

Economic Development Trends City of Claremont General Plan Update

Prepared for:

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October 22, 2004

SRHA JOB #1044

CLAREMONT GENERAL PLAN ECONOMIC DEVELOPMENT TRENDS

CONTENTS

| | |
|--|-----------|
| Tables | iii |
| Figures..... | v |
| EXECUTIVE SUMMARY | VI |
| CHAPTER 1 - INTRODUCTION..... | 1 |
| 1.1 Purpose of the Report..... | 1 |
| 1.2 Study Area Boundaries for Demographic and Economic Analysis..... | 1 |
| 1.3 Sources of Information | 2 |
| 1.4 Overview of Report..... | 3 |
| CHAPTER 2 – DEMOGRAPHICS..... | 4 |
| 2.1 Population and Households..... | 4 |
| 2.2 Jobs-Household Ratio | 4 |
| 2.3 Age Distribution of Population..... | 6 |
| 2.4 Race and Ethnicity | 8 |
| 2.5 Household Income | 9 |
| 2.6 Poverty Status | 11 |
| 2.7 Educational Attainment | 12 |
| 2.8 Comparative Socio-Economic Characteristics | 13 |
| 2.9 Socio-Economic Projections..... | 14 |
| CHAPTER 3 – HOUSING CHARACTERISTICS..... | 17 |
| 3.1 Housing Stock..... | 17 |
| 3.2 Housing Tenure..... | 20 |
| 3.3 Overcrowding | 21 |

| | | |
|--|--|-----------|
| 3.4 | Housing Value | 22 |
| 3.5 | Multi-Family Rental Market..... | 23 |
| CHAPTER 4 – EMPLOYMENT AND SALARY TRENDS | | 24 |
| 4.1 | Employment Trends..... | 24 |
| 4.2 | Salary Trends | 26 |
| 4.3 | Occupation of Labor Force | 27 |
| 4.4 | Comparative Unemployment Rates: City of Claremont..... | 28 |
| 4.5 | Types of Businesses: City of Claremont..... | 30 |
| CHAPTER 5 – MARKET CONDITIONS..... | | 33 |
| 5.1 | Taxable Sales | 33 |
| 5.2 | The Retail Environment..... | 38 |
| 5.3 | The Non-Residential Market..... | 40 |
| 5.4 | Building Activity Trends | 42 |
| 5.5 | Market Demand Analysis | 45 |
| 5.6 | The Lodging Market | 54 |
| CHAPTER 6 – ECONOMIC DEVELOPMENT..... | | 55 |
| 6.1 | Claremont Economic Development Overview | 55 |
| 6.2 | Redevelopment Agency Activities and Programs | 55 |
| 6.3 | The Claremont Colleges | 59 |
| 6.4 | Sources of Revenue..... | 62 |
| 6.5 | Summary of Major Economic Projects..... | 65 |
| APPENDIX A- DETAILED CALCULATIONS FOR SUPPORTABLE SQUARE FEET | | 67 |
| APPENDIX B- RETAIL MAPS | | 78 |
| APPENDIX C- PROJECT CONTACTS..... | | 82 |

TABLES

| | | |
|------|---|-----|
| ES-1 | Key Economic Issues and Opportunities | vii |
| ES-2 | Summary of Demand for Retail Square Feet: Households & Students | x |
| 2-1 | Socio-Economic Trends: City of Claremont..... | 5 |
| 2-2 | Age Distribution: 1990-2000 | 7 |
| 2-3 | Race and Ethnicity: 1990-2000..... | 8 |
| 2-4 | Household Income: 1990-2000..... | 10 |
| 2-5 | Individuals with Poverty Status | 11 |
| 2-6 | Educational Attainment of Population 25 Years and Over: 2000..... | 12 |
| 2-7 | Socio-Economic Characteristics Part 1: Claremont and Nearby Communities..... | 13 |
| 2-8 | Socio-Economic Characteristics Part 2: Claremont and Nearby Communities..... | 14 |
| 2-9 | Population, Households and Employment: 2000 to 2030..... | 15 |
| 2-10 | Population: Projections 2000 to 2030 | 16 |
| 3-1 | Age of Housing Stock: 2000..... | 18 |
| 3-2 | Housing Units: 1990-2000 | 19 |
| 3-3 | Housing Tenure: 1990 to 2000 | 20 |
| 3-4 | Overcrowding in Housing Units: 1990 to 2000 Total Housing Units by Occupants per Room..... | 21 |
| 3-5 | Median Prices of Homes and Condos for Claremont & Nearby Communities: 2003..... | 22 |
| 4-1 | City of Claremont and Los Angeles County Employment by Industry: 1992 to 2000..... | 25 |
| 4-2 | Average Annual Salary: 1992 to 2000..... | 26 |
| 4-3 | Annual Salaries by Industry: 2000..... | 27 |
| 4-4 | Occupations of Employed Population 16 Years and Over | 28 |
| 4-5 | Number of Businesses by SIC Grouping, May 2004..... | 30 |
| 4-6 | Number of Businesses by Areas | 31 |
| 4-7 | Top Employers in the City of Claremont..... | 32 |
| 5-1 | City of Claremont Taxable Sales Trends: 1994 to 2003..... | 33 |
| 5-2 | City of Claremont Taxable Retail Sales Trends: 1994 to 2003 | 35 |
| 5-3 | Claremont Per Capita Taxable Retail Sales: 1994 & 2003..... | 35 |
| 5-4 | Taxable Retail Sales by Sub-Area | 37 |
| 5-5 | Estimated Retail Square Footage: June 2004..... | 39 |
| 5-6 | San Gabriel Valley Office Market, 1st Quarter 2004 | 40 |
| 5-7 | San Gabriel Valley Office Market, 1st Quarter 2002 | 41 |
| 5-8 | New Non-Residential Building Permit Valuation: 1990 to 2003 | 42 |
| 5-9 | New Residential Building Activity: 1990 to 2003..... | 44 |
| 5-10 | Household & Student Projections..... | 45 |
| 5-11 | Estimated Retail Sales Capture or Leakage: 2000..... | 46 |
| 5-12 | Capture Rate Assumptions..... | 47 |
| 5-13 | Household, Student, and Office Worker Expenditures by Store Type..... | 48 |

TABLES

(Continued)

| | | |
|------|--|----|
| 5-14 | Scenario 1 Projections by Store Type: Households, Students, and Workers..... | 50 |
| 5-15 | Scenario 2 Projections by Store Type: Households, Students, and Workers..... | 51 |
| 5-16 | Comparison of Retail Demand with Estimated Current Retail Supply: 2000-2030..... | 52 |
| 5-17 | Motel and Hotel Inventory..... | 54 |
| 6-1 | Selected Financial Data for the Claremont Colleges | 62 |
| 6-2 | City and Agency Budgeted Revenues: 2004 to 2005 | 63 |

FIGURES

| | | |
|-----|---|----|
| 1-1 | City of Claremont Vicinity Map..... | 2 |
| 2-1 | Growth Trends: City of Claremont..... | 6 |
| 2-2 | Age Distribution in 2000 | 7 |
| 2-3 | Racial and Ethnic Composition in 2000 | 9 |
| 2-4 | Median Household Income: 1990 and 2000 | 10 |
| 3-1 | Distribution of Housing Units: 2000..... | 17 |
| 3-2 | Housing Tenure: Percent of Total Occupied Housing Units in 2000 | 20 |
| 3-3 | Comparative Median Contract Rent: 2000 | 23 |
| 4-1 | Distribution of Employment: 2000 | 25 |
| 4-2 | Comparative Unemployment Rates: May 2004..... | 29 |
| 5-1 | Taxable Sales Trends: 1994 to 2003 | 34 |
| 5-2 | Comparative Taxable Retail Sales Per Capita: 2002 | 36 |
| 5-3 | Taxable Retail Sales by Sub-Area | 38 |
| 5-4 | San Gabriel Valley Office Market: Average Asking Lease Rates, 1st Quarter 2004..... | 41 |
| 5-5 | Non-Residential Building Activity: 1990 to 2003 | 43 |
| 5-6 | Residential Building Activity: 1990 to 2003 | 44 |
| 5-7 | Comparison of Retail Demand with Estimated Current Supply : 2000 to 2030..... | 53 |
| 6-1 | Consolidated Redevelopment Project Areas..... | 58 |
| 6-2 | The Claremont Colleges | 60 |
| 6-3 | Distribution of General Fund Revenues : 2004 to 2005 | 64 |
| 6-4 | Redevelopment Agency Tax Increment Trends : 2000 to 2006 | 64 |

EXECUTIVE SUMMARY

The purpose of the Economic Development Trends report is to provide a profile of the existing economic conditions and trends in the City of Claremont. This will form the basis for developing economic goals and policies to guide the City in making key economic decisions. This summary presents the key demographic, socio-economic, economic development and market findings. Key issues and opportunities are presented in Table ES-1 in order to evaluate the area's economic development potential. Since a key issue in the City is its retail position relative to other communities, a supportable square feet analysis was prepared to determine the amount and types of square feet the City could potentially support in the future. Table ES-2 presents a summary of this potential demand for new retail square feet.

Claremont is located at the eastern edge of Los Angeles County and at the western entrance to the Inland Empire in San Bernardino County, which has both strong job and housing growth trends. The City's position at this entrance and its location along the highly developed freeway system, are important locational attributes for the City of Claremont. In particular, Interstate 10 and SR-210 provide relatively easy access to employment centers in Ontario, Rancho Cucamonga and other communities in both the Inland Empire and the coastal counties.

The Santa Fe Railroad provided the impetus for the creation of Claremont in January, 1887. It was one of about thirty town sites laid out between San Bernardino and Los Angeles in anticipation of a population explosion resulting from the arrival of the railroad. However, the real estate boom was short-lived and Claremont would have become one of a long list of local railroad "ghost towns" if not for the decision of the local land company to transfer its Hotel Claremont and 260 vacant lots to Pomona College in 1888. The Claremont Colleges continue to be central to the City's economic base today.

Demographic Trends

- The City of Claremont had a population of 33,998 in 2000 according to the U.S. Census, representing an increase of 4.6 percent from 1990. In comparison, population increased by 7.4 percent in the County of Los Angeles from 1990 to 2000. As of 2004, the Department of Finance estimated a population of 36,337 in the City of Claremont.

**Table ES-1
City of Claremont General Plan Update
Key Economic Issues and Opportunities**

| Economic Issue | Opportunities |
|---|--|
| <ul style="list-style-type: none"> ▪ The City’s retail centers are older and are comprised mostly of smaller retail and services tenants. There are no major retail “big-box” anchors in the City, with many residents shopping outside the City in the larger more regional retail centers of Montclair, Ontario, Chino, and Brea. ▪ The new developments planned nearby, such as the Upland College Park project and a proposed “big-box” supercenter in Upland, present additional competition for Claremont retail centers. ▪ Only 7.0 percent of the City’s taxable retail sales in 2003 were in General Consumer goods. Auto sales comprised almost 70.0 percent of the total. | <ul style="list-style-type: none"> ▪ Address opportunities for uses that increase the City’s taxable sales base in retail goods in addition to Auto sales, such as additional restaurants, apparel and specialty grocery stores. ▪ Continue to provide support for Auto Center expansion. The City has recently funded the expansion of the Auto Center through a \$650,000 tax rebate loan. ▪ Develop The Old School House as a mixed use development at Foothill Blvd and Indian Hill. This site has multiple property owners, so assembling the parcels for development may be difficult. ▪ Explore potential for retail on Baseline Road towards the eastern boundary of the City. ▪ The Village Expansion project to the west is planned for mixed-use/transit and pedestrian oriented development near the Gold Line station. It will include 156 residential units, a parking structure, 100,000+ square feet of retail shops, live-work lofts, inn and a Laemmle theater. |
| <ul style="list-style-type: none"> ▪ Other strip commercial centers in the City are older and need revitalization and modernization. | <ul style="list-style-type: none"> ▪ Use Redevelopment (RDA) financing tools for revitalization of older centers and their mix of land uses, especially along Foothill Blvd. ▪ In addition to facilitating land use changes and financing public infrastructure improvements, the City should consider implementing a Façade Improvement Program. |
| <ul style="list-style-type: none"> ▪ The City has limited lodging facilities with minimal amenities. There is a perceived need for a new Hotel/Conference Center, since the existing hotels are older and occupancy is not strong. There is a competitive 102-room hotel planned for the College Park project in Upland. | <ul style="list-style-type: none"> ▪ Consider other hotel opportunities. A boutique hotel with 25 to 40 rooms is planned as part of the Village expansion. ▪ Utilize Redevelopment financing tools. |
| <ul style="list-style-type: none"> ▪ Diversification of retail mix in the Village would improve capture of local household and college population, in order to compete with nearby Montclair, Upland and Ontario. | <ul style="list-style-type: none"> ▪ Utilize business attraction programs to attract a wide array of tenants for the Village expansion project. The Village expansion will include restaurants, entertainment and retail. |

- Households grew faster than population over this time period – at 7.7 percent, indicating that overcrowding is not an issue for Claremont as it is in some other nearby communities. The average household size decreased from 2.68 persons per household in 1990 to 2.56 persons per household in 2000.
- Growth projections from the Southern California Association of Governments (SCAG) indicate that the City of Claremont will grow slowly from 2005 to 2030, at an average annual rate of 0.4 percent. This is just slightly less than the County, at about 0.7 percent.
- The White population comprised about 65.0 percent of the total population in 2000, followed by Hispanics at 15.4 percent of the total. This was markedly different from the County, where 31.1 percent of the population was White and 44.6 percent of the population was Hispanic.

Socio-Economic Trends

- The median household income in the City of Claremont was 56.0 percent higher than in Los Angeles County during 2000. The median household income was estimated at about \$65,910 in Claremont, compared to the County at \$42,189.
- About 57.0 percent of Claremont’s resident labor force was employed in Management and Professional Occupations in 2000. Sales and Office occupations represented about 22.1 percent of the resident labor force.
- The City’s population is well-educated. In 2000, about 52.4 percent of the population in Claremont age 25 years and older had received a Bachelor’s degree or higher, compared to 24.9 percent in the County. Only about 7.6 percent of the adult population in Claremont had not received a high school diploma, compared to 30.1 percent in the County.

Economic Development Trends

- The Claremont Colleges, with five undergraduate universities and two graduate institutes, are a major source of employment in the City and the area, with about 3,500 faculty and staff. Student enrollment is estimated at 7,200. In addition, Rancho Santa Ana Botanical Gardens and the California School of Theology are affiliated with the Claremont Colleges.
- According to the California Employment Development Department, employment in the City grew from 10,081 to 12,397, or by 23.0 percent, from 1992 to 2000. The Services category experienced the strongest growth during this time period, increasing by 3,018 jobs, or 76.7 percent.
- In 2000, the City’s employment base was comprised primarily of service jobs, at 56.1 percent of the total employment, or 6,952 jobs. About 58.9 percent of these service jobs were in the Educational Service category, reflecting the strength of The Claremont Colleges and Claremont Unified School District as major employers.

- During 2003, the City's estimated taxable retail sales were \$383.9 million, which primarily consisted of Auto and Transportation Sales. At an estimated at \$268.1 million, the Auto and Transportation Sales category comprised almost 70.0 percent of the total taxable retail sales.
- The City's overall per capita taxable retail sales of \$10,648 is lower than that for Montclair, Ontario and Chino, reflecting leakage of retail sales to other communities. The leakage is particularly high in General Merchandise and Apparel retail sales. The leakage analysis compares the retail sales captured by local retailers with the expenditure power of local residents. Other categories that show leakage include Eating and Drinking Places, Home Furnishings and Other Retail.

Market Conditions and Trends

- According to the Construction Industry Research Board, from 1990 to 2003 most of the non-residential building activity in the City of Claremont was commercial. Industrial building activity comprised slightly more than 10.0 percent of the total activity on an average annual basis. Total commercial valuation was reported to average \$1.5 million annually, while industrial valuation was reported at \$175,227 annually.
- The City has an estimated 538,190 square feet of retail space, with no large anchor stores. Most of the retail centers are neighborhood centers, with less than 100,000 square feet of space that include a grocery store anchor, smaller retail shops and service-oriented businesses. Claremont has tended to attract many small, locally-owned businesses rather than major retail chains.
- Redevelopment of some existing centers may be challenging because of existing parcel configurations and problems with multiple ownerships. Claremont has limited vacant land available for new commercial development.
- Although many of the centers are visible at busy intersections or on major streets, they are in need of modernization. Attraction of major retail tenants has been difficult due to the competition from neighboring communities.
- With existing and planned major retail centers in nearby Upland, Montclair and Ontario, the analysis shows underperformance in the City's General Merchandise and Apparel retail categories. This indicates potential opportunities for revitalization of underutilized retail centers as well as expansion in the Village or future development at The Old School House.

Summary of Retail Demand Potential

Table ES-2 presents the future demand for retail square feet in the City under two scenarios for a base year (2000), short-term period (2010) and long-term period (2030). The primary source of demand will come from growth in household population and secondarily from office workers within Claremont and the large student population at The Claremont Colleges. The amount that

the City could reasonably capture from each type of retail was estimated based on existing retail sales in the City and is shown as Scenario 1. The Scenario 2 projections utilized more aggressive capture rates from Scenario 1 for selected retail types. As shown, by 2030 the demand for retail from households, students, and office workers is projected at 634,890 square feet in Scenario 1. The more aggressive capture rate results in demand for 735,960 square feet by 2030 in Scenario 2. The demand represents an increase of 31.8 percent from 2000 to 2030 in Scenario 1 and an increase of 52.8 percent in Scenario 2.

Table ES-2

Summary of Demand for Retail Square Feet: Households, Students, and Office Workers

| | 2000 | 2010 | 2030 | 2000-2030 % Change |
|-------------------|-------------|-------------|-------------|-------------------------------|
| Scenario 1 | 481,750 | 584,110 | 634,890 | 31.8% |
| Scenario 2 | 481,750 | 676,370 | 735,960 | 52.8% |
| Difference | 0 | 92,260 | 101,070 | |

Source: Stanley R. Hoffman Associates, Inc.

Chapter 1 - INTRODUCTION

1.1 Purpose of the Report

The purpose of the Economic Development Trends report is to provide a descriptive profile of existing demographic and economic conditions for the City of Claremont, addressing trends and conditions that relate to the City's ability to promote economic vitality. This profile includes baseline data and trends related to population, housing, employment, taxable sales and residential and non-residential market conditions.

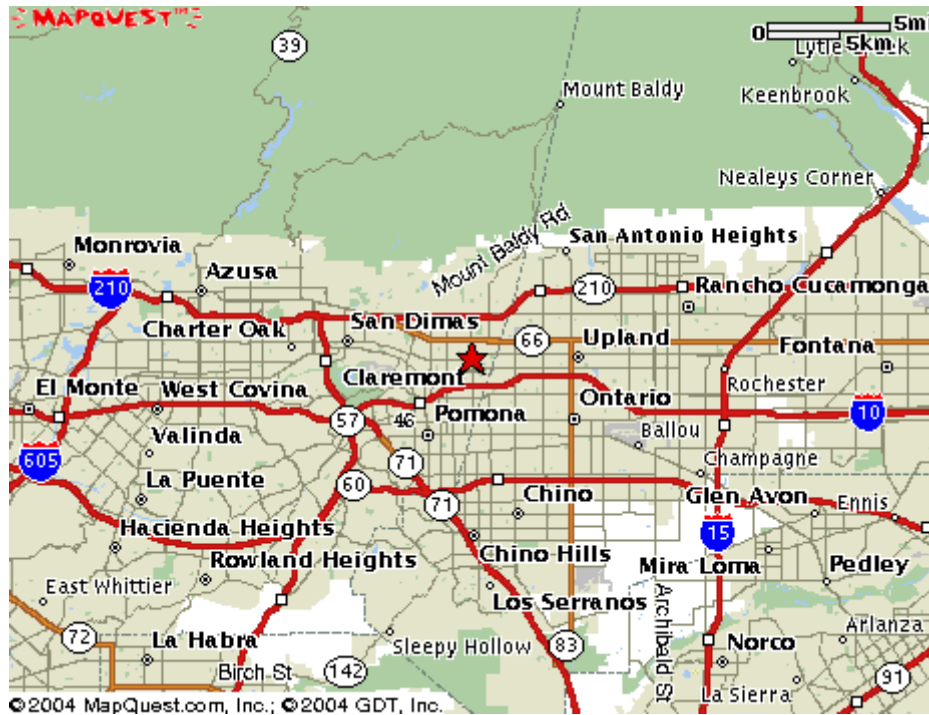
The findings of the report will provide the framework for preparing the Economic Development Element of the General Plan. The Economic Development Element defines broad goals and policies and discusses existing and future economic development efforts. The Economic Development Element builds upon ongoing programs and provides a framework within the context of the General Plan to insure that City is able to maintain a strong economic base and take advantage of future economic opportunities. A strong economy not only provides the local workers with adequate income to afford a high quality of life, but it also provides local government with adequate public revenues to maintain a high quality of public services.

The goal is to identify target economic opportunities that are both realistic and compatible with the General Plan Vision framework. In this context, the growth of the City's economic base will depend on the identification of key industries that can be attracted to the City and support its vision for a diversified economy. Job types, salary and skill levels, income, land availability and location, and housing affordability are also important attributes of the economy.

1.2 Study Area Boundaries for Demographic and Economic Analysis

In order to analyze demographic and economic information, demographic data was obtained for the City of Claremont from the 1990 and 2000 U.S. Censuses. Census Data was also gathered for Los Angeles County as a comparison to the City. A vicinity map for the City of Claremont is shown in Figure 1-1. Employment and salary information for the City was obtained through zip code data provided by the California Employment Development Department (EDD) for years 1992 through 2000. The zip code for the City of Claremont includes one zip code: 91711.

Figure 1-1
City of Claremont Vicinity Map



1.3 Sources of Information

This study is based upon information from several sources including:

- A field survey of the City of Claremont;
- Demographic data from the 1990 and 2000 U.S. Bureau of the Census and California Department of Finance;
- Taxable sales data for the City of Claremont and City sub-areas from 1994 to 2003 from Hinderliter de Llamas and Associates;
- Taxable sales data for comparative per capita taxable retail sales from the California State Board of Equalization (BOE), 2002;
- Historical building and permit activity from the Construction Industry Research Board (CIRB), 1990 to 2003;
- Southern California Association of Governments (SCAG) Regional Transportation Plan 2004: Population, Households and Employment projections for 2000 – 2030;

- Employment data from the California Employment Development Department, 1992 and 2000;
- Published literature regarding retail activity, including the National Research Bureau's *2003 Shopping Center Directory* and the Urban Land Institute's *Dollars and Cents of Shopping Centers, 2004*;
- *Expenditures of College-Age Students and Non-Students*, Geoffrey D. Paulin, Monthly Labor Review, July 2001;
- Business location data from the City of Claremont; and
- Interviews with key individuals knowledgeable about economic conditions in the City of Claremont.

1.4 Overview of Report

The following chapters of the report address the existing demographics and market conditions in the City, as well as economic trends.

- The Executive Summary presents key economic issues and opportunities;
- Chapter 1 presents the purpose of the report as well as the geographic study area boundaries;
- Chapter 2 includes demographics related to population, households and income for the City compared to the County;
- Chapter 3 discusses housing characteristics including housing unit types, residential building activity, the multi-family rental market and housing value;
- Chapter 4 covers economic trends on employment and wages for the City as well as the resident labor force;
- Chapter 5 provides an assessment of current market conditions including taxable retail and non-retail sales, the commercial and industrial real estate market, building activity trends and the lodging market. In addition, retail demand projections are presented;
- Chapter 6 provides a summary of Claremont's current economic development programs, as well as a summary of the City's primary revenue sources; and
- Appendix A presents detailed expenditure analysis; Appendix B provides retail location maps; and Appendix C provides contact information.

Chapter 2 – DEMOGRAPHICS

This chapter discusses characteristics and trends for the population of the City of Claremont and compares them to Los Angeles County. The data is presented for selected demographic variables provided in the 1990 and 2000 Censuses, and includes population, households, household income, labor force statistics and educational attainment.

2.1 Population and Households

- As shown in Table 2-1, Claremont had a population of 33,998 in 2000, or an increase of 4.6 percent since 1990. As of January 2004, the current population for Claremont was 36,350, according to estimates by the California Department of Finance.
- As shown in Figure 2-1, the number of households in Claremont has increased more than the population from 1990 to 2000. Households grew from 10,472 to 11,281, or by 7.7 percent over this time period. However, the population only increased by 4.6 percent.
- The construction of housing units in Claremont has kept pace with the growing population from 1990 to 2000. The number of housing units increased 6.9 percent during this time period as compared to Los Angeles County with only a 3.4 percent increase.
- As shown, the average household size has decreased slightly from 2.68 persons per household in 1990 to 2.56 persons per household in 2000.

2.2 Jobs-Household Ratio

- The jobs-household ratio in a jurisdiction is an overall indicator of its ability to provide jobs within the area so that residents have an opportunity to reduce their commute to employment in other places in the region.
- As shown in Table 2-1, the jobs per household ratio in Claremont rose from 0.96 in 1990 to 1.10 in 2000. However, although this indicates at least one job per household, the jobs provided may not necessarily match the skill level or wage requirements of the labor force.
- Employment in Claremont also significantly increased by 23.0 percent from 1990 to 2000 as compared to Los Angeles County, which experienced an 8.1 percent increase.

