Existing Retail Sector Performance

A Component of the

Oakland Retail Enhancement Strategy

Prepared for

OAKLAND COMMUNITY ECONOMIC DEVELOPMENT AGENCY

March 2008

Conley Consulting Group

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Prepared by

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EXECUTIVE SUMMARY

In 2006 the Oakland City Council elected to develop Oakland Retail Enhancement strategy to address the underperformance of the City's retail sector. In 2007 a consulting team headed by the Conley Consulting Group, with JRDV Architects, Strategic Economics, with the pro bono assistance of Colliers International retail brokers initiated a year long, three part effort to develop a Retail Enhancement Strategy for Oakland. This report represents the second part of that effort, and follows the first part which resulted in Consultant teams recommendations for creation of a mixed used development including major comparison goods retail in the Upper Broadway district. This report presents an analysis of the performance of Oakland's current retail sector.

This Retail Performance Report examines the City's retail sector by identifying existing concentrations (or nodes) of retail uses, and examining the retail mix, performance, market area demographics, and characteristics of the 53 identified nodes. In addition, this report transmits detailed case studies of six communities that have successfully changed the performance of their retail sector.

The Oakland Market

Oakland is a $3 billion market for retail goods.

Oakland has a large and diverse population, and offers potential retailers a lucrative trade area from which to draw customer support. After decades of focusing marketing strategies on homogenous suburban populations, many retailers now recognize the advantages of urban location. Oakland, with an estimated population of over 416,000, and per capita income on par with the State of California, represents a lucrative, and largely untapped market for retail goods and services. Some retailers rely on Lifestyle clusters analysis, which looks at bundles of demographic characteristics, to determine where to locate new stores. PRIZM Lifestyle data for Oakland indicates that more than on third of the City's households belong to the "Urban Uptown" group, which is defined as the nation's wealthiest urban consumers with the most sophisticated tastes. Another quarter of the households belong to "Midtown Mix", another highly desirable consumer segment.

The projected expenditure potential for Oakland's residents is analyzed based on the expenditure patterns for California communities better served by retail. The total expenditure support for retail goods is estimated at over $3 billion. In addition to City residents, the retail sector should also capture expenditure potential of its people employed in, leaving nearby and visiting the City. However, Oakland retailers capture a share ranging from 72% to only 10% of the resident's expenditure potential for different categories of retail goods. Oakland has $1 billion in potential sales lost as leakage for comparison goods (goods sold in apparel, general merchandise, home furnishings and appliance stores), over $230 million in grocery store sales. The only category where Oakland's sales come close to the expenditure potential of its residents is eating and drinking venues, where the resident's sales are likely supplemented by visitors and employees.

Zones

To understand whether the retail sector is uniformly imbalanced across the city, the consultant team examined retail demand and supply conditions in three geographically defined zones: Zone1 (north and west Oakland), Zone 2 (central Oakland) and Zone 3 (east Oakland). That analysis confirmed the widely held belief that some parts of the city are more poorly served by retail than others. Zone 1 captures comparison goods and restaurant sales from other zones and from outside of the city. Zone 2 has the largest dollar volume of leakage, but Zone 3 has the largest portion of its potential sales lost as leakage, including enough grocery store leakage to support 3 full sized new stores.

53 Retail Nodes

The 53 nodes were analyzed in terms of their current retail performance and retail enhancement potential. Analysis of demographic data for a 0.5, 1, and 3 mile ring around each of the 53 nodes revealed an interesting pattern. The residents surrounding each node tend to fall into one of two very different demographic groups: some nodes are near high income populations, living in small households and with fewer of those household including children, while other nodes are near lower income residents with larger households and a greater frequency of children living at home. Some larger nodes had comparison goods sale concentration; whereas for smaller nodes there were more concentrations in convenience goods.

Based on 2006 sales tax data, nodes were divided into two groups: those with less than $10 million in comparison goods, convenience goods, and eating and drinking sales and those nodes capturing more than $10 million in sales. The nodes varied significantly in terms of the make up of their retail sales, with as much variation between in the larger nodes as between the smaller and larger nodes. Concentration of more than 40% of sales in one category was also an interesting distinction between nodes.

Eighteen nodes were classified as small nodes serving the adjacent neighborhoods, with limited potential for expansion. Ten nodes were classified as providing grocery store and restaurants to nearby neighborhoods. Ten other nodes were classified as providing grocery stores, restaurants, and comparison goods. These nodes generally served larger trade areas than the previous 3 classifications. Four nodes were classified as primarily serving entertainment retail functions. Five existing retail nodes were classified as serving or having potential to serve large format comparison goods retail functions. Four nodes were classified as having the potential to serve or as serving as a location for retailers who benefit from locations on the home-bound leg of customer's journey to work. Finally, 2 nodes were classified as having minimal retail functions.

The performance and potential assessment for the 53 nodes is summarized in **Appendix B**.

Finalist Nodes Recommended for Implementation Planning

Five nodes are recommended for implementation planning in the next phase of the Retail Enhancement Strategy as follows:

- Laurel District
- Foothill and Seminary
- 51st and Broadway
- High Street Corridor
- Hegenberger Corridor

I: INTRODUCTION

This report documents the second phase of a three-part Retail Enhancement Strategy for the City of Oakland. In the initial phase, the consultant team outlined a strategy to reverse the long- standing trend of exporting Oakland's potential comparison goods retail sales to neighboring communities. This report examines the City's retail sector by evaluating the performance and characteristics of the existing concentrations (or nodes) of retail stores throughout the City. This phase concludes by selecting five representative retail nodes for in-depth study and development of implementation plans in the third and final phase of the strategy.

The 53 nodes are current retail locations. Areas with future retail development potential like Upper Broadway are note included.

In 2006, the Oakland City Council elected to make enhancement of the underperforming retail sector a high priority for the City. A consultant team led by Conley Consulting Group was hired to evaluate retail enhancement opportunities and create an action plan to implement retail revitalization in neighborhoods across the City. The Oakland Retail Enhancement Strategy is a one-year effort scheduled for completion in Summer 2008.

A. Creating a Retail Strategy

To create the retail enhancement strategy, the consultant team headed by Conley Consulting Group has undertaken the following steps and analyses:

- Toured the 18 Council-designated retail priority districts and identified 53 existing nodes of retail activity. These nodes are primarily located below Highway 13.

- Identified and mapped the location of all major retail outlets with sales over $1 million in 2006 (the latest year for which data were available at the time this effort was undertaken).

- Analyzed sales trends for the 53 nodes, based on reports of sales tax collections provided to the City from the State Board of Equalization data.

- Examined the variation in retail market conditions within the City by creating three geographic zones and evaluating demographic characteristics as well as retail demand and supply conditions within each zone.

- Created maps of the 53 nodes and estimated the retail square footage in each node.

- Developed a classification system and applied it to Oakland's retail areas to assign a retail designation for each of the nodes.

- Developed a summary of retail characteristics for each node.

- Summarized available information on proposed new retail development throughout the City.

• Evaluated the potential to recapture potential retail sales now lost to Oakland retail stores by strengthening the neighborhood nodes.

B. Report Organization

The Executive Summary precedes this Introduction section. Following the introduction, the report is organized as follows:

Section II, Oakland's Retail Sector, examines the market potential of Oakland residents and employees.

Section III, Planned and Proposed Retail Developments, lists major retail projects that are under construction, approved, in the planning stages, or recently completed.

Section IV, Fifty-Three Existing Retail Nodes, presents the current hubs of retail activity identified for study purposes.

Section V, Node Classification System, analyzes the 53 retail nodes identified in section IV.

Section VI, Retail Enhancement Potential, outlines the strategic opportunities to enhance the City's retail sector.

Section VII, Detailed Case Studies, presents findings of six case studies of retail developments in other cities chosen based on their market similarities to Oakland.

Section VIII, Enhancement Strategy: Selection of Nodes for Detailed Implementation Plans in Phase III

The report contains two appendices:
(A) Consumer Survey
(B) Retail Node Profiles

II : OAKLAND’S RETAIL SECTOR

A. The Oakland Consumer

Oakland's per capita income is $25K, equal to the California average.

The residents of the City of Oakland comprise a large and potentially lucrative market for retail goods and services. Retail demand in the City is generated by almost 420,000 City residents, who occupy almost 160,000 households. Oakland's households span a broad range of incomes: 30,500 households have annual incomes at or above $100,000, 46,000 households have yearly incomes between $50,000 and 100,000, and 60,000 households have incomes below $35,000. The average household income of City residents is roughly $67,500. Per capita income is $25,500 per year, roughly equal to the California average.

Oakland has the fourth highest percentage of households with personal computers in the nation.

**All figures in this section are rounded to the nearest 10,000.*

***Cluster lifestyle profiles detailed in this table are only those with significant concentration in Oakland, resulting in the total percentage of households not adding to 100%.*

****An index of 100 means Oakland's concentration is equal to U.S. average.*

The City's population is growing; new housing development since 2000, supported in part by former Mayor Brown's 10K initiative, has added nearly 6,000 new units to the City's housing stock, with 2,000 units currently under construction, and another 8,000 units the planning stage. Of these new units, over 2,000 are in the downtown area, with another 5,000 to be added in units both planned and under construction. Sales of new housing units and recent sales of existing homes demonstrate that Oakland continues to attract high income households. New multifamily housing sale prices range from $300,000 to $850,000, and average single family homes are selling between $400,000 and $900,000. In several neighborhoods, prices reach as high as $4 Million.

The median age of Oakland residents is 36 years old. The population is highly educated, with more than twice as many college graduates as the national average. Oakland has the fourth highest percentage of households with personal computers in the nation.

Table 1. City of Oakland, 2007 Demographics

Population (est.)	420,000
Households (est.)	160,000
Average Household Size	3 persons
Average Household Income	$70,000
Est. Per Capita Income	$30,000
Median Age	36 years
Median Housing Price	$510,000

Source: CCG, Claritas Inc., March 2008.

Table 2. Oakland Lifestyle Clusters

Cluster Name	2006 House-holds	% of House-holds**	Oakland/ U.S. Index***
Young Digerati	7,000	5%	360
Money and Brains	11,000	8%	370
Bohemian Mix	20,000	13%	740
Cosmopolitans	6,000	4%	320
American Dreams	13,000	9%	400
Urban Achievers	13,000	9%	570
Multi-Culti Mosaic	13,000	9%	500
Close-In Couples	10,000	7%	590
Upper Crust	5,500	4%	250
Blue Blood Estates	2,500	2%	170
Movers and Shakers	4,500	3%	190
Big City Blues	11,000	8%	680

Source: CCG, Claritas Inc., March 2008.

B. Consumer Profiles

Based on a combination of demographic and socio-economic factors, Claritas PRIZM defines Lifestyle clusters to predict consumer behavior. More than one third of the City's households belong to the clusters grouped under the heading "Urban Uptown," defined as the nation's wealthiest urban consumers with the most sophisticated tastes. The diverse, predominantly childless group called Midtown Mix includes another 24% of Oakland households. Oakland has 3 to 7 times greater concentration of households in these clusters than does the nation as a whole. These clusters are an attractive shopper support base for new retail.

According to PRIZM, more than 1/3 of Oakland households are in the Urban Uptown Cluster, which are the nations wealthiest, urban consumers with the newest sophisticated tastes.

C. Diversity

Oakland is the most diverse City in the nation, with a population becoming increasingly balanced between Euro Americans, African Americans, Latino Americans and Asian Americans. The different peoples of Oakland live in every neighborhood, with each group represented at every income level.

Table 3. Oakland Diversity

	2007 Est. Pop.	House-holds	% House-holds
Euro American	130,000	60,000	40%
African American	130,000	50,000	33%
Latino American	110,000	30,000	18%
Asian American	70,000	20,000	15%
Total	**420,000**	**160,000**	

Source: CCG, US Census, March 2008.

D. Residents' Spending Power And Leakage

Based on California taxable retail sales trends, Conley Consulting Group has estimated the expenditure potential of City residents. Oaklanders have an average annual expenditure potential of almost $1 billion for Convenience Goods (items sold in supermarkets, drug stores, and other outlets). Residents have an additional expenditure potential of $1.5 billion for Comparison Goods (products sold in stores such as apparel, home furnishings, and department stores). Total potential support for retail stores is over $4 billion.

The City's retailers only capture 1/3 of the residents sales potential.

However, as shown in **Table 4**, existing Oakland retailers capture only varying portions of residents' expenditure potential, depending on the category of retail. For example, in the case of Comparison Goods, the City's merchants capture only one-third of residents' retail sales potential. In all cases, sales that are not captured by Oakland stores are referred to as "leakage."

For Comparison Goods, most of that leakage is presumed lost to stores in other communities. For Convenience Goods, sales captured by local merchants more closely match residents' expenditure potential. However the significant leakage of food store sales likely reflects the inadequate supply of full-line grocery stores in some Oakland neighborhoods, particularly in the City's western and eastern areas.

D. Residents' Spending Power and Leakage (Cont.)

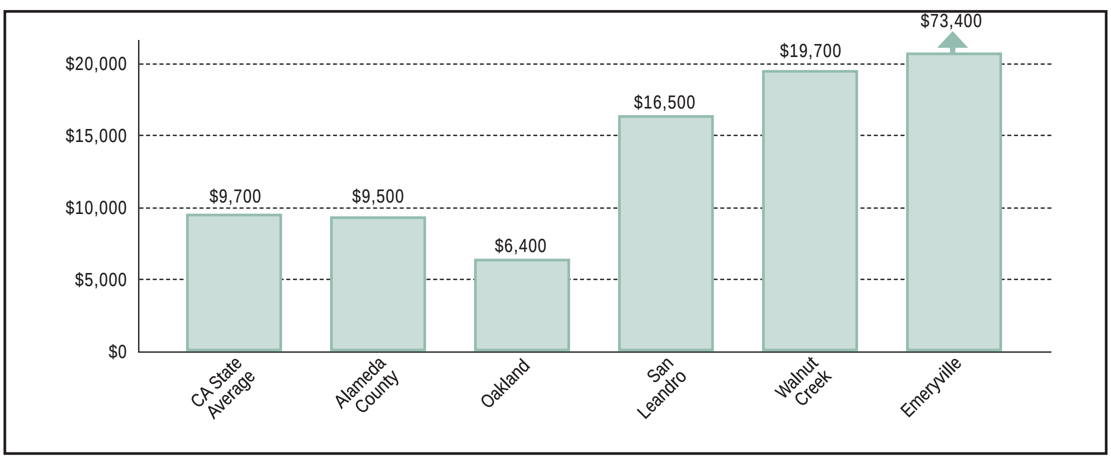
Table 4. City of Oakland Retail Leakage

	Total Expenditure Potential	2005 Retail Sales	Sales Leakage (Import)	Target Sales Performance per SF	Theoretical New SF Supportable
Convenience Goods					
All Food Stores	$817,380,000	$584,880,000	$232,500,000	450	520,000
Comparison Goods					
Apparel	209,930,000	63,880,000	146,050,000	250	580,000
General Merchandise	597,420,000	61,270,000	536,150,000	350	1,530,000
Home Furnishings/Appliances	195,080,000	121,250,000	73,830,000	300	250,000
Specialty	587,610,000	340,680,000	246,930,000	150	1,650,000
Eating and Drinking	520,700,000	426,870,000	93,830,000	275	340,000
Building Materials	405,590,000	310,190,000	95,400,000	300	320,000
Service Stations	432,680,000	434,730,000	(2,050,000)		
All Other Retail Stores	136,540,000	112,620,000	23,920,000	250	100,000
Subtotal Non-Auto Retail Sales	**$4,023,850,000**	**$2,735,120,000**	**$1,448,620,000**		**5,280,000**
Auto Dealers and Supplies	825,730,000	545,860,000	279,880,000	N/A	
TOTAL	**$4,849,580,000**	**$3,280,980,000**	**$1,728,500,000**		**5,280,000**

Source: CCG, Claritas Inc., March 2008.

There is significant leakage in both major categories of retail, with a sales deficit of more than $232 million for grocery stores and more than $1 billion in Comparison Goods (Table 4). Given the similarities in Oakland's per capita income to California as a whole, expenditure potential of Oakland residents should be approximately on par with state averages, or $9,700 per person per year (see bar chart). In total, Oakland loses almost $1.5 billion in economic activity that could be supported by its residents alone. However, this understates the impact on the City's economy, because as

Table 5. 2005 Sales Per Capita



Source: CCG, Claritas Inc., March 2008.

the largest city in the East Bay, and given the size of the City's employment base, Oakland should be importing sales from neighboring communities. Instead, Oakland exports sales, and the associated jobs, and sales tax revenues to its neighbors.

Oakland should also be capturing sales from its neighbors and employees.

E. Oakland Employees

Oakland also has a large and growing employment base. City workplaces employ 208,000 persons in 2007, of which nearly 80,000 work in the central Oakland area. Census 2000 data show that of the 175,000 workers who traveled to jobs in Oakland, 67,000 came from homes in Oakland. Like City residents, Oakland workers also comprise an attractive shopper base for potential retailers. The remainder comprises residents of other communities, and thus represents a potential for retail sales over and above the sales supported by City residents. Approximately 52,000 office employees work in the central Oakland area. The annual spending power of the downtown Oakland employment base is roughly $283 million.

Lost Opportunity
$1 billion lost activity from the Oakland economy
$10 million sales tax forgone
10,400 jobs retail could have supported

Source: CCG, March 2008.

Table 6. Oakland Workforce Clusters

Cluster Name	2006 House-holds	% of House-holds*	Oakland/ U.S. Index
Young Digerati	11,000	5%	410
Money and Brains	31,000	15%	660
Bohemian Mix	28,000	13%	750
Cosmopolitans	6,000	3%	250
American Dreams	13,000	6%	250
Urban Achievers	13,000	6%	430
Multi-Culti Mosaic	9,000	4%	250
Close-In Couples	6,000	3%	280
Upper Crust	10,000	5%	320
Blue Blood Estates	2,000	1%	90
Movers and Shakers	14,000	7%	380

Source: CCG, Claritas Inc., MetaFacts; March 2008.

**Cluster lifestyle profiles detailed in this table are only those with significant concentration in Oakland, so the total percentage of households not adding to 100%*

F. Sales Trends Within The City Of Oakland

Census data is thought by Social Compact and other experts to understate the population and income of diverse urban communities like Oakland. However, since census based sources are used by retailers and because they are the most easily analyzed for sub areas in this analysis, we have relied on adjusted census data, eventhough these data understate potential of City residents.

In order to understand how retail performance trends vary within Oakland, the City was divided into three geographic zones and 2006 sales were analyzed by retail category in each of these zones. Population data for this analysis were based on U.S. Census block level data provided by Claritas, a data vendor often used by retailers to evaluate prospective market areas. The Conley Consulting Group team analyzed 2006 sales tax collection data (the last full year available at the time of the analysis) and estimated income and population data for 2006.

Figure 2 shows a map of the three zones, **Table 7** shows demographic data and **Table 13** describes the allocation of retail types to categories.

As the second step in the analysis, 53 retail nodes were defined and analyzed in more detail. This analysis is described in the Appendix of this report.

Table 7. City of Oakland Demographics by Zone, 2007

	Zone 1	Zone 2	Zone 3
Population and Households			
Population	122,676	172,741	121,063
Housing Units Built, 2000-2005	2,993	617	630
Total Estimated Number of Households, 2007	58,112	57,782	37,249
Percent of Households with Children Under 18	21.64%	33.77%	46.26%
Income			
2007 Average Household Income	$69,450	$70,479	$66,181
Estimated 2007 Per Capita Income	$32,838	$26,092	$20,845
Average Household Size	2.10	2.69	3.18
Age			
Estimated 2007 Median Age	39.21	36.20	32.56
Housing			
Tenure, Occupied Housing Units:			
Owner-Occupied	30.76%	40.57%	57.64%
Renter-Occupied	69.24%	59.43%	42.36%
Median Owner-Occupied Housing Value	$660,150	$490,904	$384,620

Source: CCG, Strategic Economics, Claritas Inc., March, 2008.

The sales potential of each zone was separately calculated by applying the appropriate patterns to the zones' population and income extremes.

The Bay Area average expenditure patterns were used to project potential expenditures for Zone 1, given the close match between income and household size in this zone and the six-county Bay Area region. The expenditure potential for Zones 2 and 3 was calculated using statewide expenditure patterns. Zone 2's household size and per capita income are similar to statewide averages, and although Zone 3 has a lower per capita income and larger average household size, it is assumed that, given the larger households, this zone also has expenditure patterns that are similar to the statewide averages.

When sales in a particular retail category exceed the projected expenditure potential, the excess sales are defined as "import." When sales are less than the projected potential, the deficit is defined as "leakage." However, the simple concept of sales leakage and import may not always explain a mismatch between expenditures potential and retail sales in a market area. There are other explanations; a given area may have atypical retail expenditure patterns due to factors like differential tastes, propensity to consume, or relatively higher prices than norms (as is the case for gasoline prices in Oakland).

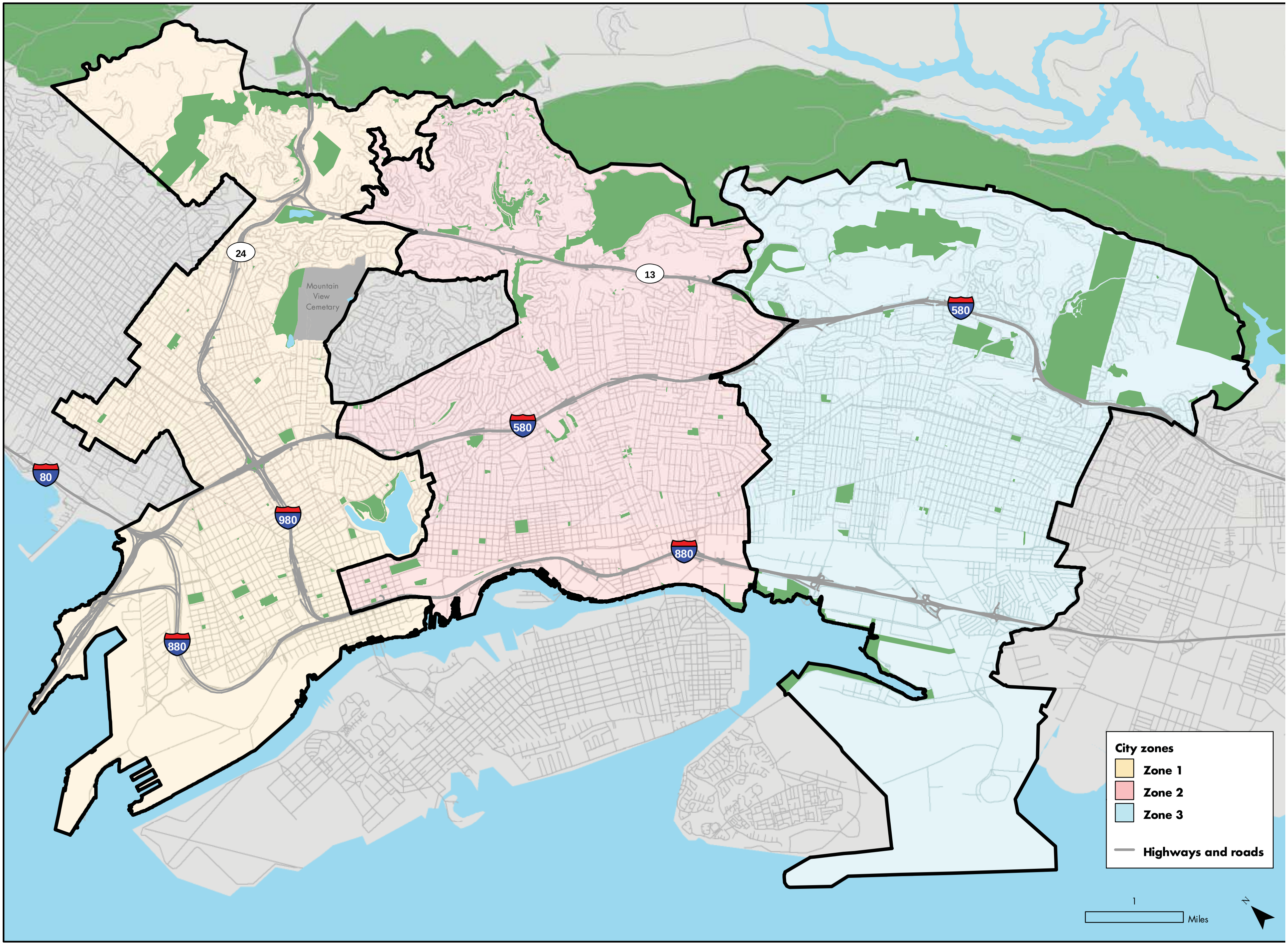
Table 8 summarizes sales and leakage by retail category for all three zones.

Table 8. Retail Sales by Category and Zone, 2006

	Zone 1	Zone 2	Zone 3	Total Sales by Category
Convenience Goods	$181,668,557	$231,242,024	$72,354,897	**$485,265,478**
Leakage	$63,234,064	$154,005,379	$143,340,346	**$360,579,788**
Comparison Goods	$269,489,723	$137,812,859	$162,756,070	**$570,058,652**
Leakage	$38,709,388	$286,517,499	$74,821,234	**$400,048,121**
Eating and Drinking	$206,042,181	$131,295,766	$78,068,380	**$415,406,327**
Leakage	($44,408,345)	$89,118,474	$45,338,819	**$90,048,948**
Building Materials	$34,070,869	$147,917,945	$70,680,468	**$252,669,282**
Leakage	$80,742,713	$23,768,650	$25,444,727	**$129,956,089**
Service Stations	$298,702,306	$296,593,239	$244,361,358	**$839,656,903**
Leakage	($186,807,850)	($113,441,010)	($141,816,697)	**($442,065,557)**
All Other Retail Stores	$16,940,837	$14,238,243	$32,223,594	**$63,402,674**
Leakage	$220,602,706	$304,222,926	$146,078,865	**$670,904,497**
Auto Dealers and Supplies	$407,816,445	$50,633,875	$171,290,397	**$629,740,717**
Leakage	($199,077,951)	$298,898,463	$24,408,424	**$124,228,935**
Total Sales by Zone	**$1,414,730,918**	**$1,009,733,951**	**$831,735,164**	**$3,256,200,033**
Total Leakage by Zone	**($27,005,277)**	**$1,043,090,379**	**$317,615,718**	**$1,333,700,821**

Source: Strategic Economics, Conley Consulting Group, March 2008

Figure 1. Oakland Zone Map



Sources: California Resources Agency 2007, City of Oakland 2007, ESRI, Strategic Economics 2007

1. Zone 1

Demographics

This zone represents the northern and western parts of Oakland. In 2007, this area had a population of almost 123,000. Based on development applications on file in 2007-8, this zone has had and will continue to experience the largest amount of new housing development in the City (see Table 6). Between 2000 and 2007, 2,993 new housing units were completed or in the development process in Zone 1.

In 2007, the majority (69 percent) of households was renters; this zone has a higher proportion of renters than other parts of the city. Fewer than 22 percent of the households in this zone have children under the age of 18, a significantly lower percentage than the rest of the city. Given that this zone has few children, it is consistent that the median age (39.2 years) is older than the rest of the city. Similarly, the per capita income is 25 to 50 percent higher than the rest of the city and higher than the averages for both the state and Bay Area. Residents of this zone have high levels of education attainment, with more than half (52 percent) of the residents holding bachelor's degrees and 28 percent holding graduate degrees.

Expenditure Potential

Zone 1 includes Chinatown, Koreatown, Old Oakland, Temescal, Rockridge and Piedmont Avenue, and has eating and drinking establishments that attract workers and residents from throughout Oakland and beyond. The total non-auto retail sales for Zone 1 are nearly $1.2 billion. Total Expenditure potential for Zone 1 is estimated at $245 million for convenience goods and $308 million for comparison goods. However, eating and drinking sales exceed local expenditure potential by $44 million.

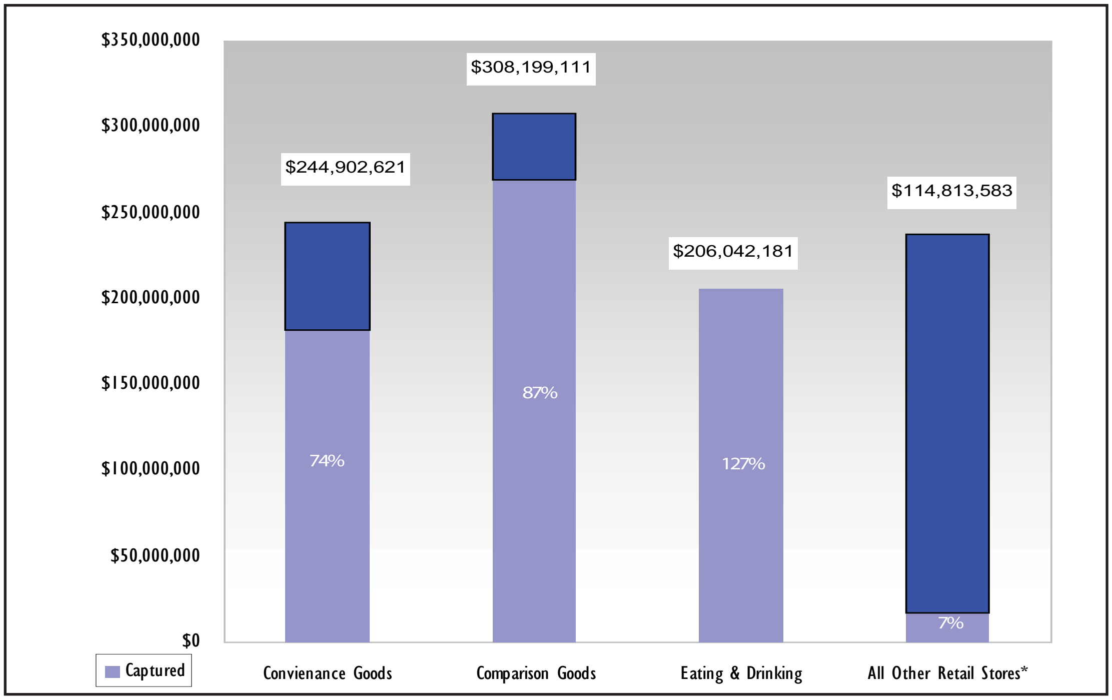
Zone 1 captures retail sales from other parts of the City and from non residents.

Leakage

Despite the strong performance in the food and beverage category and the large number of employees in this zone that represent additional sales potential, retail stores in Zone 1 still capture less than the comparison spending potential of area residents. At nearly $38 million a year, the resulting leakage would support an additional 141,000 SF of retail store space.

Zone 1 is somewhat underserved for Convenience Goods, with roughly 26 percent of sales potential in this category captured in 2006. Theoretically, another 141,000 square feet of additional grocery and drug store sales would capture the $63 million in grocery sales now exported elsewhere. However, it should be noted that 55,000 square feet of this theoretical supportable store area was provided by the Whole Foods market that opened in October 2007, after the sales performance data were collected.

Table 9. Zone 1 Total Expenditure Potential & Percent Captured



Source: Strategic Economics, Conley Consulting Group, January 2008

2. Zone 2

Demographics

Zone 2 has the City's largest and most diverse population base, and the largest sales leakage.

Zone 2 is in central Oakland and had an estimated 2007 population of 172,741. While this zone has had less new housing construction than Zone 1, 617 units were built in Zone 2 between 2000 and 2005. Almost 34 percent of the households in this zone have children under the age of 18 years old, a percentage that is equal to the citywide average rate but lower than both regional and statewide averages.

The median age in Zone 2 is 36.2 years, roughly the same as the nine-county Bay Area median age. While more than 31 percent of the residents in this zone have bachelor's degrees, nearly 28 percent do not have high school diplomas or GEDs. In Zone 2, 2007 per capita income was $26,092, similar to the per capita income for the state of California. This zone reflects Oakland's ethnic diversity: more than 46 percent of the residents of this zone over the age of five speak a language other than English at home.

Expenditure Potential

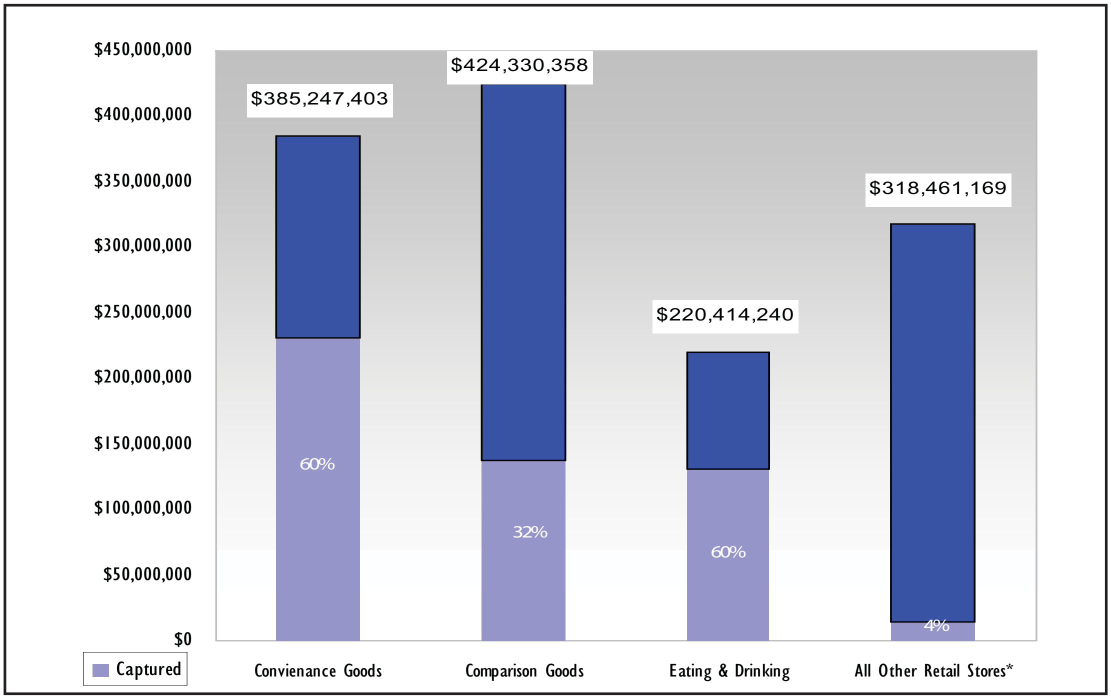
The Montclair, Grand Avenue, Lakeshore, Eastlake, Dimond, Laurel, and Fruitvale retail nodes are all in Zone 2. The total non-auto retail sales for Zone 2 are nearly $1.7 billion. Zone 2 residents have $385 million in convenience goods and $424 million in comparison goods expenditure potential. The Zone 2 expenditure potential for eating and drinking sales is $220 million.

Leakage

Convenience good sales fall short of the expenditure potential of Zone 2 residents, with stores capturing sales equal to 60 percent of expenditure potential. Sales in the eating and drinking category also equal about 60 percent of expenditure potential. Zone 2 has a larger population base and a higher expenditure potential than either Zones 1 or 3. This zone also has the greatest dollar leakage in convenience goods. The $154 million in leakage within the zone could theoretically support 1.3 million SF of additional store space.

It should be noted that 2006 sales data for Zone 2 do not include a full year of sales for new convenience good stores in this zone, including the Mi Pueblo grocery store in the High Street corridor or Farmer Joe's grocery on Fruitvale Avenue, Trader Joe's or Walgreens, both of which opened in 2007 in the Lakeshore district.

Table 10. Zone 3 Total Expenditure Potential & Percent Captured



Source: Strategic Economics, Conley Consulting Group, March 2008

3. Zone 3

Demographics

This zone is on the City’s eastern edge. The adjusted 2007 population was approximately 121,063. In this area, 630 housing units were built or started construction between 2000 and 2005. This zone has the highest rate of homeownership in the City, with almost 58 percent of the housing units being owner-occupied.

Educational attainment is lower for Zone 3 residents; only 19 percent of the residents over the age of 25 hold bachelor’s degrees, and over 30 percent do not have high school diplomas or GEDs. The median age in Zone 3 is roughly 33 and the estimated per capita income is $20,845. Approximately 46 percent of the households in this zone have children under the age of 18, higher than the California average of 40 percent and the nine-county Bay Area average of 35 percent. Given the higher representation of households with children, the zone has a larger average household size of roughly 3.18 persons per household.

Expenditure Potential

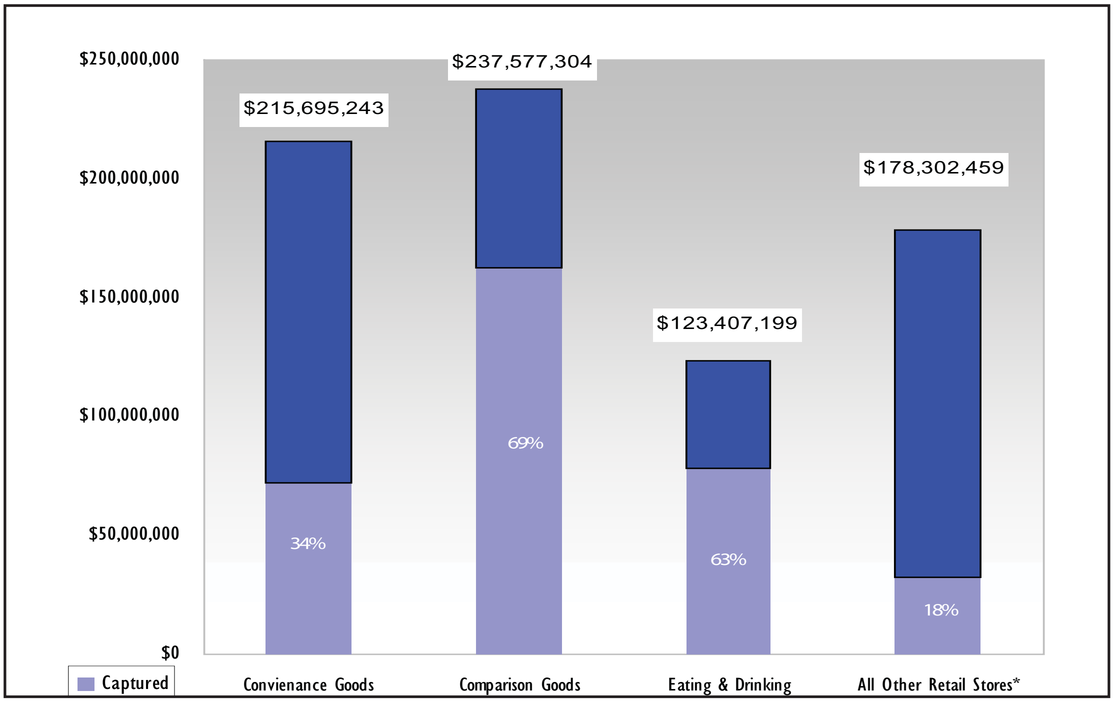
The total non-auto retail sales for Zone 3 are nearly $954 million. Zone 3 has a $216 million expenditure potential for convenience goods and $236 million for comparison goods. The expenditure potential for eating and drinking sales is $123 million.

Zone 3 has the largest proportion of expenditure potential lost as leakage, including most of the City’s $143 million in grocery store leakage.

Leakage

Convenience goods sales are only 34 percent of resident’s expenditure potential in Zone 3. The remaining 66 percent, or $143 million, of convenience goods sales that are not captured are presumed lost to grocery stores and drug stores in neighboring communities such as Alameda and San Leandro and possibly to corner grocery liquor stores and service stations, which often substitute when there is a shortage of supermarkets. Comparison goods sales are equal to nearly 70 percent of Zone 3’s resident expenditure potential. However, it must be noted that large portion of the comparison goods sales in this district are captured at Wal-Mart on I-880, which serves a regional trade area.

Table 11. Zone 3 Total Expenditure Potential & Percent Captured



Source: Strategic Economics, Conley Consulting Group, March 2008

III : PLANNED AND PROPOSED DEVELOPMENTS

As shown in **Table 12**, there are currently 160,000 SF of retail projects under construction, 245,000 SF of approved retail space, 377,000 SF of retail space in the planning stages, and 104,000 SF of recently completed major retail projects in Oakland.

Table 12. Planned Retail Development

MAJOR PROJECTS *
OAKLAND RETAIL ENHANCEMENT STRATEGY
2008

	Center Name	Location	Trade Area	Retail Potential	Available Retail Space (SF)	Street	Description
1	ForestCity Uptown Phase I	Uptown	Central District	Neighborhood-serving	9,000	Telegraph Avenue	Mixed-use 665 residential units over retail.
2	Leona Quarry			Neighborhood serving	10,000		545 housing units with 10,000 SF retail.
3	The Ellington	Jack London District			11,000	Broadway	
4	Jack London Square - Jack London Hall	Jack London District		Restaurants, food markets, food-related	130,000	Broadway/ Embarcadero	Jack London Hall will include restaurants, markets, cooking school, food/wine expo.
	Total SF				160,000		
Projects Approved							
1	Broadway/ Grand Parcel B	Broadway Auto Row	Central District	Restaurants, neighborhood-serving	22,000	Broadway	Mixed-use development 367 condos above 10,000 SF retail.
2	Wood Street	West Oakland	West	Neighborhood-serving	13,000	16th & Wood Streets	Mixed-use 1570 residential units, 1.4 acres public open space
3	Oak-to-9th	Estuary	Central City East	Grocery, shops	200,000		Largest space will be 30,000 SF slated for grocery; all other spaces will be 10,000 sf or less.
4	Jack London Square Phase II	Jack London District	Some areas are within Central District	Restaurants, specialty food and other stores	10,000		Waterfront redevelopment plan includes Harvest Hall (see below); 4-star 250-room hotel, office building, 1700-seat theater expansion, additional restaurants.
	Total SF				245,000		
Projects In Planning							
1	Fruitvale Gateway	Fruitvale		Neighborhood-serving	26,000		Mixed-use 810 residential units 26,000 sf commercial.
2	Coliseum Transit Village	Coliseum Area			25,000	San Leandro Street & 71st Avenue	Mixed-use TOD project adjacent to Oakland Coliseum complex. Will have 600-800 housing units.
3	Foothill Square	106th Ave. at I-580	Central City East	Community center	70,000	MacArthur Blvd.	Community shopping center, propose4d expansion 10 180,000 SF.
4	ForestCity Uptown Phase II	Uptown	Central District	Neighborhood-serving	20,000	Telegraph Avenue	Mixed-use 370 residential units + commercial.
5	Hills Elmhurst Plaza				34,000	94th-96th International Blvd	Mixed-use 360 senior units + retail space.
6	MacArthur Transit Village	Temescal		Supermarket, neighborhood-serving	30,000	Telegraph/ 40th Street/ MacArthur	Mixed-use TOD will include 500-800 mixed-income units and neighborhood-serving retail.
7	Oak Knoll Town Center	Central City East		High end market/ drug anchored center	80,000	I-580 at Keller Road	High end neighborhood commerical site.
8	Coliseum Shopping Center	Hegenberger Gateway/ Coliseum		Apparel, sporting goods, hardware, restaurants, drug store	162,000	I-880/ Hegenberger Road	Former Home Base site. Opportunity for major center, excellent on/off and visibility from I-880.
	Total SF				447,000		
Recently Completed Major Retail Projects							
1	Center 21	Uptown	Central District		15,000	Franklin Street	675,00 sf Class A office space and 15,000 new retail space.
2	Mandela Gateway	West Oakland	West	Neighborhood Serving	15,000	7th Street	Includes 168 apartments and ground floor retail, adjacent to BART.
3	Cox Cadillac/Whole Foods	Adams Point		Neighborhood Serving	56,000	Harrison/Bay Place	
4	Broadway/Grand Parcel A	Broadway Auto Row	Central District	Restaurants, neighborhood-serving	18,000	Broadway	Mixed-use development 132 condos above 20,000 SF retail.
			total		104,000		

* major projects are defined as containing retail spaces greater than 10,000 SF

Source: Conley Consulting Group. City of Oakland, March 2008

IV : FIFTY-THREE EXISTING RETAIL NODES

To understand how the City's retail sector now functions, concentrations or "nodes" of retail activity were identified citywide, using the City Council's already-identified 18 retail districts below Highway 13 as starting points. Areas that are envisioned for future retail development, such as Oak to Ninth and Upper Broadway were not included in this analysis.

A. Methodology

In April 2007, the consultant team surveyed the entire City to identify current hubs of retail activity. The survey included a driving tour as well as detailed field and photographic documentation of the entire City. A photographic record of just over 1,200 digital photographs documented current physical conditions in the nodes.

The 53 nodes are based on current conditions, and do not include areas not currently developed for retail.

In consultation with City staff, the team identified 53 existing clusters of retail in Oakland (see **Figure 2**). The nodes are based solely on existing conditions and do not necessarily conform to the nodes designated as retail in the City's 1998 General Plan. **Figure 2** shows the locations of the 53 identified nodes in relation to the 18 retail districts originally identified by the City Council in January 2006.

Sales tax data were geocoded or spatially assigned to a location based on the business address. The consultant team analyzed store-by-store sales tax data over a 10-year period from 1996 to 2006. The purpose of the sales tax analysis was to measure performance among different retail nodes in the city, identify leakage in different areas of the city, and use this information to develop strategies for enhancing retail where there is additional potential.

The nodes are very different from each other. Successful nodes are as different from each other as they are from poorly performing nodes.

While most of the nodes primarily serve the surrounding residential neighborhoods, some of the nodes serve a market that extends citywide or even beyond the City boundaries. Analysis revealed that the nodes vary significantly in terms of performance and retail functions served (see **Figure 3**). Nodes widely thought to be successful as retail locations are as likely to differ from one another as are poorly performing retail nodes from successful ones.

Non-node retail was also examined. The consultant team analyzed what percentage of all retail sales was outside of a defined node, what types of businesses made up this non-node retail, and how many of these businesses had high total sales.

Since The Retail Enhancement Strategy to reduce leakage is focused on retail, the consultant team excluded non-retail sales tax generators such as those selling chemical products, electronic equipment, and industrial equipment, as well as sales by non-profit and government organizations. **Table 13** shows the list of business types that were included. In addition, automotive sales were excluded from the node performance data. The analysis was organized by geography, by retail category, and by total sales levels.[1]

[1]State Board of Equalization Regulation research designed to protect data confidentiality has been followed in this analysis.

Figure 2. Oakland Neighborhood Nodes

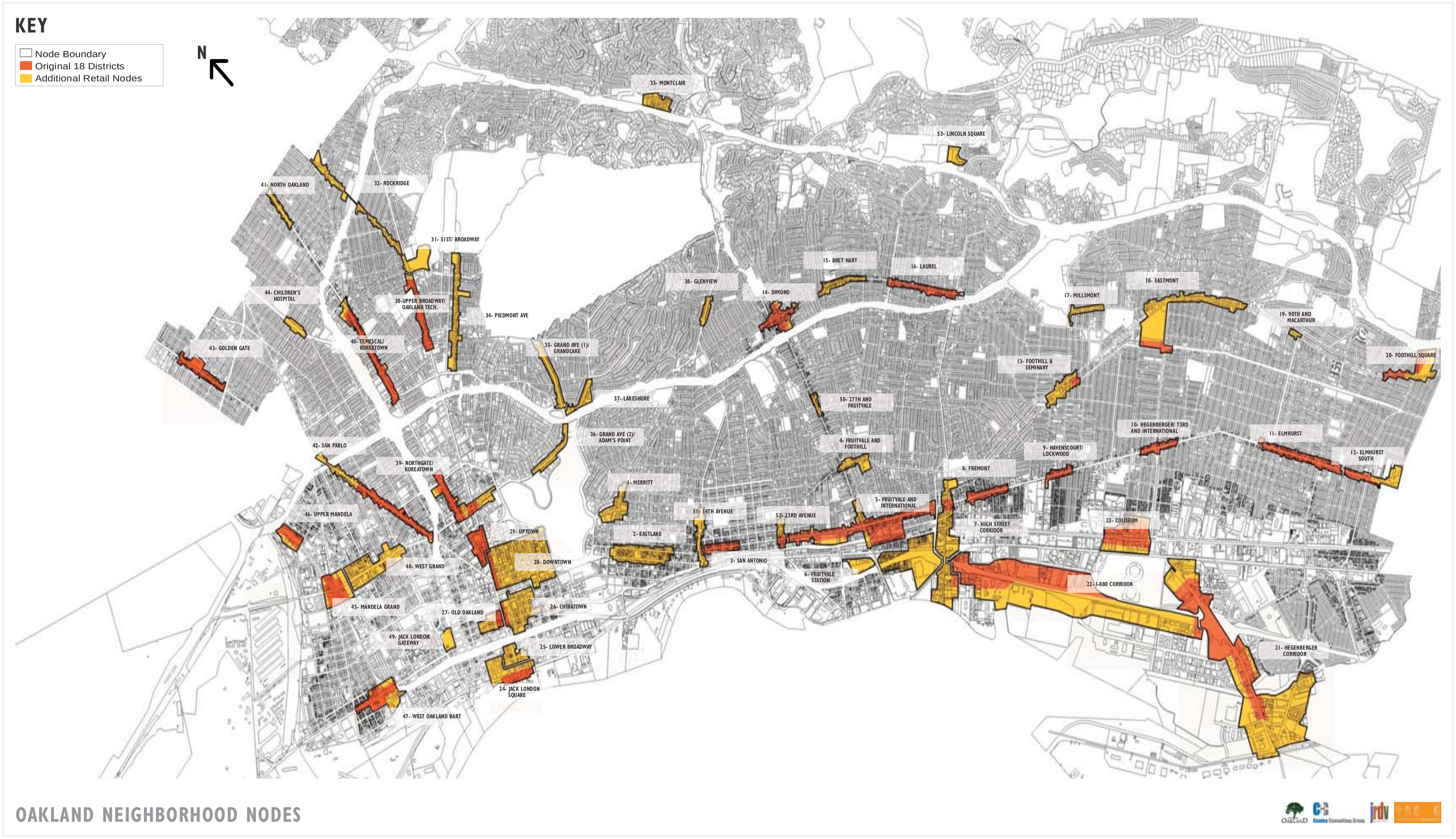


Table 13. Retail Category Classifications

Comparison Goods
- Women's Apparel
- Men's Apparel
- Family Apparel
- Shoe Stores
- Variety stores
- Department stores
- Discount department stores
- General Merchandise
- Art/Gift/Novelty Stores
- Sporting Goods/Bike Stores
- Florist Shops
- Music Stores
- Stationery/Book Stores
- Jewelry Stores
- Specialty Stores
- Home Furnishings
- Electronics/Appliance Stores

Convenience Goods
- Food stores non-grocery
- Package Liquor Stores
- Drug Stores
- Grocery stores beer/wine
- Grocery stores liquor
- Hardware stores

Eating and Drinking
- Restaurants No Alcohol
- Restaurants Beer And Wine
- Restaurants Liquor

All Other Retail Stores
- Newspaper stands
- Specialty Foods
- Cigar stores
- Second-hand stores
- Garden/agricultural supplies
- Wineries
- Clubs/amusement places
- Office equipment
- Textiles/furnishings

Source: Conley Consulting Group

B. Characteristics of Nodes with Sales over $10 Million vs. Nodes with Sales under $10 Million

The 53 nodes identified by the consultant team represent areas of existing retail activity. The consultant team analyzed performance and business mix in each retail node and assigned each node to an implementation category based on its retail mix, performance, input from City staff, physical characteristics, and opportunities for improvement (see **Figure 3**). The nodes were divided first into two categories: nodes with total sales over $10 million (large nodes) and nodes with sales under $10 million (small nodes). The larger category has nodes that are primarily region-serving and the smaller category has primarily neighborhood-serving nodes.

All of the nodes were then organized by retail mix in the following categories: more than 40 percent convenience, more than 40 percent comparison, more than 40 percent eating and drinking, and other. The retail mix was used as a factor to categorize the nodes in the implementation matrix.

Small nodes have less the $10 million in sales, lower sales per store, and sales are usually concentrated in convenience goods.

Compared to the small nodes, more large nodes had high (above 40 percent) concentrations of comparison goods. Conversely, compared to large nodes, more small nodes had high concentrations of convenience goods. Large nodes performed better in terms of average sales per establishment. Average sales per establishment among all large nodes were 36.4 percent higher than the citywide average and average sales per establishment among all small nodes were 25.6 percent lower than the citywide average.

Large nodes had higher average sales per store and more large nodes have concentrations of comparison good sales.

Sixty-one percent of all sales in the city are concentrated in large nodes, while only six percent of all sales are generated in small nodes. Large nodes contained 44.5 percent of all establishments, while small nodes contained 7.9 percent.

C. Retail Sales Outside of Nodes

Most sales outside of the nodes were from large businesses that don't depend on location to attract customers.

The consultant team examined the characteristics of retail sales in the 53 nodes as well the characteristics of retail outside of those nodes in an effort to measure sales performance across the city, identify leakage, and determine appropriate strategies for recapturing that leakage. Non-node sales in the City of Oakland represent one-third of total sales and almost one-half of all retail establishments. However, large ($1 million+ in sales) retailers generate 86.5 percent of non-node sales, suggesting that these businesses are successful regardless of place.

The consultant team concluded that the retail strategy should have a two-fold approach. First, the node-based retail approach will include placemaking as a key strategy for improving sales performance and therefore reducing leakage. Second, the non-node retail approach will focus on retail attraction of large-format stores to help reduce leakage.

D. Large Sales Generators

1/3 of Oakland's top retail sales generators are independent retailers.

The analysis identified the following top 25 sales generators in the City of Oakland, listed below in alphabetical order by category.

Independent Retailers

Continuing Education of the Bar
Economy Lumber
Jetro Cash & Carry
Piedmont Grocery
Quik Stop Market
Sincere Plumbing & Hardware
Supermercado Mi Tierra
Westside Building Material

Multi Store Retailers

7 Eleven
Albertsons/Lucky
Best Buy
Burger King
Grocery Outlet
Home Depot
KFC
Longs
McDonald's
Oakland Coliseum
Ogden Allied Leisure Service
Safeway
Save Mart Supermarkets, dba Lucky
Sears
Smart & Final
Wal-Mart
Walgreens

Sales Reporting Problems

Chain Retailers
Most chain retailers aggregate sales for all retail locations within a city. Data available for this analysis divides total sales by the number of establishments. Actual sales at any given location might be significantly higher or lower than the average sales, but this data is not available.

Missing Data
Entries had a variety of missing fields that prevented the consultant team from incorporating the data in the analysis. Entries with no address or no sales tax information were deleted.

Duplicates
Several businesses were assigned different account numbers over the 10-year period, even though they were the same business operating at the same location. Different account numbers are sometimes assigned when a business changes ownership or is re-categorized according to the State Board of Equalization criteria. For example, a restaurant that is permitted to sell beer and wine is in a different category from a restaurant that is permitted to sell liquor. So, if a restaurant that currently sells only beer and wine applies for a liquor license, it may be assigned a different account number as well as a new code.

Some duplicates were the result of inconsistent nomenclature. Over the 10-year period, the same business was sometimes renamed using a different spelling. For example a business named "¼ lb Giant Burger" was alternately named "1/4 Giant Burger," and "1/4 lb Giant Burger" in the database. For these analyses, duplicates were combined under a common name.

One-third of the top 25 sales generators are independent retailers, suggesting that Oakland has a broad mix of both top-performing chain and independent retailers. A significant number in each category and in the overall list are grocery-related retailers; one-third of the top 25 and half of the independent retailers are grocery-related. The list also includes five building supply companies, three fast-food franchises, two general-merchandise stores, and two pharmacies. It should be noted that data on sales were aggregated for chain outlets and allocated to each store in the chain on strictly a mathematical average basis. Therefore, individual store performance is not reflected in these data.

V : NODE CLASSIFICATION SYSTEM

After identifying the 53 nodes, the team created a node classification system based on the current performance and future potential of the retail concentration. What follows are the node “types” on which final classification of the nodes was based.

A. Node Sorting Criteria

As shown in **Figure 3**, the consultant team sorted nodes into various categories based on the following criteria:

- *Retail Functions Served*: Some of the nodes are classified based on the types of retail good(s) sold in the area. These include “Grocery,” “Grocery + Restaurant,” “Grocery, Restaurant + Comparison,” “Entertainment,” “Box Comparison” and “Non-Retail.” (See further explanation under “B. Retail Function Categories” below.)

- *Trade Area Served*: Other nodes are better categorized by the areas from which they attract sales support, as opposed to the dominant goods category sold. Those classified using this criterion fall into the “Small Neighborhood” category (those catering to the immediate residential area) or “Homebound Intercept” category (those serving homebound commuters from a broader range of trip origins).

- *Strategic Actions*: All of the nodes, regardless of function or trade type, were evaluated by consultants and staff to determine the optimal future strategic direction. The nodes were categorized into four types of strategic directions. In those nodes labeled “Expand,” it is believed that there is potential for improvement through additional new retail development or physical expansion of the node. In nodes designated “Reposition,” optimizing market performance will require revising the tenant mix and providing complementary physical upgrades. Nodes in the “Improve” category will be optimized by improving the performance of the existing retail network. Finally, for those nodes labeled “Functioning Well,” while there may be opportunities for improvement or problems to be solved, these relatively strong districts should not be top priorities in the retail enhancement strategy.

B. Retail Function Categories

The retail function categories listed in **Figure 3** can be further described as follows:

- *Small Neighborhood*: This type of retail node serves primarily the immediate (**small) neighborhood** only, primarily for convenience goods.

- *Grocery*: This type of retail node serves the immediate neighborhood, primarily for convenience goods and includes a **grocery** store. It can support a larger trade area than the “Small Neighborhood” category.

- *Grocery + Restaurant:* This type of retail node provides **convenience** goods, **grocery** and sit-down **restaurant**(s) for a slightly larger trade area than the “Grocery” category.

- *Grocery, Restaurant + Comparison:* This type of retail node serves a trade area equal to or larger than that served by the “Grocery + Restaurant” category and provides a combination of **convenience**, **grocery,** sit-down **restaurant** and **comparison** goods.

- *Entertainment:* This category of retail node includes **entertainment** outlets patronized residents from throughout the region and/or nearby employees.

