



# RETAIL MARKET ANALYSIS AND LAND USE STUDY, CITY OF SOUTH PASADENA, CA

Prepared for:



CITY OF SOUTH PASADENA, CA

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Cover Photo 1 (Top Left): South Pasadena Certified Farmers' Market is set up every Thursday in the historic business district, drawing thousands of visitors annually.



Cover Photo 2: Thano Adamson, co-owner of Mission Tile West and Mission West Kitchen & Bath, two locally-owned, family businesses.

Cover Photo 3: South Pasadena public transportation to the Gold Line in front of Bistro de la Gare, one of the new wave of upscale, independently-owned restaurants in the city.



Cover Photo 4: Buster's Ice Cream and Coffee Stop greets riders on The Gold Line in South Pasadena.



Cover Photo 5 (Bottom Left): Helga and Olaf Weidekat, proprietors of Mission Framing near the Fair Oaks intersection on Mission Street.

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## INTRODUCTION

The City of South Pasadena is a small relatively mature and fully built-out community that prides itself on its local identity and community identification. Over its history, it has gone to considerable lengths to preserve a unique somewhat small town character. At the same time, however, the demands for additional services by the residents and the need for additional revenue by the City suggest that opportunities for additional retail development be explored and pursued. To this end, the City retained the firm of Allan D. Kotin & Associates in collaboration with CB Richard Ellis Consulting (CBRE) in 2009 to undertake a strategic assessment of retail opportunities in the City and to also provide a detailed database on two related issues: 1) a profile of current retailing activity and 2) a profile of South Pasadena residents' consumer retail profiles and preferences.

The objectives of the effort were to:

- A. Identify and reduce existing gaps in retailing;
- B. Preserve growth in sales tax revenue;
- C. Confirm the City's identity while at the same time increasing retail synergy;
- D. Suggest public policy initiatives that would help achieve these objectives;
- E. Encourage pedestrian friendly development.

In addition, the consulting team was asked to examine several underutilized City parcels in terms of their potential for retail development.

This report is intended to both provide guidance to the City in setting policy and to create promotional materials by the Chamber of Commerce and the City to use in attracting additional retailers.

The method used to achieve these objectives was a combination of traditional data analysis, personal reconnaissance and professional judgment. A consumer profile and a detailed analysis of current retailing patterns in South Pasadena were created to serve as the background for a site reconnaissance and field investigation.

The underlying premise for this methodology was that the limited availability of sites suitable for retail development, the characterization of those sites as generally small, and finally the City's emphasis on preserving its identity suggested that traditional 'top down' retail analysis was not appropriate. It would serve no purpose to analyze at length the demand for a regional shopping center or large power center retailers, since there was neither a site suitable for them nor the appetite for them in the City.

Instead, the methodology focused on looking at the resources the City did have, the sites it had and what opportunities, if any, it offered for destination retail that did not rely on freeway access, large volume and extensive advertising.

The consulting team undertook a series of field trips to identify potentials in the context of having established existing land use and retailing patterns. The recommendations formulated based on these field trips were then integrated with the prior statistical analysis to provide the overall recommendations presented in the executive summary.

Note that the focus of this report and the recommendations provided deal with long term strategy. The findings should not be taken as suggestions for how to cope with the particular problems associated with the current economic slowdown. While the consultants believe that a sustained commitment to implementing the recommended actions will yield significant positive results, these

efforts should not be expected to produce immediate results or to be a suitable response to problems created by the recession.

### **Organization of the Report**

There is an extended executive summary with hypotheses, observations and recommendations. This is followed by supporting analysis dealing sequentially with three key topics:

- A. Identify and reduce existing gaps in retailing
- B. Preserving and growing sales tax revenue
- C. Confirm the City's identity while at the same time increasing retail synergy

### **Authorship and Acknowledgments**

The study was prepared under the joint administrative supervision of Allan D. Kotin of Allan D. Kotin & Associates and Thomas R. Jirovsky of CB Richard Ellis. The text was written jointly by Allan Kotin and Ross Selvidge. The authors wish to acknowledge the extended cooperation provided by City staff and the South Pasadena Chamber of Commerce. Valuable additional assistance was provided by HdL Companies.

## EXECUTIVE SUMMARY

This executive summary provides the results of the research effort in a summary format, together with recommendations. It is divided into six sections. The first provides the core hypothesis underlying the strategic assessment. This is followed by a discussion of the retail context and then available opportunities. The findings of the research and their implications for specific locations come next. The summary concludes with recommendations presented in two categories, one as to the nature and proposed location of retail to be enhanced or added, and the other with respect to some public policy initiatives that would facilitate the implementation of the retail strategy.

### HYPOTHESIS

The underlying hypothesis is that neither the availability of sites, the macro location characteristics of the City nor the magnitude of the local market justifies any sustained focus on volume or large scale retailing. This in turn creates the need to identify other types of retailing which may attract residents from outside the City, but on some basis other than the traditional intensive promotion or easy access of high volume retailers.

Stated alternatively, the challenge for the City is to find those sectors of destination retailing which fit with the limited site availability and the preservation of community character that are the specific constraints for South Pasadena.

Nothing in this hypothesis should prevent the City from accommodating whatever volume retailing may be interested in locating along Fair Oaks Avenue, but it seems clear to the consulting team that this is not the manner in which to address the City's retail aspirations or attempt to maintain its community identity.

Whatever destination retail uses are identified should be those that take advantage of pedestrian exposure and a pedestrian experience. This emphasis on pedestrian use is dictated both by necessity and choice, the characteristic of the east/west Mission Street corridor in South Pasadena which, in the judgment of the consulting team, represents the best opportunity for enhanced retailing. This last comment is reinforced by a recent article in Los Angeles magazine which characterized South Pasadena as one of the particularly charming undiscovered small community environments in Los Angeles County. To some degree, this article captures that special aspect of South Pasadena which conveys both sophistication and small town charm.

### RETAILING CONTEXT

The retail analysis undertaken by the consulting team based largely on sales tax analysis was very informative with significant findings showing that there are virtually no large scale retailers in the City. The profile of retailing in the City shows that for virtually every sector, other than grocery and fast food, the City does not even have enough retailing to accommodate its own local demand, much less create opportunities for attracting significant outside demand.

Perhaps even more meaningful is to look at the pattern of retail sales tax by outlet. This shows clearly that the only areas in the City where retail sales exceed local demand are grocery stores, restaurants and interior decoration, with some related fields of design merchandise and decorative ceramic tile etc.

The City lacks sites large enough for high tax volume retailers such as auto, electronics, warehouse stores or building materials. Not only is the lack of large individual sites an inhibiting factor, but the

City is poorly located strategically for attracting those types of users. It is not adjacent a freeway, the one freeway that does access it accesses it at a point where there is limited opportunity for either visibility or significant retail development. The majority of retailing in South Pasadena exists along two major axes, Fair Oaks Avenue and Mission Street, neither of which are not in close proximity to freeways and both of which are out of the way for regional traffic.

Opportunities for extensive retail development in South Pasadena are further inhibited by some of the structural changes occurring in retailing. There is a real consolidation of tenants as the major department stores and many of the major 'category killer' retailers consolidate into only one or two vendors throughout the country. This reduction in competition tends to create fewer and larger stores rather than more and smaller stores. Retail development is also inhibited by the increasing online sales through the internet.

Finally, there is a phenomenon known as the 'migration to quality' which is the manifestation of this consolidation. Historically, there were a variety of shopping centers or districts that could be at least notionally characterized as class A centers, class B centers and class C centers. As the market weakens, the opportunities for tenants who formally would not be eligible for class A centers to migrate upward to class A centers or class A locations emerge. As a consequence, there is some tendency for the class A centers or class A locations to survive and even possibly modestly to thrive at the same time that more marginal locations are being emptied out.

The significance of this for South Pasadena is that if it has no opportunity to create a class A location, it should go for retailing that is more destination-oriented and not driven by a single powerful location.

## AVAILABLE OPPORTUNITIES

There are opportunities that do exist for creating destination retail that is neither large in scale nor dependent on freeway access. The most classic and best understood of such opportunities is restaurants. Attractive restaurant districts rely much more on the ambiance and character of the local neighborhood than they do on traditional considerations of freeway access, large scale parking and accessibility. The pattern of successful restaurant development in such cities as West Hollywood, Beverly Hills and some of the beach cities suggest that it is the character of the restaurants and the character of the neighborhood much more than accessibility that attracts residents' patronage. Note that each of the cities named lack direct freeway access.

The inspection of retail sales data in South Pasadena suggests that in addition to restaurants there is another potential destination retailing opportunity and that is interior decoration, office furniture and decorating supplies. This general family of décor/design/furnishings activity tends to be synergistic, i.e. clustering is a benefit. Furthermore, the presence of a Mission Tile company and limited number of existing successful interior decorating firms in town provides a natural starting place for expanding this particular node.

## FINDINGS AND LOCATION MATCHING

In analyzing which retail sectors warrant promotion and development as destination uses not dependent on easy access and high exposure, the consulting team also dealt explicitly with the question of where such development should occur. It is fairly obvious that the prime target for a destination or neighborhood type of retailing environment should be Mission between Fair Oaks and Orange Grove. Within that district, there is need for some articulation, since that district of over a mile is too long by itself to constitute a single pedestrian area. The eastern end of this corridor, with some recent development around the light rail station and the presence of Mission Tile suggests

one natural node. There also exists a specific opportunity for possible reuse of the Abbott Building and also for the City equipment lot adjoining the park on Mission near Orange Grove.

In addition, the consultants recommend that the City discuss with the South Pasadena Unified School District (SPUSD) the possible use of the large school district parking lot on the south side of Mission Street between Fairview and Diamond avenues for public parking. Its strategic location on the Mission Street corridor would significantly enhance the ability of the City to attract new merchants without the problem of each individually having to provide adequate parking.

There are three other cities which provide a really good example of how to take advantage of destination retailing which lacks good freeway access or large lots. They are West Hollywood and Culver City in Los Angeles County and the City of Solana Beach with its Cedros Design District in San Diego County.

In each of these instances, the synergy created by multiple outlets in the same industry or sector combined with an attractive pedestrian experience overcome traditional disadvantages of limited freeway access, absence of massive parking, etc. The Cedros Design District in Solano Beach is particularly interesting as a model given a number of points of comparison with Mission Street. The cities are of similar size, they have similar demographic mixes, both have rail light or commuter rail access, and the geographic areas for the retailing activity are linear and of similar size.

## RECOMMENDATIONS – WHAT AND WHERE

The first part of the consulting team recommendations deals with the sectors to be encouraged and the areas in which concentration should be enhanced to the extent possible.

The two sectors, which have already been mentioned, are restaurants and décor/design/furnishings and related elements. As to restaurants, every effort should be made to encourage individualized non-chain restaurants. This is not to say that a respected restaurant operator with one or two highly regarded operations elsewhere in Southern California should be excluded. In this context a “chain” is something with perhaps ten or more outlets. In addition, the City should seek and reasonably expect to obtain some high end restaurants, i.e. at or near the price point of Shiro, if it combines active marketing with either a grant or low cost loan program for financing the often very expensive tenant improvements needed for high end restaurants.

As to interior decoration and related businesses, the City’s efforts should also focus on quality tenants, again combining aggressive marketing with some form of financial assistance.

As to location, both categories of expansion and emphasis should be situated along Mission, as they are mutually reinforcing. It is interesting to note that they are explicitly reinforcing in much of West Hollywood. In general, the area should initially be considered in two districts, one essentially centered around Mission and Meridian, extending a block or two in either direction and incorporating the Mission Tile company. The other being a further enhancement of the area that includes the existing Civic Center City Hall area, extending perhaps one to two blocks east and eventually connecting with the other area. This area already has galleries and restaurants. Additional galleries and restaurants should be encouraged and additional interior decorating or decorating supplies would be encouraged particularly at the western node, due to the traffic already created by Mission Tile.

With respect to timing, both new restaurant and interior decoration and related outlets should be pursued simultaneously. The consultants are not aware of any critical reason that either one need to come first. What is critical is to attract at least one new outlet in each category fairly quickly so as to set a tone of success and growth for the program. Ideally the initial new entries to the South Pasadena market should be ones with some pre-existing public recognition. This can be due to the

reputation of the individual owner, chef or decorator or the fact that the new South Pasadena outlet is the second or third version of an already successful---and at least in some circles a "famous"--individual operation elsewhere in Southern California or the Bay Area.

## RECOMMENDATIONS – METHOD AND PUBLIC POLICY

Broadly speaking, the consulting team recommends that there would be three main efforts to implement the recommendations above:

- A. Create industry resource centers using expert subcontractors rather than City staff
- B. Modify current parking requirements and enhance parking availability
- C. Create appropriate promotional materials for use by the City staff and the chamber of commerce

### Resource Centers

The City should create either physical or virtual (internet based) resource centers to assist people in the décor/design/furnishings and related fields and in the restaurant fields. These are centers which can provide advice on decoration, marketing, merchandising, energy efficiency, inventory control and other items which will assure that new businesses can be operated profitably and existing businesses can be made more efficient and larger.

Initially, as noted above, these should be staffed by subcontractors but underwritten by the City. There should be a referral mechanism that allows new retailers to get services and support from vendors particularly familiar with the local area. There should be technical expertise and possibility a low cost loan program for initial inventory and tenant improvements.

### Parking Policy

Shared use of parking is usually a part of any successful revitalization effort. Excellent examples that the Consultants have worked on include Old Pasadena, downtown Santa Barbara and San Luis Obispo and Main Street Santa Monica. Coordinated parking is also a key factor associated with successful development of a pedestrian retail experience with the provision of parking by the public sector, rather than the reliance on private individual merchants providing their own parking. While ultimately this could take the form of City constructed parking structures, there appear to be available underused parking lots along Mission Street, notably the school district lot<sup>1</sup>, which if acquired or otherwise designated for public use could become valuable assets in attracting new merchants and encouraging pedestrian flow between parking and stores and restaurants.

The decoupling of parking with individual store ownership and operation is productive from several points of view.

- A. Construction and layout efficiencies - it is much more efficient to build parking in larger quantities than it is on smaller individual sites.
- B. Shared use of parking takes advantage of different time periods and peak demand and gets more efficient use than having each merchant parking on site. A simple example of this is that decorators and suppliers are typically open during the day and rarely extensively in the evening, which is the primary time for restaurants.

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It is well situated to provide usable parking accessible to both ends of a proposed Mission Street pedestrian district. As it appears underused at the present time the City should attempt to secure the interim use of all or part of it for retail uses and, to the extent possible, arrange for the site to be a permanent part of a parking plan.

- C. Encouraging pedestrian flow - a less understood advantage of publicly provided parking is that by concentrating parking in garages or lots that require pedestrians to walk a block or two at most to reach their retail destination enhances the pedestrian and retail discovery experience. One need go no further than the Third Street Promenade in Santa Monica or Old Pasadena to see the impact of consolidated parking and the need to walk to the retail stores, which creates in and of itself an attractive pedestrian experience.

Either for the City as a whole or possibly for a new overlay zone on Mission Street, the City should create a mechanism by which individual merchants, both existing and new, are freed of the necessity to provide code parking at their own expense. Instead, they should be allowed to either pay an annual fee or parking tax which will support public parking.

To make this work, the annual fee needs to be significantly less than the cost of actually providing the parking. Annual fees in other communities range from as low as \$5,000 or \$6,000 per required space to as high as \$15,000 to \$20,000 per required space. Consultants recommend that the initial fees set by South Pasadena be low in part because initially it should be able to accommodate most of the consolidated parking needs on surface lots without having to pay for expensive new structures.

If the City chooses a parking tax, the example of Santa Monica downtown area is appropriate. There the fee is \$1.50 per square foot per year which, at a ratio of three spaces per thousand is much lower than the debt service or required return on building even the least expensive parking. Pasadena, Santa Monica and other cities such as Beverly Hills and others with provided public parking consistently price their parking either through annual fees or taxes at a much lower rate than the actual cost of replacing parking.

### **Promotional Materials**

The assignment to the consultants which resulted in this report was explicitly analytic in nature and creation of promotional materials is outside the scope of that effort. For that purpose the City or the Chamber of Commerce should hire a marketing consultant who can take the information in this report and shape and package it for promotion.

There are certain themes that emerge from the analysis that should be considered in the promotional effort. One such theme is that the focus on restaurants and interior decoration is building on success, not creating something new. In this regard, Shiro and Mission Tile are particularly good precedents. A second possible theme is the resonance between South Pasadena and other specialized destination areas that are not "freeway close" with lessons to be learned from West Hollywood and Solano Beach. Finally, the non-congested character of Mission Street and, at least initially, the general availability of nearby free parking, is a strong theme.

The balance of this report is devoted to a statistical profile of the area in terms of both the psychographics of the resident population, but also of the pattern of successful development in smaller scale retail within the City. The consultants suggest that this report and updated versions of some of the data be provided on a regular basis to both the Planning department and the Chamber of Commerce, so that prospective companies or businesses considering development in South Pasadena may take advantage of this information.

### **Other Financing**

It is not uncommon for Business Improvement District (BID) financing to be utilized to fund a wide range of localized services (e.g., maintenance or security), activities (e.g., area marketing, events, etc) and minor improvement projects (e.g., street and sidewalk furniture). A business improvement district can be established and its revenues derived either from property owners or from business owners in the designated district.

There also exists the possibility of financing based on an entirely private association. The Cedros Avenue Design District in Solana Beach is a potential model for this approach. That district established the South Cedros Property Owners Association, without either public money or BID funds, has provided financing for a number of purposes of benefit to the entire district. Whether that example can be followed in South Pasadena is not altogether clear.

## OBJECTIVES

The City of South Pasadena has engaged ADK & Associates and CB Richard Ellis to undertake a retail market analysis and land use study to address the following important public policy concerns.

- A. Identify any existing gaps in retailing in the City;
- B. Increase retail synergy among retailers in the City;
- C. Preserve or grow sales tax revenue to the City;
- D. Confirm the City's identity and character;
- E. Encourage a pedestrian friendly environment;
- F. Determine reasonable expectations for public policy guidance to achieve these objectives;
- G. Provide recommendations for development of underutilized land/parcels in the City

These objectives are consistent with policies contained in a number of City planning documents. The South Pasadena Chamber of Commerce will draw upon the results of the analysis to create materials and programs to attract/retain businesses.

### **Specialized Retail Analysis in the Appendices**

Attached to this report are a series of appendices which are designed to provide a profile of consumers who live or work in South Pasadena. This analysis, which was prepared using CB Richard Ellis proprietary retail tools, is separate from the discussion of specific opportunities and constraints provided in the main body of the report. The consultants were retained to address two issues which are logically separate. The primary issue addressed in the body of the report, is what type of retail growth best fits the location, size, and current business profile of South Pasadena. A second but separate objective was to provide a characterization of South Pasadena residents and workers as potential retail shoppers.

For example, in Appendix 6, entitled "City of South Pasadena, CA Market Potential Analysis", prepared by the CBRE Retail Site Selection Group, there is a discussion of a Market Potential Index "MPI" which makes reference to a series of specific stores such as Ann Taylor, Banana Republic, Williams Sonoma and others. These stores are not present in South Pasadena nor does the consulting team recommend that they be solicited for location in the City. Instead these MPI calculations should be used as indicators of the type of consumer represented by South Pasadena residents and workers.

The way to interpret this appendix as well as the other appendices is to use them as descriptive of the type of consumers who live and work in Pasadena, rather than as prescriptive with respect to the type of retail outlets that should be recruited to the City.

As noted at length in the beginning of the report, neither the population nor the location of South Pasadena is suitable for stores requiring large trading areas support. This includes most high end retailers.

## METHODOLOGY

### RETAIL MARKET ANALYSIS

The analysis consisted of a series of steps. The first consisted of a retail market analysis. In that analysis, the following were estimated:

- A. The demand in the City for a full range of retail categories;
- B. The level of existing retail activity in the City by category;
- C. Any gap between demand and existing activity in any categories that suggests the existence of an opportunity for additional retailing in those categories.

This involved studies of the demographics and employment in the City, as well as annual volume and historic trends of retail sales in different categories. As a part of the analysis, households were divided into segments according to income and other attributes that drive retail demand.

The demographic and econometric data were obtained from the California Department of Finance as well as commercially available data sources. Actual retail sales figures for different retail categories were utilized in addition to projections from commercial data sources. The Retail Site Selection Group of CB Richard Ellis conducted a detailed analysis of that demographic and econometric data. That detailed analysis identified various categories of residents and employees by the retail interests and preferences that will influence what categories of retailers will be most in demand.

### LAND USE ANALYSIS

The land use analysis involved:

- A. Reviewing the City's various land planning documents such as the General Plan, Mission Street Specific Plan, zoning ordinance, etc.
- B. Reviewing recent development proposals that have gone through the City's entitlement process.
- C. Assembling real estate market information on occupancy, rents, trends, etc.
- D. Discussions with real estate owners, brokers, City staff, and developers.
- E. Touring and reconnaissance of the City's commercial areas with particular emphasis on properties of interest identified by the City.

The physical and economic constraints on land uses that these factors impose on the potential for future retail development in the City were identified.

### SYNTHESIS

The retail market analysis and land use findings were synthesized by integrating the opportunities and constraints that were identified. The types of retailing that are suitable, and those not suitable, were identified along with the most appropriate locations in the City for such development.

Other cities that suggest a model for additional retail development in South Pasadena were identified along with the common features that lead to their success. Preliminary candidates for a clustering approach were identified.

## **HYPOTHESIS AND RECOMMENDATION**

A hypothesis and recommendation for a retail development plan is provided. This identifies specific candidates for an approach (such as clustering types of retailers) as well as how the City and Chamber of Commerce can promote such a plan. Specific public policy initiatives are also suggested.

## RETAIL MARKET ANALYSIS

A detailed analysis of South Pasadena from the standpoint of retail demand and supply characteristics was conducted by the CB Richard Ellis Retail Site selection Group. The complete report is included in the Appendix to this report.

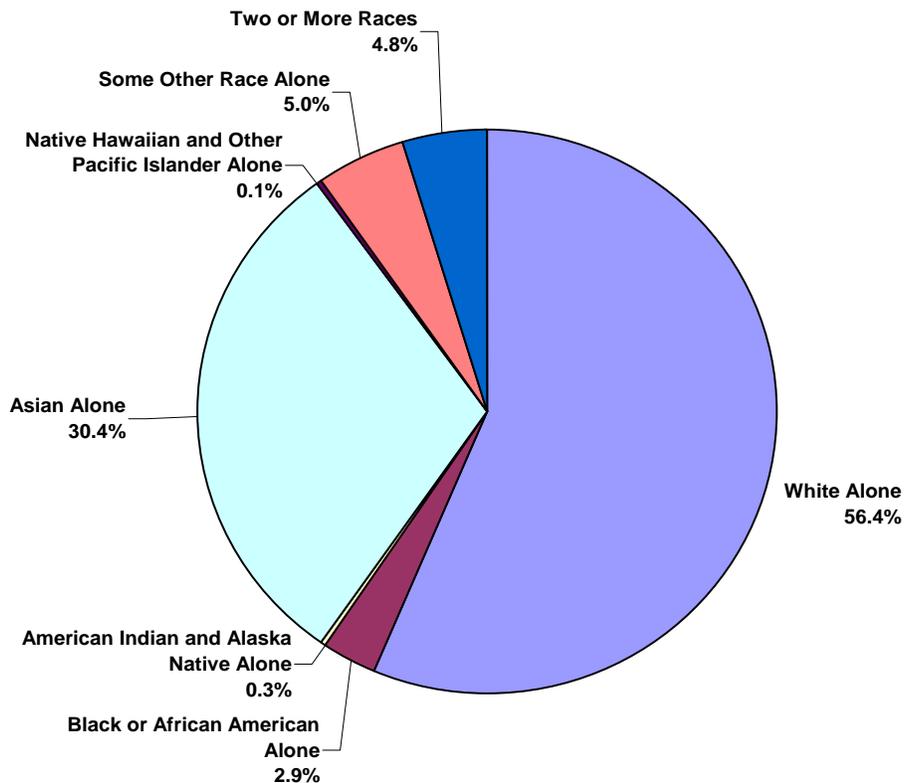
### DEMOGRAPHICS AND EMPLOYMENT

Based upon existing demographic data, the population within the boundaries of South Pasadena is estimated to be 25,104, which represents a growth of 3.3% from the year 2000. Over the next five years, the projected growth is an increase of 3.6%. By comparison, the United States population is projected to grow by 5.1% over the next five years.