**Table 2-1
Socio-Economic Trends: City of Claremont**

| | 1990 | 2000 | Change | Percent Change |
|-----------------------------------|--------|--------|--------|----------------|
| Population ¹ | 32,503 | 33,998 | 1,495 | 4.6% |
| Household Population ¹ | 28,110 | 28,894 | 784 | 2.8% |
| Households ¹ | 10,472 | 11,281 | 809 | 7.7% |
| Avg. Household Size | 2.68 | 2.56 | -0.12 | |
| Housing Units | 10,831 | 11,577 | 746 | 6.9% |
| Employment ² | 10,081 | 12,397 | 2,316 | 23.0% |
| Jobs / Households Ratio | 0.96 | 1.10 | 0.14 | |

Socio-Economic Trends: Los Angeles County

| | 1990 | 2000 | Change | Percent Change |
|-----------------------------------|-----------|-----------|---------|----------------|
| Population ¹ | 8,863,164 | 9,519,338 | 656,174 | 7.4% |
| Household Population ¹ | 8,691,099 | 9,344,086 | 652,987 | 7.5% |
| Households ¹ | 2,989,552 | 3,133,774 | 144,222 | 4.8% |
| Avg. Household Size | 2.91 | 2.98 | 0.07 | |
| Housing Units | 3,163,343 | 3,270,909 | 107,566 | 3.4% |
| Employment ² | 3,796,050 | 4,101,909 | 305,859 | 8.1% |
| Jobs / Households Ratio | 1.27 | 1.31 | 0.04 | |

1. Population and Household estimates provided by the U.S. Census.

2. Employment estimates are from the Employment Development Department (EDD).

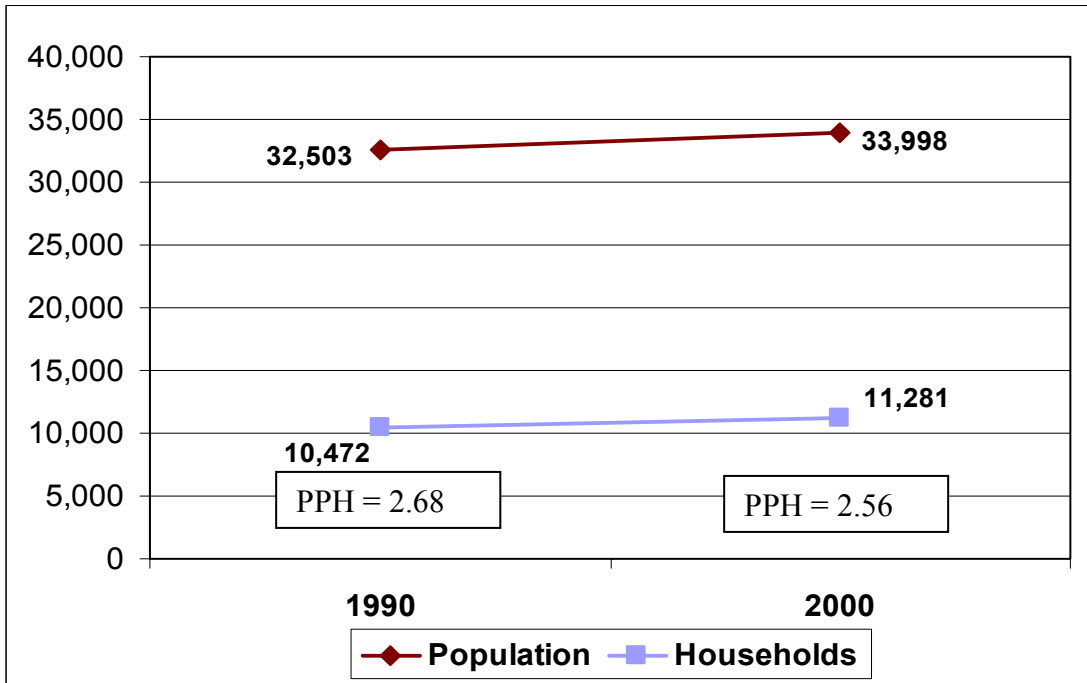
Employment shown for 1990 is the 1992 estimated employment by EDD.

Sources: Stanley R. Hoffman Associates, Inc.

U.S. Bureau of the Census, 1990 and 2000.

California Employment Development Department (EDD).

**Figure 2-1
Growth Trends: City of Claremont**



Source: U.S. Bureau of the Census, 1990 and 2000.

2.3 Age Distribution of Population

- As shown in Table 2-2, the age distribution in Claremont remained relatively the same from 1990 to 2000.
- The population age 65 and over experienced an increase in the share of the total population from 1990 to 2000, increasing from 12.4 percent to 14.6 percent of the total population.
- Most of the population in Claremont, or about 36.3 percent, was from age 35 to 64 in 2000, indicating the presence of a strong working age population.
- As shown in Figure 2-2, Claremont’s population is not as young as the County’s population. Claremont’s population in 2000 under 18 was about 20.7 percent of the total population, compared to 28.0 percent for the County.

**Table 2-2
Age Distribution: 1990 to 2000
City of Claremont**

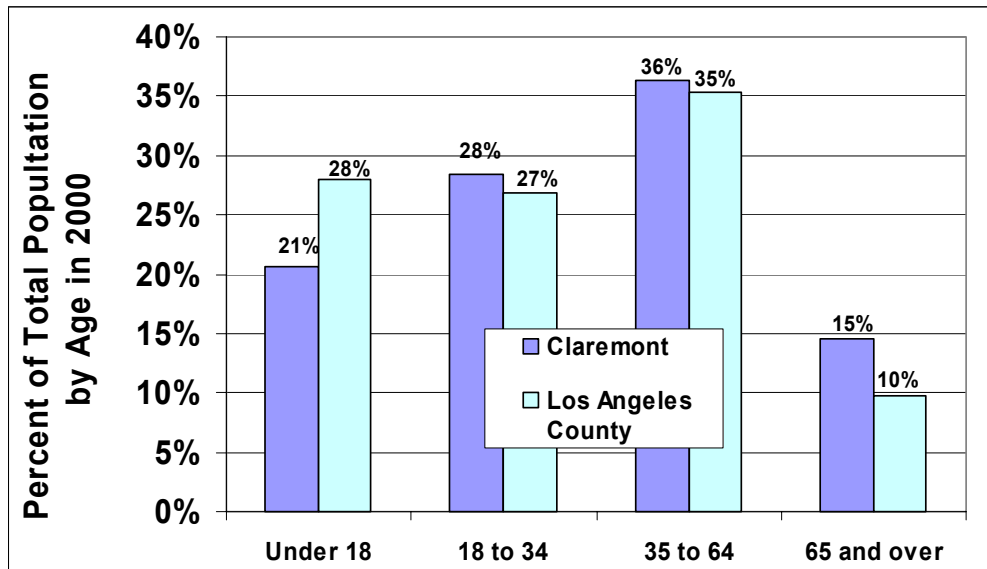
| | 1990 | % | 2000 | % |
|--------------|---------------|---------------|---------------|---------------|
| Under 18 | 7,025 | 21.6% | 7,031 | 20.7% |
| 18 to 34 | 9,803 | 30.2% | 9,656 | 28.4% |
| 35 to 64 | 11,649 | 35.8% | 12,345 | 36.3% |
| 65 and over | 4,026 | 12.4% | 4,966 | 14.6% |
| Total | 32,503 | 100.0% | 33,998 | 100.0% |

Los Angeles County

| | 1990 | % | 2000 | % |
|--------------|------------------|---------------|------------------|---------------|
| Under 18 | 2,326,110 | 26.2% | 2,667,976 | 28.0% |
| 18 to 34 | 2,846,835 | 32.1% | 2,562,379 | 26.9% |
| 35 to 64 | 2,829,632 | 31.9% | 3,362,310 | 35.3% |
| 65 and over | 860,587 | 9.7% | 926,673 | 9.7% |
| Total | 8,863,164 | 100.0% | 9,519,338 | 100.0% |

Sources: Stanley R. Hoffman Associates, Inc.
U.S. Bureau of the Census, 1990 and 2000.

**Figure 2-2
City of Claremont and Los Angeles County
Age Distribution in 2000**



Source: U.S. Bureau of the Census, 1990 and 2000.

2.4 Race and Ethnicity

- As shown in Table 2-3, the racial and ethnic composition of Claremont has changed somewhat from 1990 to 2000. In 1990, the White population comprised 76.1 percent of the total population, while in 2000 this declined to 65.0 percent of the total.
- The Hispanic population showed the greatest increase in share of the total population during this time period. The Hispanic population in Claremont captured a greater share of the total population in 2000, or 15.4 percent of the total compared to 10.3 percent in 1990.
- The Asian population in Claremont and the County had slight increases during this time period, as seen in Claremont where their share of the total population increased from 8.4 percent of the total population in 1990 to 11.3 percent of the total in 2000.
- As shown in Figure 2-3, the White population continues to be the most prevalent racial group in Claremont. The share of the total White population in 2000 was over two times higher in Claremont than in Los Angeles County.

Table 2-3
Race and Ethnicity: 1990 to 2000
City of Claremont

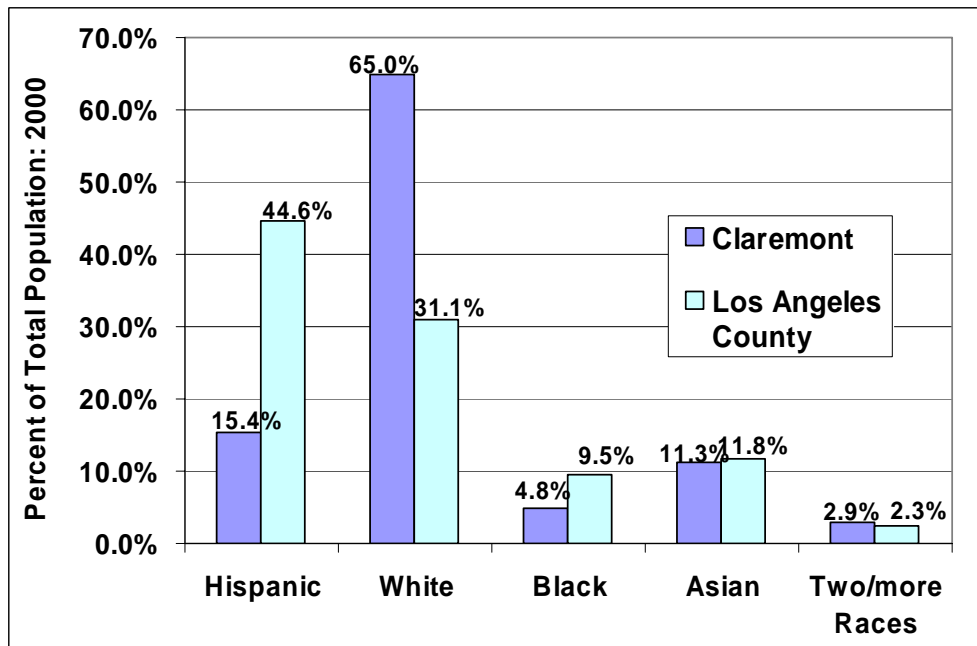
| | 1990 | % | 2000 | % |
|-------------------|---------------|---------------|---------------|---------------|
| White | 24,742 | 76.1% | 22,098 | 65.0% |
| Black | 1,568 | 4.8% | 1,642 | 4.8% |
| Asian | 2,717 | 8.4% | 3,851 | 11.3% |
| Other | 142 | 0.4% | 212 | 0.6% |
| Two or more Races | n/a | n/a | 974 | 2.9% |
| Hispanic | 3,334 | 10.3% | 5,221 | 15.4% |
| Total | 32,503 | 100.0% | 33,998 | 100.0% |

Los Angeles County

| | 1990 | % | 2000 | % |
|-------------------|------------------|---------------|------------------|---------------|
| White | 3,618,850 | 40.8% | 2,959,614 | 31.1% |
| Black | 934,776 | 10.5% | 901,472 | 9.5% |
| Asian | 907,810 | 10.2% | 1,124,569 | 11.8% |
| Other | 50,486 | 0.6% | 68,809 | 0.7% |
| Two or more Races | n/a | n/a | 222,661 | 2.3% |
| Hispanic | 3,351,242 | 37.8% | 4,242,213 | 44.6% |
| Total | 8,863,164 | 100.0% | 9,519,338 | 100.0% |

Sources: Stanley R. Hoffman Associates, Inc.
U.S. Bureau of the Census, 1990 and 2000.

Figure 2-3
City of Claremont and Los Angeles County
Racial and Ethnic Composition in 2000

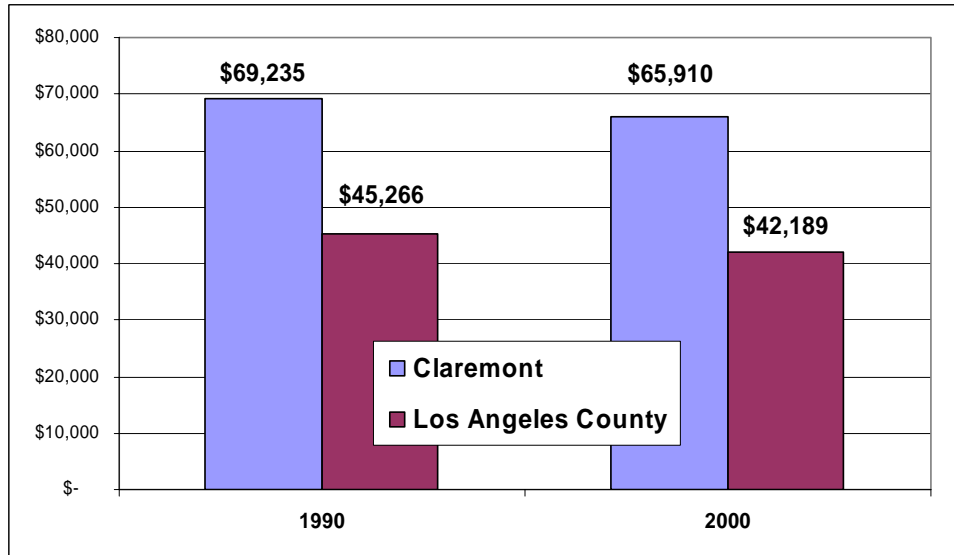


Source: U.S. Bureau of the Census, 2000.

2.5 Household Income

- As shown in Figure 2-4, Claremont’s median household income decreased in constant dollars from 1990 to 2000, from \$69,235 to \$65,910 annually. The median household income for Los Angeles County also experienced a decrease in constant dollars from \$45,266 to \$42,189.
- In 2000, the median household income in Claremont was 56 percent higher than in Los Angeles County.
- As shown in Table 2-4, in 2000 about 62.2 percent of Claremont households earned over \$50,000, while in Los Angeles County, only 43.1 percent earned over \$50,000. In addition, about 27.5 percent of the households in Claremont had annual household incomes in the top income bracket of \$100,000 or more, compared to the County’s 15.1 percent.

Figure 2-4
City of Claremont and Los Angeles County
Median Household Income: 1990 and 2000
(in constant 2000 dollars)



Source: U.S. Bureau of the Census, 1990 and 2000.

Table 2-4
Household Income: 1990 to 2000
City of Claremont

| Income Category | 1990 | % | 2000 | % |
|-------------------------------------|---------------|---------------|---------------|---------------|
| Less than \$10,000 | 639 | 6.1% | 742 | 6.5% |
| \$10,000 to \$24,999 | 1,394 | 13.3% | 1,276 | 11.2% |
| \$25,000 to \$49,999 | 2,758 | 26.4% | 2,264 | 20.0% |
| \$50,000 to \$99,999 | 3,981 | 38.0% | 3,940 | 34.7% |
| \$100,000 or more | 1,694 | 16.2% | 3,122 | 27.5% |
| Total Households¹ | 10,466 | 100.0% | 11,344 | 100.0% |

Los Angeles County

| Income Category | 1990 | % | 2000 | % |
|-------------------------------------|------------------|---------------|------------------|---------------|
| Less than \$10,000 | 383,060 | 12.8% | 330,000 | 10.5% |
| \$10,000 to \$24,999 | 680,398 | 22.7% | 602,111 | 19.2% |
| \$25,000 to \$49,999 | 953,229 | 31.8% | 853,372 | 27.2% |
| \$50,000 to \$99,000 | 742,333 | 24.8% | 877,071 | 28.0% |
| \$100,000 or more | 235,323 | 7.9% | 473,725 | 15.1% |
| Total Households¹ | 2,994,343 | 100.0% | 3,136,279 | 100.0% |

1. Data is from U.S. Census SF-3. Therefore, total households do not represent 100% data.
2. Data in categories is shown in nominal dollars, not adjusted for inflation between 1990 and 2000.

Sources: Stanley R. Hoffman Associates, Inc.
U.S. Bureau of the Census, 1990 and 2000.

2.6 Poverty Status

- As shown in Table 2-5, the number of individuals in poverty in the City of Claremont increased from 5.3 percent to 6.8 percent of the total population from 1990 to 2000.
- As shown, in 2000, about 6.8 percent of individuals in Claremont had poverty status compared to 17.8 percent of individuals in Los Angeles County.

**Table 2-5
Individuals with Poverty Status¹
City of Claremont**

| | 1990 | 2000 | Change |
|------------------------------------|--------------|--------------|-------------|
| 18 years and over | 1,031 | 1,467 | 436 |
| 65 years and over | 131 | 186 | 55 |
| Related children under 18 years | 318 | 675 | 357 |
| Total Persons | 1,480 | 2,328 | 848 |
| Percent of Total Population | 5.3% | 6.8% | 1.6% |

Los Angeles County

| | 1990 | 2000 | Change |
|------------------------------------|------------------|------------------|----------------|
| 18 years to 64 Years | 737,050 | 940,899 | 203,849 |
| 65 years and over | 74,701 | 93,555 | 18,854 |
| Related children under 18 years | 496,504 | 626,757 | 130,253 |
| Total Persons | 1,308,255 | 1,661,211 | 352,956 |
| Percent of Total Population | 15.1% | 17.8% | 2.7% |

1. Following the Office of Management and Budget's (OMB's) Directive 14, the Census Bureau uses a set of money income thresholds that vary by family size and composition to detect who is poor. If the total income for a family or unrelated individual falls below the relevant poverty threshold, then the family or unrelated individual is classified as being "below the poverty level." In 2000, the Federal poverty line was \$13,874 for a family of three.

Sources: Stanley R. Hoffman Associates, Inc.

U.S. Bureau of the Census, 1990 and 2000.

2.7 Educational Attainment

- As shown in Table 2-6, in 2000 about 52.4 percent of the population in Claremont age 25 years and older had received a Bachelor's degree or higher, compared to 24.9 percent in the County.
- Only about 7.6 percent of the adult population in Claremont had not achieved a high school diploma, compared to 30.1 percent in the County.
- These data suggest that a sizable proportion of the labor force in Claremont is adequately prepared to compete for higher wage jobs that require more advanced skills.

**Table 2-6
Educational Attainment of Population 25 Years and Over: 2000
City of Claremont**

| | 2000 | % of Total |
|--|---------------|---------------|
| Bachelor's or Graduate/Professional degree | 10,907 | 52.4% |
| Associate degree | 1,421 | 6.8% |
| Some college, no degree | 3,923 | 18.8% |
| High school graduate (incl. equivalency) | 2,999 | 14.4% |
| No high school diploma | 1,579 | 7.6% |
| Total Persons | 20,829 | 100.0% |

Los Angeles County

| | 2000 | % of Total |
|--|------------------|---------------|
| Bachelor's or Graduate/Professional degree | 1,462,389 | 24.9% |
| Associate degree | 367,244 | 6.2% |
| Some college, no degree | 1,174,477 | 20.0% |
| High school graduate (incl. equivalency) | 1,108,314 | 18.8% |
| No high school diploma | 1,770,524 | 30.1% |
| Total Persons | 5,882,948 | 100.0% |

Sources: Stanley R. Hoffman Associates, Inc.
U.S. Bureau of the Census, 2000.

2.8 Comparative Socio-Economic Characteristics

- Table 2-7 shows the City of Claremont in 2000 relative to other nearby communities in terms of key socio-economic characteristics. As shown, the City of Claremont is the third smallest in population of the nearby cities, larger than only Montclair and La Verne.
- Claremont has the smallest average household size (2.56) compared to surrounding cities. In contrast, Pomona has the largest average household size (3.82).
- Aside from Chino Hills, Claremont has the second highest median household income (\$65,910).
- Table 2-8 shows additional socio-economic characteristics. As shown, the percentage of Claremont's population with poverty status is quite low, at 6.8 percent of the total population when compared to other cities like Pomona (20.8 percent) and Montclair (17.2 percent).
- Additionally, reflecting the smallest average household size, Claremont also has the lowest percentage of overcrowded housing units than the other communities, at 4.5 percent of the City's total occupied housing units.
- Claremont also has the lowest percentage of population that has not obtained a high school diploma (7.6 percent), indicating that its labor force is well-educated and prepared to compete for high-skilled, high-wage jobs.

Table 2-7
Socio-Economic Characteristics: Part 1
City of Claremont and Nearby Communities, 2000

| City | Total Population | Households | Average Household Size ¹ | Median Household Income ² | Employment ³ | Jobs per Household |
|------------------|------------------|----------------|-------------------------------------|--------------------------------------|-------------------------|--------------------|
| Chino | 67,168 | 17,304 | 3.43 | \$55,401 | 34,055 | 1.97 |
| Chino Hills | 66,787 | 20,039 | 3.33 | \$78,374 | 4,871 | 0.24 |
| Claremont | 33,998 | 11,281 | 2.56 | \$65,910 | 12,397 | 1.10 |
| La Verne | 31,638 | 11,070 | 2.79 | \$61,326 | 9,150 | 0.83 |
| Montclair | 33,049 | 8,800 | 3.69 | \$40,797 | 22,110 | 2.51 |
| Ontario | 158,007 | 43,525 | 3.60 | \$42,452 | 76,927 | 1.77 |
| Pomona | 149,473 | 37,855 | 3.82 | \$40,021 | 38,964 | 1.03 |
| Upland | 68,393 | 24,551 | 2.76 | \$48,734 | 35,622 | 1.45 |
| Total | 608,513 | 174,425 | 3.37 | \$52,068 | 234,096 | 1.34 |

1. Average household size is household population divided by households.

2. Median household income comes from the U.S. Census 2000, SF3.

3. Employment for Claremont and Pomona is from the California Economic Development Department (EDD)
 Employment for the other communities is from SCAG estimates in 2004.

Source: Stanley R. Hoffman Associates, Inc.
 U.S. Census Bureau, 2000.
 California Employment Development Department
 Southern California Association of Governments (SCAG), 2004 RTP.

Table 2-8
Socio-Economic Characteristics: Part 2
City of Claremont and Nearby Communities, 2000

| | Population in Poverty | Percent of Total Population | Overcrowded Units ¹ | Percent of Total Units | % Population w/ no HS Diploma ² |
|------------------|--------------------------|-----------------------------------|-----------------------------------|---------------------------|--|
| Chino | 4,976 | 7.4% | 2,580 | 14.8% | 29.3% |
| Chino Hills | 3,419 | 5.1% | 1,314 | 6.6% | 10.1% |
| Claremont | 2,328 | 6.8% | 508 | 4.5% | 7.6% |
| La Verne | 1,464 | 4.6% | 511 | 4.6% | 11.3% |
| Montclair | 5,690 | 17.2% | 2,385 | 27.1% | 39.6% |
| Ontario | 24,133 | 15.3% | 11,277 | 26.0% | 37.5% |
| Pomona | 31,149 | 20.8% | 13,061 | 34.5% | 45.1% |
| Upland | 8,106 | 11.9% | 2,345 | 9.5% | 16.2% |
| Total | 81,265 | 13.4% | 33,981 | 19.5% | 29.3% |

1. Overcrowded conditions are defined as more than 1.0 occupant per room.

2. Based on the population 25 years and older.

Source: Stanley R. Hoffman Associates, Inc.
U.S. Census Bureau, 2000.

2.9 Socio-Economic Projections

Table 2-9 presents population, households, and employment projections from 2005 through 2030 for the City of Claremont. San Gabriel Valley and Los Angeles County are also shown for comparison. The projections are based on the Southern California Association of Governments' (SCAG) 2004 Regional Transportation Plan projections. The estimates shown for 2000 are from SCAG and are slightly higher than those reported by the U.S. Census for 2000. In addition, the employment reported by SCAG is higher than that reported by EDD because self-employment is included by SCAG.

- The projections suggest that population in the City will grow at a relatively gradual rate of about 0.5 percent annually from 2000 to 2030, at the same rate as households. Employment is projected to increase at 1.1 percent annually.
- As shown, the jobs-housing ratio is projected to increase in Claremont from 1.65 jobs per household in 2000 to 1.95 jobs per household in 2030. Assuming these projections, the City must continue to expand its employment base to keep pace with the growth in the housing market.

- The projection of population growth in the City of Claremont is slightly less than the County from 2000 to 2030, and also less when compared to San Gabriel Valley. The average annual rate of growth projected for employment in Claremont is stronger than for the San Gabriel Valley or the County.
- As shown in Table 2-10, Claremont is projected to have lower average annual growth when compared to all of the nearby communities except for Montclair.

