

# Supplemental Material

For

## City of Sacramento

City Council  
Financing Authority  
Housing Authority  
Redevelopment Agency

## Agenda Packet

**Submitted:** 1/15/10

**For the Meeting of:** 1/19/10

X  Additional Material  
 Revised Material

**TITLE:** DOWNTOWN ACTIVATION STRATEGY

- 1) VISIONS AND INITIATIVES FOR 2010-2012
- 2) DOWNTOWN SACRAMENTO RETAIL STRATEGY

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- A. Review and evaluate recommendations for the development of a consumer study, qualitative analysis and/or merchandising strategy.
- 5. Identify funding for and initiate a downtown retail recruitment program.**
- A. Identify potential funding partners and evaluate program options and costs.
  - B. Develop job description and hire and train a downtown Retail Recruiter.
  - C. Work with City to develop incentive programs including attractive loan options and/or façade grants to encourage recruitment in target area.
  - D. Develop downtown marketing materials and property database for entire district.
  - E. Engage owners and brokers to educate them on primary plan elements and goals and encourage participation.
- 6. Work with City of Sacramento to identify non-monetary programs that will improve the quality and quantity of downtown retail businesses.**
- A. Request the City initiate a downtown Retail Development program that will help businesses navigate through the permitting process (focused MATRIX).
  - B. Develop retail storefront design guidelines that improve the quality of new and existing storefronts, but do not place unreasonable burdens on businesses.
- 7. Work with City of Sacramento to identify ways to minimize number of vacant buildings in the downtown core and their impacts.**
- A. Develop task force that analyses the existing stock of buildings within the Partnership's boundaries that have been vacant for more than 12 months and identifies primary issues. Group must incorporate private owner(s) and City representation.
  - B. Identify chronic issues and develop potential solutions that will discourage ongoing blight.
- 8. Support the initiation and completion of the proposed Downtown Infrastructure Study (water, sewer, electrical, cable).**
- 9. Advocate for the completion of the K Street Streetscape project (8<sup>th</sup> to 12<sup>th</sup> streets).**
- A. Promote completion of project as funding priority.
  - B. Identify and implement interim improvements.
  - C. Advocate for the inclusion of project elements in new developments as opportunities arise.

# Downtown Sacramento Retail Strategy



*December, 2009*

# Downtown Sacramento Retail Strategy & Implementation Plan

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## Executive Summary

*Downtown streets are activated by lively retail. Arguably the most visible of all land uses, retail is a critical component of a healthy urban district, contributing significantly to economic development and helping make downtown a gathering place for people living throughout the market.*

In June '09 the Downtown Sacramento Partnership retained Downtown Works to analyze retail conditions and develop a Retail Strategy and Merchandise Mix Plan for Downtown Sacramento.

### STUDY AREA

- Effective project area boundaries (the 66 blocks of the CBD):
  - H Street on the north;
  - N Street (excluding the historic State Capitol) on the south;
  - Sacramento River on the west;
  - 16th Street on the east.
- Primary focus area identified through the process: JKL Corridor



### KEY FINDINGS

- Sacramento has a strong market: its trade area population of 1.65 million is large & prosperous
- 72% of those in the trade area are urban-inclined
- Downtown has a healthy stock of attractive, pedestrian-scaled buildings
- Analysis shows there is enough current and projected demand to fill existing space with retail

*The Bottom-line* Downtown Sacramento has the market but not the product. It can and must develop a product that: 1) gives area residents a reason to come Downtown; 2) persuades those already coming to do so more frequently and to spend more on each visit; and 3) offers stores and restaurants that Downtown workers wish to patronize.

## DOWNTOWN REVIEW

**Key Features** Downtown Sacramento possess a number of dominant features, including the Capitol Building, theaters, the K Street Transit/Pedestrian Mall, Downtown Plaza, the Convention Center, Old Sacramento, the I-5 Freeway, and numerous one-way streets. The area has a good deal of buildings of a pedestrian-friendly scale; it can build upon this important asset. Social issues, a significant portion of which appear to be linked to the prominence of SRO housing, present a major challenge. Overall, the city's street grid is severely interrupted throughout the core.

- **Downtown Plaza:** The mall removed six solid blocks from the Downtown street grid: K Street between 4th and 7th. With its inward focus, the Plaza turns its back to Downtown streets, and therefore has done little to energize the retailing in the surrounding neighborhood.
- **The Sacramento Convention Center Complex:** Well situated overall (adjacent to but not in the heart of the retail core), the Center's design disrupts traffic flow by removing two blocks of K Street from the grid and impeding the connection between Downtown and Midtown.
- **K Street Transit/Pedestrian Mall:** K Street - historically the city's retail spine and a once thriving avenue - was converted into a pedestrian/transit mall. Over subsequent years it failed to establish a merchandise mix that set it apart from and made it superior to suburban malls; as its shops failed, the street's decline affected retailing in the rest of Downtown Sacramento. In recent years the City has assembled key parcels along K.
- **J Street:** Within the core, the amount of retail and restaurant space along J Street has dwindled to a handful of blocks. The north side between 4th and 5th, known as Chinatown Mall, includes some restaurants along with office, residential, and institutional space. Positive developments include the 800J Lofts, the Citizen Hotel and Grange restaurant, and McCormick & Schmick's.
- **L Street:** L runs uninterrupted from I-5 to Midtown and beyond. Blocks include run-down sections and multiple office buildings and parking garages that present solid facades toward the street; the area surrounding the Greyhound bus station is particularly unappealing. Several blocks of ancillary retail and dining establishments begin at 9th Street and extend with some interruptions to 16th. Cross streets contain some appealing retail shops and restaurants.
- **Capitol Mall.** A broad boulevard lined with office buildings the entire distance, it contains a few spaces leased to restaurants or banks, but this is not a retail street. The mall is not pedestrian friendly due to office setbacks and the very wide median separating traffic lanes.
- **Old Sacramento.** A tourist-oriented (or at least a tourist-flavored) district; traffic generators, principally four museums, help bring people to the area. The retail mix favors gifts, specialty food and t-shirt shops. Some quality retailers and laudable restaurants are present, and residential development has arrived. Overall, Old Sacramento seems uncertain about what image it should present. Existing studies recommend it increase its emphasis on the local market while holding on to the visitor market it already serves.
- **The Railyards:** This redevelopment effort will have an array of uses; based on current plans, the area's retail space is expected to reflect the style of a suburban town center and serve a distinct purpose rather than directly compete with Downtown.
- **Midtown:** Located close to Downtown, and embedded within a thriving residential neighborhood, the area contains an eclectic array of retailers and restaurants and has acquainted large numbers of people with the greater Downtown area. This is something that the core can both build upon and contribute to.

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

**Customer Markets** Residents, employees and visitors are important customer groups and contribute to the total retail dollars spent in Downtown Sacramento.

- Residents - the number of residents living in the core is tiny; there are approximately 220 market-rate dwellings (all are rentals) and 700 single-room occupancy (SRO) residences. There are 18,000 residents within one mile of the core (9th & J).
- Employees - there are 93,000 workers in the overall Downtown (zip code 95814); a significant number (around half) are employed by the government. Their estimated per capita weekly spending in Downtown is \$101 (\$5,200 annually).
- Visitors - typically this group, including convention delegates and business travelers, provides strong demand for restaurants but less support for shops. We estimate that Downtown (east of I-5 and excluding Downtown Plaza) can potentially capture around \$32 million of visitor spending.

### MARKET DEMOGRAPHICS & PSYCHOGRAPHICS

Most of the defined trade area lies within Sacramento County. Portions of Yolo County located principally around West Sacramento also are included, as are adjacent portions of Placer County around Roseville. This is a conservative trade area but is a suitable place to begin. As Downtown regains its lost

position as a retail destination the trade area should expand, but even if it does the great majority of the metropolitan market's sales support will be provided by residents of this defined trade area.

|                | 2009      | 2014      |
|----------------|-----------|-----------|
| Population     | 1,655,393 | 1,787,654 |
| Households     | 608,980   | 656,353   |
| Household Size | 2.7       | 2.7       |
| Avg HH Income  | \$75,923  | \$79,245  |

**Demographics** The trade area houses 1.65 million people and is projected to approach 1.8 million in five years. An average household income of \$75,900 allows the trade area to generate \$11.7 billion in expenditure potential, a figure that is increasing by \$293 million annually. Downtown can capture estimated expenditures of \$694 million in today's dollars; currently it is capturing \$277 million.

**Psychographics** The area's psychographic characteristics bolster Downtown's outlook as a major retail hub. Groups such as *In Style*, *Old and Newcomers*, *Metro Renters*, *Connoisseurs*, *Urban Chic* and others with a favorable disposition toward urban retailing account for 72% of the market. Within this 72%, "urban trendsetters" account for 21%; they will set the tone for Downtown's retail and restaurant offerings, while large numbers of the remaining 51% will follow their lead.

These important markets, combined with inflow from out of town visitors, produce sufficient demand to populate Downtown Sacramento's existing vacant space with retailers and to replace non-retail uses with shops and restaurants.

### EXISTING MIX: *How much space is there Downtown, and how is it being used?*

Space within the Downtown commercial district, from 3rd to 16th streets:

#### Square Footage

- Retail space: 131,800 sq. ft.
- Restaurant/fast food space: 251,900 sq. ft.
- Non-retail space that could accommodate retail: 472,100 sq. ft.
- Vacant space: 335,800 sq. ft.
- Parking garages/lots that could accommodate retail space: 457,100 sq. ft.
- Downtown Plaza: 984,000 sq. ft. (GLA of both first and second floors; includes Macy's)
- Total: 2,632,700 sq. ft.

Distribution

- Retail: 5.0%
- Restaurants/fast food: 9.6%
- Non-retail: 17.9%
- Vacant: 12.8%
- Parking garages/lots: 17.4%
- Downtown Plaza: 37.3%

**SUPPORTABLE SQUARE FOOTAGE**

Expenditure potential and estimated sales per square foot can be translated to supportable square footage. There is ample market support for 1.7 million square feet of streetfront retail space Downtown. Clearly there is plenty of space to work with, especially as there is only 383,700 square feet of occupied streetfront retail space Downtown today (plus the occupied space in Downtown Plaza). There is ample leasable space, whether it is sitting vacant or not currently occupied by retail.

*(Note: We also undertook an analysis of demand for space in Old Sacramento and found it appropriately sized for the amount of market demand. The key there is to adjust the merchandising mix to appeal more to trade area residents. )*

**QUALITATIVE ASSESSMENT**

It is important to consider the condition of existing shops and restaurants when setting out to transform a retail area. Taken as a group, the quality of operations within the focus area of Downtown Sacramento is rather poor; exceptions to this are several exemplary restaurants and a handful of shops. The qualitative assessment (a full analysis is included in the body of this report) indicated that roughly half of the focus area's current retail operations are harming the culture and image of Downtown by their low standards in design, cleanliness and maintenance, and merchandising. The spaces occupied by these operations should be converted to quality retail as swiftly as reasonable.

When assessing the focus area, several generalities emerged:

- Many areas are, fortunately, marked by wide sidewalks.
- It holds numerous buildings of a good human scale.
- It is sparsely populated by planters containing dead plants.
- An inordinate number of the storefronts have tinted glass (hindering visibility).
- Numerous storefronts are dated and/or in need of maintenance.
- Sandwich board signs clutter the sidewalks.
- Light rail ticket vending machines and transit ramps obstruct site lines.

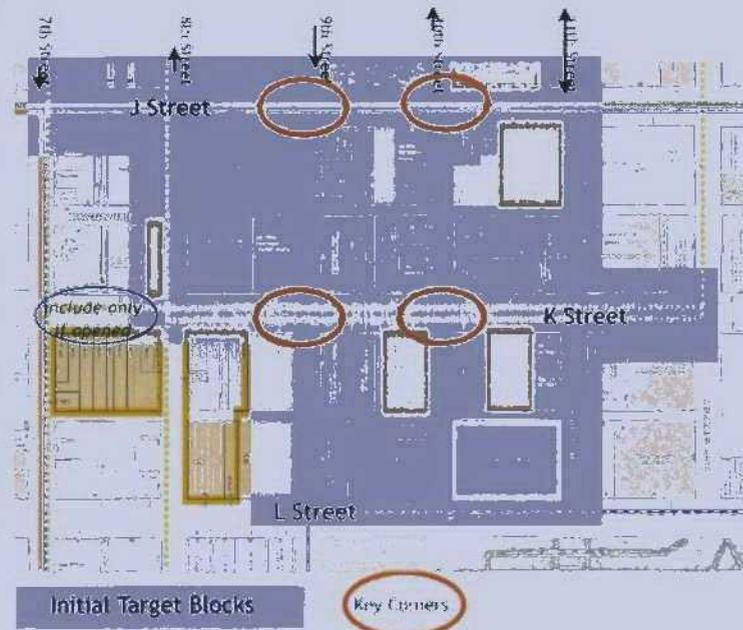
**INITIAL TARGET BLOCKS**

Relying upon careful evaluation of market data, competitive circumstances, and information gleaned from stakeholder interviews; examination and observation of the Downtown; and the qualitative assessment of existing operators, we identified a set of initial target blocks in which to begin Downtown Sacramento's retail transformation. The area encompasses portions of J, K, L, 8th, 9th, 10th and 11th streets. The rationale for this includes:

- J Street is a high traffic street

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

- Downtown can build on some of the momentum happening at the east end of the focus area:
  - Several sophisticated, polished restaurants
  - The theaters are valuable assets and contribute to the area's allure (they bring people, though are primarily night-time uses)
- Contains the historic retail spine
- Is flanked by City Hall and the State Capitol Building, ancillary businesses and office buildings
- Proximity to visitor attractors (Old Sacramento, State Capitol, Convention Center)
- Has a fair amount of interesting, attractive buildings evocative of the California design sensibility



The initial target blocks contain 577,000 square feet of space that either is currently leased to retail or restaurant users, is vacant, or is occupied by non-retail uses but which could be converted to retail. Given existing and projected demand, there is more than enough support for a fully-merchandised area performing at satisfactory sales levels. Downtown Works sees the remaining demand being absorbed in locations outside of the initial target blocks, proceeding in the following manner:

- Convert Downtown Plaza to streetfront retail, returning six blocks of retail to the grid along K Street and activating the cross streets. The two Macy's stores should stay in place, but undergo exterior improvements to better relate to the streets.
- As a consequence of these actions, the blocks surrounding Downtown Plaza can be upgraded to provide more retail space.
- K Street between 12th and 13th will become more attractive as portions in the focus area recover.
- L Street between Downtown Plaza and the State Capitol building becomes more attractive as a retail location.

The retail transformation of Downtown Sacramento can begin space by space, block by block, right now; in the long term, Downtown as a whole can accommodate the amount (1.7 million square feet) of streetfront retail that the market demands.

### MERCHANDISE MIX PLAN

Critical to the success of any downtown is having complementary, symbiotic uses. We developed a Merchandise Mix Plan for the initial target blocks that represents the highest and best retail uses. Because so little successful goods retail currently exists just about any use is welcome, but especially apparel, fashion accessories, home furnishings, gifts and specialty food/beverage.

#### Key Strategies:

- Focus on concentrated area (initial target blocks) and fill your best space
- Top priorities = corner locations and vacancies

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

- Cluster complementary uses together (but this is not *required* due to the small size of the initial target blocks)
- Emphasis must heavily favor local/independent, quality operators; it is critical to not echo suburban options
- Recapture space from poor quality tenants and inappropriate uses
- New construction of large scale retail projects Downtown is not necessary (*new projects can work in the retail core if designed with appropriately-scaled, pedestrian-friendly streetwalls - would probably supplant existing buildings, though some infill opportunities can work*)

**RETAIL RECRUITMENT & IMPLEMENTATION**

Downtown Sacramento can benefit, as have a number of urban places, from the services of a professional retail recruiter whose goal is to identify and attract a collection of exciting, compelling, unique-to-market retailers. The recruiter would serve as a matchmaker for Downtown's brokers and landlords, helping to find the ideal tenants to fill spaces. Recruiters also present landlords with strategies for recapturing under-producing space. In cases where landlords simply cannot reject a tenant that might not adhere to the plan, a recruiter can encourage a landlord to offer shorter-term deals and performance clauses to allow them to recapture the space when more suitable tenants become available. Importantly, the Recruiter represents *all* properties in the BID, not just those in the initial target blocks.

Simultaneously, the City and DSP must work to identify appropriate incentives (both from the City *and* from landlords) that can be used to attract the proper tenants Downtown. This will be particularly important for the first wave of leases as we seek to build the area's upward momentum. Legislation regarding Downtown's design guidelines is important as well – it is critical that the appropriate atmosphere be built and maintained.

**RECOMMENDATIONS**

1. Identify, hire and train a retail recruiter who will work to populate the identified initial target blocks with predominantly non-chain operators in accordance with the Merchandise Mix Plan.
2. Engage landlords and brokers.
3. Develop and initiate incentive programs (forgivable loans, facade grants, landlord incentives); these are critical particularly to catalyze the earliest deals.
4. Completely open the K Street transit/pedestrian mall to two-way auto traffic from Old Sacramento to Midtown, with 7th to 12th as a first phase.
5. Redesign Downtown Plaza so that its space is urban-centric and open to the street, and so that streets are returned to the grid allowing auto traffic to effectively flow around Downtown. This should include returning 5<sup>th</sup> Street to street level rather than using the underpass as it does now.
6. Undertake a study of Old Sacramento, which warrants a distinctive Merchandise Mix Plan due to its unique attributes. Once this has been completed, the area could be included in retail recruitment efforts.

7. Dilute the concentration of SROs in Downtown's housing inventory.
8. Focus on key corners.
9. Recapture retail space currently leased to non-retail uses or to poor quality operators.
10. Develop a succinct retail recruitment marketing piece.
11. Institute retail design guidelines for existing and new storefronts and signage throughout the central city commercial corridors.
12. Promote and incentivize additional residential development.
13. Compile a database of space inventory throughout the 66 blocks of the CBD.
14. Develop and implement a City program to facilitate the opening of retail businesses.

*The Board of the Downtown Sacramento Partnership adopted this report in December, 2009.*

DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

# I. Introduction

This analysis and plan focuses on Downtown Sacramento's streetfront store and restaurant scene.

*Downtown streets are activated by lively retail. Arguably the most visible of all land uses, retail is a critical component of a healthy urban district, contributing significantly to economic development and helping make downtown a gathering place for people living throughout the market.*

In June, 2009, the Downtown Sacramento Partnership retained Downtown Works to undertake an analysis of retail conditions and develop a Retail Strategy and Merchandise Mix Plan for Downtown Sacramento.

We set out to ascertain the size and character of the market for an exciting downtown retail district. We then derived how much retail space is supportable downtown, what types of shops and restaurants constitute the optimum mix, where these establishments should be concentrated, and how they should be recruited.

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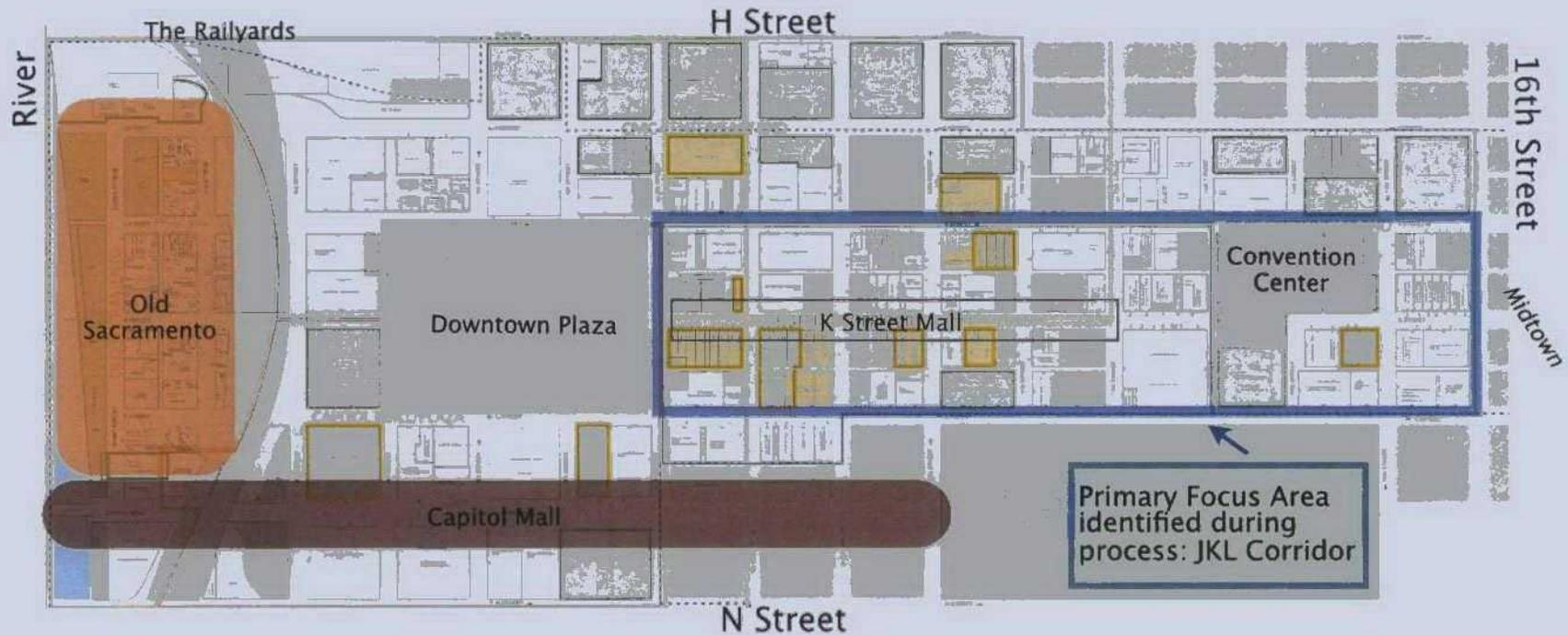
Urban retail - a mix of stores and restaurants - only succeeds if it is able to attract those not living and/or working in downtown. Most downtowns, Sacramento's included, simply do not house enough people to support the amount of retail space located there. Thus, efforts to rebuild downtowns based upon their residential bases have failed. In many cities the downtown population has grown to a point where it is as large as it has been in years, with more dwelling units in the pipeline. This is encouraging news for a downtown, a sign of life and an indicator of long-term health. However, the actual number of residents in most downtowns remains small. Well-heeled and cosmopolitan they may be, but there simply are too few of them to keep a downtown retail district alive by themselves.

In Sacramento's case 18,000 people live within a one mile radius of the core (9th and J). There are 220 affordable or market rate housing units within this study's primary focus area (also, a significant amount of people in the project area live in single room occupancy (SRO) buildings). The 18,000 people living within one mile of 9th and J, using a standard 20 feet of retail per capita, could support 350,000 square feet of total retail space, approximately the size of the larger Macy's store at Downtown Plaza. There is much more space in Downtown Sacramento than this, of course, and as we'll illustrate the demand for space comes from other sources.

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

### Project area boundaries:

- ▶ H Street on the north;
- ▶ N Street (excluding the historic State Capitol) on the south;
- ▶ Sacramento River on the west;
- ▶ 16th Street on the east.



DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

## II. Market Research

### A. DOWNTOWN REVIEW

Downtown Sacramento has the raw material required to produce a vital retail magnet capable not only of serving those already there – workers, downtown residents, visitors – but also of attracting shoppers from throughout the core metro market. Indeed, at the moment Downtown consists mostly of “raw material,” the essential ingredients for success that have not yet been manufactured into the final product. Block after block of attractive, pedestrian-scaled buildings await retail tenants and the shoppers who will be attracted to them. Other buildings have had their intricate old facades plastered over or otherwise denatured, but they can be reclaimed and made beautiful again. The wonder is that at some point these buildings were deemed undesirable. Quality will prevail, we believe, and the rediscovery of these buildings coincides nicely with the civic and corporate will to reclaim Downtown Sacramento as the premier retail district it deserves to be.

This will not be accomplished by a wholesale return to the past. Many stores that once graced Downtown are out of business. Younger and newer Sacramento residents have never even heard of them. With that in mind, we could not re-create Downtown as it once was even if we wanted to. Moreover, the Downtown retailers of yore that now serve the market from multiple suburban locations are no longer much help to an urban revitalization effort. We will discuss this later on, but the short answer for now is that Downtown Sacramento must be unique if it is to attract people from the suburbs, a market that it must serve in order to prosper. Uniqueness cannot be achieved by replicating suburban retailers.

#### *Mistakes of the Past*

Downtown Sacramento has been wounded by the well-meaning undertakings of our forebears. As downtowns throughout the U.S. emptied out, as real estate values fell and area residents grew to

dislike their downtowns, civic leaders sought solutions wherever they could be found. Urban renewal programs led to the razing of beautiful but empty and unwanted buildings to accommodate new and shiny towers that would communicate modernity to a jaundiced population. The U.S.’s libido for the “modern” fueled an outright rejection of the old. “Oldness” was seen, in and of itself, as a detriment. To address this, cities demolished old buildings to accommodate new ones designed by the likes of I.M. Pei, Eero Saarinen, and Philip Johnson. Cities viewed mega-developments favorably if they promised to garner attention and generate traffic, believing they had few other options. Thus the era arrived when large projects dominated downtown development, whether or not they activated the streets for retail. Indeed, many of these new projects featured interior spaces that were intended to house shops and restaurants. The actual goal of such projects was to get shoppers in off of the streets. The PPG Tower in Pittsburgh, designed by Philip Johnson, exemplifies this. An iconic tower that dominates the Pittsburgh skyline, the adjacent streets remain barren of retail and pedestrian traffic. Meanwhile its interior mall suffers low occupancies except for the food court, which is, predictably enough, busy for only 90 minutes on weekdays.

Rejecting such developments was seen as fostering a downtown’s slide into oblivion. The reader may recall the 1981 film “Escape From New York” in which Manhattan had declined so much that the entire island was emptied of its citizenry and it was converted into a maximum security prison. This vision of the future found an audience and reflected the pessimism and fatalism that some people felt concerning the future of the American city.

Not that Sacramento had such a bleak view of its future, but the city was seen to need some new blood and so several projects were approved in hopes that they would elevate the entire Downtown. Two in particular are now making retail revitalization more difficult. The

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

first of these is Downtown Plaza, originally opened in 1971 next to the existing Macy's store. Developed by Hahn, it began life as a single-level mall and was so successful in its early years that Weinstock's relocated their downtown store to the mall (the site of the present Macy's Men's and Home Store). Liberty House (Honolulu's department store) and I. Magnin operated there. Eventually double-decked, the mall enjoyed a period of success. However, like many suburban-style malls built in urban places, Downtown Plaza did not help the rest of Downtown Sacramento much, at least not its retail blocks. Malls focus inward, emphasizing their interior spaces. The chief characteristic of mall design, therefore, works against the surrounding blocks. With its inward focus, the mall turns its back to downtown streets. Consequently Downtown Plaza did little to energize the retailing in the surrounding neighborhood. Perhaps worse, the mall removed three solid blocks from the downtown street grid: K Street between 4th and 7th. This has become a significant problem today, isolating Old Sacramento from the rest of Downtown.

The other development that has hindered Downtown retailing is the Sacramento Convention Center Complex. We understand the need for convention centers, although the impact they have on area retailing usually is less than presumed. (Here we distinguish stores from restaurants; convention traffic provides a significant boost to area restaurant sales.) Downtown is an appropriate place for a convention center. It ought not (indeed, usually cannot) be placed at the corner of "1st and Main," as the goal is to not destroy the downtown fabric. The difficulty in Sacramento's case is that the Convention Center, like Downtown Plaza, disrupts the street grid. It actually is well located within Downtown overall, sitting adjacent to and not within the retail core. It is the Convention Center's design that causes the problem. If it were being built today we would recommend bridging the streets rather than blocking them. As it is, two blocks of K Street are removed from the grid: between 13th and 15th Streets. (K Street remains open between 14th and 15th Streets, but the design of the convention center effectively isolates it from the overall street grid. Indeed, this section of K Street serves essentially as the delivery entrance for the convention center.) The Convention Center foreshortens the K Street retail corridor and impedes what could be an important connector

between Downtown and Midtown. The K Street retail corridor thus ends at 13th Street, at the Convention Center's doorstep. Connections between Downtown and Midtown must be provided by other means, presumably via J or L Streets.

Although it impedes traffic, the cost to reconfigure the Convention Center would likely outweigh the resulting benefit to the surrounding area. It serves its purpose adequately as the primary convention venue in Downtown Sacramento. Downtown Plaza, on the other hand, was designed to improve Downtown's retail scene. Its very reason for being is the bolstering of Downtown's retail district. The mall's subsequent decline is, to be candid, a significant reason behind the decline of Downtown Sacramento as a retail destination. Neither Hahn, nor the City of Sacramento, nor Macy's, nor virtually anyone else could have foreseen that the concept of a suburban-type mall in downtown would have such a brief shelf-life. "Back in the day" it was worth the effort to build the mall in order to revitalize a downtown whose life was ebbing away. The mall's failure to maintain its uniqueness with regard to the suburbs made its decline inevitable.

To succeed downtown, the retail mix must be kept fresh and exciting. Few downtown malls in the U.S. have been able to achieve this unceasingly. Some of those that yet cling to life appear to have dark clouds on their horizons. The main issue, mentioned earlier, is uniqueness. Downtown malls succeed best where they maintain a degree of individuality, some uniqueness when compared with the suburban competition. Downtown Plaza is dealing with this very issue. Aside from Hard Rock and a few lesser lights, all of its tenants are replicated elsewhere in metropolitan Sacramento, usually multiple times. Having failed to maintain a unique tenant mix, suburban shoppers found less reason to travel Downtown to shop there, and the mall began a period of decline that continues today. This increasing weakness is significant in and of itself, but the mall's ongoing disruption of the retail street-grid no longer is as tolerable as it once was: Downtown Plaza's benefit as a traffic and retail-leasing generator simply has become too modest to offset the mall's negative impact on the street grid.

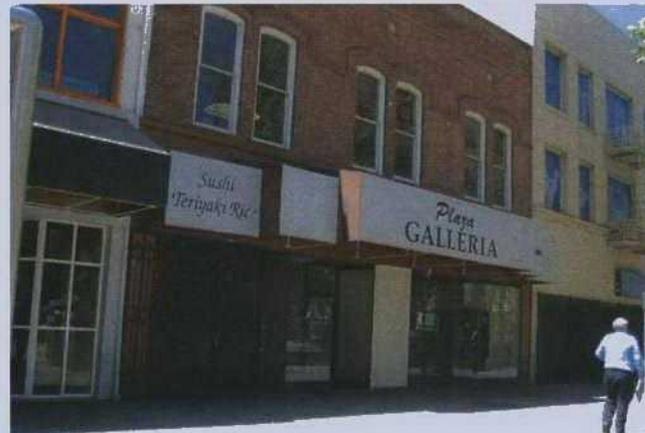
## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

With Downtown Plaza in decline, K Street - Downtown Sacramento's historic retail spine - has suffered. We believe K Street would be struggling, albeit perhaps not so severely, even without Downtown Plaza and the Convention Center disrupting the grid. K Street's difficulties are rooted in another well-intentioned strategy initiated by our forebears: the conversion of a once-thriving retail street into a pedestrian/transit mall. The rationale for doing so seemed more defensible in the 1960s and 70s than it does today, if only because in those days the idea of a pedestrian mall downtown was relatively new. Attempts to duplicate any element of the successful suburban malls seemed worthwhile back then. If shoppers liked to walk up and down enclosed malls that were free of auto traffic, it seemed reasonable to expect shoppers to also enjoy walking along traffic-free outdoor malls downtown.

