
CITY OF COVINA

CASMCP TASK 4 ECONOMIC DEVELOPMENT REPORT

August 2023



El Segundo, CA
TEL: 424-297-1070 | URL: www.kosmont.com

TASK 4 ECONOMIC DEVELOPMENT OVERVIEW

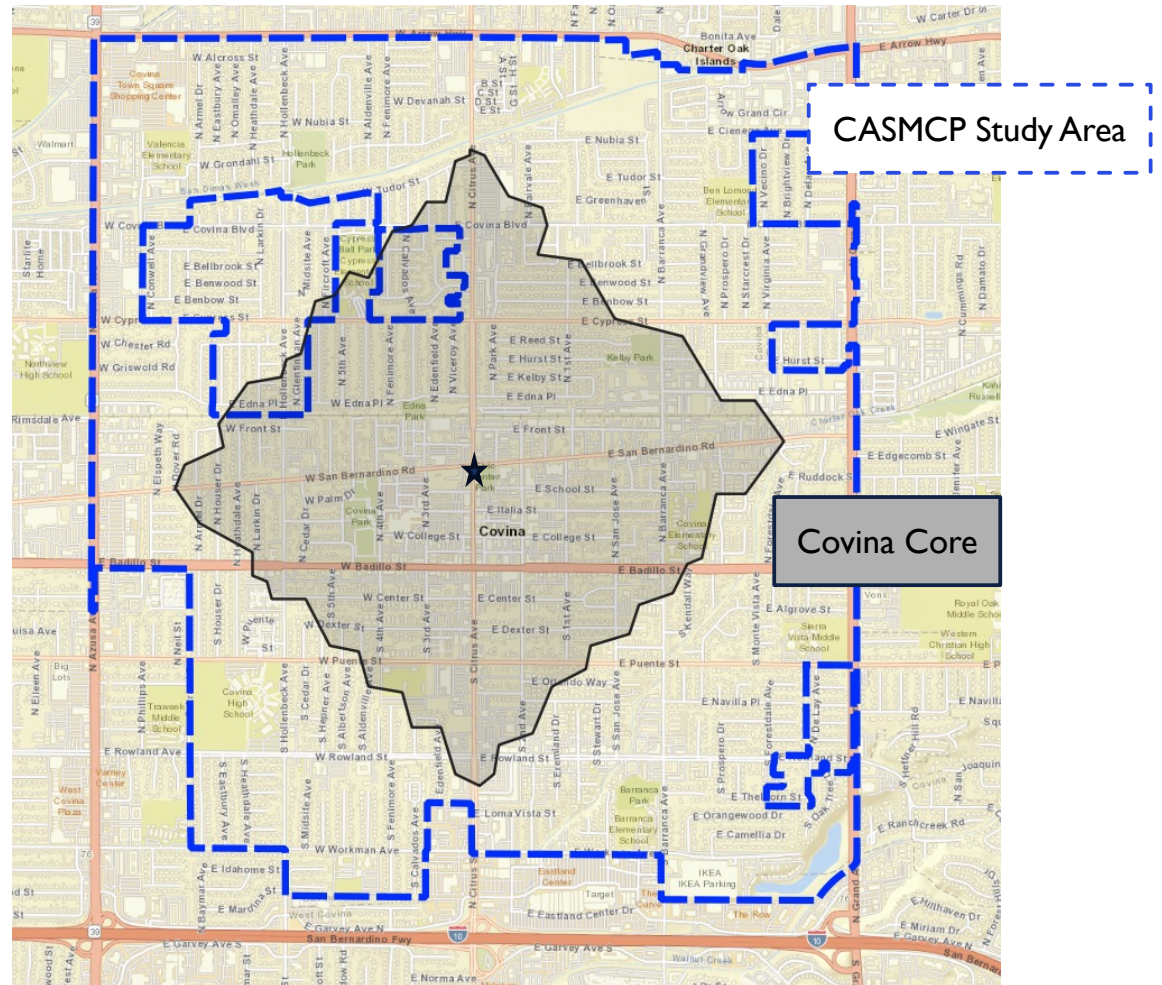
Per Covina's Active Streets and Multimodal Connectivity Plan ("CASMCP") contract, Kosmont was tasked with providing the Fehr & Peers team with Economic Development ("ED") and Transit Oriented Development ("TOD") market and case study research.

The research identified development recommendations for the City to consider that build off the expected increase in pedestrian and cyclist mobility throughout the downtown area / Metrolink station. ED studies have increasingly focused on more pedestrian friendly districts to revitalize downtown areas that were seeing a significant loss of customers as e-commerce growth beginning in 2010 significantly cannibalized small brick and mortar stores. Covid-19 impact accelerated the loss of local shopping visits. While some appointment-oriented service businesses find loss of on street parking to be problematic, food/beverage, entertainment and gift shop uses benefit from spontaneous visits as pedestrians explore the downtown.

Research found that Active Street Improvements provide significant socio-economic benefits, including increasing low-income household accessibility to vital commercial services. Ease of non-auto access will also encourage more and longer visits to downtown dining and entertainment venues.

CASMCP STUDY AREA & DOWNTOWN AREA

The research focuses on the “Covina Core” area at the center of the CASMCP Study Area, defined as the area within a 15-minute walk of the intersection of Citrus Ave. & San Bernardino Rd. This Covina Core area includes the Metrolink Station, commercial properties oriented along Citrus Ave. and other commercial corridors, the Emanate Health Inter-Community Hospital and surrounding medical offices, Covina City Hall and other civic institutions, a renovated Performing Arts Center, and residential neighborhoods.



