

MEMORANDUM

To: **Jeff Jones, VC Roseville**

cc: Kathy Pease, City of Roseville

Tricia Stewart, City of Roseville

From: Isabel Domeyko and Kevin Harcus

Date: May 31, 2017

Re: Supplemental WRSP Village Center Retail Market Research

This memorandum contains supplemental research regarding retail development in the Village Center portion of the West Roseville Specific Plan (WRSP), a master planned community on the west side of Roseville approved in 2004.

A memorandum dated September 27, 2016 (2016 Memorandum) summarizes the results of prior market research conducted by New Economics & Advisory for the City of Roseville (City). The research described the prospects for local serving retail development to occur at the Village Center within the near-term (2 to 5 years). The 2016 Memorandum is attached to this memorandum as **Appendix B**.

A private development entity recently acquired the Village Center site, and is proposing to develop a combination of medium-density residential, an assisted living facility, a linear park, and neighborhood-serving retail on approximately 17.6 acres within the Village Center. Whereas the 2016 Memorandum focused on broadly assessing the Village Center's ability to attract local-serving retail on up to 17 acres of remaining available land, the new property owner's proposed retail is designed to include up to 40,642 square feet of retail space on approximately 3.1 acres (Proposed Plan) at the southwest corner of Pleasant Grove Boulevard and Village Plaza Drive.

At the City's request, VC Roseville retained New Economics to perform a supplemental assessment of the retail component of the Proposed Plan, particularly in comparison to the Approved Village Center Plan (Approved Plan), which could accommodate up to 180,469 square feet of retail on approximately 13.8 acres. This memorandum synthesizes the relative likelihood of retail development to occur within the near-term (2 to 5 years) under the Approved Plan versus the Proposed Plan.

Overall Approach

Building upon the research conducted for the 2016 Memorandum, New Economics performed supplemental retail analysis for the Proposed Plan in comparison to that of the Approved Plan. The research entailed reviewing the 2016 Memorandum studying existing retail centers that have similar retail acreage and gross leasable area as the Approved Plan or Proposed Plan and updating the amount of local-serving retail that could be supported by the spending from existing and future households in the Trade Area relative to planned supply. Using this information, New Economics assessed the likelihood for the Proposed Plan, compared to the Approved Plan, to experience retail development within the next 2 to 5 years.

Findings

This section presents the findings derived from this period of supplemental Market Research, building upon the 2016 Memorandum. **Figure 1** summarizes the key research metrics comparing the relative strength of the Approved Plan to the Proposed Plan, while **Figures 2a** and **2b** illustrate the configuration of the Approved Plan and Proposed Plan, respectively.

Overall Finding

- **The local-serving retail concept envisioned by the Proposed Plan is more likely to experience development within the next 2-5 years than the retail concept contained in the Approved Plan.** Development of any retail envisioned by the Approved Plan is highly unlikely to occur within the next 5 years, as described in the 2016 Memorandum, largely because the type of retail envisioned for that concept faces too much competition from other retail sites with superior locational attributes. In contrast, the smaller scale retail envisioned by the Proposed Plan is local serving in nature and offers more flexibility to the community. In addition, new daytime activity associated with the proposed assisted living facility would add synergy for the Village Center.

Approved Plan Findings

- **The Approved Plan consists of up to 180,469 retail building square feet on 13.81 acres and includes up to 40 high density units.** The concept would be likely anchored by a grocery or pharmacy, with other retail users including a mix of smaller-format goods and services.
- **The Project site's location along a relatively "quiet" portion of Pleasant Grove Boulevard makes it difficult for the Village Center site to compete with numerous other sites zoned for more traditional neighborhood-serving retail within the Trade Area.** As described in detail in the 2016 Memorandum, demographic and site indicators suggest that, for the type of retail envisioned there, the Approved Plan is not a viable site to create those levels of retail

development at this time. Moreover, other existing approved retail sites with superior locational attributes (such as corner sites and high traffic volumes) will be preferred by anchor users who drive the feasibility for development of traditional retail centers.

- **While the number of Project Area households is expected to reach a similar level to comparable centers within the next 5 years, the number of employees and traffic volumes within and surrounding the Project remain significantly lower than the comparable retail centers.** Comparable existing retail centers are located at major intersections, serve trade areas with 15,000+ households and 25,000+ employees, and have traffic volumes of about 31,000 per day. In contrast, the Project is located over 5 miles from the nearest freeway, and has about 10,100 households, 1,500 daytime employees, and about 16,000 trips per day. Many of these figures are significantly lower than those enjoyed by stable traditionally-anchored retail centers of similar size.
- **An updated assessment of demand and supply of neighborhood-serving retail continues to indicate that planned traditional neighborhood-serving retail centers in the Project Trade Area will continue to outpace residential development.** The Project Trade Area could support up to 212,100 square feet of new neighborhood-serving retail space over the next 5 years, which accounts for existing unmet demand, as well as the spending from newly developed households within the Trade Area. However, about 253,500 square feet of new neighborhood retail space is planned for key retail sites in this area, in addition to the 121,000 square feet that already exists. As additional retail space in this area builds out, there is strong potential for an oversupply of retail.