Table 2-9
City of Claremont and Los Angeles County
Population, Households and Employment: Projections 2000 to 2030

| Jurisdiction | 2000 | 2005 | 2010 | 2020 | 2030 | 2000 to 2030 | |
|----------------------------------|-----------|------------|------------|------------|------------|--------------|--------------------|
| | | | | | | Change | Avg. Annual Growth |
| <u>Claremont</u> | | | | | | | |
| Population | 34,333 | 36,677 | 37,616 | 38,896 | 40,088 | 5,755 | 0.5% |
| Households | 11,292 | 11,714 | 12,087 | 12,674 | 13,264 | 1,972 | 0.5% |
| Employment | 18,577 | 18,861 | 21,747 | 23,930 | 25,854 | 7,277 | 1.1% |
| <i>Jobs/Household ratio</i> | 1.65 | 1.61 | 1.80 | 1.89 | 1.95 | 0.30 | 0.6% |
| <u>San Gabriel Valley</u> | | | | | | | |
| Population | 1,813,448 | 1,956,591 | 2,065,918 | 2,257,808 | 2,430,652 | 617,204 | 1.0% |
| Households | 544,898 | 564,632 | 598,457 | 668,667 | 738,241 | 193,343 | 1.0% |
| Employment | 755,077 | 764,110 | 856,663 | 907,883 | 950,947 | 195,870 | 0.8% |
| <i>Jobs/Household ratio</i> | 1.39 | 1.35 | 1.43 | 1.36 | 1.29 | (0.10) | -0.2% |
| <u>Los Angeles County</u> | | | | | | | |
| Population | 9,580,028 | 10,258,304 | 10,718,007 | 11,501,884 | 12,221,799 | 2,641,771 | 0.8% |
| Households | 3,137,047 | 3,235,358 | 3,404,016 | 3,763,875 | 4,120,270 | 983,223 | 0.9% |
| Employment | 4,453,477 | 4,503,683 | 5,022,215 | 5,366,865 | 5,660,992 | 1,207,515 | 0.8% |
| <i>Jobs/Household ratio</i> | 1.42 | 1.39 | 1.48 | 1.43 | 1.37 | (0.05) | -0.1% |

Source: Stanley R. Hoffman Associates, Inc.
Southern California Association of Governments (SCAG), 2004 RTP.

Table 2-10
City of Claremont and Surrounding Cities
Population: Projections 2000 to 2030

| Jurisdiction | 2000 | 2005 | 2010 | 2020 | 2030 | 2000 to 2030 | |
|-----------------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------------|
| | | | | | | Change | Avg. Annual Growth |
| Claremont city | 34,333 | 36,677 | 37,616 | 38,896 | 40,088 | 5,755 | 0.5% |
| La Verne city | 31,774 | 34,854 | 37,995 | 44,693 | 50,941 | 19,167 | 1.6% |
| Pomona city | 150,283 | 163,943 | 176,040 | 194,856 | 212,404 | 62,121 | 1.2% |
| West Covina city | 105,886 | 113,422 | 118,149 | 130,753 | 142,514 | 36,628 | 1.0% |
| Chino city | 67,299 | 75,097 | 82,319 | 98,703 | 113,977 | 46,678 | 1.8% |
| Chino Hills city | 67,312 | 75,017 | 78,307 | 81,916 | 85,284 | 17,972 | 0.8% |
| Montclair city | 33,144 | 34,459 | 34,709 | 34,904 | 35,087 | 1,943 | 0.2% |
| Ontario city | 158,331 | 171,154 | 180,059 | 244,977 | 305,509 | 147,178 | 2.2% |
| Upland city | 68,643 | 74,991 | 80,143 | 84,949 | 89,433 | 20,790 | 0.9% |

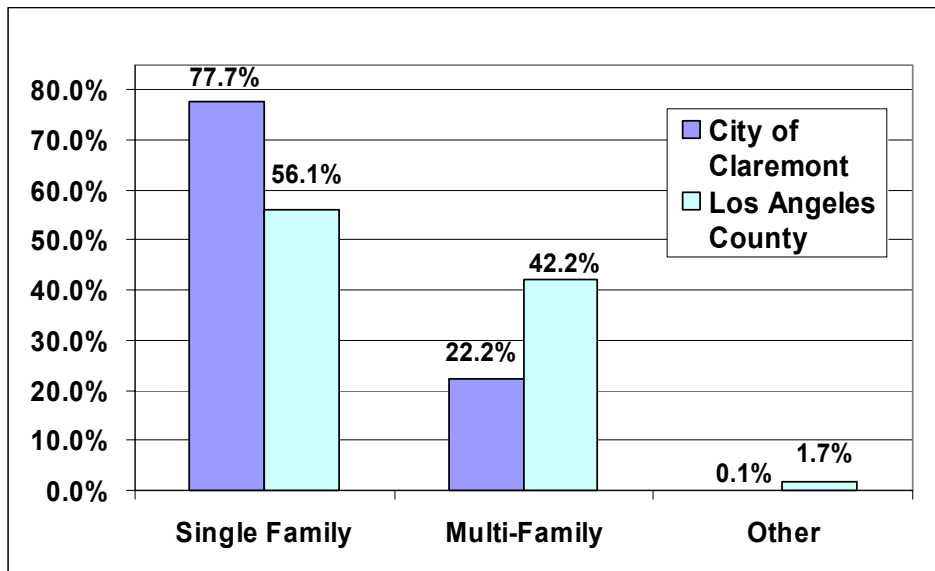
Source: Stanley R. Hoffman Associates, Inc.
Southern California Association of Governments (SCAG), 2004 RTP.

Chapter 3 – HOUSING CHARACTERISTICS

3.1 Housing Stock

- As shown in Figure 3-1, about 77.7 percent of the housing units in Claremont were single-family units while about 22.2 percent of the housing units were multi-family units.
- As shown in Table 3-1, Claremont has a somewhat aging housing stock. About 36.3 percent of the housing units in the City were built prior to 1960. Only about 5.7 percent of the units in Claremont were built from 1990 to 2000.
- As shown in Table 3-2, the total number of housing units has increased from 1990 to 2000 by 746 units, or by 6.9 percent.

Figure 3-1
City of Claremont and Los Angeles County
Distribution of Housing Units: 2000



1. Other includes trailers, boats, RV's and vans.

Sources: Stanley R. Hoffman Associates, Inc.
U.S. Bureau of the Census, 2000

**Table 3-1
Age of Housing Stock: 2000
Claremont**

| Year Built | No. of Units | % of Total |
|-------------------------|-----------------|---------------|
| Built 1990 to 2000 | 658 | 5.7% |
| Built 1980 to 1989 | 1,427 | 12.3% |
| Built 1970 to 1979 | 2,016 | 17.4% |
| Built 1960 to 1969 | 3,271 | 28.3% |
| Built 1950 to 1959 | 2,367 | 20.4% |
| Built 1940 to 1949 | 786 | 6.8% |
| Built 1939 or earlier | 1,052 | 9.1% |
| Total Units | 11,577 | 100.0% |
| Built prior 1960 | | 36.3% |

Los Angeles County

| Year Built | No. of Units | % of Total |
|----------------------------|------------------|---------------|
| Built 1990 to 2000 | 224,060 | 6.9% |
| Built 1980 to 1989 | 403,184 | 12.3% |
| Built 1970 to 1979 | 509,695 | 15.6% |
| Built 1960 to 1969 | 583,178 | 17.8% |
| Built 1950 to 1959 | 728,336 | 22.3% |
| Built 1940 to 1949 | 400,671 | 12.2% |
| Built 1939 or earlier | 421,785 | 12.9% |
| Total Units | 3,270,909 | 100.0% |
| Built prior to 1960 | | 47.4% |

Sources: Stanley R. Hoffman Associates, Inc.
U.S. Bureau of the Census, 1990 and 2000.

**Table 3-2
Housing Units: 1990 to 2000**

Claremont

| Unit Type | 1990 | 2000 | Change | % Change |
|---------------------------------------|---------------|---------------|---------------|---------------------|
| Single Family | 8,857 | 8,993 | 136 | 1.5% |
| % of Total | 81.8% | 77.7% | | |
| Multi-Family | 1,847 | 2,571 | 724 | 39.2% |
| % of Total | 17.1% | 22.2% | | |
| Mobile Homes/Other¹ | 127 | 13 | -114 | -89.8% |
| % of Total | 1.2% | 0.1% | | |
| Total Units² | 10,831 | 11,577 | 746 | 6.9% |

Los Angeles County

| Unit Type | 1990 | 2000 | Change | % Change |
|---------------------------------------|------------------|------------------|----------------|---------------------|
| Single Family | 1,745,663 | 1,835,087 | 89,424 | 5.1% |
| % of Total | 55.2% | 56.1% | | |
| Multi-Family | 1,325,270 | 1,379,201 | 53,931 | 4.1% |
| % of Total | 41.9% | 42.2% | | |
| Mobile Homes/Other¹ | 92,410 | 56,621 | -35,789 | -38.7% |
| % of Total | 2.9% | 1.7% | | |
| Total Units² | 3,163,343 | 3,270,909 | 107,566 | 3.4% |

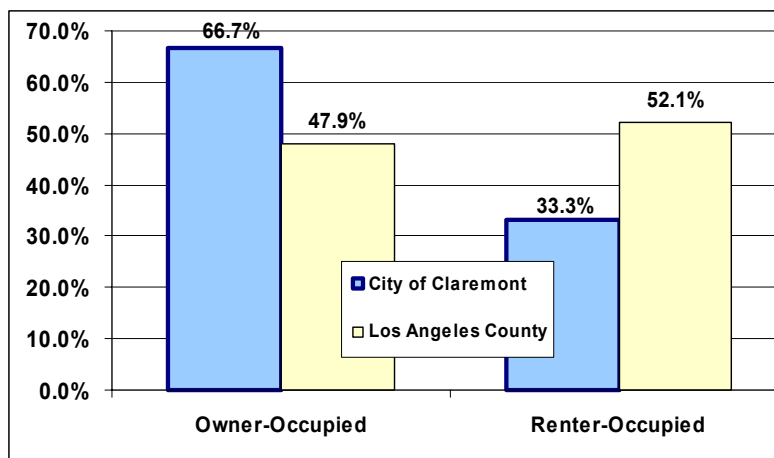
1. Other includes trailers, boats, RVs and vans. The decrease in this category is attributable to reclassification of mobile homes to single-family homes in 2000.
2. Data is from U.S. Census SF-3. Therefore, total units do not represent 100% count data.

Sources: Stanley R. Hoffman Associates, Inc.
U.S. Bureau of the Census, 1990 and 2000.

3.2 Housing Tenure

- As shown in Figure 3-2, the City of Claremont is comprised mainly of owner-occupied units, or about 66.7 percent of the total occupied units. This is higher than in the County as a whole where 47.9 percent of the housing units are owner-occupied.
- The trend in housing tenure from 1990 to 2000 is shown in Table 3-3. The number of renter-occupied units increased slightly more than the number of owner-occupied units in both the City and the County as a whole during this time period.

Figure 3-2
City of Claremont and Los Angeles County
Housing Tenure: Percent of Total Occupied Housing Units in 2000



Source: Stanley R. Hoffman Associates, Inc.
 U.S. Census 1990 and 2000

Table 3-3
Housing Tenure: 1990 to 2000

| | 1990 | % of Total | 2000 | % of Total |
|---------------------------|------------------|---------------|------------------|---------------|
| City of Claremont | | | | |
| Owner-occupied | 7,311 | 69.8% | 7,526 | 66.7% |
| Renter-occupied | 3,161 | 30.2% | 3,755 | 33.3% |
| Total Units | 10,472 | 100.0% | 11,281 | 100.0% |
| Los Angeles County | | | | |
| Owner-occupied | 1,440,830 | 48.2% | 1,499,744 | 47.9% |
| Renter-occupied | 1,548,722 | 51.8% | 1,634,030 | 52.1% |
| Total Units | 2,989,552 | 100.0% | 3,133,774 | 100.0% |

Source: Stanley R. Hoffman Associates, Inc.
 U.S. Bureau of the Census, 1990 and 2000.

3.3 Overcrowding

- Overcrowded units are defined as more than 1.0 occupant per room. A housing unit with more than 1.5 occupants per room is considered to be severely overcrowded. As shown in Table 3-4, overcrowded units have increased significantly in Claremont from 1990 to 2000. The number of units with 1.01 or more occupants per room has increased by 55.4 percent. This increase is higher in Claremont than within the County.
- However, overcrowded units remain relatively low as a percentage of the total units in Claremont. As a percent of total units, about 4.5 percent of the total units in Claremont during 2000 were overcrowded units, compared to 23.0 percent in the County.
- Overcrowded units are a reflection of the increasing population growth without a relative increase in the number of housing units to meet this need. Additionally, overcrowding indicates there may be a lack of housing that is suitable or affordable.

Table 3-4
Overcrowding in Housing Units: 1990 to 2000
Total Housing Units by Occupants per Room¹
City of Claremont

| | 1990 | 2000 | Change | % Change |
|--|---------------|---------------|-------------|-------------|
| 1.00 or less occupants per room | 10,145 | 10,796 | 651 | 6.4% |
| 1.01 or more occupants per room | 327 | 508 | 181 | 55.4% |
| Total Units | 10,472 | 11,304 | 832 | 7.9% |
| Overcrowded Units as a % of Total Units | 3.1% | 4.5% | 1.4% | |

| Los Angeles County | | | | |
|--|------------------|------------------|----------------|-------------|
| | 1990 | 2000 | Change | % Change |
| 1.00 or less occupants per room | 2,414,266 | 2,413,405 | (861) | -0.04% |
| 1.01 or more occupants per room | 575,286 | 720,369 | 145,083 | 25.2% |
| Total Units | 2,989,552 | 3,133,774 | 144,222 | 4.8% |
| Overcrowded Units as a % of Total Units | 19.2% | 23.0% | 3.7% | |

1. More than 1.0 occupant per room is defined as an overcrowded condition.

Sources: Stanley R. Hoffman Associates, Inc.

U.S. Census Bureau, 1990 and 2000, sample data SF3.

3.4 Housing Value

- Market data for 2003 housing prices in Claremont and nearby communities is shown in Table 3-5. Claremont had a relatively higher median selling price for both single-family homes and condominiums than nearby communities.
- However, its single-family home and condo sales have not kept pace with the other communities. Claremont's single-family home sales have increased by 15.5 percent from 2002 to 2003, while its condo sales have only increased by 5.4 percent over this time period.

**Table 3-5
Median Prices of Homes and Condos for Claremont and Nearby Communities, 2003**

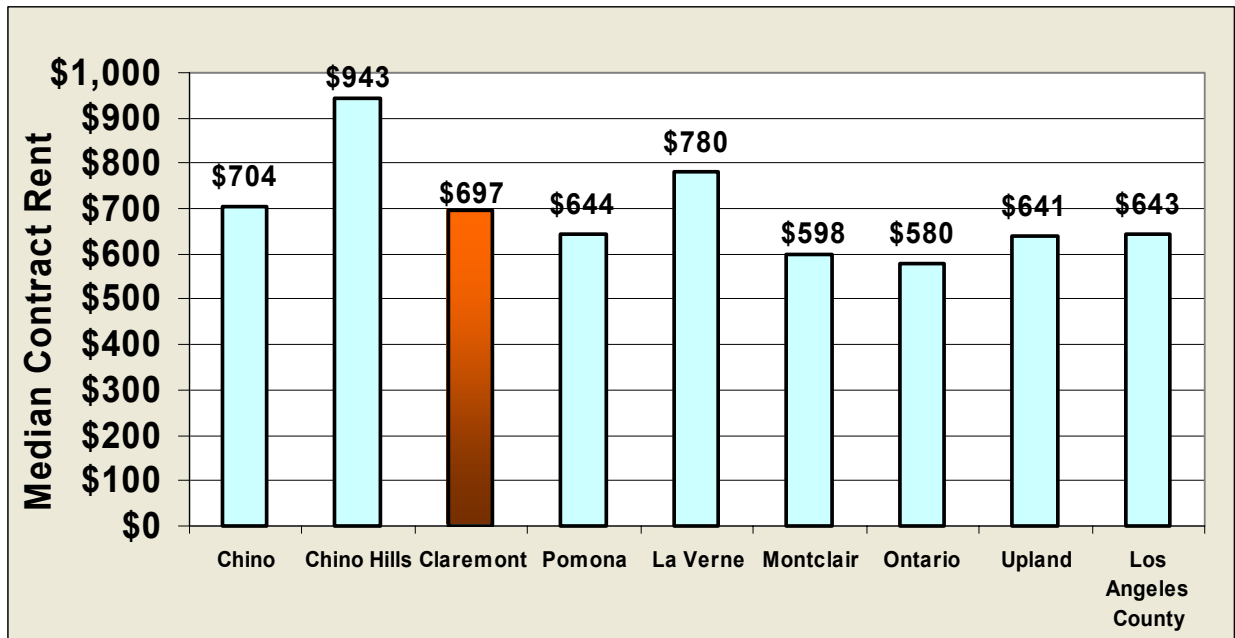
| City | Zip Code | Single Family Units Sold | Median Price | % Change from 2002 | Condo Units Sold | Median Price | % Change from 2002 |
|---------------|----------|--------------------------|------------------|--------------------|------------------|------------------|--------------------|
| Chino Hills | 91709 | 1,350 | \$377,000 | 19.8% | 243 | \$240,000 | 20.0% |
| Claremont | 91711 | 492 | 376,000 | 15.5% | 17 | 235,000 | 5.4% |
| La Verne | 91750 | 428 | 375,000 | 16.6% | 54 | 150,000 | 24.2% |
| Montclair | 91763 | 350 | 228,000 | 26.4% | 83 | 160,000 | 15.1% |
| Ontario | 91761 | 576 | 254,000 | 19.8% | 368 | 205,000 | 20.9% |
| Pomona | 91766 | 680 | 230,000 | 24.3% | 202 | 182,000 | 21.0% |
| Totals | | 3,876 | \$314,500 | | 967 | \$193,500 | |

Source: Stanley R. Hoffman Associates, Inc.
Dataquick

3.5 Multi-Family Rental Market

Figure 3-3 shows the median contract rent during 2000 for Claremont and nearby communities. As shown, the median contract rent of a housing unit in Claremont was \$697 per month compared to \$643 for Los Angeles County. When rental rates are compared to other communities in the area, Claremont ranks in the top three of median contract rents.

Figure 3-3
Comparative Median Contract Rent: 2000
(in constant 2000 dollars)



Source: Stanley R. Hoffman Associates, Inc.
U.S. Census, 2000

Chapter 4 – EMPLOYMENT AND SALARY TRENDS

4.1 Employment Trends

Employment data for 1992 to 2000 was provided by the California Economic Development Department (EDD) for zip codes that approximate the City of Claremont boundaries. This included one zip code: 91711. This information categorizes employment and payroll data by industry sector.

Trends

- As shown in Table 4-1, from 1992 to 2000 the City's employment grew by 23.0 percent, increasing from 10,081 to 12,397. Compared to the County, which increased by 8.1 percent over the same time period, Claremont's employment increased significantly. The largest growing sector in Claremont was Services jobs, which increased by 76.7 percent.
- Both the City and the County have increased their proportion of Services jobs. This category includes higher paying professional and technical occupations as well as lower paying clerical, retail, hospitality and personal service jobs.
- The Services category experienced the largest job increase (3,018 jobs), primarily due to large increases in membership organizations, business, and educational service categories. Transportation & Public Utilities and Wholesale Trade experienced decreases in employment in the City of Claremont.
- From 1992 to 2000, the City had a 6.6 percent increase in Retail Trade jobs, while in the County these jobs increased by 8.9 percent. Within Retail Trade, food stores and eating and drinking establishments also declined substantially.

Employment Distribution

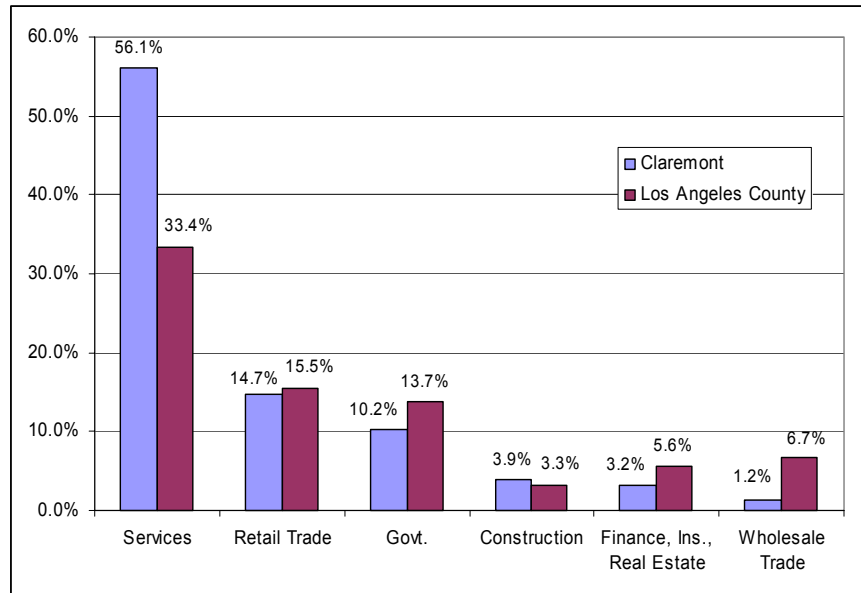
- As shown in Figure 4-1, in 2000 over half of the City's employment (56.1 percent) came from the Services sector. This category had an estimated 6,952 employees in 2000. This was primarily comprised of employment in Educational Services, or about 4,097 employees. A large share of the Services sector employment is for The Claremont Colleges, which is classified in Educational Services.
- The Services category comprised the largest share of employment in the County as well, at 33.4 percent.
- Retail Trade made up the second largest share of the City's employment, followed by Government. When combined, Service, Retail and Government employment comprised the majority of the City's employment at 81.0 percent.

Table 4-1
City of Claremont & Los Angeles County
Employment by Industry: 1992 - 2000

| SIC | EMPLOYMENT CATEGORY | City of Claremont | | | | County of Los Angeles | | | |
|-----------------------------------|-------------------------------------|-------------------|---------------|--------------|----------------|-----------------------|------------------|----------------|----------------|
| | | 1992 | 2000 | Change | Percent Change | 1992 | 2000 | Change | Percent Change |
| 1-14 | AGRIC., FORESTRY, FISHING, & MINING | 30 | 49 | 19 | 63.3% | 29,222 | 29,654 | 432 | 1.5% |
| 15-17 | CONSTRUCTION | 416 | 479 | 63 | 15.1% | 106,631 | 133,574 | 26,943 | 25.3% |
| 20-39 | MANUFACTURING | 66 | 71 | 5 | 7.6% | 713,312 | 626,352 | (86,960) | -12.2% |
| 40-49 | TRANSPORTATION & PUBLIC UTILITIES | 63 | 42 | (21) | -33.3% | 199,779 | 239,697 | 39,918 | 20.0% |
| 50-51 | WHOLESALE TRADE | 177 | 152 | (25) | -14.1% | 267,692 | 273,867 | 6,175 | 2.3% |
| 52-59 | RETAIL TRADE | 1,956 | 1,826 | (130) | -6.6% | 582,061 | 634,067 | 52,006 | 8.9% |
| 60-67 | FINANCE, INSURANCE & REAL ESTATE | 381 | 396 | 15 | 3.9% | 259,333 | 230,683 | (28,650) | -11.0% |
| 70-89 | SERVICES | 3,934 | 6,952 | 3,018 | 76.7% | 1,110,260 | 1,370,852 | 260,592 | 23.5% |
| 99 | NON-CLASSIFIED | 62 | n/a | (62) | n/a | 11,229 | 519 | (10,710) | -95.4% |
| XX | CONFIDENTIAL | 1,821 | 1,169 | (652) | -35.8% | n/a | n/a | n/a | n/a |
| Sub-Total : All Industries | | 8,906 | 11,136 | 2,230 | 25.0% | 3,279,518 | 3,539,265 | 259,747 | 7.9% |
| 91-93 | GOVERNMENT | 1,175 | 1,261 | 86 | 7.3% | 516,532 | 562,644 | 46,112 | 8.9% |
| TOTAL | | 10,081 | 12,397 | 2,316 | 23.0% | 3,796,050 | 4,101,909 | 305,859 | 8.1% |

Sources: Stanley R. Hoffman Associates, Inc.
 California Employment Development Department.

Figure 4-1
Distribution of Employment: 2000



Source: Stanley R. Hoffman Associates, Inc.
 California Employment Development Department (EDD).

4.2 Salary Trends

- As shown in Table 4-2, the average worker salary in Claremont in 2000 was \$28,622, compared to the County at \$39,686. The City showed a slight decrease in the average worker's salary from 1992 to 2000 over this time period in constant dollars. The County showed a larger decline.
- In the City, the average annual salary tends to be higher in Wholesale Trade and Construction than in other categories. Retail Trade has the lowest average annual salary.
- As shown in Table 4-3, in general, the City of Claremont had a lower average annual salary than the County in all categories. The County was much higher than the City in some categories, such as Finance, Insurance, and Real Estate, Manufacturing, and Transportation and Public Utilities.

Table 4-2
City of Claremont & Los Angeles County
Average Annual Salary: 1992 - 2000
(in constant 2000 dollars)

| SIC | EMPLOYMENT CATEGORY | City of Claremont | | | | County of Los Angeles | | | |
|--------------|-------------------------------------|-------------------|-----------------|------------------|----------------|-----------------------|-----------------|------------------|----------------|
| | | 1992 | 2000 | Change 92-00 | Percent Change | 1992 | 2000 | Change 92-00 | Percent Change |
| 1-14 | AGRIC., FORESTRY, FISHING, & MINING | \$18,063 | \$20,640 | 2,577 | 14.3% | \$37,165 | \$30,263 | (6,902) | -18.6% |
| 15-17 | CONSTRUCTION | 34,774 | 34,605 | (169) | -0.5% | 47,226 | 39,893 | (7,333) | -15.5% |
| 20-39 | MANUFACTURING | 33,332 | 20,077 | (13,255) | -39.8% | 48,458 | 40,708 | (7,749) | -16.0% |
| 40-49 | TRANSPORTATION & PUBLIC UTILITIES | 18,390 | 20,809 | 2,419 | 13.2% | 52,091 | 46,332 | (5,759) | -11.1% |
| 50-51 | WHOLESALE TRADE | 54,079 | 41,376 | (12,702) | -23.5% | 50,345 | 42,673 | (7,671) | -15.2% |
| 52-59 | RETAIL TRADE | 15,321 | 16,715 | 1,393 | 9.1% | 24,372 | 21,832 | (2,540) | -10.4% |
| 60-67 | FINANCE, INSURANCE & REAL ESTATE | 28,221 | 31,589 | 3,369 | 11.9% | 56,814 | 61,635 | 4,821 | 8.5% |
| 70-89 | SERVICES | 12,701 | 29,612 | 16,911 | 133.2% | 59,351 | 41,038 | (18,313) | -30.9% |
| 91-93 | GOVERNMENT | 29,997 | 32,567 | 2,570 | 8.6% | 49,682 | 42,544 | (7,139) | -14.4% |
| 99 | NON-CLASSIFIED | 9,434 | n/a | n/a | n/a | 33,348 | 33,092 | (255) | -0.8% |
| TOTAL | | \$28,953 | \$28,622 | (\$1,968) | -6.8% | \$48,892 | \$39,686 | (\$9,542) | -19.5% |

Sources: Stanley R. Hoffman Associates, Inc.
California Employment Development Department.

