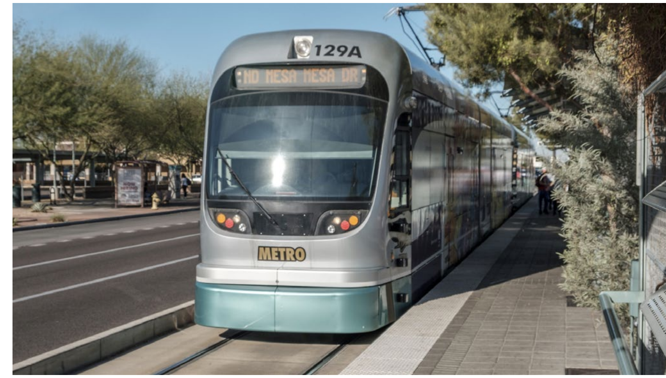
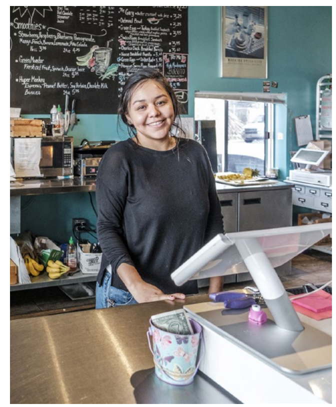
LISC Phoenix

Economic Development Assessment





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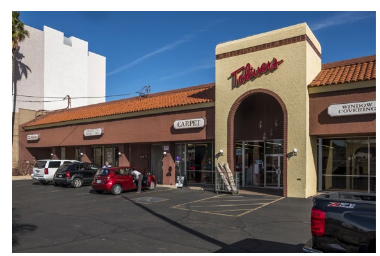
Key Findings



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LISC Phoenix Corridor Assessment – Population Change				
	Total Population			% Change
Corridor	Initial Engagement		2018	
Sunnyslope Phoenix	2010 Trade	21,395	22,950	7%
	2010 Convenience	27,150	28,860	6%
Main Street Mesa	2010	19,880	22,125	11%
Apache Blvd Tempe	2014	33,508	38,379	14%
McDowell Phoenix	2016 North	17,231	16,898	-2%
	2016 South	13,496	13,375	-1%
Camelback Phoenix	2016	30,775	33,118	8%

LISC Phoenix Corridor Assessment – Changes in Income Levels

	Income Levels < $35,000 annually			% change	$50,000 and above		% change
Corridor	Initial Engagement		2018		Initial Engagement	2018	
Sunnyslope Phoenix	2010 Trade	51%	48%	↓ 6%	33%	35%	↑ 6%
	Convenience	45%	41%	↓ 8.8%	41%	45%	↑ 9.7%
Main Street Mesa	2010	58%	51%	↓ 12%	27%	32%	↑ 18.5%
Apache Blvd Tempe	2014	62%%	58%	↓ 6.5%	24%	29%	↑ 20.8%
McDowell Phoenix	2016 North	47%	37%	↓ 21.3%	41%	49%	↑ 19.5%
	South	66%	60%	↓ 9%	22%	27%	↑ 22.7%
Camelback Phoenix	2016	54%	48%	↓ 11.1%	31%	38%	↑ 22.5%

LISC Phoenix Corridor Assessment – Changes in Buying Power

Corridor Trade Area	Concentrated Buying Power			Total Buying Power			
	Initial Engagement		2018	Initial Engagement		2018	% increase
Sunnyslope Phoenix (Convenience Area)	2010	$64 million sq mi	$107 million sq mi	2012	$423 million	$681 million	61%
Main Street Mesa	2012	$62 million sq mi	$98 million sq mi	2012	$246 million	$390 million	59%
Apache Blvd Tempe	2014	$69 million sq mi	$96 million sq mi	2012	$361 million	$498 million	38%
McDowell Phoenix	2016	North: $54 million sq mi South: $25 million sq mi	North: $97 million sq mi South: $76 million sq mi	2016	North: $252 million South: $68 million	North: $455 million South: $205 million	North: 78% South: 201%
Camelback Phoenix	2016	$64 million sq mi	$117 million sq mi	2016	$339 million	$625 million	84%