Proposed Plan Findings

- **The Proposed Plan includes approximately 40,642 building square feet of retail, as well as 56 units of medium density residential housing, a linear park, and an assisted living facility.** The Proposed Plan calls for significantly less retail space, only about 23 percent of the total retail authorized in the Approved Plan.
- **The daytime activity created by the Oakmont Assisted Living Facility would add synergy to the Village Center.** Oakmont is expected to have 65 on-site employees every 24 hours (and would include about 25 employees during each afternoon shift)¹. Combined with other activity occurring at the proposed park, this new use would enhance the level of daytime activity already occurring within the Village Center (such as the local church). Additional daytime activity is a critical component for attracting local-serving retail.
- **The prospects for additional retail in the Village Center within the next 2-5 years remains uncertain but may be most successful with services-oriented and/or non-traditional retailers.** Complimentary uses tend to include service

¹ Employment information provided by VC Roseville, May 2017.

commercial (such as dentists, doctors, or childcare), exercise studio, or possibly a coffee shop. While national retailers are unlikely to consider this site for neighborhood retail, local entrepreneurs or privately owned businesses with independent financing could choose to locate there. The timing for this type of development and occupancy is unknown at this time and may largely depend on access to capital.

Approved/Proposed Plan Uses Relative to Existing Comparable Retail Centers

New Economics studied the characteristics of four existing retail centers similar in size to the Approved Plan and six existing retail centers similar in size to the Proposed Plan. New Economics analyzed the demographic and real estate conditions of a 2-mile Trade Area, using data compiled from ESRI and Costar. Major parameters studied for each existing retail center included:

- Number of households
- Average household income;
- Number of employees;
- Location at a major intersection;
- Traffic volumes;
- Tenant makeup; and,
- Center performance.

Figure 3 shows the locations of the comparable retail centers, while **Figures 4** and **5** identify the key attributes of each center. This research revealed the following observations:

- Centers similar in size to the Approved Plan are all located at a major intersection, are mostly anchored by a major grocery store, have 17,000+ households and 18,000+ daytime employees within a 2-mile radius, and have daily traffic counts of about 31,000. One retail center's household and employee counts are significantly lower, but these demographics appear to be offset by dramatically higher (50%) household incomes. The Village Center is on track to approach the average household count and has significantly fewer daytime jobs, but lacks the traffic count and major intersection location.
- Centers similar in size to the Proposed Plan are a bit larger (4+ acres) than the Proposed Plan retail site (3.1 acres), include a relatively low share of branch/franchise users, and have on average 13,500 households and 30,500 daytime jobs within a 2-mile radius. The Village Center site has similar household counts but significantly fewer job counts.

Updated Assessment of Retail Demand and Supply

This section contains a brief update to the assessment of retail demand and supply originally documented in the 2016 Memorandum. **Figure 6** summarizes the results of this updated assessment, while **Appendix A** contains supporting tables.

Updated Demand Analysis

Demand for local-serving retail is mostly consistent with the 2016 Memorandum and reflects only minor changes:

- The Trade Area is the same as the 2016 Memorandum and contains portions of five specific plan areas: the WRSP, the Creekview Specific Plan (CSP), the Sierra Vista Specific Plan (SVSP), Regional University Specific Plan (RUSP) and the Placer Vineyards Specific Plan (PVSP).
- The total remaining development capacity amounts to 16,100 residential units, whereas in the 2016 Memorandum the capacity was nearly 17,000 residential units.
- Projected annual absorption for Trade Area is consistent with the 2016 Memorandum: an average of 1,373 units each year, including a combination of single-family and multifamily units. Over a five-year period, the average annual absorption would equate to 6,866 residential units, including 5,340 single-family units and 1,526 multifamily units.
- Trade Area capture assumptions remained the same. New residential development in Roseville is expected to occur largely in the western areas, although other new development is occurring in pockets elsewhere, such as Stoneridge, Downtown, and other infill locations. For purposes of this analysis, New Economics has applied these capture rates to the 5-Year Absorption schedule:
 - 75% of single-family development, or 4,005 units; and
 - 50% of multi-family development, or 763 units.

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Plan Summary
West Roseville Specific Plan Village Center Market Research

Item	Approved Plan		Proposed Plan	
	Village Center	Average of Comparables	Village Center	Average of Comparables
Key Characteristics				
Retail Square Footage (GLA)	180,469	111,507	40,642	36,726
Retail Acreage	13.81	13.66	3.11	4.25
Anchor or Primary User	Grocery/Pharmacy	Grocery	TBD	Restaurants
Vacancy Rate	N/A	6.14%	N/A	11.95%
Lease Rate [1]	N/A	\$1.76	N/A	\$1.58
% Chain (Tenants) [2]	N/A	51%	N/A	26%
Key Demographics [3]				
Households	10,097	15,061	10,097	13,426
Average Household Income	\$102,740	\$106,774	\$102,740	\$98,227
Number of Employees	1,490	25,187	1,490	30,524
Likelihood for Retail Concept to Develop Within 2-5 Years	Very Unlikely	N/A	Service Comm. Possible Other Retail Uncertain	N/A

[1] Triple Net (NNN) Monthly Rent per Square Foot.