COVINA CORE OVERVIEW

The Covina Core is home to a population of ~11,100, with an average household income of ~\$100,000. The Covina Core has ~2.5 million SF of commercial space in addition to ~1,300 multi-family residential units.

In general, downtown areas not easily accessed from regional freeways are best suited to accommodate a subset of retail activity, serving the residents of the area and visitors to the businesses.

Commercial uses in the Covina Core include:

- Restaurants, including national quick-service brands, local independent restaurants, and bars / pubs
- Personal / professional services
- Small-format grocery / convenience stores
- Small local shops - antique stores, hobby shops, bookstores, and music stores
- Healthcare, including the hospital and ~343,000 SF of medical office and other healthcare uses
- Industrial properties, including older properties near the rail line, with ~60% of industrial space small warehouse / distribution and ~25% showroom / service
- Covina Center for the Performing Arts, a historic theater with ~140 seats

	Covina Core	CASMCP Study Area	Covina City
Population	11,100	30,800	51,300
Households	3,800	10,300	16,900
Median Age	36.2	36.2	37.1
% Bachelors	26.7%	26.1%	28.9%
% Hispanic	61.5%	60.7%	59.0%
Median HH Income	\$79,200	\$76,900	\$84,600
Average HH Income	\$100,400	\$97,600	\$109,300

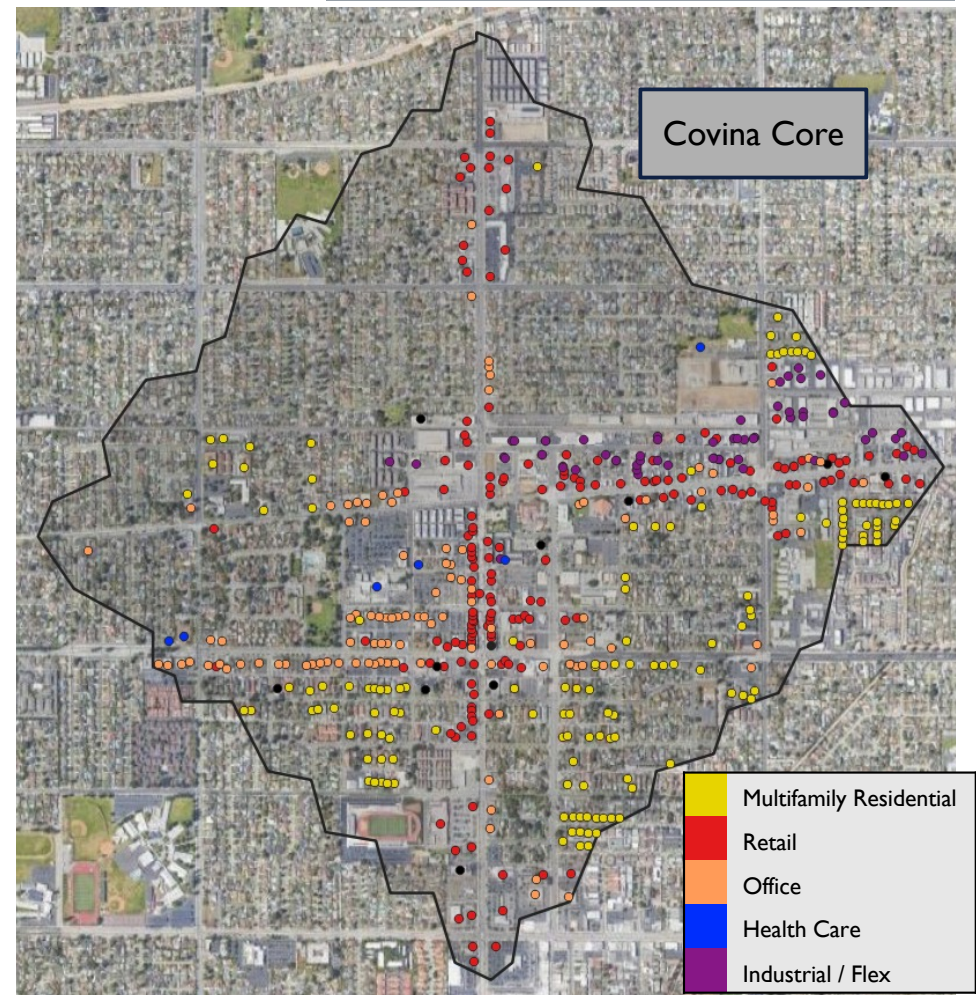
Covina Core	Properties	Building SF
Multifamily	142	1,299,600
Retail	175	1,007,700
Office	108	625,000
Industrial / Flex	60	609,700
Health Care	6	222,500
Other	11	101,100



Source: ESRI, CoStar

COVINA CORE COMMERCIAL PROPERTIES

Covina Core	Properties	Bldg SF
Multi-family Residential	142	1,299,600
Office	108	625,000
Medical Office	52	302,800
Other Office	56	322,200
Health Care	6	222,500
Hospital	1	182,300
Other Health Care	5	40,100
Retail / Entertainment	176	1,034,200
Storefront Retail Bldgs	57	304,300
Freestanding Retail Bldgs	28	214,500
General Retail	8	64,600
Automotive	52	316,400
Restaurant / Fast Food	23	77,900
Theater / Concert Hall	1	26,500
Bank	4	20,800
Drug / Convenience	3	9,200
Industrial / Flex	60	609,700
Warehouse / Distribution	26	372,300
Service	17	87,200
Manufacturing	11	77,100
Showroom	5	69,100