Table 4-3
City of Claremont & Los Angeles County
Annual Salaries by Industry: 2000

| SIC | EMPLOYMENT CATEGORY | Claremont | Los Angeles County | % of County |
|--------------|-------------------------------------|-----------------|--------------------|--------------|
| 1-14 | AGRIC., FORESTRY, FISHING, & MINING | \$20,640 | \$30,263 | 68.2% |
| 15-17 | CONSTRUCTION | 34,605 | 39,893 | 86.7% |
| 20-39 | MANUFACTURING | 20,077 | 40,708 | 49.3% |
| 40-49 | TRANSPORTATION & PUBLIC UTILITIES | 20,809 | 46,332 | 44.9% |
| 50-51 | WHOLESALE TRADE | 41,376 | 42,673 | 97.0% |
| 52-59 | RETAIL TRADE | 16,715 | 21,832 | 76.6% |
| 60-67 | FINANCE, INSURANCE & REAL ESTATE | 31,589 | 61,635 | 51.3% |
| 70-89 | SERVICES | 29,612 | 41,038 | 72.2% |
| 91-93 | GOVERNMENT | 32,567 | 42,544 | 76.5% |
| 99 | NON-CLASSIFIED | n/a | 33,092 | n/a |
| TOTAL | | \$28,622 | \$39,686 | 72.1% |

Sources: Stanley R. Hoffman Associates, Inc.
California Employment Development Department.

4.3 Occupation of Labor Force

As shown in Table 4-4, about 57.4 percent of Claremont's labor force was employed in Management and Professional Occupations in 2000. Sales and Office occupations represent about 22.1 percent of the labor force, and Service occupations had a 10.4 percent share of Claremont's labor force.

- The percentage of Claremont's labor force employed in Service, Construction, Management and Professional Occupations has increased from 1990 to 2000. Service jobs include higher paying professional and technical occupations as well as lower paying clerical, retail, hospitality and personal service occupations.
- Generally, the Management and Professional category has higher average salaries when compared to other categories. Job skills and training should be emphasized to ensure that the labor force has skills to compete for higher-wage new jobs.
- Since labor force statistics represent the occupations of those living in the community, they may not match available jobs one-to-one even though the City's jobs-household ratio is 1.10. The resultant mismatch between the resident labor force and the local job base can result in both out-commuting of a proportion of the employed residents and an in commuting of workers to fill available jobs.

- The City's share of Service employment at 56.1 percent is much greater than the share of the labor force that has Service jobs, or 10.4 percent of the labor force. This indicates that a large portion of the labor force employed in service jobs is working outside of the City. To the extent that the job base is diversified and offers a range of job opportunities, it can theoretically reduce the need to commute outside the Claremont area.

Table 4-4
Occupation: 1990 to 2000
Occupations of Employed Population 16 Years and Over
City of Claremont

| Category | 1990 | 2000 | 1990 % of Total | 2000 % of Total |
|--|---------------|---------------|--------------------|--------------------|
| Management, professional, and related occupations ¹ | 8,320 | 9,207 | 50.0% | 57.4% |
| Service occupations ² | 1,445 | 1,668 | 8.7% | 10.4% |
| Sales and office occupations | 4,943 | 3,542 | 29.7% | 22.1% |
| Farming, fishing, and forestry | 127 | 11 | 0.8% | 0.1% |
| Construction, extraction, and maintenance | 264 | 776 | 1.6% | 4.8% |
| Production, transportation, & material moving ³ | 1,549 | 842 | 9.3% | 5.2% |
| Total | 16,648 | 16,046 | 100.0% | 100.0% |

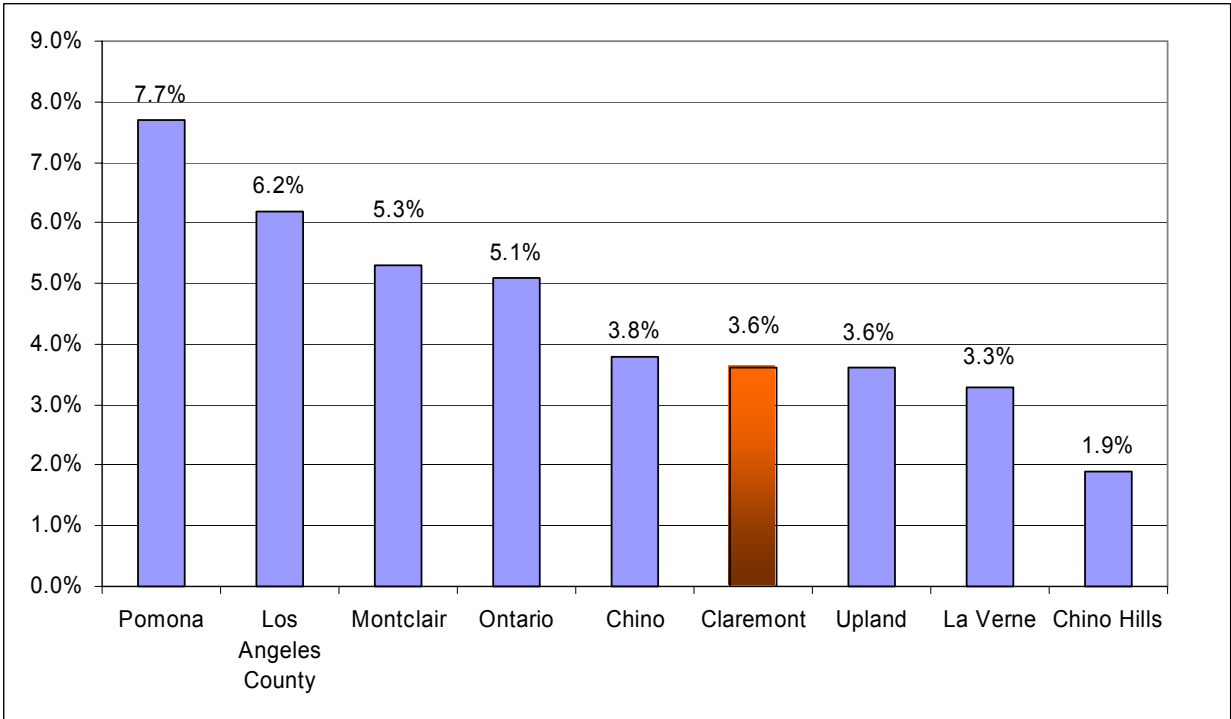
1. Includes Executive, administrative, and managerial occupations, professional specialty occupations and Technicians and related support occupations
2. Service includes private household, protective service and other service occupations.
3. Includes Precision production, craft, and repair occupations, machine operators, assemblers and inspectors and Transportation and material moving occupations

Sources: Stanley R. Hoffman Associates, Inc.
U.S. Bureau of the Census, 1990 and 2000.

4.4 Comparative Unemployment Rates: City of Claremont

Figure 4-2 shows unemployment trends in the City of Claremont compared to other areas. The City of Claremont's unemployment rate of 3.6 percent was lower than the rates of several nearby communities as of May 2004. Only Chino Hills and La Verne had lower unemployment rates. It was also much lower than the County's average unemployment rate of 6.2 percent.

**Figure 4-2
Comparative Unemployment Rates: May 2004**



Source: Stanley R. Hoffman Associates, Inc.
California Employment Development Department (EDD).

4.5 Types of Businesses: City of Claremont

Table 4-5 and Table 4-6 show the number of businesses in Claremont by the Standard Industrial Classification (SIC) codes for a more recent time period, as of May 2004. The quantity and types of firms in Claremont provide a further look at which industries play a leading role in the local economy.

- As shown in Table 4-5, the number of businesses in Claremont is sorted by grouping the SIC codes into common categories. The Services category accounts for 43.1 percent of all businesses in Claremont. As shown previously in Figure 4-1, about 56.1 percent of all employment within Claremont is also in the Services category. Thus, the dominant industry in terms of employment and number of businesses is services.
- Retail Trade and Finance, Insurance, and Real Estate also comprise large shares of the total number of businesses in Claremont.
- Table 4-6 classifies the number of business by locations within the City. Area 1, defined as Foothill Blvd. and north to the northern City boundary, has 419 businesses, or 41.7 percent of all businesses. Area 2, defined as the north side of Arrow Highway to south of Foothill Blvd., contains the largest cluster of business in Claremont, at 484 businesses, or 48.1 percent of all businesses. Area 3 has the smallest number of businesses, or only 10.2 percent.

**Table 4-5
City of Claremont
Number of Businesses by SIC Grouping, May 2004**

| SIC Grouping | Classification | Count | % of Total |
|-----------------|-----------------------------------|--------------|---------------|
| 70-89 | Services | 448 | 43.1% |
| 52-59 | Retail Trade | 191 | 18.4% |
| 60-67 | Finance, Insurance & Real Estate | 154 | 14.8% |
| n/a | Non-Classified | 151 | 14.5% |
| 20-39 | Manufacturing | 44 | 4.2% |
| 50-51 | Wholesale Trade | 17 | 1.6% |
| 40-49 | Transportation & Public Utilities | 14 | 1.3% |
| 0-14 | Agricultural Services | 10 | 1.0% |
| 15-17 | Construction | 8 | 0.8% |
| 91-97 | Public Administration | 2 | 0.2% |
| Total | | 1,039 | 100.0% |

Source: Stanley R. Hoffman Associates, Inc.
City of Claremont Business License File.

Table 4-6
City of Claremont
Number of Businesses by Area, May 2004

| Classification | AREA 1 | | AREA 2 | | AREA 3 | | TOTAL ¹ | |
|---|---------------------------------|---------------|---------------------|---------------|-------------------------------|---------------|--------------------|---------------|
| | Foothill Blvd./ Baseline Rd. | | Village/ Industrial | | Arrow Hwy./ I- 10 Corridor | | | |
| | Count | % of Total | Count | % of Total | Count | % of Total | Count | % of Total |
| Businesses by Location² | 419 | 41.7% | 484 | 48.1% | 103 | 10.2% | 1,006 | 100% |

1. Total is based on information from the City of Claremont Business License File. Certain businesses listed in the file were not included as they were either duplicates, were no longer at their listed addresses, or had incomplete addresses.
2. The above dataset has been divided into three geographical areas that extend from the western to the eastern boundaries of the City of Claremont. These areas are divided from the northern to the southern part of the city as follows:

- AREA 1:** Extending from just below Foothill Blvd. to northerly city boundary.
- AREA 2:** North side of Arrow Highway to just below Foothill Blvd.
- AREA 3:** Southerly city boundary to the south side of Arrow Highway.

Source: Stanley R. Hoffman Associates, Inc.
City of Claremont Business License File.

Major Employers

- The major employers of the City are presented in Table 4-7. As shown, these companies employ about 5,900 employees. Based on 2000 data from EDD, this represents about 48.0 percent of the total employment in the City.
- As shown, the largest employer is The Claremont Colleges, with an estimated 3,500 employees, or 59.3 percent of the top employers. The second largest major employer is also in educational services, with the Claremont Unified School District comprising 12.7 percent of the employment.

**Table 4-7
Top Employers in the City of Claremont: 2003**

| Company Name | Category | # of Employees | % of Total |
|-------------------------------------|------------------|-----------------------|-------------------|
| The Claremont Colleges ¹ | Education | 3,500 | 59.3% |
| Claremont Unified School District | Education | 750 | 12.7% |
| Hi-Rel Connectors, Inc. | Mfg., Aerospace | 300 | 5.1% |
| City of Claremont | Local Government | 259 | 4.4% |
| Claremont Auto Center | Automobile Sales | 240 | 4.1% |
| Claremont Manor | Retirement Home | 230 | 3.9% |
| Technip Coflex | Engineering | 205 | 3.5% |
| Pilgrim Place | Retirement Home | 180 | 3.0% |
| Indian Hill Nursing & Rehab. Ctr. | Medical Rehab. | 124 | 2.1% |
| Webb Schools of California | Education | 119 | 2.0% |
| Total | | 5,907 | 100.0% |

1. The estimated employment for the Claremont Colleges has been updated to reflect the employment provided more recently, by the The Claremont Colleges.

Source: Stanley R. Hoffman Associates
City of Claremont website- Claremont Profile.

Chapter 5 – MARKET CONDITIONS

5.1 Taxable Sales

Taxable Sales Trends

As a major municipal General Fund revenue source, sales tax is a significant contributor to the economic vitality of the City. Taxable sales data is obtained from Hinderliter, de Llamas and Associates, the City’s sales tax consultant.

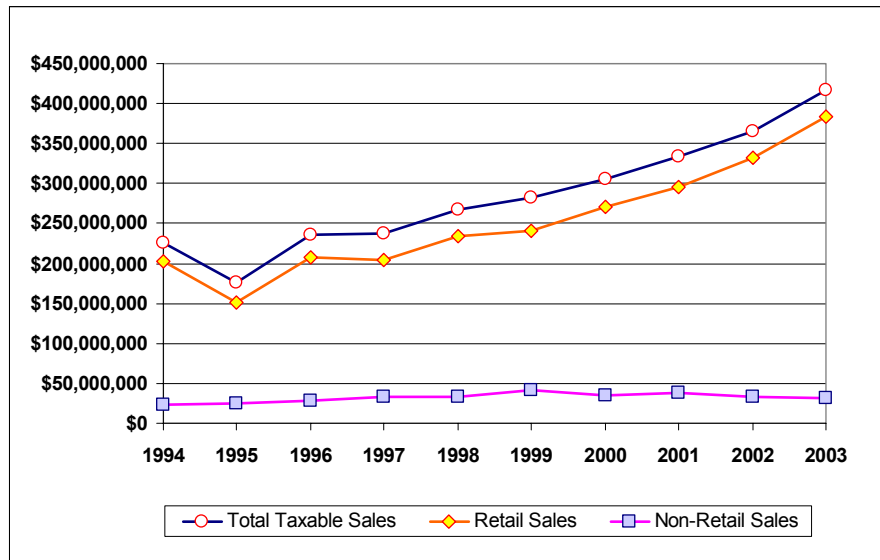
- As shown in Table 5-1 and Figure 5-1, total taxable sales transactions in the City of Claremont has increased significantly from 1994 to 2003, increasing in real dollars from \$226.1 million in 1994 to \$416.1 million in 2003.
- Both retail and non-retail taxable sales have increased steadily since 1994. In particular, retail taxable sales have grown at an average annual growth rate of 7.4 percent.
- Trends from 1994 to 2003 show that Claremont’s taxable sales consist primarily of retail taxable sales. In 2003, retail sales comprised 92.3 percent of the total taxable sales.

Table 5-1
City of Claremont Taxable Sales Trends: 1994 to 2003
(In Constant 2003 Dollars)

| Year | Retail | Non-Retail | Total | Retail % of Total |
|---------------------------|---------------|--------------|---------------|----------------------|
| 1994 | \$202,376,360 | \$23,724,689 | \$226,101,049 | 89.5% |
| 1995 | 151,696,190 | 24,917,206 | 176,613,396 | 85.9% |
| 1996 | 207,671,870 | 28,896,783 | 236,568,654 | 87.8% |
| 1997 | 204,311,876 | 33,176,371 | 237,488,247 | 86.0% |
| 1998 | 233,735,252 | 33,685,233 | 267,420,485 | 87.4% |
| 1999 | 241,242,046 | 41,809,980 | 283,052,026 | 85.2% |
| 2000 | 270,893,365 | 34,086,635 | 304,980,000 | 88.8% |
| 2001 | 295,912,154 | 37,846,986 | 333,759,140 | 88.7% |
| 2002 | 332,387,471 | 33,205,945 | 365,593,416 | 90.9% |
| 2003 | 383,859,900 | 32,201,000 | 416,060,900 | 92.3% |
| Avg. Annual Growth | 7.4% | 3.5% | 7.0% | |

Source: Stanley R. Hoffman Associates, Inc.
Hinderliter, de Llamas and Associates.

Figure 5-1
City of Claremont Taxable Sales Trends: 1994 to 2003
(In Constant 2003 Dollars)



Source: Stanley R. Hoffman Associates
Hinderliter, de Llamas and Associates.

Taxable Retail Sales

- Table 5-2 presents total taxable retail sales in the City of Claremont from 1994 to 2003 in constant dollars. As shown, the City’s taxable retail sales increased by 89.7 percent over this time period, from \$202.4 million in 1994 to \$383.9 million in 2003.
- The Autos and Transportation category has been the largest source of taxable retail sales in the City in both 1994 and 2003, increasing by 161.1 percent. Both Food and Drugs and the General Consumer Goods categories decreased over this time period. About 70.0 percent of the City’s taxable sales were in the Autos and Transportation category in 2003. The City should explore opportunities to diversify its sources of retail taxable sales in order to reduce its heavy dependency on auto sales.

Taxable Retail Sales Per Capita

- Taxable Retail Sales Per capita are a rough estimate of the average purchasing power of each resident in the City, and are calculated by dividing the total taxable retail sales by the City’s total population. As shown in Table 5-3, the City’s taxable retail sales per capita was \$10,648 in 2003, with retail sales in the Autos and Transportation category far exceeding any other retail group in Claremont. This indicates a heavy dependence on auto-related sales for City sales tax revenue.
- The City’s taxable retail sales per capita increased significantly from 1994 to 2003 by \$4,402, or 70.5 percent. This increase was primarily due to the large increases in the Autos and Transportation, Building and Construction, and Fuel and Service Station categories.

Table 5-2
City of Claremont Taxable Retail Sales Trends: 1994 to 2003
(In Constant 2003 Dollars)

| Retail Group | 1994 | % of Total | 2003 | % of Total | 1994 - 2003 Change | Percent Change |
|---------------------------|----------------------|-------------------|----------------------|-------------------|---------------------------|-----------------------|
| Autos and Transportation | \$102,705,238 | 50.7% | \$268,115,100 | 69.8% | \$165,409,862 | 161.1% |
| General Consumer Goods | 28,071,856 | 13.9% | 26,927,200 | 7.0% | (1,144,656) | -4.1% |
| Restaurants and Hotels | 27,195,669 | 13.4% | 33,946,100 | 8.8% | 6,750,431 | 24.8% |
| Food and Drugs | 25,096,554 | 12.4% | 20,721,400 | 5.4% | (4,375,154) | -17.4% |
| Fuel and Service Stations | 15,441,559 | 7.6% | 27,731,500 | 7.2% | 12,289,941 | 79.6% |
| Building and Construction | 3,865,485 | 1.9% | 6,418,600 | 1.7% | 2,553,115 | 66.0% |
| Retail Subtotal | \$202,376,360 | 100.0% | \$383,859,900 | 100.0% | \$181,483,540 | 89.7% |

Source: Stanley R. Hoffman Associates, Inc.
Hinderliter, de Llamas and Associates.

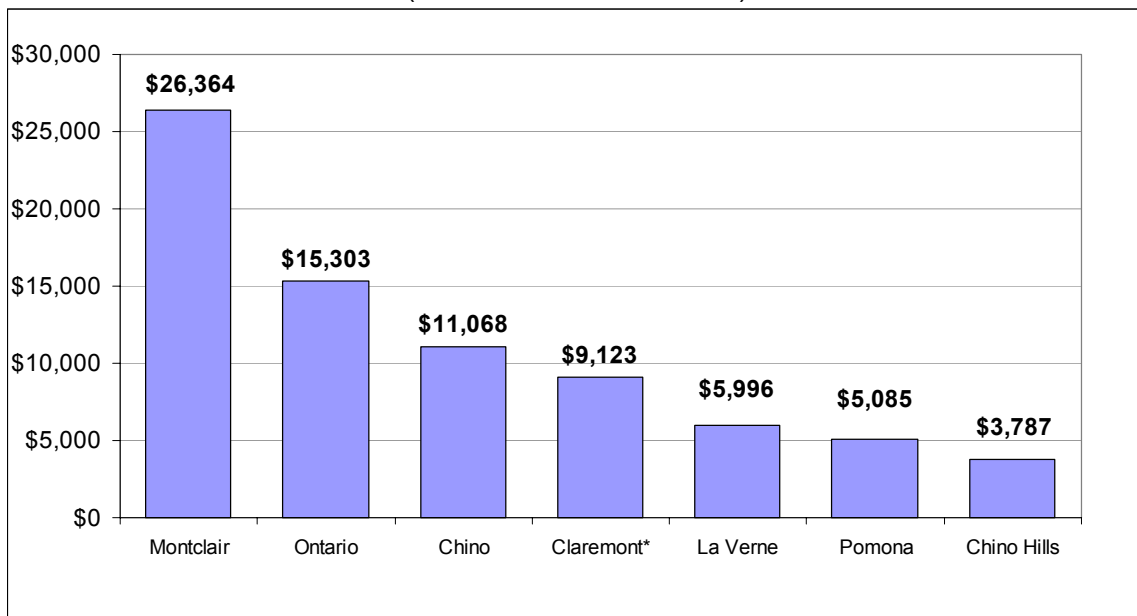
Table 5-3
Claremont Per Capita Taxable Retail Sales: 1994 & 2003
(In Constant 2003 Dollars)

| Retail Group | 1994 Per Capita Sales | 2003 Per Capita Sales | 1994 - 2003 Change | Percent Change |
|---------------------------|------------------------------|------------------------------|---------------------------|-----------------------|
| Autos and Transportation | \$3,170 | \$7,437 | \$4,267 | 134.6% |
| General Consumer Goods | \$866 | \$747 | (\$119) | -13.8% |
| Restaurants and Hotels | \$839 | \$942 | \$102 | 12.2% |
| Food and Drugs | \$775 | \$575 | (\$200) | -25.8% |
| Fuel and Service Stations | \$477 | \$769 | \$293 | 61.4% |
| Building and Construction | \$119 | \$178 | \$59 | 49.2% |
| Retail Subtotal | \$6,246 | \$10,648 | \$4,402 | 70.5% |
| <i>Population</i> | <i>32,400</i> | <i>36,050</i> | | |

Source: Stanley R. Hoffman Associates, Inc.
Hinderliter, de Llamas and Associates.
State Department of Finance, population estimates January 1, 1994 and 2003.

- However, the City also experienced a decline in important retail categories such as General Consumer Goods and Food and Drugs, indicating that residents may be increasingly shopping outside of the City for these items. In particular, Food and Drugs showed a 25.8 percent decline.
- Figure 5-2 shows per capita taxable retail sales for Claremont and nearby communities during 2002. As shown, in 2002 in constant dollars, Claremont was between Chino and La Verne in terms of its per capita taxable retail sales. Montclair, Ontario and Chino have large regional centers that account for their higher per capita taxable retail sales amounts.

Figure 5-2
Comparative Taxable Retail Sales Per Capita: 2002
(In Constant 2002 Dollars)



Source: California State Board of Equalization.
Hinderliter, de Llamas and Associates.

Taxable Retail Sales by Geographic Sub-Area: City of Claremont

- Table 5-4 shows taxable sales for the five primary retail areas in the City from 1994 to 2003. This data by geographic sub-areas is from the City’s tax consultant, Hinderliter, de Llamas and Associates. As shown, taxable sales generated at the Claremont Auto Center has increased substantially in constant dollars from \$98.8 million in 1994 to \$239.1 million in 2003, or by 141.9 percent.
- In terms of retail sales in 2003, the City of Claremont received 62.3 percent of its taxable retail revenue from the Auto Center, located south of the I-10. Figure 5-3 displays the heavy reliance on the Auto Center for the City’s taxable retail sales.

- The second strongest area is the Claremont Village, or commonly designated the downtown area of Claremont. For purposes of this study, the physical boundaries that constitute the Village have been defined as 4th Street to the North, Harvard Ave. to the East, Indian Hill to the West, and 1st Street to the South. The Village has a wide range of restaurants and retail shops.
- Taxable retail sales over this time period have decreased for the Peppertree Square, located on the southeast corner of Arrow Highway and Indian Hill. Its 2003 taxable sales were \$4.1 million in 2003, down 29.5 percent from 1994. Currently, Peppertree Square has five vacancies, most notably losing recent tenants such as 21 Choices and Warehouse Music.
- Although it comprised only 3.4 percent of the total taxable retail sales in 2003, taxable sales in the Foothill East sub-area increased from \$2.6 million in taxable sales in 1994 to \$13.0 million in 2003, or a 400.3 percent increase.
- These five retail sub-areas represented 73.8 percent of all taxable retail sales in Claremont for 2003, compared to 64.5 percent in 1994.