LISC Phoenix Corridor Initiatives – Review of Findings

Threshold Elements for Investment – LISC Phoenix Investments - Examples			
Corridor	**Initial Strengths**	**Initial Weaknesses**	**Sample Interventions**
Sunnyslope Phoenix	Anchor institution: John C. Lincoln Medical Center Initially strong staff capacity in retail/commercial development	Weak concentration of retail Staff capacity diminished Not a core activity of organization	New revitalization committee formed Financial Opportunity Center created
Main Street Mesa	Incoming light rail Attractive infrastructure/amenities NEDCO – a CDFI – lending & small business advising capacity Anchor institution – Mesa Arts Center	Low density 3-4 years of construction NEDCO staff transitions Not central to any freeway access	Organizing to combat disruption of construction Activate the Alleyways Promotions & events to build reputation as a destination New housing built near Main St
Apache Blvd Tempe	ASU – strong anchor with high density of students Several longstanding businesses thriving New light rail Early redevelopment stopped at cleanup Growth of State Farm in Tempe	ASU students displacing homeowners Several large gaps – vacant land Light rail completed without strong community & business engagement	New housing being built on Apache Small business consulting Development of Spice Trail to attract diners at area restaurants Murals & public art
McDowell Phoenix	Place oriented host organization in Trellis Active community participation $500 million investment by Banner Growing entrepreneurial & employment Base & high traffic volume	Wide street, fast moving traffic Large gaps - vacant land & bldgs Lack of participation by Banner New, inexperienced corridor manager Spotty retail	Regular community cleanups Engagement of Banner reps in promotions & revitalization committee Training for new corridor mgr
Camelback Phoenix	Active, committed Councilwoman Light rail & Park & Ride facility Several well-maintained strip centers High traffic counts Strong presence - schools & civic orgs	Wide, fast moving street No initial corridor organization Inexperienced corridor manager Homeless population Other nearby shopping (Mall)	IRC recruited to work corridor Training for corridor manager Cleanups engaging local schools World Bazaar & Pop-up Markets attract shoppers

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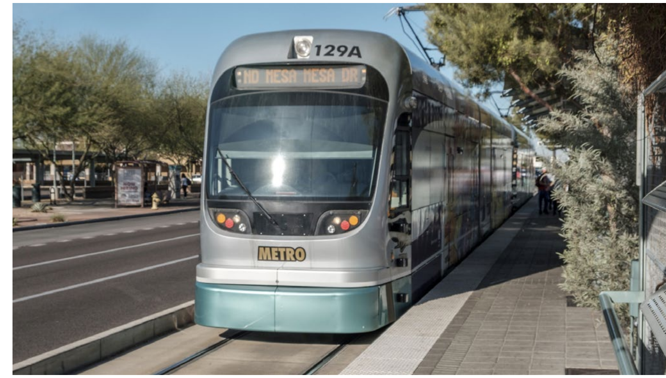
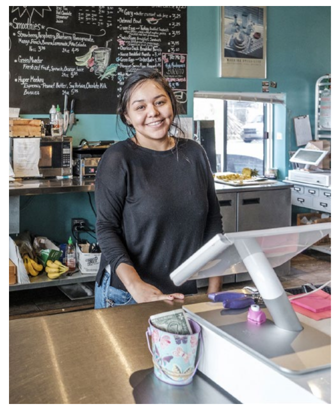
Economic Development Assessment





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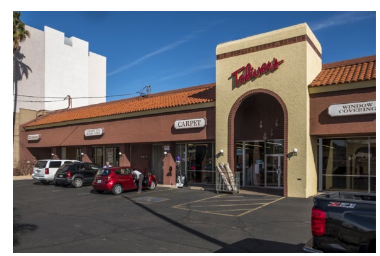
Appendix



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Economic Development Assessment
Appendix - Definitions

Buying Power: estimates and projections that reflect the income earned after taxes as a measure of disposable income available to be spent on goods and services.

Convenience Retail Area: Stores that serve traditional "Saturday morning" shopping needs such as pharmacies, groceries, dry cleaners or hardware stories. Customers typically prefer to find these goods and services within a 10-minute walking or driving distance of their home.

Demand: Estimates of the amount of money people in a trade area spend annually for specific retail goods and services, whether spent within or outside the trade area.

Retail Float: also known as retail "leakage", a measure of the amount of retail opportunity in a trade area, it is calculated as the difference between buying power (demand) and retail sales (supply).