It is estimated that there were 10,743 households in 2009, which was an increase of 2.5% in households from the year 2000. Households in this area are projected to increase by 3.4% by the year 2014.

Of this area's current year estimated population, the Race Classification is as follows:

**Exhibit 1: Race Classification**



17.3% of the population is Hispanic or Latino Ethnicity. By comparison, the United States current Hispanic or Latino population is 15.5% of the U.S. population.

The 2009 Estimated Average Household Income is \$99,950, which is projected to increase 12.5% over the next five years. The U.S. Average Household Income is \$69,376 as a point of comparison.

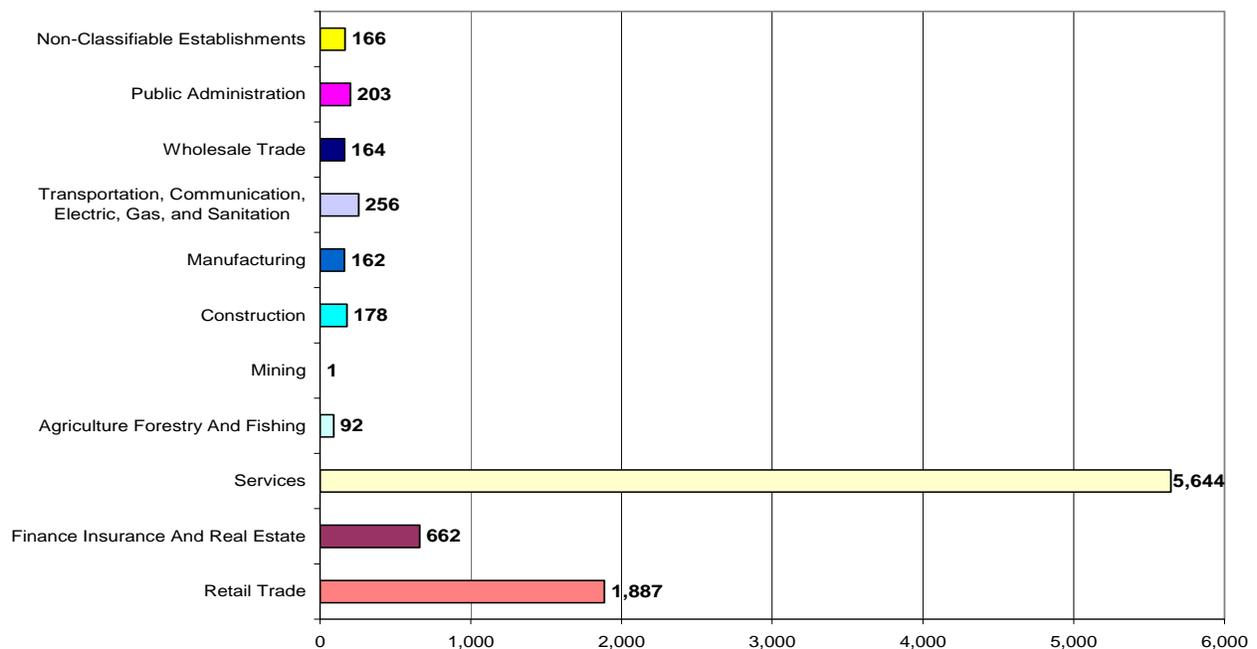
According to current demographic data, there are more Renter Occupied Housing Units with 56% of the population renting their homes. The 2009 estimated Median Owner-Occupied Housing Value is \$832,606.

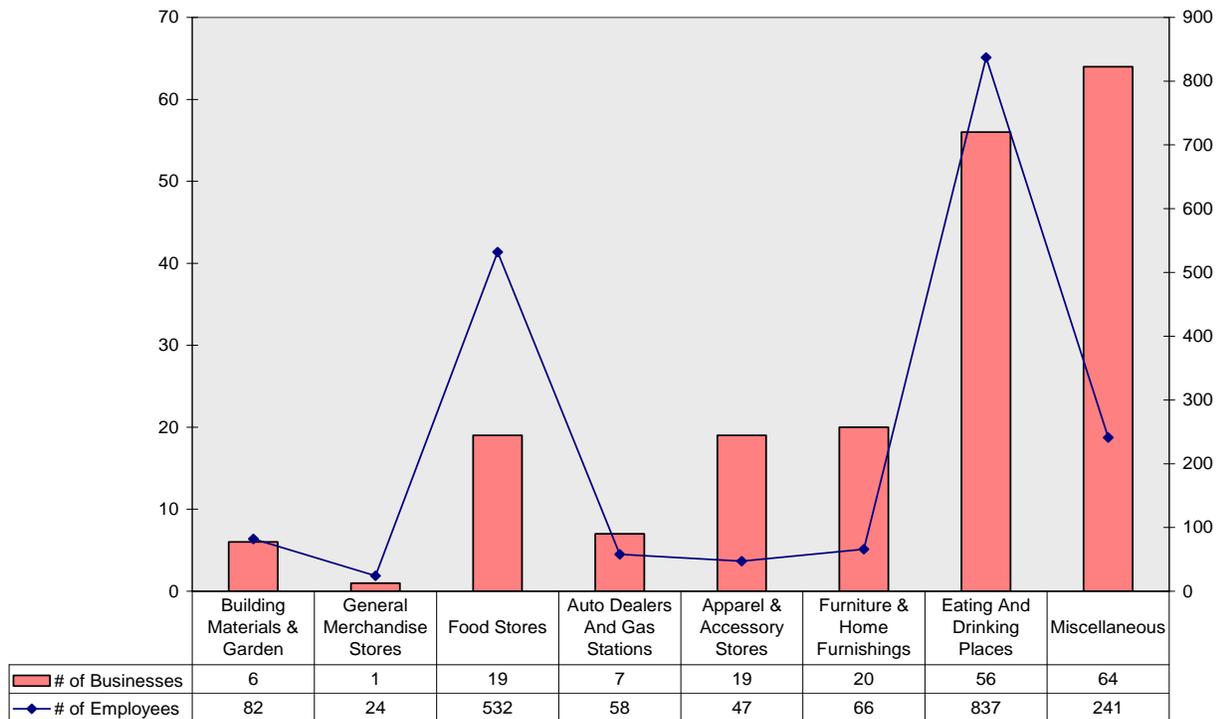
56.3% of the residential population is estimated to be employed (age 16 or over). 84.7% of the residents are classified in White Collar occupations, while 7.1% hold Blue Collar jobs and 8.2% are Service and Farm Workers.

The median age for residents in this area is 41 years old. Five years from now, the median age is projected to increase to 43 years. 29% of the population is between the ages of 25 and 44, 43.7% is 45 or older and 12.8% is age 65 or older. As of 2010 24.8% of the population age 25 and over in this area had earned a Master's, Professional, or Doctorate Degree and 31.1% had earned a Bachelor's Degree. In comparison, for the U.S., it is estimated that for the population 25 years and older, 8.9% had earned an advanced degree, while 15.8% had earned a Bachelor's Degree.

Current demographic data shows 2009 Daytime Business employment, in this trade area of 9,415 employees within 1,099 businesses in the area. Approximately 3,530 employees are Executive and Professional level and 3,110 employees are Administration and Support. There are 1,545 Service Personnel and 1,231 Trade and Labor employees.

**Exhibit 2: 2009 Employment by Category**



**Exhibit 3: Retail Employment**

## CONSUMER SEGMENTATION

To understand the demand for retail goods in a trade area, it is necessary to understand the specific nature of the consumers. This was accomplished by conducting a Prizm Segmentation analysis using criteria and data developed by Claritas, Inc.

The Prizm Segmentation report utilizes a statistical approach developed by Claritas, Inc., an alliance partner of CB Richard Ellis, to target population groups to allow for more concise marketing efforts by their customers. The Prizm Segmentation report provides data about segments of households that have similar purchasing and lifestyle tendencies, and produces a report breaking the households into 66 different segments, 14 social groups and 11 lifestyle groups. The attributes and characteristics of each segment and group are evaluated to develop a picture of spending patterns that determine retail demand. The full Prizm analysis is included in the Appendix to this report.

## Household Segmentations

The 66 segments are described in terms of households, general shopping trends and media choices.

**Households.** Households of each segment are described in general terms such as:

- Income;
- Age;
- Likelihood of children at home;

- Type of jobs;
- Housing types;
- Housing ownership; and
- Education levels

**General Shopping Trends.** The report also describes general shopping trends of the segment, such as:

- Fine dining;
- Home improvements; and
- Upscale department stores

**Media.** Also listed in the report are some of the media choices made by people belonging to certain segments, for example PBS or sports talk radio shows.

Utilizing this distribution, the segments which are most prevalent in the trade area were identified, thus representing the highest percentage of its population. The analysis indicates that the South Pasadena market is primarily composed of the following five household types that together make up 88.4% of the trade area households. These core segments are as follows:

**Exhibit 4: Core Household Segments**

Code	Segment Name	HH Count	HH %Comp
04	Young Digerati	976	9.08
07	Money & Brains	3,201	29.78
16	Bohemian Mix	3,157	29.37
26	The Cosmopolitans	946	8.80
29	American Dreams	1,223	11.38
	<b>South Pasadena Dominant</b>	<b>9,503</b>	<b>88.41</b>

The following are detailed descriptions of the core segments of the households in this trade area listed from largest to smallest:

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#### **07. MONEY & BRAINS**

**29.8% / 3,201HHS**

The residents of Money & Brains seem to have it all: high incomes, advanced degrees and sophisticated tastes to match their credentials. Many of these citydwellers—predominantly white with a high concentration of Asian Americans—are married couples with few children who live in fashionable homes on small, manicured lots.

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#### **16. BOHEMIAN MIX**

**29.4% / 3,157 HHS**

A collection of young, mobile urbanites, Bohemian Mix represents the nation's most liberal lifestyles. Its residents are a progressive mix of young singles and couples, students and professionals, Hispanics, Asians, African-Americans and whites. In their funky rowhouses and apartments, Bohemian Mixers are the early adopters who are quick to check out the latest movie, nightclub, laptop and microbrew.

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#### **29. AMERICAN DREAMS**

**11.4% / 1,223 HHS**

American Dreams is a living example of how ethnically diverse the nation has become: more than half the residents are Hispanic, Asian or African-American. In these multilingual neighborhoods—one in ten speaks a language other than English—middle-aged immigrants and their children live in middle-class comfort.

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#### **04. YOUNG DIGERATI**

**9.1% / 976 HHS**

Young Digerati are the nation's tech-savvy singles and couples living in fashionable neighborhoods on the urban fringe. Affluent, highly educated and ethnically mixed, Young Digerati communities are typically filled with trendy apartments and condos, fitness clubs and clothing boutiques, casual restaurants and all types of bars—from juice to coffee to microbrew.

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#### **26. THE COSMOPOLITANS**

**8.8% / 946 HHS**

Educated, upper-midscale, and ethnically diverse, The Cosmopolitans are urbane couples in America's fast-growing cities. Concentrated in a handful of metros--such as Las Vegas, Miami, and Albuquerque--these households feature older, empty-nesting homeowners. A vibrant social scene surrounds their older homes and apartments, and residents love the nightlife and enjoy leisure-intensive lifestyles.

### **Household Segmentations – Social Groups**

The Social Group Distribution PRIZM report groups all 66 segments into broader social groups that range from the top of the affluence and density scale (Urban Uptown) to the opposite extreme of relatively low affluence and low-density housing (Rustic Living). The Social Group distribution for the trade area is 93% Urban and 7% Suburban.

Urban areas typically include both downtowns of major cities and surrounding neighborhoods. Households within this classification live within the classic high-density neighborhoods found in the heart of America's largest cities. The Suburban classification is typically for areas that are dependent upon urban areas but are not the population center but rather a continuation of the density decline as one moves out from the city center. While some suburbs may be employment centers, their lifestyles and commuting patterns will be more tied to one another or to the urban core than within themselves.

Sub-groups within each category further define the households from each social group with the top tier of each comprising the highest income and socio-economic status households. The following breakdown indicates the lifestyle tendencies and consumer behaviors for these social groups. Buying habits and lifestyle preferences may vary among the social group segments.

#### **URBAN**

Urban areas typically have population scores between 85 and 99. They include both downtowns of major cities and surrounding neighborhoods. Households within this classification live within the classic high-density neighborhoods found in the heart of America's largest cities.

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#### **URBAN UPTOWN**

The five segments in Urban Uptown are home to the nation's wealthiest urban consumers. Members of this social group tend to be affluent to middle class, college educated and ethnically diverse, with above-average concentrations of Asian and Hispanic Americans. Although this group is diverse in terms of housing styles and family sizes, residents share an upscale urban perspective

that's reflected in their marketplace choices. Urban Uptown consumers tend to frequent the arts, shop at exclusive retailers, drive luxury imports, travel abroad and spend heavily on computer and wireless technology.

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### **MIDTOWN MIX**

Diversity is the hallmark of Midtown Mix, a group of midscale urban segments. It's the most ethnically diverse social group, besides containing a mix of singles and couples, homeowners and renters, college alumnae and high school graduates. In U2, the households are dominated by childless consumers who pursue active social lives—frequenting bars, health clubs and restaurants at high rates—listen to progressive music, drive small imports and acquire the latest consumer electronics.

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### **URBAN CORES**

Urban Cores segments are characterized by relatively modest incomes, educations and rental apartments, but affordable housing is part of the allure for the group's young singles and aging retirees. One of the least affluent social groups, U3 has a high concentration of Hispanics and African-Americans, and surveys indicate a fondness for both ethnic and mainstream media and products. Among the group's preferences: TV news and daytime programming, Spanish and black radio, telephony services and pagers, cheap fast food and high-end department stores.

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### **SUBURBAN**

The Suburban classification are typically areas that are dependent upon Urban areas but are not the population center but rather a continuation of the density decline as one moves out from the city center. While some suburbs may be employment centers, their lifestyles and commuting patterns will be more tied to one another or to the Urban core than within themselves.

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### **ELITE SUBURBS**

The most affluent suburban social group, Elite Suburbs is a world of six-figure incomes, post-graduate degrees, single-family homes and managerial and professional occupations. The segments here are predominantly white with significant concentrations of well-off Asian Americans. Befitting their lofty salaries, S1 members are big consumers of large homes, expensive clothes, luxury cars and foreign travel. Despite representing a small portion of the U.S. population, they hold a large share of the nation's personal net worth.

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## **THE AFFLUENTIALS**

The six segments in The Affluentials are one socioeconomic rung down from the Elite Suburbs—with a 25 percent drop in median income—but their residents still enjoy comfortable, suburban lifestyles. The median income in S2 is nearly \$60,000, the median home value is about \$200,000, and the mostly couples in this social group tend to have college degrees and white-collar jobs. Asian Americans make up an important minority in these predominantly white segments. As consumers, The Affluentials are big fans of health foods, computer equipment, consumer electronics and the full range of big-box retailers.

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## **MIDDLEBURBS**

The five segments that comprise Middleburbs share a middle-class, suburban perspective, but there the similarity ends. Two groups are filled with very young residents, two are filled with seniors and one is middle-aged. In addition, S3 includes a mix of both, homeowners and renters as well as high school graduates and college alums. With good jobs and money in their jeans, the members of Middleburbs tend to have plenty of discretionary income to visit nightclubs and casual-dining restaurants, shop at midscale department stores, buy dance and easy listening CDs by the dozen and travel across the U.S. and Canada.

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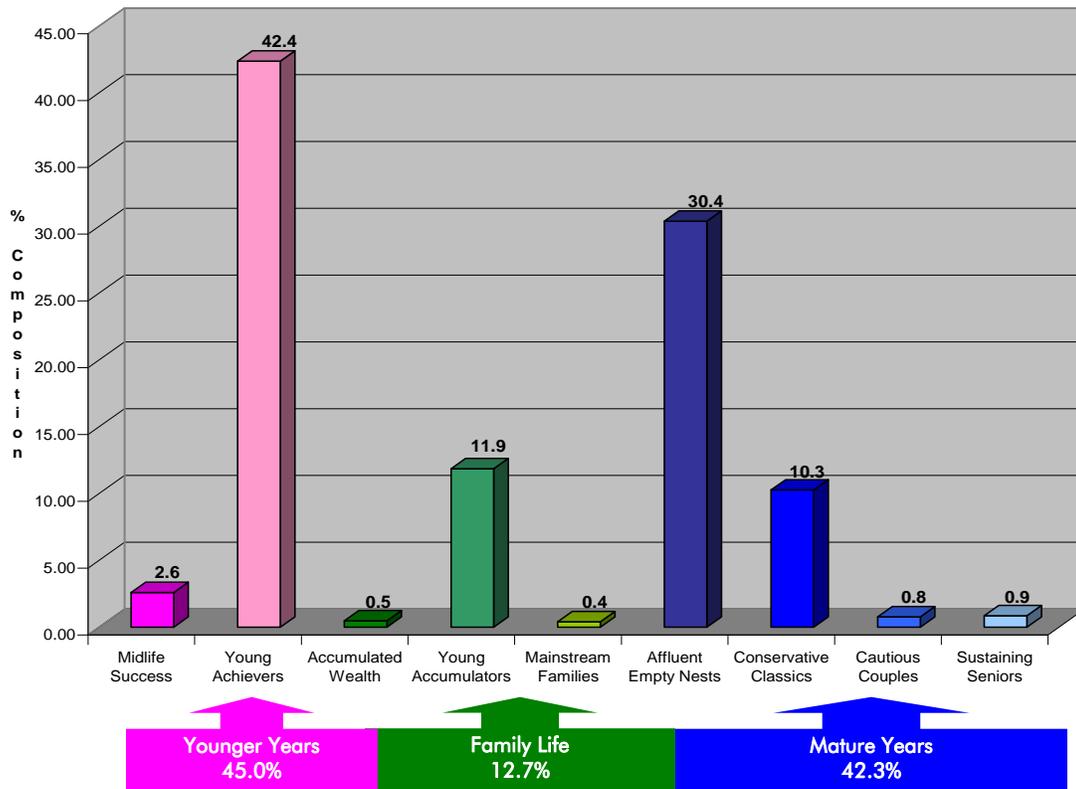
## **INNER SUBURBS**

The four segments in the Inner Suburbs social group are concentrated in the inner-ring suburbs of major metros—areas where residents tend to be high school educated, unmarried and lower-middle class. There's diversity in this group, with segments that are racially mixed, divided evenly between homeowners and renters and filled with households that are either young or aging in place. However, the consumer behavior of the S4 segments are dominated by older Americans who enjoy social activities at veterans clubs and fraternal orders, TV news and talk shows, and shopping at discount department stores.

## **Household Segmentations – Lifestage Groups**

All of the 66 household segments are also grouped into 11 broader Lifestage Groups which capture a combination of three variables—affluence, householder age and whether there are children living at home—to help paint a more vivid picture of each segment's likely lifestyle. There are three broad groups; Younger Years, Family Life and Mature Years. Of these there are sub-groups that combine segments that fit. As an example, what the three Lifestage Groups that comprise "Younger Years" share is that all of those households are, for the most part, young and childless. What differentiates Lifestage Group "Midlife Success" from the group "Young Achievers" is the level of affluence each has achieved at this young age. Similarly, the four groups of segments that make up "Family Life" have children in common while segments categorized as "Mature Years" are mostly empty nesters.

Exhibit 5: Lifestage Group Distribution



Younger Years and Mature Years are most heavily represented and within Younger Years the middle tier “Young Achievers” makes up 42% of the households in South Pasadena. Young, hip singles are the prime residents of Young Achievers, a Lifestage group of twenty-somethings who’ve recently settled in metro neighborhoods. Their incomes range from working-class to well-to-do, but most residents are still renting apartments in cities or close-in suburbs. These seven segments contain a high percentage of Asian singles, and there’s a decidedly progressive sensibility in their tastes as reflected in the group’s liberal politics, alternative music and lively nightlife.

The second largest Lifestage sub-group is the “Affluent Empty Nests” accounting for 30% of households here. Americans in this Mature Years group tend to be over 45 years old and living in houses that have empty-nested. The wealthiest segments in this group feature upscale couples who are college educated, hold executive and professional positions and are over 45. While their neighborhoods are found across a variety of landscapes—from urban to small-town areas—they all share a propensity for living in large, older homes. With their children out of the house, these consumers have plenty of disposable cash to finance active lifestyles rich in travel, cultural events, exercise equipment and business media. These folks are also community activists who write politicians, volunteer for environmental groups and vote heavily in elections. The following are more detailed descriptions of each group.

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**YOUNGER YEARS AGE UNDER 45, SINGLES & COUPLES, 31.1% OF USA**

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**MIDLIFE SUCCESS**

The eight segments in Midlife Success typically are filled with childless singles and couples in their thirties and forties. The wealthiest of the Younger Years class, this group is home to many white, college-educated residents who make six-figure incomes at executive and professional jobs but also extends to more middle class segments. Most of these segments are found in suburban and exurban communities, and consumers here are big fans of the latest technology, financial products, aerobic exercise and travel.

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**YOUNG ACHIEVERS**

Young, hip singles are the prime residents of Young Achievers, a lifestage group of twentysomethings who've recently settled in metro neighborhoods. Their incomes range from working-class to well-to-do, but most residents are still renting apartments in cities or close-in suburbs. These seven segments contain a high percentage of Asian singles, and there's a decidedly progressive sensibility in their tastes as reflected in the group's liberal politics, alternative music and lively nightlife. Young Achievers segments are twice as likely as the general population to include college students living in group quarters.

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**STRIVING SINGLES**

The seven segments in Striving Singles make up the most downscale of the Younger Years class. Centered in exurban towns and satellite cities, these twentysomething singles typically have low incomes—often under \$25,000 a year—from service jobs or part-time work they take on while going to college. Housing for this group consists of a mix of cheap apartment complexes, dormitories and mobile homes. As consumers, the residents in these segments score high for outdoor sports, movies and music, fast food and inexpensive cars.

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**FAMILY LIFE MIDDLE AGE 25-54, FAMILIES WITH CHILDREN, 33.5% OF USA**

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**ACCUMULATED WEALTH**

The presence of children is the defining characteristic of the segments in the Family Life class. The three segments in Accumulated Wealth contain the wealthiest families, mostly college-educated, white-collar Baby Boomers living in sprawling homes beyond the nation's beltways. These large family segments are filled with upscale professionals—the group's median income is nearly six figures—who have the disposable cash and sophisticated tastes to indulge their children with electronic toys, computer games and top-of-the-line sporting equipment. The adults in these households are also a prime audience for print media, expensive cars and frequent vacations—often to theme parks as well as European destinations.

