LISC MetroEdge is a program of the Local Initiatives Support Corporation (LISC). It works in urban markets nationwide assisting CDC’s, local governments, developers and business associations to define their market potential and develop strategies to achieve that potential.
Assessment Focus and Methodology

Process and Timeline
• Market Profile Developed (January-February 2011)
• On the Ground Assessment/Interviews (March-May 2011)
• Report Out – Focus on Key Next Steps (June 2011)

Goals
• Evaluate ways to increase the vitality of El Cajon Blvd by increasing revenues for businesses and to increase service and choice for customers
• Further define the potential for ethnic centric shopping on El Cajon Blvd and to suggest implications for the business improvement strategies for El Cajon Blvd BIA, Little Saigon Foundation and Horn of Africa
• Inform the efforts of the City Heights CDC and others focused on commercial and residential improvements in and for Colina Park
City Heights and Historic El Cajon Boulevard

What are the key ingredients for improved revenues, satisfied customers and an increasingly relevant retail mix?

- A reason to be “On the Boulevard”
- Convenient, attractive choices to stop and shop
- Plenty of customers
- A healthy place to live
**Being “On the Boulevard”**

- Historic El Cajon Boulevard, A Path to the East
- The Boulevard is well situated between major freeways and around other key corridors
- Bus routes bring people to and through such as to/from the University
- Surrounding communities add much to the potential for the Boulevard
Convenient, with Attractive Reasons to Stop and Shop

• **A Food Oasis** with over $50 million in food dollars coming into the community* which when added to demand from residents suggests over $100 million annually in food shopping

• Restaurants for diverse ethnic dining

• Not only cars but the diverse parts and services that they and other vehicles need

• A mix of other convenience retail such as health and beauty care

---

*Boundaries used for this study are:
NORTH: Monroe Ave
EAST: 58th Street
SOUTH: University Ave
WEST:I-15
Plenty of Customers

- Over 10,000 households, most with children, call the trade area home, with another 7,500 coming to the market* for work
- Buying Power which is three times the equivalent typical City square mile at $173 million
- 4 census tracts all with concentrations of middle income households which exceed the communities north of City Heights
- Retailers are supported by 38% of children and young adults
- Demonstrated destination for Vietnamese customers from around the region

*Boundaries used for this study are:
NORTH: Monroe Ave
EAST: 58th Street
SOUTH: University Ave
WEST:I-15
A Community with Assets

- Improving housing opportunities with new mixed income, well managed and affordable rental, and a robust homeownership effort by partner nonprofits
- Community Recreation: Colina Del Sol Park, Teralta Park and eventually the YMCA
- A community which has invested in the preservation of its physical and cultural history, with a commitment to that cultural history through murals, uniquely painted utility boxes and other public art
- Civic and business organizations with long commitment to the Boulevard and its surrounding communities
- New and improved elementary schools
Table of Contents

Market Basics

I  Trade Area and Location
II  Trade Area Demographics
III  Trade Area Retail Demand and Supply

Building on the Market Potential

IV  Suggested Choices and Starting Points
Trade Area and Location
City Heights has a strong mix of convenience, destination and ethnic retail businesses. Each is represented on El Cajon Blvd.

There are multiple convenience and ethnic customer markets within City Heights which enhance the potential market opportunity, such as the residential area north of Monroe and much of City Heights south of University Ave.

This retail assessment uses boundaries that focus on Colina Park and nearby ethnic communities.
El Cajon Blvd (City Heights) Market Trade Area

A Convenience Trade Area was defined for El Cajon Blvd in City Heights.
NORTH: Monroe Ave
EAST: 58th Street
SOUTH: University Ave
WEST: I-15

Convenience Retail typically includes “Saturday morning” shopping needs such as pharmacies, groceries, dry cleaners or hardware stores. Customers typically prefer to find these goods and services within a 10-minute walking or driving distance of their home.

This trade area has 34,431 people (population) living in 10,837 households. There are 1.68 square miles in this trade area.

Source: Nielsen Claritas 2010, LISC MetroEdge Metrics
Trade Area Demographics
### Population Trends

This trade area has 34,431 people – a slight increase from ten years ago.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Colina Park Trade Area</td>
<td>27,242</td>
<td>34,188</td>
<td>34,431</td>
</tr>
<tr>
<td>City of San Diego</td>
<td>1,105,094</td>
<td>1,221,671</td>
<td>1,327,843</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Colina Park Trade Area</td>
<td>25.5%</td>
<td>0.7%</td>
<td>26.4%</td>
</tr>
<tr>
<td>City of San Diego</td>
<td>10.5%</td>
<td>8.7%</td>
<td>20.2%</td>
</tr>
</tbody>
</table>

Source: Claritas 2010, LISC MetroEdge Metrics
Median Household Income in the trade area is $27,381, significantly lower than the City of San Diego. However, this is only part of the story.
Illustrating diversity, the trade area has 23% of its households earning more than $50,000 per year, up from 17% in 2000.

