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Market Research for Real Estate

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**NEWPORT BEACH RETAIL CONSULTATION
FIRST PHASE**

Executive Summary Report and Exhibits

**Prepared for
CITY OF NEWPORT BEACH**

July 21, 1995

July 17, 1995

Mr. Ken Delino
Assistant City Manager
City of Newport Beach
330 Newport Boulevard
Newport Beach, California 92658

P-298

SUBJECT: Summary Of First Phase Newport Beach Retail Consultation

Dear Mr. Delino:

The purpose of this executive summary letter report is to summarize the key conclusions and recommendations of our recently-completed first stage retail consultation pursuant to our contract dated April 12, 1995. Linda S. Congleton & Associates was retained by the City of Newport Beach to provide a general assessment of on-street retail conditions within various shopping districts of the City; to participate in on-site retail evaluations, meetings and presentations at your request; and to provide preliminary, more detailed research, conclusions and recommendations for the Central Balboa area. We would be pleased to continue this work with follow-up research for Corona Del Mar, Balboa Island and Mariners Mile, as well as second phase detailed implementation action plan programs for Central Balboa.

NEWPORT BEACH'S ON-STREET RETAILING DYNAMICS

City's Aging Demographics Result In Diminishing Retail Needs

A number of Newport Beach's structural demographic conditions constrain the amount of future retail spending the City can expect to capture from local residents. As shown on EXHIBITS 1-2, the median age of Newport Beach citizens is over 40 years, with over a quarter of its population (26.2%) in the pre-retiree and retiree age categories (over age 55). Our national research in retirement communities has shown that pre-retirees and retirees are very weak retail spenders, even when the households are very affluent, as they are in Newport Beach.

Retirement households are not generous shopping center spenders primarily because most of their home furnishings needs have long ago been met and because apparel needs are significantly less pressing in a casual, non-working lifestyle. In addition, their family apparel needs are diminished because their children are now typically adults living outside the community. Many retirees are highly concerned about their health and on restricted diets and they are therefore not big spenders

at take-out and quick food establishments. Moreover, in contrast to dual working couples, such as those that abound in Irvine, retirees are poor consumers of time-saving foods such as gourmet cookies and pre-cooked deli items, because they have more time to cook. And finally, many retirees--even very affluent ones--are simply poor consumers in general because they tend to view their retirement savings as fixed in a very uncertain world with health concerns looming large on the horizon. Discretionary funds tend to be allocated for travel, retirement hobbies, grand-children gifts and perhaps children finishing their college education.

Prime retail consumers are growing families, such as those found in the City of Irvine (see EXHIBITS 3-4.) In contrast to Newport Beach's aging population, the City of Irvine's median age is ten years younger (31.6 years), with only 11.2% of its population over the age of 55 years. A quarter of Irvine's population is under the age of 18, and an additional 13.7% between the ages of 18 to 24 years, for a total of nearly 40% (38.7%) under the age of 24 years. In contrast, the City of Newport Beach contains 14.3% under the age of 18 years and 9% between the ages 18 and 24 years, for a total of only 23% under the age of 24 years. Moreover, Irvine's retail centers benefit from expected continued residential growth rates of nearly 6% a year, with recent average annual rates ranging from 6% to 7%. In contrast, most of the City of Newport Beach is built out, with virtually no growth in households experienced in recent years. To the extent growth is occurring, it is contained within the Newport Coast area, located some distance from most of the residentially-oriented neighborhood shopping within the City; moreover, new neighborhood-oriented facilities are planned to meet these new residents' weekly shopping needs.

While Newport Beach's median household income is only 12% higher than Irvine's (\$64,400 versus \$57,500), the lifestyle composition of Irvine households is more favorable for long-term for retail purchases. Whereas Irvine is expected to continue to attract growing families to its City, the higher pricing of Newport Beach housing will limit households to existing, aging couples and older, well-established families and retirees; the luxury and water-oriented housing of Newport Beach will be outside the financial means of most young, growing families. Therefore, as Newport Beach's residents continue to age in their existing homes, immediate retail demand will tend to diminish.

Importance Of Non-Resident Spending

Newport Beach's on-street shopping districts are not supportable without patronage from those living outside the City limits. If the City were to adopt a policy that discouraged visitation from out-of-towners, and encouraged only retail uses supported by immediate residents, most of the City's existing retail and dining businesses would require demolition because the resident spending potential is insufficient to support all the square footage that currently exists. Cities popular with visitors, such as beach communities, typically contain large amounts of retail/dining space dependent upon out-of-town spending.

Our retail research of other Southern California coastal retail projects has shown that the dominant shopping/dining groups consist of a combination of immediate residents and regional residents, with most frequent visitation coming from those who live closest to the shopping districts. Most of the "tourists" or visitors, therefore, are not those staying in overnight accommodations, but rather regional Southern California residents making a day visit to the beach, with those living closest, within perhaps a twenty minute drive time, coming more frequently than those who live farther away. The greater the popularity of the beach community, the more it draws visitors from outside its immediate residential base and the greater the amount of retail space it can support. Hotel visitors certainly play a critical role in a popular beach area such as Newport Beach, because overnight visitors, particularly vacationers, tend to spend more per shopping trip. However, the absolute annual numbers of visitor trips by overnight hotel guests are typically not as great as the trips generated by regional visitors due to the relatively greater ease of travel for Southern Californians.

Newport Beach has historically been a popular dining and beach visit trip for Orange County residents--not just those living within Newport Beach. Frequently, regional residents also bring out-of-town friends and relatives for a special day or evening visit. For many years, businesses within the water-oriented areas of Newport Beach have promoted their operations to area-wide office workers, hotel guests and regional Orange County residents, as well as local residents. In fact, because of the premier, upscale image of the City, Newport Beach restaurants have long served a wide Orange County dining market.

In order to highlight the importance of visitor patronage to Newport Beach businesses, we performed an expenditure potential demand analysis for Balboa Peninsula households to determine the amount of supportable resident-serving neighborhood center space (see EXHIBIT 9.) Because of the physical and psychological barrier created by the Peninsula, resident-serving neighborhood-type (such as grocery/drug store-anchored) retail uses are primarily supported by those living on the Peninsula and not those in other parts of Newport Beach because: (1) Other neighborhood centers located on the mainland side of Newport Beach serve off-Peninsula residents; and (2) Traffic congestion along the Peninsula during beach-going periods makes travel to these centers inconvenient. When mainland Newport Beach residents make day trips to the beach, they are indeed likely to shop and dine at grocery, food and retail establishments; during these trips, however, they are functioning as beach "visitors," whose visitation is less frequent than a resident who patronizes a neighborhood shopping center on a weekly basis.