Several factors worked against the success of this strategy. First of all, the merchandise mixes of most downtown pedestrian malls were not very good, certainly not on par with the suburban malls with which they sought to compete. Secondly, too few of these pedestrian malls had strong anchors at either end like malls do. The department store anchors so characteristic of regional malls drew traffic from one end of the regional mall to the other, past the small stores that lined the mall. This is in fact a key promise mall developers offer prospective tenants: powerful anchors generating intense shopper traffic. High traffic counts justify the high rents paid by the small shops. Strong anchors reassure retailers that traffic will be such that they can profit even while paying such substantial rents. Malls with weak anchors will suffer in the long run, and today many malls are being demolished to make way for lifestyle or big-box centers.



K Street - 1100 block



K Street - 700 block



K Street - 900 block

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

In the end, however, downtown organizations probably were unrealistic to think that mere walkability is what made malls successful. A mall's success is built upon its merchandise mix. A regional mall's mix must be capable of attracting shoppers from an extensive and populous trade area. A downtown retail mix must be able to do the same thing. As suburban malls became more numerous, and as they became the "norm" for large scale retail, downtowns had to adapt. Unfortunately for many downtowns, they believed that having the same mix as suburban competitors, especially in an auto-free pedestrian mall, would accomplish this. They were proven wrong. When a downtown retail mix replicates the suburban shopping center, the downtown weakens and fails as a retail destination. There are several main reasons this is so:

- If a downtown has a mix comparable to that of the suburban malls, then its retail trade area will be based upon the same criteria the malls use. This means that a downtown's trade area will be circumscribed by the competition. In nearly all cases, this leaves the downtown with a trade area too small to support it, even if the number of downtown residents is growing. Moreover, a downtown's trade area usually includes large populations of shoppers with low incomes and limited buying power. Malls need several hundred thousand trade area residents (with suitable demographics and psychographics) to support them, and so do successful urban retail districts. For a downtown to accomplish this, it must have a mix so distinguished from those of the malls that it can attract shoppers from well out into the suburbs.
- The number of downtown workers, so vaunted by many downtowns as the key to success, is instead only a means of success. The workers go home at night (eventually) and so evening traffic is weak compared to the lunchtime trade. In Sacramento, stakeholders and area retailers report a significant falloff in sales on holidays when most workers have the day off. Many retailers do not want to operate under these conditions. They cannot "make their numbers" in only 10 hours per week. Downtown must draw large numbers of area residents to prosper, to make the rest of the business week profitable.

- Visitors, including convention delegates and business travelers, provide strong demand for restaurants, but typically provide less support for retail shops. Visitor traffic fluctuates and makes it difficult for shops and restaurants to determine the right level of staffing. Such traffic also is highly variable and seasonal, reinforcing this problem. Add in traffic slumps when the economy is bad and the visitor market becomes problematic in some measure. While visitors constitute a potentially lucrative market, it is nearly impossible to build a downtown retail district on the backs of this population. Downtown cannot rely on visitors like it can residents.

Taking these realities into account, the answer for downtowns can be simply stated: assemble a merchandise mix that sets it apart from the suburban competition. Actually, saying that downtown's mix must "set it apart" is insufficient – the downtown mix must be superior to the suburban mall mix. It must be special enough to attract shoppers from throughout the metropolitan area (along with attracting downtown workers and out-of-town visitors), and this can only be achieved with a mix that is truly outstanding, a mix so compelling and interesting that shoppers will drive past the suburban competition in sufficient numbers to produce satisfactory sales figures.

### *Looking Ahead*

This is where K Street failed. Its mix did not meet these critical requirements. As the shops failed one by one, K Street's decline began to affect retailing on adjacent streets. Given this, and the aforementioned decline of Downtown Plaza, we have the backdrop for Downtown Sacramento's current condition as a retail district – and the foundation for its recovery. The City has moved to redevelop key blocks of K Street, a notable case being the blocks between 7th and 9th. Retail and restaurant uses begin to improve east of this point. The area close to the Convention Center is coming along, helped by the Esquire Grille and Crest Theatre and, it must be admitted, by its distance from Downtown Plaza. The area near the Convention Center feels safer than the area near the mall, a feeling bolstered by the presence of the Sheraton and Hyatt hotels, further enhancing these blocks' appeal as retail locations.

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

Being that K Street is Downtown's retail spine, its decline has affected the rest of Downtown Sacramento. In fact K Street's demise has been a millstone around the neck of the entire Downtown. Several areas bear mention in our discussion of the current retail landscape:

- **J Street** has endured struggles of its own since K Street's mall lost its retail cache. The amount of retail and restaurant space along J Street has dwindled to but a handful of blocks, none of which is particularly strong. A look at a Downtown map suggests the area adjacent to Downtown Plaza would be particularly healthy, but it isn't; any successful retailing near the mall has succeeded on its own, having benefited scarcely at all from a mall that once counted I. Magnin amongst its anchors. J Street between 4th and 5th Streets includes Chinatown Mall and some restaurants along with office, residential, and institutional space. Office towers with modest amounts of ground level retail space intermingle with smaller scale office/retail spaces between 5th and 9th Streets. Retail and dining both are weak here. Signs of life occur in the forms of the 800J Lofts, the Citizen Hotel on the corner of 10th Street, and McCormick and Schmick's in the 1100 Block. Some retail stretches remain east of 8th Street, but this wanes beyond 13th even though the Convention Center and the Memorial Auditorium are located there.



J Street (900 block)



L Street (800 block)

- **L Street** runs uninterrupted from the I-5 Freeway east to Midtown and beyond. As with J Street, Downtown Plaza has provided no appreciable boost to L's retail scene. The blocks lying west of 9th Street include some run-down sections offering little appeal to prospective tenants today. Office buildings and parking garages present solid stone, brick or glass facades toward the street. Office towers begin to sprout at the western end of L, but several large office vacancies hurt the street's image, as does the large dormant construction site located at 4th Street. Further east, the area surrounding the Greyhound bus station is particularly unattractive, even though it sits catty-corner across 7th Street from Downtown Plaza. The Capitol and the surrounding governmental office buildings support several blocks of ancillary retail and dining establishments beginning at 9th Street and extending all the way to 16th, interrupted by the Community Center Theatre and the Hyatt, Marriott Residence Inn, and Senator Hotels. All of this retail is on the north side of the street. The involved cross streets contain some appealing retail shops and restaurants as well, trading off this same office worker market.

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

- **Old Sacramento** is a tourist-oriented (or at least a tourist-flavored) district located west of the Downtown commercial district between the I-5 Freeway and the river. It occupies portions of five city blocks. Traffic generators help bring people to the area, principally four museums. The retail mix favors gifts, specialty food and T-shirt shops. Some quality retailers are located here, and some great restaurants are in place, but overall Old Sacramento seems uncertain about what image it should present. On the one hand the district contains vendors who believe a touristy image hurts their business. On the other hand, there is no clear mandate for Old Sacramento to abandon the atmosphere that has provided what success it has experienced. A level of consensus will be needed to enable Old Sacramento to compete in the marketplace. Some residential development has arrived, which could abet retail leasing in the future. Due to its unique nature - generated by its history, architecture, and separation from the rest of Downtown Sacramento - Old Town would be well-served by a focused retail study that would provide the proper merchandise mix to achieve this goal.



Old Sacramento

- **The Railyards** is not a part of Downtown, although it may seem appropriate to consider it so. The project is a redevelopment effort located on former Union Pacific industrial property. The existing plans are ambitious and call for an array of uses, including thousands of housing units and over 1 million square feet of retail space. It is important to establish at the outset that The Railyards will not be an urban community in the accepted sense. The retail space will not be a Downtown surrogate, and it will not compete for the Downtown experience. Based on current plans, the retail will look like a conventional suburban town center akin to the retail in Natomas. Its ultimate mix will hinge upon which suburban retailers are failing to serve the center city from their present locations. There may be cross-traffic between The Railyards and Downtown, but historically two such disparate retail districts serve distinct purposes within a given market.



## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN



Midtown (16th &amp; K)

•**Midtown**, which also is not situated Downtown (or within the study area), is located close by and has assembled an eclectic array of retailers and restaurants embedded within a thriving residential neighborhood. It has acquainted large numbers of people with the Greater Downtown area - this is something that Downtown can both build upon and contribute to. Midtown has shown that urban retailers and restaurants can succeed in Sacramento.

Taken together, these areas support Downtown's proper role as the one place in a metropolitan market where innovation, inventiveness, creativity and urbanity coalesce. All elements of the region's populace meet here, creating the excitement arising from the presence of a varied and diverse crowd, which in turn is attracted by a varied and diverse collection of unique retail shops and restaurants. Assembling a Downtown that provides these attributes will furnish the story that the area must tell in order to succeed.

## B. STAKEHOLDER INTERVIEWS

Downtown Sacramento stakeholders - property owners, developers, brokers, city officials, business operators - with whom we spoke call for a healthy Downtown retail scene. Not merely because this would benefit many of them, but it would bring more traffic Downtown, make the district livelier, and help to position it as a more attractive visitor and convention destination. There is agreement that Downtown Plaza has become a source of difficulty to the district's overall vigor. Even if Westfield desires to stay Downtown there is concern as to how they will manage the *property*; they are not seen by the stakeholders as being especially interested in taking their (the stakeholders') advice. Interestingly, in at least one instance *Westfield* came to them to see what they should do with the project. So far, plans remain vague.

Common threads emerged from the stakeholder interviews:

- ▶ Reopen K Street to cars
- ▶ Downtown Plaza is a problem
- ▶ Energy has shifted to Midtown
- ▶ Social issues (especially due to SROs)
- ▶ No specific plan:
  - Projects are piecemeal
  - EIR (Environmental Impact Reports) - required for any project over 75,000 sq. ft.; take lots of time/\$ (solution mentioned = one for entire downtown and one for traffic)
- ▶ Arena location
- ▶ Perception that incentives are unfair
- ▶ Need more retail
- ▶ Sacramento lacks self-esteem
- ▶ Downtown needs more residents
- ▶ Old Sacramento needs a better retail mix
- ▶ Want more leadership from city
- ▶ Assemblages of space necessary for revitalization

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

## C. CUSTOMER MARKETS DEFINED

- **Downtown Residents** Downtown has begun to gain momentum as an alternative to suburban living. Although the number of downtown residents in Sacramento is small (there are 220 market rate dwellings in the core and 18,000 residents within one mile of the core (9th & J); there are also a significant number, around 700, SRO units in the core) their growing presence is a sign of progress, a step in the right direction toward a vital downtown. We have concluded over the years that a downtown where no one wants to live is nearly always a place where no one wants to shop and dine. Despite their small numbers, the residents are an important group, setting the tone for the remerchandising effort. The new Downtown dwellers are active, sophisticated, well-educated, urbane and affluent. Most either are empty nesters, young singles and couples on their way up, or affluent second-home owners. They would like to patronize Downtown, but currently must drive elsewhere to meet many of their needs. Downtown has an opportunity to stem the flow of its residents to suburban malls by providing a great mix of shops and restaurants suitable for their urbane tastes. In the first place, downtown residents have told us they do not care for the suburbs, an attitude seen in their decision of where to reside. Downtown residents tend to include the trendsetters. Besides this group, a large market of followers lives throughout the metropolitan area, aspirational shoppers and diners who want to go where the action is as identified by the trendsetters. A merchandise and restaurant mix that caters to these households will be just what is needed to attract other area residents downtown.

Incidentally, the extensive residential development programmed for The Railyards will help spur demand for Downtown retail. Having so many people moving in will add to the base of urbanites living in the area. Again, the numbers of new residents will not be enough to support downtown retail by themselves; a retail trade area needs hundreds of thousands of residents to support it. Downtown and its immediate environs can always benefit from the addition to its population of urbanites, and while this will not make the area a self-supporting market, their arrival will bolster the demand for unique retailing downtown.

- **Workers** Downtown workers comprise an important market for urban retail space; virtually a captive market during the workday, many stay Downtown for dinner, shows, or clubbing. Like Sacramento's Downtown residents, many of its approximately 93,000 workers are well educated, affluent and eager for great urban retail to arrive. They will respond well to an upgrading of Downtown's retail offerings. Location is important with this shopper group since most of their expenditures occur at lunchtime and thus generally take place within approximately 3-5 blocks of their workplace. (Note: a significant number of the city's workers are employed by the State. As a group, government employees tend to spend less than other workers; conversations with stakeholders, retailers and restaurateurs corroborate this in Sacramento's case).
- **Visitors** A strong cultural and visitor market is fostered by a great collection of venues such as museums, concert halls, theaters, and night clubs. The city's convention center is located near the eastern edge of Downtown and will attract 323,000 convention delegates to Downtown this year based on bookings to date. Old Sacramento is one of the region's principal tourist destinations, and is located just beyond the commercial core. Collectively, these venues bring a number of visitors and local patrons Downtown. This is an important market for Downtown to serve; in particular, food and beverage establishments benefit from this market, while it is not typically very significant for stores.

- **Downtown Residents:**
  - In the core: 220 market-rate dwellings and 700 single-room occupancy residences (SROs)
  - # of residents within one mile of Downtown: 18,000
- **Workers:**
  - # of workers in overall Downtown: 93,000 (zip code 95814)
  - Est. per capita annual spending Downtown: \$5,200
  - State workers: 51,500 (zip codes 95811 & 95814)
- **Visitors:**
  - Convention Center expected to attract 323,000 delegates in 2009
  - Though scant research on visitor expenditures exists, DW estimates Downtown (east of I-5 and not including Downtown Plaza) has the potential to capture \$32 million of visitor spending annually

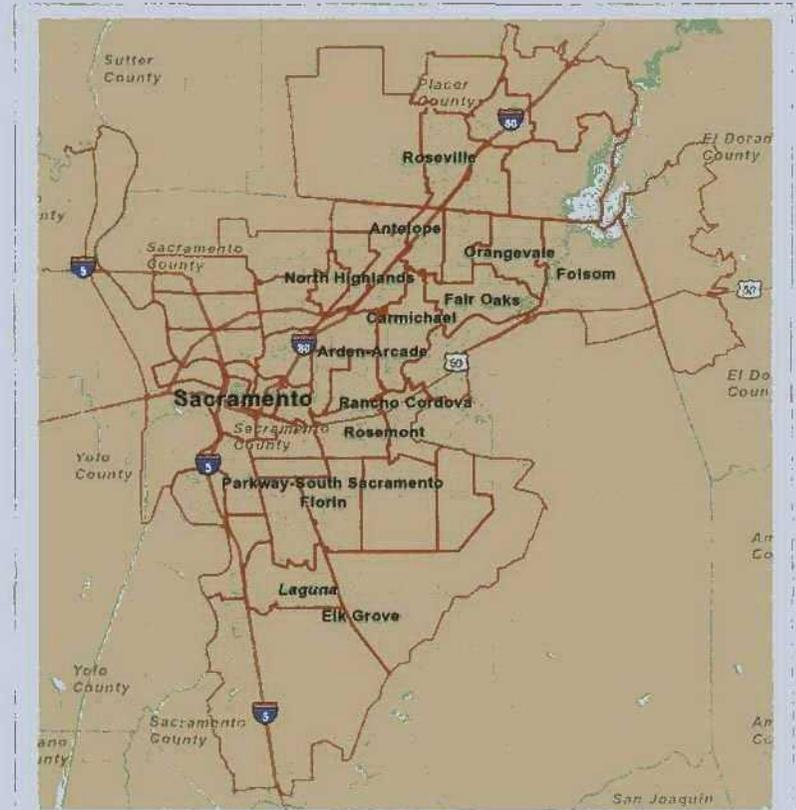
DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

• **Trade Area Residents** Periodically we encounter the opinion that a market the size of metropolitan Sacramento is too small to support a vibrant downtown retail district, but our analysis concludes otherwise in Sacramento's case. **With 1.65 million residents in the trade area, not only is the market large enough, it also has enough of the right kinds of shoppers.** Sacramento is attracting "urban pioneers" to its new residential projects Downtown, including many who have moved into the neighborhoods surrounding Downtown, Midtown, East Sacramento, Land Park and Cedar Park, among others. People are buying homes of all sizes and types: single-family homes, condos, lofts, fixer-uppers and mansions. Urbanites living in such communities not only create more demand for homebuyers and renters - with their taste levels and appetite for city living they eagerly seek unique shops and restaurants to satisfy their eclectic and urbane demands. These individuals set the tone for downtown retailing, spurring demand interest from the legions of trend followers who live throughout the rest of the market.

Goals for Downtown Sacramento:

- ▶ downtown workers - provide them shops to patronize
- ▶ those not coming now - give them a reason to come
- ▶ those already coming - bring them more often

| Trade Area Demographics |                  |                  |
|-------------------------|------------------|------------------|
|                         | 2009             | 2014             |
| <b>Population</b>       | <b>1,655,393</b> | <b>1,787,654</b> |
| Avg Household Size      | 2.7              | 2.7              |
| Avg Household Income    | \$75,923         | \$79,245         |



TRADE AREA (based on city geographies and incorporating Downtown Plaza's trade area definition)

Most of the defined trade area lies within Sacramento County. Portions of Yolo County located principally around West Sacramento also are included, as are adjacent portions of Placer County around Roseville. This is a conservative trade area but is a suitable place to begin. As Downtown regains its lost position as a retail destination it is possible the trade area could expand, but even if it does the great majority of the metropolitan market's sales support will be provided by residents of this defined trade area.

DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

Demographics combined with information on lifestyles, attitudes and behaviors lead to **Psychographic** profiles of a population.

- These profiles consider:
  - Occupation and education level
  - Preferred activities and spending habits
  - Stage of life
- Psychographic “Lifestyle Tapestry” Segmentation:
  - Analytic tool, accepted industry resource
  - Cross-tabulates various statistics including: age, income, race, gender, home-ownership, household size, etc.
  - 65 different segmentation groups
- Our “target market groups” are those inclined to shop downtown.
- Impacts the Merchandise Mix Plan.

| EXAMPLE PSYCHOGRAPHIC SEGMENTATION GROUP | STORE             |
|--|-------------------|
| Prosperous Empty Nesters                 | = Williams Sonoma |
| Metro City Edge                          | = Walmart         |
| In Style                                 | = Anthropologie   |

*National chains are used solely as examples to convey store types demanded by various shopper groups.*

**D. TARGET MARKETS**

Throughout the U.S., Downtown Works has encountered the desire of metropolitan residents for the kind of urban retailing that will provide an alternative to the more conventional offerings found in the suburbs. People will not abandon suburban malls, of course, but they will shift significant numbers of their shopping and dining trips to Downtown Sacramento once a compelling shop and restaurant mix is in place. Of course some suburban traffic is flowing Downtown already; the area has a few strong retailers, and its collection of good restaurants has attained some regional stature. As the mix improves so will Downtown’s capture of trade area expenditure potential.

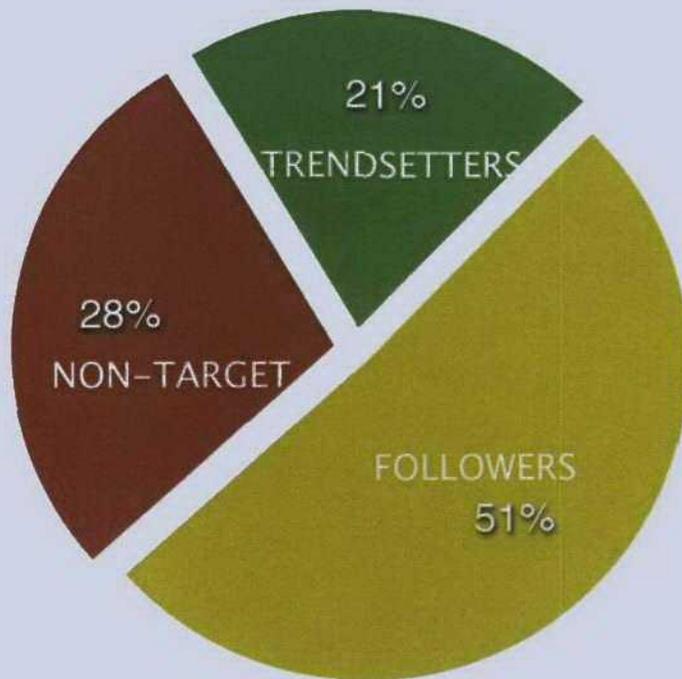
***Psychographics***

The psychographic characteristics of those within the defined trade area provide additional rationale for our enthusiasm for Downtown’s outlook as a major retail hub. Groups like In Style, Old and Newcomers, Metro Renters, Connoisseurs, Urban Chic and others with a favorable disposition toward downtown retailing account for 72% of the population - this constitutes Downtown Sacramento’s target market.

Understand that not all of these “most desirable” customers will shop or dine in Downtown Sacramento: these are the groups most inclined to do so and the area’s sales support will be drawn from members of these psychographic groups. Within this 72%, 21% are more of the “urban trendsetters” who will set the tone for Downtown’s retail and restaurant offerings. Large numbers of the remaining 51% of “most desirable” shoppers will follow the lead of the trendsetters. Of course, the 28% of trade area residents who are not part of this “most desirable” list are by no means excluded from shopping and dining Downtown. Some of them will, and a few will do so frequently, but these consumers are exceptions to the rule.

These important markets, combined with inflow from out of town visitors, produce enough demand to populate Downtown Sacramento with shops and restaurants. There is enough demand to fill existing vacant space and replace non-retail uses with retail shops and restaurants. In other words, Downtown Sacramento provides the proper scale to accommodate the amount of shop and restaurant uses to satisfy the demand from the key market groups. Downtown is primed for this revitalization right now.

Downtown Sacramento's "Most Desirable" Customers (trendsetters + followers) =  
72% of total trade area population



Target Groups as Percent of Total

- While all residents in the Target Market are potential downtown customers, some are "most desirable"
- Trendsetters, 21% of the "most desirables," are urban-inclined customers; will set the tone for Downtown's offerings
- Remaining 51% of the "most desirable" customers follow the lead of trendsetters

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

The trade area's top five trendsetter groups comprise 13% of the population.

### 1. IN STYLE

- Live in suburbs but love the city
- Sophisticated, cosmopolitan, image-conscious
- Professional couples predominate
- Prosperous
- Active lifestyles
- Avid consumers and dine out frequently
- Both apparel and home fashions appeal to "in style"

### 2. OLD AND NEWCOMERS

- Transitional urban neighborhoods
- Young trendies moving into old neighborhoods as retirees sell; look for bargains
- Buy into the neighborhood and remake it to suit their eclectic tastes
- Active lifestyles
- Are fashionable but averse to paying high prices for consumer goods
- Like the funky shops and eateries that are not pricey
- Senior citizens who remain are typical of fixed-income consumers

### 3. URBAN CHIC

- Mix of households, with high percentages of single and shared
- Unconventional, experimental and experiential
- Quintessential affluent urbanites
- Active patrons of the symphony, night clubs, bistros, museums, theatre
- Dine out all the time yet have very well equipped kitchens
- Strongly politically correct, even more than the aforementioned groups

- Active consumers but like to see selves as not motivated by acquisition; emphasize green-organic-sustainable goods/ services + craftsmanship/artisanship
- They favor local operators over chains

### 4. CONNOISSEURS

- Third most affluent/upscale Tapestry group
- Entrepreneurial, management and professional workers predominate
- Urban in neighborhood choice and lifestyle; don't dislike suburbs so much as find them too far removed from cultural amenities
- They buy the best of everything
- Money is rarely a factor but may be alert to attempts to overcharge just because they can afford it
- Active lifestyles (symphony, opera, theatre, museums)
- Often called to support *philanthropic* causes

### 5. METRO RENTERS

- The new downtown residents - prefer urban high rises and low rises
- Young up-and-comers and empty nesters
- Generally childless; young ones tend to move out when the kids are born, but many will never have children
- Not wealthy, but incomes are high enough to allow an active lifestyle
- Need to be where the action is
- Avid shoppers and diners
- Often bemoan the need to get in the car and drive to the suburbs to shop

## III. Strategic Assessment

### A. EXPENDITURE POTENTIAL

We assessed total expenditure potential by trade area residents, by employees and by visitors and conclude that the estimated expenditures Downtown can capture is \$694 million in today's dollars; currently it is capturing \$277 million.

### B. EXISTING MIX

How much space is there Downtown, and how is it being used?

While we are interested in streetfront retail only, we include Downtown Plaza since it is an important traffic generator. Interior spaces, even new ones, typically fare poorly in downtowns due to low visibility from the streets. We will deal within Downtown Plaza as a part of the retail revitalization program later in this report. For now, totaling the space within the Downtown commercial district, from 3rd to 16th streets, yields the following:

- Retail space: 131,800 square feet
- Restaurant/fast food space: 251,900 square feet
- Non-retail space that could accommodate retail: 472,100 square feet
- Vacant space: 335,800 square feet
- Parking garages/lots that could accommodate retail space: 457,100 square feet
- Downtown Plaza: 984,000 square feet (gross leasable area of both first and second floors; includes Macy's)
- Total: 2,632,700 square feet

The distribution is:

- Retail: 5.0%
- Restaurants/fast food: 9.6%
- Non-retail: 17.9%
- Vacant: 12.8%
- Parking garages/lots: 17.4%
- Downtown Plaza: 37.3%

Looking at the mix alone, we see a dearth of retailing in Downtown. As is the case in many downtowns, non-retail space accounts for a great deal of the inventory. In Sacramento's case, it is the largest category of the five.

The amount of restaurant space appears adequate based on square footage alone. The qualitative analysis (pages 24-27) will flesh this out and allow us to refine our merchandise mix plan.

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

### C. SUPPORTABLE SQUARE FOOTAGE

Expenditures and estimated sales per square foot can be translated to supportable square footage. **There is ample market support for 1.7 million square feet of streetfront retail space Downtown.** Clearly there is plenty of space to work with, especially given the fact that there is only 383,000 square feet of occupied streetfront retail space Downtown today, plus the occupied space in *Downtown Plaza*. *There is plenty of leasable space, whether it is sitting vacant or whether it is not being used as retail space at the moment.*

It is important to bear the following in mind: the existence of excess space is by no means a bad sign for retail Downtown. Not all of the vacant space downtown need be used for retail. We enumerated the vacant space that physically could accommodate retail, but much of is not located appropriately for this purpose. By the same token, not all of the non-retail space (e.g., mainly office space) is appropriately located for retail. Lastly, not all of the parking garages and vacant lots are in good retail locations either. We will cull through this space later as we design our merchandise mix plan, but for now the surplus space need not concern us; most of it can continue as non-retail space. We merely point out that there is no shortage of space that can be used for retail and restaurant operators.

As we proceed to the merchandise mix plan, we will narrow our focus to particular targeted areas within the overall Downtown. As mentioned above, some of the non-retail space and parking decks will never be converted to shop or restaurant uses, nor should they be, but it is important to understand how much space the market can support so we do not ask more of the market than it can be expected to provide. It also suggests we not pursue new large-scale retail projects that would add to the current inventory as opposed to developing projects that replace current retail buildings.

We also undertook an analysis of demand for space in Old Sacramento. We found that Old Sacramento is appropriately-sized for the amount of market demand. The key may be to adjust the merchandising mix to appeal more to trade area residents.

The analysis does not include The Railyards.



Ground floor spaces found within the JKL Corridor.

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

## D. QUALITATIVE ASSESSMENT

It is important to consider the quantity and condition of existing stores and restaurants when setting out to transform an area's retail environment. Taken as a group, the quality of operations within the focus area of Downtown Sacramento is rather poor; exceptions to this are several exemplary restaurants and a handful of shops. A qualitative assessment indicated that half of the area's current retail operations are harming the culture and image of Downtown by their low standards in design, cleanliness and maintenance, and merchandising.

Downtown Works conducted a qualitative assessment of existing operators in Downtown Sacramento on J, K and L (from 7th to 12th) streets, and across 9th, 10th and 11th (J to L).

