



Market Analysis & Developer Outreach Strategy

February 2019

Prepared By:
Kosmont Companies

Project Background & Status

- Kosmont was retained by the Town of Yucca Valley to provide a market analysis and assessment of supportable land uses on 15 former Successor Agency properties/parcels (Town has identified 2 priority opportunity parcels, with an additional 13 to be evaluated following the priorities)
- Once the priority properties have been evaluated, the Town has requested Consultant to conduct developer outreach to survey supportable developments
- An overview of the evaluation is presented herein
- Next steps include formulation of a targeted list of developers, businesses, and brokers and construction of collateral marketing materials (digital and physical) for initial outreach implementation and marketing/business attraction efforts based on market analysis

Kosmont Companies Overview

Kosmont Companies is a nationally-recognized real estate & economics advisory firm specializing in public-private transactions for 32+ years.

- **Offers a full range of economics & real estate advisory services including:**
 - Market and Feasibility Analyses
 - Economic Development Strategies & Implementation
 - Identification of Funding Sources & Financing Strategies
 - Fiscal Impact & Economic Benefit Studies
 - Retailer/Developer & Business Recruitment
 - Public-Private Transaction Structuring & Negotiation
- **Winning track record of initiating and implementing projects for municipalities**
 - In-house team includes registered municipal advisors, financial analysts, lawyers, former bond underwriters, former city managers & department heads
 - Extensive network of brokers, investors and market data for real-time information, and retail industry leadership
- **Kosmont is not just a “study” company – we create strategies & make projects a reality**
 - Over \$12 billion in project negotiation and implementation since 1986
 - Completed hundreds of public and private financial transactions blending private investment with public funding sources to create win-win public-private financing structures

Note: When assignments involve real estate/property brokerage services, such transaction-based services are typically provided by Kosmont Real Estate Services (“KRES”). When assignments involve public finance services on behalf of a public agency, such municipal advisory services are provided by Kosmont Realty Corporation (“KRC”), doing business as Kosmont Transactions Services (“KTS”).

1. Analysis

- a) **Economic & Demographic Profile**
 - i. *Population & Household Demographics*
 - ii. *Unemployment & Employment by Industry*
- b) **Market Supply & Demand Analysis**
 - i. *Hotel Market Analysis*
 - ii. *Supply, Vacancy, & Lease Rates (Retail, Office, Industrial, & Multifamily)*
 - iii. *Retail Sales Performance*
 - iv. *Retail Sales Surplus / Leakage*

2. Strategy

- a) **Opportunity Site Analysis**

3. Implementation

- a) **Findings, Economic Development Tools, & Next Steps**

Economic & Demographic Profile

Population & Household Demographics

2018 Demographic Highlights

Population & Households

- Population of ~22,000 and ~8,800 households within the Town
- Population of ~37,400 and ~15,300 households within 10 miles
- Population of ~70,100 and ~26,900 households within Trade Area

Income

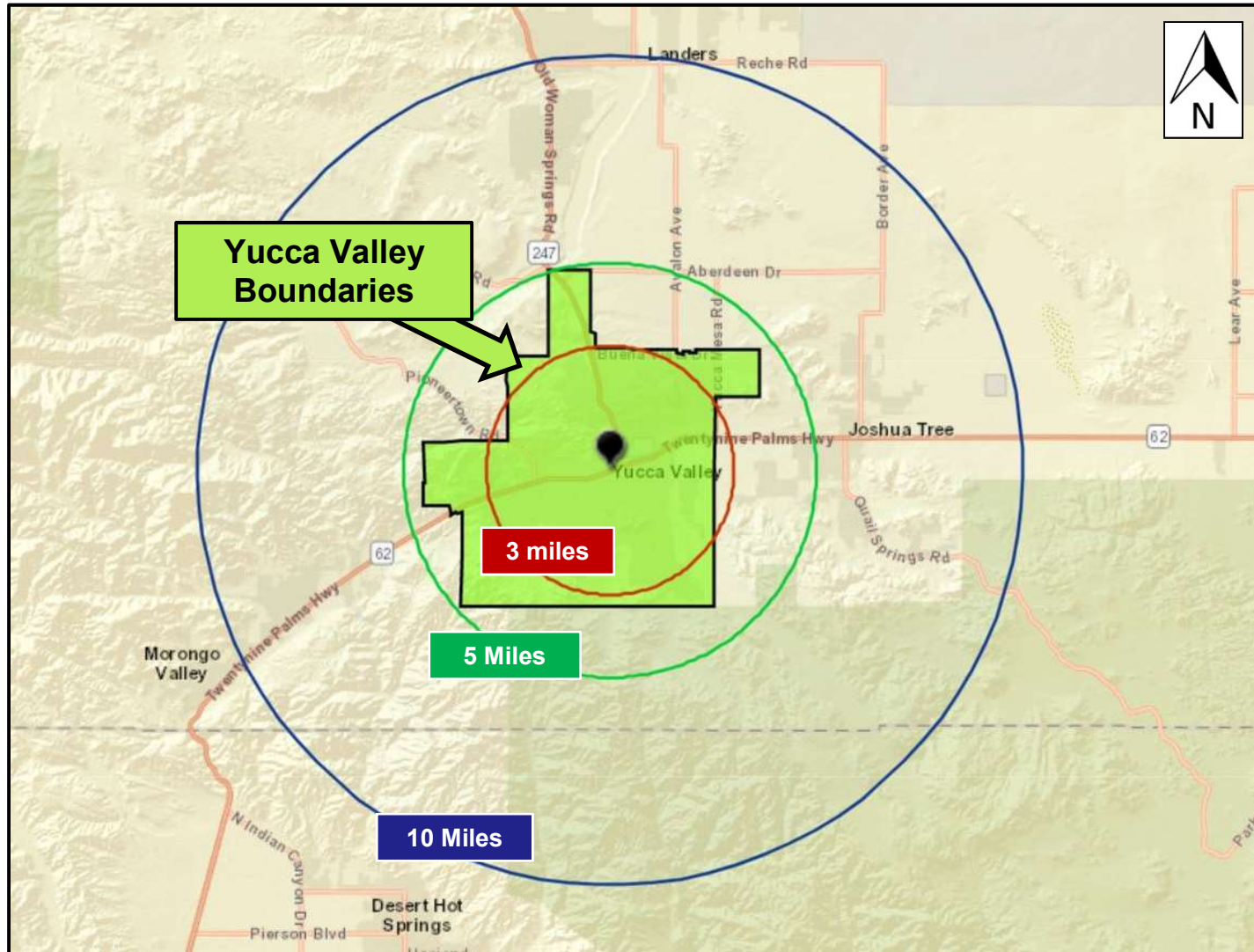
- Avg. HH income ~\$61,300 in Town, ~\$59,300 in Trade Area, and ~\$60,500 within 10 miles
- 3.0% and 3.5% annual growth projected for HH income over next 5 years in Town and Trade Area, respectively

Other Demographic Characteristics

- Average household size of 2.48 in Town (similar to Trade Area; smaller than County and State)
- Median age of 41.8 in Town (older than Trade Area, County, and State)
- ~14% Bachelor's Degree or higher (lower than Trade Area, County, and State)
- Race: ~80% White, ~7% Some Other Race, ~5% Two or More Races
- Ethnicity: ~23% Hispanic in Town

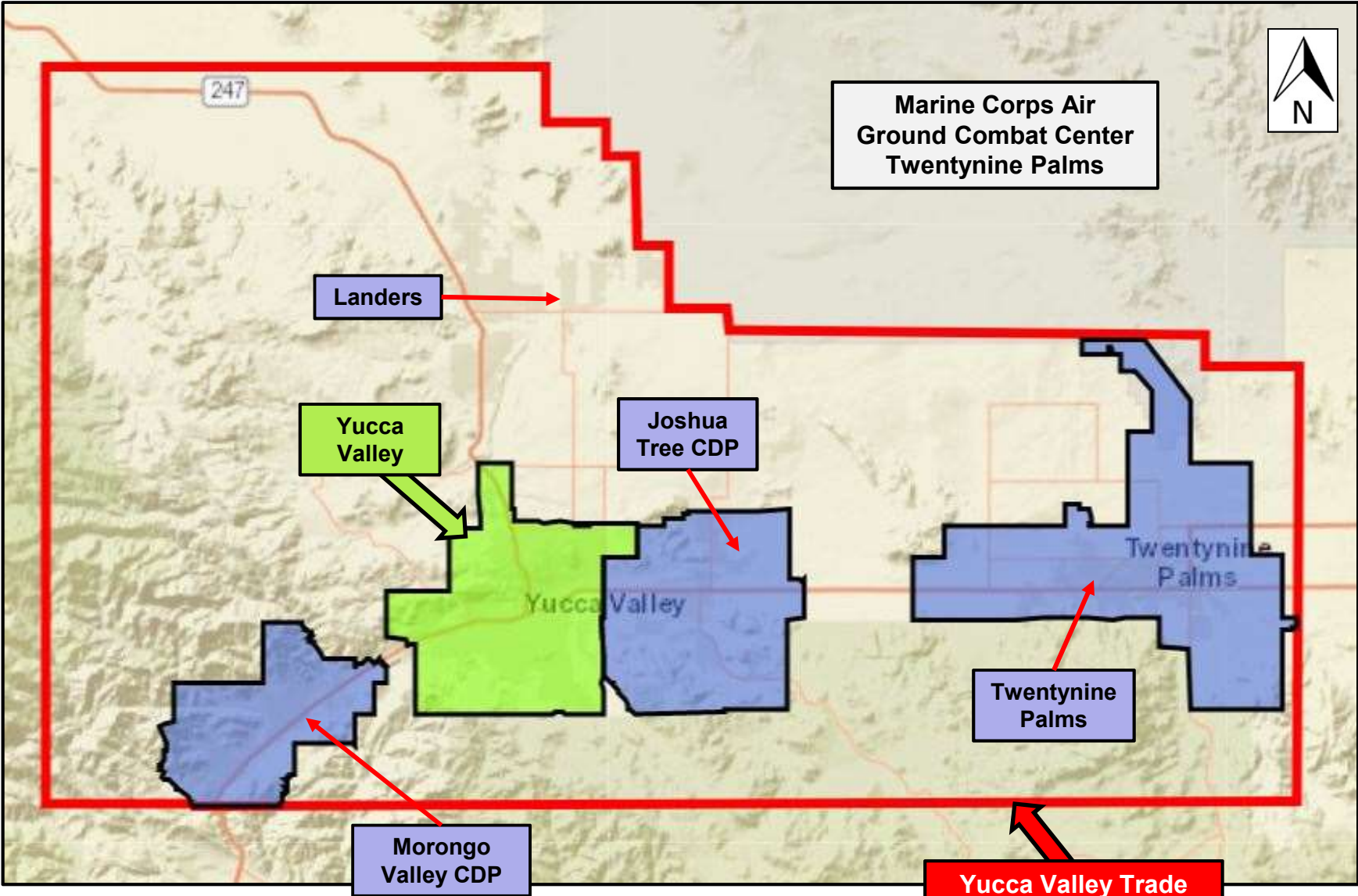
Source: ESRI (2018); **Notes:** The Yucca Valley Trade Area (hereafter, "Trade Area") includes Morongo Valley, Landers, Joshua Tree CDP, and much of Twentynine Palms. The Trade Area boundaries are shown in the map on Slide 8. Radii centered at the intersection of CA-62 (Twentynine Palms Hwy.) and CA-247 (Old Woman Springs Rd.)

Yucca Valley Town Limits and Radii



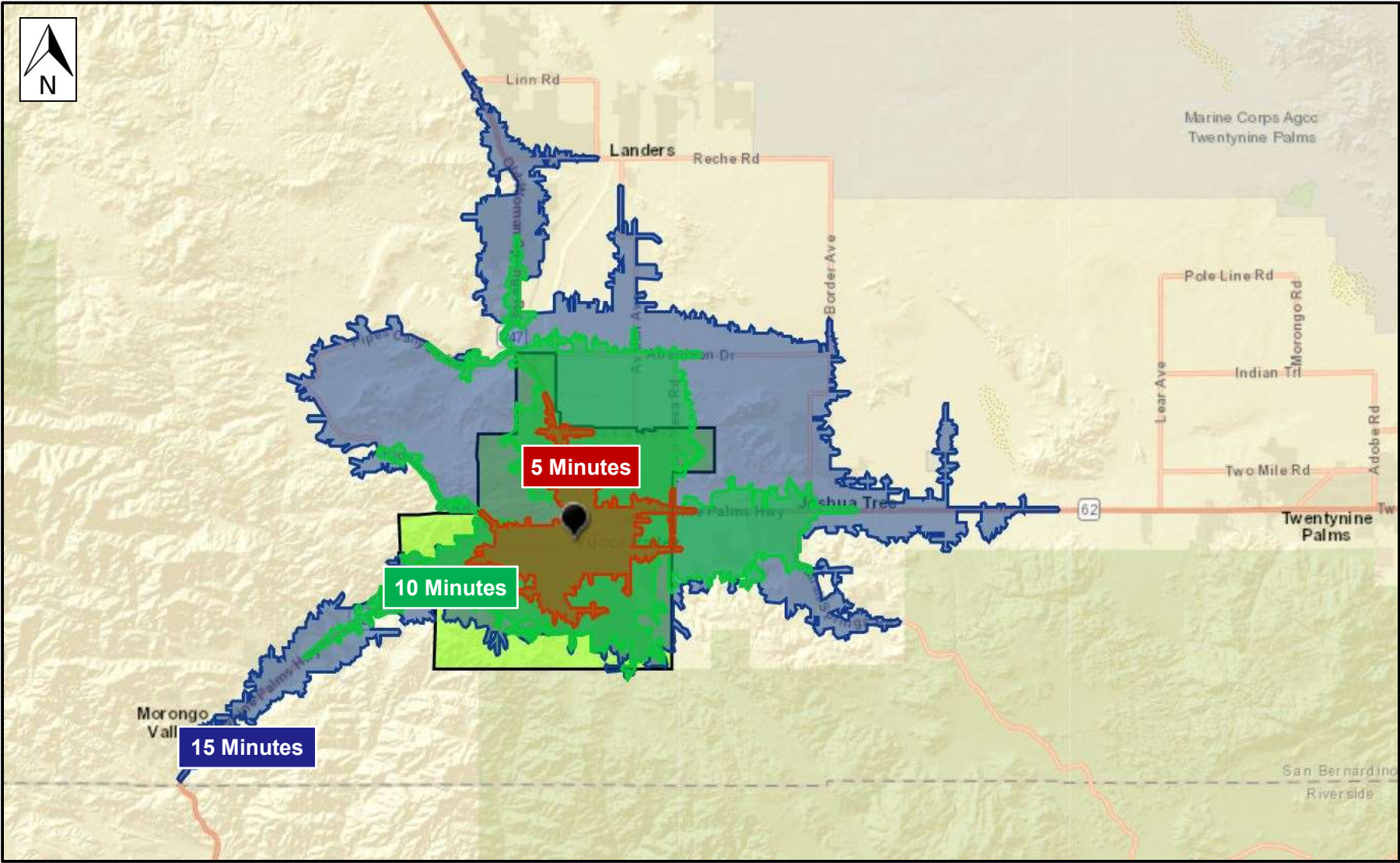
Source: ESRI (2018); Radii centered at the intersection of CA-62 (Twentynine Palms Hwy.) and CA-247 (Old Woman Springs Rd.)

Yucca Valley Trade Area Map



Source: ESRI (2018)

Drive Times



Source: ESRI (2018); Drive times from the intersection of CA-62 (Twentynine Palms Hwy.) and CA-247 (Old Woman Springs Rd.)

Population and Income

Town, Trade Area, County and State

<u>2018</u>	Town of Yucca Valley	Yucca Valley Trade Area	County of San Bernardino	State of California
Population	22,048	70,119	2,173,190	39,806,791
Households	8,796	26,891	648,132	13,336,104
Average HH Size	2.48	2.48	3.29	2.92
Median Age	41.8	33.9	32.9	36.2
% Hispanic Origin	22.9%	23.0%	54.1%	39.6%
Per Capita Income	\$24,925	\$24,041	\$24,813	\$34,254
Median HH Income	\$46,842	\$44,028	\$59,893	\$69,051
Average HH Income	\$61,341	\$59,339	\$81,663	\$100,620
<u>2018-2023</u>				
<u>Annual Growth Rate</u>				
Population	0.88%	0.54%	0.83%	0.82%
Median HH Income	2.96%	3.49%	3.25%	3.47%

Source: ESRI (2018)

Population and Income

Radii

	Radii		
<u>2018</u>	3 Miles	5 Miles	10 Miles
Population	20,105	25,817	37,429
Households	8,000	10,226	15,284
Average HH Size	2.49	2.50	2.42
Median Age	41.0	41.6	42.9
% Hispanic Origin	23.4%	22.4%	21.9%
Per Capita Income	\$24,501	\$25,226	\$25,145
Median HH Income	\$46,776	\$47,042	\$44,218
Average HH Income	\$60,593	\$62,223	\$60,526
<u>2018-2023 Annual Growth Rate</u>			
Population	0.90%	0.80%	0.60%
Median HH Income	2.86%	3.10%	3.74%

Source: ESRI (2018); Radii centered at the intersection of CA-62 (Twentynine Palms Hwy.) and CA-247 (Old Woman Springs Rd.)

Population and Income

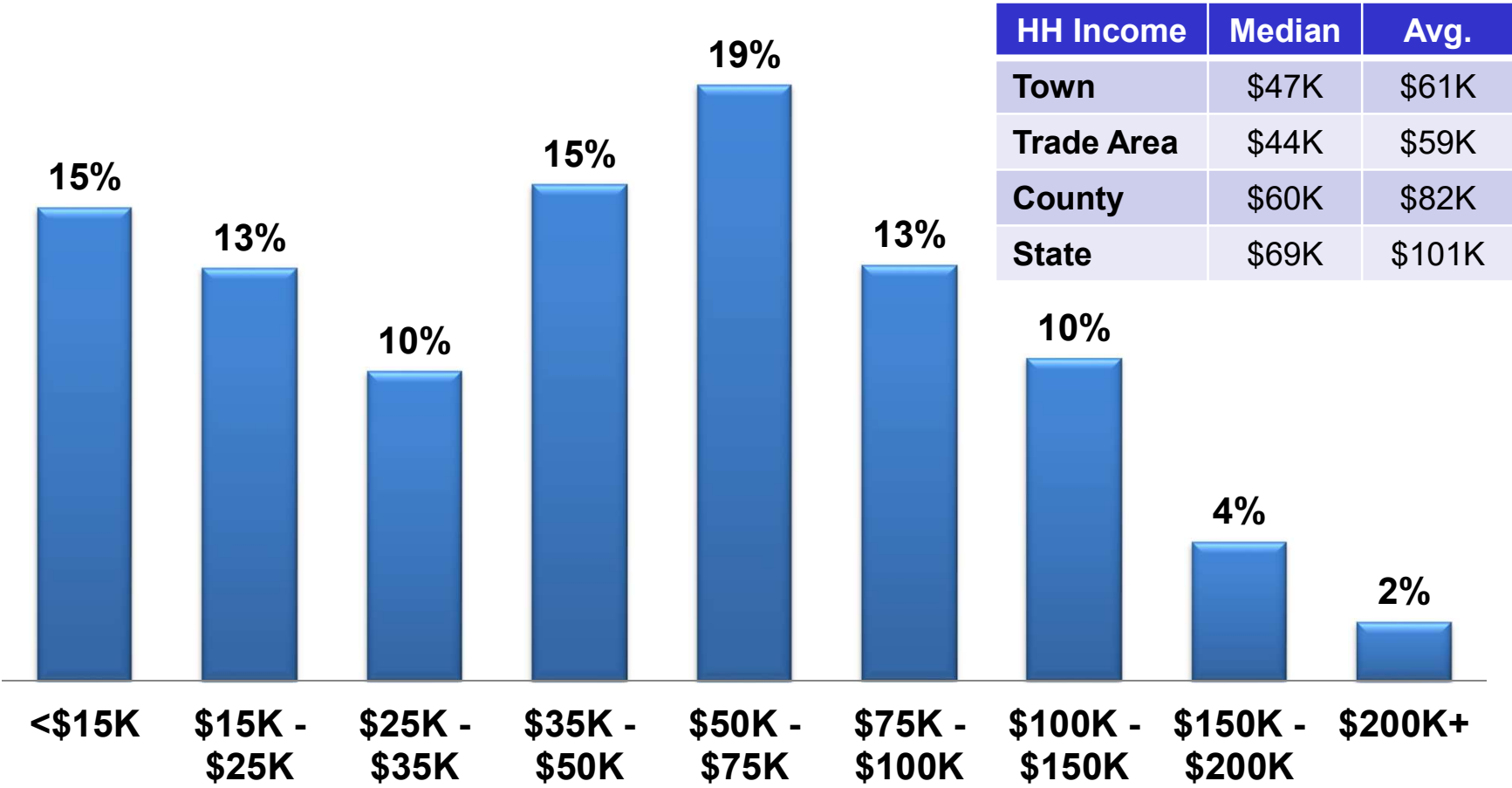
Drive Times

	Drive Times		
	5 Minutes	10 Minutes	15 Minutes
<u>2018</u>			
Population	12,428	27,556	34,938
Households	4,964	10,941	14,097
Average HH Size	2.49	2.49	2.45
Median Age	39.8	40.8	42.1
% Hispanic Origin	24.8%	23.0%	22.3%
Per Capita Income	\$22,661	\$24,521	\$25,023
Median HH Income	\$42,627	\$44,453	\$44,674
Average HH Income	\$55,672	\$59,883	\$60,567
<u>2018-2023 Annual Growth Rate</u>			
Population	0.97%	0.71%	0.64%
Median HH Income	3.31%	3.48%	3.58%

Source: ESRI (2018); Drive times from the intersection of CA-62 (Twentynine Palms Hwy.) and CA-247 (Old Woman Springs Rd.)