- *Box Comparison:* This category of retail node is patronized by residents of a regional trade area (two miles or more) and includes large-format or big-box **comparison** retail.

- *Homebound Intercept:* This category includes retail primarily patronized by residents on the **homebound** leg of their daily commute to work. While stores in this category typically focus on selling convenience goods, significant comparison goods sales are also possible at these locations. The Trade Area is determined by major roadway and commute patterns and can be larger than typical for the type of store featured.

- *Non-Retail:* The non-retail category includes areas with insufficient critical mass of any particular type of retail.

Figure 3. Oakland Neighborhood Nodes Matrix

	FUNCTIONING WELL	IMPROVE	EXPAND	REPOSITION
SMALL NEIGHBORHOOD	38- GLENVIEW; 4- FRUITVALE AND FOOTHILL	3- SAN ANTONIO; 36- GRAND AVE (2)/ ADAMS POINT; 47- WEST OAKLAND BART; 13- FOOTHILL & SEMINARY; 46- UPPER MANDELA; 9- HAVENSCOURT/ LOCKWOOD; 15- BRET HART; 41- NORTH OAKLAND; 44- CHILDREN'S HOSPITAL	43- GOLDEN GATE; 17- MILLSMONT; 30- UPPER BROADWAY/ OAKLAND TECH.; 52- 23RD AVENUE	25- LOWER BROADWAY; 42- SAN PABLO; 11- ELMHURST
GROCERY				
GROCERY + RESTAURANT		35- GRAND AVE (1)/ GRAND LAKE; 1- MERRITT; 49- JACK LONDON GATEWAY; 14- DIMOND; 8- FREMONT; 53- LINCOLN SQUARE; 26- CHINATOWN	39- NORTHGATE/ KOREATOWN	16- LAUREL; 20- FOOTHILL SQUARE
GROCERY, RESTAURANT + COMPARISON	32- ROCKRIDGE; 34- PIEDMONT AVE; 33- MONTCLAIR; 37- LAKESHORE	18- EASTMONT; 2- EASTLAKE; 5- FRUITVALE AND INTERNATIONAL; 6- FRUITVALE STATION	40- TEMESCAL/ KOREATOWN	31- 51ST/ BROADWAY
ENTERTAINMENT	27- OLD OAKLAND		28- DOWNTOWN	29- UPTOWN; 24- JACK LONDON SQUARE
BOX COMPARISON		21- HEGENBERGER CORRIDOR	12- ELMHURST SOUTH	7- HIGH ST CORRIDOR; 23- COLISEUM; 22- I-880 CORRIDOR
HOMEBOUND INTERCEPT		50- 27TH AND FRUITVALE	51- 14TH AVENUE	10- HEGENBERGER/73RD AND INTERNATIONAL; 45- MANDELA GRAND
NON-RETAIL		19- 90TH AND MACARTHUR		48- WEST GRAND

OAKLAND NEIGHBORHOOD NODES MATRIX

NODE — Staff Recommendations; Comparison Goods leakage Reversal Potential

City of Oakland · Conley Consulting Group · jrdv architects · Strategic Economics

VI : RETAIL ENHANCEMENT POTENTIAL

As will be described in more detail in the next report, Oakland's strategic opportunity to enhance its retail sector is as follows:

- Fill in missing segments of the City's retail sector,
    - Recapture the comparison goods sales potential of its residents with a variety of comparison goods shopping opportunities
    - Improve the supply of quality food stores in the underserved areas of the City
    - After local needs are met, focus on providing regional serving retail at key locations like Jack London Square,
- Develop strong neighborhoods were retail can thrive
- Expand opportunities for local retail entrepreneurs
- Create an employment resource for Oakland residents

VII : DETAILED CASE STUDIES

In an effort to find the most appropriate case studies for retail revitalization in Oakland, Strategic Economics initially investigated 13 brief case studies of retail development. Six case studies were chosen by the city staff for in-depth research based on their market similarities to Oakland and Oakland's retail districts.

The case studies are organized into three topic areas: Target stores in urban locations, street retail or neighborhood business district revitalization, and lifestyle centers with and without department store anchors. Factors considered in selecting these case study projects include trade area demographic characteristics, available parcel size, scale of the project (square feet of retail), financing method, land assembly required, tenant mix and involvement by the local jurisdiction.

Target Stores in Urban Locations
Dearborn Street, Seattle, WA
Peterson Avenue, Chicago, IL

Street Retail
Washington Gateway, Boston, MA
Salvio Pacheco Square, Concord, CA

Lifestyle Centers
Paseo Colorado, Pasadena, CA
West Hollywood Gateway, West Hollywood, CA

A. Target Stores in Urban Locations

Big-box stores like Target, typically located in suburban areas, have large footprints to accommodate both the store (50,000+ square feet) and adequate parking. Lots large enough to accommodate these stores are usually not available in urban areas such as Oakland. As big-box retailers have started to become aware of the buying power in urban markets, they have created urban format stores to fit on smaller lots and blend into the urban framework. Urban format stores typically have two or more stories and underground parking garages and are constructed up to the sidewalk or lot line.

1. Dearborn Street Target – Seattle, Washington

The Dearborn Street Target will be located at the intersection of Rainier Avenue and Dearborn Street bordering Seattle's International District. This district, located south of downtown, is a neighborhood that is historically more diverse and has a lower median income than average for the City of Seattle.

The site's size and proximity to downtown were major incentives for Target and Lowe's, two of the project's anchors. Continued high-density residential construction in downtown Seattle will increase the population within Target's trade area. However, this construction boom is also limiting available development sites within the city and sites of this size are becoming scarce. As a discount retailer popular among urbanites, Target is well-suited to the neighborhood's existing and future residents.

There are 150,761 people in the project's three-mile trade area, which has a per capita income of $35,443. The trade-area population is 58 percent Caucasian, 17 percent African-American and 16 percent Asian, representing higher concentrations of African-American and Asian residents than Seattle overall.

The Dearborn Street project plans show a mixed-use development anchored by an urban format Target,[2] Lowe's, and Goodwill for a total of 750,000 square feet, including 600,000 square feet of retail. In addition to the three anchors, the development will include small-format retail stores, 2,000 to 2,300 underground parking spaces, and 500 to 600 residential units. One hundred residential units are reserved for low-income seniors and another 100 units are reserved for workforce housing. Target will occupy two floors of a six-floor structure with parking below and housing above. Darrell Vange of TRF Pacific LLC, whose local partner is Ravenhurst Development, is developing the project in partnership with the Seattle Housing Authority. The project is located on an existing 10-acre Goodwill site that has been sold to Ravenhurst Development.


PROPOSED GOODWILL DEVELOPMENT

Dearborn Street Developers LLC and the Seattle Housing Authority on Wednesday announced a public-private partnership to transform the 10-acre Seattle Goodwill site into a multistory, mixed-use project.

STREETS THAT COULD BE VACATED:

Corwin Place S.: Currently dead-ends in the Goodwill parking lot. Developers want to extend the street north to Weller St.

S. Lane Street: Currently dead-ends on Goodwill property. Developers propose to extend the street east to connect with Rainier Ave. S.

This architectural rendering shows the proposed development with S. Dearborn St. in the foreground, looking north along Corwin Place S.

Source: Dearborn Street Developers LLC SEATTLE P-I

The International District has recently added an upscale high-density condominium project, increasing the potential for future development in the area. Rainier Avenue, a light-industrial corridor lined with distribution facilities and fast-food restaurants, also borders the Dearborn Street project. North of the project area at the intersection of Rainier Avenue and Jackson Street there is a concentration of strip retail centers. New development in the surrounding neighborhood is primarily mixed-use and multi-family residential, adding diversity to existing single-family neighborhoods. The reinvestment and redevelopment the neighborhoods are experiencing have the potential to increase the overall density of development.

The Dearborn Street site is also close to Interstate 5, increasing store access beyond the immediate trade area. Target agreed to locate in the development without an incentive package and with significantly reduced parking ratios due to the company's desire to find a suitable urban location in the Seattle area. While the project has yet

[2] An urban format Target refers to stores that are multi-level and are generally built to the sidewalk or as a part of a mixed-use development. The store's square footage remains similar to standard big-box stores, but the layout of the store is denser reflecting the store's more urban surroundings.

to be approved, the site is ready for redevelopment, with the condition that the City must rezone the land to support neighborhood commercial uses.

TRF Pacific LLC and Ravenhurst Development partially financed the project with federal New Market Tax Credits, available through the Seattle Housing Authority. The tax credit program permits taxpayers to receive a credit—up to 39 percent of total contribution—against federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs) for the purpose of funding redevelopment in low-income areas. The Seattle Housing Authority is a designated CDE and a valuable development partner.

2. Peterson Avenue – Chicago, Illinois

Target did not get an incentive package.

Target built its sixth Chicago-area store on Peterson Avenue in Rogers Park on Chicago's north side. Rogers Park is located 10 miles from the Loop in northeast Chicago and has an ethnic and racial distribution that reflects the City's population. The Rogers Park Target store is a two-story, LEED-certified building with a green roof located on US Route 14. It is bordered on three sides by residential neighborhoods and on the fourth by a cemetery.

The Target store is LEED certified and 50 percent of the roof area is "green"

Target was attracted to the site because of the neighborhood's diverse population, its large trade-area population and its location within the City. The three-mile trade area of the Peterson Avenue Target has nearly 450,000 people and a per capita income of $24,736 that is slightly higher than the citywide per capita income. The site is within the West Ridge/Peterson Avenue tax increment financing district that allowed the developer to use tax increment financing. The City of Chicago provided $4.6 million for the project's development through tax increment financing.

The two-story store is located on 6.4 acres and is built up to the sidewalk. The store's first floor is 500 parking spaces built under the store retail space. The store is 160,000 SF on two floors. Target Corporation developed the project for $42.5 million, $4.6 million of which was paid for by the City's tax increment financing subsidies.

Chicago's aggressive green roof program included a conditional funding agreement and resulted in the country's first LEED-certified Target Store. The City of Chicago requires 75 percent of commercial building roofs to be green, with reductions if the building is LEED-certified. Target built a LEED-certified building with a green roof covering 50 percent of the building's total roof area.

B. Street Retail

Street retail is the type of retail found in neighborhood shopping districts. These districts usually contain a mix of chain and local merchants carrying predominantly neighborhood-serving goods. Street retail districts vary in size depending on the population within the trade area. Building types range from single-story commercial buildings to several-story mixed-use buildings.

1. Washington Gateway – Boston, Massachusetts

Washington Gateway exemplifies neighborhood revitalization following the National Trust for Historic Preservation Main Street model of incremental change with sensitivity to historic structures and community organizing. Washington Street is a traditional business district in the South End and Lower Roxbury neighborhoods of Boston that experienced extensive urban renewal in the 1960s and 1970's and had significantly deteriorated since that time. In the early 1990s, neighborhood organizations joined to discuss revitalization strategies. Together with the City of Boston and the support of Mayor Menino, a 28-person action group was formed to guide neighborhood redevelopment. In 1997, the street won Main Street designation and a non-profit, Washington Gateway Main Street (WGMS), was established to facilitate new development on vacant sites and to create design guidelines and streetscape improvement, traffic, and parking plans. WGMS has been instrumental in the neighborhood transformation that has taken place over the last decade.

First, WGMS worked with the City to rezone parts of Washington Street from light industrial to a neighborhood redevelopment area and recruited local developers to stabilize historic structures. Once momentum was established, the neighborhood has experienced continuous investment and redevelopment activity.

Since its establishment, WGMS has attracted $520 million of public and private investment to the neighborhood and has added more than 160,000 SF of retail, more than doubling the neighborhood's existing commercial core. In 10 years the neighborhood has added 55 new businesses and nearly 500 jobs and the area's retail has become one contiguous district. WGMS successfully advocated for bus rapid transit service to the neighborhood. Since its addition, the South End and Lower Roxbury have benefited from their strengthened connection to downtown Boston.

WGMS continues to guide local redevelopment on many levels. Today WGMS promotes the neighborhood and supports economic development activities through its sponsorship of community activities. The non-profit actively works on retail composition, recruiting retailers, maintaining relationships with existing retailers, and providing funding for façade improvements. In addition, the organization seeks out appropriate developers for ongoing neighborhood development projects.

WGMS approach to redevelopment is governed by a strong desire to maintain the racial and economic diversity of the area. WGMS aided in the protection of Don Quijote Market, an existing business that served low-income and minority residents, by helping the owner get a long-term lease from the Boston Housing Authority and financing and technical assistance for expansion through the Boston Local Development Corporation. Additionally, WGMS gave the market a façade grant that also helped fund the expansion. WGMS also saw to it that 1,094 (63%) of the 1,734 new housing units constructed since 1997 were affordable.

Washington Gateway offers an example of a neighborhood transformation that combined an emphasis on historic preservation, neighborhood design, and social equity to create an economically vibrant place. WGMS organization was the organizing and advocacy force behind this neighborhood's dramatic transformation.

2. Salvio Pacheco Square – Concord, California

Salvio Pacheco Square is one component of the City of Concord's effort to knit together its sprawling downtown. The site, located near a BART station, creates both a vibrant retail and office district and a residential transit village. Before the redevelopment of Salvio Pacheco Square, the surrounding area was best known for its concentration of office buildings. City plans called for a large-scale transit village around the BART station, but developers lacked interest in the area. The goal for the redevelopment of this area was to enhance the existing retail district and encourage high- and medium-density residential development in the area near the BART station.

Starting in 1994, the City contributed funds totaling $3.3 million to renovate the adjacent, historic Todos Santos Plaza. In 1997, the Brendan Theater, a key anchor, was added. The addition of the theatre brought an evening crowd to the square that began the area's first noticeable revitalization. In addition to these physical redevelopment efforts, the City also embarked on a new marketing strategy for the downtown district which includes hosting weekly music festivals, farmers markets, and other events in the square, as well as educating retailers about the demographics and buying power of Concord residents. These efforts helped the property owner of Salvio Pacheco Square, JMC Properties, see the potential of the property and ultimately resulted in an agreement between the property owner and the redevelopment agency to jointly fund streetscape improvements for the square. The redevelopment agency contributed over $200,000 toward streetscape improvements that included widening the sidewalk on Salvio Street and constructing a mid-way crossing across Salvio Street linking the project to Todos Santos Plaza. The property owner also hired Main Street Property Services, a retail brokerage and a property management company specializing in downtown retail, and SZFM Architects to advise on façade improvements and create a re-tenanting strategy. These efforts helped to solidify and reinvigorate the area's retail district.

The re-tenanting strategy's primary focus was to attract tenants that would increase foot traffic in the square by appealing to downtown employees and theater patrons. The plan also focused on leasing smaller retail spaces to unique retailers not found in strip retail centers. The project includes second- and third-story office space that creates a daytime market for retailers. High-density housing development then followed in the surrounding neighborhood and the first significant development was built in 2003.

The Legacy Park Central Apartments were constructed adjacent to the BART station and several other residential housing developments have followed. While ownership units are still under construction, rental units in the neighborhood are commanding rents of $1.65 a square foot. The addition of residents in downtown Concord has served as a major catalyst for development in the area. While high-density housing was called for in the City's general plan, limited market demand for the housing existed before the investment in Todos Santos Plaza and the resulting redevelopment of Salvio Pacheco Square created a destination in Concord's downtown. Since the successful redevelopment of Salvio Pacheco Square, developers have recognized downtown Concord's development potential and significant private investment is occurring. The City of Concord has re-examined its master plan to account for newfound residential and commercial demand.

C. Lifestyle Centers

Lifestyle centers are large-format, pedestrian-oriented retail destinations. They are found in both urban and suburban locations and typically contain national retailers and restaurants. They are a recent trend in retail development and a clear departure from malls. Lifestyle centers are frequently outdoors and mimic large downtown shopping districts. They are considered at the forefront of retail development for their ability to attract large numbers of shoppers who want a pedestrian-friendly retail environment with national chains.

1. Paseo Colorado – Pasadena, California

Paseo Colorado is large-scale, mixed-use lifestyle center with 566,000 square feet of retail and 391 luxury apartments located on a three-block parcel of nearly 9 acres in Pasadena, California. The project is sited on the parcel once inhabited by Pasadena Plaza on Colorado Boulevard in Old Town Pasadena. Colorado Boulevard has many historically significant buildings and had undergone many transformations before the addition of Paseo Colorado. In the early part of the 20th century the strip was Pasadena's commercial core. The street was significantly widened in 1929 and existing stores were truncated to allow the street widening. Retailers lost square footage and added new facades. The result was an Art Deco commercial corridor characterized by small retailers. The thriving retail district suffered a tremendous blow after the stock market crashed in 1929 and the street deteriorated. By the 1970s Colorado Boulevard had become a retail slum overrun by vacant, boarded-up buildings and much of the area was slated for redevelopment. Pasadena's redevelopment agency cleared three city blocks for the construction of an enclosed shopping mall, the Pasadena Plaza.

New office construction followed the Pasadena Plaza, causing ripples of dissatisfaction from residents. In 1978 the City published the Plan for Old Pasadena, outlining a strategy for commercial redevelopment. The City was successful in listing several blocks of Old Pasadena on the National Register of Historic Places, but significant reinvestment did not occur until the City enacted two progressive parking strategies. Despite merchants' fears that parking fees would scare off customers, the City created a parking meter zone that placed meters on major streets in Old Town Pasadena and used all revenue generated to finance public improvements in the neighborhood. In addition, the City prohibited private parking facilities and implemented standardized parking rates in Old Town Pasadena. The City then designated Old Town Pasadena as a redevelopment project area and issued bonds totaling approximately $21 million to finance the construction of three public parking facilities. Design guidelines for public parking facilities were created that mandated ground-floor retail to help maintain the commercial district's retail continuity. The City also enacted a minimal fee in lieu of meeting parking requirements that eliminated the development barrier of off-street parking requirements.

The three City garages were completed in 1986 and 1987 and provided 2,300 parking spaces for the neighborhood's merchants. Without the construction of these garages, the City would not have been able to wave the parking requirements without major repercussions. The City of Pasadena's participation in providing parking for Old Town merchants was a key component of Pasadena's parking strategy and successful retail revitalization. The parking strategies were enormously successful and are responsible for generating the money for necessary streetscape improvements and creating a climate for redevelopment.

Between 1989 and 1999, Old Town Pasadena's street retail sales tax revenues grew exponentially as a result of the parking policies, while Pasadena Plaza's revenues dropped and eventually flat-lined. TrizecHahn Corporation purchased the mall in 1997 for the purposes of redevelopment and Pasadena Plaza was closed in 1999. Residents of Pasadena cheered the closing of the mall that many considered a blight and were eager to embrace an open-air retail model with street frontages. TrizecHahn Corporation proposed Paseo Colorado in 1998 and received a unanimous approval. TrizecHahn Corporation partnered with Post Properties, who developed the project's residential component.
Funding for the $200 million project was primarily private, although the City of Pasadena issued a $26 million bond to pay for the project's underground garage and satellite parking facilities.

Macy's, Pacific Theatres, Gelson's Grocery, Designer Shoe Warehouse, Lehmann's, and Equinox anchor the lifestyle center, along with 55 smaller retail tenants. Paseo Colorado benefits from its location on Colorado Boulevard and its large affluent trade-area population. Since the project's completion, the project has changed hands and is now owned and operated by Cleveland-based Diversified Realty.

2. West Hollywood Gateway – West Hollywood, California

The West Hollywood Gateway project broke ground in 2002 on the heels of the redevelopment of Santa Monica Boulevard. The Santa Monica Boulevard redevelopment was a $34 million streetscape improvement effort made possible by the boulevard's three-mile-long redevelopment zone designation.

The West Hollywood Gateway project's location in the Santa Monica Boulevard redevelopment zone allowed it to receive redevelopment dollars to fund the project. In addition, the West Hollywood visioning plan, which names the site as one of two major retail anchors in the Santa Monica Boulevard area, increased the project's visibility and gave it priority funding. The economic condition of the corridor before its redevelopment and the negative economic impacts of September 11th increased the project's importance. In

2002 the West Hollywood Gateway project was viewed as a catalytic development for the corridor as a whole.

The West Hollywood Gateway is a 250,000 SF retail development anchored by Target and Best Buy. The City of West Hollywood assembled the site, performed the environmental impact review, and paid for soil remediation. In addition, the City requested $8 million in Section 8 loan guaranteed funds and $2 million in Brownfield Economic Development Initiative Funds for the project. J.H. Snyder and Company developed the project around the neighborhood's historic Formosa Café that remains a neighborhood fixture. Eighteen diverse restaurants and retailers inhabit the West Hollywood Gateway, including Starbucks, Baja Fresh, Daphne's Greek Café, EB Games, Beverages and More!, Ben & Jerry's, Happy Nails, Jamba Juice, Motherhood Maternity, Pomodoro Cucina Italiana, Payless Shoes, Silver Connection, Ulta Cosmetics, Zeke's Smokehouse, and Cingular Wireless. The project includes a 1,000-space, two-story underground parking garage.

The project is situated on a 5 acre lot, achieving a density not currently seen on Santa Monica Boulevard. The project's density and the resulting architecture were feasible at this location because of the surrounding trade area, the City of West Hollywood, and the increasing regularity of urban format big-box retail. The West Hollywood Gateway project has a five-mile trade-area population of over one million people. These residents create a large demand for goods and services from big-box retailers that is largely unmet due to West Hollywood's urban surroundings. Urban store locations generally have greater revenue potential than suburban stores, but are far less common. Lot sizes required for standard big-box developments are not typically available in urban areas where new market demand is growing. Big-box retailers, including Target, have responded to the urban market demand by redesigning their stores to accommodate smaller lots and less parking in multi-level, mixed-use retail developments. This new store format allows big-box retailers to achieve their square footage requirements in creative development scenarios.

The West Hollywood Gateway project is a key piece of the corridor's incremental change and revitalization. Since the inception of this project, four additional intersections on Santa Monica Boulevard have been studied and two have been acquired by the City of West Hollywood to develop mixed-use projects. West Hollywood Gateway and similar projects play an important role in the area's economic vitality but cannot be completed without addressing the area's severe parking deficiencies. Further development along Santa Monica Boulevard could be limited without a comprehensive parking plan to accommodate additional parking facilities.

VIII : ENHANCEMENT STRATEGY: SELECTION OF NODES FOR DETAILED IMPLEMENTATION PLANS IN PHASE III

Five finalist nodes were selected for more detailed implementation assessment. These nodes are diverse both geographically and in terms of the economic conditions and opportunities represented, and thus illustrate a range of implementation options and strategies.

The finalist nodes are:

Laurel District Retail	This node has potential to better serve the needs of its surrounding neighborhoods as well as to provide additional comparison goods shopping for the City.
Foothill and Seminary	This node has the potential for catalyst development to reinvigorate a poorly functioning retail district
51st and Broadway with Oakland Tech	These two adjacent nodes have major future land use changes create a near to mid term opportunity to improve the retail function of underutilized site in one of the City's most affluent neighborhoods.
High and Hegenberger	Together, these nodes have the potential to site substantial new large format retail development

APPENDIX A:
CONSUMER SURVEY

Appendix A

A. Survey Administration

Conley Consulting Group conducted a survey to explore Oakland residents opinions about retail. During the summer of 2007 a survey was created and made available to the public to complete for feedback on their retail experience in Oakland. The survey was administered on-line at Zoomerang.com for three months, from May 14, 2007 to August 16, 2007. This retail survey was composed of twenty-six questions. Twenty-two of the questions were multiple choice and four questions permitted write-in responses. In addition, the survey was made available in four languages: English, Spanish, Chinese and Vietnamese. There were a total of nine surveys were completed in Chinese and Spanish, however, there were no survey results for the Vietnamese survey and it will be excluded from the summary of results. The vast majority of the survey responses were completed in English.

Methods of advertisement for the survey were the distribution of 10,000+ postcards (primarily through drop-offs at retail establishments in Oakland), Oakland libraries, YMCA's, and other community gathering places. It must be noted that survey participation was fully voluntary; there was no attempt to structure a fully representative sample. The retail survey was also advertised in newspapers, such as the Oakland Tribune, Montclarion, East Bay Express, Oakland Magazine and City web sites such as Oaklandnet.com and ShopOakland.com. Oakland Leadership Merchants Forum (OMLF) assisted in advertising the survey, as well as the ethnic chambers of commerce, Main St./BID sites, and the Oakland Chamber of Commerce site.

B. Survey Respondents

While the majority of respondents were residents of Oakland, there was also a large response from residents from the greater Bay Area. **Table 1** shows the geographic distribution of survey respondents. In general, survey respondents were older and wealthier than City respondents as a whole. Participants were largely female, between the ages of 30-64. The majority of participants reported significantly higher combined household incomes, ranging from \$100,000-\$149,000, compared to the average household income for Oakland. In addition, a large majority did not report having any children under the age of 17 in their homes.

Demographically, survey participants do not fully reflect the population of Oakland. **Table 2** displays the racial and ethnic distribution of survey participants and its relation to the racial distribution of the Oakland. White/Caucasian respondents were over-represented in the survey.

Other areas of bias were found in the area of residents by zip code participants. **Table 3** reflects the distribution of Oakland population and of the survey respondents by zip codes. The largest percentage of respondees was found in zip codes that covered the more affluent areas in Oakland, which suggests further bias in survey results.

Table 1. Geographic Distribution	
City	Number of Responses
Oakland	2017
San Francisco	24
East Bay Shore Communities	90
Other Alameda County Communities	4
Contra Costa County Communities	43
San Mateo County Communities	7
Marin County Communities	1
Other Northern California Communities	11

Table 2. Racial/Ethnic Distribution			
Percentages	Survey	City	Index
White:	57%	39.5%	1.44
Black:	15%	33.0%	0.45
Asian:	10%	14.9%	0.67
Latino:	5%	17.7%	0.28
Other:	13%	N/A	N/A

Table 3. City of Oakland Geographic Distribution by Zipcode				
Oakland Zip	Average Household Income	% of Oakland Respondees	% City Population	Index Respondees
94601	$49,884	4.1%	13%	0.32
94602	$83,608	19.2%	7%	2.74
94603	$52,654	2.4%	8%	0.30
94605	$72,135	7.8%	9%	0.87
94606	$53,735	4.5%	10%	0.45
94607	$41,966	6.2%	5%	1.25
94608	$53,945	3.5%	7%	0.50
94609	$59,793	5.8%	5%	1.16
94610	$84,111	14.5%	7%	2.08
94611	$125,867	11.0%	9%	1.22
94612	$34,005	1.9%	3%	0.63
94613	$55,278		0.03%	0.00
94618	$128,642	5.8%	3%	1.92
94619	$93,131	12.2%	6%	2.04
94621	$44,229	1.1%	7%	0.16
Oakland Average	$67,768	7.1%	7%	

C. Survey Results

Throughout the survey, respondents emphasized a desire for improvement in the three basic retail categories in answers to several questions. Overall, respondents reported that the availability of favorite stores (53%), availability of parking (49%) and convenience (40%) were the reasons that most influenced where they shopped.

Survey respondents had different suggestions for improving neighborhood and city-wide retail. Seventy percent of respondents shop in their neighborhood at least once a week, while the majority of respondents that reported not shopping in their neighborhoods stated it was because desired products were not available (60%). Oakland shoppers emphasized the need for more convenience and comparison shopping in their neighborhoods. Respondents reported that they would most frequent clothing stores (45%), department stores (39%), grocery stores (42%), and restaurants (42%) if they were available in their neighborhoods. In particular, neighborhood shoppers would like to have convenient access to their favorite stores.

Respondents indicated a slightly different response to retail on a city-wide level in Oakland. Respondents reported that they wanted more women's clothing (38%), department stores (52%) and produce markets (33%) in the City. Popular entertainment venues among respondents were ethnic restaurants (46%), fine dining restaurants (48%) and music and arts venues (51%). When asked to provide general comments to retail in Oakland, respondents reported their desired additions of department stores such as Macy's or Nordstrom's or big box stores such as Target. However, there were also many requests for locally owned retail.

Popular leisure activities included dining out (72%), movies (42%) and travel (41%). A substantial amount of respondents went out for entertainment in Oakland at least once a month (60%). Of the all the respondents, 78% also went to other cities for entertainment at least once a month. For example, survey participants expressed a desire for fine dining and arts and music outlets.

In addition, there appears to be a large segment of people that go to other cities as opposed to Oakland when looking for entertainment and comparison shopping. A large percentage of respondents reported that they shopped outside of the City for comparison goods (75%). Oakland shoppers patronize retail in Alameda, Berkeley, San Leandro, Walnut Creek and San Francisco. Only (27%) of respondents reported that they shopped in Oakland for comparison goods. Respondents reported that entertainment (53%), gifts (44%), and high end food and beverages (47%) were the most popular reasons to shop outside of their basic needs. In addition, bad service (63%), environment and aesthetics (41%), and poor product selection and quality (63%) were the popular reasons not to patronize a store.

The following questions inquire about neighborhood shopping:

- **Question 1** asked survey participants about their current place of residence or work in relation to Oakland. Over half of the survey participants lived in Oakland and 43% both lived and worked in Oakland.

- **Question 2** asked participants which factors most influence where they shop. The top three responses for the survey included the availability of favorite stores, availability of parking and convenience.

- **Question 4** asked participants how often patrons shop in their neighborhood stores. The majority of participants shopped in their neighborhood at least once a week.

- **Question 5** asked participants what types of goods are purchased in neighborhood stores. The top three choices that were chosen by participants were Groceries, Meals and Personal/Pharmaceuticals.

- **Question 6** asked participants why they choose to shop outside of their neighborhood. The top three reasons cited by participants were lack of product availability, lack of stores, and unappealing environment/atmosphere/appearance of the store.

- **Question 7** asked participants what kinds of stores they would like to see added to their neighborhoods. The top three selected by survey participants were clothing stores, groceries and restaurants.

The following questions inquire about the types of goods and services desired in Oakland:

- Question 8 asked about the types of stores potential patrons would want to see in the City of Oakland. The top three choices among participants were women's clothing, department stores, and produce markets.

- **Question 9** inquired about the types of restaurants and entertainment venues that people would like to see in the City of Oakland. The top two responses among surveys were music/arts venues and fine dining restaurants.

- **Question 10** asked about the types of services that residents would like to see in Oakland. The top two responses among surveys were banks and personal/beauty services.

The following questions inquire about retail preferences:

- **Question 12** asked participants about where they preferred to shop for clothing. The majority of responses claimed to do their shopping in nearby city's-primarily Alameda, Berkeley and/or Emeryville. San Francisco and San Leandro/Walnut Creek were also popular places to shop outside of Oakland.

- **Question 13** asked participants where they preferred to shop for computer and electronics. Participant responses expressed that sixty-nine percent of patrons shop for computer/electronics in Alameda, Berkeley and/or Emeryville as well as other locations.

- **Question 14** asked participants where they preferred to shop for groceries. Participant responses stated that patrons shop for groceries in their neighborhoods or in Alameda, Berkeley and/or Emeryville.

- **Question 15** asked participants what types of goods they like to shop for outside of their basic needs. The top three answers among survey responses included entertainment, gifts and high-end food and beverages.

- **Question 16** asked participants what were reasons that keep them from patronizing a store. The top three responses were bad service, poor environment/aesthetics, and poor product selection

- **Question 17** inquired about participants favorite leisure activities. The top three leisure activities are dining out, movies and travel.

The following questions inquire about participants' retail habits:

- **Question 18** asked participants how often people go out for entertainment in Oakland. The most frequent answers were monthly or rarely.

- **Question 19** asked participants how often people go out in other cities around Oakland. The most frequent responses were Monthly and Weekly.

The following questions ask for demographic information about the survey subjects:

- **Question 20** asked participants their age. The majority of respondents were between the ages of 45-64.

- **Question 21** asked participants their gender. Participants who completed the survey were overwhelmingly female (74%).

- **Question 22** asked participants about their ethnicity and/or race. The majority of respondents were white or Caucasian (57%).

- **Question 23** asked participants about the annual combined income of their household. The income distribution of survey respondents was skewed to upper incomes ($100,000-$149,000) compared to City residents.

- **Question 24** asked participants how many children live in their home. Seventy-one percent of participants did not have children present in there home, which is average for Oakland.

Several Questions asked subjective questions and the variation of responses can not be included in this write-up:

- **Questions 3** asked survey participants about the stores they frequented the most in Oakland. Food stores such as Albertsons, Farmer Joes and Safeway were frequent responses from participants. However, answers also included general retail districts such as Montclair, Piedmont Avenue, and Lakeshore.

- **Question 11** asked survey participants in which neighborhoods they would like to see more shopping available and/or new retail. Frequent responses included general responses such as West Oakland and East Oakland, while more specific responses included areas such as the Dimond, Downtown, and the Laurel.

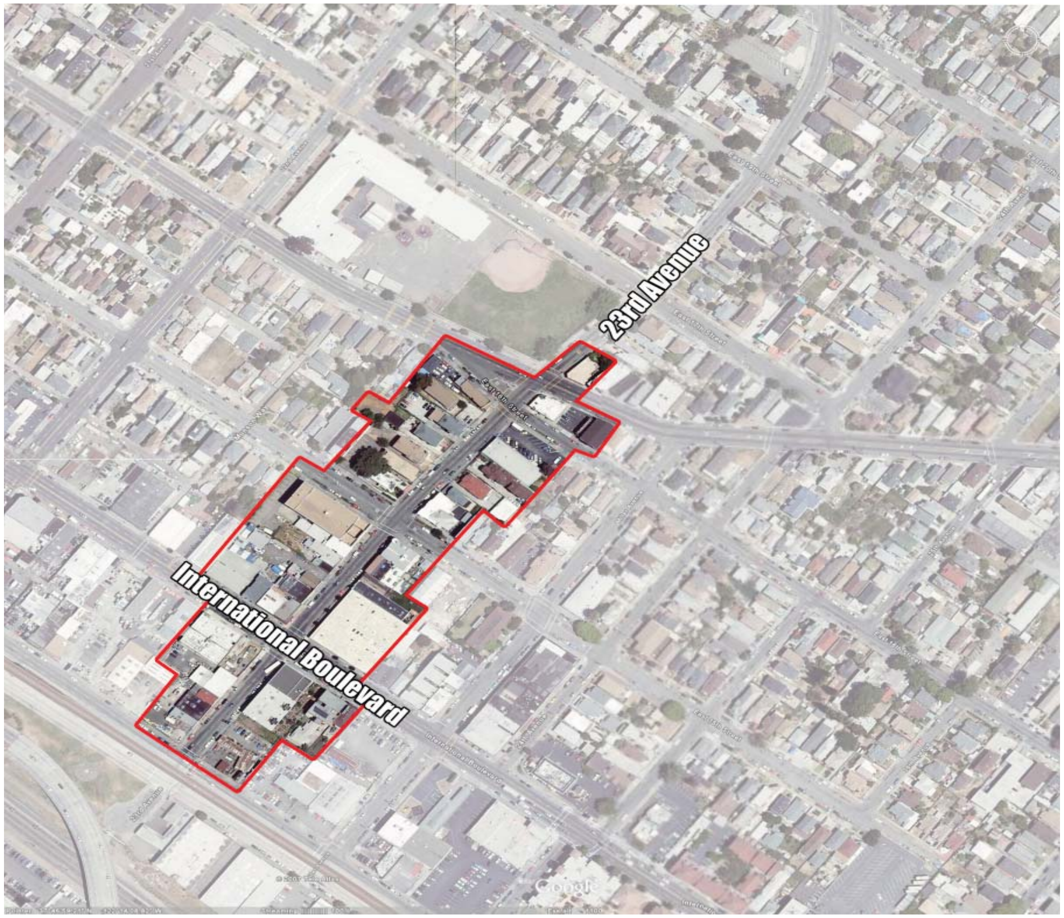
- **Question 25** asked the survey participants for their zip code. The majority of responses came for residents in the 94601 zip code in East Oakland.

- **Question 26** asked participants for any additional comments about they might have about shopping in Oakland, which yielded a wide variety of responses to the current retail situation in Oakland and where people hoped it would go.

APPENDIX B: NODE PROFILES

Table of Contents

Oakland Retail Node #52 | Small Neighborhood



23rd Avenue

The 23rd Avenue retail node is located between the San Antonio and Fruitvale/International retail districts. In 2006, this node had very few establishments and captured less than $10 million in sales, of which more than 40 percent was convenience goods. This area functions as a hub for non-profits and community service organizations. The community center programs attract patrons throughout the week and on weekends, and thus provide a draw of potential customers to the area. The enhancement strategy for this small node would link retailers to the community service patrons.

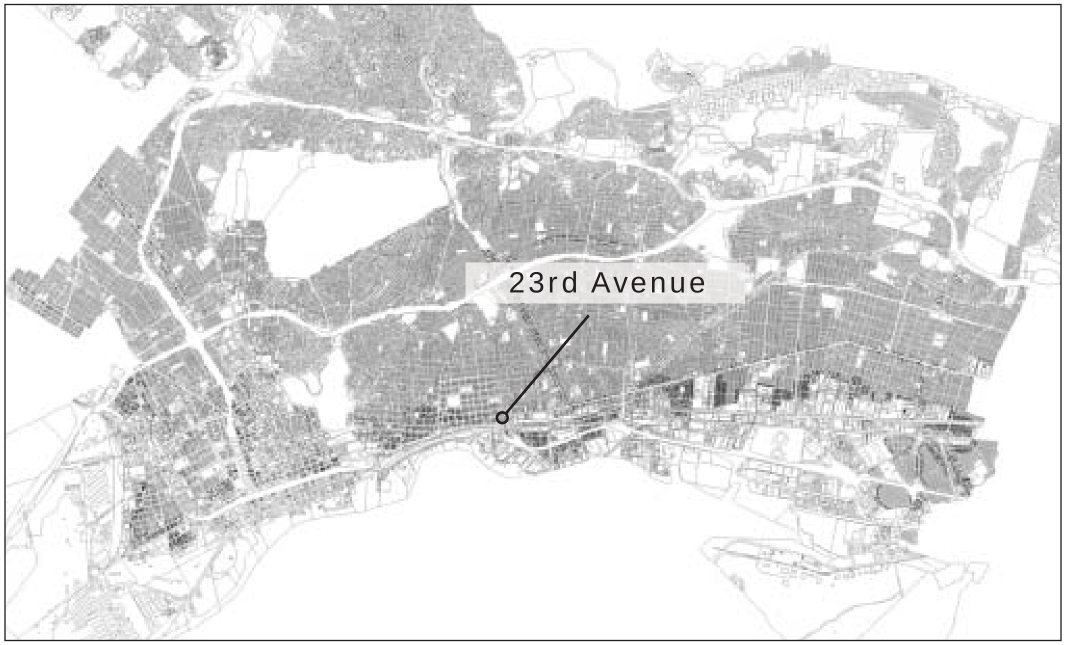
Demographics for the immediate area show over half of all households include children. Area households also have lower incomes and much larger household sizes than average for the city. The 23rd Avenue retail node would benefit from incorporating new retail that services the immediate neighborhood and community visitors. This retail node has been categorized as a small neighborhood that has the potential to expand its retail capacity.

Node Demographics

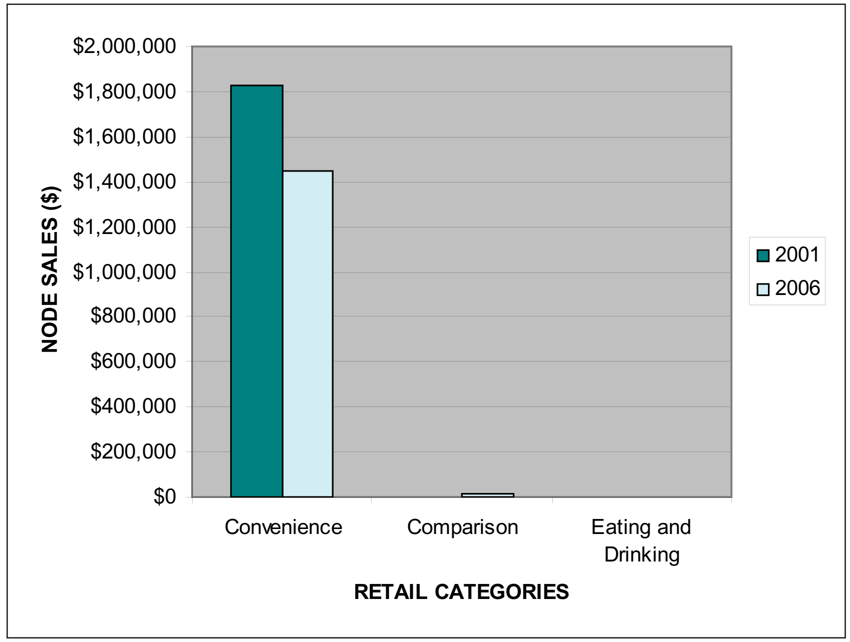
23rd Avenue 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	14,616	46,143	288,811	400,377
Households	3,535	12,281	111,185	149,082
Households Size	4.06	3.67	2.55	2.64
Per Capita Income	$11,829	$12,883	$26,423	$25,469
Number of Households with Children	2,094	6,349	35,285	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

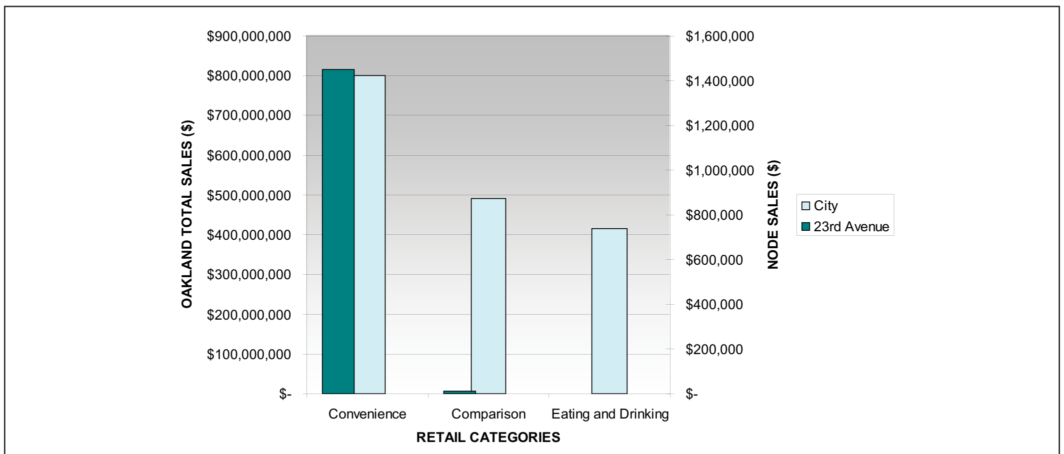


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	80%	1%	N/A
City	40%	25%	21%



Merchandising Mix*

2006 Average Sales per Establishment: $181,207

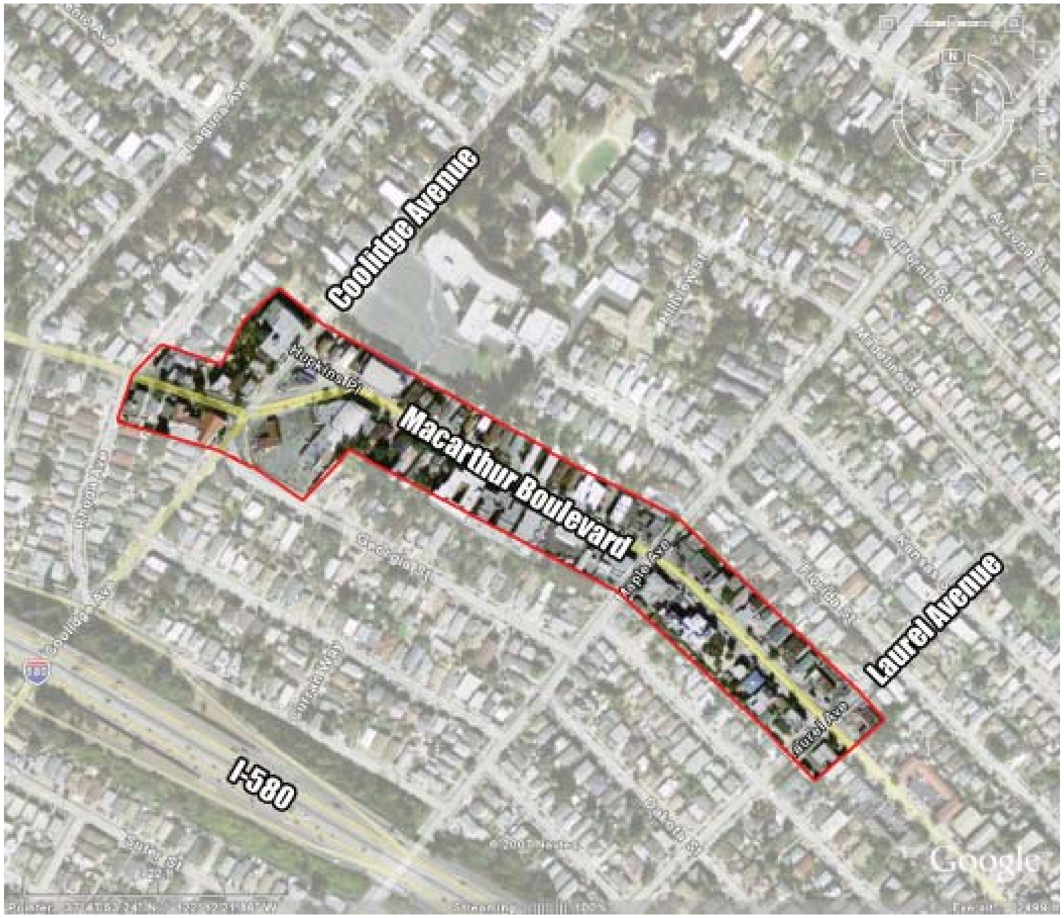
Estimated Retail Sales per SF: $5.85

	Number of Establishments
Convenience	4
Comparison	4
Eating & Drinking	N/A
Total	10

Anchor Businesses (2006)

None in this Area

* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.



Bret Harte

The Bret Harte retail node serves as a link between the emerging Dimond district and the transitioning Laurel district. Currently, Bret Harte generates less than $10 million in total sales, with more than 40 percent of sales attributed to convenience goods outlets. This node includes Food Mill, a pioneering regional-serving health-conscious food store as well as smaller drug and liquor stores. The district once also included several small specialty food stores that have since gone out of business. There are several vacant store fronts and businesses that appear to be inactive. Comparison goods sales in this node are quite low, particularly on a per-establishment basis. Eating and drinking sales are minimal as well, with a few well-patronized outlets such as Southern Café and Loard's Ice Cream. The Martinique is a local bar that attracts patrons from across the eastern side of the city. In general, both retail sales and the market area captured by stores are declining in this node. There is potential to upgrade and reposition the deteriorated shopping center at MacArthur Boulevard and Coolidge Avenue.

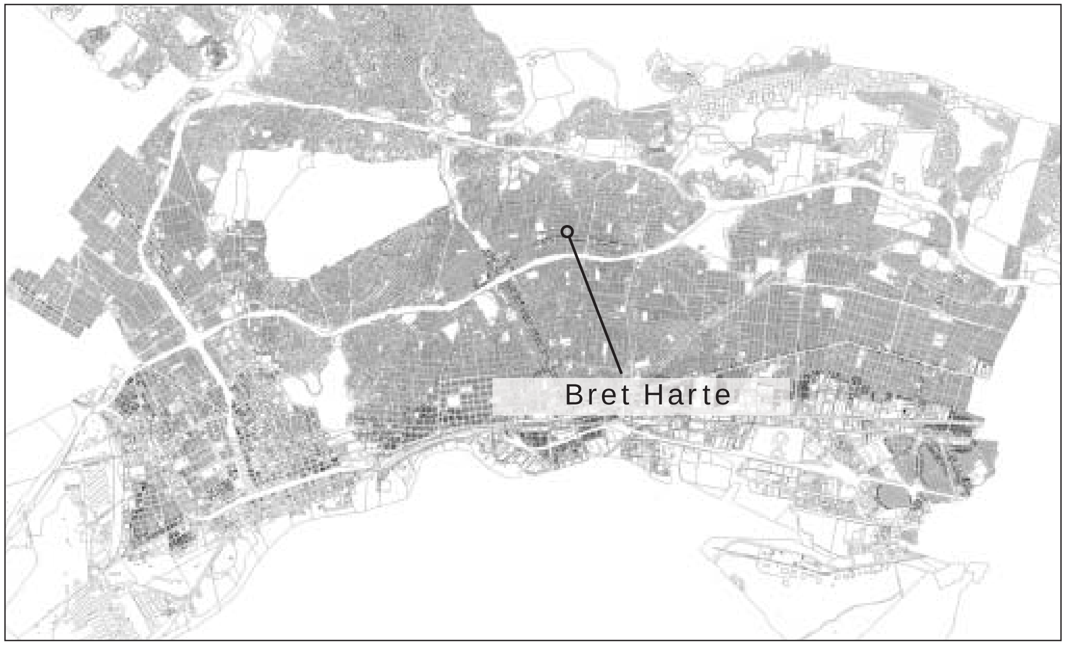
Per-capita income levels for the immediate neighborhood are average for the City of Oakland. The area has comparable household sizes, and about half of area households include children. This node needs a central retail focus and assistance with filling vacant store fronts with neighborhood-serving convenience restaurant uses. With all of the change occurring in the surrounding retail nodes, Bret Harte has remained a small neighborhood with retail that needs improvement.

Node Demographics

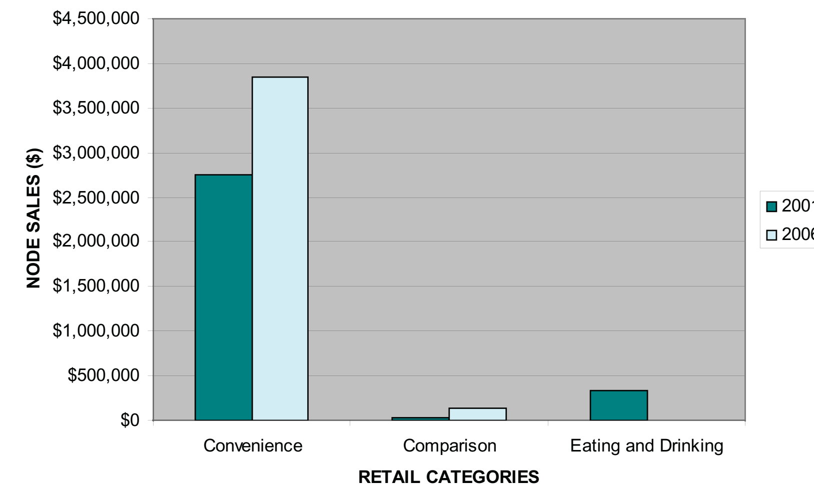
Bret Harte 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	10,086	40,193	244,940	400,377
Households	3,706	14,201	86,648	149,082
Households Size	2.70	2.78	2.79	2.64
Per Capita Income	$24,840	$25,036	$27,398	$25,469
Number of Households with Children	1,359	5,408	31,933	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

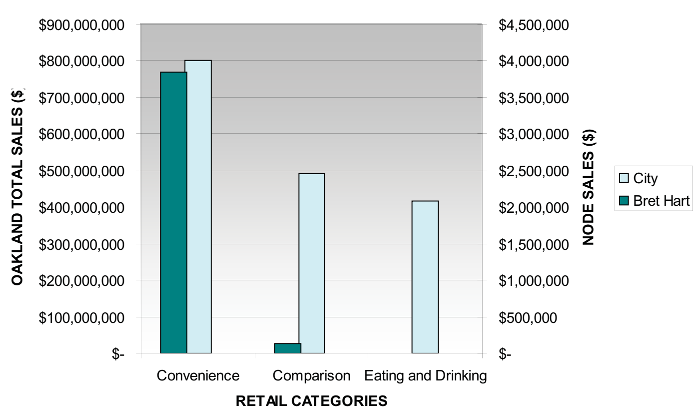


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	92%	3%	N/A
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $279,128

Estimated Retail Sales per SF: $97.37

	Number of Establishments
Convenience	4
Comparison	8
Eating & Drinking	N/A
Total	15

Anchor Businesses (2006)

None in this Area

Oakland Retail Node #44 — Small Neighborhood

Children's Hospital

The Children's Hospital node is located in North Oakland along Martin Luther King Jr. Way. At this location Martin Luther King Jr. Way serves as a major arterial carrying traffic between Oakland and Berkeley. The area also has good access to Highway 24 and is served by BART, which runs down the middle of the boulevard. Thus, while BART provides regional visibility to the node, it also serves as a major physical barrier between the two sides of the boulevard. In 2006, this node captured less than $10 million in total sales, with more than 40 percent of total sales as convenience goods sales. Corner grocery and liquor stores generate the majority of convenience sales. The area also has a few specialty food outlets with a city-wide customer draw. While Children's Hospital is a major activity generator in this node, the sales potential of the hospital's employees and visitors are not well-tapped. The sales support of the surrounding area is drawn to Temescal and other more established retail districts. Local retailers primarily rely on the surrounding residential neighborhood for support.

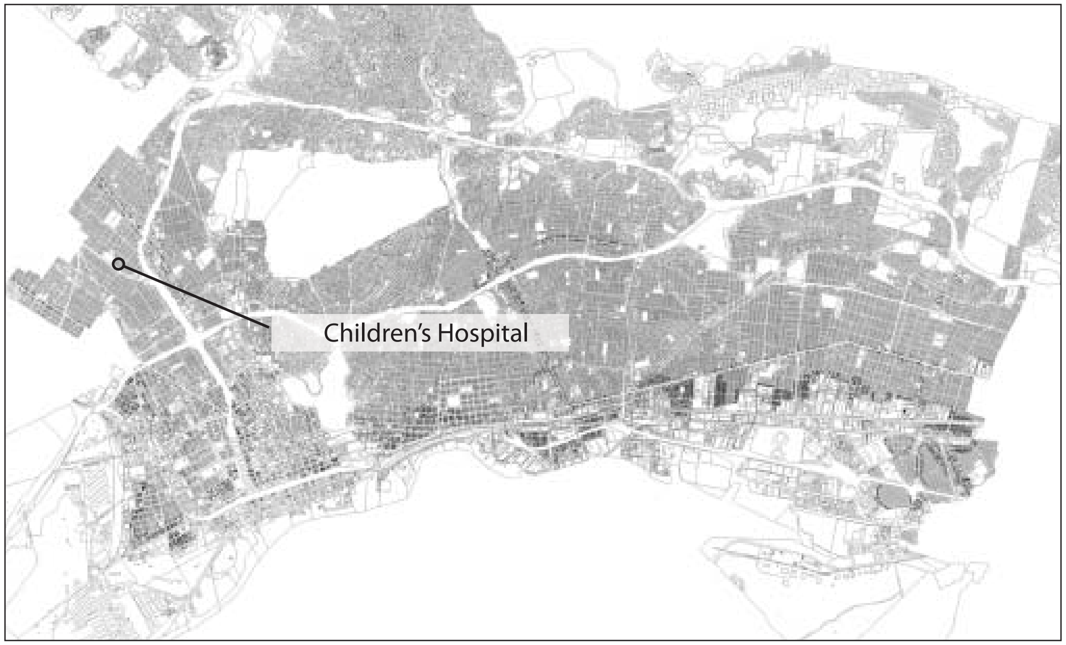
Less than half of all households have children present, which reflects the small household size in the area. Per-capita income levels in the area are higher than many areas of the City, however, per-capita incomes in this area are lower than the City average. Thus, this area is classified as a small neighborhood node with need for improvement. Retail enhancement strategies for this area should focus on eating and drinking and food sales establishments, which may also attract employees and visitors to Children's Hospital.

