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**ANALYSIS OF FISCAL IMPACT
OF FORMULA RETAIL ORDINANCES
PROPOSED FOR THE CITY OF MALIBU**

BY

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In association with

ILLUMINAS CONSULTING

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TABLE OF CONTENTS

INTRODUCTION	4
BRIEF BACKGROUND	4
PURPOSE OF STUDY	4
SEPARATE ANALYSIS OF IMPACT ON EXISTING RETAIL AND NEW DEVELOPMENT.....	4
ORGANIZATON OF REPORT	6
SECTION 1 – INTERPRETATION OF ORDINANCES.....	7
CITY ORDINANCE.....	7
REINER INITIATIVE.....	8
SECTION 2 – IMPACT ON EXISTING CENTERS	9
BOTTOM LINE	9
KEY PREMISES.....	9
METHODOLOGY	10
TENANCY STATUS	10
RETAIL CLASS BY SALES TAX GENERATION	11
CURRENT STATUS OF CENTERS	11
ASSUMPTIONS AS TO SALES PER SQ FT AND REAL GROWTH RATE BY RETAIL CATEGORY.....	12
PROJECTION OF FUTURE CHANGE IN TENANCY	14
SUMMARY OF RESULTS.....	14
KEY CONTRIBUTING FACTORS TO RESULTS.....	15
SUPPORTING CALCULATIONS	15
SECTION 3 – IMPACT ON NEW DEVELOPMENT.....	16
BOTTOM LINE	16
KEY PREMISES.....	16
METHODOLOGY	17
PROJECTED NEW RETAIL CONSTRUCTION.....	17
INCREASED PROPERTY VALUES	19
PROJECTION OF TAXABLE RETAIL SALES	19
UTILITY TAX PROJECTIONS.....	19
PROPERTY TAX IN-LIEU PAYMENTS	19
SUMMARY OF RESULTS.....	20
OFFSETTING MUNICIPAL EXPENDITURES	20
KEY CONTRIBUTING FACTORS TO RESULTS.....	20
SUPPORTING CALCULATIONS	21
SECTION 4 – LIMITING CONDITIONS AND ACKNOWELDGEMENTS.....	22
ACKNOWLEDGMENTS	23
APPENDICES.....	24

TABLE OF CONTENTS - EXHIBITS

EXHIBIT 1 – CITY OF MALIBU EXISTING RETAIL CENTERS AND AERIAL IMAGE OF CIVIC CENTER PROPERTIES 5

EXHIBIT 2 – MALIBU FORMULA RETAIL ORDINANCE ANALYSIS; SUMMARY – CURRENT STATUS OF ALL CENTERS IN DATA SET13

EXHIBIT 3 –MALIBU FORMULA RETAIL ORDINANCE ANALYSIS; SUMMARY OF IMPACT OF CITY ORDINANCE AND REINER INITIATIVE ON PROJECTED SALES TAX15

EXHIBIT 4 – MAP AND DETAILS OF PROPOSED CIVIC CENTER PROJECTS.....19

EXHIBIT 5 – POTENTIAL ANNUAL TAX REVENUE TO THE CITY OF MALIBU WITHOUT THE REINER INITIATIVE..... .21

EXHIBIT 6 – AVERAGE ANNUAL TAX REVENUE BASED ON RANGE PROJECTIONS..... 22

INTRODUCTION

Brief Background

For some time the City of Malibu has been considering alternative mechanisms for limiting the number of chain stores, also and more accurately identified as "formula retail" in the City of Malibu. For much of that time there was a particular focus on the shopping centers in the Civic Center area. Proposed regulations are currently under review by the City in an ordinance which has undergone public hearing before the Planning Commission and will be scheduled for City Council consideration. More recently, a voter initiative entitled "Your Malibu, Your Decision", (hereafter referred to as the "Reiner Initiative"), has been circulated and it has qualified for the ballot.

On June 9, 2014, the Malibu City Council directed the City to undertake three parallel evaluation efforts of the recent Reiner Initiative. There was to be a legal evaluation conducted by the City Attorney, a land use and planning evaluation conducted by the City Planning Department, and an evaluation of the potential fiscal impact to be undertaken by Allan D. Kotin & Associates (ADK&A).

Purpose of Study

The evaluation undertaken by ADK&A and contained in this report is intended to illustrate the maximum possible impacts of the Reiner Initiative. Accordingly, the projections presented herein are not reasoned projections of likely events but rather instead estimates of the maximum growth that might occur without limitation and the extent to which that growth might be restricted by the Reiner Initiative or the City ordinance.

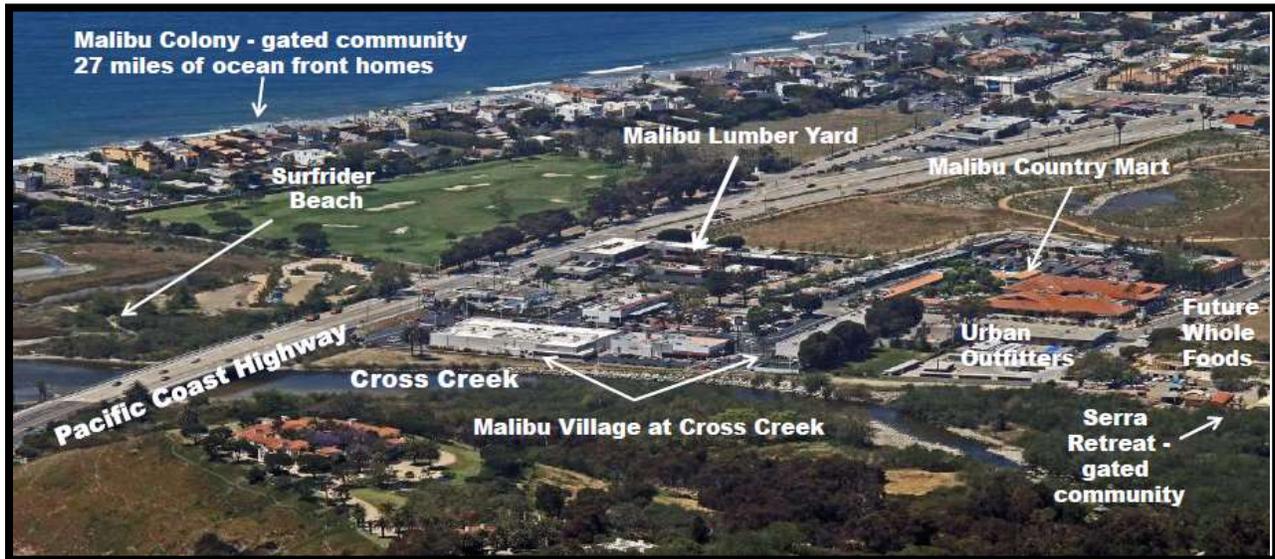
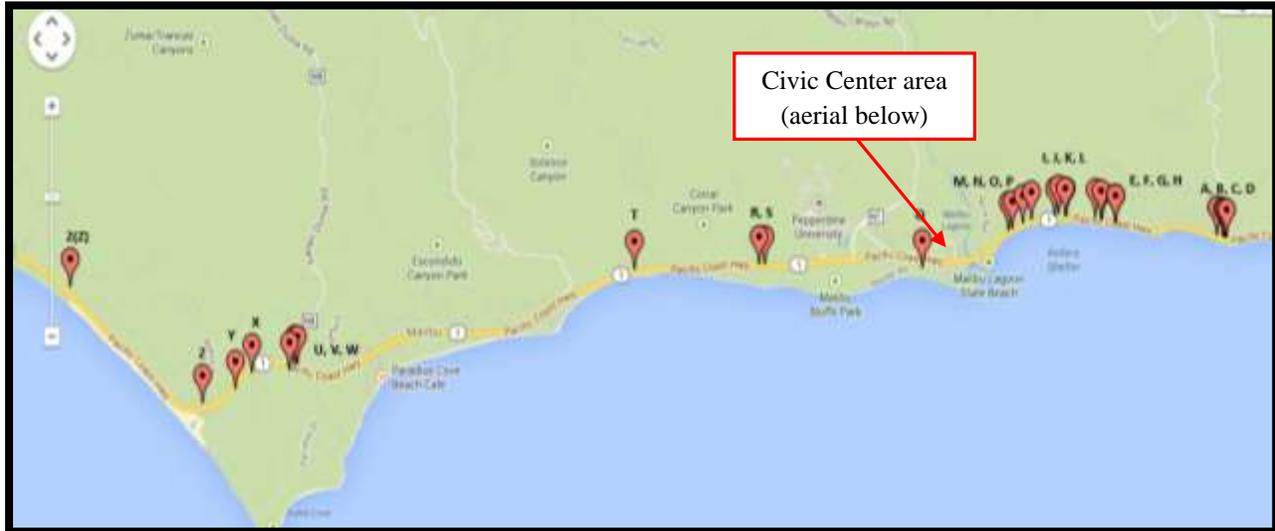
Separate Analysis of Impact on Existing Retail and New Development

Although the City ordinance and the Reiner Initiative both address formula retail, they are very different in important ways that directly affect the fiscal impact on the City. The City Ordinance deals specifically with restrictions on formula retail in the Civic Center. The Reiner Initiative restricts formula retail throughout the City but it exempts a significant number of individual retail spaces in the Civic Center.

Another explicitly structural change in the scope of the analysis is the separate provision in the Reiner Initiative that requires specific plans and public votes for all new commercial developments in excess of 20,000 square feet. Because of this ADK&A analyzes separately the fiscal impact of the Reiner Initiative on "Existing Retail" and on "New Development" since the formula retail restrictions will primarily impact existing retail centers while the required additional processing of new commercial developments will explicitly apply to all new commercial development.

EXHIBIT 1

City of Malibu Existing Retail Centers* and Aerial Image of Civic Center Properties



* For a detailed listing and key to the initialed locations, see Appendix C

Because the two aspects of the Reiner Initiative deal with different issues, ADK&A has undertaken two parallel analyses. In one analysis, the impacts on existing shopping centers resulting from the two limitations proposed on formula retail are examined for their fiscal impact. See Exhibit 1 for an overview of shopping locations in Malibu. In a separate analysis, ADK&A has coordinated with City staff to identify a potential series of new developments that meet the test of the Reiner Initiative and analyzed whether or not those developments would either materialize or, due to the election requirement and other aspects of the Reiner Initiative, fail to materialize.

Organization of Report

The balance of this report is organized into four sections. A very short "Interpretation of Ordinance" section is provided so that the reader may understand the assumptions used by ADK&A in making its quantitative estimates. This is followed by two sections representing the two major but separate impacts; first the impact on existing centers in Section 2 and then in Section 3 for the impact on new development.

In lieu of summary sections, both sections 2 and 3 begin with a "bottom line" summary of key findings and premises.

Section 4 is a short but critical statement of the limiting conditions in the analysis which is intended to remind the reader that the purpose of this study was not to say "what will happen" but what are the fiscal impacts of "what might happen" under the most extreme conditions.

SECTION 1 - INTERPRETATION OF ORDINANCES

While the formal legal interpretation of either the City ordinance or the Reiner Initiative is clearly outside the scope of this effort, it is important to identify the particular assumptions used in making the quantitative estimates in this report. To this end, the following highly abbreviated summary of the two sets of definitions and limitations in question is provided specifically as they relate to the impact on existing retail properties that meet the definition of shopping centers in the proposed language.¹

City Ordinance:

- 1 Applies only to Civic Center retail. Except as exempted, all new formula retail needs a “planning clearance”, which can occur only with the findings that the new formula retail complies with all the tests below.
- 2 Ordinance expires in 1 year.²
- 3 Each new formula retail outlet must be no larger than 3,500 square feet
- 4 Total number of formula retail establishments must be no greater than 45% of:
 - a. the net number of tenants on each floor of a shopping center, excluding those in the exempted categories
 - b. the net retail component of a commercial building, as measured by tenant spaces
- 5 Shopping Center is defined as a commercial building of 10,000 square feet or more or series of adjacent buildings together comprising 10,000 square feet or more under common management
- 6 Exempt formula retail uses:
 - a. Banks and financial services;
 - b. Drug stores/pharmacies;
 - c. Gas stations;
 - d. Grocery;
 - e. Insurance offices;
 - f. Lower-cost overnight accommodations;
 - g. Medical uses;
 - h. Movie theaters;
 - i. Post offices;
 - j. Real estate offices.
- 7 Grandfathered formula retail: All that are in existence as of date of ordinance
- 8 Formula retail is a store that has at least 10 others in the USA with at least two of the seven common features used to define formula retail

¹ For a comprehensive review of the legal issues in the two ordinances, the reader is referred to a separate report prepared by the City Attorney for the city of Malibu. The issues addressed in this brief outline are intended only to illustrate the assumptions used in formulating quantitative estimates. The summary has been reviewed and approved by City staff.

² Note that ADK&A, per City staff direction, has assumed that restrictions under the City ordinance would be renewed for a period of five (5) years, notwithstanding the sunset provision in the ordinance as drafted.

Reiner Initiative:

- 1) All non-exempt formula retail needs a conditional use permit issued by the City (CUP). A new CUP is needed for an existing formula retail establishment if it does not operate for 30 days or more or if it: expands by 200 square feet or more, it expands its service area by 50 or more square feet, or relocates. In existing Civic Center shopping centers, formula retail is allowed by right in any tenant space between 1,400 and 5,000 square feet.
- 2) If non-exempt, each new formula retail outlet must be no larger than 2,500 square feet.
- 3) Total formula retail must be no more than 30% of:
 - a) the floor area of each floor of a retail service area
 - b) the total number of leasable tenant spaces on each floor of a retail service area
 - c) the total gross square feet of a shopping center or parcel
 - d) calculation of these limits shall take into consideration to ALL formula retail, including the exempt uses
- 4) Shopping Center defined as 10,000 or more square feet square feet under common management, but if spans more than one parcel the limitations apply separately to each parcel
- 5) Exempt (CUP not required) formula retail uses: Same as for Ordinance, except insurance is not exempt
- 6) Also exempt (CUP not required): All Civic Center retail spaces as of 4/1/14 with a size of least 1,400 square feet but not larger than 5,000 square feet, provided it was not reconfigured after 4/1/14 to fit this criterion and does not expand the total floor area of its center
- 7) Formula retail is a store that has at least 10 others in the world with at least two of the seven common features used to define formula retail

SECTION 2 - IMPACT ON EXISTING CENTERS

The Bottom Line

Neither of the two ordinances is likely to have a significant impact on the sales tax collected from the existing stores in Malibu. This is because the City ordinance has a relatively short shelf life, and because the Reiner Initiative exempts all retail spaces in the Civic Center between 1,400 and 5,000 square feet, a size range which covers most likely retail tenants. The illustrative projections of possible City-wide sales tax changes is summarized below³. These estimates reflect total sales tax for the nine largest shopping centers in the City which, in the judgment of ADK&A, are the only locations at which the application of restrictions to formula retail will have any impact on sales tax.

Illustrative Sales Tax (shown in 000's)	<u>Year 5</u>	<u>Year 10</u>	<u>Year 15</u>
No Ordinance	\$1,608	\$1,890	\$1,990
City Ordinance	\$1,500	N/A	N/A
Reiner Initiative	\$1,580	\$1,780	\$1,880
 Total City Sales Tax	 \$2,850 ⁴		

Note the lower tax receipts or negative impact only reflects a lower level of growth and does not indicate any loss from current levels.

There are likely to be no meaningful sales tax effects that occur outside the four “specialty retail” shopping centers along Cross Creek Road north of PCH, also known as the Civic Center retail district. “Formula retail” tenants may move into other centers, but they unlikely to be in merchandise categories for which formula retail sales per square foot are materially higher than other retailers which limits the effect on sales taxes paid.

Key Premises for a Narrowly Focused Analysis

Before presenting methodology and findings with regard to the impact of the proposed ordinances on existing retail, it is important to state clearly that this is a narrowly focused analysis.

- This analysis is solely concerned with measuring the maximum likely fiscal impact of the ordinances, i.e., would the city collect materially higher sales tax without the ordinances. And will there be a significant financial impact to the City with the Reiner Initiative.
- The fact that the ordinances could materially change the pattern of retailing in the City is irrelevant to this study except in those instances where sales tax receipts will also change.

³Malibu Village, Malibu Country Mart, Malibu Lumber Yard, Cross Creek Center, Malibu Colony Plaza, Trancas Country Market, Point Dume Plaza, PC Greens, and Malibu Sands.

⁴ Included for comparison; from adopted 2013-2014 budget

- Because of this, there is no treatment of food service formula retail since new restaurants would be unlikely to change the total spent on food and therefore would not increase sales tax.
- Similarly, the discussion of impacts on existing centers is limited largely to the four centers along Cross Creek Road in the Civic Center. This is because the "high-end" or "fashion" formula retail are, in the opinion of the consulting team, likely to concentrate in these four shopping centers. This is meaningful because it is only in this category for which there is likely to be a significant shift in sales taxes per square foot.
- Other forms of formula retail substitution including, but not limited to, food service, groceries, dry cleaning, drugs and other standard categories, are much less likely to create a significant change in sales tax. Significant change in sales tax revenue is typically created only when the new store creates its own destination, which is unlikely in Malibu, or where formula retailers have a pattern of higher sales per square foot.

Methodology

ADK&A estimated the potential impact of the City ordinance and the Reiner Initiative on the sales tax generated by the nine existing centers in the data set⁵. Sales tax under each limitation of formula retail is projected at fixed points in the future. Due to its short period of applicability, for the City ordinance sales tax was projected only in year 5; for the Reiner Initiative sales tax was projected in years 5, 10 and 15. The future changes in sales tax are assumed to be due solely to changes in the use of existing space, either from vacant to occupied, or between classes of tenants.

Thus, the projection of the impact of the limitations on sales tax rests on two sets of assumptions: sales per square foot for each category of retail, and the total square feet in each category of retail at the points in time of the estimates.

Tenancy Status

ADK&A obtained an inventory of the current tenants at each of the centers with type of business, size of space, and number of other locations. Each space was assigned to a category to facilitate the determination of future tenancy. The categories used in the projection of future tenancy are shown below:

⁵ The nine centers analyzed are the five in the Civic Center area (Malibu Village, Malibu Country Mart, Malibu Lumber Yard, Cross Creek and Malibu Colony Plaza), plus Trancas Country Mart, Point Dume Plaza, PC Greens, and Malibu Sands.

**Applicable to All Properties Under the City Ordinance,
and Only to Non-Civic Center Properties Under the Voter Initiative:**

NFR	All Non-Formula Retail
FR-EX	Formula Retail, Exempt from Ordinance (e.g., grocery, financial)
FR-GF	Formula Retail, Grandfathered (e.g., exceeds size limit per ordinance)
FR	All Other Formula Retail
VAC	All Vacant Space

Applicable Only to Civic Center Properties Under the Voter Initiative:

NFR-EL	Non-Formula Retail, Eligible to be Formula Retail per the Voter Initiative (e.g., is between 1,500 and 5,000 sf)
NFR-IN	Non-Formula Retail, Ineligible to be Formula Retail (e.g., is <1,500 sf or >5,000 sf)
VAC-EL	Vacant Space, Eligible to be Formula Retail per the Voter Initiative (e.g., is between 1,500 and 5,000 sf)
VAC-IN	Vacant Space, Ineligible to be Formula Retail (e.g., is <1,500 sf or >5,000 sf)

Retail Class by Sales Tax Generation

The City provided the total general 2013 sales tax generated at Malibu Village, Country Mart, Malibu Lumber Yard, and Malibu Colony Plaza. Using this data, ADK&A estimated the current sales tax from the other five centers. To project sales tax reflecting the projected tenancy changes, ADK&A estimated a current sales per square foot amount for each center, for each class of tenant. These estimates, inflated with real growth factors, were used to project future sales tax under each scenario of formula retail limitation.

Current Status of Centers

As summarized in Exhibit 1, of the Civic Center properties, currently only Malibu Village and Malibu Lumber Yard exceed the City ordinance limit for formula retail; however, under the Reiner Initiative, all the Civic Center properties and Point Dume Plaza exceed the limit, in that spaces not currently exempt due to size could not be leased to formula retail tenants. Point Dume Plaza exceeds the limit due solely to the presence of the Pavilions supermarket which the Reiner Initiative does not exempt from the calculation of the percentage of formula retail space; without the market, Point Dume Plaza would be well under the Reiner Initiative's limit.

Due to their more remote locations, the other three centers (Trancas, PC Greens and Malibu Sands) have virtually no formula retail. ADK&A determined that it was highly unlikely that there would be any future formula retail tenancy at these centers.

Assumptions as to Sales per Square Foot and Real Growth Rate, by Retail Category

Each space was assigned to a class to facilitate the estimation and projection of sales per square foot, based on the sales tax generating nature of the current tenant. The classes used in the analysis are shown on the following page:

Classes of Retail Used in Projecting Sales Tax

VAC, NON-TAX	Vacant space and all space occupied by tenants that do not produce sales tax
FORMULA	All Formula Retail space that generates sales tax at a "normal" level
NON-FORMULA	All Non-Formula Retail space that generates sales tax at a "normal" level
REDUCED TAX	All space occupied by tenants produce reduced sales tax, such as grocery and drug outlets

ADK&A derived illustrative sales per square foot by category by assuming a relationship among the sales per square foot of the three classes of retail. As shown in Exhibit 2 on the following page, for each center we assumed sales at Formula Retail space at four times the level of Reduced Tax space, with Non-Formula Retail at twice the level of Reduced.