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**YOUNG ACCUMULATORS**

Compared to the Accumulated Wealth group, the five segments in Young Accumulators are slightly younger and less affluent than their upscale peers. Ethnically diverse, these households include an above-average number of Hispanic and Asian Americans. Adults typically have college

educations and work a mix of white-collar managerial and professional jobs. Found mostly in suburban and exurban areas, the large families in Young Accumulators have fashioned comfortable, upscale lifestyles in their mid-sized homes. They favor outdoor sports, kid-friendly technology and adult toys like campers, powerboats and motorcycles. Their media tastes lean towards cable networks targeted to children and teenagers.

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### **MAINSTREAM FAMILIES**

Mainstream Families refers to a collection of seven segments of middle- and working-class child-filled households. While the age range of adults is broad—from 25 to 54—most families have at least one child under 18. And residents in this exurban group share similar consumption patterns, living in modestly priced homes—including mobile homes—and ranking high for owning three or more cars. As consumers, Mainstream Families maintain lifestyles befitting large families in the nation's small towns: lots of sports, electronic toys, groceries in bulk and televised media.

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### **SUSTAINING FAMILIES**

Sustaining Families is the least affluent of Family Life groups, an assortment of segments that range from working-class to decidedly downscale. Ethnically mixed, with a high percentage of African American, Asian and Hispanic families, these segments also display geographic diversity—from inner cities to some of the most isolated communities in the nation. Most adults hold blue-collar and service jobs, earning wages that relegate their families to small, older apartments and mobile homes. And the lifestyles are similarly modest: Households here are into playing games and sports, shopping at discount chains and convenience stores, and tuning into nearly everything that airs on TV and radio.

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### **MATURE YEARS AGE OVER 45, SINGLES & COUPLES, 38.0% OF USA**

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#### **AFFLUENT EMPTY NESTS**

While those on the “MTV side” of fifty may debate their inclusion in this group, Americans in the Mature Years tend to be over 45 years old and living in houses that have empty-nested. The four wealthiest segments in this group are classified Affluent Empty Nests, and they feature upscale couples who are college educated, hold executive and professional positions and are over 45. While their neighborhoods are found across a variety of landscapes—from urban to small-town areas—they all share a propensity for living in large, older homes. With their children out of the house, these consumers have plenty of disposable cash to finance active lifestyles rich in travel, cultural events, exercise equipment and business media. These folks are also community activists who write politicians, volunteer for environmental groups and vote heavily in elections.

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#### **CONSERVATIVE CLASSICS**

College educated, over 55 years old and upper-middle-class, the six segments in Conservative Classics offer a portrait of quiet comfort. These childless singles and couples live in older suburban homes with two cars in the driveway and a wooden deck out back. For leisure at home, they enjoy gardening, reading books, watching public television and entertaining neighbors over barbecues. When they go out, it's often to a local museum, the theater or a casual-dining restaurant like the Olive Garden or Lone Star Steakhouse.

## CAUTIOUS COUPLES

Another large group of Mature Years segments is Cautious Couples, featuring an over-55-year-old mix of singles, couples and widows. Widely scattered throughout the nation, the residents in these seven segments typically are working-class and white, with some college education and a high rate of homeownership. Given their blue-collar roots, Cautious Couples today pursue sedate lifestyles. They have high rates for reading, travel, eating out at family restaurants and pursuing home-based hobbies like coin collecting and gardening.

## SUSTAINING SENIORS

Sustaining Seniors consists of nine segments filled with older, economically challenged Americans. Racially mixed and dispersed throughout the country, they all score high for having residents who are over 65 years old and household incomes under \$25,000. Many are single or widowed, have modest educational achievement and live in older apartments or small homes. On their fixed incomes, they lead low-key, home-centered lifestyles. They're big on watching TV, gardening, sewing and woodworking. Their social life often revolves around activities at veterans clubs and fraternal organizations.

## Household Segmentations – Workplace Population

Workplace Prizm tracks the residential population of every census tract into its associated tracts of employment, covering private sector workers, public sector workers, 9-to-5 workers, swing shift and night shift workers—even those who work at home. The Workplace Prizm composition is estimated using tract-to-tract commuting data produced by the U.S. Census Bureau.

For each work/residence tract pair, the tract-to-tract commuting data indicates a total commuting flow and the flow allocated to the tract. This includes counts of adults who work and reside in the same tract as well as those who commute to a work tract different from their residence tract. To create Workplace Prizm, the segment distribution of the residence tract is pushed-through the commuting flow to provide an estimate of the destination tract's segment composition. The final step is to apply the resulting segment distribution to workplace employment counts.

We applied the Workplace Prizm data to the City of South Pasadena, CA and below are results of the segmentation breakout for the approximately 9,400 employees in this City.

The largest household segments of the workforce have some similarity to the resident population. However, the addition of a number of other segments is evident, and reflects commuter traffic to this area from other parts of the metro.

The dominant segments in the workplace are listed from largest to smallest here and the bolded segments are those that are present in the dominant resident segmentation group. Additional segments like 1-Upper Crust, 54-Multi-Culti Mosaic, 3-Movers & Shakers, 66-Low-Rise Living and 32-Urban Achievers make up the dominant segments in the employment base in the trade area.

Segments		CITY OF SOUTH PASADENA EMPLOYEES	
Code	Variable Title	Emp Count	Emp %Comp
<b>16</b>	<b>Bohemian Mix WP</b>	<b>1,594</b>	<b>16.93</b>
<b>07</b>	<b>Money &amp; Brains WP</b>	<b>1,186</b>	<b>12.60</b>
<b>29</b>	<b>American Dreams WP</b>	<b>929</b>	<b>9.87</b>
01	Upper Crust WP	747	7.94
54	Multi-Culti Mosaic WP	422	4.48
03	Movers & Shakers WP	382	4.06
66	Low-Rise Living WP	344	3.65
<b>04</b>	<b>Young Digerati WP</b>	<b>343</b>	<b>3.64</b>
31	Urban Achievers WP	305	3.24
<b>South Pasadena WP</b>		<b>6,251</b>	<b>66.42</b>

Following are the descriptions of the dominant Workplace Prizm segments.

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**16. BOHEMIAN MIX****16.9% / 1,594 EMP**

A collection of young, mobile urbanites, Bohemian Mix represents the nation's most liberal lifestyles. Its residents are a progressive mix of young singles and couples, students and professionals, Hispanics, Asians, African-Americans and whites. In their funky rowhouses and apartments, Bohemian Mixers are the early adopters who are quick to check out the latest movie, nightclub, laptop and microbrew.

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**07. MONEY & BRAINS****12.6% / 1,186 EMP**

The residents of Money & Brains seem to have it all: high incomes, advanced degrees and sophisticated tastes to match their credentials. Many of these citydwellers—predominantly white with a high concentration of Asian Americans—are married couples with few children who live in fashionable homes on small, manicured lots.

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**29. AMERICAN DREAMS****9.9% / 929 EMP**

American Dreams is a living example of how ethnically diverse the nation has become: more than half the residents are Hispanic, Asian or African-American. In these multilingual neighborhoods—one in ten speaks a language other than English—middle-aged immigrants and their children live in middle-class comfort.

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**01. UPPER CRUST****7.9% / 747 EMP**

The nation's most exclusive address, Upper Crust is the wealthiest lifestyle in America—a haven for empty-nesting couples over 55 years old. No segment has a higher concentration of residents earning over \$200,000 a year or possessing a postgraduate degree. And none has a more opulent standard of living.

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**54. MULTI-CULTI MOSAIC****4.5% / 422 EMP**

An immigrant gateway community, Multi-Culti Mosaic is the urban home for a mixed populace of younger Hispanic, Asian and African-American singles and families. With nearly a quarter of the residents foreign born, this segment is a mecca for first-generation Americans who are striving to improve their lower-middle-class status.

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**03. MOVERS & SHAKERS****4.1% / 382 EMP**

Movers & Shakers is home to America's up-and-coming business class: a wealthy suburban world of dual-income couples who are highly educated, typically between the ages of 35 and 54, often with children. Given its high percentage of executives and white-collar professionals, there's a decided business bent to this segment: Movers & Shakers rank number-one for owning a small business and having a home office.

**66. LOW-RISE LIVING****3.7% / 344 EMP**

The most economically challenged urban segment, Low-Rise Living is known as a transient world for young, ethnically diverse singles and single parents. Home values are low—about half the national average—and even then less than a quarter of residents can afford to own real estate. Typically, the commercial base of Mom-and-Pop stores is struggling and in need of a renaissance.

**04. YOUNG DIGERATI****3.6% / 343 EMP**

Young Digerati are the nation's tech-savvy singles and couples living in fashionable neighborhoods on the urban fringe. Affluent, highly educated and ethnically mixed, Young Digerati communities are typically filled with trendy apartments and condos, fitness clubs and clothing boutiques, casual restaurants and all types of bars—from juice to coffee to microbrew.

**31. URBAN ACHIEVERS****3.2% / 305 EMP**

Concentrated in the nation's port cities, Urban Achievers is often the first stop for up-and-coming immigrants from Asia, South America and Europe. These young singles and couples are typically college-educated and ethnically diverse: about a third are foreign-born, and even more speak a language other than English.

## Households and Workplace - Summary Characteristics

Based on the dominant segments listed above for households and workplace, it has been determined that the consumers have a high propensity to:

- Travel heavily, both domestic and international
- Shop at high-end department stores like Bloomingdales, Lord & Taylor and Nordstrom
- Read newspapers and magazines like the New York and Los Angeles Times, Chicago Tribune, The Economist, W Magazine and The New Yorker
- Own and use current technology such as Internet, PDA, iPod, digital camera, laptop
- Dine at full service restaurants like Chevy's, California Pizza Kitchen and Cheesecake Factory as well as fast casual restaurants like Au Bon Pain, Baja Fresh, Einstein Bros, Chipotle and Boston Market
- Shop grocers like Pathmark, Ralphs and Vons as well as stores like Costco, The Gap, 7-Eleven, Kinko's, Rite-Aid and The Limited
- Go to entertainment venues for professional sports, live theater, music/dance performances and museums and buy/rent music and videos

## Illustrative Market Potential Analysis

Based strictly on the characteristics of the household segments in the market area, it is possible to determine what specific retailers are likely to be well received. Appendix 6 presents an example of the type of analysis that can be conducted to identify specific retailers that would be particularly well suited for a market area. The analysis in the appendix is presented for illustrative purposes only. In order to make a complete assessment of the likelihood of success for any retailer, it is necessary to evaluate the many physical and planning constraints that would come into play.

## RETAIL SPENDING AND RETAIL OPPORTUNITY GAP

### TOTAL RETAIL SPENDING

By analyzing both spending potential and sales in South Pasadena, it is possible to determine if an opportunity or gap exists in different retail categories.

The potential spending was based on the consumer group profiles and the Consumer Expenditures Survey (CEX) from the Bureau of Labor Statistics. Estimates were produced by developing regression models of household expenditures for a wide range of goods and services. These household level models were combined with current year demographic estimates to create geographic estimates of potential household demand for products and services. Using Census of Retail Trade (CRT) information, those estimates are assigned to North American Industrial Classification System (NAICS) categories and used to estimate potential demand by NAICS code.

The potential sales were also based in part on CRT, a component of the Economic Census from the U.S. Census Bureau. The county level data from CRT was updated to 2009 by accounting for changes in business sales activity each year using wage and employment data from the BLS (the ES-202 file). The county level values are allocated to block groups based on employment counts from Business Facts. This results in block group level potential retail sales estimates by NAICS. The NAICS categories are further broken out by merchandise lines and adjusted to reflect current year totals of retail sales.

An opportunity gap appears when household expenditure levels for a specific geography are higher than the corresponding retail sales estimates. This difference signifies that resident households are meeting the available supply and supplementing their additional demand potential by going outside of their own geography. The opposite is true in the event of an opportunity surplus. That is, when the levels of household expenditures are lower than the local retail sales.

In 2009, total consumer expenditures are estimated at \$470 million, while total retail sales for the trade area are reported as \$299.9 million. Thus South Pasadena appears to be exporting over \$170 million in annual spending to retailers outside of the City.

After examining each retail category, we found several retail categories where consumers were spending more than the retail sales. This data reveals where opportunities for growth by retail category may exist.

Based upon this data and analysis by retail store category, there appear to be potential opportunities for additional retail in South Pasadena area in the following categories:

- |  |   |
|--|---|
| ▪ Furniture & Home Furnishings<br>(\$6.99M)              | ▪ Radio, TV & Electronics<br>(\$4.6M)     |
| ▪ Clothing & Accessories Stores<br>(\$16.6M)             | ▪ General Merchandise<br>Stores (\$54.6M) |
| ▪ Sporting Goods, Hobby, Book &<br>Music Stores (\$5.5M) | ▪ Full-Service Restaurants<br>(\$11.6M)   |

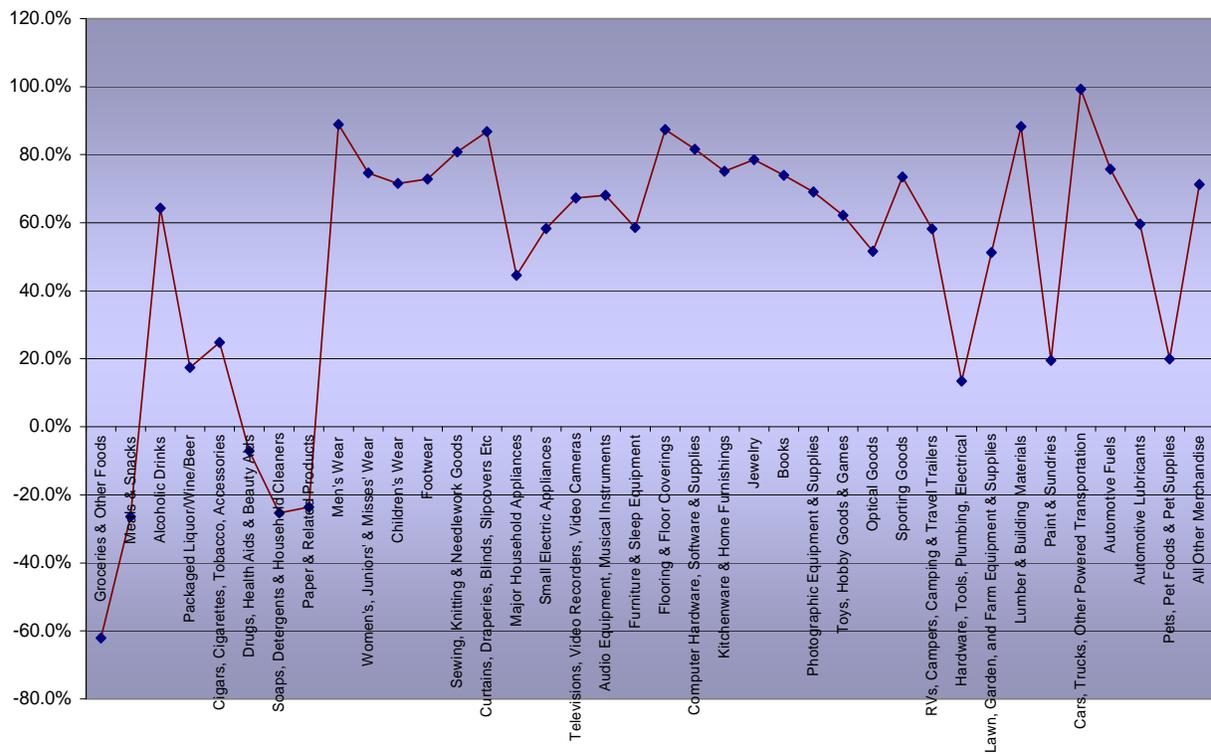
It is also important to note that a surplus in any one category is not always a negative result if it

happens that there is a draw to a particular category due to a high concentration of like store types such as “Restaurant Row” or “Outlet Malls,” for example.

Data was also retrieved by Merchandise Line to determine where an opportunity exists. The following chart represents each line of merchandise. Opportunities for growth in sales are found when the category exceeds zero percent.

It is clear from the estimated retail spending by South Pasadena consumers and estimated sales at South Pasadena retailers that a very significant amount of consumers’ spending is occurring at retailers outside the City. Without considering other factors such as physical and regulatory constraints, this suggests that there is a very significant opportunity for additional retailing in a wide range of retail categories in South Pasadena.

**Exhibit 6: Merchandise Line Opportunity, City of South Pasadena**



### TAXABLE RETAIL SPENDING

Precise historical information is available on actual taxable retail sales in South Pasadena from the California Board of Equalization (BOE). Those transactions do not include non-taxable sales of food, prescription drugs or goods sold for subsequent resale (at which point sales tax is then charged). The taxable sales data are broken down by type of retailer which provides a general indication of the type of goods sold.

Total taxable sales in the city for the 12-month period from the fourth quarter 2007 through the third quarter 2008 were \$183 million. For the 12-month period from the fourth quarter 2008 through the third quarter 2009 were \$161 million, a 12.4% decline.

Along the Mission Street commercial corridor, for those same two 12-month intervals, total taxable retail sales fell 14.8% from \$73 million to \$63 million.

By calendar year, over the past ten years, the taxable sales for major retail establishment category were as follows.

### Exhibit 7: Taxable Retail Sales – City of South Pasadena

City of South Pasadena  
Taxable Sales by Category  
Last Ten Calendar Years  
(in thousands of dollars)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Apparel Stores	\$ 2,424	\$ 2,605	\$ 2,457	\$ 2,636	\$ 3,088	\$ 4,224	\$ 4,554	\$ 4,416	\$ 4,135	\$ 4,200
General Merchandise	2,880	2,772	2,464	2,705	2,631	2,618	3,867	3,876	3,959	3,859
Food Stores	24,332	25,091	25,545	24,027	24,492	23,863	25,178	26,733	26,805	26,389
Eating and Drinking Places	22,414	23,730	23,725	24,166	25,744	26,997	29,254	33,240	34,904	35,006
Building Materials	14,476	14,707	15,246	15,430	15,596	16,995	17,705	12,628	12,384	14,292
Auto Dealers and Supplies	481	217	277	399	68	1	25	52	10	142
Service Stations	12,818	16,310	19,210	18,677	19,394	20,964	24,712	23,955	24,356	25,843
Other Retail Stores	23,867	27,614	27,210	25,782	26,698	27,806	34,645	36,195	35,885	34,158
All Other Outlets	35,875	37,549	36,416	39,659	33,631	37,814	40,193	41,565	40,694	34,232
<b>Total</b>	<b>\$ 139,568</b>	<b>\$ 150,593</b>	<b>\$ 152,551</b>	<b>\$ 153,480</b>	<b>\$ 151,341</b>	<b>\$ 161,283</b>	<b>\$ 180,133</b>	<b>\$ 182,661</b>	<b>\$ 183,132</b>	<b>\$ 178,121</b>

Source: State of California Board of Equalization and The HdL Companies

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

## RETAIL DEMAND AND SPENDING RELATIONSHIP

While dealing with a different sales base (taxable sales vs. all sales) and somewhat different categorization, the BOE data present a similar picture of retailing in South Pasadena. Overall, South Pasadena per capita taxable retail sales are approximately 57% of the per capita sales for Los Angeles County as a whole. Per capita sales at food stores are approximately double the rate for Los Angeles County. For other categories such as apparel, general merchandise, home furnishings and building materials, the per capita sales in South Pasadena are far below the County-wide average.

This clearly corroborates the results that were derived based on the household demand and the CRT. A very substantial amount of the spending by households and employees in South Pasadena is directed to retailers outside of the city. Thus, strictly from the standpoint of local demand and actual sales in the city, there are retail opportunities across virtually all but a very few retail categories.

## RETAIL CLUSTERING

Retail clustering is the phenomenon by which retailers of the same type, or different types of retailers with synergistic potential, tend to locate in groups or clusters in a particular area. When retail clustering occurs it is typically because it offers advantages to both the retailers and their customers. Clusters also typically draw their customers from beyond the local market area. The greatest advantage that clustering usually provides is the economies a customer enjoys when the time to compare the prices and offerings of a particular class of goods at different retailers is reduced because the retailers are located in close proximity to each other. An examination of the retailers operating in South Pasadena revealed the presence of clustering by several types of retailers.

For a city its size, South Pasadena has a large number (20) of quick serve (fast food) outlets, both local and franchise/chain. In addition, there are five family style restaurants. Finally, there are 22

independent restaurants ranging from family style to fine dining. That last group of independent restaurants has some of the attributes of a clustering. The recent addition of several new restaurants which have succeeded even in the face of extremely difficult times for the restaurant business suggests that clustering benefits are present and known to restaurateurs.

Another type of clustering also appears to be partly present is in home or office design, décor, furnishing and materials sectors. There are 24 retailers or businesses that fall into this expanded, but related category. The majority of these businesses are located on Mission Street or Fair Oaks Avenue near the intersection with Mission Street.

It should be noted that the customers and clients of the design/décor/furnishings are the types of individuals that frequently patronize other businesses such as restaurants and galleries. Furthermore, the two largest household segments in the city, Bohemian Mix and Money and Brains totaling approximately 60% of all households, is a natural fit with these categories of businesses. This would be true both from the standpoint of supplying patronage and being an agreeable milieu for the proprietors of those enterprises.

A tabulation of the retailers that are in the categories described above is presented in Exhibit 8. Their location is indicated on the map in Exhibit 9. This exhibit demonstrates the current level of clustering of décor/design/furnishings businesses that exists along the Mission Street corridor.

## RELEVANT CLUSTERING EXAMPLE

There is a particularly relevant example of the type of cluster that may serve as a model for South Pasadena; the Cedros Avenue Design District in the City of Solana Beach.

First and foremost, this cluster consists of design/décor/furnishings businesses with restaurants and other ancillary boutiques. It is a linear concentration along approximately one-half mile of Cedros Avenue. The nearest freeway access is approximately one mile away. A rail station that offers commuter service to the greater San Diego metropolitan area is located at the north end of the District.

The District evolved from mainly private efforts that were formally organized approximately 15 years ago. A private association, the South Cedros Property Owners Association (SCPOA), rather than a formal business improvement district handles the marketing and promotional efforts that have very effectively publicized the area and raised its profile. In the northern portion of San Diego County, it has become a known destination for shoppers from the greater San Diego region. There is an active program of special events in which the businesses participate (street events, etc) that draw special crowds and patrons at different times during the year.

The City has contributed to making the District more functional by means of financing a pedestrian overpass over the rail line, as well as some streetscape improvements.

For the 12-month period from the fourth quarter 2007 through the third quarter 2008, total taxable retail sales for the District were \$46 million. For the 12-month period from the fourth quarter 2008 through the third quarter 2009, total taxable sales had declined 33% to \$31 million as a result of the severe recession. The SCPOA reports that business has been picking up as the economy pulls out of the recession.

Solana Beach is similar to South Pasadena in several respects. It is a relatively small community with a separate identity imbedded in a larger metropolitan area. It has a diverse population with affluent households, as well as residents with an arts and design orientation. A challenge that the Cedros Design District faced and still faces, which is present in South Pasadena, is parking.