[2] Includes any tenant with more than one location.

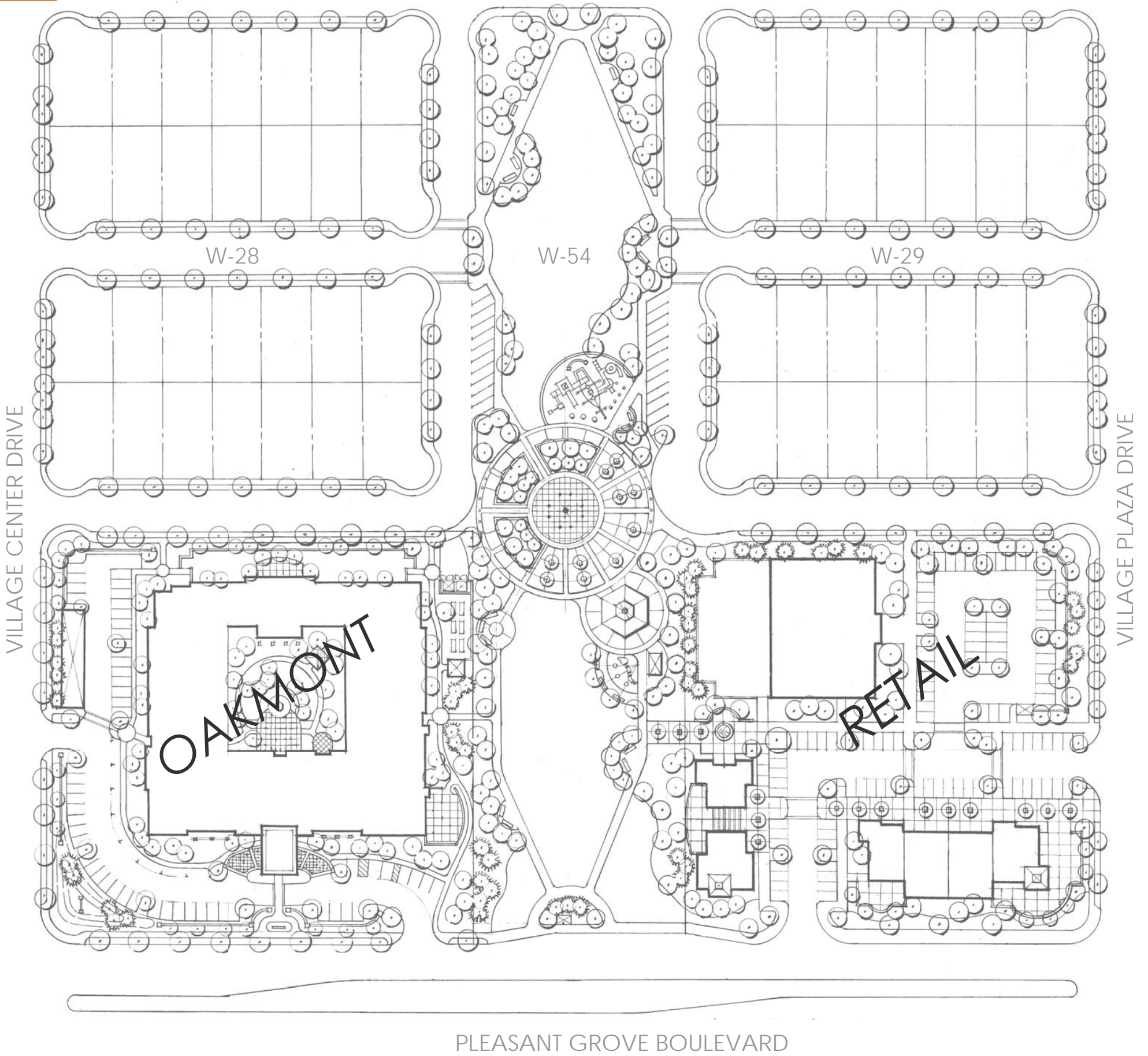
[3] Within a 2-mile radius. Reflects 2017 data, unless otherwise noted.

Prepared by New Economics & Advisory, April 2017.