Income Profile

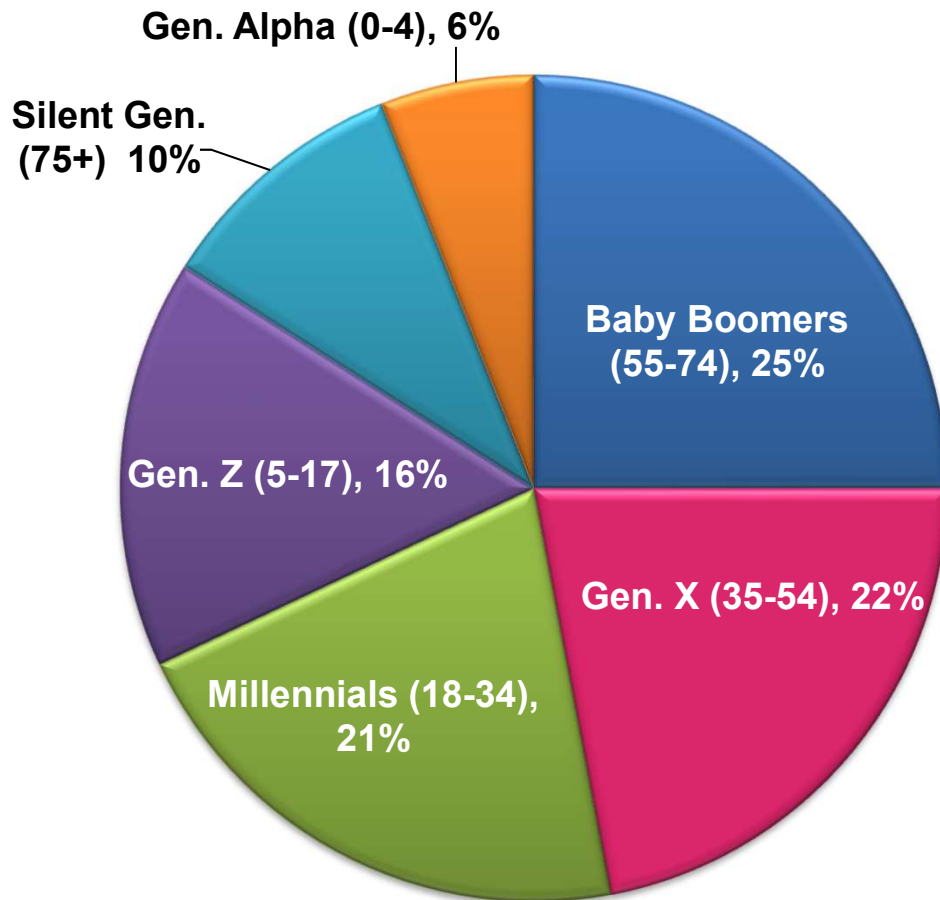
Town of Yucca Valley – 2018 Households by Income Bracket



Source: ESRI (2018)

Age Profile

Yucca Valley Population by Age Bracket in 2018



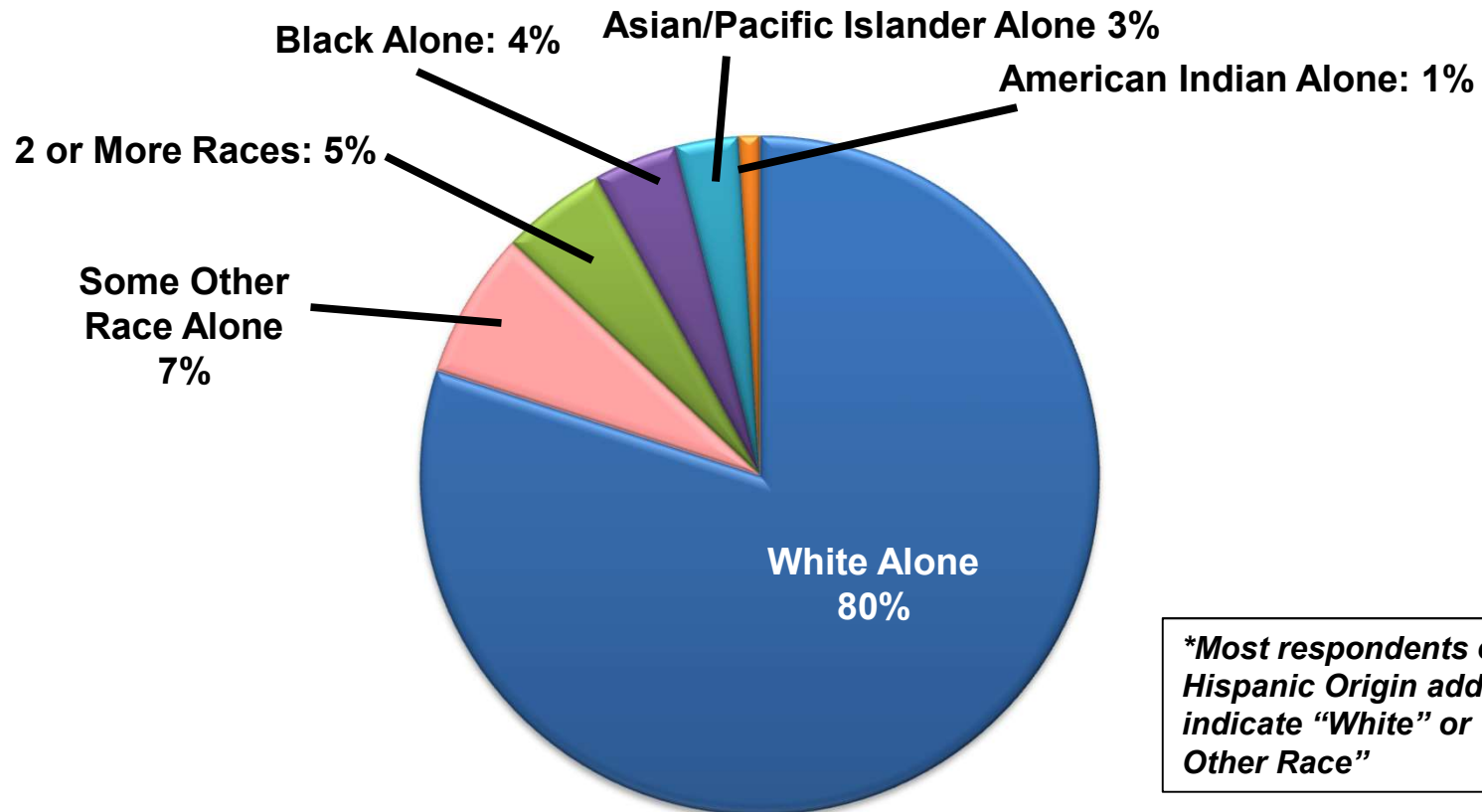
Region	Median Age
Town	41.8
Trade Area	33.9
County	32.9
State	36.2

Generation	Population (2018)
Baby Boomers (55-74 years old)	5,556
Gen. X (35-54 years old)	4,895
Millennials (18-34 years old)	4,696
Gen. Z (5-17 years old)	3,373
Silent Gen. (75+ years old)	2,205
Gen. Alpha (0-4 years old)	1,323
TOTAL POPULATION	22,048

Source: ESRI (2018)

Race & Ethnicity

Town Population by Race & Ethnicity in 2018



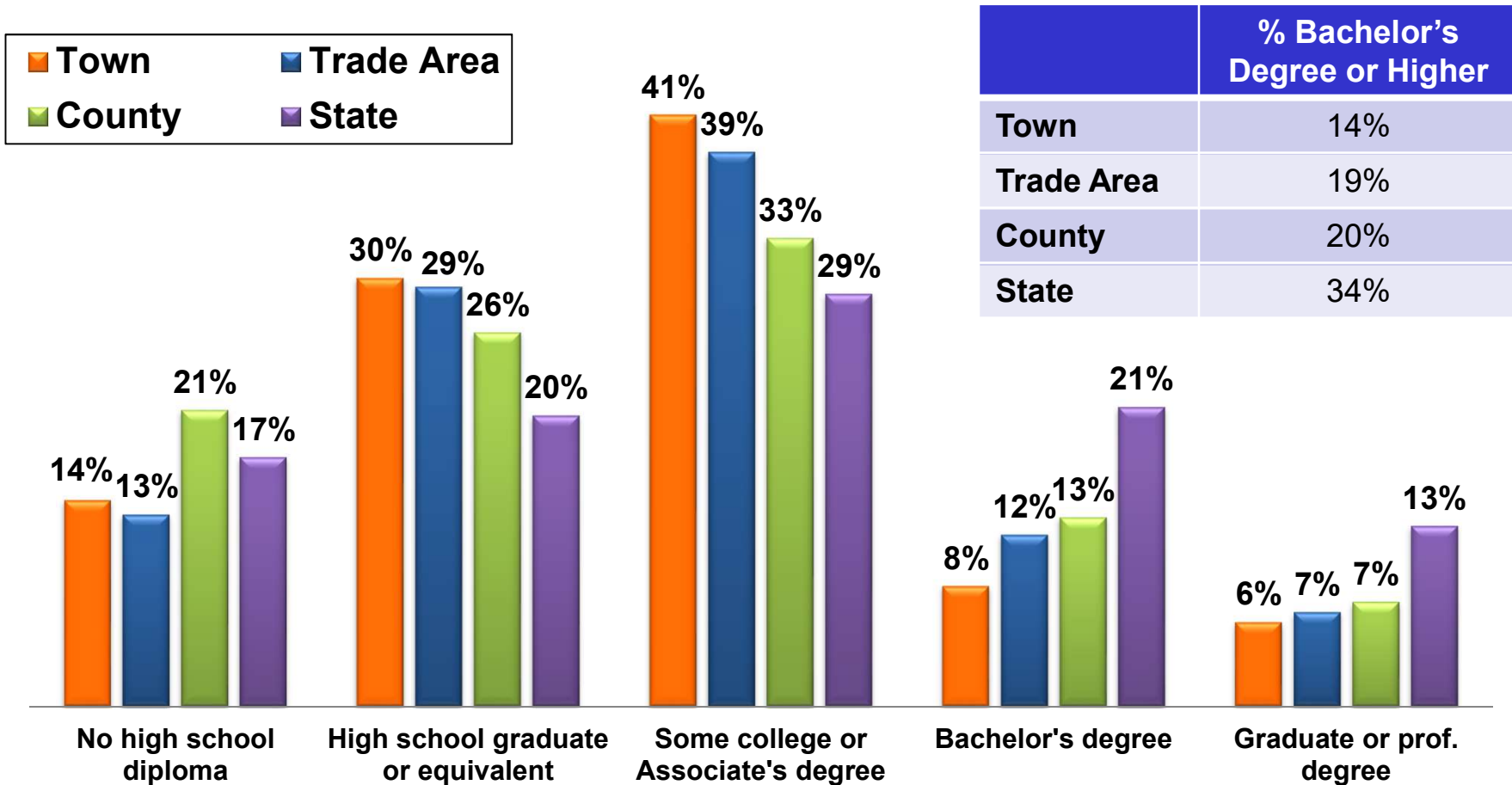
Hispanic Origin of Any Race: 23%

Note: U.S. Census Bureau defines race and ethnicity as two separate and distinct identities. One Census question asks respondents which socio-political race (of categories in pie chart above) they associate most closely with, and a separate question asks whether they associate with "Hispanic, Latino, or Spanish origin" or not (defined as ethnicity).

Source: ESRI (2018)

Educational Attainment

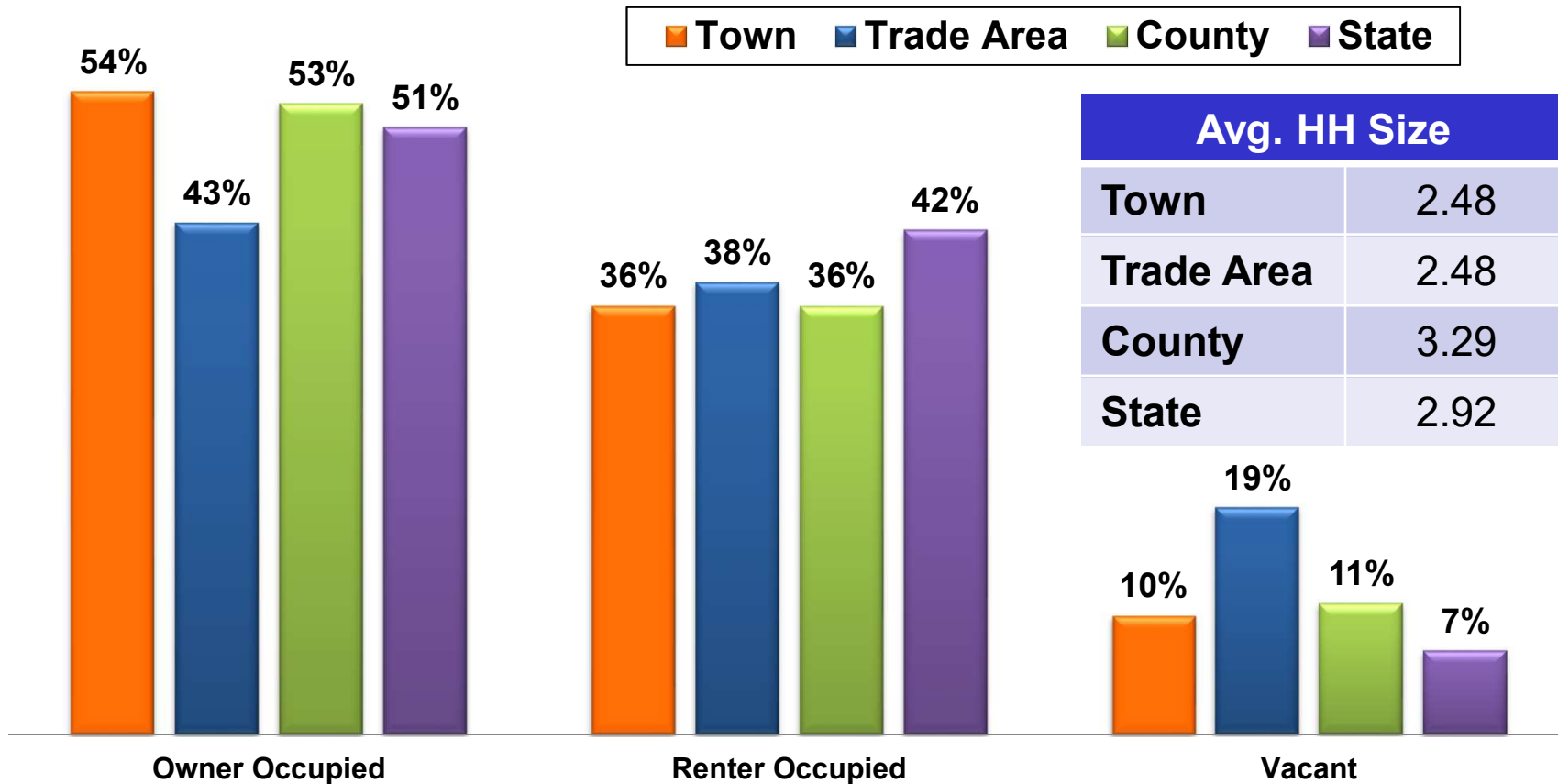
Population Aged 25+ by Educational Attainment in 2018



Source: ESRI (2018)

Housing & Household Size

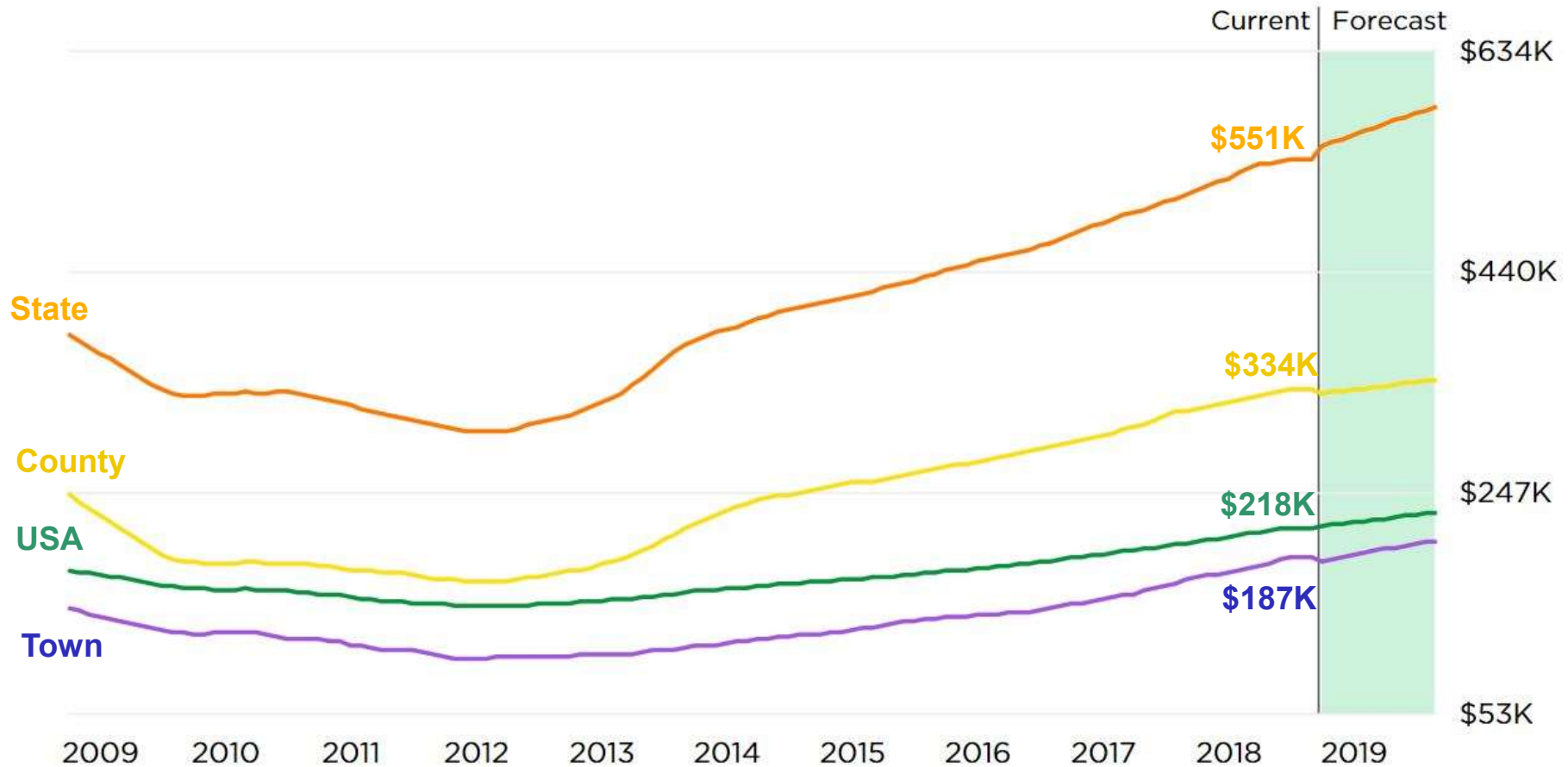
Housing Breakdown (2018)



Source: ESRI (2018)

Home Value History

Zillow Home Value Index



Source: Zillow.com (Sept. 2018)

Population Segmentation Profile

“Tapestries” in Town		Description
1. Small Town Simplicity	24%	<ul style="list-style-type: none"> • Young families and senior households who reside in small towns or semirural neighborhoods outside of metro areas • 67% have a high school diploma or some college; higher than average unemployment • Half own and half rent their homes; primarily single-family homes • Price-conscious consumers who enjoy shopping at discount centers and fast-food restaurants
2. Home Improvement	16%	<ul style="list-style-type: none"> • Married-couple families living mostly in low-density suburban neighborhoods • High labor force participation and lower unemployment • Housing consists of primarily single-family, owner-occupied homes • Cautious consumers who like to do their research before buying items, but enjoy shopping at warehouse/club and home improvement stores, along with fast casual restaurants such as Chili’s
3. Senior Escapes	15%	<ul style="list-style-type: none"> • Older population with a median age of 55 • Low labor force participation, many are retirees • Half of housing is single-family, 40% are mobile homes; one quarter are seasonal housing units; majority are owner-occupied units • Tend to only spend within their means and enjoy dining out at restaurants such as Wendy’s, Golden Corral, and Cracker Barrel
4. Front Porches	14%	<ul style="list-style-type: none"> • Households are typically composed of young families with children or singles • Strong labor force participation, many of whom are blue-collar workers • Housing consists of primarily single-family or multi-unit renter occupied homes • With limited incomes, these are not adventurous shoppers; Consumers would rather cook at home than dine out
5. Midlife Constants	12%	<ul style="list-style-type: none"> • Population composed of seniors at or approaching retirement, primarily married couples • Below average labor participation, many residents receive retirement income or Social Security • Majority are single-family, owner-occupied homes • Consumers are traditional, not trendy; opt for convenience and comfort, not cutting edge; attentive to price, but not at the expense of quality; like to shop at home improvement and gardening stores and prefer domestic vehicles

Source: ESRI (2018)