COVINA CORE RESIDENT EXPENDITURES

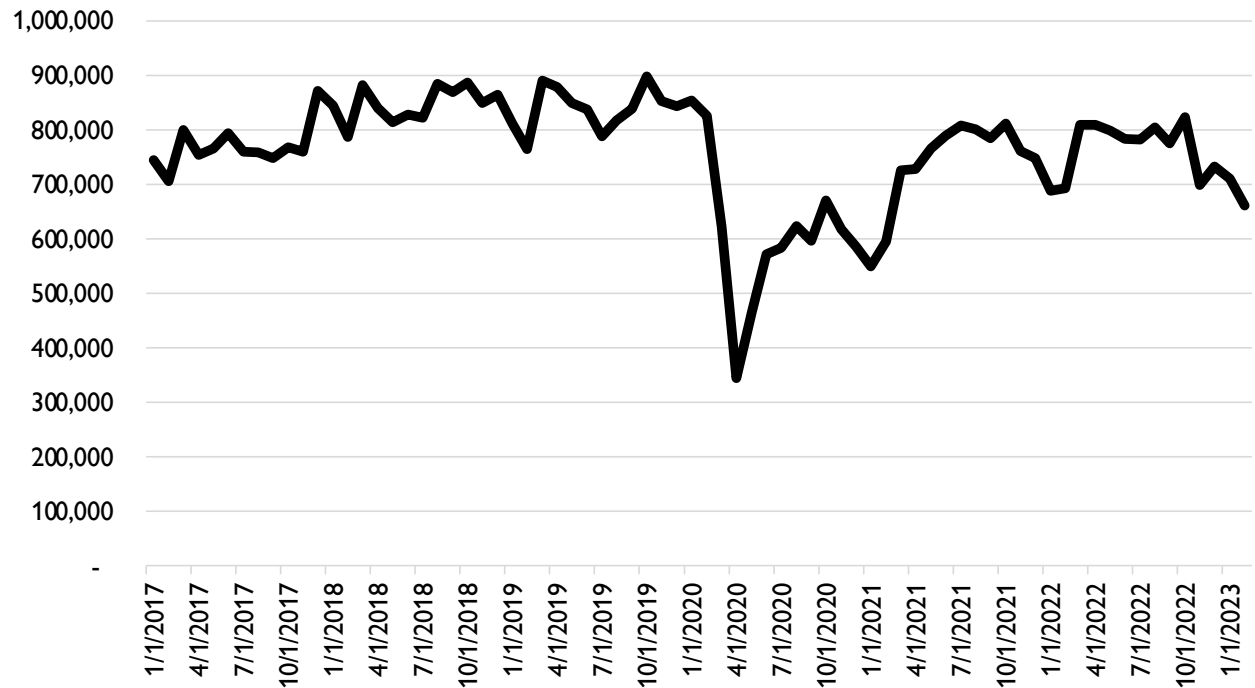
Residents in the Covina Core, within a 15-minute walk of the intersection of Citrus Ave. & San Bernardino Rd. are estimated to spend ~\$13,000 per household on key downtown retail goods and services categories annually, or around ~\$50 million in purchasing power.

15-Minute Walk Area	Avg. Amount per HH	Total Amount
Food Away from Home	\$4,222	\$15,984,000
Alcoholic Beverages	\$712	\$2,697,000
Health and Personal Care Products	\$1,017	\$3,850,000
Smoking Products	\$330	\$1,250,000
Housekeeping Supplies	\$774	\$2,930,000
Apparel and Services	\$2,338	\$8,851,000
Computers, Hardware, and Accessories	\$209	\$791,000
Household Furnishings: Furniture	\$641	\$2,427,000
Household Furnishings: Appliances	\$415	\$1,571,000
Household Furnishings: Other Categories	\$365	\$1,384,000
Entertainment / Recreation: Fees & Admission	\$849	\$3,216,000
Entertainment / Recreation: Pets	\$700	\$2,650,000
Entertainment / Recreation: Audio / Video (Select Categories)	\$288	\$1,088,000
Entertainment / Recreation: Toys / Games / Crafts / Hobbies / Photo Equip / Reading	\$273	\$1,034,000

COVINA CORE VISITATION TRENDS

According to mobile data analytics platform Placer.ai, the Covina Core area sees ~700,000 – 900,000 monthly visits from people that live outside of the Core area, with ~75-80% of those visitors spending at least 30 minutes in the Covina Core.

Monthly Visits to Downtown Covina Area



POPULAR COVINA CORE VISITOR DESTINATIONS

According to mobile data analytics platform Placer.ai, the following locations within the Covina Core are among the more popular locations for residents of the Core area and residents of the City of Covina. A star (*) denotes locations that also see a larger percentage of visits from out-of-towners.

Location	% of Downtown-area Residents who visit location	% of Covina Residents who Visit Location
Shopping Centers		
Covina Towne Center*	41%	35%
Palm Center	23%	23%
Windsor Center	11%	0%
Groceries / Essentials		
Baja Ranch Market*	21%	16%
CVS*	16%	13%
7-Eleven	7%	3%



Source: Placer.ai

Location	% of Downtown-area Residents who visit location	% of Covina Residents who Visit Location
Shopping / Services		
Eiffel Nails	10%	8%
Color Me Mine*	10%	7%
Century Nails	6%	3%
Citrus Car Wash	6%	5%
Covina Tobacco Inc.	5%	3%
Citrus Jeweler	4%	5%
Covina Animal Hospital	3%	2%
Other Locations		
Emanate Health Inter-Community Hospital*	29%	23%
Covina Park*	27%	19%
Covina District Stadium*	20%	18%
Kelby Park	5%	5%
Covina Center for the Performing Arts	2%	2%
Covina Animal Hospital	3%	2%

