



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

2016

Market Summary

**CD 11**  
Venice 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 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 considerable leakage, \$610 million (10%). Leakage occurred in 7 of the 15 categories measured. In the food and drink category there was only one segment with leakage, Drinking Places @ \$1 million. Collectively, food and drink was nearly in sync, with a slight expenditure by people residing outside the three (3) mile ring - \$421,000. Similar trends occurred in the five (5) mile ring, with the number of categories where leakage occurred increasing to eight (8). The leakage amount

## Retail & Restaurant Leakage (cont.)

was \$837 million. With food and drink, leakage occurred for Limited-Service Restaurants (\$208 million). Overall, however, \$219 million was contributed by persons living beyond the five (5) mile ring.

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 information was obtained from CoStar.

# Table 1

Population and Selected Demographic Characteristics for Venice Blvd. Corridor  
(base address = 12300 Venice Blvd.)

	2016 (yr. 1)	2019 (yr. 3)	2021 (yr.5)	2025 (yr.10)
<b>Population</b>				
One (1) Mile	39,652	40,396	40,892	41,884
Three (3) Miles	290,092	296,567	300,884	309,518
Five (5) Miles	645,355	659,046	668,174	686,429
<b>Households</b>				
One (1) Mile	16,785	17,058	17,240	17,604
Three (3) Miles	132,997	135,665	137,443	141,000
Five (5) Miles	289,292	294,795	298,463	305,800
<b>Average Household Income</b>				
One (1) Mile	\$97,849	\$103,640	\$107,500	\$115,221
Three (3) Miles	\$111,641	\$118,257	\$122,668	\$131,490
Five (5) Miles	\$110,661	\$117,376	\$121,853	\$130,807
<b>Per Capita Income</b>				
One (1) Mile	\$42,057	\$44,410	\$45,978	\$49,115
Three (3) Miles	\$51,996	\$54,891	\$56,821	\$60,681
Five (5) Miles	\$50,257	\$53,015	\$54,853	\$58,530
<b>Median Disposable Income (2016)</b>				
Three (3) Miles	\$50,064			
Five (5) Miles	\$50,165			
<b>Employed Population 16+ By Industry (2016)</b>				
<b>One (1) Mile</b>				
Construction	3.7%			
Finance/Insurance/Real Estate	5.3%			
Manufacturing	5.0%			
Retail Trade	7.3%			
Services	63.5%			
Information	9.2%			
Other	6.0%			
<b>Total</b>	<b>100.0%</b>			
<b>Three (3) Miles</b>				
Construction	2.8%			
Finance/Insurance/Real Estate	7.1%			
Manufacturing	5.2%			
Retail Trade	7.2%			
Services	61.0%			
Information	9.8%			
Other	6.9%			
<b>Total</b>	<b>100.0%</b>			
<b>Five (5) Miles</b>				
Construction	2.6%			
Finance/Insurance/Real Estate	7.9%			
Manufacturing	5.0%			
Retail Trade	7.4%			
Services	60.7%			
Information	8.6%			
Other	7.8%			
<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 Venice Blvd. Corridor Using Estimated 2016 Data  
(base address = 12300 Venice 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	\$115,748,990	\$72,615,829	\$43,133,161	37.3%	67
Home Furnishing	\$91,733,137	\$97,978,399	(\$6,245,262)	0.0%	71
Electronic and Appliance Stores	\$333,548,162	\$495,852,678	(\$162,304,516)	0.0%	229
<b>Food and Beverage Stores</b>					
Grocery	\$1,032,450,181	\$884,618,518	\$147,831,663	14.3%	116
Specialty Foods	\$111,125,877	\$47,906,322	\$63,219,555	56.9%	65
Beer, Wine & Liquor	\$62,204,264	\$59,757,200	\$2,447,064	3.9%	55
Health and Personal Care Products	\$390,056,546	\$479,169,141	(\$89,112,595)	0.0%	194
<b>Clothing &amp; Clothing Accessory Stores</b>					
Clothing	\$323,577,909	\$304,644,866	\$18,933,043	5.9%	347
Shoe	\$47,544,929	\$50,487,535	(\$2,942,606)	0.0%	48
Jewelry, Luggage & Leather Goods	\$74,902,234	\$49,119,421	\$25,782,813	34.4%	76
Sporting Goods	\$154,284,187	\$187,073,173	(\$32,788,986)	0.0%	154
Book, Periodical & Music	\$26,378,213	\$37,441,043	(\$11,062,830)	0.0%	54
General Merchandise Stores	\$967,641,960	\$784,783,978	\$182,857,982	18.9%	69
Florists	\$11,403,853	\$14,837,135	(\$3,433,282)	0.0%	50
Used Merchandise	\$22,923,205	\$15,095,239	\$7,827,966	34.1%	56
<b>Total Retail Trade</b>	<b>\$6,105,567,699</b>	<b>\$5,495,100,470</b>	<b>\$610,467,229</b>	<b>10.0%</b>	<b>2394</b>
<b>Food Service and Drinking Places</b>					
Full Service Restaurants	\$398,276,021	\$467,135,104	(\$68,859,083)	0.0%	746
Limited-Service Restaurants	\$279,216,059	\$207,567,364	\$71,648,695	0.0%	308
Specialty Food Services	\$15,070,886	\$19,347,800	(\$4,276,914)	0.0%	37
Drinking Places - Alcoholic Beverages	\$13,938,016	\$12,782,225	\$1,155,791	8.3%	32
<b>Total Food and Drink</b>	<b>\$706,500,981</b>	<b>\$706,922,492</b>	<b>(\$421,511)</b>	<b>0.0%</b>	<b>1123</b>