EXHIBIT 2

Malibu Formula Retail Ordinance Analysis
Summary - Current Status of All Centers in Data Set

Center: Total SF: Vacant SF: Last Event:	CIVIC CENTER PROPERTIES				Trances Country Mart 49,533 Total sf 14,832 Vacant sf renovated in 2013	NON-CIVIC CENTER PROPERTIES			
	Malibu Country Mart 84,810 Total sf 6,890 Vacant sf No recent change	Malibu Lumberyard 30,641 Total sf 5,777 Vacant sf Ground lease transferred in 2012	Cross Creek 14,861 Total sf 300 Vacant sf Renovated in 2013	Malibu Colony Plaza 110,834 Total sf 11,208 Vacant sf No recent change		Point Dune Plaza 58,803 Total sf 480 Vacant sf renovated in 2005 Pavilions,	PC Greens 19,308 Total sf 0 Vacant sf Undergoing major renovation	Malibu Sands 16,268 Total sf 6,432 Vacant sf No recent change	
City Ordinance Standards <=45%	25 2 2 11 15	66 0 0 16 16	20 0 0 13 13	6 0 0 1 1	28 6 0 4 4	37 2 0 2 3	24 5 0 2 7	9 1 0 1 2	22 0 0 0 0
Totals - All Tenants	25	66	20	6	28	37	24	9	22
Formula Retail - Exempt	2	0	0	0	6	2	5	1	0
Formula Retail - Grandfathered	2	0	0	0	6	0	40,055	0	0
Formula Retail - All Other	11	16	13	1	4	1	1,902	1	0
Total Formula Retail	15	16	13	1	10	3	41,962	2	0
Net Formula Retail	13	16	13	1	14	13	16,361	7	11
Formula Retail as % of Total	52%	24%	65%	17%	14%	8%	29%	22%	0%
CIVIC CENTER PROPERTIES									
Malibu Village 50,579 Total sf 1,750 Vacant sf Sold in 2014	Country Mart 84,810 Total sf 6,890 Vacant sf No recent change	Lumberyard 30,641 Total sf 5,777 Vacant sf Ground lease transferred in 2012	Cross Creek 14,861 Total sf 300 Vacant sf Renovated in 2013	Colony Plaza 110,834 Total sf 11,208 Vacant sf No recent change	Country Mart 49,533 Total sf 14,832 Vacant sf Expanded, renovated in 2013	Point Dune Plaza 58,803 Total sf 480 Vacant sf renovated in 2005 Pavilions,	PC Greens 19,308 Total sf 0 Vacant sf Undergoing major renovation	Malibu Sands 16,268 Total sf 6,432 Vacant sf No recent change	
Totals - All Tenants	66	20	6	28	37	24	9	22	
Formula Retail - Exempt	0	0	0	0	2	5	1	0	
Formula Retail - Grandfathered	0	0	0	0	0	0	0	0	
Formula Retail - All Other	16	13	1	1	2	2	1	0	
Total Existing Formula Retail	16	13	1	1	2	2	1	0	
Existing Non Formula Retail	47	57,522	3	4	14	16	17,611	11	
All Vacant Space	2	1,750	4	1	21	21	480	0	
TOTAL ALL SPACE	24	48,964	20	6	28	37	58,803	9	
Existing Formula Retail as % of Total	60%	24%	65%	17%	36%	8%	29%	22%	
NFR and Vacant Space Eligible to be Formula Retail	9,815	37,023	4	2	19,147	N/A in Civic Ctr	N/A in Civic Ctr	N/A in Civic Ctr	
Potential Formula Retail	21	45,904	17	3	95,710	N/A in Civic Ctr	N/A in Civic Ctr	N/A in Civic Ctr	
Potential Formula Retail as % of Total	84%	68%	85%	50%	86%				

ADK&A assumed varying levels of real growth in the sales per square foot of Formula, Non-Formula and Reduced Tax space over the 15-year projection period. The fastest growth was assumed for Formula Retail at 1.25 percent above inflation, with Non-Formula Retail at 0.75 percent. Reduced Tax retail such as grocery and drug outlets, is assumed to increase at 0.5 percent above inflation.

Projection of Future Changes in Tenancy

Changes in future tenancy were projected for each center under the assumptions of no limitation on formula retail, under the City's ordinance, and under the Reiner Initiative. Due to the desirability of the immediate Civic Center area and the higher rents paid by formula retail tenants, ADK&A assumed that, if allowable under the limitation, any new ground floor tenants in the four Civic Center properties along Cross Creek Road would be leased to formula retail tenants. Other retail centers City-wide, including Malibu Colony Plaza, were not assumed to capture any significant formula retail tenant demand due to some combination of impeded access/parking/visibility, insufficient retail trade area customer density, and insufficient support from supporting fashion retail tenants in adjoining centers.

The current vacancies were reviewed to see if a formula retail tenant would be allowed under each of the limitations, and further, whether a formula retail tenant was viable for that center.

In the absence of detailed rent roll data for these retail centers, estimated lease expirations were assumed to determine if a given retail space would expire within the time frame of the projection, and if so, was it a) eligible to change from NFR to FR (based either on the center not being at the limit for FR or, under the Reiner Initiative, on the exemption for spaces between 1,500 and 5,000 square feet), or b) required to change from FR to NFR (due to exceeding either of the FR limits). Similarly, the estimates of sales per square foot are not based on any individual store data but instead represent adjustments by ADK&A of estimates provided by the City for each center as a whole. Because these estimates are explicitly judgmental, ADK&A specifically tested a range of alternative assumptions as to both tenant turnover and sales per square foot and determined that the overall results do not change materially.

Summary of Results

As shown in the following table, it would appear that the two possible limitations on formula retail would have negligible impact on the City's sales tax from the nine centers⁶. Interestingly, in year 5, the City ordinance would actually result in less formula retail than would the Reiner Initiative. This is because ADK&A was instructed to assume that, despite the 1-year sunset provision, that the adoption of design guidelines or a specific plan may be delayed for various reasons.

⁶ Malibu Village, Malibu Country Mart, Malibu Lumber Yard, Cross Creek Center, Malibu Colony Plaza, Trancas Country Market, Point Dume Plaza, PC Greens, and Malibu Sands.

EXHIBIT 3

Summary of Impact of City Ordinance and Reiner Initiative on Sales Tax (\$ in 000s)

	No Limit on Formula Retail	City-Proposed Ordinance	Increase or (Decrease) Over No Limit, with City Ordinance	Reiner Initiative	Increase or (Decrease) Over No Limit, with Reiner Initiative
Total Sales Tax City-wide, per Adopted 2013/14 Budget	\$2,850	\$2,850		\$2,850	
Estimated Current Sales Tax from 9 Centers in Data Set	\$1,295	<i>Low Estimate</i>	N/A	\$1,295	N/A
Projected Sales Tax, Year 5					
Formula Retail Tax-producing	\$901	\$722	(\$178)	\$829	(\$72)
Non-Formula Retail Tax-producing	512	598	86	564	52
Reduced Tax-producing	172	176	4	169	(3)
Total Sales Tax	\$1,584	\$1,496	(\$89) -6%	\$1,561	(\$23) -1%
Projected Sales Tax, Year 10		N/A	N/A		
Formula Retail Tax-producing	\$1,205			\$974	(\$231)
Non-Formula Retail Tax-producing	485			608	123
Reduced Tax-producing	176			173	(3)
Total Sales Tax	\$1,866			\$1,755	(\$112) -6%
Projected Sales Tax, Year 15		N/A	N/A		
Formula Retail Tax-producing	\$1,292			\$1,046	(\$246)
Non-Formula Retail Tax-producing	499			627	128
Reduced Tax-producing	181			177	(4)
Total Sales Tax	\$1,972			\$1,850	(\$122) -6%

Key Contributing Factors to Results

There are several key factors that contribute to the results indicated by the analysis:

1. The main reason the limitations have so little impact on projected sales tax is that this report assumed minimal change in tenancy category, even with no limitation. Outside the Civic Center area, ADK&A sees very little potential for formula retail expansion. In the four major centers along Cross Creek Road, most tenancy status change comes from absorbing vacancy rather than category shifts.
2. All projections assume the same level of total occupancy, and the same level of FR-EX occupancy in the projections for years 10 and 15. With the current and projected high level of sales per square foot for both FR and NFR, the variation in total sales tax is generated only by the change between sales for FR and NFR, for a small amount of square feet. Thus, on the large base of over \$1.7 million in sale taxes by year 10, the small dollar amount of difference is not a meaningful percentage of the total.

Supporting Calculations

Appendix A contains other supporting exhibits including the current status of each center in detail.

SECTION 3 - IMPACT ON NEW DEVELOPMENT

The Bottom Line

The Reiner Initiative could represent a reduction of \$878,000 to \$1,047,000⁷ per year in new tax revenue if it discourages possible new commercial development in and near the Civic Center. ADK&A estimates that if the development of four new centers occurs there could be as much as \$1,047,000 in new revenue to the City. In the opinion of ADK&A, the loss of that revenue is the maximum likely revenue loss impact if the effect Reiner Initiative is to prevent all new development.

The specifics of that estimate are as follows: by 2019 each of the four centers considered might generate the following new taxes:

	Low Sales/SF	High Sales/SF
Whole Foods in the Park	147,000	171,000
La Paz project	356,000	418,000
Sycamore Village project	221,000	266,000
Hypothetical project on the “Bell Property”	<u>154,000</u>	<u>187,000</u>
TOTAL	\$878,000	\$1,042,000

There is also the issue of additional cost which was not independently analyzed by ADK&A. According to City staff, there will be an initial negative impact of \$50,000 to conduct a required special election and a potential impact of \$50,000 to \$600,000 in unrecovered additional City processing costs per project.

To put the revenue loss and potential expenses in context, the current total general fund is \$22.4 million. The maximum impact of the revenue loss would therefore be about 4.5% of current annual revenues.

Key Premises for an Explicitly “Outside” Estimate of Maximum Possible Revenue Loss

Before presenting methodology and findings with regard to the impact of the proposed ordinances on existing retail, it is important to state clearly that the analysis in this report is explicitly a consideration of the potential maximum effect and not a projection of likely events.

- This analysis is solely concerned with measuring the maximum likely loss of additional fiscal revenues that could result from the Reiner Initiative, i.e. how much new revenue could the City get with maximum likely new development and then assume that all of that is lost due to the additional constraints imposed by the Reiner Initiative.

⁷ The difference represents a low and high estimate of average sales per square foot.

- No independent analysis is undertaken of the specific unique characteristics and development constraints of the four potential projects, nor of the likelihood that they would in fact be developed as proposed in the absence of the Reiner Initiative.⁸
- ADK&A does not offer any opinion as to whether any or all of these four developments will occur but does offer its professional judgment that the four projects represent a valid illustration of the maximum development at this scale that could occur in the next 15 years.

Methodology

ADK&A estimated the potential impact of the Reiner Initiative on five significant revenue sources for the City that are generated by new development. These revenue sources include property tax, sales tax, utility users' tax and two in-lieu property tax reimbursements to the City by the State of California.

Projected New Retail Construction

In order to test the level of potential impact on new construction, ADK&A developed size and tenancy estimates of four potential shopping center projects that have not yet been built and would be subject to the provisions of the Reiner Initiative which requires specific plans and popular elections for any commercial project over 20,000 square feet.

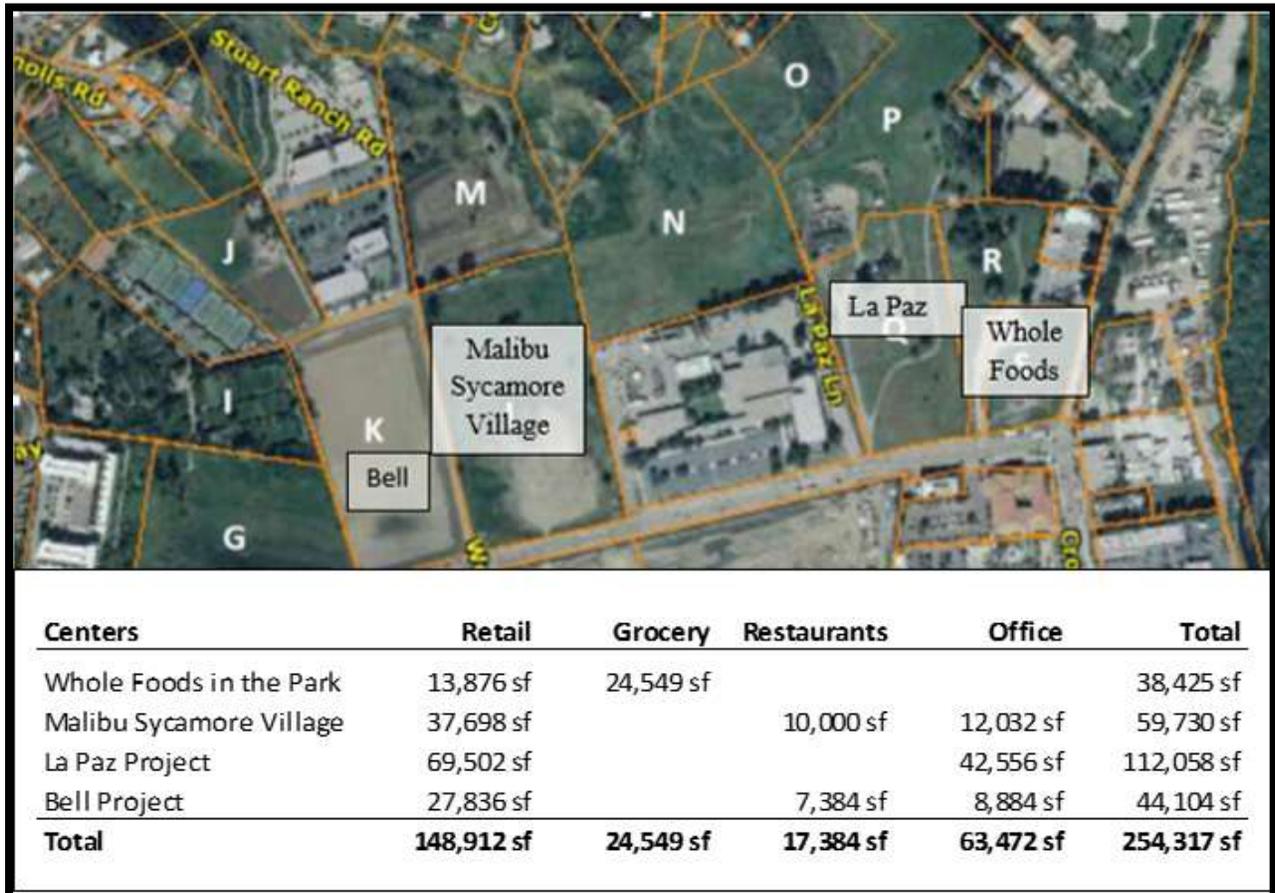
1. **Whole Foods in the Park:** ADK&A obtained conceptual plans for the proposed Whole Foods project from the City's website. The market will occupy a single-story building of 24,549 square feet, with four additional retail/restaurant buildings ranging from 3,000 to 4,200 square feet for a total project area of 38,425 square feet.
2. **Malibu Sycamore Village:** City staff provided ADK&A with Land Use Summary tables showing the proposed Sycamore Village project under both 0.15 FAR and 0.20 FAR scenarios. ADK&A assumed the smaller 0.15 FAR project program per discussion with the Planning Department, which indicated this scenario is more likely in that additional Coastal Commission approval is not required.
3. **La Paz project:** City staff provided ADK&A with the Project Description pages from the projects Final EIR document. Land use details were taken from Table III-1, Proposed Development Summary.
4. **"Bell" project:** Since this parcel is most comparable to the Sycamore Village project in location, ADK&A mirrored that project's land use program and scaled it down for this hypothetical development to account for 0.15 FAR on this smaller parcel size.

⁸ The estimated sales and values used for this analysis are based on industry and Malibu benchmark estimates applied to permit application data except in the case of the hypothetical "Bell" project which is scaled from the adjoining Sycamore Village Project.

A summary size and tenant mix of the four potential centers is presented in the text table below. Additionally, Exhibit 4 provides an illustration of the location of each of the four potential shopping centers:

EXHIBIT 4

Map and Details of Proposed Civic Center Projects



For the fiscal analysis, the consulting team has assumed a maximum growth scenario in which all four of the potential projects are constructed and operational by year 10. Note, ADK&A has not performed detailed market forecasting about consumer demand for these shopping centers. Rather, our analysis of these four prospective projects represents the outer limits of what may occur in the City. They represent the potential of foregone revenues to the City should the Reiner Imitative become law.

Increased Property Values

Property tax is a significant revenue source for the City. The development of a new shopping center will contribute new property tax revenues due to an increase in the City's taxable assessed value base. For each of the four potential centers an estimate of property value based on capitalized income was completed. This is the same approach that an appraiser for the County would undertake to establish official assessed value for the tax rolls. These estimates were based on a comparable analysis of existing shopping center values in Malibu as well as contemporary estimates of investment yields used to project capitalized property values.

Additionally, ADK&A acquired the existing property values and tax payments for the land area where the shopping centers would be built. This represents income already collected by the City on existing land area. These totals are subtracted from the projections of value from new construction in order to arrive at a net new increase in taxable assessed value to the City from each of the four potential shopping centers.

Projections of Taxable Retail Sales

Estimates of taxable retail sales for in-line retail, the Whole Foods grocery store, and restaurant space were completed in order to estimate sales tax revenues to the City. Estimates of gross sales-per-square sales level were based on comparable sales values in other areas of Southern California. Additionally, the sales values for the Whole Foods in the Park center and the La Paz center are projected at thirty percent higher than the other two centers due to superior locations.

While most retail transactions are subject to the sales tax, approximately eighty percent of grocery store sales are not subject to sales tax due to exemptions for "food to be prepared and eaten at home" in the State Sales Tax code.

Utility Tax Projections

The City charges a utility users tax of five percent of the total of telephone, gas and electricity use by residents and businesses located in the City. Projections of the impact of the four centers are based on deriving a per unit (Service Area Population) utility tax revenue estimate. This per unit measure is the average revenue to the City created by adding one additional resident or employee. The per unit values are then adjusted by using multipliers derived from U.S. Energy Administration survey data about energy use in different types of commercial structures. On a per unit basis, retail, grocery and restaurant uses generate more utility taxes than other commercial uses such as office space.

Property Tax In-Lieu Payments

Property tax in-lieu payments to the City by the State of California are triggered by (a) an increase in overall assessed value in the City; and (b) an increase in overall sales tax revenue in the City. In-lieu payments resulting from the addition of each of the four proposed shopping centers was estimated.

Summary of Results

The Maximum Development Scenario for future development assumes the following timeline. In the first five years (by 2019), the Whole Foods in the Park project as well as the Malibu Sycamore Village could be built and operational. These two centers would generate approximately \$368,000 to \$437,000 in annual tax revenues for the City. Within a ten year time frame (by 2024), the La Paz and Bell projects could also be built and operational. All four projects together could generate approximately \$878,000 to \$1,042,000 in annual tax revenues by year 10.

EXHIBIT 5

Potential Annual Tax Revenue to the City of Malibu without the Reiner Initiative

	"Maximum Growth" Scenario		
	2019	2024	2029
With low unit sales projection	\$368,000	\$878,000	\$878,000
With high unit sales projection	\$437,000	\$1,042,000	\$1,042,000

Offsetting Municipal Expenditures

If the Reiner Initiative were to pass, for each project under consideration the City would incur additional costs associated with putting on a special election as well as developing a specific plan and other studies required under the Reiner Initiative.

The City's Assistant City Manager currently estimates that the cost to the City of undertaking a special election would be approximately \$50,000. With respect to specific plan development, the City can pass reasonable costs for the preparation of plans to a developer but cannot charge costs over a reasonable amount. That amount is unknown at this time. The costs to prepare all the required reports under the Reiner Initiative are also unknown. Current estimates for preparation of all plans are for a potential range between \$50,000 to \$600,000 per project.

Key Contributing Factors to Results

There are several key factors that contribute to the results indicated by the analysis:

1. In all four of the shopping centers, sales tax revenue is the largest revenue contributor with property tax the second largest source. As seen in the following table, sales tax revenues contribute forty-five percent of the total of all four centers. It should be noted that for the Whole Foods in the Park project, sales tax revenues would be higher without a grocery store as an anchor tenant. This is due to the fact that roughly eighty percent of grocery store sales are not subject to sales tax. However, as noted previously, this project would likely not be viable without the specialty grocery anchor tenant.

2. ADK&A’s projections of sales tax do not address the issue of potential sales transfer from existing retailers in the City to new retail centers. When this occurs, there is not a one hundred percent increase in net new sales tax in the City since consumer dollars may be shifted from an existing retailer in town to a new retailer. However, based on the timeframe (15 years) anticipated for this analysis, we do not believe that this will be a significant issue.

EXHIBIT 6

Average Annual Tax Revenue Based on Range Projections

Centers	<i>Average Annual Tax Revenue Based on Range Projections</i>				
	Prop Tax	Sales Tax	Utility Tax	In-Lieu	Total
Whole Foods in the Park	40,617	65,903	26,757	25,862	159,139
Malibu Sycamore Village	54,649	113,052	33,076	42,872	243,649
La Paz Project	95,050	173,321	52,210	66,378	386,958
Bell Project	31,823	83,477	24,145	31,336	170,781
Total	222,139	435,753	136,187	166,449	960,528
Share	23%	45%	14%	17%	100%

Supporting Calculations

Appendix B contains other supporting exhibits including detailed projections of fiscal impact for each of the four shopping centers analyzed.

SECTION 4 - LIMITING CONDITIONS AND ACKNOWLEDGEMENTS

The analyses presented above and its key conclusion that neither ordinance is likely to have any significant effect on retail sales taxes received from existing shopping centers is explicitly based on assumptions which represent likely extremes in the professional opinion of the consulting team and are in no way to be construed as projections of specific future events that are likely to occur.

Notwithstanding this general and most critical qualification statement, the fact remains that numbers do tend to take on a life of their own. Accordingly, professional standards require that the authors state the following more specific limiting conditions:

- 1) This report is intended only for the narrow purpose of estimating maximum possible impacts on tax collections by the City of Malibu as a result of the passage of either of the two ordinances considered and does not:
 - a. Constitute any legal opinion on the ordinances proposed
 - b. Constitute any implied endorsement, or criticism of the ordinances proposed
- 2) In calculating the sales tax impacts on existing centers and that portion of the overall impact on new construction attributable to sales tax, no attempt was made to estimate the reduction in net impact on the City of Malibu associated with the strong likelihood that some of the sales in new or newly opened stores would come from existing stores creating a transfer effect that offsets the total taxes paid by the new stores.
 - a. Incorporation of an accurate estimate of transfer requires detailed additional research beyond the scope of this assignment.
 - b. Netting out transferred sales would make the estimated impacts, which are already small, even smaller.
- 3) Sales per square foot used to project impacts are explicitly judgmental and are not in any way based on the sales of individual stores or classes of stores. They instead represent admittedly arbitrary ratios applied to different broad categories of stores deliberately selected to exaggerate the possible impact of formula retail.
- 4) There is no attempt to measure or even identify impacts on private parties since that is outside the scope of the consultants' assignment.
- 5) No estimate has been made of the additional costs that will be incurred by the City of Malibu in administering a formula retail ordinance. Additional direct costs of planning processing and possible elections in the case of the Reiner Initiative will, according to City staff, be passed through to the developer applicant. Costs that will be paid by the City with no assured prospect of recovery from third parties are: (1) the cost of the election to vote on the Reiner Initiative; (2) unrecoverable staff costs associated with specific plans; and (3) the legal costs associated with enforcement and possible litigation. No attempt is made in this report to estimate these costs.