Our supportable square footage methodology has proven effective for a myriad of master-planned and community settings and has been validated by operating shopping center sales and resident trade area figures. The capture rates used for convenience goods (50%-60%), restaurants/cafes (10%-15%) and shoppers goods (apparel, gifts, home furnishings and other general merchandise, 5%-6%) are based on analogous trade area captures of residents' total spending for neighborhood center types of goods and services. Neighborhood type retail uses do not capture 100% of the

spending potential because other types of centers, such as regional malls, power centers, discount value centers and specialty centers, as well as other shopping centers located outside the immediate resident trade area, capture portions of the residents' spending potential.

Whereas our research has shown that a single neighborhood center requires at least 4,000 to 7,000 occupied households for viable, thriving support, the Balboa Peninsula contains only 6,142 occupied households (see EXHIBITS 5-6) supporting a maximum of 94,400 square feet of resident-serving neighborhood center uses pursuant to our expenditure potential model (see EXHIBIT 9), equivalent to about one sizable center or two small shopping centers. This figure of 94,400 supportable square feet is based on strong sales-per-square-foot productivities for successful shopping centers. Indeed, the Peninsula contains two small shopping centers, one anchored by Lucky and one anchored by Vons Pavilion (currently undergoing renovation), as well as several small convenience markets. Resident-serving neighborhood retail is adequately supplied by these two centers and convenience markets, and the remaining amounts of retail space are primarily serving off-Peninsula visitors. Included in the 94,400-square-foot figure is a maximum of 7,500 square feet of restaurant space supportable, based on strong sales productivities, from Peninsula resident patronage. Therefore, Peninsula residents support a portion of the restaurant/cafe sales within numerous locations along the Peninsula, with selected restaurants catering more to residents and others catering more to off-Peninsula visitors.

Because Peninsula residents' neighborhood center type needs are primarily met by the Lucky and Vons Pavilion-anchored grocery store centers, a high percentage of the remaining retail space is dependent upon off-Peninsula resident patronage. Not surprisingly, many of the restaurants, in particular, as well as beach-oriented apparel and merchandise, are directly targeting visitors from outside the immediate area. For example, most of Central Balboa's retail is supported by off-Peninsula residents. According to City data and our estimates, Central Balboa contains about 154,000 square feet of retail space (see EXHIBIT 10), most of which is supported by those living off the Peninsula.

One of the primary reasons Peninsula residents have a diminished need to shop many of Central Balboa's retail shops is the lure of high-name-recognition local, regional and national chain specialty stores located within Newport Beach's upscale, department-store-anchored 1.2 million-square-foot Fashion Island regional mall. The mall serves many of the Peninsula and other Newport Beach residents' fashion, gift, home furnishings and other general merchandise needs. Unlike other affluent beach city residents without a close regional shopping center (such as Laguna Beach), Newport Beach city residents enjoy an extremely wide choice of general merchandise (i.e., shoppers goods) offerings in a convenient, one-stop shopping location at Fashion Island.

Impacts Of New Regional Competition

Because Newport Beach's on-street shopping districts are highly dependent upon patronage from regional Orange County resident visitors, fierce competition from new and re-merchandised regional shopping/dining destinations in Orange County is the single most important factor affecting their vibrancy. Newly-introduced specialty retail and dining offerings located closer to regional Orange County residents' homes have negatively impacted Newport Beach's on-street shopping districts.

This phenomenon is not unique to Newport Beach. Many Southern California coastline communities and waterfront specialty projects are currently impacted by two broad retailing and dining competition trends:

- (1) During the middle 1980s, traditional regional malls experienced an explosion of new specialty retail offerings as owners expanded, renovated and revitalized their centers with new design elements and added square footage. These increased specialty offerings within department-store-anchored malls lessened the consumers' perceived need to seek all types of unanchored specialty shopping areas for unique gifts, apparel and home furnishings purchases.
- (2) During this same period, many new, highly successful themed restaurant concepts were introduced, frequently in non-waterfront locations within easy drive times of upper-middle income neighborhoods.

As traditional regional-serving retail centers experienced rapid growth in specialty retail and dining opportunities, most Southern California waterfront specialty center owners/managers and on-street shopping district landlords did little to improve their physical appearance significantly and generally did not upgrade key tenants by aggressively providing tenant improvement allowances to attract the best operators. In fact, most locations tended to do nothing, under the assumption that the strength of the water-oriented site would continually bring the needed customers.

This inappropriate assumption did not recognize the power of competition. While most water-oriented locations were difficult to access, particularly those located some distance from a major freeway (as in Newport Beach), and offered only limited, paid parking, traditional retail settings frequently provided safe, convenient, often freeway-accessible, fun shopping environments with free parking.

Our national research reveals that most consumers coming to water-oriented specialty shopping/dining destinations view the visit as a recreational trip to the waterfront, similar to the trip motivations of visitors to festival marketplaces such as Harborplace in Baltimore and Faneuil Hall in Boston. In other words, visitors' primary reason for coming is not to shop or eat, but rather simply to go for an outing to the waterfront. Because waterfront visits serve as an inexpensive leisure-time activity for modest income households and individuals (such as teenagers), in recent years many Southern California water-oriented

projects have experienced disproportionately higher percentages of visitation from modest or low-income visitors who spend little or nothing and relatively lower proportions of local, middle or upper-middle income regional residents, the customer segment with the greatest propensity to spend.

Although modest income individuals have frequented Southern California's waterfront specialty retail/dining areas for many years, this phenomenon did not become a problem for coastline businesses as long as high numbers of households with greater spending power also visited and spent shopping and dining monies at water-oriented restaurants, quick foods and shops. But not only did traditional shopping and dining competition destinations located closer to affluent, regional Orange County residents reduce the perceived desire to travel farther to water-oriented destinations for a unique dining or shopping experience, new recreational/entertainment choices also became available to compete for the leisure-time dollars of upscale regional residents.

Affluent Orange County families enjoy a higher number of recreational, cultural and educational activities competing for their time than lower-income households with constrained spending power. For example, the Irvine Recreational Center, the introduction of virtual reality entertainment venues and new cinema/retail/dining entertainment projects, such as Triangle Square, all compete for the regional residents' share of recreational spending. These competing activities are often more complex, entertaining and compelling than a loosely structured day at the shoreline. As competitive recreational choices have proliferated for affluent Orange County baby boomer families, the families' entertainment expectations have increased, diminishing the overall appeal of older water-oriented specialty venues, such as those found along the Balboa Peninsula, that have not kept up with contemporary retailing, dining and entertainment merchandising.