- When Retail Float is a positive value there is unmet demand by residents in the trade area, representing opportunities for new or existing businesses to target.
- When Retail Float is a negative value there is either a healthy concentration of destination oriented retail to build from, or there is a saturation of retail that indicates limited opportunity for business growth or expansion.
    - Retail such as restaurants, clothing or furniture stores attract shoppers looking for multiple stores. In most cases negative float for these categories indicates a business opportunity to start or grow a business to complement what already exists in the market.
    - Retail such as hardware stores, general merchandise stores and grocery stores are less likely to grow or expand when there is negative float (when there is little or no unmet demand in the surrounding market).

Supply: The amount of estimated sales by retail stores in a defined trade area.

Economic Development Assessment
Appendix – Primary Data Sources

	Initial Engagement: Population & Retail Float [6]	Date of Data	Assessment Sources	Date of Data
Sunnyslope Phoenix	Nielsen Claritas LISC MetroEdge metrics	2010	Environics Analytics (successor to Nielsen)	2018
Main Street Mesa	Nielsen Claritas LISC MetroEdge metrics	2010 2015	Environics Analytics	2018
Apache Blvd Tempe	Nielsen Corporation ESRI Community Analyst	2014 2014	Environics Analytics	2018
Mc Dowell Rd Phoenix	ESRI Nielsen Corporation	2016 2016	Environics Analytics	2018
Camelback Rd Phoenix	ESRI Nielsen Corporation	2016	Environics Analytics	2018

[6] Additional sources were used in the initial engagement for each corridor, including from each city, Valley Metro, & Departments of Transportation, as noted in each report. These may be accessed through the *LISC Phoenix Economic Development Electronic Inventory*.

Overview of Corridor Engagements

	Sunnyslope Phoenix	Main Street Mesa	Apache Blvd Tempe	McDowell Rd Phoenix	Camelback Rd Phoenix
Community partner	Desert Mission	NEDCO	NEDCO	Trellis	IRC
Initial engagement	2011-2012	2011-12 2015 update	2013-14	2015-16	2016-17
Primary corridor focus	Hatcher Rd I-17 to 16th	Main Street Mesa Dr to- Alma School Rd	Apache Blvd RR west of Rural to Price	McDowell Rd 7th Ave to Route 51	Camelback Rd I-17 to 7th Ave
Impetus for engagement	CORE award from LISC & Lincoln Hospital	Imminent construction of light rail	Impact of light rail completion ASU expansion Changing economics	Trellis track record, staff experience Banner Hospital real estate investment	Light rail completion Redevelopment opportunities
Local capacity	Experienced social service organization Knowledgeable economic development staff	Experienced CDFI Small business consultants	Experienced CDFI Small business consultants	Experienced housing organization Strong management	Experienced social service organization Strong management

Corridor Snapshot: In the beginning[1]

	Sunnyslope Phoenix	Main Street Mesa	Apache Blvd Tempe	McDowell Rd Phoenix	Camelback Rd Phoenix
Completed MetroEdge analysis	January 2012 Data: 2010	January 2012 Data: 2010	September 2014 Data: 2014	August 2016 Data: 2016	December 2016 Data: 2016
Trade area Population Size	Convenience 2010: 42,380 6.6 square miles	Convenience 2010: 19,880 3.97 square miles	Convenience 2014: 33,508 5.2 square miles	North 2016: 13,496 4.7 square miles	Camelback area 2016: 30,775 5.3 square miles
Household Incomes	<$35,000: 45% *≥$50,000: 41%*	<$35,000: 36% *≥$50,000: 27%*	<$35,000: 62% *≥$50,000: 24%*	<$35,000: 47% *≥$50,000: 41%*	<$35,000: 54% *≥$50,000: 31%*
Housing Total Units Average HH size Home ownership	17,622 2.46 47%	9,412 2.11 34%	11,313 2.09 11%	12,344 2.37 35%	11,401 2.68 28%
Buying Power Total Concentrated	$423 million $64 million/sq mi	$246 million $62 million/sq mi	$361 million $69 million/sq mi	$321 million $43 million/sq mi	$338.9 million $64 million/sq mi
Retail Float Positive ($ Out) Negative ($ In)	$122.8 million $1.1 million	$61.9 million $74.1 million	$191.0 million $185.9 million	$122.0 million $102.2 million	$76 million $700 million

[1] For definitions of Trade Area, Retail Float, Buying Power & other terms, see Appendix: Definitions. . For information on data sources, see Appendix: Data Sources.