- 6) One potential impact which the consultants have not attempted to quantify in estimating the fiscal impact of the proposed ordinances is the possibility that additional small-scale fast food operations may open at various locations citywide. This has been omitted for two reasons: (1) many such operations have freestanding locations that may not be affected by the ordinance; and (2) opening a new fast food chain will, in most instances, result only in a redistribution of fast food spending rather than any substantial net increase in sales and therefore in sales taxes.

Acknowledgments

ADK&A is the lead consultant on this analysis with direct responsibility for the entire report. Critical assistance has been provided by Michael Wright of Illuminas Consulting, a longtime associate of Allan Kotin, who assisted in analyzing the impact of the Reiner Initiative on new development. Jim Suhr, of James Suhr & Associates has assisted Allan Kotin as project manager.

APPENDIX

TABLE OF CONTENTS

APPENDIX A -- IMPACT ON EXISTING CENTERS.....	A-1
A-1 – SUMMARY OF IMPACT OF CITY ORDINANCE & VOTER INITIATIVE ON PROJECTED SALES TAX.....	A-2
A-2 – SUMMARY OF CURRENT STATUS OF ALL CENTERS IN DATA SET.....	A-3
A-3 – DERIVATIVE OF SALES PSF BY CATEGORY OF SPACE FOR EACH CENTER.....	A-4
A-4 – SALES TAX PROJECTIONS.....	A-5
A-5 – CURRENT STATUS OF ALL CENTERS IN DATA SET.....	A-6
A-6 – CURRENT TENANCY ANALYSIS – MALIBU VILLAGE.....	A-8
A-7 - CURRENT TENANCY ANALYSIS – MALIBU COUNTRY MART.....	A-9
A-8 - CURRENT TENANCY ANALYSIS – MALIBU LUMBERYARD.....	A-12
A-9 - CURRENT TENANCY ANALYSIS – CROSS CREEK.....	A-13
A-10 - CURRENT TENANCY ANALYSIS – MALIBU COLONY PLAZA.....	A-14
A-11 - CURRENT TENANCY ANALYSIS – TRANCAS COUNTRY MART.....	A-15
A-12 - CURRENT TENANCY ANALYSIS – POINT DUME VILLAGE.....	A-16
A-13 - CURRENT TENANCY ANALYSIS – PC GREENS PLAZA.....	A-17
A-14 - CURRENT TENANCY ANALYSIS – MALIBU SANDS.....	A-18
APPENDIX B – PROJECTED FISCAL IMPACT OF POTENTIAL NEW CENTERS.....	B1
B-1 – SUMMARY OF FISCAL IMPACTS	B-2
B-2 - PROJECTED FISCAL IMPACT OF POTENTIAL NEW CENTERS WHOLE FOODS IN THE PARK.....	B-3
B-3 - PROJECTED FISCAL IMPACT OF POTENTIAL NEW CENTERS MALIBU SYCAMORE VILLAGE.....	B-6
B-4 - PROJECTED FISCAL IMPACT OF POTENTIAL NEW LA PAZ PROJECT.....	B-8
B-5 - PROJECTED FISCAL IMPACT OF POTENTIAL NEW BELL PROJECT.....	B-10
B-6 – DERIVATION OF UTILITY TAX REVENUE MULTIPLIERS	B13
B-7 – ESTIMATE OF SERVICE AREA POPULATION.....	B-14
APPENDIX C – TABULATION OF EXISTING CENTERS.....	C-1
C-1 – TABULATION OF EXISTING CENTERS	C-2– C-19

APPENDIX A
IMPACT ON EXISTING CENTERS

A-1
Summary of Impact of City Ordinance and Reiner Initiative
on Projected Sales Tax
\$ in 000s

	No Limit on Formula Retail	City-Proposed Ordinance	Increase or (Decrease) Over No Limit, with City Ordinance	Reiner Initiative	Increase or (Decrease) Over No Limit, with Reiner Initiative
Total Sales Tax City-wide, per Adopted 2013/14 Budget	\$2,850	\$2,850		\$2,850	
Estimated Current Sales Tax from 9 Centers in Data Set	\$1,295	Low Estimate	N/A	\$1,295	N/A
Projected Sales Tax, Year 5					
Formula Retail Tax-producing	\$901	\$722	(\$178)	\$829	(\$72)
Non-Formula Retail Tax-producing	512	598	86	564	52
Reduced Tax-producing	172	176	4	189	(3)
Total Sales Tax	\$1,584	\$1,496	(\$89) -6%	\$1,561	(\$23) -1%
Projected Sales Tax, Year 10					
Formula Retail Tax-producing	\$1,205	N/A	N/A	\$874	(\$231)
Non-Formula Retail Tax-producing	485			608	123
Reduced Tax-producing	176			173	(3)
Total Sales Tax	\$1,866	N/A	N/A	\$1,755	(\$112) -6%
Projected Sales Tax, Year 15					
Formula Retail Tax-producing	\$1,292			\$1,046	(\$246)
Non-Formula Retail Tax-producing	499			627	128
Reduced Tax-producing	181			177	(4)
Total Sales Tax	\$1,972	N/A	N/A	\$1,850	(\$122) -6%

SUMMARY - Current Status of 9 Centers in Data Set

Center Total SF: Vacant SF: Last Event:	CIVIC CENTER PROPERTIES								
	Malibu Village Total SF: Vacant SF: Sold in 2014	Malibu Country Mart Total SF: Vacant SF: No recent change/Ground lease transferred in 2014	Malibu Lumberyard Total SF: Vacant SF: Ground lease transferred in 2012	Cross Creek Total SF: Vacant SF: Renovated in 2013	Malibu Colony Plaza Total SF: Vacant SF: No recent change	Trancas Country Mart Total SF: Vacant SF: Expanded/ renovated in 2013	Point Dume Plaza Total SF: Vacant SF: Pavilions, renovated in 2005	PC Greens Total SF: Vacant SF: Undergoing major renovation	Malibu Sands Total SF: Vacant SF: No recent change
City Ordinance Standards <=45%	25 2 2	66 0 0	20 0 0	6 0 0	28 6 6	37 2 2	24 5 0	9 1 0	22 0 0
Totals - All Tenants	50,579	84,810	30,641	14,861	110,834	49,533	58,803	19,308	46,288
Formula Retail - Exempt	8,080	0	0	0	70,716	3,507	40,055	650	0
Formula Retail - Grandfathered	8,100	0	0	0	0	0	0	0	0
Formula Retail - All Other	19,909	20,388	13	10,641	5,847	1,540	1,907	1,047	0
Total Existing Formula Retail	36,089	20,388	13	10,641	76,563	5,047	41,962	1,897	0
Existing Non-Formula Retail	11,125	47	3	3,920	14	13	16	7	11
All Vacant Space	1,750	6,690	5,777	300	11,208	21	480	0	11
TOTAL ALL SPACE	48,964	84,810	30,641	14,861	110,834	49,533	58,803	19,308	46,288
Existing Formula Retail as % of Total	60%	24%	65%	72%	38%	8%	71%	22%	0%
AFR and Vacant Space Eligible to be	9,815	37,023	9,148	2,893	19,147	N/A in Civic Ctr	N/A in Civic Ctr	N/A in Civic Ctr	N/A in Civic Ctr
Potential Formula Retail	45,804	57,421	28,264	13,534	95,710	N/A in Civic Ctr	N/A in Civic Ctr	N/A in Civic Ctr	N/A in Civic Ctr
Potential Formula Retail as % of Total	84%	48%	85%	50%	64%				

Derivation of Sales PSF by Category of Space, for Each Center

	CIVIC CENTER PROPERTIES				NON-CIVIC CENTER PROPERTIES				
	Malibu Village	Malibu Country Mart	Malibu Lumberyard	Cross Creek	Malibu Colony Plaza	Trancas Country Mart	Point Dume Plaza	PC Greens	Malibu Sands
Total Sq Feet	50,579	84,810	30,641	14,861	110,834	49,533	58,803	19,308	16,268
Vacant & Non-tax producing	14,966	15,945	9,324	2,767	27,946	22,253	18,702	6,263	12,168
Formula Retail Tax-producing	21,658	21,442	19,116	10,641	5,120	0	1,445	1,047	0
Non-Formula Retail Tax-producing	10,175	46,759	2,201	1,453	18,688	27,280	7,763	3,411	4,100
Reduced Tax-producing	3,780	664	0	0	59,080	0	30,893	8,587	0
Total Sales Tax Generated, \$2014	\$208,385	\$387,853	\$219,028	\$61,227	\$181,513	\$81,120	\$96,302	\$31,821	\$26,642
Average Sales psf \$2014	\$412	\$457	\$715	\$412	\$164	\$164	\$164	\$164	\$164
ADK&A Estimated Sales PSF \$2014:									
Formula Retail Tax-producing	\$752	\$940	\$1,085	\$540	\$622	\$595	\$740	\$650	\$1,300
Non-Formula Retail Tax-producing	376	395	543	270	311	298	370	325	650
Reduced Tax-producing	188	235	271	135	156	149	185	163	325
Resulting Derived Total Sales Tax, \$2014	\$208,233	\$387,813	\$219,349	\$61,385	\$181,835	\$81,158	\$96,568	\$31,845	\$26,650

NOTES:

- /1 Includes both formula and non-formula uses that do not generate sales tax, e.g., fitness and financial services.
- /2 Includes both formula and non-formula uses that generate reduced sales tax, e.g., grocery and drug outlets.
- /3 ADK&A assumed that the relationship of sales psf among the categories is: 4 FR to 2 Non-FR to 1 Reduced.
- /4 Total sales psf for this center was provided by the City, for 2013. ADK&A assumed inflation at 3.0% to \$2014.
- /5 No sales tax data was available for this center. ADK&A assumed the same total sales psf as for Malibu Village.
- /6 No sales tax data was available for this center. ADK&A assumed the same total sales psf as for Colony Plaza.

Malibu Formula Retail Analysis: Sales Tax Projections

Current Retail Inventory with No Future Limitation on Formula Retail:	YEAR 5												YEAR 10												YEAR 15											
	Yes, Non-				Formula				Reduced				Yes, Non-				Formula				Reduced				Yes, Non-				Formula				Reduced			
	Tax	Chg	NFR Chg	Chg	NFR Chg	Chg	NFR Chg	Chg	NFR Chg	Chg	NFR Chg	Tax	Chg	NFR Chg	Chg	NFR Chg	Chg	NFR Chg	Tax	Chg	NFR Chg	Chg	NFR Chg	Tax	Chg	NFR Chg	Chg	NFR Chg	Chg	NFR Chg						
Malibu Village	14,986	21,656	10,175	Formula	Non-	Reduced	14,986	21,656	10,175	Formula	Non-	Reduced	14,986	21,656	10,175	Formula	Non-	Reduced	14,986	21,656	10,175	Formula	Non-	Reduced	14,986	21,656	10,175	Formula	Non-	Reduced						
Malibu Country Mart	15,845	21,442	46,759	Formula	Non-	Reduced	15,845	21,442	46,759	Formula	Non-	Reduced	15,845	21,442	46,759	Formula	Non-	Reduced	15,845	21,442	46,759	Formula	Non-	Reduced	15,845	21,442	46,759	Formula	Non-	Reduced						
Malibu Lumberyard	8,324	19,116	2,201	Formula	Non-	Reduced	8,324	19,116	2,201	Formula	Non-	Reduced	8,324	19,116	2,201	Formula	Non-	Reduced	8,324	19,116	2,201	Formula	Non-	Reduced	8,324	19,116	2,201	Formula	Non-	Reduced						
Criss Creek	2,767	10,641	1,453	Formula	Non-	Reduced	2,767	10,641	1,453	Formula	Non-	Reduced	2,767	10,641	1,453	Formula	Non-	Reduced	2,767	10,641	1,453	Formula	Non-	Reduced	2,767	10,641	1,453	Formula	Non-	Reduced						
Malibu Colony Plaza	27,946	0	18,008	Formula	Non-	Reduced	27,946	0	18,008	Formula	Non-	Reduced	27,946	0	18,008	Formula	Non-	Reduced	27,946	0	18,008	Formula	Non-	Reduced	27,946	0	18,008	Formula	Non-	Reduced						
Trancas Country Mart	22,253	0	27,209	Formula	Non-	Reduced	22,253	0	27,209	Formula	Non-	Reduced	22,253	0	27,209	Formula	Non-	Reduced	22,253	0	27,209	Formula	Non-	Reduced	22,253	0	27,209	Formula	Non-	Reduced						
Four Dunes Plaza	18,702	1,445	7,703	Formula	Non-	Reduced	18,702	1,445	7,703	Formula	Non-	Reduced	18,702	1,445	7,703	Formula	Non-	Reduced	18,702	1,445	7,703	Formula	Non-	Reduced	18,702	1,445	7,703	Formula	Non-	Reduced						
PC Greens	6,263	1,047	3,411	Formula	Non-	Reduced	6,263	1,047	3,411	Formula	Non-	Reduced	6,263	1,047	3,411	Formula	Non-	Reduced	6,263	1,047	3,411	Formula	Non-	Reduced	6,263	1,047	3,411	Formula	Non-	Reduced						
Malibu Sands	12,169	0	4,100	Formula	Non-	Reduced	12,169	0	4,100	Formula	Non-	Reduced	12,169	0	4,100	Formula	Non-	Reduced	12,169	0	4,100	Formula	Non-	Reduced	12,169	0	4,100	Formula	Non-	Reduced						
TOTAL SF SALES TAX	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced						
Grand Total SF	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced						
Formula Retail Tax-producing (real growth projected at 1.25%/yr) Non-Formula Retail Tax-producing (real growth projected at 0.75%/yr) Reduced Tax-producing (real growth projected at 0.50%/yr) Total Sales Tax (000s)																																				
Increase / (Decrease) Over No Limitation (000s)																																				
Reiner Initiative for Formula Retail:																																				
Malibu Village	14,986	21,656	10,175	Formula	Non-	Reduced	14,986	21,656	10,175	Formula	Non-	Reduced	14,986	21,656	10,175	Formula	Non-	Reduced	14,986	21,656	10,175	Formula	Non-	Reduced	14,986	21,656	10,175	Formula	Non-	Reduced						
Malibu Country Mart	15,845	21,442	46,759	Formula	Non-	Reduced	15,845	21,442	46,759	Formula	Non-	Reduced	15,845	21,442	46,759	Formula	Non-	Reduced	15,845	21,442	46,759	Formula	Non-	Reduced	15,845	21,442	46,759	Formula	Non-	Reduced						
Malibu Lumberyard	8,324	19,116	2,201	Formula	Non-	Reduced	8,324	19,116	2,201	Formula	Non-	Reduced	8,324	19,116	2,201	Formula	Non-	Reduced	8,324	19,116	2,201	Formula	Non-	Reduced	8,324	19,116	2,201	Formula	Non-	Reduced						
Criss Creek	2,767	10,641	1,453	Formula	Non-	Reduced	2,767	10,641	1,453	Formula	Non-	Reduced	2,767	10,641	1,453	Formula	Non-	Reduced	2,767	10,641	1,453	Formula	Non-	Reduced	2,767	10,641	1,453	Formula	Non-	Reduced						
Malibu Colony Plaza	27,946	0	18,008	Formula	Non-	Reduced	27,946	0	18,008	Formula	Non-	Reduced	27,946	0	18,008	Formula	Non-	Reduced	27,946	0	18,008	Formula	Non-	Reduced	27,946	0	18,008	Formula	Non-	Reduced						
Trancas Country Mart	22,253	0	27,209	Formula	Non-	Reduced	22,253	0	27,209	Formula	Non-	Reduced	22,253	0	27,209	Formula	Non-	Reduced	22,253	0	27,209	Formula	Non-	Reduced	22,253	0	27,209	Formula	Non-	Reduced						
Four Dunes Plaza	18,702	1,445	7,703	Formula	Non-	Reduced	18,702	1,445	7,703	Formula	Non-	Reduced	18,702	1,445	7,703	Formula	Non-	Reduced	18,702	1,445	7,703	Formula	Non-	Reduced	18,702	1,445	7,703	Formula	Non-	Reduced						
PC Greens	6,263	1,047	3,411	Formula	Non-	Reduced	6,263	1,047	3,411	Formula	Non-	Reduced	6,263	1,047	3,411	Formula	Non-	Reduced	6,263	1,047	3,411	Formula	Non-	Reduced	6,263	1,047	3,411	Formula	Non-	Reduced						
Malibu Sands	12,169	0	4,100	Formula	Non-	Reduced	12,169	0	4,100	Formula	Non-	Reduced	12,169	0	4,100	Formula	Non-	Reduced	12,169	0	4,100	Formula	Non-	Reduced	12,169	0	4,100	Formula	Non-	Reduced						
TOTAL SF SALES TAX	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced						
Grand Total SF	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced	130,334	80,469	121,830	Formula	Non-	Reduced						
Formula Retail Tax-producing (real growth projected at 1.25%/yr) Non-Formula Retail Tax-producing (real growth projected at 0.75%/yr) Reduced Tax-producing (real growth projected at 0.50%/yr) Total Sales Tax (000s)																																				
Increase / (Decrease) Over No Limitation (000s)																																				

*Projections of lease turnover are not based on specific lease data but instead represent the informed judgment of the consultants as to likely turnover. Similarly, the estimates of sales per square foot are not based on any individual store data but instead represent adjustments by ADK&A of estimates provided by the City for sales per square foot for each center as a whole. Because these estimates are explicitly judgmental, ADK&A specifically tested a range of alternative assumptions as to both turnover and sales per square foot and determined that the overall results do not change materially.

*/ Includes any Formula Retail space that does not conform to the ordinance after revision but is grandfathered, and excludes space that generates sales tax at a reduced level.

A-5
Current Status of All Centers in Data Set

NB: <i>Italics</i> indicates that the applicable Formula Retail Limit is exceeded.	City Ordinance: <=45%		Reiner Initiative: <=30%		
	Spaces	Statistics	Spaces	Sq Ft	Statistics
Malibu Village (Civic Center)					
Parcel A - Total	15	2,002 sf avg	15	30,031	2,002 sf avg
Parcel A - Formula Retail Exempt	1	3,780 sf avg	1	3,780	3,780 sf avg
Parcel A - Net Formula Retail	9	1,140 sf avg	10	20,881	2,088 sf avg
Parcel A - Ratios	60%		67%	70%	
Reduce by:	3	33% of FR	6	11,872	57% of FR
Parcel B - Total	10	2,055 sf avg	10	20,548	2,055 sf avg
Parcel B - Formula Retail Exempt	1	4,300 sf avg	1	4,300	4,300 sf avg
Parcel B - Net Formula Retail	4	2,727 sf avg	5	15,208	3,042 sf avg
Parcel B - Ratios	40%		50%	74%	
Reduce by:	N/A	N/A	2	9,044	59% of FR
Entire Malibu Village:					
Total	25	2,023 sf avg	25	50,579	2,023 sf avg
Vacant	3	583 sf avg	3	1,750	3% of Total
Net Formula Retail	13	1,454 sf avg	15	36,089	2,406 sf avg
Ratios	52%		60%	71%	
Reduce by:	2	15% of FR	8	20,916	58% of FR
Malibu Country Mart (Civic Center)					
Parcel A, Floor 1 - Total	15	1,498 sf avg	15	22,476	1,498 sf avg
Parcel A, Floor 1 - Net Formula Retail	5	1,628 sf avg	5	8,138	1,628 sf avg
Parcel A, Floor 1 - Ratios	33%		33%	36%	
Reduce by:	N/A	N/A	1	1,396	17% of FR
Parcel A, Floor 2 - Total	14	1,176 sf avg	14	16,465	1,176 sf avg
Parcel A, Floor 2 - Formula Retail Exempt	0	0 sf avg	0	0	
Parcel A, Floor 2 - Net Formula Retail	0	0 sf avg	0	0	
Parcel A, Floor 2 - Ratios	0%		0%	0%	
Reduce by:	N/A	N/A	N/A	N/A	N/A
Parcel B - Total	27	1,215 sf avg	27	32,808	1,215 sf avg
Parcel B - Net Formula Retail	8	1,637 sf avg	8	9,407	1,176 sf avg
Parcel B - Ratios	30%		30%	29%	
Reduce by:	N/A	N/A	N/A	N/A	N/A
Parcel C - Total	10	1,306 sf avg	10	13,061	1,306 sf avg
Parcel C - Net Formula Retail	3	1,145 sf avg	3	2,853	951 sf avg
Parcel C - Ratios	30%		30%	22%	
Reduce by:	N/A	N/A	N/A	N/A	N/A
Entire Country Mart:					
Total	66	1,285 sf avg	66	84,810	1,285 sf avg
Vacant	3	2,297 sf avg	3	6,890	8% of Total
Net Formula Retail	16	1,454 sf avg	16	20,398	1,275 sf avg
Ratios	24%		24%	24%	
Reduce by:	N/A	N/A	N/A	N/A	N/A
Malibu Lumberyard (Civic Center)					
Parcel A, Floor 1 - Total	14	1,523 sf avg	14	21,317	1,523 sf avg
Parcel A, Floor 1 - Net Formula Retail	13	1,543 sf avg	13	19,116	1,470 sf avg
Parcel A, Floor 1 - Ratios	93%		93%	90%	
Reduce by:	7	54% of FR	9	12,721	67% of FR
Parcel A, Floor 2 - Total	6	1,554 sf avg	6	9,324	1,554 sf avg
Parcel A, Floor 2 - Net Formula Retail	0	0 sf avg	0	0	
Parcel A, Floor 2 - Ratios	0%		0%	0%	
Reduce by:	N/A	N/A	N/A	N/A	N/A
Entire Lumber Yard:					
Total	20	1,532 sf avg	20	30,641	1,532 sf avg
Vacant	4	1,444 sf avg	4	5,777	19% of Total
Net Formula Retail	13	1,548 sf avg	13	19,116	1,548 sf avg
Ratios	65%		65%	62%	
Reduce by:	4	31% of FR	7	9,924	52% of FR