CENTRAL BALBOA'S MAJOR RETAIL ISSUES

Central Balboa Contains Excellent Demographics--But Too Few Of Them

The resident trade area for Central Balboa retailing is contained within an area bounded by census tract 628, which includes all households living from Peninsula Point in the south to 19th Street. The effective trade area is actually somewhat smaller, because residents living from about 15th to 19th Streets are more likely to be drawn to competitive neighborhood-serving facilities farther north along the Peninsula. However, for ease of quantification analysis, we cut off the resident trade area at the census tract boundary.

Central Balboa's resident trade area contained only 2,430 households, as of the 1990 census, and a population of 4,959 persons. Although median and average household incomes are high (\$53,900 and \$121,500 respectively), and 100% of the households are categorized by the highest expenditure potential lifestyle clusters (see EXHIBITS 7-8), there are too few households to support even a single resident-serving neighborhood shopping center. As discussed above, a minimum of 4,000 to 7,000 households are required to support even the smallest

neighborhood-oriented shopping center, and Central Balboa has about half the households needed to support a thriving retail node.

A common phenomenon that occurs in very affluent communities is the vocal outcry for services and shops to meet their upscale needs. Frequently, we are retained by cities with pockets of small, but very wealthy residents, who want to see the "best" retail and dining venues within a short distance of their homes. This phenomenon frequently occurs in low density, semi-rural estate home areas or other physically separated pockets of affluence, such as the Balboa Peninsula. What these residents fail to understand is that retail businesses require high quantities of homes--not just affluence of individual homes--to be successful. For example, a single household spends a relatively fixed amount on grocery, drug, services (such as cleaners) and dining; although wealthy households will spend more on luxury goods, even their households have a rigid limit to the amount that is spent weekly on neighborhood, resident-serving uses. Typically, the more affluent a family, the more that is spent on non-neighborhood-serving goods and services, such as private schools, cars, travel, homes, furniture, etc. Even for discretionary apparel, jewelry and gifts purchases, at a certain point this amount of spending is also fixed, and to the extent these households do spend more, they tend to do so at department-store-anchored regional malls and other big-box-anchored centers.

Not surprisingly, therefore, the 154,200 square feet of Central Balboa retail and dining square footage is highly dependent upon non-resident support. Because only about half the number of households exists to support even the smallest center (say, 60,000 square feet), and because we believe much of the resident spending is being siphoned off to the two grocery-store-anchored centers to the north, dominant support for Central Balboa businesses must be coming from those living outside the immediate Central Balboa area. Because of Central Balboa businesses' dependence on non-Peninsula patronage, the City must make the following, critical policy decision: Either the Central Balboa area must be enhanced and improved to encourage visitation by non-resident spenders or the area will continue to suffer and lose retail sales, thereby resulting in vacant, non-vital retail space, and eventually demolition of space that can not be sustained with thriving businesses.

Estimated Sales Indicate Many Central Balboa Businesses Are Suffering

Based on our confidential analysis of retail sales tax data and our estimated square footage allocations, we determined that a number of businesses are performing at weak, unhealthy sales productivity levels. Moreover, our estimated average sales productivities by retail categories indicated that restaurant/cafes and take-out/specialty foods are the two strongest retail categories, whereas shoppers goods (i.e., apparel, gifts, jewelry, hobby, etc.) represents the weakest category. Given the leisure-time nature of the Central Balboa visitor's trip motivation, the strength of food uses over shoppers goods purchases is not surprising. In fact, our research at other Southern California coastline projects indicates similar results: dining venues tend to outdo shoppers goods or specialty shop performances. One of the primary

reasons for the differential in performance is the outstanding competition specialty retail shops face from small shops within the best department-store-anchored regional malls, such as South Coast Plaza and Fashion Island. In contrast, waterfront restaurants, particularly view-oriented venues, can frequently offer environments superior to regional mall restaurants--particularly those without entertainment-oriented or unique interiors.

Of the estimated total of 154,200 square feet of Central Balboa space, 22.5%, or about 34,650 square feet, consists of personal and financial services and recreation/entertainment space. An estimated 4% or nearly 6,000 square feet is estimated to be vacant. Excluding the service, recreational/entertainment uses and vacant spaces, most of Central Balboa's remaining 113,600 square feet of retail space consists of food and drinking space either in the form of grocery, take-out, specialty, cafes, restaurants and bars/lounges (see EXHIBIT 10). About 75,600 square feet, or two-thirds (66.5%) of the 113,600 square feet, consists of food/drinking uses, with only about 38,000 square feet (or one-third) dedicated to shoppers goods businesses.

Although shoppers goods businesses account for only about 38,000 square feet of the total area, these businesses are clearly suffering the most. Whereas strong shoppers goods retailers will typically perform at a minimum level of \$200 to \$250 per square foot, our estimated sales productivity level for this category is only about \$130 per square foot, based on 1993-1994 data and estimates for non-reporting uses. Based on existing patronage drawing conditions, there is a significant over-supply of shoppers goods space. If the area is unable to improve its ability to draw spenders to its shops, the health of shoppers goods space is likely to continue to deteriorate. Under current conditions, only about 25,000 square feet of shoppers goods is supportable based on a minimum of \$200 per-square-foot sales productivity; the area therefore contains an excess of about 13,000 square feet.

Although restaurants/cafes are performing well above shoppers goods tenants at an estimated average of about \$270 per square foot, it should be recognized that \$300 to \$350 per square foot productivities represent minimum acceptable productivities at strong on-street shopping districts, and that although several individual restaurants are performing at exceptionally high sales productivities, a number of others are showing very weak figures. Moreover, fast-food enterprises are truly suffering, with figures estimated at below \$180 per square foot; excellent fast food outlets average \$350 to \$600 per square foot and higher. These mediocre figures are the clearest indicator of weak traffic from customers who spend, because small fast-food outlets are the most dependent upon high shopper traffic volumes. Quick and specialty foods are also experiencing unimpressive figures, estimated at \$260 per square foot; excellent operations should exceed an average of \$300 to \$350 per square foot. Again, under current conditions, an over-supply of fast and quick foods exists based on under-performing revenue figures.

