



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

2016

Market Summary

CD 1

North Figueroa

## 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.

Within the three (3) mile ring, demand exceeded supply for both retail and food/drink, and by a considerable amount. The retail amount was \$1.5 billion, while the food/beverage total was \$128 million. The retail trade numbers for the five (5) mile ring show demand exceeding supply by a much lesser amount, \$220 million. The overall experience for the food and drink category is the reverse, with supply \$246 million in excess of demand.

## 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 includes a list of the retail (including restaurant) spaces listed as available for rent along the corridor in December 1, 2016. This information was obtained from CoStar.

# Table 1

Population and Selected Demographic Characteristics for N. Figueroa Street Corridor  
(base address = 5500 N. Figueroa St.)

	2016 (yr. 1)	2019 (yr. 3)	2021 (yr.5)	2025 (yr.10)
<b>Population</b>				
One (1) Mile	43,898	43,898	45,190	43,898
Three (3) Miles	265,619	265,619	273,839	265,619
Five (5) Miles	768,592	768,592	794,227	768,592
<b>Households</b>				
One (1) Mile	13,738	13,738	14,077	13,738
Three (3) Miles	85,331	85,331	87,596	85,331
Five (5) Miles	264,004	264,004	272,004	264,004
<b>Average Household Income</b>				
One (1) Mile	\$ 65,703	\$ 65,703	\$ 71,630	\$ 65,703
Three (3) Miles	\$ 80,629	\$ 80,629	\$ 88,010	\$ 80,629
Five (5) Miles	\$ 77,996	\$ 77,996	\$ 85,041	\$ 77,996
<b>Per Capita Income</b>				
One (1) Mile	\$ 21,094	\$ 21,094	\$ 22,835	\$ 21,094
Three (3) Miles	\$ 26,372	\$ 26,372	\$ 28,610	\$ 26,372
Five (5) Miles	\$ 27,504	\$ 27,504	\$ 29,815	\$ 27,504
<b>Median Disposable Income (2016)</b>				
Three (3) Miles	\$ 47,272			
Five (5) Miles	\$ 43,759			
<b>Employed Population 16+ By Industry (2016)</b>				
<b>One (1) Mile</b>				
Construction	6.5%			
Finance/Insurance/Real Estate	5.5%			
Manufacturing	8.0%			
Retail Trade	10.8%			
Services	55.1%			
Other	14.1%			
<b>Total</b>	<b>100.0%</b>			
<b>Three (3) Miles</b>				
Construction	5.4%			
Finance/Insurance/Real Estate	5.5%			
Manufacturing	8.3%			
Retail Trade	9.8%			
Services	55.3%			
Other	15.7%			
<b>Total</b>	<b>100.0%</b>			
<b>Five (5) Miles</b>				
Construction	4.9%			
Finance/Insurance/Real Estate	5.8%			
Manufacturing	8.3%			
Retail Trade	9.8%			
Services	54.8%			
Other	16.4%			

Sources: STDB, *Appraisal Specialty Report*, 5500 N. Figueroa St., Los Angeles, CA 90042; and, VEDC

## Table 2.1 - Three (3) Mile Ring

Retail and Restaurant Leakage for N. Figueroa St. Corridor Using Estimated 2016 Data  
(base address = 5500 N. Figueroa St.)

Retail Categories (selected)	Demand [A] (potential sales)	Supply [B] (reported sales)	Leakage Amt. [C] ([A] - [B])	Leakage % ([C]/[A])	Number of Businesses
Furniture and Home Furnishings					
Furniture	\$54,522,560	\$12,928,305	\$41,594,255	76.3%	20
Home Furnishing	\$44,462,684	\$16,184,164	\$28,278,520	63.6%	23
Electronic and Appliance Stores	\$164,901,933	\$46,358,162	\$118,543,771	71.9%	48
Food and Beverage Stores					
Grocery	\$508,104,865	\$459,395,355	\$48,709,510	9.6%	183
Specialty Foods	\$54,800,575	\$32,110,246	\$22,690,329	41.4%	110
Beer, Wine & Liquor	\$29,508,447	\$18,076,196	\$11,432,251	38.7%	45
Health and Personal Care Products	\$193,412,645	\$118,909,991	\$74,502,654	38.5%	29
Clothing & Clothing Accessory Stores					
Clothing	\$155,835,014	\$57,826,851	\$98,008,163	62.9%	106
Shoe	\$23,474,434	\$14,196,934	\$9,277,500	39.5%	20
Jewelry, Luggage & Leather Goods	\$35,600,605	\$12,229,135	\$23,371,470	65.6%	21
Sporting Goods	\$76,805,518	\$24,786,187	\$52,019,331	67.7%	46
Book, Periodical & Music	\$12,660,772	\$28,887,641	(\$16,226,869)	0.0%	19
General Merchandise Stores	\$471,760,379	\$207,714,188	\$264,046,191	56.0%	46
Florists	\$5,681,450	\$3,341,804	\$2,339,646	41.2%	25
Used Merchandise	\$11,067,450	\$36,738,171	(\$25,670,721)	0.0%	35
<b>Total Retail Trade</b>	<b>\$3,005,907,770</b>	<b>\$1,503,704,438</b>	<b>\$1,502,203,332</b>	<b>50.0%</b>	<b>948</b>
<b>Food Service and Drinking Places</b>					
Full Service Restaurants	\$187,862,891	\$101,458,123	\$86,404,768	46.0%	277
Limited-Service Restaurants	\$133,420,781	\$89,033,670	\$44,387,111	33.3%	116
Specialty Food Services	\$7,162,686	\$13,831,029	(\$6,668,343)	0.0%	13
Drinking Places - Alcoholic Beverages	\$6,131,450	\$1,426,544	\$4,704,906	76.7%	5
<b>Total Food and Drink</b>	<b>\$334,577,808</b>	<b>\$205,749,365</b>	<b>\$128,828,443</b>	<b>38.5%</b>	<b>411</b>