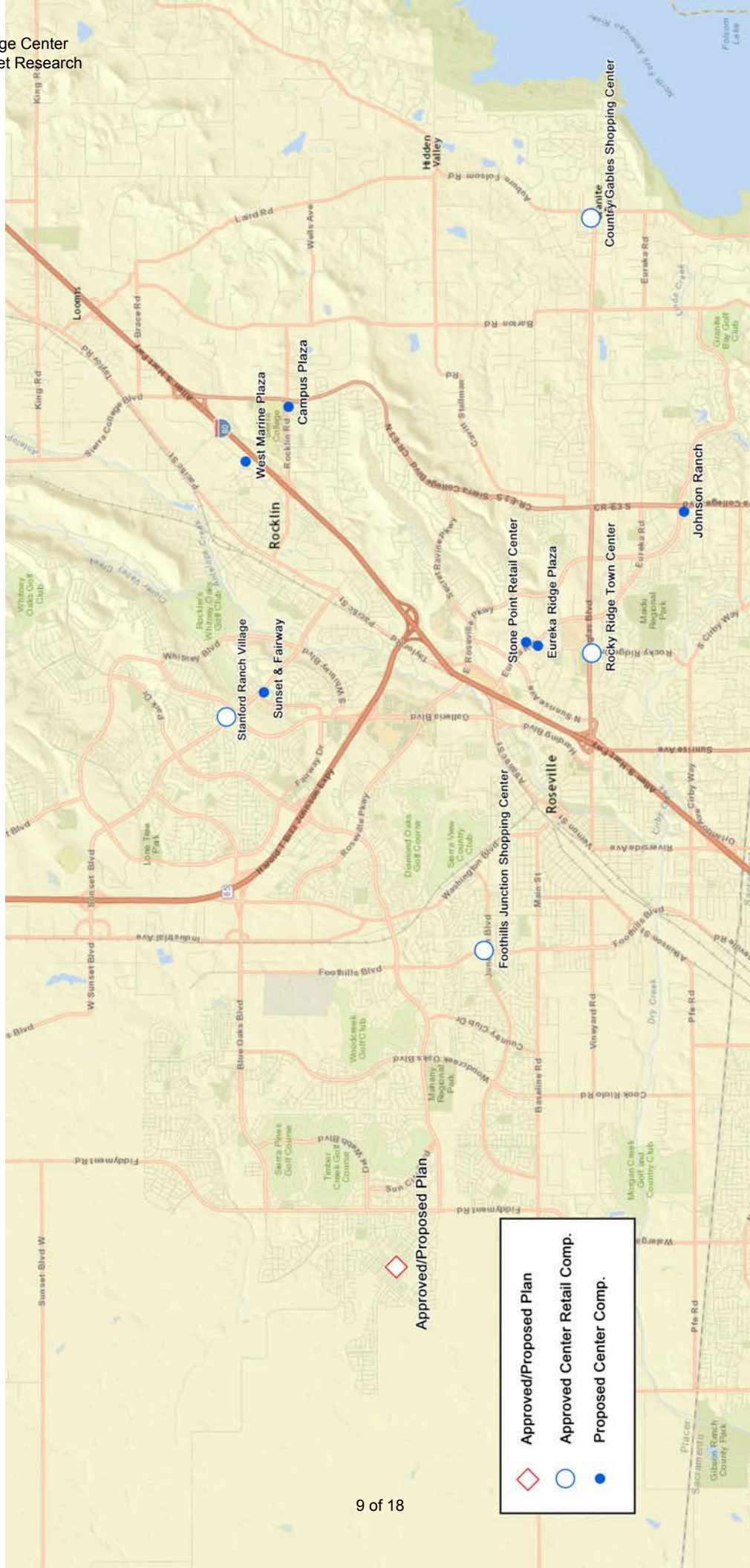
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Proposed Plan (Village Center)

West Roseville Specific Plan Village Center Market Research



3 *Approved/Proposed Retail Center Locations
West Roseville Specific Plan Market Research*



4 *Approved Plan*
Retail Node Comparison

Approved Plan: WRSP Village Center

Item	2016	2021 Projections	Country Gables Shopping Center	Foothills Junction Shopping Center	Rocky Ridge Town Center	Stanford Ranch Village	Average of Comparables
Real Estate							
Location	2450 Pleasant Grove Blvd. (between Village Center Dr. and Village Plaza Dr.)		6847-6987 Douglas Blvd.	5001 Foothills Blvd. [1]	2000-2030 Douglas Blvd.	2321-2351 Sunset Blvd.	-
Retail Square Footage (GLA)	180,469	-	140,510	107,220	103,532	94,764	111,507
Retail Acreage	13.81	-	10.60	13.55	15.20	15.30	13.66
Retail Anchors	Grocery/Pharmacy		Raley's	California Family Fitness	Sprouts Farmers Market	Bel Air	-
Vacancy Rate	-	-	11.63%	2.65%	5.84%	4.44%	6.14%
Lease Rate [2]	-	-	\$1.74	\$1.53	N/A	\$2.00	\$1.76
Daily Traffic Counts (ADT)	15,900 [3]	-	32,900	32,600	43,500	16,500	31,375
Year Primary Center Built (Renovated)	-	-	1984	1994	1991	1991	1990
Number of Tenants	-	-	31	22	27	37	29
% Chain (Tenants) [4]	-	-	35%	59%	70%	38%	51%
Major Intersection? (Y/N)	N	N	Y	Y	Y	Y	-
Gas Station Proximate? (Y/N)	N	N	Y	N	N	Y	-
Demographics [5]							
Households	10,097	14,865	4,237	18,506	17,073	20,426	15,061
Average Household Income	\$102,740	\$103,000	\$145,308	\$87,288	\$95,200	\$99,301	\$106,774
Number of Employees	1,490 [6]	1,490 [6]	3,042	18,591	42,182	36,933	25,187

[1] There is another Foothills Junction shopping center located across the street at 5020-5098 Foothills Blvd. This Foothills Junction Shopping Center was chosen because of a more comparable Retail Acreage.