POPULAR COVINA CORE VISITOR DESTINATIONS

Location	% of Downtown-area Residents who visit location	% of Covina Residents who Visit Location
Quick Service Restaurants		
Starbucks*	21%	13%
Covina Burger*	14%	11%
Little Caesars Pizza	12%	13%
Popeyes Louisiana Kitchen*	11%	9%
Jack in the Box	11%	8%
Del Taco	10%	8%
P & G Super Burger	8%	6%
Capri Deli*	7%	5%
Alfredo's	6%	0%
Rad Coffee*	6%	6%
Yum Yum Donuts	6%	2%
Red Devil Pizza	5%	5%
Pizza Hut	5%	4%
Boba Tea Lounge*	4%	6%

Location	% of Downtown-area Residents who visit location	% of Covina Residents who Visit Location
Restaurants / Bars		
Ola Restobar*	12%	10%
Bread & Barley*	9%	9%
CityGrill Covina	7%	7%
Edna Vees Public House*	7%	6%
Bishamon Japanese Restaurant	7%	0%
The Rendezvous	7%	3%
Artist Pizzeria	5%	5%
Domestic BBQ	5%	4%
El Matador	5%	0%
The Rude Dog Bar & Grill	2%	1%
Chatterbox	1%	0%
Lincoln House	1%	2%



Source: Placer.ai; * denotes locations that also see a larger percentage of visits from out-of-towners.

RETAIL NEAR METROLINK / HEAVY RAIL STATIONS

- Development near Metrolink and Metrorail stations typically includes a mix of residential and commercial properties, often aiming for TOD that provide a blend of homes, businesses, and services in a relatively dense and walkable area. However, many stations have no development due to lack of municipal planning.
- Retail development found near Metrolink stations generally falls in the following categories:
 - **Small-scale Retail:** Convenience stores and quick-serve dining provide consumers with basic necessities.
 - **Neighborhood-serving Retail:** Includes smaller retail properties that meet the needs of the residents and transit patrons, such as specialty grocery stores, pharmacies, cafes, and restaurants.
 - **Entertainment & Dining:** Includes full-service restaurants, bars, entertainment venues, and nightclubs that are generally found in higher foot-traffic areas and draw both local residents, as well as visitors from the surrounding area
 - **Regional-serving Retail:** Includes larger-scale retail developments that draw customers from the wider region

CASE STUDY - METROLINK RAIL STATIONS



Main Street El Monte near the Metrolink Station is home to:

- **Local restaurants** (El Huarache De Dona Chela, Golden Ox Burgers, Progress on Main, NORMS, Little Pan, Lorena's),
- **Small independent clothing retailers** (Railcar Fine Goods, Sucasa, Botas Guadalajara),
- **Jewelry stores** (David's Jewelers, Q Jewelry),
- **Hobby / craft / gift stores** (Musica Latina, Valley Craft LA, H&S Sewing)

Nearby land uses include new multifamily apartment buildings & SF residential neighborhoods.

Ramona Blvd Baldwin Park near the Metrolink Station is home to:

- **Civic Uses** (City Hall, police station,
- **Local restaurants** (Nissi, Lucky Star Burgers, Via Mar, Taco Nazo, Taqueria El Atacor, Golden Panda Buffet)
- **Park Plaza on Maine Shopping Center** (Superior Grocers, CVS Pharmacy, O'Reilly Auto, shops / restaurants)
- **Local Retailers** (Urban X, Broken Horn Saddlery, La Gueras Boutique)

Other local land uses include single family and multifamily residential neighborhoods.