Source: Claritas 2010, LISC MetroEdge metrics
The Rest of the Story
Middle to Upper Income Households

This trade area has a higher concentration of middle and upper income households per square mile as compared with the City of San Diego.

Source: Claritas 2010, LISC MetroEdge metrics
Middle and Upper Income Concentration in the El Cajon Blvd (City Heights) Trade Area

Source: Claritas 2010, LISC MetroEdge Metrics
Middle to Upper Income Trends

The trade area also has added 44% more middle and upper income households – those earning over $50k - over the last decade.

<table>
<thead>
<tr>
<th></th>
<th>Middle to Upper Income HHs 1990</th>
<th>Middle to Upper Income HHs 2000</th>
<th>Middle to Upper Income HHs 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>El Cajon Blvd (City Heights) Trade Area</td>
<td>557</td>
<td>1,610</td>
<td>2,320</td>
</tr>
<tr>
<td>City of San Diego</td>
<td>121,866</td>
<td>207,966</td>
<td>290,582</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>El Cajon Blvd (City Heights) Trade Area</td>
<td>188.9%</td>
<td>44.1%</td>
<td>316.3%</td>
</tr>
<tr>
<td>City of San Diego</td>
<td>70.7%</td>
<td>39.7%</td>
<td>138.4%</td>
</tr>
</tbody>
</table>

Source: Claritas 2010, LISC MetroEdge Metrics
Age Distribution

*Families* are the principle household type in the market.

**Source:** Claritas 2010, LISC MetroEdge metrics
Housing Stock and Tenure

Total Housing Units: 10,426
- Occupied Units: 9,988
- Vacant Units: 438
- Single Family Units: 2,792
- Multi-Family Units: 7,634

Home Ownership Rate in the El Cajon Blvd (City Heights) Trade Area

Source: Claritas 2010, LISC MetroEdge Metrics
Educational Attainment

Education levels have improved…..the percentage of population with high school diplomas increased from 19% to 21%.

Educational Attainment in the El Cajon Blvd (City Heights) Trade Area

Source: Claritas 2010, LISC MetroEdge metrics
Vietnamese Families in City Heights

- City Heights is home to the one of the region’s most densely populated Vietnamese communities.
- In addition, many people throughout the region lived in City Heights before settling in other parts of the county.
Employment in the El Cajon Blvd (City Heights) Trade Area

- 7,354 people work in the City Heights Trade Area. They work primarily in small businesses.
  - Businesses w/ 1-19 employees: 924
  - Businesses w/ 20+ employees: 59

Source: Claritas 2010, LISC MetroEdge Metrics
Trade Area
Retail Demand and Supply
Concentrated Buying Power

This trade area great Buying Power - a total of $290 million in buying power, or $173 million per square mile.

Definition: Potential dollars available to be spent by trade area residents per square mile.

Source: Claritas 2010, LISC MetroEdge metrics
Retail Float - Defined

- **Demand** – The amount of money people living in the City Heights Trade Area spent in 2010 for specific retail goods and services. These dollars are spent both within and outside of the trade area.
  - Demand – In 2010, residents in City Heights spent **$19.2 million** at Building Material & Garden Stores (both within and outside the trade area).

- **Supply** – The amount of estimated sales by retail stores in the City Heights Trade Area.
  - Supply – In 2010, the Building Material & Garden Stores in the City Heights Trade Area had estimated sales of **$4.5 million**.

- **Retail Float** (also known as retail leakage) – The difference between supply and demand. This represents an initial measure of opportunity – for new businesses to open and capture float, or for existing businesses to re-tool, adapt and market to capture float.
  - Retail Float - $19.2 million - $4.5 million = **$14.7 million**
  - City Heights Trade Area residents are spending at least **$14.7 million** outside the neighborhood at Building Material & Garden Stores.