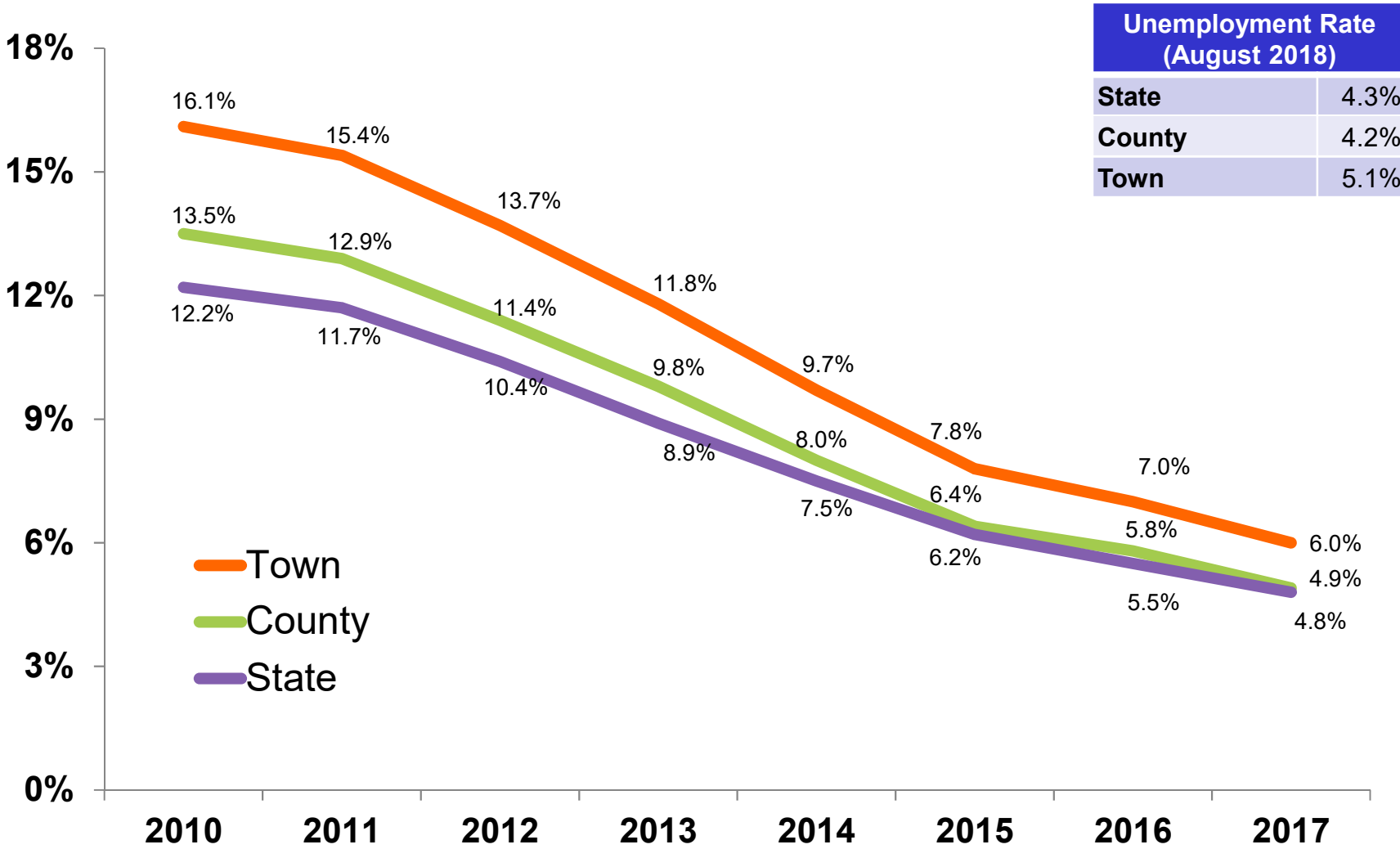
Summary: Population and Household Demographics

- Older population - median age of 41.8 in Town (older than Trade Area, San Bernardino County, and State median ages)
- Majority of Yucca Valley's population is White (80%); Households are a mix of young families and retired senior households
- Average household size of 2.48 is similar to Trade Area and smaller than both County and State average household sizes; Average household income for the Town is higher than the Trade Area, but lower than the County and State average household incomes
- Educational attainment in Yucca Valley is also lower than that of the Trade Area, County, and State, with a sizable population (41%) of residents completing some college or an Associate's degree

Economic & Demographic Profile

Unemployment & Employment by Industry

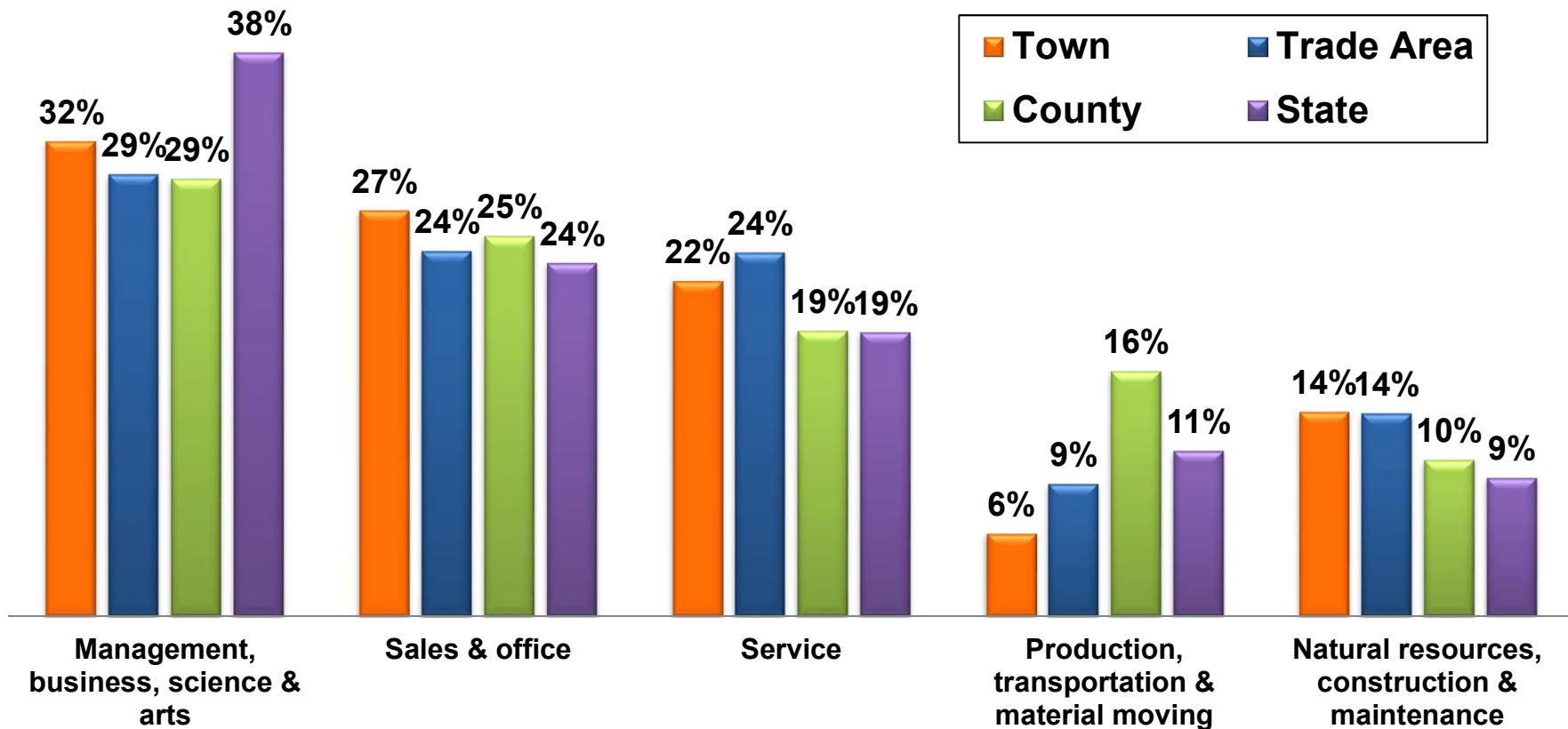
Unemployment



Note: Not seasonally adjusted; annual averages for 2010-2017
 Source: California Employment Development Department (2018)

Resident Employment by Occupation

Civilian Employed Population Age 16+ by Occupation



Source: ESRI (2018)

Select Major Employers within the Town

Major Employers	No. of Employees
Morongo Unified School District	317
Wal-Mart	272
Braswell Family Senior Care	209
Home Depot	160
Stater Bros.	157

Source: Town of Yucca Valley CAFR (FY 2016-2017)

Employment Projections by Industry

San Bernardino County

Industry	2014	2024	Annual Growth 2014-24	Total Growth 2014-24	Total Change 2014-24
Health Care and Social Assistance	177,600	222,900	2.6%	25.5%	45,300
Accommodation and Food Services	127,200	164,400	2.9%	29.2%	37,200
Construction	77,600	110,900	4.3%	42.9%	33,300
Transportation, Warehousing, and Utilities	86,600	115,100	3.3%	32.9%	28,500
Professional and Business Services	139,300	163,100	1.7%	17.1%	23,800
Government	228,800	251,100	1.0%	9.7%	22,300
Retail Trade	169,400	185,900	1.0%	9.7%	16,500
Wholesale Trade	58,900	67,900	1.5%	15.3%	9,000
Other Services	43,000	47,200	1.0%	9.8%	4,200
Financial Activities	42,300	46,000	0.9%	8.7%	3,700
Educational Services (Private)	17,200	20,500	1.9%	19.2%	3,300
Manufacturing	91,300	94,300	0.3%	3.3%	3,000
Information	11,300	11,700	0.4%	3.5%	400
Mining and Logging	1,300	1,000	(2.3%)	(23.1%)	(300)
Total Nonfarm	1,289,300	1,522,300	1.8%	18.1%	233,000
Total Farm	14,400	15,800	1.0%	9.7%	1,400
Other	82,600	98,500	1.9%	19.2%	15,900
Total Employment	1,386,300	1,636,600	1.8%	18.1%	250,300

Source: California Employment Development Department, U.S. Bureau of Labor Statistics (2014)

Employment by Industry

Town Resident Employed Population (Age 16+)

Health Care and Social Assistance	18.2%
Retail Trade	14.9%
Accommodation and Food Services	12.1%
Educational Services	10.8%
Construction	6.3%
Administration & Support, Waste Management and Remediation	5.5%
Public Administration	4.2%
Professional, Scientific, and Technical Services	4.2%
Other Services (excluding Public Administration)	3.3%
Manufacturing	3.3%
Wholesale Trade	3.3%
Transportation and Warehousing	3.2%
Arts, Entertainment, and Recreation	2.2%
Finance and Insurance	1.8%
Real Estate and Rental and Leasing	1.7%
Information	1.7%
Utilities	1.3%
Agriculture, Forestry, Fishing and Hunting	0.9%
Management of Companies and Enterprises	0.9%
Mining, Quarrying, and Oil and Gas Extraction	0.1%

“Industries in which Town residents work”

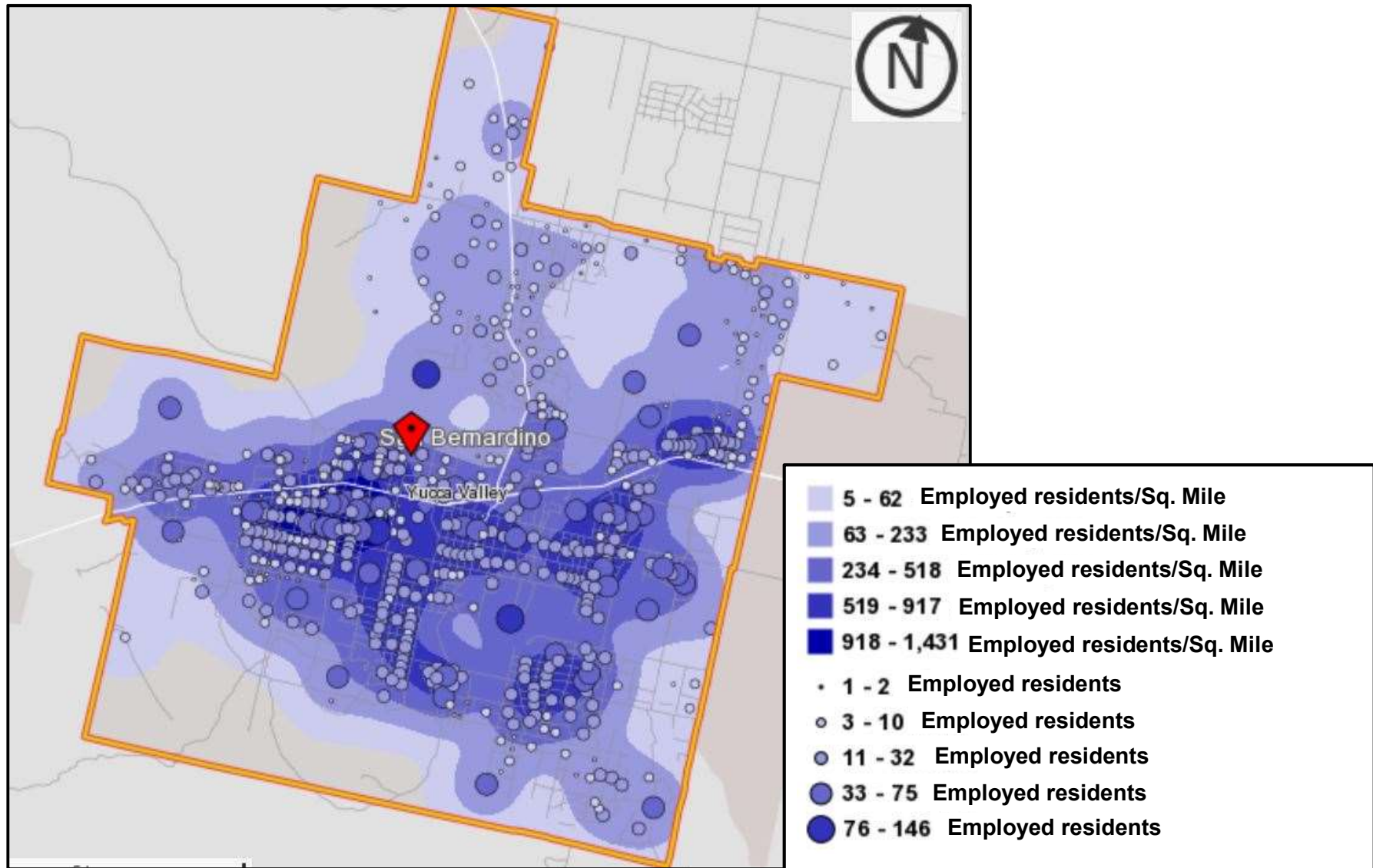
Workers Employed Within Town

Retail Trade	22.0%
Health Care and Social Assistance	17.6%
Accommodation and Food Services	14.0%
Educational Services	11.8%
Public Administration	11.0%
Construction	6.1%
Other Services (excluding Public Administration)	3.9%
Administration & Support, Waste Management and Remediation	2.5%
Professional, Scientific, and Technical Services	2.4%
Utilities	1.9%
Information	1.8%
Finance and Insurance	1.8%
Real Estate and Rental and Leasing	1.8%
Manufacturing	1.0%
Transportation and Warehousing	0.2%
Management of Companies and Enterprises	0.1%
Wholesale Trade	0.1%
Agriculture, Forestry, Fishing and Hunting	0.0%
Mining, Quarrying, and Oil and Gas Extraction	0.0%
Arts, Entertainment, and Recreation	0.0%

“Jobs in the Town”

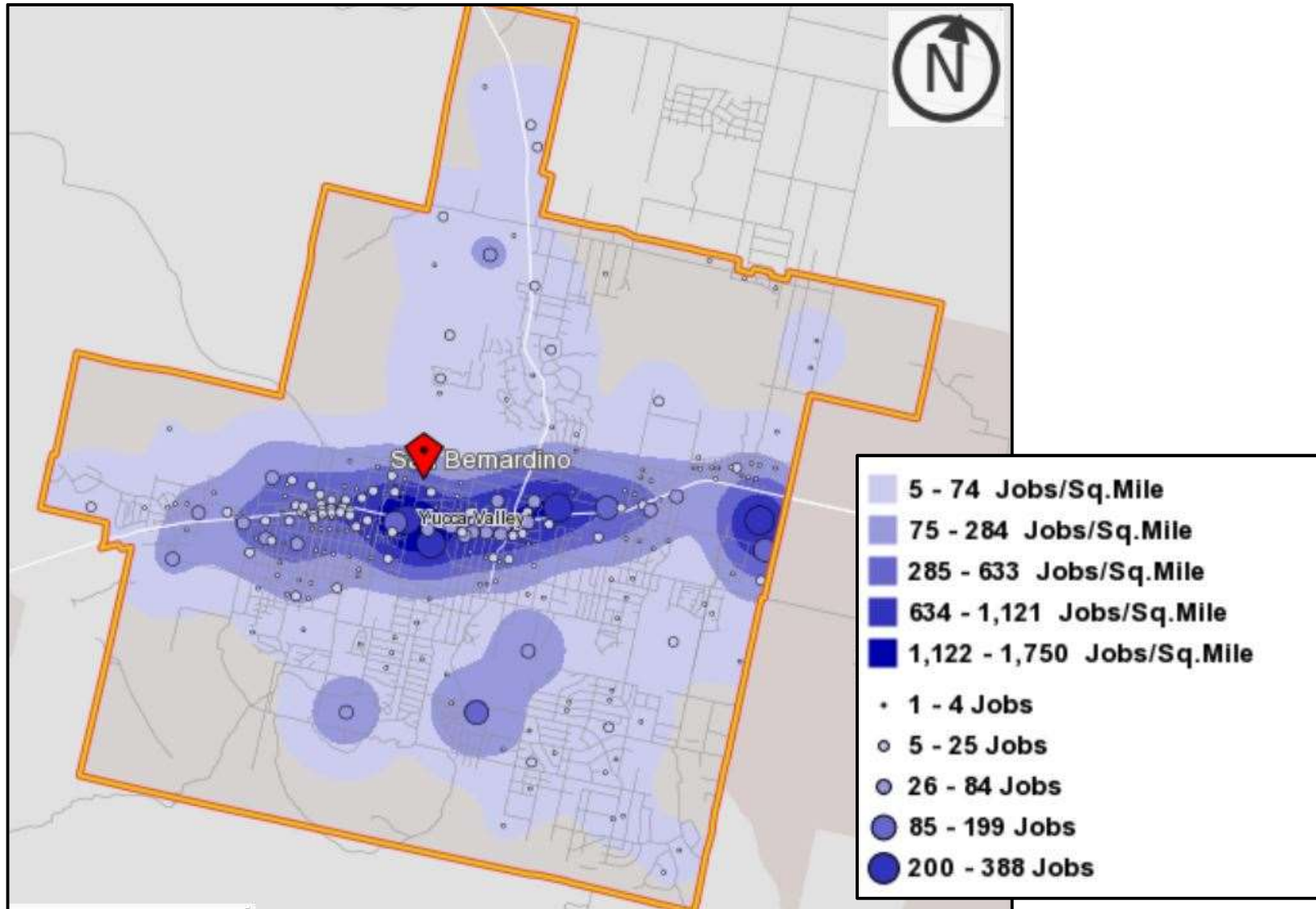
Source: U.S. Census Bureau Center for Economic Studies (2015)

Resident Concentration Within Town



Source: U.S. Census Bureau Center for Economic Studies (2015)

Employment Concentration Within Town



Source: U.S. Census Bureau Center for Economic Studies (2015)

Resident and Employee Commute

Employed Residents Place of Work*	
Yucca Valley, CA**	15.5%
Joshua Tree CDP, CA	5.4%
Palm Springs, CA	5.3%
Los Angeles, CA	4.7%
San Bernardino, CA	3.0%
Palm Desert, CA	3.0%
Twentynine Palms, CA	2.8%
Riverside, CA	2.4%
San Diego, CA	2.2%
Rancho Mirage, CA	2.0%
Cathedral City, CA	1.7%
Indio, CA	1.2%
Anaheim, CA	1.2%
Irvine, CA	1.1%
Victorville, CA	1.0%
Santa Ana, CA	0.9%
Thousand Palms CDP, CA	0.9%
Desert Hot Springs, CA	0.9%
Long Beach, CA	0.8%
Moreno Valley, CA	0.8%
Ontario, CA	0.8%
Orange, CA	0.8%
Colton, CA	0.7%
Oceanside, CA	0.7%
Coachella, CA	0.7%
All Other Locations	39.7%

“Where Town residents work”

Town Employee Origin*	
Yucca Valley, CA**	32.6%
Joshua Tree CDP, CA	5.7%
Twentynine Palms, CA	4.9%
Morongo Valley CDP, CA	1.9%
Homestead Valley CDP, CA	1.7%
Los Angeles, CA	1.6%
Desert Hot Springs, CA	1.6%
Cathedral City, CA	1.5%
Indio, CA	1.5%
San Bernardino, CA	1.4%
San Diego, CA	1.2%
Victorville, CA	1.1%
Palm Desert, CA	1.0%
Fontana, CA	1.0%
Riverside, CA	1.0%
Palm Springs, CA	0.9%
Moreno Valley, CA	0.9%
Anaheim, CA	0.8%
Hesperia, CA	0.7%
Rancho Cucamonga, CA	0.7%
La Quinta, CA	0.7%
Apple Valley, CA	0.7%
Coachella, CA	0.6%
Hemet, CA	0.6%
Redlands, CA	0.6%
All Other Locations	32.9%

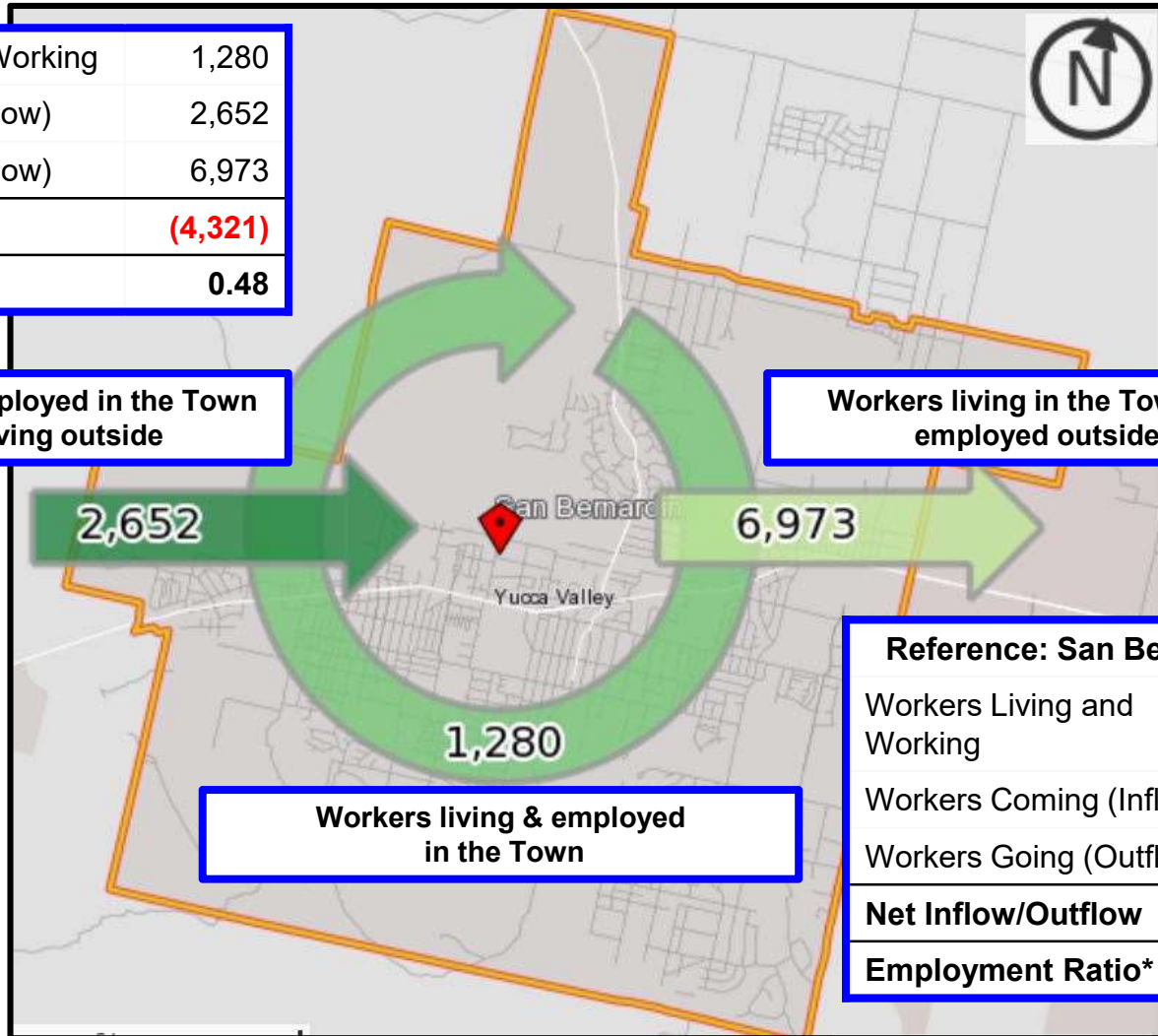
“Where people who work in the Town come from”

Source: U.S. Census Bureau Center for Economic Studies (2015); **Notes:** *The top 25 locations where Town residents work and where people who work in Yucca Valley come from are listed.**The table on the left asks the question ‘What percent of **total Yucca Valley residents** work within the Town of Yucca Valley?’, while the table on the right asks ‘What percent of **everybody who works in Yucca Valley** also live in the Town of Yucca Valley?’.

