



**GREAT STREETS**  
**GREAT BUSINESS**

2016

Market Summary

CD 2

Lankershim Blvd

## Introduction

The **Great Streets Initiative** was launched for the purpose of re-imagining neighborhood centers throughout the City of Los Angeles, one street at a time. The streets initially selected, and those that will be subsequently included, are geographic corridors along the street, and not the entirety of the thoroughfare. Critical to the Initiative is the phrase *re-imagining neighborhood centers*. The program intent is not to merely to work with stakeholders to rent or sell available real estate; rather, to take the existing environment, add some new elements where viable, ultimately creating more engaging and successful places where residents and visitors congregate – *neighborhood centers*. To this end retail outlets, and food/beverage establishments are paramount, with clusters of nodes/hubs created that include 5-7 varied businesses whose attraction appeal is greater than any one business could generate on its' own.

## Great Business

The purpose of the subject component of the **Great Streets Great Businesses** element of the **Great Streets Initiative** is an assessment whereby the market potential for retail outlets and food/beverage establishments is measured. This is a statistical analysis, with 2010 census numbers as a data base, 2016 data estimated, and 2019, 2021, and 2026 data projected.

The principal markets for *neighborhood* centers are residents. For purposes of this market analysis these primary markets have been defined as people who reside within one (1), three (3) and five (5) mile rings of approximately the center block of the street corridor being studied.

Market assessments for retail and food/beverage outlets can cover a range of depths, from surface level population and demographic statistics to full blown analyses that not only measure demand and supply, but include an array of factors that could enhance the attraction appeal of an area or property for a specific tenant type. The analysis contained herein has sufficient depth to paint broad swatches, but not enough information to seal the deal with a particular tenant. The later will happen during the new business recruitment phase of the project, and by providing one-on-one consulting assistance to existing businesses that have the potential to be part of a *neighborhood* center node/hub.

This assessment is based primarily on data obtained from the leader in commercial real estate demographics, STDB.com (Site To Do Business). Through this site a member has access to:

- *ersi*
- *ArcGIS*
- *DatabaseUSA*
- Plus two (2) custom applications – *Express Center and Commercial Search*

## Express Search

Express Search has been used to create the reports that form the base of this market assessment. The reports include:

- **Appraisal Specialty Report**
  - Demographic and Income Profile
  - Market Profile
  - Tapestry
  
- **Retail Specialty Report**
  - Demographic and Income Profile
  - Housing Profile
  - Retail Marketplace
  - Tapestry
  
- **Restaurant Specialty Report** (*statistical data not used in assessment*)
  - Demographic and Income Profile
  - Restaurant Market Potential
  - Retail Marketplace
  - Tapestry

## Data Collection

For each report this information was obtained:

- A block along the subject *Great Street* that represented approximately the center was selected. This block was given an address.
- Data was collected for one (1), three (3) and five (5) mile rings from this central block.
- Created from this approach are nine (9) reports, three (3) for each of the aforementioned subjects – Appraisal, Retail and Restaurant. These reports are found in appendices sections 2-10, respectively.

## Population & Demographics

Key data was extracted from the reports and is presented in summary form in Tables 1 and 2, located in appendix section 1. Table 1 presents 2010 census data population, estimates for 2016, and projections for 2019, 2021 and 2026. The same type of information is presented for households and income. Median disposable income is shown for 2016, for three (3) mile and five (5) mile rings. Employed population for those 16+ is also shown for 2016, by industry.

## Retail & Restaurant Leakage

Table 2.1 presents a retail and restaurant leakage assessment for the three (3) mile, and Table 2.2 for the five (5) mile ring areas. Shown is the relationship between estimated 2016 expenditures (demand) by residents of the designated area, and corresponding sales (supply) by businesses located therein. Text references to these statistics are mostly in a historical context (were or was versus are or is) because this report is written near the end of the estimate period (2016). [Note – a deviation of 5% one way or the other is not considered leakage/oversupply. This type of analysis is based on the premise that the nearby residents represent the greatest potential for expenditures at local retail and food/beverage outlets, and their money is the easiest to capture with the right kind of projects – in this case neighborhood nodes/hubs that will be created and/or enhanced along Great Streets. At a glance one can see in Table 2 those categories where there is leakage, and the dollar/percentage amount. Contrarily, the data also shows the dollar amount of expenditures made by residents beyond the designated rings.