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

## Table 2.2 - Five (5) Mile Ring

Retail and Restaurant Leakage for Venice Blvd. Corridor Using Estimated 2016 Data  
(base address = 12300 Venice 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	\$259,001,911	\$202,990,378	\$56,011,533	21.6%	137
Home Furnishing	\$204,725,815	\$198,135,156	\$6,590,659	3.2%	168
Electronic and Appliance Stores	\$741,924,153	\$1,012,813,026	(\$270,888,873)	0.0%	502
<b>Food and Beverage Stores</b>					
Grocery	\$2,284,382,704	\$1,766,037,067	\$518,345,637	22.7%	246
Specialty Foods	\$245,741,987	\$124,088,023	\$121,653,964	49.5%	160
Beer, Wine & Liquor	\$137,856,777	\$113,630,645	\$24,226,132	17.6%	102
Health and Personal Care Products	\$868,734,336	\$1,058,977,169	(\$190,242,833)	0.0%	495
<b>Clothing &amp; Clothing Accessory Stores</b>					
Clothing	\$716,780,202	\$1,075,968,183	(\$359,187,981)	0.0%	1032
Shoe	\$104,949,626	\$150,610,370	(\$45,660,744)	0.0%	126
Jewelry, Luggage & Leather Goods	\$166,947,552	\$329,294,859	(\$162,347,307)	0.0%	292
Sporting Goods	\$341,450,870	\$322,981,343	\$18,469,527	5.4%	294
Book, Periodical & Music	\$58,509,846	\$93,116,102	(\$34,606,256)	0.0%	116
General Merchandise Stores	\$2,148,075,038	\$1,608,010,295	\$540,064,743	25.1%	163
Florists	\$25,772,492	\$34,598,434	(\$8,825,942)	0.0%	136
Used Merchandise	\$50,877,639	\$47,602,606	\$3,275,033	6.4%	138
<b>Total Retail Trade</b>	<b>\$13,581,859,807</b>	<b>\$12,744,908,392</b>	<b>\$836,951,415</b>	<b>6.2%</b>	<b>5741</b>
<b>Food Service and Drinking Places</b>					
Full Service Restaurants	\$881,590,403	\$1,172,828,523	(\$291,238,120)	0.0%	1750
Limited-Service Restaurants	\$717,693,040	\$509,462,548	\$208,230,492	29.0%	687
Specialty Food Services	\$33,613,907	\$57,370,578	(\$23,756,671)	0.0%	86
Drinking Places - Alcoholic Beverages	\$30,586,249	\$42,901,866	(\$12,315,617)	0.0%	70
<b>Total Food and Drink</b>	<b>\$1,563,483,599</b>	<b>\$1,782,563,516</b>	<b>(\$219,079,917)</b>	<b>0.0%</b>	<b>2594</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
11215 Venice Blvd.	1,000	\$3.60	Triple Net	William P. Converse	William Converse	805-295-0799
11700 Venice Blvd.	1,600	\$1.75	Modified Gross	Nelson Shelton Real Estate	Ann Hwang	310-717-8680
	1,121	\$2.50	Triple Net	Vine Properties	Andy Lee	213-386-9000
11965 Venice Blvd.	561-1,500	\$3.25	Full Service	eOffices	Howard Sher	310-566-7004
	1,390	\$3.25	Modified Gross	eOffices	Howard Sher	310-566-7004
12015 Venice Blvd.	2,235	\$2.68	Modified Gross	Maud Properties	Scott Maudlin	310-553-5222
12101-12107 Venice Blvd.	4,555	\$4.50	Triple Net	Lee & Associates	Keith Fielding	310-899-2719
12240 Venice Blvd.	305	\$2.93	Full Service	Tierra Properties Realtors	Deke Keasbey	310-477-3192
	852	\$3.70	Full Service	Tierra Properties Realtors	Deke Keasbey	310-477-3192
	121	\$3.72	Full Service	Tierra Properties Realtors	Deke Keasbey	310-477-3192
12503 Venice Blvd.	2,236	\$3.75	Modified Gross	Urban Real Estate	Mary Cronin	310-633-4257
12575-12587 Venice Blvd.	1,100	\$2.00	Net	Crimson Holdings	Pamela J. Day	310-405-0905
12701-12705 Venice Blvd.	1,955	\$3.50	Triple Net	Perloff-Webster Company	Bernard Perloff	310-396-3688