Worker Inflow / Outflow

“Are jobs coming or going?”

Workers Living and Working	1,280
Workers Coming (Inflow)	2,652
Workers Going (Outflow)	6,973
Net Inflow/Outflow	(4,321)
Employment Ratio*	0.48



Workers employed in the Town but living outside

Workers living in the Town but employed outside

Workers living & employed in the Town

Reference: San Bernardino County	
Workers Living and Working	372,298
Workers Coming (Inflow)	313,344
Workers Going (Outflow)	413,544
Net Inflow/Outflow	(100,200)
Employment Ratio*	0.87

***Employment Ratio** = People employed within Town (living and working in Town + those who come into the Town for work) / Employed population of Town (living and working in Town + workers who live in the Town, but work outside of the Town)

Source: U.S. Census Bureau Center for Economic Studies (2015)

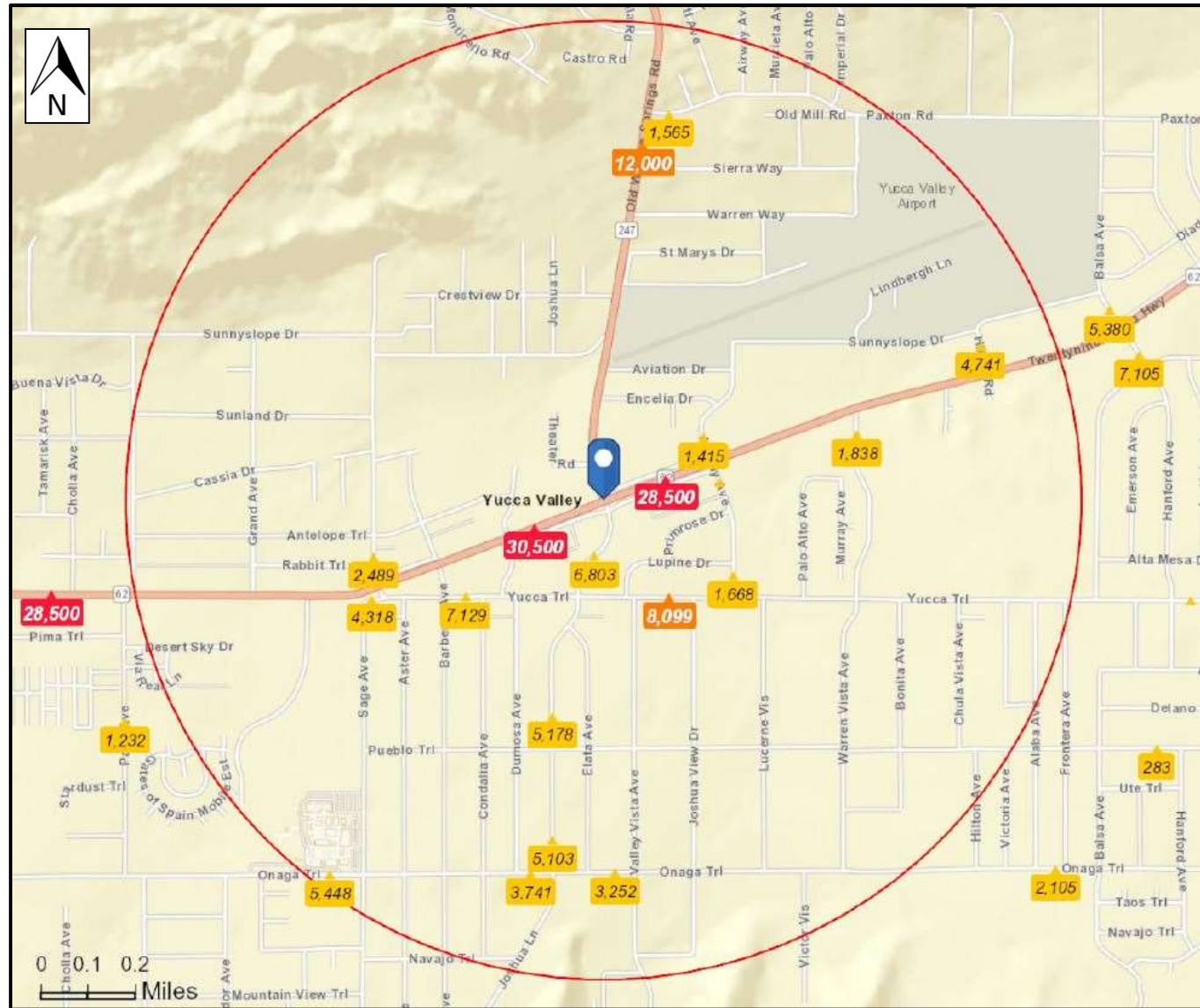
Jobs / Housing Balance

2018	Town of Yucca Valley	Yucca Valley Trade Area	County of San Bernardino	State of California
Employment	6,931	13,508	666,275	16,100,156
Households	8,796	26,891	648,132	13,336,104
Jobs / Housing Ratio	0.79	0.50	1.03	1.21

Source: ESRI (2018)

Traffic Map

1 mile radius from CA-62 and CA-247



**~42,500 AADT
at CA-62 and
CA-247**

Source: ESRI (2018);
Radii centered at the intersection
of CA-62 (Twentynine Palms
Hwy.) and CA-247 (Old Woman
Springs Rd.)

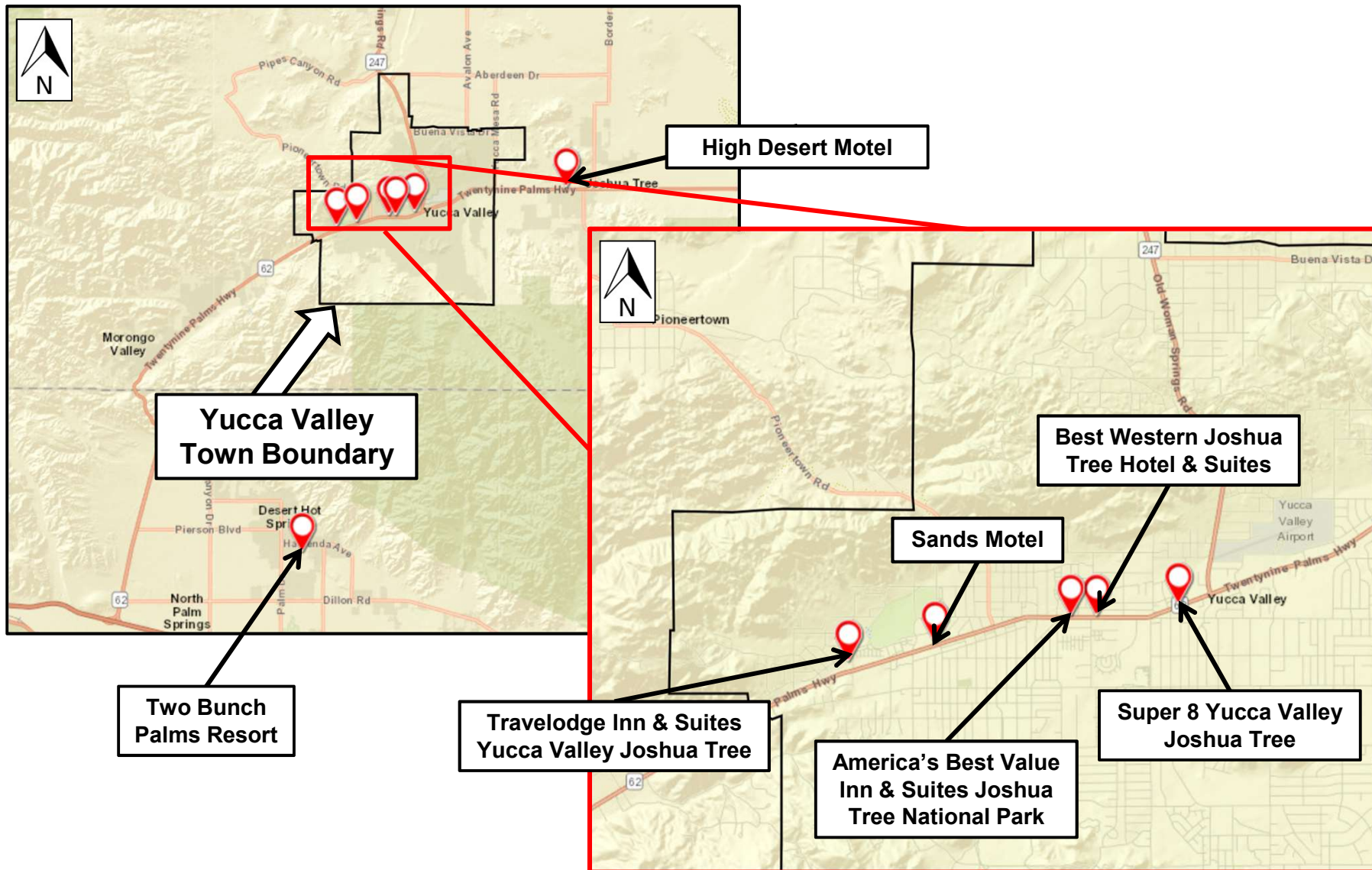
Summary: Unemployment and Employment by Industry

- Kosmont analyzed the location of homes and job centers within Yucca Valley. There is a high concentration of homes to the south of CA-62 (Twentynine Palms Hwy.), while there is a strong concentration of jobs along CA-62 in the central and eastern portion of the Town
- Historically, the Town has **higher unemployment** compared to San Bernardino County and the State of California. Currently, the Town's unemployment rate remains higher than the County and State unemployment rates
- Most workers in the Town are employed in the following industries: retail trade, health care and social assistance, accommodation and food services, educational services, and public administration
- A majority of employees who live in the Town work in other areas including Joshua Tree CDP, Palm Springs, Los Angeles, San Bernardino, and Palm Desert, yielding a **net outflow** of jobs; The net outflow of jobs indicates a lower daytime population in the Town
- Yucca Valley's jobs/housing ratio is higher than the Trade Area, but lower than the County and State ratios, indicating a possible need for more jobs in the Town

Market Demand Analysis

Hotel Market Analysis

Yucca Valley Market Area Hotel Map



Source: ESRI (2018)

Hotel Market Analysis – Yucca Valley Market Area

Market Performance Summary

Market Performance Summary:

12 Months Ending in September	Avg. Occupancy	ADR	Annual Supply of Room Nights	Annual Demand for Room Nights	Change in Occupied Room Nights	RevPAR	Change in RevPAR
2013	45.5%	\$90.46	118,790	53,740	-	\$41.82	-
2014	44.5%	\$90.71	124,830	55,483	3.2%	\$40.82	(2.4%)
2015	48.2%	\$100.99	130,670	62,924	13.4%	\$49.03	20.1%
2016*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	54.7%	\$118.17	130,670	71,416	N/A	\$65.48	N/A
2018	56.7%	\$128.20	130,397	73,786	3.3%	\$74.56	13.9%
Total Growth 2013-2018 (%)	24.6%	41.7%	9.8%	37.3%	-	78.3%	-

Source: Smith Travel Research (2018); *None of the hotels within the Yucca Valley Market Area universe reported any data during the period of December 2015 through June 2016.

Hotel Market Analysis – Yucca Valley Market Area

Performance by Month and Day of Week

Performance by Month

Month	Avg. Occupancy	ADR	RevPAR
October 2017	55.1%	\$127.25	\$73.06
November 2017	53.9%	\$133.46	\$74.13
December 2017	54.9%	\$138.98	\$76.61
January 2018	57.9%	\$132.39	\$77.62
February 2018	71.0%	\$141.94	\$102.21
March 2018	79.8%	\$141.86	\$113.84
April 2018	70.0%	\$153.58	\$110.40
May 2018	62.0%	\$132.55	\$85.01
June 2018	49.5%	\$115.11	\$57.69
July 2018*	N/A	N/A	N/A
August 2018*	N/A	N/A	N/A
September 2018	45.0%	\$113.30	\$51.46
Average	56.6%	\$131.38	\$74.34

*Strong in the spring months,
less occupancy in the summer and fall months,
peaking in March*

Performance by Day of Week

Day	Avg. Occupancy	ADR	RevPAR
Sunday	49.9%	\$132.18	\$65.95
Monday	49.9%	\$117.64	\$58.69
Tuesday	50.6%	\$112.77	\$57.05
Wednesday	53.0%	\$113.56	\$60.23
Thursday	54.5%	\$118.73	\$64.76
Friday	63.8%	\$151.68	\$96.80
Saturday	74.4%	\$157.25	\$117.07
Average	56.6%	\$129.12	\$74.37

Strong weekend demand, peaking Saturday

Source: Smith Travel Research (2018); *No hotels within hotel universe provided monthly data in July and August 2018.

Hotel Market Analysis – Yucca Valley Market Area

Projection of Supportable New Rooms

Projection of Supportable New Rooms

Year	Projected Demand	Existing Supply of Room Nights	Demand for Room Nights	Supportable # Rooms
2018*	73,786	130,397	105,409	0
2023	85,538	130,397	122,197	0
2028	99,162	130,397	141,660	31
2033	114,956	130,397	164,223	93

Notes:

- Based on 3% annual increase in room demand, target occupancy of 70%

Source: Smith Travel Research (2018); **Note:** * 2018 represents the period between October 2017 to September 2018.

Hotel Market Analysis Summary

Yucca Valley Market Area

**The hotel universe used in this analysis contains
7 hotels (357 total hotel rooms)**

- Average Occupancy: **56.7%**
- Average Daily Rate (ADR): **\$128.20**
- Revenue per Available Room (RevPAR): **\$74.56**
- Growth of demand outpaces growth of supply
- Support for absorption of a prescribed number of rooms in the long term (10-15 years)

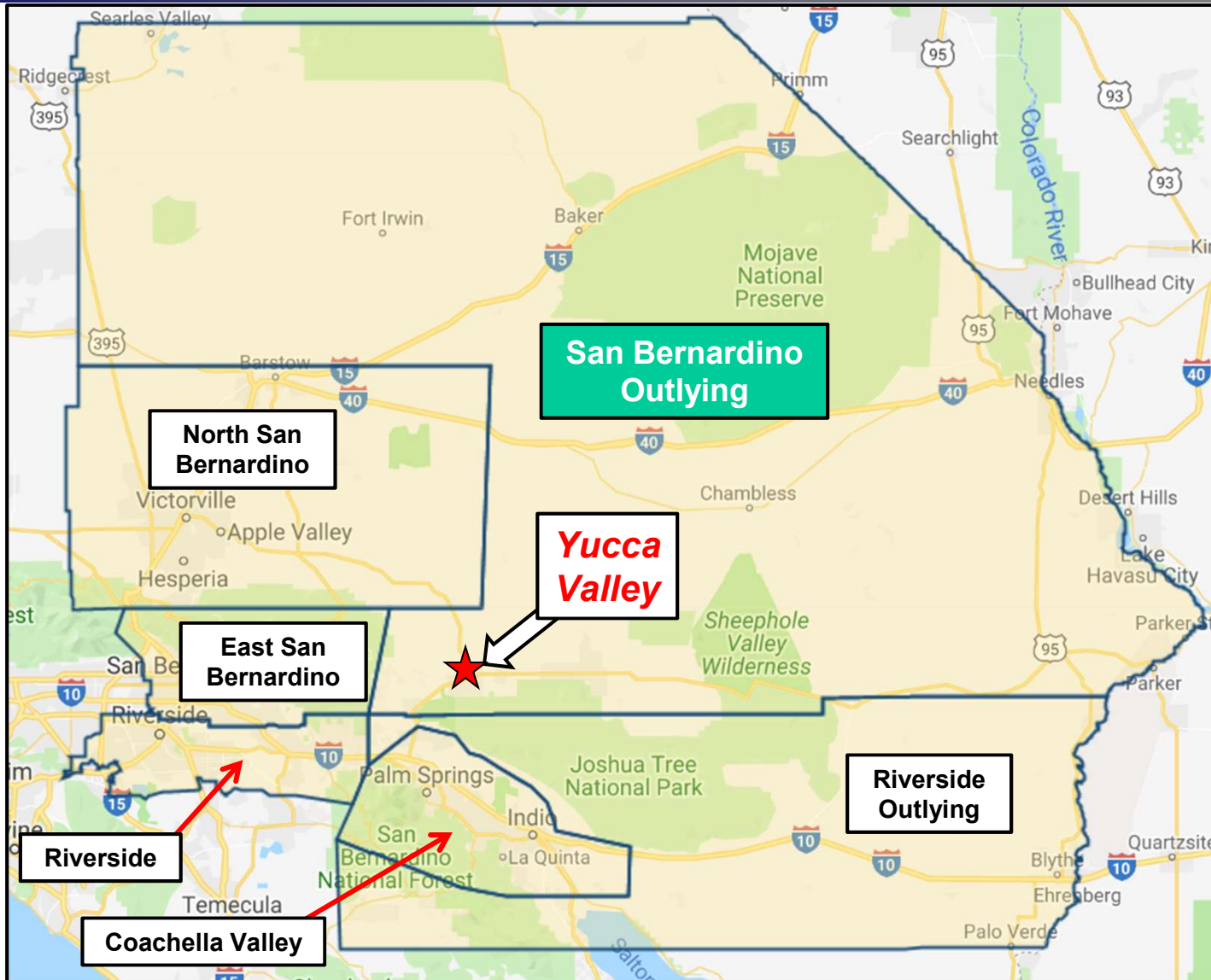
Source: Smith Travel Research (2018)

Market Demand Analysis

Supply, Vacancy, & Lease Rates

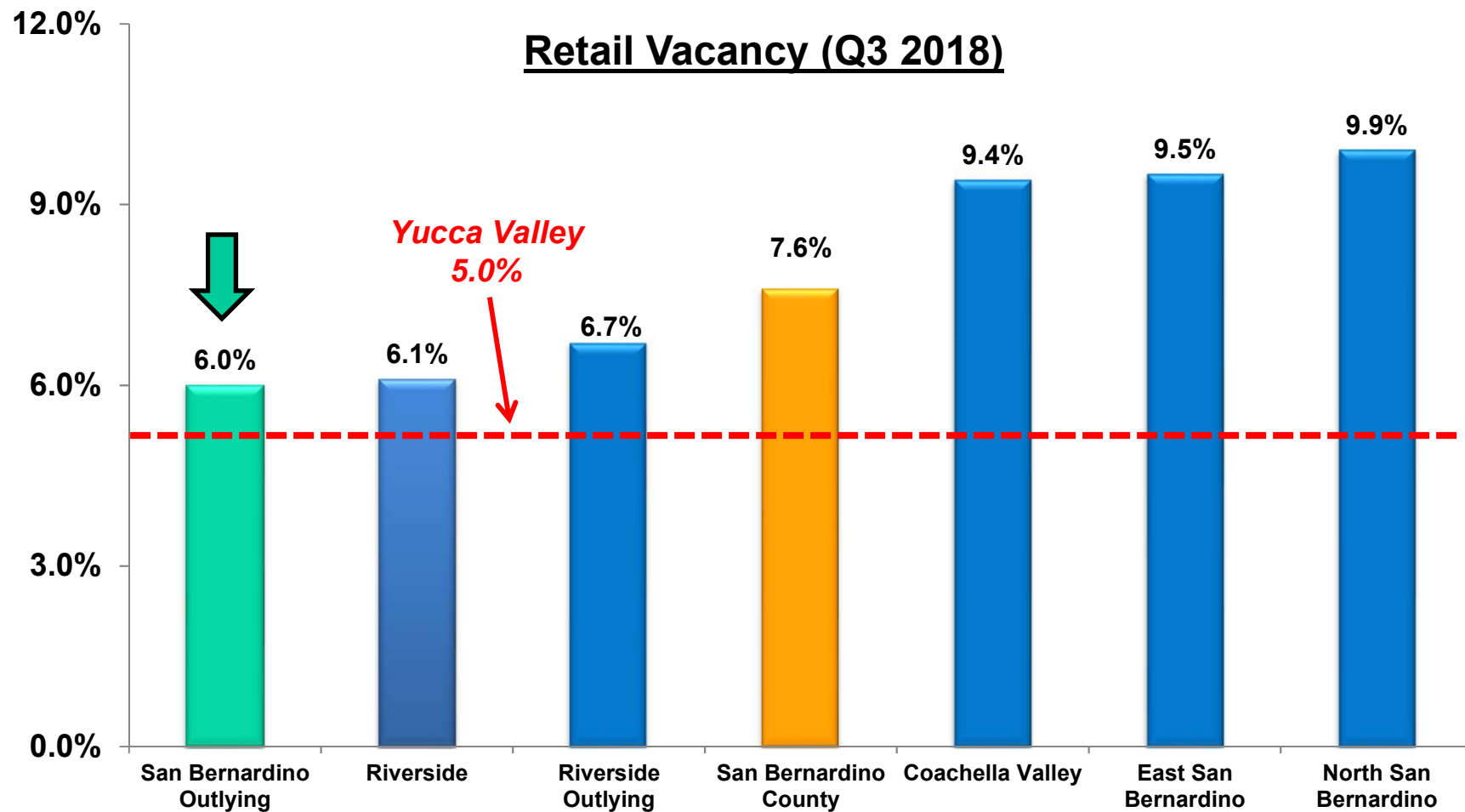
(Retail, Office, Industrial, & Multifamily)