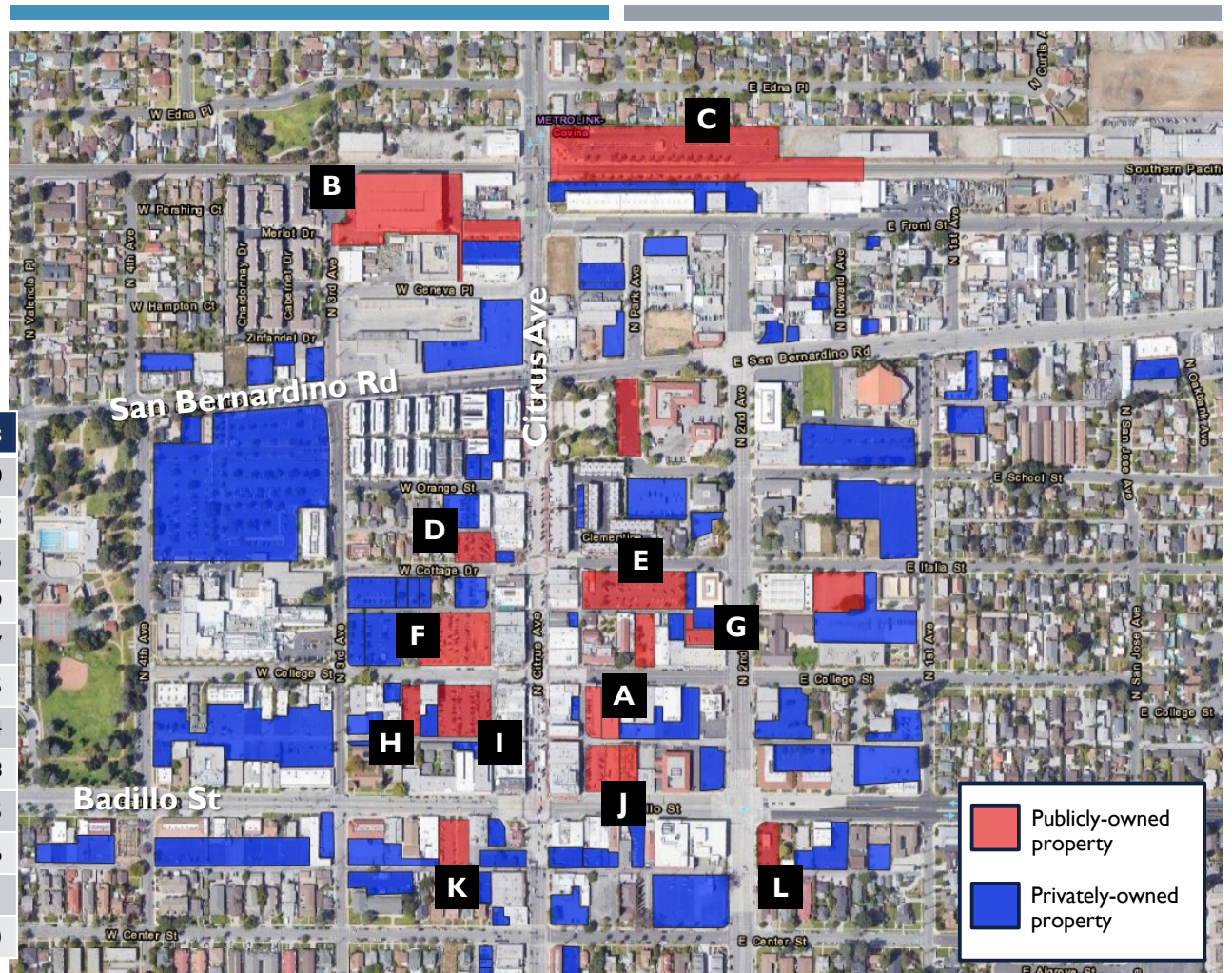
DOWNTOWN COVINA PARKING

- A 2018 Parking Study & Management Plan prepared by Nelson Nygaard for the Covina Town Center Specific Plan identified over 4,400 parking spaces - 1,520 on-street parking, 1,405 public off-street parking in public lots / structures, and ~1,390 spaces in off-street private lots.
- The Study notes that utilization averaged ~52%, with greater levels of occupancy in off-street spaces (likely due to longer time limits, indicating a high use for employee parking). Utilization exceeded 85% in the Town Center core area in Citrus Ave between College and Badillo streets.
- The Study parking demand models showed a parking surplus of ~1,400 spaces based on existing land uses. Demand models that included future development still showed an excess of ~700 spaces on weekdays and ~380 spaces on weekends.
- While parking issues are common in downtown areas – suggesting issues are more a matter of parking space distribution, pricing, accessibility, and wayfinding.
- This also suggests that some of the area dedicated to parking in the downtown Covina area could be utilized with more commercial outdoor uses without heavily impacting the availability of parking.

OFF-STREET PARKING AREAS

The downtown area has a number of publicly- and privately-owned paved parking lots located near the major commercial corridors. Surface parking are dead-zones for pedestrian activity and strategies that allow some of these parking areas to be re-used as parklets / outdoor dining / other uses can help bring new and vibrant activity to the downtown.

	Name	Spaces
A	Downtown Parking Structure	120
B	Metrolink Parking Structure	665
C	Metrolink Station Lot	155
D	Lot 1	39
E	Lot 3	107
F	Lot 4	115
G	Lot 5	14
H	Lot 6	28
I	Lot 7	95
J	Lot 8	36
K	Lot 9	31
L	Lot 10	(leased to Bank of America)