A-5 Continued
Current Status of All Centers in Data Set

Cross Creek (Civic Center)						
Total	6	2,477 sf avg	6	14,861	2,477 sf avg	
Formula Retail Exempt	0	0 sf avg	0	0	0 sf avg	
Net Formula Retail	1	10,641 sf avg	1	10,641	10,641 sf avg	
Ratios	17%		17%	72%		
Reduce by:	N/A	N/A	N/A	N/A	N/A	
Vacant	1		1	300	2% of Total	
Malibu Colony Plaza (Civic Center)						
Total	28	3,958 sf avg	28	110,834	3,958 sf avg	
Formula Retail Exempt	6	11,786 sf avg	6	70,716	11,786 sf avg	
Net Formula Retail	4	1,462 sf avg	10	76,563	7,656 sf avg	
Ratios	14%		36%	69%		
Reduce by:	N/A	N/A	N/A	37,466	53% of FR	
Vacant	4	2,802 sf avg	4	11,208	10% of Total	
Trancas Country Mart						
Total	37	1,339 sf avg	37	49,533	1,339 sf avg	
Formula Retail Exempt	2	1,754 sf avg	2	3,507	1,754 sf avg	
Net Formula Retail	1	1,540 sf avg	3	5,047	1,682 sf avg	
Ratios	3%		8%	10%		
Reduce by:	N/A	N/A	N/A	N/A	N/A	
Vacant	21	706 sf avg	21	14,832	30% of Total	
Point Dume Plaza						
Total	24	2,450 sf avg	24	58,803	2,450 sf avg	
Formula Retail Exempt	6	6,919 sf avg	5	40,055	6,919 sf avg	
Net Formula Retail	1	450 sf avg	7	41,962	5,995 sf avg	
Ratios	4%		29%	71%		
Reduce by:	N/A	N/A	N/A	24,322	58% of FR	
Vacant	1	480 sf avg	1	480	1% of Total	
PC Greens						
Total	9	2,145 sf avg	9	19,308	2,145 sf avg	
Formula Retail Exempt	1	650 sf avg	1	650	650 sf avg	
Net Formula Retail	1	1,047 sf avg	2	1,697	849 sf avg	
Ratios	11%		22%	9%		
Reduce by:	N/A	N/A	N/A	N/A	N/A	
Vacant	0		0	0		
Malibu Sands						
Total	22	739 sf avg	22	16,268	739 sf avg	
Formula Retail Exempt	0	0 sf avg	0	0	0 sf avg	
Net Formula Retail	0	0 sf avg	0	0	0 sf avg	
Ratios	0%		0%	0%		
Reduce by:	N/A	N/A	N/A	N/A	N/A	
Vacant	0		0	0	% of Total	

A-6

Current Tenancy Analysis: Malibu Village

Use Type	Approx Sq Ft	CURRENT STATUS		
		Category	Sq Ft for Initiative	Calcs
		Ordinance	Initiative	
Parcel A				
Westime	Retail - Watches, Jewelry	950	NFR	NFR-IN
Colony Cleaners	Service - Cleaners, Laundry	1,500	NFR	NFR-EL
Malibu Eye Center Optometry	Retail/Service - Optometry	1,500	NFR	NFR-EL
Perricone MD Flagship	Retail/Service - Beauty	1,600	NFR	NFR-EL
Salvation	Retail - Apparel, Shoes	3,600	NFR	NFR-EL
Lanvin	Retail - Apparel, Shoes	600	FR	FR
Missoni*	Retail - Apparel, Shoes	600	FR	FR
Levis	Retail - Apparel, Shoes	1,500	FR	FR
True Religion	Retail - Apparel, Shoes	1,500	FR	FR
Zadig & Voltaire	Retail - Apparel, Shoes	1,500	FR	FR
Chipotle	Food - Restaurant	2,050	FR	FR
Soul Cycle	Service - Fitness	2,206	FR	FR
Le Pain Quotidien	Food - Restaurant	2,645	FR	FR
Hollywood Theater	Service - Entertainment	3,780	FR-EX	FR-EX
Banana Republic	Retail - Apparel, Shoes	4,500	FR-GF	FR-GF
Non-Formula:				
Ineligible to be Formula			1	950
Eligible to be Formula			4	8,200
Total Non-Formula		5	5	9,150
Formula:				
Formula - Exempt		1	1	3,780
Formula - Grandfathered		1	1	4,500
Formula - Other		8	8	12,601
Total Formula		10	10	20,881
Occupied Space		15	15	30,031
Vacant Space		0		
Vacant Space - Ineligible		0	0	0
Vacant Space - Eligible		0	0	0
Total Spaces		15	15	30,031
Net Formula Retail Spaces		9	10	20,881
% of Formula Retail		60%	67%	70%
Tenant Categories:				
<i>NFR - Non-Formula Retail</i>				
<i>NFR-EL - Non-Formula Retail, Eligible to be Formula</i>				
<i>NFR-IN - Non-Formula Retail, Ineligible to be Formula</i>				
<i>FR-EX - Formula Retail, Exempt from Ordinance</i>				
<i>FR-GF - Formula Retail, Grandfathered</i>				
<i>FR - All Other Formula Retail</i>				
<i>VAC - Vacant Space</i>				
<i>VAC-EL - Vacant Space, Eligible to be Formula</i>				
<i>VAC-IN - Vacant Space, Ineligible to be Formula</i>				
Parcel B				
Grom Gelato	Food - Ice Cream	875	NFR	NFR-IN
European Shoe Repair	Service - Apparel, Repair	1,100	NFR	NFR-IN
Radio Shack	Retail - Electronics	1,700	FR	FR
All Saints	Retail - Apparel, Shoes	1,777	FR	FR
Sephora	Retail - Beauty Supply	3,831	FR	FR
Wells Fargo	Service - Financial, Banking	4,300	FR-EX	FR-EX
Marmalade Café	Food - Restaurant	3,600	FR-GF	FR-GF
Vacant	Vacancy	650	VAC	VAC-IN
Vacant	Vacancy	1,100	VAC	VAC-IN
Vacant	Vacancy	1,615	VAC	VAC-EL
Non-Formula:				
Ineligible to be Formula			2	1,975
Eligible to be Formula			0	0
Total Non-Formula		2	2	1,975
Formula:				
Formula - Exempt		1	1	4,300
Formula - Grandfathered		1	1	3,600
Formula - Other		3	3	7,308
Total Formula		5	5	15,208
Occupied Space		7	7	17,183
Vacant Space		3		
Vacant Space - Ineligible		2	1	1,750
Vacant Space - Eligible		1	1	1,615
Total Spaces		10	10	20,548
Net Formula Retail Spaces		4	5	15,208
% of Formula Retail		40%	50%	74%
TOTAL CENTER STATISTICS, SALES, AND SALES TAX:				
	<u>Ordinance</u>	<u>Initiative</u>		
Total	25	25	50,579	
Formula - Exempt	2	2	8,080	
Formula - Grandfathered	2	2	8,100	
Formula - Other	11	11	19,909	
Total Formula	15	15	36,089	
Net Formula Retail Spaces	13	15	36,089	
% of Formula Retail	52%	60%	71%	
Total NFR and Vacant Eligible for Formula	6	6	9,815	
Occupied Formula Eligible Spaces	4	4	8,200	
Vacant Formula Eligible Spaces	2	2	1,615	
Maximum Formula Retail SF	21	21	45,904	
Maximum Formula Retail %	84%	84%	91%	
		<u>Annual</u>	<u>Sales Tax</u>	
Total Sales for Center	2014 \$/sf	\$412	\$208,385	

*This table was prepared from an earlier tenant list provided by the City. Since then there have been some changes in tenancy which are reflected in other City reports but not in this analysis. The pressure of timely delivery limits the ability to make late changes. ADK&A has reviewed these changes and concluded that they would make no material difference in the outcome of the analysis.

Current Tenancy Analysis: Malibu Country Mart

Use Type	Approx Sq Ft	CURRENT STATUS			
		Category		Sq Ft for Initiative	
		Ordinance	Initiative	Calcs	
Parcel A, Floor 1					
9026-Eyes	Retail - Optical	375	NFR	NFR-IN	
Kolletti Bambini	Retail - Apparel, Shoes	630	NFR	NFR-IN	
Encore	Retail - Apparel, Shoes	648	NFR	NFR-IN	
The Stable	Service - Fitness	1,000	NFR	NFR-IN	
Canvas Boutique & Gallery	Retail - Apparel, Shoes	1,212	NFR	NFR-IN	
Diesel, A Bookstore	Retail - Books, Music	1,390	NFR	NFR-IN	
Morgane Le Fay	Retail - Apparel, Shoes	1,414	NFR	NFR-EL	
Toy Crazy	Retail - Toys	1,465	NFR	NFR-EL	
Rubin & Chapelle	Retail - Apparel, Shoes	1,504	NFR	NFR-EL	
Taverna Tony	Food - Restaurant	4,700	NFR	NFR-EL	
Henry Bequelin	Retail - Apparel, Shoes	600	FR	FR	
7 for All Mankind	Retail - Apparel, Shoes	1,325	FR	FR	
MAC Cosmetics	Retail - Beauty Supply	1,385	FR	FR	
John Varvatos	Retail - Apparel, Shoes	2,090	FR	FR	
M. Fredric	Retail - Apparel, Shoes	2,738	FR	FR	
	Non-Formula:				
	Ineligible to be Formula		6	5,255	
	Eligible to be Formula		4	9,083	
	Total Non-Formula		10	14,338	
	Formula:				
	Formula - Exempt		0	0	
	Formula - Grandfathered		0	0	
	Formula - Other		5	8,138	
	Total Formula		5	8,138	
	Occupied Space		15	22,476	
	Vacant Space		0		
	Vacant Space - Ineligible		0	0	
	Vacant Space - Eligible		0	0	
	Total Spaces		15	22,476	
	Net Formula Retail Spaces		5	8,138	
	% of Formula Retail		33%	36%	
Parcel A, Floor 2					
Malibu Acupuncture & Herbs	Retail - Nutrition	289	NFR	NFR-IN	
Ambiance MediSpa	Service - Medical	323	NFR	NFR-IN	
The Stable (2nd level)	Service - Fitness	600	NFR	NFR-IN	
Malibu Shaman	Retail - Books, Music	825	NFR	NFR-IN	
Harrison Barnes PLC	Service - Legal	1,000	NFR	NFR-IN	
Platner & Co Interior Design	Retail/Service - Home Design/Furnishings	1,040	NFR	NFR-IN	
5 Point Yoga	Service - Fitness	1,178	NFR	NFR-IN	
DeAnna Staats & Co.	Retail - Home Design/Furnishings	1,392	NFR	NFR-IN	
Malibu Car Wash	Automotive - Car Wash	280	NFR	NFR-EL	
Westside Estate Agency	Service - Real Estate	1,000	NFR	NFR-EL	
Westside Estate Agency	Service - Real Estate	1,566	NFR	NFR-EL	
Keystone Entertainment	Service - Media	1,808	NFR	NFR-EL	
Vacant	Vacant	1,000	VAC	VAC-IN	
Vacant	Vacant	4,164	VAC	VAC-EL	
	Non-Formula:				
	Ineligible to be Formula		8	6,647	
	Eligible to be Formula		4	4,654	
	Total Non-Formula		12	11,301	
	Formula:				
	Formula - Exempt		0	0	
	Formula - Grandfathered		0	0	
	Formula - Other		0	0	
	Total Formula		0	0	
	Occupied Space		12	11,301	
	Vacant Space		2		
	Vacant Space - Ineligible		1	1,000	
	Vacant Space - Eligible		1	4,164	
	Total Spaces		14	16,465	
	Net Formula Retail Spaces		0	0	
	% of Formula Retail		0%	0%	
<div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Tenant Categories: NFR - Non-Formula Retail NFR-EL - Non-Formula Retail, Eligible to be Formula NFR-IN - Non-Formula Retail, Ineligible to be Formula FR-EX - Formula Retail, Exempt from Ordinance FR-GF - Formula Retail, Grandfathered FR - All Other Formula Retail VAC - Vacant Space VAC-EL - Vacant Space, Eligible to be Formula VAC-IN - Vacant Space, Ineligible to be Formula</p> </div> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>NB: Italic values are guesses. Data not available.</p> </div>					

A-7 Continued
Current Tenancy Analysis: Malibu Country Mart

Parcel B					
Earnest Sewn	Retail - Apparel, Shoes	289	NFR	NFR-IN	
Chrome Hearts	Retail - General	323	NFR	NFR-IN	
Vintage Malibu by Erik & Co	Retail - Jewelry, Accessories	433	NFR	NFR-IN	
Malibu Mutt's Grill	Food - Restaurant	453	NFR	NFR-IN	
K-Chocolatier	Food - Candy	600	NFR	NFR-IN	
McMillan Canale Salon	Service - Hair, Beauty	624	NFR	NFR-IN	
Gypsy Retail	Retail - General	642	NFR	NFR-IN	
Howdy's Taqueria	Food - Restaurant	825	NFR	NFR-IN	
Erik & Co.	Retail - Jewelry, Accessories	743	NFR	NFR-IN	
Malibu Lifestyles Man	Retail - Apparel, Shoes	1,000	NFR	NFR-IN	
Pepi	Retail - Jewelry, Accessories	<i>977</i>	NFR	NFR-IN	
John's Garden	Food - Restaurant	1,040	NFR	NFR-IN	
Room at the Beach	Retail - Home Design/Furnishings	1,121	NFR	NFR-IN	
98% Angel	Retail - Apparel, Shoes	1,178	NFR	NFR-IN	
Malibu Lifestyles Soft	Retail - Apparel, Shoes	1,374	NFR	NFR-IN	
Tra Di Noi	Food - Restaurant	2,278	NFR	NFR-EL	
Mr. Chow	Food - Restaurant	2,538	NFR	NFR-EL	
Planet Blue	Retail - Apparel, Shoes, Home Design	2,799	NFR	NFR-EL	
Malibu Colony Company	Retail - General	4,164	NFR	NFR-EL	
Optical Shop of Aspen	Retail - Optical	682	FR	FR	
Ralph Lauren Women's	Retail - Apparel, Shoes	825	FR	FR	
Vince	Retail - Apparel, Shoes	856	FR	FR	
Yosemite by James Perse	Retail - Apparel, Shoes	1,043	FR	FR	
Michael Stars	Retail - Apparel, Shoes	1,235	FR	FR	
Coffee Bean & Tea Leaf	Food - Coffee, Tea	1,392	FR	FR	
Madison	Retail - Apparel, Shoes	1,566	FR	FR	
Double RL & Co.	Retail - Apparel, Shoes	1,808	FR	FR	
	Non-Formula:				
	Ineligible to be Formula		15	11,622	
	Eligible to be Formula		4	11,779	
	Total Non-Formula		19	23,401	
	Formula:				
	Formula - Exempt		0	0	
	Formula - Grandfathered		0	0	
	Formula - Other		8	9,407	
	Total Formula		8	9,407	
	Occupied Space		27	32,808	
	Vacant Space		0		
	Vacant Space - Ineligible		0	0	
	Vacant Space - Eligible		0	0	
	Total Spaces		27	32,808	
	Net Formula Retail Spaces		8	9,407	
	% of Formula Retail		30%	29%	

NB: *Italic values are guesses. Data not available.*

A-7 Continued
Current Tenancy Analysis: Malibu Country Mart

Parcel C					
Westside Estate Agency	Service - Real Estate	425	NFR	NFR-IN	
Letarte	Retail - Apparel, Shoes	612	NFR	NFR-IN	
Ron Herman	Retail - Apparel, Shoes	908	NFR	NFR-IN	
Anouk	Retail - Apparel, Shoes	920	NFR	NFR-IN	
Beauty Collection	Retail - Beauty Supply	1,922	NFR	NFR-EL	
Malibu Kitchen	Food/Retail - Restaurant	3,695	NFR	NFR-EL	
L'Occitane	Retail - Beauty Supply	520	FR	FR	
Oliver Peoples	Retail - Optical	783	FR	FR	
Starbucks Coffee	Food - Coffee, Tea	1,550	FR	FR	
Vacant	Vacant	1,726	VAC	VAC-EL	
	Non-Formula:				
	Ineligible to be Formula		4		2,865
	Eligible to be Formula		2		6,617
	Total Non-Formula		6		8,482
	Formula:				
	Formula - Exempt		0		0
	Formula - Grandfathered		0		0
	Formula - Other		3		2,853
	Total Formula		3		2,853
	Occupied Space		9		11,335
	Vacant Space		1		
	Vacant Space - Ineligible		0		0
	Vacant Space - Eligible		1		1,726
	Total Spaces		10		13,061
	Net Formula Retail Spaces		3		2,853
	% of Formula Retail		30%		22%

TOTAL CENTER STATISTICS, SALES, AND SALES TAX:			
	<u>Ordinance</u>	<u>Initiative</u>	
Total	66	66	64,810
Formula - Exempt	0	0	0
Formula - Grandfathered	0	0	0
Formula - Other	16	16	20,398
Total Formula	16	16	20,398
Net Formula Retail Spaces	16	16	20,398
% of Formula Retail	24%	24%	24%
Total NFR and Vacant Eligible for Formula		16	37,023
Occupied Formula Eligible Spaces		14	31,133
Vacant Formula Eligible Spaces		2	5,890
Maximum Formula Retail SF		32	57,421
Maximum Formula Retail %		48%	68%
		<u>2014 \$/sf</u>	<u>Annual Sales Tax</u>
Total Sales for Center		\$457	\$387,853

**A-8
Current Tenancy Analysis: Malibu Lumberyard**

Use Type	Approx Sq Ft	CURRENT STATUS		
		Category		Sq Ft for Initiative
		Ordinance	Initiative	Calcs
Parcel A, Floor 1				
Maxfield	Retail - Apparel, Shoes	2,201	NFR	NFR-EL
Villebrequin	Retail - Men's Sportswear	600	FR	FR
Alexis Bittar	Jewelry	673	FR	FR
Lorna Jane	Retail - Apparel, Shoes	1,000	FR	FR
Alice + Olivia	Retail - Apparel, Shoes	1,035	FR	FR
Canyon Beachwear	Retail - Apparel, Shoes	1,150	FR	FR
Tory Burch	Retail - Apparel, Shoes	1,200	FR	FR
kitson	Retail - Apparel, Shoes	1,273	FR	FR
kitson kids	Retail - Apparel, Shoes	1,500	FR	FR
Intermix	Retail - Apparel, Shoes	1,700	FR	FR
Quiksilver Roxy	Retail - Apparel, Shoes	1,770	FR	FR
Café Habana	Food - Restaurant	1,800	FR	FR
J.Crew	Retail - Apparel, Shoes	2,400	FR	FR
James Perse	Retail - Apparel, Shoes	3,015	FR	FR
	Non-Formula:			
	Ineligible to be Formula		0	0
	Eligible to be Formula		1	2,201
	Total Non-Formula		1	2,201
	Formula:			
	Formula - Exempt		0	0
	Formula - Grandfathered		0	0
	Formula - Other		13	19,116
	Total Formula		13	19,116
	Occupied Space		14	21,317
	Vacant Space		0	
	Vacant Space - Ineligible		0	0
	Vacant Space - Eligible		0	0
	Total Spaces		14	21,317
	Net Formula Retail Spaces		13	19,116
	% of Formula Retail		93%	90%
Parcel A, Floor 2				
Malibu Art Barn	Service - Educational	1,607	NFR	NFR-EL
Dance Star	Service - Fitness	1,940	NFR	NFR-EL
Vacant	Vacant	707	VAC	VAC-IN
Vacant	vacant	750	VAC	VAC-IN
Vacant	Vacant	920	VAC	VAC-IN
Vacant	vacant	3,400	VAC	VAC-EL
	Non-Formula:			
	Ineligible to be Formula		0	0
	Eligible to be Formula		2	3,547
	Total Non-Formula		2	3,547
	Formula:			
	Formula - Exempt		0	0
	Formula - Grandfathered		0	0
	Formula - Other		0	0
	Total Formula		0	0
	Occupied Space		2	3,547
	Vacant Space		4	
	Vacant Space - Ineligible		3	2,377
	Vacant Space - Eligible		1	3,400
	Total Spaces		6	9,324
	Net Formula Retail Spaces		0	0
	% of Formula Retail		0%	0%
TOTAL CENTER STATISTICS, SALES, AND SALES TAX:				
			<u>Ordinance</u>	<u>Initiative</u>
Total			20	20
Formula - Exempt			0	0
Formula - Grandfathered			0	0
Formula - Other			13	13
Total Formula			13	13
% of Formula Retail			65%	62%
Total NFR and Vacant Eligible for Formula			4	9,148
Occupied Formula Eligible Spaces			3	5,748
Vacant Formula Eligible Spaces			1	3,400
Maximum Formula Retail SF			17	28,264
Maximum Formula Retail %			85%	92%
			<u>2014 \$/sf</u>	<u>Annual Sales Tax</u>
Total Sales for Center			\$715	\$219,028

A-9
Current Tenancy Analysis: Cross Creek

Use Type	Approx Sq Ft	CURRENT STATUS		
		Category	Sq Ft for Initiative	
		Ordinance	Initiative	Calcs
Parcel A				
Simone's Alterations	Service - Tailoring, Alterations	300	NFR	NFR-IN
Monarch Estates & Homes	Service - Real Estate	727	NFR	NFR-IN
J&P Limited	Service - Real Estate	1,440	NFR	NFR-EL
Robert Weingarten Studio	Retail - Art	1,453	NFR	NFR-EL
Urban Outfitters	Retail - Apparel, Shoes	10,641	FR	FR
Vacant	vacant	300	VAC	VAC-IN
	Non-Formula:			
	Ineligible to be Formula		2	1,027
	Eligible to be Formula		2	2,893
	Total Non-Formula	4	4	3,920
	Formula:			
	Formula - Exempt	0	0	0
	Formula - Grandfathered	0	0	0
	Formula - Other	1	1	10,641
	Total Formula	1	1	10,641
	Occupied Space	5	5	14,561
	Vacant Space	1		
	Vacant Space - Ineligible		1	300
	Vacant Space - Eligible		0	0
	Total Spaces	6	6	14,861
	Net Formula Retail Spaces	1	1	10,641
	% of Formula Retail	17%	17%	72%
TOTAL CENTER SALES AND SALES TAX:				
		<u>Initiative</u>		
Total NFR and Vacant Eligible for Formula	2	2,893		
Occupied Formula Eligible Spaces	2	2,893		
Vacant Formula Eligible Spaces	0	0		
Maximum Formula Retail SF	3	13,534		
Maximum Formula Retail %	50%	91%		
	<u>2014 \$/sf</u>	<u>Annual</u>		
Total Sales for Center	\$412	Sales Tax		
		\$61,227	(assume same sales psf as Malibu Village)	