Retail, Office, and Industrial Submarkets



Source: CoStar (2018)

Retail Vacancy by Submarket



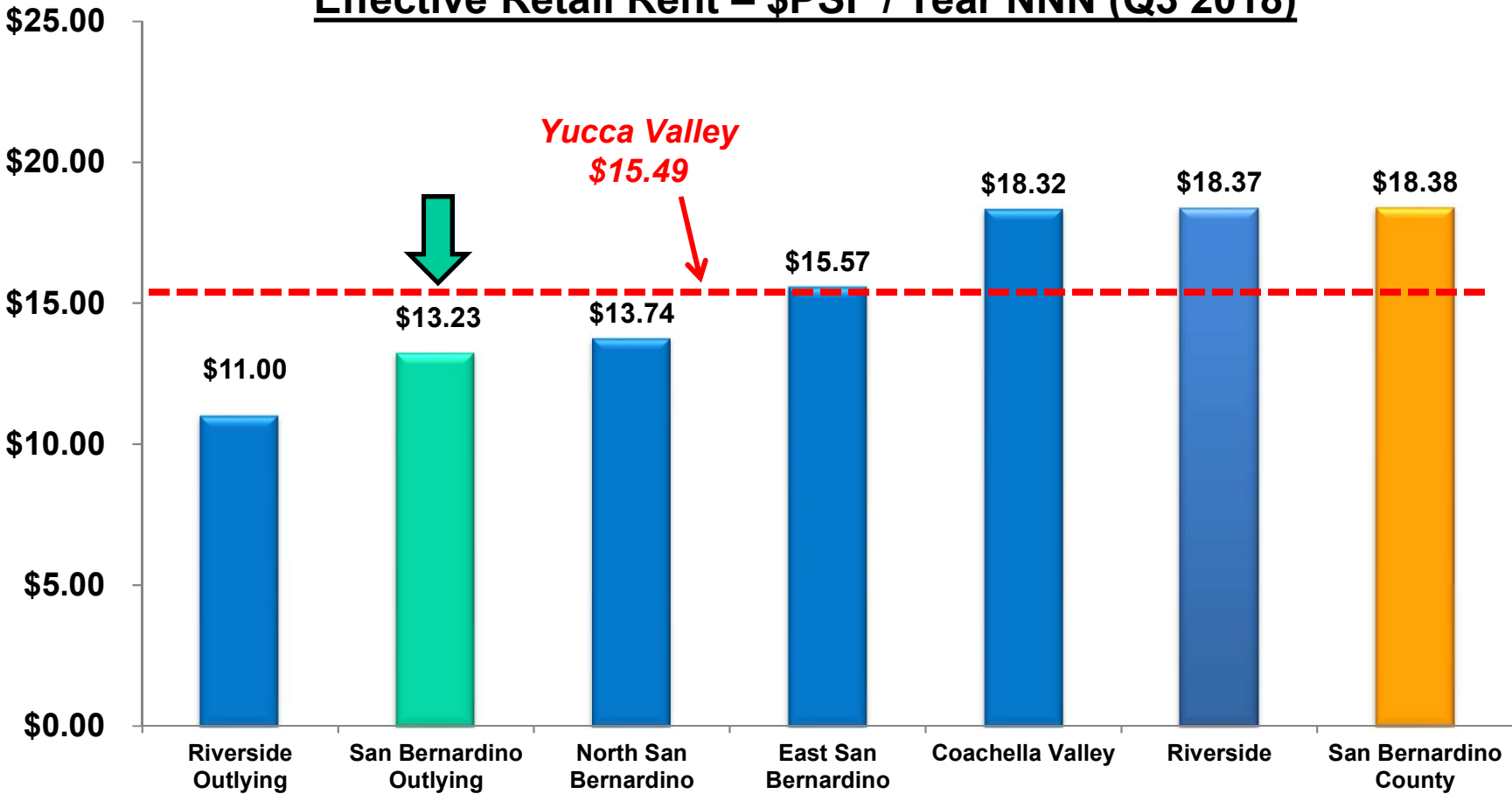
Total Gross Leasable Area (GLA) in millions of SF:

3.1	34.7	0.9	94.1	27.2	30.7	17.9
-----	------	-----	------	------	------	------

Note: CoStar includes Yucca Valley in the San Bernardino Outlying submarket for retail; Yucca Valley Total Retail Market =1.9 M sq.ft.; **Source:** CoStar (Q3 2018)

Retail Lease Rates by Submarket

Effective Retail Rent – \$PSF / Year NNN (Q3 2018)



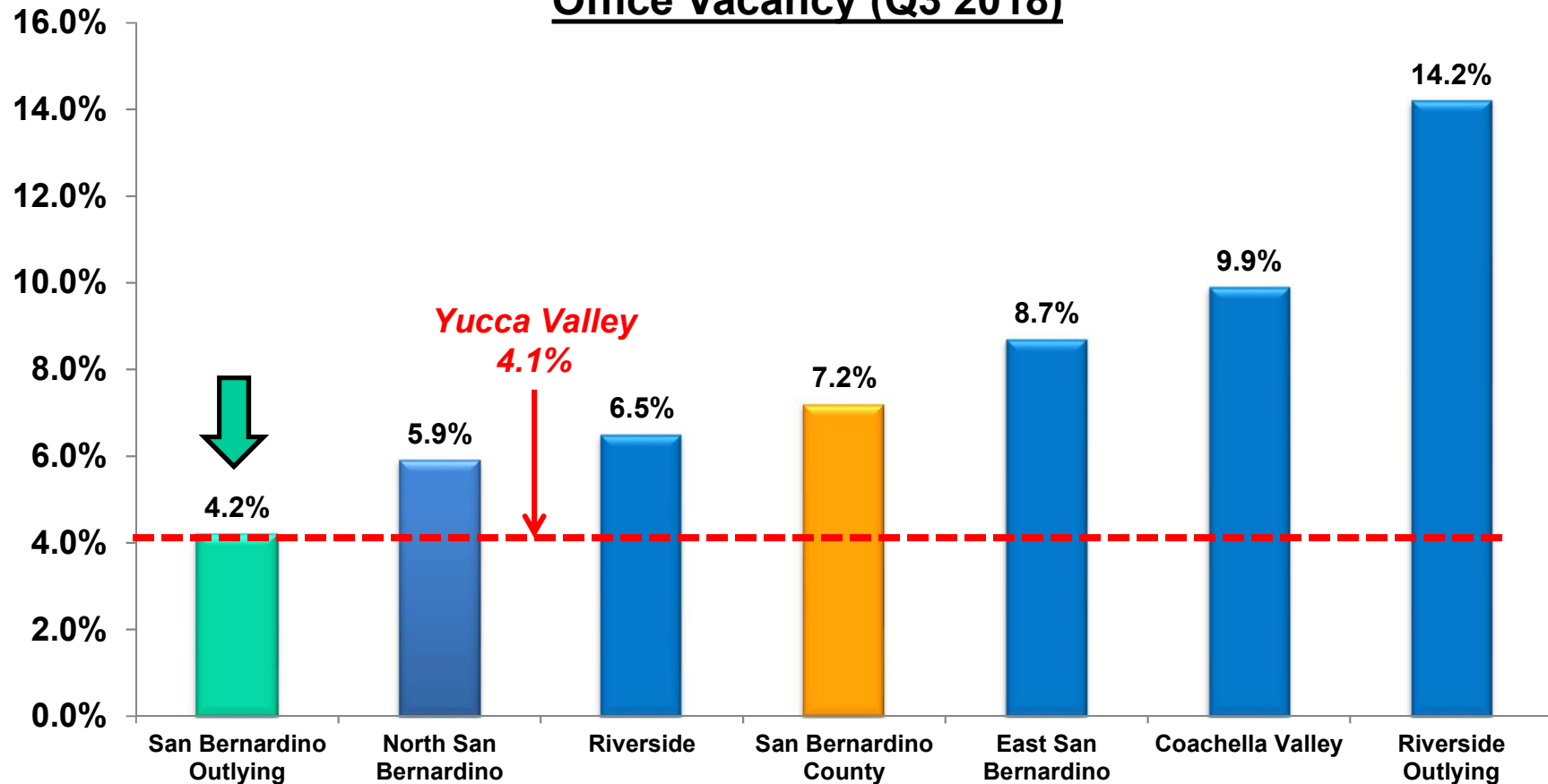
Total Gross Leasable Area (GLA) in millions of SF:

0.9	3.1	17.9	30.7	27.2	34.7	94.1
-----	-----	------	------	------	------	------

Note: CoStar includes Yucca Valley in the San Bernardino Outlying submarket for retail; Yucca Valley Total Retail Market =1.9 M sq.ft.; **Source:** CoStar (Q3 2018)

Office Vacancy by Submarket

Office Vacancy (Q3 2018)



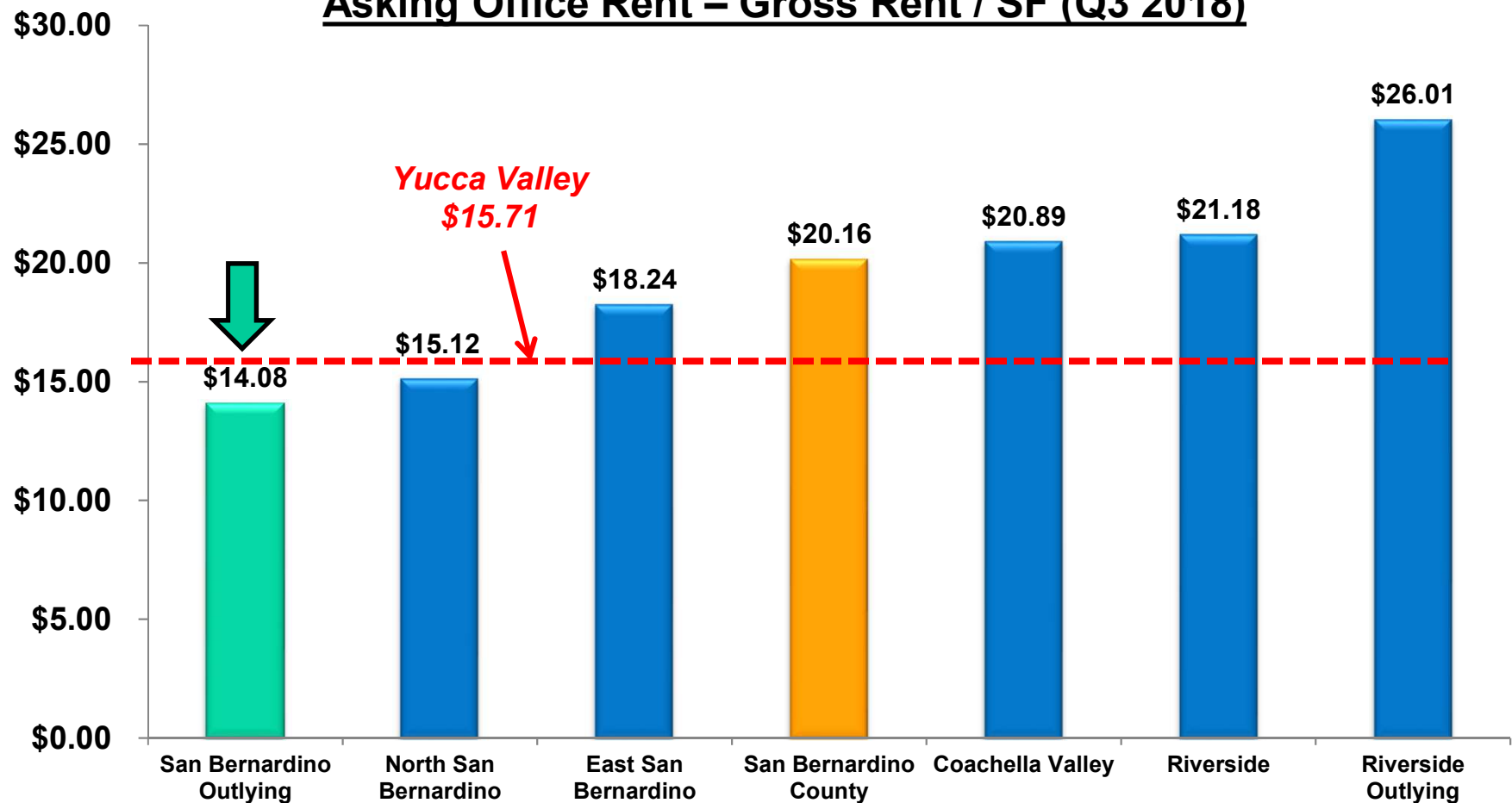
Total Gross Leasable Area (GLA) in millions of SF:

0.6	5.6	14.0	39.7	15.9	8.5	0.08
-----	-----	------	------	------	-----	------

Note: CoStar includes Yucca Valley in the San Bernardino Outlying submarket for office; Yucca Valley Total Office Market = 0.4 M sq. ft.; Yucca Valley Medical Office Submarket = ~185,900 sq. ft., Medical Office Submarket Vacancy = 1.2%; **Source:** CoStar (Q3 2018)

Office Lease Rates by Submarket

Asking Office Rent – Gross Rent / SF (Q3 2018)

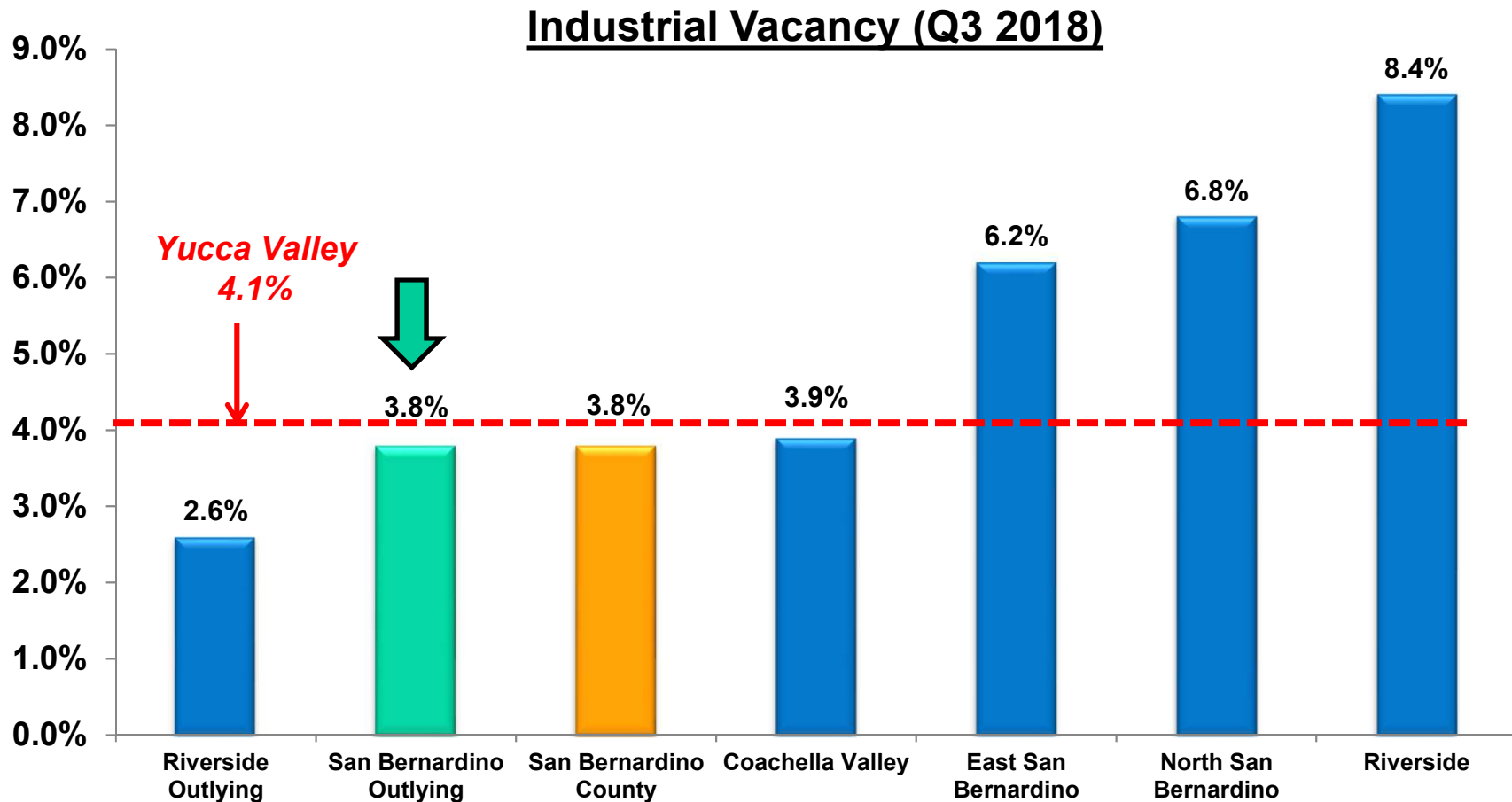


Total Gross Leasable Area (GLA) in millions of SF:

0.6	5.6	15.9	39.7	8.5	14.0	0.08
-----	-----	------	------	-----	------	------

Note: CoStar includes Yucca Valley in the San Bernardino Outlying submarket for office; Yucca Valley Total Office Market = 0.4 M sq. ft.; Yucca Valley Medical Office Submarket = ~185,900 sq. ft., Medical Office Submarket Vacancy = 1.2%; **Source:** CoStar (Q3 2018)

Industrial Vacancy by Submarket

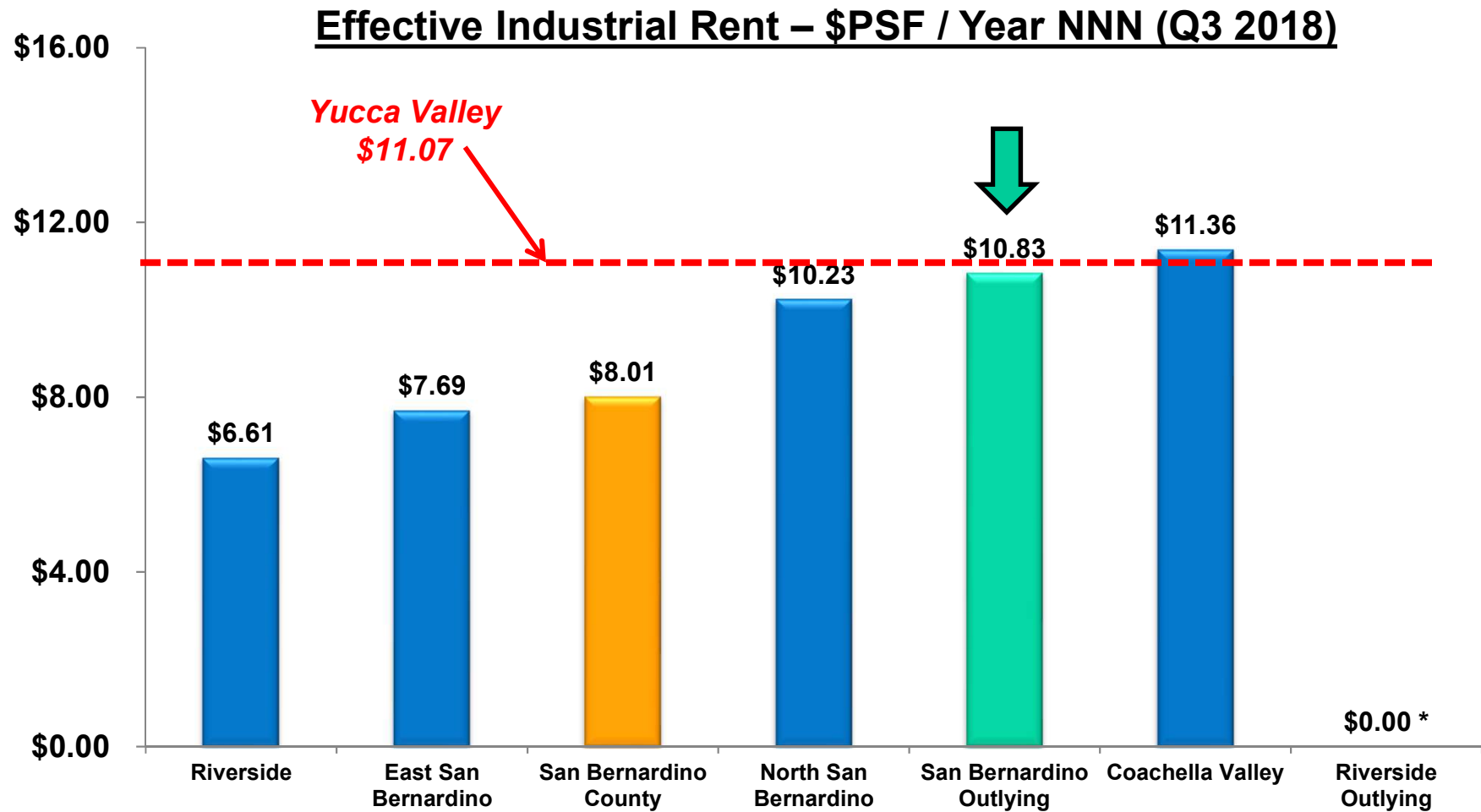


Total Gross Leasable Area (GLA) in millions of SF:

0.3	0.7	400.1	14.9	112.2	20.0	121.7
-----	-----	-------	------	-------	------	-------

Note: CoStar includes Yucca Valley in the San Bernardino Outlying submarket for industrial; Yucca Valley Total Industrial Market = 0.3 M sq.ft.; **Source:** CoStar (Q3 2018)