Parking Policy Encourages Non-Spenders

The City's parking policies for Central Balboa do not reward shoppers and diners who spend money within shops and restaurants, and the metered spaces most convenient to the retail businesses are not managed in a manner that would discourage their use by non-spender beach-goers. The pricing structure of most Central Balboa parking sites are organized to accommodate all day beach-goers, not short-term (two-to-three-hour) shoppers or diners. The largest lot, the city-owned Balboa Pier Lot, charges \$0.50 per twenty minutes or \$1.50 per hour up to a maximum of \$7.00 per day (see EXHIBITS 11-12). Therefore, a patron wishing for a morning or an afternoon of shopping and dining, say four hours, must pay \$6.00. A beach-goer pays only \$7.00 to stay all day. Spending patrons in Central Balboa are not rewarded in any manner for shopping in Central Balboa; in fact, the current pricing structure discourages shoppers and diners from coming for a short-term stay because numerous, competitive locations can be found throughout Orange County that offer free, valet (\$1.00 tip) or favorable, validated parking.

Metered parking spaces at "A" and "B" Streets and about half the spaces in the lot at Washington Street charge \$.25 for 15 minutes or \$1.00 per hour, or only one-third the cost of the Balboa Pier Lot. Parking in the remaining Washington Street lot spaces and at the on-street meters in front of businesses is even less expensive, at only \$.25 per hour. Meters are limited to either two hours, one hour or thirty minutes. However, the time limits simply mean that a user must go back and feed the meters at the prescribed time period; nothing prevents the same user from staying in the same spot all day as long as the meters are fed. Therefore, very favorable pricing of the meters encourages some use of meters by all-day beach-goers and takes away valuable spots for those intending to spend at shops and restaurants. And because many beach-goers bring their own food and drinks and do not spend at shops, a high percentage of non-spenders are potentially absorbing valuable parking spaces for shoppers and diners.

In contrast, the City of Laguna Beach has instituted a parking management policy that ensures rotation of the short-term parking spaces in the business district by utilizing a parking patrol system that marks vehicles and distributes parking violations to those that stay in the same space longer than the limit stated. This management mechanism ensures a constant rotation of the parking in the business area. Laguna Beach also issues parking stickers to local residents allowing them to park at meters without paying. This has allowed the city to extend the meters into adjacent residential areas without complaint from the residents. Other cities, such as the City of Pasadena's Old Town and Downtown Long Beach, have instituted a parking validation system that rewards those who spend in shops and restaurants by providing them with favorably priced parking over those who spend nothing.

Newport Beach's parking policies provide none of the systems described above, and the City's businesses are sorely lacking any management program that encourages visitation by spending patrons. By implementing a comprehensive parking management plan, the City of Newport Beach can

increase its mix of spenders and decrease the number of non-spenders who absorb parking spaces near the on-street shopping districts.

Central Balboa's Need For Re-Merchandising & Physical Upgrading

On-street shopping districts that have been successful in the 1980s and 1990s are those that have distinguished themselves from the traditional retail settings in terms of physical environment and tenant composition. A successful on-street shopping district requires two key components: (1) The structural demographics of those living within about a twenty minute drive time must include a significant quantity of middle, upper-middle and affluent households; and (2) A distinguishing retail concept must be developed that is highly differentiated from a traditional regional mall setting.

Central Balboa clearly has strong demographics living within a twenty minute drive time--although the best demographics are those living just outside the immediate city limits. However, the on-street building stock and tenant mix have not been refurbished and revitalized, respectively. In contrast to strong on-street dining/shopping districts, such as Old Town Pasadena and Third Street Promenade in Santa Monica, building renovations and re-tenanting efforts have been minimal. Although Central Balboa may not have as much historic building stock as Old Town Pasadena, buildings such as the historic Pavilion structure and the history behind the Red Car lines that used to travel to the site are colorful, nostalgic set-pieces that distinguish the area from traditional retail settings. We encourage the City of Newport Beach and Central Balboa businesses to consider a second stage of research and marketing implementation action plan work aimed at realistically revitalizing the Central Balboa area.

We would be pleased to continue our efforts in implementing the second stage of work. Please give us a call if we can be of assistance.

Very truly yours,

LINDA S. CONGLETON & ASSOCIATES

Linda S. Congleton
Principal

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EXHIBIT 1
SUMMARY OF SELECTED DEMOGRAPHIC CHARACTERISTICS
CITY OF NEWPORT BEACH, CALIFORNIA

POPULATION DATA															
Year	Population 1/ 1/	Avg. Annual Change	In Group Quarters %	No.	AGE DISTRIBUTION					Median Age	ETHNIC DISTRIBUTION				
					0-17	18-24	25-44	45-54	55-64		65+	Hispanic Origin	Black	Asian	Other
1990	65,943		1.1%	700	13.3%	10.1%	35.9%	13.9%	11.3%	15.5%	39.4	4.1%	0.3%	2.9%	1.0%
1995	68,381	0.7%	1.0%	711	14.3%	9.0%	34.8%	15.6%	10.4%	15.8%	40.3	5.1%	0.4%	4.0%	1.1%
2000	70,798	0.7%	1.0%	722	14.0%	8.7%	32.8%	17.4%	10.5%	15.3%	41.3	6.2%	0.6%	5.1%	1.3%

HOUSEHOLD DATA							
Year	Occupied Households	Avg. Annual Change	Owner-Occupied %	Renter-Occupied %	Average HH Size	HOUSEHOLD INCOME	
						Median	Average
1990	30,870		55.6%	44.4%	2.14	\$60,338	\$97,662
1995	32,157	0.8%	57.1%	42.9%	2.13	\$64,417	\$120,650
2000	33,374	0.7%	58.3%	41.7%	2.12	\$75,860	\$146,645

1/ Population figures do not include persons in group quarters.

Source: 1990 U.S. Census; 1995 Estimate and 2000 Projection per Urban Decision Systems, Inc.