A-10

Current Tenancy Analysis: Malibu Colony Plaza

Parcel A	Use Type	Approx Sq Ft	CURRENT STATUS		
			Category	Sq Ft for Initiative	
			Ordinance	Initiative	Calcs
Malibu Newsstand	Retail - Media	450	NFR	NFR-IN	
Clarisse Salon	Service - Hair, Beauty	<i>500</i>	NFR	NFR-IN	
Theodore Man Malibu	Retail - Apparel, Shoes	990	NFR	NFR-IN	
Malibu Bay Company	Service - Real Estate	<i>1,000</i>	NFR	NFR-IN	
Pacific Coast Pets	Retail - Pets	1,069	NFR	NFR-IN	
Malibu Yogurt	Food - Ice Cream	1,080	NFR	NFR-IN	
Nail Spa at Malibu	Service - Nails	1,275	NFR	NFR-IN	
Kaichin Chinese Restaurant	Food - Restaurant	1,450	NFR	NFR-EL	
Ogdens Cleaners	Service - Cleaners, Laundry	1,600	NFR	NFR-EL	
Vitamin Bar	Retail - Nutrition	1,716	NFR	NFR-EL	
Becker Surfboards	Retail - Apparel, Shoes, Sporting	2,160	NFR	NFR-EL	
Bul Sushi	Food - Restaurant	2,279	NFR	NFR-EL	
Theodore Beach Malibu	Retail - Apparel, Shoes	3,500	NFR	NFR-EL	
Coogie's Beach Café	Food - Restaurant	3,994	NFR	NFR-EL	
UPS Store	Service - Mailing, Shipping	727	FR	FR	
Subway	Food - Restaurant	1,296	FR	FR	
Starbucks Coffee	Food - Coffee, Tea	1,345	FR	FR	
Rip Curl	Retail - Apparel, Shoes, Sporting	2,479	FR	FR	
US Post Office	Service - Mailing, Shipping	720	FR-EX	FR-EX	
Wells Fargo	Service - Financial, Banking	2,769	FR-EX	FR-EX	
First Bank & Trust	Service - Financial, Banking	3,115	FR-EX	FR-EX	
Bank of America	Service - Financial, Banking	5,032	FR-EX	FR-EX	
CVS Pharmacy	Drug Store/Pharmacy	22,880	FR-EX	FR-EX	
Ralphs	Grocery	36,200	FR-EX	FR-EX	
Vacant	vacant	993	VAC	VAC-IN	
Vacant	vacant	<i>1,000</i>	VAC	VAC-IN	
Vacant (Granita)	vacant	6,767	VAC	VAC-IN	
Vacant	vacant	2,448	VAC	VAC-EL	
			Non-Formula:		
				7	6,364
				7	16,699
			14	14	23,063
			Formula:		
			6	6	70,716
			0	0	0
			4	4	5,847
			10	10	76,563
			Occupied Space		
			24	24	99,626
			Vacant Space		
			4		
				3	8,760
				1	2,448
			28	28	110,834
			Total Spaces		
			4	10	76,563
			14%	36%	69%
			Net Formula Retail Spaces		
			% of Formula Retail		
TOTAL CENTER SALES AND SALES TAX:					
Total NFR and Vacant Eligible for Formula		8	19,147		
Occupied Formula Eligible Spaces		7	16,699		
Vacant Formula Eligible Spaces		1	2,448		
Maximum Formula Retail SF		18	95,710		
Maximum Formula Retail %		64%	86%		
			Annual		
		2014 \$/sf	Sales Tax		
Total Sales for Center		\$164	\$181,513		

NB: Italic values are guesses. Data not available.

Tenant Categories:
 NFR - Non-Formula Retail
 NFR-EL - Non-Formula Retail, Eligible to be Formula
 NFR-IN - Non-Formula Retail, Ineligible to be Formula
 FR-EX - Formula Retail, Exempt from Ordinance
 FR-GF - Formula Retail, Grandfathered
 FR - All Other Formula Retail
 VAC - Vacant Space
 VAC-EL - Vacant Space, Eligible to be Formula
 VAC-IN - Vacant Space, Ineligible to be Formula

A-11

Current Tenancy Analysis: Trancas Country Mart

Use Type	Approx Sq Ft	CURRENT STATUS			
		Category	Sq Ft for Initiative	Calcs	
		Ordinance	Initiative		
Entire Property (not analyzed by parcel as there is so little FR):					
Trancas Canyon Nursery	Specialty - Home Improvement	125	NFR	NFR	
Irit Jewlery Design	Specialty - Jewelry, Accessories	236	NFR	NFR	
Sea Lilly Florist	Specialty - Misc., Gifts, etc.	600	NFR	NFR	
National Clothing	Specialty - Clothing, Surf Equipment	671	NFR	NFR	
Pritchett Realtors	Service - Realtor	800	NFR	NFR	
Trancas Salon	Service - Hair, Beauty	1,013	NFR	NFR	
Malibu Beach House	Specialty - Home Design/Furnishings	1,278	NFR	NFR	
Drill Surf & Skate	Specialty - Sporting Goods	1,293	NFR	NFR	
Vintage Grocers	Anchor - Grocery Specialty	15,026	NFR	NFR	
Trancas Cleaners	Service - Cleaners, Laundry	1,574	NFR	NFR	
Broad Beach Burger	Food - Restaurant	1,934	NFR	NFR	
Farm House Cafe	Food - Restaurant	2,498	NFR	NFR	
Mangia Restaurant	Food - Restaurant	2,606	NFR	NFR	
Starbucks Coffee	Food - Coffee, Tea	1,540	FR	FR	
Malibu Postal Annex	Service - Mailing, Shipping, Printing	1,422	FR-EX	FR-EX	
Wells Fargo	Service - Financial, Banking	2,085	FR-EX	FR-EX	
Vacant - Parcel D	Vacancy	203	VAC	VAC	
Vacant - Parcel B	Vacancy	299	VAC	VAC	
Vacant - Parcel C	Vacancy	334	VAC	VAC	
Vacant - Parcel A	Vacancy	352	VAC	VAC	
Vacant - Parcel A	Vacancy	363	VAC	VAC	
Vacant - Parcel C	Vacancy	472	VAC	VAC	
Vacant - Parcel C	Vacancy	474	VAC	VAC	
Vacant - Parcel D	Vacancy	591	VAC	VAC	
Vacant - Parcel R	Vacancy	670	VAC	VAC	
Vacant - Parcel A	Vacancy	675	VAC	VAC	
Vacant - Parcel A	Vacancy	675	VAC	VAC	
Vacant - Parcel D	Vacancy	756	VAC	VAC	
Vacant - Parcel A	Vacancy	799	VAC	VAC	
Vacant - Parcel R	Vacancy	861	VAC	VAC	
Vacant - Parcel C	Vacancy	885	VAC	VAC	
Vacant - Parcel A	Vacancy	907	VAC	VAC	
Vacant - Parcel C	Vacancy	934	VAC	VAC	
Vacant - Parcel C	Vacancy	939	VAC	VAC	
Vacant - Parcel N	Vacancy	1,000	VAC	VAC	
Vacant - Parcel B	Vacancy	1,013	VAC	VAC	
Vacant - Parcel D	Vacancy	1,630	VAC	VAC	
Tenant Categories:		Total Non-Formula	13	13	29,654
<i>NFR - Non-Formula Retail</i>		Formula:			
<i>NFR-EL - Non-Formula Retail, Eligible to be Formula</i>		Formula - Exempt	2	2	3,507
<i>NFR-IN - Non-Formula Retail, Ineligible to be Formula</i>		Formula - Grandfathered	0	0	0
<i>FR-EX - Formula Retail, Exempt from Ordinance</i>		Formula - Other	1	1	1,540
<i>FR-GF - Formula Retail, Grandfathered</i>		Total Formula	3	3	5,047
<i>FR - All Other Formula Retail</i>		Occupied Space	16	16	49,533
<i>VAC - Vacant Space</i>		Vacant Space	21	21	14,832
		Total Spaces	37	37	49,533
		Net Formula Retail Spaces	1	3	5,047
		% of Formula Retail	3%	8%	10%
TOTAL CENTER SALES AND SALES TAX:					
		<u>2014 \$/sf</u>	<u>Annual</u>		
Total Sales for Center		\$164	\$81,120	(assume same sales psf as Malibu Colony)	

**A-12
Current Tenancy Analysis: Point Dume Village**

Use Type	Approx Sq Ft	CURRENT STATUS			
		Category	Sq Ft for Initiative		
		Ordinance	Initiative	Calcs	
Parcel A					
Malibu Corn Exchange	Service - Misc.	248	NFR	NFR	
Moxie Firecracker Films	Service - Misc.	248	NFR	NFR	
Point Dume Village Leasing	Service - Misc.	450	NFR	NFR	
Unknown	Unknown	465	NFR	NFR	
Malibu Point Pilates	Service - Fitness Oriented	512	NFR	NFR	
Attorneys	Service - Legal	718	NFR	NFR	
Lily's Café & Pastries	Food - Restaurant	825	NFR	NFR	
Unknown	Unknown	864	NFR	NFR	
Point Dume Cleaners	Service - Cleaners, Laundry	890	NFR	NFR	
Oceanne Malibu	Service - Hair, Beauty	1,240	NFR	NFR	
Sunlife Organics	Food - Restaurant	1,330	NFR	NFR	
Cafecito Coffee Roasters	Food - Coffee, Tea	1,340	NFR	NFR	
Point Dume Pharmacy	Anchor - Drug Store	1,427	NFR	NFR	
Jaime's*	Food - Baked Goods	1,533	NFR	NFR	
Malibu Beach Yoga	Service - Wellness	1,536	NFR	NFR	
Duck Hive Gastropub	Food - Restaurant	2,735	NFR	NFR	
D'Amores Pizza	Food - Restaurant	450	FR	FR	
Bart Baker State Farm Insurance	Service - Insurance	1,457	FR-EX	FR	
Subway	Food - Misc. Quick Serve	995	FR-EX	FR-EX	
Sotheby's International Realty	Service - Real Estate	1,350	FR-EX	FR-EX	
Chase Bank	Service - Bank	2,595	FR-EX	FR-EX	
Bank of America	Service - Financial, Banking	5,649	FR-EX	FR-EX	
Pavilions	Anchor - Grocery	29,466	FR-EX	FR-EX	
Vacant	Vacancy	480	VAC	VAC	
Tenant Categories:		Total Non-Formula	16	16	16,361
<i>NFR - Non-Formula Retail</i>		Formula:			
<i>NFR-EL - Non-Formula Retail, Eligible to be Formula</i>		Formula - Exempt	6	5	40,055
<i>NFR-IN - Non-Formula Retail, Ineligible to be Formula</i>		Formula - Grandfathered	0	0	0
<i>FR-EX - Formula Retail, Exempt from Ordinance</i>		Formula - Other	1	2	1,907
<i>FR-GF - Formula Retail, Grandfathered</i>		Total Formula	7	7	41,962
<i>FR - All Other Formula Retail</i>		Occupied Space	23	23	58,803
<i>VAC - Vacant Space</i>		Vacant Space	1	1	480
<i>VAC-EL - Vacant Space, Eligible to be Formula</i>		Vacant Space - Ineligible			
<i>VAC-IN - Vacant Space, Ineligible to be Formula</i>		Vacant Space - Eligible			
		Total Spaces	24	24	58,803
		Net Formula Retail Spaces	1	7	41,962
		% of Formula Retail	4%	29%	71%
TOTAL CENTER SALES AND SALES TAX:					
		<u>2014 \$/sf</u>	<u>Annual</u>	<u>Sales Tax</u>	
Total Sales for Center		\$164	\$96,302	(assume same sales psf as Malibu Colony)	

*This table was prepared from an earlier tenant list provided by the City. Since then there have been some changes in tenancy which are reflected in other City reports but not in this analysis. The pressure of timely delivery limits the ability to make late changes. ADK&A has reviewed these changes and concluded that they would make no material difference in the outcome of the analysis.

Current Tenancy Analysis: PC Greens Plaza

Use Type	Approx Sq Ft	CURRENT STATUS			
		Category	Sq Ft for Initiative		
		Ordinance	Initiative	Calcs	
Parcel A					
Vivid Candi - digital agency	Service - Misc.	1,099	NFR	NFR	
Townsend Group Investments	Service - Financial	1,102	NFR	NFR	
Pilates Plus Malibu	Service - Fitness Oriented	1,363	NFR	NFR	
Pacific Coast Greens Market & Deli	Anchor - Grocery Specialty	8,587	NFR	NFR	
Mark and Estel	Specialty - Apparel, Shoes	1,504	NFR	NFR	
Plate Restaurant	Food - Restaurant	1,907	NFR	NFR	
Primary Caring Malibu	Service - Medical, Dental	2,050	NFR	NFR	
D'Amore's Pizza	Food - Pizza	1,047	FR	FR	
McCormick Ambulance	Service - Medical	650	FR-EX	FR-EX	
Tenant Categories:		Total Non-Formula	7	7	17,611
NFR - Non-Formula Retail		Formula:	1	1	650
NFR-EL - Non-Formula Retail, Eligible to be Formula		Formula - Exempt	0	0	0
NFR-IN - Non-Formula Retail, Ineligible to be Formula		Formula - Grandfathered	1	1	1,047
FR-EX - Formula Retail, Exempt from Ordinance		Formula - Other	2	2	1,697
FR-GF - Formula Retail, Grandfathered		Total Formula	9	9	19,308
FR - All Other Formula Retail		Occupied Space	0	0	0
WAC - Vacant Space		Vacant Space	9	9	19,308
		Total Spaces	1	2	1,697
		Net Formula Retail Spaces	11%	22%	9%
		% of Formula Retail			
TOTAL CENTER SALES AND SALES TAX:					
Total Sales for Center	2014 \$/sf	Annual Sales Tax			
	\$164	\$31,621	(assume same sales psf as Malibu Colony)		

A-14
Current Tenancy Analysis: Malibu Sands

Use Type	Approx Sq Ft	CURRENT STATUS			
		Category	Sq Ft for Initiative		
		Ordinance	Initiative	Calcs	
Parcel A					
Faith Valentine	Service - Nails, Skin, Spa, Massage	350	NFR	NFR	
Lori's Hair Design (upstairs)	Service - Hair, Beauty	350	NFR	NFR	
Soul Town Limo	Service - Misc.	350	NFR	NFR	
Baer Skin	Service - Nails, Skin, Spa, Massage	400	NFR	NFR	
Corner Construction	Specialty - Home Improvement	700	NFR	NFR	
The Pit - Martial Arts (upstairs)	Service - Fitness Oriented	850	NFR	NFR	
Rainbow Cleaners	Service - Cleaners, Laundry	1,000	NFR	NFR	
Hot Vinyasa Yoga	Service - Fitness Oriented	1,200	NFR	NFR	
Malibu Magazine	Service - Misc.	1,236	NFR	NFR	
New York Pizza	Food - Pizza	1,600	NFR	NFR	
Thai Dishes & Sushi	Food - Restaurant	1,800	NFR	NFR	
Vacant	Vacancy	218	VAC	VAC	
Vacant	Vacancy	350	VAC	VAC	
Vacant	Vacancy	350	VAC	VAC	
Vacant	Vacancy	423	VAC	VAC	
Vacant	Vacancy	550	VAC	VAC	
Vacant	Vacancy	550	VAC	VAC	
Vacant	Vacancy	610	VAC	VAC	
Vacant	Vacancy	650	VAC	VAC	
Vacant	Vacancy	731	VAC	VAC	
Vacant	Vacancy	800	VAC	VAC	
Vacant	Vacancy	1,200	VAC	VAC	
Tenant Categories:					
NFR - Non-Formula Retail					
NFR-EL - Non-Formula Retail, Eligible to be Formula					
NFR-IN - Non-Formula Retail, Ineligible to be Formula					
FR-EX - Formula Retail, Exempt from Ordinance					
FR-GF - Formula Retail, Grandfathered					
FR - All Other Formula Retail					
VAC - Vacant Space					
	Total Non-Formula		11	11	9,836
	Formula:				
	Formula - Exempt	0	0	0	0
	Formula - Grandfathered	0	0	0	0
	Formula - Other	0	0	0	0
	Total Formula	0	0	0	0
	Occupied Space	11	11		16,268
	Vacant Space	11	11		6,432
	Total Spaces	22	22		16,268
	Net Formula Retail Spaces	0	0		0
	% of Formula Retail	0%	0%		0%
TOTAL CENTER SALES AND SALES TAX:					
		<u>2014 \$/sf</u>	<u>Annual</u>		
Total Sales for Center		\$164	\$26,642	(assume same sales psf as Malibu Colony)	

**APPENDIX B
PROJECTED FISCAL IMPACT OF POTENTIAL NEW
CENTERS**

B-1

Summary of Fiscal Impacts

Values in 2014 Dollars (no escalation assumed)

Development	Maximum Growth Scenario - Low Estimate		
	2019	2024	2029
Revenues to City			
Whole Foods in the Park	147,000	147,000	147,000
Malibu Sycamore Village	221,000	221,000	221,000
La Paz Project		356,000	356,000
Bell Project		154,000	154,000
Total	368,000	878,000	878,000
	Maximum Growth Scenario - High Estimate		
Development	2019	2024	2029
Revenues to City			
Whole Foods in the Park	171,000	171,000	171,000
Malibu Sycamore Village	266,000	266,000	266,000
La Paz Project		418,000	418,000
Bell Project		187,000	187,000
Total	437,000	1,042,000	1,042,000

INCREASED ANNUAL TAX REVENUE TO THE CITY OF MALIBU WITHOUT THE REINER THE INITIATIVE			
	Maximum Growth Scenario		
	2019	2024	2029
With low unit sales projection	\$368,000	\$878,000	\$878,000
With high unit sales projection	\$437,000	\$1,042,000	\$1,042,000

B- 2

**Projected Fiscal Impact of Potential New Centers
Whole Foods in the Park**

Location, Use and Timing		End Notes
Address:	23401 Civic Center Way	1/
APN(s):	4458-022-001 4458-022-022	2/
TRA:	10850	3/
Center Mix:	13,876 sf Retail 24,549 sf Grocery	
Total SF	38,425 sf	4/
Opening Date	Mid-2017	4/

Property Tax Impacts		End Notes
Current Assessed Value	\$6,289,404 land value	5/
Estimated Value Range	\$59,400,000 } low	4/
At Stabilized Occupancy	\$68,500,000 } high	
Net Difference	\$53,110,596 } low \$62,210,596 } high	
Full Parcel Tax Rate	1.1367% General levy + bond debt	6/
City portion of General Levy	7.0442% Share of 1.0% General Levy	7/
Net New Tax Revenue	\$37,412 } low \$43,822 } high	

Property Tax In Lieu of Motor Vehicle Licensing Fee		End Notes
Current In lieu Revenues for MVLFF	\$710,881	12/
FY 2013-2014 Citywide Assessed Value	11,673,827,000	8/
Tax Factor	0.0000609 {Revenues / Assessed Value}	
Project Assessed Value - low	\$59,400,000	
Projected Revenue	3,617	
Project Assessed Value - high	\$68,500,000	
Projected Revenue	4,171	

B- 2 Continued
Projected Fiscal Impact of Potential New Centers
Whole Foods in the Park

		End Notes
Sales Tax Impacts		
Projected Sales - Retail		
Total SF	13,876 sf	
Projected Sales Per Sq Ft	\$325 PSF } low	9/
	\$375 PSF } high	
Projected Gross Sales	\$4,509,700	
Less Structural Vacancy	(225,485) Est at 5.0% of Gross	
Net Annual Taxable Sales	\$4,284,215 Low estimate	
Projected Gross Sales	\$5,203,500	
Less Structural Vacancy	(260,175) Est at 5.0% of Gross	
Net Annual Taxable Sales	\$4,943,325 High estimate	
Projected Sales - Grocery		
Total SF	24,549 sf	
Projected Sales Per Sq Ft	\$800 PSF } low	9/
	\$900 PSF } high	
Projected Gross Sales	\$19,639,200	
Less Non-Taxable Items	(15,711,360) Est at 80.0% of Gross	
Net Annual Taxable Sales	\$3,927,840 Low estimate	
Projected Gross Sales	\$22,094,100	
Less Non-Taxable Items	(17,675,280) Est at 80.0% of Gross	
Net Annual Taxable Sales	\$4,418,820 High estimate	
TOTAL NET NEW TAXABLE SALES	\$8,212,055 } low	
	\$9,362,145 } high	
Sales Tax Capture by City (rate)	0.75%	10/
Sales Tax Capture by City Total	61,590 } low	
	70,216 } high	

		End Notes
Property Tax In Lieu of Sales Tax		
Projected Taxable Sales from Project	\$8,212,055 } low	
	\$9,362,145 } high	
Portion of local Taxable Sales Redirected to State	0.25%	11/
Property Tax In Lieu of Sales Tax	\$20,530 } low	
	\$23,405 } high	

B- 2 Continued
Projected Fiscal Impact of Potential New Centers
Whole Foods in the Park

			End Notes
Utility Users Tax Impacts			
Current Utility Users Tax Revenues	\$2,500,000		12/
Service Area Population (SAP)	14,675		13/
Revenue per SAP (Base Rate)	\$170 per SAP		
Utility User Tax Revenue Multipliers	<u>Multiplier</u>	<u>Base Rate x Multiplier</u>	14/
Retail	1.49	\$254 per employee	
Grocery	2.26	\$385 per employee	
Estimated On-Site Employment	<u>Ratio</u>	<u>Projected Employment</u>	14/
Retail	2.2 emp per 1,000 sf	31	
Grocery	2.0 emp per 1,000 sf	49	
Total		80	
Projected Utility User Tax Revenue	<u>Projection of Median Values</u>		
Retail	\$7,874		
Grocery	\$18,883		
Total	\$26,757		
Projected Revenue (Range)	<u>10% Less than Median</u>	<u>10% More than Median</u>	
	\$24,081	\$29,432	

Total Revenue Projection At Stabilized	<u>Low Estimate</u>	<u>High Estimate</u>
Property Tax Revenues	37,412	43,822
Property Tax In Lieu of MVLf	3,617	4,171
Sales Tax Revenues	61,590	70,216
Property Tax in lieu of Sales Tax	20,530	23,405
Utility Users Tax Revenue	24,081	29,432
	147,231	171,047