Industrial Lease Rates by Submarket

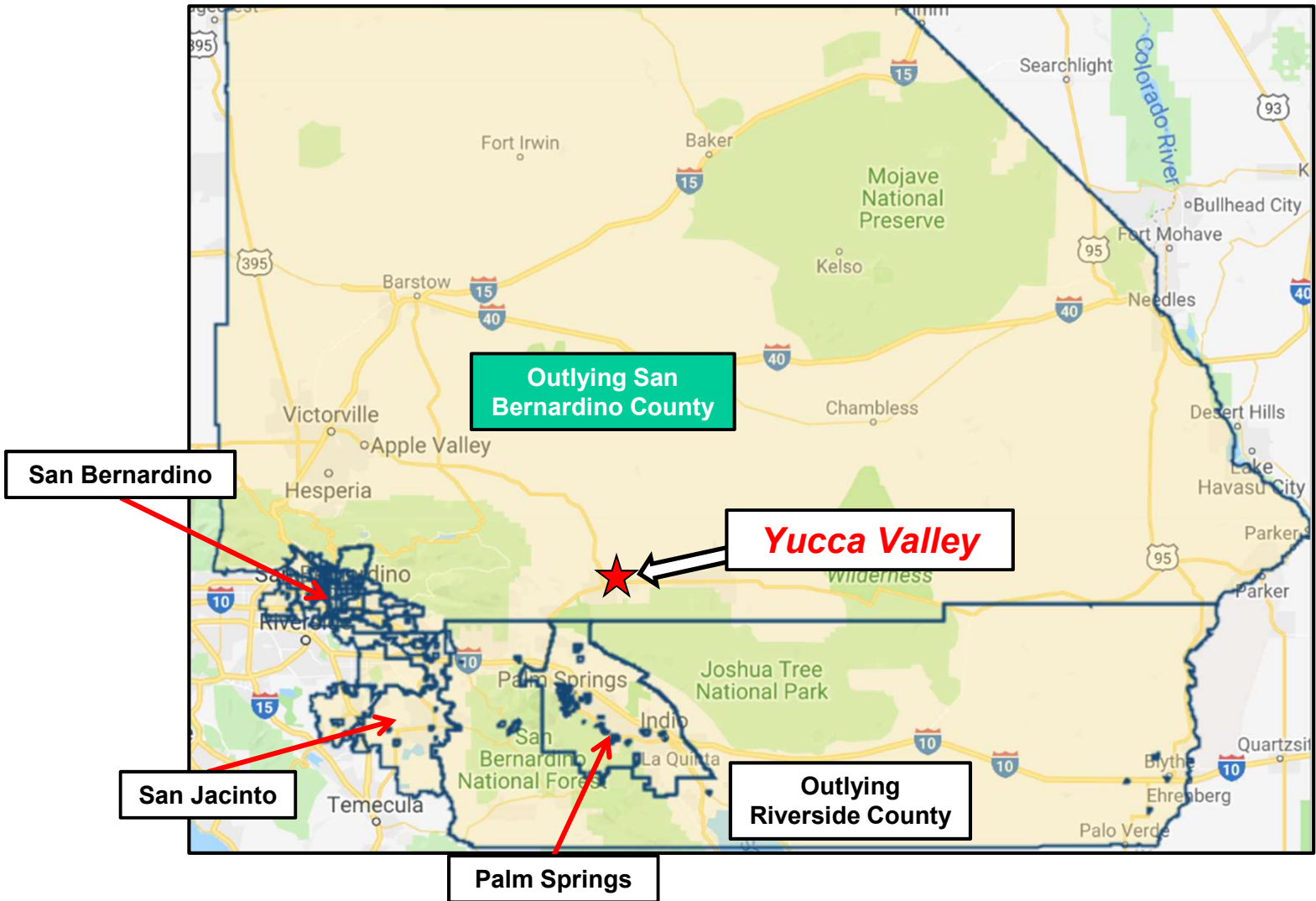


Total Gross Leasable Area (GLA) in millions of SF:

121.7	112.2	400.1	20.0	0.7	14.9	0.3
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Note: CoStar includes Yucca Valley in the San Bernardino Outlying submarket for industrial; Yucca Valley Total Industrial Market = 0.3 M sq.ft.; *Properties within the Riverside Outlying submarket did not report lease rates. **Source:** CoStar (Q3 2018)

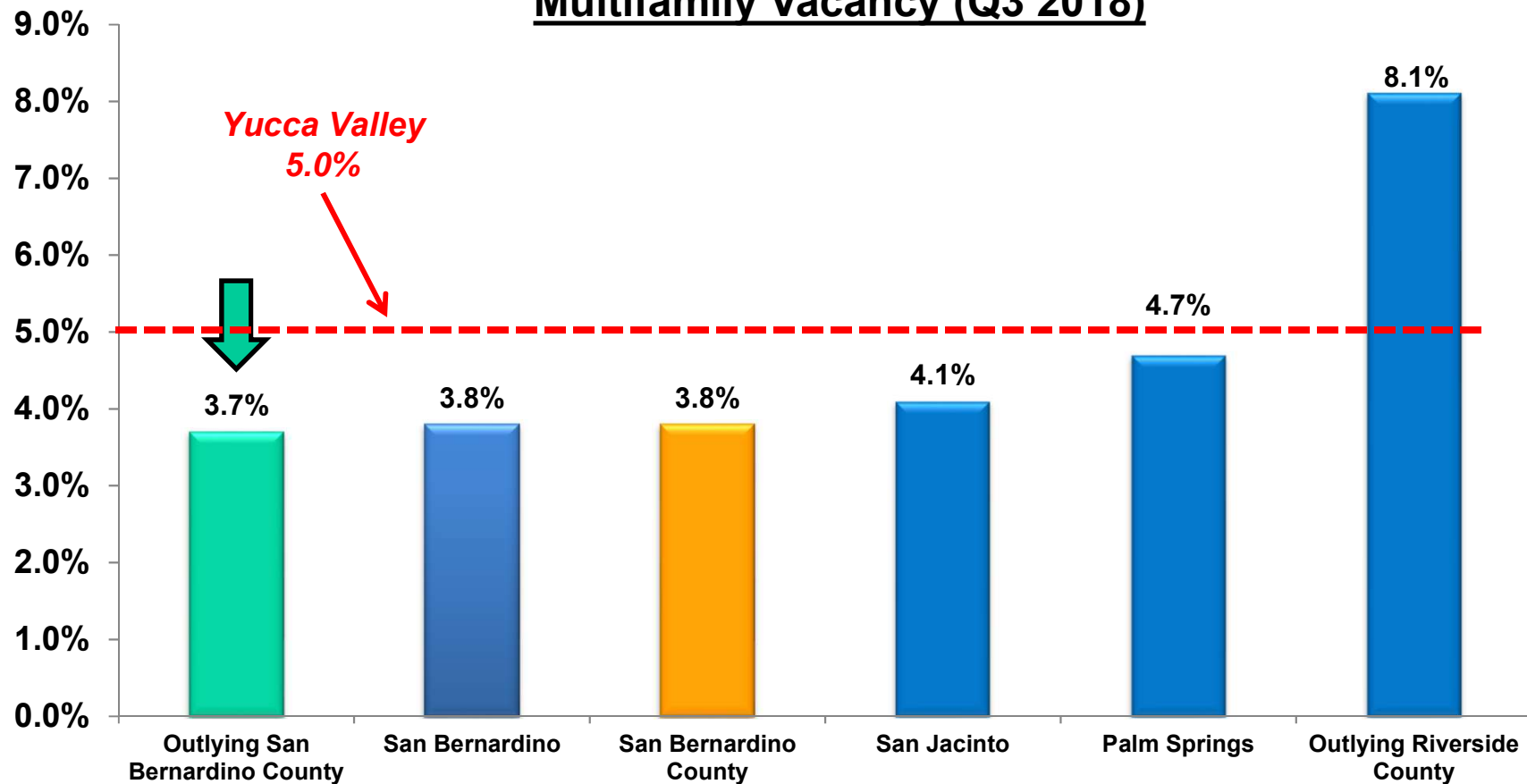
Multifamily Submarkets



Source: CoStar (2018)

Multifamily Vacancy by Submarket

Multifamily Vacancy (Q3 2018)

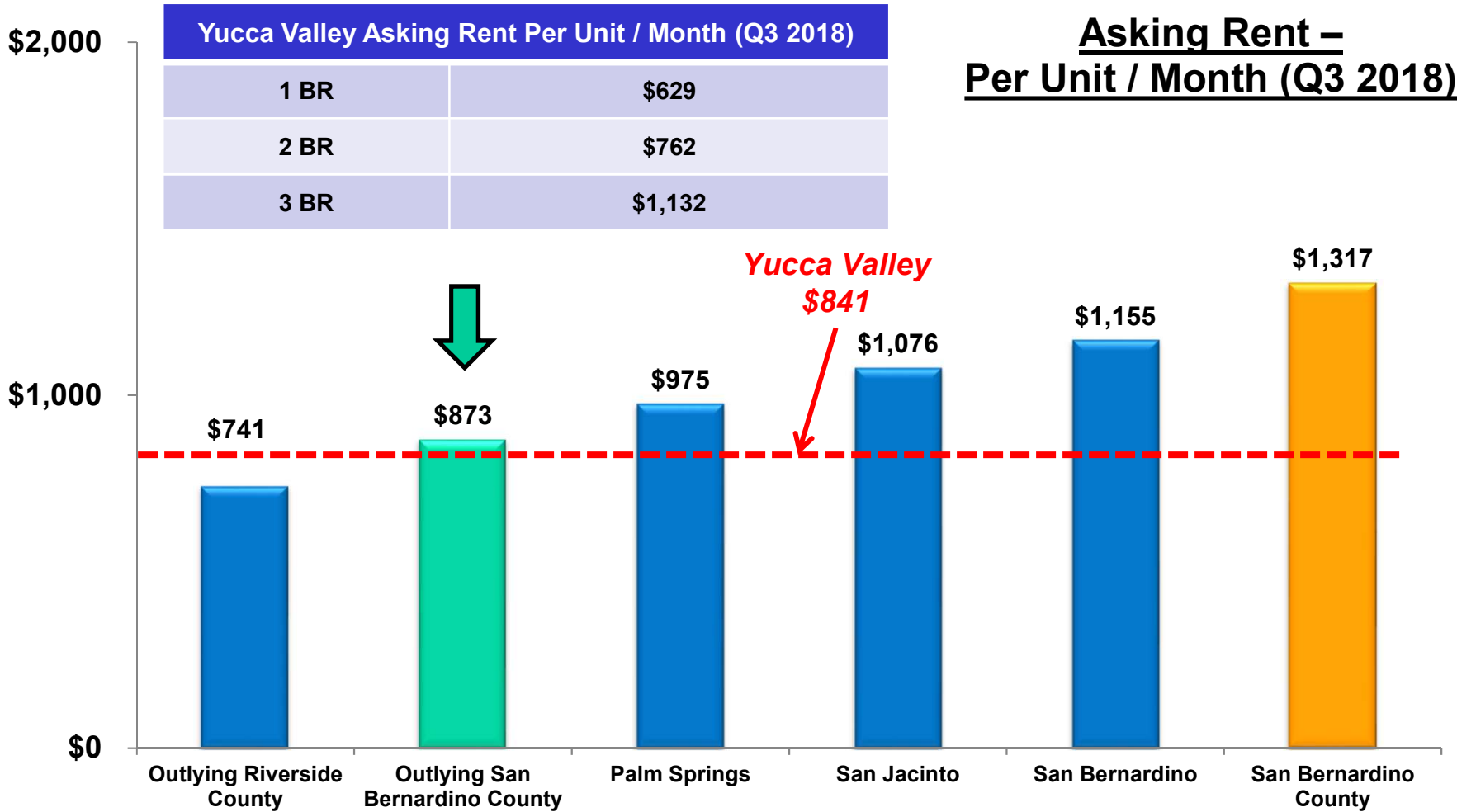


Total Number of Units in thousands (000s):

31.3	63.0	141.8	21.8	33.9	3.7
------	------	-------	------	------	-----

Note: CoStar includes Yucca Valley in the Outlying San Bernardino County submarket for multifamily;
of multifamily units in Yucca Valley = 997; **Source:** CoStar (Q3 2018)

Multifamily Lease Rates by Submarket



Total Number of Units in thousands (000s):

3.7	31.3	33.9	21.8	63.0	141.8
-----	------	------	------	------	-------

Note: CoStar includes Yucca Valley in the Outlying San Bernardino County submarket for multifamily;
of multifamily units in Yucca Valley = 997; **Source:** CoStar (Q3 2018)

Summary: Supply, Vacancy, & Lease Rates

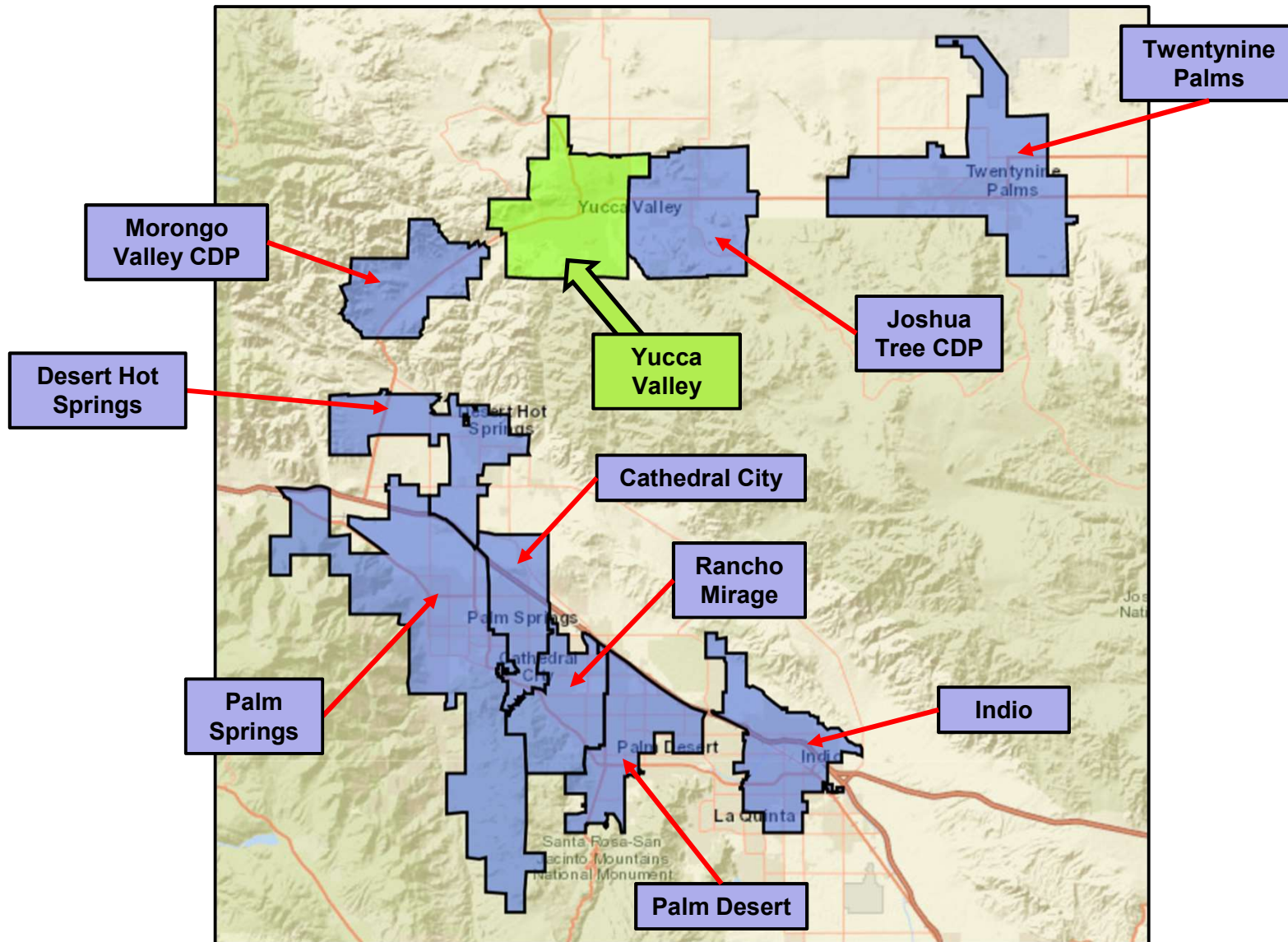
- Supply, vacancy and lease/rental rates for retail, office, industrial, and multifamily uses are compared between neighboring submarkets and the San Bernardino County market average
- Retail vacancy in Yucca Valley is **lower** than both the San Bernardino Outlying submarket and San Bernardino County vacancy rates; Retail lease rates are **higher** than the submarket, but **lower** than the County lease rates, demonstrating a slight potential demand for retail uses
- Office vacancy in Yucca Valley is **slightly lower** than the San Bernardino Outlying submarket and **lower** than the County vacancy rate; Office rental rates in Yucca Valley are **higher** compared to the submarket and **lower** than the County rental rates, indicating limited demand for office uses
- Industrial vacancy in Yucca Valley is **higher** than both the San Bernardino Outlying submarket and San Bernardino County vacancy rates. Industrial lease rates are **higher** in Yucca Valley compared to the industrial lease rates in the submarket and the County, indicating very limited demand for industrial uses
- Multifamily vacancy rates in Yucca Valley are **higher** and lease rates are **lower** compared to the submarket and County, indicating less demand for multifamily housing units

Source: CoStar (2018)

Market Demand Analysis

Retail Sales Performance

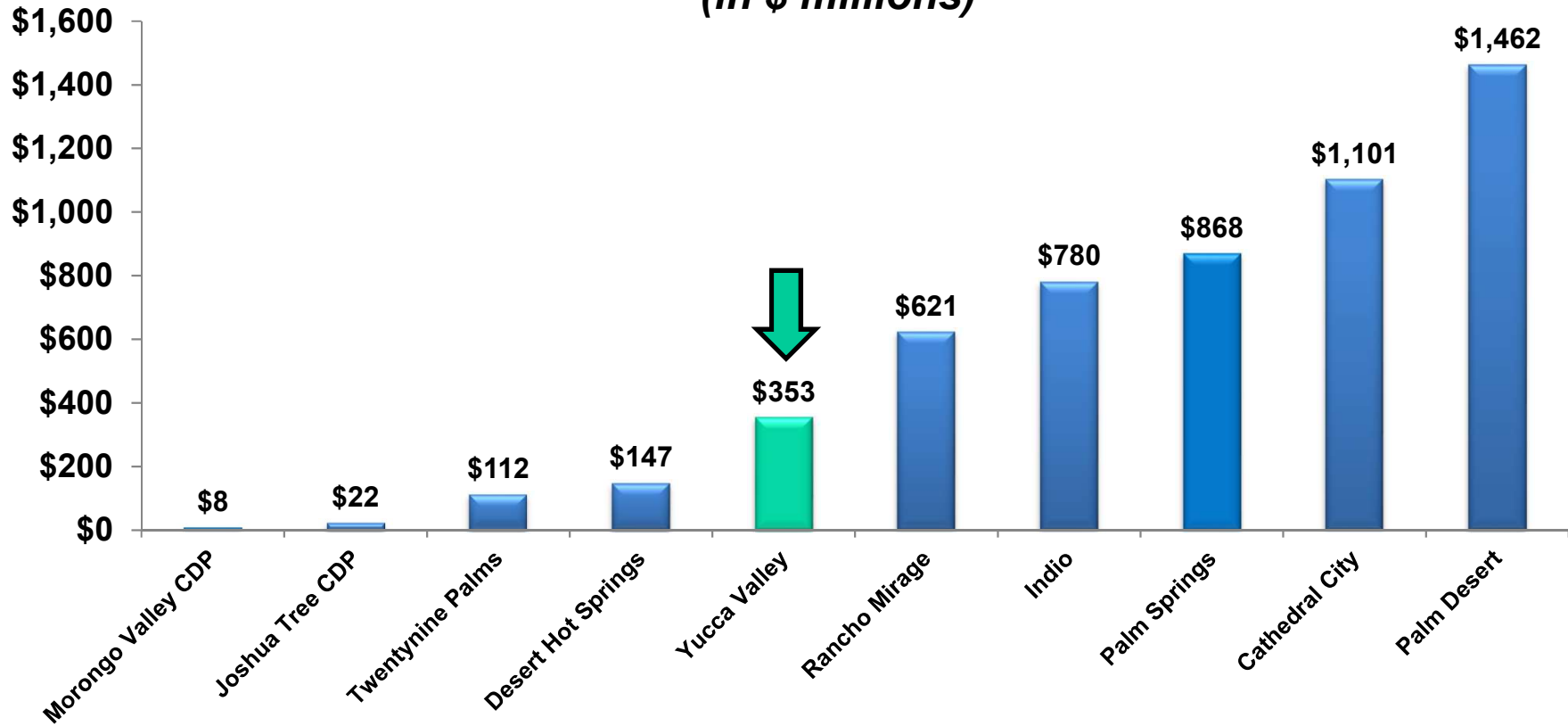
Yucca Valley & Comparison Cities



Source: ESRI (2018)

Retail Sales Comparison Yucca Valley & Comparison Cities

Retail Sales in 2017
(in \$ millions)