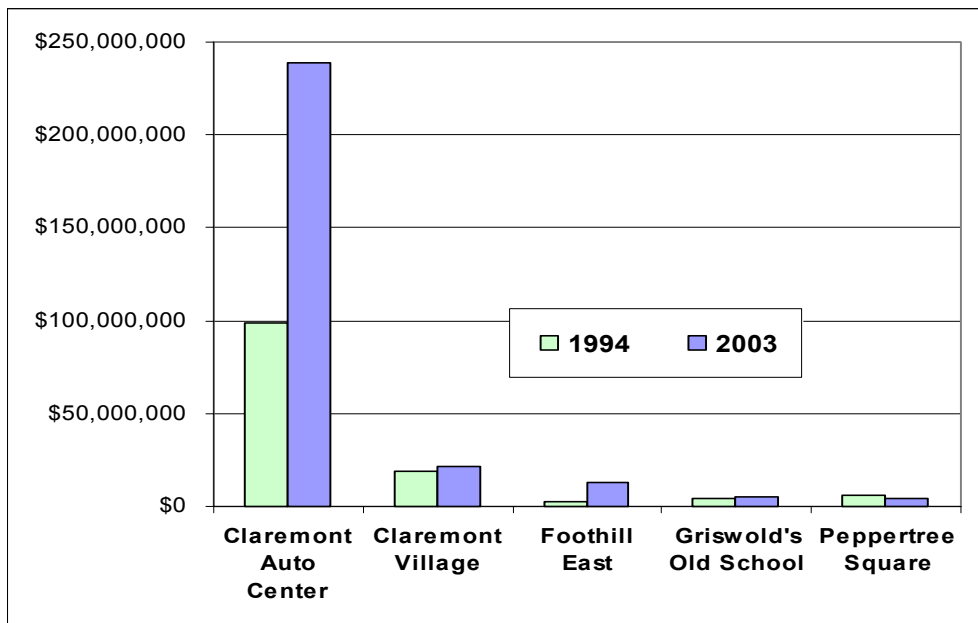
Table 5-4
Taxable Retail Sales by Sub-Area
(In Constant 2003 Dollars)

| Geographic Area | 1994 | % of Total Retail Sales | 2003 | % of Total Retail Sales | Change | Percent Change |
|------------------------------------|----------------------|-------------------------|----------------------|-------------------------|----------------------|----------------|
| Claremont Auto Center ¹ | \$98,828,211 | 48.8% | \$239,107,700 | 62.3% | 140,279,489 | 141.9% |
| Claremont Village | 18,657,640 | 9.2% | 21,621,500 | 5.6% | 2,963,860 | 15.9% |
| Foothill East | 2,603,266 | 1.3% | 13,024,000 | 3.4% | 10,420,734 | 400.3% |
| Griswold's Old School | 4,597,401 | 2.3% | 5,474,900 | 1.4% | 877,499 | 19.1% |
| Peppertree Square | 5,859,743 | 2.9% | 4,129,000 | 1.1% | (1,730,743) | -29.5% |
| Retail Sub-Totals | \$130,546,259 | 64.5% | \$283,357,100 | 73.8% | \$152,810,841 | 117.1% |
| Total City Retail Sales | \$202,374,641 | 100.0% | \$383,907,900 | 100.0% | | |

1. For confidentiality reasons, this grouping also includes the Hubbard Chevrolet dealer, which is located outside the Auto Center.

Source: Stanley R. Hoffman Associates, Inc.
Hinderliter, de Llamas and Associates.

Figure 5-3
Taxable Retail Sales by Sub-Area
(In Constant 2003 Dollars)



Source: Stanley R. Hoffman Associates, Inc.
Hinderliter, de Llamas and Associates.

5.2 The Retail Environment

- Table 5-5 lists the characteristics of the major retail centers located in the City of Claremont as reported in the 2003 Shopping Center Directory, published annually by the National Research Bureau, and also verified through field work. These centers represent an estimated 538,190 square feet of retail use. As shown, the centers encompass about 746,236 square feet of inventory, which includes about 25.0 percent non-retail uses, such as services.
- The largest center in terms of total square feet is The Old School House followed by the Village. However, The Old School House is largely comprised of non-retail uses. The Claremont Center, with an estimated 101,344 square feet of space, is one of the City's major retail centers. It is anchored by a 47,000 square foot Albertson's Supermarket.
- The existing centers are mostly neighborhood centers, or centers with less than 100,000 square feet of space that include a grocery store anchor, smaller retail shops and service-oriented businesses. None of the centers have a major General Merchandise anchor or entertainment tenant.
- Maps of the major retail centers, supermarket locations, and geographic sub-areas for sales data are shown in Appendix B.

Table 5-5
Estimated Retail Square Footage: June 2004 ¹

| Center Name/Location | Total Sq. Ft. | Estimated Retail Sq.Ft. | % Non-Retail ² | Retail Stores & Restaurants | Comments |
|--|----------------|-------------------------|---------------------------|--|--|
| Existing Centers | | | | | |
| Griswold's Old School House (GOSH) Foothill & Indian Hill Blvd. | 144,000 | 50,400 | 65% | Buca's, Casa del Salsa, small retail | Poor condition; in need of renovation |
| The Village³ Borders: 4th St. (N), Harvard (E), Indian Hill (W), 1st St.(S) | 125,000 | 125,000 | - | Mix of restaurants, retail & specialty shops, & services. The largest retailer is Rhino records. | Good condition |
| Claremont Center SWC Indian Hill & I-10 South of I-10 | 101,344 | 86,142 | 15% | Albertson's, Chili's, Pizza | 2 vacancies Older center Moderate condition |
| Claremont Heights Baseline & Mills | 83,265 | 66,612 | 20% | Vons Supermarket, restaurants | lots of potential to serve residents North of Baseline; |
| Pepper Tree Square Arrow Highway & Indian Hill | 78,000 | 66,300 | 15% | Savon Express | 5 vacancies Poor condition |
| Ralph's Shopping Center Mountain & Foothill Blvd. | 53,370 | 45,365 | 15% | Ralph's, Liquor Store, Pet Store | Poor condition |
| College Center Claremont & Foothill Blvd. | 51,314 | 33,354 | 35% | Amore Café, Starbucks, | No vacancy. 15-year old center in moderate condition. |
| Stater Bros. Center NEC Foothill & Regis Ave. | 48,042 | 38,434 | 20% | Stater Brothers Market, restaurants | Moderate condition |
| Baker's Square San Jose & Indian Hill | 30,000 | 15,000 | 50% | Baker's Square, liquor | Moderate condition. Has potential with location at I-10. |
| Unknown Name SEC Foothill & Indian Hill | 17,463 | 4,366 | 75% | Pizza | Moderate condition |
| Claremont Square Foothill south of Ralph's Shop. Ctr. | 14,438 | 7,219 | 50% | Japanese & Indian restaurants, pizza, | 15-year old center in moderate condition. |
| Total Existing Square Feet | 746,236 | 538,190 | 52.9% | | |

1. This excludes auto dealers, service stations, and smaller, scattered retail establishments that are not part of retail centers.
2. Non-retail percentages were estimated based on field work conducted by Stanley R. Hoffman Associates, Inc. in July, 2004.
3. The Village retail square footage was also estimated based on field work conducted in July, 2004.

Sources: Stanley R. Hoffman Associates, Inc.
National Research Bureau, Shopping Center Directory 2003.

5.3 The Non-Residential Market

The Office Market

- Table 5-6 presents a summary of the estimated office inventory in the San Gabriel Valley as of first quarter, 2004. While there is no data shown for the relatively small office market in Claremont, the CB Richard Ellis data does show the office market for the greater region in which the City of Claremont is located.
- As shown, there was an estimated 12.5 million square feet of net rentable square feet in the San Gabriel Valley office market. About 8.1 percent of the space was vacant, compared to the Los Angeles County office market where about 14.2 percent of the net rentable square feet were vacant.
- As shown, there was a net decrease in 167,513 rentable square feet for the two-year time period from first quarter, 2002 to first quarter, 2004 in the overall San Gabriel Valley office market. Table 5-7 presents the office market as of first quarter, 2002. There was an estimated 12.6 million square feet of office inventory, of which about 8.4 percent was vacant.
- As shown in Figure 5-4, the average lease rate per square foot per month was \$1.86 for the San Gabriel Valley compared to \$2.10 for Los Angeles County. Within the San Gabriel office market, the lease rates ranged from a low average of \$1.50 per square foot per month in South El Monte to an average of \$2.10 per square foot per month in the City of Industry.

**Table 5-6
San Gabriel Valley Office Market, 1st Quarter 2004**

| Sub-Markets | 1st Quarter 2004 | | | | | Net Change 2002 - 2004 |
|----------------------------------|-------------------|--------------------|-------------------|--------------------|-----------------|---------------------------|
| | Building Count | Net Rentable SF | Vacant SF | Occupied SF | Vacancy Rate | Net Rentable SF |
| 210 Corridor | 26 | 2,138,025 | 123,621 | 2,014,404 | 5.8% | (157,829) |
| Alhambra | 18 | 1,115,687 | 147,141 | 968,546 | 13.2% | (9,291) |
| City of Industry | 19 | 1,208,121 | 205,873 | 1,002,248 | 17.0% | 8,419 |
| Covina | 7 | 311,675 | 13,605 | 298,070 | 4.4% | 42,135 |
| Diamond Bar | 23 | 1,747,277 | 105,683 | 1,641,594 | 6.0% | (393,445) |
| El Monte | 21 | 1,702,503 | 149,842 | 1,552,661 | 8.8% | 335,730 |
| Monterey Park | 21 | 1,823,391 | 127,133 | 1,696,258 | 7.0% | 55,717 |
| Pomona | 18 | 1,204,664 | 81,986 | 1,122,678 | 6.8% | 22,500 |
| So. El Monte | 2 | 74,760 | 1,027 | 73,733 | 1.4% | 0 |
| West Covina | 17 | 1,129,745 | 54,857 | 1,074,888 | 4.9% | (71,449) |
| San Gabriel Valley Market | 172 | 12,455,848 | 1,010,768 | 11,445,080 | 8.1% | (167,513) |
| Los Angeles County Market | 1,328 | 177,717,847 | 25,179,813 | 152,538,034 | 14.2% | 3,712,686 |

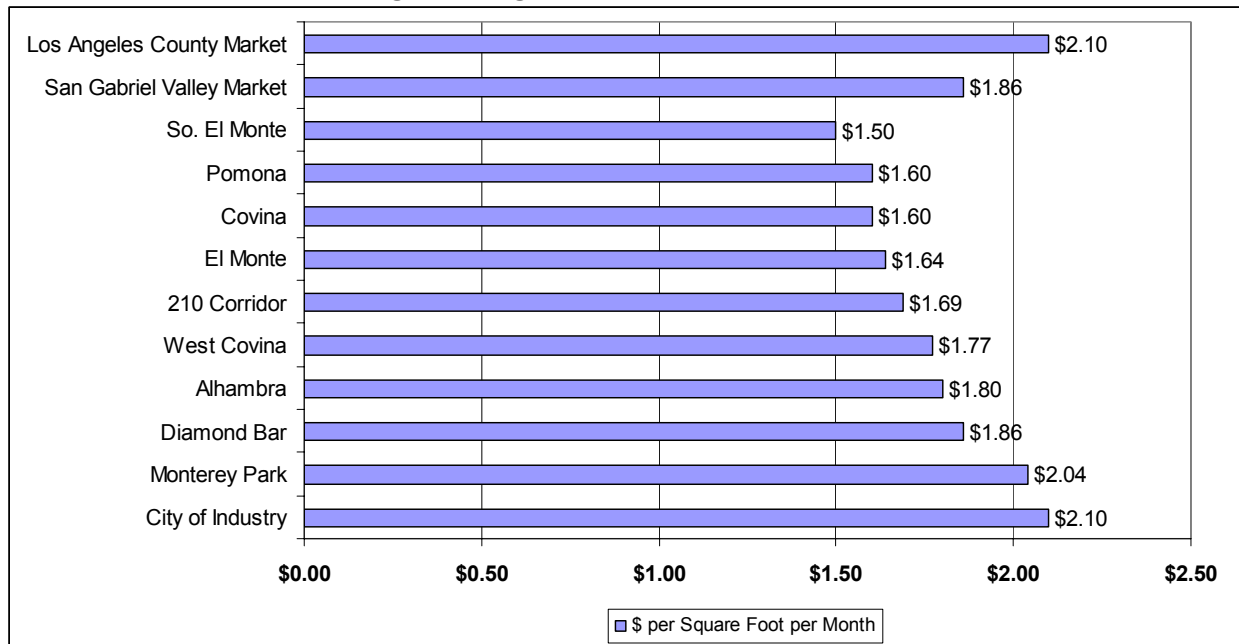
Source: Stanley R. Hoffman Associates
CB Richard Ellis, MarketView Insert.

**Table 5-7
San Gabriel Valley Office Market, 1st Quarter 2002**

| Sub-Markets | 1st Quarter 2002 | | | | |
|----------------------------------|------------------|--------------------|-------------------|--------------------|--------------|
| | Building Count | Net Rentable SF | Vacant SF | Occupied SF | Vacancy Rate |
| 210 Corridor | 27 | 2,295,854 | 118,186 | 2,177,668 | 5.1% |
| Alhambra | 19 | 1,124,978 | 168,193 | 956,785 | 15.0% |
| City of Industry | 19 | 1,199,702 | 241,059 | 958,643 | 20.1% |
| Covina | 6 | 269,540 | 5,342 | 264,198 | 2.0% |
| Diamond Bar | 24 | 2,140,722 | 228,184 | 1,912,538 | 10.7% |
| El Monte | 18 | 1,366,773 | 113,680 | 1,253,093 | 8.3% |
| Monterey Park | 20 | 1,767,674 | 42,666 | 1,725,008 | 2.4% |
| Pomona | 17 | 1,182,164 | 59,865 | 1,122,299 | 5.1% |
| So. El Monte | 2 | 74,760 | 2,800 | 71,960 | 3.7% |
| West Covina | 18 | 1,201,194 | 79,694 | 1,121,500 | 6.6% |
| San Gabriel Valley Market | 170 | 12,623,361 | 1,059,669 | 11,563,692 | 8.4% |
| Los Angeles County Market | 1,297 | 174,005,161 | 23,201,317 | 150,803,844 | 13.3% |

Source: Stanley R. Hoffman Associates
CB Richard Ellis, MarketView Insert.

**Figure 5-4
San Gabriel Valley Office Market
Average Asking Lease Rates, 1st Quarter 2004**



Source: Stanley R. Hoffman Associates, Inc.
CB Richard Ellis, MarketView Insert.

5.4 Building Activity Trends

Non-Residential Building Activity

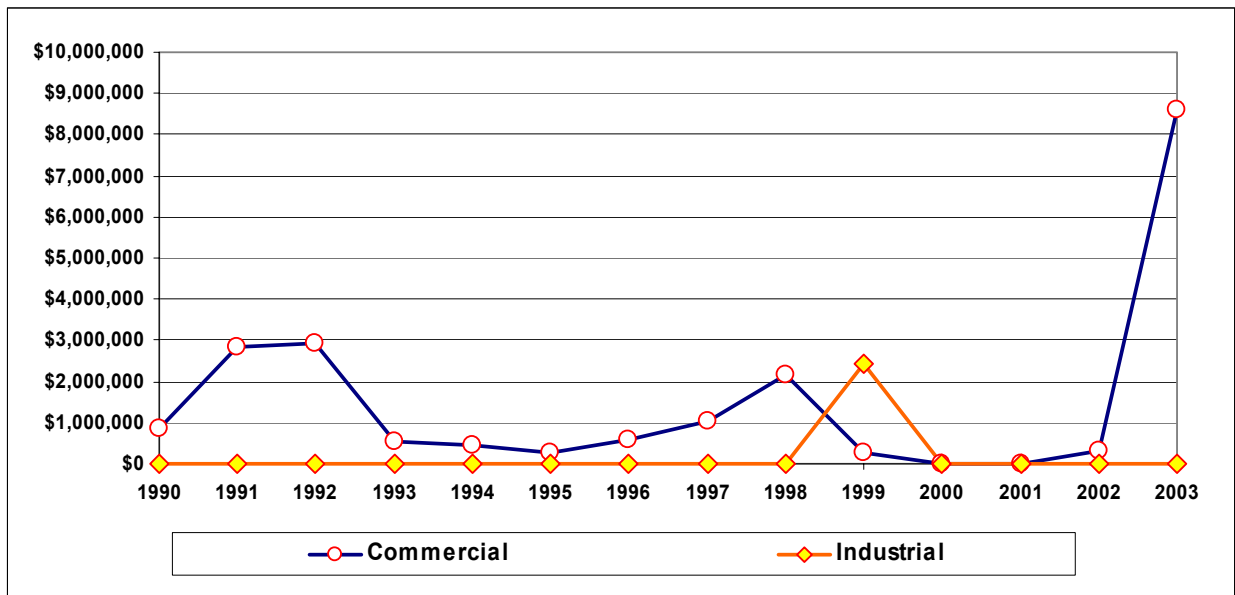
- Table 5-8 and Figure 5-5 show new non-residential building activity trends in the City of Claremont from 1990 to 2003. As shown in constant 2003 dollars, most of the building activity in terms of valuation over this time period was commercial, which averaged 89.5 percent of the total valuation annually compared to 10.5 percent for industrial valuation. There was virtually no industrial building activity during this time period except for 1999, reflecting the completion of the Keck Graduate Institute.
- As shown in Figure 5-5, valuation for commercial buildings fluctuated, particularly from 2002 to 2003, when it jumped from about \$327.4 thousand to about \$8.6 million. This fluctuation reflects the lack of vacant space in the City for new development as well as the smaller City size, so that spikes occur whenever a significant development project occurs. A large amount of the recent activity can be attributed to the Village expansion project.

Table 5-8
City of Claremont
New Non-Residential Building Permit Valuation: 1990 to 2003
(In Constant 2003 Dollars)

| Year | Commercial | % of Total | Industrial | % of Total | Total |
|-----------------------|--------------------|-------------------|-------------------|-------------------|--------------------|
| 1990 | \$850,650 | 100.0% | \$0 | 0.0% | \$850,650 |
| 1991 | 2,824,705 | 100.0% | 0 | 0.0% | 2,824,705 |
| 1992 | 2,942,474 | 100.0% | 0 | 0.0% | 2,942,474 |
| 1993 | 550,051 | 100.0% | 0 | 0.0% | 550,051 |
| 1994 | 440,917 | 100.0% | 0 | 0.0% | 440,917 |
| 1995 | 260,179 | 100.0% | 0 | 0.0% | 260,179 |
| 1996 | 583,084 | 100.0% | 0 | 0.0% | 583,084 |
| 1997 | 1,055,264 | 100.0% | 0 | 0.0% | 1,055,264 |
| 1998 | 2,160,466 | 100.0% | 0 | 0.0% | 2,160,466 |
| 1999 | 265,695 | 9.8% | 2,453,179 | 90.2% | 2,718,874 |
| 2000 | 0 | n/a | 0 | n/a | 0 |
| 2001 | 0 | n/a | 0 | n/a | 0 |
| 2002 | 327,404 | 100.0% | 0 | 0.0% | 327,404 |
| 2003 | 8,588,300 | 100.0% | 0 | 0.0% | 8,588,300 |
| Annual Average | \$1,489,228 | 89.5% | \$175,227 | 10.5% | \$1,664,455 |

Sources: Stanley R. Hoffman Associates, Inc.
Construction Industry Research Board, July 2004.

Figure 5-5
Non-Residential Building Activity: 1990 to 2003
(In Constant 2003 Dollars)



Source: Stanley R. Hoffman Associates, Inc.
Construction Industry Research Board, July 2004.

Residential Building Activity

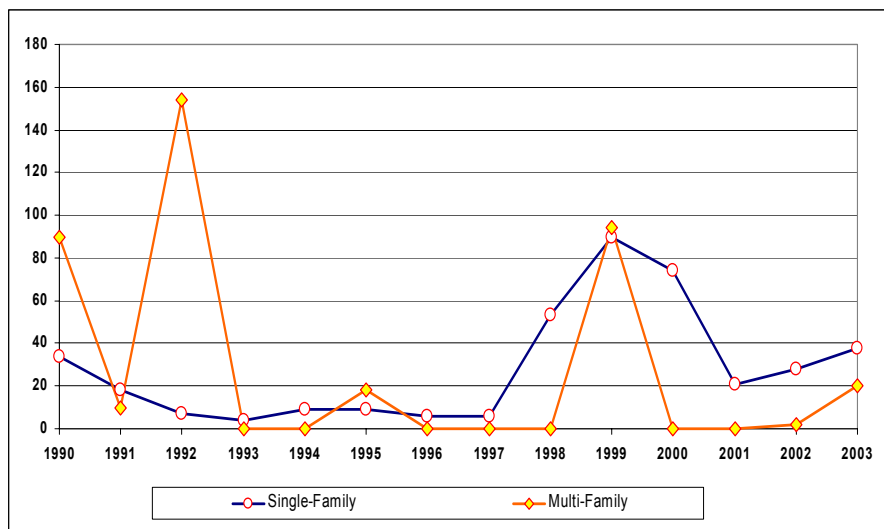
- Table 5-9 and Figure 5-6 show residential building activity in the City of Claremont according to the Construction Industry Research Board from 1990 to 2003. Over this time period, a total of 785 housing units were constructed. About 50.6 percent of total units permitted have been single-family residences and 49.4 percent have been multi-family units.
- The trend in building activity for multi-family units has been scattered over this time period, developing in larger increments. About 65.0 percent were built from 1990 to 1992, compared with only 30.0 percent from 1999 to 2003.
- As with non-residential building activity, this trend in uneven residential building activity reflects the small size and built out nature of the City.

**Table 5-9
City of Claremont
New Residential Building Activity: 1990 to 2003**

| Year | Single-Family | % of Total | Multi-Family | % of Total | Total |
|--------------|---------------|--------------|--------------|--------------|------------|
| 1990 | 34 | 27.4% | 90 | 72.6% | 124 |
| 1991 | 18 | 64.3% | 10 | 35.7% | 28 |
| 1992 | 7 | 4.3% | 154 | 95.7% | 161 |
| 1993 | 4 | 100.0% | 0 | 0.0% | 4 |
| 1994 | 9 | 100.0% | 0 | 0.0% | 9 |
| 1995 | 9 | 33.3% | 18 | 66.7% | 27 |
| 1996 | 6 | 100.0% | 0 | 0.0% | 6 |
| 1997 | 6 | 100.0% | 0 | 0.0% | 6 |
| 1998 | 53 | 100.0% | 0 | 0.0% | 53 |
| 1999 | 90 | 48.9% | 94 | 51.1% | 184 |
| 2000 | 74 | 100.0% | 0 | 0.0% | 74 |
| 2001 | 21 | 100.0% | 0 | 0.0% | 21 |
| 2002 | 28 | 93.3% | 2 | 6.7% | 30 |
| 2003 | 38 | 65.5% | 20 | 34.5% | 58 |
| Total | 397 | 50.6% | 388 | 49.4% | 785 |

Sources: Stanley R. Hoffman Associates, Inc.
Construction Industry Research Board, July 2004.

**Figure 5-6
City of Claremont
Residential Building Activity: 1990 to 2003**



Source: Stanley R. Hoffman Associates, Inc.
Construction Industry Research Board, July 2004.

5.5 Market Demand Analysis

This section presents a range of demand projections for potential retail development in the City of Claremont. Demand is presented in terms of square feet. These projections are based on household projections from SCAG for 2010 and 2030. In addition, projections were prepared for the college student population of The Claremont Colleges and office workers within Claremont, who also contribute to the retail demand. The projections are presented for two scenarios. Scenario 1 presents demand at estimated capture rates for the amount of retail sales that the City could reasonably achieve from each retail category based on the City's current retail performance. Scenario 2 utilized a more aggressive set of capture rates for selected retail categories. The projected growth in retail demand will come primarily from household growth and secondarily from office workers and the college students.

Projection Assumptions

The assumptions for household, student, and office worker projections are shown in Table 5-10. As shown, according to SCAG, there are a projected 13,264 households by 2030. By 2030, an estimated 8,300 students are projected, which is the Colleges constitutionally set maximum enrollment. Office workers are projected to double by 2030.

**Table 5-10
Household & Student Projections**

| | 2000 | 2010 | 2030 |
|------------------------------------|--------|--------|--------|
| Households ¹ | 11,281 | 12,087 | 13,264 |
| College Enrollment (Total) | 7,100 | 7,500 | 8,300 |
| Students in Claremont ² | 5,800 | 6,150 | 6,800 |
| Office Workers ³ | 2,833 | 4,959 | 5,895 |

1. Household data for 2000 is from the U.S. Census. Household projections for 2010 and 2030 are from the Southern California Association of Governments (SCAG), RTP 2004.
2. Students in Claremont reflects the number of students who are on campus or living in Claremont. At any given time, roughly 82% of the students enrolled are in Claremont while approximately 18% are away from Claremont, either abroad, on internships, or completing projects. The 2030 student projections are based on the Colleges constitutionally set maximum enrollment of 8,300. The 2010 projection is an interpolation.
3. Office workers were estimated using data from the California Employment Development Department (EDD). The 2030 employment projections are from SCAG, RTP 2004.

Source: Stanley R. Hoffman Associates, Inc.
 U.S. Census, 2000.
 SCAG, 2004 Regional Transportation Plan.
 The Claremont Colleges.

Retail Leakage Analysis

- One way to assess the relative strength of the local retail sector is to perform a “leakage” analysis. A leakage analysis compares the retail sales capture by local retailers with the expenditure power of local residents. The results of the leakage analysis using retail sales and household expenditures are presented below in Table 5-11.
- As shown in Table 5-11, the City had total retail sales of \$275.5 million during 2000 and the City’s residents spent an estimated \$291.4 million in annual household retail purchases. This indicates that local residents are spending more outside the City than is being offset by non-resident spending, on average, within the city. This was true for all sectors except for Auto Dealers, Food Stores and Gasoline Service Stations.
- The City is particularly strong in Auto Dealers, Parts and Service where the ratio of retail sales within the City to estimated expenditures by local residents is 235.0 percent. However, the City shows significant leakages in General Merchandise, Apparel and Home Furnishings, indicating that there may be opportunities for expansion within the City.