Notes

- 1/ Source: Malibu Cumulative Projects Listing (updated 11.07.13)_Commerical (prepared by City of Malibu)
- 2/ Source: Civic Center Vacant Commercial Lands Inventory: Version 2 Updated 2/10/2012
- 3/ Source: LA County Office of the Assessor
- 4/ Source: James Suhr & Associates
- 5/ 2013 Tax Roll Value for combined parcels. Source: Los Angeles County Office of the Assessor - Property Assessment Information System (PAIS)
- 6/ Source: Los Angeles County Department of Auditor-Controller
- 7/ Source: Los Angeles County Department of Auditor Controller - AF49 Modified ATI Ratios
- 8/ Source: Comprehensive Annual Financial Report for Year Ended June 30, 2013 (City of Malibu)
- 9/ Source: Illuminas Consulting
- 10/ Portion of Uniform Local Tax Rate that goes to point of sale operations. Source: California State Board of Equalization
- 11/ Source: California State Board of Equalization
- 12/ Source: 2013-14 City of Malibu Adopted Budget
- 13/ See Table B-6 for details on how Service Area Population is derived.
- 14/ See Table B-7 for derivation of utility user multipliers

B-3

**Projected Fiscal Impact of Potential New Centers
Malibu Sycamore Village**

		End Notes
Location, Use and Timing		
Address:	23789 Stewart Ranch Rd	1/
APN(s):	4458-022-011	2/
TRA:	10850	3/
Center Mix:	37,698 sf Retail	
	10,000 sf Restaurant	
	12,032 sf Office	
Total SF	59,730 sf	4/
Opening Date	Early 2018	4/
Property Tax Impacts		End Notes
Current Assessed Value	\$7,619,720	5/
Estimated Value Range	\$78,100,000 } low	4/
At Stabilized Occupancy	\$92,300,000 } high	
Net Difference	\$70,480,280 } low	
	\$84,680,280 } high	
Full Parcel Tax Rate	1.1367% General levy + bond debt	6/
City portion of General Levy	7.0442% Share of 1.0% General Levy	7/
Net New Tax Revenue	\$49,648 } low	
	\$59,650 } high	
Property Tax In Lieu of Motor Vehicle Licensing Fee		End Notes
Current In lieu Revenues for MVLF	\$710,881	12/
FY 2013-2014 Citywide Assessed Value	11,673,827,000	8/
Tax Factor	0.0000609 {Revenues / Assessed Value}	
Project Assessed Value - low	\$78,100,000	
Projected Revenue	4,756	
Project Assessed Value - high	\$92,300,000	
Projected Revenue	5,621	

B-3 Continued

Projected Fiscal Impact of Potential New Centers Malibu Sycamore Village

			End Notes
Sales Tax Impacts			
Projected Sales - Retail			
Total SF	37,698 sf		
Projected Sales Per Sq Ft	\$250 PSF	low	9/
	\$300 PSF	high	
Projected Gross Sales	\$9,424,500		
Less Structural Vacancy	(471,225)	Est at 5.0% of Gross	
Net Annual Taxable Sales	\$8,953,275	Low estimate	
Projected Gross Sales	\$11,309,400		
Less Structural Vacancy	(565,470)	Est at 5.0% of Gross	
Net Annual Taxable Sales	\$10,743,930	High estimate	
Projected Sales - Restaurant			
Total SF	10,000 sf		
Projected Sales Per Sq Ft	\$500 PSF	low	9/
	\$600 PSF	high	
Projected Gross Sales	\$5,000,000		
Less Structural Vacancy	(250,000)	Est at 5.0% of Gross	
Net Annual Taxable Sales	\$4,750,000	Low estimate	
Projected Gross Sales	\$6,000,000		
Less Structural Vacancy	(300,000)	Est at 5.0% of Gross	
Net Annual Taxable Sales	\$5,700,000	High estimate	
TOTAL NET NEW TAXABLE SALES			
	\$13,703,275	low	
	\$16,443,930	high	
Sales Tax Capture by City (rate)	0.75%		10/
Sales Tax Capture by City Total	102,775	low	
	123,329	high	
Property Tax In Lieu of Sales Tax			
Projected Taxable Sales from Project	\$13,703,275	low	
	\$16,443,930	high	
Portion of local Taxable Sales Redirected to State	0.25%		11/
Property Tax In Lieu of Sales Tax	\$34,258	low	
	\$41,110	high	
Utility Users Tax Impacts			
Current Utility Users Tax Revenues	\$2,500,000		12/
Service Area Population (SAP)	14,675		13/
Revenue per SAP (Base Rate)	\$170 per SAP		
Utility User Tax Revenue Multipliers	<u>Multiplier</u>	<u>Base Rate x Multiplier</u>	14/
Retail	1.49	\$254 per employee	
Restaurant	2.79	\$475 per employee	
Office	0.41	\$69 per employee	
Estimated On-Site Employment	<u>Ratio</u>	<u>Projected Employment</u>	14/
Retail	2.2 emp per 1,000 sf	84	
Restaurant	1.7 emp per 1,000 sf	17	
Office	4.4 emp per 1,000 sf	53	
Total		154	
Projected Utility User Tax Revenue	<u>Projection of Median Values</u>		
Retail	\$21,335		
Restaurant	\$8,068		
Office	\$3,672		
Total	\$33,076		
Projected Revenue (Range)	10% Less than Median	10% More than Median	
	\$29,768	\$36,383	
Total Revenue Projection At Stabilized			
	<u>Low Estimate</u>	<u>High Estimate</u>	
Property Tax Revenues	49,648	59,650	
Property Tax In Lieu of MVLF	4,756	5,621	
Sales Tax Revenues	102,775	123,329	
Property Tax in lieu of Sales Tax	34,258	41,110	
Utility Users Tax Revenue	29,768	36,383	
	221,205	266,094	

Notes

- 1/ Source: Malibu Cumulative Projects Listing (updated 11.07.13)_Commerical (prepared by City of Malibu)
- 2/ Source: Civic Center Vacant Commercial Lands Inventory: Version 2 Updated 2/10/2012
- 3/ Source: LA County Office of the Assessor
- 4/ Source: James Suhr & Associates
- 5/ 2013 Tax Roll Value for combined parcels. Source: Los Angeles County Office of the Assessor - Property Assessment Information System (PAIS)
- 6/ Source: Los Angeles County Department of Auditor-Controller
- 7/ Source: Los Angeles County Department of Auditor Controller - AF49 Modified ATI Ratios
- 8/ Source: Comprehensive Annual Financial Report for Year Ended June 30, 2013 (City of Malibu)
- 9/ Source: Illuminas Consulting
- 10/ Portion of Uniform Local Tax Rate that goes to point of sale operations. Source: California State Board of Equalization
- 11/ Source: California State Board of Equalization
- 12/ Source: 2013-14 City of Malibu Adopted Budget
- 13/ See Table B-6 for details on how Service Area Population is derived.
- 14/ See Table B-7 for derivation of utility user multipliers

B-4

Projected Fiscal Impact of Potential New Centers

La Paz Project

Location, Use and Timing		End Notes
Address:	23465 Civic Center Way	1/
APN(s):	4458-022-023	2/
	4458-022-024	
TRA:	10850	3/
Center Mix:	69,502 sf Retail	
	42,556 sf Office	
Total SF	112,058 sf	4/
Opening Date	Q4 2020	4/

Property Tax Impacts		End Notes
Current Assessed Value	\$6,365,494 land value	5/
Estimated Value Range	\$129,500,000 } low	
At Stabilized Occupancy	\$153,100,000 } high	4/
Net Difference	\$123,134,506 } low	
	\$146,734,506 } high	
Full Parcel Tax Rate	1.1367% General levy + bond debt	6/
City portion of General Levy	7.0442% Share of 1.0% General Levy	7/
Net New Tax Revenue	\$86,738 } low	
	\$103,362 } high	

Property Tax In Lieu of Motor Vehicle Licensing Fee		End Notes
Current In lieu Revenues for MVLFF	\$710,881	12/
FY 2013-2014 Citywide Assessed Value	11,673,827,000	8/
Tax Factor	0.0000609 {Revenues / Assessed Value}	
Project Assessed Value - low	\$129,500,000	
Projected Revenue	7,886	
Project Assessed Value - high	\$153,100,000	
Projected Revenue	9,323	

B-4 Continued

Projected Fiscal Impact of Potential New Centers

La Paz Project

		End Notes
Sales Tax Impacts		
Projected Sales - Retail		
Total SF	69,502 sf	
Projected Sales Per Sq Ft	\$325 PSF } low \$375 PSF } high	9/
Projected Gross Sales	\$22,588,150	
Less Structural Vacancy	(1,129,408) Est at 5.0% of Gross	
Net Annual Taxable Sales	\$21,458,743 Low estimate	
Projected Gross Sales	\$26,063,250	
Less Structural Vacancy	(1,303,163) Est at 5.0% of Gross	
Net Annual Taxable Sales	\$24,760,088 High estimate	
TOTAL NET NEW TAXABLE SALES	\$21,458,743 } low \$24,760,088 } high	
Sales Tax Capture by City (rate)	0.75%	10/
Sales Tax Capture by City Total	160,941 } low 185,701 } high	

		End Notes
Property Tax In Lieu of Sales Tax		
Projected Taxable Sales from Project	\$21,458,743 } low \$24,760,088 } high	
Portion of local Taxable Sales Redirected to State	0.25%	11/
Property Tax In Lieu of Sales Tax	\$53,647 } low \$61,900 } high	

		End Notes
Utility Users Tax Impacts		
Current Utility Users Tax Revenues	\$2,500,000	12/
Service Area Population (SAP)	14,675	13/
Revenue per SAP (Base Rate)	\$170 per SAP	
Utility User Tax Revenue Multipliers	<u>Multiplier</u>	<u>Base Rate x Multiplier</u>
Retail	1.49	\$254 per employee
Office	0.41	\$69 per employee
Estimated On-Site Employment	<u>Ratio</u>	<u>Projected Employment</u>
Retail	2.2 emp per 1,000 sf	154
Office	4.4 emp per 1,000 sf	189
Total		343
Projected Utility User Tax Revenue	<u>Projection of Median Values</u>	
Retail	\$39,115	
Office	\$13,094	
Total	\$52,210	
Projected Revenue (Range)	<u>10% Less than Median</u> <u>10% More than Median</u>	
	\$46,989 \$57,430	

	<u>Low Estimate</u>	<u>High Estimate</u>
Total Revenue Projection At Stabilized		
Property Tax Revenues	86,738	103,362
Property Tax In Lieu of MVL	7,886	9,323
Sales Tax Revenues	160,941	185,701
Property Tax in lieu of Sales Tax	53,647	61,900
Utility Users Tax Revenue	46,989	57,430
	356,200	417,717

Notes

- 1/ Source: Malibu Cumulative Projects Listing (updated 11.07.13)_Commerical (prepared by City of Malibu)
- 2/ Source: Civic Center Vacant Commercial Lands Inventory; Version 2 Updated 2/10/2012
- 3/ Source: LA County Office of the Assessor
- 4/ Source: James Suhr & Associates
- 5/ 2013 Tax Roll Value for combined parcels. Source: Los Angeles County Office of the Assessor - Property Assessment Information System (PAIS)
- 6/ Source: Los Angeles County Department of Auditor-Controller
- 7/ Source: Los Angeles County Department of Auditor Controller - AF49 Modified ATI Ratios
- 8/ Source: Comprehensive Annual Financial Report for Year Ended June 30, 2013 (City of Malibu)
- 9/ Source: Illuminas Consulting
- 10/ Portion of Uniform Local Tax Rate that goes to point of sale operations. Source: California State Board of Equalization
- 11/ Source: California State Board of Equalization
- 12/ Source: 2013-14 City of Malibu Adopted Budget
- 13/ See Table B-6 for details on how Service Area Population is derived.
- 14/ See Table B-7 for derivation of utility user multipliers

B-5

Projected Fiscal Impact of Potential New Centers

Bell Project

Location, Use and Timing		End Notes
Address:	Located west side of Stuart Ranch Road and just north of Civic Center Way	2/
APN(s):	4458-021-175	2/
TRA:	10850	1/
Center Mix:	27,836 sf Retail 7,384 sf Restaurant 8,884 sf Office	
Total SF	44,104 sf	2/
Opening Date	Q4 2022	2/

Property Tax Impacts		End Notes
Current Assessed Value	\$12,473,986 land value	3/
Estimated Value Range At Stabilized Occupancy	\$52,400,000 } low \$62,900,000 } high	2/
Net Difference	\$39,926,014 } low \$50,426,014 } high	
Full Parcel Tax Rate	1.1367% General levy + bond debt	4/
City portion of General Levy	7.0442% Share of 1.0% General Levy	5/
Net New Tax Revenue	\$28,125 } low \$35,521 } high	

Property Tax In Lieu of Motor Vehicle Licensing Fee		End Notes
Current In lieu Revenues for MVLFF	\$710,881	10/
FY 2013-2014 Citywide Assessed Value	11,673,827,000	6/
Tax Factor	0.0000609 {Revenues / Assessed Value}	
Project Assessed Value - low	\$52,400,000	
Project Revenue	3,191	
Project Assessed Value - high	\$62,900,000	
Project Revenue	3,830	

B-5 Continued

Projected Fiscal Impact of Potential New Centers

Bell Project

			End Notes
Sales Tax Impacts			
Projected Sales - Retail			
Total SF	27,836 sf		
Projected Sales Per Sq Ft	\$250 PSF	low	7/
	\$300 PSF	high	
Projected Gross Sales	\$6,959,000		
Less Structural Vacancy	(347,950)	Est at 5.0% of Gross	
Net Annual Taxable Sales	\$6,611,050	Low estimate	
Projected Gross Sales	\$8,350,800		
Less Structural Vacancy	(417,540)	Est at 5.0% of Gross	
Net Annual Taxable Sales	\$7,933,260	High estimate	
Projected Sales - Restaurant			
Total SF	7,384 sf		
Projected Sales Per Sq Ft	\$500 PSF	low	7/
	\$600 PSF	high	
Projected Gross Sales	\$3,692,000		
Less Structural Vacancy	(184,600)	Est at 5.0% of Gross	
Net Annual Taxable Sales	\$3,507,400	Low estimate	
Projected Gross Sales	\$4,430,400		
Less Structural Vacancy	(221,520)	Est at 5.0% of Gross	
Net Annual Taxable Sales	\$4,208,880	High estimate	
TOTAL NET NEW TAXABLE SALES	\$10,118,450	low	
	\$12,142,140	high	
Sales Tax Capture by City (rate)	0.75%		8/
Sales Tax Capture by City Total	75,888	low	
	91,066	high	
Property Tax In Lieu of Sales Tax			
Projected Taxable Sales from Project	\$10,118,450	low	
	\$12,142,140	high	
Portion of local Taxable Sales Redirected to State	0.25%		9/
Property Tax In Lieu of Sales Tax	\$25,296	low	
	\$30,355	high	

B-5 Continued

Projected Fiscal Impact of Potential New Centers

Bell Project

			End Notes
Utility Users Tax Impacts			
Current Utility Users Tax Revenues	\$2,500,000		10/
Service Area Population (SAP)	14,675		11/
Revenue per SAP (Base Rate)	\$170 per SAP		
Utility User Tax Revenue Multipliers	<u>Multiplier</u>	<u>Base Rate x Multiplier</u>	12/
Retail	1.49	\$254 per employee	
Restaurant	2.79	\$475 per employee	
Office	0.41	\$69 per employee	
Estimated On-Site Employment	<u>Ratio</u>	<u>Projected Employment</u>	12/
Retail	2.2 emp per 1,000 sf	62	
Restaurant	1.7 emp per 1,000 sf	12	
Office	4.4 emp per 1,000 sf	39	
Total		<u>113</u>	
Projected Utility User Tax Revenue	<u>Projection of Median Values</u>		
Retail	\$15,748		
Restaurant	\$5,695		
Office	\$2,702		
Total	\$24,145		
Projected Revenue (Range)	<u>10% Less than Median</u>	<u>10% More than Median</u>	
	\$21,730	\$26,559	

Total Revenue Projection At Stabilized	<u>Low Estimate</u>	<u>High Estimate</u>
Property Tax Revenues	28,125	35,521
Property Tax In Lieu of MVLF	3,191	3,830
Sales Tax Revenues	75,888	91,066
Property Tax in lieu of Sales Tax	25,296	30,355
Utility Users Tax Revenue	21,730	26,559
	<u>154,230</u>	<u>187,332</u>

Notes

- 1/ Source: LA County Office of the Assessor
- 2/ Source: James Suhr & Associates
- 3/ 2013 Tax Roll Value for combined parcels. Source: Los Angeles County Office of the Assessor - Property Assessment Information System (PAIS)
- 4/ Source: Los Angeles County Department of Auditor-Controller
- 5/ Source: Los Angeles County Department of Auditor Controller - AF49 Modified ATI Ratios
- 6/ Source: Comprehensive Annual Financial Report for Year Ended June 30, 2013 (City of Malibu)
- 7/ Source: Illuminas Consulting
- 8/ Portion of Uniform Local Tax Rate that goes to point of sale operations. Source: California State Board of Equalization
- 9/ Source: California State Board of Equalization
- 10/ Source: 2013-14 City of Malibu Adopted Budget
- 11/ See Table B-6 for details on how Service Area Population is derived.
- 12/ See Table B-7 for derivation of utility user multipliers

B-6

Derivation of Utility Tax Revenue Multipliers

	Average Utility Costs PSF 1/	Avg SF Per Employee 2/	Employment Per 1,000 SF	Utilities Cost Per 1,000 SF	Utility Cost Per Employee	Multipliers 3/
Office Uses						
Medical Office	\$1.74	175	5.7	1,740	305	0.33
Multi-Tenant Space	\$1.67	225	4.4	1,670	376	0.41
R&D Space	\$1.67	375	2.7	1,670	626	0.68
Single-Tenant Space	\$1.49	150	6.7	1,491	224	0.24
Industrial Uses						
Distribution	\$0.71	700	1.4	710	497	0.54
Industrial Park	\$1.00	400	2.5	1,005	402	0.43
Light Industrial	\$1.74	400	2.5	1,742	697	0.75
Manufacturing	\$1.61	700	1.4	1,608	1,125	1.22
Retail Uses						
Community Retail	\$3.06	450	2.2	3,061	1,378	1.49
Freestanding Retail	\$1.56	800	1.3	1,560	1,248	1.35
Grocery Store	\$4.18	500	2.0	4,180	2,090	2.26
Neighborhood Retail	\$2.69	375	2.7	2,686	1,007	1.09
Regional Retail	\$2.46	500	2.0	2,456	1,228	1.33
Restaurant	\$4.29	600	1.7	4,290	2,574	2.79
Super Regional Retail	\$2.57	500	2.0	2,569	1,285	1.39
Hotel Uses						
	\$1.30	650	1.5	1,300	845	0.91
AVERAGE					<u>924</u>	

Notes

1/ Source: U.S. Energy Information Administration. Survey year - 2003

2/ Source: Estimates by Illuminas Consulting, LLC

3/ Multiplier = (Utility Cost Per Emp) / Average Utility Cost Per Employee

B-7

Estimate of Service Area Population

	Unit	Area	Notes
Current Residential Population	12,865	City	1/
Wage-Based Employment	5,893	City	2/
Self Employment - County	922,139	County	3/
County Population	10,041,797	County	4/
Malibu Share of County Population	0.13%		
Malibu Pro-Rata Share of Self Employment	1,181	City	
Total Estimated Malibu Jobs	7,074	City	
Wage Employees that reside and work in the City	463	City	5/
Estimate of Resident Self Employeed	1,181	City	6/
Jobs Held by City Residents	1,644	City	
Jobs Held by Non-Residents	5,430	City	
Calculated Service Area Population		<u>Multiplier</u>	
Resident Population	12,865	1.00	
Non-Resident Workers	5,430	0.33	7/
Service Area Population		14,675	

Notes:

-
- 1/ Population as of Jan 2014. Source: California Department of Finance, E-1 Report.
 - 2/ Total employment as of 2011. Source: U.S. Census, LED On the Map. Database is derived from Unemployment Insurance Wage Records reported by employers and maintained by each state for the purpose of administering its unemployment insurance system.
 - 3/ Self employment constitutes firms without employees. Survey year is 2012. Source: U.S. Census Bureau; Nonemployer Statistics report.
 - 4/ Malibu Share of County population
 - 5/ U.S. Census, LED On the Map, based on employee commuting patterns.
 - 6/ Estimated at 100% of Malibu's pro-rata share of self employed workers
 - 7/ Multiplier = 8 hr work day / 24 hour cycle

**APPENDIX C
TABULATION OF EXISTING CENTERS**

Appendix C

Tabulation of Existing Centers

City of Malibu: Detailed Inventory													
<u>Unit</u>	<u>Story</u>	<u>Business Name</u>	<u>Category</u>	<u>Confirm ?</u>	<u>Area Of City</u>	<u>Location</u>	<u>Tax Assessor SQ FT.</u>	<u>Comment</u>	<u>Stand Alone (Y/N)</u>	<u># in USA</u>	<u># Globally</u>	<u>Formula Retail</u>	
104	1	Shipping Company	Service - Mailing, Shipping, Printing	X	East	18820 PCH	918	Not suitable for multi-tenant retail	NO	n/a	n/a	NO	
103	1	American Apparel	Specialty - Apparel, Shoes	X	East	18820 PCH	2,592		NO	> 10	> 10	YES	
201	2	Ofc. Creative Visions - Center for Creative Activism	Service - Misc.	X	East	18820 PCH	2,860		NO	1	1	NO	
Total							6,370						
		Vacant		X	East	18920 PCH	1,269	Vacant - Not suitable for multi-tenant retail	n/a	n/a	n/a	n/a	
1		Sanctuary for Arts &	Service - Misc.	X	East	19562 PCH	1,874	Not suitable for multi-tenant retail	YES	1	1	NO	
1		MoonShadows Restaurant	Food - Restaurant	X	East	20356 PCH	4,236	Occupied - Not suitable for multi-tenant retail	YES	1	1	NO	
1		Duke's - Malibu	Food - Restaurant	X	East	21150 PCH	7,000	Occupied - Not suitable for multi-tenant retail	NO	5	5	NO	
1		Duke's Barefoot Bar	Food - Restaurant	X	East	21150 PCH	18,637		NO	1	1	NO	
Total							25,637						
1		Cosentino's Fresh Cut Flowers	Specialty - Flowers	X	East	21201 PCH	484	Occupied - Not suitable for multi-tenant retail	YES	2	2	NO	
1		76 Gas / Circle K	Automotive - Gas	X	East	21216 PCH	1,795	Occupied - Not suitable for multi-tenant retail	YES	>10	>10	YES	
1		Vacant	Goods	X	East	21217 PCH		This building is one of three building complexes that comprise a multi-tenant retail strip mall along PCH that is entirely made-up of mom n pop shops.					
1		Blue Malibu	Shoes	X	East	21219 PCH			NO	1	1	NO	
1		Pistol and Lucy	Shoes	X	East	21221 PCH			NO	1	1	NO	
2		Johnson Hughes Builders, Developers	Service - Home Improvement	X	East	21223 PCH			NO	1	1	NO	
Total							1,420						