**Of 231 total spaces:**

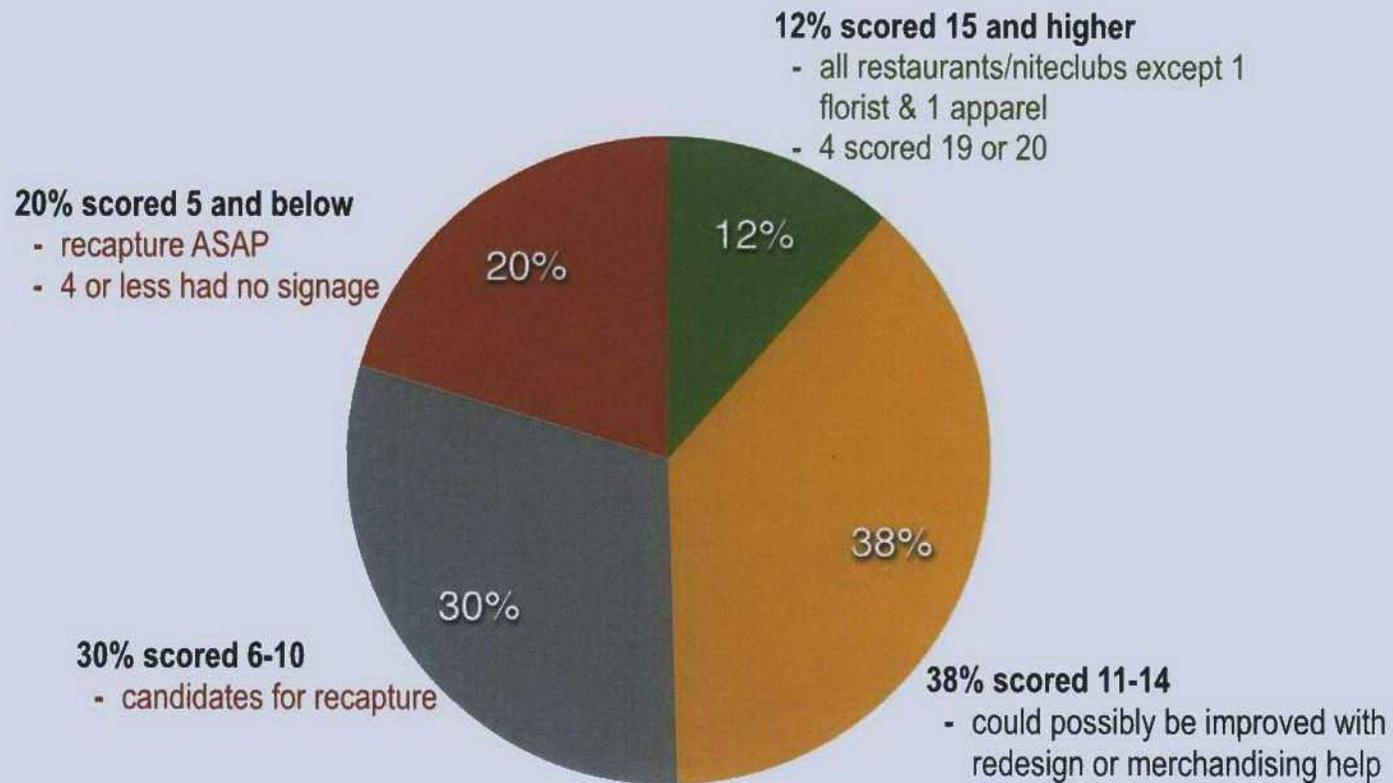
- 174 occupied
- 57 vacant (25%)
- 103 retail uses

**Use breakdown:**

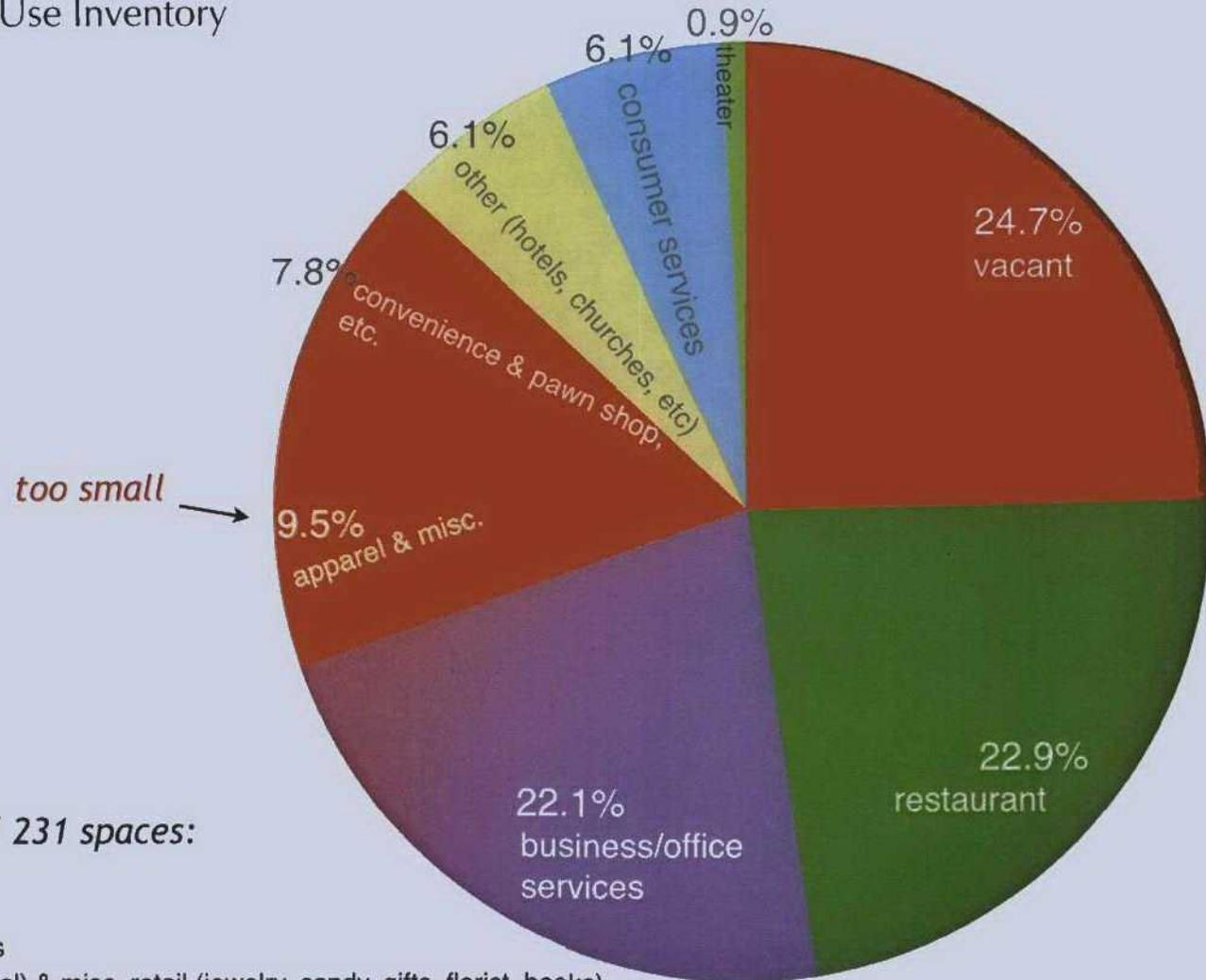
- 53 restaurants/fast food/night spots/bars
- 2 theaters
- 12 convenience/drug/liquor stores
- 9 apparel stores, including shoes, bridal
- 13 misc. retail (jewelry, candy, gifts, florists, books, luggage, art)
- 14 consumer services (optometry/eyeglasses, watch repair, hair/nail salons, electronics, shoe repair)
- 6 pawn shop, check cashing, bail bonds
- 14 other (hotels, churches, senior centers, SROs, banquet room)
- 51 business/office services (copy, print, professional services, banks)
- Figures are inexact (some spaces appear to be one but could be subdivided into additional spaces)

- Shows strengths and weaknesses of current mix.
- Is a tool for retail recruitment.
- Operations are evaluated in 5 categories:
  - Storefront
  - Signage
  - Window display
  - Maintenance
  - Interior merchandising
- Score for each category ranges from 1-4 (1= poor, 2=fair, 3=good, 4=excellent):
  - **Perfect score: 20**
  - **Low score: 5**

Qualitative Assessment: Of 231 spaces in the area, 103 (*less than half*) were currently retail uses; these **103 operations were ranked** for the Qualitative Assessment.



Qualitative Assessment: Use Inventory



**Breakdown of uses for all 231 spaces:**

- 24.7% - vacant
- 22.9% - restaurant
- 22.1% - business/office services
- 9.5% - apparel (inclu shoes/bridal) & misc. retail (jewelry, candy, gifts, florist, books)
- 7.8% - convenience/drug/liquor & pawn shop/check cashing/bail bonds
- 6.1% - other (hotels, churches, etc)
- 6.1% - consumer services
- 0.9% - theater

Qualitative Assessment: General Area Observations

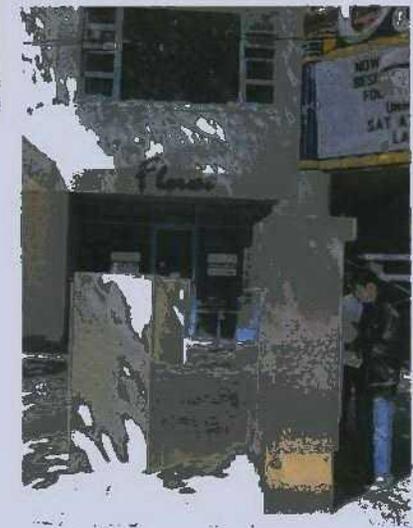
*Positives:*

- Many areas with wide sidewalks
- Numerous buildings of a good human scale



*Negatives:*

- Sparsely populated with dead plants
- Lots of tinted glass in storefronts
- Sandwich board signs clutter sidewalks
- Light rail ticket vending machines and transit ramps obstruct site lines
- Numerous storefronts dated and in need of maintenance



## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

**E. ASSETS & CHALLENGES**

Downtown has a series of strengths it can build on. A good sized, growing, and willing market lives and works here. Repeatedly we hear from shoppers, retailers, residents and employees that they are hungry for a Downtown that provides a collection of unique-to-market store and restaurant operators found nowhere else in Sacramento. The building stock is good. The streets are walkable or can be made so. Old Sacramento and Midtown have shown that residents and retailers will locate in an urban setting. The Downtown restaurant scene is strengthening. Sacramento is a beautiful city that too few out-of-towners yet appreciate. Also important: the DSP is active and effective in promoting Downtown as a place to live, shop, work and invest.

***Downtown Plaza*** Downtown Plaza is an issue, and a major one. It entirely blocks the street grid required to make Downtown a successful retail entity. Effectively moving auto traffic around (not through) Downtown is a must. Blocked, closed and truncated streets work against this important consideration. Downtown Plaza should confront this important truth: allowing auto traffic on K Street would do more for its leasing efforts than anything else. We are loathe to use suburban development as an example, particularly given our stance that downtowns ought not to emulate it, but here we make an exception. Examining the lifestyle centers that are springing up around the country, we see that they succeed by mimicking a downtown retail street. Their developers create a central double-loaded retail street that allows auto traffic. Indeed, lifestyle centers emerged based on the conviction that people would rather shop in such an environment than in an enclosed mall. The patrons do not mind the auto traffic; it moves slowly and is no threat to them. It is ironic that downtowns taught the suburban developers what succeeds and what doesn't, and that many downtowns have yet to learn their own lessons. Lifestyle centers now outperform malls by over \$100 per square foot on average. By opening up the retail to the sky and allowing auto traffic, they have attracted strong rosters of retailers and restaurants that allow them to produce such high sales figures.

Returning the mall to the street grid also should include a redesign of 5<sup>th</sup> Street. It should be returned to street level rather than using the underpass as it does now. This should produce a far more important intersection at K and 5<sup>th</sup>.

*Downtown Assets:*

- Employee base - 93,000
- Large trade area
- Good psychographics
- Accessible
- Creative/committed local developers
- Pedestrian-welcoming scale of buildings
- Capital of one of the world's largest economies
- Growing restaurant scene that has "buzz"
- Authentic Old Sacramento
- City controls key parcels
- DSP is well-respected advocate for downtown issues

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

From what we can see, Westfield is holding on to Downtown Plaza for reasons of its own yet does not seem to discern the best solution for it: open the mall to auto traffic and lease to unique-to-market retailers on street level. In their defense, shopping center developers generally are inexperienced at urban retailing. They follow the strategies they have seen work in the suburbs because it is what they understand and, of course, because they are very good at it. The Plaza will not work here in its present configuration; it is not urban in outlook, tenant mix, design or attitude. Unless Westfield undertakes a city-friendly, urban-centric strategy with Downtown Plaza, it will remain a problem and an impediment to the rest of Downtown Sacramento, particularly with regard to K Street between 7<sup>th</sup> and 9<sup>th</sup>, two blocks that the City has invested in substantially with regard to its recovery as a retail corridor.

**K Street** As we recommend for Downtown Plaza, so we recommend for the K Street transit mall: open it up to auto traffic. The loss of auto traffic has strangled K Street's retail viability, especially in mid-block locations. Keep the light rail operating along K Street; this should not be a problem. Cities supported both auto and streetcar traffic for many years before they were convinced to switch to buses. Besides, in the light rail's entire system only this brief stretch is closed to auto traffic. The coexistence of auto and light rail works elsewhere in the city (and in numerous other cities) and can work on K Street, too.

There will be resistance from those who campaign against automobiles on a philosophical level. Some people are against cars, but realistically the car is here to stay. Continue to foster pedestrian access and crossings, slow down passing auto traffic, convert one-way streets to two-way streets, improve wayfinding and parking access, make the use of transit more attractive (although not by making auto travel prohibitively unattractive), but do not think that the removal of cars from our lives is going to happen or that it will have the desired effects. An empty street is not a reasonable urban goal. The no-auto zone has failed because it is an ill-conceived concept. Cities throughout the U.S. have abandoned the idea and re-opened their streets to auto traffic. Retailers do not like non-vehicular streets, and if the retailers will not lease space in pedestrian malls, then there will be no pedestrians. Indeed, is this not what we see now? workable as a retail street without allowing auto traffic; some people will protest this, but retailers and restaurateurs will not be prominent among them.

Downtown Challenges:

- I-5 isolates Old Sacramento
- One-way streets (act as thruways)
- K Street's exclusion of cars
- Downtown Plaza & Convention Center disrupt downtown grid
- Downtown Plaza condition
- Significant portion of workforce is government
- Offices are concentrated on Capitol Mall
- Social issues (SROs = 70% of housing in the core)
- Minimal market rate housing
- Current condition of retail
- Lack of retail design standards
- Impact of state finances on CA cities

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

**Convention Center** The Convention Center is an issue to us in that it also interrupts the street grid. However, reconfiguring it to reopen K Street will be too expensive and almost certainly will not produce enough of a benefit to make it cost effective. Its presence is helping to lease nearby portions of K Street, especially on corner locations. It would be nice to have K Street connect Downtown to the Midtown district, but if some connection is to be made it will have to be via either J or L Streets. Unfortunately, there are significant gaps along both of these streets east of 13<sup>th</sup> Street. A merchandised connection appears to be a long term goal.

**Midtown** Midtown has become a significant player for the urban-dweller and the "urb-o-phile." It shows that suburban traffic can be drawn to the center city if there is reason enough to make the trip, but Midtown presents Downtown with a challenge: find a niche that it can fill and promote itself accordingly. Midtown's retail and restaurant scene is not what Downtown's mix would have been had Midtown never happened. The operators there fit in to a particular neighborhood, and this neighborhood's environment is the primary attractor to metro area residents. The shops and restaurants intermingle with houses and services. In short, the retailing here seeks to appeal to the people who live there; people living elsewhere also like it and are willing to drive there to experience it. Downtown is not a neighborhood like Midtown, but rather is a commercial district, meaning its retail will differ from Midtown's. Downtown and Midtown can coexist. Ideally they would cooperate in some fashion, but it is not essential that this be so. Bear in mind also that it took over 20 years for Midtown to get where it is, without the organized effort that the DSP is exerting on Downtown Sacramento. Midtown developed one deal at a time.

**Western Blocks of Downtown Sacramento** Essentially, the westernmost blocks of Downtown Sacramento offer little opportunity for retail. The physical environment is not very appealing and there is enough space to work with in the retail core that we will discuss shortly.

**Area Surrounding the Greyhound Bus Station** There appears to be a longer-term opportunity to use the soon-to-be-vacated Greyhound bus station as a retail play. It is only three blocks from the State Capitol and there are office towers nearby. Each block between the bus station and the Capitol presents an incrementally better place for retail. The retail strip along L Street near the Capitol is insufficient for the traffic generated by the Capitol itself and the surrounding State office buildings.

**Capitol Mall** The Capitol Mall is not a retail environment. It is too wide and the buildings located here have large setbacks, plazas, even lawns in some cases. The opportunity here is for a few more restaurants like the ones already there, convenience retail to serve the office workers, and business services that are destinations.

**Old Sacramento** Old Sacramento remains intriguing. It appeals to tourists and locals, according to the retailers we spoke with, but it relies more on visitor traffic for much of the year. It is popular with Bay Area daytrippers befitting its position as one of Sacramento's main tourist attractions. The goal of building trade from local residents is a plausible one. In fact, it may help bolster the visitor trade since visitors like to go where the locals go. A major challenge is the presence of I-5. It makes access between Downtown and Old Sacramento difficult; at night, the pedestrian tunnel is perceived as unsafe. Proposals to deck over the freeway have failed: it is simply too costly. Another problem is the current mix. It has too many stores that clearly can be labeled "touristy." There is disagreement about what Old Sacramento should be, that removing the tourist-oriented stores will kill the goose that lays the golden eggs. From what we gather, not many of these stores are generating exceptional sales productivities. A detailed merchandise mix plan is needed here. Old Sacramento needs to come to terms with what it should be and design an implementation plan to achieve it. The spaces are small, and this hinders leasing efforts unless they can be combined as several have done. Satisfactory landlord cooperation does not appear to be forthcoming at the moment, and so a recruitment program is the means of garnering landlord support for the type of re-tenanting that Old Sacramento needs.

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

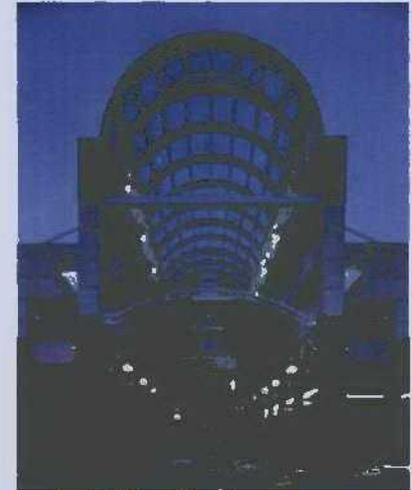
## F. COMPETITIVE AREA RETAIL

**Roseville - Galleria and environs**

- Westfield project
- A strong suburban mall located in booming upscale suburbs
- The Galleria is the heart of an extensive retail district
- Nordstrom, Macy's, JCPenney and Sears anchor the mall
- Newly-expanded with a strong tenant mix; many unique-to-market tenants, upscale (not luxe or couture) tenant mix
- Surrounded by numerous power and strip centers
- Practically all major big box chains are located in the area
- The Fountains: lifestyle center with West Elm, Crate & Barrel, Pottery Barn, Orvis, Sur La Table, Whole Foods, etc.

**Arden Fair**

- Strong regional mall located in inboard suburbs
- Same anchors as Roseville
- Similar mix to Roseville, but less extensive and with some unique-to-market tenants
- Some surrounding big box and neighborhood retail
- Serves more of Sacramento's "old money"
- The neighborhood is not as upscale as the mall's mix would suggest, but mall is well located with regard to inboard population
- The mall is locally-owned and something of an institution

**Natomas**

- Large concentration of big box and power retail with some specialty retail accompanying
- Serves the emerging Natomas area
- Excellent regional access
- Strong tenants like Target, Bath and Body Works, Wal-Mart, Staples, Off Broadway Shoes, Best Buy, Sam's Club, Barnes & Noble



## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

**Other, Undistinguished Regional Malls**

- Sunrise Mall and surrounding retail in Citrus Heights
  - Surrounding retail includes Birdcage (Trader Joe's, Barnes and Noble, others)
  - Mall is weakening but there are plans to renovate and expand by new owners (Steadfast Cos.)
  - Macy's (2 stores), JCPenney and Sears
- Country Club Plaza – struggling price-oriented mall
  - Macy's remains but Gottschalk's space sits empty
  - Other big box anchors include Off Broadway Shoes, Sports Chalet, Bed Bath and Beyond, Ross
  - Walmart and Sam's Club located across Watt Avenue
- Florin has been de-malled and converted to power center anchored by Walmart

**The Pavilions**

- Attractive specialty center located just across the River from Cal State University – Sacramento
- Serves as a fashion shopping center for inboard neighborhoods
- A touch of elegance with stores like Lucy, Julius, Williams Sonoma, Polo Ralph Lauren, Talbots, along with other specialty shops and Ruth's Chris

**New specialty/lifestyle (under construction)**

- The Palladio at Broadstone in Folsom
  - General Growth is doing the leasing
  - 700,000 sf including Whole Foods
  - Nordstrom is said to be looking
  - Project has struggled due to financial difficulties of developers
  - Surrounding area includes Costco, Home Depot
  - Good market for lifestyle retail
- Elk Grove Promenade in Elk Grove
  - Located on the southern edge of the market
  - Project has stopped construction and plans are to restart eventually
  - To be 1.1 million square feet
  - General Growth is doing the leasing
  - Macy's has been an announced anchor



## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

**Small Downtown Retail Districts**

- Several small downtowns are located in surrounding towns
- Roseville, Folsom and Lincoln are noteworthy
- None is very strong and serves mainly local area, although Downtown Folsom is interesting enough to attract shoppers from more than a few miles away

**Small Urban Retail Districts**

- Interesting urban clusters are located near Downtown Sacramento
- East Sacramento, Land Park, Curtis Park, Oak Park, East Lawn
- Interesting, eclectic, funky
- Reflect residents of area
- Few chains
- None has much critical mass but they are fun to visit

**Midtown**

- Urban residential neighborhood located immediately east of Downtown
- Eclectic collection of retail and restaurants mixed in with growing residential market; few chains
- Good example of young urban hipness that appeals to older patrons as well
- Serves as neighborhood retail for this cool neighborhood, with an eclecticism that attracts shoppers and diners from throughout the region
- Shows that people will come into town to shop and dine if the area is interesting enough
- A strong retail environment in the core Downtown will benefit Midtown



## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

## G. VOID ANALYSIS

Downtown Works conducted a void analysis for the Trade Area.

- A significant number of chain stores have yet to open their first stores in Sacramento.
- As far as Downtown Sacramento is concerned, **there should be few chains programmed for streetfront locations - FOCUS ON LOCALS/INDEPENDENTS.**
- **Recruitment efforts of chain nameplates should focus on those that locate just one or two units in a metropolitan area,** as it is critical not to echo suburban retail centers/districts.

Representative retailers NOT in  
Sacramento market

|                  |                      |
|------------------|----------------------|
| American Apparel | Michael Stars        |
| Bandolino        | Patagonia            |
| Cole Haan        | Tommy Bahama's       |
| Container Store  | Tumi                 |
| Diesel           | Williams Sonoma Home |
| Dockers          |                      |
| Easy Spirit      |                      |
| Eileen Fisher    |                      |
| Fossil           |                      |
| Francesca's      |                      |
| Free People      |                      |
| Max Studio       |                      |

Representative restaurants NOT in  
Sacramento Market

Bonefish Grill  
Capital Grille  
Cheeseburger Cheeseburger  
COSI  
Daily Grill  
Fogo de Chao  
La Madeleine  
Maggiano's  
Pei Wei  
Rock Bottom Brewery  
Roy's  
Ted's Montana Grill

DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

# IV. Merchandise Mix Plan

## A. INITIAL TARGET BLOCKS

Relying upon careful evaluation of market data, competitive circumstances, and information gleaned from stakeholder interviews; examination and observation of the focus area; and the qualitative assessment of existing operators, we identified a concentrated set of blocks - encompassing portions of J, K, L, 8th, 9th, 10th and 11th streets, as shown in purple below - in which to begin Downtown Sacramento's retail transformation.



- Retail transformation occurs one space at a time
- A concentrated focus is needed to build a critical mass
- Individual tenants will suit specific spaces and locations
- Focus on local/independent operators
- Particular corners - J at 9th and 10th, K at 9th and 10th, are especially important

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

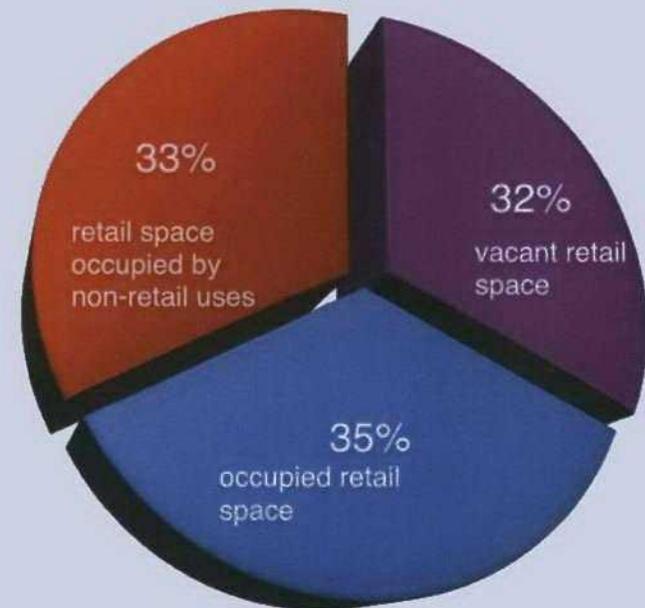
The initial target block area has the greatest potential for short-term success in Downtown Sacramento for several reasons, including:

- J Street is a high traffic street
- Can build on momentum happening at the east end of the area
  - *Several sophisticated, polished restaurants*
  - *The theaters are valuable assets and contribute to the area's allure (they bring people, though are primarily night-time uses)*
- Includes the historic retail spine
- Is flanked by City Hall, the State Capitol Building, ancillary businesses, office buildings
- Proximity to visitor attractors (Old Sacramento, Capitol, Convention Center)
- Has a fair amount of interesting, attractive buildings evocative of the California design sensibility

The initial target blocks contain 577,000 square feet of space that either is currently leased to retail or restaurant users, is vacant, or is occupied by non-retail uses but which could be converted to retail. Given existing and projected figures, there is more than enough demand to support a fully-merchandised set of blocks performing at satisfactory sales levels. Longer-term, we see the remaining demand being absorbed in other locations, proceeding in the following manner:

- Convert Downtown Plaza to streetfront retail. This returns three solid blocks of double-loaded retail to the grid along K Street, activating the cross streets as well. The two Macy's stores should stay in place.
- The opening of Downtown Plaza to traffic activates K Street between 7th and 8th, providing more double-loaded retail space along the retail spine.
- As a consequence of these actions, the blocks adjacent to Downtown Plaza can be revitalized to provide more retail space.
- To the east, K Street between 12th and 13th will become more attractive as the portions within the initial target blocks recover.
- L Street between Downtown Plaza and the State Capitol building becomes more attractive as a retail location.

The retail transformation of Downtown Sacramento can begin space by space, block by block, right now; in the long term, Downtown as a whole can accommodate the amount of streetfront retail (1.7 million square feet) that the market demands.

INITIAL TARGET BLOCKS -  
EXISTING SPACE DISTRIBUTION

Total streetfront space available for retail = 577,000 s.f.

- 184,000 s.f. vacant space
- 201,000 s.f. occupied retail/restaurant space
- 192,000 s.f. retail space occupied by non-retail uses

**More than enough demand exists to fill all space with quality shop/restaurant operations.**

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

**B. MERCHANDISE MIX**

Critical to the success of any downtown is having complementary, symbiotic uses. Along with a city's unique attributes, Downtown Works considers key principals when developing a downtown retail transformation strategy:

- Downtown is where a city innovates
- Cultural institutions and diversity anchor downtowns
- Historically the city's retail scene was also anchored in downtown ("flagships")
- Downtowns are reviving from decline in the 1970s and 80s
- Street-oriented retail is the focus
  - *Inherent nature of cities and towns*
  - *Visible and accessible*
  - *Focus on local/independent operators (not like suburban malls)*
  - *Proven as successful/optimal format for urban retailing*
  - *Desire of "creative class" and your target market*
- Cannot program (pre-determine) uses for individual spaces
  - Fragmented ownership
  - Each property is unique: design, fixtures, lease terms, footprint, etc.
  - Addressed during Implementation by a Retail Recruiter
- **Transformation happens space by space, one deal at a time**

Key Strategies:

- \* Focus on concentrated area (initial target blocks) and fill your best space
- \* Top priorities = corner locations and vacancies
- \* Cluster complementary uses together (but this is not *required* due to the small size of the initial target blocks)
- \* Emphasis must heavily favor local/independent, quality operators - *critical* to not echo suburban options
- \* Recapture space from poor quality tenants and inappropriate uses
- \* New construction of large scale retail projects Downtown not necessary (*new projects can work in the retail core if designed with appropriately-scaled, pedestrian-friendly streetwalls - would probably supplant existing buildings, though some infill opportunities can work*)

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

**MERCHANDISE MIX PLAN - USES**

We developed a Merchandise Mix Plan for the initial target blocks that represents the highest and best retail uses. Because so little successful retail currently exists, just about any use is welcome, but especially apparel, fashion accessories, home furnishings, and gifts. Clustering of like uses would be ideal, but is not required due to the compact nature of the focus area. We again emphasize the importance of having a mix that heavily favors local/independent operators, as it is critical Downtown offer a different experience than can be found in suburban settings.

**Retail Uses**

- \* Apparel (men's and women's)
- \* Sports and outdoor apparel
- \* Shoes (men's and women's; fashion and casual)
- \* Fashion accessories - handbags, jewelry, optical
- \* Specialty (floral, food and beverage)
- \* Home furnishings and accessories
- \* Gifts, paper, stationery, and cards
- \* Books
- \* Cosmetics / beauty

**Restaurant Uses**

- \* Ethnic (Italian, French, Indian, Caribbean, French Asian, Mediterranean, Greek)
- \* Eclectic (fusion, New American, comfort)
- \* Impulse (bakery, café, ice cream/gelato)
- \* Do not limit qualified restaurant prospects

**Service Uses**

- \* Business (i.e., printing, travel, medical/dental)
- \* Personal (hair/spa/nail salons)

DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

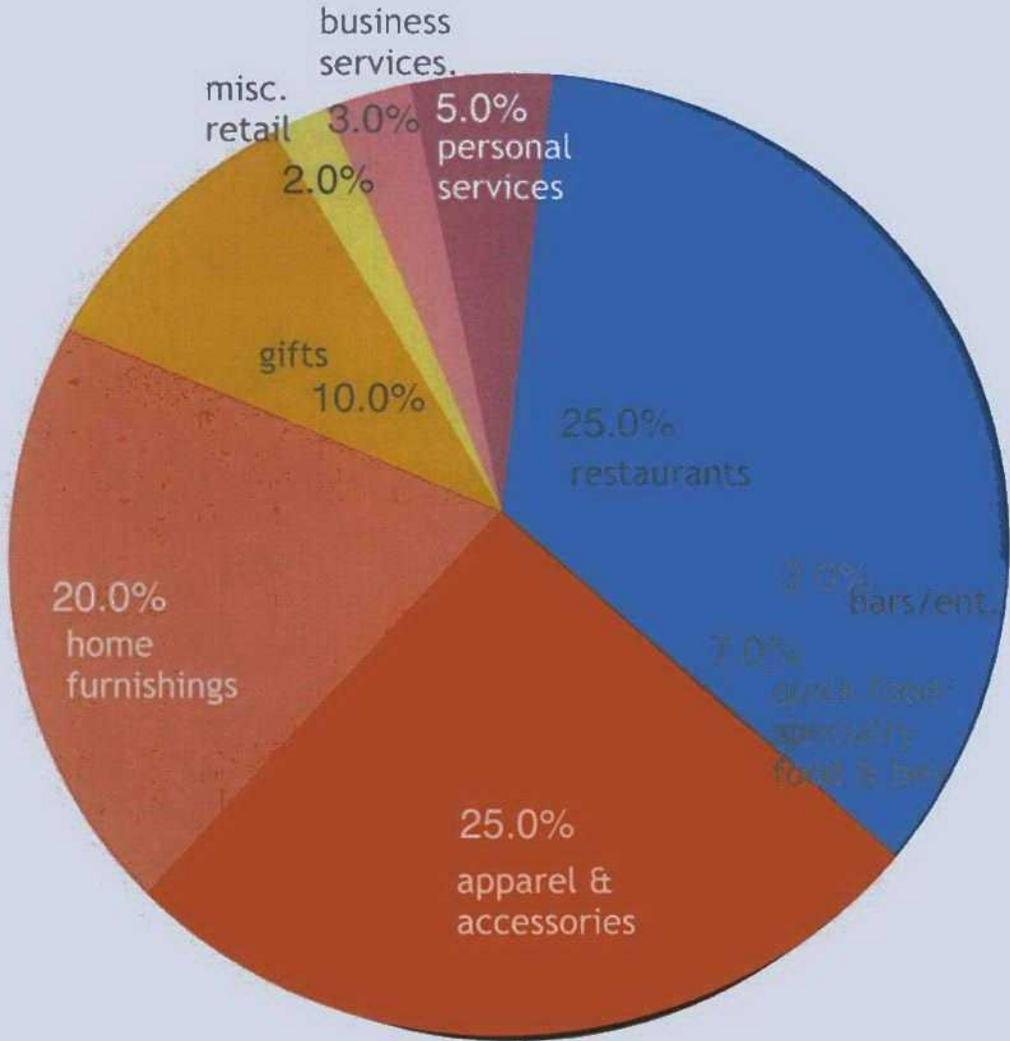
**Merchandise Mix - target percentages for various use categories:**

25% Restaurants  
3% Bars/Entertainment  
7% Quick/casual/prepared food; specialty food/bev

25% Apparel and accessories (shoes, jewelry, handbags, etc.)  
20% Home furnishings

10% Gifts  
2% Miscellaneous (bookstore, sports equipment, etc.)