Table 5-11
Estimated Retail Sales Capture or Leakage: 2000
(In Constant 2000 Dollars)

| Retail Category | (A) Total Retail Sales | (B) Average Purchases per Household ¹ | (C) Total HH Expenditures ² | (D) = (A) - (C) Est. Capture or Leakage (in 000's) | (E) = (A) / (C) Ratio of Sales/Expend. |
|---|------------------------------|---|--|---|--|
| Apparel Stores | \$2,983,000 | \$1,541 | \$17,382,766 | (\$14,399,766) | 17% |
| General Merchandise Stores ³ | 2,395,000 | 5,802 | 65,450,240 | (63,055,240) | 4% |
| Food Stores ⁴ | 69,650,000 | 4,942 | 55,752,995 | 13,897,005 | 125% |
| Eating and Drinking Places | 27,109,000 | 3,408 | 38,446,293 | (11,337,293) | 71% |
| Home Furnishings | 2,149,000 | 1,195 | 13,482,825 | (11,333,825) | 16% |
| Auto Dealers and Parts | 120,689,000 | 4,545 | 51,270,382 | 69,418,618 | 235% |
| Gasoline Service Stations | 22,857,000 | 1,547 | 17,448,362 | 5,408,638 | 131% |
| Other Retail ⁵ | <u>27,672,000</u> | <u>2,848</u> | <u>32,132,045</u> | <u>(4,460,045)</u> | 86% |
| Totals | \$275,504,000 | \$25,828 | \$291,365,909 | (\$15,861,909) | 95% |
| Number of Households | 11,281 | | | | |
| HH Size | 2.56 | | | | |
| Average Household Income | \$84,618 | | | | |
| Retail Expenditures As % of Income | 30.52% | | | | |

1. Estimated based on data from the U.S. Consumer Expenditure Survey, 1992 through 1995, and the U.S. Census of Retail Trade, 1992 and 1997. This data includes only sales to households, and not to contractors or builders.
2. Estimated by multiplying average expenditures per household by total households.
3. Includes drug stores.
4. Total retail sales for Food Stores are factored up by 0.30 to account for the non-taxable portion of this category.
5. Includes liquor stores and building materials.

Source: Stanley R. Hoffman Associates, Inc.
California State Board of Equalization, Taxable Retail sales during 2000.

Capture Rate Assumptions

- As shown in Table 5-12, the demand from households, students, and workers in the City for the Scenario 1 projection were based on various capture rates selected by the consultant according to existing retail sales captured in the City and the potential for the specified uses in the City of Claremont. Scenario 1 represents a continuation of existing capture rate assumptions.
- It is assumed in the Scenario 2 projection for this analysis that the City could actively recruit and seek new retail establishments, thereby increasing the capture rates. Office worker capture rates were also projected to increase in Scenario 2.

**Table 5-12
Capture Rate Assumptions**

| Store Type | Household Capture Rates | | Student Capture Rates | | Office Worker Capture Rates | |
|---|-------------------------|-------------------------|-----------------------|------------|-----------------------------|------------|
| | Scenario 1 | Scenario 2 ¹ | Scenario 1 | Scenario 2 | Scenario 1 | Scenario 2 |
| Apparel Stores | 17.0% | 34.0% | 10.0% | 25.0% | 50.0% | 60.0% |
| General Merchandise Stores ² | 4.0% | 9.0% | 4.0% | 15.0% | 50.0% | 60.0% |
| Food Stores | 125.0% | 137.5% | 25.0% | 40.0% | 50.0% | 60.0% |
| Eating and Drinking Places | 71.0% | 82.5% | 25.0% | 40.0% | 50.0% | 60.0% |
| Home Furnishings | 16.0% | 17.6% | 10.0% | 25.0% | n/a | n/a |
| Auto Dealers and Parts | n/a | n/a | n/a | n/a | n/a | n/a |
| Gasoline Service Stations | n/a | n/a | n/a | n/a | n/a | n/a |
| Other Retail ³ | 86.0% | 100.0% | 25.0% | 40% | 50.0% | 60.0% |

1. Scenario 2 capture rates are based on an assumption that the City could actively recruit and seek new retail establishments, thereby increasing their capture rate in selected categories.

2. Includes drug stores.

3. Includes liquor stores and building materials.

Source: Stanley R. Hoffman Associates

Household, Student, and Office Worker Expenditures Analysis

- Table 5-13 presents estimated (year 2000) and forecasted average household spending patterns for the City's households, college student, and office worker population. Household expenditures were estimated and forecasted using a retail model of consumer behavior derived from U.S. Consumer Expenditure Survey and the U.S. Census of Retail Trade. The model's estimates and forecasts reflect household characteristics such as income and household size.

Table 5-13
Household, Student, and Office Worker Expenditures by Store Type
(in constant 2000 dollars)

| Store Type | PER HOUSEHOLD ¹ | | | Store Type | PER STUDENT ² | | |
|--------------------------------|----------------------------|----------|----------|---------------------------------|--------------------------|---------|---------|
| | 2000 | 2010 | 2030 | | 2000 | 2010 | 2030 |
| Apparel Stores | \$1,541 | \$1,638 | \$1,632 | Apparel Stores | \$250 | \$250 | \$250 |
| General Merchandise Stores | \$4,598 | \$4,890 | \$4,878 | General Merchandise Stores | \$651 | \$651 | \$651 |
| Drug Stores | \$1,204 | \$1,272 | \$1,251 | Drug Stores | \$204 | \$204 | \$204 |
| Food Stores | \$4,942 | \$5,150 | \$4,931 | Food Stores | \$1,147 | \$1,147 | \$1,147 |
| Liquor Stores | \$542 | \$571 | \$558 | Liquor Stores | \$6 | \$6 | \$6 |
| Eating and Drinking Places | \$3,408 | \$3,635 | \$3,646 | Eating and Drinking Places | \$402 | \$402 | \$402 |
| Home Furnishings | \$1,195 | \$1,278 | \$1,289 | Home Furnishings | \$139 | \$139 | \$139 |
| Building Materials | \$1,031 | \$1,097 | \$1,096 | Building Materials | \$46 | \$46 | \$46 |
| Auto Dealers and parts | \$4,545 | \$4,861 | \$4,900 | Auto Dealers and parts | \$348 | \$348 | \$348 |
| Gasoline Service Stations | \$1,547 | \$1,627 | \$1,590 | Gasoline Service Stations | \$254 | \$254 | \$254 |
| Other Retail | \$1,275 | \$1,359 | \$1,360 | Other Retail | \$327 | \$327 | \$327 |
| Total Retail Expenditures | \$25,828 | \$27,377 | \$27,131 | Total Retail Expenditures | \$3,774 | \$3,774 | \$3,774 |
| Household Size | 2.56 | 2.62 | 2.42 | Household Size | 1.00 | 1.00 | 1.00 |
| Household Income | \$84,618 | \$91,258 | \$93,491 | Household Income | \$5,000 | \$5,000 | \$5,000 |
| Retail Spending As % of Income | 30.52% | 30.00% | 29.02% | Retail Spending As % of Income | 75.48% | 75.48% | 75.48% |
| Number of Households | 11,281 | 12,087 | 13,264 | Number of Students in Claremont | 5,800 | 6,150 | 6,800 |

| Store Type | PER OFFICE WORKER ³ | | |
|---|--------------------------------|---------|---------|
| | 2000 | 2010 | 2030 |
| Apparel Stores | \$592 | \$592 | \$592 |
| General Merchandise Stores ⁴ | \$2,043 | \$2,043 | \$2,043 |
| Food Stores | \$286 | \$286 | \$286 |
| Eating and Drinking Places | \$1,348 | \$1,348 | \$1,348 |
| Other Retail ⁵ | \$165 | \$165 | \$165 |
| Total Retail Expenditures | \$4,435 | \$4,435 | \$4,435 |
| Number of Workers | 2,833 | 4,959 | 5,895 |

1. Based on one calendar year.
2. Based on one school year, or 9 months.
3. Per office worker expenditures comes from the International Council of Shopping Centers, Office Worker Retail Spending, 1988 and was then update to 2000 dollars using the CPI Index.
4. Includes comparison goods, convenience goods, incidentals, and other shopping goods.
5. Includes all other retail categories relevant to office workers.

Source: Stanley R. Hoffman Associates

- Student expenditures were derived based on a National study of expenditure patterns of college-age students, using the estimated annual average wage and salary income of a typical student.¹ For purposes of this analysis, each student is assumed to be a one-person household. The retail categories assumed in the study were grouped according to the retail categories used in the expenditures analysis for households.
- Table 5-13 shows the estimated retail sales per household during 2000 and for the projected years 2010 and 2030. As shown, average household expenditures in 2000 dollars are projected to increase slightly over this time period, from \$25,828 to \$27,131 annually. The percentage of income spent on household purchases remains at about 30.0 percent.
- Table 5-13 also shows the estimated retail sales per college student during 2000 and for the projected years 2010 and 2030. As shown, average student expenditures in 2000 dollars are projected to remain the same over this time period, at about \$5,000 annually. The percentage of income spent on household purchases remains at about 75.5 percent because it was assumed that student income would remain constant in real dollars.
- Table 5-13 also shows the estimated retail sales per office workers from 2000 to 2030. As shown, average office worker expenditures in 2000 dollars are conservatively estimated to remain constant over this period.

Retail Projections

The following section presents the results of two different projections based on two different capture rate assumptions. The projections are calculated in terms of supportable square feet, using the total expenditures estimated for households, students, and office workers divided by median sales per square foot for the specific retail type. The median sales per square foot is provided by store type from the Urban Land Institute's (ULI) *Dollars and Cents of Shopping Centers*. The detailed expenditures and median sales per square foot assumptions are presented in Appendix A of this report.

- Table 5-14 and Table 5-15 present the Scenario 1 and Scenario 2 projections for retail demand for 2010 and 2030. Demand from both households, students, and workers are presented. The base estimates for 2000 are also shown.
- As shown in Table 5-14, the Scenario 1 projection indicates that there is projected total demand from households, students, and workers for about 634,890 square feet by 2030. This includes 562,960 square feet from households, 12,960 square feet from students, and 57,970 from office workers. This represents an increase of 153,140 square feet of total demand from 2000 to 2030, or about 31.8 percent.

¹ Expenditures of College-Age Students and Non-students, Geoffrey D. Paulin, Monthly Labor Review, July 2001.

Table 5-14
Scenario 1 Projections by Store Type: Households, Students, and Workers

| 2000 Supportable Square Feet | | | | |
|------------------------------------|----------------|---------------|----------------|----------------|
| Retail Categories | Households | Students | Office Workers | Total |
| Apparel Stores | 12,310 | 600 | 3,490 | 16,400 |
| General Merchandise | 13,780 | 1,040 | 15,230 | 30,050 |
| Food Stores | 199,120 | 4,750 | 1,160 | 205,030 |
| Eating and Drinking Places | 101,100 | 2,160 | 7,070 | 110,330 |
| Home Furnishings | 10,270 | 380 | n/a | 10,650 |
| Auto Dealers and Parts | n/a | n/a | n/a | n/a |
| Gasoline Service Stations | n/a | n/a | n/a | n/a |
| Other Retail | 106,280 | 2,110 | 900 | 109,290 |
| Total Retail Square Footage | 442,860 | 11,040 | 27,850 | 481,750 |

| 2010 Supportable Square Feet | | | | |
|------------------------------------|----------------|---------------|----------------|----------------|
| Retail Categories | Households | Students | Office Workers | Total |
| Apparel Stores | 17,320 | 640 | 6,120 | 24,080 |
| General Merchandise | 23,520 | 1,110 | 26,660 | 51,290 |
| Food Stores | 222,300 | 5,040 | 2,030 | 229,370 |
| Eating and Drinking Places | 122,040 | 2,290 | 12,380 | 136,710 |
| Home Furnishings | 11,770 | 410 | n/a | 12,180 |
| Auto Dealers and Parts | n/a | n/a | n/a | n/a |
| Gasoline Service Stations | n/a | n/a | n/a | n/a |
| Other Retail | 126,670 | 2,240 | 1,570 | 130,480 |
| Total Retail Square Footage | 523,620 | 11,730 | 48,760 | 584,110 |

| 2030 Supportable Square Feet | | | | |
|------------------------------------|----------------|---------------|----------------|----------------|
| Retail Categories | Households | Students | Office Workers | Total |
| Apparel Stores | 18,940 | 710 | 7,270 | 26,920 |
| General Merchandise | 25,670 | 1,220 | 31,700 | 58,590 |
| Food Stores | 233,610 | 5,570 | 2,410 | 241,590 |
| Eating and Drinking Places | 134,340 | 2,530 | 14,720 | 151,590 |
| Home Furnishings | 13,020 | 450 | n/a | 13,470 |
| Auto Dealers and Parts | n/a | n/a | n/a | n/a |
| Gasoline Service Stations | n/a | n/a | n/a | n/a |
| Other Retail | 138,380 | 2,480 | 1,870 | 142,730 |
| Total Retail Square Footage | 563,960 | 12,960 | 57,970 | 634,890 |

Source: Stanley R. Hoffman Associates, Inc.

**Table 5-15
Scenario 2 Projections by Store Type: Households, Students, and Workers**

| 2000 Alternative Supportable Square Feet | | | | |
|---|-------------------|-----------------|-----------------------|----------------|
| Retail Categories | Households | Students | Office Workers | Total |
| Apparel Stores | 12,310 | 600 | 3,490 | 16,400 |
| General Merchandise | 13,780 | 1,040 | 15,230 | 30,050 |
| Food Stores | 199,120 | 4,750 | 1,160 | 205,030 |
| Eating and Drinking Places | 101,100 | 2,160 | 7,070 | 110,330 |
| Home Furnishings | 10,270 | 380 | n/a | 10,650 |
| Auto Dealers and Parts | n/a | n/a | n/a | n/a |
| Gasoline Service Stations | n/a | n/a | n/a | n/a |
| Other Retail | 106,280 | 2,110 | 900 | 109,290 |
| Total Retail Square Footage | 442,860 | 11,040 | 27,850 | 481,750 |

| 2010 Alternative Supportable Square Feet | | | | |
|---|-------------------|-----------------|-----------------------|----------------|
| Retail Categories | Households | Students | Office Workers | Total |
| Apparel Stores | 28,040 | 1,600 | 7,340 | 36,980 |
| General Merchandise | 35,280 | 4,150 | 31,990 | 71,420 |
| Food Stores | 244,530 | 8,060 | 2,430 | 255,020 |
| Eating and Drinking Places | 134,240 | 3,660 | 14,860 | 152,760 |
| Home Furnishings | 12,950 | 1,020 | n/a | 13,970 |
| Auto Dealers and Parts | n/a | n/a | n/a | n/a |
| Gasoline Service Stations | n/a | n/a | n/a | n/a |
| Other Retail | 140,740 | 3,590 | 1,890 | 146,220 |
| Total Retail Square Footage | 595,780 | 22,080 | 58,510 | 676,370 |

| 2030 Alternative Supportable Square Feet | | | | |
|---|-------------------|-----------------|-----------------------|----------------|
| Retail Categories | Households | Students | Office Workers | Total |
| Apparel Stores | 30,660 | 1,770 | 8,720 | 41,150 |
| General Merchandise | 38,510 | 4,590 | 38,030 | 81,130 |
| Food Stores | 256,970 | 8,910 | 2,890 | 268,770 |
| Eating and Drinking Places | 147,770 | 4,050 | 17,660 | 169,480 |
| Home Furnishings | 14,330 | 1,130 | n/a | 15,460 |
| Auto Dealers and Parts | n/a | n/a | n/a | n/a |
| Gasoline Service Stations | n/a | n/a | n/a | n/a |
| Other Retail | 153,760 | 3,960 | 2,250 | 159,970 |
| Total Retail Square Footage | 642,000 | 24,410 | 69,550 | 735,960 |

Source: Stanley R. Hoffman Associates, Inc.

- As shown in Table 5-15, the Scenario 2 projection indicates that there is projected total demand from households, students, and workers for about 735,960 square feet by 2030. This includes 642,000 square feet from households, 24,410 square feet from students, and 69,550 square feet from office workers in Claremont. This represents an increase of 254,210 square feet of total demand from 2000 to 2030, or about 52.8 percent.

Comparisons of Projections with Supply

- Table 5-16 presents the estimated existing retail square feet in the City compared to the future demand for retail square feet from households, students, and workers. Panel A of Table 5-16 shows the Scenario 1 projection, which indicates that by 2030 the demand for retail from household, students, and workers is projected at a ratio of 1.18 to existing retail square feet. This represents an increase from a ratio of 0.90 in 2000 and 1.09 in 2010.
- In Table 5-16, Panel B shows the Scenario 2 projection. As shown, the more aggressive capture rates result in a much higher ratio of 1.26 in 2010 and a ratio of 1.37 by 2030.
- The increase in the ratios projects that demand for retail will increase over time given growth in household population, student enrollment at the colleges, and the number of office workers. In both the Scenario 1 and 2 projections, the existing square footage in the City was held constant over the time period of 2000 to 2030 for comparison purposes.
- In Scenario 1, the demand exceeds the current estimated retail square feet by 2010 and 2030 due to household and student growth. In Scenario 2, the demand exceeds the current estimated retail square feet sooner due to the higher capture rate assumptions. These projections are shown graphically in Figure 5-7.

Table 5-16
Comparison of Retail Demand with Estimated Current Retail Supply: 2000 to 2030

| Panel A. | | | |
|-----------------------------|-------------|-------------|-------------|
| | 2000 | 2010 | 2030 |
| Scenario 1 Retail SF Demand | 481,750 | 584,110 | 634,890 |
| Estimated Current Retail SF | 538,190 | 538,190 | 538,190 |
| Ratio of Demand to Current | 0.90 | 1.09 | 1.18 |
| | | | |
| Panel B. | | | |
| | 2000 | 2010 | 2030 |
| Scenario 2 Retail SF Demand | 481,750 | 676,370 | 735,960 |
| Estimated Current Retail SF | 538,190 | 538,190 | 538,190 |
| Ratio of Demand to Current | 0.90 | 1.26 | 1.37 |

Source: Stanley R. Hoffman Associates, Inc.

- In the base year 2000, the projected retail demand is about 10.5 percent lower than the estimated retail supply. When the sizable amount of vacant space at The Old School House is excluded, the projected demand and existing supply are relatively closer. This indicates that the amount of retail vacancy in Claremont is relatively low in most of the retail space.

**Figure 5-7
Comparison of Retail Demand with Estimated Current Supply: 2000 to 2030**



Source: Stanley R. Hoffman Associates, Inc.

5.6 The Lodging Market

- As shown in Table 5-17, there were four lodging facilities identified in Claremont. These had about 443 rooms. All of these facilities are relatively modest and older motels, with nightly rates in the range of \$50 to \$130. As shown, the average room rate was about \$75.
- In the nearby vicinity, there are about 895 rooms with rates that range from \$92 to \$240 per night. As shown, the average room rate was higher than in Claremont, at an average rate of \$154. These are generally larger, higher end hotels which cater to the business and tourist traveler at the Ontario Airport or Fairplex in Pomona.

**Table 5-17
Motel and Hotel Inventory**

| Lodge | Address | # of Rooms | Price Range | Avg. Room Rate |
|----------------------------------|-----------------------|------------|---------------|----------------|
| <u>Claremont</u> | | | | |
| The Claremont Inn | 555 Foothill Blvd. | 200 | \$60 - \$130 | |
| Ramada Inn | 840 Indian Hill Blvd. | 121 | \$70 - \$100 | |
| Howard Johnson | 721 Indian Hill Blvd. | 62 | \$60 - \$70 | |
| Claremont Lodge | 210 San Jose St. | <u>60</u> | \$50 - \$60 | |
| | | 443 | | \$75 |
| <u>Vicinity</u> | | | | |
| Sheraton Suites- Pomona Fairplex | 601 W. McKinley Ave. | 247 | \$119 - \$240 | |
| Sheraton Suites- Ontario Airport | 429 N. Vineyard Ave. | 164 | \$95 - \$155 | |
| DoubleTree Hotel- Ontario | 222 N. Vineyard Ave. | <u>484</u> | \$92 - \$200 | |
| | | 895 | | \$154 |

Source: Stanley R. Hoffman Associates, Inc.
Claremont Chamber of Commerce.

Chapter 6 – ECONOMIC DEVELOPMENT

6.1 Claremont Economic Development Overview

The City plays a vital role by making resources available to local businesses and identifying and attracting businesses that are needed to provide a balanced and diversified economic base. The City of Claremont's Economic Development Division has two primary goals:

- To encourage a healthy economic base in the community by enhancing current commercial/industrial operations and facilitating new commercial development; and,
- To fund land acquisitions, capital projects, and professional services, such as legal counsel, business analysis, appraisals, and title reports to facilitate private economic development in the Redevelopment Project Area.

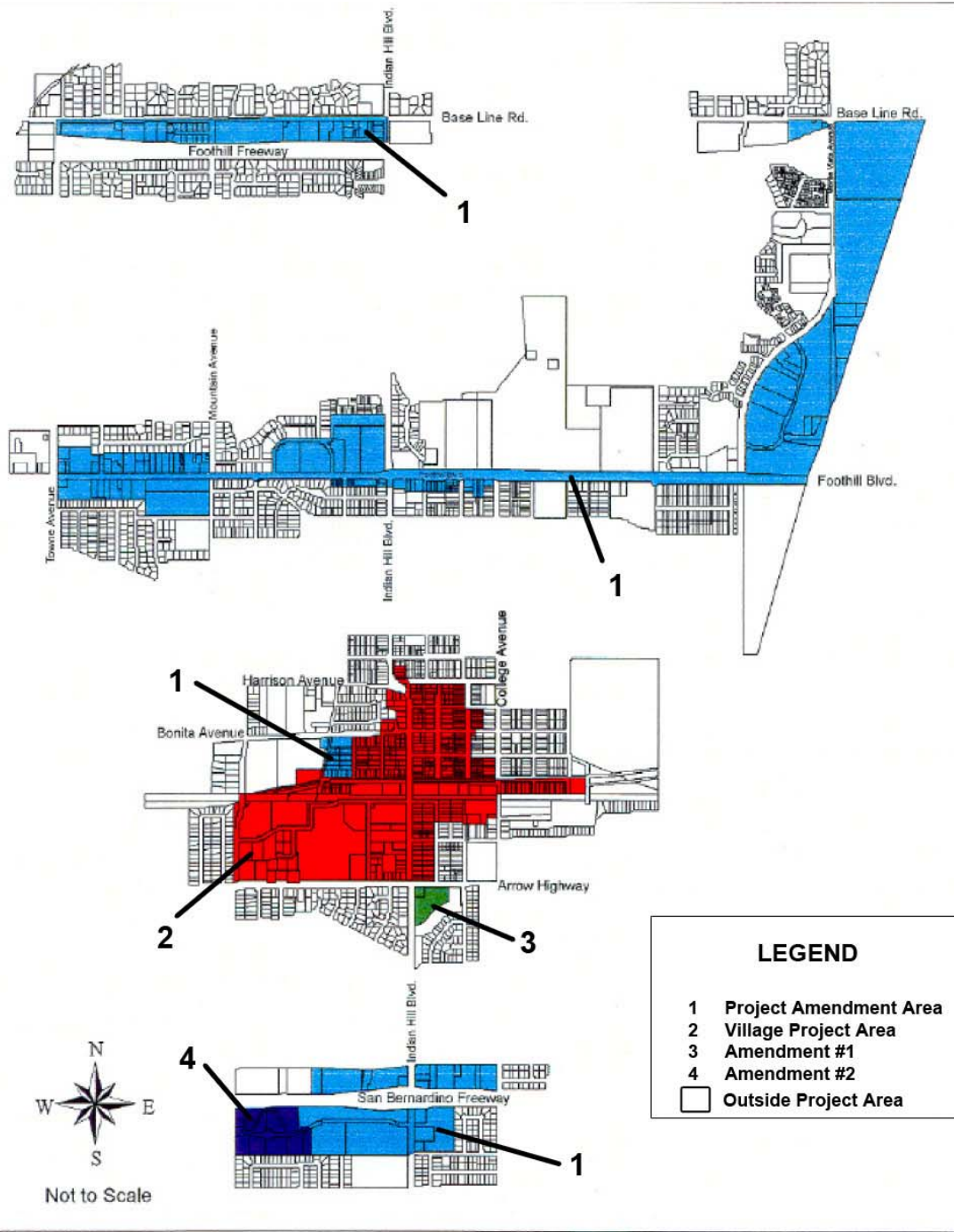
The division accomplishes these goals by providing a variety of services and programs. These include active business retention and attraction programs, funding of visitor promotion activities provided by the Claremont Chamber of Commerce, and a range of housing-related programs. In addition, redevelopment tools are available through the Claremont Redevelopment Agency.

6.2 Redevelopment Agency Activities and Programs

The Redevelopment Agency of the City of Claremont is the primary vehicle for ensuring the long-term economic vitality of the community. The Agency is involved in community revitalization at all levels, providing assistance to businesses in the forms of loans and through business retention and attraction programs. The City's Redevelopment plans authorize a variety of tools that the Agency may employ to revitalize the applicable area that must, by law, be consistent with the Claremont General Plan. The Plan does not dictate parcel-by-parcel future development, but rather authorizes a variety of "tools" that the Agency may use to eliminate blight while developing the land uses specified in the Plan and the Redevelopment Element of the City's General Plan. As shown in Figure 6-1, there are four separate areas within this consolidated redevelopment project area.