Appendix C

Tabulation of Existing Centers

1	Pacific Coast Windows, Doors, Glass	Specialty - Home Improvement	X	East	21227 PCH	4,481	"21227 PCH" is a typical multi-tenant retail strip mall. This building is in between the 1217 and 21237 PCH. It appears to be entirely occupied, and the businesses for the most part appear to have been there for a substantial amount of time.	NO	1	1	NO
1	Sidda Flower Essences	Service - Wellness	X	East	21215 PCH	n/a		NO	1	1	NO
1	US Post Office	Shipping, Printing	X	East	21229 PCH	3,078					
1	Malibu Divers	Goods	X	East	21231 PCH	n/a		NO	1	1	NO
2	Westways Travel	Service - Travel	X	East	21225 PCH	n/a		NO	1	1	NO
2	Growth & Healing	Service - Misc.	X	East	21225 PCH	n/a		NO	1	1	NO
1	Robert A. Shain MD	Service - Medical	X	East	21225 PCH	n/a		NO	3	3	NO
2	SJF Construction	Specialty - Home Improvement	X	East	21225 PCH	n/a		NO	1	1	NO
						7,559					
1	Country Liquor Market	Market - Convenience	X	East	21237 PCH	n/a	The liquor store and a southern-style home kitchen have been there for some time. This space is not ideal for multi-tenant retail, but can be thought of as part of an extended retail experience from 21227 and 21237 PCH.	NO	1	1	NO
1	Malibu T-Shirts	Shoes	X	East	21239 PCH	n/a		NO	1	1	NO
1	Country Kitchen Restaurant	Food - Restaurant	X	East	21239 PCH	n/a		NO	1	1	NO
1	Center	Service - Wellness	X	East	21241 PCH	n/a		NO	1	1	NO
2	Burdge & Assoc. Architects	Service - Home Related	X	East	21235 PCH	n/a		NO	2	2	NO
						Total 4,230					
1 & 2	A&B Hardware	Specialty - Home Improvement	X	East	21247-21248 PCH	5,280	Not a suitable candidate for multi-tenant retail	YES	n/a	n/a	YES
	Offices	Service - Misc.	X	East	21361 PCH	2,900	Not a suitable candidate for multi tenant retail	YES			
	Verizon	Communications	X	East	22211 PCH	9,472		YES	>10	>10	YES
1	State Farm Insurance	Service - Insurance	X	East	22227 PCH		This building contains for spaces for multi-tenant retail, although it is a relatively small and low rise building. It does contain formula retail in the form of an Insurance company, State Farm, but would be exempt under the Reiner Initiative going to ballot.	NO	>10	>10	YES
1	Scott Nay Realty	Service - Real Estate	X	East	22227 PCH			NO	1	1	NO
1	M.D. Eye Care	Service - Medical	X	East	22227 PCH			NO	1	1	NO
1	Tobias	Service - Architecture	X	East	22227 PCH			NO	1	1	NO
						Total 4,369					
1	Restaurant	Food - Restaurant	X	East	22235 PCH		This is a strangely laid out parcel that contains four spaces for multi-tenant retail. There is a fairly large and operational restaurant in front, and 3 smaller businesses that sit behind the restaurant.	NO	1	1	NO
	Heads Above All	Service - Hair, Beauty	X	East	22235 PCH			NO	1	1	NO
	Yannetty Landscape	Related	X	East	22235 PCH			NO	3	3	NO
	Andre Electric	Related	X	East	22235 PCH			NO	1	1	NO
						Total 2,762					

Appendix C

Tabulation of Existing Centers

	1	CFAM Mortgage	Service - Financial	X	East	22241 PCH		22241 PCH, while groupe in with Louis T Busch, is more connected to 22235 PCH, with whom they share a wall/border. This property appears to be nominally occupied, as there are four "suites" but it is unclear if they are being used or inhabited. It is separated by a parking lot from Louis T Busch, which is standalone and appears to be doing well.	NO	n/a	n/a	YES
	1	Malibu Escrow Co.	Service - Real Estate	X	East	22241 PCH			NO	1	1	NO
						Total	3,102					
	1	Louis T Busch Real Estate	Service - Real Estate	X	East	22253 PCH		Occupied - Not suitable for multi-tenant retail	NO	1	1	NO
	2	(Upstairs Office)	Service - Misc.	X	East	22253 PCH			NO	n/a	n/a	
						Total	2,053					

Appendix C

Tabulation of Existing Centers

8	1	Vacant		X	East	- Malibu	800		NO	n/a	n/a	n/a	
105	1	Hot Vinyasa Yoga	Service - Wellness	X	East	- Malibu	1,200		NO	1	1	NO	
1	1	NY Pizzeria	Food - Restaurant	X	East	- Malibu	1,600		NO				
107	1	Thai Dishes	Food - Restaurant	X	East	- Malibu	1,800		YES	1	1	NO	
106	1	Vacant		X	East	- Malibu	550		NO	n/a	n/a	n/a	
101 B	1	Vacant		X	East	- Malibu	423		NO	n/a	n/a	n/a	
104	1	Vacant		X	East	- Malibu	610		NO	n/a	n/a	n/a	
102	1	Vacant		X	East	- Malibu	650		NO	n/a	n/a	n/a	
102 B	1	Vacant		X	East	- Malibu	218		NO	n/a	n/a	n/a	
101	1	Vacant		X	East	- Malibu	731		NO	n/a	n/a	n/a	
216	2	Vacant		X	East	- Malibu	1,200		NO	n/a	n/a	n/a	
211	2	The Pit: Malibu Martial Arts	Service - Fitness Oriented	X	East	- Malibu Sands	850		NO	1	1	NO	
212	2	Baer Skin	Service - Hair, Beauty	X	East	- Malibu	400		NO	1	1	NO	
210	2	Malibu Magazine	Service - Misc.	X	East	- Malibu	1,236		NO	1	1	NO	
200	2	Vacant		X	East	- Malibu	550		NO	n/a	n/a		
202	2	Corner Construction	Specialty - Home Improvement	X	East	22333 PCH - Malibu Sands Center	350	22333 PCH, a strip complex known as Malibu Sands, is an ideal place for multi-tenant retail. The south end of the complex is separated from the north end by a Thai Restaurant, which is operational. The south complex contains a few nominally occupied units upstairs.	NO	1	1	NO	
203	2	Corner Construction	Specialty - Home Improvement	X	East	22333 PCH - Malibu Sands Center	350		NO	1	1	NO	
205	2	Faith Valentine	Service - Hair, Beauty	X	East	22334 PCH - Malibu Sands Center	350		NO	1	1	NO	
201	2	Vacant		X	East	22335 PCH - Malibu Sands Center	350		NO	n/a	n/a		
206	2	Lari's Hair	Service - Hair, Beauty	X	East	- Malibu Sands Center	350		NO	1	1	NO	
207	2	Soul Town Limo	Service - Misc.	X	East	22337 PCH - Malibu Sands Center	350		NO	1	1	NO	
208	2	Vacant/Unknown		X	East	22338 PCH - Malibu Sands Center	350		NO	n/a	n/a		
Total									16,022				

Appendix C

Tabulation of Existing Centers

1	European Equestrian	Specialty - Sporting Goods	X	East	22467 PCH	1,208	Occupied - Not suitable for multi-tenant retail	NO	1	1	NO
	Personal Storage Space	Service - Misc.	X	East	22483 PCH	6,760	Occupied - Not suitable for multi-tenant retail				
1	Michael Lee Collection	Service - Home Related	X	East	22516 PCH	6,791	Occupied - a business appears to be running out of this multi-family property	YES	1	1	NO
1	Colony House Liquors	Market - Convenience	X	East	22523 PCH		This small retail center contains three spaces for multi-tenant retail, but there currently is no formula retail at this space. The space is old but seems to be sustaining itself.	NO	1	1	NO
1	Malibu Grooming Co.	Service - Pet Care	X	East	22523 PCH			NO	1	1	NO
1	Malibu T Shirts/Beachwear	Specialty - Misc., Gifts, etc.	X	East	22523 PCH			NO	1	1	NO
						Total 3,487					
1	Malibu Cigar Lounge	Specialty - Misc., Gifts, etc.	X	East	22525 PCH			NO	1	1	NO
1	Vacant	Service - Fitness Oriented	X	East	22525 PCH		While this building is an ideal spot for multi-tenant retail, and stands out because it is recently updated, this building is almost entirely vacant except for a cigar lounge. United Souvenirs Apparel is nominally occupied.				
2	Vacant	Specialty - Home Improvement	X	East	22525 PCH						
2	Vacant		X	East	22525 PCH						
1	United Souvenirs Apparel	Specialty - Misc., Gifts, Apparel	X	East	22535 PCH			NO	1	1	NO
						Total 4,380					

Appendix C

Tabulation of Existing Centers

	1	Law Offices	Service - Legal	X	East	22526 or 22514 PCH	6,791	As a small lot with two businesses, a law firm and a gallery, multi-tenant retail is possible but the space is not particularly well suited for it.				
	1	Cunningham Gallery	Specialty - Home Design/Furnishings	X	East	22524 PCH	3,146		NO	1	1	NO
						Total 9,937						
130	1	Market & Deli	Specialty	X	East	- PC	8,587	Pacific Coast Greens Center is newly renovated retail center off of PC. It is fully leased, although some units are still in the process of being occupied by the leasees.	NO	1	1	NO
100	1	Plate Restaurant	Food - Restaurant	X	East	- PC	1,907		NO	1	1	NO
120	1	D'Amore's Pizza	Food - Restaurant	X	East	- PC	1,047		NO	10	10	YES
200	2	Townsend Group	Service - Investments	X	East	- PC	1,102		NO		1	NO
225	2	Pilates Plus Malibu	Service - Health	X	East	- PC	1,363		NO			YES
228	2	McCormick Ambulance	Service - Medical	X	East	- PC	650		NO	> 10	> 10	YES
230	2	Vivid Candi	Service - Design	X	East	- PC	1,098		NO	1	1	NO
40/24	2	Primary Caring	Service - Medical	X	East	- PC	2,050		NO	1	1	NO
50/27	2	Mark and Estel	Design	X	East	- PC	1,504	NO	1	1	NO	
						Total 19,885						
		Vacant			East	22605 PCH		One of these spaces was nominally occupied, and the other was vacant. It appeared to have been vacant.	n/a	n/a	n/a	n/a
	1	Psychic Reader of Malibu	Service - Misc.	X	East	22605 PCH			NO	1	1	NO
						Total 2,894						
	1	4 Malibu Realty	Service - Real Estate	X	East	22611 PCH	838	Occupied - Not suitable for multi-tenant retail	NO	2	2	NO
	multiple	The Enclave at Malibu - Jaksks Pacific Offices	Service - Misc.	X	East	22619 PCH	21,094	Occupied - Not suitable for multi-tenant retail	n/a	n/a	n/a	n/a
	1	Malibu Gallery & Framing	Design/Furnishings	X	East	22625 PCH	n/a	This is a fairly new shopping center that contains a couple of the displaced businesses from Malibu Sands, including the cleaners, and Computer Pros. While the strip mall is very modern and updated, it contains two large vacant suites on the first floor, and does not appear to be occupied on the second floor.	NO	1	1	NO
	1	Computer Pros	Specialty -	X	East	22627 PCH	n/a		NO	1	1	NO
	1	Vacant	Vacancy	X	East	22629 PCH	n/a		n/a	n/a	n/a	n/a
	1	Vacant	Vacancy	X	East	22631 PCH	n/a		n/a	n/a	n/a	n/a
	1	Malibu Barber Shop	Service - Hair, Beauty	X	East	22635 PCH	n/a		NO	1	1	NO
	1	Thai Body Works	Spa, Massage	X	East	22637 PCH	n/a		NO	1	1	NO
	1	Upstairs space	Service - Misc.	X	East	22638 PCH	n/a		n/a	n/a	n/a	n/a
	1	Rainbow Cleaners	Laundry	X	East	22633 PCH	n/a		NO	1	1	NO
						Total 3,814						

Appendix C

Tabulation of Existing Centers

1	Sand Shell	Spa, Massage	X	East	22653 PCH		As an office complex this space is not well suited for multi-tenant retail.	NO	1	1	NO
1	Office Building - low rise	Service - Misc.	X	East	22653 PCH			n/a	n/a	n/a	n/a
1	Corp	Service - Real Estate	X	East	22653 PCH			NO	1	1	NO
					Total	4,698					
1	Club Soba Malibu - drug and alcohol recovery	Service - Misc.	X	East	22669 PCH	2,868	Occupied - Not suitable for multi tenant retail	NO	2	2	NO
1	McDonald's	Food - Misc. Quick Serve	X	East	22725 PCH	3,054	Occupied - Not suited for multi tenant retail. This represents one of the few establishments in the city that is non-exempt formula retail	YES	> 10	> 10	YES
1	Eco Auto Spa - hand car wash	Automotive - Car Wash	X	East	22729 PCH	1,000	Occupied - Not suitable for multi tenant retail	NO	1	1	NO
multiple	Eco Auto Spa	Service - Misc.	X	East	22741 PCH		Occupied - Not suitable for multi tenant retail	n/a	n/a	n/a	n/a
	WEA	Service - Misc.		East	22741 PCH			n/a	n/a	n/a	n/a
					Total	16,220					
multiple	Office Building - above KFC	Food - Restaurants	X	East	22714 PCH	n/a	Occupied - Not suitable for multi tenant retail	n/a	n/a	n/a	n/a
1	Nobu	Food - Restaurants	X	East	22706 PCH	6,286	Occupied - Not suitable for multi tenant retail	YES	1	1	NO
1	Nikita	Food - Restaurants	X	East	22716 PCH	7,000		YES	1	1	NO
					Total	13,286					
1	KFC	Food - Misc. Quick Serve	X	East	22751 PCH	1,462	Occupied - Standalone, non-formula restaurant. Site not suitable for multi tenant retail	YES	> 10	> 10	YES
multiple	and other office use	Service - Misc.	X	East	22761 PCH	30,375		n/a	n/a	n/a	n/a
	Vacant Storefront	Vacancy	X	East	22774 PCH	n/a	Vacant, presumably for a prolonged period of time	n/a	n/a	n/a	n/a
1	Zuma Jay Surfboards	Specialty - Sporting Goods	X	East	22775 PCH		This center is a fairly large center that is attractive for multi-tenant retail. It appeared to have a number of occupied units, in addition to what appeared to be nominally occupied units.	NO	1	1	NO
1	Malibu Beach Wines	Specialty - Misc., Gro., etc.	X	East	22775 PCH			NO	1	1	NO
2	Pacheco Fine Art Photography	Service - Photographic	X	East	22775 PCH			NO	1	1	NO
2	Mina's Custom Spa	Service - Nails, Skin, Spa, Massage	X	East	22775 PCH			NO	1	1	NO
1	4 Malibu Realty	Service - Real Estate	X	East	22775 PCH			NO	2	2	NO
					Total	4,384					

Appendix C

Tabulation of Existing Centers

	1	La Salsa Mexican Restaurant	Food - Misc. Quick Serve	X	East	22800 PCH	5,416	Occupied by formula retailer- Not suitable for multi tenant retail, but the building is doing well.	YES	> 10	> 10	YES	
	1	Psychic Reader and Advisor	Service - Misc.	X	East	22810 PCH	4,516	Occupied - Not suitable for multi tenant retail	YES	1	1	NO	
	1	Soba Recovery Center	Service - Misc.	X	East	22814 PCH	n/a	Occupied - Not suitable for multi tenant retail	YES	2	2	NO	
	1	V's Restaurant	Food - Restaurant	X	East	22821 PCH	4,844	Occupied - Not suitable for multi tenant retail	YES	1	1	NO	
A	1	Malibu Rugs	Specialty - Home Design/Furnishings	X	East	- H.D. Roy Building		This building was entirely occupied and would be an attractive site for multi-tenant retail. It is a two-story building with tenants occupying both the upstairs and downstairs units. Farmers insurance represents formula retail, however, it is exempt under the Reiner Initiative.	NO	1	1	NO	
D	2	Mark Bell Insurance	Service - Insurance	X	East	- H.D. Roy			NO	> 10	> 10	YES	
E	2	Farmers Insurance	Service - Insurance	X	East	- H.D. Roy			NO	> 10	> 10	YES	
F	1	Williams Construction	Related	X	East	- H.D. Roy			NO	1	1	NO	
C	1	Reflexology	Spa, Massage	X	East	- H.D. Roy			NO	1	1	NO	
B	1	MSBC	Shipping, Printing	X	East	- H.D. Roy			NO	1	1	NO	
							Total 3,600						
	1	Ibiza Hair	Service - Misc.	X	East	21323 PCH		This site is an updated multitenant retail site. It appeared to be mostly occupied. This complex had substantial turnover recently, as most of the businesses on file had to be updated to reflect current tenants.	NO				
	1	Galaxy Pest Control	Related	X	East	21323 PCH			NO	1	1	NO	
	1	Restaurant	Food - Restaurant	X	East	21337 PCH			NO	1	1	NO	
	1 & 2	Malibu Healing Center	Service - Wellness	X	East	21355 PCH			NO	1	1	NO	
							Total 12,506						
	1	Hertz Car Rental	Rentals	X	East	22853 PCH	906		YES	> 10	> 10	YES	
								Occupied - Not suitable for multi tenant retail					
	1	Restaurant (Malibu Beach Inn)	Food - Restaurant	X	East	22878 PCH	29,965	Occupied - Not suitable for multi tenant retail	YES	1	1	NO	
20-24	2	Malibu Health & Spa	Spa, Massage	X	East	- Malibu			NO	1	1	NO	
200	2	Club Malibu 55	Service - Real Estate	X	East	- Malibu			NO	1	1	NO	
210	2	Remax Elite	Service - Real Estate	X	East	- Malibu		This is a large and updated multi-tenant retail center. All three stories were occupied by tenants. There is formula retail in the form of a Remax real estate agency, which is exempt under the Reiner Initiative. While multi-tenant retail might be attractive here, currently is mostly inhabited by professional services firms and health and wellness centers.	NO	> 10	> 10	YES	
300	3	Club Malibu 55	Service - Real Estate	X	East	- Malibu			NO	1	1	NO	
300	3	Equities	Service - Real Estate	X	East	- Malibu			NO	1	1	NO	
300	3	Malibu Management	Service - Real Estate	X	East	- Malibu			NO	1	1	NO	
350	3	Foundation	Service - Misc.	X	East	- Malibu			NO	2	2	NO	
350	3	Foundation	Service - Misc.	X	East	- Malibu			NO	1	1	NO	
350	3	Entertainment LLC	Service - Misc.	X	East	- Malibu			NO	1	1	NO	
300	3	Management Office	Service - Misc.	X	East	- Malibu			n/a	n/a	n/a	n/a	
							Total 24,739						

Malibu Retail Tabulation

C-9

Appendix C

Tabulation of Existing Centers

1 & 2	Surf Shack	Specialty - Sporting Goods	X	East	22935 PCH		This mall is occupied and the businesses are operational. There are two units together that are separated from a stand alone retail center by a parking lot. One unit had recently been filled by Chabad of Malibu.	NO	1	1	NO
1	Fish Grill	Food - Restaurant	X	East	22935 PCH			NO	1	1	NO
1	Chabad of Malibu	Service - Misc.	X	East	22941 PCH			NO	1	1	NO
					Total	9,996					
1	Aviator Nation	Service - Real Estate	X		22967 PCH	n/a	Occupied - Not suitable for multi-tenant retail	NO			
1	Casa Escobar	Food - Restaurant	X		22969 PCH	n/a		NO	1	1	NO
					Total	7,184					
1	Jack in the Box	Food - Misc. Quick Serve	X	East	23017 PCH	1,371	Occupied - Not suitable for multi-tenant retail. Non-exempt formula retail.	YES	> 10	>10	YES
1	Surfrider Beach Club		X	East	23033 PCH	4,628	Occupied - Not suitable for multi-tenant retail	YES	1	1	NO
1	Shell Gas	Automotive - Gas	X	Central	23387 PCH	1,731	Occupied - Not suitable for multi-tenant retail	YES	> 10	> 10	YES
1	Prudential Realty	Service - Real Estate	X	Central	23405 PCH	2,102	Occupied - Not suitable for multi-tenant retail	YES	> 10	> 10	YES
1	Malibu Coast Animal Hospital	Service - Pet Care	X	Central	23431 PCH	n/a	Occupied - Not suitable for multi-tenant retail	YES	1	1	NO
1	Building	Vacancy	X	Central	PCH/	n/a		YES	n/a	n/a	n/a
1	Malibu Urgent Care Center (next to Chevron)	Service - Medical, Dental	X	Central	23656 PCH/ 23670 PCH	n/a		YES	1	1	NO
1	Super Care Drugs	Anchor - Drug Store	X	Central	23661 PCH		Occupied - Not suitable for multi-tenant retail	NO	1	1	NO
1	Malibu Medical - Dr. Lisa Benya	Service - Medical, Dental	X	Central	23661 PCH		Occupied - Not suitable for multi-tenant retail	NO	1	1	NO
					Total	1,805					
1	Chevron	Automotive - Gas	X	Central	23670 PCH	7,430	Occupied - Not suitable for multi-tenant retail	YES	> 10	> 10	YES