[2] Triple Net (NNN) Monthly Rent per Square Foot.

[3] ADT shown for WRSP is for the intersection at Pleasant Grove Blvd. and Kirkhill Drive, which is the signalized intersection to the West of the project. A nearby signalized intersection at Pleasant Grove Blvd. and Market Street (to the East of the project) demonstrated ADT of 9,653.

[4] Includes any tenant with more than one location.

[5] Within a 2-mile radius. Reflects 2017 CoStar data, unless otherwise noted.

[6] From Esri. See New Economics' "WRSP Village Center Retail Market Research" Memorandum, September 27, 2016, page 24, Table 3. Projected employee counts for 2021 not available.

Source: CoStar, Esri.

Prepared by New Economics & Advisory, April 2017.

5 *Proposed Plan*
Retail Node Comparison

Proposed Plan: WRSP Village Center

Item	2016	2021 Projections	West Marine Plaza	Campus Plaza	Stone Point Retail Center	Johnson Ranch	Eureka Ridge Plaza	Sunset & Fairway	Average of Comparables
Real Estate									
Location	2450 Pleasant Grove Blvd. (SW portion of lot)		4441-4449 Granite Dr.	5050-5070 Rocklin Rd.	1455-1485 Eureka Rd.	9260-9290 Sierra College Blvd.	1470 Eureka Rd.	2610 Sunset Blvd.	-
Retail Square Footage (GLA)	40,642	-	43,552	40,134	38,983	38,651	37,419	21,615	36,726
Retail Acreage	3.11	-	5.10	3.00	4.70	4.40	4.20	4.07	4.25
Vacancy Rate	-	-	5.24%	31.33%	0.00%	10.44%	13.49%	11.22%	11.95%
Lease Rate [1]	-	-	\$1.16	\$1.36	\$2.50	N/A	\$1.77	\$1.12	\$1.58
Daily Traffic Counts (ADT)	15,911 [2]	-	8,700 [3]	12,600	25,600	25,700	32,300	17,600	20,417
Year Primary Center Built (Renovated)	-	-	1991	1989	2006	1999	2005	2002	1999
Number of Tenants	-	-	14	15	15	7	9	4	11
% Branch/Franchise	-	-	7%	20%	53%	29%	44%	0%	26%
Major Intersection? (Y/N)	N	N	N	Y	N	Y	N	Y	-
Gas Station Proximate? (Y/N)	N	N	N	N	Y	N	Y	N	-
Demographics [4]									
Households	10,097	14,865	8,112	6,559	16,259	12,765	16,583	20,275	13,426
Average Household Income	\$102,740	\$103,000	\$96,478	\$101,407	\$91,814	\$115,379	\$90,746	\$93,540	\$98,227
Number of Employees	1,490 [5]	N/A	10,294	17,752	48,034	22,564	48,784	35,714	30,524

[1] Triple Net (NNN) Monthly Rent per Square Foot.

[2] ADT shown is for the intersection at Pleasant Grove Blvd. and Kirkhill Drive, which is the signalized intersection to the West of the project. A nearby signalized intersection at Pleasant Grove Blvd. and Market Street (to the East of the project) demonstrated ADT of 9,653.

[3] ADP shown is for the closest nearby intersection at Granite Drive and Warren Drive.

[4] Within a 2-mile radius. Reflects 2017 CoStar data, unless otherwise noted.

[5] From Esri. See New Economics' "WRSP Village Center Retail Market Research" Memorandum, September 27, 2016, page 24, Table 3.

Source: CoStar, Esri.

Prepared by New Economics & Advisory, April 2017.

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Summary of Neighborhood Retail Market Support
West Roseville Specific Plan Village Center Market Research

Item	Existing Households Within Project Trade Area	Planned Development Within Project Trade Area	Total Existing and Planned Development
Demand for Local-Serving Retail			
Households	10,097	4,768	14,865
Total Retail Expenditures			
From MF and SF Households [1]	\$206,419,131	\$100,157,862 [2]	\$306,576,993
Oakmont Assisted Living Facility [3]	\$0	\$736,000	\$736,000
Subtotal Retail Expenditures	\$206,419,131	\$100,893,862	\$307,312,993
Assumed Percentage at Neighborhood Centers [4]	30%	30%	30%
Amount at Neighborhood Commercial Centers	\$61,925,739	\$30,268,159	\$92,193,898
Assumed Capture Rate [5]	75%	75%	
Expenditures at Neighborhood Centers in Trade Area	\$46,444,304	\$22,701,119	\$69,145,423
Average Annual Sales Per Square Foot [6]	\$326	\$326	\$326
Total Supportable Square Feet in the Trade Area	142,467	69,635	212,103
Competing Neighborhood Retail Supply			
Existing Supply			
Raley's Shopping Center @ 4051 Woodcreek Oaks	(88,053)	0	(88,053)
CVS @ Pleasant Grove Blvd. and Fiddymment Rd.	(17,120)	0	(17,120)
2050 Blue Oaks Road	(15,791)	0	(15,791)
Subtotal Existing Supply	(120,964)	0	(120,964)
Future Supply [7]	0	(253,458)	(253,458)
Total Competing Neighborhood Supply	(120,964)	(253,458)	(374,422)
Net Deficit (Surplus) of Neighborhood Retail	21,503	(183,822)	(162,319)

Prepared by New Economics & Advisory, April 2017.