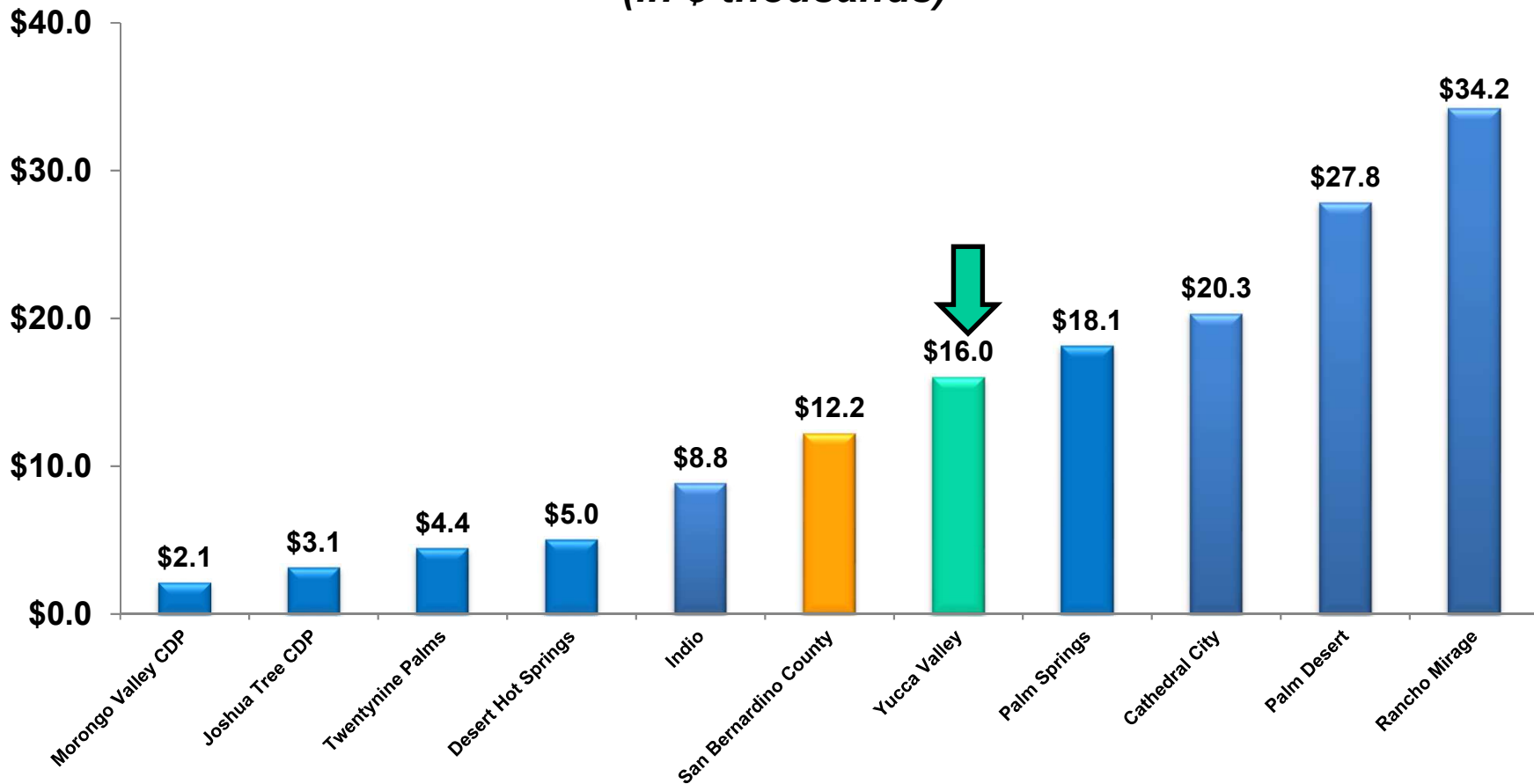
2018 Population (000s):



Source: ESRI, Infogroup (2018); Includes taxable and non-taxable sales

Per Capita Retail Sales Yucca Valley & Comparison Regions

Per Capita Retail Sales in 2017
(in \$ thousands)



2018 Population (000s):

4	7	25	29	89	2,173	22	48	54	53	18
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Source: ESRI, Infogroup (2018); Includes taxable and non-taxable sales

Retail Category Definitions

- **Shopper Goods / GAFO** *(General Merchandise, Apparel & Accessories, Furniture & Other Sales)*
 - Clothing & Clothing Accessories Stores
 - General Merchandise Stores
 - Furniture & Home Furnishings Stores
 - Health & Personal Care Stores
 - Sporting Goods, Hobby, Book & Music Stores
 - Electronics & Appliance Stores
 - Miscellaneous Store Retailers (incl. Office Supply)
- **Convenience Goods**
 - Food and Beverage (Grocery Stores)
 - Food Service and Drinking Places (Restaurants & Bars)
- **Heavy Commercial Goods**
 - Building Materials (Home Improvement)
 - Auto Dealers & Supplies
 - Gasoline / Service Stations
- Non-Store Retailers (e.g., Online Shopping & Mail-Order)

Note: Retail Categories delineated by NAICS / California Board of Equalization

Per Capita Retail Sales by Category

Yucca Valley & Comparison Regions

Per Capita Retail Sales	Yucca Valley	Cathedral City	Desert Hot Springs	Indio	Joshua Tree CDP	Palm Desert	Palm Springs	Rancho Mirage	Twentynine Palms	San Bernardino County
Shopper Goods (GAFO):										
Clothing & Accessories Stores	\$168	\$164	\$12	\$216	\$0	\$4,363	\$619	\$535	\$22	\$556
General Merchandise Stores	\$4,254	\$2,017	\$534	\$1,324	\$0	\$6,672	\$2,023	\$8,409	\$201	\$2,055
Furniture & Home Stores	\$126	\$815	\$44	\$418	\$62	\$1,647	\$926	\$1,590	\$35	\$475
Health & Personal Care Stores	\$742	\$436	\$325	\$621	\$127	\$1,326	\$1,016	\$1,443	\$145	\$502
Sporting Goods, Hobby, Book Stores	\$232	\$67	\$0	\$125	\$144	\$960	\$477	\$402	\$104	\$305
Electronics & Appliance Stores	\$180	\$138	\$59	\$53	\$0	\$1,099	\$285	\$326	\$48	\$264
Miscellaneous Store Retailers	\$431	\$285	\$106	\$229	\$240	\$1,153	\$1,036	\$354	\$373	\$412
Total GAFO	\$6,134	\$3,922	\$1,079	\$2,987	\$573	\$17,220	\$6,382	\$13,059	\$928	\$4,570
Convenience Goods:										
Food & Beverage Stores (Grocery)	\$3,268	\$2,143	\$1,889	\$2,143	\$627	\$4,504	\$2,638	\$2,716	\$1,557	\$1,752
Food Services & Drinking Places (Restaurants)	\$1,574	\$1,123	\$500	\$821	\$238	\$3,091	\$3,391	\$3,916	\$701	\$1,186
Total Convenience	\$4,842	\$3,266	\$2,388	\$2,965	\$866	\$7,595	\$6,029	\$6,633	\$2,258	\$2,938
Heavy Commercial:										
Bldg Materials, Garden Equip. Stores	\$1,288	\$557	\$235	\$657	\$374	\$1,014	\$1,407	\$1,163	\$269	\$941
Motor Vehicle & Parts Dealers	\$2,507	\$11,346	\$186	\$1,153	\$55	\$654	\$2,185	\$11,377	\$385	\$2,157
Gasoline Stations	\$1,248	\$1,184	\$1,138	\$919	\$1,249	\$1,269	\$2,121	\$1,921	\$517	\$1,534
Total Heavy Commercial	\$5,044	\$13,087	\$1,559	\$2,730	\$1,678	\$2,938	\$5,713	\$14,460	\$1,171	\$4,633
Non-store Retailers	\$3	\$2	\$0	\$71	\$0	\$51	\$18	\$3	\$41	\$50
Total Retail	\$16,022	\$20,277	\$5,026	\$8,751	\$3,117	\$27,803	\$18,142	\$34,155	\$4,399	\$12,191

Key: Indicates higher or same value for Yucca Valley Indicates lower value for Yucca Valley

Source: ESRI, Infogroup (2018), Includes taxable and non-taxable sales

Summary: Retail Sales Performance

- Consumer spending across retail categories is totaled and normalized for population within the City and comparison regions for the purpose of evaluating potential sales leakage / capture across jurisdictions
- Retail sales per capita for the City (~\$16,000) is **more than** the retail sales per capita of both San Bernardino County (~\$12,200)
- Higher performing sales categories include **general merchandise stores; health and personal care stores; sporting goods, hobby, books, and music stores; electronics and appliance stores; miscellaneous store retailers; grocery stores; restaurants; building materials stores; motor vehicle and parts dealers;**
- Lower performing retail categories include **clothing and accessories stores, furniture and home stores, gasoline stations, and non-store retailers**

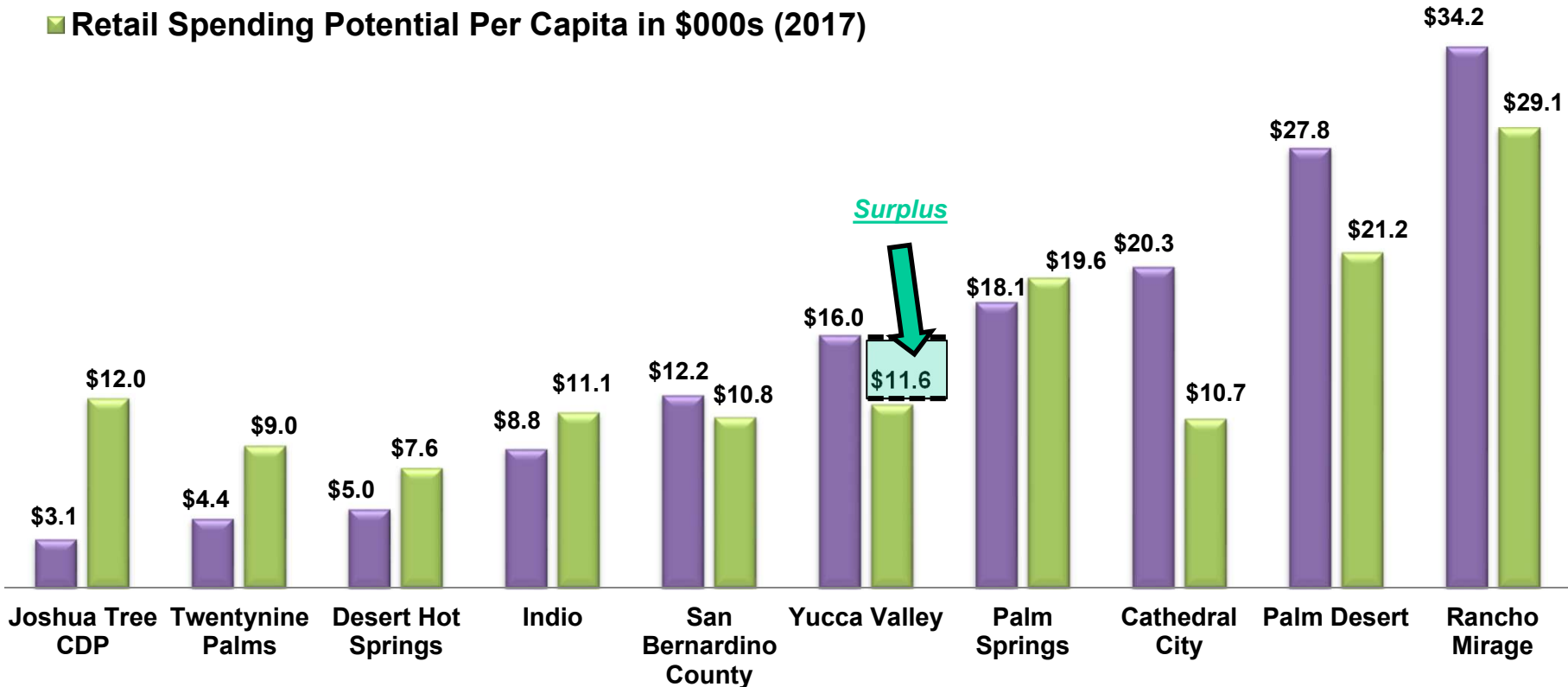
Market Demand Analysis

Retail Sales Surplus / Leakage

Retail Sales Surplus / Leakage

“Cash Registers vs. Wallets”

- Retail Sales Per Capita in \$000s (2017)
- Retail Spending Potential Per Capita in \$000s (2017)



Per Capita Sales Surplus/Leakage, Total Surplus/Leakage, and Percent Surplus/Leakage:

(\$8.9K)	(\$4.6K)	(\$2.6K)	(\$2.3K)	\$1.4K	\$4.4K	(\$1.5K)	\$9.6K	\$6.6K	\$5.1K
(\$64M)	(\$116M)	(\$75M)	(\$209M)	\$3,000M	\$99M	(\$70M)	\$518M	\$346M	\$92M
(74%)	(51%)	(34%)	(21%)	13%	39%	(7%)	89%	31%	17%

Note: Spending potential based on number of households, average household income, and estimated percentage of income spent on retail goods and services **Source:** ESRI, Infogroup (2018)

Retail Sales Surplus / Leakage by Category

Town of Yucca Valley

Retail Category	Retail Spending Potential	Retail Sales	Retail Surplus/ (Leakage)	Percent Surplus/ (Leakage)	Online Sales Leakage Potential
<i>Shopper Goods (GAFO):</i>					
Clothing & Clothing Accessories Stores	\$14,987,880	\$3,697,311	(\$11,290,569)	(75.3%)	High
General Merchandise Stores	\$37,821,810	\$93,791,055	\$55,969,245	148.0%	Med
Furniture & Home Furnishings Stores	\$8,098,076	\$2,787,532	(\$5,310,544)	(65.6%)	Med
Health & Personal Care Stores	\$16,674,495	\$16,369,549	(\$304,946)	(1.8%)	Med
Sporting Goods, Hobby, Book & Music Stores	\$6,859,038	\$5,114,729	(\$1,744,309)	(25.4%)	High
Electronics & Appliance Stores	\$8,120,904	\$3,974,240	(\$4,146,664)	(51.1%)	High
Miscellaneous Store Retailers	\$8,993,354	\$9,504,263	\$510,909	5.7%	Varies
Subtotal – GAFO	\$101,555,557	\$135,238,679	\$33,683,122	33.2%	
<i>Convenience Goods:</i>					
Food & Beverage Stores (Grocery)	\$37,251,661	\$72,043,145	\$34,791,484	93.4%	Low
Food Services & Drinking Places (Restaurants)	\$23,317,681	\$34,711,105	\$11,393,424	48.9%	None
Subtotal – Convenience	\$60,569,342	\$106,754,250	\$46,184,908	76.3%	
<i>Heavy Commercial Goods:</i>					
Bldg Materials, Garden Equip. & Supply Stores	\$14,560,158	\$28,404,401	\$13,844,243	95.1%	Low
Motor Vehicle & Parts Dealers	\$50,088,069	\$55,281,238	\$5,193,169	10.4%	Low
Gasoline Stations	\$21,244,303	\$27,521,922	\$6,277,619	29.5%	None
Subtotal – Heavy Commercial	\$85,892,530	\$111,207,561	\$25,315,031	29.5%	
Non-store Retailers	\$6,647,416	\$62,290	(\$6,585,126)	(99.1%)	Varies
Total Retail	\$254,664,845	\$353,262,780	\$98,597,935	38.7%	

Source: ESRI, Infogroup (2018)

Retail Sales Surplus / Leakage by Category

Yucca Valley Trade Area

Retail Category	Retail Spending Potential	Retail Sales	Retail Surplus/ (Leakage)	Percent Surplus/ (Leakage)	Online Sales Leakage Potential
<i>Shopper Goods (GAFO):</i>					
Clothing & Clothing Accessories Stores	\$44,975,569	\$4,699,058	(\$40,276,511)	(89.6%)	High
General Merchandise Stores	\$113,318,819	\$100,210,722	(\$13,108,097)	(11.6%)	Med
Furniture & Home Furnishings Stores	\$23,964,624	\$4,409,542	(\$19,555,082)	(81.6%)	Med
Health & Personal Care Stores	\$48,981,324	\$21,050,810	(\$27,930,514)	(57.0%)	Med
Sporting Goods, Hobby, Book & Music Stores	\$20,548,791	\$10,860,417	(\$9,688,374)	(47.1%)	High
Electronics & Appliance Stores	\$24,027,490	\$5,957,484	(\$18,070,006)	(75.2%)	High
Miscellaneous Store Retailers	\$26,548,079	\$20,978,573	(\$5,569,506)	(21.0%)	Varies
Subtotal – GAFO	\$302,364,696	\$168,166,606	(\$134,198,090)	(44.4%)	
<i>Convenience Goods:</i>					
Food & Beverage Stores (Grocery)	\$111,679,902	\$123,055,248	\$11,375,346	10.2%	Low
Food Services & Drinking Places (Restaurants)	\$70,277,508	\$56,438,366	(\$13,839,142)	(19.7%)	None
Subtotal – Convenience	\$181,957,410	\$179,493,614	(\$2,463,796)	(1.4%)	
<i>Heavy Commercial Goods:</i>					
Bldg Materials, Garden Equip. & Supply Stores	\$41,426,803	\$40,991,518	(\$435,285)	(1.1%)	Low
Motor Vehicle & Parts Dealers	\$148,740,141	\$67,364,114	(\$81,376,027)	(54.7%)	Low
Gasoline Stations	\$63,586,203	\$54,187,779	(\$9,398,424)	(14.8%)	None
Subtotal – Heavy Commercial	\$253,753,147	\$162,543,411	(\$91,209,736)	(35.9%)	
Non-store Retailers	\$19,620,098	\$2,170,122	(\$17,449,976)	(88.9%)	Varies
Total Retail	\$757,695,351	\$512,373,753	(\$245,321,598)	(32.4%)	

Source: ESRI, Infogroup (2018)

Surplus/Leakage Summary by Category

Surplus Retail Categories

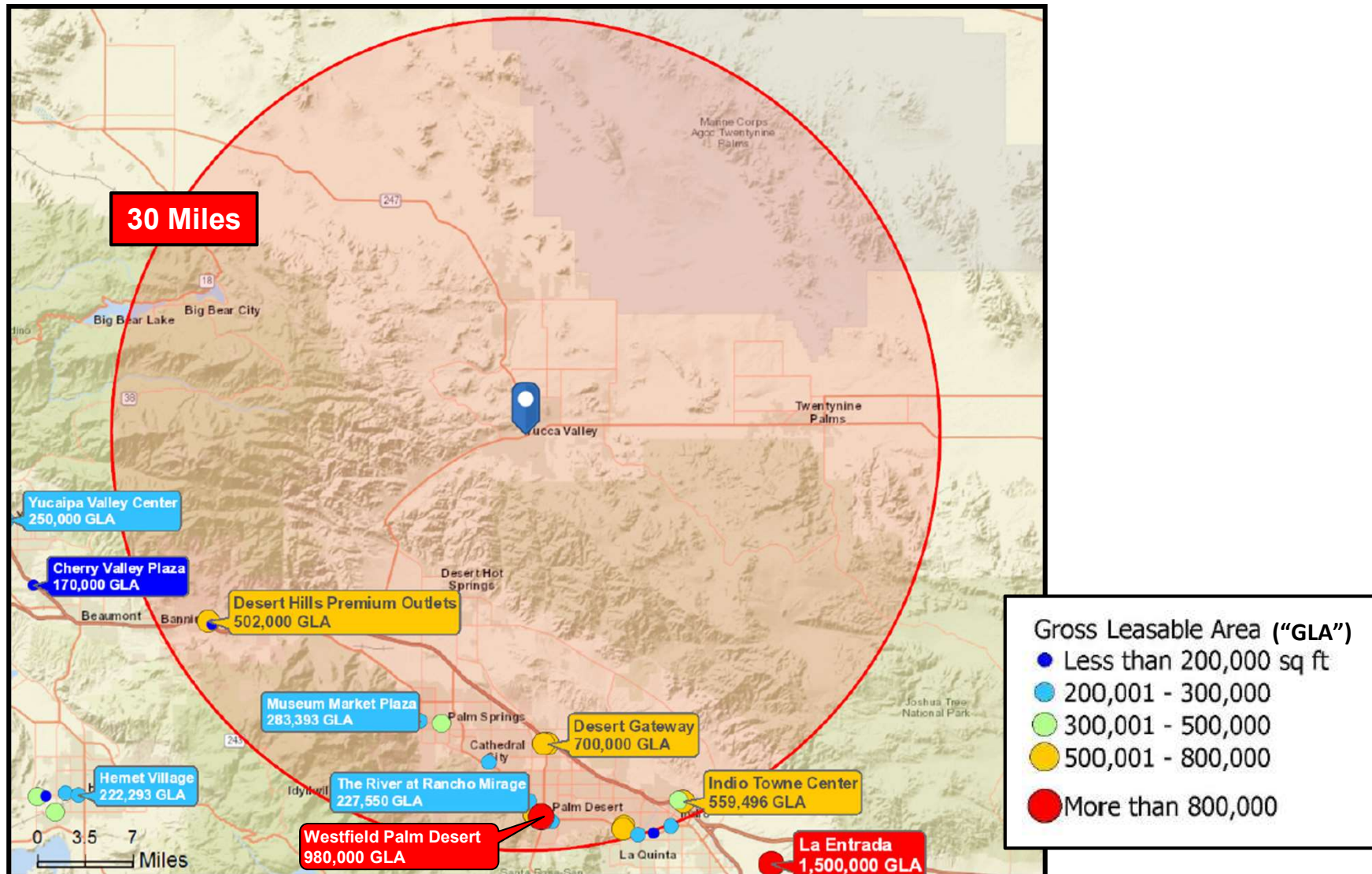
- General Merchandise Stores
- Miscellaneous Store Retailers
- Food & Beverage Stores (Grocery)
- Food Services & Drinking Places (Restaurants)
- Bldg. Materials, Garden Equip. & Supply Stores
- Motor Vehicle & Parts Dealers
- Gasoline Stations

Leakage Retail Categories

- Clothing & Clothing Accessories Stores
- Furniture & Home Furnishings Stores
- Health & Personal Care Stores
- Sporting Goods, Hobby, Book & Music Stores
- Electronics & Appliance Stores
- Non-store Retailers

Major Shopping Center Map

30 mile radius from CA-62 & CA-247



Source: ESRI; Directory of Major Malls (2018); Radius centered at the intersection of CA-62 (Twentynine Palms Hwy.) and CA-247 (Old Woman Springs Rd.)