Sources: STDB, Retail Specialty Report and Restaurant Specialty Report, 5500 N. Figueroa St., Los Angeles, CA 90042; and, VEDC



## Table 2.2 - Five (5) Mile Ring

Retail and Restaurant Leakage for N. Figueroa St. Corridor Using Estimated 2016 Data  
(base address = 5500 N. Figueroa St.)

Retail Categories (selected)	Demand [A] (potential sales)	Supply [B] (reported sales)	Leakage Amt. [C] ([A] - [B])	Leakage % ([C]/[A])	Number of Businesses
Furniture and Home Furnishings					
Furniture	\$164,538,144	\$126,254,484	\$38,283,660	23.3%	113
Home Furnishing	\$132,045,506	\$84,994,807	\$47,050,699	35.6%	107
Electronic and Appliance Stores	\$489,477,101	\$493,397,089	(\$3,919,988)	-0.8%	275
Food and Beverage Stores					
Grocery	\$1,532,398,402	\$1,508,016,497	\$24,381,905	1.6%	389
Specialty Foods	\$165,304,086	\$177,919,402	(\$12,615,316)	0.0%	213
Beer, Wine & Liquor	\$89,438,914	\$84,343,223	\$5,095,691	5.7%	102
Health and Personal Care Products	\$576,507,246	\$508,931,206	\$67,576,040	11.7%	361
Clothing & Clothing Accessory Stores					
Clothing	\$471,316,142	\$651,427,461	(\$180,111,319)	0.0%	621
Shoe	\$71,040,952	\$95,559,015	(\$24,518,063)	0.0%	105
Jewelry, Luggage & Leather Goods	\$106,005,064	\$278,776,447	(\$172,771,383)	0.0%	302
Sporting Goods	\$225,795,570	\$162,959,625	\$62,835,945	27.8%	207
Book, Periodical & Music	\$38,139,612	\$84,138,524	(\$45,998,912)	0.0%	100
General Merchandise Stores	\$1,418,623,305	\$1,249,121,385	\$169,501,920	11.9%	171
Florists	\$16,648,581	\$21,358,677	(\$4,710,096)	0.0%	114
Used Merchandise	\$326,948,591	\$229,467,455	\$97,481,136	29.8%	320
<b>Total Retail Trade</b>	<b>\$8,960,414,177</b>	<b>\$8,740,212,700</b>	<b>\$220,201,477</b>	<b>2.5%</b>	<b>4635</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>\$1,011,062,784</b>	<b>\$1,257,780,705</b>	<b>(\$246,717,921)</b>	<b>0.0%</b>	<b>2126</b>

Sources: STDB, Retail Specialty Report and Restaurant Specialty Report, 5500 N. Figueroa St., Los Angeles, CA 90042; and, VEDC

## Table 3

Retail Space Availability for N. Figueroa St. Corridor Using Estimated 2016 Data  
(base address = 5500 N. Figueroa St.)

Address	Gross Leaseable Area (GLA in sq. ft.)	Sq. Ft. Available	Asking Rent Per Sq. Ft. Per Mo.	Parking Ratio	Tenancy	Landlord Rep.	Contact No.
5715-5717 N. Figueroa	22,500	9,900	\$2.68	2.47	Multiple	Engine Real Estate	(818) 631-2442
6021-6025 N. Figueroa	7,656	5,400	\$1.93	1.99	Multiple	Khachatourian Family Trust	(818) 957-7072
5711 N. Figueroa	2,225	2,225	N/A	3.48	Single	Engine Real Estate	(818) 631-2442
5801-5815 N. Figueroa	20,000	3,500	N/A	1.25	Multiple	Reliable Properties	N/A
5858-5860 N. Figueroa	3,389	2,625	N/A	3.16	Single	Engine Real Estate	(818) 631-2442
5924 N. Figueroa	3,596	1,400	N/A	2.20	Multiple	Commercial Asset Group	(818) 275-8222