[1] Household spending based on ESRI and updated to 2017\$ by New Economics. Assumes that future households spend at the same levels as existing households on a per-person basis.

[2] Future household spending is adjusted upward by 2.8 percent in order to account for the larger household sizes assumed in future households.

[3] Assumes 80 senior units, with its residents averaging \$40,000 annual income. Assumes 23 percent of annual income is spent on retail, per the Bureau of Labor Statistics' Consumer Expenditure Survey, 2014.

[4] Assumes retail expenditures and neighborhood shopping centers represent 30% of total retail expenditures. Remaining 70% of expenditures elsewhere, such as community, regional, super-regional shopping centers, or other formats such as online shopping. This is a conservative assumption that has been commonly-accepted in retail market studies for project throughout the West, but is subject to refinement since supporting data is not readily-available.

[5] Assumes that 75% of Trade Area households' retail spending at neighborhood shopping centers occur within the Trade Area.

[6] Assumes average annual sales-per-square foot factor of \$326, which is the average for neighborhood shopping centers in the U.S., according to the Urban Land Institute. This figure is the latest published from this source (in 2008), but has not been inflated since retail sales have been largely flat since the Great Recession. Planning-level assumption, subject to refinement.

[7] Future retail supply within a 2-mile radius has been quantified with assistance with the City, and is shown in Figure A-5.

Source: City of Roseville, Claritas, Costar, Loopnet, US Bureau of Labor Statistics, and the Urban Land Institute.

Appendix A: Updated Demand/Supply Analysis, 2017

A-1 *Demographics Comparison*
Village Center and Select Comparison Areas: 2-Mile Radius Trade Areas

Category	WRSP Village Center		Retail Node #1	Retail Node #2	Retail Node #3	Retail Node #4
	Current Conditions	5-Year Projected Conditions	Baseline & Foothills	Pleasant Grove & Foothills	Cirby & Sunrise	Douglas & Harding
Demographic Characteristics: 2-Mile Radius						
Population (2017 est.)	25,646	38,797 [1]	47,269	51,222	54,600	46,155
Households (2017 est.) [2]	10,097	14,865	17,615	18,746	21,312	18,337
Average Household Size	2.54	2.61 [1]	2.67	2.72	2.52	2.48
Average HH Income (2016) [3]	\$102,740	\$103,000	\$81,915	\$95,895	\$74,716	\$77,366
Total Household Retail Spending	\$206.4 M	\$307.3 M	\$301.8 M	\$371.6 M	\$333.1 M	\$298.4 M
Jobs - ESRI Data (2016)	1,490	NA	17,485	19,117	31,624	39,940
Jobs - City Business Permit Data (2016)	206	NA	5,690	13,132	8,568	11,717

Source: ESRI Business Analyst.

[1] Estimated by New Economics & Advisory by applying the City's General Plan average household size of 2.61.

[2] Added 333 households based on data provided by City staff tracking new single-family homes that were finalized between February 2016 and April 2017. The 2016 data from ESRI is assumed to reflect January 2016 data.

[3] 2017 data not yet available. New Economics added 3% over 2016 data points.

Prepared by New Economics & Advisory, April 2017.

A-2 *Primary Trade Area Total Household Retail Spending
Village Center and Select Comparison Areas*

Category	Amount
Household Retail Spending: 2-Mile Radius	
Food & Beverages Away From Home	\$38.6 M
Food & Beverages At Home	\$57.0 M
General Merchandise/Apparel/Furnishings/Other	\$76.6 M
Other Convenience Goods [1]	\$25.4 M
Total Household Retail Spending (\$2016)	\$197.6 M
Number of Households (2016)	9,764
Spending Per Household (2016)	\$20,239
Consumer Price Index Increase (2016-2017)	1.01%
Spending per Household (\$2017)	\$20,444
Number of Households (2017)	10,097
Total Household Retail Spending (2017\$)	\$206.4 M

[1] Other Convenience Goods includes housekeeping supplies, personal care products, 50% of reading materials (50% in Gen Merch), smoking products, and non-prescription drugs and vitamins.

Source: ESRI Business Analyst.

Prepared by New Economics & Advisory, April 2017.