Lankershim Blvd., the home of NoHo is a regional center. This is reflected in the five (5) mile ring assessment, but to a much lesser degree in the three (3) mile area. Overall demand for retail trade in within the three (3) mile ring outpaced supply by \$522 million. A comparable condition occurred in the food and drink category, with the supply excess being \$48 million. However, for the five (5) mile ring, supply is \$680 million greater for retail trade, and \$41 million greater for food and drink.

## Retail & Restaurant Leakage (cont.)

While this data shows the statistical relationship between demand (estimated expenditures by residents within one (1) mile and three (3) mile rings) and supply (estimated gross revenue by businesses located within the same rings) there is not, nor is there intended to be, a value comparison. This requires knowing the environment (existing and planned) of the primary commercial corridor(s) that transcend each of rings. This is the subject of the recruitment process, which is another component of the Great Streets Great Businesses program.

The STRD reports used in this analysis contain considerably more information than is summarized here. Consequently, they are considered critical components of the market assessments, not merely data sources from which statistics are extracted.

## Retail Space Availability

Table 3 presents a list of the retail (including restaurant) space available along the corridor in December 2016. This data was obtained from CoStar.

# Table 1

Population and Selected Demographic Characteristics for Lankershim Blvd. Corridor  
(base address = 5800 Lankershim Blvd.)

	2016 (yr. 1)	2019 (yr. 3)	2021 (yr.5)	2025 (yr.10)
<b>Population</b>				
One (1) Mile	45,734	47,011	47,862	51,692
Three (3) Miles	292,183	298,607	302,890	322,163
Five (5) Miles	601,777	614,415	622,841	660,756
<b>Households</b>				
One (1) Mile	18,157	18,658	18,992	20,495
Three (3) Miles	111,773	114,024	115,524	122,276
Five (5) Miles	224,069	228,263	231,059	243,641
<b>Average Household Income</b>				
One (1) Mile	\$65,449	\$69,115	\$71,559	\$82,557
Three (3) Miles	\$83,215	\$88,308	\$91,704	\$106,984
Five (5) Miles	\$87,971	\$93,163	\$96,625	\$112,202
<b>Per Capita Income</b>				
One (1) Mile	\$25,961	\$27,383	\$28,331	\$32,597
Three (3) Miles	\$32,147	\$34,026	\$35,279	\$40,917
Five (5) Miles	\$33,214	\$35,067	\$36,302	\$41,860
<b>Median Disposable Income (2016)</b>				
Three (3) Miles	\$49,009			
Five (5) Miles	\$50,086			
<b>Employed Population 16+ By Industry (2016)</b>				
One (1) Mile				
Construction	6.5%			
Finance/Insurance/Real Estate	5.5%			
Manufacturing	6.3%			
Retail Trade	11.6%			
Services	55.8%			
Other	14.3%			
<b>Total</b>	<b>100.0%</b>			
<b>Three (3) Miles</b>				
Construction	5.5%			
Finance/Insurance/Real Estate	6.0%			
Manufacturing	6.4%			
Retail Trade	10.4%			
Services	54.3%			
Other	17.4%			
<b>Total</b>	<b>100.0%</b>			
<b>Five (5) Miles</b>				
Construction	5.7%			
Finance/Insurance/Real Estate	6.3%			
Manufacturing	7.4%			
Retail Trade	9.9%			
Services	54.1%			
Other	16.6%			
<b>Total</b>	<b>100.0%</b>			

Sources: STDB, Appraisal Specialty Report, 5800 Lankershim Blvd., North Hollywood, CA 91601; and, VEDC

## Table 2.1 - Three (3) Mile Ring

Retail and Restaurant Leakage for Lankershim Blvd. Corridor Using Estimated 2016 Data  
(base address = 5800 Lankershim Blvd.)