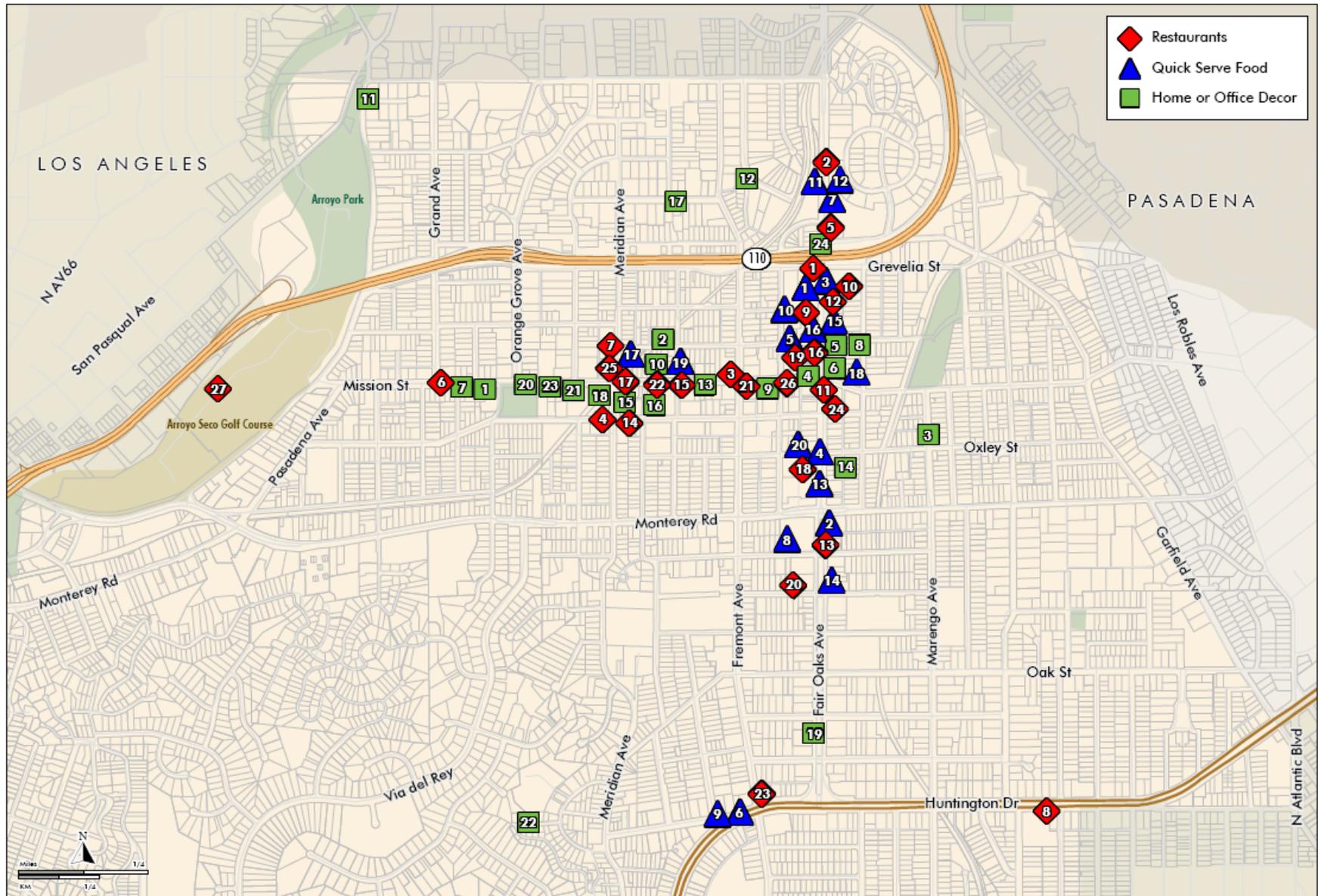
**Exhibit 8: EXISTING RETAILING CLUSTERING PRESENCE**

		<b>All in City of South Pasadena, CA</b>
<b>Name</b>		<b>Address</b>
<b>Restaurants - Chain and/or Local</b>		
1	Salt Shaker	601 Fair Oaks Ave.
2	Carmines Italian Restaurant	424 Fair Oaks Ave
3	Carrows	815 Fremont Ave
4	Bistro De La Gare	921 Meridian Ave
5	Phoenix Food Boutique	456 Fair Oaks Ave
6	Senor Fish	618 Mission St
7	Hierloom Bakery And Café	807 Meridian Ave Ste C
8	California Cookshack	1929 Huntington Dr
9	Siam Express	711 Fair Oaks Ave Ste M
10	Maki Yaki	700 Fair Oaks Ave Ste G
11	Fanta Sea Grill	912 Fair Oaks Ave
12	Hawaiian Garden	711 Fair Oaks Ave Ste D
13	Raymond Restaurant	1250 Fair Oaks Ave
14	Firefly Bistro	1009 El Centro St
15	La Fiesta Grande	1107 Mission St
16	Tokoro Restaurant	802 Fair Oaks Ave
17	Winestyles	1007 Mission St
18	Golden China	1115 Fair Oaks Ave
19	Guss BBQ	808 Fair Oaks Ave
20	Oak Tree Inn	1315 Fair Oaks Ave
21	Briganti	1423 Mission St
22	Mike And Annes	1040 Mission St Ste 102
23	Barkley Restaurant	1400 Huntington Dr
24	Ai Japanese	1013 Fair Oaks Ave
25	Radhika	966 Mission St
26	Shiro Restaurant	1505 Mission St
27	Arroyo Seco Grill	1055 Lohman Ln
<b>Quick Serve food - Chain and/or Local</b>		
1	McDonalds	716 Fair Oaks Ave
2	Panda Express	1216 Fair Oaks Ave
3	El Pollo Loco	711 Fair Oaks Ave
4	Baja Fresh Mexican Grill	1101 1/2 Fair Oaks Ave
5	Papa Johns Pizza	800 Fair Oaks Ave
6	Kentucky Fried Chicken	1318 Huntington Dr Ste D
7	Starbucks Coffee	454 North Fair Oaks Ave
8	Starbucks Coffee	1213 Fair Oaks Ave
9	Starbucks Coffee	1318 Huntington Drive
10	Subway	711 Fair Oaks Ave Ste J
11	Winchell Donuts	438 Fair Oaks Ave
12	Baskin Robbins	432 Fair Oaks Ave
13	Round Table Pizza	1127 Fair Oaks Ave
14	Hi Life Burgers	1326 Fair Oaks Ave
15	Mammas Brick Oven Pizza	710 Fair Oaks Ave
16	La Mein Chinese Food	711 Fair Oaks Ave Ste H
17	Busters Ice Cream Stop	1006 Mission St
18	Nonna Pizzeria	818 Fair Oaks Ave
19	Menchies Yogurt	1040 Mission St
20	Penguin's Frozen Yogurt & Coffee	1105 Fair Oaks Avenue

<b>All in City of South Pasadena, CA</b>		
	<b>Name</b>	<b>Address</b>
<b>Home or office décor/design/furnishings/materials</b>		
1	Jennifer Bevan Interiors	729 Mission St Ste 400
2	JF Interiors	1039 Hope St
3	Parker West Interiors	1036 Marengo Ave
4	Reimagne Your Home	1518 Mission St
5	Casaway	1605 Hope St
6	Gandells Furniture	824 Fair Oaks Ave
7	Santana Interiors	729 Mission St Ste 400
8	James Hernandez Designs	1605 Hope St Ste 110
9	Mission Framing	1501 Mission St
10	Bellini	1020 Mission St
11	V H Interiors	512 Arroyo Sq
12	Watson Design Associates	415 Oaklawn Ave
13	Thomas R Field Antiques	1127 Mission St
14	Best Custom Frame	1124 Fair Oaks Ave
15	Hodgson Antiques	1005C Mission St
16	Maurice Rug Gallery	1012 Mission St
17	Lillian Montalvo Design	1107 Buena Vista St
18	Kitchen Standard	1001 Mission St
19	Osborne Forest Products	1715 Fair Oaks Ave Apt 15
20	Elite Stone	843 Mission St
21	Mission West	905 Mission St
22	Medinas Heating & Air	826 Summit Dr
23	Mission Millworks	849 Mission St
24	Cynthia Bennett & Associates	501 Fair Oaks Ave

Source: City of South Pasadena; HdL Companies; Claritas; ADK&A Associates; and, CBRE Consulting.

Exhibit 9: Map of Targeted Retailers



## LAND USE STUDY

A number of resources were utilized in the land use study portion of the analysis. City planning documents were reviewed including the Mission Street Specific Plan, South Pasadena Downtown Revitalization Project Parking Analysis (2007), City of South Pasadena Community Design Guidelines (2009), Infill Analysis of the Mission Street Gold Line Area Station (2005), and Ostrich Farm Study Area Economic Analysis (2007).

Members of the local business community and City staff members were interviewed. With guidance from private and public sources, the City's commercial areas were visited and evaluated.

### SOUTH PASADENA LOCATIONAL CHARACTERISTICS

The City has a number of locational characteristics that will have a very large bearing on the type and quantity of retail activity that can be accommodated.

Except for the Pasadena Freeway access at Fair Oaks Avenue (and to a lesser extent Orange Grove Blvd.), the City is not well situated for retailing that relies on convenient freeway access for patrons from outside of the immediate area.

Fair Oaks Avenue and, to a somewhat lesser extent, Fremont Avenue offer north-south passage through the City for non-local traffic from outside the City. Huntington drive also provides passage through the City for non-local traffic, in an east-west direction. The amount of traffic on those surface streets without making a stop in the City has been a matter of concern for many.

The Gold Line provides light rail access through the City with a station near the intersection of Mission Street and Meridian Avenue.

There are major retail areas in the adjacent cities of Pasadena and Alhambra in which virtually all categories of goods are available. Other major retail opportunities exist just beyond those cities in Glendale, Arcadia and Monterey Park.

Several of these characteristics such as these will, on their own, virtually preclude a wide range of development that requires easy access and visibility from freeway or other main thoroughfares.

### EXISTING LAND USE PATTERNS

#### Commercial Locations

The City has five areas that are predominantly commercial.

- A. The Fair Oaks corridor
- B. The Mission Street corridor
- C. The Huntington Drive and Garfield Avenue intersection
- D. The Huntington Drive and Fremont Avenue intersection
- E. The Ostrich Farm district

These commercially zoned areas are shown on Exhibit 10.

The Fair Oaks corridor is the main focus of commercial activity in the City. It is approximately 0.75 miles in length. It contains a wide range of principally locally serving retail and other businesses. It is made up of a mix of both older (some historic) and newer improvements. With direct access to the Pasadena Freeway and as a north-south thoroughfare, it has high traffic volumes and has been the focus of concerns over congestion.

The Mission Street corridor is approximately 0.60 miles in length. It consists of a mix of retail and other business activities on smaller parcels in smaller buildings than the Fair Oaks corridor. Because it is less of a thoroughfare for traffic from outside the City, there is significantly less traffic than Fair Oaks Avenue. Most of the businesses are locally serving.

The Huntington Drive intersections with Garfield Avenue on the east and Fremont Avenue on the west are small scale nodes of locally serving retail activity. At Garfield Avenue, it is a continuation of a larger retail area extending from the northern part of Alhambra. At Fremont Avenue there is a significant office component in addition to the locally serving retail.

The Ostrich Farm district is primarily a business park. There are ancillary support uses. There was recently an unsuccessful attempt to establish a focus of live-work businesses and uses in the area.

The Huntington Drive commercial areas are both small and separate from the main focus of retail activity in the City. Consequently, they will not be a significant factor in formulating and implementing a strategy for the main focuses of commercial and retail activity in the City.

The Ostrich Farm area is also separate from the main concentrations of retail activity and will remain so, principally because of its distance from those other areas and a lack of convenient access from them and locations outside the City.

Therefore, the overall strategy for retailing will be driven by the characteristics of the Fair Oaks Avenue and Mission Street corridors.

### **Physical Characteristics**

Except for three parcels associated with grocery stores and a retail center anchored by a hardware store, the retail and commercial development along the Fair Oaks Avenue and Mission Street corridors is on parcels that are not conducive to contemporary larger format retail development.

The parcels are relatively small in area with a shallow depth. Many of the improvements are older structures, some with functionally obsolete configurations that make them challenging space for many contemporary retail users. This is more so along Mission Street. However, these very factors also give Mission Street a distinctive character that can be an asset for certain uses and strategies.

### **Retail Real Estate Market**

In terms of occupancy, the retail real estate market in South Pasadena tends to be healthier than other markets in the region with similar types of properties. Vacancies in the city have increased during the recent recession but overall are still close to levels that would be considered normal for most markets. There has been little development of new retail space in recent years. Asking rents for space that is available have not experienced a substantial decline during the recession.

## RECENT PROPOSED DEVELOPMENTS

To better understand the potential for new development in the City, projects that have recently been through the development approval process were reviewed. The purpose of this review was to understand the type of projects that developers believed the market would support, the City's reaction to the proposals, and extent to which the market confirmed the developers expectations.

Since March of 2007, there have been five projects submitted to the City that required some level of discretionary approval. The projects ranged from office to mixed use (retail and residential). The approvals required ranged from a change in the General Plan and zoning amendment to modification of a conditional use permit. Four of the five projects were approved.

The locations of the five projects are shown on Exhibit 11 and are designated as follows:

1. 99 Pasadena Avenue. 20,650 square feet of office space
2. 145 Pasadena Avenue. 49 live-work units
3. 258-266 Monterey Road. 4,140 square feet of retail space
4. 245 Fair Oaks Avenue. 12 residential units and 4,750 square feet of commercial space
5. 1409 Mission Street. 11 residential units and 4,768 square feet of retail space

The Fair Oaks project, which consisted of 12 residential units and 4,750 square feet of commercial space, was rejected. The 20,650 square foot office project was completed in 2008. The 4,140 square foot retail project and the 11-unit residential/retail project are under construction. The project that would have consisted of 49 live-work units was approved, but was not started because of adverse market conditions. Its permits have expired.

Because the City is essentially built out, existing parcels often need to be combined to accommodate new development, and local residents keenly follow matters that will affect traffic and other quality of life issues, the approval process in South Pasadena has to be navigated very carefully.

## OPPORTUNITIES AND CONSTRAINTS FOR FUTURE DEVELOPMENT

Taking into consideration all the factors that would have a bearing on a retail strategy, it has been concluded that a number of aspects of the Mission Street corridor make it, rather than the Fair Oaks corridor, the most likely area on which to focus a new strategy to enhance the City's retail sector.

The Mission Street corridor has the following characteristics that contribute in a positive way to formulating a strategy for future retail development:

- A. Distinctive architectural character
- B. Potential for pedestrian friendly uses

- C. Presence of existing businesses with a design/décor/furnishings orientation or compatibility
- D. Proximity to light rail service at a station near the midpoint of the corridor
- E. Favorable demographics for retailing

Given its status as a busy thoroughfare and in the absence of a substantial assembly of separately owned parcels, The Fair Oaks Avenue corridor would be unlikely to be able to accommodate a new retail strategy to change its current locally serving orientation.

Aspects of the Mission Street corridor that would constitute constraints are the following:

- A. Small parcels and some functionally obsolete improvements
- B. Presence of some property owners that have been resistant to coordinated revitalization efforts
- C. Lack of centralized parking facilities
- D. Lack of direct access or visibility from a freeway
- E. The downward sloping elevation change of the street to the west of the Gold Line station
- F. The presence of the convalescent home west of the Gold Line station

Taken in combination with the opportunities, these constraints should not be disabling to the development of a comprehensive new retail strategy focusing on the Mission Street corridor.

## CITY OWNED PARCELS

The City owned parcel along Mission Street, near the park, is a potentially attractive location for an incubator or multi-tenant type decorator space where a series of small offices or showrooms could be created together with certain common facilities.

Among the common facilities that would enhance the marketing to new decorators and entrepreneurs are a modest-sized conference room with good audio-visuals for presentations and meetings and another equipment room with high speed attractive printing capabilities so as to allow the decorators to create images of their proposed product using high-tech design services without having to underwrite them themselves.

The linear character of the site combined with its adjacency to a park suggests that with some indoor or outdoor seating and lounge areas on either street frontage and a narrow building accommodating showrooms and offices there might be some real opportunity here.

In general, the remaining City owned properties offer very few opportunities. Those at the western end of the City near the freeway suffer from awkward access, limited visibility and very little real opportunity for retail development.

Exhibit 10: Existing Land Use Patterns - Map of Commercial Parcels in the City

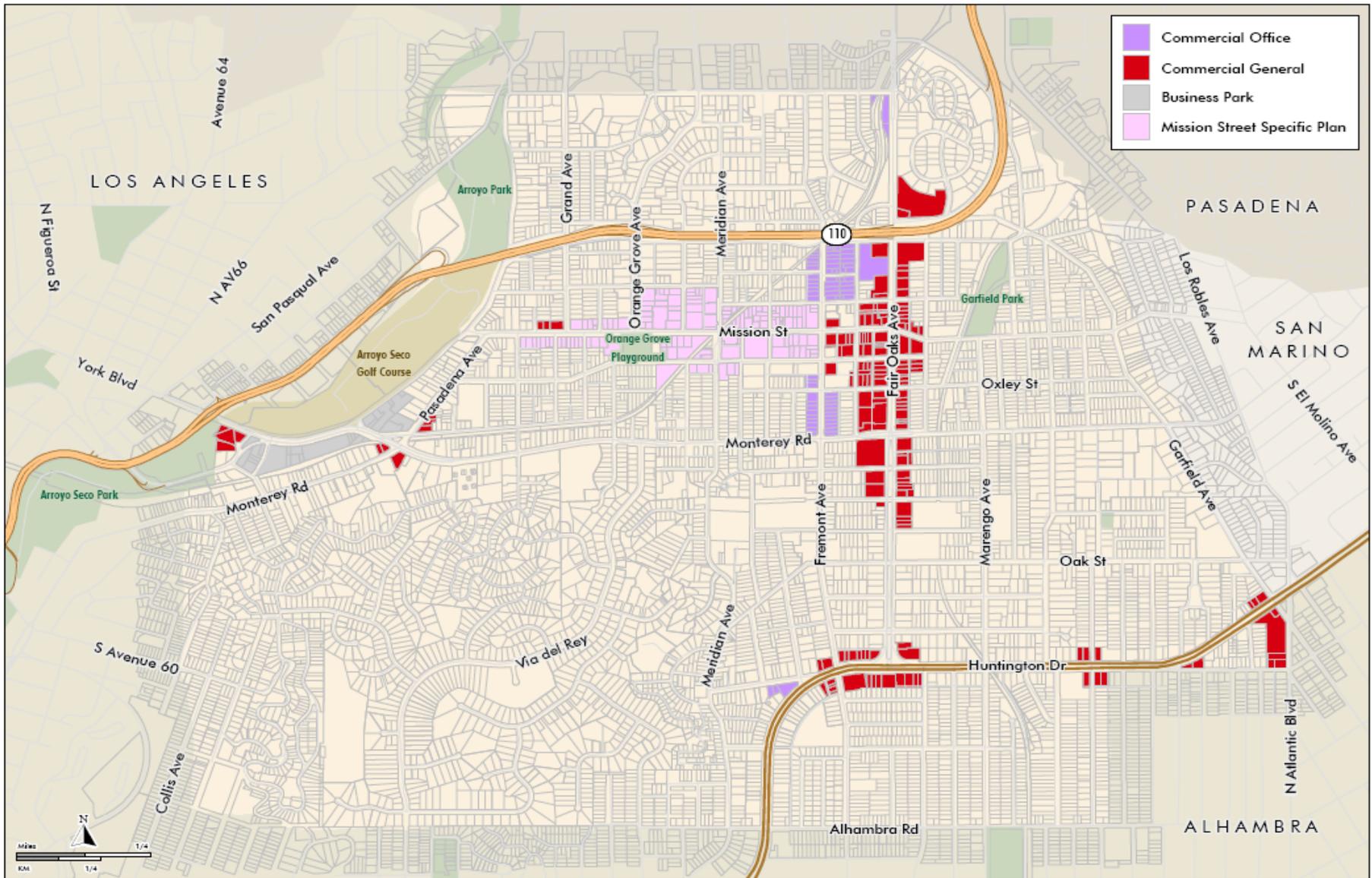


Exhibit 11: Map of Parcels of Interest Including Recently Proposed Developments

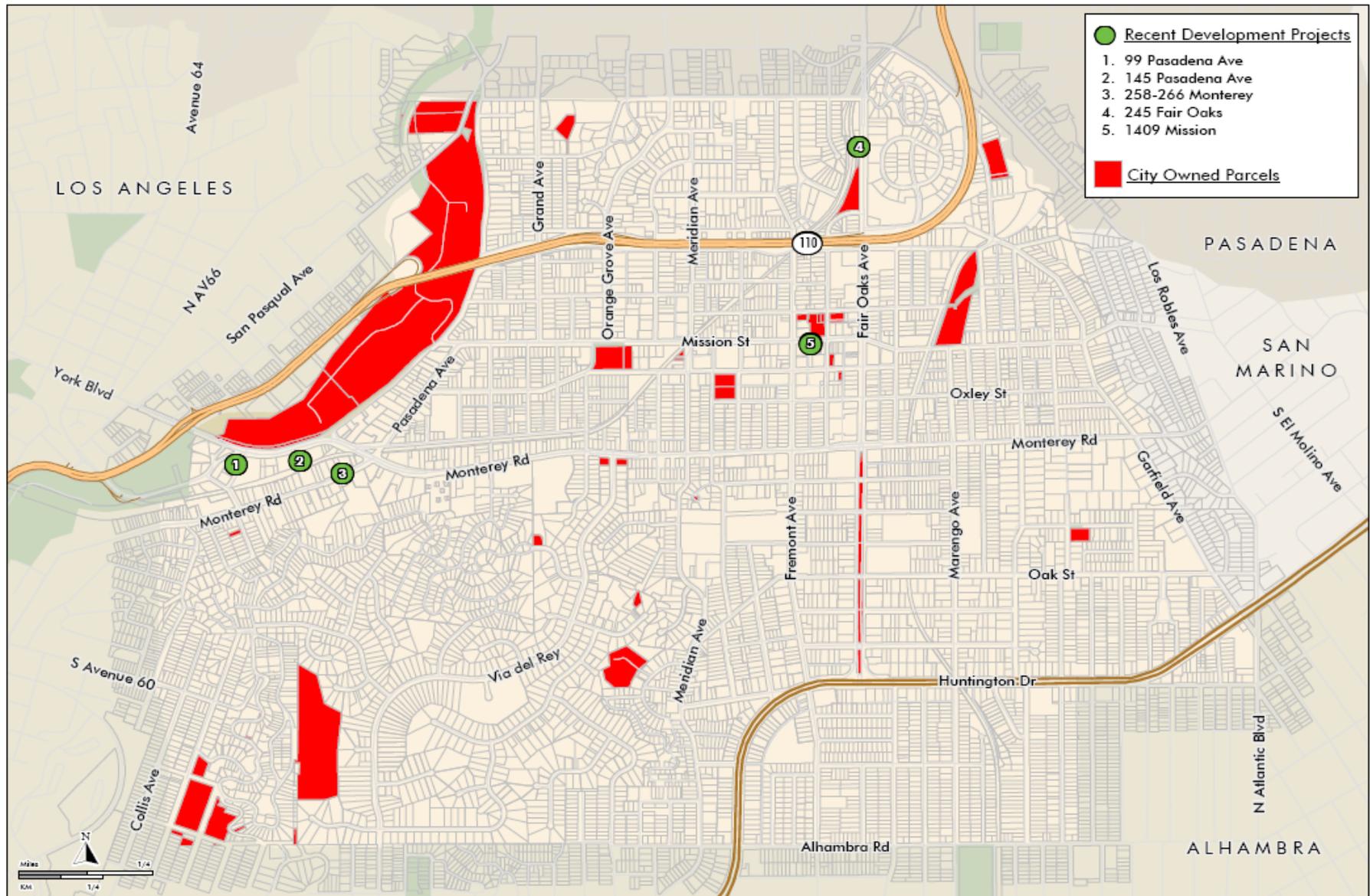
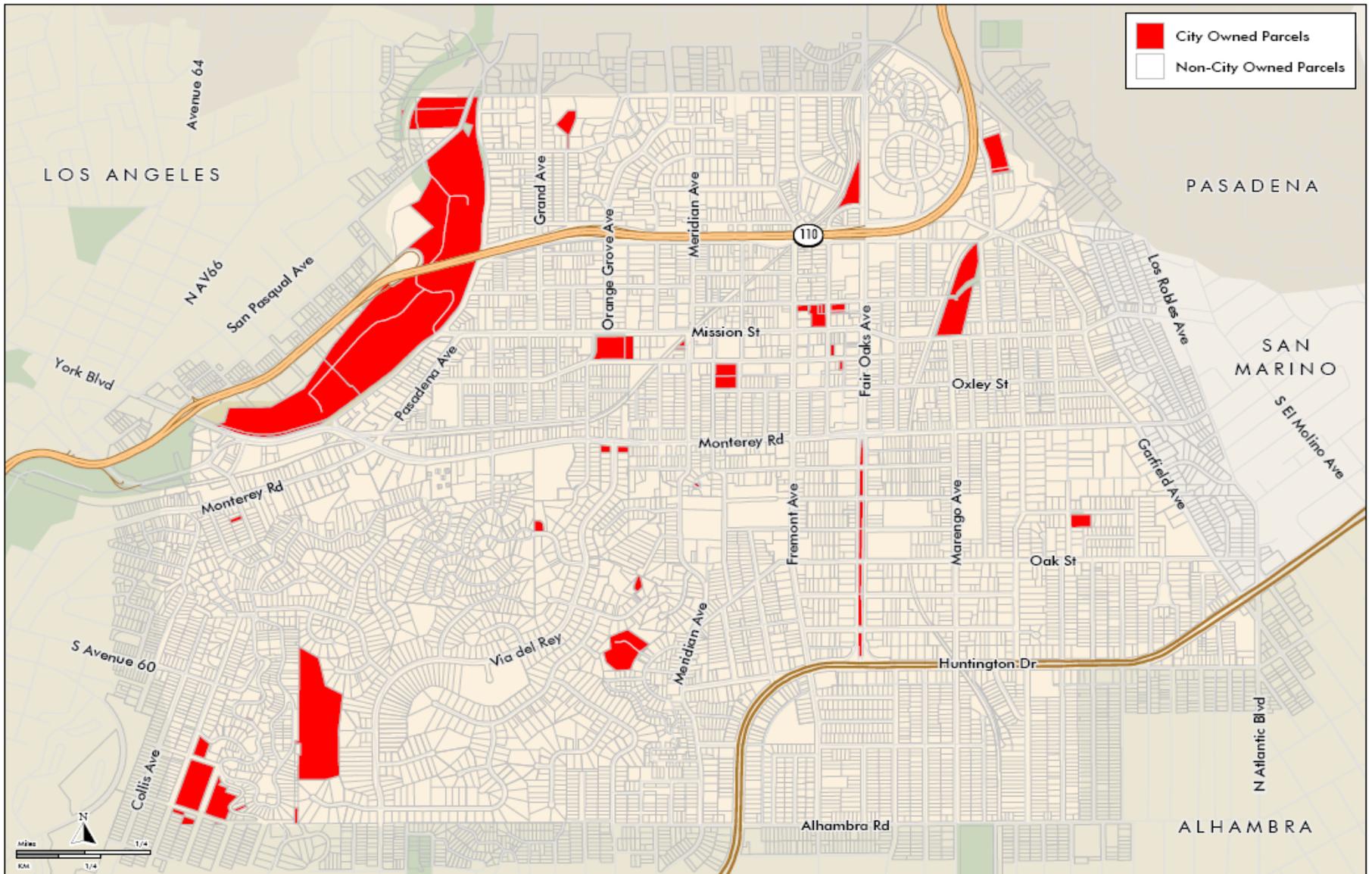