Node Demographics

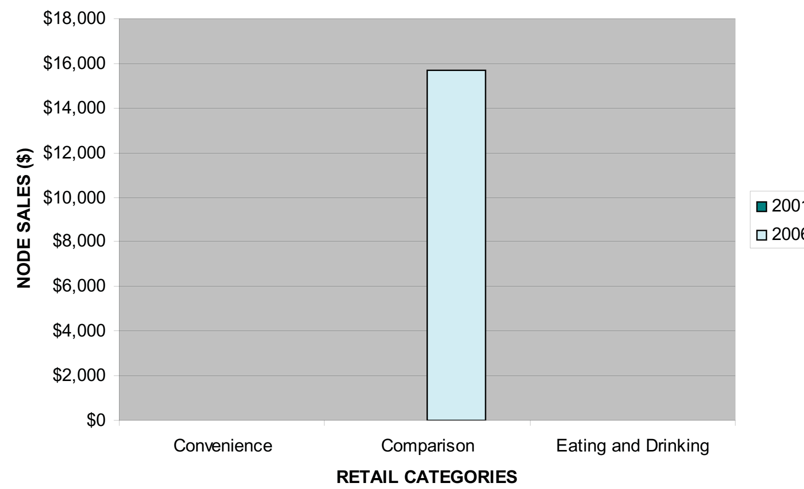
Children's Hospital 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	10,479	40,972	235,110	400,377
Households	4,357	17,847	107,754	149,082
Households Size	2.38	2.27	2.10	2.64
Per Capita Income	$22,968	$26,728	$32,402	$25,469
Number of Households with Children	1,250	4,638	22,083	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

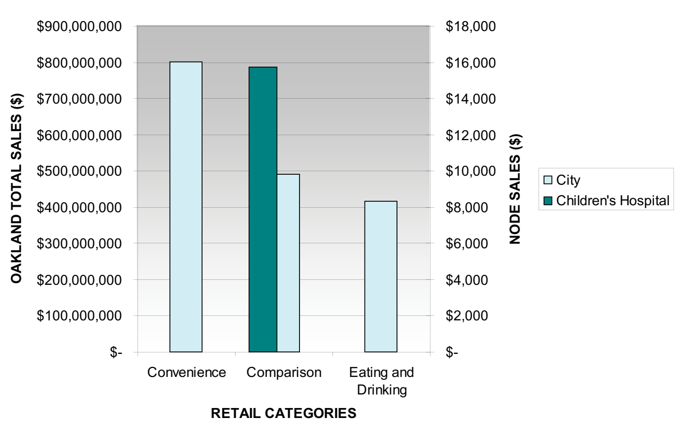


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	1%	N/A
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $176,414
Estimated Retail Sales per SF: $3.05

	Number of Establishments
Convenience	N/A
Comparison	4
Eating & Drinking	N/A
Total	8

Anchor Businesses (2006)

None in this Area

Oakland Retail Node #11 — Small Neighborhood

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

Elmhurst

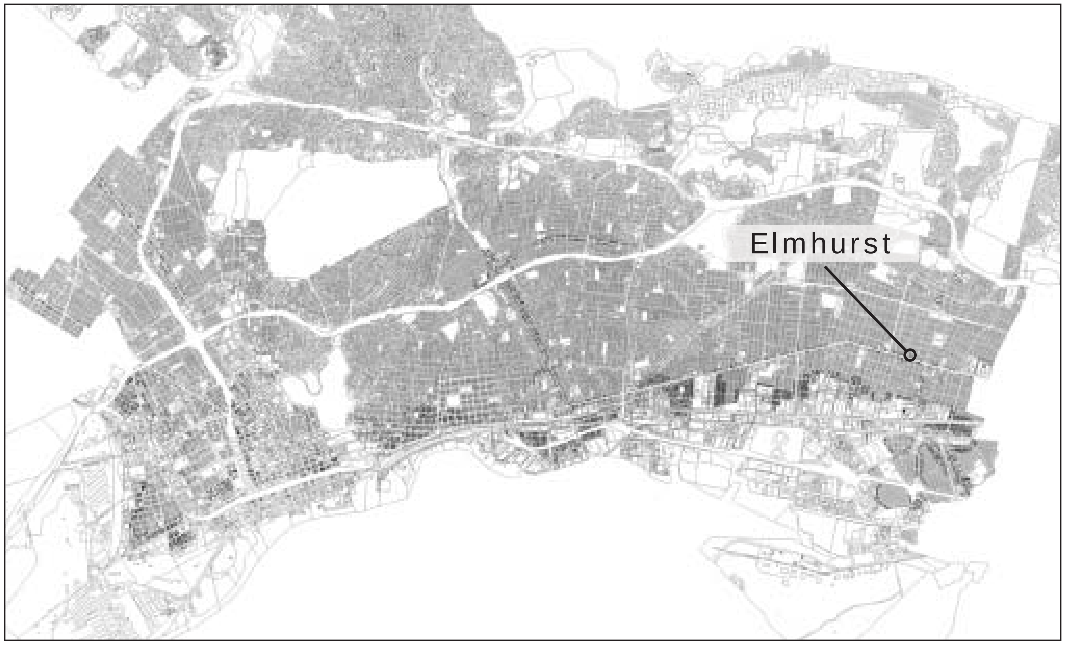
The Elmhurst retail node is located in east Oakland along International Boulevard between 89th Avenue and 101st Avenue, and borders the Elmhurst South retail node. This node had more that $10 million in sales in 2006, with more than 40 percent of sales in convenience good shopping. There is an even distribution of retail establishments in the Elmhurst retail node, however, there are higher sales generated in the convenience good category, followed by eating and drinking.

Neighborhood residents in the Elmhurst retail node area have lower per-capita incomes than the City average. Households are larger than average, with over half of all households including children. This retail node has been categorized as a small neighborhood node with repositioning potential to reposition.

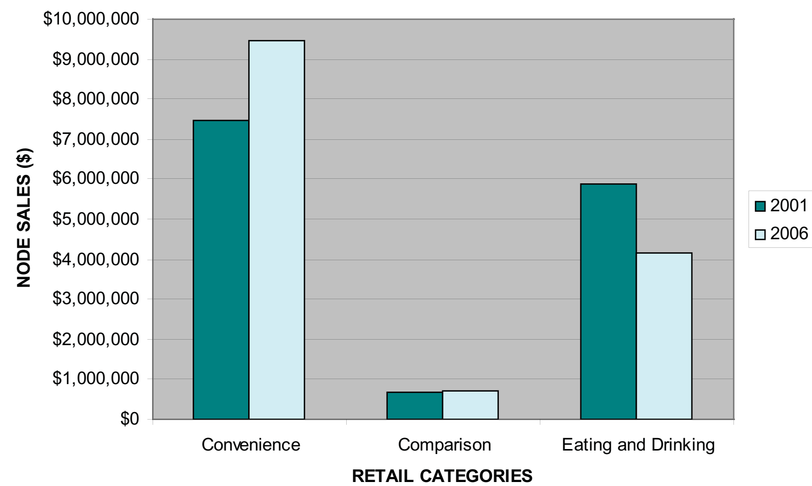
Node Demographics

Elmhurst 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	14,749	42,099	165,365	400,377
Households	3,783	11,794	53,971	149,082
Households Size	3.84	3.54	3.03	2.64
Per Capita Income	$12,076	$13,504	$20,744	$25,469
Households with Children	2,274	6,411	23,037	49,976

City Map

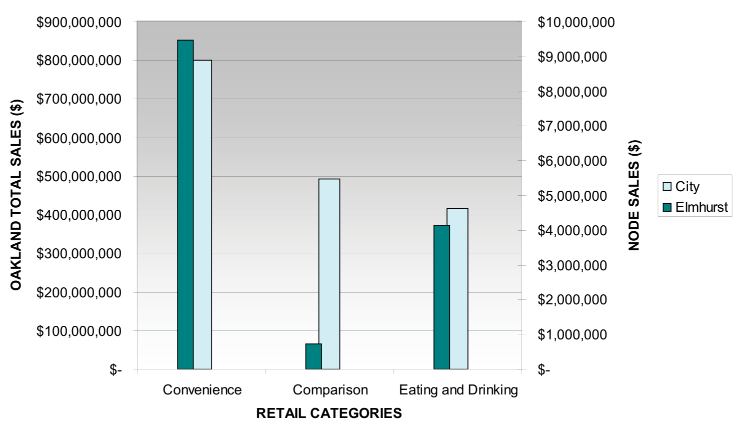


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	66%	5%	29%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $349,755
Estimated Retail Sales per SF: $85.36

	Number of Establishments
Convenience	15
Comparison	14
Eating & Drinking	11
Total	41

Anchor Businesses (2006)

- AutoZone
- KFC
- Mc Donalds

Oakland Retail Node #13 — Small Neighborhood

Foothill & Seminary

Foothill and Seminary is bounded by three major thoroughfares in East Oakland, with Foothill, Seminary, and Bancroft avenues-that define the district. In 2006, retail sales in this node were less than $10 million. The retail performance of the district has declined from its heyday, which was several decades ago. More than 40 percent of the area's recent retail sales were from convenience goods stores, including the Shop Rite Supermarket. There are a number of comparison and eating and drinking establishments reporting sales taxes to the State, but in 2006 these outlets were small and generally were not generating significant sales. The node also includes a café, a Chinese restaurant, a large martial arts studio and a YMCA fitness center. Other major uses are the large and smaller-scale churches that line Foothill and Bancroft. The churches and the fitness centers already regularly attract potential shoppers to the area. However, the current retail network is not able to tap the potential of these potential customers or of the neighborhood.

Per-capita income levels in this node are fairly low compared to the rest of Oakland. The node also has larger than average household sizes; nearly half of all households include children. These families are also potential source of demand for retail.

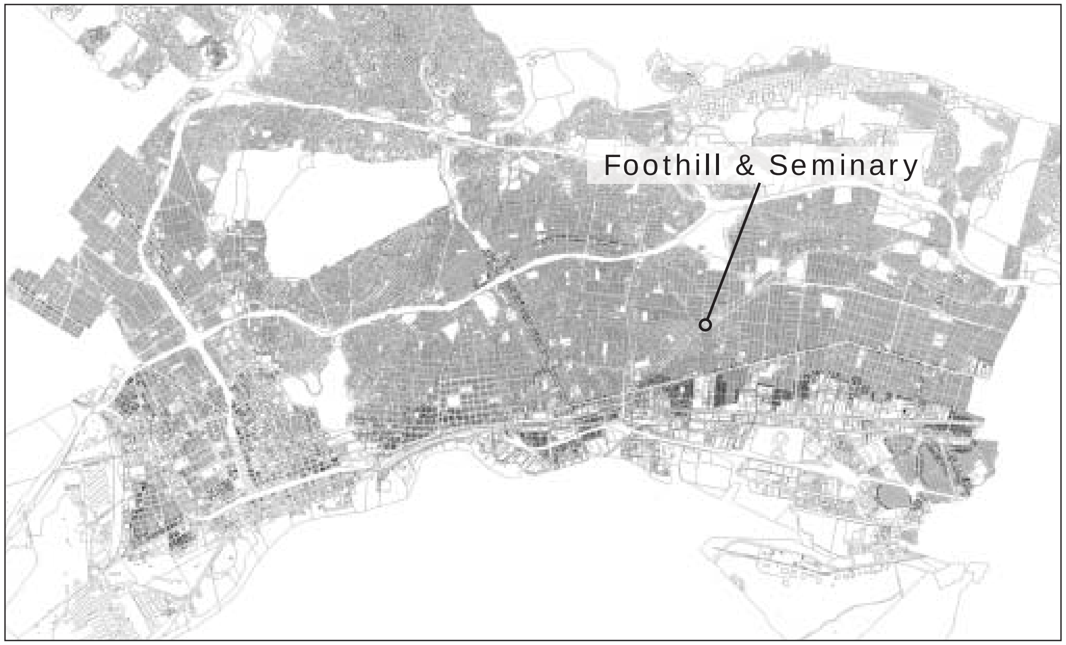
There are planned streetscape improvements in this area in the future, with several façade improvements planned as well. This node has some key sites available for retail development. Restoring this area as an active retail node requires the addition of another convenience anchor store such as a drug store to create a stronger customer draw for local residents, patrons of the recreational uses and church goers.

Node Demographics

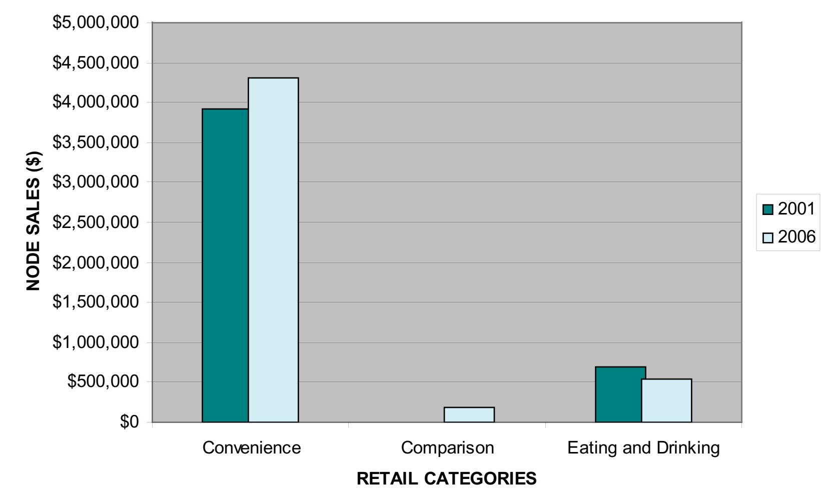
Foothill & Seminary 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	13,099	44,742	231,092	400,377
Households	4,154	13,841	72,459	149,082
Households Size	3.10	3.17	3.14	2.64
Per Capita Income	$16,374	$16,034	$19,983	$25,469
Number of Households with Children	1,923	6,484	32,380	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

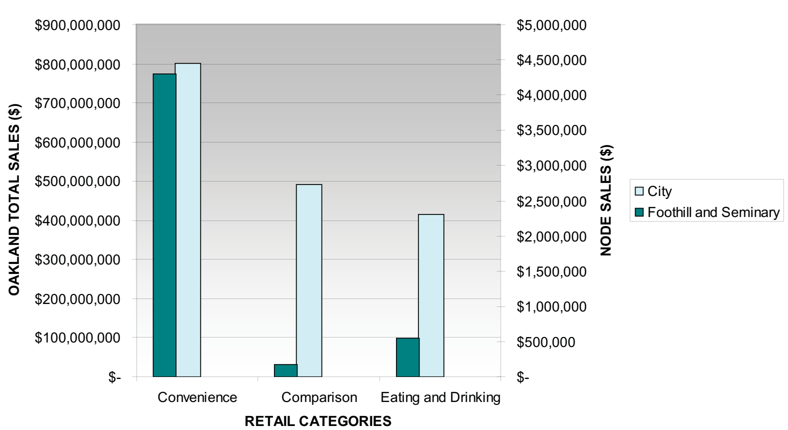


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	85%	4%	11%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

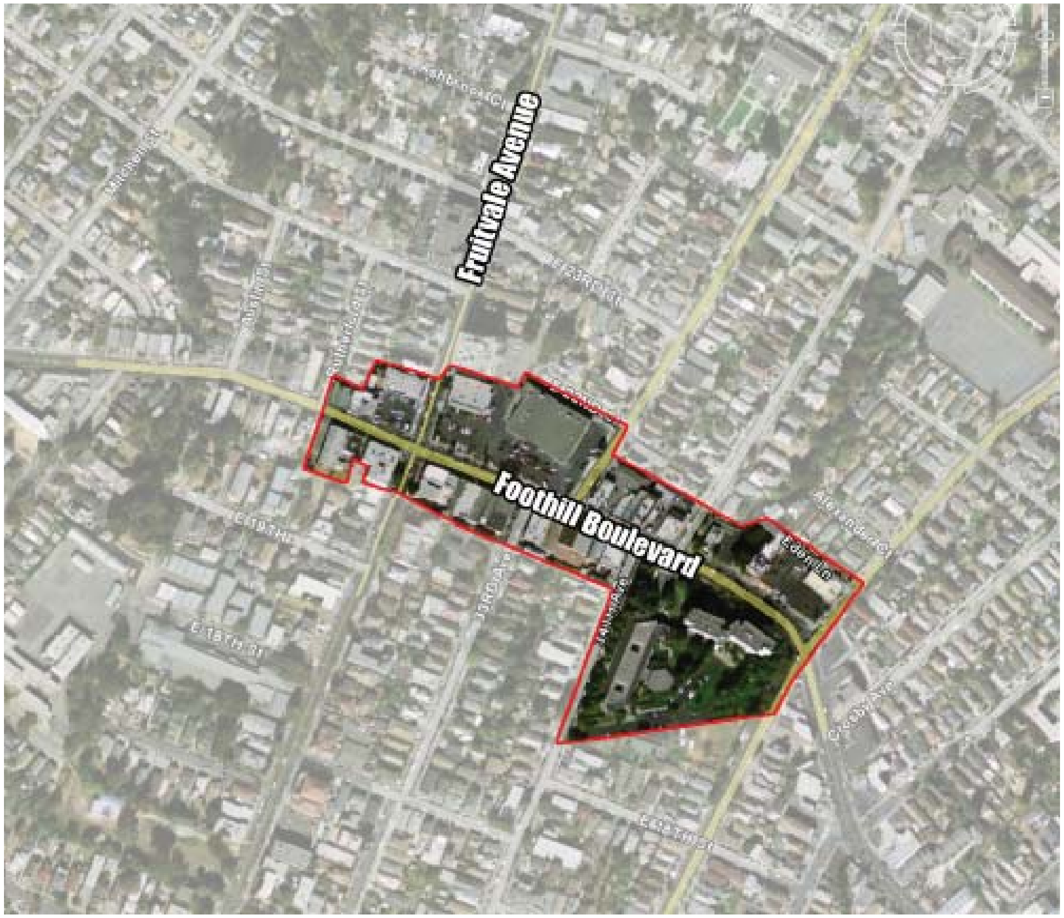
2006 Average Sales per Establishment: $240,217
Estimated Retail Sales per SF: $41.69

	Number of Establishments
Convenience	4
Comparison	8
Eating & Drinking	8
Total	21

Anchor Businesses (2006)

•Shop Rite Market

Oakland Retail Node #4 — Small Neighborhood



Fruitvale & Foothill

Fruitvale and Foothill is located on Fruitvale Avenue between the transitioning Dimond district and the Fruitvale and International retail node. In 2006, Fruitvale and Foothill had more than $10 million in sales, of which more than 40 percent was in convenience sales. Convenience sales outlets are doing well in this node, but there is little comparison goods sales activity. This node has both retail and residential ground-floor uses, which limit the amount of character of this location. This node connects the larger Fruitvale area to the Dimond district and is within close proximity to several schools. Businesses on Foothill are family-oriented and capture some pedestrian-oriented cross-shopping from supermarket customers. The surrounding neighborhoods are relatively dense and thus the potential population base that could be served at this node is large.

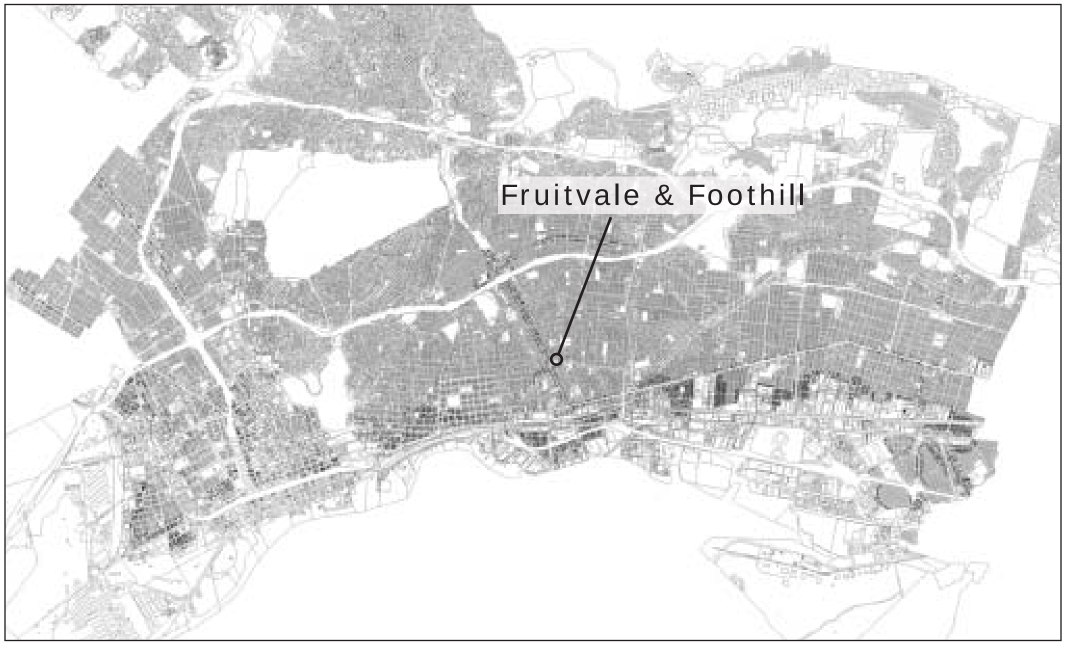
Residents from the Fruitvale and Foothill retail node have lower incomes and larger households than is average for the city as a whole. Physically, there is little potential to expand this district, and as such it is classified in the functioning well category.

Node Demographics

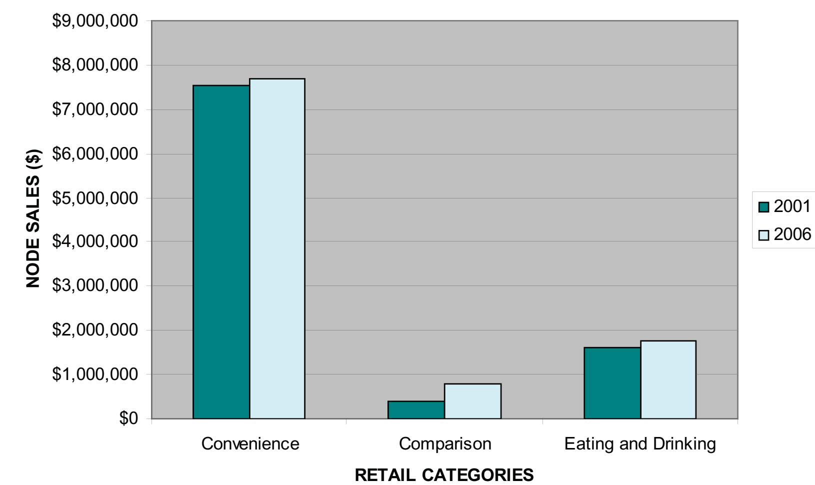
Fruitvale & Foothill 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	22,594	62,263	280,636	400,377
Households	5,699	16,640	104,352	149,082
Households Size	3.86	3.66	2.65	2.64
Per Capita Income	$16,374	$13,573	$26,098	$25,469
Number of Households with Children	3,158	8,813	35,169	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

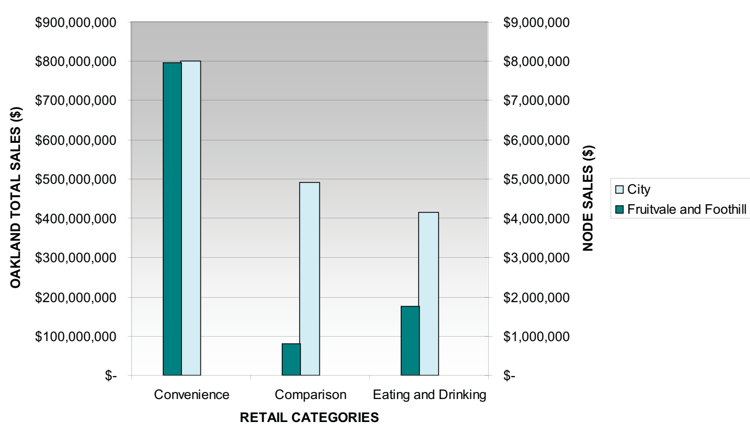


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	76%	8%	17%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $375,778

Estimated Retail Sales per SF: $125.26

	Number of Establishments
Convenience	7
Comparison	9
Eating & Drinking	12
Total	28

Anchor Businesses (2006)

- Walgreens
- KFC
- Kragen Auto Parts

Oakland Retail Node # 38 Small Neighborhood

Glenview

Located on Park Boulevard between Highway 13 and Interstate 580, Glenview connects Montclair to I-580 and the rest of Oakland. This retail district advertises its small scale with a slogan “Please drive no faster than 30mph in Glenview, or you’ll miss it!” found on neighborhood bumper stickers and the Glenview Neighborhood Association’s website. Glenview provides residents of the immediate neighborhood with everyday necessities in a charming and convenient, if very small, district. In 2006, Glenview had less than $10 million in total sales. Overall, there is a fairly equal distribution of sales among convenience, comparison, and eating and drinking establishments. Comparison goods outlets comprise the largest number of establishments, but convenience goods and restaurants, including a grocery and hardware store, are also well-represented.

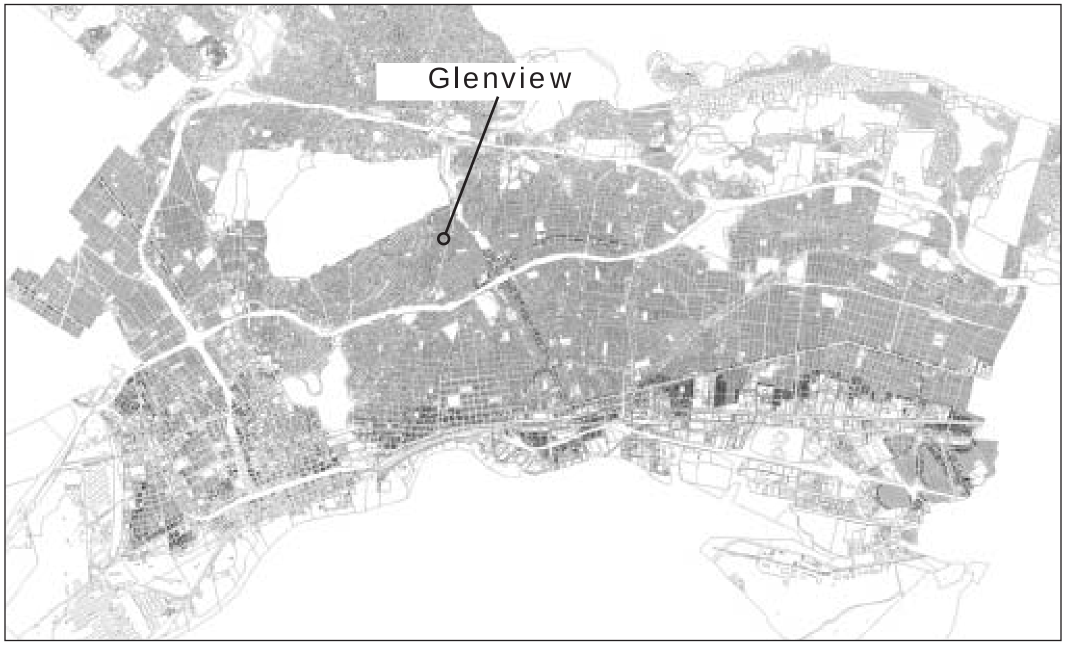
Per-capita income in the neighborhood is significantly higher than average for the City of Oakland. Glenview is a popular location for restaurants because of its ability to capture sales support from nearby residents of the immediate neighborhood and other neighborhoods with access from Park Boulevard. Because there is limited space to expand the district, Glenview has been categorized as a small neighborhood that is functioning well.

Node Demographics

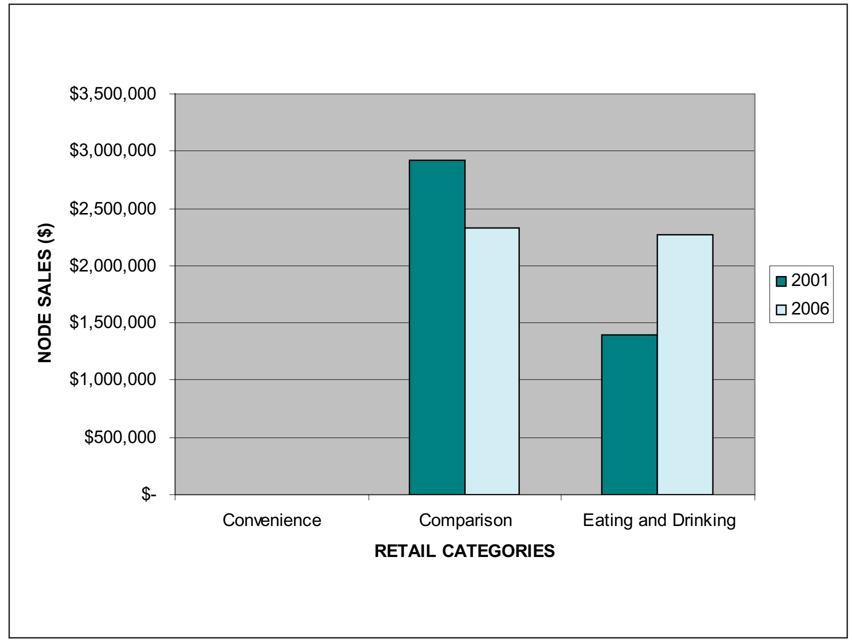
Glenview, 2006	1/2 - Mile Radius	1 - Mile Radius	3 - Mile Radius	City of Oakland
Population	7,992	30,939	262,708	400,377
Households	3,643	12,178	103,241	149,082
Persons per Households	2.17	2.49	2.50	2.64
Per-Capita Income	$48,638	$40,729	$29,942	$25,469
Number of Households with Children	912	3,924	31,133	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

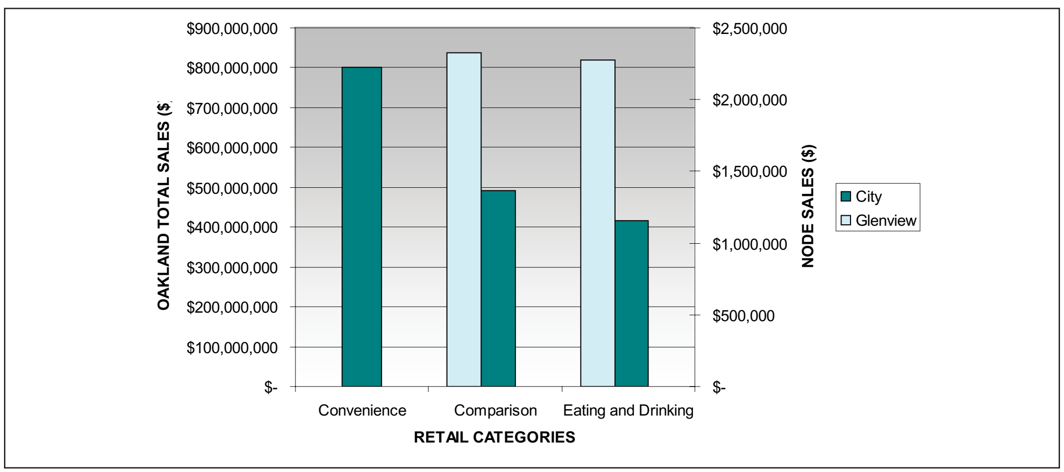


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	32%	31%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $362,684

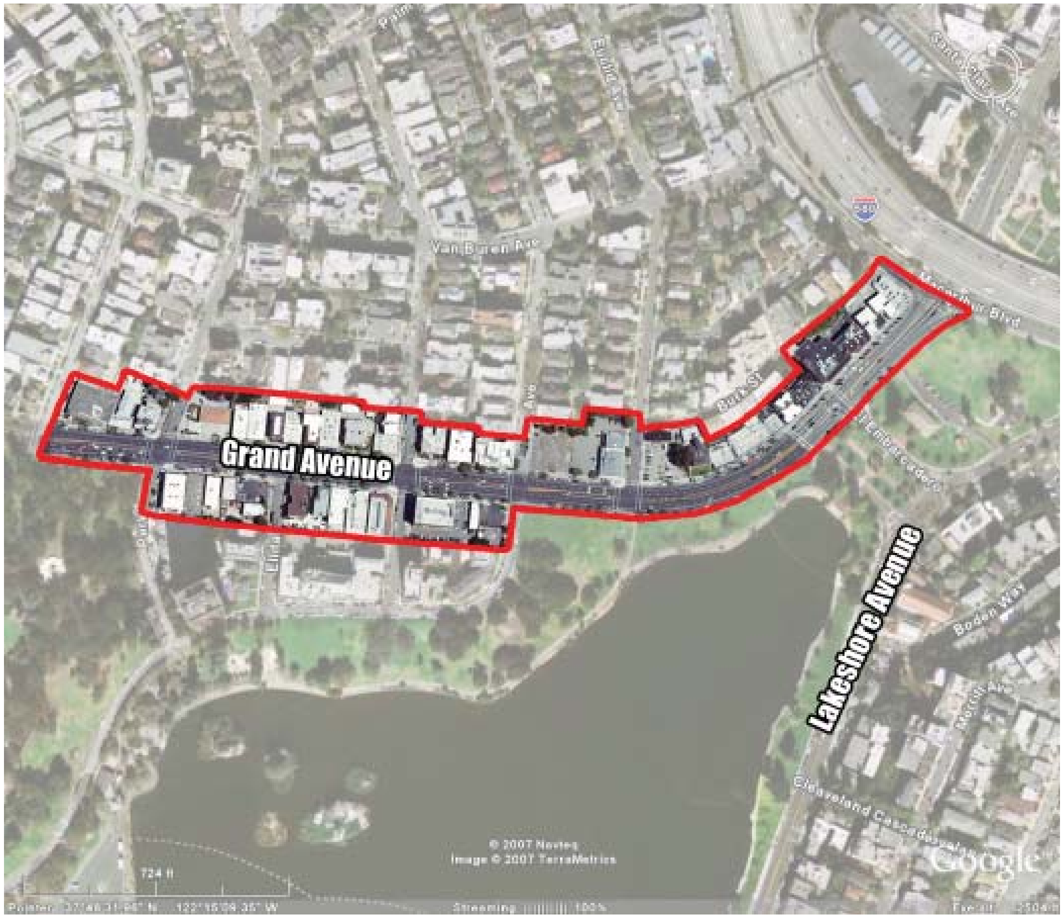
Estimated Retail Sales per SF: $213.34

	Number of Establishments
Convenience	N/A
Comparison	11
Eating & Drinking	7
Total	20

Anchor Businesses (2006)

- Compadres Mexican Bar & Grill

Oakland Retail Node #36 Small Neighborhood



Grand Ave-Adams Point

Grand Avenue (Adams Point) is located directly across from Lake Merritt near the Grand Avenue entrance to the I-580 freeway. In 2006, the Grand Avenue node had less than $10 million in total sales, with convenience goods and eating and drinking sales each representing over 40 percent of the total. Eating and drinking outlets generate the highest sales, due to the popular and diverse mix of restaurants on Grand Avenue. Comparison sales outlets are smaller in number and include some recent "edgy" new apparel outlets. In addition, Gold's Gym and a yoga studio regularly attract people to the node from outside of the immediate neighborhood. The district has attractive architectural features but is "single sided", as Lake Merritt adjoins the eastern side of the avenue.

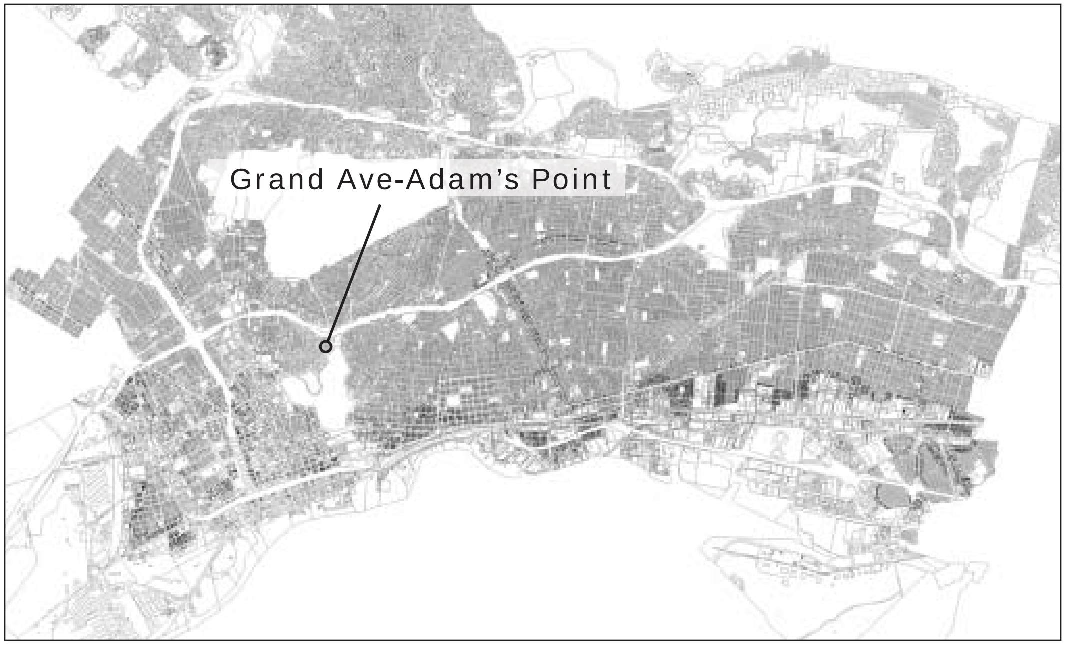
This node has high per-capita income, small households, few children, and a high representation of single-person households. Many Adams Point residents work in downtown San Francisco and take advantage of the easy commute from this neighborhood. Grand Avenue/Adam's Point is beginning to improve and is likely to provide locational opportunities for a few new comparison goods outlets in the future. Thus, this node has been categorized as a small neighborhood with retail in need of improvement.

Node Demographics

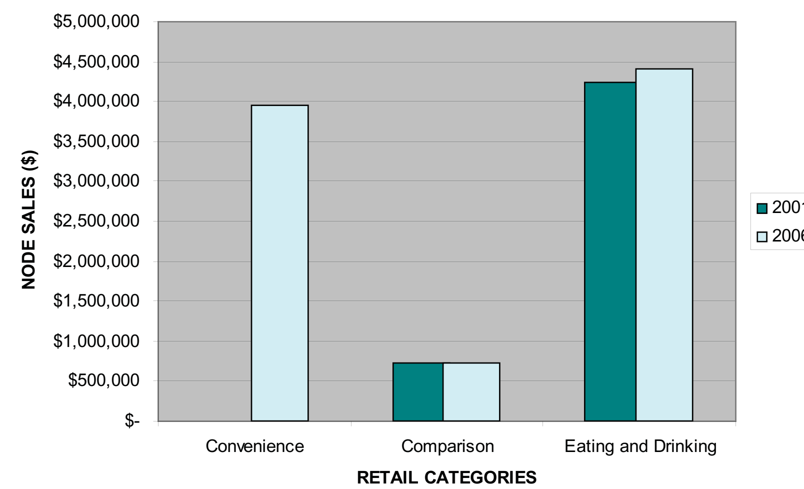
Grand Ave-Adams Point 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	14,878	56,854	283,715	400,377
Households	8,779	29,967	114,553	149,082
Households Size	1.68	1.88	2.43	2.64
Per Capita Income	$37,732	$30,678	$28,049	$25,469
Number of Households with Children	1,053	5,053	33,559	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

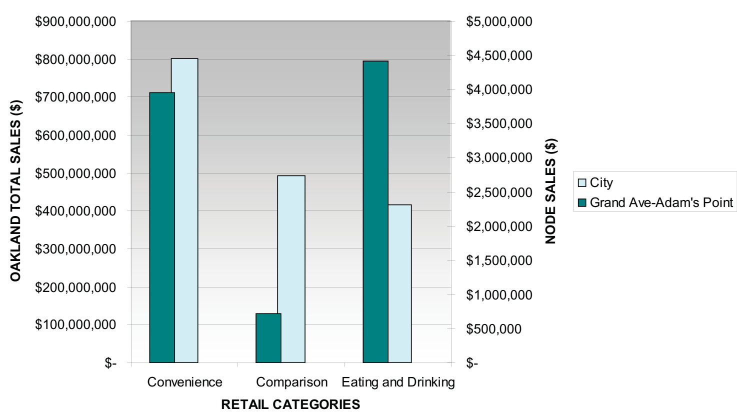


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	44%	8%	49%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $259,584

Estimated Retail Sales per SF: $83.35

	Number of Establishments
Convenience	4
Comparison	16
Eating & Drinking	15
Total	35

Anchor Businesses (2006)

None in this Area

Oakland Retail Node #43 | Small Neighborhood

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

Golden Gate

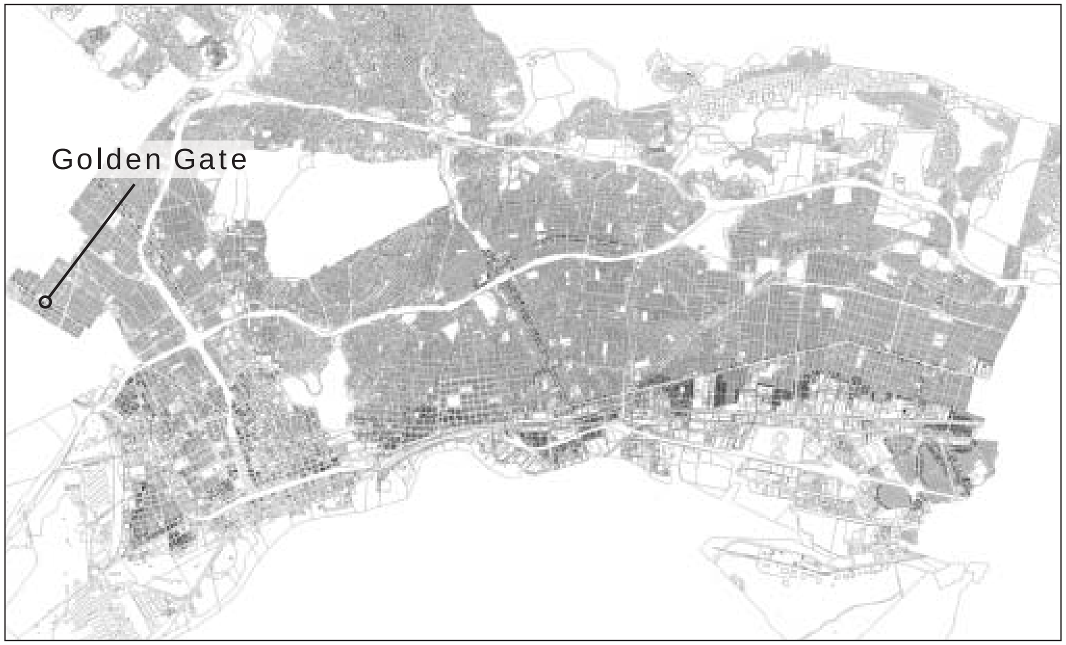
Golden Gate is located on San Pablo Avenue near the Emeryville-North Oakland border. In 2006, Golden Gate captured less than $10 million in retail sales, primarily as convenience goods at service stations and corner grocery stores. There are some comparison sales in comparison goods but very little eating and drinking, despite the larger number of outlets in those categories. Near San Pablo and Stanford avenues most of the future development opportunity sites and vacant parcels are controlled by several religious congregations. While San Pablo Avenue is a major arterial, retail in this area primarily serves the immediate neighborhood. After several decades of effort, Emeryville has developed both local- and regional-serving retail on San Pablo. However, this effort has not yet stimulated retail enhancement in the adjacent Golden Gate node.

Per-capita income in the surrounding area is slightly lower than average for the City of Oakland. The area has small household sizes and fewer than half of the households include children. The area has been categorized as a small neighborhood with potential to expand upon the momentum created on San Pablo in Emeryville with the addition of more small-scale, local-serving retail.

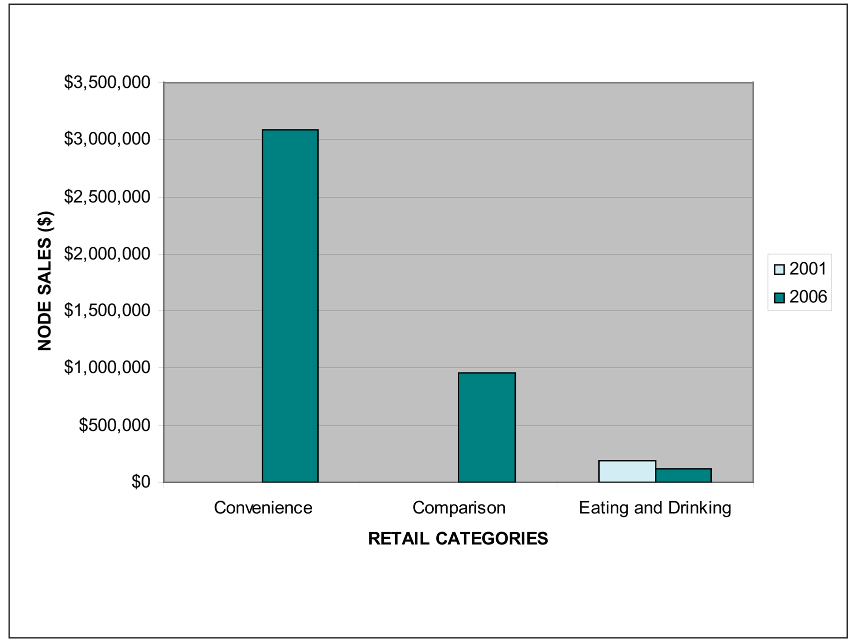
Node Demographics

Golden Gate 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	8,187	30,845	208,962	400,377
Households	3,424	13,353	95,441	149,082
Households Size	2.36	2.28	2.11	2.64
Per Capita Income	$22,048	$24,214	$30,222	$25,469
Households with Children	1,025	3,544	19,723	49,976

City Map

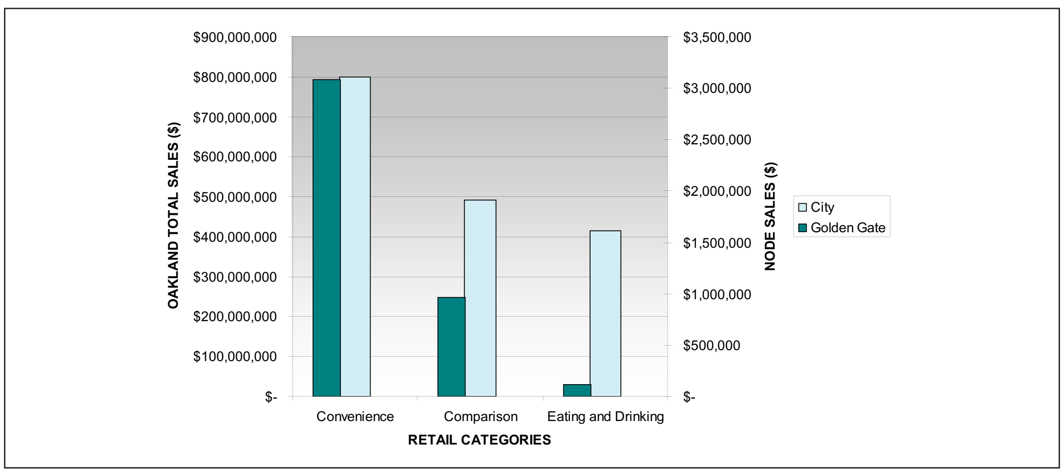


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	74%	23%	3%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $209,191

Estimated Retail Sales per SF: $77.48

	Number of Establishments
Convenience	4
Comparison	7
Eating & Drinking	7
Total	20

Anchor Businesses (2006)

None in this Area

Oakland Retail Node #9 Small Neighborhood

Havenscourt-Lockwood

Havenscourt-Lockwood is located at the intersection of International Boulevard and Seminary Avenue, which is the main commercial arterial in this node. In 2006, Havenscourt-Lockwood generated less than $10 million in total sales, with more than 40 percent of sales in convenience goods. Despite its location on at a major intersection in Oakland, there are not many retail establishments in the area. However, this area has several of large opportunity sites that could be used for large-format stores.

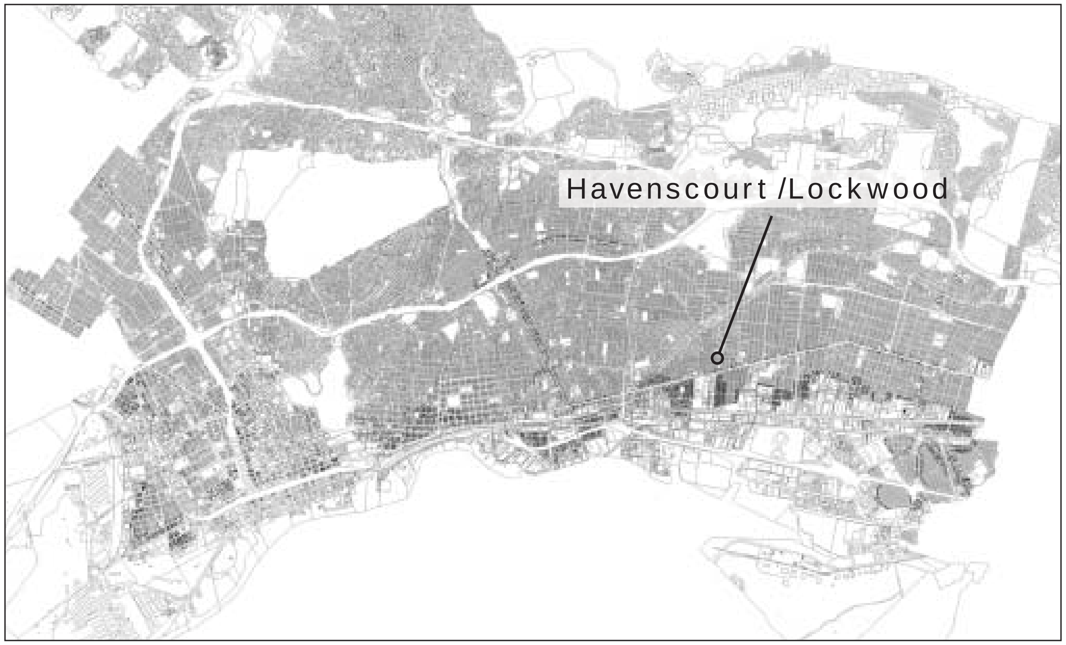
The area's per-capita income level is low in comparison to the rest of the city. Nearly half of the households in the area have children and households are larger than average for Oakland. Havenscourt-Lockwood could potentially benefit from neighborhood-serving retail such as a grocery or major drug store. Given its locational challenges, Havenscourt-Lockwood is considered to be a small neighborhood-serving node needing improvement.

Node Demograhics

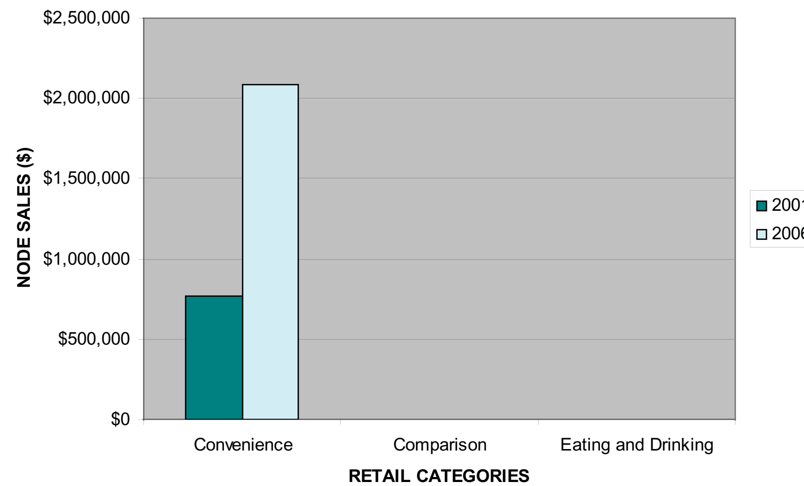
Havencourt-Lockwood 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	12,502	38,035	245,524	400,377
Households	3,464	11,144	77,976	149,082
Households Size	3.55	3.37	3.10	2.64
Per Capita Income	$11,982	$14,290	$20,078	$25,469
Number of Households with Children	1,892	5515	34,203	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

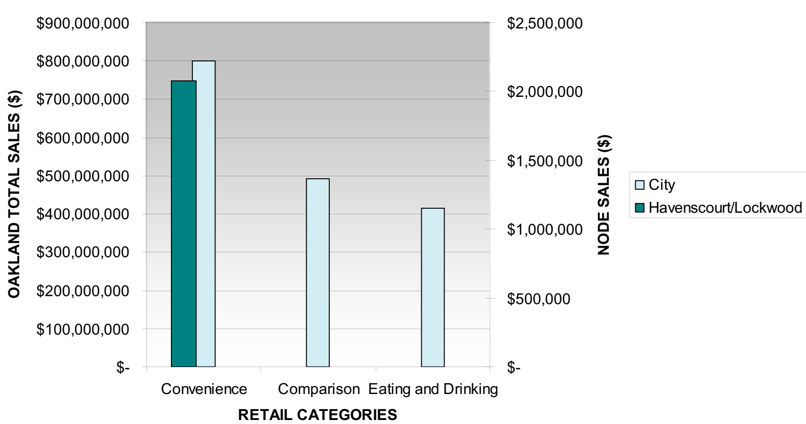


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	80%	N/A	N/A
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $325,814
Estimated Retail Sales per SF: $113.33

	Number of Establishments
Convenience	4
Comparison	N/A
Eating & Drinking	N/A
Total	8

Anchor Businesses (2006)

None in this Area

Oakland Retail Node #25 — Small Neighborhood

Lower Broadway

The Lower Broadway district historically primarily served as an entertainment district, but, today restaurants are the main tenants. Lower Broadway and Jack London Square, to the south, are separated from City Center by the combined barriers of the elevated I-880 freeway, the police headquarters and jail on 7th Street, and the two block County administrative complex on 4th Street. In 2006, Lower Broadway generated less than $10 million in total sales. More than 40 percent of total sales were eating and drinking sales, due to the large number of these establishments. However, there are no convenience sales or establishments and only a small amount of comparison sales and shopping. Recent residential development, located to the east of Broadway, has brought several thousand new residents to the area. Recent downtown development policy discussions have involved creating a major retail development on the County-owned sites at 4th street to provide a better link to Jack London Square. This idea requires relocation of the county's functions, which would require a complicated planning process.

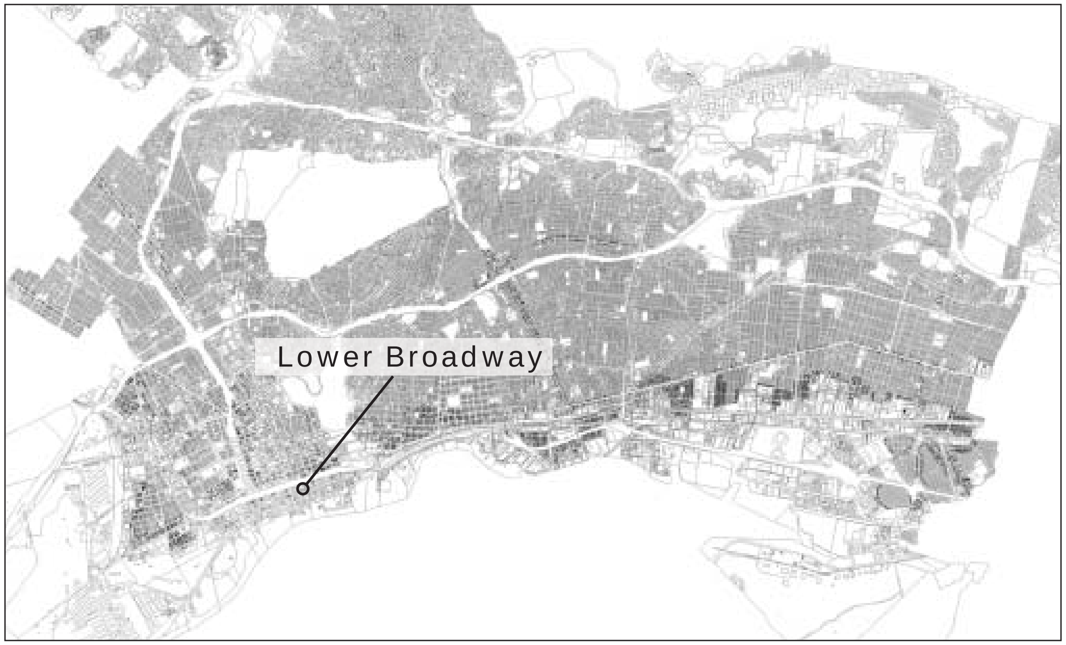
Currently per-capita incomes in the immediate neighborhood are lower than the city average, but income levels will be affected by full occupancy of the luxury housing units recently built and now under construction. Area households are small and have few children. There is an opportunity for resident-serving and entertainment uses to move into vacant storefronts. This retail node has been categorized as a small neighborhood with retail that should be repositioned to reflect the ongoing changes in the area.

Node Demographics

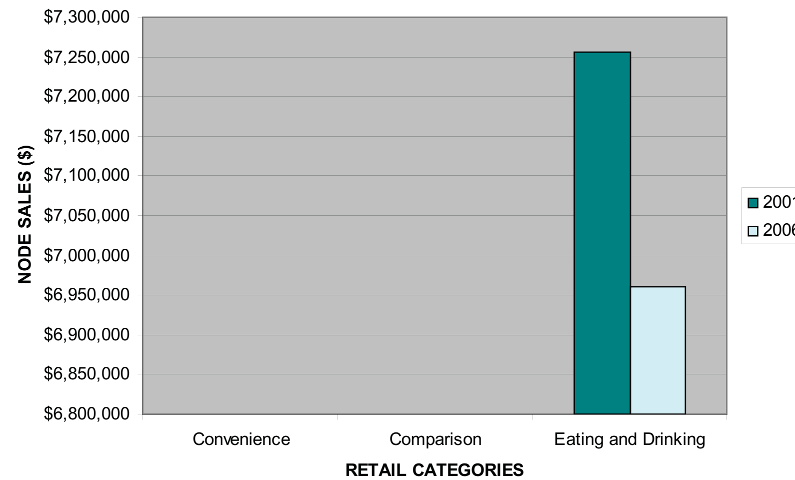
Lower Broadway 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	4,858	21,209	217,207	400,377
Households	2,024	10,263	90,762	149,082
Households Size	2.02	1.94	2.34	2.64
Per Capita Income	$16,096	$18,523	$25,723	$25,469
Number of Households with Children	289	1,920	24,788	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

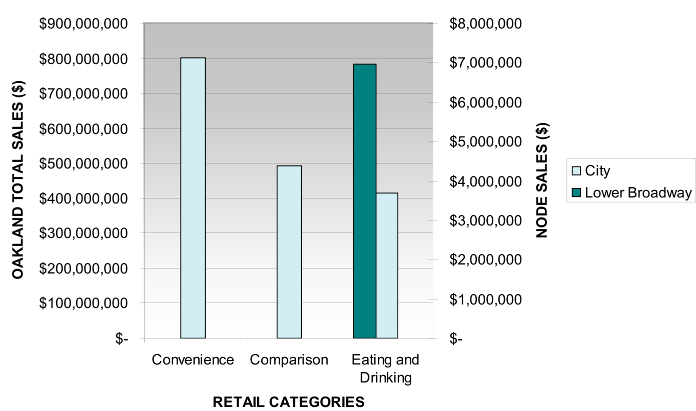


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	N/A	92%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $289,640

Estimated Retail Sales per SF: $63.82

	Number of Establishments
Convenience	N/A
Comparison	N/A
Eating & Drinking	24
Total	26

Anchor Businesses (2006)

•Buttercup Kitchen
•Fat Lady
•Nations Giant Hamburgers

Oakland Retail Node #17 | Small Neighborhood

Millsmont

Millsmont is situated along Seminary Avenue and once served as a back door to Mills College. This area was originally developed a as a vacation community for San Franciscans. The area's attractive bungalow homes are a legacy from those days. In 2006, Millsmont had less than $10 million in total sales with more than 40 percent of sales were convenience goods. The majority of establishments in the area accommodate convenience shopping; there is virtually no comparison sales in the area. There is some small-scale eating and drinking outlets.