COVINA CASMCP STUDY AREA

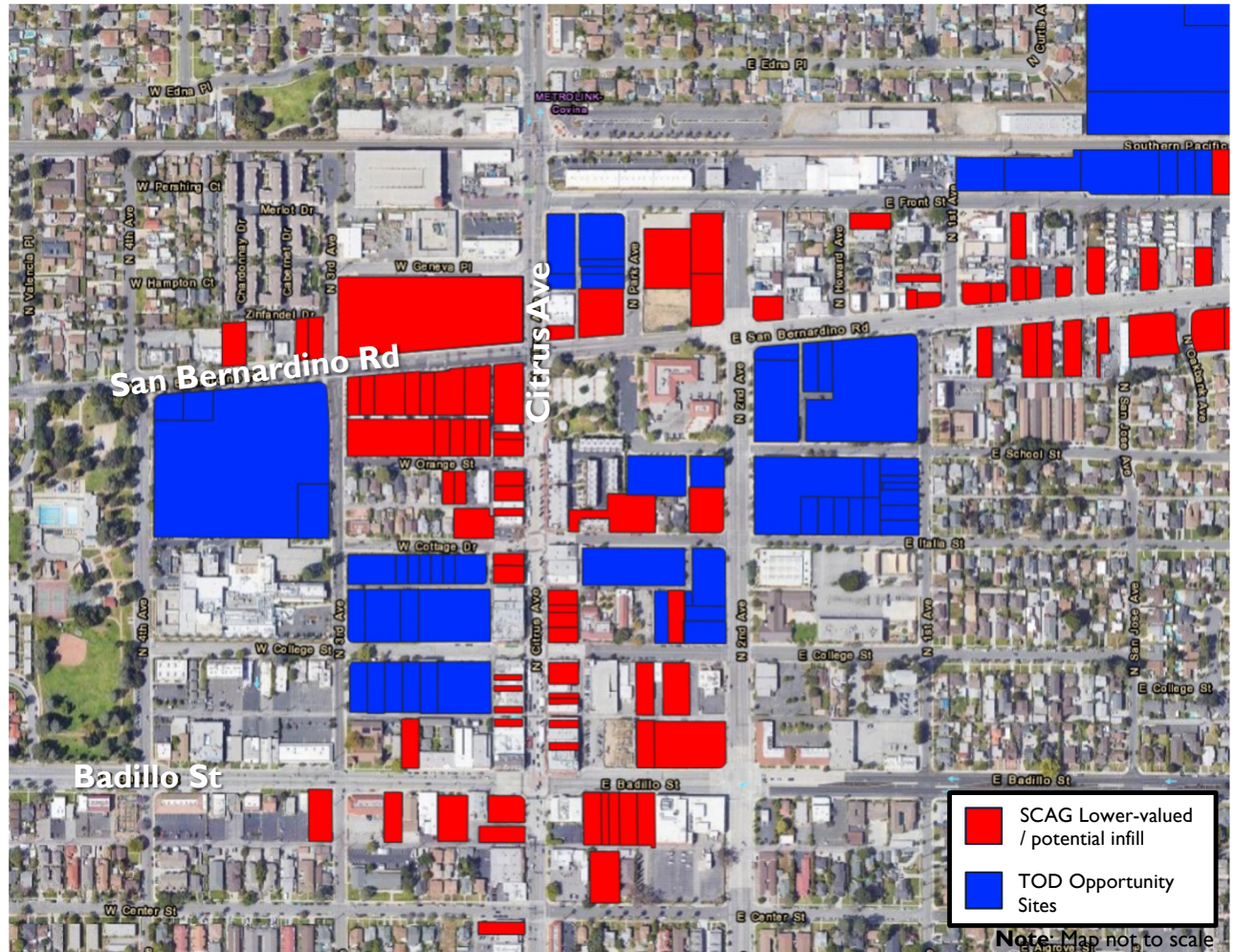
COMMERCIAL/RETAIL POTENTIAL DEVELOPMENT

SCAG's Housing Element Parcel Tool (HELPR) identifies commercial/retail sites that have a ratio of improvement value to land assessed value less than 1.0, indicating non-vacant sites that have realistic infill development potential.

The Transit Oriented Development Opportunity Sites were identified in the project's RFP as locations with development potential.



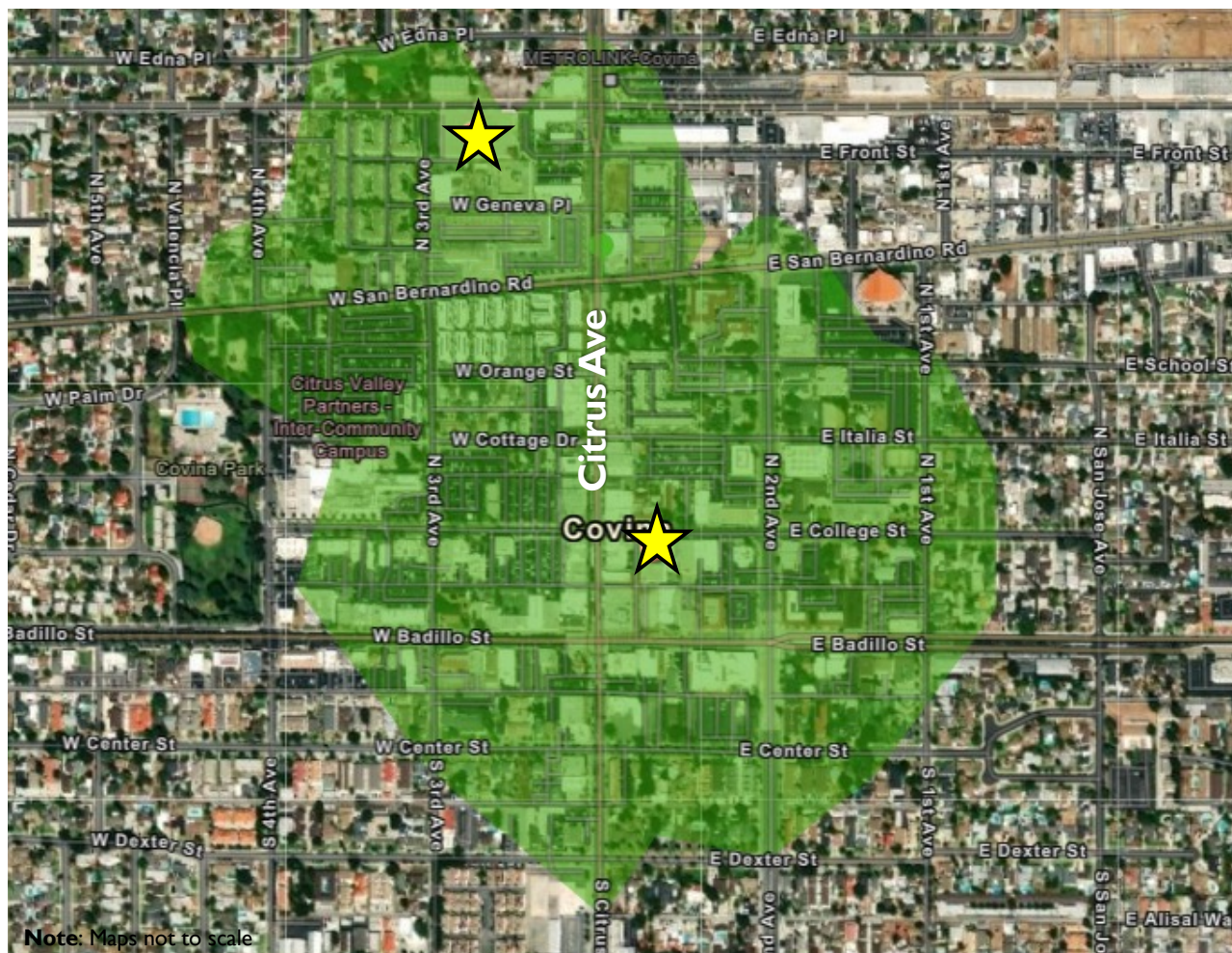
Source: ESRI BAO Online, SCAG, City of Covina