The Agency's "tools" consist of the ability to: use eminent domain; acquire land for resale or lease to a developer; enter into contractual agreements with developers to provide financial or other assistance; enter into contractual agreements with existing property owners or tenants to provide financial or other assistance; develop comprehensive strategies; or prepare studies to

**Figure 6-1
Consolidated Redevelopment Project Area**



Claremont Redevelopment Agency

CONSOLIDATED REDEVELOPMENT PROJECT AREA

assist private developers; and construct needed public facilities and improvements. The Agency also undertakes activities to increase, preserve, and improve the number of housing units for very low-, low-, and moderate-income individuals and families. The Agency sets aside 20 percent of its tax increment revenues for this purpose. Some of the key programs that are currently part of the City's redevelopment and economic development strategy are described below.

Small Business Assistance Programs

Owners and tenants of commercial properties located within the Consolidated Redevelopment Project Area can apply for no- and low-interest loans under three programs being offered by the Claremont Redevelopment Agency. These include: the Small Loan Program, the Rehabilitation Loan Program, and the Business Retention and Attraction Program. These programs are designed to further the Agency's overall goal to enhance the local economic climate by providing financial assistance for, among other things, expanding or relocating a business, improving a property's appearance, and increasing earthquake safety. To qualify for assistance, applicants must meet minimum criteria and use the money to achieve one or more of the programs' objectives.

The Small Business Loan Program

This is a no-interest financing program to assist Claremont business property owners and tenants with small improvement projects. Owners may borrow up to \$5,000 with no interest for 6 years for several types of activities, including: architectural and engineering design services; sign replacement and upgrade projects; installation of retail-style windows and doors; installation/replacement of awnings, canopies, or shades, and; city fees.

The Rehabilitation Loan Program

The Rehabilitation Loan Program is a financing program through the Claremont Redevelopment Agency to assist Claremont business property owners and tenants with larger rehabilitation or improvement projects. Owners may borrow up to \$100,000 at low interest rates for up to 12 years. Eligible activities include: architectural and engineering design services; sign replacement and upgrade projects; façade improvements; maintenance; seismic retrofitting; demolition; tenant improvements, and; other improvements that will enhance the retail nature of the building or community.

Business Retention and Attraction Program

The Business Retention and Attraction Program is designed to be a flexible, custom-designed financing program to assist Claremont business property owners and tenants with expanding their operations in Claremont, as well as select businesses wishing to establish operations in Claremont. Start-up businesses are not eligible. Priority is given to businesses that are strong sales tax and/or property tax generators, fill specialty market niches, complement the surrounding area or businesses, and have strong operating histories. Eligible activities and terms are developed according to the unique needs of each business. Examples of activities include:

- Down payment assistance for property acquisition;
- Credit guarantees;
- Public improvements in connection with a project;
- Parking in-lieu fee assistance; and,
- Remodeling and/or construction assistance.

Affordable Housing Programs

Claremont recognizes that a diverse and well-maintained housing stock is essential to the social and economic well being of the Community. A major function of the City's Redevelopment Agency is to address housing issues for the community. Programs are available to Claremont residents in the following categories: housing rehabilitation, first time homebuyer, senior housing, low-income (HUD Section 8) housing, and landlord/tenant conflicts.

Community Development Block Grant (CDBG) program

A primary source of federal grant funding is the Community Development Block Grant (CDBG) program. CDBG grants are federal grants that are awarded to cities on a formula basis for housing and community development activities. Eligible activities include acquisition, rehabilitation, homebuyer assistance, economic development activities, homeless assistance and public services. Claremont received about \$235,000 in funds for the adopted 2003-2004 budget year.

6.3 The Claremont Colleges

The renowned Claremont Colleges is a consortium of seven small private undergraduate colleges and graduate schools specializing in liberal arts, science, engineering, and graduate-level education. The Claremont University Consortium (CUC), which is the overarching entity of all the colleges, was established in 1925 even though each school was founded at different times.

- Pomona College (founded in 1887)
- Claremont Graduate School (founded in 1925)
- Scripps College (1926)
- Claremont McKenna College (1946)
- Harvey Mudd College (1955)
- Pitzer College (1963)
- Keck Graduate Institute for Applied Life Sciences (1997)

Each college emphasizes different areas of study which create a diverse and unique collegiate environment. For instance, Scripps College is known for its humanities and fine arts programs while Claremont McKenna College students focus on economics and government. Harvey Mudd concentrates solely on engineering and technology whereas Pitzer College is strong in social and behavioral sciences.

Interaction with the City

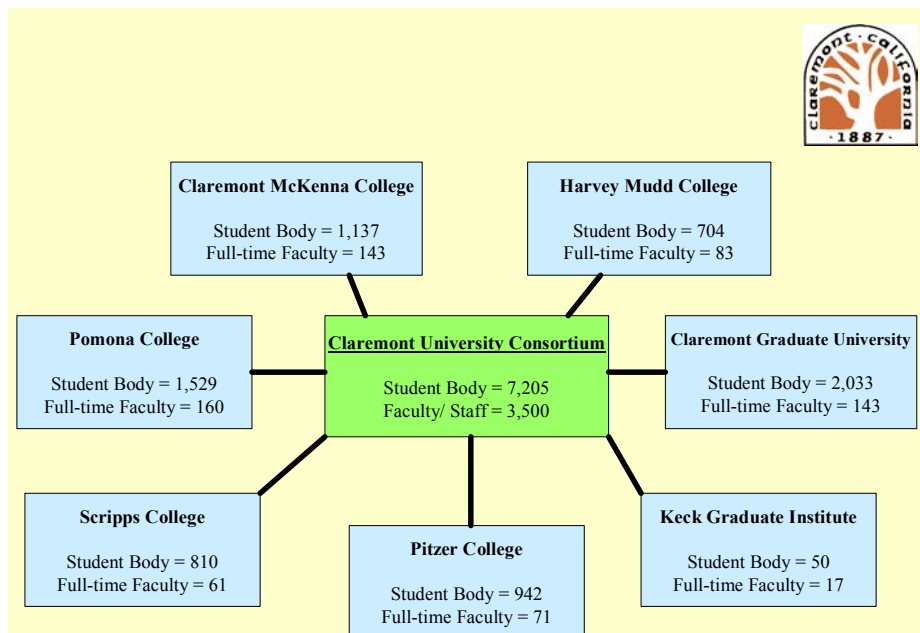
The colleges are viewed as a prime asset and partnerships with potential employers and alliances could be a key economic development tool for the City. The Claremont Colleges are a cluster of five undergraduate colleges and two graduate schools on adjoining campuses, which combine efforts to provide many services, programs and facilities that help accomplish the group's common goals. Currently shown in Figure 6-2, there are approximately 7,200 students and 3,500 employees at The Claremont Colleges.

As one example, the Keck Graduate Institute's (KGI) two-year program in applied life sciences is designed to educate leaders for the biotechnology, pharmaceutical, healthcare product and bio-agricultural (biosciences) industries. Key economic development programs sponsored or coordinated by KGI include the following:

The Corporate Partners Program (CPP). This program provides its member companies with unique access to the scientific expertise and professional resources of KGI; to comprehensive information on a full range of research and educational activities at KGI; and to assistance in the recruitment of KGI graduates. Partners include such companies as Allergan, Genentech, Guidant and Medtronic.

The Partners in Innovation Program. This program brings together students, academics, local entrepreneurs, and venture capitalists in a joint venture to transform bioscience ideas into products and services beneficial to humanity and the local and national economy.

**Figure 6-2
The Claremont Colleges**



Source: The Claremont College website, 2004.
The Princeton Review, 2004.

Strategic Collaborations with Venture Capitalists and Government Agencies. By supporting individual entrepreneurs and building synergies with venture capitalists and local organizations, such as the Business Technology Center of the Los Angeles County Community Development Commission, KGI's Partners in Innovation program facilitates the commercialization of these innovative projects in the greater Los Angeles area.

Economic Impact of the Colleges

In 2001-02, an estimated 63,000 visitors attended conferences, seminars, and events related to the Colleges. At that time, the Claremont Colleges was estimated to employ 3,300 people and had an annual payroll in 2001-02 of \$123 million. Currently, many of these employees live locally, with an estimated 44.0 percent² living in Claremont and the neighboring cities of La Verne, Montclair, and Upland.

In addition to employment and wages, there are a number of other economic impacts and benefits that the Colleges have on the City. The data below, which comes from the Executive Office of the Claremont University Consortium, highlights some of these financial impacts and benefits. All financial data is for Fiscal Year 1997/98.

- While most of the properties have a non-profit, or tax-exempt status, as shown in Table 6-1, the Claremont Colleges do pay property taxes on some of their properties. In Fiscal Year 1997/98, the College paid \$315,778 in assessments for “exempt” properties and \$196,973 in “non-exempt” properties.
- For conferences, seminars, and other related events, the Claremont Colleges pay \$57,670 annually in occupancy taxes.
- The Claremont Colleges pay \$211,544 annually in utility taxes, of which electricity is the largest portion at \$129,417.
- Of the \$1.24 million in total estimated taxes/fees paid by the Colleges annually, about \$803,686, or roughly 65.0 percent, goes to the City of Claremont.

² Percentage of faculty and staff that live within Claremont and neighboring communities was obtained from Brenda Barham-Hill, CEO, The Claremont University Consortium. She also indicated that the percentage of faculty and staff living in Claremont used to be higher, but has declined in recent years.

Table 6-1
Selected Financial Data
Fiscal Year 1997/98

| Categories | Selected Components ¹ | Totals |
|--|----------------------------------|--------------------|
| Property Tax/Assessments | | \$512,751 |
| "Exempt" Properties | | \$315,778 |
| "Non-Exempt" Properties | | \$196,973 |
| <i>Paid to City for landscape & lighting</i> | \$70,602 | |
| <i>Paid to City as share of general tax assessment</i> | \$15,680 | |
| <i>Paid to Claremont Unified School District</i> | \$25,683 | |
| Sales/Use Taxes | | \$68,181 |
| Occupancy Taxes (conference attendees) | | \$57,670 |
| Utility Taxes | | \$211,544 |
| <i>Electric</i> | \$129,417 | |
| <i>Gas</i> | \$50,663 | |
| <i>Water</i> | \$22,964 | |
| <i>Telephone</i> | \$8,500 | |
| Building Permits/Fees | | \$144,583 |
| Trash/Sewer/Street Fees | | \$229,865 |
| Vehicle Registration Fees | | \$31,420 |
| <i>City share of fees</i> | \$5,561 | |
| <i>County share of fees</i> | \$12,379 | |
| Subtotals | | |
| Paid to the City of Claremont | | \$803,686 |
| Paid to the Claremont Unified School District | | \$25,683 |
| Paid to other County agencies | | \$413,165 |
| | TOTAL | \$1,242,534 |

1. The values in the "Selected Components" column highlight the top categories and do not necessarily add up to their respective subtotals.

Source: Stanley R. Hoffman Associates, Inc.
Claremont University Consortium.

6.4 Sources of Revenue

Currently, the City of Claremont draws upon its General Fund and Special Revenue Funds as sources for financing ongoing operations and maintenance costs as well as capital costs. The distribution of these revenue sources for fiscal year 2004-05 is presented in Table 6-2. As shown, the total revenues available were about \$47.6 million. The General Fund provides 39.5 percent of the total revenues, with Redevelopment Agency Funds providing about 21.6 percent. As shown, Enterprise Fund revenues comprise about 17.4 percent of the total revenues.

Table 6-2
City and Agency Budgeted Revenues: 2004 - 2005
City of Claremont

| Categories | Total | % of Total |
|------------------------------------|---------------------|---------------|
| General Fund | \$18,781,750 | 39.5% |
| Redevelopment Agency | 10,295,939 | 21.6% |
| Enterprise Funds | \$8,271,327 | 17.4% |
| Restricted Funds | 7,721,051 | 16.2% |
| Landscape & Lighting District Fees | 2,494,473 | 5.2% |
| Total | \$47,564,540 | 100.0% |

Sources: Stanley R. Hoffman Associates, Inc.
*City of Claremont Operating and Capital Improvement
 Budget, 2004 - 2006, Adopted.*

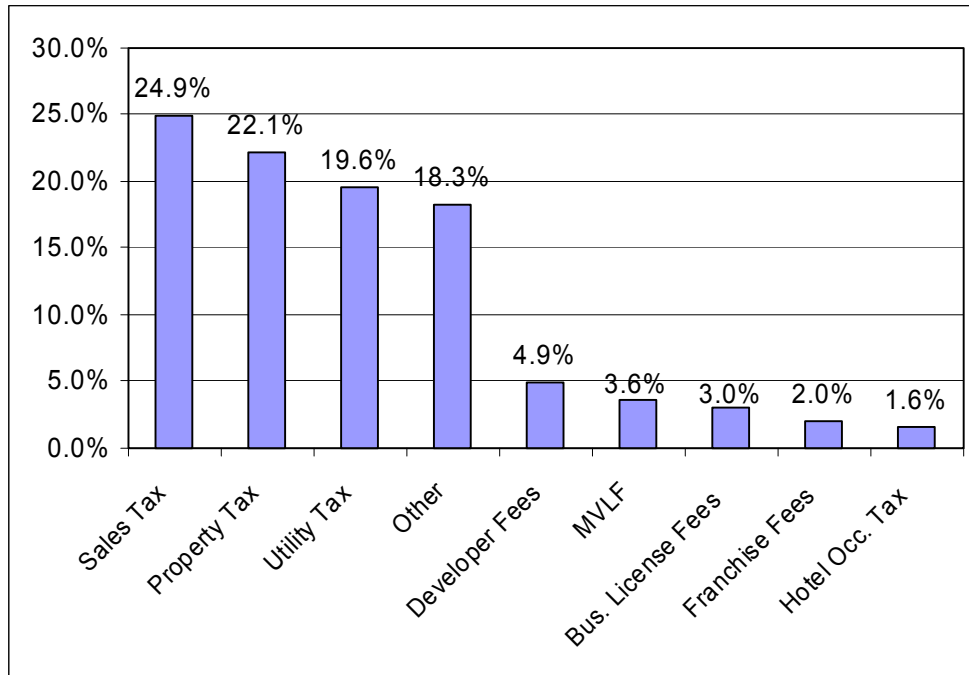
General Fund Revenues

The distribution of the City’s General Fund revenues is shown in Figure 6-3. As shown, about 24.9 percent of the total General Fund revenues are comprised of sales taxes, followed by property taxes at 22.1 percent of the total General Fund revenues. New retail property development can provide for increased sales taxes as one of the primary sources of General Fund revenues. As discussed in the Executive Summary, the City should address opportunities to increase its taxable retail sales in general merchandise, specialty retail, specialty food, apparel and restaurants.

Redevelopment Agency Revenues

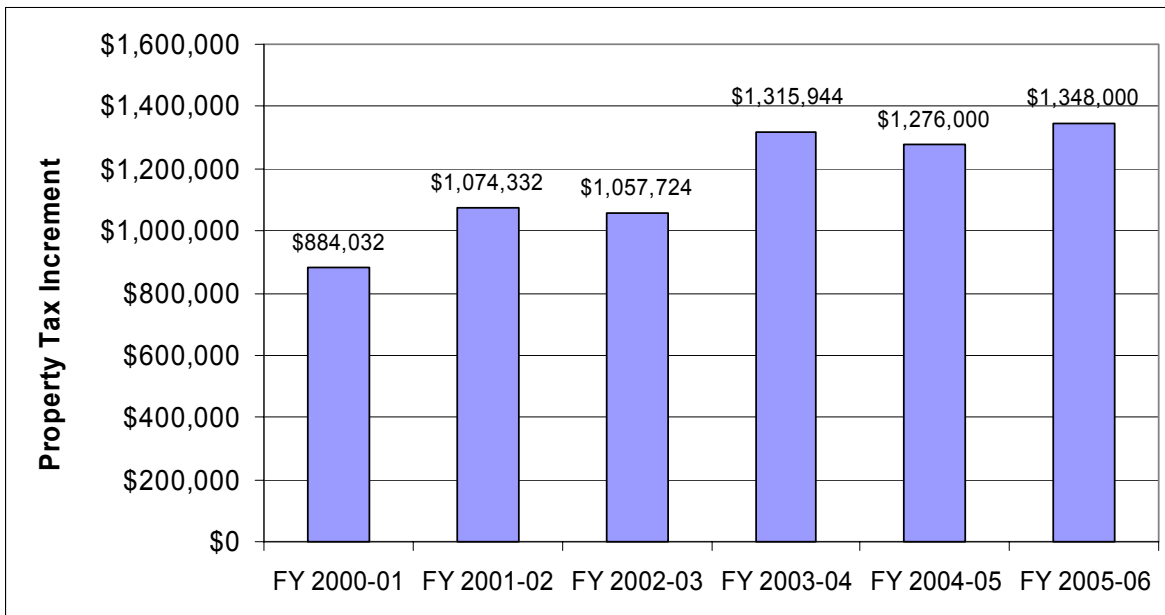
The Claremont Redevelopment Agency is a distinct public entity that adopts and maintains its own budget, legally separate from the City of Claremont. There is, however, a close relationship between the Redevelopment Agency and the City as the City Council serves as the Agency's Board of Directors and City staff members provide administrative support for Agency operations and projects. According to the City, Redevelopment Agency revenues rose significantly from Fiscal Year 2002-03 to 2003-04 by 24.4 percent. Figure 6-4 shows that the Redevelopment Agency is projected to maintain higher tax increment revenues into the current fiscal year as well.

Figure 6-3
Distribution of General Fund Revenues: 2004 - 2005
City of Claremont



Source: City of Claremont Operating and Capital Improvement Budget, 2004 – 2006, Adopted.

Figure 6-4
Redevelopment Agency Tax Increment Trends: 2000 - 2006
City of Claremont



Source: Stanley R. Hoffman Associates, Inc.
 City of Claremont, 2004-2006 Adopted Budget.

6.5 Summary of Major Economic Projects

Following is a description of the major work plans and projects for the City of Claremont:

Village Expansion

The public improvements for the expansion of Claremont Village have been completed and the construction of the first phase of housing is underway. It is anticipated that the public plaza, parking structure, theatre, inn, shops and restaurants will be in place by summer 2006. A local developer has been selected for the reuse of the Packing House and negotiations for a development agreement are in progress.

Foothill Corridor Development

The Foothill Corridor, including The Old School House site and the Claremont Inn, remain opportunities for redevelopment. The City staff will continue to review new commercial opportunities for these areas.

Completion of Auto Center Expansion

The City staff is working with the owners at the Claremont Auto Center to build additional facilities and bring more dealerships to the Auto Center. The additions of the Penske Mercedes dealership and the new Claremont Toyota showroom have contributed to increased sales tax receipts. Plans are also underway to construct a new and expanded Claremont Ford showroom. To date, the Agency has invested approximately \$2,200,000 into the Center and nearly \$15,000,000 has been returned to the City in the form of sales tax. Retail sales from autos and transportation are responsible for the largest share of the City's sales tax receipts, or about 70 percent of the total City retail sales.

Police Facility

Police operations have outgrown their current facility, which opened in 1974. In addition, the building's electrical infrastructure needs to be upgraded to accommodate the growing use of technology. The City will be evaluating the options of either renovating the existing police station on the existing site or constructing a new facility on a different site.

Redevelopment Agency

There are three primary areas of focus for the Redevelopment Agency: 1) implementing disposition and development agreements with the private developers who will carry out the Village expansion plan and install the public infrastructure; 2) to complete the expansion of Claremont Auto Center; and 3) to develop a plan and implement development of the Old School House and Claremont Inn. Much of the Agency's work plan is dedicated to these efforts. Completing the Village Expansion includes the design and construction of a dynamic and interactive public plaza and a parking structure that will serve residents, shoppers and commuters. Expansion of the existing Ford dealer is underway and work is continuing to attract additional dealerships. The Redevelopment Agency will also continue to look at options for revitalizing and improving the Foothill Corridor, including The Old School House site and The Claremont Inn.

Diversification of the Economic Base

The City is actively promoting the advantages of the technology-oriented colleges in Claremont, such as Harvey Mudd and Keck Graduate Institute, in order to increase the presence of high technology and biotechnology firms in the City.

Appendix A- Detailed Calculations for Supportable Square Feet

| | |
|------------|--|
| Table A-1 | Household Expenditures by Store Type: 2000 |
| Table A-2 | Household Expenditures by Store Type: 2010 |
| Table A-3 | Household Expenditures by Store Type: 2030 |
| Table A-4 | Student Expenditures by Store Type: 2000 |
| Table A-5 | Student Expenditures by Store Type: 2010 |
| Table A-6 | Student Expenditures by Store Type: 2030 |
| Table A-7 | Office Worker Expenditures by Store Type: 2000 |
| Table A-8 | Office Worker Expenditures by Store Type: 2010 |
| Table A-9 | Office Worker Expenditures by Store Type: 2030 |
| Table A-10 | Assumptions: Median Sales per Square Foot |

**Table A-1
Household Expenditures by Store Type: 2000
(in constant 2000 dollars)**

| Retail Category | Per Household | Total Household Expenditures | Median Sales Per Sq.Ft.¹ | Square Feet | Capture Rate | Total Supportable Square Feet |
|---|----------------------|-------------------------------------|--|--------------------|---------------------|--------------------------------------|
| Apparel Stores | \$1,541 | \$17,382,766 | \$240 | 72,428 | 17.0% | 12,310 |
| General Merchandise Stores ² | 5,802 | 65,450,240 | \$190 | 344,475 | 4.0% | 13,780 |
| Food Stores | 4,942 | 55,752,995 | \$350 | 159,294 | 125.0% | 199,120 |
| Eating and Drinking Places | 3,408 | 38,446,293 | \$270 | 142,394 | 71.0% | 101,100 |
| Home Furnishings | 1,195 | 13,482,825 | \$210 | 64,204 | 16.0% | 10,270 |
| Auto Dealers and Parts | 4,545 | 51,270,382 | n/a | n/a | n/a | n/a |
| Gasoline Service Stations | 1,547 | 17,448,362 | n/a | n/a | n/a | n/a |
| Other Retail ³ | 2,848 | 32,132,045 | \$260 | 123,585 | 86.0% | 106,280 |
| Total Retail Expenditures | \$25,828 | \$291,365,909 | \$246 | 906,380 | | 442,860 |
| Households | 11,281 | | | | | |
| Household Size | 2.56 | | | | | |
| Household Income | \$84,618 | | | | | |
| Retail Spending As % of Income | 30.52% | | | | | |

1. Based on median sales volume per square foot of GLA for U.S. Neighborhood and Community Shopping Centers.
2. Includes drug stores.
3. Includes liquor stores and building materials.

Source: Stanley R. Hoffman Associates, Inc.
Dollars & Cents of Shopping Centers: 2004, Urban Land Institute.

**Table A-2
Household Expenditures by Store Type: 2010
(in constant 2000 dollars)**

| Retail Category | Per Household | Total Household Expenditures | Median Sales Per Sq.Ft. ¹ | Square Feet | Capture Rate | Total Supportable Square Feet | Alternative Capture Rate | Total Supportable Square Feet |
|---|-----------------|------------------------------|--------------------------------------|------------------|--------------|-------------------------------|--------------------------|-------------------------------|
| Apparel Stores | \$1,638 | \$19,793,959 | \$240 | 82,475 | 21.0% | 17,320 | 34.0% | 28,040 |
| General Merchandise Stores ² | 6,161 | 74,471,559 | \$190 | 391,956 | 6.0% | 23,520 | 9.0% | 35,280 |
| Food Stores | 5,150 | 62,243,987 | \$350 | 177,840 | 125.0% | 222,300 | 137.5% | 244,530 |
| Eating and Drinking Places | 3,635 | 43,934,042 | \$270 | 162,719 | 75.0% | 122,040 | 82.5% | 134,240 |
| Home Furnishings | 1,278 | 15,449,255 | \$210 | 73,568 | 16.0% | 11,770 | 17.6% | 12,950 |
| Auto Dealers and Parts | 4,861 | 58,752,890 | n/a | n/a | n/a | n/a | n/a | n/a |
| Gasoline Service Stations | 1,627 | 19,666,174 | n/a | n/a | n/a | n/a | n/a | n/a |
| Other Retail ³ | 3,028 | 36,593,410 | \$260 | 140,744 | 90.0% | 126,670 | 100.0% | 140,740 |
| Total Retail Expenditures | \$27,377 | \$330,905,276 | \$245 | 1,029,301 | | 523,620 | | 595,780 |
| Households | 12,087 | | | | | | | |
| Household Size | 2.62 | | | | | | | |
| Household Income | \$91,258 | | | | | | | |
| Retail Spending As % of Income | 30.00% | | | | | | | |

1. Based on median sales volume per square foot of GLA for U.S Neighborhood and Community Shopping Centers.
2. Includes drug stores.
3. Includes liquor stores and building materials.

Source: Stanley R. Hoffman Associates, Inc.
Dollars & Cents of Shopping Centers: 2004, Urban Land Institute.