Retail Categories (selected)	Demand [A] (potential sales)	Supply [B] (reported sales)	Leakage Amt. [C] ([A] - [B])	Leakage % ([C]/[A])	Number of Businesses
<b>Furniture and Home Furnishings</b>					
Furniture	\$74,838,773	\$41,888,811	\$32,949,962	44.0%	43
Home Furnishing	\$59,660,143	\$63,195,266	(\$3,535,123)	0.0%	48
Electronic and Appliance Stores	\$221,023,665	\$275,047,720	(\$54,024,055)	0.0%	138
<b>Food and Beverage Stores</b>					
Grocery	\$695,309,239	\$609,217,429	\$86,091,810	12.4%	112
Specialty Foods	\$74,986,880	\$62,705,418	\$12,281,462	16.4%	65
Beer, Wine & Liquor	\$40,930,474	\$52,134,376	(\$11,203,902)	0.0%	65
Health and Personal Care Products	\$258,401,457	\$338,188,656	(\$79,787,199)	0.0%	159
<b>Clothing &amp; Clothing Accessory Stores</b>					
Clothing	\$215,308,497	\$147,198,005	\$68,110,492	31.6%	186
Shoe	\$32,377,956	\$18,231,831	\$14,146,125	43.7%	19
Jewelry, Luggage & Leather Goods	\$48,229,521	\$40,150,108	\$8,079,413	16.8%	52
Sporting Goods	\$102,459,060	\$71,753,459	\$30,705,601	30.0%	113
Book, Periodical & Music	\$17,503,333	\$61,631,059	(\$44,127,726)	0.0%	42
General Merchandise Stores	\$644,609,015	\$318,129,265	\$326,479,750	102.6%	56
Florists	\$7,293,026	\$6,772,785	\$520,241	7.1%	44
Used Merchandise	\$15,140,186	\$13,615,129	\$1,525,057	10.1%	58
<b>Total Retail Trade</b>	<b>\$4,051,258,473</b>	<b>\$3,528,590,079</b>	<b>\$522,668,394</b>	<b>12.9%</b>	<b>196</b>
<b>Food Service and Drinking Places</b>					
Full Service Restaurants	\$260,897,552	\$215,329,036	\$45,568,516	17.5%	524
Limited-Service Restaurants	\$184,357,756	\$178,575,423	\$5,782,333	3.1%	229
Specialty Food Services	\$9,835,616	\$7,552,542	\$2,283,074	23.2%	25
Drinking Places - Alcoholic Beverages	\$8,998,166	\$14,814,739	(\$5,816,573)	0.0%	34
<b>Total Food and Drink</b>	<b>\$464,089,091</b>	<b>\$416,271,740</b>	<b>\$47,817,351</b>	<b>10.3%</b>	<b>812</b>

Sources: STDB, Retail Specialty Report and Restaurant Specialty Report, 5800 Lankershim Blvd., North Hollywood, CA 91601; and, VEDC



## Table 2.2 - Five (5) Mile Ring

Retail and Restaurant Leakage for Lankershim Blvd. Corridor Using Estimated 2016 Data  
(base address = 5800 Lankershim Blvd.)