Appendix C

Tabulation of Existing Centers

		Retail and Office Building - under construction (retail est. 3 uses)	Vacancy	X	West	24903 PCH	n/a		n/a	n/a	n/a	n/a
		Retail and Office Building - under construction (office est. 6 uses))	Vacancy	X	West	24903 PCH	n/a		n/a	n/a	n/a	n/a
		Unknown	n/a	X	West	24911 PCH	1,859		n/a	n/a	n/a	n/a
A 101	1	LMG/ TWITCH LA	Service - Misc.	X	West	- Office			NO	1	1	NO
A 102	1	Studio JPMS	Design	X	West	- Office			NO	1	1	NO
A 103	1	CH2E	Service - Environment	X	West	- Office			NO			
A 201	2	Douglas J. Frye	Service - Lawyer	X	West	- Office			NO	1	1	NO
A 202	2	Gemcap	Service - Financial	X	West	- Office			NO	2	2	NO
A 203	2	Inc	Service - Construction	X	West	- Office			NO	8	8	NO
B 101	1	Care	Care	X	West	- Office			NO	1	1	NO
B 102	1	Malibu Wellness	Service - Wellness	X	West	- Office			NO	4	4	NO
B 103	1	Veronica Studio	Service - Wellness	X	West	- Office			NO	1	1	NO
B 104	1	Veronica Medical Spa	Service - Spa	X	West	- Office		It is a modern building with good location on PCH, just south of the Design Complex at 25001 PCH. While the list of tenants in the directory seemed somewhat complete, there were leasing signs posted around the building, indicating there is still vacancy in this very large building. A mix of offices and retail, this might be an attractive site for multi0- tenant retail development. There did not appear to be formula retail at this building.	NO	1	1	NO
B 201	2	Bonga Foods, LLC	Service - Misc.	X	West	- Office			NO	> 10	> 10	YES
B 202	2	Architects	Service - Architecture	X	West	- Office			NO	1	1	NO
B 202	2	Leasing	Service - Misc.	X	West	- Office			NO	n/a	n/a	n/a
B 203	2	Delle Hair Design	Design	X	West	- Office			NO	1	1	NO
B 204	2	Germaine Morgan Hair	Service - Beauty	X	West	- Office			NO	1	1	NO
C 100	1	Smiles in Malibu	Service - Medical	X	West	- Office			NO	2	2	NO
C 101	1	Richard Sol Architect	Service - Architecture	X	West	- Office			NO	1	1	NO
C 102	1	Malibu Rehab Center	Service - Wellness	X	West	- Office			NO	1	1	NO
C 201	2	Attorneys	Service - Lawyer	X	West	- Office			NO	1	1	NO
C 202	2	Richard N Scott, Inc	Service - Lawyer	X	West	- Office			NO	1	1	NO
C 203	2	Beautologie Malibu	Service - Medical	X	West	- Office			NO	1	1	NO
C 204	2	Gyrotonic Malibu	Service - Health	X	West	- Office			NO	1	1	NO
C 205	2	West Coast Escrow	Service - Real Estate	X	West	- Office			NO	51	51	YES
301/	3	Lani Inc	Service - Entertainment	X	West	- Office			NO	1	1	NO
301f	3	Allen Construction	Service - Construction	X	West	- Office			NO	1	1	NO
C 302	3	Paul J. Wright Attorney	Service - Lawyer	X	West	- Office			NO	1	1	NO
C 303	3	Harry Ross Industries	Service - Real Estate	X	West	- Office			NO	1	1	NO
C 304	3	Lilia Inc	Service - Photography	X	West	- Office			NO	1	1	NO
C 305	3	TLA Productions	Service - Entertainment	X	West	- Office			NO	1	1	NO
							Total 20,122					

Appendix C
Tabulation of Existing Centers

Appendix C

Tabulation of Existing Centers

1	Malibu Market & Design	Specialty - Home Design/Furnishings	X	West	25001 PCH		This is a unique space that contains a design complex. On site there are 1 or 2 small boutiques/markets, a nursery, and a design center. The space could potentially accommodate multi-tenant retail activity.	NO	1	1	NO
1	Malibu Design Center	Specialty - Home Design/Furnishings	X	West	25001 PCH			NO	1	1	NO
Total						10,902					
1	Cosentino's Home & Garden	Specialty - Home Improvement	X	West	25019 PCH	8,340		YES	2	2	NO
	Fish Market	Market - Convenience	X	West	25653 PCH		Occupied - Not suitable for multi-tenant retail	NO	1	1	NO
	Café	Food - Restaurant	X	West	25653 PCH			NO	1	1	NO
Total						1,536					
1	Malibu RV Park Store	etc.	X	West	25801 PCH	2,592		NO	1	1	NO
1	Vacant Restaurant and Buildings (was Beaurivage)		X	West	26025 PCH/ 26023 PCH	n/a	The site remains vacant. It would be useful for multi-tenant retail, however.	YES	n/a	n/a	n/a
1	Vacant		X	West	26023 PCH	7,218		YES	n/a	n/a	n/a
1	76 Gas/Convenience store	Automotive - Gas	X	West	26101 PCH	n/a	Formula Retail	YES	> 10	> 10	YES
1	Geoffrey's	Food - Restaurant	X	West	27400 PCH	3,354	Occupied - Not suitable for multi-tenant retail	YES	1	1	NO
1	Paradise Cove	Food - Restaurant	X	West	28128 PCH	9,460	No formula retail	YES	1	1	NO
	Prudential Malibu Realty	Service - Real Estate	X	West	28700 PCH	1,418	Occupied - Not suitable for multi-tenant retail	YES	> 10	> 10	YES
1	Wilcox Photography	Service - Photographic	X	West	28734 PCH	7,512	Occupied - Not suitable for multi-tenant retail	YES	1	1	NO
1	Malibu Sky Self Storage	Service - Misc.	X	West	28909 PCH		Occupied - Not suitable for multi-tenant retail	YES	2	2	NO

Appendix C

Tabulation of Existing Centers

	1	Gravina	Food - Restaurant	X	West	28925 PCH	This building contains a large restaurant that occupies most of the frontage, as all other units are hidden from passerbys on PCH. The majority of the enterprises outside of the restaurant were professional services.	NO	1	1	NO
	1	Boutique	Shoes	X	West	28925 PCH		NO	1	1	NO
		Oracle Salon	Service - Hair, Beauty	X	West	28925 PCH		NO	1	1	NO
		Volleyball	Service - Sports	X	West	28925 PCH		NO	1	1	NO
		White & Adair	Service - Legal	X	West	28925 PCH		NO	1	1	NO
		Architecture	Related	X	West	28925 PCH		NO	1	1	NO
		Karl. S. Reinecker, CPA	Service - Financial	X	West	28925 PCH		NO	1	1	NO
						Total 7,953					
210	2	Real Estate Partners	Service - Real Estate	X	West	28955 PCH	This building is has a number of tenants. It is unclear whether or not there are vacancies, as some of the units seemed to be nominally occupied, making it unclear whether there was an operational enterprise within the unit.	NO	1	1	NO
1	1	Malibu Gym	Oriented	X	West	28955 PCH		NO	1	1	NO
209	2	Service	Service - Misc.	X	West	28955 PCH		NO	1	1	NO
210	2	Contractors	Related	X	West	28955 PCH		NO	1	1	NO
210	2	Associates	Related	X	West	28955 PCH		NO	1	1	NO
210	2	All Access Music	Service - Music	X	West	28955 PCH		NO	2	2	NO
209	2	Secure Corp	Service - Misc.	X	West	28955 PCH		NO	2	2	NO
209	2	Malibu Apparel	Service - Clothing	X	West	28955 PCH		NO	1	1	NO
210	2	Flora Publishing Group	Service - Publishing	X	West	28955 PCH	NO	n/a	n/a	n/a	
						Total 12,316					

Appendix C

Tabulation of Existing Centers

A 103	1	Malibu Vet Clinic	Service - Pet Care	X	West	28990 PCH			NO	1	1	NO	
A 105	1	Mark Wetton Financial	Service - Financial	X	West	28990 PCH			NO	1	1	NO	
A 106	1	Vacant	Service - Misc.	X	West	28990 PCH			n/a	n/a	n/a	n/a	
A 201	2	Pilates By The Sea	Service - Wellness	X	West	28990 PCH			NO	1	1	NO	
A 202	2	Garden Visions	Service - Misc.	X	West	28990 PCH			NO	1	1	NO	
A 203	2	Cliffside Malibu	Service - Misc.	X	West	28990 PCH			NO	1	1	NO	
A 204	2	Design, LLC	Design/Furnishings	X	West	28990 PCH			NO	1	1	NO	
A 205	2	Malibu Chiropractic	Service - Medical	X	West	28990 PCH			NO	2	2	NO	
107/1	1	Real Support	Service - Management	X	West	28990 PCH			NO	1	1	NO	
B 108	1	Malibu Surfside News	Service - Publishing	X	West	28990 PCH			NO	1	1	NO	
B 109	1	Armfield Design	Service - Design	X	West	28990 PCH			NO	1	1	NO	
B 207	2	NHBV Inch/ EFMA nc	Consulting	X	West	28990 PCH		This is a very large retail and office complex, which is mostly inhabited by a number of miscellaneous professional services. There was no formula retail, and there was also limited vacancy.	NO	1	1	NO	
208/2	2	J & P Office	Service - Misc.	X	West	28990 PCH			NO	1	1	NO	
B 210	2	Major Landscaping	Related	X	West	28990 PCH			NO	1	1	NO	
B 211	2	Zuma Medical	Service - Medical	X	West	28990 PCH			NO	1	1	NO	
B 212	2	Managment	Service - Misc.	X	West	28990 PCH			NO	3	3	NO	
C 112	1	Salon at Malibu	Service - Hair, Beauty	X	West	28990 PCH			NO	1	1	NO	
C 114	1	Raincatcher	Service - Non-profit	X	West	28990 PCH			NO	1	1	NO	
C 115	1	T-Mobile	Communications	X	West	28990 PCH			NO	>10	>10	YES	
C 113	1	Akeso Therapeutics	Service - Medical	X	West	28990 PCH			NO	2	2	NO	
116/1	1	Media Funding LLC	Service - Misc.	X	West	28990 PCH			NO	1	1	NO	
C 215	2	Communications	Communications	X	West	28990 PCH			NO	1	1	NO	
C 216	2	BDA	Service - Misc.	X	West	28990 PCH			NO	1	1	NO	
C 217	2	Securities America	Service - Financial	X	West	28990 PCH			NO	n/a	n/a	n/a	
C 220	2	McKinna Learning Center	Service - Misc.	X	West	28990 PCH			NO	1	1	NO	
221/2	2	California Buildings, Inc	Service - Misc.	X	West	28990 PCH			NO	1	1	NO	
C 222	2	Associates	Service - Misc.	X	West	28990 PCH			NO	1	1	NO	
Total							20,940						
	1	Pacific View Nursery	Specialty - Home Improvement	X	West	29081 PCH	1,167		Occupied - Not suitable for multi-tenant retail	YES	1	1	NO
	1	Vital Zuman Sustainable Farm	Specialty - Nutrition	X	West	29127 PCH	2,609		Occupied - Not suitable for multi-tenant retail	YES	1	1	NO
	1	Arete Estates	Service - Real Estate	X	West	29138 PCH	224		Occupied - Not suitable for multi-tenant retail	YES	1	1	NO
	1	USA Gasoline	Automotive - Gas	X	West	Heathercliff Rd.	1,713	Occupied - Not suitable for multi-tenant retail	YES	>10	>10	YES	

Appendix C

Tabulation of Existing Centers

301	3	US Post Office (located in office building)	Service - Mailing, Shipping, Printing	X	West	Heathercliff Rd.-Malibu			NO	>10	>10	YES	
200	2	Robb Report	Service - Misc.	X	West	29160 Heathercliff Rd.			NO	3	3	NO	
200	2	CurtCo Robb Media	Service - Misc.	X	West	29160 Heathercliff Rd.			NO	1	1	NO	
200	2	CurtCo Media Labs	Service - Misc.	X	West	29160 Heathercliff Rd.		Not well suited for multi-tenant retail	NO	1	1	NO	
411	4	Pacific Rim Companies	Service - Misc.	X	West	29160 Heathercliff Rd.			NO	2	2	NO	
431	4	Tiger Financial Mgmt	Service - Misc.	X	West	29160 Heathercliff Rd.			NO	>10	>10	YES	
300	3	Freedom Technology Media Group	Service - Misc.	X	West	29160 Heathercliff Rd.			NO	1	1	NO	
							Total	30,629					
		Coldwell Banker Real Estate	Service - Real Estate	X	West	29178 Heathercliff Rd.		6,484	Occupied - Not suitable for multi-tenant retail	YES	>10	>10	YES

Appendix C

Tabulation of Existing Centers

2813	1	Pavilions	Anchor - Grocery	X	West	Pt. Dume Village - Heathercliff 29211	29,466	The first floor includes a variety of tenants including Subway, D'Amores Pizza and Pavilions on site and a Bank of America in the parking lot, which represent a large portion of the formula retail that currently exists on site. On the second floor there are a number of businesses, and they seemed entirely occupied. Several of the units had been broken down further into multiple units.	NO	>10	>10	YES
25	1	Pt Dume Pharmacy	Anchor - Drug Store	X	West	Village	1,427		NO	1	1	NO
30	1	Chase Bank	Service - Bank	X	West	Village	2,595		NO	>10	>10	YES
50	1	Anouk	Surf Equipment	X	West	Village	1,533		NO	1	1	NO
60	1	Lily's	Food - Restaurant	X	West	Village	825		NO	1	1	NO
	1	Bank of America	Service - Bank	X	West	Village	5,649		YES	>10	>10	YES
112	1	Bank of Books	Food and Books	X	West	Village	1,340		NO	7	7	NO
111	1	Realty	Service - Realtor	X	West	Village	1,350		NO	>10	>10	YES
110	1	Sunlife Organic	Food - Restaurant	X	West	Village	1,330		NO	3	3	NO
108	1	Point Dume Cleaners	Laundry	X	West	Village	890		NO	1	1	NO
106	1	Subway	Food - Restaurant	X	West	Village	995		NO	>10	>10	YES
104	1	D'Amores Pizza	Food - Restaurant	X	West	Village	450		NO	10	10	NO
102	1	Duck Dive Gastropub	Food - Restaurant	X	West	Village	2,239		NO	2	2	NO
+217+	2	Malibu Beach Yoga	Service - Wellness	X	West	Village	1,536		NO	1	1	NO
213	2	Vacant/Unknwn	n/a	X	West	Village	480		n/a	n/a	n/a	n/a
216	2	Attorney's	Service - Legal	X	West	Village	718		NO	4	4	NO
220	2	Oceanne Malibu	Service - Hair, Beauty	X	West	Village	1,240		NO	1	1	NO
211	2	Unknown	n/a	X	West	Village	864		n/a	n/a	n/a	n/a
212	2	Leasing Office	Service - Misc.	X	West	Village	450		NO	1	1	NO
210	2	Unknown	n/a	X	West	Village	465		n/a	n/a	n/a	n/a
08 +20	2	State Farm	Service - Insurance	X	West	Village	1,457		NO	1	1	NO
201	2	Malibu Point Pilates	Service - Wellness	X	West	Village	512		NO	1	1	NO
206	2	Duck Dive Gastropub	Food - Restaurant	X	West	Village	496		NO	2	2	NO
202	2	Malibu Corn Exchange	Unknown	X	West	Village	248	NO	n/a	n/a	n/a	
204	2	Moxie Firecrackers	Unknown	X	West	Village	248	NO	2	2	NO	
Total							58,803					
		Malibu Stage Company	Entertainment	X	West	29243 PCH	2,166	Occupied - Not suitable for multi-tenant retail	YES	1	1	NO

Appendix C

Tabulation of Existing Centers

		Zooma Sushi	Food - Restaurant	X	West	- Zuma			NO	1	1	NO
		Coral Beach Cantina	Food - Restaurant	X	West	- Zuma			NO	1	1	NO
4A	1	Bella Malibu Salon	Service - Hair, Beauty	X	West	- Zuma			NO	1	1	NO
3	1	Malibu Dental Group	Dental	X	West	- Zuma			NO	1	1	NO
1A	1	Jefrey Jennings Lawyer	Service - Legal	X	West	- Zuma			NO	1	1	NO
12	1	Schmitz & Assoc.	Service - Misc.	X	West	- Zuma		This complex is hidden behind a line of trees. The building itself is well kept and updated, and the tenants feature a mix of retail and professional services.	NO	1	1	NO
1B	1	Dana Johnson CPA	Service - Financial	X	West	- Zuma			NO	1	1	NO
4A	1	Care	Spa, Massage	X	West	- Zuma			NO	1	1	NO
2A	1	Inc.	Service - Misc.	X	West	- Zuma			NO	1	1	NO
5A	1	NCM Odor Control	Service - Misc.	X	West	- Zuma			NO	>10	>10	YES
4B	1	Dandrea/Martin Gallery	Design/Furnishings	X	West	- Zuma			NO	1	1	NO
5B	1	Polished Nails	Spa, Massage	X	West	- Zuma			NO	1	1	NO
9+11	1	Avalon Malibu	Spa, Massage	X	West	- Zuma			NO	1	1	NO
6	1	SBS Global	Service - Financial	X	West	- Zuma			NO	n/a	n/a	n/a
Total							13,167					
	1	Wine Bar (Malibu Country Inn)	Food - Restaurant	X	West	Westward Beach Rd.	4,139	Occupied - Not suitable for multi-tenant retail	YES	1	1	NO
	1	The Sunset Restaurant	Food - Restaurant	X	West	Westward Beach Rd.	2,851	Occupied - Not suitable for multi-tenant retail	YES	1	1	NO
	2	Bar	Food - Restaurant	X	West	- Zuma		This complex is ideal for multi-tenant retail with a mix of new and old establishments. The second floor is occupied by a large gym facility and large restaurant. The bottom floor contained a number of retail stores.	NO	1	1	NO
		Malibu Ranch Market	Market - Convenience	X	West	- Zuma			NO	1	1	NO
		A-1 Cleaners	Laundry	X	West	- Zuma			NO	1	1	NO
		Arts	Oriented	X	West	- Zuma			NO	1	1	NO
		Malibu Fitness	Oriented	X	West	- Zuma			NO	1	1	NO
		Malibu Oasis Salon	Service - Hair, Beauty	X	West	- Zuma			NO	1	1	NO
		Charter Cable	Service - Misc.	X	West	- Zuma			NO	>10	>10	YES
		scene/location	Service - Misc.	X	West	- Zuma			NO	1	1	NO
		Sherman's Place	Service - Pet Care	X	West	- Zuma			NO	1	1	NO
		Pacific Coast Pets	Service - Pet Care	X	West	- Zuma			NO	2	2	NO
		Oracle Dance Academy	Service - Misc.	X	West	- Zuma		NO	1	1	NO	
Total							20,432					

Appendix C

Tabulation of Existing Centers

	1	food concession #1	Serve	X	West	Beach		Occupied - Not suitable for multi-tenant retail	YES	2	2	NO
	1	food concession #2	Serve	X	West	Beach			YES	2	2	NO
1A	1	Broad Beach Burger	Food - Restaurant	X	West	Country	1,934		NO	1	1	NO
1B	1	Vacant	n/a	X	West	Country	861		n/a	n/a	n/a	n/a
2	1	Vacant	n/a	X	West	Country	670		n/a	n/a	n/a	n/a
3	1	Malibu Beach House	Design/Furnishings	X	West	Country	1,278		NO	1	1	NO
4	1	Mangia Restaurant	Food - Restaurant	X	West	Country	2,606		NO	1	1	NO
R5+R6	1	Starbucks Coffee	Food - Coffee, Tea	X	West	Country	1,540		NO	>10	>10	YES
8A	1	Vacant	n/a	X	West	Country	907		n/a	n/a	n/a	n/a
8B	1	Nati Boutique	Specialty - Clothing	X	West	Country	671		NO	2	2	NO
8C	1	Irit Jewelry Design	Accessories	X	West	Country	236		NO	1	1	NO
9A	1	Vacant	n/a	X	West	Country	675		n/a	n/a	n/a	n/a
9B	1	Vacant	n/a	X	West	Country	675		n/a	n/a	n/a	n/a
10A	1	Vacant	n/a	X	West	Country	799		n/a	n/a	n/a	n/a
10B	1	Vacant	n/a	X	West	Country	363		n/a	n/a	n/a	n/a
10C	1	Vacant	n/a	X	West	Country	352		n/a	n/a	n/a	n/a
+12A+1	1	Farm House Cafe	Food - Restaurant	X	West	Country	2,498	Trancas is a new and attractive facility that contains almost no formula retail, except for a Starbucks. Most of the spaces were nominally occupied - most of them were empty but it appeared that many of them had already been leased out, just not filled yet. It is unclear as to what percentage of the vacant spaces will eventually have retail in them.	NO	1	1	NO
12C	1	Vacant	n/a	X	West	Country	1,013		n/a	n/a	n/a	n/a
13	1	Vacant	n/a	X	West	Country	299		n/a	n/a	n/a	n/a
14A	1	Trancas Salon	Service - Hair, Beauty	X	West	Country	1,013		NO	1	1	NO
14B	1	Vacant	n/a	X	West	Country	472		n/a	n/a	n/a	n/a
15A	1	Vacant	n/a	X	West	Country	934		n/a	n/a	n/a	n/a
15B	1	Vacant	n/a	X	West	Country	939		n/a	n/a	n/a	n/a
16A	1	Vacant	n/a	X	West	Country	474		n/a	n/a	n/a	n/a
16B	1	Vacant	n/a	X	West	Country	334		n/a	n/a	n/a	n/a
17	1	Vacant	n/a	X	West	Country	885		n/a	n/a	n/a	n/a
18A	1	Vacant	n/a	X	West	Country	1,630		n/a	n/a	n/a	n/a
18B	1	Vacant	n/a	X	West	Country	756		n/a	n/a	n/a	n/a
18C	1	Vacant	n/a	X	West	Country	203		n/a	n/a	n/a	n/a
19A	1	Vacant	n/a	X	West	Country	591		n/a	n/a	n/a	n/a
19B+20	1	Drill Surf & Skate	Surf Equipment	X	West	Country	1,293		NO	1	1	NO
21	1	Postal Annex	Shipping, Printing	X	West	Country	1,422		NO	>10	>10	YES
22	1	Trancas Cleaners	Laundry	X	West	Country	1,574		NO	1	1	NO
+23B+	1	Wells Fargo	Banking	X	West	Country	2,085		NO	>10	>10	YES
23D	1	Pritchett Realtors	Service - Realtor	X	West	Country	800		NO	3	3	NO
24	1	Vintage Grocers	Specialty	X	West	Country	15,026		NO	1	1	NO
1	1	Trancas Canyon Nursery	Improvement	X	West	Country	125	YES	1	1	NO	
2	1	Sea Lily Florist	etc.	X	West	Country	600	YES	1	1	NO	
3	1	Vacant	n/a	X	West	Country	1,000	n/a	n/a	n/a	n/a	
						Total	49,533					
	1	Chevron	Automotive - Gas	X	West	30811 PCH	2,572		YES	>10	>10	YES