Summary: Retail Sales Surplus / Leakage

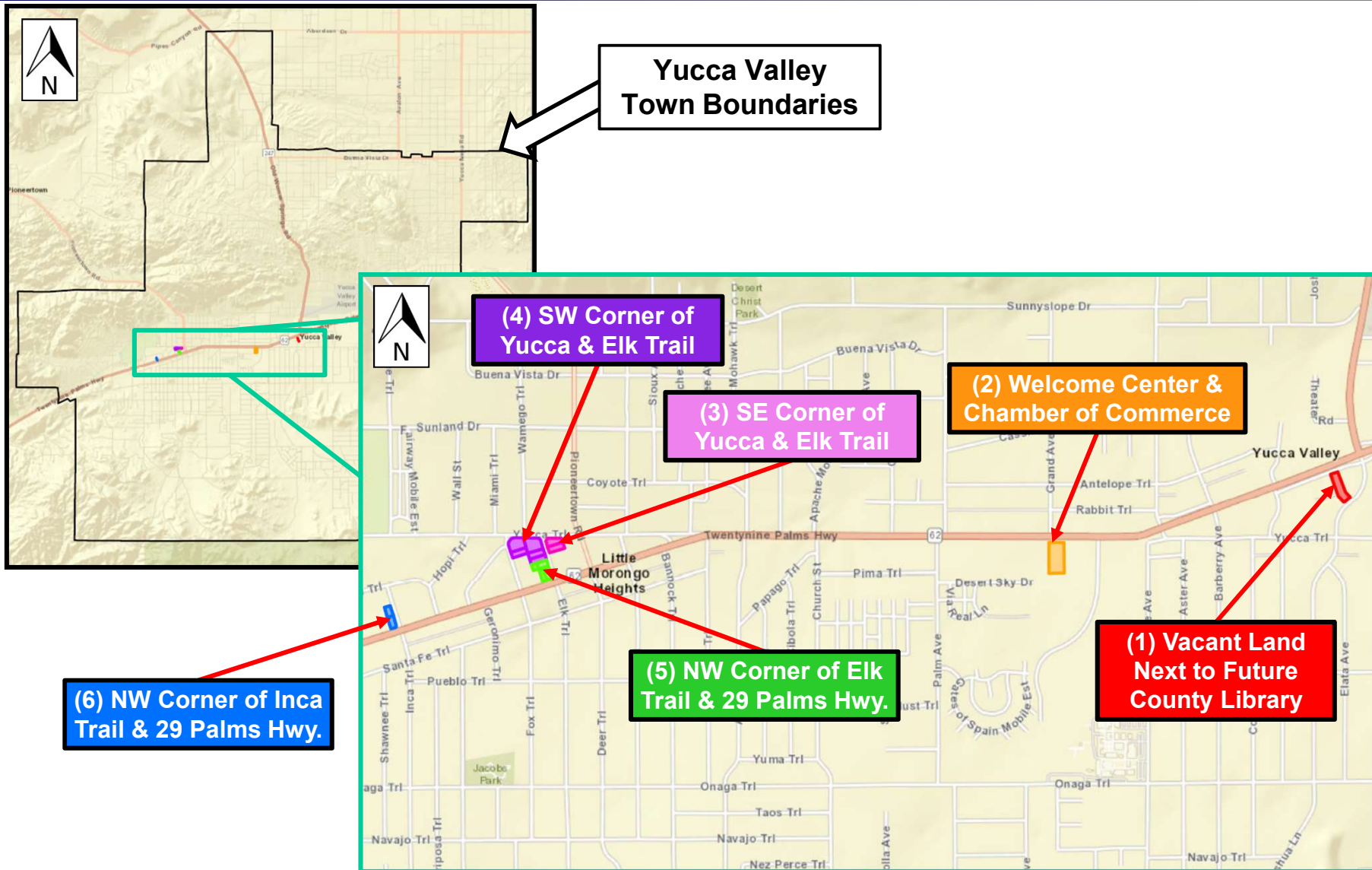
- Overall retail sales in the City are **higher** than retail spending potential suggesting that the City is **likely** capturing a significant portion of Yucca Valley resident retail purchases **and** additional retail spending by residents of other cities (i.e. **retail sales surplus**).
- Retail categories displaying sales leakage within the City include:
 - Clothing & Clothing Accessories Stores
 - Furniture & Home Furnishings Stores
 - Health & Personal Care Stores
 - Sporting Goods, Hobby, Book & Music Stores
 - Electronics & Appliance Stores
 - Non-store Retailers

Opportunity Site Analysis

Opportunity Site Assessment

- The Town of Yucca Valley designated 15 opportunity site parcels for potential future potential development / redevelopment (two are considered priorities)
- Kosmont categorized the 15 parcels into 6 sites with Strengths, Challenges, and Opportunities assessed in consideration of development feasibility
- Priority Opportunity Site Areas within the Town include:
 1. Vacant Land Next to Future County Library
 2. Welcome Center & Chamber of Commerce
- Other Opportunity Site Areas within the Town include:
 3. SE Corner of Yucca & Elk Trail
 4. SW Corner of Yucca & Elk Trail
 5. NW Corner of Elk Trail & 29 Palms Hwy.
 6. NW Corner of Inca Trail & 29 Palms Hwy.

Yucca Valley Opportunity Site Area Map



Sources: ESRI (2018); Town of Yucca Valley

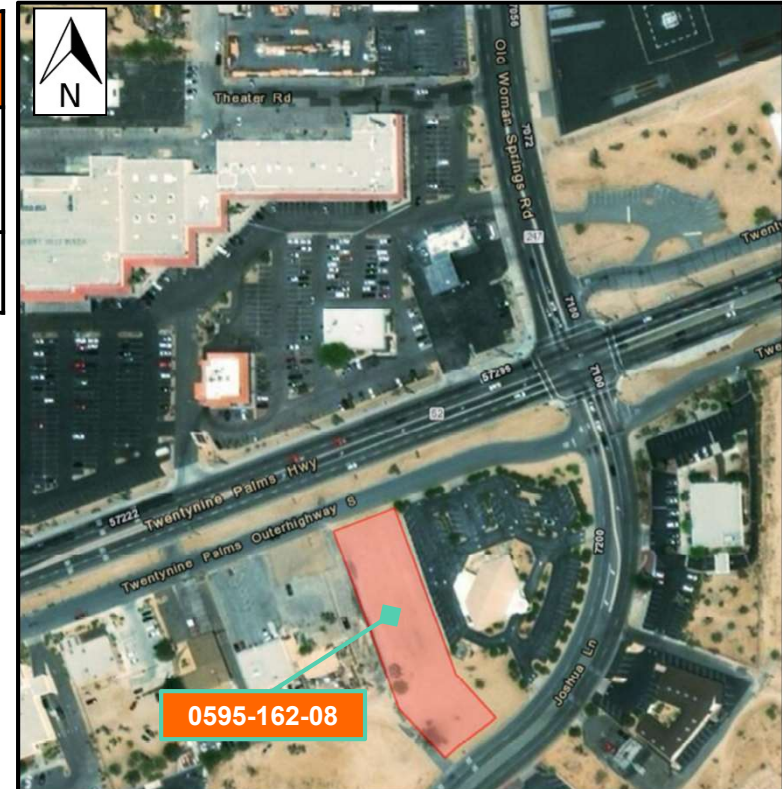
Opportunity Site Area #1

Vacant Land Next to Future County Library

Property	APNs	Size (SF/AC)	Owner	Zoning
Vacant Land Next to Future County Library	0595-162-08	37,600 SF	Town of Yucca Valley	General Commercial
TOTAL SIZE		37,600 SF (0.86 AC)		



Left: View of Opportunity Site Area #1 with future County Library



Strengths	Challenges	Opportunities
<ul style="list-style-type: none"> • Adjacent to future County Library • 29 Palms Hwy. frontage 	<ul style="list-style-type: none"> • Narrow dimension of site 	<ul style="list-style-type: none"> • Commercial/blend of uses, including community services and possible convenience retail

Sources: ESRI (2018); Town of Yucca Valley

Opportunity Site Area #2

Welcome Center & Chamber of Commerce

Property	APNs	Size (SF/AC)	Owner	Zoning
56711 29 Palms Hwy.	0587-361-02	1.66 AC	Town of Yucca Valley	General Commercial
TOTAL SIZE		~72,310 SF (1.66 AC)		



Left: View of the Welcome Center from 29 Palms Hwy.



Strengths	Challenges	Opportunities
<ul style="list-style-type: none"> • 29 Palms Hwy. frontage 	<ul style="list-style-type: none"> • Mid-block location • Size limitation of Site (if future services are planned) 	<ul style="list-style-type: none"> • Potential for Commercial/Community services (incl. public safety, such as fire station) • Reuse of existing 4,432 SF building

Sources: ESRI (2018); Town of Yucca Valley

Opportunity Site Area #3

SE Corner of Yucca & Elk Trail

Property	APNs	Size (SF/AC)	Owner	Zoning
7305 Elk Trail	0586-322-05	16,671 SF	Town of Yucca Valley	Old Town Mixed Use
7313 Elk Trail	0586-322-04	15,013 SF		
TOTAL SIZE		~31,684 SF (0.73 AC)		



Left: View of Opportunity Site 3 (looking south at intersection of Yucca & Elk Trail)

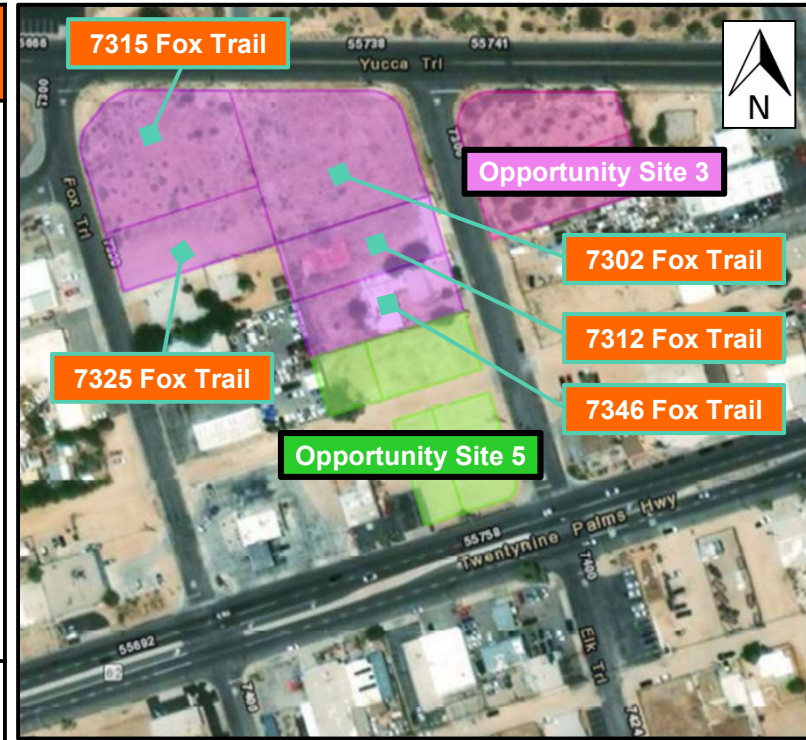
Strengths	Challenges	Opportunities
<ul style="list-style-type: none"> Town-controlled asset 	<ul style="list-style-type: none"> No 29 Palms Hwy. exposure 	<ul style="list-style-type: none"> Town can explore public-private partnership opportunities Opportunity to consolidate parcels from neighboring opportunity sites for larger blended use project

Sources: ESRI (2018); Town of Yucca Valley

Opportunity Site Area #4

SW Corner of Yucca & Elk Trail

Property	APNs	Size (SF/AC)	Owner	Zoning
7302 Fox Trail	0586-321-13	33,541 SF	Town of Yucca Valley	Industrial
7312 Fox Trail	0586-321-14	14,996 SF		
7315 Fox Trail	0586-321-12	27,878 SF		
7325 Fox Trail	0586-321-11	14,994 SF		
7346 Fox Trail	0586-321-15	14,996 SF		
TOTAL SIZE		~106,405 SF (2.44 AC)		



Strengths	Challenges	Opportunities
<ul style="list-style-type: none"> Town-controlled asset. 	<ul style="list-style-type: none"> No 29 Palms Hwy. exposure 	<ul style="list-style-type: none"> Town can explore public-private partnership opportunities Potential reuse of existing industrial buildings (totaling 2,700 SF) at 7346 Fox Trail Opportunity to consolidate parcels from neighboring opportunity sites for larger blended use project

Sources: ESRI (2018); Town of Yucca Valley

Opportunity Site Area #5

NW Corner of Elk Trail & 29 Palms Hwy.

Property	APNs	Size (SF/AC)	Owner	Zoning
Elk Trail @ 29 Palms Hwy.	0586-321-01	10,033 SF	Town of Yucca Valley	Old Town Mixed Use
Elk Trail @ 29 Palms Hwy.	0586-321-02	6,750 SF		
7635 Elk Trail	0586-321-16	9,745 SF		
55786 Elk Trail	0586-321-17	5,250 SF		
TOTAL SIZE		~31,778 SF (0.73 AC)		



Strengths	Challenges	Opportunities
<ul style="list-style-type: none"> Exposure to 29 Palms Hwy. 	<ul style="list-style-type: none"> Not centralized location within Town 	<ul style="list-style-type: none"> Town can explore public-private partnership opportunities Opportunity to consolidate parcels from neighboring opportunity sites for larger blended use project

Sources: ESRI (2018); Town of Yucca Valley

Opportunity Site Area #6

NW Corner of Inca Trail & 29 Palms Hwy.

Property	APNs	Size (SF/AC)	Owner	Zoning
55460 29 Palms Hwy.	0586-101-08	11,176 SF	Town of Yucca Valley	Old Town Highway Commercial
7350 Inca Trail	0586-101-09	9,746 SF		
TOTAL SIZE		~20,922 SF (0.48 AC)		



Strengths	Challenges	Opportunities
<ul style="list-style-type: none"> 29 Palms Hwy. frontage 	<ul style="list-style-type: none"> Not centrally located 	<ul style="list-style-type: none"> Potential reuse of 3,843 SF vacant commercial former auto service building and of 1,212 SF storage building Potential for public safety services building on Site (police/fire)

Sources: ESRI (2018); Town of Yucca Valley

3. Implementation

Findings, Economic Development Tools, & Next Steps

Summary of Findings

Demographics & Employment

- Older, majority White population with smaller than average household (“HH”) size; Households are a mix of young families and retired senior households
- Average HH incomes in the Town are higher than the Trade Area, but lower than the County and State
- Low educational attainment compared to Trade Area, County, and State; 14% of Town residents have a bachelor’s degree or higher
- A majority of employees who live in the Town, work in other areas such as Joshua Tree CDP, Palm Springs, Los Angeles, San Bernardino, and Palm Desert, leading to a **net outflow** of jobs
- Yucca Valley’s jobs/housing ratio is higher than Trade Area, but lower than County and State ratios, indicating a need for more jobs

Hotel Demand Analysis

- Growth of demand for rooms outpaces the growth of supply
- Support for absorption of a prescribed number of rooms in the long term (10-15 years)

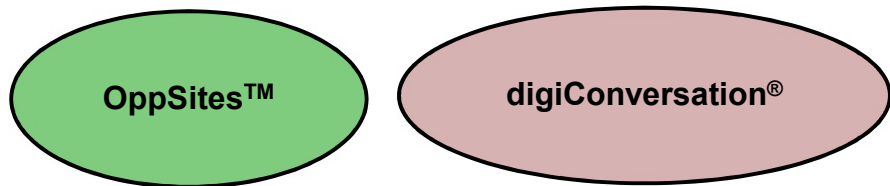
Summary of Findings

Market Demand Analysis

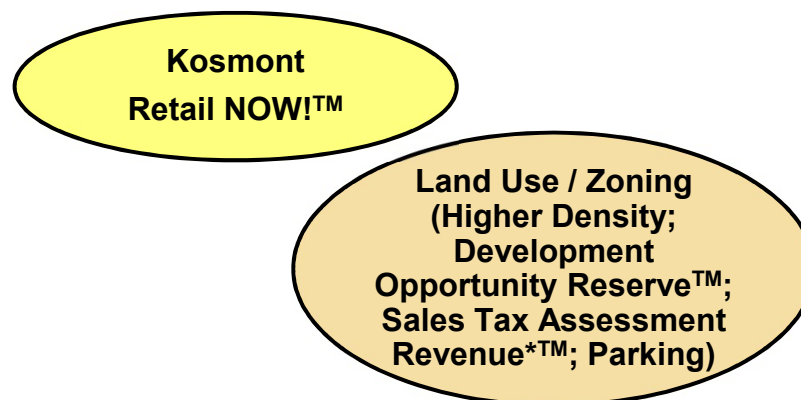
- Retail vacancy in Yucca Valley is **lower** than both the San Bernardino Outlying submarket and San Bernardino County vacancy rates. Retail lease rates for the Town are **higher** than the submarket, but **lower** than the County, demonstrating a slight potential demand for retail uses
- Office vacancy in Yucca Valley is **slightly lower** than the submarket and **lower** than the County; Lease rates are **higher** compared to submarket, but **lower** than the County, indicating limited demand for office space
- Industrial vacancy in Yucca Valley is **higher** than both the submarket and County vacancy rates; Industrial lease rates in the Town are **higher** than the submarket and the County, indicating very limited demand for industrial
- Multifamily vacancy rates in Yucca Valley are **higher** and lease rates are **lower** compared to the submarket and County, demonstrating less demand for multifamily housing units
- Retail sales in the City are **higher** than retail spending potential, suggesting that the Town is **likely** capturing a significant portion of Yucca Valley resident retail purchases **and** additional spending by residents of other cities resulting in a **retail sales surplus**.
- Based on retail category leakage and voids and current retail trends, there is potential for retail recruitment of **restaurants and grocers (growing categories)**

Economic Development Toolkit for Future Prosperity

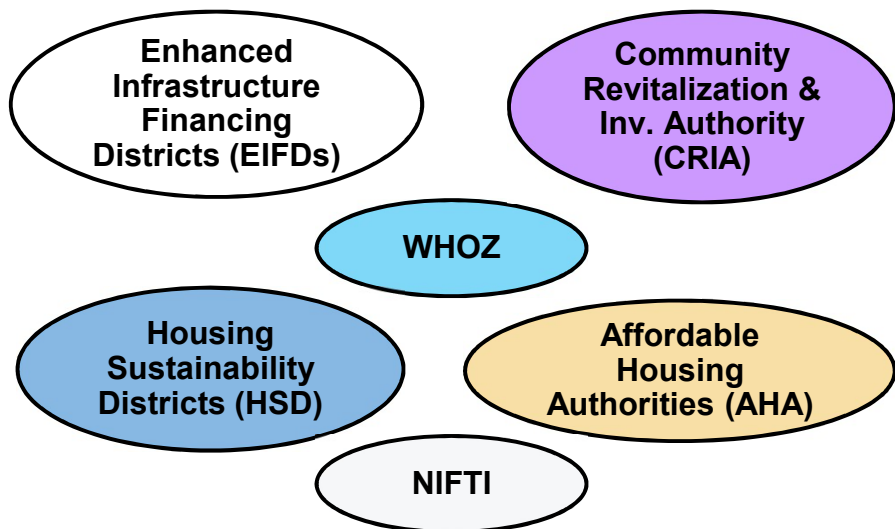
Digital Economic Development Digital Community Participation



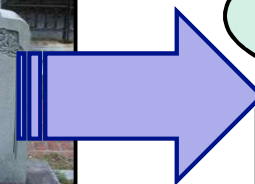
Existing E.D. Tools



New Sustainability & Housing Districts



And the Newest Federal E.D. Tool... Opportunity Zones



Next Steps for Implementation

- Based on Town feedback, Kosmont will refine Economic Development Strategy for implementation
- Based on refined Strategy, Town and Consultant Team can outreach to targeted developers, businesses, and brokers:
 - Develop marketing program to promote Opportunity Sites (both collateral material and digital platform)
 - Develop targeted list of developers, businesses, and brokers for outreach
 - Targeted outreach, including email outreach, conference calls, meetings / site tours, conference participation (e.g., ICSC) and other events
- Evaluation of financing, incentives, and other economic development tools on a case by case transactional basis (e.g. sales tax, TOT pledges, special district tools)

Marketing Flyer Samples

Office Development Opportunity

Junipero Serra Blvd. and Westlake Ave.
City of Daly City

- SITE FEATURES:**
- Approved phase III of Pacific Plaza project; suited for office & parking
 - Vacant land, existing parking & ~18,000 SF buildings on ~2.36 acre lot
 - Central location proximate to Daly City BART (TOD)
 - Retail and Office zoning (General Plan)

DEMOGRAPHICS (ESRI):

2016	City	1 Mile	3 Miles	5 Miles
Population	105,422	58,486	283,069	710,507
Households	31,946	16,900	89,234	251,830
Avg. HH Income	\$95,453	\$88,594	\$105,637	\$112,679

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City of Daly City
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Development Opportunity

6399 Mission Street
City of Daly City

- SITE FEATURES:**
- Approved phase 2 of Landmark Development; office tower, ground floor retail & parking
 - Vacant land approximately 0.27 acres

DEMOGRAPHICS (ESRI):

2016	City	1 Mile	3 Miles	5 Miles
Population	105,422	58,486	283,069	710,507
Households	31,946	16,900	89,234	251,830
Avg. HH Income	\$95,453	\$88,594	\$105,637	\$112,679

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Hotel Development Opportunity

1837 Junipero Serra Blvd.
City of Daly City

- SITE FEATURES:**
- Approved final phase of Pacific Plaza Project; suited for hotel
 - Vacant land approximately 1.26 acres
 - Central location adjacent to Daly City BART (TOD)

DEMOGRAPHICS (ESRI):

2016	City	1 Mile	3 Miles	5 Miles
Population	105,422	58,486	283,069	710,507
Households	31,946	16,900	89,234	251,830
Avg. HH Income	\$95,453	\$88,594	\$105,637	\$112,679

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Development Opportunity

NEC Geneva Ave. & Schwerin St.
City of Daly City

- SITE FEATURES:**
- Approximately 6,144 SF site (0.14 acres)
 - Vacant site; potentially suited for residential / mixed-use
 - Located on key arterial (Geneva Ave) & proximate to Cow Palace
 - Owned by Successor Agency; designated for liquidation
 - Unzoned per current zoning (assignment in progress)

DEMOGRAPHICS (ESRI):

2016	City	1 Mile	3 Miles	5 Miles
Population	105,422	58,486	283,069	710,507
Households	31,946	16,900	89,234	251,830
Avg. HH Income	\$95,453	\$88,594	\$105,637	\$112,679

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Investment Opportunity

2960 Geneva Avenue
City of Daly City

- SITE FEATURES:**
- Approximately 1,831 SF existing structure
 - Located on key arterial (Geneva Ave) & proximate to Cow Palace
 - Owned by Successor Agency; designated for liquidation
 - Comm.-Mixed Use (General Plan); Light Comm., C-1 (Zoning)

DEMOGRAPHICS (ESRI):

2016	City	1 Mile	3 Miles	5 Miles
Population	105,422	58,486	283,069	710,507
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Questions & Discussion

Thank you



Kosmont Companies | Kosmont Realty Corporation | California Golden Fund (EB-5)

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