



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

2016

Market Summary

CD 7

Van Nuys Blvd  
(Pacoima)

## 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 2.2 presents a retail and restaurant leakage assessment for the one (1) mile, and Table 2.2 for the three (3) 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.

For the retail segment in this corridor, within the three (3) mile ring, there was no overall leakage, however, sub-category leakage occurred in eight (8) of the 15 categories that were used in this analysis. In the food and drink category, there was a \$21 million leakage (11%), with only the Limited-Service category experiencing no leakage. In the five (5) mile ring, again, there was no overall leakage, but sub-category leakage occurred in eight (8) of the 15 groups analyzed. With food and drink, overall leakage was greater %-age wise than for the three (3) mile ring, \$63

## Retail & Restaurant Leakage (cont.)

million (12%). The dollar amount of leakage was estimated at \$63 million. This was due to the experience in one (1) sub-category – full Service Restaurants.

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 for lease along the corridor in December 2016. This data was obtained from CoStar.

# Table 1

Population and Selected Demographic Characteristics for Van Nuy Blvd. Corridor  
(base address = 13420 Van Nuys Blvd.)

	2016 (yr. 1)	2019 (yr. 3)	2021 (yr.5)	2025 (yr.10)
<b>Population</b>				
One (1) Mile	38,082	38,740	39,178	40,055
Three (3) Miles	257,943	263,345	266,947	274,150
Five (5) Miles	582,969	595,231	603,406	619,756
<b>Households</b>				
One (1) Mile	7,724	7,843	7,922	8,080
Three (3) Miles	60,423	61,534	62,275	63,757
Five (5) Miles	121,019	123,296	124,814	127,850
<b>Average Household Income</b>				
One (1) Mile	\$54,238	\$56,511	\$58,026	\$61,056
Three (3) Miles	\$63,472	\$66,785	\$68,993	\$73,410
Five (5) Miles	\$66,790	\$70,479	\$72,938	\$77,856
<b>Per Capita Income</b>				
One (1) Mile	\$11,034	\$11,470	\$11,761	\$12,343
Three (3) Miles	\$15,191	\$15,924	\$16,413	\$17,391
Five (5) Miles	\$17,893	\$18,793	\$19,393	\$20,593
<b>Median Disposable Income (2016)</b>				
Three (3) Miles	\$42,782			
Five (5) Miles	\$42,930			
<b>Employed Population 16+ By Industry (2016)</b>				
<b>One (1) Mile</b>				
Construction	11.0%			
Finance/Insurance/Real Estate	3.1%			
Manufacturing	14.2%			
Retail Trade	10.7%			
Services	46.5%			
Transportation/Utilities	5.7%			
Other	8.8%			
<b>Total</b>	<b>100.0%</b>			
<b>Three (3) Miles</b>				
Construction	9.7%			
Finance/Insurance/Real Estate	4.9%			
Manufacturing	13.7%			
Retail Trade	10.6%			
Services	48.2%			
Transportation/Utilities	4.5%			
Other	8.4%			
<b>Total</b>	<b>100.0%</b>			
<b>Five (5) Miles</b>				
Construction	9.3%			
Finance/Insurance/Real Estate	5.3%			
Manufacturing	11.5%			
Retail Trade	10.5%			
Services	50.3%			
Transportation/Utilities	4.4%			
Other	8.7%			
<b>Total</b>	<b>100.0%</b>			

Sources: STDB, Appraisal Specialty Report; and, VEDC

## Table 2.1 - Three (3) Mile Ring

Retail and Restaurant Leakage for Van Nuys Blvd. Corridor Using Estimated 2016 Data  
(base address = 13420 Van Nuys 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	\$32,152,319	\$25,992,522	\$6,159,797	19.2%	20
Home Furnishing	\$26,626,904	\$35,991,677	(\$9,364,773)	0.0%	27
Electronic and Appliance Stores	\$100,273,535	\$98,787,476	\$1,486,059	1.5%	45
<b>Food and Beverage Stores</b>					
Grocery	\$308,165,793	\$403,869,568	(\$95,703,775)	0.0%	81
Specialty Foods	\$33,296,298	\$16,529,569	\$16,766,729	50.4%	30
Beer, Wine & Liquor	\$17,339,450	\$23,045,796	(\$5,706,346)	0.0%	28
Health and Personal Care Products	\$116,211,519	\$83,802,564	\$32,408,955	27.9%	43
<b>Clothing &amp; Clothing Accessory Stores</b>					
Clothing	\$93,814,806	\$33,188,819	\$60,625,987	64.6%	78
Shoe	\$14,507,290	\$14,170,107	\$337,183	2.3%	19
Jewelry, Luggage & Leather Goods	\$21,324,411	\$11,249,499	\$10,074,912	47.2%	14
Sporting Goods	\$47,852,139	\$14,834,641	\$33,017,498	69.0%	29
Book, Periodical & Music	\$7,733,685	\$9,548,413	(\$1,814,728)	0.0%	13
General Merchandise Stores	\$285,518,112	\$328,954,481	(\$43,436,369)	0.0%	35
Florists	\$3,216,757	\$5,920,493	(\$2,703,736)	0.0%	30
Used Merchandise	\$6,710,928	\$7,782,076	(\$1,071,148)	0.0%	10
<b>Total Retail Trade</b>	<b>\$1,824,452,854</b>	<b>\$2,352,789,571</b>	<b>(\$528,336,717)</b>	<b>0.0%</b>	<b>879</b>
<b>Food Service and Drinking Places</b>					
Full Service Restaurants	\$111,169,787	\$72,797,043	\$38,372,744	34.5%	199
Limited-Service Restaurants	\$79,969,880	\$98,675,268	(\$18,705,388)	0.0%	116
Specialty Food Services	\$4,091,705	\$3,358,952	\$732,753	17.9%	12
Drinking Places - Alcoholic Beverages	\$3,472,821	\$2,417,692	\$1,055,129	30.4%	5
<b>Total Food and Drink</b>	<b>\$198,704,193</b>	<b>\$177,248,955</b>	<b>\$21,455,238</b>	<b>10.8%</b>	<b>332</b>