Exhibit 12: Map of City-owned Parcels



# APPENDIX

## APPENDIX EXHIBIT 1: RETAIL OPPORTUNITY GAP BY STORE TYPE

City of South Pasadena – 2009

	City of South Pasadena, CA		
	Demand (Consumer Expenditures)	Supply (Retail Sales)	Opportunity Gap/Surplus
<b>Total Retail Sales &amp; Eating, Drinking Places</b>	\$470,070,235	\$299,968,928	\$170,101,307
<b>Motor Vehicle &amp; Parts Dealers-441</b>	\$73,358,444	\$1,923,339	\$71,435,105
Automotive Dealers-4411	\$62,535,358	\$0	\$62,535,358
Other Motor Vehicle Dealers-4412	\$4,670,428	\$1,668,978	\$3,001,450
Automotive Parts/Accsrs, Tire Stores-4413	\$6,152,658	\$254,361	\$5,898,297
<b>Furniture &amp; Home Furnishings Stores-442</b>	\$11,017,106	\$4,027,367	\$6,989,739
Furniture Stores-4421	\$6,201,207	\$3,322,486	\$2,878,721
Home Furnishing Stores-4422	\$4,815,899	\$704,881	\$4,111,018
<b>Electronics &amp; Appliances Stores-443</b>	\$12,553,298	\$5,708,333	\$6,844,965
Appliance, TVs, Electronics Stores-44311	\$9,385,891	\$5,270,610	\$4,115,281
Household Appliances Stores-443111	\$1,912,599	\$2,400,245	(\$487,646)
Radio, Television, Electronics Stores-443112	\$7,473,292	\$2,870,365	\$4,602,927
Computer & Software Stores-44312	\$2,639,366	\$437,723	\$2,201,643
Camera & Photographic Equipment Stores-44313	\$528,041	\$0	\$528,041
<b>Building Material, Garden Equip Stores -444</b>	\$44,626,113	\$19,922,717	\$24,703,396
Building Material & Supply Dealers-4441	\$40,814,660	\$19,770,587	\$21,044,073
Home Centers-44411	\$17,111,509	\$0	\$17,111,509
Paint & Wallpaper Stores-44412	\$881,670	\$184,081	\$697,589
Hardware Stores-44413	\$3,508,897	\$17,973,702	(\$14,464,805)
Other Building Materials Dealers-44419	\$19,312,584	\$1,612,804	\$17,699,780
Building Materials, Lumberyards-444191	\$7,585,753	\$630,953	\$6,954,800
Lawn, Garden Equipment, Supplies Stores-4442	\$3,811,453	\$152,130	\$3,659,323
Outdoor Power Equipment Stores-44421	\$570,146	\$0	\$570,146
Nursery & Garden Centers-44422	\$3,241,307	\$152,130	\$3,089,177
<b>Food &amp; Beverage Stores-445</b>	\$60,285,597	\$133,203,615	(\$72,918,018)
Grocery Stores-4451	\$54,709,898	\$129,449,409	(\$74,739,511)
Supermarkets, Grocery (Ex Conv) Stores-44511	\$52,164,507	\$129,449,409	(\$77,284,902)
Convenience Stores-44512	\$2,545,391	\$0	\$2,545,391
Specialty Food Stores-4452	\$1,659,362	\$1,418,660	\$240,702
Beer, Wine & Liquor Stores-4453	\$3,916,337	\$2,335,546	\$1,580,791
<b>Health &amp; Personal Care Stores-446</b>	\$23,958,851	\$29,960,577	(\$6,001,726)
Pharmacies & Drug Stores-44611	\$20,495,813	\$26,660,085	(\$6,164,272)
Cosmetics, Beauty Suppls, Perfume Stores-44612	\$849,258	\$1,281,431	(\$432,173)
Optical Goods Stores-44613	\$1,069,816	\$611,011	\$458,805
Other Health & Personal Care Stores-44619	\$1,543,964	\$1,408,050	\$135,914

**Appendix Exhibit 1: Retail Opportunity Gap by Store Type ...continued**  
**City of South Pasadena – 2009**

	City of South Pasadena, CA		
	Demand (Consumer Expenditures)	Supply (Retail Sales)	Opportunity Gap/Surplus
<b>Gasoline Stations-447</b>	\$50,346,188	\$10,462,370	\$39,883,818
Gasoline Stations With Conv Stores-44711	\$37,493,342	\$0	\$37,493,342
Other Gasoline Stations-44719	\$12,852,846	\$10,462,370	\$2,390,476
<b>Clothing &amp; Clothing Accessories Stores-448</b>	\$23,887,944	\$8,274,289	\$15,613,655
Clothing Stores-4481	\$16,853,966	\$6,423,953	\$10,430,013
Men's Clothing Stores-44811	\$1,088,663	\$0	\$1,088,663
Women's Clothing Stores-44812	\$4,344,693	\$1,414,450	\$2,930,243
Children's, Infants' Clothing Stores-44813	\$773,033	\$864,370	(\$91,337)
Family Clothing Stores-44814	\$9,089,294	\$319,803	\$8,769,491
Clothing Accessories Stores-44815	\$427,024	\$3,372,758	(\$2,945,734)
Other Clothing Stores-44819	\$1,131,259	\$452,572	\$678,687
Shoe Stores-4482	\$3,021,692	\$1,161,825	\$1,859,867
Jewelry, Luggage, Leather Goods Stores-4483	\$4,012,286	\$688,511	\$3,323,775
Jewelry Stores-44831	\$3,752,312	\$688,511	\$3,063,801
Luggage & Leather Goods Stores-44832	\$259,974	\$0	\$259,974
<b>Sporting Gds, Hobby, Book, Music Stores-451</b>	\$10,543,923	\$5,005,706	\$5,538,217
Sporting Gds, Hobby, Musical Inst Stores-4511	\$6,922,115	\$2,918,279	\$4,003,836
Sporting Goods Stores-45111	\$3,447,317	\$1,083,410	\$2,363,907
Hobby, Toys & Games Stores-45112	\$2,116,636	\$1,638,806	\$477,830
Sew/Needlework/Piece Goods Stores-45113	\$561,009	\$63,690	\$497,319
Musical Instrument & Supplies Stores-45114	\$797,153	\$132,373	\$664,780
Book, Periodical & Music Stores-4512	\$3,621,808	\$2,087,427	\$1,534,381
Book Stores & News Dealers-45121	\$2,503,240	\$745,255	\$1,757,985
Book Stores-451211	\$2,399,247	\$677,798	\$1,721,449
News Dealers & Newsstands-451212	\$103,993	\$67,457	\$36,536
Prerecorded Tape, CDs, Record Stores-45122	\$1,118,568	\$1,342,172	(\$223,604)
<b>General Merchandise Stores-452</b>	\$63,788,566	\$9,173,803	\$54,614,763
Department Stores Excl Leased Depts-4521	\$31,719,489	\$0	\$31,719,489
Other General Merchandise Stores-4529	\$32,069,077	\$9,173,803	\$22,895,274
Miscellaneous Store Retailers-453	\$10,886,748	\$3,525,829	\$7,360,919
Florists-4531	\$836,529	\$334,110	\$502,419
Office Suppls, Stationery, Gift Stores-4532	\$5,110,860	\$815,417	\$4,295,443
Office Supplies & Stationery Stores-45321	\$2,899,795	\$296,777	\$2,603,018
Gift, Novelty & Souvenir Stores-45322	\$2,211,065	\$518,640	\$1,692,425
Used Merchandise Stores-4533	\$1,158,398	\$781,751	\$376,647
Other Miscellaneous Store Retailers-4539	\$3,780,961	\$1,594,551	\$2,186,410
<b>Non-Store Retailers-454</b>	\$30,676,333	\$4,407,229	\$26,269,104
<b>Foodservice &amp; Drinking Places-722</b>	\$54,141,124	\$64,373,754	(\$10,232,630)
Full-Service Restaurants-7221	\$24,464,497	\$12,857,934	\$11,606,563
Limited-Service Eating Places-7222	\$22,338,961	\$46,582,547	(\$24,243,586)
Special Foodservices-7223	\$4,508,031	\$4,933,273	(\$425,242)
Drinking Places -Alcoholic Beverages-7224	\$2,829,635	\$0	\$2,829,635

## APPENDIX EXHIBIT 2: RETAIL OPPORTUNITY GAP BY MERCHANDISE LINE

### City of South Pasadena – 2009

City of South Pasadena, CA				
	Consumer Demand	Retail Sales	Opportunity	% Potential
<b>Total Retail Sales &amp; Eating, Drinking Places</b>	\$470,070,235	\$299,968,928	\$170,101,307	36.2%
<b>Groceries &amp; Other Foods</b>	63,786,537	103,359,291	(39,572,754)	-62.0%
<b>Meals &amp; Snacks</b>	50,951,423	64,371,911	(13,420,488)	-26.3%
<b>Alcoholic Drinks</b>	7,642,134	2,729,261	4,912,873	64.3%
<b>Packaged Liquor/Wine/Beer</b>	8,707,409	7,190,246	1,517,163	17.4%
<b>Cigars, Cigarettes, Tobacco, Accessories</b>	4,925,272	3,700,106	1,225,166	24.9%
<b>Drugs, Health Aids &amp; Beauty Aids</b>	36,379,020	38,937,188	(2,558,168)	-7.0%
<b>Soaps, Detergents &amp; Household Cleaners</b>	3,164,476	3,965,892	(801,416)	-25.3%
<b>Paper &amp; Related Products</b>	3,077,144	3,803,299	(726,155)	-23.6%
<b>Men's Wear</b>	9,393,117	1,046,425	8,346,692	88.9%
<b>Women's, Juniors' &amp; Misses' Wear</b>	19,628,213	4,968,765	14,659,448	74.7%
<b>Children's Wear</b>	4,348,462	1,234,391	3,114,071	71.6%
<b>Footwear</b>	5,708,279	1,546,164	4,162,115	72.9%
<b>Sewing, Knitting &amp; Needlework Goods</b>	956,189	183,620	772,569	80.8%
<b>Curtains, Draperies, Blinds, Slipcovers Etc</b>	3,717,960	490,857	3,227,103	86.8%
<b>Major Household Appliances</b>	4,315,816	2,390,709	1,925,107	44.6%
<b>Small Electric Appliances</b>	1,567,591	653,569	914,022	58.3%
<b>Televisions, Video Recorders, Video Cameras</b>	6,211,261	2,034,343	4,176,918	67.2%
<b>Audio Equipment, Musical Instruments</b>	6,869,279	2,193,985	4,675,294	68.1%
<b>Furniture &amp; Sleep Equipment</b>	9,287,499	3,846,104	5,441,395	58.6%
<b>Flooring &amp; Floor Coverings</b>	3,937,699	495,488	3,442,211	87.4%
<b>Computer Hardware, Software &amp; Supplies</b>	9,004,506	1,654,728	7,349,778	81.6%
<b>Kitchenware &amp; Home Furnishings</b>	7,941,377	1,975,711	5,965,666	75.1%
<b>Jewelry</b>	7,176,008	1,538,136	5,637,872	78.6%
<b>Books</b>	4,194,604	1,093,175	3,101,429	73.9%
<b>Photographic Equipment &amp; Supplies</b>	1,172,216	362,400	809,816	69.1%
<b>Toys, Hobby Goods &amp; Games</b>	4,743,391	1,791,655	2,951,736	62.2%
<b>Optical Goods</b>	1,487,263	719,294	767,969	51.6%
<b>Sporting Goods</b>	7,033,008	1,865,263	5,167,745	73.5%
<b>RVs, Campers, Camping &amp; Travel Trailers</b>	1,161,319	485,206	676,113	58.2%
<b>Hardware, Tools, Plumbing, Electrical</b>	12,049,320	10,425,895	1,623,425	13.5%
<b>Lawn, Garden, and Farm Equipment &amp; Supplies</b>	8,890,202	4,333,535	4,556,667	51.3%
<b>Lumber &amp; Building Materials</b>	20,227,260	2,363,508	17,863,752	88.3%
<b>Paint &amp; Sundries</b>	2,791,825	2,245,944	545,881	19.6%
<b>Cars, Trucks, Other Powered Transportation</b>	57,944,730	442,116	57,502,614	99.2%
<b>Automotive Fuels</b>	38,657,492	9,371,738	29,285,754	75.8%
<b>Automotive Lubricants</b>	741,430	299,739	441,691	59.6%
<b>Pets, Pet Foods &amp; Pet Supplies</b>	2,257,047	1,806,163	450,884	20.0%
<b>All Other Merchandise</b>	28,022,447	8,053,115	19,969,332	71.3%

### APPENDIX EXHIBIT 3: HOUSEHOLD SEGMENTATION FOR RESIDENT POPULATION City of South Pasadena – 2009

Segments		South Pasadena City Boundaries		Descriptors								
Code	Variable Title	HH Count	HH %Comp	Urbanicity	HH Income	HH Age Range	HH Comp	HH Tenure	HH Education	HH Employment	HH Race & Ethnicity	HH IPA
04	Young Digerati	978	9.08	Urban	Upscale	Age 25-44	Family Mix	Mix, Owners	Graduate Plus	Management	W, A, H, Mix	High
07	Money & Brains	3,201	29.78	Urban	Upscale	Age 45-64	Family Mix	Mostly Owners	Graduate Plus	Management	W, B, A, H, Mix	Elite
16	Bohemian Mix	3,157	29.37	Urban	Upper-Mid	Age <55	Family Mix	Renters	College Grad	White Collar, Mix	W, B, A, H, Mix	Moderate
28	The Cosmopolitans	948	8.80	Urban	Upper-Mid	Age 55+	Mostly w/o Kids	Homeowners	Some College	White Collar, Mix	W, B, A, H, Mix	High
29	American Dreams	1,223	11.38	Urban	Upper-Mid	Age 35-54	Family Mix	Homeowners	College Grad	White Collar, Mix	W, B, A, H, Mix	Above Avg.
<b>South Pasadena Core</b>		<b>9,503</b>	<b>88.41</b>									
01	Upper Crust	68	0.81	Suburban	Wealthy	Age 45-64	HH w/o Kids	Mostly Owners	Graduate Plus	Management	W, A, Mix	Elite
02	Blue Blood Estates	34	0.32	Suburban	Wealthy	Age 45-64	HH w/ Kids	Mostly Owners	Graduate Plus	Management	W, A, Mix	High
03	Movers & Shakers	131	1.22	Suburban	Wealthy	Age 35-64	HH w/o Kids	Mostly Owners	Graduate Plus	Management	W, A, Mix	High
05	Country Squires	0	0.00	Town/Rural	Upscale	Age 35-54	HH w/ Kids	Mostly Owners	Graduate Plus	Management	W	High
06	Winner's Circle	18	0.16	Suburban	Wealthy	Age 35-64	HH w/ Kids	Mostly Owners	Graduate Plus	Management	W, A, Mix	High
08	Executive Suites	18	0.16	Suburban	Upper-Mid	Age <55	HH w/o Kids	Mostly Owners	College Grad	Management	W, A, Mix	Above Avg.
09	Big Fish, Small Pond	0	0.00	Town/Rural	Upscale	Age 45-64	HH w/o Kids	Homeowners	Graduate Plus	Management	W	Elite
10	Second City Elite	0	0.00	Second City	Upscale	Age 45-64	HH w/o Kids	Mostly Owners	Graduate Plus	White Collar, Mix	W	Elite
11	God's Country	0	0.00	Town/Rural	Upscale	Age 35-64	HH w/o Kids	Mostly Owners	Graduate Plus	Management	W	High
12	Brite Lites, L'il City	0	0.00	Second City	Upscale	Age <55	HH w/o Kids	Mostly Owners	College Grad	Professional	W, A, Mix	High
13	Upward Bound	0	0.00	Second City	Upscale	Age 35-54	HH w/ Kids	Mostly Owners	College Grad	Management	W, A, H, Mix	Above Avg.
14	New Empty Nests	43	0.40	Suburban	Upper-Mid	Age 65+	HH w/o Kids	Mostly Owners	Graduate Plus	Mostly Retired	W	Elite
15	Pools & Patios	84	0.78	Suburban	Upper-Mid	Age 45-64	HH w/o Kids	Mostly Owners	College Grad	White Collar, Mix	W, A, Mix	High
17	Beltway Boomers	35	0.33	Suburban	Upper-Mid	Age 45-64	HH w/ Kids	Mostly Owners	College Grad	White Collar, Mix	W, B, A, Mix	Above Avg.
18	Kids & Cul-de-Sacs	17	0.16	Suburban	Upper-Mid	Age 25-44	HH w/ Kids	Mostly Owners	College Grad	White Collar, Mix	W, B, A, H, Mix	Moderate
19	Home Sweet Home	133	1.24	Suburban	Upper-Mid	Age <55	HH w/o Kids	Mostly Owners	College Grad	Professional	W, B, A, Mix	Above Avg.
20	Fast-Track Families	0	0.00	Town/Rural	Upscale	Age 35-54	HH w/ Kids	Mostly Owners	College Grad	Management	W	Above Avg.
21	Gray Power	31	0.29	Suburban	Midscale	Age 65+	HH w/o Kids	Mostly Owners	College Grad	Mostly Retired	W	Above Avg.
22	Young Influentials	131	1.22	Suburban	Midscale	Age <35	HH w/o Kids	Renters	College Grad	WC, Service, Mix	W, B, A, H, Mix	Low
23	Greenbelt Sports	0	0.00	Town/Rural	Upper-Mid	Age <55	HH w/o Kids	Mostly Owners	College Grad	White Collar, Mix	W	Above Avg.
24	Up-and-Comers	0	0.00	Second City	Upper-Mid	Age 25-44	HH w/o Kids	Mix, Renters	College Grad	Professional	W, A, H, Mix	Moderate
25	Country Casuals	0	0.00	Town/Rural	Upscale	Age 45-64	HH w/o Kids	Mostly Owners	College Grad	Management	W	High
27	Middleburg Managers	0	0.00	Second City	Upper-Mid	Age 45-64	HH w/o Kids	Mostly Owners	Some College	White Collar, Mix	W, A, Mix	Above Avg.
28	Traditional Times	0	0.00	Town/Rural	Upper-Mid	Age 55+	HH w/o Kids	Mostly Owners	College Grad	White Collar, Mix	W	High
30	Suburban Sprawl	0	0.00	Suburban	Midscale	Age 45-64	HH w/o Kids	Homeowners	College Grad	White Collar, Mix	W, B, Mix	Moderate
31	Urban Achievers	290	2.70	Urban	Lower-Mid	Age <35	Family Mix	Renters	Some College	WC, Service, Mix	W, B, A, H, Mix	Low
32	New Homesteaders	0	0.00	Town	Upper-Mid	Age 25-44	HH w/ Kids	Mostly Owners	College Grad	WC, Service, Mix	W	Moderate
33	Big Sky Families	0	0.00	Rural	Upper-Mid	Age 25-44	HH w/ Kids	Mostly Owners	Some College	BC, Service, Mix	W	Moderate

\* Median Income :  
 Wealthy -> \$95,000    UpperMid -> \$60,000  
 Upscale -> \$70,000    LowerMid -> \$32,000  
 Midscale -> \$45,000    Downscale -> \$25,000

Appendix Exhibit 3: Household Segmentation for Resident Population ...continued  
 City of South Pasadena – 2009

