gateway SP Area |
| **Catalysts for Businesses** | • Demand Driver | • Northwest Industrial District<br>• Gateway SP Area<br>• East Valley Corridor<br>• Flair Business Park<br>• El Monte Center & Auto Row<br>• Lower Azusa Corridor |



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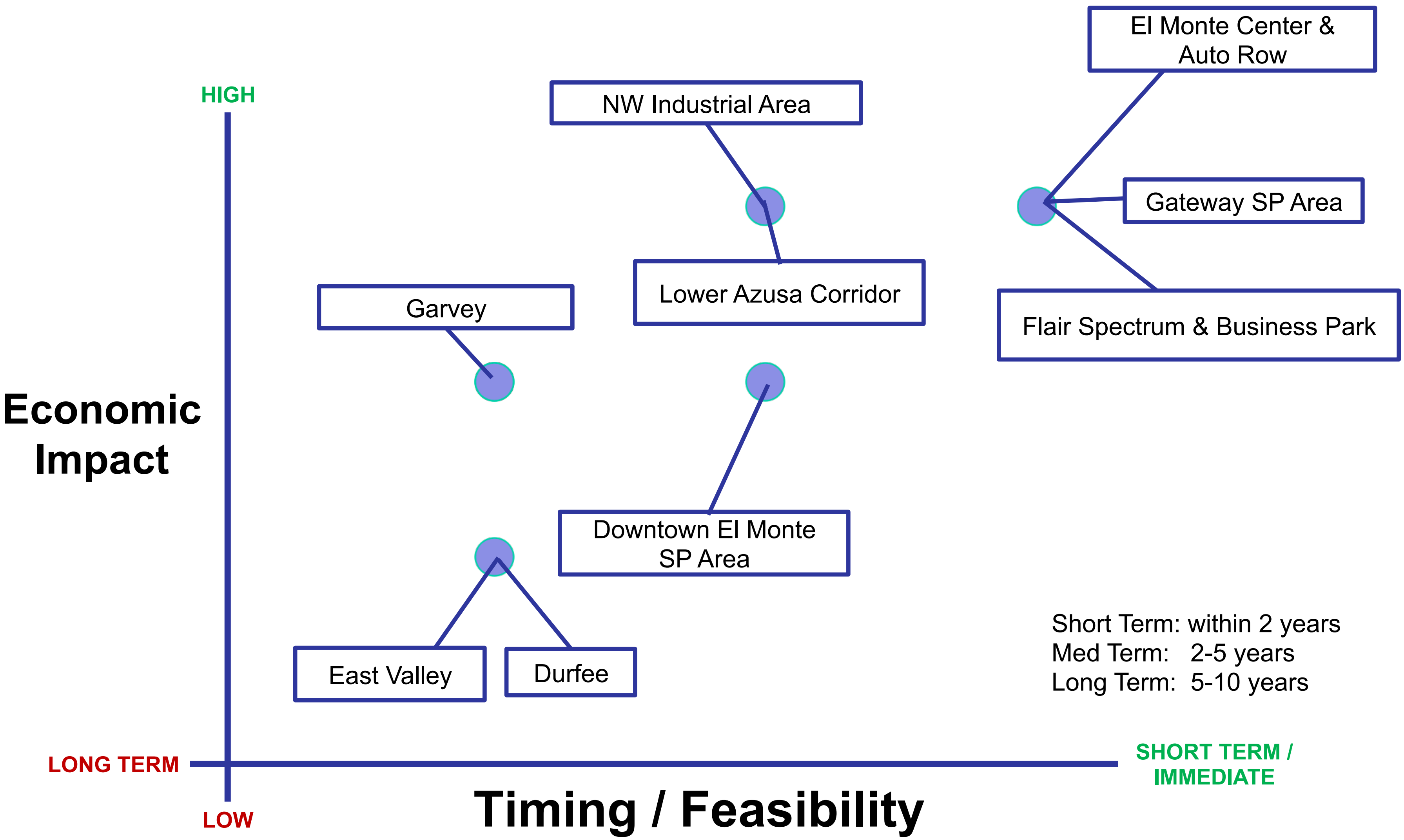
# E.D. Prioritization – Key Factors