Retail Categories (selected)	Demand [A] (potential sales)	Supply [B] (reported sales)	Leakage Amt. [C] ([A] - [B])	Leakage % ([C]/[A])	Number of Businesses
<b>Furniture and Home Furnishings</b>					
Furniture	\$157,954,161	\$193,928,902	(\$35,974,741)	0.0%	99
Home Furnishing	\$126,590,367	\$155,399,143	(\$28,808,776)	0.0%	125
Electronic and Appliance Stores	\$466,804,155	\$538,019,961	(\$71,215,806)	0.0%	311
<b>Food and Beverage Stores</b>					
Grocery	\$1,452,470,996	\$1,155,045,377	\$297,425,619	20.5%	208
Specialty Foods	\$156,566,839	\$142,949,052	\$13,617,787	8.7%	158
Beer, Wine & Liquor	\$85,688,366	\$97,404,926	(\$11,716,560)	0.0%	121
Health and Personal Care Products	\$546,628,291	\$693,821,679	(\$147,193,388)	0.0%	338
<b>Clothing &amp; Clothing Accessory Stores</b>					
Clothing	\$449,971,950	\$434,653,397	\$15,318,553	3.4%	434
Shoe	\$67,251,813	\$65,728,145	\$1,523,668	2.3%	74
Jewelry, Luggage & Leather Goods	\$102,149,063	\$102,187,278	(\$38,215)	0.0%	127
Sporting Goods	\$252,742,932	\$326,321,486	(\$73,578,554)	0.0%	307
Book, Periodical & Music	\$36,581,780	\$92,081,901	(\$55,500,121)	0.0%	69
General Merchandise Stores	\$1,350,991,684	\$1,151,073,416	\$199,918,268	14.8%	137
Florists	\$15,862,242	\$16,565,511	(\$703,269)	0.0%	77
Used Merchandise	\$31,780,849	\$27,760,232	\$4,020,617	12.7%	99
<b>Total Retail Trade</b>	<b>\$8,535,946,464</b>	<b>\$9,216,520,903</b>	<b>(\$680,574,439)</b>	<b>0.0%</b>	<b>4189</b>
<b>Food Service and Drinking Places</b>					
Full Service Restaurants	\$568,091,232	\$804,030,985	(\$235,939,753)	0.0%	1457
Limited-Service Restaurants	\$402,240,441	\$383,269,060	\$18,971,381	4.7%	550
Specialty Food Services	\$21,686,420	\$43,167,363	(\$21,480,943)	0.0%	61
Drinking Places - Alcoholic Beverages	\$19,044,691	\$27,313,296	(\$8,268,605)	0.0%	58
<b>Total Food and Drink</b>	<b>\$971,259,221</b>	<b>\$1,012,674,591</b>	<b>(\$41,415,370)</b>	<b>0.0%</b>	<b>1697</b>

Sources: STDB, Retail Specialty Report and Restaurant Specialty Report, 5800 Lankershim Blvd., North Hollywood, CA 91601; and, VEDC

## Table 3

Retail Space Listed As Available for Rent on December 21, 2016

Address	Space (SF)	Asking Rent/SF/Month	Lease Type	Leasing Agent	Contact	Telephone
5161 Lankershim Blvd.	6,624	\$3.25	Full Service	CBRE	Matt Heyn	818-907-4619
	2,676	\$3.25	Full Service	CBRE	Matt Heyn	818-907-4619
	3,762	\$2.65	Full Service	Savills Studley	Michael Wernick	213-553-3817
	17,070	\$3.25	Full Service	CBRE	Matt Heyn	818-907-4619
5166 Lankershim Blvd.	2,150	\$5.50	Triple Net	LS Realty Group	Eli Shtrum	818-461-9378
5200 Lankershim Blvd.	6,862	\$4.00	Triple Net	CBRE	Matt Heyn	818-907-4619
	4,095	\$3.25	Modified Gross	CBRE	Matt Heyn	818-907-4619
	4,078	\$2.50	Full Service	Lee & Assc.	Scott Romick	818-933-0305
	2,041	\$3.25	Full Service	CBRE	Matt Heyn	818-907-4619
	2,730	\$3.25	Full Service	CBRE	Matt Heyn	818-907-4619
	942	\$3.25	Full Service	CBRE	Matt Heyn	818-907-4619
	1,787	\$3.25	Full Service	CBRE	Matt Heyn	818-907-4619
	1,788	\$2.50	Full Service	Cushman & Wakefield	Nathan Piehl	31-689-2269
	4,525	\$3.35	Full Service	CBRE	Matt Heyn	818-907-4619
	1,062	\$3.35	Full Service	CBRE	Matt Heyn	818-907-4619
5217-5223 Lankershim Blvd.	1,500	\$4.00	Triple Net	John Manoukian	Nigol Manoukian	818-421-9004
5225-5229 Lankershim Blvd.	3,500	\$4.25	Triple Net	Kennedy-Wilson	Michael Pakravan	310-887-6212
6426-6428 Lankershim Blvd.	6,500	\$0.92	Modified Gross	Peggy D. Skelly	Deborah Skelly	310-471-8987
5161 Lankershim Blvd.	17,056	Withheld	Withheld	CBRE	Matt Heyn	818-907-4619
5250 Lankershim Blvd.	100-5,000	Withheld	Withheld	Regus	Eric Fletcher	844-868-5893
6050-6140 Lankershim Blvd.	1,500-5,700	Withheld	Withheld	Ophir Management Svcs.	Eric Fletcher	818-708-0888