A-3 *Remaining Development Capacity
Within Village Center Trade Area*

Item	Location	TOTAL DEVELOPMENT CAPACITY							
		Residential Uses			Non-Residential Uses				
		SF Units	MF Units	Total	Neighborhood/ CMU Retail	Other Retail	Office Sq. Ft.	Industrial Sq. Ft.	Total
Approved (But Not Yet Built/Remaining Capacity)									
Approved West Roseville Specific Plan (WRSP) [1]	West Roseville	2,836	2,145	4,981	421,966	0	0	1,341,800	1,763,766
Creekview Specific Plan (CSP) [2]	West Roseville	1,020	520	1,540	200,855	0	49,266	0	250,122
Sierra Vista Specific Plan (SVSP) [3]	West Roseville	6,124	2,270	8,394	904,375	1,502,352	1,145,149	0	3,551,876
Placer Vineyards Specific Plan (PVSP) [4] [5]	Uninc. Placer Co.	1,084	105	1,189		326,700	780,160	0	1,106,860
Subtotal Approved [6]		11,064	5,040	16,104	1,527,196	1,829,052	1,974,575	1,341,800	6,672,623
Proposed Projects									
Baseline Marketplace West	part of SVSP				incl. above	incl. above			
Baseline Marketplace East	part of SVSP				incl. above	incl. above			0
Subtotal Proposed		0	0	0	0	0	0	0	0
Planned Projects									
F-31 Parcel Development	part of WRSP				incl. above	incl. above			0
Subtotal Planned		0	0	0	0	0	0	0	0
TOTAL		11,064	5,040	16,104	1,527,196	1,829,052	1,974,575	1,341,800	6,672,623
Years of Absorption at Annual Rate	1370 units/yr citywide			12					

[1] Remaining development as of April 24, 2017, per data provided by City staff. Assumes, as a starting point, that the WRSP Village Center will include 40 HDR units. (The Proposed Plan would result in a net increase of 16 dwelling units, yielding a total of 10,495 units.) Non-residential uses are assigned as follows: 48.74 acres of CC with an applied FAR of 0.30 assigned to Neighborhood Retail; no CMU is assigned, as it is the subject of this analysis; and 88.01 acres of industrial and light industrial have an applied FAR of 35%.

[2] There is a segment of the CSP that falls outside of the 2-mile radius surrounding the WRSP Village Center. This figures shows only the portion within the 2-mile radius of the WRSP Village Center.

[3] A small portion of the SVSP has already developed; New Economics coordinated with City staff to identify the number of single-family permits that were finalized as of July 31, 2016. The amount shown here reflects the remaining developable portion. Non-residential uses are assigned as follows: 366,000 square feet of CMU plus one-half of 350,000 square feet of CC/BP to neighborhood/CMU retail; one-half of 350,000 square feet of CC/BP to Office, and 3.1 million square feet of CC to Other Retail.

[4] Includes Phases 1A, 3, and 4A within the approved PVSP Specific Plan. These areas most closely align with the portion of the PVSP within 2 miles of the WRSP Village Center. Retail and office square footage are based on acreage provided in the PVSP Land Use Chapter; New Economics applied a Floor-Area-Ratio of 0.30 for purposes of this analysis.

[5] Although the Placer Vineyards commercial parcels are near the edge of the 2-mile radius from the Project (depending upon the exact point of origin selected), they are included in this analysis since they will likely represent viable competitive retail supply to the Project.

[6] The Regional University Specific Plan (RUSP) is another approved specific plan whose eastern edge falls into the Trade Area. This project is excluded from the analysis because very little of the RUSP falls within the Trade Area and it is expected that this project requires a university partner; the timing of this project remains unknown.

Source: SVSP Specific Plan Chapter 4, Adopted 2010;

Prepared by New Economics & Advisory, April 2017.

A-4 *Estimated New Residential Development Within 5 Years
Within Village Center Trade Area*

**PORTION EXPECTED TO DEVELOP
WITHIN 5 YEARS**

Item	Location	SF Units	MF Units	Total
RESIDENTIAL DEVELOPMENT				
Total Trade Area Remaining Development Capacity		11,064	5,040	16,104
Average Annual Citywide Absorption (1997-2015)		1,068	305	1,373
5 Years of Citywide Absorption Based on Annual Average		5,340	1,526	6,866
Portion Captured by Trade Area [1]		75%	50%	
Amount Captured by Trade Area [2]		4,005	763	4,768
As a % of Trade Area Remaining Capacity		36%	15%	30%

Source: SVSP Specific Plan Chapter 4, Adopted 2010;

[1] New Economics assigned these planning-level capture rates based on a high-level understanding of remaining development areas within the City. These rates recognize that most new residential development in the City will occur in the West Roseville area, although some of it will occur just outside the Trade Area boundaries (within portions of the WRSP and CSP), as well as other areas of the City, such as Downtown, Stoneridge, and other infill areas. Subject to refinement.

[2] This capture does not include the Oakmont Senior Living Facility, which is a specialized type of development. See Figure 6 for inclusion of this project within the Trade Area.

Prepared by New Economics & Advisory, April 2017.