**Economic development focus areas were evaluated with primary consideration given to fiscal / economic and timing / feasibility:**

| Economic Development Focus Area | Fiscal Revenue Generation | Job Creation | Quality of Life | Catalysts for Businesses | Overall Econ Impact* | Timing / Feasibility |
|---|---|---|---|---|---|---|
| Flair Business Park | X | X | | X | High | Short |
| Northwest Industrial District | | X | | X | High | Mid |
| Downtown El Monte Specific Plan Area | X | | X | | Med | Mid |
| Gateway Specific Plan Area | X | | X | X | High | Short |
| El Monte Center & Auto Row | X | | X | X | High | Short |
| East Valley Entryway Area | | | | X | Low | Long |
| Durfee Mixed-Use Corridor | X | | | | Low | Long |
| Garvey Mixed-Use Corridor | X | | | | Med | Long |
| Lower Azusa Corridor | X | X | | X | High | Mid |

***Note:** Overall Economic Impact represents the cumulative impacts of fiscal revenue generation, job creation, quality of life and catalyst

# Preliminary Timing / Feasibility & Impact Summary




Short Term: within 2 years
Med Term: 2-5 years
Long Term: 5-10 years

Durfee/Garvey – Economic Impact given lack of current opportunity sites, market conditions, aging real estate and coordination between property owners.



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# 3. Implementation

a) **Stakeholder Outreach (next steps)**

b) **Marketing (next steps)**

   i. *Collateral Material*

   ii. *Digital Marketplace*

c) **Financing & Incentives (next steps)**

# Stakeholder Outreach (next steps)



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# Preliminary Outreach & Meetings

- Initial outreach to following stakeholders:
  - Longo Toyota/Lexus
  - Merlone Geier
  - Bank of America
  - Gateway Project
  - Flair Spectrum