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EXHIBIT 2
 NEIGHBORHOOD LIFESTYLE CLUSTERS - 1994 OCCUPIED HOUSEHOLDS
 CITY OF NEWPORT BEACH, CALIFORNIA

HIGHER INCOME/EXPENDITURE CLUSTERS							
--- Cluster Name ---	Percent 1/	--- Cluster Name ---	Percent 1/	--- Cluster Name ---	Percent 1/	--- Cluster Name ---	Percent 1/
ELITE SUBURBS.....	60.2%	URBAN UPTOWN.....	26.9%	SECOND CITY SOCIETY.....	0.8%	LANDED GENTRY.....	0.0%
Blue Blood Estates	12.5%	Urban Gold Coast	3.0%	Second-City Elite	0.0%	Country Squires	0.0%
Winner's Circle	25.0%	Money & Brains	4.3%	Upward Bound	0.0%	God's Country	0.0%
Executive Suites	14.3%	Young Literati	17.2%	Gray Power	0.8%	Big Fish Small Pond	0.0%
Pools & Patios	8.5%	American Dreams	0.4%			Greenbelt Families	0.0%
Kids & Cul-de-Sacs	0.0%	Bohemian Mix	2.1%				
THE AFFLUENTIALS.....	5.2%	EXURBAN BLUES.....	0.0%	COUNTRY FAMILIES.....	0.0%		
Young Influentials	5.2%	New Homesteaders	0.0%	Big Sky Families	0.0%	TOTAL HIGHER INCOME/ EXPENDITURE CLUSTERS.....	93.2%
New Empty Nests	0.0%			New Eco-Topia	0.0%		
Boomers & Babies	0.0%						
Suburban Sprawl	0.0%						
Blue-Chip Blues	0.0%						

[----- SELECTED SUMMARY OF HIGH PERCENTAGE CLUSTERS 2/ -----]

--- Cluster Name ---	Characteristics	Percent 1/	--- Cluster Name ---	Percent 1/	
TOTAL HIGH PERCENTAGE CLUSTERS.....		85.4%	REMAINING LIFESTYLE CLUSTERS.	14.6%	TOTAL PERCENTAGE..... 100.0%
Winner's Circle	[New Money, Exec. Suburban Families]	25.0%	Money & Brains	4.3%	
Young Literati	[Upscale Urban Singles & Couples]	17.2%	Urban Gold Coast	3.0%	
Executive Suites	[Upscale White-Collar Couples]	17.1%	New Beginnings	2.2%	
Blue Blood Estates	[Elite Super-rich, Suburban Families]	12.5%	Bohemian Mix	2.1%	
Pools & Patios	[Established Empty Nesters]	8.5%	Upstarts & Seniors	1.1%	
Young Influentials	[Young Urban Professionals]	5.2%	Gray Power	0.8%	
			Urban Achievers	0.7%	
			American Dreams	0.4%	
			New Empty Nests	0.0%	

1/ Percent of Distribution of 1994 Occupied Households.
 2/ Includes all clusters representing about 5% or greater of percentage distribution only.
 See Appendix for Definitions of Neighborhood Lifestyle Clusters.
 Source: PRIZM Clusters by Claritas Corporation; 1994 estimates by Urban Decision Systems, Inc.

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EXHIBIT 3
SUMMARY OF SELECTED DEMOGRAPHIC CHARACTERISTICS
CITY OF IRVINE, CALIFORNIA

Year	POPULATION DATA						AGE DISTRIBUTION				ETHNIC DISTRIBUTION				
	Population 1/	Avg. Annual Change	In Group Quarters %	No.	0-17	18-24	25-44	45-54	55-64	65+	Median Age	Hispanic Origin	Black	Asian	Other
1980	59,408		5.1%	3,221	28.6%	12.7%	39.5%	9.3%	6.2%	3.7%	29.3	6.8%	1.5%	7.6%	3.4%
1990	108,157	6.2%	2.0%	2,173	24.4%	13.9%	38.8%	11.7%	5.6%	5.8%	31.3	6.3%	1.8%	18.1%	2.2%
1994	126,120	3.9%	1.4%	1,737	25.0%	13.7%	37.0%	13.0%	5.4%	5.8%	31.6	7.1%	1.8%	20.0%	2.0%
1999	145,110	2.8%	0.9%	1,324	25.0%	13.7%	34.6%	14.7%	5.9%	6.1%	32.0	8.5%	1.8%	22.2%	2.0%

Year	HOUSEHOLD DATA				HOUSEHOLD INCOME			
	Occupied Households	Avg. Annual Change	Owner-Occupied	Renter-Occupied	Average HH Size	Median	Average	Median
1980	21,296		72.7%	27.3%	2.79	\$38,709	\$35,076	\$35,076
1990	40,257	6.6%	62.5%	37.5%	2.69	\$56,306	\$58,754	\$58,754
1994	53,039	7.1%	60.3%	39.7%	2.38	\$57,529	\$72,890	\$72,890
1999	70,801	5.9%	59.1%	40.9%	2.05	\$63,243	\$77,501	\$77,501

1/ Population figures do not include persons in group quarters.

Source: 1980 and 1990 U.S. Census; 1994 Estimate and 1999 Projection per Urban Decision Systems, Inc.

EXHIBIT 4
 NEIGHBORHOOD LIFESTYLE CLUSTERS - 1994 OCCUPIED HOUSEHOLDS
 CITY OF IRVINE, CALIFORNIA

HIGHER INCOME/EXPENDITURE CLUSTERS			
Cluster Name	Percent 1/	Cluster Name	Percent 1/
ELITE SUBURBS	71.7%	URBAN UPTOWN	0.0%
Blue Blood Estates	9.2%	Urban Gold Coast	0.0%
Winner's Circle	26.9%	Money & Brains	0.0%
Executive Suites	25.9%	Young Literati	0.0%
Pools & Patios	0.8%	American Dreams	0.0%
Kids & Cul-de-Sacs	9.0%	Bohemian Mix	0.0%
THE AFFLUENTIALS	18.8%	EXURBAN BLUES	0.0%
Young Influentials	14.6%	New Homesteaders	0.0%
New Empty Nests	4.2%		
Boomers & Babies	0.0%		
Suburban Sprawl	0.0%		
Blue-Chip Blues	0.0%		
		COUNTRY FAMILIES	0.0%
		Big Sky Families	0.0%
		New Eco-Topia	0.0%
		SECOND CITY SOCIETY	1.7%
		Second-City Elite	0.0%
		Upward Bound	0.0%
		Gray Power	1.7%
		LANDED GENTRY	0.0%
		Country Squires	0.0%
		God's Country	0.0%
		Big Fish Small Pond	0.0%
		Greenbelt Families	0.0%
		TOTAL HIGHER INCOME/ EXPENDITURE CLUSTERS	92.2%

[----- SELECTED SUMMARY OF HIGH PERCENTAGE CLUSTERS 2/ -----]

Cluster Name	Characteristics	Percent 1/	Cluster Name	Percent 1/
TOTAL HIGH PERCENTAGE CLUSTERS		95.8%	REMAINING LIFESTYLE CLUSTERS	4.2%
Winner's Circle	[New Money, Exec. Suburban Families]	26.9%	Gray Power	1.7%
Executive Suites	[Upscale White-Collar Couples]	25.9%	Military Quarters	1.0%
Young Influentials	[Young Urban Professionals]	14.6%	Pools & Patios	0.8%
Blue Blood Estates	[Elite Super-rich, Suburban Families]	9.2%	Hometown Retired	0.6%
Kids & Cul-de-Sacs	[Upscale Suburban Families]	9.0%	Family Scramble	0.2%
Town & Gowns	[College Town Singles]	6.0%		
New Beginnings	[Young Mobile City Singles]	4.2%		
			TOTAL PERCENTAGE	100.0%

1/ Percent of Distribution of 1994 Occupied Households.
 2/ Includes all clusters representing about 5% or greater of percentage distribution only.
 See Appendix for Definitions of Neighborhood Lifestyle Clusters.
 Source: PRIZM Clusters by Claritas Corporation; 1994 estimates by Urban Decision Systems, Inc.