Segments		South Pasadena City Boundaries		Descriptors								
Code	Variable Title	HH Count	HH %Comp	Urbanicity	HH Income	HH Age Range	HH Comp	HH Tenure	HH Education	HH Employment	HH Race & Ethnicity	HH IPA
34	White Picket Fences	0	0.00	Second City	Upper-Mid	Age 25-44	HH w/ Kids	Mix, Owners	Some College	WC, Service, Mix	W, B, A, H, Mix	Moderate
35	Boomtwn Singles	0	0.00	Second City	Lower-Mid	Age <35	HH w/o Kids	Mix, Renters	Some College	WC, Service, Mix	W, B, H, Mix	Below Avg.
36	Blue-Chip Blues	6	0.06	Suburban	Midscale	Age 25-44	HH w/ Kids	Mix, Owners	Some College	BC, Service, Mix	W, B, A, H, Mix	Below Avg.
37	Mayberry-ville	0	0.00	Town/Rural	Upper-Mid	Age <55	HH w/o Kids	Mostly Owners	Some College	BC, Service, Mix	W	Above Avg.
38	Simple Pleasures	0	0.00	Town/Rural	Lower-Mid	Age 65+	Mostly w/o Kids	Mostly Owners	High School Grad	Mostly Retired	W	Above Avg.
39	Domestic Duos	0	0.00	Suburban	Midscale	Age 65+	HH w/o Kids	Mostly Owners	High School Grad	Mostly Retired	W, B, Mix	Above Avg.
40	Close-In Couples	73	0.68	Urban	Lower-Mid	Age 55+	Mostly w/o Kids	Homeowners	High School Grad	Mostly Retired	W, B, A, H, Mix	Above Avg.
41	Sunset City Blues	0	0.00	Second City	Lower-Mid	Age 55+	Mostly w/o Kids	Homeowners	Some College	Mostly Retired	W, B, Mix	Moderate
42	Red, White & Blues	0	0.00	Town	Lower-Mid	Age <55	HH w/o Kids	Homeowners	Some College	WC, Service, Mix	W	Below Avg.
43	Heartlanders	0	0.00	Town/Rural	Lower-Mid	Age 45-64	Mostly w/o Kids	Mostly Owners	High School Grad	White Collar, Mix	W	Above Avg.
44	New Beginnings	0	0.00	Suburban	Downscale	Age <35	Family Mix	Renters	Some College	WC, Service, Mix	W, B, A, H, Mix	Low
45	Blue Highways	0	0.00	Rural	Lower-Mid	Age <55	HH w/o Kids	Homeowners	High School Grad	BC, Service, Mix	W	Below Avg.
46	Old Glories	5	0.05	Suburban	Downscale	Age 65+	HH w/o Kids	Mix, Renters	Some High School	Mostly Retired	W, B, Mix	Below Avg.
47	City Startups	0	0.00	Second City	Low Income	Age <35	HH w/o Kids	Renters	Some College	WC, Service, Mix	W, B, Mix	Low
48	Young & Rustic	0	0.00	Town/Rural	Lower-Mid	Age <55	HH w/o Kids	Renters	Some College	WC, Service, Mix	W, B, Mix	Low
49	American Classics	6	0.06	Suburban	Downscale	Age 65+	HH w/o Kids	Mostly Owners	High School Grad	Mostly Retired	W	Moderate
50	Kid Country, USA	0	0.00	Town	Lower-Mid	Age 25-44	HH w/ Kids	Mix, Owners	High School Grad	BC, Service, Mix	W, B, H, Mix	Low
51	Shotguns & Pickups	0	0.00	Rural	Lower-Mid	Age 25-44	HH w/ Kids	Mostly Owners	High School Grad	BC, Service, Mix	W	Low
52	Suburban Pioneers	0	0.00	Suburban	Downscale	Age <55	Family Mix	Homeowners	High School Grad	White Collar, Mix	W, B, A, H, Mix	Below Avg.
53	Mobility Blues	0	0.00	Second City	Downscale	Age <55	HH w/o Kids	Mix, Renters	Some College	WC, Service, Mix	W, B, Mix	Low
54	Multi-Culti Mosaic	37	0.34	Urban	Lower-Mid	Age 35-54	Family Mix	Homeowners	Some College	WC, Service, Mix	W, B, A, H, Mix	Below Avg.
55	Golden Ponds	0	0.00	Town/Rural	Downscale	Age 65+	Mostly w/o Kids	Mostly Owners	Some High School	Mostly Retired	W	Below Avg.
56	Crossroads Villagers	0	0.00	Town/Rural	Downscale	Age 45-64	HH w/o Kids	Homeowners	High School Grad	WC, Service, Mix	W, B, Mix	Low
57	Old Milltowns	0	0.00	Town	Downscale	Age 55+	Mostly w/o Kids	Mix, Owners	Some High School	Mostly Retired	W, B, Mix	Below Avg.
58	Back Country Folks	0	0.00	Rural	Downscale	Age 55+	Mostly w/o Kids	Mostly Owners	Some High School	Mostly Retired	W, B, Mix	Below Avg.
59	Urban Elders	79	0.73	Urban	Low Income	Age 55+	Mostly w/o Kids	Renters	Some High School	Mostly Retired	W, B, A, H, Mix	Below Avg.
60	Park Bench Seniors	0	0.00	Second City	Low Income	Age 55+	Mostly w/o Kids	Renters	Some High School	Mostly Retired	W, B, A, Mix	Low
61	City Roots	13	0.12	Urban	Downscale	Age 65+	Mostly w/o Kids	Homeowners	Some High School	Mostly Retired	W, B, H, Mix	Below Avg.
62	Hometown Retired	0	0.00	Second City	Downscale	Age 65+	HH w/o Kids	Homeowners	High School Grad	Mostly Retired	W, B, Mix	Below Avg.
63	Family Thrifts	0	0.00	Second City	Lower-Mid	Age 25-44	HH w/ Kids	Mix, Renters	High School Grad	WC, Service, Mix	W, B, A, H, Mix	Low
64	Bedrock America	0	0.00	Town/Rural	Downscale	Age <55	HH w/ Kids	Mix, Renters	High School Grad	WC, Service, Mix	W, B, H, Mix	Low
65	Big City Blues	0	0.00	Urban	Lower-Mid	Age <55	Family Mix	Renters	High School Grad	WC, Service, Mix	W, B, A, H, Mix	Low
66	Low-Rise Living	0	0.00	Urban	Low Income	Age <55	Mostly w/ Kids	Renters	Some High School	WC, Service, Mix	W, B, A, H, Mix	Low
Other Segments		1,246	11.59									
Total		10,749	100.00									

## APPENDIX EXHIBIT 4: HOUSEHOLD SEGMENTATION FOR WORKPLACE POPULATION

### City of South Pasadena – 2009

Segments		SOUTH PASADENA Workplace		Descriptors								
Code	Variable Title	Count	%Comp	Urbanicity	HH Income	HH Age Range	HH Comp	HH Tenure	HH Education	HH Employment	HH Race & Ethnicity	HH IPA
01	Upper Crust WP	747	7.94	Suburban	Wealthy	Age 45-64	HH w/o Kids	Mostly Owners	Graduate Plus	Management	W, A, Mix	Elite
03	Movers & Shakers WP	382	4.06	Suburban	Wealthy	Age 35-54	HH w/o Kids	Mostly Owners	Graduate Plus	Management	W, A, Mix	High
04	Young Digerati WP	343	3.64	Urban	Upscale	Age 25-44	Family Mix	Mix, Owners	Graduate Plus	Management	W, A, H, Mix	High
07	Money & Brains WP	1,188	12.80	Urban	Upscale	Age 45-64	Family Mix	Mostly Owners	Graduate Plus	Management	W, B, A, H, Mix	Elite
16	Bohemian Mix WP	1,594	16.93	Urban	Upper-Mid	Age <55	Family Mix	Renters	College Grad	White Collar, Mix	W, B, A, H, Mix	Moderate
29	American Dreams WP	929	9.87	Urban	Upper-Mid	Age 35-54	Family Mix	Homeowners	College Grad	White Collar, Mix	W, B, A, H, Mix	Above Avg.
31	Urban Achievers WP	305	3.24	Urban	Lower-Mid	Age <35	Family Mix	Renters	Some College	WC, Service, Mix	W, B, A, H, Mix	Low
54	Multi-Culti Mosaic WP	422	4.48	Urban	Lower-Mid	Age 35-54	Family Mix	Homeowners	Some College	WC, Service, Mix	W, B, A, H, Mix	Below Avg.
66	Low-Rise Living WP	344	3.65	Urban	Low Income	Age <55	Mostly w/ Kids	Renters	Some High School	WC, Service, Mix	W, B, A, H, Mix	Low
<b>South Pasadena WP</b>		<b>6,251</b>	<b>66.42</b>									
02	Blue Blood Estates WP	105	1.12	Suburban	Wealthy	Age 45-64	HH w/ Kids	Mostly Owners	Graduate Plus	Management	W, A, Mix	High
05	Country Squires WP	18	0.19	Town/Rural	Upscale	Age 35-54	HH w/ Kids	Mostly Owners	Graduate Plus	Management	W	High
08	Winner's Circle WP	81	0.86	Suburban	Wealthy	Age 35-54	HH w/ Kids	Mostly Owners	Graduate Plus	Management	W, A, Mix	High
08	Executive Suites WP	125	1.33	Suburban	Upper-Mid	Age <55	HH w/o Kids	Mostly Owners	College Grad	Management	W, A, Mix	Above Avg.
09	Big Fish, Small Pond WP	38	0.40	Town/Rural	Upscale	Age 45-64	HH w/o Kids	Homeowners	Graduate Plus	Management	W	Elite
10	Second City Elite WP	88	0.72	Second City	Upscale	Age 45-64	HH w/o Kids	Mostly Owners	Graduate Plus	White Collar, Mix	W	Elite
11	God's Country WP	15	0.16	Town/Rural	Upscale	Age 35-54	HH w/o Kids	Mostly Owners	Graduate Plus	Management	W	High
12	Brite Lites, L'il City WP	272	2.89	Second City	Upscale	Age <55	HH w/o Kids	Mostly Owners	College Grad	Professional	W, A, Mix	High
13	Upward Bound WP	129	1.37	Second City	Upscale	Age 35-54	HH w/ Kids	Mostly Owners	College Grad	Management	W, A, H, Mix	Above Avg.
14	New Empty Nests WP	110	1.17	Suburban	Upper-Mid	Age 65+	HH w/o Kids	Mostly Owners	Graduate Plus	Mostly Retired	W	Elite
15	Pools & Patios WP	98	1.04	Suburban	Upper-Mid	Age 45-64	HH w/o Kids	Mostly Owners	College Grad	White Collar, Mix	W, A, Mix	High
17	Beltway Boomers WP	91	0.97	Suburban	Upper-Mid	Age 45-64	HH w/ Kids	Mostly Owners	College Grad	White Collar, Mix	W, B, A, Mix	Above Avg.
18	Kids & Cul-de-sacs WP	37	0.39	Suburban	Upper-Mid	Age 25-44	HH w/ Kids	Mostly Owners	College Grad	White Collar, Mix	W, B, A, H, Mix	Moderate
19	Home Sweet Home WP	125	1.33	Suburban	Upper-Mid	Age <55	HH w/o Kids	Mostly Owners	College Grad	Professional	W, B, A, Mix	Above Avg.
20	Fast-Track Families WP	0	0.00	Town/Rural	Upscale	Age 35-54	HH w/ Kids	Mostly Owners	College Grad	Management	W	Above Avg.
21	Gray Power WP	54	0.57	Suburban	Midscale	Age 65+	HH w/o Kids	Mostly Owners	College Grad	Mostly Retired	W	Above Avg.
22	Young Influentials WP	243	2.58	Suburban	Midscale	Age <35	HH w/o Kids	Renters	College Grad	WC, Service, Mix	W, B, A, H, Mix	Low
23	Greenbelt Sports WP	0	0.00	Town/Rural	Upper-Mid	Age <55	HH w/o Kids	Mostly Owners	College Grad	White Collar, Mix	W	Above Avg.
24	Up-and-Comers WP	103	1.09	Second City	Upper-Mid	Age 25-44	HH w/o Kids	Mix, Renters	College Grad	Professional	W, A, H, Mix	Moderate
25	Country Casuals WP	0	0.00	Town/Rural	Upscale	Age 45-64	HH w/o Kids	Mostly Owners	College Grad	Management	W	High
26	The Cosmopolitans WP	208	2.21	Urban	Upper-Mid	Age 55+	Mostly w/o Kids	Homeowners	Some College	White Collar, Mix	W, B, A, H, Mix	High
27	Middleburg Managers WP	52	0.55	Second City	Upper-Mid	Age 45-64	HH w/o Kids	Mostly Owners	Some College	White Collar, Mix	W, A, Mix	Above Avg.
28	Traditional Times WP	0	0.00	Town/Rural	Upper-Mid	Age 55+	HH w/o Kids	Mostly Owners	College Grad	White Collar, Mix	W	High
30	Suburban Sprawl WP	6	0.06	Suburban	Midscale	Age 45-64	HH w/o Kids	Homeowners	College Grad	White Collar, Mix	W, B, Mix	Moderate
32	New Homesteaders WP	0	0.00	Town	Upper-Mid	Age 25-44	HH w/ Kids	Mostly Owners	College Grad	WC, Service, Mix	W	Moderate

Median Income :

Wealthy - >=\$95,000    Upper/Mid - >=\$60,000

Upscale - >=\$70,000    Lower/Mid - >=\$32,000

Midscale - >=\$45,000    Downscale - >=\$25,000

**Appendix Exhibit 4: Household Segmentation for Workplace Population ...continued**  
**City of South Pasadena – 2009**

Segments		SOUTH PASADENA Workplace		Descriptors								
Code	Variable Title	Count	%Comp	Urbanicity	HH Income	HH Age Range	HH Comp	HH Tenure	HH Education	HH Employment	HH Race & Ethnicity	HH IPA
33	Big Sky Families WP	0	0.00	Rural	Upper-Mid	Age 25-44	HH w/ Kids	Mostly Owners	Some College	BC, Service, Mix	W	Moderate
34	White Picket Fences WP	133	1.41	Second City	Upper-Mid	Age 25-44	HH w/ Kids	Mix, Owners	Some College	WC, Service, Mix	W, B, A, H, Mix	Moderate
35	Boontown Singles WP	74	0.79	Second City	Lower-Mid	Age <35	HH w/o Kids	Mix, Renters	Some College	WC, Service, Mix	W, B, H, Mix	Below Avg.
36	Blue-Chip Blues WP	120	1.27	Suburban	Midscale	Age 25-44	HH w/ Kids	Mix, Owners	Some College	BC, Service, Mix	W, B, A, H, Mix	Below Avg.
37	Mayberry-ville WP	0	0.00	Town/Rural	Upper-Mid	Age <55	HH w/o Kids	Mostly Owners	Some College	BC, Service, Mix	W	Above Avg.
38	Simple Pleasures WP	0	0.00	Town/Rural	Lower-Mid	Age 65+	Mostly w/o Kids	Mostly Owners	High School Grad	Mostly Retired	W	Above Avg.
39	Domestic Duos WP	41	0.44	Suburban	Midscale	Age 65+	HH w/o Kids	Mostly Owners	High School Grad	Mostly Retired	W, B, Mix	Above Avg.
40	Close-In Couples WP	102	1.08	Urban	Lower-Mid	Age 55+	Mostly w/o Kids	Homeowners	High School Grad	Mostly Retired	W, B, A, H, Mix	Above Avg.
41	Sunset City Blues WP	15	0.16	Second City	Lower-Mid	Age 55+	Mostly w/o Kids	Homeowners	Some College	Mostly Retired	W, B, Mix	Moderate
42	Red, White & Blues WP	0	0.00	Town	Lower-Mid	Age <55	HH w/o Kids	Homeowners	Some College	WC, Service, Mix	W	Below Avg.
43	Heartlanders WP	0	0.00	Town/Rural	Lower-Mid	Age 45-84	Mostly w/o Kids	Mostly Owners	High School Grad	White Collar, Mix	W	Above Avg.
44	New Beginnings WP	22	0.23	Suburban	Downscale	Age <35	Family Mix	Renters	Some College	WC, Service, Mix	W, B, A, H, Mix	Low
45	Blue Highways WP	0	0.00	Rural	Lower-Mid	Age <55	HH w/o Kids	Homeowners	High School Grad	BC, Service, Mix	W	Below Avg.
46	Old Glories WP	10	0.11	Suburban	Downscale	Age 65+	HH w/o Kids	Mix, Renters	Some High School	Mostly Retired	W, B, Mix	Below Avg.
47	City Startups WP	8	0.08	Second City	Low Income	Age <35	HH w/o Kids	Renters	Some College	WC, Service, Mix	W, B, Mix	Low
48	Young & Rustic WP	0	0.00	Town/Rural	Lower-Mid	Age <55	HH w/o Kids	Renters	Some College	WC, Service, Mix	W, B, Mix	Low
49	American Classics WP	2	0.02	Suburban	Downscale	Age 65+	HH w/o Kids	Mostly Owners	High School Grad	Mostly Retired	W	Moderate
50	Kid Country, USA WP	0	0.00	Town	Lower-Mid	Age 25-44	HH w/ Kids	Mix, Owners	High School Grad	BC, Service, Mix	W, B, H, Mix	Low
51	Shotguns & Pickups WP	0	0.00	Rural	Lower-Mid	Age 25-44	HH w/ Kids	Mostly Owners	High School Grad	BC, Service, Mix	W	Low
52	Suburban Pioneers WP	19	0.20	Suburban	Downscale	Age <55	Family Mix	Homeowners	High School Grad	White Collar, Mix	W, B, A, H, Mix	Below Avg.
53	Mobility Blues WP	0	0.00	Second City	Downscale	Age <55	HH w/o Kids	Mix, Renters	Some College	WC, Service, Mix	W, B, Mix	Low
55	Golden Ponds WP	0	0.00	Town/Rural	Downscale	Age 65+	Mostly w/o Kids	Mostly Owners	Some High School	Mostly Retired	W	Below Avg.
56	Crossroads Villagers WP	0	0.00	Town/Rural	Downscale	Age 45-84	HH w/o Kids	Homeowners	High School Grad	WC, Service, Mix	W, B, Mix	Low
57	Old Milltowns WP	0	0.00	Town	Downscale	Age 55+	Mostly w/o Kids	Mix, Owners	Some High School	Mostly Retired	W, B, Mix	Below Avg.
58	Back Country Folks WP	0	0.00	Rural	Downscale	Age 55+	Mostly w/o Kids	Mostly Owners	Some High School	Mostly Retired	W, B, Mix	Below Avg.
59	Urban Elders WP	148	1.57	Urban	Low Income	Age 55+	Mostly w/o Kids	Renters	Some High School	Mostly Retired	W, B, A, H, Mix	Below Avg.
60	Park Bench Seniors WP	77	0.82	Second City	Low Income	Age 55+	Mostly w/o Kids	Renters	Some High School	Mostly Retired	W, B, A, Mix	Low
61	City Roots WP	70	0.74	Urban	Downscale	Age 65+	Mostly w/o Kids	Homeowners	Some High School	Mostly Retired	W, B, H, Mix	Below Avg.
62	Hometown Retired WP	1	0.01	Second City	Downscale	Age 65+	HH w/o Kids	Homeowners	High School Grad	Mostly Retired	W, B, Mix	Below Avg.
63	Family Thrifts WP	172	1.83	Second City	Lower-Mid	Age 25-44	HH w/ Kids	Mix, Renters	High School Grad	WC, Service, Mix	W, B, A, H, Mix	Low
64	Bedrock America WP	0	0.00	Town/Rural	Downscale	Age <55	HH w/ Kids	Mix, Renters	High School Grad	WC, Service, Mix	W, B, H, Mix	Low
65	Big City Blues WP	171	1.82	Urban	Lower-Mid	Age <55	Family Mix	Renters	High School Grad	WC, Service, Mix	W, B, A, H, Mix	Low
Other Segments		3,160	33.58									
Total		9,411	100.00									

## APPENDIX EXHIBIT 5: RETAILER RANKING BY STORE TYPE CATEGORY

### City of South Pasadena – 2009

LifeStyler Attribute Title	HH Index	WP Index	Category
Shop at Bloomingdales, 3mo (A)	295	228	Department
Shop at Nordstrom, 3mo (A)	287	210	Department
Shop at Saks Fifth Ave, 3mo (A)	250	208	Department
Shop at Neiman Marcus, 3mo (A)	246	198	Department
Shop at Lord & Taylor, 3mo (A)	229	187	Department
Shop at Macy's, 3mo (A)	187	159	Department
Shop at Sears, 3mo (A)	120	111	Department
Shop at Kohl's, 3mo (A)	100	104	Department
Shop at JCPenney, 3mo (A)	95	98	Department
Shop at Harris Teeter, 1mo (A)	70	81	Department
Shop at Marshall's, 3mo (A)	170	163	Disc Department
Shop at TJ Maxx, 3mo (A)	138	128	Disc Department
Shop at Target, 3mo (A)	136	128	General Merch
Shop at Kmart, 3mo (A)	94	98	General Merch
Shop at Wal-Mart, 3mo (A)	79	88	General Merch
Shop at Wal-Mart Super Center, 1mo (A)	54	68	General Merch
Shop at Banana Republic, 3mo (A)	244	190	Apparel
Shop at The Gap, 3mo (A)	203	160	Apparel
Shop at Express, 3mo (A)	200	168	Apparel
Shop at Ann Taylor, 3mo (A)	188	170	Apparel
Shop at Eddie Bauer, 3mo (A)	158	143	Apparel
Shop at Victoria's Secret, 3mo (A)	153	142	Apparel
Shop at The Limited, 3mo (A)	148	135	Apparel
Shop at Old Navy, 3mo (A)	137	128	Apparel
Shop at Talbots, 3mo (A)	132	131	Apparel
Shop at Lane Bryant, 3mo (A)	121	111	Apparel
Shop at Disney Store, 3mo (A)	157	137	Toy/Games
Shop at Circuit City, 1yr (A)	150	135	Electronics
Shop at Best Buy, 1yr (A)	144	133	Electronics
Shop at Radio Shack, 1yr (A)	127	118	Electronics
Shop at Crate & Barrel, 3mo (A)	231	191	Home Furnishings
Shop at IKEA, 1yr (A)	204	174	Home Furnishings
Shop at The Bombay Company, 1yr (A)	157	145	Home Furnishings
Shop at Pottery Barn, 3mo (A)	150	141	Home Furnishings
Shop at Bed Bath & Beyond, 3mo (A)	124	118	Home Furnishings
Shop at Thomasville, 1yr (A)	124	132	Home Furnishings
Shop at Ethan Allen Galleries, 1yr (A)	113	121	Home Furnishings
Shop at Home Depot, 1yr (A)	130	122	Home Improvement
Shop at Sears Hardware, 1yr (A)	114	108	Home Improvement
Shop at Acme, 1mo (A)	113	138	Home Improvement
Shop at Ace Hardware, 1yr (A)	100	97	Home Improvement
Shop at Sherwin Williams, 1yr (A)	93	90	Home Improvement
Shop at Lowe's, 1yr (A)	88	91	Home Improvement
Shop at True Value, 1yr (A)	73	74	Home Improvement