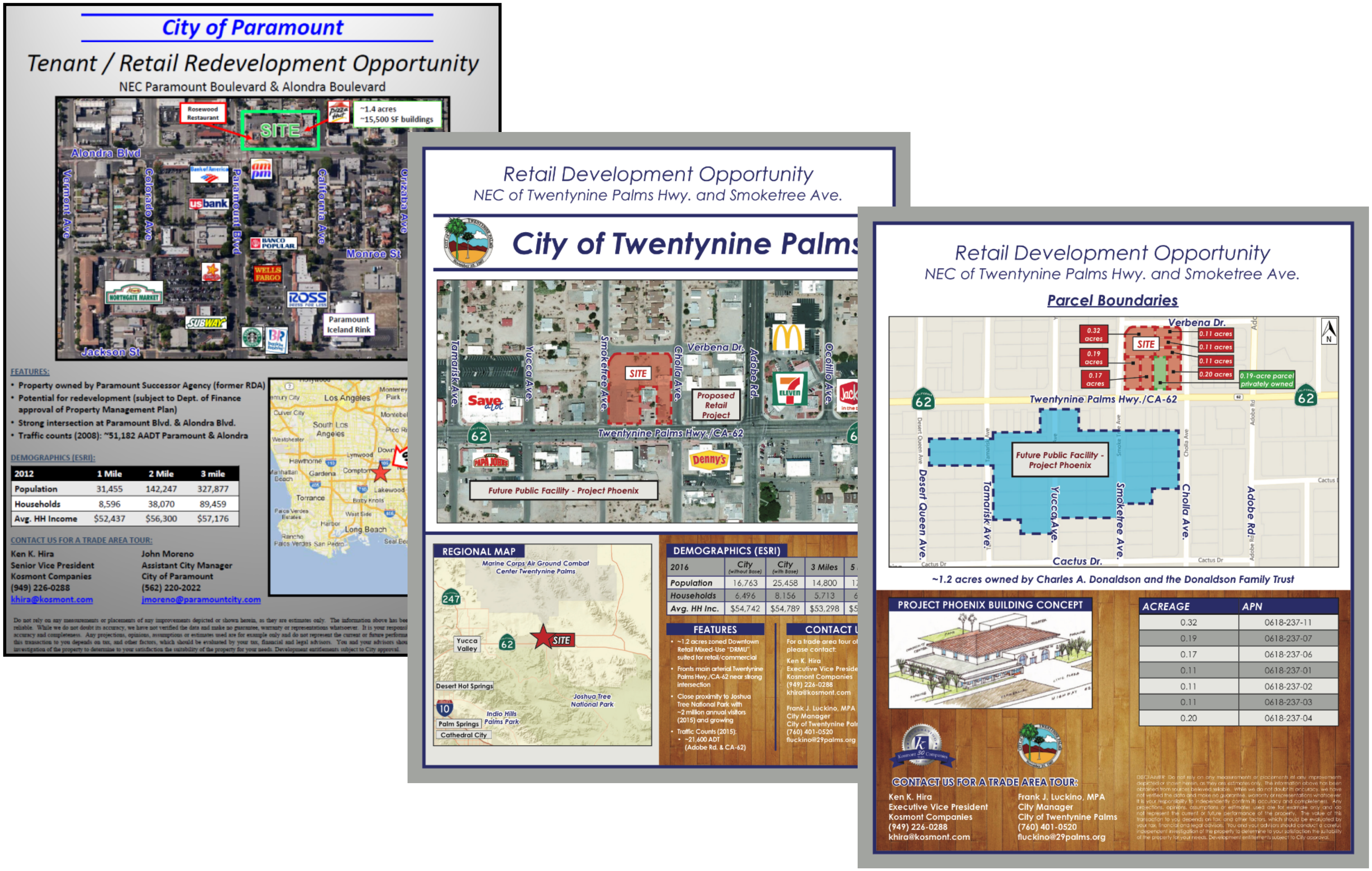
- Meetings with following consultant teams:
  - Stanley R. Hoffman Associates
  - Linda S. Congleton & Associates

# Marketing (next steps)

*Collateral Material*

*Digital Marketplace*

# Sample Collateral Marketing Material



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# Digital Marketplace Tool

- **OppSites is a digital economic development network, where the public & private sector works together to unlock economic potential.**

## THE PROCESS:

- **Cities post underutilized districts & sites, and share local knowledge about what they want to see built (does not require City ownership)**
- **Investors & developers search postings to find underexposed real estate opportunities, and gain insight into markets for investment**
- **Cities & investors/developers initiate discussion about development opportunity based on mutual interest in site**

OppSites
BUILD THE FUTURE OF CITIES

**https://oppsites.com/**

# Financing & Incentives (next steps)

# Economic Development 2.0

## Today, Economic Development for Cities is about:

# How do the Pieces Fit Together?

## The Problems:

Greenhouse Gas Emissions (GHGs)