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EXHIBIT 5
SUMMARY OF SELECTED DEMOGRAPHIC CHARACTERISTICS

HALBOA PENINSULA, NEWPORT BEACH, CA 1/

Year	POPULATION DATA														
	Population 2/	Avg. Annual Change	In Group Quarters %	Renter- Occupied No.	AGE DISTRIBUTION			ETHNIC DISTRIBUTION			Median Age				
					0-17	18-24	25-44	45-54	55-64	65+		Hispanic Origin	Black	Asian	Other
1990	13,003		0.0%	0	8.9%	17.5%	40.6%	10.6%	9.6%	12.9%	33.7	4.8%	0.3%	1.6%	1.4%
1995	12,995	0.0%	0.0%	0	10.3%	16.1%	40.1%	11.6%	8.7%	13.2%	34.5	5.7%	0.4%	2.5%	1.4%
2000	12,973	0.0%	0.0%	0	12.3%	15.1%	38.0%	13.2%	8.7%	12.7%	35.5	6.9%	0.4%	3.3%	1.5%

Year	HOUSEHOLD DATA						
	Occupied Households	Avg. Annual Change	Owner- Occupied	Renter- Occupied	HOUSEHOLD INCOME		
					Average HH Size	Median	Average
1990	6,109		43.5%	56.5%	2.13	\$93,310	\$93,806
1995	6,142	0.1%	43.0%	57.0%	2.12	\$57,380	\$113,982
2000	6,151	0.0%	42.5%	57.5%	2.11	\$66,828	\$136,336

1/ Includes census tracts 628, 629 & 635 in Newport Beach, CA.
2/ Population figures do not include persons in group quarters.

Source: 1990 U.S. Census; 1995 Estimate and 2000 Projection per Urban Decision Systems, Inc.

CBALDEMO 07/21/95

EXHIBIT 7
SUMMARY OF SELECTED DEMOGRAPHIC CHARACTERISTICS

CENTRAL BALBOA, NEWPORT BEACH, CA 1/

Year	POPULATION DATA													
	Population 2/ 2/	Avg. Annual Change	In Group Quarters %	AGE DISTRIBUTION					Median Age	ETHNIC DISTRIBUTION				
				0-17	18-24	25-44	45-54	55-64		65+	Hispanic Origin	Black	Asian	Other
1990	4,959		0.0%	10.3%	13.5%	41.7%	11.1%	10.1%	13.4%	33.7	5.1%	0.3%	1.2%	1.5%
1995	4,888	-0.3%	0.0%	11.6%	11.6%	41.3%	12.5%	9.4%	13.6%	34.5	6.4%	0.5%	1.9%	1.6%
2000	4,802	-0.4%	0.0%	13.4%	10.4%	39.0%	14.5%	9.7%	13.0%	35.5	8.1%	0.6%	2.7%	1.7%

Year	HOUSEHOLD DATA										
	Occupied Households	Avg. Annual Change	Owner- Occupied	Renter- Occupied	Average HH Size	HOUSEHOLD INCOME			HOUSEHOLD SIZE		
						Median	Average	person	persons	persons	persons
1990	2,430		42.4%	57.6%	2.04	\$48,301	\$96,295	35.3%	39.1%	22.8%	2.7%
1995	2,416	-0.1%	43.0%	57.0%	2.02	\$53,962	\$121,562	35.5%	38.8%	23.1%	2.7%
2000	2,390	-0.2%	43.6%	56.4%	2.01	\$63,940	\$149,658	35.6%	38.6%	23.1%	2.7%

1/ Includes census tract 628 in Newport Beach, CA.
2/ Population figures do not include persons in group quarters.

Source: 1990 U.S. Census; 1995 Estimate and 2000 Projection per Urban Decision Systems, Inc.

07/21/95

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EXHIBIT 8
 NEIGHBORHOOD LIFESTYLE CLUSTERS - 1994 OCCUPIED HOUSEHOLDS
 CENTRAL BALEAR, NEWPORT BEACH, CA / 1

HIGHER INCOME/EXPENDITURE CLUSTERS			
Cluster Name	Percent 2/	Cluster Name	Percent 2/
ELITE SUBURBS	57.7%	URBAN UPTOWN	0.0%
Blue Blood Estates	0.0%	Urban Gold Coast	0.0%
Winner's Circle	24.8%	Money & Brains	0.0%
Executive Suites	32.9%	Young Literati	0.0%
Pools & Patios	0.0%	American Dreams	0.0%
Kids & Cul-de-Sacs	0.0%	Bohemian Mix	0.0%
THE AFFLUENTIALS	42.3%	EXURBAN BLUES	0.0%
Young Influentials	42.3%	New Homesteaders	0.0%
New Empty Nests	0.0%		
Boomers & Babies	0.0%		
Suburban Sprawl	0.0%		
Blue-Chip Blues	0.0%		
		COUNTRY FAMILIES	0.0%
		Big Sky Families	0.0%
		New Eco-Topia	0.0%
		TOTAL HIGHER INCOME/ EXPENDITURE CLUSTERS	100.0%

SELECTED SUMMARY OF HIGH PERCENTAGE CLUSTERS 3/

Cluster Name	Characteristics	Percent 3/	Cluster Name	Percent 2/
TOTAL HIGH PERCENTAGE CLUSTERS		100.0%	REMAINING LIFESTYLE CLUSTERS	0.0%
Young Influentials	[Young Urban Professionals]	42.3%		
Executive Suites	[Upscale White-Collar Couples]	32.9%		
Winner's Circle	[Executive Suburban Families]	24.8%		
			TOTAL PERCENTAGE	100.0%

1/ Includes Census Tract.
 2/ Percent of Distribution of 1995 Occupied Households.
 3/ Includes all clusters representing about 5% or greater of percentage distribution only.
 See Appendix for Definitions of Neighborhood Lifestyle Clusters.
 Source: PRIZM Clusters by Claritas Corporation; 1995 estimates by Urban Decision Systems, Inc.