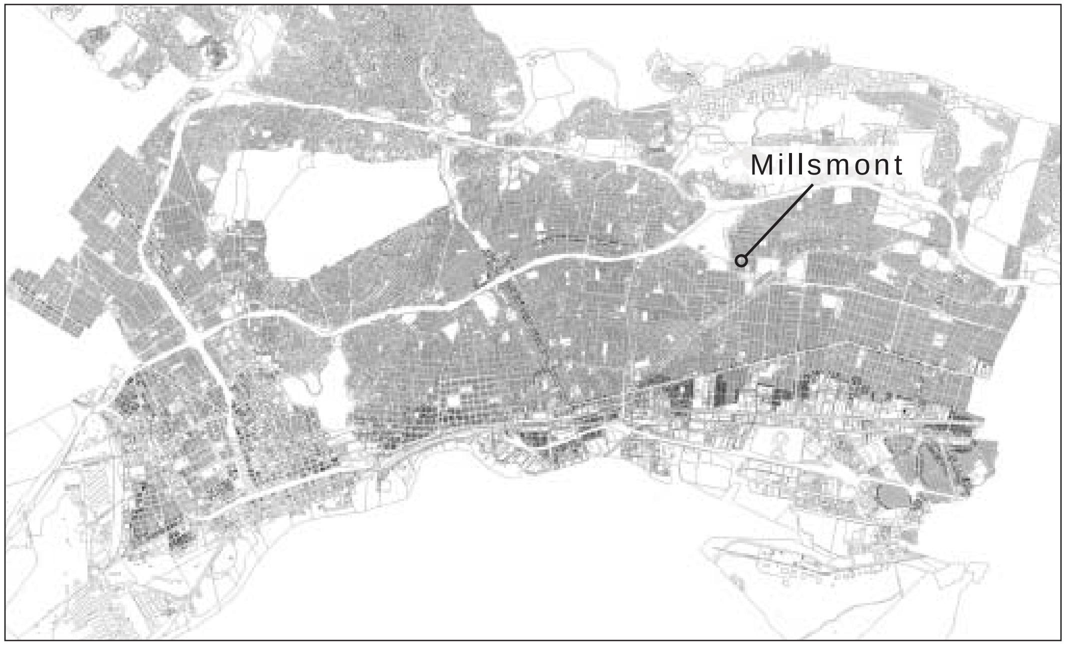
Millsmont has a lower per-capita income but similar household size as compared to the City as a whole. It would be beneficial for retail businesses in the area to establish connections with Mills College as a means of expanding neighborhood retail. This retail node has been categorized as a small neighborhood with retail that has the potential to expand its current capacity.

Node Demographics

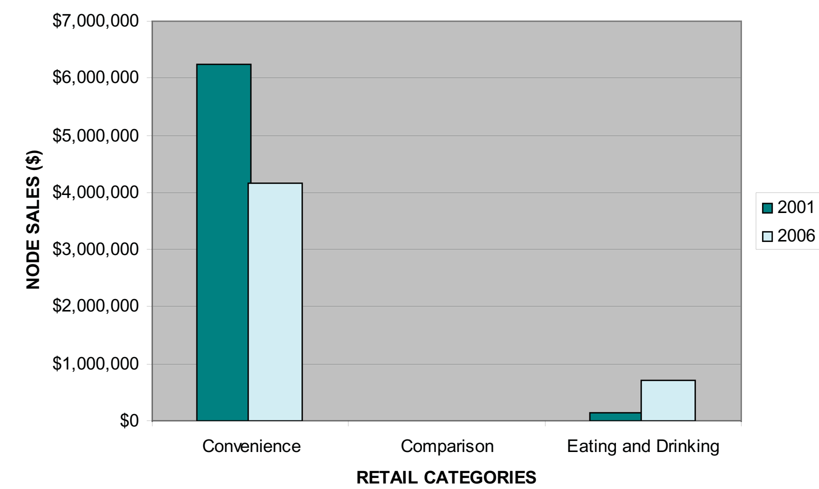
Millsmont 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	7,388	34,130	212,487	400,377
Households	2,728	11,377	66,169	149,082
Households Size	2.67	2.94	3.16	2.64
Per Capita Income	$19,661	$19,339	$20,014	$25,469
Number of Households with Children	1,089	4,917	29,912	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

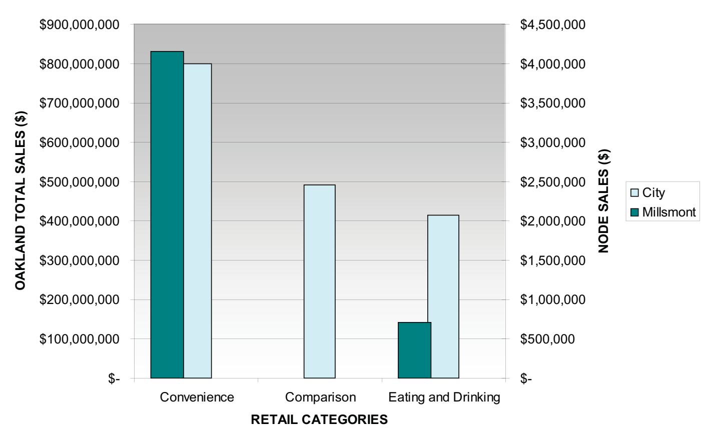


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	85%	N/A	15%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $405,811

Estimated Retail Sales per SF: $143.23

	Number of Establishments
Convenience	6
Comparison	N/A
Eating & Drinking	5
Total	12

Anchor Businesses (2006)

None in this Area

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

North Oakland

The North Oakland node is located near Berkeley between Alcatraz and Telegraph avenues. In 2006, the area had more than $10 million in total sales, with the majority of sales coming from eating and drinking outlets. This node contains an interesting mix of ethnic restaurants as well as fast food options. Comparison stores also perform fairly well, but there area relatively few convenience goods stores. North Oakland is a small hub, but can sometimes serve more than the neighborhood because of its location on the travel route between Oakland neighborhoods and the UC Berkeley campus.

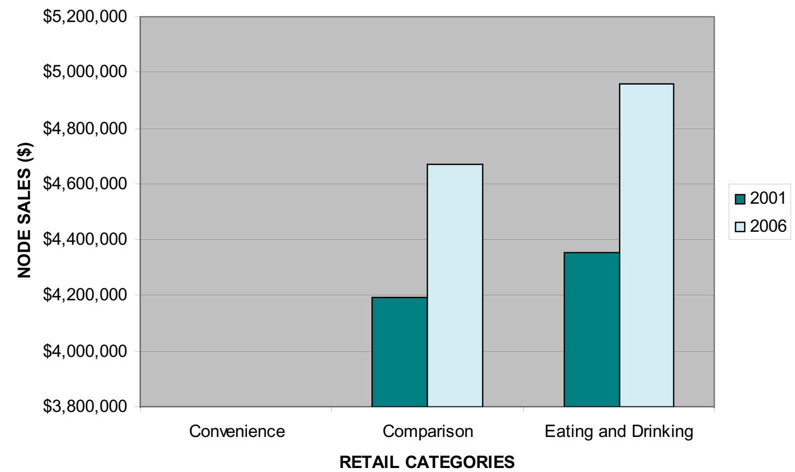
Despite this locational advantage, this node is classified as a small neighborhood that needs improvement. Residents have high per-capita income levels, small household sizes, and a small number of households with children. North Oakland would benefit from including more neighborhood-serving convenience uses. This node has been categorized as a small neighborhood with retail that can be improved.

Node Demographics

North Oakland 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	10,983	41,988	214,814	400,377
Households	5,125	18,840	97,981	149,082
Households Size	2.12	2.20	2.12	2.64
Per Capita Income	$38,047	$36,211	$35,710	$25,469
Households with Children	1,006	3,952	20,294	49,976

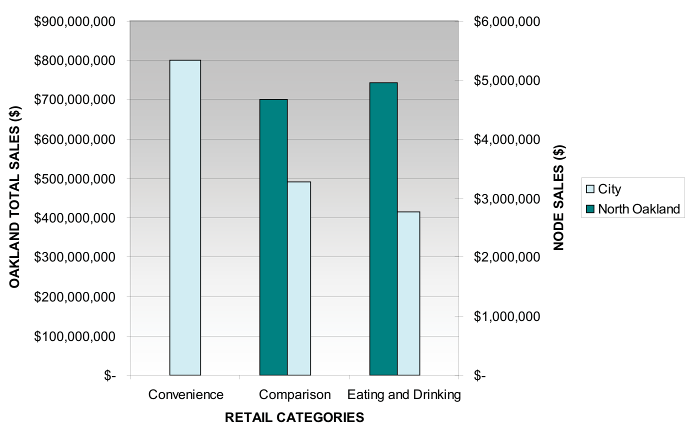
City Map

Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	44%	46%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $344,714
Estimated Retail Sales per SF: $274.00

	Number of Establishments
Convenience	N/A
Comparison	16
Eating & Drinking	10
Total	31

Anchor Businesses (2006)

- •Alcatraz Shade Shop
- •Jack in the Box
- •KFC
- •Pet Food Express

Oakland Retail Node #3 — Small Neighborhood

San Antonio

San Antonio is often overlooked, primarily because it is located between the Eastlake and Fruitvale nodes, two popular districts providing a full range of grocery, restaurant, and comparison retail. This small node has less than $10 million in total sales, with more than 40 percent of those sales in convenience goods. Although there are not many retail establishments in the area, it is well-patronized by the immediate community. There are many auto-related services, which draw shoppers from beyond the immediate neighborhood.

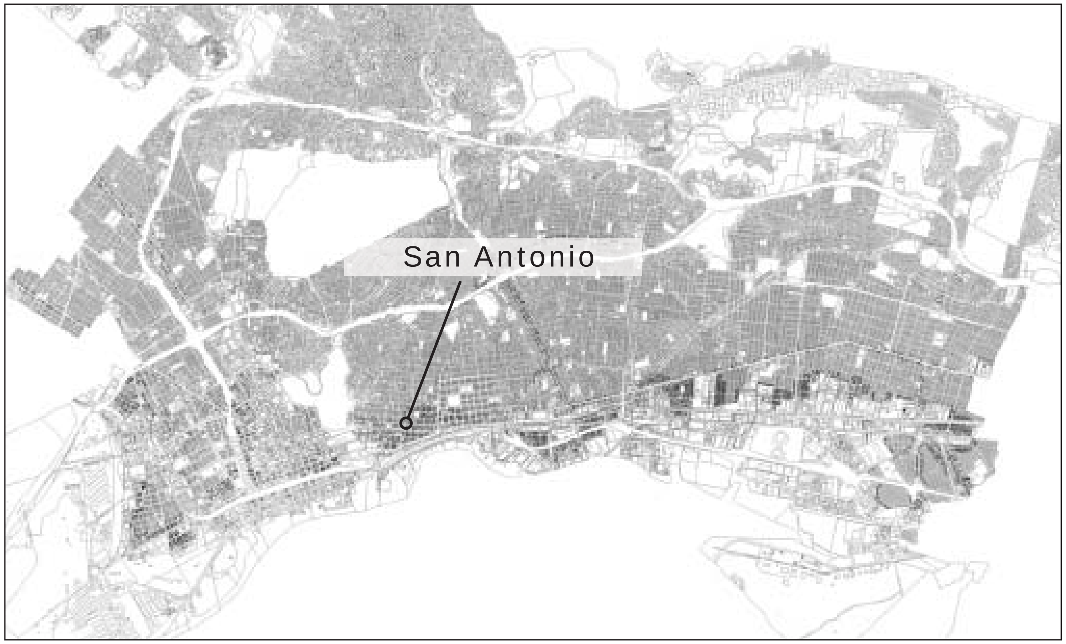
Per-capita income for the area is low compared to the city average. The neighborhood has larger households and just about half of all households have children. The initial potential for enhanced retail in San Antonio is for neighborhood- and family-serving outlets. The San Antonio retail node is categorized as a small neighborhood that needs to be improved.

Node Demographics

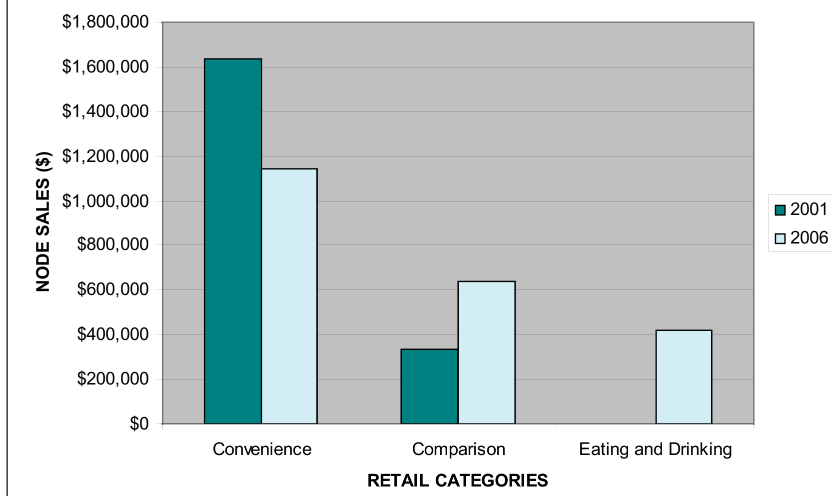
San Antonio 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	10,577	47,819	293,211	400,377
Households	2,988	15,095	114,598	149,082
Households Size	3.48	3.13	2.51	2.64
Per Capita Income	$12,389	$15,475	$26,604	$25,469
Number of Households with Children	1,436	6,295	35,445	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

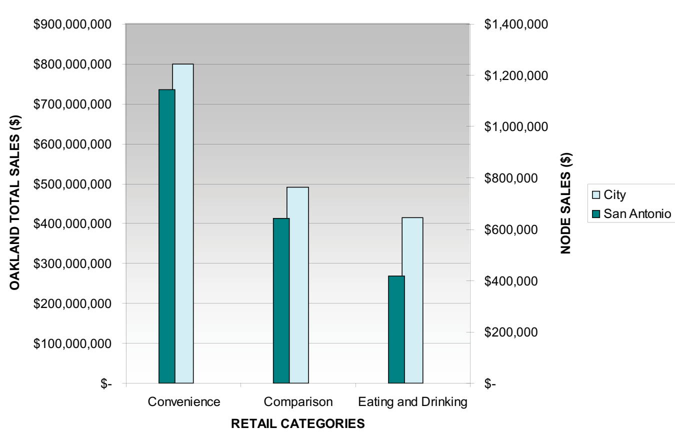


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	52%	29%	19%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with state confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $137,646

Estimated Retail Sales per SF: $30.17

	Number of Establishments
Convenience	6
Comparison	5
Eating & Drinking	5
Total	16

Anchor Businesses (2006)

None in this Area

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

San Pablo

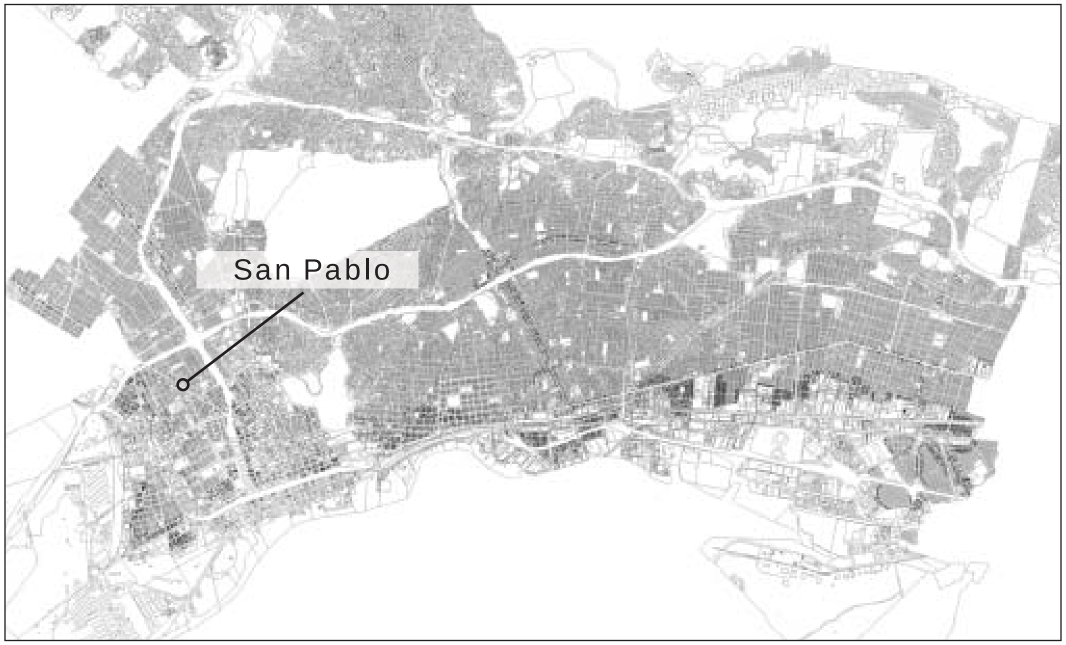
San Pablo retail node extends along San Pablo Avenue between West Grand Avenue and West MacArthur Boulevard, just before the Oakland-Emeryville border. It is a node with less than $10 million in total sales and more than 40 percent of total sales were attributed to convenience good shopping. Comparison goods also make up a significant portion of sales.

Neighborhood residents in the San Pablo area have a low per-capita income level. Other household characteristics include small household sizes, but not smaller than the city average, and less than half of all households have children present. This retail node has been categorized as a small neighborhood that has the potential to reposition its existing retail.

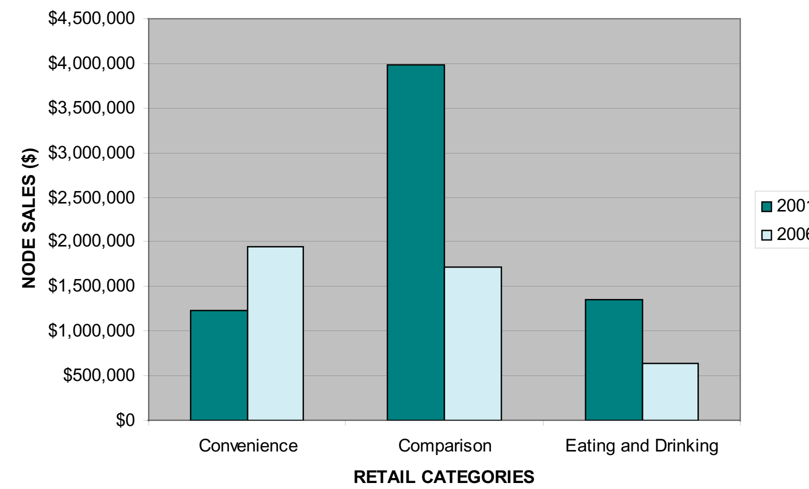
Node Demographics

San Pablo 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	10,649	32,174	213,547	400,377
Households	3,517	13,501	95,037	149,082
Households Size	2.86	2.29	2.21	2.64
Per Capita Income	$13,589	$17,066	$30,109	$25,469
Households with Children	1,403	3,722	23,210	49,976

City Map

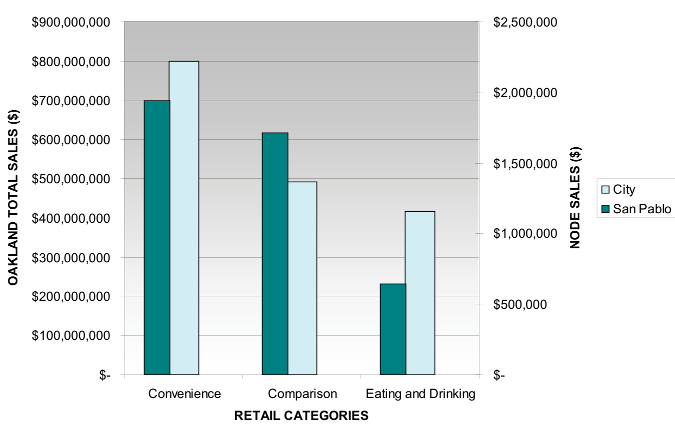


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	40%	36%	13%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $266,970

Estimated Retail Sales per SF: $56.53

	Number of Establishments
Convenience	4
Comparison	5
Eating & Drinking	7
Total	18

Anchor Businesses (2006)

None in this Area

Oakland Retail Node #30 — Small Neighborhood

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

Upper Broadway/Oakland Tech

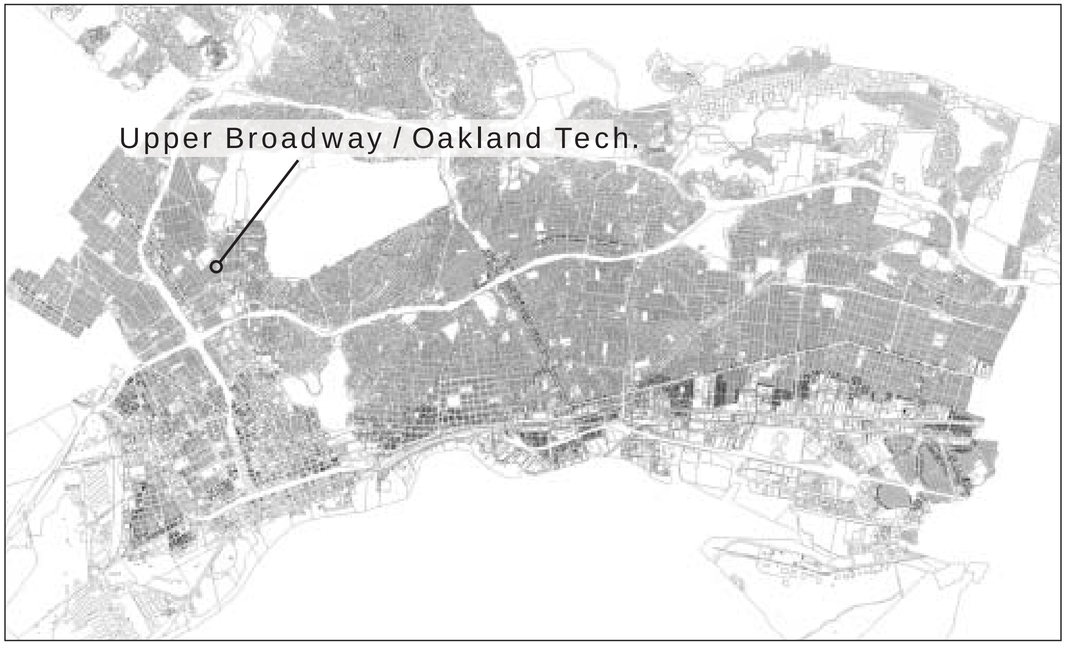
The Upper Broadway/Oakland Tech node is located in North Oakland. Broadway serves as a major thoroughfare between the Rockridge area and downtown Oakland. This retail node has more than $10 Million in total sales, with the greatest number of outlets and sales in the eating and drinking category. The Upper Broadway/ Oakland Tech area attracts patrons to fast food chains as well as popular local restaurants such as Mama's Royal Café and Arts Crab Shack. This node also has a large number of liquor stores and service stations. Much of the convenience shopping targets students at Oakland Technical High School. Most of the retail is auto oriented, with few locations within the node developed at a scale that encourages pedestrian traffic. This node abuts the 51st and Broadway node which is also auto oriented and generates little spill over support to the Upper Broadway/Oakland tech node.

The neighborhood has high per-capita income, low household size, and fewer households with children compared to the City as a whole. This node has several large sites that will be available for development in the near to mid term. Therefore, this node has been categorized as a small neighborhood with retail that has the potential for expansion.

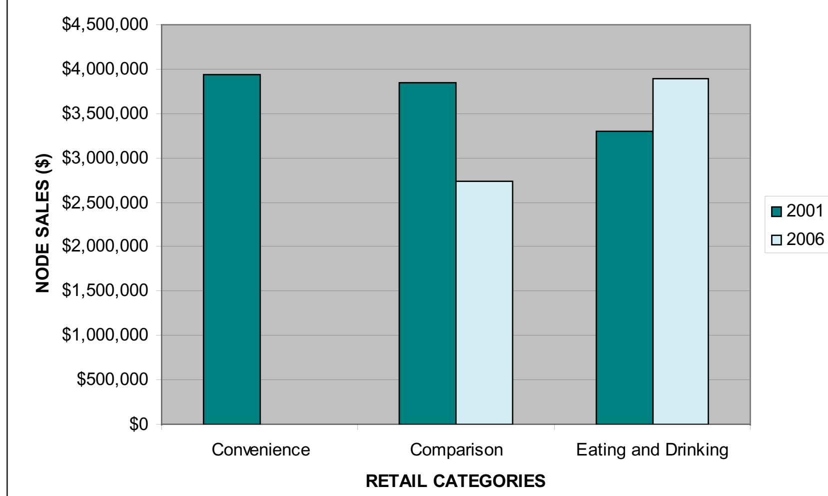
Node Demographics

Upper Broadway 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	9,171	34,384	258,158	400,377
Households	5,180	17,326	114,116	149,082
Households Size	1.74	1.96	2.19	2.64
Per Capita Income	$37,990	$37,326	$32,425	$25,469
Households with Children	642	3,334	26,112	49,976

City Map

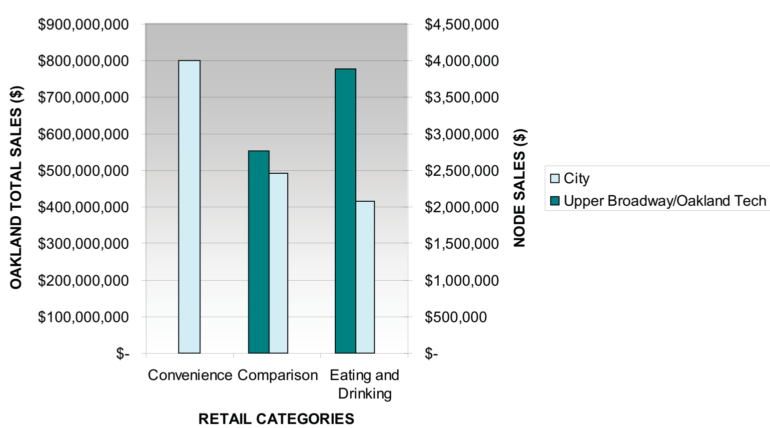


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	27%	38%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $383,433

Estimated Retail Sales per SF: $139.90

	Number of Establishments
Convenience	N/A
Comparison	9
Eating & Drinking	15
Total	27

Anchor Businesses (2006)

- Kragen Auto Parts
- Mama's Royal Cafe
- Petfood Store

Oakland Retail Node #46 | Small Neighborhood

Upper Mandela

Upper Mandela is located the corridor that connects West Oakland to the shopping centers in nearby Emeryville. Despite new landscape renovations on Mandela Parkway, the Upper Mandela retail node is more of an awkward backdoor entrance than a continuation of Emeryville's successful retail district. In 2006, annual sales were significantly less than $10 million. There are few retail outlets with low sales volumes in this area. The surrounding neighborhood has a small population base. The area has several large sites formerly occupied with industrial uses. To date, redevelopment of those sites for retail use has not been a policy priority and development of higher land value-generating uses have been proposed by property owners.

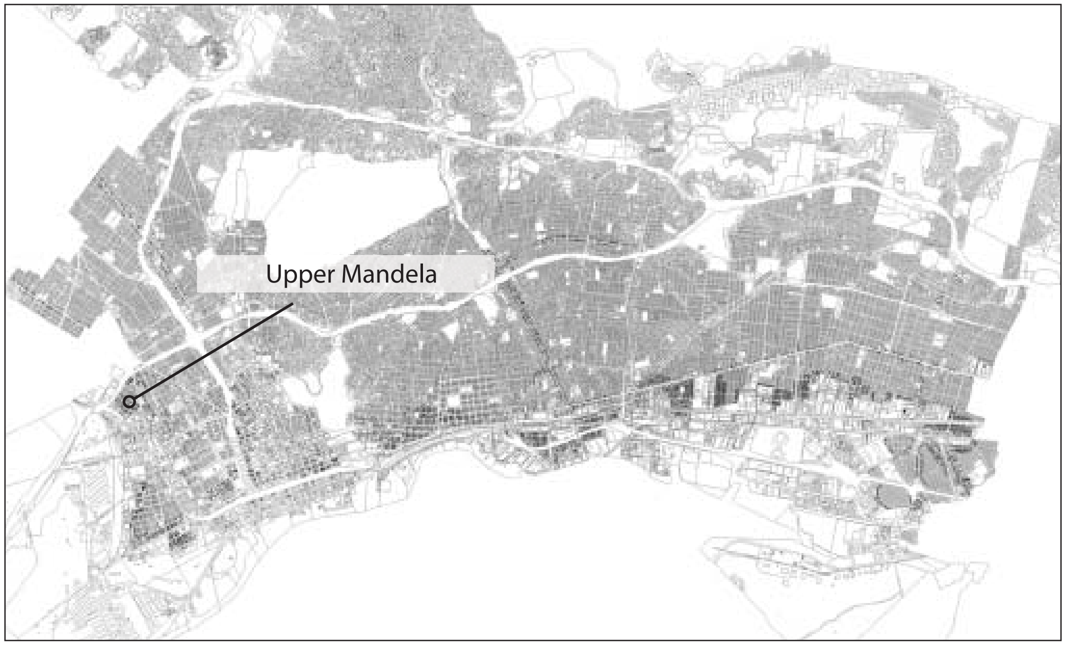
The area has relatively few households with children, smaller household size, and lower per-capita income compared to the city average. Unless significant sites are made available for retail development, retail enhancement in this node will likely be limited to small neighborhood-serving convenience uses. Upper Mandela is classified as a small neighborhood node needing improvement.

Node Demographics

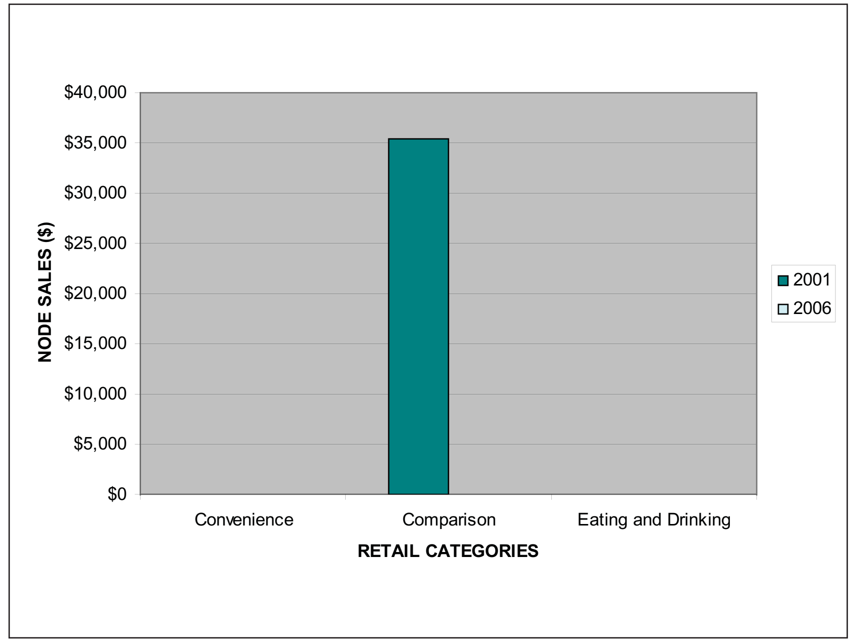
Upper Mandela 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	2,221	16,637	179,602	400,377
Households	884	6,170	83,406	149,082
Households Size	2.49	2.63	2.11	2.64
Per Capita Income	$19,248	$16,887	$28,698	$25,469
Number of Households with Children	267	2,183	18,286	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

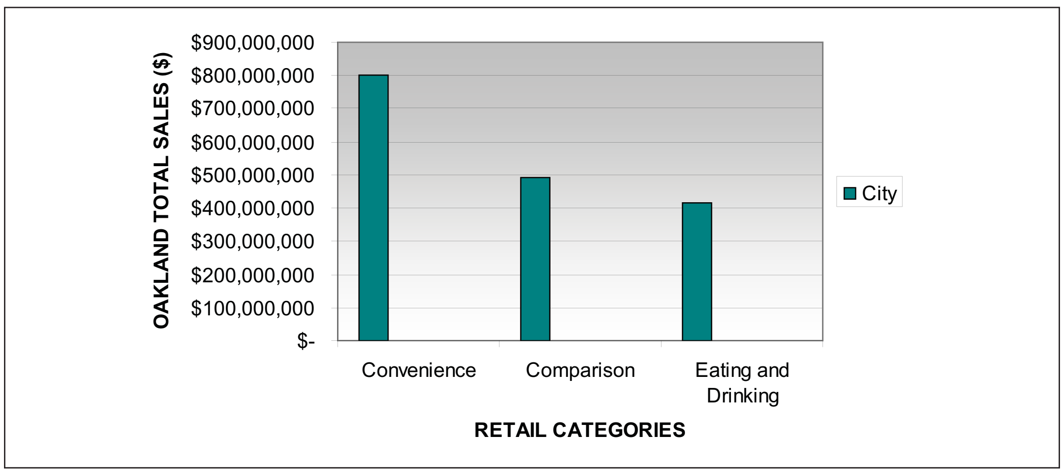


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	N/A	N/A
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $1,413

Estimated Retail Sales per SF: N/A

	Number of Establishments
Convenience	N/A
Comparison	N/A
Eating & Drinking	N/A
Total	N/A

Anchor Businesses (2006)

None in this Area

Oakland Retail Node #47 | Small Neighborhood

West Oakland BART

The West Oakland BART retail node is located along 7th Street, which was a historic jazz and entertainment district that flourished during World War II. In 2006, the West Oakland BART node generated less than $10 million in total sales with more than 40 percent attributed to convenience goods. This node has very few comparison good stores and few retail establishments. Recently there has been new residential development with ground-floor retail and other physical improvements in the area, including a 99 Cent Store and a Subway sandwich outlet that are too new to be included in the 2006 sales data. There has been strong and positive neighborhood support for these new retail outlets, indicating a good match with neighborhood retail needs. Unfortunately, crime continues to be a problem affecting both retail and residents in this area.

The adjacent neighborhood has a small population base with a per-capita income that is significantly lower than average for Oakland. Incorporating more retail into other new developments should be encouraged in the future. Despite regional visibility from BART to the area, this retail node primarily serves the surrounding neighborhood. Thus, the West Oakland BART node has been classified as a small neighborhood node that is in need of retail improvement.

Node Demographics

West Oakland BART 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	6,971	15,760	158,205	400,377
Households	2,296	5,461	72,387	149,082
Households Size	2.97	2.74	2.14	2.64
Per Capita Income	$13,376	$13,875	$25,583	$25,469
Number of Households with Children	1,097	2,145	16,653	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

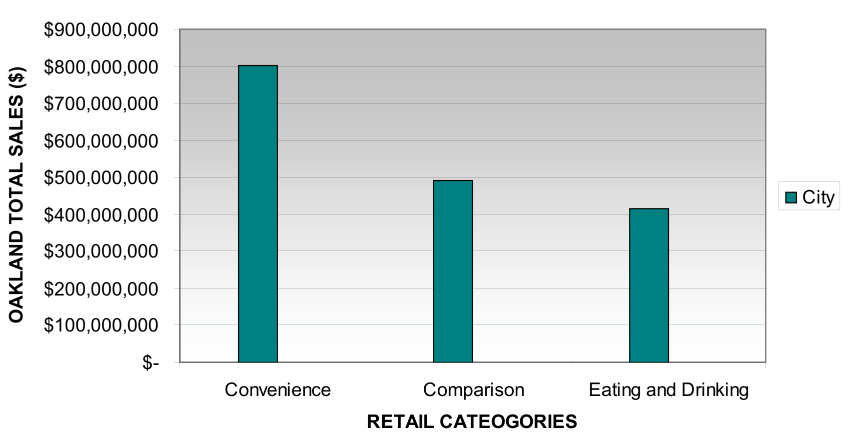
City Map

Sales Trends (2001, 2006)*

Sales for West Oakland BART can not be reported for this analysis

Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	N/A	N/A
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

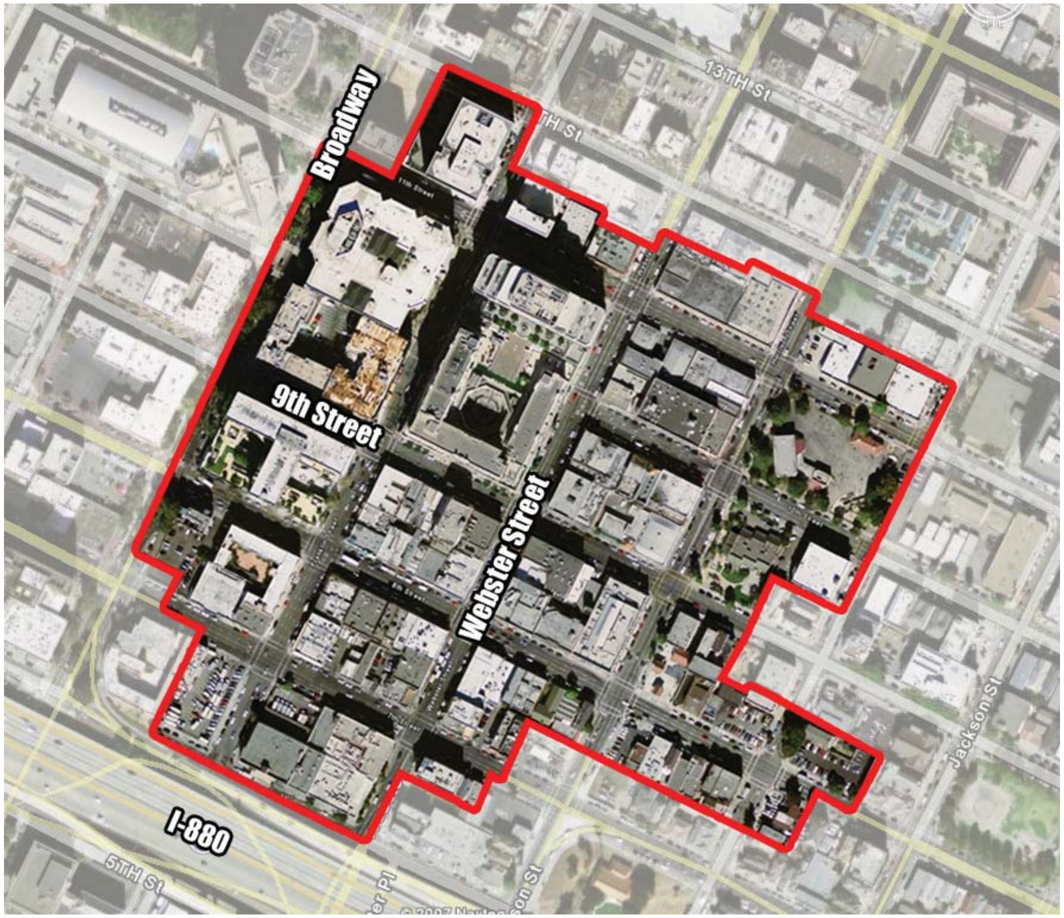
2006 Average Sales per Establishment: $246,297
Estimated Retail Sales per SF: $21.42

	Number of Establishments
Convenience	N/A
Comparison	N/A
Eating & Drinking	N/A
Total	6

Anchor Businesses (2006)

None in this Area

Oakland Retail Node #26 — Grocery + Restaurant



Chinatown

Chinatown is located just between 14th street and the I-880 freeway, just east and south of downtown. Oakland's Chinatown serves the retail demand of Asian residents from throughout the East Bay. Regular shoppers from outside of Oakland are attracted to the familiar food and other merchandise and the ability to do necessary business in their native tongue. This retail node functions successfully with one of the highest sales volumes in the City, well over $10 Million in sales in 2006. While historically more than 80percent of retail in Chinatown was from food and restaurant outlets, today this node has an even distribution of sales between the convenience, comparison, eating & drinking categories. Historically, Chinatown has been the strongest performing retail node in the downtown, and one of the strongest in the City. Over the years the demand for retail space in Chinatown has outstripped the supply of available storefronts, leading to an expansion of this Asian retail district beyond its traditional borders. Over the last two decades the tenant mix has broadened and now includes building supplies and more comparison goods stores. This area is also as a regional-serving community center with banks, schools and churches serving a multi ethnic East Bay Asian population.

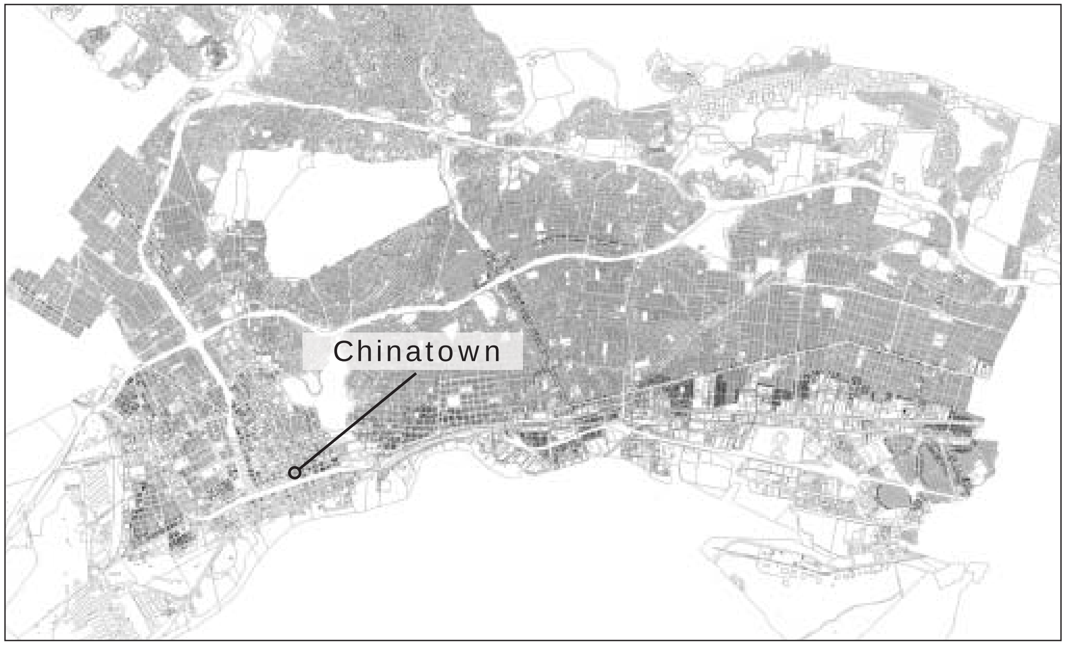
Today, there is also more competition in the East Bay for shoppers seeking a similar retail experience, including popular concentrations of Asian stores in Richmond and Concord. Chinatown stakeholders have expressed concern about maintaining their customer base given the regional Asian retail alternatives. Traffic congestion and a lack of parking are constraints to the area's vitality. Chinatown retailers benefit from the additional shopper support from recent housing development in and around this node. However, in Chinatown must maintain a regional support base to retain its current activity level. Chinatown is classified as a grocery and restaurant node that can be improved.

Node Demographics

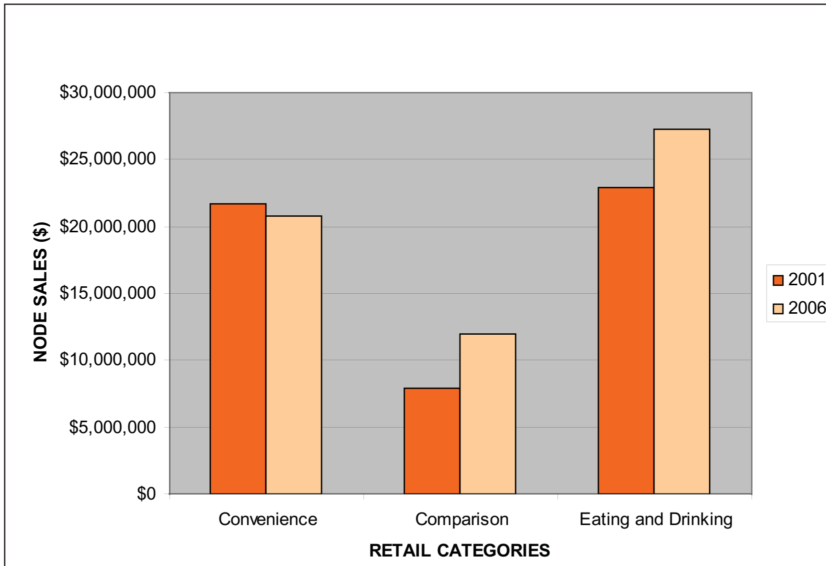
Chinatown 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	11,898	26,830	235,889	400,377
Households	6,018	13,144	97,819	149,082
Households Size	1.82	1.93	2.36	2.64
Per Capita Income	$18,023	$19,183	$ 26,449	$25,469
Number of Households with Children	780	2,291	27,139	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

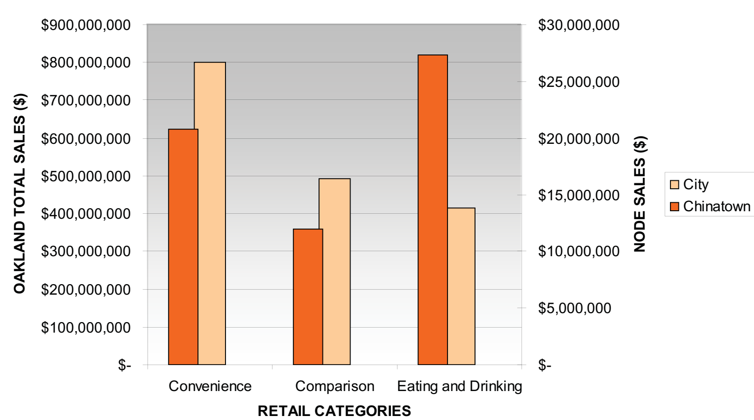


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	29%	17%	38%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $361,818
Estimated Retail Sales per SF: $163.78

	Number of Establishments
Convenience	35
Comparison	95
Eating & Drinking	63
Total	196

Anchor Businesses (2006)

- •Dream Team Home Furnishings
- •Jade Villa
- •Restaurant Peony
- •Smart and Final

Oakland Retail Node #14 | Grocery + Restaurant

Dimond

The Dimond node is located at the top of Fruitvale Avenue in East Oakland. This node captured more than $10 million in sales in 2006. More than 40percent of its sales at that time were in convenience retail. The Dimond node also has comparison good stores and eating and drinking establishments, but sales in these categories are still less than convenience goods sales. The tenant mix has been broadened recently with the addition of several new anchor tenants, including the locally-owned Farmer Joes supermarket, Peet's Coffee and La Farrine Bakery to the existing Safeway and Longs Drug Stores. Property owners have invested in façade improvements and have attracted strong tenants along the Fruitvale Avenue frontage, with other properties along MacArthur showing less recent investment. Other customer attractions in this node include an attractive park, banks, a library, and a pleasant, if brief, pedestrian experience along Fruitvale Avenue. This node serves both hillside and flatlands neighborhoods. In total the market area has an average household size comparable to the City, while less than half of all households include children. Even though the surrounding neighborhoods are economically diverse, the Diamond node has a higher per-capita income compared to the City.

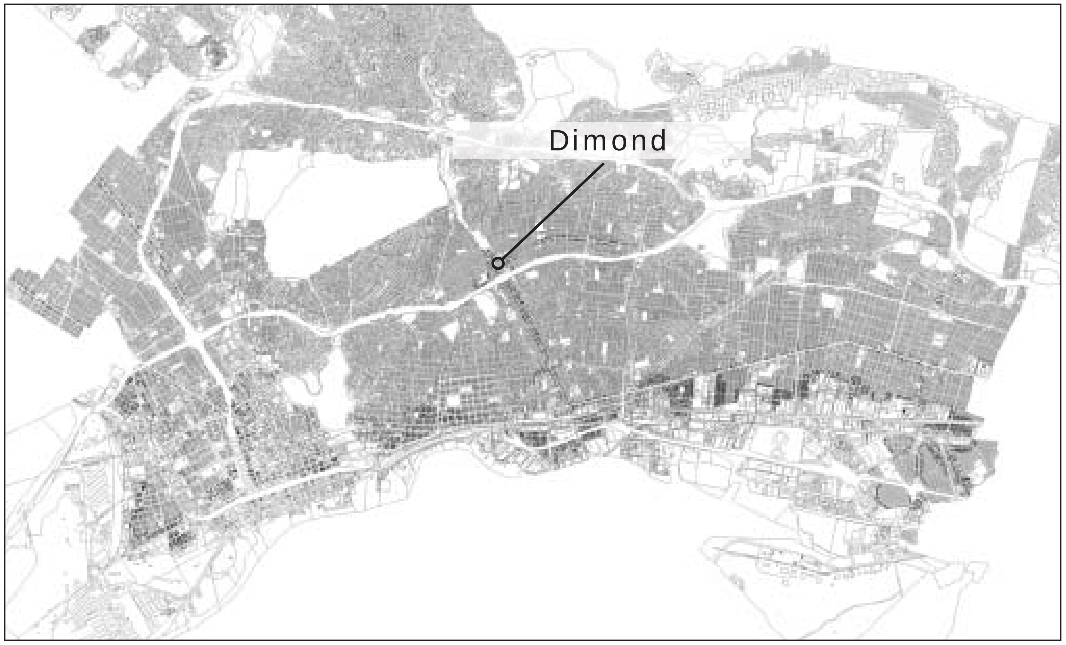
One challenge for this node is that retail frontage and the pedestrian orientation is interrupted to accommodate the automobile at several key locations. A retail enhancement strategy for the Diamond node should focus on building on the customer draw provided by the strong anchor tenant representation with specialty and other comparison goods stores who can benefit from cross shopping opportunities. Creating a strong pedestrian environment should be an enhancement priority. Continued physical upgrades to the existing storefronts should be encouraged, as should a strategic leasing program to fill vacancies with appropriate tenants. Retail improvements to the Dimond node are clearly underway. It is classified as grocery and restaurant node which is ready for improvement.

Node Demographics

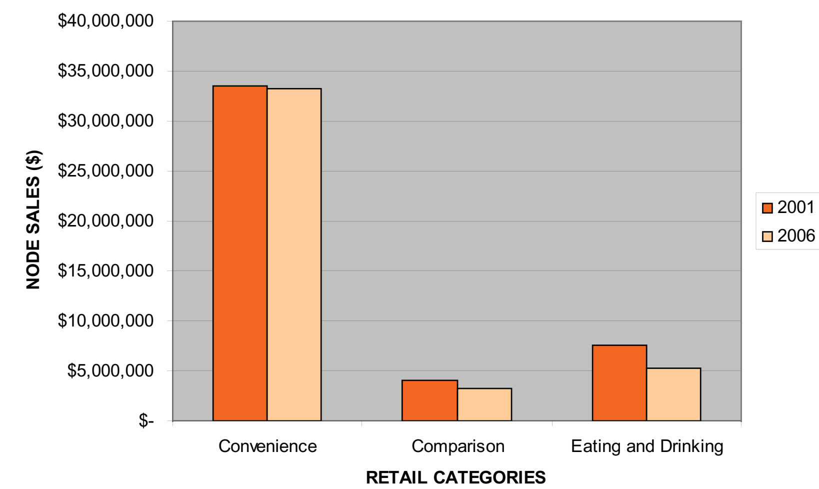
Dimond 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	10,401	41,653	263,312	400,377
Households	3,978	14,899	100,798	149,082
Households Size	2.52	2.74	2.57	2.64
Per Capita Income	$26,709	$26,290	$28,681	$25,469
Number of Households with Children	1,308	5,519	32,290	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

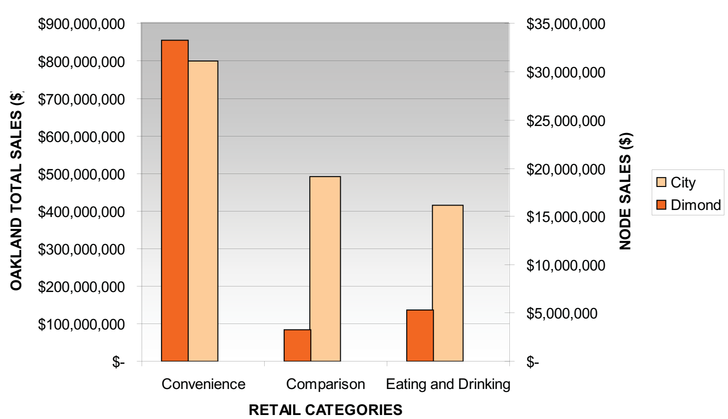


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	79%	8%	13%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $708,319

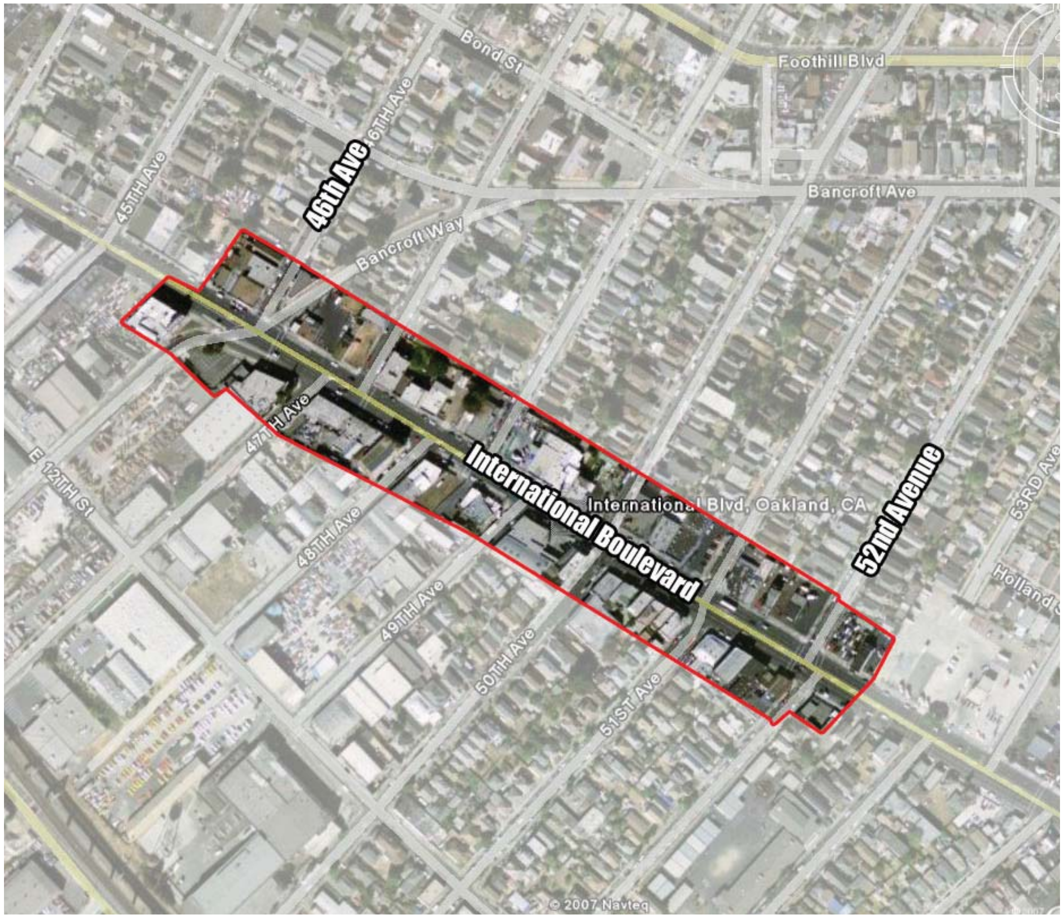
Estimated Retail Sales per SF: $259.57

	Number of Establishments
Convenience	10
Comparison	25
Eating & Drinking	23
Total	59

Anchor Businesses (2006)

•Longs
•Mc Donalds
•Safeway

Oakland Retail Node #8 Grocery + Restaurant



Node Demographics

Fremont 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	9,646	39,083	265,672	400,377
Households	2,602	10,903	87,549	149,082
Households Size	3.65	3.53	2.99	2.64
Per Capita Income	$12,218	$14,125	$21,731	$25,469
Number of Households with Children	1,338	5,515	36,257	49,976

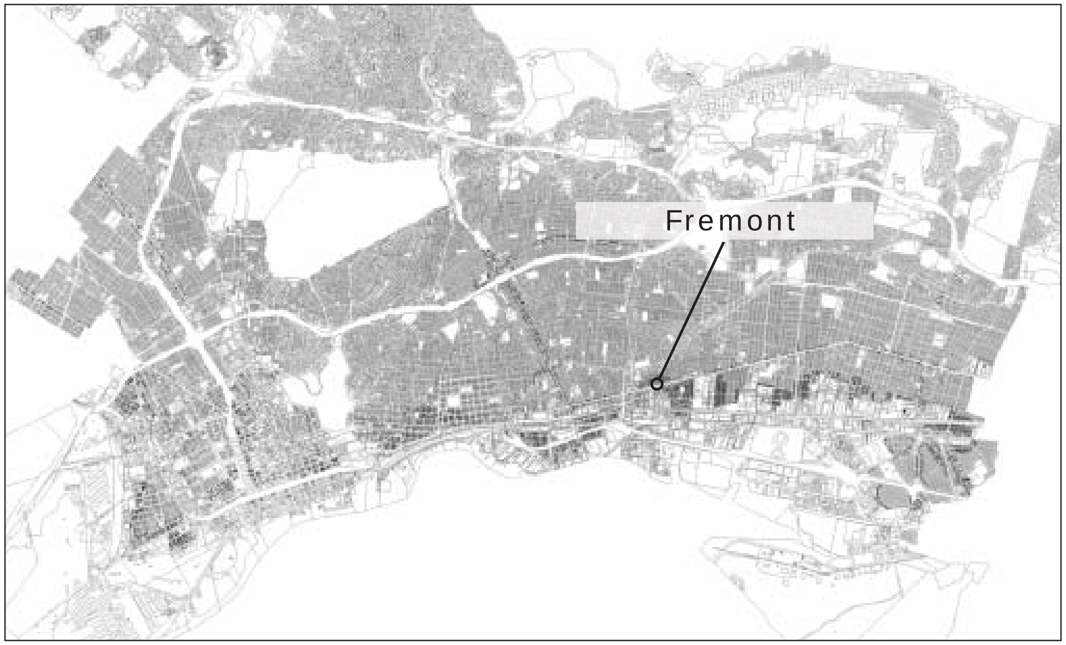
Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

Fremont

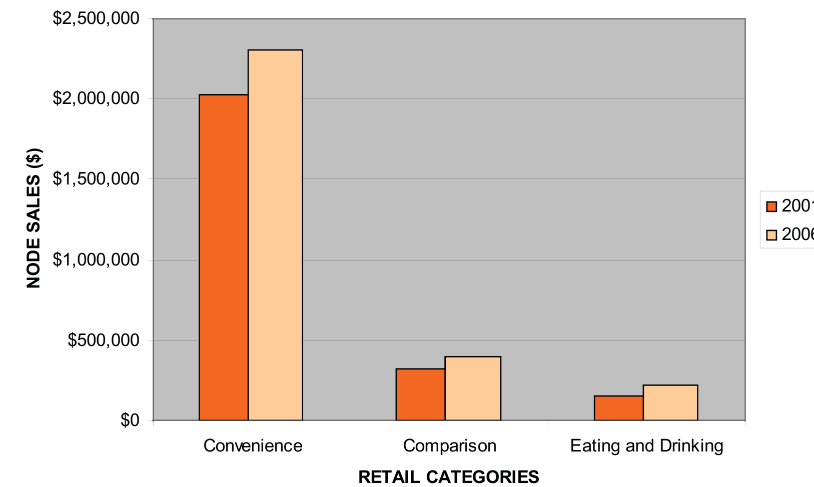
The Fremont retail node is located on International Boulevard between 45th Avenue and 53rd Avenue, between the High Street Corridor and Havenscourt/Lockwood retail nodes. The Fremont retail node is located on a large thoroughfare with retail directly behind and surrounding International Boulevard. This node has less than $10 million in total sales, with more than 40 percent attributed to convenience good sales. There are a large amount of comparison establishments but comparison sales are low. Despite several local restaurants, there are minimal sales in the eating and drinking category. There are several small scale supermarkets and comparison goods establishments in this retail node. This node's location on International Boulevard is important for attracting commuters for convenience and local restaurants. It also serves as a connector to larger retail centers such as High Street.