5% Personal services (salons, barber shops, etc.)  
3% Business services (copy/mailing, dental, travel, etc.)



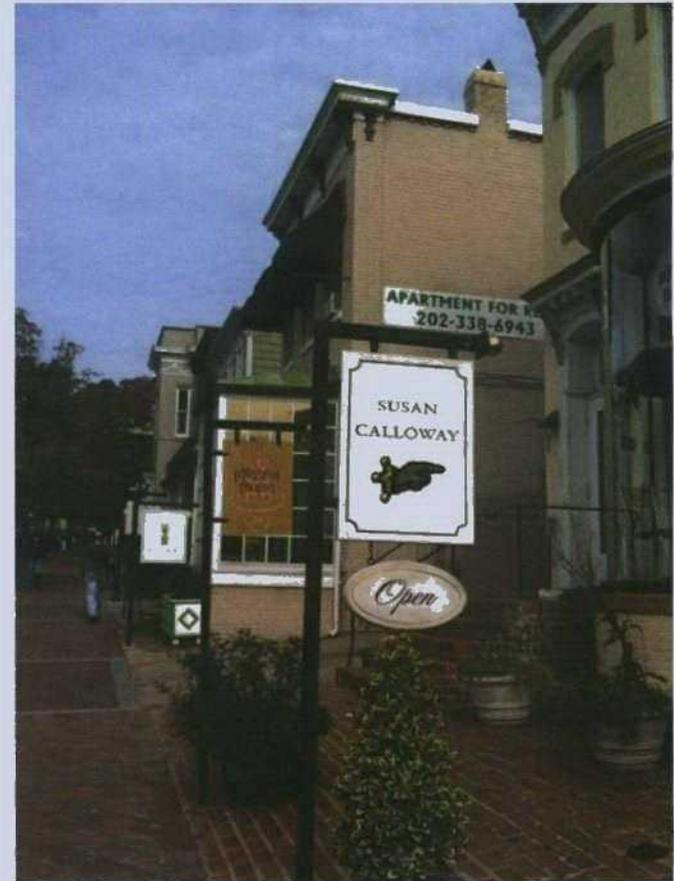
## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

### C. STORE LOCATION & DESIGN FACTORS

In addition to being the appropriate use, stores must be creatively and well-designed, effectively managed, properly inventoried, and have excellent visual merchandising.

**Location:**

- Stores should be contiguous - literally side-by-side
- Concentrated retail clusters create anchors and destinations
- Primary Retail Streets:
  - Clusters allow people to immediately grasp: “Shop Here”
  - Retailers selling goods (i.e. clothes, furniture, gifts)
  - Full-service restaurants (open lunch and dinner)
  - Don’t interrupt with non-retail uses (banks, offices)
- Secondary (side) Retail Streets:
  - Consumer services (dry cleaning, tailor, shoe repair, salons)
  - Quick service food
  - Office/residential lobbies in mixed-use buildings
- Will identify best opportunities once Implementation has commenced (clustering will occur somewhat organically as early operators choose their locations within the initial target blocks)



## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN



### Design:

- Corners are very important
  - First impression of the street, set the tone
  - Includes window displays and physical conditions
  - Build out to sidewalk (right-of-way)
- No arcades, plazas, or special features built into potential storefront area
  - Quality merchandise display and good storefront design should stand alone
- Unique, distinctive storefronts
  - Differentiated from adjacent storefronts and uses on upper floors
- Avoid generic storefront designs, which are often a by-product of storefront systems
  - New construction and mixed-use buildings are at high risk



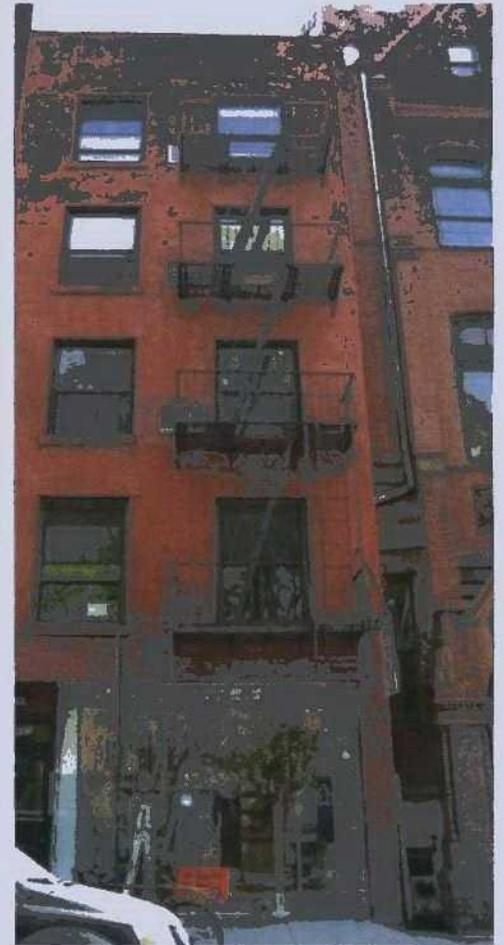
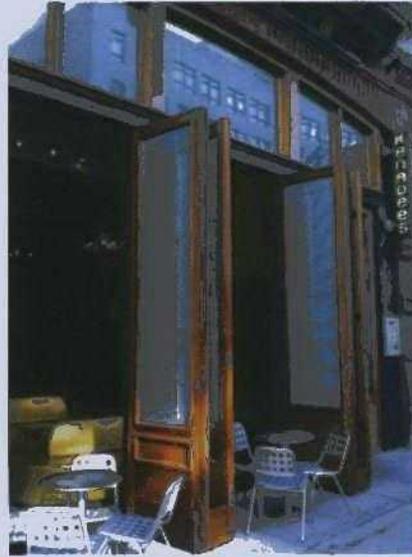
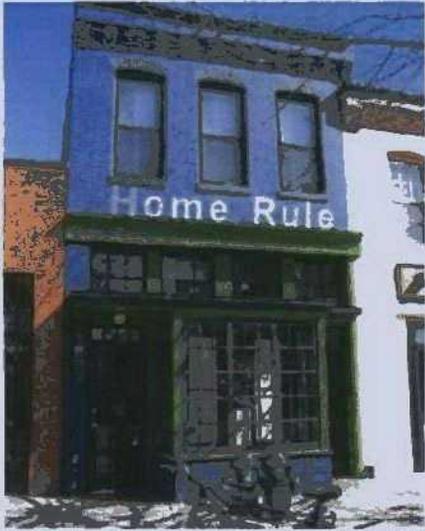
# DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

Generic storefront systems to avoid:



DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

Sample distinctive storefronts:



DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

Downtown Sacramento - examples of existing storefronts in initial target blocks.



*700 J Street*



DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

Rendering of 700 J Street with enhanced storefronts.

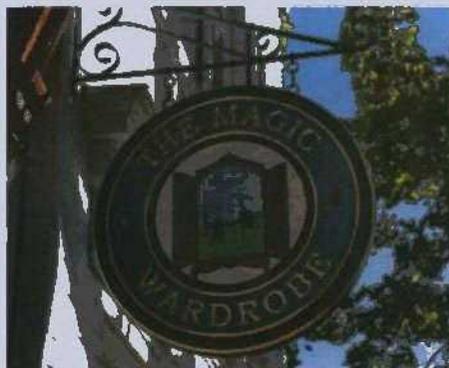
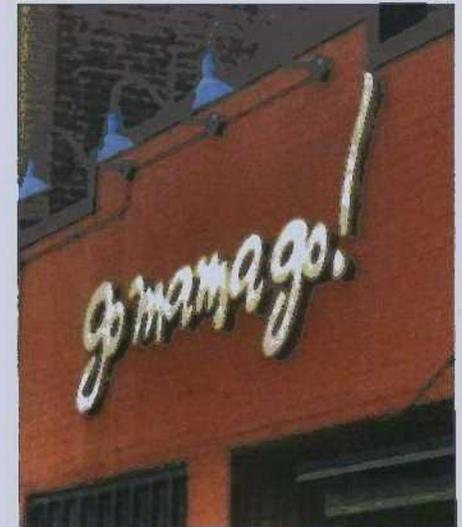


## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

### *What makes a great retailer?*

#### **Appropriate signage:**

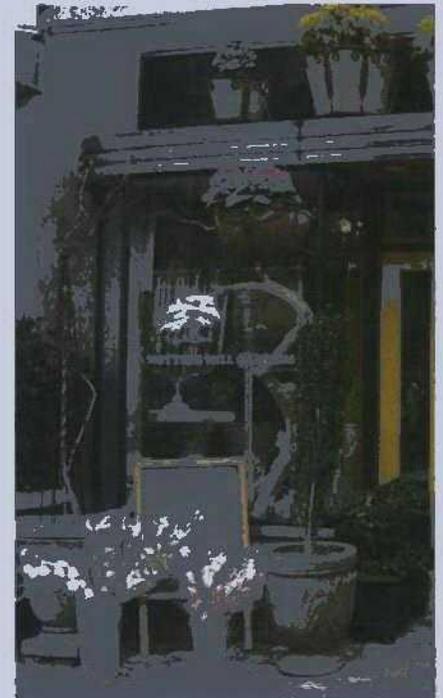
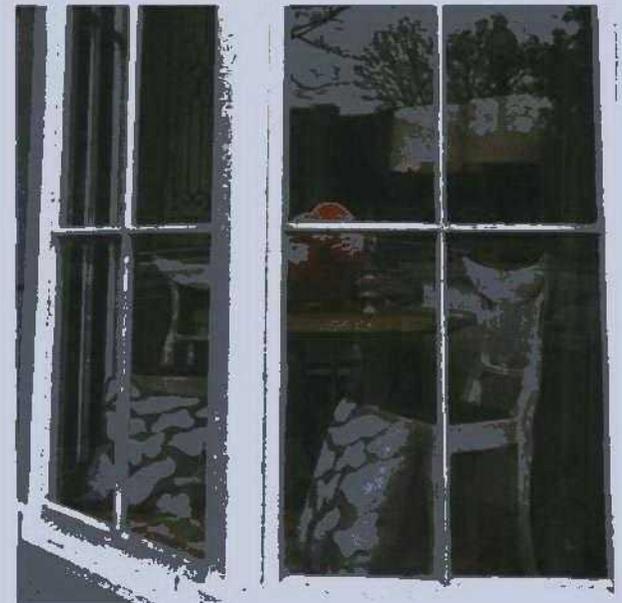
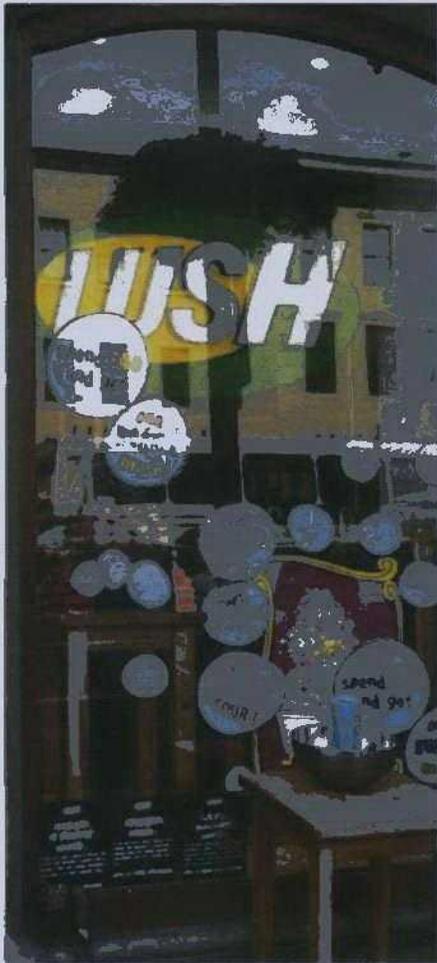
- Succinct (name should be in only 1 or 2 places)
- Eye-catching, attractive graphics; styled to fit character of storefront
- Should not state too much information (i.e. hours, website, number, name, merchandise)
- No need for neon “open” signs



***What makes a great retailer?***

**Engaging window displays:**

- Should change every 2 or 3 weeks (great retailers change more frequently!)
- Reflect merchandise sold (and nothing else!)
- Convey a particular spirit and are eye-catching

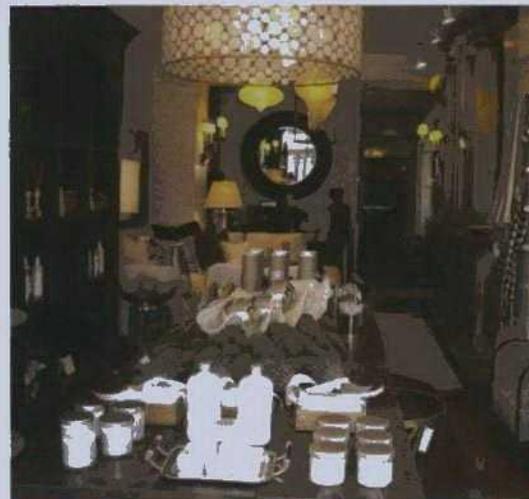


DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

***What makes a great retailer?***

**Proper interior merchandising:**

- Coordinated and organized (color, style, type)
- Inventory levels - neither cluttered nor sparse
- Merchandise selection varied yet cohesive

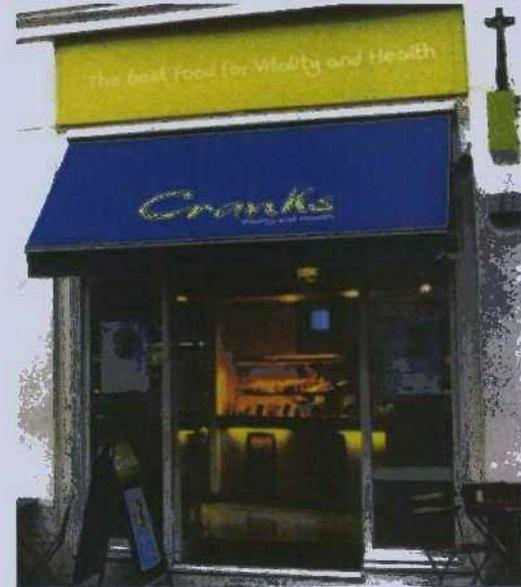


## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

### What makes a great retailer?

**Distinctive storefronts** - can be designed in old *and* new buildings.

- Encourage professional, retail-specific designs
- Institute design review guidelines



## V. Next Steps

### A. RECOMMENDATIONS

With a large and prosperous trade area of 1.65 million, a robust market of urban-inclined people (72% of total population), attractive and pedestrian-scaled building stock, and demand for existing space, Downtown Sacramento is equipped to implement the next critical, long-term phase in retail transformation TODAY.

1. Identify, hire & train a Retail Recruiter (*details on page 52*)
2. Engage key stakeholders (especially landlords & brokers) and build consensus for the vision
3. Develop/initiate incentive programs (*details on following page*)
4. Reopen K Street to two-way auto traffic (initially 7th to 12th; ultimately Old Sacramento to Midtown)
5. Redesign Downtown Plaza - urban-centric/open to street with streets returned to grid
6. Undertake focused study of Old Sacramento
7. Dilute concentration of SROs in downtown housing inventory
8. Focus on key corners
9. Recapture space currently leased to non-retail uses/poor quality operators
10. Develop succinct Retail Recruitment Marketing piece
11. Institute retail design guidelines for existing/new storefronts/signage throughout central city commercial corridors
12. Promote/incentivize residential development
13. Compile a database of space inventory for 66 blocks of CBD
14. Develop and implement a City program to facilitate opening retail businesses

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

***Incentives, Design Guidelines***

The City and DSP can work to identify appropriate incentives that can be used to attract the proper tenants Downtown. This will be especially important for the first wave of leases as we seek to build Downtown's upward momentum. Legislation regarding Downtown's design guidelines is important as well – it is critical that the appropriate atmosphere be built and maintained. This not only will lure the retailers we need but will prove attractive to consumers as well, helping the retailers succeed, remain in their places for many years, and thus attract shoppers and diners Downtown year after year. Understand that the landlords likewise will be asked to offer some incentives, especially in the early stages. The first few deals will be expensive and will require incentives like interior fit-out, low initial rents, and tenant allowances. As Downtown spaces fill up there will be less need for incentives; in fact, rent levels will rise as the space becomes coveted by store and restaurant operators.

**Forgivable Loan Program:**

- Strict set of criteria, with a time limit
- Geographically specific (must be for operations opening within the Initial Target Blocks)
- Must stay in business for 5 years
- Each year, 20% of loan is forgiven
- Large enough to make an impact (\$20,000 - \$100,000)
- First round pool - \$300,000 to \$500,000
- Successful in St. Louis, MO
  - Administered through St. Louis Development Corporation
  - Guided by small committee that followed Downtown Works' retail recommendations regarding location and retail type

\*Retail Recruiter must sit on loan and/or grant committees.

**Façade Grant Program:**

- Strict set of criteria
- Should geographically restrict
  - Start with J Street
- Large enough to make an impact (\$15,000 - \$25,000 minimum)
- Must be matching component, property owner or tenant must make financial commitment
- Successful model in Philadelphia, PA
  - Administered through Center City District

Incentives **MUST** be strategically distributed (initial target blocks) and managed.

## DOWNTOWN SACRAMENTO RETAIL STRATEGY AND IMPLEMENTATION PLAN

**Retail Recruiter** The significance of both a vision and a comprehensive strategy can't be overstated, yet to have any result the Merchandise Mix Plan must also be implemented over time by a careful steward - a Retail Recruiter.

Downtown Sacramento can benefit from the services of a professional retail recruiter whose goal is to identify and attract a population of exciting, compelling, unique-to-market retailers. The recruiter would serve as a matchmaker for Downtown's brokers and landlords. One of the first steps would be to meet with landlords, make appropriate introductions and describe the strategy developed to implement the merchandising plan. This person would work in concert with the landlords for the purpose of finding the ideal tenants for their spaces. The recruiter must be a person who knows retail, is expert at recognizing good store and restaurant operators, is enthusiastic about Downtown Sacramento, has good taste, and is tenacious but engaging. This person must represent Downtown well.

Recruiters also present landlords with strategies for recapturing under-producing space. In cases where landlords simply cannot reject a tenant that might not adhere to the plan, a recruiter can encourage a landlord to offer shorter-term deals and performance clauses to allow them to recapture the space when more suitable tenants become available. Recaptures and relocations will become commonplace as Downtown Sacramento improves as a retail district, and some landlords are not well versed in the strategies that incorporate them.

**Retail Recruiter role:**

- Is central component of the Implementation Program
- Salaried (*not* commission-based)
- Builds relationships with potential operators
- "Match Maker" - brings viable prospects to landlords or their real estate representative
- Identifies key vacancies and short-term leases
- Helps recapture ground level space for retail
- Represents all properties in the BID (not just initial target blocks)
- Ensures that great prospects are not lost
- Works with relevant agencies to facilitate store opening

**Key characteristics:**

- Passionate about Downtown Sacramento
- Well-networked in community
- Great taste
- Tenacious
- Does *not* need retail or brokerage background

# APPENDIX

**INFORMATION SOURCES  
DOWNTOWN SACRAMENTO**

CB Richard Ellis

Marketview, Sacramento Office, Second Quarter 2009

Marketview, Sacramento Retail, Second Quarter 2009

California Board of Equalization, Research and Statistics Division

Sales and Use Taxes, Geographic and Type-of-Business Reports

Revenue Reports, 2007

California Department of Finance, Economic Research: [www.dof.ca.gov](http://www.dof.ca.gov)

County Profiles

El Dorado County

Placer County

Sacramento County

Yolo County

California Department of General Services; State Office Planning Study, December 2008

California Employment Development Department, Labor Market Information Division

Labor Market Employment and Unemployment

California Hotel Association

March, June, September Newsletters, including research quoting:

PKF Hospitality Research

PriceWaterhouseCoopers

Smith Travel Research

California Travel and Tourism Division

2007 Data Tables (published April 2009); prepared by D.K. Shifflet & Associates, Ltd.

California Travel Impacts by County, 1992-2007, 2008 Preliminary State Estimates, April 2009

City of Sacramento: Count of Civil Service and CSU Employees, Departments with Zip Code 95811 or 95814 Data as of March 27, 2009; Report # saccenty1

City of Sacramento Development Services

Active Projects

City of Sacramento Economic Development Department  
2005 Downtown Sacramento Redevelopment Strategy  
2007 Annual Report  
2008 Annual Report  
City of Sacramento Redevelopment Strategy  
Downtown Implementation Plan  
Downtown Sacramento Fact Sheet  
Economic Development Strategy  
Sacramento JKL Corridor, October 23, 2004 Charrette Summary  
Summer 2009 Update

City of Sacramento Information Technology Department, Central GIS Unit  
City of Sacramento Neighborhoods Map

City of Sacramento Planning Department  
2030 General Plan Preferred Land Use Projections  
GIS Maps: Active Developments by Area  
Map: Priority Growth Areas  
March 2009 New Growth Quarterly Activity Report  
June 2009, New Growth Quarterly Activity Report  
Sacramento's 2030 General Plan  
    Central City Community Plan  
    Economic Development  
    Housing  
    Introduction and Implementation Plans  
    Land Use and Urban Design  
    Priority Growth Areas Map  
Sacramento Places: Smart Growth Projects in Sacramento

Colliers International, Office Overview, Sacramento, 3<sup>rd</sup> Quarter 2009

Construction Industry Research Board: [www.cirbdata.com](http://www.cirbdata.com)  
Total New Housing Units Authorized by Building Permits by County, 1994-2007

Downtown Sacramento Partnership  
Active Developments – several editions including September 2009  
Charrette Summary – Redefining Downtown Priorities  
Downtown Base Map  
Downtown Businesses List  
Downtown Project Map  
Downtown Office Market

- Downtown Project Profiles
- Downtown Properties List
- Downtown Residential Market
- Downtown Retail Market
- Downtown Sacramento Pedestrian Counts
- Land Use Map
- Old Sacramento Property Database
- Sacramento Revitalization Plan
- Strategic Action Plan 2007-2011
- View Corridor Map

FSRI

- Business Summary
- Community Tapestry Handbook
- Detailed Income Profile
- Disposable Income Profile
- Executive Summary
- Housing Profile
- Market Profile
- Tapestry Report

Grubb and Ellis: Office Trend Report, Sacramento, Second Quarter 2009

KCRA - Various articles

KTXL - various articles

Old Sacramento Business Association website: [www.oldsacramento.com](http://www.oldsacramento.com)

Directories:

- Accommodations
- Dining
- Entertainment
- Landmarks
- Museums
- Museums Nearby
- Shopping
- Sightseeing and Tours
- Specialty Services
- Theatres
- Visitor Information

History

Old Sacramento Retail Assessment and Recommendations, January 2005, Prepared by The Fransen Company

Old Sacramento Strategic Plan, "Fulfilling the Promise," 2004

Retail Void Analysis: 800+ Retail web sites

Sacramento Area Council of Governments; Regional Data Center; [www.sacog.org](http://www.sacog.org)

2009 Data Reports by County and Minor Civil Division

Projections of Employment, Population, Households, and Household Income in the SACOG Region for 2000 – 2050

Sacramento Bee: numerous articles

Sacramento Business Journal – various articles

Sacramento Convention and Visitors Bureau; [www.discovergold.org](http://www.discovergold.org)

Arts and Cultural Activities

Downtown Group Bookings 2005-2015

Hotel Inventory

Hotel Pipeline

List of Area Attractions

Major Events

Nightlife

Occupancy and Average Daily Rate Reports

FY 2005-2006

FY 2006-2007

FY 2007-2008

FY 2008-2009

Performing Arts

Recreational Activities

Sacramento Attractions, Attendance 2006-2009

Sacramento Group Bookings

FY 2004-2005

FY 2005-2006

FY 2006-2007

FY 2007-2008

FY 2008-2009

Various Press Releases

Sacramento News and Review – various articles

Sacramento Press – various articles

San Francisco Chronicle – various articles

Stakeholder Interviews

Thomas Guide: Street Guide of Sacramento County (including portions of Placer, El Dorado and Yolo Counties)

Trendgraphix, Inc.: Sacramento County Existing Home Inventory

US Bureau of Labor Statistics, Consumer Expenditure Survey

US Census Bureau  
Population Estimates and Projections  
Economic Census

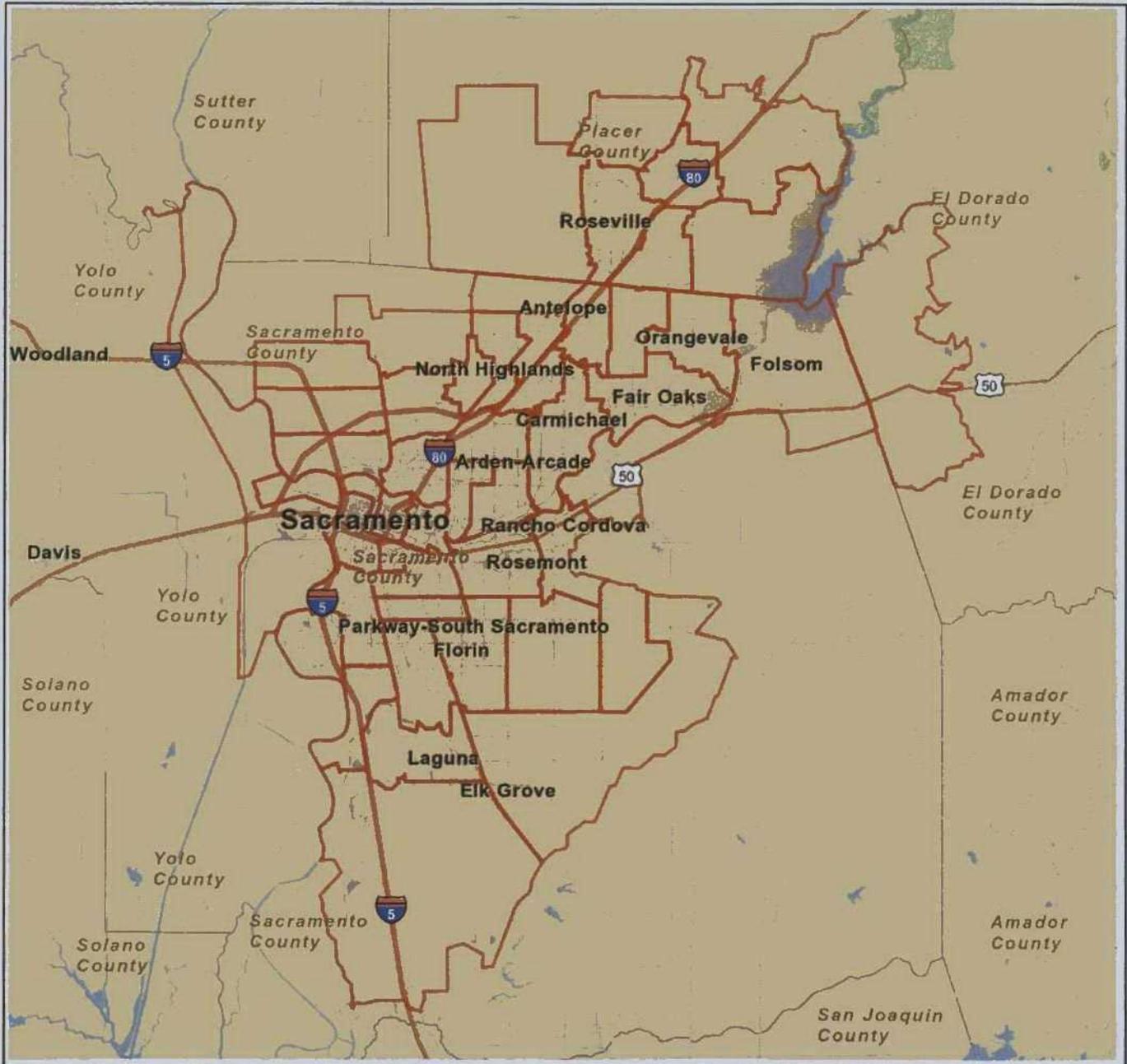
US Department of Commerce, Bureau of Economic Analysis

Westfield Shopping Centers

Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography





**Sacramento Trade Area**

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

|  |                                |           |  |
|--|--------------------------------|-----------|--|
|   | 2000 Total Population          | 1,379,313 |  |
|  | 2000 Group Quarters            | 26,326    |  |
|  | 2009 Total Population          | 1,655,393 |  |
|  | 2014 Total Population          | 1,787,654 |  |
|  | 2009 - 2014 Annual Rate        | 1.55%     |  |
|   | 2000 Households                | 511,879   |  |
|  | 2000 Average Household Size    | 2.64      |  |
|  | 2009 Households                | 608,980   |  |
|  | 2009 Average Household Size    | 2.67      |  |
|  | 2014 Households                | 656,353   |  |
|  | 2014 Average Household Size    | 2.68      |  |
|  | 2009 - 2014 Annual Rate        | 1.51%     |  |
|  | 2000 Families                  | 340,317   |  |
|  | 2000 Average Family Size       | 3.22      |  |
|  | 2009 Families                  | 406,581   |  |
|  | 2009 Average Family Size       | 3.26      |  |
|  | 2014 Families                  | 437,032   |  |
|  | 2014 Average Family Size       | 3.27      |  |
| 2009 - 2014 Annual Rate  | 1.45%                          |           |  |
|  | <b>2000 Housing Units</b>      | 535,415   |  |
|  | Owner Occupied Housing Units   | 57.0%     |  |
|  | Renter Occupied Housing Units  | 38.6%     |  |
|  | Vacant Housing Units           | 4.4%      |  |
|  | <b>2009 Housing Units</b>      | 649,133   |  |
|  | Owner Occupied Housing Units   | 55.9%     |  |
|  | Renter Occupied Housing Units  | 37.9%     |  |
|  | Vacant Housing Units           | 6.2%      |  |
|  | <b>2014 Housing Units</b>      | 699,150   |  |
|  | Owner Occupied Housing Units   | 60.4%     |  |
|  | Renter Occupied Housing Units  | 33.5%     |  |
|  | Vacant Housing Units           | 6.1%      |  |
|  | <b>Median Household Income</b> |           |  |
|  | 2000                           | \$45,666  |  |
|  | 2009                           | \$60,418  |  |
| 2014   | \$63,011                       |           |  |
| <b>Median Home Value</b>   |                                |           |  |
| 2000   | \$147,980                      |           |  |
| 2009   | \$224,778                      |           |  |
| 2014   | \$248,919                      |           |  |
| <b>Per Capita Income</b>   |                                |           |  |
| 2000   | \$22,214                       |           |  |
| 2009   | \$28,263                       |           |  |
| 2014   | \$29,444                       |           |  |
| <b>Median Age</b>  |                                |           |  |
| 2000   | 34.2                           |           |  |
| 2009   | 35.0                           |           |  |
| 2014   | 35.0                           |           |  |

Data Note: Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by total population. Detail may not sum to totals due to rounding.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2009 and 2014.