Source: Claritas 2010, LISC MetroEdge Metrics
Definitions

• Retail Float, a measure of the amount of retail opportunity in the trade area, and is calculated as the difference between buying power (demand) and retail sales (supply).
  – When Retail Float is a **positive** value there is unmet demand by residents in the trade area, representing opportunities for new or existing businesses to target.
  – When Retail Float is a **negative** value there is either a healthy concentration of retail to build on, or there is a saturation of retail that indicates limited opportunity for business growth or expansion.
• Retail such as restaurants, clothing or furniture stores attract shoppers looking for multiple stores. In most cases negative float for these categories indicates a business opportunity to start or grow a business to complement what already exists in the market.
• Retail such as hardware stores, general merchandise stores and grocery stores are less likely to grow or expand when there is negative float (when there is little or no unmet demand in the surrounding market).
## Convenience Trade Area
### Retail Float

<table>
<thead>
<tr>
<th>Category</th>
<th>Demand (Customer Spending)</th>
<th>Supply (Store Sales)</th>
<th>Float</th>
<th>Float as a % of Demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Service &amp; Drinking Places</td>
<td>$36,400,000</td>
<td>$32,600,000</td>
<td>$3,800,000</td>
<td>10%</td>
</tr>
<tr>
<td>Food and Beverage Stores</td>
<td>$50,800,000</td>
<td>$103,000,000</td>
<td>$(52,200,000)</td>
<td>-103%</td>
</tr>
<tr>
<td>Health and Personal Care Stores</td>
<td>$14,500,000</td>
<td>$23,600,000</td>
<td>$(9,100,000)</td>
<td>-63%</td>
</tr>
<tr>
<td>Clothing and Clothing Accessories Stores</td>
<td>$16,200,000</td>
<td>$12,200,000</td>
<td>$4,000,000</td>
<td>25%</td>
</tr>
<tr>
<td>Building Material &amp; Garden Equipment &amp; Supply Dealers</td>
<td>$19,200,000</td>
<td>$4,460,000</td>
<td>$14,740,000</td>
<td>77%</td>
</tr>
<tr>
<td>General Merchandise Stores</td>
<td>$46,200,000</td>
<td>$13,700,000</td>
<td>$32,500,000</td>
<td>70%</td>
</tr>
<tr>
<td>Furniture &amp; Home Furnishing Stores</td>
<td>$4,430,000</td>
<td>$1,810,000</td>
<td>$2,620,000</td>
<td>59%</td>
</tr>
<tr>
<td>Electronics &amp; Appliance Stores</td>
<td>$6,470,000</td>
<td>$2,250,000</td>
<td>$4,220,000</td>
<td>65%</td>
</tr>
<tr>
<td>Sporting Goods, Hobby, Book &amp; Music Stores</td>
<td>$5,820,000</td>
<td>$2,630,000</td>
<td>$3,190,000</td>
<td>55%</td>
</tr>
<tr>
<td>Miscellaneous Store Retailers</td>
<td>$6,850,000</td>
<td>$2,760,000</td>
<td>$4,090,000</td>
<td>60%</td>
</tr>
<tr>
<td>Gasoline Stations</td>
<td>$28,100,000</td>
<td>$6,870,000</td>
<td>$21,230,000</td>
<td>76%</td>
</tr>
<tr>
<td>Motor Vehicle &amp; Parts Dealers</td>
<td>$34,300,000</td>
<td>$38,000,000</td>
<td>$(3,700,000)</td>
<td>-11%</td>
</tr>
</tbody>
</table>

Source: Claritas 2010, LISC MetroEdge Metrics
Float Adjusted for Competition

- Retail float, a measure of the amount of unmet retail opportunity in the convenience trade area, is calculated as the difference between buying power (demand) and retail sales (supply).

- Adjusted retail float takes into account competing retail destinations (based on residential population) within 2.5 miles, based on the size of the store and the distance of the store from the trade area.
## Float Adjusted For Competition