This node has a lower per-capita income level and larger household size in contrast to the city averages. Just over half of all households in the immediate area include children. This retail node has been categorized as having both a grocery store and restaurants, however there is a need to improve the existing retail.

City Map

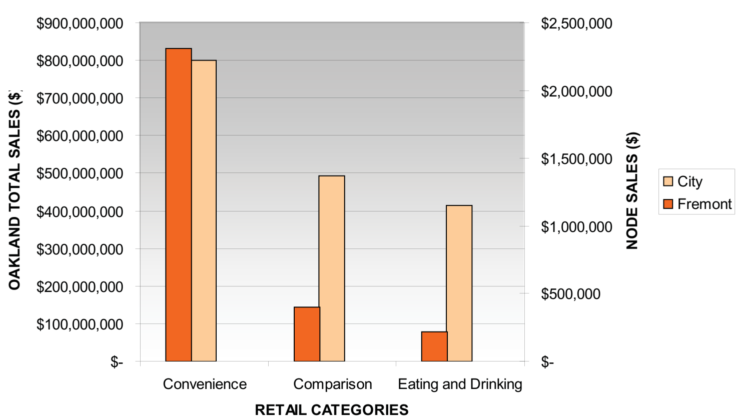


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	78%	14%	7%
City	40%	25%	21%



Merchandising Mix*

2006 Average Sales per Establishment: $105,767

Estimated Retail Sales per SF: $29.03

	Number of Establishments
Convenience	5
Comparison	15
Eating & Drinking	7
Total	28

Anchor Businesses (2006)

None in this Area

* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Oakland Retail Node #20 — Grocery + Restaurant

Foothill Square

The Foothill Square retail node is located in east Oakland along MacArthur Boulevard. Foothill Square is identified as a node with less than $10 million in total sales. In 2006, more than 40 percent of its total sales were from convenience goods sales. This retail node has fewer convenience establishments than any other retail category, however, convenience goods generate the most revenue, most likely due to the local Walgreens. Comparison goods sales are poor, most likely due to the limited number of establishments available to patrons. The eating and drinking category has the largest, including Churches Chicken and Papa Murphy's. Albertson's was the former anchor tenant at Foothill Square, which is proposed to be replaced by Harvest Market, a supermarket chain new to Northern California. This node also has several liquor stores and a Kragen Auto Parts. Recently, there has been discussion of potential development and the addition of a family restaurant and/or national chain drug store. This node and section of the city are isolated from nearby retail, which suggests the need for convenience retail in the area. The close proximity to San Leandro makes it easy for neighborhood residents to shop in San Leandro because there are few convenience or comparison options available to them in the Foothill Square retail node.

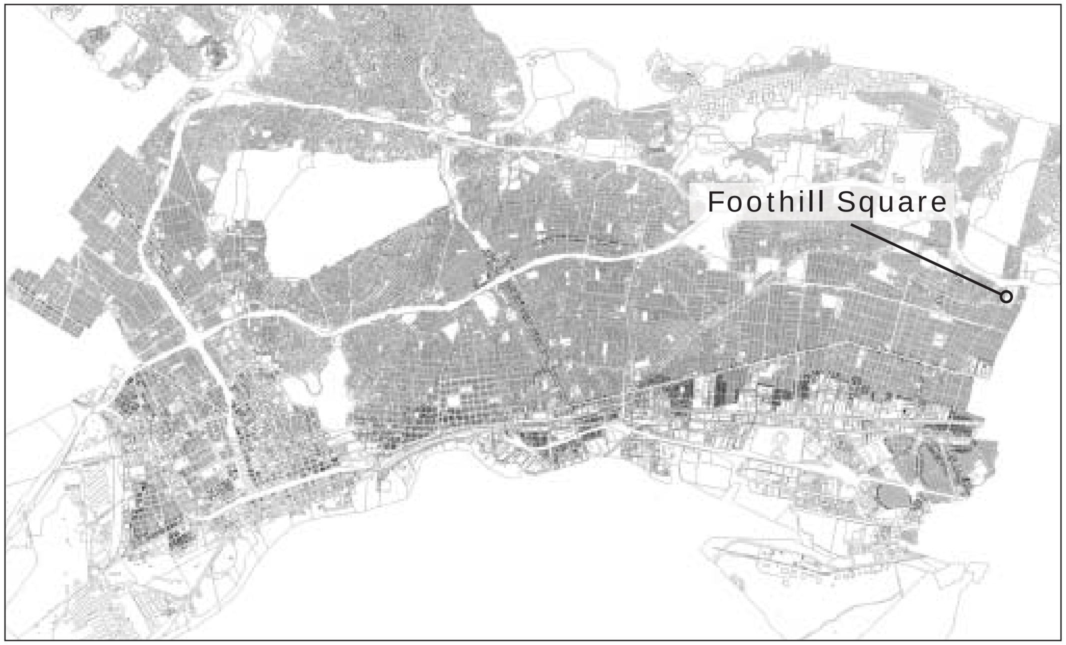
The Foothill Square node has a moderate per-capita income (PCI) level, but this PCI is still lower than the city average. This node also has a lower household size than many other nodes within the city with less than half of all households in the immediate area have children present, however, not lower than the city average. This retail node has been categorized as grocery and restaurant retail node that has the potential to reposition.

Node Demographics

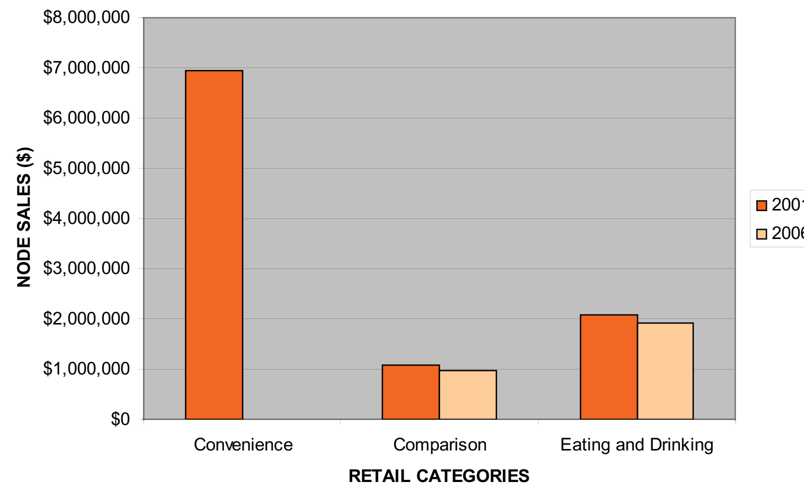
Foothill Square 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	7,512	27,694	150,941	400,377
Households	2,508	9,260	50,224	149,082
Households Size	2.98	2.96	2.97	2.64
Per Capita Income	$20,858	$22,548	$21,523	$25,469
Number of Households with Children	1,104	4,005	20,858	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

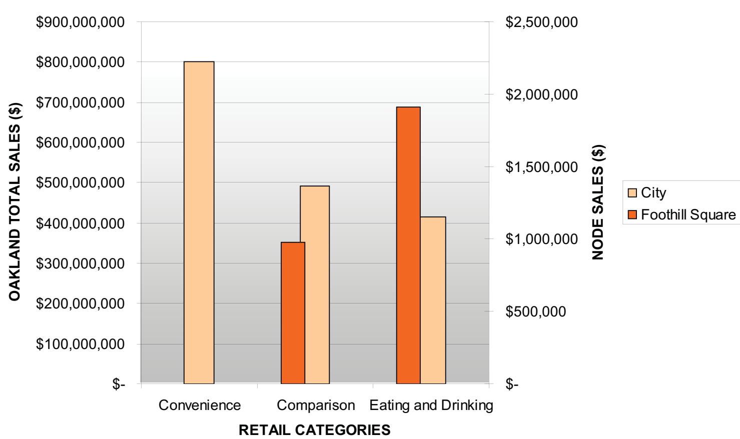


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	10%	20%
City	40%	25%	21%



Merchandising Mix*

2006 Average Sales per Establishment: $382,073
Estimated Retail Sales per SF: $56.19

	Number of Establishments
Convenience	N/A
Comparison	8
Eating & Drinking	13
Total	25

Anchor Businesses (2006)

- Kragen Auto Parts
- Walgreens

* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Oakland Retail Node #35 | Grocery + Restaurant

Grand Ave/ Grand Lake

The Grand Avenue/Grand Lake node is located along Grand Avenue between the MacArthur Freeway and the City of Piedmont. This node had well over $10 million sales in 2006. The node includes Safeway and Ace Hardware, both convenience anchors, and has more than 40percent of total sales in the convenience goods category. The area also includes comparison goods and eating and drinking establishments but these stores capture smaller sales. Walden Books is a long term Grand Avenue business with a loyal customer base. This node has a large representation of personal service outlets such as beauty shops and nail salons that interrupt the retail frontage. Nighttime activity is generated by the cinema and the node's restaurants and bars, including the trendy Lucky Lounge. The distance between the larger convenience anchors at the Piedmont end of the node and the comparison oriented retail near the Grand Lake Theater discourages cross shopping and pedestrian activity through out the node.

Surrounding neighborhoods have higher than average per-capita incomes, smaller households and fewer households with children than average for Oakland. The greatest challenge for this node is its length and the fact that the auto oriented anchors are too isolated to provide a customer draw to the smaller storefronts in the pedestrian oriented portion. An enhancement strategy for Grand Avenue could draw on the areas potential to serve as a restaurant and entertainment district.

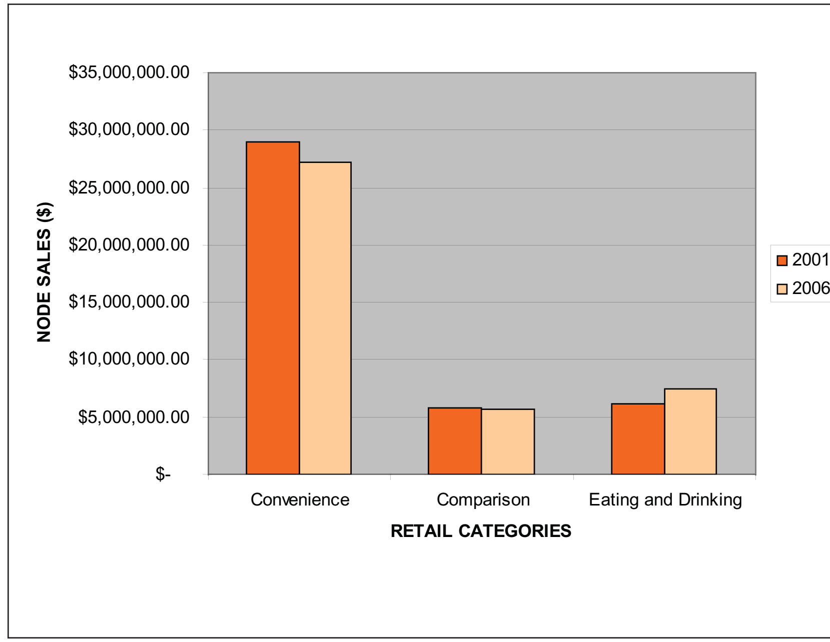
Node Demographics

Grand Ave / Grand Lake 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	13,417	46,684	279,122	400,377
Households	7,556	24,823	113,344	149,082
Households Size	1.76	1.87	2.42	2.64
Per Capita Income	$39,914	$40,091	$29,751	$25,469
Number of Households with Children	1,111	4,319	32,602	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

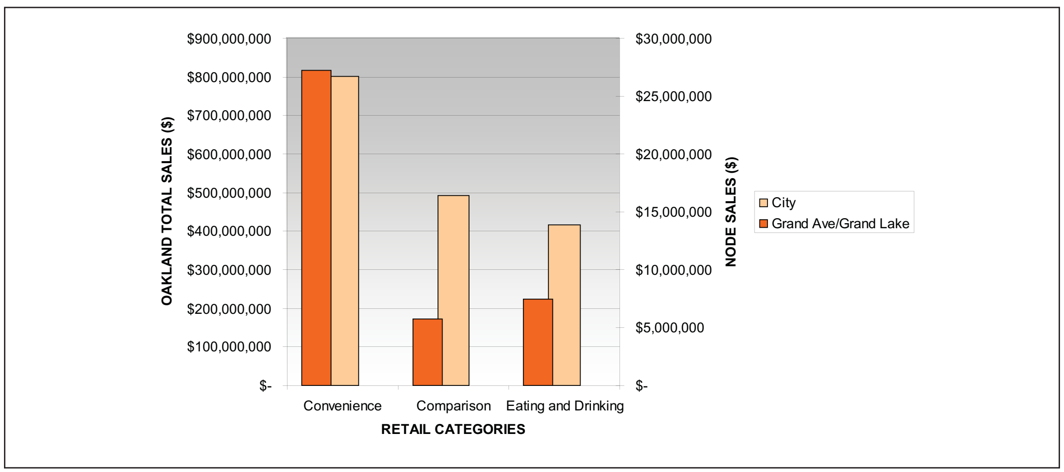
City Map

Sales Trends (2001,2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	63%	13%	17%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $593,096

Estimated Retail Sales per SF: $218.67

	Number of Establishments
Convenience	8
Comparison	31
Eating & Drinking	28
Total	73

Anchor Businesses (2006)

- 7 Eleven
- Ace Hardward
- Cycle Sports
- Safeway

Oakland Retail Node #49 | Grocery + Restaurant

Jack London Gateway

Jack London Gateway is a shopping center located along one of the busiest entrances to West Oakland. This node has less than $10 million in total sales in 2006. More than 40 percent of its total sales were from eating and drinking establishments, such as Mc Donalds and KFC. Overall there are very few establishments in this retail node. Similar to the West Oakland, Jack London Gateway is a shopping center that is currently in transition. It benefits from being one of the only areas that is currently developed for retail that can support a major anchor. Jack London Gateway was a shopping center developed in the 70's with substantial public support as a grocery store convenience center. Subsequently, two grocery stores have failed at this location and a new grocery anchor is being sought by the current owner, East Bay Asian Local Development Corporation (EBALDC). The owner is in discussion with a 14,000 SF grocer new to the United States.

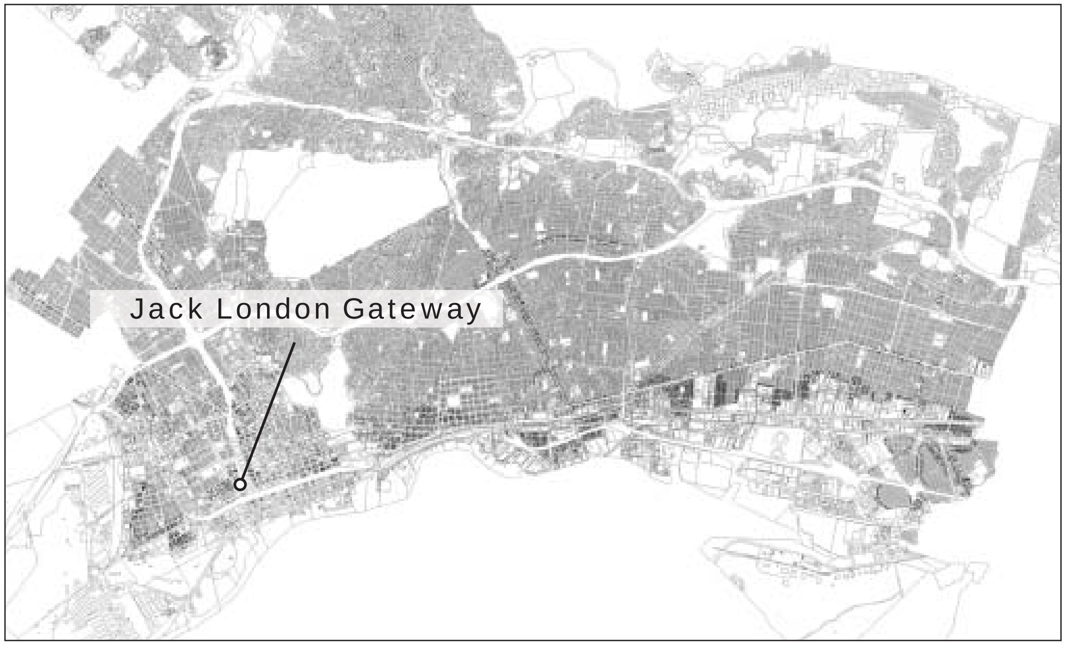
Neighborhood residents in the surrounding area have a small household size, with few children present. In addition, per-capita income levels are lower than city averages. This retail node has been categorized as a node with grocery and restaurants, however this existing retail needs improvement.

Node Demographics

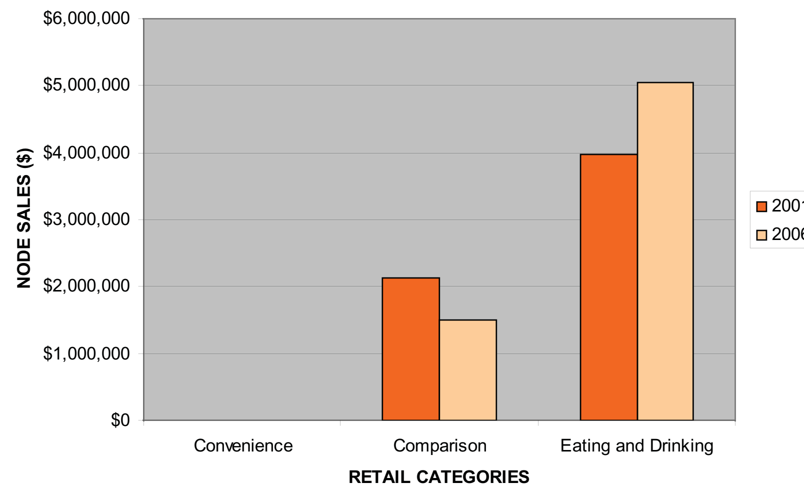
Jack London Gateway 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	7,445	26,986	196,983	400,377
Households	2,885	11,202	86,688	149,082
Households Size	2.27	2.27	2.23	2.64
Per Capita Income	$13,491	$14,816	$26,803	$25,469
Number of Households with Children	868	2,934	21,609	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

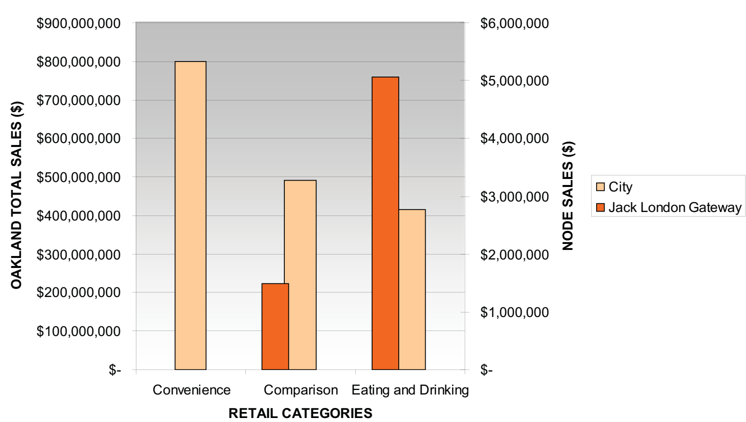


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	20%	66%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

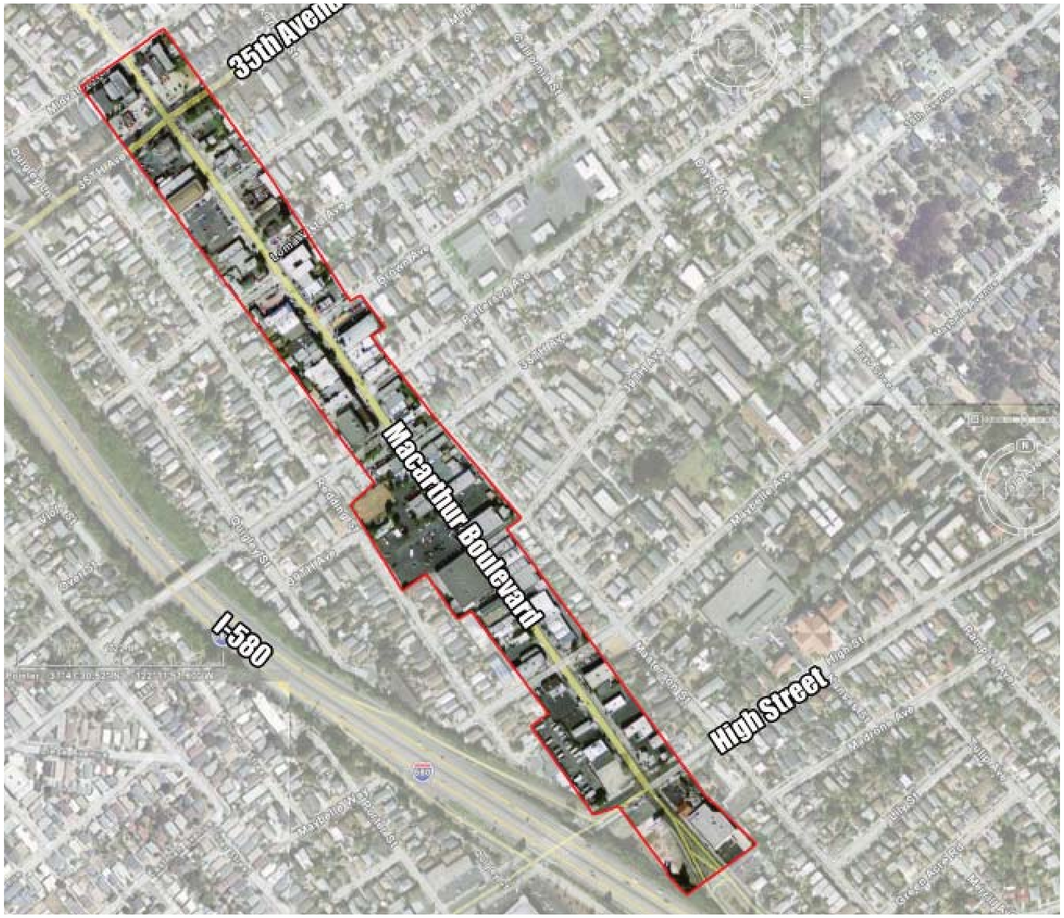
2006 Average Sales per Establishment: $543,892
Estimated Retail Sales per SF: $152.29

	Number of Establishments
Convenience	N/A
Comparison	7
Eating & Drinking	6
Total	14

Anchor Businesses (2006)

- KFC
- Mc Donalds
- Rainbow USA

Oakland Retail Node #16 — Grocery + Restaurant



Laurel

The Laurel node is situated along Mac Arthur Blvd east of the Dimond node as well as Mills College. In 2006, the Laurel had more than $10 million in total sales with more than 40percent in convenience good sales. Convenience shopping is strong in the Laurel node because of the presence of the original Farmer Joes and Lucky's supermarkets. These anchors draw shoppers from outside of the immediate neighborhood. Unfortunately, comparison goods shopping and eating and drinking outlets capture lower sales, despite the fact that there are more establishments in these categories.

In recent years, new apparel and variety stores have opened in this node. Merchants surveyed for this effort report that the Lucky store, bank and hardware store generate cross shopping trips to the smaller shops. MacArthur Boulevard functions as a transit corridor for bus commuters, thus permitting access and visibility to residents from beyond the immediate neighborhood. Many Laurel node businesses own their own buildings, and some portions of the street have recent and well maintained façade treatments. However, there are significant interruptions in the retail street frontage because of non-retail ground floor uses. Other issues in the Laurel include the lack of parking and a high frequency of service establishments such as nail and beauty salons.

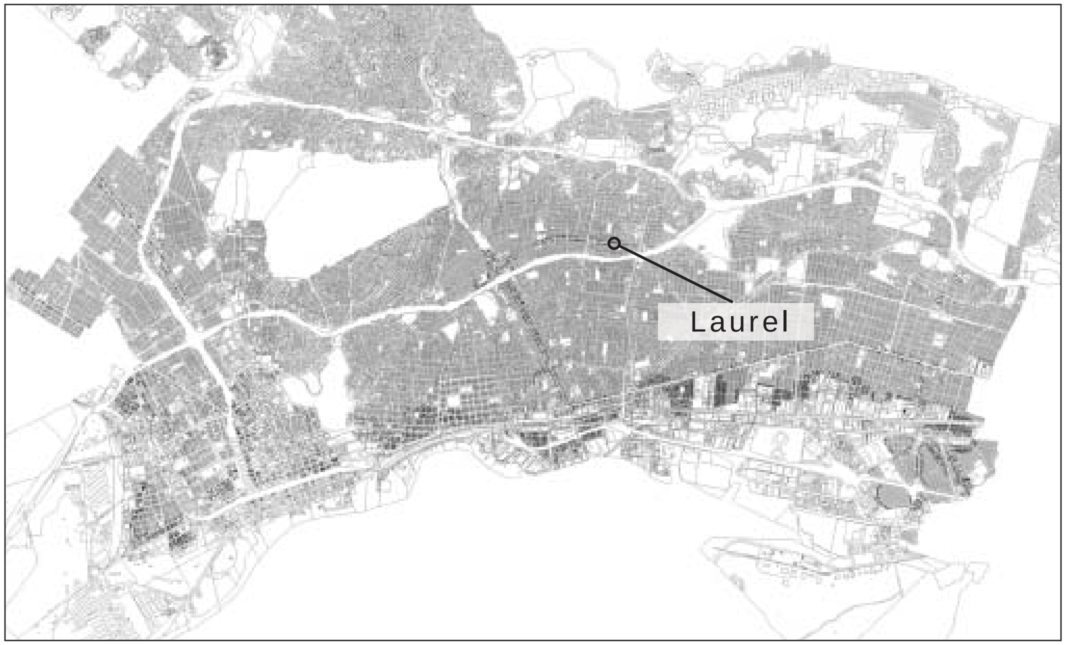
Like the Dimond neighborhood, the Laurel node serves an economically diverse market area that spans both flat lands and hill areas. Compared to the City of Oakland as a whole, the market area has lower per-capita income and higher household sizes. Less than half of all households include children. The area includes several multicultural, family-owned businesses and has organized a BID to guide commercial improvement. Critical focus issues at this point are addressing crime and security problems, creating a strategy to fill vacant storefronts given the uncertain economy, and mitigating the impact of regional traffic which uses MacArthur as an alternative to the 580 freeway at peak traffic periods. The Laurel should focus on attracting more functional ground floor retail uses that will enhance all businesses. Due to the mix of convenience shopping and restaurants available in the Laurel, it is classified as a grocery and restaurant node that has the potential to reposition.

Node Demographics

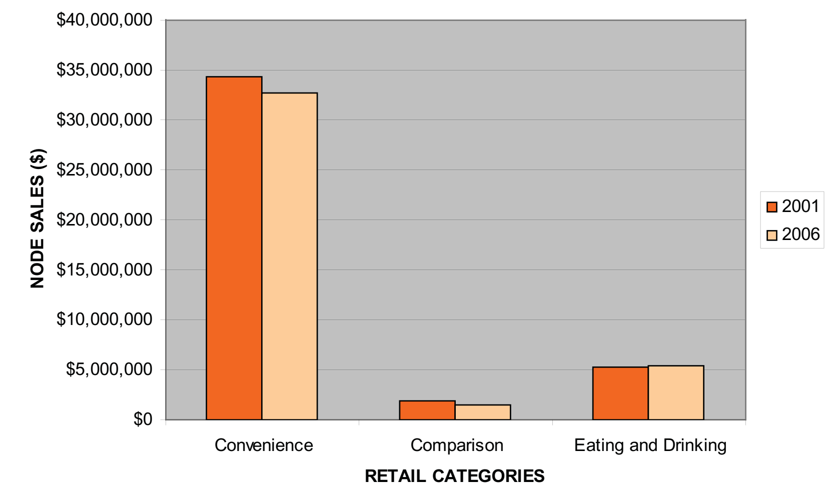
Laurel 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	11,588	39,135	231,932	400,377
Households	4,033	13,389	77,181	149,082
Households Size	2.84	2.87	2.96	2.64
Per Capita Income	$22,374	$23,511	$24,517	$25,469
Number of Households with Children	1,612	5,349	31,361	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

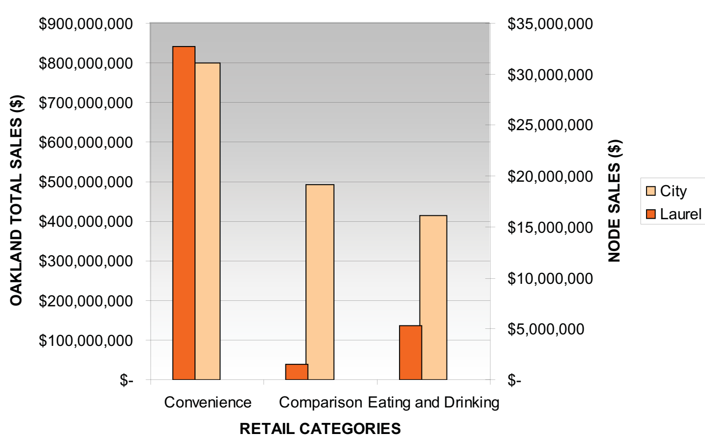


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	82%	4%	13%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $755,407
Estimated Retail Sales per SF: $232.77

	Number of Establishments
Convenience	10
Comparison	19
Eating & Drinking	23
Total	53

Anchor Businesses (2006)

- Ace Hardware
- Albertson’s
- AutoZone
- Kragen Auto Parts
- Walgreens (nearby on High Street)

Oakland Retail Node #53 | Grocery + Restaurant

Lincoln Square

Lincoln Square is located in the Oakland hills along Redwood Road at Hwy13. This node also has access to 35th Avenue from Redwood Road. This node is on the way home for residents of several affluent neighborhoods in the Hills. This node is developed as an older convenience shopping center that had more that $10 million in sales in 2006, with more than 40 percent in convenience good sales. The shopping center includes several national grocery and drug chains Including Safeway and Longs as well as several smaller support comparison goods and eating and drinking establishments. Eating and drinking sales are modest, with even lower comparison sales. The shopping center's layout is awkward, and impacted by the hillside topography.

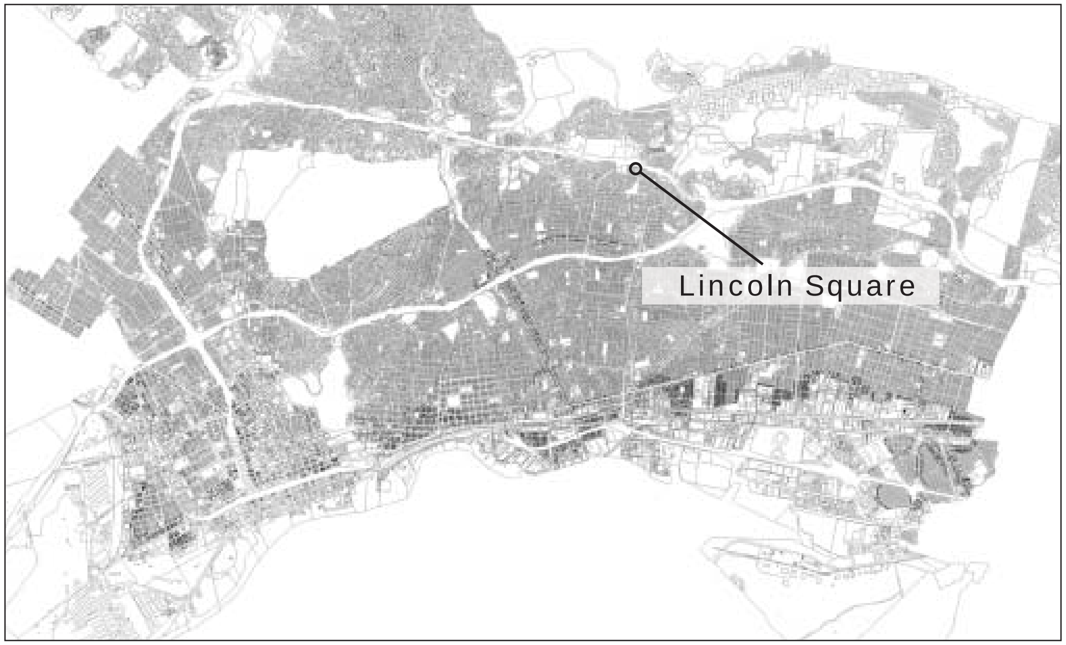
Residents of the immediate neighborhood have per capita income levels almost twice that of the City of Oakland. Other household characteristics include small household sizes with few children present. This retail node has been categorized as a node with grocery and restaurants present that needs improvement.

Node Demographics

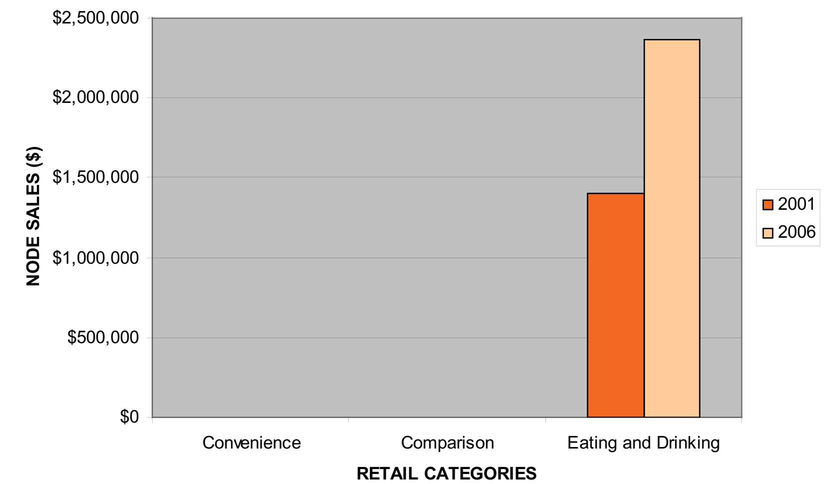
Lincoln Square 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	3,613	13,769	190,087	400,377
Households	1,404	5,188	61,812	149,082
Households Size	2.44	2.55	3.03	2.64
Per Capita Income	$46,879	$36,881	$24,765	$25,469
Number of Households with Children	380	1,666	26,085	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

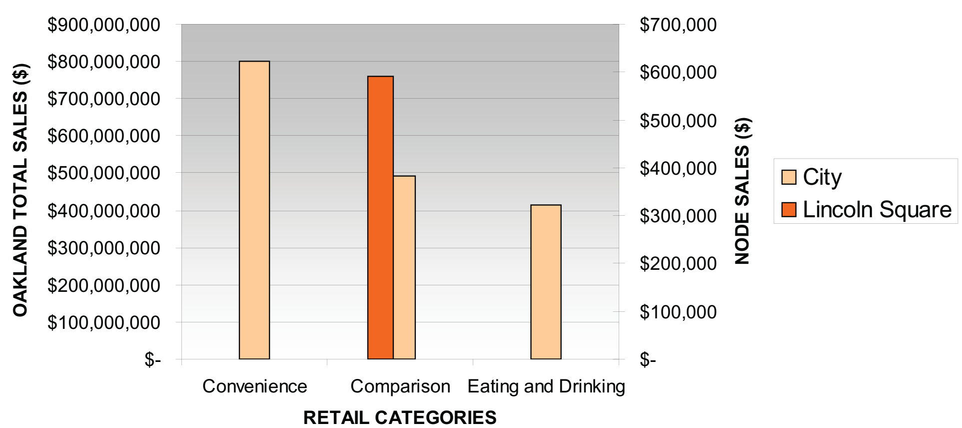


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	2%	N/A
City	40%	25%	21%



Merchandising Mix*

2006 Average Sales per Establishment: $2,962,833

Estimated Retail Sales per SF: $

	Number of Establishments
Convenience	N/A
Comparison	4
Eating & Drinking	N/A
Total	10

Anchor Businesses (2006)

- Longs Drugs
- Safeway

* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Oakland Retail Node #1 Grocery + Restaurant

Merritt

The Merritt retail node is situated along the south side of Lake Merritt and boasts its close proximity to Oakland's most important landmark. This retail node had more than $10 million in sales in 2006. Recent reinvestment into the Lucky's center and the success of the Parkway Theater preservation, as a speak easy cinema, has transformed the neighborhood. Given the recently renovated shopping center has larger volume convenience stores and several smaller surrounding establishments this mode this node delivers more than 40 percent of its sales from convenience goods. Besides Merritt Bakery, several smaller ethnic restaurants have struggled to remain in the neighborhood. This retail node serves the immediate neighborhood, but has several establishments that reach a broader clientele because of its location near Lake Merritt.

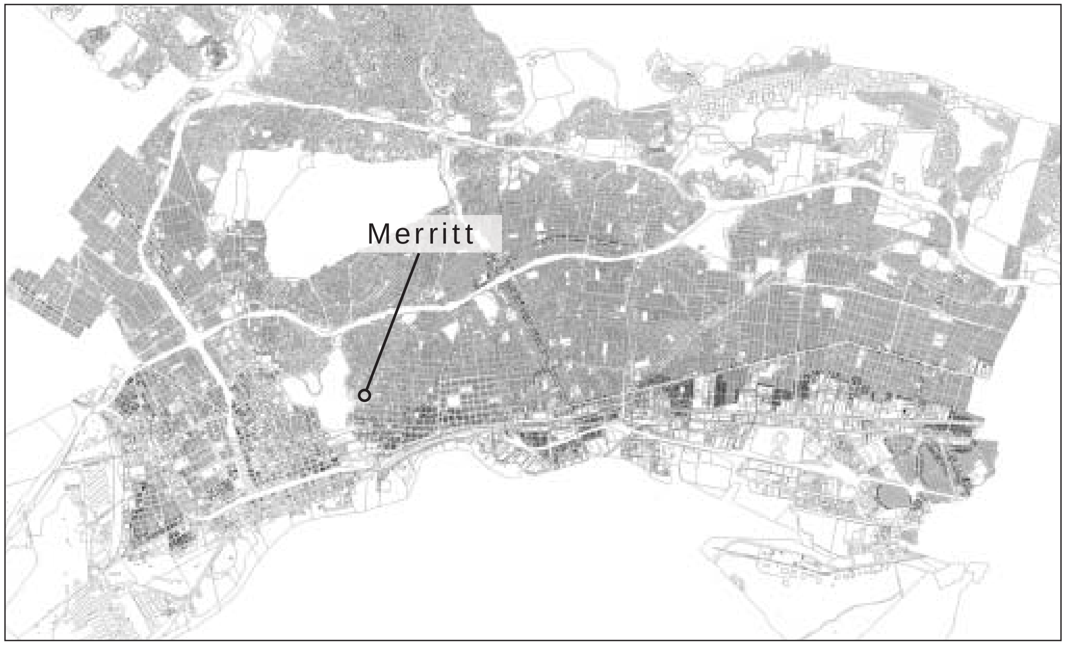
Merritt has a slightly lower per-capita income compared to the City, but smaller household sizes. Retail enhancements for this node should include focus on adding more restaurants. Due to the supermarket and small scale restaurants, it has been categorized as a grocery and restaurant retail node with retail that can be improved.

Node Demographics

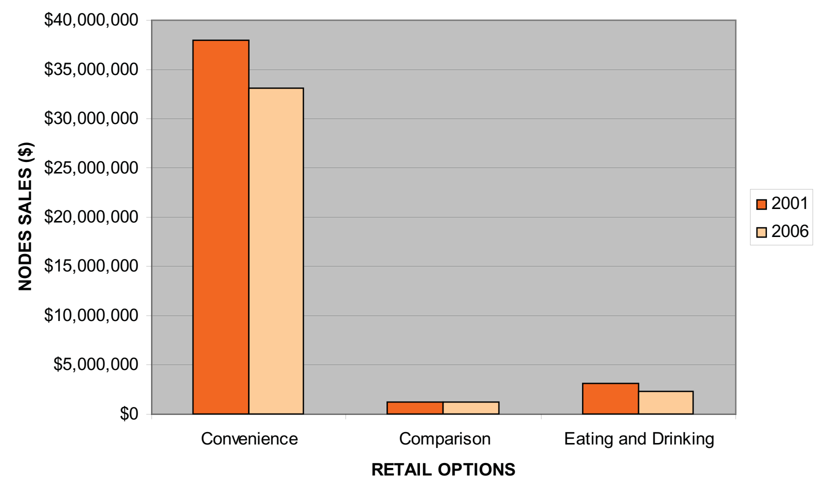
Merritt 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	19,200	52,024	294,608	400,377
Households	8,163	23,275	117,239	149,082
Households Size	2.34	2.22	2.46	2.64
Per Capita Income	$22,328	$23,874	$27,100	$25,469
Number of Households with Children	2,130	5,335	35,157	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

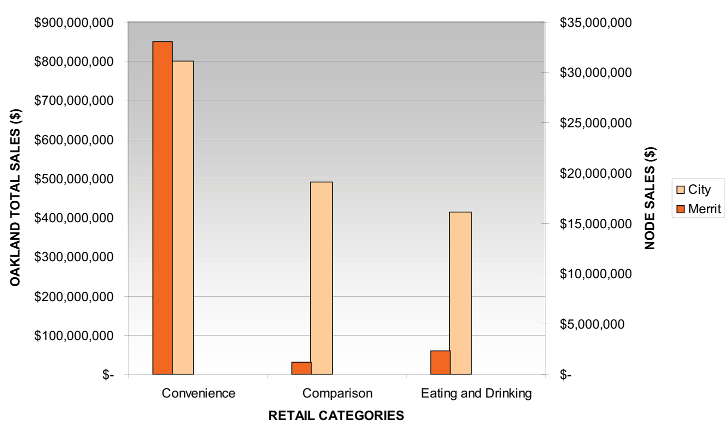


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	90%	3%	6%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $1,534,610

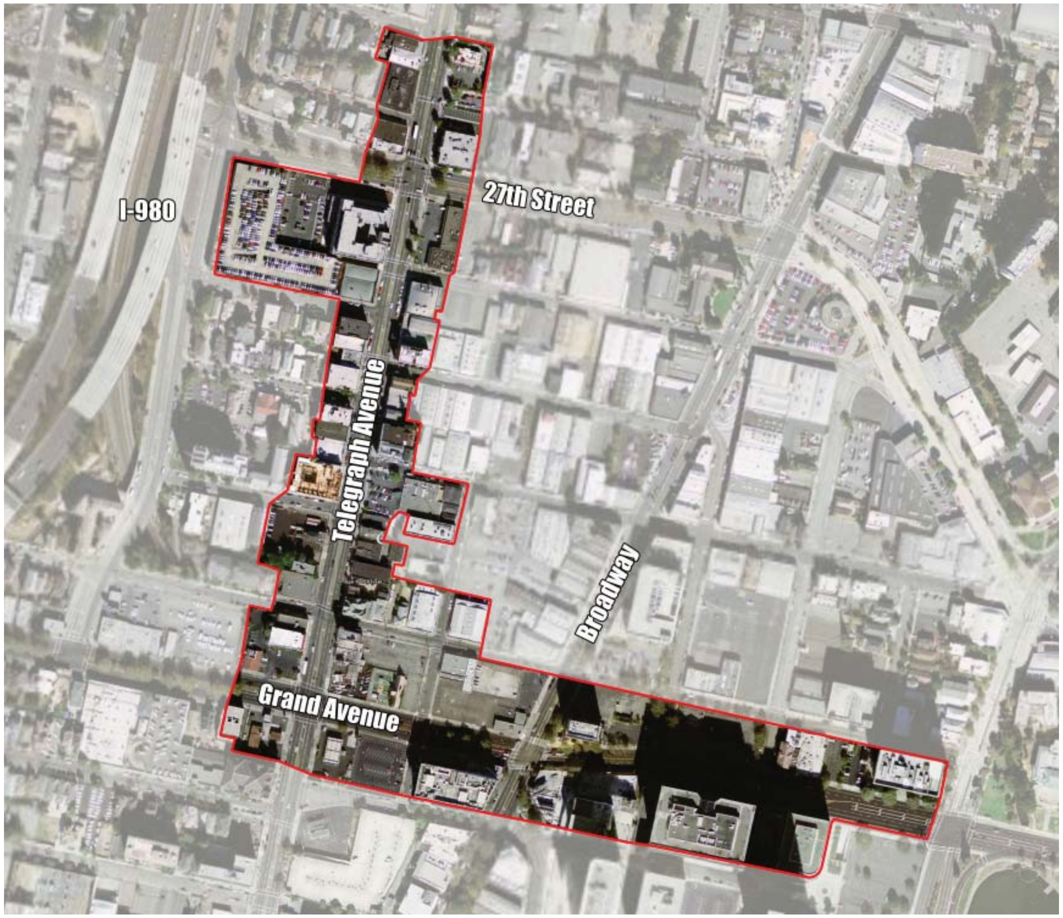
Estimated Retail Sales per SF: $210.20

	Number of Establishments
Convenience	5
Comparison	7
Eating & Drinking	15
Total	27

Anchor Businesses (2006)

- Albertson's
- Kragen Auto Parts
- Merritt Bakery & Restaurant
- Walgreens

Oakland Retail Node #39 Grocery + Restaurant



Northgate/Koreatown

Northgate/Koreatown is situated along Telegraph Avenue between the Uptown and the Temescal/Koreatown nodes. Northgate/Koreatown is a transitioning neighborhood that with several recent residential developments as well as arts and community uses. In 2006, this node had more than $10 million in total sales. There were more than 40percent in convenience establishments such as the Koreana grocery store and other grocery stores. There are also other Korean owned businesses that extend that trend south from the adjacent node. Northgate/Koreatown also has a comparable level of eating and drinking sales from establishments such as the popular Lukas Taproom & Lounge. Despite a large number of establishments, comparison goods sales are low.

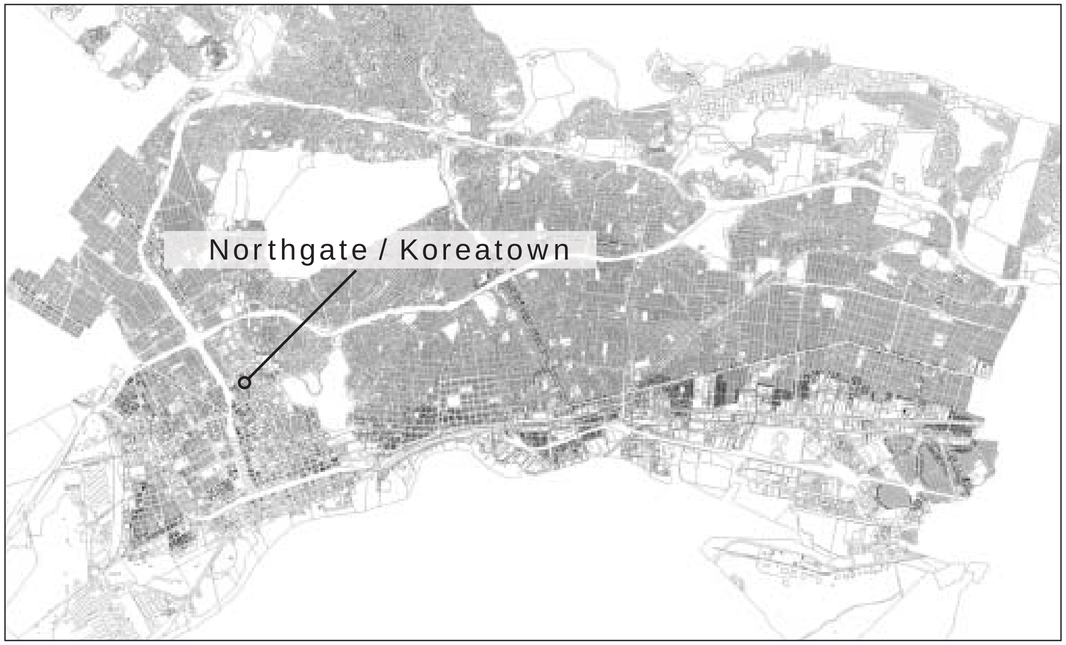
Demographics for the immediate the area show low household sizes and per-capita incomes relative to City averages. Ongoing residential development provides an opportunity to provide convenience goods as well as eating and drinking patronized by residents as well as workers employed in nearby office buildings. Therefore, Northgate/Koreatown is classified as grocery and restaurant node with expansion potential.

Node Demographics

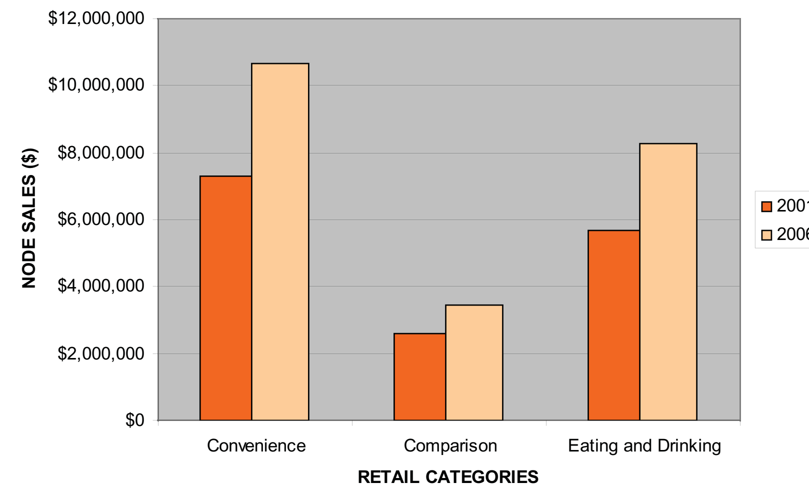
Northgate/ Koreatown 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	8,311	46,272	244,080	400,377
Households	4,062	22,758	104,046	149,082
Households Size	1.88	1.94	2.30	2.64
Per Capita Income	$17,096	$21,662	$28,904	$25,469
Number of Households with Children	734	4,147	27,524	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

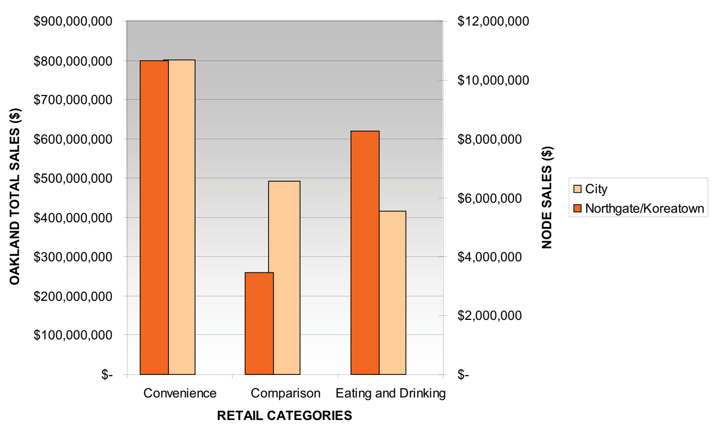


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	48%	15%	37%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $329,070
Estimated Retail Sales per SF: $130.10

	Number of Establishments
Convenience	8
Comparison	31
Eating & Drinking	29
Total	68

Anchor Businesses (2006)

- Beauty Supply Warehouse
- KFC
- Koreana Plaza Market
- Lukas Taproom & Lounge
- Taco Bell

Oakland Retail Node #31 | Grocery, Restaurant + Comparison

51st/ Broadway

The 51st and Broadway node is located along Broadway, between the Rockridge and Upper Broadway/Oakland Tech retail nodes. It contains the Rockridge Shopping Center, an auto oriented neighborhood shopping center with surface parking on a key 12 acre site. The shopping center is anchored by Safeway and a 100,000 SF Longs Drug store that operates more like a big box comparison store than a drug store. Safeway, which controls most of the site though a long term ground lease, has plans to relocate and expand its store. In 2006, this area had well over $10 million in total sales. More than 40 percent of total sales were in convenience good shopping. The immediately surrounding areas have high per-capita incomes and smaller households than are average for Oakland. Only a small portion of neighboring households include children.

Other comparison and eating and drinking outlets are located on outlying sites surrounding the shopping center. The long-standing Poppy Fabric store recently closed and both that site and the adjacent vacant lot are available for new development. The Rockridge Shopping Center is well located to serve affluent neighborhoods in Oakland and Piedmont, and is thus a valuable retail enhancement opportunity for the city.

The City should carefully consider future development in this node and how those proposals enhance and protect the City's overall retail sector. This node is classified as a grocery, comparison, and restaurant node that is performing well.

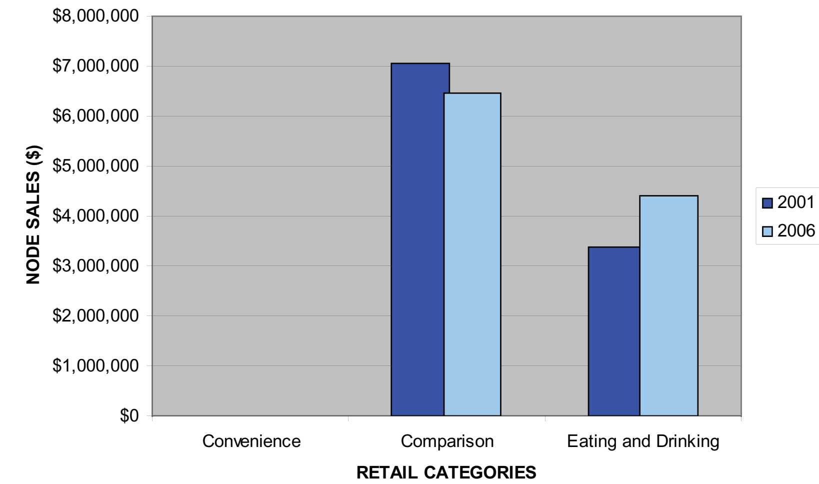
Node Demographics

51st & Broadway 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	7,333	31,143	257,617	400,377
Households	3,916	15,611	115,072	149,082
Households Size	1.86	1.97	2.16	2.64
Per Capita Income	$43,711	$41,131	$32,839	$25,469
Number of Households with Children	594	2,967	25,408	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

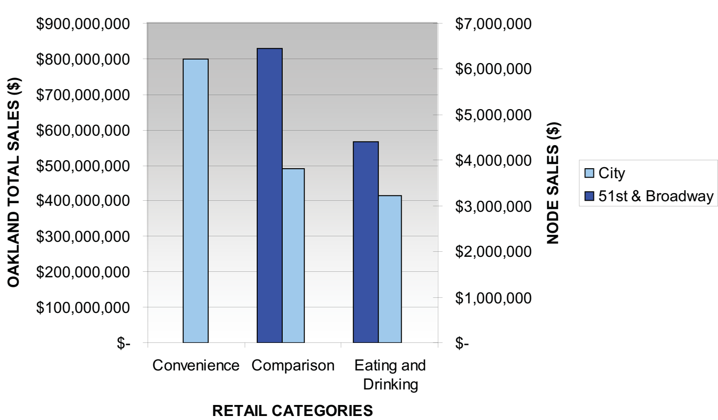
City Map

Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	16%	11%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $2,720,878

Estimated Retail Sales per SF: $304.58

	Number of Establishments
Convenience	N/A
Comparison	6
Eating & Drinking	6
Total	15

Anchor Businesses (2006)

- Boston Market
- Longs Drugs
- Pet Food Express
- Poppy Fabric
- Safeway
- Wendy's

Eastlake

The Eastlake retail node extends along International Boulevard between 3rd Avenue to 10th Avenue. It can be found near the San Antonio and Merritt retail nodes. This node has more than $10 million in 2006 total sales. Building supply outlets are the highest sales generators in this node, which is not a retail use. The inventory also includes convenience goods, comparison goods and eating and drinking outlets. This area includes many ethnic supermarkets and restaurants, particularly Vietmamese. Eastlake's International Boulevard location provide access and visibility to residents from neighborhoods ranging from east Oakland to the Lake Merrit area and downtown.