EXPENPOT

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EXHIBIT 9
Supportable Retail Expenditure Potential
& Theoretical Supportable Retail Space
for Traditional Grocery-Anchored Center:
--- BALBOA PENINSULA PRIMARY TRADE AREA ---
---- TODAY'S RESIDENT MARKET ----

```
=====
HOUSEHOLDS 1/                6,142
MEDIAN HOUSEHOLD INCOME 1/   $57,380
TOTAL DISPOSABLE INCOME (000) 2/   $296,491
=====
```

SELECTED SHOPPER'S GOODS: 3/

```
Expenditure Potential (000)           $37,002      $37,002
Estimated Optimum Capture Rates           5.0% -      6.0%
Supportable Sales Estimate (000)         $1,850      $2,220
-----
```

RESTAURANTS/CAFES: 4/

```
Expenditure Potential (000)           $15,032      $15,032
Estimated Optimum Capture Rates           10.0% -     15.0%
Supportable Sales Estimate (000)         $1,503 -     $2,255
-----
```

CONVENIENCE GOODS: 5/

```
Expenditure Potential (000)           $51,382      $51,382
Estimated Optimum Capture Rates           50.0% -     60.0%
Supportable Sales Estimate (000)         $25,691 -    $30,829
=====
```

TOTAL BALBOA PENINSULA PRIMARY TRADE AREA:

```
Expenditure Potential (000)           $103,416     $103,416
Overall Capture Rate                     28.1% -     34.1%
Total Supportable Sales Estimate (000)   $29,044 -    $35,304
=====
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EXPENPOT

Page 2 of 3

EXHIBIT 9
Supportable Retail Expenditure Potential
& Theoretical Supportable Retail Space
for Traditional Grocery-Anchored Center:
--- BALBOA PENINSULA PRIMARY TRADE AREA ---
---- TODAY'S RESIDENT MARKET ----

[----- TOTAL PROJECT SALES -----]

SELECTED SHOPPER'S GOODS: 3/

Total Project Supportable Sales Estimate (000)	\$1,850	\$2,220
Estimated Space Supported (based on \$200 - \$250/s.f.)	7,400 -	11,101

RESTAURANTS/CAFES: 4/

Total Project Supportable Sales Estimate (000)	\$1,503 -	\$2,255
Estimated Space Supported (based on \$300 - \$350/s.f.)	4,295 -	7,516

CONVENIENCE GOODS: 5/

Total Project Supportable Sales Estimate (000)	\$25,691 -	\$30,829
Estimated Space Supported (based on \$500 - \$550/s.f.)	46,711 -	61,658

TOTAL SHOPPER'S GOODS, RESTAURANTS/CAFES
AND CONVENIENCE GOODS (excludes Recreation/Community,
Financial/Personal Services and Office Space):

Total Supportable Sales Estimate (000)	\$29,044 -	\$35,304
Total Estimated Space Supported	58,406 -	80,275
Total Estimated Sales per Square Foot	\$497 -	\$440

ADD RECREATION/COMMUNITY AND FINANCIAL/PERSONAL SERVICES:

Percent of Total Square Footage	12.0% -	15.0%
Estimated Space Supported	7,964 -	14,166

Total Supportable Retail Square Footage	66,371 -	94,441
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EXPENPOT

Page 3 of 3

EXHIBIT 9
Supportable Retail Expenditure Potential
& Theoretical Supportable Retail Space
for Traditional Grocery-Anchored Center:
--- BALBOA PENINSULA PRIMARY TRADE AREA ---
---- TODAY'S RESIDENT MARKET ----

=====
=====

FOOTNOTES:

- 1/ See EXHIBIT 3 "Summary of Selected Demographic Characteristics: Balboa Peninsula."
- 2/ Per 1990 Survey of Current Business Data.
- 3/ Shopper's Goods include expenditures made at apparel and accessories stores, small home furnishings, shoes, jewelry, books, sporting goods, gifts, luggage and miscellaneous shopper's goods stores; per 1990 Survey of Current Business Data.
- 4/ Restaurants/Cafes include expenditures made on purchased meals and beverages; per 1990 Survey of Current Business Data.
- 5/ Convenience Goods include expenditures made at grocery stores, foods-to-go, drug stores, liquor stores, medical supplies/prescriptions, auto accessories, plants, and cleaning/polishing supplies; per 1990 Survey of Current Business Data.

sqftsmry

EXHIBIT 10
ESTIMATED SQUARE FOOTAGE ALLOCATIONS BY BUSINESS CATEGORY (1)
Central Balboa Area Businesses

Category of Business		Estimated Square Feet
I	CAFES AND RESTAURANTS (2) 10 Operations; Average Size 3950 square feet; Total: Percent of Area Total:	39,500 25.6%
II	BARS, TAVERNS & COCKTAIL LOUNGES 3 Operations; Average Size 1800 square feet; Total: Percent of Area Total:	5,400 3.5%
III	FAST-FOOD RESTAURANTS (2) 13 Operations; Average Size 1100 square feet; Total: Percent of Area Total:	14,300 9.3%
IV	TAKE-OUT AND SPECIALTY FOODS (2) 8 Operations; Average Size 625 square feet; Total: Percent of Area Total:	5,000 3.2%
	Food Service Total: Percent of Area Total:	64,200 41.6%
	Percent of Total Food Service, Convenience & Shopper's Goods:	56.5%
V	GROCERY/DRUG/CONVENIENCE GOODS (3) 3 Operations; Average Size 3800 square feet; Total: Percent of Area Total:	11,400 7.4%
VI	SHOPPER'S GOODS (4) 38 Operations; Average Size 1000 square feet; Total: Percent of Area Total:	38,000 24.6%
	Total Food Service, Convenience & Shopper's Goods: Percent of Area Total:	113,600 73.7%
VII	PERSONAL AND FINANCIAL SERVICES 10 Operations; Average Size 1000 square feet; Total: Percent of Area Total:	10,000 6.5%
VIII	RECREATION & ENTERTAINMENT (5) 17 Operations; Average Size 1450 square feet; Total: Percent of Area Total:	24,650 16.0%
IX	VACANT RETAIL SPACE 7 Spaces; Average Size 850 square feet; Total: Percent of Area Total:	5,950 3.9%
	Grand Total:	154,200

NOTES:

- (1) Estimated square-footages derived from total building square-footages provided by City of Newport Beach Planning and Building Dept. and LCA field observations.