**Sacramento Trade Area**

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography



**2000 Households by Income**

|                          |          |
|--------------------------|----------|
| Household Income Base    | 512,155  |
| < \$15,000               | 13.6%    |
| \$15,000 - \$24,999      | 11.5%    |
| \$25,000 - \$34,999      | 12.4%    |
| \$35,000 - \$49,999      | 16.7%    |
| \$50,000 - \$74,999      | 20.5%    |
| \$75,000 - \$99,999      | 11.4%    |
| \$100,000 - \$149,999    | 9.3%     |
| \$150,000 - \$199,999    | 2.4%     |
| \$200,000+               | 2.1%     |
| Average Household Income | \$58,899 |

**2009 Households by Income**

|                          |          |
|--------------------------|----------|
| Household Income Base    | 608,980  |
| < \$15,000               | 9.2%     |
| \$15,000 - \$24,999      | 8.5%     |
| \$25,000 - \$34,999      | 9.2%     |
| \$35,000 - \$49,999      | 14.1%    |
| \$50,000 - \$74,999      | 21.2%    |
| \$75,000 - \$99,999      | 15.6%    |
| \$100,000 - \$149,999    | 13.8%    |
| \$150,000 - \$199,999    | 4.6%     |
| \$200,000+               | 3.9%     |
| Average Household Income | \$75,925 |

**2014 Households by Income**

|                          |          |
|--------------------------|----------|
| Household Income Base    | 656,353  |
| < \$15,000               | 8.7%     |
| \$15,000 - \$24,999      | 7.8%     |
| \$25,000 - \$34,999      | 7.9%     |
| \$35,000 - \$49,999      | 14.3%    |
| \$50,000 - \$74,999      | 22.1%    |
| \$75,000 - \$99,999      | 16.1%    |
| \$100,000 - \$149,999    | 14.1%    |
| \$150,000 - \$199,999    | 4.9%     |
| \$200,000+               | 4.2%     |
| Average Household Income | \$79,245 |

**2000 Owner Occupied HUs by Value**

|                       |           |
|-----------------------|-----------|
| Total                 | 305,217   |
| <\$50,000             | 4.5%      |
| \$50,000 - 99,999     | 16.3%     |
| \$100,000 - 149,999   | 30.6%     |
| \$150,000 - 199,999   | 22.3%     |
| \$200,000 - \$299,999 | 16.8%     |
| \$300,000 - 499,999   | 7.5%      |
| \$500,000 - 999,999   | 1.9%      |
| \$1,000,000+          | 0.3%      |
| Average Home Value    | \$177,154 |

**2000 Specified Renter Occupied HUs by Contract Rent**

|                |         |
|----------------|---------|
| Total          | 206,225 |
| With Cash Rent | 97.8%   |
| No Cash Rent   | 2.2%    |
| Median Rent    | \$595   |
| Average Rent   | \$612   |

Data Note: Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest, dividends, net rents, pensions, SSI and welfare payments, child support and alimony. Specified Renter Occupied Housing Units exclude houses on 10+ acres. Average Rent excludes units paying no cash rent.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2009 and 2014.



Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography



**2000 Population by Age**

|             |           |
|-------------|-----------|
| Total       | 1,379,330 |
| Age 0 - 4   | 7.3%      |
| Age 5 - 9   | 8.1%      |
| Age 10 - 14 | 7.8%      |
| Age 15 - 19 | 7.2%      |
| Age 20 - 24 | 6.4%      |
| Age 25 - 34 | 14.4%     |
| Age 35 - 44 | 16.5%     |
| Age 45 - 54 | 13.3%     |
| Age 55 - 64 | 7.8%      |
| Age 65 - 74 | 5.9%      |
| Age 75 - 84 | 4.1%      |
| Age 85+     | 1.3%      |
| Age 18+     | 72.3%     |

**2009 Population by Age**

|             |           |
|-------------|-----------|
| Total       | 1,655,393 |
| Age 0 - 4   | 7.6%      |
| Age 5 - 9   | 7.3%      |
| Age 10 - 14 | 7.0%      |
| Age 15 - 19 | 7.1%      |
| Age 20 - 24 | 6.7%      |
| Age 25 - 34 | 14.2%     |
| Age 35 - 44 | 14.2%     |
| Age 45 - 54 | 14.4%     |
| Age 55 - 64 | 10.4%     |
| Age 65 - 74 | 5.7%      |
| Age 75 - 84 | 3.7%      |
| Age 85+     | 1.6%      |
| Age 18+     | 73.7%     |

**2014 Population by Age**

|             |           |
|-------------|-----------|
| Total       | 1,787,654 |
| Age 0 - 4   | 7.6%      |
| Age 5 - 9   | 7.4%      |
| Age 10 - 14 | 7.0%      |
| Age 15 - 19 | 6.4%      |
| Age 20 - 24 | 6.7%      |
| Age 25 - 34 | 14.9%     |
| Age 35 - 44 | 13.6%     |
| Age 45 - 54 | 13.3%     |
| Age 55 - 64 | 11.1%     |
| Age 65 - 74 | 6.9%      |
| Age 75 - 84 | 3.6%      |
| Age 85+     | 1.6%      |
| Age 18+     | 74.0%     |

**2000 Population by Sex**

|         |       |
|---------|-------|
| Males   | 48.9% |
| Females | 51.1% |

**2009 Population by Sex**

|         |       |
|---------|-------|
| Males   | 48.9% |
| Females | 51.1% |

**2014 Population by Sex**

|         |       |
|---------|-------|
| Males   | 48.9% |
| Females | 51.1% |

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing, ESRI forecasts for 2009 and 2014.



**Sacramento Trade Area**

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography



**2000 Population by Race/Ethnicity**

|                                 |           |
|---------------------------------|-----------|
| Total                           | 1,379,306 |
| White Alone                     | 66.6%     |
| Black Alone                     | 9.0%      |
| American Indian Alone           | 1.1%      |
| Asian or Pacific Islander Alone | 10.9%     |
| Some Other Race Alone           | 6.9%      |
| Two or More Races               | 5.6%      |
| Hispanic Origin                 | 15.2%     |
| Diversity Index                 | 65.7      |

**2009 Population by Race/Ethnicity**

|                                 |           |
|---------------------------------|-----------|
| Total                           | 1,655,393 |
| White Alone                     | 61.4%     |
| Black Alone                     | 8.6%      |
| American Indian Alone           | 1.0%      |
| Asian or Pacific Islander Alone | 12.9%     |
| Some Other Race Alone           | 8.5%      |
| Two or More Races               | 7.5%      |
| Hispanic Origin                 | 19.0%     |
| Diversity Index                 | 72.3      |

**2014 Population by Race/Ethnicity**

|                                 |           |
|---------------------------------|-----------|
| Total                           | 1,787,654 |
| White Alone                     | 58.5%     |
| Black Alone                     | 8.4%      |
| American Indian Alone           | 1.0%      |
| Asian or Pacific Islander Alone | 13.9%     |
| Some Other Race Alone           | 9.4%      |
| Two or More Races               | 8.8%      |
| Hispanic Origin                 | 21.1%     |
| Diversity Index                 | 75.5      |



**2000 Population 3+ by School Enrollment**

|                               |           |
|-------------------------------|-----------|
| Total                         | 1,321,894 |
| Enrolled in Nursery/Preschool | 1.7%      |
| Enrolled in Kindergarten      | 1.7%      |
| Enrolled in Grade 1-8         | 13.6%     |
| Enrolled in Grade 9-12        | 6.4%      |
| Enrolled in College           | 6.6%      |
| Enrolled in Grad/Prof School  | 1.2%      |
| Not Enrolled in School        | 68.7%     |

**2009 Population 25+ by Educational Attainment**

|                              |           |
|------------------------------|-----------|
| Total                        | 1,063,519 |
| Less than 9th Grade          | 6.4%      |
| 9th - 12th Grade, No Diploma | 7.8%      |
| High School Graduate         | 22.7%     |
| Some College, No Degree      | 25.0%     |
| Associate Degree             | 8.9%      |
| Bachelor's Degree            | 19.9%     |
| Graduate/Professional Degree | 9.2%      |

Data Note: Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ethnic groups.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2009 and 2014.



**Sacramento Trade Area**

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography



**2009 Population 15+ by Marital Status**

|               |           |
|---------------|-----------|
| Total         | 1,293,466 |
| Never Married | 30.4%     |
| Married       | 52.1%     |
| Widowed       | 5.6%      |
| Divorced      | 11.9%     |



**2000 Population 16+ by Employment Status**

|                     |           |
|---------------------|-----------|
| Total               | 1,038,081 |
| In Labor Force      | 63.8%     |
| Civilian Employed   | 59.6%     |
| Civilian Unemployed | 4.0%      |
| In Armed Forces     | 0.2%      |
| Not in Labor Force  | 36.2%     |

**2009 Civilian Population 16+ in Labor Force**

|                     |       |
|---------------------|-------|
| Civilian Employed   | 86.8% |
| Civilian Unemployed | 13.2% |

**2014 Civilian Population 16+ in Labor Force**

|                     |       |
|---------------------|-------|
| Civilian Employed   | 90.7% |
| Civilian Unemployed | 9.3%  |

**2000 Females 16+ by Employment Status and Age of Children**

|                                |         |
|--------------------------------|---------|
| Total                          | 539,720 |
| Own Children < 6 Only          | 7.9%    |
| Employed/in Armed Forces       | 4.5%    |
| Unemployed                     | 0.4%    |
| Not in Labor Force             | 3.0%    |
| Own Children < 6 and 6-17 Only | 7.2%    |
| Employed/in Armed Forces       | 3.8%    |
| Unemployed                     | 0.2%    |
| Not in Labor Force             | 3.2%    |
| Own Children 6-17 Only         | 17.4%   |
| Employed/in Armed Forces       | 12.3%   |
| Unemployed                     | 0.6%    |
| Not in Labor Force             | 4.5%    |
| No Own Children < 18           | 67.5%   |
| Employed/in Armed Forces       | 34.4%   |
| Unemployed                     | 2.1%    |
| Not in Labor Force             | 31.0%   |

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2009 and 2014.

**Sacramento Trade Area**

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: **Geography**



**2009 Employed Population 16+ by Industry**

|                               |         |
|-------------------------------|---------|
| Total                         | 691,541 |
| Agriculture/Mining            | 0.5%    |
| Construction                  | 7.0%    |
| Manufacturing                 | 5.2%    |
| Wholesale Trade               | 3.1%    |
| Retail Trade                  | 11.2%   |
| Transportation/Utilities      | 4.3%    |
| Information                   | 2.8%    |
| Finance/Insurance/Real Estate | 9.3%    |
| Services                      | 45.2%   |
| Public Administration         | 11.4%   |

**2009 Employed Population 16+ by Occupation**

|                                 |         |
|---------------------------------|---------|
| Total                           | 691,541 |
| White Collar                    | 67.7%   |
| Management/Business/Financial   | 15.9%   |
| Professional                    | 23.7%   |
| Sales                           | 11.5%   |
| Administrative Support          | 16.5%   |
| Services                        | 16.1%   |
| Blue Collar                     | 16.2%   |
| Farming/Forestry/Fishing        | 0.2%    |
| Construction/Extraction         | 5.0%    |
| Installation/Maintenance/Repair | 3.3%    |
| Production                      | 2.8%    |
| Transportation/Material Moving  | 4.9%    |



**2000 Workers 16+ by Means of Transportation to Work**

|                                  |         |
|----------------------------------|---------|
| Total                            | 608,298 |
| Drove Alone - Car, Truck, or Van | 76.1%   |
| Carpooled - Car, Truck, or Van   | 13.8%   |
| Public Transportation            | 2.9%    |
| Walked                           | 1.9%    |
| Other Means                      | 1.7%    |
| Worked at Home                   | 3.6%    |

**2000 Workers 16+ by Travel Time to Work**

|                                      |         |
|--------------------------------------|---------|
| Total                                | 608,298 |
| Did Not Work at Home                 | 96.4%   |
| Less than 5 minutes                  | 2.0%    |
| 5 to 9 minutes                       | 8.5%    |
| 10 to 19 minutes                     | 29.3%   |
| 20 to 24 minutes                     | 16.7%   |
| 25 to 34 minutes                     | 22.5%   |
| 35 to 44 minutes                     | 5.9%    |
| 45 to 59 minutes                     | 5.9%    |
| 60 to 89 minutes                     | 3.1%    |
| 90 or more minutes                   | 2.6%    |
| Worked at Home                       | 3.6%    |
| Average Travel Time to Work (in min) | 25.4    |

**2000 Households by Vehicles Available**

|                                      |         |
|--------------------------------------|---------|
| Total                                | 511,989 |
| None                                 | 8.3%    |
| 1                                    | 36.1%   |
| 2                                    | 39.1%   |
| 3                                    | 12.2%   |
| 4                                    | 3.1%    |
| 5+                                   | 1.1%    |
| Average Number of Vehicles Available | 1.7     |

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2009 and 2014.



**Sacramento Trade Area**

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography



**2000 Households by Type**

|                                  |         |
|----------------------------------|---------|
| Total                            | 511,869 |
| Family Households                | 66.5%   |
| Married-couple Family            | 47.9%   |
| With Related Children            | 24.2%   |
| Other Family (No Spouse)         | 18.6%   |
| With Related Children            | 12.8%   |
| Nonfamily Households             | 33.5%   |
| Householder Living Alone         | 26.0%   |
| Householder Not Living Alone     | 7.5%    |
| Households with Related Children | 37.1%   |
| Households with Persons 65+      | 21.4%   |

**2000 Households by Size**

|                     |         |
|---------------------|---------|
| Total               | 511,879 |
| 1 Person Household  | 26.0%   |
| 2 Person Household  | 31.9%   |
| 3 Person Household  | 16.2%   |
| 4 Person Household  | 13.9%   |
| 5 Person Household  | 6.5%    |
| 6 Person Household  | 2.9%    |
| 7+ Person Household | 2.4%    |

**2000 Households by Year Householder Moved In**

|                                  |         |
|----------------------------------|---------|
| Total                            | 511,993 |
| Moved in 1999 to March 2000      | 24.0%   |
| Moved in 1995 to 1998            | 31.8%   |
| Moved in 1990 to 1994            | 15.6%   |
| Moved in 1980 to 1989            | 13.7%   |
| Moved in 1970 to 1979            | 8.1%    |
| Moved in 1969 or Earlier         | 6.9%    |
| Median Year Householder Moved In | 1996    |



**2000 Housing Units by Units in Structure**

|             |         |
|-------------|---------|
| Total       | 535,589 |
| 1, Detached | 63.9%   |
| 1, Attached | 6.5%    |
| 2           | 2.3%    |
| 3 or 4      | 5.0%    |
| 5 to 9      | 5.1%    |
| 10 to 19    | 3.7%    |
| 20+         | 10.4%   |
| Mobile Home | 3.0%    |
| Other       | 0.2%    |

**2000 Housing Units by Year Structure Built**

|                             |         |
|-----------------------------|---------|
| Total                       | 535,513 |
| 1999 to March 2000          | 2.8%    |
| 1995 to 1998                | 6.4%    |
| 1990 to 1994                | 9.9%    |
| 1980 to 1989                | 19.6%   |
| 1970 to 1979                | 22.0%   |
| 1969 or Earlier             | 39.3%   |
| Median Year Structure Built | 1975    |

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.



Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

**Top 3 Tapestry Segments**

1. Boomburbs
2. Up and Coming Families
3. Main Street, USA



**2009 Consumer Spending** shows the amount spent on a variety of goods and services by households that reside in the market area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue.

|   |                  |
|---|------------------|
| Apparel & Services: Total \$            | \$1,165,918,015  |
| Average Spent                           | \$1,914.54       |
| Spending Potential Index                | 76               |
| Computers & Accessories: Total \$       | \$152,774,785    |
| Average Spent                           | \$250.87         |
| Spending Potential Index                | 110              |
| Education: Total \$                     | \$844,948,421    |
| Average Spent                           | \$1,387.48       |
| Spending Potential Index                | 111              |
| Entertainment/Recreation: Total \$      | \$2,111,103,928  |
| Average Spent                           | \$3,466.62       |
| Spending Potential Index                | 107              |
| Food at Home: Total \$                  | \$2,922,727,378  |
| Average Spent                           | \$4,799.38       |
| Spending Potential Index                | 105              |
| Food Away from Home: Total \$           | \$2,174,883,264  |
| Average Spent                           | \$3,571.35       |
| Spending Potential Index                | 107              |
| Health Care: Total \$                   | \$2,316,775,417  |
| Average Spent                           | \$3,804.35       |
| Spending Potential Index                | 101              |
| HH Furnishings & Equipment: Total \$    | \$1,288,983,929  |
| Average Spent                           | \$2,116.63       |
| Spending Potential Index                | 97               |
| Investments: Total \$                   | \$922,253,378    |
| Average Spent                           | \$1,514.42       |
| Spending Potential Index                | 105              |
| Retail Goods: Total \$                  | \$15,952,514,847 |
| Average Spent                           | \$26,195.47      |
| Spending Potential Index                | 102              |
| Shelter: Total \$                       | \$10,623,189,766 |
| Average Spent                           | \$17,444.23      |
| Spending Potential Index                | 112              |
| TV/Video/Sound Equipment: Total \$      | \$783,035,110    |
| Average Spent                           | \$1,285.81       |
| Spending Potential Index                | 106              |
| Travel: Total \$                        | \$1,235,101,436  |
| Average Spent                           | \$2,028.15       |
| Spending Potential Index                | 110              |
| Vehicle Maintenance & Repairs: Total \$ | \$606,389,961    |
| Average Spent                           | \$995.75         |
| Spending Potential Index                | 106              |

**Data Note:** The Spending Potential Index represents the amount spent in the area relative to a national average of 100.

**Source:** Consumer Spending data are derived from the 2005 and 2006 Consumer Expenditure Surveys, Bureau of Labor Statistics, ESRI.



**Sacramento Trade Area**

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

**2009 Population**

|                   |           |
|-------------------|-----------|
| Total Population  | 1,655,393 |
| Male Population   | 48.9%     |
| Female Population | 51.1%     |
| Median Age        | 35.0      |

**2009 Income**

|                          |          |
|--------------------------|----------|
| Median Household Income  | \$60,418 |
| Per Capita Income        | \$28,263 |
| Average Household Income | \$75,925 |

**2009 Households**

|                        |         |
|------------------------|---------|
| Total Households       | 608,980 |
| Average Household Size | 2.67    |

**2009 Housing**

|                               |       |
|-------------------------------|-------|
| Owner Occupied Housing Units  | 55.9% |
| Renter Occupied Housing Units | 37.9% |
| Vacant Housing Units          | 6.2%  |

**Population**

|                       |           |
|-----------------------|-----------|
| 1990 Population       | 1,131,376 |
| 2000 Population       | 1,379,313 |
| 2009 Population       | 1,655,393 |
| 2014 Population       | 1,787,654 |
| 1990-2000 Annual Rate | 2%        |
| 2000-2009 Annual Rate | 1.99%     |
| 2009-2014 Annual Rate | 1.55%     |

In the identified market area, the current year population is 1,655,393. In 2000, the Census count in the market area was 1,379,313. The rate of change since 2000 was 1.99 percent annually. The five-year projection for the population in the market area is 1,787,654, representing a change of 1.55 percent annually from 2009 to 2014. Currently, the population is 48.9 percent male and 51.1 percent female.

**Households**

|                       |         |
|-----------------------|---------|
| 1990 Households       | 428,821 |
| 2000 Households       | 511,879 |
| 2009 Households       | 608,980 |
| 2014 Households       | 656,353 |
| 1990-2000 Annual Rate | 1.79%   |
| 2000-2009 Annual Rate | 1.9%    |
| 2009-2014 Annual Rate | 1.51%   |

The household count in this market area has changed from 511,879 in 2000 to 608,980 in the current year, a change of 1.9 percent annually. The five-year projection of households is 656,353, a change of 1.51 percent annually from the current year total. Average household size is currently 2.67, compared to 2.64 in the year 2000. The number of families in the current year is 406,581 in the market area.

**Housing**

Currently, 55.9 percent of the 649,133 housing units in the market area are owner occupied; 37.9 percent, renter occupied; and 6.2 percent are vacant. In 2000, there were 535,415 housing units—57.0 percent owner occupied, 38.6 percent renter occupied and 4.4 percent vacant. The rate of change in housing units since 2000 is 2.1 percent. Median home value in the market area is \$224,778, compared to a median home value of \$162,279 for the U.S. In five years, median home value is projected to change by 2.06 percent annually to \$248,919. From 2000 to the current year, median home value changed by 4.62 percent annually.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing, ESRI forecasts for 2009 and 2014. ESRI converted 1990 Census data into 2000 geography.



**Sacramento Trade Area**

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

**Median Household Income**

|                              |          |
|------------------------------|----------|
| 1990 Median Household Income | \$32,711 |
| 2000 Median Household Income | \$45,666 |
| 2009 Median Household Income | \$60,418 |
| 2014 Median Household Income | \$63,011 |
| 1990-2000 Annual Rate        | 3.39%    |
| 2000-2009 Annual Rate        | 3.07%    |
| 2009-2014 Annual Rate        | 0.84%    |

**Per Capita Income**

|                        |          |
|------------------------|----------|
| 1990 Per Capita Income | \$15,498 |
| 2000 Per Capita Income | \$22,214 |
| 2009 Per Capita Income | \$28,263 |
| 2014 Per Capita Income | \$29,444 |
| 1990-2000 Annual Rate  | 3.67%    |
| 2000-2009 Annual Rate  | 2.64%    |
| 2009-2014 Annual Rate  | 0.82%    |

**Average Household Income**

|                               |          |
|-------------------------------|----------|
| 1990 Average Household Income | \$40,369 |
| 2000 Average Household Income | \$58,899 |
| 2009 Average Household Income | \$75,925 |
| 2014 Average Household Income | \$79,245 |
| 1990-2000 Annual Rate         | 3.85%    |
| 2000-2009 Annual Rate         | 2.78%    |
| 2009-2014 Annual Rate         | 0.86%    |

**Households by Income**

Current median household income is \$60,418 in the market area, compared to \$54,719 for all U.S. households. Median household income is projected to be \$63,011 in five years. In 2000, median household income was \$45,666, compared to \$32,711 in 1990.

Current average household income is \$75,925 in this market area, compared to \$71,437 for all U.S. households. Average household income is projected to be \$79,245 in five years. In 2000, average household income was \$58,899, compared to \$40,369 in 1990.

Current per capita income is \$28,263 in the market area, compared to the U.S. per capita income of \$27,277. The per capita income is projected to be \$29,444 in five years. In 2000, the per capita income was \$22,214, compared to \$15,498 in 1990.

**Population by Employment**

|                  |         |
|------------------|---------|
| Total Businesses | 62,327  |
| Total Employees  | 659,493 |

Currently, 86.8 percent of the civilian labor force in the identified market area is employed and 13.2 percent are unemployed. In comparison, 89.4 percent of the U.S. civilian labor force is employed, and 10.6 percent are unemployed. In five years the rate of employment in the market area will be 90.7 percent of the civilian labor force, and unemployment will be 9.3 percent. The percentage of the U.S. civilian labor force that will be employed in five years is 92.9 percent, and 7.1 percent will be unemployed. In 2000, 63.8 percent of the population aged 16 years or older in the market area participated in the labor force, and 0.2 percent were in the Armed Forces.

In the current year, the occupational distribution of the employed population is:

- 67.7 percent in white collar jobs (compared to 61.5 percent of U.S. employment)
- 16.1 percent in service jobs (compared to 17.1 percent of U.S. employment)
- 16.2 percent in blue collar jobs (compared to 21.4 percent of U.S. employment)

In 2000, 76.1 percent of the market area population drove alone to work, and 3.6 percent worked at home. The average travel time to work in 2000 was 25.4 minutes in the market area, compared to the U.S. average of 25.5 minutes.

**Population by Education**

In 2009, the educational attainment of the population aged 25 years or older in the market area was distributed as follows:

- 14.1 percent had not earned a high school diploma (16.2 percent in the U.S.)
- 22.7 percent were high school graduates only (29.8 percent in the U.S.)
- 8.9 percent had completed an Associate degree (7.2 percent in the U.S.)
- 19.9 percent had a Bachelor's degree (17.0 percent in the U.S.)
- 9.2 percent had earned a Master's/Professional/Doctorate Degree (9.8 percent in the U.S.)

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2009 and 2014. ESRI converted 1990 Census data into 2000 geography. Business data provided by InfoUSA, Omaha NE Copyright 2009, all rights reserved.



# Business Summary by SIC Codes

Prepared for Downtown Works

## Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

|                                       |           |
|---------------------------------------|-----------|
| Total Businesses                      | 62,327    |
| Total Employees                       | 659,493   |
| Total Residential Population          | 1,655,394 |
| Employee/Residential Population Ratio | 0.4       |

|  | Businesses |         | Employees |         |
|--|------------|---------|-----------|---------|
|  | Number     | Percent | Number    | Percent |
| Agriculture & Mining                           | 1,314      | 2.1%    | 6,852     | 1.0%    |
| Construction                                   | 5,283      | 8.5%    | 39,135    | 5.9%    |
| Manufacturing                                  | 1,487      | 2.4%    | 26,384    | 3.9%    |
| Transportation                                 | 1,425      | 2.3%    | 15,584    | 2.4%    |
| Communication                                  | 444        | 0.7%    | 6,359     | 1.0%    |
| Utility  | 139        | 0.2%    | 6,700     | 1.0%    |
| Wholesale Trade                                | 2,621      | 4.2%    | 27,632    | 4.2%    |
| Retail Trade Summary                           | 12,298     | 19.7%   | 137,201   | 20.8%   |
| Home Improvement                               | 794        | 1.3%    | 11,007    | 1.8%    |
| General Merchandise Stores                     | 253        | 0.4%    | 12,383    | 1.9%    |
| Food Stores                                    | 1,148      | 1.8%    | 17,048    | 2.7%    |
| Auto Dealers, Gas Stations, Auto Aftermarket   | 1,304      | 2.1%    | 15,332    | 2.3%    |
| Apparel & Accessory Stores                     | 890        | 1.4%    | 3,401     | 0.5%    |
| Furniture & Home Furnishings                   | 1,370      | 2.2%    | 10,749    | 1.6%    |
| Eating & Drinking Places                       | 3,457      | 5.5%    | 47,193    | 7.2%    |
| Miscellaneous Retail                           | 3,087      | 5.0%    | 16,308    | 2.5%    |
| Finance, Insurance, Real Estate Summary        | 7,531      | 12.1%   | 65,856    | 10.0%   |
| Banks, Savings & Lending Institutions          | 1,702      | 2.7%    | 13,816    | 2.1%    |
| Securities Brokers                             | 788        | 1.3%    | 3,436     | 0.5%    |
| Insurance Carriers & Agents                    | 1,496      | 2.4%    | 16,552    | 2.5%    |
| Real Estate, Holding, Other Investment Offices | 3,545      | 5.7%    | 22,052    | 3.3%    |
| Services Summary                               | 27,262     | 43.7%   | 263,527   | 40.0%   |
| Hotels & Lodging                               | 234        | 0.4%    | 5,536     | 0.8%    |
| Automotive Services                            | 2,080      | 3.3%    | 10,418    | 1.6%    |
| Motion Pictures & Amusements                   | 1,547      | 2.5%    | 14,292    | 2.1%    |
| Health Services                                | 3,332      | 5.3%    | 89,625    | 13.6%   |
| Legal Services                                 | 1,774      | 2.8%    | 8,510     | 1.3%    |
| Education Institutions & Libraries             | 1,328      | 2.1%    | 40,704    | 6.2%    |
| Other Services                                 | 16,986     | 27.2%   | 114,642   | 17.4%   |
| Government                                     | 1,144      | 1.8%    | 71,020    | 10.8%   |
| Other  | 1,379      | 2.2%    | 4,613     | 0.7%    |
| Totals   | 62,327     | 100.0%  | 659,493   | 100.0%  |

Source: Business data provided by InfoUSA, Omaha NE. Copyright 2009. All rights reserved. ESRI. Prepared for 2009.