A-5 *Estimated New Retail Development Within 5 Years
Within Village Center Trade Area*

Item	Zoning	TOTAL CAPACITY								RETAIL EXPECTED TO DEVELOP WITHIN 5 YEARS		
		Acres	Neighborhood/ CMU		Other (Retail/Office)				Neighborhood/ CMU Retail	Other Retail	Total	
			Acres	Sq. Ft.	Other Retail Acres	Other Retail Sq. Ft.	Office Acres	Office Sq. Ft.				
RETAIL DEVELOPMENT												
West Roseville Specific Plan (WRSP) Retail Sites												
Parcel F-6D	CC	5.18	5.18	67,692	-	-	-	-	-	-	0	
Parcel F-30	CC	8.46	8.46	110,555	-	-	-	-	-	-	0	
Parcel F-31 (Community Commercial)	CC	13.35	13.35	174,458	-	-	-	-	174,458 [7]	-	174,458	
Parcel F-34	CC	5.30	5.30	69,260	-	-	-	-	-	-	0	
Subtotal WRSP [1]		32.29	32.29	421,966	0	0	0	0	174,458	0	174,458	
Creekview Specific Plan (CSP)												
C-70	CC	15.37	15.37	200,855	-	-	-	-	-	-	0	
C-71	CC/BP	3.77	0.00	-	-	-	3.77	49,266	-	-	0	
Subtotal CSP [2]		19.14	15.37	200,855	0	0	3.77	49,266	0	0	0	
Sierra Vista Specific Plan (SVSP)												
DF40/41: Baseline Marketplace West [3]	GC	44.85	6.05	79,000	38.80	271,000	-	-	79,000	271,000	350,000	
DF-42: Baseline Marketplace East [3]	GC	40.25	-	-	40.25	395,000	-	-	0	395,000	395,000	
FD-40	CC	7.46	7.46	97,487	-	-	-	-	-	-	0	
FD-41	CMU/SA	5.75	2.88	37,571	-	-	2.88	37,571	-	-	0	
JM-40	CC/CMU	5.67	2.84	37,048	-	-	2.84	37,048	-	-	0	
JM-41	CC/BP	15.14	7.57	98,925	-	-	7.57	-	-	-	0	
KT 40A/B	CMU/SA	23.59	11.80	154,137	-	-	11.80	154,137	-	-	0	
KT-41A/B	GC	55.24	-	-	55.24	721,876	-	721,876	-	-	0	
KT-42	GC	8.76	-	-	8.76	114,476	-	114,476	-	-	0	
KT-43	CC-SA	12.25	6.13	80,042	-	-	6.13	80,042	-	-	0	
WB-41	CC	10.00	10.00	130,680	-	-	-	-	-	-	0	
WB-42	CC	14.50	14.50	189,486	-	-	-	-	-	-	0	
Subtotal SVSP		243.46	69.21	904,375	143.05	1,502,352	31.20	1,145,149	79,000	666,000	745,000	
Placer Vineyards Specific Plan (PVSP) [4] [5]												
Parcel 3	COM	25.00	-	-	25.00	326,700	-	-	-	-	0	
Parcel 4A	PC	59.70	-	-	-	-	59.70	780,160	-	-	0	
Subtotal PVSP		84.70	0.00	0	25.00	326,700	59.70	780,160	0	0	0	
Other Areas within the PTA												
Sun City Parcel S-58 [6]	COM	8.20	8.20	107,158	-	-	-	-	107,158	-	107,158	
Subtotal		8.20	8.20	107,158	8.20	0	8.20	0	107,158	0	107,158	
TOTAL RETAIL DEVELOPMENT		294.89	116.87	1,459,504	143.05	1,502,352	34.97	1,194,415	253,458	666,000	919,458	

[1] Excludes parcels F-32 and F-33, which are the subject of this analysis. Also excludes parcels F-32, F-33, and F-81, which fall outside of the Trade Area.

[2] Excludes parcels C-1 through C-4, C-6, C-7, C-50 through C-52, and C-81, all of which fall outside the Trade Area.

[3] For this retail parcel, there are existing site plans. Square footage estimates were taken from these site plans. Parcels 17 and 18 are assumed to be neighborhood-serving uses for purposes of this analysis (as they have a grocery and adjoining retail user). The site plans for this project, which includes East and West component, show three big-box retailers with a size of over 100,000 square feet each, 3 in-line spaces, 14 retail pad spaces, 12 restaurants, 1 financial pad space, and 3 gas station pads. For purposes of this analysis, only the grocery space and 1 in-line space attached to the grocery store, are classified as "local-serving." In reality, the restaurants and other retail pads could also be local-serving, depending on the actual retailers that locate within this project.

[4] The Trade Area includes only three parcels of the PVSP: Parcel 1A, 3, and 4A. The remainder of the PVSP falls outside the PTA.

[5] Although the Placer Vineyards commercial parcels are near the edge of the 2-mile radius from the Project (depending upon the exact point of origin selected), they are included in this analysis since they will likely represent viable competitive retail supply to the Project.

[6] This site, located at Blue Oaks/Pleasant Grove (NW Corner), is owned by Safeway. It is possible that Safeway could decide to open a store at this location as more development occurs in the western area of Roseville.

[7] City staff identified the CC parcel at the NE corner of Blue Oaks and Fiddymant as a parcel expected to submit a proposal for neighborhood-based retail development. This analysis assigns an FAR of 0.30 to the F-31 parcel within the WRSP.

Source: SVSP Specific Plan Chapter 4, Adopted 2010;

Prepared by New Economics & Advisory, April 2017.