Drought

Climate Change

Insufficient regional transportation

Aging Infrastructure

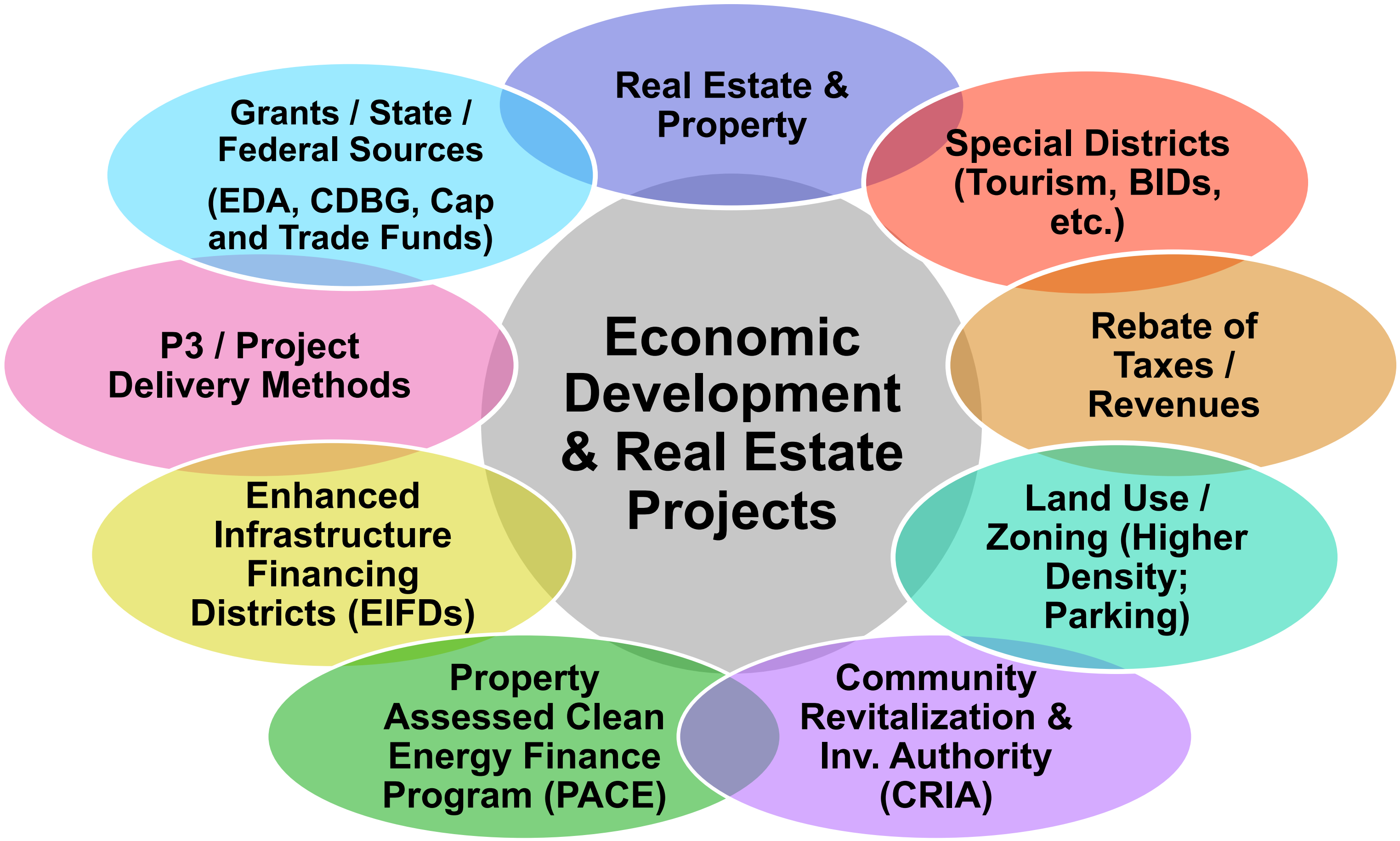
- Water transportation infrastructure
- Sewer infrastructure
- Electric & utility plants

New Infrastructure Needed

- For shift to multifamily housing
- Transit-Oriented Development in designated high-quality transit areas (HQTAs)
- Demand, density and design

# Post-RDA Economic Development Tools

## Cities have 9 BASIC TOOLS for Public/Private Projects




***These tools often work best when used together***

# Plan Implementation Next Steps

Collaboration with City Staff and Ad Hoc Development Review Committee with respect to the following:

- Stakeholder Outreach – contact property owners on a priority strategic basis, local developers, engaged consultants and other parties in order to track project status and facilitate communication
- Marketing of Strategic Areas – prepare collateral marketing material for priority strategic opportunity sites and utilize digital economic development tools to access the marketplace
- Financing & Incentives – consider post-redevelopment economic development tools such as financing districts and zoning strategies to fund needed infrastructure and forge public private transactions where appropriate

# Questions & Discussion

## Thank you

Real Estate
Finance/Economics
Development
Entitlements

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