# Business Summary by NAICS Codes

Prepared for Downtown Works

## Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

|                                       |           |
|---------------------------------------|-----------|
| Total Businesses                      | 62,327    |
| Total Employees                       | 659,493   |
| Total Residential Population          | 1,655,393 |
| Employee/Residential Population Ratio | 0.4       |

|  | Businesses |         | Employees |         |
|--|------------|---------|-----------|---------|
|  | Number     | Percent | Number    | Percent |
| Agriculture, Forestry, Fishing & Hunting   | 182        | 0.3%    | 474       | 0.1%    |
| Mining   | 18         | 0.0%    | 143       | 0.0%    |
| Utilities  | 57         | 0.1%    | 5,326     | 0.8%    |
| Construction   | 5,924      | 9.5%    | 40,310    | 6.1%    |
| Manufacturing  | 1,498      | 2.4%    | 24,025    | 3.6%    |
| Wholesale Trade  | 2,550      | 4.1%    | 26,941    | 4.1%    |
| Retail Trade   | 8,496      | 13.6%   | 87,499    | 13.3%   |
| Motor Vehicle & Parts Dealers  | 1,016      | 1.6%    | 15,502    | 2.0%    |
| Furniture & Home Furnishings Stores  | 560        | 0.9%    | 3,025     | 0.5%    |
| Electronics & Appliance Stores   | 706        | 1.1%    | 6,492     | 1.0%    |
| Bldg Material & Garden Equipment & Supplies Dealers                                      | 782        | 1.3%    | 11,862    | 1.8%    |
| Food & Beverage Stores   | 1,110      | 1.8%    | 15,884    | 2.4%    |
| Health & Personal Care Stores  | 411        | 0.7%    | 4,981     | 0.8%    |
| Gasoline Stations  | 289        | 0.5%    | 1,835     | 0.3%    |
| Clothing & Clothing Accessories Stores   | 1,099      | 1.8%    | 6,150     | 0.9%    |
| Spirit Goods, Hobby, Book, & Music Stores  | 631        | 1.0%    | 4,723     | 0.7%    |
| General Merchandise Stores   | 253        | 0.4%    | 12,383    | 1.9%    |
| Miscellaneous Store Retailers  | 1,396      | 2.2%    | 7,548     | 1.1%    |
| Nonstore Retailers   | 214        | 0.3%    | 677       | 0.1%    |
| Transportation & Warehousing   | 1,167      | 1.9%    | 14,746    | 2.2%    |
| Information  | 1,225      | 2.0%    | 14,467    | 2.2%    |
| Finance & Insurance  | 4,040      | 6.5%    | 33,076    | 5.0%    |
| Central Bank/Credit Intermediation & Related Activities                                  | 1,719      | 2.8%    | 13,884    | 2.1%    |
| Securities, Commodity Contracts & Other Financial Investments & Other Related Activities | 418        | 0.7%    | 2,517     | 0.4%    |
| Insurance Carriers & Related Activities, Funds, Trusts & Other Financial Vehicles        | 1,503      | 2.4%    | 16,574    | 2.5%    |
| Real Estate, Rental & Leasing  | 3,826      | 6.1%    | 22,808    | 3.5%    |
| Professional, Scientific & Tech Services   | 7,582      | 12.2%   | 51,912    | 7.9%    |
| Legal Services   | 2,081      | 3.3%    | 10,123    | 1.6%    |
| Management of Companies & Enterprises  | 21         | 0.0%    | 92        | 0.0%    |
| Administrative & Support & Waste Management & Remediation Services                       | 3,582      | 5.7%    | 21,561    | 3.3%    |
| Educational Services   | 1,686      | 2.7%    | 42,670    | 6.5%    |
| Health Care & Social Assistance  | 4,755      | 7.6%    | 86,590    | 13.1%   |
| Arts, Entertainment & Recreation   | 1,110      | 1.8%    | 11,725    | 1.8%    |
| Accommodation & Food Services  | 3,792      | 6.1%    | 55,067    | 8.3%    |
| Accommodation  | 274        | 0.4%    | 2,576     | 0.4%    |
| Food Services & Drinking Places  | 3,518      | 5.7%    | 42,491    | 6.5%    |
| Other Services (except Public Administration)  | 8,008      | 12.8%   | 42,664    | 6.5%    |
| Automotive Repair & Maintenance  | 1,643      | 2.6%    | 8,069     | 1.2%    |
| Public Administration  | 1,161      | 1.9%    | 22,280    | 3.4%    |
| Unclassified Establishments  | 1,417      | 2.3%    | 5,723     | 0.9%    |
| Total  | 62,327     | 100.0%  | 659,493   | 100.0%  |

Source: Business data provided by Int'l USA - Omaha NE. Copyright 2009. All rights reserved. ESRI forecasts for 2009.



# Housing Profile

Prepared for Downtown Works

## Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et. al.

Site Type: Geography

### Census 2000 Vacant Housing Units by Status

|                                      | Number | Percent |
|--------------------------------------|--------|---------|
| Total                                | 23,621 | 100.0%  |
| For Rent                             | 11,030 | 46.7%   |
| For Sale Only                        | 4,278  | 18.1%   |
| Rented/So.d. Unoccupied              | 1,950  | 8.3%    |
| Seasonal/Recreational/Occasional Use | 1,598  | 6.8%    |
| For Migrant Workers                  | 25     | 0.1%    |
| Other Vacant                         | 4,740  | 20.1%   |

### Census 2000 Occupied Housing Units by Age of Householder and Home Ownership

|         | Occupied Units | Owner Occupied Units |               |
|---------|----------------|----------------------|---------------|
|         |                | Number               | % of Occupied |
| Total   | 511,872        | 304,983              | 59.6%         |
| 15 - 24 | 28,920         | 3,493                | 12.1%         |
| 25 - 34 | 93,539         | 35,044               | 37.5%         |
| 35 - 44 | 123,644        | 72,648               | 58.8%         |
| 45 - 54 | 105,815        | 72,611               | 68.6%         |
| 55 - 64 | 64,069         | 47,842               | 74.7%         |
| 65 - 74 | 50,131         | 39,380               | 78.6%         |
| 75 - 84 | 36,032         | 27,792               | 77.1%         |
| 85+     | 9,722          | 6,173                | 63.5%         |

### Census 2000 Occupied Housing Units by Race/Ethnicity of Householder and Home Ownership

|                        | Occupied Units | Owner Occupied Units |               |
|------------------------|----------------|----------------------|---------------|
|                        |                | Number               | % of Occupied |
| Total                  | 511,865        | 304,976              | 59.6%         |
| White Alone            | 374,833        | 239,431              | 63.9%         |
| Black Alone            | 43,006         | 17,122               | 39.8%         |
| American Indian Alone  | 5,011          | 2,159                | 43.1%         |
| Asian Alone            | 41,412         | 24,404               | 58.9%         |
| Pacific Islander Alone | 1,987          | 933                  | 47.0%         |
| Some Other Race Alone  | 26,193         | 11,959               | 45.7%         |
| Two or More Races      | 19,423         | 8,968                | 46.2%         |
| Hispanic Origin        | 57,347         | 28,125               | 49.0%         |

### Census 2000 Housing Units by Units in Structure and Occupancy

|             | Housing Units |         | Occupied Units |         |
|-------------|---------------|---------|----------------|---------|
|             | Number        | Percent | Number         | Percent |
| Total       | 535,589       | 100.0%  | 511,988        | 100.0%  |
| 1, Detached | 342,047       | 63.9%   | 332,261        | 64.9%   |
| 1, Attached | 34,589        | 6.5%    | 33,149         | 6.5%    |
| 2           | 12,347        | 2.3%    | 11,767         | 2.3%    |
| 3 to 4      | 26,701        | 5.0%    | 24,779         | 4.8%    |
| 5 to 9      | 27,146        | 5.1%    | 24,493         | 4.8%    |
| 10 to 19    | 20,019        | 3.7%    | 17,959         | 3.5%    |
| 20 to 49    | 14,863        | 2.8%    | 13,835         | 2.7%    |
| 50 or More  | 40,996        | 7.7%    | 38,368         | 7.5%    |
| Mobile Home | 16,034        | 3.0%    | 14,722         | 2.9%    |
| Other       | 845           | 0.2%    | 655            | 0.1%    |

Data Note: Persons of Hispanic Origin may be of any race.  
 Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.



# Housing Profile

Prepared for Downtown Works

## Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

|                         |           |                         |          |
|-------------------------|-----------|-------------------------|----------|
| 2000 Total Population   | 1,379,313 | 2000 Median HH Income   | \$45,666 |
| 2009 Total Population   | 1,655,393 | 2009 Median HH Income   | \$60,418 |
| 2014 Total Population   | 1,787,654 | 2014 Median HH Income   | \$63,011 |
| 2009 - 2014 Annual Rate | 1.55%     | 2009 - 2014 Annual Rate | 0.84%    |

### Housing Units by Occupancy Status and Tenure

|                     | Census 2000 |         | 2009    |         | 2014    |         |
|---------------------|-------------|---------|---------|---------|---------|---------|
|                     | Number      | Percent | Number  | Percent | Number  | Percent |
| Total Housing Units | 535,504     | 100.0%  | 649,133 | 100.0%  | 699,150 | 100.0%  |
| Occupied            | 511,879     | 95.6%   | 608,980 | 93.8%   | 656,353 | 93.9%   |
| Owner               | 304,982     | 57.0%   | 362,642 | 55.9%   | 422,097 | 60.4%   |
| Renter              | 206,897     | 38.6%   | 246,338 | 37.9%   | 234,256 | 33.5%   |
| Vacant              | 23,625      | 4.4%    | 40,153  | 6.2%    | 42,797  | 6.1%    |

### Owner Occupied Housing Units by Value

|                       | Census 2000 |         | 2009      |         | 2014      |         |
|-----------------------|-------------|---------|-----------|---------|-----------|---------|
|                       | Number      | Percent | Number    | Percent | Number    | Percent |
| Total                 | 305,217     | 100.0%  | 362,642   | 100.0%  | 422,097   | 100.0%  |
| < \$10,000            | 3,218       | 1.1%    | 2,235     | 0.6%    | 2,365     | 0.6%    |
| \$10,000 - \$14,999   | 1,985       | 0.7%    | 1,035     | 0.3%    | 968       | 0.2%    |
| \$15,000 - \$19,999   | 1,589       | 0.5%    | 1,696     | 0.5%    | 1,509     | 0.4%    |
| \$20,000 - \$24,999   | 1,474       | 0.5%    | 1,232     | 0.3%    | 1,665     | 0.4%    |
| \$25,000 - \$29,999   | 1,142       | 0.4%    | 1,292     | 0.4%    | 1,297     | 0.3%    |
| \$30,000 - \$34,999   | 1,045       | 0.3%    | 1,050     | 0.3%    | 1,405     | 0.3%    |
| \$35,000 - \$39,999   | 1,159       | 0.4%    | 962       | 0.3%    | 1,294     | 0.3%    |
| \$40,000 - \$49,999   | 2,177       | 0.7%    | 1,710     | 0.5%    | 1,923     | 0.5%    |
| \$50,000 - \$59,999   | 3,164       | 1.0%    | 1,969     | 0.5%    | 1,759     | 0.4%    |
| \$60,000 - \$69,999   | 5,220       | 1.7%    | 1,384     | 0.4%    | 1,941     | 0.5%    |
| \$70,000 - \$79,999   | 9,548       | 3.1%    | 1,716     | 0.5%    | 1,473     | 0.3%    |
| \$80,000 - \$89,999   | 14,390      | 4.7%    | 2,179     | 0.6%    | 1,424     | 0.3%    |
| \$90,000 - \$99,999   | 17,317      | 5.7%    | 4,152     | 1.1%    | 1,958     | 0.5%    |
| \$100,000 - \$124,999 | 42,658      | 14.0%   | 16,550    | 4.6%    | 11,406    | 2.7%    |
| \$125,000 - \$149,999 | 50,611      | 16.6%   | 31,549    | 8.7%    | 20,052    | 4.8%    |
| \$150,000 - \$174,999 | 39,643      | 13.0%   | 30,757    | 8.5%    | 34,483    | 8.2%    |
| \$175,000 - \$199,999 | 28,279      | 9.3%    | 42,464    | 11.7%   | 34,543    | 8.2%    |
| \$200,000 - \$249,999 | 31,799      | 10.4%   | 75,449    | 20.8%   | 91,564    | 21.7%   |
| \$250,000 - \$299,999 | 19,333      | 6.3%    | 42,081    | 11.6%   | 73,765    | 17.5%   |
| \$300,000 - \$399,999 | 16,352      | 5.4%    | 42,296    | 11.7%   | 52,634    | 12.5%   |
| \$400,000 - \$499,999 | 6,531       | 2.1%    | 22,242    | 6.1%    | 29,634    | 7.0%    |
| \$500,000 - \$749,999 | 4,308       | 1.4%    | 25,349    | 7.0%    | 33,297    | 7.9%    |
| \$750,000 - \$999,999 | 1,359       | 0.4%    | 7,658     | 2.1%    | 13,102    | 3.1%    |
| \$1,000,000+          | 916         | 0.3%    | 3,635     | 1.0%    | 6,636     | 1.6%    |
| Median Value          | \$147,980   |         | \$224,778 |         | \$248,919 |         |
| Average Value         | \$177,154   |         | \$277,902 |         | \$308,648 |         |

Data Note: Detail may not sum to totals due to rounding.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2009 and 2014.



# Housing Profile

Prepared for Downtown Works

## Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

### Census 2000 Specified Owner Occupied Housing Units by Selected Monthly Owner Cost

|   | Number  | Percent |
|---|---------|---------|
| Total   | 277,115 | 100.0%  |
| With Mortgage                                       | 222,333 | 80.2%   |
| <\$200  | 81      | 0.0%    |
| \$200 - \$299                                       | 606     | 0.2%    |
| \$300 - \$399                                       | 1,974   | 0.7%    |
| \$400 - \$499                                       | 3,531   | 1.3%    |
| \$500 - \$599                                       | 5,276   | 1.9%    |
| \$600 - \$699                                       | 7,810   | 2.8%    |
| \$700 - \$799                                       | 10,463  | 3.8%    |
| \$800 - \$899                                       | 14,214  | 5.1%    |
| \$900 - \$999                                       | 16,617  | 6.0%    |
| \$1000 - \$1249                                     | 46,733  | 16.9%   |
| \$1250 - \$1499                                     | 39,545  | 14.3%   |
| \$1500 - \$1999                                     | 45,883  | 16.6%   |
| \$2000 - \$2499                                     | 17,594  | 6.3%    |
| \$2500 - \$2999                                     | 5,851   | 2.1%    |
| \$3000+   | 6,155   | 2.2%    |
| With No Mortgage                                    | 54,782  | 19.8%   |
| Median Monthly Owner Costs for Units with Mortgage  | \$1,274 |         |
| Average Monthly Owner Costs for Units with Mortgage | \$1,398 |         |

### Census 2000 Specified Renter Occupied Housing Units by Contract Rent

|                                     | Number  | Percent |
|-------------------------------------|---------|---------|
| Total                               | 206,225 | 100.0%  |
| Paying Cash Rent                    | 201,730 | 97.8%   |
| < \$100                             | 1,904   | 0.9%    |
| \$100 - \$149                       | 1,850   | 0.9%    |
| \$150 - \$199                       | 3,445   | 1.7%    |
| \$200 - \$249                       | 2,399   | 1.2%    |
| \$250 - \$299                       | 2,664   | 1.3%    |
| \$300 - \$349                       | 5,843   | 2.8%    |
| \$350 - \$399                       | 10,856  | 5.3%    |
| \$400 - \$449                       | 14,911  | 7.2%    |
| \$450 - \$499                       | 18,328  | 8.9%    |
| \$500 - \$549                       | 19,776  | 9.6%    |
| \$550 - \$599                       | 20,840  | 10.1%   |
| \$600 - \$649                       | 20,675  | 10.0%   |
| \$650 - \$699                       | 18,371  | 8.9%    |
| \$700 - \$749                       | 12,986  | 6.3%    |
| \$750 - \$799                       | 11,988  | 5.8%    |
| \$800 - \$899                       | 15,883  | 7.7%    |
| \$900 - \$999                       | 7,629   | 3.7%    |
| \$1000 - \$1249                     | 6,881   | 3.3%    |
| \$1250 - \$1499                     | 2,349   | 1.1%    |
| \$1500 - \$1999                     | 1,607   | 0.8%    |
| \$2000+                             | 545     | 0.3%    |
| No Cash Rent                        | 4,495   | 2.2%    |
| Median Rent                         | \$595   |         |
| Average Rent                        | \$612   |         |
| Average Gross Rent (with Utilities) | \$698   |         |

Data Note: Specified Owner Occupied Housing Units exclude houses on 10+ acres, mobile homes, units in multiunit buildings, and houses with a business or medical office. Specified Renter Occupied Housing Units exclude houses on 10+ acres. Average Contract Rent and Average Gross Rent exclude units paying no cash rent. Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.



# Detailed Income Profile

Prepared for Downtown Works

## Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

|                        | Census 2000 | 2009      | 2014      | 2009-2014<br>Change | 2009-2014<br>Annual Rate |
|------------------------|-------------|-----------|-----------|---------------------|--------------------------|
| Population             | 1,379,313   | 1,655,393 | 1,787,654 | 132,261             | 1.55%                    |
| Households             | 511,879     | 608,980   | 656,353   | 47,373              | 1.51%                    |
| Average Household Size | 2.64        | 2.67      | 2.68      | 0.01                | 0.07%                    |
| Families               | 340,317     | 406,581   | 437,032   | 30,451              | 1.45%                    |
| Average Family Size    | 3.22        | 3.26      | 3.27      | 0.01                | 0.06%                    |

|                             | Census 2000 |         | 2009     |         | 2014     |         |
|-----------------------------|-------------|---------|----------|---------|----------|---------|
|                             | Number      | Percent | Number   | Percent | Number   | Percent |
| <b>Households by Income</b> |             |         |          |         |          |         |
| HH Income Base              | 512,155     | 100.0%  | 608,980  | 100.0%  | 656,353  | 100.0%  |
| < \$10,000                  | 40,630      | 7.9%    | 35,592   | 5.8%    | 34,670   | 5.3%    |
| \$10,000 - \$14,999         | 29,250      | 5.7%    | 20,682   | 3.4%    | 22,181   | 3.4%    |
| \$15,000 - \$19,999         | 28,630      | 5.6%    | 27,767   | 4.6%    | 25,547   | 3.9%    |
| \$20,000 - \$24,999         | 30,463      | 5.9%    | 24,006   | 3.9%    | 25,515   | 3.9%    |
| \$25,000 - \$29,999         | 31,054      | 6.1%    | 26,561   | 4.4%    | 24,578   | 3.7%    |
| \$30,000 - \$34,999         | 32,386      | 6.3%    | 29,196   | 4.8%    | 27,601   | 4.2%    |
| \$35,000 - \$39,999         | 30,538      | 6.0%    | 24,827   | 4.1%    | 25,065   | 3.8%    |
| \$40,000 - \$44,999         | 29,409      | 5.7%    | 32,274   | 5.3%    | 32,513   | 5.0%    |
| \$45,000 - \$49,999         | 25,520      | 5.0%    | 28,774   | 4.7%    | 36,176   | 5.5%    |
| \$50,000 - \$59,999         | 47,498      | 9.3%    | 52,073   | 8.6%    | 51,144   | 7.8%    |
| \$60,000 - \$74,999         | 57,639      | 11.3%   | 76,741   | 12.6%   | 93,953   | 14.3%   |
| \$75,000 - \$99,999         | 58,537      | 11.4%   | 95,028   | 15.6%   | 105,455  | 16.1%   |
| \$100,000 - \$124,999       | 32,977      | 6.4%    | 45,081   | 7.4%    | 51,891   | 7.9%    |
| \$125,000 - \$149,999       | 14,865      | 2.9%    | 38,700   | 6.4%    | 40,468   | 6.2%    |
| \$150,000 - \$199,999       | 12,226      | 2.4%    | 28,191   | 4.6%    | 31,947   | 4.9%    |
| \$200,000 - \$249,999       | 10,533      | 2.1%    | 12,016   | 2.0%    | 13,465   | 2.1%    |
| \$250,000 - \$499,999       | N/A         |         | 9,544    | 1.6%    | 11,543   | 1.8%    |
| \$500,000+                  | N/A         |         | 1,927    | 0.3%    | 2,641    | 0.4%    |
| Median Household Income     | \$45,666    |         | \$60,418 |         | \$63,011 |         |
| Average Household Income    | \$58,899    |         | \$75,925 |         | \$79,245 |         |
| Per Capita Income           | \$22,214    |         | \$28,263 |         | \$29,444 |         |
| <b>Families by Income</b>   |             |         |          |         |          |         |
| Family Income Base          | 342,960     | 100.0%  | 406,581  | 100.0%  | 437,032  | 100.0%  |
| < \$10,000                  | 17,954      | 5.2%    | 15,335   | 3.8%    | 13,595   | 3.1%    |
| \$10,000 - \$14,999         | 14,849      | 4.3%    | 9,899    | 2.4%    | 10,805   | 2.5%    |
| \$15,000 - \$19,999         | 15,704      | 4.6%    | 14,768   | 3.6%    | 14,763   | 3.4%    |
| \$20,000 - \$24,999         | 17,526      | 5.1%    | 12,882   | 3.2%    | 11,543   | 2.6%    |
| \$25,000 - \$29,999         | 18,459      | 5.4%    | 14,212   | 3.5%    | 13,490   | 3.1%    |
| \$30,000 - \$34,999         | 19,989      | 5.8%    | 16,438   | 4.0%    | 14,556   | 3.3%    |
| \$35,000 - \$39,999         | 19,340      | 5.6%    | 18,491   | 4.5%    | 15,580   | 3.6%    |
| \$40,000 - \$44,999         | 18,944      | 5.5%    | 18,914   | 4.7%    | 18,982   | 4.3%    |
| \$45,000 - \$49,999         | 17,469      | 5.1%    | 14,035   | 3.5%    | 14,936   | 3.4%    |
| \$50,000 - \$59,999         | 32,637      | 9.5%    | 34,251   | 8.4%    | 43,849   | 10.0%   |
| \$60,000 - \$74,999         | 43,193      | 12.6%   | 46,512   | 11.4%   | 47,968   | 11.0%   |
| \$75,000 - \$99,999         | 47,474      | 13.8%   | 84,458   | 20.8%   | 92,453   | 21.2%   |
| \$100,000 - \$124,999       | 27,682      | 8.1%    | 37,867   | 9.3%    | 45,754   | 10.5%   |
| \$125,000 - \$149,999       | 12,613      | 3.7%    | 31,852   | 7.8%    | 34,607   | 7.9%    |
| \$150,000 - \$199,999       | 10,187      | 3.0%    | 20,412   | 5.0%    | 24,509   | 5.6%    |
| \$200,000 - \$249,999       | 8,940       | 2.6%    | 8,746    | 2.2%    | 10,070   | 2.3%    |
| \$250,000 - \$499,999       | N/A         |         | 6,414    | 1.6%    | 7,918    | 1.8%    |
| \$500,000+                  | N/A         |         | 1,095    | 0.3%    | 1,654    | 0.4%    |
| Median Family Income        | \$53,031    |         | \$70,305 |         | \$74,406 |         |
| Average Family Income       | \$66,593    |         | \$82,550 |         | \$87,121 |         |

Data Note: Income represents the annual income for the preceding year, expressed in current dollars, including an adjustment for inflation (for 2009 and 2014). In 2000, the Census Bureau reported income to an upper interval of \$200,000+. ESRI forecasts extend income to \$500,000+. N/A means Not Available.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2009 and 2014.

**SELECTED ECONOMIC AND DEMOGRAPHIC CHARACTERISTICS  
DOWNTOWN SACRAMENTO TRADE AREA  
Sacramento, CALIFORNIA  
2000-2014**

|                                    | <u>2000</u>   | <u>2009</u>   | <u>2014</u>   | <u>TOTAL CHANGE<br/>2000-2009</u> |                | <u>TOTAL CHANGE<br/>2009-2014</u> |                |
|------------------------------------|---------------|---------------|---------------|-----------------------------------|----------------|-----------------------------------|----------------|
|                                    |               |               |               | <u>NUMBER</u>                     | <u>PERCENT</u> | <u>NUMBER</u>                     | <u>PERCENT</u> |
| <b>POPULATION</b>                  | 1,379,313     | 1,655,393     | 1,787,654     | 276,080                           | 20.0%          | 132,261                           | 8.0%           |
| <b>HOUSEHOLDS</b>                  | 511,879       | 608,980       | 656,353       | 97,101                            | 19.0%          | 47,373                            | 7.8%           |
| <b>AVERAGE HOUSEHOLD INCOME</b>    | \$ 58,889     | \$ 75,923     | \$ 79,245     | \$ 17,034                         | 28.9%          | \$ 3,322                          | 4.4%           |
| <b>TOTAL INCOME (000)</b>          | \$ 30,144,042 | \$ 46,235,589 | \$ 52,012,693 | \$ 16,091,546                     | 53.4%          | \$ 5,777,105                      | 12.5%          |
| <b>EXPENDITURE POTENTIAL (000)</b> | \$ 7,656,587  | \$ 11,743,839 | \$ 13,211,224 | \$ 4,087,253                      | 53.4%          | \$ 1,467,385                      | 12.5%          |
|                                    |               |               |               |                                   |                | \$ 293,477                        |                |

SOURCES: ESRI, Downtown Works, LLC.



# Tapestry Segmentation Area Profile

Ranked by Households  
Prepared for Downtown Works

Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

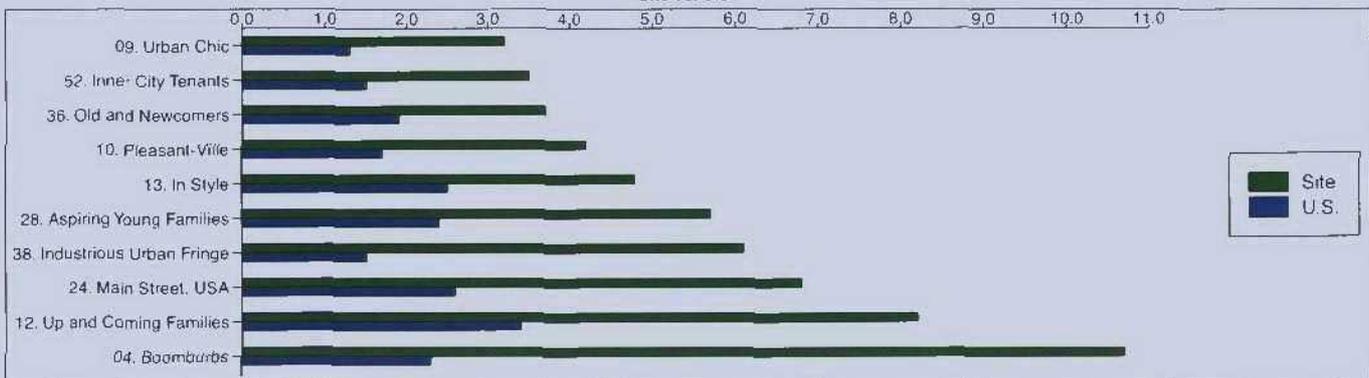
## Top Twenty Tapestry Segments

Tapestry segment descriptions can be found at <http://www.esri.com/library/whitepapers/pdfs/community-tapestry.pdf>

| Rank | Tapestry Segment             | Households   |                    | U.S. Households |                    | Index      |
|------|------------------------------|--------------|--------------------|-----------------|--------------------|------------|
|      |                              | Percent      | Cumulative Percent | Percent         | Cumulative Percent |            |
| 1    | 04. Boomburbs                | 10.7%        | 10.7%              | 2.3%            | 2.3%               | 473        |
| 2    | 12. Up and Coming Families   | 8.2%         | 18.9%              | 3.4%            | 5.7%               | 238        |
| 3    | 24. Main Street, USA         | 6.8%         | 25.7%              | 2.6%            | 8.3%               | 264        |
| 4    | 38. Industrious Urban Fringe | 6.1%         | 31.8%              | 1.5%            | 9.8%               | 396        |
| 5    | 28. Aspiring Young Families  | 5.7%         | 37.5%              | 2.4%            | 12.2%              | 240        |
|      | <b>Subtotal</b>              | <b>37.5%</b> |                    | <b>12.2%</b>    |                    |            |
| 6    | 13. In Style                 | 4.8%         | 42.3%              | 2.5%            | 14.7%              | 192        |
| 7    | 10. Pleasant-Ville           | 4.2%         | 46.5%              | 1.7%            | 16.4%              | 248        |
| 8    | 36. Old and Newcomers        | 3.7%         | 50.2%              | 1.9%            | 18.3%              | 190        |
| 9    | 52. Inner City Tenants       | 3.5%         | 53.7%              | 1.5%            | 19.8%              | 232        |
| 10   | 09. Urban Chic               | 3.2%         | 56.9%              | 1.3%            | 21.1%              | 238        |
|      | <b>Subtotal</b>              | <b>19.4%</b> |                    | <b>8.9%</b>     |                    |            |
| 11   | 06. Sophisticated Squires    | 3.1%         | 60.0%              | 2.7%            | 23.8%              | 115        |
| 12   | 07. Exurbanites              | 2.6%         | 62.6%              | 2.5%            | 26.3%              | 105        |
| 13   | 39. Young and Restless       | 2.5%         | 65.1%              | 1.4%            | 27.7%              | 176        |
| 14   | 19. Milk and Cookies         | 2.5%         | 67.6%              | 2.0%            | 29.7%              | 126        |
| 15   | 33. Midlife Junction         | 2.4%         | 70.0%              | 2.5%            | 32.2%              | 96         |
|      | <b>Subtotal</b>              | <b>13.1%</b> |                    | <b>11.1%</b>    |                    |            |
| 16   | 14. Prosperous Empty Nesters | 2.2%         | 72.2%              | 1.8%            | 34.0%              | 121        |
| 17   | 05. Wealthy Seaboard Suburbs | 2.2%         | 74.4%              | 1.4%            | 35.4%              | 159        |
| 18   | 03. Connoisseurs             | 2.0%         | 76.4%              | 1.4%            | 36.8%              | 143        |
| 19   | 30. Retirement Communities   | 2.0%         | 78.4%              | 1.5%            | 38.3%              | 134        |
| 20   | 27. Metro Renters            | 1.9%         | 80.3%              | 1.3%            | 39.6%              | 143        |
|      | <b>Subtotal</b>              | <b>10.3%</b> |                    | <b>7.4%</b>     |                    |            |
|      | <b>Total</b>                 | <b>80.3%</b> |                    | <b>39.6%</b>    |                    | <b>202</b> |

## Top Ten Tapestry Segments

Site vs. U.S.