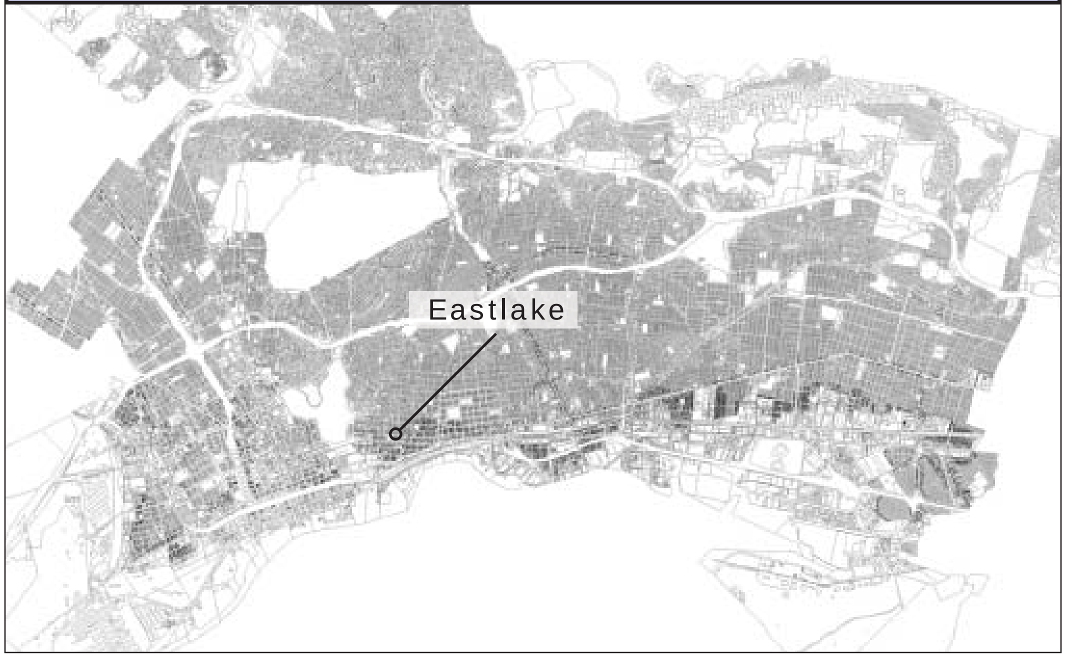
The residents immediately surrounding the Eastlake retail node have a lower per-capita incomes than average for the City of Oakland. However the immediate neighborhoods have average household sizes and a similar proportion of household including children. This retail node has been classified as a node with grocery stores, restaurants and comparison goods that is in need of improvement.

Node Demographics

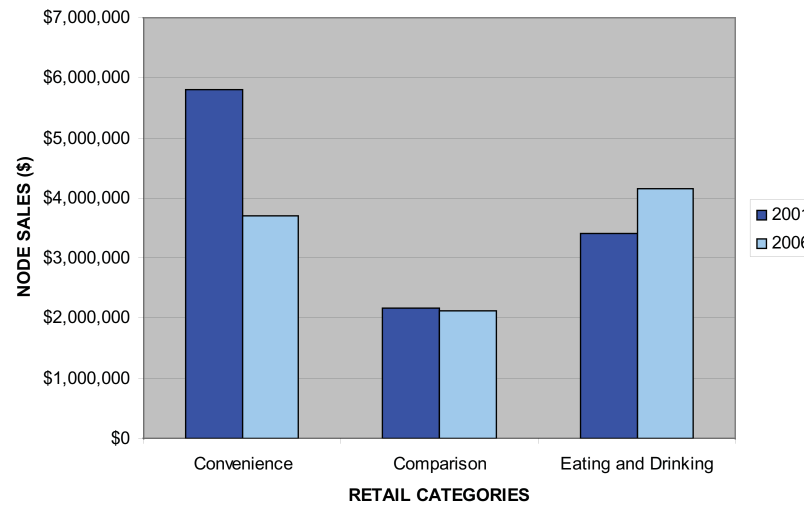
Eastlake 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	16,658	44,284	289,611	400,377
Households	6,352	17,917	115,601	149,082
Households Size	2.60	2.45	2.48	2.64
Per Capita Income	$17,977	$20,417	$26,533	$25,469
Number of Households with Children	1,960	4,953	34,721	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

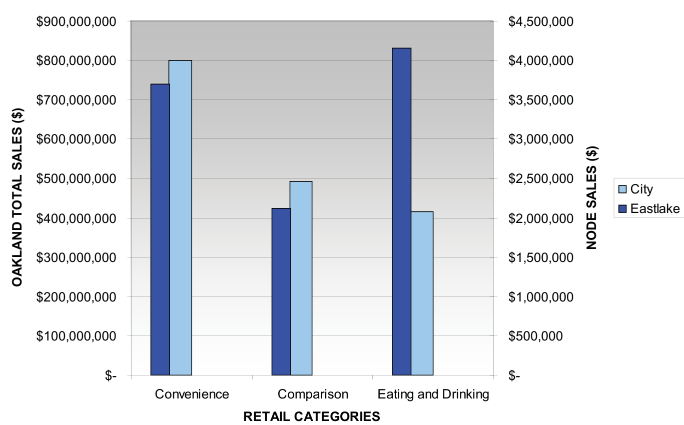


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	21%	12%	23%
City	40%	25%	21%



Merchandising Mix*

2006 Average Sales per Establishment: $302,425

Estimated Retail Sales per SF: $101.38

	Number of Establishments
Convenience	11
Comparison	21
Eating & Drinking	21
Total	59

Anchor Businesses (2006)

•Bricker Mincolla Uniforms

* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Eastmont

The Eastmont retail node is located along 73rd Avenue in East Oakland not far from the Foothill and Seminary retail node and several other major intersections in east Oakland. The Eastmont Mall was developed in the 1970's on a site bordered by 73rd Avenue, MacArthur Boulevard and Bancroft Avenue as a community shopping center anchored by Penny's and Mervyns. Both of these tenants are now gone and repositioning efforts for this center are currently underway. The Eastmont retail node benefits from access to several major thoroughfares. This node has more than $10 million in total sales. More than 40 percent of the Eastmont retail node sales are attributed to comparison goods sales from stores such as Rainbow USA and Ross. Other popular stores included AutoZone, Mc Donalds, and Burger King. This node has potential for large format chain comparison stores. Retail options in the Mall have dwindled and the given way to several community service centers within the mall, which are present today.

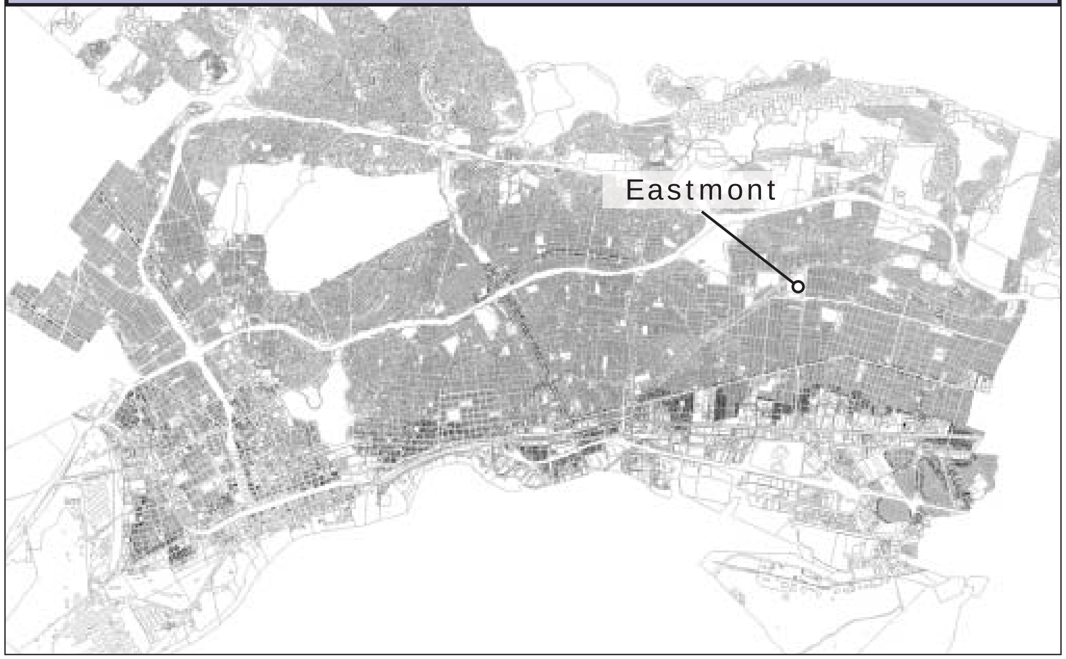
Residents in the immediate Eastmont retail node area have lower per-capita income and a larger household size than City averages. In addition, just under half of all households include children. This retail node has been classified as a node with groceries, restaurants and comparison goods that is in need of improvement.

Node Demographics

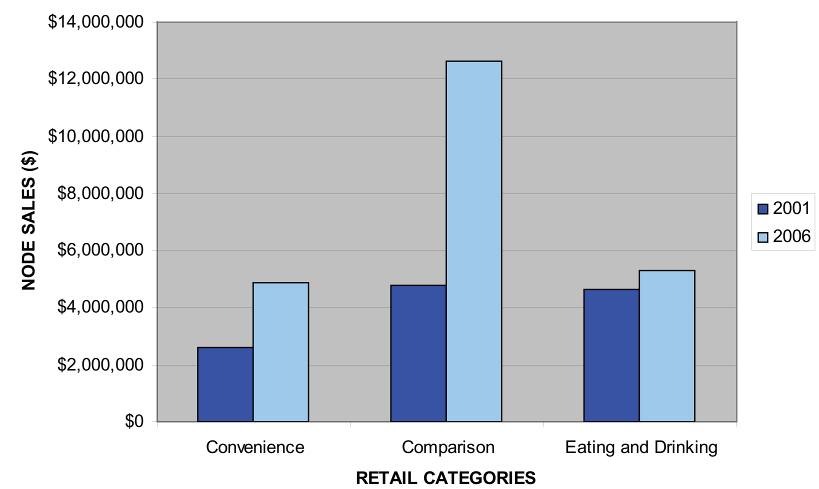
Eastmont 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	32,020	189,191	386,134	400,377
Households	10,460	59,540	133,900	149,082
Households Size	3.05	3.14	2.85	2.64
Per Capita Income	$17,723	$20,087	$26,476	$25,469
Number of Households with Children	4,775	26,783	51,264	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

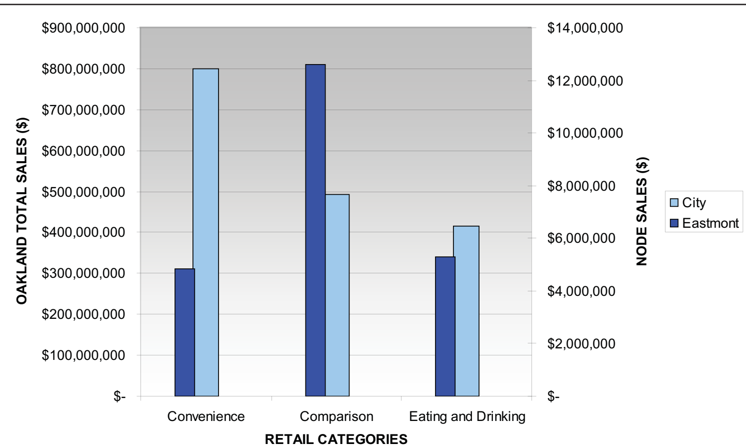


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	21%	55%	23%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $473,926

Estimated Retail Sales per SF: $51.94

	Number of Establishments
Convenience	12
Comparison	22
Eating & Drinking	14
Total	48

Anchor Businesses (2006)

- AutoZone
- Burger King
- Mc Donalds
- Rainbow USA
- Ross
- Taco Bell

Fruitvale and International

The Fruitvale and International retail node is located at the meeting of two of East Oakland's largest thoroughfares. In 2006, Fruitvale and International had more than $10 million in total sales. More that 40 percent of total sales was generated from comparison goods, due in part to the large representation of comparison goods stores in the area. In the comparison goods category, Fruitvale's sales rank second only to Rockridge in the city. The area also has fairly high eating and drinking sales because of the popularity of traditional Mexican and Latin American restaurants. The Fruitvale retail district is known as a thriving community. Business is strong on weekends and weekdays because of the many community institutions, schools, and the diverse business base.

Many property owners are also local businesses owners. The area draws the Latino community throughout the East Bay and also serves as a port of entry function for many new Americans.

The Unity Council was responsible for introduction of a multi-tenant Latino-themed Market Hall on International Boulevard. The Unity Council also developed the Transit Village, where retail uses have begun to fill in after initially performing below expectations.

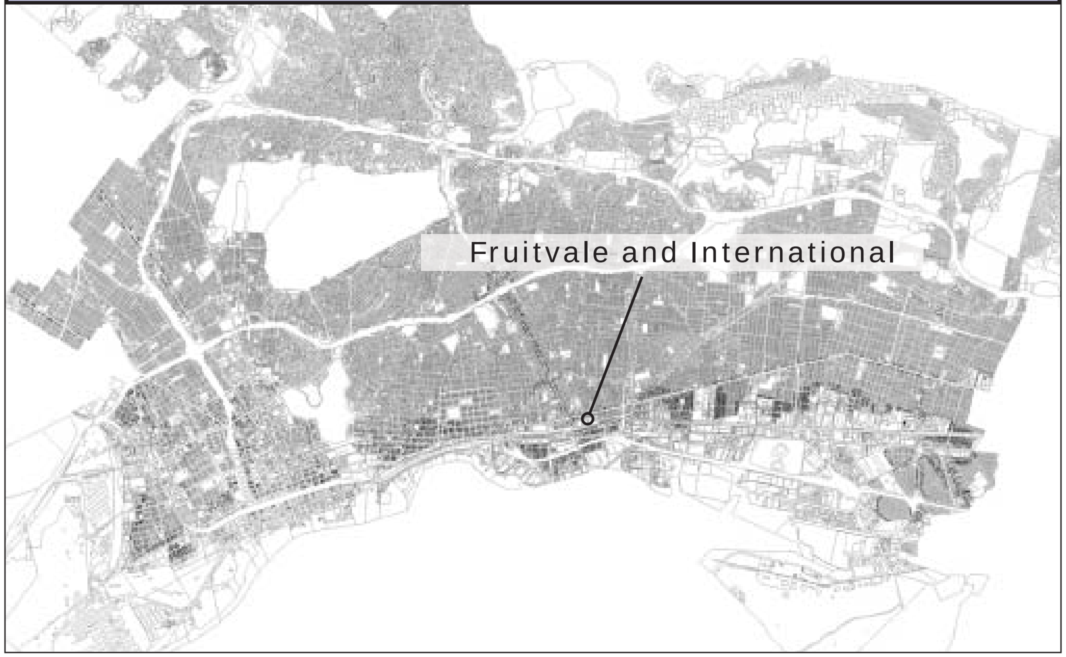
In comparison to Oakland averages, the neighborhoods served by Fruitvale and International have lower per-capita incomes, larger household sizes with more than half of all households include children. The Fruitvale and International district has successfully performing convenience, comparison, and eating and drinking stores. There is potential to improve the retail performance so it is classified as suitable for further improvement.

Node Demographics

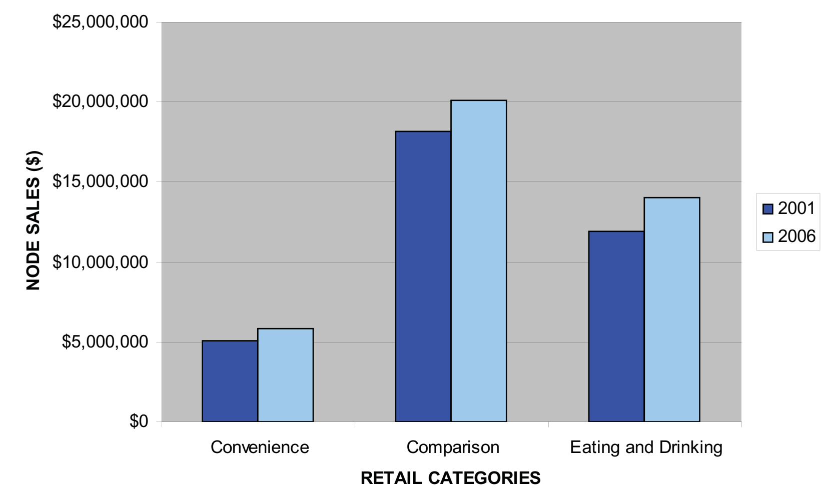
Fruitvale & International 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	15,267	46,809	275,941	400,377
Households	3,765	12,248	101,314	149,082
Households Size	3.92	3.74	2.68	2.64
Per Capita Income	$12,620	$14,278	$25,332	$25,469
Number of Households with Children	2,069	6,485	34,896	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

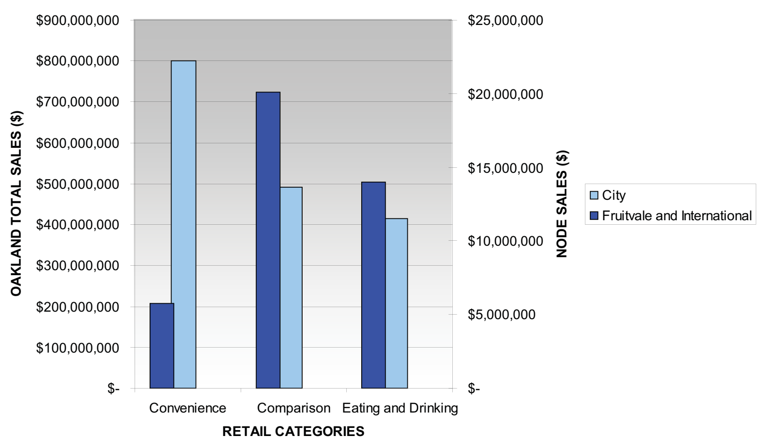


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	15%	50%	35%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $211,058

Estimated Retail Sales per SF: $80.91

	Number of Establishments
Convenience	20
Comparison	119
Eating & Drinking	49
Total	189

Anchor Businesses (2006)

•Dollar Tree Store
•El Pollo Loco
•Farmacia Remedios
•Jack in the Box
•Mariscos La Costa Restaurant
•Reed Supply

Oakland Retail Node #6 | Grocery, Restaurant + Comparison

Fruitvale Station

Fruitvale Station is located near I-880 between Fruitvale Avenue and 29th Avenue, at the site of the former Del Monte Cannery. This node had more than $10 million sales in 2006, with more than 40 percent from convenience good shopping. This node is a community shopping center anchored by a Lucky store with several smaller comparison goods and eating and drinking establishments. The Fruitvale Station Shopping Center has many national retail tenants, such as Lucky and Starbucks. The shopping center signage offers freeway visibility from I-880, and there is convenient access from the freeway. Although the center is close to the Fruitvale BART station, current streetscape conditions discourage pedestrian activity between these destinations. Despite being close to the Fruitvale and International retail node, this shopping center functions separately and has its own retail identity.

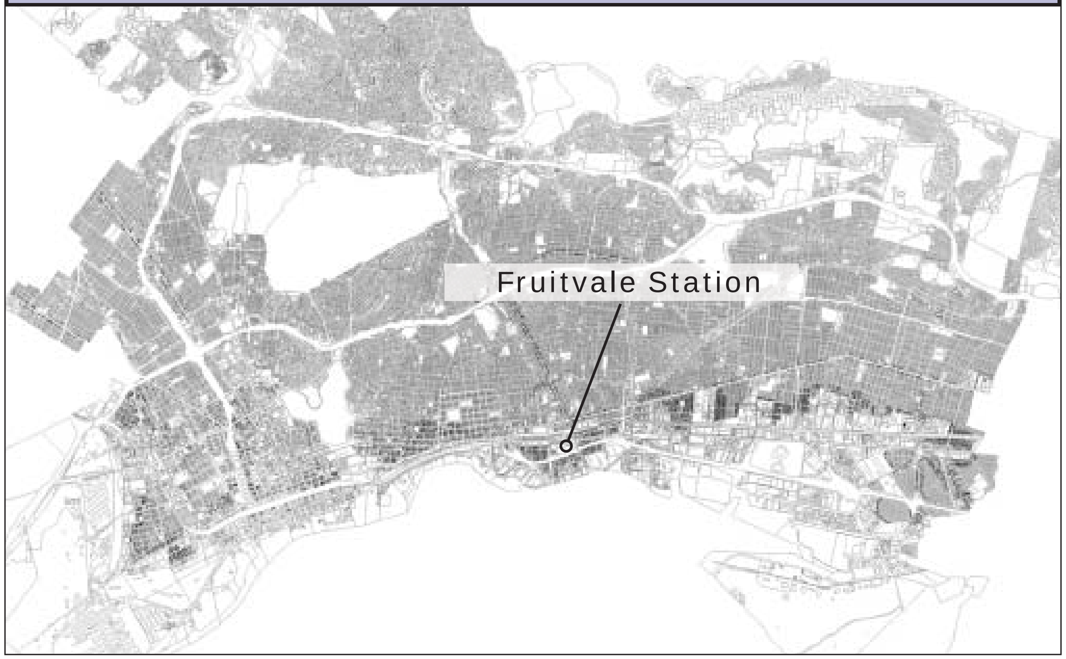
Demographics for the immediate area show a low per-capita income, a high household size and just under a half of all households with children. Future access improvements to the area could provide a pedestrian link between Fruitvale Station and the Fruitvale BART station area, which would benefit the transit dependent population. For this reason the node is classified as grocery, restaurant, and comparison goods appropriate for improvement.

Node Demographics

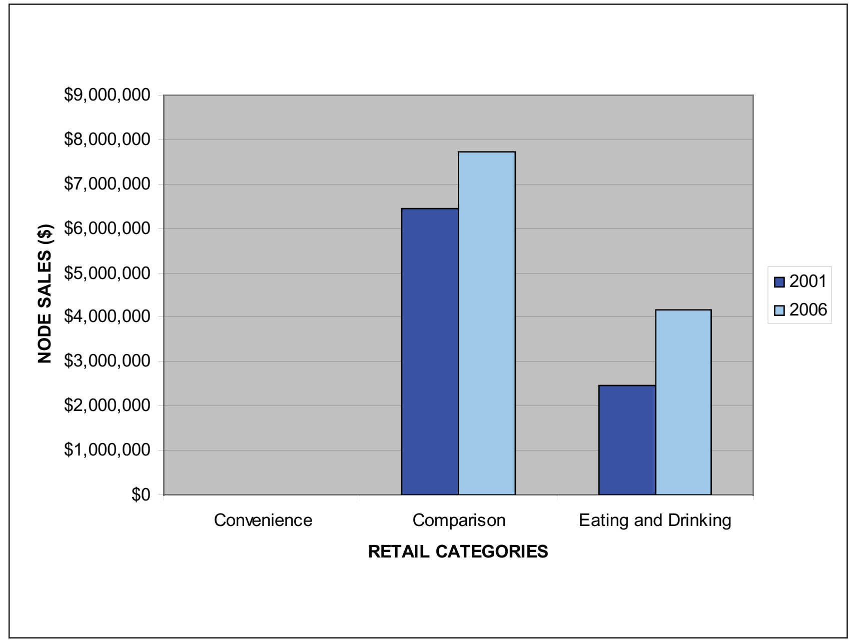
Fruitvale Station 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	6,736	37,510	269,648	400,377
Households	1,815	10,485	97,280	149,082
Households Size	3.57	3.5	2.73	2.64
Per Capita Income	$14,196	$17,253	$24,637	$25,469
Number of Households with Children	846	5,048	34,588	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

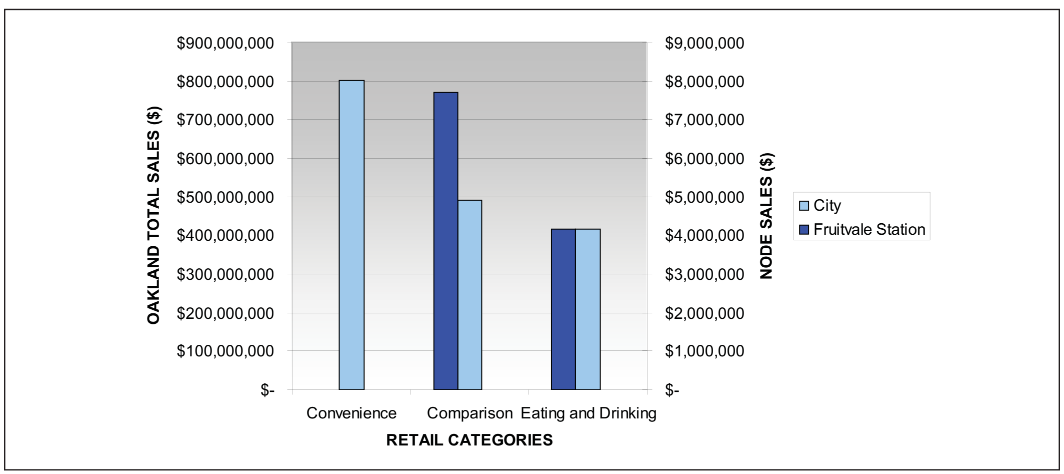


Sales Trends (2001,2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	20%	11%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $2,274,275
Estimated Retail Sales per SF: $454.86

	Number of Establishments
Convenience	N/A
Comparison	7
Eating & Drinking	8
Total	17

Anchor Businesses (2006)

- Albertsons
- AutoZone
- Big Lots
- Boston Market
- Fashion 4 Less

Oakland Retail Node #37 — Grocery, Restaurant + Comparison

Lakeshore

Lakeshore is located near the Crocker Highland and Grand Lake areas, parallel to Grand Avenue. In 2006, this retail node has more than $10 million in total sales. This node has a strong supply of convenience retail stores including a Luckys, Walgreens, Long's Drugs, and Lakeshore Health Food. Additionally, this node includes both large and small scale comparison goods stores, with the addition of new independently owned boutiques in the last several years. Comparison goods sales now represent more that 40 percent of total sales, making this one of the city's strongest districts for these goods. Lakeshore also has significant eating and drinking sales, from its restaurants, cafés, and the new Easy nightclub. The district has high pedestrian traffic, and a continuous stretch of storefronts, which makes it an enjoyable walking experience for its patrons. Lakeshore has one public off street garage, diagonal parking, and several private parking lots, primarily located off of the Lakeshore frontage. The customer base is broad and includes young families, young people, and local neighborhood residents, including those from the nearby City of Piedmont. Lakeshore stores capture strong sales performance in multiple retail categories, including grocery, drug store, restaurant and comparison goods. Market area residents have a high per-capita income, a low number of households with children, and very small households compared to the city averages.

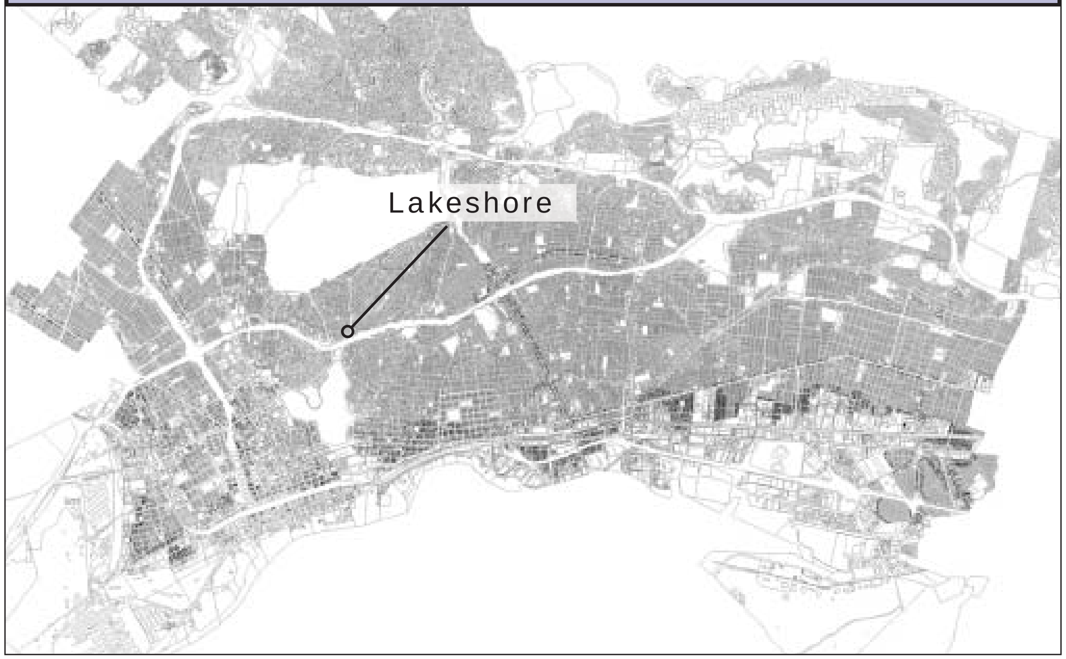
The recent addition of Trader Joe's and Walgreens, which are too new to be represented in the sales numbers analyzed in this summary, serve to reinforce the node's performance. The loss of Gap Kids as part of a corporate restructuring represents an opportunity to re-merchandize a key site. This node is classified as a grocery, restaurant, and comparison district that is functioning well.

Node Demographics

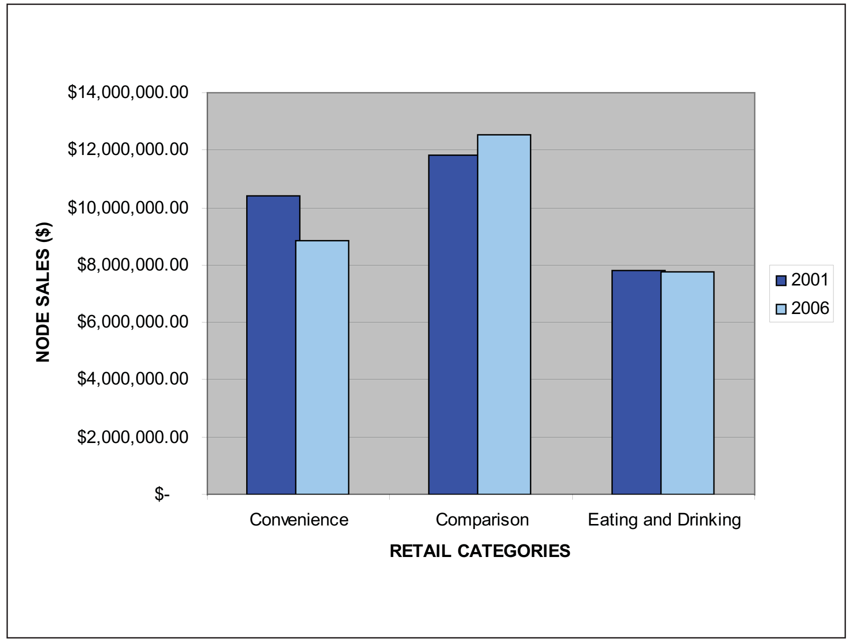
Lakeshore 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	11,062	49,687	286,741	400,377
Households	5,946	24,969	115,192	149,082
Households Size	1.85	1.98	2.44	2.64
Per Capita Income	$42,489	$37,915	$28,905	$25,469
Number of Households with Children	954	4,948	33,762	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

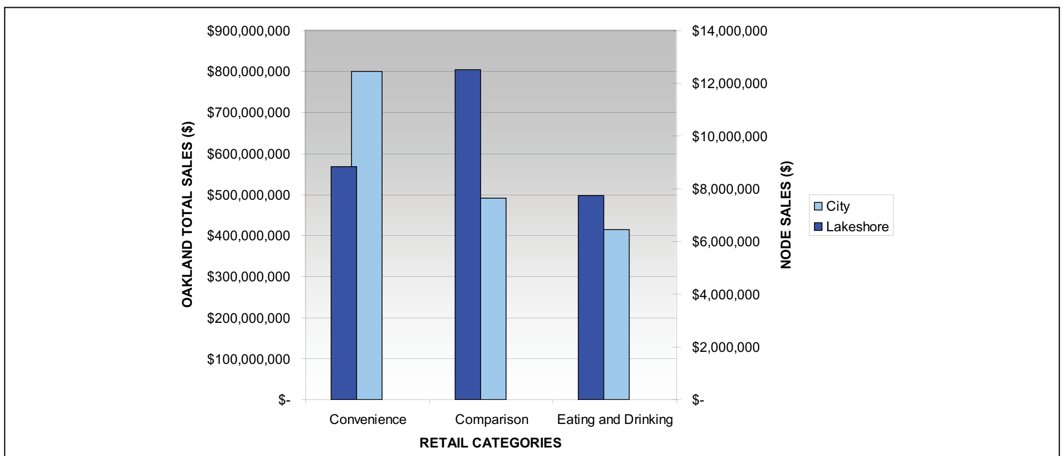


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	30%	42%	26%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

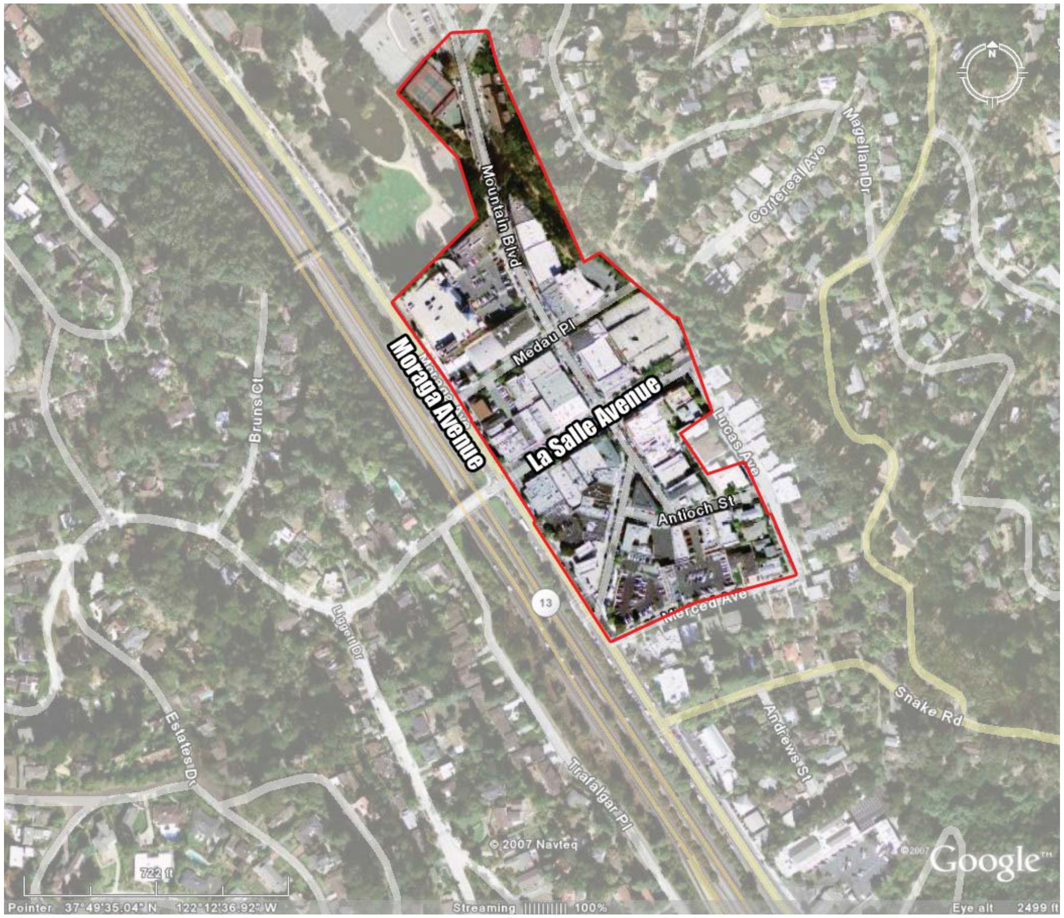
2006 Average Sales per Establishment: $463,705
Estimated Retail Sales per SF: $253.65

	Number of Establishments
Convenience	7
Comparison	28
Eating & Drinking	28
Total	64

Anchor Businesses (2006)

- Cingular Wireless
- Gap
- Longs Drugs

Oakland Retail Node #33 | Grocery, Restaurant + Comparison



Node Demographics

Montclair 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	11,507	109,260	436,561	400,377
Households	4,874	47,104	173,500	149,082
Households Size	2.36	2.29	2.45	2.64
Per Capita Income	$65,106	$50,548	$31,619	$25,469
Number of Households with Children	1,322	12,617	49.553	49,976

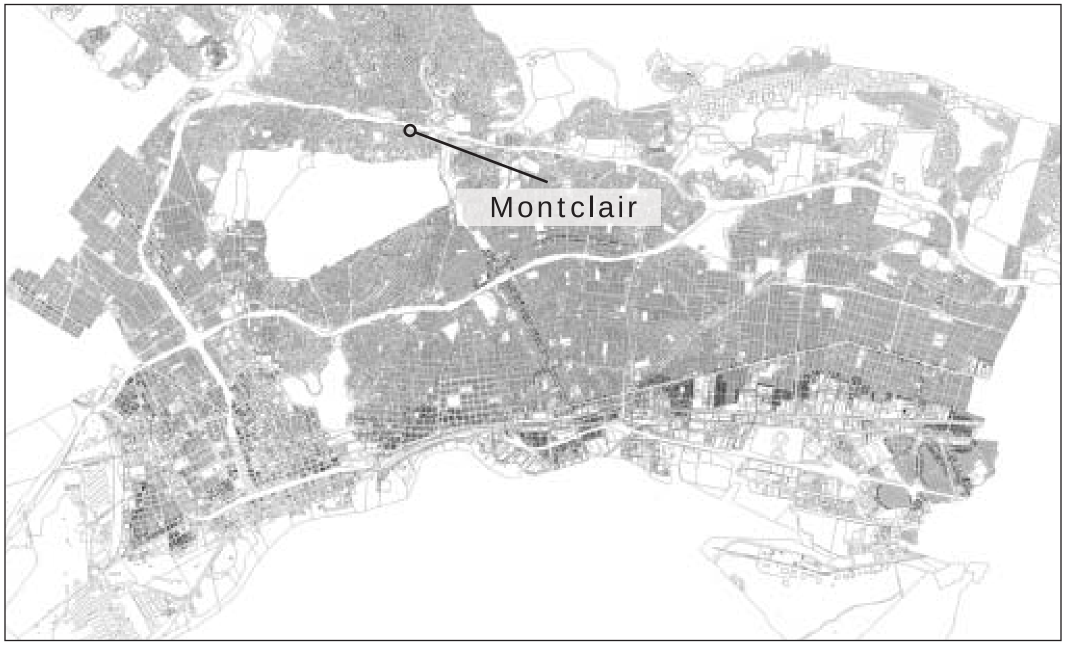
Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

Montclair

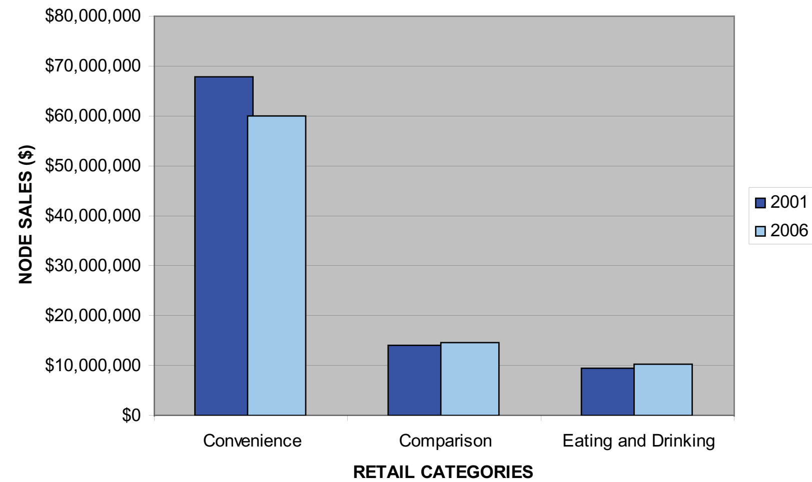
The Montclair retail node is located in the Oakland hills and had much more than $10 million in sales in 2006. More than 40 percent of sales were the generated by convenience shopping. This node offers a good mix of comparison shopping and eating and drinking as well. Montclair is anchored by two supermarkets and is also supported by small boutiques and comparison shopping. Montclair shoppers enjoy the walkable village feel of the area, which extends along several different roads and cross streets. High ground floor rents are a constraint for some prospective retail operations. The Village Association helps to monitor a City policy against non retail uses in ground floor locations. The node hosts successful events such as the Sunday Farmer's Market and summer street fairs. Retailers identify their customer base as a mix of young families and older homeowners from the hill area.

Neighboring areas have significantly higher per-capita income and smaller household size than average for the city. Despite reports from retailers of strong family shopper support, fewer than half of all nearby households have children. Montclair is a strong grocery, restaurant, and comparison goods district that is classified as functioning well.

City Map

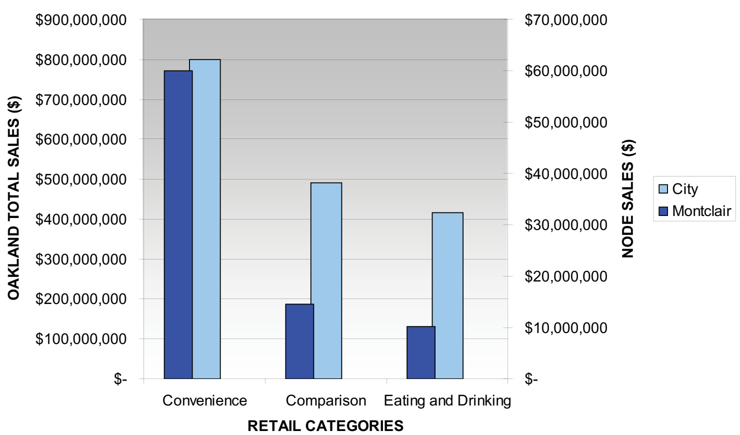


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	71%	17%	12%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

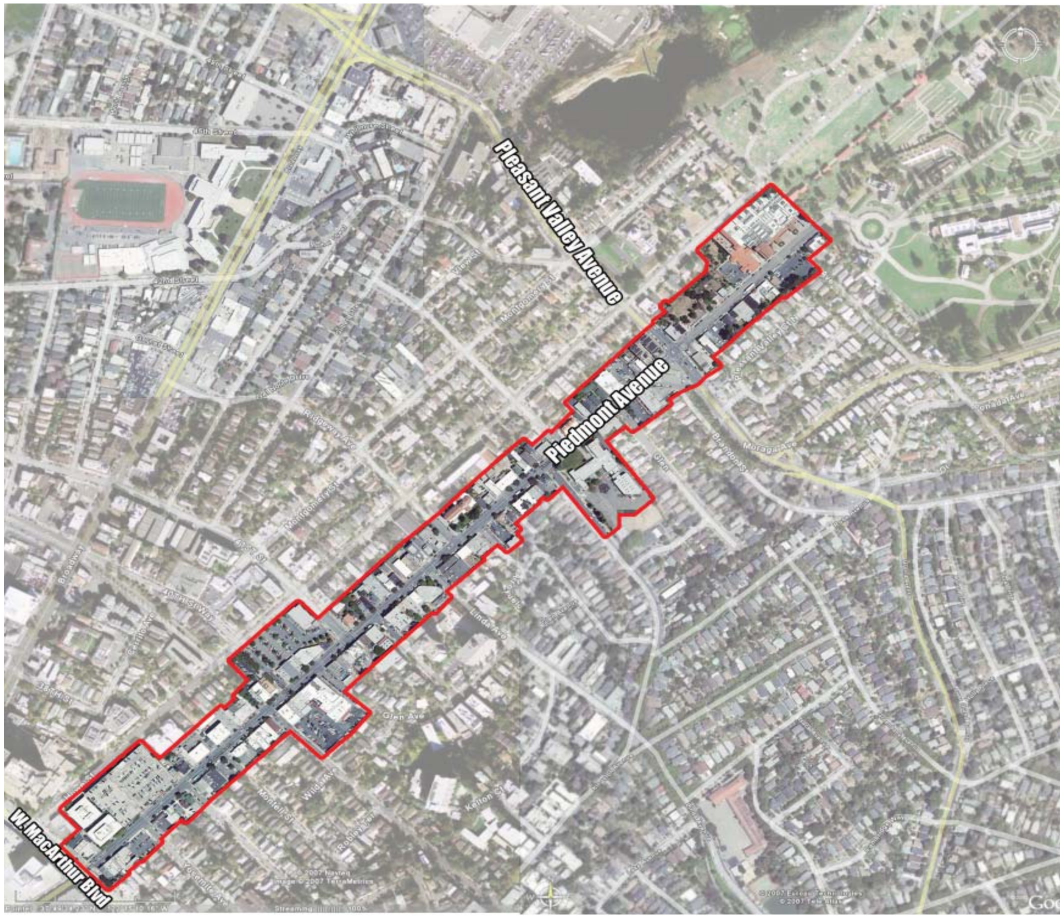
2006 Average Sales per Establishment: $964,075

Estimated Retail Sales per SF: $448.88

	Number of Establishments
Convenience	13
Comparison	51
Eating & Drinking	24
Total	88

Anchor Businesses (2006)

- Albertsons
- Crogan's
- Longs Drugs
- Mc Caulous
- Rite Aid
- Safeway



Piedmont Avenue

Piedmont Avenue, located between Broadway and Grand Avenue near the Piedmont city border, had more than $10 million in total sales in 2006. More than 40 percent of sales come from convenience shopping, which is anchored by Piedmont Grocery and Longs Drugs. Comparison retail outlets, including a number of apparel and specialty boutiques and hobby stores, also capture strong sales. Some of these boutiques have enjoyed long term popularity, operating successfully for up to 20 years. Piedmont Avenue is a popular destination date and dining location with the movie theater and restaurants generating evening, weekend, and daytime pedestrian traffic. Kaiser Hospital also contributes shopper support to shops and restaurants, especially at lunch time. Generations of parents and young people have patronized Fenton's Ice Creamery, before and after the business's multi year hiatus for extensive building repairs and remodeling.

There is strong demand for vacant shop space on Piedmont Avenue; rents are among the city's highest and a recent mixed use development at the far end of the Avenue was successfully leased at pro forma rents, despite its outboard location away from the most active mid-node concentration of successful stores. The surrounding neighborhoods have higher per-capita incomes, smaller households, and fewer households with children than the city as a whole.

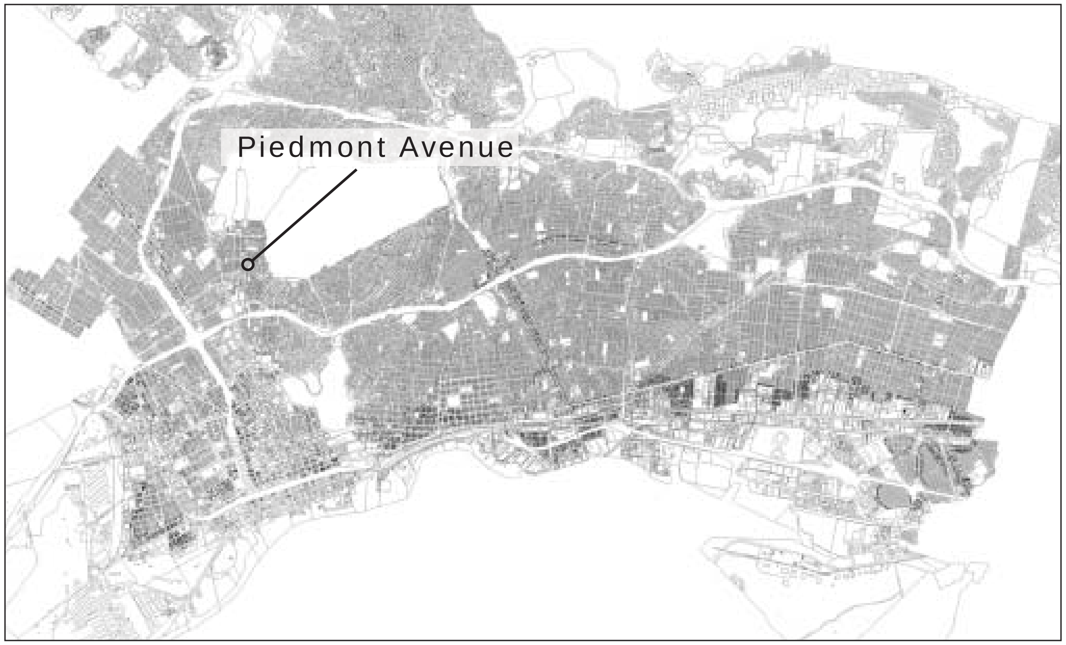
Piedmont Avenue is classified as a node that is functioning well and that includes grocery, restaurant, and comparison shopping.

Node Demographics

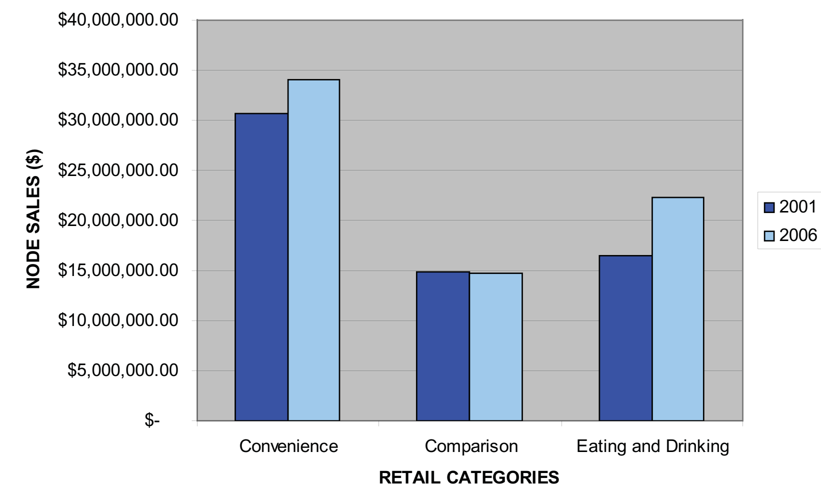
Piedmont 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	12,128	41,159	266,690	400,377
Households	6,976	21,720	115,233	149,082
Households Size	1.71	1.87	2.25	2.64
Per Capita Income	$38,280	$36,717	$31,564	$25,469
Number of Households with Children	918	3,759	27,714	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

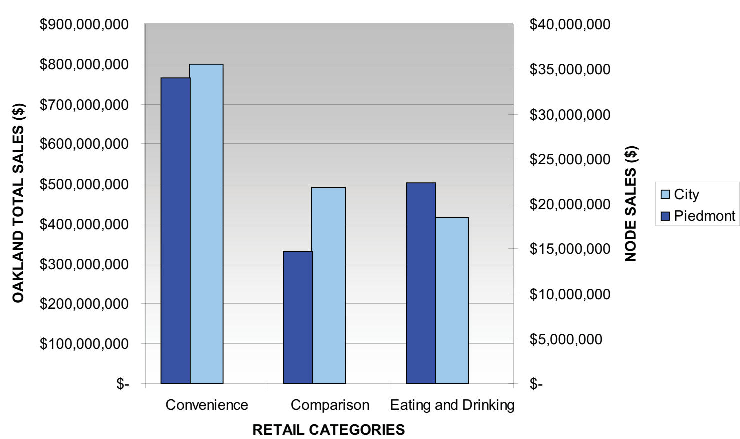


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	47%	20%	31%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

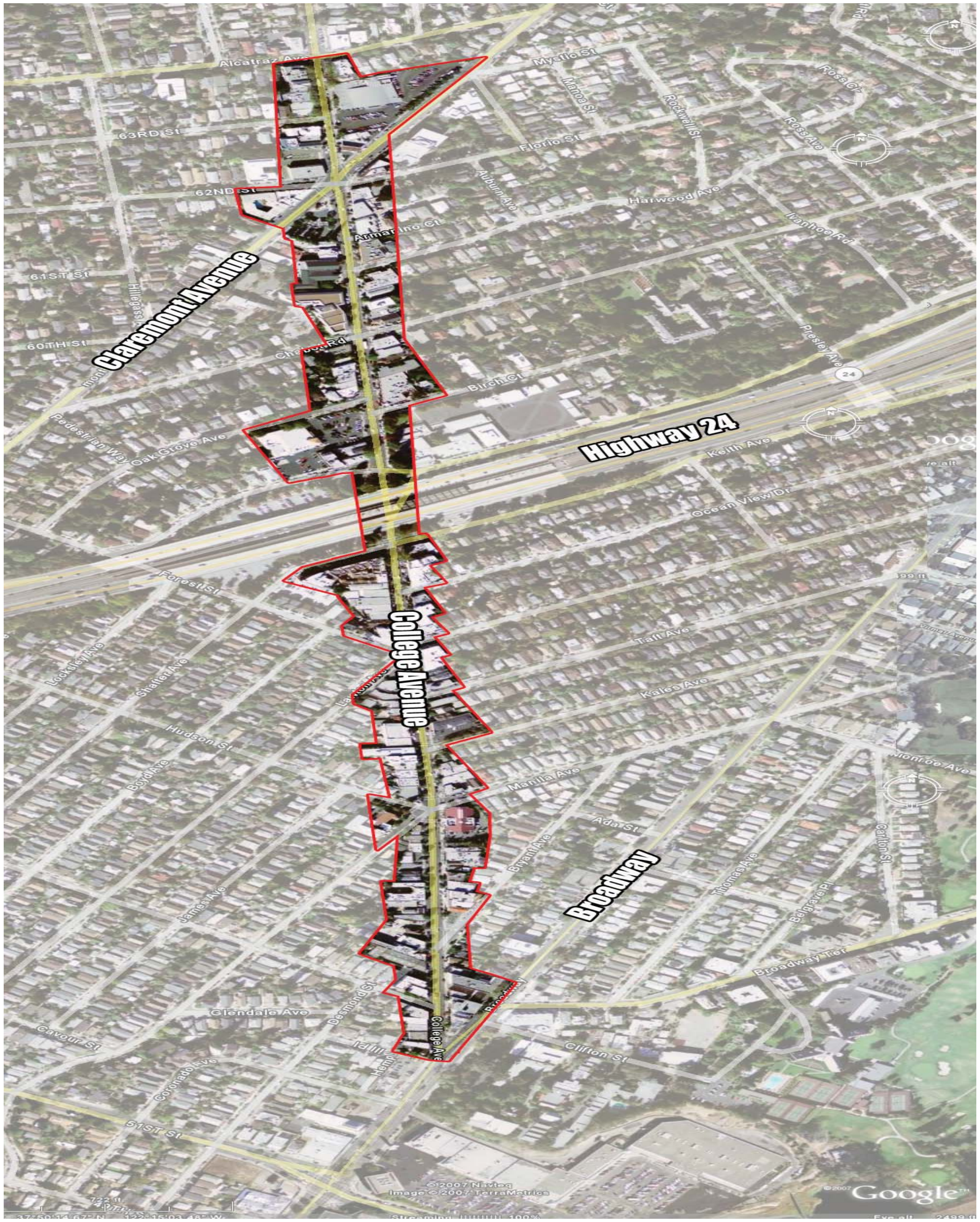
2006 Average Sales per Establishment: $502,094

Estimated Retail Sales per SF: $284.92

	Number of Establishments
Convenience	11
Comparison	79
Eating & Drinking	49
Total	143

Anchor Businesses (2006)

- 7 Eleven
- Catos Ale House
- Cesar
- Fenton's Creamery
- Longs
- Piedmont Grocery



Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

Rockridge

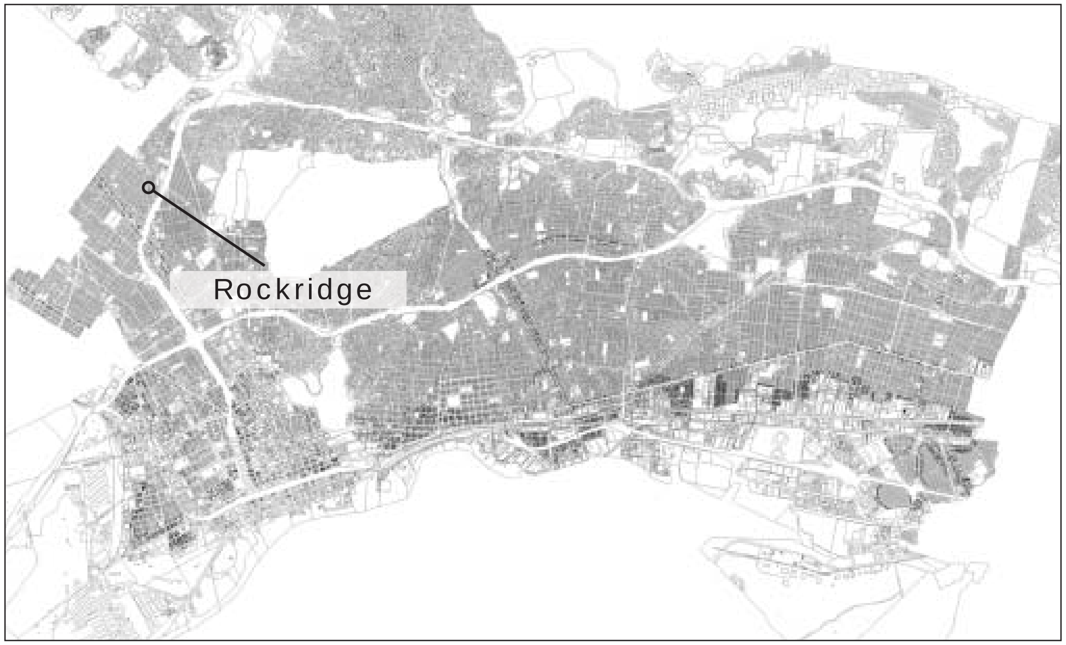
The Rockridge node adjoins the auto oriented 51st and Broadway retail node yet functions quite differently. Rockridge is the second highest grossing retail node in the city, capturing sales well in excess of $10 million in 2006. More than 40 percent of sales were generated by eating and drinking outlets, which include an assortment of interesting restaurants along College Avenue. Rockridge also has the highest comparison goods sales of all of the city's neighborhood retail nodes. Rockridge has continuous retail frontage and a pleasant pedestrian shopping experience along College Avenue, despite the fact that the street is too long for most shoppers to traverse in a leisurely shopping trip.

Convenience retail includes a new Trader Joe's (not included in 2006 sales), small specialty food shops, and a Safeway. Retail performs well in the Rockridge district, with several retail-oriented developments added to the district over the years. The European-style Market Hall food market and the BART station are both strong customer attractions to the area. The neighborhoods served by College Avenue have higher per-capita income than the city as a whole. Area households are smaller and fewer include children than the city's average. Rockridge is classified as a well functioning node combining grocery, restaurant, and comparison shopping.