KOSMONT COMPANIES

WALK DISTANCE FROM COVINA PARKING STRUCTURES

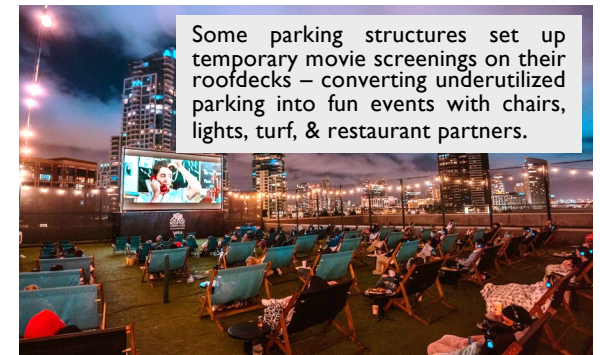
Walking distances from the Metrolink and downtown parking structures covers much of the downtown Covina area. The map at right shows the 5-minute walking distance boundary from the parking structures. This suggests the downtown area is well-served by these facilities.



REACTIVATING UNDERUTILIZED PARKING

Generally speaking, cities and property owners are exploring new uses and programming that reactivates underutilized parking space, parking lots, and parking structures:

- **Temporary reuses** for special events such as outdoor movie screenings, block parties, farmers markets, and craft fairs
- **Short-term reuses** such as parklets that allow for extra outdoor seating for dining, music performance spaces, gardens, waiting areas, or retail display tables
- **Semi-permanent reuses** such as converting parking garage roofs into “people decks” that provide spaces for people to gather / relax / socialize, and façade revisions that reactivate the sides of structures that face the street (enlivening the pedestrian experience in the area with micro-retail and art)



Some parking structures set up temporary movie screenings on their roofdecks – converting underutilized parking into fun events with chairs, lights, turf, & restaurant partners.



Parklets have become a popular way to convert street parking spaces and other paved areas into outdoor dining areas, miniature parks / gardens, and other vibrant uses that encourage visits.

TRANSIT / ACTIVE TRANSPORTATION & ECONOMIC DEVELOPMENT

The CASMCP Market Study Task 2 completed by Kosmont in November 2022, provided a number of case studies that explored the economic impacts of active transportation improvements. The summary provided below highlights the way cities most recently have developed ED strategies improving pedestrian activity in a downtown area, improving vibrancy and business activity, as e-commerce and Covid-19 trends dramatically changed personal shopping habits.

The addition of bike lanes / pedestrian areas in commercial corridors is sometimes met with apprehension from local businesses, who are concerned about negative economic impacts due to the loss of parking in front of their businesses. However, in a variety of case studies from other cities, pedestrian and bike improvements have been analyzed to understand their economic impact – in most cases, these studies tend to show either a neutral or positive impact on the vitality of retail businesses on streets impacted by road diets.

Key findings include:

- Bicyclists and pedestrians can be a sizable portion of a businesses' clientele in a downtown area; while their per-trip spending can be lower than that of customers who drive, they tend to make a larger number of trips
- Merchants in downtown areas tend to over-estimate the percentage of their customers who come via car and underestimate the percentage who bike or walk, thus over-estimating the impact of lost parking
- Non-drivers can spend a long amount of time in a downtown area, likely leading to greater spending within the downtown district (and additional spending at locations other than their primary destination)

ECONOMIC DEVELOPMENT & PLACEMAKING

Programming downtown areas via the use of micro-districts can encourage nodes of focused business activity that promote collaboration and innovation – such as areas focused on arts / entertainment, hospitality, office, health / wellness, and dining / restaurants.

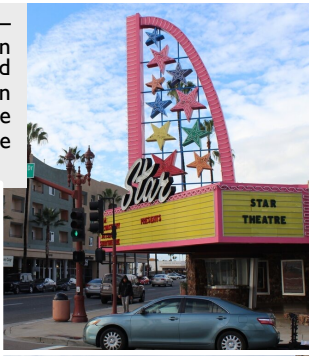
While downtown areas should still aim to integrate many different uses in mixed/blended-use districts, micro-districts that place emphasis on particular themes can help business clusters to thrive and improve the overall downtown experience.

- **Entertainment / Arts Districts:** Focused on cultural and recreational amenities, such as theaters, music venues, art galleries, and experiential activities. These districts can attract residents and tourists and create a vibrant and lively urban environment. Districts can focus on supporting the development of new facilities / venues / restaurants to revitalize the area and attract new visitors.
- **Medical Districts :** Focused on health / wellness uses such as hospitals, medical office buildings, fitness centers / gyms, healthy restaurants, specialty care services, and urgent care facilities. Other uses – such as residential / hotel and restaurant / entertainment – can create a more vibrant and dynamic district. These districts provide vital services for community members, as well as attracting activity from nearby communities seeking care.
- **Restaurant Districts:** Focused on restaurants, bars, cafes, and food-related amenities as well as entertainment. These districts can create a vibrant and lively urban environment that is desirable to residents, workers, visitors, and tourists.

PLACEMAKING THROUGH DISTRICT EVENTS



Distinctive signs – such as the neon signs in Fillmore and the Star Theatre in Oceanside – can give an area a distinctive sense of place.