Percent of Households by Tapestry Segment

Source: ESRI



# Tapestry Segmentation Area Profile

Prepared for Downtown Works

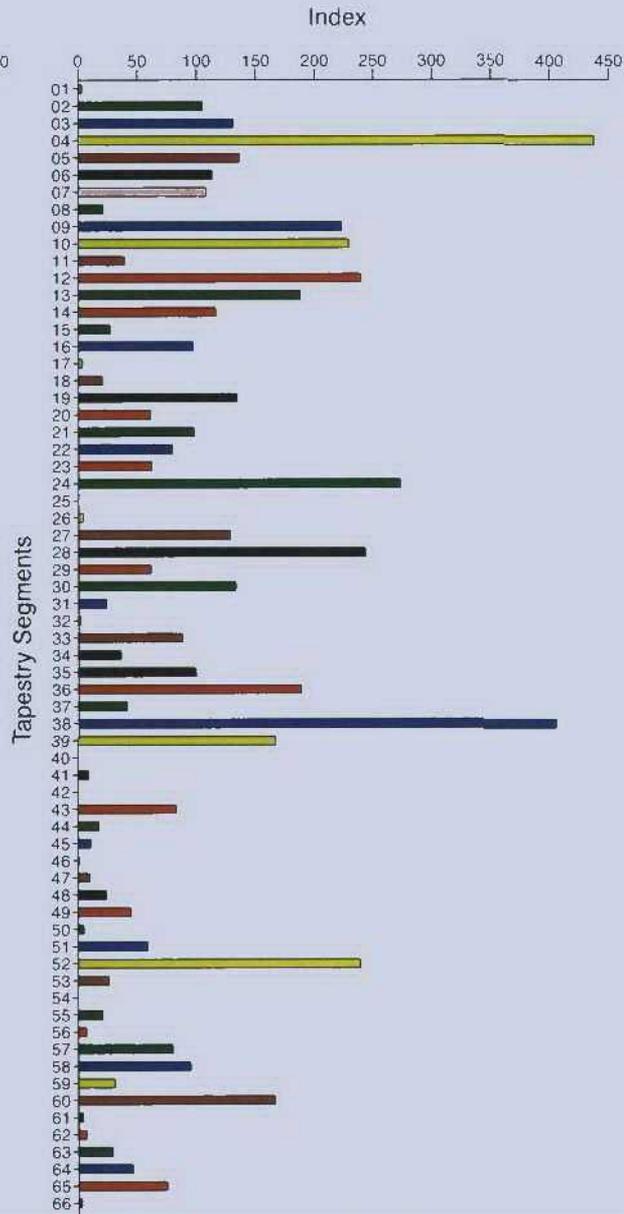
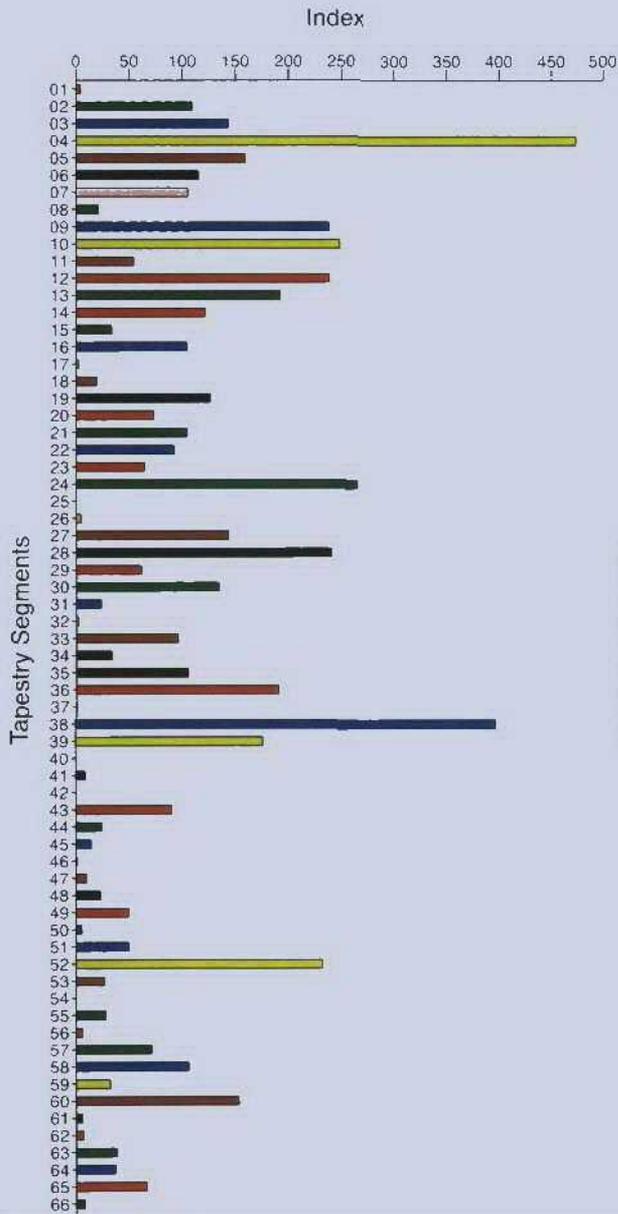
Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

### Tapestry Indexes by Households

### Tapestry Indexes by Population



Source: ESRI



# Tapestry Segmentation Area Profile

LifeMode Groups

Prepared for Downtown Works

Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

| Tapestry LifeMode Groups           | 2009 Households |         |       | 2009 Population |         |       |
|------------------------------------|-----------------|---------|-------|-----------------|---------|-------|
|                                    | Number          | Percent | Index | Number          | Percent | Index |
| <b>Total</b>                       | 608,980         | 100.0%  |       | 1,655,393       | 100.0%  |       |
| <b>L1. High Society</b>            | 137,446         | 22.6%   | 178   | 394,954         | 23.9%   | 171   |
| 01 Top Rung                        | 148             | 0.0%    | 4     | 340             | 0.0%    | 3     |
| 02 Suburban Splendor               | 11,565          | 1.9%    | 109   | 34,838          | 2.1%    | 105   |
| 03 Connoisseurs                    | 12,053          | 2.0%    | 143   | 30,434          | 1.8%    | 131   |
| 04 Boomburbs                       | 65,153          | 10.7%   | 473   | 191,638         | 11.6%   | 437   |
| 05 Wealthy Seaboard Suburbs        | 13,406          | 2.2%    | 159   | 33,465          | 2.0%    | 136   |
| 06 Sophisticated Squires           | 19,123          | 3.1%    | 115   | 58,225          | 3.5%    | 113   |
| 07 Exurbanites                     | 15,998          | 2.6%    | 105   | 46,014          | 2.8%    | 108   |
| <b>L2. Upscale Avenues</b>         | 90,390          | 14.8%   | 107   | 226,330         | 13.7%   | 99    |
| 09 Urban Chic                      | 19,221          | 3.2%    | 238   | 45,056          | 2.7%    | 223   |
| 10 Pleasant-Ville                  | 25,693          | 4.2%    | 248   | 71,005          | 4.3%    | 229   |
| 11 Pacific Heights                 | 2,036           | 0.3%    | 54    | 4,939           | 0.3%    | 39    |
| 13 In Style                        | 29,046          | 4.8%    | 192   | 71,419          | 4.3%    | 188   |
| 16 Enterprising Professionals      | 10,712          | 1.8%    | 104   | 23,452          | 1.4%    | 97    |
| 17 Green Acres                     | 486             | 0.1%    | 2     | 1,379           | 0.1%    | 3     |
| 18 Cozy and Comfortable            | 3,196           | 0.5%    | 19    | 9,080           | 0.5%    | 20    |
| <b>L3. Metropolis</b>              | 15,104          | 2.5%    | 47    | 35,888          | 2.2%    | 41    |
| 20 City Lights                     | 4,576           | 0.8%    | 73    | 10,438          | 0.6%    | 61    |
| 22 Metropolitans                   | 6,639           | 1.1%    | 92    | 12,856          | 0.8%    | 79    |
| 45 City Strivers                   | 623             | 0.1%    | 14    | 1,457           | 0.1%    | 11    |
| 51 Metro City Edge                 | 2,854           | 0.5%    | 50    | 9,961           | 0.6%    | 59    |
| 54 Urban Rows                      | 0               | 0.0%    | 0     | 0               | 0.0%    | 0     |
| 62 Modest Income Homes             | 412             | 0.1%    | 7     | 1,176           | 0.1%    | 7     |
| <b>L4. Solo Acts</b>               | 54,742          | 9.0%    | 133   | 106,624         | 6.4%    | 127   |
| 08 Laptops and Lattes              | 1,285           | 0.2%    | 21    | 2,461           | 0.1%    | 21    |
| 23 Trendsetters                    | 4,091           | 0.7%    | 64    | 9,158           | 0.6%    | 62    |
| 27 Metro Renters                   | 11,688          | 1.9%    | 143   | 18,284          | 1.1%    | 128   |
| 36 Old and Newcomers               | 22,484          | 3.7%    | 190   | 46,962          | 2.8%    | 188   |
| 39 Young and Restless              | 15,194          | 2.5%    | 176   | 29,759          | 1.8%    | 166   |
| <b>L5. Senior Styles</b>           | 51,557          | 8.5%    | 69    | 114,875         | 6.9%    | 67    |
| 14 Prosperous Empty Nesters        | 13,586          | 2.2%    | 121   | 32,349          | 2.0%    | 116   |
| 15 Silver and Gold                 | 1,889           | 0.3%    | 33    | 3,396           | 0.2%    | 27    |
| 29 Rustbelt Retirees               | 7,762           | 1.3%    | 61    | 19,059          | 1.2%    | 61    |
| 30 Retirement Communities          | 11,910          | 2.0%    | 134   | 24,433          | 1.5%    | 133   |
| 43 The Elders                      | 3,377           | 0.6%    | 90    | 5,491           | 0.3%    | 83    |
| 49 Senior Sun Seekers              | 3,660           | 0.6%    | 50    | 7,501           | 0.5%    | 45    |
| 50 Heartland Communities           | 644             | 0.1%    | 5     | 1,446           | 0.1%    | 5     |
| 57 Simple Living                   | 6,151           | 1.0%    | 71    | 15,352          | 0.9%    | 80    |
| 65 Social Security Set             | 2,578           | 0.4%    | 66    | 5,848           | 0.4%    | 75    |
| <b>L6. Scholars &amp; Patriots</b> | 2,409           | 0.4%    | 27    | 5,809           | 0.4%    | 20    |
| 40 Military Proximity              | 0               | 0.0%    | 0     | 0               | 0.0%    | 0     |
| 55 College Towns                   | 1,379           | 0.2%    | 28    | 2,558           | 0.2%    | 21    |
| 63 Dorms to Diplomas               | 1,030           | 0.2%    | 38    | 3,251           | 0.2%    | 29    |

Source: ESRI

# DOWNTOWN FORD

525 N 16TH STREET  
SACRAMENTO, CA 95814  
916-442-6931 fax 916-442-0805

Invoice No. DF0112101005

## INVOICE

### Customer

Name SACRAMENTO HOUSING & REDEVELOPMENT  
Address 630 I STREET  
City SACRAMENTO ZIP 95812  
Phone

Date 1/12/2010  
Order No. 8177  
Rep  
FOB

| Qty | Description   | Unit Price   | TOTAL        |
|-----|---|--------------|--------------|
| 1   | PROGRESS INVOICE FOR IMPROVEMENTS AT<br>525 N 16TH STREET | \$101,852.06 | \$101,852.06 |

### Payment Details

- Cash  
 Check  
 Credit Card

Name  
CC #

Expires

SubTotal \$101,852.06  
Shipping & Handling  
Taxes

**TOTAL** \$101,852.06

Office Use Only

INVOICE

8177

Ray Enos  
 Downtown Ford  
 525 N. 16th Street  
 Sacramento, CA 95811-0518

OUR INVOICE NO: 8177  
 INVOICE DATE: 12-31-09  
 OUR JOB CODE: 7020  
 YOUR P.O. NO.:  
 YOUR JOB NO.:  
 TERMS: Net 30 Days

OUR CONTRACT NO.:

**PROJECT: DOWNTOWN FORD IMPROVEMENTS**

**SEPTEMBER PROGRESS INVOICE**

|  |                  |
|--|------------------|
| General Provisions                     | \$ 15,825.00     |
| Demolition                             | 3,987.50         |
| Sitework - AC Seal Coat & Repairs      | 100,450.00       |
| Metals - Flashings & Copings           | 6,500.00         |
| Rough Carpentry - Dryrot & Mansard Ply | 23,552.00        |
| Lath & Plaster                         | -                |
| Roofing                                | 132,752.00       |
| Caulking and Sealants                  | -                |
| Glass & Glazing - Skylight Change-Out  | 12,366.00        |
| Metal Stud Framing & Metal Panels      | 42,174.41        |
| Painting                               | 3,450.00         |
| Specialties - Signage & Roof Hatch     | 1,500.00         |
| HVAC Change-Out                        | 55,286.00        |
| Electrical - Fixture Change-Out        | 49,563.00        |
| <b>Fee 8%</b>                          | <b>35,792.47</b> |

**SUBTOTAL**

**\$ 483,198.38**

**OWNER REIMBURSABLES**

|                                      |             |
|--------------------------------------|-------------|
| Permit & Planning Assistance - Labor | \$ 2,248.86 |
| City Planning Fees                   | 1,447.20    |
| Demo Permit                          | 1,332.00    |
| City Permit Fees                     | 1,451.15    |
| GRA - Architectural Fees             | 11,520.00   |

**SUBTOTAL**

**\$ 17,999.21**

**NOVEMBER PROGRESS TOTAL**

**\$501,197.59**

**LESS PREVIOUSLY BILLED**

**(\$399,345.53)**

**CURRENT AMOUNT DUE THIS BILLING**

**\$101,852.06**

CHECK CONTROL NO. 113848

ISSUED BY: MEADOWS, THERESE

DOWNTOWN FORD SALES  
525 NO. 16TH ST.  
SACRAMENTO, CALIFORNIA 95814

PAGE 1

| INVOICE STOCK NO. | INVOICE DATE | PURCHASE ORDER NO. | COMMENT/V.I.N.               | AMOUNT | DISCOUNT/ACCGUNT NO. | NET AMOUNT |
|-------------------|--------------|--------------------|------------------------------|--------|----------------------|------------|
|                   | 011210       |                    | PROGRESS REPORT INVOICE 8177 |        |                      | 101,852.06 |
|                   |              |                    |                              | 113848 | 10070                | 101,852.06 |
|                   |              |                    |                              | OTTO   | 17300                | 101,852.06 |
|                   |              |                    |                              | TOTAL  | 10070                | 101,852.06 |

DETACH AT PERFORATION BEFORE DEPOSITING CHECK

REMITTANCE ADVICE

113848

**DOWNTOWN FORD**  
525 NO. 16th STREET - SACRAMENTO, CA 95814

RIVER CITY BANK  
2485 NATOMAS PARK DR.  
SACRAMENTO, CA 95833

113848 90-3341  
1211

|         |
|---------|
| DATE    |
| 12JAN10 |

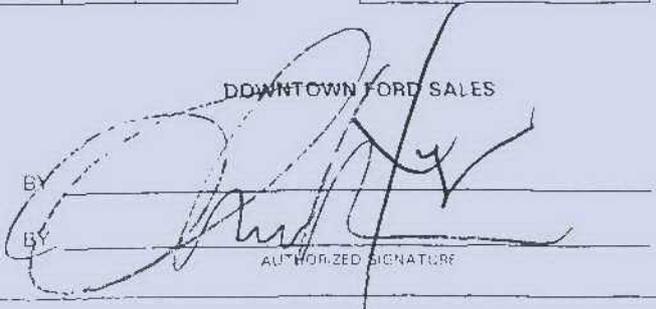
|                 |         |    |       |
|-----------------|---------|----|-------|
| PAY THIS AMOUNT |         |    |       |
| *****101,852    | DOLLARS | 06 | CENTS |

|                 |
|-----------------|
| AMOUNT OF CHECK |
| *****101,852.06 |

48574

TO THE ORDER OF

OTTO CONSTRUCTION  
1717 2ND ST  
SACRAMENTO CA 95811

BY 

BY \_\_\_\_\_

AUTHORIZED SIGNATURE

⑈113848⑈ ⑆121133416⑆ 0812048616⑈



# Tapestry Segmentation Area Profile

LifeMode Groups

Prepared for Downtown Works

## Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

| Tapestry LifeMode Groups          | 2009 Households |         |       | 2009 Population |         |       |
|-----------------------------------|-----------------|---------|-------|-----------------|---------|-------|
|                                   | Number          | Percent | Index | Number          | Percent | Index |
| <b>Total</b>                      | 608,980         | 100.0%  |       | 1,655,393       | 100.0%  |       |
| <b>L7. High Hopes</b>             | 36,872          | 6.1%    | 148   | 97,423          | 5.9%    | 154   |
| 28 Aspiring Young Families        | 34,453          | 5.7%    | 240   | 91,336          | 5.5%    | 243   |
| 48 Great Expectations             | 2,419           | 0.4%    | 23    | 6,087           | 0.4%    | 24    |
| <b>L8. Global Roots</b>           | 82,044          | 13.5%   | 165   | 264,452         | 16.0%   | 164   |
| 35 International Marketplace      | 8,283           | 1.4%    | 105   | 25,321          | 1.5%    | 99    |
| 38 Industrious Urban Fringe       | 36,890          | 6.1%    | 396   | 134,170         | 8.1%    | 405   |
| 44 Urban Melting Pot              | 958             | 0.2%    | 24    | 2,131           | 0.1%    | 18    |
| 47 Las Casas                      | 467             | 0.1%    | 10    | 2,057           | 0.1%    | 10    |
| 52 Inner City Tenants             | 21,423          | 3.5%    | 232   | 56,315          | 3.4%    | 239   |
| 58 NeWest Residents               | 5,732           | 0.9%    | 106   | 19,204          | 1.2%    | 95    |
| 60 City Dimensions                | 8,082           | 1.3%    | 153   | 24,795          | 1.5%    | 166   |
| 61 High Rise Renters              | 209             | 0.0%    | 5     | 459             | 0.0%    | 4     |
| <b>L9. Family Portrait</b>        | 73,203          | 12.0%   | 154   | 230,830         | 13.9%   | 152   |
| 12 Up and Coming Families         | 49,848          | 8.2%    | 238   | 151,470         | 9.2%    | 239   |
| 19 Milk and Cookies               | 14,987          | 2.5%    | 126   | 48,498          | 2.9%    | 134   |
| 21 Urban Villages                 | 4,926           | 0.8%    | 104   | 18,543          | 1.1%    | 98    |
| 59 Southwestern Families          | 1,927           | 0.3%    | 32    | 6,699           | 0.4%    | 31    |
| 64 City Commons                   | 1,515           | 0.2%    | 37    | 5,620           | 0.3%    | 46    |
| <b>L10. Traditional Living</b>    | 58,082          | 9.5%    | 109   | 152,355         | 9.2%    | 111   |
| 24 Main Street, USA               | 41,609          | 6.8%    | 264   | 113,719         | 6.9%    | 273   |
| 32 Rustbelt Traditions            | 345             | 0.1%    | 2     | 1,096           | 0.1%    | 2     |
| 33 Midlife Junction               | 14,443          | 2.4%    | 96    | 32,189          | 1.9%    | 88    |
| 34 Family Foundations             | 1,685           | 0.3%    | 33    | 5,351           | 0.3%    | 36    |
| <b>L11. Factories &amp; Farms</b> | 2,962           | 0.5%    | 5     | 14,591          | 0.9%    | 9     |
| 25 Salt of the Earth              | 0               | 0.0%    | 0     | 0               | 0.0%    | 0     |
| 37 Prairie Living                 | 41              | 0.0%    | 1     | 6,885           | 0.4%    | 41    |
| 42 Southern Satellites            | 0               | 0.0%    | 0     | 0               | 0.0%    | 0     |
| 53 Home Town                      | 2,338           | 0.4%    | 26    | 5,915           | 0.4%    | 26    |
| 56 Rural Bypasses                 | 583             | 0.1%    | 6     | 1,791           | 0.1%    | 7     |
| <b>L12. American Quilt</b>        | 4,168           | 0.7%    | 7     | 11,184          | 0.7%    | 7     |
| 26 Midland Crowd                  | 856             | 0.1%    | 4     | 2,493           | 0.2%    | 4     |
| 31 Rural Resort Dwellers          | 2,259           | 0.4%    | 23    | 5,801           | 0.4%    | 24    |
| 41 Crossroads                     | 865             | 0.1%    | 9     | 2,449           | 0.1%    | 9     |
| 46 Rooted Rural                   | 188             | 0.0%    | 1     | 441             | 0.0%    | 1     |
| 66 Unclassified                   | 1               | 0.0%    | 8     | 78              | 0.0%    | 3     |

**Data Note:** This report identifies neighborhood segments in the area, and describes the socioeconomic quality of the immediate neighborhood. The Index is a comparison of the percent of households or population in the area, by Tapestry segment, to the percent of households or population in the United States, by segment. An index of 100 is the U.S. average. Tapestry segment descriptions can be found at <http://www.esri.com/library/whitepapers/pdfs/community-tapestry.pdf>

Source: ESRI



# Tapestry Segmentation Area Profile

Urbanization Groups  
Prepared for Downtown Works

Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

| Tapestry Urbanization Groups          | 2009 Households |         |       | 2009 Population |         |       |
|---------------------------------------|-----------------|---------|-------|-----------------|---------|-------|
|                                       | Number          | Percent | Index | Number          | Percent | Index |
| <b>Total</b>                          | 608,980         | 100.0%  |       | 1,655,393       | 100.0%  |       |
| <b>U1. Principal Urban Centers I</b>  | 37,843          | 6.2%    | 80    | 91,275          | 5.5%    | 72    |
| 08 Laptops and Lattes                 | 1,285           | 0.2%    | 21    | 2,461           | 0.1%    | 21    |
| 11 Pacific Heights                    | 2,036           | 0.3%    | 54    | 4,939           | 0.3%    | 39    |
| 20 City Lights                        | 4,576           | 0.8%    | 73    | 10,438          | 0.6%    | 61    |
| 21 Urban Villages                     | 4,926           | 0.8%    | 104   | 18,543          | 1.1%    | 98    |
| 23 Trendsetters                       | 4,091           | 0.7%    | 64    | 9,158           | 0.6%    | 62    |
| 27 Metro Renters                      | 11,688          | 1.9%    | 143   | 18,284          | 1.1%    | 128   |
| 35 International Marketplace          | 8,283           | 1.4%    | 105   | 25,321          | 1.5%    | 99    |
| 44 Urban Melting Pot                  | 958             | 0.2%    | 24    | 2,131           | 0.1%    | 18    |
| <b>U2. Principal Urban Centers II</b> | 11,124          | 1.8%    | 39    | 34,645          | 2.1%    | 38    |
| 45 City Strivers                      | 623             | 0.1%    | 14    | 1,457           | 0.1%    | 11    |
| 47 Las Casas                          | 467             | 0.1%    | 10    | 2,057           | 0.1%    | 10    |
| 54 Urban Rows                         | 0               | 0.0%    | 0     | 0               | 0.0%    | 0     |
| 58 NeWest Residents                   | 5,732           | 0.9%    | 106   | 19,204          | 1.2%    | 95    |
| 61 High Rise Renters                  | 209             | 0.0%    | 5     | 459             | 0.0%    | 4     |
| 64 City Commons                       | 1,515           | 0.2%    | 37    | 5,620           | 0.3%    | 46    |
| 65 Social Security Set                | 2,578           | 0.4%    | 66    | 5,848           | 0.4%    | 75    |
| <b>U3. Metro Cities I</b>             | 102,859         | 16.9%   | 149   | 265,106         | 16.0%   | 141   |
| 01 Top Rung                           | 148             | 0.0%    | 4     | 340             | 0.0%    | 3     |
| 03 Connoisseurs                       | 12,053          | 2.0%    | 143   | 30,434          | 1.8%    | 131   |
| 05 Wealthy Seaboard Suburbs           | 13,406          | 2.2%    | 159   | 33,465          | 2.0%    | 136   |
| 09 Urban Chic                         | 19,221          | 3.2%    | 238   | 45,056          | 2.7%    | 223   |
| 10 Pleasant-Ville                     | 25,693          | 4.2%    | 248   | 71,005          | 4.3%    | 229   |
| 16 Enterprising Professionals         | 10,712          | 1.8%    | 104   | 23,452          | 1.4%    | 97    |
| 19 Milk and Cookies                   | 14,987          | 2.5%    | 126   | 48,498          | 2.9%    | 134   |
| 22 Metropolitan                       | 6,639           | 1.1%    | 92    | 12,856          | 0.8%    | 79    |
| <b>U4. Metro Cities II</b>            | 116,261         | 19.1%   | 176   | 282,202         | 17.0%   | 173   |
| 28 Aspiring Young Families            | 34,453          | 5.7%    | 240   | 91,336          | 5.5%    | 243   |
| 30 Retirement Communities             | 11,910          | 2.0%    | 134   | 24,433          | 1.5%    | 133   |
| 34 Family Foundations                 | 1,685           | 0.3%    | 33    | 5,351           | 0.3%    | 36    |
| 36 Old and Newcomers                  | 22,484          | 3.7%    | 190   | 46,962          | 2.8%    | 188   |
| 39 Young and Restless                 | 15,194          | 2.5%    | 176   | 29,759          | 1.8%    | 166   |
| 52 Inner City Tenants                 | 21,423          | 3.5%    | 232   | 56,315          | 3.4%    | 239   |
| 60 City Dimensions                    | 8,082           | 1.3%    | 153   | 24,795          | 1.5%    | 166   |
| 63 Dorms to Diplomas                  | 1,030           | 0.2%    | 38    | 3,251           | 0.2%    | 29    |
| <b>U5. Urban Outskirts I</b>          | 146,416         | 24.0%   | 220   | 446,710         | 27.0%   | 237   |
| 04 Boomburbs                          | 65,153          | 10.7%   | 473   | 191,638         | 11.6%   | 437   |
| 24 Main Street, USA                   | 41,609          | 6.8%    | 264   | 113,719         | 6.9%    | 273   |
| 32 Rustbelt Traditions                | 345             | 0.1%    | 2     | 1,096           | 0.1%    | 2     |
| 38 Industrious Urban Fringe           | 36,890          | 6.1%    | 396   | 134,170         | 8.1%    | 405   |
| 48 Great Expectations                 | 2,419           | 0.4%    | 23    | 6,087           | 0.4%    | 24    |

Source: ESRI



# Tapestry Segmentation Area Profile

Urbanization Groups  
Prepared for Downtown Works

## Sacramento Trade Area

ZIP Codes: 95608 (Carmichael), 95610 (Citrus heights), et.al.

Site Type: Geography

| Tapestry Urbanization Groups     | 2009 Households |         |       | 2009 Population |         |       |
|----------------------------------|-----------------|---------|-------|-----------------|---------|-------|
|                                  | Number          | Percent | Index | Number          | Percent | Index |
| <b>Total</b>                     | 608,980         | 100.0%  |       | 1,655,393       | 100.0%  |       |
| <b>U6. Urban Outskirts II</b>    | 12,723          | 2.1%    | 41    | 35,746          | 2.2%    | 41    |
| 51 Metro City Edge               | 2,854           | 0.5%    | 50    | 9,961           | 0.6%    | 59    |
| 55 College Towns                 | 1,379           | 0.2%    | 28    | 2,558           | 0.2%    | 21    |
| 57 Simple Living                 | 6,151           | 1.0%    | 71    | 15,352          | 0.9%    | 80    |
| 59 Southwestern Families         | 1,927           | 0.3%    | 32    | 6,699           | 0.4%    | 31    |
| 62 Modest Income Homes           | 412             | 0.1%    | 7     | 1,176           | 0.1%    | 7     |
| <b>U7. Suburban Periphery I</b>  | 141,055         | 23.2%   | 148   | 397,711         | 24.0%   | 148   |
| 02 Suburban Splendor             | 11,565          | 1.9%    | 109   | 34,838          | 2.1%    | 105   |
| 06 Sophisticated Squires         | 19,123          | 3.1%    | 115   | 58,225          | 3.5%    | 113   |
| 07 Exurbanites                   | 15,998          | 2.6%    | 105   | 46,014          | 2.8%    | 108   |
| 12 Up and Coming Families        | 49,848          | 8.2%    | 238   | 151,470         | 9.2%    | 239   |
| 13 In Style                      | 29,046          | 4.8%    | 192   | 71,419          | 4.3%    | 188   |
| 14 Prosperous Empty Nesters      | 13,586          | 2.2%    | 121   | 32,349          | 2.0%    | 116   |
| 15 Silver and Gold               | 1,889           | 0.3%    | 33    | 3,396           | 0.2%    | 27    |
| <b>U8. Suburban Periphery II</b> | 31,116          | 5.1%    | 53    | 71,734          | 4.3%    | 48    |
| 18 Cozy and Comfortable          | 3,196           | 0.5%    | 19    | 9,080           | 0.5%    | 20    |
| 29 Rustbelt Retirees             | 7,762           | 1.3%    | 61    | 19,059          | 1.2%    | 61    |
| 33 Midlife Junction              | 14,443          | 2.4%    | 96    | 32,189          | 1.9%    | 88    |
| 40 Military Proximity            | 0               | 0.0%    | 0     | 0               | 0.0%    | 0     |
| 43 The Elders                    | 3,377           | 0.6%    | 90    | 5,491           | 0.3%    | 83    |
| 53 Home Town                     | 2,338           | 0.4%    | 26    | 5,915           | 0.4%    | 26    |
| <b>U9. Small Towns</b>           | 5,169           | 0.8%    | 17    | 11,396          | 0.7%    | 15    |
| 41 Crossroads                    | 865             | 0.1%    | 9     | 2,449           | 0.1%    | 9     |
| 49 Senior Sun Seekers            | 3,660           | 0.6%    | 50    | 7,501           | 0.5%    | 45    |
| 50 Heartland Communities         | 644             | 0.1%    | 5     | 1,446           | 0.1%    | 5     |
| <b>U10. Rural I</b>              | 3,601           | 0.6%    | 5     | 9,673           | 0.6%    | 5     |
| 17 Green Acres                   | 486             | 0.1%    | 2     | 1,379           | 0.1%    | 3     |
| 25 Salt of the Earth             | 0               | 0.0%    | 0     | 0               | 0.0%    | 0     |
| 26 Midland Crowd                 | 856             | 0.1%    | 4     | 2,493           | 0.2%    | 4     |
| 31 Rural Resort Dwellers         | 2,259           | 0.4%    | 23    | 5,801           | 0.4%    | 24    |
| <b>U11. Rural II</b>             | 812             | 0.1%    | 2     | 9,117           | 0.6%    | 7     |
| 37 Prairie Living                | 41              | 0.0%    | 1     | 6,885           | 0.4%    | 41    |
| 42 Southern Satellites           | 0               | 0.0%    | 0     | 0               | 0.0%    | 0     |
| 46 Rooted Rural                  | 188             | 0.0%    | 1     | 441             | 0.0%    | 1     |
| 56 Rural Bypasses                | 583             | 0.1%    | 6     | 1,791           | 0.1%    | 7     |
| 66 Unclassified                  | 1               | 0.0%    | 8     | 78              | 0.0%    | 3     |

**Data Note:** This report identifies neighborhood segments in the area, and describes the settlement density of the immediate neighborhood. The Index is a comparison of the percent of households or population in the area, by Tapestry segment, to the percent of households or population in the United States, by segment. An index of 100 is the U.S. average.

Source: ESRI

## **Downtown Sacramento Trade Area**

### DESCRIPTIONS OF TARGET TAPESTRY GROUPS

**Aspiring Young Families:** Young professionals with small children, they will attain an upper-middle income lifestyle someday but are unlikely to reach the top. Some already have attained middle-management positions, and most of the others will make it there eventually, but that's as high as they will go. They follow the jobs, and because they are young and active they follow the sun, too. They like California and Arizona more than they like Illinois or Pennsylvania. Since they are in their 30's they have been in their careers long enough to have been promoted or transferred a few times. Avid consumers, they may overextend themselves in their eagerness to taste the good life. Their families are young and their kids are top priority, hard to do given the hours they spend at the office. They are in the market for a trade-up home, especially those who are still renting. P.F. Chang's is more popular than Hooters. They are hip and up to date. Becoming parents has not led them to switch to Sans-A-Belt slacks. To stay young, they are getting tattoos and body piercings, but they are discrete about it and so they don't look like rock stars. They sink a lot into decorating their homes. Not many couch potatoes here; fitness club membership is high. Spectator sports also are popular, more so than joining softball leagues...there's no time for such commitments. Health club memberships are possible because they can work out at 6 in the morning. If they have anything to do with organized sports, it's more likely to be Little League baseball or youth soccer. Downtown represents a night out for them, and they will seek out great restaurants as places to wine and dine business contacts. A hip tenant mix will find a welcome audience here.