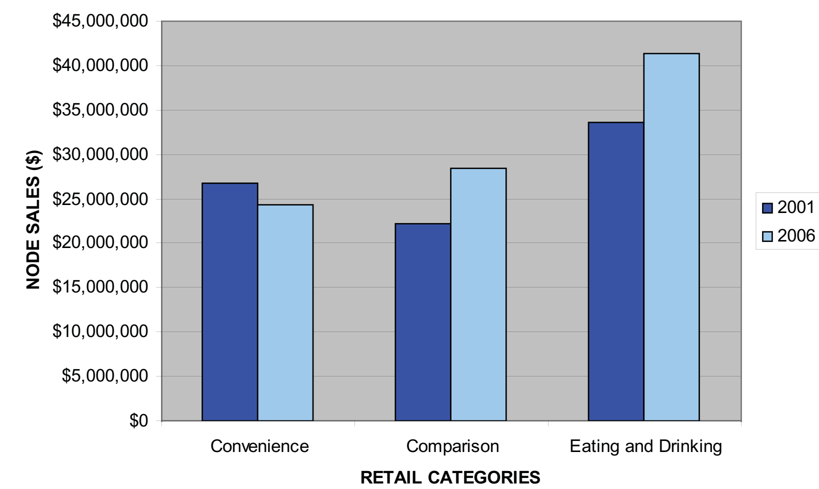
Node Demographics

Rockridge 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	31,387	213,948	408,644	400,377
Households	14,520	97,582	171,965	149,082
Households Size	2.14	2.12	2.31	2.64
Per Capita Income	$46,262	$36,714	$33,671	$25,469
Households with Children	2,914	20,183	44,273	49,976

City Map

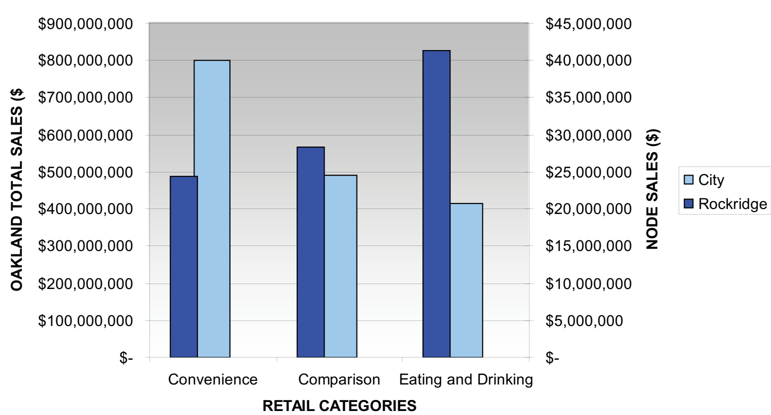


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	24%	28%	41%
City	40%	25%	21%



Merchandising Mix*

2006 Average Sales per Establishment: $721,741
Estimated Retail Sales per SF: $364.78

	Number of Establishments
Convenience	8
Comparison	76
Eating & Drinking	45
Total	140

Anchor Businesses (2006)

- Barney's
- Claremont Rug Armen Gallery
- Eddie's Liquors
- Safeway
- Zachary's Chicago Pizza

* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

Temescal/Koreatown

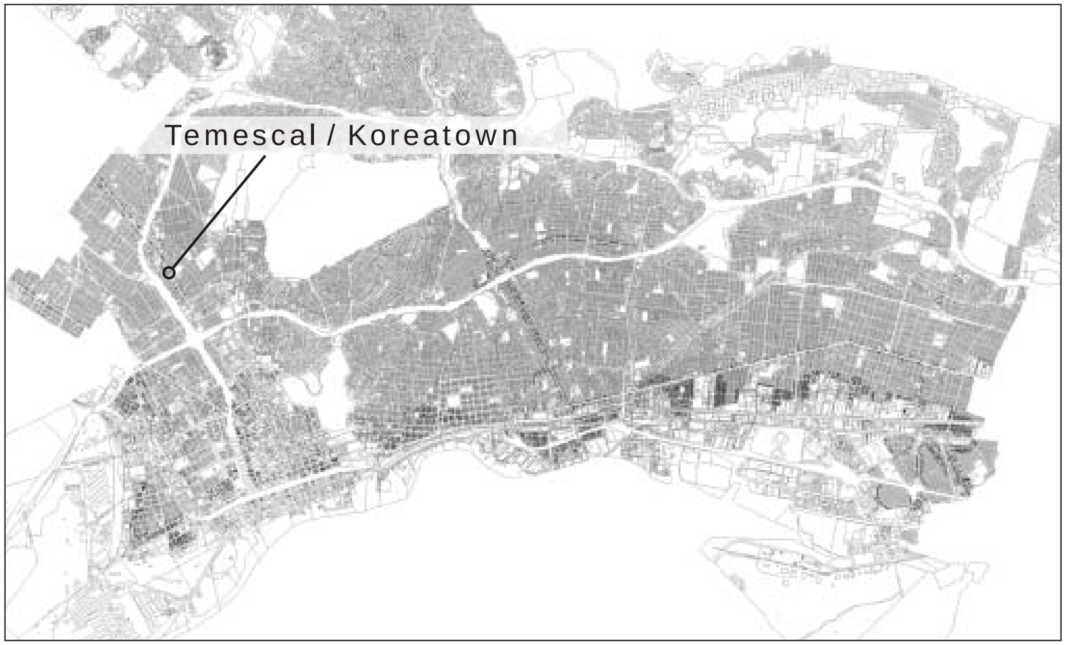
Temescal/Koreatown is located in North Oakland between the Children's Hospital and Upper Broadway node. The northern end of node, between 48th and 51st streets, has the most active concentration of retail activity. In 2006, this generated far more than $10 million in total sales, with more than 40percent were attributed to eating and drinking sales. This area originally served a primarily Italian neighborhood, as echoed by the long standing success of Genoa Deli. Almost two decades ago the site of the long term Vern's Market was redeveloped as a new location for the Deli and a Walgreens. Although that redevelopment was controversial at the time, because it was viewed as an underdevelopment of the site's urban potential, the development of 51st and Broadway has over time stimulated the commercial revitalization of the Temescal district. Temescal has an organized Business Improvement District that has adopted the slogan "Cool Shops, Global Eats, Hip Happenings", which reflects the districts' young trendy orientation. Several popular new restaurants have opened in this district and without benefit of signage attract crowds of waiting patrons that spill on to the sidewalks. Many storefronts in this node have been released to tenants who capture this new market. This node also captures support from nearby Children's hospital staff and visitors. Demographics for the immediate area show the high per-capita income compared to the city as well as a small household size and a small number of households have children.

The southern end of this node transitions into the Koreatown district. A major retail enhancement goal for this node is to fill in the gaps between the vital Temescal district and the emerging Koreatown district. In the future, this node has potential to support more comparison goods shops. This node is classified as grocery, restaurant, and comparison, with opportunity for expansion.

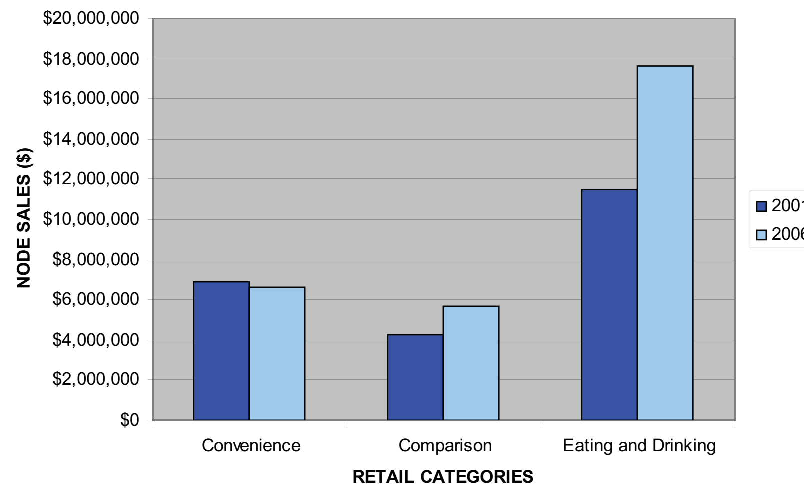
Node Demographics

Temescal/ Koreatown 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	40,486	248,671	462,884	400,377
Households	19,223	110,736	190,615	149,082
Households Size	2.07	2.18	2.37	2.64
Per Capita Income	$28,035	$31,698	$31,516	$25,469
Households with Children	4,158	24,855	51,414	49,976

City Map

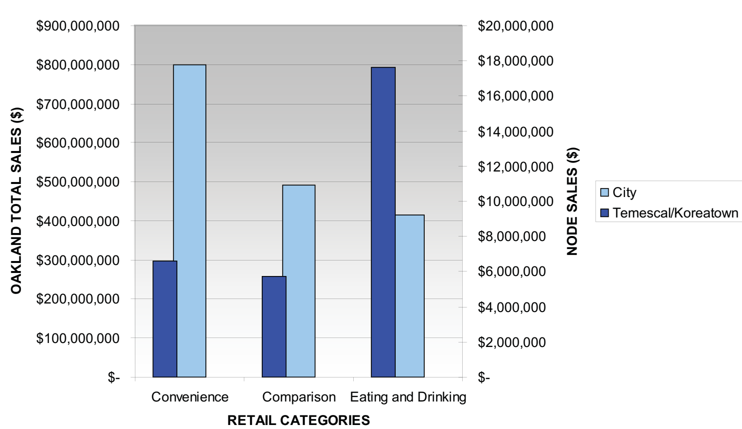


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	22%	19%	59%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $362,217

Estimated Retail Sales per SF: $127.397

	Number of Establishments
Convenience	5
Comparison	30
Eating & Drinking	45
Total	83

Anchor Businesses (2006)

- Carl's Jr.
- Glamour Beauty Supply
- Jack in the Box
- Mc Donalds
- Walgreens

Oakland Retail Node #28 Entertainment

Downtown

The Downtown retail node is one of several nodes in the larger Central District area. In 2006, Downtown had more than $10 million in total sales, of which more than 40 percent of sales were generated by comparison goods stores, including the Sears store that operates on 3 floors of the former Emporium Capwell Department store. Both comparison and eating, and drinking establishments are well represented in this area. However, this node no longer serves its historical function as the primary location for comparison goods shopping for a large trade area extending beyond the city borders, and is now largely patronized by nearby office workers. There has been significant new residential development around this node, including the Forest City Uptown apartment development and the Broadway Grand and 100 Grand projects that were developed as luxury housing. Renovation of the historic Fox Theater into a performing arts, office, and educational venue is nearly complete. Despite the new development activity, this area still has vacant storefronts on once-prime retail streets. Efforts to attract viable retailers to these vacant spaces are currently meeting unenthusiastic response, but it is believed that leasing will pick up as the housing units and the Fox Theater are completed and occupied. The Agency is committed to develop a retail serving parking structure, which will address the lack of parking for shoppers in this node. New retail uses that will be attracted in the future are anticipated to be small in scale.

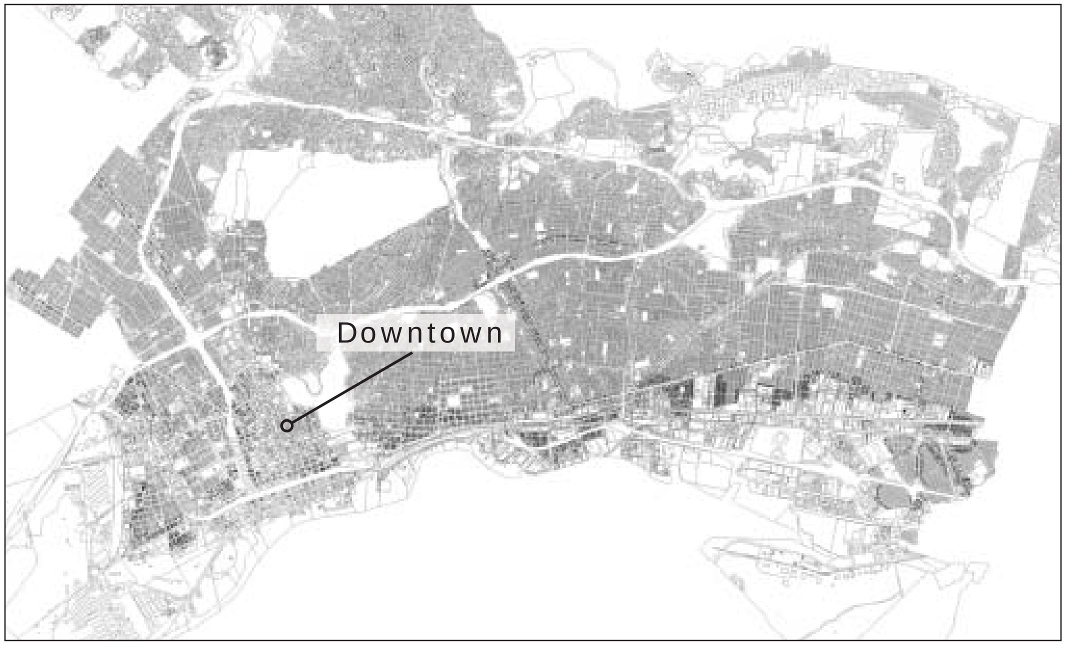
Demographics for the surrounding area show low per capita income, with small average household sizes. There are few households with children. Downtown can benefit from incorporating more entertainment retail such as eating and drinking establishments that will capture more than the weekday workers. Currently, this retail node is categorized as an entertainment retail node with retail that needs to be expanded.

Node Demographics

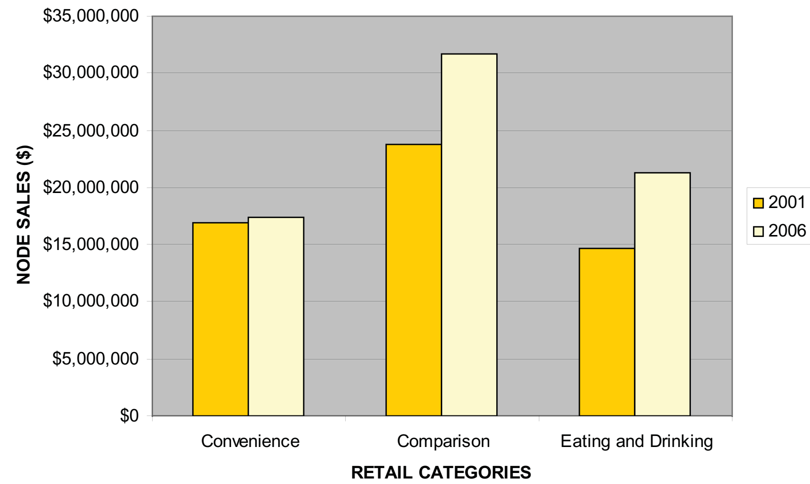
Downtown 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	11,319	41,328	245,987	400,377
Households	6,382	21,285	102,527	149,082
Households Size	1.71	1.86	2.37	2.64
Per Capita Income	$19,443	$23,347	$27,182	$25,469
Number of Households with Children	713	3,348	28,742	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

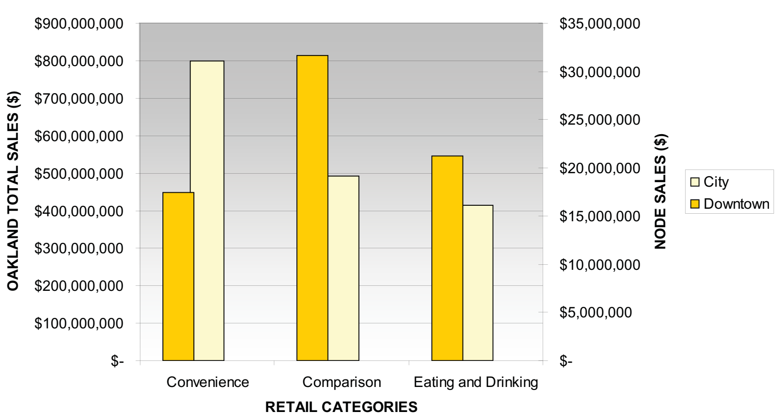


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	25%	45%	30%
City	40%	25%	21%



Merchandising Mix*

2006 Average Sales per Establishment: $277,110

Estimated Retail Sales per SF: $118.17

	Number of Establishments
Convenience	22
Comparison	118
Eating & Drinking	108
Total	255

Anchor Businesses (2006)

- Burger King
- Gap
- Mc Donalds
- Rite Aid
- Walgreens

* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Oakland Retail Node #24 | Entertainment

Jack London Square

Jack London Square is located at the foot of Broadway as it nears the bay. In 2006, Jack London Square had far more than $10 million in total sales, with more than 40 percent of those sales generated by eating and drinking establishments. The area has been a strong entertainment center for decades, and has several large restaurants with a long history of successful of performance. The addition of the Jack London Cinema to the Square almost two decades ago helped boost the area as an entertainment venue with a city-wide draw. The Barnes and Noble and the popular farmer's market draw patrons from all over the City. An earlier attempt to create a specialty shopping area at the Square with the addition of comparison goods boutiques was less than successful, although the attractive, Port-financed infrastructure improvements remain. Jack London Square was acquired via a long term lease by the Ellis Partners, who are planning a large scale redevelopment of the square. However, planned new retail improvements are not focused on developing the square as a regional-serving comparison center. The current status of leasing activities for the retail uses is unknown.

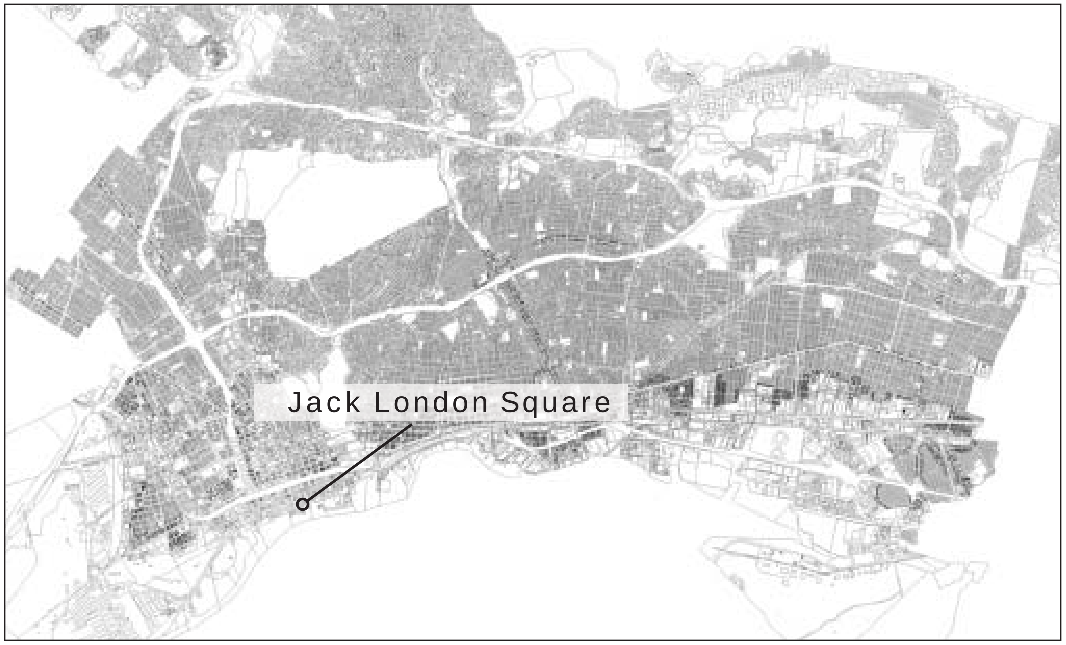
The immediate area has lower per-capita income and small household size than is average for the city, despite the recent development of upper end rental and condominium units nearby. The surrounding neighborhoods have very few households with children. There is substantial opportunity to reposition retail in Jack London Square to serve a regional market for entertainment-related uses as well as a growing residential market nearby. Jack London Square is classified as an entertainment center with repositioning potential.

Node Demographics

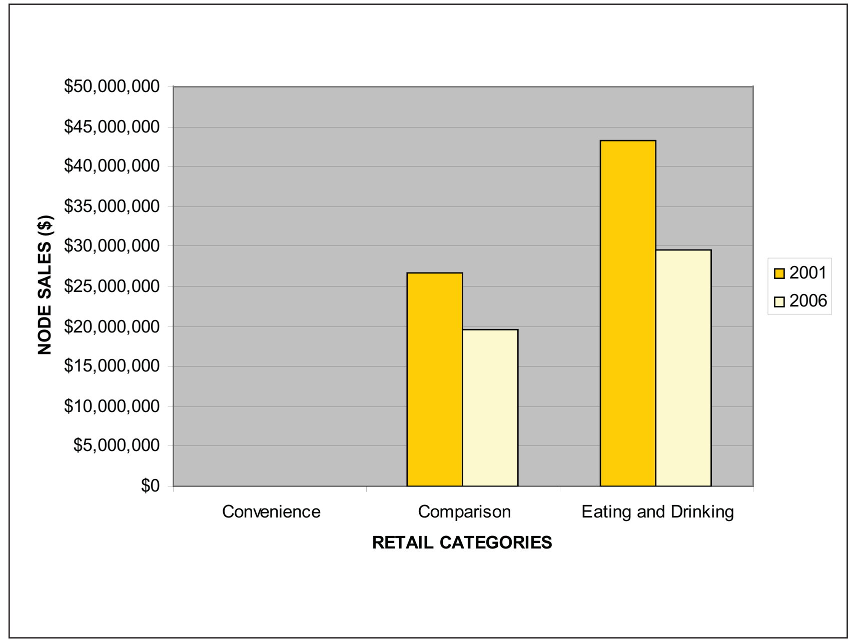
Jack London Square 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	3,285	19,896	207,919	400,377
Households	1,332	9,464	87,368	149,082
Households Size	1.92	1.97	2.33	2.64
Per Capita Income	$16,770	$17,904	$25,298	$25,469
Number of Households with Children	157	1,852	23,605	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

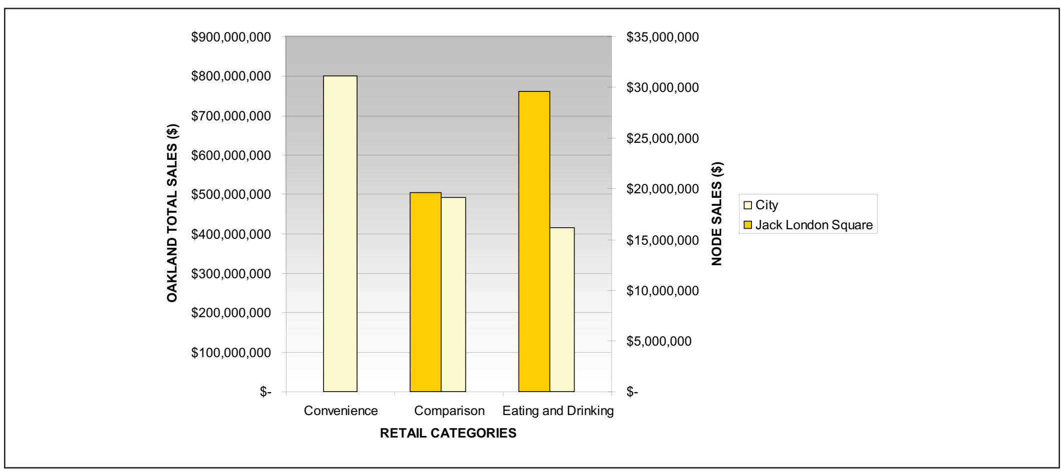


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	33%	50%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $1,278,813

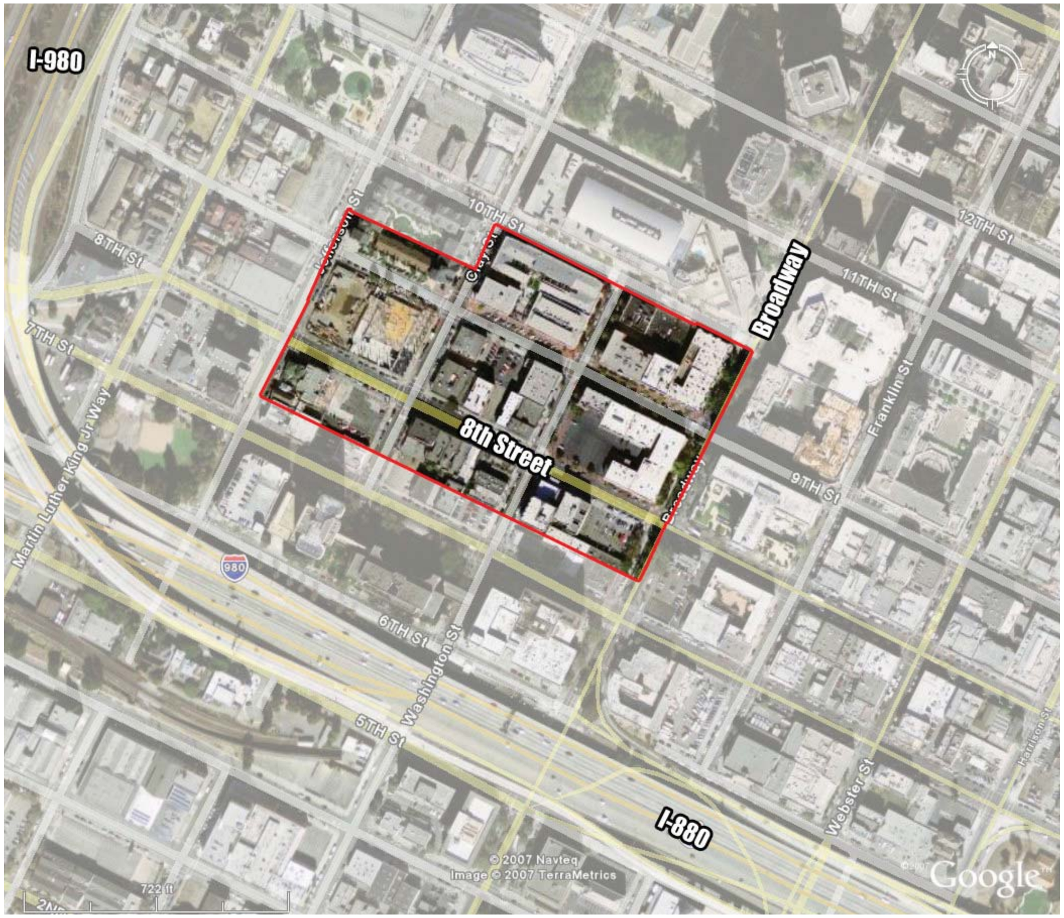
Estimated Retail Sales per SF: $189.15

	Number of Establishments
Convenience	N/A
Comparison	27
Eating & Drinking	15
Total	46

Anchor Businesses (2006)

•Barnes & Noble
•Beverages and More
•Bed Bath & Beyond
•Kincaids Bayhouse
•Scotts Seafood Bar & Grill
•Yoshi's Japanese Restaurant

Oakland Retail Node #27 — Entertainment



Old Oakland

Old Oakland is located east of Chinatown below the Downtown node in the Central District. Old Oakland was developed as a rehabilitation of the historic buildings located on 8th and 9th streets a few decades ago but was not successfully leased at that time. Today the area commands high rents for retail and offices uses and is a popular near downtown location for tenants desiring close in but non traditional facilities. In 2006 this node had less than $10 Million in 2006 total sales, with more than 40 percent of from eating and drinking establishments. Recently, this district has attracted several new comparison goods stores, but the main reasons shoppers patronize Old Oakland is to patronize the trendy restaurants and bars that are centered at 9th and Washington streets. Long time food stores like Ratto's Market and the renovated Housewives market still exist in this district, but in modified form from their long term operations. Old Oakland benefits from great location and regularly draws office workers from downtown, Jack London Square, City Center, and the Court facilities at lunch time. In the last several years the restaurants and nightclubs have also been well patronized in the evenings.

Despite the introduction of new housing in the surrounding area, nearby neighborhoods have lower per capita income than the city average. The neighborhoods also have smaller household sizes and a small portion of households with children. Additional comparison goods stores in this node should be encouraged, but in the likely function of the district seems established as a place for dining and entertainment. Old Oakland is categorized as an entertainment retail node that is functioning well.

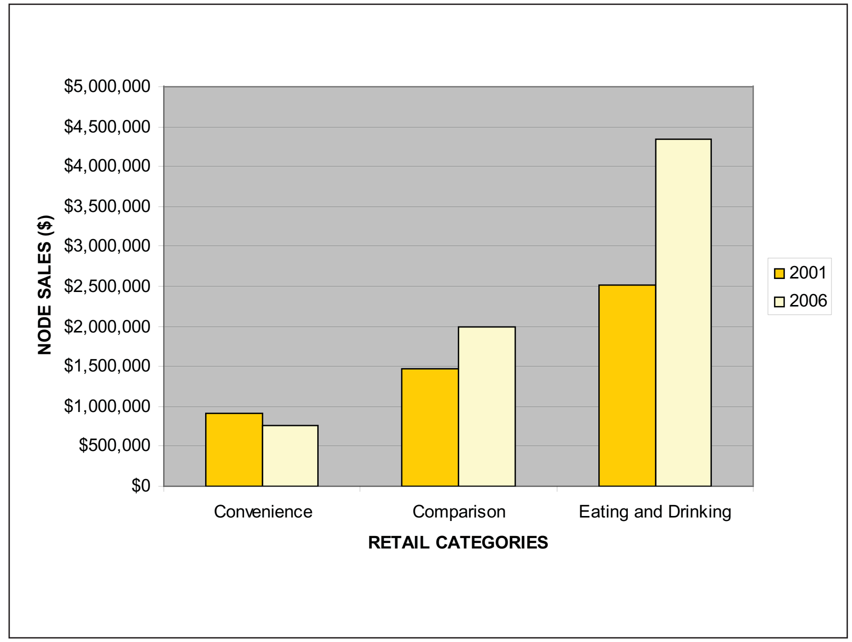
Node Demographics

Old Oakland 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	9,380	26,543	222,465	400,377
Households	4,537	12,509	93,586	149,082
Households Size	1.86	2.00	2.33	2.64
Per Capita Income	$15,528	$17,360	$26,511	$25,469
Number of Households with Children	610	2,485	25,398	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

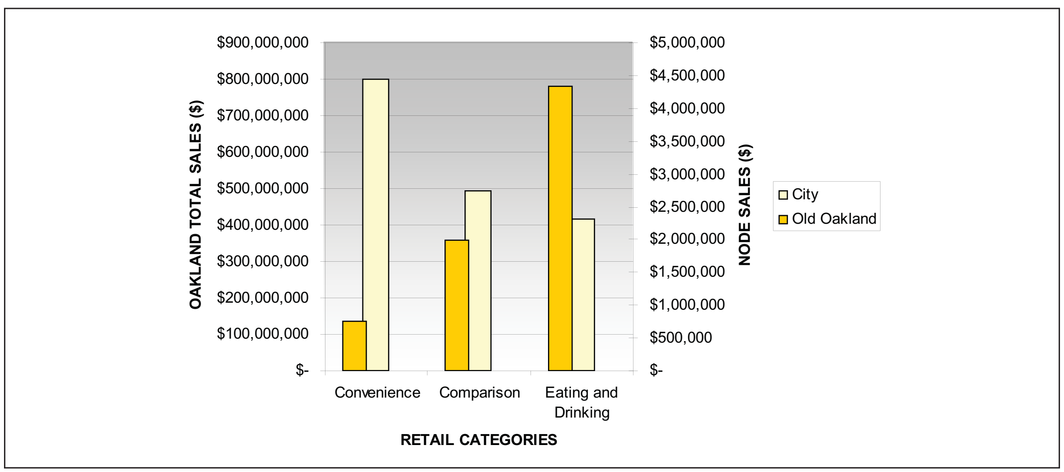
City Map

Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	11%	28%	61%
City	40%	25%	21%



Merchandising Mix*

2006 Average Sales per Establishment: $208,340
Estimated Retail Sales per SF: $68.11

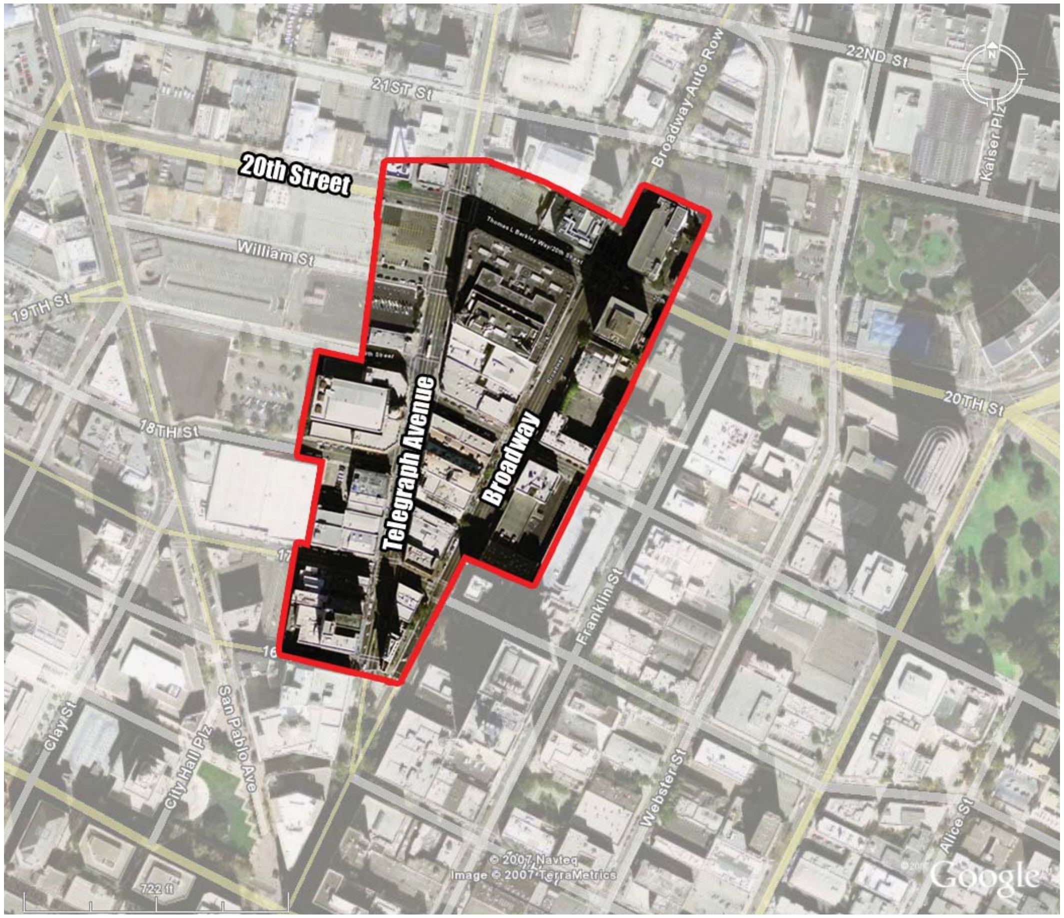
	Number of Establishments
Convenience	7
Comparison	15
Eating & Drinking	12
Total	34

Anchor Businesses (2006)

- Oakland Flower Mart
- Pacific Coast Brewing

* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Oakland Retail Node #29 — Entertainment



Uptown

Uptown is located just above Downtown Oakland. Recently, Uptown has been the beneficiary of a significant amount of re-investment. In 2006, this retail node had more than $10 million in total sales. Over 40 percent to total sales were attributed to comparison good sales. Uptown has very few convenience establishments available to consumers, which may be an issue as upcoming residential investment emerges in the area. The Uptown area has a relatively large number of comparison and eating and drinking establishments, which account for the majority of sales. This area is transitioning due to major developments such as the new Uptown residential site, restoration of the Fox Theater and the addition of several new eating and drinking establishments. Each major thoroughfare within Uptown has different retail objectives; Telegraph would like more entertainment establishments while the Broadway area wants more comparison shopping.

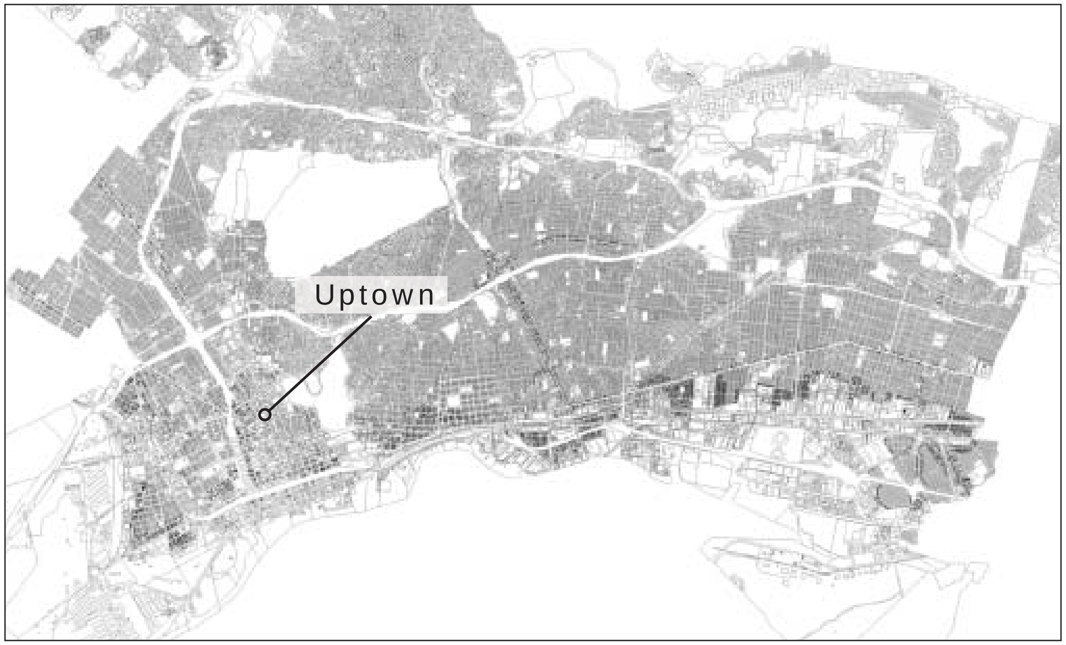
Due to the recent influx of restaurants, bars and lounges in the area, Uptown is categorized as and entertainment retail node that needs to reposition its retail. This area has a low per-capita income compared to the City. The Uptown area also has a small household size with very few households having children present. Uptown could benefit from expanding its current entertainment venues and incorporating more convenience and comparison shopping to accommodate the new residential addition in the area.

Node Demographics

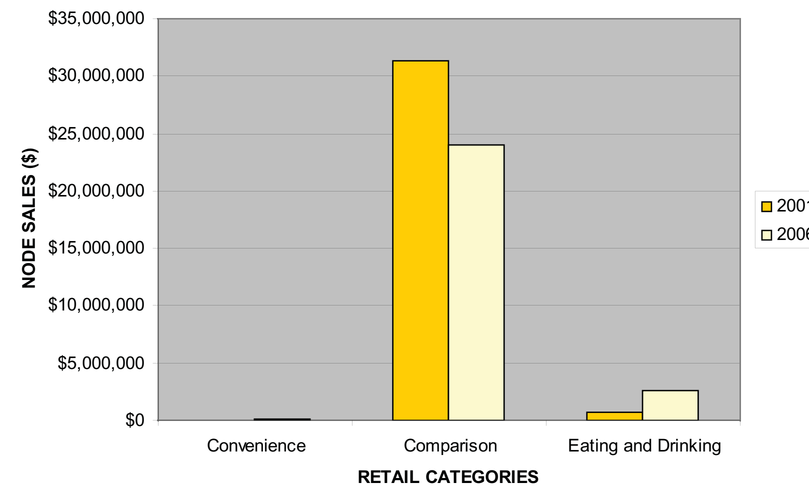
Uptown 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	10,213	42,659	242,678	400,377
Households	5,722	20,971	102,869	149,082
Households Size	1.7	1.93	2.31	2.64
Per Capita Income	$18,862	$21,237	$28,118	$25,469
Number of Households with Children	728	3,774	27,502	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

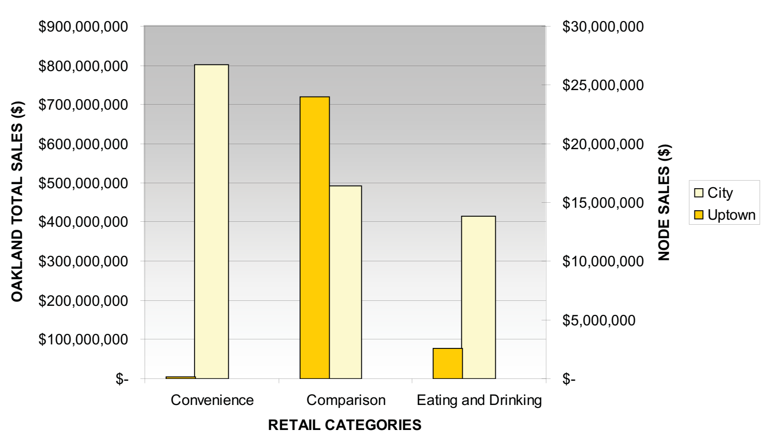


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	0%	87%	9%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $452,369
Estimated Retail Sales per SF: $180.36

	Number of Establishments
Convenience	4
Comparison	32
Eating & Drinking	21
Total	61

Anchor Businesses (2006)

- Best Music
- OCB Cooperative
- Sears

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

Coliseum

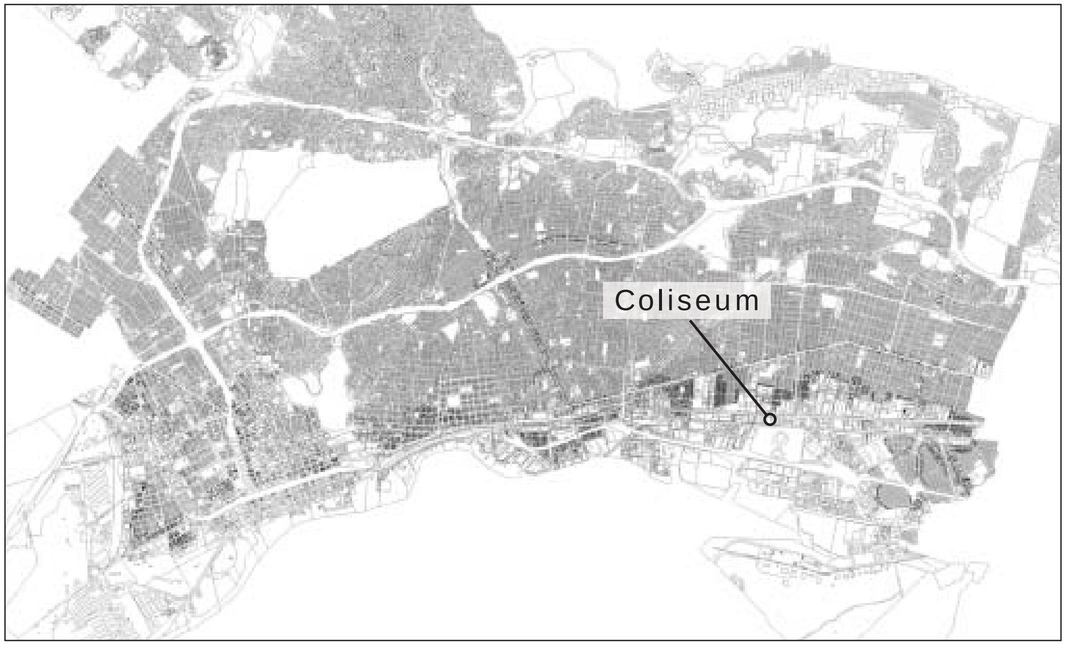
The Coliseum retail node is located directly off of I-880 near the newly renamed McAfee Coliseum sports arena. It close to the Hegenberger Corridor retail node, which includes a regional shopping center anchored by Wal-Mart. The Coliseum retail node had less than $10 million in total sales. There are no sales reported in 2006 for convenience and comparison goods due to the lack of establishments present in the node. In addition, there are minimal eating and drinking sales. This area is currently a transitioning industrial area with no current retail attract the broader neighborhood. In 2006, the majority of taxable sales were generated by building supply outlets, a non-retail use. There was also some automotive supply sales reported in this retail node. There are some large opportunity sites available in this area, which could benefit from providing some local convenience or comparison shopping that might complement the nearby Wal-Mart.

Per-capita income for the surrounding neighborhood is low compared to the city average. The Coliseum has a large household size, but very few households with children in the immediate area. Due to the existing large format store and sites for additional stores in this area, this retail node has been classified as having potential to be repositioned as to big box comparison.

Node Demographics

Coliseum 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	3,591	20,838	228,393	400,377
Households	1,019	5,760	72,173	149,082
Households Size	3.52	3.59	3.12	2.64
Per Capita Income	$12,379	$12,211	$20,238	$25,469
Households with Children	559	3,087	32,089	49,976

City Map

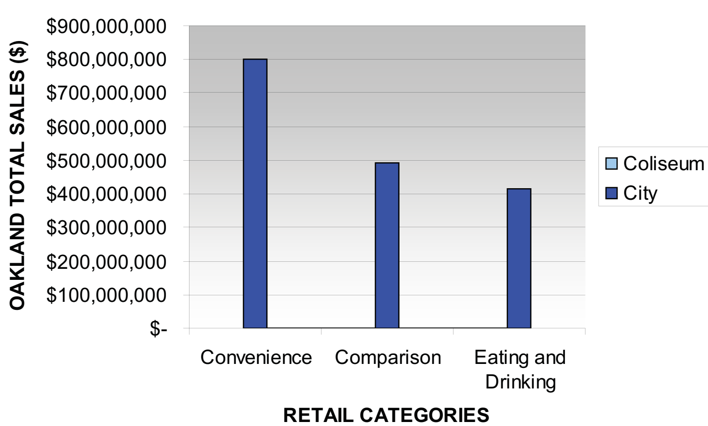


Sales Trends (2001, 2006)*

Sales for the Coliseum can not be reported for this analysis

Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	N/A	N/A
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $1,345,100
Estimated Retail Sales per SF: $3,362.75

	Number of Establishments
Convenience	N/A
Comparison	N/A
Eating & Drinking	N/A
Total	5

Anchor Businesses (2006)

None in this Area

Elmhurst South

The Elmhurst South node extends along International Boulevard between 102nd Avenue to Durant Avenue, just before the Oakland and San Leandro city border. In 2006, this retail node had more than $10 Million in total sales, with more that 40 percent comparison. Has large number of establishments to generate high comparison sales. There are still relevant convenience sales given the small number of establishments. Durant Square, which includes multiple retail stores, is well known among East Oakland residents. This shopping center attracts youth as well as families looking for bargains. Within the Elmhurst South node there is opportunity at the as the old Lloyd Weise auto dealership, which is expected new residential development with some retail. This node benefits from its location on a popular thoroughfare, International Boulevard, and may also benefit from public transportation upgrades in the future.

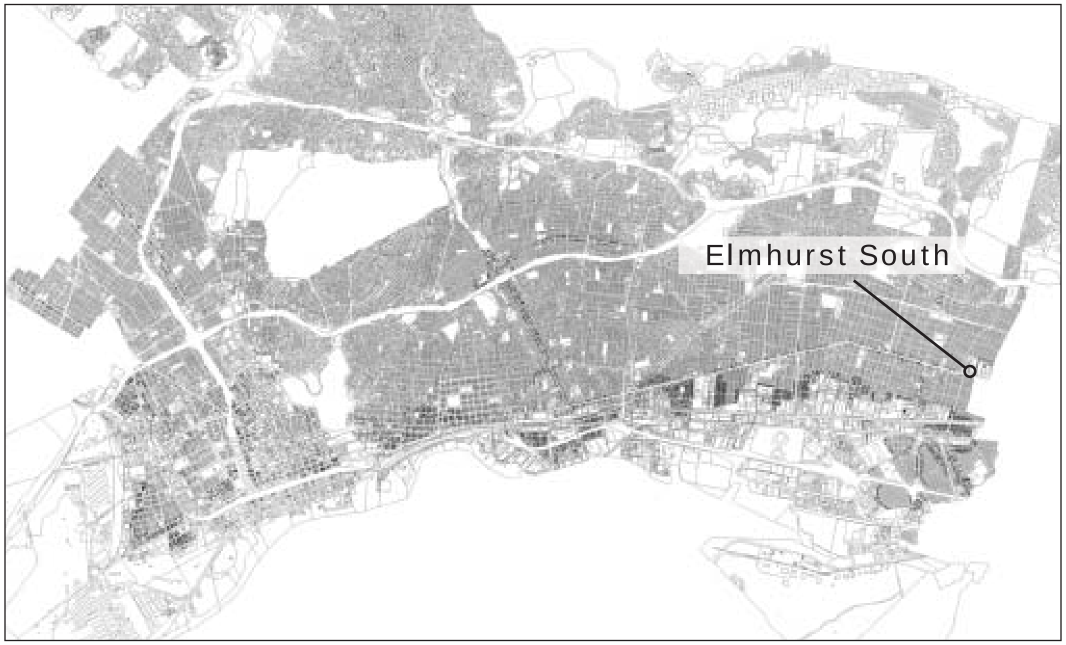
Nearly half of all the households in the immediate area include children. This node has a larger household size compared to the city and a lower per-capita income. Due to the existing large format stores and buildings in the area Elmhurst South has been categorized as a big box comparison node with potential to expand that function.

Node Demographics

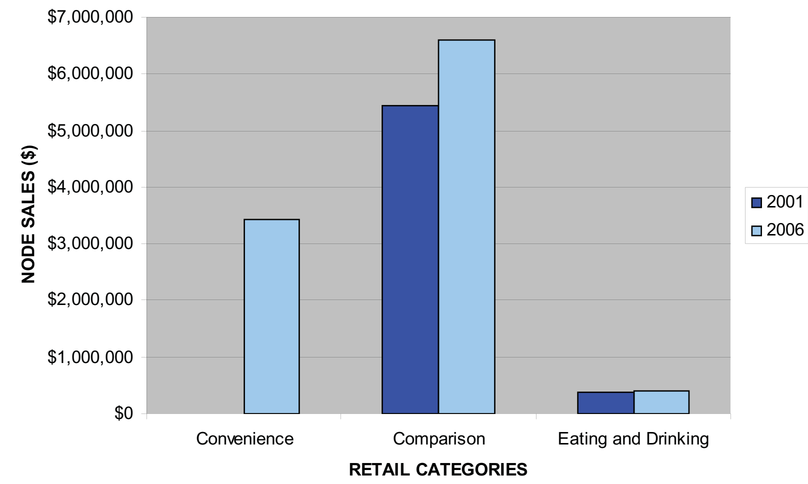
Elmhurst South 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	11,301	40,091	161,143	400,377
Households	3,354	12,000	53,162	149,082
Households Size	3.34	3.30	3.00	2.64
Per Capita Income	$16,623	$17,269	$20,878	$25,469
Number of Households with Children	1,651	5,837	22,349	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

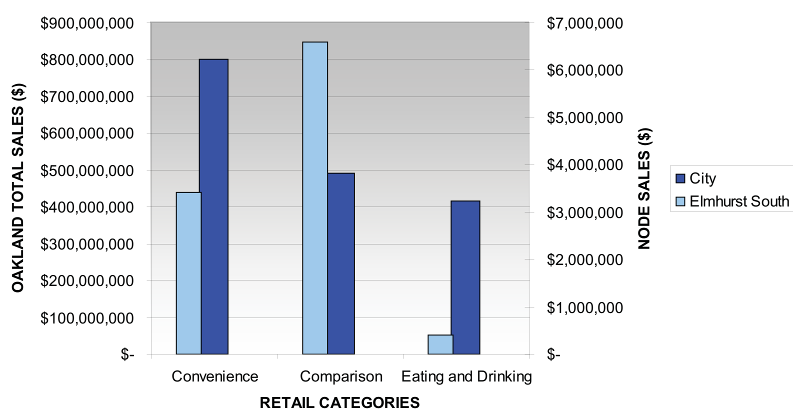


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	33%	63%	4%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $131,643
Estimated Retail Sales per SF: $115.73

	Number of Establishments
Convenience	6
Comparison	68
Eating & Drinking	5
Total	80

Anchor Businesses (2006)

None in this Area

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

Hegenberger Corridor

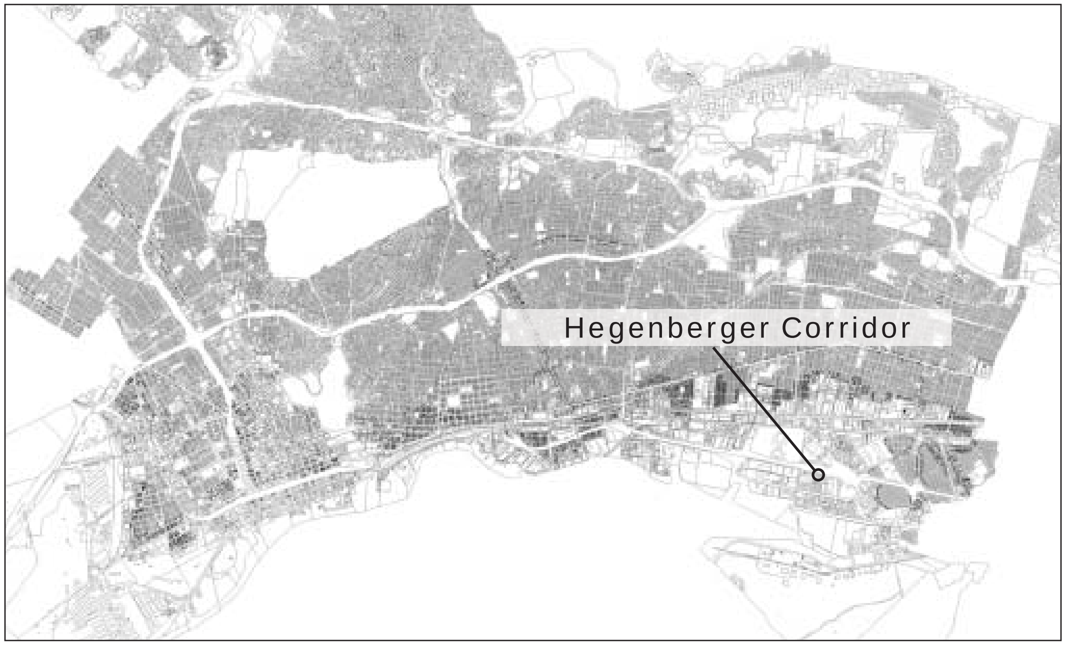
The Hegenberger Corridor node extends along Hegenberger Road from the Coliseum across the I-880 freeway where Hegenberger Road merges with 98th Avenue at Doolittle Drive. At the intersection of I-880 and Hegenberger a new shopping center with a Wal-Mart and in line shops has successfully attracted sales from a broad trade area in the City's eastern end. In 2006, this retail node had well over $10 Million in total sales, with more than 40 percent of sales in comparison shopping, dominated by the Wal-Mart. This node had the highest sales of 53 nodes surveyed in the city. There were a few high performing comparison goods stores in this node as well as a large number of eating and drinking establishments, including several fast food outlets. This node captures sales from airport bound shoppers, hotel guests, and regional residents who patronize the restaurants. This area has several large sites that are vacant or in transitioning uses, and thus are potentially available for retail development. A new Harley Davidson dealership on 98th Avenue has a higher than typical level of improvements and attracts motorcycle enthusiasts from the East Bay.

Given the greenway access and visibility, some sites in this node have the potential to draw shoppers from beyond the city. The neighborhoods immediately surrounding this node have low per-capita income and larger household size than Oakland averages, but also have a small number of households with children. This node is categorized as a big box comparison node with potential to improve that function.