Events like the CicLAvia bike / walk fairs in Los Angeles and the Mission Inn Festival of Lights in Riverside, CA are memorable and engaging activations of public spaces.

Murals in downtown Providence, RI add character and highlight local artists and themes.



The Temecula Valley Hospital is a 140-bed acute care facility that anchors a growing district of other medical centers, offices, and clinics – as well as medical training programs at the High Desert Medical College and California State University of San Marcos @ Temecula. This medical district is also situated near other uses such as retail shopping centers, driving economic activity in the area.

PEDESTRIAN-CENTRIC AREAS IN DOWNTOWN

Pedestrian-oriented design and public spaces help activate downtown districts through vibrant / engaging activity.

Even before Covid-19 pandemic, increasing the amount of public space dedicated to pedestrians became popular, with many cities allowing parking spaces, sidewalks, and roadways to be used for commercial activity.

Many cities have found these changes have contributed to more vibrant and enjoyable commercial districts and have found ways to make some of these changes permanent.



Components of Successful Pedestrian-Oriented Downtown Areas

Anchors	Nearby anchor institutions help drive foot traffic throughout the day, such as universities, transit hubs, office/financial core, or medical centers.
Variety of Uses and Services	Downtowns need a vibrant mix of active uses: retail, residential, & commercial; late-night services (bars & restaurants, movie theater) to attract crowds all day; convenience-related businesses, unique shopping experiences, entertainment attractions, programming/public events; balance of chains & independents, retail & restaurants, indoor & outdoor.
Amenities	Attractive landscaping (parklets, gardens, fountains, monuments), public art, outdoor dining, public tables / chairs, stages, artists, and vendors
Programming	Festivals, concerts, sports, food trucks, performers drive vibrancy and create a sense of place and destination
Accessibility, Walkability, and Visibility	Centralized parking allows convenient access to visitors; successful pedestrian-oriented downtown areas need to be easily reachable and accessible, with numerous entrances, cross-streets, nearby parking, public transit. They should also incorporate walkable neighborhood structures, amenities, and visible interest. Visibility of the pedestrian areas should not be overly blocked by buildings or landscaping.
Management	Coordinated activities can ensure area management / maintenance; dedicated agency/business improvement district to oversee maintenance, security, planning, programming, retail mix, etc.

IMPLEMENTING TEMPORARY PEDESTRIAN MALLS

While downtown Covina is not suited for full pedestrian mall street closures, some temporary closure concepts and other pedestrian-oriented changes may be strategies that can activate the downtown area.

This would include closing portions of side streets for special events (weekend block parties, farmers markets, outdoor festivals), building parklets, encouraging outdoor dining on sidewalks / patios / parking areas.

Partial closures and events are a good way to test concepts, assess conditions, clarify goals, and build community support for further changes.

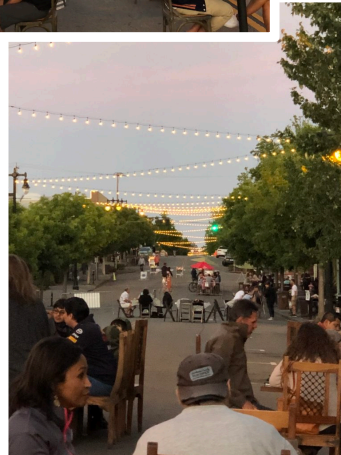
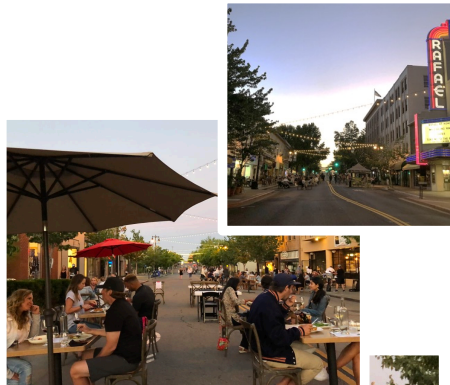
Best Practices – Creating Pedestrian Areas

Step 1	Car Dependency	Ensure that there are nearby parking alternatives with proper wayfinding. Reliance on cars can be hard to assess without testing the concept temporarily.
Step 2	Pedestrian Mall Concept Testing	Start by closing streets for a few days (a holiday; a regular weekend day; a whole weekend, etc), treating each as a test..
Step 3	Temporary Closure	First use temporary materials: barricades, epoxy gravel, potted plants, small trees, movable tables and chairs.
Step 4	Adding Permanence	If it works well, can shift to permanent plants / trees / fixtures. Focus on programming. Partner with key institutions, strategically locate equipment needed for targeted activities. Resist adding immovable barriers.

PEDESTRIAN-ORIENTED DOWNTOWN DISTRICTS CASE STUDIES

During the COVID-19 pandemic, San Rafael initiated a “Streetary” program that expanded outdoor dining in the downtown area into street parklets. Due to the program’s popularity, in December 2022, the City decided to continue the program, instituting design / development standards and fees and opening up the program to all dining establishments in the City.

The City also runs Dining Under the Lights block parties on Thursday / Fridays that temporarily close a portion of the main street (4th Street), allowing restaurants to set up larger outdoor dining areas, bands to play on stages, and retailers / vendors to set up outdoor displays.



Ventura closed five blocks of Main Street in downtown Ventura during the pandemic as part of its Main Street Moves program to create a pedestrian-friendly area with outdoor dining and patios. The city provides free parking as well as expanded bike parking.

In April 2022, the City Council voted to extend the closure through June 2024 while the City explores the possibility of making the changes permanent.



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