LifeStyler Attribute Title	HH Index	WP Index	Category
Shop at Pathmark, 1mo (A)	321	240	Grocery
Shop at Ralphs, 1mo (A)	319	238	Grocery
Shop at White Hen, 6mo (A)	245	180	Grocery
Shop at Vons, 1mo (A)	209	194	Grocery
Shop at Safeway, 1mo (A)	183	150	Grocery
Shop at Albertson's, 1mo (A)	165	146	Grocery
Shop at Foodtown, 1mo (A)	163	159	Grocery
Shop at Smith's, 1mo (A)	124	112	Grocery
Shop at Shoppers Food Warehouse, 1mo (A)	122	135	Grocery
Shop at Wawa, 6mo (A)	103	120	Grocery
Shop at Giant, 1mo (A)	93	113	Grocery
Shop at Giant Eagle, 1mo (A)	85	105	Grocery
Shop at 7-Eleven, 1mo (A)	182	163	Convenience
Shop at Stop 'N Shop, 1mo (A)	175	150	Convenience
Shop at 7-Eleven, 6mo (A)	174	155	Convenience
Shop at A&P, 1mo (A)	164	135	Convenience
Shop at Aroo AM/PM, 6mo (A)	142	138	Convenience
Shop at Circle K, 6mo (A)	90	98	Convenience
Shop at Stop-N-Go, 6mo (A)	90	97	Convenience
Shop at Longs Drug Store, 6mo (A)	245	188	Pharmacy
Shop at Rite-Aid, 6mo (A)	172	145	Pharmacy
Shop at CVS Pharmacy, 6mo (A)	125	122	Pharmacy
Shop at Walgreens, 6mo (A)	124	121	Pharmacy
Shop at Wal-Mart Pharmacy, 6mo (A)	55	65	Pharmacy
Shop at Costco Wholesale Club, 1mo (A)	193	163	Warehouse
Shop at Costco, 6mo (A)	192	163	Warehouse
Shop at BJ's Wholesale Club, 1mo (A)	157	135	Warehouse
Shop at BJ's Wholesale Club, 6mo (A)	153	132	Warehouse
Shop at Sam's Club, 6mo (A)	77	89	Warehouse
Shop at Sam's Wholesale Club, 1mo (A)	77	89	Warehouse
Shop at Comp USA, 1yr (A)	199	170	Office Supply
Shop at Kinko's, 1yr (A)	199	168	Office Supply
Shop at Staples, 1yr (A)	159	138	Office Supply
Shop at Office Depot, 1yr (A)	134	126	Office Supply
Shop at Office Max, 1yr (A)	119	117	Office Supply

Appendix Exhibit 5: Retailer Ranking by Store Type Category ...continued  
City of South Pasadena – 2009

LifeStyler Attribute Title	HH Index	WP Index	Category	LifeStyler Attribute Title	HH Index	WP Index	Category
<b>RESTAURANTS</b>							
Buy from Chevy's, 8mo (A)	250	188	Family Style	Buy from Au Bon Pain, 8mo (A)	232	195	Fast Casual
Buy from California Pizza Kitchen, 8mo (A)	243	192	Family Style	Buy from Au Bon Pain, 1mo (A)	223	200	Fast Casual
Buy from California Pizza Kitchen, 1mo (A)	233	191	Family Style	Buy from Chipotle, 8mo (A)	186	189	Fast Casual
Buy from Sizzler Family Steakhouse, 8mo (A)	232	171	Family Style	Buy from Chipotle, 1mo (A)	185	188	Fast Casual
Buy from Round Table Pizza, 8mo (A)	228	184	Family Style	Buy from Einstein Bros, 8mo (A)	183	176	Fast Casual
Buy from Sizzler Family Steakhouse, 1mo (A)	225	162	Family Style	Buy from Boston Market, 1mo (A)	182	180	Fast Casual
Buy from Benihana, 8mo (A)	220	191	Family Style	Buy From Starbucks, 1mo (A)	179	164	Fast Casual
Buy from Cheesecake Factory, 8mo (A)	196	167	Family Style	Buy From Starbucks, 8mo (A)	177	153	Fast Casual
Buy from Ruth's Chris Steak House, 8mo (A)	188	170	Family Style	Buy from Boston Market, 8mo (A)	176	166	Fast Casual
Buy from Cheesecake Factory, 1mo (A)	184	162	Family Style	Buy from Einstein Bros, 1mo (A)	167	184	Fast Casual
Buy from Houlihan's, 8mo (A)	185	165	Family Style	Buy from Fuddrucker's, 8mo (A)	139	129	Fast Casual
Buy from Houlihan's, 1mo (A)	167	169	Family Style	Buy from Fuddrucker's, 1mo (A)	122	119	Fast Casual
Buy from Bertucci's, 1mo (A)	155	162	Family Style	Buy From Baja Fresh Mexican Grill, 8mo (A)	238	193	Fast Food
Buy from Romano's Macaroni Grill, 8mo (A)	150	141	Family Style	Buy From Baja Fresh Mexican Grill, 1mo (A)	227	185	Fast Food
Buy from Bertucci's, 8mo (A)	149	148	Family Style	Buy from Carl's Jr., 8mo (A)	216	181	Fast Food
Buy from Romano's Macaroni Grill, 1mo (A)	144	141	Family Style	Buy from Del Taco, 1mo (A)	215	182	Fast Food
Buy from Bennigan's, 8mo (A)	139	135	Family Style	Buy from Carl's Jr., 1mo (A)	208	172	Fast Food
Buy from IHOP, 1mo (A)	137	129	Family Style	Buy from Del Taco, 8mo (A)	208	176	Fast Food
Buy from IHOP, 8mo (A)	136	128	Family Style	Buy from Wienerschnitzel, 8mo (A)	205	166	Fast Food
Buy from T.G.I. Friday's, 8mo (A)	136	131	Family Style	Buy from Wienerschnitzel, 1mo (A)	201	184	Fast Food
Buy from T.G.I. Friday's, 1mo (A)	135	133	Family Style	Buy from White Castle, 8mo (A)	183	162	Fast Food
Buy from Joe's Crab Shack, 8mo (A)	130	121	Family Style	Buy from White Castle, 1mo (A)	180	180	Fast Food
Buy from Denny's, 1mo (A)	128	120	Family Style	Buy from Dunkin Donuts, 1mo (A)	169	147	Fast Food
Buy from Joe's Crab Shack, 1mo (A)	126	112	Family Style	Buy from Dunkin Donuts, 8mo (A)	164	145	Fast Food
Buy from Denny's, 8mo (A)	125	118	Family Style	Buy from Jack-in-the-Box, 1mo (A)	154	141	Fast Food
Buy from Family Restaurant, Child Decides, 8mo (A)	120	113	Family Style	Buy from Popeyes, 8mo (A)	149	139	Fast Food
Buy from Steak N Ale, 8mo (A)	119	110	Family Style	Buy from Popeyes, 1mo (A)	146	135	Fast Food
Buy from Red Lobster, 8mo (A)	113	108	Family Style	Buy from Jack-in-the-Box, 8mo (A)	145	136	Fast Food
Buy from Chili's Grill & Bar, 8mo (A)	112	114	Family Style	Buy from Quiznos, 8mo (A)	139	130	Fast Food
Buy from Family Restaurant/Steakhouse, 8mo (A)	112	109	Family Style	Buy from Blimpie Subs & Salads, 8mo (A)	129	126	Fast Food
Buy from Outback Steakhouse, 8mo (A)	112	107	Family Style	Buy from Bob's Big Boy, 8mo (A)	129	124	Fast Food
Buy from Hooters, 8mo (A)	110	110	Family Style	Buy from Bob's Big Boy, 1mo (A)	125	119	Fast Food
Buy from Family Restaurant/Steakhouse, 1mo (A)	109	107	Family Style	Buy from Chuck E Cheese, 8mo (A)	125	128	Fast Food
Buy from Outback Steakhouse, 1mo (A)	109	107	Family Style	Buy from Quiznos, 1mo (A)	124	121	Fast Food
Buy from Chili's Grill & Bar, 1mo (A)	108	111	Family Style	Buy from Taco Time, 8mo (A)	122	116	Fast Food
Buy from Olive Garden, 8mo (A)	107	109	Family Style	Buy from Domino's Pizza, 8mo (A)	119	116	Fast Food
Buy from Bennigan's, 1mo (A)	106	121	Family Style	Buy from Mexican Fast Food Restaurant, 8mo (A)	116	113	Fast Food
Buy from Applebee's, 8mo (A)	105	104	Family Style	Buy from Chuck E Cheese, 1mo (A)	114	121	Fast Food
Buy from Red Lobster, 1mo (A)	105	101	Family Style	Buy from Blimpie Subs & Salads, 1mo (A)	113	113	Fast Food
Buy from Applebee's, 1mo (A)	101	103	Family Style	Buy from Little Caesar's, 1mo (A)	113	117	Fast Food
Buy from Olive Garden, 1mo (A)	98	104	Family Style	Buy from Fast Food Restaurant, Child Decides, 8mo (A)	112	109	Fast Food
Buy from Hooters, 1mo (A)	91	108	Family Style	Buy from Domino's Pizza, 1mo (A)	111	109	Fast Food
				Buy from Papa John's, 8mo (A)	111	109	Fast Food
				Buy from Subway, 8mo (A)	111	108	Fast Food

Appendix Exhibit 5: Retailer Ranking by Store Type Category ...continued  
City of South Pasadena – 2009

LifeStyler Attribute Title	HH Index	WP Index	Category
Buy from Any Fast Food Restaurant, 1mo (A)	110	108	Fast Food
Buy from Any Fast Food Restaurants, 6mo (A)	110	107	Fast Food
Buy from Pancake/Doughnut/Ice Cream Restaurant	110	104	Fast Food
Buy from Subway, 1mo (A)	109	108	Fast Food
Buy from Fast Food Burger Restaurant, 6mo (A)	108	108	Fast Food
Buy From Krispy Kreme Doughnuts, 6mo (A)	108	103	Fast Food
Buy from Little Caesar's, 6mo (A)	108	113	Fast Food
Buy from McDonald's, 6mo (A)	108	107	Fast Food
Buy from Taco Time, 1mo (A)	107	108	Fast Food
Buy from Fast Food Pizza Restaurant, 6mo (A)	106	105	Fast Food
Buy from McDonald's, 1mo (A)	106	105	Fast Food
Buy from Taco Bell, 6mo (A)	104	103	Fast Food
Buy From Krispy Kreme Doughnuts, 1mo (A)	103	102	Fast Food
Buy from Rally's, 6mo (A)	103	110	Fast Food
Buy from Checkers, 6mo (A)	101	103	Fast Food
Buy from Papa John's, 1mo (A)	100	105	Fast Food
Buy from Burger King, 6mo (A)	99	101	Fast Food
Buy from KFC, 6mo (A)	99	98	Fast Food
Buy from Checkers, 1mo (A)	98	99	Fast Food
Buy from KFC, 1mo (A)	98	98	Fast Food
Buy from Taco Bell, 1mo (A)	98	99	Fast Food
Buy from Pizza Hut, 6mo (A)	97	97	Fast Food
Buy from Wendy's, 6mo (A)	97	101	Fast Food
Buy from Pizza Hut, 1mo (A)	94	95	Fast Food
Buy from Wendy's, 1mo (A)	94	97	Fast Food
Buy from Burger King, 1mo (A)	93	98	Fast Food
Buy from Church's Fried Chicken, 1mo (A)	93	108	Fast Food
Buy from Church's Chicken, 6mo (A)	92	108	Fast Food
Buy from Rally's, 1mo (A)	89	107	Fast Food
Buy from A&W, 6mo (A)	87	94	Fast Food
Buy from A&W, 1mo (A)	86	92	Fast Food
Buy from Friendly's, 6mo (A)	85	94	Fast Food
Buy from Friendly's, 1mo (A)	80	91	Fast Food
Buy from Schlotzsky's Deli, 6mo (A)	76	91	Fast Food
Buy from Arby's, 6mo (A)	75	84	Fast Food
Buy from Chick-Fil-A, 6mo (A)	73	87	Fast Food
Buy from Dairy Queen, 6mo (A)	71	77	Fast Food
Buy from Godfather's Pizza, 6mo (A)	71	83	Fast Food

LifeStyler Attribute Title	HH Index	WP Index	Category
Buy from Bob Evan's Farm, 6mo (A)	70	84	Fast Food
Buy from Whataburger, 6mo (A)	69	93	Fast Food
Buy from Arby's, 1mo (A)	68	78	Fast Food
Buy from Schlotzsky's Deli, 1mo (A)	68	87	Fast Food
Buy from Whataburger, 1mo (A)	66	91	Fast Food
Buy from Chick-Fil-A, 1mo (A)	64	82	Fast Food
Buy from Dairy Queen, 1mo (A)	60	69	Fast Food
Buy from Bob Evan's Farm, 1mo (A)	57	79	Fast Food
Buy from Long John Silver, 6mo (A)	55	68	Fast Food
Buy from Long John Silver, 1mo (A)	52	66	Fast Food
Buy from Sonic Drive-in, 6mo (A)	52	64	Fast Food
Buy from Pizza Inn, 6mo (A)	47	62	Fast Food
Buy from Sonic Drive-in, 1mo (A)	45	60	Fast Food
Buy from Krystal's Hamburgers, 6mo (A)	38	51	Fast Food
Buy from Fast Food Fish Restaurant, 6mo (A)	37	51	Fast Food
Buy from Hardee's, 6mo (A)	35	45	Fast Food
Buy from Pizza Inn, 1mo (A)	34	56	Fast Food
Buy from Captain D's, 1mo (A)	33	49	Fast Food
Buy from Krystal's Hamburgers, 1mo (A)	30	43	Fast Food
Buy from Captain D's, 6mo (A)	28	45	Fast Food
Buy from Hardee's, 1mo (A)	28	39	Fast Food

Strong  
 Moderate  
 Average and below

## **APPENDIX EXHIBIT 6: MARKET POTENTIAL ANALYSIS FOR ILLUSTRATIVE RETAILERS**

### **City of South Pasadena – 2009**

The attached analysis was prepared by the CBRE Retail Site Selection Group using CB Richard Ellis proprietary retail tools to address two issues – what type of retail growth best fits the location, size, and current business profile of South Pasadena; and, provide a characterization of South Pasadena residents and workers as shoppers. The analysis discusses a Market Potential Index "MPI", which aligns the type of consumer represented by South Pasadena residents and workers with the type of retail outlets that should be recruited to the City.

The references made to a series of specific stores such as Ann Taylor, Banana Republic, Williams Sonoma and others, which are not present in South Pasadena, are indicators of the type of consumer represented by South Pasadena residents. These are not indicative of specific retailers that the City should be soliciting for location in the City. As noted earlier, neither the population nor the location of South Pasadena is suitable for such high end retailers' stores requiring large trading areas support.

# Retail Site Selection Group



Prepared for:



CITY OF SOUTH PASADENA, CA  
MARKET POTENTIAL ANALYSIS

Retail 24/7.

**CBRE**  
CB RICHARD ELLIS

CITY OF SOUTH PASADENA, CA  
MARKET STUDY

## MARKET POTENTIAL ANALYSIS

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*Market Potential Analysis* takes into consideration all of the household segments in this market and applies it to a national survey of households. Large national surveys are conducted by firms such as Mediamark Research Inc. (MRI) and Simmons. This type of data can provide an unbiased view of customers. Asking questions like who, what, where, why and how, as well as defining where actual purchases are made with data compiled at the point of transaction, results in a varied and rich database. A report showing the level of potential customers based on the Index for the penetration of households is provided for selected retailers.

An MPI (Market Potential Index) is created by calculating the number of estimated users by multiplying the segment's usage rate from the profile times the number of households of that segment type in the geography. It then summarizes all estimates for each segment present in the geography to derive an overall estimate. These estimates are indexed to the overall usage rate for the profile (Index). An MPI of more than 100 indicates that the households within the geography are more likely than the average household to shop at or buy from the specified store.

Maps are provided for each of the profiles that visually provide a look at the trade area to determine where the households with the greatest potential for customers. The darkest shaded block groups are Quintile 1 and represent areas that have the most potential customers. Conversely, Quintile 5 contains the lowest Indexing block groups.

The following chart outlines each profile that was requested and is based on the estimated 10,000 households in the trade area.

Note: These are not actual surveys of households in this trade area, but national surveys that are applied to the segments that reside in this trade area.

CITY OF SOUTH PASADENA, CA  
MARKET STUDY

MARKET POTENTIAL ANALYSIS

The following profiles are listed alphabetically by profile name. Note the percent of households indexing above 100 and the strength of the Index range above 100 to discover the highest potential tenants for the area.

Profile	% of Households that Index 100+	MPI Range for Block Groups 100+	# of Potential HH Customers
"Buy from Family Restaurant/Steakhouse" 	100%	100 - 131	10,000
"Buy from Romano's Macaroni Grill" 	91%	114 - 223	9,096
"Shop at Ann Taylor, 3 mo" 	100%	127 - 265	10,000
"Shop at Banana Republic, 3 mo" 	100%	117 - 356	10,000
"Shop at Linens 'N Things, 3 mo" 	100%	103 - 217	10,000
"Shop at Men's Wearhouse, 3 mo" 	100%	106 - 207	10,000
"Shop at Williams Sonoma, 3 mo" 	100%	121 - 331	10,000
	Total %Comp for Quintiles >100 (see maps)	Range of Index scores for all block groups > 100	# HHs * Total %Comp

All of the above selected profiles indicate a strong propensity for potential customers in this area since all but Romanos' Macaroni Grill report 100% of the block groups in the market with an Index 100 or greater. Index scores in some block groups exceed 300 which is an extremely strong score. Therefore, households in this area have a great potential for shopping at or buying from these stores.

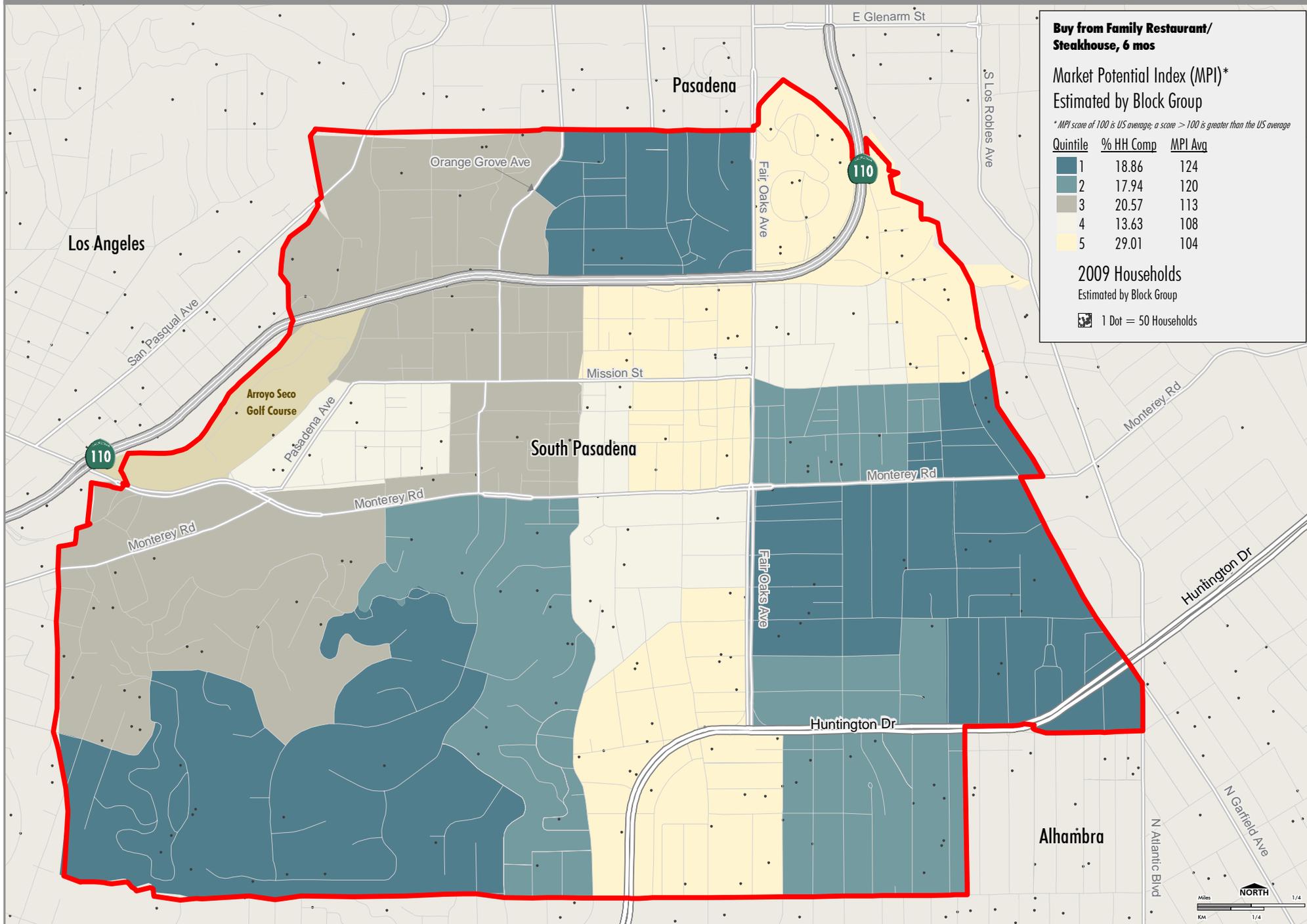
Refer to the individual maps that follow to see where areas that Index strongest are located. These Market Potential Index ("MPI") maps include the household density so the viewer can determine the concentration of households by area. The legend details the average MPI score, as well as the percent of households (% Comp), for each quintile displayed.