<table>
<thead>
<tr>
<th>Category</th>
<th>Float</th>
<th>Amount of Float Captured by Stores Nearby (within 2.5 miles)</th>
<th>Adjusted Float</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Service &amp; Drinking Places</td>
<td>$3,800,000</td>
<td>$10,800,000</td>
<td>$(7,000,000)</td>
</tr>
<tr>
<td>Food and Beverage Stores</td>
<td>$(52,200,000)</td>
<td>$9,800,000</td>
<td>$(62,000,000)</td>
</tr>
<tr>
<td>Health and Personal Care Stores</td>
<td>$(9,100,000)</td>
<td>$700,000</td>
<td>$(9,800,000)</td>
</tr>
<tr>
<td>Clothing and Clothing Accessories Stores</td>
<td>$4,000,000</td>
<td>$1,880,000</td>
<td>$2,120,000</td>
</tr>
<tr>
<td>Building Material &amp; Garden Equipment &amp; Supply Dealers</td>
<td>$14,740,000</td>
<td>$7,730,000</td>
<td>$7,010,000</td>
</tr>
<tr>
<td>General Merchandise Stores</td>
<td>$32,500,000</td>
<td>$18,600,000</td>
<td>$13,900,000</td>
</tr>
<tr>
<td>Furniture &amp; Home Furnishing Stores</td>
<td>$2,620,000</td>
<td>$1,040,000</td>
<td>$1,580,000</td>
</tr>
<tr>
<td>Electronics &amp; Appliance Stores</td>
<td>$4,220,000</td>
<td>$520,000</td>
<td>$3,700,000</td>
</tr>
<tr>
<td>Sporting Goods, Hobby, Book &amp; Music Stores</td>
<td>$3,190,000</td>
<td>$680,000</td>
<td>$2,510,000</td>
</tr>
<tr>
<td>Miscellaneous Store Retailers</td>
<td>$4,090,000</td>
<td>$860,000</td>
<td>$3,230,000</td>
</tr>
<tr>
<td>Gasoline Stations</td>
<td>$21,230,000</td>
<td>$230,000</td>
<td>$21,000,000</td>
</tr>
<tr>
<td>Motor Vehicle &amp; Parts Dealers</td>
<td>$(3,700,000)</td>
<td>$3,300,000</td>
<td>$(7,000,000)</td>
</tr>
</tbody>
</table>

*Source: Claritas 2010, LISC MetroEdge Metrics*
Retail Demand and Supply

Source: Claritas 2010, LISC MetroEdge Metrics
Retail Demand and Supply

Source: Claritas 2010, LISC MetroEdge Metrics
## Convenience Trade Area

**Retail Float for Auto Businesses in Detail**

<table>
<thead>
<tr>
<th>Category</th>
<th>Demand (Customer Spending)</th>
<th>Supply (Store Sales)</th>
<th>Float</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car Dealers</td>
<td>$30,700,000</td>
<td>$17,600,000</td>
<td>$13,100,000</td>
</tr>
<tr>
<td>Other Vehicle Dealers</td>
<td>$440,000</td>
<td>$14,300,000</td>
<td>$(13,860,000)</td>
</tr>
<tr>
<td>Parts, Accessories and Tire Stores</td>
<td>$3,200,000</td>
<td>$6,100,000</td>
<td>$(2,900,000)</td>
</tr>
</tbody>
</table>

Source: Claritas 2010, LISC MetroEdge Metrics
Implications

• **Automobiles** – If it has wheels its on the Boulevard – cars, bikes, motorcycles in whole or in parts and accessories

• **Food** – these numbers are a clear quantification of the destination quality for food shopping, particularly for ethnic foods

• **Dining Out** – Take your pick: Thai, Ethiopian, Vietnamese, East African, Middle Eastern, Russian, Georgian, Elegant, Simple

• **Gaps Remain** – On the other hand folks are leaving for building materials, general merchandise, furniture – all destination retail
Building on the Market Potential
Suggested Choices and Starting Points
Partners, Investors, Entrepreneurs and Community Builders

- El Cajon Boulevard BIA
- Little Saigon Foundation
- Horn of Africa
- City Heights CDC
- Price Charities
Historic El Cajon Boulevard

• The Boulevard is a natural retail corridor with successful businesses, diversity of retail, accessibility, proximity to culturally diverse communities and community amenities.

• However, as a distinctive market corridor it is ......
What does it take to get the best from market?

- Belief in the **market**
- Pride in the neighborhood
- Vision and brand
- Leadership
- Energy
- Resources
Connecting Strengths

• The next steps will seem simple -- the market makers must come together and do some old fashion strategic planning:
  – Set a vision for the corridor
  – Select a few collective goals
  – Attract the resources – leadership, volunteers and funds which will be attracted to that vision
Connecting Strengths

• The market needs to be marketed, branding would come next

• Next, select a few strategies which bring the parts together; these are illustrative only:
  – Progressive and targeted clean up (at least every 60 days)
  – Map the “wheels” and sponsor quarterly mode of transportation events – motor cycles, antique cars, an El Cajon Boulevard cruising reunion, a community featured car parade
  – Map and brand the ethnic food choices including those on both El Cajon Boulevard and University Ave
And Then ….

- Celebrate your unique community diversity

- Keep doing what works

- Talk to and with customers and make adjustments