- (2) Restaurants" are defined as food service establishments with table service; "Fast-food" establishments have counter service only; "Take-out" indicates no on-site dining area.
- (3) Convenience Goods include expenditures made at grocery stores, drug stores, liquor stores, medical supplies/prescriptions, auto accessories plants and cleaning & polishing supplies; per 1990 Survey of Current Business Data.
- (4) Shoppers Goods include expenditures made at apparel and accessories stores, small home furnishings, shoes, jewelery, books, sporting goods, gifts, luggage, and miscellaneous shopper's goods stores; per 1990 Survey of Current Business Data.
- (5) Does not include Balboa Theater; currently closed.

EXHIBIT 11
CENTRAL BALBOA BUSINESS AREA PARKING

Location	Type	No. of Spaces	Rates
Balboa Pier Lot (foot of Palm St.)	Attended Lot	611	\$0.50/20 mins. max \$7.00 all day
Washington St. Lot (foot of Washington)	Metered Lot	27	\$0.25/15 mins. max \$6.00 for 6 hrs.
		29	\$0.05/12 mins max \$0.50 for 2 hours
"A" Street Lot (foot of "A" St.)	Metered Lot	87	\$0.25/15 mins. max \$6.00 for 6 hrs.
"B" Street Lot (foot of "B" St.)	Metered Lot	43	\$0.25/15 mins. max \$6.00 for 6 hrs.
Balboa Boulevard (from "A" St. to Adams St.)	On-street Meters	31	\$0.05/12 mins max \$0.25 for 1 hour
		11	\$0.05/12 mins max \$0.15 for 30 mins.
Bay Avenue (from Main St. to Adams St.)	On-street Meters	36	\$0.05/12 mins max \$0.50 for 2 hours
Bay Avenue Lot	Metered Lot	7	\$0.05/12 mins max \$0.50 for 2 hours
Palm Street (from Balboa Bl. to Oceanfront)	On-street Meters	6	\$0.05/12 mins max \$0.25 for 1 hour
Palm Street Lot (under const.)	Metered Lot	38	\$0.05/6 mins max \$1.00 for 2 hours
Edgewater Place Structure	Valet Only	230	\$1.00/20 mins. max \$7.00 \$2.25 total w/ Newport Landing validation
Total		----- 1156	

Businesses with parking for their own clientele.

Dillman's Restaurant	24
Balboa Pavillion	20 (valet only)
Balboa Market	16
Pavillion Realty	10
Bal Harbor Liquor	9
Pizza Hut	6
Britta's Cafe	4
Total	----- 85

EXHIBIT 12
QUALITATIVE FACTORS AFFECTING PARKING

Location	Convenience	Security	Other
Balboa Pier Lot (attended lot at foot of Palm St.)	Main St. businesses 1-4 blocks Balboa Bl. businesses 1-5 blocks Fun Zone 2-4 blocks Newport Landing 3-5 blocks	Fair - attendant present until 10 p.m. but can be dark at beach end.	Largest lot in area; 611 cars. Pricing is oriented to beachgoers; \$1.50 for 1 hour, only \$7.00 all-day.
Washington St. Lot (metered lot at foot of Washing- ton Street)	Main St. businesses 0-3 blocks Balboa Bl. businesses 1-3 blocks Fun Zone 3 blocks Newport Landing 5 blocks	Good - heavy foot traffic, businesses adjacent.	Very convenient for both beach & shopping. Less expensive than Pier Lot lot \$1.00/ hr vs. \$1.50.
"A" Street Lot (metered lot at foot of "A" St.)	Main St. businesses 1-3 blocks Balboa Bl. businesses 1-3 blocks Fun Zone 4 blocks Newport Landing 6 blocks	Fair - heavy foot traffic, can be a little dark.	Lot most convenient to beach and pier.
"B" Street Lot (metered lot at foot of "B" St.)	Main St. businesses 3-5 blocks Balboa Bl. businesses 3-5 blocks Fun Zone 6 blocks Newport Landing 8 blocks	Poor - very remote from any activity.	Primarily beach parking; located outside BID and very inconvenient to stores & restaurants.
Balboa Boulevard (on-street meters from "A" St. to Adams St.)	Main St. businesses 0-4 blocks Balboa Bl. businesses 0-4 blocks Fun Zone 2-3 blocks Newport Landing 2-6 blocks	Good - heavy foot & auto traffic.	Oriented to shoppers; meters max at either 30 minutes or one hour.
Bay Avenue E. (on-street meters from Main St. to Adams St.)	Main St. businesses 0-4 blocks Balboa Bl. businesses 1-4 blocks Fun Zone 0-2 blocks Newport Landing 0-3 blocks	Fair - little traffic on street.	One-way street, can be difficult to access.
Bay Avenue Lot (metered lot on Bay Ave. between Main & Wash. Sts.)	Main St. businesses 1-2 blocks Balboa Bl. businesses 1-2 blocks Fun Zone 1 block Newport Landing 3 blocks	Fair - poorly visible behind businesses.	Very small city-owned lot, difficult to access.
Palm Street (on-street meters from Balboa Bl. to Oceanfront)	Main St. businesses 2-4 blocks Balboa Bl. businesses 0-3 blocks Fun Zone 2-3 blocks Newport Landing 3-4 blocks	Good - heavy foot traffic, businesses adjacent.	6 spaces, all between Balboa Bl. & Oceanfront.
Palm Street Lot (metered lot under construction at Palm St. & Bay Ave.)	Main St. businesses 1-3 blocks Balboa Bl. businesses 0-3 blocks Fun Zone 1 block Newport Landing 1-2 blocks	Good - excellent visibility & heavy foot & auto traffic.	New city lot still under construction. When done, this will be an asset to businesses.
Edgewater Place Structure (structure on Adams St. at Bay Ave.)	Main St. businesses 2-5 blocks Balboa Bl. businesses 1-5 blocks Fun Zone 2 blocks Newport Landing 0 blocks	Excellent - attendant & valets present.	Privately owned structure; all parking is done by valets; expensive for shopping & can be a wait.

Other parking: There is a limited amount of unmetered on-street parking in some of the residential side streets. This tends to be monopolized by local residents and very early beach-goers. There are a limited number (about 12) 10-minute loading and unloading only spaces located in front of the Post office and some of the restaurants.