Sources: STDB, Retail Specialty Report and Restaurant Specialty Report; and, VEDC

## Table 2.2 - Five (5) Mile Ring

Retail and Restaurant Leakage for Van Nuys Blvd. Corridor Using Estimated 2016 Data  
(base address = 13420 Van Nuys 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	\$85,135,164	\$61,069,564	\$24,065,600	28.3%	53
Home Furnishing	\$70,183,470	\$90,661,215	(\$20,477,745)	0.0%	87
Electronic and Appliance Stores	\$262,433,169	\$330,444,135	(\$68,010,966)	0.0%	151
<b>Food and Beverage Stores</b>					
Grocery	\$809,315,603	\$910,807,035	(\$101,491,432)	0.0%	178
Specialty Foods	\$87,381,967	\$71,988,204	\$15,393,763	17.6%	86
Beer, Wine & Liquor	\$46,214,358	\$56,716,491	(\$10,502,133)	0.0%	74
Health and Personal Care Products	\$305,642,684	\$323,614,649	(\$17,971,965)	0.0%	142
<b>Clothing &amp; Clothing Accessory Stores</b>					
Clothing	\$246,919,787	\$107,613,968	\$139,305,819	56.4%	173
Shoe	\$37,727,051	\$35,730,425	\$1,996,626	5.3%	41
Jewelry, Luggage & Leather Goods	\$55,723,882	\$40,062,775	\$15,661,107	28.1%	55
Sporting Goods	\$122,946,896	\$76,381,382	\$46,565,514	37.9%	95
Book, Periodical & Music	\$20,081,562	\$20,479,572	(\$398,010)	0.0%	31
General Merchandise Stores	\$749,512,353	\$646,389,249	\$103,123,104	13.8%	90
Florists	\$8,830,325	\$20,846,612	(\$12,016,287)	0.0%	61
Used Merchandise	\$17,533,086	\$26,614,751	(\$9,081,665)	0.0%	32
<b>Total Retail Trade</b>	<b>\$4,779,662,400</b>	<b>\$6,189,276,354</b>	<b>(\$1,409,613,954)</b>	<b>0.0%</b>	<b>2,410</b>
<b>Food Service and Drinking Places</b>					
Full Service Restaurants	\$294,309,795	\$192,309,914	\$101,999,881	34.7%	529
Limited-Service Restaurants	\$210,537,647	\$238,650,171	(\$28,112,524)	0.0%	300
Specialty Food Services	\$11,129,027	\$16,767,759	(\$5,638,732)	0.0%	38
Drinking Places - Alcoholic Beverages	\$9,374,226	\$14,805,077	(\$5,430,851)	0.0%	19
<b>Total Food and Drink</b>	<b>\$525,350,696</b>	<b>\$462,532,920</b>	<b>\$62,817,776</b>	<b>12.0%</b>	<b>885</b>

Sources: STDB, Retail Specialty Report and Restaurant Specialty Report; 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
13274 Van Nuys Blvd.	1,025	\$2.15	Triple Net	Commercial Asset Group	Alex Shabani	310-275-8222
13476 Van Nuys Blvd.	1,500	\$1.25	Modified Gross	NAI Capital	Patrick Ortiz	310-440-8500
	916	\$1.25	Modified Gross	NAI Capital	Patrick Ortiz	310-440-8500
13545-13557 Van Nuys Blvd.	1,239-5,432	\$1.25-\$1.75	Triple Net	MJB Management	Michelle-Min Ju	323-932-0035
13273 Van Nuys Blvd.	450	\$5.00	Triple Net	Agora Realty & Management, Inc.	Aaron Lefton	818-985-7100