**Boomburbs:** This group consists of "new money" families heading for the new suburbs. Growth is very rapid in these areas and they attract many homebuyers who are just moving in to the area. Homes are quite large, although not quite in the league as the McMansions. Residents tend to be quite young in light of their affluence. These are fast-track young professionals in a hurry to own their first big house. Perhaps because of their youth and the early success they have achieved, they seem to prefer their homes be located where everyone can see them. Once they move in to their new digs they act quickly to hire an interior decorator and to fill the home with valuable furniture and art. Since most of the households have two workers in them, Boomburb communities can be very quiet during the day. They do make up for it during the evening and on weekends. The people in this group buy all the latest technology. They like golf and tennis, are active in the health club or spa, and

they read a lot. They also dine out a lot and have all the latest kitchen gadgets as well as what used to be called labor-saving devices. This group consists of very active shoppers and spenders. They also are active in just about every other area of their lives and can be very time-poor. When they moved in to their new homes they had to buy a lot of furniture to fill them up. They will travel downtown periodically, the number of visits mitigated by the distance they have to travel, but they have good taste and will patronize quality and interesting retailers and restaurants. When they do come downtown, they will spend freely.

**City Lights:** Middle-income Anglos living in established inboard suburbs. The percentage of Hispanic and Asian residents is increasing but overall diversity only slightly exceeds national levels. Housing types are diverse, as are age levels and household composition. They like living in the city and have liked it all along, even after many other people had given up on it. Many are approaching retirement age, and they have lived here most of their lives. This group will return to Downtown in a significant way, although they are not spendthrifts and will favor places where prices are not out of reach. The restaurants that will make the greatest splash are those little neighborhood-type places.

**College Towns:** Not just students, but also those who gravitate toward a college even if they themselves aren't students. Their presence here is due primarily to CSUS. The neighborhoods will include rental units aimed at the student market. Classic "Town and Gown" communities, students intermingle with the townies who favor smaller and older single-family homes. Exhibiting a slightly Bohemian outlook, there is a degree of "drop-out-ism" here, accounting for their lower-than-average incomes despite extraordinary educational levels. Non-students have specifically sought out neighborhoods near major campuses where they enjoy partake the lifestyle, politics, activism, and cultural benefits of a typical college campus. Proximity to shopping, services, entertainment, sports, cultural amenities and the rest are key for these less affluent households who like to be in the middle of things. They are active, like health food, practice yoga, play tennis, ride bicycles, and spend a lot of time on the Net.

**Connoisseurs:** This is the third wealthiest Tapestry segment, right behind blue-blood old money and wealthy new money. These are couples and families in their 40's and 50's who work in professional and executive positions, well-paid and well-educated. They

have cultivated a refined lifestyle and developed excellent taste. They dress well wherever they go and their homes are beautifully decorated. They drive Lexuses and BMW's, or even a Maybach. SUV's are popular, too. Many still have children at home although the empty nest years are approaching. They are quintessential Baby Boomers, and have grown accustomed to being the center of attention. Many of them are the bosses where they work, and they are used to being schmoozed by underlings. Quality and Customer service will be priorities. They can be impatient with service that is inefficient and lackadaisical; after all, they are Connoisseurs. This group puts its administrative and management expertise to work in the community and so attend council meetings and undertake volunteer work. They take good care of themselves, and crowd the golf courses, tennis courts, and health spas. Predictably enough, they dress well when participating in such activities.

**Cozy and Comfortable:** Cozy and Comfortable has lived in the same house for 40 years. They raised their kids in this house. Other empty nesters may find this a good time to downsize. These folks probably will not. First of all, they like it where they are. Secondly, their homes are pretty small already. This group is (by definition) *comfortable* here. This is home. They know every inch of the neighborhood and would feel odd living anywhere else. The mortgage has been paid off and at last they have some disposable income. If they're still working, and many are, they are in no real hurry to retire. Quite a few have achieved a level of respect in white-collar middle management that they have worked their whole lives to attain and they want to enjoy it a while longer. They know this is likely as far as they are going up the corporate ladder and they are fine with that. It's time to feather the nest and take some nice vacations with the 5-6 weeks of vacation time they have accrued. Typical jobs include insurance agents, realtors, new car salespeople, and accountants. They do not generally have sophisticated taste levels but they have caught on to the computer to a degree. Downtown is a special treat and to be candid they just squeak onto our list of target shoppers. However, their disposable incomes and discretionary time allow them to travel downtown once in a while to taste the excitement.

**Dorms to Diplomas:** Not Towns and Gowns, but the students themselves living in dorms or in rental units nearby. Incomes are very low since they work waiting tables or as retail clerks. They live generally carefree and freewheeling lives, subsidized by checks from home. Altogether trendy, they like thrift shops along with chains like Urban Outfitters. Downtown visits will depend on the presence of trendy boutiques, cafes, and eateries. There aren't many of them in

Sacramento, but they'll catch a ride downtown if the mix is right.

**Enterprising Professionals:** This is a young group (early 30's) that is moving up the economic ladder. Already they have achieved some measure of success. They are always on the lookout for the next big job opportunity and so they relocate frequently. As a result they tend to be renters. They prefer new suburbs where the homes have modern floor plans and lifestyle options. Most are singles or couples but some have just started families. Their kids are in day care. Arguably this is the oldest group to take to all manner of electronic innovations like Wii and they still like Xbox and PS2. They buy flat screen and plasma TV's and subscribe to digital cable to a greater degree than any other group. They travel a lot, like yoga and Pilates, and flock to Cheesecake Factory and Outback both along with fine restaurants for haute cuisine. As they get closer to 40 they have one foot in two worlds: the sophistication of their prime earning years and the eclecticism of their youth. Downtown will find willing patrons here.

**In Style:** This is a curious group: suburbanites who like the urban lifestyle. They try to adapt their suburban homes accordingly, and head into town frequently to take advantage of the cool restaurants and shops, hit the night spots, visit a museum or attend a concert. Most of them have children, many of them teenagers by now, which helps explain why they live in the 'burbs. They look like candidates for urban condos (or suburban TND developments) once the kids leave the nest. There is little ethnic diversity here; most of them are White Anglo and the urban experience provides what they believe the suburbs lack. They are well educated and affluent, use their computers for virtually everything, and keep themselves fit. They are active consumers and will latch on to fads (although they prefer to think they don't). Marketing to them must look hip and "real," so naturally the shops and restaurants they encounter downtown must be appropriately authentic. In-Style is a key downtown target group.

**Laptops and Lattes:** Young tech-savvy singles and couples. The name of this cluster alone tells us where we can find them and what they are doing. They are trendy and completely connected with the rest of the cyber world. Incomes are rising fast. They are plugged in to the business and tech world and are shooting up the socioeconomic ladder. They are making higher salaries than their parents made when they retired, many of them, and they are spending lavishly on clothes, travel, cars, home furnishings and electronics. They lead active lives and dine out all the time (literally). They are not always worried about their corporate images since so far the move into well-paying positions has come relatively easily. Some will

move up the corporate ladder, presumably with a company with relaxed dress codes, but they may also end up working at home in their pajamas. If they do, they'll have the flexibility to shop during the day when others may be office-bound.

**Main Street USA:** Here we have the "All American" middle-class consisting of suburbanites in their 30's who are relatively prosperous but unlikely to climb much further up the economic ladder. They look for bargains and tend to watch their money, but they are not poor and can indulge themselves. People in this group have an eye for quality but are more likely to seek it in Macy's than in Nordstrom. Their suburban homes are not flashy, but they own them (for the most part) and take good care of them. They like to fix the place up and spend a lot of time working on the lawn. They like going out to eat at places like Chili's. Incomes are in the \$70,000 range. They have two or three kids, a college education, and white-collar middle management jobs. Recreation consists of family activities: attending theme parks, going to ball games, eating at Applebee's, shopping at the mall, taking in the school plays, and strolling along the beach. Homes are well cared for. Parents strive to be active in their communities and to volunteer at their kids' schools. They also watch a lot of TV. They like to dress well but are not flashy. They like brand name quality but will buy house brands if they believe the quality is there. Macy's, Chico's, Gap, and JCPenney are popular. Downtown visits will involve dining and window shopping. Old Sacramento appeals to them. Good window displays and intriguing merchandise will generate impulse purchases.

**Metro Renters:** They are a key group behind the health of the urban rental market. One group is the empty-nesters looking to put a little city style back into their lives once the kids move out. The other is this group: the young up-and-comers who are hip and progressive, with no tolerance for suburban living. The cities are hip and alive and this is where these young singles want to be. They are fresh out of college and eager to get started along their chosen career paths. They favor large metro areas where hipness concentrates. In these urban markets the rents can be pretty high so many have roommates. Mostly in their 20's and 30's, they are susceptible to either being transferred to another town, or to accepting a new job in a new city. Either way, they figure it's worthwhile holding on to their present apartments. They work in professional positions, often in tech or finance. These people are not homebodies. They have a lot of cool gadgets in the kitchen but they dine out all the time. They seek out cool little places to shop and dine, and they like Midtown and will like the revitalized Downtown as well. Metro Renters do not like chains, as a rule, but are not fanatical about it. For fun, concerts, museums

and the theater attract them, as do pro sports. They spend lengthy blocks of time on the Net which, among other things, allows them to choose their frequent vacations widely. Because they are on the computer so much they don't watch a lot of television. They download or stream everything.

**Metropolitans:** A quintessentially urban group of people. They are drawn like moths to a flame to neighborhoods containing lots of cool old houses with great architecture. It doesn't hurt that San Francisco is within reach, either. They are urbane and typically like eclectic center-city neighborhoods like East Sacramento. Relatively few of them have kids and many may never do so. Salaries are high but household incomes can be held down by the number of one-person households. Urban gentrification includes a healthy representation of this group. Well educated with cosmopolitan tastes, they travel a lot and hire contractors to upgrade their homes and yards. They support the symphony, the ballet and the local arts scene. If enough of them live in town, the old movie house will be renovated, featuring art, foreign and indie films. You can see them jogging in and around downtown or Land Park. They attend Sierra Club and city council meetings. They are well informed and make heavy use of the Internet.

**Milk and Cookies:** Another group with a misleading moniker, Milk and Cookies consists of comfortable upper-middle-class families with a large number of small children at home. Take Up and Coming Families, sprinkle three young children into the mix, and you have this group. Many are simultaneously decorating bedrooms for nurseries, preschoolers' rooms and grade schoolers. This group favors spectator sports over skiing, shooting hoops in the driveway to snorkeling, and video games over weekend white-water rafting trips. The presence of so many little kids at home shapes what they do for fun. It's easy to predict what kinds of vehicles they own, something useful for hauling bikes home from Toys R Us and PC's home from Costco. They like Target, too, but because they have nice incomes they also shop at the mall a lot. They do like to look like they go out once in a while. They will be at the forefront of the groups demanding good communities to live in, safe with ample parks, green spaces, and good schools. Downtown visits will be comparatively infrequent, but they will travel here periodically if the quality and mix is right.

**Old and Newcomers:** Neighborhoods in transition. Many residents have lived here for years and now are retiring. As predicted by the actuarial tables, houses are becoming available with above-average frequency. Young singles and couples are snapping them up and remaking them to suit their eclectic tastes. Rental units are a key feature of these communities. The young

people do not stay very long, moving out as their incomes grow or as the children arrive. All is not lost - more young people move in to take their places. Rental rates are reasonable both for young people starting out and for retirees on fixed incomes. The single family homes have been well cared for, added on to, and renovated in areas with mature trees. These neighborhoods often have a dizzying array of floor plans and architecture and so have become attractive to young white-collar couples looking for starter homes. Shopping and dining choices tend to be price-sensitive but the young newcomers have good taste. A great Downtown is made to order for this group. They will love it and will go there every chance they get.

**Pacific Heights:** No group has a higher percentage of Asians and Pacific Islanders residents than this one does. Highly educated and mostly employed in professional and executive positions, this affluent group favors upscale urban neighborhoods on the West Coast. Tastes reflect their social status. Generally conservative in dress, their high school children tend to be very fashionable. They look for Asian home furnishings and favor Asian cuisine, but not exclusively. This group travels extensively, loves classical music and sports (especially golf), and treasures high quality and excellent customer service. Downtown fits their urban lifestyle.

**Pleasant-ville:** This name of this group may be a trifle misleading. It consists of prosperous suburbanites with incomes that will allow many of them to retire early. Pleasant-ville ranks 10<sup>th</sup> in affluence amongst Tapestry's clusters. Families are fairly young. Their outlook reflects this youth to a degree, but they can be earnest and practical and are much more likely to like Nordstrom or Bloomingdale's than anything far out. This group is not particularly hip, ergo the Pleasant-ville name: quality is more important than edginess. They shop at big-box stores and discounters on occasion. Families tend to stay put once they buy their first nice house, and their homes are more likely to be in established suburbs rather than in the new suburbs being built on the outskirts.

**Prosperous Empty Nesters:** White collar couples in their 50's and 60's. As the name suggests, the children are grown and have moved out. This means Mom and Dad have more time to spend on themselves. Most live in established upscale suburban or urban neighborhoods in homes that they have lived in for years. Even those with college tuitions to pay for, disposable incomes aren't bad. They are in no particular hurry to downsize their homes since their mortgage payments tend to be small by this time. Well-educated, they are well along in their white-collar professional careers and have developed a sense of quiet good taste. They are re-feathering their empty

nest and taking more trips, but they also attend the symphony, go to museums, and attend sports events. They love golf and college football. Not all have incomes over \$100,000 but they look to live the good life now. The Baby Boomers are moving into this category and so its numbers will swell. They like downtown and some of them eventually will move into Downtown condos.

**Silver and Gold:** In this group "silver" refers to their age and "gold" refers to their money. An affluent group, they are well educated and sophisticated, active and alive, the Pepsi Generation drinking bottled water and eating power bars. Some are retired, but not all. Many are professionals and executives who find retirement intolerable and who continue to work, garnering large fees in exchange for sharing the experience and wisdom they've gained over their careers. They are empty nesters with time for recreation and travel. Recreation mostly means golf. This group is loves golf and country club membership is high. At this stage of their lives many of them consider moving into condos rather than keeping up their large single-family homes, but many of them also move into active senior or other lively communities reflecting their determination to drink deeply of life. In such cases they may buy smaller homes, and from the outside we may not always recognize the affluence and lifestyles of those inside except for the top-notch landscaping and the expensive cars driving through the neighborhood. These folks are active shoppers but perhaps even more active diners. They are important customers for successful restaurants. They will like Downtown very much. They have seen sophisticated cities in their travels and will like an active and alive downtown here.

**Sophisticated Squires:** Here we have one of the wealthiest Tapestry groups. Instead of living in prestigious neighborhoods in town, they crave the elbow room found in the suburbs. These homeowners are in their 40's and 50's and have very healthy incomes. The rise to the top has not been meteoric but now they are living large. At this stage of their lives their kids tend to be in high school or college. Because it took them a while to get here they tend to appreciate what they have. Lot sizes are huge and lawns are landscaped. They like nice things and like to go into town once in a while to find them. While there, they are big spenders. With their taste levels, occasional trips to San Francisco are necessary and they enjoy it, although they wouldn't want to live there. Creature comforts and city amenities matter, and so these are the people who especially respond to the nice little suburban retail districts. Upscale retailers recognize how lucrative this market can be and so are coming out to the suburbs to meet them. These shoppers don't mind the convenience of close-by shopping so long as the growth doesn't mess up their own little slice of

Heaven, and small neighborhood centers are likely to contain Talbots, Ann Taylor and Starbucks.

**Suburban Splendor:** This is the 2<sup>nd</sup> wealthiest cluster of all, described in Tapestry as "the epitome of upward mobility." Suburban Splendor buys the McMansions that are cropping up in wealthy suburbs around the country. Their homes overflow with every option the builder has offered, along with many individual touches. Four-car garages, multiple level decks and patios, and lots of "toys" typify their homes. Exercise rooms contain 6 or 7 expensive pieces of exercise equipment. They hire people to put up their Christmas lights and know their way around the world's elegant resorts. Naturally, they like the best of everything. Busy and active, they go out a lot. Their kitchens have every gadget you can think of, including whatever is trendy (New Money cannot abide being out of the loop), but they don't use them very often since they dine out so often, maybe even most of the time. Quality time with the family is scarce and they try to make it a priority. They like to stroll around the most upscale retail district in town, assuming they have not gone off to Aspen.

**Top Rung:** Consists of "old money" along with "new money" tycoons like Bill Gates and Donald Trump. This is the most affluent of the 65 Tapestry clusters and represents the prototype of the very rich. They require little verbiage to describe them since most of the US knows who they are, how they live, and where they live. Popular opinion about the top rungs may not be completely accurate, but they aren't off by so very much. Top Rung requires the best of everything – not that they are haughty, necessarily, but that buying the best puts no stain on their budgets. They move about in the highest social circles and so lead active lives. They are acquainted with what is going on throughout the world and have been everywhere.

**Trendsetters:** This group is pretty much what it sounds like. Most of them are young, in their 20's and 30's, and while they do not have the incomes to place them in the highest social strata they are on the way there. They are not waiting until their incomes reach six figures to begin living like it. They are well educated and have established themselves on a good white-collar professional career path. They also relocate a lot, being much sought after by employers. Big cities generally see a constant parade of these people coming and going as they move, or are transferred, in and out. "Home" is as close to downtown as possible, but they are not in the market for a high-rise condo. Funky lofts are popular, as are cool old single family homes available at good prices. Trendsetters do not thrive where strong community associations stifle their creativity. They love to shop and image obviously is

important. Downtown is where they expect to find the latest trends. They look askance on the suburbs.

**Up and Coming Families:** ESRI's definition of this group is: "Young, affluent families with young children. Approximately half of them are concentrated in the South, with the other half in the West and Midwest." Neighborhoods are located in newer suburbs surrounding midsize metropolitan areas. They live in new homes, are active consumers, and both dress and decorate for success. They are on the fast track and avidly pursue the good life. Soccer Moms are conspicuous here, and local elementary schools buzz with SUV's in the afternoon as they gather their children and race off to dance lessons and soccer practice. Even as they move into their new homes they are thinking about its resale value, looking ahead to the house they "really" want in more upscale suburbs. This young group was raised steeped in the "green" tradition and will respond to environmentally sensitive and responsible communities. They like hip downtowns and will travel there as time allows. During these visits they are free spenders. Old Sacramento will appeal to them, especially the museums located there.

**Urban Chic:** This is like the Metropolitan groups listed above, but with a lot more money. Politically and socially liberal, they pursue most of the same activities and hold most of the same attitudes about life that the Metropolitan do, except when it comes to Corporate America. They like Downtown. They think living in the suburbs is like living in the Yukon. Great downtown retailing is exactly what this group is looking for. Their great taste does not end with fashions, of course. Their homes are showpieces and practically everything they do represents the peak of refinement and style.

**Urban Villages:** Middle-income multicultural communities in "gateway" states like California. A wide range of household and family types inhabit these diverse neighborhoods. Hispanic residents are prominent but virtually all ethnic groups are represented. Approximately one-third of them are foreign born. Homeownership prevails, and home values are healthy. Home and family are priorities and significant expenditures are made to provide for the children and to fix up or improve the house. The group is assimilating but holds on to many of its residents' cultural buying habits. They usually live near downtown in single family homes. With incomes on the rise, downtown patronage will be influenced by the mix of ethnic restaurants and retailers.

**Wealthy Seaboard Suburbs:** Here is the 5<sup>th</sup> most affluent cluster of all. They are a lot like the rich members of Top Rung or Suburban Splendor, but there is something different about them in that their homes

are exceedingly special to them. Once they find the right mansion they stay put. Residential turnover is low. They put a lot of TLC into their homes, spend a lot to fix them up, on interior decorators, on home maintenance and on their lawns and gardens. Being so wealthy they travel a lot and are cosmopolitan. Clearly they work in executive or some other well-paid professional positions. "Wealthy Seaboard Suburbs" is computer savvy, but they use it to gather information and not as a source of amusement. They would rather get out and enjoy life. Taste is important to them; in fact, it often is central to them. Sophistication is the key to attracting them downtown.

**Young and Restless:** Many of the trendy, even Bohemian, lifestyles are found here. They are constantly looking for the next new thing. They differ somewhat from the old image of the Bohemian. We may have forgotten, but many of the 1960's protests were mounted in opposition to increased mechanization, the use and reliance on computers, the fear of people being "reduced to a number." This does not trouble today's Bohemians. They embrace the cyber-age and take their laptops everywhere. They want their coffee shops to offer Wi-Fi. They are the ones who put YouTube, Facebook and Twitter on the map. Being young, they also change addresses a lot and 85 percent have been at their present addresses for less than five years. Nearly two-thirds live alone or in shared households. They are well educated, whereas their predecessors were college drop-outs. They get their news from the Net, love music, attend live concerts, decorate their apartments eclectically (sometimes with an eye on the price tags), and like to go out. They love cities and they do like to shop. Suburban malls will do in a pinch, although they think malls are sterile and humdrum. They dine out frequently, favoring informal restaurants with cool menus.

**ESTIMATED ANNUAL RETAIL EXPENDITURES and  
SUPPORTABLE DOWNTOWN RETAIL SPACE  
DOWNTOWN Sacramento, CALIFORNIA**

| <b>DOWNTOWN WORKERS</b>                | <b><u>2008</u></b> | <b><u>2013</u></b> |
|--|--------------------|--------------------|
| Estimated Downtown Office Employment   | 92,950             | 101,000            |
| Weekly spending per employee           |                    |                    |
| Food and beverage                      | \$23               | \$27               |
| Shoppers Goods                         | \$42               | \$49               |
| Services                               | \$30               | \$35               |
| Dinner/drinks after work               | \$5                | \$7                |
|  | \$101              | \$117              |
| Expenditure Potential                  |                    |                    |
| Food and beverage                      | \$112,376,550      | \$141,524,331      |
| Shoppers Goods                         | \$203,002,800      | \$255,656,856      |
| Services                               | \$145,002,000      | \$182,612,040      |
| Dinner/drinks after work               | \$25,375,350       | \$36,764,000       |
| Total Potential Employee Expenditures  | \$485,756,700      | \$616,557,227      |
| Sales per Square Foot by Category      |                    |                    |
| Food Services & Drinking Places        | \$378              | \$438              |
| Shoppers Goods                         | \$360              | \$417              |
| Convenience Goods                      | \$450              | \$522              |
| Supportable Square Footage by Category |                    |                    |
| Food Services & Drinking Places        | 297,292            | 323,040            |
| Shoppers Goods                         | 563,897            | 612,733            |
| Convenience Goods                      | 322,227            | 350,133            |
| Total Supportable Retail Space         | 1,183,416          | 1,285,906          |

SOURCE: ICSC; Downtown Works

**CALCULATION OF SUPPORTABLE SQUARE FOOTAGE**

|                                   |    |                |    |                |
|-----------------------------------|----|----------------|----|----------------|
| Residential expenditure potential | \$ | 11,743,839,000 | \$ | 13,211,224,000 |
| Capture rate                      |    | 1.5%           |    | 1.5%           |
| PTA Sales Volume                  | \$ | 176,157,585    | \$ | 198,168,360    |

|   |    |               |    |               |
|---|----|---------------|----|---------------|
| STA residential expenditure potential     | \$ | 0             | \$ | 0             |
| Capture rate                              |    | 1.0%          |    | 1.0%          |
| STA sales volume                          | \$ | 0             | \$ | 0             |
|   |    |               |    |               |
| Total residential sales volume            | \$ | 176,157,585   | \$ | 198,168,360   |
| Sales per square foot                     | \$ | 400           | \$ | 400           |
| Supportable square footage                |    | 440,394       |    | 495,421       |
|   |    |               |    |               |
| Supportable SF – Residential plus workers |    | 1,623,810     |    | 1,781,327     |
|   |    |               |    |               |
| Visitor impact                            |    |               |    |               |
| Retail                                    | \$ | 430,000,000   | \$ | 440,000,000   |
| Food and Beverage                         | \$ | 600,000,000   | \$ | 610,000,000   |
| Food stores                               | \$ | 75,000,000    | \$ | 78,000,000    |
| Total visitor expenditures                | \$ | 1,105,000,000 | \$ | 1,128,000,000 |
|   |    |               |    |               |
| Downtown capture rate                     |    |               |    |               |
| Retail                                    |    | 2.5%          |    | 2.5%          |
| Food and Beverage                         |    | 3.5%          |    | 3.5%          |
| Food stores                               |    | 0.1%          |    | 0.1%          |
|   |    |               |    |               |
| Downtown Sales Volume from visitors       |    |               |    |               |
| Retail                                    | \$ | 10,750,000    | \$ | 11,000,000    |
| Food and Beverage                         | \$ | 21,000,000    | \$ | 21,350,000    |
| Food stores                               | \$ | 75,000        | \$ | 78,000        |
| Total visitor based sales volume          | \$ | 31,825,000    | \$ | 32,428,000    |
|   |    |               |    |               |
| Sales per Square Foot by Category         |    |               |    |               |
| Retail                                    | \$ | 360           | \$ | 417           |
| Food service and Drinking Places          | \$ | 378           | \$ | 438           |
| Food stores                               | \$ | 400           | \$ | 464           |
|   |    |               |    |               |
| Supportable square footage                |    |               |    |               |
| Retail                                    |    | 29,861        |    | 26,379        |
| Food service and Drinking Places          |    | 55,556        |    | 48,744        |
| Food stores                               |    | 188           |    | 168           |
| Total square feet supportable by visitors |    | 85,604        |    | 75,291        |
|   |    |               |    |               |
| Total square feet all shopper groups      |    | 1,709,414     |    | 1,856,619     |

**ESTIMATED ANNUAL RETAIL EXPENDITURES and  
SUPPORTABLE DOWNTOWN RETAIL SPACE  
Old Sacramento, Sacramento, California**

| <b>DOWNTOWN WORKERS</b>                      | <b><u>2008</u></b>  | <b><u>2013</u></b>  |
|--|---------------------|---------------------|
| Estimated Downtown Office Employment         | 92,950              | 101,000             |
| Weekly spending per employee                 |                     |                     |
| Food and beverage                            | \$1                 | \$1                 |
| Shoppers Goods                               | \$1                 | \$1                 |
| Services                                     | \$1                 | \$1                 |
| Dinner/drinks after work                     | \$2                 | \$2                 |
|  | \$4                 | \$4                 |
| Expenditure Potential                        |                     |                     |
| Food and beverage                            | \$2,416,700         | \$3,043,534         |
| Shoppers Goods                               | \$2,416,700         | \$3,043,534         |
| Services                                     | \$2,416,700         | \$3,043,534         |
| Dinner/drinks after work                     | \$9,666,800         | \$12,174,136        |
| <b>Total Potential Employee Expenditures</b> | <b>\$16,916,900</b> | <b>\$21,304,738</b> |
| Sales per Square Foot by Category            |                     |                     |
| Food Services & Drinking Places              | \$378               | \$438               |
| Shoppers Goods                               | \$360               | \$417               |
| Convenience Goods                            | \$450               | \$522               |
| Supportable Square Footage by Category       |                     |                     |
| Food Services & Drinking Places              | 6,393               | 6,947               |
| Shoppers Goods                               | 6,713               | 7,294               |
| Convenience Goods                            | 5,370               | 5,836               |
| <b>Total Supportable Retail Space</b>        | <b>18,477</b>       | <b>20,077</b>       |

SOURCE: ICSC; Downtown Works

**CALCULATION OF SUPPORTABLE SQUARE FOOTAGE**

|                                   |                  |                  |
|-----------------------------------|------------------|------------------|
| Residential expenditure potential | \$11,743,839,000 | \$13,211,224,000 |
| Capture rate                      | 0.2%             | 0.2%             |
| PTA Sales Volume                  | \$ 17,615,759    | \$ 19,816,836    |

|  |    |               |    |               |
|--|----|---------------|----|---------------|
| STA residential expenditure potential      | \$ | 0             | \$ | 0             |
| Capture rate                               |    | 1.0%          |    | 1.0%          |
| STA sales volume                           | \$ | 0             | \$ | 0             |
| <br>                                       |    |               |    |               |
| Total residential sales volume             | \$ | 17,615,759    | \$ | 19,816,836    |
| Sales per square foot                      | \$ | 400           | \$ | 400           |
| Supportable square footage                 |    | 44,039        |    | 49,542        |
| <br>                                       |    |               |    |               |
| Supportable SF – Residential plus workers  |    | 62,516        |    | 69,619        |
| <br>                                       |    |               |    |               |
| Visitor impact                             |    |               |    |               |
| Retail                                     | \$ | 430,000,000   | \$ | 440,000,000   |
| Food and Beverage                          | \$ | 600,000,000   | \$ | 610,000,000   |
| Food stores                                | \$ | 75,000,000    | \$ | 78,000,000    |
| Total visitor expenditures                 | \$ | 1,105,000,000 | \$ | 1,128,000,000 |
| <br>                                       |    |               |    |               |
| Downtown capture rate                      |    |               |    |               |
| Retail                                     |    | 4.8%          |    | 4.8%          |
| Food and Beverage                          |    | 6.8%          |    | 6.8%          |
| Food stores                                |    | 2.5%          |    | 2.5%          |
| <br>                                       |    |               |    |               |
| Downtown Sales Volume from visitors        |    |               |    |               |
| Retail                                     | \$ | 20,425,000    | \$ | 20,900,000    |
| Food and Beverage                          | \$ | 40,500,000    | \$ | 41,175,000    |
| Food stores                                | \$ | 1,875,000     | \$ | 1,950,000     |
| Total visitor based sales volume           | \$ | 62,800,000    | \$ | 64,025,000    |
| <br>                                       |    |               |    |               |
| Sales per Square Foot by Category          |    |               |    |               |
| Retail                                     | \$ | 360           | \$ | 417           |
| Food service and Drinking Places           | \$ | 378           | \$ | 438           |
| Food stores                                | \$ | 400           | \$ | 464           |
| <br>                                       |    |               |    |               |
| Supportable square footage                 |    |               |    |               |
| Retail                                     |    | 56,736        |    | 50,120        |
| Food service and Drinking Places           |    | 107,143       |    | 94,007        |
| Food stores                                |    | 4,688         |    | 4,206         |
| Total square feet supportable by visitors  |    | 168,566       |    | 148,333       |
| <br>                                       |    |               |    |               |
| Total square feet all shopper groups       |    | 231,083       |    | 217,952       |
| <br>                                       |    |               |    |               |
| Less Downtown Plaza square footage         |    | -             |    | -             |
| <br>                                       |    |               |    |               |
| Net streetfront supportable square footage |    | 231,083       |    | 217,952       |