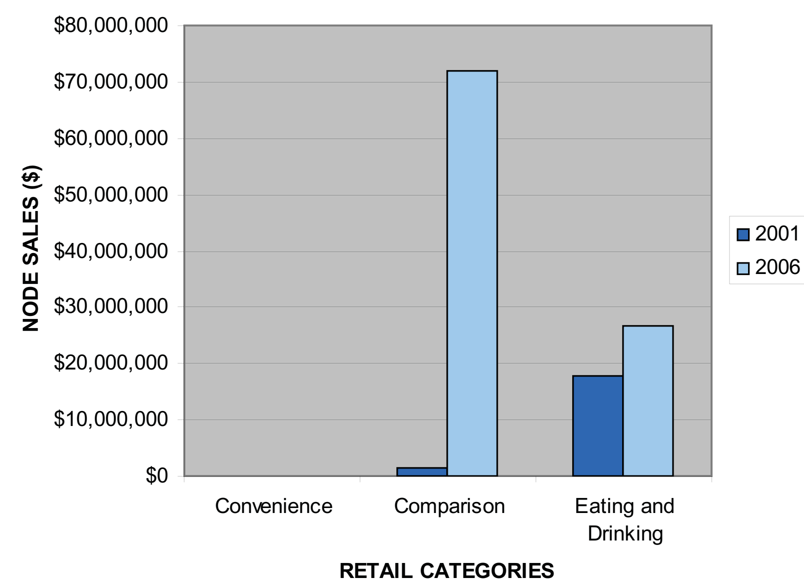
Node Demographics

Hegenberger Corridor 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	831	6,996	180,966	400,377
Households	230	1,933	58,396	149,082
Households Size	3.54	3.60	3.07	2.64
Per Capita Income	$12,967	$12,387	$20,931	$25,469
Households with Children	115	1,015	25,461	49,976

City Map

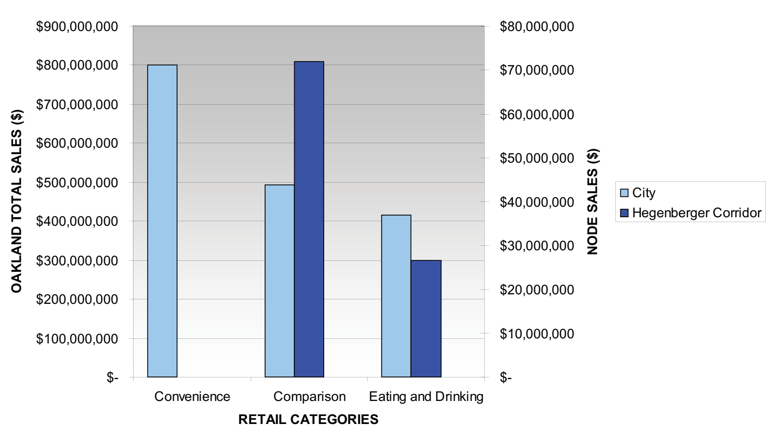


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	60%	22%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $2,386,654
Estimated Retail Sales per SF: $443.62

	Number of Establishments
Convenience	N/A
Comparison	19
Eating & Drinking	28
Total	50

Anchor Businesses (2006)

- Denny's
- EB Games
- In N Out Burgers
- Pak N Save
- Walmart

Node Demographic

High Street Corridor 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	2,850	30,111	267,982	400,377
Households	857	8,524	91,426	149,082
Households Size	3.29	3.45	2.89	2.64
Per Capita Income	$17,298	$18,255	$22,803	$25,469
Number of Households with Children	338	4,037	35,663	49,976

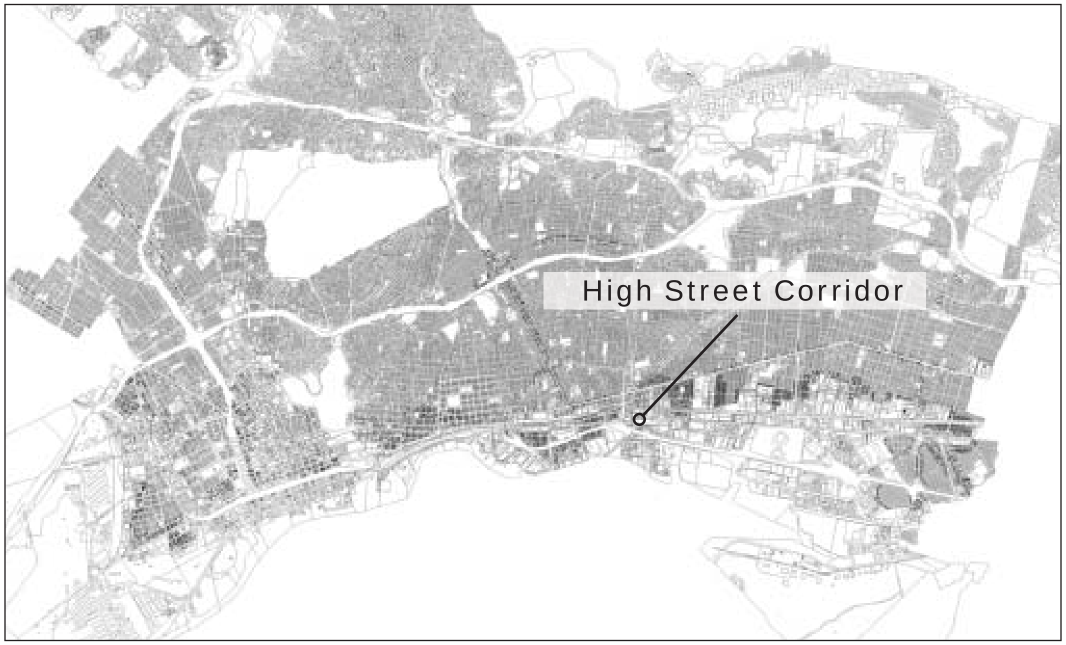
Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

High Street Corridor

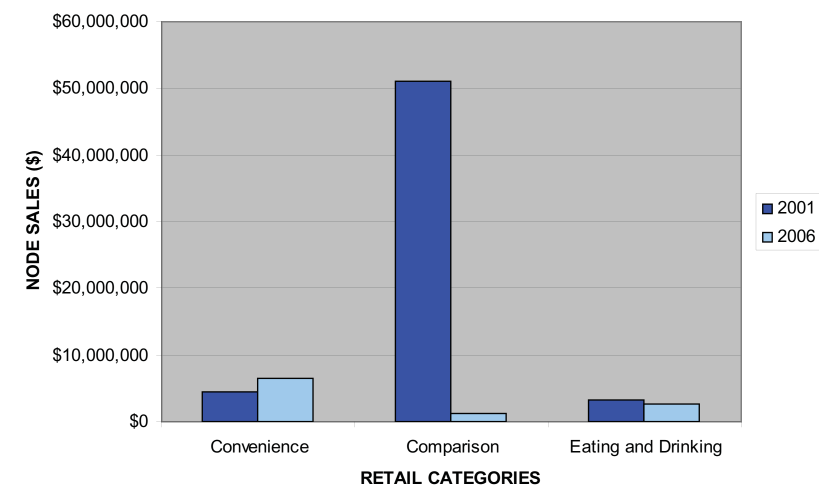
The High Street Corridor node extends along High Street between Tidewater Avenue and Bond Street. This area is primarily developed with industrial and commercial uses. In 2006, this node had more than $10 million in total sales, however, the majority of sales were in building supplies. The High Street Corridor node had very few sales to consumers in convenience goods, comparison goods, and eating and drinking sales. Of the three retail categories, convenience goods maintain the highest sales due to the amount of liquor stores and gas stations that are found in the node. Other uses in this area are a mix of auto services as well as beauty salon or beauty supply stores. There are several areas along High Street that are in need of reinvestment, however, recent development indicates greater the retail potential for the area. Directly off of High Street on Alameda Avenue, the Home Depot and Magic Johnson 24 Hour Fitness outlets have begun to transform this area into a retail destination. Several other new retail additions to this node, such as Mi Pueblo and the nearby convenience center at High Street and Foothill Boulevard are an indication of additional potential.

High Street is a major cross town access corridor to I-880 from neighborhoods on the for east side of the City. This area has high traffic volumes. There is also a presence of day labor seeking jobs in this area. The immediate neighborhood around the High Street Corridor has a high household size and low per-capita income in comparison to Oakland. This area is not heavily populated with children as less than half of households in the immediate neighborhood have children present. This node is categorized as big box comparison with potential for repositioning.

City Map

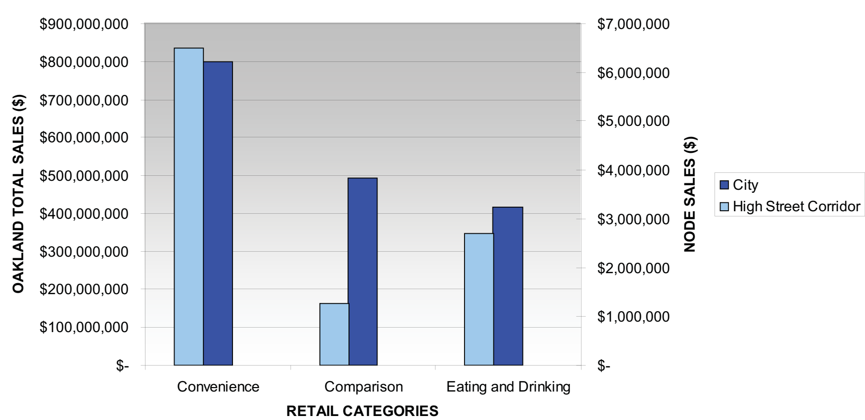


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	8%	2%	3%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $3,136,322
Estimated Retail Sales per SF: $1,411.34

	Number of Establishments
Convenience	5
Comparison	8
Eating & Drinking	9
Total	27

Anchor Businesses (2006)

- Gloria Beauty Supply
- Home Depot
- Kragen Auto Parts
- Mc Donalds

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

I-880 Corridor

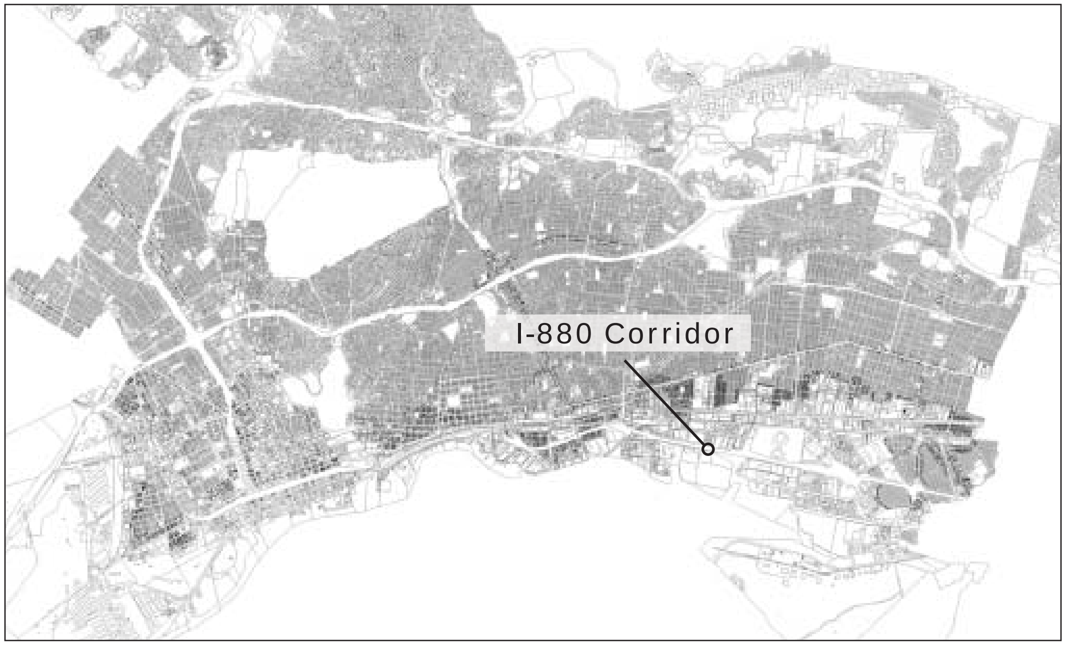
The I-880 retail node extends along the I-880 freeway from High Street to Hegenberger Road. This node also connects the High Street and Hegenberger Corridors, both of which generates over $10 million in revenue. The I-880 node has more than $10 million in total sales. The highest sales for this node are generated by eating and drinking and convenience goods outlets. Although there are a large number of comparison establishments, same sales volumes are lower than for the other retail categories. There are many industrial uses within this retail node. However many of these former industrial sites are in transition, creating a number of large opportunity sites. This area has shopper traffic from the Home Depot and 24 Hour Fitness outlets located just off of High Street and the Wal-Mart shopping center on Hegenberger, as well as commuters heading to Alameda via the nearby bridges. Street traffic follows the alignment of the elevated BART track which limited the potential for retail along San Leandro Boulevard. Recently, there have been discussions about developing the former industrial sites along Tidewater Avenue.

The surrounding area is primarily industrial with a small residential population with few households with children. Area households had larger household sizes and lower per-capita income levels compared to City averages. Due to the large opportunity sites in the area, this retail node has been categorized as a box comparison node, with potential for repositioning.

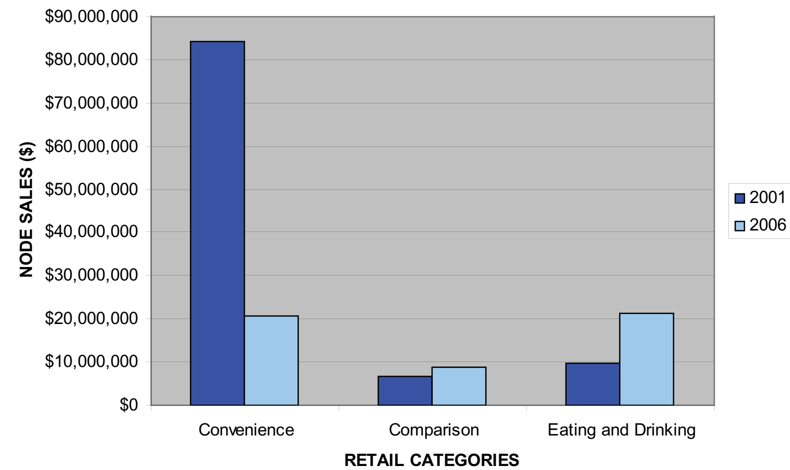
Node Demographics

I-880 Corridor 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	4,161	21,390	237,816	400,377
Households	4,171	5,918	75,057	149,082
Households Size	3.53	3.57	3.12	2.64
Per Capita Income	$11,587	$12,470	$20,221	$25,469
Households with Children	633	3,121	33,355	49,976

City Map

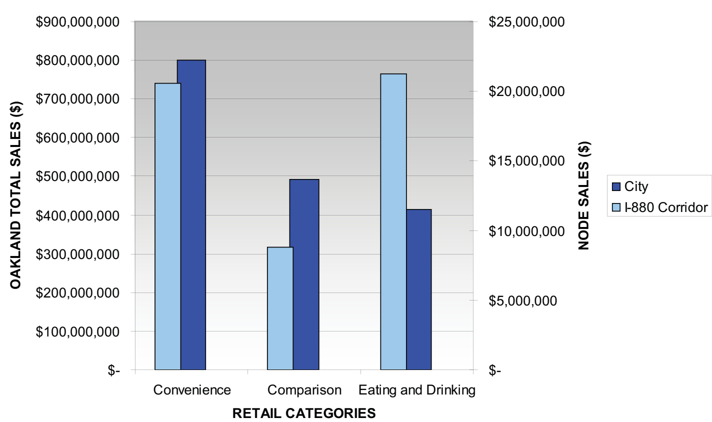


Sales Trends (2001, 2006)



Distribution of Retail Sales

%	Convenience	Comparison	Eating & Drinking
Node	33%	14%	34%
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix

2006 Average Sales per Establishment: $315,443

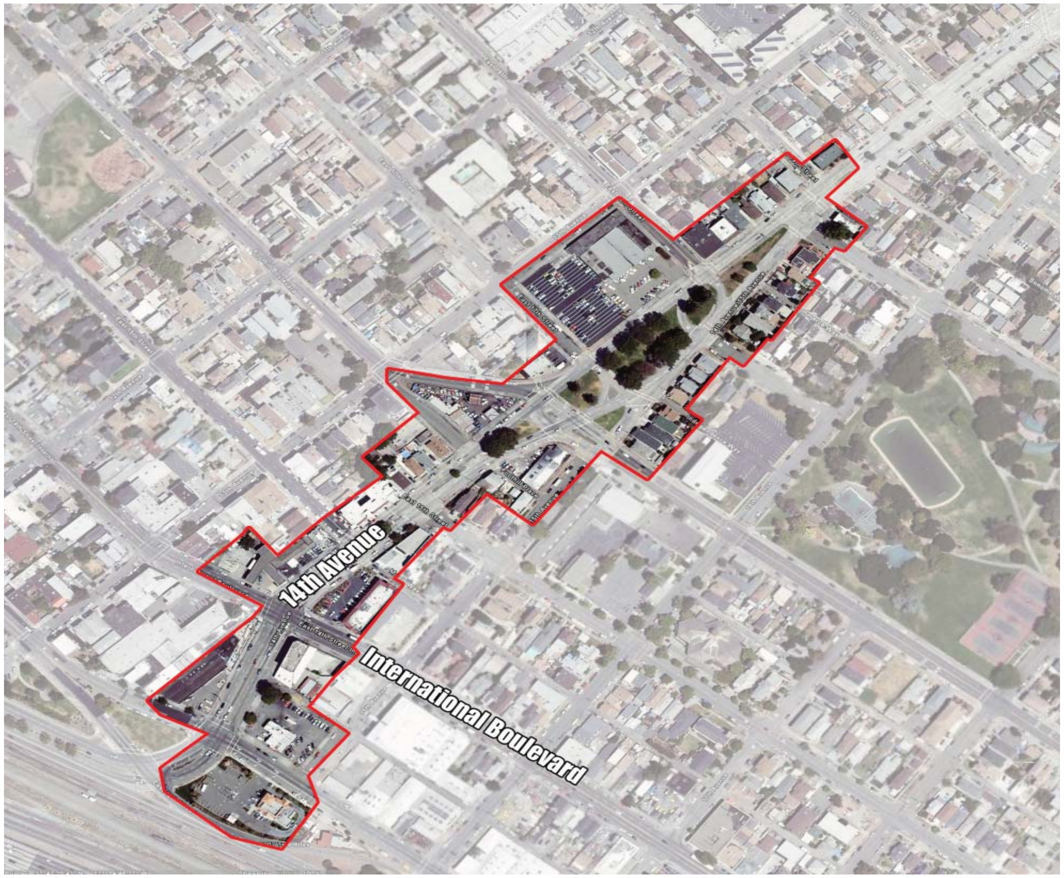
Estimated Retail Sales per SF: $421.30

	Number of Establishments
Convenience	5
Comparison	141
Eating & Drinking	6
Total	199

Anchor Businesses (2006)

- Aramark Sports & Entertainment
- Clothing Broker
- Ikon Office Solutions
- Ogden Allied Leisure Services

Oakland Retail Node #51 | Homebound Intercept



14th Avenue

The 14th Avenue retail node is located along 14th Avenue between E. 12th Street and E. 19th Street and directly crosses the San Antonio retail node. This node generated less than $10 million in sales in2006 . More than 40 percent of total sales are from to convenience good sales. The neighborhood character is primarily residential with several small storefronts along 14th Avenue. There are very few establishments within this node. Convenience sales dominate 14th Avenue sales, establishments such as Superior Hardware Store is primary source for convenience goods in this retail node.

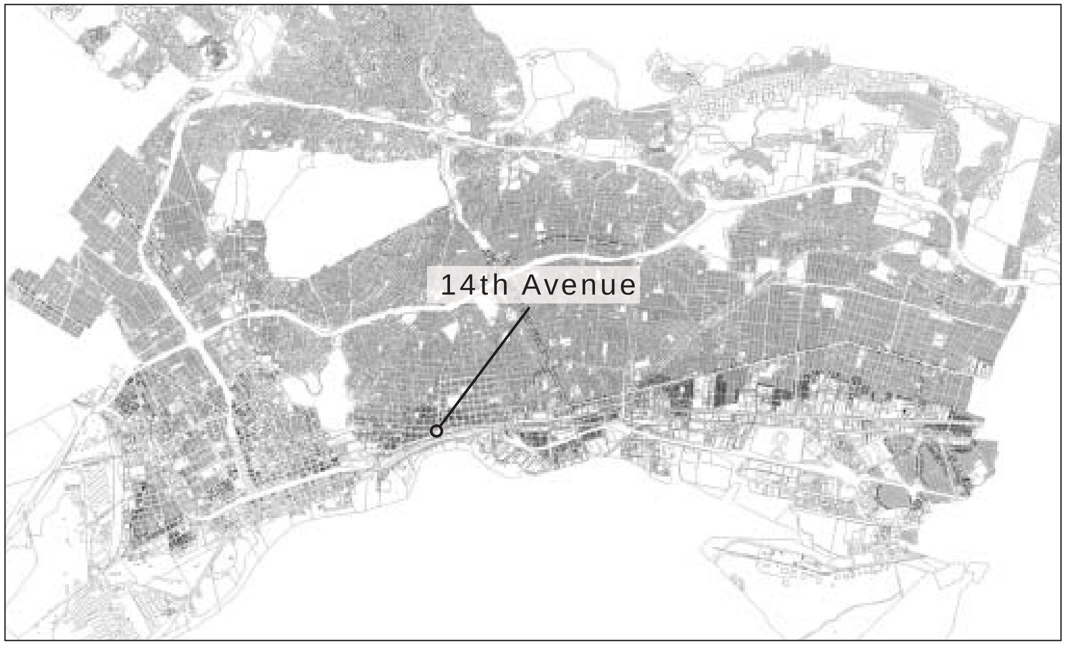
The 14th Avenue retail node has a larger average household size than the City, with a lower per-capita income than the city average. Just under half of all households in the immediate neighborhood have children present. This node has been categorized as a homebound intercept, with retail that has the potential to expand.

Node Demographics

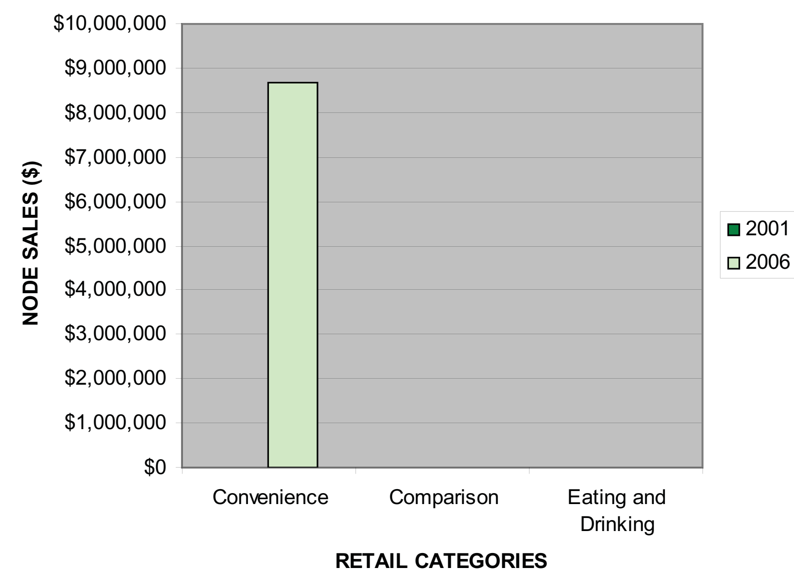
14th Avenue 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	15,398	52,382	295,843	400,377
Households	4,581	17,535	116,040	149,082
Households Size	3.32	2.96	2.50	2.64
Per Capita Income	$13,134	$16,953	$26,673	$25,469
Number of Households with Children	2,104	6,694	35,662	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

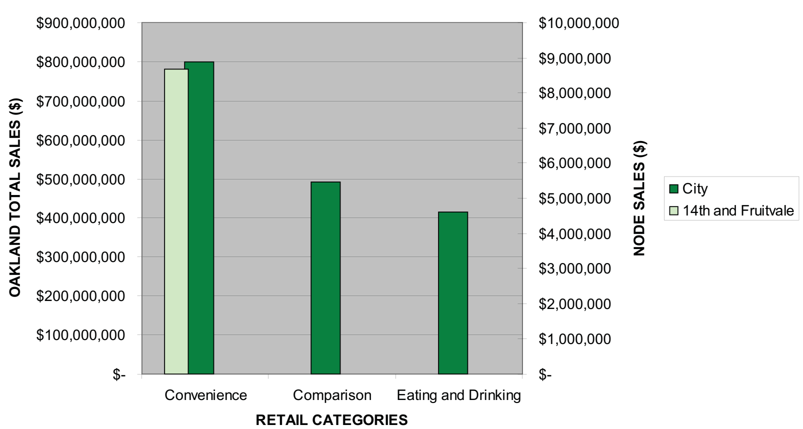


Sales Trends (2001,2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	87%	N/A	N/A
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $1,109,840
Estimated Retail Sales per SF: $332.95

	Number of Establishments
Convenience	4
Comparison	N/A
Eating & Drinking	N/A
Total	9

Anchor Businesses (2006)

•Pho Hoa Hierp Restaruant
•Superior Hardware Store

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

27th and Fruitvale

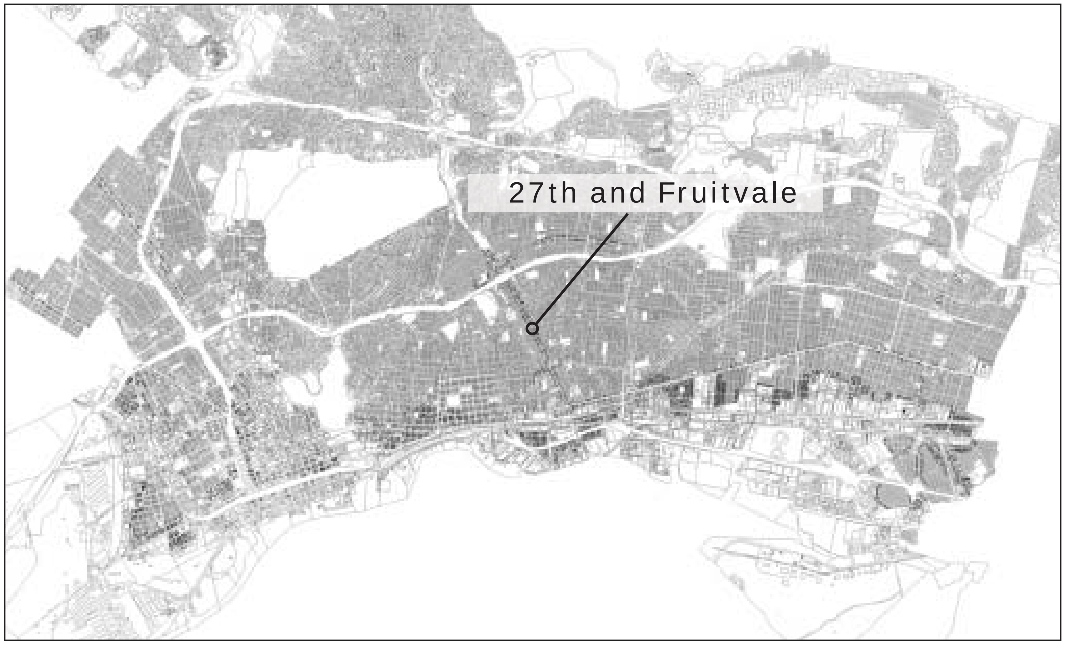
The 27th and Fruitvale retail node is located along Fruitvale Avenue between the Dimond retail node and Fruitvale and Foothill retail node. This retail node generates less than $10 million in total sales. More than 40 percent of retail sales for this node were attributed to convenience good sales. The 27th and Fruitvale retail node is a small retail node with very few establishment overall. The majority of establishments provide convenience good or eating and drinking shopping, with very low comparison establishments and sales. 27th and Fruitvale node establishments include Everett & Jones Barbeque, Pizza Hut, Supermercado Mi Tierra, and several cultural restaurants. Recently, there has been reinvestment prompted by efforts of councilman, Ignacio de la Fuentes. This node has a heavy residential component, which has transformed this intersection into a "on the way home" stop for neighborhood residents to stop and pick up food or convenience goods at local restaurants and markets.

Households in this area have lower per-capita income level and larger household sizes than average for the City, with children present in nearly half of all households. This node has been categorized as needing improvement with potential for retail that benefits from homebound intercept location.

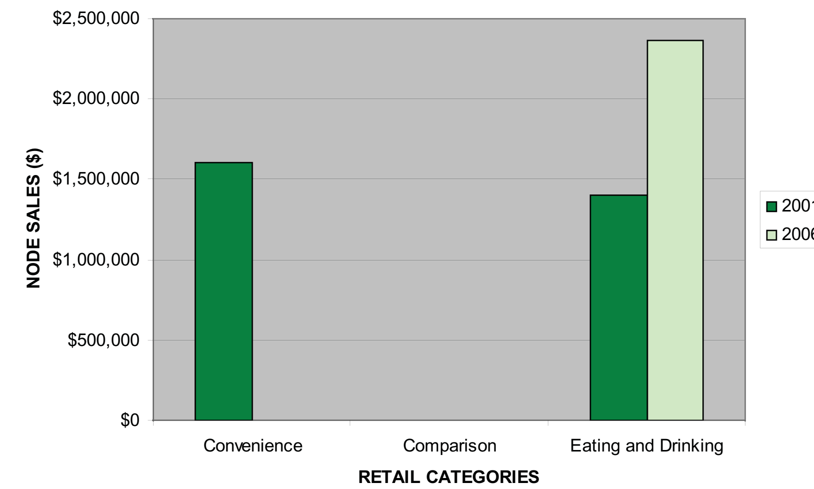
Node Demographics

27th & Fruitvale 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	16,422	67,485	283,750	400,377
Households	4,658	19,351	107,508	149,082
Households Size	3.41	3.41	2.60	2.64
Per Capita Income	$13,890	$15,407	$27,180	$25,469
Households with Children	2,344	9,455	35,222	49,976

City Map

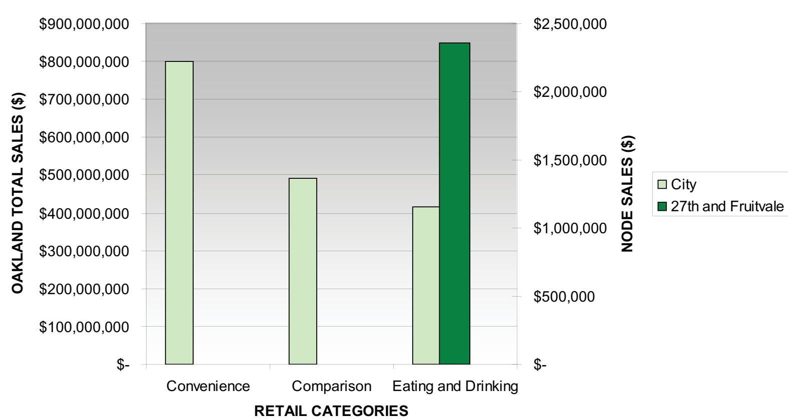


Sales Trends (2001,2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	N/A	35%
City	40%	25%	21%



Merchandising Mix*

2006 Average Sales per Establishment: $754,711
Estimated Retail Sales per SF: $261.25

	Number of Establishments
Convenience	N/A
Comparison	N/A
Eating & Drinking	4
Total	9

Anchor Businesses (2006)

•Everette & Jones Barbeque

* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Oakland Retail Node #10 | Homebound Intercept

Hegenberger/73rd and International

Hegenberger and 73rd and International Boulevard are located at the intersection of 73rd Avenue and International Boulevard, where 73rd Avenue becomes Hegenberger Avenue. It is close to the Eastmont, Hegenberger Corridor and Coliseum nodes. Hegenberger Road, 73rd Avenue and International Boulevard is a major intersection and both 73rd Avenue and International Boulevard are major cross-town arterials. The surrounding area becomes more residential with a high representation of single family homes backing right up to the commercial streets.

In 2006, this retail node had less than $10 million in total sales with more than 40 percent of sales in eating and drinking sales. There are not many retail establishments in this node. The majority of retailers in this node are corner grocery stores and fast food restaurants. Many of these small retail stores receive exposure to residents beyond the immediate neighborhood because this intersection acts as a busy transit stop.

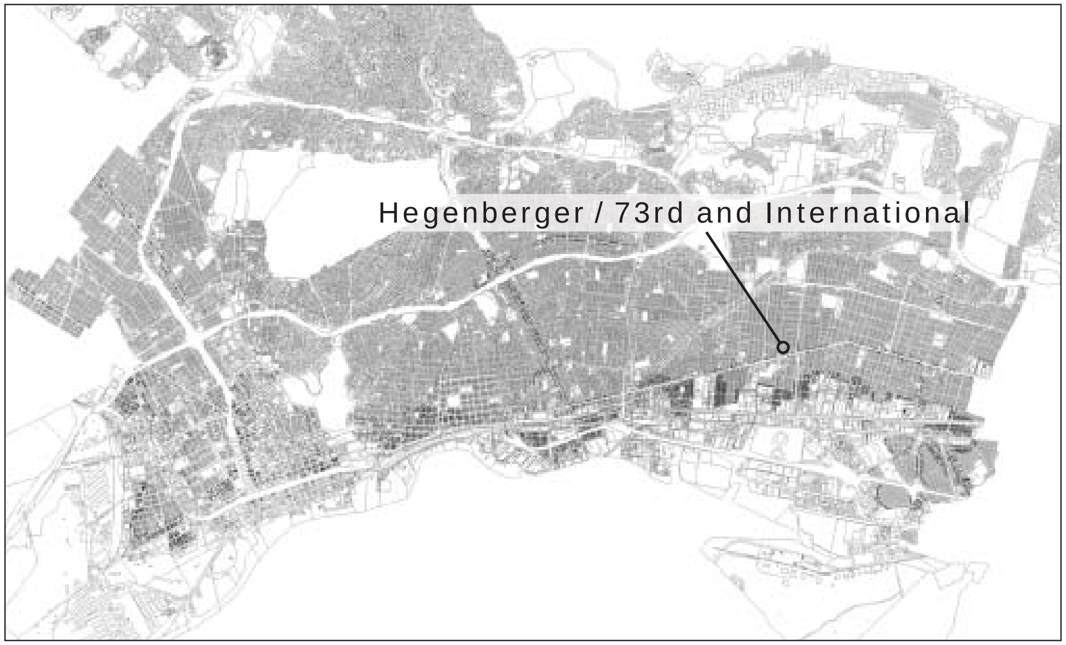
This location serves as an on the way home convenience location to many of the residents who live in this area. Parcel sizes ares smaller on this portion of International Boulevard and 73rd Avenue than the larger sites located along Hegenberger Road near the I-880 freeway. Due to the small site sizes in this node, this retail node does not have the capacity to accommodate large format stores. On average, the immediate neighborhood has larger households and lower per-capita income than to the City of Oakland, and over half of all households include children. This node is categorized as having potential to be repositioned to serve retailers benefiting from a homebound intercept location.

Node Demographics

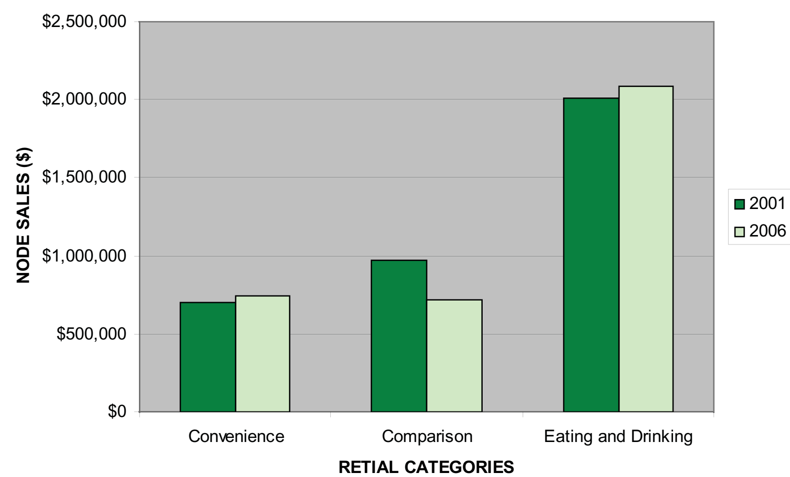
Hegenberger/ 73rd & International 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	13,119	41,519	216,334	400,377
Households	3,734	11,776	67,925	149,082
Households Size	3.50	3.50	3.14	2.64
Per Capita Income	$13,798	$12,717	$19,842	$25,469
Number of Households with Children	1,928	6,194	30,440	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

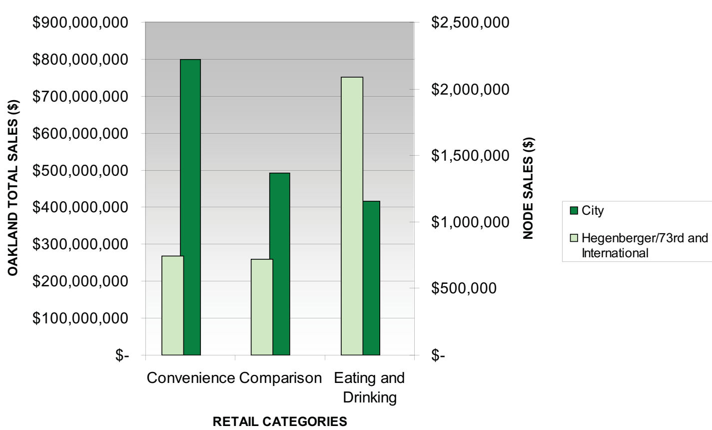


Sales Trends (2001,2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	21%	20%	59%
City	40%	25%	21%



Merchandising Mix*

2006 Average Sales per Establishment: $296,127
Estimated Retail Sales per SF: $43.34

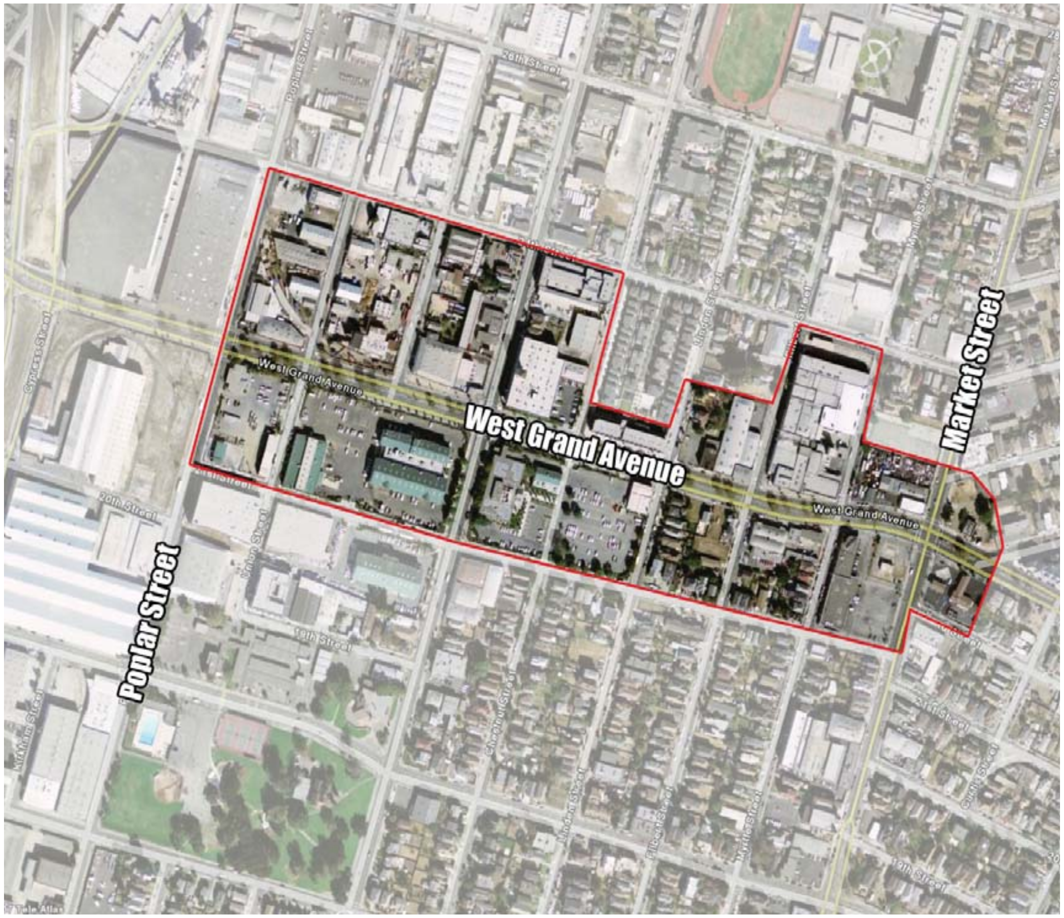
	Number of Establishments
Convenience	4
Comparison	4
Eating & Drinking	4
Total	12

Anchor Businesses (2006)

•KFC

* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Oakland Retail Node #45	Homebound Intercept



Mandela Grand

The Mandela Grand retail node is located at West Grand Avenue and Mandela Parkway. Currently, there is little retail activity at this node, as it generated less than $10 Million in total sales in 2006. Existing retail is predominantly comparison goods (particularly home improvement), with a small amount of eating and drinking. This site has excellent visibility and the ability to intercept Bay Bridge traffic on the homeward leg of commuter trip — a desirable location for many types of retail. It is also central to West Oakland and thus well positioned to capture the retail demand of this part of the city. Large sites at this intersection that were historically used for industrial plants are potentially available for reuse, but current city policy has targeted those sites for industrial redevelopment. If retail development becomes politically desired in this area, careful planning would be required to transform the current auto orientation to a friendlier pedestrian environment.

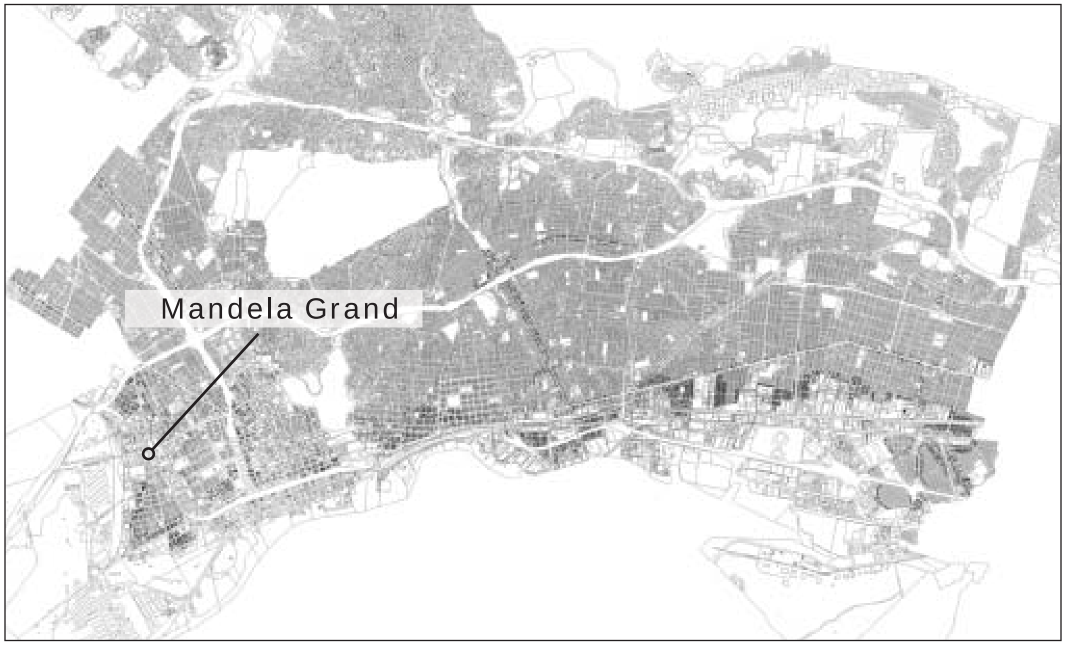
This retail node has a low per-capita income and high household size relative to the City of Oakland, however, there are very few children in households in the immediate neighborhood. Based on this potential, this node is rated as having repositioning potential to serve as a homebound intercept retail location.

Node Demographics

Mandela Grand 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	2,948	23,558	177,848	400,377
Households	947	8,049	81,004	149,082
Households Size	3.04	2.84	2.15	2.64
Per Capita Income	$13,927	$13,945	$27,208	$25,469
Number of Households with Children	398	3,327	18,856	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

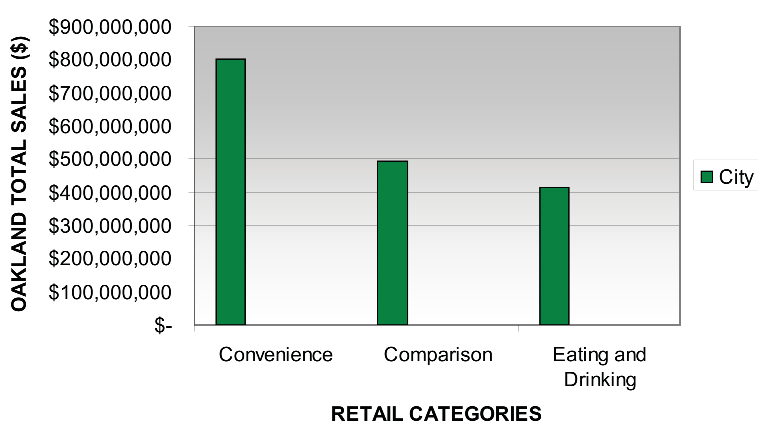


Sales Trends (2001,2006)*

Sales for Mandela Grand can not be reported for this analysis

Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	N/A	N/A
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $183,849

Estimated Retail Sales per SF: $19.56

	Number of Establishments
Convenience	N/A
Comparison	N/A
Eating & Drinking	N/A
Total	5

Anchor Businesses (2006)

None in this Area

Oakland Retail Node #19 — Non-Retail

90th and MacArthur

The 90th and MacArthur retail node extends along MacArthur Boulevard between 89th and 90th avenues. This node currently has very few retail establishments and in 2006, sales were well under $10 million. The majority of sales was from convenience goods outlets and attributed to liquor stores, with little eating and drinking or comparison goods shopping. This retail node is surrounded by single family housing. In addition, there has been 800 new housing units developed recently in the surrounding area and more residential development is planned. At this intersection there are several opportunity sites as well as existing store fronts that could support small-scale retail. This node could benefit from the development of neighborhood serving convenience good retail. Its location on a major east Oakland thoroughfare -MacArthur Boulevard - and close proximity to residential housing have made it and ideal location for homebound convenience for local residents.

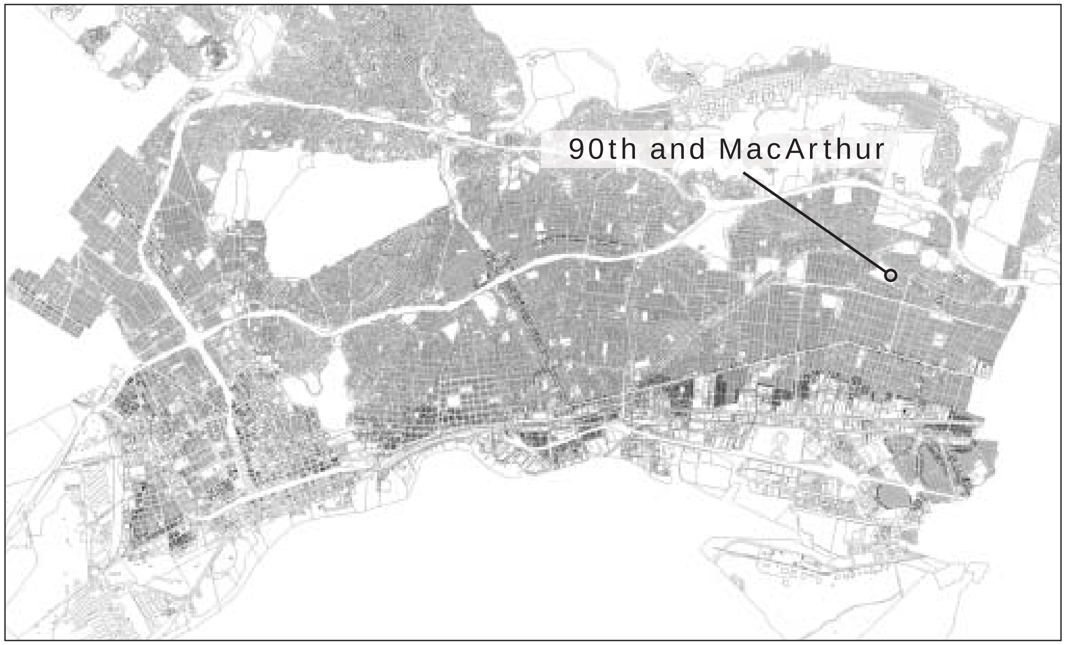
The 90th and MacArthur retail node has a high household size and lower per-capita income, with more than half of total households having children present. This node is rated as having virtually no current retail with future improvement potential.

Node Demographics

90th & MacArthur 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	9,776	35,619	166,178	400,377
Households	2,992	10,623	54,398	149,082
Households Size	3.24	3.32	3.02	2.64
Per Capita Income	$16,352	$16,084	$21,194	$25,469
Number of Households with Children	1,626	5,512	23,148	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

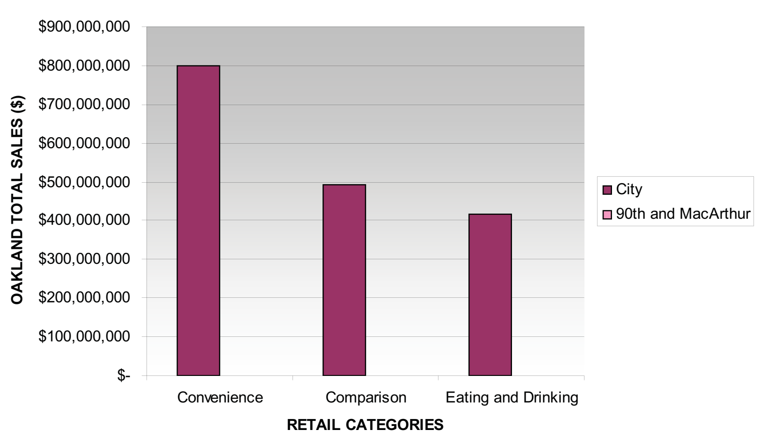


Sales Trends (2001, 2006)

Sales for 90th and Mac Arthur can not be reported for this analysis

Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	N/A	N/A
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $197,834

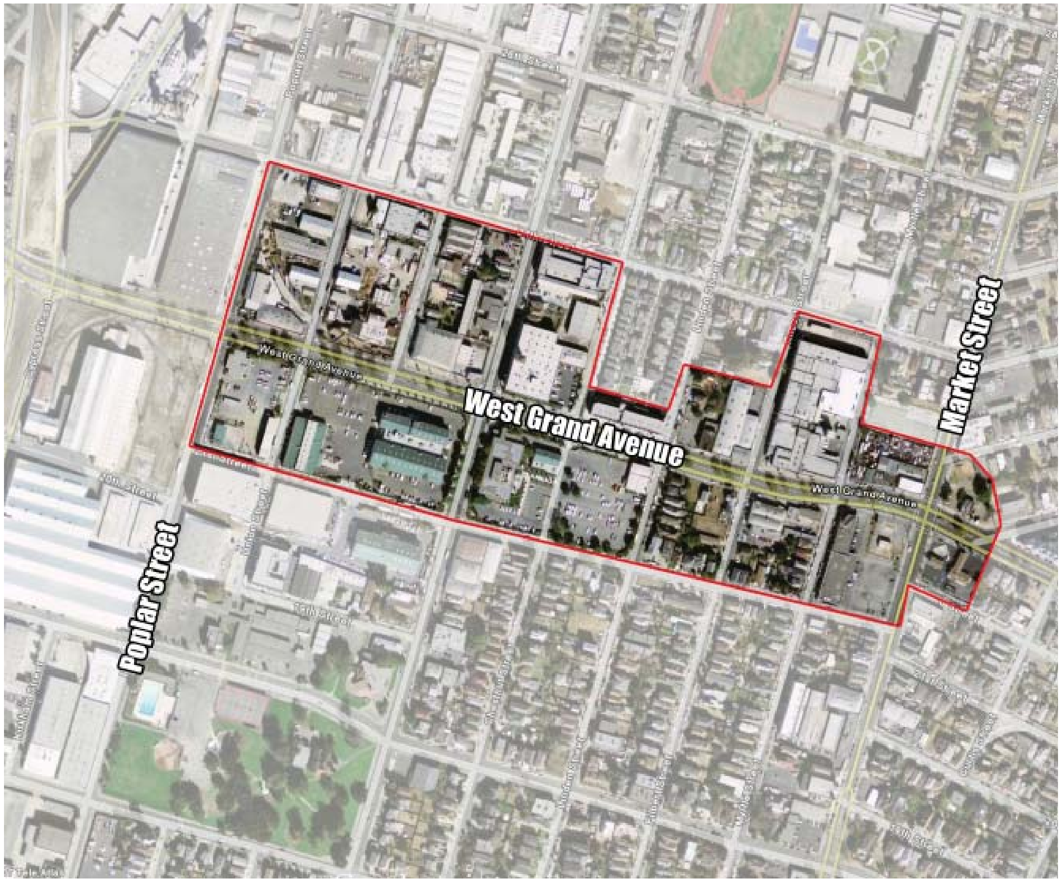
Estimated Retail Sales per SF: $76.09

	Number of Establishments
Convenience	N/A
Comparison	N/A
Eating & Drinking	N/A
Total	5

Anchor Businesses (2006)

None in this Area

Oakland Retail Node #48 — Non-Retail



West Grand

The West Grand retail node is located along West Grand Avenue between Poplar Street and Market Avenue. In 2006, this retail node had less than $10 million in total sales, with more than 40 percent of total sales in convenience good sales. Virtually all sales for this retail node are attributed to convenience good sales. There were poor sales in comparison goods or eating and drinking sales. This area has a small neighborhood serving component. The surrounding area is filled with many industrial and manufacturing uses. West Grand Avenue serves as connection to the freeway, which connects Oakland to San Francisco and other intercity highways. It also serves as a connection for the Uptown node, which has recently experienced a significant residential growth to the freeway, creating the possibility for homebound interception for these commuters.

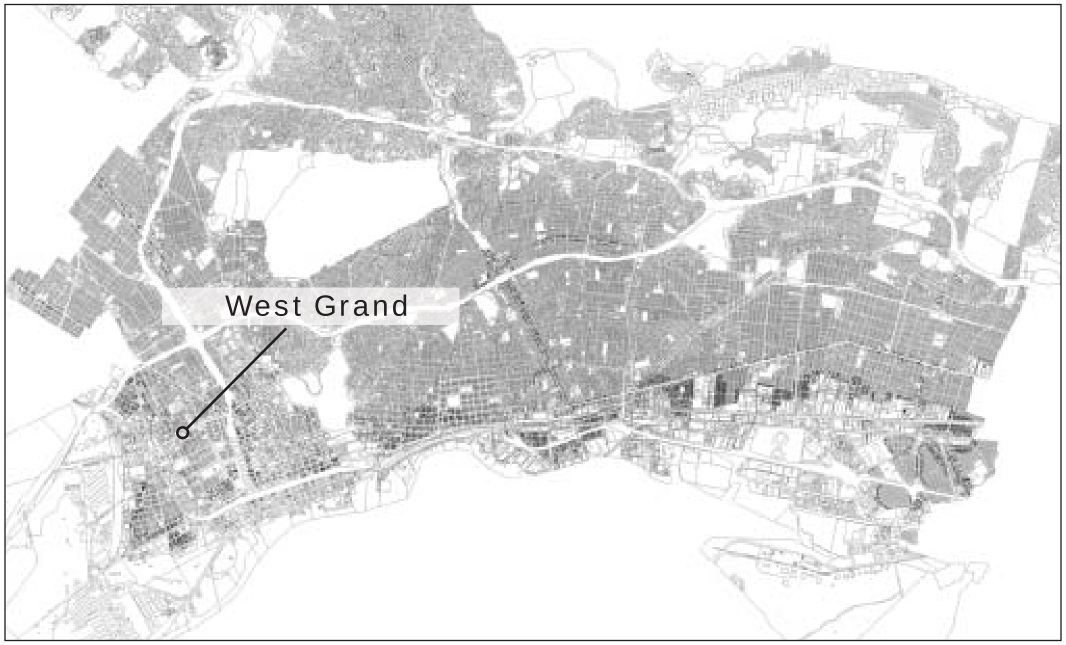
Per-capita income is lower relative to Oakland household size for the area is slightly above Oakland, due to lack of children present in West Grand households. This area is in transition without much direction. Direction from the city will be influential in determining the type to retail that can occur in this location. This retail node has been categorized as having no retail with a need

Node Demographics

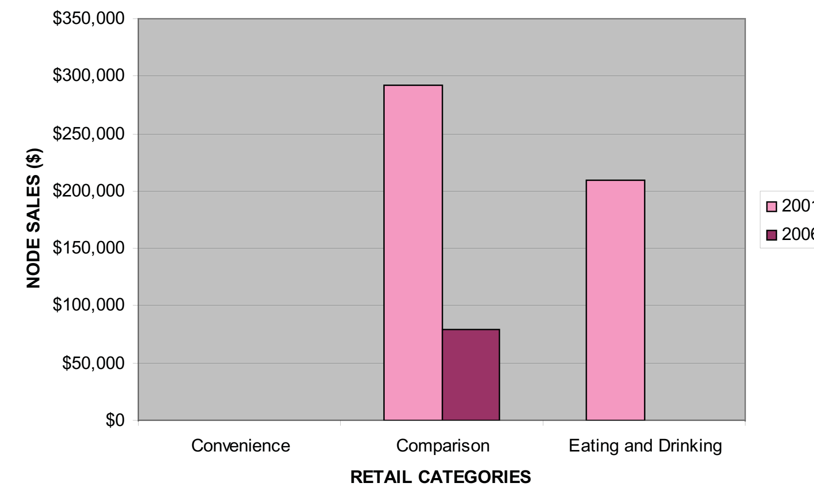
West Grand 2006	1/2 Mile Radius	1 Mile Radius	3 Mile Radius	City of Oakland
Population	7,433	29,547	197,837	400,377
Households	2,541	11,128	88,347	149,082
Households Size	2.82	2.53	2.20	2.64
Per Capita Income	$13,940	$13,927	$27,947	$25,469
Number of Households with Children	999	3,746	21,422	49,976

Source: Conley Consulting Group, JRDV, Strategic Economics, Claritas, 2008.

City Map

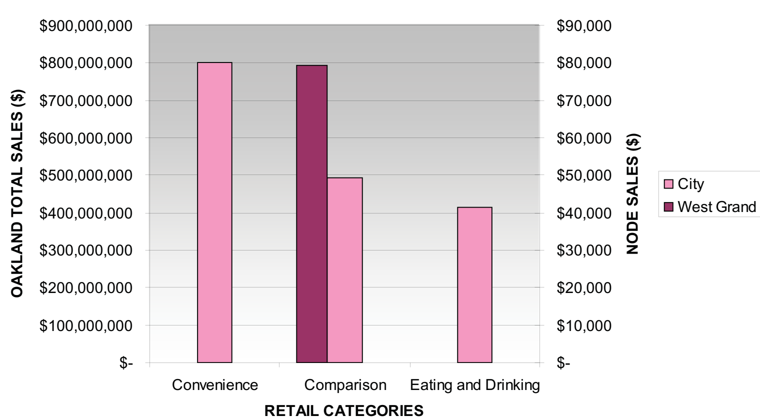


Sales Trends (2001, 2006)*



Distribution of Retail Sales*

%	Convenience	Comparison	Eating & Drinking
Node	N/A	4%	N/A
City	40%	25%	21%



* Missing sales data indicates data that can not be reported in compliance with State confidentiality laws.

Merchandising Mix*

2006 Average Sales per Establishment: $161,924
Estimated Retail Sales per SF: $1,052.50

	Number of Establishments
Convenience	N/A
Comparison	7
Eating & Drinking	N/A
Total	13

Anchor Businesses (2006)

- J & O's Commercial Tire Center
- Robert Dust