# MARKET POTENTIAL INDEX

BUY FROM FAMILY RESTAURANT/STEAKHOUSE, 6 MOS

SOUTH PASADENA, CA

MRI 2009



**Buy from Family Restaurant/  
Steakhouse, 6 mos**

Market Potential Index (MPI)\*  
Estimated by Block Group

\* MPI score of 100 is US average; a score > 100 is greater than the US average

Quintile	% HH Comp	MPI Avg
1	18.86	124
2	17.94	120
3	20.57	113
4	13.63	108
5	29.01	104

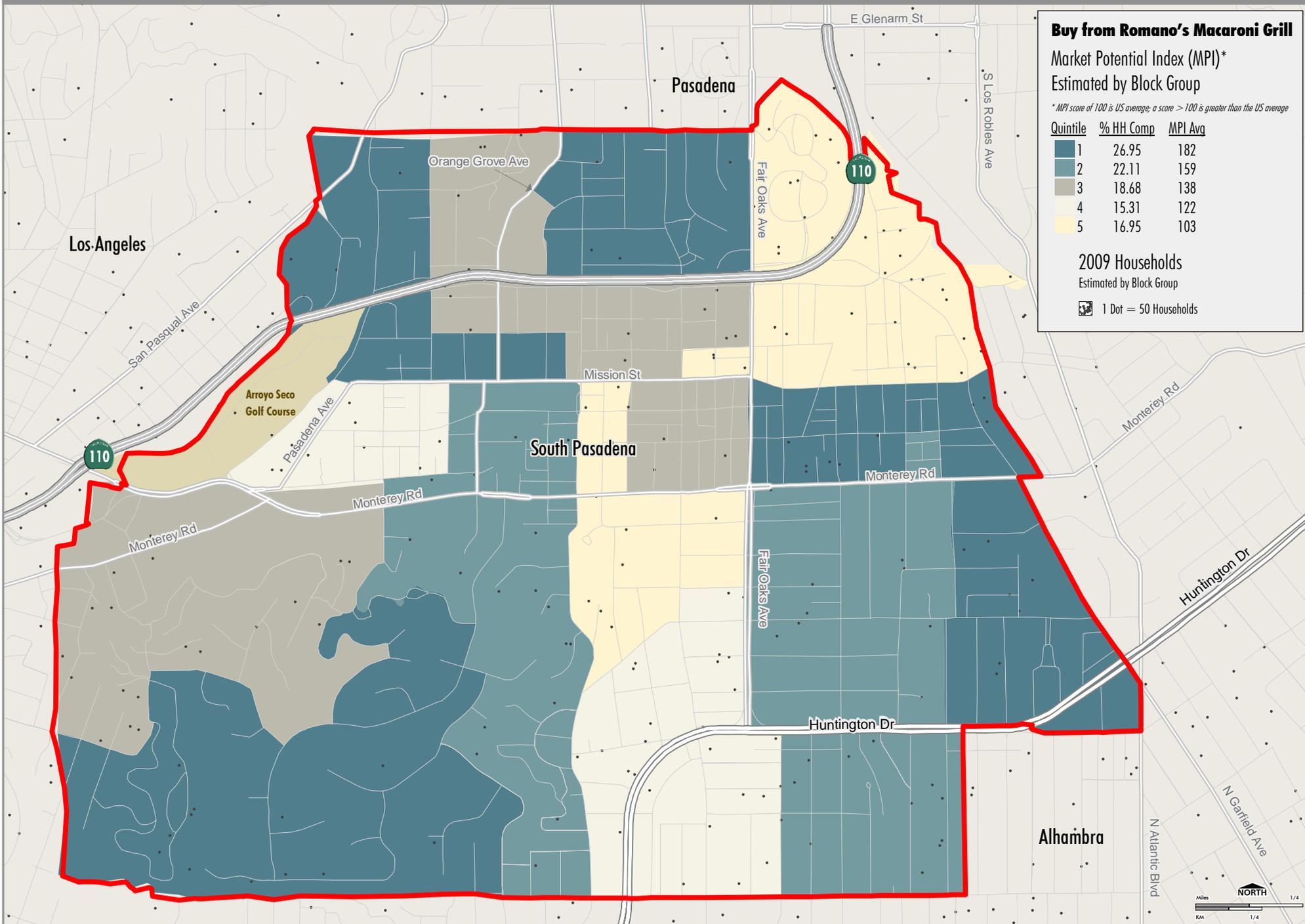
2009 Households  
Estimated by Block Group

1 Dot = 50 Households

# MARKET POTENTIAL INDEX BUY FROM ROMANO'S MACARONI GRILL

SOUTH PASADENA, CA

Simmons 2009



**Buy from Romano's Macaroni Grill**

Market Potential Index (MPI)\*  
Estimated by Block Group

\* MPI score of 100 is US average, a score > 100 is greater than the US average

Quintile	% HH Comp	MPI Avg
1	26.95	182
2	22.11	159
3	18.68	138
4	15.31	122
5	16.95	103

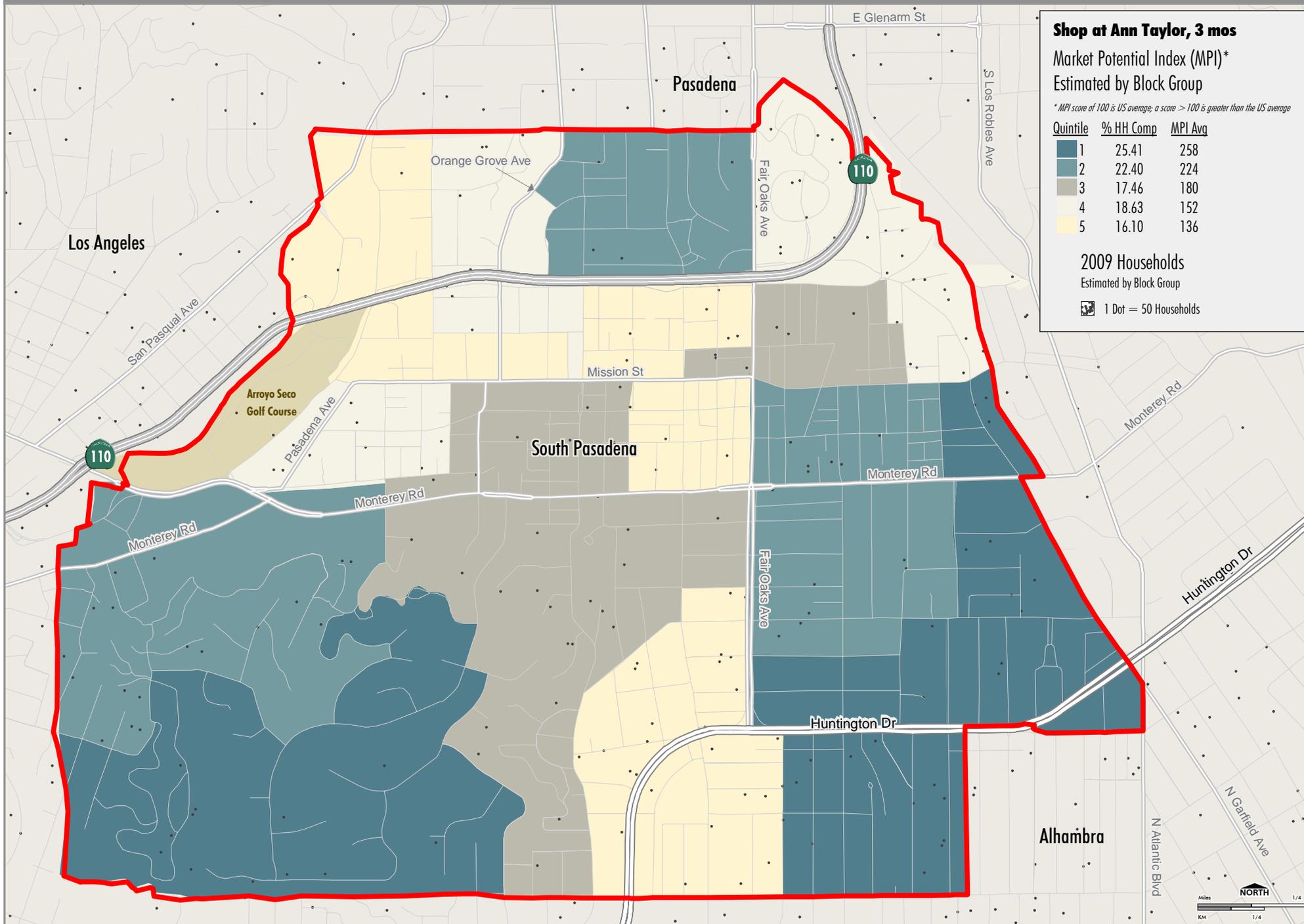
2009 Households  
Estimated by Block Group

1 Dot = 50 Households

# MARKET POTENTIAL INDEX SHOP AT ANN TAYLOR, 3 MOS

SOUTH PASADENA, CA

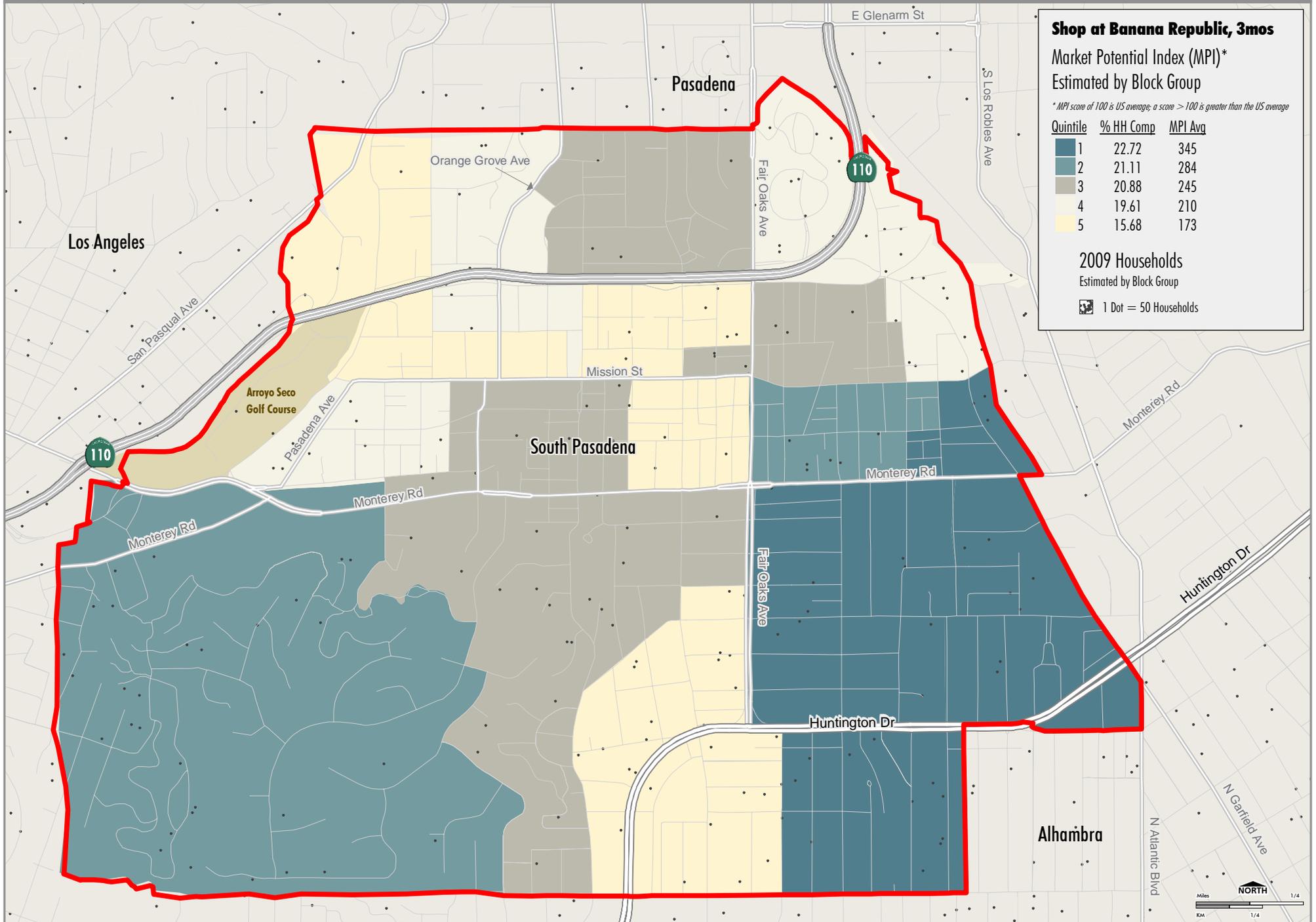
Simmons 2009



# MARKET POTENTIAL INDEX SHOP AT BANANA REPUBLIC, 3MOS

SOUTH PASADENA, CA

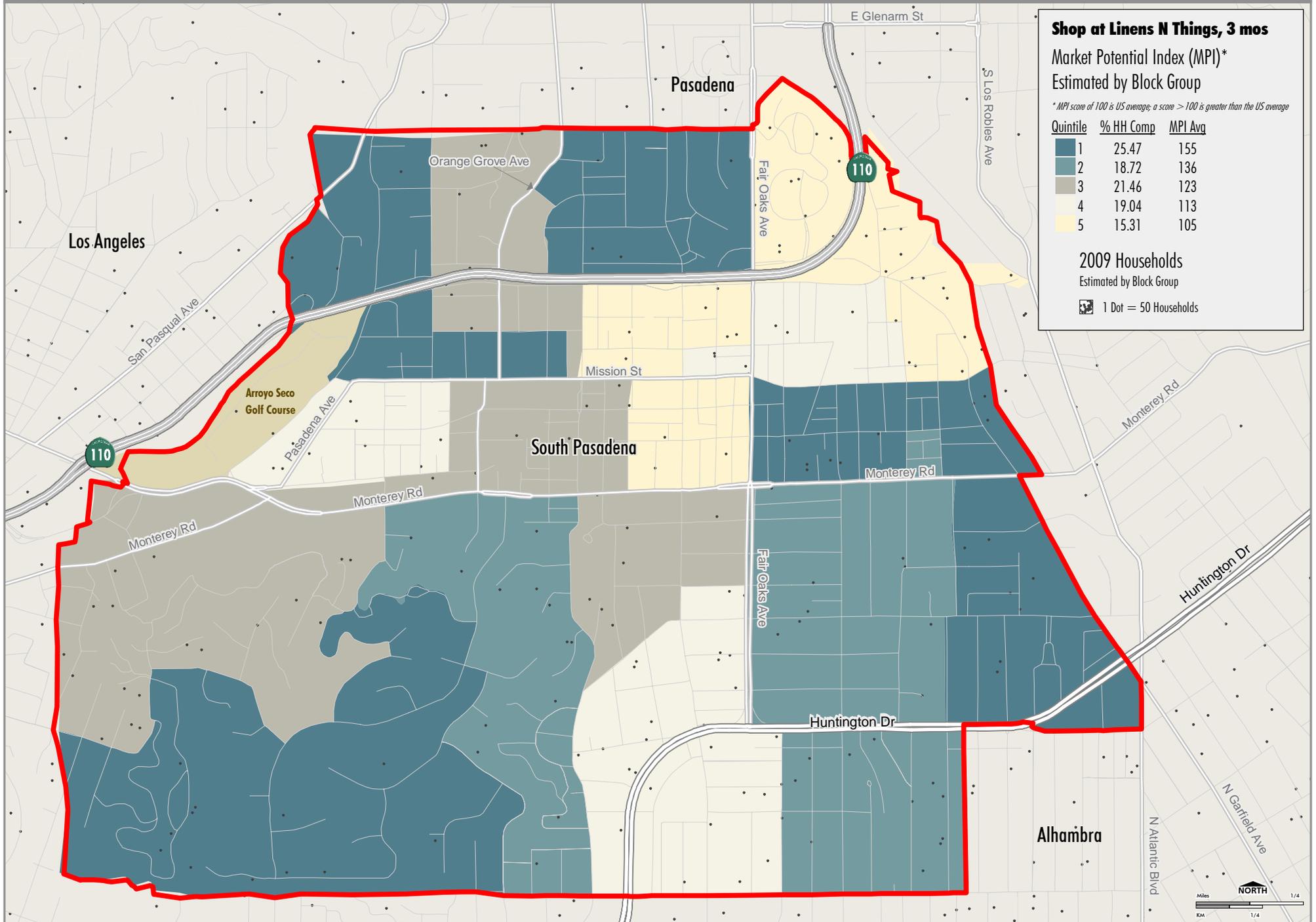
Simmons 2009



# MARKET POTENTIAL INDEX SHOP AT LINENS N THINGS, 3 MOS

SOUTH PASADENA, CA

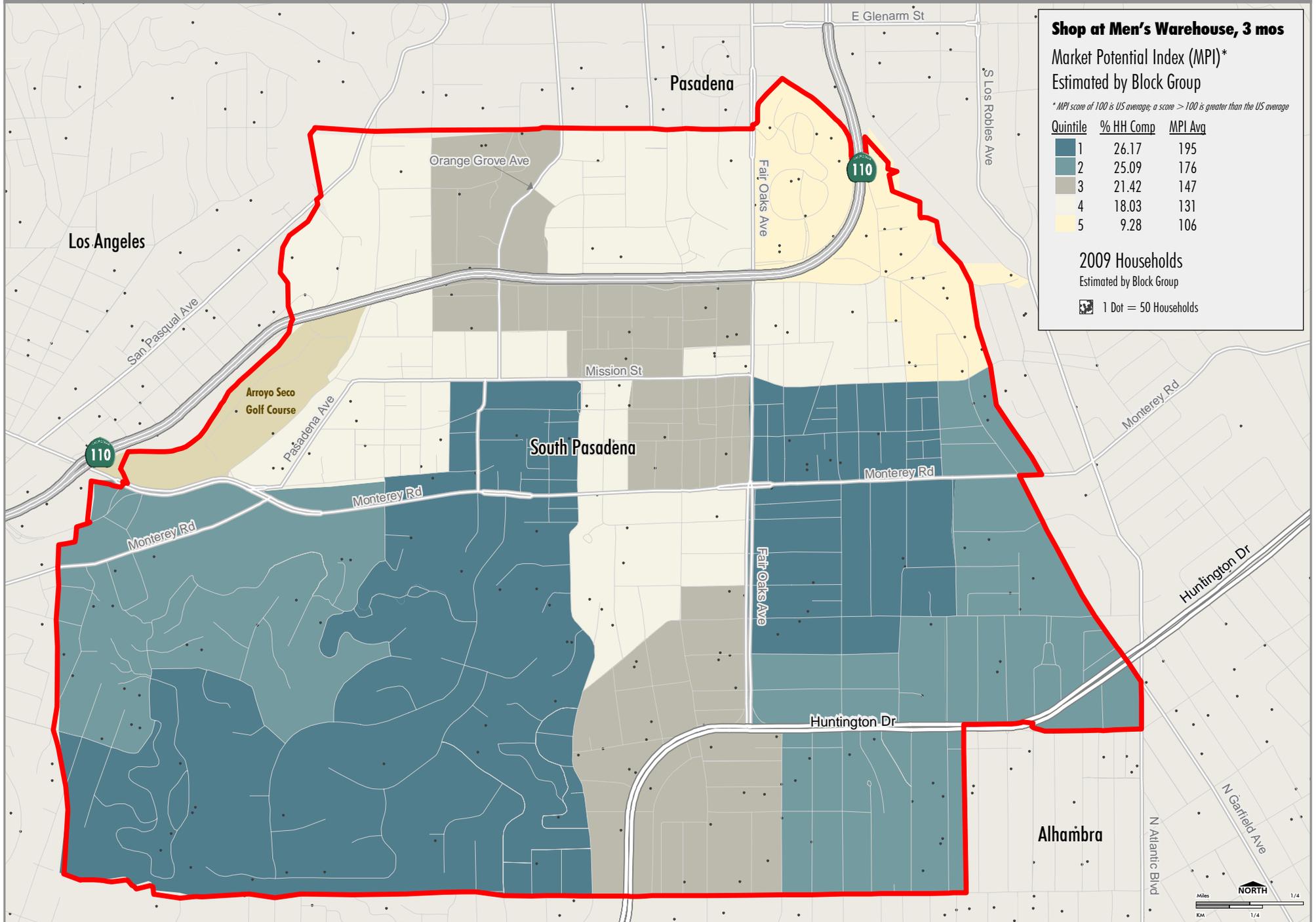
Simmons 2009



# MARKET POTENTIAL INDEX SHOP AT MEN'S WAREHOUSE, 3 MOS

SOUTH PASADENA, CA

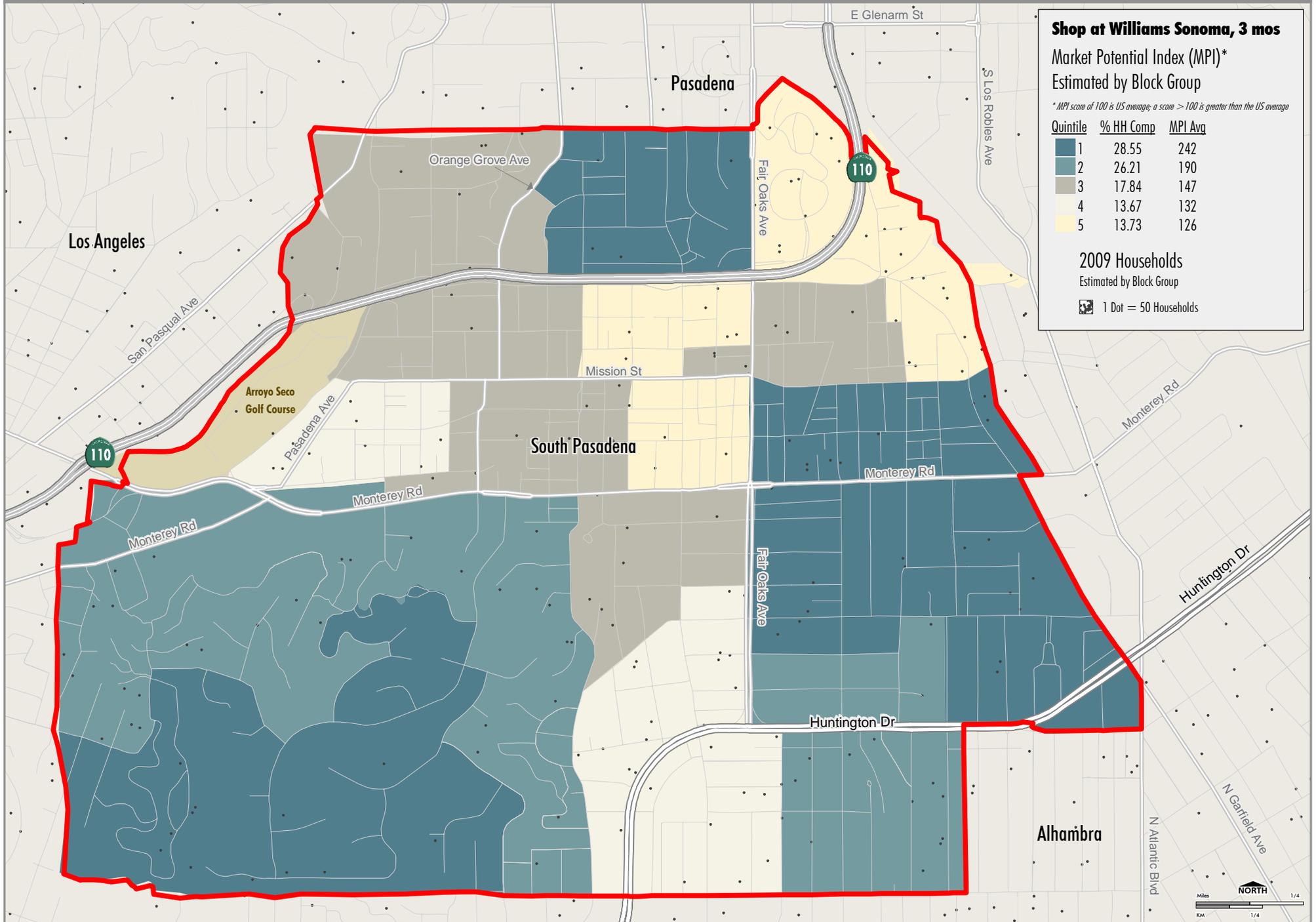
Simmons 2009



# MARKET POTENTIAL INDEX SHOP AT WILLIAMS SONOMA, 3 MOS

SOUTH PASADENA, CA

Simmons 2009



**Shop at Williams Sonoma, 3 mos**  
 Market Potential Index (MPI)\*  
 Estimated by Block Group

\* MPI score of 100 is US average, a score > 100 is greater than the US average

Quintile	% HH Comp	MPI Avg
1	28.55	242
2	26.21	190
3	17.84	147
4	13.67	132
5	13.73	126

**2009 Households**  
 Estimated by Block Group

1 Dot = 50 Households

## MARKET POTENTIAL ANALYSIS

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### Methodology

To find where the households are located that like to do a particular behavior (i.e. Shop at Whole Foods, Buy fine Wine, or Exercise 3+ times per week etc.), in relation to the development site, we have analyzed the Market Potential Index (MPI). We determine where geographic areas are with households that have the highest propensity for the behavior being examined and also have the greatest number of households (% composition or count). This is based on the household segmentation system that divides households into 66 PRIZM NE segments.

Assuming the segments in the geography behave in a manner consistent with that observed in the behavior profile (i.e. *Shop at Whole Foods, Buy fine Wine, etc.*), we will calculate the number of estimated users by multiplying the segment's usage rate (%Pen) from the profile times the number of households of that segment type in the geography. It then summarizes all estimates for each segment present in the geography to derive an overall estimate. These estimates are then indexed to the overall usage rate for the profile (Index).

Here we take all 66 of the segments in this market and analyze a behavior at a geography level (Block Group). Once the segments within the market are examined we can display the segments by geography to determine where the greatest potential for a behavior is and estimate the demand for this service.

The attached map displays 5 Quintiles, or somewhat evenly divided numbers of households. The darkest shaded Block Groups in Quintile 1 are those with the highest concentration of customers that perform the behavior (per title description). The MPI column is the critical data element and should be reviewed carefully for each quintile.

An **Index** of 100 is the national average. Therefore, any quintile with an **MPI** greater than 100 could be considered a prime location to the customer.

**% Comp** is the "composition" of households, so a % Comp of 27.752 means 27.75% of the households are in the specified Quintile in this market.

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