**Table A-3
Household Expenditures by Store Type: 2030
(in constant 2000 dollars)**

| Retail Category | Per Household | Total Household Expenditures | Median Sales Per Sq.Ft. ¹ | Square Feet | Capture Rate | Total Supportable Square Feet | Alternative Capture Rate | Total Supportable Square Feet |
|---|-----------------|------------------------------|--------------------------------------|------------------|--------------|-------------------------------|--------------------------|-------------------------------|
| Apparel Stores | \$1,632 | \$21,644,317 | \$240 | 90,185 | 21.0% | 18,940 | 34.0% | 30,660 |
| General Merchandise Stores ² | 6,129 | 81,294,146 | \$190 | 427,864 | 6.0% | 25,670 | 9.0% | 38,510 |
| Food Stores | 4,931 | 65,409,416 | \$350 | 186,884 | 125.0% | 233,610 | 137.5% | 256,970 |
| Eating and Drinking Places | 3,646 | 48,362,423 | \$270 | 179,120 | 75.0% | 134,340 | 82.5% | 147,770 |
| Home Furnishings | 1,289 | 17,093,892 | \$210 | 81,399 | 16.0% | 13,020 | 17.6% | 14,330 |
| Auto Dealers and Parts | 4,900 | 64,988,263 | n/a | n/a | n/a | n/a | n/a | n/a |
| Gasoline Service Stations | 1,590 | 21,092,750 | n/a | n/a | n/a | n/a | n/a | n/a |
| Other Retail ³ | 3,014 | 39,977,753 | \$260 | 153,761 | 90.0% | 138,380 | 100.0% | 153,760 |
| Total Retail Expenditures | \$27,131 | \$359,862,960 | \$245 | 1,119,213 | | 563,960 | | 642,000 |
| Households | 13,264 | | | | | | | |
| Household Size | 2.42 | | | | | | | |
| Household Income | \$93,491 | | | | | | | |
| Retail Spending As % of Income | 29.02% | | | | | | | |

1. Based on median sales volume per square foot of GLA for U.S. Neighborhood and Community Shopping Centers.
2. Includes drug stores.
3. Includes liquor stores and building materials.

Source: Stanley R. Hoffman Associates, Inc.
Dollars & Cents of Shopping Centers: 2004, Urban Land Institute.

Table A-4
Student Expenditures by Store Type: 2000
(in constant 2000 dollars)

| Retail Category | Per Student | Total Expenditures | Median Sales Per Sq.Ft. ¹ | Square Feet | Capture Rate | Total Supportable Square Feet |
|---|-------------|--------------------|--------------------------------------|--------------|--------------|-------------------------------|
| Apparel Stores | \$250 | \$1,450,000 | \$240 | 6,042 | 10.0% | 600 |
| General Merchandise Stores ² | 855 | 4,959,000 | \$190 | 26,100 | 4.0% | 1,040 |
| Food Stores | 1,147 | 6,652,600 | \$350 | 19,007 | 25.0% | 4,750 |
| Eating and Drinking Places | 402 | 2,331,600 | \$270 | 8,636 | 25.0% | 2,160 |
| Home Furnishings | 139 | 806,200 | \$210 | 3,839 | 10.0% | 380 |
| Auto Dealers and Parts | 348 | 2,018,400 | n/a | n/a | n/a | n/a |
| Gasoline Service Stations | 254 | 1,473,200 | n/a | n/a | n/a | n/a |
| Other Retail ³ | <u>379</u> | <u>2,198,200</u> | <u>\$260</u> | <u>8,455</u> | <u>25.0%</u> | <u>2,110</u> |
| Total Retail Expenditures | \$3,774 | \$21,889,200 | \$255 | 72,078 | | 11,060 |
| Students Enrolled ⁴ | 7,100 | | | | | |
| Students in Claremont (@82%) | 5,800 | | | | | |
| Household Size | 1.00 | | | | | |
| Annual Income | \$5,000 | | | | | |
| Retail Spending As % of Income | 75.48% | | | | | |

1. Based on median sales volume per square foot of GLA for U.S Neighborhood and Community Shopping Centers.

2. Includes drug stores.

3. Includes liquor stores and building materials.

4. Student Enrolled is the total number of students that are enrolled at the Claremont Colleges. At any given time, roughly 82% of the students enrolled are in Claremont. Approximately 18% of students are away from Claremont, either abroad, on internships, or doing research projects.

Source: Stanley R. Hoffman Associates, Inc.

Dollars & Cents of Shopping Centers: 2004, Urban Land Institute.

**Table A-5
Student Expenditures by Store Type: 2010
(in constant 2000 dollars)**

| Retail Category | Per Student | Total Expenditures | Median Sales Per Sq.Ft. ¹ | Square Feet | Capture Rate | Total Supportable Square Feet | Alternative Capture Rate | Total Supportable Square Feet |
|---|----------------|---------------------|--------------------------------------|---------------|--------------|-------------------------------|--------------------------|-------------------------------|
| Apparel Stores | \$250 | \$1,537,500 | \$240 | 6,406 | 10.0% | 640 | 25.0% | 1,600 |
| General Merchandise Stores ² | 855 | 5,258,250 | \$190 | 27,675 | 4.0% | 1,110 | 15.0% | 4,150 |
| Food Stores | 1,147 | 7,054,050 | \$350 | 20,154 | 25.0% | 5,040 | 40.0% | 8,060 |
| Eating and Drinking Places | 402 | 2,472,300 | \$270 | 9,157 | 25.0% | 2,290 | 40.0% | 3,660 |
| Home Furnishings | 139 | 854,850 | \$210 | 4,071 | 10.0% | 410 | 25.0% | 1,020 |
| Auto Dealers and Parts | 348 | 2,140,200 | n/a | n/a | n/a | n/a | n/a | n/a |
| Gasoline Service Stations | 254 | 1,562,100 | n/a | n/a | n/a | n/a | n/a | n/a |
| Other Retail ³ | 379 | 2,330,850 | \$260 | 8,965 | 25.0% | 2,240 | 40% | 3,590 |
| Total Retail Expenditures | \$3,774 | \$23,210,100 | \$255 | 76,428 | | 11,720 | | 22,080 |
| Students Enrolled ⁴ | 7,500 | | | | | | | |
| Students in Claremont (@82%) | 6,150 | | | | | | | |
| Household Size | 1.00 | | | | | | | |
| Annual Income | \$5,000 | | | | | | | |
| Retail Spending As % of Income | 75.48% | | | | | | | |

1. Based on median sales volume per square foot of GLA for U.S Neighborhood and Community Shopping Centers.

2. Includes drug stores.

3. Includes liquor stores and building materials.

4. Student Enrolled is the total number of students that are enrolled at the Claremont Colleges. At any given time, roughly 82% of the students enrolled are in Claremont. Approximately 18% of students are away from Claremont, either abroad, on internships, or doing research projects.

Source: Stanley R. Hoffman Associates, Inc.
Dollars & Cents of Shopping Centers: 2004, Urban Land Institute.

Table A-6
Student Expenditures by Store Type: 2030
 (in constant 2000 dollars)

| Retail Category | Per Student | Total Expenditures | Median Sales Per Sq.Ft. ¹ | Square Feet | Capture Rate | Total Supportable Square Feet | Alternative Capture Rate | Total Supportable Square Feet |
|---|----------------|---------------------|--------------------------------------|---------------|--------------|-------------------------------|--------------------------|-------------------------------|
| Apparel Stores | \$250 | \$1,700,000 | \$240 | 7,083 | 10.0% | 710 | 25.0% | 1,770 |
| General Merchandise Stores ² | 855 | 5,814,000 | \$190 | 30,600 | 4.0% | 1,220 | 15.0% | 4,590 |
| Food Stores | 1,147 | 7,799,600 | \$350 | 22,285 | 25.0% | 5,570 | 40.0% | 8,910 |
| Eating and Drinking Places | 402 | 2,733,600 | \$270 | 10,124 | 25.0% | 2,530 | 40.0% | 4,050 |
| Home Furnishings | 139 | 945,200 | \$210 | 4,501 | 10.0% | 450 | 25.0% | 1,130 |
| Auto Dealers and Parts | 348 | 2,366,400 | n/a | n/a | n/a | n/a | n/a | n/a |
| Gasoline Service Stations | 254 | 1,727,200 | n/a | n/a | n/a | n/a | n/a | n/a |
| Other Retail ³ | 379 | 2,577,200 | \$260 | 9,912 | 25.0% | 2,480 | 40% | 3,960 |
| Total Retail Expenditures | \$3,774 | \$25,663,200 | \$255 | 84,506 | | 12,960 | | 24,410 |
| Students Enrolled ⁴ | 8,300 | | | | | | | |
| Students in Claremont (@82%) | 6,800 | | | | | | | |
| Household Size | 1.00 | | | | | | | |
| Annual Income | \$5,000 | | | | | | | |
| Retail Spending As % of Income | 75.48% | | | | | | | |

1. Based on median sales volume per square foot of GLA for U.S Neighborhood and Community Shopping Centers.
2. Includes drug stores.
3. Includes liquor stores and building materials.
4. Student Enrolled is the total number of students that are enrolled at the Claremont Colleges. At any given time, roughly 82% of the students enrolled are in Claremont. Approximately 18% of students are away from Claremont, either abroad, on internships, or doing research projects.

Source: Stanley R. Hoffman Associates, Inc.
 Dollars & Cents of Shopping Centers: 2004, Urban Land Institute.

Table A-7
Office Worker Expenditures by Store Type: 2000
(in constant 2000 dollars)

| Retail Category | Per Worker | Total Household Expenditures | Median Sales Per Sq.Ft.¹ | Square Feet | Capture Rate | Total Supportable Square Feet |
|---|-------------------|-------------------------------------|--|--------------------|---------------------|--------------------------------------|
| Apparel Stores | \$592 | \$1,676,956 | \$240 | 6,987 | 50.0% | 3,490 |
| General Merchandise Stores ² | 2,043 | 5,787,320 | \$190 | 30,460 | 50.0% | 15,230 |
| Food Stores | 286 | 811,136 | \$350 | 2,318 | 50.0% | 1,160 |
| Eating and Drinking Places | 1,348 | 3,818,720 | \$270 | 14,143 | 50.0% | 7,070 |
| Other Retail | 165 | 467,846 | \$260 | 1,799 | 50.0% | 900 |
| Total Retail Expenditures | \$4,435 | \$12,561,979 | \$225 | 55,707 | | 12,620 |
| Office Workers | 2,833 | | | | | |

1. Based on median sales volume per square foot of GLA for U.S. Neighborhood and Community Shopping Centers.
2. Includes Comparison Goods, Convenience Goods, Incidentals, and Other Shopper Goods.

Source: Stanley R. Hoffman Associates, Inc.
Dollars & Cents of Shopping Centers: 2004, Urban Land Institute.

Table A-8
Office Worker Expenditures by Store Type: 2010
 (in constant 2000 dollars)

| Retail Category | Per Worker | Total Household Expenditures | Median Sales Per Sq.Ft. ¹ | Square Feet | Capture Rate | Total Supportable Square Feet | Alternative Capture Rate | Total Supportable Square Feet |
|---|------------|------------------------------|--------------------------------------|-------------|--------------|-------------------------------|--------------------------|-------------------------------|
| Apparel Stores | \$592 | \$2,935,584 | \$240 | 12,232 | 50.0% | 6,120 | 60% | 7,340 |
| General Merchandise Stores ² | 2,043 | 10,130,955 | \$190 | 53,321 | 50.0% | 26,660 | 60% | 31,990 |
| Food Stores | 286 | 1,419,929 | \$350 | 4,057 | 50.0% | 2,030 | 60% | 2,430 |
| Eating and Drinking Places | 1,348 | 6,684,835 | \$270 | 24,759 | 50.0% | 12,380 | 60% | 14,860 |
| Other Retail | 165 | 818,985 | \$260 | 3,150 | 50.0% | 1,570 | 60% | 1,890 |
| Total Retail Expenditures | \$4,435 | \$21,990,289 | \$225 | 97,518 | | 48,760 | | 58,510 |
| Office Workers | 4,959 | | | | | | | |

1. Based on median sales volume per square foot of GLA for U.S Neighborhood and Community Shopping Centers.

2. Includes Comparison Goods, Convenience Goods, Incidentals, and Other Shopper Goods.

Source: Stanley R. Hoffman Associates, Inc.
 Dollars & Cents of Shopping Centers: 2004, Urban Land Institute.

Table A-9
Office Worker Expenditures by Store Type: 2030
(in constant 2000 dollars)

| Retail Category | Per Worker | Total Household Expenditures | Median Sales Per Sq.Ft. ¹ | Square Feet | Capture Rate | Total Supportable Square Feet | Alternative Capture Rate | Alternative Supportable Square Feet |
|---|----------------|------------------------------|--------------------------------------|----------------|--------------|-------------------------------|--------------------------|-------------------------------------|
| Apparel Stores | \$592 | \$3,489,980 | \$240 | 14,542 | 50.0% | 7,270 | 60% | 8,720 |
| General Merchandise Stores ² | 2,043 | 12,044,223 | \$190 | 63,391 | 50.0% | 31,700 | 60% | 38,030 |
| Food Stores | 286 | 1,688,088 | \$350 | 4,823 | 50.0% | 2,410 | 60% | 2,890 |
| Eating and Drinking Places | 1,348 | 7,947,291 | \$270 | 29,434 | 50.0% | 14,720 | 60% | 17,660 |
| Other Retail ³ | 165 | 973,654 | \$260 | 3,745 | 50.0% | 1,870 | 60% | 2,250 |
| Total Retail Expenditures | \$4,435 | \$26,143,235 | \$225 | 115,935 | | 57,970 | | 69,560 |
| Office Workers | 5,895 | | | | | | | |

1. Based on median sales volume per square foot of GLA for U.S. Neighborhood and Community Shopping Centers.

2. Includes Comparison Goods, Convenience Goods, Incidentals, and Other Shopper Goods.

Source: Stanley R. Hoffman Associates, Inc.
Dollars & Cents of Shopping Centers: 2004, Urban Land Institute.

Table A-10
Assumptions: Median Sales per Square Foot

| Retail Category | Median Sales Per Sq.Ft.¹ | Weighted Average |
|---|--|-------------------------|
| Apparel Stores | \$240 | |
| General Merchandise Stores ² | 163 | \$190 |
| Drug Stores | 408 | |
| Food Stores | 350 | |
| Liquor Stores | 250 | |
| Eating and Drinking Places | 270 | |
| Home Furnishings | 210 | |
| Building Materials | 290 | |
| Auto Dealers and Parts | n/a | |
| Gasoline Service Stations | n/a | |
| Other Retail ³ | \$145 | \$260 |

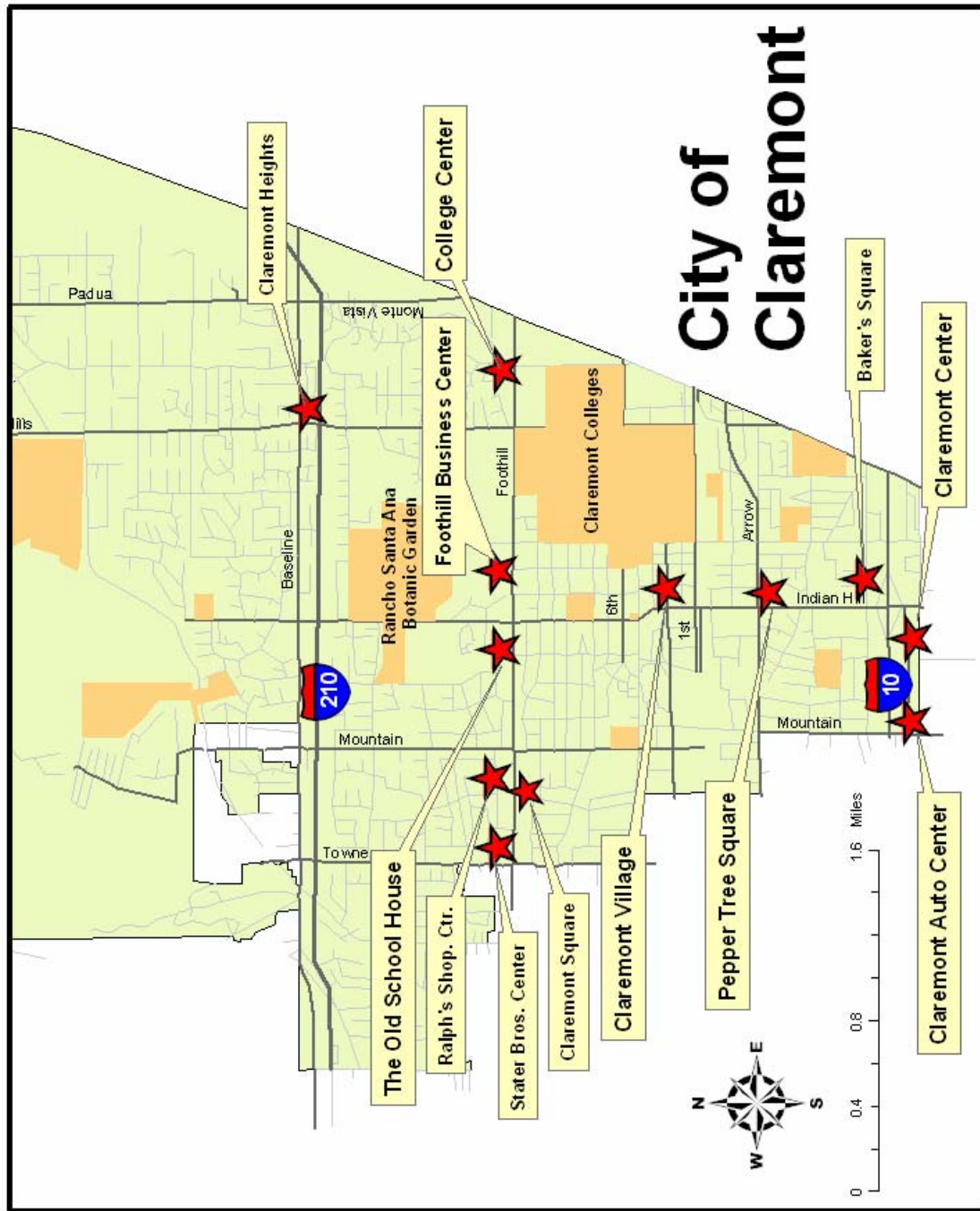
1. Based on median sales volume per square foot of GLA for U.S. Neighborhood and Community Shopping Centers.
2. The weighted average includes General Merchandise and Drug Stores.
3. The weighted average includes Other Retail, Liquor Stores and Building Materials.

Source: Stanley R. Hoffman Associates, Inc.

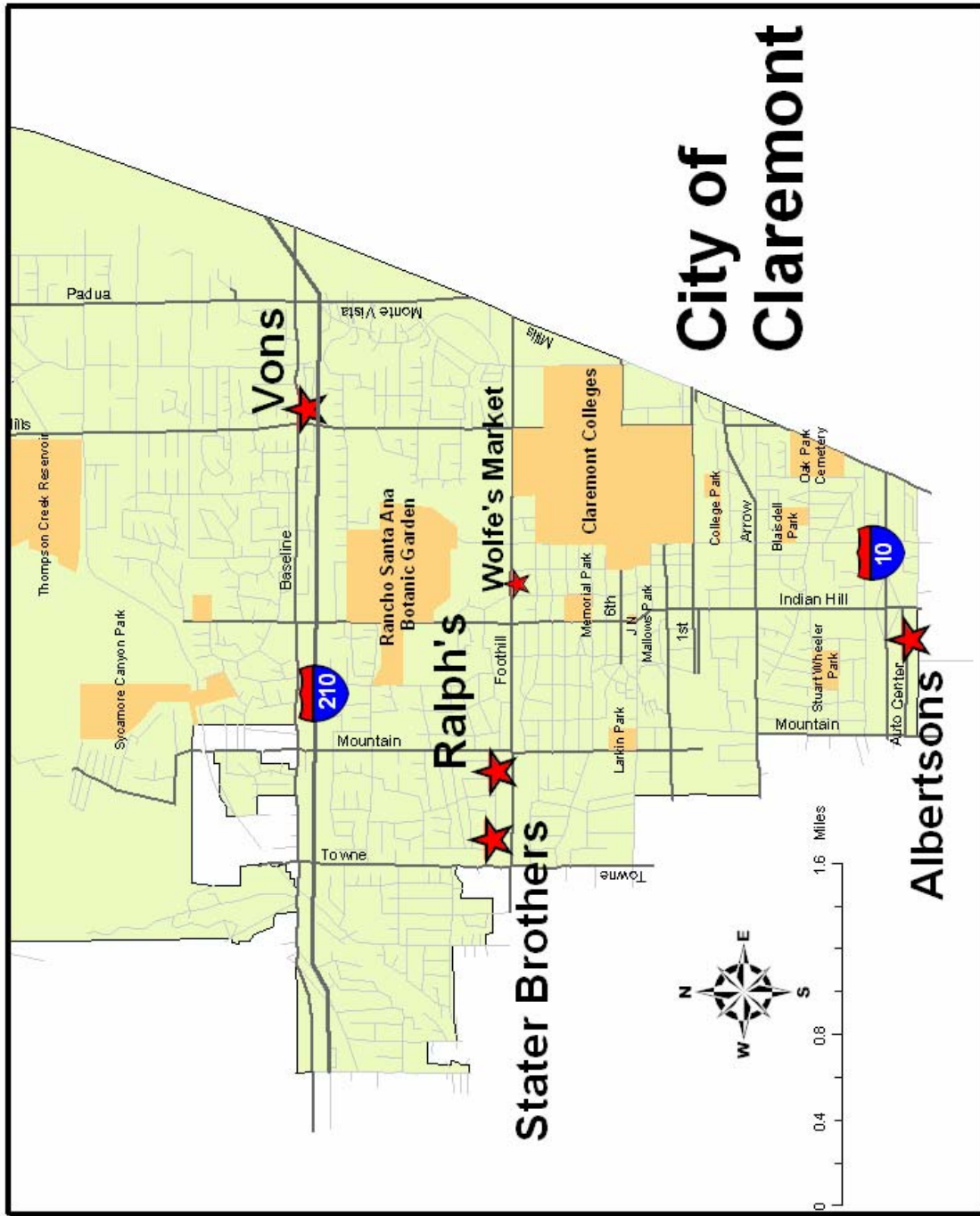
Appendix B- Retail Maps

- Figure B-1 Major Retail Centers
- Figure B-2 Supermarket Locations
- Figure B-3 Geographic Sub-Areas

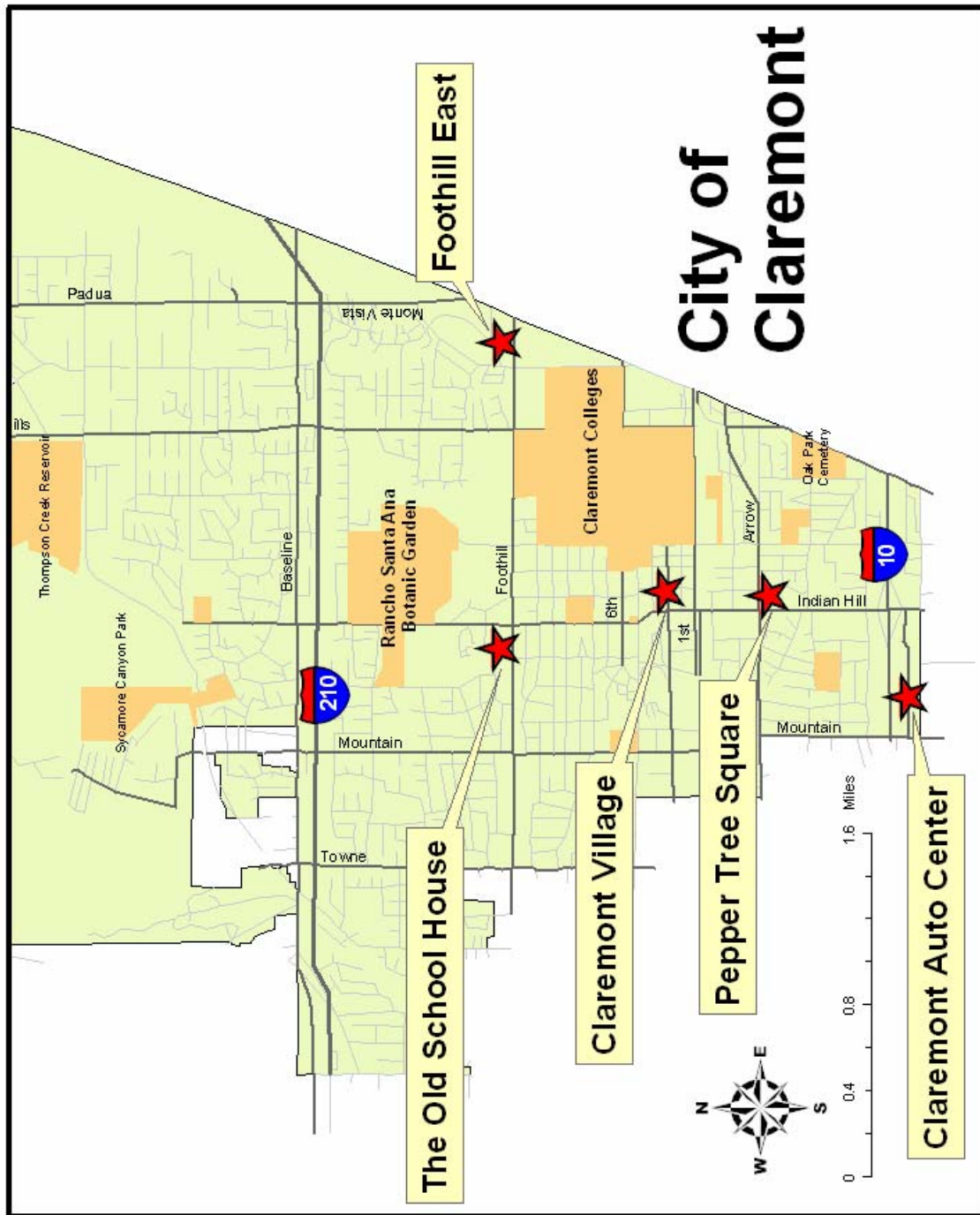
**Figure B-1
Major Retail Centers**



**Figure B-2
Supermarket Locations**



**Figure B-3
Geographic Sub-Areas**



Appendix C- Project Contacts

City of Claremont

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